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UNITED STATES OF AMERICA

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 100th CONGRESS
FIRST SESSION

## VOLUME 133—PART 16

JULY 30, 1987 TO AUGUST 6, 1987
(PAGES 21579 TO 23020)

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United States
*of* America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE *100th* CONGRESS, FIRST SESSION

## HOUSE OF REPRESENTATIVES—*Thursday, July 30, 1987*

The House met at 10 a.m.

Rev. Dr. R. Earle Rabb, Trinity United Methodist Church, Palm Beach Gardens, FL, offered the following prayer:

Almighty God, who guided our forefathers to believe that the varied people of this land might become one nation, indivisible, with liberty, and justice for all: Grant that those who govern us and those who legislate for us may be of one mind to establish justice and promote the welfare of all our people. Endow all Members of Congress with a right understanding, pure purposes, and sound speech. Enable them to rise above all self-seeking and party zeal to the nobler concerns of public good and human brotherhood.

Bless our dear country that it may be a blessing to the world. Make us instruments of peace in this turbulent world. As we pray for all nations, help us to think today about what we can do to fulfill the dream of peace on Earth, good will among men, in Your name. Amen.

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### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BUECHNER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BUECHNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will inform absent Members.

The vote was taken by electronic device, and there were—yeas 288, nays 105, not voting 40, as follows:

[Roll No. 291]

YEAS—288

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Baker
Barnard
Bartlett
Bateman
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Bruce
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kolter
Kostmayer
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
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Livingston
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martinez
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Mavroules
Mazzoli
McCloskey
McCurdy
McEwen
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Patterson
Pease
Pelosi
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Purcell
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Rinaldo
Ritter
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Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
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Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—105

Armey
Badham
Ballenger
Bilirakis
Bliley
Boehlert
Bonker
Boulter
Brown (CO)
Buechner
Bunning
Burton
Chandler
Cheney
Clay
Coble
Coughlin
Courter
Craig
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fields
Gallegly
Gallo
Gekas
Goodling
Gregg
Hansen
Hastert
Henry
Herger
Hiler
Hopkins
Inhofe
Ireland
Jacobs
Kolbe
Konnyu
Kyl
LaFalce
Lagomarsino
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McCollum
McGrath
McMillan (NC)
Michel
Miller (OH)
Molinari
Moorhead
Morella
Nielson
Oxley
Parris
Pashayan
Penny
Quillen
Ridge
Roberts
Rogers
Roth
Roukema
Saiki
Saxton
Schroeder
Schuette
Sensenbrenner
Sikorski
Skeen
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Swindall
Thomas (CA)
Upton
Walker
Weber
Weldon
Whittaker
Wolf
Young (AK)

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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NOT VOTING—40

Barton
Bates
Bentley
Boner (TN)
Brown (CA)
Bryant
Chappell
Crane
Daniel
Dickinson
Dixon
Dymally
Ford (TN)
Frenzel
Gephardt
Gingrich
Gray (IL)
Hammerschmidt
Hawkins
Hubbard
Hunter
Johnson (CT)
Kasich
Kemp
Kennelly
Kleczka
Latta
Lott
Martin (NY)
McDade
Morrison (CT)
Nichols
Roemer
Rowland (CT)
St Germain
Tauzin
Torres
Vucanovich
Williams
Wilson

☐ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

### WELCOMING DR. RABB

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, I ask my fellow Members to please join me in welcoming Dr. R. Earle Rabb, our guest chaplain today.

My good friend Dr. Rabb is senior pastor of Trinity United Methodist Church in Palm Beach Gardens, FL.

Dr. Rabb is a 1961 graduate of the University of Florida and a 1964 graduate of the Theological School of Drew University.

In 1980, 4 years after his assignment to Trinity United Methodist Church, Dr. Rabb received his doctor of ministry degree from Drew University.

Under his leadership the membership at Trinity has grown from 1,000 members to more than 2,100.

Trinity has grown in many other areas under Dr. Rabb's guidance. The church is consistently in the top 25 of all churches in the Florida Conference. Four missionaries receive partial support and short-term mission volunteer teams continue to go out from Trinity on a variety of projects both in and out of the United States.

Dr. Rabb is a man of vision and strong leadership. He cares deeply about his family, his congregation, and his community. I would be remiss if I didn't mention his lovely wife Phyllis and their children Steve, Cheryl, and Lisa.

It is indeed a pleasure to have Dr. Rabb here to help begin our day.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 348. An act to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive service; and

H.R. 921. An act to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over national park system units.

### THE REAL CAUSE OF UNREST IN CENTRAL AMERICA IS POVERTY, DISEASE, AND ILLITERACY, NOT A MARXIST MINIPOWER

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, I rise in opposition to U.S. aid to the Contras, which has already cost over $1 billion. We are now improving our relationships with the Soviet Union. We have an arms control agreement in sight. We see wheat deals that allow the American consumer to subsidize the Soviet consumer. We see the Bolshoi Ballet here in Washington.

With regard to the People's Republic of China, we are now selling them sophisticated military equipment.

I just have one question: If we can handle the Communist superpowers, then why are we so afraid of a Marxist minipower in Central America?

The real cause of unrest in Central America is poverty, disease, and illiteracy. The United States has the technology, it has the compassion and it has the capital necessary to fight these.

If we are really interested in fighting the forces that are needed to develop the developing world, then we can invest in the people of Central America, not the fighting machines of Central America.

### INTRODUCTION OF LEGISLATION TO REPEAL THE BUDGET ACT AND GRAMM-RUDMAN-HOLLINGS ACT

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, there are 18 legislative days left before the start of the fiscal year. Only eight appropriations bills have passed the House, and not a single one has been marked up in the Senate.

In September this House will consider the biggest continuing resolution in history. That CR grows with every day that passes without action on appropriation bills.

We will start the new fiscal year with a deficit estimated at $181 billion. That deficit grows with every day that passes without legislative action to control spending or raise revenues.

We are paralyzed by budget resolutions, reconciliation instructions, Gramm-Rudman fixes, and all of the other procedural gimmicks that we have constructed to avoid real legislative choices.

When we are not busy legislating, we hold meetings on budget reform—which means more procedural gimmicks—and we forget that the Budget Act and Gramm-Rudman were reforms when we passed them.

These reforms are directly responsible for large deficits and big CR's.

Next week I will propose a real reform by introducing a bill to repeal the Budget Act and the Gramm-Rudman-Hollings Act.

If you want Congress and the President to deal directly with the deficit—without Mickey Mouse as a referee—then I invite you to join me as a consponsor.

☐ 1030

### A SALUTE TO THE SALT LAKE CITY TRAPPERS

(Mr. OWENS of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of Utah. Mr. Speaker, last Saturday night, history was made in Salt Lake City. A sellout crowd witnessed a historic moment in professional sports. The Salt Lake Trappers, barely 3 years old as a baseball team, and not affiliated with any major league team, won its 28th game and have since increased this record to 29 straight games. Until Saturday evening, the Baltimore Orioles have held the record of 27 wins since 1921. So the Salt Lake Trappers have broken a 66-year-old record in professional baseball.

We salute Ron Sabala, Bill Murray, and the other owners as well as manager-coach Jim Gilligan and the all-star team of players, Utah athletes who have genuinely distinguished themselves and have made us proud.

### PROPOSED LEGISLATION WOULD IMPROVE SURPLUS COMMODITY DISTRIBUTION

(Mr. RIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIDGE. Mr. Speaker, let me say to my colleagues today that I will be introducing legislation to improve surplus commodity distribution to those most in need. We must renew our efforts to eliminate the disgrace of hunger in the world's wealthiest nation. Last year, while countless Americans went without adequate nutrition, 600 million pounds of cheese were available in federally supported warehouses, all of which could and should have been distributed to the poor and to emergency feeding organizations around the country.

My bill would allow food banks a greater role in distributing these commodities to those in need. Food banks already provide centralized accountability and management, and through their network of emergency feeding organizations, can distribute commodities to needy Americans in a prompt and efficient manner.

Section 1 of the bill reestablishes the food bank special nutrition project, which allows food banks to receive and distribute surplus commodities. This program proved to be very effective from 1982 through 1984. Although authority for this project has never ceased, the Department of Agriculture no longer operates it; my legislation reestablishes the project.

Section 2 of the bill will also allow at least one food bank demonstration project in each Federal region. Under this project, food banks could provide and redistribute section 32 commodities to needy individuals and families. Thus pasta, meat, poultry, flour, rice, and honey would reach those in need.

Food banks have a much higher level of accountability and superior management skills than are now practiced in the TEFAP Program. We should seize this opportunity to take advantage of the proven network already in place to improve the distribution of surplus commodities and feed the hungry of this Nation.

### PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES FOR FISCAL YEAR 1988

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight. Thursday, July 30, 1987, to file a privileged report on a bill making appropriations for the Department of Labor, the Department of Health and Human Services, and the Department of Education, and related agencies, for the fiscal year ending September 30, 1988, and for other purposes.

Mr. CONTE reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

### THE GOAL OF IMPROVED READINESS IN THE ARMED FORCES

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, we are facing a defense problem of increasing magnitude—and it is one that we cannot afford to overlook. Since 1981, the administration has put tremendous emphasis on RDT&E and procurement of new major weapons systems. I have supported most of these systems, but they will be worth our huge investment only if we provide the backup necessary to make them work.

Along with our 600-ship Navy, 37 tactical fighter wings, and 675 Apache attack helicopters, come challenges associated with new and complex weapon systems. To meet them, we are going to have to make some changes in the area of logistics.

The priority given to modernization over readiness has been apparent throughout the Reagan administration. Funding for investment has grown in real terms by 44 percent, while funding for support programs increased by only 13 percent. The tremendous growth in investment spending made new weapons systems possible. But now we need ammunition, spare parts, personnel, and operations and maintenance funding to make them work.

Many of our Air Logistics Command centers, such as Tinker Air Force Base in Oklahoma, simply don't have adequate funding to do the job that they are directed to do. The manpower, parts and spares they need to ready the fighters and bombers we depend on are not always available.

Mr. Speaker, high procurement spending doesn't necessarily mean high readiness. If we want a complete and capable Armed Forces structure, now is the time to concentrate on readiness and support.

### INTRODUCTION OF LEGISLATION TO INSURE KUWAIT'S COOPERATION IN MINESWEEPING EXERCISES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I do not know how many of the Members are following the dynamics in the Persian Gulf, but America is sending eight minesweeping helicopters into the gulf to continue to try and protect our fighting men and our escorts.

Now, be advised that with all of this we are protecting Kuwaiti oil shipments. They have said they are not responsible and they will not allow our helicopters to land on their soil, and we have to service those helicopters from the Indian Ocean.

Mr. Speaker, this is an outrage. We spend $40 million to protect oil for nations all over the world. This is mainly to Kuwait's interest, and they will not even cooperate.

Yesterday I introduced H.R. 3039. It has 40 cosponsors, and it says, right to the point, that if Kuwait does not cooperate to help us protect the safety of our troops and their oil, we will take our flags off their tankers.

Mr. Speaker, I think that is the type of thing our body should be doing because we have become the laughing stock of the international community.

### CONTRAS STILL BEHAVING LIKE LOSERS

(Mr. WHEAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHEAT. Mr. Speaker, in the near future the Congress does face difficult decisions in Nicaragua. The Sandinistas, certainly nobody's angels, are not every Nicaraguan's idea of good government. But in the battle for the hearts and minds of the Nicaraguan people, the Contras are still losers. Why? Consider their recruiting tactics.

If you're a Contra, drop in on an unsuspecting campesino and eat what little food he has. Establish your democratic credentials by getting violent with his family. In exchange, allow the eager campesino the chance to be a human land mine—let him walk the point of your brave Contra platoon. If he fails to detonate, send him home, but take his son with you. After all, you're not a Marine recruiter looking for a "few good men." You're a Contra recruiter—you'll settle for a "few good boys."

Sound like fiction? Ask the 13-year-old boy I met in a Nicaraguan Contra camp. He was no fiction. He was a Contra.

### LT. COL. JAMES BASILE

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, our country has suffered the loss of a distinguished and dedicated military officer.

U.S. Air Force Lieutenant Colonel James "Jim" Basile of Topeka, KS, was killed July 15 in a helicopter crash near San Salvador while serving as deputy group commander of the United States Southern Command in El Salvador.

The tragic accident, which claimed the lives of five other American servicemen, occurred during a flight in bad weather to pick up a wounded American military adviser.

A dedicated man, he endured separation from his family and friends, and the dangers of being in Central America to serve his country.

And he served his country with courage and commitment.

His long military career was marked with distinction.

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Because of his outstanding contributions and accomplishments in the U.S. military, his family has been presented with a Distinguished Service Medal in his honor. The award is a superior service award and is the highest award given by the U.S. Defense Department in peacetime.

Lieutenant Colonel Basile's death is not only a loss to those who knew him, but to our country as well.

His dedication to protecting our basic freedoms is a proud, strong symbol of what is best in America. His loss of life while doing so is a poignant reminder of why these freedoms must never be taken for granted.

I extend my deepest sympathies to Lieutenant Colonel Basile's wife, Janie, and his three children, Anne, Steve, and David and his entire family.

## CONGRESSIONAL CALL TO CONSCIENCE FOR SOVIET JEWS

(Mr. ANDREWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, today, I join with my colleagues on both sides of the aisle in support of the call to conscience for Soviet Jews. As a member of the Congressional Caucus on Soviet Jewry, I am proud to hear so many Members of Congress keeping the hope alive for the hundreds of thousands of refuseniks in the Soviet Union.

This year has seen much success. So far, over 3,000 Soviet Jews have emigrated. The new era of glasnost in the Soviet Union offers the prospect of new opportunities for Soviet Jews. But despite these new opportunities, old problems remain.

No one can teach us the course for the future better than the recent emigrants. They have had to overcome accusations of holding state secrets when they have never had access to state secrets. They have been forced to leave children, parents, and spouses behind.

The Soviet Union has much progress to make before our vigil ends. I remain personally committed to Vladimir and Karmella Raiz. Their family has been continually denied exit visas since 1972.

Vladimir, a molecular biologist, and Karmella, a concert violinist, have been subject to many injustices. They have been the targets of slander in the Soviet press, have had personal property confiscated, and have lived under virtual house arrest.

I hope that the Soviet Union will recognize the plight of the Raizes and the other refuseniks that remain.

□ 1045

## HOSPITAL-BASED RISK MANAGEMENT—A COMPONENT OF THE MALPRACTICE SOLUTION

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, as the headlines from Dade County remind us, the medical malpractice crisis is far from over.

In June, GAO finished a 2-year study I commissioned on the malpractice problem, and they came out with a series of recommendations. The GAO, Mr. Speaker, advocates a broad-based approach to solving the medical malpractice problem—physicians, lawyers, insurers, and consumers must leave the field of combat and work together.

One component of that solution is hospital-based risk management programs. Since four out of five malpractice claims arise out of a hospital incident, the hospital is the logical place to establish such systems. Risk management serves as an early warning system within the hospital while providing a data base to point out possible problem areas. Computerized risk management systems that provide for incident screening, occurrence reporting, and specialized claim studies; and that educate providers on acceptable quality of care, and minimize the possiblity of malpractice are a critical component of the solution to the malpractice crisis. Such systems should be mandatory.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McCURDY). The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill and joint resolution on Wednesday, July 29, 1987:

H.R. 3022. An act to provide for a temporary extension of the public debt limit; and

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day."

## PRIVILEGES OF THE HOUSE—RETURNING TO THE SENATE THE BILL S. 829

Mr. ROSTENKOWSKI. Mr. Speaker, I rise to a question of the privileges of the House, and I send to the desk a privileged resolution (H. Res. 235) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 235

*Resolved*, That the bill of the Senate (S. 829) to authorize appropriations for the United States International Trade Commission, the United States Customs Service, and the Office of the United States Trade Representative for fiscal year 1988, and for other purposes, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill he respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER pro tempore. The resolution presents a question of privilege, and the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 1 hour.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 235 is a simple resolution returning the Senate bill, S. 829, to the Senate because it contravenes the constitutional requirement that revenue measures originate in the House of Representatives. S. 829, which passed the Senate on March 30, 1987, is a bill to authorize appropriations for the U.S. Customs Service, the International Trade Commission, and the Office of the U.S. Trade Representative. Standing alone these authorizations do not constitute revenue measures. However, the Senate added as a floor amendment a provision relating to imports from the Soviet Union which amends current provisions of the Tariff Act of 1930. This change in our tariff laws does constitute a revenue measure in the constitutional sense.

While the House, by adopting this resolution, will preserve its prerogative to originate such matters, I want to make it clear to all Members that our action does not constitute a rejection of the Senate bill on its merits. In fact, the Committee on Ways and Means has approved the agency authorizations in question as part of the budget reconciliation process, while the Senate has added them as amendments to the House-passed trade bill. Our action today merely indicates that the appropriate procedure for dealing with tariff matters that affect revenues is for the House to act first on a revenue vehicle and the Senate to add its amendments and seek a conference. In fact, the omnibus trade bill, H.R. 3, does contain numerous changes in tariffs, and it would be appropriate to take up such matters in the course of our conference on that bill.

Mr. Speaker, I urge adoption of this resolution.

Mr. Speaker, I yield to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the motion offered by the gentleman from Illinois to return S. 829 to the other body. Section 5 of this measure prohibits the importation of gold ore, agricultural machinery, tractor generators, tea, crude petroleum, motor fuel, and kerosene from the U.S.S.R. on the

grounds that these items are produced by indentured labor.

Duties on these products, which are assessed under column two of the tariff schedules, are relatively high. Thus, the measure would result in a significant loss of revenue to the U.S. Treasury. The Parliamentarian has ruled that, under the Constitution, such a measure should originate in this body.

Mr. Speaker, all of the issues raised by S. 829 have been included in H.R. 3, as passed by the Senate, and thus will be part of the upcoming conference on omnibus trade legislation. Therefore, I urge my colleagues to support the motion offered to return S. 829 to the other body in order to preserve the prerogatives of this House on matters relating to revenue.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## MEDICARE AND MEDICAID PATIENT AND PROGRAM PROTECTION ACT OF 1987

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1444) to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions to those programs, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert:

*SECTION 1. SHORT TITLE; REFERENCES IN ACT; TABLE OF CONTENTS.*

*(a) SHORT TITLE.—This Act may be cited as the "Medicare and Medicaid Patient and Program Protection Act of 1987".*

*(b) AMENDMENTS TO THE SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.*

*(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:*

*Sec. 1. Short title; references in Act; table of contents.*
*Sec. 2. Exclusion from medicare and State health care programs.*
*Sec. 3. Civil monetary penalties.*
*Sec. 4. Criminal penalties for acts involving medicare and State health care programs.*
*Sec. 5. Information concerning sanctions taken by State licensing authorities against health care practitioners and providers.*
*Sec. 6. Obligation of health care practitioners and providers.*
*Sec. 7. Exclusion under the medicaid program.*
*Sec. 8. Miscellaneous and conforming amendments.*
*Sec. 9. Clarification of medicaid moratorium provisions of Deficit Reduction Act of 1984.*
*Sec. 10. Limitation of liability of medicare beneficiaries with respect to services furnished by excluded individuals and entities.*
*Sec. 11. Definition of person with ownership or control interest.*
*Sec. 12. Conditional approval of renal dialysis facilities.*
*Sec. 13. Amendment relating to fraud involving medicare supplemental insurance.*
*Sec. 14. Standards for anti-kickback provisions.*
*Sec. 15. Effective dates.*

*SEC. 2. EXCLUSION FROM MEDICARE AND STATE HEALTH CARE PROGRAMS.*

*Section 1128 (42 U.S.C. 1320a-7) is amended to read as follows:*

*"EXCLUSION OF CERTAIN INDIVIDUALS AND ENTITIES FROM PARTICIPATION IN MEDICARE AND STATE HEALTH CARE PROGRAMS*

*"SEC. 1128. (a) MANDATORY EXCLUSION.—The Secretary shall exclude the following individuals and entities from participation in any program under title XVIII and shall direct that the following individuals and entities be excluded from participation in any State health care program (as defined in subsection (h)):*

*"(1) CONVICTION OF PROGRAM-RELATED CRIMES.—Any individual or entity that has been convicted of a criminal offense related to the delivery of an item or service under title XVIII or under any State health care program.*

*"(2) CONVICTION RELATING TO PATIENT ABUSE.—Any individual or entity that has been convicted, under Federal or State law, of a criminal offense relating to neglect or abuse of patients in connection with the delivery of a health care item or service.*

*"(b) PERMISSIVE EXCLUSION.—The Secretary may exclude the following individuals and entities from participation in any program under title XVIII and may direct that the following individuals and entities be excluded from participation in any State health care program:*

*"(1) CONVICTION RELATING TO FRAUD.—Any individual or entity that has been convicted, under Federal or State law, in connection with the delivery of a health care item or service or with respect to any act or omission in a program operated by or financed in whole or in part by any Federal, State, or local government agency, of a criminal offense relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct.*

*"(2) CONVICTION RELATING TO OBSTRUCTION OF AN INVESTIGATION.—Any individual or entity that has been convicted, under Federal or State law, in connection with the interference with or obstruction of any investigation into any criminal offense described in paragraph (1) or in subsection (a).*

*"(3) CONVICTION RELATING TO CONTROLLED SUBSTANCE.—Any individual or entity that has been convicted, under Federal or State law, of a criminal offense relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.*

*"(4) LICENSE REVOCATION OR SUSPENSION.—Any individual or entity—*

*"(A) whose license to provide health care has been revoked or suspended by any State licensing authority, or who otherwise lost such a license, for reasons bearing on the individual's or entity's professional competence, professional performance, or financial integrity, or*

*"(B) who surrendered such a license while a formal disciplinary proceeding was pending before such an authority and the proceeding concerned the individual's or entity's professional competence, professional performance, or financial integrity.*

*"(5) EXCLUSION OR SUSPENSION UNDER FEDERAL OR STATE HEALTH CARE PROGRAM.—Any individual or entity which has been suspended or excluded from participation, or otherwise sanctioned, under—*

*"(A) any Federal program, including programs of the Department of Defense or the Veterans' Administration, involving the provision of health care, or*

*"(B) a State health care program,*

*for reasons bearing on the individual's or entity's professional competence, professional performance, or financial integrity.*

*"(6) CLAIMS FOR EXCESSIVE CHARGES OR UNNECESSARY SERVICES AND FAILURE OF CERTAIN ORGANIZATIONS TO FURNISH MEDICALLY NECESSARY SERVICES.—Any individual or entity that the Secretary determines—*

*"(A) has submitted or caused to be submitted bills or requests for payment (where such bills or requests are based on charges or cost) under title XVIII or a State health care program containing charges (or, in applicable cases, requests for payment of costs) for items or services furnished substantially in excess of such individual's or entity's usual charges (or, in applicable cases, substantially in excess of such individual's or entity's costs) for such items or services, unless the Secretary finds there is good cause for such bills or requests containing such charges or costs;*

*"(B) has furnished or caused to be furnished items or services to patients (whether or not eligible for benefits under title XVIII or under a State health care program) substantially in excess of the needs of such patients or of a quality which fails to meet professionally recognized standards of health care;*

*"(C) is—*

*"(i) a health maintenance organization (as defined in section 1903(m)) providing items and services under a State plan approved under title XIX, or*

*"(ii) an entity furnishing services under a waiver approved under section 1915(b)(1),*

*and has failed substantially to provide medically necessary items and services that are required (under law or the contract with the State under title XIX) to be provided to individuals covered under that plan or waiver, if the failure has adversely affected (or has a substantial likelihood of adversely affecting) these individuals; or*

*"(D) is an entity providing items and services as an eligible organization under a risk-sharing contract under section 1876 and has failed substantially to provide medically necessary items and services that are required (under law or such contract) to be provided to individuals covered under the risk-sharing contract, if the failure has adversely affected (or has a substantial likelihood of adversely affecting) these individuals.*

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"(7) FRAUD, KICKBACKS, AND OTHER PROHIBITED ACTIVITIES.—Any individual or entity that the Secretary determines has committed an act which is described in section 1128A or section 1128B.

"(8) ENTITIES CONTROLLED BY A SANCTIONED INDIVIDUAL.—Any entity with respect to which the Secretary determines that a person—

"(A)(i) with an ownership or control interest (as defined in section 1124(a)(3)) in that entity, or

"(ii) who is an officer, director, agent, or managing employee (as defined in section 1126(b)) of that entity—

is a person—

"(B)(i) who has been convicted of any offense described in subsection (a) or in paragraph (1), (2), or (3) of this subsection;

"(ii) against whom a civil monetary penalty has been assessed under section 1128A; or

"(iii) who has been excluded from participation under a program under title XVIII or under a State health care program.

"(9) FAILURE TO DISCLOSE REQUIRED INFORMATION.—Any entity that did not fully and accurately make any disclosure required by section 1124 or section 1126.

"(10) FAILURE TO SUPPLY REQUESTED INFORMATION ON SUBCONTRACTORS AND SUPPLIERS.—Any disclosing entity (as defined in section 1124(a)(2)) that fails to supply (within such period as may be specified by the Secretary in regulations) upon request specifically addressed to the entity by the Secretary or by the State agency administering or supervising the administration of a State health care program—

"(A) full and complete information as to the ownership of a subcontractor (as defined by the Secretary in regulations) with whom the entity has had, during the previous 12 months, business transactions in an aggregate amount in excess of $25,000, or

"(B) full and complete information as to any significant business transactions (as defined by the Secretary in regulations), occurring during the five-year period ending on the date of such request, between the entity and any wholly owned supplier or between the entity and any subcontractor.

"(11) FAILURE TO SUPPLY PAYMENT INFORMATION.—Any individual or entity furnishing items or services for which payment may be made under title XVIII or a State health care program that fails to provide such information as the Secretary or the appropriate State agency finds necessary to determine whether such payments are or were due and the amounts thereof, or has refused to permit such examination of its records by or on behalf of the Secretary or that agency as may be necessary to verify such information.

"(12) FAILURE TO GRANT IMMEDIATE ACCESS.—Any individual or entity that fails to grant immediate access, upon reasonable request (as defined by the Secretary in regulations) to any of the following:

"(A) To the Secretary, or to the agency used by the Secretary, for the purpose specified in the first sentence of section 1864(a) (relating to compliance with conditions of participation or payment).

"(B) To the Secretary or the State agency, to perform the reviews and surveys required under State plans under paragraphs (26), (31), and (33) of section 1902(a) and under section 1903(g).

"(C) To the Inspector General of the Department of Health and Human Services, for the purpose of reviewing records, documents, and other data necessary to the performance of the statutory functions of the Inspector General.

"(D) To a State medicaid fraud control unit (as defined in section 1903(q)), for the purpose of conducting activities described in that section.

"(13) FAILURE TO TAKE CORRECTIVE ACTION.—Any hospital that fails to comply substantially with a corrective action required under section 1886(f)(2)(B).

"(14) DEFAULT ON HEALTH EDUCATION LOAN OR SCHOLARSHIP OBLIGATIONS.—Any individual who the Secretary determines is in default on repayments of scholarship obligations or loans in connection with health professions education made or secured, in whole or in part, by the Secretary and with respect to whom the Secretary has taken all reasonable steps available to the Secretary to secure repayment of such obligations or loans, except that (A) the Secretary shall not exclude pursuant to this paragraph a physician who is the sole community physician or sole source of essential specialized services in a community if a State requests that the physician not be excluded, and (B) the Secretary shall take into account, in determining whether to exclude any other physician pursuant to this paragraph, access of beneficiaries to physician services for which payment may be made under title XVIII or XIX.

"(c) NOTICE, EFFECTIVE DATE, AND PERIOD OF EXCLUSION.—(1) An exclusion under this section or under section 1128A shall be effective at such time and upon such reasonable notice to the public and to the individual or entity excluded as may be specified in regulations consistent with paragraph (2).

"(2)(A) Except as provided in subparagraph (B), such an exclusion shall be effective with respect to services furnished to an individual on or after the effective date of the exclusion.

"(B) Unless the Secretary determines that the health and safety of individuals receiving services warrants the exclusion taking effect earlier, an exclusion shall not apply to payments made under title XVIII or under a State health care program for—

"(i) inpatient institutional services furnished to an individual who was admitted to such institution before the date of the exclusion, or

"(ii) home health services and hospice care furnished to an individual under a plan of care established before the date of the exclusion,

until the passage of 30 days after the effective date of the exclusion.

"(3)(A) The Secretary shall specify, in the notice of exclusion under paragraph (1) and the written notice under section 1128A, the minimum period (or, in the case of an exclusion of an individual under subsection (b)(12), the period) of the exclusion.

"(B) In the case of an exclusion under subsection (a), the minimum period of exclusion shall be not less than five years, except that, upon the request of a State, the Secretary may waive the exclusion under subsection (a)(1) in the case of an individual or entity that is the sole community physician or sole source of essential specialized services in a community. The Secretary's decision whether to waive the exclusion shall not be reviewable.

"(C) In the case of an exclusion of an individual under subsection (b)(12), the period of the exclusion shall be equal to the sum of—

"(i) the length of the period in which the individual failed to grant the immediate access described in that subsection, and

"(ii) an additional period, not to exceed 90 days, set by the Secretary.

"(d) NOTICE TO STATE AGENCIES AND EXCLUSION UNDER STATE HEALTH CARE PROGRAMS.—(1) Subject to paragraph (3), the Secretary shall exercise the authority under subsection (b) in a manner that results in an individual's or entity's exclusion from all the programs under title XVIII and all the State health care programs in which the individual or entity may otherwise participate.

"(2) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of each State health care program (and, in the case of an exclusion effected pursuant to subsection (a) and to which section 304(a)(5) of the Controlled Substances Act may apply, the Attorney General)—

"(A) of the fact and circumstances of each exclusion effected against an individual or entity under this section or section 1128A, and

"(B) of the period (described in paragraph (3)) for which the State agency is directed to exclude the individual or entity from participation in the State health care program.

"(3)(A) Except as provided in subparagraph (B), the period of the exclusion under a State health care program under paragraph (2) shall be the same as any period of exclusion under a program under title XVIII.

"(B) The Secretary may waive an individual's or entity's exclusion under a State health care program under paragraph (2) if the Secretary receives and approves a request for the waiver with respect to the individual or entity from the State agency administering or supervising the administration of the program.

"(e) NOTICE TO STATE LICENSING AGENCIES.—The Secretary shall—

"(1) promptly notify the appropriate State or local agency or authority having responsibility for the licensing or certification of an individual or entity excluded (or directed to be excluded) from participation under this section or section 1128A, of the fact and circumstances of the exclusion,

"(2) request that appropriate investigations be made and sanctions invoked in accordance with applicable State law and policy, and

"(3) request that the State or local agency or authority keep the Secretary and the Inspector General of the Department of Health and Human Services fully and currently informed with respect to any actions taken in response to the request.

"(f) NOTICE, HEARING, AND JUDICIAL REVIEW.—(1) Subject to paragraph (2), any individual or entity that is excluded (or directed to be excluded) from participation under this section is entitled to reasonable notice and opportunity for a hearing thereon by the Secretary to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g).

"(2) Unless the Secretary determines that the health or safety of individuals receiving services warrants the exclusion taking effect earlier, any individual or entity that is the subject of an adverse determination under subsection (b)(7) shall be entitled to a hearing by an administrative law judge (as provided under section 205(b)) on the determination under subsection (b)(7) before any exclusion based upon the determination takes effect.

"(3) The provisions of section 205(h) shall apply with respect to this section and sections 1128A and 1156 to the same extent as it is applicable with respect to title II.

"(g) APPLICATION FOR TERMINATION OF EXCLUSION.—(1) An individual or entity excluded (or directed to be excluded) from participation under this section or section 1128A may apply to the Secretary, in the manner specified by the Secretary in regulations and at the end of the minimum period of exclusion provided under subsection (c)(3) and at such other times as the Secretary may provide, for termination of the exclusion effected under this section or section 1128A.

"(2) The Secretary may terminate the exclusion if the Secretary determines, on the basis of the conduct of the applicant which occurred after the date of the notice of exclusion or which was unknown to the Secretary at the time of the exclusion, that—

"(A) there is no basis under subsection (a) or (b) or section 1128A(a) for a continuation of the exclusion, and

"(B) there are reasonable assurances that the types of actions which formed the basis for the original exclusion have not recurred and will not recur.

"(3) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of each State health care program (and, in the case of an exclusion effected pursuant to subsection (a) and to which section 304(a)(5) of the Controlled Substances Act may apply, the Attorney General) of the fact and circumstances of each termination of exclusion made under this subsection.

"(h) DEFINITION OF STATE HEALTH CARE PROGRAM.—For purposes of this section and sections 1128A and 1128B, the term 'State health care program' means—

"(1) a State plan approved under title XIX,

"(2) any program receiving funds under title V or from an allotment to a State under such title, or

"(3) any program receiving funds under title XX or from an allotment to a State under such title.

"(i) CONVICTED DEFINED.—For purposes of subsections (a) and (b), a physician or other individual is considered to have been 'convicted' of a criminal offense—

"(1) when a judgment of conviction has been entered against the physician or individual by a Federal, State, or local court, regardless of whether there is an appeal pending or whether the judgment of conviction or other record relating to criminal conduct has been expunged;

"(2) when there has been a finding of guilt against the physician or individual by a Federal, State, or local court;

"(3) when a plea of guilty or nolo contendere by the physician or individual has been accepted by a Federal, State, or local court; or

"(4) when the physician or individual has entered into participation in a first offender or other program where judgment of conviction has been withheld.".

### SEC. 3. CIVIL MONETARY PENALTIES.

(a) GROUNDS FOR IMPOSITION.—(1) Section 1128A(a)(1) (42 U.S.C. 1320a-7a(a)(1)) is amended by striking "the Secretary determines" and all that follows through "; or" and inserting "the Secretary determines—

"(A) is for a medical or other item or service that the person knows or has reason to know was not provided as claimed,

"(B) is for a medical or other item or service and the person knows or has reason to know the claim is false or fraudulent,

"(C) is presented for a physician's service (or an item or service incident to a physician's service) by a person who knows or has reason to know that the individual who furnished (or supervised the furnishing of) the service—

"(i) was not licensed as a physician,

"(ii) was licensed as a physician, but such license had been obtained through a misrepresentation of material fact (including cheating on an examination required for licensing), or

"(iii) represented to the patient at the time the service was furnished that the physician was certified in a medical specialty by a medical specialty board when the individual was not so certified, or

"(D) is for a medical or other item or service furnished during a period in which the person was excluded under the program under which the claim was made pursuant to a determination by the Secretary under this section or under section 1128, 1156, 1160(b) (as in effect on September 2, 1982), 1862(d) (as in effect on the date of the enactment of the Medicare and Medicaid Patient and Program Protection Act of 1987), or 1866(b); or".

(2) Section 1128A(a)(2) is amended—

(A) in subparagraph (B) by inserting "(or other requirement of a State plan under title XIX)" after "State agency", and

(B) by inserting at the end "or (D) an agreement pursuant to section 1866(a)(1)(G), or".

(3) Subsection (a) of section 1128A is further amended—

(A) by inserting after paragraph (2) and before the end matter of such subsection the following new paragraph:

"(3) gives to any person, with respect to coverage under title XVIII of inpatient hospital services subject to the provisions of section 1886, information that he knows or has reason to know is false or misleading, and that could reasonably be expected to influence the decision when to discharge such person or another individual from the hospital;", and

(B) in the matter following paragraph (3)—

(i) by inserting "(or, in cases under paragraph (3), $15,000 for each individual with respect to whom false or misleading information was given)" before the period at the end of the first sentence, and

(ii) by adding at the end thereof the following new sentence: "In addition the Secretary may make a determination in the same proceeding to exclude the person from participation in the programs under title XVIII and to direct the appropriate State agency to exclude the person from participation in any State health care program.".

(b) STATUTE OF LIMITATION ON ACTIONS.—Subsection (c)(1) of section 1128A (as redesignated by section 9313(c)(1)(D) of the Omnibus Budget Reconciliation Act of 1986) is amended by adding at the end the following new sentences: "The Secretary may not initiate an action under this section with respect to any claim later than six years after the date the claim was presented. The Secretary may initiate an action under this section by serving notice of the action in any manner authorized by Rule 4 of the Federal Rules of Civil Procedure.".

(c) CONFORMING AMENDMENT.—Subsections (c), (d), (g), and (h) of section 1128A are each amended by striking "penalty or assessment" and inserting "penalty, assessment, or exclusion" each place it appears.

(d) PRO-RATED PAYMENT OF RECOVERIES TO STATE AGENCIES.—Subsection (f)(1)(A) of section 1128A is amended by striking "equal to the State's share of the amount paid by the State agency" and inserting "bearing the same proportion to the total amount recovered as the State's share of the amount paid by the State agency for such claim bears to the total amount paid".

(e) NOTICE TO STATE AGENCIES.—Subsection (h) of section 1128A is further amended by inserting "the appropriate State agency or agencies administering or supervising the administration of State health care programs (as defined in section 1128(h))," after "professional organization,".

(f) APPLICATION OF SUBPOENA POWER AND INJUNCTIVE POWERS.—Section 1128A is further amended by adding at the end the following new subsections:

"(j) The provisions of subsections (d) and (e) of section 205 shall apply with respect to this section to the same extent as they are applicable with respect to title II. The Secretary may delegate the authority granted by section 205(d) (as made applicable to this section) to the Inspector General of the Department of Health and Human Services for purposes of any investigation under this section.

"(k) Whenever the Secretary has reason to believe that any person has engaged, is engaging, or is about to engage in any activity which makes the person subject to a civil monetary penalty under this section, the Secretary may bring an action in an appropriate district court of the United States (or, if applicable, a United States court of any territory) to enjoin such activity, or to enjoin the person from concealing, removing, encumbering, or disposing of assets which may be required in order to pay a civil monetary penalty if any such penalty were to be imposed or to seek other appropriate relief.".

### SEC. 4. CRIMINAL PENALTIES FOR ACTS INVOLVING MEDICARE AND STATE HEALTH CARE PROGRAMS.

(a) TECHNICAL AMENDMENTS.—Section 1909 (42 U.S.C. 1396h) is amended—

(1) by amending the heading to read as follows:

"CRIMINAL PENALTIES FOR ACTS INVOLVING MEDICARE OR STATE HEALTH CARE PROGRAMS";

(2) in subsection (a)(1), by striking "a State plan approved under this title" and inserting "a program under title XVIII or a State health care program (as defined in section 1128(h))";

(3) in the matter in subsection (a) following paragraph (4), by striking "this title" the first place it appears and inserting "the program";

(4) in the last sentence of subsection (a), by striking "this title" the first place it appears and inserting "title XIX", and by striking "this title" the second place it appears and inserting "that title";

(5) in paragraphs (1)(A), (1)(B), (2)(A), (2)(B), and (3)(A) of subsection (b), by striking "this title" and inserting "title XVIII or a State health care program" each place it appears;

(6) in subsection (b)(3)—

(A) by striking "and" at the end of subparagraph (A),

(B) by striking the period at the end of subparagraph (B) and inserting "; and", and

(C) by adding at the end the following:

"(C) any amount paid by a vendor of goods or services to a person authorized to act as a purchasing agent for a group of individuals or entities who are furnishing services reimbursed under title XVIII or a State health care program if—

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"(i) the person has a written contract, with each such individual or entity, which specifies the amount to be paid the person, which amount may be a fixed amount or a fixed percentage of the value of the purchases made by each such individual or entity under the contract, and

"(ii) in the case of an entity that is a provider of services (as defined in section 1861(u)), the person discloses (in such form and manner as the Secretary requires) to the entity and, upon request, to the Secretary the amount received from each such vendor with respect to purchases made by or on behalf of the entity.";

(7) in subsection (c), by striking "or home health agency (as those terms are employed in this title)" and inserting "home health agency, or other entity for which certification is required under title XVIII or a State health care program"; and

(8) in subsection (d), by striking "this title" and inserting "title XIX" each place it appears.

(b) CRIMINAL PENALTIES FOR PHYSICIAN MISREPRESENTATIONS.—Subsection (a) of such section is further amended—

(1) by striking "or" at the end of paragraph (3),

(2) by inserting "or" at the end of paragraph (4), and

(3) by inserting after paragraph (4) the following new paragraph:

"(5) presents or causes to be presented a claim for a physician's service for which payment may be made under a program under title XVIII or a State health care program and knows that the individual who furnished the service was not licensed as a physician,".

(c) REDESIGNATION OF SECTION 1877(d) AS SECTION 1128B(e).—Subsection (d) of section 1877 (42 U.S.C. 1395nn) is redesignated as subsection (e) and is transferred and inserted in section 1909 at the end thereof.

(d) REDESIGNATION OF SECTION 1909 AS SECTION 1128B.—Section 1909, as amended by subsections (a), (b), and (c) of this section, is redesignated as section 1128B and is transferred to title XI and inserted immediately after section 1128A.

(e) REPEAL.—Section 1877 (other than subsection (d) thereof which was transferred under subsection (c) of this section) is repealed.

### SEC. 5. INFORMATION CONCERNING SANCTIONS TAKEN BY STATE LICENSING AUTHORITIES AGAINST HEALTH CARE PRACTITIONERS AND PROVIDERS.

(a) MEDICAID PLAN REQUIREMENT.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of paragraph (46),

(2) by striking the period at the end of the paragraph (47) added by section 9407(a) of the Omnibus Budget Reconciliation Act of 1986 and inserting a semicolon and transferring and inserting such paragraph after paragraph (46),

(3) by striking the period at the end of the paragraph (47) added by section 11005(b) of the Anti-Drug Abuse Act of 1986 and inserting "; and", by redesignating such paragraph as paragraph (48), and by transferring and inserting such paragraph after paragraph (47), and

(4) by inserting after paragraph (48) the following new paragraph:

"(49) provide that the State will provide information and access to certain information respecting sanctions taken against health care practitioners and providers by State licensing authorities in accordance with section 1921.".

(b) INFORMATION REQUIRED.—Title XIX is amended by redesignating section 1921 as section 1922 and inserting after section 1920 the following new section:

"INFORMATION CONCERNING SANCTIONS TAKEN BY STATE LICENSING AUTHORITIES AGAINST HEALTH CARE PRACTITIONERS AND PROVIDERS

"SEC. 1921. (a) INFORMATION REPORTING REQUIREMENT.—The requirement referred to in section 1902(a)(49) is that the State must provide for the following:

"(1) INFORMATION REPORTING SYSTEM.—The State must have in effect a system of reporting the following information with respect to formal proceedings (as defined by the Secretary in regulations) concluded against a health care practitioner or entity by any authority of the State (or of a political subdivision thereof) responsible for the licensing of health care practitioners or entities:

"(A) Any adverse action taken by such licensing authority as a result of the proceeding, including any revocation or suspension of a license (and the length of any such suspension), reprimand, censure, or probation.

"(B) Any dismissal or closure of the proceedings by reason of the practitioner or entity surrendering the license or leaving the State or jurisdiction.

"(C) Any other loss of the license of the practitioner or entity, whether by operation of law, voluntary surrender, or otherwise.

"(2) ACCESS TO DOCUMENTS.—The State must provide the Secretary (or an entity designated by the Secretary) with access to such documents of the authority described in paragraph (1) as may be necessary for the Secretary to determine the facts and circumstances concerning the actions and determinations described in such paragraph for the purpose of carrying out this Act.

"(b) FORM OF INFORMATION.—The information described in subsection (a)(1) shall be provided to the Secretary (or to an appropriate private or public agency, under suitable arrangements made by the Secretary with respect to receipt, storage, protection of confidentiality, and dissemination of information) in such a form and manner as the Secretary determines to be appropriate in order to provide for activities of the Secretary under this Act and in order to provide, directly or through suitable arrangements made by the Secretary, information—

"(1) to agencies administering Federal health care programs, including private entities administering such programs under contract,

"(2) to licensing authorities described in subsection (a)(1),

"(3) to State agencies administering or supervising the administration of State health care programs (as defined in section 1128(h)),

"(4) to utilization and quality control peer review organizations described in part B of title XI and to appropriate entities with contracts under section 1154(a)(4)(C) with respect to eligible organizations reviewed under the contracts,

"(5) to State medicaid fraud control units (as defined in section 1903(q)),

"(6) to hospitals and other health care entities (as defined in section 431 of the Health Care Quality Improvement Act of 1986), with respect to physicians or other licensed health care practitioners that have entered (or may be entering) into an employment or affiliation relationship with, or have applied for clinical privileges or appointments to the medical staff of, such hospitals or other health care entities (and such information shall be deemed to be disclosed pursuant to section 427 of, and be subject to the provisions of, that Act),

"(7) to the Attorney General and such other law enforcement officials as the Secretary deems appropriate, and

"(8) upon request, to the Comptroller General,

in order for such authorities to determine the fitness of individuals to provide health care services, to protect the health and safety of individuals receiving health care through such programs, and to protect the fiscal integrity of such programs.

"(c) CONFIDENTIALITY OF INFORMATION PROVIDED.—The Secretary shall provide for suitable safeguards for the confidentiality of the information furnished under subsection (a). Nothing in this subsection shall prevent the disclosure of such information by a party which is otherwise authorized, under applicable State law, to make such disclosure.

"(d) APPROPRIATE COORDINATION.—The Secretary shall provide for the maximum appropriate coordination in the implementation of subsection (a) of this section and section 422 of the Health Care Quality Improvement Act of 1986.".

### SEC. 6. OBLIGATION OF HEALTH CARE PRACTITIONERS AND PROVIDERS.

Section 1156 (42 U.S.C. 1320c-5) is amended—

(1) by striking "title XVIII" and "such title" in subsection (a) and inserting "this Act" in each instance, and

(2) by striking "title XVIII" in subsection (b) and inserting "this Act" each place it appears.

### SEC. 7. EXCLUSION UNDER THE MEDICAID PROGRAM.

Section 1902 (42 U.S.C. 1396b) is amended by redesignating the subsection (l) added by section 3(b) of the Employment Opportunities for Disabled Americans Act as subsection (o) and by inserting after such subsection the following new subsection:

"(p)(1) In addition to any other authority, a State may exclude any individual or entity for purposes of participating under the State plan under this title for any reason for which the Secretary could exclude the individual or entity from participation in a program under title XVIII under section 1128, 1128A, or 1866(b)(2).

"(2) In order for a State to receive payments for medical assistance under section 1903(a), with respect to payments the State makes to a health maintenance organization (as defined in section 1903(m)) or to an entity furnishing services under a waiver approved under section 1915(b)(1), the State must provide that it will exclude from participation, as such an organization or entity, any organization or entity that—

"(A) could be excluded under section 1128(b)(8) (relating to owners and managing employees who have been convicted of certain crimes or received other sanctions), or

"(B) has, directly or indirectly, a substantial contractual relationship (as defined by the Secretary) with an individual or entity that is described in section 1128(b)(8)(B).

"(3) As used in this subsection, the term 'exclude' includes the refusal to enter into or renew a participation agreement or the termination of such an agreement.".

### SEC. 8. MISCELLANEOUS AND CONFORMING AMENDMENTS.

(a) MATERNAL AND CHILD HEALTH PROGRAM.—Section 504(b) (42 U.S.C. 704(b)) is amended—

(1) by striking "or" at the end of paragraph (4),

(2) by striking the period at the end of paragraph (5) and inserting "; or", and

(3) by adding at the end thereof the following new paragraph:

"(6) payment for any item or service (other than an emergency item or service) furnished—

"(A) by an individual or entity during the period when such individual or entity is excluded pursuant to section 1128 or section 1128A from participation in the program under this title, or

"(B) at the medical direction or on the prescription of a physician during the period when the physician is excluded pursuant to section 1128 or section 1128A from participation in the program under this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).".

(b) DISCLOSURE REQUIREMENTS.—(1) Subsection (a) of section 1126 (42 U.S.C. 1320a-5) is amended—

(A) in the first sentence, by striking "or other institution" and all that follows through the period at the end and inserting "or other entity (other than an individual practitioner or group of practitioners) shall be required to disclose to the Secretary or to the appropriate State agency the name of any person that is a person described in subparagraphs (A) and (B) of section 1128(b)(8).", and

(B) in the second sentence, by striking "institution, organization, or agency" and inserting "entity".

(2) Subsection (b) of such section is amended by striking "institution, organization, or agency" and inserting "entity" each place it appears.

(c) MEDICARE PAYMENTS.—(1) Section 1862 (42 U.S.C. 1395y) is amended—

(A) by repealing subsection (d), and

(B) by amending subsection (e) to read as follows:

"(e) No payment may be made under this title with respect to any item or service (other than an emergency item or service) furnished—

"(1) by an individual or entity during the period when such individual or entity is excluded pursuant to section 1128 or section 1128A from participation in the program under this title; or

"(2) at the medical direction or on the prescription of a physician during the period when he is excluded pursuant to section 1128 or section 1128A from participation in the program under this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).".

(2) Section 1842(j) (42 U.S.C. 1395u(j)) is amended—

(A) in paragraph (2)—

(i) by amending subparagraph (A) to read as follows:

"(A) excluding a physician from participation in the programs under this title for a period not to exceed 5 years, in accordance with the procedures of subsections (c), (f), and (g) of section 1128, or", and

(ii) by striking "barred from participation in the program" in the second sentence and inserting "excluded from participation in the programs"; and

(B) by striking "bar" in paragraph (3)(A) and inserting "exclude".

(3) Section 1862(h)(4) (42 U.S.C. 1395y(h)(4)) is amended by striking "paragraphs (2) and (3) of subsection (d)" and inserting "subsections (c), (f), and (g) of section 1128".

(4) Paragraph (3) of section 1886(f) (42 U.S.C. 1395ww(f)) is amended to read as follows:

"(3) The provisions of subsections (c) through (g) of section 1128 shall apply to determinations made under paragraph (2) in the same manner as they apply to exclusions effected under section 1128(b)(13).".

(d) TERMINATION OF PROVIDER AGREEMENTS UNDER MEDICARE.—Section 1866 (42 U.S.C. 1395cc) is amended—

(1) in subsection (a)—

(A) by striking paragraph (3), and

(B) by redesignating paragraph (4) as paragraph (3);

(2) by amending subsection (b) to read as follows:

"(b)(1) A provider of services may terminate an agreement with the Secretary under this section at such time and upon such notice to the Secretary and the public as may be provided in regulations, except that notice of more than six months shall not be required.

"(2) The Secretary may refuse to enter into an agreement under this section or, upon such reasonable notice to the provider and the public as may be specified in regulations, may refuse to renew or may terminate such an agreement after the Secretary—

"(A) has determined that the provider fails to comply substantially with the provisions of the agreement, with the provisions of this title and regulations thereunder, or with a corrective action required under section 1886(f)(2)(B),

"(B) has determined that the provider fails substantially to meet the applicable provisions of section 1861, or

"(C) has excluded the provider from participation in a program under this title pursuant to section 1128 or section 1128A.

"(3) A termination of an agreement or a refusal to renew an agreement under this subsection shall become effective on the same date and in the same manner as an exclusion from participation under the programs under this title becomes effective under section 1128(c).";

(3) in paragraphs (1) and (3) of subsection (c), by striking "an agreement filed under this title by a provider of services has been terminated by the Secretary" and inserting "the Secretary has terminated or has refused to renew an agreement under this title with a provider of services";

(4) by inserting "or nonrenewal" in subsection (c) after "termination" each place it appears; and

(5) by adding at the end the following new subsection:

"(h)(1) Except as provided in paragraph (2), an institution or agency dissatisfied with a determination by the Secretary that it is not a provider of services or with a determination described in subsection (b)(2) shall be entitled to a hearing thereon by the Secretary (after reasonable notice) to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g).

"(2) An institution or agency is not entitled to separate notice and opportunity for a hearing under both section 1128 and this section with respect to a determination or determinations based on the same underlying facts and issues.".

(e) CONFORMING AMENDMENT.—Section 1869 (42 U.S.C. 1395ff) is amended by striking subsection (c).

(f) MEDICAID PLAN REVISIONS.—Section 1902(a) (42 U.S.C. 1396b(a)) is amended—

(1) in paragraph (23), by inserting "subsection (g) and in" after "except as provided in",

(2) in paragraph (38), by striking "respectively, (A)" and all that follows up to the semicolon at the end and inserting "the information described in section 1128(b)(9)", and

(3) in paragraph (39)—

(A) by striking "bar" and inserting "exclude",

(B) by striking "person" and inserting "individual or entity" each place it appears, and

(C) by inserting "or section 1128A" after "section 1128".

(g) DENIAL OF FEDERAL FINANCIAL PARTICIPATION UNDER MEDICAID.—Paragraph (2) of section 1903(i) (42 U.S.C. 1396b(i)) is amended to read as follows:

"(2) with respect to any amount expended for an item or service (other than an emergency item or service) furnished—

"(A) under the plan by any individual or entity during any period when the individual or entity is excluded from participation in the State plan under this title pursuant to section 1128 or section 1128A, or

"(B) at the medical direction or on the prescription of a physician, during the period when such physician is excluded pursuant to section 1128 or section 1128A from participation in the program under this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).".

(h) MEDICAID CONFORMING AMENDMENTS.—(1) Subsection (n) of section 1903 (42 U.S.C. 1396b) is repealed.

(2) Paragraph (2) of section 1915(a) (42 U.S.C. 1396n(a)) is amended to read as follows:

"(2) restricts for a reasonable period of time the provider or providers from which an individual (eligible for medical assistance for items or services under the State plan) can receive such items or services, if—

"(A) the State has found, after notice and opportunity for a hearing (in accordance with procedures established by the State), that the individual has utilized such items or services at a frequency or amount not medically necessary (as determined in accordance with utilization guidelines established by the State), and

"(B) under such restriction, individuals eligible for medical assistance for such services have reasonable access (taking into account geographic location and reasonable travel time) to such services of adequate quality.".

(i) TITLE XX.—Section 2005(a) (42 U.S.C. 1397d(a)) is amended—

(1) by striking "or" at the end of paragraph (7),

(2) by striking the period at the end of paragraph (8) and inserting "; or", and

(3) by adding at the end thereof the following new paragraph:

"(9) for payment for any item or service (other than an emergency item or service) furnished—

"(A) by an individual or entity during the period when such individual or entity is excluded pursuant to section 1128 or section 1128A from participation in the program under this title, or

"(B) at the medical direction or on the prescription of a physician during the period when the physician is excluded pursuant to section 1128 or section 1128A from participation in the program under this

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*title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).".*

*(j) Denial, Revocation, or Suspension of Registration To Manufacture, Distribute, or Dispense a Controlled Substance for Entities Excluded From the Medicare Program.—Section 304(a) of the Controlled Substances Act (21 U.S.C. 824(a)) is amended—*

*(1) by striking "or" at the end of paragraph (3),*

*(2) by striking the period at the end of paragraph (4) and inserting "; or", and*

*(3) by inserting after paragraph (4) the following new paragraph:*

*"(5) has been excluded (or directed to be excluded) from participation in a program pursuant to section 1128(a) of the Social Security Act.".*

### *SEC. 9. CLARIFICATION OF MEDICAID MORATORIUM PROVISIONS OF DEFICIT REDUCTION ACT OF 1984.*

*Section 2373(c) of the Deficit Reduction Act of 1984 (Public Law 98-369; 98 Stat. 1112) is amended to read as follows:*

*"(c)(1) The Secretary of Health and Human Services shall not take any compliance, disallowance, penalty, or other regulatory action against a State with respect to the moratorium period described in paragraph (2) by reason of such State's plan described in paragraph (5) under title XIX of the Social Security Act (including any part of the plan operating pursuant to section 1902(f) of such Act), or the operation thereunder, being determined to be in violation of clause (IV), (V), or (VI) of section 1902(a)(10)(A)(ii) or section 1902(a)(10)(C)(i)(III) of such Act on account of such plan's (or its operation) having a standard or methodology which the Secretary interprets as being less restrictive than the standard or methodology required under such section, provided that such plan (or its operation) does not make ineligible any individual who would be eligible but for the provisions of this subsection.*

*"(2) The moratorium period is the period beginning on October 1, 1981, and ending 18 months after the date on which the Secretary submits the report required under paragraph (3).*

*"(3) The Secretary shall report to the Congress within 12 months after the date of the enactment of this Act with respect to the appropriateness, and impact on States and recipients of medical assistance, of applying standards and methodologies utilized in cash assistance programs to those recipients of medical assistance who do not receive cash assistance, and any recommendations for changes in such requirements.*

*"(4) No provision of law shall repeal or suspend the moratorium imposed by this subsection unless such provision specifically amends or repeals this subsection.*

*"(5) In this subsection, a State plan is considered to include—*

*"(A) any amendment or other change in the plan which is submitted by a State, or*

*"(B) any policy or guideline delineated in the Medicaid operation or program manuals of the State which are submitted by the State to the Secretary,*

*whether before or after the date of enactment of this Act and whether or not the amendment or change, or the operating or program manual was approved, disapproved, acted upon, or not acted upon by the Secretary.*

*"(6) During the moratorium period, the Secretary shall implement (and shall not change by any administrative action) the policy in effect at the beginning of such moratorium period with respect to—*

*"(A) the point in time at which an institutionalized individual must sell his home (in order that it not be counted as a resource); and*

*"(B) the time period allowed for sale of a home of any such individual,*

*who is an applicant for or recipient of medical assistance under the State plan as a medically needy individual (described in section 1902(a)(10)(C) of the Social Security Act) or as an optional categorically needy individual (described in section 1902(a)(10)(A)(ii) of such Act).".*

### *SEC. 10. LIMITATION OF LIABILITY OF MEDICARE BENEFICIARIES WITH RESPECT TO SERVICES FURNISHED BY EXCLUDED INDIVIDUALS AND ENTITIES.*

*Title XVIII is amended by adding at the end the following new section:*

*"LIMITATION OF LIABILITY OF BENEFICIARIES WITH RESPECT TO SERVICES FURNISHED BY EXCLUDED INDIVIDUALS AND ENTITIES*

*"Sec. 1890. Where an individual eligible for benefits under this title submits a claim for payment for items or services furnished by an individual or entity excluded from participation in the programs under this title, pursuant to section 1128, 1128A, 1156, 1160 (as in effect on September 2, 1982), 1862(d) (as in effect on the date of the enactment of the Medicare and Medicaid Patient and Program Protection Act of 1987), or 1866, and such beneficiary did not know or have reason to know that such individual or entity was so excluded, then, to the extent permitted by this title, and notwithstanding such exclusion, payment shall be made for such items or services. In each such case the Secretary shall notify the beneficiary of the exclusion of the individual or entity furnishing the items or services. Payment shall not be made for items or services furnished by an excluded individual or entity to a beneficiary after a reasonable time (as determined by the Secretary in regulations) after the Secretary has notified the beneficiary of the exclusion of that individual or entity.".*

### *SEC. 11. DEFINITION OF PERSON WITH OWNERSHIP OR CONTROL INTEREST.*

*Section 1124(a)(3)(A)(ii) (42 U.S.C. 1320a-3(a)(3)(A)(ii)) is amended by striking "$25,000 or".*

### *SEC. 12. CONDITIONAL APPROVAL OF RENAL DIALYSIS FACILITIES.*

*Section 1881 (42 U.S.C. 1395rr) is amended by adding at the end the following new subsection:*

*"(h)(1) In any case where the Secretary—*

*"(A) finds that a renal dialysis facility is not in substantial compliance with requirements for such facilities prescribed under subsection (b)(1)(A),*

*"(B) finds that the facility's deficiencies do not immediately jeopardize the health and safety of patients, and*

*"(C) has given the facility a reasonable opportunity to correct its deficiencies,*

*the Secretary may, in lieu of terminating approval of the facility, determine that payment under this title shall be made to the facility only for services furnished to individuals who were patients of the facility before the effective date of the notice.*

*"(2) The Secretary's decision to restrict payments under this subsection shall be made effective only after such notice to the public and to the facility as may be prescribed in regulations, and shall remain in effect until (A) the Secretary finds that the facility is in substantial compliance with the requirements under subsection (b)(1)(A), or (B) the Secretary terminates the agreement under this title with the facility.*

*"(3) A facility dissatisfied with a determination by the Secretary under paragraph (1) shall be entitled to a hearing thereon by the Secretary (after reasonable notice) to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g).".*

### *SEC. 13. AMENDMENT RELATING TO FRAUD INVOLVING MEDICARE SUPPLEMENTAL INSURANCE.*

*Section 1882(d)(1) (42 U.S.C. 1395ss(d)(1)) is amended by striking "knowingly or willfully" and inserting "knowingly and willfully".*

### *SEC. 14. STANDARDS FOR ANTI-KICKBACK PROVISIONS.*

*(a) Regulations.—The Secretary of Health and Human Services, in consultation with the Attorney General, not later than 1 year after the date of the enactment of this Act shall publish proposed regulations, and not later than 2 years after the date of the enactment of this Act shall promulgate final regulations, specifying payment practices that shall not be treated as a criminal offense under section 1128B(b) of the Social Security Act and shall not serve as the basis for an exclusion under section 1128(b)(7) of such Act. Any practices specified in regulations pursuant to the preceding sentence shall be in addition to the practices described in subparagraphs (A) through (C) of section 1128B(b)(3).*

*(b) Criminal Violation.—Section 1128B(b)(3), as amended and redesignated by section 4 of this Act, is further amended—*

*(1) by striking "and" at the end of subparagraph (B),*

*(2) by striking the period at the end of subparagraph (C) and inserting "; and", and*

*(3) by adding at the end thereof the following new subparagraph:*

*"(D) any payment practice specified by the Secretary in regulations promulgated pursuant to section 14(a) of the Medicare and Medicaid Patient and Program Protection Act of 1987.".*

### *SEC. 15. EFFECTIVE DATES.*

*(a) In General.—Except as provided in subsections (b), (c), (d), and (e), the amendments made by this Act shall become effective at the end of the fourteen-day period beginning on the date of the enactment of this Act and shall not apply to administrative proceedings commenced before the end of such period.*

*(b) Mandatory Minimum Exclusions Apply Prospectively.—Section 1128(c)(3)(B) of the Social Security Act (as amended by this Act), which requires an exclusion of not less than five years in the case of certain exclusions, shall not apply to exclusions based on convictions occurring before the date of the enactment of this Act.*

*(c) Effective Date for Changes in Medicaid Law.—(1) The amendments made by sections 5 and 8(f) apply (except as provided under paragraph (2)) to payments under title XIX of the Social Security Act for calendar quarters beginning more than thirty days after the date of the enactment of this Act, without regard to whether or not final regulations to carry out such amendment have been published by such date.*

*(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.*

*(3) Subsection (j) of section 1128A of the Social Security Act (as added by section 3(f) of this Act) takes effect on the date of the enactment of this Act.*

*(d) Physician Misrepresentations.—Clauses (ii) and (iii) of section 1128A(a)(1)(C) of the Social Security Act, as amended by section 3(a)(1)(F) of this Act, apply to claims presented for services performed on or after the effective date specified in subsection (a), without regard to the date the misrepresentation of fact was made.*

*(e) Clarification of Medicaid Moratorium.—The amendments made by section 9 of this Act shall apply as though they were originally included in the enactment of section 2373(c) of the Deficit Reduction Act of 1984.*

*(f) Treatment of Certain Denials of Payment.—For purposes of section 1128(b)(8)(B)(iii) of the Social Security Act (as amended by section 2 of this Act), a person shall be considered to have been excluded from participation under a program under title XVIII if payment to the person has been denied under section 1862(d) of the Social Security Act, as in effect before the effective date specified in subsection (a).*

**Mr. ROSTENKOWSKI** (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the Record.

**The SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

**Mr. GRADISON.** Mr. Speaker, reserving the right to object, and I shall not object, I would like to indicate to the Members that this measure, H.R. 1444, the Medicare and Medicaid Patient and Program Protection Act has, in effect, already passed this body twice.

Its first passage came in the 99th Congress, in the form of H.R. 1868, which was sponsored and developed primarily by our former colleague, Henson Moore of Louisiana. Only time prevented its approval by the other body.

The core of H.R. 1444 is the same as H.R. 1868. The measure has been refined and, I believe, improved during this session of Congress. It was passed earlier this year in this house by a vote of 402 to 0.

The other body has added an amendment with which I agree. Essentially, it provides in certain cases a hearing process which makes the bill even more reasonable.

Many Members, too many to thank adequately in this timeframe, have contributed to this legislation. It has been a team effort, and that effort is about to pay off with enactment and signature into law.

I think that everyone who has worked on the bill would agree that both the Medicare and Medicaid Programs, as well as their beneficiaries and recipients, will be much better off when the legislation does become law.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Tennessee [Mr. Duncan], the distinguished ranking Republican member of the Committee on Ways and Means.

**Mr. DUNCAN.** Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am pleased to join my colleague, Mr. Gradison, in supporting the Medicare and Medicaid Patient and Program Protection Act of 1987, H.R. 1444, as amended by the Senate.

H.R. 1444 recodifies and strengthens the antifraud provisions of the Medicare and Medicaid law. The bill will protect program beneficiaries from unscrupulous or unfit physicians, hospitals, and other medical care providers.

The Senate amendment to H.R. 1444 adds in certain cases a hearing process which enhances the reasonableness of the bill.

The legislation before the Chamber has been developed by many Members of this body as well as the Senate. I want to congratuate them on work well done.

Mr. Speaker, I want to particularly cite the effort that my colleague, Mr. Gradison, has made in the development of this measure. It is rare that a member of the minority successfully shepherds legislation through this body.

The fact that H.R. 1444 bears Bill Gradison's name as primary author stands as a real tribute to his ability and the esteem with which he is held by his fellow Members of the House of Representatives.

I should also cite a former Member of the House, Representative Henson Moore. H.R. 1444 had its roots in the 99th Congress, in the bill H.R. 1868, which Henson Moore sponsored. He did a remarkable job in directing that legislation through the House. Unfortunately, the "clock ran out" at the end of the session before the bill could be passed by the Senate.

The Medicare and Medicaid Programs will be much improved with the passage of this legislation. Bill Gradison and Henson Moore are due much credit for that and the many other contributions both gentlemen have made to the management of the most important Federal health programs.

**Mr. GRADISON.** Mr. Speaker, I yield to the gentleman from Illinois [Mr. Rostenkowski].

**Mr. ROSTENKOWSKI.** Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, today I am pleased to join with Mr. Gradison, the ranking member of the Ways and Means Health Subcommittee and the chief sponsor of the bill, with Mr. Stark and many other Members to adopt the Medicare and Medicaid Patient and Program Protection Act of 1987, H.R. 1444, as amended by the Senate.

In 1984 a General Accounting Office report documented gaps in existing law which allow unfit physicians to continue to provide services to medicare beneficiaries. Following hearings, the House unanimously approved legislation in 1985. Unfortunately, action was not completed in the 99th Congress.

On June 2, the House passed H.R. 1444 by unanimous consent. Last week, the Senate passed an amended version.

The Senate bill contains only one minor substantive change regarding a pretermination hearing. This Senate provision is reasonable.

I therefore urge the House to approve H.R. 1444 as amended by the Senate to strengthen protections against fraud and abuse in the Medicare and Medicaid Programs.

☐ 1055

The gentleman from California [Mr. Stark], chairman of the Health Subcommittee, will further discuss the provisions of the bill.

**Mr. GRADISON.** Mr. Speaker, under my reservation of objection, I yield to the gentleman from California [Mr. Stark].

**Mr. STARK.** Mr. Speaker, today I am pleased to join with my colleagues to urge adoption of the Medicare and Medicaid Patient and Program Protection Act of 1987, H.R. 1444, as amended by the Senate.

The ranking member of the Health Subcommittee, Mr. Gradison, is to be commended for taking the lead in developing this important legislation.

The Medicare and Medicaid Patient and Program Protection Act of 1987 has wide bipartisan support. With this legislation, the Secretary of Health and Human Services will have clear authority to protect patients from incompetent providers. At the same time, the Secretary will have new power to protect Federal health benefits programs from fraud and other abuses.

The bill requires the Secretary to exclude from Medicare and Medicaid those providers convicted of crimes related to—

Fraud or abuse in the provision of services under Medicare or Medicaid; and

Patient neglect or abuse.

The bill also authorizes exclusions in a variety of other situations, including—

Conviction of other crimes related to fraud, theft, or controlled substance abuse;

Revocation or suspension of license;

Submission of excessive charges, claims for unnecessary services, or substandard care;

Failure to provide necessary care in the case of a health maintenance organization;

Submission of false and fraudulent claims; and

Default on health professions education loans.

The bill would further strengthen the ability of the Secretary to deal with program and patient abuse by—

Establishing new grounds for criminal and civil penalties under Medicare and Medicaid;

Requiring Federal and State agencies to exchange information concerning individuals convicted of program abuse or subject to disciplinary action; and

Requiring the Secretary to promulgate regulations to clarify the circumstances that will serve as the basis for sanctions under the Medicare-Medicaid antikickback provision.

On June 2, the House passed H.R. 1444 by unanimous consent. Just last week, the Senate passed an amended version.

The Senate bill contains only one minor substantive change from the House bill. The Senate bill requires a predetermination hearing for exclusions from the Medicare program based on a violation of the antikickback provision. The House bill allows exclusions without a pretermination hearing. Because there is no threat to health or safety, the Senate provision is reasonable.

I therefor urge the adoption of H.R. 1444 as amended by the Senate to strengthen protections against fraud and abuse in the Medicare and Medicaid programs.

**Mr. GRADISON.** Mr. Speaker, in conclusion I want to thank my distinguished chairman of the Health Subcommittee, the gentleman from California [Mr. Stark], for his support and leadership on this important measure.

Mr. Speaker, I withdraw my reservation of objection.

**The SPEAKER** pro tempore (Mr. McCurdy). Is there objection to the request of the gentleman from Illinois?

There was no objection.

**The SPEAKER** pro tempore. Is there objection to the initial request of the gentleman from Illinois?

There was no objection.

A motion to reconsider was laid on the table.

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## PRICE-ANDERSON AMENDMENTS ACT OF 1987

**The SPEAKER** pro tempore. Pursuant to the provisions of House Resolution 234 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1414.

☐ 1058

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1414) to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for liability and indemnification for nuclear incidents, with Mr. Hoyer, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

**The CHAIRMAN** pro tempore. When the Committee of the Whole rose on Wednesday, July 29, 1987, section 2 of the text of H.R. 2994, which is considered as an original bill for the purpose of amendment, was open to amendment at any point.

Are there any further amendments to section 2?

**Mr. UDALL.** Mr. Chairman, I had promised the leadership on both sides that we would endeavor to finish this bill by early afternoon, and I hear the sound of jet engines roaring at National Airport, I think.

In order to expedite the business of the House today, Mr. Chairman, I ask unanimous consent that notwithstanding the rule, the gentleman from Minnesota [Mr. Sikorski], now be permitted to offer his amendment to section 11 and that the time be equally divided between himself and the gentleman from New York [Mr. Lent].

**The CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Arizona?

**Mr. LENT.** Mr. Chairman, reserving the right to object, and I will not object, but I was going to suggest to the distinguished chairman that in view of the time of day and the pending weekend recess, perhaps the time on some of these amendments could be limited further.

**Mr. UDALL.** There is no statute that prevents or requires Members to take all of the time.

**Mr. LENT.** I would just ask the gentleman from Minnesota who will offer this first amendment, as I understand it, if he would agree to 40 minutes as a limitation rather than 1 hour?

**Mr. UDALL.** Mr. Chairman, I amend my request to 40 minutes.

**The CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Arizona?

**Mr. SIKORSKI.** The Chairman, there will be objections. We will stick with the agreement reached yesterday and today.

**Mr. LENT.** Mr. Chairman, I withdraw my reservation of objection.

**The CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Arizona that the Sikorski amendment be taken out of order, and that the time be limited to 1 hour, one-half to the gentleman from Minnesota [Mr. Sikorski], and one-half to the gentleman from New York [Mr. Lent].

There was no objection.

**Mr. UDALL.** Mr. Chairman, the second request is that following the Sikorski amendment the Walgren series of amendments be in order and debate be limited to 20 minutes, 10 minutes on each side.

**The CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

### AMENDMENT OFFERED BY MR. SIKORSKI

**Mr. SIKORSKI.** Mr. Chairman, I offer an amendment pursuant to the unanimous-consent request just agreed to.

The Clerk read as follows:

Amendment offered by Mr. Sikorski: Page 28, strike lines 21 through 24 and insert the following:

"(D) A court may not authorize the payment of legal costs related to any nuclear incident from the amount of financial protection required by subsection b. unless—

"(i) the court in its discretion determines that the payment of such costs is equitable and would not jeopardize the compensation of victims of such incident; and

"(ii) such costs are authorized in accordance with paragraph (2).

**Mr. SIKORSKI** (during the reading). Mr. Chairman. I ask unanimous consent that the amendment be considered as read and printed in the Record.

**The CHAIRMAN** pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

**The CHAIRMAN** pro tempore. The gentleman from Minnesota [Mr. Sikorski] will be recognized for 30 minutes and the gentleman from New York [Mr. Lent] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Sikorski].

**Mr. SIKORSKI.** Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, here is how Price-Anderson will work if the industry has its own way: You are the victim of a nuclear accident. You have lost your home. You have lost your business, your property, perhaps your loved ones. Your neighbors have suffered a similar fate. The immediate damage to your community and to its environs is measured in the tens of billions of dollars, and in the future inestimable damages await as radiation sickness and cancers run their terrible course.

Full compensation is needed for your very real damages, but Congress has passed a law, and it is called the Price-Anderson Act. That says that only a few cents on the dollar will be paid.

Oh, sure, the Government has made a paper promise that the taxpayers'

pockets may well be tapped to bail out the nuclear utilities and pay you closer to a dollar for a dollar's damage. But everything from the runaway budget to the trade deficit gives you little faith in commitments like this.

Undaunted, you sue for the fraction that is your due for the devastation wreaked upon you and your family. And you and your neighbors face a battery of high paid industry lawyers. They delay compensation for your claim. Being good at their job, the lawyers employ an arsenal of legal tactics—pleasant and not so pleasant—all considered "reasonable" by our courts: discovery, depositions, motions.

Leaping over the hurdies strewn in your path after 5, maybe 15, years you finally prove the extent of your damages and injuries, their cause and your right to restitution.

You go to pick up the check but there, standing in front of you, is the pinstriped dandy whom you faced in court, the one that had you and your family video taped and deposed and examined. Smiling, he pockets a piece of paper with lots of big zeros on it. He turns to you and says, this is my fee. I did a good job defending my client."

He did. Then he climbs into his nice car and zooms away to his nice home to be with his nice family.

You step up to the window and ask for your check. Upon examination, you discover it has about half as many zeros as the check for the lawyer, and you ask, "Is that it?"

"That's it, "says the clerk. "You are just a victim. That guy was the industry lawyer."

"But this is for victims' compensation, and they did this to me. They burned up my property, they burned up my family, then the lawyers burned up my time and money in court. Why do I get less than the industry's lawyers?"

"Because this is the 1980's. Just because you had some bad luck, he should suffer, too?"

That is Price-Anderson without the Sikorski amendment.

Mr. Chairman, my amendment simply states that the court may not authorize payment of legal costs unless it determines three very good things. First, that the payment of such costs is equitable.

Second, that it would not jeopardize the compensation for victims.

Third, under the language of the legislation before us, the Moorhead language, that the costs are reasonable, the litigation not frivolous or duplicative, or taken in bad faith.

In short, if there is not enough money to go around after a nuclear accident for the victims from the victims' compensation fund, my amendment ensures that victims will be paid before industry lawyers.

This is one of those radical concepts that my colleagues were warned against in the early arguments made on this legislation—one of those strange ideas that our parents probably told us to stay away from as we were being reared. The strange idea that if there are sufficient funds to compensate victims, the court will award industry legal fees too, but if there are not, the victims come first. That is a compromise from the original legislation introduced by our colleagues, the gentleman from Arizona [Mr. Udall] and the gentleman from Indiana [Mr. Sharp].

It is a compromise from the position adopted by Congress in 1975 which outlawed legal costs.

Some inaccurate charges have been leveled at my amendment and they come from very strange quarters. Those who have long opposed full compensation to victims, who cap the victims' fund, and want unlimited costs for the industry's lawyers taken out of the victims' compensations fund, now come to us and argue that their concern is for the victim, and this pure and noble and sterling concern for the victims leads them to oppose the Sikorski amendment.

Let us set the record straight. My amendment does nothing to restrict the rights of plaintiffs to free access to legal representation. Ask the lawyers and the advocates for the victims, they support the Sikorski amendment. My amendment makes sure that taxpayers do not have to pick up the expenses and costs of industry lawyers before victims. Ask the National Taxpayers' Union, and taxpayer advocates, they support the Sikorski amendment.

Mr. Chairman, it is simply crazy, it is simply wrong, that we would even consider, let alone vote to allow, full compensation for industry lawyers from the victims' funds but not for the ordinary citizens who are the victims of nuclear accidents.

To any of my colleagues who were 1 of the 300 who voted against the Eckart amendment yesterday to cap Price-Anderson, at least make sure that the victims get the money in the cap and not the industry lawyers who can turn to their clients for fees.

Industry lawyers can turn to their clients for fees and their clients can well afford to do without this legal subsidy. But victims of a nuclear accident under Price-Anderson have no place else to turn. There is only the amount of money we choose to make available.

Do members want to give it to the industry lawyers or to the victims?

If the Members want to give it to the lawyers, vote "no" on Sikorski. If the Members want to give it to the victims, vote "yes" on Sikorski.

**Mr. LENT.** Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all, the issue that I wanted to raise with the distinguished author of this amendment concerns the point that he would have you believe that his amendment was only going to limit the payment of attorneys' fees to industry lawyers, the so-called pinstriped lawyers, as he characterized them.

As I read the amendment of the gentleman from Minnesota [Mr. Sikorski] it appears that it would limit the payment of all legal costs whether it be on behalf of plaintiff or the defendant.

Let me just quote very briefly from the gentleman's amendment.

"A court may not authorize the payment of legal costs—" and then it goes on. It does not say the defendant's legal costs, and if the gentleman would read the definition of legal costs, which is in the bill, legal costs means, "the costs incurred by a plaintiff or a defendant."

So the thrust of the amendment of the gentleman from Minnesota [Mr. Sikorski], and he may not realize this, and I would be happy for him to make an amendment to his amendment, is to limit the payment of legal fees that would be available out of this fund for either the plaintiff or the defendant.

So, Mr. Chairman, I oppose this amendment to change the way legal costs are handled under Price-Anderson. Despite the intentions of the proponents of this amendment, I do not believe this amendment will maximize compensation to victims of a nuclear accident.

H.R. 2994 provides for rigorous court supervision of all costs of both the defendants' and the plaintiffs' counsel to assure that only reasonable and equitable costs are paid.

☐ 1110

In addition, the bill increases the amount of financial protection by 5 percent to cover claims and costs if necessary.

Mr. Sikorski's amendment would prohibit payment of attorney fees as I said including plaintiff attorney fees, in the event of a major accident. But it is in just such circumstances that a victim is least likely to have personal resources available to hire an attorney. If a victim cannot assure his or her attorney that he will be paid, then his ability to obtain representation when he is most in need will be hurt.

This amendment will also hurt legitimate plaintiffs by removing obstacles to the filing and payment of frivolous claims. If under Sikorski, the costs of investigating claims cannot be paid from Price-Anderson moneys, neither insurance companies nor utilities will investigate claims because it would be at their own expense. Consequently, claims will be paid as they are presented. Thus, frivolous claims could well use up the Price-Anderson fund and legitimate victims have to wait

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until congressional enactment of a supplemental compensation plan. This is a serious concern as frivolous claims we now know were filed after Three Mile Island and later withdrawn after investigation paid for by the fund revealed them to be frivolous.

Compensation of victims could be further impaired if insurance companies withdraw from the pools. Many foreign and domestic insurance companies have withdrawn from the pools in recent years. Enactment of this amendment could well be the final straw for remaining companies. If the costs of processing claims are not covered insurers will probably withdraw from the pools, thus decreasing the total amount of money available for claims. They might also decline to administer the second layer of reimbursement which would lead to delay in payment of claims while an alternate method to handle claims was developed.

So, the current provision requires that legal costs be supervised and minimized. It provides a workable system with sufficient safeguards to protect victims of a nuclear accident. I urge my colleagues to reject this amendment.

Mr. SIKORSKI. Mr. Chairman, will the gentleman yield?

Mr. LENT. I would be happy to yield to the gentleman from Minnesota for a question.

Mr. SIKORSKI. I thank the gentleman for yielding.

I just want to reply.

Mr. LENT. Just ask me a question. I am only going to yield for that purpose.

Mr. SIKORSKI. The gentleman is aware that I never made the claim that plaintiff's legal costs were not covered by the Moorhead language with regard to reasonableness and frivolity and the rest of it?

The gentleman must be aware, is he not, that I have made the claim that the plaintiff's attorneys are paid out of the victim's recovery. That is the contingency process. What the gentleman is proposing here and what I find unreasonable is that victims should not only pay their attorneys out of their recovery but they should pay the industry's lawyers for opposing their claims and they should be paid before the victims get any money.

Mr. LENT. Let me answer in this way: The gentleman's amendment by its clear wording, and you do not have to be a Harvard law school graduate to understand what the gentleman's amendment says, it says, "A court may not authorize the payment of legal costs," and then it goes on. It does not say only the defendant's legal cost. Then when you look at another section of this bill, which the gentleman does not purport to amend, which defines legal costs, the definition says that the term legal costs means "the costs incurred by a plaintiff or a defendant in initiating, prosecuting, investigating, settling or defending claims or suits for damages arising under such section." So I simply point out to the gentleman and to our colleagues who may be listening to this debate that the purport of the gentleman's amendment is to hurt the plaintiffs, the victims as well as the defendants.

Mr. Chairman, I reserve the balance of my time.

Mr. SIKORSKI. Mr. Chairman, I yield myself 1 minute to respond to the gentleman.

Here we have the "Mother Theresa" argument. We have the very people who come to us and want to cap victims so they do not get a full dollar on the full dollar's worth of damage and then they want to take money out of the victim's compensation fund to hire lawyers to labor to hurt victims again to make sure they do not get their claims processed, to make sure they do not get their full dollar on the dollar fund.

Now they are coming to us and telling us they are on the side of the victims. I simply suggest that if anyone has any confusion about where the plaintiffs are, where the victims are in terms of the Sikorski amendment, they should look to them. They are wholeheartedly, unanimously supporting the Sikorski amendment. It is those who oppose the victims, who oppose the plaintiffs, the defense lawyers, who are opposed to the Sikorski amendment.

Mr. Chairman, I yield 4½ minutes to the gentleman from Arizona [Mr. UDALL], the distinguished chairman of the Committee on Interior and Insular Affairs.

Mr. UDALL. It is easy to beat up on lawyers. I enjoy it myself. There is great temptation this morning to join in this party.

Mr. Chairman, as Speaker Sam Rayburn once said, "A town too small to support one lawyer can always support two."

We tried when Price-Anderson was written years ago, we tried to take the lawyers out of it. It is not a system with long delay, not a system where you see all the difficulties you have in the negligence field. The law was written so that you could get in and have this insurance pool that is operated fairly well by the major insurance companies, you get yourself in this pool and you do not have to have lawyers. Payment will be made promptly and adequately.

When Three Mile Island happened, the lawyers and the agents who were involved with this, who had experience with it, were paying money out in Pennsylvania to farmers and local residents within a matter of days. The problem has had some difficulties, some weaknesses. But I want to report that the biggest issue—in the Energy Committee and in our committee—the biggest issue was this business of attorney's fees. And we heard in our committee from Mr. SIKORSKI's allies and he very eloquently presented the case when he got to the Energy Committee and they made some further modifications in the direction needed.

So you now have in the bill a modified balanced treatment of claims. The court is given discretion under prior criteria.

You can read this in the report pages 121 to 123 I think it is, you can read in there—the weapons that they have available. In addition to that, we raised the limit to $7 billion which insures that there is less likelihood of money not being available to pay the claims of deserving citizens who have been damaged in one of these nuclear accidents.

Mr. Chairman, I am not the authorized spokesman for the administration on these matters, but I call to the attention of my colleagues a message which has just come to the Speaker's desk from the Department of Energy. I will put the entire letter in the RECORD. This message is signed by John S. Herrington, the Secretary of Energy. He says:

> I am writing to urge the House to reject any amendments to H.R. 1414, the Price-Anderson Amendments Act of 1987, which may be offered during floor consideration. We are particularly concerned about amendments that would reach beyond the basic compensatory purpose of Price-Anderson and would threaten to undermine the carefully fashioned consensus bill (H.R. 2994) worked out between the three cognizant House committees and the Administration.
>
> The legislation that has been sent to the House floor is the result of three years of extensive hearings, discussions, and negotiations. Price-Anderson is essential to the continued availability of nuclear power as an energy supply option and as an instrument to facilitate the Department's research and national security activities. The Administration supports reauthorization of Price-Anderson and supports the bill currently before the full House.
>
> However, we strongly oppose all efforts to add to the bill any provision to impose new liabilities on Department of Energy (DOE) contractors, such as subrogation or penalties, to establish unlimited liability in the unlikely event of an accident, or to waive the defenses available under the Federal Tort Claims Act. If such provisions are contained in the bill placed before the President, I will recommend to the President that he disapprove the legislation.
>
> Although we share the objective of ensuring that DOE contractors conform their conduct to the highest standard of safety and care, we are convinced that the inclusion of any subrogation or penalties provision would strongly discourage contractors from commencing or continuing their relationships with the Department. Such noncompensatory provisions would be totally inconsistent with the objectives of Price-Anderson and would impose severe burdens on the Department's research and national security activities.

> We also object to any amendments that would eliminate the so-called "limitation on liability" by no longer requiring affirmative Congressional action to compensate the public when it appears that claims may exceed the statutory cap. Enactment of the House consensus bill without further amendment would provide the public more than a ten-fold increase in the amount of financial protection afforded under current law. If the cap were ever exceeded, the absence of Congressional involvement in the distribution of funds could lead to endless claims on the U.S. Treasury, rendering the system of compensation both inefficient and unpredictable.
>
> In addition to these two provisions, the Administration strongly opposes any provision which would, for liability purposes, treat the Department as if it were one of its own contractors. Changing the rules of Government liability, struck long ago in the Federal Tort Claims Act, would represent a major departure from existing law, upsetting well-established principles that have governed this area of law for years.
>
> In addition to these inimical provisions, we are also opposed to any amendment which would restrict payment of defense costs from the compensation fund until all other claims are paid. Defense costs in the unlikely event of an accident are extremely difficult to predict, making coverage of such costs under private insurance contracts virtually impossible to obtain. Coverage of these costs under Price-Anderson would prevent the inability to obtain such insurance from discouraging the continued operation of nuclear facilities and future investment in such facilities.
>
> I encourage the House to renew the Price-Anderson Act without counterproductive provisions designed to legislatively address issues that are unrelated to the compensatory objectives of the Act.

What has troubled me during the process of this bill is that there has been a continuing attempt to make a complicated system out of Price-Anderson which was designed to be a simple system. Price-Anderson, you could write on the back of an envelope what it does.

It says we need nuclear plants, it is our national policy to build them. We want to assure people living around those plants who live in fear, that if an accident happens damages are going to be paid. There was a tradeoff here. The tradeoff is no fault, you do not have to prove fault. You get your money for the damage.

The other part of the bargain, apart from no fault is limitation on damages. Nobody, no insurance company is going to pay an unlimited amount under a no-fault system. So ours is a no fault provision with the sensible limitation on damages. We protect the plaintiff, the damaged people. The two committees of jurisdiction have considered and debated at great length versions of the Sikorski amendment and I urge my colleagues to defeat it as the two committees did.

Mr. LENT. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. MOORHEAD], the distinguished ranking member of the Subcommittee on Energy and Power.

Mr. MOORHEAD. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the proposal to prohibit payments of legal costs from Price-Anderson moneys. Despite the rhetoric accompanying the proposal, this amendment will actually harm victims of an accident by eliminating the deterrent which currently exists to the payment of frivolous claims and by causing the insurance companies, who provide swift compensation in the event of an accident, to abandon nuclear coverage.

Under H.R. 2994, in the event of a serious accident, all legal costs of both plaintiff and defendant attorneys, will be rigoroulsy scrutinized to assure that they are reasonable and not the result of delaying tactics or needless actions. Under the compromise agreed to in the Energy and Commerce Committee, if claims will exceed the limitation on liability, a surcharge of 5 percent will be assessed against the utilities to help pay claims.

The amendment before us now says that legal costs, even if reasonable, cannot be paid in the event of a major accident. At first reading, this sounds like a policy that will help victims of an accident. But in reality this provision will harm victims. This amendment will remove the check which now exists to prevent payment of frivolous claims. Under the current law and under H.R. 2994 insurance companies administer the program, distributing both insurance funds and retroactive assessments paid by utilities. If this amendment is adopted, the cost of investigating claims would no longer be reimbursed. No one—neither the insurance companies nor utilities—will have any incentive to investigate claims to assure their legitimacy. Instead, claims will be paid on a first-come-first-served basis, legitimate or not, until the limit on liability is reached. A real victim who files late in the process will find his compensation delayed until Congress enacts a supplemental plan.

Most of the defense costs involved under Price-Anderson's no-fault system are costs of investigating and settling claims incurred by insurers, not costs of numerous defense lawyers. Certainly regarding payment of these costs is necessary before an organization will run the system. If payment of legal costs are prohibited, many insurance companies will withdraw from the pools which provide the first layer of protection and will decline to administer the second layer of protection.

This will harm victims because the first layer of protection, $160 million, provided by the insurers who are experienced in processing claims, permits a rapid response to an accident. After Three Mile Island, the insurance companies set up offices within 72 hours of the accident to begin processing claims. If these insurers do not administer the deferred premium system, even greater delays in compensation victims will occur as an alternative system to pay victims is somehow organized.

This amendment could also harm the ability of a victim to hire an attorney because the victim may not be able to assure that his or her attorney will be reimbursed. And if a victim hires an attorney with money not from the Price-Anderson fund, then there will be no court supervision of those fees to assure that they are reasonable and as small as possible.

I urge my colleagues to vote against this amendment. The current provisions of H.R. 2994 contain an equitable compromise which assures strict court supervision and a fairly administered system.

Mr. SIKORSKI. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Chairman, I wholeheartedly support the Sikorski amendment to the Price-Anderson Act. This essential amendment would ensure that victims of a nuclear accident are compensated before the hired guns of the nuclear industry.

Attorneys working for the nuclear industry should not be compensated from a public fund that is needed to assist the victims of a nuclear accident. It is only fair and reasonable that those people who are the actual victims of a nuclear accident receive compensation for their suffering and trauma. The emphasis must be on helping the victims of the industry, not those working for the industry.

Without the Sikorski amendment, the Price-Anderson Act is little more than a public subsidy for the nuclear industry's legal costs. This contradicts basic concepts of equity and responsibility.

I urge my colleagues to support the Sikorski amendment which will introduce fairness into how people are treated under the Price-Anderson Act.

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Mr. LENT. Mr. Chairman, I yield 4 minutes to the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Chairman, I thank the gentleman for yielding this time to me.

Not being an attorney, I have a certain amount of sympathy for what the gentleman from Minnesota [Mr. SIKORSKI] is trying to do in this particular amendment. My major concern is, if I put myself into a victim's spot, how am I going to obtain legal counsel if indeed what I am reading into this amendment is actually true.

If the author of the amendment, the gentleman from Minnesota, would be so kind, I would like to just ask him a couple of questions, and maybe I can get some of this cleared up.

**Mr. SIKORSKI.** Certainly, Mr. Chairman, if the gentleman will yield.

**Mr. SCHAEFER.** Mr. Chairman, does the gentleman intend this amendment to apply to victims' attorneys and lawyers as well as industry?

**Mr. SIKORSKI.** Mr. Chairman, if the gentleman will yield, that is a good question. The language of the law currently requires in most instances court approval of any costs. The language of the legislation that is before us that we are not amending requires court approval of legal costs of either the plaintiff or the defendant, that they be reasonable, and that they be incurred in a nonduplicative and nonfrivolous manner and not in bad-faith situations. I think that is great, that is reasonable, and that is not only the norm and standard practice but something that we should embrace here.

**Mr. SCHAEFER.** Mr. Chairman, may I ask the gentleman this question: I am looking at the amendment here, and I would ask the gentleman how he defines the word, "jeopardize"?

**Mr. SIKORSKI.** Mr. Chairman, if the gentleman will yield, his concern seems to be that somehow by the language, "jeopardize victim's compensation," we are impinging upon the ability of plaintiffs' lawyers to recover. That is just not the case. We know from the victims and the plaintiffs that they get their recovery in the contingency or class action process only after the victims have been paid. They are not harmed by this amendment. What we find unreasonable is that we are asking the victims to get any recovery from a capped fund of $7.3 billion—receiving less than a dollar for a dollar's worth of damage—and pay his or her attorney out of that recovery, and then have to pay, before they ever get that money, the attorneys for the people that do not want them to recover at all, that is unreasonable.

**Mr. SCHAEFER.** Mr. Chairman, if I may reclaim my time, when I look at the word, "jeopardize" and I read the gentleman's amendment, I see that this could be applied not only to cases where we would reach the $7 billion threshold but also where we have maybe 20 or 30 people involved in $2 million claims, and if indeed we kick the word, "jeopardize," into it, how is that victim going to ever employ an attorney to represent him, if indeed this is true?

**Mr. SIKORSKI.** Mr. Chairman, if the gentleman will yield, the victims or the plaintiffs, do not have any problem, I say for the 15th time, with this language. Their recovery comes on a contingency basis or, as in other cases, with a class action. I have been involved in litigation like that, and the court right now is involved in supervising their recovery, and the victim's compensation itself could very well be interpreted or is interpreted as victims compensation——

**Mr. SCHAEFER.** Mr. Chairman, if I may reclaim my time, I read in the gentleman's "Dear Colleague"—and we have exchanged a couple of those on this—that he is saying that this does not kick in until we reach the $7.3 billion threshold, am I correct?

**Mr. SIKORSKI.** No, no. With legal costs, the Moorhead language, which requires the judgment of reasonableness, kicks in at all times without my amendment.

**Mr. SCHAEFER.** The Moorhead language. Yes, I understand.

Does the Sikorski amendment limit payment of attorney fees only in major accidents where damages exceed the $7.3 billion as per the gentleman's "Dear Colleague"?

**Mr. SIKORSKI.** That is right. It is designed only to kick in in those certain circumstances.

**The CHAIRMAN** pro tempore (Mr. Hoyer). The time of the gentleman from Colorado [Mr. Schaefer] has expired.

**Mr. LENT.** Mr. Chairman, I yield 1 additional minute to the gentleman from Colorado [Mr. Schaefer].

**Mr. SCHAEFER.** Mr. Chairman, my problem is this: if indeed we should have an accident of this magnitude, we are virtually going to have a class action. We are going to have a multitude of people out there who have claims against defendants. A judge is going to sit there and say, "I have 500 or 700 people out here, and I am not going to award any claims until I can see what the final version of this is going to be either as to claims or attorneys' fees or anything else."

**Mr. SIKORSKI.** Mr. Chairman, will the gentleman yield? That is exactly what the law says.

**Mr. SCHAEFER.** Just a moment.

**The CHAIRMAN** pro tempore. The gentleman from Colorado has not yielded to the gentleman.

**Mr. SCHAEFER.** Mr. Chairman, if we look at page 27, it is saying that the contingency fees can pay public liability claims and legal costs. What happens if we exceed all the $7 billion and all the contingency fees go to claims and there is nothing left for legal costs? Now, what is going to happen as far as the attorney fees are concerned?

**Mr. SIKORSKI.** Mr. Chairman, will the gentleman yield?

**Mr. SCHAEFER.** My time has just about expired. I appreciate the gentleman's intent on this, but I think that we are certainly getting to a point where there is going to be a problem.

**Mr. SIKORSKI.** Mr. Chairman, the gentleman asked me a question.

**The CHAIRMAN** pro tempore (Mr. Hoyer). The time of the gentleman from Colorado has expired.

**Mr. SCHAEFER.** Mr. Chairman, I would be glad to yield if I have any time left.

**The CHAIRMAN** pro tempore. The gentleman's time has expired.

**Mr. SIKORSKI.** Mr. Chairman, I yield myself one-half minute.

Mr. Chairman, the gentleman of Colorado has stated concerns that make no criticism of what I am doing. The concerns he has with large cases and complex litigation are already handled in the law and in the legislation before us and those provisions are not affected by my amendment. I simply ask the gentleman to read the legislation. Section 170(n) describing judicial procedures is not affected by my amendment. And the language on the reasonableness of attorneys' fees in section 170(o) in this legislation is not affected by my amendment. The gentleman asks reasonable questions, but I am not changing the process to handle these huge lawsuits or the court review of reasonable legal costs, and I hope the gentleman does not damn my amendment for what the existing law and the pending legislation does, because it does not deserve it.

**Mr. LENT.** Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. Hall].

**Mr. HALL** of Texas. Mr. Chairman, I rise in opposition to the Sikorski legal costs amendment. The proponents of this amendment have advanced at least two misleading arguments.

First, lawyers don't get paid first under Price-Anderson. Despite Congressman Sikorski's rhetorically appealing story, wealthy attorneys do not collect before the helpless victims.

In a major nuclear accident, the current Price-Anderson law mandates that claims and costs only be paid if they comply with a court-approved distribution plan. According to the statute, the distribution plan must prioritize claims to "insure the most equitable allocation of available funds." This equity-driven and court-approved distribution plan is the mechanism for paying claims—not a perverse notion of lawyers collecting before victims.

The committee bill, in addition, prohibits the award of any legal costs until after they are expressly approved by the court. This new provision also mandates that costs only be approved if they are reasonable, equitable, and not the product of bad faith, frivolity, duplication, or delay. These new court standards should deter any attorney from engaging in legal tactics designed to unnecessarily delay the speedy settlement of claims.

Second, the Sikorski amendment does not help the victims recover from injuries sustained in a nuclear accident. The amendment, if anything, complicates the task for the plaintiff

by reducing the chances his attorney will be compensated.

The Sikorski amendment bars the awards of legal costs which are expressly defined in the committee bill to include both defendant and plaintiff costs. Accordingly, the court could refuse to award plaintiff attorney costs from the overall settlement even if they are reasonable and equitable. This amendment could harm the ability of a victim to hire an attorney when most needed, since attorneys would be unwilling to represent prospective accident victims unless there was an assurance that their costs and time would be paid for.

The Sikorski amendment is not as simple as it sounds. Upon close examination, it's clear that lawyers are not paid first under Price-Anderson and that the amendment could actually jeopardize the rights of victims because it applies to plaintiff attorneys.

I therefore urge my colleagues to vote against the Sikorski legal costs amendment.

**Mr. SIKORSKI.** Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. Frank].

**Mr. FRANK.** Mr. Chairman, I thank the gentleman for yielding this time to me, and I commend the gentleman from Minnesota [Mr. Sikorski] for a very thoughtful amendment.

I have been impressed that the Members who voted to keep a limit on recovery yesterday are today so worried about the impact the recovery they have imposed on the victims will have on the victims. In fact, as I hear today's concern for the plaintiffs over this amendment, I find that there is a new danger that people may face if they are the victims of a nuclear accident; they may drown in crocodile tears if they come anywhere near the House of Representatives.

All of a sudden the poor victims, whose interests, it seemed to me, did not seem to be terribly important yesterday, are, we are told, motivating the Members, and I am sure that is an honest mistake they are making.

What the gentleman from Minnesota is doing is perfectly sensible. What he is saying is that if the cap that was imposed against my objection in the face of his objection, if the very thoughtful amendment of the gentleman from Ohio [Mr. Eckart] had been adopted yesterday, we would not be here. We are here because of the cap, and as the gentleman from Minnesota said, some of the things Members are criticizing are not the result of his amendment; they are the result of the cap that was kept in the bill yesterday. So he is hardly to be blamed for that. We have got the cap, and he is trying now to deal with it. He is being subjected to very inconsistent arguments.

I know that you can plead in the alternative in court, where you can offer two totally opposite arguments and hope the judge will pick one. But I do not think we ought to do that on the floor of the House. One Member told the gentleman from Minnesota his amendment was going to be kicking in much too early, and another Member said it was unnecessary because we would never need it. I would hope there would be some method by which Members on the other side could pick one or another of those and sit on it.

What the gentleman said was very simple and straightforward. We know the plaintiff's lawyers are going to be paid in almost all the cases only from recoveries. So the argument that the plaintiffs will recover and there will be no money left to pay the lawyers is a mistake. The contingency fee is what will motivate them. What we are saying to the people in the nuclear industry is: "You are the ones who put the cap on. We didn't want a cap. We wanted you not to be subsidized by a cap. We wanted this to be open. But if you are going to have a cap after you voted one and there are going to be limits, you should not have your lawyers getting a piece of that limited pie before the victims are fully satisfied."

That is the only circumstance in which it would come into play. If the cap is reached and every claim cannot be satisfied fully, there would have to be an apportionment. What we are saying is that before you deny any victim any recovery to which he or she has been found to be entitled, you will not pay the defense lawyer.

Will the defense lawyers then be applicants for the homeless shelters? I do not think so. We are not talking about them; we are talking about the corporate concern about that, and I share the views of my good friend, the gentleman from Texas [Mr. Hall], that it is not a good idea to cuss the lawyers. None of us has a lifetime lock on this job. Who knows, we might be practicing one day, God forbid. But it is not cussing the lawyers to point out that these defense attorneys will not go hungry.

**The CHAIRMAN** pro tempore. The gentleman from New York [Mr. Lent] has 12 minutes remaining and the gentleman from Minnesota [Mr. Sikorski] has 13 minutes remaining.

□ 1140

**Mr. LENT.** Mr. Chairman, I yield 2 minutes to the gentlewoman from Tennessee [Mrs. Lloyd].

**Mrs. LLOYD.** Mr. Chairman, I thank the gentleman for yielding time to me.

I rise in opposition to this amendment.

Mr. Chairman, to me this is putting the cart before the horse, because the cost of administering claims and defending against nonmeritorious claims is as much a part of Price-Anderson as is the victims' compensation. This is the mechanism.

If we handicap the process by excluding reasonable legal costs, then we are going to be jeopardizing the amount of funds that will be available to pay the meritorious claims. This amendment could, therefore, harm the true victims.

If the utility cannot pay for administering claims, they will not get administered, and the victim will suffer again.

The mechanism in this bill to address a situation in which the $7 billion is inadequate to compensate the victims is for Congress to take appropriate action.

I do not think this amendment will provide adequate protection for the victims. Under the bill, as approved by the committees, the legal costs must be reasonably incurred.

I, therefore, oppose the amendment.

**Mr. SIKORSKI.** Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. Boucher].

**Mr. BOUCHER.** Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the gentleman from Minnesota's amendment. In the event of a nuclear accident which exceeds the bill's $7 billion cap on compensation, the Sikorski amendment would prohibit the payment of attorneys' fees from the compensation pool.

Equity, standard practice, and the spirit of compromise should guide our consideration of this amendment. If a nuclear accident exceeds the $7 billion cap—a not unlikely scenario—who wants to explain to their constituents that they won't be compensated fully because the industry's attorneys are the only ones guaranteed full compensation?

H.R. 1414 is touted as providing 7 billion dollars' worth of coverage to victims of nuclear accidents. This portrayal is not accurate. Since the bill allows attorney fees to be paid first, the funds remaining to compensate victims would obviously be less. The result under the present bill? Victims would not be fully compensated, but industry's attorneys would stand at the front of the line receiving checks providing full payment of their fees.

In normal litigation, defense costs are not deducted from insurance coverage for plaintiffs. Price-Anderson is the rare exception. That exception should be modified.

The Sikorski amendment is a fair compromise. The Udall-Sharp bill as introduced prohibited all payments to attorneys from the Price-Anderson compensation fund, and the bill before us today allows compensation of attorneys before victims. The Sikorski amendment strikes a balance between these two proposals by providing that when victims have been compensated fully without reaching the $7 billion li-

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ability cap, payment of attorneys' fees from the fund will be allowed. Otherwise it will not.

The Sikorski amendment provides equity to victims, is in line with standard insurance practice, and is a fair compromise. I urge the adoption of this amendment.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. Morrison].

Mr. SCHAEFER. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Washington. I yield to the gentleman from Colorado.

Mr. SCHAEFER. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the amendment.

Although far too little attention has been paid to this fact, it is important to understand that this amendment prevents courts from compensating victims' attorneys in the event of a nuclear disaster.

The effect of doing so, depending on your interpretation of this amendment, is to either reduce victim compensation or severely jeopardize a victim's ability to retain counsel. Yet this is being billed as an amendment to protect victims. Take a second look.

The amendment before us states that the court may not authorize payment to a victim's attorney if such payment would jeopardize the victim's award. How does one define this vague term "jeopardize," which is the key word in the gentleman's amendment? Since even a legal fee of $1 would reduce, or jeopardize, the victim's payment, the court may determine that no legal fees are to be paid from Price-Anderson moneys. Try to get legal representation for nothing. It's not easy.

In the best case, although the amendment may prevent it, the victim may be able to retain counsel on a contingency basis. Without court supervision, however, the victim would be subject to unreasonable and duplicative legal fees. The victim could easily be charged far more than the actual value of the services provided.

In either case, the victim would be the loser—under an amendment supposedly designed to protect him. If you really want to assure victims full compensation for their injuries, vote against this amendment.

Mr. MORRISON of Washington. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, as a nonattorney, I rise in opposition to the Sikorski "legal cost" amendment.

This amendment would exclude from the Price-Anderson mechanism the costs of investigating, settling and defending claims. On the surface Mr. Sikorski's amendment appears to be simple lawyer-bashing—something most of us have done from time to time. The amendment appears to protect the public from ruthless attorneys. In reality it does nothing of the kind.

In the course of protecting us from lawyers, the amendment could hamper the rapid and efficient settlement of claims and leave the public with no protection at a time when it is most needed. This is because the definition of legal costs encompasses more than just attorneys' fees. Administrative costs include such things as medical evaluations, land appraisals, and establishing claims offices. These functions are essential for rapid, efficient, and effective compensation.

The rhetoric on this amendment has also created a misconception regarding existing Price-Anderson policy. Lawyers don't get paid first under Price-Anderson. In the event of an extraordinary nuclear accident, not only must the court approve a distribution plan, but the award of legal costs is prohibited until approved by the courts. This process worked most effectively and quickly under its only field test, at Three Mile Island.

The committee consensus bill already contains a fair and reasonable compromise on the "legal cost" issue. The bill subjects all costs in a major nuclear accident to rigorous court supervision to ensure that only reasonable and equitable costs are paid. In addition, the bill increases the financial protection available by 5 percent—about $350 million—to cover these costs.

I urge you to support this compromise which is included in the floor vehicle and to oppose this amendment that would exclude legal costs from Price-Anderson coverage.

Mr. SIKORSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. Markey].

Mr. MARKEY. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in support of the Sikorski amendment. I have been here in Congress now for six terms, for 11 years.

One of the things that I am absolutely convinced of, this is one of the most lawyer-hating institutions that has ever been put together on the face of the Earth.

Regardless of what bill is passed, what new regulation is sought to be imposed, it is always called the lawyers relief fund, another attempt at putting regulation on the books to help lawyers get more fees for themselves.

It is a lawyer-hating institution. There is no question about it.

I know it is proud to be a lawyer-hating institution. We have now the Sikorski amendment. The gentleman from Minnesota comes up with this radical idea.

In the event of a nuclear meltdown at a powerplant in this country, after the cap of $7 billion has been imposed, and an accident that might cost $20 or $30 billion, that is all we are going to let victims recover? Who could come in first and get their money, the lawyers or the victims, not just any lawyers but the lawyers defending the utilities?

That is what money, amongst others we are talking about which will come out of this $7 billion fund, while the bill as presently drafted lets lawyers go to the front of the line.

The amendment of the gentleman from Minnesota says victims are at the front of the line. They get compensated and then lawyers can come in and be compensated.

A lot of Members historically have felt it necessary to attack lawyers on the floor, and I understand that. We are going to be checking votes here today. Any Member who votes against the amendment of the gentleman from Minnesota will be permanently estopped from any further lawyer-bashing in that Member's congressional career.

The Members will not be allowed, because they are allowing them to put their hand in and perhaps take out $2 or $3 billion out of a small fund of $7 billion which could potentially go to victims in the event of a nuclear accident, so all of you legislative assistants out there who are now deciding how to recommend to your bosses how to vote this afternoon, here is how it comes down.

A vote for victims of nuclear accidents is a "yes." A vote for lawyers is a "no." Victims are a yes vote. Lawyers are a "no" vote.

If you want to break it down in any other manner, shape or form, you are misrepresenting what this issue is all about.

Lawyers should go to the back of a line. In the event of a nuclear disaster, they should be the ones who come into Congress and ask the Congress to appropriate another $10, $20, or $30 billion to compensate them, because they have not been properly paid.

I think that they have a better chance of getting that additional money beyond the $7 billion than the victims would when they come before us and ask us to fund that additional help and assistance which is going to have to go to those who have in fact suffered because of that damage.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. Oxley].

Mr. OXLEY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I always enjoy following the gentleman from Massachusetts [Mr. Markey], my good friend, on these important issues.

I do not think anybody can argue about where the gentleman stands on these particular issues. I just hope the gentleman has the same success with this amendment that the gentleman had with the two previous ones in the committee.

Clearly this case is far more than lawyer-bashing, although perhaps I wish it were that simple. The real

simple fact is that the people that ought to be the most involved in this, and we ought to have the most concern about, are the potential victims in this kind of an accident.

Those people deserve full compensation, and nobody is arguing from any angle that they do not deserve full compensation.

That is why we went a tenfold increase in the limit on damages from $700 million to over $7 billion in this process, but everybody forgets about the victims.

It is very easy to bash the attorneys on this, and I would like to ask the gentleman from Texas who has practiced law like some of the Members, whether the gentleman would under the circumstances of the Sikorski amendment, if some victim came in and asked for his very eloquent efforts at representing him, whether the gentleman would consider representing a victim under this form of amendment that has been offered by the gentleman from Minnesota.

□ 1150

Mr. MARKEY. Mr. Chairman, would the gentleman from Ohio be willing to yield, since he mentioned my name?

Mr. OXLEY. Mr. Chairman, I yield to the gentleman from Texas [Mr. Hall].

Mr. HALL of Texas. Mr. Chairman, I certainly agree with the gentleman that they would have a very hard time getting an attorney, any type of attorney, on the plaintiff's side.

I think the gentleman is exactly right. I am not sure whether the gentleman from Massachusetts is for or against attorneys, but I think I am pretty sure I know where the gentleman stands on nuclear energy, and that is what it is all about.

Mr. OXLEY. Well, Mr. Chairman, I thank the gentleman for that response.

It seems to me that is what it is all about. The bill is carefully crafted to allow the Federal court to make a determination as to reasonable legal costs in this whole process. I think that is really what it is all about. The bill is fair. It deals fairly with victims. It deals fairly with attorneys.

Mr. Chairman, I think the Sikorski amendment should be defeated.

Mr. SIKORSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. Swift].

Mr. SWIFT. Mr. Chairman, there is a fascinating little problem of credibility here, I think. What we are being asked to believe here today is that the primary protectors of the public interest and the consumer here are the nuclear industry, the insurance industry, and the legal profession. The reason they are opposing this amendment is in the public interest, the consumer's interest, and that is possible.

It is also possible that the National Consumers League who supports this amendment, and the National Insurance Consumers Organization, who supports this amendment, and the National Taxpayers Union who supports this amendment, are really against the consumer, are really against the individual citizen in this country. That is possible.

It is also possible that once the tortoise beat the hare, but that is not the way to bet.

It just seems that if you apply a little common sense, you know that the nuclear industry, the insurance industry and the legal profession, is defending itself, which it has every right to do, and that the National Consumers League, the National Insurance Consumers Organization and the National Taxpayers Union, are defending the consumer.

So the choice is very clear. No one is going to be misled by that. This is a vote that will say how each of our colleagues chooses. Are they going to be on the side of the industries or on the side of the consumer?

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. Huckaby].

Mr. HUCKABY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment pending before the House. Let us review the bidding here. We have a three tier process. There is $160 million in the first tier. Every plant is required to have that.

We have a $7 billion second tier as a collective pool. We voted yesterday to cap this at $7 billion that the utilities pay.

Nowhere in this bill does that say that the lawyers will be paid before the claimants. It says the court shall decide and the court shall decide what are reasonable attorneys' fees.

The point we are missing here in this debate is that there is a third tier of insurance provided.

Is there any doubt in anyone's mind here in Congress that in a major catastrophic accident, this bill says Congress shall come forth and provide compensation for the claims. Everyone will receive their just claims. It is just that this bill says all of the people, instead of those right players who happen to operate and live under a nuclear powerplant would pay those claims.

The bill specifies a third tier that shall kick in to pay the just and adequate claims of all victims. So that is really not an argument here.

Mr. HALL of Texas. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Texas.

Mr. HALL of Texas. Mr. Chairman, do I understand the gentleman opposes the Sikorski amendment?

Mr. HUCKABY. Yes, I oppose it.

Mr. HALL of Texas. And favors the bill that was worked out after long hours and much give-and-take that the committee recommends?

Mr. HUCKABY. That is exactly correct.

Mr. SIKORSKI. Mr. Chairman, I yield one-half minute to the gentleman from Massachusetts [Mr. Frank].

Mr. FRANK. Mr. Chairman, we give the gentleman from Texas an assist on the previous play, but I cannot score the gentleman errorless on his previous comments.

The notion that this amendment, if adopted, would deter you from taking a case up for the plaintiff is simply flatly and inconvertibly wrong, because the plaintiff's attorney would have the right under the Sikorski amendment to get a contingency fee recovery out of the plaintiff's share, so in no way, shape or form, would the Sikorski amendment deter a plaintiff's lawyer from taking this on a contingency fee basis. The plaintiff would get his or her recovery and pay the lawyer his contingency fee.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. Callahan].

Mr. CALLAHAN. Mr. Chairman, since under the Markey provision, since I am going to vote against the Sikorski amendment, I am going to be prohibited from bashing lawyers, I should like to start off before telling you that I am not going to be able to bash lawyers anymore because I am going to vote against the Sikorski amendment, but I will recall a conversation that took place on the floor of the Alabama Senate when a nonlawyer and a lawyer were in debate. The lawyer asked the nonlawyer if indeed he had a law degree. The nonlawyer said, "No, but if I had known how little sense it took to get one, I would have gone ahead and got one."

Mr. Chairman, I rise in opposition to the amendment.

I understand the concerns expressed by the gentleman from Minnesota. None of us would have attorneys receive payments to the detriment of the victims the Price-Anderson Act is designed to protect.

The bill before us allows payment of legal fees only if those fees are found to be reasonable by the courts and if the utilities had not attempted to delay claims settlements. If payments to victims for claims and authorized legal costs exceed the $7 billion limit, the utilities will be assessed an additional 5 percent to pay legal costs and claims.

Many of us have done our share of lawyer bashing. But I think we generally recognize that there is a need for legal work in many cases. I, for one, can't think of a more appropriate time for legal counsel than in the event of a

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nuclear accident. The amendment doesn't only limit payment of utilities' legal costs, it also limits payment of victims' attorneys fees. Now, I'm not a lawyer myself, but I strongly suspect that many attorneys will be reluctant to accept plaintiffs' cases when their right to compensation is in question.

Mr. Chairman, I just don't think this Congress wants to limit victims' rights to retain adequate legal counsel. We can bash lawyers and large utilities all we want, but we will be making a great mistake if we bash victims with the same stick.

Furthermore, adequate legal defense of claims will serve to prevent frivolous claims and thus will preserve the resources of the compensation pool for legitimate claims.

This amendment is unnecessary and I urge my colleagues to reject it.

The CHAIRMAN pro tempore (Mr. Hoyer). The Chair would advise the gentleman from Minnesota [Mr. Sikorski] has 5½ minutes remaining, and the gentleman from New York [Mr. Lent] has 2 minutes remaining.

Mr. SIKORSKI. Let me just say in a recap, Mr. Chairman, that thus far we have had three arguments made by the opponents, and one argument I want to make stronger for the proponents.

The first argument by the opponents is that we are going to collapse the system. They say that if this amendment goes on, the system is going to collapse. It cannot function.

I call it the Apocalypse Now prediction. They are not worried about a nuclear event. Of course, they say that nuclear event is not going to occur. They are not concerned about victims with irradiation burns and cancers and the rest of it not getting compensation because industry lawyers are there. What they say they are concerned about is the system collapsing if we pass the Sikorski amendment. But we do not change the system at all.

The second argument they make is that they are concerned about plaintiffs getting proper legal representation. Now they come on like Mother Theresa. They view the victims whom they have capped from recovery, whom they want to take money away from and out of the victims compensation fund to hire lawyers to beat those victims up, they now say they are concerned about the victims.

The plaintiffs and the victims support the Sikorski amendment.

The third argument is just the reverse. After being St. Bernards coming to the aid of the victims in the last argument, they now come in and beat up and bash the victims by saying that they are going to file frivolous suits and that it is going to be terrible and a run on the fund. They now become pit bulls. Dr. Jekyll becomes Mr. Hyde and they say the victims are at fault and the Sikorski amendment would assist the victims to a terrible degree and result in the ruination of the fund.

It is neither Apocalypse Now—the system won't collapse—nor Mother Theresa, nor Dr. Jekyll or Mr. Hyde. If they want people to believe them—and I have no doubt of the sterling sincerity on the opponents side—but if they truly want people to believe that they are on the side of the plaintiffs and the victims, they should find someone a little bit more gullible or naive, like Chicken Little, who ended up gobbled up by the fox.

Let me just conclude with one point in favor of the proponents that the opponents steer away from. Let me read from the National Taxpayers Union:

> It is not the nuclear industry that is at stake here. It is the federal treasury. Should there ever be an accident that causes a sizable amount of damage, the public stands a good chance of not being able to recoup their losses. . . Many members of Congress believe these people will be compensated—if they are, it will be by taxpayers—footing the bill for private industry's mistakes. . . This inequity is particularly glaring with regard to attorney's fees. We should eliminate provisions that would pay industry attorneys' fees before victims are fully compensated—so taxpayers don't wind up paying for the industry's legal costs.

If you are for the taxpayers, vote "yes" on Sikorski. If you are for the victims, vote "yes" on Sikorski. And if you are not for the taxpayers and victims, go ahead and vote "no."

Mr. LENT. Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. Fields].

Mr. FIELDS. Mr. Chairman, I rise in opposition to the Sikorski amendment.

What we are considering today, Price-Anderson, is one of the most complicated pieces of legislation that this 100th Congress will consider.

The proponents of this amendment would like everyone to believe that this is a simple amendment, who gets paid first, attorneys, or the victims of a nuclear accident?

But you know, we just heard a great deal of emotionalism. We heard people talking about Dr. Jekyll, St. Bernard, Apocalypse Now, Mother Theresa, and I think it is important to say that there is a great deal of emotion that is always expressed on anything regarding the nuclear industry. Many of the people who express that emotion really want to see the nuclear industry disbanded.

Price-Anderson was enacted with two major objectives: to limit the liability of a fledgling commercial nuclear industry and to assure speedy and just compensation to victims in the event of a nuclear accident.

Compensation of victims is assured through a no-fault liability system. Under the system, all utilities with nuclear reactors would be required to contribute up to $63 million per reactor, per incident into the public compensation fund. The no-fault system and the public compensation fund—which would total $7 billion under H.R. 1414—ensure that victims will get speedy compensation. Without Price-Anderson, victims' claims would languish in court for years. Furthermore, there wouldn't be enough money to pay court awards since a single utility would almost certainly be bankrupted by a major nuclear accident.

If the Sikorski amendment passes and legal costs may not be paid from the compensation fund, the whole system to guarantee compensation to victims begins to fall apart.

The Sikorski amendment severely damages the Price-Anderson system. If the goal of the Sikorski amendment is to protect the victims' compensation fund from being drained by lawyers' fees, the bill before us already does that. H.R. 1414 contains strong provisions to protect against unreasonable lawyers' fees. The legal costs of both plaintiffs and defendants require court approval. Judges can throw out legal costs which are not reasonable or are duplicative or frivilous. So, the courts can already prevent legal fees from draining the compensation fund. We do not need the Sikorski to protect the victims' compensation fund.

I wish the Sikorski amendment were unnecessary, but harmless. But, it's not. The Sikorski amendment actually hurts the very victims he seeks to protect.

Under the Sikorski amendment, victims' attorneys would be excluded from receiving payment from the fund. So, victims who may not have the financial resources to hire an attorney to defend their claims would be left to fend for themselves.

Second, compensation for the real victims of a nuclear accident would be threatened by the Sikorski amendment. The Sikorski amendment prohibits not only defense and plaintiffs' lawyers' fees; the Sikorski amendment prohibits payment from the fund for the costs an insurance company incurs in investigating claims. Insurance companies only administer the disbursement of money from the second-tier victims' compensation fund; their own funds are not at stake. Insurance companies will not investigate claims for which their expenses cannot be reimbursed. Consequently, frivolous claims are likely to be approved, draining the compensation fund at the expense of actual victims. The victims' compensation fund is better protected by spending a fraction of a dollar weeding out spurious claims than risking the unlimited diversion of funds away from true victims.

Furthermore, without certain payment of investigatory, defense and settlement costs, many insurance companies would withdraw altogether from administering the distribution of

funds. Again, victims would suffer since the prompt payment of claims would be disrupted.

Finally, the ranking minority member of the Energy and Power Subcommittee, Mr. Moorhead, offered a compromise amendment in subcommittee specifically to address the concern that legal costs might divert funds from victims. The Moorhead amendment provides that retroactive assessments on nuclear utilities would increase by 5 percent if it appears likely that the $7 billion cap will be exceeded.

Strict court supervision of legal costs combined with a potential 5-percent increase in utility assessments ensure that the fund is primarily a compensation fund, not a legal cost fund.

The Sikorski amendment may sound good, but if you want to be sure that the real victims of a nuclear accident are compensated, look beyond the superficial rhetoric.

I urge my colleagues to oppose the Sikorski amendment.

Mr. SIKORSKI. Mr. Chairman, I yield my remaining 3 minutes to the gentleman from Ohio [Mr. Eckart].

Mr. ECKART. Mr. Chairman, I thank my colleagues and I commend my friend, the gentleman from Minnesota, for offering this amendment.

You know, this isn't Burger King, you cannot have it both ways. Yesterday my colleagues said that it is an "unlikely event" that the accident would exceed the $7 billion cap but today we are told that this amendment poses a grave threat to Price-Anderson but its implementation is likely.

☐ 1205

The fact of the matter is you cannot have it both ways. It cannot be unlikely yesterday and absolutely certain today. The fact is, that the Sikorski amendment only applies in the event that the cap is breached and then only under those circumstances as determined by a judge in his discretion as to whether or not the fees are reasonable and the action pursued is frivolous or dilatory.

Let us talk about the insurance companies and the huge pall of concern we have expressed so deeply today on their behalf. They collect annually without anything ever occurring, $50 million in fees. Nothing happens. They collect that $50 million every year for 3 years and reach $150 million which is $10 million short of their total liability for the entire Price-Anderson of $160 million.

Are my colleagues telling me now that insurance companies cannot afford the costs of handling payments to victims?

Let us focus on this for a minute. What we have in Price-Anderson is the most advanced form of corporate socialism known to mankind. We guarantee that the utilities are protected.

Oh, yes; we guarantee that the suppliers are protected and will never be brought into court even if they grossly negligently cause injury or death to someone and now while we are providing that statutory defense we say that the lawyers who defend them, those who cause the injury, are guaranteed to get paid first in that unlikely event of an accident.

Come on, folks we cannot have it both ways. I can assure this House that if we are concerned about the lawyers, that we are prepared to consider a Homeless Act that will take care of those few lawyers who may find themselves economically deprived as a result of the passage of the Sikorski amendment, but that is not likely the case.

Lest we be concerned we are talking small potatoes here in excess of the cap, fully appreciate the example of Three Mile Island in which between 16 and 18 percent of the payments made went to attorney's fees, attorneys who fought the victims' claims.

I continue to be amazed at those folks who advance product liability legislation, which contains a cap on attorneys' fees, a piece of legislation that I have some interest in, because it is necessary to do this to solve the liability crisis. But today they want to have it both ways: limit attorneys' fees for victims of faulty products but throw dollars to the lawyers when there is a nuclear accident.

Come on, folks, we cannot have it both ways. We cannot say fix the victims in product liability by limiting attorneys' fees and protect victims by taking their lawyers away from them. Support victims, support the Sikorski amendment.

Mr. MURPHY. Mr. Chairman, I was part of the beginning of the solution to this difficult issue back when the Interior Committee addressed Price-Anderson. I think it is important for my colleagues to know that all sides have worked hard to find a workable solution to this issue. No one is served by coming in at the 11th hour and disrupting the true compromise reached in this bill.

The solution that was reached was in favor of judicial supervision of both plaintiffs' and defendants' legal costs in order to maximize the compensation of victims from the first two tiers of Price-Anderson insurance proceeds.

Under H.R. 2994, the only legal costs paid are those that meet the following standards:

First, the costs are reasonable and equitable; and

Second, the person seeking reimbursement has: litigated in good faith; avoided unnecessary duplication of efforts with those of other parties similarly situated; not made frivolous claims or defenses; and not attempted to unreasonably delay the prompt settlement or adjudication of claims.

It is arbitrary to exclude, as the Sikorski amendment does, plaintiffs' or defendants' costs that are inevitable under our American tort system and that have met these tests.

Additionally, the Sikorski amendment is unnecessary to assure victim compensation since it is based on the false premise that these is an absolute limit on compensation funds. In the unlikely event the liability limit is reached, H.R. 2994 commits Congress to provide full compensation. Congress will be presented with a plan to provide additional compensation, and has reserved the right to tax licensees to reimburse the Treasury. Thus, coverage of legal costs will not impart the full compensation of victims.

However, the Sikorski amendment does impair the right to counsel. The legal costs that the amendment restricts are both plaintiffs' and defendants' costs approved by a court as reasonable under the criteria I have outlined.

Perhaps the most glaring deficiency in the Sikorski amendment is that it will render the Price-Anderson Act unworkable for the public. Questions will be raised as to why there is all of this money out there that victims can not get because there is no one to write the checks. The unclear liability insurers cannot continue to administer either of the two layers of liability insurance under the Sikorski amendment, and neither could any other private entity. The law must provide for the costs of administering the system.

In the one example of Price-Anderson after Three Mile Island, the insurance system worked. Within 72 hours after the accident the industry established claims facilities for evacuated families. Under this amendment, the expenses of assisting people quickly and efficiently would have been denied. The position in H.R. 2994, with a surcharge for these expenses on top of the retrospective premium assessment, represents a carefully crafted compromise by the authorizing committees.

This amendment wants to provide the public with the Cadillac of compensation systems, with $7 billion in the gas tank and the motor running, but with no transmission to get the power to the wheels. Thanks, but no thanks. I urge my colleagues to oppose the Sikorski amendment and thereby provide the public with a compensation system that will work if it is called upon.

The CHAIRMAN pro tempore (Mr. Hoyer). The question is on the amendment offered by the gentleman from Minnesota [Mr. Sikorski].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LENT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 183, noes 230, not voting 20, as follows:

[Roll No. 292]

AYES—183

Ackerman
Akaka
Alexander
Anderson
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher

Boxer
Brennan
Bryant
Campbell
Cardin
Carper
Clay
Clinger
Coelho
Collins
Coughlin
Coyne
Crockett
Davis (IL)
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Evans
Fascell
Fazio
Feighan
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Garcia
Gekas
Glickman
Gray (IL)
Gray (PA)
Guarini
Gunderson
Hamilton
Hastert
Hayes (IL)
Hefley
Hertel
Hochbrueckner
Hoyer
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NOT VOTING—20

Anthony
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Rowland (CT)
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Torres

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Mr. EDWARDS of Oklahoma and Mr. BOULTER changed their votes from "aye" to "no."

Messrs. CLINGER, DONALD E. LUKENS, HUGHES, GEKAS, and Mrs. BOGGS changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WALGREN

Mr. WALGREN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Walgren: Page 9, line 4, strike "(2) In" and insert "(2)(A) Except as provided in subparagraph (B), in".

Page 9, after line 14, add the following new subparagraph:

"(B)(i) The Secretary shall require as a condition of any agreement of indemnification entered into with a contractor under paragraph (1) covering public liability arising from nuclear waste transportation activities funded by the Nuclear Waste Fund established under section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), that the contractor obtain the maximum amount of financial protection that the Secretary determines to be reasonably available.

"(ii) The amount of indemnity provided contractors under paragraph (1) shall not be effected by any amount of financial protection required under this subparagraph.

"(iii) The aggregate public [illegible] under subsection e. (1)(B) for c[illegible] described in this paragraph shal[illegible]creased by any amount of financial protection required under this subparagraph.

"(iv) The Secretary may, in accordance with clause (v), reduce the amount of financial protection required of any contractor under clause (i) by an amount equal to the amount of financial protection covering public liability described in clause (i) that such contractor is required to obtain under section 10927 of title 49, United States Code, or any other Federal law.

"(v) The Secretary may not reduce any amount of financial protection under clause (iv) for any contractor unless—

"(I) such contractor submits to the Secretary proof of financial protection obtained under section 10927 of title 49, United States Code, or any other Federal law; and

"(II) the Secretary determines that such financial protection is adequate to offset financial protection that would otherwise be required of such contractor under clause (i).

"(vi) Notwithstanding any other law, any amount paid by a contractor under clause (i) for financial protection required under such clause shall be considered a reimbursable cost of performing a contractual activity described in such clause.".

Page 14, line 10, insert "except as provided in subsection d. (2)(B)(iii)," before "in the case of".

Page 33, after line 7, insert the following new section (and redesignate the succeeding section accordingly):

SEC. 16. FINANCIAL ACCOUNTABILITY.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as amended by this Act, is further amended by adding at the end the following new subsection:

"u. Financial Accountability.—The Attorney General may bring an action in the appropriate United States district court to recover from a contractor of the Secretary (or subcontractor of such contractor) conducting nuclear waste transportation activities funded by the Nuclear Waste Fund established under section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), an amount up to the lesser of, 3 times the amount of profit obtained under such contract, or 10 percent of the net worth of the entity performing such activities, for public liability resulting, in whole or part, from the bad faith, willful misconduct, or gross negligence of any corporate officer, manager, or supervisor of such contractor (or subcontractor of such contractor).".

Mr. WALGREN [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore (Mr. Murtha). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN pro tempore. Under the unanimous-consent agreement, the gentleman from Pennsylvania [Mr. Walgren] will be recognized for 10 minutes and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. Walgren].

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Mr. WALGREN. Mr. Chairman, I yield myself such time as I may consume.

At the outset, on this amendment I want to give credit particularly to the gentleman from Missouri [Mr. Buechner] who has joined me in working on this proposal. He certainly deserves credit for much of the support that this amendment has to this point.

Mr. Chairman, this amendment takes its theme from the old song about the railroad that "runs through the middle of the house." It essentially says that when it comes to transporting nuclear waste "through the middle of the house" that railroads and trucking firms ought to have some financial stake in not having an accident and it ought to be carrying some private sector insurance.

Now both Mr. Buechner and I represent districts where nuclear waste from Three Mile Island has been brought through on the railroad.

Safe transportation of nuclear waste will soon be the direct concern of congressional districts in almost every State as we begin to move waste that is now held at reactors to interim or permanent repositories.

The Department of Energy estimates that more than 100,000 tons of nuclear waste will be shipped by the year 2020. And as we in Pittsburgh found out when the Three Mile Island debris was transported by rail through our community, we should make no mistake about it, it runs literally through the middle of the house.

Now under the present legislation, any DOE contractor is guaranteed blanket indemnity for any liability arising out of an accident involving nuclear materials. That means all those firms transporting nuclear waste, in many instances less than 20 yards from the bedrooms we sleep in, have essentially no stake in whether they have an accident.

Now in fairness, this bill was not focused on transportation and there are substantial and good arguments for limiting liability or providing indemnity for many aspects of the nuclear power industry, particularly those involved in government contracting. But regardless of how we view the liability questions for construction of facilities or for operation of facilities, transportation of nuclear materials is clearly a different matter; I think one that was largely not considered in the total large-scale frame work of this act that is focused on Price-Anderson liability of Government contractors in operating facilities and the like.

Common sense requires us not to give up the increased degree of care in transportation of nuclear materials that comes with some degree of private responsibility. Blanket indemnification, although appropriate for some other aspects of nuclear power and nuclear operations, is simply inappropriate for the transporters of nuclear waste.

Now, in honesty we should not overstate the impact of what this amendment would require. The amendment would create a limited amount of liability. The Justice Department would have the option to seek recovery of indemnification money in an amount up to three times the profits of the contract, or 10 percent of the contractor's net worth and, underlined, whichever is less.

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Now, civil liability would exist only in those cases where damages were caused by willful misconduct, bad faith, or gross negligence. That kind of limited liability could not as a practical matter be considered a threat to any responsible private sector operation, but it does represent the kind of financial interest in safe operation that would be in the back of the minds of those involved in the actual transport of dangerous materials, and that would serve the public interest well.

In addition, the amendment would require those transporting dangerous nuclear materials to carry liability insurance in an amount designated by the Secretary of the Department of Energy as reasonable under the circumstances.

We all know that Government bureaucracy often fails miserably in safety regulation, and it only makes sense, therefore, to involve the additional interest in safe operation that private sector insurance carries would provide. Certainly the public would expect nothing less under the circumstances.

This amendment was approved by the Committee on Energy and Commerce, but since that time we have redrafted some of the provisions to attempt to address concerns that were raised by the railroads with respect to cost reimbursement since the Government is essentially paying these contracts under DOE and with respect to double insurance coverage and eliminating that possibility as being required that was raised by some of the trucking concerns.

Mr. Chairman, this is a reasonable effort to insure the greatest degree of care and safety in the transport of nuclear waste, and I urge all my colleagues to support the amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. Murtha). The Chair will inquire, does the gentleman from New York [Mr. Lent] rise in opposition to the amendment?

Mr. LENT. I do, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from New York [Mr. Lent] is recognized for 10 minutes in opposition to the amendment.

Mr. LENT. Mr. Chairman, I am pleased to yield 1 minute to the distinguished chairman of the Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. Howard].

Mr. HOWARD. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would just like to point out that this amendment comes under the purview of the Committee on Public Works and Transportation, and our committee was not notified of this amendment. We have held no hearings on this amendment in our committee, and I think it would be unwise to pass legislation dealing with transportation via trucks without the proper committee of authorization and jurisdiction having held hearings and having made some determination on it.

So, Mr. Chairman, I hope that we will not agree to this amendment at this time.

Mr. WALGREN. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. Buechner].

Mr. BUECHNER. Mr. Chairman, I am pleased to cosponsor the amendment offered by the gentleman from Pennsylvania. The issue of transportation of radioactive waste is something that Members of this body must address! I can assure my colleagues that until a permanent repository is built, much of this country's nuclear waste will be transported by rail, motor carrier, barge, and any other available means. Safe transportation of nuclear waste should be a direct concern of congressional districts in almost every State of the country.

Mr. Walgren and I are particularly concerned with the high-level radioactive waste from the Three Mile Island reactor. This waste is being transported to a government research facility in Idaho. Alarmingly, this material is being transported through such highly populated areas as St. Louis and Pittsburgh. Neither the Department of Energy nor the Department of Transportation should be routing radioactive waste through such densely populated areas as the route of first choice. The chance of an accident is a very real and frightening possibility.

Safeguards must be implemented to ensure that the public is protected from radioactive waste. Unfortunately, safeguards do not exist in the bill at hand. The purpose of our amendment is to instill some common sense into this legislation. Our amendment will go a long way toward ensuring that the transporters of radioactive waste ship such material in a safe appropriate manner.

As the legislation is presently written, the DOE's nuclear waste transporters are totally exempt from any li-

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ability for damages to the public. These contractors are not required to purchase nuclear liability insurance. What would happen if the nuclear waste is spilled along the way? What would happen if it spilled in the middle of Pittsburgh? or St. Louis? or Kansas City? Scores of lives would be jeopardized. Billions of dollars worth of damages could be inflicted upon land and property! And what recourse would we have? Under current law, even if the transporting company caused the accident due to their own negligence, no matter how gross or willful, nothing could be done. This is unacceptable. Blanket indemnification is inappropriate for the transporters of nuclear waste. Blanket indemnification is an invitation to carelessness in an area where the highest standard should be the norm.

Our amendment would require transporters of nuclear materials to carry liability insurance and would also make these contractors liable for their own actions. It would permit the Department of Energy to recover any damages paid on behalf of a nuclear waste transporter if an accident is caused by the contractors willful misconduct, bad faith, or gross negligence. I believe that the present system of indemnification removes the safety incentive created by the tort system. To the extent liability can be passed to the Government, neither the contractors nor the insurers have an interest in ensuring that waste is transported with the safety of the public in mind.

Mr. Chairman, the St. Louis Post-Dispatch recently wrote a very telling comment on the nuclear power industry—

> With commercial nuclear power now entering its forth decade, it is time for Congress to break the umbilical cord that has nourished the nuclear industry thus far. The industry should be able to sustain itself without the expensive and counterproductive coddling of the existing Price-Anderson Act.

I agree! It is time for the contractors to be accountable for their actions and to ensure the safety of the public when transporting radioactive waste.

I urge my colleagues to support this public safety amendment. The time is now to act. It is imperative that Congress carry out the mandate of the people and stop courting disaster.

The CHAIRMAN pro tempore. The Chair wishes to state that the gentleman from Pennsylvania [Mr. Walgren] has 1 minute remaining.

Mr. WALGREN. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania [Mr. Gekas].

Mr. GEKAS. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I simply want to get a quick explanation. Suppose there would be no insurance coverage available and it is not even in the market. What happens then with respect to the contractor's liability under the gentleman's amendment?

Mr. WALGREN. Mr. Chairman, if the gentleman will yield, under the amendment the Secretary of the Department of Energy would set the amount of insurance required as reasonable under the circumstances. If none is available, there would be no requirement.

Mr. GEKAS. Mr. Chairman, I thank the gentleman.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. Bliley].

Mr. BLILEY. Mr. Chairman, this is not the place for this amendment, as the chairman of the Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. Howard], pointed out. This is a public compensation act, not a transportation act.

But getting to the merits of the case, this material would be transported in dry casks. They are very secure, under DOT rules. But what this well-intentioned amendment runs into is the law of unintended consequences. The railroads as ICC carriers have to carry it, there is no question about it, but they can set any rate. They can make the rate so unattractive that what is going to happen is that we will get all kinds of truckers, and a gypsy trucker will say, "I'm not concerned about liability. I don't have anything for them to sue anyway, so I'm going ahead and bid it and get a chance to make some money," and you are going to have this hauled over all the roads that way.

I say to the proponents of this amendment that the place to handle it is in the Surface Subcommittee or in the Transportation Committee and with a dedicated train, a dedicated train that goes from where you pick it up to where you drop it. Under the railroad's rules, on the dedicated trains, you have to clear the tracks so far in advance and clear the tracks so far behind.

Mr. Chairman, that is the place to handle it, not here with this amendment at this time on this bill. I urge a no vote on the amendment.

Mr. WALGREN. Mr. Chairman, I yield the balance of my time to the chairman of the Subcommittee on Energy and Power, the gentleman from Indiana [Mr. Sharp].

Mr. SHARP. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I just want to remind my colleagues that the Energy and Commerce Committee did adopt this amendment. We are going to have to piece together a solution to our nuclear waste problem, whether you are for or against nuclear power, and one piece of that is helping to assure the safe transportation, because there will have to be transportation of this fuel.

So, Mr. Chairman, I think we ought to support the Walgren amendment today.

Mrs. LLOYD. Mr. Chairman, I reluctantly rise in opposition to this amendment.

As the gentleman knows, I respect the gentleman's judgment and I value his work on the Committee on Science, Space, and Technology. However, I have concluded that this amendment is unfair to some waste transporters, will not achieve what the gentleman intends and will increase the costs of the Nuclear Waste Program to the detriment of virtually every utility ratepayer.

A key part in the transportation process is the DOE contractor who delivers the waste to the carrier for shipment. The DOE contractor must use an NRC licensed cask and use NRC and DOT approved routes.

Transportation of nuclear waste, when it occurs, will be the most regulated segment of activities in any aspect of DOE's work, waste or nonwaste. The transportation industry is already heavily regulated and DOE will add another layer of oversight to those already existing. For example, approval of cask and routing must come from the Nuclear Regulatory Commission; the certificate of carrier must come from DOT; and in some cases, States and Indian tribes will have oversight of waste shipments through their jurisdiction; and finally the shipments will be subject to direct firsthand scrutiny of the press and the general public.

This amendment would also be unfair to the railroads. Essentially, as a common carrier, a railroad must accept the waste for shipment, so they are not voluntarily involved in the waste transportation business. The railroads are large entities with sizable assets to satisfy the judgments rendered against them. Thus, they are normally self-insured against damages, including damages resulting from hazardous waste.

Railroads do everything in their power to avoid accidents, and greater liability and expense will give them no greater incentive.

For truck transporters, this amendment will also not achieve the desired enhancement of safety. All waste transporters are intensely regulated by the Department of Transportation and the Nuclear Regulatory Commission and are subject to fines and imprisonment for violations of their regulations. Additionally, the expense for any new insurance they are required to purchase will only be passed on to the shipper as an additional cost of doing business.

Finally, subrogation of any payments under Price-Anderson will subvert the purposes of Price-Anderson for prompt payment of public damages, and the promotion of participation in nuclear commerce by large, responsible corporations.

If the transporters of the waste must worry about being held liable for the damages resulting from an accident, they will seek to be independently represented by legal counsel in any claims for damages which will create an adversarial, rather than cooperative, relationship between them and the Department of Energy. This is likely to slow the administration of claims under the act.

If the large truck transportation companies get out of the business because of this contingent liability, what will be left is smaller companies with fewer assets to risk, and less incentive to avoid cutting corners on safety. This result would also achieve the opposite of what the gentleman intends.

For these reasons, Mr. Chairman, I must oppose the gentleman's amendment.

The CHAIRMAN pro tempore (Mr. Murtha). The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Walgren].

The question was taken; and the Chairman pro tempore being in doubt, the Committee divided, and there were—ayes 4, noes 13.

Mr. WALGREN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

Mr. UDALL. Mr. Chairman, I ask unanimous consent that the remaining portions of the bill be printed in the Record, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The text of the remainder of the bill is as follows:

### SEC. 3. INDEMNIFICATION AGREEMENTS FOR LICENSEES OF NUCLEAR REGULATORY COMMISSION.

Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by striking "August 1, 1987" each place it appears and inserting "August 1, 1997".

### SEC. 4. INDEMNIFICATION AGREEMENTS FOR ACTIVITIES UNDERTAKEN UNDER CONTRACT WITH DEPARTMENT OF ENERGY.

(a) In General.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended to read as follows:

"d. Indemnification of Contractors by Department of Energy.—(1)(A) In addition to any other authority the Secretary of Energy (in this section referred to as the 'Secretary') may have, the Secretary shall, until August 1, 1999, enter into agreements of indemnification with any person who may conduct activities under a contract with the Department of Energy that involve the risk of public liability and that are not subject to financial protection requirements under subsection b. or agreements of indemnification under subsection c. or k.

"(B)(i)(I) Agreements of indemnification under subparagraph (A) shall be the exclusive means of indemnification under this section for activities described in such subparagraph.

"(II) The Secretary may incorporate in agreements of indemnification under subparagraph (A) the provisions relating to the waiver of any issue or defense as to charitable or governmental immunity authorized in subsection n. (1) to be incorporated in agreements of indemnification. Any such provisions incorporated under this subclause shall apply to any nuclear incident arising out of nuclear waste activities subject to an agreement of indemnification under subparagraph (A).

"(ii) Public liability arising out of nuclear waste activities subject to an agreement of indemnification under subparagraph (A) that are funded by the Nuclear Waste Fund established in section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222) shall be compensated from the Nuclear Waste Fund in an amount not to exceed the maximum amount of financial protection required of licensees under subsection b. (except as provided in subsection e. (3)(B)) and subject to the limitations in section 302(e)(2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222).

"(iii) Public liability subject to an agreement of indemnification under subparagraph (A) that arises out of activities not specified in clause (ii) shall be compensated in accordance with the provisions of this Act and, to the extent approved in appropriation Acts, from the general revenues of the Treasury.

"(2) In agreements of indemnification entered into under paragraph (1), the Secretary may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity, and shall indemnify the persons indemnified against such claims above the amount of the financial protection required, to the full extent of the aggregate public liability of the persons indemnified for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.

"(3)(A) Notwithstanding paragraph (2), if the maximum amount of financial protection required of licensees under subsection b. is increased by the Commission, the amount of indemnity, together with any financial protection required of the contractor, shall at all times remain equal to or greater than the maximum amount of financial protection required of licensees under subsection b.

"(B) The amount of indemnity provided contractors under this subsection shall not, at any time, be reduced in the event that the maximum amount of financial protection required of licensees is reduced.

"(C) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person, shall be deemed to be amended, on the date of the enactment of the Price-Anderson Amendments Act of 1987, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection on such date.

"(4) Financial protection under paragraph (2) and indemnification under paragraph (1) shall be the exclusive means of financial protection and indemnification under this section for any Department of Energy demonstration reactor licensed by the Commission under section 202 of the Energy Reorganization Act of 1974 (42 U.S.C. 5842).

"(5) In the case of nuclear incidents occurring outside the United States, the amount of the indemnity provided by the Secretary under this subsection shall not exceed $100,000,000.

"(6) The provisions of this subsection may be applicable to lump sum as well as cost type contracts and to contracts and projects financed in whole or in part by the Secretary.

"(7) A contractor with whom an agreement of indemnification has been executed under paragraph (1)(A) and who is engaged in activities connected with the underground detonation of a nuclear explosive device shall be liable, to the extent so indemnified under this subsection, for injuries or damage sustained as a result of such detonation in the same manner and to the same extent as would a private person acting as principal, and no immunity or defense founded in the Federal, State, or municipal character of the contractor or of the work to be performed under the contract shall be effective to bar such liability.".

(b) Definitions.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014) is amended by adding at the end the following new subsections:

"dd. The terms 'high-level radioactive waste' and 'spent nuclear fuel' have the meanings given such terms in section 2 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101).

"ee. The term 'transuranic waste' means material contaminated with elements that have an atomic number greater than 92, including neptunium, plutonium, americium, and curium, and that are in concentrations greater than 10 nanocuries per gram, or in such other concentrations as the Nuclear Regulatory Commission may prescribe to protect the public health and safety.

"ff. The term 'nuclear waste activities', as used in section 170, means activities subject to an agreement of indemnification under subsection d. of such section, that the Secretary of Energy is authorized to undertake, under this Act or any other law, involving the storage, handling, transportation, treatment, or disposal of, or research and development on, spent nuclear fuel, high-level radioactive waste, or transuranic waste, including (but not limited to) activities authorized to be carried out under the Waste Isolation Pilot Project under section 213 of Public Law 96-164 (93 Stat. 1265).".

### SEC. 5. PRECAUTIONARY EVACUATIONS.

(a) Costs Incurred by State Governments.—Section 11 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(w)) is amended by inserting after "nuclear incident" the first place it appears the following: "or precautionary evacuation (including all reasonable additional costs incurred by a State, or a political subdivision of a State, in the course of responding to a nuclear incident or a precautionary evacuation)".

(b) Definition.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"gg. The term 'precautionary evacuation' means an evacuation of the public within a specified area near a nuclear facility, or the transportation route in the case of an accident involving transportation of source material, special nuclear material, byproduct material, high-level radioactive waste, spent nuclear fuel, or transuranic waste to or from a production or utilization facility, if the evacuation is—

"(1) the result of any event that is not classified as a nuclear incident but that poses imminent danger of bodily injury or property damage from the radiological properties of source material, special nuclear material, byproduct material, high-level radioactive waste, spent nuclear fuel, or transuranic waste, and causes an evacuation; and

"(2) initiated by an official of a State or a political subdivision of a State, who is authorized by State law to initiate such an evacuation and who reasonably determined that such an evacuation was necessary to protect the public health and safety.".

(c) Limitation.—Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210)

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is amended by adding at the end the following new subsection:

"q. Limitation on Awarding of Precautionary Evacuation Costs.—No court may award costs of a precautionary evacuation unless such costs constitute a public liability.".

### SEC. 6. AGGREGATE PUBLIC LIABILITY FOR SINGLE NUCLEAR INCIDENT.

Section 170 e. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)) is amended to read as follows:

"e. Limitation on Aggregate Public Liability.—(1) The aggregate public liability for a single nuclear incident of persons indemnified, including such legal costs as are authorized to be paid under subsection o. (1)(D), shall not exceed—

"(A) in the case of facilities designed for producing substantial amounts of electricity and having a rated capacity of 100,000 electrical kilowatts or more, the maximum amount of financial protection required of such facilities under subsection b. (plus any surcharge assessed under subsection o. (1)(E));

"(B) in the case of contractors with whom the Secretary has entered into an agreement of indemnification under subsection d., the maximum amount of financial protection required under subsection b. or the amount of indemnity and financial protection that may be required under paragraph (3) of subsection d., whichever amount is more; and

"(C) in the case of all other licensees of the Commission required to maintain financial protection under this section—

"(i) $500,000,000, together with the amount of financial protection required of the licensee; or

"(ii) if the amount of financial protection required of the licensee exceeds $60,000,000, $560,000,000 or the amount of financial protection required of the licensee, whichever amount is more.

"(2) In the event of a nuclear incident involving damages in excess of the amount of aggregate public liability under paragraph (1), the Congress will thoroughly review the particular incident in accordance with subsection i., and take whatever action is determined to be necessary (including approval of appropriate compensation plans and appropriation of funds) to provide full and prompt compensation to the public for all public liability claims resulting from a disaster of such magnitude.

"(3)(A) The limitation on aggregate public liability established under paragraph (1)(B) shall not apply to any nuclear incident arising from nuclear waste activities if—

"(i) a court, acting pursuant to subsection o., determines that public liability from such nuclear incident is likely to exceed the amount of aggregate public liability under subparagraph (B) of paragraph (1); and

"(ii) the Congress does not act to provide for the full and prompt compensation to the public for such public liability resulting from such nuclear incident within 1 year of the submission by the President to the Congress of a compensation plan under subsection i. (2)(C).

"(B) Public liability arising under subparagraph (A) shall be compensated in accordance with the provisions of this Act as follows:

"(i) Public liability arising from nuclear waste activities funded by the Nuclear Waste Fund established in section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222) shall be compensated from the Nuclear Waste Fund. If sufficient amounts are not available in the Nuclear Waste Fund to expeditiously compensate such claims, the Secretary shall exercise the authority provided in subsections (a)(4) and (e)(5) of section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222 (a)(4) and (e)(5)).

"(ii) Public liability arising from any activity subject to an agreement of indemnification under subsection d., not described in clause (i) shall be compensated from the general revenues of the Treasury.

"(4) No provision of paragraph (1) may be construed to preclude the Congress from enacting a revenue measure, applicable to licensees of the Commission required to maintain financial protection pursuant to subsection b., to fund any action undertaken pursuant to paragraph (2).

"(5) With respect to any nuclear incident occurring outside of the United States to which an agreement of indemnification entered into under the provisions of subsection d. is applicable, such aggregate public liability shall not exceed the amount of $100,000,000, together with the amount of financial protection required of the contractor.".

### SEC. 7. COMPENSATION PLANS.

(a) In General.—Section 170 i. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(i)) is amended to read as follows:

"i. Compensation Plans.—(1) After any nuclear incident involving damages that are likely to exceed the applicable amount of aggregate public liability under subparagraph (A), (B), or (C) of subsection e. (1), the Secretary or the Commission, as appropriate, shall—

"(A) make a survey of the causes and extent of damage; and

"(B) expeditiously submit a report setting forth the results of such survey to the Congress, to the Representatives of the affected districts, to the Senators of the affected States, and (except for information that will cause serious damage to the national defense of the United States) to the public, to the parties involved, and to the courts.

"(2) Not later than 90 days after any determination by a court, pursuant to subsection o., that the public liability from a single nuclear incident may exceed the applicable amount of aggregate public liability under subparagraph (A), (B), or (C) of subsection e. (1) the President shall submit to the Congress—

"(A) an estimate of the aggregate dollar value of personal injuries and property damage that arises from the nuclear incident and exceeds the amount of aggregate public liability under subsection e. (1);

"(B) recommendations for additional sources of funds to pay claims exceeding the applicable amount of aggregate public liability under subparagraph (A), (B), or (C) of subsection e. (1), which recommendations shall consider a broad range of possible sources of funds (including possible revenue measures on the sector of the economy, or on any other class, to which such revenue measures might be applied);

"(C) 1 or more compensation plans, that either individually or collectively shall provide for full and prompt compensation for all valid claims and contain a recommendation or recommendations as to the relief to be provided, including any recommendations that funds be allocated or set aside for the payment of claims that may arise as a result of latent injuries that may not be discovered until a later date; and

"(D) any additional legislative authorities necessary to implement such compensation plan or plans.".

(b) Conforming Amendment.—Section 170 o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)) is amended—

(1) in the matter preceding paragraph (1), by striking "subsection 170 e.;" and inserting "the applicable limit of liability under subparagraph (A), (B), or (C) of subsection e. (1):"; and

(2) by striking paragraph (4).

### SEC. 8. DATE OF EXEMPTION FROM FINANCIAL PROTECTION REQUIREMENT.

Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended—

(1) by striking "August 1, 1987" each place it appears and inserting "August 1, 1997"; and

(2) by striking "excluding cost of investigating and settling claims and defending suits for damage;" in paragraph (1) and inserting "including such legal costs of the licensee as are approved by the Commission;".

### SEC. 9. PRESIDENTIAL COMMISSION ON CATASTROPHIC NUCLEAR ACCIDENTS.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) is amended by striking subsection l. and inserting the following:

"l. Presidential Commission on Catastrophic Nuclear Accidents.—(1) Not later than 90 days after the date of the enactment of the Price-Anderson Amendments Act of 1987, the President shall establish a commission (in this subsection referred to as the 'study commission') in accordance with the Federal Advisory Committee Act (5 U.S.C. App.) to study means of fully compensating victims of a catastrophic nuclear accident that exceeds the amount of aggregate public liability under subsection e. (1).

"(2)(A) The study commission shall consist of not less than 7 and not more than 11 members, who—

"(i) shall be appointed by the President; and

"(ii) shall be representative of a broad range of views and interests.

"(B) The members of the study commission shall be appointed in a manner that ensures that not more than a mere majority of the members are of the same political party.

"(C) Each member of the study commission shall hold office until the termination of the study commission, but may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(D) Any vacancy in the study commission shall be filled in the manner in which the original appointment was made.

"(E) The President shall designate 1 of the members of the study commission as chairperson, to serve at the pleasure of the President.

"(3) The study commission shall conduct a comprehensive study of appropriate means of fully compensating victims of a catastrophic nuclear accident that exceeds the amount of aggregate public liability under subsection e. (1), and shall submit to the Congress a final report setting forth—

"(A) recommendations for any changes in the laws and rules governing the liability or civil procedures that are necessary for the equitable, prompt, and efficient resolution and payment of all valid damage claims, including the advisability of adjudicating public liability claims through an administrative agency instead of the judicial system;

"(B) recommendations for any standards or procedures that are necessary to establish priorities for the hearing, resolution, and payment of claims when awards are likely to exceed the amount of funds available within a specific time period; and

"(C) recommendations for any special standards or procedures necessary to decide and pay claims for latent injuries caused by the nuclear incident.

"(4)(A) The chairperson of the study commission may appoint and fix the compensation of a staff of such persons as may be necessary to discharge the responsibilities of the study commission, subject to the applicable provisions of the Federal Advisory Committee Act (5 U.S.C. App.) and title 5, United States Code.

"(B) To the extent permitted by law and requested by the chairperson of the study commission, the Administrator of General Services shall provide the study commission with necessary administrative services, facilities, and support on a reimbursable basis.

"(C) The Attorney General, the Secretary of Health and Human Services, and the Director of the Federal Emergency Management Agency shall, to the extent permitted by law and subject to the availability of funds, provide the study commission with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the study commission.

"(D) The study commission may request any Executive agency to furnish such information, advice, or assistance as it determines to be necessary to carry out its functions. Each such agency is directed, to the extent permitted by law, to furnish such information, advice or assistance upon request by the chairperson of the study commission.

"(E) Each member of the study commission may receive compensation at the maximum rate prescribed by the Federal Advisory Committee Act (5 U.S.C. App.) for each day such member is engaged in the work of the study commission. Each member may also receive travel expenses, including per diem in lieu of subsistence under sections 5702 and 5703 of title 5, United States Code.

"(F) The functions of the President under the Federal Advisory Committee Act (5 U.S.C. App.) that are applicable to the study commission, except the function of reporting annually to the Congress, shall be performed by the Administrator of General Services.

"(5) The final report required in paragraph (3) shall be submitted to the Congress not later than the expiration of the 2-year period beginning on the date of the enactment of the Price-Anderson Amendments Act of 1987.

"(6) The study commission shall terminate upon the expiration of the 2-month period beginning on the date on which the final report required in paragraph (3) is submitted.".

### SEC. 10. WAIVER OF DEFENSES.

(a) Statute of Limitations.—Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended in clause (iii) of the first sentence by striking the following: ", but in no event more than twenty years after the date of the nuclear incident".

(b) Applicability.—Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended—

(1) by redesignating subparagraphs (a), (b), and (c) as subparagraphs (A), (B), and (C), respectively;

(2) by striking "or" at the end of subparagraphs (A) and (B); and

(3) by inserting after subparagraph (C) the following new subparagraphs:

"(D) arises out of, results from, or occurs in the course of, the construction, possession, or operation of any facility licensed under section 53, 63, or 81, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection under subsection a.,

"(E) arises out of, results from, or occurs in the course of, transportation of source material, byproduct material, or special nuclear material to or from any facility licensed under section 53, 63, or 81, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection under subsection a., or

"(F) arises out of, results from, or occurs in the course of nuclear waste activities.".

### SEC. 11. JUDICIAL REVIEW OF CLAIMS ARISING OUT OF A NUCLEAR INCIDENT.

(a) Consolidation of Claims.—Section 170 n. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(2)) is amended—

(1) in the first sentence—

(A) by striking "an extraordinary nuclear occurrence" each place it appears and inserting "a nuclear incident"; and

(B) by striking "the extraordinary nuclear occurrence" each place it appears and inserting "the nuclear incident";

(2) in the second sentence, by inserting after "court" the first place it appears the following: "(including any such action pending on the date of the enactment of the Price-Anderson Amendments Act of 1987)"; and

(3) by adding at the end the following new sentence: "In any action that is or becomes removable pursuant to this paragraph, a petition for removal shall be filed within the period provided in section 1446 of title 28, United States Code, or within the 30-day period beginning on the date of the enactment of the Price-Anderson Amendments Act of 1987, whichever occurs later.".

(b) Definition of Public Liability Action.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"hh. The term 'public liability action', as used in section 170, means any suit asserting public liability. A public liability action shall be deemed to be an action arising under section 170, and the substantive rules for decision in such action shall be derived from the law of the State in which the nuclear incident involved occurs, unless such law is inconsistent with the provisions of such section.".

(c) Special Caseload Management Panel.—Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended by adding at the end the following new paragraph:

"(3)(A) Following any nuclear incident, the chief judge of the United States district court having jurisdiction under paragraph (2) with respect to public liability actions (or the judicial council of the judicial circuit in which the nuclear incident occurs) may appoint a special caseload management panel (in this paragraph referred to as the 'management panel') to coordinate and assign (but not necessarily hear themselves) cases arising out of the nuclear incident, if—

"(i) a court, acting pursuant to subsection o., determines that the aggregate amount of public liability is likely to exceed the amount of primary financial protection available under subsection b. (or an equivalent amount in the case of a contractor indemnified under subsection d.); or

"(ii) the chief judge of the United States district court (or the judicial council of the judicial circuit) determines that cases arising out of the nuclear incident will have an unusual impact on the work of tme court.

"(B)(i) Each management panel shall consist only of members who are United States district judges or circuit judges.

"(ii) Members of a management panel may include any United States district judge or circuit judge of another district court or court of appeals, if the chief judge of such other district court or court of appeals consents to such assignment.

"(C) It shall be the function of each management panel—

"(i) to consolidate related or similar claims for hearing or trial;

"(ii) to establish priorities for the handling of different classes of cases;

"(iii) to assign cases to a particular judge or special master;

"(iv) to appoint special masters to hear particular types of cases, or particular elements or procedural steps of cases;

"(v) to promulgate special rules of court, not inconsistent with the Federal Rules of Civil Procedure, to expedite cases or allow more equitable consideration of claims;

"(vi) to implement such other measures, consistent with existing law and the Federal Rules of Civil Procedure, as will encourage the equitable, prompt, and efficient resolution of cases arising out of the nuclear incident; and

"(vii) to assemble and submit to the President such data, available to the court, as may be useful in estimating the aggregate damages from the nuclear incident.".

(d) Legal Costs.—

(1) Payment Criteria.—Section 170 o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)), as previously amended by this Act, is further amended by—

(A) inserting after the subsection designation the following: "Plan for Distribution of Funds.—(1)";

(B) redesignating paragraphs (1) through (3) as subparagraphs (A) through (C); and

(C) adding at the end the following:

"(D) A court may authorize payment of only such legal costs as are permitted under paragraph (2) from the amount of financial protection required by subsection b.

"(E) If the sum of public liability claims and legal costs authorized under paragraph (2) arising from any nuclear incident exceeds the maximum amount of financial protection required under subsection b., any licensee required to pay a standard deferred premium under subsection b. (1) shall, in addition to such deferred premium, be charged such an amount as is necessary to pay a pro rata share of such claims and costs, but in no case more than 5 percent of the maximum amount of such standard deferred premium described in such subsection.

"(2) A court may authorize the payment of legal costs under paragraph (1)(D) only if the person requesting such payment has—

"(A) submitted to the court the amount of such payment requested; and

"(B) demonstrated to the court—

"(i) that such costs are reasonable and equitable; and

"(ii) that such person has—

"(I) litigated in good faith;

"(II) avoided unnecessary duplication of effort with that of other parties similarly situated;

"(III) not made frivolous claims or defenses; and

"(IV) not attempted to unreasonably delay the prompt settlement or adjudication of such claims.".

(2) Definition of legal costs.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"jj. Legal Costs.—As used in section 170, the term 'legal costs' means the costs incurred by a plaintiff or a defendant in initiating, prosecuting, investigating, settling, or defending claims or suits for damage arising under such section.".

### SEC. 12. REPORTS TO CONGRESS4BY NUCLEAR REGULATORY COMMISSION AND DEPARTMENT OF ENERGY.

Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking "shall submit to the Congress by August 1, 1983, a detailed report", and inserting the following: "and the Secretary shall submit to the Congress by August 1, 1993, detailed reports"; and

(3) by adding at the end the following new paragraphs:

"(2) Not later than April 1 of each year, the Commission and the Secretary shall each submit an annual report to the Congress setting forth the activities under this section during the preceding calendar year.

"(3) Not later than February 1, 1988, the Secretary shall submit a report to the Congress identifying and explaining the criminal and civil liabilities of all Department of Energy contractors and other persons indemnified who intentionally cause or attempt to cause a nuclear accident at a Department of Energy facility. The Secretary shall include in such report such recommendations as the Secretary determines to be appropriate for punishing such misconduct, enacting new provisions of law, or clarifying law in effect on August 1, 1987.".

### SEC. 13. LIABILITY OF LESSORS.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"r. Limitation on Liability of Lessors.—No person under a bona fide lease of any utilization or production facility (or part thereof or undivided interest therein) shall be liable by reason of an interest as lessor of such production or utilization facility, for any legal liability arising out of or resulting from a nuclear incident resulting from such facility, unless such facility is in the actual possession and control of such person at the time of the nuclear incident giving rise to such legal liability.".

### SEC. 14. PUNITIVE DAMAGES.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"s. Limitation on Punitive Damages.—No court may award punitive damages in any action with respect to a nuclear incident or precautionary evacuation against a person on behalf of whom the United States is obligated to make payments under an agreement of indemnification covering such incident or evacuation.".

### SEC. 15. INFLATION ADJUSTMENT.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"t. Inflation Adjustment.—(1) The Commission shall adjust the amount of the maximum standard deferred premium under subsection b. (1) not less than once during each 5-year period following the date of the enactment of the Price-Anderson Amendments Act of 1987, in accordance with the aggregate percentage change in the Consumer Price Index since—

"(A) such date of enactment, in the case of the first adjustment under this subsection; or

"(B) the previous adjustment under this subsection.

"(2) For purposes of this subsection, the term 'Consumer Price Index' means the Consumer Price Index for all urban consumers published by the Secretary of Labor.".

### SEC. 16. TECHNICAL AND CONFORMING AMENDMENTS.

(a) References to Nuclear Regulatory Commission.—

(1) Section 11 q. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(q)) is amended by striking "Commission" each place it appears and inserting "Nuclear Regulatory Commission".

(2) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended by striking "Commission" in the first sentence and inserting the following: "Nuclear Regulatory Commission (in this section referred to as the 'Commission')".

(b) References to Secretary of Energy.—

(1) Subsections j. and m. of section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014) are amended by striking "Commission" each place it appears and inserting the following: "Nuclear Regulatory Commission or the Secretary of Energy, as appropriate,".

(2) Section 11 t. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(t)(2)) is amended by striking "Commission" and inserting "Secretary of Energy".

(3) Section 170 f. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(f)) is amended by inserting after "Commission" the first 2 places it appears the following: "or the Secretary, as appropriate,".

(4) Subsections g., h., j., and m. of section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) are amended by inserting after "Commission" each place it appears the following: "or the Secretary, as appropriate,".

(5) Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended—

(A) in paragraph (1)—

(i) by striking "Commission" in subparagraph (C) and inserting "Department of Energy"; and

(ii) by inserting after "Commission" the second place it appears the following: "or the Secretary, as appropriate,"; and

(B) in paragraph (2), by inserting after "Commission" the following: "or the Secretary, as appropriate".

(6) Section 170 o. (1)(C), as redesignated by section 11(d)(1) of the bill, is amended—

(A) by inserting after "Commission" the first place it appears the following: "or the Secretary, as appropriate,"; and

(B) by inserting after "Commission" the second place it appears the following: "or the Secretary, as appropriate".

(c) References to Revised Statutes.—

(1) Section 170 g. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(g)) is amended by inserting "(41 U.S.C. 5)" after "Statutes".

(2) Section 170 j. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(j)) is amended by striking "section 3679 of the Revised Statutes, as amended" and inserting the following: "sections 1341, 1342, 1349, 1350, and 1351, and subchapter II of chapter 15, of title 31, United States Code".

(d) Internal Cross-References.—

(1) Section 11 q. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(q)) is amended by striking "subsection" each place it appears and inserting "section".

(2) Section 11 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(t)) is amended by striking "subsection" each place it appears and inserting "section".

(3) Section 11 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(w)) is amended by striking "subsections 170 a., c., and k." and inserting "subsections a., c., and k. of section 170".

(4) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended—

(A) in the first sentence, by striking "subsection 2 i. of the Atomic Energy Act of 1954, as amended" and inserting "section 2 i.";

(B) in the first sentence, by striking "subsection 170 b." and inserting "subsection b."; and

(C) in the second sentence, by striking "subsection 170 c." and inserting "subsection c.".

(5) Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended in the first sentence by striking "subsection 170 a." and inserting "subsection a.".

(6) Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended in the last sentence by striking "subsection 170 e." and inserting "subsection e.".

(7) Section 170 o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)) is amended in subparagraph (B), as redesignated by section 11 (d)(1) of the bill, by striking "subparagraph (3) of this subsection (o)" and inserting "subparagraph (C)".

(e) Subsection Captions.—

(1) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended by inserting after the subsection designation the following: "Requirement of Financial Protection for Licensees.—".

(2) Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by inserting after the subsection designation the following: "Amount and Type of Financial Protection for Licensees.—".

(3) Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by inserting after the subsection designation the following: "Indemnification of Licensees by Nuclear Regulatory Commission.—".

(4) Section 170 f. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(f)) is amended by inserting after the subsection designation the following: "Collection of Fees by Nuclear Regulatory Commission.—".

(5) Section 170 g. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(g)) is amended by inserting after the subsection designation the following: "Use of Services of Private Insurers.—".

(6) Section 170 h. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(h)) is amended by inserting after the subsection designation the following: "Conditions of Agreements of Indemnification.—".

(7) Section 170 j. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(j)) is amended by inserting after the subsection designation the following: "Contracts in Advance of Appropriations.—".

(8) Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by inserting after the subsection designation the following "Exemption from Financial Protection Requirement for Nonprofit Educational Institutions.—".

(9) Section 170 m. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(m)) is amended by inserting after the subsection designation the following: "Coordinated Procedures for Prompt Settlement of Claims and Emergency Assistance.—".

(10) Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended by inserting after the subsection designation the following: "Waiver of Defenses and Judicial Procedures.—".

(11) Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by inserting after the subsection designation the following: "Report to Congress.—".

### SEC. 17. EFFECTIVE DATE.

(a) Except as provided in subsection (b), the amendments made by this Act shall become effective on the date of the enactment of this Act and shall be applicable with respect to nuclear incidents occurring on or after such date.

(b) The amendments made by section 11 shall apply to nuclear incidents occurring before, on, or after the date of the enactment of this Act.

### AMENDMENT OFFERED BY MR. GEKAS

Mr. GEKAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gekas: Page 32, line 21, strike "not less" and all that follows through "period" on line 22 and insert "once during each one year period".

Mr. GEKAS. Mr. Chairman, the amendment before us is a very unique idea. I believe we ought to adopt it. I would like to have the committees just tell me that they are going to adopt the amendment. As I understand it, this particular amendment was discussed in the committee, and I would like to conduct a colloquy at the appropriate time with any one of the Members so I might understand the sense of why this particular amendment was rejected in committee.

The amendment simply substitutes for adjusting the upward limitations for inflation every 5 years and brings it to a yearly adjustment of inflation. So the cap that we have at $7 billion would gradually increase if it increases at all on a yearly basis to adjust for inflation under my amendment, rather than every 5 years as the bill now calls for.

What this would do, if my amendment were adopted, would be to allow companies who are going to establish new nuclear facilities to be able to plan their cost outlays and their entire asset-liability sheet on a yearly basis. The quotient of every 5 years that is put into this bill may not give them enough projection ability to determine the cost of a new nuclear facility, for instance.

I would like to conduct a dialog and talk with any Member who wants to respond in order to inquire why the committee rejected this in the first place. Was it just a compromise for the sake of getting it through, or was it a good idea that was trampled on? I would like to know the answer.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Indiana.

Mr. SHARP. Mr. Chairman, what may not be apparent to Members who were not on the relevant committees last year was the enormous battle to move the cap from what some thought was a high level of $2 billion, as some Members advocated, to the $7 billion that we achieved. At that time those of us who wished to go on and have cost of living added on annually were continually defeated in that effort.

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There was no cost-of-living increase as the bill was about to come to the House floor in the last Congress.

This year there has been some further improvement from the gentleman's point of view, since it is a 10-year authorization, a 5-year increment that will have a cost-of-living at that time. There is no principled reason. It had to do with the opposing forces.

Mr. GEKAS. It is a good idea whose time is yet to come.

Mr. SHARP. Some of the Members feel like we had a major victory to get the 5-year increment in, and we do admire what the gentleman is trying to do, but there have been some major victories the gentleman may not be aware of at this point.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. Mr. Chairman, I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding.

I would also like to commend the gentleman for his thoughtfulness in preparing this amendment, but I would like to concur in the remarks of the gentleman from Indiana [Mr. Sharp], the distinguished chairman of the Subcommittee on Energy and Power.

It is a very complicated bill, a very delicate mosaic; and if we start moving the pieces around, and perhaps this is why all of the amendments that have been thus far offered have been shot down, because we do not want to disturb the compromise that has been very carefully worked out between the various committees, three of them, that have been working on this for 2 years.

We are right now at the threshold of passing this bill, and this is an 11th-hour amendment; and frankly I am going to have to regretfully oppose the gentleman's amendment.

Mr. MOORHEAD. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from California.

Mr. MOORHEAD. Mr. Chairman, I thank the gentleman for yielding.

The idea sounds good. When we take up an amendment such as this, the costs of rearranging the finances on a yearly basis are much greater. We do not know what it would be exactly.

It is a different formula, a different situation that the compliance would have to adjust to.

We have got the 5-year adjustment. It was a hard thing for many people to swallow to get that 5-year adjustment into the bill, and also to raise the total limits from $800 million to $7 billion.

I think we have a much better chance of getting this bill through in the form that it is in. While the gentleman has an idea that may be adopted in the future, I think it would be a mistake to put it in the bill at this time.

Mr. ECKART. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Ohio.

Mr. ECKART. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman's amendment is thoughtful, and it is intellectually and economically honest.

Around here we index all sorts of things, Social Security, defense contract payments; but we cannot do this.

The CHAIRMAN pro tempore (Mr. Murtha). The time of the gentleman from Pennsylvania [Mr. Gerkas] has expired.

(On request of Mr. Eckart, and by unanimous consent, Mr. Gekas was allowed to proceed for 1 additional minute.)

Mr. ECKART. Mr. Chairman, will the gentleman yield further?

Mr. GEKAS. I yield to the gentleman from Ohio.

Mr. ECKART. Mr. Chairman, I thank the gentleman for yielding.

The gentleman is approaching this matter in a very thoughtful and intelligent way.

I would only hope being very good at reading the tea leaves around here, I am used to swimming upstream, but not swimming up the Niagara Falls.

The gentleman's amendment is very good, very thoughtful, and hopefully we can keep pressure on.

Mr. GEKAS. Mr. Chairman, I thank the gentleman. I do want to place this on the record.

I can sense what the outcome will be on the voice vote that is about to occur, but I am going to yell as loudly as I can "yes" when the Chair asks for a vote and would hope that your noes would be muffled.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Gekas].

The amendment was rejected.

### AMENDMENT OFFERED BY MRS. COLLINS

Mrs. COLLINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. COLLINS: Page 7, after line 3, add the following new subsection:

(e)(1) PASS-THROUGH OF DEFERRED PREMIUM COSTS.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end of the following new paragraph:

"(5)(A) The regulatory authority for any electric utility may exclude all or part of any amount paid as a deferred premium by a utility from the rates which the utility would otherwise be authorized to charge to its customers only in accordance with subparagraph (B).

"(B) If the net income of a utility increases by an amount equal to or greater than 10 percent during the period beginning 2 years prior to the payment of a deferred premium and ending in the year immediately preceding the payment of such deferred premium, then—

"(i) the regulatory authority shall balance the financial impact of such an exclusion on the utility and on the customers of such utility; and

"(ii) determine whether all or part of any deferred premium amount may be excluded from such rates.

"(C) For purposes of this paragraph, the net income of an electric utility for a year shall be determined by the regulatory authority based on annual accounting statements submitted by the utility to the regulatory authority.

"(D) As used in this paragraph—

"(i) The term 'regulatory authority' means the Federal Energy Regulatory Commission or the State regulatory authority (as defined in section 3(21) of the Federal Power Act (16 U.S.C. 796 (21)), as appropriate.

"(ii) The term 'year' means the fiscal year of the utility used for purposes of submitting accounting statements to the regulatory authority.".

Mrs. COLLINS [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mrs. COLLINS. Mr. Chairman, my amendment goes to the issue of whether a regulatory commission should routinely allow a utility to pass through its cost of paying Price-Anderson insurance premiums to ratepayers.

In the past, to whom did a utility turn to pay its allegedly higher Federal income tax bills? Ratepayers.

Today, to whom are utilities looking to pay for the exorbitant cost of new plants or even those that have been abandoned? Ratepayers.

And, in the future, to whom are utilities going to turn to pay their Price-Anderson premiums if a nuclear accident occurs? Ratepayers.

Well, now it's time for Congress to tell utilities, "You have picked the pockets of ratepayers long enough. It's time you who run the utility companies, management and shareholders, really felt the financial consequences of your decisions."

My amendment protects the interests of ratepayers in a simple, straightforward way: It encourages a regulatory commission to balance the financial ability of a utility to pay these premiums, against the ability of its ratepayers to pay this expense. It simply states that if a utility's net income increases by 10 percent or more during the 2-year period prior to its payment of a deferred premium, and ending in the year immediately preceding such payment, then a commission would have the discretion to decide whether to exclude some or all of a utility's premiums from rates.

The need for this amendment is clear because it is uncertain that regulatory commissions have this discretion.

One fact, however, is certain. Ratepayers are facing higher and higher electric bills. Between 1981 and 1986, the average residential utility bill rose nearly $200 annually. Within the last year, ratepayers in Arkansas, Pennsylvania, Kansas, and Montana have been shocked to see their electric bills rise anywhere from 10 to 20 percent.

If ratepayers are left holding the bag for these premium payments, this will grossly aggravate their financial predicament. In my State of Illinois, and in States like Connecticut, California, Pennsylvania, Ohio, Washington, Arizona, Texas, Nebraska, Minnesota, Arkansas, Louisiana, Mississippi, Alabama, Florida, Georgia, South Carolina, North Carolina, Tennessee, Virginia, Maryland, New Jersey, New York, Massachusetts, Indiana, Michigan, and Wisconsin—all of which have more than one nuclear generating plant—ratepayers will owe a considerable sum. For example, Chicago's utility, Commonwealth Edison, owns, or shares in the ownership of, 12 nuclear facilities. Therefore, Chicago ratepayers could be potentially liable for nearly $760 million in premium payments, or over 10 percent of the total compensation pool provided by this act. Clearly, this is an unconscionably disproportionate share that will have to be borne by Chicago's already overburdened ratepayers.

I believe this is grossly inequitable because ratepayers had no say whatsoever in their utility's decision to construct a particular type of generating plant. Such decisions were made by the utility's management, with the concurrence of its shareholders who ought to at least help bear the cost.

Now some will argue that utility management teams made this decision because nuclear power promised ratepayers a host of benefits, but these promises have proven to be largely illusory. Nuclear powerplants have been plagued by cost overruns. The construction of many have been delayed considerably, if they have been built at all. Yet, in each of these circumstances, utilities insist that ratepayers pay for these abandoned or nonfunctioning plants which won't generate a single kilowatt of electricity. Now they are asking ratepayers to pick up the tab if one of those that is operating has an accident. I say, again, "enough is enough."

Given the industry's current financial position, a sharing of the payment of Price-Anderson premiums will not work a hardship on companies. Overall, the utility industry posted a healthy 12-percent gain in net income in 1986—a substantial improvement over the 15-percent drop they suffered in 1985.

The financial health of this industry is so good that utilities are diversifying into a number of nonutility ventures, ranging from investments in aircraft leasing equipment, to running banks, to operating the Nation's largest drugstore chain. In fact, diversification has become such a hot idea in the industry that one utility analyst predicts more utilities will participate once they generate the needed cash. Therefore, there is absolutely no reason why this excess cash could not be used to pay some, if not all, of a utility's Price-Anderson premiums.

This amendment will cause little, if any, diminution in the attractiveness of utility stocks. On the contrary, Standard and Poor's current analysis of the electric utility says "benefiting from improved cash flow, investors can expect higher dividends for the balance of this decade." Indeed, shareholders are reaping these financial gains from the financial hardships that are being imposed on senior citizens, the poor and those on fixed incomes. Again, Mr. Chairman, there is no reason why shareholders cannot share in the payment of these premiums if it only means a small reduction in the higher dividends they will be receiving.

Finally, in addition to balancing the financial interests of ratepayers and shareholders, this amendment will promote greater safety and accountability in the nuclear industry. If utilities know their shareholders could be liable for paying Price-Anderson, they are likely to keep a closer watch over contractors to ensure plants are built properly, and over employees to make sure facilities are operated correctly.

Mr. Chairman, I offered this amendment in committee and it was defeated because my distinguished colleague, the chairman of the Energy and Power Subcommittee, Mr. SHARP, said utility commissions already have the discretion to do what my amendment asks them to do.

For too long, Illinois ratepayers, and ratepayers throughout this Nation, heard the hollow words of their regulatory commissions that they would protect them from exorbitant utility bills; but bills continued to go up, until State legislatures and consumer groups put Commissioners on notice that they weren't going to tolerate the routine passthrough of utility expenses. And now, thank goodness, the Illinois Commerce Commission, like many State commissions, is carefully scrutinizing a utility's expenses before they are charged to ratepayers.

I think the same situation applies here. The mere suggestion that utility commissions have the discretion to apportion these costs is not enough. Congress has to put regulators on notice that ratepayers have paid enough and it is time utilities shared in the financial burden of their decisions.

Indeed, that is exactly the intent of my amendment. It sets out in positive law that, under certain financial circumstances, commissions shall balance the interests of ratepayers and utility shareholders, and make sure neither pays a disproportionate share of the costs associated with Price-Anderson.

I urge my colleagues to support my amendment.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment.

Price-Anderson was a simple idea, and it has been renewed every 10 years since 1957.

We are dealing with a dangerous technology, and people have strong views, and it is not surprising that many extraneous issues are being injected into this debate.

This is not the time or place to decide the transportation issues in the nuclear field. It is not the time or place to fix new relationships between DOE contractors and the Department of Energy itself.

□ 1300

It is not the place to deal with the subrogation of liabilities issue that we have discussed here over the last 24 hours. Particularly I would think this is not the proper time, not even the proper committees, all of them involved in a broad move to single out additional changes in the laws governing the use of nuclear energy; so if we have something there that needs to be changed, let us change it, but let us have some hearings and some orderly procedure, because make no mistake, this is a very wide ranging major change in the authority of State utility commissions and their relationships to nuclear utility rates; so I urge that the amendment be defeated.

Mr. SHARP. Mr. Chairman, I move to strike the requisite number of words.

It is with regret that I must oppose the gentlewoman's amendment. The gentlewoman from Illinois has been a strong and vigorous champion of the consumer, especially on energy matters that we have in the Energy and Commerce Committee.

Two things I think should be pointed out. First of all, this is Federal intervention with State regulatory authority. The fact is that the State of Illinois, or any other State, can at this point in their regulatory apparatus and through their Public Utility Commission, choose not to allow the passthrough or state under what conditions it would be allowed.

I would clearly want the record to show that if we do reject the gentlewoman's amendment and it is not accepted today, that is not an endorsement by the Federal Congress of how the public utility commissions should handle these costs should they ever have to be paid. That is a question that is currently left to the State public utility commissions, and which the bill before us will leave to the public utility commission. The gentlewoman raises some serious concerns and she would like to try to solve that problem, but we have decided not to deal with these in the bill. If we do not accept her amendment, that does not mean we deal with it, either; my point being that no one should therefore interpret the record as an endorsement of passthrough.

If we got to the merits of her proposal, which she has worked very hard on, one of the difficulties that we would have in doing this at the Federal level is that we would be dealing with only one very narrow spectrum of potential costs in a electric utility system.

Therefore, the public utility commission of Illinois or any other State could frustrate what we are doing, because of its ability in the regulation of the complex finances of that utility to find other ways to pass through these costs if it were so inclined to do so.

So we are somewhat inhibited in our ability to reach the desired impact, even though I know raising the tough issue may help get a strong point across, Mr. Chairman.

Mrs. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I am happy to yield to the gentlewoman from Illinois.

Mrs. COLLINS. My concern, Mr. Chairman, is that even though we are leaving it to the States, there is no language whatsoever that addresses this question and provides a guideline for States to make those kinds of decisions. Surely they have the ability to do that, but they have not done it thus far. I cannot see in any language where it is said that they have this discretion. It is a positive statement to let them know in fact that it is there and they can use it as an alternative should they want to.

Mr. SHARP. Well, the gentlewoman is correct. There is no addressing of the issue in the bill before us either way.

Mrs. COLLINS. That is right.

Mr. SHARP. The gentlewoman correctly points this out, and I realize that creates distress for her. I do want the record here to be clear, whatever the outcome is on her amendment, that the bill has addressed her point, and by that I mean we have not endorsed the passthrough by passage of this legislation.

Mrs. COLLINS. Mr. Chairman, I thank the gentleman for yielding.

Mr. HASTERT. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment offered by the gentlewoman from Illinois.

Mr. Chairman, I support and commend the gentlewoman from Illinois for bringing this issue before the body. I certainly hate as a freshman to disagree with the learned and certainly acclaimed gentleman from the other side of the aisle, the gentleman from Utah, who was talking about that this is not the time.

What we have done in this piece of legislation is to put tremendous costs out there on the backs of somebody, and the somebody happens to be the ratepayer, the same somebody in the State of Illinois from which I come that happens to have paid for utility plants back in the 1960's that were supposed to cost $500 million and today cost $5 billion. They are picking up that cost.

I hate to disagree with the other gentleman who stood up in opposition to this bill, but it just so happens that I wrote the Public Utility Act, or rewrote the Public Utility Act in the State of Illinois during my tenure in the general assembly. I can tell you, Mr. Chairman, that if we remain silent on this issue, the commerce commissions will not pick that issue up.

I think it behooves us as Members of this Congress addressing this very, very important issue, that we do bring this issue before and allow commerce commissions to our various States to at least visit that issue, to make a decision whether they will pick up that cost and share it between ratepayers or utility companies or if the utility companies, in fact, can pay all of it, or if they cannot pay all of it then it should go to the ratepayer, but it should be a decision that is made by that utility company.

This language in this bill, and it is excellently drawn, actually allows a decision to be made. It does not mandate, but it tells the utility commerce commissions in each and every State that they have the right to come and visit this issue, that they are not foreclosed from visiting this issue and discussing it.

I think the language that the gentlewoman from Illinois put in this issue and in this bill is excellent, because it says if these utility companies, who for years have on the backs of the ratepayers been taking dollars, millions and millions of dollars to build these plants, and not giving anything back, all of a sudden they are in a cash rich situation.

The gentlewoman brought out the fact that they are diversifying. They have so much money they cannot pass those dollars on to their stockholders. They need to take those dollars, and if they can share the cost and the burden of paying the insurance costs on this issue, then that is where that decision should be made; but the Utility Commerce Commissions in those States should not be foreclosed from making that decision. That is all that the gentlewoman from Illinois is asking to be done in this amendment.

It is an excellent amendment. It has a great deal of forethought. I support it very, very strongly.

Again I say as the person who wrote the Public Utility Act for the State of Illinois that told those commissions how to draw utility rates, we cannot afford to be silent on this issue. We must make a statement in this act that it is the intention of the Congress that they should have a right and they should have the ability to visit this issue and make their decisions.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Illinois.

As a fellow Member of Congress from Illinois, a State with 12 nuclear power facilities—more than any other State—I have seen the financial hardship placed on ratepayers as the result of the direct passthrough of utility insurance premiums. Illinois is particularly hard hit in that we are the largest contributor to the insurance pool for nuclear facilities which was established under Price-Anderson.

This amendment simply establishes that individual State utility commissions do indeed have the discretion to balance rate increases resulting from insurance premiums between both the ratepayer and the utility. In the past we have seen the direct passthrough of these costs with little attention paid to the ability of the utility to assume a greater portion of these costs.

Price-Anderson, when it was first established in 1957, was a regulatory document, but also a vehicle with which to provide incentives to private industries and utilities to venture into the development of nuclear energy. It has succeeded in large part because it served to protect these industries from financial dangers associated with the development of this new energy source. But I have a question: Who is protecting the consumer of this new product? The ratepayer seems to have been left out of the economic equation. We have a responsibility to not only protect the safety of our citizens, but to protect their pocketbooks as well.

This amendment is not an effort to steal profits from our electric utilities, but rather an effort to clarify the intent of Price-Anderson with regard to how our States regulate the passthrough of premium payments under this act. This amendment would only apply to utilities that show increases in net income of 10 percent or more for the 2 years proceeding the payment of the premium, thus insuring that the utilities are not asked to assume costs which they are simply unable to pay.

I think it is further important to note that the language of this amendment is really quite simple, it does nothing more than clarify that the States, and their regulatory authorities, have the right—and yes the responsibility—to do more than rubberstamp the passthrough of these insurance premiums to customers. However, and this is important, it does not require specific action, but leaves such actions to the discretion of the State regulatory body.

I know how my constituents feel about rate increases—helpless. The rules are made, the costs decided, and then the ratepayer is told to pay for something that he or she has had little or no opportunity to influence. It's time to give the consumer a little muscle in dealing with ever-increasing utility costs, and I believe that this amendment will provide our State regulatory agencies with a clear message as to the intent of Congress in this regard.

Mr. **HAYES** of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first let me commend the gentlewoman for introducing this amendment.

Mr. Chairman, I rise in support of the gentlewoman's amendment.

As we discuss and debate the merits of extending the 1957 Price-Anderson Act, it has become all too clear that we are not nurturing an infant industry. It appears to me that the industry is alive and well and prospects for future profitability appear to be good. As my colleague from Chicago has pointed out, the utility industry posted a 12-percent gain in net income in 1986.

What we are talking about is a redistribution of the burden of liability. I believe this amendment strikes at the very essence of the whole aspect of assigning the cost of nuclear power risk to those who stand to profit from its success.

Granted, ratepayers have benefited from this source of power, but they have also paid a high and unequitable price for those benefits. Not only have they had to bear the burden of financing utility investments in nuclear powerplants, they have also had to pay for the risk those plants pose to their communities. Why? Because of the bottom line—the profit margin and the dividend margin.

It comes down to a basic question of economic fairness. Should a utility shareholder get increased dividends or should a low-income family do without food to pay their utility bill? Should a utility company protect their investors from a lower rate of return or should American wage earners fork out millions upon millions in higher utility payments to pay for the financial burden incurred by the decisions of shareholders and utility industry officials? In short should the poor get poorer while the rich get richer? Of course not.

That is why this amendment should be easy for all of my colleagues to support. It does not impose any undue financial burden on any particular party. It takes into consideration, which has all too often been disregarded, the financial situation of a utility company prior to any assessment of financial burden. That is only fair. If a company is making a good profit, it and its stockholders should be willing to share in the cost of insuring that it meets its liability expenses.

Ratepayers have paid enough. It is time to share the financial responsibilities which are currently being imposed on our Nation's senior citizens, the poor, and those on fixed incomes.

Let's give utility commissions the incentives they need to stop routine passthroughs of rate increase requests. Ratepayers have paid enough. The time to act on their behalf is now and I urge my colleagues on both sides of this Chamber to support this amendment.

Thank you.

Mrs. **COLLINS**. Mr. Chairman, will the gentleman yield?

Mr. **HAYES** of Illinois. I yield to my colleague, the gentlewoman from Illinois.

Mrs. **COLLINS**. Mr. Chairman, I thank the gentleman very much.

I just want to take the opportunity to mention that apart from balancing the financial interests of the ratepayers and shareholders, this amendment is certainly going to promote greater safety and accountability in the nuclear industry. If utilities know their shareholders could be liable for paying Price-Anderson premiums, they are likely to keep a closer watch over contractors to ensure that their plants are built properly and over employees to make sure that facilities are operated correctly. It makes a lot of sense for this amendment to be approved, and I certainly thank the gentleman for yielding.

Mr. **KENNEDY**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Collins amendment which would shift the risk of loss from ratepayers alone to an equitable burden shared by ratepayer and shareholders alike. Public utility commissions set rates based on the cost of generating electricity, plus a return to the shareholders that own those utilities.

Many Members argued effectively yesterday that the risk of nuclear accident should not be shifted to the utilities if the ratepayers will inevitably pay the price. Every person who made that case yesterday should vote in favor of this amendment today.

This amendment would encourage State utility commissions to make the shareholders pay a fair portion of the premiums required by Price-Anderson.

If you think increased liability is a bum deal for the ratepayers, then come down here and vote in favor of sharing that burden equitably between ratepayers and shareholders.

This is peculiar industry, a regulated natural monopoly. The principle of free enterprise has always been that investors accept the chance of risk and reward. Investors in a capitalist system should bear that part of the risk.

Enough of this policy of socialism for the rich, free enterprise for the poor and the working Americans and the ratepayers alike.

Mrs. **COLLINS**. Mr. Chairman, will the gentleman yield?

Mr. **KENNEDY**. I yield to the gentlewoman from Illinois.

Mrs. **COLLINS**. Mr. Chairman, I thank the gentleman.

I just wanted to point out another thing, that the mere assurance commissions have this authority is insufficient. These words are hollow. Ratepayers have been promised protection in the past by regulatory commissions and nothing was done until State legislators and consumer groups got together and made sure something was done. In Chicago, IL, we have something called the Citizen Utility Board [CUB], a regulatory watchdog organization.

□ 1315

Although States have this right, they have not exercised that right. They have not used it. They have not worked on behalf of ratepayers and it makes sense for the House to pass this amendment. We are tired of socking it to the ratepayer. Ratepayers have the right not to be shafted every time a utility decides it wants to do something, such as building a new generating plant, which then fails to be completed.

I mentioned before that not 1 kilowatt of electricity has in fact been generated by some of these powerplants. If ratepayers cannot escape this liability altogether, certainly shareholders, who are deriving great financial benefits, and utilities who have all this money because they are cash rich right now, ought to be willing to give ratepayers a break for a change.

Mr. **KENNEDY**. Mr. Chairman, if I can follow up on the comments of the gentlewoman from Illinois, the fact is that for many years my company, before I came to this Congress, testified before many public utility commissions and without this kind of exchange on the floor of the House we would not be able to win in public utility commission meetings.

I very much appreciate on behalf of ratepayers the remarks that the gentlewoman from Illinois [Mrs. Collins] has put into the Record and I hope that those PUC's begin to read the message that this Congress is sending out that we are sick and tired of socking it to the ratepayers while the shareholders and the stockholders go free.

The **CHAIRMAN** pro tempore (Mr. Murtha). The question is on the amendment offered by the gentlewoman from Illinois [Mrs. Collins].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mrs. **COLLINS**. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

Mr. **SWIFT**. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this bill has an anomaly in it. It is an anomaly that simply says that if a victim is harmed by a contractor working for DOE, it goes through the orderly mechanisms and the victim is compensated. If that same victim is injured in the same way by an employee rather than a contractor of DOE they cannot go through that orderly mechanism. They have to go through the Tort Claims Act, which is an extraordinarily difficult and sometimes impossible process.

Mr. Chairman, that little glitch in this bill is irrational. It is unreasonable. It is unfair. It is unjust. It is inequitable. It is exactly the kind of thing that brings discredit on law and lawyers and legislators and governments. It is the kind of thing you cannot go home and explain to your mother, or your kids, or your constituents, let alone explain it to a victim, "I am sorry, Madam, if that guy who works for the contractor of DOE had caused your problem rather than that person who works directly for DOE, you would be compensated, but because of that little glitch you cannot be."

That is what people say makes people say frequently along with Dickens, "The law is an ass." It does not make any sense.

An amendment was offered in the committee, and it was passed in the committee, but the Justice Department opposed that amendment on the grounds that it was a violation of the doctrine of sovereign immunity. The amendment I was going to offer today deals with this same problem, this anomaly, in a way that answers every single one of the written objections of the Department of Justice. It had the support informally behind the scenes of other agencies that are working on this bill but not from the Justice Department. They are still hanging tough, coming up with a new set of reasons.

What they threatened is to have a veto of the entire bill if this one little glitch is not fixed in a way that is entirely to their satisfaction.

I have had many Members say that they would support this amendment. These are Members who have voted against the other amendments offered to this bill but they say this anomaly is ridiculous and they would support the amendment in this instance but, very frankly, I do not want to limit the House's flexibility in conference by running a risk of having an amendment defeated today and putting the House in a less flexible position.

My original proposal is in the Senate language and will be an issue in conference.

As one of my colleagues said, we are swimming up Niagara Falls today and I just do not want to risk having this amendment defeated. But I do want to say this to the leaders on both sides of the aisle and to the leaders of all three committees, no one has told me this is not a real glitch. Is there not some way we can get the Department of Justice to suggest how we can fix this problem in a way that is acceptable to them?

They have not been forthcoming with providing any suggestions of how to fix it. When we come up with suggestions they go down and tell us what is wrong with it and say if you do that, we are going to veto this, leaving us in the position of having no alternative but to pass a bill with something that is inherently ridiculous.

Mr. Chairman, I do not think we should be put in that position and I do not believe the Department of Justice should be permitted to continue to say they are against everything we come up with and not offer some kind of proposal that they can live with that deals with this anomaly.

Until they do, until the Justice Department is willing to come forward and make some proposal as to how we can deal with this anomaly, what are we going to call that agency? Are we going to call the agency the Department of Legalistic Nit-Picking? Are we going to call that agency the Department of Hair-Splitting and Instructionism? Are we going to call that agency the Department of Stubborn Silliness? Because until they come forward and tell us how to eliminate this anomaly we certainly cannot call it the Department of Justice.

Mr. Chairman, I yield back the balance of my time.

The **CHAIRMAN** pro tempore. Are there any further amendments to the bill?

### AMENDMENT OFFERED BY MR. CRANE

Mr. **CRANE**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Crane: Beginning page 19, line 19, strike section 9.

Mr. **CRANE**. Mr. Chairman, my amendment is designed to abolish a provision of the bill that calls for the creation of a Presidential commission at a cost to the taxpayer of $1 million over 2 years, and the commission's function would be to in the event of an extraordinary nuclear occurrence or meltdown or liabilities exceeded the $7 billion figure that the bill provides for, this commission would do three things.

First, it would recommend to Congress changes in civil procedures needed for prompt disposition of claims.

Second, it would establish standards for establishing priorities amongst claims.

Third, it would establish provisions for addressing latent injury claims.

My contention is, Mr. Chairman, that these are all functions in fact of the very committee that has brought this legislation before us today, and it is certainly within the realm of responsibilities of the Congress of the United States, and therefore it seems to me an extraneous and wasteful expenditure of taxpayer money to call for this special Commission when those responsibilities are vested here, and based upon a potential contingency that may be irrelevant after this Commission expires, which is after 2 years.

Mr. Chairman, after the Commission has expired and it has made these kinds of recommendations, if 20 years later we had an extraordinary nuclear occurrence and we exceeded the liability coverage that is contained in the legislation before us, we might have to create a new commission or certainly go back and do the work that the committees of the Congress are responsible for doing in the first place.

I would suggest, Mr. Chairman, that this is redundant, it is wasteful, it is unnecessary and for that reason I would urge my colleages to support the amendment.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would ask the Members to just bear in mind the purpose again of Price-Anderson. It is designed to provide compensation for people who live near nuclear plants, at the perimeters. If you have a meltdown or serious accident these people get hurt. That is why we have strict liability and we have all the other protections. But we did a new thing. This law is renewed every 10 years. We did a different thing, which I think was solid and good and which would be disrupted and ended by this amendment. We said the first level of accidents can be handled by the company itself. If Commonwealth Edison has an accident in a plant about like the Three Mile Island accident, they have $700 million to take care of the people who are injured.

The second level is one that I would compare to Chernobyl, and that goes up to $7 billion, with extensive property damage, people killed, serious injuries. That is covered by the second layer.

But the question kept coming up, what about the occurrences beyond that where you have three or four nuclear powerplants involved and a serious meltdown and radiation all over southern Illnois and northern Illinois, and maybe two or three other States. What do you do then?

Nobody is smart enough or good enough to figure out 10 years from now what will happen if you have a real major disaster with several reactors involved and $7 billion is peanuts. So we set up a commission and we say, let us not have that happen and have to go back to the drawing board and figure out how we accomplish that. Let us put in place a structure now so that we will have the ability to sort out the different factors and decide what is a fair way of payment on this third level, this real disaster level.

The Commission does not cost very much, it does not last very long, and it might be the most important thing in our national life if it ever really comes to a serious disastrous event.

So I ask that the amendment be voted down.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois [Mr. CRANE].

The amendment was rejected.

Mr. SHARP. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it appears we are at the end of our extended discussion of this piece of legislation. I wanted to remind our colleagues of the status of things, should this bill fail to pass this afternoon.

I know that a number of our colleagues have worked very hard and in a very determined way to make additional changes in the Price-Anderson legislation. I participated in one of those proposals.

Mr. Chairman, I know that many are disappointed that they were not successful in that effort. I would suggest to those who have that feeling that they remember that failure to pass Price-Anderson today does not mean that there is protection available for the potential victim. What in fact happens is the current status quo obtains in all of the 110 powerplants that are somewhere in the process of producing power.

If we pass this legislation, we will be assuring that at least 7 billion dollars' worth of insurance is available to cover potential victims if there should be an accident. If we do not pass this legislation, there will simply be 710 million dollars' worth.

So there is a tenfold increase in terms of protection under this bill. Whatever your view is of how good a job we have done in improving the legislation, make no mistake about it, this bill is a substantial improvement over what will be the situation if we let it slip from our hands today.

So I would urge my colleagues to pass this legislation.

Mr. GEJDENSON. Mr. Chairman, I am pleased to rise in support of H.R. 2994, the Price-Anderson Amendments Act of 1987. As a member of the Interior Committee I have worked on Price-Anderson for over 2 years and am very gratified to see the bill finally reach the floor of the House of Representatives. I commend Chairman UDALL, Chairman DINGELL, Chairman SHARP, and Chairman ROE for their leadership in bringing this bill to the floor.

H.R. 2994 is a true compromise. The $7 billion liability limit in the bill falls far short of the unlimited liability limit supported by many Members. It is also much higher than the $1 billion liability limit that many other Members initially supported during the 99th Congress.

During the long debate on Price-Anderson I never supported unlimited liability, but I have supported a liability limit far higher than $7 billion. However, in the spirit of compromise I am willing to accept the $7 billion figure if no weakening amendments are attached to H.R. 2994.

I have always had a special interest in Price-Anderson because I represent a district that has four large commercial nuclear reactors within its boundaries, more than any other congressional district in the country. People all over New England receive the benefits of the electricity generated in eastern Connecticut, but it is the people of eastern Connecticut who carry virtually the entire burden of the risks.

One reason that I have some reservations about the $7 billion liability limit in H.R. 2994 is that the value of the property alone within a 10-mile radius of the three Millstone plants in my district is over $10 billion. In the unlikely event that a catastrophic accident occurred at Millstone, total damages could be far more than $10 billion in property losses because of damages resulting from personal injuries.

Nevertheless, the $7 billion in compensation authorized by H.R. 2994 offers far more financial protection to the residents of eastern Connecticut than the $700 million provided by the current Price-Anderson law. If the compromise agreement on a $7 billion liability limit unravels, then Price-Anderson will not be reauthorized and the liability limit for existing plant will remain at $700 million. It is in the interests of all Americans who live near nuclear plants that Price-Anderson be reauthorized and that the liability limit be raised to $7 billion.

H.R. 2994 also strengthens the commitment of the Congress to fully compensate victims for damages in excess of the liability limit. The bill gives the Congress the discretion to either levy an additional surcharge on the nuclear industry to pay for damages or pay damages from general revenues. If appropriations are needed to pay for damages in excess of the liability limit, the Congress and the President must respond with deliberate speed. The appropriations process should take days, not years.

Price-Anderson was first passed by Congress in 1957 to encourage the development of the infant nuclear power industry. Faced with a new uncertain technology, utilities, investors, and insurers were unwilling to build nuclear powerplants without an assurance

from the Government that they would not be held liable for unlimited damages in the event of an accident.

Thirty years later the nuclear industry is no longer an infant. Over 100 commercial nuclear plants are generating electricity in the United States. It is the only industry in the United States with a limit on financial liability in the event of an accident. Other potentially hazardous industries, such as the chemical industry, must bear the entire financial burden of the consequences of their actions. In the future, the nuclear industry should volunteer to take full financial responsibility for its actions.

As Price-Anderson has slowly worked its way through the legislative process during the 99th and 100th Congresses I have offered many amendments to it. Two provisions are contained in H.R. 2994 which I successfully attached as amendments to Price-Anderson legislation during the 99th Congress.

H.R. 3653, the original Price-Anderson legislative vehicle in the 99th Congress, required victims of a nuclear accident to file suits for damages within 3 years of the discovery of an injury, but in no event more than 30 years after the accident. The current Price-Anderson system has a 20-year statute of limitations. I offered an amendment to strike the 30-year statute of limitations and replace it with a requirement that victims file suit for compensation for damages within 3 years from the date they discovered an injury.

A discovery standard is preferable to a 20- or 30-year statute of limitations because of the latent and long-term effects of radiation. Radiation caused cancer often does not develop until 30 to 40 years after radiation exposure. A 20-year, or 30-year statute of limitations could arbitrarily prevent some accident victims from receiving compensation.

I also attached an amendment to H.R. 3653 to allow the NRC to borrow funds from the Treasury to compensate accident victims in advance of the collection of deferred premiums from nuclear utilities. This provision will significantly expedite the compensation for accident victims. In both H.R. 3653 and H.R. 2994 the $7 billion victim compensation fund is collected from utilities over a 7-year period. The borrowing authority provision allows NRC to borrow $7 billion immediately from the Treasury if it is needed to compensate victims. Utilities would then be required to pay both the principal and interest on the borrowed funds.

Throughout the 2-year Price-Anderson debate I have devoted a great deal of time to the issue of whether or not utilities should be allowed to pay for their defense costs with money from the victim compensation fund. My primary goals throughout this debate have been to prevent utility defense costs from significantly reducing the amount of money in the fund available to compensate victims, and to prevent utilities from engaging in litigation to delay the payment of victim compensation.

During the 99th Congress I successfully attached an amendment to H.R. 3653 to bar utilities from taking their defense costs from the victim compensation fund. This amendment was later struck from H.R. 3653 by the Energy and Commerce Committee. However, H.R. 1414, the original Price-Anderson legislative vehicle in the 100th Congress, did bar utilities from taking their defense costs from the victim compensation fund. During Interior Committee consideration of H.R. 1414 I fought to keep this provision in the bill, but was unsuccessful.

H.R. 2994 does not bar utilities from taking defense costs from the victim compensation fund. However, it does mandate strict court supervision over the use of the victim compensation fund for defense costs. Defense costs can only be taken from the fund if the court determines that the defense has litigated in good faith, has not made frivolous claims or defenses, and has not attempted to unreasonably delay prompt settlement of claims. In addition, the size of the victim compensation fund has been increased by 5 percent to help defray some of the costs of litigation.

When a single individual fights against a large powerful institution such as a utility, that individual is often overwhelmed. It is the responsibility of the court to redress this imbalance when it supervises the use of the victim compensation fund to pay from defense costs.

Mr. Chairman, I urge my colleagues to support H.R. 2994, the Price-Anderson Amendments Act of 1987. This bill significantly improves the Price-Anderson system and increases the pool of funds available to compensate victims from $700 million to $7 billion. H.R. 2994 deserves the support of all the Members of the House of Representatives.

Mr. MILLER of Washington. Mr. Chairman, today the House passed legislation reauthorizing the Price-Anderson Act. I voted for this bill, but did so with some significant reservations.

The bill does take us further along the road to making the nuclear power industry responsible for their actions. It raises the ceiling on liability for civilian nuclear powerplants from $700 million to $7 billion. It takes us further along the road to making safety the No. 1 concern of nuclear powerplant operators. But it does not take us as far along the road as we should have gone.

Mr. Chairman, I was disappointed that a number of the strengthening amendments like the Wyden-Sharp-Synar amendment making operators of Federal nuclear facilities responsible did not pass. It should have passed. We are the landlords of these Federal nuclear plants and we should demand that our contractors bear responsibility for their actions.

Having expressed these reservations, Mr. Chairman, let me say that we did make our deadline of passing a reauthorization bill before the August 1 deadline. I hope that when this bill goes to conference with the Senate, the conferees will take a second look at several of these provisions and return to us a bill which takes us further along the road to safer and more responsible operation of our Nation's nuclear powerplants.

Mr. SKAGGS. Mr. Speaker, three decades ago, the Congress decided that the nuclear power industry merited special protection during its infancy. For that reason, it passed the Price-Anderson Act of 1957 to limit the liability of nuclear utilities in the event of an accident. The Congress gave that law a lifespan of 10 years, expecting the industry would mature enough during that time to be able to stand on its own.

Thirty years later, the nuclear industry still relies on the Price-Anderson law to exempt itself from full liability in the event of an accident. Thirty years later, contractors who operate DOE nuclear facilities still enjoy total exemption from liability, even in the event of an accident caused by the contractor's gross negligence or willful misconduct. Thirty years later, we are still left with the dilemma that some victims of a major nuclear accident may go unpaid, and the taxpayer may foot much of the bill.

So, in the debate over amending and renewing Price-Anderson legislation, we need to determine whether the renewal law measures up to three standards:

Will the law give reasonable assurances of prompt and full compensation to victims of nuclear accidents?

Will it protect taxpayers from picking up the tab in the event of a catastrophic nuclear accident?

Will the law uphold basic American principles of justice and economics by holding nuclear industries accountable for their actions, and so provide sound incentives for safer operations?

The answer to each of the first two questions is a qualified "yes"; the answer to the last one, in too many instances, is "no." Although our country is clearly better off with this bill than without it, I am greatly disappointed that my colleagues did not join me in voting for several measures that would have significantly improved the bill's incentives for safer operation of nuclear facilities.

This is a bill that provides us better insurance if a nuclear accident happens, but does not provide us any better assurance that it won't.

On the positive side, these Price-Anderson amendments take an important step forward by increasing tenfold the compensation pool funded by nuclear power companies in the event of an accident, from $700 million to about $7 billion. This offers those who live near nuclear facilities—that is, almost all Americans—a better insurance policy, a greater certainty that damages caused by such facilities would be recompensed.

Similarly, the taxpayer would enjoy greater protection due to this increased compensation limit. Under Price-Anderson, damages above the compensation pool limit may be paid out of the U.S. Treasury. Obviously, the higher the compensation pool is, the less likely that our tax dollars would be used to pay for the damages caused by a major nuclear accident.

However, these can only be termed qualified improvements because the potential damages that a major nuclear accident could cause are well above the $7 billion limit. Back in the 1950's and 1960's, a compensation pool of $7 billion might have been enough, according to studies performed at that time by the Atomic Energy Commission, the predecessor of today's Nuclear Regulatory Commission. More recent estimates of potential property damage range from $15 billion upward. If these numbers seem high, imagine the damage that a complete meltdown of any nuclear powerplant could cause.

The place where the renewal bill could have made real progress was in improving incentives for the safe operation of DOE nuclear facilities and in the safe transportation of nuclear wastes. I am very disappointed that efforts to do this failed.

I strongly supported the Wyden-Sharp-Synar amendment that would have held contractors at Department of Energy [DOE] nuclear facilities liable for damages caused by gross negligence or willful misconduct on the part of corporate management. Under current law, contractors at DOE nuclear facilities are entirely shielded from liability—in the event of an accident, they wouldn't owe a dime to the victims.

As common sense dictates, and as the Departments of Defense and Justice have testified regarding other Federal contractors, total indemnification of contractors removes normal safety incentives. If I were a contractor, I'd be embarrassed to admit to the public that my company refused all responsibility for its actions, and especially actions that were grossly negligent. This amendment would have made DOE contractors, such as the one that operates the Rocky Flats nuclear weapons facility in my district, that much more concerned about safety.

I also supported the Walgren amendment that would have had a similar effect with respect to nuclear waste transportation. It would have imposed a limited liability on firms transporting nuclear waste, but only for grossly negligent or intentionally harmful conduct. It would also have required these transporters to carry reasonable amounts of insurance.

In the event a nuclear waste storage site is located in a Western State, tens of thousands of tons of medium- and high-level nuclear wastes could be shipped through Colorado. Common sense tells us that a company that has some corporate funds at stake is going to be more safety-conscious than one that is entirely off-the-hook financially. Unfortunately, this amendment was also defeated.

Because of the greatly increased insurance this bill offers, I supported it. The protection it gives to accident victims and taxpayers is an important improvement over the current act. However, the safety gaps I have mentioned leave this bill flawed, and I intend to keep working in this area to make our Nation's commercial and DOE plants as safe as possible.

These safety gaps also serve to underscore the need for better-funded research and development efforts in energy technologies that are truly safe, such as solar power and renewable energies, and in technologies such as superconductivity, that promise to make better use of the energy supplies we have.

The **CHAIRMAN** pro tempore. The question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The **CHAIRMAN** pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GRAY of Illinois] having assumed the chair, Mr. MURTHA, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1414) to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for liability and indemnification for nuclear incidents, pursuant to House Resolution 234, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

☐ 1330

The **SPEAKER** pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

### MOTION TO RECOMMIT OFFERED

Mr. **LUJAN**. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER** pro tempore (Mr. GRAY of Illinois). Is the gentleman opposed to the bill?

Mr. **LUJAN**. I am, Mr. Speaker.

The **SPEAKER** pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. LUJAN moves to recommit the bill, H.R. 1414 to the Committees on Interior and Insular Affairs, Energy and Commerce, and Science, Space, and Technology.

The **SPEAKER** pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The **SPEAKER** pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. **LUJAN**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 396, nays 17, not voting 20, as follows:

[Roll No. 293]

YEAS—396

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bellenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Brennan
Brooks
Broomfield
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeLay
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
St Germain

Staggers
Stallings
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—17

Atkins
Boxer
DeFazio
Dellums
Eckart
Goodling
Lowry (WA)
Lujan
Marlenee
Myers
Obey
Sikorski
Solarz
Stark
Synar
Weiss
Wheat

NOT VOTING—20

Boner (TN)
Brown (CA)
Daniel
Dickinson
Dymally
Ford (MI)
Gephardt
Hammerschmidt
Hawkins
Hubbard
Kemp
Kennelly
Latta
Lott
Morrison (CT)
Roemer
Savage
Stangeland
Tauzin
Torres

☐ 1345

Mr. LOWRY of Washington changed his vote from "yea" to "nay."

Mr. CRAIG changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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## GENERAL LEAVE

Mr. **SHARP**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The **SPEAKER** pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Indiana?

There was no objection.

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## PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON CONFERENCE REPORT ON H.R. 27, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION RECAPITALIZATION ACT OF 1987

Mr. **BONIOR** of Michigan. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until 5 p.m. today to file a privileged report on the conference report on H.R. 27.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. **CHENEY**. Mr. Speaker, reserving the right to object, if the gentleman would explain this further, I would ask, is this the conference report on the FSLIC legislation?

Mr. **BONIOR** of Michigan. Mr. Speaker, if the gentleman will yield, this is the FSLIC conference report. We are completing it right now, and we hope to get it done before the session is over, but we have no assurance that that can be done.

Mr. **CHENEY**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

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## LEGISLATIVE PROGRAM

(Mr. CHENEY asked and was given permission to address the House for 1 minute.)

Mr. **CHENEY**. Mr. Speaker, I have taken this time for the purpose of discussing the program with the distinguished acting majority leader, and for that purpose I am happy to yield to the distinguished acting majority leader, the gentleman from California [Mr. COELHO].

Mr. **COELHO**. Mr. Speaker, I am happy to respond to the acting minority leader, the gentleman from Wyoming [Mr. CHENEY].

On Monday we will take up six suspensions, as follows:

H.R. 2672, VA Home Rehabilitation and Programs Improvement Act of 1987;

H.R. 2957, to enhance the VA National Cemetery System;

H.R. 1340, Agriculture Commodity Distribution Act of 1987;

H.R. 2309, Christopher Columbus Quincentenary Jubilee Commission amendments;

H.R. 1948, to designate a certain U.S. Post Office building as the "Oscar Garcia Rivera Post Office Building"; and

H.R. 2629, Alaska National Interests Lands Conservation Act amendments.

Following those suspensions, we will then take up the rule and the conference report on the FSLIC bill. Then following that, we will have the votes on any suspension bills that we might have.

On Tuesday, August 4, we will meet at noon, and we will consider H.R. 1315, the Nuclear Regulatory Commission Authorization for Fiscal Year 1988, subject to a rule; and House Joint Resolution 132, National Day of Remembrance of the Armenian Genocide of 1915–23, subject to a rule.

On Wednesday, August 5, we will meet at 10 a.m., and we will take up the Labor-HHS appropriations for fiscal year 1988.

On Thursday, August 6, and Friday, August 7, we will meet at 10 a.m., and we will consider H.R. 2686, the Public Works and Economic Development Act amendments, subject to a rule being granted.

Members should be put on alert that we will need to take further action on the debt limit bill, and we would hope to do that some time next week.

Mr. **CHENEY**. Mr. Speaker, I wonder if the gentleman might enlighten the Members as to what time we might expect votes on Monday to begin occurring?

Mr. **COELHO**. Mr. Speaker, as the gentleman knows, we cannot promise any particular time, but we intend to go through all six suspensions and go to the FSLIC conference report and then have a vote on FSLIC, if there is to be one, and then we will have any votes that will be required on the six suspensions. So it should be late in the day.

Mr. **CHENEY**. Mr. Speaker, I thank the gentleman.

With respect to the conference report on the debt limit, when does the gentleman expect to go to conference on the debt limit extension that we passed just earlier this week?

Mr. **COELHO**. Mr. Speaker, we hope to have it on Monday, but, of course, as the gentleman knows, we cannot guarantee anything because we do not know when the other body would consider it again. However, we would hope it would be on Monday so that we would be able to go to conference on Monday.

Mr. **CHENEY**. Mr. Speaker, finally, if the gentleman would answer this, I noted earlier on the proposed schedule for the next week that the farm credit legislation was on the schedule for later in the week, and I notice it is no longer on the schedule. Can the gentleman enlighten us as to when we might expect legislation dealing with the urgent farm crisis in America?

Mr. **COELHO**. Mr. Speaker, if the gentleman will yield further, there was some dispute in the Committee on Agriculture, and the leadership on this side worked out with the leadership on the gentleman's side an agreement that we would not put the farm credit bill on for next week, that we would put it on for the first week we are back in September, so that the Agriculture Committee would be able to work today and report out a bill by Wednesday of next week so that we would have it ready and so that with that the minority on the Agriculture Committee would withdraw their objections to proceeding under current order.

Mr. **CHENEY**. Mr. Speaker, would the gentleman anticipate that the Members should plan on votes next Friday, August 7?

Mr. **COELHO**. We would hope not, but there is no way we can guarantee to the membership that there will not be votes. The only thing that could occur would be one on the debt limit bill, but we have no idea of indicating to the membership as to when we would conclude that conference or have another extension, if necessary.

Mr. **CHENEY**. Mr. Speaker, I thank the gentleman, and I yield back the balance of my time.

## ADJOURNMENT TO MONDAY, AUGUST 3, 1987

Mr. **COELHO**. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. **COELHO**. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1195

Mr. **RAVENEL**. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 1195.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

## AGRICULTURAL NITROGEN MANAGEMENT ACT OF 1987

(Mr. **STANGELAND** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **STANGELAND**. Mr. Speaker, I am pleased to introduce the Agricultural Nitrogen Management Act of 1987. This legislation will add an important, though missing component to existing ground water protection programs and to the pending array of ground water research and information bills before Congress.

My bill is designed to minimize the impact of agricultural nitrogen and fertilizers on ground water and surface water quality by establishing a nationwide educational program aimed at the American farmer. Through increased education, public information, and the adoption of agricultural best management practices, this Nation can prevent many of its ground water and surface water quality problems right from the start. The American farmer, the fertilizer industry, the scientists, the appropriate Federal, State, and local officials—all of those groups will play a key role. My bill brings each of these players together to get the ball rolling and to emphasize the role of agricultural nitrogen in ground and surface water quality protection.

The need for this legislation is well documented. Today, agricultural activities are known to be one of the heaviest contributors to nonpoint source pollution of both ground water and surface water. We have come to realize that the overapplication of fertilizer can, in certain instances, contaminate ground water and lead to serious health problems. Farmers and other rural residents are the population at most risk, since they often depend on the private, untreated well water located below the farmed land. Minnesotans are particularly aware of this dilemma since ground water serves as a potable water supply for three-fourths of the population. Mr. Speaker, we are faced with difficult policy questions. In light of the environmental and public health concerns, how should we alter widely accepted farming practices without losing far-reaching benefits of crop nutrition?

The answer is to provide increased research, technical information, and site-specific best management practices.Proposals such as H.R. 791, the U.S. geological survey research bill, and H.R. 2253, the Environmental Protection Agency research and development bill, are helpful but do not fill all the gaps or meet all the information needs. As a farmer, I know we need to develop more information, spread the wealth of knowledge, and implement agricultural best management practices on a greater scale. These efforts, however, will undoubtedly require close coordination among Federal, State, and local authorities. And an some cases, farmers may need to make fundamental changes to their normal agricultural practices. I believe my bill will help get us started in the right direction at the right pace.

Section 1 of the bill states the act may be cited as the "Agricultural Nitrogen Management Act of 1987."

Section 2 contains various authorities and provisions related to the Department of Agriculture and establishes an agricultural nitrogen best management task force. Subsection (a) states that the purpose of the section is to authorize the Department of Agriculture to develop educational programs on agricultural best management practices to minimize nitrogen losses from all potential agricultural sources and practices.

Subsection (b) contains various findings including the finding that careful selection of agricultural best management practices will help farmers reduce the effect of agricultural practices on ground and surface water quality through judicious use of plant nutrients.

Subsection (c) which is the heart of the bill, directs the Secretary of Agriculture to establish an agricultural nitrogen best management practices task force consisting of eight specified members. Together, these representatives of the Department of Agriculture, the EPA, the Tennessee Valley Authority, and the American farmer should be able to coordinate a comprehensive approach to fertilizers and nitrogen management.

Subsection (d) provides that the functions of the task force are: First, to develop agricultural best management practices for agricultural nitrogen utilization in crop production; second, to develop educational and training material; and third, to disseminate educational materials to farmers.

Subsection (e) requires the task force to give a progress report to Congress within 2 years of enactment and describes specific contents of the report.

Subsection (f) defines the term "agricultural nitrogen" and the term "agricultural best management practices" for purposes of the act.

Subsection (g) authorizes such sums as may be necessary for each of the first 5 fiscal years after date of enactment.

Section 3 provides two amendments to section 319 of the Clean Water Act, which establishes a new nonpoint source management program within the Environmental Protection Agency. Subsection (a) amends the Clean Water Act to require that any State assessment report and any State Management Program be developed in consultation with the agricultural nitrogen best management practices task force established by section 2 of this bill. Similarly, subsection (b) amends the act to require the Administration of EPA to consult with the task force in preparing the Administrator's annual and final reports to Congress.

These amendments will highlight the important link between nonpoint source pollution and agricultural best management practices. Section 3 will also encourage greater consultation with and coordination among Federal, State, and local agencies. Since the recent enactment of the Water Quality Act of 1987, we are already beginning to see greater cooperation and consistency between the States and EPA. My own State of Minnesota is setting a fine example in this area.

Just recently, the State enacted the Minnesota Clean Water Partnership Act to meet its nonpoint source pollution needs, develop best management practices, and satisfy other requirements under the Clean Water Act. The new Minnesota law will help to identify the combination of education, incentives, and best management practices to tackle ground water and surface water problems across the State. My bill is intended to build upon these efforts, emphasizing the connection between agricultural and nonpoint source pollution strategies, and strengthening the ties among Federal, State, and local agencies, and the American farmer.

Mr. Speaker, based on my experiences as a farmer and on testimony received by the Public Works and Transportation Committee, the Agriculture Committee, and others, I see a tremendous need for this bill. We must place greater emphasis on nitrogen management, agricultural practices, and their overall impact on water quality. My bill takes an important first step to address this need and provides a good springboard for further legislation. I hope in the coming weeks members of the Agriculture and Public Works Committees will take a close look at my legislation as we consider comprehensive ground water research bills. I believe the Agricultural Nitrogen Management Act of 1987 is something all of us can and should support.

## CBS' FLAWLESS "TOUR OF DUTY" GETS HIGH MARKS

(Mr. **DORNAN** of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **DORNAN** of California. Mr. Speaker, let me say to my colleagues that they are in for a pleasant and remarkable surprise on television this fall on Thursday nights at 8 o'clock hopefully for the whole season. It is a new series on the CBS fall schedule titled "Tour of Duty." Imagine, CBS is putting on the air a series on Vietnam—every week. I saw this superb pilot film a week ago last night, and I was shocked beyond words because the story does such unbroken honor to our combat forces—our men who served in Vietnam.

Those of you in this Chamber who are Vietnam veterans or Vietnam-era veterans will certainly be proud. Everybody in America who follows the proceedings in this Chamber should listen. I want you to know that I salute Laurence Tisch, the new CEO of CBS, and his programming staff. And I salute the creative producer, Zev Braun, who has years of experience as an officer in the Israeli Defense Forces, most of his service as an intelligence officer. These people have portrayed our men loving one another even under the unbearable stress of combat in Vietnam.

This pilot film is a remarkable accomplishment. There are no drugs, no foul mouths. There are officers who look and act and perform like leaders, and the enlisted men truly not only depending on one another and caring for one another but show love for one another—blacks, Hispanics, farm kids, California surfers, people of every type of background pulling together. Everything that I saw in my eight trips to Vietnam, seven as a journalist and one as a pilot ferrying airplanes over there, everything I saw for a decade on observing that tragic struggle for freedom is finally put on film in a positive but apolitical way. I cannot believe this is finally going to happen on television. Our men, and our Army nurses I trust, shown in an upbeat positive manner.

With all the rotten, mean-spirited films in circulation like "Full Metal Jacket" and "Platoon"—the dishonest lie that I call "Spittoon"—with their degradation of our servicemen, finally we have something of honor that we can watch, and share the experience—the sacrifice. I highly recommend this noble effort. I pray it sustains. It is coming into your homes in about 7 weeks. Look for "Tour of Duty". Watching this you can hold your head high if you are a Vietnam veteran—as can any American. Again, Mr. Tisch, thank you. Mr. Braun I salute you. Director, writers, actors, and crew, well done. God bless all of you, and good luck.

Mr. Speaker, here are some thoughts on "Tour of Duty":

Of the war, executive producer Braun states "genuine relationship of love and understanding developed between men of all backgrounds."

Another Braun quote "That we've managed to get a television series on the air is an important step in the country's maturing relationship with the war and the men who fought there."

Writers for the pilot include L. Travis Clark, and Steve Duncan. Clark was a "grunt" in the war and Duncan served as a naval officer on an aircraft carrier.

Takes "grunts" point of view because they wanted to deal with the reality of the war and the inherent dramatic quality of men in a wartime situation.

Show illustrates the blending of men from different cultures and geographic regions that war does. A black from the rural South, a black from the big city, a Jew from middle-class New York, a Hispanic from the Bronx and a "white bread" kid from California—Anaheim.

Of the chemistry of the show Braun notes "This led to a natural comraderie, a kind of male bonding of guys as they came to understand and like one another. Coming to love one another."

Says Braun, "We decided we are not going to sugar coat the language. It'll be tough, gutsy, and expressive, but it won't be the profanities we're used to hearing."

This pilot TV film was made at Schofield Barrack in Hawaii. M. Sgt. James A. Stephens, Vietnam veteran aided as technical consultant.

## IRAN-CONTRA HEARINGS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SOLOMON] is recognized for 5 minutes.

Mr. SOLOMON. Mr. Speaker, now that the Iran-Contra hearings are winding down, and a smoking pistol is nowhere to be found, the sum and substance of the whole matter can be summed up in one question that is yet unanswered: Has more money been spent on organizing the select committees and staging the hearings than was diverted to the Contras in the first place? And remember, we're talking American taxpayer dollars here, too—not the few bucks belonging to the Ayatollah that may have found their way to the Contras.

In a July 17 op-ed piece in the Washington Post, syndicated columnist Charles Krauthammer described the Iran-Contra hearings as being a show trial masquerading as a fact-finding mission. In keeping with that time-honored principle that the public has a right to know, I am today calling upon the majority leadership in the House to provide an itemized accounting of what this whole affair has cost.

How much has been spent on salaries and benefits for the committee staff and support personnel? How much has gone into supplies, equipment, and other office-keeping expenses? And what about the hearings themselves? How much has it cost to stage a television miniseries that has enjoyed a longer run than "Roots," "Shogun," and "Rich Man, Poor Man" put together?

Mr. Speaker, the public has a right to know. Congress may get away with exempting itself from the Ethics in Government Act, equal employment opportunities laws, occupational safety and health, and all of the other laws we impose on other branches of government, as well as the American people, but we have to come clean on this one. Is Congress any more reputable in the conduct of its business than is the executive branch which we so delight in investigating? Let's get out the facts concerning the Iran-Contra show trial and let the American people decide.

☐ 1400

## REPORT ON CONSTITUTIONAL CONVENTION IN PHILADELPHIA

The **SPEAKER** pro tempore (Mr. GRAY of Illinois). Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. **GEKAS**. Mr. Speaker, it is now July 30, 1787. I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia.

The delegates have taken a recess and will reconvene sometime next week; but in the meantime the delicate work of putting the documents together is going on right at this very moment. As I stand here in the Chamber to the side of the main hall, there is a little library section, and there five delegates who will constitute the Committee on Detail are pulling together all the resolutions, all the votes, all the minutes, all the proceedings of the previous time spent in the convention for full presentation to the entire delegation when it reconvenes next week.

This Committee on Detail is perhaps doing the most important work of the convention thus far. There has been ferocious debate on how the Congress of the United States should be made up. There has been vitriolic and heated debate on whether or not the chief executive should be allowed to be President or king for life, or what term of office that chief executive should have.

The Committee on Detail has the job, along with James Madison and his notes, of putting this thing together in preparation for some final votes and final revisions leading up to the day that everybody hopes will produce a final basic document for the new government of the now governing colonies under the Articles of Confederation.

George Washington, who up to now has been very pessimistic about the outcome of this Convention, and who very reluctantly agreed to chair the Convention, realizing that the interests of the Thirteen Colonies were so widely disparate, that nothing could possibly come of another convention such as this; nevertheless, now he seems a little more optimistic.

I talked to him yesterday before he left on a fishing trip during this recess when he went over to Valley Forge, and he went to some fishing streams nearby. He went back to Valley Forge for the express purpose of standing among the mounds that remain of the time that he spent there with his valiant soldiers during the hectic times of the War of Independence; but more important and nearby there were some fishing streams. Gouverneur Morris of Pennsylvania guided him to those areas, so they could conduct a little fishing expedition. This shows something about General Washington. He could have returned to Mount Vernon; and if he had returned to Mount Vernon, he felt that that might have been a signal to all the other delegates that he is through with the convention and has no hope for any product.

His going to Valley Forge and sticking around nearby Philadelphia was a signal that indeed he has confidence that the work can be completed.

We are anxiously awaiting the final product of the Committee on Detail; and when we put that together, I believe it will be presented to the full delegation next week when they reconvene.

This is Congressman GEKAS reporting to you 200 years ago today from a hot summer in Philadelphia.

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 60 minutes.

[Mr. DANNEMEYER addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

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## FUNCTION 500—EDUCATION ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana [Mr. WILLIAMS] is recognized for 60 minutes.

Mr. WILLIAMS. Mr. Speaker, much has been made recently of international competitiveness and this country's decline in the general area of productivity.

Among those factors which contribute to our ability to compete internationally is the condition of America's public education system.

I think most Americans agree with that, and one would find very few in this Chamber that would disagree with it.

Yet, this administration, whose policies have in large measure generated the deficits with which we are concerned, has consistently met this national crisis with only rhetoric accompanied by budget requests that would cut the funding for those education programs which underlie our national competitiveness.

I am going to provide for the RECORD a chart that outlines for fiscal years 1981 through 1987 a comparison of President Reagan's budget requests for education with the congressional budget resolution for education, and that chart also contains within it the final appropriations that the Congress passed for education.

In order to give this House some sense of that chart, and inasmuch as I do not have an enlarged replica of that chart to show today, let me share the numbers for just three of those years.

In 1981, the President's request for education was $13.5 billion. The final appropriation that year from the Congress was $14.8 billion.

Going down the chart and selecting the year 1984, the President's request was for $13.2 billion. The Congress appropriated $2,200,000,000 more than that or $15.4 billion.

The fiscal year 1988 Presidential budget request called, believe it or not, for a 46-percent cut in student aid funding, and limitation of most of the other programs supporting higher education.

Recommendations were also made incredibly to end, to abolish all Federal support for vocational education.

The Congress, however, has responded to the American public's demand for a first-class public education system.

Since 1981, the Congress has passed budget resolutions that have protected the high-priority education programs that this administration has sought to reduce or eliminate.

The fiscal year 1988 budget resolution is no exception to the congressional tradition of providing somewhat adequately for the Nation's education.

Within the budget, we have the function 500. That is the function that contains education funding, and function 500 assumes slightly more than $19 billion for all education programs, as opposed to the President's request, which is only $14 billion for fiscal year 1988.

This includes a 5-percent inflation increase for all education programs, and additional funds in higher-priority programs such as chapter 1, math and science, special education, Pell grants.

Our commitment to education funding comes at a time when this Congress is forced to deal with a record Federal deficit in budget targets that restrict growth in even the most essential programs.

The Congress' education budget will allow the continued funding for the high-priority education programs that have a proven track record of providing education opportunity for students at the elementary, secondary, and postsecondary levels.

Our budget also provides the breathing room to fund some of the new initiatives such as the education provisions that were included in the House-passed trade bill.

In spite of the more than $19 billion that will be spent on education by the Federal Government this year, we still have students who are eligible for programs who want to participate in those programs, but who cannot because of a lack of Federal funds.

Let me give you a couple of examples. Last year 80 percent of the American children who were eligible for Head Start could not get in. Eighty percent of America's low-income children who under the law are eligible to enter a Head Start Program were unable to do so because of not enough Federal Head Start money.

The Members of the House and the other body, and I believe most members of the administration, understand that the Job Corps is accepted now as a successful American education effort.

Ninety-five percent of the young people in this country who are eligible to participate in Job Corps cannot get in.

□ 1410

They cannot get it because there is inadequate Federal financial participation. Low income students are helped enormously to go to college by the Federal effort called Pell grants. Those are the grants that support America's neediest students to go to college. Those grants are limited to $2,300 per year. That is an inadequate amount to cover the cost of attendance, particularly in these times of

rising college costs and the result, of course, is that many of America's neediest students, bright young men and women, are denied the opportunity to go to college because of inadequate Federal funding of the Pell Grant Program.

We know these programs work. They have worked now for a quarter of a century. We just are not putting enough money in them to allow enough Americans to participate.

We really should be, I guess the term is throwing more money at these programs, because these are efforts that we know work. It is just the lack of funds that prevents even half of the young people who would be eligible to participate in these programs from doing so; but given the current fiscal situation, combined with the lack of willingness, we have to focus on the successes of these programs and our educational system, the successes that we have already experienced.

In a partnership with State and local governments, the Congress has worked to transform this Nation into a place of highly educated citizenry. We need to continue to protect this environment even in times of limited resources.

I look forward to the day, as do most of my colleagues, when this Congress and also a President will once again move toward more adequate funding of the education efforts that have proven themselves and that work. We may have to wait until we are more successful at reductions in the deficit. We may have to wait until there is a new President with a new economic effort or program, but so be it. We should not, however, wait too long, because we no longer live in a world as America is automatically because of the strength of our resources and our people that No. 1 unchallenged competitor. Rather, we now live in a world where other nations are competing with us very well indeed, and in some ways they are No. 1. In some areas they are first and we have fallen to second or beyond.

If America is going to be first in the marketplace of goods, it must be first in the marketplace of ideas. The world wants and hopefully still does honor America not only because of the glitter of our wealth, but because of the splendor of our ideals.

The Federal Government has been a good partner in making sure that our citizenry was appropriately educated to make and keep us No. 1 in the marketplace of ideas.

The deficit and an administration not fully committed to America's schools now challenges that tradition. I am hopeful that my colleagues will join in once again having an America that fully meets the challenge of making America first in competitiveness.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. SHUMWAY] is recognized for 60 minutes.

[Mr. SHUMWAY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. RANGEL] is recognized for 60 minutes.

[Mr. RANGEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

[Mrs. BENTLEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

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## PERMISSION TO HAVE UNTIL MIDNIGHT, FRIDAY, JULY 31, 1987, TO FILE CONFERENCE REPORT ON H.R. 27, FEDERAL SAVINGS AND LOAN RECAPITALIZATION ACT OF 1987

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight, Friday, July 31, 1987, to file a conference report on H.R. 27, Federal Savings and Loan Recapitalization Act of 1987.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The Chair would ask the ranking minority member the gentleman from Ohio [Mr. WYLIE] has this matter been cleared with the minority?

Mr. WYLIE. It has, Mr. Speaker. It has been cleared with the gentleman from Illinois [Mr. MICHEL].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

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## RIGHTS OF AMERICANS TO A CLEAN AND SAFE ENVIRONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. FLORIO] is recognized for 60 minutes.

(Mr. FLORIO asked and was given permission to revise and extend his remarks.)

Mr. FLORIO. Mr. Speaker, the President of the United States announced several weeks ago in his version of America's economic bill of rights what it is he thought was important for this Nation. As I read the President's statement, I was somewhat dismayed to see no mention anywhere whatsoever of the rights of Americans to have a clean and a safe environment. In its zeal to deregulate every aspect of our American economy, this administration seems determined to return us to the day of the belching smokestack and the polluted rivers, all in the name of some idealized concept of the "free market."

The American economy needs help. That is beyond dispute. We have to do everything we can to rejuvenate it. Sensible environmental protection will help improve our economy, rather than hurt it. We cannot pretend that there will be no costs associated with cleaning up pollution. But likewise, we cannot pretend that there are no costs associated with not cleaning up pollution. We can deal with, to use one example, the cost of asbestos cleanup, or we can deal with the cost of the problems associated with failing to clean up asbestos.

The American people have made it abundantly clear that they are unwilling to relinquish their fundamental right to a clean and unpolluted environment. Every public opinion survey that I have seen shows a deep public commitment to a safer, cleaner environment. One survey that I observed even shows that the American people are willing, by a 3-to-2 margin, to sacrifice economic growth for the sake of environmental quality.

We need to look no further than the Democratic 1988 environmental budget and the Republican alternative to see which party is more committed to protecting the Nation's national environment. The President has offered the American people an environmental budget for 1988 that gives Federal environmental authorities the same purchasing power as EPA had in 1976.

The President has ignored the fact that there are at least nine major new environmental laws that have been enacted since 1976 to protect the Nation's drinking water, to regulate hazardous waste disposal, and to clean up thousands of the Nation's toxic waste dumps. While the Federal environmental workload has essentially doubled in the last decade, the administration has continued in its unending efforts to erase environmental protection from the national agenda.

The numbers speak for themselves. Comparing the Environmental Protection Agency's 1981 budget to the President's 1988 proposal, we see that in nearly every major environmental program expenditures would be substantially cut. Resources to regulate toxic air pollutants would be cut by 24 percent. Water regulation would be slashed by 47 percent. Pesticide regulation would be cut by 19 percent, and funds to protect the public from deadly radiation exposure, such as radon gas, would be cut by 21 percent.

While comparing, as I was, the 1981 budget with the President's 1988 budget proposal provides us with a grim picture of the administration's commitment to environmental protec-

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tion. It only gets worse when we compare the President's proposal with EPA's current funding needs. After examining EPA's own data on budget needs, the watchdog, the environmental safety organization, found that the President's budget proposal gave EPA less than half what it needs to fulfill its statutory obligations to protect the environment.

The President's budget would require our Federal officials to implement the environmental laws effectively with one hand tied behind their backs. It is little wonder that the American people have lost faith in this administration's willingness to protect the environment.

While the administration is seeking to gut funding of the Nation's environmental programs, we, the Congress, are putting money back into those programs. Appropriation bills for 1988 have given the Environmental Protection Agency some $600 million more than the President requested and some $1.1 billion more than EPA had in its 1987 budget.

In program after program, we have reasserted a Federal commitment to environmental protection. We have called for more money for programs to clean up asbestos in our schools.

By the way, this is done in the face of an administration effort this year to rescind, that is, to take back $50 million in this program to clean up the Nation's schools that the Congress allocated and authorized and appropriated last year, so it is not only that the administration wants not to go forward with this program, they literally want to take back money that has already been authorized and appropriated to clean up the Nation's schools of asbestos that is flaking in those schools. EPA has said that there are 15 million schoolchildren in 30,000 schools in the Nation. Those children are at risk unless we get about cleaning up those schoolrooms.

Likewise, we have provided for more money to meet the requirements of the Clean Water Act, to beef up enforcement of the Federal hazardous waste regulations and to clean up contaminated waste dumps under the Superfund cleanup program.

The effort to keep these environmental protection programs adequately funded is more than an issue of mere dollars and cents. We can only guess at the number of lives saved by giving EPA and other Federal agencies the funds they need to clean up contaminated drinking water, to regulate toxic pesticides, and to control dangerous air pollutants.

Mr. Speaker, it is time to set the record straight. We in the Congress have taken the tough steps necessary to protect the environmental rights of the American people. The sad truth is that this administration has set out a bill of rights which implies that as far as the environment is concerned, the American people have no rights at all.

Let me conclude with one last example, actually two last examples of environmental dilemmas that we have already in place that the policies of this administration are making worse.

I think it is fairly clear from talking to my colleagues and talking to constituents that the environmental problem of airport noise, and it is an environmental and in some instances a public health problem, is growing worse. The Environmental Protection Agency, under the 1972 Noise Control Act and the 1978 Quiet Communities Act has certain statutory responsibilities to work with the FAA, to try to monitor and evaluate airport operations, to minimize noise problems associated with airports.

It is clear that EPA is not performing these responsibilities. The explanation is fairly clear. This administration did not see fit to go and repeal those laws; rather, what they did was to defund, that is, to take away all of the money, that is, every single penny of the money for the noise program at EPA. Therefore, we have statutory responsibilities. We have a law, but the law is not being followed because the Agency which is charged with the responsibility for enforcing that law has been unfunded. Therefore, there is no one dealing with this type of a problem. As a result of increased air traffic, as a result of a reduced number of air traffic controllers, as a result of deregulation gone to an extreme, the noise levels, at airports around this Nation are getting worse and the system that we have put in operation to deal with it, to monitor it, is not working.

The last example I would give of a policy that is being pursued by this administration that is starting to be fully appreciated by the American people as a great impediment to the public interest being served is in the area of solid waste, a euphemism, of course, for garbage.

□ 1425

The garbage barge that we all saw on network television in one sense may very well be a blessing in disguise because it lifted for the public to see a serious problem to the national attention that some of us had been tracking but no one in the administration, particularly in EPA, has been particularly paying attention to. As we run out of space for the disposal of garbage in a traditional way of disposing of garbage, literally to dig a hole in the ground and put it in the ground with all of the environmental problems associated with using dumps, no one at the Federal level in the Environmental Protection Agency has been working to prepare the ground for the new types of high-technology disposal systems, resource recovery facilities.

If we are going to move in that direction, and I suspect it is inevitable, it is important that the Environmental Protection Agency put in place appropriate environmental safeguards to make sure that as we move in that direction we do not cause more environmental problems as we try to resolve one of our environmental problems. I have introduced legislation to deal with that problem by requiring EPA to spell out national uniform air emission standards for resource recovery facilities as well as testing standards for residual ash that results from incineration of garbage. Likewise, to spell out regulations for the safe operation of resource recovery facilities and worker accreditation systems so that those who will be operating these facilities will know what they are doing.

Mr. Speaker, in these brief few minutes I have tried to give a sense of the deficiencies that we see clearly flowing out of an environmental policy from an administration that has been very candid in suggesting that their approach to environmental protection is to get the Government off our back.

Mr. Speaker, that is not a legitimate approach to environmental protection. If the Government, if the public sector does not play a role in cleaning up our environment no else will. If there is anything the American people want it is not less environmental protection, it is more environmental protection.

In this regard the administration is totally out of step with what the American people want, expect, and I trust in the long run and hopefully not too much in the long run and I trust not too much beyond 1988, will insist upon and will get.

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## A BIPARTISAN FAIR HOUSING COMPROMISE PROPOSAL FOR THE 100TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. SENSENBRENNER] is recognized for 60 minutes.

Mr. SENSENBRENNER. Mr. Speaker, virtually everyone is in agreement that the existing enforcement mechanisms in the Federal fair housing law-title VIII of the 1968 Civil Rights Act—are wholly inadequate. The law was born at a time of crisis, following the tragic assassination of the Reverend Dr. Martin Luther King. Since its enactment, we have seen, because of defects in the law, a serious chasm between the dream and the reality of equal housing opportunity for all Americans. Existing fair housing law lacks an effective means of enforcement and relies heavily on informal methods of voluntary conciliation to achieve its ends. The current law apparently has shortcomings when a party or parties enter into conciliation in bad faith

As a former Secretary of Housing and Urban Development [HUD], Carla Hills, stated:

> The most serious obstacle to an effective title VIII program is the lack of adequate enforcement provisions * * *

President Reagan noted as well that:

> The gap in enforcement is the lack of a forceful backup mechanism which provides an incentive to bring the parties to the conciliation table with serious intent to resolve the dispute then and there. When conciliation fails, the Secretary [of HUD] has no place to go. In those few cases where good will is absent, the exclusive reliance on voluntary resolution is, in the words of former Secretary Carla Hills, an "invitation to intransigence."

The alternative legal remedy for a victim of housing discrimination is to resort to the courts. However, we know this is costly, time consuming, and not a realistic one for the typical complainant.

Virtually everyone agrees the key to new fair housing legislation is strengthened fair housing enforcement. Unfortunately, agreement on a mechanism strengthening fair housing enforcement has proven elusive. For a decade, Congress has searched for a workable and politically viable solution without producing needed law.

### THE CONTROVERSY OVER ALJ'S

The search for an enforcement mechanism has also been a divisive one. In 1980, the last time the full House of Representatives voted on this issue, a pitched battle was waged on the use of administrative law judges [ALJ's] with litigation authority for HUD as a backup enforcement mechanism.

The Leadership Conference on Civil Rights favored the use of ALJ's because of speed and efficiency. The National Association of Realtors opposed ALJ's because they felt the ALJ's were inefficient and lacked sufficient independence from HUD. After a 33-minute rollcall vote, the ALJ proposal prevailed by a vote of 295 to 204. This was in a House of Representatives with 17 more Democrats than in the current Congress. There was also a Democratic President lobbying heavily for ALJ's for 4 days prior to the vote. Despite victory on the narrowest of margins in the House, the ALJ proposal proved too controversial in the other body and the fair housing bill died there.

I was a freshman Congressman in 1980, and I opposed the proposal of ALJ's with expanded litigation authority for HUD. I remember that time well and I think it can be safely said that no one wants to repeat that battle in the Congress. Unfortunately, this divisive proposal is once again included in this year's fair housing bill, H.R. 1158.

Significantly, there have been several developments since that 1980 battle promising to make ALJ's an even more controversial and troublesome issue in the 100th Congress.

First, the political climate since 1980 has somewhat changed. There are 17 fewer Democratic Members in this Congress and a Republican President—critical political differences from 1980.

Second, the legal climate surrounding ALJ's has made the question of constitutionality more controversial. Even in 1980, constitutional questions abounded concerning ALJ's for fair housing cases. In 1978, a legal opinion from the Office of Legal Counsel in the Carter Justice Department concluded that the ALJ provisions in the 1977 fair housing bill were "suspect under the recent Supreme Court decisions interpreting the seventh amendment." These views were echoed by Drew Days, Assistant Attorney General for Civil Rights in the Carter Justice Department, in the 1979 hearings.

> Since the Supreme Court has held that rights currently conferred under the Act are in the matters of individual legal rights, and actions for damages for violations of those rights are triable by jury, *Curtis* v. *Loether,* 415 U.S. 189 (1974), *it would risk unconstitutionality (emphasis added)* to provide for damages in both courts and administrative forums.

In a 1978 letter to a Judiciary Committee counsel, the noted administrative law authority, Prof. Walter Gellhorn of Columbia Law School, agreed with the Carter Justice Department. He stated as follows:

> As the bill is now drafted, I fear that it would evoke strong constitutional challenges, and I think *the likelihood of successful challenge is significantly large. (emphasis added.)*

He concluded by stating that:

> [W]hat must be avoided, however, is too naked a transfer of power from the judiciary to the executive, which is what I think is wrong with the present proposal. A determination in an enforcement proceeding might well inure to the benefit of identified individuals (as happens, for example, when the National Labor Relations Board orders reinstatement, with payment of back wages) upon a finding that an employee has been discharged for a forbidden reason). That is different, however, from stirring judicial resentment by simply moving conventional *inter partes* litigation from one forum (a court) to another (an executive department).

Even advocates of the ALJ proposal conceded it is legally controversial. In testimony in 1979 hearings, E. Richard Larson of the American Civil Liberties Union [ACLU] stated:

> The ACLU is aware that any administrative awards of monetary relief may raise an arguable conflict with the right to a jury trial guaranteed by the Seventh Amendments.

Since the 1980 battle, the Supreme Court has handed down major separation-of-power decisions—Northern Pipelines, Chadha, Bowsher, for example—that raise questions whether Congress can delegate article III judiciary power over fair housing cases to nonarticle III forums. In testimony last year before the Judiciary Subcommittee on Civil and Constitutional Rights, John Knapp, then general counsel for HUD, observed:

> The constitutionality of having an administrative law judge, a non-Article III judge, award damages of that sort, it seems to me, is still unresolved. If anything I think it has been further complicated by subsequent judicial decisions, some of the ones that came out of the Bankruptcy Court or the bankruptcy judge cases like *Northern Pipeline.* I think when you read or at least to me when you read that case's description of what are private rights and public rights, the private rights being reserved to Article III, and if you lay that alongside the Supreme Court's decision in the Fair Housing Act case, *Curtis* v. *Loether*, which I think is the case which determines that a Fair Housing Act damage case invokes the consititutional right to a jury trial, if you lay those together, I think you get a somewhat fuzzy picture.

The risk of unconstitutionality was further heightened April 28, 1987, by the Supreme Court in its decision in Tull versus United States. The Court in Tull ruled unanimously that persons or companies sued by the Federal Government in civil cases for fines or damages have a consititutional right to a jury trial to decide whether they are at fault. This holding, of course, has major significance on the constitutionality of ALJ's deciding whether a landlord or seller has engaged in an unfair housing practice.

This significance was recognized in the other body where two hearings were held concerning the constitutionality of ALJ's in light of Tull. At the first hearing, a panel of law professors disagreed on the impact of Tull on ALJ's in the fair housing bill. One of the panelists, Paul Kamenar, a law professor at Georgetown Law School, member of the Administrative Conference of the United States, and executive legal director of the Washington Legal Foundation, summed up the constitutional problem:

> It is our view that, based on the reasoning and holdings of *Tull* v. *U.S.* and *Curtis* v. *Loether,* a respondent in any such action would have a right to a jury trial notwithstanding the role of the administrative law judge and the court of appeals provided in the bill. In other words, S. 558 does not expressly deny the right to trial, it attempts to undermine that right by providing for an administrative mechanism and judicial review procedure that would not functionally accommodate a jury trial. There are no juries that assist ALJ's in any agency nor are there juries in the courts of appeals. The question, therefore, is whether Congress can constitutionally short-circuit a person's right to a jury trial in such a manner. *If Congress can do it in this context, then the right to a jury trial could be extinguished altogether by the Congress by merely authorizing ALJs to adjudicate any matter under federal law with review limited to the court of appeals.* (Italics added.)

The fears of unconstitutionality were confirmed on July 1, 1987, when the Justice Department's Office of Legal Counsel released its legal opinion concerning the constitutionality of ALJ's deciding fair housing cases. In a comprehensive legal analysis, the Office of Legal Counsel concluded the fair housing bill in its current form is and "would likely be declared unconstitutional on Article III and Seventh amendment grounds." The opinion also adds:

> All concerns under the Seventh amendment and Article III would be alleviated, of course, by deletion of the provisions establishing an administrative hearing process.

We now have legal opinions on the constitutionality of ALJ's for fair housing cases from the Carter and Reagan Justice Departments. They both conclude that ALJ's for fair housing cases are probably unconstitutional. The question for this House is whether it wants to take the extraordinary step of defying the legal opinions of two different administrations and enact a fair housing bill with ALJ's. Do we want to go down the road the way we did with bankruptcy judges and Gramm-Rudman? Is it fair to victims of discrimination to enact a fair housing bill promising immediate relief, but which will in all likelihood have its enforcement stayed for several years while constitutional questions are litigated?

Third, ALJ's are objectionable on policy grounds. It is manifestly unfair to include adjudicatory functions in HUD. Just last year, the realtors reached a compromise on the issue of testers and agreed to allow funding of testers by HUD. Thus, if the ALJ proposal were adopted, HUD would in effect be tester, investigator, conciliator, prosecutor, adjudicator, and executioner.

Moreover, ALJ's have been touted as more efficient than the overcrowded Federal courts. However, research by the Justice Department suggests the contrary. Assistant Attorney General William Bradford Reynolds testified to the following this year:

> Our research demonstrates that the administrative law judge process simply does not provide speedy resolution of disputes. A survey of government agencies employing administrative law judges or their equivalent revealed the following average times for the processing of complaints: the National Labor Relations Board in FY 1986 averaged 767 days (25.6 months); the Social Security Administration in FY 1986 averaged 421 days (14 months); the Federal Labor Relations Authority averaged 467 days (15.5 months); and the Department of Labor averaged 398 days (13.3 months) in black lung cases. These numbers do not include the time required for judicial review of the ALJ's decision. While this survey is not exhaustive, it is representative and demonstrates that the ALJ process does not offer a speedy dispute resolution alternative than can realistically be counted on to provide meaningful relief to an individual who has been denied an apartment because of race and simply wants to be allowed to lease that apartment.

Prof. Rodolphe J.A. de Seife of Northern Illinois Law School recently observed in a working paper published by the Washington Legal Foundation:

> The administrative process has largely become the antithesis of what we had in mind: it is cumbersome, expensive, duplicative, and represents an enormous waste of time and effort on the part of all the participants involved in administrative proceedings with little resulting benefits to anyone except the lawyers. Indeed, overjudicialization of the administrative process and the adversarial mentality, both syndromes of the legal profession's lack of creativity and reluctance to accept changes, have all but destroyed the usefulness of the administrative process as envisaged by its original proponents half-a-century ago.

There are problems concerning the independence of ALJ's. This is why an independent corps of ALJ's has been advocated by some Members of Congress and some administrative law judges themselves.

ALJ's are also inappropriate for civil rights cases. There is a lot of emotionalism over a discrimination case which one wouldn't find in the typical cases decided in ALJ's now. Jury trials have been successfully used in discrimination cases. This month's Trial magazine notes that, "experience shows that juries are responsive in race discrimination cases." Civil rights practitioners admit more trust in a jury system rather than in an administrative system. Jack Greenberg of NAACP Legal Defense and Educational Fund, Inc. indicated such a view in 1979 concerning the fair housing bill. He said:

> Our reason for urging this change (de novo proceeding in federal court for a prevailing complainant in an ALJ proceeding) is grounded in our lack of confidence in the ability of the bureaucracy to handle adequately the high volume of complaints with which we will be faced. To say this is not to express a criticism of Secretary Harris. The fact is that there are no successful models in terms of organization and expertise among our civil rights agencies in the federal bureaucracy charged with similar enforcement responsibility. Given the relative importance of the rights with which Congress is concerned and our experiences with the other agencies, it is more appropriate to err on the side of caution.

### A COMPROMISE TO BREAK THE DEADLOCK

Basically, there has been a deadlock on the enforcement issue—with the leadership conference favoring administrative enforcement—ALJ's—and the National Association of Realtors favoring judicial enforcement—the Justice Department bringing suits in Federal district courts. I readily concede I have contributed to the deadlock. Last year, I introduced the administration's fair housing bill which proposed judicial enforcement.

Mr. Speaker, I come here today to announce that I believe it have a compromise which can break this deadlock. The basic notion behind my proposal is that it could achieve the same goals of the ALJ system in this year's fair housing bill, H.R. 1158: strengthened HUD enforcement, expeditious resolution of the discrimination issue, emergency relief for discrimination victims, and a process which would not require money or a great deal of time from the victim.

I believe my proposal has important advantages over the ALJ system: First, it does not appear to be controversial on constitutional grounds and thus not as likely as the ALJ system to invite litigation staying enforcement of a new fair housing law for several years; second, it is faster—cases could be heard within 45 days of filing an action rather than 120 days; third, it is likely to be acceptable to the National Association of Realtors and could command a veto-proof consensus that important civil rights legislation deserves.

My proposal centers around HUD enforcement through consolidation of an action for an injunction or temporary restraining order with a jury trial on the issue of discrimination. The jury's decision would be res judicata on the discrimination issue in a subsequent lawsuit for damages. This enforcement mechanism provides for expedited treatment of unsettled housing discrimination cases because the Federal courts are required to put these cases at the top of their calendar. It also preserves the right of a jury trial on the issue of liability in accordance with Tull. With the jury's decision being res judicata on the discrimination issue, the complainant's interest in damages is aided because respondents are likely to settle at this point. Even in the case of no settlement, the complainant should be able to secure counsel on a contingency fee basis to bring a lawsuit for damages. Finally, HUD's ability to obtain settlements during the conciliation process is strengthened because it now could go to Federal court for expedited enforcement.

The enforcement action would come into play after conciliation failed. The action for injuctive relief or a TRO could provide a home for an aggrieved party who needs housing immediately. It could also prevent the respondent from renting or selling the dwelling in question.

It should be noted that this proposal would include a provision protecting innocent third parties. In addition, the aggrieved party would still have the right to intervene in the proceeding.

My proposal requires significant concessions by me and the realtors. Despite my past opposition, I will support granting authority to HUD to bring not only temporary restraining orders or other preliminary relief but actual fair housing cases in Federal courts under a unique procedure assuring prompt relief for discrimination victims. HUD litigation authority is a crucial ingredient to this year's fair housing bill. Indeed, in their January 21, 1987, "Dear Colleague" letter supporting H.R. 1158, the distinguished vice chairman of the House Judiciary Committee, HAMILTON FISH, Jr., and the distinguished chairman of the Judiciary Subcommittee on Civil and Constitutional Rights, DON EDWARDS, stated the following:

> Mr. President,
>
> *Importantly* (italics added), the powers of the HUD Secretary would be expanded by granting him the authority to seek a temporary restraining order or other preliminary relief in discrimination cases when he determines that prompt judicial action is necessary.

Moreover, my proposal signifies that I am willing to oppose the administration of my own party on this particular issue. It was only last year I introduced a fair housing bill on behalf of this administration. This is a substantive change in an attempt to make fair housing a reality in the 100th Congress.

Mr. Speaker, I have worked closely with Chairman EDWARDS, the National Association of Realtors, and the Leadership Conference on Civil Rights over the past 2 months in crafting a bipartisan compromise to bring us a stronger Federal fair housing law in the Congress. I believe the tireless efforts of the realtors should not go unrecognized. By conceding on an important item—HUD litigation authority—the realtors have made it possible for me to offer something new and different to break the logjam on fair housing. The realtors have gone the extra mile so that this Congress can reach agreement on a vital civil rights bill. They have simply asked for fairness entitled to them and all other Americans under our Constitution.

I also compliment Congressman EDWARDS, the chairman of the Judiciary Subcommittee on Civil and Consitutional Rights, for his patience, understanding, and willingness to reach a compromise. He is a good friend and I look forward to continuing to work with him on a compromise. I hope he will agree that the issue of ALJ's is too controversial and, as a practical matter, detrimental to the cause of strengthened fair housing enforcement.

Finally, I appreciate the Leadership Conference on Civil Rights for their efforts and willingness to hear my proposal. They acknowledged to me personally the merit in my proposal and, in fact, have not rejected it outright. They recognize it goes further than any alternative to ALJ's they have seen. They know I have conceded something on which I previously have taken a strong public position in order to bring something new and different to the bargaining table. In addition to this, I have indicated a willingness to make concessions on other contentious issues in the fair housing bill. The leadership conference position to date has been unyielding. I gave up something important. What I am asking the leadership conference to compromise is not unreasonable—give up the controversial ALJ approach and join a HUD litigation proposal which does the job better than ALJ's. It is difficult to unilaterally make concessions while the other side does not reciprocate.

I think the choice on fair housing in the 100th Congress is clear: either we go to war over ALJ's like we did in 1980, or we go with a compromise proposal to reach a bipartisan consensus as we did in 1982 in extending the Voting Rights Act. I am looking for a fair housing law, not a fight over fair housing. Members of this body should know I, and the realtors, offered a viable compromise. The clear opportunity to avoid a conflict over badly needed fair housing legislation rests with the Leadership Conference on Civil Rights.

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

[Mr. FRANK addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

[Mr. BONIOR of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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## ORDER OF BUSINESS

Mr. KOSTMAYER. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes with the permission of the gentleman from Texas [Mr. GONZALEZ] who had reserved this time previously.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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## DEFICIENCY IN THE PRESIDENT'S FISCAL YEAR 1988 BUDGET REQUEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. KOSTMAYER] is recognized for 10 minutes.

Mr. KOSTMAYER. Mr. Speaker, I rise today to participate in this important special order and to note serious shortcomings in the President's fiscal year 1988 budget request. Today we are focusing on the President's environmental budget. In my opinion the administration's record in this area has been nothing short of a national disgrace.

One aspect of our environmental debate concerns the preservation of our natural and cultural resources. This is one of the important challenges facing our country today. Unfortunately, however, the administration has failed to recognize the seriousness of this issue and has instead thwarted the efforts of both the Congress and the private sector. The elimination of funding for new land acquisition and the Historic Preservation Fund are just two examples of the administrtion's short sightedness and ill fated attempts at policymaking.

Established in 1976 as a means to provide a continuing source of funding for historic preservation, the Historic Preservation Fund has allowed us to develop a system for the identification, evaluation, and protection of our historic and cultural resources. Examples of programs funded through the Historic Preservation Fund include: Operation of a Main Street downtown revitalization program, development of statewide historic preservation comprehensive plans, and distribution of and instruction in technical preservation information. In addition, another major area provided for by the Historic Preservation Fund is the evaluation of resources for listing in the National Register. In 1986 alone, State historic preservation officers were able to make 3,153 nominations to the National Register, adding 55,268 structures to that distinguished list.

However, since 1983, the administration has requested no appropriations from the fund. Only strenuous opposition from the Congress and the public has prevented these cuts from going through. Although Congress has appropriated approximately $26 million annually, this modest sum does not come close to meeting our national need. Estimates for the cost of restoring endangered national registered properties alone exceed $300 million. It is imperative that we provide adequate funding for the Historic Preservation Fund if we are to ensure that all aspects of our culture are brought into our resource protection process. I encourage the administration to improve its very bad record in this area.

The issue of preserving open space is another important issue facing us today and yet the administration has sought, year after year, to practically halt new parkland acquisition. In fact, this year's budget request for acquiring parkland is 82 percent below the amount approved by Congress last year. The administration's request provides only enough funding for emergency and hardship acquisitions. Quite simply, the fiscal year 1988 budget request completely eliminates funding for new acquisitions from the Land and Water Conservation Fund. The LWCF is the single most important source of money for the purchase of public outdoor recreation areas. This action is particularly disturbing considering the fact that the 1986 report of the President's own Commission on Americans Outdoors recommended action to set aside adequate land for future recreation use and urgently noted the loss of 1.4 million acres of open space each year.

The consequences of this decision to fund no new acquisitions is disturbing to say the least. The Land and Water Conservation Fund is perhaps the best example of an effective and cost efficient Federal-State partnership. Since 1965, with its matching grants to States program, the LWCF has funded 33,886 projects which resulted in the acquisition and preservation of some 2,330,068 acres. In that period, the Federal Government has made available over $3 billion to fund these projects. This money has not only been matched but often surpassed by State and local funds. Nevertheless, in the very year that the President's Commission on Americans Outdoors has said that our parks are overused and overcrowded, the administration's budget proposal prevents the acquisition of any new lands to meet our increasing needs.

This decision is ill advised and, quite frankly, makes no economic sense. It is estimated that the current backlog for the National Park Service alone is $1 billion. Land prices for unacquired land continue to escalate at an approximate rate of 7 percent annually. Thus, the National Park Service needs $100 million per year just to stay even with inflation. Using these assumptions, it would follow that it would take 15 years to take care of the current $1 billion backlog even if the NPS received $100 million per year. Sadly, unless we identify and protect our Nation's natural areas, we will be forced to watch them disappear one by one to competing uses. It is therefore of the utmost importance that we provide for a continual income stream dedicated solely to the preservation of our Nation's magnificent outdoor heritage.

Mr. Speaker, we must do better and the administration must carefully reexamine its priorities. The preservation of our natural and cultural heritage is, as it should be, a high priority and it is time that the administration recognized this.

## REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 27, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION RECAPITALIZATION ACT OF 1987, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-255) on the resolution (H. Res. 236) waiving certain points of order against the conference report on the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal Home Loan Bank System, and against the consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

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## MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today I proceed along the lines I had initiated some time back in my advice to the privileged orders. I had quite a number of inquiries the last time I referred in that sense to the style, and the reason is that the style of addressing the privileged orders is adopted from a great Revolutionary cause, a man who served as George Washington's Army chaplain for a while, who was also a great pamphleteer and a companion in that day and time of Tom Paine and the other celebrated radicals of the day and pamphleteers of the day who, after the beginning of the American struggle for independence, went to continental Europe and found themselves immersed in the midst of the French Revolution which at that time we could roughly consider and equate by saying that it would be quite proper in trying to correlate comparisons, if that is possible.

We could equate the French Revolution in that day and time, the Jacobins, and their ferociousness as pictured in England, with the 20th-century Russian Revolution and the bolshevism so much feared in the 1920's, and up to World War II, and since then the obsession with anticommunism and the misperceptions of that outer world that has been the scene of so much cost in blood and treasure to us as sequela wars after World War II.

The reason is that Joel Barlow, the name of this great revolutionary figure, who by the way was of those that had such a vast imaginative mind that he could write an entire epic poem which he styled, "The Columbiad" which peering into the future he foresaw what turned out to be the costly Civil War. He predicted that based on the existence and tolerance of slavery at the time that the day of reckoning was inevitable, as he said in his words, as he peered into the future.

He envisioned in his epic "Columbiad" Columbus coming back in a later century and viewing what had been wrought since his discovery and so Joel Barlow addressed his essays to the privileged orders of a Europe even anticipating the terrible civil war known as the French Revolution and the consequent concerns in the then English establishment which of course was reflected in its colonies in the New World.

I think that we should at this time of recollection, and ironically a time in which we are being called at the point of 200 years almost of celebrating the anniversary of our form of government, to ponder on those minds and their writing and their thinking and see if we, too, in our day and time can be capable of rising to the point of reaffirming. At this point I have developed three main attempts to express my concern about the developments that are now involving our Nation in what I consider to be one of the most serious, or series of most serious constitutional crises we have confronted.

□ 1440

If indeed some 13 years ago we were embroiled in a first-class constitutional crisis, it was certainly due to the fact that we were allowing a period of time that had elapsed in our refusal to confront prime constitutional issues as envisioned by the men who 200 years ago were in the midst of preparing the document we call our fundamental law or the Constitution.

It was the biggest fear of all of these men that the country would result with a national executive, the words they used during the constitutional debates were "chief magistrate." Finally the word "President" evolved as it was recognized that one of the biggest failures for the period of the Articles of Confederation was the absence of a unified, unitary power that could execute or carry out the policies that the Continental Congresses had wrought or had sought to bring about.

But the fundamental issues then, again historically speaking, ironically confront us today. The setting is different, a world never once in the most imaginative mind ever conceived by that generation of Americans. I think the significant thing, as I said earlier, is that the first 10 years of our national existence, the first and second Continental Congresses, there was no such thing as an office of an executive agent much less of a President-type of office because of the fear. Now one of the big fears and one of the big reasons impelling the migration not only at that time but even up to 100 years later, almost, the revolutionary wars in Europe, the last one which erupted and propelled hundreds of thousands of immigrants to our country was the 1848 revolution, and those subsequent upheavals in Europe. And every one of them, even as late as the Kaiser in his day and time, at the turn of the century, developed because of the fear of king-made wars over which the people had no control. So the constitutionalists, those writing the Constitution, placed article II, executive branch, the Presidency in article II, not in article I. Article I is the Congress, the people's agents, the people's representatives supposedly.

But what has happened here, and this is the reason that I very much perhaps presumably and presumptuously offer the advice of the privileged orders which in previous remarks I have included my colleagues in the Congress as being a part of that hierarchial structure in our society today that we could call privileged orders, because we are privileged. Even from an economic standpoint, our wages would rank in that upper 10 percent.

But above all, what has happened though, almost imperceptively has been a corruption in the processes. It was intended that if indeed and in fact such an office as the Presidency should have to be provided for it would be so restricted, it would be so hemmed in that under no circumstances would a President ever on his own get the country involved in a way. So the power to declare war was exclusively, exclusively placed in the Congress and nobody else.

When, after 1940 and the first peacetime draft and subsequent to that, the declaration of war in December 1941, a President was given the power to conscript an American and impress him into service. The fact that an amendment had had to be offered and accepted in the 1940 debates on the first peacetime draft in the history of our country, provided that under no circumstances could an unwilling American be conscripted to serve outside of the continental United States except and unless a declaration of war, naturally by the Congress, or explicitly provided so by the Congress. But we lost sight of that proviso with the "hot" phase of this great conflagration known as World War II.

I recall vividly that there was nobody doing anything but rushing to the enlistment stations to volunteer. The ones who were the most unhappy were those who, for whatever reason, were not permitted to serve, either physical or otherwise. But subsequent

to World War II and the "hot" shooting phase of that war terminated, what was overlooked was that we continued a system of improvised conscription. Therefore, we developed the twilight wars, the Presidential wars, if you please, which today is the great prime question confronting the American people and which, hanging over our head like Damocles' sword, endangers the very, very ability to reaffirm our traditional constitutional representative form of Government first and foremost.

Now we have not reached the 200-year mark yet. This year we are celebrating the writing of the Constitution which actually will not really be the 200th year mark until September, at which time we can properly say that it was 200 years before that it was completed. But it was not adopted by two-thirds or three-fourths of the Colonies, our States, until later.

So the first Congress did not convene until March 4, 1789. Even George Washington, who at that time could have through his tremendous moral suasive power, and in fact that was the fear expressed by John Adams, a bitter enemy of George Washington. We like to think that those were halcyon days of great comradery and respect, but there were bitter altercations. And John Adams used to compare George Washington by describing him as "That tall Virginian who believes he was heaven sent, Buddhaed and spurred, ready to ride on the hapless backs of mankind." And he feared "Well, is George Washington going to try to become some kind of a king here?" In fact, there was debate at the time as to just what would be the title of such an office as the President, even though the words they debated back and forth were "a chief magistrate" and some thought of "His Excellency." Others said, "No, that is too much, the trappings of aristocracy and not of democracy nor one of representation."

So they just said a plain, "Mister" suffices. But George Washington, of course, being of the stature that he was, respected the very, very document that he had helped to construe and construct and therefore that did not develop.

But almost instantly, soon after and as the party cleavages developed and George Washington in his farewell address expressed fear about the partisan spirit that was liable to develop but at that time the two main streams of political factionalism developed into the Federalists and the Whigs. Roughly speaking, one became the fountain or source or the channel through which the Democratic party, as we recognize it today, is called and the other was perhaps, roughly speaking, the predecessor of the Republican Party. But even then and not long after, we had the first constitutional crisis, when a group of Federalists thought that they could subvert the Constitution, steal the Constitution, as President Nixon wittingly or unwittingly would have had us accept and as I charge in a far more dangerous fashion, because of his popularity, because of his charm, unlike Richard Nixon who even his own supporters had some reluctance to accept full faith, he did not have that word they throw around, charisma of President Reagan. So President Reagan in my mind represents a far greater danger. And the actions that he has taken, some of them very little known, very little publicized, some of his domestic security, his national advisory, the National Security Advisories they call them, which have the force of an executive decree, are far-reaching, ominous, ominous indeed. But we should not be surprised, because in 1974 during that crisis we had even far more elaborate plans that the executive branch and officials within the executive branch had developed. And what are those? Those were to even suspend national elections if there was public turmoil and tumult. Well, who would take over, though? But what about today? What is very little noted that way but which, thanks to the congressional sense of responsibility, at least is being reviewed by a joint committee of the Congress. It remains to be seen whether it will end in total frustration as the first committee, the so-called Harris committee of the Senate, looking into what turned out to be the preliminaries leading to the so-called Watergate scandal, and what was that? Well, very similar to what the witnesses today, the highest ranking members of the executive branch of the Government are saying. Secretary Shultz, even lately the Attorney General, all picture an executive branch in somewhat of disarray. The Tower Commission before that dramatically pointed out, and this was an executive branch-selected commission, this was not a congressional commission, but let us go back to these troublesome days emerging in the late 1971 and then flowering into 1972.

In the autumn of 1971, Secretary of State Kissinger became obsessed with the notion that he could not trust anybody and that there were very, very serious leaks of documents or internal security matters.

The Joint Chiefs of Staff Chairman, Moore, distrusted Kissinger and considered him a tool of the Communist Russian regime.

So there was a tremendous spirit of distrust among the palace guard in the Nixon administration. Then the President decided to appoint what later was called the "plumbers" but which in reality was a group of individuals headed by a very young man by the name of Bennett who was not over 34 years of age, to try to plug the leaks. This is why they got the name plumbers. In fact, in a joking manner one day late in 1971 Bennett placed a little sign on his desk that said, "Plumbers. We stop leaks." It was soon after that that such individuals as E. Howard Hunt presumably retired from the CIA—though I doubt that—he was still pretty much on the payroll and James McCord also presumably ex-CIA, through their friendship with such people as Erlichmann and others in the Nixon administration joined that Commission or group to plug the leaks, to find out who was leaking and why.

□ 1455

Secretary Kissinger became so fearful that he would not trust even his own internal security but went to Naval Intelligence to get their help to give him security. In the meanwhile, this group attracted also one, E. Gordon Liddy. So they were meeting in the last month of 1971, in December, in a room in the Executive Building, trying to figure out what they could do about some of the individuals they were accusing of having leaked security information. One of them was the columnist, Jack Anderson.

So one night they met, and Liddy said, "We've got to do something about that guy. Now, I know the CIA has techniques. I know a doctor that has worked over there, and he has since retired, and he has means."

So they brought him over. But what Liddy had in mind was actually doing to an American what these other individuals in their CIA work offshore of the United States had been doing against foreign officials—that is, executive action, that is, bumping them off.

So when this doctor was informed, he said, "Hey, no, wait. I don't want to have anything to do with that. If what you want to do is discredit a guy like Anderson, yes, we've developed some substances that, if you can find a way to have Anderson ingest them, say half an hour before he starts a speech at the Press Club, I will guarantee you that in the middle of his speech he will be a blithering idiot, and that will discredit him."

Liddy said, "What's the matter with you? That's not enough. I want to get a profile on him. Let's get a psychological profile on him. Let's find out how he lives. Does he jog? Does he jog over there in Georgetown? Because if he does, we can always find a truck that will come around a corner at the right time."

Now, this was in the U.S.A., across the street from the White House, by an executive bunch hired by the President, who was just about as aware of that as Ronald Reagan is as to what is going on in the basement of the White House today, as revealed by everybody from Colonel North to Poindexter and Meese and everybody else.

But what does that mean to us? It means that we allowed the creation of a runaway agency accountable to nobody, even its own director, because the office of the security of the CIA is free-wheeling. Nobody knows what is going on there, including the director of the CIA, even today, as well as in 1971.

That means that we are no better off, as far as being an open society, as far as ultimately being a free people, than some other countries that we look down on as having lost their democracy and having lost their freedoms. And the reason is simple. Nobody ever followed through on the violation, because shortly after that meeting the CIA detailed a dozen agents to have an around-the-clock surveillance of the columnist, Jack Anderson, at his home by CIA agents, from January until April 1972.

That is a breach of the law. It is a breach of the National Security of 1947 that set up the CIA. The Congress did not set up the CIA as an unaccountable agency, any more than it did the Federal Reserve Board, but they are now both totally out of control. They do not respond to anybody. They are not accountable to the Congress.

When the Boland amendment was placed in the law in 1984, did the CIA give a hoot about being prohibited from using funds? Of course not. Because the President merely increased his own executive discretionary fund 750 percent. Now, that is something that someday I hope those very, very diligent sleuths of budgetary accountability will follow through on. Forget about funds from the Iranian deal. I think this is more significant because this followed in the tradition of the constitutional crisis in 1974.

Now, it is true that the full dimensions of a constitutional crisis are not as dramatic as a battle in which you have somebody shooting at somebody and sombody bombarding back. Of course not. But from the standpoint of freedom, from the standpoint of constitutional integrity, it is an important war. In fact, it is a vital war, and I think that to the degree the American people are informed, we will be working against a backdrop of support and understanding. It is a failure of information. It is the ability of an administration such as this to have almost total control of the dissemination and the quality of dissemination of information, almost total, because for the first time that vast corporate upper structure of great wealth in our country is in total control of the decisionmaking processes.

Just today, before the Banking Committee's Subcommittee on Financial Institutions and Regulations, of which I am now a member, we had the outgoing chairman of the Federal Reserve Board, Mr. Volcker. He was asked to come before us by the chairman of the full committee to discuss the international financial banking situation, the question of the mega-financial institutions that are now transnational and multinational and that have no allegiance to any one nation. Some of them may have American citizenship, some may not.

But I asked one question. I said, "It has been estimated that every day there are about $200 billion of financial resources, chasing each other around the financial capitals of the world, London, New York, Paris, Bonn, Sydney, Australia, and Tokyo."

"Oh," he said, "there's a lot more than that."

I said, "All right. But this money, this vast resource of credit, what is it being used for? What is the reason for its traveling around? Is it to produce goods? Is it to enhance international commerce and barter? Is it going to produce goods ultimately?"

"No, it's purely speculative. These are dollars going after higher-priced or lower-priced dollars in order to be sold for higher prices that same day." But he said it was over that. I figured from the way he talked that $200 billion was a very conservative estimate.

I said, "Well, what can you do to control that?"

He hung his head, and he said, "The only thing is if we can just devise policies that will make it unprofitable."

Well, how can you do that when the same Federal Reserve Board has created the environment in our own country that has killed off hundreds of thousands of small businesses through usurious interest rates, extortionist interest rates? That is what attracts the foreign capital which has financed this. It has been the borrowed foreign money in this country which is fickle, which is very, very volatile, which is the one that precipitated the downfall of Continental Illinois just a few years ago and which cost the taxpayers so much. That is, they do not want to put it that way but it cost the Feds about $6 billion. We nationalized it. If this were a country like Mexico, we would say that Mexico nationalized it, but being that we do not believe in such things, we do not call it that, any more than we like to think we had temporarily a military junta here calling the shots. But as I said the other day, if we were to change the locale and say it was not our country but one of these other countries we do derogatorily look down on, a banana republic, we would just transfer the names around and say it was Colonel so-and-so and Admiral so-and-so and we would say, "Oh, that's just a military junta."

Well, that is what we have had here. But how can you have that under the Constitution? Because the Congress has been unwilling to even oversee its own laws such as the War Powers Limitation Act of 1974.

I have introduced three resolutions. The first was in 1982, in the case of the detachment of Marines sent to Beirut. And I kept asking for 14 months, "Mr. President, what is the military mission of the Marines?"

It also so happened that I was privy to the knowledge that the Joint Chiefs of Staff—these are our chief military experts in our country, the outstanding experts that we have provided for their military expertise—unanimously advised the President against that.

So my advice to the privileged orders is: Will you now at this point and juncture, for the safety of not rocking the boat, reconsider? When I introduced my impeachment resolution on last March 5, one of the Members said to me, "You know, I think you made a case there, but even if you can, HENRY, the man has just about another year in his term, a year and a half or two, and we can't afford to precipitate a constitutional crisis."

I just could not believe it. What does anybody think we are in the middle of? We are, in this month of August, which is a time when the climate is favorable, in only 1 month in the Nicaraguan area, when it is dry and it is convenient, preparing for an invasion, and just as surely as I am here talking today, I predict that the Persian Gulf crisis right now may or may not continue, but I think it will fade, but if it has not, it will be overshadowed by the developments next month, in August, in Nicaragua.

I sat here and listened to the debates the other day on this one bill that would provide recognition of the need to address from a humanitarian standpoint the great en-masse exodus of Central Americans for the first time in our history, en masse from El Salvador into the United States, and this has created or produced a nucleus of men of God, men of the cloth, who, out of their duties in their vocation, as called for, were crying out to recognize the need to give hospice and hospitality and refuge to some of these unfortunates whom I have seen with my own eyes and who live in pathetic circumstances in our midst, only to be jailed.

We have now in our prisons more than one religious American who is either a priest or a layman. We had one lady who was ordered to jail late last year because of her joinder in the so-called refugees or hospitality houses of a church in what we call the Valley of Texas, and she was pregnant. Nevertheless it took us 3½ months before we could persuade the judge and finally make everybody see that it was ridiculous to have a pregnant woman jailed on such a basis. It is really policy; it is nothing else. What

else is it? Since when is it right that we in America would allow our agents, our immigration agents and Customs agents, to invade a church as in Arizona and round up the priests and ministers and workers and try them and convict them and jail them because they were giving hospitality to Salvadoran refugees, some of whom had come up through Mexico and some of whom had died in the deserts of Arizona?

□ 1510

If we have already given up, and we have, for what, given the American birthright of freedom, of constitutionally based and defined freedom and rights. Even to those most powerless and impoverished, that has been the theory. My advice to the privileged orders would be just right along the lines of Joel Barlow's advice to those leaders, some of whom were beheaded after his essays, to look around and to just have compassionate, humanitarian consideration, nothing else.

As a result, we had what to this day is still recalled in history as the bloodiest of revolutions.

There is nothing that can be done to redress that movement of the seething millions south of the border which for the last 15 years or so now exceed our total population by almost 100 million—that did not used to be the case—but for which our leadership and unperceived, imperceptibly, and in a very, very dislocated fashion have failed to even analyze the history of those areas.

There is nothing we can do, and I believe nothing we should try to do that is going to impede the march of those downtrodden masses that have been submerged, subjected to the worst despots on the face of the Earth, the worst forces of tyranny for 300 to 400 years. It is no longer the same world.

Our misperceptions are such that even our own constitutional framework of reference has become distorted, so that if in our own home, we ignore the basic principles, how then can we recognize the dignity and the freedom that we ought to respect, and those willing to die for it, and we are not going to define the Nicaraguan revolution for them. They have died over many years. They have suffered; they have been tortured, and they have been imprisoned.

I never heard one voice arising from either the Congress or the Office of the Presidency about human rights charges, because those despotism charges were the handmaidens of our economic interests there.

Honduras, for instance, which we are occupying today against the will of the Honduran people, all we have to do is read what their people are writing since 1982.

They do not want us there militarily, but we are there because United Fruit has always been there. United Fruit has owned Honduras, the railroad, the housing, the jobs, everything. It is now known as Standard Brands. It is J. Peter Grace, the multibillionaire who has the conglomerate that now owns that. He has the biggest input with the Reagan administration as to defining the Latin American policy.

What would be his definition of a Communist down there? It would be interesting to know, but since when is it in our tradition to take sides with the despots merely because they say we are anti-Communists?

I am anti-Communist, and these people are a bunch of Communists; but you can say fine, so you have a bunch of moguls there that are preaching something called dialectic Marxist-Leninism; but the average citizen, those who fought the revolution, are still willing to fight the revolution, those that have been given guns to have in their household. Obviously, if that regime imposed, the very guns that regime has given these households to resist the common Yankee invasion, that is what they call it.

Their song is, as you see them march in green as I have seen them in newsreels, and I have not gone down there. I have not done the same thing as so many Members did during Vietnam. I was offered time after time a chance to go over to Vietnam.

I said that I would wait awhile. "Will you dress me up in fatigues and let me go up there with my constituents on Hamburger Hill? Of course, you will not."

That is where I would go if I was going to go there. In the meanwhile, I did not order them there, and if I had it in my power, just like right now, my critics say, "Well, what would you do in Nicaragua?"

I say, "What I would do if I had the power, I would pull out every single soldier we have down there all the way from Mexico on down to Honduras, down to Panama." Instead of an Army tank, we are going to send them a water tank. Instead of letting the Cubans send the doctors and the nurses and the teachers or the priests and missionaries who have been there, talk to them and see what they tell you.

Are they fearful of a Communist takeover? No, they are more fearful that we are about to commit the worst atrocities that we have been committing that forever and a day, and in the future, condemn our children, grandchildren, and great-grandchildren to a rebirth of the old feuds of the European continent which led to more war, more fratricide.

Actually if we have the wit and the will, and I have been asking my leaders since April 1, 1980, when Jimmy Carter was President, a fellow Democrat, and for those who say that I am partisan, this is what my advice was then: "Mr. President, my advice is that, use the last vestiges still remaining of the great American moral persuasive power with your colleagues in regional organizations such as the OAS, the Organization of American States, that we took the leadership in, for we still have a little bit left that we can use, and together can help resolve as we did in 1957."

President Eisenhower did not have any compunction in allowing his Secretary of State to go down to the same group, the Contradora group, to help resolve the border dispute that had been flaring up for decades between Nicaragua and Honduras.

Once we joined them, they made our American Secretary of State the head of the group; and we went to the World Court, and it was resolved.

There was peace between those two countries until Alexander Haig in his few months as Secretary of State introduced Argentinian troops, the first ones we put on Honduras, to try to destabilize the Sandinista junta, because that was the one that prevailed before the elections in Nicaragua of November 1984.

We got the then Argentinian military despots to lend us some of their troops. That is why they thought that they could go into the Falklands, and we would be on their side. What was the end result of that folly?

Less than 2 years later, those same military that had been considered by Mr. Haig the most anti-Castro around were in Havana toasting Fidel Castro. Does that mean he is a great leader, a great diplomat?

No, it means that we have fouled up through misperception, through prejudice, through ignorance of history and culture what could be ours as a natural leadership, for I have maintained all along that there is a parallel development.

The whole story about the flag follows trade and vice versa, of course, between 1975 and 1980 or thereabouts, the American business investment in Latin America dropped from 37, 38 percent to about 17 percent. We abandoned that area. We turned our backs.

We are reaping a whirlwind and the exportation, the injustice that we have permitted has given rise to the fulfillment of the very fear; that is, communism.

Communism, the only time it takes hold is when the processes are blocked. Social justice is not afforded, and the cry can be made just as much as it was in Germany at the time of the Weimar Republic, and I remember seeing pictures of emaciated German mothers holding a pail out to receive milk in a dole line for their children.

I would see men with their heads resting on an iron rail of a big building, and this was a homeless shelter for the German unemployed man.

Hitler came and promised and said, "I will redeem you."

If the Devil had come with pitchforks and horns and tails and said he would do this, they would have followed the Devil. We forget these things, so whether it is communism, Nazism or democracy for that matter, the people know the difference between one who is for them and one who is not.

There is nothing we can do by trying to find a military solution. One of the latest articles in the New York Times which I would like to offer for the Record, and another one in a French newspaper which I offer the translation of that for the Record, in which the report on El Salvador is as ominous as anything.

The articles referred to follow:

[From the New York Times, July 26, 1987]

### Rebels Gain While Duarte Flounders

(By James LeMoyne)

San Salvador.—The Salvadoran guerrillas are practicing what they call "prolonged popular war" with a vengence, as the country slides into its eighth year of civil conflict.

In a tactical shift, the Marxist-led rebels of the Farabundo Marti National Liberation Front are rebuilding their political and military presence in the capital, moving to exploit Government failures and severe economic strain.

The Government of President José Napoleón Duarte, which had the rebels on the run two years ago, has now given them room to gain. It has failed to offer social and economic programs that work and, after three years of formal electoral democracy, the average Salvadoran feels worse off. "This Government does not realize that it is fighting a revolutionary war," a senior military officer said. "It has failed to apply the social and economic programs the country needs and it is losing its social base among workers and peasants."

Because Salvadorans are weary of killing and war, the rebels may well fail to find new supporters among disgruntled urban workers and slum dwellers. But they clearly intend to try, saying they have returned to San Salvador to sharpen political and economic tensions. According to captured rebel documents, the guerrillas hope to spark a general strike before the American and Salvadoran elections in 1988 and 1989.

Such a strike seems highly unlikely but the documents, which both rebel and diplomatic sources say are authentic, outline step by step how the guerrillas intend to pursue it. The strategy calls for the formation of front groups in labor unions, student organizations and human rights committees. These groups would serve as a base to seek wider support, while they hold strikes, sit-ins, embassy occupations and the street demonstrations that are already under way. At the same time, the documents show, rebel military cells are infiltrating the capital to raise "the level of violence" and further weaken the Government. Several bombings and an effective rebel-imposed ban on public transport two weeks ago attest to the rebel presence.

They have been assisted by the lifting of the longstanding state of siege that permitted the police to detain suspects for two weeks and prohibited street demonstrations. Suspected rebels can now be detained for only three days, after which they are usually released. Government officials say the civil courts are afraid to convict suspected guerrillas, who are capable of retribution.

Nearly every week 200 to 500 rebel supporters demonstrate in the capital. In two recent incidents, the police wounded demonstrators wielding nail-studded clubs as they tried to break through police lines. The police also opened fire when demonstrators began destroying Government vehicles. But the authorities' overall response has been cautious.

It is highly debatable whether the rebels' new tactics can be successful. People resent bans on public transport and attacks in the largely tranquil capital. They also fear a possible return of Government repression. Several bystanders last week criticized club-carrying students for being violent. The size of demonstrations is diminishing, not growing.

But unemployment and inflation are rising and the Government is widely seen by Salvadorans as incompetent and corrupt. At a time when Mr. Duarte's popularity seems to be lower than ever, the rebels are making their political presence felt. They have spray-painted most of the city's walls and the American Embassy with slogans. And in poorer neighborhoods, residents showed greater sympathy for demonstrators.

For their part, the guerrillas say they had no alternative but to return to the streets after four years in which, for most city dwellers, they had become little more than a faceless military force somewhere in the distant hills. They are trying to recover the political base they had in 1980 before the Government cracked down on them, a probably unattainable goal.

The rebels have also been working for two years to perfect a new military strategy. They infilitrate army units and then launch precise and devastating attacks by specially trained forces, backed by highly accurate mortar fire. Military officials say they believe the army is now thoroughly infiltrated by the rebels.

Meanwhile, the guerrillas have continued to use land mines and, more recently, remote-controlled mines to great effect. According to captured guerrilla documents and rebel deserters, most of the top commanders have been trained in Cuba and, in several cases, Vietnam. After eight years of polishing the techniques of revolutionary war, they are unquestionably the most able practitioners of it in Latin America. With probably no more than 4,000 armed rebels and perhaps 30,000 committed supporters, they have been able to cripple this small country of more than six million people.

While they are effective in battle, the rebels have yet to show that they can be more than spoilers. But given Government incompetence and their will to fight, it would be a mistake to underestimate their capacity to grow stronger.

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[From World Press Review, August 1987]

### Remember El Salvador? the Army is Becoming the New Oligarchy

(By Rene Backmann)

Fingers on the triggers, their M-16s trained on the houses of the main street, half a dozen troops of army detachment No. 5, in green camouflage fatigues and wide-brim bush hats, have just entered the town of Tenancingo. Bent under their packs, they inch forward along the walls, keeping an eye on the closed windows and doors.

Tenancingo, 30 miles from the capital city of San Salvador, was to be a model village, an island of peace and tolerance, a spot of hope in the heart of this country ravaged by civil war for eight years. Twice occupied by the guerrillas, in June and September, 1983, twice retaken by the army after savage shellings, the village, once a prosperous farming town of 3,000 people, has paid a heavy tribute to war.

Along the main street, large splotches of fresh cement on the pink and green houses, and a face glimpsed here and there among the shadows, confirm that there is life again in Tenancingo. But the guerrillas and soldiers play cat and mouse in the village. I arrived in the early afternoon. The muchachos had come through during the night, and the army came in on my heels. For more than a year, Tenancingo has been muddling through, between fear and hope, as if peace could not quite take root in this blood-soaked soil.

In El Salvador, the worst almost always comes true. In eight years of war between the army and the 6,000 guerillas, this country of 6 million people has suffered 60,000 dead, 6,000 missing, and thousands mutilated. A million Salvadorans have chosen exile, and 500,000 have fled from the strife into the shantytowns of San Salvador. Despite the good will proclaimed by Christian Democratic President José Napoleón Duarte, who has spent millions of dollars and a wealth of eloquence on improving the disastrous image of El Salvador, democracy remains a dangerous dream, and war remains the reality.

The period of large-scale massacres, the matanzas of the early 1980s when more than 40,000 were killed in three years, is now over. There is still killing, torturing, and kidnapping, but more selectively. The death squads, which did the army's dirty work anonymously, have not disappeared, but seem to prefer intimidation to executions for the time being, although from time to time there is a bloody blunder.

A few months ago, garbage collectors discovered a garbage can filled with human limbs, suggesting the existence in the neighborhood of an underground detention and torture center. On April 14, a student leader was executed in broad daylight on the campus of the University of Santa Ana. Two weeks later, the tortured and decapitated body of Antonio Jesús Hernández Martinez, secretary-general of the National Association of Farm Workers, was found at the edge of a river near San Luis de la Reina.

"Durate says that we are a democracy and that we must unite against guerrilla terrorism, but he has not even been able to arrest and bring to justice the murderers of Monsignor [Archbishop] Romero, nor those of the American nuns, even though many people know who they are," charges Maria Rosana Bonilla, leader of the Committee of Mothers of Missing Persons [Comadres], which is to El Salvador what the Mothers of the Plaza de Mayo are to Argentina.

"There are underground prisons," she says. "We want to know if our children are in them. They were kidnapped alive; we want them back alive. But Durate does not even want to listen to us. He has never consented to receive us." "To accuse Durate of having accomplished nothing would be unfair." says a foreign diplomat. "He has set in motion agrarian and foreign trade reforms that have earned him the image of a Marxist among the right-wing coffee planters. But he has not gone very far. He is virtually in the hands of the army."

"Formerly, the army obeyed the oligarchy," observes Father Ignatius Illacurai, the Jesuit rector of Central American University. "Today, it obeys the American embassy, and it is itself becoming the new oligarchy," he adds. The rich have stayed rich, but the 14 families who ran the country 10 years ago—the Hills, the Regalados, the Deiningers, the Vilanovas—now number 200. The secret of this metamorphosis: a flood of U.S. aid dollars.

After the Sandinista victory in Nicaragua, the Pentagon decided that El Salvador was the last line of defense in Central America. Washington has since poured $2 billion in economic and military aid into this tiny country.

The Salvadoran army, which in 10 years has grown from 16,000 to 60,000 men, receives $500,000 a day. The share of defense in the national budget was 19 percent in 1983. Today it is 30 percent. The little coup machine, reorganized and trained by 300 U.S. advisers, has become a well-equipped, well-armed anti-guerrilla force boasting 200 light tanks and 70 combat helicopters. It lacks only conviction.

But how does one make raging Rambos out of illiterate 16-year-old kids wrenched from their villages or shantytowns, rounded up by the police from the exits of stadiums and movie theaters, and drafted into combat against other kids as poor as they are? This is a problem the U.S. advisers have not resolved. The Salvadoran body politic is not even aware of it.

The capital, where California-style country houses stand beside vast slums, can give one illusions. The rubble of the 1986 earthquake has still not been cleared, and buildings shaken by the tremor still stand askew here and there throughout the town and sometimes collapse on unfortunate squatters. But the BMWs and the Mercedes have never been more numerous. The chic restaurants and nightclubs of the Zona Rosa are filled. The movie theaters are showing "Platoon," "Under Fire," "Delta Force," and "The Executioner."

While guerrillas expand their attacks on military positions and fire mortar shells and anti-tank rockets on the army headquarters in downtown San Salvador, the city's upper crust, high on violence and money and dulled by a servile press and television, dance the cha-cha and make small talk. For these wet-behind-the-ears capitalists—who dream of purifying the local white race by shedding the Indian influence, who admire Chilean dictator Augusto Pinochet, and who see Corazon Aquino as a communist—the weak José Napoléon Duarte, with his timid reformist notions, has become an embarrassment.

"He is like a watermelon," says Maj. Roberto D'Aubuisson, one of the bosses of the death squads. "On the outside, green, the color of the Christian Democrats; but on the inside, red."

The Association of Coffee Planters, one of the most powerful employers' groups, is calling upon the army to overthrow its head of state and set up a governmental junta, Chilean-style. It suggests reactivating the paramilitary organization Orden, which was responsible for some of the massacres committed between 1980 and 1983. In the past three years, Duarte has had to cope with 24 attempted coups. And twice it has proved necessary for the U.S. ambassador, Edwin Corr, to intercede with the military in order to get Duarte out of trouble.

"For the last five or six years the Americans have decided virtually everything," says an underground guerrilla leader. "Still, it is true that El Salvador is not in Africa but in Central America. We will get nowhere if we do not admit that the U.S. is the dominant power in this region. We are ready to talk with everyone. What is impossible with Reagan may be possible tomorrow with the Democrats."

There are pragmatists among the guerrillas. There are pragmatists, too, among the army officers in the field, far from the command posts, who slosh through the social reality of the country.

"In this war there can be no strictly military solution, because the problem is not of a military nature," says Col. Mauricio Vargas, who commands the 1,800 men of the Fourth Army Detachment. In the provinces of Morazán and Chalatenango, the people live day and night on war footing. Helicopters with American pilots swirl over the rooftops, machine guns aimed at the ground, then suddenly surge toward the hills. Lines of armored vehicles and sections of new recruits maneuver under the eye of a U.S. adviser.

"The politicians have to become aware of the realities," adds Col. Vargas, a short, stocky man dressed in a carefully ironed olive-drab uniform. On the bookshelf behind him stands a five-volume work, "The Theory of Low-Intensity War."

"In this country," he says, "three-quarters of the peasants are landless. An agrarian reform is indispensible. There are people in power who will neither leave nor share, but they are going to have to choose. All of these sumptuous mansions, swimming pools, luxury cars, jewel-bedecked women, all of the pleasure is indecent when so many people lack the means to survive.

"It is with all of that in mind that I am making war here. If I wanted to, I could stage a destruction operation in the Perquin sector, where there are terrorists, and kill 2,000 people. That is not my method. I prefer to reopen the schools that have been closed, rebuild power lines, set up medical clinics. That is how I regained control of this region. I have protected myself against a surprise attack like that staged by the guerrillas against the El Paraíso barracks on March 31 that took 70 lives.'"

Five days after this conversation, more than 300 guerrillas staged a surprise nighttime attack on the San Francisco Gotera barracks. The toll: 36 dead and 40 wounded among the soldiers, seven dead among the muchachos.

Here is Salvador. Every one of the Members says we put in a man there that is a great leader and democrat. We are not any closer to a solution after 4 billion dollars' worth of military and other aid and imposing our regime there. We are no closer to a solution than we were in 1981 when Alexander Haig drew the line in El Salvador, the smallest country of all.

Here we are talking about Nicaragua. We are ready to invade, no question in my mind. The course has been set.

The President has too much at stake to reverse himself. He has already made speeches in which he has said, I will not let my successor inherit Nicaragua.

What has been his doctrine? Has he ever tried diplomatic approaches? Never once. It has been strictly military.

We are not shooting ourselves into the hearts of the Latin-American people. It is just that simple.

Suppose even the Contras, which they cannot, and they will start moving pretty soon, I predict, and suppose they do physically take over. Will they govern Nicaragua? Never, never.

There will be guerrilla warfare not confined to Nicaragua, but all up and down those extensions. In the meanwhile, the other erstwhile friends of ours in Latin America are scared, that if this is the way we approach the matter, sooner or later they will be victimized by our intrusion, so we have lost allies that have been with us in time of war, World War II.

They were with us, because Franklin Roosevelt developed a Good Neighbor Policy to offset the Calvin Coolidge action of sending the Marines to Nicaragua, keeping them there 13 years, imposing the Somoza regime.

Of course, we have to anwer for our collective sins, just like we answer for our individual sins.

Who would have told Calvin Coolidge in 1929 that some 50 years later, he would have such an awesome development that could not be put down by a detachment of marines?

□ 1525

Nobody, but it is inevitable, because as we are individuals, collectively we must answer. I say there may still be time, but I do not think so, becuase I am convinced that the President is irreversibly dedicated to a course of unilateral military intervention, whether it takes our troops or not. In fact, colleagues of mine and the President himself has said, "You give us the money for the Contras, because if you don't, we're going to have to use our troops."

My contention is that no matter how much money we give the Contras, it will not be until we have American troops in there that we will actually occupy Nicaragua, but then we will have to sit there. We will have to occupy it. We will have to have our troops facing guerrilla warfare snipers and everything else and a tide of hatred. Why?

How can we constructively do anything that way, when we could win everything through other means, cooperatively, through corporate addressing it. Five of those nations have been offering that cooperation for 5 years. We have undermined every effort they have made. Every time they had reached the point where they thought they have an understanding, it was our Secretary of State that pulled the rug from underneath the group.

I say let us reaffirm the Constitution. Let us be loyal to the Constitution and the American traditions and ideals. This is what the world wants.

The average citizen south of the border, from Mexico on down, still has a residual aspiration, looks to the United States. It is the land of hope. It is the land of freedom. They cannot reconcile why we would align ourselves with those who would hold them down constantly.

We are not going to be able to win any more than we did in Vietnam, and more than we did in Korea. We still have 45,000 troops in Korea. We have 300,000 in Germany.

We are now prepared, in full violation of the War Powers Limitation Act, to patrol the Persian Gulf, fully armed. The Secretary of State has declared that we are on "ready 3 state." That means that we are ready for action. He has also said we are prepared to attack any missile base Iran puts up.

Why should we do that? In the case of Honduras, if we are going to want our boys to go die for Chiquita Banana, that is fine, but I want to know how many of my colleagues who are all out for intervention are willing to send their sons to die for Chiquita Banana?

In the case of the Persian Gulf, it is the oil that belongs not to Kuwait, but belongs to British Petroleum and Standard Oil of California. That is what our sailors will be dying to protect.

Kuwait has nationalized its oil production for years, but they do not market it and they do not transport it. That is what we are protecting.

And who are the merchants making money? Socal and British Petroleum.

And yet under what circumstances, what are the rules of engagement? It is folly and an act of injustice to fire the captain of the *Stark* and then as of yesterday two of the officers forced to resign. Why? They are scapegoats. They were on the ship. They have the rules of engagement that they can change only on high command orders. There was not anything they could do. The rules of engagement did not call for them to fire back or do anything else.

What are the rules of engagement now? I asked the same question of the executive branch. What is the military mission of our warships in the Persian Gulf now? There is a war raging there, a bloody, cruel war between an Arabic nation and a non-Arabic nation.

We are now involved, as we were when we sent the marines and for 14 months I tried to warn that they could not be peacekeepers. In the first place, marines are not diplomats. They are not politicians. They are warriors. They were put in a militarily untenable situation.

Mr. Speaker, I just say that the catastrophe resulting in Beirut is clear and ample proof of the bankruptcy of the administration's policy. The catastrophe to come and to continue in Central America is clear proof that those policies are bankrupt and they are bankrupt in direct proportion as we have strayed from our constitutional provisions and doctrines and precedents.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Rowland of Connecticut (at the request of Mr. Michel), until 1:30 p.m. today, on account of attending a funeral.

Mr. Hammerschmidt (at the request of Mr. Michel), for today, on account of a death in the family.

Mrs. Johnson of Connecticut (at the request of Mr. Michel), until 1:30 p.m. today, on account of attending a funeral.

Mr. Daniel (at the request of Mr. Foley), for today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Slaughter of Virginia) to revise and extend their remarks and include extraneous material:)

Mr. Gekas, for 5 minutes, today.

Mr. Solomon, for 5 minutes, today.

Mr. Sensenbrenner, for 30 minutes, today.

(The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Ms. Kaptur, for 60 minutes, on August 3.

Mr. Jontz, for 5 minutes, on August 5.

Mr. Hayes of Illinois, for 5 minutes, on August 5.

Mr. Owens of New York, for 5 minutes, on August 5.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Slaughter of Virginia) and to include extraneous matter:)

Mr. Archer.
Mr. Dannemeyer.
Mr. Solomon.
Ms. Snowe.
Mr. Lewis of California.
Mr. Goodling.
Mr. Michel in two instances.
Mr. Gekas.
Mr. Lungren.
Mr. Miller of Ohio.
Mr. Jeffords.
Miss Schneider.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Bates.
Mr. AuCoin.
Mr. Frank.
Mr. Lantos in two instances.
Mr. Darden.
Mr. LaFalce.

## ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found a truly enrolled bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3022. An act to provide for a temporary extension of the public debt limit.

## SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day."

## BILL PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On July 29, 1987:

H.R. 3022. An act to provide for a temporary extension of the public debt limit.

## ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 30 minutes p.m.), under its previous order, the House adjourned until Monday, August 3, 1987, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1875. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-67, "Soil and Water Conservation District Reestablishment Amendment Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1876. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-70, "Closing of a Portion of a Public Alley in Square 431, S.O. 86-203, Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1877. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-69, "Closing of Public Alleys in Square 66, S.O. 86-175, Act of 1987," report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1878. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-66, "Litter Control Expansion Amendment Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1879. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-68, "Helicopter Landing Pad Public Nuisance Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1880. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-65, "D.C. Taxicab Commission Fund Amendment Temporary Act of 1987," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1881. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-64, "Precinct Boundary Changes Approval and Procedural Amendment Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1882. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-63, "D.C. Nursing Shortage Study Commission Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1883. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-59, "Penalty for Prostitution Amendment Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1884. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-60, "Nurses Training Corps Establishment Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1885. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-61, "Citizens Energy Advisory Committee Extension Amendment Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1886. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-62, "Pedestrian Protection Amendment Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1887. A letter from the Secretary of Education, transmitting a copy of final regulations—Drug-Free Schools and Communities Program—training and demonstration grants to institutions of higher education, and Federal Activities Grants Program—general provisions; training and demonstration grants to institutions of higher education; and Federal Activities Grants Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1888. A letter from the Director, Office of Management Analysis, Department of the Interior, transmitting the Department's notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1889. A letter from the Acting Assistant Administrator for Administration and Resources Management, Environmental Protection Agency, transmitting the Agency's notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1890. A letter from the Secretary of the Interior, transmitting the Secretary's notice of an application for a loan by the Montana Department of Natural Resources and Conservation, State of Montana, Middle Creek Dam Rehabilitation Project in the amount of $3,121,925, pursuant to 43 U.S.C. 4221; to the Committee on Interior and Insular Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 2686. A bill to amend the Pubic Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965; with amendments (Rept. 100-237, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. DYMALLY: Committee on Post Office and Civil Services. H.R. 2309. A bill to amend the Christopher Columbus Quincentenary Jubilee Act; with amendments (Rept. 100-254). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. House Resolution 236. Resolution waiving certain points of order against the conference report on the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system, and for other purposes, and against the consideration of such conference report (Rept. 100-255). Referred to the House Calendar.

Mr. NATCHER: Committee on Appropriations. H.R. 3058. A bill making appropriations for the Department of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-256). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 2672. A bill to amend title 38, United States Code, for the purpose of improving veterans' housing programs, with an amendment (Rept. 100-257). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RIDGE:

H.R. 3057. A bill to reestablish food bank special nutrition projects, to establish food bank demonstration projects, and for other purposes; to the Committee on Agriculture.

By Mr. NATCHER:

H.R. 3058. A bill making apropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1988, and for other purposes.

By Mr. ARCHER:

H.R. 3059. A bill to extend the filing period for reliquidation of certain imports; to the Committee on Ways and Means.

By Mr. AuCOIN:

H.R. 3060. A bill to establish a reservation for the Confederated Tribes of the Grand Ronde community of Oregon, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3061: A bill to establish a reservation for the Confederated Tribes of Grand Ronde community of Oregon, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BATES:

H.R. 3062. A bill to amend the Controlled Substances Act to regulate transactions involving ephedrine and certain other substances; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. CARPER (for himself and Mr. Wortley):

H.R. 3063. A bill to enhance the competitiveness of commercial banks and bank holding companies; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HENRY:

H.R. 3064. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income the interest on certain savings bonds used to pay college tuition expenses; to the Committee on Ways and Means.

By Mr. LaFALCE (for himself, Mr. McDade, Mr. Jenkins, and Mr. Daub):

H.R. 3065. A bill to increase the amount of deduction for health insurance costs of self-employed individuals; to the Committee on Ways and Means.

By Mr. McCOLLUM (for himself, Mr. Cheney, Mr. Broomfield, Mr. Hyde, Mr. Courter, and Mr. DeWine):

H.R. 3066. A bill to amend title 18, United States Code, to make the knowing disclosure of classified information by Federal officers and employees a criminal offense; to the Committee on the Judiciary.

By Mr. REGULA:

H.R. 3067. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to the treatment of certain terminated plans; jointly, to the Committees on the Judiciary and Education and Labor.

By Mr. SKELTON:

H.R. 3068. A bill to amend title 32, United States Code, to authorize Federal support of State defense forces; to the Committee on Armed Services.

By Mr. STANGELAND (for himself, Mr. Roberts, Mr. de Lugo, Mr. Lightfoot, Mr. Upton, and Mr. Weber):

H.R. 3069. A bill to minimize the impact of agricultural nitrogen on ground water and surface water quality by establishing a nationwide educational program aimed at the American farmer, urging adoption of agricultural best management practices and to amend section 319 of the Clean Water Act;

jointly, to the Committees on Agriculture and Public Works and Transportation.

By Mr. SYNAR (for himself, Mr. Skelton, Mr. Clinger, and Mr. Wheat):

H.R. 3070. A bill to amend the Toxic Substances Control Act to require persons handling polychlorinated biphenyls to comply with the manifest and financial responsibility requirements of the Solid Waste Disposal Act and to require persons carrying out certain intermediate activities with respect to polychlorinated biphenyls to obtain approval from the Environmental Protection Agency; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself, Mr. Jeffords, Mr. Aspin, Mr. Berman, Mrs. Boxer, Mrs. Byron, Mr. Cardin, Mr. Coelho, Mrs. Collins, Mr. Dingell, Mr. Dixon, Mr. Dymally, Mr. Eckart, Mr. Edwards of California, Mr. Fazio, Mr. Foley, Mr. Frank, Mr. Garcia, Mr. Gilman, Mr. Green, Mr. Guarini, Mr. Hawkins, Mr. Hoyer, Mr. Leland, Mr. Levine of California, Mr. Lowry of Washington, Mr. Markey, Mr. Miller, of Washington, Mr. Mineta, Mr. Montgomery, Mr. Owens of New York, Mr. Panetta, Ms. Pelosi, Mr. Richardson, Mr. Rowland of Georgia, Mr. Roybal, Mr. Scheuer, Mrs. Schroeder, Mr. Sikorski, Mr. Studds, Mr. Swift, Mr. Synar, and Mr. Weiss):

H.R. 3071. A bill to amend the Public Health Service Act to establish a grant program to provide for counseling and testing services relating to acquired immune deficiency syndrome and to establish certain prohibitions for the purpose of protecting individuals with acquired immune deficiency syndrome or related conditions; jointly, to the Committees on Energy and Commerce, the Judiciary, and Education and Labor.

By Mrs. JOHNSON of Connecticut (for herself, Mr. Bliley, Mr. Boland, Mr. Olin, Mr. St Germain, Mr. Montgomery, Mr. Mrazek, Mrs. Collins, Mr. Wortley, Mr. Lagomarsino, Mr. Carr, Mr. Boner of Tennessee, Mr. Daub, Mr. Oberstar, Mr. Levin of Michigan, Mrs. Vucanovich, Mr. de la Garza, Mr. Anderson, Mr. Smith of Florida, Mr. Kasich, Mr. Espy, Mr. Gunderson, Mr. Volkmer, Mr. Roe, Mrs. Roukema, Mr. Crockett, Mr. Nielson of Utah, Mr. Conte, Mr. Lancaster, Mr. Gray of Illinois, Mr. Scheuer, Mrs. Kennelly, Mr. Bevill, Mrs. Boxer, Mr. Young of Alaska, Mr. Dwyer of New Jersey, Mr. Lewis of Georgia, Mr. Green, Mr. Savage, Mr. Dickinson, Mr. Brooks, Mr. Owens of New York, Mr. Lipinski, Mr. Dowdy of Mississippi, Mr. Frost, Mr. Weiss, Mr. Fish, Mr. Hefner, Mr. Dornan of California, Mr. McDade, Mr. Watkins, Mr. Cooper, Mr. Henry, Mr. Robinson, Mrs. Patterson, Mr. Martinez, Mr. Coats, Mr. Fauntroy, Mr. Kostmayer, Mr. Guarini, Mr. Pursell, Mr. Stump, Mr. Jenkins, Ms. Slaughter of New York, Mr. Mazzoli, Mr. Traficant, Ms. Oakar, Mr. Waxman, Mr. Hutto, Mr. Akaka, Mr. Anthony, Mr. Schulze, Mr. Smith of New Jersey, Mr. Shumway, Mrs. Bentley, Mr. Berman, Mr. Rowland of Georgia, Mr. Lehman of Florida, Mr. Duncan, Mr. Barnard, Mr. Traxler, Mr. Fuster, Mr. Murphy, Mr. Towns, Mr. Boucher, Mr. Jones of North Carolina, Mr. Howard, Mr. Yatron, Mr. Sabo, Mr. Rhodes, Mr. Hatcher, Mr. Dymally, Mr. Gekas, Ms. Kaptur, Mrs. Lloyd, Mr. Courter, Mr. Pashayan, Mr. Tauke, Mr. Hughes, Mr. Matsui, Mr. Kemp, Mr. Donnelly, Mr. Porter, Mr. Moakley, Mr. Williams, Mr. Eckart, Mr. Blaz, Mr. de Lugo, Mr. Bennett, Mr. Hastert, Mr. Wolf, Mr. Daniel, Mr. Ford of Michigan, Mr. Borski, Mr. DeFazio, Mr. Sunia, Mr. Chandler, Mr. Harris, Mr. Lewis of Florida, Mr. McEwen, Mr. Coleman of Missouri, Mr. Ravenel, Mr. Torricelli, Mr. Walgren, Mr. Weldon, Mr. Tallon, Mr. Erdreich, Mr. Chapman, Mr. Vento, Mr. Solomon, Mr. Smith of Iowa, Mr. Hammerschmidt, Mr. Richardson, Mr. Grandy, Mr. Clay, Mr. Brennan, Mr. Early, Mr. Garcia, Mr. Lungren, Mr. Lewis of California, Mr. Bryant, Mr. DeWine, Mr. Clinger, Mr. McMillen of Maryland, Mr. Valentine, Mr. Jeffords, Mr. Manton, Mr. Hiler, Mr. Leland, Mr. Hertel, Mr. Cardin, Mr. Hall of Ohio, Mr. Roemer, Mr. Kildee, Mr. Leach of Iowa, Mr. Tauzin, Mr. Spence, Mr. Baker, Mr. Taylor, Mr. Livingston, Mr. Derrick, Mr. Hoyer, Mr. Morrison of Connecticut, Mr. Holloway, Mr. Atkins, Mr. Gregg, Mr. Madigan, Mr. Florio, Mr. Flake, Mr. Bunning, Mr. Parris, Mr. Mfume, Mr. Fascell, Mrs. Morella, Mr. Ireland, Mr. Udall, Mr. Nelson of Florida, Mr. Hubbard, Mr. Hayes of Louisiana, Mr. Vander Jagt, Mr. Visclosky, Mr. Coughlin, Mr. Fazio, Mr. Lightfoot, Mr. Gejdenson, Mr. Neal, Mr. Bartlett, Mr. Bosco, Mr. Burton of Indiana, Mr. Darden, Mr. Conyers, Mrs. Byron, Mr. Dixon, Mr. Carper, Mr. Shaw, Mr. Roberts, Mr. Frank, Mr. Gilman, Mr. Lantos, Mr. Moorhead, Mr. McCollum, Mr. Rinaldo, Mr. Skelton, Mr. Smith of New Hampshire, Mr. Spratt, Mr. Stark, Mr. Thomas of Georgia, Mr. Wilson, Mr. Yates, Mr. Gray of Pennsylvania, Mr. Huckaby, Mr. McGrath, Mr. Schuette, Mr. Quillen, Mr. Foglietta, Mr. Rowland of Connecticut, Mr. Levine of California, Mr. Pepper, Mr. LaFalce, Mr. Lent, Mr. Kanjorski, Mr. Lehman of California, and Mr. Wylie):

H.J. Res. 346. Joint resolution designating the month of October 1987 as "Lupus Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. LEVINE of California (for himself, Mr. Wolpe, Mr. Solarz, and Mr. Leach of Iowa):

H. Con. Res. 171. Concurrent resolution expressing the sense of the Congress on future United States assistance to Pakistan; to the Committee on Foreign Affairs.

By Mr. ROSTENKOWSKI:

H. Res. 235. Resolution returning to the Senate the bill S. 829; considered and agreed to.

By Mr. PEPPER:

H. Res. 238. Resolution waiving certain points of order against the conference report on the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system, and against the consideration of such conference report; House Calendar No. 66; House Rept. No. 100-255.

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## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 653: Mr. Kolter.

H.R. 920: Mr. Frank.

H.R. 1095: Mr. Schaefer.

H.R. 1122: Mr. Durbin, Mr. Donnelly, Mr. Rodino, Mr. Gejdenson, Mr. Schumer, Mr. Torricelli, Mrs. Byron, Mr. Garcia, Mr. Moakley, Mr. Swift, and Mr. Sunia.

H.R. 1349: Mr. Henry, Mr. Fazio, Mrs. Bentley, Mr. Biaggi, Mr. Ackerman, Mr. Florio, Mr. Fawell, Mr. Levin of Michigan, and Mr. Inhofe.

H.R. 1356: Mr. Kolter.

H.R. 1371: Mr. Kolter.

H.R. 1536: Mr. Leath of Texas.

H.R. 1597: Mrs. Bentley, Mr. Hawkins, Mr. Horton, Mr. Smith of New Hampshire, Mr. Hughes, and Mr. Martinez.

H.R. 1635: Mr. Manton, Mr. Dellums, Mr. Miller of Washington, Mr. Synar, and Ms. Pelosi.

H.R. 1707: Mr. Torricelli, Mrs. Byron, Mr. Schaefer, Mr. Lewis of California, Mr. Panetta, Ms. Slaughter of New York, Mr. Derrick, and Mr. Dymally.

H.R. 1726: Mr. Schuette.

H.R. 1786: Mr. MacKay and Mr. Gunderson.

H.R. 1794: Mr. Richardson.

H.R. 1974: Mr. Kolbe.

H.R. 2032: Mr. Kolter.

H.R. 2062: Mr. Kolter.

H.R. 2067: Mr. Whitten, Mr. Taylor, Mr. Emerson, Mr. Morrison of Washington, Mr. Hamilton, Mr. Wolpe, Mr. Mineta, Mr. Gordon, Mr. Horton, Mr. Wortley, Mr. Gingrich, Mr. Wilson, Mr. Wyden, Mr. Grant, Mr. Young of Florida, Mr. Frost, Mr. Clarke, Mr. Lagomarsino, Mr. Fascell, Mr. Natcher, Mr. Ireland, Mr. Leach of Iowa, Mr. Martinez, Mr. Lancaster, Mrs. Bentley, Mr. Lantos, Mr. de la Garza, Mr. Gray of Illinois, Mr. Vento, Mr. Dorgan of North Dakota, Mr. Nelson of Florida, Ms. Snowe, Mr. Mack, Mr. Lott, Mr. Dwyer of New Jersey, Mr. Howard, Mr. Madigan, Mr. Volkmer, Mr. Gallegly, Mr. Sweeney, Mr. Chappell, Mr. Denny Smith, Mr. Lewis of California, Mr. Coble, Mr. Mazzoli, Mr. Edwards of Oklahoma, Mr. Lewis of Florida, Mr. Brown of California, Mr. Shuster, and Mr. MacKay.

H.R. 2496: Mr. Murphy and Mr. Gunderson.

H.R. 2672: Mr. Montgomery, Mr. Solomon, Mr. Edwards of California, Mr. Hammerschmidt, Mr. Applegate, Mr. Wylie, Mr. Mica, Mr. Stump, Mr. Dowdy of Mississippi, Mr. McEwen, Mr. Evans, Mr. Smith of New Jersey, Mr. Penny, Mr. Bilirakis, Mr. Staggers, Mr. Ridge, Mr. Bryant, Mr. Dornan of California, Mr. Gray of Illinois, Mr. Kanjorski, Mr. Robinson, Mr. Stenholm, Mr. Kennedy, Mr. Johnson of South Dakota, Mr. Jontz, Mr. Leath of Texas, Mr. Jenkins, Mr. Richardson, and Mr. Hefner.

H.R. 2680: Mr. Ackerman, Ms. Pelosi, Mr. Owens of New York, Mr. Daniel, Mr. Fauntroy, and Mr. Stokes.

H.R. 2717: Mr. MacKay, Mr. Downey of New York, Mr. Fascell, Mr. Hayes of Illinois, Mr. Hall of Ohio, and Mr. Conyers.

H.R. 2788: Mr. Daub and Mr. Foglietta.

H.R. 2790: Mr. Kolter.

H.R. 2826: Mr. Kolter.

H.R. 2866: Mrs. Boxer, Mr. Biaggi, Mr. Garcia, Mr. Lewis of Georgia, and Mr. Morrison of Connecticut.

H.R. 2870: Mr. Perkins.

H.R. 2883: Mr. Garcia, Mr. Traficant, Mr. Roe, Mr. Wilson, Mr. Hughes, Mr. Coelho, and Mrs. Boxer.

H.R. 2893: Mr. Kolter.

H.R. 2897: Mr. Walgren, Mr. Bilirakis, Mr. Wyden, Mr. Madigan, Mr. Rinaldo, Mr. Scheuer, Mr. Waxman, and Mr. Markey.

H.R. 2970: Mr. Hopkins.

H.R. 2992: Mr. Ackerman, Mr. Berman, Mr. Bryant, Mr. Fauntroy, Mr. Frank, Mr. Guarini, Mr. Hamilton, Ms. Kaptur, Mr. Kastenmeier, Mr. Kildee, Mr. Lancaster, Mr. Levin of Michigan, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Murphy, Ms. Oakar, Mr. Owens of New York, Mr. Penny, Mr. Scheuer, Mr. Solarz, and Mr. Wilson.

H.R. 3039: Mr. Hughes, Mr. Towns, Mr. Wheat, Mr. Weiss, Mr. Rangel, Mrs. Collins, Mr. Coyne, Mr. Jontz, Mr. Kolter, Mr. Lehman of Florida, Mr. Alexander, Mr. Biaggi, Mr. Guarini, Mr. Crockett, Mr. Mineta, Mr. Frank, Mr. Eckart, Mr. Lancaster, Mr. Ackerman, Mr. Sikorski, Mr. Panetta, Mr. Moody, Mr. Hall of Ohio, Mr. Howard, Mr. Nelson of Florida, Mr. Natcher, Mr. Synar, Mr. Fazio, Mr. Kanjorski, Mr. Dellums, Mr. Ford of Tennessee, Mr. Bryant, Mr. Bruce, and Mr. Annunzio.

H.J. Res. 50: Mr. Wylie, Mr. Sabo, and Mr. DeWine.

H.J. Res. 191: Mr. Livingston, Mr. Hutto, Mr. Cardin, Mr. Bustamante, Mr. Bonker, Mrs. Collins, Mr. Flake, Mr. Hammerschmidt, Mr. Saxton, Mr. Savage, and Mr. Wilson.

H.J. Res. 227: Mr. Gonzalez, Mr. DeFazio, Mr. Gilman, Mr. Fish, Mr. Montgomery, Mr. Dowdy of Mississippi, Mr. Hefner, Mr. Lewis of Florida, Mr. McDade, Mr. Foglietta, Mr. Barnard, Mr. Traficant, Mr. Daniel, Mr. McCollum, Mr. Grandison, Mr. Towns, and Mr. Dornan of California.

H.J. Res. 228: Mr. Morrison of Connecticut, Mr. Buechner, Mr. Dwyer of New Jersey, Mr. Cardin, Mr. Coyne, Mr. DeFazio, Mr. Badham, Mr. Clay, Mrs. Johnson of Connecticut, Mr. Smith of New Hampshire, Mr. Fuster, Mr. Moakley, Mr. DioGuardi, Mr. Jones of North Carolina, Mr. Udall, Mr. Rowland of Connecticut, Mr. Chapman, Mr. Foglietta, Mr. Gephardt, Mr. Robinson, Mr. Schuette, Mr. Gejdenson, Mr. Sikorski, Mr. Hunter, Mr. Berman, Mr. Cheney, Mr. McMillen of Maryland, Mr. Matsui, Mr. Boland, Mr. Rinaldo, Mr. Atkins, Mr. Young of Alaska, Mr. Anderson, Mr. Traxler, Mr. Hamilton, Mrs. Kennelly, Mrs. Lloyd, Mr. Mineta, Mr. Annunzio, Mr. Gilman, Mr. Yatron, Mr. Hammerschmidt, Mr. Smith of Iowa, Mr. Myers of Indiana, Mr. Fascell, Mr. Hefner, Mr. Carr, Mr. Vander Jagt, Mr. Rhodes, Mr. Bennett, Mr. Sharp, Mr. Miller of California, Mr. Gradison, Mr. Wilson, Mr. Bartlett, Mr. Stratton, Mr. Studds, Mr. McCloskey, Mr. Rahall, and Mr. Fields.

H.J. Res. 241: Mr. Hertel and Mr. McMillen of Maryland.

H.J. Res. 243: Mr. Martinez, Mr. Dixon, Mrs. Bentley, Mr. Dellums, Mr. Anderson, Mr. Kostmayer, Mr. Levine of California, Mr. Brown of California, Mr. Atkins, Mr. Akaka, Mr. Barnard, Mr. Boner of Tennessee, Mr. Carper, Mr. Bennett, and Mr. Conyers.

H.J. Res. 256: Mr. Martinez and Mr. Bateman.

H.J. Res. 313: Ms. Slaughter of New York, Mrs. Kennelly, and Mr. Rangel.

H.J. Res. 314: Mr. McGrath, Mr. Torricelli, Mr. Ritter, Mr. Johnson of South Dakota, Mr. DioGuardi, Mr. Waxman, Ms. Slaughter of New York, Mr. Molinari, Mr. DeWine, Mr. Slattery, and Mr. Smith of New Jersey.

H.J. Res. 317: Mr. Lancaster, Mr. Ackerman, Mr. Gray of Illinois, Mr. Traficant, Mr. Kildee, Mr. Brown of California, Mr. Oberstar, Mr. Hayes of Louisiana, Mrs. Bentley, Mr. Frost, and Ms. Slaughter of New York.

H.J. Res. 328: Mr. Traxler, Mr. Lipinski, Mr. Roe, Mr. Walgren, Mrs. Collins, Mr. McMillen of Maryland, Mr. Dyson, Mr. Sisisky, Mr. Fazio, Mr. Boehlert, and Mr. Kildee.

H. Con. Res. 126: Mr. Fazio, Mr. Garcia, and Mr. Martinez.

H. Con. Res. 143: Mr. Conyers, Mr. Garcia, Mr. Morrison of Connecticut, and Mr. Mica.

H. Res. 141: Mr. Synar.

H. Res. 184: Mr. Courter, Mr. Shaw, Mr. Lujan, Mr. Stump, Mr. Wortley, Mr. Lewis of California, Mr. Murtha, Mr. Sabo, Mr. Hochbrueckner, Mr. Bartlett, Mr. Pickett, Mr. Frenzel, and Mr. Daub.

H. Res. 229: Mr. Hefley and Mr. Brown of California.

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## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1195: Mr. Ravenel.

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## CONFERENCE REPORT ON H.R. 27

Mr. ST GERMAIN, pursuant to the order of the House on July 30, 1987, submitted the following conference report and statement on the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system:

### Conference Report (H. Rept. 100-261)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*SECTION 1. SHORT TITLE; TABLE OF CONTENTS.*

*(a) Short Title.—This Act may be cited as the "Competitive Equality Banking Act of 1987".*

*(b) Table of Contents.—*

*TITLE I—FINANCIAL INSTITUTIONS COMPETITIVE EQUALITY*

*Sec. 100. Short title.*
*Sec. 101. Amendments to the Bank Holding Company Act of 1956.*
*Sec. 102. Amendments to the Federal Reserve Act.*
*Sec. 103. Securities affiliations of nonmember insured banks.*
*Sec. 104. Amendments to savings and loan holding company provisions of the National Housing Act.*
*Sec. 105. Amendment to the Federal Home Loan Bank Act.*
*Sec. 106. Securities affiliations of FSLIC insured institutions.*
*Sec. 107. Mutual holding company amendments.*
*Sec. 108. Leasing authority of national banks.*
*Sec. 109. NOW accounts.*
*Sec. 110. Exemption from affiliate transaction restrictions.*
*Sec. 111. Consideration of certain acquisitions.*

*TITLE II—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES*

*Sec. 201. Moratorium on certain nonbanking activities.*
*Sec. 202. Authority of Federal banking agencies.*
*Sec. 203. Intent of Congress.*
*Sec. 204. Amendments to the International Banking Act of 1978.*
*Sec. 205. Amendments to the Bank Holding Company Act of 1956.*

*TITLE III—FSLIC RECAPITALIZATION*

*Sec. 301. Short title.*
*Sec. 302. Financing corporation established.*
*Sec. 303. Mixed ownership government corporation.*
*Sec. 304. Recapitalization of FSLIC.*
*Sec. 305. FSLIC authority to charge premiums reduced by amount of financing corporation assessments.*
*Sec. 306. Miscellaneous provisions.*
*Sec. 307. Secondary reserve provisions.*

*TITLE IV—THRIFT INDUSTRY RECOVERY PROVISIONS*

*Sec. 401. Short title.*
*Sec. 402. Thrift institution accounting, appraisal, and reserve standards.*
*Sec. 403. Audit of Federal Asset Disposition Association.*
*Sec. 404. Thrift industry recovery regulations.*
*Sec. 405. Capital instrument purchase program.*
*Sec. 406. Minimum capital requirements.*
*Sec. 407. Improvements in the supervisory process.*
*Sec. 408. Prevention of insolvencies.*
*Sec. 409. Feasibility study relating to establishment of asset holding corporation.*
*Sec. 410. Notice and disapproval procedure required for all applications to the Bank Board.*
*Sec. 411. Guidelines for asset disposition.*
*Sec. 412. Expansion of use of underutilized minority thrift institutions.*

Sec. 413. Authority of independent contractors, consultants, and counsel.
Sec. 414. Extension of forbearance previously provided in the acquisition of troubled thrift institutions.
Sec. 415. Congressional oversight.
Sec. 416. Sunset.

TITLE V—FINANCIAL INSTITUTIONS EMERGENCY ACQUISITIONS

Sec. 501. Short title.
Sec. 502. FDIC assisted emergency interstate acquisitions.
Sec. 503. Bridge banks.
Sec. 504. Conversions.
Sec. 505. Federal depository institutions regulatory agencies not subject to apportionment of funds provisions.
Sec. 506. Federal depository institutions regulatory agencies not subject to sequestration.
Sec. 507. Liquidation proceedings.
Sec. 508. Capital pools.
Sec. 509. Permanent extension of certain temporary provisions of law; 5 year extension of net worth certificates.

TITLE VI—EXPEDITED FUNDS AVAILABILITY

Sec. 601. Short title.
Sec. 602. Definitions.
Sec. 603. Expedited funds availability schedules.
Sec. 604. Safeguard exceptions.
Sec. 605. Disclosure of funds availability policies.
Sec. 606. Payment of interest.
Sec. 607. Miscellaneous provisions.
Sec. 608. Effect on State law.
Sec. 609. Regulations and reports by Board.
Sec. 610. Administrative enforcement.
Sec. 611. Civil liabilities.
Sec. 612. Parity in clearing.
Sec. 613. Effective dates.

TITLE VII—CREDIT UNION AMENDMENTS

Sec. 701. Short title.
Sec. 702. Second mortgage and home improvement loans.
Sec. 703. Ownership interest.
Sec. 704. Faithful performance.
Sec. 705. Membership officers.
Sec. 706. Nonparticipation.
Sec. 707. Property acquisition flexibility.
Sec. 708. Treatment of NCUAB funds.
Sec. 709. Technical and clarifying amendments; removal and prohibition authority.
Sec. 710. Effect of removal or suspension.
Sec. 711. Imposition of conservatorship.
Sec. 712. Reduction in State comment waiting period.
Sec. 713. Authority as conservator.
Sec. 714. Liquidation proceedings.
Sec. 715. Transfer of FTC jurisdiction to NCUAB.
Sec. 716. Assets which may be pledged.

TITLE VIII—LOAN LOSS AMORTIZATION

Sec. 801. Loan loss amortization for agricultural banks.

TITLE IX—FULL FAITH AND CREDIT OF FEDERALLY INSURED DEPOSITORY INSTITUTIONS

Sec. 901. Reaffirmation of security of funds deposited in federally insured depository institutions.

TITLE X—GOVERNMENT CHECKS

Sec. 1001. Report on difficulty in cashing Treasury checks.
Sec. 1002. Time limit on payment of Treasury checks.
Sec. 1003. Cancellation of Treasury checks.
Sec. 1004. Limitation on reclamation actions and claims.
Sec. 1005. Regulations.
Sec. 1006. Effective date.

TITLE XI—INTEREST TO CERTAIN DEPOSITORS

Sec. 1101. Interest to certain depositors.

TITLE XII—MISCELLANEOUS PROVISIONS

Sec. 1201. High yield bond study.
Sec. 1202. Study of competitive issues in the payments mechanism.
Sec. 1203. Study and reports concerning direct investments.
Sec. 1204. Adjustable rate mortgage caps.
Sec. 1205. Separability of provisions.

## TITLE I—FINANCIAL INSTITUTIONS COMPETITIVE EQUALITY

### SEC. 100. SHORT TITLE.

This title may be cited as the "Competitive Equality Amendments of 1987".

### SEC. 101. AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956.

(a) DEFINITIONS.—

(1) AMENDMENT TO DEFINITION OF BANK.—Section 2(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)) is amended to read as follows:

"(c) BANK DEFINED.—For purposes of this Act—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'bank' means any of the following:

"(A) An insured bank as defined in section 3(h) of the Federal Deposit Insurance Act.

"(B) An institution organized under the laws of the United States, any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands which both—

"(i) accepts demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties or others; and

"(ii) is engaged in the business of making commercial loans.

"(2) EXCEPTIONS.—The term 'bank' does not include any of the following:

"(A) A foreign bank which would be a bank within the meaning of paragraph (1) solely because such bank has an insured or uninsured branch in the United States.

"(B) An insured institution (as defined in subsection (j)).

"(C) An organization that does not do business in the United States except as an incident to its activities outside the United States.

"(D) An institution that functions solely in a trust or fiduciary capacity, if—

"(i) all or substantially all of the deposits of such institution are in trust funds and are received in a bona fide fiduciary capacity;

"(ii) no deposits of such institution which are insured by the Federal Deposit Insurance Corporation are offered or marketed by or through an affiliate of such institution;

"(iii) such institution does not accept demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties or others or make commercial loans; and

"(iv) such institution does not—

"(I) obtain payment or payment related services from any Federal Reserve bank, including any service referred to in section 11A of the Federal Reserve Act; or

"(11) exercise discount or borrowing privileges pursuant to section 19(b)(7) of the Federal Reserve Act.

"(E) A credit union (as described in section 19(b)(1)(A)(iv) of the Federal Reserve Act).

"(F) An institution which—

"(i) engages only in credit card operations;

"(ii) does not accept demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties or others;

"(iii) does not accept any savings or time deposit of less than $100,000:

"(iv) maintains only one office that accepts deposits; and

"(v) does not engage in the business of making commercial loans.

"(G) An organization operating under section 25 or section 25(a) of the Federal Reserve Act.

"(H) An industrial loan company, industrial bank, or other similar institution which is—

"(i) an institution organized under the laws of a State which, on March 5, 1987, had in effect or had under consideration in such State's legislature a statute which required or would require such institution to obtain insurance under the Federal Deposit Insurance Act—

"(I) which does not accept demand deposits that the depositor may withdraw by check or similar means for payment to third parties;

"(II) which has total assets of less than $100,000,000; or

"(III) the control of which is not acquired by any company after the date of the enactment of the Competitive Equality Amendments of 1987; or

"(ii) an institution which does not, directly, indirectly, or through an affiliate, engage in any activity in which it was not lawfully engaged as of March 5, 1987,

except that this subparagraph shall cease to apply to any institution which permits any overdraft (including any intraday overdraft), or which incurs any such overdraft in such institution's account at a Federal Reserve bank, on behalf of an affiliate if such overdraft is not the result of an inadvertent computer or accounting error that is beyond the control of both the institution and the affiliate.

"(I) The Investors Fiduciary Trust Company, located in Kansas City, Missouri, so long as such institution—

"(i) engages only in trust, fiduciary, and agency activities in which it was lawfully engaged on March 5, 1987;

"(ii) engages in such activities only at the same number of locations at which such activities were conducted on such date;

"(iii) does not accept demand deposits other than demand deposits which are maintained by such institution in—

"(I) a trust or fiduciary capacity;

"(II) the institution's capacity as a custodian or as a paying, transfer, shareholder servicing, securities clearing, escrow, or dividend disbursing agent; or

"(III) any capacity which is incidental to the trust or fiduciary activities of the institution;

"(iv) does not engage in the business of making commercial loans;

"(v) does not exercise discount or borrowing privileges pursuant to section 19(b)(7) of the Federal Reserve Act; and

"(vi) is not directly or indirectly controlled by any company other than a company which directly or indirectly controlled such institution on March 5, 1987.

"(J) A savings bank (as defined in section 3(g) of the Federal Deposit Insurance Act) which—

"(i) is an insured bank (as defined in section 3(h) of such Act);

"(ii) is a subsidiary of the Great Western Financial Corporation as a result of an approval in writing by the State bank supervisor of the State of New York before June 30, 1987;

"(iii) meets or exceeds the investment requirements which an insured institution must meet in order to be a qualified thrift lender under section 408(o) of the National Housing Act; and

"(iv) does not, directly, or through insurance products such savings bank receives from or provides to the Great Western Financial Corporation, engage in the sale or underwriting of insurance,

except that this subparagraph shall cease to apply with respect to such savings bank or any successor institution if any deposits of any other subsidiary or affiliate of the Great Western Financial Corporation which are subject to an assessment of an insurance premium under subsection (b) or (c) of section 404 of the National Housing Act are, directly or indirectly by any device whatsoever, transferred to or acquired by such savings bank or any successor institution which would have the effect of materially reducing such premium assessments. The exemption provided by this subparagraph shall cease to apply if Great Western Financial Corporation uses such savings bank or any successor institution as a vehicle to move such Corporation from Federal Savings and Loan Insurance Corporation insurance to Federal Deposit Insurance Corporation insurance.

"(3) DISTRICT BANK.—The term 'District bank' means any bank operating under the Code of Law for the District of Columbia.".

(2) AMENDMENT TO DEFINITION OF THRIFT INSTITUTION.—Section 2(i) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(i)) is amended to read as follows:

"(i) THRIFT INSTITUTION.—For purposes of this Act, the term 'thrift institution' means—

"(1) any domestic building and loan or savings and loan association;

"(2) any cooperative bank without capital stock organized and operated for mutual purposes and without profit;

"(3) any Federal savings bank; and

"(4) any State-chartered savings bank the holding company of which is registered pursuant to section 408 of the National Housing Act.".

(3) ADDITIONAL DEFINITIONS.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by adding at the end thereof the following new subsections:

"(j) INSURED INSTITUTION.—For purposes of this Act, the term 'insured institution' has the meaning given to such term in section 408(a)(1) of the National Housing Act.

"(k) AFFILIATE.—For purposes of this Act, the term 'affiliate' means any company that controls, is controlled by, or is under common control with another company.

"(l) SAVINGS BANK HOLDING COMPANY.—For purposes of this Act, the term 'savings bank holding company' means any company which controls one or more qualified savings banks if the aggregate total assets of such savings banks constitute, upon formation of the holding company and at all times thereafter, at least 70 percent of the total assets of such company.

"(m) QUALIFIED SAVINGS BANK.—For purposes of this Act, the term 'qualified savings bank'—

"(1) means any savings bank (as defined in section 3(g) of the Federal Deposit Insurance Act) which was organized on or before March 5, 1987; and

"(2) includes any cooperative bank that is an insured bank (as defined in section 3(h) of the Federal Deposit Insurance Act) and any interim savings bank that is established to facilitate a corporate reorganization, or the formation of a holding company, involving a savings bank described in paragraph (1).".

(b) IMMEDIATE DIVESTITURE REQUIREMENT.—Section 4(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(a)(2)) is amended by adding at the end thereof the following sentence: "Notwithstanding any other provision of this paragraph, if any company that became a bank holding company as a result of the enactment of the Competitive Equality Amendments of 1987 acquired, between March 5, 1987, and the date of the enactment of such Amendments, an institution that became a bank as a result of the enactment of such Amendments, that company shall, upon the enactment of such Amendments, immediately come into compliance with the requirements of this Act.".

(c) CERTAIN COMPANIES NOT TREATED AS BANK HOLDING COMPANIES; LIMITATIONS ON CERTAIN BANKS.—Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end thereof the following new subsections:

"(f) CERTAIN COMPANIES NOT TREATED AS BANK HOLDING COMPANIES.—

"(1) IN GENERAL.—Except as provided in paragraph (9), any company which—

"(A) on March 5, 1987, controlled an institution which became a bank as a result of the enactment of the Competitive Equality Amendments of 1987; and

"(B) was not a bank holding company on the day before the date of the enactment of the Competitive Equality Amendments of 1987,

shall not be treated as a bank holding company for purposes of this Act solely by virtue of such company's control of such institution.

"(2) LOSS OF EXEMPTION.—Paragraph (1) shall cease to apply to any company described in such paragraph if—

"(A) such company directly or indirectly—

"(i) acquires control of an additional bank or an insured institution (other than an insured institution described in paragraph (10) of this subsection) after March 5, 1987; or

"(ii) acquires control of more than 5 percent of the shares or assets of an additional bank or an insured institution other than—

"(I) shares acquired in a bona fide fiduciary capacity;

"(II) shares held temporarily pursuant to an underwriting commitment in the normal course of an underwriting business;

"(III) shares held in an account solely for trading purposes;

"(IV) loans or other accounts receivable acquired in the normal course of business; and

"(V) shares or assets of an insured institution described in paragraph (10) of this subsection; or

"(B) any bank subsidiary of such company fails to comply with the restrictions contained in paragraph (3)(B).

"(3) LIMITATION ON BANKS CONTROLLED BY PARAGRAPH (1) COMPANIES.—

"(A) FINDINGS.—The Congress finds that banks controlled by companies referred to in paragraph (1) may, because of relationships with affiliates, be involved in conflicts of interest, concentration of resources, or other effects adverse to bank safety and soundness, and may also be able to compete unfairly against banks controlled by bank holding companies by combining banking services with financial services not permissible for bank holding companies. The purpose of this paragraph is to minimize any such potential adverse effects or inequities by temporarily restricting the activities of banks controlled by companies referred to in paragraph (1) until such time as the Congress has enacted proposals to allow, with appropriate safeguards, all banks or bank holding companies to compete on a more equal basis with banks controlled by companies referred to in paragraph (1) or, alternatively, proposals to permanently restrict the activities of banks controlled by companies referred to in paragraph (1).

"(B) LIMITATIONS.—Until such time as the Congress has taken action pursuant to subparagraph (A), a bank controlled by a company described in paragraph (1) shall not—

"(i) engage in any activity in which such bank was not lawfully engaged as of March 5, 1987;

"(ii) offer or market products or services of an affiliate that are not permissible for bank holding companies to provide under subsection (c)(8), or permit its products or services to be offered or marketed by or through an affiliate (other than an affiliate that engages only in activities permissible for bank holding companies under subsection (c)(8)), unless such products or services were being so offered or marketed as of March 5, 1987, and then only in the same manner in which they were being offered or marketed as of that date;

"(iii) after the date of the enactment of the Competitive Equality Amendments of 1987, permit any overdraft (including an intraday overdraft), or incur any such overdraft in such bank's account at a Federal Reserve bank, on behalf of an affiliate, other than an overdraft described in subparagraph (C); or

"(iv) increase its assets at an annual rate of more than 7 percent during any 12-month period beginning after the end of the 1-year period beginning on the date of the enactment of the Competitive Equality Amendments of 1987.

"(C) PERMISSIBLE OVERDRAFTS DESCRIBED.—For purposes of subparagraph (B)(iii), an overdraft is described in this subparagraph if—

"(i) such overdraft results from an inadvertent computer or accounting error that is beyond the control of both the bank and the affiliate; or

"(ii) such overdraft—

"(I) is permitted or incurred on behalf of an affiliate which is monitored by, reports to, and is recognized as a primary dealer by the Federal Reserve Bank of New York; and

"(II) is fully secured, as required by the Board, by bonds, notes, or other obligations which are direct obligations of the United States or on which the principal and interest are fully guaranteed by the United States or by securities and obligations eligible for settlement on the Federal Reserve book entry system.

"(4) DIVESTITURE IN CASE OF LOSS OF EXEMPTION.—If any company described in paragraph (1) loses the exemption provided under such paragraph by operation of paragraph (2), such company shall divest control of each bank it controls within 180 days after such company becomes a bank holding company due to the loss of such exemption.

"(5) SUBSECTION CEASES TO APPLY UNDER CERTAIN CIRCUMSTANCES.—This subsection shall cease to apply to any company described in paragraph (1) if such company—

"(A) registers as a bank holding company under section 5(a) of this Act;

"(B) immediately upon such registration, complies with all of the requirements of this Act, and regulations prescribed by the Board pursuant to this Act, including the nonbanking restrictions of this section; and

"(C) does not, at the time of such registration, control banks in more than one State, the acquisition of which would be prohibited by section 3(d) of this Act if an application for such acquisition by such company were filed under section 3(a) of this Act.

"(6) INFORMATION REQUIREMENT.—Each company described in paragraph (1) shall, within 60 days after the date of enactment of the Competitive Equality Amendments of 1987, provide the Board with the name and address of such company, the name and address of each bank such company controls, and a description of each such bank's activities.

"(7) EXAMINATION.—The Board may, from time to time, examine a company described in paragraph (1), or a bank controlled by such company, or require reports under oath from appropriate officers or directors of such company or bank solely for purposes of assuring compliance with the provisions of this subsection and enforcing such compliance.

"(8) ENFORCEMENT.—

"(A) IN GENERAL.—In addition to any other power of the Board, the Board may enforce compliance with the provisions of this Act which are applicable to any company described in paragraph (1), and any bank controlled by such company, under section 8 of the Federal Deposit Insurance Act and such company or bank shall be subject to such section (for such purposes) in the same manner and to the same extent as if such company or bank were a State member insured bank.

"(B) APPLICATION OF OTHER ACT.—Any violation of this Act by any company described in paragraph (1), and any bank controlled by such company, may also be treated as a violation of the Federal Deposit Insurance Act for purposes of subparagraph (A).

"(C) NO EFFECT ON OTHER AUTHORITY.—No provision of this paragraph shall be construed as limiting any authority of the Comptroller of the Currency or the Federal Deposit Insurance Corporation.

"(9) TYING PROVISIONS.—A company described in paragraph (1) shall be—

"(A) treated as a bank holding company for purposes of section 106 of the Bank Holding Company Act Amendments of 1970 and section 22(h) of the Federal Reserve Act and any regulation prescribed under any such section; and

"(B) subject to the restrictions of section 106 of the Bank Holding Company Act Amendments of 1970, in connection with any transaction involving the products or services of such company or affiliate and those of a bank affiliate, as if such company or affiliate were a bank and such bank were a subsidiary of a bank holding company.

"(10) EXEMPTION UNAFFECTED BY CERTAIN EMERGENCY ACQUISITIONS.—For purposes of clauses (i) and (ii)(V) of paragraph (2)(A), an insured institution is described in this paragraph if—

"(A) the insured institution was acquired (or any shares or assets of such institution were acquired) by a company described in paragraph (1) in an acquisition under section 408(m) of the National Housing Act; and

"(B) either—

"(i) the insured institution is located in a State in which such company controlled a bank on March 5, 1987; or

"(ii) the insured institution has total assets of $500,000,000 or more at the time of such acquisition.

"(g) LIMITATIONS ON CERTAIN BANKS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section (other than the last sentence of subsection (a)(2)), a bank holding company which controls an institution that became a bank as a result of the enactment of the Competitive Equality Amendments of 1987 may retain control of such institution if such institution does not—

"(A) engage in any activity after the date of the enactment of such Amendments which would have caused such institution to be a bank (as defined in section 2(c), as in effect before such date) if such activities had been engaged in before such date; or

"(B) increase the number of locations from which such institution conducts business after March 5, 1987.

"(2) LIMITATIONS CEASE TO APPLY UNDER CERTAIN CIRCUMSTANCES.—The limitations contained in paragraph (1) shall cease to apply to a bank described in such paragraph at such time as the acquisition of such bank, by the bank holding company referred to in such paragraph, would not be prohibited under section 3(d) of this Act if—

"(A) an application for such acquisition were filed under section 3(a) of this Act; and

"(B) such bank were treated as an additional bank (under section 3(d)).

"(h) TYING PROVISIONS.—

"(1) APPLICABLE TO CERTAIN EXEMPT INSTITUTIONS AND PARENT COMPANIES.—An institution described in subparagraph (D), (F), (G), (H), (I), or (J) of section 2(c)(2) shall be treated as a bank, and a company that controls such an institution shall be treated as a bank holding company, for purposes of section 105 of the Bank Holding Company Act Amendments of 1970 and section 22(h) of the Federal Reserve Act and any regulation prescribed under any such section.

"(2) APPLICABLE WITH RESPECT TO CERTAIN TRANSACTIONS.—A company that controls an institution described in subparagraph (D), (F), (G), (H), (I), or (J) of section 2(c)(2) and any of such company's other affiliates, shall be subject to the tying restrictions of section 106 of the Bank Holding Company Act Amendments of 1970 in connection with any transaction involving the products or services of such company or affiliate and those of such institution, as if such company or affiliate were a bank and such institution were a subsidiary of a bank holding company.".

(d) SAVINGS BANK ACTIVITIES.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended by adding at the end thereof the following new subsection:

"(f) SAVINGS BANK SUBSIDIARIES OF BANK HOLDING COMPANIES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this Act (other than paragraphs (2) and (3)), any qualified savings bank which is a subsidiary of a bank holding company may engage, directly or through a subsidiary, in any activity in which such savings bank may engage (as a State chartered savings bank) pursuant to express, incidental, or implied powers under any statute or regulation, or under any judicial interpretation of any law, of the State in which such savings bank is located.

"(2) INSURANCE ACTIVITIES.—Except as provided in paragraph (3), any insurance activities of any qualified savings bank which is a subsidiary of a bank holding company shall be limited to insurance activities allowed under section 4(c)(8).

"(3) SAVINGS BANK LIFE INSURANCE.—Any qualified savings bank permitted, as of March 5, 1987, to engage in the sale or underwriting of savings bank life insurance may sell or underwrite such insurance after such savings bank is a subsidiary of a bank holding company if—

"(A) the savings bank is located in the State of Connecticut, Massachusetts, or New York;

"(B) such activity is expressly authorized by the law of the State in which such savings bank is located;

"(C) the savings bank retains its character as a savings bank;

"(D) such activity is carried out by the savings bank directly and not by—

"(i) any subsidiary or affiliate of the savings bank; or

"(ii) the bank holding company which controls such savings bank;

"(E) such activity is carried out by the savings bank in accordance with any residency or employment limitations set forth in the savings bank life insurance statute in effect on March 5, 1987, in the State in which such bank is located; and

"(F) such activity is otherwise carried out in the same manner as savings bank life insurance activity is carried out in the State in which such bank is located by savings banks which are not subsidiaries of any bank holding company registered under this Act.

"(4) SUBSECTION SHALL CEASE TO APPLY UNDER CERTAIN CIRCUMSTANCES.—If any company which is not a savings bank or a savings bank holding company acquires control of a qualified savings bank, such savings bank shall cease to engage in any activity authorized under paragraph (1) or (3) before the end of the 2-year period beginning on the date such company acquires control, unless such activity is otherwise authorized pursuant to this Act.

"(5) SPECIAL ASSET AGGREGATION RULE FOR PURPOSES OF PARAGRAPH (3).—For the sole purpose of determining whether a qualified savings bank may continue to sell and underwrite savings bank life insurance in accordance with this subsection after control of such savings bank is acquired by a bank holding company, the assets of any other bank affiliated with, or under contract to affiliate with, such savings bank as of March 5, 1987, shall be treated as assets of the savings bank in determining whether such bank holding company is a savings bank holding company.".

(e) THRIFT INSTITUTIONS' BANK.—Section 2(a)(5)(E) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)(5)(E)) is amended to read as follows:

"(E) No company is a bank holding company by virtue of its ownership or control of any State-chartered bank or trust company which—

"(i) is wholly owned by thrift institutions or savings banks; and

"(ii) is restricted to accepting—

"(I) deposits from thrift institutions or savings banks;

"(II) deposits arising out of the corporate business of the thrift institutions or savings banks that own the bank or trust company; or

"(III) deposits of public moneys.".

(f) EFFECT ON STATE AUTHORITY TO REGULATE.—Section 7 of the Bank Holding Company Act of 1956 (12 U.S.C. 1846) is amended—

(1) by striking out "The enactment by the Congress of the Bank Holding Company Act of 1956 shall not" and inserting in lieu thereof "No provision of this Act shall"; and

(2) by inserting "companies," before "banks".

(g) AMENDMENT TO FEDERAL DEPOSIT INSURANCE ACT.—

(1) IN GENERAL.—Section 3(g) of the Federal Deposit Insurance Act (12 U.S.C. 1813(g)) is amended to read as follows:

"(g) SAVINGS BANK.—The term 'savings bank' means a bank (including a mutual savings bank) which transacts its ordinary banking business strictly as a savings bank under State laws imposing special requirements on such banks governing the manner of investing their funds and of conducting their business.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 27(a) of the Federal Deposit Insurance Act is amended by striking out "and insured mutual savings banks".

(h) 1987 AMENDMENT TRANSITION RULE.—

(1) DELAY IN APPLICATION OF AMENDMENT TO CERTAIN INSTITUTIONS.—If—

(A) on March 5, 1987, an institution was not a bank (as defined in section 2(c) of the Bank Holding Company Act of 1956), as in effect on such date; and

(B) any person which had a controlling interest in such institution on March 5, 1987, made a public announcement before such date that the transfer or other disposition of such person's controlling interest in such institution was being considered,

the institution shall not become a bank (for purposes of the Bank Holding Company Act of 1956) due to the amendment made to such section 2(c) by this section before the date on which such institution fails to meet any requirement of paragraph (2).

(2) REQUIREMENTS FOR APPLICATION OF SUBSECTION.—This subsection shall not apply with respect to any institution described in paragraph (1) unless—

(A) the transfer or other disposition of the controlling interest referred to in such paragraph is completed, or an agreement to make such transfer or other disposition is in effect (or is subject only to final approval by the appropriate Federal and State regulatory agencies), before the end of the 180-day period beginning on the date of the enactment of this title;

(B) a written notice by the person acquiring a controlling interest in such institution (pursuant to the transfer or other disposition described in subparagraph (A)) of such person's intention to operate such institution as an institution described in section 2(c)(2)(F) of the Bank Holding Company Act of 1956, as in effect after the enactment of this title is filed with the Board before the end of the 7-day period beginning on the later of the date of such transfer (or other disposition) or the date of the enactment of this title; and

(C) the operation of such institution as an institution described in such section 2(c)(2)(F) begins before the end of the 180-day period beginning on the date the transfer (or other disposition) described in subparagraph (A) is completed.

(3) CONTROLLING INTEREST.—For purposes of this subsection, a person has a controlling interest in any institution if such person controls—

(A) such institution; or

(B) any company which controls such institution,

as determined in accordance with the provisions of subsections (b) and (g) of section 2 of the Bank Holding Company Act of 1956.

### SEC. 102. AMENDMENTS TO THE FEDERAL RESERVE ACT.

(a) IN GENERAL.—The Federal Reserve Act is amended by inserting after section 23A the following:

"RESTRICTIONS ON TRANSACTIONS WITH AFFILIATES

"SEC. 23B. (a) IN GENERAL.—

"(1) TERMS.—A member bank and its subsidiaries may engage in any of the transactions described in paragraph (2) only—

"(A) on terms and under circumstances, including credit standards, that are substantially the same, or at least as favorable to such bank or its subsidiary, as those prevailing at the time for comparable transactions with or involving other nonaffiliated companies, or

"(B) in the absence of comparable transactions, on terms and under circumstances, including credit standards, that in good faith would be offered to, or would apply to, nonaffiliated companies.

"(2) TRANSACTIONS COVERED.—Paragraph (1) applies to the following:

"(A) Any covered transaction with an affiliate.

"(B) The sale of securities or other assets to an affiliate, including assets subject to an agreement to repurchase.

"(C) The payment of money or the furnishing of services to an affiliate under contract, lease, or otherwise.

"(D) Any transaction in which an affiliate acts as an agent or broker or receives a fee for its services to the bank or to any other person.

"(E) Any transaction or series of transactions with a third party—

"(i) if an affiliate has a financial interest in the third party, or

"(ii) if an affiliate is a participant in such transaction or series of transactions.

"(3) TRANSACTIONS THAT BENEFIT AN AFFILIATE.—For the purpose of this subsection, any transaction by a member bank or its subsidiary with any person shall be deemed to be a transaction with an affiliate of such bank if any of the proceeds of the transaction are used for the benefit of, or transferred to, such affiliate.

"(b) PROHIBITED TRANSACTIONS.—

"(1) IN GENERAL.—A member bank or its subsidiary—

"(A) shall not purchase as fiduciary any securities or other assets from any affiliate unless such purchase is permitted—

"(i) under the instrument creating the fiduciary relationship,

"(ii) by court order, or

"(iii) by law of the jurisdiction governing the fiduciary relationship; and

"(B) whether acting as principal or fiduciary, shall not knowingly purchase or otherwise acquire, during the existence of any underwriting or selling syndicate, any security if a principal underwriter of that security is an affiliate of such bank.

"(2) EXCEPTION.—Subparagraph (B) of paragraph (1) shall not apply if the purchase or acquisition of such securities has been approved, before such securities are initially offered for sale to the public, by a majority of the directors of the bank who are not officers or employees of the bank or any affiliate thereof.

"(3) DEFINITIONS.—For the purpose of this subsection—

"(A) the term 'security' has the meaning given to such term in section 3(a)(10) of the Securities Exchange Act of 1934; and

"(B) the term 'principal underwriter' means any underwriter who, in connection with a primary distribution of securities—

"(i) is in privity of contract with the issuer or an affiliated person of the issuer;

"(ii) acting alone or in concert with one or more other persons, initiates or directs the formation of an underwriting syndicate; or

"(iii) is allowed a rate of gross commission, spread, or other profit greater than the rate allowed another underwriter participating in the distribution.

"(c) ADVERTISING RESTRICTION.—A member bank or any subsidiary or affiliate of a member bank shall not publish any advertisement or enter into any agreement stating or suggesting that the bank shall in any way be responsible for the obligations of its affiliates.

"(d) DEFINITIONS.—For the purpose of this section—

"(1) the term 'affiliate' has the meaning given to such term in section 23A (but does not include any company described in section (b)(2) of such section or any bank);

"(2) the terms 'bank', 'subsidiary', 'person', and 'security' (other than security as used in subsection (b)) have the meanings given to such terms in section 23A; and

"(3) the term 'covered transaction' has the meaning given to such term in section 23A (but does not include any transaction which is exempt from such definition under subsection (d) of such section).

"(e) REGULATIONS.—The Board may prescribe regulations to administer and carry out the purposes of this section, including—

"(1) regulations to further define terms used in this section; and

"(2) regulations to—

"(A) exempt transactions or relationships from the requirements of this section; and

"(B) exclude any subsidiary of a bank holding company from the definition of affiliate for purposes of this section,

if the Board finds such exemptions or exclusions are in the public interest and are consistent with the purposes of this section.".

(b) CONFORMING AMENDMENTS.—Section 18(j) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)) is hereby amended—

(1) by inserting "and section 23B" after "section 23A" at each place it appears in paragraph (1); and

(2) by inserting ", 23B," after "23A" in paragraph (3)(A).

(c) TREATMENT OF EDGE ACT AND AGREEMENT CORPORATIONS FOR PURPOSES OF THE BANK HOLDING COMPANY ACT.—

(1) IN GENERAL.—The paragraph of section 25(a) of the Federal Reserve Act which begins "Except as otherwise provided in this section, a majority" (the 11th full paragraph) (12 U.S.C. 619) is amended by adding at the end thereof the following: "Any company, other than a bank as defined in section 2 of the Bank Holding Company Act of 1956, that after March 5, 1987, directly or indirectly acquires control of a corporation organized or operating under the provisions of this section or section 25 shall be subject to the provisions of the Bank Holding Company Act of 1956 in the same manner and to the same extent that bank holding companies are subject thereto, except that such company shall not by reason of this paragraph be deemed a bank holding company for the purpose of section 3 of the Bank Holding Company Act of 1956.".

(2) EXCEPTION.—The amendment made by paragraph (1) does not apply to an acquisition pursuant to the application by Midland

*Bank, plc, London, England, pending before the Board of Governors of the Federal Reserve System on July 1, 1987, to acquire a corporation organized or operating under section 25(a) of the Federal Reserve Act. If Midland Bank, plc, London, England, is not otherwise subject to section 4 of the Bank Holding Company Act of 1956, the financial activities of Midland Bank, plc, London, England, in the United States shall, upon the determination of the Board of Governors of the Federal Reserve System made at any time, be subject to section 4 of the Bank Holding Company Act of 1956.*

### *SEC. 103. SECURITIES AFFILIATIONS OF NONMEMBER INSURED BANKS.*

*(a) IN GENERAL.—Section 18(j) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)) is amended by redesignating paragraph (3) (as amended by section 102(b)(2)) and paragraph (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:*

*"(3) SECURITIES AFFILIATIONS OF INSURED NONMEMBER BANKS.—*

*"(A) IN GENERAL.—The provisions of section 20 of the Banking Act of 1933 (relating to affiliations between member banks and organizations engaged principally in certain securities activities), and the provisions of section 32 of the Banking Act of 1933 (relating to certain officer, director, or employee relationships involving a member bank and a person or organization primarily engaged in certain securities activities) shall apply to every insured nonmember bank in the same manner and to the same extent as if such insured nonmember bank were a member bank.*

*"(B) CONTINUATION OF CERTAIN AFFILIATIONS.—This paragraph shall not prohibit the continuation of such an affiliation or relationship which commenced before March 5, 1987, or the establishment of such an officer, director, or employee relationship in connection with any affiliation established before March 5, 1987.*

*"(C) 2-YEAR PERIOD.—An affiliation or officer, director, or employee relationship that becomes unlawful as a result of the enactment of this paragraph may continue for a period of 2 years after the date of enactment of this paragraph.*

*"(D) FOREIGN BANKS.—The provisions of this paragraph shall not apply to any foreign bank, as defined in section 1(b)(7) of the International Banking Act of 1978, solely because it has an insured branch in the United States, except that the provisions of section 32 of the Banking Act of 1933 shall apply to an insured branch as if it were an insured bank.*

*"(E) EXCEPTIONS.—The provisions of this paragraph shall not apply to any institution described in subparagraph (D), (F), or (I) of section 2(c)(2) of the Bank Holding Company Act of 1956.*

*"(F) APPLICABILITY.—This paragraph shall apply during the period beginning on March 6, 1987, and ending on March 1, 1988.".*

*(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 18(j)(4)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)) (as redesignated by subsection (a)) is amended by inserting "or any provision of section 20 of the Banking Act of 1933," after "or any lawful regulation issued pursuant thereto,".*

### *SEC. 104. AMENDMENTS TO SAVINGS AND LOAN HOLDING COMPANY PROVISIONS OF THE NATIONAL HOUSING ACT.*

*(a) DEFINITIONS.—Section 408(a)(1) of the National Housing Act (12 U.S.C. 1730a(a)(1)) is amended—*

*(1) by striking out "and" at the end of subparagraph (I);*

*(2) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof a semicolon; and*

*(3) by adding at the end thereof the following new subparagraphs:*

*"(K) the terms 'bank holding company' and 'bank' have the meanings given to such terms in subsections (a) and (c), respectively, of section 2 of the Bank Holding Company Act of 1956; and*

*"(L) the term 'acquire' has the meaning given to such term in section 13(f)(8)(E) of the Federal Deposit Insurance Act.".*

*(b) HOLDING COMPANY ACTIVITIES.—Section 408(c) of the National Housing Act (12 U.S.C. 1730a(c)) is amended to read as follows:*

*"(c) HOLDING COMPANY ACTIVITIES.—*

*"(1) PROHIBITED ACTIVITIES.—Except as otherwise provided in this subsection, no savings and loan holding company and no subsidiary (of such company) which is not an insured institution shall—*

*"(A) engage in any activity or render any service for or on behalf of an insured institution subsidiary for the purpose or with the effect of evading any law or regulation applicable to such insured institution;*

*"(B) commence any business activity, other than the activities described in paragraph (2), after the date of the enactment of the Competitive Equality Amendments of 1987; or*

*"(C) continue any business activity, other than the activities described in paragraph (2), after the later of—*

*"(i) the end of the 2-year period beginning on the date of the enactment of the Competitive Equality Amendments of 1987; or*

*"(ii) the date on which such company received approval under subsection (e) of this section to become a savings and loan holding company.*

*"(2) EXEMPT ACTIVITIES.—The prohibitions of subparagraphs (B) and (C) of paragraph (1) shall not apply to the following business activities of any savings and loan holding company or any subsidiary (of such company) which is not an insured institution:*

*"(A) Furnishing or performing management services for an insured institution subsidiary of such company.*

*"(B) Conducting an insurance agency or escrow business.*

*"(C) Holding, managing, or liquidating assets owned or acquired from an insured institution subsidiary of such company.*

*"(D) Holding or managing properties used or occupied by an insured institution subsidiary of such company.*

*"(E) Acting as trustee under deed of trust.*

*"(F) Any other activity—*

*"(i) which the Board of Governors of the Federal Reserve System, by regulation, has determined to be permissible for bank holding companies under section 4(c) of the Bank Holding Company Act of 1956, unless the Corporation, by regulation, prohibits or limits any such activity for savings and loan holding companies; or*

*"(ii) in which multiple savings and loan holding companies were authorized (by regulation) to directly engage on March 5, 1987.*

*"(3) CERTAIN LIMITATIONS ON ACTIVITIES NOT APPLICABLE TO CERTAIN HOLDING COMPANIES.—Notwithstanding paragraphs (4) and (6) of this subsection, the limitations contained in subparagraphs (B) and (C) of paragraph (1) shall not apply to any savings and loan holding company (or any subsidiary of such company) which controls—*

*"(A) only 1 insured institution, if the insured institution subsidiary of such company is a qualified thrift lender (as determined under subsection (o)); or*

*"(B) more than 1 insured institution, if—*

*"(i) all, or all but 1, of the insured institution subsidiaries of such company were acquired pursuant to an acquisition under subsection (m) of this section or section 406(f); and*

*"(ii) all of the insured institution subsidiaries of such company are qualified thrift lenders (as determined under subsection (o)).*

*"(4) PRIOR APPROVAL OF CERTAIN NEW ACTIVITIES REQUIRED.—*

*"(A) IN GENERAL.—No savings and loan holding company and no subsidiary (of such company) which is not an insured institution shall commence, either de novo or by an acquisition (in whole or in part) of a going concern, any activity described in paragraph (2)(F)(i) of this subsection without the prior approval of the Corporation.*

*"(B) FACTORS TO BE CONSIDERED BY CORPORATION.—In considering any application under subparagraph (A) by any savings and loan holding company or any subsidiary of any such company which is not an insured institution, the Corporation shall consider—*

*"(i) whether the performance of the activity described in such application by the company or the subsidiary can reasonably be expected to produce benefits to the public (such as greater convenience, increased competition, or gains in efficiency) that outweigh possible adverse effects of such activity (such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound financial practices);*

*"(ii) the managerial resources of the companies involved; and*

*"(iii) the adequacy of the financial resources, including capital, of the companies involved.*

*"(C) CORPORATION MAY DIFFERENTIATE BETWEEN NEW AND ONGOING ACTIVITIES.—In prescribing any regulation or considering any application under this paragraph, the Corporation may differentiate between activities commenced de novo and activities commenced by the acquisition, in whole or in part, of a going concern.*

*"(D) APPROVAL OR DISAPPROVAL BY ORDER.—The approval or disapproval of any application under this paragraph by the Corporation shall be made in an order issued by the Corporation containing the reasons for such approval or disapproval.*

*"(5) GRACE PERIOD TO ACHIEVE COMPLIANCE.—If any insured institution referred to in paragraph (3) fails to maintain the status of such institution as a qualified thrift lender, the Corporation may allow, for good cause shown, any company which controls such institution (or any subsidiary of such company which is not an insured institution) up to 3 years to comply with the limitations contained in paragraph (1)(C).*

*"(6) SPECIAL PROVISIONS RELATING TO CERTAIN COMPANIES AFFECTED BY 1987 AMENDMENTS.—*

*"(A) EXCEPTION TO 2-YEAR GRACE PERIOD FOR ACHIEVING COMPLIANCE.—Notwithstanding paragraph (1)(C)(i), any company which received approval under subsection (e) of this section to acquire control of an insured institution between March 5, 1987, and the date of the enactment of the Competitive Equality Amendments of 1987 shall not continue any business activity other than the activities described in paragraph (2) after such date of enactment.*

*"(B) EXEMPTION FOR ACTIVITIES LAWFULLY ENGAGED IN BEFORE MARCH 5, 1987.—Notwithstanding paragraph (1)(C) and subject to subparagraphs (C) and (D), any savings and loan holding company which received approval, before March 5, 1987, under subsection (e) of this section to acquire control of an insured institution may engage, directly or through any subsidiary (other than an insured institution subsidiary of such company), in any activity in which such company or such subsidiary was lawfully engaged on such date.*

*"(C) TERMINATION OF SUBPARAGRAPH (B) EXEMPTION.—The exemption provided under subparagraph (B) for activities engaged in by any savings and loan holding company or a subsidiary of such company (which is not an insured institution) which would otherwise be prohibited under paragraph (1)(C) shall terminate with respect to such activities of such company or subsidiary upon the occurrence (after the date of the enactment of the Competitive Equality Amendments of 1987) of any of the following:*

*"(i) The savings and loan holding company acquires control of a bank or an additional insured institution (other than an insured institution acquired pursuant to subsection (m) of this section or section 406(f)).*

*"(ii) Any insured institution subsidiary of the savings and loan holding company fails to qualify as a domestic building and loan association under section 7701(a)(19) of the Internal Revenue Code of 1986.*

*"(iii) The savings and loan holding company engages in any business activity—*

*"(I) which is not described in paragraph (2); and*

*"(II) in which it was not engaged on March 5, 1987.*

*"(iv) Any insured institution subsidiary of the savings and loan holding company increases the number of locations from which such insured institution conducts business after March 5, 1987 (other than an increase which occurs in connection with a transaction under subsection (m) of this section or section 406(f)).*

*"(v) Any insured institution subsidiary of the savings and loan holding company permits any overdraft (including an intraday overdraft), or incurs any such overdraft in its account at a Federal Reserve bank, on behalf of an affiliate, unless such overdraft is the result of an inadvertent computer or accounting error that is beyond the control of both the insured institution subsidiary and the affiliate.*

*"(D) ORDER BY CORPORATION TO TERMINATE SUBPARAGRAPH (B) ACTIVITY.—Any activity described in subparagraph (B) may also be terminated by the Corporation, after opportunity for hearing, if the Corporation determines, having due regard for the purposes of this title, that such action is necessary to prevent conflicts of interest or unsound practices or is in the public interest.*

*"(7) FOREIGN SAVINGS AND LOAN HOLDING COMPANY.—Notwithstanding any other provision of this section, any savings and loan holding company organized under the laws of a foreign country as of June 1, 1984 (including any subsidiary thereof which is not an insured institution), which controls a single insured institution on the date of enactment of the Competitive Equality Amendments of 1987 shall not be subject to this subsection with respect to any activities of such holding company which are conducted exclusively in a foreign country.".*

*(c) REQUIREMENTS FOR TREATMENT AS A QUALIFIED THRIFT LENDER.—*

*(1) IN GENERAL.—Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by adding at the end thereof the following new subsection:*

*"(o) QUALIFIED THRIFT LENDER REQUIREMENTS.—*

*"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), any insured institution shall have the status of a qualified thrift lender if—*

*"(A) the qualified thrift investments of such insured institution equal or exceed 60 percent of the total tangible assets of such institution; and*

*"(B) the qualified thrift investments of such insured institution continue to equal or exceed 60 percent of the total tangible assets of such institution on an average basis in 3 out of every 4 quarters and 2 out of every 3 years.*

*"(2) TRANSITION RULE FOR CERTAIN INSTITUTIONS.—*

*"(A) IN GENERAL.—If any insured institution—*

*"(i) which was chartered as a savings bank or a cooperative bank under State law before October 15, 1982; or*

*"(ii) the principal assets of which were acquired from an institution which was chartered as a savings bank or a cooperative bank under State law before October 15, 1982,*

*meets the requirements of subparagraph (B), such insured institution shall be treated as a qualified thrift lender during the 10-year period beginning on January 1, 1988.*

*"(B) SUBPARAGRAPH (B) REQUIREMENTS.—An insured institution meets the requirements of this subparagraph if, in the determination of the Corporation—*

*"(i) the actual thrift investment percentage of such institution does not, after the date of the enactment of the Competitive Equality Amendments of 1987, decrease below the actual thrift investment percentage of such institution on such date of enactment; and*

*"(ii) the amount by which—*

*"(I) the actual thrift investment percentage of such institution at the end of each period described in the following table, exceeds*

*"(II) the actual thrift investment percentage of such institution on such date of enactment,*

*is equal to or greater than the applicable percentage (as determined under the following table) of the amount by which 60 percent exceeds the actual thrift investment percentage of such institution on such date of enactment:*

| *"For the following period:* | *The applicable percentage is:* |
|---|---|
| *The 2½-year period beginning on such date of enactment* | *25 percent* |
| *The 5-year period beginning on such date of enactment* | *50 percent* |
| *The 7½-year period beginning on such date of enactment* | *75 percent* |

*"(3) EXCEPTIONS GRANTED BY CORPORATION.—Notwithstanding paragraph (1), the Corporation may grant such temporary and limited exceptions from the minimum actual thrift investment percentage requirement contained in such paragraph as the Corporation deems necessary if—*

*"(A) the Corporation determines that extraordinary circumstances exist, such as when the effects of high interest rates reduce mortgage demand to such a degree that an insufficient opportunity exists for an insured institution to meet such investment requirements; or*

*"(B) the Corporation determines that—*

*"(i) the grant of any such exception will facilitate an acquisition under section 406(f) or 408(m); and*

*"(ii) the acquired institution will comply with the transition requirements of paragraph (2)(B).*

*"(4) FAILURE TO MAINTAIN QTL STATUS.—Any insured institution which fails to maintain its status as a qualified thrift lender, as determined by the Corporation, may not thereafter be a qualified thrift lender for a period of 5 years.*

*"(5) DEFINITIONS.—For purposes of this subsection—*

*"(A) ACTUAL THRIFT INVESTMENT PERCENTAGE.—The term 'actual thrift investment percentage' means the percentage determined by dividing—*

*"(i) the amount of the qualified thrift investments of an insured institution, by*

*"(ii) the total amount of tangible assets of such insured institution.*

*"(B) QUALIFIED THRIFT INVESTMENTS.—The term 'qualified thrift investments' means, with respect to any insured institution, the sum of—*

*"(i) the aggregate amount of loans, equity positions, or securities held by the insured institution (or any subsidiary of such institution) which are related to domestic residential real estate or manufactured housing;*

*"(ii) the value of property used by such institution or subsidiary in the conduct of the business of such institution or subsidiary;*

*"(iii) subject to paragraph (6), the liquid assets of the type required to be maintained under section 5A of the Federal Home Loan Bank Act; and*

*"(iv) subject to paragraph (6), 50 percent of the dollar amount of the residential mortgage loans originated by such insured institution or subsidiary and sold within 90 days of origination.*

*"(6) LIMITATION ON TREATMENT OF CERTAIN ASSETS AS THRIFT INVESTMENTS.—The aggregate amount of the assets described in clauses (iii) and (iv) of paragraph (5)(B) which may be taken into account in determining the amount of the qualified thrift investments of any insured institution shall not exceed the amount which is equal to 10 percent of the tangible assets of such institution.*

*"(7) ADDITIONAL TRANSITION RULE.—The insured institution described in subsection (r)(2)(C) shall be treated as a qualified thrift lender during the 10-year period beginning on January 1, 1988, if the requirements of paragraph (2)(B) are met by such institution.".*

*(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on January 1, 1988.*

*(3) REGULATIONS.—The Federal Savings and Loan Insurance Corporation shall prescribe, under the authority of section 408(h)(1) of the National Housing Act, regulations to carry out the provisions of the amendment made by paragraph (1) before January 1, 1988.*

*(d) TRANSACTIONS BETWEEN INSURED INSTITUTION SUBSIDIARIES AND CERTAIN AFFILIATES.—*

*(1) IN GENERAL.—Section 408 of the National Housing Act (12 U.S.C. 1730a(d)) is amended by adding after subsection (o) (as added by subsection (c) of this section) the following new subsection:*

*"(p) RESTRICTIONS ON ACTIVITIES OF CERTAIN INSURED INSTITUTION SUBSIDIARIES.—*

*"(1) TRANSACTIONS WITH CERTAIN AFFILIATES.—*

*"(A) IN GENERAL.—Transactions between any insured institution subsidiary of a savings and loan holding company and any affiliate (of such insured institution subsidiary) which is engaged only in business activities described in subsection (c)(2)(F)(i)—*

"(i) shall not be subject to subsection (d); and

"(ii) shall be subject to the limitations and prohibitions specified in sections 23A and 23B of the Federal Reserve Act in the same manner and to the same extent as if such insured institution were a member bank.

"(B) Regulations.—The Corporation may prescribe regulations for the purpose of defining and clarifying the applicability of the limitations and prohibitions described in subparagraph (A).

"(2) Cross-marketing practices.—

"(A) In general.—Notwithstanding any other provision of this section, an insured institution subsidiary of a diversified savings and loan holding company may not offer or market products or services of an affiliate that are not permissible for bank holding companies to provide under section 4(c)(8) of the Bank Holding Company Act of 1956 or permit its products or services to be offered or marketed by or through an affiliate (other than an affiliate that engages only in activities permissible for bank holding companies under section 4(c) of that Act), unless such products or services were being so offered or marketed as of March 5, 1987, and then only in the same manner in which they were being offered or marketed as of that date.

"(B) Exception.—This paragraph shall not apply so as to prohibit an insured institution subsidiary of a diversified savings and loan holding company from offering or marketing the products or services of an affiliate or from permitting its products or services to be offered or marketed by or through an affiliate if—

"(i) the savings and loan holding company is a reciprocal interinsurance exchange that acquired control of the insured institution before January 1, 1984; and

"(ii) at least 90 percent of the customers of the savings and loan holding company and its subsidiaries and affiliates are active or former officers in the United States military services or the widows, widowers, divorced spouses, or current or former dependents of such officers.".

(2) Technical amendment.—Section 408(d) of the National Housing Act (12 U.S.C. 1730a(d)) is amended by striking out "No savings and loan" and inserting in lieu thereof "Except as provided in subsection (p), no savings and loan".

(e) Tying Restrictions.—Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by inserting after subsection (p) (as added by subsection (d) of this section) the following new subsection:

"(q) Tying Restrictions.—

"(1) State chartered insured institution subsidiaries.—A State chartered insured institution subsidiary of a savings and loan holding company shall be subject to section 5(q) of the Home Owners' Loan Act of 1933, and regulations prescribed under such subsection, in the same manner and to the same extent as an association (as defined in section 2(d) of such Act).

"(2) Holding companies and certain affiliates.—A savings and loan holding company and any of its affiliates (other than an insured institution) shall be subject to section 5(q) of the Home Owners' Loan Act of 1933, and regulations prescribed under such subsection, in connection with transactions involving the products or services of such company or affiliate and those of an affiliated insured institution as if such company or affiliate were an association (as defined in section 2(d) of such Act).".

(f) Savings Bank as Insured Institution.—

(1) In general.—Section 408(n) of the National Housing Act (12 U.S.C. 1730a) is amended to read as follows:

"(n) Treatment of FDIC Insured State Savings Banks and Cooperative Banks as Insured Institutions.—

"(1) In general.—Notwithstanding any other provision of law, a savings bank (as defined in section 3(g) of the Federal Deposit Insurance Act) and a cooperative bank that is an insured bank (as defined in section 3(h) of the Federal Deposit Insurance Act) upon application shall be deemed to be an insured institution for the purpose of this section, if the Corporation determines that such bank is a qualified thrift lender (as determined under subsection (o)).

"(2) Failure to maintain QTL status.—If any savings bank which is deemed to be an insured institution under paragraph (1) subsequently fails to maintain its status as a qualified thrift lender, as determined by the Corporation, such bank may not thereafter be a qualified thrift lender for a period of 5 years.".

(2) Technical and conforming amendment.—Section 408(a)(1)(A) of the National Housing Act (12 U.S.C. 1730a(a)(1)(A)) is amended by adding before the semicolon at the end thereof the following: "and a savings bank which is deemed by the Corporation to be an insured institution under subsection (n)".

(g) Thrift Acquisitions.—Section 408(e)(3) of the National Housing Act (12 U.S.C. 1730(e)) is amended to read as follows:

"(3) Interstate Acquisitions.—No acquisition shall be approved by the Corporation under this subsection which will result in the formation by any company, through one or more subsidiaries or through one or more transactions, of a multiple savings and loan holding company controlling insured institutions in more than one State, unless—

"(A) such company, or an insured institution subsidiary of such company, is authorized to acquire control of an insured institution subsidiary, or to operate a home or branch office, in the additional State or States pursuant to subsection (m);

"(B) such company controls an insured institution subsidiary which operated a home or branch office in the additional State or States as of March 5, 1987; or

"(C) the statute laws of the State in which the insured institution, control of which is to be acquired, is located are such that an insured institution chartered by such State could be acquired by an insured institution chartered by the State where the acquiring insured institution or savings and loan holding company is located (or by a holding company that controls such a State-chartered insured institution), and such statute laws specifically authorize such an acquisition by language to that effect and not merely by implication.".

(h) Emergency Acquisitions.—Section 408(m)(1)(A)(i) of the National Housing Act (12 U.S.C. 1730a(m)(1)(A)(i)) is amended by inserting "(c)," before "(e)(2)".

### SEC. 105. AMENDMENT TO THE FEDERAL HOME LOAN BANK ACT.

Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended by adding at the end thereof the following:

"(e) Reduced Eligibility for Advances for Certain Members Which Are Not Qualified Thrift Lenders.—

"(1) In general.—Except as the Board may prescribe, a member that is not a qualified thrift lender may not receive advances in excess of the amount determined by multiplying—

"(A) the total amount of advances that such member would be eligible to receive in the absence of this subsection; by

"(B) such member's actual thrift investment percentage.

"(2) Exceptions.—Paragraph (1) does not apply to—

"(A) a savings bank as defined in section 3(g) of the Federal Deposit Insurance Act;

"(B) an insured institution which was chartered prior to October 15, 1982, as a savings bank under State law; or

"(C) an insured institution which acquired its principal assets from an institution which was chartered prior to October 15, 1982, as a savings bank under State law.

"(3) Definitions.—As used in this subsection—

"(A) Insured institution.—The term 'insured institution' has the same meaning as in section 408(a)(1)(A) of the National Housing Act.

"(B) Qualified thrift lender.—The term 'qualified thrift lender' has the same meaning as in section 408(o) of the National Housing Act.

"(C) Actual thrift investment percentage.—The term 'actual thrift investment percentage' has the same meaning as in section 408(o)(5)(A) of the National Housing Act.".

### SEC. 106. SECURITIES AFFILIATIONS OF FSLIC INSURED INSTITUTIONS.

(a) In General.—Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by inserting after subsection (q) (as added by section 104(e) of this title) the following new subsection:

"(r) Securities Affiliations.—

"(1) In general.—The provisions of section 20 of the Banking Act of 1933 (relating to affiliations between member banks and organizations engaged principally in certain securities activities) and the provisions of section 32 of the Banking Act of 1933 (relating to certain officer, director, or employee relationships involving a member bank and a person or organization primarily engaged in certain securities activities) shall be applicable to every insured institution in the same manner and to the same extent as if such insured institution were a member bank.

"(2) Exceptions.—This subsection does not prohibit—

"(A) the continuation of such an affiliation or relationship which commenced prior to March 5, 1987, or the establishment of such an officer, director, or employee relationship in connection with any affiliation established before such date;

"(B) the Washington Mutual Savings Bank, located in the State of Washington, from acquiring control of one or more insured institutions or establishing an officer, director, or employee relationship between such an insured institution and any affiliate of the savings bank referred to in section 18(j)(3)(B) of the Federal Deposit Insurance Act;

"(C) the acquisition of Peoples Savings and Loan Association of Owatonna, Minnesota, by Miller and Schroeder Holdings, Inc. (or any affiliate of such company), or the establishment of any officer, director, or employee relationship between such association and such company or any affiliate of such company, including Miller and Schroeder Financial, Inc.; or

"(D) such an affiliation or officer, director, or employee relationship which results from the acquisition by an organization described in paragraph (1) of an insured institution under subsection (m) of this section, if such institution has total assets of $500,000,000 or more at the time of such acquisition.

"(3) Two-year period.—An affiliation or an officer, director, or employee relationship that becomes unlawful as a result of the enactment of this subsection may continue for a period of 2 years after the date of the enactment of this subsection.

"(4) Exempt activities of certain institutions.—Nothing in this subsection or section 18(j)(3) of the Federal Deposit Insurance Act prohibits an affiliation or an officer, director, or employee relationship between an insured institution or an institution which is eligible to become a member of a Federal Home Loan Bank, and an organization engaged principally in the issuance, sale, underwriting, or distribution, at wholesale or retail, or through syndicate participation, of—

"(A) securities representing or secured by interests in real estate or real estate loans or pools of real estate loans;

"(B) interests in partnerships formed primarily to own, operate, manage, or invest in real estate;

"(C) insurance products deemed to be securities, including without limitation variable annuities and variable life insurance;

"(D) securities of an investment company, as such term is defined in the Investment Company Act of 1940; and

"(E) any securities to the extent such issuance, sale, underwriting, or distribution is permitted for national banks.

"(5) Regulations.—

"(A) In general.—The Corporation is authorized to issue rules and regulations and to publish interpretations governing the implementation of this subsection, and shall enforce the provisions of this subsection.

"(B) Federal Deposit Insurance Corporation authority.—For the purpose of paragraph (4), the Federal Deposit Insurance Corporation is authorized to issue rules and regulations and publish interpretations with respect to savings banks and other institutions subject to section 18(j)(3) of the Federal Deposit Insurance Act.".

(b) Expiration Date.—The amendment made by subsection (a) shall cease to be effective on March 1, 1988.

### SEC. 107. MUTUAL HOLDING COMPANY AMENDMENTS.

(a) In General.—Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by inserting after subsection (r) (as added by section 106(a) of this title) the following new subsection:

"(s) Mutual Holding Companies.—

"(1) In general.—Notwithstanding any provision of Federal law other than this title, an insured institution operating in mutual form may reorganize so as to become a holding company by—

"(A) chartering an interim savings institution, the stock of which is to be wholly owned by the mutual institution; and

"(B) transferring the substantial part of its assets and liabilities, including all of its insured liabilities, to the interim savings institution.

"(2) Directors and certain account holders' approval of plan required.—A reorganization is not authorized under this subsection unless—

"(A) a plan providing for such reorganization has been approved by a majority of the board of directors of the mutual savings institution; and

"(B) in the case of an institution in which holders of accounts and obligors exercise voting rights, such plan has been submitted to and approved by a majority of such individuals at a meeting held at the call of the directors in accordance with the procedures prescribed by the institution's charter and bylaws.

"(3) Notice to the corporation; disapproval period.—

"(A) Notice required.—At least 60 days prior to taking any action described in paragraph (1), an insured institution seeking to establish a mutual holding company shall provide written notice to the Corporation. The notice shall contain such relevant information as the Corporation shall require by regulation or by specific request in connection with any particular notice.

"(B) Transaction allowed if not disapproved.—Unless the Corporation within such 60-day notice period disapproves the proposed holding company formation, or extends for another 30 days the period during which such disapproval may be issued, the insured institution providing such notice may proceed with the transaction, if the requirements of paragraph (2) have been met.

"(C) Grounds for disapproval.—The Corporation may disapprove any proposed holding company formation only if—

"(i) such disapproval is necessary to prevent unsafe or unsound practices;

"(ii) the financial or management resources of the insured institution involved warrant disapproval;

"(iii) the insured institution fails to furnish the information required under subparagraph (A); or

"(iv) the insured institution fails to comply with the requirement of paragraph (2).

"(D) Retention of capital assets.—In connection with the transaction described in paragraph (1), an insured institution may, subject to the approval of the Corporation, retain capital assets at the holding company level to the extent that such capital exceeds adequate reserves as prescribed pursuant to section 403(b) or the comparable provisions of State or Federal law.

"(4) Ownership.—Persons having ownership rights in the mutual institution pursuant to section 5(b)(1)(B) of the Home Owners' Loan Act of 1933 or State law shall have the same ownership rights with respect to the mutual holding company.

"(5) Permitted activities.—A mutual holding company may engage only in the following activities:

"(A) Investing in the stock of an insured institution.

"(B) Acquiring a mutual institution through the merger of such institution into an insured institution subsidiary of such holding company or an interim savings institution subsidiary of such holding company.

"(C) Subject to paragraph (6), merging with or acquiring another holding company, one of whose subsidiaries is an insured institution.

"(D) Investing in a corporation the capital stock of which is available for purchase by an insured institution under Federal law or under the law of any State where the subsidiary insured institution or institutions have their home offices.

"(E) Engaging in the activities described in subsection (c)(2), except subparagraph (B).

"(6) Limitations on certain activities of acquired holding companies.—

"(A) New activities.—If a mutual holding company acquires or merges with another holding company under paragraph (5)(C), the holding company acquired or the holding company resulting from such merger or acquisition may only invest in assets and engage in activities which are authorized under paragraph (5).

"(B) Grace period for divesting prohibited assets or discontinuing prohibited activities.—Not later than 2 years following a merger or acquisition described in paragraph (5)(C), the acquired holding company or the holding company resulting from such merger or acquisition shall—

"(i) dispose of any asset which is an asset in which a mutual holding company may not invest under paragraph (5); and

"(ii) cease any activity which is an activity in which a mutual holding company may not engage under paragraph (5).

"(7) Regulation.—Unless the context otherwise requires, a mutual holding company shall be subject to the other requirements of this section regarding regulation of holding companies.

"(8) Definitions.—For purposes of this subsection—

"(A) Mutual holding company.—The term 'mutual holding company' means a corporation organized as a holding company under this subsection.

"(B) Mutual institution.—The term 'mutual institution' means—

"(i) an insured institution; or

"(ii) a savings bank (as defined in section 3(g) of the Federal Deposit Insurance Act), which is operating in mutual form.

(b) Amendment to the Bank Holding Company Act.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended by adding at the end thereof the following:

"(g) Mutual Bank Holding Company.—

"(1) Establishment.—Notwithstanding any provision of Federal law other than this Act, a savings bank or cooperative bank operating in mutual form may reorganize so as to form a holding company.

"(2) Regulation.—A corporation organized as a holding company under this subsection shall be regulated on the same terms and be subject to the same limitations as any other holding company which controls a savings bank.".

### SEC. 108. LEASING AUTHORITY OF NATIONAL BANKS.

Section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end thereof the following:

"Tenth. To invest in tangible personal property, including, without limitation, vehicles, manufactured homes, machinery, equipment, or furniture, for lease financing transactions on a net lease basis, but such investment may not exceed 10 percent of the assets of the association.".

### SEC. 109. NOW ACCOUNTS.

Section 2(a)(2) of Public Law 93-100 (12 U.S.C. 1832(a)(2)) is amended by inserting the term "political," immediately after "educational,".

### SEC. 110. EXEMPTION FROM AFFILIATE TRANSACTION RESTRICTIONS.

Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by inserting after subsection (s) (as added by section 107(a) of this title) the following new subsection:

"(t) Exemption.—

"(1) In general.—Subject to paragraph (2), but notwithstanding any other provision of law, an insured institution that is a subsidiary of an insured institution or insured institutions the voting stock of which is 80 percent owned by the same company shall not be subject—

"(A) to the provisions of subsection (d) of this section as to transactions with such *parent insured institution or affiliate insured institutions (and their subsidiaries), or*

*"(B) to the provisions of subsections (f) and (g).*

*"(2) Low quality assets.—An insured institution (or its subsidiary) may not purchase a low quality asset, as such term is defined in section 23A of the Federal Reserve Act, from another insured institution (or its subsidiary) in a transaction exempted by this subsection and any transaction with another insured institution (or its subsidiary) under this subsection shall be on terms and conditions that are consistent with safe and sound financial practices.*

*"(3) Definition.—For purposes of this subsection, an 'insured institution' includes an institution that was chartered prior to October 15, 1982, as a savings bank or cooperative bank under State law and that is or becomes a savings and loan holding company or is or becomes a subsidiary of a savings and loan holding company.".*

### SEC. 111. CONSIDERATION OF CERTAIN ACQUISITIONS.

*(a) Amendment to Section 408.—Section 408(e) of the National Housing Act (12 U.S.C. 1730a(e)) is amended—*

*(1) by redesignating paragraph (4) as paragraph (5);*

*(2) by inserting a new paragraph (4) to read as follows:*

*"(4) Consideration of loss of certain tax benefits.—*

*"(A) In general.—In each case in which a filing of any type is required by this section, or regulations prescribed under this section, before the acquisition of stock of an insured institution, the Corporation, in evaluating such filing, may consider the likelihood that the proposed acquisition will result in the loss or reduction of the tax benefits of the insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986.*

*"(B) Required consideration in certain cases.—The Corporation shall, with respect to any acquisition, give consideration to the likelihood of future loss or reduction of the tax benefits of an insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986 if such net operating loss carryforwards result from the insured institution's acquisition of one or more insured institutions under subsection (m) of this section or section 406(f) or pursuant to acquisitions that are otherwise deemed to be supervisory cases by the Corporation.*

*"(C) Permitted transactions.—Notwithstanding subparagraph (A) or (B), the Corporation may permit—*

*"(i) acquisitions in which the proposed acquirer commits itself in writing to maintain the ratio of tangible equity capital to liabilities of the insured institution to be acquired, as determined in accordance with generally accepted accounting principles, in an amount equal to the ratio in existence at the time of filing with the Corporation,*

*"(ii) acquisitions which are approved by the holders of a majority of the voting stock of the institution to be acquired, or*

*"(iii) acquisitions pursuant to subsection (m) of this section or section 406(f) or pursuant to acquisitions that are otherwise deemed to be supervisory cases by the Corporation.".*

*(b) Amendment to Section 407.—Section 407(q) of the National Housing Act (12 U.S.C. 1730(q)) is amended—*

*(1) by redesignating paragraphs (8) through (18) as paragraphs (9) through (19), respectively;*

*(2) by inserting a new paragraph (8) to read as follows:*

*"(8) Consideration of loss of certain tax benefits.—*

*"(A) In general.—In each case in which a filing of any type is made under this subsection, or regulations prescribed under this section, before the acquisition of stock of an insured institution, the Corporation, in evaluating such filing, may consider the likelihood that the proposed acquisition will result in the loss or reduction of the tax benefits of an insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986.*

*"(B) Required consideration in certain cases.—The Corporation shall, with respect to any acquisition, give consideration to the likelihood of future loss or reduction of the tax benefits of an insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986 if such net operating loss carry forwards result from the insured institution's acquisition of one or more insured institutions under section 406(f) or 408(m) or pursuant to acquisitions that are otherwise deemed to be supervisory cases by the Corporation.*

*"(C) Permitted transactions.—Notwithstanding subparagraph (A) or (B), the Corporation may permit—*

*"(i) acquisitions in which the proposed acquirer commits itself in writing to maintain the ratio of tangible equity capital to liabilities of the insured institutions to be acquired, as determined in accordance with generally accepted accounting principles, in an amount equal to the ratio in existence at the time of filing with the Corporation,*

*"(ii) acquisitions which are approved by the holders of a majority of the voting stock of the institution to be acquired, or*

*"(iii) acquisitions under section 406(f) or 408(m), or are acquisitions that are otherwise deemed to be supervisory cases by the Corporation.".*

## TITLE II—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

### SEC. 201. MORATORIUM ON CERTAIN NONBANKING ACTIVITIES.

*(a) Applicability.—The provisions of this section shall apply during the period beginning on March 6, 1987, and ending on March 1, 1988.*

*(b) Moratorium.—*

*(1) A foreign bank or other company covered by subsection (c) of section 8 of the International Banking Act of 1978 (12 U.S.C. 3106(c)) shall not, under any provision of law which is not applicable to domestic bank holding companies, expand any activity in which it is engaged pursuant to that subsection by acquiring an interest in, or the assets of, a going concern. This paragraph shall not apply to any "domestically-controlled affiliate covered in 1978" as defined in that subsection.*

*(2) A Federal banking agency may not authorize or allow by action, inaction, or otherwise any bank holding company or subsidiary or affiliate thereof, any foreign bank or other company subject to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) under section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3106(a)), or any insured bank or subsidiary or affiliate thereof to engage in the United States to any extent whatever—*

*(A) in the flotation, underwriting, public sale, dealing in, or distribution of securities if that approval would require the agency to determine that the entity which would conduct such activities would not be engaged principally in such activities,*

*(B) in any securities activity not legally authorized in writing prior to March 5, 1987, or*

*(C) in the operation of a nondealer marketplace in options.*

*Subparagraph (B) shall not affect (i) activities in which any bank holding company or subsidiary or affiliate thereof, any foreign bank or other company subject to the Bank Holding Company Act of 1956 under section 8(a) of the International Banking Act of 1978, or any insured bank or subsidiary or affiliate thereof acts only as an agent; (ii) activities which had been lawfully engaged in prior to March 5, 1987; or (iii) sales or transactions closed on or before June 30, 1987.*

*(3) A Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing the insurance powers of banks, bank holding companies, foreign banks or other companies subject to the Bank Holding Company Act of 1956 under section 8(a) of the International Banking Act of 1978, or banking or nonbanking subsidiaries thereof with respect to any activities in the United States, either with respect to specific banks or bank holding companies or subsidiaries thereof or generally beyond those expressly authorized for bank holding companies under subparagraphs (A) through (G) of section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)(A) through (G)).*

*(4) Except as provided in section 3(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(f)), as added by section 101(d) of this Act, the Board of Governors of the Federal Reserve System may not approve the acquisition by a bank holding company or by a foreign bank or other company subject to the Bank Holding Company Act of 1956 under section 8(a) of the International Banking Act of 1978, of any company, including a State-chartered bank, unless the bank holding company, foreign bank, or other company has agreed to limit the insurance activities in the United States of the company to be acquired to those permissible under section 4(c)(8) of the Bank Holding Company Act of 1956. This paragraph shall not apply to the acquisition of a State-chartered bank that upon acquisition would be subject to the Bank Holding Company Act of 1956, pursuant to a reorganization plan under which the stockholders of the bank exchange their shares for shares in a newly created bank holding company which is not a subsidiary of any other company or to the acquisition of a State-chartered bank by a bank holding company that on March 6, 1987, controlled one or more State-chartered banks that have engaged in insurance activities identical to those of the newly acquired institution so long as the bank holding company agrees that it will—*

*(A) within 2 years of the consummation of its acquisition of the State-chartered bank, divest or terminate that bank's impermissible insurance activities, and*

*(B) limit the bank's insurance activities during that 2-year period to the renewal of existing policies.*

*(5) A national bank or a Federal branch or agency of a foreign bank may not expand its insurance agency activities pursuant to the Act of September 7, 1916 (12 U.S.C. 92), into places where it was not conducting such activities as of March 5, 1987.*

*(6) A Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing real estate powers in the United States of banks,*

*bank holding companies, foreign banks or other companies subject to the Bank Holding Company Act of 1956 under section 8(a) of the International Banking Act of 1978, or of any banking or nonbanking subsidiaries of any such banks or companies.*

*(c) Definitions.—As used in this section and section 202—*

*(1) the term "affiliate" has the same meaning as in section 2(j)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)(2)), as added by section 101(a) of this Act;*

*(2) the term "bank holding company" has the same meaning as in section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a));*

*(3) the term "Federal banking agency" has the same meaning as the term "appropriate Federal banking agency" has in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)); and*

*(4) the term "insured bank" has the same meaning as in section 3(h) of the Federal Deposit Insurance Act (12 U.S.C. 1813(h)).*

*(d) Insurance Authority of Banking Organizations.—Nothing in this section may be construed to increase or reduce the insurance authority of bank holding companies or banking or nonbanking subsidiaries thereof or of national banks under current law.*

*(e) Insurance Authority of Certain State-Chartered Banks.—*

*(1) Freestanding state-chartered banks.—Nothing in this section shall be construed to deny any State the authority to permit its State-chartered banks that are not controlled by bank holding companies from engaging in any insurance activity.*

*(2) State-chartered subsidiaries of bank holding companies.—In addition, neither the existence of the moratorium nor its expiration shall be construed to increase, decrease, or affect in any way the authority of State-chartered bank subsidiaries of bank holding companies with respect to insurance activities.*

### SEC. 202. AUTHORITY OF FEDERAL BANKING AGENCIES.

*Nothing in section 201 may be construed to prevent a Federal banking agency from issuing any rule, regulation, or order pursuant to its legal authority in existence on the day preceding the date of enactment of this Act to expand the securities, insurance, or real estate powers of banks or bank holding companies that are subject to the moratorium established under section 201 if the effective date of such rule, regulation, or order is delayed until the expiration of such moratorium.*

### SEC. 203. INTENT OF CONGRESS.

*(a) Comprehensive Congressional Review of Banking and Financial Laws.—It is the intent of the Congress, through the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, to conduct a comprehensive review of our banking and financial laws and to make decisions on the need for financial restructuring legislation in the light of today's changing financial environment both domestic and international before the expiration of such moratorium.*

*(b) Congressional Intent Not to Renew or Extend Moratorium.—It is the intent of the Congress not to renew or extend the moratorium established under section 201 whether or not subsequent banking legislation is passed by the Congress.*

### SEC. 204. AMENDMENTS TO THE INTERNATIONAL BANKING ACT OF 1978.

*(a) Termination of Certain Nonbanking Activities.—Section 8(c) of the International Banking Act of 1978 (12 U.S.C. 3106(c)) is amended by adding at the end thereof the following new paragraph:*

*"(2) The authority conferred by this subsection on a foreign bank or other company shall terminate 2 years after the date on which such foreign bank or other company becomes a 'bank holding company' as defined in section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)); except that the Board may, upon application of such foreign bank or other company, extend the 2-year period for not more than one year at a time, if, in its judgment, such an extension would not be detrimental to the public interest, but no such extensions shall exceed 3 years in the aggregate.".*

*(b) Clerical Amendment.—Section 8 of the International Banking Act of 1978 is amended by striking out "(c) After" and inserting in lieu thereof "(c)(1) After".*

### SEC. 205. AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956.

*(a) Exception to Nonbanking Prohibitions.—Section 2(h) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(h)) is amended by striking out paragraph (2) and by adding after paragraph (1) the following new paragraphs:*

*"(2) Except as provided in paragraph (3), the prohibitions of section 4 of this Act shall not apply to shares of any company organized under the laws of a foreign country (or to shares held by such company in any company engaged in the same general line of business as the investor company or in a business related to the business of the investor company) that is principally engaged in business outside the United States if such shares are held or acquired by a bank holding company organized under the laws of a foreign country that is principally engaged in the banking business outside the United States. For the purpose of this subsection, the term 'section 2(h)(2) company' means any company whose shares are held pursuant to this paragraph.*

*"(3) Nothing in paragraph (2) authorizes a section 2(h)(2) company to engage in (or acquire or hold more than 5 percent of the outstanding shares of any class of voting securities of a company engaged in) any banking, securities, insurance, or other financial activities, as defined by the Board, in the United States. This paragraph does not prohibit a section 2(h)(2) company from holding shares that were lawfully acquired before the date of enactment of the Competitive Equality Banking Act of 1987.*

*"(4) No domestic office or subsidiary of a bank holding company or subsidiary thereof holding shares of a section 2(h)(2) company may extend credit to a domestic office or subsidiary of such section 2(h)(2) company on terms more favorable than those afforded similar borrowers in the United States.*

*"(5) No domestic banking office or bank subsidiary of a bank holding company that controls a section 2(h)(2) company may offer or market products or services of such section 2(h)(2) company, or permit its products or services to be offered or marketed by or through such section 2(h)(2) company, unless such products or services were being so offered or marketed as of March 5, 1987, and then only in the same manner in which they were being offered or marketed as of that date.".*

## TITLE III—FSLIC RECAPITALIZATION

### SEC. 301. SHORT TITLE.

*This title may be cited as the "Federal Savings and Loan Insurance Corporation Recapitalization Act of 1987".*

### SEC. 302. FINANCING CORPORATION ESTABLISHED.

*The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by inserting after section 20 the following new section:*

### "SEC. 21. FINANCING CORPORATION.

*"(a) Establishment.—Notwithstanding any other provision of law, the Board shall charter a corporation to be known as the Financing Corporation.*

*"(b) Management of Financing Corporation.—*

*"(1) Directorate.—The Financing Corporation shall be under the management of a directorate composed of 3 members as follows:*

*"(A) The Director of the Office of Finance of the Federal Home Loan Banks (or the head of any successor to such office).*

*"(B) 2 members selected by the Federal Home Loan Bank Board from among the presidents of the Federal Home Loan Banks.*

*"(2) Terms.—Each member appointed under paragraph (1)(B) shall be appointed for a term of 1 year.*

*"(3) Vacancy.—If any member leaves the office in which such member was serving when appointed to the Directorate—*

*"(A) such member's service on the Directorate shall terminate on the date such member leaves such office; and*

*"(B) the successor to the office of such member shall serve the remainder of such member's term.*

*"(4) Equal representation of banks.—No president of a Federal Home Loan Bank may be appointed to serve an additional term on the Directorate until such time as the presidents of each of the other Federal Home Loan Banks have served as many terms on the Directorate as the president of such bank (before the appointment of such president to such additional term).*

*"(5) Chairperson.—The Chairman of the Federal Home Loan Bank Board shall select the chairperson of the Directorate from among the 3 members of the Directorate.*

*"(6) Staff.—*

*"(A) No paid employees.—The Financing Corporation shall have no paid employees.*

*"(B) Powers.—The Directorate may, with the approval of the Board, authorize the officers, employees, or agents of the Federal Home Loan Banks to act for and on behalf of the Financing Corporation in such manner as may be necessary to carry out the functions of the Financing Corporation.*

*"(7) Administrative expenses.—*

*"(A) In general.—All administrative expenses of the Financing Corporation shall be paid by the Federal Home Loan Banks.*

*"(B) Pro rata distribution.—The amount each Federal Home Loan Bank shall pay shall be determined by the Board by multiplying the total administrative expenses for any period by the percentage arrived at by dividing—*

*"(i) the aggregate amount the Board required such bank to invest in the Financing Corporation (as of the time of such determination) under paragraphs (4) and (5) of subsection (d) (as computed without regard to paragraph (3) or (6) of such subsection); by*

*"(ii) the aggregate amount the Board required all Federal Home Loan Banks to invest (as of the time of such determination) under such paragraphs.*

*"(C) Administrative expenses defined.—For purposes of this paragraph, the term 'administrative expenses' does not include—*

*"(i) issuance costs (as such term is defined in subsection (g)(5)(A));*

"(ii) any interest on (and any redemption premium with respect to) any obligation of the Financing Corporation; or

"(iii) custodian fees (as such term is defined in subsection (g)(5)(B)).

"(8) Regulation by board.—The Directorate shall be subject to such regulations, orders, and directions as the Board may prescribe.

"(9) No compensation from financing corporation.—Members of the Directorate shall receive no pay, allowances, or benefits from the Financing Corporation by reason of their service on the Directorate.

"(c) Powers of Financing Corporation.—The Financing Corporation shall have only the following powers, subject to the other provisions of this section and such regulations, orders, and directions as the Board may prescribe:

"(1) To issue nonvoting capital stock to the Federal Home Loan Banks.

"(2) To invest in any security issued by the Federal Savings and Loan Insurance Corporation under section 402(b) of the National Housing Act.

"(3) To issue debentures, bonds, or other obligations and to borrow, to give security for any amount borrowed, and to pay interest on (and any redemption premium with respect to) any such obligation or amount.

"(4) To impose assessments in accordance with subsection (f).

"(5) To adopt, alter, and use a corporate seal.

"(6) To have succession until dissolved.

"(7) To enter into contracts.

"(8) To sue and be sued in its corporate capacity, and to complain and defend in any action brought by or against the Financing Corporation in any State or Federal court of competent jurisdiction.

"(9) To exercise such incidental powers not inconsistent with the provisions of this section or section 402(b) of the National Housing Act as are necessary or appropriate to carry out the provisions of this section.

"(d) Capitalization of Financing Corporation.—

"(1) Purchase of capital stock by federal home loan banks.—

"(A) In general.—Each Federal Home Loan Bank shall invest in nonvoting capital stock of the Financing Corporation at such times and in such amounts as the Board may prescribe under this subsection.

"(B) Par value; transferability.—Each share of stock issued by the Financing Corporation to a Federal Home Loan Bank shall have par value in an amount determined by the Board and shall be transferable only among the Federal Home Loan Banks in the manner and to the extent prescribed by the Board at not less than par value.

"(2) Aggregate dollar amount limitation on all investments.—The aggregate amount of funds invested by all Federal Home Loan Banks in nonvoting capital stock of the Financing Corporation shall not exceed $3,000,000,000.

"(3) Maximum investment amount limitation for each federal home loan bank.—The cumulative amount of funds invested in nonvoting capital stock of the Financing Corporation by each Federal Home Loan Bank shall not exceed the aggregate amount of—

"(A) the sum of—

"(i) the reserves maintained by such bank on December 31, 1985, pursuant to the requirement contained in the first 2 sentences of section 16; and

"(ii) the undivided profits (as defined in paragraph (7)) of such bank on such date; and

"(B) the sum of—

"(i) the amounts added to reserves after December 31, 1985, pursuant to the requirement contained in the first 2 sentences of section 16; and

"(ii) the undivided profits of such bank accruing after such date.

"(4) Pro rata distribution of 1st $1,000,000,000 invested in financing corporation by home loan banks.—With respect to the first $1,000,000,000 which the Board may require the Federal Home Loan Banks to invest in capital stock of the Financing Corporation under this subsection, the amount which each Federal Home Loan Bank (or any successor to such bank) shall invest shall be determined by the Board by applying to the total amount of such investment by all such banks the percentage appearing in the following table for each such bank:

| "Bank | Percentage |
|---|---|
| Federal Home Loan Bank of Boston | 1.8629 |
| Federal Home Loan Bank of New York | 9.1006 |
| Federal Home Loan Bank of Pittsburgh | 4.2702 |
| Federal Home Loan Bank of Atlanta | 14.4007 |
| Federal Home Loan Bank of Cincinnati | 8.2653 |
| Federal Home Loan Bank of Indianapolis | 5.2863 |
| Federal Home Loan Bank of Chicago | 9.6886 |
| Federal Home Loan Bank of Des Moines | 6.9301 |
| Federal Home Loan Bank of Dallas | 8.8181 |
| Federal Home Loan Bank of Topeka | 5.2706 |
| Federal Home Loan Bank of San Francisco | 19.9644 |
| Federal Home Loan Bank of Seattle | 6.1422 |

"(5) Pro rata distribution of amounts required to be invested in excess of $1,000,000,000.—With respect to any amount in excess of $1,000,000,000 which the Board may require the Federal Home Loan Banks to invest in capital stock of the Financing Corporation under this subsection, the amount which each Federal Home Loan Bank (or any successor to such bank) shall invest shall be determined by the Board by multiplying such excess amount by the percentage arrived at by dividing—

"(A) the sum of the total assets (as of the most recent December 31) held by all insured institutions which are members of such bank; by

"(B) the sum of the total assets (as of such date) held by all insured institutions which are members of any Federal Home Loan Bank.

"(6) Special provisions relating to maximum amount limitations.—

"(A) In general.—If the amount any Federal Home Loan Bank is required to invest in capital stock of the Financing Corporation pursuant to a determination by the Board under paragraph (5) (or under subparagraph (B) of this paragraph) exceeds the maximum investment amount applicable with respect to such bank under paragraph (3) at the time of such determination (hereinafter in this paragraph referred to as the 'excess amount')—

"(i) the Board shall require each remaining Federal Home Loan Bank to invest (in addition to the amount determined under paragraph (5) for such remaining bank and subject to the maximum investment amount applicable with respect to such remaining bank under paragraph (3) at the time of such determination) in such capital stock on behalf of the bank in the amount determined under subparagraph (B);

"(ii) the Board shall require the bank to subsequently purchase the excess amount of capital stock from the remaining banks in the manner described in subparagraph (C); and

"(iii) the requirements contained in subparagraphs (D) and (E) relating to the use of net earnings available for dividends shall apply to such bank until the bank has purchased all of the excess amount of capital stock.

"(B) Allocation of excess amount among remaining home loan banks.—The amount each remaining Federal Home Loan Bank shall be required to invest under subparagraph (A)(i) is the amount determined by the Board by multiplying the excess amount by the percentage arrived at by dividing—

"(i) the amount of capital stock of the Financing Corporation held by such remaining bank at the time of such determination; by

"(ii) the aggregate amount of such stock held by all remaining banks at such time.

"(C) Purchase procedure.—The bank on whose behalf an investment in capital stock is made under subparagraph (A)(i) shall purchase, annually and at the issuance price, from each remaining bank an amount of such stock determined by the Board by multiplying the amount available for such purchases (at the time of such determination) by the percentage determined under subparagraph (B) with respect to such remaining bank until the aggregate amount of such capital stock has been purchased by the bank.

"(D) Limitation on dividends.—The amount of dividends which may be paid for any year by a bank on whose behalf an investment is made under subparagraph (A)(i) shall not exceed an amount equal to $\frac{1}{2}$ of the net earnings available for dividends of the bank for the year.

"(E) Transfer to account for purchase of stock required.—Of the net earnings available for dividends for any year of a bank on whose behalf an investment is made under subparagraph (A)(i), such amount as is necessary to make the purchases of stock required under subparagraph (A)(ii) shall be placed in a reserve account (established in such manner as the Board shall prescribe by regulations) the balance in which shall be available only for such purchases.

"(F) Net earnings available for dividends defined.—For purposes of this paragraph, the term 'net earnings available for dividends' means the net earnings of a bank for any period as computed after reducing the amount of earnings for such period by the amount required to be carried (for such period) to reserves maintained by such bank pursuant to the first two sentences of section 16 of this Act.

"(7) Undivided profits defined.—For purposes of paragraph (3), the term 'undivided profits' means retained earnings minus the sum of—

"(A) that portion required to be added to reserves maintained pursuant to the first two sentences of section 16 of this Act; and

"(B) the dollar amounts held by the respective Federal Home Loan Banks in special dividend stabilization reserves on December 31, 1985, as determined under the following table:

| "Bank | Dollar amount |
|---|---|
| Federal Home Loan Bank of Boston | $3.2 million |
| Federal Home Loan Bank of New York | 7.7 million |
| Federal Home Loan Bank of Pittsburgh | 5.2 million |
| Federal Home Loan Bank of Atlanta | 12.3 million |
| Federal Home Loan Bank of Cincinnati | 5.9 million |
| Federal Home Loan Bank of Indianapolis | 37.4 million |
| Federal Home Loan Bank of Chicago | 6.0 million |
| Federal Home Loan Bank of Des Moines | 32.7 million |
| Federal Home Loan Bank of Dallas | 45.0 million |
| Federal Home Loan Bank of Topeka | 13.7 million |
| Federal Home Loan Bank of San Francisco | 21.9 million |
| Federal Home Loan Bank of Seattle | 33.6 million |

"(e) Obligations of the Financing Corporation.—

"(1) Limitation on amount of outstanding obligations.—The aggregate amount of obligations of the Financing Corporation which may be outstanding at any time (as determined by the Board) shall not exceed the lesser of—

"(A) an amount equal to the greater of—

"(i) 5 times the amount of the nonvoting capital stock of the Financing Corporation which is outstanding at such time; or

"(ii) the sum of the face amounts (the amount of principal payable at maturity) of securities described in subsection (g)(2) which are held at such time in the segregated account established pursuant to such subsection; or

"(B) $10,825,000,000.

"(2) Annual limitation on net new borrowing.—Net new borrowing by the Financing Corporation—

"(A) shall not exceed an amount equal to $3,750,000,000 in the 1-year period beginning on the date of the enactment of the Federal Savings and Loan Insurance Corporation Recapitalization Act of 1987; and

"(B) shall not exceed an amount equal to $3,750,000,000 in each 1-year period beginning after the 1-year period described in subparagraph (A).

"(3) Net proceeds to be invested in capital of fslic.—Subject to such terms and conditions as may be approved by the Board, the net proceeds of any obligation issued by the Financing Corporation shall be used to—

"(A) purchase capital certificates or capital stock issued by the Federal Savings and Loan Insurance Corporation under section 402(b)(1)(A) of the National Housing Act; or

"(B) refund any previously issued obligation the net proceeds of which were invested in the manner described in subparagraph (A).

"(4) Limitation on term of obligations.—No obligation of the Financing Corporation may be issued which matures—

"(A) more than 30 years after the date of issue; or

"(B) after December 31, 2026.

"(5) Investment of united states funds in obligations.—Obligations issued under this section by the Financing Corporation with the approval of the Board shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or any officer of the United States.

"(6) Market for obligations.—All persons having the power to invest in, sell, underwrite, purchase for their own accounts, accept as security, or otherwise deal in obligations of the Federal Home Loan Banks shall also have the power to do so with respect to obligations of the Financing Corporation.

"(7) No full faith and credit of the united states.—Obligations of the Financing Corporation and the interest payable on such obligations shall not be obligations of, or guaranteed as to principal or interest by, the Federal Home Loan Banks, the United States, or the Federal Savings and Loan Insurance Corporation and the obligations shall so plainly state.

"(8) Tax exempt status.—

"(A) In general.—Except as provided in subparagraph (B), obligations of the Financing Corporation shall be exempt from tax both as to principal and interest to the same extent as any obligation of a Federal Home Loan Bank is exempt from tax under section 13.

"(B) Exception.—The Financing Corporation, like the Federal Home Loan Banks, shall be treated as an agency of the United States for purposes of the first sentence of section 3124(b) of title 31, United States Code (relating to determination of tax status of interest on obligations).

"(9) Obligations are exempt securities.—Notwithstanding paragraph (7), obligations of the Financing Corporation shall be deemed to be exempt securities (within the meaning of laws administered by the Securities and Exchange Commission) to the same extent as securities which are direct obligations of the United States or are guaranteed as to principal or interest by the United States.

"(10) Minority participation in public offerings.—The Chairman of the Board and the Directorate shall ensure that minority owned or controlled commercial banks, investment banking firms, underwriters, and bond counsels throughout the United States have an opportunity to participate to a significant degree in any public offering of obligations issued under this section.

"(f) Assessment Authority of the Financing Corporation.—

"(1) In general.—The Financing Corporation may, with the approval of the Board, assess on each insured institution an assessment, except that the aggregate amount assessed under this paragraph on any insured institution for any year may not exceed an amount equal to $\frac{1}{12}$th of 1 percent of the aggregate amount of all accounts of insured members of such insured institution.

"(2) Supplemental assessment authorized.—Upon the unanimous vote of the Directorate that additional funds are needed to pay the interest on the obligations of the Financing Corporation because no other funds are available, the Financing Corporation may, with the approval of the Board and in addition to any assessment assessed under paragraph (1), assess on each insured institution an assessment, except that the aggregate amount assessed under this paragraph on any insured institution for any year may not exceed an amount equal to $\frac{1}{8}$th of 1 percent of the aggregate amount of all accounts of insured members of such insured institution.

"(3) Total amount of assessments may not exceed interest and financing costs.—The aggregate amount of all assessments assessed under paragraphs (1) and (2) for any year may not exceed—

"(A) the aggregate amount of—

"(i) issuance costs (as such term is defined in subsection (g)(5)(A)) incurred with respect to obligations issued during such year;

"(ii) interest paid on (and any redemption premium paid with respect to) obligations of the Financing Corporation during such year; and

"(iii) custodian fees (as such term is defined in subsection (g)(5)(B)) incurred during such year; minus

"(B) the aggregate amount of any payments under subsection (g)(4) during such year.

"(4) Termination assessments.—

"(A) Assessment authorized.—The Financing Corporation shall, with the approval of the Board, assess a termination assessment on any insured institution which ceases to be an insured institution.

"(B) Maximum amount of assessment.—The amount of the assessment on any institution under subparagraph (A) shall be the amount which is equal to the sum of—

"(i) the amount which is equal to 2 times the last annual insurance premium payable by such institution under section 404(b) of the National Housing Act (including the amount of any assessment imposed under paragraph (1) of this subsection in lieu of any such premium); and

"(ii) the amount which is the product of—

"(I) the aggregate amount of all accounts of insured members of such institution (as of the date the institution ceases to be an insured institution); and

"(II) 2 times the rate (expressed as an annual rate) at which the supplemental assessment under section 404(c) of the National Housing Act was assessed against insured institutions by the Federal Savings and Loan Insurance Corporation in 1986.

"(C) Reduction in assessment allowed for weakened institutions.—The amount of any assessment which the Financing Corporation may otherwise impose under this paragraph on an institution (which ceases to be an insured institution) may be reduced by such amount as the Financing Corporation, with the approval of the Board, may deem appropriate when—

"(i) the institution poses a substantial risk to the assets of the Federal Savings and Loan Insurance Corporation; and

"(ii) such reduction is necessary to assist in the sale or other disposition of the institution.

"(D) Time for paying assessment.—

"(i) Due within 30 days.—If an assessment is imposed on an institution under subparagraph (A), the institution shall be obligated to pay such assessment before the end of the 30-day period beginning on the date on which such institution ceases to be an insured institution.

"(ii) Semiannual installments with interest.—Notwithstanding the requirement of clause (i), an institution may elect to pay the amount of any assessment imposed under subparagraph (A) in semiannual installments during the period beginning no later than the end of the 30-day period referred to in clause (i) and ending no later than the end of the 2-year period beginning on the date such assessment is imposed, together with interest accruing on the unpaid balance of such amount at a variable rate equal to the sum of—

"(I) the bond equivalent yield on 6-month United States Treasury bills; and

"(II) 100 basis points.

"(E) Exit fee equalization.—If any institution described in subparagraph (F) paid any exit fee, or the equivalent thereof (as determined by the Corporation), on or before the date of the enactment of the Federal Savings and Loan Insurance Corporation Recapitalization Act of 1987, the Corporation shall repay to such institution an amount equal to the amount by which the amount of such fee exceeds the amount which such institution would be required to pay if the amount of such fee were determined under this paragraph as of the date of the enactment of this Act.

"(F) PROVISIONS APPLICABLE TO CERTAIN INSTITUTIONS.—Except as provided in subparagraph (E), no assessment under this paragraph or insurance premium under section 407(d) of the National Housing Act may be imposed on an insured institution which, on or before March 31, 1987, had—

"(i) its status as an insured institution terminated voluntarily, involuntarily, or by operation of law in connection with a conversion into, merger with, acquisition by, consolidation with, reorganization into, or combination by any means with, an institution the deposits of which are insured by the Federal Deposit Insurance Corporation;

"(ii) filed an application or notice with any State banking agency or authority, or with the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, the Corporation or the Federal Home Loan Bank Board pursuant to a transaction which, upon consummation thereof, will result in the termination of the institution's status as an insured institution in connection with its conversion into, merger with, acquisition by, consolidation with, reorganization into, or combination by any means with, an institution the deposits of which are insured by the Federal Deposit Insurance Corporation; or

"(iii) entered into a letter of intent or a written memorandum of understanding, pursuant to a transaction which will result in the termination of the institution's status as an insured institution in connection with its conversion into, merger with, acquisition by consolidation with, reorganization into, or combination by any means with, an institution the deposits of which are insured by the Federal Deposit Insurance Corporation.

"(G) ADDITIONAL PROVISION.—Notwithstanding any other provision of law, the Federal Savings and Loan Insurance Corporation shall repay to Comerica, Inc. of Detroit, Michigan, an amount equal to any exit fee or equivalent thereof paid by Comerica, Inc.

"(5) PAYMENT TO FINANCING CORPORATION.—All assessments assessed by the Financing Corporation under paragraph (1), (2), or (4) shall be paid to the Financing Corporation.

"(g) USE AND DISPOSITION OF ASSETS OF THE FINANCING CORPORATION NOT INVESTED IN FSLIC.—

"(1) IN GENERAL.—Subject to such regulations, restrictions, and limitations as may be prescribed by the Board, assets of the Financing Corporation, which are not invested in capital certificates or capital stock issued by the Federal Savings and Loan Insurance Corporation under section 402(b)(1)(A) of the National Housing Act, shall be invested in—

"(A) direct obligations of the United States;

"(B) obligations, participations, or other instruments of, or issued by, the Federal National Mortgage Association or the Government National Mortgage Association;

"(C) mortgages, obligations, or other securities for sale by, or which have been disposed of by, the Federal Home Loan Mortgage Corporation under section 305 or 306 of the Federal Home Loan Mortgage Corporation Act; or

"(D) any other security in which it is lawful for fiduciary and trust funds to be invested under the laws of any State.

"(2) SEGREGATED ACCOUNT FOR ZERO COUPON INSTRUMENTS HELD TO ASSURE PAYMENT OF PRINCIPAL.—The Financing Corporation shall invest in, and hold in a segregated account, noninterest bearing instruments—

"(A) which are securities described in paragraph (1); and

"(B) the total of the face amounts (the amount of principal payable at maturity) of which is approximately equal to the aggregate amount of principal on the obligations of the Financing Corporation,

to assure the repayment of principal on obligations of the Financing Corporation.

"(3) DOLLAR AMOUNT LIMITATION ON INVESTMENT IN ZERO COUPON INSTRUMENTS FOR SEGREGATED ACCOUNT.—The aggregate amount invested by the Financing Corporation under paragraph (2) shall not exceed $2,200,000,000 (as determined on the basis of the purchase price).

"(4) EXCEPTION FOR PAYMENT OF ISSUANCE COSTS, INTEREST, AND CUSTODIAN FEES.—Notwithstanding the requirements of paragraph (1), the assets of the Financing Corporation referred to in paragraph (1) which are not invested under paragraph (2) may be used to pay—

"(A) issuance costs;

"(B) any interest on (and any redemption premium with respect to) any obligation of the Financing Corporation; and

"(C) custodian fees.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) ISSUANCE COSTS.—The term 'issuance costs'—

"(i) means issuance fees and commissions incurred by the Financing Corporation in connection with the issuance or servicing of any obligation of the Financing Corporation; and

"(ii) includes legal and accounting expenses, trustee and fiscal and paying agent charges, costs incurred in connection with preparing and printing offering materials, and advertising expenses, to the extent that any such cost or expense is incurred by the Financing Corporation in connection with issuing any obligation.

"(B) CUSTODIAN FEES.—The term 'custodian fee' means—

"(i) any fee incurred by the Financing Corporation in connection with the transfer of any security to, or the maintenance of any security in, the segregated account established under paragraph (2); and

"(ii) any other expense incurred by the Financing Corporation in connection with the establishment or maintenance of such account.

"(h) MISCELLANEOUS PROVISIONS RELATING TO FINANCING CORPORATION.—

"(1) TREATMENT FOR CERTAIN PURPOSES.—Except as provided in subsection (e)(8)(B), the Financing Corporation shall be treated as a Federal Home Loan Bank for purposes of sections 13 and 23.

"(2) FEDERAL RESERVE BANKS AS DEPOSITARIES AND FISCAL AGENTS.—The Federal Reserve banks are authorized to act as depositaries for or fiscal agents or custodians of the Financing Corporation.

"(3) APPLICABILITY OF CERTAIN PROVISIONS RELATING TO GOVERNMENT CORPORATION.—Notwithstanding the fact that no Government funds may be invested in the Financing Corporation, the Financing Corporation shall be treated, for purposes of sections 9105, 9107, and 9108 of title 31, United States Code, as a mixed-ownership Government corporation which has capital of the Government.

"(i) FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION INDUSTRY ADVISORY COMMITTEE.—

"(1) ESTABLISHMENT.—There is hereby established the Federal Savings and Loan Insurance Corporation Industry Advisory Committee (hereinafter in this subsection referred to as the 'Committee').

"(2) MEMBERSHIP.—

"(A) APPOINTMENT.—The Committee shall consist of 13 members selected as follows:

"(i) 1 member appointed by the Chairman of the Board from among individuals who are officers of insured institutions and who are not members of the Board or employees of the Board, the Federal Savings and Loan Insurance Corporation, or the Board of Directors of any Federal Home Loan Bank.

"(ii) 1 member elected from each Federal Home Loan Bank district (by the members of the Board of Directors of each such bank who were elected by the members of such bank) from among individuals who are officers of insured institutions.

"(B) TERMS.—Members shall be appointed or elected for terms of 1 year.

"(C) CHAIRPERSON.—The member appointed under subparagraph (A)(i) shall be the chairperson of the Committee.

"(D) VACANCIES.—Any vacancy on the Committee shall be filled in the manner in which the original appointment was made.

"(E) PAY AND EXPENSES.—Members of the Committee shall serve without pay but each member of the Committee shall be reimbursed, in such manner as the Board may prescribe by regulation, by the Federal Home Loan Bank which elected such member (and, in the case of the member appointed by the Chairman of the Board, by the Board) for expenses incurred in connection with attendance of such members at meetings of the Committee.

"(F) MEETINGS.—The Committee shall meet from time to time at the call of the chairperson or a majority of the members.

"(3) DUTIES OF THE COMMITTEE.—The duties of the Committee are as follows:

"(A) To review the reports and budgets prepared pursuant to section 402(k) of the National Housing Act and any other matter which the Board may present for the Committee's consideration.

"(B) To confer with the Board on the reports, budgets, and other matters reviewed under subparagraph (A).

"(C) To prepare written comments and recommendations for the Board and the Federal Savings and Loan Insurance Corporation with respect to the reports, budgets, and other matters reviewed under subparagraph (A) (which shall be submitted to the Board in a timely manner after each meeting).

"(4) ANNUAL REPORT.—

"(A) REQUIRED.—Not later than January 15 of each year, the Committee shall submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(B) CONTENTS.—The report required under subparagraph (A) shall describe the activities of the Committee during the preceding year and the reports and recommendations made by the Committee to the Board and the Federal Savings and Loan Insurance Corporation during such year.

"(5) REGULATIONS.—The Board shall prescribe such regulations as the Board determines to be appropriate to avoid conflicts of interest with respect to the disclosure to and use by members of the Committee of information relating to the Board, the Federal Savings and Loan Insurance Corporation, the Federal Home Loan Banks, and the Federal Asset Disposition Association.

"(6) FEDERAL ADVISORY COMMITTEE ACT DOES NOT APPLY.—The Federal Advisory Committee Act shall not apply to the Committee.

"(7) TERMINATION.—The Committee shall terminate when the Financing Corporation terminates under subsection (j).

"(j) TERMINATION OF THE FINANCING CORPORATION.—

"(1) IN GENERAL.—The Financing Corporation shall be dissolved, as soon as practicable, after the earlier of—

"(A) the date by which all stock purchased by the Financing Corporation in the Federal Savings and Loan Insurance Corporation has been retired; or

"(B) December 31, 2026.

"(2) BOARD AUTHORITY TO CONCLUDE THE AFFAIRS OF FINANCING CORPORATION.—Effective on the date of the dissolution of the Financing Corporation under paragraph (1), the Board may exercise, on behalf of the Financing Corporation, any power of the Financing Corporation which the Board determines to be necessary to settle and conclude the affairs of the Financing Corporation.

"(k) REGULATIONS.—The Board may prescribe such regulations as may be necessary to carry out the provisions of this section, including regulations defining terms used in this section.

"(l) DEFINITIONS.—For purposes of this section—

"(1) INSURED INSTITUTION.—The term 'insured institution' has the meaning given to such term by section 401(a) of the National Housing Act.

"(2) INSURED MEMBER.—The term 'insured member' has the meaning given to such term by section 401(b) of the National Housing Act.

"(3) DIRECTORATE.—The term 'Directorate' means the directorate established in the manner provided in subsection (b)(1) to manage the Financing Corporation.".

### SEC. 303. MIXED OWNERSHIP GOVERNMENT CORPORATION.

Section 9101(2) of title 31, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(K) The Financing Corporation.".

### SEC. 304. RECAPITALIZATION OF FSLIC.

Section 402(b) of the National Housing Act (12 U.S.C. 1725(b)) is amended to read as follows:

"(b) ISSUANCE AND SALE OF CAPITAL CERTIFICATES AND STOCK TO FINANCING CORPORATION.—

"(1) AUTHORIZATION TO ISSUE.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, the Corporation may issue—

"(i) nonredeemable capital certificates; and

"(ii) redeemable nonvoting capital stock.

"(B) REQUIREMENT RELATING TO AMOUNT OF STOCK.—The aggregate amount of stock issued by the Corporation under subparagraph (A)(ii) shall be equal to the aggregate amount of the investments made by the Federal Home Loan Banks in the capital stock of the Financing Corporation under section 21 of the Federal Home Loan Bank Act.

"(C) CERTIFICATES AND STOCK MAY BE SOLD ONLY TO FINANCING CORPORATION.—Capital certificates and stock issued under subparagraph (A) may be sold only to the Financing Corporation in the manner and to the extent provided in section 21 of the Federal Home Loan Bank Act and this subsection.

"(D) PROCEEDS OF SALE ARE PART OF PRIMARY RESERVE.—The proceeds of any sale of capital certificates or stock under this paragraph shall be considered part of the primary reserve established by the Corporation pursuant to section 404(a).

"(E) NO DIVIDENDS.—The Corporation shall pay no dividends on any capital certificates or stock issued under this paragraph.

"(2) EQUITY RETURN ACCOUNT.—

"(A) IN GENERAL.—The Corporation shall establish and maintain (until all capital stock issued under subparagraph (A)(ii) of paragraph (1) has been paid off and retired) an equity return account—

"(i) which shall consist only of amounts contributed in accordance with the requirements of subparagraph (B);

"(ii) which shall not be treated as reserves of the Corporation; and

"(iii) the earnings accruing in which shall be transferred in the manner provided in subparagraph (D).

"(B) CONTRIBUTIONS TO ACCOUNT.—

"(i) NO CONTRIBUTION IF RESERVES-TO-ACCOUNTS RATIO IS LESS THAN 0.5 PERCENT.—No contribution shall be made to the equity reserve account established pursuant to subparagraph (A) in any year in which the reserves-to-accounts ratio is less than 0.5 percent.

"(ii) ANNUAL CONTRIBUTIONS REQUIRED.—Except as provided in clause (i), the Corporation shall make contributions to the equity reserve account established pursuant to subparagraph (A)—

"(I) at the end of each year beginning after 1996 through the final payoff year (as defined in clause (vii)); and

"(II) in amounts determined under clauses (iii), (iv), (v), and (vi) of this subparagraph.

"(iii) AMOUNT OF PRIMARY CONTRIBUTION.—The primary contribution to the equity return account for any year for which a contribution is required to be made shall be the amount determined by dividing—

"(I) the aggregate amount of capital stock issued by the Corporation and purchased by the Financing Corporation under paragraph (1)(A); by

"(II) the number of years between the first year beginning after 1996 in which the reserves-to-accounts ratio is equal to or greater than 0.5 percent and the final payoff year (taking into account the first and last year described).

"(iv) AMOUNT OF ADDITIONAL CONTRIBUTION ALLOWED IF RESERVES-TO-ACCOUNTS RATIO DOES NOT EXCEED 1.25 PERCENT.—In any year in which the reserves-to-accounts ratio is equal to or greater than 1 percent but less than 1.25 percent, the Federal Home Loan Bank Board may require the Corporation to make an additional contribution of an amount not to exceed the amount determined by dividing—

"(I) the investment return amount (as defined in clause (viii)) computed at an annual compound rate not to exceed 6 percent; by

"(II) the number of years between the first year beginning after 1996 in which the reserves-to-accounts ratio was equal to or greater than 1 percent and the final payoff year (taking into account the first and last year described).

"(v) AMOUNT OF ADDITIONAL CONTRIBUTION ALLOWED IF RESERVES-TO-ACCOUNTS RATIO DOES NOT EXCEED 1.75 PERCENT.—In any year in which the reserves-to-accounts ratio is equal to or greater than 1.25 percent but less than 1.75 percent, the Federal Home Loan Bank Board may require the Corporation to make an additional contribution of an amount not to exceed the amount determined by dividing—

"(I) the investment return amount computed at an annual compound rate not to exceed 8 percent, minus the sum of any amounts contributed under clause (iv); by

"(II) the number of years between the first year beginning after 1996 in which the reserves-to-accounts ratio was equal to or greater than 1.25 percent and the final payoff year (taking into account the first and last year described).

"(vi) AMOUNT OF ADDITIONAL CONTRIBUTION ALLOWED IF RESERVES-TO-ACCOUNTS RATIO EXCEEDS 1.75 PERCENT.—In any year in which the reserves-to-accounts ratio is equal to or greater than 1.75 percent, the Federal Home Loan Bank Board may require the Corporation to make an additional contribution of an amount not to exceed the amount determined by dividing—

"(I) the investment return amount computed at an annual compound rate not to exceed 10 percent, minus the sum of any amounts contributed under clause (iv) or (v); by

"(II) the number of years between the first year beginning after 1996 in which the reserves-to-accounts ratio was equal to or greater than 1.75 percent and the final payoff year (taking into account the first and last year described).

"(vii) FINAL PAYOFF YEAR DEFINED.—For purposes of this subparagraph, the term 'final payoff year' means the year of maturity of the last maturing obligation of the Financing Corporation (which was issued under section 21 of the Federal Home Loan Bank Act and matures before January 1, 2027).

"(viii) INVESTMENT RETURN AMOUNT.—For purposes of clauses (iv), (v), and (vi), the term 'investment return amount' means the amount which would be realized on the aggregate amount invested by the Financing Corporation in capital stock issued by the Corporation under paragraph (1) over the period of the investment if the return on the investment is computed at the rate described in subclause (I) of the respective clauses.

"(C) INVESTMENT OF AMOUNTS IN ACCOUNT.—Amounts accumulating in the equity return account may be invested in such manner as the Corporation determines.

"(D) TRANSFER OF EARNINGS TO PRIMARY RESERVE.—Earnings accruing on any investment (under subparagraph (C)) of amounts in the equity return account shall be transferred to the primary reserve account of the Corporation established pursuant to section 404(a) as such earnings are realized by the Corporation and shall not be treated as amounts in the account.

"(E) RETIREMENT OF CAPITAL STOCK USING BALANCE IN ACCOUNT.—Upon maturity of all obligations of the Financing Corporation under section 21 of the Federal Home Loan Bank Act, the Corporation shall pay off and retire any capital stock issued under paragraph (1)(A)(ii) using only amounts accumulated in the equity return account.

"(F) RESERVES-TO-ACCOUNTS RATIO DEFINED.—For purposes of this paragraph, the term 'reserves-to-accounts ratio' means, with respect to any year, the amount determined by dividing—

"(i) the amount of reserves of the Corporation (determined as of December 31 of the preceding year); by "(ii) the aggregate amount of all accounts of all of its insured members (determined as of such date).

"(3) FINANCING CORPORATION DEFINED.—For purposes of this subsection, the term 'Financing Corporation' means the Financing Corporation established under section 21 of the Federal Home Loan Bank Act.

"(4) NO REDUCTION OR SUSPENSION OF INSURANCE PREMIUMS WHILE STOCK IS OUTSTANDING.—Notwithstanding any other provision of law, the provisions of subsections (b)(2) and (g) of section 404 shall not apply as long as any share of capital stock issued under paragraph (1)(A)(ii) is outstanding.".

### SEC. 305. FSLIC AUTHORITY TO CHARGE PREMIUMS REDUCED BY AMOUNT OF FINANCING CORPORATION ASSESSMENTS.

Section 404 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(j) AUTHORITY TO CHARGE PREMIUMS REDUCED BY AMOUNT OF FINANCING CORPORATION ASSESSMENTS.—Notwithstanding any other provision of this section, the sum of—

"(1) the amount of any premium required to be paid by any insured institution under subsection (b)(1); and

"(2) the amount of any premium authorized to be assessed by the Corporation under subsection (c) with respect to such institution,

for any period shall be reduced by the amount of any assessment paid for such period by such insured institution to the Financing Corporation pursuant to section 21(f) of the Federal Home Loan Bank Act.".

### SEC. 306. MISCELLANEOUS PROVISIONS.

(a) FEDERAL HOME LOAN BANK DIVIDENDS.—Section 16 of the Federal Home Loan Bank Act (12 U.S.C. 1436) is amended by adding at the end thereof the following new subsection:

"(c) EXCEPTION IN CASE OF LOSSES IN CONNECTION WITH FINANCING CORPORATION STOCK.—

"(1) IN GENERAL.—Notwithstanding subsection (a) of this section, if—

"(A) a Federal Home Loan Bank incurs a chargeoff or an expense in connection with such bank's investment in the stock of the Financing Corporation under section 21;

"(B) the Board determines there is an extraordinary need for the member institutions of the bank to receive dividends; and

"(C) the bank has reduced all reserves (other than the reserve account required by the first 2 sentences of subsection (a)) to zero,

the Board may authorize such bank to declare and pay dividends out of undivided profits (as such term is defined in section 21(d)(7)) or the reserve account required by the first 2 sentences of subsection (a).

"(2) REQUIREMENTS OF SECTION 21 NOT AFFECTED.—Notwithstanding any payment of dividends by any Federal Home Loan Bank pursuant to an authorization by the Board under paragraph (1), the applicable provisions of section 21 shall continue to apply with respect to such bank, and to such bank's investment in the Financing Corporation, in the same manner and to the same extent as if such payment had not been made.".

(b) CONFORMING AMENDMENT.—Section 402(h) of the National Housing Act (12 U.S.C. 1725(h)) is amended—

(1) by striking out "After the effective date" and inserting in lieu thereof "(1) After the effective date"; and

(2) by adding at the end thereof the following new paragraph:

"(2) The first three sentences of paragraph (1) shall not apply to stock issued by the Corporation to the Financing Corporation under subsection (b)(1)(A).".

(c) LIMITATION ON SPECIAL ASSESSMENT.—Section 404(c) of the National Housing Act (12 U.S.C. 1727(c)) is amended—

(1) by striking out "(c) The Corporation" and inserting in lieu thereof "(c)(1) SPECIAL ASSESSMENT.—Subject to paragraph (2), the Corporation"; and

(2) by adding at the end thereof the following new paragraph:

"(2) LIMITATIONS ON AMOUNT OF ASSESSMENT.—The amount of any additional premium assessed by the Corporation against any insured institution under paragraph (1) in any of the following years shall not exceed the amount listed in connection with each such year in the following table (unless the Federal Home Loan Board determines that severe pressures on the Corporation exist which necessitate an infusion of additional funds):

| "For year: | The amount of the additional premium may not exceed: |
|---|---|
| 1987 | 5/48 of 1 percent of the total amount of the accounts of the insured members of such institution |
| 1988 | 1/12 of 1 percent of the total amount of the accounts of the insured members of such institution |
| 1989 | 1/16 of 1 percent of the total amount of the accounts of the insured members of such institution |
| 1990 | 1/24 of 1 percent of the total amount of the accounts of the insured members of such institution |
| 1991 | 1/48 of 1 percent of the total amount of the accounts of the insured members of such institution". |

(d) PRIORITY OF SECURED INTERESTS.—Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended by adding at the end thereof the following new subsection:

"(e) PRIORITY OF CERTAIN SECURED INTERESTS.—Notwithstanding any other provision of law, any security interest granted to a Federal Home Loan Bank by any member of any Federal Home Loan Bank or any affiliate of any such member shall be entitled to priority over the claims and rights of any party (including any receiver, conservator, trustee, or similar party having rights of a lien creditor) other than claims and rights that—

"(1) would be entitled to priority under otherwise applicable law; and

"(2) are held by actual bona fide purchasers for value or by actual secured parties that are secured by actual perfected security interests.".

(e) COORDINATION OF TERMINATION ASSESSMENT WITH FINAL INSURANCE PREMIUM.—Section 407(d) of the National Housing Act (12 U.S.C. 1730(d)) is amended—

(1) by striking out "(d)" and inserting in lieu thereof "(d)(1) FINAL INSURANCE PREMIUM"; and

(2) by adding at the end thereof the following new paragraph:

"(2) EXCEPTION RELATING TO FINAL INSURANCE PREMIUM.—If an institution (whose status as an insured institution is terminated) pays an assessment to the Financing Corporation under section 21(f)(4) of the Federal Home Loan Bank Act with respect to such termination, the institution shall not be obligated to pay the final insurance premium described in the third sentence of paragraph (1).".

(f) SECTION 404(f) DOES NOT APPLY TO INSTITUTIONS WHICH CEASE TO BE FSLIC INSURED.—Section 404(f) of the National Housing Act (12 U.S.C. 1727(f)) is amended—

(1) by striking out "(f) If" and inserting in lieu thereof "(f)(1) PRO RATA DISTRIBUTION ON TERMINATION OF INSURED STATUS.—If"; and

(2) by adding at the end thereof the following new paragraph:

"(2) EXCEPTION.—In the case of an institution which—

"(A) ceases to be an insured institution; and

"(B) is required to pay an assessment to the Financing Corporation under section 21(f)(4) of the Federal Home Loan Bank Act with respect to the termination of such insured status,

paragraph (1), the last sentence of subsection (e)(1), and subsection (i)(4) shall not apply with respect to such institution.".

(g) SECONDARY RESERVE.—Section 404 of the National Housing Act (12 U.S.C. 1727) is amended by striking out subsection (h).

(h) 1-YEAR PROHIBITION ON TERMINATION OF FSLIC INSURED STATUS.—

(1) IN GENERAL.—No association or insured institution may take any action which would result in the voluntary termination of its status as an insured institution during the 1-year period beginning on the date of the enactment of this Act.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any association or institution described in section 21(f)(4)(F) of the Federal Home Loan Bank Act (as added by section 302 of this title).

(3) AUTHORITY OF FSLIC TO ARRANGE EMERGENCY ACQUISITIONS NOT AFFECTED.—Paragraph (1) shall not affect the authority of the Federal Savings and Loan Insurance Corporation to arrange for the acquisition of an association or insured institution under section 406(f) or 408(m) of the National Housing Act.

(4) DEFINITIONS.—For purposes of this subsection—

(A) ASSOCIATION.—The term "association" has the meaning given to such term under section 2(d) of the Home Owners' Loan Act of 1933.

(B) INSURED INSTITUTION.—The term "insured institution" has the meaning given to such term in section 401(a) of the National Housing Act.

(i) FSLIC REPORT REQUIREMENTS.—Section 402 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(k) REPORTS AND BUDGETS REQUIRED.—

"(1) QUARTERLY REPORTS AND BUDGETS.—Before the end of the 2-week period beginning on the first day of each calendar quarter, the Corporation shall complete a detailed written report and budget describing and explaining—

"(A) planned or anticipated activities and estimates of receipts and expenditures for such calendar quarter; and

"(B) the activities, receipts, and expenditures for the preceding calendar quarter.

"(2) SEMIANNUAL REPORT.—Before the end of the 30-day period beginning on the first day of each semiannual period, the Corporation shall complete a detailed written report and budget describing and explaining the activities, receipts, and expenditures for the preceding semiannual period.

"(3) SUBMISSION OF SEMIANNUAL REPORT TO CONGRESS.—The Corporation shall submit a copy of each semiannual report required under paragraph (2) to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(4) ACTIVITIES, ETC., OF FEDERAL ASSET DISPOSITION ASSOCIATION.—Activities, receipts, and expenditures of the Federal Asset Disposition Association (or any successor thereto) shall be included in any report or budget required under this subsection.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) ACTIVITIES.—The term 'activities' includes any activity engaged in with respect to any insured institution in financial difficulty.

"(B) SEMIANNUAL PERIOD.—The term 'semiannual period' means—

"(i) the period beginning on January 1 of any calendar year and ending June 30 of such year; and

"(ii) the period beginning on July 1 of any calendar year and ending December 31 of such year.".

### SEC. 307. SECONDARY RESERVE PROVISIONS.

(a) OFFSETS AGAINST PREMIUMS AUTHORIZED.—Section 404(e) of the National Housing Act (12 U.S.C. 1727(e)) is amended—

(1) by striking out "(e) The Corporation" and inserting in lieu thereof "(e)(1) The Corporation"; and

(2) by adding at the end thereof the following new paragraph:

"(2) SECONDARY RESERVE OFFSETS AGAINST PREMIUMS.—

"(A) OFFSETS IN PREMIUM YEARS BEGINNING BEFORE 1993.—Subject to the maximum amount limitation contained in subparagraph (B) and notwithstanding any other provision of law, an insured institution may offset such institution's pro rata share of the statutorily prescribed amount against any premium assessed against such insured institution under subsection (c) for any premium year beginning after 1987 and before 1993.

"(B) ANNUAL MAXIMUM AMOUNT LIMITATION.—The amount of any offset allowed for any insured institution under subparagraph (A) for any premium year referred to in subparagraph (A) shall not exceed an amount which is equal to 20 percent of such institution's pro rata share of the statutorily prescribed amount (as computed for the calendar year in which such premium year begins).

"(C) OFFSETS IN PREMIUM YEARS BEGINNING AFTER 1992.—Notwithstanding any other provision of law, an insured institution may offset such institution's pro rata share of the statutorily prescribed amount against any premium assessed against such insured institution under this section for any premium year beginning after 1992.

"(D) STATUTORILY PRESCRIBED AMOUNT DEFINED.—For purposes of this paragraph, the term 'statutorily prescribed amount' means—

"(i) with respect to calendar year 1988, the sum of $823,705,000; and

"(ii) with respect to any calendar year beginning after 1988, the sum contained in clause (i) minus the aggregate amount of offsets made by all insured institutions before the beginning of the calendar year for which such computation is being made.

"(E) INSURED INSTITUTION'S PRO RATA AMOUNT.—For purposes of this paragraph, an insured institution's pro rata share of the statutorily prescribed amount is the percentage which is equal to such institution's pro rata share of the secondary reserve as determined under this subsection on the day before the date on which the Corporation ceased to recognize the secondary reserve.

"(F) PREMIUM YEAR DEFINED.—For purposes of this paragraph, the term 'premium year' means, with respect to any insured institution, the 1-year period for which a premium is assessed against such insured institution under subsection (b) or (c).".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 404(d)(1) of the National Housing Act (12 U.S.C. 1727(d)) is amended—

(A) by striking out the second sentence of subparagraph (A);

(B) by striking out paragraph (B); and

(C) by striking out "(1)(A)" and inserting in lieu thereof "(1)".

(2) Section 404(g) of the National Housing Act (12 U.S.C. 1727(g)) is amended by striking out the second sentence.

## TITLE IV—THRIFT INDUSTRY RECOVERY PROVISIONS

### SEC. 401. SHORT TITLE.

This title may be cited as the "Thrift Industry Recovery Act".

### SEC. 402. THRIFT INSTITUTION ACCOUNTING, APPRAISAL, AND RESERVE STANDARDS.

(a) FEDERALLY CHARTERED THRIFTS.—The Home Owners' Loan Act of 1933 (12 U.S.C. 1461 et seq.) is amended by redesignating section 9 as section 11 and by inserting after section 8 the following new section:

"SEC. 9. ACCOUNTING PRINCIPLES AND OTHER STANDARDS AND REQUIREMENTS.

"(a) IN GENERAL.—The Board shall prescribe regulations which make the following provisions applicable to associations for regulatory purposes:

"(1) ASSET CLASSIFICATION SYSTEM.—An asset classification system shall be established which is consistent with the asset classification system established by the Federal banking agencies, except that such system shall provide that the principal supervisory agent of the Board for each Federal home loan bank district may, in such agent's discretion—

"(A) require an association to create additional general loss reserves on the basis of an evaluation of such institution's assets; or

"(B) determine whether a restructured loan asset which is in a nonperforming status or with respect to which the borrowers have otherwise failed to remain in compliance with the repayment terms at the time of such restructuring shall be classified.

"(2) APPRAISAL STANDARD.—An appraisal standard shall be established which is consistent with the appraisal standard established by the Federal banking agencies.

"(3) REAPPRAISAL UPON FORECLOSURE.—Generally accepted accounting principles shall apply to any reappraisal of the value of property securing any loan or other extension of credit upon any foreclosure on such property by an association (or any other action by the association in lieu of foreclosure).

"(4) AUTHORIZING USE OF FASB 15 FOR TROUBLED DEBT RESTRUCTURING.—If—

"(A) an association engages in troubled debt restructuring with respect to any loan by the association; and

"(B) the troubled debt restructuring complies with Statement of Financial Accounting Standards Numbered 5 and Statement of Financial Accounting Standards Numbered 15 (as issued by the Financial Accounting Standards Board),

regulatory accounting principles shall allow the association to account for the effects of the troubled debt restructuring and to account for such association's investment in the original debt instrument (or other agreement which is subject to such restructuring) in the manner provided in such statements.

"(5) CERTAIN LOAN LOSS RESERVES TREATED AS CAPITAL FOR CERTAIN PURPOSES.—Any amount which an association holds in any account as a general loss reserve may be treated, at the option of the association, as capital of the association for purposes of determining regulatory capital or regulatory net worth with respect to such association, to the extent such treatment is consistent with the procedures established by the Federal banking agencies.

"(b) UNIFORM GAAP ACCOUNTING STANDARDS REQUIRED.—

"(1) IN GENERAL.—Except as otherwise provided in this section, the Board shall prescribe, by regulation, uniformly applicable accounting standards to be used by all associations for the purpose of determining compliance with any rule or regulation issued by the Board or the Federal Savings and Loan Insurance Corporation to the same degree that generally accepted accounting principles are used to determine compliance with rules and regulations of the Federal banking agencies.

"(2) EXCEPTION FOR CERTAIN INSTITUTIONS AND TRANSACTIONS.—Notwithstanding the requirement contained in paragraph (1)(A), the Board may suspend the application of any such standard with respect to any association or transaction if—

"(A) the application of such standard to an association and a company that controls such association would result in such association and company being treated differently than a bank and such bank's holding company considered on a consolidated basis; and

"(B) the transaction was consistent with generally accepted accounting principles when such transaction was completed.

"(c) ASSET EVALUATIONS.—The Board may not require an association to establish reserves against, or write down the value of, any asset in an amount in excess of the amount which would result from an evaluation of such asset which is consistent with generally accepted accounting principles, except that evaluations which are consistent with the practice of the Federal banking agencies may be used for supervisory purposes.

"(d) ACCOUNTING FOR SUBORDINATED DEBT AND GOODWILL.—No provision of this section shall affect the authority of the Board to authorize associations to utilize subordinated debt and goodwill in meeting reserve and other regulatory requirements.

"(e) LOSS DEFERRALS.—Notwithstanding any other provision of this section—

"(1) associations may continue, for purposes of determining regulatory net worth and capital, to defer and amortize gains and losses from the disposition of assets pursuant to regulations of the Board in effect before the enactment of the Thrift Industry Recovery Act; and

"(2) the use of such deferrals and amortizations, consistently with the regulations referred to in paragraph (1), shall not reduce the ability of an association to comply with any other rule issued or regulation prescribed by the Board.

"(f) Federal Banking Agency Defined.—For purposes of this section, the term 'Federal banking agency' means the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation.".

(b) State Chartered, Federally Insured Thrifts.—Title IV of the National Housing Act (12 U.S.C. 1724 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 415. ACCOUNTING PRINCIPLES AND OTHER STANDARDS AND REQUIREMENTS.

"(a) In General.—The Corporation shall prescribe regulations which make the following provisions applicable to insured institutions for regulatory purposes:

"(1) Asset classification system.—An asset classification system shall be established which is consistent with the asset classification system established by the Federal banking agencies, except that such system shall provide the principal supervisory agent of the Federal Home Loan Bank Board for each Federal home loan bank district may, in such agent's discretion—

"(A) require an insured institution to create additional general loss reserves on the basis of an evaluation of such institution's assets; or

"(B) determine whether a restructured loan asset which is in a nonperforming status or with respect to which the borrowers have otherwise failed to remain in compliance with the repayment terms at the time of such restructuring shall be classified.

"(2) Appraisal standard.—An appraisal standard shall be established which is consistent with the appraisal standard established by the Federal banking agencies.

"(3) Reappraisal upon foreclosure.—Generally accepted accounting principles shall apply to any reappraisal of the value of property securing any loan or other extension of credit upon any foreclosure on such property by an insured institution (or any other action by the insured institution in lieu of foreclosure).

"(4) Authorizing use of FASB 15 for troubled debt restructuring.—If—

"(A) an insured institution engages in troubled debt restructuring with respect to any loan by the insured institution; and

"(B) the troubled debt restructuring complies with Statement of Financial Accounting Standards Numbered 5 and Statement of Financial Accounting Standards Numbered 15 (as issued by the Financial Accounting Standards Board),

regulatory accounting principles shall allow the insured institution to account for the effects of the troubled debt restructuring and to account for such insured institution's investment in the original debt instrument (or other agreement which is subject to such restructuring) in the manner provided in such statements.

"(5) Certain loan loss reserves treated as capital for certain purposes.—Any amount which an insured institution holds in any account as a general loss reserve may be treated, at the option of the insured institution, as capital of the insured institution for purposes of determining regulatory capital or regulatory net worth with respect to such insured institution, to the extent such treatment is consistent with the procedures established by the Federal banking agencies.

"(b) Uniform GAAP Accounting Standards Required.—

"(1) In general.—Except as otherwise provided in this section, the Corporation shall prescribe, by regulation, uniformly applicable accounting standards to be used by all insured institutions for the purpose of determining compliance with any rule or regulation issued by the Corporation or the Federal Home Loan Bank Board to the same degree that generally accepted accounting principles are used to determine compliance with rules and regulations of the Federal banking agencies.

"(2) Exception for certain institutions and transactions.—Notwithstanding the requirement contained in paragraph (1)(A), the Corporation may suspend the application of any such standard with respect to any insured institution or any transaction if—

"(A) the application of such standard to an insured institution and a company that controls such insured institution would result in such insured institution and company being treated differently than a bank and such bank's holding company considered on a consolidated basis; and

"(B) the transaction was consistent with generally accepted accounting principles when such transaction was completed.

"(c) Asset Evaluations.—The Corporation may not require an insured institution to establish reserves against, or write down the value of, any asset in an amount in excess of the amount which would result from an evaluation of such asset which is consistent with generally accepted accounting principles, except that evaluations which are consistent with the practice of the Federal banking agencies may be used for supervisory purposes.

"(d) Accounting for Subordinated Debt and Goodwill.—No provision of this section shall affect the authority of the Corporation to authorize insured institutions to utilize subordinated debt and goodwill in meeting reserve and other regulatory requirements.

"(e) Loss Deferrals.—Notwithstanding any other provision of this section—

"(1) insured institutions may continue, for purposes of determining regulatory net worth and capital, to defer and amortize gains and losses from the disposition of assets pursuant to regulations of the Corporation in effect before the enactment of the Thrift Industry Recovery Act; and

"(2) the use of such deferrals and amortizations, consistently with the regulations referred to in paragraph (1), shall not reduce the ability of an insured institution to comply with any other rule issued or regulation prescribed by the Corporation.

"(f) Federal Banking Agency Defined.—For purposes of this section, the term 'Federal banking agency' means the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation.".

(c) Report to Congress.—Not later than the end of the 90-day period beginning on the date of the enactment of this Act—

(1) the Federal Home Loan Bank Board shall submit a copy of the proposed regulations required to be prescribed under the amendment made by subsection (a) to the Congress; and

(2) the Federal Savings and Loan Insurance Corporation shall submit a copy of the proposed regulations required to be prescribed under the amendment made by subsection (b) to the Congress.

(d) Effective Date of Regulations.—

(1) In general.—Except as provided in paragraph (2), any regulation required to be prescribed under the amendment made by subsections (a) and (b) shall be implemented not later than the end of the 150-day period beginning on the date of the enactment of this Act.

(2) Uniform GAAP accounting standards.—

(A) In general.—Except as provided in subparagraph (B), the regulations required to be prescribed pursuant to subsection (b) of the amendments made by subsections (a) and (b) of this section shall take effect on December 31, 1987.

(B) Compliance at a later date.—If any association or insured institution demonstrates to the satisfaction of the Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation, as the case may be, that it is not feasible for such association or institution to achieve compliance with the regulations referred to in subparagraph (A) by the date contained in such subparagraph, the Board or Corporation may approve a plan submitted by an association or insured institution which allows such association or institution to comply with such regulations at a later date to the extent such later date is the earlier of—

(i) the date by which, in the determination of the Board or Corporation, it is feasible for such association or insured institution to achieve compliance with such regulations; or

(ii) December 31, 1993.

### SEC. 403. AUDIT OF FEDERAL ASSET DISPOSITION ASSOCIATION.

Section 9105(a) of title 31, United States Code (relating to audits) is amended by inserting at the end thereof the following new paragraph:

"(3)(A) Notwithstanding any other provision of law and under such regulations as the Comptroller General may prescribe, the Comptroller General shall perform a financial audit of the Federal Asset Disposition Association on whatever basis the Comptroller General determines to be necessary.

"(B) The Federal Asset Disposition Association shall—

"(i) make available to the Comptroller General for audit all records and property of, or used or managed by, the Association which may be necessary for the audit; and

"(ii) provide the Comptroller General with facilities for verifying transactions with the balances or securities held by any depositary, fiscal agent, or custodian.

"(C) For purposes of this paragraph, the term 'Federal Asset Disposition Association' means the savings and loan association established by the Federal Savings and Loan Insurance Corporation under section 406 of the National Housing Act to manage and liquidate nonperforming assets on behalf of such Corporation in accordance with such section.".

### SEC. 404. THRIFT INDUSTRY RECOVERY REGULATIONS.

(a) Federally Chartered Thrifts.—The Home Owners' Loan Act of 1933 (12 U.S.C. 1461 et seq.) is amended by adding after section 9 (as added by section 402(a) of this title) the following new section:

"SEC. 10. THRIFT INDUSTRY RECOVERY REGULATIONS.

"(a) In General.—The Board shall prescribe capital recovery regulations for regulating and supervising troubled but well-managed and viable associations in a manner which will maximize the long-term viability of the thrift industry at the lowest cost to the Federal Savings and Loan Insurance Corporation.

"(b) Capital Recovery.—The regulations required to be prescribed under subsection (a) shall provide that an association with net worth of 0.5 percent or more, as determined in accordance with regulatory accounting principles, may be allowed to continue to operate and be eligible for capital forbearance if—

"(1) the Board determines that the association's weak capital condition is—

"(A) primarily the result of losses recognized on, the nonperforming status of, or the failure of borrowers to otherwise remain in compliance with the repayment terms of loans, or participations in loans, the value of the collateral for which has been adversely affected by economic conditions in a designated economically depressed region; or

"(B) primarily the result of losses recognized on, the nonperforming status of, or the failure of borrowers to otherwise remain in compliance with the repayment terms of loans, or participation in loans, made by a minority association 50 percent or more of whose loan assets are minority loans and 50 percent or more of whose originated loans are construction or permanent loans for 1 to 4 family residences;

"(2) the Board determines that the association's weak capital condition is not the result of imprudent operating practices, such as practices that were speculative at the time the practices were undertaken, insider abuses, excessive operating expenses, dividends paid by the association, or actions taken solely for the purpose of qualifying for capital recovery under this subsection;

"(3) the Board approves a plan submitted by the association for increasing such association's capital; and

"(4) the association—

"(A) adheres to the plan approved under paragraph (3); and

"(B) submits regular and complete reports on such association's progress in meeting the association's goals under such plan.

"(c) Associations With Net Worth of Less Than 0.5 Percent May Participate in Capital Recovery.—In the regulations required to be prescribed under subsection (a), the Board may provide that a well-managed association with a net worth of less than 0.5 percent, as determined in accordance with regulatory accounting principles, may, in the discretion of the Board, be allowed to continue to operate and be eligible for capital forbearance if—

"(1) the conditions described in each paragraph of subsection (a) have been met with respect to such association; and

"(2) the association has reasonable and demonstrable prospects of returning to a satisfactory capital level, as determined by the Board.

"(d) Definitions.—For purposes of this section—

"(1) Designated economically depressed region defined.—The term 'designated economically depressed region' means any geographical region which the Board determines, by regulation, to be a region within which real estate values have suffered serious declines due to severe economic conditions, such as a decline in energy or agricultural values or prices.

"(2) Minority.—The term 'minority' means any Black American, Native American, Hispanic American, or Asian American.

"(3) Minority association.—The term 'minority association' means any association of which—

"(A) more than 50 percent of the ownership or control (of such association) is held by minority individuals; and

"(B) more than 50 percent of the net profit or loss (of such association) accrues to minority individuals.

"(4) Minority loan.—The term 'minority loan' means any obligation or other extension or advance of credit which is made to 1 or more minority individuals or to any person which is owned or controlled by 1 or more minority individuals.".

(b) State Chartered, Federally Insured Thrifts.—Title IV of the National Housing Act (12 U.S.C. 1724 et seq.) is amended by adding after section 415 (as added by section 402(b) of this title) the following new section:

"SEC. 416. THRIFT INDUSTRY RECOVERY REGULATIONS.

"(a) In General.—The Corporation shall prescribe capital recovery regulations for regulating and supervising troubled but well-managed and viable insured institutions in a manner which will maximize the long-term viability of the thrift industry at the lowest cost to the Corporation.

"(b) Capital Recovery.—The regulations required to be prescribed under subsection (a) shall provide that an insured institution with net worth of 0.5 percent or more, as determined in accordance with regulatory accounting principles, may be allowed to continue to operate and be eligible for capital forbearance if—

"(1) the Corporation determines that the insured institution's weak capital condition is—

"(A) primarily the result of losses recognized on, the nonperforming status of, or the failure of borrowers to otherwise remain in compliance with the repayment terms of, loans, or participations in loans, the value of the collateral for which has been adversely affected by economic conditions in a designated economically depressed region; or

"(B) primarily the result of losses recognized on, the nonperforming status of, or the failure of borrowers to otherwise remain in compliance with the repayment terms of, loans, or participation in loans, made by a minority institution 50 percent or more of whose loan assets are minority loans and 50 percent or more of whose originated loans are construction or permanent loans for 1 to 4 family residences;

"(2) the Corporation determines that the insured institution's weak capital condition is not the result of imprudent operating practices, such as practices that were speculative at the time the practices were undertaken, insider abuses, excessive operating expenses, dividends paid by the insured institution, or actions taken solely for the purpose of qualifying for capital recovery under this subsection;

"(3) the Corporation approves a plan submitted by the insured institution for increasing such institution's capital; and

"(4) the insured institution—

"(A) adheres to the plan approved under paragraph (3); and

"(B) submits regular and complete reports on such institution's progress in meeting the institution's goals under such plan.

"(c) Thrifts With Net Worth of Less Than 0.5 Percent May Participate in Capital Recovery.—In the regulations required to be prescribed under subsection (a), the Corporation may provide that a well-managed insured institution with a net worth of less than 0.5 percent, as determined in accordance with regulatory accounting principles, may, in the discretion of the Corporation, be allowed to continue to operate and be eligible for capital forbearance if—

"(1) the conditions described in each paragraph of subsection (a) have been met with respect to such insured institution; and

"(2) the insured institution has reasonable and demonstrable prospects of returning to a satisfactory capital level, as determined by the Corporation.

"(d) Definitions.—For purposes of this section—

"(1) Designated economically depressed region defined.—The term 'designated economically depressed region' means any geographical region which the Corporation determines, by regulation, to be a region within which real estate values have suffered serious declines due to severe economic conditions, such as a decline in energy or agricultural values or prices.

"(2) Minority.—The term 'minority' means any Black American, Native American, Hispanic American, or Asian American.

"(3) Minority institution.—The term 'minority institution' means any insured institution of which—

"(A) more than 50 percent of the ownership or control (of such insured institution) is held by minority individuals; and

"(B) more than 50 percent of the net profit or loss (of such insured institution) accrues to minority individuals.

"(4) Minority loan.—The term 'minority loan' means any obligation or other extension or advance of credit which is made to 1 or more minority individuals or to any person which is owned or controlled by 1 or more minority individuals.".

(c) Implementation Report to Congress.—The Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation shall each submit a report to Congress containing the proposed regulations required to be prescribed under subsection (a) or (b), as the case may be, not later than the end of the 90-day period beginning on the date of the enactment of this Act.

(d) Effective Date of Regulations.—The regulations required to be prescribed under the amendments made by subsections (a) and (b) shall be implemented not later than the end of the 150-day period beginning on the date of the enactment of this Act.

(e) Agency Study and Report on, and Congressional Review of, Capital Recovery.—

(1) Study and report required.—Not later than January 31, 1989, the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation shall jointly—

(A) conduct a detailed evaluation of the effectiveness of the regulations required to be prescribed under the amendments made by subsections (a) and (b) in achieving an increased level of capitalization for thrift institutions; and

(B) submit a report to the Congress containing the findings and conclusions of the Board and the Corporation in connection with the study required under subparagraph (A).

(2) Congressional review.—The Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate shall, upon receipt of the report under paragraph (1)(B), review the regulations and recommend such revisions to the regulations as may be appropriate.

### SEC. 405. CAPITAL INSTRUMENT PURCHASE PROGRAM.

Section 406(f) of the National Housing Act (12 U.S.C. 1729(f)) is amended by adding at the end thereof the following new paragraph:

"(6) Capital instrument purchase program.—

"(A) In general.—Notwithstanding any other provision of Federal law (other than subparagraph (C)) and without limitation on any other authority of the Corporation or the Federal Home Loan Bank Board, the Corporation may exercise its authority to purchase capital instruments in the case of any insured institution for which a plan for increasing capital has been approved by the Corporation pursuant to section 416 or by such Board pursuant to section 10 of the Home Owners' Loan Act of 1933.

"(B) Terms and conditions.—Except as provided in subparagraph (C), the purchase of capital instruments under subparagraph (A) shall be subject to such terms and conditions as the Corporation may prescribe.

"(C) Warrant requirement.—

"(i) In general.—In the case of an insured institution with capital stock, the Corporation shall require such institution to negotiate with the Corporation warrants for the purchase of shares of stock as a condition for the purchase of capital instruments by the Corporation, on such terms and conditions as the Corporation may prescribe.

"(ii) Mutual institutions.—If any insured institution—

"(I) which is organized on a mutual basis; and

"(II) with respect to which the Corporation has purchased capital instruments,

converts to a stock charter, such insured institution shall comply with the requirements of clause (i) immediately upon such conversion.

"(iii) Maximum amount.—The amount of shares for which warrants are negotiated under subparagraph (A) with respect to any insured institution shall not exceed the total number of shares outstanding at the time such warrants are issued to the Corporation.

"(iv) Redemption by insured institution.—Upon the full redemption of the capital instruments by an insured institution, including all accumulated unpaid dividends, the Corporation may, at the discretion of the Corporation, tender the warrants for redemption by the insured institution.

"(v) Payment on redemption.—Upon any redemption of warrants under clause (iv), the insured institution shall pay the Corporation the difference between the fair market value of the warrants on the date of redemption and the exercise price of such warrants.

"(vi) Proceeds from redemption of warrants.—The proceeds of any sale or redemption of warrants under clause (iv) shall be deposited in and be considered a part of the primary reserve established under section 404(a).

"(D) Dividends.—Capital instruments purchased by the Corporation under subparagraph (A) shall pay dividends at a reasonable rate, as determined by the Corporation, and the rate shall be indexed to obligations issued by the Secretary of the Treasury under subchapter I of chapter 31 of title 31, United States Code.

"(E) Priority.—

"(i) In general.—In the event of the liquidation or reorganization of any insured institution with respect to which the Corporation holds capital instruments under this paragraph, the Corporation shall have priority over—

"(I) any claim, other than a claim described in clause (ii), arising out of any equity interest in such insured institution; and

"(II) any right of any holder of an equity interest in such insured institution to participate in future earnings.

"(ii) Dividends.—

"(I) No other dividends.—No dividends may be paid on any class of equity instruments of any insured institution (other than a capital instrument held by the Corporation) until all dividends, including accumulated unpaid dividends, on the capital instruments are paid.

"(II) Prohibition ceases if payment redemption payments and dividends are current.—If all payments on capital instruments held by the Corporation with respect to any insured institution, including redemption payments and dividends, are current, dividends on other classes of equity instruments of such insured institution may be paid, notwithstanding subclause (I).".

### SEC. 406. MINIMUM CAPITAL REQUIREMENTS.

(a) Federally Chartered Thrifts.—Section 5 of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464) is amended by adding at the end thereof the following new subsection:

"(s) Minimum Capital Requirements.—

"(1) In general.—Consistent with the purposes of section 908 of the International Lending Supervision Act of 1983 and the capital requirements established pursuant to such section by the appropriate Federal banking agencies (as defined in section 903(1) of such Act), the Board shall require all associations to achieve and maintain adequate capital by—

"(A) establishing minimum levels of capital for associations; and

"(B) using such other methods as the Board determines to be appropriate.

"(2) Minimum capital levels may be determined by board on case-by-case basis.—The Board may establish the minimum level of capital for an association at such amount or at such ratio of capital-to-assets as the Board determines to be necessary or appropriate for such association in light of the particular circumstances of the association.

"(3) Unsafe or unsound practice.—In the Board's discretion, the Board may treat the failure of any association to maintain capital at or above the minimum level required by the Board under this subsection as an unsafe or unsound practice within the meaning of subsection (d).

"(4) Directive to increase capital.—

"(A) Plan may be required.—In addition to any other action authorized by law, including paragraph (3), the Board may issue a directive requiring any association which fails to maintain capital at or above the minimum level required by the Board to submit and adhere to a plan for increasing capital which is acceptable to the Board.

"(B) Enforcement of plan.—Any directive issued and plan approved under subparagraph (A) shall be enforceable under subsection (d)(8) to the same extent and in the same manner as an outstanding order which was issued under subsection (d)(2) and has become final.

"(5) Plan taken into account in other proceedings.—The Board may—

"(A) consider an association's progress in adhering to any plan required under paragraph (4) whenever such association or any affiliate of such association (including any company which controls such association) seeks the approval of the Board for any proposal which would have the effect of diverting earnings, diminishing capital, or otherwise impeding such association's progress in meeting the minimum level of capital required by the Board; and

"(B) disapprove any proposal referred to in subparagraph (A) if the Board determines that the proposal would adversely affect the ability of the association to comply with such plan.".

(b) State Chartered, Federally Insured Thrifts.—Section 407 of the National Housing Act (12 U.S.C. 1730) is amended by adding at the end thereof the following new subsection:

"(t) Minimum Capital Requirements.—

"(1) In general.—Consistent with the purposes of section 908 of the International Lending Supervision Act of 1983 and the capital requirements established pursuant to such section by the appropriate Federal banking agencies (as defined in section 903(1) of such Act), the Corporation shall require all insured institutions to achieve and maintain adequate capital by—

"(A) establishing minimum levels of capital for insured institutions; and

"(B) using such other methods as the Corporation determines to be appropriate.

"(2) Minimum capital levels may be determined by corporation on case-by-case basis.—The Corporation may establish the minimum level of capital for an insured institution at such amount or at such ratio of capital-to-assets as the Corporation determines to be necessary or appropriate for such insured institution in light of the particular circumstances of the insured institution.

"(3) Unsafe or unsound practice.—In the Corporation's discretion, the Corporation may treat the failure of any insured institution to maintain capital at or above the minimum level required by the Corporation under this subsection as an unsafe or unsound practice within the meaning of subsection (e).

"(4) Directive to increase capital.—

"(A) Plan may be required.—In addition to any other action authorized by law, including paragraph (3), the Corporation may issue a directive requiring any insured institution which fails to maintain capital at or above the minimum level required by the Corporation to submit and adhere to a plan for increasing capital which is acceptable to the Corporation.

"(B) Enforcement of plan.—Any directive issued and plan approved under subparagraph (A) shall be enforceable under subsection (k) to the same extent and in the same manner as an outstanding order which was issued under subsection (e) and has become final.

"(5) Plan taken into account in other proceedings.—The Corporation may—

"(A) consider an insured institution's progress in adhering to any plan required under paragraph (4) whenever such insured institution or any affiliate of such insured institution (including any company which controls such insured institution) seeks the approval of the Corporation for any proposal which would have the effect of diverting earnings, diminishing capital, or otherwise impeding such insured institution's progress in meeting the minimum level of capital required by the Corporation; and

"(B) disapprove any proposal referred to in subparagraph (A) if the Corporation determines that the proposal would adversely affect the ability of the insured institution to comply with such plan.".

### SEC. 407. IMPROVEMENTS IN THE SUPERVISORY PROCESS.

(a) Enhanced Flexibility in the Supervisory Process.—The Federal Home Loan Bank Board (acting as such under the Federal Home Loan Bank Act and in the Board's capacity as the board of trustees of the Federal Savings and Loan Insurance Corporation under section 402(a) of the National Housing Act) shall issue guidelines which provide greater flexibility for supervisory agents, examiners, and other employees and agents of the Board, the Federal Savings

and Loan Insurance Corporation, and the Federal home loan banks in applying regulations, standards, and other requirements of the Board or such Corporation with regard to particular situations or particular thrift institutions.

(b) Particular Guidelines Required.—The guidelines issued under subsection (a) shall contain the following provisions:

(1) Flexible approval process for renegotiated loans.—A provision establishing a flexible procedure for obtaining supervisory approval of the terms of loans renegotiated by thrift institutions if a supervisory agreement is in effect between such institution and the principal supervisory agent of the Federal home loan bank district where such institution is located.

(2) Recognition of additional financial capability of a borrower.—A provision permitting examiners and other employees and agents of the Board, the Federal Savings and Loan Insurance Corporation, and the Federal home loan banks to take into account, to the extent consistent with the practices of the Federal banking agencies, other financial resources of a borrower (in addition to the financial assets of the borrower which are pledged to secure a loan) in classifying the assets of the thrift institution which holds a loan made to such borrower or with recourse to the borrower.

(3) Appraisal review.—A provision establishing an appraisal review system to avoid overly optimistic or conservative appraisals with the goal of achieving appraisals that are more consistent in reflecting underlying values.

(4) 1-to-4 family residences.—A provision eliminating the scheduled item system except as such system relates to 1-to-4 family residences.

(c) Definitions.—For purposes of subsections (a) and (b)—

(1) Thrift institution.—The term "thrift institution" means—

(A) any association (within the meaning given to such term in section 2(d) of the Home Owners' Loan Act of 1933);

(B) any insured institution (within the meaning given to such term in section 401(a) of the National Housing Act); and

(C) any member (within the meaning given to such term in section 2(4) of the Federal Home Loan Bank Act).

(2) Board.—The term "Board" means the Federal Home Loan Bank Board.

(3) Federal banking agency.—The term "Federal banking agency" means the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation.

(d) Nonadversarial Review of Certain Supervisory Decisions.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by inserting after section 22 the following new section:

### "SEC. 22A. INFORMAL REVIEW OF CERTAIN SUPERVISORY DECISIONS.

"(a) Review of Certain Supervisory Decisions.—The Board shall establish an informal review procedure under which any association, insured institution, or member may obtain a review, by the principal supervisory agent for the Federal home loan bank district in which such association, institution, or member is located, of any decision by any examiner or supervisory agent of the Federal home loan bank for such district with respect to—

"(1) the appraisal value of—

"(A) any loan held by the association, insured institution, or member; or

"(B) any property serving as collateral to secure the repayment of any loan (held by the association, institution, or member);

"(2) the classification of any loan held by the association, institution, or member; or

"(3) any requirement imposed on the association, institution, or member to establish or to add to a reserve or allowance for a possible loss on any loan held by such institution.

"(b) Standards for Review.—The review procedure established pursuant to subsection (a) shall provide that the principal supervisory agent for the appropriate Federal home loan bank district, after taking into account the report described in subsection (c)(2) by the arbiter (or panel of arbiters), shall approve, modify, or set aside any decision for which a review has been requested on the basis of the supervisory agent's review of all the facts and the regulations applicable to such decision and shall take such action as such agent may determine to be necessary or appropriate in light of such review.

"(c) Appointment of Independent Arbiter.—The review procedure established pursuant to subsection (a) shall provide for the appointment (by the principal supervisory agent for the appropriate Federal home loan bank district, upon the filing of a request for a review under this section by an association, insured institution, or member) of an independent arbiter (or, upon the request of such association, institution, or member, a panel of independent arbiters) who shall—

"(1) review the decision which is the subject of the review in light of all the facts of the case and the regulations applicable to such determination; and

"(2) report the conclusions and recommendations of the independent arbiter (or the panel) with respect to the decision under review to the principal supervisory agent for the appropriate Federal home loan bank district and the association, insured institution, or member.

"(d) Consolidation of Reviews of Related Decisions.—The principal supervisory agent may consolidate requests for review under this section of related decisions and conduct a single review of all such related decisions.

"(e) 25-Day Arbiter Review Period; 20-Day PSA Review Period.—

"(1) Arbiter review.—The review procedure established pursuant to subsection (a) shall provide that any review described in subsection (c) by an arbiter (or panel of arbiters) shall be completed before the end of the 25-day period beginning on the date the request for the review was filed with the principal supervisory agent.

"(2) Review by PSA.—The review procedure established pursuant to subsection (a) shall provide that any review by the principal supervisory agent of an arbiter's report described in subsection (c)(2) (or the report of a panel of arbiters) shall be completed before the end of the 20-day period beginning on the date the agent receives such report.

"(3) Only business days included.—Saturdays, Sundays, and holidays shall not be taken into account in determining the periods described in paragraphs (1) and (2).

"(f) Clarification of Relationship Between Informal Review and Other Available Review.—

"(1) Informal review not exclusive.—The informal review procedure established pursuant to subsection (a) for reviewing any decision referred to in such subsection shall be in addition to, and not in lieu of, any other procedure established by law, or any regulation of the Board, which provides for formal administrative or judicial review of such decision.

"(2) Only the original decision is within scope of administrative and judicial review.—If any association, insured institution, or member seeks administrative or judicial review of any examiner or supervisory agent decision for which such association, insured institution, or member obtained an informal review under the procedure established pursuant to subsection (a), such administrative or judicial review shall be carried out—

"(A) without regard to the fact that such informal review was made; and

"(B) without admitting into evidence, or otherwise taking into account, the findings, recommendations, or conclusions of the principal supervisory agent and the independent arbiter (or the panel of independent arbiters) which conducted the informal review.

"(3) Informal review not subject to formal review.—The findings, recommendations, or conclusions of any principal supervisory agent who conducted a review under the procedure established pursuant to subsection (a) are not decisions which may be subject to review by the Board or any court under any regulation of the Board or any law.

"(g) Expenses of Review Borne by Association, Institution, or Member.—All reasonable expenses incurred as a direct or indirect result of any review under the procedure established pursuant to subsection (a) shall be paid by the association, insured institution, or member which requested the review.".

### SEC. 408. PREVENTION OF INSOLVENCIES.

Before the end of the 6-month period beginning on the date of the enactment of this Act, the Federal Home Loan Bank Board shall submit a report to the Congress containing—

(1) a detailed description of the steps the Board has taken and is planning to take to prevent additional failures of thrift institutions; and

(2) such recommendations for legislation as the Board may determine to be appropriate.

### SEC. 409. FEASIBILITY STUDY RELATING TO ESTABLISHMENT OF ASSET HOLDING CORPORATION.

(a) Study Required.—The Federal Home Loan Bank Board shall study the feasibility of establishing an asset holding corporation to relieve thrift institutions of the burden of carrying and maintaining troubled real estate assets by providing for the acquisition of such assets by such corporation.

(b) Factors To Be Considered.—In studying the feasibility of establishing an asset holding corporation, the Federal Home Loan Bank Board shall—

(1) estimate the cost of establishing and operating such corporation for the purposes intended;

(2) consider whether sufficient capital for the establishment and operation of the corporation can be obtained from the private sector or from the Federal home loan bank system without any Government investment in the corporation;

(3) develop standards for determining the type and condition of real estate assets which would be eligible for acquisition by such corporation and estimate the total value of such real estate; and

(4) develop a proposal for allowing participating thrift institutions to obtain an equity participation in the corporation.

(c) REPORT REQUIRED.—The Federal Home Loan Bank Board shall prepare and submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, not later than 6 months after the date of the enactment of this Act, a report containing the findings and conclusions of the Board with respect to the study required under subsection (a) and any recommendation of the Board for legislation which the Board determines may be necessary or appropriate.

### SEC. 410. NOTICE AND DISAPPROVAL PROCEDURE REQUIRED FOR ALL APPLICATIONS TO THE BANK BOARD.

(a) IN GENERAL.—The Federal Home Loan Bank Board shall promulgate guidelines which provide that with respect to each type of completed application (other than an application under section 408(g) of the National Housing Act) by any person for approval by the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation, the application shall be deemed to be approved as of the end of the period prescribed under such guidelines unless the Board or the Federal Savings and Loan Insurance Corporation, as the case may be, approves or disapproves such application before the end of such period.

(b) APPLICATION FOR HOLDING COMPANY INDEBTEDNESS.—Section 408(g) of the National Housing Act (12 U.S.C. 1730a(g)) is amended by adding at the end thereof the following new paragraph:

"(7) Any completed application under this subsection shall be deemed to be approved as of the end of the 60-day period beginning on the date such application was filed, unless the Corporation issues notice of approval or disapproval of the application before the end of such period.".

(c) REPORT TO CONGRESS.—Before the end of the 60-day period beginning on the date of the enactment of this Act, the Federal Home Loan Bank Board shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report containing the guidelines required to be promulgated under subsection (a).

(d) EFFECTIVE DATE.—The guidelines required to be promulgated under subsection (a) shall take effect at the end of the 60-day period referred to in subsection (c).

### SEC. 411. GUIDELINES FOR ASSET DISPOSITION.

Not later than 6 months after the date of the enactment of this Act, the Federal Home Loan Bank Board shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report containing appropriate new guidelines which—

(1) prevent the dumping of assets over which it has direct or indirect control; and

(2) the Board shall promulgate at the end of such period.

### SEC. 412. EXPANSION OF USE OF UNDERUTILIZED MINORITY THRIFT INSTITUTIONS.

(a) CONSULTATION ON EXPANDED USE.—The Secretary of the Treasury shall consult with the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation on methods for increasing the use of underutilized minority thrift institutions as depositaries or financial agents of Federal agencies.

(b) DESIGNATION OF MINORITY THRIFT INSTITUTIONS INVOLVED IN CAPITAL RECOVERY PROGRAM AS UNDERUTILIZED THRIFT.—If the Federal Home Loan Bank Board approves any plan submitted under regulations prescribed under section 10 of the Home Owners' Loan Act of 1933 (as added by section 404(a) of this title) or section 416 of the National Housing Act (as added by section 404(c) of this title) by any minority institution (as defined in each such section), such minority institution shall be designated by the Board as an underutilized thrift institution for purposes of increasing the use of such association as a depositary or financial agent of other Federal agencies.

(c) REPORT TO CONGRESS.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Secretary of the Treasury, the Federal Home Loan Bank Board, and the Federal Savings and Loan Insurance Corporation shall each submit a report to the Congress on actions taken by such Secretary or agency pursuant to subsection (a) or (b).

(d) THRIFT INSTITUTION DEFINED.—For purposes of this section, the term "thrift institution" has the meaning given to such term in section 407(c)(1).

### SEC. 413. AUTHORITY OF INDEPENDENT CONTRACTORS, CONSULTANTS, AND COUNSEL.

(a) FEDERALLY CHARTERED THRIFT INSTITUTIONS.—Section 5(d)(6) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(d)(6)) (relating to appointments of receivers and conservators) is amended by adding at the end thereof the following new subparagraph:

"(E) DISCLOSURE REQUIREMENT FOR THOSE ACTING ON BEHALF OF CONSERVATOR.—A conservator shall require that any independent contractor, consultant, or counsel employed by the conservator in connection with the conservatorship of an association pursuant to this section shall fully disclose to all parties with which such contractor, consultant, or counsel is negotiating, any limitation on the authority of such contractor, consultant, or counsel to make legally binding representations on behalf of the conservator.".

(b) FEDERALLY INSURED STATE CHARTERED THRIFT INSTITUTIONS.—Section 406(b) of the National Housing Act (12 U.S.C. 1730) (relating to involuntary termination of insurance) is amended by adding at the end thereof the following new paragraph:

"(4) DISCLOSURE REQUIREMENT FOR THOSE ACTING ON BEHALF OF CORPORATION.—The Corporation shall require that any independent contractor, consultant, or counsel employed by the Corporation in connection with the management or liquidation of an insured institution shall fully disclose to all parties with which such contractor, consultant, or counsel is negotiating, any limitation on the authority of such contractor, consultant, or counsel to make legally binding representations on behalf of the Corporation.".

### SEC. 414. EXTENSION OF FORBEARANCE PREVIOUSLY PROVIDED IN THE ACQUISITION OF TROUBLED THRIFT INSTITUTIONS.

Section 408(m)(1)(A) of the National Housing Act (12 U.S.C. 1730a(m)(1)(A)) is amended by adding at the end thereof the following new clause:

"(iv) If, in connection with a merger, consolidation, transfer, or acquisition of an insured institution under this subparagraph before March 31, 1987, forbearance measures have been included in the agreement governing the supervisory action with respect to such transaction, the period of forbearance in such agreement shall be extended for an additional 5 years upon a showing by the acquiring or resulting insured institution that any failure to meet any requirement, restriction, or limitation specified in such agreement with respect to any such forbearance measure is attributable to the assets or liabilities (of the acquired or merged insured institution) which were acquired by or assumed by the acquiring or resulting insured institution.".

### SEC. 415. CONGRESSIONAL OVERSIGHT.

(a) BANKING COMMITTEE REVIEW OF PANEL ACTIONS.—The Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate shall monitor and review the actions taken by each review panel established pursuant to the amendment made by section 407(d) of this Act.

(b) OTHER CONGRESSIONAL OVERSIGHT.—The Federal Home Loan Bank Board shall submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives, at the end of the 6-month period beginning on the date of the enactment of this title, at the end of the 1-year period beginning on such date, and on an annual basis after the end of such 1-year period, containing—

(1) a description of the Board's existing manpower and talent;

(2) an estimate of the Board's projected manpower and talent needs for the year, including the cost of such projected needs;

(3) a description and explanation of the goals and objectives, of the Board and all its related entities (including the Federal Asset Disposition Association), for the coming year and the management strategies to be employed by such entities in accomplishing such goals and objectives;

(4) a summary of the operations, receipts, expenses, and expenditures, of the Board and all its related entities (including the Federal Asset Disposition Association), during the preceding year; and

(5) a summary of the operations and the aggregate receipts, expenses, and expenditures of any other person not referred to in paragraph (4), including receivers, conservators, accountants, attorneys, and consultants, who is engaged in any activity on behalf of the Board or any other entity which is referred to in such paragraph, to the extent such operations, receipts, expenses, and expenditures are in connection with such activity.

(c) APPEARANCE.—The Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation shall, before the beginning of each fiscal year, appear before the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate to describe and explain each such agency's plans and proposals with respect to administrative expenses for such fiscal year.

(d) GUIDELINES FOR EMPLOYMENT OF OUTSIDE ACCOUNTANTS, ATTORNEYS, CONSERVATORS, AND OTHER CONSULTANTS.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Federal Home Loan Bank Board shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report containing guidelines to improve the management of and control over all outside accountants, attorneys, conservators, consultants, and other persons whose services are employed by the Board, the Federal Savings and Loan Insurance Corporation, the Federal Asset Disposition Association, the principal supervisory agent for any Federal home loan bank district, or any other entity created, owned, or controlled by the Board

in connection with any function for which the Board has direct or indirect regulatory or supervisory responsibility.

### SEC. 416. SUNSET.

(a) IN GENERAL.—The following provisions shall cease to be effective on the date that a notice is published in the Federal Register by the Financing Corporation pursuant to subsection (b):

(1) Paragraphs (2), (3), and (5) of—

(A) section 9(a) of the Home Owners' Loan Act of 1933; and

(B) section 415(a) of the National Housing Act,

(as added by subsections (a) and (b), respectively, of section 402 of this title).

(2) Section 10 of the Home Owners' Loan Act of 1933 and section 416 of the National Housing Act (as added by subsections (a) and (b), respectively, of section 404 of this title).

(3) Paragraph (6) of section 406(f) of the National Housing Act (as added by section 405 of this title).

(4) Section 22A of the Federal Home Loan Bank Act (as added by section 407(d) of this title).

(5) Section 411 of this title.

(b) NOTICE OF COMPLETION OF NET NEW BORROWING BY FINANCING CORPORATION.—When the Financing Corporation established pursuant to section 21 of the Federal Home Loan Bank Act has completed all net new borrowing under such section, the Financing Corporation shall publish a notice of such fact in the Federal Register.

(c) SAVINGS PROVISION.—The termination by subsection (a) of the effectiveness of any provision described in such subsection shall not be construed to affect or limit any authority of the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation to prescribe any regulation or engage in any activity with respect to any association or insured institution under any other provision of law.

## TITLE V—FINANCIAL INSTITUTIONS EMERGENCY ACQUISITIONS

### SEC. 501. SHORT TITLE.

This title may be cited as the "Financial Institutions Emergency Acquisitions Amendments of 1987".

### SEC. 502. FDIC ASSISTED EMERGENCY INTERSTATE ACQUISITIONS.

(a) GENERAL PROVISIONS.—Section 13(f)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(1)) is amended to read as follows:

"(f) ASSISTED EMERGENCY INTERSTATE ACQUISITIONS.—(1) This subsection shall apply only to an acquisition of an insured bank or a holding company by an out-of-State bank or out-of-State holding company for which the Corporation provides assistance under subsection (c).".

(b) EMERGENCY INTERSTATE ACQUISITIONS OF BANKS IN DANGER OF CLOSING.—Section 13(f)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(3)) is amended to read as follows:

"(3) EMERGENCY INTERSTATE ACQUISITIONS OF INSURED BANKS IN DANGER OF CLOSING.—

"(A) ACQUISITION OF INSURED BANKS IN DANGER OF CLOSING.—One or more out-of-State banks or out-of-State holding companies may acquire and retain all or part of the shares or assets of, or otherwise acquire and retain—

"(i) an insured bank in danger of closing which has total assets of $500,000,000 or more; or

"(ii) 2 or more affiliated insured banks in danger of closing which have aggregate total assets of $500,000,000 or more, if the aggregate total assets of such banks is equal to or greater than 33 percent of the aggregate total assets of all affiliated insured banks.

"(B) ACQUISITION OF A HOLDING COMPANY OR OTHER BANK AFFILIATE.—If one or more out-of-State banks or out-of-State holding companies acquire 1 or more affiliated insured banks under subparagraph (A) the aggregate total assets of which is equal to or greater than 33 percent of the aggregate total assets of all affiliated insured banks, any such out-of-State bank or out-of-State holding company may also, as part of the same transaction, acquire and retain the shares or assets of, or otherwise acquire and retain—

"(i) the holding company which controls the affiliated insured banks so acquired; or

"(ii) any other affiliated insured bank.

"(C) REQUEST FOR ASSISTANCE BY CORPORATE BOARD OF DIRECTORS.—The Corporation may assist an acquisition or merger authorized under subparagraph (A) only if the board of directors or trustees of each insured bank in danger of closing which is being acquired has requested in writing that the Corporation assist the acquisition or merger.

"(D) CERTAIN ACQUISITIONS AUTHORIZED AFTER ASSISTANCE IS PROVIDED.—Notwithstanding paragraph (1), if—

"(i) at any time after the date of the enactment of the Financial Institutions Emergency Acquisitions Amendments of 1987, the Corporation provides any assistance under subsection (c) to an insured bank; and

"(ii) at the time such assistance is granted, the insured bank, the holding company which controls the insured bank (if any), or any affiliated insured bank is eligible to be acquired by an out-of-State bank or out-of-State holding company under this paragraph,

the insured bank, the holding company, and such other affiliated insured bank shall remain eligible, subject to such terms and conditions as the Corporation (in the Corporation's discretion) may impose, to be acquired by an out-of-State bank or out-of-State holding company under this paragraph as long as any portion of such assistance remains outstanding.

"(E) STATE BANK SUPERVISOR APPROVAL.—The Corporation may take no final action in connection with any acquisition under this paragraph unless the State bank supervisor of the State in which the bank in danger of closing is located approves the acquisition.

"(F) OTHER REQUIREMENTS NOT AFFECTED.—This paragraph does not affect any other requirement under Federal or State law for regulatory approval of an acquisition under this paragraph.

"(G) ACQUISITION MAY BE CONDITIONED ON RECEIPT OF CONSIDERATION FOR CORPORATION'S ASSISTANCE.—Any acquisition described in subparagraph (D) may be conditioned on the receipt of such consideration for the Corporation's assistance as the Board of Directors deems appropriate.".

(c) SPECIAL PROVISIONS APPLICABLE TO EMERGENCY INTERSTATE ACQUISITIONS.—

(1) COORDINATION WITH CERTAIN STATE LAWS.—Section 13(f)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(4)) is amended—

(A) by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively;

(B) by amending subparagraph (A) (as so redesignated) to read as follows:

"(A) ACQUISITIONS NOT SUBJECT TO CERTAIN OTHER LAWS.—Section 3(d) of the Bank Holding Company Act of 1956, any provision of State law, the constitution of any State, and section 408(e)(3) of the National Housing Act shall not apply to prohibit any acquisition under paragraph (2) or (3), except that an out-of-State bank may make such an acquisition only if such ownership is otherwise specifically authorized."; and

(C) by adding at the end thereof the following new subparagraphs:

"(D) SUBSEQUENT NONEMERGENCY INTERSTATE ACQUISITIONS SUBJECT TO STATE LAW.—

"(i) IN GENERAL.—Any out-of-State bank holding company which acquires control of an insured bank in any State under paragraph (2) or (3) may acquire any other insured bank and establish branches in such State to the same extent as a bank holding company whose insured bank subsidiaries' operations are principally conducted in such State may acquire any other insured bank or establish branches.

"(ii) DELAYED DATE OF APPLICABILITY.—Clause (i) shall not apply with respect to any out-of-State bank holding company referred to in such clause before the earlier of—

"(I) the end of the 2-year period beginning on the date the acquisition referred to in such clause with respect to such company is consummated; or

"(II) the end of any period established under State law during which such out-of-State bank holding company may not be treated as a bank holding company whose insured bank subsidiaries' operations are principally conducted in such State for purposes of acquiring other insured banks or establishing bank branches.

"(iii) DETERMINATION OF PRINCIPALLY CONDUCTED.—For purposes of this subparagraph, the State in which the operations of a holding company's insured bank subsidiaries are principally conducted is the State determined under section 3(d) of the Bank Holding Company Act of 1956 with respect to such holding company.

"(E) CERTAIN STATE INTERSTATE BANKING LAWS INAPPLICABLE.—Any holding company which acquires control of any insured bank or holding company under paragraph (2) or (3) or subparagraph (D) of this paragraph shall not, by reason of such acquisition, be required under the law of any State to divest any other insured bank or be prevented from acquiring any other bank or holding company.".

(2) RECIPROCAL BANK PACTS AND MINORITY BANK OWNERSHIP TAKEN INTO ACCOUNT IN BIDDING PRIORITIES.—Section 13(f)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(6)) is amended—

(A) in subparagraph (B), by striking out clause (ii) and all that follows through clause (iv) and inserting in lieu thereof the following new clauses:

"(ii) Second, between depository institutions of the same type—

"(I) in different States which by statute specifically authorize such acquisitions; or

"(II) in the absence of such statutes, in different States which are contiguous.

"(iii) Third, between depository institutions of the same type in different States other than the States described in clause (ii).

"(iv) Fourth, between depository institutions of different types in the same State.

"(v) Fifth, between depository institutions of different types—

"(I) in different States which by statute specifically authorize such acquisitions; or

"(II) in the absence of such statutes, in different States which are contiguous.

"(vi) Sixth, between depository institutions of different types in different States other than the States described in clause (v).''; and

(B) by amending subparagraph (C) to read as follows:

"(C) MINORITY BANK PRIORITY.—In the case of a minority-controlled bank, the Corporation shall seek an offer from other minority-controlled banks before proceeding with the bidding priorities set forth in subparagraph (B).".

(3) REAFFIRMATION OF THE RULE THAT NO ASSISTANCE IS AUTHORIZED FOR NONBANK SUBSIDIARIES OF HOLDING COMPANIES.—Section 13(f) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)) is amended by adding at the end thereof the following new paragraph:

"(9) NO ASSISTANCE AUTHORIZED FOR NONBANK SUBSIDIARIES OF HOLDING COMPANIES.—

"(A) IN GENERAL.—The Corporation shall not provide any assistance to a subsidiary of a holding company which is not an insured bank in connection with any acquisition under this subsection.

"(B) INTERMEDIATE HOLDING COMPANY PERMITTED.— This paragraph does not prohibit an intermediate holding company from being a conduit for assistance ultimately intended for an insured bank.".

(4) REPORTS REQUIRED.—Section 13(f) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)) is amended by adding after paragraph (9) (as added by paragraph (3) of this subsection) the following new paragraph:

"(10) ANNUAL REPORT.—

"(A) REQUIRED.—In its annual report to Congress the Corporation shall include a report on the acquisitions under this subsection during the preceding year.

"(B) CONTENTS.—The report required under subparagraph (A) shall contain the following information:

"(i) The number of acquisitions under this subsection.

"(ii) A brief description of each such acquisition and the circumstances under which such acquisition occurred.".

(5) DETERMINATION OF TOTAL ASSETS.—Section 13(f) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)) is amended by adding after paragraph (10) (as added by paragraph (4) of this subsection) the following new paragraph:

"(11) DETERMINATION OF TOTAL ASSETS.—For purposes of this subsection, the total assets of any insured bank shall be determined on the basis of the most recent report of condition of such bank which is available at the time of such determination.".

(d) BANK IN DANGER OF CLOSING DEFINED.—Section 13(f)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(8)) is amended—

(1) by adding at the end thereof the following new subparagraph:

"(D) the term 'bank in danger of closing' means an insured bank with respect to which the appropriate Federal or State chartering authority certifies in writing that—

"(i)(I) the bank is not likely to be able to meet the demands of such bank's depositors or pay the obligations of the bank in the normal course of business, and

"(II) there is no reasonable prospect that the bank will be able to meet such demands or pay such obligations without Federal assistance; or

"(ii)(I) the bank has incurred or is likely to incur losses that will deplete all or substantially all of the capital of the bank, and

"(II) there is no reasonable prospect for the replenishment of the bank's capital without Federal assistance;";

(2) by striking out "and" at the end of subparagraph (B); and

(3) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon.

(e) ACQUIRE DEFINED.—Section 13(f)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(8)) is amended by adding after subparagraph (D) (as added by subsection (d) of this section) the following new subparagraph:

"(E) the term 'acquire' means to acquire, directly or indirectly, ownership or control through—

"(i) an acquisition of shares;

"(ii) an acquisition of assets or assumption of liabilities;

"(iii) a merger or consolidation; or

"(iv) any similar transaction;".

(f) AFFILIATED INSURED BANK DEFINED.—Section 13(f)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(8)) is amended by adding after subparagraph (E) (as added by subsection (e) of this section) the following new subparagraph:

"(F) the term 'affiliated insured bank' means—

"(i) when used in connection with a reference to a holding company, an insured bank which is a subsidiary of such holding company; and

"(ii) when used in connection with a reference to 2 or more insured banks, insured banks which are subsidiaries of the same holding company; and".

(g) SUBSIDIARY DEFINED.—Section 13(f)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(8)) is amended by adding after subparagraph (F) (as added by subsection (f) of this section) the following new subparagraph:

"(G) the term 'subsidiary' has the meaning given to such term in section 2(d) of the Bank Holding Company Act of 1956.".

(h) WAIVER OF NOTICE AND HEARING REQUIREMENTS.—

(1) APPLICATION RELATING TO ACQUISITIONS.—Section 3(b) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(b)) is amended—

(A) by striking out "(b) Upon" and inserting in lieu thereof "(b)(1) NOTICE AND HEARING REQUIREMENTS.—Upon"; and

(B) by adding at the end thereof the following new paragraph:

"(2) WAIVER IN CASE OF BANK IN DANGER OF CLOSING.—If the Board receives a certification described in section 13(f)(8)(D) of the Federal Deposit Insurance Act from the appropriate Federal or State chartering authority that a bank is in danger of closing, the Board may dispense with the notice and hearing requirements of paragraph (1) with respect to any application received by the Board relating to the acquisition of such bank, the bank holding company which controls such bank, or any other affiliated bank.".

(2) APPLICATION RELATING TO NONBANKING ACTIVITIES.—Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)) is amended by striking out the semicolon at the end and inserting in lieu thereof a period and the following new sentences: "If an application is filed under this paragraph in connection with an application to make an acquisition pursuant to section 13(f) of the Federal Deposit Insurance Act, the Board may dispense with the notice and hearing requirement of this paragraph and the Board may approve or deny the application under this paragraph without notice or hearing. If an application described in the preceding sentence is approved, the Board shall publish in the Federal Register, not later than 7 days after such approval is granted, the order approving the application and a description of the nonbanking activities involved in the acquisition;".

(3) EARLY ANTITRUST REVIEW IN CASE OF EMERGENCY ACQUISITION OF FAILING BANK.—Section 11(b) of the Bank Holding Company Act of 1956 (12 U.S.C. 1849(b)) is amended—

(A) by striking out "(b) The Board" and inserting in lieu thereof "(b) ANTITRUST REVIEW.—

"(1) IN GENERAL.—The Board";

(B) by moving all that follows 2 ems to the right; and

(C) by adding at the end thereof the following new paragraph:

"(2) SECTION 13(f) CASES.—(A) If—

"(i) the Federal Deposit Insurance Corporation learns that a bank insured by such Corporation is in danger of closing; and

"(ii) the Corporation is considering assisting the acquisition of such bank and its affiliated banks by another bank or holding company under section 13(f) of the Federal Deposit Insurance Act and such acquisition is subject to the approval of the Board under section 3 of this Act,

the Corporation shall immediately notify the Board of such facts.

"(B) Upon receipt of notice from the Federal Deposit Insurance Corporation under subparagraph (A) or at such earlier time as deemed appropriate by the Board, the Board shall immediately notify the Attorney General of the United States of the facts concerning the possible acquisition.

"(C) Within 5 days of receiving notice under subparagraph (B), the Attorney General shall notify the Board in writing of the Attorney General's preliminary finding as to the consistency of the possible acquisition with the antitrust laws.

"(D) The Board may reduce or eliminate the post-approval waiting period established under paragraph (1) for an acquisition to which this paragraph applies, except that such period may not be eliminated or reduced to less than 5 days without the concurrence of the Attorney General.".

(i) TECHNICAL AND CONFORMING AMENDMENTS.—Section 13(f) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)) is amended—

(1) in paragraph (5), by striking out "to permit"; and

(2) in paragraph (6)(A)—

(A) by striking out "where the closed bank" and inserting in lieu thereof "where the bank"; and

(B) by striking out "in-State bank holding company" and inserting in lieu thereof "in-State holding company".

SEC. 503. BRIDGE BANKS.

(a) ESTABLISHMENT OF BRIDGE BANKS.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended—

(1) in subsection (h) by striking out "(h) As soon as" and inserting in lieu thereof "(h) NEW BANKS.—(1) As soon as";

(2) by redesignating subsections (i), (j), (k), and (l) as paragraphs (2), (3), (4), and (5) of subsection (h), respectively; and

(3) by inserting after subsection (h)(5) (as redesignated by paragraph (2)) the following new subsection:

"(i) BRIDGE BANKS.—

"(1) ESTABLISHMENT.—When an insured bank is closed, the Corporation, in the Corporation's discretion and subject to the conditions established in paragraph (2), may establish a bridge bank to—

"(A) assume the deposits of the closed bank;

"(B) assume such other liabilities of the closed bank as the Corporation, in the Corporation's discretion, may determine to be appropriate;

"(C) purchase such assets of the closed bank as the Corporation, in the Corporation's discretion, may determine to be appropriate; and

"(D) perform any other temporary function which the Corporation may prescribe in accordance with this Act.

"(2) CONDITIONS.—A bridge bank may be established under paragraph (1) only if the Board of Directors determines that—

"(A) the amount which is reasonably necessary to organize and operate such bridge bank will not exceed the amount which is reasonably necessary to save the cost of liquidating, including paying the insured accounts of, the closed bank or banks;

"(B) the continued operation of such insured bank is essential to provide adequate banking services in the community where such bank is located; or

"(C) that the continued operation of such insured bank is in the best interest of the depositors of the closed bank and the public.

"(3) TRANSFER OF ASSETS AND LIABILITIES.—

"(A) IN GENERAL.—Upon the organization of a bridge bank pursuant to this subsection, the Corporation, as receiver, or any other receiver appointed with respect to the closed insured bank may, subject to the approval of any such transfer by a court of competent jurisdiction, transfer any assets and liabilities of the closed insured bank to the bridge bank.

"(B) INTENT OF CONGRESS RELATING TO CONTINUING OPERATIONS.—It is the intent of the Congress that, in order to prevent unnecessary hardship or losses to the customers of the closed bank with respect to which a bridge bank is established, especially creditworthy farmers, small businesses, and households, the Corporation should—

"(i) continue to honor commitments made by the closed bank to creditworthy customers, and

"(ii) not interrupt or terminate adequately secured loans which are transferred under subparagraph (A) and are being repaid by the debtor in accordance with the terms of the loan instrument.

"(4) ORGANIZATION.—

"(A) ARTICLES OF ASSOCIATION.—The articles of association and the organization certificate of a bridge bank shall be executed by representatives designated by the Corporation.

"(B) INSURED NATIONAL BANK.—Each bridge bank shall be a national bank and shall be insured from the time of the organization of the bridge bank.

"(C) MANAGEMENT.—Each bridge bank shall be under the management of a board of directors consisting of 5 members appointed by the Board of Directors of the Corporation.

"(5) POWERS OF BRIDGE BANKS.—Each bridge bank established under this subsection shall have all corporate powers of, and be subject to the same provisions of law as, a national bank, except that—

"(A) the Corporation may—

"(i) remove the directors of any bridge bank;

"(ii) fix the compensation of members of the board of directors of any bridge bank; and

"(iii) waive any requirement established under section 5145, 5146, 5147, 5148, or 5149 of the Revised Statutes (relating to directors of national banks) or section 31 of the Banking Act of 1933 which would otherwise be applicable with respect to directors of a bridge bank by operation of paragraph (4)(B);

"(B) the Corporation may indemnify the directors of a bridge bank on such terms as the Corporation determines to be appropriate;

"(C) no requirement under section 5138 of the Revised Statutes or any other provision of law relating to the capital of a national bank shall apply with respect to any bridge bank;

"(D) the Comptroller of the Currency may establish a limitation on the extent to which any person may become indebted to any bridge bank without regard to the amount of the bank's capital or surplus;

"(E) the board of directors of the bridge bank shall elect a chairperson who shall also serve in the position of chief executive officer;

"(F) no bridge bank shall be required to purchase stock of any Federal Reserve bank; and

"(G) the Comptroller of the Currency may waive any requirement for a fidelity bond.

"(6) CAPITAL.—

"(A) NO CAPITAL REQUIRED.—The Corporation shall not be required to—

"(i) issue capital stock on behalf of any bridge bank established under this subsection; or

"(ii) purchase any capital stock of any bridge bank.

"(B) OPERATING FUNDS IN LIEU OF CAPITAL.—Upon the organization of a bridge bank, and thereafter as the Board of Directors may in its discretion deem necessary or advisable, the Corporation shall promptly make available to the bridge bank, upon such terms and conditions and in such form and amounts as the Board of Directors may prescribe, sufficient funds for the bridge bank to operate.

"(C) AUTHORITY TO ISSUE CAPITAL STOCK.—Whenever in the judgment of the Board of Directors it is desirable to do so, the Corporation shall cause capital stock of any bridge bank to be issued and offered for sale on such terms and conditions as the Corporation determines to be appropriate and in an amount sufficient (in the discretion of the Corporation) to make possible the conduct of the business of the bridge bank on a sound basis.

"(7) NO FEDERAL STATUS.—

"(A) AGENCY STATUS.—A bridge bank is not an agency, establishment, or instrumentality of the United States.

"(B) EMPLOYEE STATUS.—Directors, officers, employees, or agents of the bridge bank are not officers or employees of the United States for purposes of title 5, United States Code, or any other provision of law.

"(8) ASSISTANCE AUTHORIZED.—The Corporation may, in its discretion, provide assistance under section 13(c) to facilitate the sale or merger of the bridge bank with another insured depository institution in the same manner and to the same extent as such assistance may be provided under such section with respect to a closed insured bank.

"(9) ACQUISITION BY OUT-OF-STATE BANK HOLDING COMPANY.—Any depository institution, including an out-of-State bank, or any out-of-State holding company may acquire and retain the shares or assets of, or otherwise acquire and retain a bridge bank which has assumed the insured deposits of one or more closed banks which had total assets aggregating $500,000,000 or more (determined in the manner provided in section 13(f)(11) at the time such insured bank was closed) in the same manner and to the same extent as such depository institution or such out-of-State holding company may acquire a closed insured bank under section 13(f)(2).

"(10) TERMINATION OF BRIDGE BANK.—

"(A) IN GENERAL.—A bridge bank shall terminate upon the occurrence of the earliest of the following:

"(i) The bridge bank merges or consolidates with another bank that is not a bridge bank.

"(ii) The bridge bank sells all or substantially all of the stock of the bridge bank other than to the Corporation or to another bridge bank.

"(iii) A holding company or another bank that is not a bridge bank assumes all, or substantially all of the deposits or other liabilities of a bridge bank.

"(iv) A period of 2 years following the date the bridge bank was organized expires without any other disposition of the assets and liabilities of the bank having occurred.

"(B) EXTENSION ALLOWED FOR 1 YEAR.—If the Board of Directors finds, after consultation with the Comptroller of the Currency, that an extension of time for winding up the affairs of the bank is in the best interest of the depositors of the closed bank and the public, the Corporation may extend the time period specified in subparagraph (A)(iv) for not to exceed one year.

"(11) 2 OR MORE BANKS.—The Corporation, in the Corporation's discretion, may establish a bridge bank under this subsection to assume the deposits of, assume any other liabilities of, and purchase any assets of 2 or more closed banks.".

(b) DEFINITIONS.—Section 3(i) of the Federal Deposit Insurance Act (12 U.S.C. 1813(i)) is amended to read as follows:

"(i) NEW BANK AND BRIDGE BANK DEFINED.—

"(1) NEW BANK.—The term 'new bank' means a new national bank, other than a bridge bank, organized by the Corporation in accordance with section 11(h).

"(2) BRIDGE BANK.—The term 'bridge bank' means a new national bank organized by the Corporation in accordance with section 11(i).".

SEC. 504. CONVERSIONS.

(a) AMENDMENT TO THE NATIONAL HOUSING ACT.—Section 403 of the National Housing Act (12 U.S.C. 1726) is amended by adding at the end thereof the following:

"(e) If, upon application, and pursuant to a plan of conversion to an institution of a type eligible to be an insured institution, the Corporation, in its discretion, determines to grant insurance of accounts to a savings bank that is an insured bank (as the term 'insured bank' is defined in section 3(h) of the Federal Deposit Insurance Act), such insurance shall become effective at such time as the Corporation stipulates, at which time such institution automatically shall lose its status as such an insured bank. No change of deposit insurance agencies from the Federal Deposit Insurance Corporation to the Corporation shall be treated, for the purposes of section 18(i) of the Federal Deposit Insurance Act, as involving a conversion to a noninsured bank or institution, except that the Corporation shall provide the Federal Deposit Insurance Corporation with notification of any application that, if granted, would involve such a change of deposit insurance agencies, shall consult with the Corporation before disposing of the application, and shall provide the Federal Deposit Insurance Corporation with notification of the determination with respect to such application.".

(b) AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.—

(1) SECTION 18(C) APPLICABILITY.—Section 18(c)(12) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(12)) is amended to read as follows:

"(12) The provisions of this subsection shall not apply to any transaction where the acquiring, assuming, or resulting institution is an insured Federal savings bank or an institution insured by the Federal Savings and Loan Insurance Corporation, except that any insured bank involved in the transaction shall notify the Corporation in writing at least 30 days prior to consummation of the transaction and, if any approval by the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation is required in connection therewith, such approving authority shall provide the Corporation with notification of the application for approval, shall consult with the Corporation before disposing of the application, and shall provide notification to the Corporation of the determination with respect to said application.".

(2) SECTION 18(i) APPLICABILITY.—Section 18(i) of such Act is amended by adding at the end thereof the following:

"(5) Nothing in this subsection shall apply to a conversion of an insured bank to an insured institution pursuant to section 403(e) of the National Housing Act (12 U.S.C. 1726(e)).".

### SEC. 505. FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCIES NOT SUBJECT TO APPORTIONMENT OF FUNDS PROVISIONS.

(a) FEDERAL DEPOSIT INSURANCE CORPORATION.—Section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) is amended by adding at the end thereof the following:

"(9) APPORTIONMENT.—Notwithstanding any other provision of law, amounts received pursuant to any assessment under this section and any other amounts received by the Corporation shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.".

(b) THE COMPTROLLER OF THE CURRENCY.—The second paragraph of section 5240 of the Revised Statutes (12 U.S.C. 481) is amended by inserting after the fifth sentence the following: "Such funds shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.".

(c) THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION.—Section 404 of the National Housing Act (12 U.S.C. 1727) is amended by adding at the end thereof the following:

"(k) APPORTIONMENT.—Notwithstanding any other provision of law, amounts received by the Corporation pursuant to any assessment under this Act, deposits required under this section and any other monies received by the Corporation shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.".

(d) THE FEDERAL HOME LOAN BANK BOARD.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by inserting after section 19 (12 U.S.C. 1439) the following:

"SEC. 19A. APPORTIONMENT.

"Notwithstanding any other provision of law, amounts received pursuant to any assessment under this Act and any other monies received by the Board shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.".

(e) THE NATIONAL CREDIT UNION ADMINISTRATION.—Title I of the Federal Credit Union Act (12 U.S.C. 1751 et seq.) is amended by adding at the end thereof the following:

"SEC. 128. APPORTIONMENT.

"Notwithstanding any other provision of law, funds received by the Board pursuant to any method provided by this Act, and interest, dividend, or other income thereon, shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.".

### SEC. 506. FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCIES NOT SUBJECT TO SEQUESTRATION.

(a) IN GENERAL.—Paragraph (1) of section 255(g) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) by inserting after the item relating to compensation of the President the following new item:

"Comptroller of the Currency;";

(2) by inserting after the item relating to the exchange stabilization fund the following new items:

"Federal Deposit Insurance Corporation;

"Federal Home Loan Bank Board;

"Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation;"; and

(3) by inserting after the item relating to intragovernmental funds the following new items:

"National Credit Union Administration;

"National Credit Union Administration, central liquidity facility;

"National Credit Union Administration, credit union share insurance fund;".

(b) CERTAIN EXPENSES.—Section 256(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end thereof the following new paragraph:

"(4) Notwithstanding any other provision of law, this subsection shall not apply with respect to the following:

"(A) Comptroller of the Currency.

"(B) Federal Deposit Insurance Corporation.

"(C) Federal Home Loan Bank Board.

"(D) Federal Savings and Loan Insurance Corporation.

"(E) National Credit Union Administration.

"(F) National Credit Union Administration, central liquidity facility.".

### SEC. 507. LIQUIDATION PROCEEDINGS.

Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by inserting after subsection (i) (as added by section 503(a)(3) of this title) the following new subsection:

"(j) CONDITIONS APPLICABLE TO LIQUIDATION PROCEEDINGS.—

"(1) CONSIDERATION OF LOCAL ECONOMIC IMPACT REQUIRED.—The Corporation shall fully consider the adverse economic impact on local communities, including businesses and farms, of actions to be taken by it during the administration and liquidation of loans of a closed bank.

"(2) ACTIONS TO ALLEVIATE ADVERSE ECONOMIC IMPACT TO BE CONSIDERED.—The actions which the Corporation shall consider include the release of proceeds from the sale of products and services for family living and business expenses and shortening the undue length of the decisionmaking process for the acceptance of offers of settlement contingent upon third party financing.

"(3) GUIDELINES REQUIRED.—The Corporation shall adopt and publish procedures and guidelines to minimize adverse economic effects caused by its actions on individual debtors in the community.".

### SEC. 508. CAPITAL POOLS.

(a) FINDINGS.—The Congress hereby finds that—

(1) the Federal Deposit Insurance Corporation has the statutory authority to engage in open bank assistance for failing banks under section 13(c) of the Federal Deposit Insurance Act to minimize losses to the insurance fund and to provide for the stability of the community;

(2) communities in depressed regions of the Nation have had increasing difficulty in raising capital to infuse into locally operated, failing banks;

(3) States have the authority to establish capital pools to supplement Federal Deposit Insurance Corporation funds and outside capital in arranging open banks assistance plans; and

(4) it is not in the public interest to have a fire sale of assets acquired by the Federal Deposit Insurance Corporation as a part of their acquisitions of nonperforming loans of failed banks.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Federal Deposit Insurance Corporation should—

(1) exercise its discretionary authority to work with States which authorize capital pools described in subsection (a)(3) to save community banks during this time of great economic distress in certain regions of the country; and

(2) use its discretionary authority to negotiate sale of loans in the Corporation's capacity as receiver for a closed insured bank to banks in the area in which such closed bank is located in order to prevent further asset devaluation.

### SEC. 509. PERMANENT EXTENSION OF CERTAIN TEMPORARY PROVISIONS OF LAW; 5 YEAR EXTENSION OF NET WORTH CERTIFICATES.

(a) PERMANENT EXTENSION.—Part D of title I of the Garn-St Germain Depository Institutions Act of 1982 is repealed.

(b) 5-YEAR EXTENSION OF NET WORTH CERTIFICATES.—Section 206(a) of such Act (12 U.S.C. 1729 note) is amended by striking out "October 13, 1986" and inserting in lieu thereof "October 13, 1991".

(c) PRIOR AMENDMENTS NOT EFFECTIVE.—No amendment made by part D of title I or section 206 of the Garn-St Germain Depository Institutions Act of 1982, as in effect before the date of the enactment of this Act, to any other provision of law shall be deemed to have taken effect before the date of the enactment of this Act and any such provision of law shall be in effect as if no such amendment had been made before such date of enactment.

## TITLE VI—EXPEDITED FUNDS AVAILABILITY

### SEC. 601. SHORT TITLE.

This title may be cited as the "Expedited Funds Availability Act".

### SEC. 602. DEFINITIONS.

For purposes of this title—

(1) ACCOUNT.—The term "account" means a demand deposit account or other similar transaction account at a depository institution.

(2) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(3) BUSINESS DAY.—The term "business day" means any day other than a Saturday, Sunday, or legal holiday.

(4) CASH.—The term "cash" means United States coins and currency, including Federal Reserve notes.

(5) CASHIER'S CHECK.—The term "cashier's check" means any check which—

(A) is drawn on a depository institution;

(B) is signed by an officer or employee of such depository institution; and

(C) is a direct obligation of such depository institution.

(6) CERTIFIED CHECK.—The term "certified check" means any check with respect to which a depository institution certifies that—

(A) the signature on the check is genuine; and

(B) such depository institution has set aside funds which—

(i) are equal to the amount of the check; and

(ii) will be used only to pay such check.

(7) CHECK.—The term "check" means any negotiable demand draft drawn on or payable through an office of a depository institution located in the United States. Such term does not include noncash items.

(8) CHECK CLEARINGHOUSE ASSOCIATION.—The term "check clearinghouse association" means any arrangement by which participant depository institutions exchange deposited checks on a local basis, including an entire metropolitan area, without using the check processing facilities of the Federal Reserve System.

(9) CHECK PROCESSING REGION.—The term "check processing region" means the geographical area served by a Federal Reserve bank check processing center or such larger area as the Board may prescribe by regulations.

(10) CONSUMER ACCOUNT.—The term "consumer account" means any account used primarily for personal, family, or household purposes.

(11) DEPOSITORY CHECK.—The term "depository check" means any cashier's check, certified check, teller's check, and any other functionally equivalent instrument as determined by the Board.

(12) DEPOSITORY INSTITUTION.—The term "depository institution" has the meaning given such term in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act. Such term also includes an office, branch, or agency of a foreign bank located in the United States.

(13) LOCAL ORIGINATING DEPOSITORY INSTITUTION.—The term "local originating depository institution" means any originating depository institution which is located in the same check processing region as the receiving depository institution.

(14) NONCASH ITEM.—The term "noncash item" means—

(A) a check or other demand item to which a passbook, certificate, or other document is attached;

(B) a check or other demand item which is accompanied by special instructions, such as a request for special advise of payment or dishonor; or

(C) any similar item which is otherwise classified as a noncash item in regulations of the Board.

(15) NONLOCAL ORIGINATING DEPOSITORY INSTITUTION.—The term "nonlocal originating depository institution" means any originating depository institution which is not a local depository institution.

(16) PROPRIETARY ATM.—The term "proprietary ATM" means an automated teller machine which is—

(A) located—

(i) at or adjacent to a branch of the receiving depository institution; or

(ii) in close proximity, as defined by the Board, to a branch of the receiving depository institution; or

(B) owned by, operated exclusively for, or operated by the receiving depository institution.

(17) ORIGINATING DEPOSITORY INSTITUTION.—The term "originating depository institution" means the branch of a depository institution on which a check is drawn.

(18) NONPROPRIETARY ATM.—The term "nonproprietary ATM" means an automated teller machine which is not a proprietary ATM.

(19) PARTICIPANT.—The term "participant" means a depository institution which—

(A) is located in the same geographic area as that served by a check clearinghouse association; and

(B) exchanges checks through the check clearinghouse association, either directly or through an intermediary.

(20) RECEIVING DEPOSITORY INSTITUTION.—The term "receiving depository institution" means the branch of a depository institution or the proprietary ATM in which a check is first deposited.

(21) STATE.—The term "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, or the Virgin Islands.

(22) TELLER'S CHECK.—The term "teller's check" means any check issued by a depository institution and drawn on another depository institution.

(23) UNITED STATES.—The term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

(24) UNIT OF GENERAL LOCAL GOVERNMENT.—The term "unit of general local government" means any city, county, town, township, parish, village, or other general purpose political subdivision of a State.

(25) WIRE TRANSFER.—The term "wire transfer" has such meaning as the Board shall prescribe by regulations.

### SEC. 603. EXPEDITED FUNDS AVAILABILITY SCHEDULES.

(a) NEXT BUSINESS DAY AVAILABILITY FOR CERTAIN DEPOSITS.—

(1) CASH DEPOSITS; WIRE TRANSFERS.—Except as provided in subsection (e) and in section 604, in any case in which—

(A) any cash is deposited in an account at a receiving depository institution staffed by individuals employed by such institution, or

(B) funds are received by a depository institution by wire transfer for deposit in an account at such institution,

such cash or funds shall be available for withdrawal not later than the business day after the business day on which such cash is deposited or such funds are received for deposit.

(2) GOVERNMENT CHECKS; CERTAIN OTHER CHECKS.—Funds deposited in an account at a depository institution by check shall be available for withdrawal not later than the business day after the business day on which such funds are deposited in the case of—

(A) a check which—

(i) is drawn on the Treasury of the United States; and

(ii) is endorsed only by the person to whom it was issued.

(B) a check which—

(i) is drawn by a State;

(ii) is deposited in a receiving depository institution which is located in such State and is staffed by individuals employed by such institution;

(iii) is deposited with a special deposit slip which indicates it is a check drawn by a State; and

(iv) is endorsed only by the person to whom it was issued;

(C) a check which—

(i) is drawn by a unit of general local government;

(ii) is deposited in a receiving depository institution which is located in the same State as such unit of general local government and is staffed by individuals employed by such institution;

(iii) is deposited with a special deposit slip which indicates it is a check drawn by a unit of general local government; and

(iv) is endorsed only by the person to whom it was issued;

(D) the first $100 deposited by check or checks on any one business day;

(E) a check deposited in a branch of a depository institution and drawn on the same or another branch of the same depository institution if both such branches are located in the same State or the same check processing region;

(F) a cashier's check, certified check, teller's check, or depository check which—

(i) is deposited in a receiving depository institution which is staffed by individuals employed by such institution;

(ii) is deposited with a special deposit slip which indicates it is a cashier's check, certified check, teller's check, or depository check, as the case may be; and

(iii) is endorsed only by the person to whom it was issued.

(b) PERMANENT SCHEDULE.—

(1) AVAILABILITY OF FUNDS DEPOSITED BY LOCAL CHECKS.—Subject to paragraph (3) of this subsection, subsections (a)(2), (d), and (e) of this section, and section 604, not more than 1 business day shall intervene between the business day on which funds are deposited in an account at a depository institution by a check drawn on a local originating depository institution and the business day on which the funds involved are available for withdrawal.

(2) AVAILABILITY OF FUNDS DEPOSITED BY NONLOCAL CHECKS.—Subject to paragraph (3) of this subsection, subsections (a)(2), (d), and (e) of this section, and section 604, not more than 4 business days shall intervene between the business day on which funds are deposited in an account at a depository institution by a check drawn on a nonlocal originating depository institution and the business day on which such funds are available for withdrawal.

(3) TIME PERIOD ADJUSTMENTS FOR CASH WITHDRAWAL OF CERTAIN CHECKS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), funds deposited in an account in a depository institution by check (other than a check described in subsection (a)(2)) shall be available for cash withdrawal not later than the business day after the business day on which such funds otherwise are available under paragraph (1) or (2).

(B) 5 P.M. CASH AVAILABILITY.—Not more than $400 (or the maximum amount allowable in the case of a withdrawal from an automated teller machine but not more than $400) of funds deposited by one or more checks to which this paragraph applies shall be available for cash withdrawal not later than 5 o'clock post meridian of the business day on which such funds are available under paragraph (1) or (2). If funds deposited by checks described in both paragraph (1) and paragraph (2) become available for cash withdrawal under this paragraph on the same business day, the limitation contained in this subparagraph shall apply to the aggregate amount of such funds.

(C) $100 AVAILABILITY.—Any amount available for withdrawal under this paragraph shall be in addition to the amount available under subsection (a)(2)(D).

(4) Applicability.—This subsection shall apply with respect to funds deposited by check in an account at a depository institution on or after September 1, 1990, except that the Board may, by regulation, make this subsection or any part of this subsection applicable earlier than September 1, 1990.

(c) Temporary Schedule.—

(1) Availability of local checks.—

(A) In general.—Subject to subparagraph (B) of this paragraph, subsections (a)(2), (d), and (e) of this section, and section 604, not more than 2 business days shall intervene between the business day on which funds are deposited in an account at a depository institution by a check drawn on a local originating depository institution and the business day on which such funds are available for withdrawal.

(B) Time period adjustment for cash withdrawal of certain checks.—

(i) In general.—Except as provided in clause (ii), funds deposited in an account in a depository institution by check drawn on a local depository institution that is not a participant in the same check clearinghouse association as the receiving depository institution (other than a check described in subsection (a)(2)) shall be available for cash withdrawal not later than the business day after the business day on which such funds otherwise are available under subparagraph (A).

(ii) 5 p.m. cash availability.—Not more than $400 (or the maximum umount allowable in the case of a withdrawal from an automated teller machine but not more than $400) of funds deposited by one or more checks to which this subparagraph applies shall be available for cash withdrawal not later than 5 o'clock post meridian of the business day on which such funds are available under subparagraph (A).

(iii) $100 availability.—Any amount available for withdrawal under this subparagraph shall be in addition to the amount available under subsection (a)(2)(D).

(2) Availability of nonlocal checks.—Subject to subsections (a)(2), (d), and (e) of this section and section 604, not more than 6 business days shall intervene between the business day on which funds are deposited in an account at a depository institution by a check drawn on a nonlocal originating depository institution and the business day on which such funds are available for withdrawal.

(3) Applicability.—This subsection shall apply with respect to funds deposited by check in an account at a depository institution after August 31, 1988, and before September 1, 1990, except as may be otherwise provided under subsection (b)(4).

(d) Time Period Adjustments.—

(1) Reduction generally.—Notwithstanding any other provision of law, the Board shall, by regulation, reduce the time periods established under subsections (b), (c), and (e) to as short a time as possible and equal to the period of time achievable under the improved check clearing system for a receiving depository institution to reasonably expect to learn of the nonpayment of most items for each category of checks.

(2) Extension for certain deposits in noncontiguous states or territories.—Notwithstanding any other provision of law, any time period established under subsection (b), (c), or (e) shall be extended by 1 business day in the case of any deposit which is both—

(A) deposited in an account at a depository institution which is located in Alaska, Hawaii, Puerto Rico, or the Virgin Islands; and

(B) deposited by a check drawn on an originating depository institution which is not located in the same State, commonwealth, or territory as the receiving depository institution.

(e) Deposits at an ATM.—

(1) Nonproprietary ATM—temporary schedule.—

(A) In general.—Not more than 6 business days shall intervene between the business day a deposit described in subparagraph (B) is made at a nonproprietary automated teller machine (for deposit in an account at a depository institution) and the business day on which funds from such deposit are available for withdrawal.

(B) Deposits described in this paragraph.—A deposit is described in this subparagraph if it is—

(i) a cash deposit;

(ii) a deposit made by a check described in subsection (a)(2);

(iii) a deposit made by a check drawn on a local originating depository institution (other than a check described in subsection (a)(2)); or

(iv) a deposit made by a check drawn on a nonlocal originating depository institution (other than a check described in subsection (a)(2)).

(C) Applicability.—This paragraph shall apply with respect to funds deposited at a nonproprietary automated teller machine after August 31, 1988, and before September 1, 1990.

(2) Nonproprietary ATM—permanent schedule.—

(A) Cash, government checks, and local checks.—Not more than 1 business day shall intervene between the business day on which a deposit described in paragraph (1)(B) (i), (ii), or (iii) is made at a nonproprietary automated teller machine (for deposit in an account at a depository institution) and the business day on which funds from such deposit are available for withdrawal.

(B) Nonlocal checks.—Not more than 4 business days shall intervene between the business day a deposit described in paragraph (1)(B)(iv) is made at a nonproprietary automated teller machine (for deposit in an account at a depository institution) and the business day on which funds from such deposit are available for withdrawal.

(C) Determination of "local originating depository institution".—For the purpose of this paragraph, a check is drawn on a local originating depository institution if that depository institution is located in the same check processing region as the receiving nonproprietary ATM.

(D) Applicability.—This paragraph shall apply with respect to funds deposited at a nonproprietary automated teller machine on or after September 1, 1990.

(3) Proprietary ATM—temporary and permanent schedules.—The provisions of subsections (a), (b), and (c) shall apply with respect to any funds deposited at a proprietary automated teller machine for deposit in an account at a depository institution.

(4) Study and report on ATM's.—The Board shall, either directly or through the Consumer Advisory Council, establish and maintain a dialogue with depository institutions and their suppliers on the computer software and hardware available for use by automated teller machines, and shall, not later than September 1 of each of the first 3 calendar years beginning after the date of the enactment of this title, report to the Congress regarding such software and hardware and regarding the potential for improving the processing of automated teller machine deposits.

(f) Check Return; Notice of Nonpayment.—No provision of this section shall be construed as requiring that, with respect to all checks deposited in a receiving depository institution—

(1) such checks be physically returned to such depository institution; or

(2) any notice of nonpayment of any such check be given to such depository institution within the times set forth in subsection (a), (b), (c), or (e) or in the regulations issued under any such subsection.

SEC. 604. SAFEGUARD EXCEPTIONS.

(a) New Accounts.—Notwithstanding section 603, in the case of any account established at a depository institution by a new depositor, the following provisions shall apply with respect to any deposit in such account during the 30-day period (or such shorter period as the Board may establish) beginning on the date such account is established—

(1) Next business day availability of cash and certain items.—Except as provided in paragraph (3), in the case of—

(A) any cash deposited in such account;

(B) any funds received by such depository institution by wire transfer for deposit in such account;

(C) any funds deposited in such account by cashier's check, certified check, teller's check, depository check, or traveler's check; and

(D) any funds deposited by a government check which is described in subparagraph (A), (B), or (C) of section 603(a)(2),

such cash or funds shall be available for withdrawal on the business day after the business day on which such cash or funds are deposited or, in the case of a wire transfer, on the business day after the business day on which such funds are received for deposit.

(2) Availability of other items.—In the case of any funds deposited in such account by a check (other than a check described in subparagraph (C) or (D) of paragraph (1)), the availability for withdrawal of such funds shall not be subject to the provisions of section 603(b), 603(c), or paragraphs (1) and (2) of section 603(e).

(3) Limitation relating to certain checks in excess of $5,000.—In the case of funds deposited in such account during such period by checks described in subparagraph (C) or (D) of paragraph (1) the aggregate amount of which exceeds $5,000—

(A) paragraph (1) shall apply only with respect to the first $5,000 of such aggregate amount; and

(B) not more than 8 business days shall intervene between the business day on which any such funds are deposited and the business day on which such excess amount shall be available for withdrawal.

(b) Large or Redeposited Checks; Repeated Overdrafts.—The Board may, by regulation, establish reasonable exceptions to any time limitation established under subsection (b), (c), or (e) of section 603 for—

(1) the amount of deposits by one or more checks that exceeds the amount of $5,000 in any one day;

(2) checks that have been returned unpaid and redeposited; and

(3) deposit accounts which have been overdrawn repeatedly.

(c) Reasonable Cause Exception.—

(1) In general.—In accordance with regulations which the Board shall prescribe, subsections (a)(2)(F), (b), (c), and (e) of section 603 shall not apply with respect to any check deposited in an account at a depository institution if the receiving depository institution has reasonable cause to believe that the check is uncollectible from the originating depository institution. For purposes of the preceding sentence, reasonable cause to believe requires the existence of facts which would cause a well-grounded belief in the mind of a reasonable person. Such reasons shall be included in the notice required under subsection (f).

(2) Basis for determination.—No determination under this subsection may be based on any class of checks or persons.

(3) Overdraft fees.—If the receiving depository institution determines that a check deposited in an account is a check described in paragraph (1), the receiving depository institution shall not assess any fee for any subsequent overdraft with respect to such account, if—

(A) the depositor was not provided with the written notice required under subsection (f) (with respect to such determination) at the time the deposit was made;

(B) the overdraft would not have occurred but for the fact that the funds so deposited are not available; and

(C) the amount of the check is collected from the originating depository institution.

(4) Compliance.—Each agency referred to in section 610(a) shall monitor compliance with the requirements of this subsection in each regular examination of a depository institution and shall describe in each report to the Congress the extent to which this subsection is being complied with. For the purpose of this paragraph, each depository institution shall retain a record of each notice provided under subsection (f) as a result of the application of this subsection.

(d) Emergency Conditions.—Subject to such regulations as the Board may prescribe, subsections (b), (c), and (e) of section 603 shall not apply to funds deposited by check in any receiving depository institution in the case of—

(1) any interruption of communication facilities;

(2) suspension of payments by another depository institution;

(3) any war; or

(4) any emergency condition beyond the control of the receiving depository institution,

if the receiving depository institution exercises such diligence as the circumstances require.

(e) Prevention of Fraud Losses.—

(1) In general.—The Board may, by regulation or order, suspend the applicability of this title, or any portion thereof, to any classification of checks if the Board determines that—

(A) depository institutions are experiencing an unacceptable level of losses due to check-related fraud, and

(B) suspension of this title, or such portion of this title, with regard to the classification of checks involved in such fraud is necessary to diminish the volume of such fraud.

(2) Sunset provision.—No regulation prescribed or order issued under paragraph (1) shall remain in effect for more than 45 days (excluding Saturdays, Sundays, legal holidays, or any day either House of Congress is not in session).

(3) Report to congress.—

(A) Notice of each suspension.—Within 10 days of prescribing any regulation or issuing any order under paragraph (1), the Board shall transmit a report of such action to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(B) Contents of report.—Each report under subparagraph (A) shall contain—

(i) the specific reason for prescribing the regulation or issuing the order;

(ii) evidence considered by the Board in making the determination under paragraph (1) with respect to such regulation or order; and

(iii) specific examples of the check-related fraud giving rise to such regulation or order.

(f) Notice of Exception; Availability Within Reasonable Time.—

(1) In general.—If any exception contained in this section (other than subsection (a)) applies with respect to funds deposited in an account at a depository institution—

(A) the depository institution shall provide notice in the manner provided in paragraph (2) of—

(i) the day the funds shall be made available for withdrawal; and

(ii) the reason the exception was invoked; and

(B) except where other time periods are specifically provided in this title, the availability of the funds deposited shall be governed by the policy of the receiving depository institution, but shall not exceed a reasonable period of time as determined by the Board.

(2) Time for notice.—The notice required under paragraph (1)(A) with respect to a deposit to which an exception contained in this section applies shall be made by the time provided in the following subparagraphs:

(A) In the case of a deposit made in person by the depositor at the receiving depository institution, the depository institution shall immediately provide such notice in writing to the depositor.

(B) In the case of any other deposit (other than a deposit described in subparagraph (C)), the receiving depository institution shall mail the notice to the depositor not later than the close of the next business day following the business day on which the deposit is received.

(C) In the case of a deposit to which subsection (d) or (e) applies, notice shall be provided by the depository institution in accordance with regulations of the Board.

(3) Subsequent determinations.—If the facts upon which the determination of the applicability of an exception contained in subsection (b) or (c) to any deposit only become known to the receiving depository institution after the time notice is required under paragraph (2) with respect to such deposit, the depository institution shall mail such notice to the depositor as soon as practicable, but not later than the first business day following the day such facts become known to the depository institution.

SEC. 605. DISCLOSURE OF FUNDS AVAILABILITY POLICIES.

(a) Notice for New Accounts.—Before an account is opened at a depository institution, the depository institution shall provide written notice to the potential customer of the specific policy of such depository institution with respect to when a customer may withdraw funds deposited into the customer's account.

(b) Preprinted Deposit Slips.—All preprinted deposit slips that a depository institution furnishes to its customers shall contain a summary notice, as prescribed by the Board in regulations, that deposited items may not be available for immediate withdrawal.

(c) Mailing of Notice.—

(1) First mailing after enactment.—In the first regularly scheduled mailing to customers occurring after the effective date of this section, but not more than 60 days after such effective date, each depository institution shall send a written notice containing the specific policy of such depository institution with respect to when a customer may withdraw funds deposited into such customer's account, unless the depository institution has provided a disclosure which meets the requirements of this section before such effective date.

(2) Subsequent changes.—A depository institution shall send a written notice to customers at least 30 days before implementing any change to the depository institution's policy with respect to when customers may withdraw funds deposited into consumer accounts, except that any change which expedites the availability of such funds shall be disclosed not later than 30 days after implementation.

(3) Upon request.—Upon the request of any person, a depository institution shall provide or send such person a written notice containing the specific policy of such depository institution with respect to when a customer may withdraw funds deposited into a customer's account.

(d) Posting of Notice.—

(1) Specific notice at manned teller stations.—Each depository institution shall post, in a conspicuous place in each location where deposits are accepted by individuals employed by such depository institution, a specific notice which describes the time periods applicable to the availability of funds deposited in a consumer account.

(2) General notice at automated teller machines.—In the case of any automated teller machine at which any funds are received for deposit in an account at any depository institution, the Board shall prescribe, by regulations, that the owner or operator of such automated teller machine shall post or provide a general notice that funds deposited in such machine may not be immediately available for withdrawal.

(e) Notice of Interest Payment Policy.—If a depository institution described in section 606(b) begins the accrual of interest or dividends at a later date than the date described in section 606(a) with respect to all funds, including cash, deposited in an interest-bearing account at such depository institution, any notice required to be provided under subsections (a) and (c) shall contain a written description of the time at which such depository institution begins to accrue interest or dividends on such funds.

(f) Model Disclosure Forms.—

(1) Prepared by board.—The Board shall publish model disclosure forms and clauses for common transactions to facilitate compliance with the disclosure requirements of this section and to aid customers by utilizing readily understandable language.

(2) Use of forms to achieve compliance.—A depository institution shall be deemed to be in compliance with the requirements of this section if such institution—

(A) uses any appropriate model form or clause as published by the Board, or

(B) uses any such model form or clause and changes such form or clause by—

(i) deleting any information which is not required by this title; or

(ii) rearranging the format.

(3) VOLUNTARY USE.—Nothing in this title requires the use of any such model form or clause prescribed by the Board under this subsection.

(4) NOTICE AND COMMENT.—Model disclosure forms and clauses shall be adopted by the Board only after notice duly given in the Federal Register and an opportunity for public comment in accordance with section 553 of title 5, United States Code.

### SEC. 606. PAYMENT OF INTEREST.

(a) IN GENERAL.—Except as provided in subsection (b) or (c) and notwithstanding any other provision of law, interest shall accrue on funds deposited in an interest-bearing account at a depository institution beginning not later than the business day on which the depository institution receives provisional credit for such funds.

(b) SPECIAL RULE FOR CREDIT UNIONS.—Subsection (a) shall not apply to an account at a depository institution described in section 19(b)(1)(A)(iv) of the Federal Reserve Act if the depository institution—

(1) begins the accrual of interest or dividends at a later date than the date described in subsection (a) with respect to all funds, including cash, deposited in such account; and

(2) provides notice of the interest payment policy in the manner required under section 605(e).

(c) EXCEPTION FOR CHECKS RETURNED UNPAID.—No provision of this title shall be construed as requiring the payment of interest or dividends on funds deposited by a check which is returned unpaid.

### SEC. 607. MISCELLANEOUS PROVISIONS.

(a) AFTER-HOURS DEPOSITS.—For purposes of this title, any deposit which is made on a Saturday, Sunday, legal holiday, or after the close of business on any business day shall be deemed to have been made on the next business day.

(b) AVAILABILITY AT START OF BUSINESS DAY.—Except as provided in subsections (b)(3) and (c)(1)(B) of section 603, if any provision of this title requires that funds be available for withdrawal on any business day, such funds shall be available for withdrawal at the start of such business day.

(c) EFFECT ON POLICIES OF DEPOSITORY INSTITUTIONS.—No provision of this title shall be construed as—

(1) prohibiting a depository institution from making funds available for withdrawal in a shorter period of time than the period of time required by this title; or

(2) affecting a depository institution's right—

(A) to accept or reject a check for deposit;

(B) to revoke any provisional settlement made by the depository institution with respect to a check accepted by such institution for deposit;

(C) to charge back the depositor's account for the amount of such check; or

(D) to claim a refund of such provisional credit.

(d) PROHIBITION ON FREEZING CERTAIN FUNDS IN AN ACCOUNT.—In any case in which a check is deposited in an account at a depository institution and the funds represented by such check are not yet available for withdrawal pursuant to this title, the depository institution may not freeze any other funds in such account (which are otherwise available for withdrawal pursuant to this title) solely because the funds so deposited are not yet available for withdrawal.

(e) EMPLOYEE TRAINING ON AND COMPLIANCE WITH THE REQUIREMENTS OF THIS TITLE.—Each depository institution shall—

(1) take such actions as may be necessary fully to inform each employee (who performs duties subject to the requirements of this title) of the requirements of this title; and

(2) establish and maintain procedures reasonably designed to assure and monitor employee compliance with such requirements.

### SEC. 608. EFFECT ON STATE LAW.

(a) IN GENERAL.—Any law or regulation of any State in effect on September 1, 1989, which requires that funds deposited or received for deposit in an account at a depository institution chartered by such State be made available for withdrawal in a shorter period of time than the period of time provided in this title or in regulations prescribed by the Board under this title (as in effect on September 1, 1989) shall—

(1) supersede the provisions of this title and any regulations by the Board to the extent such provisions relate to the time by which funds deposited or received for deposit in an account shall be available for withdrawal; and

(2) apply to all federally insured depository institutions located within such State.

(b) OVERRIDE OF CERTAIN STATE LAWS.—Except as provided in subsection (a), this title and regulations prescribed under this title shall supersede any provision of the law of any State, including the Uniform Commercial Code as in effect in such State, which is inconsistent with this title or such regulations.

### SEC. 609. REGULATIONS AND REPORTS BY BOARD.

(a) IN GENERAL.—After notice and opportunity to submit comment in accordance with section 553(c) of title 5, United States Code, the Board shall prescribe regulations—

(1) to carry out the provisions of this title;

(2) to prevent the circumvention or evasion of such provisions; and

(3) to facilitate compliance with such provisions.

(b) REGULATIONS RELATINO TO IMPROVEMENT OF CHECK PROCESSING SYSTEM.—In order to improve the check processing system, the Board shall consider (among other proposals) requiring, by regulation, that—

(1) depository institutions be charged based upon notification that a check or similar instrument will be presented for payment;

(2) the Federal Reserve banks and depository institutions provide for check truncation;

(3) depository institutions be provided incentives to return items promptly to the depository institution of first deposit;

(4) the Federal Reserve banks and depository institutions take such actions as are necessary to automate the process of returning unpaid checks,

(5) each depository institution and Federal Reserve bank—

(A) place its endorsement, and other notations specified in regulations of the Board, on checks in the positions specified in such regulations; and

(B) take such actions as are necessary to—

(i) automate the process of reading endorsements; and

(ii) eliminate unnecessary endorsements;

(6) within one business day after an originating depository institution is presented a check (for more than such minimum amount as the Board may prescribe)—

(A) such originating depository institution determine whether it will pay such check; and

(B) if such originating depository institution determines that it will not pay such check, such originating depository institution directly notify the receiving depository institution of such determination;

(7) regardless of where a check is cleared initially, all returned checks be eligible to be returned through the Federal Reserve System;

(8) Federal Reserve banks and depository institutions participate in the development and implementation of an electronic clearinghouse process to the extent the Board determines, pursuant to the study under subsection (f), that such a process is feasible; and

(9) originating depository institutions be permitted to return unpaid checks directly to, and obtain reimbursement for such checks directly from, the receiving depository institution.

(c) REGULATORY RESPONSIBILITY OF BOARD FOR PAYMENT SYSTEM.—

(1) RESPONSIBILITY FOR PAYMENT SYSTEM.—In order to carry out the provisions of this title, the Board of Governors of the Federal Reserve System shall have the responsibility to regulate—

(A) any aspect of the payment system, including the receipt, payment, collection, or clearing of checks; and

(B) any related function of the payment system with respect to checks.

(2) REGULATIONS.—The Board shall prescribe such regulations as it may determine to be appropriate to carry out its responsibility under paragraph (1).

(d) REPORTS.—

(1) IMPLEMENTATION PROGRESS REPORTS.—

(A) REQUIRED REPORTS.—The Board shall transmit a report to both Houses of the Congress not later than 18, 30, and 48 months after the date of the enactment of this title.

(B) CONTENTS OF REPORT.—Each such report shall describe—

(i) the actions taken and progress made by the Board to implement the schedules established in section 603, and

(ii) the impact of this title on consumers and depository institutions.

(2) EVALUATION OF TEMPORARY SCHEDULE REPORT.—

(A) REPORT REQUIRED.—The Board shall transmit a report to both Houses of the Congress not later than 2 years after the date of the enactment of this title regarding the effects the temporary schedule established under section 603(c) have had on depository institutions and the public.

(B) CONTENTS OF REPORT.—Such report shall also assess the potential impact the implementation of the schedule established in section 603(b) will have on depository institutions and the public, including an estimate of the risks to and losses of depository institutions and the benefits to consumers. Such report shall also contain such recommendations for legislative or administrative action as the Board may determine to be necessary.

(3) COMPTROLLER GENERAL EVALUATION REPORT.—Not later than 6 months after section 603(b) takes effect, the Comptroller General of the United States shall transmit a report to the Congress evaluating the implementation and administration of this title.

(e) CONSULTATION.—In prescribing regulations under subsections (a) and (b), the Board shall consult with the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, and the National Credit Union Administration Board.

(f) ELECTRONIC CLEARINGHOUSE STUDY.—

(1) STUDY REQUIRED.—The Board shall study the feasibility of modernizing and accelerating the check payment system

through the development of an electronic clearinghouse process utilizing existing telecommunications technology to avoid the necessity of actual presentment of the paper instrument to a payor institution before such institution is charged for the item.

(2) CONSULTATION; FACTORS TO BE STUDIED.—In connection with the study required under paragraph (1), the Board shall—

(A) consult with appropriate experts in telecommunications technology; and

(B) consider all practical and legal impediments to the development of an electronic clearinghouse process.

(3) REPORT REQUIRED.—The Board shall report its conclusions to the Congress within 9 months of the date of the enactment of this title.

### SEC. 610. ADMINISTRATIVE ENFORCEMENT.

(a) ADMINISTRATIVE ENFORCEMENT.—Compliance with the requirements imposed under this title, including regulations prescribed by and orders issued by the Board of Governors of the Federal Reserve System under this title, shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act in the case of—

(A) national banks, by the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), by the Board of Governors of the Federal Reserve System; and

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and section 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions; and

(3) the Federal Credit Union Act, by the National Credit Union Administration Board with respect to any Federal credit union or insured credit union.

(b) ADDITIONAL POWERS.—

(1) VIOLATION OF THIS TITLE TREATED AS VIOLATION OF OTHER ACTS.—For purposes of the exercise by any agency referred to in subsection (a) of this section of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act.

(2) ENFORCEMENT AUTHORITY UNDER OTHER ACTS.—In addition to its powers under any provision of law specifically referred to in subsection (a) of this section, each of the agencies referred to in such subsection may exercise, for purposes of enforcing compliance with any requirement imposed under this title, any other authority conferred on it by law.

(c) ENFORCEMENT BY THE BOARD.—

(1) IN GENERAL.—Except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under subsection (a) of this section, the Board of Governors of the Federal Reserve System shall enforce such requirements.

(2) ADDITIONAL REMEDY.—If the Board determines that—

(A) any depository institution which is not a depository institution described in subsection (a), or

(B) any other person subject to the authority of the Board under this title, including any person subject to the authority of the Board under section 605(d)(2) or 609(c),

has failed to comply with any requirement imposed by this title or by the Board under this title, the Board may issue an order prohibiting any depository institution, any Federal Reserve bank, or any other person subject to the authority of the Board from engaging in any activity or transaction which directly or indirectly involves such noncomplying depository institution or person (including any activity or transaction involving the receipt, payment, collection, and clearing of checks and any related function of the payment system with respect to checks).

(d) PROCEDURAL RULES.—The authority of the Board to prescribe regulations under this title does not impair the authority of any other agency designated in this section to make rules regarding its own procedures in enforcing compliance with requirements imposed under this title.

### SEC. 611. CIVIL LIABILITY.

(a) CIVIL LIABILITY.—Except as otherwise provided in this section, any depository institution which fails to comply with any requirement imposed under this title or any regulation prescribed under this title with respect to any person other than another depository institution is liable to such person in an amount equal to the sum of—

(1) any actual damage sustained by such person as a result of the failure;

(2)(A) in the case of an individual action, such additional amount as the court may allow, except that the liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

(B) in the case of a class action, such amount as the court may allow, except that—

(i) as to each member of the class, no minimum recovery shall be applicable; and

(ii) the total recovery under this subparagraph in any class action or series of class actions arising out of the same failure to comply by the same depository institution shall not be more than the lesser of $500,000 or 1 percent of the net worth of the depository institution involved; and

(3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court.

(b) CLASS ACTION AWARDS.—In determining the amount of any award in any class action, the court shall consider, among other relevant factors—

(1) the amount of any actual damages awarded;

(2) the frequency and persistence of failures of compliance;

(3) the resources of the depository institution;

(4) the number of persons adversely affected; and

(5) the extent to which the failure of compliance was intentional.

(c) BONA FIDE ERRORS.—

(1) GENERAL RULE.—A depository institution may not be held liable in any action brought under this section for a violation of this title if the depository institution demonstrates by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(2) EXAMPLES.—Examples of a bona fide error include clerical, calculation, computer malfunction and programming, and printing errors, except that an error of legal judgment with respect to a depository institution's obligation under this title is not a bona fide error.

(d) JURISDICTION.—Any action under this section may be brought in any United States district court, or in any other court of competent jurisdiction, within one year after the date of the occurrence of the violation involved.

(e) RELIANCE ON BOARD RULINGS.—No provision of this section imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board of Governors of the Federal Reserve System, notwithstanding the fact that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

(f) AUTHORITY TO ESTABLISH RULES REGARDING LOSSES AND LIABILITY AMONG DEPOSITORY INSTITUTIONS.—The Board is authorized to impose on or allocate among depository institutions the risks of loss and liability in connection with any aspect of the payment system, including the receipt, payment, collection, or clearing of checks, and any related function of the payment system with respect to checks. Liability under this subsection shall not exceed the amount of the check giving rise to the loss or liability, and, where there is bad faith, other damages, if any, suffered as a proximate consequence of any act or omission giving rise to the loss or liability.

### SEC. 612. PARITY IN CLEARING.

(a) IN GENERAL.—Section 11A of the Federal Reserve Act (12 U.S.C. 248a) is amended by adding at the end thereof the following:

"(e) All depository institutions, as defined in section 19(b)(1) (12 U.S.C. 461(b)(1)), may receive for deposit and as deposits any evidences of transaction accounts, as defined by section 19(b)(1) (12 U.S.C. 461(b)(1)) from other depository institutions, as defined in section 19(b)(1) (12 U.S.C. 461(b)(1)) or from any office of any Federal Reserve bank without regard to any Federal or State law restricting the number or the physical location or locations of such depository institutions.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this title.

### SEC. 613. EFFECTIVE DATES.

(a) DATE OF ENACTMENT.—Except as provided in subsection (b), this title shall take effect on the date of the enactment of this title.

(b) 1 YEAR AFTER DATE OF ENACTMENT.—Sections 603, 604, 605, 606, 610, and 611 shall take effect on September 1, 1988.

## TITLE VII—CREDIT UNION AMENDMENTS

### SEC. 701. SHORT TITLE.

This title may be cited as the "Credit Union Amendments of 1987".

### SEC. 702. SECOND MORTGAGE AND HOME IMPROVEMENT LOANS.

Section 107(5)(A)(ii) of the Federal Credit Union Act (12 U.S.C. 1757(5)(A)(ii)) is amended by striking out "fifteen years" and all that follows and inserting in lieu thereof "15 years or any longer term which the Board may allow;".

### SEC. 703. OWNERSHIP INTEREST.

Section 107(6) of the Federal Credit Union Act (12 U.S.C. 1757(6)) is amended by inserting ", representing equity," after "payments".

### SEC. 704. FAITHFUL PERFORMANCE.

(a) FINANCIAL OFFICER.—Section 112 of the Federal Credit Union Act (12 U.S.C. 1761a) is amended by striking out the third sentence and inserting in lieu thereof the following: "The board shall elect from their number a financial officer who shall give adequate fidelity coverage in accordance with section 113(2) of this Act.".

(b) ADEQUATE FIDELITY COVERAGE.—Section 113 of the Federal Credit Union Act (12 U.S.C. 1761b) is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) provide adequate fidelity coverage for officers and employees having custody of or handling funds according to regulations issued by the Board;".

### SEC. 705. MEMBERSHIP OFFICERS.

Section 113(1) of the Federal Credit Union Act (12 U.S.C. 1761b(1)) is amended by striking out "of the board of directors" and inserting in lieu thereof "of the credit union".

### SEC. 706. NONPARTICIPATION.

Section 118 of the Federal Credit Union Act (12 U.S.C. 1764) is amended—

(1) by striking out "Subject to" in subsection (a) and inserting in lieu thereof "Except as provided in"; and

(2) by inserting "and enforce" after "adopt" in subsection (b).

### SEC. 707. PROPERTY ACQUISITION FLEXIBILITY.

Section 120(i)(2) of the Federal Credit Union Act (12 U.S.C. 1766(i)(2)) is amended—

(1) by inserting after "reimbursement," the following: "acquire and dispose of, by lease or purchase, real or personal property, without regard to the provisions of any other law applicable to executive or independent agencies of the United States,"; and

(2) by inserting after "this Act" the following: ", in accordance with the rules and regulations or policies established by the Board not inconsistent with this Act".

### SEC. 708. TREATMENT OF NCUAB FUNDS.

Title I of the Federal Credit Union Act is amended by adding at the end thereof the following:

"SEC. 129. TRUST FUND.

"Notwithstanding any other provision of law, all moneys of the Board shall be treated as trust funds for the purpose of section 256(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985. This section is effective for fiscal year 1986 and every fiscal year thereafter.".

### SEC. 709. TECHNICAL AND CLARIFYING AMENDMENTS; REMOVAL AND PROHIBITION AUTHORITY.

Section 206(g) of the Federal Credit Union Act (12 U.S.C. 1786(g)) is amended—

(1) in paragraph (1), by striking out "director, officer, or committee member" each time it appears and inserting in lieu thereof "director, officer, committee member, or employee";

(2) in paragraph (2), by striking out "director, officer, or committee member" each place it appears and inserting in lieu thereof "director, officer, committee member, or employee";

(3) in paragraph (2), by striking out "any other person" and inserting in lieu thereof "any agent or other person"; and

(4) in paragraph (2), by inserting "employee, agent," before "or other person".

### SEC. 710. EFFECT OF REMOVAL OR SUSPENSION.

Section 206(g) of the Federal Credit Union Act (12 U.S.C. 1786(g)) is amended by adding at the end thereof the following:

"(7)(A) Any person who, pursuant to this subsection, is removed, suspended, or prohibited from participation in the conduct of the affairs of an insured credit union shall also be removed, suspended, or prohibited from participation in the conduct of the affairs of any insured institution, any bank holding company or subsidiary of a bank holding company, any organization organized and operated under section 25(a) of the Federal Reserve Act or operating under section 25 of the Federal Reserve Act, and any savings and loan holding company or subsidiary of a savings and loan holding company (as those terms are defined in the National Housing Act), and any institution chartered by and subject to regulation by the Farm Credit Administration without the prior written approval of the appropriate Federal regulatory agency.

"(B) As used in subsection (g), the term 'insured institution' means an insured credit union or a depository institution whose accounts are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.".

### SEC. 711. IMPOSITION OF CONSERVATORSHIP.

Section 206(h)(1) of the Federal Credit Union Act (12 U.S.C. 1786(h)(1)) is amended—

(1) by striking out "or" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(C) there is a willful violation of a cease-and-desist order which has become final; or

"(D) there is concealment of books, papers, records, or assets of the credit union or refusal to submit books, papers, records, or affairs of the credit union for inspection to any examiner or to any lawful agent of the Board.".

### SEC. 712. REDUCTION IN STATE COMMENT WAITING PERIOD.

Section 206(h)(2)(B) of the Federal Credit Union Act (12 U.S.C. 1786(h)(2)(B)) is amended by striking out "ninety" and inserting in lieu thereof "30".

### SEC. 713. AUTHORITY AS CONSERVATOR.

Section 206(h) of the Federal Credit Union Act (12 U.S.C. 1786(h)) is amended—

(1) by redesignating paragraph (8) as paragraph (9); and

(2) by inserting after paragraph (7) the following:

"(8) The conservator shall have all the powers of the members, the directors, the officers, and the committees of the credit union and shall be authorized to operate the credit union in its own name or to conserve its assets in the manner and to the extent authorized by the Board.".

### SEC. 714. LIQUIDATION PROCEEDINGS.

(a) APPLICATION FOR SHOW CAUSE ORDER.—Section 207(a)(1) of the Federal Credit Union Act (12 U.S.C. 1787(a)(1)) is amended—

(1) by inserting "(A)" after "(1)"; and

(2) by adding at the end thereof the following:

"(B) Not later than 10 days after the date on which the Board closes a credit union for liquidation pursuant to paragraph (1), or accepts appointment as liquidating agent pursuant to subsection (b), such insured credit union may apply to the United States district court for the judicial district in which the principal office of such insured credit union is located or the United States District Court for the District of Columbia, for an order requiring the Board to show cause why it should not be prohibited from continuing such liquidation. Except as otherwise provided in this subparagraph, no court may take any action for or toward the removal of any liquidating agent or, except at the instance of the Board, restrain or affect the exercise of powers or functions of a liquidating agent.".

(b) LIQUIDATIONS SUBJECT TO REGULATION OF THE BOARD.—Section 208(c) of the Federal Credit Union Act (12 U.S.C. 1788(c)) is redesignated as subsection (j) of section 207 (12 U.S.C. 1787) and is amended by striking out "subject to the regulation of the court or other public body having jurisdiction over the matter" and inserting in lieu thereof "subject only to the regulation of the Board, or, in cases where the Board has been appointed liquidating agent solely by a public authority having jurisdiction over the matter other than said Board, subject only to the regulation of such public authority".

(c) CONFORMING AMENDMENT.—Section 208(d) of the Federal Credit Union Act (12 U.S.C. 1788(d)) is redesignated as section 208(c).

### SEC. 715. TRANSFER OF FTC JURISDICTION TO NCUAB.

(a) IN GENERAL.—

(1) Sections 5(a)(2) and 6(a) of the Federal Trade Commission Act (15 U.S.C. 45(a)(2) and 46(a) are amended by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),".

(2) Section 6(b) of the Federal trade Commission Act (15 U.S.C. 46(b)) is amended by inserting immediately after "section 18(f)(3)," the following "Federal credit unions described in section 18(f)(4),".

(b) INVESTIGATIONS OF FOREIGN TRADE CONDITIONS; REPORTS.—The second proviso in section 6 of the Federal Trade Commission Act (15 U.S.C. 46) is amended—

(1) by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),"; and

(2) by inserting immediately after "in business as a savings and loan institution," the following: "in business as a Federal credit union,".

(c) REGULATIONS TO BE PRESCRIBED BY NCUAB.—

(1) The second sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended by inserting immediately after "paragraph (3))" the following: "and the National Credit Union Administration Board (with respect to Federal credit unions described in paragraph (4))".

(2) The last sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended—

(A) by striking "either such" and inserting in lieu thereof "any such";

(B) by inserting "or Federal credit unions described in paragraph (4)," immediately after "paragraph (3)," each place it appears therein; and

(C) by inserting immediately after "with respect to banks" the following: ", savings and loan institutions or Federal credit unions".

(3) Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively, and by inserting immediately after paragraph (3) the following:

"(4) Compliance with regulations prescribed under this subsection shall be enforced with respect to Federal credit unions under sections 120 and 206 of the Federal Credit Union Act (12 U.S.C. 1766 and 1786).".

### SEC. 716. ASSETS WHICH MAY BE PLEDGED.

(a) IN GENERAL.—Section 121 of the Federal Credit Union Act (12 U.S.C. 1767) is amended by adding at the end thereof the following new subsection:

"(b) Any Federal credit union, upon the deposit with it of any funds by the Federal Government, an Indian tribe, or any State or local government or political subdivision thereof as otherwise authorized by this Act, is authorized to pledge any of its assets securing the payment of the funds so deposited.".

(b) CONFORMING AMENDMENT.—Section 121 of the Federal Credit Union Act (12 U.S.C. 1767) is amended by striking out "Each" in the first sentence and inserting in lieu thereof "(a) Each".

## TITLE VIII—LOAN LOSS AMORTIZATION

### SEC. 801. LOAN LOSS AMORTIZATION FOR AGRICULTURAL BANKS.

Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end thereof the following:

"(j) LOAN LOSS AMORTIZATION FOR CERTAIN BANKS.—

"(1) ELIGIBILITY.—The appropriate Federal banking agency shall permit an agricultural bank to take the actions referred to in paragraph (2) if it finds that—

"(A) there is no evidence that fraud or criminal abuse on the part of the bank led to the losses referred to in paragraph (2); and

"(B) the agricultural bank has a plan to restore its capital, not later than the close of the amortization period established under paragraph (2), to a level prescribed by the appropriate Federal banking agency.

"(2) SEVEN-YEAR LOSS AMORTIZATION.—(A) Any loss on any qualified agricultural loan that an agricultural bank would otherwise be required to show on its annual financial statement for any year between December 31, 1983, and January 1, 1992, may be amortized on its financial statements over a period of not to exceed 7 years, as provided in regulations issued by the appropriate Federal banking agency.

"(B) An agricultural bank may reappraise any real estate or other property, real or personal, that it acquired coincident to the making of a qualified agricultural loan and that it owned on January 1, 1983, and any such additional property that it acquires prior to January 1, 1992. Any loss that such bank would otherwise be required to show on its annual financial statements as the result of any such reappraisal may be amortized on its financial statements over a period of not to exceed 7 years, as provided in regulations issued by the appropriate Federal banking agency.

"(3) REGULATIONS.—Not later than 90 days after the date of enactment of this subsection, the appropriate Federal banking agency shall issue regulations implementing this subsection with respect to banks that it supervises, including regulations implementing the capital restoration requirement of paragraph (1)(B).

"(4) DEFINITIONS.—As used in this subsection—

"(A) the term 'agricultural bank' means a bank—

"(i) the deposits of which are insured by the Federal Deposit Insurance Corporation;

"(ii) which is located in an area the economy of which is dependent on agriculture;

"(iii) which has assets of $100,000,000 or less; and

"(iv) which has—

"(I) at least 25 percent of its total loans in qualified agricultural loans; or

"(II) fewer than 25 percent of its total loans in qualified agricultural loans but which the appropriate Federal banking agency or State bank commissioner recommends to the Corporation for eligibility under this section, or which the Corporation, on its motion, deems eligible; and

"(B) the term 'qualified agricultural loan' means a loan made to finance the production of agricultural products or livestock in the United States, a loan secured by farmland or farm machinery, or such other category of loans as the appropriate Federal banking agency may deem eligible.

"(5) MAINTENANCE OF PORTFOLIO.—As a condition of eligibility under this subsection, the agricultural bank must agree to maintain in its loan portfolio a percentage of agricultural loans which is not lower than the percentage of such loans in its loan portfolio on January 1, 1986.".

## TITLE IX—FULL FAITH AND CREDIT OF FEDERALLY INSURED DEPOSITORY INSTITUTIONS

### SEC. 901. REAFFIRMATION OF SECURITY OF FUNDS DEPOSITED IN FEDERALLY INSURED DEPOSITORY INSTITUTIONS.

(a) FINDINGS.—The Congress finds and declares that—

(1) since the 1930's, the American people have relied upon Federal deposit insurance to ensure the safety and security of their funds in federally insured depository institutions; and

(2) the safety security of such funds is an essential element of the American financial system.

(b) SENSE OF CONGRESS.—In view of the findings and declarations contained in subsection (a), it is the sense of the Congress that it should reaffirm that deposits up to the statutorily prescribed amount in federally insured depository institutions are backed by the full faith and credit of the United States.

## TITLE X—GOVERNMENT CHECKS

### SEC. 1001. REPORT ON DIFFICULTY IN CASHING TREASURY CHECKS.

Not later than 6 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and transmit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the extent to which individuals who receive Treasury checks have difficulty cashing such checks.

### SEC. 1002. TIME LIMIT ON PAYMENT OF TREASURY CHECKS.

Section 3328 of title 31, United States Code, is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) TIME LIMIT ON TREASURY CHECKS.—

"(1) IN GENERAL.—Except as provided in sections 3329 and 3330 of this title—

"(A) the Secretary shall not be required to pay a Treasury check issued on or after the effective date of this section unless it is negotiated to a financial institution within 12 months after the date on which the check was issued; and

"(B) the Secretary shall not be required to pay a Treasury check issued before the effective date of this section unless it is negotiated to a financial institution within 12 months after such effective date.

"(2) DEFERRAL PENDING SETTLEMENT.—Notwithstanding the time limitations imposed by paragraph (1), if the Secretary is on notice of a question of law or fact about whether a Treasury check is properly payable when the check is presented for payment, the Secretary may defer payment or such check until the Comptroller General settles the question.

"(3) Nothing in this subsection shall be construed to affect the underlying obligation of the United States, or any agency thereof, for which a Treasury check was issued."; and

(2) by adding at the end thereof the following:

"(f) AUTHORITY TO DECLINE PAYMENT.—Nothing in this section limits the authority of the Secretary to decline payment of a Treasury check after first examination thereof at the Treasury.".

### SEC. 1003. CANCELLATION OF TREASURY CHECKS.

Chapter 33 of title 31, United States Code, is amended by adding at the end of subchapter II the following new section:

**"§ 3334. Cancellation and Proceeds Distribution of Treasury Checks**

"(a) IN GENERAL.—(1) The Secretary shall provide monthly to each agency that authorizes the issuance of Treasury checks a list of those checks issued for such agency on or after such effective date that have not been paid and have become more than 12 months old during the preceding month, beginning with the fourteenth month following the effective date of this section.

"(2) Such checks shall be canceled by the Secretary and the proceeds thereof shall be returned to the agency concerned and credited to the appropriation or fund account initially charged for the payment.

"(b) CHECKS ISSUED BEFORE EFFECTIVE DATE.—(1) Not later than 18 months after the effective date of this section, the Secretary shall identify and cancel all Treasury checks issued before such effective date that have not been paid in accordance with section 3328 of this title.

"(2) The proceeds from checks canceled pursuant to paragraph (1) shall be applied to eliminate the balances in accounts that represent uncollectible accounts receivable and other costs associated with the payment of checks and check claims by the Department of the Treasury on behalf of all payment certifying agencies. Any remaining proceeds shall be deposited to the miscellaneous receipts of the Treasury.

"(c) NO EFFECT ON UNDERLYING OBLIGATION.—Nothing in this section shall be construed to affect the underlying obligation of the United States, or any agency thereof, for which a Treasury check was issued.".

### SEC. 1004. LIMITATION ON RECLAMATION ACTIONS AND CLAIMS.

(a) IN GENERAL.—Section 3712(a) of title 31, United States Code, is amended to read as follows:

"(a) CLAIMS OVER FORGED OR UNAUTHORIZED ENDORSEMENTS.—

"(1) PERIOD FOR CLAIMS.—If the Secretary of the Treasury determines that a Treasury check has been paid over a forged or unauthorized endorsement, the Secretary may reclaim the amount of such check from the presenting bank or any other endorser that has breached its guarantee of endorsements prior to—

"(A) the end of the 1-year period beginning on the date of payment; or

"(B) the expiration of the 180-day period beginning on the close of the period described in subparagraph (A) if a timely claim is received under section 3702.

"(2) CIVIL ACTIONS.—(A) Except as provided in subparagraph (B), the United States may bring a civil action to enforce the liability of an endorser, transferor, depository, or *fiscal agent on a forged or unauthorized signature or endorsement on, or a change in, a check or warrant issued by the Secretary of the Treasury, the United States Postal Service, or any disbursing official or agent not later than 1 year after a check or warrant is presented to the drawee for payment.*

*"(B) If the United States has given an endorser written notice of a claim against the endorser within the time allowed by subparagraph (A), the 1-year period for bringing a civil action on that claim under subparagraph (A) shall be extended by 3 years.*

*"(3) Effect on agency authority.—Nothing in this subsection shall be construed to limit the authority of any agency under subchapter II of chapter 37 of this title.".*

*(b) Claims Presented to Agencies.—Section 3702(c) of title 31, United States Code, is amended to read as follows:*

*"(c) One-Year Limit for Check Claims.—(1) Any claim on account of a Treasury check shall be barred unless it is presented to the agency that authorized the issuance of such check within 1 year after the date of issuance of the check or the effective date of this subsection, whichever is later.*

*"(2) Nothing in this subsection affects the underlying obligation of the United States, or any agency thereof, for which a Treasury check was issued.".*

### SEC. 1005. REGULATIONS.

*The Secretary of the Treasury may prescribe such rules, regulations, and procedures as the Secretary deems necessary to implement the amendments made by sections 1002, 1003, and 1004, including the recertification of Treasury checks which have been canceled or for which a claim has been asserted or barred.*

### SEC. 1006. EFFECTIVE DATE.

*The amendments made by sections 1002, 1003, and 1004 shall become effective 6 months after the date of enactment of this Act or on such later date as the Secretary of the Treasury may prescribe in regulations.*

## TITLE XI—INTEREST TO CERTAIN DEPOSITORS

### SEC. 1101. INTEREST TO CERTAIN DEPOSITORS.

*(a) Payment of Interest Required.—Notwithstanding any other provision of law, the Federal Deposit Insurance Corporation shall pay interest in accordance with the requirements of subsection (b) on nonnegotiable certificates (commonly referred to as "yellow certificates") which—*

*(1) were issued by the Golden Pacific National Bank of New York, New York, before such bank was declared to be insolvent by the Comptroller of the Currency on June 21, 1985; and*

*(2) have been determined to be insured deposits (as such term is defined in section 3(m)(1) of the Federal Deposit Insurance Act) in any judicial action or agency proceeding.*

*(b) Computation of Interest.—Interest required to be paid under subsection (a) with respect to any certificate described in such subsection shall be computed—*

*(1) on the principal amount of that portion of such certificate which was determined to be an insured deposit;*

*(2) at the statutory rate of interest in effect under the law of the State of New York; and*

*(3) for the period beginning on June 21, 1985, and ending on the date on which the holder of such certificate, or the holder's representative, receives the payment of deposit insurance on account of such certificate from the Federal Deposit Insurance Corporation.*

## TITLE XII—MISCELLANEOUS PROVISIONS

### SEC. 1201. HIGH YIELD BOND STUDY.

*(a) In General.—The Comptroller General, in consultation with the Securities and Exchange Commission, the Federal Home Loan Bank Board, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Savings and Loan Insurance Corporation, the Federal Deposit Insurance Corporation, the Secretary of the Treasury, and the Secretary of Labor shall study on a comparative basis to other types of investments made by federally insured institutions the issuance of and investment in high yield, noninvestment grade bonds during the 5 years prior to the date of enactment of this Act, including—*

*(1) the identity and rating (as determined by Moody's, Standard and Poor's, or other nationally recognized bond rating house) of the issuers of these bonds;*

*(2) the identity of the major purchasers of these bonds, including but not limited to federally insured depository institutions;*

*(3) the percentage of the total amount of high yield, noninvestment grade bonds that are issued as a method of financing corporate takeovers;*

*(4) the identity of the purchasers including, but not limited to, federally insured depository institutions that invest in high yield, noninvestment grade bonds that are issued as a method of financing corporate takeovers;*

*(5) the purposes for which high yield, noninvestment grade bonds are issued other than for financing corporate takeovers;*

*(6) a summary and analysis of the adequacy of current State and Federal laws that regulate investment in high yield, noninvestment grade bonds, by investors including, but not limited to, federally insured depository institutions and pension funds; and*

*(7) a review of the impact of the issuance of and investment in high yield, noninvestment grade bonds upon corporate debt as it relates to Federal monetary policy.*

*(b) Other Types of Direct Investment.—In preparing this study, the Comptroller General, in consultation with the aforementioned Federal agencies, shall also examine all other types of direct investments made by Federally insured institutions and the effect these investments have had on Federal insurance funds.*

*(c) Public Hearing.—In addition to the collection of information through surveys, public document review, interviews, and other information-gathering methods, at least one joint public hearing shall be held during the course of conducting the study.*

*(d) Reporting Date.—The Comptroller General shall transmit a report containing the results of the study under this section to the Congress not later than 6 months after the date of enactment of this Act.*

### SEC. 1202. STUDY OF COMPETITIVE ISSUES IN THE PAYMENTS MECHANISM.

*(a) In General.—The Comptroller General, in coordination and consultation with the Board of Governors of the Federal Reserve System, shall conduct a study of—*

*(1) the Federal Reserve System's exemption from the imposition of presentment fees;*

*(2) the impact of the imposition of presentment fees on the efficiency of the check collection system; and*

*(3) whether the Federal Reserve System requires check clearinghouses to provide services to Federal Reserve banks and whether Federal Reserve banks should pay check clearinghouses for any such services.*

*(b) Reporting Date.—The Comptroller General shall submit its report to Congress not later than 6 months after the date of enactment of this Act.*

### SEC. 1203. STUDY AND REPORTS CONCERNING DIRECT INVESTMENTS.

*(a) Study Required.—The Federal Home Loan Bank Board shall conduct a study of the effect of direct investment activities on insured institutions, including comparative analyses of the effect of direct investment activities on—*

*(1) different sized insured institutions;*

*(2) State chartered insured institutions;*

*(3) federally chartered insured institutions; and*

*(4) insured institutions in each of the Supervisory Examinations Rating Classifications.*

*(b) Report Required.—Not later than 18 months after the date of enactment of this Act, the Federal Home Loan Bank Board shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a report containing the findings and conclusions of the Board with respect to the study required under subsection (a), including—*

*(1) the findings and conclusions of the Board concerning the losses to the insurance fund and the degree to which such losses were the result of direct investment activities with respect to each of the classes of institutions described in subsection (a); and*

*(2) a comparison of the effects of direct investment activities prior to April 16, 1987, and the effect of such activities on or after April 16, 1987, for each of the classes of institutions described in subsection (a) and the losses to the insurance fund as a result of such activities.*

*(c) Prior Reports to Congress on Changes to Direct Investment Regulations.—*

*(1) In general.—Not less than 90 days before final approval is given by the Federal Home Loan Bank Board to any regulation which repeals or modifies (or has the effect of repealing or modifying) any regulation limiting direct investment activities, the Board shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report describing the proposed regulation and the reasons for the proposed regulation, including the effect of such regulation on the insurance fund.*

*(2) Prospective application of rule.—Paragraph (1) shall not apply with respect to Board Resolution Numbered 87-215 and Board Resolution Numbered 87-215A.*

*(d) Direct Investment Activity Defined.—For purposes of this section, the term "direct investment activities" means activities which are limited under Board Resolution Numbered 87-215 and Board Resolution Numbered 87-215A.*

### SEC. 1204. ADJUSTABLE RATE MORTGAGE CAPS.

*(a) In General.—Any adjustable rate mortgage loan originated by a creditor shall include a limitation on the maximum interest rate that may apply during the term of the mortgage loan.*

*(b) Regulations.—The Board of Governors of the Federal Reserve System shall prescribe regulations to carry out the purposes of this section.*

*(c) Enforcement.—Any violation of this section shall be treated as a violation of the Truth in Lending Act and shall be subject to administrative enforcement under section 108 or civil damages under section 130 of such Act, or both.*

*(d) Definitions.—For the purpose of this section—*

*(1) the term "creditor" means a person who regularly extends credit for personal, family, or household purposes; and*

*(2) the term "adjustable rate mortgage loan" means any loan secured by a lien on a one- to four-family dwelling unit, including a condominium unit, cooperative housing unit, or mobile home, where the loan is made pursuant to an agreement under which the creditor may, from time to time, adjust the rate of interest.*

*(e) Effective Date.—This section shall take effect upon the expiration of 120 days after the date of enactment of this Act.*

### SEC. 1205. SEPARABILITY OF PROVISIONS.

*If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.*

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

Fernard J. St Germain,
Frank Annunzio,
Carroll Hubbard,
Doug Barnard, Jr.,
Mary Rose Oakar,
Bruce F. Vento,
Charles Schumer,
Richard H. Lehman,
Buddy Roemer,
Marcy Kaptur,
Bill Nelson,
Chalmers P. Wylie,
Jim Leach,
Stan Parris,
George C. Wortley,
Bill McCollum,

As additional conferees only for consideration of title I of the House bill and title III of the Senate amendment:

Steve Neal,
Steve Bartlett,
*Managers on the Part of the House.*

Bill Proxmire,
Alan Cranston,
Don Riegle,
Paul Sarbanes,
Christopher J. Dodd,
Alan J. Dixon,
Jake Garn,
John Heinz,
Alfonse D'Amato,
Phil Gramm,
*Managers on the Part of the Senate.*

## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

## TITLE I—COMPETITIVE EQUALITY AMENDMENTS

Conferees' Note: Many of the provisions contained in Title I of this Act were reported out by the House Committee on Banking, Finance and Urban Affairs in the 98th and 99th Congresses. Issues covered by the House Banking Committee which are similar to Title I include, among other things, the closing of the nonbank bank loophole, extension of certain sections of the Glass-Steagall Act to nonmember insured banks and thrifts, anti-tying and cross-marketing provisions, and a qualified thrift lender test. The bills considered by the House Banking Committee were H.R. 5734 and H.R. 5916 (98th Congress) and H.R. 20 (99th Congress).

### SECTION 101—AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956

### SECTION 101(a)—CLOSING THE NONBANK BANK LOOPHOLE

The Senate amendment closes the nonbank bank loophole in the Bank Holding Company Act by redefining the term "bank". The Act currently defines a bank as an institution that meets a two-part test: it must both accept deposits that the depositor has a legal right to withdraw on demand and be engaged in the business of making commercial loans.

The Senate amendment redefines the term "bank" to include an FDIC-insured institution whether or not it accepts demand deposits or makes commercial loans. The new definition also includes non-FDIC insured institutions that both accept demand deposits or transaction accounts and are engaged in the business of making commercial loans. Thus the bill would not cover as a bank an uninsured institution that did not, for example, offer demand deposit or transaction accounts, or one that offered such accounts but did not engage in the business of making commercial loans.

The Senate amendment maintains the express exclusions from the definition of "bank" found in current law for FSLIC-insured or federally chartered thrift institutions and certain institutions operating outside of the United States. In addition, the amendment provides further limited exceptions for credit unions, credit card banks, certain trust companies, and certain industrial banks, industrial loan companies and other similar institutions.

The House bill contains no similar provision. The House recedes to the Senate with amendments as specified below, which the Senate accepts.

### TRUST COMPANY EXEMPTION

### SECTION 2(C)(2)(D) OF BANK HOLDING COMPANY ACT

Under the Senate amendment, in order to qualify for exclusion from the definition of "bank," a trust company must function solely in a bona fide trust or fiduciary capacity. The Senate amendment clarifies that a trust company acting in such a bona fide trust or fiduciary capacity must comply with the following restrictions:

(1) it must receive all or substantially all of its deposits as trust funds;

(2) it may not permit its insured deposits to be offered or marketed by or through an affiliate;

(3) it may not accept demand deposits or transaction accounts or make commercial loans; and

(4) it may not obtain payment or payment-related services from the Federal Reserve or exercise most discount or borrowing privileges with the Federal Reserve.

The term "trust or fiduciary capacity" used in the trust company exclusion includes serving as trustee, executor, custodian, administrator, registrar of stocks and bonds, guardian of estates, or committee of estates of incompetents.

The House bill contains no similar exemption. The House recedes to the Senate with an amendment, which the Senate accepts. The House amendment adds an additional exemption for Investors Fiduciary Trust Company (IFTC), an institution controlled by certain diversified companies. IFTC was engaged in lawful trust, fiduciary, and agency activities as of March 5, 1987, but would have been precluded from engaging in some of those activities under the Senate provision.

The House amendment permits IFTC to continue deposit-taking activities in which it was lawfully engaged on March 5, 1987, in connection with its trust, fiduciary, and agency activities. The amendment prohibits IFTC from accepting any demand deposits other than those maintained in a trust, fiduciary, or agency capacity and further prohibits IFTC from being in the business of making commercial loans. The latter prohibition is not intended to prevent IFTC from making normal and customary advances in a trust or fiduciary capacity, such as advancing funds for the payment of distributions by unit investment trusts for which it serves as trustee.

### CREDIT CARD BANK EXEMPTION

### SECTION 2(C)(2)(F) OF BANK HOLDING COMPANY ACT

Under the Senate amendment, in order to qualify for the exemption from the definition of "bank", a credit card bank may engage only in credit card operations, and may not accept demand deposits or transaction accounts, accept time deposits in amounts less than $100,000, engage in the business of making commercial loans, or maintain more than one office that accepts deposits.

The word "office" is not defined in the Senate amendment. The purpose of limiting a credit card bank to one office is to prohibit it from having deposit-taking offices throughout a State or nationally. A credit card bank could maintain additional offices that engage in back-room activities typically associated with a credit card operation.

A credit card bank may make loans only through credit cards. Loans made to individuals through credit cards are not commercial loans. The prohibition against commercial loans does not limit a credit card bank from purchasing credit card receivables directly from establishments where such credit cards are accepted.

The House bill contains no similar exemption. The House recedes to the Senate with two amendments, which the Senate accepts.

The first amendment clarifies that back-room operations are not included in the one-office limitation in the Senate amendment. Credit card banks will continue to be subject to the one-office limitation for offices which accept deposits.

The second amendment adds a new section 101(h) that exempts the following from the definition of "bank": a nonbank bank whose owner made a public announcement before March 5, 1987, of its intention to convert the bank into a credit card bank within 180 days of enactment of this Act and which takes certain statutorily prescribed actions.

### INDUSTRIAL LOAN COMPANY EXEMPTION

### SECTION 2(C)(2)(H) OF BANK HOLDING COMPANY ACT

The Senate amendment exempts from the definition of "bank" certain industrial banks, industrial loan companies, or other similar institutions.

The House recedes to the Senate.

### EXEMPTION FOR PENDING SAVINGS BANK ACQUISITION

### SECTION 2(C)(2)(J) OF BANK HOLDING COMPANAY ACT

The House recedes to the Senate with an amendment, which the Senate accepts.

The amendment exempts from the definition of a "bank" a particular New York savings bank whose recent acquisition by the Great Western Financial Corporation (Great Western) has been approved by the New York State Banking Commissioner. But for the exemption, the savings bank subsidiary would be a "bank" under section 2(c) of the Bank Holding Company Act, thus making Great Western a bank holding company.

The House amendment exempts the savings bank subsidiary from the definition of a "bank" under the Act, thereby allowing Great Western to retain the savings bank subsidiary without becoming a bank holding company. However, the House amendment specifically prohibits the savings bank subsidiary from engaging in the future, directly or through insurance products it receives from or provides to Great Western, in the sale or underwriting of insurance. Subject to this limitation, the Conferees do not intend to limit any insurance activities otherwise permitted to Great Western itself, or any of its other affiliates.

Further, the savings bank subsidiary would lose its exemption if any deposits subject to insurance premium assessment under the National Housing Act of any Great Western subsidiary or affiliate are directly or indirectly transferred to or acquired by the savings bank subsidiary if the effect were to materially reduce the amount of those premium assessments.

The House amendment subjects the savings bank subsidiary to the anti-tying restrictions of the Bank Holding Company Act Amendments of 1970, and the insider and preferential lending restrictions of the Federal Reserve Act.

### OTHER DEFINITIONS

The Senate amendment defines the following terms:

### AFFILIATE

### __SECTION 2(K) OF BANK HOLDING COMPANAY ACT

The term "affiliate" is defined as any company that controls, is controlled by, or is under common control with another company.

### DEMAND DEPOSITS

The term "demand deposits" is intended to encompass all types of deposits that can be withdrawn on demand, regardless of the means of withdrawal. Any deposit account from which funds are transferred automatically pursuant to the depositor's instructions (e.g., a sweep account) is also a "demand deposit".

"Deposits that the depositor may withdraw by check or similar means for payment to third parties" includes accounts from which funds may be transferred to third parties by negotiable order of withdrawal (NOW), share draft, wire, computer order, or other electronic means, regardless of whether the depository institution has the right to require notice before permitting such withdrawals.

### COMMERCIAL LOAN

A "commercial loan" includes any extension of credit by a bank to a person for business purposes. Thus, for example, broker call loans, the purchase of retail installment paper, and loans to dealers in government or other securities are commercial loans because they are loans made for a business purpose in which the creditworthiness of the borrower is an important factor in determining whether to grant the extension of credit. Likewise, an overdraft in an account of a business customer or for business purposes at the bank, including an intra-day overdraft, is a commercial loan. Overdrafts in business accounts are commercial loans because they provide financing for the customer's business operations. Even intra-day overdrafts permit business customers to avoid more formal extensions of credit to meet their payment obligations.

No person shall be deemed to have made a "commercial loan" solely because of effecting purchases of commercial paper (or other obligations, instruments, or securities) as agent for the accounts of fiduciary customers.

### SECTION 2(I) THRIFT INSTITUTION

The term "thrift institution" is currently defined as a building and loan or savings and loan association, a cooperative bank, a Federal savings bank, or a mutual savings bank. The Senate amendment would amend the definition to include any State-chartered savings bank whose holding company is registered as a savings and loan holding company under the Savings and Loan Holding Company Act.

### SECTION 2(L) & (M)—SAVINGS BANK HOLDING COMPANY AND QUALIFIED SAVINGS BANK

The definitions of "savings bank holding company" and "qualified savings bank" are discussed below in section 101(d), where they are used.

### SECTION 101(B) IMMEDIATE DIVESTITURE REQUIREMENT

Under the Senate amendment, a company which acquired a nonbank bank after March 5, 1987, must immediately comply with the Bank Holding Company Act or divest its bank subsidiary. Such a company would not be permitted to utilize the 2-year period currently provided in the law for newly formed bank holding companies to conform to the requirements of the Bank Holding Company Act.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 101(C) GRANDFATHER PROVISIONS

Under the Senate amendment, companies that acquired nonbank banks on or before March 5, 1987, are permitted to retain the bank and not be regarded as a bank holding company so long as the company does not directly or indirectly either (1) acquire control of an additional bank or thrift institution; or (2) acquire more than 5 percent of the shares or assets of another bank or a thrift institution, except for loans or other accounts receivable acquired in the ordinary course of business and for shares acquired in a bona fide fiduciary capacity or held temporarily pursuant to an underwriting commitment in the ordinary course of business or in an account established solely for trading purposes. The prohibition on acquiring the shares or assets of a bank or thrift prevents a grandfathered nonbank bank from expanding through acquisition of, or merger with, banks or thrifts.

A company would not lose its grandfather rights by acquiring a thrift institution or more than 5 percent of its shares as a result of a transaction arranged by the Federal Savings and Loan Insurance Corporation under the emergency thrift acquisition provisions of section 408(m) of the National Housing Act if the institution has assets of at least $500 million or is located in a State in which the acquiring company controlled a bank on March 5, 1987.

Furthermore, regarding the 5 percent limit, a company does not hold shares in the normal course of an underwriting business if it attempts to exercise any control over the management or policies of the bank or thrift through its ownership of those shares.

The fiduciary exemption in section 4(1)(2)(A)(ii) is intended to cover situations in which a trust or agency account managed by a bank trust department affiliated with a company, or an SEC-registered diversified investment company within the meaning of Section 5(b)(1) of the Investment Company Act of 1940 managed by an investment adviser affiliated with a company, makes passive investments in the ordinary course of business and thereby does not acquire "control" as determined under the Bank Holding Company Act or the Change in Bank Control Act. Interlocking officer, director, or employee relationships between the bank trust department or investment adviser and its affiliates, and the bank or insured institution in which the passive investment is made, would not be permitted.

The exemption for shares acquired in a bona fide fiduciary capacity includes shares in separate accounts of insurance companies that must be managed for the sole benefit of pension plan participants under the Employee Retirement Income Security Act of 1974 or for the sole benefit of annuitants or policyowners with variable annuity or variable life contracts.

### RESTRICTIONS ON GRANDFATHERED NONBANK BANKS

### SECTION 4(F)(3)(B)(II) OF THE BANK HOLDING COMPANY ACT

In view of the potential for the ownership of nonbank banks by commercial firms to result in conflicts of interest, concentration of resources, or other effects adverse to bank safety and soundness, and in order to avoid the potential for unfair competition with regulated bank holding companies, the section provides that the company will lose its grandfather rights and thereby become subject to the Bank Holding Company Act if the nonbank bank:

(1) engages in any activity in which it was not lawfully engaged as of March 5, 1987 (thus preventing the nonbank bank from, for example, both offering demand deposits and engaging in the business of making commercial loans);

(2) offers or markets products or services of an affiliate that are not permissible for

bank holding companies, or permits its products or services to be marketed by or through an affiliate engaged in impermissible nonbanking activities, unless the products and services in question were being offered or marketed by the bank or affiliate as of March 5, 1987, and then only in the same manner as they were offered or marketed as of that date;

(3) permits any overdraft, including an intra-day overdraft, on behalf of an affiliate, or incurs any such overdraft in its account at a Federal Reserve bank, unless such an overdraft results from an inadvertent computer or accounting error that is beyond the control of both the bank and the affiliate; or

(4) increases its assets at an annual rate of more than 7 percent beginning 1 year after the date of enactment of the Competitive Equality Banking Act of 1987.

Grandfathered institutions may sell assets to remain within the statutory limit. If, for example, a bank's credit card accounts receivable grow at a 10 percent rate, the bank can remain in compliance with the 7 percent limitation by selling other assets and distributing the proceeds as a dividend.

The Conferees intend that the Federal Reserve Board, in determining compliance with the 7 percent growth rate, utilize a procedure which computes the grandfathered institution's growth rate on an average basis.

A company that fails to comply with the grandfather restrictions is given 180 days to comply with the Bank Holding Company Act by divesting the bank or by registering as a bank holding company and conforming its activities to those permitted under the Bank Holding Company Act for bank holding companies. The Conferees expect the Federal Reserve Board, in administering those restrictions, to issue cease-and-desist orders or take other administrative action to bring about compliance before issuing a final order to divest or register as a bank holding company.

In order not to disrupt established business affiliations in existence before March 5, 1987, and in conformity with the other grandfather provisions of the Bank Holding Company Act, grandfather rights under this section are granted only for affiliations in existence on March 5, 1987. Therefore, these grandfather privileges may not be transferred to another organization, and will terminate if another company acquires, directly or indirectly, the bank involved.

The House bill contains no similar provisions. The House recedes to the Senate provision, with amendments as described below, which the Senate accepts.

### JOINT MARKETING RESTRICTIONS

### SECTION 4(F)(3)(B)(II) OF THE BANK HOLDING COMPANY ACT

The Senate amendment imposes certain restrictions on joint marketing between a grandfathered company and its nonbank affiliate. The joint marketing of products and services between an insured depository institution and a company engaged in general commerce presents a significant risk to the public in the form of potential conflicts of interest, unsound banking practices, unfair competition, and lack of impartiality in the credit granting process. The Bank Holding Company Act addresses those concerns by requiring the separation of banking and commerce. If, however, affiliations between banks and commercial enterprises are allowed to continue, as under the grandfather provision, those concerns must be addressed through restrictions designed to ensure objectivity in the credit granting process and the avoidance of other adverse effects.

The joint marketing restrictions are designed to achieve this objectivity and to lessen the risks of conflicts of interest and other adverse effects the Act was designed to prevent by limiting transactions between the bank and its affiliates that raise a significant potential for those abuses. The joint marketing restrictions also minimize the unfair competitive advantage that grandfathered commercial companies owning nonbank banks might otherwise enjoy over regulated bank holding companies and over competing commercial companies that have no subsidiary bank.

The joint marketing restrictions apply to two categories of products and services: (1) products and services of an affiliate that are not permissible under section 4(c)(8) of the Bank Holding Company Act for a bank holding company; and (2) products and services of the grandfathered nonbank. In category (1), the restrictions on an affiliate's products and services are such that, for example, a company could not market life insurance or automotive supplies through its bank subsidiary, since those products are not permissible for bank holding companies generally under section 4(c)(8) of the Act. Likewise, in category (2), the grandfathered nonbank may not permit its products or services to be offered or marketed through an affiliate that engages in nonbanking activities that are prohibited for bank holding companies generally under section 4 of the Bank Holding Company act. Thus the life insurance affiliate or the automobile parts retailer could not market the bank's insured deposits or trust accounts. On the other hand, the grandfathered nonbank bank could offer its customers loans from an affiliated mortgage banking or consumer finance company, and such an affiliate could offer its customers the products or services of the bank, because these activities are permitted under section 4(c)(8) of the Bank Holding Company Act.

The joint marketing restrictions do not apply in the case of products or services that were being jointly marketed by the affiliates as of March 5, 1987. The exemption from the joint marketing restrictions applies only to a specific company that was engaged in the activity as of March 5, 1987. An affiliate that was not engaged in a given joint marketing activity as of March 5, 1987, may not commence that activity even if it was being conducted by another affiliate as of March 5, 1987.

The bill grandfathers joint marketing activities of the type and in the manner engaged in by a nonbank bank and its affiliates on March 5, 1987. However, these grandfather provisions do not lock into place the specific terms or conditions of the particular grandfathered product or service.

The House bill contains no comparable provision. The House recedes to the Senate.

### OVERDRAFTS

The restrictions on overdrafts are designed to reduce the risk to the Federal Reserve System, the depositors and creditors of nonbank banks, and the Federal Deposit Insurance Corporation presented by nonbank banks' access to Federal Reserve payment services. Where nonbank banks provide payment services, including funds transfer, book-entry securities transfer, automated clearing house, and check-collection services to their affiliates, the nonbank bank will, as a practical matter, be unable to independently evaluate the creditworthiness of the affiliate using the service.

Without the independent credit evaluation that banking institutions routinely perform on their unaffiliated customers, there is a clear danger that affiliates of nonbank banks could incur excessive overdrafts on the books of the nonbank bank, which in turn may cause the nonbank bank to overdraw its account at the Federal Reserve bank.

For example, a troubled affiliate of a nonbank bank could direct the nonbank bank to make final, irrevocable funds transfers to pay its creditors far in excess of the balance in the affiliate's account at the nonbank bank or even the nonbank bank's account at the Federal Reserve. Those transfers could precipitate the failure of the nonbank bank, causing loss to the depositors, creditors, and the FDIC.

These overdraft restrictions reduce those risks by providing that grandfathered nonbank banks lose their grandfathered status if they permit affiliates to incur overdrafts at the nonbank bank. Overdrafts in an affiliate's accounts at a nonbank bank are difficult to police, particularly in times of financial difficulty of the affiliate, when the potential for overdrafts resulting in losses is highest. Accordingly, the overdraft restrictions provide that nonbank banks lose their grandfathered status if they incur overdrafts at Federal Reserve banks. Federal Reserve banks are in a position to monitor such overdrafts on a real time basis. The overdraft restrictions exclude inadvertent overdrafts that are beyond the control of the nonbank bank and its affiliate.

The House bill contains no similar provision. The House recedes to the Senate with an amendment exempting Federal Reserve-designated primary dealers from the overdraft restrictions. The Senate accepts the House amendment with an amendment requiring that the overdrafts incurred by primary dealers be, as required by the Federal Reserve, fully secured by securities eligible for settlement under the Federal Reserve Look-entry system, including securities of the U.S. Government, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Farm Credit Administration, Federal Home Loan Banks, and the newly created FSLIC Financing Corporation. The Conferees agreed.

The Federal Reserve has authority to determine the extent (if at all) to which overdrafts are permitted on the Federal Reserve, including Fedwire overdrafts. The amendment in no way impairs this. The amendment neither requires nor suggests that a bank's running overdrafts for an affiliated primary dealer is necessarily appropriate on a continuing basis. The bank's decision to permit such overdrafts would remain subject to supervision by appropriate federal and state banking regulators.

### NOTICE OF GRANDFATHERED AFFILIATIONS AND ENFORCEMENT

### SECTION 4(F) (5), (6), (7) & (8) OF THE BANK HOLDING COMPANY ACT

A company qualifying for grandfather treatment must provide the Federal Reserve Board, within 60 days of the date of enactment of the bill, with its name and address, the name and address of each bank it controls, and a description of the bank's activities. The board is given authority to examine and require reports from the company or the bank, but only in order to monitor and enforce compliance with the grandfather provisions. The Board may not examine those institutions for safety or soundness or for compliance with any laws other than the grandfather provisions of the Act.

In addition to its enforcement authority under section 5 of the Bank Holding Company Act, the Board has authority to use civil enforcement powers, such as cease-and-desist orders, to assure compliance with the grandfather provisions. This authority may not be used against companies or banks grandfathered under this Act for any other purpose, and does not limit the authority of the Comptroller of the Currency or the FDIC over national banks and nonmember insured banks, respectively.

The House bill contains no similar provisions. The House recedes to the Senate.

### ANTI-TYING RESTRICTIONS

### SECTION 4(F)(9) OF THE BANK HOLDING COMPANY ACT

Although a company controlling a bank under the grandfather privilege is not treated in the Senate amendment as a bank holding company under the Bank Holding Company Act, it is made subject to the anti-tying restrictions of section 106 of the Bank Holding Company Act Amendments of 1970 and the insider and preferential lending restrictions of section 22(h) of the Federal Reserve Act as if it were a bank holding company. Therefore, the subsidiary bank of such a grandfathered company may not condition the grant of credit or the provision of any other service or product on the purchase of a product or service from the parent company or one of its affiliates.

Further, the grandfathered company and its nonbanking affiliates are also made subject to those anti-tying provisions, but only with respect to transactions involving the bank affiliate. Therefore, the company could not condition the grant of its products or services on a requirement that the customer purchase a product or service from its affiliate bank.

The anti-tying restrictions of section 106 of the Bank Holding Company Act Amendments of 1970 are in no way intended to apply to the four traditional banking services—loans, including loans made on credit cards, discounts, deposits, and trust services. Thus, the anti-tying restrictions would not be violated by tying one of these traditional banking services offered by a grandfathered nonbank bank to another traditional banking service offered by an affiliate.

A company eligible for the grandfather privilege may give up the privilege at any time by registering as a bank holding company and complying with all of the provisions of the Bank Holding Company Act.

### ANTI-TYING PROVISIONS APPLICABLE TO CERTAIN INSTITUTIONS

### SECTION 4(H) OF THE BANK HOLDING COMPANY ACT

Under the Senate amendment, although trust companies, Edge Act companies, credit card banks, and industrial loan companies are not treated as banks under the Bank Holding Company Act, they are made subject to the anti-tying provisions of the Bank Holding Company Act Amendments of 1970 and to the insider and preferential lending prohibitions of section 22(h) of the Federal Reserve Act. Thus those institutions—like other banks—may not require their customers to purchase or use the products or services of an affiliated company as a condition for obtaining a service or receiving a product at a favorable price from the institutions. Companies that control those exempted institutions are also made subject to the anti-tying restrictions, but only in connection with transactions involving the products and services of the exempt institution. Thus the parent companies of such exempted institutions and other affiliates cannot provide their products or services on condition that the customer obtain a product or service from the exempted institution.

The anti-tying provisions of the Bank Holding Company Act Amendments of 1970 are not made applicable to marketing practices of the parent holding company, or its affiliates, that do not involve the products or services of the exempted institution.

The House bill contains no similar provision. The House recedes to the Senate with an amendment, which the Senate accepts. The House amendment applies the anti-tying restrictions of the Bank Holding Company Act Amendments of 1970 and the insider and preferential lending prohibitions of the Federal Reserve Act to certain named exempted institutions.

### NONBANK BANKS OWNED BY BANK HOLDING COMPANIES

### SECTION 4(G) OF THE BANK HOLDING COMPANY ACT

The Senate amendment imposes restrictions on a bank holding company that controls a nonbank bank. The bank holding company may retain the bank provided that the institution does not both accept demand deposits and engage in the business of making commercial loans, and does not increase the number of locations from which it conducts its business after the date it becomes a bank. Those restrictions would no longer apply once the bank holding company could obtain approval under the Douglas Amendment to acquire the bank in question. Under the Douglas Amendment, this would occur when the State in which the bank is located authorizes its acquisition by the out-of-State bank holding company.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 101(D)—STATE AUTHORIZED ACTIVITIES OF SAVINGS BANKS

### SECTION 3(F) OF THE BANK HOLDING COMPANY ACT

The Senate amendment establishes a special rule for State-chartered, FDIC-insured savings banks which are controlled by, or become controlled by, savings bank holding companies.

The term "savings bank" is defined to include cooperative banks that are FDIC insured.

The House bill contains no similar provision. The House recedes to the Senate with an amendment, which the Senate accepts, providing a special rule for State-chartered, FDIC-insured savings banks that are controlled by savings bank holding companies.

Under the House amendment, such a savings bank may engage in any nonbanking activity, except insurance activities (described below), either directly or through a subsidiary, that it is permitted to conduct directly as a State-chartered savings bank, even if those activities are not otherwise permissible for bank holding companies.

In order to engage in those activities, however, such a savings bank must remain a savings bank and a subsidiary of a savings bank holding company. If such a savings bank is acquired or controlled by a company that is not a savings bank or a savings bank holding company, then the activities conducted pursuant to section 101(d) must be terminated within two years, except that the savings bank may engage in any nonbanking activities otherwise permissible under the Bank Holding Company Act.

### INSURANCE ACTIVITIES

### SECTION 4(F)(2) & (3) OF THE BANK HOLDING COMPANY ACT

The insurance activities of savings bank holding companies are treated separately. The Senate amendment would have limited insurance activities to those permissible under section 4(c)(8) of the Bank Holding Company Act and the sale of savings bank life insurance (SBLI) for savings banks that were engaged in selling SBLI as of March 5, 1987, so long as the following four conditions were met: (1) the activity was expressly authorized by the States of Connecticut, Massachusetts, or New York and the bank was located in the State that authorizes the activity; (2) the activity was carried out by the savings bank and not by any subsidiary or affiliate of the savings bank or its holding company; (3) the activity was carried out by the savings bank in accordance with any residency or employment limitations set forth in the savings bank life insurance statute in effect on March 5, 1987; and (4) the activity was carried out in the same manner as the SBLI activity of savings banks in the same State that are not part of a holding company. As with the other activities permitted by this section, SBLI activities must be terminated within two years if a qualified savings bank is acquired by a company other than a savings bank or a savings bank holding company.

The House bill contains no similar provision. The House recedes to the Senate with an amendment, which the Senate accepts.

The amendment made the following major changes in this provision: First, savings banks that are eligible to participate in SBLI activities include all savings banks that were permitted to engage in such activities as of March 5, 1987, subject to the same four conditions. Thus savings banks in the listed States that were not actually engaging in SBLI activities on March 5, 1987, could thereafter commence such activities so long as they were permitted to do so on March 5, 1987. However, savings banks in other States could not do so because their laws did not specifically authorize SBLI activities as of that date.

Second, permissible SBLI activities were clarified to include the underwriting as well as the sale of SBLI. This provision was added to reflect the fact that State law in the three SBLI States permits both such activities.

Third, the phrase "retains its character as a savings bank" was added to reflect the intent that savings banks that are permitted to engage in SBLI activities continue to operate as State-chartered, FDIC-insured savings banks and not become in effect commercial banking institutions.

The Senate amendment defines the term savings bank holding company to mean any company that controlled one or more qualified savings banks if the assets of the subsidiaries constituted as of March 5, 1987, and thereafter, at least 70 percent of the total assets of the holding company.

The House bill contains no similar provision. The House recedes to the Senate with an amendment, which the Senate accepts.

The House amendment makes three major changes in the Senate amendment. First, the 70 percent test is to be applied as of the time of the formation of the savings bank holding company, not as of March 5, 1987.

Second, the amendment defines the 70 percent test more broadly solely for the purpose of determining whether a qualified savings bank may continue to sell and underwrite SBLI after its acquisition by a bank holding company. For this purpose alone, the assets of any other bank affiliated or under contract to affiliate with such qualified savings bank as of March 5, 1987, shall be considered to be the assets of the savings bank. This provision is intended to apply to two specific instances in the State of New York and one in Massachusetts, in which bank holding companies have acquired savings banks authorized to engage in the business of SBLI.

The Conferees note that there are three other instances in which savings banks have been acquired by, or are under contract to affiliate with, bank holding companies that already control one or more commercial banks. As these savings banks are not located in any of the three Northeastern States that provide for the sale of SBLI, they could not avail themselves of the special 70 percent test for SBLI activities. However, the Conferees wish to make clear that any qualified savings bank that is acquired by such a bank holding company can continue to exercise nonbanking powers granted by section 4(c)(8) of the Bank Holding Company Act. Thus, for example, certain savings banks in the State of Washington that have been, or are in the process of being, acquired by bank holding companies can continue to engage in any real estate activities permitted by the Federal Reserve Board under section 4(c)(8). For example, in *Rainier Bancorporation (United Bank)*, 73 Fed. Res. Bull. 216 (1987), the Federal Reserve Board approved the acquisition of a Washington savings bank that had engaged in certain real estate investment and development activities authorized by State law. Based on commitments made by the bank holding company, the Board permitted those activities to continue.

Third, the House amendment adds to the definition of "qualified savings bank" the phrase "any interim savings bank that is established to facilitate a corporate reorganization for the formation of a holding company involving a savings bank which was chartered on or before March 5, 1987." This provision creates temporary authority in order to permit corporate reorganizations; it does not grant any permanent authority.

### SECTION 101(E)—EXEMPTION FOR THRIFT INSTITUTIONS' BANK

### SECTION 2(A)(5)(E) OF THE BANK HOLDING COMPANY ACT

Current law exempts from the Bank Holding Company Act companies that control a State bank or trust company which is wholly owned by thrift institutions and which restricts itself to performing certain limited services for thrift institutions. This section allows savings banks to participate in the ownership of such banks or trust companies and allows the bank or trust company to provide its limited services to savings banks as well as to thrift institutions.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 101(F) ON STATE AUTHORITY TO REGULATE

The House recedes to the Senate with an amendment, which the Senate accepts, clarifying that States retain their regulatory authority over companies doing business within their borders.

By adding "companies" to the reservation of State authority found in section 7 of the Bank Holding Company Act, the amendment clarifies that grandfathered institutions which are not banks for purposes of the Act and their parent companies must comply with otherwise applicable State law. In closing a loophole in Federal law, the Conferees do not intend to preempt State authority.

Section 7 does not confer on States any new authority over the activities of bank holding companies. To the extent that States have authority over these activities under current law, such authority is retained.

## TITLE I—PART 2

### SECTION 102—AMENDMENTS TO THE FEDERAL RESERVE ACT

### SECTION 102(A)—RESTRICTIONS ON TRANSACTIONS WITH AFFILIATES

The Senate amendment amends the Federal Reserve Act to add a new section 23B, restricting the range of permissible transactions between a member bank and an affiliated company. Although section 23B applies to transactions between a member bank and all of its affiliates, the Federal Reserve Board is authorized to exempt certain affiliates from the provisions of section 23B. As with section 23A, new section 23B applies to federally insured nonmember banks through section 18(j) of the Federal Deposit Insurance Act. Furthermore, as provided in section 104(d)(1) of the Senate amendment, the provisions of sections 23A and 23B apply to transactions between a federally insured thrift and its savings and loan holding company affiliates engaged in the newly authorized nonbanking activities that are permissible to bank holding companies under section 4(c)(8) of the Bank Holding Company Act.

The section 23B provides that a member bank and its subsidiaries may engage in certain transactions (including loans and purchases of assets) with any affiliate only if the terms and conditions of the transaction, including credit standards, are substantially the same as, or at least as favorable to the bank as, those prevailing at the time for comparable transactions with nonaffiliated companies. Thus, for example, underwriting standards may not be relaxed in comparison to underwriting standards for transactions with nonaffiliated companies. If there are no comparable transactions, the terms and conditions of the transaction must be the same as those that, in good faith, would be offered to or would apply to nonaffiliated companies.

Section 23B(b) requires that a majority of the outside directors of the bank approve the purchase of securities by the bank from an underwriting affiliate in certain circumstances. This requirement could be satisfied either by prior approval of the specific acquisition or by the establishment in advance of specific standards by the outside directors for such acquisitions. If the outside directors establish such standards, they must regularly review acquisitions to assure that the standards have been followed, and they must periodically review the standards to assure that they continue to be appropriate in light of market and other conditions.

A member bank or subsidiary of a member bank is not a "fiduciary" for purposes of section 23B(b)(1)(B) if it acts solely as a broker.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 102(B)—APPLICABILITY OF SECTION 23B TO INSURED NONMEMBER BANKS

The Senate amendment amends the Federal Deposit Insurance Act to make the restrictions of section 23B of the Federal Reserve Act applicable to FDIC-insured nonmember banks.

The House bill contained no similar provision. The House recedes to the Senate.

### SECTION 102(C)—EDGE ACT AND AGREEMENT CORPORATIONS

The Senate amendment provides that any company, other than a bank, which directly or indirectly acquires an Edge Act or Agreement corporation after March 5, 1987, is to be considered a bank holding company for all purposes of the Bank Holding Company Act except section 3, which relates to the acquisition of additional banks. Thus, if a company acquires an Edge Act or Agreement corporation, either directly or through a subsidiary (including a bank), the company will be required to conform its activities to those permissible for bank holding companies under section 4 of the Bank Holding Company Act.

The Senate amendment does not in any way affect companies that currently own Edge Act or Agreement corporations or the ability of banks or bank holding companies to acquire additional Edge Act or Agreement corporations.

If an entity is subject to the Bank Holding Company Act only because it controls an Edge Act or Agreement corporation, it will cease to be subject to the Bank Holding Company Act if it divests that Edge Act or Agreement corporation. It will, of course, be subject to other applicable laws.

The House bill contains no similar provision.

The House recedes to the Senate with an amendment, which the Senate accepts, providing that the requirement that any company purchasing an Edge Act corporation must conform its activities to those permissible under section 4 of the Bank Holding Company Act shall not apply to an application by Midland Bank, plc, pending before the Board on July 1, 1987. The Board, however, may subject the financial activities in the United States of the acquiring company to section 4 of the Bank Holding Company Act.

### SECTION 103—SECURITIES AFFILIATIONS OF NONMEMBER INSURED BANKS

Section 20 of the Banking Act of 1933 prohibits a member bank from being affiliated with a company principally engaged in underwriting securities, and section 32 of the Banking Act prohibits an officer, director, or employee of a member bank from serving as an officer, director, or employee of a company primarily engaged in underwriting securities. Those restrictions do not apply to nonmember banks.

The Senate amendment applies these restrictions, and any regulations promulgated by the Board thereunder, to FDIC-insured nonmember banks until March 1, 1988. Affiliations or relationships which commenced before March 5, 1987, are not affected and may continue.

Further, those restrictions are not applicable to a foreign bank solely because it has an insured branch in the United States. However, section 32 would apply to such an insured branch as if it were an insured bank. The restrictions similarly do not apply to trust companies or credit card banks.

The moratorium on new affiliations of insured State nonmember banks with firms principally engaged in certain securities activities is not intended to prohibit securities firms, insurance companies, or other companies already affilated with such banks from continuing to sponsor, organize, establish, distribute, or underwrite new mutual funds, limited partnerships, separate accounts, or other commingled investment vehicles in the ordinary course of their securities, insurance, or other business. Although these entities would be affiliated with a State nonmember bank, their formation would not constitute the type of new affilation that this provision is intended to prohibit during the moratorium, but rather is consistent with the maintenance of the status quo. Similarly, changes in directors, officers, and other personnel of insured State nonmember banks and their securities firm affiliates may continue to be effected as long as they do not cause a new affiliation between such a bank and a securities firm.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 104(a)—DEFINITIONS; SAVINGS AND LOAN HOLDING COMPANY ACT

The Senate amendment amends the definition section of the Savings and Loan Holding Company Act (SLHCA) by adding definitions for the terms "bank holding company" and "bank". Those terms are defined in the SLHCA to have the same meaning as in the Bank Holding Company Act.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 104(b)—SAVINGS AND LOAN HOLDING COMPANY ACTIVITY AND GRANDFATHER PROVISIONS

The Senate amendment provides that the current exemption from the nonbanking activity restrictions in the SLHCA for unitary savings and loan holding companies (companies that control only a single insured thrift institution) will be available only if the subsidiary thrift institution meets the "qualified thrift lender" ("QTL") test. The QTL test requires the thrift to devote at least 60 percent of its assets to housing and related activities. If the subsidiary thrift meets the QTL test, its parent unitary savings and loan holding company would remain, as it is now, with no limits on its direct or indirect nonbanking activities. Grandfather rights for unitary savings and loan holding companies formed before March 5, 1987, would allow such companies to continue to engage in nonbanking activities engaged in on the grandfather date even if their subsidiary thrifts fail to meet the QTL test.

The Senate amendment amends the Savings and Loan Holding Company Act to provide that no savings and loan holding company may commence, or continue for more than 2 years after the date it becomes a holding company or the date of enactment of the Competitive Equality Banking Act (whichever is later), any activity other than those now permissible for a multiple savings and loan holding company as well as additional activities determined by the Federal Reserve Board to be permissible for bank holding companies under section 4(c)(8) of the Bank Holding Company Act (but subject to any FSLIC limitations and restrictions).

This restriction does not apply to a unitary savings and loan holding company whose subsidiary thrift meets the QTL test. Thus such a unitary savings and loan holding company may engage in any nonbanking activity without regard to the nonbanking restrictions of the Savings and Loan Holding Company Act. Moreover, those nonbanking restrictions will not apply to a unitary savings and loan holding company that becomes a multiple savings and loan company by acquiring additional thrift institutions pursuant to section 406(f) or 408(m) of the National Housing Act, so long as all such additional institutions satisfy the QTL test.

Even if a unitary savings and loan holding company formed before March 5, 1987, does not meet the QTL test, it is exempt from the nonbanking restrictions of the Savings and Loan Holding Company Act so long as:

(1) the company does not acquire a bank or an additional insured thrift by means other than a FSLIC-assisted acquisition under section 406(f) or 408(m) of the National Housing Act;

(2) its existing subsidiary thrift continues to meet the asset test found in section 7701(a)(19) of the Internal Revenue Code after the grandfather date;

(3) the unitary savings and loan holding company does not engage in an activity in which it did not engage on the grandfather date and which is not permissible for savings and loan holding companies whose thrifts do not meet the QTL test;

(4) the subsidiary does not increase the number of locations from which it does business, except through a transaction under section 406(f) or 408(m) of the National Housing Act; and

(5) the insured institution does not permit any overdraft, including an intra-day overdraft, on behalf of an affiliate, or incur any such overdraft in its account at a Federal Reserve bank, unless such an overdraft results from an inadvertent computer or accounting error that is beyond the control of both the insured institution and the affiliate.

The FSLIC may eliminate or modify grandfather rights under this provision and require a grandfathered unitary savings and loan holding company to terminate any of its nonbanking activities, after giving the parties an opportunity for a hearing, if it determines that such action is necessary to prevent conflicts of interest, or unsafe or unsound practices, or is in the public interest.

The Senate amendment also provides that no savings and loan holding company may engage in a nonthrift or securities underwriting activity without the prior approval of the FSLIC. The FSLIC must consider, in approving such an application, the same factors as the Federal Reserve Board considers when approving an application under section 4(c)(8) of the Bank Holding Company Act. The prior approval requirement does not apply to a unitary savings and loan holding company whose subsidiary thrift meets the QTL test.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 104(C)—QUALIFIED THRIFT LENDER TEST

The Senate amendment permits a unitary savings and loan holding company to continue to engage in any activity, without the prior approval of the FSLIC, if its sole insured institution subsidiary meets the QTL test. This test requires that the thrift have at least 60 percent of its tangible assets, including investments made by a subsidiary of such institution, invested in loans, equity positions, or securities related to domestic residential real estate or manufactured housing and property used by the institution in the conduct of its business or to facilitate acquisitions and mergers under sections 406(f) and 408(m) of the National Housing Act.

This test must be met on an average basis in 3 out of every 4 quarters and 2 out of every 3 years. In addition, in meeting the 60 percent requirement, cash and other liquid assets specified in section 5A of the Federal Home Loan Bank Act, and one-half of the dollar value of mortgages originated and sold within 90 days, may be included, up to 10 percent of the thrift's assets.

It is the intent of the conferees that the Federal Home Loan Bank Board use its existing authority under section 408(h)(1) of the Savings and Loan Holding Company Act to adopt regulations implementing the requirements of the QTL test that would be effective on or before January 1, 1988.

It is expected that these regulations will, to the extent practicable, and without imposing undue administrative burden on insured institutions, define terms and implement the requirements of the QTL test, including the averaging requirement, so as to accomplish the basic objectives of committing insured institutions to the unique, congressionally defined role of providing housing-related finance. It is also expected that the Board will be especially cognizant of the dangers of evasion that may be represented by various options for the calculation of the QTL test, and will adopt regulations that minimize, to the extent feasible and without imposing undue burden on insured institutions, the risk of evasions of the QTL test. Specifically, these regulations should provide that compliance with the qualified thrift lender requirements be determined on the basis of data that accurately and currently reflect investments made by insured institutions, and should prevent or disregard short-term investment portfolio changes designed to evade or circumvent the intent of the QTL test.

As noted above, thrift institutions generally are given until January 1, 1988, to satisfy the QTL test. In contrast to the manner in which the QTL test is imposed on thrift institutions generally, a 10-year phase-in of the QTL standard is provided for thrift institutions chartered as State savings banks before October 15, 1982. During this 10-year period, such an institution must not decrease its percentage of qualifying assets below the percentage it held on the date of enactment, and must increase its percentage of assets devoted to housing pursuant to a prescribed formula.

The FSLIC may grant temporary exceptions from the QTL test when extraordinary circumstances exist, such as when high interest rates reduce mortgage demand to such a degree that an insured institution lacks sufficient opportunity to meet the asset requirements or to facilitate acquisitions and mergers under sections 406(f) and 408(m) of the National Housing Act.

Once an institution fails to maintain its status as a qualified thrift lender, it cannot qualify again for that status for a period of 5 years. For good cause, the FSLIC may grant the holding company of such an insured institution up to 3 years to comply with the activity restrictions that would automatically be imposed on the company.

Any savings and loan holding company organized under foreign law as of June 1, 1984, which controls a single insured institution on the date of enactment of the Competitive Equality Banking Act, is not subject to the activity restrictions with respect to activities conducted exclusively in a foreign country.

The House bill contains no similar provision. The House recedes to the Senate with an amendment which the Senate accepts that makes the insured institution acquired under section 106(c) of the Competitive Equality Banking Act eligible for the 10-year phase-in period to meet the requirements of the OTL test.

### SECTION 104(d)—AFFILIATE TRANSACTION AND MARKETING RESTRICTIONS

The Senate amendment provides that prohibitions on inter-affiliate transactions currently applicable to savings and loan holding companies shall not apply to transactions between a subsidiary thrift institution and affiliates engaged in activities permissible for a bank holding company under the Bank Holding Company Act. Those transactions will, instead, be subject to the restrictions of sections 23A and 23B of the Federal Reserve Act. This has the effect of providing parity between a bank and a thrift holding company with respect to dealings between the depository institution and affiliates engaged in activities permitted under section 4(c)(8).

However, in adopting these provisions the conferees do not intend to override any Bank Board or FSLIC safety and soundness regulation. The Bank Board should review its safety and soundness regulations in this area and preserve any or all of them necessary to ensure safety and soundness of thrift institutions. Such regulations, however, should not conflict with statutory provisions, such as section 408(d)(6) of the National Housing Act, which require the prior approval of the FSLIC on a case-by-case basis of certain transactions between an insured institution and its affiliates.

This section also amends the Savings and Loan Holding Company Act to prohibit diversified savings and loan holding companies and their subsidiary thrift institutions from engaging in joint marketing activities of the type prohibited for grandfathered companies and their nonbank bank subsidiaries under section 101(c) of this bill. Thus, under this provision, a thrift institution owned by a diversified savings and loan holding company may not offer or market products or services of an affiliate that are not permissible for a bank holding company under section 4(c)(8) of the Bank Holding Company Act, or permit its products or services to be offered or marketed by or through such an affiliate, unless the bank or affiliate in question was offering or marketing the particular product or service as of March 5, 1987. Thus, for example, a diversified holding company that owns an insured institution and an automobile company, could not market the loans of its insured institution through its parent company, and its thrift subsidiary could not take orders for cars produced or sold by the parent company unless such activities were being conducted as of March 5, 1987. If so, the activity may be continued but only in the same manner as conducted as of March 5, 1987.

A diversified savings and loan holding company is currently defined as a savings and loan holding company whose subsidiary insured institution and related activities as permitted for a multiple savings and loan holding company represented, on either an actual or pro forma basis, less than 50 percent of its consolidated net worth at the close of its preceding fiscal year and of its consolidated net earnings for such fiscal year, as determined in accordance with regulations issued by the FSLIC.

The Senate amendment provides an exception for a diversified savings and loan holding that is a reciprocal interinsurance exchange and that acquired its subsidiary insured institution before January 1, 1984. The company covered by this exception, United States Automobile Association, provides its services almost entirely to active or former officers of the United States military services and their current and former dependents.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 104(e)—ANTI-TYING RESTRICTIONS

The Senate amendment provides that the anti-tying provisions currently applicable to Federal thrift institutions and their affiliates shall also apply to any insured thrift institution which is a subsidiary of a savings and loan holding company and to the parent savings and loan holding company, and its nonbanking affiliates, with respect to products and services offered by the thrift subsidiary. The Senate amendment does not restrict the conditioning of products and services by a savings and loan holding company and its nonbanking affiliates when a thrift product or service is not involved.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 104(f)—TREATMENT OF FDIC-INSURED SAVINGS BANKS AND COOPERATIVE BANKS AS FSLIC-INSURED INSTITUTIONS

The Senate amendment establishes a procedure under which companies that own only State-chartered savings banks and cooperative banks, which are normally treated as "banks" under the Bank Holding Company Act, may be regulated as savings and loan holding companies rather than as bank holding companies under the Bank Holding Company Act. Under this provision, a savings bank that is either uninsured or insured by the FDIC, and that meets the QTL test, may apply to the FSLIC to be treated as an "insured institution" for purposes of the Savings and Loan Holding Company Act. Upon submitting such an application, the institution will be considered to be an insured institution, and the holding company will thereafter be regulated as a savings and loan holding company rather than as a bank holding company under the Bank Holding Company Act.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 104(g)—INTERSTATE ACQUISITIONS

Existing law generally prohibits the FSLIC from approving an acquisition if the acquisition would result in a multiple savings and loan holding company controlling insured institutions in more than one State. The Conferees agreed to an amendment that would incorporate an existing exception to this general prohibition and add two new ones. These three exceptions are as follows:

First, as under existing law, the FSLIC may approve such an interstate acquisition under 406(f) or 408(m) of the National Housing Act.

Second, the FSLIC may approve such an interstate acquisition if as of March 5, 1987, the acquiring company controls an insured institution subsidiary with a home or branch office in the state of the institution to be acquired.

Third, paralleling the application of the Douglas Amendment to bank holding companies, the FSLIC may approve such an acquisition if the laws of the State in which the institution to be acquired is located specifically permit one of its State-chartered, FSLIC-insured institutions to be acquired by State-chartered institutions located in the State where the acquiring entity is located. This provision is very specific in how the FSLIC shall determine the location of the acquiring institution. This provision requires that the Corporation can approve the acquisition only if the laws of the State in which the institution to be acquired is located permits such an institution to be acquired by (1) a State-chartered institution located in the State where the acquiring State-chartered institution is located, (2) a savings and loan holding company located in the State where the acquiring savings and loan holding company is located, or (3) a holding company that controls the acquiring State-chartered institution located in a State where such holding company is located.

The Conferees intend that the law of the State in which the acquired institution is located must specifically provide for the acquisition of FSLIC insured institutions by entities not located in the state. Therefore the FSLIC may approve acquisitions only where the authority for such acquisition is determined solely from direct reading of the statute law of the State and not from interpretation, or implication of the statute.

No provision of section 104 should be construed as exempting any bank holding company (or any subsidiary or affiliate of a bank holding company) from the provisions of the Bank Holding Company Act.

### SECTION 104(h)—EMERGENCY ACQUISITIONS

Section 104(h) amends section 408(m) of the National Housing Act to provide that acquisitions made under that authority will be subject to the requirements of section 408(c), which includes the qualified thrift lender test.

Except as noted in the paragraph below, section 408(m)(A)(i) preempts other provisions of Federal and State law that would have the effect of preventing a company from acquiring a failing thrift institution. Thus, for example, if a life insurance company invested in or acquired a thrift institution under section 408(m), that section would preempt any State law that would prevent the company from continuing to engage in the life insurance business because of that investment or acquisition. That section would not, however, preempt State restrictions on the percentage of an insurance company's assets that may be invested in any one subsidiary, or similar type safeguards.

Section 408(m) does not preempt section 408(e)(2), (l), or (m)(1)(A)(iii), or the provisions of Federal law with which those provisions are concerned. Thus, for example, under section 408(m)(1)(A)(iii), the acquisition of a thrift institution by a bank holding company requires the prior approval of the Federal Reserve Board under section 4(c)(8) of the Bank Holding Company Act and is subject to the Glass-Steagall Act and the nonbanking activity restrictions of section 4(c)(8).

### SECTION 105—ADVANCES

The Senate amendment provides that, except as the Federal Home Loan Bank Board may prescribe, no member of a Federal Home Loan bank is eligible for advances from that bank unless the member meets the QTL test, or has acquired its principal assets from a savings bank chartered under State law before October 15, 1982, or is an FDIC-insured savings bank as defined in section 3(g) of the Federal Deposit Insurance Act.

The House bill contains no similar provision. The House recedes to the Senate with an amendment, which the Senate accepts.

The House amendment permits a member institution which does not meet the QTL test to receive advances from its Federal Home Loan bank but restricts the amount of the advance. Such an institution would be eligible for advances only to the extent that it holds QTL assets. For example, an institution with a 60 percent investment in QTL assets would satisfy the QTL test and therefore be eligible for 100 percent of the advances that it would otherwise be eligible to receive but for section 105. By contrast, an institution with a 59 percent investment in QTL assets would not satisfy the QTL test, but would nevertheless be eligible for 59 percent of the advances that it would otherwise be eligible to receive but for section 105.

This provision is intended to apply only prospectively. It does not affect advances or other extensions of credit made, or to be made, pursuant to binding agreements which were entered into by the Federal Home Loan banks prior to the enactment of this section.

For purposes of advances, the QTL requirement does not apply to (1) a savings bank as defined in section 3(g) of the Federal Deposit Insurance Act; (2) an insured institution, as defined in section 408(a)(1)(A) of the National Housing Act, which was chartered prior to October 15, 1982, as a savings bank under State law; or (3) an institution which acquired its principal assets from an institution which was chartered prior to October 15, 1982, as a savings bank under State law.

The phrase "Except as the Board may prescribe" appearing at the beginning of section 105 is intended to authorize the Board to exempt an institution from the QTL test requirement for obtaining Federal Home Loan bank advances in situations in which severe financial conditions threaten the stability of the institution.

### SECTION 106—SECURITIES AFFILIATIONS OF FSLIC-INSURED INSTITUTIONS

The Senate amendment applies sections 20 and 32 of the Banking Act of 1933 to insured thrift institulons until March 1, 1988, in the same manner as if the insured institutions were member banks. The amendment does not affect affiliations or officer, director, or employee relationships established before March 5, 1987.

The moratorium on new affiliations of insured thrift institutions with firms principally engaged in certain securities activities is not intended to prohibit securities firms, insurance companies, or other companies already affiliated with such thrifts from continuing to sponsor, organize, establish, distribute, or underwrite new mutual funds, limited partnerships, separate accounts, or other commingled investment vehicles in the ordinary course of their securities, insurance, or other business. Although these entities would be affiliated with an insured thrift, their formation would not constitute the type of new affiliation that this provision is intended to prohibit during the moratorium, but rather is consistent with the maintenance of the status quo. Similarly, changes in directors, and other personnel of insured State nonmember banks and their securities firm affiliates may continue to be effected as long as they do not cause a new affiliation between such a bank and a securities firm.

The House bill contains no similar provision. The House recedes to the Senate with an amendment, which the Senate accepts.

The House amendment permits the Washington Mutual Savings Bank, located in the State of Washington, a State-chartered savings bank which has a securities affiliate operation grandfathered under section 103 of this Act, to acquire one or more savings and loan associations. The Conferees do not intend to prohibit the acquisition of savings and loans solely because the acquiring institution, Washington Mutual Savings Bank, located in the State of Washington, has an affiliation with an organization principally engaged in securities activities.

The House amendment also exempts from this section the affiliation which would result from the acquisition of Peoples Savings and Loan Association of Owatonna, Minnesota, by Miller & Schroeder Financial Holdings, Inc.

The Conferees adopted an additional exemption for failed or failing FSLIC-insured thrift institutions, with total assets of at least $500 million, acquired under the emergency acquisition provisions of section 408(m) of the National Housing Act.

### SECTION 107—MUTUAL HOLDING COMPANY AMENDMENTS

The Senate amendment authorizes the establishment of holding companies for FSLIC- or FDIC-insured mutual thrift institutions under the Savings and Loan Holding Company Act. The powers of such a parent include those of a multiple savings and loan holding company (except insurance activities) and of a bank holding company.

Under this seciton, an organization operating in mutual form may reorganize into a holding company by forming an interim stock savings bank to be wholly owned by the mutual, and transferring the assets and liabilities of the mutual to the stock. An insured mutual seeking to reorganize in this manner must provide the Federal Home Loan Bank Board 60 days prior written notice. Unless the Bank Board disapproves within the 60-day period, or extends the time, the application shall be deemed approved.

A corporation organized as a holding company under this subsection will be regulated as a savings and loan holding company, except that it may engage only in the activities permitted a savings and loan holding company (other than acquiring an insurance agency or escrow business). It may also invest in the stock of an insured institution, acquire a mutual institution through merger, merge with or acquire another savings and loan holding company (except that the resulting company will be subject to the activity restrictions of this section), and invest in a corporation whose stock is available for purchase by an insured institution pursuant to Federal or State law.

The Senate amendment also amends section 3 of the Bank Holding Company Act to provide that a FDIC-insured mutual savings bank or cooperative bank may reorganize to form a mutual bank holding company pursuant to the provisions available for the FSLIC-insured mutual association. The resulting mutual savings bank holding company will be regulated on the same basis as a stock savings bank holding company.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 108—LEASING AUTHORITY OF NATIONAL BANKS

The National Bank Act has been construed as allowing national banks to lease personal property to others only if the lease is the functional equivalent of a loan. See *M & M Leasing Corporation* v. *Seattle First National Bank*, 563 F.2d 1377 (9th Cir. 1977), cert. denied, 436 U.S. 956 (1978). To ensure that national bank leasing transactions meet the functional equivalency requirement, the Comptroller of the Currency has imposed a strict "residual value" limitation—that is, a limitation on the extent to which a national bank may rely on the residual value of the leased property in order to recover its full investment in the property.

Section 108 provides national banks additional authority to engage in lease financing. This new authority would permit national banks to enter into such transactions on a "net " lease basis, as defined in the regulations of the Comptroller of the Currency (12 C.F.R. 7.3400), up to ten percent of the bank's assets. National banks would continue to be subject to the requirement that all leases be "net" leases, under which the bank may not provide maintenance, repair, or servicing of leased property. Section 108 is not intended to allow national banks to engage in the daily or short-term equipment or automobile rental business.

Section 108 provides leasing authority in addition to that already possessed by national banks, and would not limit the existing authority of national banks to engage in leasing transactions that are the functional equivalent of loans and satisfy the residual value and other limitations in the Comptroller's regulations.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 109—NOW ACCOUNTS FOR POLITICAL ORGANIZATIONS

The Senate amendment permits banks to offer interest-bearing demand deposit (NOW) accounts to non-profit organizations operated primarily for political purposes.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 110—EXEMPTION FROM AFFILIATE TRANSACTION RESTRICTIONS

The Senate amendment exempts FSLIC and FDIC-insured thrift institutions that are not controlled by a company and that are or become savings and loan holding companies from the statutory restrictions of section 408 (d), (f), and (g) of the National Housing Act.

The House bill contains no similar provision. The House recedes to the Senate with an amendment which the Senate accepts.

The House amendment covers FSLIC-insured institutions and FDIC-insured institutions (organized as state-chartered savings banks or cooperative banks before October 15, 1982) which are subsidiaries of such institutions or whose voting stock is 80% owned by any company. The House amendment exempts such institutions from section 408 (d), (f), and (g) of the National Housing Act's restrictions on affiliate transactions, prohibits such institutions from purchasing a low-quality asset, as that term is defined in Section 23A of the Federal Reserve Act, and requires that transactions among affiliated institutions be on terms that are consistent with safe and sound practices.

In adopting these provisions the Conferees do not intend to override any Bank Board or FSLIC safety and soundness regulation. The Bank Board should review its safety and soundness regulations in this area and preserve any or all of them necessary to ensure safety and soundness of thrift institutions. Such regulations, however, should not conflict with statutory provisions, such as section 408(d)(6) of the National Housing Act, which require the prior approval of the FSLIC on a case-by-case basis of certain transactions between an insured institution and its affiliates.

### SECTION 111—CONSIDERATION OF FSLIC-ARRANGED AND EMERGENCY ACQUISITIONS

The Senate amendment requires the FSLIC, in reviewing acquisitions or mergers of insured institutions, to consider the likelihood of loss or reduction of tax benefits of the institution's net operating loss carryforwards under sections 382 of the Internal Revenue Code of 1986 if the loss results from an acquisition or merger under section 406 (FSLIC-arranged acquisitions or mergers) or subsection 408(M) (emergency thrift acquisitions) of the National Housing Act. It specifies that FSLIC may disregard such potential loss of tax benefits if the acquirer provides written commitment to inject sufficient capital into the institution to maintain the rate of tangible equity capital to liabilities which exists at the time of the acquisition; if the acquisition is approved by holders of a majority of the voting stock of the institution; or if the acquisition is pursuant to section 406(f), section 408(m) or is otherwise deemed a supervisory case by FSLIC.

The House bill contains no similar provision.

The House recedes to the Senate with an amendment providing that, in addition to other factors which the FSLIC must consider, the FSLIC may consider the likelihood that the proposed acquisition will result in the loss of reduction of the insured institution's Net Operating Loss carryforward under Section 382 of the Internal Revenue Code of 1986. FSLIC may disregard such potential loss of tax benefits if the acquirer provides written commitment to inject sufficient capital into the institution to maintain the rate of tangible equity capital to liabilities which exists at the time of the acquisition; if the acquisition is approved by holders of a majority of the voting stock of the institution; or if the acquisition is pursuant to section 406(f), section 408(m), or is otherwise deemed a supervisory case by FSLIC.

### SECTION 112—NATIONAL COMMISSION ON COMPETITIVENESS IN THE FINANCIAL SERVICES INDUSTRY

The Senate amendment required the President to appoint a commission on competitiveness in the financial services industry.

The House bill contains no similar provision. The Senate recedes to the House.

## TITLE II—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

### SECTION 201—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

The Senate amendment imposes a moratorium on certain securities, insurance, and real estate activities. The moratorium is retroactive to March 6, 1987, and ends on March 1, 1988.

The House bill contains no similar provision. The House recedes to the Senate with amendments as described below, which the Senate accepts.

### SECTION 201(b)(1)—FOREIGN BANKS

The Senate amendment would have prohibited a foreign bank, or a foreign company controlling a foreign bank ("parent company"), that has grandfather rights under section 8(c) of the International Banking Act from expanding any activity in which it is engaged pursuant to that section and from commencing any new activity pursuant to that section. The Senate amendment would also have prohibited a foreign bank or parent company from acquiring additional shares of nonbanking companies pursuant to the investment authority accorded to foreign banks and bank holding companies by section 2(h)(2) of the Bank Holding Company Act. Section 2(h)(2) permits such a bank or company to engage in, or to invest in a nonfinancial company that engages in, nonfinancial activities in the United States.

The House bill contains no similar provision. The House recedes to the Senate with amendments as described below, which the Senate accepts.

#### *Moratorium on Expansion of Grandfathered Activities by Acquisition*

Section 8(c) of the International Banking Act permits a foreign bank or parent company to continue to engage in nonbanking activities in the United States in which it was lawfully engaged on July 26, 1978, even if those activities (e.g., underwriting corporate securities) are not permissible for U.S. banks or bank holding companies. Although section 8(c) does not authorize a foreign bank or parent company to expand its grandfathered activities by acquiring a going concern, the Federal Reserve Board has authority to permit such an acquisition under section 4(c)(9) of the Bank Holding Company Act.

The prohibition in the Senate amendment against expanding grandfathered activities has been modified so as to permit expansion de novo or by internal growth, but not by acquisition. Thus section 201(b)(1) prohibits a foreign bank or parent company that has grandfather rights under section 8(c) of the International Banking Act from expanding an activity in which it is engaged pursuant to that section by acquiring an interest in, or the assets of, a going concern during the moratorium period.

The prohibition in the Senate amendment against commencing new activities pursuant to grandfather rights under section 8(c) has been deleted as unnecessary. By their very terms, such rights can be used only to engage in those activities in which the foreign bank or parent company in question was engaged on the grandfather date; they cannot be used to commence a new and different activity.

Section 201(b)(1) does not apply to any "domestically-controlled affiliate covered in 1978", as defined in section 8(c). This exclusion is consistent with the decision made by the Congress in the Garn-St-Germain Depository Institutions Act of 1982 to permit such a company to expand its activities by acquiring a going concern.

#### *Application of Other Moratorium Provisions to Foreign Banks and Parent Companies*

The securities, insurance, and real estate moratorium provisions (section 201(b)(2)-(6)) are amended to make it clear that they apply to the U.S. activities of foreign banks and parent companies, consistent with the policy of national treatment reflected in the International Banking Act. A foreign bank that maintains a U.S. branch, agency, or commercial lending company is treated like a bank holding company for purposes of the domestic nonbanking activity restrictions of the Bank Holding Company Act even if it does not control a U.S. bank.

#### *Grandfather Rights Under the International Banking Act*

Section 8(c) of the International Banking Act is amended to make it clear that a foreign bank or parent company loses its grandfather rights if it acquires control of a U.S. bank. The amendment to section 8(c) is made in section 204.

#### *Investments Under Section 2(h)(2) of the Bank Holding Company Act*

The Conferees deleted the provision of the Senate amendment that would have prohibited a foreign bank or parent company, during the moratorium period, from acquiring additional shares pursuant to section 2(h)(2) of the Bank Holding Company Act. Instead, section 2(h)(2) is amended to make it clear that that section cannot be used to acquire shares of a company engaged in any banking, securities, insurance, or other financial activities. The amendment to section 2(h)(2) is made in section 205.

### SECTION 201(B)(2)—SECURITIES

The Senate amendment prohibits any Federal banking agency from taking any final action to approve an application by a bank holding company or insured bank to engage, during the moratorium period, to any extent whatever in the flotation, underwriting, public sale, or distribution of securities if the Federal banking agency could approve the activity in question only by determining that the entity that would conduct that activity would not be engaged principally in that activity.

The House bill contains no similar provision. The House recedes to the Senate with amendments as described below, which the Senate accepts.

The securities moratorium provision of the Senate amendment was broadened because of concern that the Federal banking agencies, particularly the Comptroller of the Currency, might expand securities activities of banks and their subsidiaries during the moratorium period based on a determination other than that specified in the Senate amendment (relating to the "engaged principally" standard). The Conferees were also concerned about a bank holding company's proposal to operate a system for trading options on U.S. Government securities.

During the moratorium period, section 201(b)(2) prohibits a Federal banking agency from authorizing or allowing (by action, inaction, or otherwise) a bank holding company, an insured bank, a foreign bank or parent company, or a subsidiary or affiliate of any of the foregoing from engaging in the United States to any extent whatever in any of the following:

(1) the flotation, underwriting, public sale, dealing in, or distribution of securities, if a Federal banking agency could approve the activity in question only by determining that the entity that would conduct that activity would not be engaged principally in that activity;

(2) any securities activity not legally authorized in writing before March 5, 1987; or

(3) operating a nondealer marketplace in options.

Item (2) does not, however, affect activities in which a bank holding company, an insured bank, a foreign bank or parent company, or a subsidiary or affiliate of any of the foregoing acts only as an agent; activities which were lawfully engaged in before March 5, 1987; or sales or transactions closed on or before June 30, 1987.

Section 201(b)(2) does not affect grandfather rights under section 8(c) of the International Banking Act, which are dealt with in sections 201(b)(1) and 204.

The moratorium should not be construed as effecting any permanent change in the law, or as a congressional judgment on whether a Federal banking agency does or does not have authority to permit a particular securities activity when the moratorium expires.

### SECTION 201(b)(3)-(5)—INSURANCE

The Senate amendment prohibits a Federal banking agency from taking any final action to approve any rule, regulation, or order that would have the effect of increasing the insurance powers of banks, bank holding companies, or their subsidiaries, during the moratorium period, beyond those expressly authorized under section 4(c)(8)(A)-(G) of the Bank Holding Company Act.

Section 201(b)(4) specifically prohibits the Federal Reserve Board from approving, during the moratorium period, the acquisition by a bank holding company of any company, including a State-chartered bank, unless the bank holding company agrees to limit the acquired company's insurance activities to those permissible under section 4(c)(8). The prohibition is intended to ensure that a bank holding company cannot take advantage of the so-called "South Dakota loophole" during the moratorium by contending that the insurance restrictions in section 4(c)(8) do not apply to the activities of the holding company's subsidiary banks.

There are two limited exceptions to the general prohibition of section 201(b)(4). The Federal Reserve Board may (1) permit a State-chartered bank to be acquired by a bank holding company that is not a subsidiary of any other company, pursuant to a reorganization plan under which the bank's stockholders exchange their shares of a newly created bank holding company that is not a subidiary of any other company; and (2) permit a State-chartered bank to be acquired by a bank holding company that on March 6, 1987, controlled one or more State-chartered banks that have engaged in insurance activities identical to those of the newly acquired bank, even if the acquiring bank holding company does not agree to limit the bank's insurance activities to those permissible under section 4(c)(8). But neither of the exceptions is available unless the bank holding company agrees (A) to divest or terminate the bank's impermissible insurance activities within two years after acquiring the bank and (B) to limit the bank's insurance activities during that two-year period to the renewal of existing policies.

Section 201(b)(4) would not affect the authority of a bank holding company to engage in insurance activities permissible under section 4(c)(8), such as agency activities in a place of 5,000 or fewer people or by a bank holding company with total assets of $50 million or less.

Section 201(b)(5) provides that, during the moratorium period, a national bank may not expand its insurance agency activities into places where it was not conducting such activities as of March 5, 1987. Thus a national bank now operating an insurance agency in a place of 5,000 or fewer people may not expand its activities beyond that place. And a national bank engaged in activities beyond the place of 5,000 may not expand its insurance activities into places where it was not engaged in insurance activities as of March 5, 1987. The Conferees recognize that there is a court challenge to the Comptroller's authority to permit national banks in places of 5,000 or fewer to sell insurance outside that place. The moratorium is not intended to resolve the issue of the Comptroller's authority, which is a matter for the courts. That section does not, however, bar a national bank located in a place with a population of 5,000 or fewer from establishing, for the first time, an insurance subsidiary in such a place, so long as the insurance activities of that subsidiary remain confined to that place.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 201(B)(6)—REAL ESTATE

Section 201(b)(6) prohibits a Federal banking agency from taking any final action to approve any rule, regulation, or order that would have the effect of increasing the real estate powers of banks, bank holding companies, or their subsidiaries during the moratorium period.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 201(d)—INSURANCE AUTHORITY OF BANKING ORGANIZATIONS

Section 201(d) provides that the moratorium is not intended to resolve substantive issues involving the insurance powers of banks, bank holding companies, and their subsidiaries. Thus the expiration of the moratorium will not alter existing law regarding insurance powers, and no inference about existing powers should be drawn from the expiration.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 201(e)—INSURANCE ACTIVITY OF STATE-CHARTERED BANKS

The Senate amendment specifies that nothing in section 201 is to be construed so as to deny any State the authority to permit its State-chartered banks to engage in any insurance activity. It further specifies that neither the existence nor the expiration of the moratorium is to be construed as increasing, decreasing, or otherwise affecting the insurance authority of State-chartered bank subsidiaries of bank holding companies.

The House bill contains no similar provision. The House recedes to the Senate with an amendment, which the Senate accepts. The amendment clarifies that section 201(e)(1) (relating to State authority over the insurance activities of State-chartered banks) applies only to State-chartered banks that are not subsidiaries of bank holding companies.

### SECTION 202—AUTHORITY OF FEDERAL BANKING AGENCIES

The Senate amendment provides that nothing in section 201 is to be construed to prevent a Federal banking agency from issuing, pursuant to its existing authority, a rule, regulation, or order granting expanded securities, insurance, or real estate powers to banks or bank holding companies subject to the moratorium under section 201 if the agency specifies that the powers in question may not be exercised before the moratorium has expired. To come within this provision, the rule, regulation, or order must contain or otherwise be subject to such a specification. Thus if an application were approved by operation of law during the moratorium period (e.g., under section 3(b) or 4(c)(8) of the Bank Holding Company Act) because a Federal banking agency failed to approve or deny the application within the time provided by law, the approval would not authorize the applicant to engage after the mortatorium expires in activities proscribed under section 201.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 203—INTENT OF CONGRESS

The Senate amendment declares that the Senate, through its Committee on Banking, Housing, and Urban Affairs, intends to conduct a comprehensive review of banking and financial laws, and to make decisions on the need for financial restructuring legislation before the moratorium expires. The Senate amendment further declares that the Senate does not intend to renew or extend the moratorium.

The House bill contains no similar provision. The House recedes to the Senate with an amendment, which the Senate accepts. The amendment (1) broadens the provision so that it declares the intent of the Congress (and not simply that of the Senate), and (2) inserts a reference to the Committee on Banking, Finance and Urban Affairs of the House of Representatives parallel to the reference to the Committee on Banking, Housing, and Urban Affairs of the Senate.

### SECTION 204—AMENDMENTS TO THE INTERNATIONAL BANKING ACT

In administering the International Banking Act, the Federal Reserve Board has consistently maintained that grandfather rights under section 8(c) terminate if the foreign bank or parent company that has such rights acquires control of a U.S. bank and thus becomes a bank holding company for purposes of the Bank Holding Company Act. Section 204 amends section 8(c) so as to codify that interpretation.

After acquiring control of a U.S. bank, a foreign bank or parent company has two years in which to bring its U.S. nonbanking activities into full compliance with section 4 of the Bank Holding Company Act (with the exception provided by section 2(h)(2) of that Act). Any activity grandfathered under section 8(c) that is not otherwise permissible for U.S. bank holding companies must be divested or discontinued; any grandfatherd activity that is permissible for U.S. bank holding companies may be continued only with appropriate regulatory approval or pursuant to exemptions otherwise available. The Federal Reserve Board has discretion to grant limited extensions of the two-year period. Both the two-year period and the authority for limited extensions are drawn from, and intended to have the same meaning as, the corresponding provisions of section 4(a)(2) of the Bank Holding Company Act, which apply to bank holding companies generally.

The changes made to existing law by sections 204 and 205 are permanent; they do not expire on March 1, 1988.

Section 204 was adopted in connection with the House amendment to section 201(b)(1).

### SECTION 205—AMENDMENTS TO THE BANK HOLDING COMPANY ACT

#### *Restriction of Investments Under Section 2(h)(2) to Nonfinancial Companies*

Section 2(h)(2) of the Bank Holding Company Act permits a foreign bank or bank holding company that is "principally engaged" in banking outside the United States to acquire shares of a foreign company (the "investor company") that is principally engaged in business outside the United States, and permits the investor company to acquire shares of any company engaged in the same general line of business as the investor company or in a business related to that of the investor company. The Federal Reserve Board has interpreted "principally engaged" in section 2(h)(2) as meaning "more than 50 percent" engaged. 12 C.F.R. 211.23(f)(5)(i). Although the Conferees accept that interpretation for purposes of section 2(h)(2), they do not intend to express any judgment

on the meaning of "engaged principally" in the Glass-Steagall Act.

In keeping with the Federal Reserve Board's longstanding interpretation of section 2(h)(2), new section 2(h)(3) would specify that a company whose shares are held pursuant to section 2(h)(2) ("section 2(h)(2) company") cannot engage in—or hold more than 5 percent of the outstanding shares of any class of voting securities of a company engaged in—any banking, securities, insurance, or other financial activities in the United States. The Board is authorized to define "banking, securities, insurance, or other financial activities". The Conferees anticipate that the Board will define "other financial" activities in a manner similar to that in section 211.23(f)(5)(iii)(B) of the Board's Regulation K, which classified as "financial" certain real estate and other activities not specifically mentioned in new section 2(h)(3).

Section 2(h)(2) currently refers to "financial operations or types of activities". The corresponding provision of new section 2(h)(3) refers only to "financial activities". The Conferees deleted "operations or types of" as redundant; they did not thereby intend to narrow the prohibition.

Section 2(h)(3) does not prohibit a section 2(h)(2) company from continuing to hold shares that were lawfully acquired under section 2(h)(2) and applicable regulations as in effect before the date of enactment of the Competitive Equality Banking Act.

In amending section 2(h) of the Bank Holding Company Act, the Conferees do not intend to restrict the Federal Reserve Board's authority to grant further exemptions under section 4(c)(9) of the Bank Holding Company Act, including the exemption for noncontrolling interests held by a foreign bank holding company in a foreign nonbanking company principally engaged in business outside the United States. 12 C.F.R. 211.23(f)(5)(i). The amendments to section 2(h) are not intended to affect the scope of that and other exemptions available to foreign banks or bank holding companies under section 4 of the Bank Holding Company Act as currently implemented by the Board.

#### *Joint Marketing Restrictions on Section 2(h)(2) Companies*

Section 205 also limits joint marketing between (1) U.S. branches and agencies and U.S. bank subsidiaries of foreign banks or bank holding companies, and (2) U.S. nonfinancial companies controlled pursuant to section 2(h)(2). The restrictions are similar to those applicable under this Act to grandfathered nonbank banks and their affiliates.

Section 205 was adopted in connection with the House amendment to section 201(b)(1).

## TITLE III—RECAPITALIZATION OF FSLIC

With several exceptions, the House bill and the Senate amendment are virtually identical. Rather than separately describing the provisions of each bill, the description below explains only the conference-reported bill, except when significant differences exist between the House and Senate.

### SECTION 301—SHORT TITLE

This section designates this title as the "Federal Savings and Loan Insurance Corporation Recapitalization Act of 1987."

### SECTION 302—FINANCING CORPORATION ESTABLISHED

Section 302 amends the Federal Home Loan Bank Act to add a new section 21 that requires the Federal Home Loan Banks ("FHLBanks" or "Banks") to invest in the newly created "Financing Corporation," which in turn will be required to invest in the Federal Savings and Loan Insurance Corporation ("FSLIC"). The Banks' investment will be lawful, notwithstanding limitations found elsewhere in the Federal Home Loan Bank Act.

#### *Directorate*

Under new section 21(b)(1), the Financing Corporation will be under the management of a Directorate, composed of three members, one of whom will be the Director of the Office of Finance of the Federal Home Loan Banks or his successor, and two of whom will be selected by the Federal Home Loan Bank Board from among the presidents of the FHLBanks. Each of the two FHLBank presidents selected to serve as members will be appointed for a term of one year. If any member leaves office, the member's service will terminate on the date such member leaves office and the successor to such member will serve the remainder of the member's term.

The president of any FHLBank cannot be appointed to serve an additional term on the Directorate until the president of each of the other FHLBanks has served as many terms as the president being selected to serve the additional term. The Chairman of the Federal Home Loan Bank Board will select the chairperson of the Directorate from among the three members.

#### *Employees*

The Financing Corporation will have no paid employees, and the Directorate can, with the approval of the Board, authorize the officers, employees, or agents of the FHLBanks to act on behalf of the Financing Corporation to perform the Financing Corporation's functions. Members of the Directorate will not receive any compensation from the Financing Corporation for their service on the Directorate.

#### *Administrative Expenses*

All administrative expenses of the Financing Corporation will be paid by the FHLBanks. The amount each FHLBank will pay will be determined by the Board with each bank paying a pro rata amount based upon its required stock investment in the Financing Corporation. Administrative expenses of the Financing Corporation do not include custodian fees in connection with the Financing Corporation's segregated account maintained to assure repayment of the principal of its obligations or the issuance costs of and the interest on its obligations.

The Directorate will be subject to the Board's regulations, orders, and directions.

#### *Powers of the Financing Corporation*

Under section 21(c), the Financing Corporation, subject to the other provisions of this section and to the regulations, orders and directions prescribed by the Board, is provided with corporate powers necessary and apropriate for its operations as a specialized corporate entity. Such corporate powers include the power to issue obligations in the form of nonvoting capital stock to the FHLBanks; to invest in any securities issued by the FSLIC; to borrow from the capital markets by issuing debt and to pay interest thereon and give security therefore; to impose assessments pursuant to subsection (f); and to exercise incidental powers necessary or appropriate to carry out the provisions of this section.

#### *Capitalization of the Financing Corporation*

Under section 21(d), each FHLBank will be required, as prescribed by the Board, to invest in the nonvoting capital stock of the Financing Corporation. Stock issued by the Financing Corporation to the FHLBanks will have a par value determined by the Board and will be transferable only among the FHLBanks as prescribed by the Board at not less than par. The cumulative amount of the Banks' investment in the Financing Corporation will be limited to $3.0 billion.

#### *Limit on Investment by Each FHL Bank*

Section 21(d)(3) limits the cumulative investment in the Financing Corporation by each Bank to the agregate of its legal reserves plus "undivided profits." This limitation will be calculated by adding each Bank's legal reserves on December 31, 1985, "undivided profits" on December 31, 1985, legal reserves after December 31, 1985, and "undivided profits" after December 31, 1985. Thus "legal reserves" and "undivided profits" for purposes of this calculation will include all retained earnings of the FHLBanks minus those amounts held in the dividend stabilization reserve as of December 31, 1985.

#### *Pro Rata Distribution of First $1 Billion*

Under section 21(d)(4), each FHLBank is required to purchase a specified percentage of the first $1 billion of stock in the Financing Corporation. The percentage of the first $1 billion that each Bank is required to invest in nonvoting capital stock of the Financing Corporation is derived from a formula taking into account each Bank's individual share of total FHLBank System retained earnings (minus their "dividend stabilization reserves") and the share of FSLIC-insured deposits held by each Bank's member institutions. By taking into account the shares of FSLIC-insured deposits held by a Bank's member institutions, the formula accommodates Bank's member institutions that are insured by the Federal Deposit Insurance Corporation.

#### *Pro Rata Distribution of Amounts in Excess of $1 Billion*

Allocation of the remaining stock purchases is based on the percentage of total assets of FSLIC-insured members represented at each bank under section 21(d)(5); however, no Bank will be required to exceed the limitation set forth in paragraph (d)(3). The aggregate amount of Financing Corporation stock that must be purchased by all of the FHLBanks is not reduced because of the limitation in that paragraph. Section 21(d)(6), described below, provides for a reallocation of stock purchases among Banks that have not reached their limits.

Section 21(d)(6) provides that if a FHLBank cannot purchase the full amount of stock in the Financing Corporation because that amount exceeded its legal reserve plus undivided profits, the amount that the Bank cannot purchase will be prorated for investment among the remaining Banks based upon their stock holdings in the Finance Corporation, as long as the cumulative amount of funds required to be invested by the remaining Banks does not exceed their legal reserves and undivided profits.

Any FHLBank that did not purchase the full amount of Financing Corporation stock as required under the formula in section 21(d)(5) will be required to purchase, annually at the issuance price, from those Banks to which such stock was reallocated, the stock originally allocated to it. The amount of such stock repurchases among the FHLBanks, based upon the amount reallocated to and purchased and held by such Banks, the amount available for such purchases. The "amount available" includes all retained earnings of the Bank on whose behalf an investment has been made under subparagraph (A)(i), less certain amounts. The "amount available" does not include the Bank's special dividend stabilization reserve (as of December 31, 1985) listed under subparagraph (d)(7)(B), nor an amount of retained earnings equal to the amount of Financing Corporation capital stock already purchased by the Bank. Until the restricted Bank has fulfilled this repurchase obligation, it is prohibited from paying dividends in excess of one-half of its "net earnings available for dividends". Such funds not paid out in dividends are to be placed in a reserve account required by the Board.

### *Definitions: Net Earnings Available for Dividends; Undivided Profits*

For purposes of subparagraph (F), "net earnings available for dividends" means net earnings after computing transfers to legal reserves. "Undivided profits" means retained earnings minus legal reserves and amounts held in the dividend stabilization reserve as of December 31, 1985. The dividend stabilization reserve is excluded from investment in the Financing Corporation because it includes funds, above the legal reserves, that had been determined not to be distributed in the year earned, so as to create a possible supplement to further years' dividends. This special dividend reserve will, however, have to be used completely before a FHLBank, subject to Board approval, can ever draw on its legal reserves under the circumstances outlined under section 206 of this title. To ensure that only the amount held in the dividend stabilization reserve as of December 31, 1985, is excluded from the amounts that may be invested in the Financing Corporation, the legislation specifically lists the amounts held by each FHLBank in its dividend stabilization reserve as of December 31, 1985.

### *Limitation on the Amount of Outstanding Obligations*

Section 21(e)(1) sets forth the aggregate outstanding amount of obligations issued by the Financing Corporation, as determined by the Board. The House bill limits the borrowing authority to $5.0 billion. The Senate amendment limits the borrowing authority to $7.5 billion. The conference-reported title provides that the amount will not be permitted to exceed the lesser of (1) $10.825 billion or (2) the greater of (a) five times the Financing Corporation's outstanding nonvoting capital stock, or (b) the sum of the face amounts (which for zero-coupon instruments will be the principal payable at maturity) of obligations invested by the Financing Corporation and held in a segregated account pursuant to subsection (g)(2), whichever is less. The principal of all obligations shall be covered by zero coupon bonds as described in section 21(g)(2) set forth below. The second restriction described above permits the Financing Corporation to exceed a five-to-one leverage only if it purchased and held securities whose face amounts or amounts payable at maturity will at least equal the principal amount payable on all the outstanding Financing Corporation's debt, thereby ensuring that the debt principal will be repaid.

### *Annual Limitation on Net New Borrowing*

Section 21(e)(2) sets forth limits on the annual amount of net new borrowing. The House bill limits the net new borrowing to $2.5 billion a year with a two-year sunset period. The Senate amendment limits the net new borrowing to $3.75 billion per year, also with a two-year sunset provision. The conference-reported title limits the net new borrowing authority to $3.75 billion annually, but without a sunset period.

### *Net Proceeds To Be Invested in Capital of FSLIC*

Under section 21(e)(3), the net proceeds of obligations issued by the Financing Corporation are required, subject to terms and conditions approved by the Board, to be used to purchase capital certificates or capital stock issued by the FSLIC or to refund any previously issued obligation whose net proceeds were invested in capital certificates or capital stock of the FSLIC.

### *Limitation on Maturities*

Under section 21(e)(4), no obligation of the Financing Corporation can be issued which will mature more than 30 years after the date of issue or after December 31, 2026.

### *Investment of United States Funds in Obligations*

Pursuant to section 21(e)(5), obligations of the Financing Corporation (which will be issued only with the approval of the Board), like FHLBank obligations, will be lawful investments and can be accepted as security for all fiduciary, trust, and public funds, whose investment or deposit will be under the authority or control of the United States or any officers thereof.

### *Market for Obligations*

Under section 21(e)(6), all persons having authority to invest, sell, underwrite, purchase, use as collateral, or deal in FHLBank obligations will have the same authorities with respect to Financing Corporation obligations. For example, such authority is given to commercial banks pursuant to 12 U.S.C. 24, paragraph 7, to State member banks pursuant to 12 U.S.C. 335, to federally-chartered thrift institutions pursuant to 12 U.S.C. 1464(c)(1)(D), and to Federal credit unions pursuant to 12 U.S.C. 1757(7). This gives these financial institutions the same authorities with respect to obligations of the Financing Corporation as they have with respect to obligations of the FHLBanks.

### *No Full Faith and Credit*

Under section 21(e)(7), the Financing Corporation bears exclusive liability for its obligations and interest thereon. The Financing Corporation's obligations and interest thereon are not obligations of or guaranteed by the FHLBanks, the United States, or the Federal Savings and Loan Insurance Corporation.

### *Tax Exempt Status*

Under section 21(e)(8), obligations of the Financing Corporation have the same tax status as obligations of the FHLBanks. Thus interest earned on those obligations is taxable as income at the Federal, but not the State level.

### *Obligations Are Exempt Securities*

Under section 21(e)(9) instruments issued by the Financing Corporation are exempt securities under the provisions of the Federal securities laws administered by the Securities and Exchange Commission. This exemption is the same as that enjoyed by obligations of the FHLBanks.

### *Participation in Public Offerings*

The conference-reported bill contains a provision which requires the Chairman of the Board and the Directorate of the Financing Corporation to ensure that minority-owned or minority-controlled commercial banks, investment banking firms, underwriters, and bond counsels throughout the United States have an opportunity to participate significantly in any public offering of bond obligations. Both Senate and House bills contained language on this subject. The only difference between the Senate and House language is that the Senate language included minority commercial banks as eligible participants. Whereas the House receded to the Senate language in order to include the term minority commercial banks, it was agreed to by the Conferees that the House colloquy between Congressman St Germain and Congressman Gonzalez on the similar House provision which includes the definition of "minority" shall be the legislative history for this section. It is the intent of the Conferees that the term "minority" means any Black American, Native American, Hispanic American, or Asian American.

### *Assessment Authority of the Financing Corporation*

The first part of section 21(f) authorizes the Financing Corporation to impose assessments on each FSLIC-insured institution. The Financing Corporation is authorized to assess each institution insured by the FSLIC an amount for each semiannual period equal to an amount not to exceed one-twelfth of 1 per centum of the total amount of all accounts of the insured members of such institution on an annual basis. The Financing Corporation is provided with additional exceptional authority to assess against each insured institution an additional amount for each semiannual period equal to an amount not to exceed one-eighth of 1 per centum of the total amount of all accounts of the insured members of such institution on an annual basis. This exceptional authority may be exercised only with Board approval and a vote by all the members of the Directorate of the Financing Corporation confirming that such assessments are necessary in order for the Financing Corporation to meet its interest payment obligations because no other sources of income are available.

On an annual basis, the maximum assessment rate is one-twelfth of 1 per centum plus one-eighth of 1 per centum, or 5/24 of 1 per centum of all accounts of the insured members of an institution. However, the assessment authority is further limited as described in the paragraph below.

The Financing Corporation may not collect assessments, whether regular or exceptional, in excess of the amount necessary to pay the interest on and issuance costs of its obligations, and custodian fees for the segregated account described in subsection (g). While the assessment rates are calculated on an annual basis, the assessments are authorized to be collected on a semiannual basis.

### *Exit Fees*

Section 21(f)(4) addresses so-called "exit fees". The Senate bill contains no similar provision. The conferees adopt the House provision with the amendments noted below.

Section 21(f)(4) requires the Financing Corporation, with the approval of the Board, to assess an exit fee on any insured institution which ceases to be an institution

insured by the FSLIC. Such exit fee is not to exceed the sum of 2 times the last annual insurance premium plus the product of (1) the aggregate amount of all accounts of insured members of such institution (as of the date the institution ceases to be an insured institution) and (2) two times the rate at which the supplemental assessment was assessed against insured institutions by the FSLIC in 1986.

### *Reduction for Weakened Institutions*

Also, the Financing Corporation may, at its sole discretion, reduce the amount of any exit fee imposed on an institution that ceases to be insured by FSLIC. The Financing Corporation may reduce such fees where the exiting institution poses a substantial risk to the assets of FSLIC and such reduction is necessary to assist in the sale for other disposition of the institution.

### *Total Exemption From Exit Fees*

The House bill includes a "Grandfather Clause" which exempts from the imposition of this exit fee those institutions which, before March 31, 1987, have: been converted into, merged with, acquired by or combined with an FDIC-insured institution; filed an application or notice with the appropriate regulatory body pursuant to such conversion, merger, acquisition or combination; or, entered into a letter of intent or memorandum of understanding pursuant to such a transaction. The conferees adopted an amendment changing the grandfather date from *before* March 31, 1987, to *on or* before March 31, 1987.

It is the intention of the Conferees that Shelton Savings and Loan Association, Inc., meets the requirements of section 21(f)(4)(F)(iii).

### *Partial Refund of Exit Fee Paid*

The House bill further provides that exit fees (or the equivalent thereof) paid prior to March 31, 1987 by grandfathered institutions in excess of those exit fees which would have been required under the present provision will be reimbursed to those exiting institutions. The conferees adopted a provision which moves the effective date from March 31, 1987 to date of enactment for purposes of this partial refund provision only.

### *Moratorium on Exiting FSLIC*

The conference-reported title also provides in section 306(h) for a one-year moratorium beginning on the date of enactment during which no insured institution may voluntarily leave the FSLIC. The Conferees do not intend, however, to affect the authority of the FSLIC to liquidate or arrange emergency acquisitions of an association or insured institution. The moratorium also does not affect the ability of institutions grandfathered under section 21(f)(4)(F) to leave the FSLIC.

The Conferees do not intend to prevent institutions or the FSLIC from taking any preliminary steps necessary to effectuate a termination of FSLIC insurance upon expiration of the moratorium.

### *Permissible Investment Vehicles*

Section 21(g) sets forth the use and disposition of assets of the Financing Corporation not invested in the FSLIC. Paragraph (1) authorizes the Financing Corporation to invest such assets in the same set of obligations and under the same conditions as FHLBanks are permitted to invest their reserves under the current Section 16 of the Federal Home Loan Bank Act. These investments include: (1) investments in zero-coupon instruments held in a segregated account as described below; and (2) short-term investments of the net proceeds of debt issued by the Financing Corporation prior to the purchase of FSLIC capital stock and certificates.

### *Zero Coupons To Assure Repayment of Principal*

Under section 21(g)(2), the Financing Corporation will be required to invest in and hold in a segregated account, Treasury STRIPS or other noninterest bearing securities as described above, of which the total principal payable at maturity is approximately equal to the aggregate amount of principal on the Financing Corporation's obligations. The purpose of this segregated account is to assure the repayment of principal on the Financing Corporation's obligations.

### *Limitation on Investments in Zero Coupons*

Paragraph (3) of this subsection limits the aggregate amount invested by the Financing Corporation under paragraph (2) and held in the segregated account to $2.2 billion.

### *Definitions*

### *Issuance Costs*

For purposes of section 21, "issuance costs" means issuance fees and commissions incurred by the Financing Corporation in connection with the issuance or servicing of any of the Financing Corporation's obligations, and includes legal and accounting expenses, trustee and fiscal and paying-agent charges, costs incurred in connection with preparing and printing offering materials, and advertising expenses. Each of these costs must be incurred in connection with issuing any obligation.

### *Custodian Fees*

For purposes of section 21, "custodian fees" means any fee incurred by the Financing Corporation in connection with the transfer of or maintenance of any security in the segregated account established under paragraph (2), and any other expense incurred in connection with the establishment and maintenance of the segregated account.

### *Tax Status of Financing Corporation*

Under section 21(h)(1), the Financing Corporation will have the same tax status as the FHLBanks. The Secretary of the Treasury is authorized to prepare the necessary forms of stock, debentures, bonds, as approved by the Board, pursuant to section 23 of the Federal Home Loan Bank Act, for obligations of the Financing Corporation, as the Secretary of the Treasury is also so authorized for obligations of the FHLBanks.

Under section 21(h)(2), the Federal Reserve Banks will be authorized to act as depositories, custodians, and fiscal agents for the Financing Corporation in the general performance of its powers under this Act.

### *Treatment Under the Government Corporation Control Act*

Section 21(h)(3) accords the Financing Corporation the same coverage under the Government Corporations Control Act as the FHLBanks are accorded under that Act pursuant to Section 11(j) of the Federal Home Loan Act (12 U.S.C. 1431(j)). Thus audits of the Financing Corporation by the General Accounting Office can be conducted although the Financing Corporation will have no Government capital invested in it. In addition, the Secretary of the Treasury, a Federal Reserve Bank, or a bank designated as a depository or fiscal agent of the United States Government has the authority to keep the Financing Corporation's accounts (although the Secretary of the Treasury can waive this provision regarding accounts).

In addition, before the Financing Corporation can issue obligations and offer them to the public, the Secretary of the Treasury will prescribe the various conditions to which the obligations will be subject (including the form, denomination, maturity, and interest rate), the way and time the obligations will be issued, and the price for which the obligations will be sold. This procedure is currently in place for the issuers who are subject to Section 9108(a) of title 31, United States Code (part of the Government Corporations Control Act) and in practice the Treasury generally approves the terms and conditions on obligations as proposed by these issuers.

Finally, before the Financing Corporation can buy or sell a direct obligation of the United States Government, or an obligation on which the principal, interest, or both, is guaranteed, of more than $100,000, the Secretary of the Treasury has to approve the purchase or sale, although the Secretary can waive this requirement. All of these authorities also pertain to the FHLBanks' issuance of debt.

### *Industry Advisory Committee*

Pursuant to section 21(i), a Federal Savings and Loan Insurance Corporation Industry Advisory Committee will be created to review and make recommendations concerning the Board's activities, expenditures and receipts. Creation of the Committee offers FSLIC-insured institutions a means of contributing input, in a constructive and responsible manner, to the FSLIC. To enable the Committee to perform this function, it will have access to the new quarterly reports that the FSLIC will be required to prepare pursuant to section 402(k) of the National Housing Act.

The Committee, which is exempt from Federal Advisory Committee Act coverage, will consist of 13 members, one from each FHLBank District (to be elected annually by the selected members of each Bank's board of directors), plus the Chairman, who will be appointed each year by the chairman of the Board. All members have to be officers of FSLIC-insured institutions. Expenses incurred by members in connection with attending Committee meetings will be paid for by the FHLBanks, as specified by regulations issued by the Board. The Board is also empowered to prescribe regulations to guard against possible conflicts of interest that might arise from providing sensitive FSLIC data to industry representatives.

The Committee is required to report annually to Congress, and will cease to exist upon the dissolution of the Financing Corporation.

### *Termination of Financing Corporation*

Section 21(j) requires dissolution of the Financing Corporation no later than the earlier of: (1) the date by which all stock purchased by the Financing Corporation in FSLIC has been retired; or (2) December 31, 2026. The Board, on behalf of the FLHBanks, is the successor to the powers of the Financing Corporation deemed necessary to settle and conclude the affairs of the Financing Corporation.

## SECTION 303—MIXED OWNERSHIP GOVERNMENT CORPORATION

Section 303 will establish the status of the Financing Corporation as a "mixed ownership" government corporation, which is the same status accorded to FHLBanks, under the Government Corporations Control Act.

Although there is no government capital invested in the Financing Corporation, this category of "mixed ownership" has been accorded to the Financing Corporation to provide it with parallel legal status to that of the FHLBanks as described in the paragraph above analyzing section 21(h)(3).

### SECTION 304—RECAPITALIZATION OF FSLIC

*Issuance of Capital Certificates and Stock*

Section 304 authorizes the FSLIC to issue equity in the form of redeemable non-voting capital stock and non-redeemable capital certificates. The non-voting capital stock will be issued in an amount equal to the aggregate investment by the FHLBanks in the Financing Corporation. The Financing Corporation will be the sole purchaser of both the capital certificates and the capital stock issued by the FSLIC, and proceeds paid to the FSLIC from that purchase will be included as part of the primary reserve of the FSLIC. The FSLIC will be prohibited from paying any dividends to the Financing Corporation on the capital certificates and stock.

*Retirement of Stock; Equity Return Account*

This section also will authorize the FSLIC to pay off and retire its capital stock upon maturity of all the obligations issued by the Financing Corporation. Since the FSLIC's capital certificates will be non-redeemable, the FSLIC will extinguish them with no payoff at the time the FSLIC retires the capital stock. FSLIC will be authorized to make such payoff of the retired capital stock solely with its contributions accumulated in its "equity return account," an account created under this title that can include annual contributions made by the FSLIC according to statutorily prescribed formulae. Any such contributions will be made at the end of each year beginning in 1997 and ending in the year during which the last obligation of the Financing Corporation matures.

Contributions made to the equity return account will not be included as FSLIC reserves. Such contribution amounts will be the only monies included in the equity return account. Any interest earned on the funds in the equity return account will be for the account of the FSLIC and will not be included as part of the equity return account, but will be added to the reserves of the FSLIC. While the contributions to the equity return account will be made annually as prescribed above, no payoff and retirement of FSLIC stock will be authorized to be made until the maturity of all Financing Corporation obligations.

*Annual Contribution to the Equity Return Account*

The formulae for the annual contributions are described below. No annual contributions can be required to be made if the FSLIC's reserves are less than 0.5 percent of all accounts of all insured members (as of December 31 of the preceding year). In any year in which the FSLIC's reserves are equal to 0.5 percent of all accounts of all insured members or greater (as of December 31 of the previous year), the contribution will be the amount invested by the Financing Corporation in FSLIC capital stock, divided by the number of years from the first year after 1996 that the reserves to accounts ratio reached 0.5 percent to the year in which the last obligation of the Financing Corporation matures (which can be no later than 2026).

*Additional Contributions*

Under certain circumstances, the title provides for additional contributions as determined by the Board. In any year in which the FSLIC's reserves are equal to 1.0 percent of all accounts of all insured members or greater up to and including 1.25 percent of all such accounts (as of December 31 of the preceding year), the additional contribution as determined by the Board can be a maximum of 6 percent per year compounded on the amount invested by the Financing Corporation in FSLIC capital stock computed from the year the investment was made to the year in which the last obligation of the Financing Corporation matures (not later than 2026), divided by the number of years from the first year after 1996 that the reserves to accounts ratio reached 1.0 percent to the year in which the last obligation of the Financing Corporation matures.

The title sets forth two other formulae for possible additional contributions if the reserves to accounts ratio of FSLIC were to increase, raising the percentage compounded and subtracting from these in the numerator of the fraction, the amounts already paid out in additional contributions. All these additional contributions, which will be above the repayment of the amount invested by the Financing Corporation in FSLIC capital stock will be subject to the discretion of the Board.

Section 304 also makes clear that the term "Financing Corporation" refers to the corporation chartered pursuant to section 302 of this legislation: new section 21 of the Federal Home Loan Bank Act.

### SECTION 305—FSLIC AUTHORITY TO CHARGE PREMIUMS REDUCED BY AMOUNT OF FINANCING CORPORATION ASSESSMENTS

This section limits the FSLIC's authority to collect premiums and assess additional premiums by reducing it by the amount the Financing Corporation assesses. Thus no institution can be required to pay on an annual basis more than a premium of one-twelfth of one percent, plus an additional premium of one-eighth of one percent, whether the premiums are paid to the FSLIC, the Financing Corporation, or a combination of both. As under current law, the imposition of the one-eighth of one percent assessment will be limited to special circumstances.

### SECTION 306—MISCELLANEOUS PROVISIONS

Section 306 will amend section 16 of the Federal Home Loan Bank Act to allow the Board, under certain circumstances, to authorize a FHLBank to declare and pay dividends out of its undivided profits or legal reserves, but only after such Bank has reduced all other reserves (e.g., the dividend stabilization reserve) to zero. Such an extraordinary dividend may be permitted where (1) a FHLBank incurs a charge off related to its investment in the Financing Corporation and (2) the Board determines there is an extraordinary need for payment of such dividends. Any such use of undivided profits or legal reserves will not affect the requirements for FHLBanks' investments in Financing Corporation stock.

Section 306(b) is meant to clarify that the sentences referring to the retirement of capital stock in subsection 402(h) of the National Housing Act do not cover either FSLIC stock or FSLIC certificates issued pursuant to this Act.

*Phase-Down of the Special Assessment*

Section 305(c) provides for a five-year phase-down (from 1987 through 1991) of the Special Assessment that FSLIC may charge (but not the special assessment that the Financing Corporation may charge), unless the Federal Home Loan Bank Board determines that severe pressures on the Corporation exist which necessitate an infusion of additional funds to the FSLIC. The Conferees believe that it is consistent with the Board's authority under section 404(c) for the Board to postpone the reduction in the special assessment until 1988, if the Board determines that such a postponement will improve the financing environment for selling obligations of the Financing Corporation.

*Priority Lien Position for FHL Banks*

Section 306(d) recognizes the special position of the FHLBanks as a lender of last resort and grants the FHL Banks a priority line position, unless another creditor has obtained a perfected security interest in the property.

Section 306 (e), (f) and (g) contain technical and conforming amendments.

*Moratorium on Exiting FSLIC*

Section 306(h) contains the FSLIC exit fee and insurance termination moratorium discussed above.

*Reports to Congress*

Section 306(i) requires the FSLIC to report to Congress.

### SECTION 307—SECONDARY RESERVE

The Conferees adopted an amendment offered by the House which permits insured institutions to offset against assessments the amounts that were previously part of the so-called "secondary reserve". The amount of the secondary reserve is referred to as the "statutorily prescribed amount". This amount is currently approximately $824 million but will decrease each year by the amount restored to FSLIC-insured institutions.

Under the amendment, institutions would be permitted to reduce or offset the amount of premiums they would otherwise pay to FSLIC—not the Financing Corporation—each year. There are two limitations to the premium offset during the initial 5 years. First, the offset may only apply to the special assessments charged by the FSLIC under section 404(c) of the National Housing Act, and not to the regular assessments charged under section 404(b) of the National Housing Act. Second, the offset will be limited in each of these 5 years to no more than 20% of the "statutorily prescribed amount".

After 5 years, the institution's pro rate share of the remaining "statutorily prescribed amount" may be offset against both special and regular assessments imposed by the FSLIC without any annual maximum amount limitation.

## TITLE IV—THRIFT INDUSTRY RECOVERY ACT

The House Bill and the Senate amendment provide an approach for dealing with troubled but well-managed and viable thrifts in those areas of the country which have weakened economies due to slumps in the energy, agricultural, and real estate markets. The overall objective of the two approaches is to maximize the long-term viability of the thrift industry at the lowest cost to the Federal Savings and Loan Insurance Corporation (FSLIC). The House bill seeks, by specific statutory criteria, to deal with potential areas for regulatory changes and supervisory reforms. The Senate approach fully preserves the independent regulatory agency concept and suggested guidelines in a number of areas.

The Senate recedes to the House with an amendment which the House accepts with an amendment which the Senate accepts.

The conference-reported bill requires the Fedeal Home Loan Bank Board (Bank Board) to promulgate thrift accounting requirements consistent with Generally Accepted Accounting Principles (GAAP), as modified by the commercial bank regulators; provides capital forbearance to viable and well-managed thrifts, including the use of Capital Certificates and Warrants; and establishes an appeals process for the timely review of grievances related to the determination of appraisals, asset classifications, and loss allowances.

The bill provides for audits of the Federal Asset Disposition Association by the General Accounting Office; new appraisal standards consistent with the practices of commercial bank regulators; increased utilization of minority thrifts as depositories for Government funds; improved disclosure and control of outside consultants, counsel, and contractors; oversight and reporting requirements, and authority for the Bank Board to establish capital requirements consistent with the commercial bank regulators.

### SECTION 402—THRIFT INSTITUTION ACCOUNTING, APPRAISAL, AND RESERVE STANDARDS

This section requires the Bank Board and FSLIC to formulate regulations for the eventual application of GAAP to all thrift institutions. These regulations are to be applied to thrifts to the same degree that GAAP standards are used by the regulators of commercial banks, while recognizing that the regulatory accounting principles prescribed by the various federal financial regulatory agencies may not be uniform.

The Bank Board must implement a new classification of assets regulation that is consistent with the practices of the commercial bank regulators. Under this new system, the Principal Supervisory Agent is to have the option to direct the creation of additional general loss reserves based on a review of an insured thrift's overall portfolio.

Thrifts are to be allowed to use Financial Accounting Standards Board (FASB) pronouncement numbers 15 and 5 for troubled debt restructuring. Current Bank Board regulatory practices do not encourage institutions to restructure problem loans and account for their restructuring with FASB-15 and FASB-5, accounting methods consistent with GAAP. With real estate portfolios suffering in many states, the use of FASB-15 may allow a savings institution to avoid loan loss recognition where economic conditions require that borrowers restructure or work out their loans.

The Bank Board may not require an institution to write down assets or establish reserves against assets if these regulatory actions would result in an amount that would be greater than the amount required under GAAP, unless that practice is consistent with commercial bank regulatory actions. The Bank Board's R41(c) memorandum, and its accompanying classification of assets regulations, have given the Bank Board the authority to require a thrift to obtain a "current market" value appraisal on a property and then adjust the loan value to the new R41(c) appraisal. In a depressed economy, where market values are a fraction of what they were several years ago, regulations such as the R41(c) memorandum and the classification of assets regulation have resulted in severe write-downs of many institutions' net worth. This devaluation occurs even though the underlying collateral is income-producing and the debt servicing may have been maintained. The use of GAAP allows a loan to be carried at the lesser of cost or either (1) net realizable value (discounted value based on cash flow), or (2) a carrying value in accordance with FASB-15 debt restructuring where the original obligor has remained in place. This section requires a change of Bank Board regulations and mandates the use of GAAP to the same degree to which GAAP is used by commercial banking regulators.

### SECTION 403—AUDIT OF FEDERAL ASSET DISPOSITION ASSOCIATION

This section clarifies that the Federal Asset Disposition Association (FADA) is required to submit to audits by the Comptroller General of the United States (General Accounting Office). Currently, FADA reports to the Bank Board.

### SECTION 404—THRIFT INDUSTRY RECOVERY REGULATIONS

This section provides a capital recovery program for thrift institutions suffering from a weakened financial condition primarily related to the depressed economy in the regional areas in which the institutions operate. Thrifts wishing to receive forbearance must submit a plan to the Bank Board. Regulations implementing this program are to be written with the intent to maximize the long-term viability of the thrift industry at the lowest cost to the FSLIC.

The capital recovery program is not intended to restrict any authority of the Bank Board to correct any fraud, criminal activity, imprudent operating practices or managerial incompetence.

The capital recovery program is also specifically expanded to include well-managed and viable minority thrift institutions primarily serving minority communities.

### SECTION 405—CAPITAL INSTRUMENT PURCHASE PROGRAM

This section affirms Congressional support for the Bank Board's use of capital certificates for thrifts participating in the capital recovery program. The Bank Board will negotiate warrants and acquire capital certificates that will allow a savings and loan the opportunity to achieve a workable capital level.

### SECTION 406—MINIMUM CAPITAL REQUIREMENTS

This section provides the FSLIC with the same authority held by the commercial bank regulators with respect to minimum capital requirements, under section 908 of the International Lending Supervision Act of 1983.

### SECTION 407—IMPROVEMENTS IN THE SUPERVISORY PROCESS

The Bank Board is required to issue guidelines which:

(a) expedite or eliminate the approval process for renegotiated loans where a supervisory agreement is in effect,

(b) provide that other sources of credit be considered in analyzing the financial capability of a borrower for recourse loans,

(c) establish an appraisal review system, and

(d) eliminate, in large part, the scheduled item system.

In addition to the foregoing improvements in the supervisory process, this section also provides for the establishment of an informal review process for certain supervisory decisions. Any institution may obtain a prompt review by an independent arbiter—or a panel of independent arbiters—of any determination made by an examiner or supervisory agent related to the appraisal values, asset classification or loan loss reserves. Upon receipt of recommendations by the arbiter or panel of independent arbiters, the Principal Supervisory Agent (PSA) makes a final decision which is nonappealable. The conferees expect that the request for review be brought in food faith and not for the purpose of attempting to forestall as appropriate supervisory determination.

To expedite the appeals process and reduce costs, the PSA may consolidate multiple appeals by one institution or related appeals by different institutions.

### SECTION 408—PREVENTION OF INSOLVENCIES

This section requires the Bank Board to transmit a report six months following the date of enactment on the steps the Bank Board has taken to prevent any further insolvencies. In the report required by this section, the Bank Board must provide recommendations for possible further legislative action to maintain and strengthen the savings and loan industry.

### SECTION 409—FEASIBILITY STUDY RELATING TO ESTABLISHMENT OF ASSET HOLDING CORPORATION

The Bank Board is required to perform a feasibility study on establishing an asset holding corporation that would acquire assets of troubled or failed thrift institutions. Findings and conclusions of the study, including any suggestions for legislative changes must be submitted to the House and Senate Banking Committees no later than 6 months after enactment. Factors such as cost of such an operation, standards for eligible real estate assets and equity participants in such a corporation by thrift institutions must be considered.

### SECTION 410—NOTICE AND DISAPPROVAL PROCEDURE REQUIRED FOR ALL APPLICATIONS TO THE BANK BOARD

Not later than 60 days after enactment, the Bank Board shall submit a report to the House and Senate Banking Committees and promulgate guidelines on the appropriate time period for processing all applications. Also, with regard to the application for debt issuance, any such application shall be deemed to be approved if not disapproved by the Board within 60 days.

### SECTION 411—GUIDELINES FOR ASSET DISPOSITION

This section requires that, six months following passage of this Act, the Bank Board provide a report to the Congress and implement guidelines to ensure that assets taken from closed savings and loans are not "dumped" into already depressed markets.

### SECTION 412—EXPANSION OF USE OF UNDERUTILITIZED MINORITY THRIFT INSTITUTIONS

This section requires Treasury to consult with the Bank Board regarding methods to increase the use of underutilized minority thrift institutions as depositaries or financial agents of federal agencies.

### SECTION 413 AUTHORITY OF INDEPENDENT CONTRACTORS, CONSULTANTS, AND COUNSEL

This section requires a standard disclosure of the legal status of consultants, counsel and contractors hired by FSLIC authorized conservatorships or receiverships to manage or liquidate the assets of troubled or failed institutions. The intent of this section is to make such information more readily available to those negotiating with consultants and others hired to manage a failing or failed institution.

### SECTION 414—EXTENSION OF FORBEARANCE PREVIOUSLY PROVIDED IN THE ACQUISITION OF TROUBLED THRIFT INSTITUTIONS

This section extends, for an additional 5 years, recovery measures originally granted to an institution as a result of an agreement governing a supervisory action with respect to a merger, consolidation, transfer, or acquisition of an insured institution on or before March 31, 1987. The recovery measures will be extended only if the acquiring or resulting insured institution can show that the failure to meet any requirement, restriction, or limitation specified in the original agreement is attributable to the assets or liabilities which were acquired or assumed.

### SECTION 415—CONGRESSIONAL OVERSIGHT

The Committees on Banking, Finance and Urban Affairs of the House of Representatives and Banking, Housing, and Urban Affairs of the Senate will monitor and review the implementation of the appeals process pursuant to section 407 of the Act. The Bank Board is required to report on the activities of the Federal Home Loan Bank System and all its related entities, including the Federal Asset Disposition Association, on an annual basis, except that reports shall be filed at six-month intervals during the first year.

The Bank Board is required to appear annually before the House Committee on Banking, Finance and Urban Affairs and the Senate Committee on Banking, Housing and Urban Affairs to describe and explain each such agency's plans and proposals with respect to administrative expenses for such fiscal year.

### SECTION 416—SUNSET

The Conferees agree to an amendment that would sunset certain provisions of Title IV. The sunset would take effect when the Financing Corporation issues the last obligations under its $10.825 billion borrowing authority. (With the $3.75 billion annual borrowing cap, the sunset could not occur for at least 2.5 years.)

The sunsetted provisions are parts of sections 402(a) and (b); sections 404(a) and (b); section 405; section 407(d); and section 411. The relevant parts of sections 402 (a) and (b) are new sections 9 (a)(2), (a)(3), and (a)(5) of the Home Owners Loan Act for federally chartered thrifts, and the parallel provisions for State-chartered thrifts, new sections 415 (a)(2), (a)(3), and (a)(5) of the National Housing Act.

The sunset of these provisions does not affect the authority of the Federal Home Loan Bank Board or the FSLIC under other provisions of law to prescribe rules or regulations in the areas covered by these provisions. Thus they may reinstate, modify, or delete any rules or regulations promulgated before the sunset in these areas to the extent permitted by other provisions of law.

## TITLE V—FINANCIAL INSTITUTIONS EMERGENCY ACQUISITIONS

Conferees Note: During the 99th Congress, the House passed legislation to enhance and expand the emergency interstate acquisition provisions of the Garn-St Germain Depository Institutions Act of 1982 and to exempt banking regulators from apportionment by the Office of Management and Budget (See Title II of H.R. 5576, the FSLIC Recapitalization Act, and Section 3 of H.R. 4917, the Depository Institutions examination Improvement Act.) The provisions of the House-passed legislation are generally similar to the provisions of Title V of this Act.

### SECTION 501—SHORT TITLE

The Senate amendment designates this title of the Act as the "Financial Institutions Emergency Acquisitions Amendments of 1987."

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 502—FDIC-ASSISTED EMERGENCY INTERSTATE ACQUISITIONS

The House bill does not contain any amendments to the Federal Deposit Insurance Act similar to the Senate amendment described below. The House recedes to the Senate on these provisions.

Section 13(f) of the Federal Deposit Insurance Act, which was enacted in 1982 as part of Title I of the Garn-St Germain Depository Institution Act of 1982 and would be reinstated by section 509, permitted interstate acquisitions of banks with assets of $500 million or more—but only under limited conditions. Stock institutions, including all eligible commercial banks, could be acquired only if they were closed. An eligible mutual savings bank could be acquired prior to closing—but only if its board of trustees and chartering authority specified in writing that it was in danger of closing and requested the FDIC to assist in acquisition or merger. If a bank was acquired by an out-of-state bank holding company the bank could branch throughout the State to the same extent as an in-state national bank. Without specific State authorizing legislation, however, bank holding companies could not be acquired by out-of-state holding companies and an out-of-state holding company that acquired a bank under section 13(f) could not expand in the State other than by branching of the newly acquired bank. This meant in unit banking States, the out-of-state bank holding company's entry was limited to the existing office site of the bank it acquired.

The Senate Amendment amends section 13(f) of the Federal Deposit Insurance Act to change the 1982 Garn-St Germain legislation in three crucial areas. First, the amendments permit out-of-state holding companies to acquire qualified stock institutions, as well as mutual savings banks, before they fail. Second, the amendments permit a holding company to be sold, in whole or in part, to an out-of-state holding company if the in-state holding company has a bank subsidiary or subsidiaries with aggregate banking assets of $500 million or more "in danger of closing" and such bank or banks represents 33% or more of the holding company's banking assets. Finally, they allow an acquiring out-of-state bank holding company expansion rights in the State of acquisition through the bank holding company structure and they prevent regional compact restrictions from applying to a holding company that makes an acquisition under the emergency authority. More specifically, section 13(f) would be amended by section 502 as follows:

### Assisted Emergency Interstate Acquisitions

#### SECTION 13(F)(1) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate Amendment to subsection 13(f)(1) provides that the provisions of the section shall be used only where the FDIC provides financial assistance for an out-of-state acquisition or merger: otherwise the section is not applicable.

The Senate bill contained a paragraph that specified the enactment of the emergency interstate acquisition provisions did not prevent the FDIC from assisting an interstate acquisition under state law, where permitted. The conferees deleted this paragraph as unnecessary. The emergency acquisition provisions are intended to provide the FDIC with greater flexibility in handling closed or failing banks. The conferees recognize that alternatively the FDIC may use applicable state laws for an interstate acquisition, where it determines such laws are more advantageous toward resolving an existing problem.

### Closed Bank Assistance

#### SECTION 13(f)(2) OF THE FEDERAL DEPOSIT INSURANCE ACT

Section 13(f)(2) is unchanged from existing law.

### Emergency Interstate Acquisitions of Insured Banks in Danger of Closing

#### SECTION 13(f)(3)(A) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate Amendment extends the emergency interstate acquisition provisions to all banks with assets of $500 million or more that, although not closed, have been determined by their Federal or State chartering authority to be "in danger of closing." It allows out-of-banks and holding companies to either establish a new bank to acquire the bank in danger of closing or to allow an acquisition to be done directly. It also permits the acquisition of two or more affiliated insured banks in danger of closing which have aggregate total assets of $500 million or more and if the aggregate total assets of the acquired banks is equal to or greater than 33 percent of the aggregate total assets of all insured banks.

Experience has demonstrated that by the time a bank has actually been closed, the value of its franchise may have been dissipated, if not eliminated. In addition, the process of decline into insolvency can adversely affect the financial community. By permitting an interstate acquisition of a commercial bank in danger of closing, but before it is actually closed, the potential for finding a private solution with a lesser commitment of FDIC funds is substantially improved. Such a process would also help maintain the stability of and confidence in the banking system as a whole.

### Emergency Acquisition of a Holding Company or Other Bank Affiliate

#### SECTION 13(f)(3)(8) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment extends the emergency interstate acquisition provisions to holding companies that have a subsidiary bank or banks with aggregate assets of $500 million or more in danger of closing and such bank or banks represent 33% or more of the total assets of the holding company's banking subsidiaries. If the Federal or State chartering authority has determined that such a bank or banks are in danger of closing, an out-of-state bank or holding company may (a) purchase the stock of or otherwise acquire the holding company that controls such banks or banks as well as all of such holding company's other subsidiary banks or (b) acquire the only bank or banks in danger of closing.

An out-of-state bank or holding company that purchases from another holding company a bank or banks in danger of closing with aggregate assets of $500 million or more under item (b) above would be permitted to acquire other bank subsidiaries of the holding company. Under this subparagraph, more than one out-of-state holding company may acquire portions of a single holding company, so long as the out-of-state holding companies combined purchase subsidiary banks, each of which is in danger of closing, that have total assets of $500 million or more, and provided that those subsidiary banks account for at least 33% of the assets of all bank subsidiaries of the holding company.

### Request for Assistance by Corporate Board of Directors

#### SECTION 13(f)(3)(C) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment requires the Board of Directors of the bank in danger of closing to request in writing that the FDIC assist a merger or purchase before the FDIC can provide such assistance.

### Certain Acquisitions Authorized After Assistance Is Provided

#### SECTION 13(f)(3)(D) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment provides that if a bank holding company is eligible to be acquired by an out-of-state bank or holding company under subparagraph (B), so long as FDIC assistance remains outstanding, the bank, its holding company, and its bank affiliates can be sold to an out-of-state bank or holding company to the same extent it could have been when assistance was given. This provision applies only when the FDIC provides financial assistance after the date of enactment of the Emergency Acquisition Amendments of 1987. Such acquisitions would require the consent of the FDIC.

### State Bank Supervisor Approval

#### SECTION 13(f)(3)(E) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment provides that the FDIC may not authorize a merger or acquisition of a failing bank or its holding company without the concurrence of the State bank supervisor of the State in which the bank in danger of closing is chartered.

### Other Requirements Not Affected

#### SECTION 13(f)(3)(F) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment provides that where otherwise lawfully required, an emergency acquisition under this paragraph is subject to the same approval process by the primary Federal or State supervisor of each party to such acquisition as would be required if the acquisition were not an acquisition under this paragraph.

### Acquisitions Not Subject to Certain Other Laws

#### SECTION 13(f)(4)(A) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment confirms that a multiple savings and loan holding company can acquire an FDIC-insured Federal savings bank across State lines.

### Subsequent Nonemergency Acquisitions Subject to State Law

#### SECTION 13(f)(4)(D) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment provides that an out-of-state holding company that acquires a bank or holding company under section 13(f) may, two years after the acquisition or any earlier time that may be allowed by State law for out-of-state holding companies that have acquired in-State banks, acquire additional banks and establish branches in the State to the same extent that a holding company located in each of those States may expand.

### Certain State Interstate Banking Laws Inapplicable

#### SECTION 13(f)(4)(E) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment provides that an out-of-state bank or holding company that acquires and retains control, directly or indirectly, of a bank under this subsection shall not be required under State law, as a result of such acquisition, to divest any other bank or be prevented from acquiring any other bank in a different State. This paragraph does not prevent requiring divestiture to comply with competitive, antitrust, and similar standards imposed under Federal law.

This provision, which was not contained in the 1982 law, is in response to State law developments after passage of Garn-St Germain, and is necessary to enable a number of banks to make acquisitions under Garn-St Germain. The regional interstate banking laws of several States require that all of a bank holding company's subsidiary banks be located within a defined region. Accordingly, an out-of-state holding company prevented from further expansion within the region which has acquired a bank in such a State would be required to divest that bank if it made an acquisition under Garn-St Germain outside the region. This provision would preempt such State laws only with respect to interstate acquisitions under section 13(f).

### Reciprocal Bank Pacts and Minority Bank Ownership Taken Into Account in Bidding Priorities

#### SECTION 13(f)(6) (B) AND (C) OF THE FEDERAL DEPOSIT INSURANCE ACT

Under current law, there are certain priorities to be considered before assisting an interstate merger. Among these were geographic and structural considerations. In general, those priorities were as follows:

institutions of the same type within the same State;

institutions of the same type in different States;

institutions of different types in the same State; and

institutions of different types in different States.

Also, in considering offers from different States the FDIC was to give a priority to offers from adjoining States.

The Senate amendment modifies this by providing that in considering the various specified priorities, the order of geographic priorities is changed to prefer institutions from States with laws that specifically authorize interstate acquisitions (or, in the absence of such laws, institutions in contiguous States) over institutions from other States. Also, the Senate Amendment provides that, in the case of minority-controlled banks, the FDIC must seek an offer from another minority-controlled bank before applying the geographic priorities.

### No Assistance Authorized for Nonbank Subsidiaries of Holding Companies

#### SECTION 13(f)(9) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment confirms that FDIC assistance in a transaction authorized under section 13(f) shall not be provided to any subsidiary of a holding company which is not an insured bank. This amendment is not, however, intended to prevent an intermediate holding company from being a conduit for FDIC assistance ultimately intended for an insured bank.

### Bank in Danger of Closing and When Banks Are Affiliated for Purposes of Holding Company Acquisitions Defined

#### SECTION 13(f)(8)(D) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment defines when a bank is "in danger of closing" and defines when banks are affiliated for purposes of holding company acquisitions.

### Reports Required

#### SECTION 13(f)(10)

The Senate amendment requires that the FDIC's annual report to the congressional banking committees include a report on transactions that have taken place under section 13(f) during the prior year.

### Waiver of Notice and Hearing Requirements—Amendments to the Bank Holding Company Act

The Senate amendment authorizes the Federal Reserve Board to waive the requirements of notice to the appropriate chartering authority and opportunity for hearing ordinarily applicable to the acquisition by a bank holding company of a bank under section 3 of the Bank Holding Company Act for any acquisition authorized under the emergency provisions of section 13(f) of the Federal Deposit Insurance Act. This would enable the Federal Reserve to waive the notice and hearing requirements of the Bank Holding Company Act in the event an out-of-state bank holding company has acquired not only the failing bank but also the parent holding company and its other subsidiary banks. In addition the Federal Reserve is authorized to shorten the post-approval waiting period required under section 11 of the Bank Holding Company Act for an acquisition pursuant to section 13(f) and to waive that period entirely to permit immediate acquisition of any or all of the banks to be acquired where the Federal Reserve, with the concurrence of the Attorney General, finds that immediate action is necessary to prevent the probable failure of any of the banks acquired under section 13(f).

Finally, section 502 permits the Federal Reserve Board to waive the provisions of section 4(c)(8) of the Bank Holding Company Act that require notice and opportunity for hearing prior to the acquisition by a bank holding company of a nonbanking company where the proposed acquisition is in connection with an application by a bank hold company to acquire a bank in danger of closing.

The House bill contains no similar provision: The House recedes to the Senate with an amendment which the Senate accepts.

The House amendment insures review of assisted mergers, acquisitions, or consolidations for consistency with the antitrust laws. The provision limits the authority of the Federal Reserve Board to preclude the filing of an action under the antitrust laws.

The FDIC is required to immediately notify the Federal Reserve Board when the FDIC considers assisting a specific transaction in order to prevent the failure of a bank or a bank holding company. Upon receiving such notice, the Federal Reserve Board shall immediately notify the Attorney General and provide to the Attorney General and provide to the Attorney General the information available to the Board and the FDIC which bears upon the antitrust implications of the tranaction. Within five days the Attorney General must provide the Federal Reserve Board with preliminary findings.

The Federal Reserve Board may reduce the post-approval waiting period from 30 days to 5 days. Since antitrust actions can only be filed during the post-approval waiting period, the Conferees believe that less than 5 days would be insufficient time for interested parties to review the transaction and to file actions. The Conferees recognize that extraordinary circumstances may warrant the immediate consummation of the transaction. Therefore, the House amendments permits the Federal Reserve Board to reduce the post-approval waiting period to less than five days but only if the Attorney General concurs in that action.

The House amendment strikes prudent balances between antitrust considerations and the need to facilitate a rapid transaction. By withholding his concurrence, the Attorney General can preserve the opportunity for interested parties to file an action under the antitrust laws. If in the opinion of the Attorney General no substantial antitrust considerations are raised by the transaction, it can be consummated immediately.

### SECTION 503—BRIDGE BANKS

### SECTION 11(I) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment creates a new vehicle, called a "bridge bank", for dealing with bank failures. This vehicle enables the FDIC to bridge the gap between the failed bank and a satisfactory purchase-and-assumption or other transaction that cannot be accomplished at the time of failure.

A bridge bank is a new national bank established by the FDIC to take over the assets and liabilities of a failed bank and to carry on its business for a limited time. The FDIC may establish a bridge bank only if it finds that:

(1) the net cost of reorganizing and operating a bridge bank will not exceed the cost of liquidating the failed bank, including paying its insured accounts;

(2) the continued operation of the failed bank is essential to provide adequate banking services in its community; or

(3) the continued operation of the failed bank is in the best interest of the depositors of the closed bank and the public.

Although bridge banks have all the power of other national banks, they do not always have capital. Accordingly, they are excepted from various statutory limits based on bank capital, and instead the Comptroller of the Currency is empowered to set appropriate limits.

The FDIC must dispose of the stock of a bridge bank within two years. The FDIC may, after consulting with the Comptroller of the Currency, extend that deadline for up to one year.

The FDIC may assist the sale or merger of a bridge bank in the same way as any other bank. In addition, the FDIC is specifically authorized to provide assistance to a bridge bank or to any company that will acquire control of a bridge bank.

When a bridge bank has taken over a bank that was eligible for an interstate acquisition pursuant to section 13(f) of the Federal Deposit Insurance Act, the bridge bank remains eligible for an interstate acquisition under the provisions of section 13(f).

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 504—CONVERSIONS TO FSLIC INSURANCE BY FDIC-INSURED SAVINGS BANKS

### SECTION 403(e) OF THE NATIONAL HOUSING ACT

The Senate amendment provides that when an FDIC-insured bank converts into an institution that is eligible for FSLIC insurance and applies to the FSLIC for such insurance, the bank's FDIC insurance terminates automatically when the FSLIC insurance begins. The Senate amendment clarifies that FDIC has no authority to review and prohibit such conversions. Under the amendment, however, the FSLIC must notify the FDIC when a bank files an application of that kind, must consult with the FDIC about the application, and must notify the FDIC of the result.

Again, the FHLBB or the FSLIC must notify the FDIC when it receives any applications of that kind, must consult with the FDIC about those applications, and must notify the FDIC of the result.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 505—FEDERAL DEPOSITORY INSTITUTIONS REGULATORY

*Agencies Not Subject to Apportionment of Funds Provisions*

The Senate amendment exempts the FDIC, FHLBB and FSLIC, Comptroller of the Currency, and NCUA from the apportionment requirements of the Anti-Deficiency Act.

The House bill contains no similar provision. The House recedes to the Senate with an amendment contained in section 506 and which the Senate accepts.

### SECTION 506—FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCIES NOT SUBJECT TO SEQUESTRATION

The agencies mentioned above are exempted from the sequestration requirements of the Balanced Budget and Emergency Deficit Control Act of 1985.

### SECTION 507—LIQUIDATION PROCEEDINGS

### SECTION 11(J) OF THE FEDERAL DEPOSIT INSURANCE ACT

The Senate amendment requires the FDIC, in its actions in supervising or as receiver of closed banks, to consider possible adverse effects upon the local communities as well as to issue guidelines minimizing such effects upon individual borrowers. Examples of the kinds of actions that could ameliorate adverse community effects include accelerated processing of transactions involving family living or business financing.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 508—CAPITAL POOLS

Acknowledging that the FDIC's authority to aid failing banks allow it to consider both community stability and protecting the insurance fund; it is the sense of the Congress that selling assets only to maximize return or to minimize losses is not in the public interest. In view of the difficulty experienced by communities in raising capital for failing local banks and the authority of the States to establish capital pools to supplement FDIC funds for open bank assistance, the Congress encourages the FDIC to work with States having such capital pools and to use its authority to negotiate the sale of loans to area banks to prevent further asset devaluation.

The House bill contains no similar provision. The House recedes to the Senate.

### SECTION 509—EXTENSION OF GARN-ST GERMAIN ACT

The Senate amendment reinstates the provision of the Garn-St Germain Depository Institutions Act of 1982 that expired in 1986, including the extraordinary acquisition authority of that Act, and extends them until March 1990. The House bill extends Titles I and II of the Garn-St Germain Act permanently. The Senate recedes to the House with an amendment, which the House accepts limiting the extension of Title II to no more than five years.

## TITLE VI—EXPEDITED FUNDS

The Conferees agreed to an expedited funds availability title which represents a compromise between the Senate title on deposit availability and H.R. 28, the House passed bill on expedited funds availability. This title reflects a consensus between the Senate and the House that the check processing system be improved, at a minimum, to meet the goals and the funds availability schedules in this title.

### SECTION 601—SHORT TITLE

The short title of this title is the "Expedited Funds Availability Act."

### SECTION 602—DEFINITIONS

Section 602 sets forth definitions relevant to this title. Of particular importance are the definitions of "local originating depository institution" and "check processing region," which, combined, establish the basis for the distinction in the schedules contained in the bill for local and nonlocal checks.

*Local Originating Depository Institution*

A "local originating depository institution" is defined as "any originating depository institution which is located in the same check processing region as the receiving depository institution."

*Check Processing Region*

A "check processing region" is defined as "the geographical area served by a Federal Reserve bank processing center or such larger areas as the Board may prescribe by regulations." Of course, a "nonlocal originating depository institution" is defined as any originating depository institution which is not a local depository institution. Thus the definitions that create the distinctions between local and nonlocal checks are based on the existing check processing system.

Furthermore, with regard to the definition of "check processing region," it is the intent of the conferees that this area be no smaller than the existing geographical areas currently being served by a Federal Reserve bank check processing center.

*Check*

The term "check" is defined as "any negotiable demand draft drawn on or payable through an office of a depository institution located in the United States." Thus the provisions of the bill apply to all depository institutions located in the United States, regardless of ownership.

*Noncash Items*

The definitions of "check" above excludes "noncash items." An example of a noncash item would be a photocopy of a check with an indemnity agreement. If checks are lost, photocopies may be presented in lieu of the originals. An indemnity agreement may be attached to the photocopy, specifying that the original is lost, that the photocopy should be accepted in lieu of the original, and that all endorsements are guaranteed. The photocopy plus indemnity agreement serves as the replacement for the original check.

Another example would be a document attached to an item, such as sight draft. A sight draft may be used to close an account at one institution and transfer the funds to another institution. A passbook, CD, or other identification of the account may be attached to the sight draft.

### SECTION 603—EXPEDITED FUNDS AVAILABILITY SCHEDULES

Section 603 sets forth the expedited funds availability schedules. Subsection (a), which takes effect on September 1, 1988, requires depository institutions to provide next business day availability for cash deposits and wire transfers; for government checks; for the first $100 of a day's check deposits; for checks deposited in one branch of a depository institution and drawn on the same or another branch of the same institution; and for cashiers' checks, certified checks, tellers' checks and depository checks.

A temporary schedule takes effect September 1, 1988, and remains in effect until the permanent schedule is implemented which is on September 1, 1990. The Federal Reserve may, by regulation, make the permanent schedule or any part of it applicable earlier than September 1, 1990. The temporary schedule requires that there be not more than 2 intervening business days between the day a local check is deposited and the day that such finds are available for withdrawal, and not more than 6 intervening business days for nonlocal checks.

The permanent schedule, which takes effect on or before September 1, 1990, requires that there be not more than 1 intervening business day between the day a local check is deposited and the day such funds are available for withdrawal and not more than 4 intervening business days for nonlocal checks.

Sections 603(b) and 603(c) provide a modification in the schedule for cash withdrawals. The first $100 of any deposit would be available for cash withdrawal on the opening of the next business day after the deposit is made. The next $400 of any deposit would be available for cash withdrawal by no later than 5:00 p.m. on the same business day as other funds are made available—funds made available to pay checks written to third parties. The remainder of any deposit would be available for cash withdrawal no later than the opening of the business day after other funds are made available—again, funds made available to pay checks written to third parties.

For example, in the context of $900 worth of local checks deposited on a Monday under the permanent schedule, $100 in cash of the aggregate amount of such checks would be available at the opening of business on Tuesday, the next business day pursuant to section 603(a). By no later than 5:00 p.m. on Wednesday, an additional $400 of cash would be available. The remaining balance of funds for purposes of cash withdrawal represented by those local checks—$400—would then be available at the opening of business on Thursday.

In addition, a similar modification applies in the schedule for cash availability to the temporary schedule, in the case of check deposits drawn on a local originating depository institution which, although in the same check processing region, is outside of the same check clearinghouse association as the receiving depository institution.

Under both sections 603 (b) and (c), the maximum amount of cash available for withdrawal at 5:00 p.m. on any one business day under the special provisions would be $400.

This title also provides that the Federal Reserve shall shorten any of the time periods in the Act's schedules in Section 603(d)(1). The conferees agreed to a melding of the provisions of the House and Senate versions to require that the Federal Reserve make such reductions to as short a time period as possible and equal to the period of time achievable under the improved check clearing system for a receiving depository institution to reasonably expect to learn of the nonpayment of most items for each category of check. The title adopts a test tied to depository institutions' ability to reasonably expect to learn of the nonpayment of a significant number of checks under the improved check clearing system. For example, if the new system makes it possible for two-thirds of the items of a category of checks to meet this test in a shorter period of time, then the Federal Reserve must shorten the schedules accordingly.

There are situations where transportation networks or geographic proximity will permit the Federal Reserve to provide shorter times than the schedules for nonlocal checks would require. For example, shorter times would be possible for checks transported between such nearby territories as New York City and Jericho, Long Island, and for checks transported between banks in cities with Federal Reserve check processing offices, such as banks in Boston and San Francisco. It is expected that the Federal Reserve will use this authority on a continuing basis to reduce hold periods to the shortest times possible given evolving technology and improved processing methods.

The schedules relating to availability of cash withdrawals, at a minimum, must be shortened when there is a reduction in time periods in the other schedules. It is the intent of the conferees that the differential between the availability of cash and other funds be reduced or eliminated as improvements are made in, the check clearing system.

Section 603(d)(2) specifically provides for a one day extension of the schedules for any deposit in an account at a depository institution in Alaska, Hawaii, Puerto Rico, or the Virgin Islands for checks drawn on institutions located outside of those states, commonwealths or territories.

Section 603(e) provides for a different time schedule for deposits at nonproprietary automated teller machines (ATM's), by allowing up to 6 intervening business days for all deposits, including cash deposits, at such ATM's from September 1, 1988 until August 31, 1990. This different schedule reflects the fact that nonproprietary ATM's today do not distinguish among check deposits or between check and cash deposits.

At the same time, the conferees believe it is reasonable to expect the owners and operators of such ATMs to develop the necessary technology to make such differentiations within a reasonably short time. Therefore, the bill would require the availability for such deposits to conform with the aforementioned permanent funds availability schedule, namely one day for local checks and four days for nonlocal checks. However, the deposits outlined in section 603(a), such as cash and government checks, are to be treated as local checks under the permanent funds availability schedule and be accorded availability after one intervening business day, rather than next day availability when deposited at nonproprietary ATMs.

These special provisions apply only to nonproprietary ATMs which are defined as all ATMs that are not proprietary ATMs. Proprietary ATMs include those owned or operated by, or operated exclusively for a receiving depository institution, as well as any ATM within, attached to, located at or adjacent to a depository institution.

The conferees intend that ATM's located at or adjacent to a depository institution be treated the same as a manned teller station for the purposes of the availability schedule. The conferees recognize that in some areas, such as shopping centers, there may be a number of ATM's located nearby a depository institution, but not actually "Located at or adjacent to" the depository institution so as to be properly defined as a proprietary ATM. In these situations, the Federal Reserve is given the authority to promulgate regulations to recognize this distinction.

Because nonproprietary ATMs may be located in different states throughout the country, the bill defines local and nonlocal check deposits at such ATMs based upon the location of the ATM, rather than the branch of the depository institution with which the depositor has an account.

This section also requires the Federal Reserve to establish and maintain a dialogue with depository institutions and their suppliers on computer software and hardware available for ATM's. The Federal Reserve must report to the Congress regarding this software and hardware and on the potential for improving the processing of ATM deposits by September 1 of each year in the first three years after enactment.

### SECTION 604—SAFEGUARD EXCEPTIONS

Section 604 establishes certain safeguard exceptions from the funds availability schedules. These include an exception for new account holders; for the excess of amounts represented by deposits by check or checks in any one day aggregating over $5,000 and a "reasonable cause" exception if the receiving depository institution has reasonable cause to believe a check is uncollectible.

For new accounts, the general rule is that the schedules do not apply during the first 30 days after an account is opened. However, the title contains several exceptions that provide for speedy availability. Thus, it requires next day availability for cash and funds represented by wire transfers, for cashier's checks, certified checks, teller's checks, depository checks, traveler's checks, and for government checks. Except for cash and wire transfers, there would be a limit of $5,000 for next day availability of the funds represented by the above-mentioned checks, with the proviso that not more than 8 business days intervene before the excess amount over $5,000 shall be available for withdrawal.

Also, in addition to the exceptions discussed above, the title allows the Federal Reserve by regulation to establish reasonable exceptions for checks that have been returned unpaid and redeposited and for repeatedly overdrawn accounts. While the title does not define accounts that have been overdrawn repeatedly, the conferees believe that a reasonable definition would be one that specifies that an account (or a successor account) be overdrawn at least on 3 separate and distinct occasions within any 6 month period. The funds availability schedule would not apply to any such account for a period of six months following the last occasion involved.

Finally, the title also provides exceptions for emergency conditions and to prevent fraud losses.

Section 604(f) establishes procedures for notice to the depositor whenever an exception is invoked, for the contents of such a notice, and where exceptions are invoked for reasonable cause a requirement that depository institutions keep a record of each notice (Section 604(c)(4)). Furthermore, when an exception is invoked, the availability of the funds shall be governed by the policy of the depository institution, but shall not exceed a reasonable time period, as determined by the Board.

### SECTION 605—DISCLOSURE OF FUNDS AVAILABILITY POLICIES

Section 605 governs when depository institutions have to disclose their funds availability policies. The title requires disclosure to new account holders, on all preprinted deposit slips, at manned teller stations and at automated teller machines either by posting or by providing a general notice on depository envelopes that funds may not be immediately available for withdrawal. In addition, depository institutions must have their policies available in written form at the depository institutions and, upon request, must send the information to any person who requests it. Existing customers must receive a notice of the institution's specific funds availability policy within 60 days after the temporary schedule goes into effect, on September 1, 1988. Depository institutions using model disclosure forms published by the Federal Reserve shall be deemed in compliance with the disclosure provisions.

For subsequent changes to these policies, depository institutions must send written notice to customers 30 days before implementation, except that changes that expedite funds availability may be disclosed 30 days after implementation.

### SECTION 606—PAYMENT OF INTEREST

Section 606 of the title provides that interest shall accrue on interest-bearing accounts not later than the day on which a depository institution receives provisional credit for a deposit, with the following special rule for credit unions.

If a credit union begins computation of interest or of dividends at a later date than the time when it receives provisional credit with respect to all funds, including cash, into an account, and provided that adequate notice of this interest payment policy is provided under the disclosure provisions, then it would be exempted from the requirements of interest accruing from the day of provisional credit. It is also intended that meaningful disclosure to depositors of such a "payment of interest procedure" occur, by requiring a written description of the time at which such a credit union starts to compute interest or dividends on deposits to such accounts to new customers, and to existing customers in the first mailing after enactment.

The conferees wish to stress that the exemption for computing interest from the day of provisional credit on check deposits is intended only to accommodate the unique operating procedures of credit unions whose traditional accounting practices have often included partial dividends on funds not on deposit for an entire dividend period. Any such practices regarding check deposits may be continued by credit unions under this title provided that cash deposits continue to receive identical treatment. However, it is not intended that individual credit unions change existing practices in order to avoid compliance.

This special rule applies only to credit unions, and is not to be used to otherwise evade compliance with the requirement of interest accruing when a depository institution receives provisional credit.

### SECTION 607—MISCELLANEOUS PROVISIONS

Section 607 specifies that deposits made after hours shall be deemed to have been made on the next business day, and that, generally, funds shall be available on the start of any specified business day, except as outlined under Section 603(b) (the permanent schedule) or under Section 603(c) (the temporary schedule).

### SECTION 608—EFFECT ON STATE LAW

Section 608 addresses the relationship between the provisions of the title and state laws. It provides that those states with shorter funds availability statutes or regulations in effect before September 1, 1989, shall supercede the provisions of this title and any regulations of the Federal Reserve to the extent such provisions relate to the time by which deposits shall be available for withdrawal. The purpose of this section is to assure that the shortest time schedule in effect—be it as a result of the Federal legislation or the State law—apply, so long as the State law is enacted by September 1, 1989 and remains in effect thereafter.

Except as provided above, the provisions of this title and the Federal Reserve's regulations supercede any provisions of state laws which are inconsistent with this title or such regulations.

### SECTION 609—REGULATIONS AND REPORTS BY FEDERAL RESERVE

Section 609 requires the Federal Reserve to prescribe regulations to carry out the provisions of this title. Such authority begins upon the date of enactment and continues even beyond the time of implementation of the final schedules if the Federal Reserve chooses to make further improvements in the check collection system.

The section also contains a noninclusive list of options for the Federal Reserve to use to improve the check processing system. The list consists of options presented during the House and Senate Committee hearings.

In addition, the section requires the Federal Reserve to report to the Congress on the implementation of the funds availability schedules not more than 18 months after enactment. Such reports are also due 2½ years after enactment, and then again 4 years after enactment to monitor both progress in implementation and the impact of the legislation. Further the title requires the GAO to evaluate the Federal Reserve's effort to implement this title in a report due 6 months after the implementation of the final schedule. A Federal Reserve study of the electronic clearing house process is also required.

### SECTION 610—ADMINISTRATIVE ENFORCEMENT

This section requires the Federal banking regulators to use existing administrative enforcement mechanisms to enforce compliance with this title. It also authorizes the Federal Reserve to prevent Federally insured institutions from doing business with payment system participants not in compliance with the title or its implementing regulations and not regulated by one of the Federal banking agencies.

### SECTION 611—CIVIL LIABILITY

The title includes civil liability provisions in section 611 with statutory damages in individual actions limited to additional amounts as the court may allow but not less than $100 nor more than $1,000. In a class action there shall be no minimum recovery for individuals but total recovery shall not be more than the lesser of $500,000 or 1 percent of the net worth of the depository institution involved.

Subsection (f) of section 611 authorizes the Federal Reserve to establish liability among depository institutions for violation of the regulations or failure to meet the standards imposed by the regulations promulgated under section 609. It permits the Federal Reserve to allocate the risks of loss and liability in connection with any aspect of the payment system, including the receipt, payment, collection, or clearing of checks, and any related function of the payment system with respect to checks.

For example, under this subsection, the Federal Reserve may allocate or impose liability on depository institutions for risks of losses incurred by other depository institutions, their accountholders, or other owners or holders of a check due to a depository institution's failure to handle the check in accordance with regulations imposed under section 609.

This subsection does not limit causes of action brought by accountholders or the amount of damages recoverable by accountholders under any other action.

### SECTION 612—PARITY IN CLEARING

Section 612 of the title would add new subsection (e) to 11A of the Federal Reserve Act, 12 U.S.C. 248a, providing that all depository institutions may receive for deposit and as deposits any evidences of transaction accounts (e.g., checks, NOW drafts, share drafts, and similar instruments) from other depository institutions or from any office of any Federal Reserve Bank without regard to federal or state branching restrictions.

Federal and state branching restrictions can impede private sector correspondent banks from competing with the Federal Reserve for check clearing business, because such restrictions limit the number of locations from which a correspondent can receive from its customers checks and other cash items that the customers want collected. For example, a relay point where a courier accepts checks from customers for forwarding to the correspondent for processing would, under some interpretations, be viewed as a branch of the correspondent. The Federal Reserve System, on the other hand, has a nationwide presence and is not subject to such restrictions.

The parity in clearing provision which was part of the Senate Bill would clarify the law by stating that federal and state branching restrictions do not apply to depository institutions that are collecting checks and similar instruments for depository institutions. Thus, correspondents could operate relay points nationwide without fear of violating federal or state branching restrictions. This proposal would remove this perceived competitive advantage of the Federal Reserve.

This section, however, is not intended to be used to circumvent or evade federal and state branching restrictions, and is only meant to accomplish the purposes outlined above.

### SECTION 613—EFFECTIVE DATES

This section specifies that sections 603 (the expedited funds availability schedules), 604 (safeguard exceptions), 605 (disclosure), 606 (payment of interest), 610 (administrative enforcement), and 611 (civil liability) of this title shall take effect on September 1, 1988. Except as provided above, this title is effective upon date of enactment.

## TITLE VII—CREDIT UNION AMENDMENTS

The Senate amendment contains a variety of provisions to streamline and assist in the operations and regulation of credit unions.

The House recedes to the Senate with an amendment which the Senate accepts. The House amendment contains the Senate provision in section 701-715 and an amendment contained in 716. The provisions are as follows:

### SECTION 701—SHORT TITLE

The Senate amendment sets forth the short title of this title as the "Credit Union Amendments of 1987."

### SECTION 702—SECOND MORTGAGE AND HOME IMPROVEMENT LOANS

The Senate amendment is intended to help consumer/members with a dilemma sometimes occurring at the term completion of an adjustable-rate second mortgage or home improvement loan. Because of market interest rate fluctuations near the end of the loan, members are currently confronted with either a balloon payment or higher monthly payments in order to pay off the loan by the end of the current 15-year term. This section authorizes the NCUA to extend the term of such loans to permit more level loan payouts.

### SECTION 703—OWNERSHIP INTEREST

The Senate amendment clarifies that funds in shares, share certificates, and share draft accounts constitute a member's ownership interest in the credit union.

### SECTION 704—FAITHFUL PERFORMANCE

The Senate amendment eliminates the existing requirement that Federal credit unions obtain "faithful performance" coverage for financial officers. Basic fidelity coverages (e.g., fraud, dishonesty, embezzlement) continues to be required for all officials and employees.

### SECTION 705—MEMBERSHIP OFFICERS

The Senate amendment provides that membership officers may be selected from the credit union's membership, rather than having only members of the board of directors eligible to be membership officers.

### SECTION 706—NONPARTICIPATION

The Senate amendment contains a technical amendment to clarify that paragraphs (a) and (b) of Section 118 of the Federal Credit Union Act are alternative methods of expelling a member of a credit union. There has been confusion as to whether (a) and (b) were alternatives or linked. A credit union may either adopt its own policy for expulsion, as set forth in paragraph (b), or it may simply expel a member under paragraph (a).

### SECTION 707—PROPERTY ACQUISITION FLEXIBILITY

The Senate amendment provides the NCUA Board with needed flexibility to obtain office space and equipment so as to respond more precisely to the nature and location of the agency's needs at substantial cost savings.

### SECTION 706—TREATMENT OF NCUAB FUNDS

The Senate amendment clarifies the status of the NCUA's funds, thus negating the transfer of any such funds to OMB. This section would be effective for fiscal year 1986 and each fiscal year thereafter.

### SECTION 709—TECHNICAL AND CLARIFYING AMENDMENTS; REMOVAL AND PROHIBITION AUTHORITY

The Senate amendment clarifies that the NCUA's prohibition authority extends to both employees and agents of federally insured credit unions, and conforms the NCUA's jurisdiction in prohibition actions to its jurisdiction in cease-and-desist actions.

### SECTION 710—EFFECT OF REMOVAL OR SUSPENSION

The Senate amendment provides that if a person is removed, suspended or prohibited from participating in the conduct of the affairs of an insured credit union, he is also removed, suspended, or prohibited from all federally insured depository institutions, all bank holding companies, and all institutions chartered by the Farm Credit Administration. This would eliminate the need for the Federal Reserve Board, OCC, FDIC, or FSLIC to take separate enforcement actions against a person removed from a federally insured credit union.

### SECTION 711—IMPOSITION OF CONSERVATORSHIP

The Senate amendment allows the NCUA to impose conservatorship: when there is a willful violation of a cease-and-desist order which has become final; and, when there is a concealment of or refusal to submit documents or other records of a credit union to an NCUA examiner or other lawful agent of the NCUA Board.

### SECTION 712—REDUCTION IN STATE COMMENT WAITING PERIOD

The Senate amendment reduces from 90 days to 30 days the period the NCUA must allow State regulators to respond to the NCUA's proposed imposition of conservatorship in the case of a State-chartered, NCUA-insured credit union. Events today often compel quicker and more decisive action by regulators such as the NCUA than the 90-day consultation period allows.

### SECTION 713—AUTHORITY AS CONSERVATOR

The Senate amendment declares that the NCUA, in exercising its conservatorship authority, has all the power of the credit union members, directors, officers, and committees.

### SECTION 714—LIQUIDATION PROCEEDINGS

The Senate amendment clarifies the Board's authority to act ex parte without notice when a credit union is determined to be insolvent or bankrupt. As in Section 206 of the Federal Credit Union Act, the credit union can challenge the action within 10 days at a show-cause hearing in district court. At such a hearing the Board would be required to establish that the statutory grounds for liquidation (e.g., bankruptcy or insolvency) were present when it acted.

### SECTION 715—TRANSFER OF FTC JURISDICTION TO NCUA

The Senate amendment permits Federal credit unions the same exemptions from the Federal Trade Commission's enforcement and investigative authority as is currently allowed banks and savings and loan associations. Thus, the FTC is no longer able, under the Federal Trade Commission Act, to declare practices of Federal credit unions unfair trade practices, or to investigate such practices of Federal credit unions. Such authority is transferred to the NCUA.

### SECTION 716—ASSETS WHICH MAY BE PLEDGED

The House recedes to the Senate with an amendment to this section which the Senate accepts. The House amendment permits credit unions to pledge any of their assets to secure the deposits specified in section 207(c) of Federal Credit Union Act, including federal, state, and local government entities, Indian tribes, and political subdivisions.

## TITLE VIII—LOAN LOSS AMORTIZATION FOR AGRICULTURAL BANKS

### SECTION 601—LOAN LOSS AMORTIZATION FOR AGRICULTURAL BANKS

The Senate amendment permits agricultural banks to write down their loan losses over ten years rather than to deduct the amount of loss from capital as soon as the loss is recognized. Appropriate Federal bank regulating agencies may permit any agricultural banks that they supervise to amortize any loss on any qualified agricultural loan for any year between December 31, 1983, and January 1, 1992, over as much as a ten-year period, provided the agency finds no evidence of fraud or criminal abuse on the part of the bank leading to the loss. Under the same condition, the bank supervisory agencies may permit any agricultural bank to reappraise the real estate or other property acquired coincident to the making of a qualified agricultural loan, that it owned on January 1, 1983, and any such additional property acquired before January 1, 1992. Any loss in connection therewith may be amortized over as much as a ten-year period.

#### *Agricultural Banks*

The Senate amendment defines "agricultural banks" as those whose deposits are insured by FDIC, that are located in an agricultural area, the economy of which is dependent upon agriculture, that have $100,000,000 or less in assets; and that have at least 25% of their total loans in qualified agricultural loans.

#### *Qualified Agricultural Loan*

"Qualified agricultural loan" is defined as a loan made to finance production of agricultural products or livestock in the United States, a loan secured by farmland or farm machinery, or any other category of loans as the appropriate Federal banking agency deems eligible.

In order to be eligible for the extended loan loss provision, a bank must maintain at least as great a percentage of agricultural loans in its portfolio as it had in its portfolio on January 1, 1986. The appropriate bank supervisory agency may waive the requirement that at least 25 percent of loans be agricultural loans. The appropriate bank supervisory agencies are to issue implementing regulations.

The House bill contains no similar provision. The House recedes to the Senate with an amendment which the Senate accepts.

The House amendment reduces the loan loss amortization period from 10 years to 7 years. In addition, the amendment to the Senate amendment requires that as a condition of eligibility of the extended loan loss amortization period, the institution have a plan approved by the appropriate Federal banking agency to restore the institution's capital within the seven-year amortization period. The appropriate federal banking agencies must publish, within 90 days of the date of enactment, regulations regarding the restoration of capital.

## TITLE IX—FULL FAITH AND CREDIT OF FEDERALLY INSURED FINANCIAL DEPOSITORY INSTITUTIONS

### SECTION 901—CONGRESSIONAL FINDINGS

This section declares that Congress finds that since the 1930's the American people have relied upon Federal deposit insurance to insure safety and security of their funds in federally insured depository institutions and the security of such funds is an essential element of the American financial system.

### SECTION 902—REAFFIRMATION OF FULL FAITH AND CREDIT BACKING OF FEDERALLY INSURED FUNDS

This section declares it the sense of Congress to reaffirm that deposits up to the statutorily prescribed amount, in federally insured depository institutions are backed by the full faith and credit of the United States.

The House bill and Senate amendment were virtually identical. The Senate recedes to the House.

## TITLE X—PAYMENT OF GOVERNMENT CHECKS

The Senate amendment requires any depository institution that cashes checks for customers to cash checks issued by the United States Government, any State, any unit of local government, or any agency thereof, provided the individual who issued the check is registered with the depository institution. The Senate amendment establishes enforcement authority in federal banking regulatory agencies and provides for civil liability for actual damages, punitive damages, and attorney's fees for failure to comply with requirements of this section.

The House bill contains no similar provision. The House recedes to the Senate with an amendment which the Senate accepts.

The House amendment requires the General Accounting Office to study and report back to the Banking Committees within six months on the extent to which individuals who receive Treasury checks have difficulty cashing such checks. It is anticipated that this study will assist the Committees in judging whether legislation may be needed to mandate that depository institutions and others cash government checks.

The House amendment also establishes a system to promote the orderly payment of Treasury checks by (1) placing a one-year limit on the negotiability of a Treasury check and (2) reducing from six years to one year the time the federal government has to recover from a depository institution the amount of a Treasury check paid over a forged endorsement.

Although a Treasury check will be canceled if not cashed within 12 months of issuance, the conferees stress that nothing in this title affects either the underlying obligation of the Government to make a payment to any person or the entitlement of any person to the issuance of a replacement check for a check that has been lost, stolen, or canceled.

## TITLE XI—PAYMENT OF INTEREST REQUIRED

The Conference reported bill requires the Federal Deposit Insurance Corporation to pay interest on the so-called "yellow certificates" issued by the former Golden Pacific National Bank of New York, New York before the bank was declared insolvent on June 21, 1985. Such certificates must have been determined to be deposits, as defined in the Federal Deposit Insurance Act, pursuant to any judicial action or agency proceeding.

The interest is to be paid at the statutory rate of interest in effect under the law of the State of New York. Currently, this rate of interest is 9 percent, pursuant to NY Civ. Prac. Law Section 5004 (McKinney Supp. 1987), which sets forth the statutory rate of interest to be paid on a cause of action from accrual until verdict.

## TITLE XII—HIGH YIELD BOND STUDY

### SECTION 1201—HIGH YIELD BOND STUDY

The Senate amendment requires the Comptroller General, by July 1, 1987, to make a comparative study between the issuance of and investment in high yield noninvestment grade bonds and other types of investments made by federally insured institutions during the 5-year period prior to this legislation. The Comptroller General is to coordinate and consult with the Securities Exchange Commission, the Federal Home Loan Bank Board, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Savings and Loan Insurance Corporation, the FDIC, the Secretary of the Treasury, and the Secretary of Labor.

The study is to include the identity and a nationally recognized bond rating house rating of the issuer, identity of major purchasers of the bonds, percentage of total amount of issued as a method of financing corporate takeovers, identity of purchasers investing in such bonds issued as a method of financing corporate takeovers, other purposes for which such bonds are issued, a summary and analysis of current laws regulating investment in such bonds, and a review of the impact of issuance of such bonds on corporate debt as it relates to federal monetary policy.

The House bill contains no similar provision. The House recedes to the Senate with an amendment which the Senate accepts.

The House amendment requires the Comptroller General to also examine all other types of direct investments made by federally-insured institutions and the effect these investments have had on the federal deposit insurance funds. In addition, the House amendment requires that the study be submitted to Congress within six months after date of enactment.

For purposes of the study, the phrase "other types of investments made by federally insured institutions" includes, but is not limited to, commercial and industrial loans; loans secured by real estate; credit card activities; investment grade debt securities; consumer loans; federal debt securities; mortgage-backed securities; direct investments; and single family home mortgages. In analyzing each type of investment, the Comptroller General should:

(1) Compare the various forms of risk, including default, interest rate, liquidity, and others, of each type of investment, both for S&Ls and other financial institutions;

(2) Determine and compare the profitability, both in terms of yield and return, of a typical portfolio of each type of investment;

(3) Determine the total dollar amount of each type of investment held by insured institutions and percentage of total assets each such category of investment represents;

(4) Determine and rank by type the investments that have resulted in or pose the greatest threat in the future for the most insolvencies leading to the closing of an insured institution or the placing of such an institution in receivership; and

(5) Include such other data as the committees of jurisdiction and the Comptroller General may require prior to the conclusion of the study.

### SECTION 1202—STUDY OF COMPETITIVE ISSUES IN THE PAYMENTS MECHANISM

The Senate amendment clarified that nothing in section 13 of the Federal Reserve Act should be interpreted to prohibit or exempt the Federal Reserve Board or any Federal Reserve bank from paying fees on a nondiscriminatory basis to privately operated payments providers.

The House bill contains no similar provision. The House recedes to the Senate with an amendment which the Senate accepts.

The House amendment directs the Comptroller General to conduct, in coordination and consultation with the Federal Reserve, a study of the Federal Reserve's exemption from the imposition of presentment fees, the impact of the imposition of such fes on the efficiency of the check collection system, whether the Federal Reserve requires check clearinghouses to provide services to Federal Reserve banks, and whether Federal Reserve banks should pay check clearing houses for such services. The Comptroller General must submit this report to Congress no later than six months after the date of enactment.

### SECTION 1203—STUDY AND REPORTS CONCERNING DIRECT INVESTMENTS

The House bill requires the Bank Board to conduct a study of the effect of direct investment activities on insured institutions and report, not later than 18 months after the date of enactment, to the House and Senate Banking Committees on the findings and conclusions with respect to the study. Also, the Bank Board shall submit to the House and Senate Banking Committees, not less than 90 days before final approval, a report describing any repeals or modifications of regulations pertaining to direct investment activities, including the effect of such proposed changes on the insurance fund.

The Senate amendment contains no similar provision. The Senate recedes to the House.

### SECTION 1204—ADJUSTABLE RATE MORTGAGE

The Senate amendment requires that adjustable rate mortgages include a limitation on the maximum rate of interest applicable to the loan. It applies only to loans secured by a lien on a one-to-four-family dwelling unit made by persons who regularly extend credit for personal, family, or household purposes. A family dwelling unit may be a condominium or cooperative housing unit or a mobile home.

*Definition—Adjustable Rate Mortgage*

"Adjustable rate mortgage" is defined as a loan pursuant to an agreement under which the creditor may periodically adjust the rate of interest.

Rulemaking authority is delegated to the Federal Reserve Board. Violations are to be enforced by the primary regulators of each type of financial institution and by the Federal Trade Commisison. Each of the agencies may use any of its administrative enforcement powers to enforce this legislation and may, under the authority of the Truth in Lending Act, adjust finance charges where erroneously disclosed. Creditors failing to comply with the provisions of this legislation may be held civilly liable to individuals for actual damages and, to classes, for up to $500,000, under the enforcement provisions of the Truth in Lending Act.

The House bill contains no similar provision. The House recedes to the Senate.

FERNAND J. ST GERMAIN,
FRANK ANNUNZIO,
CARROLL HUBBARD,
DOUG BARNARD, Jr.,
MARY ROSE OAKAR,
BRUCE F. VENTO,
CHARLES SCHUMER,
RICHARD H. LEHMAN,

BUDDY ROEMER,
MARCY KAPTUR,
BILL NELSON,
CHALMERS P. WYLIE,
JIM LEACH,
STAN PARRIS,
GEORGE C. WORTHY,
BILL MCCOLLUM,

As additional conferees only for consideration of title I of the House bill and title III of the Senate amendment:

STEVE NEAL,
STEVE BARTLETT,
*Managers on the Part of the House.*

BILL PROXMIRE,
ALAN CRANSTON,
DON RIEGLE,
PAUL SARBANES,
CHRISTOPHER J. DODD,
ALAN J. DIXON,
JAKE GARN,
JOHN HEINZ,
ALFONSE D'AMATO,
PHIL GRAMM,
*Managers on the Part of the Senate.*

# SENATE—*Thursday, July 30, 1987*

*(Legislative day of Tuesday, June 23, 1987)*

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

### PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Bless the Lord, O my soul: and all that is within me, bless His holy name.

Bless the Lord, O my soul, and forget not all His benefits:

Gracious God, our Father, it is interesting to contemplate the dilemma, the trauma, the helplessness of the Senators should their staffs suddenly disappear. How quickly we would be aware of the limitations of power. Not to think any less of the Senators who live under relentless pressure of schedules far too oppressive and demanding—but it is to realize how indispensable the men and women are who serve the Senators faithfully, so efficiently, so diligently. Thank You, Father, for all the beautiful people who spend their lives as servants to the Senators and the Senate. Help us never to ignore or minimize their incalculable service to the Nation and to the world. Bless them, bless their patient spouses and children, with the boundless gift of Your inexhaustible grace. In His name whose perfect love is unconditional, universal, eternal. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore. [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, July 30, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

JOHN C. STENNIS,
*President pro tempore.*

Mr. REID thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order the majority leader of the Senate is now recognized.

Mr. BYRD. Mr. President, I wish to at this point reserve my time until later.

The ACTING PRESIDENT pro tempore. That will be ordered.

## RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized.

Mr. DOLE. I make the same request.

The ACTING PRESIDENT pro tempore. That is the order without objection.

The Senator from Wisconsin is recognized.

## HOW TO USE NUCLEAR WEAPONS TO ACHIEVE SUPERPOWER PEACE

Mr. PROXMIRE. Mr. President, the American people and the Congress widely recognized the importance of deterrence in keeping the peace. Why? Why do we believe that the possession of thousands of nuclear weapons on both sides will keep the peace? Because nuclear deterrence is precisely what has given us the longest period of peace in Europe and between superpowers in the past 400 years. Deterrence has worked. It continues to work now. It has worked almost by itself alone with little help from arms control. There is every reason to believe that it will work for years to come in the future.

Is it enough? Is the possession of infinitely destructive nuclear weapons by both sides enough to guarantee peace? No, indeed.

First, in this tremendously complex nuclear world an accident could occur at any moment. Such an accident could trigger a super holocaust. Second, deterrence in practice is not stable. It is dynamic. Both the Soviet Union and the United States are hard at work to achieve nuclear superiority. Both spend billions every year to advance their nuclear technology. Weapons become more destructive, capable of delivery at speeds approaching the speed of light. As the nuclear weapons technology progresses these weapons become far more prone to accident. Third, if we rely exclusively on deterrence without arms control, "improved" nuclear weapons are likely to become smaller and cheaper as the technological nuclear arms race continues. More and more countries like Syria and Libya will be able as time passes to afford them, and to afford to build their own nuclear arsenal. Fourth, sometime, somewhere some "patriot" with love for his country and hate for the adversary in his heart will find a way to trigger this nuclear fire—waiting to explode, and we will kiss goodbye to civilization.

So, is deterrence enough? No. We need arms control. We need arms control to supplement deterrence. First, that arms control must bring both superpowers into agreement on an agenda to prevent a fatal accident. This requires limiting the numbers, the complexity and the control of nuclear weapons by mutual, verifiable agreement. Second, it means fulfilling the promise first made in 1963 by both the United States and the Soviet Union in solemnly ratified treaties to stop the technological nuclear arms race by ending the testing of nuclear weapons. Fourth, we need a constant communication between the heads of the two superpowers, so both will frankly understand any action that might be misinterpreted as so hostile and so threatening that it could justify a nuclear response.

Does all this mean that deterrence and arms control together are enough to give us the best shot at a peaceful world? No, indeed. What is the driving force that has so regularly pushed nations into the insanity of war? Is it technology? No. Is it the absence of treaties designed to limit and control military build-ups? No. So what is it? Joseph Nye, a professor of government at Harvard recently wrote in the Harvard International Review:

> It is not the weapons that are the greatest threat. It is the hostility in which they are embedded that poses the greatest danger. (Britain and France have nuclear weapons but we lose little sleep over them.)

Professor Nye is right. It is hate and fear stoked by the fury of superpatriotism that could drive these armed-to-the-teeth superpowers to the final war. We are seeing these qualities on display daily in the Iran-Contra hearings. We know they animate too many Americans. But on the Soviet side the threat is even greater. No one can deny that the Soviet Union suppresses any real fragment of freedom for its people. We know its brutal record of subjugation of the people who live in the countries of eastern Europe. We know at this very moment the Soviet Union is hip-deep in a cruel ravaging of Afghanistan. We know the Soviet's excessive buildup of tanks and planes, of submarines and mobile artillery—far beyond any conceivable need for the defense of the Soviet homeland. We know the "book" on the Soviet Union is clear and consistent. It will move promptly into any vacuum of power.

If the North Atlantic Treaty members should lose any of their will to defend their countries, if the leadership of the NATO alliance by the United States should weaken, if we should significantly reduce our deterrent, the Soviet Union might very well sweep to the channel in a very few days.

Is it true that the evidence of offensive intent in the simple and honest language of weapons—ready to roll—is all on the side of a Soviet offensive? Of course, it is. But does any of this mean that the Soviets do not understand that a superpower nuclear war would leave nothing but losers? Of course, not. There is an even more hopeful prospect. Professor Nye concludes his article on arms control and the risks of nuclear war with these words:

> Given the secret and autocratic nature of Soviet society, it is not easy to imagine a rapid transformation in our political relationship. But change does occur, albeit slowly. Gorbachev's Soviet Union is very different from Stalin's; a strategy of societal contact may speed the process. Contrary to popular conception, both sides have learned a good deal about jointly managing their nuclear relationship over the course of the past three decades. The increased transparency and communications stimulated by negotiated arms control is part of that learning process.

So there is hope thanks to deterrence and with a vigorous renewal of arms control. But that hope hinges on developing an understanding and a will to cooperate by both superpowers. Arms control will come with a new American administration. But the replacement of hate and fear by mutual respect will take far more time and effort than either government or the people of either nation have engendered to date.

THE ACTING PRESIDENT pro tempore. The majority leader is recognized.

## MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for morning business in which Senators may be permitted to speak therein. I ask that the period not extend beyond 10:30 a.m.

THE ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

Mr. HATCH addressed the Chair.

THE ACTING PRESIDENT pro tempore. The Senator from Utah.

## THE DANGERS OF POLITICIZING SUPREME COURT SELECTIONS: A RESPONSE TO SENATOR BIDEN

Mr. HATCH. Mr. President, last week, Senator JOSEPH BIDEN of Delaware, the chairman of the Judiciary Committee, delivered a thoughtful address on this floor concerning the constitutional duties of the Senate with respect to Supreme Court nominations. At that time, I expressed my desire to respond in detail to his interesting remarks. Unfortunately the Iran-Contra hearings have prevented me from taking the floor earlier, but at this time I would like review the constitutional history and Senate precedents discussed by Senator BIDEN.

I commend Senator BIDEN for turning to the Constitution in search of the Senate's function with regard to confirmation of Justices to the highest judicial body under our system of governance. In this year of the Constitution's bicentennial, we have looked back on history a great deal. This is appropriate. Although my conclusions may differ from Senator BIDEN's on some points, those looking back at us should at least judge that we have taken our counsel from the most important sources.

Before embarking on a reexamination of the language and history of our Nation's foundational document, I would like to underscore the importance of this historical exchange. Each Senator, pursuant to article VI of the Constitution, has taken an oath to uphold the Constitution. It is significant that a Senator's highest duty, and indeed the highest loyalty of every citizen in this Republic as well, is owed not to any person, political persuasion, or public position, but to a law. As Chief Justice John Marshall stated in the famous Marbury versus Madison case, we live under a "government of laws, not of men."

In that same case, Justice Marshall established that "It is emphatically the province and duty of the judicial department to say what the law is." The power to interpret the law is an awe-inspiring responsibility—a responsibility which must be entrusted only to those worthy of the task. For this reason, the duty of the President to nominate and the duty of the Senate to give its advice and consent to Supreme Court Justices are among the most important functions of our constitutional government. The framers of the Constitution did not leave us without some guideposts for the execution of these duties.

I will argue that the language and history of the Constitution as well as Senate precedent lead toward a far different conclusion than that reached by the Senator from Delaware. Moreover I will contend that politicizing the sensitive Supreme Court selection process carries the danger of permanently injuring the independence, integrity, and institutional individuality of the third branch.

### THE LANGUAGE AND HISTORY OF THE CONSTITUTION

Senator BIDEN argues that the "framers intended the Senate to take the broadest view of its constitutional responsibility." In support of that proposition, he quotes several of the framers' apprehensions about the powers of the executive branch.

Parenthetically, I would note that the framers rarely adopted or advocated the "broadest" extreme of any question. Indeed a careful reading of the 1787 debates reveals that Senator BIDEN relied primarily on only one side of the debate. Moreover, the side of the debate on which he primarily relies was the losing side. Senator BIDEN draws at length from the early attempts in the 1787 Convention to vest appointment power in the Senate. He apparently overlooks the views that unanimously prevailed and vested the appointment power in the President with the advice and consent of the Senate. The Convention vested the nomination power in the President, and the President only, by a unanimous vote. Senator BIDEN's address depreciates significantly the Convention's decision to reject any Senate role in the nomination of Justices.

Senator BIDEN is correct that Pennsylvania's James Wilson first questioned the clause of the Virginia plan which gave judicial appointments to the legislature. He asserted that "experience shewed the impropriety of such appointments by numerous bodies." (1 Farrand 119) Senator BIDEN is also correct that South Carolina's John Rutledge opposed giving the appointment power "to any single person," (1 Farrand 119) but the Senator's assertion that James Madison of Virginia agreed with Rutledge fails to tell the whole story. Indeed it is Madison who made the motion to strike "appointment by the legislature" from the Virginia plan which he drafted. Madison records his own response to Rutledge as follows:

> Mr. Madison disliked the election of the Judges by the Legislature or any numerous body. Besides the danger of intrigue and partiality, many of the members were not judges of the requisite qualifications. The legislative talents which were very different from those of a judge, commonly recommended men to the favor of legislative assemblies * * * On the other hand, he was not satisfied with referring the appointment to the Executive. He rather inclined to give

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

> it to the Senatorial branch * * * He hinted this only and moved that 'appointment by the Legislature' might be struck out. (1 Farrand 120)

This Madison speech deserves a brief digression. Senator BIDEN's comments give the misimpression that James Madison supports the Biden "broadest view" theory. Madison ought not to be co-opted in this fashion. Although the "Father of the Constitution" made no declaration directly relevant to the current Bork confirmation, including no endorsement of the Biden theory, his language brings to mind an issue crucial to the current confirmation. Madison pointedly notes the distinction between lawmaking and judging. In Madison's words, "legislative talents * * * [are] very different from those of a judge." Judge Bork has been assailed primarily because he, along with Madison, holds to that distinction. As we shall see, Madison struggled for some time to find the best insitutional means to select judges possessing legal, not lawmaking, qualifications.

At this point in the Convention, James Madison had simply not made up his mind about the best way to appoint judges with legal, as opposed to policymaking, skills, but he clearly did not agree with Rutledge. After all, he moved to delete the language defended by Rutledge. It is important, however, to emphasize the factors that concerned Madison about the appointment process. He was concerned about the "intrigue and partiality" of the political process. Furthermore, he was apprehensive that the legislature might lack the ability to weigh the "requisite qualification" for judgeship. Based on his address, Madison must be placed in the camp of those who fear political intrigue and partiality and who favor wise assessment of qualifications in connection with the judicial selection process. This is hardly a ringing endorsement for the Biden theory of "broadest" political intervention by the Senate.

More important than Madison's views, however, is the actual vote of the Convention. Madison's motion to strike the legislature from the appointment process carried by the overwhelming margin of 9 States to 2. (1 Farrand 120) Senator BIDEN called the final language of the Constitution on appointments an "11th hour compromise" and asserted confidently that "up until now (July 18 when he gave his remarks on the floor) no single vote at the Convention gave the Executive any role to play in this process." This might mislead those who do not know that on the 7th day of debate in 1787, June 5, the Convention had already decided conclusively that judges would not be selected by the legislature. The Convention would consider many other formulations before arriving in July at the formulation that would later prevail.

Incidentally, this debate produced one of the most humorous moments of the Convention. Commenting on the appointment process, Ben Franklin of Pennsylvania spoke favorably of the Scottish system, "in which the nomination proceeded from the lawyers, who always selected the ablest of the profession in order to get rid of him, and share his practice amongst themselves." I would like to note that Franklin's observation seems to hold true still today. The American Bar Association has declared Judge Robert Bork to be "exceptionally well qualified." Unlike Ben Franklin, I will not speculate on the motives of that austere body.

Franklin's anecdote is important for another reason. It highlights that all the delegates—both those favoring senatorial appointment and those favoring Presidential appointment—were actually seeking the system that would best supply qualified nominees. They were not interested in a system that screened nominees for adherence to a political orthodoxy. They were not interested in a system that screened nominees for ideological purity. They were looking for "the ablest of the profession."

In that regard, I think you will have to look long and hard to find anybody that would reach the ability and the ableness of Judge Robert Bork whether you agree with him or not.

The successful Madison motion left the appointment process unspecified. This opened the way for Delegates Pinckney and Sherman to move to restore the appointment-by-the-legislature clause. Madison objected. He reasserted his concerns that the legislature was an "incompetent judge[s] of the requisite qualifications * * * too much influenced by * * * partialities." (1 Farrand 232) As a preferable alternative, Madison suggested that the Senate be given the appointment power. This was accepted on June 13 without a recorded vote.

The issue was far from decided at that point. When it arose again on July 18, Massachusetts' Delegate Ghorum opined that the Senate was "too numerous, and too little personally responsible to ensure a good choice." (2 Farrand 41) He proposed instead appointment by the Executive with the advice and consent of the Senate as was specified in the Massachusetts' Constitution.

The debate at that juncture became very involved. James Wilson preferred that the Executive make appointments without Senate participation. Delegates Martin, Bedford, and Sherman preferred that the Senate make appointments without executive branch participation. Delegates Mason and Morris discussed the impropriety of judges presiding over the impeachment of the Executive who appointed them. James Madison, ever the conciliator, had still another suggestion: "Judges might be appointed by the Executive with the concurrence of one-third at least of the Senate." (2 Farrand 42) These views are all interesting, but none of them was eventually adopted.

Delegate Ghorum's views were destined, at length, to prevail, although they suffered a temporary setback on this particular day. Because his views eventually won, they deserve special attention. Delegate Ghorum responded by noting that "the Executive * * * will be careful to look through all the States for proper characters * * * Rhode Island is a full illustration of the insensibility to character produced by a participation of numbers, in dishonorable measures, and of the length to which a public body may carry wickedness and cabal." (2 Farrand 42) It almost sounds as if he had foreseen the recent Rehnquisition.

After a rather lengthy debate by 1787 Convention standards, two votes were taken. Wilson's motion to have the President alone make appointments failed 2-6. Ghorum's motion for Executive nomination with senatorial advice and consent failed on a tie vote 4-4. A consensus was beginning to form around Ghorum's apprehensions about potential difficulties of a senatorial appointment system. Madison followed the Ghorum tie-vote with another motion for an advice and consent plan. The Convention decided unanimously to postpone the issue. The last action was an indication that the Convention had turned the corner. Delegate Ghorum had achieved only a tie vote, but he had won the day. The influential Madison was now in his camp and the Convention had agreed to revisit the issue. It was only a matter of time.

Accordingly, this issue was assigned to the Special Committee on Postponed Matters, or the Committee of Eleven as it was called in both the Official Journal and Madison's notes. The September 4 report of that committee contained the current language of section 2 of the Constitution: The President "shall nominate, and by and with the advice and consent of the Senate, shall appoint * * * judges of the Supreme Court." This language was accepted unanimously.

This was not an 11th hour compromise. As we have discussed, the Convention voted twice on a similar plan on July 18. The first vote was a tie. The second was a unanimous vote to postpone an advice and consent formulation. The clearest indication that this matter was settled by the Convention well before the report of the Committee of Eleven is that the committee's recommendation was embraced

without a dissent. The only sense in which this was an "11th hour compromise" is that the Committee of Eleven did believe the final language.

This is also an indication that the arguments of Madison and Ghorum had prevailed. Moreover the views of these leading farmers are hardly consistent with the Biden "broadest view" theory. On the contrary. Madison and Ghorum prevailed by arguing against broad Senate powers. They had apprehensions about committing the appointment power into the hands of a numerous body. Madison stressed the inadequacy of legislators as judges of the distinction between legal and lawmaking skills. Madison and Ghorum both expressed apprehensions about the danger of political intrigue and partiality. Perhaps most important is their emphasis of finding a system that would adequately screen judicial candidates for the "requisite qualifications." This is an important guideline from the Father of the Constitution himself. He sought, and eventually secured, an appointment system that would ensure the selection of judges with "requisite qualifications." He deliberately avoided a system frought with political intrigue.

Senator BIDEN concludes his review of the 1787 Convention with the statement that "it is difficult to imagine that * * * the framers intended anything less than the broadest role for the Senate—in choosing the Court and checking the President in every way." It is determined where Senator BIDEN found this in the 1787 debates. In the first place, the "broadest role" for both the President and the Senate was rejected by the Convention. The Convention arrived at a compromise that Madison, the framer of the compromise, designed to achieve the result just discussed. This is hardly the "broadest role" for the Senate. Furthermore, the Senate was given no nominating authority whatsoever. Indeed the Senate's appointment authority was rejected by the Convention. This hardly argues for the broadest Senate role "in choosing the Court." Finally, Senator BIDEN contends that the Senate must check the President. The advice and consent power is clearly a check on the President, but none of Madison's language—indeed none of the language of the 1787 delegates—suggest that it is a check "in every way."

The 1787 debates provide little, if any, basis for BIDEN's "check in every way" notion. Moreover, Alexander Hamilton, fighting to win ratification of the Constitution, articulated the limits of the "advice and consent" power in terms which firmly rebut the Senator's "in every way" myth. Hamilton states in Federalist 76 that the likelihood of "stigma upon the individual rejected" would make it unlikely that the Senate would refuse consent often unless there arise "special and strong reasons for the refusal." The necessity of funding "special and strong reasons" for rejecting a nominee does not have quite the same ring as Senator BIDEN's "in every way" standard.

Hamiltion proceeds to narrow further the categories of special and strong reasons that would suffice to warrant rejection of the Chief Executive's selection. He describes the advice and consent power as "an excellent check upon a spirit of favoritism in the President, and would tend greatly to prevent the appointment of unfit characters from State prejudice, from family connection, from personal attachment, or from a view to popularity." In other words, Hamilton, like Madison, is concerned about finding judicial candidates with the requisite qualifications. The advice and consent power, in the view of these authors of the Constitution, is a guard against "unfit characters" that nepotism or Presidential favoritism might produce. Once again, this is a far cry from Senator BIDEN's "in every way" standard.

Even a cursory review of the 1787 debates leaves one firm conclusion. Not even the most ardent proponents of a Senate appointment system argued for ideological inquisitions and inquiries. These delegates, like Luther Martin of Maryland, favored Senate appointments because they believed that the Senate would be "best informed of characters and most capable of making a fit choice." (2 Farrand 41) In other words, they thought the Senate would choose the most qualified candidates. All of the delegates at Philadelphia were seeking a selection system that would produce judges with the "requisite qualifications." None of them discussed, or apparently even considered, the notion of checking the Executive "in every way" or the senatorial "duty to consider judicial philosophy," to use another of Senator BIDEN's phrases.

Senator BIDEN's formula for the "broadest view" of restraining the President "in every way" not only misconstrues constitutional history, it is also dangerous to the independence, integrity, and instutional individuality of the third branch. Senator BIDEN boldly articulates a role for the Senate in "scrutinz[ing] Supreme Court nominees on the basis of their political and judicial philosophies." This is another way of saying he desires political partisanship and ideological inquisitions. Ideological involvement in the selection of Justices is a two-edged sword whose backswing is likely to injure the prestige and standing of the Court far more than its thrusts will reshape jurisprudential directions. The history of the Constitution's drafting discloses that the framers foresaw some of these dangers.

In the first place, an ideological inquisition could precipitate a constitutional confrontation that will deprive the President of his prerogative of nominating Justices. The Convention gave the President the sole power of nominating. As Hamilton stated in Federalist 76, "But might not [the President's] nomination be overruled? I grant it might, yet this could only be to make place for another nomination by himself * * * The Senate could not be tempted by the preference they might feel to another, to reject the one proposed; because they could not assure themselves that the person they might wish would be [subsequently] nominated." If the Senate were to insist on ideological inquisitions and other ways of "checking the President in every way," it would precipitate an interbranch confrontation not contemplated by the framers whose primary objective for the advice and consent function was to prevent the nomination of "unfit characters."

The eminent Harvard scholar Lawrence Tribe acknowledges this principle in these words:

> In Supreme Court appointments the Constitution allows only the President his "druthers." Allowing each Senator to confirm solely from the Senator's own "short list" would prescribe paralysis in the Supreme Court appointment process. ("God Save this Honorable Court," 107)

Thus, Professor Tribe recognizes a fundamental distinction between the functions of the Senate and the President. As the Professor states, "The appointment process requires the Senate only to react, not to create." (Id at 131) If the Senate insisted on confirming only Justices likely to vote in accordance with a majority of the Senate on Judicial issues, it would deny the President his constitutional prerogative of nomination and virtually assert a power to select nominees that the Senate was not intended to possess.

As we have repeatedly noted, the 1787 Convention rejected the Senate appointment system. In the long run, the Senate must concede that it is not entitled to choose Justices. Thus, the prudence of avoiding an interbranch confrontation, as well as the purpose of article II, counsel against the Senate employing its advice and consent function as a virtual appointment authority. Otherwise, there is a deadlock—a deadlock that is difficult to see as a benefit to the Supreme Court or the Nation.

A second danger from this kind of ideological inquisition is the potential of injury to the independence of the Supreme Court. If the selection of Justices becomes just another political question, the Supreme Court risks losing its distinct place of esteem and becoming regarded as just another political entity. This was a part of Madison's message when he discussed the distinction between legal and lawmaking skills. He recognized that the Supreme Court was destined to play a role in our Government distinct from those of the political branches. Yet, if Senators treat the Supreme Court as a political institution which they expect to hew to a particular ideological line, then the public is likely to adopt that view of the Court and, to a lesser degree, so is the Court itself.

Prof. Richard D. Friedman identifies this danger in these terms:

> Rarely is public attention focused on the Court as intensely as during a confirmation struggle. Extended debates, both within the Senate and beyond, concerning recent decisions and the political philosophy of a nominee cannot help but diminish the Court's reputation as an independent institution and impress upon the public—and indeed upon the Court itself—a political perception of its role * * * A Justice who reaches the Court only in the face of doubts concerning his ideological acceptability may bear scars that will affect his judicial behavior. Prehaps more clearly and more importantly, if unpopular Supreme Court decisions tend to lead to nasty confirmation controversies that put the Court in an unfavorable light, then it is natural to expect that the Court will be less willing to render such decisions. (95 Yale L.J. 1283 (1986))

We simply cannot risk impairing the independence of the Court with petty political tinkering. Yet it would not be hard to see the likelihood of Professor Friedman's prediction if evey Supreme Court vacancy became the focus of extensive filibusters, delay tactics, overblown political rhetoric, and the other attributes of partisan gamesmanship.

A third danger inherent in partisan and ideological approaches to the advice and consent process is the risk of political reprisals. If blocking a nomination on ideological grounds is fair game for one President and party, it is fair game for the other as well. This could degenerate quickly into an endless cycle of revenge and retribution which can only damage the institutional standing of both the Senate and the judiciary. Senator Biden disregards the potential costs of political vendettas.

The framers wisely devised a system of selection designed to produce a qualified and independent judiciary. This system authorizes the President, and only the President, to make nominations. The Senate was granted the advice and consent function to prevent the appointment of "unfit characters." Applied reasonably, these constitutional rules will avoid the dangers of political inquisitions and supply the benefits of a strong and independent judicial branch.

### THE SENATE PRECEDENTS

When discussing Senate precedents, Senator Biden contends that "[o]ver and over, [the Senate] has scrutinized the political views and the constitutional philosophy of nominees." In support of this proposition, Senator Biden submitted for the Record a list of all 26 Supreme Court nominations that have failed to gain confirmation. With regard to that list, Senator Biden asserts that "[i]n only one case * * * does it appear that substantive questions played no role whatsoever." This tends to suggest that 25 of the 26 were ideological inquisitions wherein the nominee failed to meet the political expectation of the Senate. This is far from the case.

Actually Senator Biden's list betrays far too much from the standpoint of building the case that the Senate routinely weights political and ideological factors in Supreme Court nomination. Most damaging is the list's revelation that since 1893, only five nominations have failed to win confirmation. In other words, in the last 103 years, 53 nominations have won confirmation without serious political or ideological interference. In fact, 36 of those confirmations came by a unanimous vote. Another 13 won confirmation with fewer than 25 dissenting votes. Of the remaining four confirmations, the highwater mark of opposition was 33 votes against Chief Justice Rehnquist last year. For more than a century the Senate has not routinely engaged in confrontations with the executive or ideological inquisitions with regard to Supreme Court nominees.

This record is significant in another sense as well. During this period of more than a century, the Senate confirmed:

Two Cleveland nominees, one McKinley nominee, three Theodore Roosevelt nominees, six Taft nominees, three Wilson nominees, four Harding nominees, one Coolidge nominee, three Hoover nominees, nine Franklin Roosevelt nominees, four Truman nominees, five Eisenhower nominees, two Kennedy nominees, two Johnson nominees, four Nixon nominees, one Ford nominee, and three Reagan nominees.

This is a clear indication that the Senate, aware of the dangers of politicizing the confirmation process, has confirmed 53 Justices from Presidents with widely divergent political and judicial ideologies. This is strong evidence against routine political and ideological campaigns against judicial candidates in the Senate.

An examination of the five rejected nominees over this 103-year period also shows that the Senate, even in these exceptional instances, was not conducting political vendettas. While some overtones of ideology tainted some of these rejections, more significant ethical or competence issues were, with one exception, always dispositive of the outcome. For instance, Carswell, a Nixon nominee, was rejected primarily due to his mediocre legal qualifications. When his nomination was considered on the Senate floor, his primary defender noted that "Even if he is mediocre there are a lot of mediocre judges and people and lawyers. They are entitled to a little representation * * *" (Abraham, H, "Justices and Presidents") This faint praise damned the nominee far more than any political or ideological considerations.

The other rejected Nixon nominee was Haynsworth. Judge Haynsworth demonstrated during hearings a "patent insensitivity to some financial and conflict-of-interest improprieties." (Id. at 15) As the eminent Supreme Court scholar, Henry Abraham, writes, "How could the Senate confirm Haynsworth when it has played such an admirable activist-moralist role in causing Fortas's resignation?" A combination of bad timing in the wake of the Fortas confirmation and ethical improprieties, not ideological concerns, caused this rejection.

Johnson's nomination of Fortas was questioned most scrupulously for ethical improprieties—cronyism for his close relationship with the President, judicial impropriety for extrajudicial service as a close counselor to the President, acceptance of exorbitant lecture fees, and after the Senate vote, revelations of inappropriate paid legal association with a convicted stock manipulator, Louis Wolfson. Another factor was also important, President Johnson had already announced that he would not seek renomination and consequently was a lameduck.

Thornberry lost his chance for a Supreme Court seat when the Fortas nomination failed leaving no vacancy for him to fill.

The only rejection in the last century creating an exception to the rule came in 1980 when Hoover's nomination of J.J. Parker failed by two votes. A single exception is hardly license to create a rule of ideological inquisitions. In a time of heated concern over labor issues, Judge Parker was accused of insensitivity to labor because he affirmed a lower-court opinion upholding yellow-dog contracts. According to Henry Abraham, Judge Parker's questioned opinion indicated "neither approval or disapproval of yellow dog contracts." In fact, Judge Parker had only upheld Supreme Court precedent as he was bound to do. (Id. at 42-43.) The other issue against Judge Parker was a racist statement made as a gubernatorial candidate 10 years earlier. Ironically, Judge Parker continued to serve on the fourth circuit and wrote some of the earliest and most significant problack opinions on desegregation. Indeed he sustained the opinion which outlawed racial voting abuses in South Carolina in 1947 and followed with an opinion in 1955 refusing to reduce sanctions against discrimination in the face of "massive resistance." The ideological inquiry that took place failed to accurately discern or predict the nominee's ideology.

Thus, the single example in this century of a nominee rejected solely for ideology was, by all reliable indications, a mistake.

In any event, Senator Biden's list is far from an adequate justification for ideological inquisitions. On the other hand, its disclosures about the last century are excellent evidence against that proposition. This assessment remains even when the 21 rejections that occurreed between 1795 and 1893 are examined.

Even a cursory examination of the 21 rejections in our first century does not leave convincing evidence of a Senate practice of conducting ideological inquisitions against nominees. Where political vendettas did occur during that era, however, the concomitant damage to the Supreme Court was evident.

The first category of rejections during this period that fall outside the ideological category are instances of opposition to the nominating President rather than the nominee. In these instances, the Senate rejected the nomination to punish or warn the President, not because it had any disqualifying objections to the nominee. For instance, in 1828, John Crittenden's nomination was "postponed" on a partisan vote. This foiled President Adams' last minute attempt to fill the seat and preserved the vacancy for President Andrew Jackson's appointment. President Tyler had five nominations defeated "chiefly because of the mistaken expectation of the Clay Whigs that their revered leader would defeat James K. Polk in the Presidential election of 1844." (Abrahams, id. at 40) The three rejections suffered by President Fillimore were prompted by similar tactics; namely "to preserve court vacancies for incoming Democratic President Franklin Pierce." (Id.) In a familiar pattern, Buchanan's nomination of Jeremiah Black failed in order to permit Lincoln to fill the vacancy. The highwater mark of this hostility toward a President came, however, in 1866 when the Congress eliminated the vacant seat on the Supreme Court rather than allow Andrew Johnson to nominate Henry Stanbery. Thus, 11 of the 21 rejections in our first century had little, if anything, to do with the ideology of the nominee. Rather, these were partisan attempts to thwart a lameduck or unpopular President.

Another category that falls outside ideology is lack of qualifications. In the words of Professor Tribe, "Alexander Wolcott, a Connecticut boss of the Democratic Republican Party, was the first nominee to be rejected primarily because he was not up to snuff." (Tribe, supra at 81.) Another was George Williams, a Grant nominee, who was attacked by both the bar and the press as clearly mediocre. Stung by the criticism, the nominee asked the President to withdraw his name.

A third category independent of ideology is senatorial courtesy. Henry Abrahams notes that this "appears to have been the sole factor in Grover Cleveland's unsuccessful nominations of William B. Hornblower (1893) and Wheeler H. Peckham (1894)." (Supra at 27-28.) In each instance, the Senator from New York felt that the President had snubbed him in filling a seat vacated by a New Yorker and invoked his privileges as a Member of the Senate protecting his State prerogatives to defeat the nominations. Similarly, Rueben Walworth, one of Tyler's nominees, was defeated primarily due to senatorial courtesy. (Id) Finally, Polk's nomination of George Woodward ran afoul of Pennsylvania Senator Cameron.

This narrows Senator Biden's list of 21 down to 5. Ideology played a larger role in these cases and in a few instances even caused the rejection.

The first of these was John Rutledge who was opposed by his fellow Federalists in the Senate because he had ardently opposed one of their favorite projects—the Jay Treaty of 1794.

Next came Roger Taney, who was opposed largely because of President Jackson's antibank policies which Taney carried out. The Senate "postponed" the Taney nomination on its last day in session and simultaneously passed a bill to eliminate the seat on the Court. The court-depacking bill failed in the House and John Marshall passed away in the interim. This allowed Jackson to appoint Taney to the Chief Justiceship. This time ideological and political issues thankfully did not bar his masterful 28 years of service in John Marshall's footsteps. Ironically one of the foremost Senators who fought Taney on ideological grounds, Henry Clay, underscored the folly of his opposition when he later told the Chief Justice, "I am now satisfied that no man in the United States could have been selected more abundantly able to wear the ermine which Chief Justice Marshall honored." (Swisher, "Roger B. Taney" 450) This is further evidence that Senators are no better than Presidents when it comes to predicting how past ideology will translate into judicial performance. Fortunately ideological inquisition did not deprive the Nation of Roger Taney's service.

Ebenezer Hoar was rejected in 1870 partially due to his opposition to the impeachment of Andrew Johnson and partially due to geographical considerations. Geographical considerations were important when the Justices also "rode the circuits." Hoar, from Massachusetts, was appointed to a seat assigned to a southern circuit. The vote was 34-24 against Hoar. Professor Friedman points out that Hoar lost several votes on the impeachment issue, but that the absence of votes from southern Republicans (who voted against him 13-3) cost him the nomination. (Friedman at 34) The geographical issue apparently provided the margin.

Grant's nomination of Caleb Cushing was also defeated on the basis of a unique mix of ethical and political considerations. Cushing was ideologically satisfactory to the postwar Republican Senate. In fact, he had helped draft their masterpiece, the 14th amendment. During the war, however, Cushing allegedly objected to patriotic music and hoisted a rebel flag on one of his ships. These allegations would not have been fatal if a letter he had written to newly elected Confederate President Jefferson Davis had not come forth. This letter asked Davis to arrange a meeting with one of Cushing's former law clerks. In the atmosphere of postwar hysteria, Cushing could not overcome allegations of disloyalty. (Friedman 24-25)

Stanley Matthews was nominated by Hayes in 1881. He was controversial because he had lobbied against a popular antirailroad bill sponsored by the chairman of the Senate Judiciary Committee. The committee failed to act on the nomination prior to expiration of Hayes' term. President Garfield renominated Matthews. He was approved by the Senate on this second try and served for 7 years on the Court.

It should also be noted that political and ideological considerations played some role in the Wolcott and Woodward rejections discussed above. The primary problems with the nominations, however, were, respectively, incompetence and senatorial courtesy.

In any event, of the last five names on the Biden list, two were only temporarily delayed in their confirmations as Justices, one failed for lack of loyalty more than judicial ideology, and another failed for lack of geographical purity more than personal preferences. The list compiled by Senator Biden is hardly a mandate for the Senate to undertake ideological inquisitions. The list is more convincing evidence of the alternative; namely, a Senate disposed to accept the guidelines of the 1787 Convention and remain within their traditional advice and consent function.

Before leaving the list and Senate precedents, in general, I cannot help noting that the most persuasive message of this record is a stern warning of the dangers of politicizing the appointment process. The list discloses that the decade of the Reconstruction featured the most prominent cases of political inquisitions. These were accompanied by other hazards to the Court's independence. During that period, political checks on the Court were not merely brandished but actually employed. The number of seats on the Court was reduced to prevent appointments. Nominations were considered political patronage or were allocated according to geography. Nominees were compelled to march in lockstep on litmus test war loyalty questions. Selection of Justices was just another political question and the Court was just another political entity. Congress even stripped the Supreme Court of jurisdiction to hear a case on which it had already heard oral arguments. *Ex Parte McCardly*, 73 U.S. 318 (1868). The Court concomitantly lost status as an independent institution with a nonpolitical constitutional mission distinct from the policymaking and administrative branches. The history recounted by Senator Biden is more of a caution against than an endorsement for "scrutinizing nominees on the basis of their political and judicial philosophies."

Senator Biden seeks political confrontation. In particular, he argues, the Senate must engage the President on the basis of a nominee's political or judicial philosophy. This policy resembles, though in a more moderate form, the depacking of the Supreme Court by which Andrew Johnson was prevented from making appointments. Like the Court-packing, it is an attempt to control the decisions of the Court through the use of a Senate function in a manner never contemplated by the framers of the Constitution.

Senator Biden also used his Senate precedents section to refer to quotes from several current and past Senators on these issues. In response, I would only like to note two quotes. One comes from Senator Edward Kennedy during the confirmation of Thurgood Marshall. Senator Kennedy expressed the views of many Senators on both sides of the aisle when he declared:

> I believe it is recognized by most Senators that we are not charged with the responsibility of approving a man to be Associate Justice of the Supreme Court only if his views coincide with our own. We are not seeking a nominee for the Supreme Court who will express the majority view of the Senate on every given issue, or on a given issue of fundamental importance. We are interested really in knowing whether the nominee has the background, experience, qualifications, temperament, and integrity to handle this most sensitive, important, responsible job.

Incidentally this quote is found in an article written by Senator McConnell of Kentucky before he was elected to the Senate. (59 Ky. L. J. 7, 16-20).

The other quote comes from Senator Biden himself who noted in connection with the appointment of Judge Abner Mikva to the court of appeals. Senator Biden stated at that time:

> This hearing is not to be a referendum on any single issue or the significant opposition that comes from any specific quarter * * * as long as I am chairing this hearing that will not be the relevant issue. The real issue is your competence as a judge and not whether you voted rightly or wrongly on a particular issue * * * If we take that attitude, we fundamentally change the basis on which we consider the appointment of persons to the bench.

These statements briefly embody the viewpoint, wisely derived from the Constitution, that has, as Senator Biden's list demonstrates, predominated in Senate confirmation proceedings. To avoid the dangers of politicizing the process and to reap the benefits of an independent Supreme Court, the advice found in these statements ought to be followed hereafter as well.

### SENATOR BIDEN'S BALANCE ARGUMENTS

After discussing these historical points, Senator Biden proceeds to argue that:

> The Senate's right to consider judicial philosophy becomes a duty to consider judicial philosophy: When the President attempts to use the Court for political purposes; when the President and Congress are deeply divided; or when the Court is divided and a single nomination can bend it in the direction of the President's political purposes.

Senator Biden notes that "in recent years, it has struck many of us that the ground rules have changed * * *." Specifically he notes that he objects when a "President attempts to remake the Court in his own image." In the first place, Senator Biden needs to review his list to discover that few, if any, Presidents have had any objective in their Supreme Court nomination other than to affect the jurisprudential vistas of the Court. This is not something related at all to "recent years." President Jackson made six appointments with an eye to curtailing the nationalist impulses of the Marshall Court. President Lincoln made appointments with an eye to national monetary policies. He failed miserably due to the surprise factor. Lincoln went so far as to appoint the Secretary of the Treasury who had drafted his legal tender laws in order to ensure the success in court of his monetary policies. Once on the Court, however, the author of Lincoln's greenback legislation, Salmon Chase, struck down the laws as unconstitutional. In all Lincoln made five appointments. On two other leading issues of that era, the authority of military courts to supplant civilian justice during wartime and the scope of post-Civil War amendments, the Lincoln appointees split by a vote of 3 to 2. So much for the ability of Presidents to predict how a nominee will vote.

To continue, President Franklin Roosevelt made nine appointments to the Court with an eye to eliminating judicial impediments to the New Deal. President Kennedy made two appointments with an eye to solidifying the working majority in behalf of Warren Court policies. In sum, there is nothing recent about a President exercising his nominating power with an eye to important legal trends and issues. Senator Biden surely makes no headway with the insinuation that President Reagan is doing anything other than his predecessors have routinely done.

Moreover Senator Biden makes no headway with the insinuation that a President who makes appointments with an eye to current issues has prompted the Senate to undertake an ideological or political inquisition. Of all the nominations made by those Presidents mentioned above who openly sought to influence the Court by nominations, only one appointment was rejected—Jackson's appointment of Taney. As we have discussed, that was merely a postponement because Taney was confirmed for the even higher office of Chief Justice the following year. Once again, the opposite seems to be the case. President Roosevelt who even went so far as to recommend the court-packing plan to remake the Court in his own image had a total of 20 votes cast against his nine nominees. President Kennedy appointed two Justices who were both approved unanimously. A total of one vote was cast against Lincoln's five nominees. Senator Biden has chosen to argue from history, but once again, history offers him no solace. Clearly there is no historical precedent for Biden's innovative theory about the Senate intervening politically when a President makes judgments based on jurisprudential directions.

The capstone of Senator Biden's theory is that the balance of the Court must be protected, that if a single nomination might upset that delicate balance, it must be rejected. This notion, derived from a prominent theme in Professor Tribe's book, "God Save This Honorable Court," deserves an examination. The balance notion immediately suffers from one flaw in light of the historical analysis which Senator Biden has defined as the parameter of the debate. If past Presidents had felt obliged to preserve the ideological balance of the Court, the vile "separate but equal" doctrine would still be the law of the land. Moreover the abuses of the Court's Lochner era would also still govern.

Again turning to history as a rebuttal of the balance notion, is Senator Biden suggesting that a Senator in 1941 should have voted against one of the giants of the Court, Robert Jackson, simply because the Court already was overbalanced with Roosevelt liberals? How about a vote against Thurgood Marshall in 1967 because the Warren Court majority was already secure? To the contrary, Jackson and indeed the last five appointments of

President F. Roosevelt, were unanimously approved. The Senate has never found a use for a balance notion.

With this history in mind, it seems likely that Senator Biden's concern is not so elusive a concept as "balance." Rather, his goal is more likely to ensure that, to the extent possible, the Court is composed of Justices who think the way that he does. This suspicion is more verifiable in the case of Senator Kennedy who has openly criticized President Reagan's nomination of Robert H. Bork because of the abortion issue, criminal rights issues, the death penalty issue, the obscenity issue, and a variety of other liberal litmus test issues. At the same time, based on his castigations of the Rehnquist and Burger courts, Senator Kennedy would obviously welcome a far more liberal court. The underlying theory of "balance" seems to be that the judicial philosophy espoused by the Court can only move in a single direction.

The question might be justifiably be asked of Senator Biden: where were the advocates of the "balance" theory in the 1960's when Justices Goldberg, Fortas, and Marshall were placed on the Supreme Court resulting in a body consisting of (at best) two judical conservatives. Presumably the "balance" theory has nothing to say when a judicial philosophy is so predominant on the Court that an additional appointment, rather than shifting the balance, will merely solidify the dominance of the existing balance.

The balance notion is also delinquent in its pure result orientation. It assumes that judges are always predictable in their opinions on the basis of their personal, philosophical perspectives. Thus, this theory depreciates the dignity of the detached judicial role and reduces the Court's functioning to mundane political maneuvering. Ironically, the assumptions and results of the balance theory would not save the Court—as Professor Tribe, its original author, suggests—but would strip the Court of those qualities of reason, judgment, and unbiased detachment for which it is most esteemed. In other words, judges—whether judicial liberals or judicial conservatives—ought to confine themselves to interpreting the law as given to them by the statute or Constitution. To the extent that this is done, there is no need to worry about the "balance" of the Court. To the extent that it is not done, requiring political balancing will exacerbate, rather than correct, the politicization of the nonpolitical branch.

Senator Biden maintains that his case is "rooted in history, precedent, and common sense." It is hard to find in the history of the drafting of the Constitution any warrant for ideological and political inquisitions. Indeed the Framers of 1787 sought a system that would provide nominees with the "requisite qualifications" in terms of intellect, character, and legal—as opposed to lawmaking—experience. The advice and consent function of the Senate—far from being a means to supplant and frustrate the President's nomination power—was seen as a means to the Framer's second guidepost for the nomination process.

Specifically, they foresaw the Senate as an excellent check to ensure no "unfit characters" attained high judicial office. In other words, nominees had to be screened for qualities of morality, integrity, and ethical sensitivity. Finally, the most important qualification of nominees is their willingness and ability to uphold the Constitution and laws of the United States, as required by the oath administered pursuant to article VI of our organic document. Nowhere in the language of the Constitution or in the debates of the 1787 Convention, however, do we find hints of the need for ideological inquisitions to maintain the balance of the Nation's highest court. Nowhere do we find hints of the need for political purity as a qualification for the nonpolitical task of judging.

The precedents of the Senate offer little, if any, more comfort to Senator Biden's notions. In fact, only one justice has been rejected in the last 103 years on unequivocally political and ideological grounds—and that was a mistake. In the history of the Nation, fewer than a half dozen Supreme Court nominations have been chopped off by a dull political axe. And, as the record indicates, in those cases, it was the Court that was left bleeding. It was the Court that suffered a loss of independence, integrity, and institutional individuality.

In conclusion, I would like to once again thank and commend Senator Biden for focusing this debate on the history of the Constitution and the Senate. As I stated at the outset, we are fortunate to be a Nation of laws. The history of our Constitution and of the Senate lie at the foundation of those laws. A careful study of that history offers insightful counsel for Senators dedicated to preserving the strength and independence of the Federal judiciary.

### BORK NOMINATION

In the few moments that remain, I would like to attempt to place Judge Bork's nomination in this historical framework. In the first place, Judge Robert Bork is one of the most qualified individuals ever nominated to the Supreme Court. He is one of the preeminent legal scholars of our time; a practitioner who has argued and won numerous cases before the Supreme Court; and a judge who for 5 years has been writing opinions that faithfully apply law and precedent to the cases that come before him.

As Lloyd Cutler, President Carter's counsel, has recently said "In my view, Judge Bork is neither an idealogue nor an extreme right-winger, either in his judicial philosophy or in his personal position on current social issues. * * * The essence of (his) judicial philosophy is self-restraint." Mr. Cutler, one of the Nation's most distinguished lawyers and a self-described "liberal democrat and * * * advocate of civil rights before the Supreme Court," compared Judge Bork to Justices Holmes, Brandeis, Frankfurter, Stewart, and Powell, as one of the few jurists who rigorously subordinate their personal views to neutral interpretation of the law. It is, of course, very high praise to place Bork in the company as Holmes, Brandeis, Frankfurter, Stewart, and Powell. This is an individual who falls easily within the requisite qualifications standard and will undoubtedly prove himself to be among the great justices of history.

Perhaps the best indication of how Judge Bork will perform as a judge is how he has already performed as a judge for 5 years on the court of appeals. As a member of the court of appeals, Judge Bork has been solidly in the mainstream of American jurisprudence. His record is almost unassailable.

Not one of his more than 100 majority opinions has been reversed by the Supreme Court. No appellate judge in the United States has a finer record.

In his 5 years on the bench, during which Judge Bork heard hundreds of cases, he has written only nine dissents and seven partial dissents in those cases. This is despite the fact that when he took his seat on the bench, 8 of his 10 colleagues were democratic appointees, as are 5 of the 10 now. Moreover, the reasoning of several of his dissents was adopted by the U.S. Supreme Court when it reversed opinions in line with the way Judge Bork had preferred. Once again, this is the type of individual the framers hoped to produce by vesting the nomination power in the President and the check in the Senate.

Despite these qualifications, we have heard threats that Judge Bork may be subjected to the kind of political or ideological inquisiton that the framers tried to avoid and the Senate has only rarely, and unsuccessfully, conducted. This threat is based on the fear of some that Judge Bork will seek to hold back many existing precedents. There is little, if any, basis for this view. As a law professor, Judge Bork often criticized the reasoning of Supreme Court opinions; that is what law professors do. But as a judge, he has faithfully applied the legal precedents of both the Supreme Court and his own circuit court. That is why he is almost always in the majority on the court of appeals and why he has never been reversed by the Supreme Court. Judge Bork understands that in the American legal system, which places a premium on the orderly development of the law, the mere fact that one may disagree with a prior decision does not mean that that decision ought to be overruled.

Judge Bork is the leading proponent of "judicial restraint." He believes, in essence, that judges should set aside the decisions of the democratically elected branches of Government only when there is warrant for doing so in the Constitution itself. He further believes that a judge has no authority to create new rights based upon his own personal philosophical views, but must instead rest his judgment solely on the principles set forth in the Constitution.

This is an important distinction and is directly relevant to Madison's observations about the distinction between lawmaking and legal skills. While it is well known form some of his academic writings that Judge Bork has considered questions of politics as well as law, he has never let his political views intrude upon his judicial decisions. This is the fundamental difference between a judicial conservative and a political conservative. Precisely because he is a judicial, as opposed to a political, conservative, Judge Bork deserves the support of the entire Senate. As a judicial conservative, he will enforce the will of Congress without allowing his own political preferences to frustrate the legislative will. Accordingly, Senators who are confident that their own views will prevail in Congress have no reason to fear that Judge Bork will second guess their political judgment. Judge Bork's judicial philosophy, in line with Madison's comment about legal skills, will require him to enforce what Congress dictates.

His opinions on the Court of Appeals reflect a consistent application of this form of judicial restraint, and he has upheld and enforced liberal laws and agency decisions as often as conservative ones. Senators have nothing to fear in Judge Bork. He will allow them to set policy for the country, and thereby place the responsibility to make political choices where it belongs.

The rush to judgment against this nominee by several Senators and outside groups is unseemly and unfair. It is unfortunately reminiscent of the worst days of the Reconstruction when the Court was viewed as a political tool. Though the nomination is supposedly so complex and important that hearings on it cannot be held for months, opponents of the nomination waited only days or, in some cases, hours before attacking it. Given their performance, one of their major complaints in ironic: The nominee is said to lack "an open mind."

Such a politicization of the confirmation process, in which Senators seek to determine how a nominee will vote in the specific cases they care about, detracts from the independence of our judiciary and weakens that central institution of our Government.

Judge Bork should be to no other standard than the traditional one for evaluating judicial nominees—competence, integrity, judicial temperament, and willingness to remain within the bounds of the duties of a judge, namely upholding the Constitution and laws as written. When Judge Bork has had an opportunity to respond fully to the Senate's questions, I am confident he will demonstrate his overwhelming qualifications to be confirmed as an Associate Justice of the Supreme Court. He is an individual worthy of the office. He is a tribute to the system which produced his nomination, a system which we have reviewed in detail today and which we hope will last in all its detail past some misguided efforts of the present.

I believe that after this statement is reviewed by those who are interested in this nomination, they will realize there are alternative views of great substance to those expressed by my distinguished friend and colleague from Delaware. He has served this debate well by bringing these issues to the attention of the Senate. On the other hand, I think that my remarks today will correct the record in many respects.

I believe we should proceed at the earliest possible convenience to resolve this nomination. I do believe that waiting until the middle of September makes it the longest delay in the last 25 years of any person nominated to the U.S. Supreme Court, and I find that not only incomprehensible, I find it to be wrong.

I thank the distinguished majority leader for giving me this time.

Mr. BYRD. The Senator is welcome.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I believe I reserved my time under the order; is that right?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BYRD. So I have 10 minutes plus some time in morning business. I understand the distinguished Senator from New Jersey wants me to yield for a moment. I will be glad to.

Mr. BRADLEY. I thank the majority leader for yielding.

## NEW JERSEY BLUEBERRIES

Mr. BRADLEY. Mr. President, it is blueberry harvest time in New Jersey. For the next few weeks, Americans will avail themselves of fresh blueberries to complement pies or muffins or just to eat by the spoonful. While blueberries are grown around the country—Michigan, North Carolina, Florida, Oregon, and elsewhere—I remind my colleagues that it was in New Jersey that the cultivated blueberry was first developed.

In the heart of the New Jersey Pinelands, Elizabeth White first attempted to cultivate blueberries in the early part of this century. She turned to local farmers and woodsmen to locate the best wild blueberry cuttings, and she acknowledged their efforts by naming many of the cultivated blueberries after the New Jerseyans who found them. According to Miss White, the "keystone" of the cultivated blueberry was the Rubel, named for Rube Leek of Chatsworth.

Today's blueberries, which are so enjoyed by all Americans, developed through the crossbreeding of these original varieties. It is with considerable pride that I point to the cultivated blueberry as a true fruit of New Jersey industry and initiative.

Mr. President, Senator LAUTENBERG and I will be sending around to our colleagues today some of these fine New Jersey blueberries. I wish them good eating.

## IN DEFENSE OF THE CONGRESS: THE POLARIZATION OF OUR POLITICAL PROCESS

Mr. BYRD. Mr. President, in recent weeks there has been a great deal of speculation about the relationship between the White House and the Congress, particularly with reference to our relationship on matters of foreign policy.

In addition, the President, under the guise of calling for an "economic bill of rights" has been traveling around the country blaming the Congress for the basic ills of the Nation.

It is not too far fetched to say that the Congress is supposed to be the next designated "fall guy" for the President.

The actions of the President might be considered the natural state of affairs if we were in normal political times. However, we are not in normal political times. The very nature of the relationship between the executive and the legislature has been called into question by habits of power that have little to do with our constitutional system of checks and balances.

It is in this context that I feel compelled to speak in defense of the Congress, as a body, against the continuing invective of the White House. It is my belief that these attacks will lead to an untimely and unhealthy polarization of our political process well before the 1988 election—a polarization that by its nature is destructive to the spirit of bipartisanship that has been the base of the progress Congress has made in the last few years.

Earlier this year the President vetoed the Clean Water Act and the highway bill. These vetoes were considered highly unusual, given the broad bipartisan support for both of these pieces of legislation. The President's actions, taken against the advice of many Members of his own party, were seen as an extraordinary effort to regain his political standing. In both cases the Congress over-rode the President's veto.

Now, we are informed, the President has the clear intention of vetoing almost every piece of major legislation sent to him for his signature. The trade bill just passed by the Senate by a broad bipartisan majority of 71 Senators, including 19 Republican Senators, is to be vetoed, we are told. The banking bill to secure the fiscal good health of the savings and loan industry is to be vetoed, we are told. Catastrophic health insurance legislation to help the sick and elderly is earmarked, we understand, for the veto pen.

Every President, including President Reagan, has the right and the power under the Constitution to use his powers, his authority, to veto. However, the use of a broad-gauged strategy of veto after veto after veto is inherently confrontational. This is the politics of polarization. For this President in particular, a President who has lost great credibility with the American people, to adopt such a strategy of confrontation seems highly counterproductive.

For the past 8 months the American people have been witness to a great national debacle. A President's credibility has been damaged. The Nation's credibility has been damaged. The American people have been left unsure and uncertain about the leadership of our country. And our Nation's Arab allies have been forced to take radical action—requesting the reflagging of Kuwaiti oil tankers—to emphasize our sincerity. America must now prove its credibility in the most dangerous of waters—in a war zone where the initiative lies with Iran.

Most disturbingly, in the course of the Iran-Contra hearings, we have discovered in the testimony of Colonel North and Admiral Poindexter a deep hostility toward the legislative branch of this Government—a hostility grounded on a narrow, one-sided, viewpoint that the Congress has little, if any, role to play in the making of our Nation's foreign policy.

From this perspective, the Congress should simply be part of the military chain of command, limited to standing up and saluting every Presidential foreign policy initiative. Indeed, we have discovered in the testimony of these two witnesses an aversion to any advice, both within the administration and from the Congress, that dissented from the secret plan to swap arms for hostages and to give aid to the Contras.

As a result, the White House became a haven for a conspiracy of silence, fundamentally at odds with our constitutional system of openness and checks and balances. The rule of law was flagrantly disregarded, and habits of power inherently undemocratic were fostered and encouraged.

A culture of lying, a willingness to deceive even the Secretary of State, followed by an epidemic of amnesia, led to the wholesale diminution and corruption of the public estate. Yet, as it must be clear to all Americans, a denial of democracy in defense of democracy is no virtue.

Jefferson eloquently summed up the difficulty of trusting a government which is not measured by a fundamental commitment to the truth. I quote Jefferson: "He who permits to tell a lie once, finds it much easier to do it a second and third time, till at length it becomes habitual; he tells lies without attending to it and truths without the world's believing him."

The President may believe that the lack of a smoking gun will lead to an early restoration of his credibility. The President should not jump to such a quick conclusion. Both the American people and the Congress as a body have yet to be fully convinced that the President did not in someway countenance and authorize the secret arms for hostage policy.

The President's credibility was first damaged when he announced that he had secretly gone against his own public policy of not selling arms to terrorists. The President may continue to assert that his was an attempt at a strategic opening toward Iran. The truth, however, is simple—there was a secret arms for hostage deal that failed. It is this policy and the denial that such a policy existed that has caused the President to lose the trust of so many American people.

The public exposure of this secret policy of dealing in arms for hostages and the discovery of the secret aid to the Contras led to a subsequent attempt to give President Reagan "plausible deniability." There is, however, nothing plausible about the story of deniability that has enshrouded the Oval Office these many months. The American people, and rightly so, do not believe that junior officials, such as Colonel North and Admiral Poindexter, should take the fall in order to protect the President.

Put simply, the American people do not believe that a President of the United States should hide behind the weak reed of conflicting testimony, shredded memos, and assertions of "plausible deniability." Colonel North and Admiral Poindexter no longer occupy offices in the White House. The President, however, still has his desk in the Oval Office. The buck is still supposed to stop with him.

All Americans, regardless of their political persuasion, want to hold their President in high esteem. The road back for the President in regaining the esteem of the American people ought to begin with his awareness of just how far he has to travel to regain his credibility. Sometimes every President should do the unsusual and ignore the politics of power—the politics of invincibility—for the deeper truth of recognizing just how troubling their mistakes can be to the citizens they govern.

There are, no doubt, some Americans who have come to believe in the course of these hearings that the Congress is the "fly in the ointment"—that the Congress should automatically defer to the President on issues of foreign policy. The President is clearly Commander in Chief; he speaks for America to the rest of the world. But every President speaks more strongly when he speaks for a policy openly arrived at, one that all Americans understand and support.

In the white heat and glare of television lights, the role of the Congress, the complexity of our system of checks and balances, may seem difficult to comprehend. The demonstration of bravado—the moment of confrontation—reducing what is complex down to the easy cliche, makes for better television.

But a lie said on television is still a lie. A flawed policy, however well articulated, is still flawed. And the denial of what is plausible and indeed the truth—whether it is made in private or in a televised hearing—still diminishes the truth, the public estate, and the Presidency.

As the public hearings of the select committee begin to wind down, we should remember that the committee has only finished the most public aspect of the committee's work. The committee must reflect on the hundreds of hours of testimony it has heard. The committee must give the American people a broad understanding of how a policy without moorings can damage our Nation's long-term security interests. And the committee, as Secretary of State Shultz so wisely reflected, must use its report to educate the American people on the changing world in which we live.

I have spoken at some length about the repercussions of the Iran-Contra affair to place my remaining remarks in a proper context. The President and the Congress, despite the fall-out from the Iran-Contra affair, must still find a way of cohabitating—of developing a proper and positive relationship that fosters trust and confidence.

The President, as I have said before, is now advocating a politics of polarization. The President is prepared to exercise his veto power in a broad-gauged strategy of confrontation with the congress. Any congressional initiative is to be met with a loud "no."

Having taken the country through one traumatic experience, the President is now proposing to polarize it, in order that he may once again be preceived as the "top gun". The Congress is supposed to be the next "fall guy".

This is unwise and, in my opinion, counterproductive to restoring the credibility to restoring the credibility of the executive with the legislature. It also cuts this President off from his own established record of success.

One of the clear lessons we have learned from the whole Iran-Contra affair is that when this President is cut off from, or ignores, good advice and counsel, his Presidency is hurt.

When the President ignored the advice of the Joint Chiefs of Staff and sent marines into Lebanon, he was forced, at the price of 241 lost lives in one night to pull them out. When the President ignored the advice of Secretary Shultz and Secretary of Defense Weinberger and went ahead with the Iran arms-for-hostage deal, he embroiled his Presidency and the country in the greatest scandal of his administration.

I would suggest that when this President deviates from the wisdom of checks and balances—of listening to wise counsel—his administration is dealt a blow. This is no more evident than in his relations with the Congress.

The President's adamant refusal to listen to the alarm bell of the Congress regarding aid to the Contras led his advisers, even if he did not know, down the dark road of covert and illegal aid to the Contras—a dark road of secret bank accounts and profit-taking middlemen—that has led to a deep suspicion among many Members of the Congress that this administration cannot be trusted.

Yet, if one looks at the broad record of the Reagan Presidency, it is clear that its greatest successes in foreign policy have come when the President has worked with the full support of the Congress to encourage democracy using diplomatic means.

The reestablishment of democracy in the Philippines, America's reversal of it's policy toward South Africa, the toppling of Baby Doc in Haiti, and the recent turn-about in Korea, are all indications that diplomatic tools are this administration's greatest asset. Put in proper context, the administration's support for the Contras is the very exception to the rule—the exception that goes against the administration's own model of success.

The President's strategy of polarization also seems counterproductive to his own hopes that the Senate give its speedy "advice and consent" to a proposed arms control treaty with the Soviet Union. The Reagan administration has a long history of confrontation with the Congress with regard to arms control. Indeed, many Members of Congress feel short-changed and locked out.

This feeling of being locked out, coupled with the surprise of Reykjavik, has left many Members of Congress concerned about the direction of the administration's arms control policy; about whether the White House is seeking a treaty just for the sake of signing a treaty.

My point should be clear, having gone through one long exercise in ignoring the Congress, the President seems determined to go down the road toward confrontation with the Congress over the next 18 months. This is not a positive approach to governing. It is an approach that ignores the reality that more often than not, it has been the Congress rather than the Executive that has taken the initiative and forged the legislative agenda of the Nation.

The achievements of the last few years—tax reform—the idea having been first promulgated by Senator BRADLEY, who just spoke a moment ago, and Mr. GEPHARDT; the refunding of Superfund; reform of our immigration laws; reauthorization of the Clean Water Act; responding to the AIDS crisis; reform of the Pentagon—our current efforts to reform our Nation's trade policy—all these and more are strong indications of congressional initiative.

This initiative, fostered by a spirit of responsibility and seriousness of purpose—on both sides of the aisle—may be in jeopardy of being lost because of the continuing desire of the White House to polarize the political process. Yet, the agenda and the creativity of the Congress remain unabated.

Welfare reform, catastrophic health insurance, campaign finance reform, getting the budget deficit down, our continued encouragement of democracy and human rights around the world—are all items that the Congress seeks to address with the help and cooperation of the President. No where is this help more needed than in coming to terms with the budget deficit.

For all the President's talk about "economic rights," what is left unsaid is that the President's policy of borrow and debt has stolen the economic future from the next generation. This is unfair and is unwise. We can no longer continue the economic policy of borrowing from Peter to pay Paul. The Congress has made an honest effort to give the American people a real budget. It is a budget that recognizes that for a great nation to remain great, it must begin paying some small price. Calling for $19.3 billion in new revenue to lower the budget deficit is a step in the right direction.

The President's own budget—rejected in this Senate by a vote in support thereof of only 19 votes—contained new revenues, new taxes, although the President would never admit it. He has never said so.

I am aware that partisan tensions were naturally encouraged on both sides of the aisle when the American people made the decision to put the Democrats back in control of the Senate.

Those tensions are natural and they are expected to be under our Constitution. But, as I have said many times before, and I am talking about tensions between the executive branch and the legislative branch, these are built-in tensions by the Constitution. But as I have said many times before, clearly something happened on election day. The American people voted for change. As Democrats, we are required to reflect that change of attitude.

Clearly, we Democrats will have our strong differences with the President. I had strong differences with the President of my own party, Mr. Carter.

The issues of controversy—the Bork nomination, catastrophic health insurance, Grove City, Contra aid, SDI, the budget deficit, and trade policy—are clearly areas where the President and many Democrats disagree.

There is, however, a clear difference between the reckless politics of confrontation and the politics of checks and balances. The President does not want his Presidency to be a lame duck or to use the new coinage a potted plant. And neither do I. Every American wants a President who is credible and respected by the American people. But I am unwilling to accept the role that the Congress should be the next fall guy in the effort to restore the President's stature. We have had enough of hollow bravado.

So, it is my strong hope that the President will not go willy-nilly down the road toward the politics of polarization—the politics of veto. It is up to the President to decide how he wants to play the game. The Congress is a coequal branch of government. Coequal. Congress is not above the Presidency. The Congress is not below the Presidency. Without the President as an equal and active partner, the Congress is stymied. But with the President, the Congress can pull America forward.

Mr. President, I yield the floor.

## RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

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## THE TWO-PARTY SYSTEM

Mr. DOLE. Mr. President, I have been listening with interest to the distinguished majority leader. I must say I do not share the views expressed by the majority leader but, again, I guess that is what makes the system work. We have a strong two-party system.

I can appreciate the majority leader's frustration. I have said many times, the leaders are sort of powerless to make things happen. The Senate is made up of 100 strong, and strong-willed individuals. And we have a strong President at 1600 Pennsylvania Avenue.

So agreeing on major policy issues have never been easy, whether we had Democratic Presidents and Congresses, or Republican Presidents and Congresses, or divided as we have now.

I think President Reagan has gone the extra mile in many, many cases to meet with Members of Congress.

I have been in Washington for a few years and, as the majority leader indicated, there is always going to be spirited debate. We are going to have our differences. While the Democrats were picking up eight Senate seats in 1986, the Republicans were picking up eight governorships. So I am not certain what the message of the 1986 election was.

We like being in the majority. We hope to be back in the majority in 1989, but that will depend on what happens in 1988.

We believe in a strong two-party system, as does the distinguished majority leader. We believe in a strong Presidency, I think we mean by that, we do not expect the President to be silent or to play dead, or not to have his own ideas, his own philosophy. The message of Ronald Reagan has been consistent.

I find as I travel around the country the reason for the President's hard-core support, and it is still pretty high, regardless of the Iran-Contra hearings is that the President has been consistent. He has told the American people precisely what he would do and what he would not do in nearly every instance.

I think the American people respect that. They did not elect Ronald Reagan to agree with Democrat Members of Congress or Republican Members of Congress. They elected President Reagan to provide the leadership, to set the agenda, and he has done that.

In 1984, the President had, I think, by all standards a mandate.

Now the President has said he was going to veto some of these bills. In fact, he came up for a policy luncheon as guest of Republican Senators about a month ago and we gave him a big veto pencil. He said he could hardly wait to use it; he said he would put it under his pillow at night. But that does not indicate that he is not willing to work with the Congress.

While we continue to complain up here about the deficit, the two bills mentioned by the majority leader were both budget busters, the Clean Water Act and the highway bill. And the President vetoed them. He was not sustained, but he vetoed the bills so he could sleep better at night knowing that he had not contributed to the deficit.

In each of those cases, I supported the President. He did not win. But the President made it clear that those bills were budget busters, they added to the deficit, and he was not going to willingly do that; he was not going to try to have it both ways; he was not going to veto a bill, or sign a bill, and then talk about the deficit.

But I think, with very few exceptions, the President has been a player. Obviously, Congress is important. This Senator does not always agree with President Reagan. I was not elected to always agree with President Reagan or President Carter or President Ford or any other President.

But I am the Republican leader, and I do support the President in most cases. But whether it was tax reform in 1981 or whether it was the next tax bill in 1982 or again 1984 or again in 1986, the President's fingerprints are there. There would not have been any Tax Reform Act in 1986 if Ronald Reagan had not gone to the American people.

Nearly everyone in this Senate, including members of the Senate Finance Committee, including the chairman at that time, had just about given up on tax reform; but not Ronald Reagan. He kept going to college campuses, traveling around the country, talking about tax reform. And, lo and behold, because of his persistence and endurance and willingness, we passed the tax reform bill. It was bipartisan, as it should have been.

The President has proposed trade legislation, the President has proposed catastrophic health insurance coverage, the President has taken the initiative on AIDS. He has appointed an AIDS Commission. The President helped us on drug legislation. And he helped us on Gramm-Rudman-Hollings when some on each side did not think that was a very good idea. The President has tried to negotiate with Congress on the budget deficit.

But there is one thing the President will not do, and that is raise taxes. He did submit a budget. He did have increased revenues or user fees and asset sales. But he has said no increase in the tax rates for individuals or corporations. The President said, "No."

Now I am not certain what is going to happen to this year's reconciliation bill, if the Finance Committee will be able to raise $19.3 billion. Because I have not seen many groups coming in to volunteer to have their taxes raised. Funny how that works. Very few individuals have written me saying, "Please raise my taxes." And I cannot recall any business groups saying, "We would like to have a little increase on the excise taxes on our products," or "We think our rates are too low and we want to join the Democrats in urging you to raise our taxes." Ronald Reagan has said he is going to veto a tax increase. And that is one veto I do not think there is any question would be sustained.

I have been asked if there is a difference in the parties. And I said, "Well, I like Republicans and Democrats and I do not go around haranguing anybody, because we all have our problems in this business." But there is a difference on tax policy, defense policy, nondefense spending policy. We all have the same goals and objectives, but we would take different routes to get there. Nobody has a corner on wisdom in this country. The Democrats could be right part of the time, we could be right part of the time, we could both be wrong all the time. But I think the President can be right part of the time, too.

There is no doubt in my mind that, with the Shultz-Shevardnadze meeting being announced this morning in September, we will have an opportunity to ratify an arms control agreement in this body this fall or early next year. And there is no doubt in my mind that without the strong leadership of the President we would not be doing that—or that without his insistance on SDI we would not be doing that.

We have seen Gorbachev trying to destroy the Western Alliance. We have seen the Soviets walk out on arms control talks. We have seen the Soviets try to hold the whole arms control process hostage to us giving up SDI. We have seen a lot of obstacles thrown in the way of a good arms control agreement by the Soviets.

When Gorbachev reluctantly gave up some of his demands, that is called a concession. And we start getting the pressure on the President to do something in return, to give away something because the Soviets made a concession. There have been repeated attempts to legislate parts of the Soviet arms control agenda, particularly in terrms of SALT, SDI, and Asat. And I have had the view, which I think is bipartisan, that we ought to do that at the negotiating table. We should not strip the President of the United States of any tool that he might use to negotiate by legislating on the Senate or the House floor. We should not tell him, "Now, Mr. President, you can't do this, you cannot do that, you cannot do that, but you go make a good agreement and if we like it, we will ratify it."

But Ronald Reagan has never given up. There may be some who think we should not have an arms control agreement; I do not know. But if it is a good agreement, one that can be verified and one that is in our interest, then there is no question in my mind it is going to be ratified.

Now, Ronald Reagan is not going to be a fall guy for Congress, and I do not think we are going to be fall guys for the President. I believe in strong congressional leadership. And we have it with the distinguished majority leader, we have it in the House with the Speaker, JIM WRIGHT—men with ideas and integrity and a purpose. They want to keep the majority and we want to take it away from them. That is the way the system works.

It does not work in the way we had an example of yesterday involving the distinguished Senator from Ohio, Senator METZENBAUM. It should not work that way. That is beneath the dignity of any of us.

We're in a rough and tumble business. We have a right to go out and contest one another and talk about our philosophy, but not to spread venom in a campaign.

So I would conclude by saying I appreciate the majority leader's statement. I am going to be seeing the President in a few minutes. I do not think he will take umbrage. I think he believes in debate.

The majority leader spelled out precisely what he believes are shortcomings in this administration. And he does not do it recklessly.

But I guess all I could say is, as I travel around the country—I do a lot of that on weekends—I have not found all that many people saying we have a crisis in Washington. Many of them when they see me think we are not meeting and for them that is good news.

I find a lot of support for Ronald Reagan. The President's credibility has suffered some by the Iran-Contra hearings. But there are going to be, probably, 20 intervening events between now and next November. Memories will fade and something else will be on the front page and the evening news and somebody else may be in the spotlight.

I want to be constructive—I think we have had the beginning of a debate that might continue. I want to help the majority leader. I want the President to help the Congress. I want Congress to help the President.

We have got a lot of issues to deal with in the next 3 months: the Bork nomination, for one; reconciliation; catastrophic health insurance.

There are a number of other issues: Grove City, which will be controversial—Contra aid, and other matters that the distinguished majority leader alluded to. But I happen to believe that nobody should be a shrinking violet—not Congress, not the President. You can have differences. You can feel strongly about your differences. You can even have confrontation from time to time, and that is not unhealthy.

The President can veto bills. He can ask that those vetoes be sustained. Sometimes they will be sustained, sometimes they will be overriden. We do have this system of checks and balances. That is why a lot of us went to Philadelphia on the 16th of July—we went to talk about the Connecticut compromise and a lot of other things. But many of us sat around, at least I did, trying to think what Benjamin Franklin might have been thinking 200 years ago that day; or what George Washington might have been thinking about 200 years ago that day. George Washington went on to become a strong President. I think the American people will agree, whether they agree or disagree with his policies, that President Reagan has been strong, he has been consistent and that he knows where he wants to take America.

I respectfully disagree with the distinguished majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I am not so sure that we are disagreeing very much. I think the distinguished Republican leader may have missed the point of my speech.

I have not sought to take credit away from the President where he should be given great credit. As a matter of fact, in my statement I mentioned the fact that what is happening here is that the President's approach in dealing with the Congress and the approach in developing and pursuing the secret policy which led to the Iran arms for hostages deal and the hidden conduits for aid to the Contras, and those things were getting in the way of the good record that the administration had established in other areas.

The whole thrust of my statement today is that the President is taking us down the road to the politics of polarization when he threatens to veto the major pieces of legislation that are going to be coming before him. The President is going to be confronted with a trade bill. That is something he ran away from for 6 years. He did not want any trade legislation, and this Senate did not force him to sign or veto a trade bill, but he is going to have that oppportunity.

So, it is the politics of confrontation in that sense—not in the sense of checks and balances which is the built-in tension and confrontation in our constitutional system—we all understand there is going to be that tension. But it is the publicly-announced deliberate and calculated strategy of veto after veto after veto—that is a policy of polarization, and that is not going to help this President. That is not going to help this country.

The distinguished Republican leader has done what he should do and what he would be expected to do and he does it well. But he is doing a little shadow boxing here. I think the distinguished Republican leader probably missed the real thrust of my speech. He said the President told the people what he would do and that the American people like that. He said that in nearly every instance the President told the American people what he would do.

But it is that instance in which he did not tell the American people what he would do that got him into trouble—that instance in which he said to the world:

> This is our policy. We will not get involved in the Iran war one way or the other. We will not take sides. We won't sell any arms to Iran. We won't make any deals with terrorists. There will be no concessions to terrorists. We will not go down that road.

That was the right policy. That was the public policy. That was the policy that he and the administration departmental heads were going around the world and advocating. That is what they advocated in Japan at the summit when seven of the industrialized nations of the world signed an agreement that there would be no deals with terrorists, no arms sales to Iran.

But all the while, underneath, there was a secret policy, a secret policy of doing just the opposite: selling arms to Iran, one of the participants in the war in the Persian Gulf; approving of the sale of arms to Iran in exchange for hostages; and instructions to the CIA to avoid telling the Congress.

That was in the January 17 finding of last year, 1986. It is in the finding. It had the signature of Ronald Reagan.

He did not tell the American people what he intended to do then and that is what has hurt this President. That is what has hurt this Nation. It hurt the credibility of this country with our allies around the world and it gave succor and comfort to our adversaries.

So when the distinguished Republican leader said "in nearly every instance the President told the people what he would do," that exception was the fatal instance; when he told the American people one thing and told the world one thing and did precisely the opposite, under the table, secretly. That January 17 finding, of 1986, carries the signature of Ronald Reagan in which he approved the shipments of arms to Iran—one of the purposes being to secure the release of the hostages.

Written out in that finding is the instruction to the CIA not to tell the Congress, and if there is one thing the administration should have learned

out of this whole fiasco it is that if you do not trust the American people they will not trust you.

Franklin Roosevelt said: If we should do away with the Congress, ours would no longer be a Republic. We can have all the Congress bashing that we want—and we are getting plenty of that these last 6 years, and going to get more over the next 18 months—but, if you eliminate the Congress, said Roosevelt, this would no longer be a Republic.

Congress is the people's branch. It is the first branch that is mentioned in the Constitution. It is mentioned in the first sentence of the first article of the Constitution.

When the President gave written instructions to the CIA to avoid telling the Congress he was also saying: "Don't tell the American people."

Of course we hear it said, well, he cannot tell 535—Secretaries of State up on the Hill. Nobody is suggesting that.

There are a few people on the Hill on both sides of the aisle who know a good many Government secrets, and have known over the years, and have not divulged them and will not ever divulge them.

The distinguished Republican leader talks about tax reform. Again, he seems to miss my point. I included tax reform as one of the initiatives of Congress. I do not say that Congress was entitled to all the credit for tax reform. I said it was one of the initiatives. I specifically referred to Bradley-Gephardt. They were talking about this tax reform a long time before the President picked up on it, and, of course, he did pick up on it and he did do a splendid job in going around the country advocating tax reform.

But I cite that tax reform legislation as an example to my good friend, the Republican leader—an example of the President and Congress working together. They were not working at odds. They were not pulling in different directions. That is a good example of their working together. That is what my whole speech is about, working together.

Mr. President, this President had taxes in his budget. I have never read or heard of his admitting it. Whether they are in the form of user fees or something else, they are taxing somebody. And there were, indeed, taxes, and there were increased taxes, by the way—taxes on black lung payments to coal miners in my State of West Virginia. That was in the President's budget. Increased excises on coal mined in West Virginia—that was in the President's budget.

So there are taxes in the President's budget. He will not admit it. Maybe he does not know it. Perhaps he has not been told.

Mr. President, I will tell you, nobody is volunteering to raise taxes. I do not want my taxes raised either. But I will tell you something else, Mr. President, there is something more important to me than raising my taxes. What is more important to me is my grandsons and granddaughters and their grandchildren. It is time that we learn to pay a little as we go. Picture that television prop where the President cut up the false credit card. That was a joke. That is a phony way to go about dealing with this budget deficit. The budget deficit has been triple-digit for the first time in our Nation's history, triple-digit in every year of this President's administration, and a public debt that has more than doubled under this administration. It increased $1.3 trillion. That is a $1 and 12 zeroes, or $1.3 and 11 zeroes.

What does that mean? Very little. But it takes 32,000 years to count $1 trillion at $1 per second. And the interest on that debt should mean also something. That is $140 billion this year. That is 37 cents out of every income tax dollar, Mr. Republican Leader, that you and I and every other individual taxpayer pays, 37 cents. That is a hidden tax. That is a hidden tax on the American people, 37 cents out of every income tax dollar goes for interest on that public debt. That is 13 percent of the Federal budget.

The Republican leader says, "I have not heard anybody saying, 'Raise my taxes.'" Neither have I. I agree with the distinguished Republican leader. Nobody is volunteering for that. But we have the responsibility of leadership. This President cannot avoid history's verdict. This President has the responsibility of leadership. He has a duty to work with Congress in dealing with this problem. It did not all occur on his watch, but the triple-digit deficits occurred on his watch, and the doubling of the public debt occurred on his watch. He has accumulated more public debts in these 6 years than was accumulated in 39 administrations over 191 years. It is somebody's responsibility to deal with these deficits.

So we cannot shirk our duty by saying "nobody has volunteered to me to raise taxes." No, nobody is going to volunteer to raise taxes. But we have to think of those grandchildren. They cannot write to us. They cannot call us on the telephone. Those who are not even yet knocking at the gates cannot call up their Congressmen and say, "Pay as you go. Lift some of this burden off us."

That is what I am talking about here. It is about time we began to pay the check for the meal. We all have eaten at the table.

There comes a time when we have to be responsible to somebody other than just to ourselves. We have to put aside the selfish way of thinking, "Well, how much is going to be out of my pocketbook?"

We should be thinking about that poor grandchild who is going to ask, "Who were they? They were our forefathers. They had a credit card. They did not pay the bills. Now I am going to have to pay their bills."

Mr. President, in closing, the Iran-Contra hearings have not been the basic hurt of this Presidency. The President hurt himself. Somebody should have advised him of that. Neither the Republican leader nor I were there to do it. But I will tell you one thing. If the President had taken into his confidence that Republican leader there and this Democractic leader here and said, "We are contemplating doing this, we are contemplating selling arms to Iran," he would have gotten a loud negative from that Senator, and he would have gotten one from this Senator. He could have gone on in spite of us, but he might have been spared the misery and the discomfort and the embarrassment that he brought on himself.

The President got the wrong advice from somebody. If he had just taken a few of us into his confidence, he would have gotten some different advice and it might have saved him all the pain he has since suffered; more importantly, it might have saved this Nation the pain, the embarrassment, and the loss of credibility that have accrued as a result of that ill-fated, ill-advised action in selling arms to Iran for hostages.

Mr. President, I close by saying I have great respect for my colleague, Senator DOLE, and I not only hold him in fondness, but he understands, as I understand, that when we speak as we have, it is nothing personal. When I walk out that door there, I forget the passions and the debates here. I go home and say to my troubles, "Good night. You have had your chance. I will never see you again."

But I can understand the Republican leader's strong and passionate support for the President. I support the President when I think he is right. I admire the Republican leader. I welcome this debate. And I know I can be wrong. I like to remember that, as I try to point out what I think are the errors of others.

I thank the distinguished Republican leader. I am happy to yield the floor.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Kansas.

Mr. DOLE. I will just take 30 seconds. I know other colleagues are waiting and I need to be at the White House—not permanently, just temporarily. I think this has been a good discussion. But there is one point the majority leader made that I certainly would recommend to all Presidents—to keep in mind that there are only four leaders in this Congress, two Republicans and two Democrats. And if we cannot be trusted, we are in bad shape in this country. I think many Presidents make that mistake. Maybe the reason is time, maybe it is pressures. But I remember the distinguished majority leader telling me on at least one or two occasions—I think I could paraphrase it—"If I am not there on the takeoff, don't invite me in for the crash landing."

I happen to have a view—maybe it is because I have been in Congress 27 years—that there are honorable men and women in this body on both sides of the aisle. I think Presidents would save themselves a lot of grief sometimes if they just confided in four leaders—two Republicans, two Democrats. Sometimes you cannot reach us, but that would be very rare. Any President would be well advised to consult with the leadership when he has a real problem because it might be beneficial down the road.

Mr. BYRD. Mr. President, I do not want to keep the Republican leader waiting, but if Mr. Carter, as I have said before and will say again, had taken into his confidence a few Members, he might have been better advised in the ill-fated attempt to rescue the hostages in Iran. He vaguely spoke of the fact that there had been some exercises in the Far West, in a simulated area, and that someone had gone to Iran and taken some soil samples and so on, but he did not tell me that the rescue attempt was actually going to occur. And he told me that the whole exercise would take I believe it was 11 days, 12 days, something like that, from beginning to the critical point, and it could be aborted up to the last 24 hours, I believe. What he did not tell me was that the action had already been put in motion and we were already into the final 48-hour period, or even the 36-hour period—never said a word about it. My advice to him was, "Mr. President, if you ever intend to do this, I would suggest that you call Howard Baker down—lock the door and get his advice. You don't have to call me back but let me know, and I will give you one or two other names. Call him down and tell him what your plans are. You need his help. If the action succeeds, good. If it fails, you will have some support from the Congress." But he did not do that.

I thank the Republican leader.

## NEW JERSEY BLUEBERRIES

Mr. LAUTENBERG. Mr. President, I would like to turn to a subject lighter in dimension, less divisive, less argumentative than the budget and the Iran-Contra affair. I would like to talk about blueberries. Senator BRADLEY and I are pleased today to share a special treat with each of our Senate colleagues, freshly picked New Jersey blueberries.

The blueberry is a special fruit. Few foods offer such a combination of great taste, nutrition, versatility, and visual appeal. Whether eaten by themselves, over ice cream or cereal, in a pie, a muffin, or a cobbler—blueberries add a little something special to summer.

Blueberries have quite a history. Botanists tell us that a relative of the blueberry plant is the oldest living thing on Earth, an ancient 13,000 years of age. But although the original wild blueberry may have originated in the Garden of Eden, the cultivated blueberry was born in the Garden State—New Jersey.

It was in New Jersey, in 1906, that botanist Frederick Coville began experimenting with wild plants. With the help of Miss Elizabeth White of Whitesbog, NJ, he produced some remarkable results. They created the modern blueberrry—plump, juicy, sweet, and easy to pick.

I am proud to note that many of the cultivated blueberries consumed by Americans each year are produced in my State of New Jersey. In fact, each summer New Jersey produces about 40 million pounds of blueberries. These contribute about $32 million to the State economy.

The blueberry industry owes some of its success to research conducted at the Rutgers University Center for Cranberry and Blueberry Research in Oswego Lake, NY. The center's many research contributions have improved the quality and increased the production of blueberries and cranberries. Yet at its current funding level the center lacks the resources to operate a truly national facility. That's why I am supporting an increased Federal commitment to the center, to supplement the financial support already being provided by the industry and the State of New Jersey.

In celebration of the New Jersey blueberry, Senator BRADLEY and I are sending a sample tray of these delicious New Jersey blueberries to each Senate office—compliments of the New Jersey Blueberry Association and the Jersey Fresh Program.

I hope my colleagues will enjoy these delicious summertime treats.

I thank the chair. I yield the floor.

## EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I see the distinguished Senator from Kansas [Mrs. KASSEBAUM] and the distinguished Senator from Idaho [Mr. SYMMS] on the floor. I would like to extend morning business.

I ask unanimous consent to extend morning business 15 minutes and that Senators be permitted to speak therein.

The PRESIDING OFFICER. Without objection it is so ordered. The Chair recognizes the Senator from Kansas [Mrs. KASSEBAUM].

Mrs. KASSEBAUM. I thank the majority leader.

(The remarks of Mrs. KASSEBAUM are printed under Submission of Concurrent and Senate Resolutions.)

## THE REAGAN DOCTRINE

Mr. SYMMS. Mr. President, I thank the majority leader for extending morning business.

I sat on the floor and heard the spirited debate between the distinguished majority leader and the distinguished Republican leader, and I could not help but think that it was pertinent to what I was going to speak about on the floor this morning.

Both Senators, although they said they are friends—which they are—make it very clear that they are adversaries. One is the majority leader; the other was the majority leader. The majority leader now would like to protect his position and stay majority leader, and the current Republican leader would like to restore the Republican Party to the majority. So there is no question that they are adversaries, and they do not share the same agenda at all times.

Mr. President, that leads me to what I rose to speak about this morning—the Reagan doctrine, which is something I happen to believe in firmly. It was instituted by this President when he first took office. It came to its pinnacle, I suppose, on the liberation of Grenada. The Reagan doctrine, simply, is to expand the frontiers of freedom and to roll back the borders of communism.

You would think that President Reagan's own administration, his own departments of the executive branch, would in fact not be adversaries to his position but would be proponents of his position. That calls to mind two articles that I want to place in the RECORD at the appropriate point, but I would like to make some comments on them first.

I want to make reference to the "Korean Games" editorial which appeared in the Wall Street Journal of July 29, 1987. It starts out by saying:

> One of the nuttier notions being advanced in the diplomatic world these days is that some of the events of the 1988 Summer Olympics should be moved from their host city in Seoul, South Korea, to the capital of the Communist North.

With friends like these, Ronald Reagan does not need any enemies, because last week, Assistant Secretary of State Gaston Sigur declared in a New York speech that the United States would be willing to send athletes to the north for some games.

I wonder if Secretary Shultz has taken leave of his senses, to allow Under Secretaries or Assistant Secretaries to go around and take positions such as this, because it leads one to wonder where their memory was of the outright military invasion of peaceful South Korea 37 years ago and the military dictatorship that happens to be in place in North Korea today, where there is no freedom. It is one of the hardest dictatorships in the world.

It leads one to ask this question: Who is the biggest opponent of the Reagan doctrine? Is it Fidel Castro? Is is Kim Sung? Is it Mikhail Gorbachev? Is it the Kremlin? Or is it the U.S. State Department, which constantly takes positions that weakens the offense of the ideological correctness, in my view, of the Reagan doctrine, which is to expand the borders of freedom and roll back the borders of communism?

Mr. President, I ask unanimous consent to have the "Korean Games" editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### KOREAN GAMES

One of the nuttier notions being advanced in the diplomatic world these days is that some of the events of the 1988 summer Olympics should be moved from their host city in Seoul, South Korea, to the capital of the communist north, Pyongyang. Negotiations have been under way in Switzerland. The other day the International Olympic Committee proposed that the North be offered yet another event on top of the four it already has rejected as insufficient. Last week, an assistant U.S. secretary of state, Gaston Sigur, declared in a New York speech that the U.S would be willing to send athletes north for some games. He urged North and South Korea to share proudly in celebrating the Olympics and to forget the past.

What really needs to be done with Korea's past is to remember it—particularly the Communist attack on free Korea that took place only two generations ago, which was one of the darkest chapters in warfare. Until the Pyongyang regime offers clear evidence that it is ready to join the civilized world, there is no reason for the IOC, the U.S. or South Korea to forget—or to concede or to cooperate in—anything.

Since the war, two governments—one communist, one relatively free—have faced off across the tank traps and land mines of the demilitarized zone. They have been competing in the arenas of military power, modernization and world recognition. In the last two categories the communist government clearly is losing.

North Korea remains a murderous recluse. It is known chiefly for the genuinely totalitarian extremes of its "Great Leader," Kim Il Sung, and for ventures such as the 1983 Rangoon bombing that killed 17 high officials of South Korea.

The North's bid to horn in on the games has to be seen against its record for that kind of terror. The argument made by some in South Korea and in the diplomatic world is that North Korea must be given a share in the Games to prevent if from leading a Communist-bloc boycott or starting a second war during the proceedings. That strongly suggests that the current negotiations are simply a straight protection payoff to Pyongyang.

The most dismaying aspect of the episode however is that Mr. Sigur is apparently carrying out the diplomatic gropings of the State Department. This represents a change from U.S policy of refusing bilateral contact with the North. In September 1983 State revised its stance, telling U.S diplomats they could converse on matters of substance with North Koreans who initiated the talk in neutral settings. That policy undercut South Korea. It was revoked a month later—after the infamous Rangoon bombing. Around March this year, it was back in effect.

It is well to remember that what keeps North Korea from invading the South is not the Olympic spirit but the roughly 840,000 South Korean and American troops on active duty below the 38th parallel. To suggest to North Korea that it can get something—prestige as an Olympic host—for nothing is to invite the miscalculations that do lead to war. South Korea has pressures enough right now, with a democratic transition to work out and a U.S. trade bill targeted on its economy. The Olympic Games were not awarded to North Korea, or even to South Korea, but to the city of Seoul. The jump to Pyongyang is too long.

Mr. SYMMS. Mr. President, I must bring to the attention of my colleagues a headline story in this morning's Washington Times.

A secret State Department proposal on arms control compliance recommends minimizing or ignoring past Soviet treaty violations as a first step in gaining Senate approval of a new medium-range missile treaty.

In other words, the détente-at-any-cost people in the State Department are now saying: "Don't say anything that might upset the Soviets at this point in time, because we want to get an arms control treaty with them."

I wish to quote Richard Perle, our former arms control expert, who was schooled in this part of the Government by our late, beloved colleague, Senator Jackson, from my neighboring State. The article states:

> Richard Perle, a former Pentagon arms control expert, denounced the proposal as "utterly inconsistent with administration philosophy.
>
> "We are not about to sweep arms control violations under the rug," Mr. Perle said. "The resolution of past disputes has got to be part of the process of any new agreement."

Mr. President, I think it is just astounding that, day after day, the State Department gives aid to Mozambique, where they recognize and embrace the Communist government. They have given credibility—the Secretary of State has—to the ANC, a Communist-front organization, the "necklace" people in the southern African continent who burn people with rubber tires and petroleum because they disagree with those people.

They give lipservice to support Jonas Savimbi in Angola but never want to recognize him as the legitimate leader of Angola.

In Nicaragua, the State Department continues to recognize a Communist dictatorship that has no respect for freedom or human rights, and yet says it is a threat to our security, which I happen to think it is, and at the same time refuses to recognize the freedom fighters as a legitimate government.

It is such an inconsistent policy that makes one wonder if President Reagan does not need friends like this, if he really wants to see the initiative he started, and rightly so, upon his election in 1980, and taking office in 1981, and that is the Reagan doctrine.

Mr. President, I ask unanimous consent that the article from today's Washington Times entitled "State Arms Limit Plan Goes Easy on Soviets" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### STATE ARMS LIMIT PLAN GOES EASY ON SOVIETS

A secret State Department proposal on arms control compliance recommends minimizing or ignoring past Soviet treaty violations as a first step in gaining Senate approval of a new medium-range missile treaty.

At the same time, the proposal, outlined in a memorandum obtained by The Washington Times, acknowledges that Soviet strategic missile forces have stepped up concealment efforts to prevent U.S. intelligence monitors from collecting information on weapons systems.

The memorandum criticizes the U.S. position of demanding complete corrective measures for past Soviet treaty violations and states that "we have not been willing to advance compromise solutions of our own."

The six-page document was circulated to senior State Department officials in May in preparation for an anticipated July meeting between Secretary of State George Shultz and Soviet Foreign Minister Edward Shevardnadze. The meeting is now planned for September.

Reagan administration charges of Soviet cheating on previous arms control agreements remain a major obstacle to an arms control agreement. But the State Department proposal appears to undercut administration efforts to expose Soviet violations of the 1972 antiballistic missile and Salt I treaties and the 1979 SALT II treaty, among others.

Richard Perle, a former Pentagon arms control expert, denounced the proposal as "utterly inconsistent with administration philosophy.

"We are not about to sweep arms control violations under the rug," Mr. Perle said. "The resolution of past disputes has got to be part of the process of any new agreement."

Sen. Pete Wilson, California Republican and a member of the Armed Services Committee, which will review any proposed treaty, said in an interview he disagreed "very strongly" with the thrust of the memorandum.

Any new agreement limiting medium-range missiles should include provisions spelling out penalties for anticipated treaty violations, he said.

"I think that should be part of the agreement, and if it's not we ought to wonder

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whether the agreement is worth ratifying," Mr. Wilson said.

State Department officials confirmed the authenticity of the document but sought to minimize its importance.

Officials, who declined to be named, said the early proposal was not sent to Mr. Shultz because of disagreements among senior arms control and policy advisers on how best to deal with the issue.

Disclosure of the proposal comes amid new intelligence reports showing deployments of missile interceptors and mobile radars in the Western Soviet Union. The reports suggest the Soviets may have committed recent violations of the ABM treaty, according to U.S. government sources.

The SALT II treaty was abandoned last year by the administration as a result of continued Soviet cheating on the arms pact.

The State Department acknowledges the question of the Soviets' past treaty compliance remains unresolved and could derail administration efforts to win Senate ratification of any new treaty limiting Intermediate-range Nuclear Forces.

In a cover letter to the memorandum, Richard H. Solomon, chairman of the policy planning council, recommends sending Mr. Shultz the memorandum because "the time is now right" to push for the initiative with the Soviets "because ratification [of a new arms treaty] would be facilitated by improving the compliance situation."

The memorandum calls for introducing a comprehensive initiative on arms control compliance to include meetings between the top U.S. and Soviet defense leaders.

A State Department official described the compliance problem as "a live issue" that will be an agenda item at the upcoming September talks between Mr. Shultz and Mr. Shevardnadze.

The official declined to say what elements of the May proposal will be included in the discussions.

"Failure to improve the current compliance situation could become costly," the memorandum states. "In the near term, it could complicate the ratification of an INF Treaty or other arms control agreements we may conclude."

According to the memorandum, "Any such agreements will inevitably have controversial features, including verification provisions considered by some to be inadequate."

But the memorandum also notes "a continuing and expanding pattern of Soviet concealment activities—camouflage, deception, concealment, and other data-denial or data-distorting practices aimed at preventing us from acquiring accurate information about Soviet military programs."

James Hackett, a former U.S. Arms Control and Disarmament Agency official, now an arms control expert for The Heritage Foundation, said the increased mobility of Soviet nuclear forces will make any new agreements "very, very difficult to verify.

"And why sign new agreements with a country that has violated past arms agreements?" he said. "It doesn't make any sense to me, or, I believe, to the American people."

On the proposed INF treaty, Mr. Hackett said signing the pact "would amount to a great leap of faith, because we really can't verify such agreements."

Several annual reports to Congress have outlined numerous allegations of treaty violations and apparent violations.

Among the most serious charges is the allegation that a Soviet radar station in Krasnoyarsk violates the ABM treaty.

Apparent Soviet violations of the ABM treaty, including the mobility of ABM interceptors and radars, surface-to-air missile improvements, rapid reloading exercises and concurrent operations of ABM and non-ABM systems are to be played down under the State Department plan.

"Regarding the variety of unresolved ABM issues, we would have to decide which ones even to include in the initiative, which to handle by proposing new understandings and which simply to set to rest in some mutually agreeable manner," according to the State Department memorandum.

As for the Krasnoyarsk radar, U.S. negotiators "will probably have to settle for something less" than expecting the Soviet Union to dismantle the system that is considered one of the most serious and flagrant violations of the ABM treaty, the memorandum states.

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## LIBERTARIANS' STORIED GURU

Mr. SYMMS. Mr. President, I wish to submit for the RECORD an article from today's Washington Times, called Libertarians' Storied Guru.

I have had the privilege of visiting Dr. Rothbart and his lovable wife Joey in their home in New York City. The article, I think, is one that all Senators from both sides of the aisle here in this Chamber could do well to read. It is about an economist who is a guru of the Libertarian Party, the third largest political party in this country.

The distinguished occupant of the chair and I had privilege of serving in the other body with Ron Paul, a Congressman of Texas, who worked closely with Dr. Rothbart, who has a lot of ideas and a lot of ideas that make a lot of sense.

I will ask unanimous consent to have this article printed in the RECORD so more people can be aware that there is a growing movement of people who believe in private solutions to solve the problems as opposed to this mass hysteria for more government that seems to go on in both the Republican and the Democratic Parties as a way to do business. We continue to expand the role of government into our lives. We go from one administration to the next and government continues to grow, and it is very frustrating, I know, to many of us. But I think we should always welcome new ideas because ideas, after all, do have consequences, and one of the original thinkers of the 20th century certainly is Dr. Rothbart.

This article, makes reference to our former colleague in the House, and I might just read a quote from Congressman Paul. He says:

> Like Mr. Rothbard, Mr. Paul isn't concerned that a Libertarian candidate might draw more Republican than Democratic votes.

And I quote Mr. Paul:

> Actually, it would be a benefit for the conservatives if that happens, Mr. Paul reasons. Anyone who's been in Congress knows a conservative Republican is much more effective with a Democratic president. Who would have let *Carter* get away with a $220 billion deficit?

This is a quote from our former Republican colleague in the House. I only say that not that I totally agree with what he is saying, but I think it is food for thought for all of us, that oftentimes a good strong political divisiveness in opposition to a President in the White House may be good for the country because it slows the Government down and throws rocks in the progress of the bureaucracy which most often just interferes with the workings of the private sector and, after all, it is the private sector that provides for the lights to be turned on, provides for the hungry, provides medicine for the sick, and provides all the things that make life on this Earth a much better, easier environment than it was at an earlier time.

Mr. President, I ask unanimous consent to have that article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### LIBERTARIANS' STORIED GURU

(By Scott Sublett)

Murray Rothbard, according to his disciples, is an intellectual giant who will be remembered as the 20th century's answer to Karl Marx.

Eccentric and often shocking, Mr. Rothbard, 61, is an academic who dresses as though fashion were an impediment to serious thought. He mixes double knits, plaids and striped bow ties and winds up looking like a jaunty, cartoon bullfrog. New West magazine once referred to him as the "potato-faced Lenin" of libertarianism.

So profound is his faith in free markets that he urges privatization of America's roads, schools, sewers, courts—in sum, the whole kit and caboodle. Once the state withers away—a goal Mr. Rothbard shares with Marx—a structure of private businesses and institutions will remain. This will achieve for mankind the liberty which Mr. Rothbard feels the "statists" on the left and right are ever eager to appropriate.

His iconoclastic turn of mind is reflected in his stand on insider trading.

"It's perfectly legitimate," he states in his honking, native New Yorker voice. "It's advancing those who are most knowledgeable. I'm very indignant about the fact that people who are indicted for this sort of thing get much stiffer sentences than muggers or murderers even. Nobody worries about their home life and whether they had no playgrounds as a kid."

He says insider trading is a victimless crime.

"Supposing I have a tip that there's going to be a merger of two companies," he reasons. "I buy the stock. You sell me the stock—you haven't got the tip. Well, so what? You haven't lost anything. You were going to sell the stock anyway. If I didn't have the tip, you would have sold it to somebody else, a third guy. Well, the third guy would have had a windfall profit when it came out the merger was going on. The other way, I get the profit because I knew what was going on!"

Considering his views, it comes as no surprise that Mr. Rothbard is the adored guru of the Libertarian Party and, some say, the father of modern libertarianism. He is also economic adviser to Ron Paul, the former Republican congressman whom libertarian activists predict will be named the party's presidential candidate at the Libertarian convention in September. Mr. Paul's major competitor so far is Indian-rights activist Russell Means.

At present, the Libertarians are America's strongest third party. In their peak year, 1980, presidential nominee Ed Clark attracted just short of a million votes—about 1 percent of the total. He did even better in Alaska, snaring almost 12 percent of the vote. (Libertarian candidate David Bergland dipped to 235,619 votes in 1984.) Next year Libertarians hope for greater success than in '80, reckoning that Mr. Paul's background as a former congressman would give his candidacy "legitimacy" in the eyes of the public.

"An honest person doesn't make predictions this early, but I don't think it's unreasonable to believe the Libertarian Party could do as well as a John Anderson," says Mr. Paul, a Texan who recently switched from the Republican to the Libertarian Party. "We're going to be a significant force, I'm convinced."

Like Mr. Rothbard, Mr. Paul isn't concerned that a Libertarian candidate might draw more Republican than Democratic votes.

"Actually, it would be a benefit for the conservatives if that happens," Mr. Paul reasons. "Anyone who's been in Congress knows a conservative Republican is much more effective with a Democratic president. Who would have let *Carter* get away with a $220 billion deficit?"

Moreover, he fears that "the coming financial catastrophe"—what he regards as the inevitable result of deficit spending—will be blamed on the "good conservatives" if a Republican is in office when it happens. From the libertarian perspective, Republican or Democratic, a spender is a spender, and deficit spending is the road to hell.

"One of the major reasons I've switched parties is to emphasize that people who believe in limited government should separate themselves from the Reagan politics," Mr. Paul says. "I'd prefer they become Libertarians, but if the principled conservatives can't do that they should at least align themselves with a Howard Phillips."

For Mr. Paul, the alliance with Mr. Rothbard represents a move away from the mainstream. For Mr. Rothbard, however, it perhaps represents a minute step toward center, though he would recoil in horror at this suggestion. Mr. Paul may be a libertarian, but he differs from Mr. Rothbard on several issues, especially abortion. Mr. Paul opposes it. Mr. Rothbard believes in choice.

Still, Mr. Rothbard plays down their differences. Some libertarian observers are surprised that Mr. Rothbard would support a candidate whom he may regard as less than 100 percent pure. Mr. Rothbard is known as an uncompromising advocate who does not brook opposition patiently, especially within libertarian ranks. His feuds are legendary.

For instance, in 1981 Mr. Rothbard and Edward Crane, president of the Cato Institute, a think tank founded on a commitment to libertarian ideas, had a falling out over the direction to be taken by the institute. The row began when the institute hired an economist who was not of the "Austrian School," as is Mr. Rothbard. It escalated into a war over how far libertarians should go in compromising with the realities of American politics.

Mr. Rothbard broke with the institute. Mr. Crane is still Cato's president. Their battle was stunningly personal and acrimonious. Mr. Rothbard publicly decried "Edward Crane's cynical and power-hungry disregard of principle."

On the other hand, at a social function of the Libertarian National Committee, Mr. Crane reportedly had to be physically restrained from slugging Mr. Rothbard. Mr. Crane denies this rumor and prefers to make no comment on the subject of Murray Rothbard. In any case, Mr. Rothbard considers Mr. Crane's support for former Delaware Gov. Pete DuPont for president in 1988 to be utter heresy.

Another legendary Rothbard feud was with Roy Childs, erstwhile editor of the Libertarian Review and now editorial director of Laissez Faire Books. Mr. Childs says that Mr. Rothbard, who has no children, regarded him as "sort of an intellecfoundered in 1979 when they disagreed over the best strategy for advancing libertarian goals.

"He holds his convictions with an extreme intensity and he's willing to draw blood to get his way," says Mr. Childs. "Anyone who finds himself on the opposite side of an issue from Rothbard can expect to find himself savaged in any number of ways."

Just as long is the list of staunch supporters.

Bill Evers, a former editor of the libertarian magazine Inquiry, is a political science professor at Atlanta's Emory University and a great admirer of Mr. Rothbard.

"I think that one of the things that strikes people when they read his writings is that they sense a diamondlike brilliance and toughness to his mind," says Mr. Evers, "and when they meet him he's like a jolly elf. Always laughing and making jokes. It's a lovely incongruity."

"He is the founder of modern libertarianism," says Llewellyn Rockwell Jr., president of The Mises Institute, a Washington think tank named for Austrian free-market economist Ludwig von Mises. He says that Mr. Rothbard, The Mises Institute's vice president for academic affairs, is "the greatest Misian economist in the world, bar none." Mr. Rockwell adds that there's an old saying in libertarian circles: "The modern libertarian movement was founded in Murray Rothbard's living room."

Mr. Rothbard's wife of 34 years, JoAnn, is called "Joey" by almost everyone. She is famously devoted to her husband and his work but agrees that he lacks tact.

"It's mostly censorship," she says of her contribution to her husband's prolific stream of prose. "He's too tough on people he's writing about. Insulting. Things like that. And I try and get him to take it out or soften it."

The Rothbards met in the late '40s when Mrs. Rothbard, a history major from the University of Virginia, spent a summer at Columbia University.

Mr. Rothbard was a student in economics at Columbia and one of "only two Republicans" in the department. He claims everyone else was either a communist or a social democrat.

"He seemed very right-wing to me," recalls Mrs. Rothbard. "At first it was a minus, but I got used to it."

Exposure to publications from the Foundation for Economic Education (beginning with an anti-rent-control pamphlet co-authored by a very young Milton Friedman) started Mr. Rothbard down the road to libertarianism. For a time he joined the coterie surrounding Ayn Rand, the author whose quasi-libertarian "objectivist" philosophy informed "The Fountainhead" and other novels, but he eventually found Miss Rand intellectually oppressive.

"A cobra-type personality—coiled and ready to strike," he says of Miss Rand. "She had hypnotic eyes and fantastic energy. I'm a night person. She was a day person. She could sit there at five or six in the morning, discussing philosophy, spearing you with her eyes, with a cigarette holder and sitting on the couch. She was a totalitarian personality."

Though he had a doctorate, Mr. Rothbard spent many years without an academic position. Mrs. Rothbard says that for the first 15 years of their marriage he made his living as a free-lance writer, working at home. He finally got a teaching job at Brooklyn Polytechnic, a school that didn't offer a major in economics. He has recently gained a professorship at the University of Nevada, Las Vegas, and it seems somehow apt that he should end up living amid the neon light of capitalism's gaudiest jewel.

Mrs. Rothbard says it's deeply satisfying for her husband to be in a real economics department with actual colleagues. The Rothbards now divide their time between Las Vegas and Manhattan, where they occupy a rent-controlled apartment.

A libertarian living in a rent-controlled apartment?

"Indeed I do," says Mr. Rothbard, his dignity offended by the implied criticism. "I'm not responsible for rent control. I've written many things urging the repeal of it. Why is it my fault I'm living in a rent-controlled apartment? It's like saying it's my fault I fly from a government-owned airport. Well, there are no free-market airports."

Mr. SYMMS. So, Mr. President, I thank the distinguished occupant of the chair and I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor.

Does the Senator from Idaho suggest the absence of a quorum?

Mr. SYMMS. Mr. President, I just wanted to inquire, was the distinguished Senator from Mississippi seeking recognition?

Mr. STENNIS. No.

Mr. SYMMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I have just talked with Senator CHILES and it seems it will be a little while before the amendment will be ready. I think I will put the Senate in recess for a half-hour so as to give him time.

Mr. STENNIS. Mr. President, will the Senator yield to me for one question?

Mr. BYRD. Yes.

Mr. STENNIS. I understood the majority leader called the name of the

Senator from Florida there. We have a matter pending downstairs that he knows about. I believe we have that in good shape now. We cannot put a time limitation on it, but maybe in an hour and a half anyway we can complete and finish it up.

Mr. BYRD. Is that the meeting of the Appropriations Committee to occur soon or is that this afternoon?

Mr. STENNIS. That is the one I talked to the majority leader about yesterday, this afternoon at 2 o'clock.

Mr. BYRD. Two o'clock.

Mr. STENNIS. Yes.

Mr. BYRD. Very well.

I thought in the meantime I would recess the Senate for a half-hour. The chairman of the Budget Committee, Mr. Chiles, is preparing to come to the floor to speak on the amendment that he and Mr. Domenici and others have been working on to the debt limit extension matter. He is not quite ready and his staff and the other staffs are working to put the amendment in shape.

I believe that if the Senator from Mississippi has no problem with it, I would just recess the Senate for a half-hour and may have to recess it again to give them time. As the Senator from Mississippi has said, there will be a meeting of the Appropriations Committee at 2 o'clock and Senator Chiles is very much involved in that——

Mr. STENNIS. Yes.

Mr. BYRD [continuing]. As is Senator Domenici, a member of the committee.

So at this time, I feel that if no Senator seeks recognition, I will put the Senate in recess for 30 minutes.

Mr. STENNIS. Excuse me. I did not catch the last part.

Mr. BYRD. If no Senator seeks recognition at this point I will put the Senate in recess for 30 minutes.

Does the Senator wish to speak?

Mr. STENNIS. No, I do not wish to speak. I came here frankly to see the majority leader about this matter, continuing what we had yesterday.

Mr. BYRD. Very well.

Mr. STENNIS. We have had several meetings of this committee and really we can get it, I think, voted on and passed out this afternoon.

Mr. BYRD. Yes, I hope so. And the distinguished chairman has been so considerate, so considerate of Mr. Chiles' dual problems at this moment.

Mr. STENNIS. I know.

Mr. BYRD. That is the problem of dealing with the debt limit and the problem that is involved in the meeting at 2 o'clock.

**I want to thank the chairman for being so considerate of the leadership also in that matter. He has delayed at my request the meeting of the Appropriations Committee to take up the problem. And I thank him for that. So I will just ask consent at this time that the Senate stand in recess until the hour of 12 noon and I will be happy to talk then with the distinguished chairman about the appropriations problem.**

Mr. STENNIS. All right. If we could have just 1 hour, say, at 2 o'clock, I believe that would wrap it all up.

Mr. BYRD. Very well.

Mr. STENNIS. I believe it might take a little more time. We are all familiar with the facts now.

Mr. BYRD. Yes. Once Mr. Chiles and Mr. Domenici and the two leaders lay down their amendment that they are going to jointly back, jointly support, that debate can be going on during the time the Appropriations Committee meeting is going forward and Mr. Chiles can attend the Appropriations Committee while the debate goes forward on the floor on the other matter, on the debt limit extension.

Mr. STENNIS. If he could do that, why, that largely solves the whole problem.

Mr. BYRD. I just talked with him a few minutes ago and he has indicated he will be at the Appropriations Committee.

Mr. STENNIS. Well, that is fine. I will just be there and be there ahead of time to try to notify all the membership the earlier they come the better. It has been worked on a great deal. I think we will pass it out. But if we do not, we will go over into next week.

Mr. BYRD. Yes. I hope it will be worked out, because it is the desire of the leadership to get some of appropriations bills up before the Senate in September and get some of them passed before the beginning of the next fiscal year.

Mr. STENNIS. I am glad you mentioned that, because it is absolutely necessary to get these measures moved out and filed here with the Senate before we can take up even the first one of the appropriations bill. So we are going to have to do it before we can move those bills forward.

Mr. BYRD. Yes.

Mr. STENNIS. So we can look forward to that at 2 o'clock then, and Mr. Chiles will be present?

Mr. BYRD. Yes.

Mr. STENNIS. Thank you very much. That will take care of that.

Mr. BYRD. I thank the chairman. And I thank him for his zealous efforts to press forward on the appropriations bills. I am going to join him in that effort after the recess. At some point after the recess, we will try to move those appropriations bills on the floor.

Mr. STENNIS. Well, that is fine. Thank you very much.

Mr. BYRD. I thank my distinguished chairman and my very good friend, Senator Stennis.

## RECESS FOR 30 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 11:32 a.m., recessed until 12:02 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Adams).

The PRESIDING OFFICER. The Chair suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## THIRTY-MINUTE RECESS

Mr. BYRD. Mr. President, our budget negotiators and workmen need a little more time. Seeing no Senator seeking recognition, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate recessed at 12:15 p.m. until 12:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Adams).

The PRESIDING OFFICER. The Senate will come to order.

The Chair, acting in its capacity as a Senator, suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia.

Mr. WARNER. Mr. President, a parliamentary inquiry. Is it proper at this time to proceed with a statement?

The PRESIDING OFFICER. The Senate is in morning business, as extended.

## A QUEST FOR EXCELLENCE—IMPLEMENTATION OF RECOMMENDATIONS

Mr. WARNER. Mr. President, I have received a copy of a letter to the President from Mr. David Packard, former Chairman of the President's Blue Ribbon Commission on Defense Management, and I ask unanimous consent that the letter be inserted into the Record immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WARNER. As most of my colleagues are aware, the Packard Commission was established by Executive order on July 15, 1985. The Commission was charged with examining a

wide range of issues surrounding defense management and organization, including the defense budget and acquisition process, defense organization, and the legislative oversight process. The 16 members of the Commission included some of the most respected and experienced policymakers in the national security arena.

After a series of interim reports, the Packard Commission issued their final recommendations in June 1986, in a report entitled "Quest for Excellence." One year later, at the President's request, the Commission conducted an assessment of the implementation of their final recommendations. That assessment is the subject of Mr. Packard's letter.

Mr. President, I would like to invite the attention of my colleagues to the fact that at the top of Mr. Packard's list of recommendations for further improvement in defense management is the urgent need for increased stability in defense planning and budgeting. Mr. Packard states that: "more defense can be provided per dollar appropriated within a stable program, sustained and predictable over several years." That is a very wise observation.

But, Mr. President, the truth is that the Congress has failed to provide that stable, predictable and sustained level of defense funding for the past several years. We have promised real growth for defense but failed to deliver, and the Congress must therefore bear its share of the blame for the consequences of its annual inconsistency. Mr. Packard and the distinguished members of his Commission understand those consequences well—perhaps even better than many Members of Congress—and he warns us:

> Opposition in the Congress to adequate and stable levels of funding for defense . . . is beginning to pose serious problems for our long-term national security.

Mr. President, that is a timely warning—but I wonder if we will heed it. Regrettably, our track record over the past several years does not provide much encouragement. What that record reveals is a history of budget resolutions which promise real growth for defense, but instead end up cutting defense below the previous year's level. In 5 of the last 6 years, the Congress appropriated less for defense than was projected in our own congressional budget resolution targets. In other words, in each of those 5 years we said, while formulating the budget, that we would spend a certain amount for defense—but when we got around to appropriating the necessary funds, we reneged, and ended up short-changing defense. To make matters even worse, in the last 2 years alone, the defense budget has actually declined in real terms by almost 7 percent because of congressional reductions. This is not a healthy trend. If it continues, we will find ourselves in the same predicament we faced in the late 1970's when we discovered that our underfunding the defense budget had resulted in a hollow Army, a Navy whose ships could not safely put to sea, and an Air Force filled with hangar queens.

But I am sorry to report, Mr. President, that this negative trend does continue in the Democratic budget resolution for fiscal year 1988-90, which would reduce that level of defense funding by an additional 8 percent. If this proposal becomes reality, the fiscal year 1990 defense level will be 15 percent below the fiscal year 1985 level. That, Mr. President, is a prescription for disaster.

Without reliable projections for future defense funding levels, the Department of Defense cannot possibly formulate defense budgets in a balanced and cost-effective manner. Budget instability results in program stretchouts, unit cost increases, costly contract modifications, and undermines the accountability of program managers. Because of congressional inconsistency, we are not buying more bang for the buck; we are instead buying less and paying more.

I would like to repeat, Mr. President, that "Opposition in the Congress to adequate and stable levels of funding for defense * * * is beginning to pose serious problems for our long-term national security." These are the words, Mr. President, of the Packard Commission and its Chairman who are experts in the field of defense management. The Congress has ignored this expert advice in the past, to the detriment of our national security. I wonder, are we listening any better this time?

### Exhibit 1

Hewlett-Packard Co.,
Page Mill Road,
*Palo Alto, Cal., July 10, 1987.*

The President,
*The White House,*
*Washington, DC.*

Dear Mr. President: One year ago the Blue Ribbon Commission on Defense Management reported to you its findings and recommendations. Those recommendations were intended to be a framework to assist the Executive and Legislative branches as well as industry in implementing a broad range of needed improvements, both for efficient use of defense funds and for maintaining a strong defense industrial base. At that time you asked that we give you an assessment this year on the extent of progress in implementing the recommendations. We have four major points to make.

First, I am pleased to report that, organizationally, much has been accomplished in the Department of Defense during the past year. Considering the scope and complexity of the problems involved, we believe that an excellent start has been made. Organizational changes that were recommended are now in place to streamline both the national military command structure and acquisition mnagement within the Department of Defense. In this arena Congress and the Executive branch have largely worked with common purpose, and the Goldwater-Nichols Act, your directives, and Defense Department implementation all support a common theme: bringing authority together with responsibility and thus improving accountability, particularly in the important area of military command and control.

The implementation of our recommendations to improve stability in defense programs can, however, receive no such across-the-board approbation. Although the Administration has worked hard to institute a two-year budget process and to increase multi-year contracting, these efforts have met with resistance in important Committees of the Congress, where the attachment to detailed annual reviews remains strong. In addition, for the last three years the actual Congressional appropriations for defense have been significantly less than the amount in the budget forecast made by Congress the previous year. Our recommendations last year stated that more defense can be provided per dollar appropriated within a stable program, sustained and predictable over several years. That stability has not been achieved. Opposition in the Congress to adequate and stable levels of funding for defense—however understandable as part of our normal, vigorous democratic debate over such issues as deficits, spending, and revenues—is beginning to pose serious problems for our long-term national security.

Third, none of the reforms that we proposed and that the government has begun to implement can be effective without able people serving in government. Personnel policy is the keystone of virtually all of these reforms. With able people operating them, even second-rate organizational structures and procedures can be made to work; and without able people, even first-rate ones will fail. Last year an effort was made to obtain a government-wide reform of the Civil Service system. That effort failed. This year we would urge in the strongest possible terms that specific legislation be proposed to ensure that senior civilian acquisition personnel in the Department of Defense—scientists, engineers, contracting officers and the like—can be promoted, paid, and educated adequately. The present system does not even allow for educational criteria for contracting officers. We pointed out last year how the Navy's China Lake experiment had thoroughly tested and pointed the way to a new system for senior career civilians in acquisition.

It is also quite important to implement, with regard to Presidential appointees, the reforms we described that have been set forth by the National Academy of Public Administration. These reforms would make it possible for those with experience in, and understanding of, the relevant industries to serve in acquisition-related jobs in government. Current divestiture rules and their tax consequences and revolving-door legislation virtually prohibit such service for most people who have the relevant types of industrial experience. Continuation of these current constraints on personnel virtually assures a steady downward spiral of competence among civilians involved in acquisition. Under current law and practices, uniformed acquisition managers will not be able to compensate for this deterioration. The implications for national security are profound.

Fourth, although we are impressed with the organizational and procedural steps taken in the Defense Department as noted

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above, we cannot say the same for the implementation of the acquisition policy changes we recommended.

The Under Secretary of Defense for Acquisition has not been given adequate authority. Policy decisions have been made, for example, that severely undercut the role of contracting officers and the ability of program managers to direct programs successfully. Auditors have been given responsibilities outside their competence and have been afforded a separate chain of command in a way that, in effect, makes them rivals of contracting officers, undercutting the acquisition plan we set forth to you—a plan that was based on strong program offices capable of effective management. This problem results both from legislation which gives authority for audit policy to the Inspector General instead of the Under Secretary of Defense for Acquisition, and from Defense Department implementation which assigns to Defense auditors contractual responsibilities previously held by the contracting officer.

A continuing problem is that debarment and suspension of contractors can still be used punitively. Suspension, for example, upon indictment and before conviction, is a clear violation of the principle of the presumption of innocence. Some flexibility is in the process of being implemented, but the new regulations have not yet taken effect.

Finally, the apparent overall policy of increasing contractors' risks—for example, by using firm fixed-price contracts for development of systems—while at the same time reducing their ability to deal with this risk by changes in progress payments and other policies, will lead to reduced contractor investments in capital equipment and reduced Independent Research and Development. We are seeing today the same sorts of acquisition policy mistakes that characterized the enthusiasm for total package procurement in the 1960s—mistakes that produced the bitter contract claims disputes, contract restructuring, and bail-out charges of the 1970s.

The present and future impact of these acquisition policy decisions are a major component of the poor relations between the Department of Defense and industry, and in time could seriously weaken our defense industrial base.

There is one important positive trend in the field of Defense-industrial relations. Significant efforts have been made by industry and the Defense Department in the fields of industry self-governance and voluntary disclosure. These efforts should be publicly endorsed by you and the Secretary of Defense as a foundation on which a new and constructive partnership may be built between government and industry.

I would close on a positive note. Much has been done—in many ways the hardest and most complex parts. What remains to be done can be accomplished with your leadership and, on some issues, with the cooperation of the Congress. Many of the Commission's recommendations may be implemented by regulatory changes, often by eliminating regulations. We would suggest that the Presidential Task Force on Regulatory Reform, chaired by the Vice President, should oversee such implementation. The Task Force should also oversee the drafting of legislation providing for simplified procurement statutes and legislation establishing a preference for the acquisition of commercial products. In addition, we believe that further Presidential direction would be useful in order to provide additional impetus to implementation of the Commission's 1986 recommendations. A detailed list of recommendations which require further action is attached.

Former members of the Commission appreciate the opportunity you have given us to provide this informal, follow-up report. We have every confidence that in the next year, through your leadership, we will see this major effort at improving defense management through to fruition.

Sincerely,

David Packard.

### Recommendations Requiring Further Action

The following is a list of specific actions related to the Commission's 1986 recommendations that deserve the highest priority:

1. Work must continue to increase long-term stability in national security planning and budgeting, particularly in providing a more stable Congressional budget process.
2. Legislation to establish an alternate personnel management system for senior acquisition personnel and contracting officers as well as scientists and engineers must be supported.
3. Reforms recommended in November 1985 by the National Academy of Public Administration, and endorsed in our final report, with regard to the senior-level personnel appointment system must be implemented.
4. Actions underway to increase training and professional qualifications of Defense acquisition personnel must be continued.
5. The responsibilities and authority of the new Under Secretary of Defense (Acquisition) must be clarified to ensure that he is the single manager of Defense acquisition policy.
6. The authority of Department of Defense program managers and contracting officers must be strengthened.
7. The entire system of contractor auditing must be reviewed, and modified if necessary, to ensure that audits are cost-effective and that they support the contracting officers.
8. The policy regarding debarment and suspension of contractors must be based on the principle of the presumption of innocence.
9. An integrated Defense acquisition policy must be developed that matches compensation with risk to the contractor and reverses the current trend toward practices such as making firm fixed-price contracts for systems development and concurrent reductions in progress payments.
10. A national industrial responsiveness policy must be established, and industrial, responsiveness requirements must be incorporated in acquisition policy.
11. Actions taken by major defense contractors to subscribe voluntarily to a code of ethics and conduct, and to improve their internal auditing systems, must be continued and publicly endorsed by the President and Secretary of Defense.
12. Relevant recommendations made in the Commission's 1986 final report should be included within the current review of procurement regulations being conducted by the President's Task Force on Regulatory Reform chaired by the Vice President.
13. Greater emphasis must be placed on using commercial products rather than products made to military specifications.
14. Work begun on data rights must be carried through to establish a policy that balances the government's needs with the private sector's proprietary rights.

## THANK YOU TO VOLUNTEERS FOR KIDS' HOT AIR BALLOON RALLY

Mr. WARNER. Mr. President, this is to commend the volunteers associated with KIDS, Inc., a charity which ranks among the largest of the national, nonprofit organizations that fulfill the dreams of gravely ill children. I am privileged to serve as a member of the KIDS board of advisers.

A group of nearly 100 dedicated volunteers organized and operated the Third Annual KIDS Hot Air Balloon Rally June 5-7, 1987, in Clarksburg, MD. In spite of a tragic accident at the event's opening, 50 balloonists and their crews, generous sponsors and supporters and civic emergency teams all worked together with these dedicated volunteers to ensure that the KIDS balloon rally was enjoyable for the several thousand spectators who attended.

In particular, I wish to commend U.S. Capitol Police Officer Bob Fitzpatrick, who served as balloonmeister, Dave Sweeney of WJLA-TV 7, who served as Master of Ceremonies, KIDS Rally Committee members Mr. Paul Bley, Sgt. Lee Brierly, Mrs. Jan Campbell, Mr. David Clem, Mrs. Christine Covey, Mrs. Mary Lou Duggan, Mrs. Beth Fitzpatrick, Mr. Alan Morris, Mr. Rick Pasciuto, Mr. Brian Sherrill, Ms. Maureen Sherrill, Brian and Tracy Southard, Ms. Marie Tracz, and Officer Thomas Williams, as well as members of the U.S. Capitol Police, the Montgomery County Fire and Rescue Services and the Montgomery County Ladies Auxiliary.

The generous sponsors of the organization and the event include Apple Motors, Auger Enterprises, Comsat, Criswell Chevrolet, Dravo, First American Bank of Virginia, Harvey Construction Co., Hughes Aircraft Co., Lipsen Hamberger Whitten & Hamberger, Manufacturers Financial Services, Penwalt, Philip Morris, Inc., PRC, Ramada Hotels, RE/MAX, Smith Kline Beckman, Stidham Tires, Virginia Financial Group, the George Washington University Health Plan, and WLTT-FM.

I am confident that I share the sentiments of all the members of the KIDS board of advisers in commending all those volunteers and sponsors who worked so capably on behalf of children who have so little time left to dream.

## BICENTENNIAL MINUTE

### JULY 30, 1911: NEW SENATORS IGNORE TRADITIONS

Mr. DOLE. Mr. President, on July 30, 1911, 76 years ago today, the combination of an oppressive summer heat wave, and a large new class of freshmen Senators, provoked the Washington Sunday Star to publish a feature

article entitled "Smashing the Time-honored Precedents of the Senate." The article provided a tongue-in-cheek account of recent and alarmingly unsenatorial innovations. Accounting, in part, for this break with the past was the extraordinary statistic that 41 percent of the Senate's Members had begun their service within the past 4 years. Among them, according to the article, were "a whole drove of unruly and upstart young men, who move, with a pitiful and openly admitted lack of knowledge of rules and precedents, and with a shameless disregard of their own ignorance, to denounce the time-honored precedent and courtesy of the Senate, and to bait the few survivors of the old dignity."

The results of this new attitude could be seen in the work of Utah's Reed Smoot who arranged for the hanging of four "plebeian propeller-blade electric fans" from the ceiling of the Senate Chamber. This followed Vice President James Sherman's earlier unprecedented action of installing a noiseless electric fan on the Presiding Officer's desk. The writer asked, "has not the palm leaf fanned the Senate through untold summers? Is one heated spell more or less to induce the abandonment of honorable customs of a century or so, and the adoption of the vulgar attributes of the modern age?"

Sweltering July sessions prompted newer Members to suggest that the Senate conclude its seemingly endless debate on pending legislation, vote, and go home. In earlier times, this irreverent attitude would surely have brought swift rebuke from party elders. Despite the twin pressures of heat and indifference to tradition, the Senate of 1911 lumbered on for another 6 weeks into the dog days of August before adjourning.

## THE DEATH OF BILL SAAD

Mr. DOMENICI. Mr. President, on Monday of this week, the Energy Committee's Subcommittee on Public Lands, National Parks, and Forests held a hearing in Santa Fe.

One of our key witnesses was Bill Saad, treasurer-manager of the Elephant Butte Irrigation District. Bill spoke forcefully and articulately, offering the District's views on an important water issue in New Mexico.

Yesterday morning, suddenly and without warning, Bill Saad suffered a heart attack and passed away.

Mr. President, Bill Saad was a fine gentleman. He managed one of the best run and most productive irrigation districts in the nation. He was a dynamic and outstanding leader for the agricultural and water interests of southern New Mexico. Although trained as an accountant, he became an outstanding leader on the water resources issues that confront the farmers of Southern New Mexico.

Not only did he hold water rates stable, but he spoke eloquently on issues such as the need for additional water storage, and opposing interstate transfers of water.

My wife, Nancy, and I extend to Bill's widow, Ellen, and to their four children, our very deepest sympathies.

All New Mexicans will miss Bill Saad.

Mr. President, I ask unanimous consent that an obituary from today's El Paso Times be printed in the Record.

There being no objection, the obituary was ordered to be printed in the Record, as follows:

[From the El Paso Times, July 30, 1987]

### Fighter for Water Rights Dead at 52

(By Joan Morris)

Bill Saad, the treasurer-manager of Elephant Butte Irrigation District and one of the state's staunchest protectors of farmers' water rights, died early Wednesday after a heart attack at home.

Saad, a resident of El Paso, was 52.

Area residents and officials praised Saad as an effective administrator and as a kind and caring person.

Jesse Gilmer, Rio Grande Compact commissioner for Texas, said Saad's work and contributions to the water management business will be missed and will be hard to replace.

"He did a fine job as manager and that's a tough job. That's almost an around-the-clock job. You know water doesn't stop flowing at quitting time," Gilmer said. "Bill was always working, always available to us in the water business."

Saad was the chief witness for the Elephant Butte Irrigation District in its case opposing El Paso's water applications in the Hueco Basin. He also was expected to testify during hearings on applications El Paso has in the Lower Rio Grande (Mesilla) Basin.

The water hearings, which began in November, were cancelled for the rest of this week in honor of Saad.

The board of directors for Elephant Butte Irrigation District met in special session Wednesday morning, appointing Gary Esslinger interim treasurer-manager. Esslinger has been assistant manager of the district for five years. He lives in La Mesa, N.M.

In a written statement from the board, the district stated Saad had kept water prices at the same level for the past six years while increasing operation and maintenance on the district's mazes of canals and ditches.

"The district has never run more efficiently in its history," the board said.

Saad came to the El Paso-Las Cruces area as an Army captain from West Virginia, stationed at Fort Bliss. After leaving the Army, Saad became comptroller for an El Paso clothing manufacturer.

In 1978, Saad, who was trained as an accountant, joined the irrigation district. Within a year he was named acting manager, and then treasurer-manager.

Las Cruces Mayor David Steinborn said Saad was a stabilizing force for the district.

"The district will miss him and I personally am going to miss seeing him. He was a nice, sincere, smiling person."

Rosary will be at 7:30 p.m. today in the Harding-Orr & McDaniel Montana Avenue Chapel in El Paso. Funeral mass will be at 9:30 a.m. Friday at the Queen of Peace Catholic Church. Burial will be with military honors at Fort Bliss National Cemetery.

## IMPROVEMENTS FOR U.S. AIRSPACE SYSTEM

Mr. FORD. Mr. President, during my tenure as chairman of the Aviation Subcommittee, I have probably been exposed to every conceivable problem that exists with this country's airspace system. I have listened to or heard from airline management groups, unions, general aviation interest groups, passengers, local governments, State governments, Federal agencies and departments, aircraft manufacturers, and my fellow colleagues here in Congress. Every one of the aforementioned has his own set of unique complaints about our aviation system and most are more than willing to propose their own biased solutions. But one thing that all of these groups do agree upon, Mr. President, is that air travel today is not as safe and efficient as it should or could be. One of the most difficult and frustrating challenges has been to derive some sort of commonality from this kaleidoscope of viewpoints from which would come a strategic plan which fixes the system for everyone's benefit. Well, Mr. President, I think a gigantic first step toward that end has been taken.

Yesterday, I had the pleasure of meeting with a unique gathering of aviation professionals. For the first time anyone can recall, the leaders of the groups representing the people who operate in our national air transportation system on a daily basis have put aside their differences and joined in a common undertaking to focus on what needs to be done to correct deficiencies in our air transportation system. They represent the professional pilots, the airlines, the corporations and businesses which operate aircraft as well as the private user. Frankly, I am impressed. Their document "a Call to Action—How Professional Users View Safety and Efficiency of the Air Transportation System's is a thoughtful and focused plan for improvement of our strained system. Their plan and their ideas deserve the support of the Congress, the administration, and the flying public. It focuses on and provides recommended improvement for six major components of the U.S. airspace system: First, ATC system capacity; second, airport capacity; third, national airspace system plan; fourth, aviation weather; fifth, collision avoidance; and sixth, air-ground communications.

Mr. President, as this group continues to spread its message here on the Hill, I urge my colleagues to join me in supporting its efforts.

Mr. WARNER. Mr. President, I see no Senator seeking recognition. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. WIRTH). Without objection, it is so ordered.

## RADIO MARTI COUNTERS CASTRO'S LIES

Mr. DOLE. Mr. President, Radio Marti—the voice of America affiliated station broadcasting the truth into Cuba—has been on the air 2 years. During that time, the quality of its programming has steadily increased; its listenership in Cuba has steadily grown, and now numbers about 2 million.

Recently Mr. Jorge Mas, the Chairman of the President's Advisory Board on Broadcasting to Cuba, wrote me about Radio Marti and its growing record of accomplishments. I wish to share with the Senate Mr. Mas' comments. I ask unanimous consent that his letter—and four press articles on Radio Marti—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADVISORY BOARD FOR RADIO,
BROADCASTING TO CUBA,
*July 17, 1987.*

Hon. ROBERT DOLE,
*U.S. Senate, Washington, DC.*

DEAR SENATOR DOLE: Radio Marti has been on the air two years, and in that short period of time it has had a substantial impact. The Radio Marti Program of the VOA is the first and only successful informational effort of the United States in countering Castro's hostility.

As Chairman of the Presidential Advisory Board on Broadcasting to Cuba, I am writing to let you know some of Radio Marti's accomplishments. I am also attaching recent newspaper clippings on Radio Marti from *The New York Times, The Washington Post, The Washington Times* and *The Christian Science Monitor.*

Attached is a summary of Radio Marti's important undertakings. They include such accomplishments as:

Radio Marti was able to get the first public statement by General del Pino and broadcast the first of the four-part series on June 25 the day after Castro made a dramatic five hour speech on the seriousness of the defection of General del Pino. For the first time the Cuban people heard from a high ranking military officer criticism of the commitment of Cuban troops to Angola, Cuba's role in Nicaragua and the high rate of desertions in the military. It is the majority opinion of the Cuban army general staff that the war in Angola is lost.

"Radio Marti has achieved credibility and is always a factor in the decision-making and assessment process of the average Cuban as well as the Castro regime." (US Interest Section Havana)

The Radio Marti Program has gained an audience in Cuba estimated at more than two million listeners.

Radio Marti has brought to light information suppressed by the Cuban government such as the incidence of AIDS in Cuba because of the 400,000 Cuban troops stationed in Angola over the past decade;

"Radio Marti management has been able to create a surrogate radio station that has captured the imagination of the Cuban people." (1987 programming evaluation by professor Churchill Roberts)

I hope this information answers some of the questions you may have about Radio Marti. I would be happy to provide additional information or arrange for a tour and briefing on Radio Marti for you or your staff.

Sincerely,

JORGE MAS.

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### RADIO MARTI

(By John Hughes)

Radio Marti, the Voice of America's (VOA) special broadcasting service to Cuba, marks two years on the air next week, and that is cause for celebration.

Born in confusion and controversy, the service was buffeted by conservatives—many Cuban exiles among them—who wanted it to take a hard-line propaganda approach against Cuba, and by liberals who saw it as a Ronald Reagan provocation against Fidel Castro. Those totally opposed to its creation lost the day. The radio came into being but was placed by a wary Congress under the umbrella of the VOA. The thinking was that this would prevent the radio from becoming a blatantly anti-Castro propaganda machine and would oblige it to conform to the journalistic standards of VOA.

Few would have given strong odds on its survival. Congressional critics have snipped away at Radio Marti's budget. This year the radio service seeks $12,000,000 for its operations. Suggestions that its budget be cut to $10,000,000 would cause its broadcasts to Cuba to be cut from some 17 to 12 hours daily.

But despite all the vicissitudes, Radio Marti is still plugging away from its transmitter in Marathon, Florida, with a mix of world news, news about Cuba, music, and entertainment that, according to Radio Marti research, makes it one of the most popular radio stations heard in Cuba.

Radio Marti has had much success with long-running Spanish-language soap operas. Another popular program is "Family Bridge," which broadcasts messages to relatives in Cuba from Cuban exiles in the United States. Because mail and phone communication between the U.S. and Cuba is uncertain, Cubans in the U.S. call an 800 number at Radio Marti to tape messages about births, and deaths, and marriages, and other family news. The tapes are then broadcast to Cuba on a much-listened-to program.

Radio Marti's director, Cuban-born Ernesto Betancourt, knows his audience. After the Cuban revolution he served as Castro's spokesman in Washington. But he became disenchanted with Castro's Soviet connections. Now he seeks to tell the truth about Cuba and the world to Cubans whose own government-controlled media shield them from the facts.

Does Radio Marti broadcast any scoops? Says one Radio Marti executive: "That's not hard to do, given the controls over the Cuban press."

Thus Radio Marti told Cubans for the first time about the incidence of AIDS among Cuban troops serving in Angola, Ethiopia, and other foreign lands. The Cuban press has been obliged to follow up cautiously, publishing stories alerting Cubans to the problem of AIDS among returning soldiers.

Radio Marti pinpoints deficiencies in Cuba's Marxist economy, but even Castro himself has been doing this recently. However, while some other communist countries have been experimenting with some capitalist-style incentives, Castro has been going in the opposite direction, demanding more austere adherence to socialism. Radio Marti's birth and survival have proved irritating to Castro. Relations between Cuba and the U.S. are currently at a low point. The U.S. chief of mission in Havana, Curtis W. Kamman, has been withdrawn to Washington and Cuban officials say there is no prospect of an improvement in relations until after the Reagan administration.

The fact is that relations were not good before Radio Marti went on the air. If Castro would like to muzzle Radio Marti, that may be a very good reason for ensuring that it celebrates more anniversaries in the years to come. Or at least until Cubans are told the truth by their own press and radio.

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[From the Washington Post, July 1, 1987]

### DEFECTOR SAYS PUBLIC OPINION LIMITS CASTRO'S MOVES: CUBAN ROLE IN NICARAGUA HAMPERED BY OPPOSITION TO ANGOLAN WAR, RADIO MARTI TOLD

(By David S. Hilzenrath)

The Cuban air force general who fled to the United States last month said widespread domestic opposition to Cuba's involvement in the Angolan civil war has prevented Fidel Castro from intervening more forcefully in Nicaragua.

President Castro knows the Cubans will not accept a massive infusion of troops in another country. Gen Rafael del Pino Diaz said, and has therefore limited the Cuban presence in Nicaragua to 300 or 400 "advisers."

Del Pino made his statements to Radio Marti, part of the Voice of America, in nine hours of interviews edited for broadcast to Cuba. A summary of the interviews was made available yesterday.

The Cuban strategy in Nicaragua is to "weed out" members of the Sandinista leadership who oppose Cuban influence and thereby establish a "robot" regime controlled from Havana, del Pino said.

"This will provide Castro a non-Cuban contingent, still under his control, to carry out internationalist missions while disclaiming direct Cuban involvement," he said.

Del Pino denied reports attributed to him that Nicaraguan pilots are training in Cuba and that Nicaraguan MiGs are based on the island.

Government officials yesterday maintained the secrecy that has surrounded del Pino since he arrived in Florida May 28, refusing to discuss his whereabouts or his debriefing by U.S. intelligence agencies. White House spokesman Dan Howard would say only that "the information we have obtained from the general is extremely valuable."

In his interviews with Radio Marti, del Pino described deepening Cuban disillusionment with the war in Angola, which has left

10,000 Cuban soldiers killed, wounded or missing in action, he said.

"The prevailing opinion within the Cuban military command is that the war is lost," del Pino said, adding. "Only Fidel and Raul Castro [Cuba's first vice president] have any faith in victory."

Del Pino, who headed the Cuban air force in Angola during 1975 and 1976 and returned frequently in later years, said Cuba remains mired in the African conflict to repay debts to the Soviet Union by helping it secure a base in the South Atlantic, to alleviate growing Cuban unemployment and to provide a place to send military officers to be punished.

Cuba's ruling elite are insulated from the human cost of their policy because their sons are exempt from military service, the general said. But if a bureaucratic foul-up should land them in Angola, "Things are fixed so they serve [away from the fighting] where the greatest danger to them is getting malaria from a mosquito bite."

Del Pino said Angola has come to be viewed as "the Cuban Vietnam" and told stories of young Cuban soldiers perishing on arbitrary missions for which they were ill-prepared. He accused the Cuban leadership of "playing with the life of youngsters" and said the government's treatment of soldiers as "cannon fodder" contributed to his disaffection.

On another subject, del Pino said Cuban soldiers are tested for the AIDS virus when they return from Africa and are imprisoned in an isolated facility south of Havana if they test positive. High-ranking officers regard this policy as "unfair and inhumane," he said.

According to Radio Marti Director Ernest F. Betancourt, who conducted the interviews, del Pino attended high school for two years in Knoxville, Tenn., and knew that he would be able to "say all he felt and unmask the reality of what is happening in Cuba" if he reached this country.

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[From the Washington Post, May 8, 1987]

### CUBA'S AIDS DILEMMA

(By Cord Meyer)

Nobody knows the full extent of the AIDS epidemic that may eventually force the long-suffering Cuban people to pay dearly for President Fidel Castro's vaulting African ambitions.

When the Cuban leader first ordered his expeditionary force of 15,000 troops into Angola in 1975 to establish a Marxist regime in power with the help of Soviet arms, he had no way of knowing that the rotation of 300,000 Cuban soldiers through two years of duty in Africa over a decade would eventually threaten his own population with the spread of an incurable disease.

However, in the 1984-85 period, medical evidence accumulated that the AID's disease originated in Central Africa and had spread to Zaire, Angola, Zambia and other African countries. On Sept. 23, 1965, the special Cuban service of Voice of America, Radio Marti broadcast to the Cuban people its first extensive program on AIDS, pointing out that in Africa the disease is transmitted by heterosexual contacts and by blood transfusions.

Throughout 1965, the response of the official Cuban media was to maintain that AIDS was a homosexual disease originating in the United States, where it had reached epidemic proportions, and that there was not a single case of AIDS in Cuba.

Under continual prodding from Radio Marti, broadcasts quoting expert opinion on the spread of the disease and its threat to the Cuban population, the Cuban government staged a reluctant step-by-step retreat from its assertion that there was no problem. In April 1986, the Cuban government announced the first death of a Cuban AIDS victim, who was said to have contracted the disease in New York.

In May 1986, the official Cuban newspaper, Granma, finally published an article, prepared by the Cuban Ministry of Health six months earlier, that answered some basic questions about the disease but entirely omitted any mention of the illness among veterans returned from Africa. On June 24, the Cuban regime belatedly announced that testing of blood banks in Cuba for the disease would begin.

Last month the official Cuban press claimed that only three AIDS deaths had occurred and that only 108 AIDS carriers had been identified out of 677,000 persons tested. A detention center for isolating AIDS patients was mentioned but there has been no admission yet that Cuban veterans of the African wars are the main source of infection.

According to the latest medical research, there are three ways through which Cuban soldiers serving in Africa may have contracted AIDS and brought it home with them to contaminate their wives and families over a long incubation period. Dr. Jonathan Mann, director of the program on AIDS, points out in a recent article that in some African countries the incidence of AIDS among urban prostitutes is now as high as 59 percent. This infected population may turn out to be a major cause of the disease among Cuban soldiers, in view of the fact that the troops were not adequately warned for years.

A second tragic cause of contamination was the fact that Cuban wounded received transfusions from local African blood banks until the middle of 1986. The evidence suggests that as much as 20 percent of this blood was contaminated and that one-fifth of the approximately 15,000 Cuban wounded might have been infected in this manner.

For almost two years after the danger was apparent, the Cuban government failed to insist on the use of tested Cuban blood banks for transfusions in Africa.

Finally, the multiple use of needles for injections is widely practiced in Africa, for financial reasons, and also in many Cuban homes, and the sterilization methods used are often inadequate to cope with the AIDS virus. It is impossible to estimate the number of Cuban soldiers and their relatives who have become infected in this way.

As the delayed time bomb of AIDS works its way through the Cuban bloodstream, the Castro regime is confronted with an unresolvable and deepening dilemma.

A far-reaching program of public education that stresses the unique vulnerability to AIDS of the returned African veterans is essential to curb the spread of the disease throughout the general population.

On the other hand, Fidel Castro's determination to maintain and increase his troop strength in Angola to bolster the beleaguered Marxist regime against the UNITA guerrillas has forced him to avoid drawing a direct connection between service in Africa and the incidence of AIDS.

It is conservatively estimated that, in failing to provide prompt preventive advice to the families of returned soldiers, the Cuban leader has created a potential exposed population of 1.5 million persons.

[From the New York Times, May 29, 1987]

### 1180 ON THE AM DIAL AND A THORN IN CASTRO'S SIDE

(By Joseph B. Treaster)

HAVANA.—According to a joke making the rounds here these days. Vilma Espin, the highest-ranking woman in the Communist Party and the wife of Fidel Castro's brother Raul, knocks on the door of a family in the capital.

A housewife asks. "Who's there?" and Miss Espin replies brightly. "The best known woman in Cuba."

With that, the housewife calls over her shoulder. "Children, come quickly Esmeralda is here!"

Esmeralda is not an endearing nickname. for Miss Espin Esmeralda is the title character in a soap opera that was broadcast daily for months on Radio Marti, a branch of the Voice of America transmitting exclusively to Cuba.

Esmeralda has been superseded by other Radio Marti soap operas. But as the special programming to Cuba goes into its second year. Cubans still tell the joke to illustrate the scope of Radio Marti's audience.

"Everybody listens," said a taxi driver, who added that he would prefer not to have his name published in connection with a broadcast service that has infuriated Mr. Castro and chilled the already cool relations between the United States and Cuba.

#### NEWS AND FAMILY MESSAGES

Radio Marti is on the air 17½ hours daily from studios in Washington with music, news, entertainment, sports, discussions of such things as politics, religion and health, horoscope readings and, once a week, an hour of taped personal messages from Cubans in the United States to relatives and friends back home.

The soap operas and music shows seem to have the largest following. But Cubans and foreign residents in Cuba say many people also seem to be tuning to Radio Marti's news and commentary programs, which pepper the island with things Mr. Castro would rather his people did not hear: interviews with recent defectors, accounts of the AIDS epidemic in Africa, where 30,000 Cuban troops are stationed, and charges by United States officials—which the Cuban Government has denied—that Cuban officals are involved in narcotics trafficking.

Some senior Cuban officials grudgingly concede that Radio Marti is being listened to widely. But the formal Government position is that listenership is low and that most Cubans do not take the broadcasts seriously.

#### COST IS $12 MILLION A YEAR

Western diplomats say the broadcasts clearly are providing information to Cubans that was not previously available. But some of them question whether it is worth the nearly $12 million in annual operating expenses and the friction it has created between the United States and Cuba.

A few months before Radio Marti went on the air, May 20, 1985, the United States and Cuba signed their first major accord in seven years. The agreement was to enable 20,000 Cubans to leave for the United States annually, providing a social pressure valve for Mr. Castro, and permitting the United States to deport 2,700 Cuban undesirables, criminals and mental patients who landed in the United States in 1980 and, to the embarrassment of the United States, were being held in prisons.

With the signing of the agreement, the Cubans began to think that, in the spirit of conciliation, the Reagan Administration would find a way to quietly drop the idea of Radio Marti, which had been approved by Congress nearly two years earlier.

CASTRO SUSPENDED ACCORD

When that proved to be a mistaken assumption, Mr. Castro acted as if he had been doubled-crossed and suspended the emigration agreement. Last summer, he sent word through the Soviet Union that he felt he had overreacted. But negotiations to revive the agreement went nowhere.

Emesto F. Betancourt, a onetime Castro supporter who is director of Radio Marti, and others who take pleasure in annoying Mr. Castro are pleased with the way the broadcasting is going.

"We know we're making an impact," Mr. Betancourt said in a recent interview in Miami.

One indication of the Cuban Government's concern about Radio Marti, he says, is that the Government has livened up its own radio and television broadcasting and has announced plans to spend twice as much in this field over the next five years as it spent in the first 25 years of Mr. Castro's rule.

CUBANS JAM BROADCASTS

From the start, the Cuban Government has been jamming Radio Marti by transmitting a humming noise on the station's 1180 AM frequency. The noise is annoying, but does not block the programs.

Mr. Betancourt says he believes that it was a stream of Radio Marti broadcasts on AIDS that led the Cuban Government to disclose in mid-April that three Cubans had died of the disease and that 168 others, found to have the virus, had been quarantined in a spcial medical unit near Havana.

Knowledgeable Cubans say that the Cuban Government has assigned a staff to monitor Radio Marti and that summaries of its news reports and commentaries are distributed to radio, television and newspaper offices.

Sometimes the Government recasts Radio Marti items from Havana's points of view without a hint of the material's origin. Other times the Government uses the Radio Marti material as a point of departure. The name Radio Marti is never mentioned in Government broadcasts or publications; the reference is often something like "the Yankee imperialist radio broadcasts against Cuba."

AN ANTI-CASTRO TONE

Some Cubans and foreigners living in Havana say that the tone of Radio Marti and its selections of news and commentary are clearly anti-Castro and that this gives it less credibility than its predecessor, the Latin American service of the Voice of America. Mr. Betancourt said it was inevitable that the station would be regarded as partisan because its mandate was to provide material that, "for whatever reason, the Cuban Government didn't want to come out."

Since the first of this year, an unusually high number of Cubans—more than 50—have fled across the treacherous Gulf Stream to Florida on flimsy craft made of inner tubes. The Cuban Government charges that this is being encouraged by Radio Marti.

Mr. Betancourt says it is true that Radio Marti broadcasts interviews with those who make it to Florida. But he says the station is careful not to give any details on how the refugees arrive. Furthermore, he says the station has carried interviews with United States Coast Guard officials underlining the dangers of such a crossing.

Mr. DOLE. Mr. President, I take this occasion to cite Jorge Mas' remarkable efforts on Radio Marti—and, indeed, on so many other issues involving Cuba and the Cuban-American community. He is an outstanding leader and a good friend. I want to publicly acknowledge his great work and thank him for it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

## RECESS UNTIL 1:30 P.M.

Mr. BYRD. Mr. President, Mr. Chiles is ready to discuss a proposal around 1:30 today.

I ask unanimous consent that the Senate stand in recess until 1:30; that at 1:30, if Mr. Chiles is not at the moment prepared to proceed, there be morning business; that Senators be permitted to speak therein; and that such morning business not extend beyond 30 minutes.

There being no objection, at 1:12 p.m., the Senate recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Wirth).

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Colorado, notes the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Fowler). Without objection, it is so ordered.

## FIFTEEN-MINUTE RECESS

Mr. BYRD. Mr. President, there is still hope that we can have the amendment be laid down to the debt limit extension measure. Right now, Mr. Chiles is involved in the appropriations meeting.

I hope we can get some other matter up, at least make some progress, while we are awaiting the major item, the debt limit.

For the moment, rather than just have a long quorum call, I ask unanimous consent that the Senate stand in recess for 15 minutes.

There being no objection, the Senate recessed at 2:19 p.m. until 2:34 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Fowler).

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Sanford). Without objection, it is so ordered.

## ORDER FOR CONSIDERATION OF SENATE RESOLUTION 248

Mr. BYRD. Mr. President, we are still waiting for something to happen on the debt limit legislation. In the meantime, Mr. President, perhaps we can make some kind of progress on other matters.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order 270, and that the debt limit measure be temporarily laid aside without prejudice to my calling for a return to the debt limit measure on a call for regular order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

## SUPPORTING THE PEOPLE OF HAITI IN THEIR EFFORTS TO OBTAIN RESPECT FOR HUMAN RIGHTS AND TO HOLD FREE ELECTIONS

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of Senate Resolution 248, which the clerk will state by title.

The legislative clerk read as follows:

A resolution (S. Res. 248) supporting the people of Haiti in their efforts to obtain respect for human rights and the holding of free and fair elections in Haiti, and for other purposes.

The Senate proceeded to consider the resolution which had been reported from the Committee on Foreign Relations with amendments.

Mr. BYRD. Mr. President, I ask unanimous consent that, in addition to the committee amendments, only one amendment be in order; that of Mr. Symms.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the resolution of 30 minutes to be equally divided in accordance with the usual form and that there be a time limitation on the Symms amendment of not to exceed 30 minutes, and that the agreement be in the usual form as to the control and division of time.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 644

(Purpose: sense of Senate to void certain agreements relating to the site of the Soviet Union's Embassy in D.C.)

Mr. SYMMS. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the committee amendments will be laid aside. The clerk will report the amendment.

Mr. SYMMS. Mr. President, before the clerk reads, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. Symms] proposes an amendment numbered 644:

The Senate finds that:

(1) Soviet espionage agents have installed listening devices in the structure of the new American Embassy in Moscow in blatant defiance of the spirit of the Embassy agreements and certain recognized norms of international relations;

(2) this Soviet espionage effort has been so extensive and insidious as to require the virtual rebuilding of a large part of the new American Embassy in Moscow, the construction of which has cost American taxpayers tens of millions of dollars;

(3) it is well known that Soviet espionage agents intend to use the new Soviet Embassy in this country as a platform to conduct highly sophisticated electronic surveillance of the United States Government offices and even private telephone calls of American citizens;

(4) the purpose of this surveillance can be none other than to undermine the national security of the United States and further the expansionist ambitions of the Soviet Union;

(5) the location of the new Soviet Embassy at a site nearly three hundred and fifty feet above sea level is ideal for this type of surveillance, having been offered to the Soviets at a time when electronic surveillance techniques and potentials were not fully understood in the West.

(6) subsection (b) of section 4305 of title 22, United States Code, specifically allows the Secretary of State to "require any foreign mission to divest itself of . . . real property . . . where otherwise necessary to protect the interests of the United States"; and

(7) Congress, through enactment of such subsection, has clearly expressed the desire that the Secretary exercise such authority when necessary to protect the vital security interests of the United States.

*Therefore be it declared,* That it is the sense of the Senate that the President shall—

(1) void the current Embassy agreements; and

(2) enter into negotiations for a new agreement under which the Soviet Union will move its new Embassy to a site in the District of Columbia that is not more than ninety feet above mean sea level;

For the purpose of this section the term "Embassy agreements" means—

(1) the "Agreement between the United States of America and the Union of Soviet Socialist Republics on Reciprocal Allocation for Use Free of Charge of Plots of Land in Moscow and Washington", entered into force on May 16, 1969; and

(2) the "Agreement between the United States of America and the Union of Soviet Socialist Republics on Conditions of Construction of Complexes of Buildings of the Embassy of the United States of America in Moscow and the Embassy of the Union of Soviet Socialist Republics in Washington", entered into force on December 4, 1972.

The PRESIDING OFFICER. Who yields time?

Mr. SYMMS. Mr. President, I make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SYMMS. Will the Chair state what the time agreement is?

The PRESIDING OFFICER. One-half hour equally divided on the amendment.

Mr. SYMMS. On the Symms amendment?

The PRESIDING OFFICER. On the Senator's amendment.

Mr. SYMMS. I thank the Chair. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SYMMS. Mr. President, the sense-of-the-Senate resolution that I lay before the Senate today is similar to a resolution that was introduced as Senate Joint Resolution 120, which I introduced on April 30, 1987. The cosponsors of Senator Joint Resolution 120 include the distinguished majority leader, Senator Byrd, Senators Conrad, Helms, Nickles, Grassley, McCain, and D'Amato. So that is a bipartisan joint resolution, now offered only as a sense-of-the-Senate resolution, which will send a statement from the U.S. Senate to the administration.

Mr. President, I believe the amendment is self-explanatory.

The amendment would void the 1969 and 1972 Embassy site and Embassy construction agreements between the United States and the Soviet Union. That is what we are recommending. If it became law, it would in fact do such.

Second, it would require the President to enter into new negotiations with the Soviets to relocate their new Embassy to a site not more than 90 feet above mean sea level.

The new Embassy on Mount Alto is 350 feet above sea level, and it is the third highest point in Washington, D.C. From that vantage point the Soviets have direct line of sight of some of our most sensitive Government installations such as the Capitol, the White House, the Pentagon, and the State Department.

Prior to the introduction of Senate Joint Resolution 120, Congressman Dick Armey and I held a press conference on this important issue on top of Howard Johnson's Wellington Hotel right across the street from the Soviet Embassy. Joining us was Stansilav Levchenko, who is the highest ranking Soviet KGB official to defect and his specialty was electronics surveillance. He said that the Soviets had the ability to monitor phone calls from the State Department, the Pentagon, the White House, and Congress.

I think it is high time the U.S. State Department woke up and started promoting American interests. Furthermore, it is time the President started taking charge of the State Department.

As stated in the amendment, the President has the full authority under current law, to require the Soviets to vacate the Mount Alto site. Subsection 4305 of title 22, United States Code, specifically allows the Secretary of State to require any foreign mission to divest itself of real property where otherwise necessary to protect the interests of the United States. There is plenty of authority in the laws.

The truth of the matter is that the State Department wants to have détente at all costs. They do not want to ruffle the fur of the Soviet bear because they are afraid the bear might not sign an arms agreement it will not abide by anyway. They want the appearance, whether it is real or not. This is despite objections from the CIA and the National Security Agency.

Mr. President, in espionage there is no such thing as détente. It goes on every day, and we are absolutely foolish to allow this to continue. We should close that building immediately. They could put the homeless in it, as far as I am concerned, sell the building to private enterprise, make a motel of it.

It is absolutely pathological and irrational for the U.S. Government to allow the biggest adversary, the biggest totalitarian dictatorship in the world, the country that represses more human rights, has lied more and murdered more than any other country in human history, to occupy an Embassy there, when their goal is to dominate the world.

Here we are letting them have an Embassy right on top of Mount Alto.

I think, Mr. President, in light of recent revelations of a massive bugging of our Embassy in Moscow, it is time for Congress and the administration to reassess the strategic value of the Mount Alto Embassy site.

If we fail to act now we will be condoning a sustained and unguarded attack on the ability of the American people and representatives to act within the sovereign authority within our borders.

I think it is unmistakably clear what we are trying to do. I only regret this amendment is only a sense-of-the-Senate resolution, but it does give Senators a chance to object to this wishy-washy stance of the U.S. State Department.

The PRESIDING OFFICER. The time has expired.

Mr. SYMMS. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. Mr. President, I think we ought to look at the background of how the Soviet Embassy got to where it is in Mount Alto. Originally, the Soviets wanted to move out to Chevy Chase, and they were turned down there. Then they wanted to move to another site in midtown Washington and were turned down there.

We then found the Mount Alto site and persuaded them to move there. It was not that they found it. But we found it for them and persuaded them to go. They were not enthusiastic about doing so at the time.

By the same token, in the Soviet Union we were originally offered a site on the outskirts of Moscow up in the hills and we turned it down because we wanted to be more conveniently located near Red Square, near the Kremlin and near the Embassy building that we were then occupying, a chancery building we were then occupying as well as to the Ambassador's residence.

So it was not an evil plot that our site is in the swamp where it is and their site is in Mount Alto where it is. It was no plot. It was just the result of perhaps poor judgment on our part, but it was a negotiation between our two countries, in which the Soviets gained a certain advantage.

Now, when one gets into this whole area of line of sight and eavesdropping it is a very sensitive area indeed, that obviously cannot be talked about in any depth on the floor of the Senate, the capabilities that the Soviets may have, the capabilities that conceivably we might have. These are subjects that are not suitable for public discussion on the floor of the Senate.

We do have efforts being made to see what we will do about the situation. In this regard, there are three separate boards or reports that are in play. There is the Schlesinger report, the report from the President's Foreign Intelligence Advisory Board and also the Laird report from former Defense Secretary Melvin Laird.

I think when these reports are all examined, then the appropriate decision can be made as to what we should do and how we should go about it.

I do believe that the subject is a very, very complicated one made even more complicated by the fact that there is a warren of tunnels going underneath the buildings, both the buildings at Mount Alto presumably and the buildings in Moscow. And it is a situation that is not a good one, and we are seeking to find the most sensible, feasible course out of it at this time.

My own view is that this amendment does not help in this decisionmaking process and that it would be wrong to call for the cancellation of the present agreements before the administration has completed its review of the various options.

I think we should bear in mind, with regard to our Embassy in Moscow, that when you are behind the curtain in that part of the world, the presumption is that unless you are in a completely secure room everything that one says is liable to be reported or taped.

I know I am probably the only Member of this body who has served behind the Iron Curtain. I presumed when I was there, in Czechoslovakia as a diplomat, that anything one said, except if you were out of doors or in the middle of running water or something of that sort, was expected to be overheard and you just guided yourself accordingly.

The amount of truly sensitive business that is done in a mission abroad is not all that great. There is a good deal of work to do in consular matters, trade matters, U.S. information matters, things of that sort, that do not require any security whatsoever. So those activities could be left in the building as it is now, and have a more secure or fully secure building built or added on to it.

In this regard, I think being secure is very much like a lady who is pregnant. She is either pregnant or not pregnant. You presume you are in an absolutely secure room or you presume you are not in a secure situation at all and you guide your conversation accordingly.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. Who yields time to the Senator from New York?

Mr. PELL. How much time do I have remaining?

The PRESIDING OFFICER. Ten minutes.

Mr. PELL. I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise to support the position of the distinguished chairman of the Committee on Foreign Relations in this matter. I wish to speak in particular to his point concerning the degree to which, in any Embassy situation, you assume the presence or absence of security as if it were an absolute matter one way or the other; total risk or no risk. However, that risk is always intermediate.

I can speak with some specificity about the American Embassy in the United States. I served as our Permanent Representative to the United Nations in 1973 and 1974 under President Ford. Perhaps the only specific instruction I received when I took that position came from the Vice President of the United States, Nelson A. Rockefeller. He asked me into his offices in the Executive Office Building and said: "Now the one thing you must know is that anything that you say on the telephone from the mission or the Ambassador's suite in the Waldorf Towers is likely to be intercepted by the Soviet Union," they having built extensive intercept facilities in a high-rise building in Riverdale, in Glen Cove and in their own mission on the East Side of Manhattan.

The degree to which the United States has been willing to accommodate such activity is appalling, and it has now begun, of course, from Mount Alto.

During a public hearing, I once asked the general counsel of the Central Intelligence Agency whether he did not think that the Soviet interception of telephone calls in the New York area, in the Chicago area, and here in Washington, violated the fourth amendment rights of Americans? He said, "No, sir."

I said, "How could that be?"

He said, "Well, sir, the fourth amendment only protects you against the invasion of privacy by your own government."

We have been very lax about this, Mr. President. The successive administrations since Mr. Ford have buried their own telephone lines out of and into this city; yet, they leave ours open.

I think the chairman is right in his suggestion that this is something we must attend to not just in Moscow but here. On the other hand, we ought to do it in cooperation with the administration, rather than through direct instructions as suggested by my good friend Senator Symms.

I have offered legislation on this matter, and I will say to my friend that since the day I joined the Senate in 1977, I have had no success with Republican administrations and Democratic administrations and a succession of Secretaries of State. Yet I do think that the administration is finally seized with the realization that something needs to be done.

I hope that we might work with them privately and publicly toward that end rather than simply seek to instruct them.

I know that the chairman of the Committee on Foreign Relations, who has served behind the Iron Curtain and knows the matters with which we are dealing, would like to see this matter resolved in a cooperative mode, and I hope that might be the case.

I thank the Chairman.

The PRESIDING OFFICER. (Mr. Graham). Who yields time?

Mr. SYMMS. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator has 11 minutes remaining. The Senator from Rhode Island has 5 minutes remaining.

Mr. SYMMS. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator yields 5 minutes. The Senator from Idaho.

Mr. SYMMS. Mr. President, the distinguished occupant of the chair has before the Senate a resolution dealing with Haiti and it would be this Senator's wish that after we dispose of the Symms amendment—and I hope that Senators will all vote for it—that we will be able to separate it from the Haiti amendment so the Senator from Florida will have a clear, clean resolution.

But I just want to say that I am shocked to hear from one of my distinguished colleagues—one who I have learned a great deal from with respect to foreign policy—that he is actually here on this floor advocating tabling this sense-of-the-Senate resolution.

Around the day I introduced this on April 30, 1987, I quoted from what I thought was an excellent article written by a very sound and outstanding intellectual U.S. Senator by the name of Daniel Patrick Moynihan from the State of New York. The article begins by saying: "When the Reagan administration sent 55 Russian technicians packing last fall, it only put a slight dent in the Russians' U.S. spy network."

I will not go into the entire article that our distinguished colleague wrote. But it was an article that certainly had an impact on this Senator and helped cause me to offer this resolution which would encourage the State Department to get some backbone in their dealings with the Soviets.

But I want to read what our colleague's solution is. On page 104 of Popular Mechanics, April 1987:

> My solution: Throw the bastards out if they are listening to our microwave signals. Nothing technical about it. On three occasions I have introduced legislation requiring the President to do just that, unless doing so he might compromise an intelligence source. On June 7, 1985, this measure was adopted as title VII to the Foreign Relations Authorization Bill . . ."

I think the distinguished Senator from New York has been one of the leaders to have us firm up this question. I caution my colleagues who may vote to table the Symms amendment today, that it would be an unmitigated disaster and send the wrong signal. A vote to table the Symms amendment says that you approve of having the Soviet bugging our offices from Mount Alto and we are not willing to stand up and renegotiate the 1969 and 1972 Embassy agreements that has been made between the United States and the Soviet Union.

Now, what I think we should do is throw the Soviets off of Mount Alto, and not allow them to move back into that piece of property, but let them renegotiate a settlement for a piece of property that is not above 90 feet above mean sea level. A vote to table the Symms amendment is going to be interpreted by the Soviet Union and the world that the United States Senate does not have the courage to back up what Senator Moynihan is saying in his article and statement.

All we are doing is passing a sense-of-the-Senate resolution here. I urge my colleagues to vote for the Symms amendment to send a strong, clear message to put some backbone in the State Department, as well as to send a message to the Soviets that we will not condone an unguarded attack on United States security. My advice would be to go to the Soviet Union and demolish the American Embassy and then send an American construction company over and rebuild it so we can have an Embassy that is bugproof. Moreover, I believe we should not allow the Soviets to reoccupy the Mount Alto Embassy and we should use that building for some other purpose. We should put them in a location in this town where they are not absolutely riddling the conversations of high-ranking Government officials and elected officials with microwave systems.

I will say to my colleagues that this vote is going to be interpreted as whether or not you are for or against letting this dastardly action continue—and I just want to repeat again what my distinguished colleague, Senator Moynihan, said in his article. His solution was: "Throw the bastards out if they are listening to our microwave signals. Nothing technical about it."

I think Senator Moynihan is right when he says that, and it is exactly what I am saying.

I hope my good friend will vote yes on this resolution. Then, I think, at the appropriate time, after the Senate votes on the issue, if we could get unanimous consent to set the issue as a freestanding resolution, then we can go ahead and pass the Graham resolution so he has a clean, freestanding resolution to take to Haiti.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. I yield 2 minutes to the Senator from New York.

Mr. MOYNIHAN. Mr. President, may I say to my friend, Senator Symms, that I absolutely agree with his sense of outrage at the Soviets' use of Mount Alto as a listening post.

I have a letter from Mr. Nolan, the Assistant Secretary of State responsible for this subject, that says we are prepared, if need be, simply to turn off the power at Mount Alto if the Soviets persist. I would like to see the Secretary of State come before us and say that.

As the Senator says, I have stated that the Soviets must not use their Embassy for interception. You said it and I said it. And I would hope we will get the Secretary of State here for further discussions of this problem. If he does not come and will not agree to take the necessary action, I will be with the Senator. I hope the Senator would be with me. I have been up this stream from the moment I came here. I only wish to support our distinguished chairman who wants this negotiated with the Secretary and the Department, rather than issuing instructions at this time.

Reasonable persons might take a different view. I fully understand that. I do not in the least bit denigrate the Senator's desire to see something done.

Mr. PELL. Mr. President, I thank my friend from New York for his remarks. I would also want to add that a resolution of this sort is one that is pressing the President to make a decision when he does not have all the facts. As I mentioned earlier, the Schlesinger report is in, but Congress does not have the report from Mel Laird, and the report from the President's Foreign Intelligence Advisory Board is available only through the Intelligence Committee.

I would invite the attention of my colleagues to provisions that are already included in the State Department authorization bill, which is on the calendar and which I hope will be taken up before too long.

Also, if this proposal were implemented, it would then mean that the Soviets would be in their very secure though perhaps uncomfortable building on 16th Street and we, by the same token, would be left in our very equally or more uncomfortable chancery, a dilapidated building, and one that is as insecure as the one that is being built in Moscow. So I think that would be harmful to our interests.

I intend to move to table this when we have yielded back our time. I am prepared to yield back the balance of my time.

The PRESIDING OFFICER. The Senator from Rhode Island yields back his time.

Mr. PELL. No, I am prepared to yield back.

Mr. SYMMS. I still want to use a little more time.

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Mr. President, I yield myself 3 more minutes. How many more minutes do I have?

The PRESIDING OFFICER. Four minutes.

Mr. SYMMS. I yield myself 3 more minutes.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I just want to make the point again that I have the greatest admiration for the distinguished Senator from New York who made his points. I appreciate what he said about shutting off the power.

But it takes a very simple diesel-powered generator or gasoline-powered generator to generate enough electricity that could be run internally in that building to run these highly sophisticated microwave and computer-type listening devices. They are not high-powered use. They are receivers, not transmitters. So it is very simple to do that.

I know my colleagues would rather we did not bring this amendment up. My distinguished colleague says there are reports due—my understanding was, Mr. President, that those reports are in the hands of the Intelligence Committee. We have had people investigate the Embassy in the Soviet Union and have gotten up to speed on the Embassy here.

If we fail to act now, the U.S. Senate will be condoning a sustained and unguarded attack on the ability of the American people and their representatives to act within the sovereign authority within our border. I would appeal to my colleagues to not vote to table the Symms amendment. Because, if you do, it is going to be interpreted, not only by the Soviets but the entire world, that the United States of America is intimidated by the Soviet Union. Your constituents at home are going to think you have taken leave of your senses if you actually vote to table the Symms amendment. Any common sense, hard-working, red-blooded American would agree with the Symms amendment which simply says we should not allow ourselves to constantly have our guard down and constantly be apologizing for trying to protect and defend our interests and our freedom in this country.

Mr. President, I ask unanimous consent that an article I wrote on Tuesday, May 19, that was published in the Washington Times and titled, "Can We Bump the Bear Off the Hill?" be printed in the RECORD. Also, Mr. President, I ask unanimous consent that Senator D'AMATO be included as a cosponsor of the Symms amendment.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, May 19, 1987]

### CAN WE BUMP THE BEAR OFF OUR HILL?

The discoveries of Soviet espionage at the U.S. Embassy in Moscow have brought to the forefront a problem that, although acknowledged in the past, has been continually pushed aside—the location of the new Soviet Embassy in Washington, DC.

The new embassy sits atop Mount Alto at an elevation of 350 feet, the third-highest point in Washington (only Tenley Town and the National Cathedral are higher), and it has a panorama view that National Geographic would envy.

It overlooks the U.S. Capitol (at 90 feet elevation), the White House (at 51 feet), the State Department (at 32 feet), and the Pentagon (at 21 feet). One only has to go to the roof of the Wellington Hotel across the street from the embassy to get a look at the view Soviet diplomats and their listening devices enjoy every day.

When the Mount Alto site was selected in 1969, the FBI, CIA and the National Security Agency opposed the decision. But in the end, the State Department's consistent "detente-at-any-cost" mentality won out, the other agencies gave in, and the Soviets took possession in 1980. While they have occupied only the domestic quarters, you can be sure that they already have their "diplomatic machinery" in motion.

But their presence hasn't raised much concern in the city they watch because our foreign policy gurus have yet to learn that with or without glasnost, there is no detente in espionage.

It is no secret that nearly half of all Soviet diplomats are full-time intelligence agents—as in KGB. They are well-versed in the latest surveillance technology and have only one objective: to gather any and all intelligence available by any and every means possible. In view of these irrefutable facts, why in the world were the Soviets given Mount Alto?

A survey of Soviet embassies around the world will show that the Soviets seek high ground wherever they build diplomatic facilities. And evidence provided by KGB defectors shows they use the facilities to gather intelligence.

Stanislav Levchenko, who defected in 1979, has said the top floor of the new Mount Alto embassy is full of antennas that collect micro- and radio waves, waves emanated by all electronic equipment. According to surveillance technology specialists, that equipment includes computer terminals, electronic telephones and electronic typewriters, not to mention the many kinds of communications devices commonly used by our national security agencies.

The strength of these signals need not be great. Current technology enables scientists on Earth to receive signals of less than one watt from space vehicles hundreds of millions of miles away. The Soviet Embassy is within five miles of the most strategic buildings in our national security system, from which thousands of signals emanate each day.

The first thing necessary to gather and sort these emanations is a clear line of sight to their source. The only other needs are listening devices to receive them and a computer system to reconstruct them into usable data. The Soviets have the last two, and the United States has provided the first—the Mount Alto location.

It took revelations about embassy espionage—about how the U.S. Embassy in Moscow had been turned into a virtual antenna—to focus serious attention on the new Soviet Embassy here, because the mentality that allowed both to happen drives our State Department.

While State bears the primary responsibility for embassy security, they have expressed little concern about the Mount Alto problem. If it is to be resolved, Congress must force them to act.

And the time to act is now. Current embassy agreements must be canceled and new agreements must require the Soviets to move off Mount Alto to another location in Washington no more than 90 feet above sea level.

The Symms resolution in the Senate (Rep. Dick Armey's in the House) will do just that. It will fill a gaping hole in our national security policy by escorting the Soviets from their hilltop perch before they do further serious damage to our national security.

Mr. WARNER. Mr. President, it is my intention to support the distinguished chairman of the Foreign Relations Committee. I have been working with him and others to try to resolve this issue, raised about not only our Embassy but also the Soviet Embassy, for some time.

Just this week, the distinguished chairman, I, and other Members of the Senate met with Mr. Whitehead, the Deputy Secretary of State, on this issue, reviewed in some way the preliminary reports of two former Secretaries of Defense, under both of whom I served and for whom I have the highest respect—Melvin Laird and Dr. Schlesinger.

A great deal of serious, conscientious work is being done on this issue, and I think that eventually this administration will come forward with a recommendation, hopefully following extensive and full consultation procedure with the Senate and other Members of Congress who have an interest, and that we will reach a fair and equitable resolution of these thorny issues.

Mr sentiments in many respects rest with the thrust of the Symms amendment. But I believe that this question is so serious that it can only be resolved after careful and painstaking analysis, both by the executive and the legislative branches.

Mr. SYMMS. Mr. President, I yield back the balance of my time.

Mr. PELL. I yield back the balance of my time.

The PRESIDING OFFICER. The Senator from Idaho and the Senator from Rhode Island have yielded back the balance of their time.

Mr. PELL. I would move to table and would ask—does the Senator wish the yeas and nay?

Mr. SYMMS. The yeas and nays have been ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

There being no further debate, the question is on agreeing to the motion of the Senator from Rhode Island. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Illinois [Mr. SIMON] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I also announce that the Senator from Alabama [Mr. SHELBY] is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Alabama [Mr. SHELBY] would vote "nay."

The PRESIDING OFFICER (Mr. LAUTENBERG). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 26, nays 71, as follows:

[Rollcall Vote No. 215 Leg.]

YEAS—26

Adams
Biden
Bumpers
Chafee
Chiles
Cranston
Danforth
Daschle
Dodd
Durenberger
Evans
Glenn
Gore
Hatfield
Inouye
Kennedy
Leahy
Lugar
Matsunaga
Mikulski
Moynihan
Pell
Sarbanes
Stafford
Warner
Weicker

NAYS—71

Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Burdick
Byrd
Cochran
Cohen
Conrad
D'Amato
DeConcini
Dixon
Dole
Domenici
Exon
Ford
Fowler
Garn
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Kerry
Lautenberg
Levin
McCain
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Murkowski
Nickles
Nunn
Packwood
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sasser
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Wilson
Wirth

NOT VOTING—3

Shelby
Simon
Stennis

So the motion to lay on the table amendment No. 356 was rejected.

The PRESIDING OFFICER. Who yields time?

Mr. SYMMS. I move to reconsider the vote by which the motion was rejected.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. I ask unanimous consent that we vitiate the pending vote on the Symms amendment. The yeas and nays have been ordered.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I ask unanimous consent that the Symms amendment be separated from the pending resolution and be considered a freestanding resolution immediately following the disposition of the Haiti resolution and that there be no time for debate on the resolution, no amendments thereto, and no motions to recommit be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that the committee amendments to Senate Resolution 248, the Haiti resolution, be considered en bloc.

The PRESIDING OFFICER. Is there an objection? Without objection, it is so ordered. The question is on agreeing to the amendments.

The committee amendments were agreed to.

Mr. DODD. Mr. President, on July 23, the Subcommittee on Western Hemisphere and Peace Corps Affairs, of the Committee on Foreign Relations held a hearing on the current situation in Haiti. The subcommittee had as its witnesses Senator BOB GRAHAM of Florida, Mr. Richard Holwill, Deputy Assistant Secretary of State for Caribbean Affairs; Mr. Allan Ebert, Washington Office on Haiti; and Mr. Michael S. Hooper, National Coalition for Haitian Refugees. As chairman of the subcommittee I felt that recent events in Haiti warranted a careful review, so that Members of the committee might be better prepared to make an assessment of the appropriateness of current United States policy with respect to Haiti.

Last year when so called President for life Jean-Claude (Baby Doc) Duvalier fled Haiti in the early hours of February 7, the American people shared in the jubilation of the Haitian people who had finally been released from 29 years of Duvalier tyranny. For the first time in nearly three decades the aspirations of the Haitian people to live in a democracy seemed a realistic and realizable goal.

Pledges by Gen. Henri Namphy, President of the interim government, that the National Council of Government was willing and eager to relinquish power to a freely elected civilian government, at an early date, were greeted with enthusiasm both at home and abroad.

We in the Congress have tried to do our part as the people of Haiti struggle to become a member of the family of democratic nations—a goal we all strongly support. Last year, Congress authorized economic assistance for Haiti, in order to aid the Haitian Government in its transition to democracy, and to assist in efforts to cope with the severe economic problems confronting the poorest nation in the hemisphere. Even then, we were not unmindful of the fact that the transition to democracy was not a sure thing. For that reason, stiff conditions were placed upon U.S. aid to ensure that the Namphy government did not simply follow in the footsteps of Duvalier.

Nearly 18-months have now passed since the Namphy government assumed power. Unfortunately its commitment to democracy is by no means unimpeachable. Actions always speak louder than words. Certain benchmarks on the way to a full and functioning democracy have been reached—a constituent assembly did take place last year, a constitution has been drafted and approved by national referendum, and Presidential and legislative elections have been scheduled for later this year.

Other actions by Haitian authorities have been disturbing and cause for serious concern. Human rights abuses by the military persist. On June 22, the governing council usurped authority over the electoral process and banned the existence of a well known labor union, both in apparent violation of the constitution. This led to wide spread protests, violence and loss of life. While it is true that the June 22 decisions had now been reversed. They never should have happened in the first place.

Such actions cannot but raise serious doubts in the minds of Haitians and Americans about the sincerity of the Commitment. Furthermore, should similar actions occur in the future which threaten the integrity of the electoral process or the sanctity of the Constitution, I for one would seriously consider an immediate suspension of United States aid to Haiti.

In the context of the hearing on the situation in Haiti, witnesses strongly endorsed Senate Resolution 248—a sense of the Senate resolution introduced by Senator BOB GRAHAM reaffirming United States interest in and support for a smooth and speedy transition to democracy in Haiti. At that time, witnesses provided what I believe were some very helpful suggestions for making the very important message conveyed by Senate Resolution 248 even clearer.

Therefore, when the Committee on Foreign Relations considered this resolution on July 28, I offered several perfecting amendments reiterating the conditions placed upon United States assistance to Haiti in October of last year, in order to remind the Namphy government of those conditions as it proceeds over the coming months toward elections and the difficult but highly desirable transition to democracy. One of my amendments in particular is intended to send a signal to the Haitian Armed Forces that human rights abuses by members of the military against the Haitian people must cease. I hope these messages are received "loud and clear" by those in authority.

The committee unanimously order Senate Resolution 248 reported favorably with these amendments. I believe this resolution puts the Senate on record on a very important issue and urge my colleagues to support it.

Mr. President, I ask unanimous consent that background information on the situation in Haiti which was prepared by the staff of the Foreign Relations Committee be printed in the RECORD in order to provide additional information on the situation in Haiti.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### BACKGROUND INFORMATION CONCERNING THE SITUATION IN HAITI PREPARED BY THE STAFF OF THE COMMITTEE ON FOREIGN RELATIONS

#### INTRODUCTION

On February 7, 1986, President-for-life Jean-Claude Duvalier went into exile in the face of massive popular demonstrations against his regime. This ended twenty-nine years of dictatorship by the Duvalier family. Following his departure, an interim five man military-civilian ruling council was established—the National Council of Government (CNG).

The CNG, headed by Lt. General Henri Namphy, immediately took a number of actions to dismantle the repressive institutions which existed during the Duvaliers reign and made public commitments to relinquish power following the adoption of a constitution and the democratic election of a civilian government.

The CNG was initially greeted with popular support by the Haitian people. That support however proved short-lived when the CNG failed to prosecute a number of Duvalier associates who were allowed to leave Haiti. Two of the five man CNG were also perceived to be close supporters of the Duvalier regime and therefore their sincerity in supporting a transition to democracy was questioned. These individuals were removed in March 1986 by Namphy.

Almost from the beginning voices called for the resignation of the governing council. The first calls for the interim government to step down came in April of last year in response to the killing of a number of demonstrators by the army. Those calls were renewed in June of last year when the council had not yet publically proposed a schedule for assembly elections needed to begin drafting a constitution or for local, legislative and presidential elections.

Some effort has been made on the part of the CNG to address these criticisms. Several Duvalier aides were placed on trial, an assembly election was scheduled and held, and a constitution was drafted, and adopted by national referendum in March of this year. Among other things, the new constitution contains significant safeguards designed to prevent the rule of another dictator. It also provides guarantees of individual liberties, legalizes labor unions, and political parties, and it provides for the establishment of an independent election council—the Provisional Election Council (PEC)—to draft the electoral laws to govern upcoming local, legislative and presidential elections.

#### CONGRESS PLACES CONDITIONS ON FY 1987 AID

Concerns over the course of events in Haiti during 1986 led Congress to tie the provision of FY 1987 economic and military assistance to Haiti to progress and reforms in a broad range of areas, including demonstrated improvement in the human rights situation there, tangible progress in the transition to a democratic form of government, and reorganization of the Haitian armed forces consistent with a democratic form of government.

In March 1987 the Reagan Administration made the necessary determinations that the interim government has met the statutory conditions and the second half of the proposed $107.6 million in economic aid was unfenced. A small amount of IMET funds also have been disbursed.

The Administration has requested $94 million in economic and military assistance for Haiti for FY 1988 as part of its foreign aid request.

#### VIOLATIONS OF CONSTITUTIONAL GUARANTEES CREATE NEW CRISIS

The present turmoil and heightened violence in Haiti over the past month was triggered on June 22 when the CNG seized control of the electoral process, ignoring the proposed elections laws which had been submitted to it for promulgation by the PEC—the independent body constitutionally established and charged with this responsibility. On the same day the interim government also banned the Autonomous Confederation of Haitian Workers (CATH), in violation of constitutional guarantees.

Human rights organizations have called for a suspension of U.S. assistance to Haiti, in light of recent events. They have also called for the withdrawal of the U.S. Ambassador for consultations in protest for these actions. Aid has not been suspended.

The demonstrations have taken on an increasingly anti-American tone with charges that the United States is propping up the Namphy "dictatorship." Although the Reagan Administration has not suspended aid to Haiti, on June 30, the Assistant Secretary of State for InterAmerican Affairs, Elliott Abrams publically warned the Namphy Government that "our assistance to Haiti will continue, and will continue to enjoy bipartisan support, only as long as Haiti remains on the democratic path." Additional warnings were issued on July 9 by the Administration in connection with the proposal for the replacement of the current CNG, stating that such a change would prompt at least a suspension and review of U.S. aid.

Within Haiti, a broad based coalition of unions, political parties, and church groups have continued to call for the Namphy government to step down and be replaced by a five person governing council composed of four individuals drawn for "democratic sectors" of Haitian society, as well as one representative of the general staff of the army. Strikes and violence have continued since June 22 even after the CNG rescinded its decisions to takeover the electoral process and ban a well known labor union. On July 15, the PEC issued a decree on electoral procedures and set the date for presidential and legislative elections for November 29.

#### S. RES. 248

On July 10 Senator Graham introduced S. Res. 248—with Senators Kerry, Sanford, Durenberger, and DeConcini as original cosponsors. This resolution expresses the sense of the Senate that the President should make clear U.S. support for a full and functioning democracy in Haiti, that the CNG should abide by provisions of the constitution which mandate an independent body to organize and conduct elections, that Haitian armed forces should respect human rights and refrain from violence, and that all Haitians should work to avoid further violence in the transition to democracy.

Mr. MOYNIHAN addressed the chair.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. I yield 2 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I thank the distinguished Presiding Officer.

Mr. President, in the course of the debate over the previous amendment, I referred to a letter I had received from Mr. James E. Nolan, Director of the Office of Foreign Missions. It is undated. It states:

> At the hearing before the Foreign Relations Committee on April 30, 1987, you asked what action the Department of State would take were the Soviets to use their Chancery Building for intelligence collection activities prior to simultaneous occupancy of both the US and USSR chancery buildings. Any use of the chancery building, including its use for technical collection, would seriously violate the basic agreement.
>
> How the Department would respond to a specific violation would, of course, depend on the nature of the violation. The Department would not hesitate to declare persona-non-grata and expel any Soviet using the chancery building and would take such additional steps as terminating power on utilities to bring an immediate halt to any use of the chancery building prior to our being able to use our new chancery building in Moscow.

Mr. President, I am not clear whether the term "prior" is a qualification that ought to be pursued, but Mr. Nolan's letter is clear and straightforward. We will not accept the use by the Soviet Union of their chancery on Mount Alto for the interception of telecommunications and other such communications in the Washington area.

I wish I could get the same agreement concerning the New York area, and I wish I could get the same agreement concerning San Francisco. But we do have a commitment here; I hope it is that. Such commitments are hard to get from the State Department. I believe the Department supports the position of the Committee on Foreign Relations in this matter; and with good faith on both sides of this issue, I think we can keep our minds open to what actually is done in the future.

Mr. DODD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Who yields time?

Mr. PELL. I yield 5 minutes to the Senator from Connecticut.

Mr. DODD. I just want to inquire of the Senator from New York, who just provided a very valuable service to this body by introducing this letter, which

makes quite clear, it seems to me, the position of our Government as it relates to the difficulties that exist between our respective embassies.

My understanding is that that is an ongoing process; that a former Secretary of Defense, Mr. Schlesinger, has recently issued a report on this particular problem. There is an ongoing process, trying to determine exactly how we ought to deal with the tragedy of Moscow and how we ought to respond in this country.

It seems to me that on the basis of that, for those of us who voted to table the Symms resolution, it is not because we disagree with the substance of the Symms resolution, but it would be disruptive of an ongoing process that exists at this moment. Am I correct?

Mr. MOYNIHAN. The Senator from Connecticut, in my view, is completely correct.

If the Soviets proceed to do what they can do from Mount Alto and we do nothing about it, then I would support tearing down their Embassy on Mount Alto and their Embassy on 16th Street, as well as ours in Moscow.

But first, I would like to give the Secretary of State a chance.

A whole series of Secretaries of State from the time of President Ford have done nothing to protect the right of Americans not to have a foreign power listening to their conversations. It is a crime if Americans do such eavesdropping in this country. We have been letting the Soviets do it with contempt since the early 1970's. Read the memoirs of Arkady Schevchenko. He defected to us when I was at the United Nations. He describes Glen Cove on Long Island as being stuffed with radio intercept equipment.

If the United States lets this go on and the Soviets know that we know, then we have earned their contempt, which we should never do.

We stood with the chairman of the Foreign Relations Committee because we can get a commitment from the administraiton. I think the Senator from Connecticut is right: I think we should see whether a good faith effort during the remainder of this year produces a reasonable reaction. If not, then we should legislate.

Mr. DODD. I thank my colleague.

Mr. HOLLINGS. Mr. President, will the Senator from Virginia yield?

Mr. WARNER. I yield such time as the Senator requires.

Mr. HOLLINGS. I thank the Senator from Virginia.

The PRESIDING OFFICER. Will the Senator suspend?

The Senate is not in order. Senators will take their seats, and conversations by staff in the rear of the Chamber will cease.

Mr. HOLLINGS. Mr. President, responding to the distinguished Senator from Connecticut, as chairman of the Senate Appropriations Subcommittee for the Department of State, we have had this problem on an ongoing basis. We have known, going back to 1979, that the Soviets had the capability to penetrate the new American facility willy-nilly, with impunity.

I cannot under Intelligence Committee rules go into all the details, but as a member of the State, Justice, Commerce, Appropriations Subcommittee, having had a closed session with Secretary Shultz on this matter, the bottom line is you simply cannot cleanse that Moscow Embassy building unless you physically and completely tear the building down.

In the wake of the ballyhooed studies by former Secretary Laird and former Secretary Schlesinger, Secretary Schlesinger comes with a report that says we should keep five floors in the main embassy building. Yesterday afternoon, we learned that the National Security Council now believes we should retain three floors and rebuild five. Maybe if we wait another 2 weeks, they will finally arrive at the bottom line, which is that we should tear down and rebuild the whole blooming building. There simply is no way to get an authoritative certificate that this is the clean building which we contracted.

Yet we must endure all these diplomatic nuances and so-called subtleties. They say we have to be very careful. Do nothing precipitous. But what is precipitous, after 8 years, about acknowledging what has been obvious since 1979? No one can dispute the categorical statement that I have made that there can be no certificate that the Moscow Embassy building is clear unless it is torn down.

Now our only saving grace, Mr. President, is that the Soviets have expended as much money bugging the building as we have constructing it. But we must not accept that building unless it is in conformance with the contract itself, and the contract itself calls for a building without defects.

The Soviets are the ones who installed the defects, and the only way to get those defects out is tear the building down. So if we call them on their contract, they must pay for it.

But we must suffer the State Department's fancy talk about reciprocity. "Why, Senator, if we have to tear that building down and move over into Moscow with our new prefabricated building, then reciprocitywise they can then come back in here and do the same."

That is nonsense. We have given them what they contracted for, and, in return, we have had a violation by the Soviets. This is the fact we must confront. It is time for people of common sense with the security of this country at heart to say to the Soviets, "Here it is, you contracted for it, you violated your contract, cleanse the building." And then we must tear the building down, start anew, and give the Soviets the bill.

Instead, cut through all the fancy footwork, and what you have is another fuzzy State Department decision that politically interpreted says, "when in doubt do nothing and stay in doubt all the time." That gets around a lot of problems in politics. I readily admit we have been doing that 8 years now and spending millions and millions of dollars in this particular endeavor. The time has come to make a decision, and the only viable decision is to tear that building down and build a security facility that Americans can have confidence in.

I thank the distinguished Senator from Virginia for yielding me the time.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. How much time has the minority remaining?

The PRESIDING OFFICER. Five minutes and fifty seconds.

Mr. SYMMS. Mr. President, I yield myself 2 minutes.

I will be very brief because I know the distinguished Senator from Florida wants to get to his resolution which I am happy to cosponsor. I support it, and I salute him for his interest and efforts in that area. I want to compliment the Senator from South Carolina. He is exactly right on the issue. The agreement has been signed in good faith by this country. We have fulfilled our part of the obligation and our law already clearly allows for our Secretary of State to take action on this and force a renegotiation and cancel the agreements.

If we wish to we can go over and demolish the Embassy in Moscow and we can take possession of this Embassy here.

I want to thank all my colleagues for the last vote and the demonstration of support that they rendered. Also, I want to say to my colleagues that there will be another opportunity where we will vote on this same issue, but we will vote on it not as a sense-of-the-Senate resolution, rather as a resolution that would carry with it the force of law.

Let's get our State Department to stop their namby-pamby talk, as the Senator from South Carolina says, and let's negotiate new embassy agreements that common working people who have good commonsense will support.

We are talking about the difference between the way we view agreements in honesty and the lack thereof of our adversaries, the Soviet Union, view the same agreements.

I think it is high time that the State Department stops fooling around.

I appreciate the remarks of the Senator from South Carolina and salute him and compliment him. I reserve the remainder of the time.

Mr. PELL. Mr. President, I yield 5 minutes to the Senator from Florida whose resolution we are considering.

Mr. GRAHAM. Thank you, Mr. President.

Mr. President, the resolution we are considering is a sense-of-the-Senate resolution, Senate Resolution 248, which would direct our attention to another issue of the U.S. relationship with the world.

We have been talking about circumstances between the United States and the other world superpower, the Soviet Union.

The resolution which is before us now talks about the United States and its relationship to a country which has a very different status. There has been a movement, Mr. President, across this hemisphere and particularly in the area of the hemisphere—the Caribbean Basin—in which many of our closest neighbors are located and that has been a movement toward democracy, whether it is in Central America, with countries like Guatemala, Honduras and El Salvador, or whether it is in the Caribbean, with countries like Haiti. There is a spirit of democracy afire in the Caribbean Basin. It is a spirit which we applaud and which we have nurtured. For many in this region we have stood as the model that they now desire to emulate.

That hope in Haiti has been long aborning. Haiti is a nation which has suffered as much as any in the world through a succession of authoritarian governments, and suffered from wrenching poverty, and a denial of basic human rights. In the last 18 months Haiti has thrown off three decades of dictatorship and started on a course that promises an election this year and the installation early next year of a new government and a new President.

Sadly, in the last few weeks, and escalating in the last few days, there has been a serious threat to the emergence of democracy in Haiti. The provisional government retreated from commitments that had been made through the newly adopted constitution.

That decision sparked a series of civil unrest, incidents which have continued to mount with violence beginning to reach all sections of the country. Within the last 48 hours at least eight new deaths have been reported in Haiti.

Mr. President, this resolution is an attempt by this Senate to send a message to the people of Haiti that we are their brethren, that we share their concern and that we want to be a strong ally in their effort to bring democracy to that country.

This resolution has been approved by a broad range of Senate membership, Republican and Democratic. My colleagues have come together in a spirit of bipartisanship to support democratic change in Haiti. This resolution also is supported by the administration. So it is not only bipartisan but also represents the full strength of the U.S. Government.

The resolution was heard before the Senate Foreign Relations Subcommittee on the Western Hemisphere, was carefully considered, was amended in a very useful way. Added to the resolution were the existing commitments between the United States and Haiti as they relate to the continued availability of United States financial aid and support to that country. Key to continuing United States aid to Haiti is respect for human rights.

Mr. President, this is not necessarily the last statement that we will make on Haiti. This statement represents the considered judgment of what is the appropriate message for the United States, the people of this country, through their representatives in the U.S. Senate, to send at this point in late July 1987. I hope that it will be the last message that we will have to send, other than one of congratulations for the successful completion of Haiti's transformation to Democratic government. Should conditions, however, deteriorate further, and should it be necessary for us to send a stronger, more targeted message, we stand ready to do so. We stand ready to monitor developments and to continue to indicate at the appropriate level the United States' concern and the United State's common purpose for democracy in Haiti.

Mr. DODD. Mr. President, will my colleague from Florida yield briefly?

The PRESIDING OFFICER. The 5 minutes of the Senator from Florida has elapsed.

Mr. DODD. I ask unanimous consent for 30 additional seconds.

Mr. PELL. I yield 1 minute to the Senator.

Mr. DODD. Mr. President, I just want to compliment our colleague from Florida—he has done a remarkably good job on this—and to thank our full committee chairman for allowing the time to bring this resolution up expeditiously in the committee. This is one where, unlike so many other circumstances where the administration and the Congress or the Congress is divided, this is one where we find all our branches of Government are united.

The Senator from Florida deserves credit for bringing this all together and bringing it to the floor. We hope it will have the type of effect it is intended to have.

Mr. GRAHAM. Mr. President, I wish to thank my colleague from Connecticut and the distinguished chairman of the committee for the gracious treatment that they have given in expediting the extremely thoughtful consideration of this resolution.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. How much time remains?

The PRESIDING OFFICER. One minute and twenty seconds.

Mr. PELL. I yield one-half minute to the Senator from Florida.

Mr. GRAHAM. Mr. President, we saw in Panama the positive effects which a statement from the United States Senate can have by giving hope and encouragement and a sense to Panamanians that they are not alone, but part of a common cause of democracy. I believe that we can have the same effect by the adoption of this resolution in Haiti. We can make a contribution toward the peace, toward democracy, and toward the restoration of those values that we share with the Haitian people.

The PRESIDING OFFICER. The 30 seconds have expired.

Mr. PELL. Mr. President, this resolution, ably called for by Senator Graham and amended in the Foreign Relations Committee, is well balanced and supports democracy in Haiti. It serves as a reminder to the present government that continuing aid to Haiti is linked by our law to observance of human rights and progress toward democracy. The resolution has the bipartisan support of the Foreign Relations Committee and I would urge its adoption by the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. How much time do I have?

The PRESIDING OFFICER. You have 12 seconds.

Mr. PELL. I yield that back.

Mr. WALLOP. Mr. President, the minority yields back the balance of its time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the pending resolution, as amended.

The resolution (S. Res. 248) as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, with its preamble, reads as follows:

S. Res. 248

Whereas the people of Haiti have long suffered under the brutal and arbitrary rule of dictatorship rather than the democratic rule of law;

Whereas in 1986 Haitians from all sectors of society showed great courage in joining together to oust President-For-Life Jean-Claude Duvalier;

Whereas the Haitian people have reaffirmed through their brave actions their resolute and determined rejection of the Duvalier past and their commitment to democracy, human rights, self determination, and economic development;

Whereas an overwhelming majority of Haitians have declared themselves in support of democratic government by approving a new constitution establishing a legal framework for the return to elected civilian government;

Whereas the new Haitian constitution clearly establishes an independent civilian election responsible for conducting local, legislative, and presidential elections;

Whereas the National Council of Government aroused great concern among the Haitian public as to its commitment to free elections by limiting the authority of the Provisional Election Council; and

Whereas public pressure on the National Council of Government and its welcomed decisions to restore full authority to the Provisional Election Council underscores the determination of the Haitian people to break with the past and hold free and fair elections in the future: Now, therefore, be it

*Resolved*, That is the sense of the Senate that—

(1) the President should continue to make clear the unequivocal support of the United States for the people of Haiti in their efforts to establish a full and functioning democracy;

(2) Haiti's ruling National Council of Government should respect and abide by decisions made by the Provisional Election Council in conducting elections called for under the new Haitian constitution;

(3) The National Council of Government should be mindful of and responsive to conditions placed upon the provision of United States economic and military assistance to Haiti by Public Law 99-529—

(A) with particular attention to the following conditions on economic asssitance that mandate that the interim Government of Haiti—

(i) is improving the human rights situation;

(ii) is implementing its timetable for completion of a new constitution;

(iii) is establishing a framework for free and open elections leading to a democratically elected civilian government, which would include free and functioning political parties and associations, free labor unions, and freedom of the press;

(iv) is continuing its investigiation of alleged human rights abuses and corruption by the Duvalier government and is prosecuting, in accordance with due process, those responsible for human rights abuses and corruption;

(v) is maintaining a free and independent judiciary system;

(B) and with particular attention to the following conditions on military assistance that mandate that the Government of Haiti is making substantial efforts—

(i) to prevent the involvement of the Haitian armed forces in human rights abuses and corruption;

(ii) to ensure that freedom of speech and assembly are respected;

(iii) to conduct investigations into the killings of unarmed civilians;

(iv) to provide education and training to the Haitian armed forces with respect to internationally recognized human rights and the civic and political rights essential to democracy, in order to enable those forces to function consistent with those rights; and

(v) to take steps to implement the policy of the Government of Haiti requiring former members of the Volunteers for National Security to turn in their weapons and to take the necessary actions to enforce this requirement;

(4) the Haitian armed forces should respect human rights and exercise restraint in carrying out their duties;

(5) in light of recent events in Haiti, the National Council of Government should redouble its efforts to demonstrate clear and tangible progress in investigations into past human rights abuses by members of the Haitian Armed Forces, and to put into place safeguards against future abuses; and

(6) the National Council of Government and the Provisional Election Council, having agreed that the Election Council must remain fully independent, all Haitians need to work to avoid further violence and allow the democratic transition to proceed in a peaceful atmosphere.

Sec. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. PELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## VOIDING CERTAIN AGREEMENTS RELATING TO THE SITE OF THE SOVIET UNION'S EMBASSY IN WASHINGTON, DC

The PRESIDING OFFICER. Under the previous order, the clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 261) expressing the sense of the Senate that the United States should void certain agreements relating to the site of the Soviet Union's embassy in Washington, D.C.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 261) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 261

Whereas, Soviet espionage agents have installed listening devices in the structure of the new American Embassy in Moscow in blatant defiance of the spirit of the Embassy agreements and certain recognized norms of international relations;

Whereas, this Soviet espionage effort has been so extensive and insidious as to require the virtual rebuilding of a large part of the new American Embassy in Moscow, the construction of which has cost American taxpayers tens of millions of dollars;

Whereas, it is well known that Soviet espionage agents intend to use the new Soviet Embassy in this country as a platform to conduct highly sophisticated electronic surveillance of the United States Government offices and even private telephone calls of American citizens;

Whereas, the purpose of this surveillance can be none other than to undermine the national security of the United States and further the expansionist ambitions of the Soviet Union;

Whereas, the location of the new Soviet Embassy at a site nearly three hundred and fifty feet above sea level is ideal for this type of surveillance, having been offered to the Soviets at a time when electronic surveillance techniques and potentials were not fully understood in the West.

Whereas, subsection (b) of section 4305 of title 22, United States Code, specifically allows the Secretary of State to "require any foreign mission to divest itself of . . . real property . . . where otherwise necessary to protect the interests of the United States"; and

Whereas, Congress, through enactment of such subsection, has clearly expressed the desire that the Secretary exercise such authority when necessary to protect the vital security interests of the United States: Therefore be it

*Resolved*, That it is the sense of the Senate that the President shall—

(1) void the current Embassy agreements; and

(2) enter into negotiations for a new agreement under which the Soviet Union will move its new Embassy to a site in the District of Columbia that is not more than ninety feet above mean sea level.

For the purpose of this section the term "Embassy agreements" means—

(1) the "Agreement between the United States of America and the Union of Soviet Socialist Republics on Reciprocal Allocation for Use Free of Charge of Plots of Land in Moscow and Washington", entered into force on May 16, 1969; and

(2) the "Agreement between the United States of America and the Union of Soviet Socialist Republics on Conditions of Construction of Complexes of Buildings of the Embassy of the United States of America in Moscow and the Embassy of the Union of Soviet Socialist Republics in Washington", entered into force on December 4, 1972.

Mr. PELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The pending business is House Joint Resolution 324.

Mr. BYRD. Which is?

The PRESIDING OFFICER. The joint resolution will be stated.

The legislative clerk read as follows:

House Joint Resolution 324, increasing the statutory limit on the public debt.

Mr. BYRD. Did the Senator from Hawaii wish to speak?

## EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business proceed for 5 minutes and after the close of 5 minutes, Mr. Chiles be recognized to call up his amendment to the debt limit.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The Senator from Hawaii.

(The remarks of Mr. Matsunaga and Mr. Inouye are printed in the Record under Statements on Introduced Bills and Joint Resolutions.)

The **PRESIDING OFFICER**. Under the previous order, the Senator from Florida is to be recognized.

Mr. **MELCHER**. Mr. President, I ask unanimous consent to proceed at this time.

Mr. **BYRD**. Mr. President, I will not object at this time, but I will object to any further morning business today. I will not object at this time because the distinguished Senator from Montana came to the floor and wanted to speak. The Senate was put into recess before he could speak. That was not his fault. I will not object at this time.

We have to get on with the bill. I know Senators will be asking, once we get onto it, "Why can we not go home?" So they will all be mad because we have to stay here the rest of the day and do our work.

I do not say this because of the distinguished Senator from Montana.

Mr. President, I have not been able to get this amendment going. We had a meeting today of the Appropriations Committee that I thought would last only about an hour but it lasted for over 2 hours. It kept Mr. Chiles off the floor because he was directly involved in that matter.

Mr. President, I hope we will get onto the debt limit. I will not object in this instance. If we can get this debt limit going, we will not call it off for morning business. We can do that tomorrow.

The **PRESIDING OFFICER**. The Senator from Montana is recognized.

Mr. **MELCHER**. Mr. President, I thank the majority leader.

### A NEW GAME PLAN

Mr. **MELCHER**. Mr. President, an analogy would be useful for folks to understand the intricate, sometimes confusing and conflicting testimony they are hearing on the Iran arms sales.

With the start of the football season, we can translate all of it into a comparison of our U.S.A. team losing the first game of the season, and what needs to be done to bring the whole squad back together to get in shape for the next game and to have a winning season.

Rookie quarterback Oliver North, in his first big professional game after a good record on his college team, was immediately fired after the game. The head coach, Ronald Reagan, announced after firing North that he was a fine young quarterback. But it was obvious to most of the fans that North had to go after throwing five interceptions and fumbling the ball on a quarterback sneak. However, a lot of fans who love North's flashy style, pluck and loyalty to the team, called on Head Coach Reagan to reconsider. But both North and fullback Poindexter are out. Poindexter was waived after losing 50 yards in a dozen running attempts during the game, and had to take much of the blame for the upset.

Line Coach Schultz admitted after the loss that he had not gotten the entire game plan from Head Coach Reagan, and Schultz said his linemen were not able to do all the blocking they should have.

Backfield coach Meese freely admitted he had not been called on to complete his checkout of North's passing and Poindexter's running, but he had assumed that Head Coach Reagan had confidence in their ability to call all the plays.

All of the coaching staff have lamented the game plan as being faulty and a disaster. But continuous dissection of the failed game plan, both Reagan and Meese warn, will not get the team ready for the big games to come. Most fans agree. There is the tricky Ayatollah team in the Persian Gulf, the pesky Ortega team down in Nicaragua, and others our team must face in a long season. Then the Super Bowl looms against the big Gorbachev squad, and our team must promptly pull itself together.

This is the last year of Head Coach Reagan's contract, and his assistant coaches are not expected to be retained by the new head coach. But there are a lot of good, solid veterans—stars in their own right—on the team who are digging in hard so the rest of this season will be successful. And that is exactly what all the fans want, too.

So, this first game plan failed. It was a big loss, but better coaching with a new game plan can put a great team back in the win column. It is a long season with tough games ahead. Veterans on the team, both defensive and offensive, know that bickering in the locker room leads to dissension on the field. They know the capability of the team, and that we can have a winning team this year and, with the depth and vitality, we will have winning teams in the seasons to come. While coaches and players come and go, the veterans know that the franchise continues and the team fights on.

That is what the fans are paying for.

Mr. President, I yield the floor.

Mr. **BYRD**. Mr. President, I hope that we can move forward with the debt limit extension.

The **PRESIDING OFFICER**. Under the previous order, the Senator from Florida is to be recognized.

### DEBT LIMIT EXTENSION

Mr. **BYRD**. Mr. President, by way of explanation of why we are waiting, we are hoping that the Senators can be prepared to present their amendment to the debt limit extension bill. They have been working hard to get that done. They have had interruptions during the afternoon. The Appropriations Committee had to meet to resolve some problems. So it is just taking time, and I am sorry for that.

It is a little after 5 o'clock. Senators are going to be mad now if they have to stay awhile. They will want to know what we have been doing all day; why do we have to wait all day and stay after 5 o'clock and work. This is I guess about the best day of the week, Thursday. I am hopeful that we can get going on the amendment.

I understand that there is another little glitch. I think we ought to get going on the amendment and let the glitches be resolved out here on this floor because, if we continue to wait until we resolve every glitch, there will be some new glitch found every 15 minutes. Staff, although they are very good and faithful and dedicated, can find all kinds of glitches. I think it ought to be out here where the Senators can work on these glitches and resolve them.

Tomorrow is Friday and then we will be into Monday. We are in Monday. Then we are into next week. The drop-dead date is the close of business next Wednesday, I believe, and we ought to be making headway on this debt limit extension.

I am sorry for the delay; it is unavoidable, but if we do not get something started pretty soon, I will just put the Senate out or have a live quorum. Perhaps I ought to have a live quorum and get all Senators over here so we can find out where we are going, whether we are going and, if not, why not. I will be wanting to get consent to take up the catastrophic illness legislation tomorrow if we are not going to be working on the debt limit.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER** (Mr. Breaux). The absence of a quorum is noted.

Mr. **BYRD**. It could become live.

The **PRESIDING OFFICER**. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

Mr. **BYRD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

### EXECUTIVE SESSION

Mr. **BYRD**. Mr. President, I inquire of the distinguished acting Republican leader if the following nominations have been cleared on his side of the aisle: Calendar Order No. 272 on page 3 of the Executive Calendar; Calendar Order No. 173; and the nomination at the desk of Lt. Gen. Charles D. Franklin, to be placed on the retired list in the grade of lieutenant general.

Mr. **DOMENICI**. Mr. President, I respond to the distinguished majority leader by indicating that those items have been cleared on this side.

Mr. **BYRD**. I understand that there are other nominations that are ready to be called up on this side.

In inquire of the acting Republican leader if the following items have been cleared: Calendar Order No. 275, Calendar Order Nos. 277 through 279, Calendar Order Nos. 281 through 284, Calendar Order Nos. 286 through 288; and nominations placed on the Secretary's desk in the Foreign Service, appearing on page 7 of the Executive Calendar.

Mr. **DOMENICI**. I respond to the distinguished majority leader by saying that all except the last mentioned item have been cleared.

The last mentioned item is all right. We have no objection.

Mr. **BYRD**. I thank the Senator.

Mr. President, I ask unanimous consent that the Senate go into executive session; that it consider the aforementioned enumerated nominations en bloc; that they be confirmed en bloc; that the motion to reconsider be laid on the table; that the President be notified of the confirmation of the nominations, and that the Senate return to legislative session.

The **PRESIDING OFFICER**. Without objection, it is so ordered, and the Senate will proceed to the consideration of executive business; and, without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

#### Department of Commerce

Charles E. Cobb, Jr., of Florida, to be an Assistant Secretary of Commerce.

#### National Institute of Building Sciences

Arnold L. Steinberg, of California, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1988.

#### Federal Home Loan Bank Board

Roger F. Martin, of Wisconsin, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1989.

#### National Railroad Passenger Corporation

Charles Luna, of Texas, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990.

Darrell M. Trent, of Kansas, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990.

Robert D. Orr, of Indiana, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990.

#### Department of State

Mark L. Edelman, of Missouri, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cameroon.

W. Nathaniel Howell, of Virginia, a career member of the senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Michael Gordon Wygant, of Massachusetts, a Foreign Service officer of class 1, to be the U.S. Representative to the Federated States of Micronesia.

Samuel Eldred Lupo, of California, a career member of the senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

Robert G. Rich, Jr., of Florida, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize.

Roscoe Seldon Suddarth, of Maryland, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

Theresa Anne Tull, of New Jersey, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Co-operative Republic of Guyana.

#### In the Army

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

*To be lieutenant general*

Lt. Gen. Charles D. Franklin, 492-34-2422, U.S. Army.

#### Foreign Service

Foreign Service nominations beginning James L. Blow, and ending Emilio F. Iodice, which nominations were received by the Senate and appeared in the Congressional Record on July 15, 1987.

#### NOMINATIONS TO THE AMTRAK BOARD OF DIRECTORS

Mr. **LAUTENBERG**. Mr. President, the Senate today is confirming the nominations of three persons to the board of directors of Amtrak. Two of the nominees, Charles Luna and Robert Orr, have been on the board, and are being confirmed to continue their service. The third nominee, Darrell Trent, has not served on the board before.

Mr. Trent was nominated to take the seat of board member Ross Rowland, of New Jersey. Mr. Rowland, in 4 years of service, consistently demonstrated his support for Amtrak. In fact, the level of that support may have been the reason he was not renominated by the President, and cost him his position on the board.

These nominations have gone through the committee review process, and the nominees have been approved for action by the full Senate. I do not intend to stand in the way of these nominations. However, I do want to take this opportunity to voice my concern over the administration's attitude toward Amtrak.

It is no secret that the administration does not support the continued existence of Amtrak. For the last several years, the President has sent up a budget requesting no funds for Amtrak. For the fiscal year 1988, the administration seeks not only to eliminate funding for Amtrak, but also to sell off Amtrak's Northeast Corridor assets.

Each year, the Congress has rejected the administration's attempts. And, each year, Amtrak has continued to improve its status. Since 1981, revenues to cost ratio has increased from 48 percent to an expected 65 percent this year. Amtrak usage continues to rise. Last year, 21 million people used Amtrak. Total passenger miles also reached new highs.

Amtrak is a vital link in a balanced national transportation network. In order to continue to thrive economically, we must have a viable passenger rail network. Other modes of transportation, such as highways and aviation, could not absorb Amtrak's passenger load. It is truly in the national best interest to continue to support Amtrak.

Mr. Luna and Mr. Orr have served as board members, and have demonstrated their support for passenger rail service. And they can share in the credit for making Amtrak better and more efficient.

Mr. Trent does not have such a record. As a former official in the Reagan Department of Transportation, and as a nominee of this administration, it is likely that he shares many of the views of the administration. It is for this reason that I had some reservations about Mr. Trent's nomination.

I do not know Mr. Trent, and hold nothing against him personally. However, I do feel that it is appropriate to be concerned about the intentions of a nominee to the Amtrak board. Any nominee should go on the board with the intention of supporting Amtrak, and should be intent on making the system better and more self-sufficient.

In hearings before the Commerce Committee, Mr. Trent satisfied the committee that he is committed to a strong rail passenger network, and that he would not take a spot on the board with preconceived ideas and intentions about eliminating funding for Amtrak.

Mr. President, Mr. Trent was stated his support for a viable Amtrak. And he is today being confirmed for membership on the board of directors. We are taking Mr. Trent at his word, and entrusting him with an important role in the day to day operations of Amtrak. I urge Mr. Trent to be true to his words, and to support the national rail passenger system that is Amtrak.

Mr. **BYRD**. Mr. President, I thank the distinguished Senator.

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Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it so ordered.

## DEBT LIMIT EXTENSION

Mr. CHILES. Mr. President, in just a few minutes we are going to be sending an amendment to the desk, the Good Lord willing, and if the creek does not rise we are, and that will be an amendment by the Senator from Texas, the Senator from Florida and the Senator from New Mexico. The distinguished majority leader and minority leader will be also on that amendment.

Mr. President, while we are waiting to do that I just want to say if we have proven one thing these past few weeks, I think it is that the U.S. Senate is serious about deficit reduction. It has taken an awful lot of time and a lot of hard work.

But, for the first time this year, we've had genuine involvement from both parties. When you talk, when you work together, you improve the odds on progress.

This amendment reflects genuine progress.

This amendment makes sequester truly automatic, and that's at the heart of the deficit reduction progress.

Over the last several weeks, we've all said sequester would be awful. It would put Congress and the President right between the crosshairs of the gunsight. And if it ever comes to that, that's exactly where we'll be.

But we've talked so much about automatic sequester, it almost sounds like Congress is throwing in the towel and abdicating its responsibility. Actually, it's exactly the reverse.

Congress itself is imposing this discipline. It is not being imposed on us from the outside. We are doing it ourselves. We are saying to the Nation—as loud and clear as we can—we are serious. We are either going to do this deficit reduction, or you will know the reason why, and the people responsible.

The amendment revises the original Gramm-Rudman-Hollings targets by about $50 billion a year. I said, "revises." Let's not hedge. It raises the targets. Nobody should mistake that change for a step backward.

We need to revise the targets because they were wrong to begin with. When Gramm-Rudman-Hollings was approved, it was approved on the basis of a deficit estimate that was off by $50 billion. So right from the beginning, the law came with an economic and political blasting cap. And it did not take long for it to go off.

We spent the first half of this year haggling over targets and who met them. Nobody met them. Not the Congress and not the President. We established that. But it does not do any good to blame each other for not doing something that was not doable in the first place. So the targets are finally revised in line with realistic estimates.

The target for fiscal 1988 is $150 billion. That is $36 billion below the current CBO baseline estimate. That is real money. Those are real savings. And that is very important.

If we were to depend on just the fixed target for fiscal 1989—and we ran into a recession—the target would not be credible. It could even feed a recession.

As the economy gets worse, the baseline deficit goes up. That puts more distance between an increasing deficit and the deficit target. It means we would have to cut even more.

For fiscal 1989, automatic sequester can be avoided if we achieve $36 billion in deficit reduction.

Under the terms of the amendment the deficit reduction targets are $130 billion for fiscal 1989; $90 billion for fiscal 1990; $45 billion for fiscal 1991, and zero for fiscal 1992.

Mr. President, it is very important to keep in mind what those targets mean. What they mean is a reaffirmation of our commitment to wiping out the deficit on a 5-year timetable. That was at the center of the Gramm-Rudman-Hollings plan, and it is at the center of this amendment.

As to the actual procedure under this amendment, it includes a combined review by the Congressional Budget Office, the Office of Management and Budget, and the General Accounting Office. They will assess the economics and give us a report on how much has been saved, and how much more has to be done. For 1988, the amendment sets up an expedited review of the sequester situation.

For fiscal 1989 and beyond, there are provisions for congressional setting of economic assumptions.

Mr. President, this amendment gives us the opportunity to test a 2-year appropriations cycle on selected subfunctions of the budget.

It will prevent us from using the gimmick of delaying or advancing Government payments to achieve mere ledger savings.

Under this amendment, we will move toward sound financial management reform. Right now we have over 400 accounting systems throughout the Government and they do not all fit together. This amendment will give us the chance to get that house in order.

We will talk about these and other provisions throughout the course of the debate.

But let us keep some central facts in mind.

This amendment wrings out the pretense and shadows from the budget process. The orders of the day are changing. We want to reduce politics as usual down to the core which is deficit reduction because it's essential.

This amendment puts the deficit targets in focus. They are not fuzzy anymore. They aren't bloated any more. They are there for us to reach, and the amendment gives us the tools to reach them.

This amendment irons out the constitutional problems and redirects them back where they belong—to the Congress and to the President who have to cooperate on the deficit or face the consequences of sequester.

Make no mistake. This is no excursion in the tool box. These are basic changes to the engine.

The question that is always asked—given the widespread interest in the process—is this: Is it perfect? No. I think it can be improved. It does not have everything I want, and does not do things exactly the way I would do them.

But we will take this to conference, and we will see what more can be done to make it better. But this is really the first bipartisan budget initiative of the year in the Senate. There are many minds, and plenty of work in it.

I hope the Senate will approve the amendment, stick to the changes it makes, and get rid of the deficit once and for all.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I think the amendment will be ready shortly and, obviously, we will send it to the desk and start down the path of seeing what the U.S. Senate thinks about it.

Mr. President, I had occasion during the debate on the trade bill to talk about the future. Frankly, I am thinking back on that statement which I spent a lot of time on. And I remember saying the future for the United States and, as a matter of fact, the future for the world—because of major changes in the world economy and fantastic evolution of the free industrial countries and the great economy that the United States possesses which seems to be resilient enough to change and adjust to almost everything and almost anything—I remember saying the one thing that is not very good as we enter the next two or three decades and is a real drag on my optimism and obviously on the future as I see it, is the lingering deficit of the U.S. Government; the fact that we just have been absolutely unable, almost historically unable, to produce balanced budgets where we are living within our means.

And since I really believe that, and since I really believe the most important ingredients in our future are the interest rates our people pay, both individuals and businesses and the international community—and they must come down, not up—the formation of capital to be used by business, large and small, so that we can make the kind of changes and create the kind of jobs that our people deserve, and our participation in a world economy on a footing that permits us to use our ingenuity and really compete, all of those things that I have mentioned that are positive are inextricably tied to our national deficit and our constant, lingering inability to control it.

So I hope that whether it is this evening late, or sometime tomorrow, that the fact that we have put together a bipartisan, enforceable budget process which will bring these deficits down under the threat of chaos and commotion in our Government—I have frequently called it a planned train wreck in the past—the fact that we have, in a bipartisan manner, been able to put this together, through complicated, difficult, hard negotiations, is intended by me, at least to send a very clear signal. While we may differ on how to get there, while we may differ on what we ought to do to reduce this deficit, that we stand together, the leadership of the Democratic Party—and they are on this amendment—the leadership of the Republican Party—and they are on this amendment—we stand shoulder to shoulder on this one commitment. Since we are unable, between the executive and legislative branches of Government to get together year in and year out and produce budgets that are constrained and bring the deficit under control, that we are going to do the very next best thing and that is to adopt an automatic budget control mechanism.

Automatic not in the sense that we are going to put anything on automatic pilot, but, rather, there will be an automatic reduction of the deficit if we collectively—the U.S. Senate, U.S. House, President of the United States—are unable annually to arrive at a deficit and tax plan to provide for our national defense, our domestic needs, and the revenue for it. If we are unable, then Congress has set in motion a process which will do it for us in an automatic, arbitrary kind of way, a way that none of us want to see happen and a way that we are committing ourselves in a sense today, I think, or at least when we adopt it—committing ourselves to avoid, not avoid in the sense of finding ways out of it, but avoid it by doing our job.

Mr. President, we will soon introduce the amendment and we will go into detail, but let me suggest right here at the outset that this was difficult. I am most appreciative of the cooperation that existed between the distinguished chairman of the Budget Committee, the distinguished original cosponsor of this concept, and it is intact—its targets are changed because of the reality of things and a few other concepts are changed but it is basically intact—I thank him, Senator Gramm, for his cooperation.

If we look and sound a bit ragged around the edges tonight and if we are not totally filled with laughter and smiles, it is because we are tired and because it has been rough and because it is complicated.

Having said that, I am very hopeful that those who have questions about it will come down and ask them. We think we can explain most of them. We think they are reasonable.

I would like a few minutes later on to go through a few of the details as I see them that make this a very good plan, one that if we were finished with it, if there were no amendments and we come through both Houses and we are sending to the President, I would be very proud to be there when he signed it.

I hope there are not people around that think we can change it willy-nilly and do all kinds of other things and still have my support. I think we have done about as good a job as we can. We surely want to produce something that can become law and that will work.

Now I would yield the floor. I see the Senator from Texas here. I do not know if the amendment is ready yet, but I assume he would like to speak on what we are about to do.

The PRESIDING OFFICER. The Senator from Texas, Senator Gramm, is recognized.

Mr. GRAMM. Mr. President, we will be ready to propose the amendment in a minute. I look forward to sending it to the desk more than I have looked forward to sending any amendment or provision to the desk since I have been in the Senate or the Congress.

I would like to join my two distinguished colleagues in thanking the people who have worked to make this possible. It has taken a long time. We have been intensely negotiating on this amendment for several weeks and the reason negotiations have been so difficult is that: First, this issue is important. We are setting out a 5-year program to do something that has happened only once since 1960 and that is to balance the Federal budget.

Second, this issue is complicated. The concepts may be simple and straightforward, but the process of trying to convert those simple ideas into laws that people can understand, laws that can be enforced by the bureaucracy that forms the backbone of this process, is very difficult and very complicated. I want to thank the distinguished chairman of the Budget Committee, the Senator from Florida, Mr. Chiles, and the distinguished Senator from New Mexico, Senator Domenici, for their patience, leadership, knowledge, and dedication to this process.

Mr. President, on December 11, 1985, Congress adopted and sent to the President, which he signed into law, the Balanced Budget and Emergency Deficit Control Act of 1985, otherwise known as the Gramm-Rudman-Hollings law.

It was an ambitious law. It was a law passed out of desperation and frustration with a process that had clearly failed. The budget deficit had skyrocketed. The deficit was being projected at $200 billion as far as the eye could see, in the words of one who was standing on the mountaintop looking out and probably had as good a view of it as anyone else.

We adopted the bill as a way of committing ourselves to dealing with the deficit problem. There were those at the time who said this law was an abdication of responsibility, that we ought to just be balancing the budget instead of talking about it; that this was process and not substance. In fact, some people still make those comments.

But, as we have learned, as part of the genius of the American experiment, process is substance.

The problem with the current system is that every time a spending bill or amendment comes to the floor, all the groups who want something from the Federal Government are looking over the Congressman's right shoulder, and are sending letters back home telling people whether he cares about the old, the poor, the sick, the tired, the bicycle rider, and the list goes on and on and on.

Very seldom, as we vote to spend money, is anybody looking over the left shoulder telling people whether we care about those who do the work, pay the taxes, pull the wagon, and care about the future of America.

So we decided to put into place a binding system that forced us to reduce the deficit in five equal parts to zero over a 5-year period. We required the President to submit budgets that met those deficit targets; and we made it not in order to adopt budgets that did not meet the deficit targets. We made the budget binding for the first time ever by creating supermajority points of order to try to enforce.

We ran into a problem almost immediately because, as part of the political compromise, we had to have some outside authority determine the size of the deficit to determine if, in fact, we met the targets. We chose the General Accounting Office because we had confidence in it, because it certified accounts on behalf of the Federal Government, and because we felt that

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GAO would be an objective third party.

We all knew that there had been a constitutional dispute for 60 years, going back to the Budget and Accounting Act of 1921, concerning whether the Director of the General Accounting Office, the Comptroller General of the United States, worked for Congress or for the President.

In fact, we had had several courts rule both ways on the issue, but we decided as part of a compromise to let him be the final arbiter of the size of the deficit. Then we included a backup provision so that if the GAO involvement were struck down by the courts, then Congress would vote to certify the deficit and the President would sign it into law. We would then go from an automatic procedure to one of congressional discretion.

When the Supreme Court rules that the Comptroller General was indeed an officer of the legislative branch, thereby taking away many responsibilities that he carried out other than those under Gramm-Rudman-Hollings, we were forced to implement the backup mechanism.

The disciplining agent of the original Gramm-Rudman-Hollings law was a combination of a club in the closet and a shield. The club in the closet was that not only did the President have to submit budgets that met the targets, not only could we not consider the budgets if they did not meet the targets, not only were the budgets binding; but also at the end of the budget process, which is the beginning of the fiscal year, we had this film that we had taken which told the American people what a pretty picture it was, and then we had it developed. The developed film told us whether or not we had done the job.

The way the bill was initially adopted, if we did not meet the targets, then there were across-the-board cuts that took place automatically. We then had 45 days to come to our senses and go back and reduce the deficit or the cuts became permanent. That club in the closet was a very strong disciplining device, because no one wants the automatic across-the-board cuts to go into effect.

It was also a political shield, Mr. President, because if we are all beseiged by special interests that want something from the Federal Government, every Member is in the position to say, "I would like to vote to give you this, but we are under a binding budget constraint and if I voted to give you this money, it might trigger an across-the-board cut that would hurt everybody."

We have not achieved everything with the original law we had hoped for, partly because the club in the closet and the shield were eliminated by the Supreme Court ruling. Congress knew that it did not have to pull the trigger on the sequester order and, as a result, we did not do the job that was required to reduce the deficit.

But I think it is very important to reinvigorate the Gramm-Rudman-Hollings law. I think it is important to note two things: First, we are here because after 2 years of experience we are convinced as an overwhelming bipartisan majority, I predict before a vote is taken, that this is the only way that we are going to balance the Federal budget. Unless we can fix this law or come up with something better, which we have not done, we are not going to get the job of controlling the Federal deficit done.

The second reason we are here is that while we did lose the club in the closet in the law, that is, we have been hitting only on three cylinders instead of six, the plain truth is we have made remarkable success. The budget adopted and put into place before the law was adopted resulted in a deficit of $233 billion, the largest deficit in American history. That deficit resulted from a budget that was adopted and in place and which had been appropriated before the Gramm-Rudman-Hollings law was enacted.

Under this law, will all of its imperfections and with the weakened process that came from the Supreme Court decision, we have reduced that deficit from $233 billion down to $161 billion. That is the largest deficit reduction in American history. That $72 billion has gone into the private sector to build new homes, new farms, new factories, and to generate new economic growth.

I am not claiming for a minute that the Gramm-Rudman-Hollings law did all that by itself, but I do not think there is anybody here who would argue that the deficit would not have fallen by $72 billion without the enforced budget process, without the targets, or without the limited discipline we have had even in lieu of the Supreme Court decision.

So we are here today to put the teeth back into the Gramm-Rudman-Hollings law.

First, we are going to make the targets realistic. The distinguished chairman of the Budget Committee alluded to the fact that when we wrote the bill, we were projecting a deficit of $172 billion. We already knew the deficit was higher, but when we went to conference we were unable to accept that fact into law. As a result, the law started to bring the deficit down from $172 billion when, in fact, at that time the deficit was $233 billion. What we are doing here is recognizing the fact that we were $50 billion behind the power curve when we started.

Second, we are here because during the last 7 or 8 months we have seen a new surge in spending. The markets initially reacted to the passage of the Gramm-Rudman-Hollings law by believing that there was going to be something done to reduce the deficit and as a result interest rates declined, housing starts were up, the economy started moving forward and the deficit began going down. As a result of a belief in the last few months that all that pressure on spending was being reversed, interest rates are back up and the deficit has started to rise again. If we do nothing, the deficit will rise next year to $186 billion and, if we do nothing during fiscal year 1988, it will rise to $198 billion by 1989. In other words, we will be right back where we started. This law will have been a 2-year blip on the trend line and it will have had no long-term impact.

We are committing ourselves here to lower the deficit in an orderly fashion from $150 billion to zero in fiscal year 1992. I believe that this is a program that can and will work. I think it is a good proposal, it is practical, and the targets are achievable. I believe that if we can adopt this amendment, if we can go to conference and come out with something very close to this, and if it is signed into law, then we can make it work. We will give the American people what over 80 percent of them say in every poll they want, a balanced Federal budget.

I want to say a little bit about the process changes in the amendment. The process is basically the same process that we adopted last year which died in conference. It is a process that has the Director of the Office of Management and Budget be the final certifier of the deficit since he is appointed by the President, and that meets the constitutional requirement. But CBO is still involved in the process. GAO is involved in auditing the joint report. Then Congress has a final opportunity to come back in with the last bite out of the apple if we think that OMB has not produced realistic projections.

We have also imposed some very real constraints on the Office of Management and Budget in terms of spendout rates, and in terms of what they can assume. We have mandated, for example, since we all know that agriculture deficiency payments are going to be advanced, that they be counted that way from the beginning.

We have realism in the budget set of assumptions.

To the extent possible within the constitutional constraints, we have converted OMB's function to a green eyeshade function of simply projecting what the deficit is.

This is a package that I believe can be successful. I commend it to Members of the Senate. I hope we get broad-based bipartisan support for it.

It is going to be difficult to live up to the commitments we make. Since this process will be binding and if the Congress and the President cannot meet the targets, there will be an across-the-board cut, then we will have an opportunity to come to our senses and reduce the deficit. If we fail to do that, the across-the-board cuts will go into effect. For the 5 years that this law is kept in force, that will be the sword of Damocles that hangs over the Congress.

But what are the payoffs? The payoff is that the $200 billion a year that is going to finance the Federal deficit can go into the private sector of the economy. This $200 billion a year can generate new technology and new economic growth in the United States. It can make us competitive on the world market again and can give our children and grandchildren and all those future generations who will call themselves Americans the opportunity that we have always expected, that we have always had in the past, and that I believe we can always have in the future. The choice we are making here is a choice about America's future. I believe that by adopting this commitment to balance the Federal budget, we are doing something that may not be popular over the next 5 years. Before we balance the budget, in terms of public perception, we must go through Valley Forge before we get to Yorktown.

In supporting this agreement you are committing yourselves to a lot of hard votes, votes that will be unpopular back home. But I believe that you are also committing the Nation to a course that is going to produce a brighter future for all of our citizens. That is why this is the right thing to do. I urge my colleagues to adopt the amendment which we will be introducing soon.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER (Mr. Daschle). The Senator from Illinois.

Mr. DIXON. Mr. President, I wonder if my friend from Texas would accommodate me by answering a few questions that will clarify for this Senator what has been accomplished.

I congratulate my friend from Texas, my friend from South Carolina, who I now see on the floor, my friend from New Mexico, and the manager from Florida, for the work they have done to bring about this compromise, because I support the concept. Speaking on my own behalf only, I am absolutely delighted that the conflicting points of view have been resolved. Now I would like to clarify what has been accomplished.

First of all, I understand that the $36 billion, sort of floating reduction option that had been made available in the so-called Chiles amendment, which was rejected the other night, is out of this accommodation now; that is no longer part of this amendment?

Mr. GRAMM. If the distinguished Senator will yield, we have fixed targets now but we do have one element of the Chiles approach in the bill. In fiscal year 1989, we have two ways that you can avoid a sequester.

The reason for the dual approach in fiscal year 1989 is because the tax reform bill gave us a revenue surge this year and we do not know what the revenue impact of tax reform is going to be next year. Basically we have the fixed targets of $150, $130, $90, $45, and zero, with no deviation except in fiscal year 1989. Because of uncertainty about revenues under the tax reform package, if the deficit is reduced by more than $36 billion by policy changes; that is, actions taken by the President or by the Congress, and we still do not meet the targets because something like a huge revenue shortfall occurs, then there would be no sequester order for that year. However, we would be right back committed to $90 billion the next year.

Mr. DIXON. I understand that. In other words, the second question I think has been answered. Your firm threshold requirements for the 5 years are $150, $130, $90, $45, and zero. The explanation the Senator has given me to question 1 is that in the second year, where the target is $130 billion, the alternative in that year only would be a $36 billion reduction if you could not achieve the 130 that year by virtue of the tax reform legislation.

Mr. GRAMM. That is right.

Mr. DIXON. Is that the answer?

Mr. GRAMM. Basically, that is the answer.

Mr. DIXON. One other question just for my own information. Maybe others will not be this concerned about it. I am curious how you arrived at those numbers—for instance, a $20 billion drop from 150 to 130, a $40 billion drop from 130 to 90, then a $45 billion drop, and finally another $45 billion drop, as distinguished from the other legislation by the Senator from Texas and my colleague from South Carolina where it was in $36 billion increments a year.

Mr. GRAMM. Let me explain what happened. The Senator may remember an amendment that the Senator from New Mexico and I offered together to the tax reform bill. Under the tax reform bill, we were projecting about a $20 billion increase in revenue in the first year and then in the next two years, a fall of about $20 billion in revenues. Senator Domenici and I offered an amendment that said in the first year you cannot count the $20 billion overage towards deficit reduction that year; you have to apply it to the deficit in the second and third years. We adopted that amendment in the Senate. Unfortunately it died in conference.

Thus, we ended up with a revenue surge that makes the first year of deficit reduction easier, but the second year it is virtually impossible to reduce the deficit given the revenue decline. The current services, deficit projection for fiscal year 1988 that CBO has released is about $186 billion. Therefore, unless something improves by the time we take these snapshots for the sequester report, we are going to have to reduce the deficit by $36 billion to meet the $150 billion target. But because of the tax reform bill and because of the increase in interest rates, the deficit, with no action by Congress, will go up to $198 billion in fiscal year 1989. So even if we got the $36 billion in reductions to meet the $150 target, we would still have to get $36 billion more to meet the $130 target in fiscal year 1989. Then as the impact of the tax reform bill winds its way through the system, by the time we get to 1990, the deficit will start to come back down. This results in a $40 billion reduction from the previous year's deficit, but only a $36 billion reduction from the current services deficit.

The same result occurs between fiscal years 1990 and 1991. While we are requiring a $45 billion reduction between years, the deficit is decreasing so that the required policy changes are again about $36 billion. That is the logic behind these numbers.

Mr. DOMENICI. Will the Senator yield?

Mr. GRAMM. I will be happy to yield.

Mr. DOMENICI. Will my good friend from Illinois yield?

I think the Senator recalls the very lengthy debate on the tax bill; there was a famous expression that it was "tax neutral." But if you did not listen carefully the phrase that was added at the end of it was, it was tax neutral "over 5 years." Nobody told us that in each of the years it would follow the current policy projections of tax revenues but, rather, if you wanted to buy the assumptions and you added up all 5 years you ought to come out with the same total of revenues. One of the big reasons it was inevitable, in my opinion, that you have to not only change the targets but you could not have exactly $36- or $40- or $45-billion increments is because of that.

Also, the truth of the matter is that right now, at least according to CBO—I think it is going to change. I think it is going to come down, but nonetheless they say the deficit is $186 billion. But 150 puts you right back into the ball park in terms of numbers. I do not think it is that big, but we had to do something. We had arrived, the majority and the minority—that is, the chairman and myself, Senator Gramm—at the 150 on our own with our respective bills. If the Senator recalls, Senator Chiles had 150 in it also. Ours now follows the old format, 150 plus a $10 billion window, 130 plus a $10 billion window, for errors, miscalculations, and missed estimating. Each one has that $10 billion built in.

But they are firm. I hope no one votes against this because they do not think it is enough deficit reduction.

There may be some, and some may come down there and say, "We're not so sure we're going to cut enough in the first year."

I suggest that what our community out there wants, our people, and those who respond to our deficit lack of credibility, are fixed targets that are rational, not political, that are reasonable.

**Mr. DIXON.** If I may interrupt, the Senator touched on something that may be my next question.

Do you still have now in this amendment the protection in Congress if they miss the target within that $10 billion escape clause, as I call it, that we had in the prior law? Is that in this as well?

**Mr. DOMENICI.** It is in this, in each target year.

**Mr. DIXON.** There seems to be some misinterpretation by some I have heard talk about this. But my understanding is that you still have in the existing law, even without the amendment here, the protection of two no-growth quarters. Is that right?

**Mr. GRAMM.** That would not be changed.

**Mr. DIXON.** And it is still in here. I have heard people comment that some of these cuts might be too great in difficult times. I suggested at least twice—and the Senator from South Carolina was present—in our conferences that that is still part of the law. We have that escape clause.

**Mr. GRAMM.** Not only do we have the escape clause if there are two back-to-back quarters of no economic growth, but also, we have an escape clause if there is a projection of no economic growth.

**Mr. DIXON.** We still have the war emergency exemption?

**Mr. GRAMM.** Yes. In case of a declaration of war, we have a war emergency exemption.

**Mr. DIXON.** I am not clear—although the amendment, when we see it, may clarify this for me—but I am still not quite clear who checks on OMB. I have heard the Senator say that CBO and OMB are still involved in discussion about the numbers. But if OMB were to take, under some administration, a highly partisan position in respect to this that we disagree with, I am not clear how Congress gets in the picture by virtue of what you folks have agreed to in the compromise, and that is important.

**Mr. GRAMM.** First of all, for fiscal year 1988 we have agreed to take the CBO and OMB estimates of the 13 economic variables that ultimately determine what the deficit is and write the average of those into law. Those economic variables are set in fiscal year 1988.

**Mr. DIXON.** Yes, in the first year.

**Mr. GRAMM.** In the first year.

**Mr. DIXON.** And the second year?

**Mr. GRAMM.** In the second year, come the middle of August, hopefully we are through with the budget process. At that point, we have CBO and OMB meet together and make their projections of the deficit. Then we look at targets and say, "Did we meet them or did we not?"

The General Accounting Office then comes in and reviews OMB and CBO joint report, audits the accounts of the Federal Government and, reports its own projection of the deficit.

At that point, with CBO and OMB already having reported, and GAO having given its comments to Congress and the President and the American people, then this report of GAO goes back to OMB, and they certify the size of the deficit.

**Mr. DIXON.** Let us assume at that point that what OMB certifies is not harmonious with what CBO or, in particular, the General Accounting Office has said.

**Mr. GRAMM.** If it is not, then OMB must give a detailed explanation of any deviation between its report and the GAO report.

**Mr. DIXON.** OK.

**Mr. GRAMM.** Then we have a highly expedited, privileged procedure whereby if the temporary Joint Committee on Deficit Reduction feels that OMB has moved outside the range of legitimate projection—remember, we set out in law what the spend-out rates are; we set out in law how they have to consider advance deficiency payments; and we severely limit discretion—it may report alternative economic assumptions.

If it is felt by the committee that OMB went outside the bounds of being reasonable, then there is a highly expedited procedure whereby Congress could adopt a joint resolution setting out a baseline between what CBO said initially and what OMB said initially.

**Mr. DIXON.** When you say "between," it could be anywhere. It is not "split the difference." In other words, Congress would have the ultimate power to say, by virtue of a joint resolution that was authored by the Budget Committees of the two Houses, that insofar as that difference of, let us say, $18 billion between OMB on the one hand and CBO and GAO on the other hand—let us say they agree—we can take any number in there; and if we can persuade them—is it a simple majority?

**Mr. GRAMM.** A simple majority.

**Mr. DIXON.** If you can persuade a simple majority in both Houses that there was a different baseline number that should obtain, that would obtain.

**Mr. GRAMM.** It is set forth in a joint resolution. Remember, to get around the constitutional problem, it has to be a law.

**Mr. DIXON.** So it would be signed by the President.

**Mr. GRAMM.** That is right. Remember this——

**Mr. DIXON.** Let me see if I understand. The resolution is a joint resolution; it reflects the work product of the two committees; a majority vote of both Houses; and must be signed by the President.

**Mr. GRAMM.** Yes. It is unamendable. It cannot be recommitted. It cannot be filibustered. It has to come to the floor. It has to have an up or down vote. It is a totally privileged process.

**Mr. DIXON.** And if the President does not sign?

**Mr. GRAMM.** If the President does not sign, then we would have the opportunity to override the President's veto.

But if I might make two additional comments——

**Mr. DIXON.** The concern I obviously have is that some of us have had problems with OMB because we think it can be an administrative functioning arm of the Chief Executive.

I see a little bit of a dichotomy in some of the things you are talking about here. I have a little difficulty imagining Congress disagreeing in some fairly substantial amount with OMB and having the President then agree with Congress. That troubles me a little.

**Mr. GRAMM.** First of all, on the only sequester order we have ever had, the economic assumptions—what we would have the right under this expedited provision to rewrite—the difference between OMB and CBO was $500 million.

**Mr. DIXON.** I realize that. That was the first year, and when the sequestration actually took place, that is what the Senator refers to.

**Mr. GRAMM.** Remember, if you make it easy one year with the fixed targets, then you simply compound the problem the second year. There is a cumulative effect, which is one of the advantages of a fixed target. This cumulative effect prevents either Congress or the President from trying to influence their relative budget arm to cheat on the system.

**Mr. DIXON.** I might only make this observation to my distinguished friend, that by and large I like everything so far. If I sense one place where at least this Senator sees some weakness, it might be addressing this subject because I am not persuaded the President is going to sign a joint resolution that is in particularly substantial disagreement with OMB. I do not say that will dissuade me from what is being done.

**Mr. GRAMM.** If I might respond one more time. After GAO has audited CBO and OMB and once they have released their initial reports, you are going to have a tremendous amount of pressure in terms of public opinion and congressional opinion, and some constraint on the administration and the Director of the Office of Management and Budget who will have been appointed by the President, approved by the Congress; which will act as a constraint on the willingness of the administration and OMB to deviate from something within reason.

**Mr. DIXON.** OK. Let me ask two final questions and I will conclude.

This is important to me. My colleague from Texas knows that we both serve on the Armed Services Committee. We have certain fixed opinions about what our sense of priorities are with respect to our national security interests.

I think the Senator from Texas knows that I am very, very strongly opposed to giving the Chief Executive discretionary power with respect to the weapons system. I do not have too much problem with respect to personnel. Is it implicit, I ask my colleague from Texas, in the discussions that have transpired between the three principals that are on the floor, the Senator from New Mexico who is off it, that we are not going to go through some separate distinct other exercise where we are divided on that question?

**Mr. GRAMM.** If I might say to my distinguished colleague, we worked out what I believe is a reasonable compromise and one that I intend to support.

**Mr. DIXON.** I thank the Senator, and I interpret that to mean that the Senator will support this concept, leaving to the Congress those who might be of the very liberal persuasion subject to the deep bite on the domestic social programs and the President who might be disposed to some of his pet choices in the defense initiatives subject to that same deep bite without any discretionary authority.

**Mr. GRAMM.** I might say, if the distinguished Senator from Illinois is going to support the proposal on that basis, then I will certainly defend it with all my strength.

**Mr. DIXON.** The Senator is a generous, generous man.

My final question is this. I have heard so many different numbers that I am not quite clear. What is the number working from this year in working toward the threshold number? What does the Senator say that number is?

**Mr. GRAMM.** Well, we only have one estimate and even that estimate is being revised that estimate protects the deficit to be, and not including the sale of REA loans, about $186 billion. Now this bill, if adopted, is going to require that CBO and OMB report on their economic baselines so they can actually be written into the conference report that will accompany this debt resolution. I understand that CBO is now making it's final determination, and OMB is making it's final determination, so I do not believe that CBO has officially set out the $186 billion, but that is the only estimate we have for the first year and $198 billion for the second.

**Mr. DIXON.** But do I understand from what the Senator has said that the Senator and my distinguished friend and colleague, the manager and the Republican manager, and others, have made the kind of inquiries that make them feel that is a fairly reliable figure on the basis of what we know on this day?

**Mr. GRAMM.** As of right now it is the only figure we have.

**Mr. DIXON.** I simply want to say, Mr. President, that I thank the Senator from Texas for clarifying for this Senator what this amendment does and I feel sincerely that the distinguished manager, the Senator from Florida, the Senator from Texas, the Senator from New Mexico, the Senator from South Carolina, have made a very important and substantial contribution in the efforts that they have been devotedly involved in for the last few days, and certainly I will support with great enthusiasm, may I say, this amendment when it is appropriately offered at the appropriate time by my friend and colleague, the distinguished senior Senator from Florida, and I congratulate them all on a job very well done.

Thank you.

I yield back the floor, Mr. President.

**Mr. CONRAD.** Mr. President, will the Senator from Texas yield for a question?

**Mr. GRAMM.** I am happy to answer a question.

**Mr. CONRAD.** My understanding for fiscal 1988 in the proposal that will be before us soon is that the deficit target would be $150 billion plus a tolerance level of $10 billion. Is that correct?

**Mr. GRAMM.** If I might explain, if the deficit in the final determination by CBO, OMB, and GAO was $150 billion plus a margin of error of $10 billion, then there would be no sequester order. If it was $150 billion plus $11 billion, then you would sequester all the way back to the $150 billion.

**Mr. CONRAD.** You would sequester all the way back to the $150 billion?

**Mr. GRAMM.** That is right.

**Mr. CONRAD.** But you would not have a sequester if you were below or equal to $160 billion. Is that correct?

**Mr. GRAMM.** The way it is written, the $10 billion provides a margin of error and so if you were below $160 billion, you would not have a sequester order. If you were above $160 billion, you would sequester all the way back to $150 billion.

**Mr. CONRAD.** Let me continue then and just express my own concern, that in fiscal 1986 we were headed for a budget deficit, CBO has just told us, of $161 billion. In fiscal 1988, there would be no sequester if we have a deficit of $160 billion or below. In other words, through this mechanism we have no assurance of year-to-year deficit reduction from fiscal 1987 to fiscal 1988. Is that a correct construction?

**Mr. GRAMM.** That is correct.

If the distinguished Senator would yield further, you need to realize that this $161 billion deficit is produced in part by a one-time windfall in fiscal 1987 of $20 billion of revenues from tax reform. So the deficit on the basis of the revenues we are expecting for the coming year would be $181 billion, not $161 billion. Interest rates have gone up and not down, and that is catching only the tail end of fiscal year 1987, but it is going to hit fiscal year 1988 from the start and the combination of the two means that the fiscal year 1988 deficit, with current interest rates and without that tax windfall will be about $186 billion.

**Mr. CONRAD.** I understand that. My concern, as I think the distinguished Senator from Texas knows well, is that we are sending a clear and distinct message to the American people that we are committed to year-to-year deficit reduction. If we go back to Gramm-Rudman-Hollings that existed last year, there was year-to-year deficit reduction. There was an understanding then that the tax bill would have certain unintended effects but there was, nonetheless, a commitment to year-to-year deficit reduction.

I for one am disturbed that we do not have that same commitment in the first year of this proposal. I think that hurts the credibility of the proposal with the American people.

I am further concerned that in fiscal 1989, as I understand it, we have a target of $130 billion. Is that correct?

**Mr. GRAMM.** That is correct.

**Mr. CONRAD.** $130 billion. But that is not a fixed target in the sense that, as I understand it, if there is $36 billion of program changes, then we need not reach that target in order to avoid a sequester. Is that correct?

**Mr. GRAMM.** That is correct. The reason is that in 1989 because of the tax reform package, there is a tremendous amount of uncertainty with regard to what revenues are going to be, as a result, we have included this one-time provision until we gain some experience with the new tax policy. If Congress and the President make a $36 billion reduction in fiscal 1989 as a result of policy changes in the deficit, in that year there would not be a sequester.

**Mr. CONRAD.** Again, my concern flows from the fact that again we are not assured then of year-to-year deficit reduction in the first 2 years of this plan and yet at the end of the plan in the last 2 years of the plan, then we have fixed targets set out in this fix. Is that correct in the last years there were fixed targets?

Mr. GRAMM. It is correct. If I may say to the distinguished Senator, I go back to the point that I made earlier about the tax bill. We had a requirement that it be deficit neutral over 5 years, but we all knew that there were year to year fluctuations. In fact, an amendment that I offered with the distinguished Senator from New Mexico, which was adopted by the Senate, said do not count as deficit reduction the $20 billion windfall the first year because during the next 2 years you have a $20 billion loss. Our amendment said we should set aside the $20 billion and only score it in those years with revenue losses. Unfortunately, the amendment was not retained in conference.

The reason that you can project a $36 billion deficit reduction from current services in fiscal year 1988, but can get a $45 billion reduction between 1990 and 1991 is because we are estimating that revenues will start rising again and the deficit will start falling without any congressional action. That is where this kink comes from in the targets.

Mr. CONRAD. I understand that. We were in a posture, however, when we had the original Gramm-Rudman-Hollings of uncertainty about revenue. There is always uncertainty about revenue, certainly greater uncertainty when we introduce a tax reform measure. But in that bill, we had clear targets set out year to year and it was clear year-to-year deficit reduction.

And now, in the first year of this new plan, what concerns me greatly is that we have no assured deficit reduction in the first year. In the second year, we have an unfixed target which means we might be faced with a situation in which we have no deficit reduction the second year. And then we start getting fixed targets. And I am a little concerned that we have got a bifurcated approach here, one in which you have assured deficit reduction toward the end of the program, but at the front end of the program, no year-to-year reduction from the 1987 to 1988 and no fixed target in 1989. And it is hard to tell in 1990 and 1991 that you are on a fixed target basis.

Mr. GRAMM. May I respond to that before the distinguished Senator continues? Let me make this point, and I say this as one who I believe has had a credible record at least in my efforts to reduce the deficit.

Our basic problem is that in 1985 we did not have a new tax system. We had a long experience with the existing tax system. Now we have adopted a new system. We all knew it was going to have a $20 billion revenue surge in fiscal 1987, so we are all celebrating the deficit decrease to $161 billion down from $233 billion and assisted by that nonrecurring $20 billion revenue. Second, there is that uncertainty I mentioned about revenues in 1989.

But I want to say this to my distinguished colleague, if we do not fix Gramm-Rudman, the deficit is not going to be $161 billion this year, because we are going to see a surge of spending here at the end of the year and it is going to be $170 billion. If we do not fix the Gramm-Rudman-Hollings law, the deficit is not going to be $186 billion next year, it is going to be $200 billion.

Maybe we do not reduce the deficit as fast as some would like. Quite frankly, I would have supported tougher targets, but I am not sure they would have been realistic. What I want to get out of this is a system that we have a fighting chance to try to make work.

As we know in my part of the country, you do not put a boot on by putting the tightest part of it on first. You slip your foot into the top of the boot. And it is real easy until you get down to where your foot starts to turn to go in the bottom of the boot. And then, if it is a good boot, you have straps on the side and you have to pull on those to get the boot on. If it is not that way, it does not wear well.

I hope my colleague will look beyond all the technical explanations—and I can justify these numbers on technical estimates, on tax reform, and on what has happened to interest rates, but it goes beyond that.

We spend around here on a back loaded basis. We pass a bill and we say, "Oh, this is only $100 million." And the first year it is $250 million, the next year it is $500 million, the next year it is a billion dollars and the next year it is $2 billion. And if anybody had known it was going to be $2 billion, they would never have voted for it.

I am just saying that, are we to believe that if you cannot spend money except by back loading programs, that you can save money in any other way? If we are going to get Congress to make this truly significant commitment to put itself under the gun, you cannot reach out the first year and seek some kind of economic miracle. And I think that, the fact that we could put in place a system that forces a discipline we do not now have would be a big enough justification to begin the process slowly.

But, the reality is that we are not going into it slowly. This is going to be tough. It is going to be hard to meet these targets. With next year's Presidential election, there is going to be an incentive to spend the taxpayer's money. In election years for the last 20 years Federal spending has grown by 11 percent a year. The incentive for the administration, any administration, to spend all this money in States with electoral votes is going to be huge. The incentive for Congress to spend money is going to be huge. Meeting that $130 billion target in fiscal 1989 is going to be the toughest challenge that any Congress in a decade is going to have, in my opinion, or going to have had.

Mr. CONRAD. And we have a target there that is not fixed, so we probably will not meet it at all. And that is of great concern to this Senator.

I must say I am not asking for an economic miracle. You talk about putting on boots. We put on boots in my part of the country, too. And I can tell you when you put on boots, the best way to put them on is to put them on.

What I am concerned about here is the very first year we are not making any year-to-year deficit progress. And I just think that sends the wrong signal.

I do not think it would be out of place to have a lower target than the one that is put in this particular measure. I would be interested in knowing the reaction of the Senator from Texas to a deficit target of, say, $135 billion with $5 billion in tolerance, or $140 billion with $5 billion of tolerance in the first year, instead of having the target of $150 billion plus $10 billion of tolerance which assures us, virtually assures us, we are going to have no year-to-year deficit reduction.

Mr. GRAMM. If the distinguished Senator will yield on that, and I will be brief, we are going to recess next Friday and then we are coming back in the middle of September. Then roughly 2½ weeks later we either meet the target or we have a sequester. So, we now have only about 3½ weeks to bring the deficit down by $36 billion to avoid a sequester.

I am simply saying that that is going to be a lot of heavy lifting. Even if CBO revises its estimate downward, because the economy is getting stronger in some areas, we are still looking at $25 or $30 billion. And trying to come up with $25 or $30 billion of deficit reduction in 3 weeks is going to be very, very difficult.

Mr. CONRAD. Will the Senator yield on that point?

Mr. GRAMM. I am happy to yield.

Mr. CONRAD. That brings me to the next question I have about this proposal. I would like at some point to ask the Senator from Florida about it as well.

But I would like to start with the reference that you have just made. My understanding is the budget resolution that we have put in place would take us to a fiscal 1988 deficit of approximately $152 billion. That is CBO's new number, about $152 billion. The numbers in this plan mean no sequester if you are $160 billion or below. So, based on the budget resolution we have already passed and worked months on, there would be no sequester. That assumes the $19 billion of revenue that the President says he will have no part of.

And let me just ask if what we have put in place here does not actually remove virtually all of the pressure on the President to go along with any revenue, and let me just set the stage as to how I get there. If we have $160 billion in this proposal before there is any sequester—$160 billion—and we are at $152 billion with revenue, $171 billion without revenue, that would leave the President with about a $20 billion potential sequester facing him; is that correct?

Mr. GRAMM. If Congress lived within the constraints of the spending it adopted in the budget resolution you would be looking, if you took your numbers, at about $171 billion deficit, which would be a $21 billion sequester.

But I remind my colleague that the Appropriations Committee, even today, could not come to a firm agreement on the allocation of the discretionary spending in budget.

So I am just simply saying that we cannot assume that the discipline of that budget is going to be fulfilled if we do not have some kind of binding constraint. But that is right, $21 billion is sequestered.

Mr. CONRAD. That is my understanding. Let me ask one other question. On the $10 billion tolerance level, it is my understanding that in the original Gramm-Rudman there was a $10 billion tolerance; in the additional Chiles' fix there was no $10 billion tolerance—is that correct? In the original Gramm-Rudman there was a $10 billion tolerance every year?

Mr. GRAMM. There has always been a $10 billion margin of error in the Gramm-Rudman-Hollings law. There was not in the initial Chiles' proposal this year.

Mr. CONRAD. All right. Now, is it not correct—it was my understanding, at least—that the $10 billion margin of error or tolerance level, call it what you will, in the original Gramm-Rudman, was so that when we had the summer correction, or the summer update by CBO and OMB, following the January or February numbers, that that $10 billion would be the margin of error or the tolerance level for the changes that one might find from the January or February forecast to the summer forecast?

Mr. GRAMM. It was a combination of things. First, The idea behind it was to provide a statistical margin of error. And second, a sequester is very expensive. It disrupts thousands of programs, affects millions of people, costs a lot of money.

So, the logic was that if you came within $10 billion of meeting the target, that it would be counterproductive to sequester anything less than $10 billion.

On the other hand, if you miss the target by more than 10 billion, you must cut all the way back to the target.

And remember, we are projecting what is going to happen economically over the next year, and we certainly would not be achieving our goals if we put everything through a cut only to have it turn out that all these economists at CBO and OMB were wrong.

So, we thought having a margin of error in the original bill of $10 billion, was a reasonable approach, remembering that we are not going to find perfection in any bill. What we are simply trying to do is come up with a workable program.

Mr. CONRAD. Well, let me just conclude by saying that I am concerned about not having year-to-year deficit reduction. I would much prefer and I think this proposal would be much stronger if you had a lower target, say $140 billion plus $5 billion of tolerance, rather than the $150 and 10.

At least then you would be able to go to the American people and say these are realistic targets that keep the commitment that was made previously to assure year-to-year deficit reduction.

I just do not think it sends a very good message to put in place a fix that in the very first year, right out of the box, we do not show year-to-year deficit reduction.

That concerns me. I would be interested in knowing if an amendment were offered that would lower the first year targets—not some draconian lowering, but something that would assure us of year-to-year deficit reduction, say $140 plus $5 billion of tolerance, if the Senator from Texas could accept that?

Mr. GRAMM. Well, it is like the question the distinguished Senator from Illinois asked me: Was I going to vote for something to allow more defense flexibility, which is something I believe in; and I told him no because I supported this package.

For the same reason I support the targets in this package, because they are part of the bipartisan compromise that we put together.

But I remind my colleague that if we went to a target of $140 billion just so we could go home and say we have guaranteed a reduction of the deficit from this year by $20 billion, which by the way would actually be $46 billion on the basis of what we are going to be scored on initially, we would have to reduce the deficit, between now and October 1, by $3 billion for every day we are in session in order to meet the target.

Mr. CONRAD. The Senator from Texas perhaps knows I have a plan that would do that. We can do it in a half hour, $3 billion, with not much pain associated with it, really, either. It would be 2 or 3 percent on budget authority. That is not a draconian reduction in spending. But that would get you those kinds of savings.

Then you could go to the American people and stand up tall and be forthright, look them in the eye and say, "We kept the faith. We gave you precisely what we promised to give you when we started down this road several years ago and that is year-to-year deficit reduction."

If it was acceptable on the other side of the aisle, would the Senator from Texas be willing to accept a smaller target, a lower target, greater deficit reduction in the first year and the second year for that matter?

Mr. GRAMM. If I might respond, this is a compromise that has been put together to try to get support on both sides of the aisle, to try to get a bill that the President will sign, and I just would like to conclude, unless there is another question, by saying this: We all have to ultimately decide: do we want to be judged on the basis of what we say we are for or for what we actually do? On our speeches or on our actions? That is the real question, I think.

I believe that if we choose to be judged on the basis of what actually happens to America and on the basis of our leadership, that this package that we have here, despite its imperfections, is a package that should be supported, and which, if implemented, is going to dramatically change the Congress and is going to dramatically change America.

We can all be for more than this, but I think, quite frankly, that this is all we have any realistic chance of getting. We may not get it.

So I am for this package. I think it is a good package. I am proud of it. I wish the deficit were coming down more quickly, but I want to tell you, it is hard to get the deficit to come down at all. I think that this bill, if adopted, is going to dramatically change the way we do business and that, at the end of your term, in 6 years, if we adopt this bill, the deficit is going to be dramatically lower than it is today—hopefully we will be balancing the budget.

On the other hand, I think that we might all come up with more that we would want to do but I think the reality instead would be that the deficit would probably be $200 billion a year without this kind of binding constraint. And that is the question we all have to ask, because legislation is compromise.

Do you want to be judged on what you say you prefer, so you can go back home and say well, I wanted to cut $50 billion or $60 billion? Or do you want to be judged on what actually happens to America?

It is on that basis that I urge my colleague—because I have a great deal of respect for him and for his sincerity on this budget issue, and I welcome both of those in this battle because it is going to be a long and hard one—that I urge my colleague to look at this. I hope he decides to support it because it is a step in the right direction; it is a very firm step and it is going to be a very difficult one before it is over, even this year. It is going to be very difficult.

Mr. CONRAD. Let me just conclude by saying I think the Senator from Texas knows—and the Senator from New Mexico—that I am very eager to see a fix. I am personally convinced that it is going to take a mechanism like this one to provide the discipline both down the street and here for us to achieve deficit reduction.

But I do think this particular package could be improved somewhat. I am not talking about some dramatic difference but I do think we would do well to think a little bit longer before we close out the possibility of revising the targets in the first 2 years so that we could absolutely assure the American people that we are going to have year-to-year deficit reduction.

Given the fact that we are still in a period of economic expansion, this is the time to bite the bullet. We do not know what the economy is going to be like 4 years down the road. I am a little concerned with fixed targets because of the economic implications. If we are in a period of recession, I understand there is some way of dealing with that in this provision. I have not seen those provisions yet. But I am concerned that we do not bite more of the bullet right now and assure the people that we are going to have year-to-year deficit reduction.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I think the distinguished Senator from Florida will be on the floor shortly. When he arrives, my friend from Texas will send the amendment to the desk. I think we should await the arrival of Senator Chiles because he will want to be here at that time.

Mr. President, I was discussing this measure in general terms and, frankly, in my remarks I said there will probably be some who would come down here and suggest that we ought to lower the targets to reduce the deficit more rapidly.

I might say to my friend from North Dakota I thought of you because I figured you would be here and that you would raise that point. I heard you ask whether lower targets would be acceptable. Let me suggest, not to me. I do not think it would be acceptable to those who have worked on the measure. But obviously, one of the really exciting things about the United States is that 51 Senators or a majority can make that kind of decision. I frankly would argue against it.

I can say to the U.S. Senate without any fear whatsoever, not an ounce or even a fraction of trepidation, that if we are concerned about the reaction of the American marketplace to our efforts here, that probably the most significant thing we can do is to pass a bipartisan, mandatory sequester to enforce fixed targets. I do not have one ounce of fear that they would not think, that marketplace looking at us, that with what they know about the projections that $150 billion for next year with a $10 billion float, and $130 billion the next year, with a maximum of $36 billion and right on down for 5 years—not one ounce of concern on this Senator's side that they are going to think that is not enough. What they are really going to be looking at is whether we are even going to do this. We are not sure we are even going to pass this, not at $140 billion or $130 billion for the first year, or $150 billion. There is no assurance that it is going to pass. We still have to go to conference. These measures have some way, somehow or another, of getting complicated and causing people to choose sides over issues that have far less to do with the reality of getting a real handle on the deficit in a way that will work, that is practical. They have a way of getting off on other things.

I predict before we are finished to night there will be discussions on the defense sequester question. There may be a few votes just on that issue.

So I say to may good friend from North Dakota who is a valued member on the majority side on the Budget Committee: I know of your genuine interest in reducing the deficit. Although you are a recent arival, I am absolutely complimentary of your quick grasp of this issue and of your willingness to make tough votes. I compliment you for that. I only hope that if this needs an extra vote, whenever it is that we finally say yea or nay to this bipartisan proposal, I hope you are on the yea side. I hope you have had an opportunity to try what you may to fix it, if that is what you want, but that you will be on the side of saying let us do this, rather than let this opportunity pass.

Now, Mr. President, I understand the distinguished Senator from Florida is here and we are ready to proceed.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

### AMENDMENT NO. 645

(Purpose: To revise the procedures set forth in the Balanced Budget and Emergency Deficit Control Act of 1985, and for other purposes)

Mr. GRAMM. Mr. President, I sent an amendment to the desk on behalf of myself, Mr. Chiles, Mr. Dominici, Mr. Dole, Mr. Hollings, and Mr. Rudman, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Texas (Mr. Gramm), for himself, Mr. Chiles, Mr. Domenici, Mr. Dole, Mr. Hollings, and Mr. Rudman, proposes an amendment numbered 645.

Mr. GRAMM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

The text of amendment number 645 is printed in today's Record under Amendment Submitted.)

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, while our colleagues continue to work on this issue and they are doing that very capably—and I certainly hope we can reach a result—I want to commend them for the long hours and very hard work they have put into the effort which is now before the Senate.

All of us wait anxiously for the final product, and I look forward to a solid and bipartisan effort to address these real concerns about the Federal budget. It is obviously one of the most vexing things we do.

Each of us can point to provisions in this proposal that we might want to alter to fit our own preference, but this is a good compromise, and I believe it is one that we should all try to support. It is certainly not perfect, but no legislation is so devised. It is odd that people continue to expect perfection of us and do not have it in their own lives. That has been a very curious thing to me. I have also discovered in my tenure here that we are institutionally incapable of saying "no," and that is why we are working today to fix the budget straitjacket of Gramm-Rudman-Hollings.

When people say, "If you would just use your willpower and selfdiscipline," that is impossible, because the constituent groups of the United States have become as sophisticated as the machinery of Government and the machinery of commerce.

So, contrary to what some critics say of the Gramm-Rudman-Hollings law, our efforts in that direction have borne some fruit. We have begun to see a downward path on deficits. The only way we will ever get it done is through this kind of heavy-handed activity pressed upon ourselves.

The reinstatement of the sequestration mechanism will take us one step further along the road to some type of appropriate final product.

This package does not meet the original deficit targets which we established 2 years ago, but it will serve to meet the objectives of having a balanced budget by 1992. The original law has already forced Congress to begin paying for the programs it wants enacted by requiring a supermajority. I would hate to lose that provision. The new proposal corrects that and gives us the supermajority for any legislation which breaches the deficit targets, and that amendment will tighten that requirement.

This is not a popular step we take today. I do not want to see my favorite programs ripped up any more than the next person does, but I think we have to take the heavy medicine of the across-the-board sequestrations if we fail to do our job and we have failed.

I particularly thank Senators Chiles, Domenici, and Gramm. Their efforts are absolutely tireless in trying to devise a mechanism whereby we can put the teeth back into Gramm-Rudman-Hollings. They work well together. The more interesting part is that we rely on them. There are other players: The Senator from Louisiana [Mr. Johnston] and many others. But we have come to rely on Senators Chiles, Domenici, and Gramm for our expertise and our background to prepare for the appropriateness of the debate.

## ATTACK ON SENATOR METZENBAUM

Mr. SIMPSON. Mr. President, I also want to comment about the exchange on the floor yesterday among the Majority leader, the minority leader, Senator Boschwitz, and Senator Metzenbaum regarding what I think was a most unfortunate "background memo" that had been prepared for potential opponents of Senator Metzenbaum.

I do not intend to revisit that issue in depth. I have not read the memo in question, nor do I intend to.

I agree with the Senators who said yesterday that there is really no place for this sort of thing even in the most competitive of political activity. Make no mistake, Mr. President: this is a pretty competitive place. Even more competitive is the heat of battle during a campaign. It is during campaigns that the tensions and pressures and frenetic activity reach a fever pitch.

I have come to know the Senator from Ohio [Mr. Metzenbaum], a remarkable gentleman, a colleague who knows a lot about toughness and competitiveness. Indeed, he does! He and I have been in some rather titanic scraps over the years that we have spent here together, particularly on the Judiciary Committee and on some energy and natural resource issues.

I also recall that we have been at odds a time or two with regard to Federal judges and Supreme Court judges and water policy and water projects!

From time to time, the Senator from Ohio and I have found ourselves on the same sides of certain issues, while one or the other of us might not have always been aware of that when we found ourselves too closely allied.

I have come to find that he can be an extraordinary ally to have on your side, in some tough, hard-fought battles, especially in conference committees.

I remember particularly in a bankruptcy conference committee and especially in the immigration conference committee, where Senator Metzenbaum would give me great support and counsel and encouragement in difficult times. I found that having him on your side can also give you quite a different perspective when you are next lined up against him.

You could see that no matter how maddening, intransigent, and frustrating he may get, at least as I read it, on any particular issue, there is a certain appropriateness to the manner in which he carries out his side of the scrap, at least if one tries to view it from his side.

So, I would rather deal with a man like that who comes right straight at you and whether you are for him or against him you have to respect that.

The latest episode was not straightforward, it was not credible and worst of all it was really not relevant. It is certainly not necessary to go back 30 or 40 years or even more "looking for dirt" on anyone, and all of us would flunk that test anyway in this place.

So, I just wanted to say that about my friend. His record is something his constituents can examine each year and they will do that and see whether they will be supportive or whether they will not, but there is certainly no need to dredge up irrelevancies and crudeness of the long past, and I regret that the entire episode occurred. It was most unfortunate.

I want to very much commend Senator Boschwitz for the way he responded to the incident since once the memo was brought to his attention—although he was not previously aware of it—he stood on the floor of the Senate and took full responsibility and made full apologies to the Senator from Ohio. He would have done nothing less. It is typical of my dear friend, Senator Boschwitz, and his graciousness.

There are some who would not have met that responsibility quite so "head-on" and he is to be commended for that.

Mr. President, I thank all Senators. I thank the Chair and I will yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

Mr. BYRD. Mr. President, will the Senator yield to me?

Mr. HOLLINGS. I am glad to, and I will yield the floor.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I have been discussing the outlook for the evening with the manager and the ranking manager and with Mr. Johnston, who has an amendment to the pending amendment, and I was about to say that I think we ought to just go out and start again in the morning, start at 9:30 a.m. on the amendment.

Mr. Johnston, I believe, has indicated that he believes he can be ready by 9:30 to begin to present his amendment and explain it.

Mr. JOHNSTON. Mr. President, if the Senator will yield, I will be ready to begin debate on the pending amendment, that is, what I would call the Gramm-Rudman amendment. I do not know that I will lay down an amendment at that time. I may want to discuss the principal amendment. I may have motions or I have not decided, frankly, on what the tactics will be, but I will be ready to begin on the bill at 9:30.

Mr. BYRD. At 9:30.

Could there be some debate tonight? Does the Senator want to speak on the pending amendment tonight?

Mr. JOHNSTON. I would not mind speaking a while if the Senator would like me to. But I will have to repeat it tomorrow because part of this is an educational process. I want Senators to understand what is in this amendment. I may end up, as I said a moment ago, getting educated myself. This is a very difficult, far-reaching amendment. It is so many pages, and to get an answer to it you have to go pull out the law book because it refers to various statutes. So I may end up getting educated myself.

But I think that the Members do not understand really what this is doing and I will want to have a full discussion on that before we vote.

I think the moment we say the Members are not going to be here, they will be long gone and, as an educational forum, this will not be very helpful.

Mr. BYRD. Very well.

Mr. President, I should state there will not be any more rollcall votes today.

The Senate will resume consideration of the pending amendment at 9:30 a.m. tomorrow morning. Tomorrow is Friday. I think we all should keep in mind that this resolution has to go to conference after the Senate acts on it. It still has to go to conference and the differences between the two Houses have to be resolved there and the conference reports have to come back from both Houses, and the deadline now, the new deadline, I believe, is Thursday at midnight, this coming Thursday, and we all have been told that if we do not complete our work on the debt limit extension by the time that deadline arrives, we have to stay, we have to be around in August until we complete work on this matter. We just cannot simply go off to the four corners and leave this matter pending because the Government will shut down and it cannot pay its debts and cannot meet its obligations and the Social Security recipients will not receive their checks and the veterans will not receive their checks.

So I hope we all fully understand that there is a gun at our heads and I hope we will come in in the morning at 9:30 and get busy and stay on this matter and have a long day of work tomorrow.

We really ought to come in Saturday if we are not going to finish tomorrow. We can make that decision at the close of business tomorrow, I suppose, or sometime tomorrow.

I thank the Senator for yielding.

## ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RESUMPTION OF H.J. RES. 324 TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent at the hour of 9:30 tomorrow morning the Senate resume its consideration of the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator for yielding.

## DEBT LIMIT EXTENSION

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I commend our chairman, Senator Chiles, our ranking member, Senator Domenici, and Senator Gramm. They have done a yeoman's task. It has been an extraordinarily difficult assignment to come up with this compromise and they can be proud of their work.

Mr. President, from the White House we have heard a lot of talk about the need for budget process reform, streamlining the budget, and so on. But the real issue, here, is not process. The issue is politics. We are not faced with a challenge of legislative technique and skill. We are faced with a challenge of political will.

The fact is, we are pretty much back to square 1 in our budget reduction effort. We are back to where we were in December of 1985, when we passed the original version of Gramm-Rudman-Hollings. In late 1985, Congress and the President confessed the obvious. We confessed that—absent some dire external threat—we were unwilling to take the tough measures required to shrink the deficit. In G-R-H I, we said, in effect: Save us from ourselves. Stop us before we kill again.

And, lo and behold, G-R-H I worked. Thanks to Gramm-Rudman-Hollings, we have witnessed a virtual freeze on Federal spending during the current fiscal year. Consider that from 1965 through 1985, Federal spending inceased an average of 11 percent per year. By contrast, from 1985 to 1986, the first year of Gramm-Rudman-Hollings, spending increased by 5 percent. And between 1986 and 1987, thanks largely to Gramm-Rudman-Hollings, spending increased only 2 percent—roughly equal to the rate of inflation.

But this very real progress is now in jeopardy. The hard reality is that when the Supreme Court struck down the Gramm-Rudman-Hollings sequester trigger, the discipline was effectively broken. Yes, we pretended to meet the Gramm-Rudman-Hollings target of $144 billion for fiscal 1987, but the smoke and mirrors fooled no one. The teacher had declared recess. The punch bowl was freshly spiked.

Accordingly, we now hear a hue and cry from Congress that the deficit target of $108 billion is "impossible." CBO warns us that the budget resolution for 1988 will leave us with a deficit of $152 billion—and even that assumes Mr. Reagan will sign off on the proposed $19 billion in new taxes.

I repeat, we are back to the desperate straits of December 1985. Congress refuses to make necessary spending cuts. And the President—still wandering in his woozy supply-side wonderland—is dead-set against a tax increase. We are confronted by a conspiracy of the weak, a coalition of the irresponsible.

The simple fact is that Congress and the President lack a compelling incentive to do the painful, thankless job of slashing the deficit. There is simply no political payoff in cutting popular programs or in raising taxes. So we bemoan the killer deficits, but refuse to do anything meaningful to reduce them.

Therein, Mr. President, lies the beauty and necessity of the Gramm-Rudman-Hollings sequester threat. It creates a very powerful incentive for politicians to do their duty. We have seen it before: faced with the potential holocaust of a sequester, this Congress can work wonders. Faced with deep cuts in his beloved defense budget, the President will step up to the batter's box and play ball.

Mr. President, it appears to be the consensus view of Congress and the executive branch that the original Gramm-Rudman-Hollings target of $108 billion is no longer feasible. I disagree with that consensus. Indeed, I have previously offered a budget plan that met the $108 billion target for 1988—a plan that had 8 supporters in the Budget Committee from both sides of the aisle.

But I also realize that the political winds have decisively shifted. As a practical matter, the $108 billion target for 1988 is dead. Yet the central thrust of Gramm-Rudman-Hollings—to compel deficit cuts under threat of sequester—is stronger than ever, more necessary than ever.

Accordingly, I support the tradeoff that is embodied in this bill. By restoring an effective sequester trigger, this bill puts the starch of enforcement back into Gramm-Rudman-Hollings. Indeed, this amendment is 99$\frac{9}{10}$ percent pure Gramm-Rudman-Hollings as we originally wrote it in 1985, with only two differences: first, we have put in a new set of fixed targets, revised in light of current Congressional Budget Office budget projections, and, second, instead of the General Accounting Office signing off on the sequester order—the procedure that was ruled unconstitutional by the Supreme Court—that role is now played by the Office of Management and Budget. And we have taken great pains to limit OMB's renowned creativity with budget numbers—we have explicitly spelled out a whole series of economic assumptions which OMB must conform to. And let me note, too, that there is no backsliding in this new Gramm-Rudman-Hollings. Its targets and requirements remain extraordinarily ambitious, leading to a balanced budget in fiscal year 1992.

Mr. President, I am heartened by the bipartisan support in Congress for G-R-H II, for a restored sequester trigger. G-R-H II represents a renewed declaration of Congress's commitment to ratcheting down the deficits. I urge Mr. Reagan to join us in this renewed commitment. He has toured the country preaching the virtues of a balanced-budget amendment. That's fine and dandy. But the real-

world solution lies in Gramm-Rudman-Hollings. As a practical political matter, Gramm-Rudman-Hollings is the only game in town. It's time to close ranks and make it work.

Mr. DOMENICI. Mr. President, might I say to Senator Hollings before I leave that I heard his brief remarks and I am sure his extended remarks will serve a very useful purpose in analyzing the history and the significance of this, but I could not let this moment pass without saying how much we appreciate his work. He has been consistent for doing something like this that would make us bite the bullet.

I thank him for his help and consistency in all respects with reference to this.

Mr. HOLLINGS. I thank the Senator very, very much.

## THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished acting Republican leader if Calendar Order No. 273 has been cleared on his side of the aisle.

Mr. EVANS. I say to the majority leader, yes, it has been cleared on this side of the aisle.

Mr. BYRD. I thank the acting leader.

## JOHN E. GROTBERG POST OFFICE BUILDING

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 273.

The PRESIDING OFFICER. The clerk will report.

A bill (H.R. 1403) to designate the United States Post Office Building located in Saint Charles, Illinois, as the "John E. Grotberg Post Office Building."

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

### AMENDMENT NO. 646

(Purpose: To provide that certain periods of service as an air traffic controller shall be included in annuity computations under subchapter III of chapter 83 and chapter 84 of title 5, United States Code)

Mr. BYRD. Mr. President, I send an amendment to the desk on behalf of Mr. Pryor.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. Byrd) on behalf of Mr. Pryor proposes an amendment numbered 646.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the bill add the following new section:

CLARIFICATION RELATING TO CONSIDERATION OF PRE-1987 SERVICE AS AN AIR TRAFFIC CONTROLLER FOR RETIREMENT PURPOSES

Sec. 2. (a) For purposes of subchapter III of chapter 83 of the title 5, United States Code, and chapter 84 of such title—

(1) service as an air traffic controller shall, with respect to any annuity which is based on a separation from service, or death, occurring on or after January 1, 1987, include any service as an air traffic controller whether performed before, on, or after January 1, 1987; and

(2) the Office of Personnel Management shall accept the certification of the Secretary, or the designee of the Secretary, in determining the amount of any service performed by an individual as an air traffic controller.

(b) For purposes of this section—

(1) the term "air traffic controller" has the meaning given such term by section 2109(1) of title 5, United States Code, as amended by section 207(b) of the Federal Employees' Retirement System Act of 1986 (Public Law 99-335; 100 Stat. 594); and

(2) the term "Secretary" has the meaning given such term by section 2109(2) of title 5, United States Code.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 646) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EVANS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

So the bill (H.R. 1403) was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. EVANS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## ORDER TO PLACE H.R. 2974 ON THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate receives H.R. 2974, a bill dealing with technical corrections to the Military Retirement System, it be placed on the calendar.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

## MESSAGES FROM THE HOUSE

At 9:51 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1198. An act to authorize a certificate of documentation for the vessel F/V CREOLE.

At 1:03 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1444) to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 146. A concurrent resolution supporting the initiative of President Oscar Arias Sanchez of Costa Rica to end armed conflict in Central America and Encouraging the participation of all regional states in a timely meeting to pursue a negotiated settlement of the conflict in Central America; and

H. Con. Res. 170. A concurrent resolution relating to adjournment to a date certain during the remainder of the One Hundredth Congress.

## MEASURES REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 146. A concurrent resolution supporting the initiative of President Oscar Arias Sanchez of Costa Rica to end armed conflict in Central America and encouraging the participation of all regional states in a timely meeting to pursue a negotiated settlement of the conflict in Central America; to the Committee on Foreign Relations.

## MEASURES PLACED ON THE CALENDAR

The following bill, previously received from the House of Representatives for concurrence, was read the first and second times by unanimous consent, and placed on the calendar by unanimous consent:

H.R. 2974. An act to amend title 10, United States Code, to make technical corrections in the provisions of law enacted by the Military Retirement Reform Act of 1986.

## ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, July 30, 1987, he had presented to the President of the United States the following enrolled bill and joint resolution:

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S. 958. An act to dedicate the North Cascades National Park to Senator Henry M. Jackson; and

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day."

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1618. A communication from the Acting Secretary of Agriculture transmitting, pursuant to law, the annual Horse Protection Enforcement Report; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1619. A communication from the Secretary of Defense transmitting, pursuant to law, a report on three violations of law involving overobligations of funds in the Air Force; to the Committee on Appropriations.

EC-1620. A communication from the Deputy Commander of the Naval Facilities Engineering Command transmitting, pursuant to law, a report on the restriction of competition for construction at Clark AFB, Philippines to a joint venture of United States and Philippine companies; to the Committee on Armed Services.

EC-1621. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to the Netherlands; to the Committee on Armed Services.

EC-1622. A communication from the Acting Secretary of the Navy transmitting, pursuant to law, a report on the Navy's intent to process the request for the loan of a silver service punch bowl from the U.S.S. *Sam Rayburn* for display in the Sam Rayburn Library, Bonham, Texas; to the Committee on Armed Services.

EC-1623. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, an assessment of the Secretary of Commerce's report to Congress on extending existing foreign policy controls; to the Committee on Banking, Housing, and Urban Affairs.

EC-1624. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to repeal certain laws relating to vessels or shoreside facilities used in the fisheries trade or industry; to the Committee on Commerce, Science, and Transportation.

EC-1625. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on five refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1626. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 25 refunds of excess oil and gas lease royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1627. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 25 refunds of excess oil and gas lease royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1628. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on refunds of 26 excess oil and gas lease royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1629. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 25 refunds of excess oil and gas lease royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1630. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to permit temporary use of certain Department of the Interior lands by Federal departments and agencies; to the Committee on Energy and Natural Resources.

EC-1631. A communication from the general counsel of the Department of Energy transmitting, pursuant to law, notice of a meeting related to the International Energy Program, July 29, 1987 at the Department of State; to the Committee on Energy and Natural Resources.

EC-1632. A communication from the Secretary of Energy transmitting, pursuant to law, a report on rebate payments under the Low-Level Radioactive Waste Policy Act; to the Committee on Energy and Natural Resources.

EC-1633. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to authorize appropriations under the National Ocean Pollution Planning Act; to the Committee on Environment and Public Works.

EC-1634. A communication from the chairman of the Cultural Property Advisory Committee, USIA, transmitting, pursuant to law, a report relative to a request by El Salvador that the United States impose import restrictions on archaeological material coming into the United States from certain sites in that country; to the Committee on Finance.

EC-1635. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on necessary modifications in section 1884 of the Social Security Act to conform it to the prospective payment system; to the Committee on Finance.

EC-1636. A communication from the Assistant Secretary of State transmitting a draft of proposed legislation to authorize the President to maintain membership of the United States in the International Tropical Timber Organization; to the Committee on Foreign Relations.

EC-1637. A communication from the Assistant Secretary of State transmitting, pursuant to law, travel advisories for Tibet/Nepal and Panama; to the Committee on Foreign Relations.

EC-1638. A communication from the D.C. Auditor transmitting, pursuant to law, a report on receipt and disbursement of D.C. appropriated funds by the Washington Teachers Union for optical and dental benefits; to the Committee on Governmental Affairs.

EC-1639. A communication from the Director of the Office of Personnel Management transmitting, pursuant to law, a report on a productivity demonstration project involving personnel of a military installation; to the Committee on Governmental Affairs.

EC-1640. A communication from the Chairman of the Federal Labor Relations Authority transmitting a draft of proposed legislation for a pay raise for the chairman, members, and general counsel of the Federal Labor Relations Authority; to the Committee on Governmental Affairs.

EC-1641. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-58; to the Committee on Governmental Affairs.

EC-1642. A communication from the Commissioner of Social Security transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

S. 1574: An original bill to combine the Senators' Clerk Hire Allowance Account and the Senators' Official Office Expense Account into a combined single account to be known as the "Senators' Official Personnel and Office Expense Account", and for other purposes (Rept. No. 100-134).

Mr. FORD. Mr. President, I am pleased to report to the Senate today a bill that will provide my colleagues greater flexibility in the administration of their office accounts. This bill proposes to consolidate Senators' official office expense allowance and their administrative, clerical, and legislative assistance allowance. This will create one new account upon which to draw from to pay staff salaries and necessary office expenses. This account will become effective January 1, 1988, and after a 9-month transitional period, will operate on a fiscal year basis. I wish to emphasize that this bill does not increase or decrease any allowances, appropriate any new moneys, and does not change the formulas or limits that are the basis for computing the amount of authorized funds a Member receives. It would simply add the two separately calculated amounts together into one account, providing Senators the opportunity to set their own priorities in the fiscal management of their offices.

This bill also revises the categories of official office expenses, creating separate categories for certain expenses that are currently charged to a Member's 10 percent discretionary funds. The present categories have not been modified in the past 14 years. Certain types of expenses that were once an infrequent occurrence in a Senator's office have now become routine. This bill recognizes these expenditures as recurring and legitimate, and removes them from the 10 percent category. My colleagues may wish to note that their 10 percent discretionary funds will still be assessed only on the basis of that portion of the new account calculated for official office expenses.

Finally, the legislation also repeals several provisions of law as noted in

the report. The most significant is the repeal of the requirement for reducing the legislative assistance allowance of a member by one-third if that Member is the chairman or ranking minority member of a committee.

Mr. President, this bill has been drafted with thoughtful and careful consideration by the Rules Committee and I urge its prompt passage.

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

H. Con. Res. 125: A concurrent resolution authorization the printing of the revised edition of the pamphlet entitled "The Constitution of the United States of America".

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. NUNN, from the Committee on Armed Services:

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the Congressional Record and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of June 23, June 26, July 7, July 13, July 14, and July 15, 1987 at the end of the Senate proceedings.)

* Lieutenant General Philip C. Gast, U.S. Air Force, to be placed on the retired list in the grade of lieutenant general (Ref. 451)

* In the Air Force Reserve there are 15 appointments to the grade of major general and below (list begins with Wayne B. Adams, Jr.) (Ref. 452)

* Major General Charles W. Brown, U.S. Army, to be lieutenant general (Ref. 453)

* Rear Admiral William D. Smith, U.S. Navy, to be vice admiral (Ref. 454)

** Shirley O. Ford, U.S. Army, to be lieutenant colonel (Ref. 455)

** In the Army there will be 5 promotions to the grade lieutenant colonel and below (list begins with Peter R. Levine) (Ref. 456)

** Gary D. Barnes, U.S. Army, to be major (Ref. 457)

** In the Army there are 3 promotions to the grade of major (list begins with John J. Bombard) (Ref. 458)

* Major General Hansford T. Johnson, U.S. Air Force, to be lieutenant general (Ref. 468)

** In the Navy there are 21 appointments to the grade of ensign (list begins with German S. Arcibal) (Ref. 469)

** In the Air Force there are 409 appointments to the grade of second lieutenant (list begins with Brent J. Adams) (Ref. 470)

* Lieutenant General Harry A. Goodall, U.S. Air Force, to be reassigned in the grade of lieutenant general (Ref. 482)

* Rear Admiral John A. Baldwin, Jr., U.S. Navy, to be vice admiral (Ref. 483)

* Colonel William A. Navas, Jr., U.S. Army National Guard, to be brigadier general and to be appointed as Deputy Director, Army National Guard (Ref. 484)

** Charles J. Lockwood, Jr., U.S. Army, to be colonel (Ref. 485)

* Vice Admiral James E. Service, U.S. Navy, to be placed on the retired list in the grade of vice admiral (Ref. 489)

* Lieutenant General Charles D. Franklin, U.S. Army to be placed on the retired list in the grade of lieutenant general (Ref. 498)

* Major General Harold M. Davis, Jr., U.S. Army, to be lieutenant general (Ref. 499)

* Colonel John Ronald Carey, U.S. Army Reserve, to be brigadier general (Ref. 500)

** In the National Guard there are 21 promotions to the grade of lieutenant colonel (list begins with Jerome T Bellen) (Ref. 501)

** In the Army Reserve there are 22 appointments to the grade of colonel and below (list begins with William D. Anderson) (Ref. 502)

** William Brown Deal, U.S. Navy Reserve, to be commander (Ref. 503)

** Donald Patrick Greene, U.S. Navy, to be lieutenant commander (Ref. 504)

** In the Navy there are 1,421 promotions to the grade of lieutenant commander (list begins with Ronald Lee Aasland) (Ref. 505)

** Paul E. Backs, U.S. Marine Corps, to be lieutenant colonel (Ref. 508)

* Major General James E. Thompson, U.S. Army, to be lieutenant general (Ref. 512)

Total: 1,935.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS (for himself, Mr. Chafee, Mr. Pell, Mr. Conrad, Mr. Proxmire, Mr. Weicker, and Mr. Dodd):

S. 1567: A bill to provide for refunds pursuant to rate decreases under the Federal Power Act; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA (for himself and Mr. Inouye):

S. 1568. A bill to require the construction or acquisition of facilities for a new Veterans' Administration medical center in Hawaii; to the Committee on Veterans Affairs.

By Mr. REID:

S. 1569. A bill to guarantee the control and safety of polluted high level waste repository water; to the Committee on Environment and Public Works.

By Mr. WILSON:

S. 1570. A bill to withdraw and reserve for the Department of the Navy certain Federal lands within Inyo, Kern, San Bernadino, and Imperial Counties, CA, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PRYOR (for himself and Mr. Bumpers):

S. 1571. A bill to modify the McClennan-Kerr Arkansas River navigation project for the purpose of making water supply an authorized purpose of such project, and for other purposes; to the Committee on Environment and Public Works.

By Mr. PELL (for himself, Mr. Kennedy, and Mr. Stafford):

S. 1572. A bill to create a National Education Savings Trust; to prescribe the powers and duties of the Trust and of its Board of Trustees; to provide for advance tuition payment plan agreements; to establish an advance tuition payment fund and to provide for its administration, and for other purposes; to the Committee on Finance.

By Mr. McCLURE (for himself and Mr. Thurmond):

S. 1573. A bill to amend Section 1853 of the Act of June 25, 1948; to the Committee on the Judiciary.

By Mr. FORD, from the Committee on Rules and Administration:

S. 1574. An original bill to combine the Senators' clerk hire allowance account and the Senators' official office expense account into a combined single account to be known as the Senators' official personnel and office expense account, and for other purposes; placed on the calendar.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. KASSEBAUM (for herself and Mr. Inouye):

S. Res. 260. Resolution to amend the rules of the Senate to improve legislative efficiency, and for other purposes; to the Committee on Rules and Administration.

By Mr. SYMMS:

S. Res. 261. Resolution expressing the sense of the Senate that the United States should void certain agreements relating to the site of the Soviet Union's Embassy in Washington, DC; considered and agreed to.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUMPERS (for himself, Mr. Chafee, Mr. Pell, Mr. Conrad, Mr. Proxmire, Mr. Weicker, and Mr. Dodd):

S. 1567. A bill to provide for refunds pursuant to rate decreases under the Federal Power Act; to the Committee on Energy and Natural Resources.

### REGULATORY FAIRNESS ACT

● Mr. BUMPERS. Mr. President, I rise to introduce the Regulatory Fairness Act of 1987, on behalf of myself and my cosponsors Senators Chafee, Pell, Conrad, Proxmire, Weicker, and Dodd. This legislation would amend the Federal Power Act to ensure that electric consumers receive timely and effective relief when their wholesale electric rates are too high.

Electric rates go up and down in response to a number of factors, such as interest rates, construction costs, wages, fuel costs, and tax rates. When a utility's costs go up, it is entitled to a rate increase to reflect that fact. And when costs go down, as they have been recently, the consumers are entitled to a rate decrease. The Federal Energy Regulatory Commission is the agency that determines just and reasonable rates for wholesale electricity, and has the responsibility to adjust the rates to respond to changes in the cost of

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doing business. Unfortunately, the Federal Power Act does not provide the Commission with the authority to make timely rate adjustments in both directions, that is, rate decreases as well as increases.

Under the Federal Power Act, if a wholesale supplier files for a rate increase, FERC must let the new rate go into effect—subject to possible refund—after a suspension period of from 1 day to 5 months. However, if a wholesale customer seeks a rate decrease, the new rate can go into effect only prospectively, after the entire FERC regulatory examination is completed and FERC has made a final determination. That determination can take years and there is absolutely no incentive for the wholesale supplier to expedite the process.

Our legislation would amend section 206 of the Federal Power Act so that the system for bringing utility rates down is similar to the system for bringing rates up. The amendment would direct FERC to set a refund effective date for section 206 rate decrease complaints. The refund effective date would be set no earlier than 60 days from the filing of the complaint and no later than 5 months after the expiration of that 60-day period. If, after completing its investigation and proceedings, FERC decides that a wholesale rate is too high, the decrease would go into effect retroactively to the refund effective date.

Mr. President, today there are several factors that indicate that wholesale electric rates may be too high. The corporate tax rate has been reduced, interest rates are down, fuel costs are down and many utility construction programs have been completed. There are more than 900 local, publicly owned electric systems and more than 500 rural electric cooperatives that purchase all or part of their electric power from investor-owned utilities. In addition, a number of investor-owned utilities are wholesale customers of generating utilities whose rates fall under FERC jurisdiction. Yet, because section 206 proceedings are so time consuming and so costly, these wholesale customers have little incentive to pursue rate decreases.

The Regulatory Fairness Act will provide important equitable relief for the millions of consumers served by all utilities that depend on wholesale power purchases to serve their loads. The legislation is endorsed by the American Public Power Association, the Consumer Federation of America, Environmental Action, and the National Rural Electric Cooperative Association. Identical legislation has been introduced in the House of Representatives. I urge my Senate colleagues to support this bill.

I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1567

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Regulatory Fairness Act".

**SEC. 2. REFUNDS IN PROCEEDINGS UNDER SECTION 206 OF THE FEDERAL POWER ACT.**

(a) REFUND EFFECTIVE DATE.—Section 206 of the Federal Power Act (16 U.S.C. 824c) is amended by designating subsection (b) as (c) and by inserting the following new subsection after subsection (a):

"(b) At the conclusion of any proceeding under this section, the Commission shall order the public utility to make refunds of such amounts as have been paid, for the period subsequent to the refund effective date, in excess of those which would have been paid under the just and reasonable rate, charge, classification, rule, regulation, practice, or contract which the Commission orders to be thereafter observed and in force. The refunds shall be made, with interest, to those persons who have paid those rates or charges which are the subject of the proceeding. The Commission shall establish the refund effective date. In the case of a hearing instituted on complaint, the refund effective date shall not be earlier than the date 60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period. In the case of a hearing instituted by the Commission on its own motion, the refund effective date shall not be earlier than the date 60 days after the publication by the Commission of notice of its intention to initiate such hearing nor later than 5 months after the expiration of such 60-day period.".

(b) PENDING PROCEEDINGS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by subsection (a) shall not apply to any proceeding under section 206 of the Federal Power Act which commenced before the enactment of this Act.

(2) COMPLAINTS FILED AFTER JULY 1, 1987.—The amendment made by subsection (a) shall apply in the case of a complaint under section 206 of the Federal Power Act brought after July 1, 1987, and on or before the enactment of this Act if the complaint is refiled after the enactment of this Act.●

● Mr. CHAFEE. Mr. President, I am pleased to join Senator BUMPERS as a cosponsor of the Regulatory Fairness Act of 1987, which will bring needed and prompt relief to millions of consumers who are now suffering from excessively high utility rates.

This legislation amends the Federal Power Act to make the system for utility rate reduction consistent with the system used by wholesale power suppliers to obtain rate increases. This will not change the system for increasing utility rates.

Under the current law, wholesale energy suppliers file applications for rate increases pursuant to section 205 of the Federal Power Act. Conversely, if wholesale customers wish to contest an existing rate, they must file a complaint under section 206. However, section 205 and section 206 filings are not treated in the same manner, and this inequality serves to favor the wholesale supplier over the wholesale customers and their residential and commercial customers as well.

In Rhode Island, over 70 percent of the electrical utility costs are a product of the rate structure of two major wholesale suppliers. Under the current law, Federal Energy Regulatory Commission [FERC] approved charges cannot be contested at State level hearings of the Rhode Island Retail affiliates. Of all the 50 States, therefore, Rhode Island is one of the most deeply affected by FERC regulation.

Under FERC regulation, when a utility files for a rate increase, the increase is suspended for a period of between 1 day and 5 months. At the end of the suspension period, the filed rate goes into effect and may be collected, "subject to refund." FERC eventually determines what amount of increases is "just and reasonable," and the difference between the filed rate and the just and reasonable rate collected is refunded with interest to the customers. Thus a utility collects a rate increase in full, prior to any hearings, beginning on the effective date of the filing.

This legislation will address the problem that occurs when the utility's customers are entitled to a decrease in rates because of declining costs of the wholesale producer, such as lower interest rates, cheaper fuel, fewer new plant investments, or lower corporate taxes.

The current law covering a decrease in rates is simply inequitable. It takes well over 2 years for FERC to process a petition for a decrease in rates, and after that relief is granted to the consumer prospectively, not retroactively. That means that consumers are not given any compensation for paying as many as 3 years of utility rates which the Government has determined are too high.

This legislation establishes a more level playing field at FERC for wholesale consumers seeking rate reductions, by requiring FERC to set an effective date for the refund, similar to the one in section 206. The refund effective date will be established as 60 days following the filing of the petition for the decrease, which is similar to the procedure for granting increases. This will mean that wholesale electric consumers and their customers will receive full and appropriate rate relief both prospectively and retroactively.

All electric consumers benefit when the regulatory process is responsive and when utilities can only charge rates that are just and reasonable. More than 900 public power systems and several hundred rural electric cooperatives purchase power from FERC-regulated utilities. Retail customers of investor-owned utilities can also benefit. State regulatory commissions and consumer advocates are increasingly participating in section 206 proceeding before FERC. Reform of this regulatory deterrent will help these parties seek lower electric rates for consumers of utilities within their State.

This legislation assures that consumers who deserve utility rate decreases receive full, just, and prompt relief. This is a bipartisan effort supported by the Consumer Federation of America, the American Public Power Association, and the National Rural Electric Co-op Association. I urge my colleagues to join us as cosponsors of the Regulatory Fairness Act.●

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By Mr. MATSUNAGA (for himself and Mr. INOUYE):

S. 1568. A bill to require the construction or acquisition of facilities for a new Veterans' Administration medical center in Hawaii; to the Committee on Veterans' Affairs.

### AUTHORIZATION OF A VETERANS' ADMINISTRATION MEDICAL FACILITY IN HAWAII

Mr. MATSUNAGA. Mr. President, with the cosponsorship of my senior colleague from Hawaii, Senator INOUYE, I am today introducing legislation to authorize the construction of a Veterans' Administration Medical Center in Hawaii. Identical legislation is being introduced in the other body by my colleague from Hawaii, Congressman AKAKA.

Mr. President, the need for a veterans' hospital in my State in unquestioned. On April 14 of this year I chaired an unprecedented Senate Veterans' Affairs Committee day-long field hearing in Hawaii on a variety of health care issues affecting veterans in the State. The testimony from representatives of major veterans' organizations, the University of Hawaii, private health care providers and associations, State health agencies, the Department of Defense, and the Veterans' Administration confirmed the long-kown fact that extremely serious deficiencies exist in the extent and quality of health care provided Hawaii veterans, many of which can be attributed to the lack of a VA hospital.

Although Hawaii has over 110,000 veterans, fully a tenth of the State's population, and possesses the highest ratio of veterans per capita in the Nation as well as the highest ratio of disabled veterans who are 65 years of age or older, it receives less VA medical dollars than any other jurisdiction, and ranks next to the lowest in VA medical spending per veterans. To top it all, Hawaii is the only State, other than Alaska, without a VA hospital or nursing home. In fact, the only VA health facility in Hawaii is a small outpatient clinic located in Honolulu. Veterans seeking medical or psychiatric treatment, either on the central island of Oahu or the neighbor islands, are therefore forced to rely on a highly fragmented delivery system utilizing a combination of the outpatient clinic, private facilities, and Tripler Army Medical Center in Honolulu.

Mr. President, the adverse consequences of Hawaii's presently fragmented health care delivery system for veterans and lack of a VA hospital are many. First, faced with a bewildering array of private and public health care providers, each of which is geographically distant from the other, veterans find it difficult to identify if and where VA-sponsored health care is available.

Second, because the system is highly fragmented, continuous and high quality care is problematic. Rather than remaining in one facility for treatment, veterans who may require acute and nursing care are forced to move from one facility to another, each of which has a different medical protocol.

Third, because, with the exception of the outpatient clinic, none of the units which comprise the VA's health care system in Hawaii devotes itself exclusively to the treatment of veterans, veterans are often assigned low treatment priority. For example, at Tripler Army Medical Center, the VA's primary referral in Hawaii for inpatient care, veterans are at the very bottom of the priority scale—behind active duty personnel and their dependents, and retired military and their dependents.

Fourth, because these health care providers also treat non-VA patients, they cannot fully address the special needs of veterans. For example, Tripler's military mission is geared toward the goal of returning young soldiers to the field, with little emphasis on the geriatric needs of older veterans. Similarly, Tripler's military setting is inappropriate for veterans suffering from post traumatic stress disorder.

Fifth, the lack of a VA medical center has diverted needed resources from Hawaii—to the extent that absolute medical spending is the lowest of any VA district. Without a VA hospital, Hawaii has been unable to compete institutionally for resources at the regional or national level. All the resources that accompany a hospital and which enhance the quality and quantity of health care—satellite clinics, teaching relationships with local medical and public health schools, research money, and so forth—are thus denied Hawaii veterans. This lack of resources is particularly aggravating because Hawaii veterans comprise a unique population with a set of health care needs entirely different from those of mainland veterans.

In summary, Mr. President, the poor quality and inaccessibility of care which characterizes the current system of care for Hawaii veterans often forces them to seek treatment elsewhere at their own expense or to forgo treatment entirely. Combined with institutional, cultural, and geographic factors unique to Hawaii, this fragmented health care system traps Hawaii veterans in a vicious cycle of neglect. The single greatest action which can break this cycle is construction of a VA hospital in Hawaii.

I am not alone in thinking that a veterans' hospital is needed in Hawaii. A VA task force, appointed by the VA's Chief Medical Director in the wake of the April 14 oversight hearing in Hawaii, recently completed its preliminary report on Hawaii veterans' health care needs. In strongly echoing the litany of problems brought out by witnesses at the April 14 hearing, it has recommended that a VA hospital be constructed in Hawaii by 1993 or 1994.

Mr. President, Hawaii's veterans are not asking for special consideration, despite their special needs. They are not asking for any better health care than veterans receive currently in Kansas or New Mexico or New York. What they seek is access to the same type and level of care their more fortunate brethren on the mainland receive—in a word, equity. The single greatest factor standing in the way of achieving equity is the lack of a full-fledged VA medical center in Hawaii. Mr. President, out of concern for the men and women who faithfully and courageously served this Nation in uniform, I urge my colleagues to support this legislation to authorize construction of a VA hospital in the 50th State.

Mr. President, I ask unanimous consent that a statement in support of the bill by the senior Senator from Hawaii [Mr. INOUYE], and that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1568

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) not later than October 1, 1993, the Administrator of Veterans' Affairs shall construct or acquire facilities for a new Veterans' Administration medical center on the island of Oahu in the State of Hawaii and shall commence operations at such new medical center.

(b) The Administrator may acquire by donation, purchase, condemnation, or otherwise such land and facilities as are necessary to carry out subsection (a).

Mr. INOUYE. Mr. President, I am pleased to join my colleague from Hawaii in introducing a very important measure which authorizes the establishment of a veterans hospital for the State of Hawaii. Passage of this bill would bestow equity upon Hawaii's

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veterans who fought as courageously and proudly as veterans of any other State.

Hawaii has a higher ratio of veterans, per capita, than any other State in the Union. However, we are one of two States currently without a veterans hospital. All that is available to Hawaii's veterans is an outpatient clinic. Alaska, the only other State without a VA hospital, has half the veterans population of Hawaii. However, Alaska has a veterans center and three satellite centers. Additionally, Alaska receives approximately $740 per veteran for medical services. Hawaii, on the other hand, receives only $211 per veteran, a disparity of 3 to 1. President Roosevelt put it best when he said:

> A man who is good enough to shed blood for his country is good enough to be given a square deal afterwards.

This bill marks the first step toward giving Hawaii's veterans the square deal they rightly deserve.

Following the Senate Veterans' Affairs Committee hearing held in Honolulu, the Veterans Administration's Chief Medical Director established a task force to ascertain the health care needs of Hawaii's veterans, to evaluate the level of services currently provided, and to make recommendations for improvement of the quality, continuity and access to health care services.

I would like to commend the task force for its very thorough investigation. The task force members conducted extensive interviews with the VA outpatient clinic staff, State public health officials, and representatives of veterans associations; they visited 14 medical centers located throughout the four major Hawaiian islands. During their investigation, task force members learned of and became sensitive to the diverse cultural influences affecting the utilization of health care services. They commented that:

> [S]ome of the same attributes that make the "Island State" so attractive to visitors—distance from the mainland, the isolation of its outer islands, its cultural heritage—single out Hawaii for special attention to planning health care services for U.S. veterans seeking treatment there.

The task force, in its report to the VA Chief Medical Director, recommends that the Veterans' Administration "construct a free-standing VA medical center on Oahu that encompasses hospital, outpatient clinic and nursing home capability." In support of its recommendation, the task force rendered the following conclusions. First, Hawaii's veteran population is underserved for inpatient services. Second, nursing home utilization is substantially below the national average indicating that the veteran population is underserved:

> Hawaii's community nursing home utilization is unquestionably the lowest in the VA system.

Third, the low priority that the Tripler Army Medical Center accords to veterans results in delays as long as 6 months for a clinic appointment. The task force was not convinced that additional VA funds spent in purchasing services from Tripler would improve veteran patient care. It commented, "Tripler's duty of care for veterans is subservient to the Army's basic medical mission." Fourth, 56.35 FTEE new positions are needed to correct the immediate staffing and workload inadequacies. The task force qualified its statement by stating that this short-term recommendation addressed only the "most urgently needed positions." If 56.35 FTEE new positions are needed to bring the clinic up to the minimum staffing level necessary to meet its immediate and urgent needs, one can only imagine the dismal prospect of receiving adequate health care services presently facing Hawaii's veterans.

Lastly, the only situation the task force found to be more desperate was on the neighbor islands. Throughout its report, numerous references are made to the sheer lack of health care services available for those veterans residing on the neighbor islands. These veterans are in critical need of inpatient care, outpatient care, nursing home facilities and care, alcohol and substance abuse rehabilitation, and readjustment counseling programs. The task force goes so far as to state that "[t]his is a significant and serious flaw in veterans' programs, and must be addressed as an urgent priority."

President John F. Kennedy once stated, "Ask not what your country can do for you, ask what you can do for your country." Hawaii's veterans have not asked what this country can do for them. They have courageously defended our Nation's principles of democracy and liberty. Hawaii's brave men and women should not have to ask this country to do what it has promised to provide—proper health care services.

The authorization of a veterans hospital for the State of Hawaii would begin to rectify the grave inequity evident between Hawaii's veterans and their mainland counterparts. The task force summed it up most eloquently when it stated that a VA medical center would give the Veterans' Administration a greater presence in Hawaii, and would make Hawaii's veteran "a first-class citizen as far as his/her care is concerned."

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By Mr. REID:

S. 1569. A bill to guarantee the control and safety of polluted high level waste repository water; to the Committee on Environment and Public Works.

## HIGH LEVEL WASTE REPOSITORY WATER POLLUTION CONTROL AND GUARANTEE ACT

Mr. REID. Mr. President, a beast is loosed upon this land and its name is plutonium. This way and that it stalks, as arrogant as Satan, in its appeal to fear, ignorance, and local interest. It has turned brother against brother, and eastern utility user against western rancher, as the Federal Government, the States, and their representatives in this Congress search for a victim to sacrifice to this new demon of technology.

I fear that they have found that sacrificial lamb and that its name is Nevada. The word is out that an agreement has been privately reached by which Nevada will become the location which is chosen for a high-level dump for America's radioactive poisons. The process is to be rewritten so that Nevada will have this poison forced down the throats of its citizens, with no thought of fairness, or of Nevada's wishes.

I want my colleagues in this body to remember that the slope down which they are starting is a dangerous one. The Department of Energy has been less than forthcoming throughout the site selection process. Eventually there will be another dump. If you force my State to accept it now which of you will be the victims in the future.

Many of my colleagues in this body look on my State as a convenient dumping ground for the trash their citizens generate in pursuit of ever more affluent lifestyles. Many in Congress think that because we have accepted the necessity of nuclear testing in Nevada's central ranges, the people of my State will permit our beautiful land to be despoiled for any purpose, and at any price.

There are those who believe that the people of Nevada will sell out our birthright for a promise of guaranteed income; sell out our State's high mountain lakes, lone pine trees, glittering cities, and vast ranchlands; sell out heritage for a mess of pottage.

To those who believe that of Nevada I have a simple message: go elsewhere. We will not sell our children's future for a hundred million pieces of silver. We will not accept the possibility of pollution of our water with the deadliest poison known to man for any price or under any threat.

I recently read an article in a Las Vegas newspaper dated June 21, 1987. That article discusses the very real probability that the central and southern portions of my State are joined by deep aquifers through which any leakage of plutonium could spread with stunning rapidity. The results of any dispersion of plutonium would be devastating and incalculable.

Those of you who represent the West know that water is the prime resource upon which we all rely, and the loss of which we face with dread. What I am telling you today, is that if you attempt to press a high level nuclear waste dump upon Nevada's brow, you will have crucified my State as surely as if you whipped her through the streets bearing a glowing radioactive cross upon her back.

Some of my colleagues in this body may not recognize the threat with which you face Nevada's citizens. Many may well believe that I exaggerate the possibilities of contamination, or the dangers of nuclear poisons. I do not believe there is a Member of this body who would admit that he or she would knowingly permit the construction of a facility which could devastate the lives of hundreds of thousands of Americans. I certainly hope that every Member would refuse to permit the construction of a high level radioactive waste facility in any State, unless they were morally certain it would not contaminate the State's land and water.

Today, I am giving you the opportunity to back up your moral certainty with action.

I am introducing the High Level Waste Repository Water Pollution Control and Guarantee Act. I urge every Member of this body, and the Congress to cosponsor that bill.

The bill is simple enough. In essence it does two things. First, it guarantees that if water in any State or group of States is polluted by leakage from a high level nuclear waste repository, every other State in this Nation, whether or not it generates nuclear waste, will provide a prorata share of its water resources to fully and completely replace the lost water resources. It also guarantees that the Federal Government will pay for construction of whatever physical facilities are necessary to transfer that water to the affected States.

Second, it guarantees that if residential, commercial, or agricultural land becomes effectively unusable due to high level waste leakage, the individual States will provide equivalent property, on a prorata basis, if necessary by the exercise of the power of eminent domain, as a replacement for citizens of the affected areas. The Federal Government would guarantee that all other property and individual rights other than land, such as buildings, business replacement values, and emotional distress would be compensated at full value by the United States.

The bill creates a commission empowered by the States and the Federal Government to designate land and other compensation to be awarded, and to appropriate water under the bill.

It provides for ratification by individual States, and that no waste may be shipped to any high level waste facility until the act has been approved and acceded to by the legislatures of 40 of the 50 States. No State would be permitted to ship waste to the facility if they had not acceded to the compact.

For those of you who believe that there is no threat from a nuclear waste facility, and no possibility of a leak into our water supplies, there should be no difficulty at all in cosponsoring and voting for this act. For those who hesitate in cosponsoring and voting for this bill, I ask you to be intellectually honest. If you think this act represents a danger to your State's future, then in your heart you must believe the possibility exists that my State will be destroyed.

Mr. President, you have asked Nevada to put herself at risk. I think the time has come to bind yourselves to the same burdens you ask us to carry in your stead. For those in the West who may be affected by nuclear leakage I say this. Give your people a voice. If you are worried about losing precious water rights then perhaps this bill should give you pause; we fear the loss of our homes, our businesses, and our very lives.

The time has come, my fellow Members, to cease this charade, and instead to act with the decency, honor, and intellectual integrity by which this honorable body has so long been characterized. You can make us bear the burden alone no longer; you can not intimidate, bribe or coerce us into becoming America's silent spring. Live with the danger which you so freely offer to us, or go forth from this House with your threats and promises and come no more with offers of nuclear poison on a silver platter.

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By Mr. WILSON:

S. 1570. A bill to withdraw and reserve for the Department of the Navy certain Federal lands within Inyo, Kern, San Bernardino, and Imperial Counties, CA, and for other purposes; to the Committee on Energy and Natural Resources.

## WITHDRAWAL OF CERTAIN FEDERAL LANDS FOR MILITARY AND OTHER PURPOSES

● Mr. WILSON. Mr. President, today I am introducing a bill to withdraw certain Federal lands in the State of California for military and other purposes for a 25-year period.

This bill is similar to one introduced in the other body last March by Congressman BYRON. It is designed to allow for the continued, unimpeded use of certain Federal lands in the California desert for vital military purposes of training, research, and development.

This bill is modeled after last year's Omnibus Military Lands Withdrawal Act and is necessitated by the expiration of the existing withdrawal status of the China Lake Naval Weapons Center and the Chocolate Mountain Aerial Gunnery Range. China Lake is the Navy's principal center for research, development, testing, and evaluation of air warfare and missile weapons systems. As the largest Defense Department gunnery range in the continental United States, Chocolate Mountain is an important Marine Corps training base for pilots in air combat, gunnery, and ordnance delivery.

Due to the full-time, extensive military use of these approximately 1,200,000 acres, this withdrawal is indispensable. These lands have been dedicated to military purposes since the 1940's and failure to reinstate the withdrawal status will seriously cripple DOD's capability to test new weapons and train new military personnel.

This bill contains an added feature that was not the part of the previous withdrawal that will enable greater utilization of the land by allowing mining and geothermal development activity to the extent consistent with military uses. It would permit limited access to potentially valuable geothermal and mineral resources under the cooperative management of the Secretary of the Navy and the Secretary of the Interior.

Although we can't know what is out there until the miners are given a chance to do their exploration work, we do know that gold, silver, tungsten and other valuable minerals have been found throughout this section of California. It makes sense to allow these minerals to be extracted if it can be done in such a way as not to impair the military mission at China Lake and Chocolate Mountains. Under the terms of this bill, whatever lands deemed suitable by the Secretary of the Interior in concurrence with the Secretary of Navy will be opened for miners to stake claims in the traditional manner allowed by the 1872 mining law. The location and operation of these mines will be subject to whatever limitations are deemed necessary by the Secretary of Navy.

This bill has been prepared in consultation with representatives of the mining industry, the Bureau of Land Management, and the Navy. I would hope that my colleagues will give this legislation the prompt consideration that it deserves.

I ask unanimous consent that the full text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1570

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, (a) subject to valid existing rights the federal lands located within the boundaries of the Naval Weapons Center, within Inyo, Kern, and San Bernardino Counties, California, comprising approximately 1,100,000 acres, as generally depicted on a map entitled

"China Lake Naval Weapons Center Withdrawal-Proposed" dated January 1985, (hereinafter referred to as "China Lake") are hereby withdrawn from all forms of appropriation under the public land laws, but not the mineral and geothermal leasing laws and to the extent provided in section 2 hereof the mining laws, and are reserved for use of the Naval Weapons Center, China Lake, of the Department of the Navy as a research, development, test and evaluation laboratory and range for air warfare weapons and weapon systems, a high hazard training area for aerial gunnery, rocketry, electronic warfare and countermeasures, tactical maneuvering and air support, and for other defense related uses consistent therewith.

(b) Subject to valid existing rights, approximately 132,928 acres of public land in Imperial County, California, as generally depicted on a map entitled "Chocolate Mountain Aerial Gunnery Range Withdrawal—Proposed" dated January 1985, and all other lands within the boundaries of the Chocolate Mountain Aerial Gunnery Range that are now or may become subject to the operation of the public land laws (hereinafter referred to as "Chocolate Mountain") are hereby withdrawn from all forms of appropriation under the public land laws, but not the mineral and geothermal leasing laws and to the extent provided by section 2 hereof the mining laws, and are reserved for use of the Department of the Navy as a testing and training area for aerial bombing, missile firing, tactical maneuvering and air support, and for other defense related uses consistent therewith.

(c)(1) As soon as practicable after the date of enactment of this Act, the Secretary of the Interior shall:

(A) Publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this act; and

(B) File maps and the legal description of the lands withdrawn and reserved by this Act with the Committee on Energy and Natural Resources of the United States Senate and with the Committee on Interior and Insular Affairs of the United States House of Representatives.

(2) Such maps and legal descriptions shall have the same force and effect as if they were included in this Act: Provided, that the Secretary of the Interior may correct clerical and typographical errors in such maps and legal descriptions.

(3) Copies of the maps and legal descriptions that are filed with the Committees shall be available for public inspection in the office of the Director, Bureau of Land Management, Washington DC; the office of the Director, California State Office of the Bureau of Land Management, Sacramento, California; the Office of the Commander, Naval Weapons Center, China Lake, California; and the Office of the Commanding Officer, Marine Corps Air Station—Yuma, Arizona.

(4) The Secretary of the Navy shall reimburse the Secretary of the Interior for the cost of implementing section 1(c) of this Act.

Sec. 2. (a) As soon as possible after the enactment of this Act and at least every five years thereafter, the Secretary of the Interior shall determine, with the concurrence of the Secretary of the Navy, which public and acquired lands covered by the first section of this Act the Secretary of the Interior considers suitable for opening to the operation of the Mining Law of 1872, and the Mineral Leasing Act for Acquired Lands of 1947, or either of such Acts. The Secretary of the Interior shall publish a notice in the Federal Register listing the lands determined suitable pursuant to this section and specifying the opening date.

(b) On the day specified by the Secretary of the Interior in a notice published in the Federal Register pursuant to subsection (a), the land identified under subsection (a) of this section as suitable for opening to the operation of the laws specified in subsection (a) shall automatically be open to the operation of such laws subject to an orderly opening procedure identified in regulations promulgated under subsection (d).

(c) No deposit of minerals or materials of the types identified by section 3 of the Act of July 23, 1955 (69 Stat. 367), whether or not included in the term "common varieties" in that Act, shall be subject to location under the Mining Law of 1982 on lands described in section 1.

(d) The Secretary of the Interior, with the advice and concurrence of the Secretary of the military department concerned shall promulgate such regulations to implement this section as may be necessary to assure safe, uninterrupted, and unimpeded use of the lands described in section 1 for military purposes. Such regulations shall also contain guidelines to advise mining claimants of what environmental or other requirements shall be required on lands opened pursuant to this section.

(e) In the event of a national emergency or for purposes of national defense or security, the Secretary of the Interior, at the request of the Secretary of the military department concerned, shall close any lands that have been opened to mining pursuant to this section.

(f)(1) Except as otherwise provided in this Act, mining claims located pursuant to this Act shall be subject to the provisions of the mining laws. In the event of a conflict between those laws and this Act, this Act shall prevail.

(2) All mining claims located under the terms of this Act shall be subject to the provisions of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(g)(1) Patents issued pursuant to this Act for locatable minerals shall convey title to locatable minerals only, together with the right to use so much of the surface as may be necessary for purposes incident to mining under the guidelines for such use established by the Secretary of the Interior by regulation.

(2) All such patents shall contain a reservation to the United States of the surface of all lands patented and of all nonlocatable minerals on those lands.

(3) For the purposes of this section, all minerals subject to location under the Mining Law of 1872 are referred to as "locatable minerals".

Sec. 3. The responsibilities for the Management of the natural resources of the lands withdrawn by this Act are established as follows:

(a) Except as provided in subsection (b) of this section, the Secretary of the Interior shall manage the lands and their resources, to the extent possible in accordance with the provisions of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743, as amended; 43 U.S.C. 1701 et seq.), and other applicable laws, for uses which may include, but are not limited to, grazing, management of wildlife habitat, mineral leasing, control of predatory animals, and the prevention and suppression of brush and range fires resulting from nonmilitary activities, and shall be responsible for the issuance of all easements, leases, permits, and rights-of-way over the lands withdrawn and reserved by this Act. All such uses, and the issuance of all leases, easements and rights-of-way, shall be secondary to the military use of the lands and shall be authorized only with the concurrence of the Secretary of the Navy.

(b) In recognition of the successful management of the lands and resources of China Lake, by the Department of the Navy since 1943, under a cooperative arrangement with the Department of the Interior, the Secretaries of the Navy and the Interior are authorized to continue such cooperative management practices, with the Secretary of the Interior assigning to the Secretary of the Navy the authority to manage the lands and resources withdrawn and reserved by section 1(a) of this Act, and the authority to issue all easements, nonmineral leases, permits and rights-of-way on such lands, so long as such actions are consistent with the plan and program required by subsection (d) of this section. Leases, permits and rights-of-way that traverse the perimeter of the lands withdrawn by this Act and are required for activities administered by the Secretary of the Interior shall be issued by the Secretary of the Interior, with the consent of the Secretary of the Navy and subject to such conditions as the Secretary of the Navy may prescribe.

(c) Within 5 years after the date of the enactment of this Act, the Secretary of the Interior in consultation with the Secretary of the Navy shall develop a land use plan and management program in accordance with the provisions of the Federal Land Policy and Management Act for the use and management of Chocolate Mountain.

(d) Within 5 years after the date of enactment of this Act, the Secretary of the Interior and the Secretary of the Navy shall develop a land use plan and management program for the use and management of China Lake.

(e) The Secretary of the Navy shall prepare and submit to the Secretary of the Interior, on an annual basis, a report on the status of the natural resources of the lands in China Lake.

Sec. 4. The responsibilities of the Secretary of the Navy for management of the lands withdrawn and reserved by this Act are established as follows:

(a) The Secretary of the Navy shall have the authority to control the military use of the lands and may authorize use of the lands by the other military departments and agencies of the Department of Defense, as appropriate.

(b) In accordance with the provisions of section 2(b) of this Act, the Secretary of the Navy may manage the lands and resources withdrawn and reserved by this Act for China Lake and may also be responsible for the issuance of all easements, nonmineral leases, permits and rights-of-way on such lands.

(c) When military operations, public safety or national security, as determined by the Secretary of the Navy, require the closure of roads and trails commonly in public use, the Secretary of the Navy is authorized to take such action: *Provided*, That such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. A reasonable effort shall be made to maintain warning notices during closures.

(d) The Secretary of the Navy shall take necessary precautions to prevent and suppress brush and range fires occurring within and outside the lands as a result of military activities and may seek assistance from the Bureau of Land Management in the suppression of such fires. The memorandum of understanding required by section 4 of this Act shall provide for Bureau of Land Management assistance in the suppression of such fires, and for a transfer of funds from the Department of the Navy to the Bureau of Land Management as compensation for such assistance.

(e) On China Lake, the Secretary of the Navy (1) shall have responsibility for the management of the wild horses and burros and is authorized to utilize helicopters and motorized vehicles for the management and control of such animals; (2) and may utilize sand, gravel or similar mineral or mineral material resources when the use of such resources is required for construction needs of China Lake.

(f) With respect to China Lake, nothing in this Act shall affect the geothermal exploration and development authorities granted to the Secretary of the Navy by section 6(c)(1) of the Act of July 12, 1982 (10 U.S.C. 2689), except that the Secretary of the Navy is required to obtain the concurrence of the Secretary of the Interior prior to taking any action under that section.

Sec. 5. The Secretary of the Interior and the Secretary of the Navy shall enter into a memorandum of understanding to implement the plan and program developed for Chocolate Mountain in accordance with section 2(c) of this Act and may continue the cooperative arrangement referred to in section 2(b) of this Act. The term of the memorandums of understanding shall be the same as the term of the withdrawal and reservation established by this Act; however, the provisions of the memorandum of understanding may be amended by the Secretaries.

Sec. 6. The withdrawals and reservations established by this Act are not intended to (a) reserve or otherwise withdraw any water for use in connection with the uses identified in the first section of this Act; (b) affect in any manner the future appropriation under State law, by the United States or others, of water in, under, or upon the lands withdrawn and reserved by this Act; (c) affect water rights acquired by the Department of the Navy or other components of the Department of Defense prior to the enactment of this Act for use in connection with military operations at China Lake and Chocolate Mountain.

Sec. 7. (a) Except as provided otherwise in the section, the withdrawals and reservations established by this Act shall terminate 25 years from the effective date of this Act.

(b) At least 3 years prior to the termination of the withdrawals and reservations established by this Act, the Secretary of the Navy shall advise the Secretary of the Interior as to whether or not the Department of the Navy will have a continuing military need for any of the lands after the termination date.

(1) If the Secretary of the Navy concludes that there will be a continuing military need for any of the lands after the termination date, he shall file an application for extension of the withdrawal and reservation of such lands in accordance with the regulations and procedures of the Department of the Interior applicable to the extension of withdrawals. Upon the filing of an application for extension, the withdrawals and reservations established by this Act shall remain in full force and effect pending processing of the application and a decision and action on the proposed withdrawals and reservations by the Secretary of the Interior, and, if the application for extension is subject to the requirement of section 2 of the Act of February 28, 1958 (72 Stat. 28; 43 U.S.C. 156), by the Congress.

(2) If the Secretary of the Navy concludes that, after the termination date established by subsection (a) of this section, there will be no military need for all or any of the lands withdrawn and reserved by this Act, or if, during the period of withdrawal and reservation, the Secretary of the Navy decides to relinquish all or any of the lands withdrawn and reserved by this Act, the Secretary of the Navy shall file a notice of intention to relinquish with the Secretary of the Interior.

(3) Prior to the filing of a notice of intention to relinquish pursuant to paragraph (2) of this subsection, the Secretary of the Navy shall prepare a written determination as to whether and to what extent the lands are contaminated with explosive, toxic or other hazardous materials. A copy of the determination made by the Secretary of the Navy shall be supplied with the notice of intention to relinquish. Copies of both the notice of intention to relinquish and the determination concerning the contaminated state of the lands shall be published in the Federal Register by the Secretary of the Interior.

(A) If the lands are contaminated and the Secretary of the Navy, in coordination with the Secretary of the Interior, determines that decontamination is practicable and economically feasible, taking into consideration the potential future use and value of the lands, and that upon decontamination the lands could be opened to operation of the public land laws, including the mining laws, the Secretary of the Navy shall decontaminate the lands, unless Congress declines to appropriate funds for the project.

(B) If the Secretaries of the Navy and the Interior conclude either that decontamination of any or all of the lands proposed for relinquishment is not practicable or economically feasible, or that the lands cannot be decontaminated sufficiently to allow them to be opened to operation of the public land laws, or if Congress declines to appropriate funds for the decontamination of the lands, the Secretary of the Interior shall not be required to accept the lands proposed for relinquishment.

(c) If, because of their contaminated state, the Secretary of the Interior declines to accept jurisdiction over the lands proposed for relinquishment, the withdrawal and reservation established by this Act shall continue indefinitely and the lands shall be retained and managed in accordance with the provisions of this Act. In such case, beginning with the fifth anniversary of the publication date of the Federal Register notice required by section 7(b)(3) of this Act, and every 5 years thereafter, the Secretary of the Navy, in coordination with the Secretary of the Interior, shall determine whether decontamination of any or all of the lands is both practicable and economically feasible. If the Secretaries conclude that decontamination is both practicable and economically feasible, taking into consideration the potential future use and value of the lands, and that upon decontamination the lands could be opened to operation of the public land laws, including the mining laws, the Secretary of the Navy shall decontaminate the lands, unless Congress declines to appropriate funds for the project. Following decontamination and upon certification by the Secretary of the Navy that the lands are safe for all nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(d) Notwithstanding any other provisions of law, the Secretary of the Interior, upon deciding that it is in the public interest to accept jurisdiction over the lands proposed for relinquishment, is authorized to revoke the withdrawals and reservations established by this Act, as they apply to the lands proposed for relinquishment. Should the decision be made to revoke the withdrawals, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall terminate the withdrawals and reservations, constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior, and shall state the date upon which the lands will be opened to the operation of the public land use, including the mining laws.

Sec. 8. (a) The functions of the Secretary of the Navy under this Act may be delegated.

(b) The functions of the Secretary of the Interior under this Act may be delegated, except that the order referred to in section 6(b) of this Act, may be approved and signed only by the Secretary of the Interior, the Under Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

Sec. 9. The United States, all departments or agencies and their officers and employees thereof shall be held harmless and shall not be liable for any injuries or damages to persons or property suffered in the course of any mining, mineral or geothermal leasing activity conducted on lands described in section 1 of this Act.●

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By Mr. PRYOR (for himself and Mr. Bumpers):

S. 1571. A bill to modify the McClellan-Kerr Arkansas River navigation project for the purpose of making water supply an authorized purpose of such project, and for other purposes; to the Committee on Environment and Public Works.

### MODIFICATION OF MC CLELLAN-KERR ARKANSAS RIVER NAVIGATION PROJECT

● Mr. PRYOR. Mr. President, I send to the desk on behalf of my senior colleague, Mr. Bumpers, and myself, legislation that will permit the U.S. Army Corps of Engineers to expand the beneficial uses of the McClellan-Kerr Arkansas River navigation project to include, as a part of their overall mission on this system, consideration of agricultural, industrial, and municipal interests.

This bill would not cost one red penny, would not interfere in any way with the other authorized purposes of the McClellan-Kerr project, and would not adversely affect the interests of any other State.

It would simply give the Army engineers statutory authority to manipulate navigation pool levels on the Arkansas River to the extent practicable to benefit other potential users of the water. I don't think that anyone can

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argue against multiple usage of the river.

For years now summer droughts have been the bane of Arkansas farmers in our agriculture based delta lands. The levels of the Arkansas River at the different segments of the navigation system affect the levels of water in the tributaries that flow into and out of the Arkansas River. Experience has proven that pool levels can be controlled to a certain extent, and that raising the level of some pools, even by one foot, can raise the levels of a tributary high enough to allow irrigation of drought stricken farm lands. We have seen it happen, Mr. President.

But the Army engineers insist that statutory authorization is the only way that this can be done as a purposeful action. This legislation will simply increase the problem-solving capability of this great navigation system, and allow it to become an even greater asset to our taxpayers who support it. I ask expeditious consideraction by the responsible committee.●

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By Mr. PELL (for himself, Mr. Kennedy, and Mr. Stafford):

S. 1572. A bill to create a National Education Savings Trust; to prescribe the powers and duties of the Trust and of its Board of Trustees; to provide for advance tuition payment plan agreements; to establish an advance tuition payment fund and to provide for its administration, and for other purposes; to the Committee on Finance.

### NATIONAL EDUCATION SAVINGS TRUST ACT

● Mr. PELL. Mr. President, on behalf of Mr. Kennedy, Mr. Stafford, and myself, I am introducing the National Educational Savings Trust Act [NEST].

Our country's long-held tradition of the family beaing a major responsibility in financing a post-secondary education is endangered. Rising college costs are causing many Americans to question whether or not they can afford to pay for a college education for their children. In his recent study for the Carnegie Foundation, "College, The Undergraduate Experience in America," Ernest Boyer said:

> In the end, money, for most families, is the crucial issue. Indeed, the growing gap between tuition and family resources is one of the most urgent challenges colleges and universities confront.

There are many reasons for the current cost crisis. During the last 6 years, this administration has waged war on our entire system of student financial assistance. This includes proposals to cut the Pell Grant Program by as much as 25 percent, to restructure and cut back our student loan programs, and to wipe out our campus based grant, loan and college work study programs. It is a tragedy that Congress has had to spend the last 6 years defending programs that have opened the doors of educational opportunity for millions upon millions of deserving young men and women.

The Pell Grant Program, for example, has not kept pace with either the general cost of living or the escalating costs of a college education. Over the past 5 years, the value of a Pell Grant has actually declined while college costs have steadily risen. The same is true with supplemental grants, loan programs, and college work study. This, coupled wtih rising tuitions, has resulted in increased economic burdens for families attempting to finance their children's education.

I remain hopeful that this year's budget will provide for some much needed increases in student assistance. This is not to say, however, that moneys will be adequate. Indeed, the increase in the budget deficit since this administration has come into office poses a threat more severe to the future of educational funding than any of the threats we have faced in the last 6 years. For while rebuilding educational programs may be a long and tedious process, it will take longer still to pay the bills left from the irresponsible budget policies of this administration.

In addition, over the last decade we have experienced a very disconcerting increase in student indebtedness. Ten years ago grants comprised 75 percent of the student aid package; loans made up only 25 percent. Today, however, loans outdistance grants and comprise about two-thirds of the student aid package.

Increasingly, students are completing their academic work and beginning their professional careers with an enormous debt hanging over their heads. That debt has a very definite impact on the career choices made by students who have had to borrow heavily to finance their college education. In many instances, they feel they must choose the career where financial reward is the greatest simply because they face the immediate need to begin repaying their student loans. This poses a particularly serious threat to public service positions, such as teaching, where pay may not be sufficiently high to permit graduates to choose such a profession and also be able to repay their student loans.

The bill I am introducing today will help guarantee that the educational opportunities we have struggled to broaden will not be narrowed. This measure provides for the establishment of an educational trust fund to help families save for expenses associated with post secondary education. Under this plan, families would be able to make tax-deductible contributions to a trust fund account for each of their children. These funds could be used when the child reaches college age for tuition and related costs at an institution of higher education.

Contributions to the trust fund would be limited to $2,000 per child per year. Rate of deductibility would depend upon a family's income. The trust would be overseen by a Board of Trustee's appointed by the President and confirmed by the Senate. The Board would have powers to develop innovative savings plans, enter into individual savings agreements with families, and make benefit payments directly to postsecondary institutions on the behalf of qualified beneficiaries. Trust funds would be invested in Government securities.

Recently, many different college investment accounts have been developed at universities and in States throughout our Nation. In my home State of Rhode Island, General Treasurer Roger Begin and Representative Lawrence Ferguson have proposed an innovative savings plan for the citizens of our State called the Rhode Island Tuition Trust Fund.

The Federal Government is in a unique position to establish a similar plan. As a Federal program, such a plan could provide complete portability to every postsecondary institution in the country. Whether a child were to choose to attend an Ivy League college, a State university, a community college or a trade and technical school, the same educational benefits would apply. Tax advantages would be equitably applied to all citizens.

It is the concept of the plan I introduce which is most important. I look forward, therefore, to hearing thoughts and suggestions from my colleagues in the Senate, from those in the higher education community, and from the general public on how best to design this trust fund to benefit all our citizens.

Mr. President, I ask unanimous consent that the text of the legislation I am introducing be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1572

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## TITLE I—ESTABLISHMENT OF NATIONAL EDUCATION SAVINGS TRUST

### SECTION 101. SHORT TITLE.

This Act shall be known and may be cited as the "National Education Savings Trust Act of 1987".

### SEC. 102. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds that—

(1) it is an essential function of Government to encourage education;

(2) it is an essential function of Government to encourage attendance at institutions of postsecondary education in order to have a more educated citizenry; and

(3) it will become more difficult for many families to afford the costs of a postsecondary education, and because such costs are difficult to predict.

(b) Purposes.—In order to assist the Nation's development and to help individuals and families to plan for their future educational needs, the purpose of this Act is to establish a National Education Savings Trust which may enter into advance tuition payment plan agreements with individuals and families in order—

(1) to provide students and their parents assistance in financing postsecondary education;

(2) to provide students and their parents protection against rising tuition costs;

(3) to provide wide and affordable access to postsecondary education institutions; and

(4) to encourage education and the means of education so as to benefit the Nation.

### SEC. 103. DEFINITIONS.

As used in this title:

(1) The term "advance tuition payment plan agreement" means an agreement entered into by the Trust and a purchaser pursuant to this Act to yield future resources to assist in providing for the postsecondary education of a qualified beneficiary through payments to meet part or all of the costs of attendance at a postsecondary education institution.

(2) The term "Board" means the Board of Trustees of the National Education Savings Trust established by section 104.

(3) The term "cost of attendance" has the same meaning given that term by section 472 of the Higher Education Act of 1965.

(4) The term "Fund" means the Advance Tuition Payment Fund established by section 104.

(5) The term "Managing Trustee" means the Managing Trustee of the Board.

(6) The term "postsecondary education institution" means an institution of higher education as described in section 1201(a) of the Higher Education Act of 1965.

(7) The term "purchaser" means a person who makes or is obligated to make advance tuition payments pursuant to an advance tuition payment plan agreement.

(8) The term "qualified beneficiary" means any individual named in the advance tuition payment plan agreement who meets the eligibility criteria established by the Trust.

(9) The term "Trust" means the National Education Savings Trust created by section 104.

### SEC. 101. NATIONAL EDUCATION SAVINGS TRUST.

(a) Establishment.—(1) There is established a public body corporate to be known as the National Education Savings Trust. The Trust shall have succession until dissolved. It shall maintain its principal office in the District of Columbia and shall be deemed, for purposes of venue and jurisdiction in civil actions, to be a resident and citizen thereof. Offices may be established by the Trust in such other place or places as it may deem necessary or appropriate for the conduct of its business.

(2) The Trust, including its franchise, capital, reserves, surplus, mortgages, or other security holdings, and income shall be exempt from all taxation now or hereafter imposed by any State, territory, possession, Commonwealth, or dependency of the United States, or by the District of Columbia, or by any county, municipality, or local taxing authority, except that any real property of the Trust shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

(b) Board of Trustees.—(1) With respect to the National Education Savings Trust, there is hereby created a board to be known as the Board of Trustees of the Trust. The Board shall be composed of—

(A) the Secretary of Education and the Secretary of the Treasury, serving ex officio,

(B) 5 representatives of postsecondary education institutions and 5 members of the general public (not more than half of whom may be from the same political party), who shall be appointed by the President, by and with the advice and consent of the Senate, and

(C) 1 chairman, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2)(A) The members of the Board appointed under paragraph (1)(B) shall be appointed for no more than 2 terms of 4 years each, except that—

(i) of the members first appointed after enactment of this Act, 3 shall be appointed for terms of 4 years, 3 for terms of 3 years, 2 for terms of 2 years, and 2 for terms of 1 year (as designated by the President at the time of appointment); and

(ii) a member appointed to fill a vacancy shall be appointed to serve the remainder of the predecessor's term.

(B) The chairman shall be appointed for a term of 5 years and shall not be eligible for reappointment.

(3) The Secretary of the Treasury shall be the Managing Trustee of the Board with respect to managing the assets of the Trust. The Assistant Secretary for Postsecondary Education shall serve as Secretary of the Board. The Board shall meet not less frequently than twice each calendar year.

(c) Establishment of Fund.—There is created under the jurisdiction and control of the Board an Advance Tuition Payment Fund. Payments received by the Trust from purchasers on behalf of qualified beneficiaries or from any other source, public or private, shall be placed in the Fund. The Fund may be divided into separate accounts.

(d) General Duties of the Board.—It shall be the duty of the Board—

(1) to hold the funds of the Trust;

(2) to establish policies, procedures, and eligibility criteria to implement this Act, including policies and procedures—

(A) to enable purchasers to alter the amount of funds invested in advance tuition payment plan agreements to better conform such agreements to meet the changing postsecondary education needs of eligible beneficiaries;

(B) for combining payments, when one purchaser has signed agreements to provide for more than one eligible beneficiary;

(C) for receiving periodic installment payments on advance tuition payment plan agreements; and

(D) for enabling purchasers to have their installment payments deducted from salary;

(3) to pay money from the Trust directly to a postsecondary education institution for cost of attendance at the postsecondary education institution, upon receipt of appropriate documentation, as provided for in the advance tuition payment plan agreement of an eligible beneficiary enrolled in that institution;

(4) to charge, impose, and collect administrative fees and charges in connection with any transaction and provide for reasonable penalties, including default, for delinquent payment of fees or charges or for fraud;

(5) to impose reasonable time limits on use of the tuition benefits provided by the Trust, in accordance with the terms provided in the agreement;

(6) to define and incorporate in the agreement, consistent with section 106 and sections 135 and 220 of the Internal Revenue Code of 1986, the terms and conditions under which money may be withdrawn or refunded from the Trust, including reasonable charges or fees for any such withdrawal or refund;

(7) to obtain for such goods and services and employ such personnel as is necessary and to engage the services of private consultants, actuaries, managers, legal counsel, and auditors for rendering professional, management, and technical assistance and advice, payable out of any money of the Trust;

(8) to make the reports required by subsection (j);

(9) to report immediately to the Congress whenever the Board is of the opinion that the amount of funds in the Trust is inadequate to meet its obligations; and

(10) to review the general policies followed in managing the Trust, and recommend changes in such policies, including necessary changes in the provisions of the law which govern the way in which the Trust is to be managed.

(e) Duties of Managing Trustee.—(1) It shall be the duty of the Managing Trustee to invest such portion of the funds in the Fund as is not, in his or her judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (A) on original issue at the issue price, or (B) by purchase of outstanding obligations at the market price.

(2) The purposes for which obligations of the United States may be issued under chapter 31 of title 31, United States Code, are hereby extended to authorize the issuance at par of public-debt obligations for purchase by the Trust. Such obligations issued for purchase by the Trust shall have maturities fixed with due regard for the needs of the Trust and shall bear interest at a rate equal to the average market yield (computed by the Managing Trustee on the basis of market quotations as of the end of the calendar month next preceding the date of such issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of 4 years from the end of such calendar month. Where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest of such obligations shall be the multiple of one-eighth of 1 per centum nearest such market yield.

(3) The Managing Trustee may purchase other interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States, on original issue or at the market price, only where he or she determines that the purchase of such other obligations is in the public interest.

(4) Any obligations acquired by the Trust (except public-debt obligations issued exclusively to the Trust) may be sold by the Managing Trustee at the market price, and such public-debt obligations may be redeemed at par plus accrued interest.

(5) The interest on, and the proceeds from the sale or redemption of any obligations

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held in the Fund shall be credited to, and form a part of, the Fund.

(f) Payment of Costs of Administration.—(1) After the close of each fiscal year, the Secretary of Education shall determine the portion of the costs of administration of this Act incurred during such fiscal year, and the Secretary of Education shall certify to the Managing Trustee these amounts, if any.

(2) Upon certification by the Board of the amounts provided by the Secretary of Education, the Managing Trustee is directed to pay from the Fund into the Treasury such amounts as is necessary to pay the costs of the administration of this Act.

(g) Acceptance of Donations—The Managing Trustee is authorized to accept on behalf of the Trust money, gifts, and bequests made unconditionally.

(h) Check Clearance and Payment.—(1) The Secretary of the Treasury shall implement procedures to permit the identification of each check issued for benefits under this Act that has not been presented for payment by the close of the sixth month of its issuance.

(2) The Secretary of the Treasury shall, on a monthly basis, credit the Trust for the amount of all tuition checks (including interest thereon) drawn on the Fund more than 6 months previously but not presented for payment and not previously credited to the Fund.

(i) Restrictions on Uses of Fund.—The assets of the Fund shall be preserved, invested, and expended solely pursuant to and for the purposes set forth in this Act and shall not be loaned or otherwise transferred or used by the Federal Government for any purpose other than the purposes of this Act. Unless otherwise provided by the Board, assets of the Fund shall be expended in the following order of priority—

(1) to make payments to postsecondary education institutions for costs of attendance on behalf of qualified beneficiaries;

(2) to make refunds upon termination of an advance tuition payment plan agreement; and

(3) to pay the costs of administration and organization of the Trust and the Fund.

(j) Annual Reports.—(1) The Board shall report to the Congress not later than the first day of April of each year on the operation and status of the Fund during the preceding fiscal year and on its expected operation and status during the next ensuing 5 years. This report shall include—

(A) a statement of the assets of, and the disbursements made from, the Fund during the preceding fiscal year;

(B) an estimate of the expected future income to, and disbursements to be made from, the Fund during each of the next ensuing 5 fiscal years;

(C) a statement of actuarial status of the Fund; and

(D) an actuarial opinion by recognized experts certifying that the techniques and methodologies used are generally accepted within the actuarial profession and that the assumptions and cost estimates used are reasonable.

(2) Such report shall be printed as a Senate document of the session of the Congress to which the report is made.

(3) A person serving on the Board shall not be considered to be a fiduciary and shall not be personally liable for actions taken in such capacity with respect to the Trust or the Fund.

### SEC. 105. TUITION PAYMENT TERMS AND CONDITIONS.

(a) Authority To Enter Into Agreements.—A purchaser may enter into an agreement with the Trust, on behalf of itself and the Federal Government for the purchase of an advance tuition payment plan for use by a qualified beneficiary to pay a portion of the costs of attendance at a postsecondary education institution to which the qualified beneficiary is admitted.

(b) Contents of Agreement.—An advance tuition payment plan agreement shall set forth all of the following:

(1) The amount of the payment or installments required from the purchaser on behalf of the qualified beneficiary, subject to the limitations contained in section 220(c) of the Internal Revenue Code of 1986.

(2) The terms and conditions for making such payment or installments, including the date or dates upon which the payment or installments shall be due. Such terms and conditions may include provisions to permit another person to make such payment or installments in the event that the purchaser, becomes disabled, or otherwise becomes unable to make such payment or installment.

(3) Provisions for late payment charges and for default.

(4) The name and date of birth of the qualified beneficiary under the agreement. The agreement may permit the purchaser, with the approval of the Trust and on conditions set forth in the agreement, to substitute another qualified beneficiary for the qualified beneficiary originally named, in lieu of termination of the agreement under section 106.

(5) The name of the person entitled to terminate the agreement, which, as provided by the agreement, may be the purchaser or a person to act on behalf of the purchaser.

(6) The terms and conditions under which the agreement may be terminated and the conditions and the method of computation of the amount of any refund to which the person terminating the agreement, or specifically the purchaser or designated qualified beneficiary if the agreement so provides, shall be entitled upon termination.

(7) The assumption of a contractual obligation by the Trust to the qualified beneficiary, on its own behalf and on behalf of the Federal Government, to provide for the costs specified in an advance tuition payment plan agreement described in subsection (c).

(8) The period of time from the beginning to the end of which the qualified beneficiary may receive the benefits under the agreement, such period ending no later than the date upon which any qualified beneficiary under the agreement attains the age of 30 years.

(9) The agreement may permit the purchaser who has been unemployed for more than 1 year and who has been eligible for unemployment compensation benefits during such year to direct the payment of the cost of attendance by the purchaser at a postsecondary education institution for the purpose of job training or retraining. Such payment may only occur during the period described in paragraph (8).

(10) Other terms, conditions, and provisions as the Trust considers in its sole discretion to be necessary or appropriate.

(c) Design of Agreements.—(1) The Trust shall offer a purchaser a plan that will, on the basis of actuarial projections, attempt to achieve sufficient return to pay costs of attendance at a postsecondary education institution. In order to achieve this objective, the Trust shall determine, using appropriate actuarial projections, the average future costs of attendance charged by public postsecondary education institutions and private postsecondary education institutions.

(2) The Trust shall provide that a purchaser may purchase an advance tuition payment plan for an eligible beneficiary at any time following the birth of the eligible beneficiary, varying the amount of the purchaser payments accordingly with the age of the eligible beneficiary at time of purchase. The face amount of the payment or installments, plus any interest or dividends accrued thereon, shall be refunded by the Trust upon termination of the agreement pursuant to section 106 and in accordance with the terms of the agreement.

### SEC. 106. AUTHORIZED AGREEMENT TERMINATION.

(a) Termination Events.—An advance tuition payment plan agreement shall terminate whenever one of the following occurs:

(1) The qualified beneficiary dies.

(2) The qualified beneficiary has attained the age of 30.

(3) The purchaser certifies to the Trust that the qualified beneficiary, after attaining the age of majority, has decided not to attend a postsecondary education institution and requests, in writing, that the advance tuition payment plan agreement be terminated.

(4) The purchaser certifies to the Trust that the qualified beneficiary, after attaining such age, has completed as much of the course of postsecondary education as the qualified beneficiary intends to complete and has not exhausted the benefits to which the qualified beneficiary is entitled under the advance tuition payment plan agreement.

(5) Other circumstances, determined by the Trust and set forth in the advance tuition payment plan agreement, occur.

(b) Refunds Upon Termination.—An advance tuition payment plan agreement shall provide for a refund pursuant to this section to the purchaser upon termination of the agreement in accordance with subsection (a). The amount of such refund shall be determined in accordance with the agreement, shall be disbursed in a single payment, and shall be reported to the Secretary of the Treasury for purposes of section 135 of the Internal Revenue Code of 1986.

### SEC. 107. RESTRICTIONS.

Nothing in this Act or in an advance tuition payment plan agreement shall be construed as a promise or guarantee by the Trust or the Federal Government that a person will be admitted to any postsecondary education institution, will be allowed to continue to attend any postsecondary education institution after having been admitted, or will be graduated from any postsecondary education institution.

### SEC. 108. ADVANCE TUITION PAYMENT PLAN AGREEMENTS AND STUDENT ASSISTANCE.

Part F of title IV of the Higher Education Act of 1965 is amended by inserting after section 479B the following new section:

"ADVANCE TUITION PAYMENT PLAN AGREEMENTS AND STUDENT ASSISTANCE

"Sec. 479C. No portion of any corpus or income under any advance tuition payment plan agreement from the National Education Savings Trust shall be considered as income or resources with respect to any student in determining eligibility for assistance under any program funded in whole or in part under title IV of this Act, other than

75 percent of the corpus and income under any such agreement with respect to which such student is a qualified beneficiary.".

### SEC. 109. NONDISCRIMINATION PROVISIONS.

Nothing in this Act shall be construed to—

(1) permit any postsecondary education institution to request information concerning the existence of an advance tuition payment plan agreement entered into with the Trust unless such information relates to eligibility for Federal financial assistance under title IV of the Higher Education Act of 1965 or under some other similar provision of Federal law; or

(2) permit any postsecondary education institution to charge any differential in the cost of attendance at such institution for students who are the qualified beneficiaries of such a plan agreement.

### SEC. 119. AUTHORIZATION OF APPROPRIATIONS.

To enable the Trust to begin operations and to provide sufficient funds to continue operations for a period not to exceed 7 fiscal years after the date of the enactment of this Act, there are authorized to be appropriated such sums as may be necessary. Whenever, prior to the end of the period described in the preceding sentence the Board determines that the Trust is self supporting, the Board shall, in the report required by section 104(j), so notify the Congress.

## TITLE II—TAX TREATMENT OF ADVANCE TUITION PAYMENT PLAN AGREEMENTS

### SEC. 201. DEDUCTION FOR AMOUNTS PAID UNDER CERTAIN ADVANCE TUITION PAYMENT PLAN AGREEMENTS.

(a) In General.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to additional itemized deductions for individuals) is amended by redesignating section 220 as section 221 and by inserting after section 219 the following new section:

"SEC. 220. PAYMENTS UNDER CERTAIN ADVANCE TUITION PAYMENT PLAN AGREEMENTS.

"(a) Allowance of Deduction.—

"(1) In general.—There shall be allowed as a deduction an amount equal to the applicable percentage of the amount paid in cash during such year by the taxpayer to the National Education Savings Trust pursuant to any advance tuition payment plan agreement.

"(2) Applicable percentage.—

"(A) In general.—For purposes of paragraph (1), the applicable percentage shall be determined by the following table:

| "If the adjusted gross income of the taxpayer is: | The applicable percentage is: |
|---|---|
| Not over $25,000 | 100 |
| Over $25,000 but not over $60,000. | 50 |
| Over $60,000 but not over $100,000. | 25 |
| Over $100,000 | 0. |

"(B) Special rule for married individuals filing separate returns.—In the case of a married taxpayer filing a separate return, the dollar amounts in subparagraph (A) shall be reduced by 50 percent.

"(C) Inflation adjustment for years after 1988.—In the case of any taxable year beginning in a calendar year after 1988, the dollar amounts in subparagraph (A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3), for any calendar year in which the taxable year begins.

"(b) Only Certain Taxpayers Eligible for Deduction.—The deduction allowable by subsection (a) shall be allowed to a taxpayer for payments pursuant to any advance tuition payment plan agreement only if—

"(1) except as provided in subsection (d)(2), the taxpayer is the qualified beneficiary under such agreement, or

"(2) the taxpayer is entitled to a deduction under section 151(c) with respect to the qualified beneficiary under such agreement for the taxable year.

"(c) Dollar Limitation on Amount Deductible.—The amount allowable as a deduction under subsection (a) with respect to payments under each advance tuition payment plan agreement for each qualified beneficiary shall not exceed—

"(1) $2,000 for any taxable year, and

"(2) $48,000 for all taxable years.

"(d) Special Rules.—

"(1) Death of beneficiary or attainment of age 30.—No deduction shall be allowed under subsection (a) for payments pursuant to any advance tuition payment plan agreement with respect to a qualified beneficiary for the taxable year in which such beneficiary dies or attains age 30 or for any year thereafter.

"(2) Taxpayer who is dependent of another taxpayer.—No deduction shall be allowed to a taxpayer under subsection (a) if such taxpayer is a dependent of any other person for a taxable year beginning in the calendar year in which the taxable year of the taxpayer begins.

"(3) Spouse of taxpayer.—No deduction shall be allowed under subsection (a) for payments pursuant to any advance tuition payment plan agreement with respect to a qualified beneficiary who is the spouse of the taxpayer at the close of the taxable year unless—

"(A) the taxpayer is entitled to an exemption for his or her spouse under section 151(b) for the taxable year, and

"(B) the taxpayer files a joint return with such spouse for the taxable year.

"(4) Contributions made within 2½ months after close of taxable year.—For purposes of this section, a taxpayer shall be deemed to have made a payment pursuant to an advance tuition payment plan agreement on the last day of the preceding taxable year if such payment is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

"(5) Marital status.—For purposes of this section, marital status shall be determined under section 7703.

"(e) Definitions.—For purposes of this section, the terms 'advance tuition payment plan agreement' and 'qualified beneficiary' have the respective meanings given such terms under section 103 of the National Education Savings Trust Act of 1987.".

(b) Deduction Also Allowable To Taxpayers Who Do Not Itemize Deductions.—Subsection (a) of section 62 of such Code (defining adjusted gross income) is amended by adding at the end thereof the following new paragraph:

"(13) Payments under advance tuition payment plan agreements.—The deduction allowed by section 220.".

(c) Clerical Amendments.—The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 220 and inserting in lieu thereof the following new items:

"Sec. 220. Payments under certain advance tuition payment plan agreements.
"Sec. 221. Cross reference.".

(d) Effective Date.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

### SEC. 202. INCOME TAX TREATMENT OF BENEFITS FURNISHED BY AND REFUNDS FROM NATIONAL EDUCATION SAVINGS TRUST.

(a) In General.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 135 as section 136 and by inserting after section 134 the following new section:

"SEC. 135. TREATMENT OF BENEFITS FURNISHED BY AND REFUNDS FROM NATIONAL EDUCATION SAVINGS TRUST.

"(a) Exclusion for Educational Benefits Furnished.—No amount shall be included in the gross income of any person by reason of the payment from the National Education Savings Trust to any postsecondary education institution pursuant to any advance tuition payment plan agreement.

"(b) Other Amounts Included in Gross Income.—

"(1) In general.—Any amount paid from the National Education Savings Trust which is not described in subsection (a) shall be included in the gross income of the person to whom such amount is paid for the taxable year in which received by such person.

"(2) Penalty.—

"(A) In general.—Except as provided in subparagraph (B), if an amount is includible in the gross income of any person under paragraph (1) for any taxable year, such person's tax under this chapter for such year shall be increased by an amount equal to 20 percent of the amount required to be included in gross income under paragraph (1) (10 percent, if such amount is includible in gross income in any taxable year ending before the qualified beneficiary of the advance tuition payment plan agreement attains the age of 25 years).

"(B) Exception where beneficiary under agreement dies.—Subparagraph (A) shall not apply to any amount includible in gross income on the termination of an advance tuition payment plan agreement if such termination occurs by reason of the death of the qualified beneficiary under such agreement.

"(C) Definitions.—For purposes of this section, the terms 'advance tuition payment plan agreement' and 'qualified beneficiary' have the respective meanings given such terms under section 103 of the National Education Savings Trust Act of 1987.".

(b) Clerical Amendment.—The table of sections for such part III is amended by striking out the item relating to section 135 and inserting in lieu thereof the following new items:

"Sec. 135. Treatment of benefits furnished by and refunds from National Education Savings Trust.
"Sec. 136. Cross references to other Acts.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.●

### THE NATIONAL EDUCATIONAL SAVINGS TRUST ACT

● Mr. KENNEDY. Mr. President, since 1980, college tuitions have increased 75 percent, much faster than any other major good or service that American families purchase. At the same time, because of Federal budget pressures, middle income families are increasingly being excluded from financial aid programs. These developments threaten to make higher education less accessible than it has been in recent years.

We cannot allow this to happen. Education is the Nation's most important vehicle for economic growth and social progress. Access to excellent higher education is essential if we are to maintain a competitive stance in the world economy. If able students cannot afford to attend a college or university, our social and economic progress will be threatened.

Rising costs have already prompted much discussion on alternative ways to finance higher education. Some colleges have taken initiatives in this area, including Duquesne University and Calvin College. State governments have also been active and there is great interest in the Baccalaureate Education System Trust [BEST] program launched in Michigan, Florida, Wyoming, and Tennessee have passed legislation similar to Michigan, and Massachusetts, along with a number of other States, is considering a college savings plan.

State and institutional plans are clearly important, but a Federal initiative is essential. A Federal program would be portable and allow students to take benefits to any institution in the country. A Federal initiative could be more easily combined with existing Federal student aid programs aimed at low-income and disadvantaged individuals.

I am pleased to join today in introducing a bill today which will help accomplish these objectives. The National Education Savings Trust [NEST] would allow parents to make tax deductible payments into an Advance Tuition Payment Fund to be used to help meet their children's cost of attending a higher education institution.

Under the program, parents could invest $2,000 annually and $48,000 total for each qualified beneficiary. A tax deduction would be available for these contributions, and the percentage of the investment that could be claimed as a deduction would be based on the adjusted gross income of the family. The tax benefits are reduced for families with an annual income above $25,000 and are eliminated completely for families above $100,000.

The Trust would be overseen by a Board of Trustees that would be authorized to offer several plans with different rates of return to meet family financial circumstances and education objectives. The Board will make payments from the trust directly to the postsecondary institution in the name of the beneficiary. The Board is responsible for establishing the policies and procedures of the trust. There is also a time limit on how long the beneficiary can allow the funds to accrue interest before either terminating the contract or using the funds.

I emphasize that this program is not designed to replace or supplement existing student aid programs for the needy. The Federal Government's role in financing higher education must first and foremost focus on financially needy students. Our intention with this bill is to explore appropriate and affordable ways to assist middle-income families to begin saving for their children's college expenses.

There is little doubt that the public needs help planning for higher education expenses. A 1983 study by the Roper Organization showed over 4 in 10 parents said they would save more than they are now saving if the Federal Government gave people a tax break in the form of deductions or tax credits for money put into an education savings account. This is an idea well worth considering.

There are many questions about an initiative such as this that will need to be explored before we create such a system. But I believe this bill is an excellent vehicle for further debate and discussion and I look forward to having the suggestions of my colleagues in the Senate, educators and the public as we develop this idea.●

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By Mr. McCLURE (for himself and Mr. THURMOND):

S. 1573. A bill to amend section 1853 of the Act of June 25, 1948; to the Committee on the Judiciary.

### FOREST USERS PROTECTION ACT

● Mr. McCLURE. Mr. President, today I am introducing a bill entitled "The Forest User Protection Act of 1987" which addresses an urgent problem within our Nation's forests.

Last month, I expressed in a statement on the Senate floor, my disgust and horror about an activity that will eventually claim lives if we do not take action to prevent it. Tree spiking, the act of driving steel or ceramic spikes into trees in order to damage the equipment of anyone attempting to cut the tree down or to saw it into lumber, is the despicable activity about which I speak and which is addressed in this legislation.

It is an act of terrorism carried out by a handful of cowardly individuals in the name of protecting the environment. This terrorism has been encouraged and fueled by an organization known as Earth First! and its leader, Mr. Dave Foreman of Tucson, AR.

The individuals who commit these heinous acts generally do so under cover of darkness or through other means in order to avoid detection. They do so with full knowledge of the possible, dreadful consequences of their actions.

Earlier this spring, a young California man was severely injured as the result of some radical environmentalist's action. Since that time, there have been numerous other incidents that, had they not been discovered, might well have resulted in the death or serious injury of unsuspecting, innocent victims.

In Montana, hikes on a National Forest found spikes buried in the trail and a length of fishing line strung across it at neck high level. This incident occurred in an area where various interest groups are openly and honestly debating their differences over land use policies in a way that is lawful and relies on our systems of due process to resolve differences.

If some less observant man, woman or child had happened onto the situation on horseback or via an off-road vehicle, the results would likely have been tragic.

In northeastern Washington, an anonymous caller informed the U.S. Forest Service that tree spiking had occurred in a controversial area where a timber sale was planned. Obviously, the person doing the spiking had determined that the process was wrong, he was right, and he obviously had decided to take matters into his own hands.

In central Idaho, an eco-terrorist has attempted to stop the use of a backcountry, federally owned airstrip by destroying its landing surface. Such airstrips have been used for decades as a means of supplying hunting parties, supplying National Forest work crews and firefighters, and to provide emergency evacuation services. Many of these strips are located in extremely remote areas allowing access to medical facilities and treatment for injured persons that might take hours or even days to reach by horseback or on foot.

In southern Idaho, a National Forest trail was spiked in an incident similar to that in Montana.

These incidents are all the results of activities of radical environmentalists. I hope that responsible environmental organizations who have worked hard and long to demonstrate their credibility with both the Congress and the public will make every effort to disassociate themselves from this radical, fringe element.

A death resulting from the activities of these terrorists is nothing less than premeditated murder and should be treated as such. Their intent is to kill or maim. The injuries inflicted from their actions are no less deadly, painful or gruesome than that of a bullet, knife, or hatchet.

Mr. President, my bill, entitled "Forest Users Protection Act of 1987" is a companion to a House bill prepared by Congressman PASHAYAN. I am pleased that Senator THURMOND has already chosen to join me as original cosponsor.

My bill, which amends section 1853 of the Act of June 25, 1948 (18 U.S.C. 1853), will make it a misdemeanor to

spike any tree on any property owned or held in trust by the Federal Government. A conviction carries a penalty of not more than $1,000 and 1 year in prison.

Further, it makes it a felony to spike a tree that results in injury or in property damage of $500 or more. The penalties in such cases are a fine not to exceed $20,000 and/or a prison sentence not to exceed 5 years for a first offense. A second conviction under the same circumstances will result in a fine of up $100,000 or a sentence not to exceed 25 years in prison or both.

Finally, because of the covert nature of the people involved in these terrorist activities, the bill provides for a reward to be paid to anyone providing information leading to the arrest and conviction of a terrorist tree spiker. The reward paid will be equal to one-half of any penalty or fine collected, not to exceed $5,000.

It is my hope that this bill, if enacted into law, will be a deterrent to eco-terrorism as well as an effective enforcement mechanism.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1573

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SEC. 1. SHORT TITLE.**

This Act may be cited as the "Forest Users' Protection Act of 1987".

**SEC. 2. AMENDMENTS TO SECTION 1853.**

Section 1853 of the Act of June 25, 1948 (18 U.S.C. 1853) is amended to read as follows:

"(a) Whoever unlawfully cuts, or knowingly or willfully inserts any spiking device, or want only injures or destroys any tree growing, standing, or being upon any land of the United States which, in pursuance of law, has been reserved or purchased by the United States for any public use, or upon any Indian reservation, or lands belonging to or occupied by any tribe of Indians under the authority of the United States, or any Indian allotment while the title to same shall be held in trust by the Government, or while the same shall remain inalienable by the allottee without the consent of the United States, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(b) Whoever knowingly or willfully inserts such a spiking device that results in physical injury to a person or damage to property in excess of $500 shall be fined not more than $20,000 or imprisoned not more than five years, or both. In the case of a second or subsequent such violation upon conviction, such person shall be fined not more than $100,000, or imprisoned not more than twenty-five years, or both.

"(c) Upon the certification of the Federal land manager concerned, the Secretary of the Treasury is directed to pay from penalties and fines collected an amount equal to one-half of such penalty or fine, but not to exceed $5,000, to any person who furnishes information which leads to the finding of a civil violation, or the conviction of criminal violation, with respect to which such penalty or fine was paid. If several persons provided such information, such amount shall be divided among such persons. No officer or employee of the United States or of any State or local government who furnishes information or renders service in the performance of his official duties shall be eligible for payment under this subsection."●

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## ADDITIONAL COSPONSORS

### S. 79

At the request of Mr. METZENBAUM, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 79, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

### S. 84

At the request of Mr. JOHNSTON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 84, a bill to amend the Land and Water Conservation Fund Act of 1965.

### S. 260

At the request of Mr. THURMOND, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 260, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

### S. 277

At the request of Mr. THURMOND, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 277, a bill to establish constitutional procedures for the imposition of the sentence of death, and for other purposes.

### S. 278

At the request of Mr. THURMOND, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 278, a bill to amend title 18 to limit the application of the exclusionary rule.

### S. 450

At the request of Mr. ARMSTRONG, the name of the Senator from Arizona [Mr. McCAIN] was added as a cosponsor of S. 450, a bill to recognize the organization known as the National Mining Hall of Fame and Museum.

### S. 533

At the request of Mr. THURMOND, the names of the Senator from Florida [Mr. GRAHAM], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 533, a bill to establish the Veterans' Administration as an executive department.

At the request of Mr. THURMOND, the name of the Senator from Texas [Mr. GRAMM] was withdrawn as a cosponsor of S. 533, supra.

### S. 582

At the request of Mr. KARNES, his name was added as a cosponsor of S. 582, a bill to provide for improved air transportation to small communities, and for other purposes.

At the request of Mr. EXON, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 582, supra.

### S. 757

At the request of Mr. LAUTENBERG, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 757, a bill to require each commercial air carrier engaged in the transportation of passengers to report its on-time performance record to the Secretary of Transportation, and for other purposes.

### S. 824

At the request of Mr. SPECTER, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 824, a bill to establish clearly a Federal right of action by aliens and United States citizens against persons engaging in torture or extrajudicial killing, and for other purposes.

### S. 863

At the request of Mr. KENNEDY, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 863, a bill to provide for the admission of the State of New Columbia into the Union.

### S. 1103

At the request of Mr. WEICKER, the names of the Senator from Connecticut [Mr. DODD], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1103, a bill for the relief of Ivan Lendl.

### S. 1120

At the request of Mr. MELCHER, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1120, a bill to amend the Mineral Lands Leasing Act of 1920 to improve the administration of the Federal Coal Leasing Program, and for other purposes.

### S. 1142

At the request of Mr. SHELBY, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 1142, a bill to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.

### S. 1239

At the request of Mr. ARMSTRONG, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 1239, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain short-term loans.

### S. 1270

At the request of Mr. DECONCINI, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1270, a bill to improve the Government's debt collection and credit management practices, to implement certain recommendations of the Presi-

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dent's Private Sector Survey on Cost Control, and for other purposes.

### S. 1390

At the request of Mr. Baucus, the names of the Senator from Arkansas [Mr. Pryor], the Senator from Delaware [Mr. Biden], the Senator from Arkansas [Mr. Bumpers], the Senator from North Carolina [Mr. Sanford], and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of S. 1390, a bill to amend the Social Security Act to make viable the provision of health care in rural areas under titles XVIII and XIX of that Act, and for other purposes.

### S. 1397

At the request of Mr. Cranston, the name of the Senator from Washington [Mr. Evans] was added as a cosponsor of S. 1397, a bill to recognize the organization known as the Non Commissioned Officers Association of the United States of America.

### S. 1398

At the request of Mr. DeConcini, the name of the Senator from Delaware [Mr. Roth] was added as a cosponsor of S. 1398, a bill to amend title 10, United States Code, to clarify the authority of the Secretary of the Air Force to permit female members of the Air Force to receive fighter pilot training.

### S. 1408

At the request of Mr. Chafee, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 1408, a bill to amend the Immigration and Nationality Act to waive the continuous residence requirement under the legalization program for spouses and children of qualified legalized aliens.

### S. 1438

At the request of Mr. Durenberger, the name of the Senator from New Mexico [Mr. Domenici] was added as a cosponsor of S. 1438, a bill to assist rural hospitals facing unfair Medicare payment policies.

### S. 1464

At the request of Mr. Cranston, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 1464, a bill to amend title 38, United States Code, to provide eligibility to certain individuals for beneficiary travel payments in connection with travel to and from Veteran's Administration facilities.

### S. 1475

At the request of Mr. Melcher, the names of the Senator from Montana [Mr. Baucus], and the Senator from North Dakota [Mr. Conrad] were added as cosponsors of S. 1475, a bill to establish an effective clinical staffing recruitment and retention program, and for other purposes.

### S. 1501

At the request of Mr. Cranston, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of S. 1501, a bill to amend title 38, United States Code, to eliminate the requirement that the Administrator of Veterans' Affairs carry out a transition under which community-based Vet Centers would be moved to Veterans' Administration medical facilities and to provide standards and procedures governing any closures or moves of Vet Centers, and for other purposes.

### S. 1510

At the request of Mr. Kerry, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 1510, a bill to require the Administrator of Veterans' Affairs to arrange for the review by the National Academy of Sciences of scientific evidence, studies, and literature pertaining to the human health effects of exposure to agent orange and its component compounds and the issuance of a report on the Academy's conclusions as to the weight of the evidence regarding the health effects in humans of exposure to agent orange, and for other purposes.

### S. 1511

At the request of Mr. Moynihan, the names of the Senator from Nevada [Mr. Reid], and the Senator from Montana [Mr. Melcher] were added as cosponsors of S. 1511, a bill to amend title IV of the Social Security Act to replace the AFDC program with a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance, benefits improvement, and mandatory extension of coverage to two-parent families, and which reflects a general emphasis on shared and reciprocal obligation, program innovation, and organizational renewal.

### SENATE JOINT RESOLUTION 53

At the request of Mr. Cranston, the names of the Senator from Maine [Mr. Mitchell], the Senator from Kansas [Mrs. Kassebaum], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of Senate Joint Resolution 53, a joint resolution to designate the period commencing November 22, 1987, and ending November 28, 1987, as "American Indian Week".

### SENATE JOINT RESOLUTION 98

At the request of Mr. Hatch, the names of the Senator from Rhode Island [Mr. Chafee], the Senator from Georgia [Mr. Fowler], the Senator from Arizona [Mr. DeConcini], the Senator from New York [Mr. Moynihan], the Senator from New Jersey [Mr. Bradley], the Senator from Vermont [Mr. Stafford], and the Senator from Oklahoma [Mr. Nickles] were added as cosponsors of Senate Joint Resolution 98, a joint resolution to designate the week of November 29, 1987, through December 5, 1987, as "National Home Health Care Week".

### SENATE JOINT RESOLUTION 178

At the request of Mr. Kennedy, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of Senate Joint Resolution 178, a joint resolution designating the first day of August as "National Day of Peace".

### SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the names of the Senator from California [Mr. Wilson], the Senator from Connecticut [Mr. Weicker], and the Senator from Ohio [Mr. Metzenbaum] were added as cosponsors of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

### SENATE CONCURRENT RESOLUTION 31

At the request of Mr. Pressler, the names of the Senator from Michigan [Mr. Levin] was added as a cosponsor of Senate Concurrent Resolution 31, a concurrent resolution commending the Czechoslovak human rights organization charter 77, on the occasion of the 10th anniversary of its establishment, for its courageous contributions to the achievement of the aims of the Helsinki Final Act.

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## SENATE RESOLUTION 260—AMENDING THE STANDING RULES OF THE SENATE TO IMPROVE LEGISLATIVE EFFICIENCY

Mrs. KASSEBAUM (for herself and Mr. Inouye) submitted the following resolution; which was referred to the Committee on Rules and Administration:

### S. Res. 260

*Resolved*, That rule XXV of the Standing Rules of the Senate is amended to read as follows:

### "STANDING COMMITTEES"

"1. The following standing committees shall be appointed at the commencement of each Congress, and shall continue and have the power to act until their successors are appointed, with leave to report by bill or otherwise on matters within their respective jurisdictions:

(a)(1) Committee on National Priorities, to which committee shall be referred all concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and all other matters required to be referred to committee under titles III and IV of that Act, and messages, petitions, memorials, and other matters relating thereto.

(2) Such committee shall have the duty—

(A) to report the matters required to be reported by committee under title III and IV of the Congressional Budget Act of 1974;

(B) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the Senate on a recurring basis;

(C) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis; and

(D) to review on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties.

(b)(1) Committee on Agricultural Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Agricultural economics and research.
2. Agricultural extension services and experiment stations.
3. Agricultural production, marketing, and stabilization of prices.
4. Agriculture and agricultural commodities.
5. Animal industry and diseases.
6. Crop insurance and soil conservation.
7. Farm credit and farm security.
8. Food from fresh waters.
9. Inspection of livestock, meat, and agricultural products.
10. Pests and pesticides.
11. Plant industry, soils, and agricultural engineering.
12. Rural development, rural electrification, and watersheds.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (b)(1), except as provided in subparagraph (a).

(c)(1) Committee on Defense Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.
2. Common defense.
3. Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force, generally.
4. Maintenance and operation of the Panama Canal, including administration, sanitation, and government of the Canal Zone.
5. Military research and development.
6. National security aspects of nuclear energy.
7. Naval petroleum reserves, except those in Alaska.
8. Pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces, including overseas education of civilian and military dependents.
9. Selective service system.
10. Strategic and critical materials necessary for the common defense.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (c)(1), except as provided in subparagraph (a).

(d)(1) Committee on Commercial Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Coast Guard.
2. Coastal zone management.
3. Communications.
4. Construction and maintenance of highways, and highway safety.
5. Inland waterways, except construction.
6. Interstate Commerce.
7. Marine and ocean navigation, safety, and transportation, including navigational aspects of deepwater ports.
8. Marine fisheries.
9. Merchant marine and navigation.
10. Nonmilitary aeronautical and space sciences.
11. Oceans, weather, and atmospheric activities.
12. Regulation of consumer products and services, including testing related to toxic substances, other than pesticides.
13. Regulation of interstate common carriers, including railroads, buses, trucks, vessels, pipelines, and civil aviation.
14. Science, engineering, and technology research and development and policy.
15. Sports.
16. Standards and measurement.
17. Transportation.
18. Transportation and commerce aspects of Outer Continental Shelf lands.
19. Regional economic development.
20. Financial aid to commerce and industry.
21. Public works, bridges, and dams.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (d)(1), except as provided in subparagraph (a).

(e)(1) Committee on Economic Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Bonded debt of the United States, except as provided in the Congressional Budget Act of 1974.
2. Deposits of public moneys.
3. Revenue measures generally, except as provided in the Congressional Budget Act of 1974.
4. Revenue measures relating to the insular possessions.
5. Banks, banking, and financial institutions.
6. Deposit insurance.
7. Federal monetary policy, including Federal Reserve System.
8. Issuance and redemption of notes.
9. Money and credit, including currency and coinage.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (e)(1), except as provided in subparagraph (a).

(f)(1) Committee on Energy Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Coal production, distribution, and utilization.
2. Energy policy.
3. Energy regulation and conservation.
4. Energy related aspects of deepwater ports.
5. Energy research and development.
6. Extraction of minerals from oceans and Outer Continental Shelf lands.
7. Hydroelectric electric power, irrigation, and reclamation.
8. Mining education and research.
9. Mining, mineral lands, mining claims, and mineral conservation.
10. Naval petroleum reserves in Alaska.
11. Nonmilitary development of nuclear energy.
12. Oil and gas production and distribution.
13. Solar energy systems.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (f)(1), except as provived in subparagraph (a).

(g)(1) Committee on Environmental Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Air pollution.
2. Environmental aspects of Outer Continental Shelf lands.
3. Environmental affects of toxic substances, other than pesticides.
4. Environmental policy.
5. Environmental research and development.
6. Fisheries and wildlife.
7. Flood control and improvements of rivers and harbors, including environmental aspects of deepwater ports.
8. Noise pollution.
9. Nonmilitary environmental regulation and control of nuclear energy.
10. Ocean dumping.
11. Solid waste disposal and recycling.
12. Water pollution.
13. Water resources.
14. Forestry, and forest reserves and wilderness areas.
15. National parks, recreation areas, wild and scenic rivers, historical sites, military parks and battlefields, and on the public domain, preservation of prehistoric ruins and objects of interest.
16. Public lands and forests, including farming and grazing thereon, and mineral extraction therefrom.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (g)(1), except as provided in subparagraph (a).

(h)(1) Committee of Foreign Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Acquisition of land and buildings for embassies and legations in foreign countries.
2. Boundaries of the United States.
3. Diplomatic service.
4. Foreign economic, military, technical, and humanitarian assistance.
5. Foreign loans.
6. International activities of the American National Red Cross and the International Committee of the Red Cross.
7. International aspects of nuclear energy, including nuclear transfer policy.
8. International conferences and congresses.
9. International law as it relates to foreign policy.
10. International Monetary Fund and other interntional organizations established

primarily for international monetary purposes.

11. Intervention abroad and declarations of War.

12. Measures to foster commercial intercourse with foreign nations and to safeguard American business interests abroad.

13. Trusteeships of the United States, including territorial possessions of the United States.

14. Oceans and international environmental and scientific affairs as they relate to foreign policy.

15. Protection of United States citizens abroad and expatriation.

16. Relations of the United States with foreign nations generally.

17. Treaties and executive agreements.

18. United Nations and its affiliated organizations.

19. World Bank group, the regional development banks, and other international organizations established primarily for development assistance programs.

20. Foreign trade promotion, export, and export controls.

21. Interoceanic canals generally, unless otherwise provided.

22. Customs and ports of entry and delivery.

23. Reciprocal trade agreements.

24. Tariffs and import quotas, and matters related thereto.

25. Organization and management of United States nuclear export policy.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (h)(1), except as provided in subparagraph (a).

(i)(1) Committee on Governmental Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Archives of the United States.

2. Budget and accounting measures, except as provided in the Congressional Budget Act of 1974.

3. Census and collection of statistics, including economic and social statistics.

4. Congressional organizations, except for any part of the matter that amends the rules of order of the Senate.

5. Federal Civil Service.

6. Government information.

7. Intergovernmental relations.

8. Municipal affairs of the District of Columbia.

9. Organization and reorganization of the executive branch of the Government.

10. Postal Service.

11. Status of officers of the United States, including their classification, compensation, and benefits.

12. Renegotiation of Governmental contracts.

13. Public buildings and improved grounds of the United States generally, including Federal Buildings in the District of Columbia.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (i)(1), except as provided in subparagraph (a).

(j)(1) Committee on Judicial Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Apportionment of Representatives.

2. Bankruptcy, mutiny, espionage, and counterfeiting.

3. Civil liberties.

4. Constitutional amendment.

5. Federal courts and judges.

6. Holidays and celebrations.

7. Immigration and naturalization.

8. Interstates compacts generally.

9. Judicial proceedings, civil and criminal, generally.

10. Local courts in the territories and possessions.

11. Measures relating to claims against the United States.

12. National penitentiaries.

14. Patent Office.

15. Patents, copyrights, and trademarks.

16. Protection of trade and commerce against unlawful restraints and monopolies.

17. Revisions and codification of the statutes of the United States.

18. State and territorial boundary lines.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (j)(1), except as provided in subparagraph (a).

(k)(1) Committee on Social Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Measures relating to education, labor, health, and public welfare.

2. Arts and humanities.

3. Biomedical research and development.

4. Child labor.

5 Domestic activities of the American Red Cross.

6. Equal employment opportunity.

7. Gallaudet College, Howard University, and Saint Elizabeths Hospital.

8. Handicapped individuals.

9. Labor standards.

10. Mediation and arbitration of labor disputs.

11. Occupational safety and health, including the welfare of miners.

12. Private pension plans.

13. Public health.

14. Railroad retirement program.

15. Regulation of foreign laborers.

16. Student loans.

17. Wages and hours of labor.

18. Food stamp programs.

19. Human nutrition.

20. School nutrition programs.

21. Public housing.

22. Nursing homes including construction.

23. National social security.

24. Public health programs including health programs under the Social Security Act.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (k)(1), except as provided in subparagraph (a).

(l)(1) Committee on Native American Programs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to Native Americans generally, and Native American Programs.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (l)(1), except as provided in subparagraph (a).

(m)(1) Committee on Senior American Programs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to Senior Americans generally, and to the Older Americans Act.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (m)(1), except as provided in subparagraph (a).

(n)(1) Committee on Veteran American Programs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Compensation of veterans.

2. Life insurance issued by the Government on account of service in the Armed Forces.

3. National Cemeteries.

4. Pensions of all wars of the United States, general and special.

5. Readjustment of servicemen to civil life.

6. Soldiers and sailors civil relief.

7. Veterans' hospitals, medical care and treatment of veterans.

8. Veterans' measures generally.

9. Vocational rehabilitation and education of veterans.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (n)(1), except as provided in subparagraph (a).

(o)(1) Committee on Entrepreneurial American Programs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the Small Business Administration.

(2) Any proposed legislation reported by such committee which relates to matters other than the functions of the Small Business Administration shall, at the request of any standing committee having jurisdiction over the subject matter extraneous to the functions of the Small Business Administration, be considered and reported by such standing committee prior to its consideration by the Senate; and likewise measures reported by other committees directly relating to the Small Business Administration shall, at the request of the Committee on Entrepreneurial American Programs for its consideration of any portions of the measure dealing with the Small Business Administration, and be reported by this committee prior to its consideration by the Senate.

(3) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the

rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraphs (o)(1) and (o)(2), except as provided in subparagraph (a).

(p)(1) Committee on Senate Rules, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Administration of the Senate Office Buildings and the Senate wing of the Capitol, including the assignment of office space.

2. Congressional organization relative to rules and procedures, and Senate rules and regulations, including floor and gallery rules.

3. Corrupt practices.

4. Credentials and qualifications of Members of the Senate, contested elections, and acceptance of incompatible offices.

5. Federal elections generally, including the election of the President, Vice President, and Members of Congress.

6. Government Printing Office, and the printing and correction of the Congressional Record, as well as those matters provided under rule XI.

7. Meetings of the Congress and attendance of the Members.

8. Payment of money out of the contingent fund of the Senate or creating a charge upon the same (except that any resolution relating to substantive matter within the jurisdiction of any other standing committee of the Senate shall first be referred to such committee.)

9. Presidential succession.

10. Purchase of books and manuscripts and erection of monuments to the memory of individuals.

11 Senate Library and statuary, art, and pictures in the Capitol and Senate Office Buildings.

12. Services to the Senate, including the Senate restaurant.

13. United States Capitol and congressional office buildings, the Library of Congress, the Smithsonian Institution (and the incorporation of similar Institutions), and the Botanic Gardens.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (p)(1), except as provided in subparagraph (a).

2. (a) Except as otherwise provided by paragraph 4 of this rule, the Leadership Committee, known as the Committee on National Priorities, shall consist of not less than 28 Senators nor more than 33 Senators.

(b) Except as otherwise provided by paragraph 4 of this rule, each of the following standing committees shall consist of not more than the number of Senators set forth in the following table on the line on which the name of that committee appears:

*Legislative Policy Committees*

| Committee: | *Members* |
|---|---|
| Agricultural Policy | 17 |
| Defense Policy | 17 |
| Commercial Policy | 17 |
| Economic Policy | 17 |
| Energy Policy | 17 |
| Environmental Policy | 17 |
| Foreign Policy | 17 |
| Governmental Policy | 17 |
| Judicial Policy | 17 |
| Social Policy | 17 |

(c) Except as otherwise provided by paragraph 4 of this rule, each of the following standing committees shall consist of not more than the number of Senators set forth in the following table on the line on which the name of that committee appears:

*Legislative Program Committees*

| Committee: | *Members* |
|---|---|
| Native American Programs | 9 |
| Veteran American Programs | 11 |
| Senior American Programs | 19 |
| Entrepreneurial American Programs | 19 |

(d) Except as otherwise provided by paragraph 4 of this rule, each of the following committees and standing committees shall consist of the number of Senators set forth in the following table on the line on which the name of that committee appears:

*Administrative Committees*

| Committee: | *Members* |
|---|---|
| Senate Rules | 15 |
| Senate Ethics | 6 |
| Senate Intelligence | 15 |

3. (a) Notwithstanding the provisions of paragraph 4, and except as otherwise provided by this paragraph—

(1) each Senator shall serve on no more than two committees listed in subparagraph (2)(b).

(2) each Senator serving as either a chairman or a ranking member on any committee listed in subparagraph (2)(b) shall not serve on any other committee listed in subparagraph (2)(b), but shall serve on the committee listed in subparagraph (2)(a).

(3) each Senator serving as either a chairman or a ranking member of any committee listed in subparagraph (2)(c) shall also serve on the committee listed in subparagraph (2)(a).

(4) in addition to those Senators serving on the committee listed in subparagraph (2)(a) by virtue of their serving as chairman or ranking member of a committee listed in subparagraph (2)(b), not more than 5 Senators shall be appointed by the majority leader of the Senate to serve on the committee listed in subparagraph (2)(a) for the purpose of making the overall balance of majority and minority members on the committee the same as the relative balance between the majority and minority members of the Senate.

(5) service by a Senator on any committee listed in subparagraph (2)(c) shall not limit the ability of such Senator to serve on any other committee or standing committee.

(b) By agreement entered into by the majority leader and the minority leader, the membership of one or more standing committees may be increased temporarily from time to time by such number or numbers as may be required to accord to the majority party a majority of the membership of all standing committees, members of the majority party in such numbers as may be required for that purpose may serve as members of three standing committees listed in subparagraph (2)(b). No such temporary increase in the membership of any standing committee under this subparagraph shall be continued in effect after the need therefor has ended. No standing committee may be increased in membership under this subparagraph by more than two members in excess of the number prescribed for that committee by paragraph (2)(b).

(c) No Senator shall serve at any one time as chairman of more than one subcommittee of each standing committee of the Senate.

4. Notwithstanding any provision of rule XXIV of the standing rules of the Senate, the appointment of committees or standing committees as prescribed by this title shall be on the bases of each Senators continuous service in the Senate, except that such appointment shall be in accordance with the following limitations:

(a) Only those Senators who on the day preceding the effective date of this title were serving as members of the Committee on Agriculture, Nutrition, and Forestry, or who were serving on the Subcommittee on Agriculture, Rural Development and Related Agencies of the Committee on Appropriations may serve on the Committee on Agricultural Policy.

(b) Only those Senators who on the day preceding the effective date of this title were serving as members of the Committee on Armed Services, or who were serving on the Subcommittee on Defense or the Subcommittee on Military Construction of the Committee on Appropriations may serve on the Committee on Defense Policy.

(c) Only those Senators who on the day preceding the effective date of this title were serving as members of the Committee on Commerce, Science, and Transportation, or who were serving on the Subcommittee on Transportation and related Agencies of the Committee on Appropriations may serve on the Committee on Commercial Policy.

(d) Only those Senators who on the day preceding the effective date of this title were serving as members of the Committee on Finance, or the Committee on Banking, Housing and Urban Affairs, may serve on the Committee on Economic Policy.

(e) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on Energy and Natural Resources, or who were serving on the Subcommittee on Energy and Water Development of the Committee on Appropriations, may serve on the Committee on Energy Policy.

(f) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on Environment and Public Works, or who were serving on the Subcommittee on Interior and Related Agencies of the Committee on Appropriations, may serve on the Committee on Environmental Policy.

(g) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on Foreign Affairs, or who were serving on the Subcommittee on Foreign Operations of the Committee on Appropriations, may serve on the Committee on Foreign Policy.

(h) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on Governmental Affairs, or who were serving on the Subcommittee on Treasury, Postal Service, and General Government, or the Subcommittee on the District of Columbia, or on the Subcommittee on HUD-Independent Agencies of the Committee on Appropriations, may serve on the Committee on Governmental Policy.

(i) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on the Judiciary, or who were serving on the Subcommittee on Commerce, State, Justice, and Related Agencies of the Committee on Appropriations, may serve on the Committee on Judicial Policy.

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(j) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on Labor and Human Resources, or who were serving on the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies of the Committee on Appropriations, may serve on the Committee on Social Policy.

(k) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on Rules and Administration, or who were serving on the Subcommittee on Legislative Branch of the Committee on Appropriations, may serve on the Committee on Senate Policy.

(l) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Select Committee on Indian Affairs, may serve on the Committee on Native American Programs.

(m) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on Veterans Affairs, may serve on the Committee on Veteran American Programs.

(n) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Special Committee on Aging may serve on the Committee on Senior American Programs.

(o) Only those Senators who on the day preceeding the effective date of this title were serving as members of the Committee on Small Business may serve on the Committee on Senior American Programs.

5. Upon the effective date of this title, the Select Committee on Ethics shall become the Commmittee on Senate Ethics and the Select Committee on Intelligence shall become the Committee on Intelligence Oversight, however the membership, functions and duties of such committees shall remain unchanged.

SEC. 2. Paragraphs 1, 2, 3, 4, 6, and 7 of Rule XVI of the Standing Rules of the Senate are repealed, and paragraphs 5 and 8 are renumbered as paragraphs "1" and "2" respectively.

SEC. 3. Subparagraph (b) of paragraph 4 of Rule XVII of the Standing Rules of the Senate is amended by striking out "(except the Committee on Appropriations)".

SEC. 4. Rule XXVI of the Standing Rules of the Senate is amended—

(a) by striking out "(except the Committee on Appropriations)" in each instance where it appears,

(b) by striking out "(except the Committee on Appropriations and the Committee on the Budget)" in each instance where it appears, and inserting in lieu thereof the following "(except the Committee on National Priorities)",

(c) by striking out "The prohibition contained in the preceding sentence shall not apply to the Committee on Appropriations or the Committee on the Budget." in subparagraph 5(a), and inserting in lieu thereof "The prohibition contained in the preceding sentence shall not apply to the Committee on National Priorities.",

(d) by striking out the last sentence of subparagraph 10(b), and

(e) by striking out "(except those by the Committee on Appropriations)" in subparagraph 11(b).

SEC. 5. The provisions of this resolution shall take effect on the first day of the first Congress following the date of enactment.

## SENATE COMMITTEE AND PROCEDURAL REFORM

**Mrs. KASSEBAUM.** Mr. President, I would like to speak for a few moments about an issue that I think is of great importance. These comments are not made out of frustration but out of respect for this institution as we struggle to meet the agenda.

Last month, I joined with the Senator from Hawaii [Mr. INOUYE], in introducing legislation that we both hoped would provide the basis for a constructive dialog on the need for congressional procedural reform. Since the introduction of that measure, S. 1362, "the Fiscal Procedures Reform Act of 1987," I am pleased to report that indeed, such a dialog has begun. We received a great number of comments and suggestions from both Members of this body, and from congressional scholars regarding the scope and direction of our proposal, as well as observations about the underlying need for reform.

Based on those comments and suggestions, Senator INOUYE and I are today introducing a revised procedural reform proposal. While neither Senator INOUYE nor I would subscribe to every provision and every change included in the measure we are introducing today, we both continue to believe that the need for dialog is best served by putting specific reform suggestions before this body. In that spirit, we have modified and narrowed the scope of our original proposal.

The Kassebaum-Inouye initiative being introduced today is limited to modifications in the Standing Rules of the Senate. Through this narrow focus, we hope to provide a vehicle conducive to further dialog. In addition we hope to make it possible for that dialog to continue before the Committee on Rules and Administration.

Mr. President, since I have just a few more minutes, I should like to describe briefly what this measure does, because it is of some interest, and any of us who have attempted to look at the procedures and changes within the Senate know it is not an easy task, particularly when we change the makeup of any of the committees.

Being sensitive to that, Senator INOUYE and I have tried to totally revise the committee designations, beginning with the Committee on National Priorities, which would be made up of all the chairmen and ranking members of the other committees. Without going into great detail, it would be this committee that would assume the responsibilities of the budget, laying out the priorities of our budget responsibilities.

This would be followed by legislative policy and programs committees. Legislative Policy Committees would consist of the Committee on Agricultural Policy, Committee on Commercial Policy, Committee on Defense Policy, Committee on Economic Policy, Committee on Energy Policy, Committee on Environmental Policy, Committee on Foreign Policy, Committee on Governmental Policy, Committee on Judicial Policy, and Committee on Social Policy.

Additionally, there would be four legislative program committees: Committee on Native American Programs, Committee on Veteran American Programs, Committee on Senior American Programs, Committee on Entrepreneurial American Programs.

There would still be the Committee on Rules, Committee on Ethics, and Committee on Intelligence.

The heart of this legislation would be to combine authorizing and appropriating responsibilities within one committee, one policy committee, so that when we engage in debate on appropriation and authorizing measures, they are taken to the floor as single pieces of legislation. I believe this process would greatly benefit a committee's ability to give thoughtful oversight necessary to legislation, and would also allow Senators to engage on the floor in the kind of thoughtful and constructive debate that is necessary within a time frame conducive to determining the priorities for which each of these important committees are assigned.

This initiative is not taken without many considerations: As I said, the Senate should be very sensitive to some of the fundamental changes here. But Senator INOUYE and I hope that this resolution will be the beginning of taking a serious look at this matter. I hope that there will be hearings soon in the Rules Committee, so that we can better analyze specific procedural changes that would enhance the work of the U.S. Senate.

In addition, we hope to make it possible for that dialog to continue before the Committee on Rules and Administration.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks a description of this revised measure, entitled "Senate Committee on Procedural Reform."

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATE COMMITTEE AND PROCEDURAL REFORM

## PURPOSE

To revise Senate committee structure to increase the influence of the leadership of standing committees in setting overall national priorities, and to consolidate authorizing and appropriating responsibilities within individual legislative committees.

Restructured legislative committees, known as Policy Committees and Program Committee, will be responsible for implementing policy priorities, as determined by a Leadership Committee, through legislative authorizations and appropriations for programs, projects, and activities within their jurisdiction.

## LEADERSHIP COMMITTEE

### *The Committee on National Priorities*

The Committee on National Priorities will establish overall policy direction for the

Senate by setting spending priorities for Legislative Committees through its jurisdiction over the Budget Act and its responsibility for reporting and enforcing annual budget resolutions.

Those who chair or serve as ranking members of legislative committees, will serve on the Committee on National Priorities, and will therefore have direct influence over formulation of policy priorities and spending levels for the Senate legislative agenda. Broad policy decisions will flow from the leadership level to the legislative level where such decisions will be transformed into legislative programs.

## LEGISLATIVE COMMITTEES

Legislative Committees would be of two types: Legislative Policy Committees and Legislative Program Committees.

## LEGISLATIVE POLICY COMMITTEES

Legislative policy committees will have legislative, oversight, and appropriations responsibility for substantive areas of national policy and for national programs of importance to the Senate. These committees will perform both the authorization and appropriation functions for programs within their jurisdiction. Their exercise of the appropriation function, however, must conform to the national policy decisions of the Leadership Committee. Those committees are:

### *Committee on Agricultural Policy*

The jurisdiction of the Committee on Agricultural Policy would include all existing responsibilities of the Committee on Agriculture, except those relating to nutrition and forest lands.

Those eligible for membership on the committee would include current members of the Committee on Agriculture and current members of the Subcommittee on Agriculture, Rural Development, and Related Agencies of the Committee on Appropriations.

### *Committee on Commercial Policy*

The jurisdiction of the Committee on Commercial Policy would include all existing responsibilities of the Committee on Commerce except those relating to interoceanic canals generally, plus responsibility for highway programs and for regional economic development.

Those eligible for membership on the committee would include current members of the Committee on Commerce, Science, and Transportation and the Subcommittee on Transportation and Related Agencies of the Committee on Appropriations.

### *Committee on Defense Policy*

The jurisdiction of the Committee on Defense Policy would include all existing responsibilities of the Committee on Armed Services.

Those eligible for membership on the committee would include current members of the Committee on Armed Services and the Subcommittees on Defense and on Military Construction of the Committee on Appropriations.

### *Committee on Economic Policy*

The jurisdiction of the Committee on Economic Policy would include all areas relating to revenue and bonded debt currently under the jurisdiction of the Committee on Finance, and all areas relating to banking, monetary, coinage, and the Federal Reserve currently under the jurisdiction of the Committee on Banking, Housing and Urban Affairs.

Those eligible for membership on the committee would include current members of the Committee on Finance, and the Committee on Banking, Housing, and Urban Affairs, and the Committee on the Budget.

### *Committee on Energy Policy*

The jurisdiction of the Committee on Energy Policy would include all current responsibilities of the Committee on Energy and Natural Resources except those relating to national parks, wilderness lands, historical lands in general, public lands, and territorial possessions of the United States.

Those eligible for membership on the committee would include current members of the Committee on Energy and Natural Resources and of the Subcommittee on Energy and Water Development of the Committee on Appropriations.

### *Committee on Environmental Policy*

The jurisdiction of the Committee on Environmental Policy would include current Committee on the Environment areas of jurisdiction except those relating to highways, public buildings, public works, and regional economic development. In addition, the committee would have responsibility for forest lands, public lands, national parks, and historical and scenic areas.

Those eligible for membership on the committee would include current members of the Committee on the Environment and of the Subcommittee on Interior and Related Agencies of the Committee on Appropriations.

### *Committee on Foreign Policy*

The jurisdiction of the Committee on Foreign Policy would include all current areas of responsibility of the Committee on Foreign Relations, plus responsibility for foreign trade including reciprocal trade agreements, export promotion and export controls, interoceanic canals, territorial possessions and trusteeships of the United States, and U.S. nuclear export policy.

Those eligible for membership on the committee would include current members of the Committee on Foreign Relations and the Subcommittee on Foreign Operations of the Committee on Appropriations.

### *Committee on Governmental Policy*

The jurisdiction of the Committee on Governmental Policy would include all areas currently under the jurisdiction of the Committee on Governmental Affairs, plus responsibility for renegotiation of government contracts, and public buildings and improved grounds of the United States.

Those eligible for membership on the committee would include current members of the Committee on Governmental Affairs, plus members of the Subcommittee on Treasury, Postal Service, and General Government of the Committee on Appropriations.

### *Committee on Judical Policy*

The jurisdiction of the Committee on Judical Policy would include all current responsibilities of the Committee on the Judiciary.

Those eligible for membership on the committee would include current members of the Committee on the Judiciary and of the Subcommittee on Commerce, State, Justice, and Related Agencies of the Committee on Appropriations.

### *Committee on Social Policy*

The jurisdiction of the Committee on Social Policy would include all current responsibilities of the Committee on Labor and Human Resources except the discretionary spending programs under the Older Americans Act, plus responsibility for nutrition programs generally, including school nutrition and food stamp programs, public and private housing, social security and railroad retirement, and health programs under the Social Security Act.

Those eligible for membership on the committee would include current members of the Committee on Labor and Human Resources and of the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies of the Committee on Appropriations.

## LEGISLATIVE PROGRAM COMMITTEES

Legislative program committees will have legislative, oversight, and appropriations responsibility for specific program areas of national concern. These committees will perform both the authorization and appropriations function for programs within their jurisdiction. Their exercise of the apporpriation function however, must conform to the national program decisions of the leadership committee. Those committees are:

### *Committee on Native American Programs*

The jurisdiction of the Committee on Native American Programs would include all existing responsibilities of the Select Committee on Indian Affairs. The committee would become a standing committee.

The membership on the committee would be composed of all current members of the Select Committee on Indian Affairs.

### *Committee on Veteran American Programs*

The jurisdiction of the Committee on Veteran American Programs would include all existing responsibilities of the Committee on Veterans' Affairs.

The membership on the committee would be composed of all current members of the Committee on Veterans' Affairs.

### *Committee on Senior American Programs*

The jurisdiction of the Committee on Senior American Programs would include all existing responsibilities of the Special Committee on Aging, plus legislative responsibility for all discretionary spending programs under the Older Americans Act. The committee would become a standing committee.

The membership on the committee would be composed of all current members of the Special Committee on Aging.

### *Committee on Entrepreneurial American Programs*

The jurisdiction of the Committee on Entrepreneurial American Programs would include all existing responsibilities of the Committee on Small Business.

The membership on the committee would be composed of all current members of the Committee on Small Business.

## ADMINISTRATIVE COMMITTEES

Administrative committees have basically nonlegislative functions. The chairman and ranking members of administrative committees would not serve on the leadership committee—unless such service should happen to be as an at-large member.

### *Committee on Senate Rules*

Serves the same function as the Committee on Rules and Administration, with members drawn from that committee.

### *Committee on Senate Ethics*

Serves the same function as the Committee on Ethics, with members drawn from that committee.

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### *Committee on Intelligence*

Serves the same function as the Committee on Intelligence, with members drawn from that committee.

### COMMITTEE CHAIRMEN

Chairman and ranking-member status would be based on seniority, as would the integration of the entire membership of each new committee. Those selected to chair legislative committees would, consistent with provisions of the rules of the Senate allowing for election of committee chairman, be the senior-ranking chairman and ranking members of the merged committees and subcommittees forming each new committee.

### COMMITTEE ASSIGNMENTS

### *Leadership Committee*

All chairmen and ranking members of legislative policy committees and legislative program committees would automatically be accorded membership on the leadership committee. In addition a specified number of members of the Senate at large will be appointed to the committee to bring party balance on the committee correspond with party balance in the Senate.

### *Legislative Policy Committees*

Committee assignments would be based on prior committee service with members allowed to select the committees on which they desire to service, subject to the limitations below, and to the maximum committee membership limitation (17 members for each legislative policy committee).

### *Legislative Program Committees*

Committee assignments would be based on prior committee service with the membership of predecessor committees transfering in total to each new legislative program committee.

### *Administrative Committees*

Committee assignments would be based on prior committee service with the membership of predecessor committees transfering in total to each new legislative program committee.

### COMMITTEE MEMBERSHIP LIMITATIONS

Members could serve on no more than two legislative policy committees. Service on either a legislative program committee or an administrative committee would not limit a member's ability to serve on any other committee.

Any member who either chairs, or serves as the ranking member of a legislative policy committee will not serve on another legislative policy committee, although they may serve on legislative program committees or administrative committees without restriction.

## SENATE RESOLUTION 261—SENSE OF THE SENATE RELATING TO THE SITE OF THE SOVIET EMBASSY

Mr. SYMMS submitted the following resolution; which was considered and agreed to:

### S. Res. 261

Whereas, Soviet espionage agents have installed listening devices in the structure of the new American Embassy in Moscow in blatant defiance of the spirit of the Embassy agreements and certain recognized norms of international relations;

Whereas, this Soviet espionage effort has been so extensive and insidious as to require the virtual rebuilding of a large part of the new American Embassy in Moscow, the construction of which has cost American taxpayers tens of millions of dollars;

Whereas, it is well know that Soviet espionage agents intend to use the new Soviet Embassy in this country as a platform to conduct highly sophisticated electronic surveillance of the United States Government offices and even private telephone calls of American citizens;

Whereas, the purpose of this surveillance can be none other than to undermine the national security of the United States and further the expansionist ambitions of the Soviet Union;

Whereas, the location of the new Soviet Embassy at a site nearly three hundred and fifty feet above sea level is ideal for this type of surveillance, having been offered to the Soviets at a time when electronic surveillance techniques and potentials were not fully understood in the West.

Whereas, subsection (b) of section 4305 of title 22, United States Code, specifically allows the Secretary of State to "require any foreign mission to divest itself of . . . real property . . . where otherwise necessary to protect the interests of the United States"; and

Whereas, Congress, through enactment of such subsection, has clearly expressed the desire that the Secretary exercise such authority when necessary to protect the vital security interests of the United States:

Therefore be it *Resolved*, that it is the sense of the Senate that the President shall—

(1) void the current Embassy agreements; and

(2) enter into negotiations for a new agreement under which the Soviet Union will move its new Embassy to a site in the District of Columbia that is not more than ninety feet above mean sea level.

For the purpose of this section the term "Embassy agreements" means—

(1) the Agreement between the United States of America and the Union of Soviet Socialist Republics on Reciprocal Allocation for Use Free of Charge of Plots of Land in Moscow and Washington", entered into force on May 16, 1969; and

(2) the "Agreement between the United States of America and the Union of Soviet Socialist Republics on Conditions of Construction of Complexes of Buildings of the Embassy of the United States of America in Moscow and the Embassy of the Union of Soviet Socialist Republics in Washington", entered into force on December 4, 1972.

## AMENDMENTS SUBMITTED

## SUPPORTING THE PEOPLE OF HAITI IN EFFORTS TO OBTAIN RESPECT FOR HUMAN RIGHTS AND FREE AND FAIR ELECTIONS

### SYMMS (AND D'AMATO) AMENDMENT NO. 644

Mr. SYMMS (for himself and Mr. D'AMATO) proposed an amendment to the resolution (S. Res. 248) supporting the people of Haiti in their efforts to obtain respect for human rights and the holding of free and fair elections in Haiti, and for other purposes; as follows:

The Senate finds that:

(1) Soviet espionage agents have installed listening devices in the structure of the new American Embassy in Moscow in blatant defiance of the spirit of the Embassy agreements and certain recognized norms of international relations;

(2) this Soviet espionage effort has been so extensive and insidious as to require the virtual rebuilding of a large part of the new American Embassy in Moscow, the construction of which has cost American taxpayers tens of millions of dollars;

(3) it is well known that Soviet espionage agents intend to use the new Soviet Embassy in this country as a platform to conduct highly sophisticated electronic surveillance of the United States Government offices and even private telephone calls of American citizens;

(4) the purpose of this surveillance can be none other than to undermine the national security of the United States and further the expansionist ambitions of the Soviet Union;

(5) the location of the new Soviet Embassy at a site nearly three hundred and fifty feet above sea level is ideal for this type of surveillance, having been offered to the Soviets at a time when electronic surveilance techniques and potentials were not fully understood in the West.

(6) subsection (b) of section 4305 of title 22, United States Code, specifically allows the Secretary of State to "require any foreign mission to divest itself of . . . real property . . . where otherwise necessary to protect the interests of the United States"; and

(7) Congress, through enactment of such subsection, has clearly expressed the desire that the Secretary exercise such authority when necessary to protect the vital security interests of the United States: Therefore be it

*Resolved*, That it is the sense of the Senate that the President shall—

(1) void the current Embassy agreements; and

(2) enter into negotiations for a new agreement under which the Soviet Union will move its new embassy to a site in the District of Columbia that is not more than ninety feet above mean sea level.

For the purpose of this section the term "Embassy agreements" means—

(1) the "Agreement between the United States of America and the Union of Soviet Socialist Republics on Reciprocal Allocation for Use Free of Charge of Plots of Land in Moscow and Washington", entered into force on May 16, 1969; and

(2) the "Agreement between the United States of America and the Union of Soviet Socialist Republics on Condition of Construction of Complexes of Buildings of the Embassy of the United States of America in Moscow and the Embassy of the Union of Soviet Socialist Republics in Washington", entered into force on December 4, 1972.

## INCREASE IN PUBLIC DEBT LIMIT

### GRAMM (AND OTHERS) AMENDMENT NO. 645

Mr. GRAMM (for himself, Mr. CHILES, Mr. DOMENICI, Mr. DOLE, Mr. HOLLINGS, and Mr. RUDMAN) proposed

an amendment to the joint resolution (H.J. Res. 324) increasing the statutory limit on the public debt; as follows:

At the end, add the following new titles:

### TITLE II—BUDGET AND FISCAL PROCEDURES

### PART A—DEFICIT REDUCTION

### SHORT TITLE; REFERENCE

SEC. 201. (a) This title may be cited as the "Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987".

(b) Except as otherwise specifically provided, whenever in this part an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be a reference to a section or other provision of the Balanced Budget and Emergency Deficit Control Act of 1985.

### SEQUESTRATION PROCEDURES

SEC. 202. (a)(1) Section 251(b) is amended to read as follows:

"(b) REPORTS BY THE COMPTROLLER GENERAL AND THE DIRECTOR OF OMB.—

"(1) REPORT TO THE DIRECTOR OF OMB AND THE CONGRESS BY THE COMPTROLLER GENERAL.—

"(A) REPORT TO GIVE DUE REGARD TO OMB-CBO REPORT.—The Comptroller General shall review and consider the report issued under subsection (a) by the Directors for the fiscal year and, with due regard for the data, assumptions, and methodologies used in reaching the conclusions set forth therein, shall issue a report to the Director of the Office of Management and Budget and the Congress on August 25 of the calendar year in which such fiscal year begins, estimating the budget base levels of total revenues and total budget outlays for such fiscal year, identifying the amount of any deficit excess for such fiscal year, stating whether such deficit excess will be greater than $10,000,000,000 (zero in the case of fiscal year 1992), specifying the estimated rate of real economic growth for such fiscal year, for each quarter of such fiscal year, and for each of the last two quarters of the preceding fiscal year, indicating whether the estimate includes two or more consecutive quarters of negative economic growth, and specifying (if the excess is greater than $10,000,000,000, or zero in the case of fiscal year 1992) the percentages by which defense and non-defense accounts must be reduced during such fiscal year in order to eliminate such deficit excess. Such report shall give due regard to the estimates, determinations, and specifications contained in the report submitted by the Directors under subsection (a) and shall use the budget base, criteria, and guidelines set forth in subsection (a)(6) and in sections 255, 256, and 257.

"(B) CONTENTS OF REPORT.—The report of the Comptroller General under this paragraph shall contain such views as the Comptroller General considers appropriate concerning the estimates, determinations, and specifications contained in the report submitted by the Directors under subsection (a). The report of the Comptroller General shall explain fully any differences between the contents of such report and the report of the Directors under subsection (a).

"(2) REPORT TO PRESIDENT AND CONGRESS BY THE DIRECTOR OF OMB.—

"(A) REPORT TO GIVE DUE REGARD TO GAO REPORT.—The Director of the Office of Management and Budget shall review and consider the report issued by the Comptroller General under paragraph (1) of this subsection for the fiscal year and, with due regard for the data, assumptions, and methodologies used in reaching the conclusions set forth therein, shall issue a report to the President and the Congress on September 1 of the calendar year in which such fiscal year begins, estimating the budget base levels of total revenues and total budget outlays for such fiscal year, identifying the amount of any deficit excess for such fiscal year, stating whether such deficit excess will be greater than $10,000,000,000 (zero in the case of fiscal year 1992), specifying the estimated rate of real economic growth for such fiscal year, for each quarter of such fiscal year, and for each of the last two quarters of the preceding fiscal year, indicating whether the estimate includes two or more consecutive quarters of negative economic growth, and specifying (if the excess is greater than $10,000,000,000, or zero in the case of fiscal year 1992), by account, for non-defense programs, and by account and programs, projects, and activities within each account, for defense programs, the base from which reductions are taken and the amounts and percentages by which such accounts must be reduced during such fiscal year in order to eliminate such deficit excess. Such report shall give due regard to the estimates, determinations, and specifications, and views of the Comptroller General under paragraph (1) and shall use the budget base, criteria, and guidelines set forth in subsection (a)(6) and in sections 255, 256, and 257.

"(B) CONTENTS OF REPORT.—The report of the Director of the Office of Management and Budget under this paragraph shall—

"(i) provide for the determination of reductions in the manner specified in subsection (a)(3);

"(ii) contain estimates, determinations, and specifications for all of the items contained in the report submitted by the Directors under subsection (a); and

"(iii) state whether the estimates, determinations, and specifications contained therein are consistent with the views contained in the report of the Comptroller General under paragraph (1)(B), and, if not, shall explain the reasons for any deviation.".

(2) Section 251(c) is amended—

(A) in subparagraph (A) of paragraph (1), by inserting ", as of October 1," after "indicating";

(B) by striking out "President" in subparagraph (A) of paragraph (2) and inserting in lieu thereof "Director of the Office of Management and Budget";

(C) by striking out "subsection (b)" in such subparagraph and inserting in lieu thereof "subsection (b)(1)"; and

(D) by adding at the end of such subparagraph the following new sentence: "Such report shall be based upon the same economic and technical assumptions, employ the same methodologies, and utilize the same definition of the budget base and the same criteria and guidelines as the report submitted by the Comptroller General under subsection (b)(1) (except that subdivision (II) of subsection (a)(6)(D)(i) shall not apply)."; and

(D) by striking out subparagraph (B) of paragraph (2) and inserting in lieu thereof the following new subparagraph:

"(B) The report of the Comptroller General under this paragraph shall revise (to the extent necessary) the views contained in the report submitted pursuant to subsection (b)(1)(B)."; and

(E) by adding at the end thereof the following new paragraph:

"(3) REPORT BY THE DIRECTOR OF OMB.—

"(A) On October 15 of the fiscal year, the Director of the Office of Management and Budget shall submit to the President and the Congress a report revising the report submitted by the Director of the Office of Management and Budget under subsection (b)(2), adjusting the estimates, determinations, and specifications contained in that report to the extent necessary in the light of the revised report submitted to the Director of the Office of Management and Budget by the Comptroller General under paragraph (2) of this subsection.

"(B) The revised report of the Director of the Office of Management and Budget under this paragraph shall provide for the determination of reductions as specified in subsection (a)(3), shall contain all of the estimates, determinations, and specifications required (in the case of the report submitted under subsection (b)(2)) pursuant to subsection (b)(2)(B)(ii), and shall explain any deviation between the revised report of the Director under this paragraph and the report of the Comptroller General under paragraph (2).

"(C) The revised report of the Director under this paragraph shall contain estimates, determinations, and specifications for all of the items contained in the initial report and shall be based on the same economic and technical assumptions, employ the same methodologies, and utilize the same definition of the budget base and the same criteria and guidelines as those used in the report submitted by the Director under subsection (b)(2) (except that subdivision (II) of subsection (a)(6)(D)(i) shall not apply), and shall provide for the determination of reductions in the manner specified in subsection (a)(3).

"(D) The revised report of the Director under this paragraph for a fiscal year shall not contain, with respect to any item, an amount of budget authority, outlays, spending authority (as defined in section 401(c)(2) of the Congressional Budget Act of 1974), revenues, obligation limitation, obligated balances, unobligated balances, loan guarantee commitments, or direct loan obligations, which is different than the amount of budget authority, outlays, spending authority (as so defined), revenues, obligation limitation, obligated balances, unobligated balances, loan guarantee commitments, or direct loan obligations specified for such item in the report of the Director under subsection (b)(2) for such fiscal year unless, after the Director submits the report required under such subsection (b)(2)—

"(i) legislation is enacted,

"(ii) a final regulation is promulgated, or

"(iii) a notice of a sale of assets is published in accordance with subsection (l),

which requires a change in the estimate of such budget authority, outlays, spending authority (as so defined), revenues, obligation limitation, obligated balances, unobligated balances, loan guarantee commitments, or direct loan obligations for such item.".

(3)(A) Section 251(e) is amended by striking out "Directors or the Comptroller General" and inserting in lieu thereof "Directors, the Comptroller General, or the Director of the Office of Management and Budget".

(B) Section 251(f) is amended by striking out "subsections (b) and (c)(2)" and inserting in lieu thereof "subsections (b)(1) and (c)(2), and the reports of the Director of the Office of Management and Budget submitted to the Congress under subsections (b)(2) and (c)(3),".

(b)(1) Section 252(a) is amended—

(A) by striking out "Comptroller General" the first place it appears in paragraph (1) and inserting in lieu thereof "Director of the Office of Management and Budget";

(B) by striking out "section 251(b)" each place it appears in paragraphs (1) and (3) and inserting in lieu thereof "section 251(b)(2)";

(C) by striking out "September 1" in paragraph (1) and inserting in lieu thereof "September 3"; and

(D) by striking out "Comptroller General's" in the heading for paragraph (3) and inserting in lieu thereof "Director's".

(2) Section 252(b) is amended—

(A) by striking out "Comptroller General" each place it appears and inserting in lieu thereof "Director of the Office of Management and Budget";

(B) by striking out "section 251(b)" each place it appears and inserting in lieu thereof "section 251(b)(2)";

(C) by striking out "section 251(c)(2)" each place it appears and inserting in lieu thereof "section 251(c)(3)"; and

(D) by striking out "October 15" in paragraph (1) and inserting in lieu thereof "October 20".

(3) Flexibility with Respect to National Defense.—Paragraph 2 of section 252(a) is amended to read as follows:

"(2) Special Sequestration Procedures for National Defense.—

"(A) Flexibility with respect to military personnel accounts.—

"(i) Notwithstanding subparagraph (B)(i) of paragraph (1), the order issued by the President under paragraph (1) with respect to any fiscal year may, with respect to any military personnel account—

"(I) exempt any program, project, or activity within such account from the order;

"(II) provide for a lower uniform percentage to be applied to reduce any program, project, or activity within such account than would otherwise apply; or

"(III) take actions described in both subclauses (I) and (II).

"(ii) If the President uses the authority under clause (i), the total amount by which outlays are not reduced for a fiscal year in military personnel accounts by reason of the use of such authority shall be determined. Reductions in outlays under defense programs in such total amount shall be achieved by a uniform percentage sequestration of new budget authority and unobligated balances in each program, project, and activity within each account within major functional category 050 other than those military personnel accounts for which the authority provided under clause (i) has been exercised, computed on the basis of the outlay rate for each such program, project, and activity determined under section 251(d).

"(B) Flexibility among programs, projects, and activities.—

"(i) Subject to Congressional approval provided in clause (iv), new budget authority and unobligated balances for any program, project, or activity within major functional category 050 (other than a military personnel account) may be reduced under an order issued by the President under paragraph (1), subject to clauses (ii) and (iii) of this subparagraph. To the extent such reductions are made under such an order, the President may provide in the order for an increase in new budget authority and unobligated balances for another program, project, or activity within major functional category 050.

"(ii) No order issued by the President under paragraph (1) may result in a domestic base closure or realignment that would otherwise be subject to section 2687 of title 10, United States Code.

"(iii) If the President exercises the authority provided under subparagraph (A) for a fiscal year, the President may, under this subparagraph, only propose decreases (in addition to the decreases required by the President under subparagraph (A)) and increases of new budget authority and unobligated balance for non-military personnel accounts such that the total reduction of outlays for defense programs for such fiscal year required under section 251(a)(3)(B) is achieved.

"(iv) The President may not exercise the authority provided by this subparagraph unless, prior to the issuance of an order under paragraph (1) or under subsection (b)—

"(I) the President submits a report to Congress specifying changes proposed to be made pursuant to this subparagraph; and

"(II) a joint resolution affirming the changes proposed by the President pursuant to this subparagraph becomes law.

"(v) Within 5 days after the President submits a report to Congress under clause (iv)(I) for a fiscal year, but before October 19 of such fiscal year, the majority leader of each House of Congress shall each introduce a joint resolution which contains provisions affirming the changes proposed by the President pursuant to this subparagraph. A joint resolution introduced under this clause shall be considered in accordance with the procedures specified in subsection (b) of section 258, and for purposes of such subsection, shall be deemed to be a joint resolution introduced under subsection (a) of such section.

"(c) The authority granted to the President under this paragraph shall not be construed to reduce the total amount of reductions in outlays required under section 251(a)(3)(B) for defense programs for any fiscal year.".

(c) Part C is amended by adding at the end thereof the following new section:

"SEC. 258. PREVENTION OR MODIFICATION OF PRESIDENTIAL ORDER.

"(a) Introduction of Joint Resolution.—At any time after the Director of the Office of the Office of Management and Budget issues a report under section 251(c)(3) for a fiscal year, but before October 19 of such fiscal year, the majority leader of each House of Congress may each introduce a joint resolution which contains provisions directing the President to—

"(1) in any case in which an initial order has not been issued under section 252(a) for such fiscal year, to issue a final order under section 252(b) in order to reduce the deficit excess for such fiscal year by the deficit excess for such fiscal year specified in such joint resolution;

"(2) to modify the most recent order issued under section 252 for such fiscal year in order to implement such deficit excess for such fiscal year; or

"(3) to cancel the implementation of an order issued under section 252(a)—

"(A) with respect to any fiscal year other than fiscal year 1989, if the deficit excess for such fiscal year specified in the joint resolution will be less than $10,000,000,000; or

"(B) only with respect to fiscal year 1989, if, as a result of the enactment of laws and the promulgation of final regulations which change spending and revenue policies for such fiscal year, the deficit for such fiscal year is reduced below the baseline estimate of the deficit for such fiscal year by an amount which is not less than $36,000,000,000.

"(b) Procedures for consideration of joint resolutions.—

"(1) Exercise of rulemaking power.—The provisions of this subsection are enacted—

"(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the Senate in the case of joint resolutions described by subsection (a) of this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(2) No referral to committee.—A joint resolution introduced in the Senate or the House of Representatives under subsection (a) shall not be referred to a committee of the Senate or the House of Representatives, as the case may be, and shall be placed on the appropriate calendar pending disposition of such joint resolution in accordance with this subsection.

"(3) Immediate consideration.—At any time after a joint resolution is introduced under subsection (a), notwithstanding any rule or precedent of the Senate, including Rule 22 of the Standing Rules of the Senate, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

"(4) Debate.—Debate on a joint resolution introduced under subsection (a), and on all debatable motions and appeals in connection therewith, shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

"(5) Vote on final passage.—Immediately following the conclusion of the debate on a joint resolution introduced under subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur. Such vote shall occur no later than October 19 of the fiscal year to which the joint resolution relates.

"(6) Appeals.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

"(7) Resolution from other house.—If, before the passage by the Senate of a joint resolution of the Senate introduced under subsection (a), the Senate receives from the House of Representatives a joint resolution introduced under subsection (a), then the following procedures shall apply:

"(A) The joint resolution of the House of Representatives shall not be referred to a committee.

"(B) With respect to a joint resolution introduced under subsection (a) in the Senate—

"(i) the procedure in the Senate shall be the same as if no resolution had been received from the House; but

"(ii) the vote on final passage shall be on the resolution of the House.

"(C) Upon disposition of the resolution received from the House, it shall no longer be in order to consider the resolution originated in the Senate.

"(8) Senate action on house resolution.—If the Senate receives from the House of Representatives a joint resolution introduced under subsection (a) after the Senate has disposed of a Senate originated resolution, the action of the Senate with regard to the disposition of the Senate originated resolution shall be deemed to be the action of the Senate with regard to the House originated resolution, provided that this section shall not take effect should either House amend such resolution.".

(d)(1) Section 251 is amended by adding at the end thereof the following new subsection:

"(h) Special rules related to fiscal year 1989.—

"(1) Deficit excess.—For purposes of this part, with respect to fiscal year 1989, the deficit excess shall be the lesser of—

"(A) the amount equal to the difference between the estimated deficit for such fiscal year minus the maximum deficit amount for such fiscal year; or

"(B) the amount equal to the difference between the amount equal to the sum of $36,000,000,000 and $10,000,000,000, minus the amount by which the deficit for such fiscal year is reduced below the baseline estimate of the deficit for such fiscal year as a result of the enactment of laws and the promulgation of final regulations which change spending and revenue policies for such fiscal year, except as provided in the last sentence of this paragraph. Under subparagraph (B), the deficit excess for fiscal year 1989 shall not exceed $36,000,000,000.

"(2) Bills and resolutions to be considered.—In preparing any report with respect to fiscal year 1989 under this section, the Directors, the Comptroller General, and the Director of the Office of Management and Budget, for purposes of making a determination under paragraph (1)(B) shall—

"(A) analyze, only provisions of law enacted, and final regulations promulgated, during the period beginning on October 1, 1987, and ending on the date on which the report is made; and

"(B) exclude from the baseline estimate of the deficit any changes in the deficit which resulted from the enactment of provisions of law and the promulgation of final regulations during the period beginning on October 1, 1987, and ending—

"(i) in the case of a report under this section by the Director of the Congressional Budget Office, on the date on which such Director submits the report for fiscal year 1989 required under section 202(f)(1) of the Congressional Budget Act of 1974;

"(ii) in the case of a report under this section by the Director of the Office of Management and Budget, on the date on which such Director submits the statement for fiscal year 1989 required under section 1105(g) of title 31, United States Code; and

"(iii) in the case of a report under this section by the Comptroller General submits the report required for fiscal year 1989 under section 259(a).

"(3) Economic assumptions.—Only with respect to any determination under paragraph (1)(B) for fiscal year 1989—

"(A) the Director of the Office of Management and Budget, in preparing any report under subsection (a)(2), (b)(2), (c)(1), or (c)(3) for such fiscal year, shall use the same economic and technical assumptions specified in the statement required for such fiscal year under section 1105(g) of title 31, United States Code;

"(B) the Director of the Congressional Budget Office, in preparing any report under subsection (a)(2) or (c)(1) for such fiscal year, shall use the same economic and technical assumptions specified in the report required for such fiscal year under section 202(f)(1) of the Congressional Budget Act of 1974; and

"(C) the Comptroller General, in preparing any report under subsection (b)(1) or (c)(2) for such fiscal year, shall use the same economic and technical assumptions specified in the report required for such fiscal year under section 259.".

(2)(A) Part C (as amended by subsection (c) of this section) is further amended by adding at the end thereof the following new section:

"SEC. 259. ECONOMIC ASSUMPTIONS FOR FISCAL YEAR 1989.

"(a) Report.—By March 1, 1988, the Comptroller General of the United States shall, after analyzing the report of the Director of the Congressional Budget Office under section 202(f)(1) of the Congressional Budget Act of 1974 for fiscal year 1989 and the statement of the Director of the Office of Management and Budget under section 1105(g) of title 31, United States Code, for such fiscal year, issue a report specifying, with respect to fiscal year 1989 and fiscal year 1988—

"(1) the baseline estimate of the deficit;

"(2) the baseline estimate of budget authority and budget outlays for each major functional category;

"(3) revenues by major type, including individual and corporate income taxes, social insurance taxes and contributions, excise taxes, estate and gift taxes, customs duties, and miscellaneous receipts;

"(4) key technical assumptions relating to the budget estimates; and

"(5) economic assumptions relating to the budget estimates, including—

"(A) the level of real gross national product for each such fiscal year;

"(B) the level of nominal gross national product for each such fiscal year;

"(C) the level of the gross national product deflator index for each such fiscal year;

"(D) the level of merchandise imports for each such fiscal year;

"(E) the level of taxable personal income for each such fiscal year;

"(F) the level of wage and salary disbursements for each such fiscal year;

"(G) the level of corporate profits (economic) for each such fiscal year;

"(H) the level of the CPI-W for each such fiscal year;

"(I) the level of the CPI-U for each such fiscal year;

"(J) the average level of the capital consumption adjustment for each such fiscal year;

"(K) the average level of the inventory valuation adjustment for each such fiscal year;

"(L) the interest rate on 91-day Treasury bills, the interest rate on 10-year Treasury notes, and the interest rate on 30-year Treasury bonds, for each such fiscal year;

"(M) the average refiners' acquisition price for oil for each such fiscal year; and

"(N) the civilian unemployment rate for each such fiscal year.

"(b) Preparation of Report.—In preparing the baseline estimate of the deficit to be included in the report required under subsection (a) for fiscal year 1989, the Comptroller General shall—

"(1) apply the provisions of section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than subparagraph (C) of such section) with respect to all accounts other than appropriated accounts; and

"(2) with respect to each appropriated account, apply the provisions of subparagraph (D) of such section and assume that the level of appropriations for the fiscal year for which the report is made will be equal to the level of appropriations for such account for the preceding fiscal year, adjusted by the gross national product deflator or such other measure of inflation as the Comptroller General considers appropriate.".

(B) Section 202(f) of the Congressional Budget Act of 1974 is amended—

(i) by striking out "and (B)" in paragraph (1) and inserting in lieu thereof "(B) the baseline estimate of the deficit, and (C)";

(ii) by adding at the end of paragraph (1) the following: "The report prepared under this paragraph for fiscal year 1989 shall also include a specification of each of the items, for the fiscal year for which the report is made and the fiscal year preceding such fiscal year, which are described in paragraphs (1) through (5) of section 259(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 and which are used in preparing such report.";

(iii) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively; and

(iv) by inserting after paragraph (1) the following new paragraph:

"(2) On or before August 15 of each year, the Director shall submit to the Committees on the Budget of the House of Representatives and the Senate a report, for the fiscal year commencing on October 1 of that year, which—

"(A) updates the most recent economic forecast and budget outlook, including the most recent aggregates for revenues, budget authority outlays, and related surpluses and deficits; and

"(B) includes the baseline estimate of the deficit for such fiscal year calculated based on the update of such estimates of revenues, budget authority, and outlays.

"(3) In preparing the baseline estimate of the deficit to be included in each report required under paragraph (1) or (2) for a fiscal year, the Director shall—

"(A) apply the provisions of section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 (other

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than subparagraph (C) of such section) with respect to all accounts other than appropriated accounts; and

"(B) with respect to each appropriated account, apply the provisions of subparagraph (D) of such section and assume that the level of appropriations for the fiscal year for which the report is made will be equal to the level of appropriations for such account for the preceding fiscal year, adjusted by the gross national product deflator or such other measure of inflation as the Director considers appropriate.".

(4) Section 1105(f) of title 31, United States Code, is amended—

(A) by inserting before the period in paragraph (1) a comma and "or, in the case of fiscal year 1989, in such a manner to ensure that that the deficit for fiscal year 1989 is reduced below the baseline estimate of the deficit for such fiscal year by $36,000,000,000";

(B) by striking out "The" in paragraph (2) and inserting in lieu thereof "(A) Except as provided in subparagraph (B), the"; and

(C) by adding at the end of paragraph (2) the following new subparagraph:

"(B) Subparagraph (A) shall not apply to the budget transmitted under subsection (a) for fiscal year 1989 if such budget sets forth a deficit for such fiscal year which is less than the estimated baseline of the deficit for such fiscal year by at least $36,000,000,000.".

(C) Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(g)(1) The budget submitted under subsection (a) for fiscal year 1989 shall include a separate statement, prepared by the Director of the Office of Management and Budget, of—

"(A) each of the items, for the fiscal year for which the budget is submitted and the fiscal year preceding such fiscal year, which are described in paragraphs (1) through (5) of section 259(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 and which are used in preparing such budget.

"(2) In preparing the baseline estimate of the deficit to be included in each statement required under paragraph (1) of this subsection for a fiscal year 1989, the Director of the Office of Management and Budget shall—

"(A) apply the provisions of section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 (other than subparagraph (C) of such section) with respect to all accounts other than appropriated accounts; and

"(B) with respect to each appropriated account, apply the provisions of subparagraph (D) of such section and assume that the level of appropriations for the fiscal year for which the report is made will be equal to the level of appropriations for such account for the preceding fiscal year, adjusted by the gross national product deflator or such other measure of inflation as the Director considers appropriate.".

(e)(1) Section 301(i) of the Congressional Budget Act of 1974 is amended—

(A) by striking out paragraph (1)(A) and inserting in lieu thereof the following:

"(1)(A) Except as provided in paragraph (2), it shall not be in order in either the House of Representatives or the Senate to consider any concurrent resolution on the budget for a fiscal year under this section, or to consider any amendment to such a concurrent resolution, or to consider a conference report on such a concurrent resolution, if—

"(i) the level of total budget outlays for such fiscal year that is set forth in such concurrent resolution or conference report—

"(I) exceeds the recommended level of Federal revenues set forth for that year by an amount that is greater than the sum of the maximum deficit amount for such fiscal year as determined under section 3(7); and

"(II) in the case of fiscal year 1989, would cause the reduction in the deficit for such fiscal year below the baseline estimate of the deficit for such fiscal year to be less than $36,000,000,000; or

"(ii) the adoption of such amendment would—

"(I) result in a level of total budget outlays for such fiscal year which exceeds the recommended level of Federal revenues for such fiscal year by an amount that is greater than the sum of maximum deficit amount for such fiscal year as determined under section 3(7); and

"(II) in the case of fiscal year 1989, cause the reduction in the deficit for such fiscal year below the baseline estimate of the deficit for such fiscal year to be less than $36,000,000,000."; and

(B) by striking out "Maximum Deficit Amount May Not Be Exceeded" in the heading for such subsection and inserting in lieu thereof "Enforcement of Deficit Reduction".

(2) Section 301 is amended by inserting at the end thereof the following:

"(j) Determinations by Budget Committees.—For purposes of this section, the levels of revenues and outlays and the level of the deficit for a fiscal year for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or the Senate, as the case may be.".

(3) Section 311(a) of such Act is amended by inserting after "section 3(7)" the following: "and would cause the reduction in the deficit for such fiscal year to be less than $36,000,000,000, in the case of fiscal year 1989".

(f)(1) Section 251(d) is amended by striking out paragraph (3).

(2) The last sentence of section 251(c)(1) is amended by striking out "and authorized under subsection (d)(3)(D)(i)".

(3) Section 256(l)(2) is amended by striking out ", in accordance with section 251(d)(3),".

(g)(1) Section 254(b)(1)(A) is amended by striking out "Comptroller General under section 251(c)(2)" and inserting in lieu thereof "Director of the Office of Management and Budget under section 251(c)(3)".

(2) Section 274(f)(5) is repealed.

(3) Section 274(h) is amended—

(A) by striking out "Comptroller General" the first place it appears and inserting in lieu thereof "Director of the Office of Management and Budget"; and

(B) by striking out "Comptroller General under section 251 (b) or (c)(2)" and inserting in lieu thereof "Director of the Office of Management and Budget under section 251 (b)(2) or (c)(3)".

(h)(1) Section 251 (as amended by subsection (d) of this section) is further amended by adding at the end thereof the following new subsections:

"(i) Economic Assumptions.—

"(1) Fiscal year 1988.—In preparing each report required under this section for fiscal year 1988, the Directors, the Comptroller General, and the Director of the Office of Management and Budget shall each use the following economic assumptions for fiscal years 1987 and 1988:

"(A) The level of real gross national product is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(B) The level of nominal gross national product is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(C) The level of the gross national product deflator index is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(D) The level of merchandise imports is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(E) The level of taxable personal income is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(F) The level of wage and salary disbursements is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(G) The level of corporate profits (economic) is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(H) The level of the CPI-W is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(I) The level of the CPI-U is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(J) The interest rate on 91-day Treasury bills, the interest rate on 10-year Treasury notes, and the interest rate on 30-year Treasury bonds, are the amounts determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(K) The average level of the capital consumption adjustment is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(L) The average level of the inventory valuation adjustment is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(M) The average refiners' acquisition price for oil is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(N) The civilian unemployment rate is the amount determined by the committee of conference on the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(2) Fiscal year 1989 and subsequent fiscal years.—

"(A) Reports by the directors and the comptroller general.—By July 25 of the calendar year in which a fiscal year begins (beginning with fiscal year 1989), the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall each submit to the Temporary Joint Committee on Deficit Reduction established by section 274 a report proposing, for each

of the items specified in subparagraph (E), an amount for use by the Directors and the Comptroller General in preparing each report required by subsections (a), (b), and (c) for such fiscal year, except as provided in section 258(h)(3).

"(B) Reporting of joint resolution.—The Temporary Joint Committee on Deficit Reduction established under section 274 may, at any time before September 15 of the calendar year in which a fiscal year begins, report to the Senate and the House of Representatives a joint resolution for such fiscal year which—

"(i) specifies, for one or more of the items specified in subparagraph (E), the amount (within the range of the amounts proposed for each such item by the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General in the reports required under paragraph (1)) for such item for such fiscal year;

"(ii) directs the Directors and the Comptroller General to use the amount specified in such joint resolution for each such item in preparing each report required under subsections (a), (b), and (c) for such fiscal year, and with respect to the determination of the baseline estimate of the deficit for fiscal year 1989, to consider changes in the deficit resulting from the enactment of laws and the promulgation of final regulations which change spending and revenue policies for such fiscal year; and

"(iii) directs the President to modify the most recent order (if any) issued under section 252 for such fiscal year in a manner which implements the amount specified in such joint resolution for each such item.

"(C) Procedures.—The provisions relating to the consideration of joint resolutions under section 254(a)(4) shall apply to the consideration of a joint resolution reported pursuant to subparagraph (B), except that debate in each House shall be limited to two hours.

"(D) Action if item is not specified by joint resolution.—In any case in which a joint resolution is not enacted under this subsection specifying an amount for an item specified in subparagraph (E) for a fiscal year, the Director of the Office of Management and Budget and the Director of the Congressional Budget Office shall, in preparing the reports required by subsections (a), (b), and (c) for such fiscal year, use the amount that was proposed by such Director for such item in the report required under subparagraph (A) for such fiscal year. The Comptroller General may, in preparing the reports required by subsections (b) and (c), use any amount within the range of amounts that was proposed for such item in the reports of each such Director and the Comptroller General in the report required by subparagraph (A).

"(E) Specified items.—The items specified in this paragraph are:

"(i) the baseline estimate of the deficit;

"(ii) the baseline estimate of budget authority and budget outlays for each major functional category;

"(iii) revenues by major type, including individual and corporate income taxes, social insurance taxes and contributions, excise taxes, estate and gift taxes, customs duties, and miscellaneous receipts;

"(iv) key technical assumptions relating to the budget estimates; and

"(v) economic assumptions relating to the budget estimates, including, for a fiscal year and the fiscal year preceding such fiscal year—

"(I) the level of real gross national product for each such fiscal year;

"(II) the level of nominal gross national product for each such fiscal year;

"(III) the level of the gross national product deflator index for each such fiscal year;

"(IV) the level of merchandise imports for each such fiscal year;

"(V) the level of taxable personal income for each such fiscal year;

"(VI) the level of wage and salary disbursements for each such fiscal year;

"(VII) the average level of the capital consumption adjustment for each such fiscal year;

"(VIII) the average level of the inventory valuation adjustment for each such fiscal year;

"(IX) the level of corporate profits (economic) for each such fiscal year;

"(X) the level of the CPI-W for each such fiscal year;

"(XI) the level of the CPI-U for each such fiscal year;

"(XII) the interest rate on 91-day Treasury bills, the interest rate on 10-year Treasury notes, and the interest rate on 30-year Treasury bonds for each such fiscal year;

"(XIII) the average refiners' acquisition price for oil for each such fiscal year; and

"(XIV) the civilian unemployment rate for each such fiscal year.

"(6) Definition.—For purposes of this subsection, the term 'range of amounts' means, with respect to an item, any of the amounts for such item which is—

"(A) not less than the lesser of the amounts proposed for such item by either Director or by the Comptroller General in the reports required by paragraph (1)(A) for a fiscal year; or

"(B) not more than the higher of the amounts proposed for such item used by either Director or the Comptroller General in such reports.

"(j) Budgetary Resource-Outlay Ratios.—

"(1) In general.—

"(A) Basic rule.—Except as provided in paragraph (2) and in subparagraph (E), in preparing each report required under this section for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall calculate budget outlays resulting from each item of budgetary resources (specified in subclauses (I) through (VII) of subparagraph (F)(i)) for an account in accordance with this subsection, for purposes of—

"(i) determining under subsection (a) budget base levels of budget outlays for such fiscal year;

"(ii) determining the amount of budget outlays for such fiscal year for defense programs to which subsections (a)(3)(E)(ii) and (d) apply; and

"(iii) determining the amount of budget outlays for such fiscal year for non-defense programs to which subsection (a)(3)(F)(iv) applies.

"(B) Computation rules.—For purposes of subparagraph (A), in order to determine the amount of budget outlays for a fiscal year resulting from an item of budgetary resources for each account to which clause (i), (ii), or (iii) of such subparagraph applies, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall make the following determinations:

"(i) The amount of such item of budgetary resources for such account for such fiscal year shall be determined.

"(ii) The ratio described in subparagraph (C) shall be determined for such item of budgetary resources for such account.

"(iii) The amount of budget outlays resulting from such item of budgetary resources for such account for such fiscal year shall be equal to the product of the amount determined under clause (i) of this subparagraph for such item of budgetary resources multiplied by the ratio determined under clause (ii) of this subparagraph for such item of budgetary resources.

"(C) Determination of ratio.—For each item of budgetary resources for each account, the ratio referred to in clause (ii) of subparagraph (B) shall be equal to the quotient of—

"(i) the amount of budget outlays specified as the average of the amounts of budget outlays proposed by each of the Directors for fiscal year 1986 for such account in the first appendix of the report submitted by the Directors under subsection (a) for fiscal year 1986 (as such report was modified by the report of the Comptroller General under subsection (b) for such fiscal year and reaffirmed by H.J. Res. 672, as adopted on July 17, 1986), except as provided by subparagraph (D) of this paragraph, divided by

"(ii) the amount for such item of budgetary resources specified as the average of the amounts for such item proposed by each of the Directors for fiscal year 1986 for such account in such appendix.

"(D) Accounts with more than one item of budgetary resources.—In any case in which, in the appendix described in subparagraph (C)(i), there is—

"(i) more than one item of budgetary resources for an account to which clause (i), (ii), or (iii) of subparagraph (A) applies;

"(ii) or an excluded budgetary resource for such an account,

the amount of budget outlays for each such item of budgetary resources, for purposes of subparagraph (C)(i), shall be the amount of budget outlays determined by the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, or the Comptroller General, as the case may be, that was associated with such item of budgetary resources for fiscal year 1986 in the preparation of such appendix.

"(E) Exception.—

"(i) Subparagraph (A) shall not apply to the calculation of budget outlays resulting from an item of budgetary resources for an account if the appendix described in clause (i) of subparagraph (C) does not specify the amount of budget outlays described in such subparagraph or the amount for an item of budgetary resources described in clause (ii) of such subparagraph.

"(ii) In preparing the reports under subsections (a) and (c)(1) for a fiscal year, the Director of the Office of Management and Budget and the Director of the Congressional Budget Office shall calculate the budget outlays resulting from an item of budgetary resources described in clause (i) in the same manner as the budget outlays resulting from such item were calculated by such Director for purposes of determining the budget base level of total outlays under subsection (a)(1)(A) for fiscal year 1986.

"(F) Definition.—For purposes of this subsection—

"(i) the term 'item of budgetary resources' means—

"(I) budget authority;

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"(II) spending authority (as defined in section 401(c)(2) of the Congressional Budget Act of 1974);

"(III) offsetting collection amounts for spending authority (as so defined);

"(IV) direct loan limitations;

"(V) obligation limitations;

"(VI) unobligated balances for defense programs; and

"(VII) budget authority for programs subject to special sequestration rules; and

"(ii) the term 'excluded budgetary resource' means—

"(I) spending authority (as defined in section 401(c)(2) of the Congressional Budget Act of 1974) for automatic spending increases;

"(II) direct loan floors;

"(III) guaranteed loan limitations;

"(IV) guaranteed loan floors;

"(V) unobligated balances for administrative expenses; and

"(VI) budget authority for automatic spending increases.

"(2) Proposal of alternative ratios.—

"(A) In general.—By September 9 (in the case of fiscal year 1988) or by June 20 (in the case of fiscal year 1989 or any subsequent fiscal year), the Directors may submit a joint report, or either Director may submit a separate report, to the Temporary Joint Committee on Deficit Reduction established under section 274(f) which proposes, for one or more items of budgetary resources, the use, for purposes of paragraph (1), of a ratio for such fiscal year which is different than the ratio prescribed by subparagraph (C) of such paragraph. The report shall include, for each such item for which a different ratio is recommended, an explanation of the reasons why the ratio prescribed by paragraph (1)(C) is no longer adequate for purposes of paragraph (1) and a justification for the ratio proposed for such account.

"(B) Reporting of joint resolution.—Within 5 days after either or both Directors have submitted a report under subparagraph (A), the Temporary Joint Committee may report to the Senate and the House of Representatives a joint resolution affirming all or part of the contents of the report or reports submitted under subparagraph (A). The provisions relating to the consideration of joint resolutions under section 254(a)(4) shall apply to the consideration of a joint resolution reported pursuant to this subparagraph, except that debate in each House shall be limited to two hours.

"(C) Effect of joint resolution.—If a joint resolution is enacted under subparagraph (B) for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall each, in preparing each report required to be submitted under this section on or after the date of the enactment of the joint resolution (and before the date of the enactment of a subsequent joint resolution under such subparagraph affirming a different ratio with respect to that item), use the ratio affirmed with respect to that item by the joint resolution.

"(k) Computation of Budget Base Outlays Resulting From Obligated Balances.—In determining the amount of budget base outlays resulting from obligated balances for defense programs and nondefense programs for a fiscal year for purposes of the reports required under subsections (a) and (c)(1)—

"(1) the Director of the Office of Management and Budget shall use the methodology used by such Director in determining such budget base outlays in the report required under subsection (a) for fiscal year 1986; and

"(2) the Director of the Congressional Budget Office shall use the methodology used by such Director in determining such budget base outlays in the report required under subsection (a) for fiscal year 1986.

"(l) Federal Regulations.—Except as provided in subsection (a)(6)(D)(ii), in preparing each report required under this section for a fiscal year, the Director of the Office of Management and Budget and the Director of the Congressional Budget Office shall assume the impact of only those regulations which have been promulgated as final regulations—

"(1) in case of fiscal year 1989 or any succeeding fiscal year, by August 15 of the calendar year in which such fiscal year begins (with respect to reports required under subsection (a) or (b) for such fiscal year), or by October 1 of the fiscal year with respect to reports required under subsection (c) for such fiscal year; or

"(2) in the case of fiscal year 1988, by the date which is 2 weeks after the date of enactment of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

"(m) Asset Sales.—In preparing each report required under this part for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall assume that the sale of an asset by the Federal Government will occur during such fiscal year only if—

"(1) a final notice of sale during such fiscal year that includes a description of the asset to be sold and the date of sale was published in the Federal Register on or before—

"(A) for fiscal year 1988, the date which is 2 weeks after the date of enactment of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987; or

"(B) for fiscal year 1989 and each subsequent fiscal year, August 15 of the calendar year in which such fiscal year begins:

"(2) the receipts from such sale were assumed by the Director of the Congressional Budget Office in the baseline estimate of the deficit contained in the report of such Director entitled 'An Analysis of the President's Budgetary Proposals for Fiscal Year 1988', issued February 19, 1987; or

"(3) such savings are the result of reconciliation savings assumed in the joint explanatory statement of the managers of the committee of conference on House Concurrent Resolution 93 (100th Congress, 1st Session, approved June 24, 1987).

Within 2 weeks after the date of enactment of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, the Director of the Congressional Budget Office shall cause to be published in the Federal Register a list of the asset sales for which receipts were assumed in the baseline estimate of the deficit contained in the report described in paragraph (2).

"(n) Pay Increases.—

"(1) In general.—In preparing each report required under this section for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall—

"(A) include amounts of budgetary resources and budget outlays necessary to pay for any Federal pay adjustments for statutory pay systems if such adjustments have been recommended by the President or, notwithstanding subsection (a)(6)(D)(i), have been enacted by law;

"(B) include amounts of budgetary resources and budget outlays necessary to pay for any pay adjustments for elements of military pay if such adjustments occur pursuant to law or are specifically enacted by law; and

"(C) assume that the percentage of the amounts of budgetary resources and budget outlays necessary to pay for such adjustments that will be absorbed by all Federal agencies will not exceed the average (for the three most recently completed pay adjustment absorption fiscal years) of the percentages of such amounts absorbed by Federal agencies for such fiscal years.

"(2) Determination of agencies absorbing pay adjustments.—For purposes of paragraph (1)(C), a Federal agency shall be treated as having absorbed a percentage of pay adjustment for a fiscal year only if—

"(A) a pay adjustment becomes effective with respect to the agency in such fiscal year, and

"(B) a bill or joint resolution making supplemental appropriations for pay (including, in the case of members of the uniformed services, elements of military pay) was enacted with respect to the agency for such fiscal year.

"(3) Definitions.—For purposes of this paragraph—

"(A) the term 'budgetary resources' includes any of the types of budgetary resources described in clauses (i) and (ii) of subsection (i)(1)(F);

"(B) the term 'pay adjustment absorption fiscal year' means a fiscal year in which—

"(i) a pay adjustment becomes effective with respect to any Federal agency, and

"(ii) a bill or joint resolution making supplemental appropriations for pay (including, in the case of members of the uniformed services, elements of military pay) for such fiscal year is enacted for any Federal agency with respect to which such an adjustment becomes effective;

"(C) the term 'statutory pay system' has the same meaning as in section 256(g)(2)(A); and

"(D) the term 'elements of military pay' has the same meaning as in section 256(g)(2)(B).

"(o) Farm Deficiency Payments.—

"(1) Except as provided in paragraph (2), in preparing each report required under this section for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall assume that advance deficiency payments will be made available to producers who agree to participate in an acreage limitation or set-aside program for the crop year relating to such fiscal year based on an amount under section 107C(a)(2)(F)(iii) (7 U.S.C. 1445b-2(a)(2)(F)(iii)) of—

"(A) in the case of wheat and feed grains, 40 percent of the projected payment rate, as determined by the Secretary of Agriculture; and

"(B) in the case of upland cotton and rice, 30 percent of the projected payment rate, as determined by such Secretary.

"(2) Paragraph (1) shall not apply to the preparation of a report for a fiscal year, if as of the date on which the report is required to be prepared, legislation has been enacted that—

"(A)(i) limits or prohibits the making of advance deficiency payments for the crop year relating to the fiscal year involved, or

"(ii) alters the amounts on which such payments are based, and

"(B) specifically waives the application of such paragraph to report for the fiscal year involved,".

(i) Section 251(a)(6)(A) is amended—

(1) by inserting "(i)" after "(A)",

(2) by striking the semicolon at the end thereof and inserting in lieu thereof ", and", and

(3) by adding at the end thereof the following:

"(ii) assuming, in the case of entitlements funded in annual appropriations, and in the case of the program established by the Food Stamp Act of 1977, the continuation of the current law governing the terms and conditions of such entitlements and such program (and assuming the continuation of only those provisions of appropriation Acts that impose or modify, for a period of more than one fiscal year, the terms and conditions of such an entitlement or such program).".

(j) Section 253 is amended to read as follows:

"SEC. 253. COMPLIANCE REPORT BY COMPTROLLER GENERAL.

"On or before November 15 of each fiscal year, the Comptroller General shall submit to the Congress and the President a report on—

"(1) the extent to which the President's order issued under section 252(b) for such fiscal year complies with all of the requirements contained in section 252, either certifying that the order fully and accurately complies with such requirements or indicating the respects in which it does not;

"(2) the extent to which each report of the Director of the Office of Management and Budget under section 251 (b)(2) and (c)(3) for such fiscal year complies with all of the requirements contained in this part, either certifying that the report fully and accurately complies with such requirements or indicating the respects in which it does not; and

"(3) any recommendations of the Comptroller General for improving the procedures set forth in this part.".

(k) Section 255(g)(1) is amended—

(1) by inserting after the item relating to private donations, bequests, or voluntary contributions to the Government, the following new item:

"Administration of territories (14-0412-0-1-806);";

(2) by inserting after the item relating to the Bonneville Power Administration fund the following new item:

"Bureau of Indian Affairs, miscellaneous payments to Indians (14-2303-0-1-452);";

(3) by inserting after the item relating to the coinage profit fund the following new item:

"Compact of free association (14-0415-0-1-806);";

(4) by inserting after the item relating to the foreign military sales trust fund the following new item:

"Guarantee reserve fund (11-4121-0-3-152);";

(5) by inserting after the item relating to health professions graduate student loan insurance fund the following new items:

"Higher education facilities loans and insurance (91-0240-0-1-502);

"Internal revenue collections for Puerto Rico (20-5737-0-2-852);";

(6) by inserting after the item relating to intragovernmental funds the following new items:

"Medical facilities guarantee and loan fund (75-4430-0-3-551);

"Panama Canal Commission, operating expenses (95-5190-0-2-403);";

(7) by inserting after the item relating to payments to health care trust funds the following new item:

"Payments to widows and heirs of deceased Members of Congress (00-0215-0-1-801);";

(8) by inserting after the item relating to payments to trust funds from excise taxes the following new item:

"Payments to the United States territories, fiscal assistance (14-0418-0-1-806);"; and

(9) by inserting after the item relating to the Tennessee Valley Authority fund the following new items:

"Federal Retirement Thrift Investment Board, thrift savings fund (26-8141-0-7-602);

"Trust Territory of the Pacific Islands (14-0414-0-1-806);

"United States Customs Service, miscellaneous permanent appropriations (20-9922-0-2-852);

"Washington Metropolitan Area Transit Authority, interest payments (46-0300-0-1-401);".

(l) Section 274(f) is amended—

(1) in paragraph (1) by inserting "on or after the date of the enactment of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987" after "invalidated"; and

(2) in paragraph (2)—

(A) by striking out "Upon the invalidation of any such procedure there" in the first sentence and inserting in lieu thereof "There";

(B) by striking out "and" before "to report" in the fourth sentence and inserting in lieu thereof a comma; and

(C) by inserting before the period in the fourth sentence a comma and "and to carry out the functions specified in subsections (h) and (i) of section 251".

### REVISION OF MAXIMUM DEFICIT AMOUNT

Sec. 203. (a) Section 3(7) of the Congressional Budget Act of 1974 is amended to read as follows:

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1987, $150,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1988, $130,000,000,000;

"(C) with respect to the fiscal year beginning October 1, 1989, $90,000,000,000;

"(D) with respect to the fiscal year beginning October 1, 1990, $45,000,000,000; and

"(E) with respect to the fiscal year beginning October 1, 1991, zero.".

(b) The Act is amended by striking out "1991" each place it appears in sections 251(a)(1)(B), 251(a)(2), 251(a)(3)(A)(i), 252(a)(1), 252(a)(6)(B), and 252(a)(6)(C)(ii) and inserting in lieu thereof "1992".

(c) Section 275(b)(1) is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1992".

### PENALTIES UNDER STATUTE

Sec. 204. If the President fails to implement an order in compliance with section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, notwithstanding a failure to prevent such an order under section 258 of such Act, officers or employees of the United States Government who thereafter make or authorize expenditures or obligations shall be liable to the extent provided in sections 1341, 1350, 1517, and 1519 of title 31, United States Code. Nothing in this section shall be construed as limiting the manner in which any other statutes apply to such activity.

### APPLICABILITY

Sec. 205. The amendments made by this title shall apply with respect to any report required to be submitted, and any order issued, under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 after the date of enactment of this joint resolution.

### SUBMISSION OF PRESIDENT'S BUDGET

Sec. 206. (a) Section 1105(a) of title 31, United States Code, is amended by striking out "first Monday after January 3 of each year (or on or before February 5 in 1986)" and inserting in lieu thereof "first Monday after January 17 of each year".

(b) Section 300 of the Congressional Budget Act of 1974 is amended by striking out "First Monday after January 3" and inserting in lieu thereof "first Monday after January 17".

(c) Section 1109(a) of title 31, United States Code, is amended—

(1) by striking out all beginning with "On or before" through "in 1986)" and inserting in lieu thereof "Concurrently with each budget submitted pursuant to section 1105(a)", and

(2) by striking out "the budget for the following fiscal year" and inserting in lieu thereof "such budget".

### SUBMISSION TO FEDERAL REGISTER

Sec. 207. Section 251(f) is amended by striking out the matter beginning after the dash through and including the semicolon and inserting in lieu thereof the following: "Each report submitted under this section shall be submitted to the Federal Register on the day that is is issued and printed as promptly as possible;".

## Part B—Budget Process Reforms

### REFERENCE

Sec. 221. Except as otherwise specifically provided, whenever in this part an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be a reference to a section or other provision of the Congressional Budget and Impoundment Control Act of 1974.

### REPEAL OF EXCEPTIONS TO SECTION 311 POINTS OF ORDER

Sec. 222. Section 311 is amended—

(1) in subsection (a) by striking out ", in the Senate,"; and

(2) by striking out subsection (b) and redesignating subsection (c) as subsection (b).

### EXTENSION OF SECTION 302 TO OUTLAYS

Sec. 223. Section 302 is amended—

(1) in subsection (a)(1) by inserting "budget outlays" after "divide" and striking out ", and shall make the same division for estimated outlays that would result from such new budget authority";

(2) in subsection (f)(1) by inserting "budget outlays" after "providing"; and

(3) in subsection (f)(1) by inserting "budget outlays" after "for such fiscal year of".

### TWO-YEAR APPROPRIATIONS

Sec. 224. It is the sense of the Congress that the Congress shall adopt, as part of reconciliation legislation required pursuant to the concurrent resolution on the budget for fiscal year 1988, legislation that will experiment with two-year appropriations for selected subfunctional areas of the budget.

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Such legislation shall provide for an evaluation of the efficacy and desirability of such two-year appropriations to be conducted by the appropriate agencies at the end of the second fiscal year of such two-year period.

### PROHIBITION OF COUNTING AS SAVINGS THE TRANSFER OF GOVERNMENT ACTIONS FROM ONE YEAR TO ANOTHER

Sec. 225. (a) For purposes of titles III and IV of the Congressional Budget and Impoundment Control Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985, any action of the United States Government that is transferred from one fiscal year to an adjacent fiscal year, including a payment, expenditure, receipt of funds from the sale of an asset, and the collection of revenues and other receipts, shall not be treated as causing a reduction in the deficit for the fiscal year from which the transfer was made except to the extent that such transfer reduces the sum of the deficits for the two fiscal years by at least $100,000,000. For purposes of this section, an action shall be considered to have been transferred when the action is taken in a different fiscal year and such change in the year is not—

(1) a necessary but secondary result of a significant policy change;

(2) to provide for contingencies; or

(3) to achieve savings made possible by or through changes in requirements or greater efficiency of operations.

(b) For purposes of the application of this section to the Congressional Budget and Impoundment Control Act of 1974, the level of outlays and the deficit for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or the Senate, as the case may be.

### FINANCIAL MANAGEMENT REFORM

Sec. 226. It is the sense of the Congress that the Congress shall adopt, as part of reconciliation legislation required pursuant to the concurrent resolution on the budget for fiscal year 1988, legislation to reform the financial management of the United States Government.

### EXTENSION OF STATE AND LOCAL COST ESTIMATES

Sec. 227. The State and Local Government Cost Estimate Act of 1981 is amended by striking out section 4.

### EXTRANEOUS PROVISIONS

Sec. 228. (a) Section 20001 of the Consolidated Omnibus Budget Reconciliation Act, as amended by section 7006 of the Omnibus Budget Reconciliation Act of 1986, is amended in subsection (c) by striking out "January 2, 1988" and inserting in lieu thereof "September 30, 1992".

(b) Subsection (d)(1)(A) of such section is amended by inserting before the period at the end thereof "and, (2) a provision shall be considered to be extraneous if it increases, or would increase, net outlays or if it decreases, or would decrease, revenues during a fiscal year after the fiscal years covered by such reconciliation bill or reconciliation resolution, and such increases or decreases are greater than outlay reductions or revenue increases, respectively, resulting from other provisions in such title in such year".

(c) Nothing in the amendment made by subsection (a) shall be construed as limiting the manner in which S. Res. 286 (99th Congress, 1st session), as amended by S. Res. 509 (99th Congress, 2d session), shall apply to reconciliation bills and reconciliation resolutions considered on or after the date of the enactment of this joint resolution.

### CODIFICATION OF LAW REGARDING DEFERRAL AUTHORITY

Sec. 229. (a) Section 1013 is amended to read as follows:

### "PROPOSED DEFERRALS OF BUDGET AUTHORITY

"Sec. 1013. (a) Transmittal of Special Message.—Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States proposes to defer any budget authority provided for a specific purpose or project, the President shall transmit to the House of Representatives and the Senate a special message specifying—

"(1) the amount of the budget authority proposed to be deferred;

"(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific projects or governmental functions involved;

"(3) the period of time during which the budget authority is proposed to be deferred;

"(4) the reasons for the proposed deferral, including any legal authority invoked by him to justify the proposed deferral;

"(5) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the proposed deferral; and

"(6) all facts, circumstances, and considerations relating to or bearing upon the proposed deferral and the decision to effect the proposed deferral, including an analysis of such facts, circumstances, and considerations in terms of their application to any legal authority, including specific elements of legal authority, invoked by him to justify such proposed deferral, and to the maximum extent practicable, the estimated effect of the proposed deferral upon the objects, purposes, and programs for which the budget authority is provided.

A special message may include one or more proposed deferrals of budget authority. A deferral may not be proposed for any period of time extending beyond the end of the fiscal year in which the special message proposing the deferral is transmitted to the House and the Senate.

"(b) Consistency With Legislative Policy.—Deferrals shall be permissible only—

"(1) to provide for contingencies;

"(2) to achieve savings made possible by or through changes in requirements or greater efficiency of operations; or

"(3) as specifically provided by law.

No officer or employee of the United States may defer any budget authority for any other purpose.

"(c) Exception.—The provisions of this section do not apply to any budget authority proposed to be rescinded or that is to be reserved as set forth in a special message required to be transmitted under section 1012.".

(b) Sections 1015 and 1016 are reaffirmed.

### CLARIFICATION OF CONGRESSIONAL INTENT REGARDING RESCISSION AUTHORITY

Sec. 230. Section 1012(b) is amended by adding at the end thereof "If the Congress has failed to complete action on the rescission bill within the prescribed 45-day period, the President may not within one year transmit a special message under this section regarding substantially the same budget authority upon which the Congress has so failed to complete action.".

### ECONOMIC AND TECHNICAL ASSUMPTIONS

Sec. 231. (a) Section 301(g) is amended to read as follows:

"(g) Economic Assumptions.—

"(1) It shall not be in order in the Senate to consider any concurrent resolution on the budget for a fiscal year, or any amendment thereto, or any conference report thereon, that sets forth amounts and levels that are determined on the basis of more than one set of economic and technical assumptions.

"(2) The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall set forth the common economic assumptions upon which such joint statement and conference report are based, or upon which any amendment contained in the joint explanatory statement to be proposed by the conferees in the case of technical disagreement, is based.

"(3) Subject to periodic reestimation based on changed economic conditions, determinations under titles III and IV of the Congressional Budget Act of 1974 shall be based upon such common economic and technical assumptions.".

(b) Section 304 of the Congressional Budget Act of 1974 is amended by inserting at the end thereof the following:

"(c) Economic Assumptions.—The provisions of section 301(g) shall apply with respect to concurrent resolutions on the budget under this section (and amendments thereto and conference reports thereon) in the same way they apply to concurrent resolutions on the budget under such section 301(g) (and amendments thereto and conference reports thereon).".

### CLARIFICATION OF CONGRESSIONAL INTENT REGARDING TIME LIMITS FOR CONFERENCE REPORTS ON CONCURRENT RESOLUTIONS ON THE BUDGET

Sec. 232. Section 305(c)(2) of the Congressional Budget Act of 1974 is amended by inserting "and all amendments in disagreement, and all amendments thereto, and debatable motions and appeals in connection therewith" after "budget,".

### APPEALS OF CERTAIN RULINGS IN THE SENATE

Sec. 233. (a) Section 271 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end thereof the following new subsection:

"(d) Appeals of Rulings.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under section 301(i), 302(c), 302(f), 304(b), 306, 310(d), 310(g), or 311(a) of the Congressional Budget Act of 1974.".

(b) Section 275(b)(2)(D) of such Act is amended by striking out "section 271(b)" and inserting in lieu thereof "subsections (b) and (d) of section 271."

### WAIVER OF SECTION 302(a) RELATING TO COMMITTEE ALLOCATIONS

Sec. 234. Section 271(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting "302(c)," after "301(l),".

### EXERCISE OF RULEMAKING POWER

Sec. 235. The amendments made by this part are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

## TITLE III—CREDIT REFORM

### SHORT TITLE

Sec. 301. This title may be cited as the "Federal Credit Reform Act of 1987".

### PURPOSES

Sec. 302. The purposes of this title are to—

(1) measure accurately the costs of Federal credit programs;

(2) place the cost of credit programs on a budgetary basis equivalent to other Federal spending;

(3) encourage the delivery of benefits in the form most appropriate to the needs of beneficiaries;

(4) improve the allocation of resources among credit programs and between credit and other spending programs;

(5) establish in the Department of the Treasury a Federal Credit Management Agency; and

(6) modify the legislative and executive budgetary processes to carry out these purposes.

### DEFINITIONS

Sec. 303. For purposes of this title—

(1) The term "Federal agency" means an executive department, an independent Federal establishment, or a corporation or other entity established by the Congress that is owned in whole or in part by the United States. The term does not include the Board of Governors of the Federal Reserve System or the College Construction Loan Insurance Association.

(2) The term "direct loan" means a disbursement of funds by the Federal Government to a non-Federal borrower under a contract that requires the repayment of such funds with or without interest. Such term includes the purchase of, or participation in, a loan made by another lender. Such term does not include the acquisition of a federally guaranteed loan in satisfaction of default claims. For the purpose of carrying out the provisions of this title, direct loans may be grouped and treated as a single loan as agreed to by the Secretary and the head of the affected agency.

(3) The term "direct loan obligation" means a binding agreement entered into by a Federal agency for the Government under which a Federal agency agrees to make a direct loan once specified conditions are fulfilled by the borrower.

(4) The term "loan guarantee" means any guarantee, insurance, or other pledge with respect to the payment of all or a part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender, but does not include the insurance of deposits, shares, or other withdrawable accounts in financial institutions. For the purposes of carrying out the provisions of this title, loan guarantees may be grouped and treated as a single loan as agreed to by the Secretary and the head of the affected agency.

(5) The term "loan guarantee commitment" means a binding agreement entered into by a Federal agency for the Government under which a Federal agency agrees to guarantee a loan once specified conditions are fulfilled by the borrower, the lender, and any other parties to the guarantee agreement.

(6) The term "subsidy" means the estimated long-term cost to the Government of the loan, calculated on a net present value basis. Subsidy estimates shall take into account direct outlays and delay in, or loss of, repayments of principal or interest, less any fee or premiums received. For loan guarantees with an interest payment by the Government, the subsidy calculation shall also include the present value of those interest payments. To the extent that Federal Government charges fees to beneficiaries, such fees shall be taken into account in estimating the required appropriations for subsidies. The term "subsidy" also means the cost to the Government resulting from any change or modification in direct or guaranteed loan terms that result in additional expenditures by the Government or loss of receipts to the Government. Estimates made by the Secretary or by agencies under rules prescribed by the Secretary shall constitute the appropriate computation of the subsidy.

(7) The term "subsidy account" means the budget account or accounts into which subsidies are appropriated to cover the net long-term Government cost of a loan program.

(8) The term "financing account" means the budget account or accounts which provide the nonsubsidized funding for Government loans made or obligated on or after October 1, 1988, and subsidized funding for loans made or obligated prior to October 1, 1988. The financing account disburses direct loans to borrowers and, in accordance with agency loan agreements, makes claim payments for guaranteed loans in default. The financing account receives payments of principal and interest and fees and premiums from borrowers and subsidy payments from subsidy accounts.

(9) The term "Secretary" means the Secretary of the Treasury.

### DIRECT LOAN PROGRAMS

Sec. 304. (a) For each fiscal year, beginning with fiscal year 1989, each Federal agency shall include in its budget proposal (1) the planned level of new direct loan obligations, and (2) the estimated subsidy associated with the proposed direct loan obligations.

(b) Beginning October 1, 1988, a Federal agency shall not make a direct loan obligation unless an appropriation has been made to the Federal agency for the subsidy or a limitation is enacted in an annual appropriations Act on the use of funds otherwise available to the Federal agency for the subsidy.

(c) At the time a direct loan obligation is incurred, the Federal agency shall obtain an estimate of the subsidy of the loan from the Secretary or, at the discretion of the Secretary, shall make such an estimate based upon guidelines established by the Secretary. For the purposes of section 1501 of title 31, United States Code, (1) the amount of such estimate shall constitute an obligation of the subsidy account; and (2) the difference between such estimate and the face value of the loan shall constitute an obligation of the financing account.

(d) The subsidy associated with the direct loan as determined in subsection (c) shall be paid from the subsidy account into the financing account as the loan is disbursed.

(e) No direct loan agreement may be modified unless a subsidy is obligated.

(f) Nothing in this title shall be construed as changing the authority or the responsibility of a Federal agency to determine the terms and conditions of eligibility for, or the amount of assistance provide by direct loans made by the Federal Government.

### LOAN GUARANTEE PROGRAMS

Sec. 305. (a) For each fiscal year, beginning with fiscal year 1989, a Federal agency authorized to make loan guarantee commitments shall include in its budget proposal (1) the level of new loan guarantee commitments and (2) the estimated subsidy associated with the proposed loan guarantee commitments.

(b) Beginning October 1, 1988, a Federal agency shall not guarantee a loan unless an appropriation has been made to the Federal agency for the subsidy, or a limitation is enacted in an annual appropriations Act on the use of funds otherwise available to the Federal agency for the subsidy.

(c) At the time a loan guarantee commitment is made, the Federal agency shall obtain an estimate of the subsidy of the loan guarantee from the Secretary or, at the discretion of the Secretary, shall make an estimate of the subsidy based upon guidelines provided by the Secretary. The amount of such estimate shall constitute an obligation of the Federal agency for the purposes of section 1501 of title 31, United States Code.

(d) The subsidy associated with the loan guarantee determined in subsection (c) shall be paid from the subsidy account into the financing account at the time the underlying loan agreement is executed.

(e) No loan guarantee agreement may be modified unless a subsidy is obligated.

(f) Nothing in this title shall be construed as authorizing or requiring the purchase of reinsurance for a Federal guarantee from private insurers.

(g) Nothing in this title shall be construed as changing the authority or the responsibility of a Federal agency to determine the terms and conditions of eligibility for, or the amount of assistance provided by, guaranteed loans made by the Federal Government.

### ESTABLISHMENT OF A FEDERAL CREDIT MANAGEMENT AGENCY WITHIN THE DEPARTMENT OF THE TREASURY

Sec. 306. (a) There is established within the Department of the Treasury a Federal Credit Management Agency (hereafter in this title referred to as the "Agency").

(b) With regard to direct loans and loan guarantees, the Secretary shall—

(1) estimate the subsidy, or require estimates to be made by the Federal agencies, for each new direct loan and loan guarantee or for groups of similar new direct loans and loan guarantees, taking into account the factors specified in section 303(6);

(2) estimate the subsidy, or require estimates to be made by the Federal agencies, for changes or modification in the provisions of existing direct loan and loan guarantee agreements that result in increased cost to the Government;

(3) furnish the appropriate Federal agency with the subsidy estimates in a timely fashion; and

(4) require timely uniform reporting from Federal agencies on the actual long-term cost to the Government of these loans, calculated on a basis prescribed by the Secretary and consistent with this title, and on loan performance and borrower characteristics, monitor due diligence debt collection efforts, assess Federal agency performance, and otherwise study and recommend im-

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provements in Federal agency credit management.

(c) The Secretary is authorized to appoint such officers, attorneys, employees, agents, consultants, and financial advisors as may be required, to define their duties, to fix and to pay such compensation for their services as may be determined, subject to the civil service and classification laws, to require bonds for them and pay the premium thereof, to carry out the functions of the Agency.

### AGENCY RESPONSIBILITIES

SEC. 307. The head of each Federal agency authorized to make or guarantee loans covered by this title shall—

(1) provide the Secretary in a timely fashion with information about the Federal agency's direct loan or loan guarantee programs sufficient to enable the Secretary to calculate the estimated subsidy, or shall, as required by the Secretary, estimate the subsidy in accordance with the Secretary's guidance;

(2) request annual appropriations, or limitations on funds otherwise available, for the subsidies attributable to that Federal agency's direct loan or loan guarantee program in each fiscal year;

(3) carry out the Federal agency's direct loan or loan guarantee programs within the lesser of (A) applicable appropriations Act limitations on direct loan obligations or loan guarantee commitments, or (B) annual appropriations or funds otherwise available to cover subsidy costs for the program;

(4) maintain reserves within the financing account to cover loan guarantee defaults; and

(5) to the extent authorized and subject to such limitations as provided in annual appropriations Acts, use guarantee or other fees for the purpose of administering direct or guaranteed loan programs.

### BUDGETARY TREATMENT

SEC. 308. (a) For the purposes of chapter 11 of title 31, United States Code, and of titles III and IV of the Congressional Budget Act of 1974, in the case of any direct loan made by a Federal agency on or after October 1, 1987, the subsidy shall be included in the budget function of the direct loan program.

(b) For the purposes of chapter 11 of title 31, United States Code, and of titles III and IV of the Congressional Budget Act of 1974, in the case of any loan commitment guarantee made by a Federal agency on or after October 1, 1987, the subsidy shall be treated as an obligation of the subsidy account. The subsidy shall be included in the budget function of the guaranteed loan program.

(c) For the purposes of chapter 11 of title 31, United States Code, and of titles III and IV of the Congressional Budget Act of 1974, financing requirements of Federal credit programs in excess of subsidies paid by agencies shall be treated as obligations of the financing account. Financing requirements of loans made or obligated prior to October 1, 1988, shall also be treated as obligations of the financing account. Such financing transactions shall be recorded in a budget function entitled "credit financing activities".

### AUTHORIZATION OF APPROPRIATIONS

SEC. 309. (a) There are authorized to be appropriated to each Federal agency otherwise authorized to make obligations for direct loans, such sums as may be necessary for the subsidies associated with proposed direct loan obligations.

(b) There are authorized to be appropriated to each Federal agency otherwise authorized to make guaranteed loan commitments, such sums as may be necessary for the subsidies associated with proposed loan guarantee commitments.

(c) If at any time the monies available in its financing account are insufficient to enable the head of a Federal agency to discharge its responsibilities under this title, the head of a Federal agency shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the head of such agency from monies otherwise available to its financing account or from appropriations made pursuant to section 309(d). Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall not be less than the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligation acquired by such Secretary under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(d) At any time funds are insufficient to liquidate debts incurred under section 309(c), agencies shall request appropriations to repay such debt.

(e) There are authorized to be appropriated to the Secretary such sums as may be necessary for the salaries and expenses incurred to carry out the responsibilities of the Secretary under the title.

### TREATMENT OF DEPOSIT INSURANCE AGENCIES

SEC. 310. (a) Notwithstanding any other provision of this title, the credit activities of the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, the Pension Benefit Guaranty Corporation, and the Securities and Exchange Commission shall be treated as follows:

(1) Obligations to make direct loans to the public or to assume loan assets shall remain obligations of the agencies.

(2) Commitments to guarantee a loan shall remain commitments of the agencies.

(3) For each fiscal year, beginning with fiscal year 1989, each such agency shall include in its budget proposal the estimated subsidy cost associated with proposed direct loan obligations, including acquisitions of loan assets.

(4) For each fiscal year, beginning with fiscal year 1989, each such agency shall include in its budget proposal the estimated subsidy cost with proposed loan guarantee commitments. The estimated subsidy costs associated with proposed loan guarantee commitments shall constitute an obligation of the agency.

(5) No appropriations or limitations on the use of funds otherwise available shall be required for subsidies.

(6) Authority to borrow from the Treasury provided under section 309(c) shall not apply to the agencies described in the matter preceding clause (1).

(c) Nothing in this section shall be construed as changing the responsibility of such agencies to determine the terms and conditions of eligibility for, or the amount of assistance provided by such agencies.

### EFFECT ON CONGRESSIONAL BUDGET ACT AND CONFORMING AMENDMENTS

SEC. 311. (a) Section 3(a)(2) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end thereof the following: "Such term includes the subsidy for direct loan and loan guarantee programs, as those terms are defined by the Credit Reform Act of 1987".

(b) Section 402 of the Congressional Budget Act of 1974 is amended by redesignating subsection (b) as (c), and by inserting after subsection (a) the following new subsection:

"(b) It shall not be in order in either the House of Representatives or the Senate to consider any appropriation bill or joint resolution providing continuing appropriations as reported to its House, or any conference report thereon, or any amendment thereto, which provides new credit authority which does not also provide an appropriation for the subsidy value of such new credit authority as required by the Federal Credit Reform Act of 1987.".

(c) Amounts recorded in the budget function entitled "credit financing activities" pursuant to section 308(c) shall not be included—

(1) for purposes of determining, in accordance with section 311(a) of the Congressional Budget Act of 1974, whether the maximum deficit amount for a fiscal year has been exceeded;

(2) for purposes of other points of order under section 311 of the Congressional Budget and Impoundment Control Act of 1974;

(3) for purposes of reconciliation under section 310 of the Congressional Budget and Impoundment Control Act of 1974; or

(4) for purposes of allocations and points of order under section 302 of the Congressional Budget and Impoundment Control Act of 1974.

(d) Section 255(g) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end thereof the following new paragraph:

"(3) The financing account or accounts as defined by subsection 303(8) of the Federal Credit Reform Act of 1987 and the activities of those accounts shall be exempt from reduction under any order issued pursuant to this part.".

### EFFECT ON OTHER LAWS AND CONFORMING AMENDMENTS

SEC. 312. (a) Nothing in this title shall be construed as limiting the authority of any Federal agency to enter into agreements to make or to guarantee loans under statutes that were in effect prior to the enactment of this title or that may be enacted subsequently. All such agreements shall be contingent upon meeting the requirements of this title.

(b) This title shall supersede, modify, or repeal any provision of law heretofore enacted to the extent such provision is inconsistent with this title.

(c) All assets and liabilities resulting from direct loans obligated and loan guarantees committed prior to October 1, 1988, shall be

transferred to the financing accounts of Federal agencies.

(d) Collections resulting from direct loans obligated or loan guarantees committed prior to October 1, 1988, shall be credited to the financing accounts of Federal agencies. Amounts so credited shall be available, to the same extent that they were available prior to the enactment of this title, to liquidate obligations arising from such direct loans obligated or loan guarantees committed prior to October 1, 1988, including repayment of any obligations held by the Secretary of the Federal Financing Bank. From time to time, the unobligated balances of such accounts that are in excess of current needs shall be transferred to the general fund of the Treasury.

## JOHN E. GROTBERG POST OFFICE BUILDING

## PRYOR AMENDMENT NO. 646

Mr. BYRD (for Mr. PRYOR) proposed an amendment to the bill (H.R. 1403) to designate the U.S. Post Office Building located in St. Charles, IL, as the "John E. Grotberg Post Office Building," as follows:

At the end of the bill add the following new section:

### CLARIFICATION RELATING TO CONSIDERATION OF PRE-1987 SERVICE AS AN AIR TRAFFIC CONTROLLER FOR RETIREMENT PURPOSES

SEC. 2. (a) For purposes of subchapter III of chapter 83 of title 5, United States Code, and chapter 84 of such title—

(1) service as an air traffic controller shall, with respect to any annuity which is based on a separation from service, or death, occurring on or after January 1, 1987, include any service as an air traffic controller whether performed before, on, or after January 1, 1987; and

(2) the Office of Personnel Management shall accept the certification of the Secretary, or the designee of the Secretary, in determining the amount of any service performed by an individual as an air traffic controller.

(b) For purposes of this section—

(1) the term "air traffic controller" has the meaning given such term by section 2109(1) of title 5, United States Code, as amended by section 207(b) of the Federal Employees' Retirement System Act of 1986 (Public Law 99-335; 100 Stat. 594); and

(2) the term "Secretary" has the meaning given such term by section 2109(2) of title 5, United States Code.

## NOTICES OF HEARINGS

### SUBCOMMITTEE ON GOVERNMENT CONTRACTING AND PAPERWORK REDUCTION

Mr. BUMPERS. Mr. President, I would like to announce that the hearing scheduled for Wednesday, August 5, 1987, by the Subcommittee on Government Contracting and Paperwork Reduction, has been rescheduled for Tuesday, September 15, 1987. The purpose of the hearing is to receive testimony concerning the expected impact of a series of amendments to the Small Business Act contained in Public Law 99-661, the fiscal year 1987 Department of Defense Authorization Act. The hearing will commence at 9 a.m. and will be held in room 428A of the Russell Senate Office Building. For further information, please call William B. Montalto, procurement policy counsel for the committee at 224-5175, or Christine Lundregan of Senator DIXON's staff at 224-5334.

### SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for the information of the Senate and the public a change in the subject matter of a public hearing scheduled before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources.

The hearing to be held on August 5, 1987, beginning at 2 p.m. in room SD-366 of the Dirksen Senate Office Building on S. 641, for the relief of the city of Minot, ND; and S. 649, to amend the Reclamation Authorization Act of 1976, will also include S. 1549, to increase the authorization ceiling for the closed basin division, San Luis Valley Project, CO.

For further information regarding the hearing, you may wish to contact Russell R. Brown of the subcommittee staff at 224-2366. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Subcommittee on Water and Power, room SD-364, Dirksen Senate Office Building, Washington, DC 20510.

## AUTHORITY FOR COMMITTEES TO MEET

### SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, July 30, 1987, at 2 p.m. to receive testimony concerning miscellaneous park and public land related bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on July 30, 1987, to hold a hearing on and to mark up S. 549, the Textile and Apparel Trade Act of 1987 and to consider modification, for purposes of compliance with the Budget Act, of the committee amendment to S. 1127, the Medicare Catastrophic Loss Prevention Act and approval of committee allocation report under section 302(b) of the Budget Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Thursday, July 30, 1987 at 2 p.m. to conduct a hearing on Family Planning.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON EDUCATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Education, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Thursday, July 30, 1987 to conduct a hearing on "Magnet Schools and Impact Aid."

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be given permission to meet during the session of the Senate Thursday, July 30, 1987, to conduct oversight hearings on the history of the Glass-Steagall Act and its current relevance.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, July 30, 1987, at 10 a.m. and 2 p.m. to hold a hearing on S. 1516, FIFRA reform of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON AVIATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Aviation, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on July 30, 1987, to hold hearings on S. 582 and S. 876, legislation authorizing essential air service programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, July 30, 1987, to receive testimony concerning S. 1382, a bill to amend the National Energy Conservation Policy Act to improve Federal Energy Management Program, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

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### SUBCOMMITTEE ON GOVERNMENT EFFICIENCY, FEDERALISM, AND THE DISTRICT OF COLUMBIA

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Government Efficiency, Federalism, and the District of Columbia of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, July 30, 1987, to hold a hearing on S. 1530, to extend for 5 years the authorization granted under the State and Local Government Cost Estimate Act of 1981.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 30, 1987, at 2:30 p.m. to receive a closed briefing by administration officials on the situation in Panama.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, July 30, 1987, to hold a markup on the following bills:

H.R. 1567, Cow Creek Judgment funds;

S. 887 and H.R. 1451, Older Americans Act; and

S. 1360, To amend the Indian Finance Act of 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 30, 1987 to consider the following nominations:

#### U.S. COURT OF APPEALS

Hon. Anthony J. Scirica (Pennsylvania), U.S. Court of Appeals for the third circuit.

Hon. William D. Hutchinson (Pennsylvania), U.S. Court of Appeals for the third circuit.

#### U.S. DISTRICT COURT

Hon. Charles R. Wolle (Iowa), U.S. District Court, Southern District of Iowa.

T. S. Ellis III (Virginia), U.S. District Court, Eastern District of Virginia.

#### U.S. ATTORNEYS

Robert H. Edmunds, Jr. (North Carolina), U.S. attorney for the middle district of North Carolina.

#### U.S. MARSHALS

Jesse R. Jenkins (North Carolina), U.S. marshal for the western district of North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## NEWARK'S RAY DANDRIDGE ENTERS BASEBALL HALL OF FAME

● Mr. LAUTENBERG. Mr. President, I rise today to pay tribute to Ray Dandridge, who was inducted into baseball's Hall of Fame last Sunday. Ray was a long-time resident of Newark, and I join all New Jerseyans in saluting him on this great occasion.

Ray Dandridge never got the publicity he deserved. Unfortunately, he was never able to play in the then all-white major leagues where his talents would have been more widely showcased and recognized. But he played 21 great seasons in the Negro leagues, compiling a lifetime batting average of .319. And he is regarded by many as being one of the finest third basemen ever to play the game, no matter what league they were in. The fact that he batted .347 in 13 all-star games against white major leaguers is proof of the type of player Ray Dandridge was.

He is the 11th player from the Negro leagues to be inducted into the Hall of Fame, and the first since 1981. His selection is richly deserved, and I congratulate him on it.

Between 1933 and 1954, Ray Dandridge played for a number of teams throughout the country, as well as in Mexico and Cuba. He played with many greats, including Willie Mays, Larry Doby, Monte Irvin, and Don Newcombe. His abilities matched well with them all. In 1950, playing in Minneapolis, he was named most valuable player in the American Association, with a batting average of .311.

But it was with the Newark Eagles that he began to make his mark. And, although he later played with teams far away, he chose to make Newark his home. Until a few years ago, when he retired to Florida, Newark continued to be his home.

Tomorrow, the city of Newark will welcome Ray Dandridge home. Although I will not be able to attend the ceremony, I want to pay tribute to a great ballplayer. He is a man who was among the best in the game, and on Sunday will take his place in Cooperstown with the other greats. All of us in New Jersey can take pride in calling Ray Dandridge one of our own.●

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## HERBERT HOOVER AND THE BOXER REBELLION

● Mr. HATFIELD. Mr. President, the newlyweds arrived in Tientsin, China, in the spring of 1899. Fourteen months later, in June of 1900, they would be trapped in the city. The Boxer Rebellion had begun, and with it the siege of the foreign quarter of Tientsin.

The newlyweds were Herbert and Lou Henry Hoover. He would become the 31st President of the United States several decades later, but in 1900 the young engineer was a consultant in the Chinese Government's efforts to mine the gold and coal in the provinces surrounding Peking. When the siege came, however, neither the job nor his future mattered much. What mattered was survival.

In his recently discovered personal account of the siege, Herbert Hoover recounts the story of a city turned into "canals of moving lead." But, even in the midst of adversity—in the midst of the fear which must have gripped him as the xenophobic Boxers tore through China—Herbert Hoover found an opportunity to learn. "For here the fear stripped all of their outside veneer," he wrote. "All were brought to the same test, profession, religion, social status had no bearing".

"Such an opportunity to study human character comes to a few in this world," he wrote. Mr. President, that was Herbert Hoover—turning adversity into opportunity.

It was in that adversity that the strength of Mrs. Hoover's character shone too. During the Boxers' siege of Tientsin, she refused to be evacuated with the women and children, insisting she stay behind to nurse the wounded and feed those trapped in the foreign quarter.

Lou Henry Hoover seemed to take the fight in stride. One day an artillery shell fell in the Hoovers' yard, prompting her to investigate where it had landed. A moment later, a second shell exploded nearby. Before long came a third shell—this one landing inside the Hoovers' home at the foot of the stairs. When American war correspondent Frederick Palmer rushed into the house to see if the shell had caused any casualties, he discovered Lou Henry calmly playing solitaire amid the dust.

The siege ended a month after it began, and Herbert and Lou Henry Hoover soon left China. The experience and the observations, however, would stay with them. In "Herbert Hoover and the Boxer Rebellion," Tom Walsh, the assistant director of the Hoover Presidential Library Association, captures the little known chapter in the Hoovers' life with great eloquence. I ask that it be printed in the RECORD.

The material follows:

### HERBERT HOOVER AND THE BOXER REBELLION

(By Tom Walsh)

The news reaching Tientsin on May 27, 1900, was not good. The Boxers, intent on ridding northern China of "foreign devils" such as Herbert Hoover and his young bride, Lou Henry, were not far off. "Received word of the massacre of 80 Christians at Kao Li, a village about 100 miles west," young Herbert Hoover jotted in a note for that date contained in his recently discovered account of the Boxers' assault on Tientsin. Ever since winter, reports of havoc

incited by armed bands of antiforeign zealots had surfaced in Tientsin. The militants took the name I-ho-ch'uan—"righteous harmonious fists." Those who were targets of their attacks called them simply the "Boxers."

Things would soon get worse for the Hoovers. As newlyweds they had arrived in China fourteen months earlier so that Herbert, a twenty-four-year-old mining engineer, could begin work as a consultant in the Chinese government's efforts to find gold and coal in provinces surrounding Peking. By mid-June the Boxers had reached Tientsin, then a city of five hundred thousand, approximately sixty miles southeast of Peking. On June 17, the explosion of an artillery shell in the midst of Tientsin's hastily fortified foreign settlement signaled the beginning of what would become a month-long siege.

Hoover wrote in his account of the first week of the siege:

The first mental shock of the bombardment was most severe—we knew it was Chinese troops foreign drilled with most modern arms and we knew they outnumbered us say 20 to one. And with them were hordes of fanatics who now armed with foreign weapons were even more feared for they had what the soldiers possessed little of—courage to assault. We knew we were on a perfectly open plain with no natural defense. And we knew if they came . . . it meant suicide.

The Hoovers and other civilians caught inside the foreign settlement—nine hundred men, women, and children by Herbert Hoover's count—relied on a mixed bag of twenty-three hundred troops to fend off both mobs of Boxers and the Chinese army units that had joined the Boxer Rebellion's crusade of xenophobic hate. Most of their defenders were Russians—seventeen hundred soldiers whose efforts to reach another foreign settlement under similar assault in Peking sixty miles away had been stalled June 15 by the Boxers' presence in Tientsin. At times during the assault, Hoover wrote, the settlement's cross streets "were simply canals of moving lead."

Herbert Hoover would survive the siege of Tientsin to be elected twenty-eight years later the thirty-first president of the United States. He would also later write his "History of Inside Circle," an account of the month-long siege in which, by his estimate, sixty thousand artillery shells rained down on the foreign settlement, including five on his own home. In his handwritten manuscript, which surfaced only recently with the public release of his wife's personal papers, Hoover describes displays of human nature at its best—and worst—brought on by the siege.

"It was in the center that the melodrama and comedy were played—the rim was all tragedy," he wrote. "The majority of the residents removed to Gordon Hall (the city hall), a strong stone building with bomb proof catacombs underneath and here our 200 women and children with 60 or 80 men lived for ten days."

The large room within the hall, used in calmer times as the settlement's theater, became a bedroom, drawing room, kitchen and dining room combined—"not a pleasant place," Hoover wrote.

The formerly peacable social element became sadly dismembered for did not Mrs. A's baby steal Mrs. B's can opener and did not Mrs. C's canned milk disappear very very much too rapidly? Did not Mrs. D hold the library for herself exclusively? And no one will again dare to organize a dinner party in Tientsin without consulting an inmate of Gordon Hall for how could Mrs. E ever sit to meat again with Mrs. F—who slapped Mrs. E's Peking pug.

Though ill temper was too often a sympton of "the black fear," there were others huddled in Gordon Hall, Hoover notes, whose "brave words helped everywhere and who always had a can opener and something in her portmanteau to please somebody's crying baby."

"Such an opportunity to study human character comes to a few in this world," Hoover wrote.

For here the fear stripped all of their outside veneer and many proved that underneath it was honest worth to care. Others were left naked barbarians and more cowardly as any Boxer outside the lines. All were brought to the same test, profession, religion, social status had no bearing—for in places where one expected the worst came often the best and often—too often—the reverse.

Hoover viewed the privations—real and imagined—endured by the "inmates" of Gordon Hall as minor compared to the hardships of the three to four thousand Chinese within the settlement—household servants, Christian refugees, and employees of government bureaus and railway, mining and telegraph firms. The Chinese who had taken refuge in the foreign settlement, Hoover noted, were caught in the middle. To the foreigners they had served, they were suddenly suspect. The Chinese main quarters in both the English and French areas of the settlement were burned for fear these barracks would provide cover for the approaching Boxers. Hoover saw the Chinese who lived there forced onto the streets with nothing to eat or wear.

From the Boxers and their sympathizers the Chinese within the Tientsin foreign settlement could expect no mercy, having committed the unpardonable offense of having lived and worked among foreigners. Chinese within the settlement who were government officials could expect to be special targets of revenge, especially those who had made any efforts to quash the Boxer movement.

"The terrors of bombardment were greater to these people than the foreigners," Hoover wrote, "for cooped up in fragile Chinese houses not only were many killed but none had the sense of safety that the foreigners nor the encouragement of defenders. . . . They were all subjected to great suffering for none had laid in provisions for a siege."

After a French officer was murdered on a foreign settlement street by a Chinese who had presented a pass, the belief that every Chinese was a would-be assassin flourished, Hoover reported.

Chinese ignorant of regulations were arrested on the streets, rushed to military headquarters, lined up and with no form of trial it was demanded in a loud voice who has anything to say for these men? And those foreigners who ventured to defend for humanity sake alone were immediately accused of traitorship. There were executed 10 or 12 Coolies who were suspicioned and convicted on evidence that merits rank with the Salem witchcraft—and again demonstrates that the foreigner himself can be a barbarian. And to those foreigners who held up the warning hand and to whose efforts many Chinese owe their lives there is also a tribute to Western Civilization.

Ever the engineer, Herbert Hoover took note in his account of the siege that the quantities of shells and bullets pumped into the settlement day after day by the Boxers and their allies "certainly exceeded the mathematical amount of lead necessary to have thrown to accomplish the end." The reasons there were not more civilian casualties than two dead and five or six wounded, Hoover said, could be traced to the use of brick and stone in building the settlement's houses and their surrounding walls, rendering them bulletproof. Most houses, he said, also had cellars where residents could take shelter from the hailstorm of bullets and shrapnel.

"Of the 900 civilians in the settlement, not more than 100 ever went out during the firing so that we may say that only 100 were exposed and those scattered over one square mile," he wrote. "So that supposing the hittable area of a person is 7 square feet, then a person had one chance in about 1,800,000 of being hit by any given missel or the 100 persons exposed would need 18,000 missels before one was hit."

Virtually every house in the settlement was struck by at least three shells during the seige, Hoover wrote. Houses in the French area where the fire was heaviest, took as many as thirty shells each, he said.

"The Chinese missels consisted of plain shell & shrapnel of all sorts and some solid shot," he said in his manuscript. "They varied in size from little 1 lbs. to 3.8 inch shell weighing 35-55 lbs. +. And the amount of mess that one of the larger ones could make by exploding in one's parlor was marvelous."

Hoover also reflected on the eerie sound of artillery shells passing overhead.

Much has been written in description of modern shell fire, but no description yet written conveys to the unexperienced any idea of the sensations. It could perhaps be better put to music than prose. Most soldiers dodge at the shriek of the shell that has passed—we were told always it had passed long before we hear the shriek. There is something diabolic about the shriek itself that makes one dodge even if it had never seen a shell. And the zip of a passing bulllet had the same terrors as a hornet and even if one didn't know it was a bullet it is disagreeable.

Close calls were a matter of course during the siege, he said. "In fact anything less than the puncture of one's hat or bicycle tyres by a bullet was considered of no especial moment," he wrote. Hoover's account tells of people walking the streets with umbrellas during a storm of bulllets and others closing the blinds on the exposed sides of their houses so that bullets in the rooms would not disturb their sleep.

Despite such risk-taking, the settlement's civilians fared better than the troops protecting them.

Every night when darkness came on, a line of stretchers of dead and wounded would come across the pontoon bridge—at night because the bridge was simply alive with lead from the salt piles above in the daytime—the toll that our defenders paid daily for our defense. So that at the end of the seven days 300 of these men were dead and wounded or about one man in every five of them. In holding this position no dramatic effect has ever been assumed by either officers or men—such as heros in such crucial position sometimes do—and none but soldiers know what it is to lay day after day exposed to terrific fire, to see one's companions drop all around. It is always said that less bravery is required to charge than to lay still under fire—and these men lay still and never wasted ammunition, never fired

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until the enemy came up to his execution for seven steady days.

The siege did not end until July 14, after the arrival of reinforcements that boosted the foreign troop strength to 5,650 men allowed a rush on Tientsin's walled inner city. Herbert Hoover accompanied the U.S. First Marine Regiment during the assault, which cost the Marines six lives.

When the ordeal was over, Herbert Hoover credited his survival to the Russian troops, who throughout the siege had relentlessly held their lines.

"Although the others defended a longer line it was never so difficult nor so exposed as that held by the Russians—and besides holding the station—the keystone of our defense and thus forming the breakwater of every tide that surged against us," Hoover wrote. "They formed the reserve for all weak points. To them we owe most—without them and their bravery we would have been—."

Hoover went on:

The Russian soldier is a phlegmatic slow moving individual with tremendous boots and pockets made for 6 days provisions and he took his big chunk of black bread and walked over to the station daily in the most matter of fact way—worked his mauser with the same slow decision and earnestness that he ate his bread. It may be doubted that the private soldier appreciated all that depended on his actions—it was his business to hold the position and he held it.

To those 60 Americans who went through this siege such headlines in the American and English papers as The Russians Behind the Boxers etc. make our blood boil with shame for if these two nations owe anything for their nationals for saving an eternal disgrace to their flags they owe Colonels Wogack, Shirinsky and their 1,700 Russian soldiers.

Like the Boxer Rebellion, the Hoovers have been an aspect of American history that everyone has heard of but few seem to know much about. Herbert Hoover's recently discovered account of the siege of Tientsin, just one item among Lou Henry Hoover's personal papers, reveals a new, and particularly human, facet of the global adventures that preceded the couple's White House years.●

## A TRIBUTE TO EIGHT SENIORS AT SUSSEX COUNTY VOCATIONAL SCHOOL

● Mr. BRADLEY. Mr. President, I would like to bring to the attention of my colleagues a very remarkable group of New Jersey high school seniors, whose generosity may help to save the life of another student.

Ken Kissam, Donna Rhinesmith, Renee Michaud, Mark Bolles, Joseph Lamicella, Bryon Goodman, Robin Bell, and Wendy Blevins are seniors majoring in commercial baking at Sussex County Vocational School in Sparta, NJ. For the past 3 years, they have been working in their shop to earn money for their senior shop trip and have succeeded in saving $4,000 for an ocean cruise.

Recently they learned about the plight of Allison McCartney, a freshman at a neighboring high school, who is suffering from congenital heart/lung disease. Without a heart/lung transplant, Allison has no hope of surviving. When the seniors learned that Allison had initiated a fundraising campaign to pay for the cost of the operation, they voted unanimously to donate their savings to her. Although they do not know Allison personally, they felt that giving her a chance to live a full life was far more important than their trip.

Through their efforts, these students have shown themselves to be exemplary citizens—citizens who see their own well-being tied to the well-being of others. They have answered the question "What do we owe another human being?" very directly and personally. They will serve as an excellent role model for all young people today. I am extremely proud of the students at Sussex County Vocational School and take great pleasure in commending their generosity.●

## NATIONAL SKIING DAY

● Mr. GARN. Mr. President, on May 29, 1987, my colleague, Senator WIRTH introduced Senate Joint Resolution 146 designating Friday, January 8, 1988, as "National Skiing Day." Today I rise to join him.

I have served for over 12 years in the Senate, and during that period, it has been my policy to encourage economic development in an environmentally responsible way. This is precisely the reason why I am cosponsoring this ski resolution. It helps citizens to foster a respect and appreciation of the outdoors, while at the same time allowing the economies of the regions that are fortunate enough to have ski resorts an opportunity to grow.

Skiing is a very important part of recreation and tourism in my State's economy and the economies of 40 other States. It is estimated that over 21 million Americans from almost every State in the Union enjoy skiing. Last year, ski areas around the country generated over $1.6 billion. Skiing in Utah brought in over $350 million and over $27 million in tax receipts. Over 53 percent of the 2.5 million lift tickets sold in Utah last year were sold to out-of-State skiers. Skiing is Utah's No. 1 private industry and No. 3 employer in the tourist industry. Utah was also a finalist when bids were presented to the U.S. Olympic Committee for the 1992 Winter Olympics.

Mr. President, the people of my State are spoiled. Driving from Salt Lake City takes just 30 minutes to reach any one of our 7 world class canyon resorts. Every license plate in Utah proudly reads "The Greatest Snow on Earth." The resolution that Senator WIRTH and I have introduced is good for the vitality of America. No sport can so clear the senses and envigorate the body. I urge my distinguished colleagues to join us in this fitting recognition of an important and every growing industry.●

## A TRIBUTE TO DOUG HEIR OF CHERRY HILL, NJ

● Mr. BRADLEY. Mr. President, I would like to bring to the attention of my colleagues the story of a brave and determined young man from Cherry Hill, NJ, who has overcome severe physical limitations to become a successful attorney, world champion athlete, and exemplary citizen.

Eight years ago, on Father's Day, while working as a lifeguard, Doug Heir suffered a broken neck when he tried to save a boy who appeared to be drowning. As a result of that accident, Doug was rendered a paraplegic and from that day has required the use of a wheelchair. Despite the fact that doctors gave him little hope for leading a normal life, Doug has overcome those odds. Today he is an attorney handling personal injury cases and one of the world's greatest wheelchair athletes. At the recent 30th National Wheelchair games in Houston, TX, Doug won gold medals in shot put and discus and will represent the United States at the 1988 Olympic games in Korea. At last summer's World Championships, Doug won four gold medals, setting a new world record and earning the title "Best Overall Wheelchair Athlete in the World."

But Doug Heir's story is one of far more than personal triumph. The real story is his selfless devotion to others, to our country, and particularly to our youth.

Doug is a board member of TARGET, a campaign against drug and alcohol abuse; a spokesperson for rehabilitation and suicide prevention; and an impressive lecturer on helping people face adversity. He has helped me on many programs I have organized to help New Jersey's young people.

Doug Heir is a truly remarkable individual, who is an inspiration to all of us, but particularly our teenagers. He has found strength in the face of tragedy, and he has shown that through hard work and determination a person can improve his or her quality of life. Despite his handicaps, Doug has worked hard to reach his full potential—to be the best that he can be—and he is willing to help others lead a happy and productive life.

I urge my colleagues to join me in commending Doug Heir for his many accomplishments during the last 8 years. He serves as an excellent role model for all young people today.●

## SUPPORT FOR RAISING VA TO CABINET DEPARTMENT

● Mr. ROTH. Mr. President, today I rise to announce my cosponsoring of S.

533, a bill to raise the Veterans' Administration to the level of Cabinet Department. This measure was introduced by Senator THURMOND on February 17 of this year, and has been referred to the Governmental Affairs Committee, of which I am ranking minority member. The major veterans' organizations have called for this change for years and have gone all out to make it a top priority in the 100th Congress. The veterans of this country deserve this higher profile, which would more accurately reflect the character of military service.

The bill is truly bipartisan, with one quarter of the Senate and about half of the House of Representatives cosponsoring this initiative and its House companion. We have long recognized the sacrifices of our men and women in the armed services through the Veterans' Administration. The time has come to acknowledge properly those who have given special service to their country with a Department of Veterans' Affairs.

The veterans of this country are many, and touch each of us in some way. There are 27.7 million veterans in this country and 51 million dependents and survivors who are served by the Veterans' Administration. These men and women have given for their country more than we can ever repay. We owe it to them to give them the status and access available to a Cabinet level Department.

The Veterans' Administration is the largest independent agency in the Federal Government. With over 220,000 employees, the VA is second only to the Department of Defense in number of personnel. It has budget authority of over $27 billion in order to offer a wide range of veterans' benefits seeking to compensate former service members for the interrupted lives and disabilities incurred while in the Armed Forces.

The agency administers the largest health care system in the free world. The compensation and pension program has an annual expenditure of $14 billion for disabled, low-income veterans, their survivors and dependents. The VA's GI Home Loan Program is one of the largest housing endeavors ever undertaken and administered by the Federal Government. In addition, the GI education programs the VA runs have contact with virtually every institution of higher learning in this country. Certainly programs of this magnitude deserve to be placed under a full executive department. The head of the Veterans' Administration must be able to work with the Secretaries of other Departments as an equal.

Our veterans from both war and peace time have sacrificed to preserve the rights that we hold so dear, and our repayment of that debt should be housed in an organization of a stature to reflect our pride.●

## MAPLE LEAF FARMS

● Mr. LUGAR. Mr. President, I ask that an article of July 15, in the New York Times about Maple Leaf Farms in my home State of Indiana be printed in the CONGRESSIONAL RECORD. Maple Leaf Farms is located near Milford in northern Indiana and produces approximately 11 million ducks each year. This accounts for about half of the national market and makes Indiana the largest duck producing State in the United States.

The innovation and leadership in the American and world duck market is a tribute to the hard work and initiative of Maple Leaf Farms' proprietor Terry Tucker. As a Senator, as an admirer of Tucker's ducks, and as a small businessman myself, I commend Maple Leaf Farms for its success in an increasingly competitive American marketplace. I recommend this article—and these ducks—to each of my Senate colleagues.

The article follows:

[From the New York Times, July 15, 1987]

MAPLE LEAF FARMS: THE DUCKS STOP HERE

(By Jonathan Probber)

MILFORD, IND.—The picture is all very ominous, especially if you are a duck. Down drifting like snow through a warm Indiana sky. Truckloads of other webfeet, all heading to the same large factory-like building. And refrigerated trucks going the other way, full of boxes destined for supermarkets and food brokers.

Maple Leaf Farms is the name of the place, and if you have a bill, this is where you pay. The president of this operation is Terry Tucker. On his desk is a little sign that says, "The Duck Stops Here." And it does—along with 11 million others of its kind this year. That is roughly half of all the ducks sold in this country.

By contrast, Long Island produces about 4 million ducks yearly, according to David Tuttle, a spokesman for the Long Island Duck Farmers Cooperative. Flocks are also coming out of North Carolina, with Concord Farms in Concord, N.C., producing some 6 million ducks a year, according to Jack Clune, the national sales manager. There is some duck action in California, but that seems to be for local markets only.

Maple Leaf Farms, which had revenues of $75 million in 1986, is a vertically integrated duck cartel. There are two processing plants, one in the northern Indiana town, the other in Wisconsin; two hatcheries; 13 farms where ducks are raised until they are 49 days old, and a group of affiliated companies that process 5 million pounds of feathers and down each year. Everything is used but the quack. And considering that about 3,000 ducks an hour walk the final mile, the noise level is considerable. At the beginning.

That is when the trucks, which deliver the ducks from company farms and contract growers, pull up to the factory entrance and unload their cargo. The excitable ocean of ducks is gradually reduced to a single, orderly duck-by-duck queue. They are hung upside down and passed briefly through a tank of electrified water, which stuns them. Then, without putting too fine a point on it, they get the Sweeney Todd treatment. The carcasses are then whisked by a conveyor through scalding water, followed by a series of hot wax dips.

The water and wax loosen the feathers, which are then beaten out by drums with rubber fingers attached. Mr. Tucker said duck feathers are harder to remove than chicken feathers, for which a quick scalding usually suffices.

Then comes the cleaning. Mr. Tucker has done for duck carcasses what Henry Ford did for the automobile. In a large room, with 100 employees, the carcasses are cleaned at a staggering rate of 3,000 an hour. The workers use knives of various sorts, or specially designed hand tools. Most of the entrails are washed down a trough, put in large tanker trucks and sold for mink feed.

Some parts, though, are treated with special care. Feet are removed and tongues are "harvested"; both are exported to China, where they are served as delicacies.

By now, what is left of the duck is beginning to resemble what you see at your supermarket. Some ducks go on to further processing. The company markets various cooked duck products to retail and food services nationwide, including a cooked whole duck with its own packet of orange sauce tucked inside. (Uncooked ducks range from 89 cents to $1.19 a pound, while cooked half-ducks average $3.79 a pound.)

Whole ducks—frozen or fresh—are bathed in brine to rapidly lower their temperature. Workers shrink-wrap and weigh the ducks, and place them in boxes. Then off they go to either a refrigerator or a blast freezer, which can hold up to 23,000 ducks.

Besides the processing plant, there are four grow-out sheds on the 550-acre farm. Ducks are moved from shed to shed as they age, eating feed formulated to produce maximum growth and prevent disease. After seven weeks the ducks weigh six to eight pounds. They gain 1¼ to 1½ pounds the final week.

Geneticists at Maple Leaf Farms are trying to produce a duck with more meat, less fat and softer, downier feathers. This super duck would also convert feed more economically; currently it takes 2.6 to 2.8 pounds to feed to add 1 pound to a growing duck.

Mr. Tucker said the market for fully cooked meats of all sorts, including ducks, is expanding. But unlike chicken, duck is not a fixture on the American dinner table. Moreover, duck has a French-accented, white tablecloth reputation (as in duck à l'orange), which Maple Leaf Farms officials find beneficial.

"That upscale image is a great place to have started," said Kirk Heng, the company's director of marketing and product development. "It's a good perception for us."

With store demonstrations and recipe and nutrition information enclosed with its ducks, the company is seeking to counter the duck's hard-to-cook, fatty image.

The company suggests roasting the duck breast on a rack in an uncovered roasting pan at 375 degrees for 30 minutes a pound. That is probably sounder advice than the recipe provided for a quick cherry sauce: one 21-ounce can of cherry pie filing, heated and served from a sauce dish.

There are also plans to sell various convenience duck products. Mr. Tucker would not be specific, except to say that one such item was aimed at the "duck salad market."

If that sounds suspiciously big-city, the company is also marketing a French duck-

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ling called the Barbarie. Said to have up to 40 percent less fat and 50 percent more breast meat than the white Peking (a breed that originated in China and is now the duckling standard), it is supposed to be for consumers who have progressed from a desiccated duck leg covered with orange glop to slices of breast fanned out over a U.F.O.-size plate.●

## The 100TH ANNIVERSARY OF FORSTER MANUFACTURING CO.

● Mr. MITCHELL. Mr. President, on behalf of myself and my colleague Senator Bill Cohen I would like to call the Senate's attention to a particularly historic event in our State of Maine.

Next month, the Forster Manufacturing Co. of Wilton, ME, will celebrate its 100th anniversary. And it gives us immense pleasure to honor and recognize this great accomplishment and to have the opportunity to praise publicly this distinctly Maine Company.

Forster, which also has plants in East Wilton, Strong and Mattawamkeag, ME, is responsible for that particularly useful personal item, the toothpick, in addition to manufacturing wooden and plastic clothespins, croquet sets and other wood and plastic products.

Forster's beginning was, like the toothpick, humble indeed. But the story behind that indispensable item is one of typical American ingenuity, quite representative of the enterprising spirit for which our Nation is famous.

Although the disposable wooden toothpick can now be found in nearly every home and eating establishment across these United States, 100 years ago in 1887 it was not so. The toothpick was considered a very personal item which was in the owner's possession at all times. In those days it was most commonly made of ivory, quill, or a precious metal.

In 1869, Charles Forster, an uncommonly inventive and ambitious young man, fabricated the first toothpick workshop in the cellar of his Boston area home. Forster first hit on the idea of a commercially produced wooden toothpick while on a trip to Brazil. The Brazilians had been whittling toothpicks from pieces of orange trees for generations. Forster believed this idea would easily catch on in America. Unfortunately, try as he might, Forster was unable to market his product. The restaurants he approached were not willing to give this new item a chance. Disappointed, but not defeated, he was determined to pursue his dream, and rejection only spawned another brilliant idea.

Forster hired several suave, successful-looking young men to visit prominent Boston restaurants where, after finishing an elegant dinner, they would ask for disposable wooden toothpicks. When they were told there was none to be had, they would demand to see the manager and protest loudly. To quiet the indignant gentlemen, restaurant managers would ask how they had learned of these toothpicks and where they could be purchased. Thus, demand was created and Forster Manufacturing was born.

Through trial and error Charles Forster determined that white birch was the best wood for his toothpicks. Because white birch was found in abundance in western Maine, his first load was shipped from Wilton, ME to Boston by rail. As the demand for his product grew, Forster realized that it would be more economical to locate his manufacturing operation near the source of the raw material. In 1887 he moved his business to Maine, where it has flourished ever since.

At the turn of the century Forster introduced the first round toothpick at the world's fair. Appropriately enough it was named the World's Fair Toothpick. Since then, Forster Manufacturing has changed hands a few times and has diversified extensively. It not only manufactures toothpicks but also a sturdy, dependable spring clothespin, a full line of croquet sets for backyard as well as professional use, and a number of other good wood products such as rolling pins, shish kebab skewers, and various building products. Forster's is also known for plastic items such as clothespins and eating utensils.

Forster Manufacturing owes its recent successes to progressive, innovative business practices promoted by its owner, Mrs. Joan Gould, and chief executive officer, Richard J. Corbin, and to its dedicated work force of over 700 employees who uphold the traditional Maine work ethic.

Charles Forster began with an idea that dared to be different, and that same spirit pervades the company today. Forster was a man who instilled in his employees well-deserved pride in their accomplishments, the ambition to work together for growth and prosperity, the ability to use American-made materials in the production process whenever possible, and the importance of each employee to the success of the company.

Mr. President, Forster Manufacturing still adheres to these great principles today. All who are a part of the company can take great pride in its accomplishments. We share in their joy and satisfaction as they celebrate 100 years of achievement, and look toward an even more successful tomorrow.●

## EDUCATION SECRETARY WILLIAM BENNETT'S SPEECH IN WEST BERLIN

● Mr. ARMSTRONG. Mr. President, every so often the words of someone of considerable insight deserve to be memorialized in the pages of the Congressional Record for the benefit of present and future generations. Today, I'd like to insert the remarks delivered by Education Secretary William Bennett on July 9 to the Amerika Haus in West Berlin.

Secretary Bennett spoke of perhaps the greatest challenge facing Western civilization: the need to instill in our children an abiding appreciation for freedom and democracy. The Secretary spoke at a place in the world which more starkly than any other proves the difference between freedom and totalitarianism. And yet, as he discussed that day, many in the West risk affliction with "more equivalence syndrome"—the belief there is no real difference between life in a democracy and that in a totalitarian state.

The Secretary's message is that our educational system should endeavor to explain that freedom and democracy stand superior to the existence imposed by totalitarian rules behind the Berlin Wall and elsewhere. That is not the teaching of propaganda, but of the truth of democratic values.

The greatest threat to freedom is that it is sometimes taken for granted by those fortunate to live it. One way to cure that indifference is to visit the Berlin Wall. Absent that, one can read Secretary Bennett's remarks, and think about the lesson they hold.

I ask that the Secretary's speech be printed in the Record.

The speech follows:

### ADDRESS TO AMERIKA HAUS

(By William J. Bennett)

It is a pleasure and an honor to address you on what is my first visit to Berlin, this great symbol of liberty, this defended island of freedom. I know that over the last several months, dignitaries from throughout the Western world have paid tribute to Berlin on this, its 750th birthday. This is due in part to the long and distinguished history of this ancient city.

But it is also due in large measure to Berlin's contemporary history. Over the last four decades the Western sector of Berlin has been on the front line of freedom. A city under siege, it has been subject to blockade, threats, and harassment. And yet, drawing strength from a courageous and dedicated people, Berlin has refused to buckle or to bow before totalitarian pressures. Today, the fate of this city is undeniably and inextricably tied to the larger cause and fate of freedom. The entire Western world has stake and a claim in Berlin, where freedom and tyranny stand face to face, and where a people—one people, the German people—artificially divide.

What divides your city is, of course, the Berlin Wall. The Wall has become a universal symbol; an affront not just to Germans but to every believer in liberty; the most visible and obvious demonstration of the failures not just of one particular communist nation, but of the communist system in general.

For as long as the Berlin Wall stands, it will bear this witness to the world: If you seek to know the truth about the differences between democracy and communism,

between freedom and tyranny, between West and East, then come here, 110 miles inside German Democratic Republic, to this city separated by the wall.

With the Berlin Wall serving as a backdrop, I would like in the next few minutes to reflect on what I believe to be one of the great challenges facing contemporary Western civilization: the need to instill in our children an appreciation, even a reverence, for democratic values; for our "Western Community of Values." More specifically, I would like to address the question of what democracies should teach our students about the idea of democracy itself.

Let me begin the substance of my remarks by admitting to having been troubled in recent years by a tendency among some in the West—on both sides of the Atlantic—to blur the distinctions between democratic and totalitarian governments. These individuals have suspended moral judgment against an intrinsically evil system (communism), a system responsible for the subjugation of the entire Eastern half of the European continent. There has arisen a reluctance by some in the West to face up to the harshness of the precepts and the practices of totalitarianism—precepts and practices like the absolute primacy of the state over the rights of the individual; the unlimited use of coercive state power to transform society, culture, and personality; and systematic attempts to deny individuals their most basic human rights: the right to dissent, the right of self-government, and the freedoms of speech, press, association, assembly, and religion.

At the same time, the West is in danger of losing something solid at the core: Faith in the justice and truth of our democratic cause. We have seen over the years troubling signs of indifference to the cause of preserving and defending freedom. There are signs that the West is in danger of suffering an erosion in what Aleksandr Solzhenitsyn—the great and prophetic Solzhenitsyn—called "civic courage."

There is a good deal of evidence to support these claims. Let me offer you just two examples. The first are the results of a poll taken in Western Europe late last year. In response to the question: "Which country do you believe is making a greater effort to bring about a nuclear arms control agreement—the United States or the Soviet Union?", the responses broke down this way: In Britain, twenty percent said the United States was making a greater effort, while forty-six percent said the Soviet Union; in France, thirty-five percent said the United States, while twenty percent said the Soviet Union; and in the Federal Republic of Germany, eighteen percent said the United States, while forty-two percent said the Soviet Union.

In response to the question, "Who is more trustworthy, President Reagan or Soviet leader Gorbachev", twenty-nine percent of those polled in Britain said President Reagan was more trustworthy, while twenty-one percent said Gorbachev. In France, forty-seven percent said Mr. Reagan, while ten percent said Mr. Gorbachev. And in the Federal Republic of Germany, twenty-six percent said President Reagan was more trustworthy, while thirty-three percent said General Secretary Gorbachev. According to this poll, then, more Germans trust Mikhail Gorbachev than trust Ronald Reagan. These poll data are worth reflection—hard reflection.

But this "moral equivalence" syndrome, this malady, does not afflict Europe alone. I will recall for you a story from my own country that helps illustrate my point. A substitute teacher in a high school asked the students in his three advanced government classes what they saw as the most significant difference between the United States and the Soviet Union.

When it come to the facts, he found that the students knew the Soviet record. They knew about the Soviet Union's form of government. But he also found that they distrusted American institutions. And when he called for a show of hands, this substitute teacher found that only two out of fifty-three students felt that the United States is a morally superior system to the Soviet Union. That is, fifty-one of fifty-three of this high school's brightest seniors saw no moral difference between a democratic and a totalitarian government.

I will tell you now that Western democracies are not without fault; our history is not spotless; mistakes have been made. Nevertheless, I find it difficult—even perplexing—to understand the refusal by some to make elementary, and even self-evident, moral and political distinctions between those who seek, sometimes imperfectly, to liberate the human spirit against those who would seek—in a manner consistent with the dogmas of Marxism-Leninism—to subjugate the human spirit. The words that President Kennedy spoke in Berlin almost a quarter of a century ago still ring true today: "Freedom has many difficulties," he said, "and democracy is not perfect, but *we have never had to put a wall up to keep our people in, to prevent them from leaving.*" (Emphasis added.)

This essential truth should not be lost. There are some very real, and some very tragic, examples we can look to. We need only look to the victims of Soviet tyranny in Budapest, and Prague, and Kabul. We need only look to Lech Walesa and the people of Warsaw. And yes, we need only look to the people trapped inside the Eastern sector of Berlin.

Still and all, even as the brick and mortared symbol of what divides East from West stands in full view, we have witnessed a troubling paradox emerge. While democratic nations of the West have made gigantic strides in the direction of greater freedom and social justice, totalitarian states have produced wars, holocaust, economic misery, concentration camps, and gulags. Yet in spite of this record, the paradox is that faith and belief in the principles of liberal democracy—and those who would defend liberal democracy—has wavered in the West. In the words of the eminent American philosopher and social critic Professor Sidney Hook, "unless that faith and that belief can be restored and revivified, liberal democracy will perish."

How, then, do we restore and revivify our faith in liberal democracy? A good place to start, the best place to start, is with the education of our young. Let me suggest to you that many of the contemporary intellectual and moral failures we are now experiencing are the logical outcome of not teaching students the differences between democracies and other, less worthy forms of government, of not teaching students *why* they should cherish democratic ideals. Children are not born knowing these things instinctively. They do not spontaneously apprehend them. They do not imbibe them from the air. A love of democratic principles, and an understanding of why they are so important, must be taught explicitly. They must be taught explicitly in the schools of any democracy that wishes to survive, no matter how old or new that democracy may be. They must be passed, in short, from generation to generation.

Two different but persuasive authorities are worth calling on here. One is Richard Lowenthal, former professor of international relations—and now professor emeritus—at the Free University of Berlin. According to Professor Lowenthal, the West faces a "crisis in our civilization" due in part to a: "rejection of any time perspective in the name of a cult of immediacy; for the sense of measured time and the gearing of action to foresight have been basic for all Western civilization from the age when Western church-towers were first endowed with clocks to the latest achievements of science and industry. In other words, *we are witnessing a major failure to transmit an important part of our basic values to a significant part of the young generation.*"

The second authority I would like to call on is Thomas Jefferson. Jefferson, in addition to being one of the fathers of my country, was also one of the fathers of our system of education in the United States. He knew that an educated, informed citizenry is vital to the well-being of every democracy, because democracies depend on individuals making intelligent decisions, both on election day and in the day-to-day conduct of their affairs. Jefferson therefore knew, for example, how important it is that the citizens of a democracy be literate.

But he also knew that literacy in itself is not enough for the survival of a democracy; it is a necessary but not sufficient condition. Jefferson, in listing for the citizens of his day what he saw as the fundamental aims of education in his new country, wrote that schools should teach every student: "to understand his duties to his neighbors and country, and to discharge with competence the functions confided to him by either . . . To know his rights . . . And in general, to observe with intelligence and faithfulness all the social relations under which he shall be placed. To instruct the mass of our citizens in these, their rights, interests and duties, as men and citizens, [is] the object of education."

Jefferson, of course, had lived through one revolution, and he knew that liberty is a difficult commodity to obtain. But he also knew that, once acquired, it is just as difficult to hold on to freedom; the task requires, as he put it, the "diligence, candor, and judgment" of each new generation. As Goethe observed, "You must labor to possess what you have inherited." It is the unique responsibility of educators in a democracy, then, to teach democratic principles to their students.

What are the essential assumptions and values of democratic civilization that our schools must teach? I think you will agree with me that they are things that should be common to all Western nations.

I begin with certain political principles to which all democrats would subscribe. These principles travel under different names from time to time—natural rights, individual rights, human rights—but Jefferson called them "inalienable rights," and I don't think anyone has ever improved on that phrase. We of the democracies believe in liberty, and we believe in equality. We believe in the freely given, uncoerced consent of the governed. We believe that all men and women are entitled to civil and political equality without discrimination based on race, sex, or creed. We cherish certain rights such as freedom of speech, freedom of the

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press, freedom of assembly, and freedom of religion. And we believe that government should be limited in its powers, and that government's essential purpose is to protect these inalienable rights of its citizens. These are the things in which the citizens of all democracies believe, and our children should be taught these things in our schools.

Democratic civilization is also built around respect for certain institutions. We of the democracies believe in the crucial importance of representative government based on free, competitive elections. We believe in an independent judiciary upholding the rule of law. We affirm the centrality of the family, the first and foremost agent in the rearing of children. We all affirm the importance of church and synagogue. And in all our institutional arrangements, citizens of democracies seek to maximize individual freedom and choice.

Beliefs about institutional arrangements and political principles are not the whole of the democratic way of life. There are also certain beliefs about ourselves and our universe in which democratic civilization has put its faith. These include belief in the centrality of reason; in the spiritual nature of man; in learning, scholarship and free inquiry; in the proposition that the human condition can be bettered; and in the moral imperative to better it.

And finally, the preservation of democracy depends on schools helping to foster in individuals certain traits of character. Jefferson wrote that schools must improve students' "morals and faculties" because he understood, as the ancient Greeks understood, that the entire community ultimately depends on the character of its individual citizens. And Jefferson understood that the democratic way of life is possible only when individual citizens possess a certain kind of character. That character must be shaped, above all, by parents and family. But teachers must help, by the examples they set, and by the habits they teach—habits like self-discipline and hard work. They must teach respect for the law, willingness both to offer and accept criticism, and the value of individualism. They must show students the difference between honesty and dishonesty, ambition and greed, loyalty and servitude, liberty and license. And they must teach students not only to recognize what is best and right among these things, but to *love* what is best and right among them. For the *theory* of democracy can always exist in the statement of these absolutes, but the *life* of a democracy exists only when its citizens cherish these things and will not let them go.

These, then, are some of the principles, beliefs, and values that schools must teach if democracies are to survive. Some people—and these people will often claim for themselves qualities of open-mindedness, tolerance, and critical thinking—will argue that to teach these things is to indoctrinate. They will argue that the notion of democracy itself implies the absence of a set of prescribed ends in the education of free men and women. And they will argue that if citizens are really to be free to make their own choices, they must not be told to love one set of values or one system of government above others—for this is merely indoctrination, and indoctrination violates the tenets of democracy itself.

But they are wrong; they are teaching a lie. I submit to you that this city, and the wall that divides this city gives witness to the lie.

Refusing to make meaningful distinctions between antithetical political systems is intellectually vacuous. Yes, democracy, as a political theory, gives people the greatest possible freedom in choosing how they will conduct their affairs. But democracy is not a doctrine of moral relativism. There is nothing in the political theory of democracy that rules out the assertion that some forms of human behavior are more worthy than others. And there is nothing in the political theory of democracy that rules out the assertion that some systems of government are better than others. Otherwise, a devotion to democracy as a form of government would be self-contradictory. The truth is that democratic government is morally superior to totalitarian government. Our students should be taught this truth; our students should be taught to appreciate this truth; and then, perhaps, our students will learn more fully to cherish this truth. And I would add that there is a great deal of difference between teaching children the truth and indoctrinating them.

I would like to offer one more school story to illustrate my point. I had gone out to San Jose, California, to teach an eleventh grade class. We were talking about the writings of James Madison, and we were discussing what it means that in a democracy, unlike other kinds of nations, liberty is the fundamental political principle. A young girl, sixteen or seventeen years old, raised her hand and asked: "Mr. Bennett, do you think the United States is really a better place to live than the Soviet Union?" I said, "Yes, it is."

"Well," the young lady continued, "I'd like to know why you think so—but maybe I shouldn't ask you because you're from the government, so probably you can't tell me the truth."

I asked, "Why don't you think I can tell the truth? Who told you this about your government? Who told you this about the people whom you elected and who are working for you?"

Well, we talked for a few minutes, and in the end I said, "Look, there are a lot of things you should study, a lot of things you should read." And I mentioned some books on United States history and Soviet history, on our government and on their government. Then I said, "But try this test for a society. It's what I call the gates test. If a society has gates, and you raise the gates, which way do the people run? Do they run out, or do they run in? And I think you know that when the Soviet Union raises its gates even a little bit—when the Soviet Union raises its Iron Curtain—people stampede to get out. And every time we raise the gates, people come in. And even when our gates aren't raised, people stand outside and wait as long as it takes to get in." The young lady promised me she would look into these matters.

The Czech novelist Milan Kundera writes in his novel, "The Book of Laughter and Forgetting," that "the struggle of man against power is the struggle of memory against forgetting." The Berlin Wall makes forgetting a difficult task. The Berlin Wall reminds us of what totalitarianism—stripped of its doublespeak and public relations ploys—is really all about. It is an evil system.

The Berlin Wall should also remind us that the threat to our freedom—to our "Western Community of Values"—is very real, and that we are engaged in a struggle with an adversary that is backed by incredible armed strength, an adversary that does not shrink from using that strength. Those of you who are students of history know that democracies are fragile and perishable institutions. There is no immutable law of history that guarantees their survival. John Stuart Mill, one of the greatest modern exponents of liberty, wrote, "It is a piece of idle sentimentality that truth, merely as truth, has any inherent power denied to error of prevailing against the dungeon and the stake."

So, let me conclude by telling you that as important as educating our students about democracy is, education—even truth—is not enough. *The citizens of democracies must also be willing to support the arsenals of democracy.* We must be willing to maintain our defenses in a manner consistent with the threat posed against us. In the end, our survival and the survival of all we believe in and care most about—the defense of Western civilization and the protection and nurture of our children—will depend on whether we are vigilant and strong and committed in purpose.

If I might end with a personal observation: My visit to Berlin has been a deeply moving experience. Like so many who have gone before me, I have found that one cannot fully take in the special meaning of this city until you arrive here, and witness for yourself the history and significance of Berlin. It is truly a city apart.

And when I return to the United States, the message I will take to my countrymen is this: If you ever begin to believe that the cost of maintaining freedom is too high; if you ever begin to believe that democracies may no longer be worth preserving, and protecting, and defending; if you ever begin to lose sight of what makes totalitarianism unique, and uniquely evil, then go to Berlin, go to the wall that divides Berlin, and look east. Peer into the long, dark night that has descended upon the Eastern half of this city. And remind yourself that what separates our world from theirs—what separates the sun and the shadow—is freedom alone. It is to that cause, our common hope, that we must dedicate ourselves anew.●

## PROPOSED ARMS SALES

● Mr. PELL. Mr. President, section 36(b)(1) of the Arms Export Control Act requires that Congress receive formal notification of proposed arms sales under the act in excess of $50 million, or in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the Record the notification I have received.

The notification follows:

Defense Security Assistance Agency,
*Washington, DC, July 28, 1987.*
In reply refer to: I-03451/87ct.
Hon. Claiborne Pell,
*Chairman, Committee on Foreign Relations, Washington, DC.*

Dear Mr. Chairman: Pursuant to the reporting requirements of section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith transmittals No. 87-30, concerning the Department of the Army's proposed letter(s) of Offer to Morocco for defense articles and services estimated to cost $68 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

Philip C. Gast,
*Director.*

[Transmittal No. 87-30]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

(i) Prospective purchaser: Morocco.

(ii) Total estimated value:

| | *Millions* |
|---|---|
| Major defense equipment [1] | $49 |
| Other | 19 |
| Total | 68 |

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: One hundred M48A5 tanks with machine guns, ammunition, radios, spare parts, support equipment and maintenance support.

(iv) Military department: Army (UPD, UPE).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: None.

(vii) Section 28 report: Case not included in section 28 report.

(viii) Date report delivered to Congress: July 28, 1987.

### Policy Justification

#### MOROCCO—M48A5 TANKS WITH MACHINE GUNS AND RADIOS

The Government of Morocco has requested the purchase of 100 M48A5 tanks with machine guns, ammunition, radios, spare parts, support equipment and maintenance support. The estimated cost is $68 million.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for economic progress in North Africa.

These tanks will be used by the Government of Morocco to increase its armored capability. Morocco already has M48A5 tanks in its inventory; therefore, it will have no difficulty absorbing them into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

There will be no prime contractor because these tanks will be provided from U.S. Army stocks.

Implementation of this sale will not require the assignment of any additional U.S. Government or contractor personnel to Morocco.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

## TRIBUTE TO EDWARD P. CLIFF, FORMER CHIEF OF USDA, FOREST SERVICE

● Mr. GARN. Mr. President, today I rise to pay tribute to Edward P. Cliff, former Chief of the U.S. Department of Agriculture, Forest Service who died July 18, 1986, at the age of 77.

Edward P. Cliff was one of Utah's outstanding native sons and an internationally known forestry expert. He will be missed not only by family and friends, but also be his many colleagues around the world who he assisted in trying to resolve world forestry problems.

Although Ed Cliff left his birthplace, Heber City, UT, many years ago, he took with him many of the traditions and values held by Utahns. These values, combined with his personality, left a vivid impression on everyone he met throughout his long career of public service.

Chief Cliff had two distinguished careers. His first career, which covered a span of 41 years, was in the Forest Service. He advanced from the position of Assistant District Ranger to become the head of the agency for his last 10 years of Government service. He was Chief of the Forest Service from 1962 to 1972.

As Chief of the Forest Service, Ed Cliff guided the agency through a decade of major change and growth. During this time, Chief Cliff said his major goal was to establish a multiple-use program that worked. In the document "Framework for the Future," he ordered new emphasis on the noncommodity values of the National Forests, without diminishing the production of commodities vital to the Nation's needs. He dramatically expanded forest and rangeland management research and took great strides toward balancing management among the many uses of the national forests. He was also instrumental in doubling recreational use on the national forests, and helped play a key role in establishing the National Wilderness Preservation System, the National Wild and Scenic Rivers System, and the National Trails System.

His second career was in the role of consultant and adviser. Between 1972 and 1986, he completed 18 assignments involving work and travel in the United States and 26 countries in Latin America, Africa, Asia, the Near East, Europe, and the Caribbean to provide advice concerning appropriate forest policies and the setting up of public and private programs to put those policies into effect. This work was done in response to requests from the Food and Agriculture Organization of the United Nations and the countries themselves.

Listed among his many honors are an honorary doctor of science degree from Utah State University, the USDA's Distinguished Service Award, the highest award granted by the Department, the Society of American forestry's Gifford Pinchot Medal for outstanding service to the forestry profession, the American Forestry Association's Bernard Fernow Award for his achievements in international forestry, a Distinguished Service Award from Tuskegee Institute, and the Landscape Architecture Foundation's Alfred B. LaGasse Medal for his contributions to resource conservation and public land management.

Mr. President, I stand to pay tribute to Ed Cliff for his many years of public work, and to extend my deepest sympathy to his wife, Kathryn, and his family.●

## VIEWS OF SENATE HEARING ON EXPORT CONTROLS

● Mr. DANFORTH. Mr. President, on July 27, Senator Heinz addressed an important Heritage Foundation seminar on U.S. export control policy. As a key architect of congressional and United States export control activities, Senator Heinz spoke of the need to strike a balance between United States commercial interests and our desire to prevent certain technologies from falling into Soviet hands. In the wake of the Toshiba case, involving the transfer of sensitive submarine technology to the Soviets, he went on to discuss the importance of foreign participation in any successful export control program.

Senator Heinz' statement offers an excellent insight into the complexities of the export control issue. I recommend it highly to my Senate colleagues.

The statement follows:

### Statement of Senator John Heinz

#### HERITAGE FOUNDATION SEMINAR ON U.S. EXPORT CONTROL POLICY

It should be clear to anyone worried about our national security that a major source of U.S. military strength and the key to preserving the strategic balance with the Soviet Union is our edge in high technology. For example, it is our technological edge that assures that our nuclear deterrent is appreciated for the terrible weapon that it is. It is our technological edge that permits us to face military forces far larger than our own with confidence. And it is our technological edge that permits us to track, and to destroy, that most dangerous strategic weapon, the nuclear submarine.

In setting U.S. export control policy for the 1990's, the key question we face is how to maintain the technological lead that we now enjoy? In simplest terms, we can maintain our lead by simply outrunning the competition, slowing their rate of advance, or preferrably both.

I think it is obvious that in the fast moving world of high tech, our surest course is to maintain our position at the cutting edge of technology. Therefore, our first goal must be to ensure that our U.S. high tech industries are strong and competitive. The private sector is our innovation leader. It will remain so only if our companies are

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capable of earning the profits necessary to fund new research and development. With our high tech industries running a trade deficit for the first time in history, this is major concern.

The second goal of our export control policy must be to keep the Soviets from gaining on us. Since primary research and engineering are not their forte, this primarily involves limiting the flow of militarily critical technologies from the West to the Soviet Union. It is, of course, impossible totally to deny Soviet access to our technology. Technology diffuses too quickly and there are always dedicated salesman intent on circumventing our controls. However, our system must "filter" the flow of technology to catch as much of the critical technology as possible, making its acquisition by the Soviet difficult and costly.

Unfortunately, our two goals create competing claims in our export control system. All of our COCOM allies and a growing number of developing countries produce advanced technologies as good or better than our own. In a world of universal technology, maintaining our competitive edge in high technology argues for open trade; denying technology to the Soviets argues for limits. If our system is to work, it must resolve this contradiction.

This requires, first of all, fine judgements on the proper balance between U.S. national security and economic interests. An excess of control over our industries may endanger their ability to compete and to innovate. This will be more damaging in the long-run to our technological position than slow leakage of technology.

To put the problem in context, in 1985 it is estimated that roughly $80 billion of U.S. foreign sales were covered by export controls. Fully 70 percent of those licensed sales in value terms involved technologies below the PRC Green Line, and the same proportion sales to COCOM countries. If our controls retard sales of some $56 billion of lower level technologies and sales to COCOM countries, rather than stopping diversion of critical technologies to the Soviets, the sales and earnings of our high tech companies suffer with no offsetting national security benefit. It is the profits earned on U.S. technology sales abroad—including $56 billion in sales below PRC Green Line—that finance our technological competitiveness.

Second, it requires that controls be multilateral. No matter how tightly we control access to our machine tools, there is nothing we can do directly to control the actions of a Toshiba before the fact.

If my thesis is correct, meeting our twin objectives of competitiveness and appropriate control requires two things: agreement with our allies on the critical technologies to be controlled, and effective and universal enforcement.

How do we develop an agreed list of critical technologies? In bureaucratic terms, balancing economic and security interests requires a strong export control emphasis within the Department of Commerce and a strong role for the Department of Defense in the decisionmaking process. We have preserved this balance through successive reauthorizations of the Export Administration Act. Within the last two weeks, we have had to fend off efforts in the trade debate to upset this balance by reducing the role of the Defense Department.

We need the support of industry and our allies. We can delude ourselves that controls on every technology from the most mundane to the most advanced represent an appropriate excess of caution to preserve our national security. But if we attempt to place national security controls on items available in any Radio Shack, our allies will question the seriousness of the effort and our exporters will lose heart.

Setting aside the issue of consensus, we must realize that it is senseless to spread our control effort too thin, especially at the low end of the technology spectrum where foreign availability through rapid diffusion of technology makes control impossible. The notion that foreign availability should guide our export control judgments is a longstanding principle in the law, but one honored more in the breach than in the observance in our export control decisions.

Once we have agreed on the technologies requiring control, we come to the real keystone of the control issue—effective, universal licensing and enforcement. We must provide our exporters clear policy guidance and efficient licensing services. We must demonstrate that those attempting to evade controls will be caught and punished severely. And we must ensure that our allies do likewise.

The Congress recognized the need for sufficient resources to ensure both efficient licensing and effective enforcement. Over the last 10 years, resources in the Commerce Department devoted to export administration have grown from $6 million to $27 million, and staff resources from 157 people to 542. Computerization of license review is increasingly the norm rather than the rare exception.

As a result of these efforts, average processing time for a license application at Commerce has been reduced by 25 percent since the fourth quarter of 1985, from 28 to 21 days, and overdue licenses by more than half.

Deterrence is also an essential element of any system based on unmonitored compliance by those controlled. The government cannot track the thousands of trade transactions undertaken every day. It is the exporters themselves who must read the regulations and apply for the licenses. To ensure faithful compliance under these circumstances, U.S. export control laws have been given real teeth.

While the United States has been increasing the effectiveness of its controls, strict enforcement is hardly the norm in COCOM. Our experience with the Toshiba case demonstates that basic export control laws in other COCOM countries are a weak reed. Many are based on post-war short supply or foreign exchange concerns, with modest civil penalties and rare criminal lability. Statutes of limitation can be as short as 6 months. Licensing and customs checks are cursory and carried out by tremendously overworked staffs. This is clearly unacceptable in matters of our national security.

The amendments to the Export Administration that I sponsored and the Senate recently adopted address directly the two key issues I have identified. They attempt to focus the system on critical technologies and to ensure effective, universal licensing and enforcement. I believe that they will make an important contribution to effective export control.

The amendments would eliminate individual licensing for shipment of low level technologies to free world destinations. These are technologies now freely shipped to the East bloc with only notification to COCOM by our allies, and available at your corner electronics store. Prior approval to ship would be eliminated for exports to, and reexports within, COCOM involving goods already freely available there. We also streamlined procedures for making foreign availability determinations so that decontrol of items freely available abroad can be accomplished in a timely fashion.

Even while eliminating some individual licenses, we maintained basic reporting and notification requirements under a General License. The "paper trail" created permits us to block Soviet targetting and support enforcement efforts if problems arise. In addition, for shipment to COCOM of a short list of "highly critical" technologies, such as some VAX process control computers, end-user restrictions and advance reporting requirements would apply. Finally, (1) individual licenses were maintained for black-listed companies and (2) for shipments to COCOM countries not meeting their obligations under the COCOM agreement.

Our amendments also reduced licensing requirements for U.S. component parts that have resulted in U.S. components being "designed out" of foreign products. Under our language, exporters would be able freely to ship U.S. components of larger systems that are not themselves controlled. Foreign suppliers would also be able to build up to 20 percent U.S. content into their products without seeking reexport licenses.

Taken together, these changes would eliminate 25-30,000 individual licenses each year, a reduction of about 25 percent. They would remove controls whose principal effect is to limit our own ability to compete without affecting the strategic balance. In no case are essential controls on high technology flows to the East removed.

The second principal element of our export control amendments is aimed at ensuring universal, effective enforcement. Since we cannot enforce laws throughout COCOM ourselves, we have adopted the second-best solution of deterring foreign violators by threatening them with loss of the U.S. market. I have long favored such sanctions to put teeth in our export control laws. In 1985, I successfully pressed for discretionary import sanctions as part of the EAA amendments. I added debarment from U.S. Government procurement for five years in our draft Committee bill. And finally, after Committee hearings on the Toshiba-Kongsberg case, it became clear that even sterner measures were needed. I joined Senator Garn in arguing for 2-5 year mandatory sanctions against COCOM violators that would include both denial of U.S. procurement and an import ban.

This may be the most important amendment passed by the Senate; it is certainly the one that has gotten the most attention. Other amendments in the bill call for improving the multilateral basis for our controls through negotiations in COCOM. But the key provisions provide that where serious violations occur, violators must pay a high price for their betrayal.

While this is not the preferred method for promoting improved COCOM enforcement, this provision has very definitely gotten the attention of our COCOM allies. The Japanese are taking export controls seriously for perhaps the first time in history. Even the Norwegians, who have traditionally been viewed as strong COCOM supporters, quickly realized the weaknesses in their export control laws and procedures and have taken strong measures to deal with them. But the guilty parties must be punished as sternly as we possibly can in order to deter future diverters.

In closing, let me reiterate that we cannot control everything; and we cannot control even the most critical technologies alone. Toshiba and Kongsberg shipped their own technology to the Soviets, and did it in violation of the laws of their own country. This was a technology on which we maintained controls by consensus. It was beyond the reach of U.S. law. We can only avoid such cases in the future if all COCOM countries, and other cooperating countries, dedicate themselves to control of critical technologies. I am hopeful that the amendments recently passed by the Senate will help in achieving that end.●

## STEEL INDUSTRY SHOWS PRODUCTIVITY GAINS

● Mr. HEINZ. Mr. President, the domestic steel industry has always been one of my primary concerns. Lately, I have been especially worried as company after company follows each other into bankruptcy.

In order to address this disturbing problem, I recently proposed the Steel Revitalization Act which would give the Federal Government responsibility for paying special supplemental and shutdown benefits in the steel industry. As I said during my June 16, 1987, speech before the United Steel Workers of America, we need to make it possible for the steel industry to reduce costs without going through chapter 11.

Yet with all this talk of bankruptcy, we run the danger of dismissing the whole steel business as a lost cause. But that view is both naive and dangerous. A closer look at the industry shows that it has made significant progress in the right direction. Thus far in the 1980's, productivity in the U.S. steel industry has increased impressively by nearly 50 percent.

These gains were the result of steps taken by both management and labor to adjust to changes in the demand and supply of steel. Some major factors which have influenced these productivity gains include the development and deployment of new technologies, the elimination of obsolete capacity, the growth of electric furnace capacity, and changes in labor-management relations in the industry.

In a well written and intelligent analysis, David Cantor takes a closer look at the factors behind the industry's productivity increases. I urge all my colleagues to study this report which I found very informative and interesting.

I ask that the text of the study be printed in the RECORD.

The study follows:

### THE U.S. STEEL INDUSTRY: FACTORS INFLUENCING GAINS IN INDUSTRY PRODUCTIVITY

The U.S. steel industry is often identified as being insensitive to market conditions and to consideration of efficiency in production. The dominant part of the industry—the integrated firms that produce steel mill products from raw materials—is regarded as insensitive to demand and prone to pricing its products by passing along increases in costs of production.[1] But dramatic changes in the U.S. steel market over the past decade or so have forced change in the industry: not only has demand for steel dropped in the past decade, but the increase in the number of suppliers of steel mill products resulted in intense competition in the smaller market. Steel industry management has become acutely sensitive to the necessity of reducing costs and increasing productivity.

As a result, the steel industry was able to reduce the labor input per ton of output—a commonly used measure of productivity—by nearly 50 percent between 1980 and 1985. This report identifies some of the steps taken by management and labor to achieve this significant increase in steel industry efficiency.

### INCREASED PRODUCTIVITY IN THE U.S. STEEL INDUSTRY, 1980-1985

In their recent book, *Up From The Ashes*, economists Donald Barnett and Robert Crandall indicated that the amount of labor (of both production and nonproduction workers) embodied in a ton of cold-rolled steel sheet output fell from about 9.4 hours in 1980 to about 5.8 hours in 1985.[2] This drop in labor input per ton brings America's steel industry into line with the steel industries of major competitors—in particular, according to Barnett and Crandall, Japan and West Germany. In 1985, 5.4 hours of labor per ton of finished output were required in Japan, and about 5.9 hours in West Germany's steel industry.[3] If the Barnett-Crandall data are correct, labor productivity in the production of cold-rolled sheet in the U.S. steel industry increased by about 39 percent from 1980 to 1985.

Barnett and Crandall do not provide data on the labor input required to produce cold-rolled sheet for either Japan or West Germany in 1980. Thus, no comparison of the improvements in labor productivity in the production of this product can be made. They do, however, provide data on labor input in the production of wire rod in integrated mills (those that manufacture steel products after processing raw material inputs) in the United States and Japan for 1981 and 1985; wire rod is a product that requires less processing than cold-rolled sheet. In the United States, the labor input per ton of output in 1981 was 6.5 hours; in 1985, this input dropped to 5.0 hours, a gain in labor productivity of about 23 percent. In Japan, labor input per ton of output fell from about 4.5 hours in 1981 to about 4.0 hours in 1985, an increase in labor productivity of about 10 percent.[4]

These data indicate that America's steel industry has become increasingly efficient in the 1980s. Furthermore, they imply that efficiency in the U.S. steel industry proceeded at a faster pace than in the steel industry of major competitors. Several factors combine to explain the absolute and relative gains in efficiency in America's steel industry; among them are: the proliferation of continuous casting technology; elimination of obsolete capacity; expansion of electric furnace production; and, a more flexible approach to labor-management relations among production workers.

### PROLIFERATION OF CONTINUOUS CASTING TECHNOLOGY

In spite of changes in the size of its market and the number of suppliers in the marketplace, the U.S. steel industry has made a significant effort in the development and deployment of new steel technologies. From 1980 through 1986, investment in steel totalled nearly $13 billion, even though the industry suffered financial losses aggregating nearly $9.3 billion.[5] More than 60 percent of this investment was made from 1982 through 1986, a period when the industry experienced losses in each year.

These investments were made in a wide variety of technologies intended to improve the quality of the steel produced and the yield of steel shipped from raw steel produced (that is, the ratio of shipments to raw steel, the first solid shape into which molten steel is formed). Among the various technologies developed and installed in steel mills, none has been so dramatic as the continuous caster. Its widespread use in the steel industry in the 1980s is an example of the effort of the industry to increase efficiency, and has had significant results in achieving higher productivity in the industry.

The rapid expansion of the use of continuous casters in the U.S. steel industry explains much of the improvement in industry efficiency. In 1980, continuous casters produced about 20 percent of America's raw steel output; by 1985, they accounted for about 44 percent of the industry's raw steel output.[6] In 1986, the share of continuously cast output rose to 52 percent, and is projected to rise to 57 percent in 1987.[7]

Continuous casting contributes to increased efficiency in the steel industry by eliminating one stage of the production of steel. Prior to the use of this technology, molten steel was first poured from the steelmaking furnace into ingots. The ingots were then reheated and rolled into other semifinished shapes—slabs, blooms, and billets; these shapes are then rolled into various finished steel mill products. In continuous casting, the molten metal is poured directly into the caster that forms the semifinished shapes. Thus, the process of casting ingots and milling them into usable semifinished shapes is eliminated.

The National Academy of Engineering and the National Research Council estimate that continuous casting increases efficiency in the production of semifinished shapes by nearly 10 percent. In the ingot casting process, 1.15 tons of molten metal are required to produce 1 ton of semifinished shapes (slabs, blooms, and billets); in the continuous casting process, 1.05 tons of molten metal are needed to turn out 1 ton of these shapes.[8] Also, the input of production labor is nearly cut in half: the ingot casting process would use about 0.82 man-hours to produce seminfinished shapes, while the continuous casting process uses about 0.48 man-hours per ton.[9] Continuous casting technology results, therefore, in both an increase in the yield of output and a reduction in labor (and other) inputs; less molten metal has to be produced to yield a certain level of semifinished steel output, and less labor is required to produce these outputs.

In the early 1980s, the U.S. steel industry was expanding the use of continuous casting at a faster rate than most major steel producing countries. Even during the 1982 recession, the use of continuous casters was expanding in the United States while stagnant in such major steel producing countries like Japan, France, Germany, and Canada.[10] Furthermore, during this period, many companies were committing investment capital to the construction of continuous casters: Wheeling-Pittsburgh Steel Cor-

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Footnotes at end of article.

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poration opened two casters: Jones & Laughlin Steel Corporation and Republic Steel Corporation (now LTV Steel Corporation) put three casters into operation; Bethlehem Steel Corporation commissioned two casters.[11]

While considerable progress was being made by America's steel industry in expanding the use of continuous casting technology in the early 1980s, it should be noted that the U.S. industry was, in a very real sense, "catching up" with the industries of other countries. In 1979, the share of continuously cast steel of Japan's steel indsutry was about three times greater than the U.S. industry's share; the share in Italy was nearly three times the U.S. share; and, similar differences appeared for Germany, France, Spain, Taiwan, and South Korea, among others.[12] What is important is the fact that the U.S. steel industry did move aggressively to at least catch up with the rest of the world in the use of this technology.

### ELIMINATION OF OBSOLETE CAPACITY

Another significant factor explaining the increased productivity of the U.S. steel industry is the shedding of obsolete and aging capacity. In particular, the industry has effectively eliminated the open hearth furnace steelmaking process. In 1976, open hearth furnaces produced over 18 percent of total raw steel output in the United States; in 1986, this process contributed about 4.1 percent of U.S. total raw steel output.[13] In the 1980s alone, 24 open-hearth furnaces were shut down; not all of these furnaces were necessarily in operation at the time of their shut-down.[14]

The open hearth process was the dominant steelmaking technology from the end of World War II through the mid-1960s. In the 1960s, the basic oxygen process was increasingly adopted by integrated steel companies, and replaced the open hearths. While the open hearth furnaces could produce upwards of 400 tons of molten metal at a time, the process required about 8 hours; the basic oxygen furnace can produce upwards of 200 tons at a time, but this process takes about 45 minutes. The basic oxygen furnace, therefore, can produce more than five times as much steel in an eight hour period as the open hearth furnace. The basic oxygen furnace is estimated to use 40 percent less labor per ton than the open hearth furnace.[15] [16]

In general, open hearth furnaces today are used mainly for backup capability. They might be used when the demand for a particular mill product at a plant exceeds the capacity of its basic oxygen furnaces; that is, the open hearths might be used to satisfy occasional peak demand periods. Or, they might be used when the basic oxygen furnaces are shut down for relining or other major maintenance.

Some basic oxygen capacity has also been closed as well. At least 18 basic oxygen furnaces were closed in the 1980s.[17] These closures represent announced company decisions. It is likely that there are several basic oxygen furnaces that have not been officially taken out of operation, but that are effectively closed owing to the decline in the markets for the finished products manufactured at their locations. Available data do not permit us to assess the vintage of the basic oxygen capacity that has been closed down.

In any event, the industry has reduced its effective capacity considerably over the past decade. In 1977, the industry had the capability to produce 160.0 million tons; it entered 1987 with the ability to produce about 118.7 million tons, and, in mid-1987, is estimated to have reduced capacity to about 112 million tons.[18] Most of this reduction occured after 1983: in 1983, the industry could produce about 150.6 million tons. From 1983 to the start of 1987, it eliminated nearly 32 million tons of capacity, or about 21.3 percent of its 1983 production capability.

### EXPANSION OF ELECTRIC FURNACE CAPACITY

The expansion of electric furnace capability also contributed to the significant improvements in steel industry productivity in the 1980s. Electric furnaces produce steel using scrap metal as the basic raw material. Thus, companies using this process have no need to maintain and operate coke batteries or blast furnaces to produce pig iron. The labor required to operate these facilities is obviously not needed in a plant using electric furnaces. Barnett and Crandall estimate that the total labor input per ton of steel produced in such facilities was about 4.0 hours in 1980 and about 2.8 hours in 1985.[19]

From 1980 to 1986, electric furnace output of raw steel was more or less constant. In 1980, it stood at about 31.2 million tons; in 1986, these furnaces produced about 30.4 million tons of raw steel.[20] But the share of electric furnace production of total raw steel output rose by more than one-third: from about 27.9 percent in 1980 to about 37.3 percent in 1986. As a result of the increased role of the electric furnace operations, the labor input to the production of a ton of steel would fall.

Electric furnaces are operated in every segment of the steel industry—large integrated companies, specialty steel companies that produce stainless steel and certain alloy steel products, and the small "minimills" that produce a relatively narrow range of products, mainly rod, bars, and light structurals. Critical factors in the decision to use electric furnaces, where this could be an option, include the quantity of steel being produced, the quality specified by the customer, and the price and availability of the scrap metal.

Much of the electric furnace capability is operated by relatively small companies, the so-called "minimills", that could produce in the range of less than 100,000 tons to about 500,000 tons.[21] Specializing as they have in the production of rod, bar, and light structurals, they would require new and larger rolling mills and the land on which to house them to expand their range of products to include flat-rolled items. At least one "minimill" company, Nucor Corporation, is investing heavily in the research and development of technologies to produce the quality of steel needed for flat-rolled products (sheet and strip).[22]

The question can be raised, therefore, as to their ability to obtain the capital needed to install such facilities. Nucor, for example, has had to enter into a joint venture with a Japanese firm, Yamato Kogyo, to finance the construction of a structural product mill in Arkansas.[23] Considerations of finance and technology could well affect the expansion of the electric furnace share of total steel output in the United States. In any event, this sector of the U.S. industry has contributed significantly to the improved overall productivity of the industry.

### LABOR-MANAGEMENT RELATIONS IN THE STEEL INDUSTRY

Since 1983, as a result of its financial difficulties stemming from the 1982 recession and the increasing competition of foreign steel imports, the steel industry sought to renegotiate its contracts with the United Steelworkers of America (USW) to obtain reduced wages and other forms of compensation and changes in work rules.[24] In 1983, wage concessions were negotiated. In 1986, when contracts with all of the major integrated steel companies were to be renegotiated, concessions on both wages and operating procedures were sought and generally obtained by the various companies in their contract negotiations.

In a memorandum to congressional staff, the USW highlighted two elements, among others, of the union's bargaining approach in 1986: "linkage between productivity and participation-team production"; and "relationship between changes in work practices and contracting provisions."[25] The union recognized and was agreeable to negotiating provisions of its contracts with the several steel companies that would enhance productivity and, simultaneously, job security.

For example, the agreement with National Steel Corporation establishes at every level of operations Joint Labor/Management Cooperation Committees to discuss concerns of mutual interest to labor and management. These committees, which must meet at least once per quarter, may discuss business and investment plans of the company, manpower planning, marketing plans, technology and automation, and a wide variety of other matters.[26] A productivity gain-sharing program is established to provide for bonus payments based on productivity gains; the bonus, paid quarterly as a percentage of base earnings, could range from 1 percent to 17 percent.[27] In the event of changes in manning that could result in layoffs, employees would be placed in an employment security pool from which they would be assigned to other tasks for which they are qualified and at the wage rate of their last job.[28] The company agreed not to contract work out to other firms that employees were capable of performing; the contract provides a detailed set of criteria to evaluate the decision to contract out.[29]

The contract with Bethlehem Steel Corporation provides for a gain-sharing bonus plan tied to productivity. It reduces the number of job classifications to as few as eight depending on the plant. The contract attempts to strengthen the labor-management participation team process at each plant. Like the National Steel and other contracts, it establishes limits on contracting out of work that could be performed by employees.[30] The agreements with the other major integrated companies, while differing on details, have similar provisions.

Just how well these contracts are being implemented cannot be judged here. What is important is that the industry and its labor force have entered into agreements that offer the potential for flexibility and for improving the cost competitiveness of the industry.

### CONCLUSIONS

The decade of the 1980s has been one of progress in enhancing productivity in the U.S. steel industry. The rapid adoption of state-of-the-art technology, the shedding of obsolete capacity, the increased use of electric furnace technology and, with it, the relative specialization of both integrated and non-integrated mills, and a commitment on behalf of labor and management to increased productivity and cost competitiveness have all combined to bring about this progress.

But the progress that has been made might not be sufficient. While much capac-

ity has been shed, either more capacity has to be closed or demand for domestic steel substantially raised. While new technology has been installed, the ability to finance research, development, and deployment of future technologies remains a question mark. Note, for example, that domestic steelmakers, finding the domestic financial markets reluctant at best to invest in the steel industry except at high rates of return, turn to foreign sources of capital. Furthermore, while the 1986 labor contract negotiations may have created an environment of co-operation between the companies and their labor forces, the filing for reorganization under Chapter 11 of the bankruptcy code by LTV Corporation may cloud the new atmosphere of labor-management relations in the industry owing to the pension and health benefit issue. Finally, much of this progress has taken place when the pressure from imports was reduced owing to the President's steel program. If import restraints are lifted in 1989 when the President's program expires, it is quite possible that increased imports of foreign steel could result, creating still more uncertainty over the prospects for America's steel industry.

### FOOTNOTES

[1] Acs, Zoltan J. The Changing Structure of the U.S. Economy: Lessons From The Steel Industry. New York, Praeger Publishers, 1984. p. 122.

[2] Barnett, Donald F., and Robert W. Crandall. Up From The Ashes: The Rise of the Steel Minimill in the United States. Washington, The Brookings Institution, 1986. p. 98. (Hereinafter cited as Barnett and Crandall, Up From The Ashes.)

[3] Ibid., p. 46.

[4] Ibid., p. 21.

[5] American Iron and Steel Institute. Statistical Highlights U.S. Iron and Steel Industry. Washington, 1987. 1 p.; and, American Iron and Steel Institute, by telephone, June 3, 1987.

[6] American Iron and Steel Institute. 1985 Annual Statistical Report. Washington, 1986. p. 71. Raw steel output is defined as the first solid shape of steel—ingots or semifinished shapes, such as slabs, blooms, or billets.

[7] DRI Steel Service. Forecast Summary 1987-89. Lexington, Data Resources, Inc., May 1987. p. 11.

[8] National Academy of Engineering and the National Research Council. The Competitive Status of the U.S. Steel Industry. Washington, National Academy Press, 1985. p. 156 f. (Hereinafter cited as NAE-NRC, Competitive Status of the Steel Industry.)

[9] Ibid.

[10] U.S. Library of Congress. Congressional Research Service. America's Steel Industry: Modernizing To Compete. Report No. 84-786 E, by David J. Cantor. Washington, 1984. p. 19 f.

[11] Ibid., p. 21.

[12] Ibid., p. 20.

[13] American Iron and Steel Institute. 1985 Annual Statistical Report. Washington, 1986; and, American Iron and Steel Institute. Pig Iron and Raw Steel Production. Final—1986. Washington, April 3, 1987. 1 p.

[14] American Iron and Steel Institute. Shutdowns of Steel Plants and Producing Facilities. Completed or Authorized 1971-1987. Washington, May 1, 1987. 19 p. (Hereinafter cited as AISI, Shutdowns of Steel Plants).

[15] Russell, Clifford, S., and Willam J. Vaughan, Steel Production: Processes, Products, and Residuals. Baltimore, Johns Hopkins University Press, 1978. p. 126.

[16] There are conditions when the use of open hearth furnaces may be cost effective. Unlike the basic oxygen furnace, open hearths can produce raw steel using a larger share of scrap metal in combination with pig iron; the scrap share could be 50 percent or greater, as compared with a scrap share of about 30 pecent in basic oxygen furnaces. Thus, when scrap prices are sufficiently depressed, the economics of raw steelmaking may justify the use of open hearths. This information was developed in a telephone conversation with Milton Deaner, President, American Iron and Steel Institute, June 3, 1987.

[17] AISI, Shutdowns of Steel Plants.

[18] American Iron and Steel Institute. Steel Mills to Reduce Production Capability Further in 1987. Steel News, Washington, January 15, 1987. p. 2; and, American Iron and Steel Institute, by telephone, June 3, 1987.

[19] Barnett and Crandall, Up From The Ashes, p. 91.

[20] American Iron and Steel Institute. Statistical Highlights. U.S. Iron and Steel Industry. Preliminary Edition. Washington, 1987, 1 p. (Hereinafter cited as AISI, Statistical Highlights.)

[21] Barnett and Crandall, Up From The Ashes, p. 8 f.

[22] We Feel Confident We Can Make High-Quality HR. 33 Metal Producing, v. 25, February 1987. p. 32.

[23] In Search of the Right Stuff. 33 Metal Producing, v. 25, February 1987. p. 37.

[24] U.S. Library of Congress. Congressional Research Service. Steel Industry Bargaining in 1986. Report No. 86-707 E, by Linda LeGrande and David J. Cantor. Washington, 1986. p. 4 f.

[25] United Steelworkers of America. Memorandum, dated August 6, 1986.

[26] United Steelworkers of America. Summary. Proposed Agreement. United Steelworkers of America and Natioanl Steel Corporation. Pittsburgh, 1986. p. 10.

[27] Ibid., p. 7.

[28] Ibid., p. 5.

[29] Ibid., p. 9.

[30] United Steelworkers of America. Summary Proposed Agreement. United Steelworkers of America and Bethlehem Steel Corporation. Pittsburgh, 1986. 20 p.●

## INFORMED CONSENT: COLORADO

● Mr. HUMPHREY. Mr. President, today I would like to insert into the RECORD two letters from women who support my informed consent legislation, S. 272 and S. 273. Today's letters come from the State of Colorado.

I ask that these letters from women in Colorado be inserted in the RECORD.

The letters follow:

EL JEBEL, CO,
*February 13, 1987.*

DEAR SENATOR HUMPHREY: I had an abortion when I was 21 and foolish enough to believe that my baby was not a person. I had no counseling, it wasn't even an issue! (1975)

Years later, I learned the truth, that I had killed that tiny baby. It took me over two years of spirit-wrenching grief to overcome my guilt and sadness. Only God's help got me out of that terrible place.

I have since had several miscarriages and a premature baby (we are paying off her $11,000 bill). Doctors claim the abortion didn't cause the abnormal pregnancies, but I wonder.

We need to tell these precious women what they are doing!

Sincerely,

A COLORADO WOMAN.

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BOULDER, CO,
*January 27, 1987.*

DEAR SENATOR: I have had two legal abortions through Planned Parenthood, both in Denver, Colorado, in the years 1977 and 1978. In both cases, I was "counselled" concerning the decision I was making. The first time, the counsellor made no mention whatever of the developing baby which was then eight or nine weeks old, nor of the possible complications which could follow the procedure. She did ask me about the circumstances of my marriage, and why I felt abortion was the answer for me. She asked me what alternatives I thought I had, but did not offer any alternative help or make suggestions. She discussed the procedure as if it was just like getting a tooth pulled.

The next abortion was with Planned Parenthood. I was questioned about my birth control methods, and asked if this was something I felt all right about in my conscience. I was asked if I had any concern that I might have a hard time with guilt feelings afterward. I knew what they wanted me to say, and I said it, because I had to get through their counsellor to get the abortion, and I felt an abortion was the only way out of my situation. So I told them that I really felt I was doing the right thing for my marriage and family, and therefore I wouldn't have undue guilt feelings later. When I asked about how developed my baby was, they used words which made me think it was just a very primitive, undeveloped mass which was undeserving of the term "human".

Two years later, after going through some very deep changes in my spiritual orientation toward life and God, I began to slowly awaken to the reality of what I had done, and what abortion really means. Seeing a picture of an eight to nine-week old developing child was extremely shocking and enlightening to me. I could not allow myself to feel the full impact of what it meant that I had killed these human children at first. It took years, many prayers, much soul-searching and love from those who know me to begin dealing with that pain and reality.

Then, life did not have much value to me, when I disregarded the value of my unborn children. My own life and self esteem were deeply wounded by what I had done. My relationships, too were stunted and damaged. I have needed much counselling, and now have a deep desire to help other women who have been through similar experiences.

So many times I have thought, "If I had only known—if only someone had told me about my unborn children—that they were so human then, with a beating heart and brain waves, and limbs and a face." But really, too, I needed to be fully informed of the repercussions in my personal life and relationships that could occur, and the regrets that could be know all there is to know about abortion. Ignorance spawns heartache and regret and pain.

Thank you for this opportunity,

CATHERINE BUCHANAN.●

## PROGRAM

Mr. BYRD. Mr. President, let me reiterate, the Senate will come in at 9 o'clock tomorrow morning and at 9:30 tomorrow morning, the Senate will resume consideration of the pending business, House Joint Resolution 324, the joint resolution increasing the statutory debt limit. The pending question will be on the amendment that has been offered by Mr. GRAMM, Mr. CHILES, Mr. DOLE, and Mr. DOMENICI. I anticipate rollcall votes for tomorrow. I believe that there could be such a thing as a Saturday session, but I am not going to say that for a fact at this time.

I hope that all Senators will keep in mind the fact that this measure has to be passed by both Houses. It has been passed by the House. It has to be passed by the Senate. It will have to go to conference between the two Houses to resolve the differences. And then it has to come back to both

Houses. If, indeed, the House does not accept the amendments that presumably would be adopted here, it has to come back to both Houses and go to the President and be signed before we can go out for the August break. It is just that serious. So it may necessitate our being in session some long hours.

The Senate will be in on this Monday, for sure. So I would suggest to Senators that they not pack their bags as of yet.

## RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order that has been entered, that the Senate stand in recess until 9 o'clock tomorrow morning.

The motion was agreed to; and, at 7:35 p.m., the Senate recessed until Friday, July 31, 1987, at 9 a.m.

## CONFIRMATIONS

Executive nominations confirmed by the Senate July 30, 1987:

### DEPARTMENT OF COMMERCE

Charles E. Cobb, Jr., of Florida, to be an Assistant Secretary of Commerce.

### NATIONAL INSTITUTE OF BUILDING SCIENCES

Arnold L. Steinberg, of California, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1988.

### FEDERAL HOME LOAN BANK BOARD

Roger F. Martin, of Wisconsin, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1989.

### NATIONAL RAILROAD PASSENGER CORPORATION

Charles Luna, of Texas, to a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990.

Darrell M. Trent, of Kansas, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990.

Robert D. Orr, of Indiana, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term expiring April 27, 1990.

### DEPARTMENT OF STATE

Mark L. Edelman, of Missouri, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cameroon.

W. Nathaniel Howell, of Virginia, a career member of the senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Michael Gordon Wygant, of Massachusetts, a Foreign Service officer of class 1, to be the U.S. Representative to the Federated States of Micronesia.

Samuel Eldred Lupo, of California, a career member of the senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

Robert G. Rich, Jr., of Florida, a career member of the senior Foreign Service, Class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize.

Roscoe Seldon Suddarth, of Maryland, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

Theresa Anne Tull, of New Jersey, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Co-operative Republic of Guyana.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

### IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provision of title 10, United States Code, section 1370:

*To be lieutenant general*

Lt. Gen. Charles D. Franklin, 492-34-2422, U.S. Army.

### FOREIGN SERVICE

Foreign Service nominations beginning James L. Blow, and ending Emilio F. Iodice, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 15, 1987.

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# EXTENSIONS OF REMARKS

## GEORGE SOROS ON RETHINKING THE GLOBAL ECONOMY

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. LANTOS. Mr. Speaker, George Soros is Wall Street's most creative historian, intellectual, and financier. The August 13, 1987, issue of the New York Review of Books includes a tour de force by Mr. Soros of United States foreign economy policy since the end of World War II and an innovative proposal for future action. Mr. Speaker, I commend this important article to my colleagues.

### A GLOBAL NEW DEAL

(By George Soros)

Since the Second World War, America has been the undisputed leader of the world economy. In military power, we had to share the first place with the Soviet Union because of our mutual ability to destroy each other; but in economic matters our hegemony was complete. The international trading and financial system reflected this fact. The dollar served as international currency and the economic policy of the United States set the course for the world economy. The United States did not fully live up to the obligations implicit in this arrangement because it did not restrict the supply of dollars sufficiently. In the 1960s U.S. corporations and other investors amassed assets abroad flooding the world with unwanted dollars. As a consequence the currency system established at Bretton Woods, which effectively tied both the value of gold and the value of other currencies to the dollar, broke down. The dollar was cut loose from the price of gold in 1971 and the fixed exchange rate system was abandoned in 1973.

After the first oil crisis, which also occurred in 1973, the commercial banks recycled the dollar surplus of OPEC countries by making loans to the oil-importing countries. Eventually, the process deteriorated into a binge of uncontrolled credit creation as the banks re-lent the deposits that their own borrowing had generated. The indebtedness of the less-developed countries reached unprecedented levels and the dollar declined in value.

After the second oil crisis, in 1979, inflationary pressures accelerated to such a degree that the Federal Reserve decided to call a halt by imposing a strict limit on the growth of the money supply. A sharp rise in interest rates precipitated a worldwide recession in 1980 and an international debt crisis in 1982.

Fortuitously President Reagan embarked on a huge rearmament program while cutting taxes at the same time. The resulting budget deficit saved the world economy from depression by providing a much-needed fiscal stimulus. In an ironic twist of fate the United States became, in effect, both the borrower and the spender of last resort.

The policy was highly successful in the short term. The domestic economy prospered and at the same time the US acquired a vast military arsenal. President Reagan could strike a strong military pose, which seemed to appeal to the electorate, especially since it provided a contrast to President Carter's vacillation. But, as in the case of every policy based on borrowing, there was a heavy price to be paid in the long run, which in this case has not been very long. Even before the end of President Reagan's second term, the painful aftereffects are beginning to make themselves felt. The federal government is running a large budget deficit and the economy is running a large trade deficit. Both deficits are covered by borrowing from abroad. The trade imbalance has played havoc with US manufacturing industry and the accumulating budget deficit has turned the US into a debtor nation.

Japan has emerged as the leading creditor nation in the world. Ever since they lost the Second World War, the Japanese have consumed less than they produced. For the first three decades, this surplus was used to build up Japanese industry to a point where it enjoys a comparative advantage over other nations in producing many products, and the world economy has difficulty in absorbing Japanese exports. Japanese industry has acquired a vast stock of modernized capital equipment, but Japan continues to run a savings surplus that is available for accumulating assets abroad. That is a winning formula for building economic power, and Japan is fast becoming the leading economic power in the world. Whether it has already overtaken the United States depends on the measure we use. If we look at the size of the domestic market. Japan has a long way to go; but if we look at the volume of exports or, even more to the point, the volume of overseas investment, Japan is clearly in the lead. Japan's net external assets rose by $50 billion during 1986 and reached $180 billion by the end of the year, breaking the previous world record of $150 billion set by the United States at the end of 1982.[1]

There have been other occasions when leadership has passed from one nation to another; the fact that Japan is so much smaller than the United States is not an insuperable obstacle. After all, England is even smaller than Japan and it was the undisputed leader of the world economy in the nineteenth century.

The transfer of leadership is usually a troubling and dislocating process. The most recent occurrence was during the interwar period, when England lost its preeminent position, causing turmoil first in currencies and eventually in international trade. But there has been no previous example of a transfer of economic power as rapid as the one now taking place. As a consequence, both the international financial system and international trade are under great strain. Having become overvalued during the heady days of Reagan's first term, the dollar has been declining since 1985, and its decline has been increasingly difficult to arrest.

The trade deficit shows only small signs of improvement, and protectionist pressures are strong. The willingness of foreign investors to buy our debt has been eroding and, as a result, interest rates have started to rise, posing the prospect of a recession and the specter of wholesale default by less-developed countries. Brazil has already declared a moratorium on debt repayment. Although it recently embarked on an austerity program, Brazil will not be able to resume payments if export markets shrink and interest rates rise. The morning after, President Reagan's borrowing binge looks very bleak indeed.

What is to be done? Protectionism through tariffs, quotas, and other barriers to the entry of foreign products is the counsel of despair. We have seen the consequences of the Hawley-Smoot Tariff Act of 1930, which provoked retaliatory tariffs in foreign countries and caused US trade to suffer a sharp decline. The proponents of protectionism can argue that the current imbalance is too great to allow our trading partners to retaliate effectively against US exports, and they have a point. But retaliation would take the form of a refusal to lend, and we have become far too dependent on foreign capital to allow that to happen. The imposition by the US of countervailing duties on $300 million worth of Japanese electronic goods on April 17, 1987, precipitated an eighty-point drop in the Dow Jones averages the next morning. This is a foretaste of what would be in store if serious protectionist measures were imposed by the US.

Protectionism is the counsel of despair in another sense as well. A reduction in international trade would result in a reduction in living standards throughout the world. It would also acknowledge our failure as the leading economic power in the world. Britain introduced the principle of "Imperial preference," conferring trade advantage on imports from its overseas territories, in 1904. That was the precise moment when Britain lost its hegemony: ironically, it was also the beginning of the end of the British Empire. We ought to be able to do better. Unfortunately, protectionism appeals to certain elemental instincts, whereas a constructive policy is bound to be hard to grasp because the problems confronting us are complex.

To put matters in the simplest possible terms, the United States consumes more than it produces and Japan produces more than it consumes. Hence the imbalance in both trade and payments. To be sure, the imbalances need not be eliminated. The international economic system is flexible enough to accommodate capital flows and the transfer of economic power. What creates problems is the vehemence of the change and the rapidity of the transition. The question we must raise is why we are allowing our economic position to deteriorate at an unprecedented rate. The answer is painfully clear: we have been abandoning our economic superiority in order to achieve military superiority. We have been borrowing abroad to finance rearmament. The current account of the US, which reflects the

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[1] From *Comments on Credit*, a weekly commentary issued by Salomon Brothers, May 29, 1987.

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balance of trade, declined by $155 billion between 1980 and 1986, while the defense budget rose by $138 billion between the same years.

This policy is very shortsighted. Many empires have maintained their military superiority by exacting tributes; but no great power has managed to maintain its position by borrowing from its allies. As our economic position deteriorates, we shall have to reduce our military expenditures, whether we like it or not. As Japan becomes stronger, it will have to increase its military expenditures, whether we like it or not. The sooner we confront that issue, the better. One way or another, we must eliminate or drastically reduce the budget deficit now, not at some distant date. And we must consider carefully what part the military budget ought to play in that reduction.

Our military plans were designed to protect the free world from the ever-looming and worldwide threat of communism. This policy is wholly outdated; communism no longer presents a worldwide threat. Communism as an international ideology has lost much of its appeal. It survives largely in the virulent anticommunism it has spawned in our own country, and in a few aberrant strains such as the Sandinistas in Nicaragua and the Sendero Luminoso in Peru. China today is more friendly with the United States than with the Soviet Union. Both Vietnam and Cuba face the prospect of a cutback in Soviet aid. The Soviet Union itself is in an acute economic crisis caused by the rigidity of its political system and exacerbated by the priority it places on military spending. In some respects, the two military superpowers suffer from the same economic disease, namely military overspending, although in the case of the Soviet Union the disease is incomparably more debilitating because its economy is so much weaker.

The United States and the Soviet Union are able to destroy each other. Consequently, arms reduction must also be mutual and the military balance must be maintained. Fortunately, Gorbachev seems to want to move in this direction. If both countries could reduce their military spending simultaneously and proportionately, both countries would be better off and the world become a much safer place to live in.

What would happen to the world economy, and to our own, if we managed to sharply reduce our military budget? Other sources of demand would have to take its place. Where are they to be found? In the United States higher exports and lower imports would go part of the way to compensate for reduced military spending; and industrial investment may eventually revive, encouraged by the combination of lower interest rates and greater demand for domestic products. But the US could no longer serve as the locomotive for the world economy as it has since 1982.

As for Europe, if the missile treaties currently under consideration are successfully concluded, the European nations would have to increase their expenditures for conventional armaments. Alternatively, Gorbachev may offer to reduce the military strength of the Warsaw pact countries in exchange for increased trade and credit. Either way, the European economy would be stimulated.

The outlook for Japan is much more clouded. The government has announced a variety of supplemental spending measures for stimulating domestic demand but they do not seem to have much effect. The key question is housing. Living conditions in Japan are extremely poor and wholly inappropriate to the wealth that the country has amassed. The reason is to be found in the price of land, which is rising much faster than earnings. A Japanese family must therefore save an increasing proportion of its income in order to put a down payment on a house or apartment. That is why the savings rate is so high.

The first task of Japanese economic policy ought therefore to be to create additional living space. This could be done, first, by reducing or abandoning the subsidies and tariffs that protect Japanese agriculture and converting some of the agricultural land to other uses; and, second, by removing the sunshine laws and other restrictions that prevent the construction of high-rise buildings in urban areas.

The protection of farmers is as deeply ingrained in the Japanese political system as it is in our own. To abandon that protection would mean sacrificing Japan's self-sufficiency and allowing Japan to become dependent for agricultural commodities on the vagaries of the world economy. The choice is a difficult one for the Japanese. If Japan wants to become the leading economic power in the world, it must abandon agricultural protection just as, in 1846, England repealed the Corn Laws, prohibiting imports of grain. If it is unwilling to do so, what right has it to expect the rest of the world to keep its markets open to Japanese imports?

If Japan made more living space available to its citizens, consumption would greatly increase. Not only would there be a construction boom, but purchases of other consumer goods would pick up as well. Both Japan's savings surplus and its trade surplus would decline. In the US, a reduction in the budget deficit would move both the savings rate and the trade balance in the opposite direction. As a consequence, the imbalance between the two countries in both trade and capital flows would be greatly reduced.

We are in a strong position to press such a case on the Japanese. We are still the largest market for Japanese exports, and we provide Japan with military protection. Moreover, the policies I have outlined would, I believe, hold considerable appeal for the Japanese voters (apart from Japanese farmers), if their leaders were willing to present them. Such a shift in policy would not preclude Japan from becoming the leading economic power in the world; it would only slow down the process to a more tolerable pace.

The rise of Japan need not be accompanied by the decline of the United States. We could have an international economic system based on not one but three economic superpowers: the United States, Japan, and Europe (especially if the United Kingdom were to join the European Monetary System). For such a new system to function, however, the US would have to negotiate far-reaching reforms. Our present system has been based on the dollar as the international currency. This is quite inappropriate to changing circumstances. We need to develop a genuine multicurrency system; and to make it work, we need a genuine international central bank.

Such an institution could play a central role in resolving the debt problem of the developing world. Latin America, in particular, is badly in need of an imaginative scheme like the Marshall Plan; but the United States on its own can no longer afford a scheme of this kind. Relief has to be international and Japan has to have a prominent part in it. It should be handled by an international agency; otherwise Japan would gain a degree of influence in Latin America that the US and the European nations would not accept.

The details of a debt-relief scheme are highly complex and technical. Here I can only sketch the broad outlines. The outstanding debt would be converted to obligations issued and guaranteed by the international central bank. This would let the commercial banks off the hook and they would be required to pay for such relief by accepting an interest rate below the one prevailing in the market; or even better, they would accept a reduction in the face value of their loans. The discount in value would vary according to the creditworthiness of the debtor country in question—there is a fledgling market in third-world debt that could serve as a guide. For instance, Mexican debt can now be acquired at a discount of about 43 percent and Brazilian debt at a discount of 41 percent. Banks have begun to set up reserve against potential losses on third-world debt. At present, they amount to about 25 percent of the outstanding debt. A doubling of these reserves ought to be more than sufficient to convert the currently outstanding bank debt into obligations of the international central bank. Commercial banks would no longer be required to provide loans to less-developed countries. That task would be taken over by the newly formed institution. Commercial banks may hold the obligations of that institution just as they hold government obligations—and both kinds of obligations would rank equally in calculating the banks' reserves.

The international central bank would provide credit to sovereign countries on a continuing basis. That is to say, it would refinance the debt rather than insist on repayment, just as the national debt of the industrial countries is continually refinanced. At the same time, the present anomaly, that developing countries cannot refinance their debt, would be eliminated and Latin America would open up again as an export market. With the debt problem on the way to being resolved, private investment could also be expected to pick up again, but it would take the form of buying the shares and bonds of selected foreign enterprises rather than providing bank loans. As the main source of credit, the international central bank would be in a position to ensure that the developing countries do not once again acquire excessive debts. If foreign profit investment rose, or domestic budget deficits got out of hand, the central bank could cut back its lending.

The capital of the international central bank would be underwritten by the major industrial nations. The size of their financial commitments would be determined partly by the respective voting rights they would negotiate when they set up a central bank and partly by their trade balances. Thus, so long as the trade imbalance between the US and Japan persists, Japan would contribute more and the US less than their respective voting rights. The present allocation of voting rights in the World Bank could serve as a starting point for negotiations; but the United States can no longer expect to retain the blocking minority rights that it currently holds in the World Bank.

The institutions of the Bretton Woods system—the World Bank and the International Monetary Fund—fell short of a genuine international central bank. Strange as it

may seem in retrospect, the Bretton Woods system did not envisage large-scale international capital movements and it broke down when they occurred. The free movement of vast sums among the world's capital markets is now a fact of life and a return to fixed exchange rates has become desirable because currency fluctuations are disrupting the world economy. Speculative transactions far outweigh in importance the balance of trade in determining exchange rates; and trends in exchange rates tend to become exacerbated by speculation. As a consequence, fluctuations in exchange rates are carried to extremes, investment in fixed assets is discouraged, and "hot money" accumulates.[2]

An international central bank that engages in continuous large-scale borrowing operations would make a system of fixed exchange rates possible. The bank's obligations would be issued in a new international unit of account—similar to the European ECU—which would link the major currencies of the world together and allow them to fluctuate only within a narrow band. Moreover, the new institution would be able to control the worldwide money supply through its borrowing operations, much as national central banks do at present.

With the Plaza Agreement of September 22, 1985, the monetary authorities of the leading nations abandoned the system of freely floating currencies, but they have not been able to develop a better system in its place. Clearly the creation of an international central bank would infringe on the sovereignty of every nation. In all probability, only a financial crisis would induce the nations of the world to sacrifice part of their sovereign rights. History shows that every step in the development of central banking as an institution has been preceded by a crisis.

It would require an act of strong leadership to short-circuit the process. Fortunately, the United States is still in a position to provide such leadership. The US has been the linchpin of the financial system ever since the end of the Second World War. By sponsoring an international central bank it could consolidate its position at a time when it seems destined to lose it.

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## HENRY KISSINGER: AMERICA, THE CONTRAS AND FOREIGN POLICY

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. MICHEL. Mr. Speaker, when the history of this decade is written, no chapter will be more strange than the one telling of American policy toward Nicaragua. Perhaps never before in our history, not even in Vietnam, has there been such confusion as to goals, motives, methods, and the character of public debate. If it were merely a battle between two branches of the Government, the debate over Central American policy might be better understood. But we have a unique situation: A Republican conservative President, a House dominated by liberal Democrats, a Senate that once had a slight Republican majority and now with a slightly larger Democratic majority.

Add to this the public confusion as to the nature and the goals of the Communist Sandinistas in Nicaragua—some polls show that as many Americans believe the Sandinistas are right-wing dictators as those that believe they are Communists, and the rest are not sure—and we have a formula for foreign policy stalemate, rhetorical overkill on both sides and a total collapse of rational debate on the issues.

We have come a long way since the argument could be made—with a straight face—that the Sandinistas are not Communists, but merely beleaguered nationalists who want only to educate children and cure illness. No one who understands the situation any longer believes that myth, which we heard so often when this debate started.

But now that we have all but universal agreement in Congress—except among the more exotic elements on the left—as to the nature of the regime in Managua, what are we going to do about it?

Given the realities of history and the facts of the current situation, we cannot seriously expect a disciplined, fervent band of self-avowed believers in the Leninist theory of a "vanguard" political party to give up power just for the sake of what they perceive as "bourgeois" reform and hypocritical liberal democracy. If this is the case—and I know of no argument that has been made that could convince any informed person to the contrary—we have to support the democratic resistance in Nicaragua. And we have to support it adequately, consistently and openly.

This isn't a right-wing or conservative view—it is the reality of the situation, transcending any ideological preconceptions. The existence of a Communist-dominated military power in Central America is wholly unacceptable to the United States and to the democracies of Central America.

Where do we go from here? Henry Kissinger, former Secretary of State, has addressed that question in an article in the Washington Post. In his typically lucid and forceful style, he lays out the policy options and calls for a return to sanity and genuine understanding between the branches.

At this point I wish to insert in the RECORD, "America's Contra Muddle" by Henry Kissinger, the Washington Post, Tuesday, July 28, 1987.

### AMERICA'S CONTRA MUDDLE

(By Henry Kissinger)

As the Iran-contra hearings alternate between mind-numbing detail and star performances, the central issue of the balance between the executive branch and Congress is in danger of being neglected.

The conventional wisdom that modern-day presidents and their agents in the executive branch have a tendency to break laws is too simple and too self-denigrating. The overwhelming majority of public officials endure the pressures and harassments of official life because they want to make a contribution to a better world.

The real issue is not whether officials are entitled to substitute their judgment for that of Congress—not even the most zealous White House staffer would claim that—but whether our system of checks and balances is moving excessively toward the former with ever less concern for balance between the coequal branches of government. Nearly insoluable constitutional and personal dilemmas arise when each branch of the government acts on the premise that the other is producing disaster and must be thwarted at all costs.

There were serious errors of judgment in the Iran-contra affairs, ranging from the decision to ransom hostages with arms to the arming of a country whose victory would imperil the interests of the industrial democracies, to pursuing covert policies totally contradictory to publicly stated positions. But these do not amount to a crisis of institutions.

These arise when each branch of government pushes its prerogatives to the limit, destroying the self-restraint without which the system cannot work. The conduct and funding of contra operations clearly fall into this category.

On the formal level the case is obvious. The executive branch cannot be allowed—on any claim of national security—to circumvent the congressional prerogative over appropriations by raising its own funds through the sale of government property. But equally, Congress has an obligation to put forward a clear-cut expression of what it desires. And both branches must seek to settle controversial issues not by legalisms and subterfuges but by a serious national debate setting forth premises, opportunities and risks. This is emphatically not what has happened.

The administration is of the view—which I share—that Sandinista rule in its current form is a long-term threat to the stability of Central America and hence to the security of the United States. It has therefore sought to bring pressure on the Sandinista regime, either to induce it to become more democratic or, failing that, to overthrow it (though that latter objective has never been made explicit). The administration considers the contras a key element of a new political structure in Nicaragua.

The reaction of Congress has ben ambivalent. The Vietnam-born reluctance to be drawn into a conflict in Nicaragua has been matched by a hesitation to assume the blame for a collapse of the Nicaraguan anticommunist resistance.

The result has been a series of compromises, which is the way Congress decides on legislation. This process in foreign policy tends to combine the disadvantages of all policy choices. Thus the impression created by the Iran-contra hearings that the administration violated a clear-cut congressional mandate is misleading, for the mandate has been anything but clear-cut.

There have been at least six different versions of legislation affecting contra aid, each of them authorizing support for the contras but encumbering that aid with restrictions that varied from year to year and that largely contradicted congressional consent to the principle of support for the Nicaraguan resistance.

From Dec. 21, 1982, to Dec. 7, 1983, there was a prohibition against using funds to "overthrow" the Nicaraguan government; by implication other contra activities were permitted if not encouraged, and the term "overthrow" was never defined.

From Dec. 8, 1983, to Oct. 3, 1984, there was a ceiling of $24 million on intelligence support for military or paramilitary activity inside Nicaragua, thus blessing as well as financing these enterprises.

From Oct. 3, 1984, to Dec. 19, 1985, Congress reversed course and prohibited military or paramilitary support. Indeed for

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[2] See George Soros, *The Alchemy of Finance*, Chapter 3 (Simon and Schuster, 1987).

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nine months no new funds were provided for any purpose, though existing funds could continue to be expended. After Aug. 15, 1985, humanitarian aid to the contras was reinstated to the extent of $27 million.

From Dec. 19, 1985, to October 1986, intelligence support was again permitted, though it was limited to advice and to communications equipment. At the same time the State Department was authorized to solicit humanitarian assistance from third countries.

On Oct. 13, 1986, Congress appropriated $100 million in humanitarian and military assistance after a 10-week hiatius while a meeting to reconcile technical differences between the versions of the two houses was stalled by opponents of contra aid.

What message was Congress seeking to send? What was the rationale for approving assistance to the contras but constantly changing the amounts and the conditions for using them? What rationale underlay the amounts approved? And how was the administration to interpret a congressional intent that changed so often? Did Congress approve the contras, leaving only the scale of support at issue? Or was Congress seeking to destroy the Nicaraguan resistance while being unwilling to assume responsibility?

Clearly Congress provided neither continuity nor criteria to which even the most scrupulous administration could orient itself. And all the while the contras in the field, not governed by congressional cycles, were in danger of collapsing before a new congressional appropriation could be passed. Of such stuff are institutional crises made.

This in no way seeks to justify the specific measure the Reagan administration took to deal with its very real dilemma of how to keep the contras alive from congressional cycle to congressional cycle. Neither self-financing nor lies to Congress can be excused. Nor were the administration requests to Congress free of disingenuousness. For example, were the sums requested by the executive branch based on an achievable strategy, or did they reflect a judgment of what the traffic would bear? Be that as it may, to focus exclusively on administration transgressions is one-sided and misleading; congressional incoherence and ambivalence require comparable attention.

The fundamental mistake made by the Reagan administration was to seek to achieve by indirection what it should have faced head on. It should have bent every effort to bring about a national debate on the choices before the country with regard to Nicaragua and to force a congressional vote on the minimum means required to achieve its view of national objectives.

There were at least three choices:

To coexist with the Sandinista regime unless it introduced high-performance Soviet military equipment into Nicaragua.

To bring pressure on Nicaragua to return to the inter-American system by expelling foreign—especially Cuban—advisers and reducing its military forces to traditional Central American levels in return for the United States' not challenging the Sandinista political structure.

To overthrow the Sandinista regime or at a minimum (and improbably) to change its character so that the Sandinistas became one political party in an essentially pluralistic process in which the contras also participate.

The only option achievable without military pressure—contra or United States—is the acceptance of the Sandinista regime without any conditions other than the exclusion of Soviet high-performance military equipment. The overthrow of the Sandinistas, on the other hand—the third option—would almost certainly require U.S. troops.

The irony of the American political process is that each of the two coequal branches of the government chose an option at the opposite end of the spectrum, but supplied means inconsistent with its preferences. A large militant minority in Congress pursued the illusion that diplomacy was an alternative to pressure. But while it is possible to debate the nature of the pressure, and of reasonable objectives, diplomatic success pressupposes a balance of penalties and incentives. In the end, a hesitant majority recognized this reality and voted reluctantly for some contra aid, though never enough for even minimum objectives. This institutionalized ambivalence.

On the other hand, the administration's real objective has been the overthrow of the Sandinista political structure. This is unachievable by the means it has requested, which at best are enough for the second option: the expulsion of foreign advisers and reduction of Nicaraguan military forces. This institutionalized stalemate.

I make these criticisms with considerable sympathy and diffidence, for the administration in which I served reacted with similar ambivalence to comparable congressional challenges. In retrospect the Nixon administration's crucial mistake over the war in Vietnam (which it inherited) was not to insist on an up-or-down vote regarding its judgment on how to conclude the war. This would have required Congress to assume responsibility for its actions, would have avoided prolonged national anguish and would have brought a clear-cut resolution one way or the other. The Reagan administration will face the same endless controversy, and I fear the same unfortunate outcome, if it continues to finesse a national debate over Nicaragua.

Restoration of a sense of direction in foreign policy requires an end to hypocrisy and sanctimony. The administation must either ask for resources consistent with its objectives or reduce its objectives to attainable resources. Congress must stop carrying water on both shoulders, approving the principle of contra aid but salving its conscience by restrictions that doom it. It is, as well, time to stop the self-righteous claims that secrecy is in itself evil, especially in covert operations. What makes an operation covert is that parts of the government and Congress are excluded from full disclosure. It is imperative to debate the nature of the group that must be privy to information; it definitely must include some element from Congress. But in a world where the lines between domestic and foreign policy are eroding, the United States cannot be the only major country without a covert capability.

The United States urgently needs three things: 1) a compact between the executive and legislative branches defining the proper role for each with some precision; 2) a reassessment of how to conduct covert operations, and 3) a long-term program for Central America.

A vital democracy must be able to set realizable goals, and that must begin with mutual respect between branches of the government based on the conviction that serious people are dealing seriously with each other for the good of this country.

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## INSURING THAT VICTIMS OF A NUCLEAR ACCIDENT RECEIVE FULL COMPENSATION

### HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. AuCOIN. Mr. Speaker, today the House of Representatives is considering legislation reauthorizing the Price-Anderson Act. Originally enacted in 1957 to temporarily encourage the growth of the nuclear power industry, Price-Anderson states that if there is ever an accident at a nuclear powerplant, all utilities with commercial reactors would contribute $5 million to a fund to compensate the victims of that accident. Under this scheme, the total amount of compensation provided to the victims of a nuclear accident would be approximately $700 million.

The bill before the House today raises the liability cap to $7 billion. In the event of a nuclear reactor accident, each utility in the country would begin to pay approximately $10 million a year for approximately 7 years to cover victim compensation costs. But not one dime would be paid into a compensation fund unless and until an accident actually occurred.

Although this bill is a significant improvement over the current law, I believe that any cap is too arbitrary. Where do you draw the line on liability? What makes $7 billion the magic number?

Our policy should be that all victims will be adequately compensated for their injuries, and even the best estimates tell us that in the tragic event of a nuclear accident the costs will far exceed $7 billion. So I support the Eckart amendment to this legislation, which would provide unlimited compensation for victims of a nuclear accident. Under this plan, utilities would pay approximately $10 million a year for as long as it takes to compensate every person who is harmed in an accident.

Mr. Speaker, several months ago I visited the site of the Chernobyl nuclear powerplant accident in the Soviet Union. It is not a pretty site. My observations of the site and the surrounding area and my conversations with the Soviet officials convinced me that the damage wrought by a nuclear accident would be much higher than $7 billion.

My observations at Chernobyl are confirmed by several reports. For example, the 1975 reactor safety study estimated that the worst-case accident consequences could be 3,300 early deaths and $14 billion in property damage. A June 1987 report by the General Accounting Office found that damages from an accident, under average weather conditions, could reach $15 billion. And a Federal Insurance Administration study estimates that a more severe accident at the Three Mile Island site could have caused $17 billion in property damage alone.

Under current law, and under the proposed bill, it's clear that, in the event of the unthinkable, some survivors of a nuclear accident will not be compensated for damage done to their property and person. And who is going to choose who the winners and losers are in such a situation? How are we going to explain

giving a check to a person on one side of the street and a "sorry, but we've run out of money" to their neighbor?

The American system of tort law is based on the premise that a person should be made whole when injured by another party. When someone departs from the reasonable person standard, the victim should be able to seek compensation for that behavior. And the threat of being held liable for these actions provides a deterrent to engage in irresponsible behavior.

But a cap on the liability of the nuclear power industry does not provide an incentive for the industry to perform in the safest way possible. For years, we've been told by supporters of the nuclear power industry that it is a safe industry, that everything is under control. If that is the case, then the industry should not fear unlimited liability. The bottom line here is accountability and safety. That's why I support the Eckart amendment, which would require that all utilities contribute $10 million a year until such time as all victims are compensated after an accident.

In addition to the issue of unlimited liability, another issue of concern to me is the accountability of contractors employed by the Department of Energy.

Under current law, contractors at DOE nuclear facilities—like the Hanford Nuclear Reservation—are not required to buy nuclear liability insurance and they are not accountable to members of the public injured in an accident. In other words, DOE contractors at Hanford are totally shielded from liability, even if the contractor has engaged in willful misconduct.

I support the Wyden/Sharp/Synar amendment to this bill that would close this egregious loophole. This amendment would essentially hold contractors liable for damages in cases where injuries were caused by gross negligence or willful misconduct by corporate management. Without this amendment, a blanket exemption from liability removes any safety incentive created by the tort system. And to the extent that liability is absent, the contractor does not have any financial interest in ensuring that a product is designed and made with the safety of the user in mind.

Oregonians who live in the shadow of the Hanford Nuclear Reservation in Washington have a particular interest in encouraging safety in nuclear powerplants.

That's because they have been put at risk by poorly maintained, technically outdated facilities at the reservation and several components of the Hanford complex have, in fact, been shut down. But that's a result more of public pressure, rather than concern by the contractors over safety of the operation. Clearly, contractors should be held responsible for ensuring the safety of the operations conducted for the Department of Energy.

Last year, Congressman NORM DICKS, Senator MARK HATFIELD, and I won a $20 million increase in appropriations for defense waste management at the Hanford Reservation. This year, Congressman DICKS and I have won approval of a similar increase for the Energy Department's 1988 operations.

But if DOE contractors were subject to potential liability, we probably would not have 1,000 hazardous waste hot spots on the Hanford Reservation today. There might not be millions of gallons of mixed radioactive wastes sitting in 149 single-shell steel tanks, several dozen of which are leaking extraordinarily dangerous material. And, it might not have had to take several independent analyses and substantial congressional and public pressure to put the N-Reactor into an extended shutdown mode.

Once again, the issue is accountability and safety.

This amendment will restore the incentive for DOE contractors to perform in the safest manner possible. For me, that's the bottom line.

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## COMPETITION CHALLENGES ODYSSEY OF MIND STUDENTS

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. FLORIO. Mr. Speaker, earlier this year, the Odyssey of the Mind Finals were held on the campus of Central Michigan University in Mount Pleasant, MI. This year marked the eighth time that the competitions of creativity and problem-solving have been sponsored by the Odyssey of the Mind Association, Inc. of Glassboro, NJ.

I would like to take this opportunity to commend the team members from my home State of New Jersey who participated in the finals and came up winners for both their determination and their achievement.

Garnering a first place prize in the Division II Chain Reaction competition, the Pitman Middle School roster was as follows: Jennifer Abbott, Matt Danadio, Andrew Levan, Laura Williams, Susan Bartelt, Christopher Genter, and Jon Mollenhauer, and their coach, Brian Farr.

In the Division I Cro-Magnon puzzle, the Sparta Elementary Enrichment Teams, consisting of Scott Thomas Illingsworth, Jessica McIntyre, Jesse Damon Wilbur, Alysha Merideth Myronuk, Allyson Jane Bainbridge, Lisa Hamer, and their coach, Elaine Pace, won second place.

Also winning second place in the Division II Poetic License competition was the Sayreville Middle School with Keith Barrack, Dana Bialow, Lori Brower, Carrie Czernikowski, Kristin Mioduszewski, Portia Resnick, Jennifer Statelman, and their coach, Gina Herdegen comprising the winning team.

Ramsey High School also came up in the winning tradition with third place in the Division III Chain Reaction contest at the finals. That team includes Bobby Chin, Joseph DelRio, Craig De Young, Gary De Young, James Hoppin, David Suzuki, Karen Suzuki, and their sponsor and coach, Barbara Hoppin.

There were many other students participating in the competition from throughout the State of New Jersey. Their determination to put their skills and their knowledge to work in the challenging contest is a victory for them, their parents, and their teachers.

The Odyssey of the Mind is no mere puzzle. Rather, it is a series of challenges that students working as teams try to solve within time and cost limits. Left to their creative devices, students from across the Nation compete.

Their novel and creative approaches to problem-solving demonstrate time and time again that, when equipped with the educational tools, students can tackle tough, mind-boggling problems in innovative ways.

I commend these students and the many other students from New Jersey and from schools all over the Nation and the North American continent for making the effort in this competition.

Praise is also due to the organizers and sponsors, the Odyssey of the Mind Association, Inc., as well as the coaches who gave their best to their students in this contest.

In the competition to make education work on a practical level, these students have succeeded.

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## TAIWAN: MOVING CLOSER TO FULL DEMOCRACY

### HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. ESPY. Mr. Speaker, as the whole world focused its attention on the dramatic developments toward democratization in South Korea, in recent days and weeks, even greater movements toward a full democracy were taking place in the Republic of China on Taiwan.

On July 15, 1987, Taiwan ended 38 years of martial law and enacted a new National Security Law. From my discussions with Prof. Nathan Mao of Shippensburg University, an authority on Taiwan affairs, and members of Taiwan Ambassador Fredrick F. Chien's staff, I understand that the new security law restores the rights of assembly and association of the people, and even more importantly, the law specifies that citizens are to be tried in civilian instead of military courts.

In a recent article, J. Terry Emerson explains that the 10-article security law compares favorably with U.S. statutes governing immigration, coastal defense, and restricted zones and that the passage of the security law is a clear indication of Taiwan's determination to become a fully democratic country.

Indeed, no movement toward democratic reforms would have been possible without the determined efforts of President Chiang Ching-kuo. It was President Chiang who convinced the conservatives within the ruling Kuomintang that the martial law, first imposed in 1949, had served its purpose in bringing about Taiwan's economic success and that the time had come for the country to move toward constitutional democracy.

In fact, in last fall's election, Taiwan's first opposition party, the Democratic Progressive Party, with the blessing of the Kuomintang, elected its own members to the national legislature and has been functioning as the major opposition party ever since.

Not only was President Chiang committed to see the formation of the new political party, he was equally determined to end martial law and pass the new security law. On June 24, he commented that the law's passage "was the first step toward promoting democratic politics in the Republic of China. Promoting democratic politics must be done step by step within the framework of the laws of society. We have a lot of things to do, and I hope that everybody can abandon their differences and unite to overcome all hardships and problems and bring the ROC into a new era."

A step-by-step approach is what I would like to see taking place in Taiwan. Despite its booming economy, Taiwan still faces an hostile neighbor across the Taiwan Straits. Mainland China has not abandoned the threat of using force to overtake Taiwan. National security and social stability must therefore be first among considerations as Taiwan moves toward constitutional democracy.

Such a movement requires the cooperation of everyone, and full cooperation, especially from members of the Democratic Progressive Party.

Mr. Speaker, like my friends and colleagues in Congress, I applaud the recent political developments in Taiwan. In the words of Ambassador Fredrick Chien:

> The passage of the new Security Law is an historic event for the Chinese people. It was a triumph for the people and the government. It meant that the Chinese people on Taiwan will soon be enjoying freedoms and rights common to all Western democracies. In incorporating the spirit of the United States Constitution, the new Security Law will serve the Chinese people well, as the American people have been so ably served by its Constitution for the last two hundred years.

In closing Mr. Speaker, I wish the Chinese people on Taiwan, President Chiang Ching-kuo and Vice President Lee Teng-hui of the Republic of China the best of luck as they embark upon their "new era of democracy."

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## CONGRESSMAN BARTON'S 1987 ANNUAL QUESTIONNAIRE

### HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. BARTON of Texas. Mr. Speaker, earlier this year I mailed out my 3d annual Sixth District questionnaire. As of today more than 11,000 Sixth District residents have returned their completed surveys. This year's survey clearly proves that the residents of the Sixth Congressional District have strong opinions on issues before the 100th Congress. The information from the completed surveys has been, and will continue to be extremely valuable in assisting me in forming my positions on many bills before the Congress. At this point, I would like to insert the final results of my 1987 questionnaire for the information of our colleagues.

QUESTIONNAIRE RESULTS

| | Percent |
|---|---|
| 1. President Reagan recently announced his support for the Superconducting Super Collider (SSC). This major facility will put the U.S. at the forefront of basic scientific research and create jobs. The cost of the SSC is estimated to be $4–6 billion. Do you support this project? | |
| Yes | 82 |
| No | 15 |
| No response | 3 |
| 2. A.I.D.S. is a very serious, communicable disease with no known cure. Should the same public health standards, policies, and procedures be applied to A.I.D.S. as are applied to other deadly communicable diseases? | |
| Yes | 90 |
| No | 9 |
| No response | 1 |
| 3. Many nations place high tariffs and restrictive import regulations on American products. Do you favor establishing equal tariffs and regulations, on a nation by nation basis, for foreign imports to the U.S., even if this action causes higher prices for imported goods? | |
| Yes | 79 |
| No | 19 |
| No response | 2 |
| 4. Do you support an import fee on all crude oil shipped into the United States? | |
| Yes | 62 |
| No | 36 |
| No response | 2 |
| 5. The goal of the Strategic Defense Initiative (SDI or "Star Wars") is to develop a non-nuclear missile defense system that destroys attacking enemy missiles before they reach our nation. If proven feasible, should we begin to deploy this missile defense system? | |
| Yes | 82 |
| No | 15 |
| No response | 3 |
| 6. The line-item veto would allow the President to veto specific parts of spending bills without vetoing the entire bill. Do you favor giving the President this authority to control spending? | |
| Yes | 77 |
| No | 22 |
| No response | 1 |
| 7. Last year the Supreme Court overturned the automatic enforcement provision of the Gramm-Rudman deficit reduction bill. Subsequently, the Congress did not meet the Gramm-Rudman deficit target. Is it important to amend the Gramm-Rudman law so that the annual deficit target must be met? | |
| Yes | 79 |
| No | 16 |
| No response | 5 |
| 8. Should Congress raise the national minimum-wage, currently set at $3.35 per hour, even if this results in higher unemployment? | |
| Yes | 23 |
| No | 76 |
| No response | 1 |
| 9. President Reagan recently vetoed the Clean Water Bill and the Highway Reauthorization Bill because he felt they contained too much wasteful spending. I supported both presidential vetoes. Should President Reagan continue to veto spending bills that exceed budget targets? | |
| Yes | 85 |
| No | 11 |
| No response | 4 |
| 10. Soviet spying devices have been discovered in the New U.S. Embassy in Moscow. What should be done about this? (a) debug and refurbish if possible; (b) reclaim the new Soviet-Washington Embassy, return the new American-Moscow Embassy and start over; (c) demolish the new Moscow embassy and rebuild on the same site. | |
| A | 36 |
| B | 43 |
| C | 11 |
| No response | 5 |
| 11. What is the best way to provide catastrophic health coverage for senior citizens? (a) through existing federal government programs such as Medicare; (b) by establishing private sector incentives such as tax credits and/or special savings plans like I.R.A.'s; (c) combination of both "a" and "b" | |
| A | 30 |
| B | 17 |
| C | 48 |
| No response | 5 |
| 12. If the Federal Government is the provider of catastrophic health care for senior citizens, which method do you most support to pay for such coverage? (a) premium increase in Medicare (Bowen Plan); (b) tax benefit recipients (Stark-Gradison Plan); (c) general tax increase (Pepper Plan). | |
| A | 33 |
| B | 23 |
| C | 31 |
| No response | 13 |

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## A TRIBUTE TO MALCOLM BALDRIGE

### HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. LEWIS of California. Mr. Speaker, we were all shocked by the tragic death of Malcolm Baldrige on July 25, 1987. Last evening in her commentary, Nancy Dickerson, a commentator for Fox Television News, captured the essence of this outstanding public servant and human being. I submit it to the CONGRESSIONAL RECORD for your consideration:

> It's ironic that the Iranian Arms scandal hearings had to be interrupted for Malcolm Baldrige's Memorial Service. What a contrast! Whereas the hearings are filled with lying and deceit, Baldrige, Secretary of Commerce, was just the opposite. He was the quintessential straight shooter, loved for his honor and trust.
>
> As we sat in the big cathedral, waiting for the President to arrive, I thought of those hearings and the contradictions they posed: how our foreign policy suffered massive blows at the hands of deception, while in the same period Baldrige was negotiating equally difficult matters at the highest levels with success, in part because of his own personal integrity.
>
> I've covered a lot of funerals, starting with Martin Luther King, the Kennedy brothers, and Eisenhower: and this one was distinguished in that it was not so much a sad farewell as a celebration of a life that was all a life should be. First of all, President Reagan's eulogy was superb. A-plus. My Irish grandmother, an expert on these matters, would have declared that no one could have done better. The President told how Mac, as he called him, how Mac was a member of the Cowboy Hall of Fame, who had died with his boots on, roping steers; how Mac had ordered that there were only two people in the whole world who could interrupt his meetings at all times: one was the President (meaning himself) and the other was any cowboy who happened to call.
>
> In life, Baldrige taught us how to live. His death, tragic as it was, became a time for the President and for this city to forget the hearings and to focus on our greatness and to be proud that Malcolm Baldrige was part of us.
>
> I'm Nancy Dickerson and that's my commentary.

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## ON THE CUTTING EDGE IN THE LEHIGH VALLEY OF PENNSYLVANIA

### HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. RITTER. Mr. Speaker, the Lehigh Valley of Pennsylvania, which I represent, is once again on the cutting edge of technological innovation. Years ago, the first transistor was manufactured at the Allentown Bell Laboratory. Today, AT&T is constructing an $85 million research laboratory in nearby Breinigsville to conduct fundamental and applied research on photonics—the use of light to carry information. Photonics will be the key to unlock vast new potential of the Information Age.

The following is a July 21, 1987, article which appeared in the Philadelphia Inquirer describing the Lehigh Valley facility and what it will mean to the future of the telecommunications industry and to the ability of Lehigh Valley citizens to contribute to the information age. I trust my colleagues will find it both as interesting and exciting as I did.

The article follows:

[From the Philadelphia Inquirer, July 21, 1987]

IN PENNSYLVANIA, BELL PLANNING A NEW VISION OF THE FUTURE

(By Jim Detjen)

BREINIGSVILLE, PA.—On a ridge looking out over cornfields here in rural Lehigh County, more than 300 construction workers clang and pound and weld in the hot summer sun as one of the nation's most important scientific facilities slowly takes shape.

It is the $85 million AT&T Bell laboratory, where, in 1988, 800 scientists, engineers and other employees will begin the kind of work that could dramatically change the way most people live.

Bell scientists say advances here might someday lead to television images as clear as color slides, machines that type letters merely by being talked to and vastly faster and more intelligent computers.

They foresee the day when their work here can help people to inexpensively send and retrieve movies, music and information from anywhere in the world. And when people, using inexpensive videophones, can see whom they are talking to thousands of miles away.

Specifically, what will go on in the 450,000-square-foot facility about 60 miles northwest of Philadelphia is fundamental and applied research on photonics—the use of light to carry information.

Executives with Bell Labs believe that photonics will be the most important communications technology in the coming decades. With the use of advanced lasers and ultrathin glass fibers, they say, it is possible to transmit far more information faster and less expensively than with conventional electronics.

Photonic, says T.R. Thomsen, president of Bell Labs' technology systems group, is "the world's newest, most promising technology." And Mark Melliar-Smith, executive director of the Labs' electronic and photonic devices division, said the new laboratory would make the Lehigh Valley "one of the world's centers for photonics."

John Mayo, executive vice president of AT&T Bell Laboratories, calls photonics a "killer technology" with the potential to kill off existing communications technologies such as coaxial cables. He noted that in a recent experiment, the equivalent of the entire Encyclopaedia Britannica was transmitted on fiber-optic cables in less than one second.

"The center of gravity of photonics for Bell Labs is already in Pennsylvania, and it is growing steadily," said Melliar-Smith. "The development of electronic technology at our labortories has clearly shifted to Pennsylvania."

AT&T Bell Laboratories is recognized worldwide as one of the premier centers for basic and applied scientific research. During the last half-century its scientists have invented the transistor, digital computer, laser, solar cell, communications satellite and countless other devices that are important strands in the fabric of our technological society.

Its scientists hold more than 21,000 patents—an average of one a day since the labs were founded in 1925. Seven of its scientists have been awarded the Nobel Prize in physics; no other scientific operation comes close.

AT&T Bell Laboratories employs 20,500 people at 22 different sites. It has 11 facilities in New Jersey, where it is headquartered. Other Bell facilities are located in Illinois, Georgia, Ohio and Massachusetts.

The new laboratory, which is known in the Solid State Technology Center, is being erected on a 205-acre site about 10 miles southwest of Allentown, where two other Bell laboratories already exist. A third Bell laboratory in the state is located in Reading. About 1,400 Bell employees work in Pennsylvania. The 800 employees at the new lab will be transferred from other Bell labs in Pennsylvania and New Jersey.

AT&T executives say they selected the Lehigh Valley site for its new laboratory for several reasons: It is centrally located between Bell Labs' major facilities in northern New Jersey and AT&T's manufacturing plants in Reading and Allentown; it has good educational facilities such as Lehigh University, and it is far less expensive than northern New Jersey.

Housing in the Lehigh Valley is one half of what it costs in northern New Jersey," said Arnold Durham, a spokesman for AT&T Bell Laboratories in Pennsylvania. "And with the completion of Route 78 in two years, we'll be able to drive to New York City within 1½ hours."

For more than a century, scientists have known of the vast potential of sending information by light waves. But it was not until 1960, with the invention of the laser, that Bell engineers began focusing their attention on photonics.

Melliar-Smith said that two developments in the 1970s helped to pave the way for the commercial development of this technology. One was the development of the semiconductor laser, which makes it possible to shoot out bursts of focused light at room temperatures. The second was the development of ultrapure glass by Corning Gas Works, which has enabled light to be sent long distances.

In photonic systems, information is transmitted as pulses of highly focused light from tiny lasers and light-emitting diodes no bigger than grains of salt. The light pulses are carried over incredibly transparent glass fibers. Scientists say that if sea water were as clear you could see to the bottom of the deepest oceans.

Melliar-Smith said that a series of advances had caused the cost of photonics technology to plunge a hundredfold during the last five years. "And we are continuing to cut the cost of this new technology in half every year," he said.

To make the chips used in photonics, scientists use highly precise machines. One device, known as molecular beam epitaxy, can place layers of atoms on a chip—tailor-making new materials. But these machines need extraordinary clean and vibration-free environments in order to work properly.

Mickey Brown, the laboratory's construction project manager, said the new facility was being built upon shale because these rocks could absorb vibrations. Noisy air conditioning and heating equipment is being placed in a separate building. And engineers are using twice as much steel and 8,000 to 10,000 more cubic yards of concrete than normal to make the structure as stiff as possible.

To minimize dust particles that can damage chips, engineers have designed three special "clean rooms," which are 100,000 times cleaner than the most spotless hospital operating room. Special ventilation systems will filter out dust particles from the air.

When the facility is operating workers will be covered except for their eyes with special white suits to make sure they don't track in dirt and dust. Cosmetics, deodorants and hair sprays will be banned to keep these substances from contaminating the air. Pencils and paper that give off tiny dust particles and fibers when used will be prohibited.

To make the new facility as flexible as possible, laboratories will be built in 10 "pods" that can be altered quickly when new research needs emerge.

Bell executives say they expect that many of the important developments in photonics in the years to come will be made at the new Lehigh Valley laboratory. For example, they say that components of optical computers—faster, more powerful computers that scientists predict will be developed in the next quarter-century—will probably be developed here.

"It is fitting to recall that the first transistor was manufactured at our Allentown factory, launching the age of modern electronics and micro-electronics," said Mayo. "With this facility, Pennsylvania will once again be the focus for a world-changing technology."

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## THE GILBO FAMILY—REUNITE THEM WITH THEIR DAUGHTER IN THE UNITED STATES

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. LANTOS. Mr. Speaker, recently, I have come to have doubts about the promise of "glasnost." While it is true that Jewish emigration has increased from the Soviet Union, these figures are still far below the peak year of emigration of 1979 when over 51,000 Jews were granted permission to leave.

Today, I would like to bring the case of the Gilbo family to the attention of this House. Evgeny Gilbo, his wife, Tatiana, his mother Rachel, and brother Joseph, have been refused permission to emigrate since their first application to leave in 1981. Their only daughter, Olga, was granted permission to emigrate and now resides in California with her husband Michael Solomon. I find it tragic that the Soviet Government allows Olga to emigrate but forbids her family to leave and subjects them to continued harassment.

The continued pattern of persecution of refuseniks is evident in the treatment of the Gilbos. Subsequent to their application to emigrate, Evgeny was stripped of his academic degrees for "activity incompatible with the image of a Soviet scientist." Tatiana was fired from her job, on the rumor that her family planned to emigrate, Olga was expelled from school, and Joseph was fired from his job.

The disturbing story of the Gilbo family is compounded by the fact that Olga is pregnant. I cannot think of a better midwife to take care of Olga's child than her mother, Tatiana. Unfortunately for the Gilbos, they will probably spend this year, and perhaps, others, separated from their daughter and new grandchild.

Recently, Mr. Speaker, the Soviet Union made a pledge to work to reunify divided families. Soviet law provides that a first degree relative must live abroad in order to extend an invitation to emigrate. Olga is a first degree

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relative and the family is most anxious to be reunited. When the Helsinki Agreement was signed in 1975, the Soviets agreed to help reunify families.

Mr. Speaker, I am deeply concerned that significant violations of human rights still continue in the Soviet Union despite the positive signs of "glasnost." It is my sincere hope that leaders of the Soviet Union will come to realize the importance of the observance of human rights—and in particular the rights of the Gilbo family to emigrate in order to be reunited with their daughter.

## CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

### HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. CONTE. Mr. Speaker, I rise today in response to the Congressional Call to Conscience Vigil for Soviet Jews. As a member of the Massachusetts Union of Council for Soviet Jews, I have consistently supported and will continue to support letters written to General Secretary Gorbachev and other world leaders on behalf of Soviet Jews and all others being oppresed by their governments and being denied permission to emigrate to the country of their choice. I can't tell you how many "Dear Colleague" letters I have sent or cosigned dealing with Soviet Jewry.

I am always moved by anger and sympathy whenever I read of Soviet citizens resorting to hunger strikes, as Les and Ina Elbert did, as a last attempt to gain their freedom. And why? Simply because they do not practice the religion their leaders say they must, or because they hold different views than their government does.

Many of the applicants are refused because of alleged charges used to rid the authorities of the responsibility of processing the application. The case of Yuli Edelshtein is, unfortunately, a common example of how the Soviet Government deals with such cases. Mr. Edelshtein, a teacher of Hebrew, was convicted on trumped-up charges of drug possession in 1984. He was also asked to sign a confession to a crime he did not commit in exchange for needed medical attention. He refused. This is just one example of how the Soviet Government deals with the applicants. They create charges to convict the applicants so they no longer are eligible to emigrate. Thankfully, through persistent efforts, Mr. Edelshtein was recently released and allowed to emigrate from the Soviet Union.

Others, like Dr. Benjamin Charney, suffer from grave maladies such as cancer and are constantly denied permission to emigrate to receive the urgent, necessary, medical treatment they desperately need.

Many letters cross my desk on behalf of the same families—Mr. Lev Blitshtein, Vladimir Lifsfhitz, Vladimir and Izolda Tufeld, Vladimir Slepak, and Semion Kats, to name a few. These names I see over and over, and each time I cosign a letter on their behalf, I do so with more vehemence that the time before.

Vladimir and Izolda Tufeld stick in my mind the most because, like so many other Soviet Jews, they are denied exit visas even though they have family in the country they wish to emigrate to. The Tufelds have only one son, Igor, who lives in Israel. Both Vladimir and Izolda are in extremely poor health and wish to see their son, but still aren't allowed to emigrate to Israel. Many of you know Igor Tufeld who has tirelessly pursued his dream of one day being with his parents in Israel. I hope we will soon see his dream come true.

Despite General Secretary Gorbachev's claims of glasnost hundreds of Soviet Jews are being refused permission to emigrate not because of their alleged access to "state secrets", but rather because of their religious beliefs and their differences in political or social opinion to those of their government.

It seems to me that the new Soviet glasnost policy is not all it appears to be once one gets over the initial shock of hearing about Soviet reform. I recently learned of eight Soviet Jews who were told, a mere 16 days after Mr. Gorbachev initiated the glasnost program, that they would never be allowed to leave the Soviet Union because of alleged exposure to "state secrets." This does not sound like a policy of openness to me.

The Soviet refuseniks are subject to terrible discriminations by the Soviet Government. They are often demoted in their jobs or lose them entirely. They lose their telephone service. They become targets for KGB harassment. And they are subject to KGB searches of their homes.

The oppression of Soviet citizens also directly affects citizens of the United States. Keith Braun, an American citizen, met his Russian wife, Svetlana, while visiting the Soviet Union as a law student. However, when he returned to the United States, he was not accompanied by his new bride because she was denied permission to emigrate. She has applied for and has been denied permission on five separate occasions. They still have not been reunited, as is the case of several other couples.

Other families, such as David Gusak and his wife Clara Dudnik, who have families living here in America, are denied exit visas for no apparent reason. Mr. Gusak has never committed any crimes against the Soviet Government, nor has he been exposed to any state secrets, yet on two occasions he and his wife have been denied permission to emigrate to the United States to join their daughter and son-in-law who reside in Pennsylvania.

Sometimes families are granted exist visas, only to be turned aside just before they are due to leave. The Lurie family has been applying for emigration since 1978. In 1980, the entire family was granted visas, but they were rescinded about a month later, utterly destroying the morale and confidence of the family. There is no doubt that the building up of their hopes, only to destroy them is a terrible form of psychological harassment.

Soviet oppression of people is not limited to the Soviet Union, but has spread to other countries behind the Iron Curtain such as East Germany, Romania, and Bulgaria. Time and time again I hear about people whose human rights have been violated. I recently signed a letter on behalf of Nikolay Cocev who currently resides in the United States. His wife and two children, however, have repeatedly been denied permission to emigrate. These people need not be of the Jewish faith to be discriminated against. They need only to have views or beliefs that differ from those of the government. These oppressive governments do not want their people to leave simply because they hold different political and social opinions or religious faiths than the government does.

Mr. Speaker, I would just like to conclude by saying that it is our duty not only to uphold the issue of Human Rights, but to spread it to countries like the Soviet Union, East Germany, Bulgaria, and Romania. This Congress must continue to apply pressure to the Soviet Union and all other nations who keep their citizens in oppression to uphold and ensure what Thomas Jefferson wrote in the Declaration of Independence more than 200 years ago: "That All Men Are Created Equal."

## REBUILDING THE FARM CREDIT SYSTEM FROM THE GROUND UP

### HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mrs. SMITH of Nebraska. Mr. Speaker, I rise to call my colleagues' attention to the continuing financial distress facing the Farm Credit System. How Congress should address this problem is one of the most intensely discussed issues of this decade, not only on Capitol Hill, but in every coffee shop in every rural community across this Nation.

In each of the last 2 years, we have passed legislation hoping to avoid directly bailing out the Farm Credit System. The 1985 Farm Credit Amendments created the Capital Corporation to help facilitate the transfer of the System's surplus assets between Farm Credit districts. Last year, we allowed the System to use accounting practices that spread the System's losses out over a 20-year period.

Both times, Mr. Speaker, Congress completely neglected the borrower. The Farm Credit System is facing such huge losses simply because so many farmers are unable to meet the original terms of their Land Bank or Production Credit Association loans. The System is losing nearly 13,000 customers, and $1 billion in business each month.

Mr. Speaker, while the patient has been steadily bleeding to death, we have simply said that the doctor bills could be put off for twenty years. This time, we need to administer the medicine and heal the wounds that threaten the very existence of the Nation's largest agricultural lender.

Not long ago, the Farm Credit System created a new logo that is found on its letterhead. The logo depicts a plant with three leaves and a root system. The leaves represented the three separate banks within the System, while the roots represent the member-borrowers who sustain and anchor the structure.

In many ways, the Farm Credit System is only strangling itself. Of all the major agricultural lenders, it is the last to realize that it could no longer indiscriminately foreclose on every loan, prune every root, and still survive.

My district is made up of 62 rural counties in the western two-thirds of Nebraska. I visit each of these counties at least once each year. On these visits, I am approached by farmers and ranchers who are angry, disillusioned, and sometimes even frightened at the recklessness of the Farm Credit System.

Past management decisions, the deterioration of its competitive position, and the erosion of investor and borrower confidence have undermined the overall health of the System and will continue to affect its ability to maintain the System's traditional role as a source of sound and reliable credit for several years.

Mr. Speaker, the House Agriculture Committee has been asked to markup Farm Credit legislation and present it to the full House for passage before the August recess. I would urge my colleagues to support a bill that would rebuild the Farm Credit System from the ground up, by aiding the farmers and ranchers who sustain it. I have presented the Agriculture Subcommittee on Conservation, Credit, and Rural Development with a very detailed statement indentifying many of the System's underlying weaknesses and possible solutions.

My statement emphasizes that the Farm Credit System will not recover without the participation and support of its member-borrowers. With your permission, Mr. Speaker, I would like to enter that statement in the RECORD:

THE FARM CREDIT SYSTEM: PROPOSED REFORMS SUBMITTED TO THE HOUSE AGRICULTURAL SUBCOMMITTEE ON CONSERVATION, CREDIT, AND RURAL DEVELOPMENT

(Statement of Hon. Virginia Smith)

Mr. Chairman and Members of the Subcommittee: The 100th Congress again is trying to address the plight of the Farm Credit System, the Nation's largest agricultural lender. The continuing financial distress of this system is one of the most challenging and persistent agricultural issues of this decade.

For the third year in a row, the Farm Credit System is soliciting Congress for assistance to deal with a very difficult agricultural situation. The combined System has operated $4.2 billion in the red over the last two years alone and may lose that amount again by the end of the decade. These unprecedented losses threaten the very viability of an institution once considered as solid as agriculture itself.

Mr. Chairman, it is clear an assistance plan will need to be in place by the end of this year. If Congress does not act quickly, eight System banks will be insolvent by the end of the year and another eleven may follow in 1988.

I realize we are restrained by two considerations—how to make the System accountable for the assistance provided and whether we can afford that assistance—but any further delays could prove fatal. Without any reserves, the System's lenders have no alternative to liquidating their remaining troubled loans. The loss of loan volume and further deterioration of the Systems reputation for soundness would make our rescue efforts even more difficult and costly.

Reflecting the needs of borrowers and the Farm Credit System, here are the basic elements of desperately needed System reform that should accompany granting federal assistance:

1. Restructure troubled loans under carefuly defined circumstances on a case-by-case basis.
2. Restore soundness of the system through prudent and conservative lending policies for all new loans.
3. Establish minimum capital reserves in each bank available for borrower stock retirement and other usual obligations.
4. Establish a Rural Credit Insurance Corporation to protect borrowers' stock investments and the System's bond obligations while funneling any federal assistance through this insurance fund and into the System itself.
5. Insist that all assistance be repaid.
6. Abolish the Capital Corporation.
7. Retire the Farm Credit System's remaining high-interest bonds with federal assistance.
8. Assist individual banks with federal aid whenever reserves fall below five percent of outstanding loans.
9. Grant limited authority of the insurance corporation to issue government guaranteed bonds.
10. Authorize the insurance corporation to underwrite bonds of individual banks whose assets fall below a level that would prevent participation in the bond market.
11. Provide for adequate federal oversight to make the System accountable, and liable, for federal assistance received.
12. Encourage and reinforce stockholder participation in the management of System institutions.
13. Encourage borrower-stockholders to re-establish local banks and associations if feasible.
14. Allow mergers of unlike entities but only at the subdistrict level.
15. Offer borrowers alternatives to purchasing B-stock as a condition for obtaining a loan.
16. Reimburse in full the original value of borrowers' B-stock in Production Credit Associations that were liquidated in Nebraska and elsewhere.
17. Create a secondary market for agricultural loans made by all lenders, including commercial banks as well as the Farm Credit System and other lending institutions.

In this statement, I have discussed each of these elements in greater detail.

The Farm Credit System was created as a borrower-owned cooperative whose business decisions were made by local boards of directors consisting of the very farmers and ranchers it served. Today, farm and ranch families who have relied on the System's lenders for years, and even decades, find they have borrowed from, and invested in, a bureaucracy that is often unable or unwilling to see them through a difficult period in agriculture.

#### 1985 AND 1986 FARM CREDIT AMENDMENTS

Mr. Chairman, we have passed legislation twice within the last two years to buy time for the System. In 1985 and again in 1986, Congress attempted to avoid a direct federal bailout by providing the System with the means to help itself. Unfortunately, the System's dilemma was bigger than even many knowledgeable people understood.

The Farm Credit Amendments Act of 1985 created the Capital Corporation to facilitate the transfer of surpluses and sharing of capital throughout the System. Last year, we permitted the System to use accounting procedures that allowed losses from any single year to be stretched out over a twenty-year period.

However, the System's fundamental problems have not changed. It is still plagued by a high level of nonaccruing loans and other non-earning assets on one hand, while burdened with high cost of debt on the other. Despite mergers and consolidations, the System still suffers from excessive operating costs while it loses nearly $1 billion worth of business each month.

It is time to return to the fundamental structure that has been the System's traditional strength. We should keep in mind that no amount of federal aid, oversight, or further consolidation of the Farm Credit System will restore the System to a position of long-term viability without the participation of its existing and potential borrowers.

The Farm Credit System still lends to more than 600,000 producers nationwide. Its $50 billion loan portfolio represents nearly one third of all agricultural debt. A certain degree of social responsibility is inherent in an institution of this size. Yet, as I testified before your committee earlier this year, the cards and letters I receive almost daily in my office from heartbroken borrowers indicate that the Farm Credit System's lenders have shunned this role far too often.

#### LOAN RETRUCTURING

It is true the Farm Credit System is itself hostage to an often volatile agricultural economy. However, to a certain extent it is a victim of its own self-defeating policies. Despite the steady attrition of its borrowers, the System continues to pursue, with some notable exceptions, economic expediency.

Last year, the System restructured only 3,741 of more than 50,000 nonaccruing loans, loans that the borrowers were unable to meet at the original terms. Forty-two percent of these were in the St. Paul Farm Credit District alone. This is a poor record of responding to the economic realities agriculture faces today.

Even the Farmers Home Administration, with an even riskier loan portfolio, extended some sort of debt relief to almost 100,000 farmers in need in 1986. So far this year, the FmHA has made extra special efforts to assist 53,000 borrowers by reworking loans to a level that the farmer is better able to repay.

Because of the Farm Credit System's relative inertia, Congress must take the initiative to expand the loan restructuring programs some Farm Credit Districts have already begun. Any farm credit legislation passed by Congress this year should contain incentives and explicit instructions that require the System's lenders to adopt a broad loan restructuring policy that reflects current market value of collateral and the borrower's ability to repay.

When it is found that the restructuring of an individual loan is less costly than foreclosing on that loan, taking into consideration all attending legal costs, collateral depreciation, and lost income potential from keeping the loan in existence, every effort should be made to rework the loan to repayable terms.

#### SOUND LENDING POLICIES AND OPERATING PROCEDURES

But we should remember, the System's primary role is to provide producers with a sound, reliable, and affordable source of financing. While debt restructuring is preferable to liquidation, especially when the costs of foreclosure exceed the costs of forebearance, establishing sound operating guidelines and prudent lending practices is a more sustainable long-term policy.

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Past mismanagement, particularly the System's unchecked expansion of the late 1970's and early 1980's, overexposed the System to the fluctuating misfortunes of agriculture. In addition, basing loan quality on the value of collateral is proving painful to say the least. The System's managers did not foresee the need for prudent lending guidelines in the past, but we have that foresight today.

More than ever, the System must assure both borrowers and investors that it will be viable in the long run. I urge your committee to include in the assistance package you are considering specific steps to require each lending institution to develop a conservative loan policy that includes adequate lending limits and bases loan decisions on the borrower's projected equity and realistic ability to repay.

The facts are that many current borrowers, caught unexpectedly in the crunch between lower property values and lower commodity prices, would be unable to obtain Farm Credit System financing under these proposed standards. Therefore, they should apply only to new loans and follow an appropriate phase-in period. Any loan policy plan developed by the board of directors of a System institution should be approved by its voting stockholders.

I also join those who have suggested that the Farm Credit Administration (FCA) be given authority to require each bank to establish an adequate capital reserve that may not be used to make new loans. This is common precaution followed by most responsible banks that should be strictly enforced with respect to the Farm Credit System.

While the System's lenders may be forced to be more cautious in making loans in the future, I do not foresee them becoming too restrictive considering the System could use all the business it can get. The overall benefits from restored borrower and investor confidence in the stability of the System would more than outweigh any inconveniences.

### RURAL CREDIT INSURANCE CORPORATION

To complement the rebuilding efforts of individual banks in each district, Congress should consider the establishment of a Rural Credit Insurance Corporation, drawing from the experience of certain federal regulatory agencies of commercial banks, including the Federal Deposit Insurance Corporation (FDIC) that protects depositors when an insured institution fails. The Rural Credit Insurance Corporation would protect the value of the individual borrower's stock investment.

To accomplish this, each bank would be required to keep an insurance reserve of at least 5% of its outstanding loans (i.e. par value of B-stock) plus an amount adequate to protect the institution from a dramatic decline in the value of the security behind its loans.

The System's remaining cash in hand, about $1.2 billion, could provide the initial funding for the Rural Credit Insurance Corporation. The reserve would be built by requiring each institution to pay a yearly premium determined by the Farm Credit Administration.

When the fund has been built to a level with which the Corporation could easily meet its obligation, any excess reserves would then be available to lenders as a source of low-interest capital for future loans.

However, there are some valid objections to the etablishment of a System-wide insurance fund. Requiring each System lender to contribute to a central reserve fund ties up a substantial amount of capital that would otherwise be available for making loans. Also, until the reserve fund is fully established, the yearly-premiums would be an additional expense that would be passed on to the borrower.

You have heard several sources proposing the type of system-wide reserve fund I have outlined here. I would also caution you, Mr. Chairman, to be sure we are not establishing another permanent layer of bureaucracy to the Farm Credit System's structure. The board of directors of any central reserve fund should not become another regulatory agency.

Despite the potential shortcomings of a Rural Credit Insurance Corporation, the alternative is much worse. Until now, the System has relied on "joint and several liability" to guarantee the timely payment of principal and interest of any bonds issued by its individual institutions.

Simply stated, joint and several liability means that each institution must come to the aid of any other should the troubled insitution be in danger of default on its obligations. Some have described joint and several liability as meaning "all for one and one for all."

The Omaha Farm Credit District has been a net recipient of aid over the past few years. Without joint and several liability, the Omaha Federal Land Bank would now be insolvent. I am naturally reluctant to endorse the elimination of the provisions of the Farm Credit Act that have kept the Omaha banks afloat.

In the Omaha district's current weakened condition, I also strongly oppose any legislation whose net effect would be to allow bond investors to discriminate against bonds issued by the Omaha district. With the relative risk involved, investors would demand a substantially higher rate of return to buy Omaha bonds, resulting in higher interest rates for borrowers in Iowa, Nebraska, South Dakota, and Wyoming.

I am aware, however, that joint and several liability has run its course. The concept has been successfully challenged in the federal courts, and in any case, the System has very little remaining surplus to share among the Districts. Some districts have given so much assistance that they too are in need of help. It is senseless to continue to drain the resources of the entire System when a federal rescue is unavoidable after all.

It will be some time, though, before the System will be able to guarantee the timely payment of system bonds through a central reserve fund. Without a government guarantee of System bonds in the interim, bond rates would rise, and borrowers would pay the price in higher interest rates. The resulting loss in business would cripple the System beyond repair.

### CAPITAL CORPORATION

With the establishment of a central insurance corporation, the Capital Corporation would become obsolete and should be eliminated. The Capital Corporation was created by the 1985 Farm Credit Amendments to enhance the cooperative nature of the Farm Credit System. The 1985 plan, as envisioned by Congress, called for the Capital Corporation to collect assessments from the Districts to be used to buy the nonearning loan and real estate of the financially distressed districts. In exchange for much-needed financial assistance, the Corporation took over management of the loans it purchased.

There is almost unanimous disappointment on Capitol Hill with the performance of the Capital Corporation. The Corporation saw itself primarily as a liquidator, showing very little sensitivity to the unique needs of agricultural borrowers. In addition, it is inherently alien to the standard structure of the Farm Credit System as it does not answer directly to member-borrowers.

Bank officials at all levels complain that the Corporation has interfered with their own rebuilding and restructuring initiatives and is an unnecessary burden on the System's resources. And finally, due to court cases that have successfully challenged its authority, it is essentially ineffective.

### FEDERAL ASSISTANCE

Funneling federal assistance to the Farm Credit System through the Rural Credit Insurance Corporation would be much more acceptable than using the Capital Corporation for this purpose, as some have suggested. Like others who have spoken about legislation pertaining to the Farm Credit System, I feel the Capital Corporation should be required by law to wind down its activities, including returning the loans and property it has acquired back to the banks where they originated. Any remaining assets should be deposited in the central reserve fund controlled by the Rural Credit Insurance Corporation.

The resources available to the Insurance Corporation should be used to meet the two most immediate needs of the System. The first of these is paying interest expense on the relatively high interest bearing bonds issued by the System during its rapid expansion in the 70's and early 80's. Federal relief could be provided to an individual bank if meeting its interest obligations would deplete the banks reserves below 5% of the value of its outstanding loans. This is the equivalent to assuring that each bank has sufficient reserves to retire borrower stock at par value.

### THE SYSTEM'S INTEREST EXPENSE

The Government Accounting Office reported to your committee last year that the interest alone on these high-interest bonds have cost the System over $4 billion in unnecessary interest expense over the past two years and will cost an additional $4.5 billion over the next twenty. This is interest expense that is inevitably passed on to the borrower.

Every effort should be made to retire these bonds early to save this tremendous expense. Bondholders are willing to sell back these bonds before they mature, but only at a premium. The Insurance Corporation should have the authority to contact those bondholders and negotiate a purchase price if this would be cost effective.

In order to raise enough funds to meet its obligations, the Insurance Corporation may eventually need to have the authority to issue Treasury guaranteed bonds. Strict annual limits should be placed on this authority to avoid an outright handout. This would also give Congress the ability to anually review the progress of our assistance efforts and would go a long way in encouraging economy in the System's activities and enforcing any legislative reforms.

### THE SYSTEM'S CAPITAL PROBLEMS

The other problem to be addressed by the Insurance Corporation is the potential collateral shortage faced by several individual banks. The law requires each institution to have sufficient assets, or collateral to back the bonds issued by that institution. The Insurance Corporation should have the authority to back the bonds of individual banks if the banks assets would not be sufficient to allow it to go to the bond market.

I am suspicious of any scheme to allow the Insurance Corporation to use government-held assets such as Commodity Credit Corporation surplus crops or farmland owned by the FmHA as collateral to back bonds issued by the System. The System is already financially overburdened managing the 2.2 million acres of farmland it has acquired through foreclosure.

If our assistance efforts should eventually fail and the System is forced to sell these assets to meet its obligations, land and grain prices would plunge just as they are beginning to stabilize. At best, with commodity traders aware of the grain pledged to the Farm Credit System as security on its bonds, grain prices would tend to reflect the System's health. For the next few years at least, this could have a negative effect on the grain markets.

### FEDERAL OVERSIGHT AND REPAYMENT OF ASSISTANCE RECEIVED

Some method of federal oversight of the activities of the Insurance Corporation may be appropriate; however, I do not agree that a federal takeover of the System is necessary. Farmers do not want the Federal Government telling them how to run their own banks.

As long as any bank's directors are made accountable to its member borrowers and the System is required to repay the assistance it receives in full, the System should have the self-discipline to overcome its difficulties.

When it is determined that a System bank that has received assistance is no longer in danger of impairing borrower stock, or defaulting on its bond obligations, it will then be required to assume responsibility for as many of the bonds issued by the Insurance Corporation in its behalf as it is able. Almost everyone agrees with the premise that federal assistance should not be a handout, including the System itself.

The federal oversight role should be sufficient to monitor the System's progress in resolving its problems, rebuilding its customer base through responsible banking procedures, and determining if further aid would eventually lead to the System's financial independence.

### ENCOURAGING BORROWER PARTICIPATION IN SYSTEM MANAGEMENT

The better alternative to federal management of the System is to encourage the active participation of its owners, the member-borrowers who are directly tied to its fortunes. This time around, it may be wiser to reorganize the System at the subdistrict level. Past mergers of System institutions into a single district-wide bank have proven unpopular with borrowers and often did not achieve the efficiency promised.

Congress should give stockholders the option to re-establish independent local banks or associations that have a reasonable chance to be self-sustaining. The stock and bond protection provided to individual banks by the Insurance Corporation, as I have discussed earlier, would help encourage farmers to take this step.

There has also been a great deal of discussion in Congress this year about amending the Farm Credit Act to allow the mergers of unlike entities within the System, such as allowing Production Credit Associations to merge with Federal Land Banks. In general, farmers are opposed to further consolidation of the System because the resulting merged bank is even further removed from their direct control.

However, there is some merit in this proposal. Allowing a single bank to offer loans to producers for both operating capital and for purchases of farmland would help to diversify the bank's loan portfolio and would be more convenient to the borrower.

Mr. Chairman, mergers of this type may help reorganize the System at the local level, but producers would not welcome consolidating all banks into one district-wide institution if it can be avoided.

### STOCK ALTERNATIVES

Producers should also be given the opportunity to consider alternatives to purchasing stock as a condition for obtaining a loan through the Farm Credit System. Some options include establishing annual participation fees, requiring the borrower to purchase loan insurance, or perhaps simply allowing the borrower the option to pay a slightly higher interest rate in lieu of purchasing stock.

The System has traditionally used B-stock as security in case of a borrower's default on a loan. The stock also provides the System with free capital to make new loans which helps to hold down overall interest rates.

In recent years, however, many borrowers have been reluctant to apply for new loans from System lenders because they are afraid their stock may not be returned at full value, if at all. Future built-in safeguards, such as the Rural Credit Insurance Corporation, loan quality standards, and sound operating procedures that I have described would protect the borrowers' interest.

To promote further discipline in the operation of System banks, borrower stock may be at risk in the future. "At risk" borrower stock would be phased in to correspond with the ability of the Insurance Corporation to meet its obligations. Until that time, the government guarantees that would allow banks to continue to retire borrower stock at full par value would be maintained.

In the future, the System may need greater flexibility in order to attract new business. Any changes, including allowing the System's banks to issue conventional shares of common stocks, should be at the discretion of the stockholders of each bank.

### LIQUIDATION OF CERTAIN PRODUCTION CREDIT ASSOCIATIONS

Mr. Chairman, the future of the Farm Credit System is secure if it can regain the confidence of the farmers and ranchers of this nation who sustain it.

As I testified earlier this year, and again emphasized in a personal letter to each member of your subcommittee, the necessary trust between lender and borrower has been seriously undermined in the Omaha Farm Credit District by the liquidation of two Production Credit Associations in my congressional district.

The resulting loss of or freezing of borrower stock in these defunct institutions created a bitter wave of doubt and anger among the entire System's existing and potential borrowers.

The Farm Credit System will not be respected on Wall Street if it is not trusted on Main Street. Restoring the full value of the borrowers' stock lost in the few liquidated Production Credit Associations in Nebraska and elsewhere would go a long way in erasing the credibility gap that lingers over the System. Therefore, it is absolutely vital that these borrowers be compensated through the legislation you are currently shaping.

### SECONDARY MORTGAGE MARKET

And finally Mr. Chairman, I urge your committee to include legislation that would create a secondary market for agricultural real estate loans. Secondary markets have proven beneficial to other sectors of the economy, such as the housing industry, and could benefit agriculture even more.

The secondary market would allow rural banks to sell farm real estate loans to investors. The Farm Credit System, backed by the Federal Government, would guarantee that investors who purchased these loans would receive the principal and interest as agreed in the original terms of the loan. Rural banks would then use the money from the sale of real estate loans to finance future real estate loans.

Not only would banks have more money available to help farmers purchase farmland, but in the long run, farmers would potentially benefit from lower overall interest rates. A secondary market would also allow rural banks to offer long-term, fixed-interest real estate loans. A farmer's interest expense would be set for the life of the loan and would not rise or fall with inflation.

Mr. Chairman, the Farm Credit System is still very much integrated into the rural economy and is vital to the future success of agriculture. The Omaha Farm Credit District alone has invested an average of $15 million in each of the 281 counties it serves. Fully 213 producers in each county are stockholders of at least one System institution.

Saving the System is certainly going to be a very difficult task that will take a number of years and will require the cooperation of the Federal Government, the System's managers, and most importantly, the member-borrowers themselves. My proposal I have outlined in this statement would allow the borrowers to take the initiative in reforming the System. Without their active support, all our efforts will be in vain.

The failure of the Farm Credit System would reach deep into every rural community. We have witnessed the hardship caused by the failure of just a few institutions in the past, and I urge this subcommittee to take action soon to prevent an even wider crisis in the future.

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## TRIBUTE TO JAMES J. KEHOE

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. LANTOS. Mr. Speaker, I wish to pay tribute today to James J. Kehoe, the retiring Postmaster of San Mateo, CA. Jim has served the city of San Mateo with integrity and with a deep sense of commitment as its Postmaster since 1946. It is with gratitude and great personal pleasure that I honor Jim Kehoe today for his 40 years of dedicated public service to the people of San Mateo.

Jim has deep roots on the peninsula. He attended the College of San Mateo and received his L.L.B. from the Law School of the University of San Francisco. During World War II he served for 3½ years as a lieutenant commander in the Navy. Jim saw combat at Saipan, Palau, and Guadalcanal and received the Presidential Unit Citation for the Saipan invasion.

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Also, Jim has a distinguished record of public service. He was elected to the San Mateo City Council in 1940 and served as acting mayor for a time. He has been a member of the San Mateo City Planning Commission and of the Child Guidance Committee. Jim's public service has also been recognized on the national level as well. He was one of the Presidential electors for California in the 1946 Presidential election and he was appointed a member of the President's Committee for Traffic Safety.

Voluntary community service has been one of Jim's greatest contributions to the peninsula. He was chairman of the San Mateo County Community Chest and President of the San Mateo County Chapter of the March of Dimes. His dedication to Boy Scouts includes service as district chairman of the San Mateo County Council of the Boy Scouts and a member of the National Finance Committee of the Boy Scouts of America. He was also a charter member of the San Mateo Boys Club of America.

Jim has been active as a veteran and has been dedicated to veterans' causes. Jim has been a member of the Disabled American Veterans, the American Legion, Veterans of Foreign Wars, and the California Veterans Jockey Club Foundation. He was California State Commander of Amvets and a member of the Amvets National Executive Committee. He has also served as chairman of the Navy Day, Commandant Representative for San Mateo County, and San Mateo County recruiting officer for the U.S. Navy Reserve.

Mr. Speaker, I am delighted today to recall the many accomplishments of Jim Kehoe and to pay tribute to him in recognition for his service to San Mateo. As he retires from his position as Postmaster, we hope this provides additional time for service to all of us on the peninsula. Mr. Speaker, we wish him well on his retirement.

## HUMAN RIGHTS IN NICARAGUA

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. MICHEL. Mr. Speaker, media reports about a recent report of the Nicaraguan Association for Human Rights emphasize that the association—funded by the United States—uncovered human rights abuses among the democratic resistance forces fighting communism in Nicaraguan.

This much is true. What the newspaper reporter did not stress, however, is that in its report, the association stated:

> To the credit of the resistance, the NR (Nicaraguan Resistance) is probably the only revolutionary movement that allows human rights monitors within its ranks—for ideological reasons identified with its democratic principles and objectives and because of the source of the funds for resistance operations.

The fact that this human rights organization refers to the "democratic priniciples and objectives" of the NR is all-important because such a statement helps to put into perspective the difference between the resistance and the Sandinistas.

One way of understanding this difference is to recognize the difference between the two opposing forces concerning the concept of legitimate authority.

To what other body of legitimate authority in Sandinista-dominated Nicaragua can Nicaraguans turn in order to get an authoritative and binding moral or political judgment, if such judgment disagrees with the current policies of the Sandinista leadership?

The answer, of course is that there is no authority in Nicaragua recognized by the Sandinistas except themselves, not only in terms of running the country, but in setting the guidelines within which all activity—political, cultural, educational, business, military, economic, and governmental—can operate. In short, when an atrocity is committed by a Sandinista soldier, it is possible that the Sandinista government may punish him for it. But they are not punishing him because he has transgressed against some principle of Sandinista rule, but because for the moment such punishment is seen to be in the best interests of the revolution. If punishment of human rights violations is not seen as being in the interests of the revolution, then no punishment is called for. What matters are not rights of the people but the interests of the Sandinistas.

There is no authority outside the Sandinista regime to which a Nicaraguan can—from the Sandinista point of view—legitimately appeal, since the Sandinistas, as the "vanguard" party has the historical right and duty to guide Nicaraguan people. This "right and duty" come from the fact that in Marxist-Leninist theory, the Sandinistas and the Sandinistas alone know what is good for the people because the Sandinistas, as good Marxist-Leninists, have a scientific knowledge of the way in which society works, economies operate, government policies are set, and, most importantly, history works.

Therefore, a human rights violation by a Contra, horrible as it might be, can be investigated and appeared against, because the Contras have, as the report said, "democratic principles and objectives," which means at the very least a pluralistic system in which no one party or group can claim total control because of some supposed historical "right" to rule and to determine the moral as well as political standards of society.

The question isn't whether or not isolated human rights violations have occurred among the Contras. In an internecine war of stealth and ambush, fighting elite Communist troops in the treacherous world of the guerrilla war, where yesterday's noncombatant becomes today's government informer, the probability of human rights violation arising from criminality, fear, mistakes, and just plain stupidity, are high.

All such facts are to be not only deplored and condemned but, wherever possible, investigated so that the facts can be established and, if criminal acts have been shown to have occurred, the criminals brought to justice.

But, as the report points out: "The Sandinista government continues to deny permission to conduct investigations inside Nicaragua * * *."

Thus, while the following allegations of Sandinista atrocities cannot be verified in the same methodical fashion used to investigate alleged human rights abuses by members of the Nicaraguan democratic resistance, they should be read to give some idea of what Nicaraguan citizens believe their current rulers are capable of.

What follows is annex C, pages 31–35, of the "Six-Month Report on Human Rights in the Nicaraguan Resistance," made by the Nicaraguan Association for Human Rights [ANPDH]:

### ANNEX C—ALLEGATIONS AGAINST THE SANDINISTA GOVERNMENT RECEIVED BY THE ANPDH FROM NOVEMBER 1986 TO JUNE 1987

In accordance with the measure that provides funding for the Association, the primary task of the ANPDH is to report on violations of human rights within the resistance. Nevertheless, the ANPDH, as an additional function, has recorded allegations against the Sandinista government received by staff members in Honduras and Costa Rica. These allegations were recorded in the course of other investigaions and taken from individuals who visited the Association's offices.

Since the Association has neither the means nor the charter to investigate these charges, it forwards them to organizations which are appropriately prepared to handle them. These organizations include: a) the Inter-American Commission on Human Rights (IAHCR) of the Organization of American States in accordance with the San Jose Pact and the American Convention of Human Rights, b) Amnesty International, and c) other national and international organizations concerned with human rights.

The following is a list of cases from ANPDH and earlier UNO-CDH files passed to the organizations mentioned above. Allegations received with little or no supporting material are kept in Association files until such information is available.

Diego Manuel Munoz, 52 of San Carlos, Nicaragua—captured by Sandinista troops in July 1979. Two months later, his body was delivered to relatives. Also, his wife Candida was imprisoned and tortured, according to daughter Maria del Carmen Munoz Espinosa.

Manual de Jesus Mejia Flores of Estell—robbed of 160 head of cattle by a Sandinista army patrol on May 15, 1981. When he complained to authorities, he was imprisoned for 27 days. Two years later a farm belonging to him in Wamblan was confiscated. When he complained about the confiscation, he was imprisoned for two months. On May 9, 1985, all of his property was confiscated.

Fausto Saenz Sosa, 42, of El Cano de los Martinex (Waslala), Nicaragua—shot by Sandinista soldiers in the left leg March 10, 1982.

Reynaldo Cerda, 21, naturalized Costa Rican citizen living in Upala, Costa Rica—abducted by Sandinista troops from his boat in the San Juan River in June 1982. When his father, Manuel Cerda Estrella went to San Carlos (Nicaragua) to inquire about him, he was reportedly imprisoned and tortured.

Francisco Chavarria Meza—tortured mutilitated, and murdered near El Cua by Sandinista troops on August 18, 1982, according to Silvio Pens Olivas.

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Juan Rayo Centeno, a farmer from Quebrada Arriba (Nueva Segovia)—captured and mistreated by State Security agents and the Sandinista army in January 1983. Later escaped to Honduras.

Cesar Alejandro Garcia Rocha, a naturalized Costa Rican citizen captured by Sandinistas near San Carlos in January 1983. Reportedly tortured during a 45-day imprisonment and interrogated by Cubans.

Rufino Eliseo Obando Vanegas, 39, farmer from Belen—shot in the left leg by Sandinista troops during a forced recruitment attempt. Was jailed 15 days without medical care, then taken to Managua's Military Hospital where his leg was amputated. February 1983.

Leonardo Castro Olivas of La Cana (Wiwili)—tortured and killed by Sandinista troops on February 16, 1983, according to Ceferino Castro Castro. The patrol allegedly tied his hands and feet and threw him into the Wamblan River.

Francisco Villagra Medina, 20, of San Juan de Aguas (Wiwill)—eyes gouged out, tongue cut off, castrated, and beheaded by Sandinista soldiers on March 6, 1983. IACHR case number 9899.

Rafael Lopez Salarruz, 36, of Birmania, Costa Rica—reportedly taken under false pretenses to the Nicaraguan border by a Sandinista agent posing as a cattle purchaser. Disappeared since March 1983, and, according to Nicaraguan ex-prisoners, seen in Sandinista jails.

Denis Morales, Guillermo Morales, and Bayardo Ruiz Silva, farmers from Granada—reportedly captured by Sandinista soldiers on March 8, 1983. Denis Morales was killed, Guillermo Morales remains in a Sandinista jail, and Bayardo Ruiz Silva was beaten on the spine.

Jose Ramon Perez Calderon was allegedly tortured by Sandinista soliders in Esteli on March 9, 1983.

Marcial Sobalvarro Picado was murdered by Sandinista troops at Aguas Calientes (San Jose de Bocay) on March 11, 1983.

Marcos Barrios, of El Corral (San Carlos)—seized by Sandinista soldiers, forced to dress as a soldier, and murdered in April 1983.

Tomas Perez Peralta and Jose Angel Rivera of El Triunfo (Wiwili)—captured at home on May 18, 1983 was murdered by Sandinista troops. After being shot, both were tied to a horse and dragged.

Pedro Loria Garcia, 29, a Costa Rican from Upala and resident of Las Azucenas—captured by Sandinista forces in June 1983, taken to San Carlos, jailed, and tortured. While in prison, he was shot in the left leg and crippled. He was repatriated with the help of the Costa Rican consul in 1984.

Pablo Altamirano Castro of Los Planes de Vilan (Jinotega)—shot to death by soldiers, June 8, 1983.

Marcos Herrera Murillo, 25, of Tola (Rivas)—murdered at his brother's farm in Nancimi on August 17, 1983.

Hilario Garmendia Gonzalez, of San Juan de Limay (Esteli)—allegedly murdered by Sandinista troops on August 22, 1983. His son, Lorenzo, was reportedly wounded.

Jamilet Sequeira and Guillermo Loria, a married couple from Los Pantanos—murdered by a Sandinista soldier alias "William" on September 17, 1983. IACHR case number 9900.

Gerardo Acuna Gonzalez, 28, a farmer from Upala, Costa Rica—wounded by a mine placed by Sandinista forces on a farm in Costa Rican territory on September 28, 1983. Mario Martinez was also wounded.

Camilo Sequeira, 26, from Macho Coyol (Rio San Juan)—reportedly seized October 15, 1983 and taken to San Carlos where he was tortured. Later, transferred to the Carcel Modelo prison in Tipitapa where he remains. IACHR case number 9854.

Auxiliadora Rivas Urbina, 28, of El Tamboral (Rio San Juan)—captured by Sandinista State Security on November 20, 1983. She was found three months later in the Carcel Modelo prison, and claimed she had been tortured. IACHR case number 9856.

Edmundo and Leocadio Cardenas Gomez—beheaded by Sandinista elements at La Llorona (Wiwili) on December 11, 1983, according to Jose Gonzalez Cardenas.

Herberto Blandon Celedon, 19, from Matiguas (Matagalpa)—reportedly murdered at the Sandinista military base Mulukuku in December 1983. He had been forcibly recruited on November 22, 1983 from the Instituto Nacional in Matiguas.

Roberto Amador Narvaez, a pilot, was captured in 1983 when his plane was shot down delivering supplies to the Nicaraguan resistance. Seized with other crewmembers who died from lack of medical attention. Sentenced to 30 years in prison, he is confined in the Carcel Modelo. Denied medical treatment, he suffers from a serious spinal condition, as well as partial paralysis. IACHR case number 9202.

Silvio Robelo Ortiz, 27, an industrialist from Managua—taken from his home on January 10, 1984 by State Security agents who broke in. Taken to El Chipote prison and sentenced to 30 years for alleged counterrevolutionary activities with a law retroactively applied. IACHR case number 9036.

Leon Ulises Valdivia Gonzalez, 21, a farmer from El Zapote Kum (Matagalpa)—killed by Sandinista elements January 27, 1984.

Carmela Mairena Pomares, 87—murdered by a Sandinista military patrol commanded by Captain Gerardo Arce Castano, brother of Sandinista comandante Bayardo Arce Castano, in front of the Catholic Church in San Jorge (Rivas), April 10, 1984.

Juan Jacinto Rodriguez Guillen—allegedly killed by Sandinista elements in Susucayan on April 15, 1984, according to brother Pedro Ortez Guillen.

Humberto Urbina Chavarria, guard of Sandinista President Daniel Ortega until December 1982—seized in June 1984 and accused of counterrevolutionary activities. Sentenced and pardoned in May 1985. Recaptured in November 1985 along with his wife Tomasa Hernandez. His wife was released in January 1986, but he was forced to bear false witness against himself and is being processed by the Tribunales de Excepcion.

Manual Adan Rugama Suazo, a physician—captured on June 3, 1984 and sentenced to nine years in prison by political tribunals. His brother is Comandante Aureliano in the resistance. Despite cardiac problems, he is kept in isolation cells without medicine. Since June 1987, he has disappeared from the Carcel Modelo. IACHR case number 9365.

Aquiles Obregon Garcia of Rivas—killed by a patrol led by Captain Gerardo Arce Castano, brother of Sandinista comandante Bayardo Arce Castano on August 2, 1984. When the victim refused to be recruited by the patrol, he was ordered shot in front of his family. Captain Arce reportedly warned family members to keep quiet or they would suffer the same fate.

Laureano Rodriguez Solano, 33, of Acoyapa (Chontales)—seized at the hacienda El Coral in November 1984. Sandinista captors tortured him by pulling out fingernails and forcing him to witness the death and mutulation of three peasants. He later evaded his guards and escaped.

Jose Ramon Centeno Garcia and Pedro Antonio Centeno Garcia, natives of Auguas Sarcas—allegedly killed by Sandinista soldiers because their father did not keep an appointment on August 17, 1984.

Gerardo Price Sinclair, 38, from Bluefields—seized by State Security agents on several occasions for counterrevolutionary activity. Claims Sandinista troops burned five houses in September 1984 in El Torreon (Zelaya). IACHR case number 9869.

Juan Enrique Gutierrez Cruz from Tomayunca (Jinotega)—killed by a State Security member while driving his jeep on October 1, 1984.

Edwardo Paredes Martinez of Chinandega—taken on October 8, 1984. A Tribunal de Excepcion sentenced him to eight years in prison. He was reportly tortured in capitivity. IACHR case number 9691.

Cesar Augusto Flores Miranda, 23, was first captured by Sandinista authorities in 1984 and kept in prison six months. On November 19, 1985, State Security apprehended him again. He remains in the Zona Franca prison. IACHR case 9692.

Cristobal Rivera Herrera, 33, of Santa Teresa de Kilambe (Jinotega)—seized near Rancherias, and later transferred to Leon for detention. Was held in Leon until the end of 1984, and has since disappeared.

Cristobal Rosales Granados, 22, a farmer from Santo Tomas—killed by Sandinista troops on May 2, 1985 in El Serrano in Nueva Segovia department. His body was found by neighbors several days later.

Francisca Ofelia Marin Jarquin of El Valle de los Arados (Nueva Segovia)—reportedly killed on May 12, 1985 by Sandinista soldiers. Five soldier are said to have raped her sister in a nearby field.

Vicente Vanegas Suarez, 60, of Boca Tapada—killed with 18 others on June 22, 1985. Three of the victims were children. Family member Felicito Vanegas claimed the killing had no logical motivation. IACHR case number 9877.

Miguel Gonzalez and Guillermo Reyes of Boca Tapada were tortured and killed by Sandinista soldiers on June 25, 1985. According to eyewitness Edwing Gonzalez, Reyes was castrated and stomped in the abdomen with a bayonet. Gonzalez was killed by a shot to his head, and his brother Lugardo was also shot. IACHR case number 9878.

Fermin Mairena Rizo—allegedly killed by Sandinista elements at San Jose de Bocay on August 1, 1985, according to Diego Krauz.

Juan Jose Garcia Hernandez, a human rights activist—arrested on September 17, 1985 and confined in the Zona Franca * * * according to his brother Cruz.

Jose Mairena Quezada—illegally arrested in * * * September 22, 1985. He is now at the Carcel Modelo according to Angela Mairena Reyes.

Pedro Sequeira Ramirez, 40, of Mancha Coyol (Rio San Juan)—reportedly killed by Sandinista forces on October 26, 1985 at a bean plantation. Wounded by shots, Sequeira Ramirez was beheaded and his body was hung from a pole next to his house. IACHR case number 9767.

Salomon Telleria Salinas, 52—taken from his house in Leon on December 6, 1985 by State Security agents. No charges were specified and he died in detention February 14,

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1987 as a result of injuries received while being tortured. IACHR case number 9711.

Ramon Garcia Silva from Upala, Costa Rica—wounded by an alleged Sandinista mine on a Costa Rican farm on December 13, 1985.

Daniel Obando Centeno, an evangelical pastor from El Diamante (Zelaya)—reportedly murdered along with his son, Omar Obando, by Sandinista troops on December 20, 1985 for refusing to renounce religious beliefs. Witness Pablo Julian Hernandez Zavala, 41, also a pastor, claimed that the Sandinista army also killed 13 other persons in that area.

Cecilio Rivas—arrested and confined at Boaco from December 19, 1985 to June 1987 without charges. He is the father of resistance comandante Quiche. IACHR case number 9701.

Hugo Hernandez Ochomogo, 58, a physician from Leon living in Matiguas (Matagalpa)—seized by Sandinista State Security agents without being charged in 1985, and tortured in prison. Later released. IACHR case number 9752.

Rafael Roca Pena, 49, of Cardenas (Rivas)—allegedly kidnapped on March 5, 1986. Has remained in Sandinista jails without a trial. IACHR case number 9702.

Simeon Sequeira, 46, of El Fajardo (San Miguelito)—killed by a Sandinista army patrol on June 20, 1986. Also killed were his son Juan Sequeira Moran, nephew Gregorio Sequeira Lazo, and an unidentified 5-year-old granddaughter. Eyewitness Jose Rivas Urbina said the soldiers entered Sequeira's house firing automatic weapons without any explanation. IACHR case number 9866.

Teofilo Sevilla Centeno—reportedly killed by Sandinista elements at San Juan de Aguas Sucias, Jinotega department, on June 20, 1986, according to Susana Sevilla Rodriguez.

Maria Munoz Costurera of El Trompezon (Jinotega)—seized from her house by Sandinista soldiers on July 15, 1986 and taken into the countryside where she was shot to death.

Calixto Centeno—allegedly murdered by Sandinista elements near San Jose de Bocay on August 29, 1986.

Buenaventura Osorio Ponce—robbed and murdered by a Sandinista patrol in Wamblan in August 1986, according to Hortencia Reyes Gonzalez.

Miguel Angel Rodriguez Garcia, a native of La Concordia (Jinotega)—seized in his house by a Sandinista patrol on October 24, 1986. They allegedly tied his hands and shot him to death.

Marcos Castellon Perez—beheaded by Sandinista forces at Sabana Grande near Ocotal on January 20, 1987, according to Roger Centeno Perez.

Maximino Lopez, 12 of Kukara Arriba (Bluefields)—ambushed with his family and approximately 20 others on their way to seek asylum in Costa Rica on February 28, 1987. Lopez swam to safety across the San Juan River and later stated that most of the group had been killed.

Jeronimo Vasquez, 37, of Calsigua (San Jose de Bocay)—captured, murdered, and beheaded by Sandinista forces [no date].

Tulio Moreno, 40, native of El Cua de Abajo (Wiwili)—allegedly captured by Sandinista forces and tortured to death [no date].

Marcos Antonio Cerna, a peasant from Los Laureles (Wiwili)—captured and tortured by Sandinista soldiers who cut off a finger before releasing him.

Marcos Jose Sevilla, 13 of Juigalpa was allegedly murdered by State Security agents. [No date].

Iran Cabezas Flores—sentenced to 30 years in prison. Allegedly singled out because his father was a lieutenant in the National Guard and his brothers flew in the Somoza Air Force. He is now at the Carcel Modelo.

## "WRITE YOUR CONGRESSMAN" INC.

### HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. DARDEN. Mr. Speaker, the effectiveness of the House of Representatives and the Senate in reflecting the views and interest of our constituents depends on regular contact—both in person and in writing—between those constituents and Members of Congress.

Encouraging that vital communication is the purpose of National "Write Your Congressman" Inc. This organization, founded almost 30 years ago and based in Dallas, TX, is devoted to fostering regular, effective correspondence between the American people and their elected representatives in Washington.

National "Write Your Congressman" Inc. is not a lobby. It does not promote any particular point of view on any national issue. It does encourage individuals holding all points of view on those issues to convey wishes and opinions to Congress.

The organization provides its members with a monthly Opinion Ballot covering several major issues, and includes a preaddressed envelope to make it easier to send the completed ballot on to us. In recent months, that ballot has covered such important topics as trade, welfare reform, the minimum wage, and the Gramm-Rudman-Hollings balanced budget law.

National "Write Your Congressman" also keeps its members posted about our actions on these issues. Here again, the approach is unbiased, with each members vote listed as simply "Yea," "Nay" or "Did Not Vote."

Mr. Speaker, I invite my colleagues to join me in congratulating Mr. David N. Adamson, the president and founder of National "Write Your Congressman," for his efforts to keep Americans in touch with their elected representatives in Washington. And, I urge each Member of Congress to carefully review the correspondence they receive through the efforts of this fine organization.

## STATEMENT OF CONGRESSMAN LES AuCOIN

### HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. AuCOIN. Mr. Speaker, today I am introducing two bills to reestablish a reservation for the Confederated Tribes of the Grand Ronde Community located in Yamhill County, OR. Oregon's senior Senator, MARK HATFIELD, is introducing identical bills in the other body.

These bills represent two alternative ways to establish a needed reservation for the Grand Ronde. They are intended to frame the debate over the specific elements of a tribal reservation. I will hold a public meeting on these bills, to hear the views of the people I represent, in Grand Ronde on August 10.

The Grand Ronde tribe has a long history in western Oregon. It is a tribe which has maintained a core membership and has retained its identity in spite of efforts—some well-intentioned, some not—to abolish many Indian tribes. The 1954 Termination Act ended Federal recognition of the Grand Ronde tribe and was the last blow in the liquidation of the tribe's reservation. Realizing the mistake made by passing the 1954 Termination Act, Congress in 1983 restored Federal recognition of the Grand Ronde tribe.

At the same time, the non-Indian population in this area of Yamhill County have a long history of attachment to the land, supporting families and communities on farming, forestry, and other resource-based work. The land is important to all who have settled in this area.

It is my intention that a reservation in this area accomplish two goals: first, that it provide the Grand Ronde tribe with a resource that it can manage, producing income for tribal purposes and promoting self-sufficiency; and, second, that it make a positive contribution to the economy of the greater Sheridan-Willamina area. Everyone who lives in the area should and must benefit from what Congress does.

I believe those two goals can be reached by creating a carefully and responsibly conceived reservation. At the same time, I want the benefit of public comment on this issue to help me decide the specific components of the reservation. Thus, I have introduced two bills which I believe set reasonable points on a spectrum.

The first bill is similar to the proposal developed by the Grand Ronde tribe in November 1985. One major difference is that, in ensuring that there is an equal-value redesignation of BLM Public Domain Land to O&C Grant Land status to compensate for the change of land now classified as O&C lands into the reservation lands, 1,823 acres have been deleted from the tribe's proposal. Thus, the reservation envisioned in this bill would now consist of 15,665 acres. A total of 23,293 acres would be redesignated as O&C to keep the counties whole.

The second bill would create a reservation of approximately 5,116 acres from O&C lands, with an equal value redesignation again mandated, in this case 5,631 acres, to keep the O&C counties whole. This proposal is not as small as, but closer to the range of acreage that has been suggested to me by public officials and private citizens in the area who are skeptical of the merits of the tribe's much larger proposal.

Both bills make it clear that no new hunting, fishing, or trapping rights are conferred on the tribe or its members due to creation of a reservation. And, both bills confer traditional civil and criminal jurisdiction for activities on the reservation.

Since the areas under consideration for the reservation are heavily timbered, a number of concerns have been raised about the future use of this land. This is extremely important to my second essential goal for this legislation; namely, that it must generate additional economic opportunities without jeopardizing those already-productive sectors of the local economy.

Since the purpose of creating a timber-based reservation is for the tribe to manage the resource and generate revenues from timber sales, I think it clear that creating a reservation will result in an influx of new money into the local economy. It is important to remember that only 50 percent of the receipts from O&C timber sales are returned to the counties, and less than 5 percent of the receipts from timber sales on BLM Public Domain lands are returned to the area. No such receipt-sharing exists with Indian timber sales. Since the tribe intends to use these revenues for economic development, educational, and social projects in the three-county area, the economic boost from this proposal to the local economy should be substantial.

On the other hand, there is a lot of local concern over the potential loss of raw material—logs—for wood products manufacturers in the area. I have that concern, too. This is one of the most productive, competitive areas for the wood products industry in the Nation.

The tribe has made some efforts to accommodate those concerns in the event that a reservation bill is enacted, and those first steps are encouraging. I hope that my field hearings will help clarify these concerns and I believe can result in satifactory answers to them.

Mr. Speaker, creating this reservation can be a constructive process that benefits the whole community, not just that segment represented by the tribe. The strength, interest, and civic pride of the area were abundantly evident to me as Senator HATFIELD and I worked with the leaders and people of the local Sheridan and Willamina communities on the new Federal prison which is being built in Sheridan. I look forward to continuing to work with the good people of Sheridan, Willamina, Grand Ronde, and other communities in the area to help another part of the community, the Grand Ronde, in a way that is in everyone's interest.

## AFGHAN SOVIET "DEFECTOR PIPELINE" RESOLUTION—HOUSE CONCURRENT RESOLUTION 169

### HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. RITTER. Mr. Speaker, I am pleased to announce the introduction of House Concurrent Resolution 169, expressing the sense of the Congress, that the President of the United States should establish a defector pipeline through which Soviet Red Army soldiers could gain freedom in the West.

This resolution asks the President to establish a system to bring Soviet POW's in Afghanistan to the United States, grant them political asylum, help them to make the transition to American life, and broadcast to the Soviet Union—particularly those areas near Afghanistan—and to Afghanistan details of this program and general information regarding Soviet activities in Afghanistan. The idea is to communicate directly with Soviet troops to encourage defection.

While the desirability of establishing such a policy is intuitively evident, I would like to discuss the rationale for such an effort.

The immensity of the Afghan people's suffering caused by the Soviet Union's invasion is beyond measure. Nearly 1 million Afghans have been brutally killed by Soviet bombs, napalm, chemical weapons, artillery, and other means of modern warfare, and another 5 million Afghans have fled the country. MI–24 Hind D helicopters the so-called flying tanks have been raining death for years on the Afghan population.

But the Afghan conflict has also been tragic for many people in the Soviet Union—soldiers who engage in a far-away and unjust war and families whose sons die in a war in which they don't believe. And, the Afghan conflict has created the hopeless situation of the Soviet POW's.

Ludmilla Thorne, a staff member of Feedom House in New York, has interviewed two dozen Soviet POW's on the Afghan-Pakistani border and inside Afghanistan. Most of the soldiers were deserters, and some were captured, but practically all of them asked for political asylum in the United States. So far, the United States has brought only six Soviet Army deserters to this country, while in 1985 alone, 22 others were killed during desperate attempts to escape or to gain asylum. That is not a very good record.

Freedom House has the names and biographical information on a dozen Soviet POW's who are still inside Afghanistan who have asked for asylum. It has been estimated by Soviet defectors, that there are approximately 250 Soviet POW's currently being held by the Mujahedeen.

Besides humanitarian considerations, there are important political reasons why we should give political asylum to those Soviet soldiers who have asked for it. It is our moral obligation to help these young men. Among the defectors are Soviet citizens of various nationalities, including Russian, Ukrainian, Uzbek, and others, and all of them deserve our support. Once a Soviet soldier in Afghanistan has taken the crucial step of defecting, we should work to see that every obstacle that seeks to thwart his attempt for freedom is removed. We cannot expect the Afghan resistance, which is involved in its own life and death struggle, to carry the burden of holding Soviet POW's for long periods. For those who go hungry, it is difficult to share their last meager rations with their Soviet captives.

The following is a quote from a letter written from Afghanistan to President Reagan by Mr. Busov, a former Red army deserter who was brought to Canada last November. It aptly describes the situation of many other Soviet prisoners who are still in Afghanistan:

> We have spent many sleepless, anxious nights together with the mujahedeen . . . we have shared the last crumbs of bread and the last drops of water. . . . Is it possible that after all of this, my friends and I are destined to live a life of anguish and suffering, without freedom? Can it be, that this is all we deserve?

A systematic method for screening, processing, and transporting Red army deserters out of Afghanistan could be devised, similar to the program that was set up by the allies for Soviet Army defectors and prisoners at the end of World War II. There will be numerous obstacles to creating such a program, but none of these are insurmountable, and the humanitarian and political advantages for our country and the free world will be of great importance. An underground railroad worked during our own Civil War, it can work now.

If $1 billion in United States funds have been spent and some 100,000 Soviet soldiers have been killed in the Soviet invasion and subsequent occupation of Afghanistan, then each Soviet casualty is costing $100,000. Why don't we spend far less to gain more. The program recommended in this legislation would be far less costly, far more compassionate and far more clever. It convinces rather than condemns.

Many journalists who have been to Afghanistan have described to the West, the brutality that is visted upon the Afghan people by Soviet occupation forces, and numerous Mujahedeen leaders have condemned what is happening in their country, but what could be more devastating than a condemnation of the Kremlin's actions in Afghanistan by its own Soviet soldiers? We should bring more of these soldiers to the West to tell their stories.

The stories these defectors have to tell are compelling. Having hundreds of these stories told in the United States and Europe would have a significant international impact. The Soviets don't take kindly to such publicity, especially now as they seek to change their image in the United States and elsewhere. Having their own native sons discussing Soviet atrocities against civilian populations, documenting mass-scale genocidal actions, could add a great deal to the mounting pressure already brought on by the success of the resistance and the existing international outrage. This mounting political pressure is essential to encourage the Soviets to pull out of Afghanistan.

There needs to be a support system set up for those Soviet Army defectors who arrive in this country. These Soviet young men are 19 to 20 years old, they know that they cannot return to their country, but adjusting in this one is not easy. They do not speak English, they have no professions, and they have no families on whom to rely for advise and support. They must overcome all of these difficulties and adapt to a completely different culture, at the same time that Soviet agents approach them in various devious ways and urge them to return home, with the promise that nothing will happen to them. We need a proactive, compassionate effort to assist them in making the difficult adjustments.

One such soldier, Nikolay Ryzhkov, did return to the U.S.S.R. after being repeatedly urged to do so by Soviet KGB agents in New York and is now serving a 13-year strict regime prison camp sentence in Mordovia. But if a special bit of care is offered these young

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men, they can make it. Five others in Canada are doing well.

I have sought to encourage the administration to establish a Defector Pipeline Program for years and, without success. My efforts, along with the efforts many other Members of Congress and the general public to establish this new program have not yet brought the appropriate response from policymakers.

It is my hope that the bipartisan support for this legislation—which is demonstrated by the cosponsorship of Representative BARNEY FRANK, Representative ROBERT LAGOMARSINO and Representative CHARLES WILSON—will grow and that other Members will see this resolution as an opportunity to help these young soldiers and go on record as supporting the Mujahedeen resistance forces' attempt to expel the Soviet occupation army.

The following is the text of H. Con. Res. 169:

AFGHAN SOVIET "DEFECTOR PIPELINE" RESOLUTION—HOUSE CONCURRENT RESOLUTION 169

To express the sense of the Congress concerning Soviet prisoners of war in Afghanistan.

Whereas for more than 7 years the armed forces of the Soviet Union have illegally occupied the formerly independent nation of Afghanistan;

Whereas on numerous occasions the United States has expressed support for the struggle of the Afghan people and the Afghan freedom fighters against the Soviet occupation troops;

Whereas of an estimated 115,000 soldiers comprising the occupation troops, several hundred are believed to be held captive by Afghan resistance forces;

Whereas the Soviet Government does not admit the presence in Afghanistan of Soviet prisoners of war (POWs), therefore, a Soviet POW is subject to imprisonment for up to 15 years for treason;

Whereas at the close of the Second World War many Red Army defectors and Soviet prisoners of war fleeing Stalin's tyranny were forcibly repatriated to the Soviet Union and subsequently sentenced to imprisonment and death for alleged collaboration with the enemy;

Whereas at least several dozen Soviet POWs have indicated a desire to leave Afghanistan and resettle in the West; and

Whereas leaders of the Afghan resistance have indicated a willingness to release Soviet POWs to the custody of responsible representatives of the free world: Now therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That it is the sense of Congress that—

(1) the President should direct the appropriate agencies of the United States Government to establish, insofar as logistically feasible, a systematic method for encouraging, screening, and processing Soviet defectors and prisoners of war in Afghanistan, and that such persons should be provided with proper information concerning the Geneva Conventions and United States law regarding political asylum;

(2) Soviet defectors and prisoners of war in Afghanistan who request political asylum and are eligible under United States law should be granted political asylum and be transported to the United States by the proper agencies of the United States Government;

(3) the President should seek to establish a framework, utilizing governmental and private resources, under which Soviet defectors would be helped in adapting to American life, which would include the opportunity to receive counseling, learn English, gain an education, and acquire the necessary skills to obtain gainful employment; and

(4) the President should direct the appropriate agencies of the United States Government to broadcast into the Soviet Union and Afghanistan such information as may be necessary to inform Soviet troops and the Soviet people of the facts about their government's actions in Afghanistan, the impact of such actions on the Afghan people, and the provisions of this resolution.

## THE FRIENDLY AND NOISY SKIES

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. FLORIO. Mr. Speaker, recently our Nation has become aware of a problem afflicting hundreds of communities from coast to coast. The problem is airport noise.

In assessing noise pollution levels, airports are assigned ratings based on a year-long study. If during that year, the rating is excessive, then the airport has a noise problem.

That noise problem for the airport translates into a noise problem for the community that has to bear the brunt of aircraft roaring into and out of the runways.

Yet there are methods which have been proven effective in blunting the brunt of airport noise. Among those methods are a rerouting of traffic over severely affected neighborhoods, soundproofing for the homes in the flight path of airplanes, and changes in the operating hours of the airport or the aircraft.

What makes it possible for the airport authorities to undertake both the studies and the remedial approach to solving the noise problem in surrounding neighborhoods is the availability of Federal funding.

Since 1979, with my help, Congress directed the Federal Government to take an active interest in reducing the problem of airport noise.

Recently, the noise problem has been exacerbated by attempts to reduce another problem in the air traffic industry, flight delays and safety.

In northern and central New Jersey, the Federal Aviation Administration put into effect its Expanded East Coast Plan in February of this year. Among the components of that plan was a rerouting of traffic over neighborhoods that had previously been immune to the roar of aircraft overhead.

Those neighborhoods are immune no longer. Across the country, at least five million individuals wake up in the morning noise of the flight path of planes. During the day, they must learn to ignore the disturbing rattle of the unpleasant passage of aircraft.

Our colleague from California, NORMAN MINETA, has introduced legislation in the Airport and Airway Improvement Amendments of 1987 requiring that airports undertake noise monitoring studies or face losing 10 percent of their Federal funding, which would then be redirected to the community itself for noise abatement projects.

I recently asked several airports in New Jersey, Pennsylvania, and New York to participate in noise level monitoring.

The key to restoring some peace and quiet to our neighborhoods is in asking airports to address the problem face-on. About 100 airports have already participated in the available programs since 1979.

Many others have yet to address the issue.

If our communities are to cope with the airports in their midst, the noise levels should be compatible with the neighborhoods.

I am including below an article from the Daily Journal in New Jersey in the hope that we can move forward in addressing the problem of airport noise:

[From the Daily Journal, July 7, 1987]

UPROAR OVER JETS' NOISE

(By Heidi Dratt)

KEARNY.—The Port Authority of New York and New Jersey should conduct a study of the region's airports in an attempt to cut down on jet noise plaguing area residents, a congressman said yesterday.

Rep. James J. Florio, D-N.J., called on the bi-state agency to volunteer itself to conduct the study at Newark International and LaGuardia airports and "determine the most efficient way to minimize what has become not only a disturbing problem," but a "potential health hazard," Florio said.

He made the proposal in a letter he co-authored with Rep. Frank Guarini, D-N.J., and sent to Stephen Berger, executive director of the bi-state agency.

Florio, widely considered a 1988 Democratic gubernatorial candidate, was flanked by local officials, including Sen. Thomas Cowan, D-Hudson, Kearny Mayor Henry Hill and Hudson County Freeholder Angelo Citelli, a Democrat from Harrison, at the press conference held yesterday under open skies at Gunnell Oval, a ballpark, on Schuyler Avenue in the Hudson County community. The interruption of jets rumbling overhead punctuated the meeting.

Despite the existence of the federal funding program, only 100 airports have conducted a "Part 150 study" nationwide, said Florio.

"Unfortunately, the Port Authority has not availed itself of this federal funding and has not conducted the Part 150 study," he said.

In 1979, Congress authorized a Noise Compatibility Program which permits airports to obtain the funding. The study, which may take up to 18 months to complete, would be used to devise a noise abatement program. Participating airports would be eligible for up to 60 percent of federal funds to implement noise reducers.

The Port Authority has not conducted a formal study, but in the past five years has devised a comprehensive noise abatement program, which has won the approval of the Federal Aviation Administration to receive federal funding, said Janice Muldoon, general manager of aviation technology and service for the agency.

The agency was able to convince the administration that its study was similar enough to the prescribed Part 150 study, that federal funds have been secured to soundproof eight schools, four in Elizabeth and four in Newark, Muldoon said.

Much of the jet noise disturbance, which has prompted strong citizen protest, stems from the expanded East Coast Plan, a program put into place in mid-February by the Federal Aviation Administration, which has rerouted traffic onto four new routes over North and Central Jersey.

The plan has cut down on traffic delays at Newark International Airport, but has created a noise problem that residents describe as unbearable.

A Cranford resident, Katherine Cowperthwaite, who said she has logged planes flying overhead at a rate of one every 30 seconds, called this noise "bloody Thursday, Saturday or Sunday."

In a meeting last month, legislators, federal officials, residents and members of the aviation community formed three subcommittees to zero in on the problem, said Angel Garcia, co-chairman of People Against Newark Noise, a citizens' group.

Garcia will chair the Noise Measurement Subcommittee. The others include studying new routes and frequency of flights and a legislative subcommittee, he said. The effort had been launched by Assemblywoman Maureen Ogden, R-Union, he said.

A spokesman for the Federal Aviation Administration said the Part 150 study would not be an effective way to combat noise in the outer areas of the state.

"The Part 150 study examines the present usage of the airport operations in its immediate area, and within a few miles of its location", said Kathleen Bergen, a spokesman for the agency.

## MRS. MARY JANE KIRK: 103 YEARS OLD

### HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. ESPY. Mr. Speaker, I am honored to share this brief statement with my friends and colleagues in Congress. On February 18, 1987, Mrs. Mary Jane Kirk celebrated her 103d birthday, and celebrated with the blessing of good health.

Born Mary Jane Mewel in 1884 in Crystal Springs, MI, at age 26 she married Mr. Marshall Kirk in 1910. Mrs. Kirk is the mother of 5, a grandmother to 28, and a great grandmother to 55 children.

Mrs. Kirk moved to Yazoo County, MI, in 1930. She has been a friend to many and a mother figure to all of the community. As a member of the Baptist church, Mrs. Kirk has served as a lay leader and admired Christian model.

Mr. Speaker, I hope we all have the opportunity to know and learn from the life and history of people like Mrs. Mary Jane Kirk. We should all pray for such a blessing of longevity.

## DR. JAN D. DOZIER

### HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. FLIPPO. Mr. Speaker, in June of this year NASA announced the selection of Dr. Jan D. Dozier as a candidate for America's astronaut corps. Jan is a resident of Huntsville, AL, and the first Marshall Space Flight Center employee to be selected for the astronaut program.

I want to extend to Jan and her parents, Bryce and Dolly Davis of Huntsville, my hearty congratulations and best wishes on being selected for this high honor. I know that her fellow employees at Marshall and the citizens of Huntsville are very proud of this achievement.

On August 7, Dr. Dozier will be honored by her hometown as they celebrate "Dr. Jan D. Dozier Day." She will also be the honoree at a banquet hosted by the National Space Club in Huntsville.

Jan Dozier joined NASA in 1979 and has worked on several projects managed by the Marshall Center including the Hubble Space Telescope, the Advanced X-Ray Astrophysics Facility, and the shuttle solid rocket booster program.

Jan is a graduate of Huntsville High School. She received her B.S. degree in biomechanics from Georgia Tech, a B.M.E. from Auburn, a M.S.E. and a Ph.D. in mechanical engineering from the University of Alabama in Huntsville.

It is interesting to note that as a astronaut Jan may have the opportunity to fly a mission involving the Hubble Space Telescope, a project that she is intimately familiar with. She received the Marshall Center's Special Service Award for her outstanding work on the space telescope project.

For a young woman who was born in the space town of Cocoa Beach, FL, grew up in the space town of Huntsville, AL, and has already made significant contributions to our Nation's space program, to be selected as an astronaut candidate must be the ultimate in personal and career satisfaction.

I look forward to the day when the television picture from space shows Dr. Jan Dozier working diligently in the bay of the space shuttle as thousands of her friends and neighbors in north Alabama cheer our fellow Alabamian on.

It is every child's dream to be able to reach out and touch the stars. Jan Dozier's career must be one of the best examples for any child to follow if they want to make that dream a reality.

## LUPUS AWARENESS WEEK

### HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I am proud to introduce legislation which would designate October 1987, as Lupus Awareness Month. On behalf of the bill's 223 cosponsors and the Lupus Foundation of America, I am introducing this bill to renew efforts to increase the public's knowledge of lupus and the medical community's resolve to eradicate it.

Lupus erythematosus was first described by Hippocrates around 400 B.C. There are approximately 500,000 people suffering from lupus in the United States, with Ferdinand Marcos and Flannery O'Connor among its more famous victims. Lupus is more prevalent than better-known diseases like leukemia and multiple sclerosis, yet many Americans are unfamiliar with the disease. Lupus Awareness Month will help us turn our attention to this disease, as well.

The manifestations of lupus are horrible. It has been known as the great imitator because it can afflict any part of the body. Its symptoms can be frighteningly similar to the diseases I have just mentioned, as well as kidney disease, epilepsy, cancer, or psychosis.

The side effects from medications used to treat lupus can be devastating. Paradoxically, the most effective medications in treating lupus carry the worst side effects. An antimalarial drug used to treat the skin rash caused by lupus may cause blindness over time. Steroids, used to reduce inflammation and joint pain, may cause permanent damage to the bones and the joints. No less devastating psychologically to its victims—9 our of 10 whom are young women—steroids can be physically disfiguring, causing patients to gain weight sharply, even as much as 100 pounds.

Advances are being made in the treatment of lupus, but slowly. Because of better techniques for diagnosis, evaluation, and management of patients and medications, the life expectancy for the lupus victims today is 10 years or more, whereas 20 years ago, lupus victims could expect to live only 3. But lupus is still fatal to 5,000 of its victims every year, and there is still no cure.

For lupus patients and their families, this is an important piece of legislation. It says that the Congress is aware of their suffering and that the Nation is united in their behalf. Designating October as Lupus Awareness Month will provide them with hope for the future.

The Senate has already approved an identical measure designating October as Lupus Awareness Month. I look forward to this bill's swift passage in the House of Representatives, and especially to the day when, like polio and smallpox, lupus will remain well-known, but only in our history books.

## CAN ANYONE IN WASHINGTON KEEP A SECRET?

### HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. MILLER of Ohio. Mr. Speaker, there has been much in the news lately concerning the difficulty of keeping sensitive information confidential on Capitol Hill. Yesterday's revelation makes one wonder if anyone in this town can keep a secret. Yesterday's story on page one of the Washington Post that the former Vice-Chairman of the Senate's Select Committee on Intelligence shared a confidential report on the Iran/Contra investigation with an NBC reporter points up the extent of this problem.

If you can't trust Members of the Congress' Intelligence Committees, the committees charged with the responsibility of overseeing our country's most sensitive secrets, who can you trust?

Is it any wonder that our country's foreign policy initiatives are constantly being compromised?

## CONSTRUCTION DIFFERENTIAL SUBSIDY REPAYMENT

### HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. REGULA. Mr. Speaker, some questions have arisen concerning the effect section 505 of Public Law 100–71, the Supplemental Appropriations Act of 1987, would have on a Maritime Administration [MarAd] final rule promulgated June 22, 1987, entitled "Construction Differential Subsidy Repayment" final rule. The Supplemental Appropriations Act was signed by the President on July 10, 1987.

As a member of the House Appropriations Committee, I had occasion to closely study section 505 and discuss it with my colleagues in subcommittee, full committee, and during the course of the House-Senate conference. I vote against inclusion of section 505 when it was brought before my committee as part of the fiscal year 1987 supplemental.

As a member of the House-Senate conference, I believe that the deliberations and actions of the conference committee indicate that section 505 was intended to be prospective in nature. The conference committee considered section 505 during the week of June 22, 1987, after the effective date of the rule. Those conferees who opposed the rule, realizing that passage of section 505 after promulgation of the final rule, would be closing the barn after the horse got out, could have altered that section so as to specifically abrogate the final rule. They made no formal attempt to do so, although it is my understanding that they discussed the prospective nature of section 505 and had even readied and amendment to section 505 which would have explicitly overturned the final rule.

It is significant to note that no report language was added to the bill to the effect that section 505 had the effect of retroactively nullifying the final rule issued by MarAd. It is also significant that the conferees did not have any discussion regarding possible retroactivity of section 505 during the conference committee deliberations. It was my intent based on conversations with staff and other members of the House-Senate conference that section 505 would be prospective in nature and would not in any way effect the legal viability of the final rule.

The President clearly believes this to be the case. To quote from his statement issued July 11, 1987, on signing Public Law 100–71 into law:

> Section 505 of this bill contains a restriction on the use of funds that is designed to prevent the Secretary of Transportation and the Maritime Administration from adopting rules on the subject of Construction Differential Subsidy (CDS) repayment. I have signed this bill into law based on the understanding that because this restriction on their authority is not retroactive, it will have no effect on vessel owners who previously repaid their subsidies pursuant to a CDS repayment rule published in the Federal Register on June 22, 1987. Instead, this provision of section 505 will affect only further repayments by vessel owners. Were it otherwise, a restriction on rule-making in this area could cost the taxpayers more than $100 million in payment to vessel owners who have previously repaid their subsidies.

Clearly, the rule was fully implemented upon its publication on June 22, 1987. No further expenditure of funds was needed or made on the rule after that time. Section 505 could not, and does not, affect the June 22 rule, except to the extent that it purports to prevent DOT from defending the rule in court. This latter issue presents a serious separation of powers issues, and I doubt that it would withstand constitutional scrutiny.

## METHAMPHETAMINE CAPITAL OF THE UNITED STATES

### HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. BATES. Mr. Speaker, I would like to call my colleagues' attention to the legislation I recently introduced. I am concerned with the illicit use and abuse of the drug methamphetamine and its threat to the health of our Nation. According to several drug enforcement agencies, methamphetamine or "meth" has become as great a threat, if not more of a threat, than cocaine or "crack." Though the drug is predominantly produced on the west coast, it is marketed nationwide. There is no doubt that strong Federal legislation is necessary to stem the tide of the illegal manufacturing of methamphetamine.

On November 11, 1986, the San Diego Union published an article stating that the Drug Enforcement Administration [DEA] considered San Diego the "methamphetamine capital of the United States." Almost 25 percent of all illegal laboratories seized between 1984 and 1986 were in San Diego. Approximately 50 percent of these labs were in California. I am certainly considering the reputation of the 44th District, but it is not just San Diego and the State of California at risk. The threat and effects of methamphetamine reach across America.

At the root of this problem are legitimate chemical companies who sell the precursor chemicals necessary for the production of methamphetamine. Illegal drug producers buy the precursor chemicals, crossing State lines if necessary, produce July 29, methamphetamine and then market the drug nationally. By federally regulating the sale of these chemicals for legitimate use, illicit drug producers would be shutdown or at the very least, severely impeded.

The bill amends the Controlled Substances Act by imposing regulations on the sale of certain precursor chemicals commonly used for producing methamphetamine. It would require chemical companies to report the sale of ephedrine, pseudoephedrine, norpseudoephedrine, phenylpropanolamine, ether, and hydriodic acid. Certain combinations of chemicals intended for the production of "meth" are also included in this bill. This amendment would not interfere with lawful transactions of the drug manufacturing industry or medical research facilities. The penalty for violation of this law is a 10-year prison term without the possibility of parole.

The amendment will not end the production and use of methamphetamine, but it will certainly give the drug enforcement agency and other related agencies a great advantage over illicit drug producers. I urge my colleagues to join me in the war drug abuse and support me on this piece of legislation.

## A SALUTE TO POLICE CHIEF MAURICE T. TURNER, JR.

### HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. FAUNTROY. Mr. Speaker, I am privileged today to bring to the attention of my colleagues that on Friday July 31, 1987, the D.C. Metropolitan Police Department will honor Chief Maurice T. Turner, Jr., for 30 years of distinguished service.

Chief Turner is indeed deserving of this appreciation celebration and I join with the D.C. Metropolitan Police Department and fellow citizens of the Nation's Capital in recognizing this native Washingtonian, who has made the safety and security of his fellow citizens his No. 1 concern throughout his service with the metropolitan police department.

I would like to outline for my colleagues the career path that has led Police Chief Turner to his current position. He is a graduate of the FBI National Academy (83d session), and studied law enforcement and the administration of justice at the American University and the University of Maryland. Police Chief Turner served his country in the U.S. Marine Corps from 1954 to 1957.

In 1957, Maurice Turner was appointed as a police officer with the metropolitan police department. He was granted his first promotion in 1965, and was assigned as a supervisory sergeant in the fifth precinct on Capitol Hill. In 1969, he was made a lieutenant and in 1970, then Lieutenant Turner was transferred to the special operations division. This division is a unit which handles Presidential security details, riots and crowd control, demonstrations and protest marches.

His promotion to captain in 1971, took Mr. Turner to the fifth district, where his leadership was rewarded with a promotion to inspector in 1974, and in 1976, he rose to the rank of deputy chief and was transferred to command the youth division. In 1978, then Captain Turner was named to head the administrative services bureau as the assistant chief. He was later transferred to the field operations bureau to command and direct all of the department's field units. On July 1, 1981, Maurice T. Turner, Jr., was appointed as the 24th chief of police to the Metropolitan Police Department of Washington, DC.

This is supportive testimony to the wide ranging training and experience in the unique police work required by the metropolitan police department in the Nation's Capitol.

Chief Turner's creativity in effecting law enforcement innovations that have brought the message of law, justice and order to everyone in the community has made him a lawman who serves as a model for all big city police forces. His word is respected by his officers and others in the criminal justice system.

As the police chief, Maurice Turner is required by the duties of his office to coordinate national and metropolitan task forces involving Federal, State and local enforcement agencies dealing with major problems of drugs, prostitution, international piracy of commercial products, and many other such task forces. A major metropolitan area concern has been the structuring of the metropolitan emergency system. Chief Turner's leadership in developing and executing this vital metropolitan function continues to strengthen that operation.

Police Chief Maurice T. Turner, Jr., is one who exemplifies the best in a public servant, and I know that my colleagues join me in commending him for 30 years of outstanding service and in wishing him continued success in his future years of service to the District of Columbia, and the Nation's Capital.

## INTRODUCTION OF PCB LEGISLATION

### HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. SYNAR. Mr. Speaker, today my colleagues Mr. Clinger, Mr. Skelton, Mr. Wheat, and I have introduced legislation to provide long-overdue improvements in the regulation of polychlorinated biphenyls, commonly known as PCB's.

The manufacture of PCB's was banned by Congress in 1976. Since that time, EPA has set deadlines for removing certain PCB materials from the environment and established regulations governing PCB disposal.

In 1983, 1986, and again in April of this year, the Environment, Energy and Natural Resources Subcommittee, which I chair and which Mr. Clinger serves as ranking minority member, has held investigative hearings to review PCB disposal activities. These hearings have focused on several instances where PCB materials have been mishandled, improperly disposed or simply unaccounted for. The hearings have also identified a number of serious shortcomings in the PCB disposal regulations.

Today's legislation will correct many of these shortcomings. It will:

First, require uniform manifests to track PCB materials from the owner to final disposal;

Second, require PCB brokers—the middlemen in disposal operations—to have EPA permits, and;

Third, require all PCB disposers and brokers to maintain adequate insurance to cover accidents and the costs of cleanup when facilities are closed.

I strongly believe that these changes will provide substantially increased assurances that the public is adequately protected from the health hazards of PCB's.

Why are we legislating on this issue? For two reasons. First, in 1984 EPA Administrator Lee Thomas acknowledged deficiencies in the PCB regulations. He promised to take care of these problems administratively and urged against a legislative solution. Three years later, we are still waiting for EPA to act. Second, EPA's own estimates show that PCB disposal demand will peak over the next couple of years as deadlines are reached for removing from service and disposing of certain electrical equipment. We simply cannot wait another couple of years for EPA to get its act together.

Today, the gentleman from Pennsylvania [Mr. Clinger] and I have also released a report by the General Accounting Office citing the need for improvements in EPA's PCB program. I will not detail the report's findings, but I do want to highlight one of GAO's recommendations: PCB brokers—or intermediate operators—should be required to obtain an EPA permit. Obviously, this recommendation supports a critical feature of our legislation.

In the end, the law and the regulations are effective only to the extent to which they are enforced. Our subcommittee hearings and this GAO report have identified serious PCB enforcement deficiencies at EPA. We will continue to monitor EPA's progress in improving its enforcement record.

Meanwhile, I urge my colleagues to join in support of this legislation in order that we may immediately correct several critical PCB regulatory shortcomings.

## BICKEL, NOT DICKELL

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. FRANK. Mr. Speaker, the reporters of debate who transcribe our words so they can be printed in the Congressional Record do a superb job. As one who occasionally talks too fast, and whose diction is not always pristine, I'm particularly appreciative of the scrupulous care they show in reporting what I occassionally say.

Unfortunately, because I do not always speak as clearly as I should, occasional errors creep in when even the most capable individuals try to take down everything I say. Ideally, I should edit those transcripts for this sort of inevitable occasional error, but I find when I reread what I have said, I become so self critical that my inclination is to change everything and I do not think I ought to be purporting to say in the Congressional Record things that are very different from what I did say. So I have found it to be best not to edit what I have said and rather to rely on the high degree of competence of the reporters. The occasional error that creeps in does not seem to me to be at all serious.

But there was one error that resulted from my uncertain diction in the transcription of the speech I gave during special orders on Monday. I referred several times to the late Alexander Bickel, former Professor at Yale, and a colleague of Judge Robert Bork. Because I nowhere spelled out that name in any documents I submitted, the reporter understandably misheard me and Professor Bickel appears as Professor Dickell in the Congressional Record. There may well be a Professor Dickell somewhere in the world, but if there is, he is not the person to whom I was referring and I ask this be printed here to correct that error.

## TRIBUTE TO MS. SUSAN SMOLKO

### HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. GOODLING. Mr. Speaker, today I would like to pay tribute to a constituent of mine, Ms. Susan Smolko, who was one of the winners of the 1987 Public Service Scholarships given by the Public Employees Roundtable. I would like to share with my colleagues her essay on "How Public Service Affects the Quality of American Life."

The essay follows:

### How Public Service Affects the Quality of American Life

(By Susan Smolko)

The United States is amidst a year of celebration for the 200th birthday of its Constitution. The remarkable endurance and modern applicability of our nation's Supreme Law of the Land attest to the responsive nature and strength of the American system itself. Less celebrated, perhaps, are other facets of the American system which also contribute to its strength and modern vitality. Most notably, the field of public service participates daily in the system and succeeds in upgrading the quality of American life.

If the U.S. Constitution is thought of as the bare skeleton of the American system, public servants are like the millions of living cells functioning and replenishing themselves continuously to sustain the living national body. Individually, public servants can do little to affect the quality of American life. In sum, however, the public service sector is a major, positive force in virtually all areas of American life. Examples of the effects of public service can be seen at every level—national, state, and local. Military services protect and safeguard American liberties at the national level while police do at state and local levels. Indigent persons accused of a crime may enlist the aid of public defenders. Many basic services such as postal delivery and social services are provided. Also given are opportunities to utilize the services of elected representatives from state and national legislators to local township supervisors. The myriad facets of the field of public service deliver assistance and services and perform functions without which the national body could not survive.

Through my experiences in state and local government, I have seen directly how public service affects the quality of American life for the better. At the local level, our township supervisors and staff were continuously called upon to answer questions, to solve problems, and to listen to residents' concerns. We were involved daily in the provision of basic services such as zoning and licensing, refuse and sewer services, and police protection.

At the state level, the scope of public service broadens significantly to include health, legal, educational, social, financial, and

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many other services. My internship in the Refugee Resettlement Program has shown me the extensive role of private social service agencies in states' implementation of their public service responsibilities. A notably unique point of this public service program is its focus on refugees and its attempt to upgrade their quality of life as persons newly-arrived in the United States and to help them attain social and economic self-sufficiency. Thus, public service truly does want to affect for the better the quality of American life for all our citizens as well as for all who reside here.

Public servants make the difference in America today. They are the living cells which quietly run the daily functions of our national body. As we celebrate the Constitution's 200th birthday, the extensive public service sector, too, deserves a celebration for its vital, enduring role in the American system. Our public servants are a living institution here to serve us and to protect, maintain, and improve the quality of American life.

## THE PRESIDENT'S STRUGGLE WITH FACTS

### HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. SWIFT. Mr. Speaker, as we learned the other day by his reaction to our colleague BILL NELSON "telling the truth on him," the President does not like to have his statements called duplicitous or, to use his own words, "double talk." But then no one likes to get caught when they're fudging around the edges.

But Ronald Reagan distorts facts or simply makes them up all the time. And BILL NELSON is not the only one that is beginning to point that out.

Recently, in one of his Saturday radio broadcasts, the President was ragging on Congress—a favorite weekend pastime of his—when he said:

> Did you know that your Congress wants to spend millions of dollars to purchase submerged lands—that's right, thanks to your representatives, the federal government could become the proud owner of 1,000 acres of underwater property.

It was certainly hard to know from the way the President worded it that he was talking about acquisition of tidelands connected with an existing national park. I think people could be forgiven if they got the impression that someone here was trying to sell the Government a few acres of swamp land.

Wallie Funk, editor of the Whidbey News-Times, a weekly newspaper serving an area affected by the proposal, set the record straight and in the process caught the President again. The editorial read:

INEXCUSABLE

President Ronald Reagan's offhand jab at efforts to purchase and preserve Keystone Spit and tidelands along Washington's coast was inappropriate and undeserved.

Reagan, in a radio address from Camp David, painted the current Congress as fools for purchasing "underwater property."

That reference is to tidelands the federal government will receive from the state in a trade for Keystone Spit. The Congress recently approved the appropriation of funds to buy Keystone Spit and make the trade possible.

The acquisition of the tidelands by the federal government and the preservation of the spit for the state is a wonderful transaction.

Far from being the scam Reagan made it out to be, both acquisitions preserve for public use valuable natural resources.

We understand politics, and the usual rhetoric which accompanies the process. Politicians on both sides of the fence often collect more praise and lay more blame than is deserved.

But for Reagan to so mislead the public on this issue is inexcusable.

Within the operation of the federal government, and in the appropriations bill which contains the Keystone Spit money, are many debatable issues.

But rather than make a legitimate criticism, Reagan seized on an old joke and compared Congress to a sleazy real estate salesman selling submerged property in Florida.

In this case, the president sacrificed the facts to attain his political goals, and in the process misled many who look to him for reassurance and honesty.

Acquiring Keystone Spit is not folly. Allowing the federal government to take over management of the tidelands just makes good sense.

In the future the president should reserve his ridicule for real wastes in federal spending, not imagined ones.

It was a great Republican President who told the truth about fooling the people. You can't fool all the people all the time, he said. This President should think upon that observation and see if he can't make his points without fudging the truth.

## ABOVE THE BATTLE, DEMOCRACY GAINS

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. SOLOMON. Mr. Speaker, there is an article in U.S. News & World Report that should be read by any Members who may have missed it. Entitled "Above the Battle, Democracy Gains," this article reinforces what many of us have always said: that President Ronald Reagan is to be congratulated, not criticized, for his consistent work to protect and nurture democracy in the developing world.

Democracy is not something that can be installed overnight, like some Communist Party dictatorship. It depends above all on the presence of a large number of people who appreciate its benefits, who repudiate radical, quick-fix solutions, and who provide the stability democracy requires. In other words, it needs a strong middle class that has experienced the economic freedom that goes hand in hand with the introduction of free markets and respect for private property.

And who has consistently fought for economic liberalization and gradual democratization in the developing world? It hasn't been General Secretary Gorbachev; it hasn't been those leftwing economists who cling to the failures of communism; it's been President Ronald Reagan. I recommend that my colleagues read this article. As it says, "Democracy is on a roll," And that's thanks to President Reagan.

ABOVE THE BATTLE DEMOCRACY GAINS

Across an otherwise bleak foreign-policy landscape, there is some good news for Ronald Reagan. Rising above the chill of terrorism, allied bickering, bloodletting in a score of countries and the Iran-Contra scandal at home, democracy is on a roll. South Korea, the Philippines, Argentina and Brazil are the most dramatic evidence. Haiti and Panama are now on the way. What Anthony Maingot of the Rand Corporation calls a "worldwide phenomenon" is putting more people than ever under democratic systems. Even some nonadmirers of the President give him a generous measure of credit.

It is far more than an American or Western-driven trend. Yet it reflects, directly or indirectly, Reagan's deep conviction that the free market and free political institutions go hand in hand. As the Japan Times has put it: "Liberal democracy constitutes the perfect complement to 'user friendly' capitalism."

DIFFERENT SYSTEMS, SAME GOALS

Which comes first, political or economic liberalization, is not always consistent. But more and more authoritarian governments are leaning toward democracy as they tinker with failed economies. Sometimes, too, rising political expectations follow economic progress. Limited political freedoms thus appear in nations as disparate as Communist China and capitalist Taiwan, the Soviet Union and its restless allies, and in remote corners of the Third World. "We are an American baby, a showcase for development," James Soong, a leader of Taiwan's dominant Kuomintang, declared long before his government announced last week an end to 38 years of martial law.

The transitions can be painful—and unexpected. South Korea's military leaders created the climate that forced them toward liberalization by building a literate middle class to fuel economic development, only to have the middle class join radical students in demanding political reform. The Korean military now is hardly driven by dewy-eyed idealism in its concessions to democratic forces. Indeed, the concessions that tantalize a disunited opposition offer President Chun Doo Hwan's followers far greater promise of unbroken power than does the mailed fist—without destroying the economy.

Many jubilant Koreans resent outside comparisons with events last year in the Philippines. But they seem unavoidable. There, Ferdinand Marcos's insatiable corruption, economic failure and impotence against insurgency fueled Corazon Aquino's "people power" revolution. Its future is still uncertain, but "the Philippines is now a full-fledged democracy," argues Richard Haass of Harvard's John F. Kennedy School of Government. "The issue is whether the economy and the security situation in the country can be improved so democracy can improve."

In South America, democracy's surge may be less volatile for the moment, but no less fragile. In Brazil, the military boasts that it walked away from power in the early '80s. In Argentina, the 1982 defeat by Britain in the Falklands War so disgraced the armed forces that civilian government became inevitable. Yet sheer administrative incompetence, especially in running the economy, also contributed to change in both countries. Today, Brazilian and Argentine generals hover in the wings while their civilian successors grapple with the familiar problems. Any faltering—above all in restoring economic stability—could easily see the revival of military rule.

Democracy in Central America is more a direct, recent U.S. creation, except for the enduring example of Costa Rica. In El Salvador, the unsteady government of José Napoleón Duarte, fighting Communist revolution, depends on Washington for survival. Guatemala, facing ultimately the same threat, converted military dictatorship to uneasy democracy only under American pressure last year. There may be less idealism than strategic interest—overthrow of Marxist government in Nicaragua and the security of the Panama Canal—in administration policy in the region, but the effect is the same. Now, Panama is center stage as the country's middle class, applauded by Washington, rises against corrupt dictatorship. Orderly transition is critical: Of all countries in the area, Panama could most easily face direct American intervention if freedom of the canal is threatened.

American interests are not always that clearly defined, and at times the U.S. role in transitions is obscure. Pressure from the United States had no part in bringing down the Argentine military, for example. But when Argentine officers launched a brief barracks revolt last year, says Bruce McColm of Freedom House, "the U.S. weighed in quickly but quietly to good effect."

Not always and not everywhere. Out of strategic interest, the U.S. has backed many unbending governments for years in the face of democratic pressures, as in South Korea and the Philippines. It switched to the other side when, as a State Department official puts it, "democratic ideals coincided with national interest." In some cases, it has leaped too late, as in Nicaragua and Iran in the late 1970s—though the alternative in Iran was unclear. "It's always easy to say we waited too long," says Haass of the Kennedy School. "But this country has to be sure the time is ripe. It makes no sense to unsettle an authoritarian regime without a democratic alternative." The fact is, a senior U.S. diplomat concerned with Latin America argues, "our influence is frequently overestimated. There is no way we can force democracy on Chile, for example, We can keep the pressure on, and we're doing that."

The U.S. might more readily have switched sides and forced change without penalty in Haiti, long before desperate Haitians finally had enough of "Baby Doc" Duvalier early last year. Yet even now, nearly 18 months later, the alternative is not certain. If there is a single lesson from those countries where the American impact is greatest, it is that hanging on to democracy can be as traumatic as achieving it.

But what of liberalization where the ability of the West to mold events appears least? In fact, its influence as a model often may be greater than it seems. Both China and the Soviet Union, for example, now experiment with freer expression and economic incentives on the road to modernization—acknowledging implicity the failures of their Marxist systems. Neither is likely to credit the democracies, and both realize that the forces they unleash could be hard to control.

RUNNING AGAINST THE TIDE

Not all trends are toward liberalization. In Eastern Europe, some of Mikhail Gorbachev's satraps resist change. Cuba's Fidel Castro has become more oppressive. There have been setbacks in Kuwait, Nigeria and Tunisia. Pakistan's military regime—backed by the U.S. out of strategic interest—is unyielding. Prosperous Singapore, destitute Mexico and developing Kenya observe the mechanics of democracy, but in fact are ruled by authoritarian leaders or unyielding single parties. The threat of Islamic fundamentalism is at least partly responsible for the isolation of many Moslem countries from liberalization.

Nonetheless, the democratic surge is strong enough to send academics and diplomats in a search for its source. "If you're idealistic enough, you can say it comes from an inherent yearning for democracy," muses Helmut Sonnenfeldt of the Brookings Institution, once a senior aide to Henry Kissinger. He and most other analysts, however, look for more pragmatic reasons and generally find them in the linkage of political freedoms with economic progress. "Authoritarianism and totalitarianism have proved themselves bankrupt," Bruce McColm of Freedom House says firmly. "People are turning to democracy as the way to deal with development issues."

Other democracies advertise their charms more discreetly than does the United States. But as the democratic superpower, Washington can take a bow for the successes as well as the brickbats for failures. It may be ironic that more progress has come on Ronald Reagan's watch than on that of Jimmy Carter, who made human rights a standard for his administration. But in reality, the distinction is not so great. The central message of American democracy is constant whichever party is in power.

Reagan is far from consigning Communism to the "ash heap of history," his declared goal in a 1982 paean to democracy in London. It may, however, be drifting in his direction. But when the debate over cause and effect becomes too speculative, a foreign-policy tactician such as Sonnenfeldt brings it quickly back to earth. "I don't know whether there's a single reason for the trend," he says. "But you're going to hear a lot about it in our political campaign, because the administration is going to claim credit for it." Democracy is, after all, a form of politics.

## HOW PUBLIC SERVICE AFFECTS THE QUALITY OF AMERICAN LIFE

### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mrs. MORELLA. Mr. Speaker, those of us who have been in the Washington area and have an interest in Federal employees know well the work and enthusiasm of the Public Employees Roundtable, a nonprofit educational organization which represents 22 professional employee groups. This organization, for the past 6 years, has promoted and encouraged interest in civil service careers by informing the public of the caliber of Government employees and the valuable services they render, and by developing a pride among employees which in turn improves their performance and productivity.

One of the positive programs sponsored by the Public Employees Roundtable is a yearly public service scholarship for college students who compete by writing an essay on "How Public Service Affects the Quality of American Life." These essays are judged by an expert panel. I am proud to report that these judges selected Denise Douglas as one of their 8 winners out of a field of 95 participants.

Denise is studying Russian at the University of Virginia, with a goal of serving our Nation in the Foreign Service. She is a resident of Rockville, MD, which is the county seat of Montgomery County. In my Eighth Congressional District.

I am pleased to share her essay with you.

HOW PUBLIC SERVICE AFFECTS THE QUALITY OF AMERICAN LIFE

(By Denise Douglas)

Commercials come to mind when I think about "The American Way"—especially that upbeat, get-up-and-dance Miller Beer tune with which almost every sports fan can scream. I suppose most people could not exactly define the American Way; maybe a lot of images come to mind: yuppies celebrating a business success at happy hour, the Statue of Liberty, a family reunion on the Kansas farm that grandfather established, and a Vietnam immigrant graduating as the valedictorian at Harvard. I do not, however, think of a federal government employee proofreading a piece of correspondence for his/her signature, yet he/she, too, is a part of the American Way of life.

For ages, America has been the platitudinously stereotyped land of opportunity in which immigrants who came over with nothing could manipulate capitalism and become millionaires. Freedoms of all types allowed people of all classes to "move up the ladder" of success and wealth. Yet, workers in the federal government often cannot advance rapidly in a bureaucracy that sometimes denies their individualism. My brother works for the Department of Agriculture's research center and tells stories of brilliant scientists who make needed revolutionary discoveries that might earn them millions in the private sector where they could patent it themselves. Instead it becomes a public patent, with little recognition, if any, going to the employee. I have a friend who is a brilliant lawyer and wins million dollar lawsuits for his federal agency but still lives in a small house with roommates in a rather undesirable neighborhood. If people are willing to work diligently so that they can accomplish something, why do they choose the federal government when the rewards are almost unrewarding?

Then again, if no hardworking people chose the federal government, where would America be? It cannot be denied that America needs its civil servants, those that serve the public, not themselves. Because our government allows us so much freedom in choosing our style of life, we can encounter inequalities and deficiencies in our nation—problems that our federal agencies try to solve. My agency provides assistance in housing those who could not otherwise own or rent a safe, decent and sanitary home. Other agencies ensure the existence of valued ideals such as justice, and equal employment opportunity, or maintain necessary regulatory policies such as fair labor standards, and safe environmental protections. It is easy for Americans to complain about "the Bureaucracy" that seems to hinder their lives or waste all their tax money, but what would they scream if one day NIH was no longer interested in AIDS research? A democracy should not be anarchy and in a country that covers the area America does, a strong, effective federal government is needed to protect its populace from injustice, to plan for the safe and healthy future of its citizens and to establish fair policies for revenue collection and expenditure. There are Offices of the Inspector General established in many of the agencies to monitor both internal and external activities that may deter their agencies' goals. I work for one of their OIGs, and I have typed memos regarding fraudulent schemes that steal millions of dollars of the taxpayers' money. (That is a waste of tax money worthy of complaints!) And I have heard an auditor yell with joy when one criminal was convicted—the joy of a job done well and justice restored.

Maybe that very same auditor could earn more in the private sector, just as my lawyer friend and those PhDs at Agriculture might. Yet, they stay with the federal government, helping America be the safe, free, powerful and just nation that it is. Why? Because, like volunteers in soup kitchens and political campaigns they believe in the American Way, a way that relies on capitalism, individualism and other American ideals, but also asks its believers to help fellow Americans enyoy the freedoms and rights that the 200 year old Constitution allows them. There "feds" believe in this way strongly enough to sacrifice some of the benefits available in the private sector in order to serve their country by housing the homeless, fighting disease, conquering injustice, ensuring quality education, and generally providing for the kind of life we enjoy. And that's how the American Way of life should be.

## THE ARANDA FAMILY

### HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. LUNGREN. Mr. Speaker, on Monday, July 27 President Reagan welcomed the Aranda family of Torrance, CA, to the White House, and saluted them as one of America's "Six Great Families." It's an honor they richly deserve.

In a society seemingly besieged by familial turmoil, the Arandas have made the home the bastion of their personal and community lives. Eight years ago, Ben Aranda had a successful and lucrative private law practice. But he decided he needed more time with his family, so he accepted an appointment to the South Bay Municipal Court. Ben and his wife Emma now find time for family nights on Tuesdays and Fridays, and try to spend time with each of their 11 children every evening. Amazingly, Ben manages to prepare breakfast and lunch for nine of his children before he leaves for work each morning. In what remains of his free time, he works as a volunteer for the Blue Cross of California and chairs Save Our California Kids, an anti-drug and anti-violence organization.

Ben and Emma place a premium on love and individual attention in their home and their children clearly reap benefits from that approach. The family follows two rules to maintain its close-knit character. First, they always have dinner together. Second, each person hugs the one going to bed and says, "God Bless You." Ben and Emma also ask their children to support and help each other. Their daughter Maria, for example, usually comes home from college each weekend and helps the younger children with school projects. Her siblings Ben, Ruth and Andrea also assist the younger children with reading, math, religion and social studies homework.

I can't discuss every child in the short amount of time I have, but I can note that several of the children are Presidential Fitness Winners, have excelled in team sports like soccer, and have been outstanding achievers in school. I would like to draw special attention to Carlos, Tania, Fred, and Eric, the Arandas' adopted children, all of whom have overcome obstacles to reach remarkable levels of achievement in school and in sports.

Mr. Speaker, we in this House often talk about leadership. We expect our President and the senior members of this body to seize the initiative and transform ideas into policy and then into law. Yet we often don't appreciate the importance of leadership in our local communities. In "Democracy in America," Alexis de Tocqueville pointed out that community activists form the backbone of this country. You can't have a government of the people, by the people, and for the people, if the people don't commit their time and talents to the daily operation of their democracy.

And that's the great thing about Ben and Emma Aranda. They not only inspire leadership on an individual basis, but they inspire it in a collective context in their family. When Ben teaches religion for the Confraternity of Christian Doctrine, his family helps with housecleaning, dinner, set up, and clean up. The family collects clothing for the needy for the St. Vincent DePaul Society four times per year, newspapers for St. James School and participates in numerous candy sales, subscription sales, Christmas tree ornament sales, and raffle ticket sales for their various athletic teams, PTA's and parochial schools. Each year the Aranda family sponsors a block party and Independence Day Parade in which over 100 of their neighbors participate. The entire family plans and organizes the event and then cleans up after it has ended.

Ben Aranda says that he has participated in the Great American Family and Hispanic Family of the Year programs in large part because of his commitment to adoption programs. "All of the kids we have adopted have been 'unadoptable.' No one else wanted them," he has observed. "They have all done so well and meant so much to us it shows there is no such thing as an 'unadoptable child.' " The Aranda family has twice received awards from the Los Angeles County Department of Adoptions.

Mr. Speaker, I'm proud that the Arandas are my constituents. Our society desperately needs more people fully committed to their families and their communities—Americans who recognize that the home functions as the foundation of our society, and that our country grows stronger in direct proportion to the sense of community in our neighborhoods. When management guru Tom Peters writes his next sequel to "In Search of Excellence," he should start with Arandas.

## DALLAS HOUSING AUTHORITY AND ITS EXPENDITURES ON PUBLIC RELATIONS

### HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. BRYANT. Mr. Speaker, it has come to my attention that the Dallas Housing Authority has undertaken a campaign to improve its tarnished image by spending $2,500 per month on public relations. This is an outrageous affront to the American taxpayers and the low income Dallas area residents in desperate need of decent housing.

Yesterday I introduced legislation to prevent such expenditures in the future. Wasting limited public housing funds or rent receipts on an expensive public relations campaign is unconscionable and downright wrong.

The Dallas Housing Authority justifiably has been criticized for being insensitive to the needs of the population it was created to serve. Its recent decision to demolish 2,600 much needed low-income housing units coupled with its announcement of a $62 per hour contract to bolster its sagging reputation does not enhance its image—especially with the homeless or underhoused who would have preferred to see the units rehabilitated or the $2,500 per month spent to shorten waiting lists.

I do not know if public housing agencies in other cities have engaged public relations firms to make them look good in the eyes of the taxpayers. if they have, they also should be criticized and prohibited from making such expenditures in the future. My goal is to ensure that all public funds for low income housing and all rent receipts be spent for the purpose intended by the Congress and the American taxpayers—to house the poor and homeless.

I would welcome the support of my colleagues and look forward to a broad discussion of this issue with them.

## IN SUPPORT OF HELSINKI HUMAN RIGHTS DAY

### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. GARCIA. Mr. Speaker, I want to express my support for House Joint Resolution 282, "Helsinki Human Rights Day." Twelve years ago 30 countries, including the Soviet Union and the United States, signed the Helsinki accords which, among other things, guarantee the human rights of the signatories.

As chairman of the North Atlantic Assembly's Civilian Affairs Committee, I have had an opportunity to work with my fellow NATO parliamentarians on the problem of human rights abuses in Eastern Europe. In fact, the committee has a special subcommittee that deals with the accords. In addition, I was a member of a United States delegation that attended the Vienna review conference of the CSCE.

Through my work at the assembly and in Congress, I have come to appreciate just how important it is to keep a lifeline open to the people living in Eastern Europe and the Soviet Union. Although progress has been made in the area of human rights because of the accords, more needs to be done. Soviet Jewish immigration has fallen from 51,000 in 1979 to about 1,500. Thousands of individuals remain in Soviet prisons, not because of any criminal acts they may have committed, but because of their religious or political beliefs.

In Poland, millions of people risk their lives every day for rights that we in the United States take for granted. We must show these people that we are behind them. By passing this resolution we are doing precisely that.

I am hopeful that glasnost will lead to an improvement for the people in the Soviet Union and throughout Eastern Europe. I hope that because of this policy they will be able to worship freely and express themselves without fear of reprisal. This does not mean that we can give up our fight for human rights in the East. We can't. We must always let our families and friends in the Eastern Bloc nations know that we will not forget them, that we will not let them down.

The North Atlantic Assembly's Civilian Affairs Committee issues a quarterly publication known as the bulletin that gives a list of human rights abuses in the Soviet Union and Eastern Europe. The Bulletin serves as a stark reminder of how far we have to go before human rights are no longer a problem in the East.

If my colleagues are interested in receiving a copy of the Bulletin, I would be happy to put them in touch with the assembly's secretariat in Brussels.

Finally, I want to congratulate the chief sponsors of this resolution, most particularly my friend and colleague from Maryland, STENY HOYER, who has worked tirelessly on the issue of human rights. As chairman of the CSCE, he has done a great deal to keep this issue alive in Congress and the assembly. His fine work is reminiscent of another great CSCE chairman, DANTE FASCELL, the distinguished chairman of the Foreign Affairs Committee.

## SUCCESSFUL PRIVATE SECTOR LITERACY INITIATIVE

### HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Miss SCHNEIDER. Mr. Speaker, I want to commend to you and my colleagues an outstanding program which I am proud to say was born in my home State of Rhode Island. It is an effort that on the one hand engenders a contagious community spirit, engaging young and old to celebrate their common heritage. In a broader sense, it is a program that addresses one of the most fundamental challenges facing our entire Nation: improving literacy among all Americans. And in another respect, "it's a heckovalotta fun."

The program is "Leap Into Literature," a children's reading effort sponsored by one of Rhode Island's most longstanding, philanthropic business leaders, Old Stone Bank.

Old Stone conceived "Leap Into Literature" in 1985, aimed at sparking among children in kindergarten through sixth grade an interest in both Rhode Island history and in reading.

Working with the Library of Congress, State libraries, and a local theater group, the program has grown creatively and productively. It has commissioned a children's book, "Puritans, Pioneers and Pacesetters: Eight People Who Shaped Rhode Island." It has produced a radio series on historic Rhode Islanders. And it has adapted selected stories for dramatizations performed at libraries all over the State. In fact, over 200 performances have been staged in 50 libraries each year. The shows were attended by more than 17,000 children and parents.

All of these numbers add up to many hours of fun and enjoyment for thousands of Rhode Island children. But the more telling numbers, the more significant statistics, are those that show the significant increase in the lending of history books and the popularity of library programs. And, interestingly enough, over 85 percent of the donated copies of the specially commissioned Rhode Island history book were in circulation following the first performance in each library.

As an emblem of its achievement, "Leap Into Literature" has received many awards and recognitions. I want to extend those plaudits by recognizing here in the House of Representatives the program's many meaningful contributions. I am especially proud of this effort, not merely because it opens wider the door to Rhode Island history.

As cofounder and cochair of the Congressional Competitiveness Caucus, I recognize the precious value of literacy in our country today. In a State where a hard-toiling, blue collar work ethic moved generations of young people to forego academics to enter the work force before reaching their full potential, we are cognizant of the need to challenge today's youth to meet the critical and complex demands of the future. With programs like "Leap Into Literature" leading the way, we can accomplish that mission by instilling in our young people a fascination for learning, a curiosity for history, and a thirst for reading.

Mr. Speaker, I am pleased to convey an offer of free assistance by Old Stone Bank to any thrift institution in our country interested in starting a "Leap Into Literature" program in its own community. It is the bank's hope, and I share it, that this spirit for learning will spread through towns and cities all over our great country.

I ask you, Mr. Speaker, and other Members of this eloquent body, to join me and my constituents in saluting Old Stone Bank and "Leap Into Literature."

## LEGISLATION TO EXTEND THE FILING PERIOD FOR RELIQUIDATION OF CERTAIN IMPORTS

### HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. ARCHER. Mr. Speaker, today, I am introducing legislation to extend the filing period for the reliquidation of certain entries of semiconductors. The contents of my bill are contained in the recently passed Senate version of the 1987 trade legislation.

As part of the Trade and Tariff Act of 1984, Congress gave the President authority to proclaim mutually eliminated import tariffs on certain semiconductors as agreed to by Japan and the United States. However, one tariff item number which should have been included by the authority was omitted. In the 1986 Tax Act, Congress corrected the omission, making the correction retroactive to March 1, 1985—the date on which other semiconductors became duty-free under the original legislation. Importers were given 90 days to apply for the reliquidation of earlier entries and thereby receive a refund for duties paid.

It has been brought to my attention that many importers were unaware of the 1986 Tax Act provision until after the filing deadline. The fact that this provision was contained in a tax bill rather than a trade bill may have contributed to the provision going largely unnoticed by affected parties.

My legislation allows importers an additional 90 days to file a proper request with the U.S. Customs Service for the reliquidation of entries that were the subject of the technical correction.

## IMPROVING REGULATORY REQUIREMENTS FOR PCB'S

### HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. SKELTON. Mr. Speaker, today, along with my colleagues Congressmen SYNAR, CLINGER, and WHEAT, I introduce a bill, which will improve and strengthen the regulatory requirements for polychlorinated biphenyls [PCB's] disposal activities.

Mr. Speaker, I take this opportunity to tell you and this body why Holden, a small town in Missouri, exemplifies just why the bill is needed.

For many of my constituents who live in and around Holden and Johnson County, MO, PCB's have become a very serious issue. At least 13 million pounds of contaminated PCB's were abandoned right in the middle of that small town. Just last week, after a major effort by a great many people, the removal of the PCB's—which could cost between $25 and $50 million—finally got underway.

The chemical company which operated the facility at Holden is in bankruptcy. They have no money available to clean up their closed facility. Therefore, the original companies who generated the hazardous waste—and who have already paid once for its disposal—will now be required to pay for disposal of these PCB's again. Plus, these originating firms are liable for the cost of cleaning up the bankrupt facility and its grounds.

The citizens of Holden have had to live with this carcinogen for more than 1 year as investigators attempted to track down who sent just how much waste to Holden. The investigators have been hampered by a missing link—three is no system to track the waste from owner to disposer.

The bill we are introducing today is designed to close some glaring loopholes in Federal law and tighten up controls of these hazardous materials.

Current regulations do not require the tracking of PCB material from cradle to grave. Our bill would change that. It would require uniform manifests to accompany all regulated PCB material once it leaves the owner's final storage facility for disposal. For a community such as Holden, the bill also will assist in identifying how much waste has been abandoned and will target the originators of such waste.

Further, the bill requires financial responsibility of those handling the toxic material for closure of the facility and accidental occurrences.

This bill is not a cure all, but it does close a significant loophole that threatens the health and well being of citizens.

## LEGISLATION TO IMPROVE THE HANDLING OF PCB'S

### HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. CLINGER. Mr. Speaker, it is a real pleasure to join my colleagues this morning to announce the introduction of bipartisan legislation designed to strengthen the laws governing the handling of PCB's.

Virtually every State in this Nation has PCB's transported on its roads and stored in its warehouses. The vast majority of the PCB material is handled and disposed of in a safe and responsible manner.

However, during the course of the subcommittee's investigations, it has become apparent that there are serious shortcomings in the laws governing those firms that serve as intermediary handlers, or "brokers", of PCB's. Under current law it is almost impossible to identify which firms are serving as brokers, much less ensure the safe handling of PCB's by those firms.

Disturbing evidence was presented to the subcommittee earlier this year, regarding firms which had lost their PCB disposal permit due to storage and disposal violations, turning right around and opening up shop as PCB brokers. The legislation we are introducing today is designed to put an end to these practices and to get irresponsible unreliable firms out of the business of handling PCB's.

As Chairman SYNAR has already mentioned, the bill would establish manifest requirements, require brokers to receive EPA approval, and would establish financial responsibility requirements to ensure that taxpayers are not left "holding the bag" for the clean-up and disposal of PCB's.

Much of the groundwork for this legislation has been laid through the subcommittee's numerous hearings and through the work of members like Mr. SKELTON and Mr. WHEAT. In addition, many hours of discussion have taken place with representatives of the environmental community, officials from chemical manufacturers and utilities, and personnel from the Environmental Protection Agency, in an attempt to achieve a cooperative consensus on this issue. I am confident that these efforts will contribute not only to the speedy passage of this legislation, but also to the effective implementation of the bill's provisions.

## DISPLACED HOMEMAKERS: OUR MOTHERS, OUR AUNTS, OUR SISTERS, OUR FRIENDS

### HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Ms. SNOWE. Mr. Speaker, yesterday the Displaced Homemakers Network released a new study, based on the 1980 census, showing that there are approximately 11.5 million displaced homemakers in America, and I would like to share the opening statement made by the executive director of the organization, Jill Miller, with you. The last study, done by the Department of Labor in 1976, showed that there were 4.1 million displaced homemakers.

For those of my colleagues who are not familiar with this group, a displaced homemaker is defined as a woman whose principal job has been homemaking and who has lost her main source of income because of divorce, separation, widowhood, disability, or long-term unemployment of a spouse, or loss of eligibility for public assistance. The Displaced Homemakers Network and its State and local members help provide support and information prevocational training—including personal development, career exploration, and job readiness skills—and a variety of courses and workshops. These services, along with the support offered by the staff, are enabling displaced homemakers to overcome otherwise insurmountable obstacles to rebuilding their lives and become self-sufficient.

In my own State of Maine, this study found 58,445 displaced homemakers. While this number is sobering and points out the continuing need to help these women, I would like to bring to your attention the work being done by the Maine displaced homemakers project. Since its founding in 1978, the program has helped over 10,500 women. For this reason, I believe it was particularly fitting for the founder of the Maine program, Gilda Nardon, to be present at the press conference. Through her hard work, and that of others involved with the Maine project, 2,000 to 3,000 women a year are being helped.

The displaced homemaker, as shown by this study, is not just one or two women, but 11.5 million women. These women are not statistics, they are our mothers, our aunts, our sisters and our friends, and they need our help.

STATEMENT OF JILL MILLER, EXECUTIVE DIRECTOR, THE DISPLACED HOMEMAKERS NETWORK, JULY 29, 1987

Good morning, I am Jill Miller, executive director of the Displaced Homemakers Network. We are a voluntary association of nearly one thousand programs nationwide that work to help displaced homemakers become financially independent.

What is a displaced homemaker? Let me give you the operational definition first. A displaced homemaker is a woman whose principal job has been homemaking and who has lost her main source of income because of divorce, separation, widowhood, disability or long-term unemployment of a spouse, or due to loss of eligibility for public assistance.

Now the view from the kitchen table. Displaced homemakers are our widowed aunts, our mothers, our divorced sisters and friends. They are welfare mothers and country club matrons. They are widowed, divorced, homeless, battered and abandoned. They are black, white, Hispanic, Asian and native American women from rural and urban areas. Some still support young children. Some have children who have been out of the home for years. In short, all kinds of women can be displaced.

These are the women who drove the car pools, ran the bake sales, and organized the Scout troops and the baseball leagues. And for their very sizable contributions to their families, our communities and our country, they have gotten a very raw deal.

In the words of one of our founders, the late Tish Sommers, displaced homemaker means "forcibly exiled. As in refugees. And that's precisely what these women are."

Our purpose in issuing this report is to outline for you the status of displaced homemakers in America today. Let me trace for you the genesis of this report, in order to put our findings in context.

When Tish Sommers coined this term in 1974, she founded a movement. Out of the shadows came women from all walks of life who had not known their situation was a national problem of epidemic proportions. These women had no political clout to take their problems to the Halls of Congress. They had no voice, no organization. And, for the most part, they were too busy trying to make ends meet to worry about their collective misfortune.

The displaced homemakers network became their voice. We went to Congress and told their stories—the stories of women who had fallen through the cracks in our Nation's support services. Their stories go something like this: they are unemployed because they have no recent job history, training or education. They are frequently too young for Social Security and many will never qualify because they have been divorced from the family's wage-earner. They may be ineligible for Federal welfare assistance if they are not physically disabled and if their children are eighteen or older. They cannot collect unemployment insurance because they have been engaged in unpaid labor in the home. Too often they lack protection from health insurance or pension plans, without their husbands' presence.

We told these stories in the Halls of Congress and policymakers asked us repeatedly: How many of these women are there? Most policymakers doubted there could be many left, since everyone knows that women have

entered the paid workforce in record numbers. In short, displaced homemakers are the dark side of the women's movement: Silent victims of the misperception that the much publicized progress of their professional sisters is actually progress for all women.

In 1976, the women's bureau of the Department of Labor gave us the numbers we needed. Their study identified 4.1 million displaced homemakers in America. Since that time, those same policymakers whom we have lobbied over the years have asked repeatedly, "Isn't this problem going away? Surely, these women are being replaced by women who are entering the paid workforce."

We knew this was not the case. In the last two years alone, the number of displaced homemaker programs increased from roughly 400 to nearly 1,000—and the demand continues. Far from a shrinking population, displaced homemakers appeared to be growing daily. But again, we needed numbers.

Today we are here to tell you that, unfortunately, the news of our demise has been greatly exaggerated. There are 11.5 million displaced homemakers in America today, according to our analysis of census data. This represents nearly a three-fold increase since the last count. But the numbers are only part of the picture. Those who work with these women every day know the senseless waste of human potential that our national indifference has created.

## HUMAN RIGHTS VIOLATIONS IN BULGARIA

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. YATRON. Mr. Speaker, I rise to take this opportunity to discuss human rights violations in Bulgaria, particularly the situation involving the ethnic Turkish minority. As chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, I have been closely monitoring this matter and am becoming increasingly alarmed over the treatment of Turks in Bulgaria. Information contained in Amnesty International's recent report on Bulgaria indicates that abuses targeted against the Turks are increasing. Helsinki Watch and other international human rights organizations, as well as the State Department's human rights reports also continue to document the severe treatment of Turks.

Hopes that glasnost will reverberate in a positive way in Bulgaria as it seems to have in some other East European countries are quickly dissipated with the realization that the Government's forced assimilation and name-change campaign continues to subject the Turkish population to unspeakable human rights crimes, including murder, torture, and forced starvation. While the plight of the Turks is indeed most bleak, the Bulgarian people also suffer an extreme repression under a small clique which tightly controls all fundamental freedoms such as speech, press, religion, association, travel, emigration, and due process, in violation of the Universal Declaration of Human Rights, the Helsinki accords, and other international covenants.

Unfortunately, the Bulgarian Government has been totally unresponsive to international entreaties, congressional demands and State Department representations. Notwithstanding the limits of United States influence with Bulgarian authorities, the situation is so grave as to demand a more assertive policy. During my involvement with human rights issues, I have seen too many instances where anything less than constant and continual pressure will fail to yield results.

I have contacted Assistant Secretary of State for Human Rights and Humanitarian Affairs, Richard Schifter, in order to develop a bipartisan effort promoting greater respect for human rights in Bulgaria and to ease the plight of the Turkish minority. I am hopeful that we can encourage Bulgarian authorities to be more forthcoming on human rights issues..

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# SENATE—*Friday, July 31, 1987*

*(Legislative day of Tuesday, June 23, 1987)*

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable KENT CONRAD, a Senator from the State of North Dakota.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

*For thine is the kingdom and the power and the glory forever. Amen.*—Matthew 6:13.

Almighty God, all powerful, all wise, we pray for Your servants in the Senate, some of the most powerful people in the world, who bear the burden of decision, often cosmic in implications. You know Father, the pain of indecision which they sometimes experience—the ambivalence—equivocation—as they labor under momentous issues which do not yield to simple solutions. You know the emotions aroused when the power of one collides with the power of another—like an irresistible force meeting an immovable object. You know the conflict between conscience and constituents, between principle and pragmatics. You know, Mighty Lord, the frustration felt when these powerful people become aware of the powerlessness of the best they can do in light of legislative limitation—the intransigence of people and the human disposition to laissez-faire morality. Grant, Gracious Lord, Your wisdom and strength in this present struggle. Bring glory to Yourself and just benefits to all. In His name who is light and love and truth. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER**. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, July 31, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KENT CONRAD, a Senator from the State of North Dakota, to perform the duties of the Chair.

JOHN C. STENNIS,
*President pro tempore.*

Mr. CONRAD thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

## THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## SCHEDULE

Mr. BYRD. Mr. President, today the Senate will be working on the debt limit extension. The debt limit extension, the short-term expires, I believe, at midnight next Thursday. If the Senate has not completed its work by midnight next Thursday—and I say the Senate, the House and the Senate because this measure goes from the Senate, if the measure is amended, goes back to the House and if the House does not accept the Senate amendments, then there will be a conference, and unless the measure itself is put on the President's desk and signed by midnight Thursday, then the Government will be unable to meet its responsibilities, unable to pay its bills, unable to borrow money. Social Security checks will not go out, the veterans' checks will not go out and we are going to be in a heck of a mess.

This is a thorny matter. I hope that Senators understand that we may have to be in this Saturday. We may have to be in next Saturday. We may have to have long evenings. We may have to cut into the August break. I have said that before. Because this is one thing we cannot leave here and just walk off and go home.

We might leave an appropriation, an interior appropriation bill here or some other piece of legislation and go on and work on it when we get back.

So, Senators need to understand that there will be votes. They need to understand that we need to make haste in acting on this bill.

I do not recommend haste to the point of being reckless and careless. But it is a matter that we have to attend to before this Senate goes out for the August recess.

I hope that Senators will be prepared to stay late this evening and we will be in Monday, as I say.

Once the Senate passes this measure it goes to conference and I hope, then, that we can get up other matters. I have mentioned before that I would like to take up the catastrophic illness legislation. Our distinguished Republican leader has been trying to help me get that up. The 2-day rule prevented its coming up yesterday because we could not get unanimous consent. That rule will not stand in the way today. Of course, we have the debt limit matter up today.

But at such time as the debt limit matter is sent back to the House, then we will need to go to catastrophic illness legislation. That deals with the poor and the elderly in this country and it is a very important piece of legislation.

I take the floor at this time merely to underline the seriousness of the matter that is before us and I hope that all Senators will govern themselves accordingly. If I have any time remaining, I ask unanimous consent that I may reserve it until later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the standing order, the Republican leader is recognized.

Mr. DOLE. Let me underscore what the distinguished majority leader just said about the debt limit extension. We have had a brief discussion of this. I would hope that except for germane amendments, we might have some agreement on both sides that all will be tabled. We have not reached that. I talked to Senator DOMENICI, the ranking Republican, to see if that would be his wish. I think the manager is going to have enough difficulty just with germane amendments.

I am not certain how many there are but, hopefully, we can dispose of the entire matter today. I know that is the majority leader's wish. I will be consulting with Senator DOMENICI. I have been discouraging nongermane amendments on this side. If they are germane amendments to the Gramm-Rudman fix or something of that kind, I assume certainly Senators have every right to offer those. They have a right to offer them at any time. But the majority leader has made the point—in my own case, I guessed we would be here Saturday of this weekend and Saturday of next week, so my schedule reflects that, and I think everyone is on notice that it could happen. But I would assume if we complete action on the debt ceiling today, that would not be necessary.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Second, with reference to the catastrophic illness bill, there is one provision in particular that is causing us problems on this side and I think to some extent on the other side and that is the prescription drug provision.

I have indicated that if Senator BENTSEN had the time today we would be happy to sit down with him, four or five on this side who have raised that question, because it seemd to me that there may be some way to resolve that. If that is the case then we can go to that. So we are trying to help the distinguished majority leader.

There ought to be some other things that we might be helpful on if that gets stalled.

But we have on this side indicated that there is a good possibility that any nongermane amendments will be tabled. I hope that might discourage a lot of those. There will be other opportunities which we are prepared to assist with in any way we can.

This is important. The majority leader is correct. Next Thursday night at midnight as I understand it, unless I misunderstand it, that is the drop-dead time as far as meeting our obligations.

Mr. BYRD. Mr. President, distinguished minority leader, I am glad the leader has mentioned the nongermane amendments.

This bill is not the vehicle and this is not the time to call up nongermane amendments.

I know, sometimes a Senator or a House Member gets so excited about his amendment he thinks it would be just as well to let the Government shut down as to forgo the opportunity for him to call up his amendment. I hope that we will not take that attitude and I hope that Senators will not offer nongermane amendments, and I hope if they do, that they will be tabled because this is just not the time for them.

I want to join with the Republican leader in pressing to table nongermane amendments.

There are too many other things which are much more important on the catastrophic illness bill. I hope the matter can be resolved. In any event, I think we should go ahead and let the matter be resolved right here on the floor. Sometimes that heightens the pressure on Senators and we get down to business and work out these matters. Otherwise, we have too many staff people involved and it is always easier to put it off on either side, and we continue to wait and wait.

Mr. DOLE. Let me further underscore the nongermane amendments. As far as the administration is concerned, they would just as soon have a debt ceiling that is clean. I want my colleagues on this side to know that it is not just the two leaders, but it also is the hope of the administration to keep off nongermane amendments. We have indicated that on our side. The President has indicated that to me, and the Secretary of the Treasury and the chief of staff, Howard Baker. They know the problems that would be created if the Government came to a halt and we could not meet our obligations.

## BICENTENNIAL MINUTE

### JULY 31, 1953: ROBERT TAFT DIES IN OFFICE

Mr. DOLE. Mr. President, on July 31, 1953, 34 years ago today, the Senate mourned the death of one of its great leaders, Ohio's Senator Robert A. Taft. Senate Minority Leader Lyndon Johnson wrote that Taft, known to his contemporaries as "Mr. Republican," "was characterized by a rocklike integrity, unconquerable common sense at all times, and an unswerving devotion to the principles in which he believed." In 1957, a special Senate committee chaired by Senator John F. Kennedy chose Taft as one of the five most significant Senators in the institution's history, and his portrait is one of the five to grace the Senate reception room.

Coming from a long family tradition of public service, Taft served in both houses of the Ohio Legislature before winning election to the Senate in 1938. Here, he vigorously opposed the foreign and domestic policies of the "new deal," believing instead in decentralization at home, and nonintervention abroad. He sponsored the Taft-Hartley Act, designed to limit the powers of labor unions, which became law in 1947 over President Truman's veto. He also persuaded his colleagues to create the Republican Steering Committee—later the Republican Policy Committee—which he chaired.

Robert Taft tried, unsuccessfully, to win the Republican Presidential nomination three times, losing the last and closest contest in 1952 to Dwight Eisenhower. With his hopes for the Presidency behind him, Taft seemed more conciliatory. He and Eisenhower agreed to an agenda for foreign and domestic policies. When Taft became majority leader in January 1953, he was Eisenhower's strongest Senate supporter. Four months later, at the height of his power, Taft learned that he had cancer. During his last months, he walked the Capitol's halls with the aid of crutches. After his death on July 31, a memorial service was held in the Capitol rotunda, where 30,000 people filed by to pay tribute to this extraordinary Senator.

Mr. President, I reserve the remainder of my time.

## MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for morning business until 9:30 a.m., and that Senators may be permitted to speak therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Wisconsin.

## TIME TO SAVE MORE, BORROW LESS, AND SPEND LESS

Mr. PROXMIRE. Mr. President, how serious a threat is the present level of public and private debt to our financial institutions and our economy? The facts are painful. Let us look at them. Bank failures have sharply increased in the past 2 years. In 1985 the country suffered the largest number of bank failures in more than 50 years. That is since the depth of the Great Depression of the 1930's. The number of failures in 1986 was even higher. And 1987 is running ahead of the 1986 pace. Is this a matter of concern? Yes. Does this represent a trend that could foretell a return to the disastrous bank failures of the 1930's? Maybe no. Maybe yes. Why maybe no? First, although the number of bank failures has been high, the proportion is still a bare 1 percent of the Nation's banks. It is an even smaller percent of the Nation's banking assets. Second, there have been approximately as many new banks chartered as there have been established banks that failed. Third, no depositor who has deposited less than $100,000 in any of these failed banks has lost a nickel. Fourth, almost none of the largest depositors have suffered losses. Fifth, most of the employees of the failed banks have continued to hold their jobs under new management in the great majority of failures. Sixth, in virtually every community where banks have failed people who live and work in the community have continued to have access to banking facilities in about the same proportion as before. In spite of more than 2 years of the highest number of bank failures in 50 years, banking services throughout the country remain as widely available as ever. The United States still leads the countries of the world by a very wide margin in the dispersion of its banking institutions and the vigorous competition among individually owned banks. Seventh, a public survey by the publication the American Banker reported on May 11 found that while five times as many Americans have more confidence in the safety and soundness of commercial banks than savings and loan, 82 percent answered yes to the question: "Do you feel it is safe to keep your money in a savings and loan?" Obviously an even greater proportion of the public is convinced of the safety of their commercial bank.

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Does all this mean we are home free? Does this mean there is no safety and soundness problem for American banking? No, it does not. Since the great depression our banking system has not been tested. Since the early 1940's our country has enjoyed a long period of relatively stable growth. There have been regular, relatively mild recessions. There have been no depressions. Until 1980 the level of public and private borrowing was both moderate and stable. The level of savings was also stable, varying between 6 and 7 percent. Since 1980 the situation has changed and radically changed. It has changed so dramatically that this country could easily be on the verge of economic developments including a long and deep depression that would profoundly test our system and especially our financial institutions.

Here is why: Our country has plunged very deeply in debt. Much of that debt is held by our financial institutions. The Federal Government has doubled the national debt from less than $1 trillion in the fall of 1981 to more than $2.3 trillion today. Household debt is even worse. It has streaked to more than $2.8 trillion and rising, in fact rapidly rising. The biggest American debtors of all are the corporations. American nonfinancial corporations today owe more than $3 trillion in debt. Now contrast this vast ocean of debt with the dramatic contraction of American savings. The roughly 6½ percent of income that Americans had put away as savings on the average since shortly after the end of World War II has dwindled last year to little more than 3 percent. This year it is even less. American corporations partly pushed on by the threat of hostile takeovers have traded equity for debt in a very big way.

What does all this mean? It means that American consumers and American corporations will be specially vulnerable come the next recession. The Federal Government—itself strapped and limited by its colossal national debt can no longer play its automatic and traditional role with a counter cyclical fiscal policy to pull the economy out of recessions. How can we increase spending and cut taxes—without running up deficits of such magnitude that would torpedo business confidence? The Federal Reserve has—for the past 18 months—poured credit into the economy as never before. Our economy is floating on a sea of liquidity. The Fed can take no further action to ease the pain of an oncoming recession. Result: When recession strikes—as it must periodically in every free economic system, we will see record individual bankruptcies. We will also see deep and widespread corporate failures. The personal savings cushion that bailed out Americans before has little leeway today. The equity cushion that kept our corporations above water through many months or years of losses will sink much more quickly this time.

And who will be holding the bag? The banks, that is who. The banks hold much of this mountain of debt. As householders are unable to pay their mortgage interest, as corporations fail to meet their debt service it is the banks that will come up short. In spite of strong action by the Federal Reserve to persuade to strengthen their capital ratio, our banks today generally have a lower ratio of equity to debt than they have had traditionally. A serious recession could shake many an American bank. A depression would put our financial system in serious jeopardy. The Federal Deposit Insurance system has been a credit bulwark against widespread financial panic and collapse in the past. The next recession will test it as never before. Our country needs a strong dose of Ben Franklin conservatism. Not ony does our Federal Government need to follow much more conservative fiscal policies, so do our citizens and our corporations.

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## THE NATIONAL SECURITY CONCERNS OF A WALL STREET RAID ON BOEING

Mrs. KASSEBAUM. Mr. President, it has recently been announced that the Boeing Company might be subject to a hostile takeover. I think it should be pointed out that this would be the first hostile takeover of a major military contractor. I have long criticized Wall Street raids on well capitalized corporations. From a national security standpoint, however, I think a raid on Boeing is particularly alarming.

Boeing is one of the Nation's most respected and reliable military contractors. It provides essential equipment, parts, and supplies for national defense and is in the midst of several classified programs for the Defense Department and the National Aeronautics and Space Administration. Do we really want it controlled by any Tom, Dick, or Boone, whose only concern is a temporary stock price increase? Should we not also be concerned about our long-term national security.

The consequences of hostile raids on military contractors can be very serious. In the past, companies subjected to such Wall Street raids have either lost their independence or have been restructured by liquidating assets and taking on enormous debt. Stock market analysts are already suggesting these scenarios for Boeing.

In the interest of our national security, I do not think we can ignore the possible consequences of a hostile raid on Boeing. A well-priced but productively stagnant Boeing is not in our national interest. Nor is a reduction in the number of well-capitalized and independent military suppliers. To ensure that our long-term national security interests are protected against disruptive actions on Wall Street, I urge the Defense and Justice Departments to review the Boeing situation carefully.

To the extent the Boeing situation represents yet another attempt by a raider whose only intention is to put a company in play so as to make a quick gain, I think it highlights the defects of our current securities laws. In this regard, I support the efforts by Senator PROXMIRE and his committee on Banking, Housing, and Urban Affairs to correct these defects. It is my hope that proposals to correct the problems associated with this kind of tender offer will be brought forward in a timely and expedited manner.

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## DECLINE IN POVERTY RATES

Mr. DOMENICI. Mr. President, I read with great interest today the headline in the New York Times: "Poverty Rate Dips as Median Family Income Rises," and the headline in the Washington Post: "Percentage of Poor Americans at Lowest Level Since 1980."

The stories report the good news from the Census Bureau that the proportion of Americans living in poverty dropped to 13.6 percent last year, the lowest level since 1980. That is 700,000 fewer people in poverty.

The percentage of poor elderly, children, blacks and hispanics, all vulnerable groups, declined from 1985 to 1986.

When in-kind benefits like food stamps, housing assistance, and Medicaid are counted, the percentage of poor people declines to 9 percent.

At the same time the number of poor people was declining, family income was rising. Median family income in America rose to $29,458 in 1986. That is a 4.2-percent increase after inflation. It is also the fourth year in a row that family income has risen.

Mr. President, we are seeing today the fruits of 4 years of sustained economic growth, low inflation, and more people working.

There are, of course, areas where we need to make more progress. The poverty rate among children, though declining, is still too high. The number of female headed households in poverty increased. These are related phenomena, and we ought to direct our energy to improving this situation.

The Census Bureau report also said that the distribution of income was changing, with higher income households gaining a greater share and lower income households receiving a smaller share.

This issue has been of concern to many and to me for a long time. As a matter of fact, it has been showing up for a number of years. In fact, while I was chairman of the Budget Committee, I requested that the Congressional Budget Office study this matter, and that study is pending. We understand that it will be ready this fall. They will attempt to tell us why that phenomenon is occurring while the other positive phenomena that I have just indicated are moving in what appears to be the opposite direction.

The report contains good news about our achievements in lowering poverty and increasing American incomes over the last several years. We should be proud of that progress but we must also work to sustain it and where there are shortcomings, as I have indicated, we ought to see if it is our role to do something about it and, if it is, we ought to try.

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## THE SUCCESS OF THE NAVAJO ECONOMIC SUMMIT

Mr. DOMENICI. Mr. President, 120 years ago the legendary Navajo Chief Manuelito led the "Long Walk" from the Fort Sumner prison to Tohatchi, NM. This was the beginning of the Navajo Nation. Last Saturday, July 25, 1987, in Tohatchi, the Navajos began what I hope will be a rewarding and profitable second "Long Walk."

The challenge is appropriate. There is no question that the Navajo people and their leadership seek to improve their economic standing. The Navajo Nation has vast human and natural resources ripe for development.

On Saturday, I was honored to cosponsor the Navajo Economic Summit with Navajo Tribal Council Chairman Peter MacDonald and my good friend from Arizona [Mr. DECONCINI].

As I told the Navajo people and the summit participants, the second "Long Walk" is a challenging commitment to walk "out of poverty and into mainstream American opportunities for all Navajo men and women in the future."

This was the first such summit ever held among Indian peoples, based on an idea that I initiated with Navajo Tribal Council chairman, Peter MacDonald, in late March of this year. The Navajo Economic Summit was organized to identify and promote public policies and private initiatives to enhance economic self-reliance for America's largest Indian tribe.

I told the summit participants and the large Navajo audience that the "United States of America has gone through an industrial revolution and is entering perhaps a second industrial revolution where American prosperity is raised," and jobs of all kinds are created. But American prosperity has bypassed this island about the size of West Virginia, known as the Navajo Nation. It remains an economic island outside the American economic mainstream.

I reminded the summit that our national trustee policies toward the Navajos have been protective of their mineral resources for good reason. "Navajo leaders in the past have wanted to protect the Navajo people from exploitation," I said. "The history of trying to prevent exploitation has set in place an environment which is not conducive to the development of the private sector, because it was never intended to be."

"But I submit we will not succeed unless we come together, strive to make the environment on Navajo for business as close to that in non-Indian country as possible. That does not mean that we give up our tribal ways, it does not mean that we must give up our reservation. But, it does mean that we must use innovative and creative ways" to pool our resources, attract capital, and assure the private sector of a stable business environment.

The wonderful Navajo people can be trained in the art of entrepreneurship so they can "prosper as individuals do throughout America." Navajos "need not leave here to be businessmen and businesswomen." "All of this will require commitment, dedication, and change, and that is why we are here." "Let's get on with helping the Navajo people."

Interest and participation were high in Tohatchi. Five Senators, several Congressmen, two Governors, a number of prominent businessmen, and many high Federal officials attended. Their names and affiliations will be inserted in the RECORD at the end of this statement.

The dramatic setting featured a huge hand-woven Navajo rug—45 feet by 60 feet—as a backdrop. After a bicultural and bilingual—Navajo and English—blessing, plus my opening call for greater economic independence, we watched a video message from President Reagan.

The President reminded us that the 120-year-old trust relationship, "instead of fostering independence, the Government ended up doing just the opposite." He also told the business leaders present, "Today, your very presence at the Navajo Economic Summit is sending a message through corporate boardrooms across this country: The Navajo can be competitive also."

My good friend, Senator INOUYE, chairman of the Senate Select Committee on Indian Affairs, added a real spark of enthusiasm to the summit. Senator INOUYE had been initiated into the Navajo Tribe by an elder medicine man in a predawn ceremony on sacred Navajo land. When he told the Navajos that he could now call them "brother and sister," the crowd cheered.

Navajo Tribal Council Chairman MacDonald delivered an eloquent discourse about the need for new opportunity on his reservation. "For more than a century," he said, "commercial time has virtually stood still on the Navajo Reservation."

Chairman MacDonald reminded us that it is the Navajo youth "who have the most at stake by what we are here to do today." "The Navajo," he reminded us, "are an extraordinarily young people" with a median age of 18. Each year 3,000 Navajos finish high school and seek higher education or work.

The Navajo Nation chairman challenged the youth to state their visions of the future in an essay contest. The three winners all displayed an acute awareness of the need for new opportunity. I will submit their fine efforts for the RECORD after these remarks.

I would like to extend my heartfelt gratitude to Chairman MacDonald. His leadership was acknowledged many times during the summit, and with good reason. He organized an excellent day of activity and planning for the future benefit of all Navajos. I look forward to working with the chairman in his efforts to make this historic change of course for the Navajo Nation.

In our summary of the summit to the tribal council, Chairman MacDonald, Senator DECONCINI, Representatives NIELSON and KYL, and I highlighted the most vital decisions made.

The first is an issue I have strongly stressed for many years. Indian enterprise must be distinct and separate from Indian tribal government. In other words, the tribal government cannot and should not be the center of entrepreneurial activity. Separate corporations must be established. The business relationships must not flow into the tribal government. Business must be able to make decisions without the extra burdens of tribal government goals and objectives.

The second major finding of the summit is the clear need for tax incentives, capital formation, and Government procurement opportunities. I suggested a possible pilot demonstration program for the Navajo Tribe that would incorporate all of these vital elements. Such a pilot could include ideas from Senator INOUYE's Indian Development Finance Corporation proposal, Senator McCAIN's Indian Economic Development Act proposal, and changes in the existing Indian Self-Determination Act and the Indian Finance Act. My idea would be a new Federal statute to promote private development on the Navajo Nation as a pilot example for all Indian tribes.

The third major finding of the summit is the immediate need to reduce the redtape that requires, for example, some 46 approval steps in each single tribal land lease approval. This is further complicated by the

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Federal trustee's legal ability to add even more bureaucracy to this process. The Navajo Tribe under Chairman MacDonald's leadership, is working to simplify its commercial codes. The intent is to design the new code to be immune from every political whim. Stability will attract business.

A fourth major agreement at the summit is the need to establish a new framework for working with the States of Utah, Arizona, and New Mexico. The umbrella type compact for highway development, tourism, and marketing proposed by Governor Carruthers of New Mexico will be the model for pursuing common interests.

Robert A. Pritzker, president of the Marmon Group—a $3 billion international complex of corporations as diverse as mining, manufacturing, international marketing, and computer services employing about 27,000 people—made the case for the fifth and final major finding of the summit—the need for business to take a hard look at Navajo potential.

A self-described "hard-nosed businessman," Mr. Pritzker gave an excellent tone-setting address to the kick-off banquet in Gallup, NM. He outlined the key factors important to business and the fact that we did not gather for "an exercise in philanthropy." He stressed the importance of giving the Navajo Nation a chance to compete by asking business to bring its bottom line to the Navajos before deciding to locate overseas or south of the border.

If the Navajos "can be competitive," he concluded, "I will invest my dollars among the First Americans." I will ask that the text of Mr. Pritzker's remarks be printed in the Record for the benefit of all those who are interested in the challenge of bringing private enterprise to the Indian reservations of America.

The presence and active participation of our summit cochairman, Senator DeConcini added a vital dimension of much knowledge and experience with the Navajo Nation. He knows the problems of the Navajos and was still able to offer a sense of hope for a tribe embarking on a new course.

Senator DeConcini reminded us about the 40 percent of Navajos living below the poverty level. He also stressed the fact that one out of two Navajos seeking a job cannot find one. He expressed his pride in the fact that the Navajos were not asking for a handout or a new give-away program. "What they want," he said, "is a level playing ground, an opportunity to compete, an opportunity to be productive."

Senator Bingaman pointed out the "tremendous mineral resources, timber resources and a history of use of those resources to a very limited extent." He recommended more attention to this vital Navajo potential. But the most vital resource of all, he told us, is the "human infrastructure." He linked the building of this infrastructure to the health and education investments of the Federal Government. "In short," he summarized, "economic self-sufficiency needs to be our goal but in adopting that goal we cannot use it as an excuse to neglect or reduce our commitment to developing that human infrastructure."

Senator John McCain of Arizona discussed the potential and status of his proposed Indian Economic Development Act, better known as the "Indian Enterprise Zone" bill. This concept is an incentive package of employment credits, tax credits for construction and infrastructure development, accelerated cost recovery deductions, and small issue bonds. The zone would be designated for 24 years. He also described a vital process in his bill whereby the Secretary of the Interior would be able to resolve differences between tribes and businesses in the zone.

Senator McCain also stressed the importance of stable tribal politics. He cited two important examples of binding contracts that were changed with the changing of tribal administrations. "We cannot have those kinds of things exist," he said, "and expect businessmen to locate on Indian reservations." He pointed out that "a strong and healthy economy is the best way to preserve and continue the Navajo culture and tradition."

Representative Richardson, whose district includes the eastern portion of the Navajo Nation in New Mexico, was an active participant. He made the needed observation that the unresolved Navajo-Hopi relocation problems "drain efforts and attention which otherwise could be devoted to creating jobs for the Navajo people." He also drew our attention to the "very fine job that the wife of the vice chairman of the Navajo Nation, Johnny R. Thompson, has done to try to create a corps of Navajo women entrepreneurs" as a "key group" for future development.

Governor Carruthers of New Mexico was energetic in his commitments for better cooperation in highway building and developing tourism. He made an offer to exchange tourism staff for 6 months to improve communications and opportunities. He suggested investing State funds in ventures on the Navajo Nation, plus a joint marketing effort with the State of New Mexico.

The business community was very astute and frank. Company presidents and top executives came to the summit table from General Dynamics, General Motors, the Grabill Corp., the Marmon Group, and Rodale Press. Oliver Boileau, president of General Dynamics, stressed the positive 20-year experience his company has had with a 480-employee plant. The "exacting demand for quality, accuracy and consistent performance are nonwaivering," he said, and the Navajos "are dedicated to top performance."

Financial advice came from David Paulus, senior vice president of First Chicago Corp., and Takuro Isoda, chairman, Daiwa Securities America, Inc. Mr. Paulus discussed the spectrum of capital needs on the reservation and the fact that the decentralized nature of the reservation would require special attention. Mr. Isoda issued an invitation to Chairman MacDonald to seek capital backing in Japan, South Korea, and Taiwan.

Perhaps the most direct and heartfelt appeal came from famed designer Oleg Cassini. As president of Oleg Cassini, Inc., he stressed the simple and basic concept of ownership. Navajo enterprises should be owned by Navajos, he told a cheering crowd. He made an appeal for immediate action. "I believe that if an effort was made immediately to have a resort that was purely Navajo," he said, "the world would come here. You'd be surprised to know that in Europe they know more about the Indians than many, many Americans."

Eddie Basha, president of Basha's Market, has invested over $4 million on the Navajo reservation, and is launching another $4.5 million development in Window Rock. Mr. Basha stressed his belief in the Navajo people. "We have today approximately 300 Navajo members who are part of the Basha family of companies, and we are so proud of the cultural enrichment, and the cultural enhancement that we have gained from that association," he said.

The summit received national and international media coverage. The NBC and ABC television networks were there, as were representatives of the New York Times, the Christian Science Monitor, the Journal of Commerce, National Public Radio, the 9-million-circulation Japanese newspaper Yomiuri Shimbun, and the largest newspaper in Germany, the Frankfurter Allgemeine. Local New Mexico and Arizona coverage was also extensive, as represented by the articles I will submit for the Congressional Record.

New business ideas are already in the works. Government initiatives and changes are being studied. The summit managed to pull together some key players who can help to create a new atmosphere of "Navajo means business" on the reservation. The Navajo Tribal Council unanimously passed a resolution the afternoon of the summit. This resolution endorses the summit commitment to encourage more private business on the reservation.

In the next year, I expect to see new businesses started on the Nation's

largest reservation. In the next few years, I hope to see major changes in the relationship between the Navajo Tribe and its trustee, the U.S. Government. By no means do I advocate relinquishing our trust responsibilities. On the contrary, we are seeking ways to direct the Federal investment on the reservation into ways charted by the new Navajo leadership. The Navajo leadership wants to encourage—rather than discourage—private business activities on the reservation.

Mr. President, I would now like to share some of the press coverage of this historic event with my colleagues. I ask unanimous consent that the attached articles from the Independent, Gallup, NM, the Albuquerque Tribune, the Albuquerque Journal, the Christian Science Monitor, and the New York Times be printed in full in the Record.

I also ask unanimous consent that the winning essays on Navajo economic development which were prepared for the summit, be printed in the Record. The insights and hopes for the future by these young Navajos are a remarkable example of the new thinking inspired by the historic Navajo Economic Summit. Finally, Mr. President, I ask that the excellent remarks of Mr. Robert A. Pritzker, president and chief executive officer of the Marmon Group, the remarks of President Ronald Reagan, and the Navajo Economic Summit Participant List be printed in full in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Independent (Gallup, NM), July 25, 1987]

### Navajo Summit Kicks Off

(By Richard Sitts)

Gallup.—Politicians, business leaders and journalists gathered together here Friday night and got the first-ever Navajo Economic Summit off to a galloping start.

At least 500 filled the brand new Chaco Convention Center Atrium at the Holiday Inn to share a buffet dinner and listen to a brief welcoming program.

The city of Gallup footed the bill for Friday's dinner and Mayor Edward Munoz gave the welcoming remarks.

Munoz presented a fishing hat to Ralph Watkins, one of the commissioners on the Navajo-Hopi Relocation Commission, to give to Arizona Gov. Evan Mecham. Mecham's wife is ill and he did not attend.

Munoz also offered Watkins a deal; "I won't believe what I read in the newspapers about you if you don't believe what you read about me."

Master of ceremonies Boe Bowman explained to visitors the message of traditional songs that were sung. Ray Carlos Nakai provided soothing Navajo flute melodies during dinner.

Congressman Bill Richardson, D-N.M., spoke briefly, saying that a partnership between the private sector and the Navajo Nation will be explored at great length over the weekend.

Flying in from Chicago, Richardson said he sat next to fashion designer Oleg Cassini, who told him he could use some help with his clothes. Cassini also is attending the summit.

Friday evening's featured speaker was Robert Pritzker, president and chief executive officer of the Marmon Group, an international complex comprised of 60 corporations.

Pritzker said he remembered when he first heard about the Navajo Tribe.

"I wondered if a friendly takeover was possible," he said.

"I was surprised that the Navajo Nation was untouched by the forces of free enterprise. I thought every inch (of America) had been touched by McDonald's and catalogued by Sears," he said.

Looking for successful businesses means searching out locations that offer the best natural and man-made resources, he added.

Pritzker mentioned a recent trip he took to Singapore, saying the people there were workaholics who worked for less than half of the American minimum wage.

He said American industry, however, is not looking for the cheapest labor, but "the best workers we can find at the best price."

Industries are looking for a stable political environment, Pritzker said, adding that "taxes are always a factor in today's competitive environment," alluding to the tax breaks that the tribe can offer.

Pritzker said Navajo Tribal Chairman Peter MacDonald's message is "if business can make a profit here, then Navajos can profit too."

"Free enterprise has not failed the Navajo people. We have, by creating an imaginary line around the Navajo reservation," Pritzker said.

He issued a challenge to all businesses and industries to hear out the Navajos' bottom line before moving to another location.

"We do owe these people this much and nothing less," Pritzker said.

After the program guests and participants mingled freely, making introductions and shaking hands like old friends.

The dapper Cassini was perhaps the most popular guest in attendance, signing autographs for nearly every woman in the room.

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[From the Independent (Gallup, NM), July 27, 1987]

### Summit Succeeds—MacD

(By Richard Sitts)

Tohatchi.—Saturday was the Navajo Nation's day in the sun, though the morning was spent under bright theatrical lights and the afternoon behind closed security guarded doors.

The first-ever Navajo Economic Summit, hailed as a historic occasion, was considered a success by its participants.

"I feel very good in my heart that the summit has been a success," said Navajo Tribal Chairman Peter MacDonald. "The participants agree that today's undertaking has been highly successful."

Though the summit offered little more than talk, it was positive talk. Participants insist the results will come later.

In the post-summit press conference, MacDonald read from a prepared statement, "If our meeting today had achieved no more than to provide a high-level forum for the frank exchange of views, summit participants would consider it a success. But it did much more."

MacDonald then outlined four issues on which participants and the Navajo Tribal Council agreed:

First, is that Indian enterprises can and should be separate from tribal government administration.

"Our concentration must be on strengthening Navajo enterpreneurship. Navajo ownership of Navajo enterprises is our goal," MacDonald said.

However, not a single Navajo business owner was invited to participate in the summit conference and perhaps as a result, only a few attended the event.

The only area businessman on the list of participants was Eddie Basha Jr., chairman of the board of Bashas' Markets, Inc.

Using federal tax incentives to reward businesses that locate in tribal "enterprise zones," creating an Indian finance development bank, and encouraging U.S. defense contractors to subcontract projects to Indian businesses were other points of agreement.

Thirdly, eliminating unnecessary red tape and bureaucracy from the tribe's commercial laws and seeking assistance of an "action group" of outside business experts is another goal.

And a strengthened framework for state tribal relations is "absolutely essential," MacDonald said. "This will help both parties enormously, to pursue our regional commercial interests," he added.

"The summit participants have not solved, or attempted to solve every obstacle, but the participants have identified those obstacles," MacDonald said.

Creating "a self-sustaining, job-generating reservation private sector" is essential, participants agreed, and it also is essential to increase Navajo per capita incomes to the level of surrounding states.

MacDonald said an economic summit action group will begin working on suggestions derived from the summit.

The tribe is now talking with six companies, three seriously, about locating on the reservation, MacDonald said during a question and answer session following the post-summit statement.

During the press conference MacDonald was flanked by co-hosts Sens. Pete Domenici, R-N.M., and Dennis DeConcini, D-AZ.

A detailed question dealing with environmental protection regulations on prospective reservation industries was met with a prolonged silence and critical looks among the three, indicating the subjected had not been covered during the afternoon session.

Domenici said that reservation industries would be subject to the same environmental regulations as the states and that the days of "smokestack industries" are over.

"I believe that Chairman MacDonald and the Navajo people will succeed. Businesses will come to the reservation," Domenici said during the press conference.

What only a few months ago was a dream is now a reality. Domenici said, claiming that "thousands" of young Navajo are going to have jobs over the next decade.

For this to happen, all the Democratic red tape must be eliminated in order to keep the private sector separate from the tribal government, Domenici said.

"We must make it possible for the Navajo people to get in business and prosper," he added.

Sen. DeConcini also spoke highly of the summit.

"What we had truly was a real beginning of a new direction for the development of jobs on the reservation," DeConcini said. "I could witness, feel and see that the direction is moving in the right direction."

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He said short term goals are to see things change "in the very near future," and a long term vision is to establish an offensive environment for businesses on the Navajo Reservation.

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[From the Albuquerque Tribune, July 24, 1987]

### NAVAJOS LOOKING TO LURE INDUSTRY

TOHATCHI.—After years of building barriers to keep their resources from being exploited by big business, the Navajos now are trying to lure industry to their reservation by promoting those same resources.

A Navajo Nation Economic Summit began here and in Gallup today with Indian, government and industry leaders meeting to discuss ways the tribe can improve its economic position and that of its members.

Tribal Chairman Peter MacDonald said private sector investment was discouraged not by intention, but through some of the issues the tribe was facing at the time.

"We created barriers to keep those energy companies at a distance," he said. "Consequently, tribes have created bureaucracies to slow down exploitation attempts. But it also slowed attempts by other industries to locate on the reservation."

Business leaders will meet with tribal, federal and state officials to discuss what changes are needed to attract industry to the reservation.

Sen. Pete Domenici, R-N.M., said for years the tribe had regulations that inhibited such growth. This is the first time in 15 years of working with the Navajos that the tribe's leadership has sought to set a firm policy on economic development, Domenici said.

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[From the Albuquerque Journal, July 25, 1987]

### JOBS FOCUS OF NAVAJO CONFERENCE

(By Susan Landon)

TOHATCHI, NM—The day before the Navajo Economic Summit was scheduled to convene in this small town on the eastern edge of the reservation, visitors at the Tohatchi Chapter House on Friday were greeted by this sign: "Sorry, No More Jobs."

The sign is a reminder of the big talks awaiting participants in today's summit at Tohatchi High School, about 30 miles north of Gallup.

A high-powered group, including the governors of New Mexico and Utah, is scheduled to meet with tribal officials to find ways of bringing more jobs to the nation's largest Indian tribe. Gov. Evan Mecham of Arizona on Friday canceled his trip because his wife, Florence, became ill, the governor's spokesman said.

Among the other participants are U.S. Sens. Pete Domenici, R-N.M., Dennis DeConcini, D-Ariz., and the officers of major corporations such as General Dynamics and General Motors.

In several speeches, tribal Chairman Peter MacDonald has called the Navajo reservation America's "last economic frontier." Unemployment ranges from 30 percent to 70 percent across the reservation.

The rate in Tohatchi is about 40 percent. Several short-term jobs that had been offered by the Tohatchi Chapter House earlier in the summer had already been filled, prompting chapter Manager Lee Rodgers to put up the "no jobs" sign.

"We're hoping the summit will amount to something," Ms. Rodgers said, as she grabbed a quick hamburger lunch in her office.

"But I know the summit will only be a minor cornerstone in economic development. It will require lots of paperwork and working through the bureaucracy before we will ever see a company move out here."

Businesses trying to set up shop on the reservation have been faced with as many as 125 different tribal requirements before they received a site lease. MacDonald has promised to cut that red tape.

The Tohatchi Chapter House, located along the town's dusty main road, was filled with activity Friday.

Men nailed tree branches together outside, making a graceful lattice that was then covered with leaves. Underneath their creation the earth was cool—a spot that will serve as a makeshift restaurant for some summit visitors. The town's women have prepared a traditional feast that includes mutton and fry bread.

Meanwhile, the gym at Tohatchi High School was being decorated with rugs and plants by tribe members Friday afternoon. The gym will be the site of this morning's opening general session at 8 a.m.

Tohatchi was chosen as the summit site because of its modern high school facilities and because Domenici wanted the summit to be held in New Mexico. The summit was Domenici's idea.

Participants are scheduled to watch a videotaped message from President Reagan recorded especially for the summit.

Later in the afternoon, business and political leaders will meet with MacDonald in closed session to discuss specific ways of bringing jobs to the reservation.

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[From the Albuquerque Journal, July 26, 1987]

### TRIBAL CHIEF SEEKS MORE JOBS—LEADERS AT NAVAJO ECONOMIC SUMMIT OFFER IDEAS FOR ENDING POVERTY

(By Susan Landon)

TOHATCHI.—Calling the Navajo Nation "America's economic orphan," tribal Chairman Peter MacDonald said Saturday that his tribe must lure jobs to the reservation to overcome poverty and despair.

"For more than a century commercial time has virtually stood still on the Navajo reservation," MacDonald told government and business leaders at the first Navajo Economic Summit. "As wards of the federal government, Navajos were never exposed to the risks or incentives of the marketplace."

At the conclusion of the all-day summit, MacDonald and the Tribal Council unanimously agreed to try to make the reservation a hospitable home for the private sector.

Too often private businesses have involuntarily become ensnared in tribal politics when they've tried to set up shop on the reservation, Sen. Pete Domenici, R-NM, said. The tribe agreed to try to separate private business affairs from tribal government as much as possible.

"Never before have I felt this kind of unity and enthusiasm on the reservation," said a happy Domenici, who came up with the idea for the summit.

The first economic summit held by an American Indian tribe got a lot of attention.

Television lights flooded the Tohatchi High School gymnasium as the governors of New Mexico and Utah and the chief executive officers of some of America's largest corporations gave suggestions for improving the Navajo economy.

Reporters from the 9 million-circulation Japanese newspaper Yomiuri Shimbun and the largest newspaper in Germany, the Frankfurter Allgemeine, were among journalists at the meeting.

There had been suspicion among some Navajos that the summit would just be a "media event."

But Sen. Daniel Inouye, a Hawaii Democrat who chairs the Senate Select Committee on Indian Affairs, gave the summit high marks.

"The summit is already a success," Inouye said during a break in the meeting. "The fact that you can get two governors, five U.S. senators and several top CEOs in one place is quite an accomplishment."

Inouye said the summit brought international attention to the economic problems of not just the Navajos, but all Indians.

The meeting also brought a proposal from New Mexico Gov. Garrey Carruthers. He asked the Navajo Nation to sign an "economic treaty" with the state that would spell out how the two governments can help each other.

For example, Carruthers offered to "loan" two members of the New Mexico Economic Development and Tourism Department to the tribe for six months in an attempt to boost tourism on the reservation.

The Navajo Nation has a long, difficult task facing it in attracting businesses that are also being lured by much more prosperous parts of the U.S., summit participants agreed.

"One of the major impediments to business development is the vagaries of tribal politics," Sen. John McCain, R-Ariz, said.

Specifically, McCain criticized the MacDonald administration for recently challenging a contract with a private firm that wants to set up a marina on Navajo land in Utah. MacDonald has said the contract, agreed to by the administration of former Chairman Peterson Zah, shortchanges Navajos.

However, McCain said, "We can't have these kinds of things happen and expect businesses to locate on the Navajo reservation."

The summit opened with a videotaped message from President Ronald Reagan.

"Yah ta hey," the president said, offering the traditional Navajo greeting.

He praised the summit as a move away from dependence on the federal government by Navajos.

The president told the business leaders: "Today, your very presence at the Navajo Economic Summit is sending a message through corporate boardrooms across this country: The Navajo can be competitive also."

MacDonald told the crowd that he hoped the summit would mark a "rebirth" of the Navajo Nation. He noted that Tohatchi, located 30 miles north of Gallup, was the place where a rebirth of the Navajos began 120 years ago following the tribe's imprisonment at Ft. Sumner.

The legendary Navajo chief Manuelito was from Tohatchi, and lead his people from "concentration camp" conditions at Ft. Sumner to Tohatchi.

"We have returned in the 120-year-old footsteps of our forefathers, to take stock of our situation, to confront our economic deprivation and to plan for our economic future," MacDonald said.

The president of General Dynamics said the high quality of the Navajo workforce has been a well kept secret. Oliver Boilean, head of the firm, said General Dynamics is happy with the output of its 20-year-old plant in Ft. Defiance, Ariz.

"The quality of work performed on our electrical systems here has matched or exceeded the quality of work at our other plants," Boilean said.

Takuro Isoda, chairman of one of Japan's largest securities firms, offered to talk to his associates in Japan about the possibility of inviting MacDonald to his country. Isoda said MacDonald could explain to the Japanese firms the benefits of bringing jobs to the Navajo Nation.

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[From the Christian Science Monitor, July 27, 1987]

### NAVAJOS ENVISION AN ECONOMIC MIRACLE—SUMMIT ON TRIBAL DEVELOPMENT DRAWS HEAVYWEIGHT SUPPORT

(By George Hardeen)

TOHATCHI, N.M.—While much of rural America suffers from loss of business and industry, the Navajo Indian Reservation has never had much.

Traveling across the huge reservation, one is impressed as much by the emptiness as by the surrounding desert beauty. For about half of the 160,000 Navajos living here, the openness of the landscape translates into unemployment and lack of opportunity.

On Saturday, however, the Navajo nation launched a new initiative to fill some of the emptiness. At an "economic summit" here, Navajo chairman Peter MacDonald participants in exploring ways to make the reservation more attractive to industry. Sens. Pete Domenici (R) of New Mexico and Dennis DeConcini (D) of Arizona co-hosted the summit.

The Navajo Economic Summit brought together some 40 corporate executives and top state and federal leaders to analyze how to put the tribe's large, underemployed labor force to work.

Supporters of the summit ranged from operators of small reservation mobilehome parks to President Reagan, who sent a videotaped message congratulating Navajo leaders for sponsoring the event. Mr. Reagan said it took courage for the tribe "to set a policy that, for the first time, says a partnership with the private sector is the future."

While Washington's trust relationship with the Navajo Tribe is almost 120 years old, the President said, "instead of fostering independence, the government ended up doing just the opposite."

Mr. MacDonald, who returned to office in January after a four-year absence, has made economic development and the creation of jobs his administration's top priority in order to fight his reservation's 30-to-50 percent unemployment rate.

For months, MacDonald has crisscrossed the United States meeting the chiefs of America's largest companies, encouraging them to "bring your bottom line to Navajo" before locating a new factory overseas. He said he wants to "beat the pants off" the tribe's competition in Taiwan and elsewhere.

Senator Domenici, who said that for 15 years he had watched the Navajo nation struggle in political turmoil, praised MacDonald's leadership and termed the summit "a miracle."

A controversial figure who previously served 12 years as tribal chairman, MacDonald has promised his people he will create "1,000 to 2,000 jobs per year." He says he wants to see large segments of his tribe's young population transformed into Indian entrepreneurs, service professionals, and industrial workers.

But starting practically from scratch, with but a handful of companies composing the current Navajo private sector, the obstacles the tribe faces are formidable. Foremost is its rural obscurity. The 25,000-square-mile Navajo reservation is located mostly in the northeast corner of Arizona, comprising about one-sixth of the state's land area. It also lies across substantial portions of northern New Mexico and southern Utah. Yet it is not well-known to industry leaders.

"If they are patient enough," said Takuro Isoda, chairman of Daiwa Securities America Inc., "they'll have a great future, I believe." He said the reservation's clean air and water and its reputation for excellent craftsmanship is what is most attractive to his company.

While the reservation is isolated from any major city by hundreds of miles, summit participants touted its centralized location as ideal to reach approximately 20 million consumers in Phoenix, Albuquerque, Denver, Salt Lake City, and Los Angeles.

New Mexico Gov. Garrey Carruthers said he would see if highway and development funds from his state could be used to assist the tribe. He suggested a six-month exchange of state and tribal tourism personnel.

Another participant in the summit, renowned designer Oleg Cassini, declared that if the Navajo built a resort it would become world-famous.

Sen. Daniel K. Inouye (D) of Hawaii, said legislation to create an Indian Development Bank "would set up the mechanism for guaranteeing loans that are made by other banks.

"The federal government is watching this summit meeting," said Senator Inouye, "and all the other Indians are watching. If this works, this will be the solution to all the problems."

At this point the reservation's private-sector economy consists primarily of the few stores in its seven major communities of a few thousand people each. State, tribal, and federal jobs provide the bulk of employment. Navajos drive every weekend to thriving towns surrounding the reservation's borders, where over the course of a year they spend millions of dollars.

Layers of federal and tribal bureaucracy have blocked many would-be reservation businesses and discouraged innumerable would-be Navajo entrepreneurs. According to figures presented by Navajo leaders at the summit, 47 various kinds of approval, taking years to acquire, are needed for even a small business to begin.

Sen. John McCain (R) of Arizona, who three years ago first sponsored a bill to create "enterprise zones" on Indian reservations, said that in exchange for employment and tax credits for industry, tribes should be willing to come up with a way to quickly resolve conflicts when they arise, as they frequently do.

He said business would not be interested in moving to Indian reservations if tribes could not dispense with the "vagaries of tribal politics."

His comment referred to the Navajos' current problem with a developer who last week said he would sue the tribal government because it is stalling development of a $30 million marina and resort project on Lake Powell. The former Navajo administration agreed to the development.

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[From the New York Times, July 27, 1987]

### NAVAJO SEEKS INDUSTRIES

GALLUP, N.M., July 26.—The chairman of America's largest Indian tribe urged private businesses to "bring us your bottom line" before pursuing business ventures in developing nations.

The chairman, Peter MacDonald, said at a weekend conference here that Federal budget cuts have made the Navajo, with 200,000 members, "America's economic orphan." The meeting, sponsored by Senators Pete V. Domenici, Republican of New Mexico, and Dennis DeConcini, Democrat of Arizona, was attended by politicians and executives.

Besides budget cuts, the Navajo reservation—16 million acres in Arizona, New Mexico and Utah—has also been affected by a depressed energy market and a shift in an economic base that once relied on raising sheep.

According to the Census Bureau, 40 percent of Navajos, live below the poverty level. The Navajos, Mr. MacDonald said, are hoping for prosperity through large-scale private-sector development.

The Indian Economic Development Act, introduced by Senator John McCain, Republican of Arizona, would create enterprise zones that offer Federal and tribal tax incentives for businesses locating in them.

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### THE NAVAJO NATION—ESSAY WINNERS

1st place—Kimberly Ross, daughter of Dr. and Mrs. Kenneth Ross, Student at University of New Mexico—Gallup Branch.

2nd place—Lisa Jones, Student at Navajo Pre-College Program; Holbrook, Arizona, Holbrook High School.

3rd place—Michelle Dotson, daughter of James Dotson and Rebecca Martgan, Student at Arizona State University, Tempe, Arizona.

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### KIMBERLY ROSS

#### IDEAS FOR CONSIDERATION

1. Private Partnership Program: This idea deals with a four why partnership between individuals; local banking or lending institutions; the Navajo Nation and the state and/or Federal Government. Individuals would be expected to financially capitalize 20% of the original operating costs for any proposed business through personal resources and/or bank loans with interests capped at no more than 10% on borrowed funds. The Navajo Nation would provide 30% of the required capital as a loan to be paid off from capital net profits of the proposed business over a period not to exceed 30 years. The Federal Government in turn would contribute up to 50% of the initial investment and operational capital needed for the first three years of the business venture as a grant. The types of small businesses eligible for such a private partnership start up would be:

a. Fast food franchize operations, such as Pizza Hut, MacDonald's, Wendys, Burger King, Long John Silvers, Taco Bell, Dunkin Donuts, Kentucky Fried Chicken.

b. Started under this shared initial investment concept would be small retail/whole sale outlets such as Auto Motive Part Stores, Midas Muffler Shops, Insta Tire, Speedy Lube, etc.

c. Franchized clothing and apparel stores and outlets for major clothing manufacturing businesses such as Levi Strauss, Wrangler, Lee, etc.

d. Hardware and small appliance convenience stores.

e. Home Improvement Centers, inclusive of self-help style pre-fabricated pre-designed homes where the initial cost is for a basic floor plan and structural kit to be provided by the home center and the finishing work

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to be completed by the home owner. There will be minimal labor union intervention to inspect and approve construction.

There are numerous large companies and corporations which could be enticed to work with private entrepreneurs to set up such businesses.

2. Poultry Ranches: This idea deals with capitalizing on a commodity which is basically void of local competition. Schools, hospitals and the general public purchase large quantities of poultry products each year. These goods are produced in adjacent states, basically off of the Navajo Reservation. Most, if not all, of these products must be treated with preservatives and trucked to local outlets. Chickens, ducks, geese and turkeys need feed, water, gravel, and calcium all of which are readily available. Also, there are large poultry farms in Texas which can be contacted to ascertain specifics of operational management. If conditions yield positive indications for such an endeavor on the Navajo Reservation, this can be a good investment and means for creative jobs for the local people. With successful operation there can be additional operations involving the use of feathers for making pillows, comforters, sleeping bags, etc.

3. Silicone Byproducts: The Navajo Nation is rich with sand. A major component of sand is silicone. When heated to sufficient degrees, silicone can be extracted and used to make many useful byproducts like windowpanes, car windows, ceramics, glassware, stained glass ornaments or useful household items as well as other items. Efforts should be made to test the quality of sand and specific technologies required for extracting the silicone base and other ingredients needed to make glassware. This could be started on a small pilot scale evolving into larger operations.

4. Small Family Fruit and Vegetable Farms: The Navajo Irrigation Project could be modified to permit lease assignments to individual families to farm portions of the land on a pilot basis. Small vegetable farms, fruit farms, etc., could provide a stable economy for these families and defray purchase of food commodities since they would have the opportunity to consume personal products they have labored to produce. It is also recommended that the Navajo Tribe look at the possibility of elimination of the Federal Law dealing with Congressional Restriction prohibiting Federal employees from dealing with Indians.

Even efforts to procure congressional exemptions for Federal Indian employees to work with Indian groups would be beneficial to the Tribe. This would permit an incentive for Federal Indian workers to become motivated to pursue private businesses which would add to the overall beneficial economy of the Tribe.

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## LISA JONES

An economic plan to improve the Navajo Tribe's economy would cost a lot and it would involve a big sacrifice but it would be very beneficial to us in our future.

Among several important factors that need to be changed to help the economy would be to increase the businesses or industries across our nation. This would change most of the other problems of the nation. The unemployment rate would decrease and productivity would increase. We will also learn to make the most of our leisure time.

When the industries and businesses are developed, there would be more emphasis on education for all of our people including younger students, undergraduates, graduates and even the elderly. The industries can also put more support into advanced educational methods for us. The value of this education will increase and continue to keep our nation strong. Besides, these examples, other special programs could be developed and even scholarships could be made available and would give all the people an incentive to gain even more knowledge. By taking away some of the leisure time of the people and putting it into good use as in the industries, which are to be developed, the alcoholism problem of our people would also be decreased. We could also encourage the people in this category to help our economy and still, at the same time, try to help them deal with their problems, too.

By developing these new industries and businesses, some of our nation's basic problems could be solved. We can economize on the funds provided by the Government to use to build up the industries on the Reservation. We can begin our own industries using our own natural resources such as coal, agricultural goods, traditional jewelry and art, and even our best natural resource—our people. This can be done through small shops where the outside people, like tourists, can be easily attracted to shop. We could be our own producers and distributors.

We could also build more shopping centers, or other profitmaking businesses such as recreation centers, small teen-age centers or hangouts, day-care centers, etc.

I hope that the thoughts and suggestions that I have put into typing to help our nation's economy will help us and that you, our Honorable Chairman, would give them due consideration.

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## MICHELLE DOTSON

### IDEAS OF THE ECONOMIC FUTURE OF THE NAVAJO NATION

The Navajo People, as history notes, have endured countless hardships. An example of just one hardship would be the Long Walk. Our people were forced off their land at the hands of the government. Many lives were lost due to starvation and disease. Additionally, we've faced racial discrimination in the past, and in many instances, still do today. Presently, we are faced with the very emotional, frustrating issue of the Navajo-Hopi land dispute. Nevertheless, the Navajo People, have had the ability to overcome many obstacles to become a major Indian tribe in the United States. Furthermore, I feel that because we are a strong nation, we have the ability to become a leading industrial area, as well as, the most powerful tribe, economically, in the United States.

With visions of power and influence, I feel that the economic future of the Navajo Nation depends on a variety of important objectives. One objective, for example, would be to provide land to various industries that want to come onto the reservation. Secondly, in addition to the promotion of industrial development, we must also promote community businesses. Thirdly, the Navajo Tribe must set and enforce regulations regarding environmental protection. Lastly, housing should be provided for both Indians and non-Indians.

With the lack of adequate jobs, and high unemployment on the Reservation industry, of any kind, should be welcomed. However, I feel that in order to promote industry onto the Navajo Nation, the Tribal Council must be willing to set aside some land that would enable various industries to easily move onto the reservation. But there should be an important condition that tribal members will be employed and they will receive all the fringe benefits other employees receive outside of the reservation.

In addition, Community businesses should also be a main objective for the Navajo leaders. I feel that the Navajo Tribe has too much influence on what the small businessman does. To attract the development of community businesses, we should loosen some of the insignificant regulations involved in starting a business. The small businessman is a very important part of the economic future of the Navajo Nation. We should be giving assistance to the small businessman in every way possible, rather than preventing his efforts or putting up obstacles, which is, after all, defeating our very purpose at economic development.

If industries are going to move onto the reservation, the Navajo Tribe must set and enforce environmental protection regulations on all pollution causing industries. This will prevent excessive air pollution, illegal dumping of toxic waste products, and water pollution.

Lastly, adequate housing must be provided for people on the Reservation. There should be also the option available to buy the home, for both Indians and non-Indians.

Granted, many other areas need to be also taken into consideration, I feel that the four objectives I mentioned-setting aside land for industries to move onto the reservation, making community business a priority of the Navajo Tribe, setting and enforcing environmental protection regulations, and providing adequate housing—are among the most significant ones.

Overall, the Navajo Nation does have the ability to become a leading industrial area. However, much detailed planning, hard work, and especially communication is going to be the basis of what the future holds economically for the Navajo Nation.

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## A VIEW FROM THE PRIVATE SECTOR

(By Robert Pritzker, CEO)

Nobody likes sitting through dinner speeches, much less giving them, but I jumped at the chance to address you tonight. Not just because being the first speaker at a summit is a tough honor to pass up . . . but because the subject of this summit is one no one should pass up.

Not long ago, I was just another Chicago-based executive minding my own business, the Marmon Group, of which I am President, is an international complex of some 60 corporations which do business in areas as diverse as mining, manufacturing, international marketing and computer services. In 1986 our combined revenues neared $3 billion and we employed approximately 27,000 people in the United States and in many countries throughout the world.

I guess I am what in the Lexicon of American industrial history has come to be known as a hard-nosed businessman. Well, I never thought of myself as that, but our company's success means there must be some truth.

So, it came as quite a shock one day when this hard-nose was pinched, figuratively speaking, by a good friend of mine, Tom Miner. Tom heads a Chicago-based association of CEO's called the Mid-America Committee. He has travelled the world opening new doors for American business.

And Tom, that day, brought to my attention that—for reasons beyond my comprehension—a substantial part of this great

country had somehow gone untouched by the forces of free enterprise.

Thus, began my introduction to the Navajo Nation. It also began the initiation of someone who believed that every inch of America has been fed by MacDonald's, and catalogued by Sears, and credited by MasterCard . . . to the fact that a substantial slice of the Southwest had managed to escape the mark of the markeplace.

I can only tell you that I was profoundly shocked to learn that a land the size of the state of West Virginia . . . with a population nearing 200,000 people . . . right in the middle of a Sunbelt market of about 20 million consumers . . . had managed to elude the laws of supply and demand, risk and reward, assets and liabilities and profit and loss, for so long. My initial instincts were, of course, totally innocent: I wondered whether a friendly takeover was possible.

And then, I met Peter MacDonald, and I learned what many of you have known longer than I—how truly wondrous and unique the Navajo Nation is in the history and the present day reality of the United States of America.

Chairman MacDonald, it's not in my nature—nor that of most businessmen—to speak in grand generalities or sweeping propositions, but I'll make an exception tonight. I'll say that I am very, very proud to welcome all of you to the first gathering of its kind in this country.

A summit gathering of leaders from federal, state and tribal governments and from our private sector. A summit called to focus top-level attention on the economic life of a nation within a nation and to forge an historic and productive partnership.

We'll talk about the challenge which faces us all day tomorrow. But for now, let me state it as simple as possible:

The Navajo Nation is the largest Indian tribe in this land. Since its recognition by treaty 120 years ago the Navajo have enjoyed, on paper, certain protection for their health and against hunger . . . for their land, and against encroachment on their traditional rights and resources. And they have been protected against the risks and rewards of the private sector.

I hope Chairman MacDonald and the other Navajo officials in this room will indulge my saying that in travelling across America, no where have I ever seen an area so large and so clearly delineated by the absence of a self-sufficient private sector. To the south 340 miles is Phoenix . . . to the east 160 miles is Albuquerque, the most livable city in the U.S. . . . to the west 500 miles away is Los Angeles . . . and the same distance to the north lies Salt Lake City. The compass needle spins literally above us . . . and, it would appear, unaware of us. One hundred twenty years of progress and change . . . of frontier development, urban migration, tourism explosion, high technology incubation, the rumble seat, the bucket seat and the five-way seat . . the prop, the jet, the rocket . . . the tube, the transistor, the chip . . . the radio, the TV, the PC . . . the vaccine, the anti-biotic, the light bulb, the laser . . . have transformed this nation from coast-to-coast and north-to-south. While carving out a land the size of West Virginia and declaring:

You are beyond the bounds of the American dream.

You are protected from the American dream.

You are saved from the risks and rewards of the free marketplace.

And, thus protected, you shall look to us, and depend upon us, forever.

After meeting Peter MacDonald, I must admit that for the first time, I thought about the fact that as an American, albeit a Midwest American, I was part of a heritage of a nation which promised another nation, "trust us, and we will do what is best for you."

I am here today because of that promise, and what it means to me personally. And I know many of you are here today for the same reason.

Let's not be hypocritical.

Let's not be fatuous.

Let's be brutally, candidly honest.

If business does not make money it won't be in a business long. And it won't pay wages. So, to ensure our viability we try to calculate the potential risk and reward. The higher the potential return on our investment, the more the venture attracts us. The greater the risk relative to that return, the less likely we are to make the investment.

And let's also candidly admit that companies like each of yours, suffer no shortage of proposals. Every state promotes its competitive niche, and every country advertises its comparative advantage. Other nations across Latin America, Asia and the Pacific Rim offer wages a fraction of our own U.S. minimum wage of $3.35 an hour.

Long tax holidays are standard fare . . . as are free worker training, housing for executives, factory buildings and other essential prerequisites of business, location and expansion. One governor recently put in the hands of a would-be investor a bank book with a $15 million balance, explaining you know how to apply this to your bottom line better than we do, so go to it. That sort of talk goes on . . . and that's the competition out there, enticing the private sector today.

Make no mistake. Those of us who are in business go where we can survive. We will go where our costs will make us competitive. The American consumer demands top value, defined as the best quality at the lowest possible price. If we don't give it to them, our competitors surely will. And that means searching out those locations which offer us the very best package of natural and man-made incentives we can find, often anywhere in the world.

Ten days ago I was in Singapore being romanced by the Economic Development Commission of that country.

Beside all the incentives they offered, they showed me a vocational training school in which they had the most modern equipment I have ever seen in a school, such as vision-directed robotic welding, artificial intelligence, and the like.

Their students attended 44 hours a week of class plus significant homework, and then went 48 weeks per year. The academic standards were high, and these workaholics will work for less than half of our minimum wage. That's a challenge but we are here in America—so what do we look for:

We look for the availability of an appropriately skilled labor pool. The cheapest labor?—No. The best workers we can find at the best price?—Yes, of course, because that's what the consumer expects of us.

We also look for market access. That means adequate, assured transportation systems. It also means minimizing barriers to those markets in the form of tariffs, quotas and otherwise. It also means selecting locations based on proximity to our consumers.

We look for availability of land, resources and utilities. Rarely do we site a new plant without making sure that there is room to grow, and abundant raw materials to work with. Existing plant facilities are a definite attraction.

And we look for a variety of man-made incentives, too. Taxes are always a factor. In today's competitive environment, not only are we accustomed to finding complete exemption from state or local property or income taxes for up to five years or more . . . we are being trained to expect tax breaks above and beyond that which we can apply to profits earned on existing operations.

We also look to the availability of innovative financial packages to develop our new facilities, and to a regulatory environment which goes out of its way to encourage our arrival, rather than one which, by its apathy or weight, inhibits progress. A stable political environment is a sine-qua-non. And only in extremely rare and compelling cases will we invest our own capital without adequate insurance against political or other man-made risks.

Finally, we scrutinize the quality of life that awaits us. We look for a hospitable infrastructure. We expect the taxes we pay and our employees pay, to fund schools and medical facilities and recreation and entertainment, and police and fire protection and roads and other basic elements of a commercial infrastructure. We do not expect, except in the rarest of cases, to pay for these ourselves.

These are not the ravings of a spoiled corporate brat. These are the simple facts of modern day commercial reality. And as much as any business executive believes in Navajo, he or she will continue to be guided by shareholders' legitimate demands that our capital travels where risk is minimized and reward is greatest.

We are not here in an exercise in philanthropy. If I were a Navajo I would be suspicious of corporate philanthropy. The first time the company has a bad quarter, they may not be so reliable. However, if the corporation feels its best opportunity is on the Navajo Nation, then a bad quarter will improve your situation.

We are here because we share a vision of the Navajo Nation as a business location potentially competitive with any in the world.

The intrinsic value of the Navajo Nation to business has virtually nothing to do with altruism. It has everything to do with good business sense.

Here is a land base of 25,000 square miles . . . as varied and inviting as any of you will find in this country.

Here are natural resources unmatched in their scope and accessibility. From critical minerals like coal and oil and natural gas, and priority rights to water, and timber and agricultural lands. Navajo is naturally endowed with a wealth of manufacturing.

The Navajo workforce has been famed for generations for the details and precision of their weaving, their jewelry, basketry and pottery. The same detail is reflected in NASA space suits made by Utah Navajo Industries in Montezuma Creek, and in the precision military hardware turned out by the General Dynamics factory at Fort Defiance, Arizona.

And most fundamentally, the willingness of the Navajo Tribal Government to do everything in its power to make its environment attractive to business. The attitude of the MacDonald-Thompson Administration is simply stated—if business can make a profit here. Then Navajo can profit too . . . in employment for tribal members, and in economic growth and development.

With this in mind, I urge you to sit back, enjoy your coffee and the camaraderie of the evening . . . for early tomorrow morning

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the real challenge began 120 years ago, the Navajo were a self-sufficient, prosperous people. They attended abundant herds of sheep. They farmed millions of acres of fertile lands and knew no physical or economic boundaries. They exchanged much of those lands . . . and as it turns out, their natural state of economic independence . . . for our promise not to sacrifice them to our own economic ambitions.

The free enterprise system hasn't failed the Navajo people. We have—for forming an imaginary line around the Navajo reservation and declaring the marketplace not dare enter within.

In the spirit of correcting that historic injustice, I would like to conclude tonight by issuing a challenge to every bottom-line minded businessman in this room, as well as to those who will read or hear about what we accomplish at this summit.

And that challenge is simply this—before I invest another dollar outside this country . . . before I determine that I have maximized my return and minimized my risk elsewhere . . . I will bring my bottom line to Chairman Peter MacDonald and the Navajo people. I will give them a chance to demonstrate that they can assemble a package as promising and competitive as any I will find in any other state or any other country.

They deserve that chance. And if they can meet my business needs—if they can be competitive—I will invest my dollars among the first Americans, and be proud to sow the seeds of a truly self-sustaining and thriving private sector in this, the very last untapped economic frontier, in these United States.

I urge you to make the same commitment.

We do owe these people much more . . . and no less . . . than the chance to share in the growth and prosperity that has made us the greatest, richest land on earth.

Thank you very much.

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### REMARKS BY THE PRESIDENT TO THE NAVAJO ECONOMIC SUMMIT

The PRESIDENT. I was deeply honored when Chairman Peter MacDonald asked that I open the Navajo Economic Economic Summit, and I regret that I can't be in Tohatchi to take part in this historic event. But although I can't be with you in person, I'm very much there with you in spirit.

Early in this administration we established a firm commitment to conduct our relations with all Indian tribes as one government to another. I want to renew that pledge to you today. The Navajo Nation, with nearly 200,000 members and a land base of nearly 15 million acres, deserves a special place as a valuable economic force in America.

Your labor force, for example, is known around the world for its skilled artisanry and painstaking attention to detail. In fact, when NASA was looking for someone to make spacesuits for our astronauts, they looked to Navajo, and Navajo never let them down. And yet, with all of the talent and energy your young men and women have to offer, too many of them are without jobs. This is particularly disturbing because you have something to offer that no other people can, whatever their resources and location. Your culture, traditions and Navajo quality of life are an important part of America.

The federal trust relationship with the Navajo Nation was created by treaty almost 120 years ago, and while historically the federal government has had good intentions where Native Americans are concerned, instead of fostering independence, the government ended up doing just the opposite.

I hope that this economic summit can be a beginning to change all that. Your future certainly is not here in Washington. It does not stem from more federal programs. I know the purpose of your summit is to examine how existing federal programs can be made less bureaucratic and better suited to your goal of economic growth.

In addition, I understand the Navajo Nation has been looking at ways of streamlining its government processes. It has taken courage to set a policy that, for the first time, says a partnership with the private sector is the future.

As you know, I have always been and always will be a supporter of increased local control, because certainly, the best government is the government closest to the people. I'm very pleased with your efforts thus far and would encourage you not only to continue to improve existing programs, but to continue to assume responsibility for more federal programs. Believe me, I want this administration to help you gain true economic self-sufficiency.

Chairman MacDonald, distinguished members of the Navajo Tribal Council, your call to action at Window Rock, that "Navajo Means Business!," has been heard back here in Washington. We want to assist you in every way we can to build a secure, prosperous private sector on the Navajo Reservation.

And now, I'd like to thank Senator Domenici, to whom we're indebted for the very idea of this summit. The dedication of all the participants, including co-sponsor Senator DeConcini, to promoting economic development on the Navajo Reservation is to be commended. I know that we can all help Native Americans achieve greater economic independence.

Finally, I'd like to address a word to the business leaders gathered in Tohatchi. All of you, throughout long and successful careers, have demonstrated your acumen, energy and foresight. Today, your very presence at the Navajo Economic Summit is sending a message through corporate boardrooms across this country: The Navajo can be competitive also.

You've made the commitment to look to Navajo before you look abroad for your next factory. You've taken up the challenge to spur a Navajo economic recovery, from federal dependence to economic independence. And you have a very strong supporter right here in Washington.

Thank you, and to all of you go my best wishes for a very successful summit.

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### NAVAJO ECONOMIC SUMMIT PARTICIPANT LIST

Mr. Ben W. Agee, President and Chairman of the Board, CP National.

Ms. Cristena L. Bach, Special Assistant, The White House.

Governor Norman Bangerter, Utah.

Mr. Eddie Basha, President, Bashas' Market, Inc.

Mr. Ernest Becenti, Jr., Council Delegate, Navajo Tribal Council.

Mr. Richard Begaye, Council Delegate, Navajo Tribal Council.

Senator Jeff Bingaman, New Mexico.

Mr. Oliver C. Boileau, President, General Dynamics Corporation.

Governor Garrey Carruthers, New Mexico.

Mr. Oleg Cassini, President, Oleg Cassini, Inc.

Major General Leo M. Childs, Deputy Commander, U.S. Army Information Systems Command.

Mr. Raymond Combs, Special Assistant to the Secretary, Department of Housing and Urban Development.

Mr. Robert W. Craig, Moderator.

Mr. Percy Deal, Council Delegate, Navajo Tribal Council.

Senator Dennis DeConcini, Arizona.

Senator Pete Domenici, New Mexico.

Mr. John Ehrmann, Moderator.

William Lynn Engles, Commissioner, Administration for Native Americans, Department of Health and Human Services.

Mr. Mel Fischer, Executive Vice President, Occidental International Exploration and Production.

Senator Daniel K. Inouye, Hawaii.

Mr. Takuro Isoda, Chairman, Daiwa Securities America, Inc.

Representative Jon Kyl, Arizona.

Chairman Peter MacDonald, Navajo Tribal Council.

Dr. Thomas G. Marx, General Director, Market Analysis and Forecasting, General Motors.

Mr. Paul Mayrand, Director, Special Targeted Programs, Department of Labor.

Senator John McCain, Arizona.

Governor Evan Mecham, Arizona.

Representative Howard Nielson, Utah.

Mr. David Paulus, Senior Vice President, First Chicago Corporation.

Mr. Marshall Plummer, Council Delegate, Navajo Tribal Council.

Mr. Robert A. Pritzker, President and Chief Executive Officer, The Marmon Group.

Representative John Rhodes III, Arizona.

Representative William Richardson, New Mexico.

Mr. Alex Riggs, Sr., Council Delegate, Navajo Tribal Council.

Mr. Robert Rodale, Chief Executive Officer, Rodale Press.

Mr. Albert Ross, Jr., Council Delegate, Navajo Tribal Council.

Mr. William Stoecker, Chairman of the Board, Grabill Corporation.

Mr. Ross O. Swimmer, Assistant Secretary of the Interior, Bureau of Indian Affairs.

Vice Chairman Johnny R. Thompson, Navajo Tribal Council.

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## PRICE-ANDERSON REAUTHORIZATION

Mr. BURDICK. Mr. President, I would like to note that yesterday the other body approved legislation to reauthorize the Price-Anderson Act. The Price-Anderson Act governs liability and compensation in the event of a radiological accident at nuclear powerplants or involving Department of Energy nuclear contractors.

This legislation provides substantial benefits to persons that might be injured as a result of a nuclear accident. It also provides substantial protections from crippling liability for persons engaged in nuclear activities. The act's benefits provide good reasons to reauthorize the act.

I believe that the act should be extended as soon as possible. The authority under the act to provide Price-Anderson coverage for new activities expires this Saturday, August 1. Activities presently covered will continue to be covered, but no new activities will be able to receive the act's benefits.

In order to reauthorize the act in a timely manner, the Environment and Public Works Committee is scheduled next week to mark up legislation concerning the act's applicability to commercial nuclear powerplants. At this time I hope we can both extend and improve the act's provisions regarding these reactors.

In my opinion, the bill passed by the House contains substantial improvements over current law. We will be considering these improvements and others next week. It is my intent that the full Senate have the opportunity to consider the act's reauthorization and extension as soon as possible.

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## MINE COUNTERMEASURE SHIPS

Mr. KASTEN. Mr. President, naval mines have been used successfully against ships as early as the 16th century. However, this lesson seems to have been forgotten. The United States has fallen dangerously behind in our capability to engage in mine countermeasure activities.

In fact, if we were in a major conflict today, the United States would only be able to keep two of its major ports open with our current minesweeping capability.

This situation has come to a head in the Persian Gulf, and I am relieved that the threat has at long last been recognized and that something is being done about it. There are, nevertheless, serious doubts in some quarters as to whether the current plans to increase our mine countermeasure capabilities will meet future threats.

Mine warfare has, for many years, been the Cinderella of the Navy. We have not built a minesweeper since the Korean war. I have been trying to convince the Navy and Congress for 6 years that it is one of our biggest threats.

It is relatively easy for a poor nation to engage in mine warfare. Mines are poor man's weapons. They do not cost a lot compared to other weapons. There is hardly any maintenance required. And no people are needed to detonate them. It's a low risk inexpensive weapon for anyone.

Although efforts are at last being directed toward improving U.S. mine countermeasures systems—it is not enough. I do not believe we have enough minesweepers and special helicopters to keep our ports open at home, let alone the Persian Gulf.

With almost 5,000 miles of coastline, the United States is particularly vulnerable to mine warfare. Mines have become more sophisticated, smaller and deadlier.

While the U.S. ability to protect its coastal waters has fallen dangerously behind, the Soviets have an 18-to-1 edge in minelaying strength.

The Soviet Union also has the largest stockpile of sea mines in the world. I believe they have over 400,000 mines as well as the means to deliver them—by aircraft, by submarine, or by surface ship—naval or merchant—anywhere in the world.

To counter that threat, the United States has available a totally inadequate force of about 20 minesweeping helicopters and 3 active and 18 reserve minesweepers. That is a ratio of 10,000 mines to 1 countermeasure platform.

Let me give the Senate an idea of what I am talking about. Operation Starvation was our World War II mining campaign against Japan. It caused the sinking of, or severe damage to, 1,075 enemy commercial and naval ships. That is one vessel for every 23 mines.

The mines used in World War II are primitive by today's standards. Improvements in explosives technology make modern mines much more lethal per pound while new electronic techniques, minicomputers, and advances in electronics systems have combined to make sea mines less detectable.

I think the problem begins with the fact that there is no vested interest in the Navy for mine warfare.

Unlike submarines and surface warships, our mine warfare forces do not have the benefit of the specialized officer community to look after their interests and welfare. The commanding officers of the minesweeping flotillas come from the surface-warfare community, who view their tours of duty as early commands en route to command of a "real" warship.

No careers in the minewarfare forces are going to make you Chief of Naval Operations.

Mr. President, we must have a Navy which meets the threat. Buying billions of dollars of submarines and aircraft carriers is not going to do us much good if we cannot even get them out of the harbor.

It's going to require ships like minesweepers that are not as exciting and an organization to support them. If it takes changing how we treat the mine warfare community, like we did with special operations, then that is what we ought to do.

In recent years, the Navy's mine warfare program has gone from dead in the water to full ahead slow. I would say it is time to shift to all ahead flank speed.

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## TOSHIBA/KONGSBERG: THE SHIINA REPORT

Mr. HELMS. Mr. President, this morning, in Tokyo, Prime Minister Nakasone's Cabinet approved a proposal to the Japanese Diet that substantial changes be made in Japanese export control laws and procedures.

Maximum criminal penalties would increase from 3 years of imprisonment to 5. Likewise the statute of limitations would increase from 3 years to 5. Possible fines go up to five times the value of the export. Government authority to ban a company from trading with the Soviets would increase from 1 year to 3.

Of particular note is the inclusion of attempted diversion as a crime for the first time. Ideally we would like enforcement authorities to prevent diversions by catching perpetrators in the act but under current Japanese law it is very difficult, if not impossible to charge such persons with a crime. They must actually deliver the goods to the Soviets before they can be charged. This change, if adopted, would give the Japanese police and customs officials the tools they have needed.

Mr. President, in the final analysis perhaps the changes having the biggest impact will be bureaucratic and attitudinal. Until this proposal becomes law, the Japanese ministry with responsibility for export promotion will be in charge of export controls. This ministry is very effective at its primary mission but export controls has been an undermanned, underfunded backwater. Those Japanese ministries and agencies with responsibility for national security such as the Ministry of Foreign Affairs, the Japan Defense Agency and the National Police Agency have been excluded from the export control process.

Under the new process an interagency committee will be set up similar to our Senior Interagency Group on the Transfer of Strategic Technology. The hardliners at the Ministry of Foreign Affairs and the National Police Agency will no longer be frustrated observers but rather will become active participants in their nation's vital national security export control policy.

Mr. President, at this point the proposal is only a proposal. It will be vigorously debated in the Diet. It is not everything we would like to see. For my part, I am convinced that the Japanese will eventually have to face the facts of life with regard to rampant Soviet espionage in Japan and the need for an espionage statute. The sooner this happens, the better.

Further there remains the question of who will have to pay for cleaning up the Toshiba-Kongsberg treachery. Preliminary estimates from the U.S. Department of Defense suggest the bill will be a minimum of $8 billion to a possible maximum of $60 billion. But, the proposal to the Cabinet is a useful beginning and will make an important contribution to the national security of the free world.

A lot of the credit for this positive development should go to Japanese Dietmember Motoo Shiina. It was his

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Ad Hoc Committee on Illegal Technology Diversion which made the proposal adopted by the Cabinet. His task was not an easy one. On the one hand he was pressed by an outraged Japanese public and the Japanese press. On the other, there was understandable resistance from Japanese business interests and an entrenched bureaucracy which was on the defensive for its handling of the Toshiba case and anxious to avoid sharing power with other ministries.

Since interest had been expressed in our export control system, Senators PROXMIRE, GARN, SARBANES, HEINZ, and I sent a joint letter to Mr. Shiina outlining our procedures. Senator MURKOWSKI contributed an excellent op-ed piece to a major Japanese newspaper. Our intent was not to interfere in internal Japanese policies but to explain our system and inferentially indicate our concerns.

What really matters is implementation. If the proposal survives the Diet debate intact but loses in the implementation, the free world will have gained nothing and we will have to wait for the next egregious case. The Toshiba/Kongsberg case illustrates the realities for the free world alliance. We are even more mutually dependent because of the diffusion of high technology. A chain is only as strong as its weakest link. Other countries are watching to see if Japan truly implements this proposal. If it does not, they will draw a natural conclusion and the alliance will suffer.

The issue goes beyond Toshiba and Kongsberg, Japan and Norway. In fact, I would not be surprised to see other companies and other countries revealed to have major export control violations. Soviet spies are trying to fill their strategic technology requirements wherever they can. Two weeks ago the Norwegian Government expelled three Soviet KGB officers who were looking for hydroacoustics technology.

Mr. President, I ask unanimous consent that the following materials be printed in the RECORD at the conclusion of my remarks: A letter dated July 24 from Senators PROXMIRE, GARN, SARBANES, HEINZ, and HELMS to Japanese Dietmember Motoo Shiina; Mr. Shiina's reply of July 29 with attachment entitled "Measures to Prevent Illegal Technology Diversion"; a page 1 article from the Tokyo, Japan, newspaper Sankei dated July 27, 1987; and a page 3 article from Sankei dated July 28, 1987.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON
BANKING, HOUSING, AND URBAN
AFFAIRS,
*Washington, DC, July 24, 1987.*

Hon. MOTOO SHIINA,
*Deputy Chairman, Policy Affairs Research Council, Chairman, Ad Hoc Committee on Illegal Technology Diversion, Liberal Democratic Party, Daini-Giin-Kaikan, Nagata-Cho, 2-2-1, Chiyoda-ku, Tokyo 100.*

DEAR MR. SHIINA: Please accept our congratulations on the establishment of the Liberal Democratic Party Ad Hoc Committee on Illegal Technology Diversions and your assumption of its chairmanship. Establishment of your committee demonstrates the resolve of the Japanese people to strengthen Japanese export controls so that Japanese national security and Western security goals embodied in COCOM regulations are adequately protected.

There has been considerable interest expressed by the Japanese government and Japanese industry about American export control procedures in the wake of the recent diversion furor. The United States has adopted an approach that involves all relevant government agencies in questions of national security export controls. It has been our experience that the best system is one which balances the views of the agency with export promotion responsibilities, in our case the Department of Commerce, with those agencies which have primary national security responsibilities such as the Department of State and the Department of Defense.

For example, our highest level policy making body in this area is the Senior Interagency Group on the Transfer of Strategic Technology (SIG-TT) chaired by the Undersecretary of State for Security Assistance, Science and Technology, Edward Derwinski. The Departments of Commerce, Defense and Treasury as well as the United States Trade Representative are represented on this Group. A further indication of the prominence our country gives national security export controls is the fact that there exists in the White House a Special Assistant to the President for Technology Transfer Affairs, Ambassador Robert Dean.

Given the importance we in the United States attach to the national security implications of trade in advanced technology, we welcome the movement in Japan towards including a security clause as an amendment to the Japanese law affecting high tech exports, the Foreign Exchange and Foreign Trade Law. We hope our description of the American system will be helpful in the further deliberations of your committee on this matter.

Sincerely,

JAKE GARN,
JOHN HEINZ,
BILL PROXMIRE,
JESSE HELMS,
PAUL SARBANES.

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TOKYO, JAPAN,
*July 29, 1987.*

Hon. JESSE A. HELMS,
*Senate Dirksen Office Building,*
*Washington, DC.*

DEAR SENATOR HELMS: Thank you for your letter of July 24, in which you expressed your keen interest in the current discussions in Japan concerning the amendment of the Foreign Exchange and Foreign Trade Control Law. I especially appreciate your description of the American export control system of technologically sensitive items, which was very useful as reference for our discussion on this issue.

As you rightly pointed out, I consider it vital to establish clear recognition about the importance of sensitive technology to the national security and to strengthen the effective export control mechanism, so that we could prevent recurrence of illegal diversion in the future. To this end, the Ad Hoc Committee on Illegal Technology Diversion of LDP has worked hard to formulate general guidelines based on which the Japanese Government is expected very shortly to propose specific measures to strengthen the export control regime with due regard to national security considerations.

I am pleased to enclose herewith the findings of the Ad Hoc Committee. I trust you will recognize in the findings our seriousness and determination on this matter.

Thank you again for sharing the concern with us.

Sincerely,

MOTOO SHIINA,
*Chairman, Ad Hoc Committee on Illegal Technology Diversion, Liberal Democratic Party.*

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## MEASURES TO PREVENT ILLEGAL TECHNOLOGY DIVERSION

(Ad Hoc Committee on Illegal Technology Diversion, Policy Affairs Research Council, Liberal Democratic Party, July 29, 1987)

The recent illegal export of milling machines by Toshiba Machine Co. is a case which should be given serious scrutiny from the viewpoint of Japan's national defense and the security of the Western countries as a whole.

The circumstances surrounding this incident clearly indicate that it was caused by defects in Japan's existing export control regime. Japan has become one of the forerunners in high technology and the export of high technology may have direct bearing on national security. It is now a matter of urgency for the government to unite itself and review the whole control regime.

Although there is general recognition in Japan of the importance of national security, it is still to be substantiated by domestic regime and political awarness. It is indispensable for the security of our own existence that we make incessant endeavors both individually and collectively with the United States. Priority should, therefore, be given to the basic measures necessary for this purpose.

### 1. PRESENT SITUATION

(1) Seen from the viewpoint of the security of Japan and the West as a whole, the illegal export of milling machines by Toshiba Machine Co. has raised fundamental questions as to Japan's export control regime and aroused strong doubts that security interests have not been given sufficient consideration in dealing with economic matters.

(2) This incident may cause suspicion to rapidly spread among foreign countries, especially the United States, that Japan is pursuing economic benefits at the cost of the security of the West. There is, therefore, a danger, depending on the future handling of the issue, that the management of Japan-U.S. relationship and confidence in Japan among the Western nations may be seriously damaged.

(3) Based on the recognition described above, the following specific measures should be promptly implemented.

### 2. SPECIFIC MEASURES

(1) Strengthening of the Export Control Regime from the Viewpoint of National Security.

Legal grounds for implementing export control in Japan is the Foreign Exchange and Foreign Trade Control Law which, as it stands, falls short of proper and coherent export control regime, from the viewpoint of securing "international peace and security." The central task to be undertaken at this time should be, therefore, to address this question and to make necessary legal amendments.

(a) Explicit reference to the control for the purpose of maintaining "international peace and security" should be established in the relevant clauses of the law.

(b) Moreover, it is indispensable to establish an effective consultation system, from the above point of view, between governmental agencies responsible for national security affairs and agencies implementing export control. This is also important for demonstrating to other countries our resolve to secure objectiveness in the export control regime. At the same time, such a regime will facilitate the balance between promotion of trade and its control based on national security considerations.

(c) It is clear that violation of export control based on national security is particularly damaging to Japan's national interests. In order to prevent such violation it is necessary to strengthen existing criminal and administrative penalties.

(d) It is necessary to strengthen the consultation mechanism among governmental agencies related to foreign affairs, defense, export control and judiciary in order to enhance coherence between COCOM related activities and Japan's export control.

(e) It is crucial to enhance public recognition of the security implications which technology transfer carries and of the importance of proper export control from the viewpoint of maintaining international peace and security.

(f) Governmental agencies directly and indirectly involved in export control should drastically increase relevant personnel (including those at customs and in charge of COCOM) and promptly strenghten organization within each agency.

(2) Strengthening COCOM Related Activities

Japan should play a more active role in COCOM in future. For this purpose, institutional improvement for conducting COCOM affairs is needed.

(3) Strengthening Cooperation in the Japan-U.S. Security Arrangements.

In order to cope with quieter Soviet submarines and the threat they pose to our security, Japan should cooperate with the United States, within the framework of the Japan-U.S. Security Arrangements, to improve anti-submarine capabilities, which constitutes a vital element in national security of Japan. For this purpose, Japan should be actively engaged in the anti-submarine research project to be implemented in cooperation with the United States.

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## U.S. SENATOR MURKOWSKI'S FOUR PIECES OF ADVICE ON TOSHIBA PROBLEM

The case of the violation of COCOM by Toshiba Machine and others has incurred the strong repulsion of the US, on the grounds that it brought about serious damage to the security of the West. The problem is steadily becoming more serious, such as the US Senate's adopting a sanction bill for shutting out Toshiba Machine, its parent company Toshiba Corporation, and the Norwegian State-operated munitions manufacturer, Kongsberg Corporation, which were involved in the illegal exports, from the US market. Senator Frank Murkowski (Republican) sent a contribution to the Sankei Shimbun on the 27th concerning this illegal exports case, and clarifying the details of the problematical points of this case, offered concrete advice in the direction of the prevention of a recurrence of this kind of case. As an influential leader of the US Senate in its policies toward Asia, Senator Murkowski once served as Chairman of the Senate Foreign Relations Committee's East Asia and Pacific Affairs Sub-Committee, and he sets forth views which represent the conservative faction of the US Congress, concerning this case. (The following is the full text of Murkowski's advice).

*More Personnel for Export Control; Should Demand "Certificate of Destination of Exports"; Should Increase COCOM Operation Funds; Should Re-study Ways for Deciding on Export Policies.*

The damage is tremendous. The problems spread from the spy case of the year before last, involving US Naval Engineer Walker and his family, to Norwegian State-owned munitions manufacturer Kongsberg to Toshiba (Machine). In the course of this process, a group of companies engaging in international trade betrayed the Free World in exchange for money. In other words, these two companies sold to the Soviet Union machines for the milling of high-performance submarine screws.

The two companies exported eight large-size machine tools, attached with numerical-control equipment, which can mill submarine screws at a precision degree of one-one-hundredth of a millimeter, destined for the Soviet Union's Baltic Fleet Shipyard. This was a violation of an international export restriction agreement and the laws of the two countries.

In the North Pacific, NATO has established a system of imbedded hydrophones and sonar buoys, which float on the sea-surface, backed by attack-type submarines.

Until recently, NATO's anti-submarine teams were able to catch the screw noise of Soviet submarines even at a distance of 200 miles (about 320 kilometers). However, (as a result of the exports of machine tools by Toshiba Machine and others), this tracking scope has narrowed to 10 miles (about 16 kilometers). As the sea areas which must be covered extend to several million square miles, the losing sight of Soviet ballistic missiles and attack-type submarines has now become unavoidable. In short, due to the machine tools exported by Kongsberg and Toshiba (Machine), one-third of NATO's strategy deterrent power against the Soviet Union has been forced into dismantlement.

The repairing of this damage has now become a life-or-death problem. Even in order to make persons who try to do the same thing in the future, re-consider, the persons who committed the crime this time must be punished. The Walker Family, the spy group, is now placed in detention. John Walker, the ringleader, is now serving a life sentence in a Federal prison, where the guard is most strict. Other remaining members of the family have also been sentenced to long prison terms. In Japan, two Toshiba (Machine) leaders were arrested, and charges were brought against seven other persons. Japan's extremely able Metropolitan Police Board is pushing investigations of the case, even now. As for the Norwegian side, it is still in the midst of investigations. Only one Englishman has been indicted so far in connection with the Kongsberg side. This has resulted in giving rise to some degree of doubt toward the Norwegian Government's handling of the case, in the case of its own people coming to surface as suspects in the investigations. Even so, however, the Norwegian police authorities concerned are pushing investigations into related cases, in the same way as Japan's Metropolitan Board.

The US Senate adopted a demand for compulsory sanctions and damage compensation toward Kongsberg and Toshiba, with 91 votes for and 5 votes against it, on June 30. In regard to sanctions and compensation for damage, the House of Representatives is also expected to secure similar support.

It is clear that, for both Japan and Norway, their respective export control systems are inadequate, and both Government's have promised improvement.

In view of Japan's economic scale and its leadership in the high technology field, it is necessary for us to check the Japanese side's measures in greater detail. The first thing needed is the Japanese Government's assigning a larger number of personnel to its export control system. ITI Minister Tamura increased export control inspectors from 10 to 15. In the US, however, there are 140 inspectors in the Defense Department alone, and there are also 500 inspectors in the Commerce Department.

The second point is that the Japanese Government should demand the presentation of certificates for the destination of exports, for trade with the Western side. The present situation is that Japanese Government officials concerned are not giving thought as to what purposes high-technology machines and equipment, which are exported to non-communist nations, are put, after they are exported.

The third point is that as Japan has a trade surplus balance of as much as 100 billion dollars a year, it should be able to contribute more than its present contribution of 40,000 dollars (about 6 million yen) a year for the operation of COCOM. The US is contributing more than 500,000 dollars a year.

The last and most important point is the need to change the posture (toward trade with the Communist Bloc) within Japan. Trade with the Soviet bloc must not be conducted from the economic viewpoint alone any further. No matter how good the situation, it is no easy thing for bureaucrats to cede their own rights and interests. However, MITI should carry out the work of deciding on export control policies jointly with the Foreign Ministry and the JDA. Veteran Diet members should ask themselves whether it is really permissible for a country which desires to participate in the SDI (Strategic Defense Initiative) (in a positive way, to continue to be a paradise for Soviet spies. Judging from the fact that Japanese newspapers took an extraordinarily tough posture toward Toshiba Machine) over the case this time, it is thought that public opinion in Japan is mentally prepared to take the leadership for the promotion of measures (to prevent the recurrence of this kind of situation).

In the case of Norway, the problem is its overcoming its blind spots. Norway's contribution to NATO can be said to be generally exemplary. For example, Norway adopts a military conscription system (which the US does not adopt), and among the various NATO member nations, including the US, it has the highest percentage of population

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which can be mobilized. However, Norway takes the posture of regarding trade with the Soviet bloc as "normal business," in the same way as Japan does. Judging from Norwegian newspapers (reporting the case this time), it is viewed that public opinion has started to re-study that kind of posture.

I am not saying that it is just Norway and Japan alone which are lacking in attention toward export control. Since the Free World relies on offsetting the Soviet Union's quantitative superiority (in the military field) with technological superiority, we must have a sense of guardedness. Viewed in the light of the mood of public opinion in the US, it is a natural obligation of the Governments of all our allies to re-study their own export control systems. (Translation by Reporter Masatake SO)

*Revision of Foreign Exchange Law at MITI's Initiative Will Not Have Real Effects; Should Be Carried Out on Joint Responsibility of Foreign Ministry and JDA; Five Influential US Senators Send Letter to LDP; Appreciate Incorporation of Security Clause*

A revision of the "Foreign Exchange and Foreign Trade Control Law" (Foreign Exchange Law) as a counter-measure toward the case of Toshiba Machine's violation of the COCOM Rules is the focus of discussions. On the 25th, five influential US Senators sent a letter to the LDP's "Study Council on Measures to Cope With the Illegal Outflow of Technology" (Chairman: Motoo Shinna), and transmitted the advice to the effect that, even if a security clause is established through a revision of the Foreign Exchange Law, it will not have real effects if MITI, whose primary task is the promotion of exports, takes the leadership, and it is desirable to take the form of the Foreign Ministry and the JDA shouldering joint responsibility. In order to avoid the criticism that it is interference in internal affairs, the advice takes the form, to the last, of making known the actual substance of the US side's export control system. However, this kind of letter concerning a bill which is to be deliberated on at the Japanese Diet in the future, is extremely unusual, and it reflects the US Congress' strong concern over this problem and its distrust toward MITI.

This letter is co-signed by a total of five Senators, namely Chairman of the Senate Banking Committee, which handles the exports control problem, intertwined with security, William Proxmire (Democrat) and Members Paul Sarbanes (Democrat), Jake Garn (Republican) and John Heinz (Republican) and the Foreign Relations Committee's big-name member Jesse Helms (Republican). This letter, which is addressed to Chairman Shiina, first welcomes the LDP's establishing a new "Study Group of Measures to Cope with Illegal Outflow of Technology" on the 21st, for the prevention of COCOM violations, and expresses the view that the revising of the Foreign Exchange law for the incorporation of a security clause is very desirable, when consideration is given to the effects which the exports of high technology have on security.

The letter next says definitely, in connection with the point that the views of MITI and the Foreign Ministry are in conflict over the authority over the security clause, that "The best system must be one which comprehensively co-ordinates the views of Government offices, whose primary task is the promotion of exports, and the views of Government offices, whose main mission is responsibility for State security." The letter says that, in the case of the US, "the Government office for the promotion of exports" is the Commerce Department, and "the Government offices which are responsible for State security" are the State Department and the Defense Department. Although it avoids setting forth clearly the names of Japan's MITI and the Foreign Ministry, the view that it will not be "the best system" if MITI takes the initiative, is expressed clearly in the context of the letter.

The letter which further introduces the system in the US, explains as follows: "The highest-level policy-deciding organ is the 'SIGTT' (high-level inter-Departmental group on strategic technology transfer), the chairman of which is the Assistant Secretary of State for Security Assistance and Science and Technology, and the representatives of the Commerce, Defense and the Treasury Departments also take part in this group. Still further, there is a Special Assistant to the President in charge of the technology transfer problem, in the White House." In this part, too, the view of opposition to a security clause in the Foreign Exchange Law under which MITI alone has authority, is expressed, although in a roundabout way.

The five Senators who signed this letter are all influential Senators from both the Democratic and the Republican Parties, and they have also been fulfilling big roles in the deliberations on the Trade Bill, which include sanctions against Toshiba.

According to a US source, who is well-versed in the background of this letter, the problem of a revision of Japan's Foreign Exchange Law was also taken up at the National Security Council meeting on the 23rd, and the danger of the implementation of the law, after its revision, coming under MITI's exclusive authority, was pointed out. It can be said that there is the US side's distrust in MITI also in the background of this letter, signed by the five Senators.

## MERTON G. HENRY

Mr. COHEN. Mr. President, I rise to call the Senate's attention to the outstanding record of service of Merton G. Henry, a Portland, ME, attorney who has just stepped down after 25 years of service on the governing boards of my alma mater, Bowdoin College.

In addition to his tenure at Bowdoin, Mert Henry has for many years been a trusted adviser to Republican public servants, including that venerable daughter of Maine, Senator Margaret Chase Smith, and Senator Frederick Payne.

The Portland Evening Express newspaper has published this month a tribute to Mr. Henry, outlining the many contributions he has made to Bowdoin through the years. I think this article is worthy of the Senate's attention and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### HENRY TAUGHT BOWDOIN THE MEANING OF SERVICE

(By Dieter Bradbury)

The Bowdoin College Board of Overseers robbed the cradle when it elected Portland lawyer Merton G. Henry to membership back in 1962.

While the other members had an average age of 70, Henry was only 36.

Twenty-five years later, Henry has just stepped down from Bowdoin's Board of Trustees after a remarkable record of continuous service on the school's governing boards.

During his tenure—including 12 years as an overseer and 13 years as a trustee—Henry helped to guide the college through one of the most tumultuous periods in its nearly 200-year history.

It was an era that encompassed the inaugurations of three presidents; the admission of women; the construction of serveral major buildings; three capital campaigns; major changes in curriculum; and a management upheaval that triggered a reorganization of the governance structure.

Henry and his wife, District Court Judge Harriet P. Henry, live on the shores of Sebago Lake, where the family moved in 1978 after the youngest of their three children graduated from Deering High School.

At age 61, he has a history of professional and civic activity in southern Maine that makes his name a familiar one in many circles.

Henry is known as an influential member of the Republican Party's inner circle, as a former Portland School Committee member who handles legal affairs for many school districts, and as the long-time moderator at Standish town meetings.

But it is in his capacity as a policy-maker at Maine's oldest post-graduate institution that Henry has perhaps exerted the most influence.

In an interview at his Monument Square office, where inscribed photographs of Ronald Reagan and George Bush hang, Henry said his future as a Bowdoin man was sealed when he was graduated from South Portland High School.

"All the top administrators in South Portland were Bowdoin graduates," he said, "so in those days you didn't apply to Bowdoin—you were sent there."

He enrolled after two years' service in the Army, graduated magna cum laude with a history degree in 1950 and was active in college alumni groups until his nomination to the board of overseers in 1962.

Reflecting on his long involvement with Bowdoin, Henry said the school has always instilled a great deal of loyalty in its students.

"I was a country boy, basically," he said. "Bowdoin served to show me the real world, I guess—and I got a great education there. I had a constitutional law class at Bowdoin that was better than the one I took in law school."

With his long record of service to the college, Henry has seen the ebb and flow of all the philosophical and political trends that have affected higher education in the past three decades.

At Bowdoin, those trends included the addition of new buldings and faculty; the admission of women to the previously all-male school in 1971; and the abolition and eventual reinstatement of core course requirements.

Bowdoin didn't escape the turmoil that engulfed American colleges 20 years ago, and he vividly recalls demonstrations and threats to shut down the campus in 1969.

"There was a lot of talking and a lot of listening going on," he said. "Everybody in my generation was concerned about what was going to happen."

But the greatest challenge he faced was during a management crisis in 1980, when the college president and another top administrator stepped down as a result of a clash with board members.

Henry headed a committee that rewrote the governance laws to clarify lines of authority and reduce the potential for policy-making and administrative conflicts in the future.

"I think he (Henry) understood that part of the problem had been the boards themselves and the way they had been organized," said college President A. LeRoy Greason.

"He took the initiative in revising the structure of the boards, and it has worked very well," Greason said.

"He expects people to fill the roles assigned to them and fill them well, so that he doesn't take over other's roles. On the other hand, he's always available to provide insight and talk over a problem."

Greason called Henry an able person who "seems to have almost total recall," and will take a liberal position on some issues and a conservative one on others—without being inconsistent.

At the board level, Henry led a successful charge to tighten up a resolution that Bowdoin divest its endowment fund holdings in firms that do business in South Africa.

His support for the measure was as much pragmatic as ideological.

"I think it's a symbolic gesture," he said. "I concluded we were spending an inordinate amount of time on it. At some point in time, even symbolic gestures become important."

Although his tenure on the governing boards is over, Henry's activities on behalf of his alma mater are merely entering a new phase.

His retirement announcement was coupled with the news he would be heading a committee which will spend the next seven years planning for Bowdoin's bicentennial celebration in 1994.

"It will be a major event," Henry said. "We hope to have a new history of the college written, and the Walker Art Museum, which will be celebrating its centennial, will be a central focus.

"I suspect there will also be a major academic focus . . . we hope to bring in some major academic figures."

Noting that one of his two sons graduated from Bowdoin in 1980 and his daughter in 1982, Henry observed that "when people reminisce about Bowdoin, they tend to think of the past."

Henry is clearly one who also thinks about the future.

## APOLOGY TO SENATOR METZENBAUM

Mr. HEINZ. Mr. President, like my colleagues I was shocked and disgusted by the revelation this week of a Republican campaign document that characterized one of our Senate colleagues, Senator HOWARD METZENBAUM of Ohio, in a totally reprehensible fashion. There is no place for this kind of character assassination in America. I, too, want to join with Senator DOLE and Senator BOSCHWITZ in apologizing to Senator METZENBAUM.

Let me say at the same time that this incident is an aberration which was as unprecedented as it was unplanned or unintended. Such an attack is totally uncharacteristic of the Republican Senatorial Campaign Committee, its staff and most of all, its Chairman, Senator BOSCHWITZ. As someone who has chaired the Republican Senate Campaign Committee on two separate occasions for a period totaling 4 years, I have always taken great pride in the professionalism and integrity of the staff and all the committee's work. Indeed, I cannot recall any incident even remotely parallel to this as long as I have been in the Senate. The report in question is, let me repeat, a totally uncharacteristic aberration which should never and will never be repeated.

Now I want to say a word about Senator BOSCHWITZ.

It is typical of RUDY BOSCHWITZ' good character that when this document came to light he promptly came here, to the Senate floor, to apologize, to take full responsibility and to discredit this exceptionable material. Mr. President, RUDY BOSCHWITZ is a man who to the very marrow of his bones abhors the idea of attacking or besmirching another human being by slur, innuendo, guilt-by association or any other un-American technique. As a Jew whose family emigrated from Germany to escape an all too similar assault on people of his own religion, RUDY BOSCHWITZ is a man that would never have tolerated the preparation of this document had he known of it. That this incident has occurred is a fully undeserved embarrassment for him with which we should all identify and sympathize.

I hope that we can all consider this unfortunate chapter closed.

## ROY NYBERG: AN AMERICAN SUCCESS STORY

Mr. DASCHLE. Mr. President, anyone who follows the wintertime weather reports knows the notoriety of International Falls, MN. International Falls is distinguished frequently every winter as the coldest reporting location in America.

It is a tough place to get a start, but it is the place where a 6-year-old named Roy Nyberg started his business career with two separate, freezing cold daily newspaper delivery routes.

Last month Roy Nyberg was elected president of the National Retail Hardware Association, a federation of 21 regional hardware associations in the United States and Canada representing some 40,000 retailers. This is a tremendous and well-deserved honor for one of South Dakota's business leaders.

The 55 years between Roy's start in Minnesota and his national recognition this summer read like a primer on the American dream. Roy Nyberg worked his way up. He pumped gas to earn tuition money. He stocked shelves to learn the hardware business. He bought a small store to get a start and brought that enterprize through tough times and wrenching changes.

Today Nyberg's Ace Hardware is a business leader in Sioux Falls, SD, and Roy Nyberg is both a community and national leader in his profession and in a host of civic activities as well. When we talk of preserving and strengthening the ideals that have built our Nation we are talking about people like Roy Nyberg, about their lives and the values they embody.

I am proud to commend Roy for his achievement and to commend the strength of his lifetime story to my colleagues and my country. He, his wife Rodora, and his family are South Dakotans in whom I take strong personal pride in calling friends.

## DON DICKEY DAY

Mr. STEVENS. Mr. President, today is Don Dickey Day in Juneau, AK.

Don Dickey, Alaska's director of tourism since 1981, and unofficial toastmaster, is retiring today. A recent editorial in the Juneau Empire noted, "that if there were ever a perfect ambassador for our State, Mr. Dickey would be it."

Don and I met first when he was with the Fairbanks Chamber of Commerce in the early 1950's. Since then Don served for 21 years as president of the Alaska Chamber of Commerce before taking over as tourism director. He led a national television advertising campaign to promote Alaska as a tourism destination. And back when Alaska was fighting for statehood, Edna Ferber modeled an appealing and enthusiastic character in Ice Palace after Don, helping to highlight struggle to join the Union.

I ask unanimous consent that the text of the Juneau Empire editorial, "Bon Voyage, Don Dickey" be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Juneau Empire, July 8, 1987]

### BON VOYAGE, DON DICKEY

Alaska's unofficial toastmaster, ambassador and all-around good guy is retiring from state government at the end of the month. Don Dickey, for six years the state's director of tourism, will be ending his tenure on July 31.

If there were ever a perfect ambassador for our state, Mr. Dickey would be it. He is one of those rare individuals who can win over anyone under virtually any circumstance. Individually, he is charming, quick-witted and funny, with a joke for every occasion. But he can also stand up in front of any group anywhere and keep any program interesting, entertaining and on track.

That talent has won him the title of Alaska's unofficial toastmaster. During his years in Alaska—he was president of the Alaska State Chamber of Commerce for 21 years

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before joining the Division of Tourism—he has probably emceed more dinners and special occasions than anyone in the state. More than that, few people could hope to match his quick wit or his self-effacing humor.

Several years ago, he was the emcee at a local chamber of commerce banquet. At the last minute, the featured speaker had to cancel, leaving Mr. Dickey with the job of entertaining several hundred people for the rest of the evening. Most people would have started to recite the Gettysburg Address or resorted to every tired joke in the book. He didn't. Not only did he succeed in making the evening a success, but most of the time he had everyone rolling in the aisles.

That's the sort of person he is. He can perform the toughest public-speaking job with an ease that baffles those of us who wouldn't even think of trying it.

No announcement of his successor has yet been made, but it's a safe bet that no matter who it is, life around the Division of Tourism will be a lot more subdued in his absence.

We wish Mr. Dickey, his wife, Gen, and their family all the best. As some of Juneau's favorite people, hopefully they'll be staying in town—when they aren't out taking part in the tourism industry themselves.

Oh, by the way, have you heard the one about.

## FAREWELL TO ROGER MENTZ

Mr. PACKWOOD. Mr. President, the administration is about to lose an outstanding public official, who was centrally involved in the historic tax reform bill of 1986. Today Roger Mentz is leaving his post as Assistant Secretary of the Treasury for Tax Policy to recommence the practice of law at Cadwalader, Wickersham & Taft here in Washington, DC.

Roger is a native of New Jersey, and practiced law in New York City at Mudge, Rose, Guthrie, Alexander & Ferdon until April 1985. At that time he joined the administration in Washington, DC, and was soon named to serve as its top tax policy advocate.

During his tenure we saw enactment of perhaps the most sweeping tax law in U.S. history. Roger could not have picked a better time to make his mark in Government.

And make his mark he did. As you recall, the tax-writing committees devoted enormous time and effort to tax reform in 1985 and 1986. We met over and over in committee meetings and strategy sessions and technical working groups. And every day of every week Roger Mentz was there, advising us on alternatives, giving ideas, reacting fairly to our concerns, and never losing his enthusiasm no matter how long the days or frustrating the process.

Our job was made easier with Roger's help. Some days we wouldn't have accomplished our goal without his fertile imagination, knowledge of tax and good humor.

In the 9 months since the end of the tax bill, Roger has led Treasury's efforts to facilitate taxpayer compliance and understanding of the new law. He has had a good effect on that process as well, helping lead Treasury toward reasonable and commonsense application of hundreds of pages of new tax law.

Mr. President, I thank Roger for taking time out from private practice for a couple of years of Government service. The Finance Committee, the Congress, and the public are better for it.

## RETIREMENT OF RAYMOND E. HOOPER, CHIEF, SENATE STAFF CONGRESSIONAL LIAISON SERVICE, VETERANS' ADMINISTRATION

Mr. CRANSTON. Mr. President, as the chairman of the Committee on Veterans' Affairs, I want to take this opportunity to congratulate Raymond E. Hooper, chief, Senate staff, VA Congressional Liaison Service, on the occasion of his retirement from the Federal Government.

Ray has devoted 21 years of dedicated service to the Federal Government, 17 of which have been with the Veterans' Administration's Congressional Liaison Service. For the past 12 years, as chief of the VA congressional liaison Senate staff, he has very ably assisted Members of the Senate in their efforts to provide the best possible services and benefits to our Nation's veterans. I have been chairman or ranking minority member of the Senate Veterans' Affairs Committee throughout those 12 years and can personally attest to his unswerving commitment to his work.

I, and members of the Senate Veterans' Affairs Committee, all Senators, and our staffs have always been able to count on Ray Hooper for accurate, timely responses to our many requests for assistance. We could depend on him to provide the information requested, steer us to the appropriate VA official, track down that obscure statistic we needed at the last minute, and otherwise respond efficiently and thoroughly to the many other requests for assistance we made over the years.

In notifying me of his pending retirement, Ray said he has "always looked forward to coming to work." That attitude was certainly evident in his unfailing willingness to perform his duties with efficiency, great, good cheer, and a high degree of competence.

I know that all of the members of the Senate Committee on Veterans' Affairs join me in saluting Ray Hooper upon his retirement from Federal service. Ray will be greatly missed by all of us, but I'm certain that he and his family are looking forward to an opportunity to spend more time together.

I congratulate Ray on a splendid VA career and wish him a happy and healthy retirement.

It was my great pleasure to present to Ray at our committee meeting this morning a resolution of the Committee on Veterans' Affairs commending him for his dedicated service to the Federal Government. Mr. President, I ask unanimous consent that a copy of that July 31, 1987, resolution appear in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

### RAYMOND E. HOOPER

Whereas, Ray Hooper has served with distinction the Veterans' Administration and America's veterans from August 24, 1970, to August 1, 1987,

Whereas, he has assisted Members of the Committee on Veterans' Affairs and other Members of the United States Senate faithfully and well for 12 years as Chief of the Senate Staff, Congressional Liaison Service, and

Whereas, the Members of the Committee on Veterans' Affairs wish to record their high esteem and regard for his cooperation, knowledge, judgment, ability, and diligence in executing and carrying to successful completion the many requests for assistance made of him over these past 12 years; now therefore, be it

*Resolved,* That the Members of the Committee on Veterans' Affairs unanimously commend and express their appreciation to Raymond E. Hooper for the distinguished service rendered by him to the Committee on Veterans' Affairs.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## INCREASE IN STATUTORY LIMIT ON THE PUBLIC DEBT

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 9:30 having arrived, the Senate will now resume consideration of the pending business, House Joint Resolution 324, which the clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 324) increasing the statutory limit on the public debt.

The Senate proceeded to consider the joint resolution.

### PENDING: AMENDMENT NO. 645

The ACTING PRESIDENT pro tempore. The pending question is on amendment No. 645, which the clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself and others, proposes an amendment numbered 645.

Mr. JOHNSTON. Mr. President, at about 6 o'clock last night, we finally were able to get a copy of the amendment proposed by Mr. GRAMM, et al. I have been describing that amendment, based upon what I thought it would do, and I must say that I was totally mistaken.

What I thought the proponents of the amendment were going to do is to create a so-called legislative train wreck, where this terrible sequestration was going to come in this year and face Congress this fall with one of those difficult faceoffs with the White House, where the White House would have all the cards and where the possibility of the sequestration was great.

What I find is that this amendment really takes the White House off the hook. It is the take-the-White-House-off-the-hook amendment, or you might call it the sweep-it-under-the-rug amendment, or you might call it pin the tail on the Democrats.

Mr. President, it is going to take a little concentration of my colleagues to understand this, but it is just as clear as the noonday sun on a cloudless day exactly what this amendment does.

The proponents of this amendment are honest, they are well-meaning, they are bright, there is not a bad motive in their bodies; so please understand that I have the very highest respect for the proponents and their motives.

Having said that, Mr. President, I submit that this is the legislative equivalent of Irangate. Why? Because it is a policy confected in secret between just a few Members—again, well-meaning, honest, hard-working legislators—but they confected this policy in secret, as I guess you must do. I guess it is necessary to put these policies together in secret. But they put it together and plopped it out here on the floor at 6 o'clock yesterday evening. They really wanted us to adopt it yesterday evening, without consultation with Congress, without really serious debate, without any committee having a chance to look at it. They just want you to accept it.

Do you know what it does? The first thing it does is make impossible taxes this year. It makes it just impossible. Is sequestration anything to be feared this year? Absolutely not. As I calculate it, the amount that we might have to save this year may be as low as $5 billion—it more likely is around $10 billion—and that is all. That is a lot less than our budget resolution provides for. Our budget resolution, which we fought for and tugged back and forth between Members of the Senate, saves $38 billion, and we got 19.3 billion dollars' worth of taxes in that budget resolution—tough, difficult cuts—but one that we voted for in the Senate, which the House voted for, and which we think we are about ready to implement. But do you know what this package does? It wipes that out.

It says: "No, Congress; no, Mr. President; you don't have to save $38 billion. All you have to save is about—well, let's say $10 billion."

Now, if that is preposterous, Mr. President, let me explain step by step how this thing works.

What it does is it sets a new target. If those Senators who are listening have a piece of paper, the figures will show you exactly what I am talking about. The new target, Mr. President, is $150 billion. So if you write down the new target of $150 billion, then that is what you are supposed to save this year; that is the target for saving.

You do not actually have to get down to $150 billion because the law explicitly provides for what we call a $10 billion cushion.

So it is not $150 billion; it is $160 billion.

Now, we know, Mr. President, that the present deficit is somewhere between $181 billion, according to CBO, or I think they just recorrected that to $186 billion, because of some REA correction. I believe I am correct in that, that it is $186 billion.

So, Mr. President, you have the difference between a maximum amount of $186 billion and $160 billion which purports to be $26 billion. That is the outside amount that we have to save, not $38 billion which was required to be saved, but a maximum of $26 billion.

But, Mr. President, there is another real cooker in this situation, and that is what we call the role of OMB. What it provides is that the figures as to the deficit and the figures as to economic projections between OMB and CBO shall be averaged and you take the midpoint of those.

Now, Mr. President, you know what OMB does—they play what Dave Stockman described as the smoke and mirror game. Dave Stockman did it. He said it explicitly.

I have some quotes here that during the course of the debate today I want to quote from Mr. Stockman. But he described it explicitly.

They would put up phony figures to the tune of $25 or $30 billion.

Did you know, Mr. President, that the difference between the latest estimate of the deficit of OMB and by CBO is $26 billion difference? The latest OMB estimate was an estimate of January and it is $150 billion; and the latest estimate of CBO is $186 billion. Did I say it was $26 billion off? It is $36 billion off. If you average those two, you get a difference of $36 billion. So you get a correction of $18 billion.

So subtract $18 billion from the $26 billion, which you wrote down which was what you had to save and it will give you $8 billion which under that proposal is all you would have to save, $8 billion. That is this tough, new Gramm-Rudman fix, $8 billion.

You say, well, those are not the correct figures because OMB will give you a new estimate of the deficit and it is likely to be higher. Mr. President, if the difference in the estimates on the deficit is not the figure you want to use, just look at the President's budget submitted in January. You know how much difference there was in CBO's and OMB's estimates at that time—$27 billion difference.

If you want to take half off that amount, that is $13½ billion difference. Subtract $13½ billion from the $26 billion which it says you have to save and you get what? You get $13½ billion you have to save this year.

Mr. President, do my colleagues understand what I am saying? This amendment now pending provides in effect that you have to save only $6 billion to $12 billion or $13 billion this year.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. JOHNSTON. Yes, I will yield.

Mr. CHILES. I wonder if the Senator realizes—I guess maybe he does—that the way the bill is crafted, it provides that this year, the year 1988, rather than the way the process works in other years, we are calling for CBO and OMB to give us a new estimate of their estimate of the baseline. We will have those figures at the conference. This is the failsafe. If OMB tries to differ, as the Senator said they might, $20 billion or something from CBO, then we have those figures at the conference, and we then can adjust the glidepath, can adjust what the sequester number will be, can adjust any of those things because we know what their numbers are. If those numbers come out the same, if those numbers are at $186 or $187 billion and it looks like the deficit numbers are going up, then, as the Senator knows, there is not validity to the argument he is making.

Mr. JOHNSTON. May I ask the Senator when is this conference?

Mr. CHILES. The conference will be during the next week, but they have to produce the figures before we complete the conference.

So, the Senator would be right if you could have a number that OMB could do sometime prior to sequester. If they had an opportunity to do that and CBO had to produce their number, if they then gave the final result, but now if OMB comes out with a number and if they say we think the deficit is only $155 billion and CBO says we think the number is $180 billion, and that number would be halfway in between, I can guarantee you we are going to be sitting at that conference,

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we are going to be the majority at that conference in both the House and the Senate, and if there are any shenanigans or if they are trying to flimflam the numbers, we simply can adjust the lower number.

Mr. JOHNSTON. Mr. President, I am familiar with that process.

Mr. CHILES. Yes.

Mr. JOHNSTON. Although I must say it is a scramble to try to learn at this late date how the process works, but we are familiar with that process.

I would point this out, that if what the Senator says is correct, and by the way that process of adjustment applies just to this year, from here on out you cannot do it, am I right on that?

Mr. CHILES. Yes, I agree, except Congress has the right to change the numbers in the intervening years. There is time in which Congress can pass——

Mr. JOHNSTON. Even in an election year.

Mr. CHILES. Even in this year as well and there is a fast-track process for Congress to make that change.

Mr. GRAMM. Mr. President, will the Senator yield?

Mr. JOHNSTON. I want to finish this and then I will yield.

What the Senator is saying on this other process is that you get an election year next year and you get these cooked numbers that we have gotten every single year in Gramm-Rudman and the Congress has a right here at the last minute to come in and adjust the numbers upward—fat chance. Fat chance, Mr. President.

Now, let us be clear about what the Senator is saying. First of all, he is admitting, you are cutting down the amount that you have to save from the $38 billion we saved in the budget resolution down to $26 billion at best. Are we right? Am I correct?

Mr. CHILES. The $38 billion we have had to save in the budget resolution still had the $10 billion leeway so it was actually $38 billion.

Mr. JOHNSTON. I know, but we made an actual $38 billion saving, did we not?

Mr. CHILES. What the Senator is talking about is whether we are going to avoid a sequester or not?

Mr. JOHNSTON. What I am saying is the budget resolution that we confected and we voted out of here saved projected $38 billion including $19.3 billion in taxes.

Mr. CHILES. Absolutely, but it has not become law as the Senator from Louisiana knows.

Mr. JOHNSTON. It has not become law, but the purpose——

Mr. CHILES. And there will be no sequester unless you are above $28 billion. So the same $10 billion is there. There is no difference there.

Mr. JOHNSTON. Oh, no, there is a big difference. There is a very big difference because our budget resolution already voted with reconciliation instruction contained 38 billion dollars' worth of savings.

And you actually have instructions going out to the Ways and Means Committee and the Senate Finance Committee to save or to raise 19.3 billion dollars' worth of taxes. When those instructions go out, they do not say, "Raise $19.3 billion worth of taxes, but, by the way, you can miss the target $10 billion." Those instructions do not say that. Those instructions say, "Raise exactly $19.3 billion." And if they report a resolution back to the Congress which does not raise $19.3 billion, it is subject to a point of order.

Mr. CHILES. What I think the Senator from Louisiana needs to explain to the Senator from Florida is how does this differ? When you say we are changing the numbers, how does this differ from the resolution that we are under now? And remember, we used CBO's economics, so we got ours up to that 136 equals 108. We got ourselves in that posture.

Mr. JOHNSTON. The Senator asked me a question. I would like to answer it.

Mr. CHILES. The question is: How does this differ from where we find ourselves now? If we do not save $28 billion, we will have a sequestration?

Mr. JOHNSTON. I can tell you exactly.

Under the present law, the target is not $150 billion with a $10 billion leeway, the target is $108 billion with a $10 billion leeway. That is the difference. So what we have done is we had this real tough target under the present Gramm-Rudman law and we are going to make Ronald Reagan toe the line. I have heard it said, "Boy, we are going to come in there and it is going to be so tough. We are going to bring Ronald Reagan to the bargaining table and he is going to have to accept some taxes." And in that spirit, we voted out a tough resolution saving $38 billion.

And I have even heard the Senator from Florida say, "We have got to have this new fix, this automatic sequester, so that we can make Rostenkowski produce $19.3 billion worth of taxes."

And do we then implement this tough policy which is going to make Rostenkowski vote out the taxes and is going to make Ronald Reagan accept the taxes? Oh, no. No, Mr. President, we cut it down to $26 billion, at most. And then if OMB does anything like they have done every single year, every single year we have been here, they are going to cook the numbers again. And that is going to bring that $26 billion down to maybe as low as I say, $6 billion if you use the difference in the deficit figures, or $12 billion if you use the difference in economic projections already done this year in the President's budget which is the difference between OMB and CBO—$27 billion, the difference between economic projections between OMB and CBO.

We are assured that, "Well, the Congress is going to be able to change that if they want to." Well, you give the Congress a get-off-the-hook proposal and then you say, "Well, but Congress can be tough, Congress is somehow going to be tougher than they have ever been and up that amount of the deficit, up the amount of savings you have to make."

Why, Mr. President, this is so patently, so obviously a let-Ronald Reagan-off-the-hook proposal that I do not see how my friends, brilliant and well motivated as they are, can talk about it with a straight face. It is amusing.

And, Mr. President, the funny thing about it is we are asked to accept this without debate. Do not send it to the Budget Committee, where it can survive the light of day. Oh, no. Let us vote it in right now. Let us reduce these targets. Let us reduce the amount you have got to save by $42 billion, the difference between the targets, or, if you want to use the difference of what we have already voted here—we have already voted for $38 billion in savings—reduce that to a maximum of $26 billion, or a more likely amount of somewhere between $6 billion and $12 billion will be all we have to save.

Let me repeat those last two figures because I want my colleagues to understand. Under this proposal, the only amount that the Congress will have to save, in my view at least, under the scenario which I think is proper is somewhere between $6 billion and $12 billion. And that is all you have to do to avoid the sequester. Why, of course, that lets Ronald Reagan off the hook. Of course, that lets Rostenkowski off the hook. And if you want taxes, Mr. President—and I think most of the authors of this amendment do not want taxes—this is the way to avoid the taxes.

Now, Mr. President, that is the current year. In the current year, it lets Ronald Reagan off the hook. How about next year? What does it do with respect to Ronald Reagan next year?

Well, Mr. President, next year we provide for a target of $130 billion. So, under the present Gramm-Rudman law, if I recall correctly, the target for fiscal year 1989 is $72 billion; is that correct?

Mr. HOLLINGS. Yes.

Mr. JOHNSTON. It is $72 billion, that is the target under the present law. Now, under this amendment, that target is up to $130 billion. So Ronald Reagan is supposed to come down to $150 billion and then to $130 billion.

So, on the face of it, you have got only $20 billion to save. Between this coming fiscal year 1988 and the final year of the Reagan administration, fiscal year 1989, $20 billion is all you have to save on the face of it.

But just to be sure, Mr. President, just to be sure, they provide that in no event will you have to save more than $36 billion from current policy. That is a special Ronald Reagan get-off-the-hook provision. It applies only to the Ronald Reagan administration. It does not apply after that.

My colleagues, understand what I am saying: There is a special provision for this year for Ronald Reagan and a special provision next year for Ronald Reagan. Next year it says the most you will have to save is $36 billion. You know, your target is only $20 billion difference between fiscal years 1988 and 1989—only $20 billion difference—but just to be sure there is this special provision that says "but in no event more than $36 billion."

Now, Mr. President, what happens when, as at least the polls show—and I do not want to make any predictions as to who is going to be elected President the next time, whether it will be a Democrat or a Republican, but I can tell you the polls presently show that the Democrats are ahead. So let us assume that those polls are correct—and I grant you they may not be. But suppose they take control, then what are the Democrats going to have to do on our watch?

Well, the first thing to understand, Mr. President, is there is no fail-safe mechanism. You do not have this $36 billion limit. The sky is the limit. When the Democrats come in, in fiscal year 1990, the sky is the limit. If it is a $60 billion difference, whatever it is, there is no limitation when the Democrats come in.

And look at what happens to the deficit. I mentioned that from fiscal year 1988 to fiscal year 1989, the budget deficit targets go down only $20 billion. But look what happens between fiscal year 1989 and fiscal year 1990. They go down $40 billion.

Mr. President, it is kind of amusing. As I mentioned, this year, fiscal year 1988, you probably do not have to save more than $6 billion to $12 billion. In the next year of Ronald Reagan's administration there is only $20 billion difference in the target with a $36 billion special provision relating only to the Ronald Reagan administration, but then you get to the next year and you have to save not $20 billion difference in the targets, but $40 billion.

And guess what, Mr. President, these accumulated errors—and, remember that each year we missed the target by an average of over $20 billion, over $20 billion we missed that target—and so you have to add that in as well. It says $40 billion you have got to save in fiscal year 1990, plus whatever is left over from the prior year. That is why the $36 billion limitation is so important.

If we run true to form in fiscal year 1990, which will be the first year of the Democratic administration, you will have to save $40 billion plus the accumulation from the prior year, which is expected to be, if we run true to form, at least $20 billion.

So the first year the Democrats come in, you have got to save $60 billion; $60 billion.

This year, Mr. President, you have got to save about $6 billion. This year, with Ronald Reagan, you have to save about $6 billion. When the Democrats come in the first year, you have got to save about $60 billion. Why, it is preposterous.

If you really want to know, this thing gets more and more absurd, Mr. President. You get to fiscal year 1991, and there is a $45 billion difference in the targets between fiscal year 1990 and fiscal year 1991. If you add to that the usual expectable difference in missing the target of $20 billion, fiscal year 1991, you have got to save $65 billion.

The same thing is true of fiscal year 1992, which is, again, a $45 billion difference in the target, and on your ordinary expectable difference of $20 billion and you get $65 billion you have to save.

Mr. President, I hope my colleagues understand what I am saying when I say this is a let-Ronald-Reagan-off-the-hook amendment; when I say that it is a smash-the-Democrats amendment; when I say it is a sweep-it-under-the-rug amendment. Because the 2 years of Ronald Reagan, you have got to save about, oh, $10 billion; $10 billion the first year, about $20 billion the second year. And then with a guarantee of not more than $36 billion. Then you come in the first year under the Democrats and it is going to be about $40 billion plus 20—probably $60 billion and then you go $65 billion. Mr. President, I think I am correct in these figures.

The distinguished Senator from Texas wanted to ask me a question and I am certainly ready to yield and have a discussion. If I am wrong about this, I would like to know just where I am wrong.

Does the Senator from South Carolina wish to ask a question?

Mr. HOLLINGS. No, I wish to give an answer when you get through. I will be glad to tell you why you are wrong.

Mr. JOHNSTON. If the Senator would do it by question, I will yield the floor in just a minute.

Mr. HOLLINGS. I will await the distinguished Senator.

Mr. JOHNSTON. Very well, Mr. President, I will yield the floor at this point to be instructed where I am wrong.

The PRESIDING OFFICER (Mr. Breaux). The Senator from Louisiana yields the floor. The Senator from South Carolina is recognized.

Mr. HOLLINGS. I regret I was not able to hear the full comments of my distinguished colleague from Louisiana. I had to open a hearing of the Commerce Committee this morning, but I have now turned it over to the distinguished Senator from Tennessee. Arriving here on the floor, I listened to the Senator from Louisiana saying we are letting the President off the hook.

I am astounded. Of course, I've been trying to get him on the hook. If it were possible, I would have long since done it.

I thought we found a way last June when we had the House-Senate conference on the budget. The distinguished Senator from Louisiana agreed to the conference report. We had to voice vote it late that evening. The Senator from Ohio, Senator Glenn, and I, paired on the floor there around midnight, objecting because the assumptions, the economic projections were all kiltered in favor of letting the President and the Congress off the hook.

I tried to keep the President on the hook and voted against it. The distinguished Senator from Louisiana voted for it. Now he complains that we are going to review the present amendment without reference to the Budget Committee. But what would happen if we referred it to the Budget Committee?

My distinguished colleague and I are both members of that committee. Earlier this year in the Budget Committee we marked up a bill. I set forth proposals to keep the President on the hook, including proposals that are only now gaining headlines here in August. Of course, I'm talking about taxes.

The distinguished former Governor of Arizona has made a media splash this week by proposing a national consumption tax. Welcome to the club. I proposed precisely such a tax back in early spring, and I did so not hypothetically as a candidate but concretely as a ranking member of the Budget Committee.

There were seven votes in committee for this proposal, a proposal that would indeed have kept the President on the hook. We dedicated my plan and, if my memory serves me well, the "keep-the-President-on-the-hook" Senator from Louisiana was not there in committee nor did he vote on my proposal.

I was asking for a value added tax—the same tax that, politically, was the kiss of death for our good friend from Oregon, the former chairman of the Ways and Means Committee, Al Ulman. The proposal was voted down and, instead, we have proceeded down the path of cutting and pasting, nickling and diming, a little bit here and a little a bit there, but now we have run out of smoke and we have run out of mirrors. The deficit, as the Senator from Louisiana points out, continues to grow and grow.

Nonetheless, I take heart from the bipartisan support in the Budget Committee for my proposal. It would have put the President on the hook. I only wish the Senator from Louisiana had been there.

Then day before yesterday we had the voice vote on the motion to table the alleged get-the-President-off-the-hook amendment offered by the Senator from Louisiana. That amendment said let us have a clean debt limit running through May of 1989. Of course the President would just love to be put on that hook. He'd love to be thrown into that briar patch. It would permit him to sit back with his veto pen, and the Congress would be just like tying two cats together by the tail and hanging them over a clothesline and letting them claw at each other between now and January 1989. The President would have a fine time talking about balanced budget amendments, line item vetoes, economic bills of rights, and so on, while he vetoes any measure that really does something to reduce the deficit.

So, day before yesterday, we kill the alleged get-the-President-off-the-hook amendment by the Senator from Louisiana. Because it was really a throw-the - President - into - the - briar - patch amendment. The President would have signed it in a skinny minute.

Now, the Senator from Louisiana makes a valid point when he notes that the proposed Gramm-Rudman-Hollings fix does not cut enough in fiscal 1988. The Senator is welcome to put in an amendment to correct that fault.

But I prefer to operate in the real world. The art and science of the Senate are compromise. We do not get all we want. Moreover, I dare say that even if the Senator from Louisiana's approach were adopted by the Senate as an amendment in the next 10 minutes, it would not get more than 20 votes over on the House side. And, remember, we are dealing with a two-bodied arrangement here and as a practical matter, we are going to be lucky to get a majority vote on the Gramm-Rudman-Hollings fix on the House side. It is frought with political undercurrents and opposition.

Our best hope is what the Senators from Florida, New Mexico, and Texas have fashioned for us: A good, constructive compromise, fashioned after what was already enacted by the Senate on a 63 to 36 vote in the original Gramm-Rudman-Hollings II. We have revised it, brought it up to date. I grant the Senator from Louisiana that we have eased up on some of the deficit targets. Likewise, my druthers would have been to reduce the $10 billion fudge factor down to $5 billion.

But Senator CHILES' approach has been reasonable throughout. For example, he insisted,

> I am not going to agree on a deficit target for fiscal 1987 until, in conference, we get from the Office of Management and Budget, and the Congressional Budget Office, their separate economic projections.

Yes, OMB and CBO have their bags of tricks. But let us not be unduly paranoid that OMB will abuse its role in the Gramm-Rudman-Hollings II process, or in the conference. In that conference, OMB will present its economic projections, and we will be sitting there in the majority. We will be able to confront OMB's figures with the already-stated figures by OMB and, thereby, you have a pretty good rein on the Office of Management and Budget.

I commend the Senator from Florida for fashioning that particular provision in this amendment. Mr. President, I urge my colleague from Louisiana not to hold up progress on the Gramm-Rudman-Hollings fix. As they say, a man convinced against his will is of the same opinion still. The fact is, the Senator from Louisiana was not for Gramm-Rudman-Hollings in any way, shape, or form. After all, Gramm-Rudman-Hollings is designed to get the President on the hook.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. HOLLINGS. Yes.

Mr. JOHNSTON. Am I correct that the deficit figure this year is set by OMB subject only to the right of this conference and later to the floor to change that deficit figure?

Mr. HOLLINGS. GAO will review a joint OMB/CBO report and issue its own estimate of the deficit. OMB will then issue the final deficit estimate explaining its differences with GAO. Congress will specify 15 economic variables that OMB, CBO, and GAO must use in estimating the deficit and would have 5 days to change the final OMB deficit estimate through expedited procedures before a sequester took effect.

Mr. JOHNSTON. There are 14 variables I believe that are set out in the statute.

Mr. HOLLINGS. Fourteen.

Mr. JOHNSTON. Those are determined by OMB subject to the right of this conference.

Mr. GRAMM. If the distinguished Senator will yield, this first year we will have CBO and OMB both report in advance and we will write the average of those two baselines into this law.

Mr. HOLLINGS. And we could write in conference the actual deficit. That is our discretion.

Mr. JOHNSTON. All right. That only makes my point. It is an average between OMB and CBO, which can be changed in conference or by the full body but it is an average for this year. Is that correct?

Mr. HOLLINGS. Right.

Mr. JOHNSTON. All right.

Mr. BYRD. Will the Senator yield right there?

Mr. JOHNSTON. Yes.

Mr. BYRD. When talking about an average, cannot that be skewed? Talking about an average, let us say one says 10; one says 20. The average is 15. Suppose one says 10 and the other one says 16, or the other one says 14.

Mr. JOHNSTON. The majority leader makes the point. They not only can do it; they have done it every time. And the figures right now show that the latest CBO estimate is $186 billion for the deficit; the latest OMB figure for the deficit is $150 billion. To be sure, that was granted in January and they have not given us a late figure. But every time they have come out with skewed figures. They were $27 billion off in the economic projections as reported by CBO when the President submitted his budget. That is right, is it not? I mean not only can they do it, they do it every time. And we are building——

Mr. HOLLINGS. We were, too, and we loved it. That is how we got where we are this minute—trying to catch and keep ourselves on the hook. I objected. The Senator from Louisiana used OMB figures, not the Senator from South Carolina. I objected as vigorously as I knew how to our using OMB's bogus numbers in our budget resolution. In that fight, the Senator from Louisiana beat me. Yes, to meet constitutional requirements, OMB will play a major role in the new Gramm-Rudman-Hollings process. This is the best approach we have. If the Senator has a better idea, I would be glad to look at it.

Mr. CHILES. I would like to respond to the majority leader's question and I think it is a legitimate question. The question, as I understand it, is, should we be concerned about OMB skewing the average because where you say it is the average between OMB and CBO, then if OMB wants to take an absurd number or a different number, yes, they can skew it.

The Senator from Florida was concerned about that point and that is why in the year we were dealing with now the Senator from Florida had us write in that before the conference is completed CBO has to give us their new number, OMB has to give us their new number, and those numbers then become fixed. They cannot be changed again this year. So we are not allowing them to in September come up with another number, in October come up with another number. They give us their number. Now, it is the average of those numbers. So, yes, OMB can give us a bad number if they want to but it is the average.

Remember, we are in the conference. We are there where we can then change the baseline number. We can change the sequester number. We sit in that conference in the majority, because we are the majority, in the House and Senate. The majority leader knows how the House feels about this question. I think he knows how the Senate feels about this question. He knows how the Senator from Texas, who will be chairing the conference on our side, feels about this question. So if they want to give that distorted average, we sit there, lock the number in so it cannot be changed any more, and if that number is wrong at the top end, we adjust the bottom. So that is the protection.

Is the $10 billion cushion there? It is. The $10 billion cushion is there. It can be taken out. The 150 can be adjusted to 140, 130. So however they want to cook the numbers—and we have OMB, which we trust, to give us a valid number—we are going to look at that number——

Mr. BYRD. We do not trust them.

Mr. CHILES. Excuse me. CBO. We have CBO there that we trust. And if you look at the language, it says, "The level of the gross national product is the amount determined by the committee of conference on the Balanced Budget and Emergency Control Act." So we are going to sit there and at that conference we are going to write that number.

You can raise a lot of fears about this, and the Senator from Louisiana has done that. I do not remember the Senator from Louisiana being a strong proponent of this process ab initio, from its beginning. And so I think he tends to look at it through a certain set of lenses. I do not think he tends to look at it as roses. I think he is looking for form. I think you can voice these concerns. They are legitimate. We need to try to answer them. But the concern about OMB cooking this number and us getting the President off the hook is a concern that I do not think is there because of the fact that we lock in that number. We in conference determine what that number is going to be: Where do we stand now? That is where I think it always has come back. How do you like your mother-in-law? Compared to whom? I think you have to ask that question. Where are we now? We are with what is supposed to be a target of 108 and we know we are not there. Next year that target goes down to 72. That is an election year. If we are talking about election year and about Democrats, how Democrats are concerned, I can read those TV ads next year: the target is supposed to be $72 billion. Democrats are in control of the House and the Senate. Where are they in regard to the deficit?

Mr. JOHNSTON. Will the Senator yield?

Mr. GRAMM. Will the Senator yield?

The PRESIDING OFFICER. The distinguished Senator from South Carolina has the floor.

Mr. HOLLINGS. Mr. President, the Senator from Louisiana has legitimate concerns. We all do. But we are now in the process of trying to find solutions to those particular concerns. We are not about in presenting this solution to foursquare the accuracy of the Office of Management and Budget. I objected in January that it was $27 billion off. It took them until June to acknowledge that. So I of all Senators understand the point being made by the Senator from Louisiana. But having made his particular points, now we have to get on with some kind of solution. It is a compromise. I do not happen to think we have much of a hook for President Reagan. If there is any, it is this Gramm-Rudman-Hollings procedure and it is only a symbol in a sense at the moment now effecting some discipline, but what we really need to do is put lead in the pencil.

Mr. GRAMM. Will the distinguished Senator yield?

Mr. HOLLINGS. Yes.

Mr. GRAMM. I would like to remark on some facts that I think are very relevant to the debate we are having right now. I have a page from the fiscal year 1987 sequester report printed in the Federal Register, Volume 51, No. 161, for Wednesday, August 20, 1986, that shows the difference between the OMB and CBO projections in 1986 of the fiscal year 1987 deficit. The report also explains what caused the difference. I think this is very revealing. About a year ago, a year minus 20 days or so, OMB said the deficit for fiscal year 1987 was going to be $156.2 billion. CBO said it was going to be $170.6 billion. These were the numbers that the Gramm-Rudman-Hollings process produced.

There were reasons for the difference between the two projections. Those reasons dealt with things like how to calculate appropriated entitlements, agriculture deficiency payments, Federal pay assumptions, and budget authority-to-outlay ratios. But I want my colleagues to take note of the fact that if you averaged the two deficit projections made last year by OMB and CBO, you get a deficit of $163.8 billion. In fact, the newest CBO preliminary estimate for the fiscal year 1987 deficit is $161 billion. The difference between the average of the projections made last year and the current CBO estimate is only $3 billion.

So I think it is important to note that last year, with no real constraints on any of the many items which you could differ on, such as deficiency payments and Federal pay, the process worked pretty well.

Mr. CONRAD. Mr. President, will the Senator yield?

Mr. GRAMM. Let me finish this point, because I think it is vitally important.

OMB projected a deficit of $156.2 billion; CBO projected a deficit of $170.6 billion. Today, the newest deficit estimate by CBO for fiscal year 1987 is $161 billion, while the average of the two deficit projections last year was $163.8 billion.

As the old cliche goes, "That isn't bad for Government work." In fact, if you wanted to give somebody credit for being the less inaccurate forecaster, OMB was closer to the current projections of the deficit than CBO was last year.

However, the point I want to make is not that the process worked pretty well last year. The point is that the measure before us eliminates the ability of the two agencies to treat many of the conflicting items, such as appropriated entitlements, differently.

In the amendment before us, we set out in law how OMB and CBO must estimate appropriated entitlements. Last year, appropriated entitlements accounted for $1.7 billion worth of the difference between the projections. We set out in law that OMB and CBO must assume that we advance the deficiency payments because we know we are going to do so. That was $1.5 billion of difference in the deficit estimates. We set out in law that OMB and CBO cannot overestimate Federal pay assumptions. Treatment of Federal pay explained $2.8 billion of the difference. We set out in law procedures for calculating the BA-to-outlay ratios; that caused $5 billion of the difference between the two projections.

In addition, there was a $2 billion difference in estimating revenues, with OMB being more conservative than CBO on tax revenues.

The point I want to make—and I hope my colleagues understand this—is that the amendment before us mandates procedures related to the treatment of farm deficiency payments, BA-to-outlay ratios, and appropriated entitlements; and those items explain most of the differences between the two estimates. These differences, that will be eliminated by the adoption of this amendment, explained $12 billion of the $14.2 billion of the differences in the projections last year.

In other words, had the current amendment before us been in effect, we would have eliminated virtually $12 billion of the $14.5 billion in the difference between the estimates. Interestingly enough, we would have increased the projection of the deficit and we would have failed to meet the target, and the headlines today would

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read, "Budget Outperforms Projection; Federal Deficit Lower."

Quite frankly, I think that is a nice headline that I would like to see.

I want to summarize two important points. First, the process worked last year: $163.8 billion for the OMB/CBO average was only $2.8 billion greater than the current projection of the deficit. That is very good for anybody's work. In fact, my guess is that private estimators outside Government did not do as well in estimating the deficit.

Second, by setting out in law procedures dealing with appropriated entitlements, farm deficiency payments, Federal pay, and BA-to-outlay ratio, we eliminate $12 billion of the $14.5 billion difference between the deficit estimates calculated by OMB and CBO.

Finally, the distinguished Senator from Louisiana talks about meeting the deficit targets is easier this year and next year and harder in the future. Remember, that because of the tax reform bill and the projected fluctuation in revenues, the deficit estimate for fiscal year 1989 has increased by $17 billion. Then, between 1989 and 1990, the current services deficit declines by $15 billion; between 1990 and 1991, it decreases by $10 billion; between 1991 and 1992, the deficit is lower by $13 billion.

So the truth is that the easiest year to meet the target, if you want to call any year of deficit reduction easy, is going to be in the 1990 budget, and that is going to occur while we have a new President.

Mr. HOLLINGS. Mr President, the Gramm-Chiles-Domenici amendment has included a far greater dose of discipline than what we had in last year's version of Gramm-Rudman-Hollings II. It is a great improvement. It has been well fashioned. Our colleagues have waited all week. It has been a lot of hard work, and I commend them on their presentation.

Back to the original point made by my distinguished friend from Louisiana: I do not think that, even as good as it is, this new process is going to make OMB 100 percent accurate and honest. Nor do I think it is going to make Congress 100 percent accurate and honest. Likewise, I do not think it is going to put the President on the hook. But our best shot at binding the President and Congress into a mutuality of budget discipline is this Gramm-Rudman-Hollings II fix that we have before us.

The Senator from Louisiana had his chance the day before yesterday. We considered his proposed solution, and voted it down. Now let us get on with consideration of Gramm-Rudman-Hollings II. Let us get a time agreement so we can expedite debate, take a vote and get it to the House; because the rough work lies ahead of us in the conference with our colleagues on the other side of the Capitol.

Mr. CONRAD. Mr. President, will the Senator from South Carolina yield for a question?

Mr. HOLLINGS. I yield for a question by the distinguished Senator from North Dakota.

Mr. BYRD. Mr. President, before the Senator yields, will he yield to me?

Mr. HOLLINGS. I yield.

### ORDER FOR RECESS

Mr. BYRD. Mr. President, we want to have a little conference at 10:30. I wonder if we could recess in 10 minutes for 30 minutes or so.

Mr. CONRAD. My question is fairly brief.

Mr. BYRD. Mr. President, if there is no problem with that, I ask unanimous consent that at 10:40 a.m. the Senate stand in recess for 45 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I yield to the distinguished Senator from North Dakota.

Mr. CONRAD. Mr. President, I think the Senator from South Carolina is to be applauded for the efforts he has made over the years to bring about deficit reduction.

I come at this from a little different direction than does the senior Senator from Louisiana, but I reach the same conclusion. That is, I favor a fix. I think we have to have the discipline by both the President and Congress in order to have deficit reduction. So I am in complete agreement with the Senator from South Carolina on that.

I think the concern I have may be shared by the Senator from South Carolina, and that is that we are not imposing enough discipline on the President or ourselves with this particular fix. The reason I come to that conclusion, which is the conclusion of the Senator from Louisiana, is the numbers. The numbers are very clear.

The target for fiscal 1988 is $150 billion, plus $10 billion of tolerance. That is $160 billion. In our budget resolution that has been passed, we are at $152 billion of deficit with the revenue, with the $19 billion of revenue. Without the revenue, we take away the $19 billion, and we are at $171 billion. So we have only $11 billion of difference between the budget resolution without the revenue and the Gramm-Rudman target for fiscal 1988 as contained in this fix.

It seems to me that it is a pretty easy matter to cook the numbers and the numbers have been cooked. It is a pretty easy matter to get a little bit of revenue to meet the $162 billion. That means you are taking this President off the hook. It also means you are taking this Congress off the hook because in 1987 the deficit is going to be $161 billion according to CBO. This target is $160 billion.

So it seems to me this resolution has two serious weaknesses: No. 1, no year-to-year deficit reduction from 1987 to 1988 which was contained as a central part of the previous Gramm-Rudman-Hollings deficit reduction plan. No year-to-year deficit reduction. And, No. 2, it takes the President off the hook on revenue with respect to this fiscal year and it takes us off the hook as well with that in that regard because we are so close on the budget resolution that has already passed.

It seems to me the fix would be an amendment that would lower the target for this year and perhaps next year as well.

I know the Senator from South Carolina had a proposal that had a lower target, and I am wondering if the Senator from South Carolina would be amenable to an amendment that would lower the target for this year.

Mr. HOLLINGS. The Senator from North Dakota is correct. I proposed just slipping this year's target of $144 billion 1 year for 1988 and put in $144 billion rather than $150 billion and put in only a $5 billion cushion rather than the $10 billion.

But I am committed to the Gramm-Chiles-Domenici-Hollings compromise. We are trying our best to get everyone together.

The Senator from North Dakota and I both support more discipline.

But coming from the North, he knows that we in the South feel like a minority. We are in a minority. Likewise, on this Gramm-Rudman-Hollings fix, we do not have the votes. We must get the cooperation of the White House. I would think the White House would resist very strongly on exactly the grounds expressed on this floor, on the grounds that it backs him into new taxes. So let us tread very carefully.

Let me repeat, I just do not think that we can do better than what the package proposed here by Senator CHILES, Senator DOMENICI, and Senator GRAMM.

Mr. CONRAD. Let me conclude by saying that I can understand why the Senator from Louisiana sees this as a bit of a sucker punch, that is, you take the pressure off the President this year and I am very much fearful that is precisely what this does.

Beyond that, frankly, from my perspective it also takes the pressure off Congress on year-to-year deficit reduction. So on both counts this fix disturbs me. I would much prefer lower targets for fiscal 1988, keep the pressure on both of us, keep the pressure on the President to accept revenue which he ought to do and keep the pressure on us to reduce spending which we ought to do.

Mr. HOLLINGS. Mr. President, I think it is a mistaken perception that

there is pressure to slash the deficit. It is a most frustrating experience. We only really act in the Congress when our feet are to the fire. The fact is, there is not enough popular outcry and pressure on the issue of the deficit. How else do you explain the President's ability to get away with his traveling carnival show—cutting up credit cards and so on—at the same time he is presenting budgets that are $27 billion over the deficit target. I would be embarrassed at so brazen a misrepresentation.

I am dismayed by it, but I am equally dismayed about the public's apparent willingness to tolerate it.

I talked to a member of the New York Stock Exchange yesterday afternoon. He said "We are counting on you on that fix." I said, "Baloney. You are not counting on us. Stocks are soaring with or without a fix." There is no real pressure from Wall Street to deal with the deficit.

And in the absence of any strong popular pressure, the Senator from North Dakota and I are not strong enough as individual Senators from our good States to create that pressure.

I thank the Senator and yield the floor.

The PRESIDING OFFICER. The Senator yields the floor.

The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, this is an interesting debate. I set out a series of figures and then tried to discuss those figures with my colleagues, and my colleagues have flown like a covey of quail.

Instead of getting real argument on the questions of whether my figures were correct, I was told things like, well, the senior Senator from Louisiana has opposed this bill all along; therefore, his motives must be suspect. He is looking at this through dark-colored glasses; therefore, the figures must not be correct.

Mr. President, that does not have anything to do with the figures nor does it have much to do with history.

First of all, let us deal with this question of whether you can trust OMB. Mr. President, OMB has consistently missed the targets by looking at this thing with rose-colored glasses.

Mr. President, in 8 of the last 9 years CBO has adjusted upwards OMB's deficit projections by an average of 16 percent, in 8 of the last 9 years. That includes not just Republicans but Democratic OMB's as well. It is endemic to OMB. The difference right now is actually OMB deficit projection this year was $150 billion which include 3 percent defense real growth. If you take out that defense real growth which has already been taken out by the committees, OMB's latest projects is $142 billion, CBO's is $186 billion. There is a $44 billion difference.

Mr. President, they have stated it right up front. You know what Dave Stockman said? He said, and this is from his book:

> Bookkeeping invention thus began its wondrous works. We invented the "magic asterisk." If we could not find the savings in time, and we could not, we would issue an IOU. We would call it future savings to be identified. It was marvelously created, a magic asterisk item would cost negative $40 billion, whatever it took to get to a balanced budget in 1984 after we toted up all the individual budget cuts we actually approved.

That is an interesting revelation by Mr. Stockman as to what they did, and it has been continued under this OMB director, too.

We are asked to trust these OMB directors. They are going to be OK. They are going to give us the right figures.

I say history shows something different.

Mr. President, I see the majority leader I think wants to put us in recess. We will be prepared to continue this discussion later today.

Mr. BYRD. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BYRD. Mr. President, if the Senator wishes to retain the floor I ask unanimous consent after the following request the Senator retain the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

### RECESSES

The PRESIDING OFFICER. The hour of 10:40 having arrived, under the previous order, the Senate stands in recess for 45 minutes.

The Senate, at 10:40 a.m., recessed until 11:25 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. BREAUX].

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess an additional 20 minutes.

There being no objection, at 11:25 a.m. the Senate recessed until 11:45 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. BREAUX].

The PRESIDING OFFICER. The Chair in his capacity as a Senator from the State of Louisiana, asks unanimous consent that the Senate stand in recess for an additional 10 minutes.

There being no objection, the Senate, at 11:45 a.m., recessed until 11:55 a.m., whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. BREAUX].

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Louisiana, asks unanimous consent that the Senate stand in recess an additional 10 minutes.

There being no objection, the Senate at 11:55 a.m., recessed until 12:04 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. REID].

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, under the order Mr. JOHNSTON is to retain the floor. While he is getting to the floor—he has been tied up—let me say that we have had a good conference. It took 1 hour and 25 minutes but I think we have saved time in the long run. The emphasis, I think, is on getting this measure adopted and sent to the conference. We do not have a lot of time or many days. So I fully anticipate rollcall votes this afternoon.

May I say once again, the joint leadership—I think I can say this, I have talked with Mr. DOLE and both managers—are opposed to nongermane amendments. This is no time; this is no vehicle for that. This is not just an ordinary—if I may use that word—debt-limit extension.

I hope Senators will schedule their afternoon accordingly. If we do not finish today, then we ought to stay in tomorrow, because this matter has to go to conference, it has to go back to both Houses, it has to go to the President's desk, it has to be signed by the President by midnight, next Thursday. It is a serious matter. So let us get busy this afternoon, stay in this evening if necessary, finish it, and then we will be out tomorrow.

Otherwise, I see no alternative but to say until we get this done.

Mr. President, Mr. JOHNSTON is in the process of writing an amendment, and Mr. CHILES, the distinguished manager of the resolution, is assisting Mr. JOHNSTON, through his staff, so as to expedite the writing of the amendment, and that will take possibly one-half hour or some such.

In the meantime, I urge other Senators who have amendments to come to the floor and call them up. I also urge Senators not to pack their bags too early this afternoon. I would not want to be away from this Senate when the votes occur this afternoon, and I would not want it said that this Senate packed up and went home leaving such a serious matter as this unfinished.

So this is not just an ordinary Friday afternoon. It is not an ordinary debt-limit extension. If the Social Security checks stop after next Thursday night and the veterans' checks stop and the United States is unable to meet its obligations, that will be the shot that will be heard around the world. It is going to recoil upon all of us. There are certainly some things that are more important than getting out this afternoon at 3 o'clock or 4 o'clock or 5 o'clock or 6 o'clock. I would think that Senators would

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rather choose between finishing this measure today then coming in tomorrow or having to erode the August break.

Again, I say if this measure is not on the President's desk by midnight next Thursday, then we are in trouble. So Senators who have amendments, now is the time. This is the place. The hour is here. So do not come in at 4 o'clock saying, "I haven't had a chance to call up my amendment. Why don't we wait until Monday or Tuesday?" We are not going to do that. I would also urge those with nongermane amendments not to call them up.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, we have just had a caucus. Based on extended discussions in that caucus, I and Senator Conrad and Senator Wirth and several others will have an amendment, which is now being drafted, which will seek to give symmetry in treatment of the fiscal year 1988–89 with the other years.

It seems to me that the amendment now pending is the worst of absolutely all worlds, because under the rubric of being tough, of having a mandatory sequestration, what the amendment actually does is reduce the amount of savings that must be made to a point well below that which has already been voted in the form of the resolution by the Senate and by Congress—reduces it well below that which would cause the President to come to the table and seriously negotiate; and certainly, in my view, makes it totally impossible to get any real taxes.

The amendment we will propose will require real action in the first year as well as in the second year. So that we just do not sweep the problem under the rug.

Having said that, I am still an unreconstructed nonfan of the Gramm-Rudman process, whose main accomplishment I think has been to delay rather than to save money. It is perfectly true that the deficit has come down from about $220 billion the first year to maybe $186 billion this year, if you take CBO's latest number. But to attribute that to Gramm-Rudman targets, which is the essence of Gramm-Rudman, I think is totally a non sequitur, because Gramm-Rudman has clearly not worked to make the targets, and the essence of Gramm-Rudman is the targets.

The budget process already provided for a reconciliation process, for a savings process, and Congress was already persuaded that we needed to cut the deficit. So to say that the only reason you come down in the deficit is because of the existence of these targets, when we missed the targets by light years, I think simply does not follow.

Nevertheless, Mr. President, I do not propose to spend a great deal of time today—although I will debate it somewhat further—on the question of the advisability of Gramm-Rudman, because I think the Senate has probably made up its mind and I want to get my views on that clearly spread upon the Record. Once having done that, I do not propose on that point to delay the Senate.

So we will have an amendment, I would guess, in about an hour on that subject, and will bring it up and will debate it at that time.

In the meantime, I think Senators know that I had planned to offer an amendment to change the date of expiration of the debt limit, and I hope that amendment will not receive a great deal of opposition.

The present date in the pending amendment is October 1, 1988. So if the present legislation were passed and signed into law, the debt limit would expire in October 1, which happens to be the week on which I am sure the majority leader would like to adjourn the Senate for the elections of 1988.

I do not think I have to draw a picture or persuade Senators that that is about as bad a date as you could possibly pick.

The debt limit is always a piece of "must pass" legislation; and Senators, sensing that everybody knows that they will have to leave, could put on their little pet project to that debt limit, and there would be enormous pressure to adjourn the Senate and get out. So, Mr. President, we certainly should not do it at that time.

### AMENDMENT NO. 647

Mr. JOHNSTON. Mr. President, in this interregnum, while we are waiting for the other amendments, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair asks the Senator from Louisiana if this amendment is to the pending amendment or to the bill.

Mr. JOHNSTON. I would have to ask the Chair: Where is it that the debt limit is stated?

The PRESIDING OFFICER. It is stated in the bill.

Mr. JOHNSTON. This would be, then, an amendment to the bill.

The PRESIDING OFFICER. The Senator is advised that it will take unanimous consent to set aside the first-degree amendment offered by the junior Senator from Texas.

Mr. JOHNSTON. Mr. President, I ask unanimous consent to do that. My purpose in doing it at this time is to use this time appropriately while we are waiting for the other amendment. I ask unanimous consent to do that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Louisiana [Mr. Johnston] proposes an amendment numbered 647.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 1 line 3, strike all after the word "That" and insert in lieu thereof the following: "during the period beginning on the date of the enactment of this Act and ending on May 1, 1989, the public debt limit set forth in subsection (b) of section 3101 of title 31, United States Code, shall be equal to $2,800,000,000,000."

Mr. JOHNSTON. Mr. President, what the amendment does is to extend the date to May 1, 1989, and to alter the amount of the debt ceiling to conform with that date.

The rationale for May 1, 1989, is to get it past the election and far into the next administration, so that the administration team can be in place. May is usually a time when we are not into the emergency part of the session, and I think it would be an appropriate time to deal with an extension of the debt ceiling.

I think the argument is well understood, and I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. DOMENICI. Mr. President, as the distinguished Senator from Louisiana knows, the debt limit part of this bill is within the jurisdiction of the Finance Committee, not the Budget Committee. I need a few moments to clear this with the distinguished ranking member, Senator Packwood, and to speak with Senator Chiles, the chairman of the Budget Committee.

We have negotiated long and hard on this Gramm-Rudman-Hollings fix, and I have assumed all along that our negotiations encompassed the underlying extension, not the amended one as suggested by Senator Johnston.

I want to make sure that in anything I say, I am living up to my commitment to Senator Chiles, the Senator from Texas, and others. Obviously, if we got the fix in place and it was binding, the Senator from New Mexico is on record that he would like to see the debt limit extended as recommended in the amendment of the Senator from Louisiana. But also, I would like us not to extend the debt limit if the Gramm-Rudman-Hollings fix were not in place.

That is not the issue. I am just saying that it is kind of foolhardy to have the debt limit come up all the time if we do have something fixed.

For now, I must indicate that we are not prepared for a few moments to proceed with the matter, either to debate it or to vote. It will not take us long, just a couple of minutes.

Mr. JOHNSTON. Would the Senator like to lay it aside for a few minutes?

Mr. BYRD. Mr. President, will either Senator suggest a time?

Mr. DOMENICI. For purposes of advising the distinguished ranking member, I would like just a few minutes to talk with him, and I am sure we can arrange something either on time limit or procedure rather rapidly with a vote.

Mr. JOHNSTON. Yes. If the majority leader will yield, I am prepared to vote at this time. As a matter of fact, if it is unacceptable, I am prepared to accept a voice vote. It depends. I do not know if there is opposition.

Mr. BYRD. I am just hoping we can stay on the bill and not drift away into morning business, Mr. President. There are times when morning business is fine.

We have a serious matter here and I hope we will not have Senators rushing to the floor wanting to make morning business speeches because that is the very way to discourage other Senators from coming to the floor. It does take time and it kind of lends the appearance that, well, we are going to spend the afternoon talking, we might as well go ahead and catch our planes.

So I have to say that I will object to any morning business speeches for the time being.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I have been conversing with Senator Chiles, Senator Johnston, and Senator Domenici.

Personally, I support a debt extension through May 1989. I think it will give us a little more continuity than going month to month, week to week, or day to day, or even year to year.

I do not want to in any way interfere or jeopardize the agreement that has been reached among the Senator from Texas, the Senator from Louisiana, the Senator from New Mexico and the Senator from Florida, which I regard as very important.

So to the extent that the extension of the debt ceiling through May 1989 does not jeopardize the agreement between the principals, I support it. I will support it, clearly understanding that if it does jeopardize the agreement then I would pretty much leave it to the Senator from Florida and the Senator from New Mexico as to how they personally feel about it.

But from the standpoint of public policy, I think it is good policy to go to May 1989.

Mr. CHILES. Mr. President, let me say that the Senator from Florida actually wanted a much shorter date. I wanted a date of October 15 of this year, and I wanted that date for a very clear reason. I wanted there to be a supernova in which the reconciliation would come due and the debt ceiling would come due, and all those matters would meet at the intersection of the track, and then I was going to call my brother, because he had never seen a train wreck, either.

I wanted to bring those things into being. There were parties that did not agree with me on that. And sometimes parties do not always see the wisdom of my action. And so the date was set for September 1988.

I will have to say, just be frank with my friend from Louisiana and to the people on the other side, I do not consider this as a major break in the other parts of the agreement that we have negotiated. The Senator from Louisiana has raised concerns that I think could concern people that here we are going to have the country running out of the authority for its borrowing capacity just prior to an election. How that cuts, I do not know. I think we would agree with the remarks that others have made that I suspect both sides would be hasty to extend that, at least temporarily. I have seen that happen many times here.

I would like to find out what my good friend from Texas, who has just come on the floor, feels about that, and that is the amendment to extend it from September 1988 to May 1989. I do not know whether the Senator from Florida sees anything that changes. The September 1988 date I think, came out of the Finance Committee.

I would be persuaded by what the Senator from Texas felt on that. I think I should wait on his feelings on that.

Mr. BENTSEN. As I understand it, the proposed amendment is a simple temporary extension until May 1989; is that correct?

Mr. JOHNSTON. Yes.

Mr. BENTSEN. Mr. President, I believe that all Senators recognize that this country is facing a long series of unacceptably large deficits. This is a problem we must deal with. And in passing the deficit control legislation which has been proposed by the chairman and ranking member of the Budget Committee, we are taking important and difficult steps to deal with that problem. I do not know whether that legislation will have its desired effect. I am inclined to believe that it will, and I certainly hope that it will.

In any case, I think we need to give the new process a chance to work, and I think that one way to do that is to put aside for a protracted time our practice of having the debt limit come due periodically. I don't think it would be particularly fruitful to debate at this point the merits or demerits of the debt limit as a restraint on deficits. The important point is that we are, as a Senate, opting to throw our efforts behind a different type of mechanism—the automatic sequestration process.

It can, in my view, only confuse and undermine that process to continue to have debt limit crises while we are trying to achieve deficit reduction in another way. I realize that the bill before us continues the debt limit through a little more than a year from now, but I think under the circumstances that is too short. Next year will be the first one in which the entire budget process will be carried out in the context of an automatic sequestration law. It would be confusing—and possibly disruptive—to have a debt limit crisis arriving at about the same point as sequestration.

Consequently, it seems to me that the most reasonable approach is to extend the debt limit even further. I therefore support the amendment by the senior Senator from Louisiana to House Joint Resolution 324 which will increase the debt limit to $2.8 trillion through May 1, 1989. This amount is, in fact, the administration's recommendation transmitted in a letter to me, as chairman of the Finance Committee, from Secretary of the Treasury James A. Baker III. This action will give the new processes we are adopting here a chance to show their strengths or weaknesses. I hope the amendment will be adopted.

I ask unanimous consent that the letter from Secretary Baker supporting such an increase be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The Secretary of the Treasury,
*Washington, July 8, 1987.*

Hon. Lloyd Bentsen,
*Chairman, Committee on Finance, U.S. Senate, Washington, DC.*

Dear Lloyd: I am writing to request that the Congress act by July 17 on legislation to extend the debt ceiling. The temporary debt limit enacted May 15 expires at midnight on July 17. The ceiling then reverts to the $2.1 trillion permanent ceiling—about $195 billion below the amount of debt that we estimate will be outstanding.

The Congress enacted only a two-month extension of the temporary debt limit in May to assure that there would be no other choice but to revisit the debt limit in mid-July. Enactment of a debt limit extension by July 17 is crucial to prevent disruptions

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in Treasury debt management that would begin immediately. As described below, in the absence of timely Congressional action the Government could well default on its obligations on July 30, and almost certainly will do so on July 31.

The following actions must be taken if the Congress delays enactment of a debt limit increase. On July 17, we would have to (1) notify the 44,000 savings bond issuing agents not to sell any more bonds and (2) notify the Federal Reserve Banks to stop issuing State and local government series (SLGS) Treasury securities. Interruption in the availability of SLGS will result in lost interest earnings and interest arbitrage rebate problems for municipal entities. Furthermore, Treasury will be unable to invest or roll over maturing investments of trust funds and other Government accounts. For many of these accounts, Congressional action will be required if any resultant losses of investment income are to be restored.

Disruptions in Treasury's normal market financing will begin on July 20 with the postponement of the weekly bill auction. On July 23, $13.7 billion maturing bills will have to be redeemed in full. We will notify the thousands of smaller investors who use the Treasury book-entry system that they may receive a check instead of their requested reinvestment of the redemption proceeds in new bills. This will be done so that they can plan alternative investments. Smaller investors in book-entry Treasury bills maturing July 30 would also have to be notified, with the additional warning that the checks may not be honored on July 30.

The Treasury may well not have enough cash to pay off $13.7 billion of maturing weekly bills on July 30. Even if the Treasury managed to get through July 30, our balance would be perilously small and we would almost certainly run out of cash the next day. On July 31, in addition to defaulting on $10.2 billion of maturing marketable Treasury notes, the United States would not be able to honor $2.1 billion of benefit payments to veterans and supplemental security income beneficiaries. Further, on August 3, $17.1 billion of social security benefit payments could not be honored, nor could $4.2 billion of benefit payments to railroad, military and civil service retirees.

I should stress that defaulting on already outstanding, validly incurred obligations has far graver effects than halting operations of the Government when spending authority is allowed to lapse, such as when there is a delay in action on appropriations. A failure to pay what is *already* due will cause certain and serious harm to our credit, financial markets and our citizens, it is not remotely similar to a lapse in authority to incur *new* obligations.

I urge you to seek cooperation of your colleagues and to act quickly on a debt limit increase in order to prevent unnecessary problems and later default on the Government's obligations. We are requesting an increase in the current debt ceiling to: (a) $2,800 billion, an amount sufficient to get through May 1989, and avoid the burden of dealing with this time-consuming issue in the midst of election year schedules; or (b) $2,578 billion, the amount estimated in the President's Budget to be necessary for FY 1988.

I cannot overemphasize the damage that would be done to the United States' credit standing in the world if the Government were to default on its obligations, nor the unprecedented and catastrophic repercussions that would ensue. Market chaos, financial institution failures, higher interest rates, flight from the dollar and loss of confidence in the certainty of all United States Government obligations would produce a global economic and financial calamity. Future generations of Americans would have to pay dearly for this grave breach of a 200-year old trust.

Sincerely,

JAMES A. BAKER III.

Mr. CHILES. I would say that that answers any questions anybody poses to me. I would also support it. I would say I have no reservation or no concern if the body decided to vote that way.

Mr. DOMENICI. Mr. President, I want to indicate, as I said earlier, my only reluctance in supporting the Johnston amendment for further extension of the debt limit to the date specified was that we had negotiated our bipartisan approach to a budget fix over a shorter period of time for the debt extension. But I, too, believe that it should not interfere, especially since we still have to go to conference. And we are going to conference with the House debt extension that is shorter than the Johnston proposal and that, too, would have to be ironed out there along with the entire Gramm-Rudman-Hollings fix.

So I hope the Senate would adopt the Johnston amendment and I, too, support it.

The PRESIDING OFFICER. Is there further debate?

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Louisiana [Mr. JOHNSTON]. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Delaware [Mr. BIDEN], the Senator from Vermont [Mr. LEAHY], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I also announce that the Senator from Alabama [Mr. SHELBY] and the Senator from New Mexico [Mr. BINGAMAN] are absent because of illness in the family.

I further announce that, if present and voting, the Senator from Alabama [Mr. SHELBY], would vote nay.

The PRESIDING OFFICER. (Mr. HARKIN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 58, nays 35, as follows:

[Rollcall Vote No. 216 Leg.]

YEAS—58

Bentsen
Bond
Boschwitz
Bradley
Breaux
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Daschle
Dodd
Dole
Domenici
Durenberger
Evans
Graham
Gramm
Hatfield
Heinz
Inouye
Johnston
Karnes
Kassebaum
Kennedy
Kerry
Lautenberg
Levin
Lugar
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Reid
Rockefeller
Roth
Sanford
Sarbanes
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Wallop
Weicker
Wilson
Wirth

NAYS—35

Armstrong
Baucus
Boren
Burdick
Conrad
DeConcini
Dixon
Exon
Ford
Fowler
Garn
Glenn
Gore
Grassley
Harkin
Hatch
Hecht
Heflin
Helms
Hollings
Humphrey
Kasten
McCain
McClure
Murkowski
Nickles
Pressler
Proxmire
Pryor
Quayle
Riegle
Rudman
Sasser
Symms
Warner

NOT VOTING—7

Adams
Biden
Bingaman
Leahy
Matsunaga
Shelby
Simon

So the amendment (No. 647) was agreed to.

Mr. BYRD. Mr. President, if we may have the attention of all Senators, and I would particularly want the attention of the distinguished Republican leader and the two managers, I want to see if they agree with me on some matters here this afternoon.

Mr. President, this resolution has to be on the President's desk and signed by the President by midnight next Thursday or the whole thing collapses. We need to get this resolution passed this afternoon or be in tomorrow. Now, we cannot fiddle-faddle around with all kinds of nongermane amendments. This is not the vehicle for them, and it is not the time for them. I hope that the joint leadership will join in moving to table any, I say any, nongermane amendment.

I am sure there are nongermane amendments that are very important to Senators who have them, and they are important amendments. But if we do not get this resolution adopted and sent to the conference—and it has problems in conference with the House—and back to both Houses and on the President's desk by midnight next Thursday, Social Security checks are not going to go out, veterans' checks are not going to go out. This Government will not be able to pay its bills and it will not be able to borrow money. So I urge Senators, please do not call up nongermane amendments.

I hope I can get some expression of support from the Republican leader and from both managers. I hope they will join me in urging Senators to stay around today and finish the work on this measure. Those who leave and are out of town when these important votes occur, may regret that. I would not want to be out of town when votes are occurring on this resolution today.

So I am going to yield to the distinguished Republican leader or either of the managers. I want Senators to understand that it is not just the majority leader standing up here saying we have to get the job done. I want others who are managing this resolution to state whether or not it is their intention to move on this afternoon and to do all we can to press for final action.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes, I yield.

Mr. DOLE. Let me underscore what the majority leader has said. It is my understanding that not only the managers of the so-called Gramm-Rudman-Hollings fix amendment, but also the managers of the debt limit, Senators BENTSEN and PACKWOOD, share the view that we ought to do it as quickly as we can. I know a lot of our colleagues on both sides have important appointments later in the day. I understand there are 13 amendments floating around. There may be two or three of those that are germane obviously and there is no quarrel with those. But I wanted to indicate my support for the position taken by the majority leader, and I hope that is shared by the managers on each side. I think it is safe to say I can speak for Senator PACKWOOD that he feels the same.

Mr. BYRD. I thank the Republican leader.

Mr. CHILES. I welcome the majority leader's comments. I welcome those of the minority leader. I think it is possible for us to buckle down and to finish this bill today, this evening, tonight. I think it could be done quickly if the spirit is here and people understand. The issues before us are clear. Certainly, I do not think we should have any nongermane amendments. There are even some that are in the realm of maybe calling them germane that I hope Members would decide now is not the propitious time to offer those with this question before us.

Mr. BYRD. I thank the Senator.

Mr. DOMENICI. Will the distinguished majority leader yield?

Mr. BYRD. Yes; I yield.

Mr. DOMENICI. I not only support what the Senator has just indicated but I welcome it. Actually, there are, from what I can tell, 8 or 10 amendments that are spurious to the underlying issue. We are trying on our side to narrow down even those amendments which are relevant to one or two with reference to such items as rescission authority and the like. Maybe we can get those down to only one. We are not there yet. But clearly we would like to finish today. We think we have struck a pretty good deal after an awful lot of work and we are now waiting. It seems that Senator JOHNSTON has the principal amendment which would alter the Gramm amendment. He says he will be ready shortly. Obviously, it his amendment will be debated. I know of no other amendments on our side to the proposal itself. Senator EVANS has amendments that are germane in the area of appropriation bills, line-item veto, and the like. I am not speaking about those. We know of no amendments on our side to the Gramm-Rudman fix deal that has been struck between Senator CHILES, myself, and the Senator from Texas.

Mr. BYRD. Mr. President, I would question as to whether or not a line-item veto amendment would be germane. I doubt that.

Mr. DOMENICI. Relevant.

Mr. BYRD. Well, relevant is one thing; a good many things can be relevant, but being germane. I say they have no business on this resolution. Now, if we get a line-item veto up here and it passes this Senate, we might as well go home because we are not going to get any time agreement on this resolution if that is adopted. So Senators had better sober up and prepare to vote to table some very attractive amendments perhaps. But we just cannot fiddle-faddle and get this resolution to conference and have it on the President's desk. I say that with a great deal of regret and trepidation. I know there will be some amendments probably that will be called up that I would like to support, too, but I am not going to support them.

Mr. DOMENICI. Will the distinguished majority leader yield?

Mr. BYRD. Yes.

Mr. DOMENICI. I want to make it clear from my standpoint in my negotiations and discussions with the distinguished Senator from Florida, perhaps I have improperly made a distinction between amendments that were clearly relevant to the processes that are involved such as rescission enhancement, line-item veto. I am not telling the leader that I support all of those. But when I said I will try to keep all nongermane amendments off, I did not have those two or three amendments in mind. I am trying to limit those, process related amendments to a very, very few—if possible one. Hopefully that one will not be the line-item veto. I did not include the line-item veto in the strict definition of germaneness and to that extent I have misstated myself and I want the leader to understand.

Mr. BYRD. Yes. Mr. President, I do understand. I respect the Senator. I still am going to oppose such amendments and I hope that the Senate will oppose them. Senators have a right to call them up. That is of course true, but we better think twice. And I hope Senators will join in tabling nongermane amendments.

The PRESIDING OFFICER. The question now occurs on the Gramm amendment.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, this is just to inform the Senate that in a short while, I hope to offer the Social Security trust funds management amendment bill, which was introduced on the first day of the 100th Congress by my distinguished colleague from Michigan, Mr. RIEGLE, and myself.

This is a measure which passed the Senate in the last Congress, only to fail in conference with the House.

As the distinguished managers of the legislation will know, this is a genuine problem as we deal with this debt ceiling situation. In 1984, during an impasse on the debt ceiling, the Treasury found itself cashing in some $5 billion in Social Security trust fund bonds, with a loss to the trust funds of some $382 million in interest payments, which was subsequently paid back.

Then, in September through November 1985, in a protracted crisis, the Treasury cashed in, in sequence, $6.9 billion in September, $4.8 billion in October, and $13.7 billion in November.

In round terms, some $25 billion in trust funds were cashed in to use for the general purposes of Government, which of course is not what they were there for. Yet, it is also the case that the Secretary of the Treasury may not have had any choice. We put him in this position.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order.

The Senate will please come to order. The Senator from New York will suspend while the Senate is brought to order. Will Senators please cease audible conversation?

Mr. MOYNIHAN. I thank the Chair. The Presiding Officer is very thoughtful to bring silence to the Chamber on this subject.

We are talking about the Social Security Trust Fund. There is not one Member of this body, we hope, who will not draw Social Security someday, and we represent some 33 million Americans who are drawing it. They have paid their money into this trust fund, and they have a right to know if it is being kept in trust.

On December 5, 1985, the General Accounting Office found that the Secretary's actions were "in violation of the Social Security Act." But then it went on to say: "We cannot say that

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the Secretary acted unreasonably, given the extraordinary situation in which he was operating."

He found himself with the choice of cashing in Social Security trust funds or letting the U.S. Government default on its debt, an intolerable choice for a Secretary of the Treasury.

If there was a mistake made in 1984 and 1985, and there was, it is this: That Congress was not notified of this action of cashing in the trust funds. The trustees were not notified. We established in 1983 two public trustees. They were not notified. That was wrong. We wish they had not done that. Under Secretary Gould, in May 1987 testimony before the Finance Committee, said that the Treasury prefers this version to the House proposal, which would prohibit disinvestment under any circumstances.

My amendment simply says to the Secretary that he may not disinvest—except to pay out social security benefits. This amendment puts him out of the situation where he could disinvest for other reasons, but ought not.

This temptation will be large, Mr. President. The trust funds are in surplus now and will grow. The surplus will reach $1 trillion in the next decade. The temptation to use these moneys for a crisis situation, knowing that the crisis comes and there is this money to use, will grow. It is agreed that as the practice continues, confidence in the trust fund will diminish.

What will you say if your Social Security trust funds are used to pay for the Commodity Credit Corporation or to buy ships for the Navy or to subsidize the mass transit here and there—all things that are legitimate in Government but, nonetheless, not a legitimate use of trust funds?

The amendment provides, very simply, that bonds may be cashed in but only for the purpose of paying Social Security benefits. That is what they are there for.

What does this do for the Secretary of the Treasury? In this Senator's view—and I am chairman of the Subcommittee on Social Security and Family Policy—it removes the Secretary from an intolerable situation where he can, in effect, violate a trust, which he does not want to do, or he can let the Government default on its debt, which he does not want to do, and the only way he can avoid default is to violate the trust. That is not a position in which an officer of the U.S. Government should be placed.

So what this really does, Mr. President, is to put Congress on notice that when the debt ceiling is reached, the Secretary has no option: He cannot dip into Social Security to meet other Government obligations.

I emphasize that in the years ahead, this is going to be a very considerable temptation. In this legislation we will be talking about fiscal year 1991, which is not far away. In 1991. we now project a surplus of $260 billion—a quarter of a trillion dollars. That is why I am happy to be able to say, and honored to be able to say, that the distinguished chairman of the Committee on Finance supports this legislation. From the first, he has understood, to repeat, the intolerable position in which we put the Secretary of the Treasury and the question of the sanctity of these funds. These funds are for Social Security benefits and nothing else. They are a trust fund.

Under law, the most binding of the obligations is for a trustee to see that the trust funds are properly managed. The managing trustee, the Secretary of the Treasury, is—according to a statement from the General Accounting Office, the Comptroller—at risk of having to violate this obligation.

Our Secretary of the Treasury is a man of honor and impeccable standards in this kind of matter, and he ought not be put in that position. Our purpose here is to see that he is not.

Mr. BENTSEN. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I am happy to yield.

Mr. BENTSEN. If I might state as chairman of the Finance Committee I support the amendment that the Senator will be offering. As I recall we passed that through the Finance Committee last year.

Mr. MOYNIHAN. The Senator is right.

Mr. BENTSEN. It passed through the Senate twice and we went to conference with it.

I think its underlying objective—to keep those funds inviolate—is shared by all Members of the Congress.

There was, as I recall, some difference of viewpoint as to how you achieve that objective with the Members of the House. I am confident, if we pass it this time and take it to conference, we can resolve those differences and put it into the law.

I certainly support the objective of the distinguished Senator from New York in that regard.

Mr. MOYNIHAN. I thank the chairman, who could not be more supportive in this throughout.

I see my distinguished cosponsor is here and, Mr. President, in the presence of the Senator from Michigan I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. I thank the Chair.

Mr. President, I want to say to my colleague from New York that I am very pleased that we are able to join together in offering this today.

I thank the chairman of the Finance Committee for his support of the amendment and his belief that this can be worked out in a satisfactory way in conference.

It is just wrong to constantly hold people on Social Security hostage to these extensions of the debt limit. The Social Security Fund is separately financed. The money is there for that purpose and that purpose alone. It ought to be used. It ought not to be in any way threatened, jeopardized, or interrupted because of these needs to extend the debt limit.

So I am very hopeful we can see this enacted into law. We have passed it before. It is something that our seniors want and deserve and they ought not be be held hostage in these circumstances, and this is a way to correct that problem.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I would like to emphasize a point that has been made by my friend, the Senator from Michigan. With this amendment and with our prospective surplus in the trust fund, whatever happens with these periodic, systematic debt-ceiling crises, it will not be a crisis for the Social Security recipients. In a situation where a debt ceiling has been reached and the Assistant Secretary of Treasury is saying either we get this debt ceiling changed or no Social Security checks go out Monday morning, he has a right to disinvest, that is to cash in sufficient trust fund assets in order to send out the checks. That is what the trust fund is for.

The Senator from Michigan is quite right. Senior citizens have every reason to expect that their benefits are there, they are paid for, and they will be paid out. Suddenly, they have to read in the paper they will not go out this Monday. What on earth is happening?

In all truth, most persons in retirement understand it and there will not be any great difficulty. But there are many persons who are frail and apprehensive generally about their situation who will not understand it and who should not have to understand it. What those citizens most need is the assurance: do not worry about that, that is taken care of, we have nothing to worry about here.

Indeed they ought not to worry and with this legislation they will not.

Mr. President, as the distinguished managers of the legislation know, we are waiting only for clearance from the other side of the aisle before we proceed, and we know that clearance will be forthcoming.

I see my chairman emeritus is on the floor.

Mr. DOMENICI. Mr. President, will the Senator from New York yield?

Mr. MOYNIHAN. I am happy to yield.

Mr. DOMENICI. I am in a predicament in that I am not a ranking member of the Finance Committee,

and Senator Packwood is in the process of reviewing the Senator's amendment. We are supposed to hear from him shortly as to whether or not he has any objection. I think that will be forthcoming rather quickly.

Obviously, I cannot speak for him. I do not feel disposed to say OK until at least he has had a chance to look at it. I feel, as the Senator does, rather positive that he is not going to have any objection. I think he deserves an opportunity to review it.

Mr. MOYNIHAN. Of course.

Does anyone have a suggestion how we might proceed?

Mr. DOMENICI. We understand he is on the phone at this moment with his staff being briefed and we should just be momentarily delayed.

Mr. MOYNIHAN. If that is the case, Mr. President, then it would not be inappropriate for me to hold the floor unless the distinguished Senator from Texas wishes to speak.

Mr. BENTSEN. No. That is fine.

Mr. MOYNIHAN. We will be dealing with this matter shortly.

I would like to take the opportunity to note, with respect to the availability of the Social Security Trust Fund assets to pay benfits, that under this amendment, such assets would also be available to pay administrative expenses. The point here would be that it would be of little avail that there are moneys to cover the checks if, in fact, there is nobody working in the Social Security offices to send them out. So we provide that the work force continue in the same manner.

We also provide that in the situation where FICA taxes are received by the Treasury as they are continuously, they cannot be invested if we have reached the debt ceiling, they just have to be held. However, the amendment requires that these tax receipts be invested as soon as possible and that there is a permanent appropriation to restore the trust funds to the level at which they would have been had no disinvestment occurred

It would also restore assets that were redeemed, as well as any interest lost as a result of the redemption.

May I just walk the Senate through that point. Moneys are constantly coming in from FICA taxes, payroll taxes, and those moneys are typically turned over and paid out in benefits. Any surplus not needed is invested in this particular bond that was established half a century ago, which is always redeemable at par. It is a Treasury bond, but it never drops below par. It is the safest possible investment in the world, I would like to think, but in normal circumstances there is no need to cash those bonds because the cash flow is quite sufficient for what is needed. As a matter of fact, on a regular basis now each month more money comes into the trust funds than goes out. So if a bond is cashed in because incoming tax receipts that are arriving in the mail cannot be invested, you lose interest. Well, we have provided that such lost interest be paid back. The trust fund is made whole for any interruptions in its normal operations that come about because the debt ceiling has been reached and it is not possible to invest the FICA taxes and the trust fund assets have to be disinvested.

If this seems an abstraction, please remember that it happened in 1984 and it happened in 1985, and in not small sums, $5 billion, $25 billion. As that distinguished Senator from Illinois once said on this floor, a billion here and a billion there and pretty soon you are talking about real money. And this is indeed real money.

The great failing in 1984 and 1985 is that Congress was not told. It was embarrassing to the Treasury, painful to the Treasury. It is not their manner. They do not proceed in such ways. But in this case they did.

So we, therefore, provide in this measure that the managing trustee will be required to notify the Social Security Board of Trustees and the Congress 15 days in advance of an anticipated disinvestment.

I do not think I make legislative history through a statement on the floor, but perhaps I could note at this time that when we say "notify the Congress," what we have in mind is notifying the Finance Committee in the Senate and the Committee on Ways and Means in the House. These are the tax committees, and they have jurisdiction over this legislation, and when everything is in the open, we will feel secure and there is no need to be apprehensive. It is when things are done that are not reported and indeed when things are done that do not have any pre-prepared solution that you get in trouble.

When the trust funds were disinvested in 1984 and again in 1985, there was no established procedure for making up the lost interest. We created such a procedure. We enacted legislation. Today, we propose to refine that procedure by prohibiting the premature disinvestment of the Social Security Trust Funds, except to pay out Social Security benefits.

### AMENDMENT NO. 648

(Purpose: To specify the treatment of the Social Security Trust Funds in the event that the statutory limit on the public debt is reached)

Mr. MOYNIHAN. Mr. President, in the circumstance, and seeing the cheerful confidence of my friend, Senator Domenici, I send this amendment to the desk and ask for its immediate consideration for myself and Mr. Riegle.

The PRESIDING OFFICER. Is the Senator from New York asking consent to set aside the pending amendment?

Mr. MOYNIHAN. Mr. President, I regret that I did not ask for consent to set aside the pending amendment that we might consider this one item I would now send to the desk.

The PRESIDING OFFICER. Is there objection to setting aside the present amendment? Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York [Mr. Moynihan], for himself and Mr. Riegle, proposes an amendment numbered 648.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following new title:

### TITLE .—SOCIAL SECURITY TRUST FUNDS

**SEC. . SHORT TITLE.**

This title may be cited as the "Social Se-

**SEC. . INVESTMENT AND RESTORATION OF TRUST FUNDS.**

(a) Subsection (d) of section 201 of the Social Security Act (42 U.S.C. 401(d)) is amended—

(1) by striking out "(1) on original issue" and inserting in lieu thereof "(A) on original issue",

(2) by striking out "(2) by purchase" and inserting in lieu thereof "(B) by purchase";

(3) by striking out "It shall be" and inserting in lieu thereof "(1) It shall be", and

(4) by adding at the end thereof the following new paragraphs:

"(2) If—

"(A) any amounts in the Trust Funds have not been invested solely by reason of the public debt limit, and

"(B) the taxes described in clause (3) or (4) of subsection (a) with respect to which such amounts were appropriated to the Trust Funds have actually been received into the general fund of the Treasury of the United States,

such amounts shall be invested by the Managing Trustee as soon as such investments can be made without exceeding the public debt limit and without jeopardizing the timely payment of benefits under this title or under any other provision of law directly related to the programs established by this title.

"(3)(A) Upon expiration of any debt limit impact period, the Managing Trustee shall immediately—

"(i) reissue to each of the Trust Funds obligations under chapter 31 of title 31, United States Code, that are identical, with respect to interest rate and maturity, to public debt obligations held by such Trust Fund that—

"(I) were redeemed during the debt limit impact period, and

"(II) as determined by the Managing Trustee on the basis of standard investment procedures for such Trust Fund in effect on the day before the date on which the debt limit impact period began would not have been redeemed if the debt limit impact period had not occurred, and

"(ii) issue to each of the Trust Funds obligations under chapter 31 of title 31, United States Code, that are identical, with respect

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to interest rate and maturity, to public debt obligations which—

"(I) were not issued during the debt limit impact period, and

"(II) as determined by the Managing Trustee on the basis of such standard investment procedures, would have been issued if the debt limit impact period had not occurred.

"(B) Obligations issued or reissued under subparagraph (A) shall be substituted for obligations that are held by the Trust Fund, and for amounts in the Trust Fund that have not been invested, on the date on which the debt limit impact period ends in a manner that will ensure that, after such substitution, the holdings of the Trust Fund will replicate to the maximum extent practicable the obligations that would be held by such Trust Fund if the debt limit impact period had not occurred.

"(C) In determining, for purposes of this paragraph, the obligations that would be held by a Trust Fund if the debt limit impact period had not occurred, any amounts in the Trust Fund which have not been invested, and any amounts required to be invested under paragraph (2), shall be treated as amounts which were required to be invested upon transfer to the Trust Fund.

"(4) The Managing Trustee shall pay, on the first normal interest payment date that occurs on or after the date on which any debt limit impact period ends, to each of the Trust Funds, from amounts in the general fund of the Treasury of the United States not otherwise appropriated, an amount determined by the Managing Trustee to be equal to the excess of—

"(A) the net amount of interest that would have been earned by such Trust Fund during such debt limit impact period if—

"(i) amounts in such Trust Fund that were not invested during such debt limit impact period solely by reason of the public debt limit had been invested, and

"(ii) redemptions and disinvestments with respect to such Trust Fund which occurred during such debt limit impact period solely by reason of the public debt limit had not occurred, over

"(B) the sum of—

"(i) the net amount of interest actually earned by such Trust Fund during such debt limit impact period, plus

"(ii) the total amount of the principal of all obligations issued or reissued under paragraph (3)(A) at the end of such debt limit impact period that is attributable to interest that would have been earned by such Trust Fund during such debt limit impact period but for the public debt limit.

"(5) For purposes of this section—

"(A) The term 'public debt limit' means the limitation imposed by subsection (b) of section 3101 of title 31, United States Code.

"(B) The term 'debt limit impact period' means any period for which the Secretary of the Treasury determines that the issuance of obligations of the United States sufficient to orderly conduct the financial operations of the United States may not be made without exceeding the public debt limit.".

(b) Subsection (a) of section 201 of the Social Security Act is amended by adding at the end thereof the following new sentence: "All amounts so transferred shall be immediately available exclusively for the purpose for which amounts in the Trust Fund are specifically made available under this title or under any other provisions of law directly related to the programs established by this title.".

### SEC. . REPEAL OF NORMALIZED TAX TRANSFER.

(a) Subsection (a) of section 201 of the Social Security Act is amended by striking out the matter following clause (4) and inserting in lieu thereof the following: "The amounts appropriated by clauses (3) and (4) shall be transferred from the general fund of the Treasury of the United States to the Federal Old-Age and Survivors Insurance Trust Fund, and the amounts appropriated by clauses (1) and (2) of subsection (b) shall be transferred from the general fund of the Treasury to the Federal Disability Insurance Trust Fund, upon receipt by the general fund of taxes specified in clauses (3) and (4) of this subsection (as estimated by the Secretary). Proper adjustments shall be made in amounts subsequently transferred to the extent amounts previously transferred were in excess of, or were less than, the taxes specified in such clauses (3) and (4). All amounts so transferred shall be immediately available exclusively for the purpose for which amounts in the Trust Fund are specifically made available under this title or under other provisions of law directly related to the programs established by this title.".

(b) The amendment made by subsection (a) shall take effect on July 1, 1990.

### SEC. . FAITHFUL EXECUTION OF DUTIES BY MEMBERS OF BOARD OF TRUSTEES OF TRUST FUNDS.

Section 201(c) of the Social Security Act is amended by striking the last sentence and inserting the following: "A person serving on the Board of Trustees (including the Managing Trustee) shall not be considered to be a fiduciary, but each such person shall faithfully execute the duties imposed on such person by this section. A person serving on the Board of Trustees (including the Managing Trustee) shall not be personally liable for actions taken in such capacity with respect to the Trust Funds.".

### SEC. . REPORTS REGARDING THE OPERATION AND STATUS OF THE TRUST FUNDS.

Subsection (c) of section 201 of the Social Security Act is amended—

(1) by striking "once" in the fourth sentence and inserting "twice",

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(3) by redesignating paragraphs (3), (4), and (5) as subparagraphs (D), (E), and (F), respectively,

(4) by inserting after subparagraph (B) (as redesignated by paragraph (2) of this section) the following:

"(C) Report to the Congress as soon as possible, but not later than the date that is 30 days after the first normal interest payment date occurring on or after the date on which any debt limit impact period for which the Managing Trustee is required to take action under paragraph (3) or (4) of subsection (d) ends, on—

"(i) the operation and status of the Trust Funds during such debt limit impact period, and

"(ii) the actions taken under paragraphs (3) and (4) of subsection (d) with respect to such debt limit impact period;",

(5) by striking out "in paragraph (2) above" and inserting in lieu thereof "in subparagraph (B) above",

(6) by inserting "(1)" after "(c)", and

(7) by adding at the end thereof the following:

"(2) The Managing Trustee shall report monthly to the Board of Trustees concerning the operation and status of the Trust Funds and shall report to Congress and to the Board of Trustees not less than 15 days prior to the date on which by reason of the public debt limit, the Managing Trustee expects to be unable to fully comply with the provisions of subsection (a) or (d)(1), and shall include in such report an estimate of the expected consequences to the Trust Funds of such inability.".

### SEC. . ELIMINATION OF UNDUE DISCRETION IN THE INVESTMENT OF TRUST FUNDS.

(a) Section 201(d) of the Social Security Act is amended, in the first sentence—

(1) by inserting "immediately" after "to invest"; and

(2) by striking ", in his judgment,".

(b)(1) Paragraph (2) of section 201(d) of the Social Security Act, as added by this title, is amended to read as follows:

"(2) If any amount in either of the Trust Funds is not invested solely by reason of the public debt limit, such amount shall be invested as soon as such investment can be made without exceeding the public debt limit and without jeopardizing the timely payment of benefits under this title or under any other provision of law directly related to the programs established by this title."

(2) The amendment made by paragraph (1) shall take effect on July 1, 1990.

### SEC. . SALES AND REDEMPTIONS BY TRUST FUNDS.

Section 201(e) of the Social Security Act is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following:

"(2)(A) The Managing Trustee may effect any such sale or redemption with respect to either Trust Fund only for the purpose of enabling such Trust Fund to make payments authorized by this title or under any other provisions of law directly related to the programs established by this title. If either of the Trust Funds holds any amounts which are not invested by reason of the public debt limit, the Managing Trustee is nevertheless directed to make such sales and redemptions if, and only to the extent, necessary to assure timely payment of benefits and other payments authorized by this title or by any other provisions of law directly related to the programs established by this title, but the principal amount of obligations sold or redeemed pursuant to this sentence shall not exceed the principal amount of obligations that would have been sold or redeemed under normal operating procedures in order to make such payments.".

### SEC. . EFFECTIVE DATE.

Except as otherwise provided by this title, the amendments made by this title shall take effect on the date of enactment of this Act.

Mr. RIEGLE. Mr. President, I am pleased to join with the Senator from New York [Mr. MOYNIHAN], in offering an amendment to the debt ceiling legislation which would protect Social Security beneficiaries and the Social Security trust fund from being used as political pawns when the Government reaches the debt limit ceiling. This amendment would prevent a repeat of events that took place 2 years ago when the Treasury Department redeemed assets from the trust fund to keep the Government from running out of money. It would also prevent Social Security beneficiaries from being frightened that their Social Security checks will not be issued every time the Congress uses the extension of the debt limit ceiling for political objectives.

For several months in 1984, and again in 1985, the Treasury Department failed to invest the amounts that were credited to the Social Security trust funds. Instead of being invested to ensure that the program would meet the future needs of workers, surplus revenues from workers' contributions were used to pay for general government activities and a non-interest-bearing credit was assigned to the trust fund. This resulted in interest losses estimated at about $875 million. In response to our questions about these unauthorized raids, Congress discovered the astounding fact that the same abuse had occurred with the debt ceiling was reached in 1984, resulting at that time in a $440 billion loss of interest. It is unconscionable that neither Congress nor the Board of Trustees had been informed of any of these episodes and that no steps had been taken to ensure repayment of the lost interest. Fortunately, Congress has since mandated that these losses be repayed.

However, these highly disturbing activities by the Treasury Department must not be allowed to occur in the future. Not only do they threaten the financial stability and structure of the Social Security System, but they undermine public confidence in the program and indeed confidence in the integrity and competence of government. Millions of Americans who contribute to the Social Security System and depend on it to provide them with a decent standard of living in their retirement years would agree that the current practice is not a proper way to ensure that the funds owed them will be there when they need them.

I believe that ultimately Congress should restructure the Social Security System by making the Social Security Administration an independent agency. This would largely do away with the conflict of interest that allowed the Secretary of the Treasury to believe he could authorize these raids. In the meantime, however, there is urgent need for action to ensure that this particular threat cannot occur again. There is currently nothing to prevent Treasury from engaging in the same kind of manipulation again. For this reason, I am cosponsoring this amendment by Senator MOYNIHAN. Several provisions in this legislation would ensure protection of the trust funds.

Mr. MOYNIHAN. Mr. President, I believe we have set forth the provisions.

Mr. DOMENICI. Mr. President, I have conferred with the distinguished ranking member of the Finance Committee, Senator PACKWOOD. He has no objection.

My understanding is the Senate has adopted this approach to Social Security trust fund investment heretofore but it has not been acceptable to the House in conference. We have no objection to it.

Mr. BENTSEN. Mr. President, as the manager of the bill for the majority, let me point out that we passed this amendment twice last year in the Senate, and had approved it in the Finance Committee. I think the objective of the amendment is excellent. I strongly support it.

What we want to do is be sure that Social Security funds are held inviolate. That is the purpose. I am confident in going into conference that the House shares those objectives. The problem before was a difference over the means of achieving them. I feel confident that we can reconcile those.

I urge the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from New York.

The amendment (No. 648) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 649

(Purpose: To lower the deficit targets for fiscal years 1988 and 1989)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk on behalf of myself; the Senator from North Dakota, Mr. CONRAD; and the Senator from Colorado, Mr. WIRTH and Mr. KERRY and ask for its immediate consideration.

The PRESIDING OFFICER. If the amendment is not an amendment to the pending Gramm amendment, a unanimous-consent request would have to be granted to set-aside the pending amendment.

Mr. JOHNSTON. Mr. President, parliamentary inquiry: Is the Gramm amendment presently pending?

The PRESIDING OFFICER. Yes, the Gramm amendment is the pending amendment.

Mr. JOHNSTON. Then this amendment is to the Gramm amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for himself, Mr. CONRAD, and Mr. WIRTH, proposes an amendment numbered 649 to amendment No. 645.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 58 strike lines 1 through 5 and insert the following:

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1987, the lower of $140,000,000,000 or $36 billion less than the baseline estimate of the deficit in a manner to be determined by the conferees;

"(B) with respect to the fiscal year beginning October 1, 1988, $120,000,000,000;"

and section (d)(1) of the Balanced Budget Act of 1985 is amended by striking out "$10,000,000,000" each place it appears and inserting in lieu thereof "$5,000,000,000".

(2) The amendment made by paragraph (1) shall be in effect only with respect to fiscal year 1988.

Mr. JOHNSTON. Mr. President, what this amendment does is require that, in fiscal year 1988, at least $36 billion in policy reductions be made from the baseline deficit.

The way we achieve that is to amend the fiscal year 1988 target and to make that target $140 billion in lieu of the $150 billion stated in the present amendment and to reduce the cushion from $10 to $5 billion.

With present economics, that is assuming a deficit which is CBO's current number of $186 billion, that would give you a policy reduction of $41 billion.

But we also have language that says $36 billion below the baseline, whichever is less.

So that if the baseline deficit turns out to be not $186 billion but something higher than that, or indeed $186 billion, then the $36 billion language would govern.

We also provide that with respect to the fiscal year 1989 deficit, that the target shall be $120 billion instead of $130 billion. We do not change the fail-safe of $36 billion for the second year.

Mr. President, I discussed at some length this morning the fact that the pending amendment, while cloaked in strong language of making the President come to the bargaining table and that it is taking a strong swipe at the size of the deficit—actually it is a step backward.

If you believe in the Gramm-Rudman process or if you do not believe in the Gramm-Rudman process, you must accept the fact which is stated in the figures printed in this amendment that the Gramm amend-

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ment is a step backward because it has a maximum reduction of $26 billion. A minimum reduction, depending on the economics, depending on what OMB does, depending on what the conferees do—it may require zero reduction. But is has a maximum reduction of $26 billion because that assumes that the biggest deficit projection, which is now the projection of the Congressional Budget Office at $186 billion, if you use that projection then you only have to make a savings of $26 billion and that is compared to the Senate budget resolution, which has already been passed and reconciliation instructions have already been issued to the various committees, which require a cut of $38 billion.

So, why should we take a step backward from that strong action to a weaker action? If we cannot take that action in this, a nonelection year, what are we going to do next year when it is an election year? We will do zero next year and not much this year and present, indeed, an ever-growing crisis for the following year.

Mr. President, to me the idea of stepping back, the idea of saying we cannot act this year, would be to confirm the worst suspicions that Gramm-Rudman skeptics had all along, and that is that you are going to talk tough about procedure, but when you get up to the actual cutting of the deficits, you are going to wilt like the roses in the sunlight; you are going to step back from that tough challenge and not do what can be done.

It can be done this year, Mr. President. The Congress has already made all those decisions, at least in the budget resolution.

We have taken the tough votes. We have said by a majority vote of both Houses, $19.3 billion worth of taxes. That is tough action.

It is time to carry that out, it seems to me, by not reducing the size of the action already taken. I think it is just as clear as it can be and I hope my colleagues will see it the same way.

I hope that the authors of this amendment, of the Gramm amendment, will come with us and have a bigger cut and not a lesser cut.

Mr. President, I send a modification to the desk and ask the modification be reported.

The PRESIDING OFFICER (Mr. Dixon). The amendment as modified will be stated.

The bill clerk read as follows:

The Senator from Louisiana [Mr. Johnston] proposes a modified amendment (No. 649).

Mr. JOHNSTON. I ask unanimous consent that further reading of the amendment as modified be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 58 strike lines 1 through 5 and insert the following:

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1987, the lower of $140,000,000,000 or $36 billion less than the baseline estimate of the deficit in a manner to be determined by the conferees;

"(B) with respect to the fiscal year beginning October 1, 1988, $120,000,000,000;"

At the appropriate place, insert "and section (d)(1) of the Balanced Budget Act of 1985 is amended by striking out '$10,000,000,000' each place it appears and inserting in lieu thereof '$5,000,000,000' ".

(2) The amendment made by paragrapn (1) shall be in effect only with respect to fiscal year 1988.

Mr. JOHNSTON. This is a technical correction, second page, submitted to add on line 14 the words "At the appropriate place, insert".

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. JOHNSTON. So it does not change the substance of the amendment just described.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI I wonder if I may ask the principal sponsor of the amendment if he would like to enter into a time agreement with reference to the amendment.

Mr. JOHNSTON. Mr. President, I do not intend to speak a long time and Senator Wirth is not here on the floor. At this point, I do not know whether he is going to want time.

I would rather not enter into that at this time. I think, frankly, we can dispose of this quickly.

I think the issue is clear and understandable. We discussed it in our caucus.

Why do we not debate it for a little while and if it looks like it is getting out of hand, I will agree to any reasonable time limit.

Mr. DOMENICI Mr. President, I am not going to speak very long on this amendment. Let me just suggest to the U.S. Senate that those of us who were totally committed to reinstating a mandatory trigger have negotiated hard and long to come up with a bipartisan compromise. I regret to say my friend from Louisiana, the principal sponsor of this amendment, is not one of those. He has never been for it. He is not for it and said he was not for it yesterday.

Now this Gramm-Rudman-Hollings automatic trigger is before the Senate. The distinguished Senator from Louisiana indicated clearly yesterday that he does not favor the Gramm-Rudman-Hollings sequester. He went to great lengths to discuss with us that he thought the process would work without it. As a matter of fact, he read language from a year ago saying that Gramm-Rudman-Hollings would work without an automatic trigger.

So, let me remind the Senate that those who really want to make the trigger work have gone to the bargaining table, not once, and not 1 day, not 1 week, but for 2 weeks. From that negotiating as best we could with us full understanding, not only of the budget, of the numbers, but of the institution and of the support—and from whence the support for Gramm-Rudman-Hollings automatic sequester comes in the U.S. Senate—we came forth with an agreement that we think is a fair one.

It puts the United States on a path of deficit reduction. As I said yesterday, we could sit around here and quibble about whether $5 billion more a year is better for America; $10 billion more a year in deficit reduction is better for America. But I do not think there is any question that if we can implement the compromise that Senators Chiles, Domenici, and Gramm, working with others—if we can implement that, that would be historic. I do not believe the marketplace would quibble one bit with a $150 billion target and a $130 billion target, and thereafter a path to zero.

I think they would raise the flag of victory saying we have finally got something.

Frankly, along comes the Senator, my good friend, a very distinguished Senator who does not even support the process and he is now down here telling the Senate he has the fix for it. He has the cure for it.

Well, he sure does. I guarantee what it is calculated to do is to get no Gramm-Rudman-Hollings sequester process because there is not support, there would not be support for the numbers that he has put in and the way he has approached it. Those who are going to vote for it, I hope they are prepared if they are going to vote to change the compromise. I hope they are prepared to vote for a Gramm-Rudman-Hollings sequester, Johnston-style? Because that is what they are going to have to do.

If they vote in the first round for that, they better be prepared to stand up and vote yea for a mandatory $36 billion sequester this coming year, 6 weeks from now, mandatory and unequivocal, or $140 billion with a $5 billion window.

Let me tell the Senate, my good friend from Louisiana and a few others have told the Senate that there will not be any major sequester, that they have this all figured out, that we have somehow got some gimmicks here trying to bail out Ronald Reagan and avoid a sequester.

There has even been some contention that it can be pushed off into 2 years from now when the other side of the aisle says it is being pushed off to

a President who will be a Democrat President.

Well, let me tell the Chair and the Members of the Senate, I really think that is going pretty far. First of all, the November election a year from now has not already occurred.

Frankly, from this Senator's standpoint, if the Senate wants to know the truth, the difficult part of a U.S. budget from the standpoint of fixed targets just happens, Mr. President, to be 1988 and 1989. If you are talking about the years following when the other side of the aisle assumes there is going to be a President of their party, it just happens, because of the tax bill, that the deficit starts coming down then even if we do not do anything.

The current policy deficit—that is with no deficit reduction at all—goes down starting in 1990 and 1991 this is the case even under the new CBO preliminary numbers. That is why the distinguished chairman, Senator Chiles, myself and Senator Gramm concentrated so heavily on this year for 1988 and 1989.

I am not going to go into baselines and all kinds of details. Let me just suggest if the distinguished Senator from Louisiana and his cosponsors think we are so far off the mark, just listen to this simple explanation of why $150 billion plus $10 billion and $130 billion plus $10 billion as the fixed targets, with all the vagaries of change, cannot be far off the mark.

Mr. President, if we were to just go back to the original Gramm-Rudman-Hollings days and remember that the first deficit, the $220 billion one that we were unaware of was $50 billion higher than we thought. I think everybody would say, "Well, at least, we ought to slip the targets a year."

And if there were no other changes, if we had not found out anything new, do you know where the targets would be this year? $144 billion plus 10. That would be the effect of simply slipping the targets one a year, without any recognition that interest rates have gone up and we lost $11 billion in additional interest costs, or to include the effects of lower revenues or any of the other changes that have made the dificits we project $17 billion higher in fiscal year 1988 and $34 billion higher in fiscal year 1989 than we thought just 4 or 5 months ago.

So I just want to open this discussion by dispelling any notion that we have done something radical in order to avoid sequester, in order to help anyone. What we have really done is face reality.

I make no bones about it. That is the first point.

The second point: the majority of support for the Gramm-Rudman-Hollings sequester happens by coincidence to be on this side of the aisle. I am sure my good friend, the chairman, went to his caucus and got a lot of advice from marvelous Senators. I regret to say that he probably got some great advice from a lot of Senators who are not for the Gramm-Rudman-Hollings fix.

I hate to be in his position, going to a caucus where everybody is picking on his compromise and, in particular, those who do not want it at all. They are most astute about its impact and they have the most penetrating questions. They do not have any answers because they are not going to vote for it anyway.

So, by a strange coincidence, even though we are in a minority, it is recognized that a majority of the votes for this proposition are going to come from this side of the aisle, not that side of the aisle. We hope a lot of them support it.

Now, Mr. President, if I got a blackboard up here I could show you why $150 billion plus $10 billion is a very logical follow-on to the original Gramm-Rudman-Hollings. I want everyone to know that the $150 billion first year target was arrived at because the Congressional Budget Office is telling us that the deficit is much higher than we had contemplated when we had the budget resolution here on the floor. Indeed, they are telling us that a full implementation of a Democratic-passed budget would not even hit the targets. That is an interesting observation. The Democrat budget would be substantially off.

Mr. JOHNSTON. Will the Senator yield?

Mr. DOMENICI. My third point is, and I want to make it clear. We on this side of the aisle did not enter the negotiations on the automatic sequester because we support the budget plan as the Senate passed it or Congress adopted it. I know my good friend Senator Johnston is looking at this debate on the automatic sequester from the point of view of the budget that passed the Senate and then was conferenced and adopted. Recall, Mr. President, we did not vote for that budget. I do not want to bring up old tales, but we did not sit down in a conference with the House on the budget. Senator Gramm and Senator Domenici, with their side of the aisle in the minority, are going to provide most of the votes for sequester, not—I emphasize not—because we are saying "How in the world can we draw a sequester that will absolutely, unequivocally mandate that the budget adopted will be enforced in its totality?" We do not come to this issue from this perspective, I assure you. So, I assume anyone who has any sense would say, "Why did you do it?"

We have worked to provide mandatory targets that are reasonable, practical, achievable, and probably will require a significant sequester in order to assure that something in the way of realistic deficit reduction gets done this year.

Mr. JOHNSTON. Will the Senator yield?

Mr. DOMENICI. Let me finish, please.

This Senator, if this amendment is passed as is and goes to the President's desk, I will urge that he sign it. I will also tell him that in 1988 we have to maximize our efforts to deficit reduction because the next year will be plenty tough. To get to $130 billion plus $10 billion will be almost impossible unless we make some real efforts this year. As a matter of fact, the $36 billion maximum in the second year was put in there at the suggestion of the distinguished chairman because he knew how difficult that one would be to achieve.

Now, Mr. President, let me conclude. If there are those on the other side of the aisle who want to do substantially more than the compromise, and if they really think we can get it done, then they should vote for this. They better be prepared to vote for its final passage because there will be plenty on this side who will not, and you can unequivocally count this Senator among them.

I am interested in getting something done that can pass both Houses and get signed by the President of the United States, that is constitutional, that will do the job. I repeat, this may be some issue from the standpoint of the distinguished Senator from Louisiana as to just how big the sequester will be. I do not know how big it will be. But I do know this: It is not calculated to throw any extraordinary burden on a Democrat or Republican President 2 years hence. I can tell you that unequivocally. Second, from the standpoint of the marketplace of the United States—and I think I have as good a communication with them as anyone around—they do not have any argument about $5 or $10 billion more or less. They are saying, "Get the automatic trigger in. And if it is $150 billion plus $10 billion and then $130 billion plus $10 billion, hallelujah. Just do it."

I am suggesting that with the amendment in its current form we have the votes to do it. We have bipartisan support to do it. We have a chairman of a Budget Committee from the other side of the aisle willing to do it. We have broad support on this side of the aisle ready to do it. It is just as simple as that. Are we going to quibble about $10 billion when the sequester itself is at stake? Or do we get it done or not?

I will be pleased not only to yield for questions but I am pleased to yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico will yield to the Senator from Louisiana.

Mr. JOHNSTON. I thank the Senator for yielding and I would like to ask him a question. That is, Does he agree with me that under the pending Gramm amendment, as I recall it, the maximum deficit reduction this year that could be contemplated would be in the neighborhood of $26 billion, perhaps less? And if that is not correct, I wish he would explain how it could be more.

Mr. DOMENICI. If the deficit, when we finally arrive at it, is $186 billion and if you ultimately seek $160 billion, which is the $150 billion plus the margin of error, arithmetic yields $26 billion and that is the answer.

Mr. JOHNSTON. Mr. President, I thank the Senator for that answer. It is very plain and it is what I have been trying to establish all morning, that the outside limit of this amendment is $26 billion. And the Senate is stepping back from its own passed budget resolution, passed in this Congress, which calls for reconciliation of $38 billion.

Now, Mr. President, I have distilled the argument of the distinguished Senator from New Mexico, and the argument against this amendment is as follows: The senior Sentor from Louisiana has not been for Gramm-Rudman, and that is an argument repeated fives times. Now, I wonder what relevance it is to this amendment as to whether I did vote for, whether I approve of the present process, or whether I think it is likely to work in the future. It is totally irrelevant. I would be glad to debate that subject. In fact, I have, some would say, ad nauseam. But if we are going to have a process—and I think we have one and are going to have one. I recognize that. The other day I did not even ask for a record vote. I wanted my views to be known. I did not even ask for a record vote. But to repeat five times that JOHNSTON was not for Gramm-Rudman-Hollings is no argument against this amendment. I would say that my friend from Colorado, a coauthor, is and has been for Gramm-Rudman, so let us dismiss that argument.

Argument No. 2. This is a sacred agreement between the negotiators and therefore any amendments to it cannot be tolerated. The negotiators are Senator GRAMM, Senator DOMENICI, and Senator CHILES. Well, that is very nice—three Senators meet in private. I do not mean to say that they met in secret, but they met privately. I do not think the press was there. I do not think the interest groups were there. They did not call on people to testify. They did not seek public comment. They just worked together as three well-meaning, hard-working, bright Senators and fashioned a compromise. And full blown, it appears on the Senate floor last night at 6 o'clock and we are not supposed to change a jot or a tittle of that amendment.

Now, Mr. President, that is absurd written large across the Halls of this Congress. I think the whole process is bad—to present something this far-reaching without going to committee. This is not a new issue, Mr. President. The issue has been hanging around all year long. This same negotiation which took place in secret, or privately is a better word, between three Senators and their staffs could have been out there in the full light of day where people could have debated it back and forth and where people could fully have known. But the fact that it was not and the fact that they have made their agreement is no reason to say it cannot be changed one bit.

Now, when we get to the question of the substance of the numbers, we are told—and I think this is a direct quote—"I'm not going into baselines. If we slipped it for 1 year, we would be about here, or a 1-year slip would be about 144 and this is 140, so it must be right."

What relevance is it that somebody says what we should have done is slip it a year and we would be about here?

That is irrelevant, Mr. President. And we are also told, "If I had a blackboard, I could show you why 150 plus 10 is a logical followon to the present amendment."

Well, Mr. President, I can tell you we have waited in vain as to where the logic is in retreating from a $38 billion cut in the deficit already approved by this Congress. Where is the logic of saying reduce that $38 billion to $26 billion other than the fact that, "Well, I would vote against your amendment because I guess it saves more money and Republicans would vote against your amendment and therefore you better be ready to produce the votes."

Well, just where is the logic? There is no logic, Mr. President. If there is some logic, if the Senator would deal with the question at issue—the question at issue is very precise and very narrow: should we cut this deficit by $38 billion as called for in our amendment and as already passed by the Congress at least in the budget resolution, or should we reduce that to $26 billion or less. Now, that is the question and I wait, I wait, I wait like Evangeline under the oak for the logic that says we should retreat on the size of the deficit.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I am sure others want to discuss this issue. I just want to also remind the Senate that the amendment of the distinguished Senator from Louisiana with reference to the $36 billion—and he is fully aware of how difficult that concept is—says that we do not even decide that here. The manner to determine that will be decided, if I read the amendment right, by the conferees. That is what I read here.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point.

Mr. DOMENICI. Is that what I read or did I read it incorrectly?

Mr. JOHNSTON. The Senator read that exactly right, which is precisely the concept as contained in his amendment, that the 14 economic indicators are to be determined by the conferees. But the important point is that you must have $36 billion less than the baseline estimate of the deficit. So there has to be $36 billion less than that, whatever it is.

Mr. DOMENICI. In a manner to be determined in the conference.

Mr. JOHNSTON. Just as your amendment does. Precisely as your amendment does.

Mr. DOMENICI. Our amendment provides that for the averaging of the two sets of economics that are given and known, and that is why we have agreed to it. Then we will have an objective determination of what that averaging will be.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. DOMENICI. I regret that, when I made my explanation of why 150 is a reasonable number, and I talked about slipping Gramm-Rudman-Hollings a year, my friend from Louisiana assumes I am talking there about something that is rather insignificant or trivial.

Mr. President, the point I was making was that things have changed over the 2 years since the original Gramm-Rudman-Hollings bill was enacted. Interest rates went up. We know the consequences of the tax bill. My point was that the deficit when we started justified our slipping the targets a year. That has been commonly understood.

So I am saying that that is $150 billion plus $10 billion is pretty close to the $144 billion plus $10 billion that we had figured on 2½ years ago, before we knew the new economics that would raise the deficit. That is why I gave that particular discussion to the U.S. Senate.

Mr. CONRAD. Mr. President, I rise in support of this amendment, which I coauthored with the distinguished Senator from Louisiana and the distinguished Senator from Colorado.

I am someone who is clearly on record as favoring a fix for the Gramm-Rudman-Hollings mechanism; because I am convinced that unless we have the pressure at the head of the President, the pressure of a gun cocked at the head of Congress, we will not make a significant deficit reduction, which is precisely what this country needs.

The reason we need it—and sometimes I think we need to remind ourselves why we need it—is that this deficit has led to higher real interest rates than we would otherwise have, which has driven up the dollar, driven us out of export markets.

The other day, Senator MOYNIHAN, in discussions of the trade deficit, indicated that our real problem is a mistake that has been made in economic policy in Washington—a staggering mistake of thinking that we could cut revenue, increase spending, and somehow it will add up. It has not added up. As a result, the deficit in this country has doubled in the last 6 years, and as a result, we have a trade deficit out of control. As a result of a trade deficit out of control, we have a burgeoning international debt. We have become the biggest debtor nation on the face of the globe, in a matter of months.

So it becomes incumbent upon us to engage in serious deficit reduction. That is the bottom line.

Now let us look at what the amendment before us does. I am not talking about the Johnston amendment, which I coauthored. I am talking about the Gramm-Domenici-Chiles amendment. That amendment would provide a target of $150 billion in fiscal 1988, with a fudge factor of $10 billion. In other words, if we were to reach a deficit of $160 billion in fiscal 1988, there would be no sequester.

Well, what was the deficit like in fiscal 1987? We are to see if we are making progress at reducing this deficit. The answer is that in the amendment of Senators GRAMM, DOMENICI, and CHILES, we make no progress on the deficit.

The fiscal 1987 deficit is $161 billion. Now we are given a target of $150 billion plus $10 billion of fudge factor—$160 billion. Absolutely no progress on the deficit from fiscal 1987 to fiscal 1988.

There are those of us who believe—just as sincerely as those on the other side might believe—that we cannot tamper with this amendment, that we ought to lower the target, that we should assure ourselves and the American people that there will be deficit reduction from fiscal 1987 to fiscal 1988, and that is what the amendment offered by Mr. JOHNSTON does. It does promise the American people that we are going to have deficit reduction from fiscal 1987 to 1988; that we are going to have a $140 billion target, plus $5 billion of fudge factor, or $36 billion of program reductions, whichever is lower.

I think that is the sum and substance of the amendment before us. It pledges what the old Gramm-Rudman-Hollings construct promised—that is, year-to-year deficit reduction. We are going to make progress on this deficit. That is precisely what the American people expect us to do. It is what we ought to do. I hope we will adopt this amendment.

Mr. GRAMM. Mr. President, I want to address issue of progress on the deficit.

Under the original Gramm-Rudman-Hollings law, with all of its flaws, including the Supreme Court decision that the GAO role was unconstitutional, we reduced the deficit from $233 billion to $161 billion. But we have had some dramatic changes since then. These dramatic changes have occured because during the last 8 months, it has become obvious to the financial markets that Gramm-Rudman-Hollings is no longer binding on this Congress.

All that produced, in large part, that dramatic improvement in the deficit—both long- and short-term interest rates going down, stimulating the economy—has been reversed. It has been reversed because the people who had rejoiced in December 19 months ago that we had really done something about reducing the deficit have discovered that the progress that was made during the 99th Congress was not continuing.

I know that everybody wants to use statistics to support their argument, but you reach the point of being a little disingenuous when the same arguments are made over and over again. We have explained that the tax reform bill produced a one-time $20 billion increase in revenues in fiscal year 1987. This is one of the reasons why the fiscal year 1987 deficit is down and why we are estimating a revenue loss next year.

Mr. CONRAD. Mr. President, will the Senator yield?

Mr. GRAMM. I will yield in a moment. I want to finish my point.

By setting a target of $150 billion for fiscal year 1988, we are committing ourselves to $36 billion of deficit reduction from the CBO baseline estimate of the deficit.

We hear this talk about only $26 billion of deficit reduction. I remind my colleagues that the $10 billion built into Gramm-Rudman-Hollings is not a fudge factor. It is simply a margin of error. If you get that close to the deficit target, it is not worth putting the economy and the people who depend on the Federal Government through the wringer of experiencing a sequester order. But if you do not get within $10 billion of the target, you do not sequester back to $150 billion plus $10. You sequester all the way back to $150 billion.

What we have before us is an amendment that says we are going to decide later between two options to avoid a sequester in fiscal year 1988. In one of the options we must meet a $140 billion deficit target, with a $5 billion margin of error.

Do you realize that if the President were willing to sign your reconciliation bill, put your budget into place, you would still have a sequester order under this target, that we would still have an across-the-board cut, and this sequester would cut spending all the way to $140?

I go back and make the point that was made by the distinguished Senator from New Mexico earlier: By setting targets that we know we cannot meet, we are engaging in the political game of assuring that there is not going to be any permanent workable system in place.

Quite frankly, since January this Congress has constantly voted to spend money, we have seen our own pay increase, we have passed a deficit-increasing supplemental appropriation bill, and we have passed a budget that raises domestic spending by almost $45 billion while proposing a tax increase of $21 billion. We have only 3 weeks in session before there would be an across-the-board cut in spending, only 3 weeks to do something about this large deficit, and yet we have people stand up and say that $36 billion in deficit reduction is not enough.

I find it completely unacceptable that after spending money like it was going out of style, following one of the greatest displays of fiscal responsibility in American history, Members are on this floor saying that cutting $36 billion from the deficit in 3 weeks is not enough progress on the deficit.

Mr. CONRAD. Mr. President, will the Senator yield?

Mr. GRAMM. I want to make one other point and then I will yield the floor.

I want to return to the issue that OMB is a constant engine of deceit. We keep hearing people complain that OMB is going to be involved in the Gramm-Rudman-Hollings process and they can tilt the numbers.

I wish my colleagues would go back and review the facts. I have the data from the sequester report for fiscal year 1987, reprinted in the Federal Register, of the OMB and CBO projected deficits for last year.

How well did CBO and OMB forecast last year under the old process? OMB said the deficit was going to be $156.2 billion. CBO said it was going to be $170.6 billion. Their average was $163.8 billion. Guess what? The deficit is currently estimated by CBO to be $161 billion, a $2.8 billion difference from the average of the projections. That is not bad for Government work.

Some may note that OMB said the deficit was $14 billion less than CBO said. That is true. But do you know that OMB was closer to the current estimate than CBO was? Furthermore, under the compromise that we have offered, we have eliminated the differences regarding the treatment of appropriated entitlements. We have required that farm deficiency payments be scored as being advanced because we know we are going to advance the payments just as we have in the past. We have written in assumptions about pay rate absorption, and we have written into law how to calculate BA-to-outlay ratios. Had the amendment pending before us today, the amendment that I have offered with Senator CHILES and Senator DOMINICI, been in place, the difference between OMB and CBO's estimate last year, constrained by the amendment that we have before us, would have been lowered to about $2 billion.

Interestingly enough, under our new constraints, the estimate would have been more inaccurate. In other words, as it is turning out, we would have forced the deficit to be overestimated.

I am not raising that as any big problem, but I want our colleagues to understand that we have imposed very severe restrictions on OMB. We have eliminated the areas where there are real discretion in estimating the deficit. We have eliminated the ability to decide how you are going to deal with appropriated entitlements, an item that accounted for $1.7 billion of the difference last year. We have eliminated discretion about deficiency payments. That was responsible for $5.1 billion of the difference last year. We have eliminated discretion regarding Federal pay absorption. That was $2.8 billion of the difference last year. We have set constraints on BA-to-outlay ratios.

Reiterating, had the constraints in our current amendment been in law last year, the deficit estimate by CBO and OMB would have been within about $2.5 billion of each other.

So please remember when everybody is saying that we have given OMB a free hand, the reality is that we have imposed very strict constraints on OMB. Their discretion really boils down to estimates about what is going to happen in the economy, and we have included in this amendment the opportunity for us to come back and rewrite those assumptions if we choose. We have converted the OMB role into a green eyeshade function.

And as a final point, and then I will yield the floor, I ask you to remember that last year with no constraints whatsover, the average of CBO and OMB deficit projections came within $2.8 billion of what we today think is the fiscal year 1987 deficit. That is pretty good work.

The PRESIDING OFFICER. The Senator from Texas yields to the Senator from North Dakota for a question.

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. GRAMM. I am happy to yield. Let me yield first to the Senator from North Dakota and then come back.

Mr. CONRAD. Let me first say that I am surprised to hear the Senator from Texas on the other side of this question because now we have the Senator from Texas arguing against a lowering deficit which surprises me and disappoints me.

We are seeking to have a lower target for 1988. The Senator makes the point that we have had a lot of deficit reduction under Gramm-Rudman. We have gone from $221 billion to $161 billion. The fact is we have had very little reduction in the structural deficit. That reduction from $221 billion to $161 billion is largely illusory and the Senator when he cites the one-time revenue bump as a result of the Tax Reform Act points out the fact that we have had a one-time revenue bump of $20 billion which reduced that deficit was part of the reduction that we get. Another $18 billion of the reduction comes from one-shot spending savings.

But the numbers that we just got from CBO tell the story. There has been very little reduction in the structural deficit. There has been a big reduction because of one-time revenue, one-time spending savings, but if we are going to get serious about this deficit, we should be true to the commitment that was in the original Gramm-Rudman-Hollings Act that called for year-to-year deficit reduction.

I, for the life of me, do not understand why, when we still have a recovery going that there are those supporting continuation of the deficit level from 1987 into 1988 going back on the commitment to year-to-year deficit reduction. That is my question. Why are we going back on that commitment?

Mr. GRAMM. If I may respond, and then I will yield the floor, it depends on whether you want to fight deficits with words or actions.

If I wanted to send a letter to my momma this afternoon telling her how I was for balancing the budget this year, I could sit down and write it and it would be pretty easy. But the problem is that my momma is going to read in the newspaper what the deficit actually turns out to be. The question here is are we trying to make law, are we trying to set policy, or are trying to let the world know where we stand individually?

Now I happen to believe that I have a very responsible record on trying to do something about reducing the deficit. But I think that it is not for that record, that the people of Texas elected me or that the people of the United States elected us. They elected us to make things happen, and to compromise, if necessary, to move things in the direction that they believe they should go. Ultimately they judge us not on the basis of what we say we want to happen but on the basis of what actually does happen.

My point here is simply this: we have bitten off about all we can chew given that we must go to conference with the House and given that we must pass something that the President will sign into law.

Now, we can spit this compromise out, take a bigger bite, and choke on it if our objective is not to swallow it. My objective is to swallow. I want to have a system which will force us to balance the budget over a 5-year period. Killing it off before we ever get started is not the way to make that happen.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. DOMENICI. Mr. President, I wonder if the Senator will yield for 1 minute for an explanation.

Mr. WIRTH. I am happy to yield.

Mr. DOMENICI. I want to explain to my friend from Louisiana. He asked me a hypothetical question.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. He said maximum sequester using $186 billion which was the CBO deficit.

Mr. JOHNSTON. Not maximum sequester. The maximum requirement for deficit reduction to avoid the sequester.

Mr. DOMENICI. But I think the question that I answered, I answered improperly. I said the maximum sequester is 26. That is not so. The maximum sequester is 36. In order to meet the target you can get by with 26. And I would just add to the Senators who are wondering about that, that is exactly the same situation that existed heretofore when you had fixed $36 billion reductions under Gramm-Rudman-Hollings. If you got, by action, 26 of it so that you used up that $10 billion window, you were OK. It is the same here under the hypothetical asked by the Senator from Louisiana of the Senator from New Mexico. The sequester goes all the way down to the target, but to fix it you have got a grace window of $10 billion.

The PRESIDING OFFICER. The Senator from Colorado was recognized.

Mr. WIRTH. Thank you, Mr. President.

I am happy to be joining with the distinguished Senator from Louisiana and our new colleague from North Dakota in supporting this very important amendment.

I served for many years on the House Budget Committee and was in a lot of battles with the now Senator from Texas [Senator GRAMM] and with the distinguished Senator from New Mexico [Senator DOMENICI] and find myself truly very surprised that those people that I had worked with—and we fought and argued and so on, but they were and have been so deeply committed to deficit reduction—that they are not supporting what is on its face such a simple proposition in

terms of helping us to reduce the deficit.

It seems to me that the debate that we have here, Mr. President, is only a debate between two approaches. The one that has been agreed to, which is an approach for budget procrastination, and the one which we are offering, which is a budget for real budget deficit reduction. We can procrastinate some more and vote down this amendment or we can vote for this amendment and commit ourselves to some very significant deficit reduction.

Now the argument has been made by the opponents of this that a deal was cut, that a deal has been agreed to, and that they are "ready to do it," ready to go in there and sit down with the House conferees. It seems to me all they are ready to do is to procrastinate some more on the deficit. I do not think we have to do that. We do not have to do that. We have a wonderful opportunity available right here. The Senator from Texas said it is time for us to make things happen. Now I think we can make things happen by voting yes on this amendment.

We all know that everybody in this Chamber, every single Member of this body—and I will bet you every Member of the House, as well—has talked about the evils of deficit. They have gone up and down their States and districts and said how bad the deficit is; and send them back here and they will do the job; they will commit themselves to really moving on the deficit. They have talked about the evils of the deficit, talked about the problems that it causes for trade, talked about the pressure that it puts on interest rates, talked about how it is eroding the very fabric of the economy. We have all heard the rhetoric.

But, from time to time, it is time to set aside that rhetoric, Mr. President. It is time to set that rhetoric aside. We have all done it. The time comes when you have a unique opportunity to really make a difference with one vote. And I think right now we can make a difference with one vote. And what is that difference?

Let me get into the numbers a little bit and see if I can help to explain to my colleagues what those numbers are. In summary, you are going to get at least $36 billion by voting for the Johnston-Wirth-Conrad amendment, or you can vote no and probably end up getting much closer to zero.

I want to come back and explain that, but first of all just to put another matter to rest, if I can.

The argument was made a little earlier, when the Senator from Louisiana was explaining the amendment, the argument was made that all he was trying to do, as I remember, was to really destroy Gramm-Rudman-Hollings; that the Senator from Louisiana had always been an opponent of Gramm-Rudman-Hollings and this was just another chapter in opposition to Gramm-Rudman-Hollings.

Well, let me fill that out a little bit by explaining that this Senator, cosponsoring the amendment with the Senator from Louisiana, has been a long-time supporter of Gramm-Rudman. This is not an effort to destroy Gramm-Rudman. I have been a supporter of Gramm-Rudman not because I think it is a perfect mechanism, not because I think we ought to have automatic formulas around here, but because I believed when this first came up and in every vote since, I believed that this was a mechanism that we had to get behind and make work. So I think to suggest that this is destroying Gramm-Rudman-Hollings is really not a worthy argument and it certainly is untrue.

I would also remind the opponents of this amendment that I was not only supporting it but was one of only 14 Members of the House when I was there, Mr. President, 1 of only 14 Members who voted to put teeth back in Gramm-Rudman, only 1 of 14 Democrats to do so. Not a very large number. But I only cite that to support that one of the authors of the amendment has been a consistent supporter of Gramm-Rudman and to argue that this is an effort to gut Gramm-Rudman is simply not the case.

The opponents, as I remember a little bit earlier, also suggested that what was in this was it unfortunately only allowed the conferees to go in there and to negotiate. That is what we would do, is just negotiate and leave it to them—you cannot trust them—while under the current legislation in front of us they would go into the conference with "two sets of economics that are given and known."

The opponents are telling us that they would go into this with two sets of economics that are given and known. Well, that is hardly the case. And understanding that they are not given and known is essential to understand another piece of our amendment and why you have to vote for the Johnston-Wirth-Conrad amendment. And let me explain that.

The assumption that our opponents are making is that somehow CBO and OMB have specific sets of numbers. You submit the difference between the two and you go into conference with that as the agreed-upon baseline. That assumes that the given and known are the OMB numbers. OMB numbers, however, are not given and known. They are not given and known. This is not to suggest that OMB is trying to do something sleight of hand or cut a corner. They just have not made any decisions since their initial figures were out in January.

In January, Mr. President, their initial figures were $150 billion. That is OMB's number. Their initial number was $150 billion. That assumed a 3-percent defense increase, which is defense growth of about $8 billion. And we know that is not going to happen. So let us factor that into OMB's number just to get a sense, the best we can, of what OMB's numbers are. Factor the 3-percent defense back in there and the deficit comes down to $142 billion because we are not going to spend that number.

They also do not factor in the REA financing. That is another $7 billion. So if you just take defense and REA financing, the OMB number would go down to 135. That is their baseline. If you average that with the baseline of 180 coming out of CBO, you end up with the difference—with the average of 135 and 180—of 150-plus. Now, what they are suggesting against that 150 is that we have a deficit of 150. We are going to set the budget at 150. In order words, you take this average and you take their deficit, plus the $10 billion fudge factor.

And what do you end up with in terms of deficit reduction under the plan presented to us? Zero. There is no deficit reduction. There is not any deficit reduction. I would just urge my colleagues to do the simple mathematics. Average where OMB is today, which is approximately 135, along with what CBO has, about 160, and you end up with 156, 157, something in that neighborhood. Take away from that the fudge factor of 10 and what have we got? Almost no reductions whatsoever.

That is what this debate is all about. That is what this debate is all about. Just do the arithmetic.

Now, even if we do not do the arithmetic, we should not fool ourselves by pursuing and listening to the arguments that if we support this amendment, we are going to be "engaging in targets we cannot meet." We could meet a target of zero. We could meet a target of 10. In fact, I think we could meet, and we agreed in the budget resolution to meet, a target of at least 38. We agreed to do that. A majority of this body agreed to do that.

Now, when we agreed to do that, did we say that we were going to try to meet a target that was not unmeetable? Of course not. We said we are going to go ahead and do that; we are going to get into the high 30's. That is what we agreed we were going to do.

The argument against this amendment made on the other side says, "Well, you all have bitten off more than you can chew." Well, what I would like to do is to chew on this deficit and chew on it hard. We are biting off in this amendment essentially what we have agreed to in the budget resolution. We have not bitten off more than we can chew.

Now, Mr. President, on the front page of the newspaper the other day

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was a picture of a vast credit card. And there was our leader with a big pair of shears cutting the congressional credit card. Well, I want to tell you, if you do not support the Johnston-Wirth-Conrad amendment this afternoon, you are going to be going home in this August recess and giving the taxpayers another $40 billion, a little less than $40 billion of deficit. That congressional credit card is going to be cranking up $40 billion more. You have an opportunity by voting for this amendment to cut, finally to cut, that congressional credit card in half.

Now, would it not be nice to stop talking about it, stop putting it on the front pages of the newspapers, but, in fact, to do something about it?

In summary, where we are, Mr. President, is with a very, very simple choice: Members going back and looking at the numbers and looking at doing the averaging, doing the arithmetic, it is not complicated, it is not difficult, it is basic arithmetic: averaging and subtracting. That is all you have to do to understand this amendment and to understand why this gets us away from the disease of budget procrastination, which we have had for so long, Mr. President, and right into some very, very real deficit reduction.

So I would urge my colleagues to support this amendment. This offer does not come very often. We do not have a chance very often where we can sit down, understand a simple amendment, not a lot of gobblydegook, not a whole lot of rules, just some simple arithmetic. That same arithmetic will show how you can make some very significant differences in that budget and cut up that congressional credit card by voting for this amendment. I hope we will support this amendment. I want to thank the distinguished Senator from Louisiana for offering it. He has done a very, very good job, good service, and I am pleased to be able to join with you in cosponsoring this and supporting it in every way I can. I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor, the Chair recognizes the Senator from Washington, Senator Evans.

Mr. EVANS. Thank you, Mr. President. Some of the debate this afternoon sounded a little like the Mad Hatter tea party.

Those who on many occasions advocated more spending and higher taxes are now advocating a lower deficit target and those who have advocated no new taxes and cutting the budget are advocating a smaller target to shoot at.

I hope we can bring just a touch of reality back to the debate. I am not going to speak now directly for or against this amendment, but, rather, to what we are really talking about.

I think we are captured far too often by the numbers. Whether they come from OMB or whether they come from CBO, they are looked at as sacrosanct, accurate. They will be what happens.

In fact, I can look ahead with numbers that have just come out this month, the July numbers from CBO. They very carefully calculate that based on current baselines, clear into fiscal year 1992, the deficit will be precisely $160 billion.

I do not know what they know but I do know they are guessing. They may be guessing with all of the wisdom and the accuracy that they can, but they are guessing.

When you are looking 6 years ahead, that is not even estimating. That is guessing what the economy will do.

In order to guess that, they are suggesting that the growth in the gross national product each year for the next 6 years will be, and listen to this, precisely 2.5; 2.5; 2.5; 2.6; 2.6; and 2.6.

That sounds more like the scores that are put up after a diving tournament than it does the absolute and extraordinary and steady 2.5 or 0.6 percent growth that occurs for the next 6 years.

We all know that there has been no time in our history when any such thing has occurred.

Mr. President, these just give us some targets to shoot at. I prefer not to even look with very much care at anything more than a year out. After all, even for fiscal year 1988 we are talking about a long time from now to predict an economy.

So, Mr. President, I do not believe that necessarily by the end of fiscal year 1988, which is more than a year away, the deficit would necessarily be $181 billion, $151 billion, $171 billion, or any other figure except somewhere in that general neighborhood.

But, as long as we have the Gramm-Rudman Act, and as long as we are working in the way we are, we need something to shoot at. That is true.

Let us not kid ourselves. In real terms, we will be measured by what we do in our appropriations acts, and whatever tax or revenue acts we may choose to pass.

We will not be measured by this artificial target which sits out there. We will be measured by what we actually do. I suggest, Mr. President, that we are wide open for every Member of this Senate or at least a majority to join together to bring the deficit down. The way to bring it down is to vote, when each appropriation act comes in front of us, for appropriations that will help bring it down.

If necessary, and if we believe after going through the spending patterns, that tax increases are required in order to bring that deficit down, we can vote for those tax increases. It does not really make any difference whether this budget target is set at $150 or $140 billion.

If this amendment fails and the deficit target stays at $150 billion, it does not prevent us from still shooting at $140 or $130 or $120 billion or any other figure below that target.

Admittedly, the temptation, the extraordinary temptation, is to spend right up to the limits. I have not decided at this moment whether I will vote for this amendment or not. It has some great potential merit, I think, because I have always believed that we must move more strongly than we have been willing to move in terms of bringing a deficit down. But I would suggest that if this amendment fails, I hope those who do support it will vote for the necessary reductions to get to the $140 billion anyhow.

I hope that they will be willing to vote for the necessary tax increases, to get us to $140 billion anyhow. For even if this amendment failed, it does not prevent us from doing the job we would like to do.

So, I will be delighted to see what happens to this amendment. If it has strong support, then I presume there will also be strong support at the time of appropriation bills and at the time of revenue bills, to hit that target of $140 billion, even if we have not ensconced it into law.

The PRESIDING OFFICER (Mr. Breaux). The Senator from Washington yields. The Senator from Louisiana is recognized.

Mr. JOHNSTON. I ask unanimous consent that the Senator from Nebraska [Mr. Exon], be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, it is getting late on Friday afternoon. Our colleagues are anxious to get out of town.

I think we have had an excellent debate and I am ready to sum up and bring it to a vote.

Mr. CHILES. I wonder if the Senator would yield? I want to make a few remarks on the Senator's amendment, but do not want to deprive him of the chance to make the final statement.

Mr. JOHNSTON. I appreciate that courtesy, Mr. President, and I will yield to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I find myself in somewhat of a dilemma on this amendment. It has a flavor of an amendment I presented to the Senate. In fact, it does not go quite as far as the amendment I presented to the Senate, but it has a familiar flavor.

It happens, therefore, to be something that I believed in, trying to get $36 billion in deficit reduction.

I also believe in trying to get everything that we can in the first year. Therefore, it would seem, that I would be for this. There is only one reason that restrains me.

The Senator from Florida got 25 votes for his amendment. The Senator from Colorado, who was a cosponsor of this amendment and spoke eloquently on it, was 1 of the 25 votes my amendment received.

He has been persistent in that. There are a few other converts to this amendment that were not among the 25 who did not vote for the amendment I offered last week. I do not think the Senator from North Dakota did. I do not think the Senator from Louisiana did. I do not think the Senator from Nebraska did.

I am not sure about the Senator from Nebraska. I do not think he did, either.

I hope there is nothing personal against me, but when the poor Senator from Florida tried to break something like that out they did not support it.

The point, Mr. President, is I would like to have this, and I also want to see us have a fix on Gramm-Rudman-Hollings. Realizing that the amendment of the Senator from Florida, when proposed, got 25 votes, persuades me that if this amendment were adopted today, I am not sure how many more than 25 votes we would get on final passage. We may get some more.

It may be that these new converts would see things differently. The Senator from North Dakota has changed and now thinks that while this bill is not quite as thorough as the Chiles amendment with $36 billion, it suddenly has a new flavor. Maybe the Senator from Louisiana, the Senator from Nebraska, and some of these other people will now take a different look.

I offered the amendment, worked for a number of days before that trying to persuade the other side on it, went to a vote and got only 25 votes. I have to conclude that although this is something I like and I want and I wish was in there, I think it would not allow us to be successful.

The Senator from Louisiana has been the first to say he does not favor Gramm-Rudman-Hollings. He has been very consistent and very forthright in his opposition to it. I understand that. I think he is also sincere in feeling that perhaps we need more savings in the first year.

It is interesting, if we did not have this discussion, that this provides we arrive at some of these figures in a manner to be determined by the conferees.

That shows me that the Senator from Louisiana and his supporters believe that we need to leave something up to the conferees.

I would say that the fix we have before us also provides that the conferees will ultimately decide what the baseline number is going to be, after they hear from OMB, after they hear from CBO, as to what their latest projections are. It is going to be up to the conferees to decide that. That is why I feel we do not have to worry about whether there is going to be a small number or not. I think they define the target. They have the authority to define the target.

I am persuaded we have a much better chance to strengthen this by the conferees than we do by an amendment that, if passed, might keep us from getting any automatic sequester at all.

Mr. President, much as I would like to vote for this amendment, I will not be able to. As I say, I have tried that and I wish when the Chiles amendment was up I had had the support of the Senator from Louisiana, the Senator from North Dakota, and the Senator from Nebraska.

Mr. JOHNSTON. Will the Senator yield?

Mr. CHILES. Yes.

Mr. JOHNSTON. I would suggest the Senator's amendment has never been up. There was a point of order to waive the Budget Act, but his amendment has never been up and has never been voted upon. Am I not correct?

Mr. CHILES. I think the Senator is not correct. We did waive the Budget Act with the help of my friend. I think he helped me out—o-u-t. We had that and got 25 votes.

Mr. WIRTH. Will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. WIRTH. I thank the Senator. I was pleased to support the Chiles amendment and I hope his amendment is adopted. On the question of giving the conferees a voice, we all have to think of what they can come up with on deficit targets. What we are talking about here is assuring that our Senate conferees going into conference with the House have the strongest possible position. That, it seems to me, is what this amendment does. It provides a much firmer base going into conference.

Mr. CHILES. I do not argue with that at all. What I am not persuaded on, I would say, is we only got 25 votes, and the Senator from Colorado joined with me on that vote. I am not persuaded that if this amendment passes, we will have the votes on our side to carry.

Mr. WIRTH. As Mark Twain said, if you always do the right thing, you will gratify some people and astonish the rest.

Mr. CHILES. I do not know if he said that, but I do know he said once burned, twice shy. I got burned.

Mr. CONRAD. If the Senator will yield, I want to say that I think there is a good chance for us to carry the day. I do not think it is the same situation we faced earlier. I am a convert not because I changed position. I have not changed position. I wanted fixed targets in there. Now we have fixed targets. I also wanted a lower target for this year, which is included in this amendment.

I am convinced that one of the reasons the Senator did not get the votes is because he did not have fixed targets. Now we have the best of all worlds, fixed targets and a lower target for this year. It would be nice to support this.

Mr. JOHNSTON. Mr. President, I shall sum up in a couple of minutes. I hope we can vote at that time.

First of all, let me say, Mr. President, that this is not the same amendment as the Senator from Florida had, but if it is, on the fact he may have been right at that time and did not get enough votes, if the amendment is right the amendment is right.

I am reminded of that story of the lawyer who argued one side of a case in the morning before a judge and he made a passionate argument. That afternoon he was representing another client and he happened to have exactly the opposite side of that same point of law, and he vociferously argued the opposite side. After the case was over, the judge said, "Counselor, how in the world could you argue so strong one way in the morning and another way in the afternoon?"

He said, "Your Honor, this morning I thought I was right and this afternoon I know I am right."

Mr. President, it boils down to this: the Senator from Florida says this is the right thing to do, but somehow it violates the agreement of the triumverate executed privately, in good faith to be sure, but executed privately. I say if it is a good thing to do, we ought to do it.

The sole, narrow question presented here is: What is the proper size of the deficit reduction to be made in the coming year?

The Senate has settled that, the Congress has settled that, in the reconciliation agreement, and in the reconciliation agreement, which provides for all the cuts, we said $38 billion.

This amendment says $36 billion, so we are right on target, with the action already taken by this body, approved by the House of Representatives, and now the budget resolution with which we operate.

Second, it is consistent with the Gramm amendment now pending. The Gramm amendment says that the appropriate reduction to be made next year is $36 billion. They say the appropriate reduction in the year after that is $40 billion and the year after that is $45 billion and the year after that is $45 billion, but not this year, he says. This year, he says, we can do a maximum of $26 billion. And when you ask the Senator from Florida why, he says, "Well, I tried that and it didn't work. I still believe it is right, but I am

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not going to vote for it." You ask the Senator from New Mexico why and he says, "Well, I could give you some good logical reasons." He says, "This is about where we would be if we slipped it a year." He says, "I'm not going to go into baselines."

In effect, there is no good reason to reduce that deficit reduction target from $36 billion or $38 billion down to $26 billion or less. I believe the Senator from Colorado is right when he says it is really not $26 billion. By the time this amendment matriculates through the process, it will be closer to zero. But even if it is the maximum amount of $26 billion, that is too little. It is inconsistent with their own amendment. It is inconsistent with what the Congress has done. And I think we ought to stand up and make this cut.

One final word. Much has been said about my opposition to Gramm-Rudman. My opposition to Gramm-Rudman in the past, and which continues now, has not been because I think it cuts the budget too much. Not at all. As a member of the Budget Committee over the past 10 years, I have consistently voted for lower deficits. I have not been one of the big spenders. My opposition to Gramm-Rudman has been because simply I do not believe it has worked and I fear it will not work. But I can tell you this, Mr. President. I will try to make it work and this amendment for sure makes it work better because it gives us as big a bite as we can take. We have already taken a $38 billion bite in the budget resolution, and I say let us stick to what we have already done. I say let us make a $36 billion deficit reduction in the coming year. We can do it and that is what this amendment accomplishes.

Mr. LEVIN. Will the Senator yield for a question?

Mr. JOHNSTON. Yes, indeed.

Mr. LEVIN. As my friend from Louisiana knows, I have been a supporter of Gramm-Rudman and I very much support the Chiles amendment as being better than nothing. I also happen to like the Senator's amendment. I think it improves the Chiles amendment. My fear is that if it is adopted, however, Chiles may not then have enough votes to pass. That is a real consideration for me. I have not heard the Senator from Louisiana address that issue, including his own position if he is free to say so, on the Chiles amendment if it is amended by the Senator's amendment successfully. Is the Senator free to tell us at that time either what his own position would be on the Chiles amendment or whether or not he believes firmly that the Chiles amendment can pass if it is amended by his amendment? Because his whole claim is, rightfully so, that his amendment is greater deficit reduction than the Chiles amendment. I think that is true and that is why I like his amendment.

Mr. JOHNSTON. I think it is an appropriate question. I am prepared to answer the Senator directly. I still do not believe in Gramm-Rudman. However, given the choice of having this package passed with my amendment, if I must vote for it to pass it, as opposed to passing without my amendment, I would be prepared to vote for the Chiles package holding my nose. Though I might be for the rest of the provisions of it, I am prepared to vote for it to pass it, and I believe we can pass it.

Mr. LEVIN. One additional question, if I could. We all have talked to each other a lot about this amendment because it is critical as to where we are going as a Congress and as a nation, I think as a nation being far more important. Can the Senator predict with any confidence—and I am not going to hold him to his predictions as to how others would vote, but does the Senator have any degree of confidence, if his amendment passes, we can get 51 votes to pass the Chiles amendment as amended by Johnston? Is the Senator at all confident of that?

Mr. JOHNSTON. I believe we can. I believe we can. And I can tell the Senator that it is not a final action. In other words, if we try and fail to pass the Chiles amendment, it is further amendable. So it is not as if it is a final action. I say if you believe that $36 billion is the appropriate target as opposed to $26 billion or less, and you are worried about whether it will sink the ship, I say come with us, give us a try, and if we fail, then the debt limit is further amendable so it will not be final action. The Johnston amendment, believe me, is not going to sink this ship. In fact, it may make it sail out on a fresh new tide of budget reduction.

The PRESIDING OFFICER. Is there further debate?

Mr. DOMENICI. Mr. President, we are ready to vote.

The PRESIDING OFFICER. If there is no further debate——

Mr. DOMENICI. We ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are requested. Is there a sufficient second? Obviously there is.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Delaware [Mr. BIDEN], the Senator from Vermont [Mr. LEAHY], the Senator from Illinois [Mr. SIMON] are necessarily absent.

I also announce that the Senator from Alabama [Mr. SHELBY] and the Senator from New Mexico [Mr. BINGAMAN] are absent because of illness in family.

I further announce that, if present and voting, the Senator from Alabama [Mr. SHELBY] would vote "nay."

Mr. DOLE. I announce that the Senator from Wyoming [Mr. SIMPSON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 41, nays 52, as follows:

[Rollcall Vote No. 217 Leg.]

YEAS—41

Baucus
Bentsen
Boren
Breaux
Bumpers
Burdick
Byrd
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Gore
Graham
Harkin
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sarbanes
Sasser
Wirth

NAYS—52

Armstrong
Bond
Boschwitz
Bradley
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Glenn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Sanford
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—7

Adams
Biden
Bingaman
Leahy
Shelby
Simon
Simpson

So the amendment (No. 649), as modified, was rejected.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there other amendments?

Mr. BINGAMAN. Mr. President, I am opposed to the Gramm-Rudman-Hollings "fix" that is being considered today and I plan to vote against it.

The provision before us today is needed to reinstate the automatic sequester and to bring it into compliance with the recent constitutional ruling that the original provision was an unlawful delegation of legislative power to the executive branch and therefore unconstitutional. The sequester would, of course, require automatic spending cuts across the board if Congress and the White House fail to meet their deficit targets. As I understand this provision, Congress and the White

House would have to achieve a deficit of $150 billion in fiscal 1989, $90 billion in 1990, $45 billion in 1991, and zero in 1992.

I am as much in favor of reducing the budget deficit as any Senator, and if I thought the so-called Gramm-Rudman-Hollings procedure or any other procedure would balance the budget, I would vote for it and join in the chorus telling the country we have fixed the deficit problem. But I simply don't believe this procedural fix or any other one, for that matter, will seriously work. It simply will not fix the deficit problem.

This latest procedure is fraught with inequities—imposing greater hardship for some than others, and it has more loopholes than the tax codes to avoid action. The only action that will seriously reduce the deficit is real action by the Congress to oring spending and revenues into balance. Procedural fixes will not work. I ask unanimous consent that a fact sheet from the Center on Budget and Policy Priorities be inserted in the RECORD following my remarks.

In summary, I believe the Gramm-Rudman-Hollings Act represents an extremely complex procedural effort to deal with a substantive problem. As it is further modified by this amendment under consideration, I believe Gramm-Rudman- Hollings would serve real injustices on some groups while protecting others and it could actually serve to deepen and accelerate any economic downturn we might experience by attempting to tie the hands of Congress, this President and future Presidents by limiting economic options. Finally, the action is simply an effort to paper over with legislative language the deficit problem instead of taking the action which is really needed.

Mr. RIEGLE. Mr. President, I have grave reservations about the wisdom of the course we seem to be heading down. The Gramm-Rudman-Hollings approach to controlling Federal deficits is a failed policy. During the first year of this law, deficits exceeded the targets by $50 billion in fiscal year 1986. The deficit for the current fiscal year will exceed the Gramm-Rudman target by at least $20 billion, and would be substantially higher except for a unanticipated one-time capital gains tax revenue windfall—a result of last year's tax reform legislation, a matter totally unrelated to the budget procedure.

The Gramm-Rudman approach is a Rube Goldberg device that is no substitute for setting Federal priorities and making hard budget choices. As we have learned since GRH went into effect, there's always a way around elaborate decision-avoiding procedure like Gramm-Rudman. Federal deficits can only be reduced by honest budgets and painful choices, not by slashing randomly at programs regardless of their effectiveness or importance.

Contrary to the stated intent of its authors, this amendment actually reduces the incentives for the President to work with Congress to solve the deficit problem. There are not sufficient guarantees to prevent OMB from manipulating the level of a sequester by using overly optimistic economic assumptions to reduce the estimated deficit. This potential, together with raising the 1988 deficit target to $150 billion with a $10 billion cushion, seriously reduces the incentive for the President to work with the Congress to come up with a workable reconciliation bill that makes real, lasting reductions in the Federal deficit.

Mr. President, rather than try to jerry-rig this failed system, we need to take steps to confront the deficit head on. The President should convene a budget summit with congressional leaders this year before more time is lost and put all options on the table. We must deal with the deficit problem now in a direct head-on manner. If we continue to rely on procedural sidesteps rather than direct action, we will continue to add to the growing mountain of Federal debt which is placing America's economic future in great jeopardy.

Mr. LEVIN. Mr. President, I will vote in favor of the Gramm-Chiles-Domenici amendment to fix the Gramm-Rudman law in spite of the imperfections of the fix and with the firm hope that these imperfections can be cleared up in conference with the House of Representatives.

It is important to have the underlying Gramm-Rudman law because the unfortunate history over the past few years is that if the President and the Congress have a choice between hard decisions on spending and revenues on the one hand, and inaction resulting in a higher deficit on the other hand, inaction and a higher deficit win out. So, what is needed is an immediate incentive to make hard choices. What is needed is something which makes inaction painful in the immediate sense and not just with respect to the long term economic health of the country. The Gramm-Rudman law establishes the process which prevents inaction on the deficit from being the path of least resistance.

It is important to have an automatic sequester mechanism as part of the underlying Gramm-Rudman law because unless the Congress has the ugly monster of sequester on the horizon—certain that the monster will attack if their is no action by the Congress, and unless the President also sees that monster on the horizon—certain that the monster will also pounce upon him, then neither the Congress nor the President will act to reduce the deficit and, thereby chain the monster. If either the Congress or the President see a way out of sequester other than by reducing the deficit through hard choices, then we can be certain that those hard choices will not be made.

The automatic sequester mechanism represented by this amendment is marginally adequate for this stage in the legislative process. It is vital to fixing the Gramm-Rudman law that we pass this amendment and this debt limit and send it all on to a conference with the House. However, let me make clear that I believe this fix can and must be improved in the conference with the House.

Specifically, I am troubled by the degree of defense flexibility in the sequester order that could be exercised by the President as a result of this amendment. The conference report accompanying the original Gramm-Rudman law made clear that the sequester order's flexibility for defense in that original law was a one time thing for fiscal year 1986. To quote from the report:

> The conferees have included language which provides for limited flexibility in regard to sequestration of defense spending for fiscal year 1986 only. This flexibility is not intended as a precedent for similar flexibility in future years in which sequestration might occur.

It is true that, unlike the fiscal year 1986 flexibility for defense, the defense flexibility in this amendment that is available to the President is conditioned on a majority vote of the Congress. In other words, if the Congress does not approve the President's exercise of this defense flexibility, then the President will have no actual ability to modify the across-the-board cuts as they affect defense programs, projects, and activities. Nevertheless, to the extent that the possibility of exercising this flexibility gives the President the flicker of hope that a sequester order might be less onerous to his cherished defense programs, the underlying rationale of Gramm-Rudman of putting us all in the soup together is undermined.

I am also troubled by the deficit targets for fiscal year 1988 and fiscal year 1989. I believe that they should be $10 billion less in each year if we are going to be serious about deficit reductions and if we are to reduce the prospect that the Office of Management and Budget will game the numbers in such a way as to artificially eliminate the threat of a sequester order in those years. Furthermore, I believe that this modification would provide a smoother glidepath for fiscal year 1990 than does the amendment as it now stands. The vote on the Johnston amendment, which would have made these changes, indicates that a substantial number in the Senate has similar concerns. I trust that the Senate conferees will understand this message as

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they engage in their discussions with the conferees from the House.

Finally, Mr. President, I want to make clear that no one should conclude from my voting for the Gramm-Chiles-Domenici amendment that, if this amendment comes back from the conference unchanged, that I am committed to vote for the conference report. The concerns I have expressed go to the core of the workability of the Gramm-Rudman process. As I indicated to the chairman of the Budget Committee, I am willing to vote for this amendment as a way of revitalizing that process, but I am not willing to vote, in the final analysis, for legislation which would only create an illusion that Gramm-Rudman exists if in reality it has died or if it has been revised to point the gun it threatens to trigger more in one direction than another.

### DEFENSE FLEXIBILITY PROVISIONS

**Mr. STEVENS.** Mr. President, before we take a final vote on the so-called Gramm-Rudman-Hollings fix amendment, I want to bring to the Senate's attention some issues relating to the defense flexibility provisions.

As enacted 2 years ago, Gramm-Rudman-Hollings provided for special defense flexibility rules for fiscal year 1986, only.

Those provisions permitted the President, at his discretion, to adjust sequestration amounts within the defense function.

Specifically, military personnel accounts were permitted to have a reduced sequester, or non at all, provided that any lost outlay savings were offset by raising the precentage reduction applied to all other defense programs, projects, and activities.

In addition, for nonpersonnel defense accounts, the sequester applied to one program within an account could be reduced by increasing the sequester of another program in that same account, so long as total outlay reductions sequestered from the defense function remain the same.

The amendment before us today, similar to the special rules for fiscal year 1986, provides for defense flexibility for both personnel and nonpersonnel defense accounts. However, the flexibility with respect to nonpersonnel accounts is made subject to congressional approval.

The congressional approval would be expedited under special procedures.

Mr. President, the conference on the Gramm-Rudman-Hollings fix ought to take a very careful look at these new rules on defense flexibility. At a time of tight defense budgets, a sequester would hit our Nation's defense very hard. We need to be absolutely certain that if we do have a sequester, the Department of Defense at least has the flexibility to mitigate the damage to its defense programs.

Specifically, several issues ought to be addressed in conference:

First, is it advisable to make the flexibility subject to congressional approval? If we do reach a point where a sequester is triggered by Congress' failure to meet its self-imposed deficit targets, is it then fair to tell the Department of Defense that any plant it has to make the sequester less damaging must be approved by Congress?

In connection with this, it appears that the pending amendment has made a tradeoff. Whereas, in fiscal year 1986, reductions in sequester amounts had to be offset within the same defense account, under the pending amendment, the offset can occur anywhere in the defense function. The conference ought to examine whether it is worthwhile to trade off increased flexibility, for the constraint of congressional approval.

With regard to congressional review, an option which ought to be considered in conference is whether it might be more reasonable to permit the flexibility, subject to congressional disapproval, as opposed to congressional approval. This would leave the Defense Department with needed flexibility, but give Congress an opportunity to overturn the Defense Department's sequester modification, if it so chose.

A key provision of the defense flexibility arrangement in the pending amendment, is the fast-track procedure for congressional approval. In reading over the provision, I noticed that although floor debate is severely limited, amendments are not. Because of the very tight timeframe for an approval resolution to be completed, permitting amendments to such resolutions could kill the approval process. Attention ought to be given in conference to making approval resolutions nonamendable.

In fiscal year 1986, defense flexibility was precluded form using base closures to add money back to other defense programs. In the pending amendment, this constraint is limited to domestic base closures. The conferees ought to consider whether we want to permit foreign base closures to occur as part of a sequester modification.

Finally, the pending amendment provides in part that: "new budget authority and unobligated balances for any program, project, or activity within major functional category 050 (other than a military personnel account) may be reduced under an order * * *." I assume this means "reduced by a greater percentage," but that ought to be clarified.

Mr. President, I urge my colleagues to take a serious look at these issues in conference. If another sequester does occur during the next several years, we need to make sure that it will do the least possible damage to our national security and the morale of our Armed Forces. I thank my colleagues for their attention.

**Mr. WARNER.** Mr. President, I rise today to express my concerns with the prospects this corrective amendment to the Gramm-Rudman-Hollings deficit reduction process will hold for our Nation's defense readiness.

In the original Gramm-Rudman-Hollings deficit reduction process, the President was given flexibility in where to cut the defense budget.

In fiscal year 1986 the President could, with a particular defense program, reduce the budget up to twice the required reduction in order to protect funding for another program within the same account.

This limited flexibility allowed him, for instance, to cut one Navy aircraft program up to twice as much as required in the interest of preserving a different Navy aircraft program.

By the same token, however, the President was not permitted to trim the Navy program to preserve funding for an Air Force aircraft program.

This flexibility was explicit for fiscal year 1986 in the original Gramm-Rudman-Hollings legislation.

Today we are considering an amendment which would allow some flexibility in defense manpower accounts, while requiring congressional concurrence to obtain flexibility in other accounts.

Although the 1986 provision was only for 1 year, the decision to grant this flexibility has not lost its logic or good sense.

Suppose there was no such discretion.

Large, well-established programs for which procured items are already being efficiently produced and which have not already been subjected to reductions in funding would be in the strongest position to absorb Gramm-Rudman-Hollings imposed reductions.

Small, newly initiated research and development programs, in contrast, might be crippled by budget reductions.

Thus, across the board equal percentage reductions will affect programs differently.

The Gramm-Rudman-Hollings deficit reduction process intentionally restricts Presidential discretion in achieving the budget reduction goals this law established.

I urge my colleagues to consider some of the unintended side effects which may occur as a result of passage of this amendment.

I would like to highlight some points which were contained in a Congressional Research Service [CRS] report dated January 6, 1986.

CRS illustrates in this report some of the effects which a sequester might have on the budget authority for the defense function.

Despite a requirement that outlays be reduced by a uniform percentage, the reality will be quite different.

The outlays saved as a percentage of the budgetary resources that had to be cut to reach the outlay targets for the following two examples.

As you will see in these two examples, these percentage reductions reflect the first year so-called blended spendout rates for two programs of 97 and 5 percent, respectively.

However, as I said, the outlays reduced as a percentage of total outlays subject to reduction for both the personnel and procurement program are 10 percent, and the reductions in budgetary resources are a uniform percentage—10 percent—as well.

Example I: Nearly all the funds appropriated by Congress for personnel programs are spent in the first year they are available to be spent. Assume, for example, $1.03 billion in budgetary resources for a personnel program and the need to reduce personnel program outlays by 10 percent, or $100 million in savings from total projected outlays of $1 billion. One would need to reduce budgetary resources—given the blended spendout rate—by $103 million, an amount only slightly greater than the outlay savings target.

However, look at another program.

In example II: Funds provided for most procurement programs, in contrast, are spent much more slowly. In the case of ship procurement, for example, only 5 percent of new budget authority is expended in the first year it is available to be spent. Assume, for example, $4 billion in budgetary resources for a shipbuilding program and the need to generate an outlay reduction of 20 percent from total projected outlays of $80 million, which means an outlay savings of $8 million. One would need a considerably larger reduction in total budgetary resources, perhaps $400 million, to produce the required outlay savings.

Thus, in example II, the cut in budget authority would be much larger, by a factor of almost 50, to achieve the required savings.

While I do not intend to oppose the pending amendment, I believe we must make every effort to give the President discretion in how to apportion cuts within defense programs, projects and activities.

Mr. President, I don't mean to focus solely on the sequester.

Obviously, my hope is that this very painful trigger will never have to be pulled, that Congress and the President will work together to make the necessary, well thought-out policy adjustments which will result in a deficit at or below the statutory maximum defict amounts.

That is the point of Gramm-Rudman-Hollings.

And it is a point with which I strongly agree.

**Mr. HEINZ.** Mr. President, I applaud my colleagues on the Budget Committee for including credit reform legislation in their package of essential budget reform measures for fiscal year 1988. This is an issue I have been pursuing over the last 2 years and a reform that is long overdue.

The credit reform issue has been around at least since the creation of the Federal financing bank in 1974. But neither the FFB nor a succession of other budget innovations over the years have achieved real reform. In recognition of this problem, the Senate at my urging adopted a resolution in April 1986 calling for comprehensive credit reform that became part of the 1987 budget resolution. Hearings have been held in the Governmental Affairs and Budget Committees. The administration has now submitted its credit reform proposal and the essential elements of reform have been endorsed by our Budget Committee colleagues.

The plan before us represents a comprehensive reform of the process for budgeting and managing Federal credit programs. It would provide a uniform basis for measuring the cost of credit, and would for the first time permit accurate tradeoffs among credit programs and between credit and direct spending programs. The proposal incorporates much of my credit reform plan, and the best elements of the plan presented by the administration in March. At the same time, controversial issues like forced asset sales have not been allowed to detract from our reform goals.

Some may ask why, at a time of record budget deficits, we should even worry about an arcane issue like the credit budget—a matter of concern to only a few technicians at OMB and CBO. I believe very firmly that credit reform is not merely a technical issue, but is essential to any effort to control the budget deficit.

The reasons are obvious. There is more than $1.2 trillion of Federal credit outstanding that affects nearly every sector of the U.S. economy. In dealing with very tight budget constraints, we have shifted direct spending programs to loan programs and subsituted guarantees for direct loans in search of budget savings. We have restructured entire Federal programs on the basis of budget accounting rules for credit that provided only the vaguest notion of the costs involved.

Such misrepresentation and misdirection of credit in the budget cannot be allowed to continue. It adversely affects the operation of the Federal Government. It hides spending from the deficit calculation. It serves both our constituents and the welfare of the American people poorly.

The credit plan before us differs in some respects from the approach that I proposed, but it has the essential elements necessary for effective control of Federal credit and an end to budget gimmicks. It is a solid workable plan that I support, and I urge the support of my colleagues for the Federal Credit Reform Act of 1987.

**Mr. CRANSTON.** Mr. President, as the chairman of the Veterans' Affairs Committee, I wonder if the distinguished chairman of the Budget Committee would clarify for me three matters regarding the pending Chiles-Domenici-Gramm-Byrd-Dole amendment.

First, would anything in the pending amendment impose or provide for any ceiling or other restriction either on the numbers or total amounts of loans made or guaranteed under the VA Home Loan Program under chapter 37 of title 38, United States Code, or on the numbers or amounts of education loans under section 1798 of title 38 or of rehabilitation loans under section 1512 of title 38?

Second, would anything in the pending amendment impose or provide for any ceiling or other restriction on the making of so-called insurance policy loans under the various veterans' and service members' insurance programs under chapter 19 of title 38?

Third, would anything in the pending amendment alter or affect in any way the sequestration exemptions and special rules applicable in current law to various veterans' benefits and services?

**Mr. CHILES.** Mr. President, I thank the Veterans' Affairs Committee chairman for raising these concerns. The answer to each of his questions is no.

**Mr. CRANSTON.** Mr. President, I thank the Senator and would like to raise one additional matter on which I would like to have his response.

It is my understanding that there is no intention on the part of the Senators who will be serving as conferees on this legislation to agree on any provisions in conference as to which those same three questions would be answered any differently. Is that understanding correct—that is, would it be the Senate conferees' intention to maintain in conference the positions indicated by the answers to my three questions?

**Mr. CHILES.** Mr. President, the answer to the Senator's question is yes, I intend to maintain in conference the position indicated in my answer to the Senator's earlier questions.

**Mr. GLENN.** Mr. President, I opposed the Gramm-Rudman budget measure when it was originally introduced, and I rise today to express my opposition to the pending proposal to revise it. I do so because I believe that Gramm-Rudman is a terrible piece of legislation that undermines our constitutional system of government.

Mr. President, I agree with the authors of this proposal that reducing

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our budget deficit is the overriding domestic challenge we face. We agree that these huge deficits are keeping real interest rates high, devastating our balance of trade, and holding down economic growth. And we agree that without decisive action to reduce Government borrowing, this situation can only grow worse.

We also agree, Mr. President, that solving our budget problem is an extraordinarily difficult and painful task. But the Iran-Contra hearings of recent weeks have reminded us of an important lesson—there is a grave danger in resorting to extra-constitutional means to solve problems just because they appear difficult.

This is not just rhetoric. I truly worry about what this proposal does to our system of government. The Constitution gives Congress both the authority and the responsibility to appropriate Federal funds. It does this so that Congress, as the elected representatives of the American people, can establish our national priorities.

It's important to remember that the budget deficit is not the first serious problem our country has ever faced. Indeed, we have faced many serious problems over the past 200 years. And we have managed to solve them because our Constitution provides us with an orderly and workable process of government. Certainly, it has sometimes seemed tempting to use short cuts to solve tough problems. But in this, our Constitution's bicentennial year, we should be particularly attuned to the importance of observing the proper procedures.

In the context of our deficit problem, I believe that Congress' performance has been far better than some people think. Although Congress must accept part of the blame for the deficit, the major share of responsibility rests with the Reagan administration. During its first 6 years in office, the administration successfully pushed for the largest revenue loss in our history, pushed for the largest spending increase in our history, and submitted the most unbalanced budgets in our history. Significantly, Congress has actually appropriated several billion dollars less in budget outlays than President Reagan has requested since he took office.

The administration is continuing to lead us down a path to fiscal ruin. It is continuing to support increased defense spending, oppose equitable revenue increases, and argues that budget cuts should come from domestic programs. And in so doing, it is continuing to ignore the wishes of the American people—expressed both through their elected representatives and through public opinion polls—that they are unwilling to accept further cuts in domestic programs. President Reagan's unwillingness to face these basic facts remains the largest obstacle to real deficit reduction.

I have twice offered an amendment that responds to this problem by imposing financial discipline on the President. The amendment says that the President must either submit a balanced budget to Congress or send us a roadmap showing us how to get there.

My amendment, which I expect to offer at a later time, is not inconsistent with Gramm-Rudman. In fact, almost every Senator who supported Gramm-Rudman voted for my amendment as well; it passed by a vote of 93 to 4 in 1985 and by a voice vote in 1986. But I believe that my amendment provides three distinct advantages over Gramm-Rudman. First, it would force the administration to choose specifically among the many competing Federal priorities; Gramm-Rudman, by contrast, would make automatic, across-the-board, meat-cleaver cuts. Second, it would impose a permanent requirement, while Gramm-Rudman would expire in a few years. Third, and most important, it would allow Congress to continue to fulfill its constitutionally mandated appropriations role, whereas Gramm-Rudman would substitute a mathematical formula for human judgment.

Mr. President, this year we face some of the toughest choices we have ever had to make in setting national priorities. But setting national priorities is our job. And in this, the bicentennial year of the Constitution, it is not a job we can responsibly quit. I urge my colleagues to join me in rejecting any and all versions of the Gramm-Rudman proposal.

### AMENDMENT NO. 645

Mr. DOMENICI. Mr. President, have we asked for the yeas and nays on the pending amendment?

The PRESIDING OFFICER. The yeas and nays have not been requested.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Are there further amendments?

If not, the question is on agreeing to the amendment of the Senator from Texas [Mr. Gramm]. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. Adams], the Senator from Delaware [Mr. Biden], the Senator from Vermont [Mr. Leahy], and the Senator from Illinois [Mr. Simon] are necessarily absent.

I also announce that the Senator from Alabama [Mr. Shelby] and the Senator from New Mexico [Mr. Bingaman] are absent because of illness in family.

I further announce that, if present and voting, the Senator from Alabama [Mr. Shelby] would vote "yea."

Mr. DOLE. I announce that the Senator from Wyoming [Mr. Simpson] and the Senator from Connecticut [Mr. Weicker] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. Simpson] would vote "yea."

The PRESIDING OFFICER (Mr. Graham). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 71, nays 21, as follows:

[Rollcall Vote No. 218 Leg.]

YEAS—71

Armstrong
Baucus
Bentsen
Bond
Boren
Boschwitz
Breaux
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Ford
Fowler
Garn
Graham
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Karnes
Kassebaum
Kasten
Kennedy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Mitchell
Murkowski
Nickles
Nunn
Packwood
Pressler
Proxmire
Pryor
Quayle
Reid
Rudman
Sanford
Sasser
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Wirth

NAYS—21

Bradley
Bumpers
Burdick
Cranston
Exon
Glenn
Gore
Harkin
Hatfield
Johnston
Kerry
Lautenberg
Melcher
Metzenbaum
Mikulski
Moynihan
Pell
Riegle
Rockefeller
Roth
Sarbanes

NOT VOTING—8

Adams
Biden
Bingaman
Leahy
Shelby
Simon
Simpson
Weicker

So the amendment (No. 645) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Washington.

### AMENDMENT NO. 650

(Purpose: To provide that during a two-year period each title of any joint resolution making continuing appropriations that is agreed to by both Houses of the Congress in the same form shall be enrolled as a separate joint resolution for presentation to the President, and for other purposes)

Mr. EVANS. Mr. President, on behalf of myself, Senator Humphrey, and others, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. Evans], for himself, Mr. Humphrey, Mr. Exon, Mr. Boren, Mr. Gramm, Mr. Domenici, Mr. Proxmire, Mr. Nickles, Mr. Hecht, Mr. McCain, Mr. Roth, Mr. Garn, Mr. Murkowski, Mr. Boschwitz, Mr. Trible, Mr. Symms, Mr. Warner, Mr. Kasten, Mr. D'Amato, Mr. Bond, and Mr. Karnes, proposes an amendment numbered 650.

Mr. EVANS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following new title:

### TITLE —TREATMENT OF CONTINUING RESOLUTIONS

SEC. . ENROLLMENT OF CERTAIN JOINT RESOLUTIONS.

(a) In General.—

(1) Notwithstanding any other provision of law, when any joint resolution making continuing appropriations is agreed to by both Houses of the Congress in the same form, the Secretary of the Senate (in the case of a joint resolution originating in the Senate) or the Clerk of the House of Representatives (in the case of a joint resolution originating in the House of Representatives) shall cause the enrolling clerk of such House to enroll each title of such joint resolution as a separate joint resolution.

(2) A joint resolution that is required to be enrolled pursuant to paragraph (1)—

(A) shall be enrolled without substantive revision,

(B) shall conform in style and form to the applicable provisions of chapter 2 of title 1, United States Code (as such provisions are in effect on the date of the enactment of this section), and

(C) shall bear the designation of the measure of which it was a title prior to such enrollment, together with such other designation as may be necessary to distinguish such joint resolution from other joint resolutions enrolled pursuant to paragraph (1) with respect to the same measure.

(b) Procedures.—A joint resolution enrolled pursuant to paragraph (1) of subsection (a) with respect to a title shall be deemed to be a bill under Clauses 2 and 3 of Section 7 of Article 1 of the Constitution of the United States and shall be signed by the presiding officers of both Houses of the Congress and presented to the President for approval or disapproval (and otherwise treated for all purposes) in the manner provided for bills and joint resolutions generally.

(c) Definition.—For purposes of this section, the term "title" means any division of a joint resolution making continuing appropriations that is designated as a title.

(d) Application.—The provisions of this section shall apply to joint resolutions agreed to by the Congress during the two-calendar-year period beginning with the date of the enactment of this section.

SEC. . POINT OF ORDER.

(a) In General.—Notwithstanding any other provision of law, the Standing Rules of the Senate, or the Rules of the House of Representatives—

(1) it shall not be in order to consider any joint resolution making continuing appropriations for a fiscal year unless each title of the joint resolution corresponds to a regular appropriation bill,

(2) any general provisions of the joint resolution are contained in the appropriate title or titles of the joint resolution (rather than in a separate title).

"(b) For purposes of this section, the term 'regular appropriation bill' means any regular appropriation bill (within the meaning given to such term in section 307 of the Congressional Budget Act of 1974 (2 U.S.C. 638)) making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

"(1) Agriculture, rural development, and related agencies programs.

"(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

"(3) The Department of Defense.

"(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

"(7) Energy and water development.

"(8) Foreign assistance and related programs.

"(9) The Department of the Interior and related agencies.

"(10) Military construction.

"(11) The Department of Transportation and related agencies.

"(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

"(13) The legislative branch.".

Mr. EVANS. Mr. President, let me be brief. I know it is late on Friday afternoon but this is, in my view, an important amendment and one which ought to be enthusiastically adopted by this Senate and all of its Members.

There has been much talk about item veto and I know there is considerable concern about item veto, but I think we have come to a point, especially during the last year, where we lumped all 13 of the traditional appropriations bills together in one massive continuing resolution and sent to the President $580 billion worth of spending. In doing so we have virtually eliminated the responsible use of the veto by a Chief Executive.

No one, either this one or future Presidents, could afford to engage in a veto knowing that the Government of the United States would literally come to a halt if he exercised that veto. This amendment is very simply. I would introduce it as the Individual Appropriations Act. It achieves not a dramatic difference from how we now do business but, in effect, takes us back to the traditions we have had in the Senate over many years.

We have 13 subcommittees in the Appropriations Committee. We have 13 separate titles which come forward. This bill would require that any continuing resolution, or any attempt by the Congress to put those 13 bills or any number of them together, would then be separated back into their original titles bfore being presented to the President.

In essence, it would divide continuing resolutions into separate titles where each title is identified as a regular appropriations bill.

This amendment identifies those as the 13 appropriations bills we are most familiar with.

It would require that any general provisions of a continuing resolution would be contained in the appropriate title so there would be no separate title for general provisions. It retains the constitutionally mandated two-thirds veto override by both Houses of Congress. It includes a 2-year sunset clause.

So this gives us a chance to try something which, in my view, is nothing more or less than taking us back to the traditional balance we have enjoyed over many, many years in this Congress between the Congress and the Chief Executive.

There may be arguments against a line item veto, but I do not believe that those arguments hold in this case against the dividing of bills into their individual titles.

There was an argument, for instance, that the line item veto would give too much authority to an enrolling clerk. This clearly would not be the case where the individual titles are readily identifiable and separable and, in fact, commonly are separated.

Those who suggest that a continuing resolution leverages the President I suppose would object to this proposal. I do not think it is a question of leveraging a President or giving undue power or authority to one branch or another of our Government but merely restoring a balance which has existed traditionally and which I think ought to be reinstituted.

Mr. President, I think this would be a challenge to a President who has long sought a line item veto saying, "All right, here is an opportunity for you." It would retain an even balance, but it would retain the protection of broad legislation contained in each one of these titles for those Members who are concerned that an individual item that they are deeply interested in, might be picked out of an appropriations bill by a President who enjoyed full line item authority.

Mr. President, I shall take no more time other than to answer any questions that there might be. I think it is a simple and straightforward amendment. It deserves to be on this bill which contains many similar proposals for making our whole budget and appropriations process a little more un-

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derstandable, a little more straightforward.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, earlier in a prior session, a bill S. 402, was introduced giving line item veto to the President. The method which we are now talking about is not S. 402 and does not create line item veto authority. It does not extend that to the President. I can assure my colleagues who support S. 402 that we intend to re-offer that legislation to the Senate at the earliest possible date.

The amendment now before us, however, is badly needed and would make a constructive contribution to the budget process. As Members will recall, with some shame I would think, for fiscal year 1987, we passed not one single appropriations bill. Not one of the regular 13 appropriations bills was separately passed by the Senate. Instead, in the 11th hour, plus 59 minutes, I guess you could say, we passed a continuing resolution which encompassed all 13 appropriations bills, and then we sent it down to the White House. Thirteen appropriations bills all rolled into one continuing resolution worth $576 billion, one spending bill, the largest in the history of the world, is what we plopped on the doorstep of the White House before we rode out of town leaving the President no realistic choice at all but to sign that gargantuan appropriations bill even though he objected to a multitude of its provisions, even though if separately presented to him many of those appropriations would have merited and probably received his veto.

It was an act of gross irresponsibility in the view of this Senator and one which the amendment now before us seeks to prevent from recurring. The amendment now before us is not line item veto authority, would not give the President, as I wish it could under the circumstances but does not, authority to pick out individual items and veto them.

That is not at all what is before the Senate. It simply requires that any continuing resolution containing 2 or more, 2 or more, of the regular 13 appropriations bills be broken down into whatever number of appropriations bills there are in the continuing resolution.

If this had been in effect last year with respect to the fiscal year 1987 budget, it would have required this continuing resolution, this gargantuan continuing resolution which we presented the President, worth 576 big ones, billions, to have been broken down into 13 categories, subsections which corresponded to the regular bills. That way the President would have had some reasonable, barely reasonable under the circumstances of the calendar, but some barely reasonable opportunity to exercise his veto under the Constitution.

As things now stand, as practices have developed, Congress has devised a way of precluding the President, practically speaking, from vetoing appropriations bills. We chunk them all together. We send them down there at the 11th hour, 59th minute, 59th second and say to the President, "OK, it is your baby, sign it or throw the entire Government into chaos."

Meanwhile, of course, we have all gone home. It is an unreasonable procedure as it has developed, whether that development was conscious or deliberate or whatever. It is an unreasonable proposal, an irresponsible practice.

That is what this amendment seeks to address. It would simply require, once again, that any continuing resolution containing two or more regular appropriations bills be broken down to present those appropriations bills in effect separately to the President so that he can veto one or as many of them as he thinks merit his veto. This would, under this new practice which has developed, restore the President's practical ability to veto appropriations bills. It is badly needed, and I hope that the Senate will adopt this amendment. It is not the line item veto authority which the majority leader hoped would not be presented. The majority leader's hopes, as so often seems to be the case, have been realized. This is not the terrible thing he was expecting. It is something much milder, much meeker, but nonetheless badly, urgently needed. It is a reasonable measure, a measure that would restore fiscal responsbility to the Senate. I would think that on the day we have under consideration the bill which raises the national debt limit—I refer to billions as big ones, but they are even small compared to what we are asked to do in the way of raising the national debt limit by this bill to $2.57 trillion, terrifically big ones, trillion—Senators would want to ameliorate to some extent their vote for raising this debt limit by embracing now in the same bill a budget reform that is badly needed and that will help to curb some, some, of the budgetary abuses that have grown up through practice. I thank the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire has yielded the floor. Are there others who wish to debate?

Mr. NICKLES. Mr. President, I will be very brief, but I wish to congratulate my colleague and friend from Washington, also from New Hampshire, for offering this amendment. I also have been advocating this approach. I think we need to restore checks and balances, and certainly in the Constitution as set up by our forefathers they never envisioned Congress encompassing all appropriations bills in one package and giving the President the option to sign or veto that entire package.

That is exactly what happened last year. The chairman of the Appropriations Committee is on the floor. Last year, we passed one bill, one tremendously large continuing resolution. It was $576 billion. It had all 13 of the appropriations bills in it. We sent it to the President and said, "Mr. President, you sign it all or veto it all," knowing full well that if he vetoed it all we were not going to be paying the military, we were going to have obligations that we had definite commitments on that we would not be fulfilling. We basically offered him no choice. We offered no checks and balances. Basically, all the checks were being held and written by Congress with no balance whatsoever. Congress was holding all the cards, in my opinion was dealing in a manner that was not equitable, not fair. It made no sense and it was not a good deal, not for this administration, not for any administration, and certainly not good for the taxpayers. This amendment, in my opinion, is a bare minimum of restoring the checks and balances. I think it is very positive and I hope we will adopt it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma has yielded the floor. Are there others who wish to debate? The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I do not rise to speak to this subject in its spirit, but I rise to make the point, this is a good way to keep us here for quite a while on this debt ceiling measure. This is a very controversial measure. It is a proposal that does not belong on the debt ceiling bill.

There is no Member of the Senate for whom I have more respect than the distinguished Senator who has offered this amendment. But the fact is that this presents some real policy questions, policy questions for the Appropriations Committee, policy questions for the Budget Committee, policy questions for the Finance Committee.

I believe the question is: Maybe we should do this, maybe we should not. I think I lean toward not doing it. I believe it places in the hands of the President the opportunity to say: "I want more defense spending and less domestic spending," and maybe some other day, "more domestic spending and less defense spending."

I do not believe that is the way the Government should run. I think it would demean the process so far as Congress is concerned. I believe we would be giving up many of the powers we presently have. I believe it is an issue that should be debated when we have adequate time to do so. I do not believe it belongs on the debt ceiling bill, and I hope the author will see fit to withdraw it and make arrangements with the appropriate committees to have it go through the appropriate processes. Many of us have strong feeling that it is not an appropriate measure on the debt ceiling bill.

Mr. STENNIS. Mr. President, I shall not take much time.

This matter has not been called to my attention, at least. The substance of it is of the greatest importance. I was going to suggest to the authors of it that if they would withdraw or take whatever steps are necessary, I think there can be a chance for the Appropriations Committee to thoroughly go over the entire matter and see if they have major suggestions. I think when that is done, it certainly should have representation on the Appropriations Committee.

We have been tied up very closely here lately with reference to getting preparations made to take up the appropriations bills. We are hoping to have separate bills. That will be our position.

I am not trying to defeat this matter. Something ought to be done in this field. We would be greatly strengthened by the committee having a chance in trying to control it.

Mr. PRYOR. Mr. President, I will not take long.

I have the greatest esteem and admiration for the distinguished Senator from Washington, who has proposed this amendment.

There may be a day when I am willing to vote for such an amendment. It has not arrived.

I am not willing today to support an amendment to a bad policy. In supporting the Evans amendment which is before the Senate today—and I say this with the greatest respect—I think what we are doing is elevating a bad system into basically what is going to be accepted practice. I think that when we accept the practice of a continuing resolution year after year and session after session, we are endangering the very foundation, the root structure, of our system.

Mr. President, I think that we are doing something to the appropriations process—I know what the Senator is trying to do. I think it will do just the opposite.

I can see us a year or 2 years or 3 years from now getting to the same place we are going to be in the last part of September. By the last part of September, we will have experienced a massive train wreck in the Senate of the United States and in the House of Representatives. It is not the fault of any person. It is not the fault of any leader. It is the fault of the system that we have become involved with and bogged down with, which is paralyzing the system itself.

I keep saying that we are not elected to sit at the airport or wait at the railroad station day after day, waiting for the train to come back. It is not the train that is at fault. It is the structure of the track system, it is the crossties, it is the foundation that we have to change.

What we are doing is elevating a very, very bad practice that we have fallen into in the last 13 years—we are elevating that to a system of standard procedure.

A lot of people call this the CR, and we are going to have another CR—let us face facts. A lot of people say "CR" stands for "continuing resolution." "CR" does not stand for "continuing resolution." "CR" stands for "combined retreat." That is when the House and the Senate of the United States finally, at year's end, admit our failure.

Look at us: 1985, five appropriation bills; 1984, four appropriation bills; 1983, one appropriation bill; 1982, no appropriation bills; 1981, one appropriation bill; 1980, three appropriation bills.

What has happened to the appropriation process? It has been paralyzed—and I say this with respect to my friends on the Budget Committee. I see the distinguished chairman and the ranking member on the committee on the floor at this time. The appropriations process has been paralyzed, has been suffocated by the Budget Act and the budget processes that we have adopted pursuant to 1974.

So, we adopt, at the end of every session, something that is instant government. It was not cooked in a stove. It was cooked in a microwave oven. Last year's CR weighed 18 pounds. Very few of us knew what was in the CR. It was, I repeat, our admission of failure that we go through and admit at the end of each fiscal year, when we get ready to go home.

It is these reasons, Mr. President, elevating this bad system to a permanent practice, which force me to poppose the amendment of the distinguished Senator at this time.

I yield the floor.

Mr. BYRD. Mr. President, this is not a line item veto amendment. I have considerable sympathy for the amendment per se. I regret that in recent years we have seen more and more resort to a continuing resolution, as we have been unable to pass the various regular appropriation bills.

Last year, not a single one of the 13 regular appropriation bills passed Congress and was sent to the President.

Having said, that, however, I would hope that we would wait until another day and use another vehicle or approach to this amendment. I think it would be an additional burden on the conferees of the Senate to have to carry this amendment to conference.

We know the time is short. I would hope that we would not support this amendment on this debt limit resolution. As I say, it is not a line item veto, so I do not have the visceral reaction against it that I would have to a line item veto.

Let us try, however, to ease the burden on our conferees. They have a lot of work to do. Let us not add to their burdens.

This amendment is not germane. It is relevant. Germaneness is more restrictive than relevance. We could probably craft a Contra aid amendment or a Persian Gulf amendment that would be relevant, but it would not be germane to this debt limit resolution.

So I hope that my colleagues will support a motion to table, which I understand will be made by the distinguished Senator from Mississippi, the chairman of the committee. I will support his motion to table.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON addressed the Chair.

Mr. STENNIS. I did not understand the Chair.

The PRESIDING OFFICER. Was the Senator from Mississippi asking for recognition?

Mr. STENNIS. Yes.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I say to the members of the committee I do not know whether the experiences have carried them fully through the real meaning of this proposal. If the committee has to go over to the pattern there of long time bills every year and put it all into one bill and then go to a conference with the House, fine as they are, it is virtually an impossible situation to get down to the real merits. I am talking about the appropriation pattern that carries the money for all the Government for the calendar year.

It is virtually impossible to get down and give a conference the utmost consideration by the most experienced Members that we have to really go to the bottom of all those matters and work out the agreements. I do not know of any good that it would do toward reaching the desired ends to have this cumbersome method that I did not know—well, it is a matter of judgment, of course—but I do not know of any procedural matter that could be thought of that would come nearer to diminishing the effectiveness of the committee and those who are affected by it and the departments of the Government that have to be heard, of course, and considered with reference to each of these bills.

It justified a separation of the entire matter and proceeding then with the staff and with members of that committee that are experienced.

When you deny both of those, you deny the best chance to get the best bill.

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I am not going to jump to try to table a bill ahead of time or anything like that, but if we do not have a chance—there has been no notice I do not think to any Member, I know I have not had any notice of any kind about this matter—so I would feel justified and would at the proper time make a motion to table the matter with the hope that will give a chance for something to be worked out, and I believe if we can get the ear of the Members there is no doubt about the result.

So, in the interest of saving time, I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I look at this amendment really in two ways: one is the rationale and on the merits. And like the Senator from Arkansas and the Senator from Mississippi and others, I do not find myself totally opposed to this concept on the merits.

I think it is different from a line item veto which I happen to oppose very strongly. I do not like that we are involved in continuing resolutions also.

I take a little different view than our Senator from Arkansas that the reasons for a continuing resolution are all the Budget Act. I do not think that is true. I think part of the reason for a continuing resolution is that we have and have had for the last 7 years a battle between the administration and the Congress as to whether we were going to do something about spending, what we were going to do with spending, and I think the continuing resolution has been a device primarily used, started by the House where they hold back their bills many times to try to strengthen the Congress' hand in that battle. I think if you really look through the history of each continuing resolution—I would like to go back and take you through some when we have the time, I will not do it tonight—and sort of portray how that comes through.

Now, we are talking about changing this, and it is budget reform, no doubt about that. But I said to my good friend from New Mexico when we started this, I thought that we should put in some good efforts at budget reform, good faith efforts, and we did those that we would agree on. I thought there were others that had to do with real powers that we were talking about and this is power that we are talking about. Right now the President thinks this gives us more power, and we use the continuing resolution because we think it adds to our power. So we are talking about basic power now.

And if we are going to talk about this I think we ought to sit at the conference table when we are talking about are we going to do something for real on this deficit and is the President really ready to do that. Have we not asked over and over and over again this year, the majority leader, the Speaker, everyone else, "Please, Mr. President, sit down with us, please negotiate with us, please do not make us go over the cliff or to the edge of the cliff before we negotiate that."

Now I have heard Director of OMB Miller and I have heard others say: "We will negotiate anything on budget reform. You do all these budget reforms and then maybe we will talk to you on something else."

I think this is one of those items that if we are ready to talk seriously, yes, let us talk, let us put this one on the table, let us put revenues on the table, let us put whether we are serious about doing something to the deficit on the table, and let us have a table layered with a lot of things on it where everybody can sit down and negotiate.

But this is an item that the Senator from Florida does not think we ought to change right now. It has not been through any of our processes. You can make all kinds of good argument for it. Yes, you can. I can, too. I do not think this is one of the things we should change now when we do not know whether the President will ever deal with us or not. We do not know whether we are ever going to get a chance to negotiate or not.

I think the Senator from Mississippi is right that this is an amendment that we should table, and I think it will sure keep this bill going a long, long time if we do not do that tabling.

The PRESIDING OFFICER. Does the Senator from Mississippi wish to offer a motion to table?

Mr. STENNIS. Not at this time.

Mr. EXON. Mr. President, I suggest the Chair is out of order making suggestions to the Members of the body. The Senator from Nebraska sought recognition from the Chair. He recognized me earlier. I yielded to my friend from Mississippi because I thought he had asked for recognition earlier. But I frankly object to the Chair suggesting from the Chair's station a tabling motion at the same time that the Senator from Nebraska is seeking recognition to speak on this matter.

The PRESIDING OFFICER. I had interpreted from statements the Senator from Mississippi indicated his intention to offer but did not, in fact, offer a motion to table, and I believe that is correct.

The Senator from Nebraska is recognized.

Mr. EXON. I thank the Chair. I think it was very clear, and I was sitting right next to my good friend from Mississippi, that he indicated that he would offer a tabling motion at an appropriate time. I think it was clear he did not intend to offer it at that time. I think it is his usual consideration that he is showing to the other Members of the body by our distinguished colleague from Mississippi.

I thank the Chair for recognition.

Mr. President, I rise in support of the amendment offered by my colleague from the State of Washington. I think it is a step in the right direction. There are all kinds of arguments that could be offered as to why we should not take this up at this time.

I say, Mr. President, that there could be no more appropriate time to take this matter up in view of the overwhelming and I emphasize the word "overwhelming" endorsement of a piece of legislation that was very much opposed by this Senator on the last rollcall vote.

So I think this all fits into the picture. We have a financial crisis on our hands. I, for one, would not wish to overburden any further the excellent work that is done time and time again by our Appropriations Committee led so ably by our colleague from Mississippi, and the ranking member, my friend and colleague from the State of Oregon.

I have heard comments here on the floor today that this whole mess we are in is because of the budget process. That is ridiculous, Mr. President, on its face.

I think that the budget process has not worked as it was originally envisioned when it passed this body before this Senator was a Member.

But I would suggest that we would be in much worse fiscal shape today had we not had the budget process.

So the budget process will continually be under attack and if the budget process is wished to be criticized for this mess we are in now, then so be it.

The budget process, I am sorry to say, has produced the so-called Gramm-Rudman bill, that this Senator thinks is an ill-advised piece of legislation. But, of course, that is not shared by the vast majority of my colleagues.

I appreciate the fact that the Senate has a responsibility to work its will. But I am going to take a few minutes right now, Mr. President, to set the record clear on how this Senator feels not only about this piece of legislation which I think helps correct to a minor extent the fiscal situation that this country faces, that I do not think that the Gramm-Rudman bill itself can handle.

Mr. President, once again the U.S. Senate worked its stealthy magic behind the skirts of the Gramm-Rudman proposal. In 1985, all will remember, this same gimmickry was the cloak to cover the historic breakthrough, the $2 trillion debt level. The record will show that that is the case.

The same pattern is used again this year with an extra frill here and there, but the same tragic result, the horrendous new 1987 debt level of $2.8 trillion.

Many of us who are very, very concerned about this faulted process have worked hard and have appealed time and time again for true fiscal responsibility. We have worked through the budget process, through the caucuses, individual conversations, and other responsible actions, including amendments to cease prolonging the agony by putting things off until later. And we have done this to little avail, despite our efforts.

This action today that we are taking on the amendment offered by the Senator from Washington is indeed a proper follow-on, Mr. President, to help correct the mistakes and the shortcomings of the Gramm-Rudman proposal, in the opinion of this Senator. This action that we took earlier today with the Gramm-Rudman proposal is the same song, second verse, sung loudly to cover up the sour notes.

We have even added a new wrinkle by setting up to May 1989, after the election—I emphasize, Mr. President, after the election—the time to break through the $3 trillion debt ceiling limit of the United States of America.

Let no one be fooled. Today, history is simply repeating itself.

I have a great amount of respect for the sponsors of the Gramm-Rudman legislation. I share their abhorrence for deficit spending and have often stood shoulder to shoulder with them in supporting a number of deficit reduction efforts. The budget deficit threatens the very economic health of generations of Americans. It has weakened our financial independence, made the United States the largest debtor nation, and has helped produce the record trade deficits of recent years.

Certainly, the Gramm-Rudman law did institute some good and important budget reforms. It put the Congress on a tight timetable for the consideration of the budget and instituted a system where the Congress must provide offsets for new spending. Those reforms have been good and have improved the congressional budget process.

In spite of these positive factors, much of the Gramm-Rudman scheme is pure folly. I have consistently opposed the Gramm-Rudman law because it is an abdication of congressional responsibility; it delays meaningful action on the deficit; the result it produces is grossly unfair; and after 2 years of operation, it has not worked.

Mr. President, the Gramm-Rudman approach is an abdication of congressional responsibility. The Constitution of the United States grants the Congress the power to lay and collect taxes, pay debts, and provide for the national defense. Rather than face our responsibility to manage the fiscal affairs of the Nation, the Congress now spends valuable hours reconstructing Gramm-Rudman's Rube Goldberg automatic sequester mechanism to turn our responsibility over to the Office of Management and Budget. If a series of economic forecasters determines that the Congress has not reduced the deficit by a sufficient amount, the authority to make a portion of the Federal budget is turned over to the head bureaucrat in the Office of Management and Budget.

I simply do not believe that the American people elected the Congress to turn over its constitutional fiscal responsibilities to a nameless, faceless, unelected bureaucrat.

In addition, the Gramm-Rudman process actually delays serious action on the deficit. The budget reconciliation bill passed in 1986 is a prime example of the type of deficit reduction the Gramm-Rudman process inspires. The bill was loaded with spending shifts, one-time asset sales, and accounting gimmicks which reduced the deficit projections for the purposes of avoiding a sequester, but did very little to reduce Federal borrowing or reduce the structural deficit. Rather than force action, the Gramm-Rudman law fakes action.

Perhaps most disturbing is the fact that, if the Gramm-Rudman procedure were played out, it would produce a result which is grossly unfair. In its basic and theoretical form, there is great appeal to taking across-the-board action to reduce the deficit. I have worked over the years with my good friend from South Carolina to formulate across-the-board freeze budgets. If Congress is unable to reduce the deficit, it does make a good deal of sense to freeze or reduce each program by a uniform amount to deal with a budget shortfall. Such a procedure spreads the burden of deficit reduction and preserves the relative priority of each program.

I say, Mr. President, that it does; it does, indeed, make a great deal of sense for an across-the-board cut if that is the only way we can solve the problem.

Unfortunately, Gramm-Rudman is not an across-the-board deficit reduction. Over one-half of all Federal spending is exempt from the Gramm-Rudman formula reductions. Those nonexempt programs must absorb a disproportionate share of the deficit reduction burden. Agriculture is a typical example. Agriculture takes an extremely heavy hit in a sequester scenario.

The other day, the chairman of the Senate Budget Committee described Gramm-Rudman as the nuclear deterrent of the budget process. I suspect that it is more akin to the policy of mutual assured destruction. It seems ridiculous for the Congress to invent a process which produces a result which is bad for the country and that the Congress and the President do not support. We should attempt to design a workable budget process, not a suicide pact.

Mr. President, it is time to face the facts. After 2 years of operation, by and large, Gramm-Rudman has not worked. In its first year of operation, the United States rolled up a $220 billion deficit, the largest ever. The Congressional Budget Office just reported that in 1987, the deficit will likely exceed $160 billion, about $20 billion above the Gramm-Rudman target. However, the Acting Director of CBO acknowledged that this slight improvement in the deficit picture is largely temporary and due to an unexpected windfall from tax reform, spending shifts, and one-time asset sales. After 1987, the baseline once again takes an upward path and hovers indefinitely in the $200 billion area. Now even the authors of the Gramm-Rudman law are backing away from their commitment to move the deficit down year to year and to balance by 1991.

Mr. President, we are simply kidding ourselves. Congress, in passing its $2.8 trillion debt ceiling, and reinstating the automatic sequester, is patting itself on the back for having fiscal "courage." And I use that word advisedly.

Mr. KERRY. Will the Senator yield for a quick question?

Mr. EXON. Certainly.

Mr. KERRY. I know the Senator is making an important statement and I am sorry to interrupt. I just wanted to make a personal judgment about the use of time. I was wondering if the Senator could inform me how long he might expect.

Mr. EXON. I intend to take about 3 additional minutes.

Mr. KERRY. I thank the Senator very much.

Mr. EXON. The Gramm-Rudman plan reduces deficit estimates, but time has proved it is a meager tool for reducing deficits.

I support budget process reform. I have authored a constitutional amendment to require that the President submit and the Congress pass a balanced budget; I have authored a debt ceiling reform which would incorporate debt ceiling legislation into reconciliation, and if Congress or the administration exceeds their planned borrowing, a three-fifths vote would be necessary to increase the debt ceiling above the level contained in the budget; I am a cosponsor of the Quayle-Exon enhanced rescission bill; and I support line-item veto for the President. And that, basically, is why I am supporting the amendment offered by my friend from Washington.

In closing, Mr. President, let me simply say that, having said that, I realize that all the budget reform in the world will not solve the deficit crisis.

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There are only three ways to reduce the deficit: That is cutting spending, improving receipts, or pursue a combination of both.

Mr. President, here the process reform is used as a camouflage for dramatic increase in Federal borrowing. Rather than reducing the deficit, we are tinkering with the procedure. The real problem is not procedure, it is people. The deficit crisis will not be solved until the Congress and the President sit down, as the distinguished chairman of the Budget Committee has just indicated to the Senate, and work out a program of shared sacrifice.

As a former Governor who put together eight balanced budgets I can attest to the fact that there are no procedural magic wands; no painless way to cut spending. Only with hard work through negotiations and good faith and good efforts, Mr. President, can we reach a consensus that produces the result that the authors of the Gramm-Rudman proposal seek.

This Senator and the American people, I think, seek a similar solution.

Mr. President, that concludes my remarks. I understand a tabling motion——

Mr. STENNIS addressed the Chair.

Mr. EXON. Mr. President, I still have the floor, I believe. Mr. President, I still have the floor. I will yield the floor after advising the Chair that I think there are those of us who know that some people want to move ahead and get this tabled and move on about the process of government but I say most of us have been here working very hard all week and this is a matter that I think should not be disposed of hurriedly.

I see that there are at least two Senators on the floor, my friend from Washington and my friend from New Hampshire, that I suspect would like to speak briefly on this.

While I have the floor, to protect my friends, I would like to seek a unanimous-consent agreement that, before a tabling motion is made that will allow 5 minutes—5 additional minutes for the proponents of the amendment offered by the Senator from Washington, and 5 minutes for the opponents and at that time a tabling motion would be in order.

The PRESIDING OFFICER. Is there——

Mr. STENNIS. If I am in order, I would certainly agree to what has been suggested here about the 5 minutes. Otherwise, I would make a motion.

Mr. KERRY. I would certainly object. Can I suggest there has been a long debate——

The PRESIDING OFFICER. Does the Senator——

Mr. KERRY. I was going to ask the Senator if he would modify his request to a total time of 5 minutes equally divided. Five minutes equally divided.

Mr. EXON. We are talking about 5 minutes, Senator.

Mr. KERRY. We have been talking now for almost an hour.

Mr. EXON. If there is an objection, there is an objection. I suspect——

The PRESIDING OFFICER (Mr. Daschle). Does the Senator from Massachusetts object?

Mr. BYRD. Mr. President, I suggest we let the Senator get recognition. He is the author of the amendment. He is entitled to get a little bit of time, but I wonder if we could limit that to 5 minutes and then let the Senator from Mississippi make the motion.

Mr. EVANS. Mr. Leader, I will not take 5 minutes.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from Nebraska which was that there be 5 minutes on each side?

Mr. BYRD. We do not need 5 minutes on each side.

Mr. HUMPHREY. I object.

The PRESIDING OFFICER. The Senator from New Hampshire objects.

The Senator from Nebraska retains the floor.

Mr. EXON. The Senator from Nebraska yields the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, let me just take 2 minutes and I hope we can get to a vote quickly. I know many Members, including this one, are anxious to leave here but let me only respond to several of the arguments that have been used in opposition.

This is simple, straightforward, understandable. It is not in any respect elevating a CR to an art form, as my distinguished colleague from Arkansas suggested.

Quite the contrary, this bill would not even take effect or have any effect whatsoever on any appropriations act that came forward, if it came forward separately.

If, however, they were combined together in a CR which had passed both Houses in the same form, then and only then would the elements of that CR be divided into its separate appropriations bills.

I do not think that is hard to understand. I do not think that it is unusual. It is merely returning us to a tradition we have enjoyed in this Senate in years past and one that I think that is responsible.

It in no respect is so unusual. It would be a trial with a sunset for only a 2-year period and I hope that this evening, knowing that it is late, knowing that it is a Friday, we simply will not take the easy way out and duck what I believe is simply a small step forward.

A continuing resolution was, in my understanding at least, utilized when we could not reach agreement on an appropriation bill and must then allow continued spending for a period of time until a final Appropriations Act could be passed.

However, in recent years and particularly this last year, conference committees met separately on their own individual parts of the bill. They reached agreement on what the spending patterns ought to be for the next year. They could have been brought back as separate conference reports to the Senate and the House, but the choice was to put them all together in what really is not a continuing resolution but what is, in reality, a broad, huge, omnibus appropriation bill.

Mr. President, I hope we do not duck from this one small step and I certainly hope we do not table this step forward.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I, too, understand the wish of Senators to move on, but I would point out, even though this is Friday afternoon, this is, first of all, a very important matter. It is a measure that is badly needed and with respect to the issue of time, we have waited hours upon hours, if not days upon days this week, in various kinds of recesses. Why could we not have been offering amendments during those periods? That is a mystery to this Senator.

But the effect of that decision is to put us right up into the corner in which we so often find ourselves when worthy amendments are shoved aside and Senators cast as villains if they seek to exercise their legitimate rights.

With respect to the amendment before us, Mr. President, the Senator from Arkansas said he thought he had a new definition for the abbreviation CR: not continuing resolutions, but continuing retreats. That is not bad, but I think I have got one better.

CR stands for congressional reelection. Congressional reelection. This process of jamming all 13 appropriations bills into one, dropping it on the President's doorstep on the eve of the new fiscal year, indeed perhaps several days into the new fiscal year, is just the latest clever strategy the Members of Congress have devised to get themselves reelected; have devised to avoid at all costs cutting spending anywhere at any time; have devised to enable themselves to continue jamming into the barrel more and more pork until the stuff is oozing through the cracks between the staves.

CR stands for congressional reelection. Some talk about the need for electoral reform. Well, let us cast this as an electoral reform issue instead of a budget issue. The Senator from Illinois makes a point that is ordinarily

valid. But I make the point that the effect of this amendment is to restore the Budget Act with respect to the intent of the Congress providing the President 13 separate appropriations bills. There is nothing new about that proposal. The debate, those hearings were held 13 years ago, in 1974, when the Budget Act was passed which, among other things, required 13 separate appropriations bills.

Congress has learned how to defeat that for various reasons. We seek to restore that requirement. It is simple. It is straightforward. Highly respected Members of the Senate, including the chairman of the Budget Committee, seem to say that they sympathize with us except with respect to offering it now.

Well, we always have excused why we should put off doing things that badly need to be done. Senators have to catch airplanes. This is not the right bill. It should have hearings. Always there are excuses.

As I said, this issue has been debated. The Congress back in 1974 thought the issue was settled. But with respect to human nature, nothing is ever settled and no constitution and no statutes will ever overcome the defect which created this horrendous national debt and these continuing annual deficits, which is human nature itself.

Mr. President, this a badly needed provision. It is reasonable. It would restore the Budget Act with respect to the requirement that Congress present 13 appropriations bills.

This would prevent the Congress from doing what it did last year, lumping them all together, lumping a $570 billion single appropriations bill. Can you imagine that, a $570 billion appropriations bill presented to the President when he had no real option to veto?

Mr. President, that is the highest act of fiscal irresponsibility which we can correct if we adopt this amendment.

Mr. STENNIS. Mr. President, if no other Senator wishes to speak, I move to lay the amendment on the table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 650. The motion is not debatable. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. Adams], the Senator from Delaware [Mr. Biden], the Senator from Vermont [Mr. Leahy], and the Senator from Illinois [Mr. Simon], are necessarily absent.

I also announce that the Senator from Alabama [Mr. Shelby] and the Senator from New Mexico [Mr. Bingaman] are absent because of illness in family.

I further announce that, if present and voting, the Senator from Vermont [Mr. Leahy] would vote "yea."

Mr. DOLE. I announce that the Senator from Wyoming [Mr. Simpson] and the Senator from Connecticut [Mr. Weicker] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 43, nays 49, as follows:

[Rollcall Vote No. 219 Leg.]

YEAS—43

Baucus
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Conrad
Cranston
D'Amato
DeConcini
Dodd
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Stennis
Stevens
Wirth

NAYS—49

Armstrong
Bentsen
Bond
Boren
Boschwitz
Chafee
Cochran
Cohen
Danforth
Daschle
Dixon
Dole
Domenici
Durenberger
Evans
Exon
Garn
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Proxmire
Quayle
Roth
Rudman
Specter
Stafford
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—8

Adams
Biden
Bingaman
Leahy
Shelby
Simon
Simpson
Weicker

So the motion to lay on the table amendment No. 650 was rejected.

Mr. EVANS. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. STEVENS. Mr. President, I have not voted with my good friend and southern neighbor on this amendment because I sought the advice of our Rules Committee counsel.

As a member of the Appropriations Committee, I have the feeling that this kind of amendment should apply, if it applies at all, to all legislation.

The trade bill has recently passed this body with separate titles, and I felt that we should have sent separate bills to the President rather than one omnibus bill covering everything from plant closings to Soviet fur imports.

However, without regard to whether it is appropriations or substantive legislation coming from the legislative committees, I feel compelled to raise the issue of constitutionality so far as this amendment is concerned.

Only a bill that has been voted upon by both Houses affirmatively can go to the President; yet, if this amendment carries, there would be separate bills, none of which would have been voted upon separately by either House of Congress, which would be sent to the President.

Second, the amendment presumes that every continuing resolution has 13 separate sections. On the contrary, in many instances, our continuing resolutions have not always covered each 1 of the 13 separate subcommittees in our Appropriations Committee.

I share the frustration that the Senator from Washington has expressed by offering this amendment, but I say to the Senate that, in my judgment, the counsel of the Rules Committee who advised me is correct.

This amendment would not result in sending the President bills that had complied with the Constitution; and under that interpretation—and I believe the constitutionality issue needs to be addressed—I think it would be unwise for us to adopt a procedure that does not comply with the Constitution.

If the Senate and the House wished to do this and create a procedure whereby once a bill is passed on a vote by each House, the bill that has been passed can be separated by title and individual bills sent to the President, then I think it would comply with the Constitution. This amendment does not do that.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, let me assure everyone I am not going to take a lot of time. I have been fortunate to be on the committee a long time. I am certain in my mind that this resolution as prepared now will be a distinct handicap to put on the Appropriations Committee to be abided by.

I know as a fact that the membership of the committee, most of them, try awfully hard to get the bills in time in the old way and move them along, move them along to the President in the natural course, not pile them up and send a whole year's appropriations in one basket. That has been going on but it has been over the opposition of many of the Members.

I am not one to quickly complain. Here is an institution, ladies and gentleman, an institution within an institution. The Appropriation Committee is as old as the Constitution itself, and has an unbroken line of service all these 200 years.

They have taken today, and I speak with deference to the individual, but

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without any notice, without any warning, without any kind of ordinary courtesies to some of the Members at least, and it is proposed to largely abolish the institution as we know it now.

So I hope that we can take enough thought and rethink this matter and give a chance. There has not been a chance here this afternoon after it was announced they had such a proposal, not a chance in the world to really prepare to refute it.

There are many Members who are not here, so it is with every handicap almost that you could have.

I do not like to be in a frame of mind that will condemn anyone for voting to abolish it, which is what it means, but I do pray and hope that you will not in a rushing moment here greatly maim and mutilate the fine institution that is within the Senate itself as an institution.

Let us not do that until we have had a chance for a second thought and an examination of the facts. It is just ordinary justice to give the membership a chance to look into the facts and at least read over the proposed amendment. I have not seen yet a copy of this proposal.

So I hope there will be a chance to make this second choice. The ones who are looking for veto power, selected veto, are going to be sadly disappointed and it will not be a practical remedy for that purpose.

So I hope that second thought will save this.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I wonder if the Senator from Washington will yield for a question or two?

Mr. EVANS. I will be delighted to yield to my distinguished colleague.

Mr. HATFIELD. If I could direct the Senator's attention to page 3 of his proposal and in line 15 relating to the character of this continuing resolution that will be acceptable or appropriate under his provisions. Do I understand that beginning on line 18 there would have to be 13 separate references in a continuing resolution to 13 separate regular appropriations bills?

Mr. EVANS. That is the essence of sub 1 which is merely to assure that if there is a continuing resolution. Let me emphasize that, this bill does not even apply to any one of the traditional appropriation bills as they go through and are submitted to the President. It is only some share of them or all of them are whipped together in a continuing resolution that this provision merely requires that they be put in some place where they are easily understood and the titles themselves can then be divided.

Mr. HATFIELD. Mr. President, I understand what the Senator from Washington State is attempting to do. I can understand the logic behind it.

But let me tell you how this will totally cripple the Senate and the whole appropriations process. Let me remind you that the times we have been faced with a continuing resolution initially we get basically a short-term extension and that has only reference to the current programs and activities of the Congress or of the Government. So we cannot function thereby under this provision if and until we get the full continuing resolution with each of the separate bills. At that time and place, let me remind the Senate, it is only brief history that we have not acted upon 13 bills. We have not gotten to the point where they could even be referenced in a continuing resolution.

We get up to the deadline and we have a clean, short continuing resolution that merely is a time extension. That will no longer be possible. How are we going to finance, how are we going to fund the functions of Government beyond that October 1 when we are required to put that into a reference of 13 separate appropriation bills when they have not evolved at that point in time for reference?

So I think we ought to look at this because I think it is deeply flawed on this one point. We get to October 1 and we usually have a 5-day clean, short, brief statement which we call a continuing resolution and that says the current level and functions and programs of Government will continue until October 5, October 6, or whatever time we are merely extending the timeframe into which we can put together 13 bills or 10 or 11 or whatever into a continuing resolution.

I would urge the Senator to look carefully at this particular thing in light of recent history which would literally cripple the whole Congress and the whole Government as it would relate to being able to extend merely the time factor until we can put the 13 bills together in the continuing resolution to fund for that fiscal year.

Mr. EVANS. If I may respond to my colleague from Oregon, I think that is quite simple. The continuing appropriations even for a short period of time are continuing appropriations for purposes of Government which are readily recognized which have fallen within the various 13 functions of our separate appropriations bills for previous years and for the then current year, and it is quite easy, simply to merely keep them in those same confines and even for a short continuing resolution to readily be done in those 13 categories.

There are continuing appropriations of expenditures in the previous year which have been clearly identified in those 13 separate appropriations bills.

Mr. HATFIELD. The Senator is not correct on that point.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I read, in part, from article I, section 7, paragraph 2 of the Constitution of the United States as follows:

> Every Bill which shall have passed the House of Representatives and the Senate, shall, before it become a Law, be presented to the President of the United States;

Mr. President, that Constitution does not make any exceptions. It says "every bill" which shall have passed both Houses shall before it becomes law be presented to the President of the United States.

What we are doing here, if we adopt this amendment and if it were indeed to become law, we would be saying that a continuing resolution which is the equivalent of a bill, of course, which is passed by both Houses, would be broken down into its several parts. Several titles thereof would be separated out by some enrolling clerk and those separate bills or resolutions would be sent to the President severally.

The one continuing resolution which in reality passed both Houses would be thrown in the wastebasket or filed away somewhere by some filing clerk. However, that resolution which passed both Houses, according to the Constitution, should go to the President of the United States. Yet, if we adopt this amendment, we are going to say, "No, in spite of the Constitution, that resolution which passed both Houses will never get to the President's desk."

It is my intention, later this year, to try to bring as many of the regular appropriations bills before the Senate as possible. Not a single one of the 13 reached the President's desk last year. And I can understand the justification of those who want to see separate measures sent to the President. I do not consider this as a line-item veto.

Mr. JOHNSTON. Will the Senator yield?

Mr. BYRD. Yes; if I could just proceed for a minute.

I have some sympathy with the idea but not with this amendment.

In the first place, I do not think it ought to be tacked onto this particular resolution. That will just compound the problems of the conferees on the debt limit.

It seems to me this ought to be thought out carefully, ought to be taken through the committees, should have hearings, let us get some constitutional experts on it, and then make our decision. Let us not make it on this measure.

I do not think it will ever see the light of day when it reaches the conference. But surely Senators who would read the Constitution of the United States would not want to support this proposal.

Yes, I am glad to yield.

Mr. JOHNSTON. Mr. President, I thank the Senator for yielding.

I am glad he is on the floor, because he is a repository of the Senate rules and the Constitution of the United States. He has pointed out that this bill would require the waiver of the provisions of the Constitution, which is interesting.

Now, I have another little matter here that would be waived under the Constitution. On the first page, line 10, they say that the Secretary of the Senate, in the case of a joint resolution originating in the Senate, shall enroll the bill.

Now, I ask my dear friend from West Virginia, is it now possible to originate a joint continuing resolution making appropriations in the Senate?

Mr. BYRD. The Senator makes a good point.

This amendment also applies specifically to regular appropriation bills. Now we are not talking about an emergency appropriation bill or a deficiency appropriation bill. We are talking about regular appropriation bills. There are 13 of them. And, by custom, they start in the House of Representatives. They do not start in this Senate. They do not originate here. That is the point the Senator is making.

Mr. JOHNSTON. I am pointing out, of course, that the Constitution requires revenue measures to originate in the House and, therefore, this language about the Secretary of the Senate enrolling the bill is contrary to the Constitution.

So I ask my friends, particularly on that side of the aisle, to consider what this means. If you could waive the constitutional provision that the Senator has talked about and give light into this, it would mean that the Clerk of the House would enroll the bill. It would be he who would decide, for example, where all the amendments would go, if we put on a Boland amendment, or put on an—oh, gosh, there are so many legislative measures that we attach on appropriation bills as an amendment that do not fit in a regular appropriation bill. So you give it to the Clerk of the House over there to decide which of those bills those measures would go in.

And I want to ask the Senator one more question, and that is: Does he not agree that the point of order provided for on page 3 that says, "It shall not be in order to consider any joint resolution making continuing appropriations for a fiscal year unless each title of the joint resolution corresponds to an appropriation bill"—does he not agree that that would make it impossible for us to do as we do each year as we approach the October 1 deadline, realize that the functions of Government cannot continue, and put in a short term continuing resolution for 30 days, or something like that, that provides for the continuation of each function of Government at the levels then provided for? It would make that impossible, would it not? We could not even consider it. There would be a point of order against that, would it not?

Mr. BYRD. I think the Senator is probably correct. I have not had an opportunity to concentrate on that aspect, but I am sure that the Senator has carefully thought about it. I think he has a point that is certainly worth consideration, serious consideration, and I would trust his opinion.

But I wonder how many Senators have read this amendment?

Mr. STEVENS. Will the majority leader yield?

Mr. EVANS. Will the majority leader yield?

Mr. BYRD. Yes, I will be glad to yield to the distinguished Senator from Alaska and then to the Senator from Washington.

Mr. STEVENS. I have been wondering what happens to the supplemental appropriation bill? Is that a continuing resolution or is it a regular appropriation bill under the provision of this amendment?

Further, I would ask my good friend what would have happened to the crime bill that became part of the defense section of the continuing resolution. This bill had little, if anything, to do with the Department of Defense—and it really had more to do with the Department of the Treasury than it did Justice? Where would the crime bill go in one of these 13 bills for purposes of separating the continuing resolution for submission to the President, Defense, Justice, or Treasury?

I want to remind the Senate of the number of pieces of independent legislation that have been added to continuing resolutions in past years or have also been added to supplemental appropriations bills. How will these be treated?

Somehow or other, I say advisedly to the Senate, there appears to be a feeling that the Appropriations Committee members contrived to bring all of these bills together. What has happened, more than anything else, has been single issues—I remember the days of busing legislation or of abortion that have held up bill after bill after bill until we were forced to put them together in one bill. Where would abortion legislation go if it were added as a rider to the defense bill under this amendment?

Mr. HUMPHREY. Will the Senator yield?

Mr. STEVENS. I am asking my good friend a question. I do not have the floor.

This proposal is within the jurisdiction of the Rules Committee. I believe this is an amendment to the rules. There is a specific rule dealing with the appropriation bills.

Again, I share the frustration that many people feel that all these bills are forced together into a continuing resolution and we should avoid that whenever possible. But I ask my good friend: What will we do? We just passed the supplemental bill. I did not have 13 separate sections. Yet, this amendment says, notwithstanding any other provision, there ought to be a point of order against that bill unless it had 13 separate titles.

I really think the Senate needs to reconsider this proposition. I, for one, am very much opposed to this being passed without proper review by the Rules Committee. I say to my friend, I think this proposal needs Rules Committee review.

Mr. BYRD. Mr. President, I would join with the Senator.

Mr. EVANS. Will the Senator yield?

Mr. BYRD. Yes, I yield to the distinguished Senator from Washington.

Mr. EVANS. I thank the majority leader.

It is a little difficult to have all of the comments which have been made, but I think there is a suitable answer to each one of them.

First, on the question of the constitutionality, I would not attempt to match my experience and history on the Constitution with that of the majority leader.

But while he read accurately from one provision of the Constitution, it is also true that in Article I, section 5, of the Constitution, it states:

> Each House may determine the rules of its proceedings, punish its members for disorderly behavior, and, with the concurrence of two-thirds, expel a member.

Mr. President, several of the leading constitutional lawyers in the country whom we talked with in developing the original item veto constitutional amendment—the item veto proposal, which is much more complex than this and calls for much more independent action of an enrolling clerk than this, indicated that they thought that this had a very good likelihood of being declared constitutional under that provision of the Constitution that says that each House, or the Congress in total, has control over its own rules of procedure.

This goes by no means to the same length that an item veto would. It merely says that those titles which are readily understood and distinguishable should be separated when they are sent to a President.

Interestingly enough, it is my understanding, Mr. President, and I do not see the distinguished senior Senator from Florida on the floor—but it is my understanding in talking of what enrolling clerks do now, that the budget resolution which we passed and sent over to the House, the enrolling clerk spun off House Joint Resolution 324 and sent it back to us.

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That did not pass the House. It was sent back to us by a spinoff from the enrolling clerk and if I am wrong I can be corrected but it is my understanding that that is what was done.

This would not call for any unusual action by an enrolling clerk or anyone else. The titles are simple. They are easy to understand. They are easy to categorize and I would say to my colleague from Alaska that, if this had been in effect and a choice had to be made as to where to put the crime bill, I am confident that it would have been put on the section of the continuing resolution that relates to justice and the judiciary so that when it was presented as a separate matter to the President, the functions would be there in their appropriate places.

Mr. STEVENS. Would the Senator yield on that point?

Mr. EVANS. Certainly, but I do not have the floor.

Mr. BYRD. I hope the Chair will protect my right to the floor.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. EVANS. If I might continue——

Mr. BYRD. Mr. President, I have no problem with the Senator from Washington yielding to the Senator from Alaska, so my rights to the floor are protected.

Mr. STEVENS. I appreciate that.

In regard to the comment the Senator has just made, you realize if this becomes the law, we are dealing with the rules of the Senate, which we waive from time to time. A majority of the Senate can waive a rule of the Senate.

We cannot waive this provision of law which becomes a part of the standing rules. As a matter of fact, if you look at the point of order section on page 3, "Notwithstanding any other provisions of law, the Standing Rules of the Senate, or the rules of the House of Representatives." Then it says it is not in order, "to consider any joint resolution making continuing appropriations—unless each title—corresponds to a regular appropriation bill."

There is no provision in this section for a supplemental. And there is no provision in this section for any general legislation that does not correspond to a committee that is a standing subcommittee of the Appropriations Committee.

There are 15 separate committees in addition to the Appropriation Committee that deal with the subjects that are listed on page 4.

My point is, we have many things that wind up in the appropriations process that are not listed in those 13.

Where is the enrolling clerk going to put these items that are new?

Mr. EVANS. The enrolling clerk would not have to do that. If the Senator from Alaska would read the next item on page 3, sub 2, starting on line 22, "any general provisions of the joint resolution are contained in the appropriate title or titles of the joint resolution—rather than in a separate title."

That would be up to the Senate and the House and the conference committee to make those decisions. They would make those decisions as to which one of the 13 titles they would choose to put what otherwise would be considered general provisions in.

Most of those general provisions do have a relationship to one or another of the separate appropriations bills and it would be rather simple to divide them in that respect and I would say to my colleague from Oregon, who talked about the difficulties of a short-term resolution, I still think that it could be readily handled under this language. But if that is the only problem, it would be simple and I would certainly be willing to modify the amendment to say something like: Any short-term appropriations to fund Government for less than 15 days shall be exempt from provisions of this amendment, if that—or something like it—would be necessary. I am not sure that it would be but if that is the only problem that is a simple one to fix.

Mr. STEVENS. Would my friend yield once more and then I shall not ask——

Mr. EVANS. I understand the majority leader still has the floor.

The PRESIDING OFFICER (Mr. WIRTH). Without objection.

Mr. STEVENS. Let me read to you from article I, section 7 of the Constitution, in part.

It says, "But in all such cases the votes of both Houses shall be determined by yeas and nays, and the names of the persons voting for and against the bill shall be entered on the Journal of each House respectively. If any bill shall not be returned by the President within 10 days * * * after it shall have been presented to him, the same shall be a law * * *" and so forth.

The Senator is saying that this Senator would vote on one bill; a continuing resolution. And a clerk would separate this one bill down into 13 separate bills and present those bills to the President.

That is the presumption. I vote for the one bill that contains so many extraneous provisions—but many times I have refused to vote for bills that I supported parts of and opposed others. And many times I have voted for bills that I did not agree with entirely. In fact, just recently I voted against the trade bill because it contained so many different bills beyond that which came from the Finance Committee.

I share your frustration. But that frustration applies to legislation as well as appropriations bills and this is an unconstitutional way to try to correct the problem that both of us would like to correct. I tell you advisedly, in my judgment, this is not constitutional.

The Constitution requires that the names of persons voting for or against a bill presented to the President shall be recorded in the Journal. This amendment would not do that and I appeal to the Senate not to do this.

Mr. EVANS. If I may respond to my colleague from Alaska?

Mr. GRAMM. Would the Senator yield on that point?

Mr. EVANS. The majority leader has the floor.

The PRESIDING OFFICER. The majority leader has the floor and has yielded to the Senator from Washington.

Mr. GRAMM. Would you yield very briefly?

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. It is not an uncommon occurrence here for unanimous consent to be asked and bills to be voted on en bloc. Those bills then go to the President, the President either signs them or vetoes them, in which case no individual Member is recorded on each one of those bills.

So, not every day, but it is not a rare occurrence, that we vote on bills en bloc, in which case no one has raised a constitutional question and the constitutional provision referred to has nothing to do with this situation.

Mr. EVANS. I am delighted with that, in fact, I was going to mention that point and also to remind my colleagues that not one word not one jot, not one title would be changed in the act which had been passed by each House of this Congress after such conference committee as might be necessary.

All that is done is for us to use our internal procedures to divide them into 13 parts to present to the President.

He may or may not return several of those. This Senator's vote would not have been recorded on the bills that the President signs because his vote would have been recorded on a bill, a continuing resolution.

This is not a constitutional amendment. Every bill that is presented to the President must be recorded in the Journal and on it must be recorded the names of those people who voted for or against the bill.

You cannot have an amendment which will divide a bill that I voted on into 13 separate bills and have it be presumed that I would have voted for all 13.

I suppose an argument could be made that it is unconstitutional. I hear that argument made on the floor all the time by those opposed to a measure; that this measure is unconstitutional.

Fortunately, there are some other elements of the Constitution which provide for separation of powers between the several branches of Government. Our job is to pass laws. Sure, we try to have them constitutional when we pass them but we are not the ultimate judge of that.

It is the Supreme Court across the street that will make that decision. We do what we think we ought to do and I believe that this will withstand the constitutional test.

I believe that this will withstand the constitutional test.

I might just add finally before returning the floor to the majority leader, that there has been a lot of talk here about all these extraneous items which are in the appropriations bills, the crime bill and all the other things, which many of us from time to time like to have in an appropriations bill. I am sure my colleague from Oregon, the former chairman, and the current chairman, Senator STENNIS, of Mississippi, which there were a way to keep separate legislation off appropriations bills. It is not in order to offer legislation to an appropriations bill. We just waive that from time to time in order to get legislation on an appropriations bill.

I think this might have the effect of slowing some of that down and might be of some considerable benefit to the Appropriations Committee itself.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, let us think a little further about what we are doing. I am reading from the amendment, page 2, line 6.

> A joint resolution required to be enrolled pursuant to paragraph (1).
>
> (A) shall be enrolled without substantive revision.

Who is going to make the judgment as to whether or not a separate resolution has been enrolled "without substantive revision?" It is going to be done by the enrolling clerk, according to the amendment.

Let me also point out to the Senate, and I would be happy to have anyone answer this question, any Senator, suppose a continuing resolution is passed by both Houses. I have already pointed out that that resolution passed by both Houses will not go to the President in accordance with the requirements of the Constitution. You can talk about rules all you want, and I may give some attention to the rules in a few minutes. Right now, though, I do not think we need to call attention to the rules of the Senate. I shall call upon a greater authority than the rules of the Senate. The Constitution of the United States is the organic instrument of this Republic and no rules of any legislative body are going to have preeminence over this Constitution.

Yes, it also says that both Houses shall determine the rules of their own procedures and all of that. But it does not say that, in determining the rules of procedure, either body may circumvent the Constitution of the United States.

This Constitution is very clear in what I read earlier with respect to the necessity for every bill to pass both Houses before it goes to the President of the United States. I do not know how anyone can get around that.

> Every bill which shall have passed the House of Representatives and the Senate, shall, before it become a law, be presented to the President of the United States.

Can anyone tell me how a continuing resolution, which is passed by both Houses, according to this amendment by the distinguished Senator from Washington, is ever going to become law? How will it ever become law without its being presented to the President of the United States for his signature? There is no way that it can become law. Yet, according to this amendment, such a continuing resolution would never go to the President. It would only go to an enrolling clerk and there it would stay.

Well, let us leave that point for a moment.

The continuing resolution would go to some enrolling clerk, who would break that continuing resolution into its several parts, and those several parts are to be enrolled and sent to the President of the United States.

Not one of them would have passed either House, as such. What number would be put on each of them? Suppose there are 13 separate appropriation bills involved in that one continuing resolution. That continuing resolution bears a House number, House Joint Resolution 24 or 244, or whatever. You break that continuing resolution down into 13 separate resolutions and send all of them down. What numbers will be given to them?

Well, let us call it a bill for the moment.

That is what the Constitution speaks of, a bill, but it applies to a joint resolution, just as well.

Let us say it is H.R. 348. That is Andy Gump's old license number. How many Senators can remember Andy Gump?

All right, H.R. 348. We break it down into 13 parts. How will they be numbered? Will they be numbered H.R. 348-1, H.R. 348-2, H.R. 348-3, H.R. 348-A, H.R. 348-B, H.R. 348-C? Remember, too, that not one of those bills carrying those numbers, will have passed either body.

I hope that Senators, especially Senators who have had some opportunity to study constitutional law, will think seriously about this question. I hope they will have their answers when they go back to their constituencies and they are asked by some college professor who is a teacher of constitutional law, or by a lawyer, or by a State legislator, "Senator, how do you explain your vote on this matter in the light of this Constitution? How do you explain it?"

I would expect that, the next time the Senators get up before a civic organization, someone in that civic organization may say, "Senator, I have always had great respect for your knowledge of the law. You passing the bar exam a good many years ago. You have even appeared before the Supreme Court of the United States. But tell me, Senator, have you read paragraph 2, section 7, article I of the Constitution of the United States? How do you square that with your vote in support of the Evans amendment?"

Think about it. Stay with the Constitution and vote against this amendment.

Mr. HATFIELD. Will the Senator yield for a comment on the point he is making without losing his right on the floor?

Mr. BYRD. Yes.

Mr. HATFIELD. Mr. President, let me just give a little bit of history of the last few weeks. The clerks in the House of Representatives enrolled a supplemental appropriations bill we passed a few weeks ago, a far simpler vehicle than what we get into when we talk about a continuing resolution. It was sent over to the Senate. The White House made a communication to the Appropriations Committee saying, "We thought we had a provision or two on the foreign operations part of that supplemental and it is not in this supplemental you have up for approval.

Lo and behold, upon review of the situation, the clerks in the House had omitted two paragraphs in the supplemental appropriations bill, quite by mistake.

But of the work; the cut and paste that goes into this whole process, I am sure none of us are fully aware of the complexity of that. The clerks, by mistake, left out two paragraphs of a supplemental appropriations and we had to pass a concurrent resolution to correct that situation in order to validate what the conferees had agreed to, because of a clerical error.

Now you get into the matter of a CR with all of its complexities.

As the majority leader has indicated, this becomes a monumental task that gets down to the simple point of how do we validate the appropriations process under the Constitution.

I just think we ought to look at not only the legal concerns—and I am not qualified to speak for the constitutional legal points—and certainly I can share this experience of the mechanics of a clerk having this kind of authority and responsibility when under the current clerical role that clerks play

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we have these errors that happen, and not too infrequently, either.

Mr. FORD. Mr. President, will the distinguished Senator from Oregon yield to me without the majority leader losing his right to the floor?

Mr. HATFIELD. I do not have the floor.

Mr. FORD. Without losing his right to the floor, is that all right with the Senator?

Mr. BYRD. That is all right with me. I have said enough and I will sit down. I hope we can vote soon.

Mr. FORD. Will the distinguished Senator yield?

Mr. HATFIELD. Yes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky.

Mr. FORD. I ask the distinguished Senator from Oregon—and we are talking about procedure now—are we giving any more authority to the Clerk of the House than we have normally?

Mr. HATFIELD. We are giving far more authority to the enrolling clerk because of the fact the enrolling clerk will have to place these, what we call general provisions, general amendments and administrative provisions into the proper separate vehicle that goes down to the White House. At the present time the enrolling clerk has very specific instructions. It comes on the basis of each section, each chapter. But then under the general section—because these are all broken up—the enrolling clerk will have the additional reponsibility to select the vehicle in which the enrollment will occur to send to the White House.

Mr. FORD. Would I be correct then to say we are putting entirely too much responsibility on the Clerk of the House or the Secretary of the Senate because then those who would want a little piece of money instead of going into section 1, would want it over in the Defense Department section or something? Would not people be lined up in front of the clerk's door all the way down Pennsylvania Avenue trying to get the clerk to put this in this area and be changing it around? It just seems to me it would be an unending thing; they cut and paste, somebody else says change it, cut and paste, put it someplace else. The mechanics are horrible under this amendment.

Mr. HATFIELD. The Senator has put his finger on another point and that is we get continuing signals from the White House on each part of the appropriation bill, continuing resolution, or a single bill. We know pretty well what the White House is going to do—veto, support, and sign. Can you imagine what happens under a continuing resolution when there are sections of that which the White House would obviously say we do not like and everybody is saying keep the general provision off of that vehicle and put it on the defense bill because that is the one they will sign for sure or put it on some other because that is the one they will sign for sure? It leads to all kinds of problems and possibilities of things we do not want to discuss.

Mr. FORD. I thank the Senator. We have heard a marvelous discussion of the constitutional problem we have. I am not a lawyer and I listened very intently to the discussion. I read the Constitution with amazement and interest. But I think this amendment has gone beyond the constitutional question; it has put into the hands of the Clerk the opportunity to put anything in any section that he or she may want. I can see that the strongest individual in either the House or the Senate will be the nonelected individual. They would have the ability to put provisions in one section of the bill or the other. I am not sure the distinguished Senator from Washington understands what this amendment is doing as I read it and as substantiated by the distinguished ranking member of the Appropriations Committee. I hope my colleagues, under the circumstances, would vote to defeat this amendment.

Mr. NICKLES addressed the Chair.

Mr. EVANS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma.

Mr. NICKLES. Mr. President, I will be very brief. I think the debate that we have had the last hour or so on this amendment shows there is a great deal of frustration. A lot of us believe that the appropriations process and budget process is broke. It is not working. Last year we had one appropriation bill, a CR, $576 billion. It had a lot of things we needed. It had a lot of things we did not need. It had a lot of items that were germane. It had a lot of items that were not germane. The Senator from Alaska said it was not just the appropriations process that abuses the normal process. The Constitution, as pointed out by the majority leader, says every bill shall have been passed by the House and Senate and signed by the President. Every bill. I wonder if they envisioned bills that would be $576 billion large. I wonder if they envisioned a trade bill that had so many miscellaneous items and entire bills attached, a trade bill reported from eight or nine different authorizing committees, had plant-closing legislation, had repeal of the windfall-profits tax, over a thousand pages large. The process that we have today is broke.

I happen to concur with many of the things my friend from Alaska said. I think this should apply in general to other pieces of legislation, not just appropriations bills. I think breaking it down and giving the President the chance to sign or veto 13 different appropriations bills as they are, as they are recorded, as they come out of each individual subcommittee, is not an abuse of power. I think it would restore some of the checks and balances that we desperately need. Right now Congress is holding a stacked deck. It is holding all the cards. It puts all the appropriations bills together and I think abuses the process. We need to fix it. The majority leader may be right. Maybe this is not the best way. Maybe it does not meet every fine point of constitutional discretion. I am not sure. But we need to fix this system. It is broke. The system is not working. It is not working when we have a 1,000 page trade bill. I know the Senator from Missouri worked hard on that trade bill. That trade bill was too large. It had too many items that were not germane, too many items that the President should have a chance to sign or veto individually. And the same thing for the crime bill that we passed. It was over a thousand pages. And again and again Congress has resorted to that trainload mentality—if there is a train moving through, let us tack on whatever—amendments, bills. Not amendments. We call them amendments but they are entire, separate, complete bills. I think the President should have the opportunity to sign or veto and then if we disagree we can override.

Mr. BYRD. Mr. President, I wonder if we could vote in 5 minutes.

Mr. EVANS. I would be delighted to vote, if I could just——

Mr. BYRD. Or vote now.

Mr. EVANS. No. If I could just have time enough——

Mr. BYRD. Mr. President, I ask unanimous consent that the Senator speak for 5 minutes and the Senate then vote.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HUMPHREY. The opponents have been speaking for an hour and they want to limit us to 5 minutes. That is not fair.

The PRESIDING OFFICER. Objection is heard. The Chair recognizes the Senator from Washington.

Mr. EVANS. I thank the Chair. I fear that this Chamber has been flooded with red herrings this afternoon. We have heard about all of the problems and difficulties of the current system and what might happen under this rather simple proposal. Frankly, I am astounded. I am amazed to hear my colleague from Oregon say that the Enrolling Clerk made a big error and it had to be corrected. That can happen no matter what our rules are or how we choose to put our bills together.

I suggest, Mr. President, that things are broke, as the Senator from Oklahoma has said. And one of the reasons they are broke is because we have engaged in this penchant of putting everything into one huge pot. They are not any more really continuing resolutions. It is more accurate to say that they are omnibus appropriations bills. Last year it is my understanding—and I do not serve on the Appropriations Committee, but I follow it pretty carefully—we passed most of the appropriations bills separately in the Senate, they passed virtually all of them in the House, and the conference committees joined together and reached agreement in each of their separate categories and then the decision was made to wrap all of those together along with the ones which had not been finished. It was done deliberately to make than an omnibus appropriations bill. I cannot think of any stronger argument for reseparating them than the deliberateness of that concept, that suddenly now we should have an omnibus appropriation which for all practical purposes eliminates the constitutional veto authority of a President.

Just consider: Almost $600 billion and a good amount of other legislation hooked aboard, facing the President on the eve of a new fiscal year. He cannot veto it. There is no way the President can use his constitutional veto under those circumstances.

The question has been brought up about the extraordinary power of an enrolling clerk. Well, if this amendment is adopted, as I hope it will be, and if it becomes law, as I hope it will be, then it is up to the Appropriations Committees on both sides to be careful enough to do the job well; to identify clearly what each title is; if necessary, to give a number to each title and say, "When this bill is presented to the President, this will be the number for the military construction proposal." That is easy enough to do.

You can draft what you want in those bills as they are passed by the Senate and by the House clearly and carefully enough so that the enrolling clerk would have no task further than to put them into 13 parts. I think that is precisely what we ought to be doing.

It is bad to give unusual power to someone not elected, and I fear that is what we are doing now by creating such an extraordinarily large and complex bill that we cannot hope to follow all its elements. We do make mistakes. The very best of people make mistakes. But we tend to make more mistakes as we get something more and more complex.

If we could separately take each one of these items, each one of the appropriations bills, as we once did, adequately go through the conference committee on a military construction bill, on the legislative appropriations bill—for Heaven's sakes, on the District of Columbia bill, which certainly should not be too difficult—and on each of the other bills as they come along. Certainly, there are two or three which are of extraordinary difficulty and complexity. I understand full well that the foreign operations bill, the defense authorization bill, and the Health and Human Services side of the bill are going to be complex. But far better to deal with them separately and independently than wrapping them all together in a highly complex continuing resolution.

Mr. President, this is not a complex bill. I do not believe it is an unconstitutional bill. I believe it is worth trying as a small step back toward fiscal sanity. The Judges across the street will make the determination as to whether it is constitutional or unconstitutional, as they often do. But it is worth trying. It is worth trying, if even for only 1 year we end up doing what we once did.

All this is restoring the balance to take us back to the traditions we had in 13 separate bills. I think it would be refreshing and worthwhile. I would hope that each of those 13 bills would be brought to the floor of the Senate and dealt with separately, so that we could analyze each one in its own framework, rather than facing, as we have this last year, a huge and enormous continuing resolution which no Member of the Senate outside of the Appropriations Committee—and I suspect many inside the Appropriations Committee—knew from cover to cover.

We may not know bills from cover to cover if we deal with them separately, but at least we have a chance, and that is all we are asking for in the Senate—a chance to analyze and understand what we are doing, so that we can represent our people and this country better. This is a small step in that direction. It is not overly complex, and I hope it will be adopted by this body and made part of our procedure for just the next 2 years.

This has a sunset clause in it. It is a low-risk trial to see if we can do something better than we are doing today.

I urge the adoption of the amendment.

The PRESIDING OFFICER. Is there further discussion of the amendment?

Mr. HUMPHREY addressed the chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I assure my colleagues that I will be brief.

Mr. BYRD. Mr. President, will the Senator yield without losing his right to the floor?

Mr. HUMPHREY. I yield.

Mr. BYRD. Mr. President, the Senator wanted to speak earlier and should have an opportunity to speak, and he has been recognized. I wonder if we could vote after the Senator from New Hampshire completes his statement.

I ask unanimous consent that the Senator from New Hampshire speak for 5 minutes and that then the Senate vote.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

The Senator from New Hampshire is recognized.

Mr. BYRD. I thank the Senator.

Mr. HUMPHREY. Mr. President, it is astounding how much obfuscation arises whenever the Senate is on the verge of doing something to enforce fiscal responsibility.

The measure which the Senator from Washington has presented to us is eminently sound and badly needed. Let us recall the context in which it is offered.

Last year, we had one appropriations bill, 576 billion dollars' worth of one bill, the largest appropriations bill in history. It was placed on the President's doorstep at the 11th hour, the 59th minute. He had no practical choice but to sign it, pork and all. That was an act of irresponsibility and malfeasance on the part of Congress.

This measure would enforce some discipline to prevent a recurrence of such an abomination.

A number of objections have been raised. Some have raised the constitutional issue in the context of what defines a bill. I wish to quote from a study by Judith Best, distinguished teaching professor of political science at the University of New York. She says, in part—and I use her words because they are better than mine would be at this moment:

> If Congress may define as a bill a package of distinct programs and unrelated items, it can define distinct programs and unrelated items to be separate bills. Either Congress has the right to define a bill or it does not.

With respect to the objection raised by the ranking member of the Appropriations Committee, in which he alleges that this provision would give new and unwarranted powers of discretion to the enrolling clerks, Senators should read the language of the amendment. It says on page 3, in the provision "In General":

> Notwithstanding any other provision of law, the Standing Rules of the Senate, or the Rules of the House of Representatives—
>
> (1) it shall not be in order to consider any joint resolution making continuing appropriations for a fiscal year unless each title of the joint resolution corresponds to a regular appropriation bill,
>
> (2) any general provisions of the joint resolution are contained in the appropriate title or titles of the joint resolution * * *.

In other words, the Appropriations Committee has to decide, before it discharges the bill, where those general appropriations go. It cannot have a separate section, an addendum at the end of the bill, entitled "General Provisions." It must incorporate general

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provisions into one of the titles of the bill.

Mr. President, this is an excellent proposal. It is not a line item veto. I wish it were. It is an excellent proposal that will be salutary and will enforce discipline in this place, where there is virtually none, it would seem, as evidenced by the horrible record we have with respect to continuing resolutions and the abomination that in one resolution we passed last year in such a way that we left the President no choice but to sign the whole conglomeration worth $576 billion.

**Mr. BYRD.** Mr. President, the Senator has 30 seconds remaining. Will he yield it to me?

**Mr. HUMPHREY.** Yes.

**Mr. BYRD.** Mr. President, I am told by the managers that there are only three more amendments, and I have good reason to believe that each of them will not take much time as we take on this. So if we can stay a little longer, we can finish action on this joint resolution this evening.

I thank the Senator, and I yield the floor.

The **PRESIDING OFFICER.** Does the Senator from New Hampshire yield back his remaining time?

**Mr. HUMPHREY.** I yield back the time.

The **PRESIDING OFFICER.** The time now expires. The vote now occurs on the amendment offered by the Senator from Washington.

**Mr. BUMPERS.** Mr. President, have the yeas and nays been ordered?

The **PRESIDING OFFICER.** Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from New Hampshire.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

**Mr. DIXON,** Mr. President, Senator LEAHY is absent. Were he present, he would vote "no." In view of that, Mr. President, I ask that my vote be paired. I would vote "aye."

**Mr. CRANSTON.** I announce that the Senator from Washington [Mr. ADAMS], the Senator from Delaware [Mr. BIDEN], the Senator from Vermont [Mr. LEAHY], the Senator from New York [Mr. MOYNIHAN], and the Senator from Illinois [Mr. SIMON], are necessarily absent.

I also announce that the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Alabama [Mr. SHELBY], are absent because of illness in family.

**Mr. DOLE.** I announce that the Senator from Arizona [Mr. MCCAIN], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Connecticut [Mr. WEICKER], are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona [Mr. MCCAIN] would vote "yea."

The **PRESIDING OFFICER** (Mr. BREAUX). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 41, nays 48, as follows:

[Rollcall Vote No. 220 Leg.]

YEAS—41

Armstrong
Bentsen
Bond
Boren
Boschwitz
Cohen
Danforth
Daschle
Dole
Domenici
Durenberger
Evans
Exon
Garn
Gramm
Grassley
Hatch
Hecht
Heinz
Helms
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McClure
McConnell
Murkowski
Nickles
Pressler
Proxmire
Quayle
Roth
Rudman
Specter
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—48

Baucus
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
D'Amato
DeConcini
Dodd
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Stafford
Stennis
Stevens
Wirth

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Dixon, for.

NOT VOTING—10

Adams
Biden
Bingaman
Leahy
McCain
Moynihan
Shelby
Simon
Simpson
Weicker

So the amendment (No. 650) was rejected.

**Mr. BYRD.** Mr. President, I move to reconsider the vote by which the amendment was agreed to.

**Mr. DOLE.** Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The **PRESIDING OFFICER** (Mr. BREAUX). The Senator from North Dakota.

### AMENDMENT NO. 651

(Purpose: To reduce spending for fiscal year 1988 by 2 percent)

**Mr. CONRAD.** Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 651.

**Mr. CONRAD.** Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution, add the following:

### TITLE—2 PERCENT REDUCTION OF SPENDING FOR FISCAL YEAR 1988

**SEC. 01. 2 PERCENT REDUCTION OF APPROPRIATE LEVELS.**

Pursuant to section 304 of the Congressional Budget and Impoundment Act of 1974, section 4 of the concurrent resolution on the budget for fiscal year 1988 (H. Con. Res. 93, 100th Congress, 1st Session) is amended by adding at the end thereof the following new subsection:

"(t)(1) Notwithstanding any other provision of law but subject to the provisions of paragraphs (2), (3), and (4)—

"(A) for purposes of determining, in accordance with section 311(a) of the Congressional Budget Act of 1974, whether the maximum deficit amount for a fiscal year has been exceeded;

"(B) for purposes of other points of order under section 311 of the Congressional Budget and Impoundment Control Act of 1974;

"(C) for purposes of reconciliation under section 310 of the Congressional Budget and Impoundment Control Act of 1974; or

"(D) for purposes of allocations and points of order under section 302 of the Congressional Budget and Impoundment Control Act of 1974,

each appropriate level of total new budget authority for each major functional category and aggregate set forth for fiscal year 1988 in the concurrent resolution on the budget for fiscal year 1988 (H. Con. Res. 93, 100th Congress, 1st Session) shall be deemed to be reduced by 2 percent, and outlay levels shall be deemed to be reduced by appropriate amounts corresponding to a 2 percent cut in budget authority.

"(2) The reduction imposed by paragraph (1) and paragraph (3) shall not apply to the major functional categories for Social Security (650) and that portion of budget authority and outlays which are under any functional category and which are attributable to the enforcement activities of the Internal Revenue Service, and shall apply only to that portion Medicare (570) attributable to general records.

"(3) In addition to other changes specified in this subsection, the committees of the House of Representatives and the Senate that have jurisdiction over budget authority and outlays (other than budget authority and outlays within functional categories for Social Security (650) or under any function categories which are attributable to enforcement activities or the Internal Revenue Service) shall report changes in laws within their jurisdiction that provide budget authority and outlays (other than budget authority and outlays within functional category for Social Security (650) and the functional categories which are attributable to enforcement activities or the Internal Revenue Service) sufficient to reduce budget authority or, where applicable, outlays (other than budget authority and outlays within functional category for Social Security (650) and the functional categories which are attributable to enforcement activities or the Internal Revenue Service) by two percent.

"(4) The Chairmen of the Committees on the Budget of the House of Representatives and the Senate shall file with their respective Houses appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of such Act as allocations, functional levels, and aggregates contained in a concurrent resolution on the budget within the meaning of title III of such Act, and the appropriate committees of such Houses shall report revised allocations, pursuant to section 302(b) of such Act for fiscal year 1988 to carry out this subsection."

**Mr. CONRAD.** May I have order?

The **PRESIDING OFFICER.** The Senate will be in order. The Senate is not in order. The Senator will please suspend until the Senate is in order.

The Senator will please begin.

The Senator from North Dakota.

**Mr. CONRAD.** Mr. President, this amendment seeks to reduce budget authority and, where appropriate, outlays 2 percent across the board with certain limited exceptions. Those exceptions are as follows.

No. 1, Social Security; No. 2, the functions of the Special Revenue Service; and No. 3, the 2-percent reduction applies to the general revenue portion of Medicare.

Mr. President, let me just briefly read from the amendment itself.

For the Impoundment Control Act of 1974, each appropriate level of total new budget authority for each major functional category and aggregate set forth for fiscal year 1988 in the concurrent resolution on the budget for fiscal year 1988 (H. Con. Res. 93, 100th Congress, 1st Session) shall be deemed to be reduced by 2 percent, and outlay levels shall be deemed to be reduced by appropriate amounts corresponding to a 2 percent cut in budget authority.

Mr. President, since we adopted our budget resolution the underlying assumptions on revenue have changed dramatically.

When we passed the budget resolution we thought we would have a deficit in fiscal 1988 of $134 billion.

**Mr. DOMENICI.** May we have order?

The **PRESIDING OFFICER.** Those Senators desiring conversation will please retire to the cloakroom. The Senate will please be in order.

The Senator from North Dakota.

**Mr. CONRAD.** I thank the Chair and I thank the Senator from New Mexico.

As I was saying, when we passed the budget resolution we thought we were providing a deficit of $134 billion for fiscal 1988. Now we know with the new estimate by CBO that that estimate is $152 billion.

In addition, we know that over the next 5 years the deficit is increased by $238 billion from the previous projections. That is the reason I am offering this amendment. Very simply, it does the following:

First, it saves $10.4 billion over the previous budget resolution.

Second, it reduces the ending deficit from $151.1 billion to $140.7 billion; and

Third, it improves the balance of the deficit reduction package that we passed.

The deficit reduction package that we passed had $19 billion in revenue; $8 billion in cuts. The additional $10.4 billion in cuts provides some greater balance between revenues on the one hand and cuts on the other.

The next point I want to make is that this is not a draconian cut.

**Mr. JOHNSTON.** Would the Senator yield for a question? I hate to interrupt his train of thought but would he mind yielding?

**Mr. CONRAD.** I would be happy to yield.

**Mr. JOHNSTON.** I am advised that this section violates section 306 of the Budget Act because it involves matters within the jurisdiction of the Budget Committee which have not been referred to that committee.

Since that point of order does lie, I wonder if the Senator wants to fully discuss it before that point of order is made?

**Mr. CONRAD.** Yes. I would like to complete the case. Let me advise the Senator that I am very near the end. I have exercised restraint, noticing the lateness of the hour and the eagerness of Senators to leave. But I would just like to complete the case and then I will move to waive the Budget Act provisions.

Let me just pick up where I left off by indicating this is not some draconian cut. In fiscal 1987 we had outlays of $1.008 trillion; in fiscal 1988 the conference agreed to $1.069 trillion.

We cut that back to $1.058 trillion in outlays. In other words, we are going up in outlays from last year by $50 billion.

Let me also indicate that in an area that is as sensitive as education, this 2-percent reduction still leaves you $900 million above the CBO baseline.

There is one thing that I would like to advise Senators, because I circulated to all Senators what the effect of these cuts would be in each functional area.

The conference left Medicare at $81.6 billion. The sheet distributed indicated the cuts would take us back to $79.8 billion. Now that we are just applying the reduction to the general revenue portion of revenue that number is now $81 billion.

Finally, let me indicate that in each of the major functional areas, defense is reduced $3.4 billion, nondefense discretionary is reduced $2 billion, entitlements are reduced $4.6 billion, net interest is reduced $400 million, for a total savings of $10.4 billion, according to CBO.

I urge adoption of the amendment. I am prepared to move to waive.

The **PRESIDING OFFICER.** Does the Senator move to waive or does the Senator yield the floor at this time?

**Mr. CONRAD.** Pursuant to section 904(c) of the Congressional Budget Act of 1974, I move that section 306 of that act be waived with respect to the consideration of the Conrad amendment as offered.

The **PRESIDING OFFICER.** Is there debate on the motion?

**Mr. JOHNSTON.** Mr. President, I make a point of order under section 306 of the Budget Act.

The **PRESIDING OFFICER.** The point of order is made and the Chair will say that the Senator from North Dakota has moved to waive the provisions of the Budget Act. That motion is debatable. It must be disposed of before any other matters can be taken up. So the debate, if there is any, is on the motion of the Senator from North Dakota.

Is there debate on the motion?

**Mr. BOSCHWITZ.** Mr. President, I rise to support the amendment and hope that the Budget Act will be waived. I subscribe to the amendment because I believe that the only way we are going to control expenditures is by an across-the-board approach. In my years on the Budget Committee as we have debated various aspects of it, we approached each element, each function and subfunction learning that they are all very appealing. In the end, unless you take an approach that is almost somewhat mindless in the sense that it is across the board, you just do not make any progress at all.

So I do indeed support the idea that we go across the board. The approach of the Senator from North Dakota would not mean that people would receive less than the year before. They would receive as much as they did the year before. They simply in some instances would not receive more or the increase would be diminished.

I applaud the idea that the across-the-board approach on the budget is necessary if we are going to control expenditures. I hope the Senate will support the Senator from North Dakota in his attempt to waive the Budget Act at this time.

The **PRESIDING OFFICER.** The Senator from North Dakota is recognized.

**Mr. CONRAD.** Mr. President, I thank the Senator from Minnesota, who is cosponsoring this amendment. I know there are those who think that an across-the-board cut is not the preferable way to proceed. I agree with that.

But we have spent months carving up the pie. Now the question is whether we reduce the size of the pie somewhat. In this amendment we have given maximum flexibility to the committees to determine how these cuts might be made in light of the numbers

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from CBO. This seems to be the only way that we can achieve further budget deficit reduction in fiscal 1988. For that reason I urge my colleagues to support it. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

Mr. DOMENICI. Mr. President, I assume the distinguished Senator from Louisiana who made the point of order obviously joins me in urging that we not waive in this instance. Am I correct?

Mr. JOHNSTON. Mr. President, the Senator is correct. There is a long argument to be made about this. I support the thrust of the amendment, but, believe me, this will not work. Rather than make a long speech to tell you why it will not work, it is just very plain that it violates the Budget Act and we should not give the 60 votes to waive the Budget Act.

I think the Senator will agree with me that it applies only to budget authority. If you could get around it so easily, it is like the proverbial hole in the line that is so wide you can drive a Mack truck through it.

Rather than go into the long argument as to why it will not work, I think it is better, as the Senator suggests, not to waive the Budget Act.

Mr. DOMENICI. I would like to say that it seems to me that the Senator who offered this amendment is most diligent in trying to restrain the budget. I have complimented him in the committee and here on the floor. But Senators should know we just passed the budget resolution. We went to conference. Whether you like the budget resolution or not, within 3 weeks after you have adopted a budget resolution when these kinds of amendments to reduce the budget resolution would have been in order, if you come along after the budget resolution and cut just the Senate's portion we say now we are going to have a brand new budget resolution, in essence, if this amendment is adopted.

In addition, since you are only applying it on the budget authority side you have nothing but confusion. So if ever the 60-vote rationale was very valid and you should use it—obviously, it is there to be waived—this is one where you should not waive it. Obviously, you are changing the budget resolution within 3 weeks in a manner that will not work. If you were going to cut it in the budget, cut it in the budget resolution that just passed. Do not deem it a month later to be changed, which essentially is what we are doing.

I thank the Senator from Louisiana for making the point of order and I hope we will not waive the Budget Act in this instance.

The PRESIDING OFFICER. The question is on waiving the budget resolution provisions. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. Adams], the Senator from Delaware [Mr. Biden], the Senator from Arkansas [Mr. Bumpers], the Senator from Vermont [Mr. Leahy], the Senator from New York [Mr. Moynihan], and the Senator from Illinois [Mr. Simon] are necessarily absent.

I also announce that the Senator from New Mexico [Mr. Bingaman] and the Senator from Alabama [Mr. Shelby] are absent because of illness in family.

Mr. DOLE. I announce that the Senator from Arizona [Mr. McCain], the Senator from Wyoming [Mr. Simpson], and the Senator from Connecticut [Mr. Weicker] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 36, nays 53, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—36

Armstrong
Baucus
Bond
Boren
Boschwitz
Burdick
Byrd
Chiles
Conrad
Danforth
Daschle
DeConcini
Dixon
Exon
Fowler
Gramm
Grassley
Harkin
Hatch
Heflin
Humphrey
Karnes
Kasten
Levin
McClure
McConnell
Melcher
Nickles
Pressler
Proxmire
Pryor
Roth
Sanford
Symms
Wilson
Wirth

NAYS—53

Bentsen
Bradley
Breaux
Chafee
Cochran
Cohen
Cranston
D'Amato
Dodd
Dole
Domenici
Durenberger
Evans
Ford
Garn
Glenn
Gore
Graham
Hatfield
Hecht
Heinz
Helms
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Lugar
Matsunaga
Metzenbaum
Mikulski
Mitchell
Murkowski
Nunn
Packwood
Pell
Quayle
Reid
Riegle
Rockefeller
Rudman
Sarbanes
Sasser
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Wallop
Warner

NOT VOTING—11

Adams
Biden
Bingaman
Bumpers
Leahy
McCain
Moynihan
Shelby
Simon
Simpson
Weicker

The PRESIDING OFFICER. On this vote, the yeas are 36, the nays are 53. The motion is not agreed to and the amendment of the Senator from North Dakota which proposes to change matter within the jurisdiction of the Budget Committee has been offered to a joint resolution not reported by the Budget Committee and in violation of section 306 of the Budget Act and, therefore, the amendment must fall.

AMENDMENT NO. 652

(Purpose: To repeal the pay raises granted to Members of Congress and certain officers and employees of the Federal Government)

Mr. HUMPHREY. Mr. President, on behalf of Senators Burdick, Helms, Proxmire, DeConcini, McCain, and Roth, and on my own behalf I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from New Hampshire (Mr. Humphrey) for himself, Mr. Burdick, Mr. Helms, Mr. Proxmire, Mr. DeConcini, Mr. McCain, and Mr. Roth, proposes an amendment numbered 652.

At the appropriate place, add the following new section:

Sec. . (a) The rates of pay for all offices and positions which were increased pursuant to the recommendations of the President relating to rates of pay for offices and positions within the purview of section 225(f) of the Federal Salary Act of 1967, as included (pursuant to section 225(h) of such Act) in the budget transmitted to Congress for the fiscal year ending on September 30, 1988, are reduced to the rate of pay for each such office and position which was in effect before such recommendations became effective.

(b) The provisions of subsection (a) shall become effective on the first day of the first applicable pay period which begins on or after the date of enactment of this Act.

(c) The provisions of subsection (a) shall not apply to any judge, justice, or magistrate serving in the Judiciary Branch of the Federal Government.

Mr. HUMPHREY. Mr. President, I am aware that Senators have family obligations. I am, myself, concerned about making good on a promise I made my little boy that I would be at home when he wakes up tomorrow. I need to catch an airplane like other people. But public business—I hope I do not sound to pious—public business comes first, and this is our best opportunity to offer this amendment, and that is why I am offering it.

I do not wish to be a nuisance. But, Mr. President, let me say this, and I will keep it brief because the case has been well argued. There is no need to reargue the case. Senators are acquainted with the situation.

Here is why I am once again offering this amendment, Mr. President. Senators know that the Senate for its part on several occasions voted against the pay raise which ultimately went into effect recently, several months ago, which accounted for a $12,100 increase in the salary of Members of Congress which is a 15.6-percent increase.

The Senate voted under the procedure to decline the pay raise. Under the new law, both Houses must decline the pay raise. The House for its part claimed to decline the pay raise, but

the leadership in the shabbiest of scams scheduled the vote the day following the deadline for such a vote. In the debate on the House floor at the time, members of both parties analyzed that the vote was utterly without meaning, utterly without effect, because it was occurring 1 day too late; it was occurring after the deadline.

I have to say very frankly that the House perpetrated a grievous scam in which the people of the United States suffered. A great breach of faith with the people of the United States was opened up, which breach remains open and will until something is done to close it. That is why I offer this amendment.

The amendment returns the rate of pay of Members of Congress and certain executive officers, but not the judiciary—may I point out, they are exempted in the judiciary, including judges, justices, and magistrates—and restores the rate of pay for Members of Congress and certain members of the executive to the rate which existed prior to the passage of the automatic increase in pay which occurred recently.

We are asking Senators only to do what they have done before, and that is to vote down this pay raise—in this case to repeal it—in hopes that by attaching it to this bill the Representatives of the House will be forced at last to act in a timely fashion one way or the other and address this important matter.

Mr. President, I believe the Senator from North Dakota wishes to speak, and for that matter I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor and the Chair will recognize the Senator from North Dakota.

Mr. BURDICK. Mr. President, I rise today in support of ongoing efforts to rectify the situation caused by the $12,000 pay raise. As my colleagues may recall, I have taken every opportunity to express my strong opposition to this unwarranted and backhanded raise. We have had 4 months' increased pay.

For each Senator and Representative, the raise has accounted for an increase of more than $1,000 in gross monthly pay and nearly $500 in monthly take-home pay. Because I am committed to deficit reduction, I have returned this amount to the U.S. Treasury each month, totaling just under $2,000.

I was against this raise when it was approved. I remain opposed to it. I will vote for every measure which crosses this floor to repeal this raise, and will return every penny to the U.S. Treasury, where it belongs.

If every Senator and every Representative did the same, we would reduce the deficit by more than a quarter of a million dollars every month. That's more than $3 million a year. This issue will not go away. Let us deal with it fairly. Let us do the right thing during this period of deficits.

The PRESIDING OFFICER. Who seeks recognition? Is there further debate?

Mr. PACKWOOD. Mr. President, we are on the verge, I think, of adopting a historic change in our budget procedure with the Gramm-Rudman-Hollings fix that we have adopted. I am very, very hesitant to do anything that might jeopardize an extraordinary step forward that this Senate has taken and I hope the House is going to be amendable to and after all the work that Senators Chiles, Domenici, and Gramm have gone to and the fact that all of the other amendments that have been brought up, except for the Bennett Johnston amendment to extend the debt ceiling, have been tabled or points of order not waived. It is my intention on behalf of Senators Byrd, Dole, Bentsen, Packwood, Stevens, Chiles, Domenici, and Cranston to table this amendment.

I will so move in just a moment, but I want to emphasize again how strongly I feel that we not jeopardize one of the extraordinary fiscal restraint mechanisms that we may ever have the chance to adopt.

I fear if this amendment is put on this bill and we go to the House with this amendment, we are taking a very slight step in exchange for risking the loss of the most significant budget restraint procedure we have put on the budget since the Budget Act was passed, and for that reason——

Mr. BYRD. Not only that, we are running the risk of this expiring Thursday.

Mr. PACKWOOD. Oh, yes. The majority leader very carefully recalls that we do run again out of money on Thursday and we are no longer talking about the old days of the debt ceiling where we could go on several more days. We cannot redeem any bonds, pay Social Security checks, period. We just cannot pay them.

So we are not fooling ourselves here into thinking we can get ourselves into September by not passing anything.

I see the Senator from Alaska is here. I just waited. I would be prepared and a number of people to move to table, but I understood the Senator from Alaska may also be wanting to make the same motion.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield for 1 minute.

Mr. PACKWOOD. Yes. I do not want to shut the main sponsor of the amendment off.

Mr. HUMPHREY. I simply want to make the point. The Senator suggested that no amendments have been adopted controversial in nature.

I remind the Senate that the amendment offered by the Senator from New York that deals with the Social Security trust fund is a very weighty matter indeed and of some controversy.

I thank the Senator.

Mr. PACKWOOD. Now, Mr. President, I do move on behalf of Senators Byrd, Dole, Bentsen, Packwood, Stevens, Chiles, Domenici, and Cranston to table the amendment of the Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from North Dakota. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. Adams], the Senator from Delaware [Mr. Biden], the Senator from Vermont [Mr. Leahy], the Senator from New York [Mr. Moynihan], the Senator from Maryland [Mr. Sarbanes], and the Senator from Illinois [Mr. Simon] are necessarily absent.

I also announce that the Senator from New Mexico [Mr. Bingaman] and the Senator from Alabama [Mr. Shelby] are absent because of illness in family.

Mr. DOLE. I announce that the Senator from Arizona [Mr. McCain], the Senator from Wyoming [Mr. Simpson], and the Senator from Connecticut [Mr. Weicker] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. Simpson] would vote "nay."

The PRESIDING OFFICER (Mr. Reid). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 49, nays 40, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—49

Bentsen
Boschwitz
Breaux
Bumpers
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
D'Amato
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Fowler
Garn
Glenn
Graham
Harkin
Hatfield
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Levin
Lugar
Matsunaga
McClure
Mikulski
Murkowski
Nunn
Packwood
Pell
Pryor
Quayle
Reid
Rockefeller
Sanford
Stafford
Stennis
Stevens
Symms
Wallop
Warner
Wirth

NAYS—40

Armstrong
Baucus
Bond
Boren
Bradley
Burdick
Cohen
Danforth
Daschle
DeConcini
Exon
Ford
Gore
Gramm
Grassley
Hatch
Hecht
Heflin

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Heinz
Helms
Hollings
Humphrey
Karnes
Kasten
Lautenberg
McConnell
Melcher
Metzenbaum
Mitchell
Nickles
Pressler
Proxmire
Riegle
Roth
Rudman
Sasser
Specter
Thurmond
Trible
Wilson

NOT VOTING—11

Adams
Biden
Bingaman
Leahy
McCain
Moynihan
Sarbanes
Shelby
Simon
Simpson
Weicker

So the motion to lay on the table amendment No. 652 was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. Mr. President, I move to lay the motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 653

(Purpose: To prevent increases in the rates of pay of Members of Congress and certain other officers and employees of the Federal Government under the Federal Salary Act of 1967 without the approval of Congress)

Mr. GRASSLEY. Mr. President, before I send my amendment to the desk, I want to say to my colleagues that I am well aware of the fact that anybody in this body who brings an amendment dealing with pay raises, particularly if they bring it up at 8:30 on Friday night, probably is as welcome in this body as some skunk is at a Sunday school picnic on a hot, sunny day. I am well aware of that.

My amendment is entirely different from the amendment on which we just voted. My amendment deals with a more basic issue. I am well aware that my constituents are more concerned that the pay raise is received through the back door. That is unless Congress takes negative action, the pay raise goes into effect.

So, Mr. President, in the spirit of changing this procedure, I send this amendment to the desk. I do not expect to make long remarks on it.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself and others, proposes an amendment numbered 653.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. . Paragraph (1) of section 225(i) of the Federal Salary Act of 1967 (2 U.S.C. 359) is amended to read as follows:

"(1) Each recommendation of the President which—

"(A) is transmitted to the Congress pursuant to subsection (h) of this section; and

"(B) is approved by a joint resolution agreed to by the Congress,

shall be effective as provided in paragraph (2) of this subsection.".

Mr. GRASSLEY. Mr. President, this amendment is cosponsored by Senators HUMPHREY, BURDICK, DECONCINI, PROXMIRE, MCCAIN, HELMS, KARNES, THURMOND, NICKLES, EXON, DOMENICI, ROTH, HECHT, BOND, REID, and WILSON.

Our amendment concerns an issue which the Senate has addressed before, but which requires our consideration again. My amendment would require Congress to cast an affirmative vote before we could receive a pay raise.

This amendment would invalidate the backdoor method by which Congress received its pay raise this past April. Congress was able to receive this pay raise despite the Senate's objection by a vote of 88-6 and despite the House's objection on a voice vote. Congress, and other Federal officials, received the pay raise because the House of Representatives voted 1 day late.

Under the existing method, Congress defers to the Quad Commission, which we created in the Postal Revenue and Salary Acts of 1967. The Quad Commission, as we all know, meets every 4 years to study and recommend an appropriate salary increase for top officials in all three branches of Federal Government.

Mr. President, up until 1977, a one House veto of the recommendation would prevent the pay raise from going into effect. Now however, Congress need do nothing but sit for 30 days after the President transmits the recommendation to Congress, in order to receive the salary increase. If Congress wants to create an appearance of accountability, it need only act too late, after the 30-day limit has expired.

That process is wrong, and it raises the hackles of our constituents. I have received over 3,500 letters from Iowans who oppose the pay raise and the procedure by which we got it. That slight of hand process lacks accountability and it lacks character.

As you are all aware, a case is being heard in the courts to determine whether our action—or lack of action—is constitutional. My colleague, the Senator from New Hampshire, Mr. HUMPHREY, and five of our colleagues in the House of Representatives, have filed this petition. They have pledged to continue the fight to rescind this ill-gotten raise.

I'll let Senator HUMPHREY address the court case, if he chooses. The case, which I support, specifically addresses the pay raise we have just recently received. However, the amendment I offer today addresses only future raises and makes sure that future pay increases will not occur again through the back door.

If we believe we deserve a pay raise, we should be willing to go on record to approve it during that 30-day period. We should be willing to say to our constituents, "Yes, we deserve this raise." Instead of being open and forthright, our past actions tell voters that we want our raises dropped in our laps, rather than taking responsibility for them.

I would like to be able to look the people of Iowa in the eye and say, "A mistake was made when the House did not vote in a timely manner to stop the raise." I want to be able to tell them that we've taken care of it, and it will not happen again."

I, and my colleagues who join me as cosponsors, introduce this amendment because we believe it serves the best interest of the people, and ultimately of Members of Congress themselves. We must be responsive to the people we serve. They regard the present procedure as a gutless one.

Every appropriation bill to pass Congress is put to a vote. Not one dime is spent without the approval of Congress. When it comes to our own pay, why the exception—why no vote? That's what the public does not understand.

So, Mr. President, I urge my colleagues to support this amendment. It is very reasonable. On January 29 the Senate passed, on a vote of 88-6, a resolution sponsored by Senator THURMOND to disapprove the recommended pay raise. In February the House voted, although on a voice vote, to also disapprove the pay raise. Yet, because of a technicality in the law, the pay raise was awarded to us in April.

Our amendment will change this law so that Federal officials, including Members of Congress, cannot receive salary increases unless the Senate and the House vote to approve the salary increase. Future pay increases could not go into effect through a back door. Pay raises will have to go through the front door of Congress, the same as every other budget increase, in full view of the entire Nation.

Mr. President, action, or inaction as the case may be, speaks louder than words. I urge my Senate colleagues to change their posture of inaction into one of action. I urge your support of this amendment.

Mr. President, the amendment is this simple: That in 1990 or into the future, the report of the Quadrennial Commission must be voted upon by this body before it can go into effect.

Mr. STEVENS. Mr. President, if the Senator will yield, does he mean by this body or by each body?

Mr. GRASSLEY. By each body.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. PACKWOOD. Can we not just accept it?

Mr. GRASSLEY. I say to the manager of the bill that I had thought we could. On the advice of some of my friends, however, I am taking their advice now in asking for a vote.

The PRESIDING OFFICER. There is a sufficient second.

Mr. HUMPHREY. Mr. President, I support the amendment offered by Senator GRASSLEY to restore accountability to the pay raise process. The current process is a direct circumvention of the intent of the founders to hold Members accountable to the voters for pay raises. Indeed, I believe it is unconstitutional—1987 was the first year, and hopefully the last, in which the new procedure for determining congressional pay raises was utilized.

This procedure was included—without consideration or debate—in the huge continuing resolution enacted for fiscal year 1986. The procedure, I believe, is unconstitutional. Article I, section 6 of the Constituiton requires "the Senators and Representatives shall receive a compensation for their services, to be ascertained by law. * * *" This means a law passed by both Houses of Congress, affirmatively "ascertaining" the salaries to be paid.

The current process allows a pay raise to go into effect while the Congress sits on its hands. This circumvention of the letter and intent of the Constitution is being challenged in the courts.

Mr. President, it is too late to reform the process in regard to the pay increases recommended by the President in this year's budget. We must deal with those recommendations separately. However, the time has come to restore accountability to the way we do things around here. Aside from the constitutional issues involved, this amendment should be approved simply because it provides for the only responsible manner in which to raise our salaries.

While it may be politically convenient for Congress to pass the buck to the President on this sensitive issue, it is a violation of the most basic principles of accountability in Government. It takes positive action on the part of the Congress to increase every other Federal expenditure, with a few exceptions, such as entitlement programs. Why should our own salaries be any different? Do Senators believe their salaries are a new entitlement program?

The amendment offered by Senator GRASSLEY will restore accountability and place the burden where it squarely belongs. The issue is whether the Congress will fulfill its constitutional duty to set the salary of its Members. Just as importantly, will we restore the accountability to the process that our constituents, correctly, demand? I believe that we must. I hope that my colleagues will support this effort.

Mr. DECONCINI. Mr. President, I am proud to be a cosponsor of the amendment brought before this body by my colleague, Senator GRASSLEY. The amendment upon which we are about to vote is probably one of the more clear-cut, commonsense votes we will take during this historic 100th Congress. I feel that it is high time that Congress take the ambiguity out of the procedure which is followed in awarding itself an increase in pay. The amendment of the Senator from Iowa would accomplish this goal.

Earlier this year, a headline on the front page of the Washington Post read "Pay Issue Straddled by House; Deft Moves Keep Raise Alive Despite Senate Bid to Kill It." The current procedure for voting or not voting pay raises is confusing to the point of farce. Members of Congress—those who are masters of parliamentary procedure and floor maneuvering—can be recorded as voting against a pay raise and yet still receive the raise. We unfortunately saw this demonstrated this year when the Senate voted overwhelmingly against the Reagan administration's proposed pay raise only to see it become effective because of a lack of timely action by our colleagues in the other body.

We need to ensure that these clever, sleight-of-hand movements do not occur in the future. We need to bring our actions into the open glare of public scrutiny. We must demonstrate to the American people that we are willing to be held accountable for our doings. We must be held accountable for our actions.

The amendment upon which we will vote would require Congress to make an up or down vote on the issue of future pay raises. Instead of having the recommendation of the President's Commission on Executive, Legislative, and Judicial Salaries become effective only if both Houses of Congress vote to disapprove the proposed pay raise, this amendment would require both the House of Representatives and the Senate to vote in favor of the salary increase before it could go into effect; thus removing the ability of Congress to obtain an increase in pay through the back door. It is good government and responsible legislation. I strongly urge my colleagues to vote to bring light into the congressional pay raise process and overwhelmingly pass this amendment.

Mr. BYRD. Mr. President, I believe that after this amendment there are no more amendments. I ask the managers if that is correct.

Mr. DOMENICI. We know of no other amendments on our side.

Mr. BYRD. Mr. President, does any Senator want a rollcall vote on final passage?

Mr. STEVENS. Mr. President, I want the RECORD to show that I will vote "no." This body has never failed to vote for a pay raise, since I have been in this Senate, when it has become effective. This amendment amounts to changing the procedure in the House, in which in some instances a pay raise vote is not required. So I will vote "no." I do not believe we ought to tell the House how to run its business.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. BYRD. Mr. President, there will be a rollcall vote on final passage.

I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Iowa?

Mr. BYRD. Mr. President, I ask unanimous consent that there be 10 minutes on this rollcall vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Vermont [Mr. LEAHY], the Senator from New York [Mr. MOYNIHAN], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I also announce that the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Alabama [Mr. SHELBY] are absent because of illness in family.

I further announce that, if present and voting, the Senator from New Jersey [Mr. BRADLEY], would vote "yea."

Mr. DOLE. I announce that the Senator from Arizona [Mr. MCCAIN], the Senator from Wyoming [Mr. SIMPSON], the Senator from Connecticut [Mr. WEICKER], and the Senator from Pennsylvania [Mr. HEINZ] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 84, nays 4, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—84

Armstrong
Baucus
Bentsen
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles

Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Helms
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Levin
Lugar
Matsunaga
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Wirth

NAYS—4

Cranston
Glenn
Hollings
Stevens

NOT VOTING—12

Adams
Biden
Bingaman
Bradley
Heinz
Leahy
McCain
Moynihan
Shelby
Simon
Simpson
Weicker

So the amendment (No. 653) was agreed to.

Mr. BYRD. Mr. President, a bit of good news for Senators. I want to thank them. It has been a long day and a hard day and I think they have been patient. I thank them for that.

But I should announce that the Senate will not be in tomorrow.

Mr. President, on Monday, I hope that we can take up the catastrophic illness.

### ORDER FOR RECESS UNTIL MONDAY, AUGUST 3, 1987

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 12 noon on Monday.

The PRESIDING OFFICER. Without objection, that is the order.

Mr. BYRD. There will be no more rollcall votes tonight, provided the measure passes. [Laughter.]

Mr. CHILES. Mr. President, we reached a bipartisan compromise because people of good will found the road to accommodation. But while working out agreement on broad policy issues was demanding for the Senators involved, converting the agreement into legislative language was incomparably arduous work.

We owe special thanks to the attorneys in the Office of Senate Legislative Counsel. In particular, let me single out Susan V. McNally for her tenacity, dedication, and scholarship. She was often here so late at night and back so early in the morning, it was hard to tell where one stopped and the other began.

A graduate of Barnard College and the Columbia University School of Law, she's a genuine professional who blends good humor and technical excellence. I appreciate all she had done, and she has done a great deal throughout the evolution of the amendment to Gramm-Rudman-Hollings.

My thanks also go to William F. Jensen of the counsel's office who came to this issue in its latter stages, but brought so much of value to the job. Let me also acknowledge the early work of Richard A. Luaderbaugh, formerly with the counsel's office, for his early contributions to this amendment.

### CONRAD AMENDMENT NO. 651

Mr. LEVIN. Mr. President, I voted in support of the Conrad amendment because it is clear that the budget resolution for fiscal year 1988 that the Congress recently approved is inadequate to meet the task of deficit reduction that is before us. When we passed that budget resolution we assumed that it would result in a deficit of $134 billion. However, according to the latest projection by the Congressional Budget Office, that resolution would now produce a deficit of at least $150 billion. We need to do more than we had planned on if we are to meet our original commitment for deficit reduction. I have long believed that across-the-board cuts are a matter of last resort. I am afraid we are approaching the last resort if we are to meet our commitment.

Mr. DOLE. Mr. President, I want to again congratulate Senators Domenici, Gramm, and Chiles on their successful effort to remedy the constitutional problem with the so-called Gramm-Rudman-Hollings law.

Their tireless effort and persistence achieved what few believed possible, and a compromise that addressed the very legitimate concerns of both sides of the aisle and the administration.

The conference with the House will not be easy, especially since we face on important deadline with respect to the debt limit. But serious efforts to address the deficit cannot continue to be side tracked by debates over process.

There were problems with the original statute—our attempt to put into place a real trigger fell short. Today, however, we achieved a reasonable and responsible solution.

My congratulations are also extended to Senators Packwood and Bentsen. Debt limit legislation is never easy or pleasant but it is necessary so we can meet our fiscal obligations and avoid the very damaging effect of a default.

Mr. WARNER. Today the Senate is completing a bill working toward breaking a deadlock in the Federal budget process. Just before voting on final passage, an amendment was offered to repeal pay raises—awarded last January—to senior civil servants and Members of Congress.

The Senate leadership, both Democrat and Republican, advised Senators that adoption of this amendment would likely kill the budget bill containing provisions leading toward a balanced budget. I voted with the leadership, for a breakdown in this budget procedure could have resulted in delayed Social Security checks and military retirement checks.

A subsequent amendment would require the Congress, when future pay raises are considered, to vote for or against such a raise prior to a raise becoming effective. There is a straight forward and open approach to any future raises. Again, I voted with the leadership to support this measure becoming law. In this way public opinion can be clearly expressed prior to congressional action.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on the engrossment of the amendments and third reading of the joint resolution.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read a third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. Adams], the Senator from Delaware [Mr. Biden], the Senator from New Jersey [Mr. Bradley], the Senator from Vermont [Mr. Leahy], the Senator from New York [Mr. Moynihan] and the Senator from Illinois [Mr. Simon] are necessarily absent.

I also announce that the Senator from New Mexico [Mr. Bingaman] and the Senator from Alabama [Mr. Shelby] are absent because of illness in family.

I further announce that, if present and voting, the Senator from alabama [Mr. Shelby] would vote "nay."

Mr. DOLE. I announce the the Senator from New York [Mr. D'Amato], the Senator from Washington [Mr. Evans], the Senator from Pennsylvania [Mr. Heinz], the Senator from Arizona [Mr. McCain], the Senator from South Dakota [Mr. Pressler], the Senator from Wyoming [Mr. Simpson], and the Senator from Connecticut [Mr. Weicker] are necessarily absent.

On this vote, the Senator from Pennsylvania [Mr. Heinz] is paired with the Senator from Arizona [Mr. McCain].

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Arizona would vote "nay."

The PRESIDING OFFICER (Mr. Burdick). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 31, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—54

Baucus
Bentsen
Bond
Boren
Boschwitz
Breaux
Byrd
Chafee
Chiles
Cochran
Cohen
Danforth
Daschle
Dixon
Dodd
Dole
Domenici
Durenberger
Ford
Fowler
Garn
Graham
Gramm
Hatch
Hecht
Helms
Hollings
Inouye
Karnes
Kassebaum
Kennedy
Levin
Lugar
Matsunaga
McClure
Mitchell
Nunn
Packwood
Pell
Pryor
Quayle
Reid
Rudman
Sanford
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Wallop
Warner
Wilson
Wirth

NAYS—31

Armstrong
Bumpers
Burdick
Conrad
Cranston
DeConcini
Exon
Glenn
Gore
Grassley
Harkin
Hatfield
Heflin
Humphrey
Johnston
Kasten
Kerry
Lautenberg
McConnell
Melcher
Metzenbaum
Mikulski
Murkowski
Nickles
Proxmire
Riegle
Rockefeller
Roth
Sarbanes
Sasser
Trible

NOT VOTING—15

Adams
Biden
Bingaman
Bradley
D'Amato
Evans
Heinz
Leahy
McCain
Moynihan
Pressler
Shelby
Simon
Simpson
Weicker

So the joint resolution (H.J. Res. 324), as amended, was passed.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the joint resolution passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I ask unanimous consent that the Senate insist on its amendments and request a conference with the House on the disagreeing votes of the two Houses and the Chair be authorized to appoint the conferees on the part of the Senate.

There being no objection, the Presiding Officer appointed Mr. Bentsen, Mr. Moynihan, Mr. Matsunaga, Mr. Chiles, Mr. Hollings, Mr. Levin, Mr. Packwood, Mr. Dole, Mr. Armstrong, Mr. Domenici, and Mr. Gramm conferees on the part of the Senate.

## FUTURE U.S. ASSISTANCE TO PAKISTAN

Mr. BYRD. Mr. President, the distinguished Senator from Ohio [Mr. Glenn] has a Senate resolution which he wishes to call up. It has been cleared on both sides of the aisle. I ask unanimous consent that the Senate proceed to its immediate consideration when he offers it.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GLENN. Mr. President, I send to the desk a sense-of-the-Senate resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The Clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 266) expressing the sense of the Senate on future United States assistance to Pakistan.

The Senate proceeded to consider the resolution.

Mr. GLENN. Mr. President, over the past four decades the United States has steadily pursued two vital objectives: a stable security partnership with Pakistan and a halt to the global spread of nuclear arms. I believe that both policies remain in our national interest, as well as in the interests of regional and global security. In order to advance these goals, as well as to understand why they are so crucial, it is helpful to reflect on where we have been, where we are now, and where we should be heading in the years ahead.

### WHERE WE HAVE BEEN

As an early member of the South East Asia Treaty Organization and the Baghdad Pact, Pakistan long ago joined the United States in opposing Soviet aggression in the region. Today, Pakistan continues to pursue this goal, a mission that includes sheltering some 3 million Afghan refugees. Pakistan has earned our friendship and our respect for having made, and stood by, this commitment.

The United States has been equally steadfast in its commitment to prevent the spread of nuclear weapons as it has been in its support for Pakistan. In its promotion of the Baruch Plan, the creation of the International Atomic Energy Agency, and the Nuclear Non-Poliferation Treaty—with its 132 nonweapon-state parties—the United States has demonstrated that such commitments are essential to national and international security.

Our domestic nuclear laws have echoed these commitments:

In 1976 and 1977, the Symington-Glenn amendments to the Foreign Assistance Act were enacted to bar U.S. assistance to any nation that receives unsafeguarded nuclear technology, or detonates or transfers a nuclear explosive device.

The Nuclear Non-Proliferation Act of 1978 further tightened our nuclear export controls, at a time when international restraint appeared to be threatened by commercial competitiveness among the nuclear suppliers, and by growing international interest in the bomb.

Then in 1985, the Solarz-Boschwitz amendment prohibited U.S. foreign aid to any nonweapon-state that illegally attempts to export from the United States any nuclear equipment or technology useful in manufacturing nuclear weapons.

We have written these domestic laws, ratified international treaties, and pledged the solemn word of the United States, to underscore our commitment to stop the spread of nuclear weapons—and that includes nonproliferation at home as well as abroad. Why have eight U.S. Presidents and dozens of U.S. Congresses stood by these objectives? The answer is very simple: The spread of nuclear weapons violates both our ideals and our national self interest.

Historically, these two policies—maintaining a security partnership with Pakistan and blocking the spread of nuclear weapons—have worked together to reinforce U.S. national security interests, both in South Asia and globally.

### WHERE WE ARE NOW

In recent years, however, Pakistan's clandestine nuclear weapons program has undermined both of these interests.

Pakistan's repeated violations of the Symington-Glenn amendments led to a cutoff of U.S. assistance in 1979, shortly before the Soviets invaded Afghanistan. Aid was restored in 1981 under a unique 6-year waiver of the amendments, but Pakistan was put on notice that its continued development of nuclear weapons would jeopardize U.S. aid. In 1985, this linkage was made explicit by legislation requiring the President to certify annually that Pakistan does not possess the bomb, as a prerequisite for future assistance.

With the waiver of Symington-Glenn due to expire this fall, evidence indicates that Pakistan has still not gotten the message. To the contrary, reports since 1981 suggest that Pakistan has—year by year—moved perilously close to becoming a de facto nuclear power. Consider the following:

In 1981: Pakistan is reported to be preparing a nuclear test site in its remote Baluchistan province.

In 1982: Pakistan illegally obtains Swedish flash x-ray machines useful in perfecting the design of Nagasaki-type nuclear weapons.

In 1983: The Washington Post reports that Pakistan has acquired a workable nuclear weapon design from China, allowing Pakistan to forgo nuclear testing.

In 1984: Three Pakistani nationals are arrested in Houston attempting to smuggle krytrons—high-speed electronic switches used to trigger nuclear explosives—to Pakistan.

In 1985: Pakistan reportedly tests a nonnuclear trigger package used in the detonation of nuclear bombs.

In 1986: The Washington Post reports that Pakistan has succeeded in producing highly enriched uranium—a nuclear explosive material—at its secret Kahuta facility.

In 1987: Pakistan's top nuclear scientists boasts in an interview that Pakistan "posesses" the bomb.

Particularly disturbing are recent criminal indictments linking Islamabad to illegal attempts to procure nu-

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clear weapon-related materials from U.S. companies. Earlier this month, a Pakistani-born businessman was arrested on charges of attempting to purchase 50,000 pounds of maraging steel—a metal used in the manufacture of centrifuges for enriching uranium—for his "Kahuta client." Kahuta, as you know, Mr. President, is Pakistan's top-secret facility for producing bomb-grade uranium.

This attempt followed a direct effort by the Pakistani Embassy in London to obtain the same quantity of specially hardened steel from the same company, according to recent reports. A week after the arrest, three more purchasing agents were indicted in California for illegally exporting to Pakistan electronic equipment used to make nuclear bombs. In addition, Swiss and West German officials are currently investigating similar charges of Pakistani nuclear smuggling, this time involving plans and equipment to expand Pakistan's capability to produce bomb-grade uranium.

Clearly, these incidents do not represent "free-lance" operations, but a well orchestrated campaign by Islamabad to augment their nuclear weapons capability.

As we seek to extend our security partnership with Pakistan, we must recognize that, when it comes to nuclear restraint, we can no longer rely upon Pakistan's word alone. Pakistan has repeatedly pledged—publicly and privately, formally and informally—that its nuclear program is for peaceful purposes only. Yet the U.S. Ambassador to Pakistan candidly acknowledged this year that, in his words, "there are developments in Pakistan's nuclear program which we see as inconsistent with a purely peaceful program."

If we are to stabilize our military relationship with Pakistan, as well as our aid to the Afghan resistance, we must insist that this gap between words and deeds be closed once and for all. We simply cannot continue rewriting or waiving our laws, and condoning unfulfilled pledges to our President, to accommodate the needs of Pakistan's nuclear weapons program.

Mr. President, the resolution before you is a first step toward putting our relations with Pakistan back on track. It expresses the Senate's strong support for the administration's forthcoming negotiations with Pakistan on gaining Pakistan's compliance with its past commitments. Furthermore, it puts Pakistan on notice that verifiable compliance with these commitments—including its pledge not to produce weapon-grade nuclear materials—is vital to the provision of further military assistance.

I have long heard Members of this body express the need to avoid undercutting the President's bargaining position when it comes to arms control negotiations. Here is an opportunity to send a clear message to Pakistan that the Congress stands shoulder to shoulder behind the President in his efforts to hold Pakistan to its word.

Mr. President, this Senate resolution expresses the sense of the Senate on future United States assistance to Pakistan. We spent several days talking this over with our colleagues on both sides of the aisle and getting agreement. The distinguished chairman of the Foreign Relations Committee, Senator PELL, is with us on the floor tonight. He agrees with the approach we have taken. We have had Senator HELMS, and we have had Senator HUMPHREY on the other side of the aisle with whom we have worked. I also want to pay special tribute to my colleague, Senator BRADLEY, of New Jersey, who has worked tirelessly on this the last several days because of his interest in this and because of his shared concern along with me and along with many of us in this body, certainly Senator PELL and others, that one of the most vexing and difficult, long-term problems for our country is what we do about the spread of nuclear weapons to other nations around the world.

Mr. President, the reason this is so timely and the reason we want to bring it up tonight even though the hour is late and even though it has been a long day is because the Under Secretary of State for Political Affairs, Mike Armacost, is now on his way to Islamabad to meet with Pakistani officials, with the head of state, I believe, with President Zia-ul-Haq, of Pakistan, to discuss the situation in which we find ourselves with regard to aid to Pakistan and with regard to our assistance and how that fits into our nuclear nonproliferation policy.

We resolve with this resolution the following. I will not read all the whereases that lead up to this, but we resolve that:

(1) The Senate strongly supports the President in his forthcoming efforts to gain Pakistan's compliance with its past commitments, including commitments of record, not to produce weapon-grade nuclear materials.

(2) The Senate strongly urges the President to inform Pakistan that Pakistan's verifiable compliance with these past commitments is vital to any further United States military assistance.

(3) The Senate urges the President to pursue vigorously an agreement by India and Pakistan to provide for simultaneous accession by India and Pakistan to the Nuclear Non-Proliferation Treaty, simultaneous acceptance by both countries of complete International Atomic Energy Agency safeguards for all nuclear installations, mutual inspection of one another's nuclear installations, renunciation of nuclear weapons through a joint declaration of the two countries, and the establishment of a nuclear weapons free zone in the Sub-continent.

I think that is a good combination for Under Secretary Armacost to be taking to Pakistan, to be showing the resolve of the Senate in this regard and show that we mean business with regard to nonproliferation.

Mr. President, on March 23, 1987, I appeared before the Senate Foreign Relations Committee to present my views on the administration's proposal for an extension of economic and military assistance to Pakistan.

Mr. President, in essence, I argued that the United States would be abandoning its historic commitment to nonproliferation if we failed to attach new conditions on Pakistan's Nuclear Weapons Program in return for extending our military assistance for 6 years. The Foreign Relations Committee did not accept this approach.

Mr. President, I ask unanimous consent to have the following material printed in the RECORD at the conclusion of my remarks:

My floor statement and my March 23 testimony; an article from the July 11, 1987, National Journal entitled "The Pakistan Conduit"; an article from the March 31, 1987, issue of India Today, entitled "Pakistan's Nuclear Bomb: India's Options;" an article from the London Financial Times, headlined "Cologne Company Raided Over Supply of Nuclear Equipment Plans to Pakistan;" and two recent articles from the London Sunday Times, entitled "A-Bomb Plot Is Linked to Embassy" and "Foiled: Bid to Buy Steel for A-Bombs."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GLENN. Mr. President, I will answer any questions anyone might have in this regard.

I might add one thing: The fact that we are not going to have a record rollcall vote on this matter tonight should not be an indication to anyone who looks at this material that the Senate has any less resolve on this because it is going to be a voice vote.

We have worked hard the last couple of days and were able to get unanimous consent to bring this up on the floor tonight, without sending it to committee, only because 100 U.S. Senators agreed to what we are doing. One hundred Senators agreed with this or we would not have had unanimous consent to bring this to the floor.

So I do not want anyone to think that this is any less resolved for the U.S. Senate because we are not having a record rollcall vote. We have already had that, in effect, in the form of their approval of bringing this up by unanimous consent tonight. So we have approval for this; and when Under Secretary Armacost brings this up with officials in Pakistan, I hope he is able to make note that this statement has the unanimous consent of the U.S. Senate.

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## EXHIBIT 1

### FLOOR STATEMENT OF SENATOR GLENN

I want today to bring my colleagues' attention to some recent developments relating to Pakistan's pursuit of a nuclear weapons capability. The news provides further evidence that Pakistan is continuing its bomb program despite our quiet diplomatic protests. Some of which have even been delivered at the Presidential level. Although the Foreign Relations Committee recently proposed extending our aid for 2 years without any new condition for nuclear restraint, new information has come to light since the committee's vote that requires us to reconsider the wisdom of that approach.

Though we are less than half way through 1987, this has been a busy year for Pakistan's nuclear weapons program. Here is a sampling of the developments just from the last 4 months:

On January 28th, Pakistan's top nuclear scientist gave an interview to Indian and Pakistani journalists in which he was reliably reported as saying, "What the CIA has been saying about our possessing the bomb is correct and so is the speculation of some foreign newspapers."

On February 16th, the U.S. Ambassador to Pakistan delivered a lengthy speech in Islamabad in which he noted that (quote) "there are developments in Pakistan's nuclear program which we see as inconsistent with a purely peaceful program."

On March 23rd, President Zia echoed the views of his top nuclear scientist, by boasting to a Time magazine interviewer that (quote) "Pakistan has the capability of building the bomb. . . you can write today that Pakistan can build a bomb whenever it wishes."

On April 27th—shortly after the Foreign Relations Committee approved a Pakistan aid package that my colleague from California has called "not only toothless, but gumless"—the Indian Minister of Defense solemnly informed his lower House of Parliament that (quote) "the emerging nuclear threat to us from Pakistan is forcing us to review our options. . . [adding] I need not remind members of the manner in which the United States has chosen to ignore Pakistan's search for nuclear capability." Although India had detonated a nuclear explosive in 1974, the country chose not to develop a nuclear weapons arsenal—this decision now appears to be under review.

That brings me to the month of May. A state prosecutor's office in Cologne, West Germany just announced that a major criminal investigation was underway involving a large West Germany firm that is suspected of illegally exporting plans and equipment related to uranium enrichment activities to Pakistan. The investigation will build upon information that was gathered during a raid by West Germany customs authorities on two factories and a private residence on April 27th, and on information gathered by the Swiss during a raid of their own on another firm back in January 1986. I would like to submit for the record further details on these raids.

I am deeply concerned about the administration's failure to notify Congress about these most recent efforts by Pakistan to acquire supplies for its unsafeguarded uranium enrichment program. The scale of the Swiss and West German investigations raises the now-familiar questions: What did the administration know, and when did they know it? If the illicit activities that inspired these investigations were known to the administration prior to April 23rd—when the vote in the Foreign Relations Committee took place—then the administration purposely withheld information that could have affected that vote. If the administration was not aware, this raises questions about how well we are monitoring Pakistan's secret nuclear supply network.

It is important to note that the West German firm that is the target of these investigations—Leybold Heraeus—was cited in the 1981 book, "The Islamic Bomb," as a major supplier of vacuum pumps and gas purification equipment to Pakistan's uranium enrichment program. West German and American press reports have identified the same firm in subsequent nuclear dealings with Pakistan. Given the notoriety of this particular firm, I find it hard to believe that the administration was not aware of its continuing involvement with Pakistan's nuclear program.

After all that has occurred in 1987 alone, I shudder to think what the month of June has in store for us. But I will make at least two predictions: First, Pakistan's nuclear weapons program will roll right along, unfettered by any new restraints from Washington. And second, the administration will earnestly maintain that its very, very quiet diplomacy with Pakistan is succeeding in persuading Pakistan to stop its efforts to acquire the bomb.

Now, I am well aware that out policy toward Pakistan is not entirely based upon our strategic interest in nuclear nonproliferation. Our interests also require Pakistan's assistance in opposing Soviet aggression in Afghanistan, and our objectives include the promotion of economic and political development as well as human rights. None of these objectives can be met, however, if the next months herald the start of a nuclear arms race in South Asia. Should that occur, we will be facing not only the prospect of another war between India and Pakistan, but the threat that President Zia himself made in March 1986: "(Quote) and when we acquire this technology, the Islamic world will possess it with us."

We cannot use our diplomacy to resolve the deep-rooted mistrust that exists between India and Pakistan. Yet by using our diplomacy to encourage Pakistan to stop producing weapons-grade nuclear materials, we can stop this imminent nuclear arms race in South Asia, before it escalates out of control. We must also encourage India to take positive steps in this direction by ending its stubborn and provocative refusal to adopt international safeguards at its own nuclear facilities. Over 130 nations have agreed to these safeguards, and it would well serve the security interests of both countries if they were applied to all nuclear facilities in South Asia.

I do not need to remind my colleagues that we are running out of time. Events are in the saddle. We cannot wish Pakistan's nuclear weapon program out of existence. We cannot just cross our fingers that India and Pakistan will be able to avoid a nuclear arms race. Instead, we must do what our forefathers would have done: we must have the courage to take action to preserve our national interests and our national values. When the Pakistan aid package comes to the floor for your votes, I will offer an amendment requiring Pakistan to reaffirm its peaceful nuclear intentions by agreeing to stop production of weapon-grade nuclear materials. We cannot afford to drift along any farther with the administration's bland assurances on Pakistan's nuclear program. Who knows, after all, what July will bring?

### STATEMENT BY SENATOR JOHN GLENN ON U.S. ASSISTANCE TO PAKISTAN BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE

Thank you, Mr. Chairman, for this opportunity to discuss the administration's proposed aid package to Pakistan. Webster defines dilemma as: "A situation requiring a choice between equally undesirable alternatives." "Dilemma" perfectly describes the situation we are in with regard to the administration's proposed six year aid program to Pakistan.

Dilemma, in that we want to aid Pakistan. We share common objectives with Pakistan in the Asian sub-continent; limiting Soviet influence, encouraging political and economic development, and reducing prospects for another war between India and Pakistan.

Of course we understand their concerns about India.

Of course we share their concerns about the Soviet invasion of Afghanistan and whether that is but preface to even further Soviet moves into South Asia.

Of course we share their concern about the difficulties in coping with the more than three million Afghan refugees now in Pakistan.

And, of course it is in our mutual interest to continue the arms flow to the "Mujaheddin," the Afghan freedom fighters trying to drive Soviet invaders from their homeland.

But those are current concerns. Much as we want and value all the above, there are longer term worldwide nuclear weapons proliferation considerations that must be carefullly weighed, lest short term considerations effectively wreck the Non-Proliferation Treaty (NPT), the Nuclear Non-Proliferation Act (NNPA), the provisions of the Foreign Assistance Act, and in the process encourage the spread of nuclear weaponry.

These are not easy decisions, and "horns-of-a-dilemma" well describes my view regarding approval or disapproval—"exigencies of the moment" versus the even greater potential of future nuclear Holocaust. It's that stark.

To understand this fully, we need to briefly review what has happened with nuclear control efforts through the years.

The post WWII proposal of Baruch and Lilienthal to put all-things-nuclear under some form of international control did not materialize.

But in the ensuing years, if the United States was occasionally misguided and naive in its rush to spread nuclear technology for the benefit of mankind, we made up for it with our leadership in nuclear non-proliferation activities.

It was the United States that took up the challenge to create and bring into force the Nuclear Nonproliferation Treaty. More than 130 non nuclear weapon states are now signatories to the treaty, which went into force in 1970. Nations around the world had become increasingly concerned that with the spread of nuclear technology and the very sophisticated equipment to exercise that technology, it would not be many years before small border conflicts that might have received comparatively little notice, might now involve such weapons of mass destruction that millions of lives could go in a flash, and the potential for escalation into nuclear WWIII would be enormously increased.

The NPT bargain, simply put, was for nuclear weapons states to cooperate with non-weapons states in the peaceful uses of nuclear energy in return for the non-weapons

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state's agreement to give up any programs leading to nuclear weapon capability. The other part of the agreement requires the weapons states to negotiate in good faith to try to reduce existing weapons stockpiles, negotiations that have received far too little emphasis in the years since 1970.

In addition to the NPT, the global nonproliferation regime includes supplier agreements, safeguards arrangements through the IAEA, and national nuclear export laws like our own Nuclear Nonproliferation Act, and the Symington-Glenn amendments to the Foreign Assistance Act.

The Symington and Glenn amendments should be particularly noted, since their requirements are those which President Reagan seeks to waive. They basically provide that after enactment in 1976 and 1977, aid would be terminated to any non-nuclear weapons state that imported, without safeguards, enrichment or reprocessing equipment and technology. President Carter made his evaluation under those laws and cut off aid to Pakistan in 1979.

In the wake of the Soviet invasion of Afghanistan, President Reagan proposed fully repealing the amendments mainly so aid to Pakistan could resume. Congress refused the full waiver, but gave a six year waiver for Pakistan only with certain conditions attached. At the moment these conditions are that the President must certify each year that (1) "Pakistan does not possess" an explosive nuclear device, and (2) that U.S. aid would help steer Pakistan away from pressing for the nuclear option.

While 132 nations have placed their interests under the umbrella of NPT, a number of countries of particular proliferation concern have refused to sign the NPT. Among these are Pakistan, India, South Africa, Israel, Argentina, Brazil.

U.S policy decisions in the nuclear area, even when made in the context of one country such as Pakistan, have a serious ripple effect on the entire nonproliferation regime. The regime is fragile, and requires constant vigilance to keep it intact. There are signers of the NPT who, prior to last years five year review of NPT were reported in the press to be openly wondering whether the bargain has been worth it. Any lack of resolve on the part of the United States toward preventing the spread of nuclear weapons—any relaxation of commitment by the world's nonproliferation leader—dangerously weakens the global regime. If the regime were to collapse, the hopes of mankind for a world without or even with few nuclear nations would collapse with it.

This is the prism through which one must view both facts and policy decisions about Pakistan. What are the facts?

Following the Indian "Peaceful Nuclear Explosion" (PNE) in 1974, Pakistan President Bhutto vowed Pakistanis "would eat grass" if necessary, to gain a similar capability, and their program was launched.

Through the years, Pakistani officials have repeatedly denied having a nuclear weapons program although available information indicated just the opposite. I personally received such assurances two years ago from Pakistan President Zia and other top officials during a visit to Pakistan.

Such assurances have been used by the administration to justify aid to Pakistan, even though such assurances were believed to be highly suspect by most interested observers.

But presidential ability to honestly "certify" Pakistan's non-nuclear weapons condition is changing drastically.

In 1979, as a result of Pakistan's violation of the Symington-Glenn amendments to the Foreign Assistance Act, the Carter administration, as stated, halted economic and military assistance to Pakistan. Following the Soviet invasion of Afghanistan, the Reagan administration succeeded in convincing Congress to restore this aid as a quid pro quo for Pakistani cooperation in allowing weapons to be funneled to the Afghan rebels. But the administration failed at that time to pressure Mr. Zia into providing any guarantees that Pakistan would halt development of the bomb in return for the aid. Nonetheless, the administration led Congress to believe that nuclear restraint on the part of Pakistan would be a consequence of the U.S. aid program. In 1981, then Secretary of State Alexander Haig said, in a letter to then Senator Percy:

"* * * By providing Pakistan with conventional military equipment in the framework of a bilateral relationship of confidence and mutual understanding, the United States will be in a better position to influence the shape and direction of Pakistan's nuclear program in the future."

Six years and more than $3 billion later, we see Pakistan poised at the nuclear threshold. Very credible press reports indicate that Pakistan is manufacturing and testing components for nuclear weapons. A newly released authoritative study by the carnegie endowment—along with recently reported statements by Pakistan's president and its top nuclear scientist—suggest that Pakistan is now capable of manufacturing a nuclear explosive device. These are but two recent additions to the long history of Pakistan's pursuit of the bomb. I would like to submit for the record a 26 page chronology of these events that has been prepared by the Congressional Research Service, to appear at the end of my statement.

It is now amply clear that Pakistan gained the status of "nuclear threshold state" during the period when U.S. assistance was at its highest level. The American taxpayer has a right to ask how much "nuclear restraint" his previous tax dollars have purchased in Pakistan, before another four billion are provided.

Administration spokesmen point to Pakistan's failure to test a nuclear device as an indicator of the restraint that our aid has produced, which ignores numerous press reports that Pakistan has been working with a "proven" Chinese design. The administration has given indications of a willingness to bend over backwards to avoid an honest application of the test of "possession" of a nuclear device by Pakistan in order to keep the aid flowing. It is apparent by their refusal to give a clear interpretation of the meaning of "possession" that they would have us believe that a country does not possess nuclear weapons until it has assembled every last components in a bomb casing. Before we accept this curious definition. We would be well advised to recall that the entire United States nuclear arsenal in the 1940's and the early 1950's was stored in separate components. I would like to submit for the record an excerpt from a 1984 U.S. Army report on the safe storage of nuclear weapons.

One of the fundamental problems in this affair is the complete lack of credibility of the Pakistani government's repeated assurances about the nature of their nuclear program. More than a year ago. The President elicited additional assurances from Pakistan that they would not produce uranium enriched to more than 5%. By their own admission, they have now produced bomb grade uranium enriched to more than 90%. And America, the nation that has supposedly been standing tall for the past six years, has let this mendacious behavior go unchallenged.

Why? Because the administration has made the decision that, as former Pakistan President Bhutto termed it, the "Islamic bomb" is less important to us than ensuring military assistance to the Afghan rebels. Much as I want to see assistance continue to the Afghans, that evaluation is wrong.

Let me give just one illustration.

To use President Bhutto's words again, an "Islamic bomb" is the ultimate threat to Israel's existence. Pakistani nuclear weapons production will sooner or later, whether by design or by espionage, result in the wider transfer of nuclear weapons technology to countries in the Middle East. Israel, regardless of the state of her own nuclear capabilities, will have her existence threatened. The flash point for nuclear war will be lowered through the combination of religiously-based conflict with the means for mass destruction.

Amazingly, however, it isn't only the Pakistani bomb the administration wants us to swallow in order to guarantee aid to the Afghan rebels through Pakistan. They want us also to continue—without any new nuclear restrictions—supplying Pakistan with F-16's and perhaps AWACS so that Pakistan will have what could be an American made nuclear weapons delivery system and an ability to protect her nuclear weapons facilities from raids by those who might not think an Islamic bomb is a benigh development.

Mr. Chairman, in recent months we have seen what can happen when a nation forsakes an important global policy principle for narrow, illusory benefits. We sacrificed our global anti-terrorism policy in the hope that we could trade arms to Iran for American hostages. Now we are being asked to sacrifice our global nonproliferation policy in the hope that we can trade arms to Pakistan for Pakistani cooperation on Afghanistan and nuclear restraint. What do we then say to Argentina or Brazil or South Africa or the nations of the Far East or any of the 132 NPT signers about credibility of the United States and trust in U.S. nuclear nonproliferation policy?

Mr. Chairman, I, like the President, want to aid the Afghans. Just as I, like the President, wished for the release of American hostages. But we cannot and should not allow ourselves to be blackmailed into making a deal that will do irreparable damage to our long-term global efforts to stop the spread of nuclear arms. The basic objective of nuclear nonproliferation should not be so easily bargained away.

Accordingly, on March 5, I urged President Reagan to suspend military aid to Pakistan pending a thorough review of the Pakistani nuclear program. I argued that this aid should not be resumed until we have obtained reliable assurances that Pakistan is no longer producing nuclear explosive materials.

My purpose here today, however, is to suggest legislative action on the proposed 6-year aid package to Pakistan to begin in fiscal year 1988. The administration has requested approval of this package without any restrictions on Pakistani nuclear behavior. This is completely unacceptable. The question isn't "should there be restrictions?" but "what should these restrictions be?"

Proposals to limit the amount of military assistance, or the length of the proposed aid program—for example, 2 years instead of 6 years—simply fail to confront the ongoing progress of Pakistan's nuclear weapons program. In 2 years, we will be faced with the same tough choices between nonproliferation and other foreign policy interests that we are facing today. The only difference will be that Pakistan, as well as India, and probably Israel, will have proceeded even further down the nuclear path. With Pakistan now attempting to straddle the nuclear threshold, Congress cannot afford to defer—once again—our responsibility to make these choices.

I am proposing a 6-year extension of the present waiver of section 669 of the Foreign Assistance Act to allow both economic and military assistance to Pakistan. Under current law, which I favor continuing, this assistance would cease if the President is unable to certify that Pakistan does not possess a nuclear explosive device. This condition should be supplemented with the following additional requirement: "Military assistance should not be provided unless the President is able to certify annually to Congress that he has received reliable assurances that Pakistan has ceased producing weapons-grade nuclear material."

By "reliable assurances," I mean a formal, written commitment by Pakistan's political leadership, verified by onsite inspections of relevant facilities by designated representatives of the United States or by any other technical means the United States finds acceptable.

In addition, I am proposing to amend section 670 of the same act to require that, in the event of a nuclear detonation by a non-nuclear weapon state, funds provided under all U.S. legislation—rather than just the foreign assistance and arms export control acts—would be terminated. This would increase the cost of a nuclear test to all non-nuclear weapon states, including India, not just those with which we have close military ties.

What is the likelihood of Pakistan accepting this new condition for continued U.S. conventional military assistance? Islamabad is seeking our aid because it has sensibly determined that such assistance would serve its national security interests. Pakistan's security reward for truncating its production of nuclear explosive materials would be substantial; I am proposing not a scaled down or shortened aid package, but a full 6-year, $4 billion assistance program complete with a Presidential option to provide an airborne early warning system.

Under my proposal, Islamabad would have to decide between an extended security partnership with the United States and the production of nuclear weapons. The rational choice is obvious. Nuclear weapons will not settle border clashes between Pakistan and India any more than they did between China and the Soviet Union. Nor will they assure victory if a conventional war breaks out, as illustrated by the United States experience in Vietnam. They will, however, raise the prospect of a conventional conflict escalating to the level of mass, mutual destruction. Furthermore, by goading India into a nuclear arms race that Pakistan could not hope to win. A decision by Islamabad to pursue nuclear weapons would severely undercut Pakistan's national security.

Of course, I hasten to add, we cannot guarantee acceptance by the Pakistanis of this proposal. Should the condition on ceasing production of nuclear weapons materials be spurned or violated by the Pakistanis, we must recognize at that point that no diplomatic action by the United States is likely to deter Pakistan from triggering a nuclear arms race in South Asia. In that case, we should reluctantly end our military assistance, including the sending of spare parts for the F-16's—those superb nuclear weapons platforms we have been providing to Pakistan for the past 6 years—and concentrate on diplomatic activities and on repairing our tattered nonproliferation policy as it applies to other countries of concern to us. For if we fail to take a stand on Pakistan, we will be on a slippery slope that will make it increasingly difficult for us to take a stand against any proliferator.

Both India and Pakistan are now just a step away from the ability to create armageddon. As a friend of both nations, we must redouble our efforts to prevent this nuclear nightmare. Ultimately, we should seek a verifiable Indian commitment that it too is not producing nuclear materials—especially plutonium—for weapons purposes.

We should encourage Pakistan to place its current stocks of highly enriched uranium under multilateral auspices. Consideration should also be given to a joint pledge by the United States, Soviet Union, and China not to use, or threaten to use, nuclear weapons against India or Pakistan.

The course that I am proposing, though not an easy one, seems better oriented to our long-term national security interests in South Asia than is the current policy. We must never lose sight of our long-term national objectives in the region, which include limiting Soviet influence, and promoting the political stability, economic prosperity, and territorial integrity of all nations in South Asia. I cannot emphasize more strongly that a nuclear arms race in South Asia would endanger all of these objectives.

Mr. Chairman, our choice is not between Afghanistan and the Pakistani bomb—it is between accepting or relinquishing our great power responsibility to contain the threat of nuclear war. The time is running out. A choice must be made.

One last word, Mr. Chairman. The view of non-nuclear weapon nations that we have no right to pressure them not to strive for a nuclear capability that we and other nations already possess, is a valid one. It can only be answered by saying it is in the interests of all humanity to do our best to control the nuclear dangers by not only preventing nuclear proliferation, the main theme of these remarks, but by also showing far more progress in scaling down existing nuclear weapons stockpiles of the superpowers. That was part of the NPT agreement with 132 nations. They will not be patient forever. Time is, indeed, running out.

## The Pakistan Conduit

(By Christopher Madison)

It is not a textbook example of foreign relations, but it bears the convincing logic of success. With very little fanfare or public debate, Pakistan in the past decade has become a major U.S. ally in south Asia.

In fact, judging from U.S. aid levels—more than $500 million in economic and military assistance for next year and $4 billion over the next six years—it has become one of the most important U.S. allies worldwide. Only Egypt and Israel get more foreign aid each year.

A sign of Pakistan's growing clout in Washington came earlier this year when the House Foreign Affairs Committee and the Senate Foreign Relations Committee voted to remove for two more years a persistent thorn in Pakistan's side: legislated restrictions on U.S. military and economic aid.

The restrictions, known as the Glenn-Symington Amendment and aimed at preventing Pakistan from developing nuclear weapons, were enacted in 1978, and aid to Pakistan was cut off pursuant to the amendment the following year.

Soon after President Reagan took office, however, aid was restored when Congress waived the amendment for six years, beginning in 1981.

Though the latest two-year waiver, if finally enacted would continue that policy, it is not a total victory for Pakistan or for the Reagan Administration, which had sought another six-year waiver.

But it was significant because support for the waiver was led by liberal Democrats—Stephen J. Solarz of New York, in the House and Christopher J. Dodd of Connecticut and John F. Kerry of Massachusetts in the Senate. Dodd and Kerry, who serve on the Foreign Relations Committee, joined with the panel's Republicans to approve the waiver.

Committee approval of the waiver is seen as a sign not only of Pakistan's closer relationship with the United States but also of the fact that the relationship is no longer dominated by the nuclear issue.

"The relationship always has had more dimensions that the nuclear issue," said Denis M. Neill, a lobbyist whose firm represents the government of Pakistan. "But in the past, the Congress has not seen fit to address the other issues."

The legislative battle is not over yet; opponents of the nuclear nonproliferation waiver will bring the battle to the full House and Senate later in the year.

But John Glenn, D-Ohio, the Senate's most knowledgeable and active member on the nonproliferation issue said in an interview, "When you oppose a committee [decision] out on the floor, you are going against the tide, so I'm not going to predict how I'm going to do."

High aid levels and the waiving of nuclear restrictions are not the only signs of close U.S.-Pakistani relations. Discussions are under way between the two governments about the sale to Pakistan of a sophisticated air defense system similar to the Airborne Warning and Control System (AWACS) aircraft that were sold to Saudi Arabia.

The reason for all this is obvious: Pakistan is supporting the Afghan rebels who have been fighting their Soviet invaders since the beginning of the decade.

Not only is Pakistan supporting the Afghan rebels, known as mujahedeen, but it is also the conduit through which covert U.S. assistance flows to the rebels.

And it is the war in Afghanistan that supersedes the nonproliferation question in the minds of most Members when Congress considers aid to Pakistan.

"There's no question that Afghanistan drives the Pakistan aid bill issue," said a House foreign policy aide who has been following the issue closely.

Solarz affirmed that the Foreign Affairs Committee's vote for the waiver reflects a strong commitment to the Afghan cause.

But Glenn believes that view is shortsighted. "Short-term concerns are warping the thinking on the long-term concerns," he said.

### THE NUCLEAR ISSUE

For Glenn, long-term issues are nuclear issues, and they have been a controversial element of U.S. relations with Pakistan, as

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well as with India, for more than a decade. Through international organizations, treaties and less formal arrangements, the United States and other nuclear powers have tried to prevent nations such as Pakistan from developing the capability to construct nuclear weapons.

Pakistan has refused to sign the 1978 Nuclear Nonproliferation Treaty that more than 100 nations have signed so far. As a result, Congress in 1978 adopted the Glenn-Symington Amendment, which required a cutoff of U.S. aid to countries that received enriched uranium material, technology or equipment and did not subscribe to international safeguards to ensure that the materials were not used to produced nuclear weapons and were not transferred to other countries.

Pakistan, which was receiving the enrichment materials, refused to accept the international safeguards, and U.S. aid was terminated. In 1981, Congress restored the aid by waiving the Glenn-Symington Amendment, but it also stipulated that the President must give Congress assurances that Pakistan was not using its unclear program to produce material that could be used for a bomb. Reagan provided those assurances.

Since then, there have been many indications, including statements by Pakistani officials, that weapons-grade material is being produced and that the President could not credibly certify otherwise to Congress.

To put some teeth into the U.S. non-proliferation policy, liberal Senate and House Democrats this year sought to condition the U.S. aid program on some form of international inspection to ensure that weapons-grade material was not being produced.

A majority of Foreign Relations Committee Democrats wrote in the committee report, "We felt it imperative that Congress send Pakistan a signal that flouting nonproliferation commitments to the United States will not be tolerated."

But the committee defeated the proposal by a single vote when Dodd and Kerry defected and supported a two-year waiver of the restrictions.

Some said Dodd's vote was cast in part through pique as well as substance because he was upset that the committee staff had drafted the proposal without sufficient consultation with the Senators, on the assumption that it would be adopted.

In the Foreign Affairs Committee, similarly tough nonproliferation language went down to defeat after Solarz drafted an alternative and gained the support of the committee's leaders—chairman Dante B. Fascell, D-Fla., Lee H. Hamilton, D-Ind., and several others, as well as the committee's Republicans. The panel, over the objections of a majority of its Democratic members, voted for a two-year waiver of the Glenn-Symington Amendment, similar to that adopted by the Senate committee.

Two considerations drove this somewhat lenient approach to Pakistan: doubts that a tough approach would work on the nuclear issue, and concern over the fate of the Afghan rebels.

### UP THE REBELS

Congressional support for the rebels contrasts significantly with the attitude on Capitol Hill toward other rebel groups, particularly the Nicaraguan contras.

Congress, by approving large aid packages to Pakistan, by waiving the Glenn-Symington Amendment for two more years and by considering the sale of an AWACS-type system to Pakistan, is affirming the Administration's policy of rewarding Pakistan for its efforts on behalf of the Afghan rebels.

Although the amount of the covert assistance funneled to the rebels is classified, published reports estimate it at $250 million-$300 million annually.

That aid is separate from the direct U.S. economic and military aid to Pakistan, which that country uses to beef up its own military forces and to strengthen its economy.

In addition to serving as a conduit for assistance to the rebels, Pakistan has played host to Afghan refugees and allowed the Afghan rebels to stage their military actions from the Pakistani side of the border.

A House foreign policy aide said: "There is widespread support for giving Pakistan a generous package because of the Afghan issue. There is a consensus in favor of U.S. support for the Afghan freedom fighters, a consensus that they are good guys."

The Foreign Relations Committee, in approving the aid package for Pakistan as part of the fiscal 1988 foreign aid bill, said it was "mindful of the fact that for over seven years, Pakistan has been the generous host to more than 2.5 million Afghan refugees. It is also a frontline state facing a real threat from Soviet forces occupying neighboring Afghanistan. It deserves full U.S. support."

And in rejecting a proposal to condition some of the aid on Pakistan's acceptance of nuclear safeguards, the committee said, "A punitive approach would be particularly unfortunate at a time when Soviet cross border aerial attacks are increasing and when United Nations-sponsored Afghanistan negotiations appear to be entering a new, and possibly crucial, phase."

A related reason for support of Pakistan is its proximity to the Soviet Union. "There's a general sense that if you don't shore up Pakistan, they may be forced to reach some accord with the Soviets because of their activity in Afghanistan," said a House foreign policy aide.

There is also a more cynical interpretation. Throughout the six years of the Reagan Administration, liberal Democrats have been skeptical at best about the Administration's policy of supporting "freedom fighters" in places such as Angola, Cambodia and Nicaragua. But they have been willing to support the Afghan rebels, in part because they are clearly fighting an invasion from another country rather than an internal revolution.

Strong support for Pakistan, despite the nuclear proliferation question, "allows a lot of liberals to cast an anti-Soviet vote," said a pro-Pakistan sources.

### A BLANK CHECK?

Glenn in an interview described the Pakistan issue as "very vexing. I don't want to see aid to Afghanistan stopped in any way. But I'm more concerned about long-term aspects of it. . . . Are the the Pakistanis really going to cut off the flow of aid to the Afghans? It's in their own interest to continue it."

Both Solarz and Kerry, according to aides, voted for the two-year waiver because they believed that forcing Pakistan to confront the nuclear issue on U.S. terms would be counterproductive at best, just as it was in 1979.

Rather than give in to U.S. demands to receive aid, they are said to believe, Pakistan instead would abandon entirely its pledge to the United States not to develop nuclear weapons.

"Pakistan is not going to pay the nuclear price that we would like it to pay," a Solarz aide said. "We could say we'll cut off the aid, and that would merely push them into an open nuclear program, an open explosion."

Kerry, according to a knowledgeable source, "spent an awful lot of time with [undersecretary of State Michael H.] Armacost and became convinced that there was a risk that as it did in 1979, Pakistan would take a walk."

But Glenn rejected this analysis, in part, he said, because it amounts to an admission that "the U.S. has no policy" and that the Glenn-Symington Amendment no teeth. "I have said, what good is it to keep it on the books if we always find a detour around it," Glenn said. But he added that he was not yet ready to recommend that the amendment be repealed.

Solarz argues that the two-year waiver gives the United States some leverage—an aide described it as "a shorter tether."

In an interview, Solarz said, "The real alternative to a two-year waiver was a six-year waiver, which would have been counterproductive."

The two-year waiver, he said, is meant to reflect "a continuing concern over the Pakistani nuclear program and the extent to which Congress does not want to give a six-year blank check to Pakistan."

A foreign policy lobbyist said that supporters of the two-year waiver have "taken a very sophisticated position—staying in the game but making it clear that it is not a blank check."

But looked at from another viewpoint, it is hard to contend that the United States has any leverage left; Pakistan, in fact, seems to be holding most of the cards.

Critics such as Glenn argue that the Pakistanis have successfully used the Afghanistan issue to force the United States to abandon its nonproliferation policy.

Glenn called the two-year waiver "a dodge, . . . a way of ducking the issue," and said he would seek to replace it with restrictions that would deny U.S. aid to Pakistan next year unless that country certified that it was not producing weapons-grade uranium and agreed to allow outside inspection.

Glenn's view was backed up by most Foreign Relations Committee Democrats, who, following their defeat on the issue, drafted somewhat bitter language to include with the foreign aid bill report.

In a "minority views" section of the committee report, the Democrats wrote that the language the committee adopted creates "the perception of a United States willing to supply Pakistan with very sophisticated weapons and yet unwilling to hold Pakistan to its nonproliferation commitments."

Separately, Sen. Brock Adams, D-Wash., wrote: "Several of my colleagues . . . pointed to the impact restrictions on aid might have on Pakistan's ability to deal with the Soviet threat in Afghanistan. . . . They argued we could not afford to weaken Pakistan or run the risk of losing their continued cooperation. . . . Certainly, I agree that the Soviet threat in Afghanistan is real. But so is the destructive potential of the nuclear arms race in South Asia. A realistic policy must deal with both threats. This bill doesn't."

Glenn and others will try to amend the committee language on the Senate floor. They are thought to have a better chance there than their fellow critics will have in the House. But it is not clear where or when the two-year waiver will come up. It is now attached to the House and Senate versions of the foreign aid authorization bill, but

there is no certainty that those bills will make it to the floor.

Instead, as in previous years, the foreign aid program may be passed as part of a catch-all appropriations bill at the end of the session. In that case, sponsors of the waiver would seek approval of the provision from the two Appropriations Subcommittees on Foreign Operations.

In the past, the subcommittees, chaired by Daniel K. Inouye, D-Hawaii, on the Senate side and David R. Obey, D-Wis., on the House side, have looked favorably on the Administration's requests for aid to Pakistan. This year is expected to be no different.

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### PAKISTAN'S NUCLEAR BOMBSHELL

Within the tightly-knit nuclear establishment he is known as Dr. Strangelove—after the fictional Hollywood character obsessed with the nuclear bomb. To others, he is a sort of Islamic James Bond, a mysterious and shadowy figure whom the London *Observer*, way back in December 1979, called "the most successful nuclear spy since Klaus Fuchs and Alan Nunn took their secrets to the Kremlin". Inside Pakistan, he is hailed as a national hero, second only to its founder, Mohammed Ali Jinnah. And, as a civilian, he is the most heavily-guarded individual after the country's military ruler, General Zia-ul-Haq. His twin-bungalow house on the outskirts of Islamabad swarms with armed personnel of the crack Inter-Services Intelligence unit.

But to the world at large, Dr. Abdul Qader Khan, 51, has a greater claim to dubious fame. He is, as international headlines have repeatedly proclaimed, the father of the Islamic bomb. And last fortnight, Dr. Khan finally filed for paternity. In a sensational interview to an Indian journalist that exploded around the world, Khan made the tacit admission that Pakistan had a nuclear bomb. As *Newsweek* later commented: "The interview brought to critical mass the evidence that Pakistan has become the latest member of the world's nuclear-arms club."

Just how critical is now the haunting question. Despite the clumsy denials issued by Khan and Pakistani government officials after the interview appeared in the London Observer, it was patently obvious that he had not only given the interview—his first to a foreign journalist—but also said exactly what was attributed to him by Kuldip Nayar, a veteran journalist generally considered sympathetic to Pakistan. In fact, the immidiate fallout of Khan's sensational revelations was the fate of Mushahid Hussain, the dynamic and widely-respected editor of the Muslin, an Islamabad daily, who had arranged the 70-minute interview and was present when it was conducted. Hussain publicly confirmed that Khan was interveiwed by Nayar and also what transpired. "For too long the Government here has been trying to deny what is obvious to most," said Hussain, who resigned after his paper was forced to print a statement that the interview was a fake.

But in the larger context, Khan's bombshell raised serious and disturbing questions, not the least being its curious timing, its effect on the strategic balance in the subcontinent and the likely response from India, already a member of the nuclear club. The interview was actually conducted on January 28 when the border tension between the two traditional adversaries was still a serious issue. It also appeared just before the US Congress was scheduled to discuss the passage of the new US $4.02 billion (Rs 5,523 crore) military aid package for Pakistan.

In the context of the existence of the 1977 Symington Amendment, which outlaws a direct US foreign assistance programme to any country which delivers or receives unsafeguarded nuclear enrichment, reprocessing equipment or technology. Khan's statements seemed suicidal. He stated, for instance: "We have upgraded it (highly-enriched or weapons-grade uranium) to 90 per cent to achieve the desired results." And, asked if Pakistan had tested the bomb, he retorted: "Is it necessary? America has threatened to cut off all its aid. The testing does not have to be on the ground. It can be done in a laboratory through a simulator."

South Block is convinced that Khan's statement was not an impulsive outburst by a brilliant scientist frustrated with having to hide his light under a semi-transparent bushel. It was, instead, a carefully calculated and specifically directed message with the covert blessings of Pakistan's military establishment. "It is impossible that a man as heavily guarded and as important to Islamabad as Dr. Khan could meet an Indian journalist for over an hour to discuss their nuclear programme without some sort of green signal from the military leadership," says a foreign office official.

In fact, Nayar says that he has been visiting Pakistan every year for the past four years and each time has requested an interview with Khan which was refused. This year, when he arrived, Hussain said: "This time he will see you." Hussain had met Dr. Khan earlier and informed him of Nayar's impending arrival. The day after his arrival, Nayar was told that the interview was arranged for that evening. "For 70 minutes we spoke of the bomb and nothing else. He knew that every trip to Pakistan I had asked to see him and he also knew I was a journalist," says Nayar.

All this suggests that Khan had obtained clearance from higher authorities in which case, his pronouncements acquire special significance. Barely a month ago, on February 16, US Ambassador to Islamabad Dean Hinton delivered a hard-hitting speech to the Pakistan Institute of Strategic Studies which seemed like the first official public warning from the US about the path of Pakistan's nuclear programme since President Carter used the Symington Amendment in 1979 to suspend military and economic aid to Pakistan. "There are developments in Pakistan's nuclear programme which we see as inconsistent with a purely peaceful programme," declared Hinton, adding: "There are indications that Pakistan may be seeking a weapons capability." He went on to remind Pakistan of the 1985 Congressional legislation that requires the US President to annually certify that Pakistan does not possess a nuclear explosive device for the continuance of US aid and suggested that Pakistan sign the nuclear Non-Proliferation Treaty (NPT) as a precondition to the aid package.

Hinton's speech caused an immediate furore in the Pakistani media as well as the National Assembly and Islamabad was quick to lodge strong objections to his statements. The forceful message emanating from Islamabad in the wake of the Hinton speech was that Pakistan was not going to allow itself to be "browbeaten and pressurised" by the US in pursuit of its national objectives and that its "peaceful" nuclear programme was in no way tied to US military and economic aid. In that sense, Indian officials are convinced that Pakistan's military establishment embarked on a deliberate strategy of ambiguously informing the Reagan Administration that any extension of the waiver of the Symington Amendment has to be based on considerations other than Islamabad's nuclear quest.

Indian officials believe that Pakistan's strategy was three-fold. One, to reassure the Pakistani people that Pakistan is an independent country which is not tied to the coat-tails of Uncle Sam. There has been considerable public and media criticism recently of Pakistan being too subservient to US interests, and special concern has been expressed about the presence of three million Afghan refugees on Pakistani soil and its attendant socio-economic dangers. At an international level, the strategy was directed at the US Congress, the message being that if the US wanted to continue to use Pakistan as a conduit for arms supplies to the Afghan rebels and to provide them sanctuary, it would have to approve the aid package. The third target for the message was obviously New Delhi.

Mushahid Hussain echoes that viewpoint. "The message given by Dr. Khan is directed against all detractors of Pakistan's Islamic bomb. To the Indians, it is a 'hands off' warning at a time when Delhi has been carrying massive warlike exercises along our border. Concurrently, it is a signal to the Americans not to link the nuclear issue with the aid package since the former is now a fait accompli."

But a senior Foreign Ministry official pointed out: "I doubt that Islamabad would have embarked on such a strategy had a moralist like Carter been President. But with Reagan in the chair, they are quite confident that the U.S. needs them more than the other way round. The U.S. is also worried about the direct talks between Pakistan and the Soviets and the recent improvement in Pakistani-Soviet relations." Adds K. Subrahmanyam, director of the influential Institute for Defence Studies and Analysis (IDSA): "I think most people in India do not realise the extraordinary leverage Pakistan has gained vis-a-vis the U.S."

This has now been confirmed by last week's *Washington Post* story which revealed that the Reagan Administration has ensured that the $4.02 billion aid package to Pakistan is almost certain to be passed by the U.S. Congress later this month. In any event, as far as South Block is concerned, all past revelations in the American media regarding the path of Pakistan's nuclear programme—and its effect on the Reagan Administration—have rendered the annual certification by the U.S. President's a meaningless ritual. Examples:

In 1983, American Columist Jack Anderson, quoting CIA sources, reported that China was helping Pakistan in designing nuclear triggers.

In February 1985, Pulitzer prize-winning investigative journalist Seymour Hersh produced a documentary that conclusively proved that Nazir Ahmed Vaid, a Pakistani national posing as an innocent businessman, had illegally tried to smuggle 50 timing devices used to trigger nuclear bombs out of the U.S. at the behest of the Pakistani Government. The devices, called Krytrons, are such sensitive items that their sale is tightly restricted and their purchase by outsiders can only be okayed by the State Department. Vaid was tried, found guilty, given a mild sentence and deported to Pakistan.

In June 1986, John Scalley, a veteran reporter for ABC News, revealed that Paki-

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stan had successfully tested a nuclear trigger.

In November 1986, star reporter Bob Woodward of Watergate fame, now managing editor of the *Washington Post*, announced that Pakistan had succeeded in enriching uranium to 93.5 percent (confirmed by Dr. Khan in his interview) and that it had tested the trigger in a high explosive device between September 1 and September 18, 1986. Woodward confirms that Pakistan is "two screw-driver turns away from the bomb".

On February 23, 1987, Leonard Spector of the U.S.-based Carnegie Endowment for International Peace and a leading nuclear specialist, released a report *based on U.S. Administration sources* that stated: "Pakistan now has the components for its first nuclear device . . . and has arrived at the nuclear-weapons threshold." The report said that Pakistan has enriched uranium to over 90 percent, tested a triggering device and acquired the capability to produce all of a nuclear device's components.

Meanwhile, officials of the US State Department's policy planning unit told India today that Hinton's warning speech in Islamabad was drafted by the State Department and was specifically aimed at a sop to the US Congress as a reassurance that the US Administration was keeping a close watch on Pakistan's nuclear programme and that any concern about it should not come in the way of the military aid package.

But the more immediate concern is in the Indian context. Having just recovered from a situation that took the two countries to the edge of war. Khan's claim that Pakistan has the bomb has triggered off considerable debate and public consternation. In both houses of Parliament, MPs from the ruling party and the Opposition raised a concerted demand that India should make a nuclear bomb to counter the Pakistani threat. In a snap poll conducted by a Sunday newspaper, a vast majority (69 per cent) of those interviewed believed Pakistan had the bomb and 68 per cent felt India should take a similar path.

And, though a wide range of scientists involved in India's nuclear programme interviewed by India today scoffed at Dr Khan's claims of having produced the bomb and warned against India being forced to "mortgage its future development and go in for a nuclear arsenal", all available evidence seems to indicate that they are ignoring reality. With its 13-year headstart in the nuclear race, India is still undoubtedly miles ahead of Pakistan in terms of technology. But Khan's boastful statements seem to confirm that they have considerably narrowed the gap.

The BBC Panorama team's documentary film The Islamic Bomb remains the best-researched investigation into how and where the Pakistanis acquired the material and technology to build the bomb (see box). starting with the top-secret meeting of Pakistani scientists in Multan convened by the late Pakistan President Z.A. Bhutto when he asked them how long they would take to build him a bomb. That meeting took place in January 1972, a full two years before India exploded a nuclear device at Pokharan in the Rajasthan desert in 1974. The film establishes that the money to finance Project 706, the Pakistan bomb, was provided by Libya in 1973, a year before the Indian nuclear explosion took place. Since then, Pakistan has employed an intricate network with the help of European middlemen and their own nuclear spies like Dr. Khan to acquire sensitive western technology and embark on its dual route to the bomb. Says Subrahmanyam: "Pakistan is aware that it cannot keep pace with India's defence medernisation programme. Nor can it depend on U.S. military support forever. It has decided that the cheapest defence operation is for it to go nuclear."

Presuming that Pakistan now has the bomb, what then are the options open to India? Indian intelligence sources are convinced that Pakistan is readying for a Pokharan-type nuclear explosion before the year is out. Edward Luttwak, the Pentagon analyst who predicted the Israeli attack on Iraq's Osirak research reactor, says that a nuclear detonation by Pakistan would be a warning that it could soon have a weaponised device. "During that intervening period, the pressure on India to act, to disarm the Pakistanis, would be enormous. There is always the possibility that the Indians will not allow Pakistanis to make the transition from a crude device to a bomb," he said.

Knowledgeable circles within the Indian defence and intelligence establishment confirm that Israel had made an offer to the Indian Government to bomb the Pakistani nuclear facility at Kahuta provided their F-16s were allowed to operate from an airfield in India. Successive Indian governments under Mrs. Gandhi, Morarji Desai and recently, Rajiv Gandhi, have rejected the offer though sources say the option remains open. But analysts and officials now discount the possibility of Israel via India or Indian Air Force Jaguars or Mirage 2000s launching a pre-emptive attack on Kahuta. "That would be criminally stupid," says Subrahmanyam, the most vocal advocate of the bomb, who recently chaired a UN committee on nuclear deterrence. "We can destroy Kahuta but it won't hurt their programme," he insists.

Pakistan is well aware of that particular threat. Khan stated that "India knows what price it would have to pay for attacking Kahuta. In any case, the plant is well protected and we have not put all our eggs in one basket," indicating that Pakistan may have other secret installations. Last week, Pakistan Prime Minister Mohammed Khan Junejo issued a stern warning that Pakistan "would go to war if Kahuta was bombed". In fact, defence analysts say that India is much more vulnerable because it has a number of plutonium-fuelled reactors which if bombed, would spread radio-activity over heavily-populated areas. An attack on the Dhruva reactor at Trombay would render the entire city of Bombay unliveable. In any event, both countries have recently signed an agreement eschewing an attack on each other's nuclear facilities.

The other option is for India to go ahead and build the bomb. Though top government officials interviewed by India Today discount the possibility, they also admit that were public opinion and domestic political compulsions to coincide, it cannot be ruled out completely. Written in the IDSA journal, top nuclear expert R.R. Subramaniam, who has recently joined the Ministry of External Affairs (MEA), had said: "If Pakistan succeeds in conducting a nuclear test, popular opinion in this country will not tolerate a government which does not take immediate steps to overtake Pakistan in nuclear-weapons capability. No one expects Indian leaders to announce beforehand what steps they would take, but anyone who believes that after a Pakistani nuclear test India could continue to remain non-nuclear weapons-wise is totally out of touch with reality." In fact, there are many analysts inside and outside the country who believe that India, notwithstanding its protestations to the contrary, already has the bomb. Khan himself said that "India has carried on with its weapons research programme and they now have a much bigger bomb" (The Pokharan device was around 12 kilotons). Leonard Spector, in his latest report, notes that "India has gone to extraordinary lengths to develop a supply of plutonium beyond the reach of international inspection and control".

And, some Indian analysts argue that the country's massive nuclear energy programme was always intended to fuel a weapons arsenal. The leading proponent of this view is Professor Dhirendra Sharma of Jawaharlal Nehru University and convenor of the Committee for a Sane Nuclear Policy. In his most recent book, The Indian Atompower and Proliferation, Sharma states that "the policy in India has shifted secretly from one of developing nuclear energy for avowedly peaceful purposes to one including political and military aims". The burden of Sharma's argument is that Indian nuclear scientists have opted for pressurized heavy water reactors (PHR) which produce plutonium, the most convenient fissile material for a bomb. It was a plutonium device that India exploded in 1974.

However, scientists of the Atomic Energy Commission (AEC) say the choice of PHR technology does give India a weapons option but this is not the reason why it was selected. Pressurized heavy-water reactors fuelled by Uranium 238 are part of the AEC's long-term plan to use indigenously available fuels to generate a large chunk of the nation's electric power. "We have to have a base of reactors of the pressurised heavy water type to produce a certain output of plutonium which will fuel our fast breeder reactors. The plutonium-based fast breeders will irradiate thorium (which is available in large quantities in India) and produce Uranium 233, which can then be put back into the PHR to complete the fuel cycle," says N. Srinivasan, former head of the AEC's heavy-water projects.

In fact, after the hawkish K. Subrahmanyam left the Defence Ministry, the Indian Government appears to have no identifiable bomb lobby. Subrahmanyam himself says that, going by public pronouncements, the only bomb lobby he can identify is the Army Chief General K. Sundarji. In the Order of the Day he issued on taking over as chief of army staff on February 1, 1988. Sundarji highlighted the army's concern abour the "nuclear weapon capability of our potential adversaries". Asking the army to be prepared to face both a conventional and a nuclear threat. Sundarji said: "Our government is aware of the threat and I can assure you that if a war is forced upon us they will not make us fight our adversary at a disadvantage". Sundarji's concern goes back to the days when, as head of the College of Combat, he wrote a well-received paper on nuclear asymmetry. In fact, the College of Combat's Combat Papers 1 and 11 clearly state that "conventional superiority vis-a-vis nuclear Pakistan would be no effective deterrent".

Apart from frequent we-are-keeping-our-options-open statements by the prime minister and the minister for external affairs, Sundarji's remarks are the first real admission that India would not allow itself to be caught in a situation of nuclear asymmetry vis-a-vis Pakistan. Though neither Sundarji nor anyone else in the Government may

openly announce it, the army chief's assurance clearly means that once Pakistan fabricates a nuclear weapon, India will have no other option. Political analyst Hari Jaisingh says: "The Congress(I) is keeping its options open. The BJP's stand is crystal clear. It wants a swadeshi bomb. Even the Janata Party has said the country cannot afford to be caught unguarded. The leftist parties, notwithstanding certain reservations would by and large, go along with the bomb lobby. In fact, barring certain groups of pacifists, any decision by Rajiv Gandhi's Government to publicly commit the country to the nuclear (weapons) path will have popular support."

The Indian bomb lobby has always emphasized certain obvious dangers in a nuclear-armed Pakistan as against a non-nuclear-armed India. These include the fact that:

a nuclear-armed Pakistan will project an image of power far in excess of India;

it will naturally assume the leadership of the Islamic world, attract oil money and the loyalty of Muslims beyond its borders, including in India;

Pakistan can afford to take more risks with India. It will be seen as a far safer haven for Indian extremist forces;

it will signify a weak leadership in India, leading to domestic and political upheavals and reduce India's clout with other neighboring countries;

the cost of India not going nuclear will be to put all New Delhi's eggs in the Soviet basket, damaging India's international image and rendering it critically vulnerable in defence terms should the Soviets back out for their own reasons.

But if India does decide to switch nuclear routes, how long will that take? And what will be the cost? Even experts do not agree on the time-frame, primarily because this is the most closely-guarded secret in the Government. While a Defense Ministry scientist said perfecting a *deliverable* nuclear weapon would take anything from six to eight months. K. Subrahmanyam feels that from the point of decision, it would require five to six weeks.

The relevant issue at this moment is the availability of a delivery system, and the related question about the size of the device. If India has been working at perfecting a weapons capability, then it would now have, or be in a position to fabricate, a sophisticated, small-size tactical nuclear weapon weighing around 1,000 lbs or less which could be carried to the target by the IAF's Mirage 2000s and Jaguars.

The same applies to Pakistan, only more so. It is more likely that Pakistan's device is large, crude and heavy and the Pakistani Air Force (PAF) will therefore be hard put to deliver it over a target with available delivery systems. For this reason, Pakistan has been trying to get the F16C from the US. The F16C, which has a strengthened centre-plate pylon capable of carrying a weight of 4,000 lbs, is likely to be Pakistan's preferred delivery system. Alternatively, warned a senior officer of the IAF, Pakistan could modify some of its longer range surface to air (SAM) missiles for a surface-to-surface (SS) role which would give it a range of up to 200 km, enough to threaten a large number of border towns with destruction.

India, however, does not lack a delivery system for carrying heavier bombs. This is ensured by the ongoing programme to perfect a range of rockets capable of putting satellites in orbit. These rockets could also carry nuclear warhears to any target in Pakistan. The Defense Ministry's missile-testing range at Baliapal in coastal Orissa could also possibly be meant to test missiles capable of delivering nuclear warheads. Says a top Defense Ministry scientist: "Deterrents must be viewed not by numbers but by the certainty of retribution. A credible arsenal depends not on numbers but on the range and accuracy of the delivery systems. As far as Pakistan is concerned, we have to ask the question: Will Pakistan survive if two of its major cities like Lahore and Rawalpindi are destroyed? That would be unacceptable damage as far as Pakistan is concerned."

But the cost for India to take the bomb route—financial annd diplomatic—could be astronomical. According to experts, an effective weapons programme of 150 or so warheads in 10 years would cost around Rs 200 crore a year to start with, increasing to Rs 600 crore a year later. However, a traditional rule of thumb in the West is to compute the cost of a nuclear component at 10 per cent to 12 percent of the total defense expenditure. In India 12 percent of the 1987–88 defense budget of Rs 12,000 crore, comes to Rs 1,440 crore a year. Bhabani Sengupta in his book *Nuclear Weapons—Policy options for India* puts the cost of a second-generation nuclear deterrent for India at Rs 15,000 crore. But, he adds: "The cost of conventional defence cannot remain at the current level if Pakistan goes nuclear. The armed forces will, if nothing else, have to be equipped to fight a nuclear war. That means that all the western front divisions will have to be mechanised, and that alone would cost Rs 10,000 crore over 10 years."

Bhabani Sengupta and K. Subrahmanyam, however, agree on one vital point; that a situation in which Pakistan has the bomb and India doesn't, would be unacceptable to India. Says Sengupta: "We could never tolerate a Pakistan with nuclear weapons if India has none. No government in India could resist public pressure to respond in kind to a nuclear Pakistan. India will therefore inevitably make nuclear weapons." Subrahmanyam is equally direct. "We are hostages to Pakistan on the nuclear issue," he says. "It (Pakistan) has the bomb and we don't, we can be subjected to nuclear blackmail. They can make us do what they want."

Most advocates of the bomb, however, view nuclear weapons for India as an insurance policy with costly annual premiums but long-term security. Officials in the Defence Ministry and MEA are not prepared to commit themselves on what India's response will be. But in off-the-record conversations, the general consensus is that India will most probably adopt a policy of covert nuclearisation like that followed by Israel and South Africa. In other words, publicly deny the bomb but go ahead and obtain it and covertly let potential adversaries know you have it. "In fact, do exactly like Pakistan did but less clumsily," is how one official described it.

The other option, for the two countries to sign the NPT, also seems remote. India has strongly opposed the NPT on the grounds that it is heavily biased in favour of the nuclear powers and because countries like Israel and South Africa carry on their nuclear programmes unhindered. Pakistan has refused to sign till India signs. The logical option is for India and Pakistan to come to a mutual agreement on the nuclear weapons issue. Even Dr Kahn told Nayar; "You have it (the bomb) and now we have it. Now you must come to a *faisla* (understanding) with us." But again, India is hardly likely to sign a nuclear weapons agreement that does not include China.

The result is a critical stand-off. By last fortnight, it was clear that India was keeping its nuclear card close to its chest and any decision would have to wait till the current state elections were over. When India set off its underground nuclear blast in 1974, the code phrase used to announce its success was "The Buddha is smiling". All that can be said regarding the Indian response is that the Buddha is no longer smiling but, in fact, looking decidedly worried. —Dilip Bobb and Ramindar Singh.

[From the London Financial Time,
April 30, 1987]

## COLOGNE COMPANY RAIDED OVER SUPPLY OF NUCLEAR EQUIPMENT PLANS TO PAKISTAN

(By Simon Henderson)

West German customs officers have raided a Cologne-based engineering company while investigating the alleged export of plans to help Pakistan build a uranium enrichment plant suitable for making nuclear weapons.

More than 20 officials, including two state attorneys, took part in simultaneous raids on Monday at the offices in Cologne of Leybold-Heraeus and its factory at Hanau outside Frankfurt. The home of one of its directors was also searched.

Leybold-Heraeus is an important contractor to the Urenco consortium—jointly owned by Britain, West Germany and the Netherlands—which operates high-speed centrifuges to produce low-enriched uranium for use in nuclear power plants.

There was a security scandal at Urenco in the late 1970s when it was realised that a Pakistani scientist, Dr. Afedel Qadar Khan, may have had access to centrifuge secrets while working for a Dutch subcontractor several years earlier. A parliamentary inquiry was held and security was tightened.

Dr. Khan now heads a facility at Kahuta outside Islamabad where Western officials believe Pakistan is trying to produce high-enriched uranium suitable for nuclear weapons. A Dutch attempt to prosecute him for trying to acquire information after his return to Pakistan failed on a technicality.

Western officials believe that they have discovered a Pakistani attempt to buy virtually an entire enrichment plant for Kauta, except for the centrifuges which Pakistan can now make itself. The plant would dramatically expand Pakistan's ability to produce nuclear weapons, to perhaps 10 per year. Last year, U.S. officials acknowledged that Kahuta could produce bomb-grade material, but only in small quantities.

The Customs inquiry began in early 1986, when the Swiss authorities disrupted the export of autoclaves used to heat solid uranium hexafluoride, converting it into a gas which is then passed through centrifuges in an enrichment plant. Several were successfully exported via France.

Experts at Uranit, the West German arm of Urenco located at Gronau, found that some of the plans were for components of a design which only started operation at Gronau at the end of 1985. Others appeared to be of a special design, part of which seemed intended to make highly enriched uranium.

Leybold-Heraeus is making no comment, other than to admit its premises were searched. Dr. Khan says he was not involved in any attempt to import autoclaves and that Pakistan's nuclear programme is only for peaceful purposes.

[From the London Sunday Times, July 19, 1987]

### FOILED: BID TO BUY STEEL FOR A-BOMBS

(By Mark Hosenball, Washington)

A London businessman and a retired Pakistani general are named in American court documents as suspected participants in a plot to illegally export nuclear bomb materials to Pakistan.

A Canadian businessman of Pakistani origin was remanded in custody last week by an American court after being arrested as a key member of the scheme.

President Zia of Pakistan has always denied that his country has a nuclear-weapons programme, but there have been many reports that Pakistani scientists are far advanced with such a programme and have used smuggled materials and scientific data in their research.

An American customs invetigator, in a sworn statement obtained by the Sunday Times, alleges that last November the London businessman, Mohammed Iqbal Fareed, got in touch with a Pennsylvanian company seeking to buy 16 tons of a special metal called maraging steel. This metal is used in the centrifuges that are needed to make nuclear bombs.

According to the customs document Fareed told the Pennsylvanian firm, Teledyne Vasco, that the steel would be used in "high speed turbines and compressors". But when he asked Teledyne to use a misleading description of the steel when applying for an American export license the company refused and Fareed's inquiry was dropped.

The document says that Fareed told Teledyne that his London company, Burkin Trade Links, was affiliated with an unnamed comapny in the Toronto suburb of Woodland.

This town is also the location of AP Enterprises, whose proprietor, Arshad Z Pervez, was arrested by customs in Philadelphia 10 days ago on charges of trying to buy and illegally export 25 tons of the same special steel to Pakistan. Pervez was denied bail and is still in an American jail.

Customs' investigators began to investigate Pervez last November after he approached a Pennsylvanian company about buying maraging steel.

The steel company informed U.S. Customs about Pervez's inquiries. An undercover "sting" operation began with customs agents posing as steel executives and government export control bureaucrats.

During the nine-month investigation, Pervez told undercover agents that he was buying the steel for Inam Ul-Haq of Lahore, whom he described as a retired Pakistani brigadier now working for the multinational corporation of 24-B Gulberg, at Lahore II, Pakistan. The building is a house in the city's most expensive residential area.

When approached by the Sunday Times in Lahore yesterday, the brigadier denied all knowledge of Pervez. "I don't know anything about the matter," he said, banging down the telephone.

After Pervez's arrest, Canadian customs raided his company's office and seized documents which indicated that the company had been interested in nuclear materials for five years.

They also found evidence of dealings between the Canadian firm and Brigadier Ul-Haq.

Fareed has been convicted before, for gun running. According to David Hattem, an assistant federal prosecuting-attorney in Brooklyn, New York, Fareed was arrested in September 1985 by undercover U.S. Customs' agents after an earlier "sting operation" when they discovered that he was trying to buy weapons and ammunition for Iran.

Hattem told the Sunday Times that in late 1985 Fareed pleaded guilty to charges of conspiring to export 100,000 rounds of 106mm ammunition and 1,000 50-calibre machineguns to Iran. He served six months in prison and then returned to Britain.

Fareed, 55, is a Canadian national but has strong contacts in Britain. Since the mid-1970s he has run Burkin Trade Links in London's Regent Street. Yesterday a person who answered the telephone at the company's office said Burkin Trade Links had gone into liquidation and the premises now belonged to a firm called Visorbeck with which Fareed was connected.

The new American revelations are the latest in a series of disclosures about Pakistani attempts to obtain nuclear bomb materials. Last April, customs in West Germany raided a Cologne company in connection with the alleged export of plans to help Pakistan build a uranium enrichment plant suitable for making nuclear bombs.

An American nuclear-weapons expert says the evidence from the German and American investigations indicates that the Pakistanis have a highly-sophisticated and well-directed programme for obtaining bomb materials from Western countries.

Mr. WILSON. Mr. President, there is certainly no objection by the majority. We join the Senator from Ohio in his clearly expressed intent.

Mr. PELL. Mr. President, I strongly endorse the initiative of the Senator from Ohio. He made an excellent presentation of the problem.

Pakistan is treating the United States with disdain. In its pursuit of a nuclear weapons capability, Pakistan has brazenly broken its promise to the United States and has flouted our laws.

Most recently, a Pakistani agent was arrested in Philadelphia for attempting to export illegally maraging 350 steel for use in Pakistan's nuclear program. Pakistan's action violated an explicit pledge not to acquire nuclear technology in the United States.

So far the administration has responded to Pakistan's actions with excuses and pleas for understanding. Pakistan has taken advantage of our forebearance. Patently, the soft approach has not worked.

Under Secretary Michael Armacost will be in Pakistan on Sunday. He will be seeking verifiable Pakistani assurances that it will not develop nuclear weapons or the fissile material for such weapons. This resolution will give Mr. Armacost useful support.

Pakistan must be made to understand that the United States expects it to keep its commitments. This resolution sends a signal of our resolve.

Mr. BRADLEY. Mr. President, I believe this resolution is one of the most important measures to come before the Senate. The role of Congress in foreign policy is often reactive. We respond with approbation or dismay to events that have already happened. Today, we are taking concrete steps to avert developments, which, left unchecked, could precipitate a nuclear arms race in south Asia, embroil the United States in a nuclear crisis, and result in an unfortunate and unwanted disruption of our relationship with Pakistan.

If this resolution achieves its purpose, we will have made a major contribution to promoting stability in a politically volatile region, while cementing our friendship with Pakistan.

Let me explain what the resolution does. Put simply, it says to Pakistan that we look to them to define what is in their self interest and to act accordingly. The resolution does not dictate anything. It does not impose demeaning terms or conditions on another sovereign state. At the same time, it avoids what I believe has been a weakness and a source of friction in our previous efforts in this area.

In the past, we have put ourselves in the position of having to choose between two desirable, but conflicting, goals: renewing security assistance to Pakistan on the one hand, and limiting the spread of nuclear weapons on the other. Frankly, it is in our interest to have both. We want to aid Pakistan, but we do not want a nuclear arms race. Make no mistake: living in a nuclear armed crowd will surely be very threatening and it is not a development in which we should lightly acquiesce. Still, it is not in our interest to sacrifice either of these important policy goals. Yet in the past, that is what we have done. And in the process, we have put ourselves in the position of seeming to dictate to Pakistan.

Pakistan has, understandably, found this offensive. Pakistan is a sovereign state, capable of figuring out where its best interests lie, and this resolution is intended to encourage Pakistan to do just that. Whatever Pakistan chooses, we must live with. And so must they.

Let me say, Mr. President, that I have the deepest respect for Pakistan and for its determined stand against Soviet aggression in Afghanistan. Pakistan's support for the Afghan resistance has imposed heavy burdens upon its people, burdens they have borne with courage and dignity. Those of us who share Pakistan's commitment to a free Afghanistan—and I count myself among them—must also do our part. This means providing economic and security assistance to help Pakistan meet its legitimate need for self-defense, withstand Soviet intimidation, and continue to champion the Afghan cause.

At the same time, Pakistan and the United States share long-term interests in the stability of the subcontinent and in Pakistan's economic growth. There is growing concern that both these interests will be jeopardized by Pakistan's further acquisition of the material as well as the technology for nuclear explosives. Notwithstanding Pakistan's assurances that its nuclear program is intended solely for peaceful purposes, some of its activities seem inconsistent with these assurances. Unfortunately, these activities are straining our relationship.

The purpose of this resolution is to suggest a way out of this dilemma so that we can refocus the United States-Pakistan relationship on promoting our mutual interest in stability and growth. The resolution states that the most effective way of accomplishing this would be for Pakistan to make an unequivocal commitment to forgo both the making or testing of a nuclear bomb and the production or stockpiling of nuclear materials that could be readily turned into weapons. Such a commitment would demonstrate Pakistan's genuine support for a nonnucler peace, focus international concern on India's unsafeguarded nuclear activities, facilitate efforts to establish a nuclear weapons-free zone on the subcontinent, and remove the major source of strain on the United States-Pakistan relationship.

Why is it in Pakistan's interest to follow this course? I believe there are several reasons.

First, Pakistan has already achieved the fundamental objectives that have motivated its nuclear research. It has satisfied itself that it could do what India did in 1974. Moreover, the rest of the world now understands that it is Pakistan's deliberate restraint, not its lack of ability or means, that keeps it from duplicating India's unnecessary display of nuclear power. And Pakistan has gained respect for rejecting the temptation to resort to a "peaceful nuclear explosion."

However, there is still widespread concern over Pakistan's intentions. Now that Pakistan has achieved its main nuclear objectives, both our countries should place a very high premium on avoiding the misunderstandings and suspicions of the past. An unequivocal disclaimer that Pakistan has any intention to produce or stockpile unsafeguarded nuclear materials that are readily convertible to nuclear weapons would go a long way toward accomplishing this.

Pakistan has already declared that it is committed to a peaceful nuclear program. At the same time, there is no longer any doubt about Pakistan's capacity to make one or two nuclear bombs if it sees a security requirement to do so. But, acting in its own national interest, Pakistan has refrained from making or testing a nuclear explosive device. Yet, in the world's eyes, there is a question as to Pakistan's definition of "peaceful" and its future intentions.

These concerns are not unfounded. Pakistan has engaged in activities that have equipped it with the technology and components for nuclear explosive devices. This is beyond dispute. And further activities of this sort would create the basis for an arsenal of nuclear weapons, belying Pakistan's own claims that its program is peaceful.

In the past, Pakistan has justified these activities by invoking India's example. It is true that India's nuclear activities raise similar suspicions and pose similar dangers. India's stockpiling of unsafeguarded nuclear materials is a serious concern. And those of us who are committed to the goals of nonproliferation are deeply disturbed by, and critical of, India's activity in this area. India's explosion in 1974 and subsequent stockpiling of unsafeguarded nuclear material have increased political pressures in Pakistan to seek a nuclear deterrent. Few would argue that it has been a serious mistake for India to have gone this route. It is unfortunate that India's leaders cannot see this, but it would be tragic if Pakistan repeated India's errors. One should learn from the mistakes of others, not emulate them. And were Pakistan to attempt to match India's capabilities to produce or deploy nuclear weapons, the costs to all of us, including Pakistan, would be very high.

This resolution is premised on the understanding that Pakistan must and will do what it perceives to be in its national interest. So will the United States. But the resolution also says that the Congress hopes that Pakistan and the United States will see that we share an overriding mutual interest that can best be promoted by Pakistan's decision to comply with its own stated policy, namely that its nuclear program will be strictly peaceful.

### IT'S TIME FOR PAKISTAN TO CHOOSE

Mr. BYRD. Mr. President, Pakistan is under siege. Not only has it spent the past 7½ years countering over 100,000 Soviet troops in Afghanistan, but in recent weeks, it has been stunned by terrorist bombings, ethnic riots, and violence spilling over its borders from Iran, India, and Afghanistan.

I have great sympathy for Pakistan. In the face of the Soviet invasion of Afghanistan, Pakistan has been a staunch supporter of the Afghan freedom fighters. Pakistan has willingly harbored over 3 million Afghan refugees who fled from Soviet terror and destruction. Pakistan has been a staunch and invaluable ally of the United States.

But the close and mutually supportive relations between the United States and Pakistan are being jeopardized by Islamabad's drive to develop a nuclear capability. Three years ago, Pakistan promised the United States that it would not enrich uranium beyond the low level required to run civilian power reactors. Since then, there has been much evidence to suggest that Pakistan is pushing the enrichment level up to weapons grade and is expanding its weapons capacity.

Earlier this month, a Pakistani native was arrested in Philadelphia and then indicted for attempting to illegally procure and export 25 tons of highly specialized steel from the United States to Pakistan. Pakistani officials have called it a rogue operation for which the Government bears no responsibility. I certainly hope that is the case.

But my confidence in assurances by the Government of Pakistan that it is not trying to build nuclear weapons and that it is not involved in attempts to smuggle nuclear materials is eroding. Shortly after the Philadelphia arrest, two Americans and a Hong Kong businessman were indicted in California for illegally exporting to Pakistan computer equipment that can be used to make nuclear weapons.

These are not isolated incidents. In 1984, a Pakistani citizen was arrested for trying to smuggle krytrons, the electronic switches that can trigger nuclear bombs, to Pakistan.

This weekend, Under Secretary of State Armacost arrives in Pakistan to make it clear that Pakistan's verbal assurances must be matched by concrete action. This resolution, which I strongly support, is intended as a firm message that the Senate backs the administration's efforts.

I do not want to see aid to Pakistan cut off. But the time has come for Pakistan to choose. The Government of Pakistan promised that it would not enrich uranium at a level higher than 5 percent. It has repeatedly declared that its nuclear facilities will be used for peaceful civilian purposes only. Recent events cast doubt on Pakistani promises.

The time has come to choose. If it wants to build nuclear weapons, under U.S. law, it cannot have U.S. foreign assistance. It is time for the Government of Pakistan to take concrete action to bring its nuclear program in line with its assurances.

Mr. President, I support this resolution and urge its adoption.

The PRESIDING OFFICER. Is there further debate?

Mr. HUMPHREY. Mr. President, as the Senator from Ohio has stated, the wording of this resolution has been under negotiation among interested Senators now for several days. There has been a very careful and intense effort to arrive at wording on which we can all agree and I believe we have. The wording was chosen very carefully.

I would point out that the Senate is not making any new demands upon the Government of Pakistan, simply calling upon the Government of Pakistan to make good on promises which it has already extended in the past years.

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Mr. President, there has been a great deal of care involved in the wording of this resolution because Senators recognize the important role that Pakistan is playing today in standing as a bulwark against Soviet imperialism in South Central Asia.

Senators know some 120,000 Soviet troops armed with the most modern weaponry, including jet fighters, attack helicopters, tanks, and artillery, chemical and perhaps biological weapons, as well, are being used to occupy Afghanistan which once stood as a bulwark between the Soviet Union and the plains of India and Pakistan.

As things now stand Afghanistan is no longer that bulwark. We hope that ultimately, and I believe ultimately the Soviets will withdraw in the face of brave and continued resistance by the people of Afghanistan. But in the meantime there is no country that is more supportive of the Afghans than Pakistan. There is no country that I believe in the world playing a more principal and courageous role in standing up to Soviet brutality and bullying and criminal behavior of every kind than Pakistan.

For her trouble, Pakistan is the target of almost daily aerial attacks by aircraft of the puppet Government of Afghanistan, some of them we believe flown by Soviet pilots. But irrespective of the nationality of the pilot, the carnage wrought in Pakistan is tragic.

Last year the Soviet puppet regime aircraft violated Pakistan airspace 757 times and of those 256 involved outright release of weapons, that is to say attacks, in which 45 civilians were killed and 77 wounded. This year the situation is very much worse. Hundreds already this year have been killed and wounded, innocent civilians, by attacks along the border.

The Soviets and their puppets further have supported deadly acts of terrorism within Pakistan. Last year there were 233 wanton acts of sabotage resulting in 162 deaths and more than 500 wounded. This year the terrorism continues and it is worse, as most recently witnessed by a devastating car bomb in Karachi that killed more than seven people earlier this month.

Quite apart from her courageous role or vital role, very valuable role in supporting the people of Afghanistan against the Soviet invasion, Pakistan is a country important in her own right, important to the security of that part of the world, important indeed to America's security if we value the oil resources of the Middle East, if we value the independence of Pakistan as a nation which stands in the way of the historic Soviet lust for a warm water port on the Persian Gulf.

Pakistan is located near the apex of the funnel that leads into the Persian Gulf. Were Pakistan to fall in Soviet hands it would be a disaster for the West. Were Pakistan to be taken over by a government unfriendly to the West, it would likewise be a disaster of almost equal proportions.

So we must proceed with great caution and care and I believe that we have.

Presently the security assistance, economic and military assistance for Pakistan is pending. It is an important question of the President and the military assistance program of that package is now threatened by renewed concern over Pakistan's military nuclear program.

Mr. President, we had better continue to be very careful as we proceed. There is not one Senator who favors nuclear proliferation, not one Member of Congress. The question we must ask is this: If, by our actions, such as the withholding of military assistance we undermine Pakistan's confidence in our commitment to her security, is that likely to make Pakistan more or less inclined to opt for force multiplier weapons, is that more or less likely to result in Pakistan going for the military nuclear option? I think the answer is obvious.

Pakistan is in a difficult situation. She has been in three wars with India, a nation of much larger resources, much greater military capability. She has concern that now her neighbor to the north is occupied by the Soviet Union with the effects increasingly spilling over into Pakistan, not only military attacks, not only sabotage but the whole matter of the burden which 3 million Afghan refugees within the borders of Pakistan represent in the way of social difficulties, economic difficulties, political difficulties.

And let us remember, Pakistan, in a great humanitarian gesture, is sheltering upwards of more than 3 million Afghan refugees who, incidentally, are not confined by barbed wire fences, who instead are free to move about to engage in businesses, to sell their labor.

Pakistan has done a magnificant job, despite all of her own enormous problems, has done a magnificent job in harboring and sheltering this refugee population which is now the largest single refugee population in the world. So we must be very careful in how we proceed.

I think it is well that we adopt this resolution tonight to undergird the mission of Secretary Armacost. But I want to point out the wording has been very carefully chosen. I want to point out again we are not making any new demands on Pakistan in this resolution. We are expressing our wish, our demand, that Pakistan make good on her earlier promises.

I want also to call attention to the fact, finally, that this resolution is quite balanced with respect to India and Pakistan. This is not a resolution that mentions only Pakistan, because the proliferation problem is a regional problem. We must recall that it was India which exploded a nuclear weapon, not Pakistan.

And so in two of the whereas clauses we specifically mention India and in the third and last resolve clause we also mention India. And we call upon India and Pakistan to simultaneously accede to the Nuclear Nonproliferation Treaty.

I want to make the point that President Zia, in meeting with Prime Minister Gandhi, has offered to do just that and more, provided that India will do likewise. But India has refused, and that is important to take into account in our deliberations over the next several months.

So I support this resolution. I have to say with all modesty that I have secured some changes which I think render the resolution more balanced, more consistent with our national interests. And for the cooperation of my colleagues in that respect, I offer my thanks.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further debate on the resolution?

Mr. GLENN. Mr. President, I want to express my appreciation to the distinguished Senator from New Hampshire for his efforts on this and for his cooperation and that of his staff. He was very cooperative in working out the language on this so it was more satisfactory and added some things that I think were very important to this resolution. So I wanted to make sure that he got full credit for that.

I think, Mr. President, we find ourselves in somewhat of a dilemma, quite frankly. I want to see aid continue to flow through Pakistan to Afghanistan. I share the same concerns as expressed by the distinguished Senator from New Hampshire. No one wants to see our aid to the Afghan resistance fighters, who are doing such a magnificent job with very little help, cut back. Most of the arms there flow in through Pakistan, and we do not want to see that end. We could term this aid a short-term interest.

But right along with that we have a long-term interest that has been a commitment of this country to see that nuclear nonproliferation does not go on. And pursuant to that we sponsored the Nonproliferation Treaty. We have 132 non-nuclear-weapon states that have signed up under the Nonproliferation Treaty and said they would forswear the development of nuclear weapons if we cooperate with them. We have not seen that kind of cooperation out of Pakistan.

I do not want to see a nuclear weapons race on the subcontinent. India some years ago, in 1974, to be exact, had what they termed a peaceful nuclear explosion. Well, a bomb is a bomb is a bomb is a bomb by any other means or any other name. At that time, Pakistan's President Bhutto said that Pakistanis would "eat grass," to use his words, to get a bomb so they could be the equal of India. They have been pursuing their bomb since that time, and this progress is what we address in this resolution today.

So we are on the horns of a dilemma. We want to see Afghan freedom fighters get the help that we know that they deserve, and to provide this aid, we need Pakistan's help.

At the same time, we have a long-term responsibility to live up to our commitments to the 132 other non-nuclear-weapon nations that have signed up on the nonproliferation treaty. So it is a dual interest here and it is a difficult balance.

I hope, right along with the Senator from New Hampshire, that India can heed some of the words in this so that we do get a balance. Nothing would be better than declaring that part of the world a nuclear weapons free zone.

Meanwhile, the other nations of the world have put their faith in the United States to take the lead in trying to scale down the weapons belonging to the superpowers. At long last, maybe sometime soon we have a little bit of progress in that area.

We all wish we could go back to the days of Lilienthal and Baruch, perhaps, and put things nuclear under some sort of international aegis of one kind or another, but we cannot unring that bell, to put it in other terms.

So we are trying to make the best in two areas, trying to scale down nuclear weapons among the superpowers and, at the same time, preventing the spread of weapons to more and more countries around the world until the whole thing gets completely out of control. And we do not want to see us get to the state when, one of these days, any nation that wants a nuclear weapon will be able to get one. When that day comes, we will see nuclear weapons being utilized in little border wars or incidents that we, at least, would think are not worthy of the use of such expenditure of weapons of that type.

So, I congratulate the Senator from New Hampshire again and thank my colleagues for their cooperation in helping us work this out in getting it to the floor tonight so it can be useful in the negotiations that will be going on in Islamabad in just a few days.

Mr. GLENN. Mr. President, if there is no further debate I would move to——

Mr. HUMPHREY. Mr. President, before the Senator does that, may I just briefly thank the Senator for his kind comments and likewise thank the Senator for his openmindedness and graciousness, and patience—most of all patience which he exhibited during the sometimes frustrating negotiations over some of the language.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the resolution.

The resolution (S. Res. 266) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 266

Whereas production of weapon-grade nuclear materials in Pakistan and India constitutes a threat to regional and international security; and

Whereas the United States desires to maintain a long-term security partnership with Pakistan; and

Whereas the greatest threat to this partnership arises from activities in Pakistan's nuclear program that are viewed as being inconsistent with a purely peaceful program; and

Whereas a Pakistani choice to eliminate this threat would serve our mutual interests in promoting stability in South Asia and assisting the Afghan people; and

Whereas the Government of Pakistan has repeatedly stated that it is not producing weapon-grade nuclear materials, and that it would respect U.S. nuclear export control laws; and

Whereas information exists that Pakistan is producing weapon-grade nuclear material; and

Whereas in the absence of any other action by the Congress or the President, United States laws require a cessation of assistance in the event of violations of the nuclear export control laws of the United States; and

Whereas further U.S. assistance to Pakistan or India in the face of continued violations would undermine U.S. efforts to contain the spread of nuclear weapons, including U.S. commitments to the 132 non-weapon-state parties to the Nuclear Non-Proliferation Treaty: Now, therefore, be it

*Resolved* That:

(1) The Senate strongly supports the President in his forthcoming efforts to gain Pakistan's compliance with its past commitments, including commitments of record, not to produce weapon-grade nuclear materials.

(2) The Senate strongly urges the President to inform Pakistan that Pakistan's verifiable compliance with these past commitments is vital to any further United States military assistance.

(3) The Senate urges the President to pursue vigorously an agreement by India and Pakistan to provide for simultaneous accession by India and Pakistan to the Nuclear Non-Proliferation Treaty, simultaneous acceptance by both countries of complete International Atomic Energy Agency safeguards for all nuclear installations, mutual inspection of one another's nuclear installations, renunciation of nuclear weapons through a joint declaration of the two countries, and the establishment of a nuclear weapons free zone in the Sub-continent.

## ORDER TO PRINT DEBT LIMIT EXTENSION MEASURE

Mr. BYRD. Mr. President, I ask unanimous consent that the debt limit resolution (H.J. Res. 324) be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I inquire of the distinguished acting Republican leader, Mr. WILSON, if Calendar No. 208, S. 1068, has been cleared on his side of the aisle.

Mr. WILSON. Mr. President, it has. We are ready to proceed.

## INTERLOCKING DIRECTORATES AND OFFICERS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 208.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1068) to amend the Clayton Act regarding interlocking directorates and officers, with an amendment.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment. On page 2, line 22, strike "annual average," and insert "annual."

So as to make the bill read:

S. 1068

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 8 of the Clayton Act is amended to read as follows:

Sec. 8. (a)(1) No person at the same time shall be a director or officer of any two corporations, each of which has capital, surplus and undivided profits aggregating more than $10,000,000, as adjusted pursuant to this subsection, engaged in whole or in part in commerce, other than banks, banking associations, trust companies, and common carriers subject to subtitle IV of title 49, United States Code, if such corporations are by virtue of their business and location of operation, competitors so that the elimination of competition by agreement between them would constitute a violation of any of the provisions of any of the antitrust laws.

"(2) Notwithstanding the provisions of paragraph (1), simultaneous service as a director or officer of two corporations shall not be prohibited by this section if (A) the aggregate competitive sales of either corporation are less than $1,000,000, as adjusted pursuant to this subsection, (B) the aggregate competitive sales of either corporation are less than 1 percent of that corporation's total sales, or (C) the aggregate competitive sales of each corporation are less than 4 percent of that corporation's total sales. For purpose of this paragraph, 'aggregate competitive sales' means the aggregate gross revenues for all products and services sold by one corporation in competition with the other, determined on the basis of annual gross revenues for such products and services over the last completed fiscal year. For purposes of this section, 'total sales' means the aggregate gross revenues for all products and services sold by one corporation over the last completed fiscal year.

"(3) The eligibility of a director or officer under the provisions of paragraph (1) shall

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be determined by the capital, surplus, and undivided profits of each corporation at the end of that corporation's last completed fiscal year.

"(4) For purposes of this section, the term 'officer' means an officer elected or chosen by the Board of Directors.

"(5) For each fiscal year commencing after September 30, 1987, the $10,000,000 and $1,000,000 thresholds in this section shall be increased (or decreased) as of October 1 each year by an amount equal to the percentage increase (or decrease) in the Gross National Product, as published by the Department of Commerce or its successor, for the year then ended, over or under the level so established for the year ending September 30, 1986. At the beginning of October of each year, the Federal Trade Commission shall publish the adjusted amounts required by this paragraph.

"(b) When any person elected or chosen as a director or officer of any corporation subject to the provisions of this Act is eligible at the time of his election or selection to act for such corporation in such capacity, his eligibility to act in such capacity shall not be affected and he shall not become or be deemed amendable to any of the provisions hereof by reason of any change in the capital, surplus and undivided profits, or affairs of such corporation from whatsoever cause, whether specifically excepted by any of the provisions hereof or not, until the expiration of one year from the date on which an event causing ineligibility occurred, or, if practical, the next regularly scheduled election of directors, whichever occurs first.".

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

AMENDMENT NO. 654

Mr. BYRD. Mr. President, I send an amendment by Mr. Metzenbaum to the desk and ask it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. Byrd), for (Mr. Metzenbaum), proposes an amendment numbered 654.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following new sections:

Section . Section 7A of the Clayton Act is amended by adding at the end thereof the following new subsection:

"(k) For purposes of this section, the annual net sales and total assets of a person shall include, in the case of a partnership, the annual net sales or total assets of any general partner and any partner having the right to 50 per centum or more of the profit of the partnership, or having the right in the event of dissolution to 50 per centum or more of the assets of the partnership.".

Sec. . This Act and the amendments made by this Act shall become effective sixty days after the date of enactment of this Act.

Sec. . Section 7A(a) of the Clayton Act is amended—

(1) in paragraph (2), by striking out "$10,000,000" each place it appears in subparagraphs (A), (B), and (C) and inserting in lieu thereof "$15,000,000"; and

(2) in paragraph (3)(B), by striking out "$15,000,000" and inserting in lieu thereof "$20,000,000".

Sec. 2. (a) Section 7A(b)(1)(B) of the Clayton Act is amended—

(1) by substituting "twenty" for "fifteen"; and

(2) by striking out "or (g)(2)" and inserting in lieu thereof the following ", (g)(2), or (g)(3)".

(b) Section 7A(e) of the Clayton Act is amended—

(1) by substituting "20-day" for "15-day" each place it appears;

(2) in paragraph (2) by striking out "(or in the case of a cash tender offer, 10 days)"; and

(3) by striking out the word "only" from the last sentence of paragraph (2) and inserting at the end thereof the following: "or (g)(3)".

(c) Section 7A(g) of the Clayton Act is amended by adding the following at the end thereof: "(3) The court may extend the additional period for up to 25 days if, due to the complexity or scope of the information or documentary material to be evaluated, the Federal Trade Commission or the Assistant Attorney General reasonably requires such additional time to determine whether the proposed acquisiton may, if consummated, violate the antitrust laws."

Sec. 3. This Act and the amendments made by this Act shall become effective one hundred twenty days after the date of enactment of this Act.

Mr. METZENBAUM. Mr. President, S. 1068 represents the culmination of extended discussions and negotiations with the ranking minority member of the Judiciary Committee, Senator Thurmond, as well as members of the business community and others. This bill modernizes section 8 of the Clayton Act, which has not been significantly changed since it was passed in 1914.

S. 1068 increases the basic jurisdictional threshold for applying this section from $1 million in net worth to $10 million. It also creates a number of "safe harbors" which allow common directors of competing corporations as long as the competitive overlap is so small that there is no realistic potential for competitive harm. Finally, it expands the basic coverage of the section to include officers of corporations.

Section 8 of the Clayton Act has served a useful purpose in preventing situations which have the potential for competitive harm. The prohibitions of section 8 have been "per se" in nature, that is, the prohibited conduct is unlawful without a need for a showing of anticompetitive effect. This standard is a good one because it makes the law clear to those companies who must comply with it and it avoids lengthy litigation over the circumstances in which the section applies.

While the "per se" standard is appropriate, its aplication has had the undesirable effect of preventing any common director even if the competitive overlap was so small as to be insignificant. As a result, qualified directors have sometimes been unable to serve on boards of directors when no potential for competitive harm exists. Thus, the "safe harbors" in the bill allow more flexibility for corporations to choose directors without weakening the standards preventing harm to competition.

The bill also expands the prohibitions of the section to officers chosen by the board of directors. The potential for sharing of sensitive information and coordinating market behavior is at least as great in the case of a common officer as in the case of a common director. Thus, the bill will strengthen the law in this area.

S. 1068 represents a constructive reform of section 8 of the Clayton Act. It responds to the needs of American corporations to have greater flexibility in their ability to choose directors while expanding the scope of the law to cover potentially anticompetitive situations which are now addressed.

Mr. President, the amendment to S. 1068 which I have sent to the desk addresses two other facets of antitrust reform. The first part of the amendment consists of S. 431, legislation passed by the Judiciary Committee to close a loophole in enforcement of the Hart-Scott-Rodino Antitrust Premerger Notification System. The loophole currently enables wealthy individuals and corporations to structure mergers so that they need not be reported to the Government under the premerger notification system. The attempted takeover of Goodyear by Sir James Goldsmith and the attempted takeovers of Phillips Petroleum and Shamrock Oil by T. Boone Pickens were structured to take advantage of this loophole. While currently sanctioned, these evasions of the review mandated by the antitrust laws are unacceptable.

All the testimony addressing this issue received by the subcommittee, including statements from the U.S. Department of Justice, representatives of the business community, and T. Boone Pickens, recognizes the existence of this loophole and the need to close it. Indeed, since the introduction of and hearings on S. 431, the Federal Trade Commission has promulgated a rule designed to close the partnership loophole. Their stated goal of closing the loophole, of course, is commendable. However, their action comes late and leaves substantial parts of the loophole open.

For example, the FTC's regulation would still allow a merger by an equal partnership, composed of Exxon, Texaco, and Mobil, with Socal to slip by unreported for antitrust scrutiny. This is unacceptable.

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The first part of the amendment closes the loophole. At the same time, however, it maintains agency flexibility and discretion to promulgate regulations implementing the act.

The second part of the amendment consists of S. 432, another bill recently approved by the Judiciary Committee. S. 432 is a bipartisan compromise bill containing needed reforms of the Hart-Scott-Rodino Premerger Notification System.

First, the bill increases the monetary threshold requirements, figures which have not been updated since the law was enacted in 1976. This provision relieves the reporting burden on small businesses that would probably not be involved in transactions raising antitrust issues.

Second, the bill lengthens the time the antitrust enforcement agencies have to conduct their review of mergers accomplished by cash-tender offer. It strikes a careful balance between the need for thorough antitrust scrutiny of transactions and the desire not to unduly encumber cash tender offers.

Finally, the bill establishes a process by which the enforcement agencies may seek additional time to review particularly complex mergers. Under the provision, the agencies may apply to a court for up to 45 more days to examine a transaction.

These reforms will greatly enhance the effectiveness of the premerger notification system. The bill enjoys the support of the administration as well as the business community. I would like to thank Senator Thurmond, in particular, for his help in framing S. 432.

I am sure that my colleagues see the urgent need for this amendment and will vote in favor of it.

Mr. THURMOND. Mr. President, I want to express my support for S. 1068, and for the provisions of S. 432, which are being considered with S. 1068. However, I have strong reservations about the provisions of S. 431, also being considered as a part of this legislation. These objections were set forth in the minority views on S. 431, Senate Report 100-88, and were joined in by Senators Hatch, Simpson, and Humphrey. This legislation amends section 7A of the Clayton Act by requiring that the assets and sales of controlling partners and general partners be included in determining the size of a partnership.

My concerns about the bill are not based on any opposition I have to closing the "partnership loophole." Rather, they are based on the fact that this legislation is now unnecessary and is over-broad. The Federal Trade Commission, which has authority to promulgate regulations concerning the Hart-Scott-Rodino Act's premerger notification program, has already issued regulations dealing with this very problem. I believe that FTC rulemaking is the correct way to proceed. Legislation which seeks to expand or revise rules already issued by the FTC, may only cause confusion and preclude subsequent efforts on the part of the enforcement agencies to refine the treatment of partnership acquisitions.

My second objection to this legislation is to its breadth. S. 431 covers not only those partners with a controlling interest, that is, those partners having the right to 50 percent or more of the profits of the partnership, but also general partners. The rule promulgated by the FTC reaches only controlling partners. In that respect it is consistent with the treatment generally accorded corporate transactions. Those at the FTC most familiar with the consequences of this provision, indicate that it is likely to result in the required reporting of competitively insignificant transactions, thus increasing the burden of private parties and the FTC. It is felt by those at the FTC with premerger experience, that addressing the problem through the controlling partner, will reach the most significant transactions currently slipping through the loophole. I agree.

Mr. President, as I indicated at the beginning, I will support the entire bill, including the two amendments. Nevertheless, I retain serious reservations about the wisdom of the provisions of S. 431.

Mr. HATCH. Mr. President, as I expressed in my concurring views accompanying the report of S. 432, I have some concerns that the bill may be interpreted to direct the court to order an additional period of antitrust review simply because the agencies claim they need the additional time. In particular, I am concerned that delaying the consummation of acquisitions, based on cash tender offers, may interfere unduly with the parties' ability to complete these transactions.

Would the author of the bill explain the intention of the committee regarding this point?

Mr. METZENBAUM. The committee was aware of the need to avoid undue delays in the case of cash tender offers, as well as other acquisitions. The language of the bill as originally introduced provided for a longer review period for very large mergers and provided that the longer period was automatic without the need for court review. Subsequently, the time period for review was reduced and the committee provided that the antitrust agencies should apply to the court for the extension in cases of large or complex mergers.

The Senator from Utah raised the valid point that the court should not approve an application for further time for review simply because the agencies claimed the need for such an extension of the waiting period. The Senator from Utah pointed out that the antitrust agencies could unduly interfere with cash tender offers and other acquisitions in cases where the additional time was not "reasonably required."

The resolution of this issue was to include the language "reasonably required" in the provision regarding the additional waiting period. This phrase means the agencies must justify to the court the need for the additional time for adequate antitrust review.

Just because a 25-day delay is authorized does not mean that such delay would be appropriate in any given case. It is expected that the agencies will efficiently and expeditiously complete their work in normal fashion, and that this additional time period will be granted only when necessary.

It is, of course, easy to envision circumstances where such an extension would be desirable. For instance, if a second request for additional information produces thousands of documents which must be meticulously examined, delay may easily be justified. On the other hand, where a relatively few documents are involved or, perhaps, where a simple or straightforward competition analysis is required, the agencies should be hard-pressed to justify an extension.

Mr. HATCH. I thank the Senator from Ohio and would only say that I concur in his explanation of this point. I would also note that it is clear only the Department of Justice will be present in court seeking an extension, not the parties to the merger. The Department must carry the burden of sharing the necessity of the extension in light of all circumstances however. I do have one further question of the Senator from Ohio. Is it his understanding that the agencies would not have to make some showing as to the likelihood of bringing an enforcement action—or the success of such action—in order to receive an extension.

Mr. METZENBAUM. That is correct. The only criterion that must be met by the agencies is a showing that such delay is necessary to complete its investigation.

Mr. BIDEN. I have listened to the colloquy between the Senator from Ohio and the Senator from Utah. I agree with their statements.

Mr. THURMOND. I also agree with the statements of the Senator from Ohio and the Senator from Utah.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Ohio.

The amendment (No. 654) was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the en-

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grossment and the third reading of the bill.

The bill (S. 1068) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

### S. 1068

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 8 of the Clayton Act is amended to read as follows:

"SEC. 8. (a)(1) No person at the same time shall be a director or officer of any two corporations, each of which has capital, surplus and undivided profits aggregating more than $10,000,000, as adjusted pursuant to this subsection, engaged in whole or in part in commerce, other than banks, banking associations, trust companies, and common carriers subject to subtitle IV of title 49 United States Code, if such corporations are by virtue of their business and location of operation, competitors so that the elimination of competition by agreement between them would constitute a violation of any of the provisions of any of the antitrust laws.

"(2) Notwithstanding the provisions of paragraph (1), simultaneous service as a director or officer of two corporations shall not be prohibited by this section if (A) the aggregate competitive sales of either corporation are less than $1,000,000, as adjusted pursuant to this subsection, (B) the aggregate competitive sales of either corporation are less than 1 percent of that corporation's total sales, or (C) the aggregate competitive sales of each corporation are less than 4 percent of that corporation's total sales. For purposes of this paragraph, 'aggregate competitive sales' means the aggregate gross revenues for all products and services sold by one corporation in competition with the other, determined on the basis of annual gross revenues for such products and services over the last completed fiscal year. For purposes of this section, 'total sales' means the aggregate gross revenues for all products and services sold by one corporation over the last completed fiscal year.

"(3) The eligibility of a director or officer under the provisions of paragraph (1) shall be determined by the capital, surplus and undivided profits of each corporation at the end of that corporation's last completed fiscal year.

"(4) For purposes of this section, the term 'officer' means an officer elected or chosen by the Board of Directors.

"(5) For each fiscal year commencing after September 30, 1987, the $10,000,000 and $1,000,000 thresholds in this section shall be increased (or decreased) as of October 1 each year by an amount equal to the percentage increase (or decrease) in the Gross National Product, as published by the Department of Commerce or its successor, for the year then ended, over or under the level so established for the year ending September 30, 1986. At the beginning of October of each year, the Federal Trade Commission shall publish the adjusted amounts required by this paragraph.

"(b) When any person elected or chosen as a director or officer of any corporation subject to the provisions of this Act is eligible at the time of his election or selection to act for such corporation in such capacity, his eligibility to act in such capacity shall not be affected and he shall not become or be deemed amenable to any of the provisions hereof by reason of any change in the capital, surplus and undivided profits, or affairs of such corporation from whatsoever cause, whether specifically excepted by any of the rovisions hereof or not, until the expiration of one year from the date on which an event causing ineligibility occurred, or, if practical, the next regularly scheduled election of directors, whichever occurs first.".

At the end of the bill, insert the following new sections:

SEC. 2. Section 7A of the Clayton Act is amended by adding at the end thereof the following new subsection:

"(k) For purposes of this section, the annual net sales and total assets of a person shall include, in the case of a partnership, the annual net sales or total assets of any general partner and any partner having the right to 50 per centum or more of the profits of the partnership, or having the right in the event of dissolution to 50 per centum or more of the assets of the partnership.".

SEC. 3. Section 2 and the amendments made by section 2 shall become effective sixty days after the date of enactment of this Act.

SEC. 4. Section 7A(a) of the Clayton Act is amended—

(1) in paragraph (2), by striking out "10,000,000" each place it appears in subparagraphs (A), (B), and (C) and inserting in lieu thereof "$15,000,000"; and

(2) in paragraph (3)(B), by striking out "$15,000,000" and inserting in lieu thereof "$20,000,000".

SEC. 2. (a) Section 7A(b)(1)(B) of the Clayton Act is amended—

(1) by substituting "twentieth" for "fifteenth"; and

(2) by striking out "or (g)(2)" and inserting in lieu thereof the following ", (g)(2), or (g)(3)".

(b) Section 7A(e) of the Clayton Act is amended—

(1) by substituting "20-day" for "15-day" each place it appears;

(2) in paragraph (2) by striking out "(or in the case of a cash tender offer, 10 days)"; and

(3) by striking out the word "only" from the last sentence of paragraph (2) and inserting at the end thereof the following: "or (g)(3)".

(c) Section 7A(g) of the Clayton Act is amended by adding the following at the end thereof: "(3) The court may extend the additional period for up to 25 days if, due to the complexity or scope of the information or documentary material to be evaluated, the Federal Trade Commission or the Assistant Attorney General reasonably requires such additional time to determine whether the proposed acquisition may, if consummated, violate the antitrust laws."

SEC. 5. Section 4 and the amendments made by section 4 shall become effective one hundred twenty days after the date of enactment of this Act.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WILSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President I ask unanimous consent that Calendar Order No. 207 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## BILL PLACED ON CALENDAR—S. 1577

Mr. BYRD. Mr. President, I ask unanimous consent that S. 1577, introduced earlier today by Mr. METZENBAUM and others, dealing with retiree health and life insurance benefits, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

## HOUSE CONCURRENT RESOLUTION 170—PERTAINING TO ADJOURNMENT OF CONGRESS

Mr. BYRD. Mr. President, House Concurrent Resolution 170 is at the desk. I ask unanimous consent that the Senate proceed with its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

### H. CON. RES. 170

*Resolved by the House of Representatives (the Senate concurring),* That notwithstanding the provisions of section 132(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 198), as amended by section 461 of the Legislative Reorganization Act of 1970 (Public Law 91-510; 84 Stat. 1193), the House of Representatives and the Senate shall not adjourn for a period in excess of three days, or adjourn sine die, until both Houses of Congress have adopted a concurrent resolution providing either for an adjournment (in excess of three days) to a day certain, or for adjournment sine die.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 170) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. WILSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## BILL PLACED ON CALENDAR—H.R. 1414

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 1414, a bill to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 just received from the House, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

## DEPARTMENT OF JUSTICE AUTHORIZATION, FISCAL YEARS 1988 and 1989

Mr. BYRD. Mr. President, I inquire of the distinguished acting Republican leader as to whether or not Calendar

Order 168, S. 938, the Department of Justice authorization bill, has been cleared on his side of the aisle.

Mr. WILSON. Yes, Mr. President, it has been.

Mr. BYRD. I thank my friend.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order 168.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 938) to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal years 1988 and 1989, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the bill.

The Senate proceeded to consider the bill.

### AMENDMENT NO. 655

(Purpose: To make certain technical amendments)

Mr. BYRD. Mr. President, I send to the desk an amendment on behalf of Messrs. BIDEN and THURMOND and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. BIDEN and Mr. THURMOND, proposes an amendment numbered 655.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 10 strike "until September 30, 1989" and insert "for two fiscal years".

On page 4, line 3 strike "1988" and insert "1989".

On page 5, line 5 strike "1988" and insert "1989".

On page 5, line 19 after "For the Assets Forfeiture Fund:" and insert "in each fiscal year".

On page 5, line 22 and line 23 strike "not to exceed a total of $50,000,000 shall be available to pay for those expenses" and insert "the Attorney General shall provide a special report to the Judiciary Committees of both Houses of Congress regarding the expenditures of the Fund if expenditures exceed a total of $50,000,000 for those expenses".

On page 7, line 11 after "appropriation" insert "in each fiscal year".

On page 9, line 16 after "$140,270,000" insert "in each fiscal year".

On page 11, between lines 17 and 18, insert the following new section:

"SEC. 104. Notwithstanding the provisions of Public Law 99-591 making continuing appropriations for the fiscal year 1987, the amount made available in the Department of Justice Appropriations Act for Salaries and expenses, Community Relations Service (100 Stat. 3341-47) for grants, contracts, and reimbursable agreements and other expenses necessary under section 501(c) of the Refuge Education Assistance Act of 1980 is changed from $23,266,000 to $23,026,000."

On page 18, strike lines 20 and 21 and insert the following:

"(2) necessary expenses in attending to the safety of Judicial proceedings and the execution of court orders;".

On page 28, lines 13 and 14 strike "publish in the Federal Register for notice and comment" and insert "issue". On page 28, line 21 after "activities." strike the remainder of the section (through page 27, line 3) and insert the following paragraph:

"Any proposed guidelines and any changes thereto shall be made available to Congress at least thirty days prior to final adoption. In addition, following enactment of this statute, the Attorney General shall report to Congress, at intervals of one hundred and twenty days, regarding the Department's progress in drafting and issuing comprehensive guidelines."

On page 27, lines 13 and 14, strike "conduct" and insert "approval".

On page 28, between lines 11 and 12, insert the following new section: "Sec. 206. Section 567 of Title 28, United States Code, is hereby repealed."

On page 29, line 23, strike "Sec. 305" and insert "Sec. 303.".

On page 32, line 9, strike "Section 263" and insert "Section 263a".

On page 35, lines 3 and 4 strike "semiannually" and insert "annually".

On page 36, line 2 insert the following: "; provided that the Attorney General report annually to Congress regarding the number of private, for profit, contracts entered into for full detention services; such reports shall provide the name of the contractor, the location of the contractor's facility, the number of prisoners at each contract facility and their security level(s), and the cost and duration of each such contract.".

On page 36, line 22, after "unless the" insert "Judiciary and".

On page 37, line 13, after "unless the" insert "Judiciary and".

On page 41, between lines 3 and 4, insert the following:

"SEC. 504. The table of sections for Chapter 37 of Title 28, United States Code, is amended by deleting at the reference to section 567 the words 'Expenses of marshals' and substituting in lieu thereof the word 'Repealed'.

On page 41, line 4, strike "Sec 504." and insert "Sec. 505.".

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 655) was agreed to.

Mr. LAUTENBERG. Mr. President, I had intended to offer the text of S. 1075 as an amendment to the Justice Department authorization bill which deals with the entry of Cuban political prisoners and Cuban immigrants to the United States.

However, the chairman and ranking minority member of the committee and the Subcommittee on Immigration have asked me to postpone offering this amendment in return for their assurances that they will act speedily on this bill in committee.

They have expressed the desire to work with me on this issue, and have given me a commitment that this bill will be considered by the subcommittee and the full committee as soon as possible.

A hearing on this legislation was held June 30, at which I testified. The chairman and ranking minority members of the full committee and the subcommittee have agreed to do everything possible to mark up this bill before the August recess.

I thank the chairman of the subcommittee and full committee for their cooperation and look forward to working with them on this matter.

Mr. KENNEDY. Senator LAUTENBERG's understanding is correct. I agree with the thrust of S. 1075, and look forward to moving it through the subcommittee. I am committed to making every effort to mark this bill up in the subcommittee before the August recess.

Mr. SIMPSON. Senator LAUTENBERG has my commitment to work with him on this bill. In principle, I do not have serious problems with the thrust of the bill's provisions on political prisoners, or the provisions on family reunification. I pledge to work with him to move this bill through the subcommittee, and to work with the ranking member of the full committee, Senator THURMOND, in order to try to iron out an acceptable bill.

Mr. BIDEN. I generally support this bill, and am committed to moving this bill through my committee. I thank the Senator from New Jersey for withdrawing the amendment he planned to offer on this issue, and give him my pledge to move expeditiously on this bill. I understand that the subcommittee plans to consider the bill soon, and I will move it in the full committee soon after that time.

● Mr. BIDEN. Mr. President, I ask my colleagues to support the passage of S. 938, the Department of Justice Authorization Act for Fiscal Years 1988 and 1989.

On Febuary 5, 1987, the ranking minority member and I introduced—by request—S. 517, the Department of Justice's proposed authorization. In considering the Department's budget request, the committee conducted the most extensive series of oversight hearings since 1979. During these 8 days of hearings, the committee heard from the Attorney General, numerous Assistant Attorneys General, and the heads of the major bureaus and offices within the Department of Justice. These hearings allowed the committee to consider thoroughly each of the activities included in the 17 separate appropriations within the Department.

After these hearings were concluded, I worked with the ranking minority member, and the subcommittee chairman and members of the minority, to develop a compromise authorization bill. This legislation, S. 938, was introduced on April 7, 1987, and by unanimous vote, the committee reported the bill favorably, without amendment, on April 9, 1987.

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This bill provides $5.5 billion in budget authority in fiscal 1988 for the activities of the Department of Justice. The Department is charged with some of the most important functions of the Federal Government—enforcing the Federal Criminal Code, protecting the civil rights and civil liberties of American citizens, and representing the Federal Government in civil matters.

The committee has provided significant increases in funding for the Department of Justice to implement several important statutes enacted by the 99th Congress. Specifically, additional funding is provided for the Immigration and Naturalization Service to carry out the massive new responsibilities imposed by the Immigration Reform and Control Act of 1986. In addition, the committee has provided funding for the Department to implement and enforce the numerous new criminal provisions enacted as part of the Anti-Drug Abuse Act of 1986.

The committee has rejected the administration's proposal to eliminate State and local criminal and juvenile justice assistance programs in the Department. I believe that Federal, State, and local governments must operate as partners in the effort to reduce crime, drug abuse, and juvenile delinquency. By rejecting the administration's cuts to the State and local assistance programs, the committee has reiterated its support for providing limited funding as "seed money" for innovative and promising criminal and juvenile justice programs.

Finally, in regard to funding, the committee's authorization bill does not include the administration's proposed reduction of 100 positions in the Antitrust Division.

One of the most important new provisions contained in this bill extends the Department's authorization from 1 to 2 years. I believe a 2-year authorization will force the Department to produce long-range plans and will enhance congressional oversight by allowing the Judiciary Committee to review a more comprehensive presentation of the Department's activities.

A 2-year authorization will also allow the Judiciary Committee to focus in greater detail during the outyear on administration requests that exceed the previous year's budget targets. In addition, the hastened timetable for the appropriations process under Gramm-Rudman-Hollings almost mandates a 2-year process if we in the Judiciary Committee are going to fulfill our oversight responsibilities.

Since this is the first year of the 2-year process, the committee has agreed to set only a baseline funding level—the 1988 level plus uncontrollable expenses—for fiscal 1989. In fairness to the Department, which is not yet geared up for a 2-year budgeting process, there probably will be budget adjustments to consider next year.

The Department of Justice has gone without a new authorization bill for 7 years. As a result, the Judiciary Committee essentially has relinquished its responsibility for authorizing programs to the Appropriations Committee. The Appropriations Committee, with its broad responsibilities, should not be expected to carry out the in-depth budgetary and oversight review of the Department that is warranted.

The ranking member, Senator THURMOND, and I have worked together on this legislation, as we have in moving previous crime legislation. As with the Comprehensive Crime Control Act of 1984, we have pursued action on those aspects of the bill on which we could agree. Based on our experience and mutual goals, the ranking member and I have agreed that controversial and substantive legislative proposals would not be included as part of this authorization bill.

The committee has also agreed to consider making less controversial matters—like the purchase of cars and firearms or the conducting of meetings, and so forth—a part of permanent law. A similar approach was used 3 years ago when we last reported an authorization bill.

This is one of the most important pieces of legislation that the committee will consider this session, and the bill and accompanying report should be extremely useful in affirming this committee's desire to carry out its oversight responsibility of the operation of the Department of Justice. The bill represents a compromise that is the result of consideration of changes suggested by the subcommittee chairmen and by members of the minority. I would like to thank the ranking minority member, Senator THURMOND, for his cooperation on this bill.●

Mr. THURMOND. Mr. President, I am pleased that today the Senate is considering S. 938, the Department of Justice Authorization Act for fiscal years 1988 and 1989.

This legislation, which I was pleased to cosponsor with the distinguished chairman of the Judiciary Committee, Senator BIDEN, would provide for a 2-year authorization, rather than the usual 1-year period. For fiscal year 1988, it would authorize spending levels very similar to those requested by the Department of Justice. For fiscal year 1989, it would authorize spending at the 1988 levels plus uncontrollable increases.

For a number of years, the Justice Department has sought to make permanent various authorities previously granted on an annual basis. Many of these permanent authorities are included in S. 938, and should improve the Department's ability to meet its responsibilities. Although everything the Department requested is not included in S. 938, it is my understanding that, overall, they are pleased with the bill and support its passage.

Mr. President, unfortunately, Congress has not enacted a Department of Justice authorization in 8 years, leaving it to the appropriation process. In 1984, the Senate managed to pass a Justice authorization, but it did not receive House approval. I commend Chairman BIDEN for his efforts to reestablish the appropriate process for funding one of the most vital agencies of the Government. It has been my pleasure to have worked with him in developing this bill, as he assisted me in our similar effort in 1984.

Mr. WILSON. Mr. President, if the majority leader will indulge me, I have a statement of my own on this bill.

Mr. President, we have just agreed to an amendment. That amendment addressed the very serious problem that seems, unhappily, recurring, the consideration of what we in Congress shall do with those funds that are seized from drug traffickers, those assets seized from drug traffickers.

Mr. President, the asset forfeiture funds, as they are termed, are administered by the Department of Justice and the Customs Service and are vital parts of our national effort against drug trafficking. They are, therefore, integral to our efforts to ending drug abuse, and they are the result of a very basic concept. Some might call it poetic justice, but what it is in more prosaic terms is that the ill-gotten gains of drug traffickers and pushers should be seized and then used to support further antidrug law enforcement efforts.

This basic concept has yielded tens of millions of dollars which have been disbursed to local law enforcement agencies on the Federal, State, and local levels in fewer than 3 years. That is a lot of money, Mr. President, money for Federal law enforcement efforts which has helped enhance the activities of the Customs Service, the Federal Bureau of Investigation, and the Drug Enforcement Administration.

Through what is quite properly termed the equitable sharing program, money has also been returned to State and local law enforcement agencies throughout the country in recognition of their efforts which have led to the seizure of these assets from drug traffickers.

Mr. President, as part of last year's omnibus drug legislation a provision which I offered was adopted which made important changes in the conduct of the proceedings under the asset forfeiture funds. These changes were necessary to provide that all of the money seized from criminals be used for law enforcement purposes and not for other less important, unrelated Federal purposes. Furthermore, that same provision which I offered took from the Customs fund the cap that was then inserted. Instead, a much higher cap was offered to replace, it, which meant that more of those funds could be used for law-enforcement purposes and at the same time the cap on the Department of Justice asset forfeiture fund was removed altogether so that all of those funds might be used for law enforcement.

Now, because of that, Mr. President, it is all the more disturbing that despite the changes made by last year's drug bill the integrity of the asset forfeiture program seems to be still at risk.

As reported by the Judiciary Committee, section 101(3) of S. 938, the fiscal year 1988 Department of Justice authorization act, would have placed a cap on disbursements from the Department of Justice fund for Federal law enforcement and administrative purposes. Happily, the amendment which we have just adopted will change that.

Now, I appreciate fully the responsibility of the committee to ensure that all disbursements which it makes are cost effective, that they are for legitimate purposes, but the cap that would have been in this legislation, had we not just wisely amended it, was entirely inappropriate because it put us back into that same ill-considered box from which we had removed ourselves just last year.

Mr. President, accordingly, I wish to express my appreciation to the very able chairman of the Judiciary Committee, Senator BIDEN, and to his staff for their willingness to craft an alternative provision to replace that unwise absolute cap. What they have come up with is a reporting requirement, one that will not place an expenditure cap on the asset forfeiture fund but one that will provide the committee with information which will be useful to them in their task of ensuring proper oversight.

Mr. President, while the objectionable provision in the reported bill capping the asset forfeiture fund disbursements has been deal with, I am saddened to tell you that it seems almost contagious that there is an effort to try to place a cap upon the expenditure of these funds for the purpose that we have dwelled upon at some strength, and I think justifiably, and that is the fighting of crime at the local level. In particular, if you talk to any police chief or sheriff, you will learn from them that an inordinate amount of time and effort in their departmental expenditures is expended in drug-related or directly in drug cases. So there is a certain irony, it would seem, in our inability to deal with this problem and say that the assets seized from drug traffickers will be used to fight them.

Now, I would simply ask, Mr. President, of those who continually resist this effort, be they in the Office of Management and Budget or somewhere else, what other program can be so important that we should prevent the assets seized from criminals from being used to enhance our law enforcement efforts? What else is more important? What other program is so important that we should fund it at the expense of those law enforcement efforts? What other program is so important that we should deny State and local law enforcement agencies, those on the front line of our war on drugs, the benefits that can be obtained from our wise use of these assets seized from the criminals who are engaged in that poisonous traffic?

Mr. President, I respectfully submit that there is no program offered for authorization of funding in the Department of Commerce or Department of State or Department of Justice authorization bill that could justify disrupting the operation of a program as vital and as clearly effective as this program for equitable sharing of seized assets distributed to local law enforcement so that we can make what we call the war on drugs, in fact the real war, and not an empty slogan. If we are to give that war more than lip service, Mr. President, we must give it real resources.

After all, the money disbursed under the equitable sharing program is not money from the general fund. It is not some new Federal grant. It is not something that they are applying for that they have not earned, these sheriffs, these policy chiefs. It is payment in a very real sense for services rendered, payment that recognizes that but for the investigative efforts of local law enforcements, the criminals might very well not have been caught and the assets themselves never seized.

Mr. President, the equitable sharing program encourages cooperation between Federal, State, and local officials that is essential. We are dealing with the most sophisticated of criminals when we attempt to stem the drug traffic. It is an international traffic. It is one that employs the latest in high technology.

All too often, we have seen that our officers and agents are not as well equipped as those against whom they must go in the effort to first detect and then to apprehend those engaged in the traffic. The equitable sharing program responds to that imbalance and seeks to redress it. It says that when these investigations are successful, the credit and the reward should be spread among those who have been part of the successful apprehension.

To abolish the equitable sharing program even for 1 year not only undercuts the effectiveness of our law enforcement agencies, but also, it is an insult to those State and local law enforcement officers. It says that somehow we value something more than the efforts they make, literally placing life and limb at risk. Mr. President, that is wrong. I do not believe anything is more important than that we give to those on that firing line in this war on drugs all possible assistance.

Some would say that the assets that are seized in this forfeiture fund are a windfall. Some would say that they need to be counted as we count everything else in our budget process—creating, I might add, the possibility of a freeze on the funds. I really do not agree with that. But, at the very least, if the fund is to remain on budget, it should be placed at the very top of the list when the appropriations committees start carving up the Federal budget pie.

Mr. President, I believe that the House of Representatives made a very grave error when it included in its bill a freeze on the asset forfeiture fund. Not only does this action undermine the position established by Congress in last year's omnibus drug bill, and specifically that contained in the amendment which I offered, but also, it disrupts the antidrug efforts of law-enforcement agencies at all levels of government—Federal, State, and local.

In my State of California, which, because of its proximity to the Mexican border, has the unhappy distinction of being a major transit point in the United States for drug smuggling, local law enforcement agencies have long awaited the equitable sharing, which we have given as the name to this fund. They have become discouraged by the long delays in receiving the money under this program. The very prospect of these funds now being blocked by a statutory freeze has quite justifiably outraged them.

Mr. President, in response to their justifiable outrage, I urge my colleagues to contact their State attorneys general, their police chiefs, and their sheriffs, to fully appreciate from their first-hand testimony the importance of retaining the asset forfeiture fund equitable sharing program without a cap and certainly without the moratorium proposed by the House.

Mr. President, it is my sincere hope that our Appropriations Committee will see very clearly the need for removing the House-passed cap. I hope they will. I will say right now that I enlist among my colleagues all the aid they may be prepared to give me, because I am dedicated to working for the removal of a cap provision and definitely to remove that unwise moratorium. It is not only unfair to law enforcement. More important, as law enforcement people will tell you, it is unfair to those whom those sheriffs, those police chiefs, and those law enforcement officers risk their lives to protect every day.

Mr. President, I thank my friend, the distinguished majority leader. There is nothing more on our side. We are ready for third reading.

Mr. BYRD. Mr. President, I thank my friend.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 938) was passed, as follows:

### S. 938

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Department of Justice Appropriation Authorization Act, Fiscal Years 1988 and 1989".

## TITLE I

### 1988 AND 1989 FISCAL YEAR AUTHORIZATIONS

SEC. 101. There are authorized to be appropriated for the fiscal year ending September 30, 1988, and the fiscal year ending September 30, 1989, to carry out the activities of the Department of Justice (including any bureau, office, board, division, commission, or subdivision thereof) the following sums:

(1) For General Administration, Salaries and Expenses: $103,513,000 for the fiscal year 1988 and $138,000,000 for the fiscal year 1989;

(2) For additional capital for the General Administration Working Capital Fund: $4,000,000 for the fiscal year 1988;

(3) For the United States Parole Commission: $12,253,000 for the fiscal year 1988 and $12,865,000 for the fiscal year 1989;

(4) For General Legal Activities: $303,485,000 for the fiscal year 1988 and $315,114,000 for the fiscal year 1989; which shall include—

(A) not to exceed $75,000 in each fiscal year which may be transferred from the "Alien Property Funds, World War II", for the general administrative expenses of alien property activities;

(B) not to exceed $20,000 in each fiscal year for unusual expenses necessary in the collection of evidence, to be expended under the direction of the Attorney General and accounted for solely on the certificate of the Attorney General or Deputy Attorney General;

(C) not to exceed $6,000,000 of those funds appropriated in each fiscal year for litigation-support contracts, which amount shall remain available for two fiscal years; and

(D) not to exceed $24,718,000 of those funds appropriated in each fiscal year for automation of legal activities, including legal activities of the Antitrust Division and the United States Attorneys and the activities of offices funded under the General Administration, Salaries and Expenses, appropriation, which amount shall remain available until expended;

(5) For the Antitrust Division: $48,510,000 for the fiscal year 1988 and $51,497,000 for the fiscal year 1989;

(6) For the Foreign Claims Settlement Commission: $510,000 for the fiscal year 1988 and $504,000 for the fiscal year 1989;

(7) For the United States Marshals Service: $218,092,000 for the fiscal year 1988 and $230,000,000 for the fiscal year 1989; which shall include not to exceed $1,350,000 in each fiscal year for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites;

(8) For the Support of United States Prisoners in non-Federal institutions: $78,914,000 for the fiscal year 1988 and $80,000,000 for the fiscal year 1989; which shall remain available until expended and which amounts shall include sums available for reimbursements to appropriate health care providers for the care, diagnosis and treatment of United States prisoners and persons adjudicated in Federal courts as not guilty by reason of insanity: *Provided,* That such services shall be provided at rates that, in the aggregate, do not exceed the full cost of these services; and of which not to exceed $5,000,000 in each fiscal year shall be available until expended under the Cooperative Agreement Program for the purpose of renovating, constructing, and equipping state and local correctional facilities;

(9) For Fees and Expenses of Witnesses: $37,359,000 for the fiscal year 1988 and $38,400,000 for the fiscal year 1989; which shall remain available until expended;

(10) For the Community Relations Service: $29,123,000 for the fiscal year 1988 and $30,273,000 for the fiscal year 1989, of which $21,740,000 in each fiscal year shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980, (Public Law 96-422);

(11) For United States Attorneys: $413,555,000 for the fiscal year 1988 and $431,194,000 for the fiscal year 1989;

(12) For the United States Trustee System Fund: $53,525,000 for the fiscal year 1988 and $60,400,000 for the fiscal year 1989: *Provided,* That deposits to the fund are available in such amounts as may be necessary to pay refunds due depositors;

(13) For the Assets Forfeiture Fund: in each fiscal year such sums, to be derived from the Fund, as may be necessary for the payment of expenses as authorized by section 524 of title 28, United States Code: *Provided,* That, the Attorney General shall provide a special report to the Judiciary Committees of both Houses of Congress regarding the expenditures of the Fund if expenditures exceed a total of $50,000,000 for those expenses authorized by section 524(c)(1) (B), (C), (F) and (G) of title 28, United States Code, and by that portion of section 524(c)(1)(A) of title 28, United States Code, which was added by Public Law 99-570.

(14) For the Federal Bureau of Investigation: $1,484,421,000 for the fiscal year 1988 and $1,512,121,000 for the fiscal year 1989; which shall include—

(A) not to exceed $70,000 in each fiscal year to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and to be accounted for solely on the certificate of the Attorney General or Deputy Attorney General;

(B) not to exceed $3,000,000 of those funds appropriated in each fiscal year for research relating to investigative activities, which portion shall remain available until expended;

(C) not to exceed $10,000,000 of those funds appropriated in each fiscal year for automated data processing and telecommunications and not to exceed $1,000,000 of those funds appropriated in each fiscal year for undercover operations, which amounts shall remain available for two fiscal years;

(D) not to exceed $13,000,000 of those funds appropriated for fiscal year 1988 for the construction of the Engineering Research Facility, which amount shall remain available until expended;

(E) not to exceed $11,358,000 of those funds appropriated for fiscal year 1988 for the construction of a system to assist in language translation and recording for the New York field office, which amount shall remain available until expended; and

(F) not to exceed $45,000 in each fiscal year for official reception and representation expenses:

*Provided,* That, not to exceed $17,500,000 may be credited to this appropriation in each fiscal year from fees collected for the processing of fingerprint identification records pursuant to section 577(b)(2) of title 28, United States Code.

(15) For the Drug Enforcement Administration: $522,047,000 for the fiscal year 1988 and $563,048,000 for the fiscal year 1989; which shall include—

(A) not to exceed $70,000 in each fiscal year to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and to be accounted for solely on the certificate of the Attorney General or the Deputy Attorney General;

(B) not to exceed $1,200,000 of those funds appropriated in each fiscal year for research, which amount shall remain available until expended;

(C) not to exceed $1,700,000 of those funds appropriated in each fiscal year for the purchase of evidence and for payments for information, which amount shall remain available for two fiscal years;

(D) not to exceed $4,000,000 of those funds appropriated in each fiscal year for automatic data processing and telecommunications and not to exceed $2,000,000 of those funds appropriated in each fiscal year for technical equipment; which amounts shall remain available for two fiscal years; and

(E) not to exceed $45,000 in each fiscal year for official reception and representation expenses;

(16) For the Immigration and Naturalization Service: $1,093,520,000 for the fiscal year 1988 and $1,066,433,000 for the fiscal year 1989; which shall include—

(A) not to exceed $50,000 in each fiscal year to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and to be accounted for solely on the certificate of the Attorney General or the Deputy Attorney General;

(B) not to exceed $400,000 of those funds appropriated in each fiscal year for research, which amount shall remain available until expended;

(C) not to exceed $400 per annum per employee for members of the Border Patrol and not to exceed $300 per annum per employee for immigration inspectors and detention officers of the Immigration and Naturalization Service who are required by regulations or statute to wear a prescribed uniform in the performance of official duties; and

(D) not to exceed $140,270,000 in each fiscal year for detention and deportation.

(17) For the Federal Prison System, including the National Institute of Corrections: $981,694,000 for the fiscal year 1988 and $1,056,500,000 for the fiscal year 1989; which shall include—

(A) $760,851,000 for the fiscal year 1988 and $835,500,000 for the fiscal year 1989 for Salaries and Expenses;

(B) $10,509,000 of those funds appropriated for the fiscal year 1988 and $11,000,000 of those funds appropriated for the fiscal year 1989, for carrying out the provisions of sections 4351 through 4353 of title 18, United States Code, which established a National Institute of Corrections; which amounts shall remain available until expended;

(C) $210,334,000 of those funds appropriated for the fiscal year 1988 and $210,000,000 of those funds appropriated for the fiscal year 1989 for planning, acquisition of sites and construction of new facilities; and for the purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional institutions; and for the payment of United States prisoners for work performed in these activities; which amount shall remain available until expended; and

(D) not to exceed $300 per annum per employee for those employees of the Federal Prison System who are required by regulation or statute to wear a prescribed uniform in the performance of official duties.

SEC. 102. A total of not to exceed $75,000 from funds authorized to be appropriated in each fiscal year to the Department of Justice by this title shall be available for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 103. (1) There are authorized to be appropriated for fiscal years 1988 and 1989, such sums as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs.

(2) The Administration may submit, and the Committees on the Judiciary shall consider, requests for increases in the amount of appropriations authorized by this Act for fiscal year 1989. Any such request shall be accompanied by a report detailing the Administration's justification for the requested increase in appropriations' authorization.

SEC. 104. Notwithstanding the provisions of Public Law 99-591 making continuing appropriations for the fiscal year 1987, the amount made available in the Department of Justice Appropriations Act for "Salaries and expenses, Community Relations Service" (100 Stat. 3341-47) for grants, contracts, and reimbursable agreements and other expenses necessary under section 501(c) of the Refuge Education Assistance Act of 1980 is changed from $23,266,000 to $23,026,000.

## TITLE II

### PERMANENT ENABLING LEGISLATION

SEC. 201. Part II of title 28, United States Code, is amended by inserting after chapter 37 the following new chapter:

### "CHAPTER 38—GENERAL AUTHORIZATIONS—DEPARTMENT OF JUSTICE

"Sec.
"577. General authorizations.
"578. Authorizations and exemptions available for undercover investigative operations.

**"§ 577. General Authorizations—Department of Justice.**

"(a) The Attorney General is authorized to use Department of Justice appropriations to make payments for the conduct of the activities of the Department of Justice. Such payments may include payments for—

"(1) expenses, mileage, compensation, and per diem in lieu of subsistence, of witnesses as authorized by law, without regard to the competitive procurement requirements of title 15 and title 41, United States Code; provided that no witness shall be paid more than one attendance fee for any one calendar day;

"(2) advances of public moneys under section 3324 of title 31, United States Code; provided that travel advances to law enforcement personnel engaged in undercover activity shall be deemed public monies within the meaning of section 3527 of title 31, United States Code;

"(3) planning, acquisition of sites and construction of special purpose law enforcement type facilities; and construction, operation, remodeling and repair of law enforcement type buildings and facilities used for law enforcement purposes; and the purchase of necessary equipment and the payment of necessary expenses directly related to the conduct of these activities;

"(4) the lease or purchase of passenger motor vehicles; provided that motor vehicles for police type use may be purchased for law enforcement purposes without regard to the general purchase price limitation for the fiscal year during which such a purchase is effected;

"(5) the purchase of firearms and ammunition for use by law enforcement officers and trained security personnel, and the participation in firearms competitions;

"(6) the confidential lease of surveillance sites for law enforcement purposes;

"(7) the acquisition, lease, maintenance and operation of aircraft for law enforcement purposes;

"(8) miscellaneous and emergency expenses authorized or approved by either the Attorney General, the Deputy Attorney General or the Associate Attorney General;

"(9) official reception and representation expenses;

"(10) attendance at meetings;

"(11) services of experts and consultants as authorized by section 3109 of title 5, United States Code, and at rates of pay for individuals up to but not exceeding the daily rate payable for GS-18 of the General Schedule in section 5332 of title 5, United States Code;

"(12) services of interpreters and translators who are not citizens of the United States;

"(13) payment of rewards, the purchase of evidence and payment for information in connection with law enforcement;

"(14) the purchase of insurance for motor vehicles, boats and aircraft operated in official Government business in foreign countries; and

"(15) benefits for employees serving overseas as authorized under section 901 (3), (5), (6), (8), (9), (15) and section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4081 (3), (5), (6), (8), (9), (15) and section 4084 of title 22, United States Code), and under the regulations issued by the Secretary of State.

"(b)(1) The Attorney General is authorized to use appropriations for the Federal Bureau of Investigation to make payments for the conduct of its activities. Such payments may not be used to pay the compensation of any employee in the competitive service but may include payments for—

"(A) expenses necessary for the detection and prosecution of crimes against the United States;

"(B) protection of the person of the President of the United States and the person of the Attorney General;

"(C) investigations regarding official matters under the control of the Department of Justice and the Department of State, as may be directed by the Attorney General; and

"(D) acquisition, collection, classification, and preservation of identification and other records and their exchange with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities and such other institutions, as authorized by law, such exchange to be subject to cancellation if dissemination is made outside the receiving departments on related agencies.

"(2) The Federal Bureau of Investigation may establish and collect fees for the processing of noncriminal employment and licensing fingerprint cards. Such fees shall represent the full cost of furnishing the service. The funds collected shall be credited to the Salaries and Expenses, Federal Bureau of Investigation appropriation without regard to section 3302(b), of title 31, United States Code, and shall be available, to the extent specified in appropriations Acts, until expended, to pay for salaries and other expenses incurred in operating the Federal Bureau of Investigation Identification Division. No fee shall be assessed in connection with the processing of requests for criminal history records by criminal justice agencies for criminal justice purposes or for employment in criminal justice agencies.

"(c) The Attorney General is authorized to use appropriations for the Drug Enforcement Administration to make payments for the conduct of its activities. Such payments may include payments for—

"(1) expenses necessary for the detection and prosecution of crime against the United States within its investigative jurisdiction; and

"(2) contracting with individuals for personal services abroad: *Provided,* That such individuals shall not be regarded as employees of the United States for the purpose of any law administered by the Office of Personnel Management.

"(d) The Attorney General is authorized to use appropriations for the Immigration and Naturalization Service to make payments for the conduct of its activities. Such payments may include payments for—

"(1) distribution of citizenship textbooks to aliens without cost to such aliens;

"(2) allowances to aliens for work performed while held in custody under the immigration laws;

"(3) cash advances to aliens for meals and lodgings upon departure from the United States;

"(4) refunds of maintenance bills, immigration fines and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money;

"(5) the lease of horses from officers or employees of the Service;

"(6) acquisition of land as sites for enforcement fences, and expenses incident to the construction of such fences;

"(7) expenses and allowances incurred in tracking lost persons, as required by public exigencies, in aid of State or local law enforcement agencies; and

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"(8) expenses necessary for the detection and prosecution of crimes against the United States within its investigative jurisdiction.

"(e) The Attorney General is authorized to use appropriations for the Bureau of Prisons to make payments for the conduct of its activities. Such payments may include payments for—

"(1) the administration, operation, and maintenance of Federal penal and correctional institutions, including supervision and support of United States prisoners in non-Federal institutions; and for inmate legal services within the Federal prison system;

"(2) construction of buildings at prison camps and acquisition of land as authorized by section 4010 of title 18, United States Code;

"(3) the labor of the United States prisoners performed in the construction or remodeling of prison buildings or facilities;

"(4) assistance to State and local governments to improve their correctional systems; and

"(5) the purchase and exchange of farm products and livestock.

"(f) The Attorney General is authorized to use appropriations for the United States Marshals Service to make payments for the conduct of its activities. Such payments may include payments for—

"(1) the actual and necessary expenses associated with the offices established under section 561 of this title;

"(2) necessary expenses in attending to the safety of Judicial proceedings and the execution of court orders;

"(3) the expense of transporting prisoners, including the transportation between the United States and foreign countries of persons charged with crime, and including the cost of necessary guards and the travel and subsistence expenses of prisoners and guards;

"(4) the operation and maintenance for official use of vehicles seized and forfeited to the United States Government;

"(5) the supervision of United States prisoners in non-Federal institutions;

"(6) expenses incurred for the use of facilities in the protection of witnesses and in the planning, acquisition, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites;

"(7) expenses incurred pursuant to contracts and cooperative agreements for security guards and for the service of summonses on complaints, subpoenas and notices in lieu of service by United States marshals or deputy marshals; and

"(8) such other expenditures as may be necessary in the performance of its responsibilities to the judicial and executive branches.

"(g) As used in this section the term 'law enforcement' refers to the activities of the Federal Bureau of Investigation; the Drug Enforcement Administration; the Immigration and Naturalization Service; the Bureau of Prisons; and the United States Marshals Service; except that for the purposes of subsection (a)(3), 'law enforcement' refers only to the activities, in the United States, of the Bureau of Prisons and subject to the provisions of section 1252(c) of title 8, United States Code, and section 4003 of title 18, United States Code, of the Immigration and Naturalization Service.

**"§ 578. Authorizations and exemptions available for undercover investigative operations.**

"(a) The authorizations and exemptions provided below may be utilized for undercover operations conducted by the following bureaus of the Department of Justice: the Federal Bureau of Investigation and the Drug Enforcement Administration. As used herein, the head of a bureau refers, respectively, to the Director of the Federal Bureau of Investigation and the Administrator of the Drug Enforcement Administration.

"(b)(1) An exempt undercover operation refers to any operation designed and necessary to detect and prosecute crimes against the United States as to which the head of a bureau, or his designee, and the Attorney General, or his designee, have certified in writing that any action authorized by this section is necessary for the conduct of that undercover investigation.

"(2) The designee of the Attorney General, or any alternate designee, must be an official in a position of, or a position superior to that of, a Deputy Section Chief of the Criminal Division. The designee of the Director of the Federal Bureau of Investigation, or any alternate designee, must be an official serving in a position of, or a position superior to that of, a Deputy Assistant Director of the Criminal Investigative Division. The designee of the Administrator of the Drug Enforcement Administration, or any alternate designee, must be an official serving in a position of, or a position superior to that of, a Deputy Assistant Administrator of the Operations Division.

"(3) An exempt undercover operation also refers to any operation of the Federal Bureau of Investigation designed and necessary to collect foreign intelligence or to conduct foreign counterintelligence, as to which the Director of the Federal Bureau of Investigation, or the Assistant Director of the Intelligence Division if so designated by the Director, and the Attorney General, or the Counsel for Intelligence Policy if so designated by the Attorney General, have certified in writing that any action authorized by this section is necessary for the conduct of that undercover investigation.

"(4) The type of exemptions sought for each operation shall be specified on the certification and the use of the exemptions for each operation will be reviewed during the operation by the official designated by the head of the bureau pursuant to subsection (b) (1) or (2) of this section.

"(c)(1) Appropriations may be used for purchasing or leasing property, buildings, facilities, space, goods, insurance, licenses, and any equipment necessary to establish and/or operate an undercover operation. These acquisitions shall be made in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to Federal acquisitions, Federal property management and Federal appropriations shall not apply to any acquisition for an exempt undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

"(2) Appropriations may be used to establish, acquire, and/or operate proprietary corporations or business entities in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to Federal personnel, Federal appropriations, and Government corporations shall not apply to any transaction for an exempt undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

"(3) The Attorney General shall, within ninety days of the effective date of this statute, and annually thereafter, transmit to Congress a report listing all Federal personnel, Federal acquisition, Federal property management, Federal appropriation, and Government corporation laws as to which a determination has been made that compliance with such laws would risk compromise of the undercover nature of an investigation. The Attorney General shall, consistent with maintaining the security of ongoing undercover investigation, promptly report to Congress regarding any determination that compliance with additional Federal personnel, Federal acquisition, Federal property management, Federal appropriation, or Government corporation laws would risk compromise of the undercover nature of an investigation.

"(4) Appropriations and the proceeds from an exempt undercover operation may be deposited in banks or other financial institutions and may be used to offset necessary and reasonable expenses incurred in such operation without deposit in the Treasury: *Provided*, That, as soon as any such proceeds are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(d) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (2) of paragraph (c) with a net value of over $150,000 is to be liquidated, sold, or otherwise disposed of, the head of the bureau, as much in advance as he or his designee determines is practicable, shall report the circumstances to the Attorney General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(e)(1) The Attorney General shall direct and supervise a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1988, and each fiscal year thereafter, and shall, not later than one hundred and eighty days after such undercover operation is closed, submit a report to the Congress concerning such audit.

"(2) For purposes of these audit and reporting requirements:

"(A) the term 'closed' refers to the point in time at which—

"(i) all criminal proceedings (other than appeals) are concluded, or

"(ii) covert activities are concluded, whichever occurs later;

"(B) the terms 'undercover investigative operation' and 'undercover operation' mean any undercover investigative operation of a bureau (other than a foreign counterintelligence undercover investigative operation)—

"(i) in which—

"(a) the gross receipts (excluding interest earned) exceed $150,000, or

"(b) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

"(ii) which is exempt from laws applicable to Federal appropriations and Government corporations.

"(f) The Attorney General shall submit a report annually to the Congress specifying, as to the Federal Bureau of Investigation and the Drug Enforcement Administration—

"(i) the number, by programs, of undercover investigative operations pending as of the end of the one-year period for which such report is submitted,

"(ii) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

"(iii) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

"(I) the results,

"(II) any civil claims, and

"(III) identifications of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.".

Sec. 202. Section 578 of title 28, United States Code, is hereby repealed, effective October 1, 1989: *Provided*, That any certification of exemption for an undercover investigation issued pursuant to that section prior to that date shall remain in effect for the duration of that undercover investigation.

Sec. 203. The Attorney General shall issue comprehensive guidelines for the authorization of undercover investigations, other than foreign counterintelligence undercover investigations, by: the Federal Bureau of Investigation, the Drug Enforcement Administration, the Immigration and Naturalization Service, the United States Marshals Service and any other component of the Department of Justice that may conduct such activities. Any proposed guidelines and any changes thereto shall be made available to Congress at least thirty days prior to final adoption. In addition, following enactment of this statute, the Attorney General shall report to Congress, at intervals of one hundred and twenty days, regarding the Department's progress in drafting and issuing comprehensive guidelines.

Sec. 204. Sums authorized to be appropriated by this Act for the Immigration and Naturalization Service and the United States Marshals Service may be used by those bureaus for the conduct of undercover investigations in accordance with the authorizations and exemptions available for undercover investigative operations contained in section 578 of title 28: *Provided*, That—

(1) such authorizations and exemptions shall not be available until the head of the bureau issues, and the Attorney General accepts, guidelines for the approval of undercover investigations by that bureau;

(2) any request for the Attorney General's certification of exemption for an undercover investigation pursuant to section 578(b)(1) of title 28, United States Code, shall specify the expected time period for utilizing the exemptions, the expected resources to be committed, a description of the circumstances for using the exemptions, and a specification of the scope of the investigative effort;

(3) any exemptions provided pursuant to this section shall remain in effect for ongoing undercover investigations without regard to the expiration of any fiscal year; and

(4) any individual acting pursuant to section 578(b)(1) of title 28, United States Code, as the designee of the head of the bureau be an official holding a position comparable to the positions specified with respect to the Federal Bureau of Investigation and the Drug Enforcement Administration in section 578(b)(2) of title 28, United States Code.

Sec. 205. Section 6 of the Act of July 28, 1950 (64 Stat. 380; 8 U.S.C. 1555), is hereby repealed.

Sec. 206. Section 567 of Title 28, United States Code, is hereby repealed.

## TITLE III

### ADDITIONAL PERMANENT LEGISLATION

Sec. 301. The Attorney General or his designee is authorized to use Department of Justice appropriations to make payments for assistance to individuals under section 501(c) of the Refugee Education Assistance Act of 1980 (Public Law 96-422) without regard to section 501(e)(2)(B) of that Act, which prohibits such assistance to individuals with respect to whom a final, nonappealable, and legally enforceable order of deportation or exclusion has been entered. Such payments may include grants which shall be administered by the Community Relations Service.

Sec. 302. (a) Paragraph (1) of subsection 245(a) of title 18, United States Code, is amended by substituting a comma for the word "or" following the words "Attorney General" and by inserting "the Associate Attorney General or any Assistant Attorney General specially designated by the Attorney General" after the words "Deputy Attorney General";

(b) Section 1073 of title 18, United States Code, is amended by inserting ", the Deputy Attorney General, the Associate Attorney General," after the words "Attorney General";

(c) Subsection 1961(10) of title 18, United States Code, is amended by inserting, "the Associate Attorney General of the United States," after the words "Deputy Attorney General of the United States";

(d) Subsection 3331(a) of title 18, United States Code, is amended by inserting ", the Associate Attorney General," after the words "Deputy Attorney General",

(e) Section 514 of title II of the Controlled Substances Act (21 U.S.C. 884(c)) is amended by inserting ", the Associate Attorney General," after the words "Deputy Attorney General"; and

(f) Section 14 of Public Law 96-456 (18 U.S.C. App. IV 14) is amended by inserting ", the Associate Attorney General," after the words "Deputy Attorney General".

Sec. 303. Chapter 301 of title 18, United States Code, is amended by adding the following new section:

**"§ 4002A. Support of United States prisoners in non-Federal institutions.**

"The Attorney General or his designee is authorized to make payments from appropriations available for the support of United States prisoners in non-Federal institutions for—

"(1) necessary clothing;

"(2) medical aid and necessary guard hire;

"(3) payment of rewards for assistance in the capture or information leading to the capture of a Federal fugitive; and

"(4) entering into contracts or cooperative agreements with any State, territory, or political subdivision thereof, for the necessary construction, physical renovation and acquisition of equipment, supplies, or materials required to establish acceptable conditions of confinement and detention services in any State or local government which agrees to provide guaranteed bed space for Federal detainees within that correctional system, in accordance with regulations issued by the Attorney General and which are comparable to the regulations issued under section 4008 of title 18, United States Code, except that amounts made available for this purpose shall not exceed the average amortized per-inmate-cost of constructing similar confinement facilities for the Federal prison population: *Provided further*, That the availability of such federally assisted facility shall be assured for housing Federal prisoners, the per diem rate charged for housing such Federal prisoners shall not exceed allowable costs, and the service provided meets other conditions specified in the contract or cooperative agreement.".

Sec. 304. Chapter 307 of title 18, United States Code, is amended by deleting the first paragraph of section 4121 and inserting a new first paragraph as follows:

" 'Federal Prison Industries', a Government corporation, shall be administered by a board of six directors, appointed by the President to serve at the will of the President. Members of the board who are not employees of the Federal Government or the District of Columbia shall be paid for their services at the daily equivalent of the rate payable for GS-18 of the General Schedule in section 5332 of title 5, United States Code.".

Sec. 305. Chapter 307 of title 18, United States Code, is amended by adding the following new section:

**"§ 4129. General authorizations—Federal Prison Industries, Incorporated.**

"Federal Prison Industries, Incorporated, is authorized to make such expenditures and to make such contracts and commitments, without regard to fiscal year limitation, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase and hire of passenger motor vehicles.".

Sec. 306. Section 4204(b) of title 18, United States Code, pertaining to the United States Parole Commission, is amended by adding at the end thereof the following new subsection:

"(9) the lease or purchase of passenger motor vehicles.".

Sec. 307. Section 263a of title 22, United States Code, is amended by inserting the following at the end thereof: "The Attorney General or his designee is also authorized to make payments from Department of Justice appropriations for expenses necessary to host, at intervals of ten years or longer, the annual meeting of the General Assembly of INTERPOL and to periodically sponsor INTERPOL conferences on topics of international crime.".

Sec. 308. Section 1622d of title 22, United States Code, pertaining to the Foreign Claims Settlement Commission, is amended by adding at the end thereof the following new paragraph:

"The Commission is authorized to hire passenger motor vehicles, for field use only, and to purchase insurance for official motor vehicles used abroad. The Commission may advance funds abroad and may advance funds to other Government departments or agencies in connection with reimbursable agreements. The Commission is also author-

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ized to employ aliens abroad and, with the approval of the Secretary of State, to acquire necessary office space and living quarters abroad and to maintain, repair, furnish, and provide utilities for such properties.".

### TITLE IV

#### ADDITIONAL AUTHORIZATIONS AND REQUIREMENTS FOR FISCAL YEARS 1988 AND 1989

SEC. 401. During fiscal years 1988 and 1989:

(1) The Attorney General is authorized to accept and utilize, on behalf of the United States, any gift, donation, or bequest of real or personal property for the purpose of aiding or facilitating the work of the Department of Justice, including Federal Prison Industries, Incorporated. No gift may be accepted—

(A) that attaches conditions inconsistent with applicable laws or regulations, or

(B) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by Act of Congress.

(2) The Attorney General shall promulgate rules for accepting gifts pursuant to this provision, to ensure, among other things, that no gifts are accepted under circumstances that will create a conflict of interest for the Department of Justice.

(3) Gifts and bequests of money, as well as the proceeds from sales of property received as gifts or bequests that were not immediately usable by the Department of Justice, shall be credited to any appropriation or fund and shall remain available until expended, upon order of the Attorney General.

(4) Gifts, bequests of property, and property acquired from the proceeds credited to appropriations or funds pursuant to subsection (3), and which are no longer required by the Department of Justice for its needs and the discharge of its responsibilities, shall be reported to the Administrator of General Services for transfer, donation, or other disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

(5) Property accepted pursuant to this section and the proceeds credited to appropriations of funds pursuant to subsection (3) shall be used as nearly as practicable in accordance with the terms of the gift or bequest.

(6) For the purpose of Federal income, estate, and gift taxes, property accepted under subsection (1) of this section shall be considered as a gift or bequest to or for the use of the United States.

(7) The Attorney General shall report annually to Congress regarding all gifts that have been accepted pursuant to this section. Such reports shall specify the nature and value of any gift that has been accepted, the identity of the donor, the nature of any terms of restrictions attached to the gift, and the reasons why acceptance of the gift does not give rise to an actual or potential conflict of interest.

SEC. 402. Sums authorized to be appropriated by this Act may be used for training in the United States and abroad for foreign law enforcement personnel, with the concurrence of the Secretary of State, as a counterpart to similar training programs designed for State and local officers: *Provided*, That the Attorney General report annually to Congress regarding all training of foreign law enforcement personnel conducted by the Department of Justice pursuant to this statute; such reports shall specify the number, by country, of foreign law enforcement personnel who have received training, the foreign countries in which training has been conducted, and the nature and extent of any such training.

SEC. 403. Sums authorized to be appropriated by this Act may be used for contracting or engaging in cooperative agreements with public or private organizations or entities for the safekeeping, evaluation, treatment, care, and subsistence of persons held under any legal authority: *Provided*, That the Attorney General report annually to Congress regarding the number of private, for profit, contracts entered into for full detention services; such reports shall provide the name of the contractor, the location of the contractor's facility, the number of prisoners at each contract facility and their security level(s), and the cost and duration of each such contract.

SEC. 404. None of the sums authorized to be appropriated by this Act may be used for any activity the purpose of which is to overturn or alter the per se prohibition of resale price maintenance, in effect under the Federal antitrust laws, except that nothing in this section shall prohibit any employee of the Department of Justice from presenting testimony on this matter before appropriate committees of the House of Representatives and the Senate.

SEC. 405. (a) None of the funds provided under this Act shall be available for obligation or expenditure through a reprogramming of funds which—

(1) creates new programs;

(2) eliminates a program, project, or activity;

(3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted;

(4) relocates an office or employees;

(5) reorganizes offices, programs, or activities; or

(6) contracts out any functions or activities presently performed by Federal employees; unless the Judiciary and Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided under this Act shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $250,000 or 10 per centum, whichever is less, that:

(1) augments existing programs, projects, or activities;

(2) reduces by 10 per centum funding for any existing program, project, or activity, or numbers of personnel by 10 per centum as approved by Congress; or

(3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress, unless the Judiciary and Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 406. (a) The Attorney General shall perform periodic evaluations of the overall efficiency and effectiveness of the Department of Justice programs and any supporting activities funded by appropriations authorized by this Act and annual specific program evaluations of selected subordinate organization's programs, as determined by priorities set either by the Congress or the Attorney General.

(b) Subordinate Department of Justice organizations and their officials shall provide all necessary assistance and cooperation in the conduct of the evaluation, including full access to all information, documentation, and cognizant personnel, as required.

(c) Completed evaluations shall be made available to the Committees on the Judiciary of the Senate and House of Representatives, and other appropriate committees.

(d) If the Committee on the Judiciary of either the Senate or the House of Representatives requests the Attorney General to perform an evaluation of the kind described in subsection (a) of this section, the Attorney General shall submit to the committee making the request, not later than thirty days after the date the request is made, a design and timetable for making the requested evaluation. If the projected time period for completing the evaluation exceeds six months, the Attorney General shall, during the course of the evaluation, submit intermittent reports on the progress of the evaluation to the committee making the request.

(e) The Attorney General's annual report on Department of Justice activities shall be made available to the Committees on the Judiciary of the Senate and House of Representatives, and other appropriate committees, within six months after the end of the fiscal year to which it pertains.

SEC. 407. (a) The Attorney General shall, during the fiscal years for which appropriations are authorized by this Act, transmit a report to each House of the Congress in any case in which the Attorney General—

(1) establishes a policy to refrain from the enforcement of any provision of law enacted by the Congress, the enforcement of which is the responsibility of the Department of Justice, because of the position of the Department of Justice that such provision of law is not constitutional; or

(2) determines that the Department of Justice will contest, or will refrain from defending, any provision of law enacted by the Congress in any proceeding before any court of the United States, or in any administrative or other proceeding, because of the position of the Department of Justice that such provision of law is not constitutional.

(b) Any report required in subsection (a) shall be transmitted not later than thirty days after the Attorney General establishes the policy specified in subsection (a)(1) or makes the determination specified in subsection (a)(2). Each such report shall—

(1) specify the provision of law involved;

(2) include a detailed statement of the reasons for the position of the Department of Justice that such provision of law is not constitutional; and

(3) in the case of a determination specified in subsection (a)(2), indicate the nature of the judicial, administrative, or other proceeding involved.

(c) If, during the fiscal year for which appropriations are authorized by this Act, the Attorney General determines that the Department of Justice will contest, or will refrain from defending, any provision of law enacted by the Congress in any proceeding before any court of the United States, or in any administrative or other proceeding, because of the position of the Department of Justice that such provision of law is not constitutional, then the representative of the Department of Justice participating in such proceeding shall make a declaration in such proceeding that such position of the Department of Justice regarding the constitutionality of the provision of law involved constitutes the position of the executive branch of the United States with respect to such matter.

### TITLE V

#### TABLES OF CHAPTERS AND SECTIONS

SEC. 501. The table of sections for chapter 301 of title 18, United States Code, is amended by inserting after the item relating to section 4002 the following new item:

"4002A. Support for United States prisoners in non-Federal institutions.
"4043. Repealed.
"4044. Repealed.".

SEC. 502. The table of sections for chapter 307 of title 18, United States Code, is amended by inserting after the item relating to section 4128 the following new item:

"4129. General authorizations—Federal Prison Industries, Incorporated.".

SEC. 503. The table of chapters for part II of title 28, United States Code, is amended by inserting after the item relating to chapter 37 the following new item:

"38. General authorizations...................... 577.".

SEC. 504. The table of sections for Chapter 37 of Title 28, United States Code, is amended by deleting at the reference to section 567 the words "Expenses of marshals" and substituting in lieu thereof the word "Repealed".

SEC. 505. The table of sections for chapter 38 of title 28, United States Code, shall read as follows:

"577. General authorizations.
"578. Authorizations and exemptions available for undercover investigative operations.".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## GLASNOST AND THE PLIGHT OF SOVIET JEWRY

Mr. ROCKEFELLER. Mr. President, I rise today to lend my voice to the Congressional Call to Conscience on behalf of Soviet Jewry. Regrettably, in spite of new leadership in the Soviet Union, the right of the Soviet Jews to emigrate—a right guaranteed under Basket Three of the Helsinki Conference on Security and Cooperation in Europe—continues to be denied.

Mr. Gorbachev's rise to power in the Soviet Union in March 1985 brought with it bold new appeals for openness, creativity, and self-criticism. And, indeed, some major changes have been made.

Soviet workers are now being publicly criticized for their lack of discipline and dedication. The gates of cultural expression, closed for so long, have begun to open. Artists and writers, who, for 20 years have been forced to publish their works underground, are now experiencing their first taste of cultural and expressive freedom. Long banned works by such writers as Vladimir Maboko and Boris Pasternak are being published by the state-run printing establishment. And a group of dissidents has even been permitted to publish an unofficial journal of news and opinion—appropriately entitled "Glasnost".

Andrei Sakharov, upon his release from Gorky last December, characterized the new atmosphere of openness by saying, "Something real is happening and the situation has changed—'glasnost' is not just propaganda or window dressing."

However, we cannot allow ourselves to become so captivated by the vibrance of the new Soviet leadership that we overlook the continuing injustice committed against those who are prisoners of conscience, particularly Soviet Jews.

Unlike his predecessors, Gorbachev has talked openly about Soviet Jews. But, while Gorbachev extolls the rewarding cultural lifestyle Soviet Jews enjoy, the emigration figures reveal a somewhat different picture. During the past 2½ years of the Gorbachev regime the emigration numbers have fluctuated significantly. In 1985 only 1,140 refuseniks were granted exit visas. By 1986 the number of emigres declined to 986. Although the figures have risen to more than 3,300 during the first half of 1987, emigration regulations continue to be exceedingly restrictive.

One of the excuses most often used in denying exit visas is that of "state security." Although Gorbachev declared that a wait of 5 to 10 years should be the limit for visa applicants, those privy to state secrets, regardless of how long ago, are often permanently denied exist visas. Emigration visa denials based on claims of "state security" often belie the reality.

In 1986, Foreign Minister Schevernadze announced a new emigration policy. Under this policy, applicants must be sponsored by spouses, parents, and children or siblings living abroad. However, many applicants who fall within these guidelines are still denied permission to emigrate—most with no explanation.

Yosef Yosovich is one of those who was refused without explanation. Yosef was the chief agronomist in a collective farm until 1970. He then became an assistant director of a souvenir factory. His wife was a laboratory technician. Yosef and his family wanted to emigrate to Israel to be with Yosef's parents and brother. In March 1980, he submitted the required documents, including the invitations from his relatives living in Israel. The family waited 1 year for a response, but none came. When Yosef inquired as to the status of his application, he was told that if he had not received an answer it meant he had been refused. No explanation was given and he was told not to trouble himself by making further inquiries. To this day the Yosoviches are waiting to be reunited in Israel.

The case of Yosef Yosovich is not atypical. It is an all too common and tragic situation for those who desire to leave the Soviet Union. The new face of Gorbachev's Russia should not hide the fact that the Soviet Union continues to deny fundamental and internationally recognized human rights. Therefore, it is important that we in Congress continue to pressure the Soviet Government and let those who are prisoners of conscience know that their plight remains very much on our minds.

And it is not only in Congress that concern for the plight of Soviet Jewry is registered. As a gesture of concern and solidarity, Mr. and Mrs. Paul Sherman of Charleston, WV, symbolically paired the Bar Mitzvah of their son, Jack, with the Yosoviches' son, Igor, on May 23, 1987. This was but one of many similar outpourings of concern on the part of Americans across the Nation.

Glasnost has, indeed, opened some new doors for the Soviet Union. However, the touchstone of an open society remains the freedom of choice. Whether Gorbachev's Russia is making true strides toward greater openness is yet to be seen. Actions speak louder than words, and increased emigration is one action that can give real meaning to a new direction in the Soviet Union.

Mr. President, an excellent article on the subject of "glasnost" and the Soviet Jewry by Jim Hoagland appeared in today's Washington Post. I ask unanimous consent that it appear in the RECORD immediately following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 31, 1987]

### LOOSENING THE CHAINS

(By Jim Hoagland)

Moscow.—By loosening the chains that hold his nation's intellectuals in thrall, Mikhail Gorbachev has gained vital support from Soviet writers, editors, scientists and even dissidents in rallying public opinion. This implicit bargain is the political essence of *glasnost*.

But it is far from being the whole story of *glasnost*, a story in which chains that are slightly loosened can too easily become more newsworthy than the chains the dictatorship keeps tightly in place.

To understand that more fully, sit down at the dining room table of Valery Soyfer, professor of molecular biology, refusenik and engaging host. On hand is a friend of Soyfer, also a brilliant scientist and also Jewish.

Soyfer proudly discloses that he received a phone call a few days ago for which he had waited nearly a decade. His once-taboo manuscript detailing the bastardization of Soviet science under Stalin political henchman, T.D. Lysenko, is finally on its way to being published.

Under prodding from his friend, Soyfer acknowledges that this could not have happened without the spirit of national debate and criticism that Gorbachev has encouraged as the core of *glasnost*, which is usual-

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ly if inadequately translated as openness. "It is true he has put normal people with normal mentality in some positions," Soyfer says grudgingly.

"When the journals ask me to do articles about what's wrong with our scientists," the friend reports, "they say now they want me to write stronger, to hit harder at officials than I have." The friend declines to do so for the same reason that he did not permit his name to be used in this column. He does not want to endanger his strong position on the academic fast track here.

"It means that self-censorship is replacing censorship," the friend, now prodded by Soyfer, concedes. "These are powerful people in science, and who knows if you will always be protected against them if you criticize them too much?"

Adding to the friend's reluctance to make waves is a conviction that *glasnost* includes a commitment by Gorbachev to oppose official anti-Semitism. "I know this, Valery, I see the promotions that are happening and are going to happen," he says to a profoundly disbelieving Soyfer.

Soyfer, who is 50, jumped off the science fast track nearly 10 years ago by applying to emigrate from the Soviet Union. He quickly lost his job and opportunities to publish his views here. The prospect that his Lysenko manuscript will be published is almost as dramatic a reversal as the release last January of Andrei Sakharov from internal exile.

For Soyfer, glasnost will remain a dangerous illusion until the refuseniks—people who visibly challenge the official refusal of their application to emigrate to Israel or other countries—are let go. Until then, he refuses to join his friend and Sakharov in viewing Gorbachev's changes as genuine.

"Perhaps I would begin to believe there was real change if they would just start telling the truth about refuseniks," Soyfer says. "They make up ridiculous stories that we came into contact with state secrets and that is why we can't leave, but they won't say how long we have to wait before these secrets are useless."

Soyfer gently criticizes foreign correspondents based in Moscow for not testing and identifying the limits of glasnost through their dispatches. The litmus test for him, obviously enough, is what they say, and don't say, about the refuseniks.

His point reflects one of the sharpest dilemmas that western correspondents face in Gorbachev's changing Soviet Union. In the 1970s, journalists here tended to exaggerate the importance of Soviet dissidents, in part because they were dramatic copy and they were accessible at a time when few other Soviets were.

Today, the daily drama is in the avalanche of changes that Gorbachev has rolled down onto domestic and foreign policies. Officials who understand the premium that their leader attaches to public opinon in the West are slowly opening up to reporters. In all of this, the continuing story of the refuseniks and the tight police control of the society tends to get lost in the shuffle.

Gorbachev's reforms are perhaps the most far-reaching changes that the West could hope for in the Soviet Union today. But it is likely that these are efforts to make the heavy chains Soviet citizens wear more comfortable, and less visible, rather than to lift them completely. Letting Valery Soyfer and the other refuseniks go would help prove that judgment wrong.

## WAR HERO SENATOR NOW

Mr. DOLE. Mr. President, on July 29 the Chicago Tribune ran a profile of freshman Senator John McCain of Arizona entitled "The War Hero is a Senator Now."

The piece outlined the Senator's personal history—including the fact that one of his ancestor's served on the staff of Gen. George Washington during the Revolutionary War. But the focus of the story was on John McCain's "5½ brutal, painful, dehumanizing years as a prisoner of war" and the impact that experience has had on his life and career.

Senator McCain's story is an inspiring one. He has and continues to serve this country with distinction. I ask that the full text of the Chicago Tribune story be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Chicago Tribune, July 29, 1987]

### THE WAR HERO IS A SENATOR NOW

### EX-POW JOHN MCCAIN CAN SEE "IRANGATE" AS FEW OTHERS COULD

(By Michael Kilian)

Washington.—Bemedaled marines testifying before congressional investigating committees under limited immunity from prosecution are not the only Vietnam War heroes to be found on Capitol Hill these days.

More than a dozen combat veterans of the war have been elected to Congress. One of the most admired of them, who last year won the Senate seat vacated at the retirement of Barry Goldwater, is an Arizona Republican who also served alongside Adm. John Poindexter—not as a document shredder but as a fellow student in the Class of 1958 at the Naval Academy at Annapolis, Md.

He is John Sidney McCain III, a former Navy combat pilot who was awarded the Silver Star, the Bronze Star, the Distinguished Flying Cross, the Purple Heart and the Legion of Merit. His tour in Vietnam was extended by 5½ brutal, painful, dehumanizing years as a prisoner of war, courtesy of the North Vietnamese, a Soviet surface-to-air missile and his own unwillingness to gain freedom by handing the enemy a propaganda coup.

His experience in Vietnam provides him with an unusual insight into the impulses that led to the Iran-contra scandal, particularly the beliefs of people such as Marine Lt. Col. Oliver North. He says North and people like him were profoundly affected by their experiences in a war they believe they could have won were it not for untrustworthy politicians.

The senator named after two other John Sidney McCains, his father and grandfather, both famous seadogs who rose to flag rank and high command. The senator all but certainly would have become an admiral also but was medically retired from the service in 1981 with the rank of captain because of the crippling injuries he suffered from being shot down, imprisoned and tortured.

As he noted ruefully, he bears the "dubious distinction" of being the most injured pilot to have survived the North Vietnamese prison camps.

"I can't bend this knee," he said, demonstrating this fact in a recent interview in his Russell Building office. "And this knee is pretty banged up, too. I can't lift this arm."

He shrugged as best he could.

A friendly, easy-going man soon to turn 51, at 5 feet 9 inches he is carrying too much weight, and his hair has thinned and turned silver. He moves with obvious discomfort. But he considers himself lucky.

"A lot of my comrades never got a second chance to serve their country," he said sadly.

Already a highly influential member of the Senate Armed Services Committee, McCain previously served two terms in the House and in his final military years, as the Navy's liaison with the Senate.

As a senator he has won a reputation as the sailor's, soldier's and airman's friend, willing to stand up to the Reagan administration in arguing against the deployment of marines in Lebanon and taking on top Pentagon brass in opposing controversial pet weapons systems.

McCain comes from one of the most military families in America. An ancestor, Capt. William Young, served on the staff of Gen. George Washington in the Revolutionary War. As the oldest surviving son of his father, who died the year McCain got out of the Navy, he has assumed the family's place in the Society of the Cincinnati, whose members must be descendants of Washington's officers and is about as exclusive an organization as there is.

Settling in Mississippi, McCain's family throughout most of the nation's history produced generals and admirals practically every generation, including some of the leading commanders in the Civil War and World Wars I and II. His oldest son, Doug, is a Navy lieutenant junior grade who flies A-6 attack bombers.

His grandfather, the first John Sidney McCain, became commander of all aircraft carriers in the Pacific under legendary Adm. William "Bull" Halsey. He stood with Halsey and other World War II leaders in the front rank of those present at the Japanese surrender aboard the battleship Missouri. The grandfather then returned stateside, where shortly after a welcome-home party he suffered a heart attack and died. McCain speaks of him reverently:

"He was a very colorful guy," the senator said. "Very non-reg. Very profane. He rolled his own cigarettes with one hand. He, Halsey and [Adm. Chester] Nimitz were all at the Naval Academy at the same time. These guys all knew each other. When the selection boards met, they didn't look at the record. They just asked who was eligible for promotion. That leadership—the classes of '04, '05, '06, '07—they were all admirals when the war broke out. They all fought together. There was a very close relationship."

A destroyer and a naval-air facility were named for the grandfather. McCain recalled that Halsey was the main speaker at the destroyer's launching in 1952.

"He stood up and started talking about my grandfather. At this time, his [Halsey's] health was very poor. He only spoke for a few minutes. He started crying. Tears started coming out of his eyes. He said, 'I just can't talk about him anymore.'"

McCain's father, whom an acquaintance recently described as "so salty you got seasick talking to him," was a submariner. As crusty and irreverent as the grandfather, he was put into what hitherto had been a retirement job as a naval representative on the staff of the United States delegation to the United Nations. But he took the post so seriously and performed so ably that he won further promotion and eventually became commander in chief of U.S. naval forces in the Pacific in 1968, at the height of the Vietnam War.

By then, his son had been a POW for nearly a year. As a propaganda gesture, the North Vietnamese offered the young pilot an early release. He refused, to deprive his captors of a propaganda opportunity, and suffered for it terribly. He calls it his lowest time as a captive.

The senator said he never had a choice about entering the service.

"It wasn't that I was forced into it. It was just an assumption since I was a very young man. I was a child of the '50s. It was a decade later that men started questioning their future."

He said he turned to naval aviation because it seemed so glamorous, noting that nearly all of his classmates who were able to pass the rigorous physical examination did the same.

McCain, however, was as "non-reg" as his father and grandfather and collected so many demerits for such indiscretions as sneaking out for beers after lights-out that he ended up graduating fifth from the bottom of his class. Fellow midshipman Poindexter, whom superiors later described as perhaps the Pentagon's consummate bureaucrat, graduated at the very top.

The senator got to Vietnam in 1967, flying hardy A-4 Skyhawk attack bombers from the carrier Forrestal. On July 29 of that year, while McCain was in the cockpit awaiting takeoff, a rocket from another plane misfired and hit his fuel tank, starting fires and explosions that killed 130 men. McCain escaped, but the carrier was so badly damaged it had to return to the U.S. for repairs.

But a sister ship, the carrier Oriskany, was short of pilots and asked for volunteers. Despite what he had just experienced, McCain was among the first to raise a hand.

He flew mostly bombing raids similar to those in the short story and movie "Bridges at Toko-ri"—tough, low-level attacks at painfully slow speeds. Three months later, on his 23d mission, the first against a target within the city limits of Hanoi, his plane was hit by a missile. The right wing was blown off, and the A-4 went into a screaming dive.

Ejecting from the plane under nearly impossible circumstances, McCain suffered severe fractures of his right leg and arm, and his left shoulder was dislocated. Captured after parachuting into a lake, he was treated to rifle-butt blows and bayonet stabs, then thrown into a cell without medical attention. Though the North Vietnamese subsequently allowed not-very-successful operations on his leg, his arm was left to heal itself.

He was beaten regularly and tortured during the rest of his imprisonment, especially after his refusal of early release but also for such transgressions as tapping code messages to other POWs and declining to meet with American antiwar activists touring North Vietnam.

He was among the third group of American POWs to be released after the Paris talks brought an "honorable peace" to the conflict in 1973. He weighed less than 100 pounds. His hair had gone white. Though he has written about his experience, he speaks somewhat haltingly about it.

A photograph taken by a visiting Frenchman a short time after his capture speaks eloquently. McCain's face bears the haunting expression known in the military as "the 1,000-yard stare." It has been seen frequently on the faces of combat men shortly before their deaths.

McCain returned to Vietnam in 1985 in the company of CBS' Walter Cronkite and a camera crew preparing a broadcast marking the 10th anniversary of the fall of Saigon. He found that a monument had been erected in the lake where he was captured commemorating that event. A photo of the monument hangs above his desk.

"They got nearly everything wrong," he said, including his name. "The greatest insult of all—it says, 'USAF.' They say they captured 'the American Air Pirate *Major* John McCain.'"

He was a Navy lieutenant commander at the time.

McCain noted that the Vietnamese people who gathered around them treated him as more of a celebrity than Cronkite.

The former POW, who said his main interest in making the trip was to bring visibility to Americans still listed as missing in action, added that he was able to visit the prison where he had suffered for so many years.

"I didn't have a particularly emotional experience," he said. "I went into the cell I had been in. I made sure they didn't close the door."

As happened to a number of Vietnam War POWs, McCain was divorced from his first wife, Carol, in 1980. They had been married since 1965, and he had adopted her two sons from a previous marriage, Doug and Andy. A daughter, Sidney Ann, was born in 1966 and now attends North Carolina State University.

Shortly before his medical retirement from the Navy, he accompanied members of the Senate on a Pacific trip and was a guest at a reception in Hawaii. It was there he met his second wife, Cindy. They now have two children—Meghan, 2½, and Jack, 1.

Born in the Panama Canal Zone, McCain grew up and lived as an adult all over the country—and planet. Upon retirement, he decided to move to his new wife's home state of Arizona, taking a job with his father-in-law's beer distributorship.

But his work with the military and Congress had fostered a desire for further public service. Though warned he was being overly ambitious, he decided to run in 1982 for the congressional seat of House Minority Leader John Rhodes, who was retiring. He was elected with 66 percent of the vote and re-elected in 1984 with 78 percent. His Senate victory last year came despite substantial Democratic gains in the rest of the country.

Despite his terrible wartime experiences and significant subsequent achievements, he is unassuming, soft-spoken and given to punctuating his statements with quiet laughter.

But he can be fiercely independent. His votes in Congress sided with President Reagan 80 percent of the time in 1983 but only 68 percent of the time in 1985.

He called for the withdrawal of the "peacekeeping" force of marines Reagan had dispatched to Lebanon in 1983.

"It is said we are there to keep the peace," he said on the House floor. "I ask, what peace? It is said we are there to aid the government. I ask, what government?"

When the administration quietly tried to transfer $28 million from a program that provides food for the needy to pay for raises for Agriculture Department appointees earlier this year, McCain discovered the move in budgetary fine print and introduced legislation to block it.

While highly critical of Democratic opposition to American involvement and activities in Central America, McCain has urged the White House to switch from its effort to overthrow the Nicaraguan Sandinistas to one of bringing pressure to bear to restore the democratic process and human rights in that country.

Despite all the flag-waiving going on in Congress, McCain hardly condones all the actions that took place in the National Security Council basement in the Iran-contra affair. According to some reports, he urged his classmate Poindexter not to become the first admiral in history of the Navy to take the 5th Amendment.

He said the most disturbing aspect of the Iran-contra affair and the congressional reaction to it is how much it represents the ultimate breakdown of cooperation between the executive and legislative branches on the formulation and implementation of foreign policy. A breakdown that began during the Vietnam War has been marked by increasingly rampant and dangerous leaking of information about covert operations, he argued.

He complained that some members of Congress now attempt to halt or change presidential policy by threatening to leak sensitive information to the press and public.

McCain said he could understand why former NSC assistant Lt. Col. Oliver North did the things he did—understanding perhaps as few other members of Congress can.

"I admire him as an American and as a soldier," the senator said after a thoughtful pause. "I would suggest that he would not have made some of the mistakes he made if he had not been given the latitude to do so."

After another pause, he said: "I made the statement a couple of days ago that I felt some officers were affected—severely affected—by their experience in combat in the Vietnam War when they perceived that their elected leadership had deprived them of the opportunity for victory in Vietman.

"I was a pilot. It's vastly different. But some of these people like Ollie North, who saw their comrades and friends spill blood and die on the battlefields in a war that they believe the politicians wouldn't let them win—I think that leads to a mine-set which could rationalize deviating from the established rules and regulations."

## THE CRUEL KINDNESS OF THE MINIMUM WAGE

Mr. HATCH. Mr. President, the Labor and Human Resources Committee has been holding hearings on S. 837, a bill introduced by our colleague from Massachusetts, Senator Kennedy. The bill would increase the minimum wage nearly 40 percent over the next 3 years and thereafter would index the minimum wage to one-half the average hourly wage.

This is a tough issue, Mr. President, because the minimum wage is often perceived as symbol of our concern for the working poor. It is tough, Mr. President, because we all want to help those who are trying earnestly to help themselves. The difficulty is that this legislation not only fails in that goal, it also sacrifices hundreds of thousands of job opportunities for those

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who most need the experience and the training.

There is considerable economic research indicating the serious negative ramifications of such legislation as well as the ineffectiveness of the minimum wage as a means to help those in poverty. Though the estimates of disemployment vary, the plain fact is that someone has to pay for these wage increases. The losers are most likely going to be those people we are ostensibly trying to help—which is reason enough to question the wisdom of this approach to helping them get ahead.

Mr. President, I would like to call Senators' attention to the column by James J. Kilpatrick which appeared in the Washington Post on July 15, 1987, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 15, 1987]

### THE "CRUEL KINDNESS" OF THE MINIMUM WAGE

(By James J. Kilpatrick)

Joann Peters, 18, is an attractive young woman, not overly endowed in the brains department, who was graduated a few weeks ago from her smalltown high school. She has no great interest in college and no funds for tuition. She is living at home with her mother and a younger brother. Her mother earns $9,360 a year as an ironer in a local laundry.

James Kennon, 41, is manager of the Steamboat restaurant at 23rd and Main streets. His franchised fast-food operation is in heavy competition with the Sizzlin' Steak and the Happy Crab. Kennon works seven days a week, but his food costs are rising and his rent just went up. In slow weeks he has a tough time meeting his payroll.

The Steamboat now employs 10 persons per shift at the minimum wage of $3.35 an hour and two others at $4 an hour. This figures out to labor costs of $41.50 an hour or $332 for an eight-hour shift. He really could use an 11th worker to clear tables and wash dishes, but he hesitates to add to his payroll when his margin of profit is so small.

Very well, Joann Peters and James Kennon, meet Sen. Edward Kennedy. The gentleman from Massachusetts is about to complicate your lives. He and Rep. Augustus Hawkins (D-Calif.) are pushing hard for a bill to increase the minimum hourly wage in 1988 from $3.35 to $3.85. It would mandate a minimum of $4.65 in 1990.

Joann would like to work at the Steamboat. Jim Kennon would like to hire Joann. This would be her first job, and there's an opening on the floor. She's good-hearted but a little careless; she needs the experience of holding a job and showing up on time. All of us know such Joanns.

But this is how Jim Kennon looks at it: the Kennedy-Hawkins bill would require him to pay his 10 lowest-level employees $3.85 an hour, or $38.50 per day. The two cooks would have to be raised to $4.50 an hour to preserve a reasonable differential. If he keeps everyone employed, he is now looking at labor costs of $380 a shift, two shifts a day, compared with his present $332 a shift. He is looking at added labor costs of $35,000 a year, with no increase in productivity or service.

Goodbye, Joann, and tough luck, kid. Instead of 10 full-time hired hands at $3.35, Kennon will hire eight persons full-time and one to work six hours a shift at the required $3.85. Assuming the raise of 50 cents an hour for the cooks, the Steamboat will now have labor costs of $341.50 per shift. The manager will be spending roughly $7,000 more a year for labor, he will have nothing to show for it, and Joann will be just kind of, you know, hanging around home.

The example is hypothetical, of course, but this is how the real world works. In the idealistic world of Kennedy and Hawkins, an increase in the statutory minimum wage is a great thing for the poor folks. Don't you believe it. Every study that has been made of the economic "benefits" of a higher minimum wage demonstrates that an increase harms the very class of unskilled workers it is intended to help.

Who are these workers on minimum wage? The Department of Labor says there are about 5 million of them, of whom 3 million are in the 16-to-24 age bracket. Nearly 40 percent are teen-agers. Two-thirds are women. Only about 1.7 million work full-time; the rest work part-time.

For the great majority, a minimum wage job is their first job. It's the bottom rung for persons who lack higher education and sophisticated skills. Clearing tables at the Steamboat may not sound like much, but it marks the beginning of real-world responsibility. Here the willing Joanns have an opportunity to earn an honest wage, to acquire experience, and to demonstrate to the Jim Kennons that they have the ambition and the personality to move up.

Kennedy and Hawkins, with the very best intentions, suppose that a higher minimum wage will reduce welfare costs and lower the number of families at the so-called poverty level. No evidence supports this surmise. On the contrary, for every increase of 10 percent in the minimum wage, we may anticipate a loss of 80,000 to 240,000 jobs for teenagers.

Grammarians define an "oxymoron" as a combination of contradictory words. The example usually given is "cruel kindness." That says all that needs to be said of the Kenndey-Hawkins bill.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## UNITED STATES ARCTIC RESEARCH PLAN: MESSAGE FROM THE PRESIDENT—PM-57

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs:

*To the Congress of the United States:*

In accordance with Section 109 of Public Law 98-373, the Arctic Research and Policy Act of 1984, I transmit herewith the United States Arctic Research Plan. It is submitted on behalf of the Interagency Arctic Research Policy Committee, which is chaired by the National Science Foundation. The Plan was developed in consultation with the Arctic Research Commission, the Governor of the State of Alaska, residents of the Arctic, the private sector, and public interest groups. It is a comprehensive statement of national needs and priorities in the areas of national security, rational resource development, and acquisition of new scientific knowledge in the Arctic. As noted in the report, the Plan is intended to serve as a guide to the Federal agencies as they plan and perform their Arctic programs and missions; it is not intended to be a commitment by the Administration.

RONALD REAGAN.

The White House, *July 31, 1987.*

## PRESIDENTIAL APPROVALS

A message from the President of the United States announced that the President has approved and signed the following joint resolutions:

On June 29, 1987:

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day."

On July 6, 1987:

S.J. Res. 117. Joint resolution designating July 2, 1987, as "National Literacy Day."

On July 10, 1987:

S.J. Res. 15. Joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month";

S.J. Res. 51. Joint resolution to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week"; and

S.J. Res. 75. Joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week."

On July 15, 1987:

S.J. Res. 138. Joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival-1987 Celebration", and to designate July 17, 1987, as "U.S. Olympic Festival-1987 Day."

On July 20, 1987:

S.J. Res. 85. Joint resolution to designate the period commencing on August 2, 1987, and ending on August 8, 1987, as "International Special Olympics Week", and to designate August 3, 1987, as "International Special Olympics Day."

On July 24, 1987:

S.J. Res. 88. Joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week."

On July 28, 1987:

S.J. Res. 160. Joint resolution to designate July 25, 1987 as "Clean Water Day."

On July 31, 1987:

S.J. Res. 76. Joint resolution to designate the week of October 4, 1987, through October 10, 1987, as "Mental Illness Awareness Week."

## MESSAGES FROM THE HOUSE

At 1:23 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that pursuant to the provisions of House Resolution 235, the bill of the Senate (S. 829) entitled "An Act to authorize appropriations for the United States International Trade Commission, the United States Customs Service, and the Office of the United States Trade Representative for fiscal year 1988, and for other purposes," is respectfully returned to the Senate.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1414. An act to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for liability and indemnification for nuclear incidents.

## MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1414. An act to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for liability and indemnification for nuclear incidents.

## PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated.

POM-271. A joint resolution adopted by the Legislature of the State of Alabama favoring support for the Department of Agriculture'a Africanized Bee Barrier Proposal; to the Committee on Appropriations.

"H.J. RES. 359

"Whereas, the Africanized bee quickly supplanted European stock, expanding their range 200 to 300 miles a year from the original epicenter in Brazil (1957), and have now reached Guatemala and are soon to cross over into Mexico if this has not already occurred; and

"Whereas, leading scientific experts have indicated that, if the Africanized bee continues to advance as predicted, it will be in the United States by 1990; and

"Whereas, studies in Venezuela, Colombia, and Central America found that the bee has retained virtually all of its African characteristics as it has spread; and

"Whereas, the Africanized bee has the potential to have a devastating impact on Alabama's agricultural industry and to threaten public health and safety; and

"Whereas, Alabama ranks high in the nation in honey production; and

"Whereas, assuming pure European stock can still be produced in Alabama after Africanized bees become established, research has shown that the European bees may be unable to compete with a potentially high density of wild Africanized bees foraging on the limited pollen and nectar sources; and

"Whereas, Africanized bees could have a serious effect on the commercial beekeeping industry for queen and package bee production as well as honey production; and

"Whereas, a substantial number of cases have been reported in which animals and people have been severely or fatally stung because of the abundance and special behavioral characteristics of the Africanized bee; and

"Whereas, the public could encounter Africanized bees in the form of wild colonies and swarms in urban and suburban areas as well as rural areas where increased incidences of stinging could occur; and

"Whereas, public awareness programs, as well as continuous permanent programs to control wild colonies of Africanized bees would need to be established by public agencies at a great expense to the taxpayer; and

"Whereas, to date, the Africanized bee has not been eradicated from any area in which it has become established; and

"Whereas, the United States Department of Agriculture's Agriculture Research Service and Animal and Plant Health Inspection Service have developed the Africanized Bee Barrier Proposal not as the ultimate solution, but as a way to provide our scientists with the time needed for research to be completed to provide a long-term genetic solution; and

"Whereas, recent sightings indicate that the Africanized bee has migrated up to the barrier point proposed by the United States Department of Agriculture which may make any delay in implementing the barrier proposal more hazardous: Now, therefore, be it

"*Resolved by the Legislature of Alabama, both houses thereof concurring,* That we respectfully memorialize the President and the Congress of the United States to give their full support to the speedy implementation of the United States Department of Agriculture's Africanized Bee Barrier Proposal by appropriating the funds necessary from the department's current 1986-87 budget: Be it further

*Resolved,* That we respectfully memorialize the legislatures of the States of Arizona, Florida, Illinois, Kansas, Louisiana, North Carolina, Ohio, South Carolina and Texas to act expeditiously in memorializing the President and the Congress of the United States to give their full support to the speedy implementation of the United States Department of Agriculture's Africanized Bee Barrier Proposal.

"*Resolved Further,* That the Clerk of the House of Representatives transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from Alabama in the Congress of the United States, and to the respective leaders of the legislatures of the States of Arizona, Florida, Illinois, Kansas, Louisiana, North Carolina, Ohio, South Carolina and Texas."

POM-272. A joint resolution adopted by the Legislature of the State of California; to the Committee on Energy and Natural Resources:

ASSEMBLY JOINT RESOLUTION NO. 12

"Whereas, United States Secretary of the Interior Donald P. Hodel has announced new revisions to a proposed five-year offshore oil and gas leasing plan for California; and

"Whereas, Secretary Hodel's proposals were immediately criticized by several members of California's congressional delegation, including both of the state's senators; and

"Whereas, As recently revised, the five-year plan would open to development about 6,450,000 acres—about 13 percent of the total California offshore area—which had been excluded from drilling by a congressional moratorium that expired in 1985; and

"Whereas, The fields opened to development under the plan would provide for the nation's energy supply for no more than, and possibly many fewer than, 39 days; and

"Whereas, The proposed five-year plan has been released against a backdrop of growing public concern and local actions affecting the process of offshore oil and gas development and regulations; and

"Whereas, Voters in a number of California coastal communities have overwhelmingly approved initiatives to limit onshore support facilities for offshore oil and gas development; and

"Whereas, California Department of Fish and Game statistics for 1982 indicate California fishermen earned two hundred forty-one million dollars ($241,000,000) and the commercial fishing industry and related industries contributed approximately seven hundred twenty-five million dollars ($725,000,000) to this State's economy in 1982; and

"Whereas, Some twenty-two billion five hundred million dollars ($22,500,000,000) are spent annually by tourists in California coastal communities, and studies conclude that offshore oil and gas development has a negative effect on tourist expenditures; and

"Whereas, The Department of the Interior proposal continues to reject the need for the inclusion in the five-year plan of protective provisions requiring that offshore oil and gas development activities comply with onshore air quality standards, the ability to demonstrate oil spill preparedness, and limitations on ocean discharges of drilling muds and other material from offshore operation; and

"Whereas, The offshore oil and gas development plan fails to require the transport of any produced oil by pipeline, the safest method from the standpoint of oil spill prevention and protection of air quality; and

"Whereas, Migratory animals such as ducks, geese, whales, and sea lions feed and rest in California's coastal wetlands in large enough numbers to make these wetlands irreplaceable habitat areas; and

"Whereas, California's multi-billion dollar tourist industry has considerable national significance and is in large part dependent on a spectacular, highly scenic, and world renowned shoreline which demands a sensitive and carefully planned offshore energy development program; and

"Whereas, The offshore oil and gas development plan fails to assure the protection of unique and sensitive coastal environments, as well as of endangered and sensitive species, such as the elephant seal and other marine mammals, and is particularly inadequate with respect to lease tracts adjacent to state-designated areas of special biological significance for national marine sanctuaries: Now, therefore, be it

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*"Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature of the State of California urges the United States Secretary of the Interior to revise the proposed five-year offshore oil and gas leasing plan for California so that this state's coastal environment may be more effectively preserved; and be it further

*"Resolved,* That the Legislature urges the Congress of the United States to enact appropriate legislation in protection of California's coastal environment; and be it further

*"Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the United States Secretary of the Interior, to the Speaker of the United States House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-273. A petition from a citizen of New York, NY, praying for a redress of grievances; to the Committee on the Judiciary.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation and the Committee on Labor and Human Resources, jointly, with an amendment:

S. 1196. A bill to provide for the enhanced understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the National Sea Grant College and by initiating a Strategic Coastal Research Program, and for other purposes (Rept. No. 100–135).

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Report to accompany the bill (S. 887) to extend the authorization of appropriations for and to strengthen the provisions of the Older Americans Act of 1965, and for other purposes (Rept. No. 100–136).

By Mr. BENTSEN, from the Committee on Finance, without recommendation without amendment:

S. 549. A bill to remedy injury to the United States textile and apparel industries caused by increased imports.

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

William D. Hutchinson, of Pennsylvania, to be U.S. circuit judge for the third circuit;

Anthony J. Scirica, of Pennsylvania, to be U.S. circuit judge for the third circuit;

T.S. Ellis III, of Virginia, to be U.S. district judge for the eastern district of Virginia;

Charles R. Wolle, of Iowa, to be U.S. district judge for the southern district of Iowa;

Robert H. Edmunds, Jr., of North Carolina, to be U.S. attorney for the middle district of North Carolina for the term of 4 years; and

Jesse R. Jenkins, of North Carolina, to be U.S. marshal for the western district of North Carolina for the term of 4 years.

By Mr. PELL, from the Committee on Foreign Relations:

Nicholas Platt, of the District of Columbia, a career member of the Senior Foreign Service, class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of the Philippines (Exec. Rept. 100–4).

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Nicholas Platt.

Post: Manila.

Contributions, amount, date, and donee:

1. Self, $100, 10/11/84, Mike Strang/Congress.
2. Spouse, $200, 10/08/86, Mike Strang/Congress.
3. Children and Spouses: Adam, none; Oliver, none; Nicholas Jr., none.
4. Parents: Geoffrey Platt, deceased; Helm Choate Platt, deceased.
5. Grandparents: Cora Choate, deceased; Joseph Choate, deceased, Charles Platt, deceased; Eleanor Platt, deceased.
6. Brothers and Spouses:

Geofrey Platt, Jr.:

1982—10/21, $25, Les Aucoin for Congress.

1984—6/5, $100, Mike Strang for Congress.

1984—10/14, $10, Mike Strang for Congress.

1984—10/30, $100, Colorado Republican Party.

1986—3/2, $100, Colorado Republican Party.

1986—10/26, $50, Kramer '86 Committee.

Hope Platt:

1984—8/24, $200, Mike Strang for Congress.

1985—12/27, $200, Mike Strang for Congress.

1986—10/3, $200, Mike Strang for Congress.

7. Sisters and Spouses: Penlope Platt Littell, deceased; Walter Littell, none.

Richard Noyes Viets, of Florida, a career member of the Senior Foreign Service, class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Portugal (Exec. Rept. N. 100–5).

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Richard Noyes Viets.

Post: Lisbon, Portugal.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses: Alexandra, none; Katrina, none; Marynka, none.
4. Parents: Natalie N. Viets, none; John B. Viets, deceased more than five years.
5. Grandparents: Both sets of grandparents deceased more than five years.
6. Brothers and spouses: John B. Viets, Jr., none; Breck T. Viets, none.
7. Sisters and spouses: None.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KENNEDY (for himself, Mr. Weicker, Mr. Stafford, Mr. Gore, Mr. Simon, Mr. Cranston, Mr. Wirth, Mr. Kerry, and Mr. Riegle):

S. 1575. A bill to amend the Public Health Service Act to establish a grant program to provide for counseling and testing services relating to acquired immune deficiency syndrome and to establish certain prohibitions for the purpose of protecting individuals with acquired immune deficiency syndrome or related conditions; to the Committee on Labor and Human Resources.

By Mr. HELMS:

S. 1576. A bill to amend the Internal Revenue Code of 1986 to repeal the income taxation of corporations, to impose a 10-percent tax on the earned income (and only the earned income) of individuals, to repeal the estate and gift taxes, and for other purposes; to the Committee on Finance.

By Mr. METZENBAUM (for himself, Mr. Heinz, Mr. Glenn, Mr. Specter, Mr. Levin, Mr. Riegle, Mr. Byrd, Mr. Heflin, Mr. Shelby, Mr. Lugar, Mr. Bumpers, Mr. Inouye, Mr. Durenberger, Ms. Mikulski, Mr. Rockefeller, Mr. Boschwitz, and Mr. Sarbanes):

S. 1577. A bill to extend certain protections under title 11 of the United States Code, the Bankruptcy Code, by unanimous consent, placed on the calendar.

By Mr. STEVENS:

S. 1578. A bill to amend chapter 83 of title 5, United States Code, to provide civil service retirement credit for service performed under the Railroad Retirement Act, and for other purposes; to the Committee on Governmental Affairs.

By Mr. KENNEDY (for himself, Mr. Dodd, Mr. Matsunaga, and Mr. Pell):

S. 1579. A bill to amend the Public Health Service Act to revise and extend the Block Grant Program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WALLOP (by request):

S. 1580. A bill to amend the medical assistance program under title XIX of the Social Security Act to limit Federal financial participation in State program and administrative expenditures, to increase State flexibility to administer the State program, to make additional administrative improvements, and for other purposes; to the Committee on Finance.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WALLOP:

S. Res. 262. Resolution to amend the Standing Rules of the Senate to provide that no tax increase may be enacted except with the approval of two-thirds of the Senators present and voting; to the Committee on Rules and Administration.

S. Res. 263. Resolution relative to the enrollment of certain appropriations bills; to the Committee on Rules and Administration.

S. Res. 264. Resolution to amend S. Res. 400 (94th Congress), a resolution establishing a Select Committee on Intelligence; to

the Committee on Rules and Administration.

S. Res. 265. Resolution to amend paragraph 1 of rule XVI of the Standing Rules of the Senate; to the Committee on Rules and Administration.

By Mr. GLENN (for himself, Mr. Bradley, Mr. Cranston, Mr. Pell, Mr. Helms, Mr. Quayle, Mr. Moynihan, Mr. Kennedy, Mr. Humphrey, Mr. Kerry, Mr. Hatfield, Mr. Boschwitz, Mr. Simon, Mr. Adams, Mr. Mitchell, Mr. Sarbanes, Mr. Sanford, Mr. Proxmire, and Mr. Graham):

S. Res. 266. Resolution expressing the sense of the Senate on future United States assistance to Pakistan; considered and agreed to.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY (for himself and Mr. Weicker, Mr. Stafford, Mr. Gore, Mr. Simon, Mr. Cranston, Mr. Wirth, Mr. Kerry, and Mr. Riegle):

S. 1575. A bill to amend the Public Health Service Act to establish a grant program to provide for counseling and testing services relating to acquired immune deficiency syndrome and to establish certain prohibitions for the purpose of protecting individuals with acquired immune deficiency syndrome or related conditions; to the Committee on Labor and Human Resources.

### AIDS FEDERAL POLICY ACT OF 1987

● Mr. KENNEDY. Mr. President, I am proud to join my colleagues in the Senate and House in sponsoring this critically important bipartisan legislation. Senators Weicker and Stafford will join me in introducing a companion bill today in the Senate.

AIDS is a public health emergency of unprecedented severity and complexity. It is a threat to millions of Americans—to men and women, black and white, young and old. What is most dangerous about this enemy is its ability to conceal itself. The overwhelming majority of people carrying the AIDS virus do not know that they are infected. The principal allies of this devious killer are ignorance and fear—ignorance by those who are infected; ignorance by far too many Americans about how AIDS is and is not transmitted; fear of death, fear of infection; fear of the unknown. And for those who have the disease or carry the virus, there is the fear that they will be isolated, abandoned and discriminated against if others become aware of their predicament. In too many instances, these kinds of fears are coming true today.

As long as ignorance, fear and discrimination are permitted to persist, America will be battling AIDS in the dark. We cannot afford to continue to allow the AIDS virus to lurk in the shadows. We must provide the resources to create an expanded, national program of voluntary AIDS counseling and testing. All Americans who suspect they are infected must be given the opportunity to receive confidential testing and counseling. Every individual who volunteers to be tested deserves assurance that the result will be confidential and will not lead to discrimination in critical areas such as jobs, housing and Government services.

The only way to conquer AIDS is to bring this devastating illness into the open. We will not succeed unless infected individuals believe that it is in their own interest to come forward and obtain the guidance and assistance of health professionals. Intensive education and counseling are essential to achieve the changes in behavior that are urgently needed to halt transmission of AIDS.

The legislation we are introducing today reflects the carefully developed recommendations of the Centers for Disease Control, the U.S. Surgeon General, the American Medical Association, and a broad range of other health organizations. Perhaps the most important and impressive aspect of this legislation is that it has the virtually unanimous support of the professional public health community in the United States.

The bill provides funding for the immediate, nationwide expansion of testing and counseling programs. It provides strict safeguards for the confidentiality of test results, while giving discretion to physicians and professional counselors to disclose test information on a limited basis when there is genuine medical need.

Most importantly, this legislation establishes a clear prohibition against discrimination based on AIDS.

Enacting this sound and sensible policy is the most important step our society can take in curtailing the pain, the suffering and the dying that AIDS has unleashed on our Nation. The endorsement we have received from doctors, nurses, mental health professionals, hospitals and other health organizations is a clear signal that America is prepared to deal with AIDS as a public health issue, not an ideological issue. We intend to do all we can to speed passage of this legislation in the Congress. The health and the very lives of millions of Americans depend on it.

I ask unanimous consent that the full text of the bill be entered into the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1575

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "AIDS Federal Policy Act of 1987".

SEC. 2. ESTABLISHMENT OF GRANT PROGRAM FOR COUNSELING AND TESTING RELATING TO ACQUIRED IMMUNE DEFICIENCY SYNDROME AND ESTABLISHMENT OF CERTAIN PROHIBITIONS FOR PURPOSE OF PROTECTING INDIVIDUALS WITH ACQUIRED IMMUNE DEFICIENCY SYNDROME OR RELATED CONDITIONS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) by redesignating title XXIII as title XXIV;

(2) by redesignating sections 2301 through 2316 as sections 2401 through 2416, respectively; and

(3) by inserting after title XXII the following new title:

"TITLE XXIII—ACQUIRED IMMUNE DEFICIENCY SYNDROME

"SEC. 2301. DEFINITION OF ACQUIRED IMMUNE DEFICIENCY SYNDROME.

"For purposes of this title, the term 'infection with the etiologic agent for acquired immune deficiency syndrome' includes any condition arising from, or associated with, acquired immune deficiency syndrome.

"Part A—Grants for Counseling and Testing

"SEC. 2311. ESTABLISHMENT OF PROGRAM.

"The Secretary, acting through the Director of the Centers for Disease Control, may make grants for the purposes of—

"(1) counseling individuals with respect to acquired immune deficiency syndrome in accordance with section 2317, including counseling relating to measures for the prevention of exposure to, and transmission of, the etiologic agent for acquired immune deficiency syndrome; and

"(2) testing individuals in order to determine whether the individuals are infected with such etiologic agent.

"SEC. 2312. MINIMUM QUALIFICATIONS OF GRANTEES.

"The Secretary may not make a grant under section 2311 to an applicant unless the applicant—

"(1) is a grantee pursuant to section 317(j)(2), section 318(c), section 329, section 330, section 509A, or section 1001;

"(2) has under any appropriations Act received funds as an alternate blood testing site; or

"(3) is a public general hospital.

"SEC. 2313. PREFERENCES IN MAKING GRANTS.

"The Secretary shall, in making grants under section 2311, give preference to qualified applicants that will provide counseling and testing pursuant to such section in any geographic area in which the incidence of cases of acquired immune deficiency syndrome, as indicated by the number of such cases reported to and confirmed by the Secretary, constitutes a significant percentage of the total population of the geographic area.

"SEC. 2314. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS.

"(a) In General.—The Secretary may not make a grant under section 2311 to an applicant unless the applicant has submitted to the Secretary an application for such a grant containing agreements in accordance with—

"(1) section 2315, relating to the confidentiality of records;

"(2) section 2316, relating to informed consent;

"(3) section 2317, relating to the provision of counseling services;

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"(4) section 2318, relating to the provision of opportunities to receive anonymous counseling and testing;

"(5) section 2319, relating to requiring testing as a condition of receiving other health services;

"(6) section 2320, relating to the use of grant funds to increase the availability of counseling and testing; and

"(7) section 2321, relating to the administration of grants.

"(b) Additional Required Information.—An application required in subsection (a) shall, with respect to agreements required to be contained in such an application, provide assurances of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information in addition to information required in subsection (a) as the Secretary determines to be necessary to carry out this part.

### "SEC. 2315. REQUIREMENT WITH RESPECT TO CONFIDENTIALITY.

"The Secretary may not make a grant under section 2311 to an applicant unless the applicant agrees that the applicant will, in accordance with Federal, State, and local law, ensure the confidentiality of information and records with respect to individuals counseled or tested pursuant to such section.

### "SEC. 2316. REQUIREMENT WITH RESPECT TO INFORMED CONSENT.

"The Secretary may not make a grant under section 2311 to an applicant unless the applicant agrees that the applicant, in conducting testing pursuant to such section, will test an individual only after obtaining from the individual a statement, made in writing and signed by the individual, declaring that the individual has undergone counseling described in section 2317 and declaring that the decision of the individual with respect to undergoing such testing is voluntarily made.

### "SEC. 2317. REQUIREMENT OF PROVISION OF CERTAIN COUNSELING SERVICES.

"(a) Counseling Before Testing.—The Secretary may not make a grant under section 2311 to an applicant unless the applicant agrees that the applicant, before testing any individual pursuant to such section, will provide to the individual appropriate counseling with respect to—

"(1) measures for the prevention of exposure to, and transmission of, the etiologic agent for acquired immune deficiency syndrome;

"(2) the accuracy and reliability of testing for such etiologic agent;

"(3) the significance of the results of such testing, including the potential for developing acquired immune deficiency syndrome;

"(4) applicable provisions of law relating to the confidentiality of the fact that the individual is undergoing counseling or testing and the confidentiality of information provided by the individual during the process of such counseling or testing, including information with respect to any disclosures that may be authorized under applicable law and information with respect to the availability of anonymous counseling and testing pursuant to section 2318;

"(5) applicable provisions of law relating to the confidentiality of the results of such counseling or testing, including information with respect to any disclosures that may be authorized by law;

"(6) applicable provisions of law relating to the reporting to, and use by, State public health authorities of the results of such testing; and

"(7) applicable provisions of law relating to discrimination against individuals infected with the etiologic agent for acquired immune deficiency syndrome.

"(b) Counseling of Individuals With Negative Test Results.—The Secretary may not make a grant under section 2311 to an applicant unless the applicant agrees that, if the results of testing conducted pursuant to such section indicate that an individual is not infected with the etiologic agent for acquired immune deficiency syndrome, the applicant will review for the individual the information provided under subsection (a) with respect to measures for the prevention of exposure to, and transmission of, such etiologic agent and with respect to the accuracy and reliability of testing for such etiologic agent.

"(c) Counseling of Individuals With Positive Test Results.—The Secretary may not make a grant under section 2311 to an applicant unless the applicant agrees that, if the results of testing conducting pursuant to such section indicate that the individual is infected with the etiologic agent for acquired immune deficiency syndrome, the applicant will provide to the individual appropriate counselling with respect to—

"(1) measures for the prevention of the transmission of the etiologic agent for acquired immune deficiency syndrome;

"(2) the availability in the geographic area of any appropriate services with respect to health care, including mental health care and appropriate social and support services;

"(3) the benefits of locating and counseling any individual by whom the infected individual may have been exposed to the etiologic agent for acquired immune deficiency syndrome and any individual whom the infected individual may have exposed to such etiologic agent; and

"(4) the availability, if any, of the services of public health authorities with respect to locating and counseling any individual described in paragraph (3).

"(d) Construction of Section.—Agreements entered into pursuant to subsections (a) through (c) may not be construed to prohibit any grantee under section 2311 from providing counseling services described in such subsections to an individual who will not undergo testing described in section 2311(2) as a result of the grantee or the individual determining that such testing of the individual is not appropriate.

### "SEC. 2318. REQUIREMENT OF PROVISION OF OPPORTUNITIES FOR ANONYMOUS COUNSELING AND TESTING.

"The Secretary may not make a grant under section 2311 to an applicant unless the applicant agrees that the applicant will, to the extent permitted under applicable State law, offer substantial opportunities for an individual—

"(1) to undergo professional counseling and testing pursuant to such section without being required to provide any information relating to the identity of the individual; and

"(2) to undergo such professional counseling and testing through the use of a pseudonym.

### "SEC. 2319. PROHIBITION AGAINST REQUIRING TESTING AS CONDITION OF RECEIVING OTHER HEALTH SERVICES.

"The Secretary may not make a grant under section 2311 to an applicant unless the applicant agrees that, with respect to an individual seeking health services from the applicant, the applicant will not require the individual to undergo testing described in section 2311(2) as a condition of receiving the health services unless such testing is medically necessary in the provision of the health services sought by the individual.

### "SEC. 2320. REQUIREMENT OF INCREASED AVAILABILITY OF COUNSELING AND TESTING.

"With respect to any applicant for a grant under section 2311 that, during the majority of the 180-day period preceding the effective date of this title, carried out a program of counseling or testing with respect to acquired immune deficiency syndrome, the Secretary may not make a grant under such section to the applicant unless the applicant agrees that grant funds will be expended only for the purpose of significantly increasing the availability of such counselling and testing provided by the applicant above the level of availability provided during such period.

### "SEC. 2321. REQUIREMENTS WITH RESPECT TO ADMINISTRATION OF GRANT.

"The Secretary may not make a grant under section 2311 to an applicant unless the applicant agrees that—

"(1) the applicant will not expend amounts received pursuant to such section for any purpose other than the purposes described in such section;

"(2) if the applicant imposes a charge for providing counseling and testing described in such section, the applicant will provide such counseling and testing without regard to the ability of the individual involved to pay such charge;

"(3) the applicant will establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant; and

"(4) the applicant will not expend more than 10 percent of amounts received under such section for the purpose of administering such amounts.

### "SEC. 2322. PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

"(a) In General.—Upon the request of a grantee under section 2311, the Secretary may, subject to subsection (b), provide supplies, equipment, and services for the purpose of aiding the grantee in providing counseling and testing described in section 2311 and, for such purpose, may detail to the grantee any officer or employee of the Department of Health and Human Services.

"(b) Limitation.—

"(1) With respect to a request described in subsection (a), the Secretary—

"(A) may not comply with such a request unless the Secretary has not yet disbursed the full amount of the grant to the grantee and the portion not yet disbursed is not less than an amount equal to the fair market value of any supplies, equipment, or services to be provided by the Secretary; and

"(B) shall reduce the amount to be disbursed under section 2311 to the applicant by an amount equal to such fair market value.

"(2) Amounts withheld by the Secretary under paragraph (1)(B) shall be available to the Secretary for the payment of expenses incurred in providing supplies, equipment, or services under subsection (a).

### "SEC. 2323. AUTHORIZATIONS OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $400,000,000 for each of the fiscal years 1988 through 1990.

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## "PART B—CONFIDENTIALITY WITH RESPECT TO COUNSELING AND TESTING

### "SEC. 2331. PROHIBITION AGAINST DISCLOSURE OF CERTAIN INFORMATION OBTAINED FROM PROCESS OF COUNSELING OR TESTING.

"(a) In General.—Except as provided in section 2332, 2333, or 2334, a person described in subsection (b) may not disclose identifying information with respect to a protected individual or a contact of such individual.

"(b) Persons Subject to Prohibition.—A person referred to in subsection (a) is a person who obtains identifying information with respect to a protected individual or a contact of such individual as a result of—

"(1) direct or indirect involvement in the process of providing to the protected individual professional counselling with respect to acquired immune deficiency syndrome, which professional counseling is provided in relation to testing described in paragraph (2) (including such counselling provided as a result of a referral from a person carrying out such testing) and is provided under conditions in which the protected individual can reasonably expect that information provided by the individual will remain confidential;

"(2) direct or indirect involvement in the process of testing a protected individual for the purpose of determining whether the individual is infected with the etiologic agent for acquired immune deficiency syndrome;

"(3) direct or indirect involvement in the process of carrying out a purpose for which an authorized disclosure is made under section 2332, 2333, or 2334; or

"(4) reading any record containing identifying information with respect to a protected individual or a contact of such individual, which record is developed in the process of such counseling or testing or is developed in the process of carrying out such a purpose.

"(c) Establishment of Civil Money Penalty, Civil Causes of Action, and Criminal Penalty for Violation of Prohibition.—

"(1)(A) Any person who violates the prohibition established in subsection (a) shall be liable to the United States for a civil penalty in an amount not to exceed $2000 for each such violation.

"(B) A civil penalty under subparagraph (A) for a violation of subsection (a) shall be assessed by the Secretary by an order made on the record after opportunity for a hearing in accordance with section 554 of title 5, United States Code. The Secretary shall provide written notice to the person who is the subject of the proposed order informing the person of the opportunity to receive a hearing on the record with respect to the proposed order. Such person may not receive such a hearing unless, before the expiration of the 15 day-period beginning on the date such notice is received by the person, the person makes a request for the hearing.

"(C) The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty imposed pursuant to subparagraph (A).

"(D) If the Secretary issues an order pursuant to subparagraph (B), the person who is the subject of the order may not seek judicial review of the order after the expiration of the 30-day period beginning on the date the order is issued.

"(E)(i) If a person fails to pay a civil penalty assessed pursuant to subparagraph (A), the Secretary may, subject to clause (ii), commence a civil action in any court of competent jurisdiction for the purpose of recovering the amount assessed and an amount representing interest computed in accordance with prevailing interest rates. In such an action, the decision of the Secretary to issue the order, and the amount of the penalty assessed by the Secretary, shall not be subject to review.

"(ii) The civil action referred to in clause (i) may be commenced only after an order under this paragraph has become final and—

"(I) the person who is the subject of the order fails to seek judicial review of the order within the period described in subparagraph (D); or

"(II) with respect to any judicial review, the reviewing court has entered final judgment against the person.

"(2) The Secretary may commence a civil action in any court of competent jurisdiction for the purpose of obtaining temporary or permanent injunctive relief with respect to preventing a person from making a disclosure of identifying information in violation of subsection (a).

"(3) Any person who knowingly violates the prohibition established in subsection (a) may for each violation be fined in accordance with title 18, or imprisoned for not more than one year, or both.

"(4) A protected individual, or a contact of such individual, who is aggrieved as a result of the disclosure of identifying information in violation of subsection (a) may in a civil action against any person making such a disclosure obtain appropriate relief, including actual and punitive damages and a reasonable attorney's fee and cost. Such damages shall be not less than the liquidated amount of $2,000.

### "SEC. 2332. AUTHORIZED DISCLOSURES BY PERSONS INVOLVED IN PROCESS OF COUNSELING OR TESTING.

"(a) Consent to Disclosure.—

"(1) A person described in paragraphs (1) or (2) of section 2331(b) may disclose identifying information with respect to a protected individual and a contact of such individual if—

"(A) prior to the disclosure, the protected individual has obtained the legal age of majority under the law of the State in which the individual resides and has, in accordance with paragraph (3), consented to the disclosure; or

"(B) prior to the disclosure, the protected individual is legally incompetent under the law of the State in which the individual resides and the guardian of the individual consents, in accordance with paragraph (3), to the disclosure.

"(2) A consent under paragraph (1) shall be void to the extent that the consent authorizes the recipient of the disclosure to make subsequent disclosures in the discretion of the recipient.

"(3) A consent under paragraph (1) shall—

"(A) be in writing and be dated;

"(B) be signed by the protected individual pursuant to subparagraph (A) of such paragraph or by the guardian of such individual pursuant to subparagraph (B) of such paragraph;

"(C) specify the information that is to be disclosed;

"(D) specify the person, persons, or class of persons whom the consent authorizes to make the disclosure; and

"(E) specify the person, persons, or class of persons to whom the disclosure is to be made.

"(b) Disclosure Without Consent With Respect to Counseling and Testing.—A person described in paragraphs (1) or (2) of section 2331(b) may disclose identifying information with respect to a protected individual and a contact of such individual if the disclosure is made—

"(1) to a health care professional for the purpose of providing to the protected individual counseling or testing described in such paragraphs; or

"(2) to the protected individual.

"(c) Disclosure Without Consent to State Public Health Officer.—A person described in paragraphs (1) or (2) of section 2331(b) may disclose identifying information with respect to a protected individual and a contact of such individual if the disclosure is made to the State public health officer and the law of the State in which testing described in section 2331(b) is carried out requires such disclosure to the officer.

"(d) Disclosure Without Consent With Respect to Bodily Fluids and Organs of Protected Individuals.—A person described in paragraphs (1) or (2) of section 2331(b) may disclose identifying information with respect to a protected individual if the disclosure is made to a medical facility (including a blood bank) that has received or will receive blood from the protected individual for the purposes of blood transfusions, has received or will receive semen from the individual for the purposes of artificial inseminations, has received or will receive breast milk from the individual for the purposes of distribution, or has received or will receive a donation from the individual of an organ for the purposes of transplantation.

"(e) Disclosures Without Consent Under Federal Guidelines.—A person described in paragraphs (1) or (2) of section 2331(b) may disclose identifying information with respect to a protected individual if the disclosure is made to a health care professional or provider that will provide health care to the protected individual under conditions in which, as determined under guidelines issued by the Secretary, the professional or provider will be occupationally exposed to the etiologic agent for acquired immune deficiency syndrome.

"(f) Certain Intraorganization Disclosures Without Consent.—With respect to an organization to which an authorized disclosure is made under any of subsections (a) through (e), a person receiving on behalf of the organization the identifying information involved may disclose within the organization such identifying information with respect to the protected individual (and, if authorized under the subsection involved, any contact of such individual) as may be medically necessary with respect to carrying out the purpose for which the authorized disclosure is made.

### "SEC. 2333. AUTHORIZED REDISCLOSURE BY PERSONS RECEIVING DISCLOSURES WITH RESPECT TO PROCESS OF COUNSELING OR TESTING.

"(a) Redisclosure of Information Received From Counseling or Testing Facility.—Any person who, under any of subsections (a) through (f) of section 2332, receives an authorized disclosure may disclose the identifying information involved to any other person to whom such an authorized disclosure may be made under any of such subsections.

"(b) Redisclosure of Information Received From Recipient of Disclosure From Counseling or Testing Facility.—Any person who, under subsection (a), receives an authorized disclosure may disclose the identifying information involved to any other person to whom such an authorized

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disclosure may be made under any of subsections (a) through (f) of section 2332.

### "SEC. 2334. COURT ORDERS WITH RESPECT TO DISCLOSURE OF IDENTIFYING INFORMATION.

"(a) In General.—A court of competent jurisdiction may, upon appropriate application to the court by the State public health officer, order any person described in section 2331(b) to make a disclosure to the health officer of identifying information with respect to a protected individual and a contact of such individual if the court determines that the disclosure is necessary with respect to preventing a clear and imminent danger of the transmission of the etiologic agent for acquired immune deficiency syndrome.

"(b) Opportunity to Participate in Proceedings.—Before requiring a disclosure under subsection (a), the court shall provide to the protected individual (and to any contact of such individual with respect to whom identifying information is sought) a reasonable opportunity to participate in the proceedings for determining whether a disclosure will be ordered.

"(c) Confidentiality of Proceedings.—Proceeding under subsection (a) shall be conducted in camera. Any references in court documents to the the parties in such proceeding shall be references to pseudonyms for the parties. Records developed in such proceeding shall be sealed at the close of such proceeding.

"(d) Extent of Ordered Disclosure.—A court shall, in requiring a disclosure under subsection (a), order such disclosure only to the extent necessary to provide the requested relief and shall prohibit any unnecessary such disclosure.

### "SEC. 2335. DISCLOSURES WITHOUT CONSENT WITH RESPECT TO CERTAIN CONTACTS OF PROTECTED INDIVIDUALS.

"A person described in paragraphs (1) or (2) of section 2331(b) may disclose identifying information with respect to a protected individual if—

"(1) such person is a physician or a professional counselor;

"(2) the disclosure is made to the spouse of the protected individual or to an individual whom the protected individual has, during the process of professional counseling or testing described in such paragraphs, identified as being a sexual partner of the protected individual; and

"(3) such person reasonably believes that—

"(A) the disclosure is medically appropriate; and

"(B) the protected individual will not inform such spouse or sexual contact with respect to the identifying information involved.

### "SEC. 2336. REQUIREMENT OF CERTAIN NOTIFICATIONS WITH RESPECT TO DISCLOSURE OF IDENTIFYING INFORMATION.

"(a) In General.—Except as provided in subsection (b), any person who, under section 2332, 2333, or 2334, discloses any identifying information with respect to a protected individual shall—

"(1) ensure that such disclosure, whether made orally or in writing, is accompanied by a written statement declaring that any subsequent disclosure of the information provided may be prohibited by law; and

"(2) with respect to a living protected individual, notify such individual in writing of the fact of such disclosure.

"(b) Exceptions.—The requirements established in subsection (a) shall not apply to any authorized disclosure made under section 2322 or 2333 to a person who is part of the same organization as the person who makes the authorized disclosure.

### "SEC. 2337. DEFINITIONS.

"For purposes of this part:

"(1) The term 'contact of a protected individual' means any individual with respect to whom a protected individual has, during the process of professional counseling or testing described in section 2331(b), provided information indicating that the individual is, or may be, infected with the etiologic agent for acquired immune deficiency syndrome.

"(2) The term 'identifying information' means any information—

"(A) relating to the identity of an individual who is a protected individual, or who is a contact of such individual, whichever is indicated by the context of usage; and

"(B) provided in a context indicating that the individual has undergone, is undergoing, or will undergo, professional counseling or testing described in section 2331(b) (including a context indicating the results of such professional counseling or testing of the individual).

"(3) The term 'protected individual' means an individual—

"(A) who has undergone professional counseling or testing as described in section 2331(b), regardless of whether such counseling or testing has been Federally funded; or

"(B) who has, with respect to undergoing such professional counseling or testing, disclosed his or her identity to a person who provides such professional counseling or testing.

"(4) The term 'records' includes electronic recordings and any other method of storing information.

"(5) The term 'testing for the purpose of determining whether an individual is infected with the etiologic agent for acquired immune deficiency syndrome' includes any diagnosis of such infection made by a health care professional licensed to make such a diagnosis under the law of the State in which the diagnosis is made.".

### "Part C—Inappropriate Use of Certain Information Relating to Acquired Immune Deficiency Syndrome

### "SEC. 2341. PROHIBITION AGAINST DISCRIMINATION.

"(a) In General.—

"(1) A person may not discriminate against an otherwise qualified individual in employment, housing, public accommodations, or governmental services, solely by reason of the fact that such individual is, or is regarded as being, infected with the etiologic agent for acquired immune deficiency syndrome.

"(2) A person may not discriminate against an otherwise qualified individual in the provision of benefits under any program or activity that receives or benefits from Federal financial assistance solely by reason of the fact that such individual is, or is regarded as being, infected with the etiologic agent for acquired immune deficiency syndrome.

"(b) Construction.—With respect to an individual who is infected with the etiologic agent for acquired immune deficiency syndrome, the individual may not under subsection (a) be considered to be otherwise qualified if—

"(1) under guidelines issued by the Secretary, a bona fide medical determination is made that the individual will, under the specific circumstances involved, expose other individuals to a material risk of being infected with such etiologic agent; or

"(2) the individual, with reasonable accommodation, cannot satisfy bona fide essential criteria for—

"(A) employment, housing, public accommodations, or governmental services; or

"(B) the receipt of benefits under any program or activity that receives or benefits from Federal financial assistance.

"(c) Program or Activity.—As used in this section the term 'program or activity' shall be applied in the same manner as prescribed by section 504 of the Rehabilitation Act of 1973, including amendments enacted after the date of enactment of this title.

### "SEC. 2342. ESTABLISHMENT OF CIVIL MONEY PENALTY AND CIVIL CAUSES OF ACTION FOR VIOLATION OF PROHIBITION.

"(a) Civil Money Penalty.—

"(1) Any person who violates the prohibition established in section 2341 shall be liable to the United States for a civil penalty in an amount not to exceed $2000 for each such violation.

"(2) A civil penalty under paragraph (1) for a violation of section 2341 shall be assessed by the Secretary by an order made on the record after opportunity for a hearing in accordance with section 554 of title 5, United States Code. The Secretary shall provide written notice to the person who is the subject of the proposed order informing the person of the opportunity to receive such a hearing with respect to the proposed order. Such person may not receive such a hearing unless, before the expiration of the 15 day-period beginning on the date such notice is received by the person, the person makes a request for the hearing.

"(3) The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty imposed pursuant to paragraph (1).

"(4) If the Secretary issues an order pursuant to paragraph (2), the person who is the subject of the order may not seek judicial review of the order after the expiration of the 30-day period beginning on the date the order is issued.

"(5)(A) If a person fails to pay a civil penalty assessed pursuant to paragraph (1), the Secretary may, subject to subparagraph (B), commence a civil action in any court of competent jurisdiction for the purpose of recovering the amount assessed and an amount representing interest computed in accordance with prevailing interest rates. In such an action, the decision of the Secretary to issue the order, and the amount of the penalty assessed by the Secretary, shall not be subject to review.

"(B) The civil action referred to in subparagraph (A) may be brought only after an order under this subsection has become final and—

"(i) the person who is the subject of the order fails to seek judicial review of the order within the period described in paragraph (4); or

"(ii) with respect to any judicial review of the order, the reviewing court enters final judgment against the person.

"(b) Injunctive Relief.—The Secretary may commence a civil action in any court of competent jurisdiction for the purpose of obtaining temporary or permanent injunctive relief with respect to preventing a person from being discriminated against in violation of section 2341. Any aggrieved party shall have an unconditional right to intervene in an action pursuant to this subsection, in accordance with the provisions of Rule 24(a) of the Federal Rules of Civil Procedure.

"(c) Civil Cause of Action for Damages.—Any person who is discriminated against in violation of section 2341 may in a civil action against any person engaging in such discrimination obtain appropriate relief, including actual and punitive damages. Such damages shall be not less than the liquidated amount of $2,000.

"(d) Attorneys' Fees.—In an action under this section, the prevailing party shall be awarded a reasonable attorneys' fee and costs.

### "SEC. 2343. CONSTRUCTION OF PROHIBITION.

"Section 2341 may not be construed to prohibit any business organization providing life insurance or health insurance from requiring any applicant for such insurance to undergo testing for the purpose of determining whether the applicant is infected with the etiologic agent for acquired immune deficiency syndrome.".

### SEC. 3. CONFORMING AMENDMENTS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) in section 465(f), by striking "2301" and inserting "2401";

(2) in section 497, by striking "2301" and inserting "2401"; and

(3) in section 305(h), by striking "2313" each place it appears and inserting "2413".

### SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1987, or upon the date of the enactment of this Act, whichever occurs later.●

● Mr. GORE. Mr. President, I am honored to join with my distinguished colleagues in introducing the AIDS Federal Policy Act of 1987. The bill is the result of an enormous amount of hard work by many devoted people. It offers no magic solutions. But at least it will provide the tools to act.

Public health experts have agreed for some time on what to do about AIDS. But the administration was not willing to do it. They have spent the past 6 years crossing their fingers and hoping that AIDS would go away.

Two months ago, the President finally addressed the issue of AIDS for the first time in his administration. Public Health experts recommended that he focus attention on expanded research and public education. But instead, the President made testing a goal in itself—doing more to set back AIDS policy in 1 day than he had already done in 6 years of silence.

Testing is not a solution. At best, it is only the means to an end. The question is not whether to test, but just what testing will enable us to do. If we test, what will we do with those who are infected?

In the absence of proper safeguards, what would happen when employers, insurers, landlords, and classmates find out? Testing would surely drive those most likely to be infected underground.

The legislation we are introducing today confronts those hard questions.

To keep testing programs from doing more harm than good, we need to enact strong laws that assure confidentiality of test results and prohibit discrimination against those who test positive. This bill will give us that reassurance—not as a matter of individual rights but as a matter of sound public health. To protect the health of the general public, we must break down the barriers that keep those most likely to be infected from obtaining proper counseling.

Tough confidentiality and antidiscrimination laws will also make clear that this fight is against a disease, not against other Americans.

Testing and counseling should be available for everyone. But in many cities, it takes as long as 3 months to be tested. This bill provides the resources, so that those most at risk will receive the one-to-one education most likely to make a difference.

The tragedy of AIDS is not only that thousands have died, or that hundreds of thousands more will suffer. It is also tragic that millions of Americans live in fear of a disease they don't understand. We know what to do about AIDS—but we need to give Americans answers, and move boldly on a strategy that will work.

This bill will work. It is only one step. But it is a sound step forward and a better answer than paralysis or fear. By joining with the Congress and the organizations represented here today to enact this bipartisan legislation, the administration has a chance to make up for lost time and lost lives.●

● Mr. WEICKER. Mr. President, today, I join my colleague, Senator Kennedy, and others in introducing a bill to expand the availability of voluntary AIDS testing and counseling; to protect the confidentiality of AIDS testing and counseling records; and to prohibit discrimination against those who test positive for the AIDS virus. The bill we introduce today is based upon the recommendations of public health officials and the men and women of the medical community. It does not treat AIDS as a matter of politics but rather as a public health crisis that demands policies and programs based on fact and not fear.

To date, the response of Congress to the AIDS crisis has been based on information and recommendations provided by public health officials. Proposals for AIDS testing should be no exception. The Surgeon General, the Centers for Disease Control, and the National Academy of Sciences Institute of Medicine have all clearly stated that the most effective way to expand AIDS testing is to provide a large-scale voluntary testing program that incorporates counseling before and after the test is performed.

The bill we introduce this morning does just that. It authorizes a grant program for a broad spectrum of health care facilities to provide voluntary AIDS testing with pre-test and post-test counseling.

In addition to greatly expanding the availability of testing sites and services, this legislation establishes Federal protections concerning confidentiality. The bill prohibits, with limited exceptions, the disclosure of information that could identify a person who has been tested for AIDS and received counseling or could identify such persons' contacts in high-risk behavior. The exceptions provided in this bill are few and strictly limited.

Protections regarding the confidentiality of AIDS testing and counseling records are essential if we are to encourage those who have been afraid to seek such services to come forward. The confidentiality protections in the bill include penalties for violations of these protections.

Finally, this bill addresses another fear that may be discouraging many people from seeking testing—the fear of losing a job or housing or services most of us take for granted. The nondiscrimination provisions in this bill prohibit discrimination against a person who tests positive for the AIDS virus in employment, housing, public accommodations, and government services. Exceptions are allowed if a public health officer makes a bona fide medical determination that, accoridng to Centers for Disease Control guidelines, the infected person can expose another individual to a significant possibility of AIDS infection.

Some may say these protections go too far, well beyond the civil rights protections offered other members of our society. In fact, the AIDS epidemic is an extraordinary problem. It requires protections that encourage broader voluntary testing to help stop the transmission of a disease that no one wants to talk about; some fear finding out about; and still others wish to use to divide society into two classes—the infected and the uninfected. This has never been our response to those in society who are sick or who need special protections from fear and ignorance. And this should not be our response today.

Today, we must provide the dollars needed to find the treatments and cures for those already infected. We need to increase the funding for broad-based and targeted education and prevention programs that encourage—not discourage—people to come forward to be tested and receive counseling.

I have often argued that too much of the political focus on AIDS has been on who should be tested and whether the testing should be mandatory or voluntary. These debates have often obscured the real issue of thousands of deaths in our midst. We need to set our sensibilities aside and effectively help those who are already infected and limit further spread of the disease to others who are not.

This bill does both. I urge its timely adoption by the Senate.●

● Mr. WIRTH. Mr. President, today I am pleased to join Senator Kennedy and several of my esteemed colleagues in introducing legislation to increase AIDS testing and counseling for high-risk groups, protect the confidentiality of testing and counseling records, and prevent discrimination against AIDS victims.

Acquired immune deficiency syndrome [AIDS] has afflicted more than 36,000 Americans. By 1991, it is expected that 270,000 individuals will be diagnosed as having AIDS. Add to those cases the 1.5 million Americans who are estimated to have been exposed to the AIDS virus and the dimensions of the public health crisis faced by this Nation take on overwhelming proportions.

While we do not yet know how to arrest the virus itself or cure its victims, we do know how AIDS is spread and what to do to stop it. We should use this knowledge to avoid contracting the disease by behaving in responsible ways; we should avoid spreading panic and unnecessary anxiety through misinformation and prejudice. As of now, education is the key to stopping the spread of AIDS.

However, for individuals to feel free to seek the information needed to effectively combat the spread of this fatal disease, we must ensure that testing and counseling can be sought without fear of reprisal or discrimination. This legislation provides that assurance by increasing funding for AIDS testing and counseling services and requiring that information about the recipients of those services be kept strictly confidential. Only in situations where there is a clear medical need to know, can any information about AIDS patients, or an individual's antibody status, be divulged.

Finally, this legislation takes the most important step in protecting both society and AIDS sufferers by prohibiting discrimination against them in employment, housing, public accommodations, and government services. Such broad protection has but two exceptions that I believe are both reasonable and necessary: an AIDS victim could not claim unfair job discrimination if, first, the illness limits the victim's physical capacity to perform job responsibilities, or second, the Secretary of Health and Human Services determines that transmission of the disease might occur if AIDS victims perform certain job functions.

If we believe that widespread voluntary testing and counseling are the key to bringing the AIDS epidemic under control, then we must be able to offer the individuals who cooperate something more than an eviction notice, a pink slip, and a slammed door. The specter of discrimination only serves to keep potential AIDS carriers underground, depriving them, in many cases, of any knowledge of their own infectiousness.

The Federal Government must use all of the resources at its disposal in tackling this dread disease. The effort must be multifaceted, as this legislation and other proposals introduced by Senator Kennedy have underscored. We must continue to intensify our research efforts, increase support for education, counseling, and testing programs and provide adequate protection for AIDS victims.

I commend this measure to my colleagues and encourage its swift passage.●

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By Mr. HELMS:

S. 1576. A bill to amend the Internal Revenue Code of 1986 to repeal the income taxation of corporations, to impose a 10-percent tax on the earned income (and only the earned income) of individuals, to repeal the estate and gift taxes, and for other purposes; to the Committee on Finance.

### TITHE TAX ACT OF 1987

Mr. HELMS. Mr. President, recently I visited with Jim and Karen Quick, a delightful young couple from Greensboro, NC. Karen is a 12-year veteran of the Internal Revenue Service; she currently works in the IRS's Greensboro district problem resolution office.

I invited Karen and her husband to come by so that I could congratulate her and discuss with her the international award-winning essay she had written on tax policy. The essay is titled, "Tax Simplification: Let's Play Flat Ball."

In her essay, Karen compares U.S. tax laws to a frustrating ball game with constantly changing rules and few winners. "Americans are tired of playing Bracketball," she writes. "One of the most infuriating aspects of 'Bracketball' is the constant movement of the goal line. When the players get near it, the officials move it." The solution she proposes is "a simple, fair, efficient game called 'Flatball.' "

Mr. President, I have mixed feelings about the Tax Reform Act of 1986. On the one hand, Congress made a significant improvement by lowering the tax rates and reducing the number of brackets. On the other hand, many provisions were included simply to raise revenue in order to keep the bill "revenue neutral." These changes were based neither on logic nor on sound tax policy. The result was to make the tax laws even more complex and cause a number of problems for various sectors of the economy. I predict that we will have to address these problems and continue to modify the Tax Code for many years to come.

Mr. President, we have a long way to go to achieve a tax system which is simple and fair and in which the American people can have confidence. With that goal in mind, I am today introducing a 10 percent flat tax bill. I hope this bill can and will be the basis, a starting point, for a continued comprehensive study of our ever-complex tax code. The bill is similar to legislation which I proposed in the 97th Congress. A similar bill has been introduced in the House of Representatives by my distinguished friend and colleague from Illinois, Phil Crane.

The first part of the bill would eliminate the income tax on corporations. This recognizes the economic reality that corporations don't pay taxes, people do. Corporations only pass taxes on to consumers in the form of higher prices and to workers in the form of reduced wages. This burden falls most heavily on the poor because the poor spend a larger percentage of their income on consumption.

The corporate income tax is also passed on to shareholders in the form of reduced dividends and reduced corporate savings and investment. Since pension plans are major shareholders, the corporate tax can drastically reduce potential pension benefits to workers.

Reduced corporate savings and investment have a negative impact on economic growth and thus reduce employment opportunities. This constitutes a further hidden tax on America's workers.

Mr. President, elimination of the corporate income tax will promote efficiency in the market because all businesses will be placed on a level playing field. Tax considerations will no longer affect business decisions. Furthermore, elimination of this cost to business will also make U.S. business more competitive in the world market.

A second aspect of this plan proposes a reform of the income tax on individuals. The bill would eliminate all deductions, credits, and exemptions; provide a single exemption of $10,000 per taxpayer; and impose a 10-percent tax on all earned income.

Earned income is defined as the compensation one receives for performing work. This includes wages, salaries, fees, and fringe benefits. This does not include passive income, such as capital gains, interest income, and dividends. Furthermore, while fringe benefits are taxable, the bill eliminates valuation problems by valuing all fringe benefits at the actual cost to the employer of providing the benefit.

Mr. President, implementation of a flat tax will have a profound effect on the economy by stimulating growth in several ways. First, it will stimulate economic growth through increased savings resulting from the elimination of the tax on interest income. The increased savings will put downward pressure on interest rates and thus reduce the cost of capital.

Second, it will stimulate economic growth through the elimination of tax

on capital gains. This will encourage investment and expansion of capital funds, which will lead to more businesses and more jobs.

Third, a flat tax will stimulate economic growth by eliminating the tax on dividends. This eliminates the penalty for investing in stock and will stimulate greater capital availability for economic growth.

Finally, a flat tax brings greater efficiency to the economy by eliminating preferences in the Tax Code that interfere in economic decisions.

The exemption from taxation of the first $10,000 of earned income for each taxpayer will provide relief for low-income individuals while also providing an incentive for individuals to enter the work force. The flat 10 percent rate eliminates the disincentive for one to increase one's income that results with a highly progressive system.

Mr. President, I cannot imagine what could be more fair than a flat 10 percent tax. It makes sense both economically and administratively. Furthermore, true simplification of our tax code will go a long way toward restoring faith in our tax system.

Mr. President, I ask unanimous consent that the text of the bill and the essay entitled "Tax Simplification: Lets Play Flat Ball" that I mentioned earlier, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### S. 1576

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Tithe Tax Act of 1987".

#### SEC. 2. REPEAL OF TAXATION OF CORPORATIONS.

The following provisions of the Internal Revenue Code of 1986 are hereby repealed:

(1) section 11 (relating to corporate income tax),

(2) section 55 (relating to alternative minimum tax) to the extent it applies to corporations,

(3) section 511 (relating to unrelated business income tax),

(4) section 531 (relating to accumulated earnings tax),

(5) section 541 (relating to personal holding company tax),

(6) section 594 (relating to alternative tax for certain mutual savings banks),

(7) section 801 (relating to tax imposed on life insurance companies),

(8) section 821 (relating to tax imposed on certain mutual insurance companies),

(9) section 831 (relating to tax on certain other insurance companies),

(10) section 852 (relating to tax on regulated investment companies),

(11) section 857 (relating to tax on real estate investment trusts), and

(12) section 882 (relating to tax on income of foreign corporations connected with United States business).

#### SEC. 3. 10 PERCENT INCOME TAX RATE FOR INDIVIDUALS.

Section 1 of the Internal Revenue Code of 1986 (relating to tax imposed on individuals) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) In General.—There is hereby imposed on the income of every individual a tax equal to 10 percent of the excess of the earned income of such individual for the taxable year over the exemption amount for such year.

"(b) Definitions.—For purposes of this section—

"(1) Exemption amount.—

"(A) In general.—The term 'exemption amount' means, for any taxable year, $10,000 increased (for taxable years beginning after December 31, 1988) by an amount equal to $10,000 multiplied by the cost-of-living adjustment for the calendar year in which the taxable year begins.

"(B) Cost-of-living adjustment.—For purposes of this paragraph—

"(i) In general.—The cost-of-living adjustment for any calendar year is the percentage (if any) by which—

"(I) the CPI for October of the preceding calendar year, exceeds

"(II) the CPI for October of 1987.

"(ii) CPI.—The term 'CPI' means the last Consumer Price Index for all-urban consumers published by the Department of Labor.

"(C) Rounding.—If the increase determined under this paragraph is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5, such increase shall be increased to the next highest multiple of $10).

"(2) Earned income.—

"(A) In general.—Except as provided in subparagraph (B), the term 'earned income' means—

"(i) wages, salaries, and other employee compensation,

"(ii) the amount of the taxpayer's net earnings from self-employment for the taxable year, and

"(iii) the amount of dividends which are from a personal service corporation or which are otherwise directly or indirectly compensation for services.

"(B) Exceptions.—The term 'earned income' does not include—

"(i) any amount received as a pension or annuity, or

"(ii) any tip unless the amount of the tip is not within the discretion of the service-recipient.

"(C) Fringe benefits valued at employer cost.—The amount of any fringe benefit which is included as earned income shall be the cost to the employer of such benefit."

#### SEC. 4. REPEAL OF SPECIAL DEDUCTIONS, CREDITS, AND EXCLUSIONS FROM INCOME FOR INDIVIDUALS.

Chapter 1 of the Internal Revenue Code of 1986 is amended by striking out all specific exclusions from gross income, all deductions, and all credits against income tax to the extent related to the computation of individual income tax liability.

#### SEC. 5. REPEAL OF ESTATE AND GIFT TAXES.

Subtitle B of the Internal Revenue Code of 1986 (relating to estate, gift, and generation-skipping taxes) is hereby repealed.

#### SEC. 6. EFFECTIVE DATES.

(a) In General.—Except as provided in subsection (b), the amendments made by this Act shall apply to taxable years beginning after the date of the enactment of this Act.

(b) Repeal of Estate and Gift Taxes.—The repeal made by section 5 shall apply to estates of decedents dying, and transfers made, after the date of the enactment of this Act.

(c) Technical and Conforming Changes.—The Secretary of the Treasury or his delegate shall, as soon as practicable but in any event not later than 90 days after the date of the enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives a draft of any technical and conforming changes in the Internal Revenue Code of 1986 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

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### Tax Simplification

### "LET'S PLAY FLATBALL"

(By Karen Quick, July 30, 1986)

(Pseudonym: Kacy Cody)

Americans are tired of playing Bracketball. Who wants to keep playing this "tax game" which has unfair, complicated rules; an unlimited fourth quarter with no time-outs; and is affiliated with an inefficient association at the point of bankruptcy? Complaints are commonplace; motivation is low; and initiative is almost nonexistent. It is a confusing and biased game. The players are involuntarily drafted for participation despite their physical conditions. Their contracts automatically renew annually requiring longer and longer playing periods. The more influencial athletes manage to gain preferential treatment from the promoters and officials. Some are allowed to sit the bench for extensive periods of time and some are even paid not to show up at all. Needless to say, this does little for team morale and enthusiasm. This favoritism puts an unnecessary burden on the rest of the team. The few remaining dedicated players, who show up for all the practices come rain 'or shine and who give it their best shot, look forward to high scores. It gets to be a tough game as these dedicated players are forced to compensate for the "bench sitters" and "game cutters." There is a noncommittal attitude spreading among the ranks. Partly to blame is the large staff of inconsistent coaches who have different ideas of how the game is to be played. More and more of the officials are using poor judgment to call the plays. Many illegal substitutes, illegal blockings, and intentional fouls go uncalled. A lot of bloody noses result. Nobody, including the promoters and officials, seems to know how the game is to be played. One of the most infuriating aspects of Bracketball is the constant movement of the goal line. When the players get near it, the officials move it. There are strong rumors circulating in the locker rooms that a players' strike is in the works. They are tackling an enorumous task in their efforts to change to a simple, fair, efficient game called "Flatball."

This fictitious analogy of our current system of American taxation may be somewhat exaggerated in pointing out the inherent problems. Yet, it brings to light the need for simplicity, fairness, and efficiency in our system of taxation. Such a tax reform referred to above as "Flatball" would not only provide needed revenue, it would also stimulate the economy, lighten the administrative load, and improve compliance. The most noteworthy result would be a boost to those precious intangibles; morale, motivation, and ingenuity.

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To better understand the need for tax reform, some brief background information on the definition and history of American taxation will be given first. Numerous indictments of the current income tax system will follow. The last section will contain workable methods of sound income tax reform.

### DEFINITION OF TAXATION

"The art of taxation consists of plucking the greatest number of feathers from a goose with the least amount of squawking." [1] This popular saying equates the unpleasant task of collecting taxes with the plucking of feathers. It implies the need for an economically balanced method that is viewed by the populous as simple, fair, and efficient.

What is a tax and why is it levied? "Tax" is defined as a compulsory contribution levied upon persons, property, or businesses for the support of government.[2] This basic definition makes not implication that taxes are imposed to resolve all the nation's financial and social problems. The tax laws were not intended to legalize social engineering as a government business. In a July 8, 1982 Wall Street Journal article by Christopher Conte, the following quotation from Senator Hatfield was given; "By attempting to solve every social and economic problem through the tax code, we have put a greater burden on the average taxpayer." [3] Taxes are not defined as vehicle to be used to subsidize special interest groups regardless of their merits. The meaning is clear and simple. Taxes are collected to pay the necessary military and civil expenses [4] that provide goods, services and order without stifling economic growth or human ingenuity.

### HISTORY OF AMERICAN TAXATION

Chief Justice John Marshall stated in 1819 during the famous case of McCulloch v. Maryland "the power to tax is the power to destroy." The power to tell the citizenry how much money they must pay to make their government work must be jealously guarded.[5] The writers of the Constitution were very much aware of this fact. They knew one of the major causes of the War of Independence was the imposition of taxes by the British Parliament on the colonies without their consent.[6]

In the United States, the first income tax was enacted in 1861 to help finance the Civil War. It allowed a $600.00 exemption and levied a 3% charge on incomes below $10,000 and a 5% charge on incomes above that level. In 1864, the rates were increased to 5% and 10%.[7] Tax receipts peaked in 1866 when income tax accounted for about 25% of federal revenue. In 1871, Representative Dennis McCarthy of New York expressed the view of the income tax opponents in these words, "unequal, perjury-provoking, and crime-encouraging, because it is at war with the right of a person to keep private and regulate his business affairs and financial matters." Senator John Sherman of Ohio responded with these remarks: "When you come to examine the income tax you will find that it applies, it is true, to only about 60 thousand people; but they do not pay their proper share of other taxes. WHY? Can a rich man with an overflowing revenue consume more sugar or coffee or tea, or drink more beer or whiskey, or chew more tobacco, than a poor man? You tax tobacco at the same rate per pound, whether it is the tobacco for the wealthiest or the poorest. . . . But when in a system of taxation you are compelled to reach out to many objects, you must endeavor to equalize your general results. . . . Therefore, when it is complained that the tax on an article consumed is unjust upon the poor, because the poor have to consume a greater proportion of their income in its purchase than the rich, we answer that to countervail that we have levied a reasonable income tax upon such incomes as are above the wants and necessities of life. That is the answer and it is a complete answer; because, if you leave your system of taxation to rest solely upon consumption, without any tax upon property or income, you do make an unequal and unjust system." [8] These words of Sherman and other supporters of an income tax failed to gain a renewal of the tax. Thus, the income tax law expired in 1872 [9] because it was considered an invasion of privacy with socialistic tendencies.[10]

Between 1873 and 1893, members of Congress introduced 68 different income tax bills. In 1894, a 2% income tax on incomes over $4,000 was finally passed with much controversy. But the U.S. Supreme Court declared the tax unconstitutional and in violation of Article 1, Section 2, Paragraph 3 which says that all direct taxes must be levied among the states in proportion to their population. Congress circumvented the Supreme Court's decision by proposing a constitutional amendment on July 12, 1909.[11] The well-known sixteenth amendment was ratified on February 29, 1913 by 42 states.[12] This removed the constitutional hurdle and gave Congress the authority to tax incomes from whatever source derived; without apportionment among the several states and without regard to any census or enumeration."

After more than 40 years from the expiration of the Civil War income tax, the first legal income tax was enacted under the leadership of President Woodrow Wilson.[13] It granted a $3,000 exemption for single person and a $4,000 exemption for married couples. The graduated rate began at 1% on the first $20,000 of taxable income and ranged to a top rate of 7% on taxable incomes over $500,000. Net profits of corporations were taxed at a flat rate of 1%. Only about 0.4% of the population filed tax returns in 1913. All federal receipts amounted to about 2.6% of GNP.[14]

The next 40 years was just as stormy for the income tax. From 1913 to 1954 the income tax was part of America's struggle for survival through war and depression. By the time WWI had ended, three separate tax bills had increased tax rates nearly tenfold and exemptions had dropped significantly. But only 8% of the population paid taxes. President Warren G. Harding's Secretary of Treasury, Andrew Mellon, argued persuasviely for tax reduction to foster economic growth. He stated, "Any man of energy and initiative in this country can get what he wants out of life. But when that initiative is crippled by legislation or by a tax system which denies him the right to receive a reasonable share of his earnings, then he will no longer exert himself and the country will be deprived of the energy on which its continued greatness depends. . . . On the other hand, a decrease of taxes causes an inspiration to trade and commerce which increases the prosperity of the country. . . " [15]

With a large part of the population tired of war and taxes, Mellon's proposals gained ground. In 1921, the maximum tax rate was cut from 77% to 58% and in 1926 it was finally cut to 25%. Credit is given to Mellon and his support for tax cuts that spurred the economic boom of the 1920's. A get-rich-quick attitude pervaded the scene and many people had their shirts riding on the stock market.[16] This speculative fever prevented sound financial decisions and resulted in a rocky financial structure. Frantic transactions were prevelent. "Even the professional analyst of financial properties was sometimes bewildered when he found Co A holding a 20% interest in Co B, and Co B an interest in Co C, while C in turn invested in A, and D held shares in each of the others. But few investors seemed to care about actual worth. . . ." [17]

Until the Great Depression of the 1930's, Americans practiced the notion of a limited role for federal government with correspondingly low taxes. Except for periods of war or recession, revenues from excises and customs were sufficient to finance those activities widely regarded as federal functions. But when the Great Depression took hold, President Herbert Hoover sponsored tax increases in a vain effort to balance the budget that reduced personal allowances and pushed the top tax bracket from 25% to 63%.[18] The economy was too weak to provide sufficient revenue. Increased rates just made matters worse. Taxes were now spent on human needs as well as national defense. When World War II broke out, millions of Americans went back to work and taxes were increased. Before the war was over, rates exceeded 90% and three-fourths of the population had to pay income taxes. A "class tax" had been replaced by a "mass tax." [19] After World War II, rates were not greatly reduced. This was the first time marginal peacetime rates, even for the middle classes and corporate businesses, exceeded 40% and even 50%. The role of government had become more involved creating a much larger establishment requiring continuously larger revenue for its ever-increasing expenditures.[20] With the acceptance of a larger government establishment, people realized high tax rates were inevitable. The Internal Revenue Code of 1954 preserved high tax rates ranging from 20% to 91%. It laid the foudnation for the slow downhill slide to our current complicated, unfair tax system.

The end of the 1950's ushered in a new business term "tax planning" (a euphemism for tax avoidance) and a new profession appeared on the scene—"tax consultant." A reform introduced by President Kennedy lowered the top rate to 70%. Another tax cut, in 1969, lowered the top rate for salary income to 50%.[21] In 1981, legislation was passed to enact President Reagan's three-year 25% across the board tax cut that reduced the range to 11%-50% for all types of income [22] and introduced inflation indexing.[23] These reductions only slightly modified the progressivity of the income tax system and preserved the unfair tax expenditures and loopholes.

Tax revenue from federal, state, and local governments amounts to approximately one-third of the Gross National Product. About 35% of all government revenue is collected by the state and local levels. It is in the form of individual income taxes, corporated income taxes, sales taxes, property taxes, and various fees and charges.[24] Recent dramatic events such as Proposition 13 in California and Proposition 2½ in Massachusetts have brought some needed reform. Although reforming state and local government taxes is an important controversial subject, this paper will focus on the

federal tax policies that generate about 65% of all government receipts.

What are the sources of federal revenue? Nearly one-half is derived from individual income taxes. This category amounted to 49% of all federal receipts in 1982. This percentage has been as low as 12% in 1940 and stayed around 45% during the 1960's and 1970's. The fastest growing category in the federal system is the social security taxes that provided about 34% of the total revenue in 1982. Corporate income taxes as a shape of federal receipts steadily dropped throughout the 1970's. In 1982, this category generated about 8% of the revenue. Excises provided approximately 5%; estate and gift taxes brought in barely over 1% and other miscellaneous charges were just under 3% of the total receipts.[25]

Federal income taxes for individuals have increased from about $120 billion in 1974 to about $300 billion in 1982. During this same period, corporate income taxes stayed relatively flat at about $50 billion causing a decline in their share of overall federal receipts. To provide sufficient revenue for the current level of government operations, a simplified tax system would have to be capable of generating approximately $350 billion if both the individual and corporate income tax structures were overhauled.[26]

The proposal that will be recommended in this paper would replace the existing individual and corporate income taxes leaving the other aspects of the federal tax structure intact.

Why is a tax reform needed? The answer to this question could easily exceed 2,000 pages which is the approximate length of the Internal Revenue Code. Only the main indictments against the current income tax system will be covered in this paper. The four main dimensions to the inefficiency of the present system encompass economic barriers, complexity, stiffled intangibles and administrative difficulty.

Going back to the basic definition of taxation, we are reminded that the reason for the collection of taxes is to support the government as it provides necessary goods, services, and order *without* stifling economic growth or human ingenuity. Our current income tax system fails to meet the fundamental purpose of its existence. It produces too little revenue. The United States government spends more on defense and domestic programs than it collects in tax revenue. Federal taxes went from a level of 3% of the Gross National Product in 1929 to about 19% in 1982. However, government spending amounted to approximately 24% of the Gross National Product in 1982. Chronic deficits over the last two decades not only offend the notion of good fiscal housekeeping, but also injure the economy and create unnecessary distortions.[27] In fiscal year 1982, after the enactment of a large budget reduction, the federal budget still had a deficit for the 13th straight year and for the 19th time in the last 20 years. Deficits have grown in recent years at such a rate that three-fourths of the 486 billion dollars in deficit accumulated from 1962–1982 resulted since 1974. From fiscal year 1946 through 1960, deficits as a percent of Gross National Product averaged about 0.4%. Over the next ten years the deficit equivalent averaged 0.8% of the Gross National Product. But over the next eleven years, the average magnitude of the deficit rose to 2.4% of the Gross National Product.[28]

Budget deficits reduce the growth of productive capacity when the economy is operating at a high level of employment. Deficits absorb over one-half of national savings leaving less savings available for investments in productive expansions. To maintain high levels of investment, the United States must borrow from abroad. If present trends continue, the United States could easily become a net debtor to the rest of the world.[29]

Because deficits force the government to complete for available saving, interest rates remain artificially high. These high rates discourage purchases of long-term assets such as housing. They also overvalue the dollar causing a competitive disadvantage for the United States in the world market.[30]

Closely tied to the problem of persistent, chronic deficits is the accusation that the federal government has become bloated, disorganized, wasteful, and inefficient. Is the federal government too big? Donald Lambro, Washington correspondent for United Press International, would shout an emphatic "yes"! Mr. Lambro concludes, "Americans have more government than they need, more than they want, and more than they can afford. Like a riderless locomotive whose throttle has been pulled wide open, the federal government is running out of control." [31] This paper will not attempt to address the issue concerning the excessiveness of the federal government. An organized and efficient use of income taxes directly relates to the amount of revenue needed and the existence of a balanced budget.

Another economic indictment against the current tax system is that increased earnings with progressive rates cause "Bracket Creep." Inflation pushes income into higher marginal tax rates making the overall effect of "Bracket Creep" worse. Millions of Americans face high marginal tax rates that were intended for those with much higher incomes. The Treasury Department reported that in 1965 a family of four earning a median income had a tax rate of 17% which increased to 24% in 1980. For families with twice the median income the rate almost doubled from 22% to 43%. This increase was due to the progressive rate structure and inflation. "Bracket Creep" is leaving many families with less real purchasing power after taxes.[32]

For the last 20 years, each time family income rose by 10%, government receipts increased approximately 15%.[33] High marginal tax rates affect people's incentive to produce additional earnings. It impacts upon the worker's decision to work overtime or to go play tennis. The higher the marginal rate, the cheaper the price of leisure. High rates reduce capital formation and economic growth.[34] Professor Authur Laffer illustrates the relation between taxes and incentives with "Laffer Curve." He restates the concept of diminishing returns. "At some point, additional taxes so discourage the activity being taxed, such as working or investing, that they yield less revenue rather than more. There are two rates that yield the same amount of revenue: high taxes on low production; or low taxes on high production. . . . There is, however, at any one time, some rate that allows the government maximum revenue and yet does not discourage maximum production." [35] Congressman Jack Kemp in his book entitled, *An American Renaissance*, gave the following illustration: "Consider the baker who is taxed 20% on the first loaf of bread, 40% on the second loaf, 60% on the third, 80% on the fourth, and 100% on the fifth and who can produce only one loaf per day. His objective would be to increase his output and increase his income. His rewards for pushing forward on the frontiers of baking technology are reduced again and again for each additional loaf he bakes. When he is at the level of four loaves—or at the margin, the 100% tax rate—all incentive to increase his baking productivity ends because if the baker were to produce a fifth loaf of bread, it would be taxed entirely away." [36]

A fourth economic indictment against the present tax system is that loopholes and tax shelters are allowing many Americans to avoid their fair share of the tax burden. Since 1979, there has been a rapid increase in the number of tax preferences and in their revenue loss. According to the Joint Committee on Taxation and the Congressional Budget Office, there were 104 tax preferences in effect in the fiscal year 1982. These preferences caused the tax base to shrink to less than one-half of the 1982 national income. In 1981, these 104 preferences cost $229 billion in lost revenue.[37] According to the IRS publication, *Statistics of Income for 1981*, the category of itemized deduction alone reduced adjusted gross income by 24% that year or by $254.4 billion. Interest expense was the single largest itemized deduction claimed in 1981 amounting to $108.7 billion.[38] Senator Bill Bradley of New Jersey gave an example of the largest syndicated tax shelters in history. He included it in his book entitled, *The Fair Tax*, Chapter 3 appropriately subtitled, "True Tales of Amazing Tax Shelters." The example follows: "The largest syndicated tax shelters in history allows the partners to purchase 45,000 old billboards for $485 million and depreciate them over the 15-year write-off period for real estate. When the billboards are sold, they will generate a long-term capital gain taxed at preferential rates. Each investor must put up $150,000, so this shelter is only available to the big hitters. However, each was promised net tax benefits over a six-year period worth $181,950; that is the tax benefits exceeded the original investment. It this what the President meant by supply-side economics? Obviously not. No economic growth results from simple reshuffling the ownership of 45,000 existing billboards." [39] With this example it is easy to see how families who reported income in 1981 of more than $1 million paid an effective rate of only 17.7% through the use of tax shelters.[40]

In order to manipulate transactions to avoid tax, some keen minds had to connive the schemes. Out of the aproximate 46,000 active tax professionals needed to interpret the complex tax law, several thousand specialize in tax shelters.[41] Think of the talent and time expended in this tax shelter industry. It is sad to admit but our income tax system has created an industry devoted to the inefficient use of investment of capital. Our tax system encourages people to lose money for tax purposes and it encourages special interests to lobby for more and more selective relief.

To better understand the existence of tax preferences, we must recall the squeeze of inflation and the pain of high tax rates. Many groups have lobbied for selective relief before their selected representatives. The most powerful and influential got an exclusion, deduction, or credit to suit their special interest.[42] Legislators keep succumbing to the pressures of the lobbyists who keep repeating the "little ditty" made famous by Senator Russell Long of Louisiana; "Don't tax you, don't tax me, tax that fellow behind the tree."[43] President Reagan even abandoned his "clean bill" principles to join the crowd supporting special interests before the passage of the Economic Recovery Tax Act of 1981. A New York Times editorial said; "Greed and politics are running wild on Capitol Hill, and the Nation's great economic difficulties, which were supposed to be the object of budget and tax reductions, are recklessly ignored."[44] Once again the well-being and prosperity of the nation lost out to the flawed logic of special interest groups. When will the legislators stop playing Santa Claus to influential lobbyists?

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[1] Footnotes at end of article.

Evidenced by a newspaper article as recent as June 7, 1986, the Senate Finance Committee still insists on playing Santa Claus. The Greensboro News and Record article stated the Committee was proposing to give away more than 170 "toys" to special interest beneficiaries, such as "cellular telephones," "strawberry square," and "Chanel." Senator Howard Metzenbaum of Ohio said, "There is blatant concealment in this bill. . . . We're still trying to find all the special provisions that are hidden in those 2,847 pages." Senator Metzenbaum listed 16 specific provisions that warranted further study. What about the remaining 154 special interest provisions?"[45] Another article, one week later in the same newspaper, gave some specifics on one of the loopholes that had been proposed by the Senate. Unocal of Los Angeles was to forego paying up to $50 million of federal taxes because they had incurred a $4.4 billion debt fighting off an attempted takeover. This loophole was killed by Senator Metzenbaum's amendment but what about the remaining loopholes?[46] The whole legislative process seems to "degenerate into a scramble to see who can get the largest slices of a shrinking pie." Nobody wins in this sport of mutual plunder. Real economic expansion through fair and simple tax reform is the surest remedy for this divisive sport.[47]

Taking into consideration the high tax rates of our progressive structure, the high level of inflation, and the large number of unfair tax preferences, is it any surprise that the underground economy in the United States is growing so rapidly? A fifth indictment against the present tax system is that it encourages tax evasion. "Sheep may stand still while they are sheared, but taxpayers do not."[48] An estimated 25 million working Americans engage in both legal and illegal activities to hide all or a portion of their income from taxation. The magnitude of this problem is described by Sylvia Porter in the following manner: "A veiled economy more vast in scope than most of the individual economies of most other countries on this globe lies underneath the in-the-open economy in which tens of millions of us in the United States live. An immense proportion of all the transactions that occur in our country take place in this underground—but they are untraced in any fashion, thus uncounted, unreported and most significant, untaxed. You yourself may well be a part of it, without even being aware that you are."[49] The Internal Revenue Service estimated the 1981 loss of revenue from legal activities to be $74.7 billion. In addition, the Internal Revenue Service estimated a $9 billion tax evasion from illegal activities such as drug traffic and prostitution.[50] Some experts think the legal and illegal sources of income that do not appear in the Gross National Product is much higher than these Internal Revenue estimates. Some analysts claim that unreported income in the United States is close to a trillion dollars. For every four dollars of legal income reported, there is another one hidden from view.[51]

Why is tax cheating so prevalent? People are very dissatisfied with unfair loopholes that favor special interest, poor fiscal policies that contribute to inflation, steep graduated rates that cause "Bracket Creep" during inflationary times, government waste, and the unresponsiveness of the tax legislators to the national interest.[52] The cure for these ills is not cheating. The solution is a complete overhaul of the federal income tax system. This would not only boost the Gross National Product but remove some of the incentives to join the underground economy. Less participation in the underground economy would increase the tax base already riddled with unfair, excessive loopholes, and reduce the burden on taxpayers.

A sixth economic indictment against the current system of taxation is the disincentives and distortions it causes on saving, investing, working, and prices. High marginal tax rates discourage every productive activity. The incentives to take a risk, accept added responsibilities, and expand our Gross National Product, are dulled when a big hunk of the prize goes to somebody else.[53] "When individuals bear the full cost of their actions and are able to reap fully the gains that occur from their activities, they use resources wisely. When I bear the full cost of food, clothing, telephone service, recreation facilities and thousands of other items, you can be reasonably sure that I will conserve on my use of these items. I will not consume them unless I value the services that they provide more than the cost of the provision. Similarly, when I am able to reap the full benefits of my productive activities, you can be sure that I will undertake even unpleasant tasks when the benefits (usually personal income) exceed the costs. When individuals bear the full cost and reap the full benefits, they will use resources in a wealth-creating manner. They will engage in positive-sum economic activity. . . . Problems arise when a sizeable share of the benefits or costs emanating from economic activity accrues to nonparticipating parties. High marginal tax rates make it possible for individuals to enjoy tax deductible items at a fraction of their cost to our economy. . . . However, deductibility does not reduce the cost *to society* of the valuable resources used to produce these commodities."[54] The marketplace is far more efficient in allocating resources and setting prices than the Internal Revenue Code. The present system makes us less competitive in the world economy and prevents us from reaching our economic potential as a nation. A tax deduction is of little benefit if there is no income to subtract it from.[55]

The tax laws interfere with business decisions in an unwise, haphazard way. High marginal tax rates make consumption cheap and encourage debt instead of equity. This causes saving to decline and in turn reduces investment which is the foundation for future growth.[56] This disincentive is aggravated by inflation which pushes people into higher marginal tax brackets even though their real pre-tax income does not change.[57] Tax policy distorts income during real economic growth and inflationary periods causing consumption to become cheaper and saving more expensive.[58] "The current tax code distorts investment decisions so that economically desirable investments often appear less attractive than those where tax incentives inflate profitability. Section after section tells new investors what lines of business to enter, tells existing corporations how to go about their work, and puts a heavy tax on the profits of successful and productive corporations. The whole system makes no economic sense."[59] To improve incentives and reduce investment distortions, a tax system is needed with a much broader base that permits a low tax rate.

The second main dimension to the inefficiency of the current tax system is the complexity of the Internal Revenue Code. The legal complexity makes comprehension, compliance, and administration difficult. Transactional complexity encourages individuals and businesses to engage in complicated maneuvers to avoid taxes.[60] The lack of simplicity makes the uniform application of the tax laws difficult to achieve. It also imposes a high cost of taxation.

"It was a bizarre trial, a tax protest case. The defense lawyer didn't have a chance, but his closing argument was a humdinger. It went like this: The lawyer hefted the Internal Revenue Code and leaned on the jury box. 'I wish this book could talk,' he said plaintively. 'I wish this book could talk because it would crawl over this rail, it would crawl up into your laps, it would look up at you and it would cry, 'Nobody understands me.' "

The above segment was taken from a May 13, 1983 *Wall Street Journal* article by Caryl Conner, who was a speechwriter in the Carter White House. In her article entitled "Offering Incentives to Tax Evaders," she realizes the essential function of the Internal Revenue Code is to raise revenue but it creates tax evasion by its complexity and "revenue hemorrhage." She is critical of the Code's ambiguity, chaos, loopholes, social engineering, and unenforceability.[61] Let's not take Ms. Conner's word for it, let's go right to the source—Section 1302. "Definitions of Averageable Income; Related Definitions" states:

(a) AVERAGE INCOME.—

(1) IN GENERAL.—For purposes of this part, the term "averageable income" means the amount by which income for the computation year (reduced as provided in paragraph 2) exceed 120% of average base period income.

(2) REDUCTION.—The taxable income for the computation year shall be reduced by—

(A) The amount (if any) to which section 72(m)(5) applies; and

(B) The amounts included in the income of a beneficiary of a trust under section 667(a).

(b) AVERAGE BASE PERIOD INCOME.—For purposes of this part—

(1) IN GENERAL.—The term "average base period income" means one-fourth of the sum of the base period incomes for the base period.

It is surprising less than one-third of those eligible to reduce their tax computation by income averaging actually do so?[62] In short, Section 1301 means that if a person has a lot more income in 1984 than he (she) had in the past four years, then income averaging may lower the tax amount. Phrases such as "averageable income" and "base period income" are contained in this Code Section. The word "income" is also used. Nowhere in the two thousand pages of the Internal Revenue Code is the word "income" defined. Since tax is imposed on "income," it would be logical to expect a definition in the beginning of the Code. Congress threw darts all around the bullseye with definitions of "gross income," "adjusted gross income,"

"taxable income," "earned income," "unearned income," "ordinary income," "averageable income" and others.[63]

Tax law terminology is difficult to understand but the problem is aggravated by the use of such long sentences. A sentence in Section 170(b)(i)(A) contains 379 words; another sentence in Section 7701(a)(19) has 506 words. The Connecticut statute forbids the use of sentences longer than an average of 22 words and no sentence can be longer than 50 words.[64] To comprehend the exact meaning of some of these long Code sentences, the reader would need to construct flow charts. What kind of grade would the English high school teacher of those tax legislators give her ex-students on clarity and sentence structure?

The application of tax law is not uniform. In an attempt to understand and fairly apply the more than 2,000 pages of basic tax law, there are about 10,000 pages of tax regulations and thousands of pages of interpretations and judicial opinions.[65] Even with all this research material available, most taxpayers do not understand the tax laws. Judges do not interpret the laws uniformly. Consider the two separate cases of a Minnesota state trooper and a New Hampshire state trooper. The argument was that since the state was his employer, all the highways were the "premises" of his employer. Since he was required to eat at restaurants on the highway, the meals were "furnished for the employer's convenience on his premises." The Minnesota state trooper won the court case. Unfortunately, the state trooper in New Hampshire fared worse. The court there stated that it did not go along with this "metaphysical concept" concerning the state's territory being the "premises" of the employer. The court further stated that the meals must be "furnished in kind." With the same facts, the different states had two different rulings.[66]

Former Commissioner of the Internal Revenue Service, Jerome Kurtz, stated the Service was aware of 3.8 million taxpayers who underreported their 1979 income but an astonishing 2 million overstated their income. In addition to the confusing, verbose language of the Code, the taxpayer has to contend with complicated, lengthy forms. People turn to commercial tax preparers, IRS employees, and certified public accountants for help. Facing up to the complexity of the Code, it is understandable that these assistors and preparers do not always get the right tax amounts. Certified Public Accountants have the best record for accuracy but they are a very expensive source of help. In 1981, about 41% of all filers had their returns prepared by tax professionals with a price tag of over $1 billion.[67] To obtain a true picture of the cost of taxation, the time spent collecting and recording data must be considered as well as the time spent filling out the various forms. Taxpayers must also fund the operations of the Internal Revenue Service. Its budget grew from about $2 billion in 1978 to approximately $3 billion for 1983. Lumping all these direct and indirect costs together, taxpayers bear between $9 and $10 billion for preparing and verifying their taxes, above what they pay in income taxes.[68]

The tax laws are complex and ambiguous. They need to be reformed to impose a low flat rate on a much broader base. The laws could be simple if there were no exceptions.

The third dimension to the inefficiency of the present tax system is the negative impact upon human intangibles. In some way, all the previously discussed indictments have a stifling effect upon those precious intangibles. When disincentives and dissatisfaction are high, morale and initiative are low. This puts a damper on human ingenuity which is one of the greatest sources of improved productivity. History has proven reward, not deprivation, to be the best method for motivating people to be aspiring, risk-taking, and enterprising. Congressman Jack Kemp, in his book entitled An American Renaissance, summarizes the way our current tax system operates. Human ingenuity "isn't just amazing inventors like Edison or dramatic managerial innovators like Henry Ford. Improvements in efficiency spring from millions of creative workers, supervisors, and managers whose intimate knowledge of their tasks leads to new methods of improving products or saving costs. From this vast pool of dispersed knowledge, a market economy draws people who gamble that they have a better idea about how to provide more or better goods with fewer or cheaper resources. But they won't take those risks unless they will be rewarded if they succeed. By continually removing the incentives which reward achievement, we have created a system which taxes the imagination, ingenuity, and enterprise of the American people.[69]

The last dimension to the inefficiency of the present system of taxation is administrative difficulty. The economic barriers, excess burdens, unfair rules and repressed intangibles pose problems in collection and enforcement. Complexity, combined with inflation and high marginal rates, encourage tax avoidance and evasion. These factors increase the administrative burdens. The Internal Revenue Service employed about 85,000 people in 1983, which was about the same number as in 1979. During this same period, returns being audited because of tax shelter issues increased from 183,000 to 335,000.[70] The proportion of returns examined in 1984 was only 1.3%.[71] Administrative expenditures of the Internal Revenue Service dropped from 0.54% of revenue collected in 1975 to 0.41% in 1981 before reaching 0.48% in 1984. Over this same period, the ratio of IRS employees to total returns filed declined by 19%.[72] With taxpayers devoting more time and resources in avoidance techniques, administrative costs must increase to ensure proper compliance.

An income tax reform removing special deductions,, credits and allowances would simplify enforcement. Compliance costs could be utilized more effectively if the tax system had a broad base with a low flat rate. Internal Revenue Service could concentrate on unreported income without being bogged down with verifying a proliferation of credits, exclusions, allowances and deductions. With understandable rules and low rates, a sense of fairness would be present that would foster voluntary compliance.

Having reviewed the numerous inefficiencies of the American income tax system, it is refreshing to present some workable recommendations for sound tax reform. The simplification proposals set forth in this paper will suggest fundamental changes to tax laws, forms, and procedures for the individual and corporation income taxes.

Tax legislators, accountants, administrators, most other taxpayers, and even some of the guilty tax evaders want tax reform. They just can not seem to agree on how to reform the tax laws. Some people have even developed a strong dislike for the phrase "tax reform." They cannot help but recall the numerous changes made in prior years that started out as tax simplification measures but resulted in another lost battle for efficiency and fairness.

An Internal Revenue employee shared her astonishment at the size of one estate tax return that was about two inches thick, complete with index tabs. The next day she realized that estate return was not so long compared to other tax returns that were filed in the Greensboro District of the Internal Revenue Service. Tax returns had been received that individually filled the contents of a cardboard box one foot deep. It is time to raise the confidence of all taxpayers in the income tax system. True tax reform without loopholes, steep rates, and complicated rules is urgently needed.

How could true federal income tax reform be achieved? The basic steps to true reform follow:

a. Abolish loopholes
b. Broaden the tax base
c. Change to a low, flat rate
d. Deduct a personal allowance
e. Exempt an amount for each dependent
f. File simplified forms 1040 and 1120

What are the goals of sound tax policy? After implementation of the above tax simplification, the following would result:

a. Administrative ease
b. Boosted intangibles
c. Conserved resources
d. Dynamic economy
e. Efficiency
f. Fairness

To achieve these goals for individual income taxes, the following tax law changes are recommended:

1. Repeal all individual adjustments to income, exclusions, deductions, and credits (except withholding and excess FICA credits). Depreciation would be allowed at a rate that provides an adequate cushion for inflation but would not favor one asset over another.

2. Include employee compensation, such as wages, salaries, tips, pensions, bonuses, prizes, fringe benefits, workman compensation and the market value of non-cash items.

3. Exclude employee reimbursements for business expenses and employer provided medical benefits.

4. Include income (loss) from business activities and any other income sources.

5. Allow a personal allowance of $6,000.00 for married taxpayers; $4,500.00 for head of household status, and $3,000.00 for single status.

6. Allow dependent allowances of $1,000.00 each.

7. Apply a low, flat rate against taxable income.

8. File on simplified form 1040.

9. Require residential leasor information. (Space is provided on form 1040)

10. Require withholding at the source whenever possible.

The individual income tax return, form 1040, would be used primarily to report employee compensation, dividends, interest, capital gains (losses), and the net income (loss) from sole proprietorships, partnerships, and small business corporations. Rents, royalties, and other sources of individual income would be included on form 1040. The personal and dependent allowances would provide a floor so that the poorer families would pay little or no income tax. After combining all sources of income and subtracting the allowance(s), taxable income would remain. If the amount was positive, then the flat rate

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would be applied to arrive at a total income tax.[73]

The goals previously listed could be achieved by implementing the following major revisions to the corporate income tax structure:

1. Gross revenue would be reduced by ordinary and necessary business expenses provided such items were included in receipts.

2. Business expenses would include the cost of purchases of goods and services used for business purposes during the tax year.

3. Dividends paid to shareholders and reported on their returns would be excluded on the corporate return. Federal income tax would be withheld on dividends which would be reflected on the 1099-DIV forms sent to shareholders.

4. Depreciation and amortization would be allowed at a rate that provides an adequate cushion for inflation but would not favor one asset over another.

5. Exemptions and exclusions, such as the capital gain exclusion, would no longer be allowed.

6. Tax credits would be repealed. This includes investment tax credit, jobs credit, research and development credit, and business energy credit.

7. Tax would be computed on the simplified form 1120 using the same low, flat rate assessed on the individual income tax return.

8. If negative income resulted, the loss would be carried forward and interest income allowed. There would be no limit to the amount of the loss of the number of years carried forward.[74]

The underlying foundation for income tax reform for individual and corporate incomes is a much broader base with a low flat rate. The most unfair aspect of our current system is the large array of complicated loopholes that haphazardly and uneconomically grant selective relief. A wise economist commented several years ago, "Taxpayers using loopholes are a lot like a crowd of people standing tip-toed watching a parade. They are all very uncomfortable on their toes, but no one can stand flat on his feet because he would lose his view. Yet, if they all could agree to get off their toes together, they all would see just as well, and they would feel much better too." [75] Loopholes must be abolished in order to restore a sense of fairness and to encourage economic growth.

The flat rate income tax system would be fined tuned for maximum efficiency. The lowest possible rate would be applied against a broad tax base to provide sufficient revenue to fund the fiscal budget. (A temporary source of revenue to pay off the accumulated deficits will be discussed later.) A low flat rate of 10% on a very broad base has been proposed by Senator Jesse Helms.[76] Robert Hall and Alvin Rabushka first published in the Wall Street Journal their proposal for a flat tax that closely fits the consumption tax concept.[77] They are confident that a low, flat rate of 19% on individual and corporate incomes would generate more revenue than the current system and would, thus, take less time to balance the federal budget. The recommendations outlined in this paper conform to the rules of comprehensive income taxation instead of consumption taxation. The flat rate would be lower than 19% because the base would be broader. The flat rate could hoover around 10% and generate sufficient revenue to fund an efficient federal government operation.

To clean up some of the results of poor fiscal housekeeping, the flat rate could be increased. But to interfere as little as possible with saving, investing, and working decisions, a temporary source of revenue could be implemented. A national retail sales tax on nonessential, luxury goods could supplement the income taxes collected. These funds would be earmarked for paying off the accumulated deficits. Implementation would be faster and more efficient if the states were used as administrative agents. The rates should be set high enough to cover existing state retail sales taxes. This supplemental tax system could be a powerful tool to wipe out the accumulated deficits. The importance of previously discussed problems, such as reduced investments, economic distortions, and high interest rates have serious repercussions on the entire nation. Whether these deficits are funded by a slightly higher flat tax or a national retail sales tax is not as important a decision as the need to pay them off.

With simplier and fairer laws, the costs that taxpayers bear to prepare, verify, and pay their income taxes would be greatly reduced. The removal of loopholes and the expansion of the tax base would also reduce administrative costs. A low, flat tax would restore a sense of fairness that would make administration much easier. It would improve the integrity of the administrators which is the heart of voluntary compliance.

One of the key concepts to efficient tax administration is withholding at the source. Wages, pension, interest, dividends, etc., would be subject to the low flat rate. Using a withholding chart, the payer would retain and remit the income tax to the Internal Revenue Service via the quarterly employment tax return (form 941). The recipient would be issued an information document such as W-2 or 1099 showing the total income and withholdings. If the recipients had only wage and salary income, it could be possible that they would have the corret amount remitted to IRS and would not have to file a 1040 form. They would, however, be required to claim the correct filing status and number of dependents on their withholding certification (form W-4). This form would be updated annually and could require copies of birth certificates for each dependent. Annual wage statements, forms W-2, would still be issued.

Former IRS Commissioner Mortimer Chaplin estimated the following percentages of income types go unreported:

1. 35-50% of royalty and rental income.

2. 20-40% of all self-employed income.

3. 17-22% of capital gains.

4. 8-16% of dividend and interest income.[78]

The flat tax proposals would help compliance in the last category by requiring withholding at the source. Payers of royalty income would also be required to withhold at the source. Payers of residential rental income would submit an information from stating the amount and recipient of the rental income. Individual payers would be provided space on their form 1040 to give this information. A large amount of capital gain income results from real estate and stock transactions. Consideration could be given to the collection at the local government level for the income tax on real estate sales at the time the deeds are recorded. The seller could present documentation of the basis. It could be compared to the sales price to obtain the withholding amount for income taxes. When corporations sell stock, they could also compare the basis to the selling price and withhold the appropriate amount of income taxes at the flat rate. Withholding at the source and better utilization of information documents, would improve compliance.

With the repeal of loopholes, IRS would no longer utilize resources to verify a mass of deductions, exclusions, and credits. They could concentrate on sources of unreported income, the proper filing of returns, and the prompt payment of all taxes. With the implementation of the flat tax supplemented by a national retail sales tax on a temporary basis, the folks at IRS would find the laws easier to understand and enforce. Tax simplification would also improve public understanding of the tax laws and boost public confidence. Tax administrators would smile as they noticed the taxpaying public moving toward a model state of voluntary self-assessment.[79]

The proposed tax simplification set forth in this paper would establish a fair and efficient income tax system. A redirection of efforts and capital would produce real growth. A growing, efficient economy would raise national output, stimulate human intangibles, and increase the standard of living. The American dream is not a scramble for a larger piece of a shrinking pie. In the words of Congressman Jack Kemp, "We must have economic growth . . ., which means we must press ahead to gain the necessary tax . . . reforms that will permit growth. We want to excite the elusive but vital qualities of human ingenuity and effort. Qualities important not only to an economy increasingly dominated by sophisticated services, but to the well-being and happiness of our nation's people. Ingenuity is discovered only through *effort*, and intangible substance which certainly means more, much more, than putting hours. After all some people manage to retire on the job. Effort encompasses such things as a continual eagerness to acquire new knowledge and skills, a willingness to accept new responsibilities, to take the risk of initiating change. *Effort* can only be measured indirectly, by results, and the results are not only measured by personal prosperity but by the enrichment of community life as well." [80]

### FOOTNOTES

[1] Robert E. Hall and Alvin Rabushka, *The Flat Tax* (Stanford, Calif.: Hoover Institution Press, Stanford University, 1985), p. 1.

[2] Sidney I. Landau, ed. in chief, *Doubleday Dictionary* (Garden City, N.Y.: Doubleday and Company, Inc., 1975.)

[3] Christopher Conte, *Wall Street Journal*, 8 July 1982.

[4] Hall and Rabushka, *The Flat Tax*, p. 1.

[5] Patricia C. Archeson, *Our Federal Government How It Works*, An Introduction to the United States Government, 4th ed. (New York: Dodd, Mead, 1984), p. 11.

[6] Ibid., p. 17.

[7] Hall and Rabushka, *The Flat Tax*, p. 19.

[8] Senator Bill Bradley, *The Fair Tax* (New York: Pocket Books, 1984), p. 70.

[9] Ibid., p. 71.

[10] Hall and Rabushka, *The Flat Tax*, p. 19.

[11] Ibid., p. 20.

[12] Senator Bill Bradley, *The Fair Tax*, p. 24.

[13] Ibid., p. 74.

[14] Hall and Rabushka, *The Flat Tax*, p. 20.

[15] Senator Bill Bradley, *The Fair Tax*, p. 75.

[16] Ibid., p. 77.

[17] Ibid., p. 78.

[18] Hall and Rabushka, *The Flat Tax*, p. 21.

[19] Senator Bill Bradley, *The Fair Tax*, p. 80.

[20] Dan Brawley, *The Subterranean Economy* (New York: McGraw-Hill, 1982), p. 4.

[21] Hall and Rabushka, *The Flat Tax*, p. 5.

[22] Ibid., P. 21.

[23] "Tax Foundation's Tax," *Features* 30 (March 1986): 2.

[24] Hall and Rabushka, *The Flat Tax*, p. 7.

[25] Ibid., p. 7.

[26] Ibid., p. 8.

[27] Henry J. Aaron and Harvey Galper, *Assessing Tax Reform* (Washington, D.C.: The Brookings Institution, 1985), p. 7.

[28] John W., Ellwood, "Balancing the Federal Budget and Limiting Federal Spending: Constitutional and Statutory Approaches," September 1982. Congress of the U.S. Congressional Budget Office, Washington, D.C., p. 9.

[29] Aaron and Galper, *Assessing Tax Reform*, p. 8.

[30] Ibid., p. 8.

[31] Donald Lambro, *Fat City: How Washington Wastes Your Taxes* (South Bend, Ind., 1980), p. xv.

[32] Hall and Rabushka, *The Flat Tax*, p. 23.

[33] Jack Kemp, *An American Renaissance: A Strategy for the 1980's* (New York: Harper & Row, 1979), p. 100.

[34] *Fairness and the Reagan Tax Cuts.* Hearing before the Point Economic Committee Congress of the U.S. 98th Congress Second Session, 12 June 1984 (Washington, D.C.: U.S. Government Printing Office, 1984), p. 8.

[35] Kemp, *An American Renaissance: A Strategy for the 1980's*, p. 50.

[36] Ibid., P. 52.

[37] Bradley, *The Fair Tax*, p. 87.

[38] Hall and Rabushka, *The Flat Tax*, p. 25.

[39] Bradley, *The Fair Tax*, p. 39.

[40] Ibid., p. 12.

[41] Ibid., p. 26.

[42] Ibid., p. 49.

[43] Ibid., p. 56.

[44] Ibid., p. 58.

[45] *Greensboro News and Record*, 7 June 1986, Washington AP.

[46] *Greensboro News and Record*, 14 June 1986, Washington AP.

[47] Kemp, *An American Renaissance: A Strategy for the 1980's*, p. 79.

[48] *Fairness and Reagan Tax Cuts*, p. 52.

[49] Jerome Tuccille, *Inside the Underground Economy* (New York: Signet, 1982), p. 68.

[50] Joseph A. Pechman, ed., *Options for Tax Reform* (Washington, D.C.: The Brookings Institution, 1984), p. 21.

[51] Tuccille, *Inside the Underground Economy*, p. 69.

[52] Pechman, *Options for Tax Reform*, p. 21.

[53] Bradley, *The Fair Tax*, p. 48.

[54] *Fairness and the Reagan Tax Cuts*, p. 54.

[55] Bradley, *The Fair Tax*, p. 51.

[56] *Fairness and the Reagan Tax Cuts*, p. 6.

[57] Ibid., p. 10.

[58] Ibid., p. 7.

[59] Ibid., p. 35.

[60] Aaron and Galper, *Assessing Tax Reform*, p. 42.

[61] Caryl Conner, "Offering Incentives to Tax Evaders," *Wall Street Journal*, 13 May 1983.

[62] Bradley, *The Fair Tax*, p. 19.

[63] Michael Savage, *Everything You Always Wanted to Know About Taxes But Didn't Know How to Ask* (New York: Dial Press, 1982), p. 3.

[64] Brawly, *The Subterranean Economy*, p. 42.

[65] Bradley, *The Fair Tax*, p. 18.

[66] Savage, *Everything You Always Wanted to Know About Taxes But Didn't Know How to Ask*, p. 34.

[67] Bradley, *The Fair Tax*, p. 28.

[68] Robert E. Hall and Alvin Rabushka, *Low Tax, Simple Tax, Flat Tax* (New York: McGraw-Hill, 1983), p. 6.

[69] Kemp, *An American Renaissance: A Strategy for the 1980's*, p. 54.

[70] Internal Revenue Service, *Annual Report of the Commissioner and Chief Counsel of the Internal Revenue Service*, 1980, p. 27; 1983, p. 11; 1984.

[71] Ibid., 1984, Table 7.

[72] Ibid., 1984, Tables 6 and 22.

[73] Archeson, *Our Federal Government How It Works, An Introduction to the United States Government*, p. 35.

[74] Ibid., p. 122.

[75] Bradley, *The Fair Tax*, p. 102.

[76] Pechman, *Options for Tax Reform*, p. 30.

[77] Hall and Rabushka, *Low Tax, Simple Tax, Flat Tax*, p. 19.

[78] Robert Buechner, *Prosper Through Tax Planning* (New York: Coward-McCann, 1983). p. 1.

[79] Brawly, *The Subterranean Economy*, p. 27.

[80] Kemp, *An American Renaissance: A Strategy for the 1980's*, p. 194.

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By Mr. STEVENS:

S. 1578. A bill to amend chapter 83 of title 5, United States Code, to provide civil service retirement credit for service performed under the Railroad Retirement Act, and for other purposes; to the Committee on Governmental Affairs.

### RAILROAD SERVICE RETIREMENT CREDIT ACT

Mr. STEVENS. Mr. President, the legislation I am introducing today would provide retirement credit under the Civil Service Retirement System [CSRS] for certain Federal employees with Railroad Retirement Act service.

Since 1911, the Federal Government has employed a small number of individuals recruited from the railroad industry to implement Government rail transportation programs. These experts, all highly knowledgeable in the construction, maintenance, and operation of railroads, have been employed in five agencies of the Federal Government—the Interstate Commerce Commission [ICC], the Federal Railroad Administration [FRA], the National Transportation Safety Board [NTSB], the National Mediation Board [NMB], and the Railroad Retirement Board [RRB]. In addition, the Alaska Railroad, formerly a part of the FRA, employs individuals who have Railroad Retirement Act service.

In creating these agencies, Congress authorized the employment of these experts to promote safe rail transportation. Within the Federal Government there is now a small group of 460 employees in these agencies.

Unfortunately, those who have pursued this dual career face a serious disadvantage at retirement. During their years of railroad service, these employees contributed to and are vested in the railroad retirement system. When they were recruited into the Federal Government, however, they also contributed to and became vested in the Civil Service Retirement System. Unfortunately, Mr. President, the combined annuity for these employees from railroad retirement and civil

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service retirement is significantly less than if all the service had been covered continuously under either one of the two systems. In other words, the railroad worker is penalized for moving to the civil service.

Mr. President, as pointed out by Senator Mathias with whom I cosponsored this legislation last year, this is an anomalous situation affecting a finite number of Federal employees. Just as railroad retirement is portable between railroad jobs, and civil service retirement portable between civil service jobs, railroad retirement should be portable to the civil service in this particular situation. The recruitment of qualified employees for the Federal Government is difficult enough without maintaining such counterproductive barriers to movement between the various sectors of our economy.

This legislation would allow these Federal employees, including 62 current employees of the Alaska Railroad, to deposit into the Civil Service Retirement Fund the difference between what they contributed under the Railroad Retirement Act and what they would have contributed to the Fund if they had been subject to the Civil Service Retirement System during those years of railroad service and receive one retirement from the Civil Service Retirement System.

This is a straightforward solution to what, in my judgment, is a inequitable situation for a small number of Federal employees. It is not offered without precedent. Just last year, for instance, we provided Civil Service Retirement System credit for three similarly situated groups: certain employees of DOD nonappropriated fund instrumentalities; Federal employees with pre-1969 National Guard technician service; and cadet nurses who served during World War II.

Mr. President, I ask unanimous consent that the text of my bill be included in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1578

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Railroad Service Retirement Credit Act of 1987".

**SEC. 2. SERVICE CREDIT COMPUTATION.**

Subsection (b) of section 8332 of title 5, United States Code, is amended—

(A) by striking out "and" at the end of paragraph (15);

(B) by striking out the period at the end of paragraph (16) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (16) the following new paragraph:

"(17) in the case of any individual who first becomes an employee of the Department of Transportation, the Interstate Commerce Commission, the National Mediation Board, the National Transportation Safety Board, or the Railroad Retirement Board on or before December 31, 1983, service performed on or after December 31, 1935, as an employee subject to the provisions of the Railroad Retirement Act of 1935, the Railroad Retirement Act of 1937, or the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.), if such employee—

"(A) acquires 5 years or more of creditable civilian service (other than service performed on or after December 31, 1935, as an employee subject to the provisions of such Railroad Retirement Acts); and

"(B) makes a deposit to the Fund in an amount equal to the excess of the amount which would be required under section 8334(c) of this title, but for section 8334(g)(7) of this title, over the total amount contributed by such employee under such Railroad Retirement Acts.".

**SEC. 3. DEPOSITS.**

Section 8334(g) of title 5, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(7) service creditable under paragraph (17) of section 8332(b) of this title, except to the extent provided in subparagraph (B) of such paragraph.".

**SEC. 4. INELIGIBILITY FOR ANNUITY UNDER RAILROAD RETIREMENT ACT OF 1974.**

Section 2 of the Railroad Retirement Act of 1974 (45 U.S.C. 231a) is amended by adding at the end the following new subsection:

"(l) An individual who is entitled to an annuity under subchapter III of chapter 83 of title 5, United States Code, is not eligible to receive an annuity under this section on the basis of the same service.".

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By Mr. KENNEDY (for himself, Mr. DODD, Mr. MATSUNAGA, and Mr. PELL):

S. 1579. A bill to amend the Public Health Service Act to revise and extend the Block Grant Program, and for other purposes; to the Committee on Labor and Human Resources.

### REAUTHORIZATION OF PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANTS

● Mr. KENNEDY. Mr. President, I am very pleased to introduce the reauthorization of the Preventive Health Services Block Grant in title XIX of the Public Health Service Act. As the Surgeon General stated in 1979 "improvement in the health status of our citizens will not be made predominantly through the treatment of disease, but rather though its prevention." In many cases the prevention block grant is the only source of funding for States to educate their citizens to prevent the development of disease.

We have already made considerable progress. Heart disease, cancer, stroke, and accidents, which are the leading causes of death and have high mortality rates in this country have declined significantly due to organized efforts on the local level. Since 1970 heart disease deaths have decreased by one-third, and stroke mortality has decreased by almost 50 percent. We must develop our preventive programs and step up our fight against the leading causes of death so that we can achieve our goals of decreased morbidity and the improved health status of our people. Preventive health funds are vital in our communities where programs reach the public directly.

The National Cancer Institute has set forth a strategy to reduce cancer mortality by 50 percent by the year 2000. Half of the progress will come through preventive strategies. Though national efforts and national leadership are essential, real progress will occur only if local programs follow suit. Local health departments must exercise their leadership by promoting health, supporting activities which promote healthy practices and working to arrest the causes of disease.

State and local health departments receive approximately one-third of their budget from the Federal Government. Though the preventive health block grant accounts for a little over 1 percent of these funds, it accounts for 66 percent of expenditures for rape prevention programs, 58 percent for hypertension control programs, and 27 percent for rodent control programs. In some States, the prevention block grant supplies nearly all the funds for these programs.

The statutory mandate requires that funds go to eight different areas, including hypertension, fluoridation, emergency medical services, community based risk reduction, rape counseling, and prevention services, demonstrations of home health services, education services, and planning of comprehensive public health services. The reauthorization I am introducing today would increase the funding for this program from $98 million to $128 million in 1988, with current service increases for 1989 and 1990.

The reauthorization would add chronic disease to the subjects of communty risk reduction and prevention activities. It would also require that States present to the Secretary of Health and Human Services the goals and objectives which they intend to accomplish with the new funds.

In 1985 and 1986, the preventive block grants were responsible for the implementation of many vital programs around the country. In Maryland a "Diabetes Hotline" was established. In Iowa, 10 cities and 1 rural water association implemented community water fluoridation. In New Hampshire, there have been two pap smear screenings programs and a program of counseling and community education projects. In Washington State, an automated referral reminder system was designed so that pharmacies could remind customers about renewals of antihypertensive medications. In South Carolina, additional water systems servicing approximately

12,000 people became fluoridated. These are just a few of the varied projects developed this past year which have benefited the citizens of these States.

In the current fiscal year, many States have equally impressive projects. Some of these include: teaching safety techniques for preschool, elementary and junior high school students to decrease sexual assault in Hawaii; creating accessible care for all patients with tuberculosis who require hospitalization in Mississippi; and increasing the number of health departments conducting comprehensive health risk appraisal programs in Ohio. Two other activities this year include a project in Rhode Island for 90,000 school-age children on smoking and alcohol, and risk reduction plans for 700 community agencies, schools, businesses and industries in Connecticut.

It is obvious that preventive block grants provide a valuable service to the community. Without these funds many States would be unable to continue necessary preventive programs or to develop new ones. We have accomplished much. But we cannot be content to stop here. With increased funding for 1988–90, preventive health activities can be expanded to enable States to undertake additional public health projects to improve the health of their citizens.

I urge my colleagues to support the reauthorization of the preventive health and health services block grant.

Mr. President, I have included a longer list of the accomplishments of this program which I would like inserted in the record.

I ask unanimous consent that the list of program accomplishments, and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1579

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. AUTHORIZATION OF APPROPRIATIONS.**

Section 1901(a) of the Public Health Service Act (42 U.S.C. 300w(a)) is amended—

(1) by striking "and"; and

(2) by inserting before the period at the end thereof the following: ", $128,500,000 for the fiscal year ending September 30, 1988, $133,600,000 for the fiscal year ending September 30, 1989, and $138,900,000 for the fiscal year ending September 30, 1990".

**SEC. 2. USE OF ALLOTMENTS.**

Section 1904(a)(1)(C) of the Public Health Service Act (42 U.S.C. 300w-3(a)(1)(C)) is amended by inserting before the period at the end thereof the following: ", including programs designed to reduce the incidence of chronic diseases".

**SEC. 3. STATE PLANS.**

Section 1905 of the Public Health Service Act (42 U.S.C. 300w-4) is amended by adding at the end thereof the following new subsection:

"(e) To receive an increased allotment for fiscal year 1988 under section 1902, a State must—

"(1) prepare a plan that shall—

"(A) detail the manner in which the State will utilize the additional funds received;

"(B) contain a minimum of three and a maximum of five disease prevention areas, from the areas outlined in the Surgeon General's Report on Healthy People, to be benefited with the additional funds; and

"(C) limit the scope of operations and the size of the population to be served with the additional funds to an amount appropriate under the circumstances;

"(2) submit the plan prepared under paragraph (1) to the Secretary; and

"(3) monitor the progress of the State in meeting the objectives set forth in the plan submitted under paragraph (2).".

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### PROGRAM ACCOMPLISHMENTS

Mr. President, I would like to introduce for the record, this list of very fine accomplishments of this program as reported to the Association of State and Territorial Health Officials.

Arizona is revising and testing a skin cancer prevention curriculum for sixth grade students. In addition, public information is being provided throughout the State on the prevention of skin cancer.

Connecticut initiated water utility inspections and follow-up inspections. Violations that were found resulted in enforcement orders.

The District of Columbia implemented a community based cancer prevention campaign.

Firefighters on Oahu, in West Hawaii, and on Maui and Molokai in Hawaii have been trained to provide blood pressure screening at their stations and have sponsored several mass screening sites.

Ten cities and one rural water association in Iowa have implemented community water fluoridation.

In Maine 39,104 residents were screened, educated, referred and followed-up for high blood pressure.

Maryland developed a "Diabetes Hotline" which has served 162 patients and has demonstrated reductions in emergency room visits and hospital admissions among participants.

In Saginaw, Michigan rat control project 91 percent of 563 block target area have been protected.

In Alabama four branch clinical laboratories conducted 214,971 examinations on milk, water and shellfish specimens.

Minnesota implemented a comprehensive plan for the promotion of nonsmoking.

The Mississippi Rape Crisis Project responded to over 300 hotline calls and provided direct services to more than 222 individuals.

Nevada screened 12,000 individuals for hypertension.

New Hampshire has designed and funded two Pap Smear screenings, counselling and community education (on cancer risk factor reduction) projects.

More than 4,000 car seats are available for lease through local public health offices in New Mexico to medically indigent families.

Ohio provided information through a toll free AIDS Hotline to approximately 1,000 callers per month.

Oregon implemented a pilot project to collect data on all patients who are hospitalized due to injuries in order to develop prevention strategies.

In South Carolina additional water systems began fluoridating, adding an estimated 12,103 people receiving fluoridated water.

In Washington State a system was designed for an automated referral reminder system through pharmacies for their customers on hypertensive medications.

Wisconsin launched a multi-media osteoporosis awareness campaign. "Stop the Ladykiller" to reach women and health professionals in the state.

Many states have also planned impressive objectives for FY 1987. Some of these are listed below.

Alaska proposes to reduce the useage of smokeless tobacco by 15 percent of preschool and school-aged children presently "chewing."

Connecticut will assist 700 community agencies, schools, businesses and industries to adopt risk reduction programs.

Hawaii will provide primary education on violence techniques, safety techniques and sex role clarification for pre-school, elementary and junior high students in an effort to decrease the incidence of sexual assault.

Iowa will continue to offer a smoking cessation course for State of Iowa employees.

Kentucky will provide educational intervention programs for 500 special needs children and their families on alcohol abuse.

Maine will continue to monitor the effectiveness of the 1986 Workplace Smoking Law and continue enforcement procedures.

Maryland will provide high blood pressure detection referral, follow-up and education programs aimed at males under 50 and black males over 50 and in nine local health departments and through four area agencies.

Massachusetts will implement comprehensive educational workshops for 175 individuals on occupational health and safety issues affecting office workers at worksites.

Michigan proposes to increase the level of immunization of migrant children by 10 percent.

Mississippi will provide accessible care of appropriate level to all patients with tuberculosis whose medical condition requires hospitalization.

Missouri will provide influenza vaccine to 100,000 elderly and/or chronically ill persons who are at increased risk of complications from influenza.

Montana will develop low birth weight prevention pilot programs in four communities.

New Hampshire will improve public access to emergency medical care, improve radio communication between hospital, pre-hospital personnel and public safety communication center.

North Dakota will be developing a comprehensive school health curriculum (K–12) resource guide.

Rhode Island will provide a primary project for 90,000 schoolage children in 17 communities on smoking and alcohol.

South Carolina will reduce the rate of gonorrhea to 620–635 per 100,000.

South Dakota will prevent the incidence level of tuberculosis disease from exceeding 35 cases statewide.

Texas will increase the population served by fluoridated water to 257,000 people.

West Virginia will produce 26 television programs on health topics.

Wyoming will provide community public health service agencies with antibiotics for distribution to indigent sexually transmitted disease patients. ●

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By Mr. WALLOP (by request):

S. 1580. A bill to amend the medical assistance program under title XIX of the Social Security Act to limit Federal financial participation in State program and administrative expenditures, to increase State flexibility to administer the State program, to make additional administrative improvements, and for other purposes; to the Committee on Finance.

### MEDICAID REFORM AMENDMENTS

● Mr. WALLOP. Mr. President, today, I am introducing, at the request of the administration, the Medicaid Reform Amendments of 1987. The bill, in three titles, is designed to control program costs, provide greater flexibility to the States, and simplify administration.

I would ask that Secretary Bowen's letter of transmittal, an analysis of the bill, and the bill itself be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1580

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE, REFERENCES IN ACT, AND TABLE OF CONTENTS

SECTION 1. (a) This Act may be cited as the "Medicaid Reform Amendments of 1987".

(b) The amendments in the Act apply to the Social Security Act, unless otherwise specifically stated.

### TABLE OF CONTENTS

Sec. 1. Short title, references in Act, and table of contents.

TITLE I—LIMITS ON FEDERAL FINANCIAL PARTICIPATION IN STATE EXPENDITURES; INCREASED STATE FLEXIBILITY

Sec. 101. Limitation on States' entitlement to Federal payments for medical assistance.
Sec. 102. Flexibility in determining eligibility and benefits.
Sec. 103. Eligibility of certain individuals who become ineligibile for supplemental security income or State supplemental payments.
Sec. 104. Statewideness requirement retained only for mandatory services to mandatory eligibles.
Sec. 105. "Freedom of choice" limited to mandatory services to mandatory eligibles.
Sec. 106. Amendments concerning copayments.
Sec. 107. Elimination of Federal requirements concerning State payment rates.
Sec. 108. State plan requirement to verify that medical services were furnished as claimed.
Sec. 109. Elimination of penalty for failure to pay premiums for individuals eligible for Medicare part B benefits.
Sec. 110. Effective dates.

TITLE II—LIMITS ON MATCHING OF ADMINISTRATIVE COSTS

Sec. 201. Elimination of increased matching rates for administrative costs.
Sec. 202. Reductions in matching rates for excess administrative costs.
Sec. 203. Effective dates.

TITLE III—OTHER COST SAVING PROPOSALS AND ADMINISTRATIVE IMPROVEMENTS

Sec. 301. Amendments concerning third-party payments for medical expenses.
Sec. 302. Claims payment review.
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Sec. 305. Transfer of Medicare part B premiums to supplementary medical insurance trust fund.
Sec. 306. Interest payments by States on disputed claims.
Sec. 307. Ineligibility of inmates of correctional institutions.
Sec. 308. Authority to require additional information relating to extension of "freedom of choice" waivers.
Sec. 309. Transfers of assets.
Sec. 310. Repeal or requirement for coordinated audits.
Sec. 311. Eligibility of certain recipients of Veterans' Administration pensions.
Sec. 312. Technical and clarifying amendments.
Sec. 313. Effective date; grace period for State legislative action.

## TITLE I—LIMITS ON FEDERAL FINANCIAL PARTICIPATION IN STATE EXPENDITURES; INCREASED STATE FLEXIBILITY

### LIMITATION ON STATES' ENTITLEMENT TO FEDERAL PAYMENTS FOR MEDICAL ASSISTANCE

SEC. 101. (a) Section 1903 (42 U.S.C. 1396b) is amended by adding after subsection (v) the following new subsection:

"(w)(1) Notwithstanding any other provision of this section, no State (other than Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, or American Samoa) shall be entitled to payment with respect to expenditures for medical assistance under paragraph (1) of subsection (a), for fiscal year 1988 or any succeeding fiscal year, in excess of such State's allotment under paragraph (2).

"(2)(A) For fiscal year 1988, the allotment of each State subject to this subsection shall be an amount which bears the same ratio to $25,246,451,000 as the amount the State is entitled to receive under paragraph (1) of subsection (a) for medical assistance expenditures for fiscal year 1986 bears to the total amount all such States are entitled to receive for such expenditures.

"(B) For fiscal year 1989 and each subsequent fiscal year, each State's allotment shall be an amount equal to its allotment for the preceding fiscal year, multiplied by the change in the MCPI (as defined in subparagraph (C)) for such subsequent fiscal year.

"(C) For purposes of this paragraph, the 'change in the MCPI' for a specified fiscal year means the ratio of (i) the annual average index of the medical care expenditure category of the Consumer Price Index for all urban consumers (U.S. city average) published by the Bureau of Labor Statistics for the first fiscal year preceding such specified fiscal year, to (ii) such index as so measured for the second such preceding fiscal year.

"(3) For purposes of paragraph (2), the amounts States are entitled to receive under paragraph (1) of subsection (a) for medical assistance expenditures for fiscal year 1986 shall be the amounts approved by the Secretary before October 1, 1987, on the basis of expenditure reports received by the Secretary on or before January 31, 1987.".

(b)(1) Notwithstanding the provisions of section 1903(w) of the Social Security Act, the Secretary shall make payments totaling $300,000,000 to qualifying States, for fiscal year 1988 only, in addition to payments subject to the limitation under section 1903(w)(1), in accordance with this subsection.

(2) For purposes of this subsection, the term "qualifying State" means a State (other than Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, or American Samoa)—

(A) which applies to the Secretary before January 1, 1988, for funding under this subsection, and

(B) the Federal share of whose medical assistance expenditures for fiscal year 1988, as approved by the Secretary before July 1, 1989, in the basis of expenditure reports received by the Secretary before January 1, 1989, exceeds 108 percent of the State's allotment as determined under section 1903(w)(2)(A), and

(C) which can demonstrate either—

"(i) that the rate of increase in the Federal share of medical assistance expenditures from the 12-month period ending on September 30, 1985 to the 12-month period ending on September 30, 1987 did not exceed the percentage increase in the annual average index of the medical care expenditure category of the Consumer Price Index for all urban consumers (U.S. city average) published by the Bureau of Labor Statistics (MCPI) from the 12-month period ending on September 30, 1985 to the 12-month period ending on September 30, 1987, or

(ii) that the percentage change in the Federal share of medical assistance expenditures from fiscal year 1987 to fiscal year 1988 is less than the average of the percentage changes in the Federal share of medical assistance expenditures from fiscal year 1986 to fiscal year 1987.

(3) The amount payable to a qualifying State under this subsection shall be that amount which bears the same ratio to $300,000,000 as the excess of the Federal share of the State's medical assistance expenditures for fiscal year 1988 (as determined under paragraph (2)(A)) over 108 percent of its allotment under section 1903(w)(2)(A) bears to the total of all such excess amounts for all qualifying States.

(4)(A) The Secretary shall make interim payments totaling $300,000,000 in accordance with paragraph (3) not later than July 1, 1988, to those States that appear to be qualifying States on the basis of the most recent estimates received by the Secretary as of January 1, 1988.

(B) The Secretary shall make final adjustments in payments under this subsection (including reductions and increases as necessary in payments made under subparagraph (A)) not later than July 1, 1989.

### FLEXIBILITY IN DETERMINING ELIGIBILITY AND BENEFITS

SEC. 102. (a) Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i)(I), to read as follows:

"(A)(i) for making medical assistance available, including at least the care and services listed in paragraphs (1) through (5) and (17) of section 1905(a) (except as provided in paragraph (17)(F)), to all individuals—",

(2) by redesignating subparagraph (a)(ii) and subparagraph (B) as subparagraph (A)(ii), respectively, and by relocating subparagraph (B), as redesignated, below subparagraph (A)(ii), as redesignated;

(3) in subparagraph (A)(ii), as redesignated—

(A) by inserting ", with respect to the care and services listed in paragraphs (1) through (5) and (17) of section 1905(a)" after "any individual described in subparagraph (A)"; and

(B) by striking out "subparagraph (A)" each place it occurs and inserting instead "clause (i)";

(4) in subparagraph (B), as redesignated—

(A) by moving the left margin one em to the left;

(B) in the matter preceding clause (I), by inserting "for making medical assistance available" before "at the option of the State";

(C) by striking out "clause (i) of this subparagraph" and "clause (i)" each place they occur and inserting instead in each place "subparagraph (A)";

(D) by redesignating subclauses (I) through (VI) as clauses (i) through (vi); and

(E) by adding at the end "and"; and

(5)(A) by striking out "and" at the end of subparagraph (C); and

(B) in subparagraph (D), by striking out all that follows "for any individual" and inserting instead "age 21 or over described in subparagraph (A)(i);".

(b) Section 1902(a)(10)(C) (42 U.S.C. 1398a(a)(10)(C)) is amended—

(1) in clause (i), by striking out "for all such groups" and all that follows and inserting instead "for all groups not described in subparagraph (A) or (B) (which shall be reasonable, and may differ with respect to income levels based on the variations between shelter costs in urban areas and rural areas);";

(2) in clause (ii), by inserting "and" at the end;

(3) in clause (iii) by striking out "and" at the end; and

(4) by striking out clause (iv).

(c) Section 1902(a)(17) (42 U.S.C. 1396a(a)(17)) is amended to read as follows:

"(17) include reasonable methods for determining eligibility for each group of individuals covered under the plan and (except as permitted under subparagraph (F)) not described in paragraph (10)(A) or subsection (1), and the amount of medical assistance that the State will pay on behalf of each covered individual, which—

"(A) except as provided in subparagraph (F), shall be the same methodology for determining income and resource eligibility for each group as would be employed under the cash assistance program described in paragraph (10(A) in effect in the State to which such group is most closely categorically related (or, in any case where the Secretary has determined in regulations that the methodology employed under such cash assistance program is inconsistent with the purposes of the program under this title, shall be such other methodology consistent with the purposes of this title as the Secretary may permit);

"(B) except as provided in subparagraph (F), provide for taking into account only such income and resources as are, as determined in accordance with regulations of the Secretary, available to the applicant or recipient;

"(C) except as required by subparagraph (A), do not take into account the financial responsibility of any individual for any applicant or recipient of assistance under the plan unless such applicant or recipient is such individual's spouse or such individual's child who is under age 21 or (with respect to States eligible to participate in the State program established under title XVI), is blind or permanently and totally disabled, or is blind or disabled as defined in section 1614 (with respect to States which are not eligible to participate in such program);

"(D) take into account, in accordance with regulations of the Secretary, the costs of the applicant or recipient (or of individuals whose income is taken into account in determining the eligibility of the applicant or recipient), whether in the form of insurance premiums or otherwise, for medical care or for any other type of remedial care recognized under State law;

"(E) in determining the amount of income which an individual residing in a medical institution who has been determined to be eligible may be required to contribute to the cost of medical care covered under the State plan, take into account income of the applicant or recipient (other than income equal to the maximum amount of income permitted under section 1611(e)(1)(B) to an individual residing in a medical institution and eligible for supplemental security income under title XVI) to the extent that may be required by the Secretary; and

"(F) may require as a condition of eligibility of an applicant or recipient residing in a medical institution (including any applicant or recipient described in paragraph (10)), that individuals financially responsible for the applicant or recipient (as described in subparagraph (C)) pay an amount consistent with such standards as the Secretary may by regulation prescribe, which shall in no event exceed 20 percent of that portion of the total annual income of individuals financially responsible for the applicant or recipient that exceeds 200 percent of the poverty line as revised by the Secretary pursuant to section 652 of the Head Start Act and, in any case in which such individuals are required to pay, payment shall be made directly to the State;".

(d) Section 1902(f) (42 U.S.C. 1396a(f)) is amended by striking out "incurred medical expenses" each place it occurs and inserting instead "medical expenses".

(e) Section 1903(f) (42 U.S.C. 1396b(f)) is amended in paragraph (3) by striking out "incurred by such family" and inserting instead "of such family".

### ELIGIBILITY OF CERTAIN INDIVIDUALS WHO BECOME INELIGIBLE FOR SUPPLEMENTAL SECURITY INCOME OR STATE SUPPLEMENTAL PAYMENTS

SEC. 103. Section 503 of the Unemployment Compensation Amendments of 1976, Public Law 94-566, is amended by inserting ", and for every month since April 1977 for which such individual was entitled to a monthly insurance benefit under title II," after "if for such month".

### STATEWIDENESS REQUIREMENT RETAINED ONLY FOR MANDATORY SERVICES TO MANDATORY ELIGIBLES

SEC. 104. Section 1902(a)(1) (42 U.S.C. 1396a(a)(1)) is amended by inserting ", with respect to the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a) and furnished to individuals listed in paragraph (10)(A)," after "provide that".

### "FREEDOM OF CHOICE" LIMITED TO MANDATORY SERVICES TO MANDATORY ELIGIBLES

SEC. 105. Section 1902(a)(23) (42 U.S.C. 1396a(a)(23)) is amended by striking out "any individual eligible for medical assistance (including drugs) may obtain such assistance" and inserting instead "any individual listed in paragraph (10)(A) may obtain medical assistance for any of the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a)".

### AMENDMENTS CONCERNING COPAYMENTS

SEC. 106. (a) Section 1916 (42 U.S.C. 1396o) is amended to read as follows:

"SEC. 1916. (a) The State plan shall provide, with respect to the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a) and furnished to individuals listed in subparagraphs (A) and (E) of paragraph (10), that—

"(1) no enrollment fees, premiums, deductibles, or similar charges will be made, and

"(2) any coinsurance or similar charges will be nominal (except that the charge for nonemergency services furnished in a hospital emergency room may be twice the nominal amount established under the State plan for hospital outpatient services).

"(b) The State plan may, at State option, provide that no deduction, cost sharing, or similar charge will be imposed under the plan with respect to any or all of the following:

"(1) services furnished to individuals under 18 years of age (and, at the option of the State, individuals under 21, 20, or 19 years of age, or any reasonable category of individuals 18 years of age or over but under age 21),

"(2) services furnished to pregnant women, if such services relate to the pregnancy or to any other medical condition which may complicate the pregnancy (or, at the option of the State, any services furnished to pregnant women),

"(3) services furnished to any individual who is an inpatient in a hospital, skilled nursing facility, intermediate care facility, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of his income required for personal needs, or

"(4) emergency services (as defined by the Secretary), or

"(5) services furnished to such an individual by a health maintenance organization (as defined in section 1903(m)) in which he is enrolled.

"(c) The State plan may provide, with respect to care and services furnished under the State plan (other than the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a) and furnished to individuals listed in subparagraphs (A) and (E) of paragraph (10), for—

"(1) enrollment fees, premiums, deductibles, or similar charges, in amounts left to State discretion, and

"(2) coinsurance or similar charges, in amounts left to State discretion.".

(b) Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)), as previously amended by this Act, is further amended, in clause (IV) in the matter following subparagraph (E), to read as follows:

"(IV) the furnishing of an item or service to an individual without the imposition of a deductible, cost sharing, or similar charge under a State plan in accordance with subsection (a) or (b) of section 1916 shall not require the furnishing of that item or serv-

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ice without the imposition of such charge to an individual not exempted from such charge under the State plan;".

### ELIMINATION OF FEDERAL REQUIREMENTS CONCERNING STATE PAYMENT RATES

SEC. 107. (a) Section 1902(a)(13) (42 U.S.C. 1396a(a)(13)) is amended—

(1) in the matter preceding subparagraph (B), to read as follows:

"(13)(A) provide assurances satisfactory to the Secretary for the filing of uniform cost reports by each hospital, skilled nursing facility, intermediate care facility, and hospice, and for periodic audits by the State of such reports; and";

(2) in subparagraph (B), by striking out "that the State shall provide" and inserting instead "a description of the methodology to be used by the State in setting payment rates for hospitals, skilled nursing facilities, intermediate care facilities, and hospices, and"; and

(3) by striking out subparagraphs (D) and (E).

(b) Section 1902(a) (30) (A) (42 U.S.C. 1396a(a)(30) (A)) is amended—

(1) by striking out ", and the payment for,", and

(2) by striking out "efficiency, economy, and quality of care" and inserting instead "efficiency and economy".

(c) Section 1903(h) (42 U.S.C. 1396b(h)) is repealed.

### STATE PLAN REQUIREMENT TO VERIFY THAT MEDICAL SERVICES WERE FURNISHED AS CLAIMED

SEC. 108. Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking out "and" at the end of paragraph (47),

(2) by striking out the period at the end of paragraph (48) and inserting instead "; and" and

(3) by inserting after paragraph (48) the following new paragraph:

"(49) provide for an effective method of verifying, by sampling techniques or other methods approved by the Secretary, whether services billed by all participating providers were furnished as claimed to individuals entitled to medical assistance under the State plan.".

### ELIMINATION OF PENALTY FOR FAILURE TO PAY PREMIUMS FOR INDIVIDUALS ELIGIBLE FOR MEDICARE PART B BENEFITS

SEC. 109. Section 1903(b) (42 U.S.C. 1396b(b)), as previously amended by section 102(c) of this Act, is further amended by striking out paragraph (1), and by striking out the paragraph designation "(2)".

### EFFECTIVE DATES

SEC. 110. (a) The amendments made by section 101 shall become effective upon enactment.

(b) The amendments made by section 102 through 109 shall not be effective with respect to any calendar quarter for which section 101 is not in effect.

## TITLE II—LIMITS ON MATCHING OF ADMINISTRATIVE COSTS

### ELIMINATION OF INCREASED MATCHING RATES FOR ADMINISTRATIVE COSTS

SEC. 201. Section 1903(a) (42 U.S.C. 1396b(a)) is amended by striking out paragraphs (2), (3), and (6), and redesignating paragraphs (4), (5), and (7) as paragraphs (2), (3), and (4).

### REDUCTIONS IN MATCHING RATES FOR EXCESS ADMINISTRATIVE COSTS

SEC. 202. Section 1903(a) (42 U.S.C. 1396b(a)), as amended by section 201, is further amended—

(1) by striking out the period at the end of paragraph (4) and inserting a comma instead; and

(2) by adding at the end the following: "except that, in the case of any Sate other than Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa, for any fiscal year after 1987, the provisions of subsection (x) (rather than the rate specified in paragraph (2), (3), or (4) shall be applied to determine the amount payable to a State with respect to that portion of its total administrative costs, after reduction of such total by the amount of adjusted core administrative costs (as defined in subsection (x)(2)(D)) that results from adjusted per recipient administrative costs (as defined in subsection (x)) in excess of 135 per centum of the national median amount of such costs for all the States.".

(b) Section 1903 of the Act is further amended by adding after and below subsection (w) the following new subsection:

"(x)(1) For purposes of applying the limitation on payments for State administrative costs prescribed in subsection (a), there shall be payable to any State to which such limitation applies an amount equal to 25 per centum of that portion of the State's adjusted per recipient administrative costs (as defined in paragraph (2)) that exceeds 135 per centum but not 160 per centum of the national median of such costs for all such States (such medians being determined as prescribed in paragraph (3)), and no amount with respect to that portion of such costs that exceeds 160 per centum of such national median.

"(2) For purposes of this section—

"(A) a State's 'per recipient administrative costs' in a fiscal year means the ratio of the amounts expended by such State during such fiscal year for the proper and efficient operation of the State plan, and for which Federal financial participation is claimed and allowed, to the unduplicated annual number of individuals receiving assistance under the State plan in such year (such ratios to be established by the Secretary on the basis of the best data available to him before April 1 of the succeeding fiscal year);

"(B) a State's 'adjusted per recipient administrative costs' in a fiscal year means that State's per recipient administrative costs (i) divided by the ratio of that State's annual average wages for State employees for such year to the median of such annual averages for all the States, using the most recent data available to the Secretary as published by the Bureau of Labor Statistics, Department of Labor, and (ii) further adjusted to the extent found necessary by the Secretary to improve the equivalence of such State's per recipient administrative costs to those of the other States, with respect to any class or classes of costs attributable to a significant change in circumstances or in required administrative activity, incurred by the State in such fiscal year for reasons that the Secretary finds (I) have affected that State disproportionately to the experience of the States generally and (II) were beyond that State's ability to control or avoid; and

"(C) the national median of the adjusted per recipient administrative costs of all the States for any fiscal year to which the limitation in subsection (a) applies shall be determined by establishing, on the basis of State claims allowed by the Secretary before the end of such fiscal year (regardless of the amount of payment, if any, under this section with respect to such claim), the median of such costs for the second preceding fiscal year, and adjusting such median by the change in the GNP deflator (as defined in subparagraph (E)) for such fiscal year;

"(D) a State's 'adjusted core administrative costs' shall be—

"(i) with respect to fiscal year 1988, $1,000,000, and

"(ii) with respect to each fiscal year thereafter, $1,000,000 adjusted by the change in the GNP deflator for such fiscal year, as defined in subparagraph (E); and

"(E) the 'change in the GNP deflator' means—

"(i) for purposes of subparagraph (D)(ii), the ratio of (I) the gross national product implicit price deflator, measured for the second quarter of the fiscal year concerned, published by the Bureau of Economic Analysis, Department of Commerce, before August 31 of such fiscal year, to (II) such deflator, as so measured, for fiscal year 1988; and

"(ii) for purposes of paragraph (2)(C), the ratio of the gross national product implicit price deflator, measured as described in clause (i)(I), to (II) such deflator, as so measured, for the second fiscal year preceding the fiscal year concerned.

"(3)(A) If, in any fiscal year after 1987, a State's adjusted per recipient administrative costs do not exceed 135 per centum of the national median of such costs for all the States, or exceed 135 per centum of such national median but not 160 per centum of such median, the Secretary shall determine (i) the additional maximum amount that, had it been expended by the State for the proper and efficient operation of the plan approved under this title, and been claimed and allowed, would have been included for purposes of determining payment under subsection (a) at the 50 percent rate pursuant to paragraph (3) thereof, and (ii) the additional maximum amount that, had it been so expended by the State, would have been so included, at the 25 percent rate specified in paragraph (1) of this subsection, and shall notify the State of the additional amounts, if any, determined under clauses (i) and (ii).

"(B) If, for any fiscal year, a State has been advised by the Secretary that, under a provision of part A of title IV relating Federal payments to the State for expenditures necessary for the proper and efficient operation of the plan approved under that part to a percentage of the national median of such expenditures, there are additional amounts that could have been included for determining payment at the 50 percent rate, or for determining payment at the 25 percent rate, then the Secretary shall also include for payment at the 50 percent rate, or at the 25 percent rate, under this section, an amount of expenditures made under the plan approved under this title equal to such additional amount or amounts (including amounts expended to carry out such plan with respect to which payment at the 25 percent rate, but not the 50 percent rate, is available).

"(C) If, for any fiscal year, the State has been notified by the Secretary of Agriculture that, under a provision of the Food Stamp Act of 1977 relating Federal payments to the State for the costs of carrying out the food stamp program under such Act to a percentage of the national median of such costs, there are additional amounts that could have been included for determining payment at the 50 percent rate, or at the 25 percent rate, the Secretary shall include for payment under this section, at the

50 percent rate, or at the 25 percent rate, an amount of expenditures made under the plan approved under this title, in a like manner as is described in subparagraph (B).

"(D) The Secretary (together with the Secretary of Agriculture, if the Food Stamp Act of 1977 contains a provision relating Federal payments for State administrative costs to a percentage of the national median of such costs) shall prescribe regulations to carry out this paragraph, but such regulations shall allow the State to determine the amounts it wishes to claim at the 50 percent and 25 percent rate, except that if the State has chosen to claim expenditures under this title for payment, or for payment at a higher rate, by reason of having adjusted per recipient administrative costs below the applicable percentage of the national median under its plan approved under part A of title IV, or below the national median of costs to carry out the Food Stamp program, then a reduction in the amount available under the Food Stamp Act of 1977 (with respect to additional costs that could have been claimed), or under part A of title IV (with respect to additional expenditures that could have been claimed), as the case may be, equal to such expenditures claimed under this title, at the appropriate matching rate, shall be applied by the Secretary of Agriculture or the Secretary, or both if appropriate.".

(c) Section 1903(b)(1) of the Act (42 U.S.C. 1396a(b)(1)) is amended by striking out "subsection (a)" and inserting instead "subsection (a) and (x)".

(d) Section 1903(b)(3) (42 U.S.C. 1396b(b)(3)) is repealed.

(e) Section 1903(r) (42 U.S.C. 1396b(r)) is repealed.

### EFFECTIVE DATES

SEC. 203. (a) The amendments made by section 201 and by subsections (a), (b), (d), and (e) of section 202 shall be effective with respect to calendar quarters beginning on or after October 1, 1987.

(b) The amendment made by section 202(c) shall become effective upon enactment.

## TITLE III—OTHER COST SAVING PROPOSALS AND ADMINISTRATIVE IMPROVEMENTS

### AMENDMENT CONCERNING THIRD-PARTY PAYMENTS FOR MEDICAL EXPENSES

SEC. 301. Section 1902(a)(25)(A) (42 U.S.C. 1396a(a)(25)(A)) is amended by striking out "including—" and all that follows and inserting instead "including the collection of sufficient information (as specified by the Secretary in regulations) to enable the State to pursue claims against such third parties, with such information being collected at the time of any determination or redetermination of eligibility for medical assistance;".

### CLAIMS PAYMENT REVIEW

SEC. 302. (a) Section 1902(a)(37) (42 U.S.C. 1396a(a)(37)) is amended in clause (B) by inserting "in accordance with regulations of the Secretary under section 1903(r)" after "prepayment and postpayment claims review".

(b) Section 1903 (42 U.S.C. 1396b), as amended by section 102 of this Act, is further amended by inserting after subsection (q) the following new subsection:

"(r)(1) The Secretary is authorized to promulgate regulations setting requirements for performance of prepayment and postpayment claims reviews by States pursuant to section 1902(a)(37), including requirements for monitoring and auditing payments made, and for developing and providing information to the Secretary on rates of erroneous payments.

"(2) If a State fails to perform adequate prepayment and postpayment claims reviews, in accordance with regulations pursuant to paragraph (1), the Secretary, directly or through contractual or such other arrangements as he may find appropriate, may perform such claims reviews for that State, and may establish the error rate for that State on the basis of the best data reasonably available to him.

"(3) In any case in which it is necessary for the Secretary to exercise his authority under paragraph (2), the amount that would otherwise be payable to such State under this title for quarters in which in exercises such authority shall be reduced by the costs incurred by the Secretary in performing (directly or otherwise) such claims reviews.".

### REIMBURSEMENT LIMITS ON NONEMERGENCY PHYSICIAN SERVICES FURNISHED IN HOSPITAL EMERGENCY ROOMS

SEC. 303. Section 1902(a) (42 U.S.C. 1396a(a)), as amended by section 110 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (48),

(2) by striking out the period at the end of paragraph (49) and inserting instead "; and"; and

(3) by inserting after paragraph (49) the following new paragraph:

"(50)(A) provide for the establishment of limitations on reimbursement of physician services provided on an outpatient basis by hospitals (other than bona fide emergency services as defined in paragraph (B)), which limitations—

"(i) shall be reasonably related to the charges in the same area for similar services provided elsewhere, and

"(ii) shall provide for exceptions in cases where similar services are not generally available in physicians' offices in the area to individuals eligible for medical assistance under the State plan.

"(B) For purposes of paragraph (A), the term 'bona fide emergency services' means services provided in a hospital emergency room after the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in—

"(i) placing the patient's health in serious jeopardy;

"(ii) serious impairment to bodily functions; or

"(iii) serious dysfunction of any bodily organ or part."

### AUTHORITY TO WAIVE REQUIREMENTS WITH RESPECT TO THE TERRITORIES

SEC. 304. Section 1902(j) (42 U.S.C. 1396a(j)) is amended by striking out "American Samoa" the first place it occurs and inserting instead "Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa".

### TRANSFER OF MEDICARE PART B PREMIUMS TO SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND

SEC. 305. (a) Section 1903(a)(1) (42 U.S.C. 1396b(a)(1)) is amended by striking out "(including expenditures for premiums under part B of title XVIII" and all that follows and inserting instead "(including expenditures for insurance premiums, other than premiums under part B of title XVIII, for medical or any other type of remedial care or the cost thereof), reduced by an amount equal to the non-Federal share of premiums under part B of title XVIII described in subsection (y); plus".

(b) Section 1903 (42 U.S.C. 1396b), as amended by sections 101 and 202 of this Act, is further amended by adding at the end the following new subsection:

"(y) From the sums appropriated therefor, the Secretary shall pay to the Federal Supplementary Medical Insurance Trust Fund, on behalf of each State which has a plan approved under this title, for each quarter, an amount equal to the total cost of premiums under part B of title XVIII, for individuals—

"(1) who are eligible for medical assistance under the plan, and

"(2)(A) who are receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or

"(B) with respect to whom there is being paid a State supplementary payment, and who are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a)(10)(A).".

### INTEREST PAYMENTS BY STATES ON DISPUTED CLAIMS

SEC. 306. Section 961(b) of the Omnibus Reconciliation Act of 1980 (concerning interest payments on disputed claims pursuant to section 1903(d)(5)) is amended by striking out "with respect to expenditures for services furnished on or after October 1, 1980" and inserting instead "with respect to amounts claimed by the State on or after October 1, 1980".

### INELIGIBILITY OF INMATES OF CORRECTIONAL INSTITUTIONS

SEC. 307. Section 1905(a) (42 U.S.C. 1396d(a)) is amended in clause (A) by striking out "an inmate of a public institution (except as a patient in a medical institution)" and inserting instead "an inmate of a correctional institution under the control of a Federal, State or local government entity (including a private institution under contract or agreement with a State or local government)".

### AUTHORITY TO REQUIRE ADDITIONAL INFORMATION RELATING TO EXTENSION OF "FREEDOM OF CHOICE" WAIVER

SEC. 308. Section 1915(d) (42 U.S.C. 1396n(d)) is amended by striking out all that follows "unless the Secretary" and inserting instead", within 90 days after the date of its receipt by the Secretary, either denies such request in writing or informs the State agency in writing with respect to any additional information which is needed in order to make a final determination with respect to the request. After the date the Secretary receives such additional information, the request shall be deemed granted unless the Secretary, within 90 days of such date, denies such request.".

### TRANSFERS OF ASSETS

SEC. 309. (a) Section 1917(c)(1) (42 U.S.C. 1396p(c)(1)) is amended to read as follows:

"(c)(1)B Notwithstanding any other provision of this title, the State plan may provide for a waiver of denial of medical assistance to an individual who would otherwise be determined to be ineligible because he has disposed of resources for less than fair market value, in any instance where the State determines that such denial would work an undue hardship.".

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(b) Section 1917(b)(3) (42 U.S.C. 1396p(c)(3)) is repealed.

### REPEAL OF REQUIREMENT FOR COORDINATED AUDITS

Sec. 310. (a) Section 1129 (42 U.S.C. 1320a-8) is repealed.

(b) Section 1902(a)(42) (42 U.S.C. 1396a(a)(42)) is amended—

(1) by striking out "(A)", and

(2) by striking out "(B)" and all that follows and inserting a semicolon instead.

### ELIGIBILITY OF CERTAIN RECIPITENTS OF VETERANS' ADMINISTRATION PENSIONS

Sec 311. Section 1133 (42 U.S.C. 1320b-3)) is amended—

(1) in subsection (a), by striking out "subsection (b)" and inserting instead "subsections (b) and (c)"; and

(2) by adding at the end the following new subsection:

"(c) The provisions of subsection (a) shall be applicable only with respect to an individual who, before October 1, 1987, either declined to make, or disaffirmed, an election under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978 with respect to a pension paid by the Veterans' Administration, and thereby established or retained eligibility for medical assistance under a State plan under title XIX.".

### TECHNICAL AND CLARIFYING AMENDMENTS

Sec. 312. (a) Section 1902(a)(27) (42 U.S.C. 1396a(a)(27)) is amended by striking out all that follows "(B)" and inserting instead "to furnish to the Secretary and the State agency such information as each may request regarding any payments claimed by such person or institution for providing services under the State plan;".

(b) Section 1903(i)(4) (42 U.S.C. 1396b(i)(4)) is amended by striking out"; the Secretary is authorized to waive the requirements of this paragraph if the State agency demonstrates to his satisfaction" and inserting instead "except where the State agency has demonstrated to the Secretary's satisfaction."

(c) Section 1903(u)(1)(C) (42 U.S.C. 1396b(u)(1)(C)) is amended by striking out "subsection (d)(3)" and inserting instead "subsection (d)(2)".

(D) Section 1905(d) (42 U.S.C. 1396d(d)) is amended in the matter preceding paragraph (1)—

(1) by striking out " 'intermediate care facility services' may include services in" and inserting instead " 'intermediate care facility' may include", and

(2) by adding", and the term "intermediate care facility services' may include services furnished in such institution (or distinct part) to such persons," before "if—".

(e)(1) Section 1910 (a)(1) (42 U.S.C. 1396i(a)(1)) is amended by striking out "certifies an institution in a State to be qualified as" an inserting instead "enters into a provider agreement with".

(2) Section 1910(a)(2) (42 U.S.C. 1396i(a)(2)) is amended by striking out "any institution which has applied for certification by him as a qualified skilled nursing facility" and inserting instead "the application of any institution to enter into a provider agreement under section 1866 as a skilled nursing facility."

(3) Section 1910 (b)(1) (42 U.S.C. 1396i(b)(1)) is amended—

(A) by striking out "certifies a facility in a State to be qualified" and inserting instead "determines that a facility in a State is qualified", and

(B) by striking out "standards for certification" and inserting instead "requirements for qualification."

(4) Section 1910(b)(2) (42 U.S.C. 1396i(b)(2)) is amended by striking out "any facility in that State which has applied for certification by him as a qualified rural health clinic" and inserting instead "the application of any facility in that State for qualification as a rural health clinic under title XVIII."

(5) Section 1910 (42 U.S.C. 1396i) is amended in the title by striking out CERTIFICATION AND".

### EFFECTIVE DATE; GRACE PERIOD FOR STATE LEGISLATIVE ACTION

Sec. 313. (a) Except as otherwise explicitly provided, the amendments made by this title shall be effective with respect to calendar quarters beginning on and after October 1, 19987.

(b) In the case of a State plan for medical assistance under title XIX which the Secretay of Health and Human Services determines requires State legislation in order for the plan to meet additional requirements imposed by the amendments made by this title, the State plan shall not be regarded as failing to comply with the requirements of title XIX solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act.

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## Summary of Proposed Medicaid Reform Amendments of 1987

### SHORT TITLE, REFERENCES IN ACT, AND TABLE OF CONTENTS

Section 1 would assign the draft bill the short title the "Medicaid Reform Amendments of 1987".

### TITLE I—LIMITS ON FEDERAL FINANCIAL PARTICIPATION IN STATE EXPENDITURES; INCREASED STATE FLEXIBILITY

#### *Limitation on States' entitlement to Federal payments for medical assistance*

Section 101 would limit States' entitlement to Federal matching payments with respect to medical assistance expenditures under title XIX of the Social Security Act ("the Act"). For FY 1988 Federal matching payments would be limited to $25,246,451,000; each State's share of this amount would be proportional to its share of Federal matching payments for FY 1986. For FY 1989 and succeeding fiscal years, each State's limit would be its FY 1988 ceiling, indexed by the medical care component of the Consumer Price Index (MCPI). This amendment would not apply to the territories, whose Federal matching payments are already capped.

For FY 1988 only, the Secretary would be authorized to distribute additional funds appropriated, up to a ceiling of $300 million, in additional grants to States whose Federal medical assistance payments, but for their ceiling, would be more than 108 percent of such payments as limited by the ceiling, and that either (1) held increases in program costs below the increase in the MCPI, or (2) kept the percentage change in the Federal share of medical assistance expenditures from FY 1987 to FY 1988 below the average of the percentage changes from FY 1985 to FY 1986 and from FY 1986 to FY 1987.

#### *Flexibility in determining eligibility and benefits*

Section 102(a) would eliminate most minimum benefit requirements for the current "categorically needy" groups, retaining the requirements only for current mandatory services for the mandatory eligibles.

Subsection (b) would amend paragraph (10)(C) of section 1902(a) of the Act to eliminate the requirement that a State whose "medically needy" program includes care in institutions for mental diseases or in intermediate care facilities for the mentally retarded provide to all "medically needy" groups a minimum benefit package in accordance with statutory requirements. This subsection would also eliminate from paragraph (10(C) provisions concerning income and resource determinations for individuals other than mandatory eligibles which duplicate or overlap provisions of section 1902(a)(17) of the Act.

Subsection (c) would amend section 1902(a)(17) of the Act to contain all requirements concerning methods for determining eligibility and benefits of individuals other than mandatory eligibles.

Section 1902(a)(17)(A) would maintain the general requirement that the methodology used to determine income and resource eligibility must be the same as that of the cash assistance program for the group most closely categorically related to the optional medical assistance group, but would add authority for the Secretary to require use of alternative methodologies where he determines that the cash program rule is inconsistent with the purposes of the Medicaid program. This subparagraph would also permit departure from the cash assistance program rules with respect to proposed new authority under subparagraph (F) to permit States to require contributions from family members financially responsible for institutionalized individuals.

Section 1902(a)(17)(B) would maintain the requirement to take into account only income and resources actually available to the applicant or recipient (with the same exception as above with respect to subparagraph (F)).

Section 1902(a)(17)(C) would maintain the requirement not to take into account the financial responsibility of any other individual (other than a spouse or parent), with an amendment to clarify that the income and resources of additional individuals (such as siblings in the same filing unit and sponsors of resident aliens) may also be taken into account as needed to comply with the requirement to use the eligibility rules of related cash assistance programs in determining Medicaid eligibility.

Section 1902(a)(17)(D) would maintain the requirement to take into account costs of medical or remedial care, but would eliminate the reference to "costs incurred" in order to allow States to consider also costs for which payment has not yet been made and foreseeable future costs.

Section 1902(a)(17)(E) would explicitly require States to require eligible individuals residing in medical institutions to contribute to the cost of their care income above the amount an institutionalized SSI recipient is permitted to keep, to the extent the Secretary provides in regulations. (This is a clarifying amendment; the rule is necessarily implied to avoid results inconsistent with the intent of the Congress. Institutionalized recipients have been required to participate in the cost of their care since the inception of the program in 1965, but the absence of an explicit statement is a source of recurring confusion.)

Section 1902(a)(17)(F) would permit States to require, as a condition of eligibility of individuals residing in medical institutions, payment by a financially responsible individual (as defined in subparagraph (C)) not in excess of 20 percent of that portion of such individual's annual income that exceeds 200 percent of the Federal poverty line. (This is new authority.)

Subsections (d) and (e) would amend section 1902(f) of the Act (the "section 209(b) eligibility provision") and section 1903(f) (which limits Medicaid eligibility to those whose income and resources do not exceed 133⅓ percent of the cash assistance standard for families with dependent children) to eliminate the restriction of spenddown to incurred medical costs, in order to include also costs for which payment has not yet been made and foreseeable futrue costs.

Pursuant to section 110, this amendment would not be effective with respect to any calendar quarter for which section 101 of the bill is not in effect.

#### *Eligibility of certain individuals who become ineligible for supplemental security income or State supplemental payments*

Section 103 would clarify that the disregard of certain income provided by section 503 of P.L. 94-566, for purposes of determining Medicaid eligibility, applies only to those individuals who become ineligible for supplemental security income (SSI) as a direct result of a cost-of-living increase in social security benefits, and who would therefore, without this section, be ineligible for Medicaid as well. It is clear from the legislative history of section 503 (despite the contrary outcome in *Lynch* v. *Rank*) that this provision was never intended to afford relief to individuals who lost SSI eligibility for reasons apart from the cost-of-living increase, but who, if that increase were deducted from their total income, would qualify for SSI.

Pursuant to section 110, this amendment would not be effective with respect to any calendar quarter for which section 101 of the bill is not in effect.

#### *Statewideness requirement retained only for mandatory services to mandatory eligibles*

Section 104 would amend the present requirement that the State plan be in effect throughout the State to apply only with respect to mandatory services to those groups the State is required to cover.

Pursuant to section 110, this amendment would not be effective with respect to any calendar quarter for which section 101 of the bill is not in effect.

#### *"Freedom of choice" limited to mandatory services to mandatory eligibles*

Section 105 would limit applicability of the requirement that recipients have freedom of choice in selection of a provider from whom to receive covered services to mandatory services for the categorically needy.

Pursuant to section 110, this amendment would not be effective with respect to any calendar quarter for which section 101 of the bill is not in effect.

#### *Amendments concerning copayments*

Section 106 would amend provisions concerning copayments by Medicaid recipients. No premiums or like charges could be made for mandatory services for the mandatory groups, and copayments for such services could only be nominal. States would have the option to exempt from copayment requirements services furnished to children, pregnant women, and residents of medical institutions who are required to bear a share of the costs of their care, HMO services, and emergency services. There would be no restrictions on copayments for optional services for any individuals.

Pursuant to section 110, this amendment would not be effective with respect to any calendar quarter for which section 101 of the bill is not in effect.

#### *Elimination of Federal requirements concerning State payment rates*

Section 107 would eliminate all statutory requirements with respect to minimum payment rates for Medicaid services, but States would be required to include in their plans a description of the methods used to set payment rates for hospitals, skilled nursing facilities, intermediate care facilities, and hospices.

Pursuant to section 110, this amendment would not be effective with respect to any calendar quarter for which section 101 of the bill is not in effect.

#### *State plan requirement to verify that medical services were furnished as claimed*

Section 108 would require the State plan to provide an adequate method for verifying whether services for which payment is claimed under the State plan were actually furnished to covered individuals (this would replace a requirement, intended to achieve the same purpose, that would be eliminated by repeal of enhanced MMIS matching rates).

Pursuant to section 110, this amendment would not be effective with respect to any calendar quarter for which section 101 of the bill is not in effect.

#### *Elimination of penalty for failure to pay premiums for individuals eligible for Medicare part B benefits*

Section 109 would eliminate the reduction in Federal reimbursement with respect to expenditures which would not have been incurred by the State if it had exercised its option to pay Medicare part B premiums on behalf of eligible Medicaid recipients.

Pursuant to section 110, this amendment would not be effective with respect to any calendar quarter for which section 101 of the bill is not in effect.

#### *Effective dates*

Section 110 would provide that amendments made by section 101 of the bill would be effective upon enactment, and that amendments made by sections 102 through 109 would be effective with respect to calendar quarters beginning on and after the first day of the first fiscal year for which section 101 is in effect.

### TITLE II—LIMITS ON MATCHING OF ADMINISTRATIVE COSTS

#### *Elimination of increased matching rates and administrative costs*

Section 201 of the draft bill would amend section 1903(a) of the Act to eliminate all special matching rates for administrative costs, other than the 90 percent rate for family planning, and the 100 percent matching rate for activities related to alien immigration status verification (added by section 121 of the Immigration Reform and Control Act of 1986). This section would eliminate the 75 percent matching rate for compensation and training of skilled medical personnel and supporting staff; the 90 percent and 75 percent matching rates for various Medicaid management information systems (MMIS) activities; and the 90 percent and 75 percent matching rates for fraud control units.

#### *Reductions in matching rates for excess administrative costs*

Section 202 of the draft bill would further amend section 1903 of the act to reduce the matching rate for excess State administrative costs (including costs relating to family planning services or alien status verification). Federal matching would be reduced to 25 percent for a State's administrative costs that exceeded 135 percent of the national median of such costs; there would be no matching for that portion of a State's administrative costs that exceeded 160 percent of the national median. This amendment would not apply to the territories, whose Federal matching is already capped.

Subsection (a) of this section would amend the authority for Federal matching of State administrative costs at 90 percent for family planning-related costs, 100 percent for alien status verification, and 50 percent for other costs, to provide that the special rules of subsection (x) of section 1903 (added below) apply to so much of a State's administrative costs as result from "adjusted per recipient administrative costs" (a term defined in the new subsection (x)) in excess of 135 percent of the national median of such costs. Further, before applying the terms of subsection (x), a State's administrative costs are reduced by a standard amount referred to as "core administrative costs" (a common amount that each State must incur in administering a Medicaid program).

Subsection (b) would add the new subsection (x) to section 1903 of the Act, as follows:

Subsection (x)(1) states that 25 percent Federal matching will be provided for that portion of a State's "adjusted per recipient administrative costs" that exceed 135 percent but not 160 percent of the national median of such costs, and that no amount will be payable for that portion of the per recipient costs that exceed 160 percent of the national median.

Paragraph (2) defines various key terms used in section 1903:

Subparagraph (A) provides that "per recipient administrative costs" means the ratio of the amount expended by the State to administer its Medicaid plan in a year to the unduplicated annual number of individuals receiving assistance under the plan in the same year.

Subparagraph (B) defines "adjusted per recipient administrative costs" in the case of a particular State as that State's per recipient administrative costs, (i) adjusted by the ratio of the State's annual average wages for public employees to the median of that figure for all States (based on the most recent Bureau of Labor—Statistics data available to the Secretary), and (ii) further adjusted, if the Secretary finds it necessary, to improve the equivalence of that State's costs to those of other States, with respect to specific categories of costs, because of significant changes in circumstances, or required administrative activities, that affected the State more than all States generally, and that were beyond the State's ability to control.

Subparagraph (C) specifies that the national median of adjusted per recipient administrative costs of the States will be the median of those costs for the second fiscal year preceding the fiscal year for which the limitation on matching is being applied, on the basis of claims allowed by the Secretary before the end of the relevant fiscal year (i.e. within the two year period allowed for

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filing of claims), with the median then being adjusted by the change in the GNP deflator between the relevant fiscal year and the second preceding fiscal year.

Subparagraph (D) specifies that the amount of a State's adjusted core administrative costs will be (i) $1,000,000 for fiscal year 1988, or (ii) for any subsequent fiscal year, $1,000,000, adjusted by the change in the GNP deflator.

Subparagraph (E) provides that the "change in the GNP deflator," for purposes of adjusting the amount of the core administrative costs for years after 1988, will be the ratio of the GNP deflator for the second quarter of the fiscal year concerned, to the GNP deflator for the second quarter of fiscal year 1988, and for purposes of adjusting the national median of adjusted per recipient administrative costs (which is based on those costs in the second fiscal year preceding the relevant fiscal year), it means the ratio of the GNP deflator for the relevant fiscal year (measured in the same way as for adjusting core administrative costs) to the GNP deflator for the second preceding fiscal year.

Paragraph (3) reflects the parallel limitations on administrative costs that are being proposed as amendments to the AFDC and food stamp programs. Those provisions are essentially the same as this Medicaid proposal, except that, in the AFDC and food stamp programs, the ceilings on 50 percent and 25 percent reimbursement are to be set at 125 percent and 150 percent, respectively, of the national median of adjusted per recipient administrative costs. This difference reflects the greater complexity of Medicaid program administration and the greater potential for variation in the content of State programs.

Subparagraph (A) provides that if a State, in its Medicaid program, contains its administrative costs such that a greater amount could have been claimed for 50 percent, or 25 percent, reimbursement, the Secretary will determine the additional dollar amount for which reimbursement could have been claimed at each of those rates and notify the State.

Subparagraph (B) provides that if a State has been notified, under the parallel provision of title IV-A, that a greater amount could have been claimed for 50 percent or 25 percent matching than was actually claimed, the State may claim a like amount of Medicaid expenditures for matching at the applicable rate under the Medicaid program, in addition to the amount that the ceiling of 135 percent and 160 percent of national median Medicaid administrative costs would have otherwise allowed.

Subparagraph (C) affords the State the same option to use "credits" from efficient administration of its food stamp program to cover expenditures for Medicaid administration beyond the limit for which 50 percent or 25 percent Medicaid matching would otherwise be provided.

Subparagraph (D) directs the Secretary (together with the Secretary of Agriculture, assuming enactment of the parallel amendment to the food stamp program) to prescribe regulations to implement paragraph (3), allowing use of "credits" (i.e. total claims below the applicable ceilings in AFDC or food stamps) to create additional amounts of Medicaid reimbursement above the Medicaid ceilings. However, the regulations must permit the State to determine how it wishes to match up excess Medicaid administrative costs with "credits" from either or both of the other two programs, with the restriction that a "credit" can only be used once.

Subsection (c) of section 202 would amend section 1903(b) of the Act to include a reference to the newly added subsection (x). Section 1903(b) authorizes the process by which the Secretary makes quarterly estimates of the amounts that will be payable to a State under section 1903(a), and makes advance payments to the State, subject to necessary adjustment on account of previously made overpayments or underpayments. The inclusion of the reference to subsection (x) will make clear that the Secretary, in making such an estimate of the amount which will be made available to the State for the coming quarter, must take account of limitations on reimbursement for administrative costs under this new provision.

Subsection (d) would repeal section 1903(b)(3) of the Act (which sets a limit on Federal matching costs of a State fraud control unit).

Subsection (e) would repeal section 1903(r) of the Act (which establishes requirements and penalties relating to operation of State Medicaid management information systems).

### *Effective dates*

Section 203 would provide that the amendments made by section 201 and by subsections (a), (b), (d), and (e) of section 202 would be effective with respect to quarters beginning on or after October 1, 1987. The amendment to section 1903(b) of the Act made by section 202(c) of the bill would be effective on enactment so that it would apply to the estimates made for, but prior to, the first quarter of fiscal year 1988.

## TITLE III—OTHER COST SAVING PROPOSALS AND ADMINISTRATIVE IMPROVEMENTS

### *Amendment concerning third-party payments for medical expenses*

Section 301 would repeal provisions recently added by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), P.L. 99-272, that require States to submit to the Secretary a plan for pursuing third party liability (TPL) collections, and that limit the Secretary to enforcement of the State's TPL collection efforts through the Medicaid Management Information Systems (MMIS) sanctions.

### *Claims payment review*

Section 302 would authorize the Secretary to promulgate regulations setting minimum standards for State prepayment and postpayment claims reviews, and would authorize the Secretary to perform such reviews, directly or through contractual or other arrangements, and to reduce the State's Federal matching by costs incurred for such reviews, in any case where the State failed to meet the minimum standard for claims payment reviews under those regulations.

### *Reimbursement limits on nonemergency physician services furnished in hospital emergency rooms*

Section 303 would require States to limit reimbursement to physicians for nonemergency outpatient services provided in hospital emergency rooms to the reimbursement for the same service provided elsewhere. The amendment is designed to discourage physicians from providing in hospital emergency rooms services which could be provided less expensively elsewhere.

### *Authority to waive requirements with respect to the territories*

Section 304 would permit the Secretary to waive or modify any title XIX requirement with respect to any territory participating in the program (other than requirements concerning Federal medical assistance percentage, limits on Federal matching payments, or the limitations on scope of program applying to American Samoa).

### *Transfer of Medicare part B premiums to supplementary medical insurance trust fund*

Section 305 would require the Secretary to transfer quarterly from the Medicaid appropriation account to the Medicare SMI trust fund sums representing the entire amounts due from States for Medicare part B "buy-in" premiums. State grant awards would not include any amount for the Federal share of part B premiums, and would be reduced by the State share of such premiums. (Under current law, States pay the premiums directly to the SMI trust fund, and receive payment for the Federal share in their grant awards.)

### *Interest payments by States on disputed claims*

Section 306 would redefine the disputed claims on which States are required to pay interest to be "amounts claimed" on or after October 1, 1980, rather than "expenditures for services furnished" on or after that date. This amendment is needed because Federal matching payments are based on the date the State expenditure was made, irrespective of the date the service was rendered.

### *Ineligibility of inmates of correctional institutions*

Section 307 would amend the provision precluding medical assistance to inmates of institutions to preclude eligibility of all individuals in correctional institutions, including those in private arrangements under contract with State or local governments.

### *Authority to require additional information relating to extension of "freedom of choice" waiver*

Section 308 would amend the provisions for waiver of the requirement to give recipients "freedom of choice" of provider. Under current law, a request for continuation of the waiver is deemed granted unless the Secretary denies it in writing within 90 days. The amendment would permit the Secretary the alternative of requesting additional information needed to make a determination; the request would then be deemed granted unless denied in writing within 90 days from receipt of the additional information.

### *Transfer of assets*

Section 309 would eliminate the provision permitting States to apply rules less restrictive than SSI rules in limiting Medicaid eligibility of individuals who have transferred assets for less than fair market value. The effect of eliminating this language would be to require States, except as otherwise explicitly provided, to apply the SSI rules to transfer of assets cases. States' authority to apply rules more restrictive than SSI rules in certain cases, and to waive the rules in cases of hardship, would be retained.

### *Repeal of requirement for coordinated audits*

Section 310 would repeal the requirement for coordinated audits of entities providing services on a cost-related reimbursement basis under both Medicare and Medicaid. This requirement is no longer reasonable, in light of amendments to Medicaid permitting State payments on bases other than cost, and amendments to Medicare establishing the prospective payment system.

### *Eligibility of certain recipients of Veterans' Administration pensions*

Section 311 would limit the special provision which permits individuals to decline to accept increased veterans' pension benefits enacted in 1978 in cases where the increased benefits would make them ineligible for certain cash assistance benefits, and therefore for Medicaid, in a State that has only a categorically needy program. The proposed amendment would limit the application of this provision to individuals who have elected to decline the increased pensions, as permitted by this provision, before October 1, 1987.

### *Technical and clarifying amendments*

Section 312(a) would clarify the Secretary's entitlement to obtain payment information upon request from providers.

Subsection (b) would clarify the interaction between the utilization review requirements under Medicare and Medicaid.

Subsection (c) would correct a cross-reference.

Subsection (d) would clarify that the term "intermediate care facility" includes an intermediate care facility for the mentally retarded, and that the term "intermediate care facility services" includes such services in a facility for the mentally retarded.

Subsection (e) would correct terminology concerning the approval of skilled nursing facilities and rural health clinics for participation in Medicare and Medicaid.

### *Effective date; grace period for state legislative action*

Section 313(a) would provide that, except as otherwise explicitly provided, the amendments made by title III of the bill would be effective with respect to calendar quarters beginning on and after October 1, 1987.

Subsection (b) would provide that, where the Secretary determines that State legislation is needed to meet additional requirements imposed by this title, State plans would not be considered out of compliance for failure to meet those requirements until after the close of the next regular session of the legislature meeting after enactment of this bill.

THE SECRETARY OF
HEALTH AND HUMAN SERVICES,
*Washington, DC, July 7, 1987*

Hon. GEORGE BUSH,
*President of the Senate,*
*Washington, DC.*

DEAR MR. PRESIDENT: Enclosed for consideration by the Congress is a draft bill, the "Medicaid Reform Amendments of 1987".

Title I of the draft bill would limit total Federal financial participation in State expenditures for medical assistance under title XIX of the Social Security Act; the bill would increase States' flexibility in operation of their programs, in order to enable them to establish their program priorities within the limitations on Federal funding. Title II of the bill would limit Federal matching of State costs of administering the Medicaid program. Title III of the bill would make other amendments designed to control costs and simplify administration of the Medicaid program.

Title I of the draft bill would limit Federal Medicaid payments to States for medical assistance costs, beginning with fiscal year 1988. Payments to States for fiscal year 1988 would be limited to $25,246,451,000; for fiscal year 1989 and succeeding years each State's payment limit would be determined by indexing its allotment for the prior fiscal year by the medical care component of the Consumer Price Index. For FY 1988 only, the Secretary would be authorized to distribute additional funds appropriated, up to a ceiling of $300 million, in grants to States whose Federal matching payments, but for the ceiling, would be more than 8 percent higher, but that did not exceed certain limits on cost increases.

The draft bill would increase States' flexibility with respect to coverage, cost sharing, and provider reimbursement under their Medicaid programs. States would continue to be required to provide the current mandatory services to the current "mandatory categorically needy" groups, but other coverage requirements would be relaxed. Federal requirements for "state-wideness" and "freedom of choice" would be retained only for mandatory services to mandatory groups; States could assess nominal copayments on mandatory services for mandatory groups, and other restrictions on copayments would be eliminated; and all minimum requirements concerning provider reimbursement rates would be repealed.

The draft bill would also make various other amendments to increase State flexibility and to eliminate administrative requirements that would become unnecessary if Federal matching of program costs were subject to ceilings.

The amendments expanding State flexibility are intended to give States sufficient discretion to establish their program priorities within the limitations on Federal financial assistance, and not merely to allow expansion by States of their Medicaid programs. Therefore, these additional State options would only be available for calendar quarters for which the limitations on Federal financial participation were in effect.

Title II of the draft bill would eliminate enhanced matching rates for certain State administrative costs, including the 75 percent rate for compensation and training of skilled medical personnel and supporting staff; the 90 and 75 percent rates for Medicaid management information systems; and the 90 and 75 percent rates for Medicaid fraud control units. Federal matching for these activities would be limited to 50 percent.

Title II of the bill would also reduce the Federal matching rate from 50 to 25 percent for State administrative costs that exceed 135 percent of the national median of such costs, and would eliminate matching for State administrative costs that exceed 160 percent of the national median.

The limitations on Federal funding of medical assistance costs, and on Federal matching of excess administrative costs, would not apply to the territories, whose Federal matching for Medicaid costs is already capped.

Title III of the draft bill would make additional amendments designed to control costs and improve program administration. The bill would limit reimbursement for nonemergency physician services furnished in hospital emergency rooms. It would eliminate the State option to apply rules less restrictive than those in the supplemental security income (SSI) program under title XVI of the Act in determining whether an individual is ineligible for Medicaid because of transfer of assets for less than fair market value. The bill would authorize the Secretary to set minimum standards for State claims payment reviews, and to perform the reviews at State expense where a State failed to meet those standards in its reviews. This title would also make various other administrative improvements.

The provisions of the draft bill are described in detail in the enclosed section-by-section summary.

We estimate that enactment of the draft bill would result in Federal saving of $1,390 million for fiscal year 1988, rising to $6,460 million by fiscal year 1992. A detailed savings table is enclosed.

We urge the Congress to give the draft bill its prompt and favorable consideration.

We are advised by the Office of Management and Budget that there is no objection to the submission of this legislative proposal to the Congress, and that its enactment would be in accord with the program of the President.

Sincerely,

OTIS R. BOWEN, M.D.,
*Secretary.*

MEDICAID REFORM AMENDMENTS OF 1987 ESTIMATED FEDERAL SAVINGS

[In millions of dollars]

| | Fiscal years— | | | | |
|---|---|---|---|---|---|
| | 1988 | 1989 | 1990 | 1991 | 1992 |
| Section 101 | 1,000 | 2,544 | 3,591 | 4,768 | 6,152 |
| Section 201 | 255 | 265 | 273 | 280 | 286 |
| Section 202 | 20 | 21 | 21 | 22 | 22 |
| Section 303 [1] | 80 | | | | |
| Section 307 [1] | 15 | | | | |
| Section 309 [1] | 20 | | | | |
| Total | 1,390 | 2,830 | 3,885 | 5,069 | 6,460 |

[1] These proposals will produce no additional savings for fiscal years after fiscal year 1988, because of the limitation on funding established by the amendment made by section 101.●

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By Mr. METZENBAUM (for himself, Mr. HEINZ, Mr. GLENN, Mr. SPECTER, Mr. LEVIN, Mr. RIEGLE, Mr. BYRD, Mr. HEFLIN, Mr. SHELBY, Mr. LUGAR, Mr. BUMPERS, Mr. INOUYE, Mr. DURENBERGER, Ms. MIKULSKI, Mr. ROCKEFELLER, Mr. BOSCHWITZ, and Mr. SARBANES):

S. 1577. A bill to extend certain protections under title 11 of the United States Code, the Bankruptcy Code; which was ordered placed on the calendar by unanimous consent.

## EXTENSION OF CERTAIN PROVISIONS OF THE BANKRUPTCY CODE

● Mr. METZENBAUM. Mr. President, last year Congress enacted an emergency measure to protect retiree health and life insurance benefits when companies file for bankruptcy. Earlier this year we extended these protections through September 15.

The purpose of this measure has been to afford Congress an opportunity to enact a permanent change in the bankruptcy code. Last Friday the Senate passed such a measure which is now pending in the House.

In order to provide the House an ample opportunity to deal with this complex legislation I am today, along with 16 cosponsors, introducing a 30-day extension of the stop-gap measure.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

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There being no objection, the bill was ordered to be printed in the Record, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Public Law 100-41 is amended by striking out "September 15, 1987" and inserting in lieu thereof "October 15, 1987".●

## ADDITIONAL COSPONSORS

### S. 39

At the request of Mr. Moynihan, the name of the Senator from Florida [Mr. Chiles] was added as a cosponsor of S. 39, a bill to amend the Internal Revenue Code of 1986 to make exclusion from gross income of amounts paid for employee educational assistance permanent.

### S. 182

At the request of Mr. Riegle, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 182, a bill to amend title 3, United States Code, and the Uniform Time Act of 1966 to establish a single poll closing time in the continental United States for Presidential general elections.

### S. 685

At the request of Mr. Quayle, the names of the Senator from Illinois [Mr. Simon], the Senator from Kansas [Mr. Dole], and the Senator from South Carolina [Mr. Thurmond] were added as cosponsors of S. 685, a bill to amend the Deficit Reduction Act of 1984 to make permanent the administrative offset debt collection provisions with respect to education loans.

### S. 708

At the request of Mr. Proxmire, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 708, a bill to require annual appropriations of funds to support timber management and resource conservation on the Tongass National Forest.

### S. 715

At the request of Mr. Harkin, the names of the Senator from Arkansas [Mr. Bumpers] and the Senator from Iowa [Mr. Grassley] were added as cosponsors of S. 715, a bill to prohibit any active duty, commissioned officer of the Armed Forces of the United States from serving as the Assistant to the President for National Security Affairs, and for other purposes.

### S. 801

At the request of Mr. Johnston, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 801, a bill to facilitate the national distribution and utilization of coal.

### S. 837

At the request of Mr. Kennedy, the name of the Senator from Washington [Mr. Adams] was added as a cosponsor of S. 837, a bill to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes.

### S. 961

At the request of Mr. Heinz, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of S. 961, a bill to amend title XVIII of the Social Security Act to allow medicare coverage for home health services provided on a daily basis.

### S. 1172

At the request of Mr. Pryor, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of S. 1172, a bill to amend the Farm Credit Act of 1971 to provide a secondary market for agricultural mortgages, and for other purposes.

### S. 1196

At the request of Mr. Hollings, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of S. 1196, a bill to provide for the enhanced understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the National Sea Grant College and by initiating a Strategic Coastal Research Program, and for other purposes.

### S. 1217

At the request of Mr. Murkowski, the names of the Senator from Texas [Mr. Gramm], the Senator from Oklahoma [Mr. Nickles], and the Senator from Idaho [Mr. Symms] were added as cosponsors of S. 1217, a bill to amend the Mineral Leasing Act of 1920 to authorize the Secretary of the Interior to lease, in an expeditious and environmentally sound manner, the public lands within the Coastal Plain of the North Slope of Alaska for oil and gas exploration, development, and production.

### S. 1297

At the request of Mr. Graham, the names of the Senator from Georgia [Mr. Nunn] and the Senator from Texas [Mr. Bentsen] were added as cosponsors of S. 1297, a bill to amend the National Trails System Act to provide for a study of the De Soto Trail, and for other purposes.

### S. 1323

At the request of Mr. Proxmire, the name of the Senator from Kansas [Mrs. Kassebaum] was added as a cosponsor of S. 1323, a bill to amend the Securities Exchange Act of 1934 to provide to shareholders more effective and fuller disclosure and greater fairness with respect to accumulations of stock and the conduct of tender offers.

### S. 1366

At the request of Mr. Kennedy, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of S. 1366, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

### S. 1402

At the request of Mr. Kennedy, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 1402, a bill to amend title VIII of the Public Health Service Act to establish programs to reduce the shortage of professional nurses.

### S. 1440

At the request of Mr. Evans, the names of the Senator from California [Mr. Cranston] and the Senator from Tennessee [Mr. Sasser] were added as cosponsors of S. 1440, a bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid and Food Stamp Programs; to impose a temporary moratorium for the collection of penalties under such programs, and for other purposes.

### S. 1441

At the request of Mr. Kennedy, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 1441, a bill to reduce the incidence of infant mortality.

### S. 1490

At the request of Mr. Sarbanes, the names of the Senator from Rhode Island [Mr. Pell] and the Senator from Vermont [Mr. Stafford] were added as cosponsors of S. 1490, a bill to designate certain employees of the Librarian of Congress as police, and for other purposes.

### S. 1510

At the request of Mr. Kerry, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of S. 1510, a bill to require the Administrator of Veterans' Affairs to arrange for the review by the National Academy of Sciences of scientific evidence, studies, and literature pertaining to the human health effects of exposure to agent orange and its component compounds and the issuance of a report on the Academy's conclusions as to the weight of the evidence regarding the health effects in humans of exposure to agent orange, and for other purposes.

### S. 1557

At the request of Mr. Hollings, the name of the Senator from West Virginia [Mr. Byrd] was added as a cosponsor of S. 1557, a bill to require the Secretary of Transportation to promulgate rules regarding certain operating transponders on aircraft, and for other purposes.

### SENATE JOINT RESOLUTION 106

At the request of Mr. Bingaman, the names of the Senator from Nevada [Mr. Reid], the Senator from North Dakota [Mr. Burdick], the Senator from Washington [Mr. Adams], the Senator from Florida [Mr. Chiles], the Senator from Alabama [Mr. Heflin], and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of Senate Joint Resolution 106, joint resolution to recognize the Disabled American Veterans' Vietnam Veterans' National Memorial as a memorial of national significance.

### SENATE JOINT RESOLUTION 168

At the request of Mr. Melcher, the names of the Senator from California [Mr. Cranston], and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of Senate Joint Resolution 168, joint resolution designating the week beginning October 25, 1987, as "National Adult Immunization Awareness Week."

### SENATE JOINT RESOLUTION 173

At the request of Mr. Reid, the names of the Senator from Delaware [Mr. Biden], the Senator from Arkansas [Mr. Bumpers], the Senator from North Dakota [Mr. Burdick], the Senator from Florida [Mr. Chiles], the Senator from Mississippi [Mr. Cochran], the Senator from South Dakota [Mr. Daschle], the Senator from Arizona [Mr. DeConcini], the Senator from Kansas [Mr. Dole], the Senator from Utah [Mr. Hatch], the Senator from Indiana [Mr. Lugar], the Senator from Montana [Mr. Melcher], the Senator from Ohio [Mr. Metzenbaum], the Senator from Oklahoma [Mr. Nickles], the Senator from Michigan [Mr. Riegle], the Senator from Delaware [Mr. Roth], the Senator from North Carolina [Mr. Sanford], the Senator from Maryland [Mr. Sarbanes], the Senator from Alabama [Mr. Shelby], the Senator from Mississippi [Mr. Stennis], the Senator from California [Mr. Wilson], and the Senator from Colorado [Mr. Wirth] were added as cosponsors of Senate Joint Resolution 173, joint resolution to commemorate the 200th anniversary of the signing of the U.S. Constitution.

### SENATE JOINT RESOLUTION 175

At the request of Mr. Trible, the names of the Senator from Minnesota [Mr. Boschwitz], the Senator from Louisiana [Mr. Breaux], the Senator from Mississippi [Mr. Cochran], the Senator from Nevada [Mr. Hecht], the Senator from Wisconsin [Mr. Kasten], the Senator from Indiana [Mr. Lugar], the Senator from Georgia [Mr. Nunn], the Senator from Wyoming [Mr. Wallop], the Senator from Virginia [Mr. Warner], and the Senator from California [Mr. Wilson] were added as cosponsors of Senate Joint Resolution 175, joint resolution to recognize the efforts of the U.S. Soccer Federation in bringing the world cup to the United States in 1994.

### SENATE CONCURRENT RESOLUTION 32

At the request of Mr. Grassley, the name of the Senator from Vermont [Mr. Leahy], was added as a cosponsor of Senate Concurrent Resolution 32, concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

### SENATE RESOLUTION 246

At the request of Mr. Moynihan, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of Senate Resolution 246, resolution to honor Irving Berlin for the pleasure he has given to the American people through almost a century of his music.

## SENATE RESOLUTION 262—TO AMEND THE STANDING RULES OF THE SENATE RELATIVE TO THE ENACTMENT OF TAX INCREASE MEASURES

Mr. WALLOP submitted the following resolution; which was referred to the Committee on Rules and Administration:

### S. Res. 262

*Resolved,* That rule XVI of the Standing Rules of the Senate is amended—

(1) by adding at the end thereof the following new paragraph:

"9. No bill, joint resolution, report made by a committee of conference, amendment, or other matter providing for a tax increase may be enacted except by the affirmative vote of two-thirds of the Senators present and voting.", and

(2) by adding at the end of the heading thereof a semicolon and the following: "TAX INCREASE MEASURES".

## SENATE RESOLUTION 263—TO AMEND THE STANDING RULES OF THE SENATE WITH RESPECT TO THE ENROLLMENT OF CERTAIN APPROPRIATIONS BILLS

Mr. WALLOP submitted the following resolution; which was referred to the Committee on Rules and Administration:

### S. Res. 263

Rule XVI of the Standing Rules of the Senate, as amended by section 1 of this resolution, is further amended by adding at the end thereof the following new paragraph:

"10. (a)(1) When any general or special appropriation bill or any bill or joint resolution making supplemental, deficiency, or continuing appropriations passes both Houses of the Congress in the same form, the Secretary of the Senate (in the case of a bill or joint resolution originating in the Senate) shall cause the enrolling clerk of the Senate to enroll each item of such bill or joint resolution as a separate bill or joint resolution, as the case may be.

"(2) A bill or joint resolution that is required to be enrolled pursuant to clause (1)—

"(A) shall be enrolled without substantive revision,

"(B) shall conform in style and form to the applicable provisions of chapter 2 of title 1, United States Code (as such provisions are in effect on the date of the enactment of this resolution), and

"(C) shall bear the designation of the measure of which it was an item prior to such enrollment, together with such other designation as may be necessary to distinguish such bill or joint resolution from other bills or joint resolutions enrolled pusuant to clause (1) with respect to the same measure.

"(b) A bill or joint resolution enrolled pursuant to clause (1) of subparagraph (a) with respect to an item shall be deemed to be a bill under Clauses 2 and 3 of Section 7 of Article 1 of the Constitution of the United States and shall be presented to the President for approval or disapproval (and otherwise treated for all purposes) in the manner provided for bills and joint resolutions generally.

"(c) For purposes of this rule, the term "item" means any numbered section and any unnumbered paragraph of—

"(1) any general or special appropriation bill, and

"(2) any bill or joint resolution making supplemental, deficiency, or continuing appropriations.".

## SENATE RESOLUTION 264—TO AMEND SENATE RESOLUTION 400 (94TH CONGRESS) ESTABLISHING A SELECT COMMITTEE ON INTELLIGENCE

Mr. WALLOP submitted the following resolution; which was referred to the Committee on Rules and Administration:

### S. Res. 264

*Resolved,* That Section 2 of Senate Resolution 400 (94th Congress) is amended by deleting subsection (b) and redesignating subsection (c) as subsection (b) and redesignating subsection (d) as subsection (c).

## SENATE RESOLUTION 265—TO AMEND THE STANDING RULES OF THE SENATE RELATIVE TO CONSIDERATION OF AMENDMENTS TO APPROPRIATIONS MATTERS

Mr. WALLOP submitted the following resolution; which was referred to the Committee on Rules and Administration:

### S. Res. 265

*Resolved,* That paragraph 1 of Rule XVI of the Standing Rules of the Senate is amended to read as follows:

1. On a point of order made by any Senator, no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of an authorization for such appropriation previously enacted into law.

## SENATE RESOLUTION 266—RELATIVE TO FUTURE UNITED STATES ASSISTANCE TO PAKISTAN

Mr. GLENN (for himself, Mr. Bradley, Mr. Cranston, Mr. Pell, Mr. Helms, Mr. Quayle, Mr. Moynihan, Mr. Kennedy, Mr. Humphrey, Mr. Kerry, Mr. Hatfield, Mr. Boschwitz, Mr. Simon, Mr. Adams, Mr. Mitchell, Mr. Sarbanes, Mr. Sanford, Mr. Proxmire, and Mr. Graham) submitted the following resolution; which was considered and agreed to:

S. Res. 266

Whereas production of weapon-grade nuclear materials in Pakistan and India constitutes a threat to regional and international security; and

Whereas the United States desires to maintain a long-term security partnership with Pakistan; and

Whereas the greatest threat to this partnership arises from activities in Pakistan's nuclear program that are viewed as being inconsistent with a purely peaceful program; and

Whereas a Pakistani choice to eliminate this threat would serve our mutual interests in promoting stability in South Asia and assisting the Afghan people; and

Whereas the Government of Pakistan has repeatedly stated that it is not producing weapon-grade nuclear materials, and that it would respect U.S. nuclear export control laws; and

Whereas information exists that Pakistan is producing weapon-grade nuclear material; and

Whereas in the absence of any other action by the Congress or the President, United States laws require a cessation of assistance in the event of violations of the nuclear export control laws of the United States; and

Whereas further U.S. assistance to Pakistan or India in the face of continued violations would undermine U.S. efforts to contain the spread of nuclear weapons, including U.S. commitments to the 132 non-weapon-state parties to the Nuclear Non-Proliferation Treaty: Now, therefore, be it

*Resolved*, That:

(1) The Senate strongly supports the President in his forthcoming efforts to gain Pakistan's compliance with its past commitments, including commitments of record, not to produce weapon-grade nuclear materials.

(2) The Senate strongly urges the President to inform Pakistan that Pakistan's verifiable compliance with these past commitments is vital to any further United States military assistance.

(3) The Senate urges the President to pursue vigorously an agreement by India and Pakistan to provide for simultaneous accession by India and Pakistan to the Nuclear Non-Proliferation Treaty, simultaneous acceptance by both countries of complete International Atomic Energy Agency safeguards for all nuclear installations, mutual inspection of one another's nuclear installations, renunciation of nuclear weapons through a joint declaration of the two countries, and the establishment of a nuclear weapons free zone in the Sub-continent.

## AMENDMENTS SUBMITTED

## INCREASE IN STATUTORY LIMIT ON THE PUBLIC DEBT

### JOHNSTON AMENDMENT NO. 647

Mr. JOHNSTON proposed an amendment to the joint resolution (H.J. Res. 324) increasing the statutory limit on the public debt; as follows:

On page 1, line 3, strike all after the word "That" and insert in lieu thereof the following: "during the period beginning on the date of the enactment of this Act and ending on May 1, 1989, the public debt limit set forth in subsection (b) of section 3101 of title 31, United States Code, shall be equal to $2,800,000,000,000."

### MOYNIHAN (AND RIEGLE) AMENDMENT NO. 648

Mr. MOYNIHAN (for himself and Mr. Riegle) proposed an amendment to the joint resolution (H.J. Res. 324), supra; as follows:

At the appropriate place, add the following new title:

TITLE ——SOCIAL SECURITY TRUST FUNDS

SEC. ——. SHORT TITLE.

This title may be cited as the "Social Security Trust Funds Management Act of 1987.

SEC. ——. INVESTMENT AND RESTORATION OF TRUST FUNDS.

(a) Subsection (d) of section 201 of the Social Security Act (42 U.S.C. 401(d)) is amended—

(1) by striking out "(1) on original issue" and inserting in lieu thereof "(A) on original issue",

(2) by striking out "(2) by purchase" and inserting in lieu thereof "(B) by purchase";

(3) by striking out "It shall be" and inserting in lieu thereof "(1) It shall be", and

(4) by adding at the end thereof the following new paragraphs:

"(2) If—

"(A) any amounts in the Trust Funds have not been invested solely by reason of the public debt limit, and

"(B) the taxes described in clause (3) or (4) of subsection (a) with respect to which such amounts were appropriated to the Trust Funds have actually been received into the general fund of the Treasury of the United States,

such amounts shall be invested by the Managing Trustee as soon as such investments can be made without exceeding the public debt limit and without jeopardizing the timely payment of benefits under this title or under any other provision of law directly related to the programs established by this title.

"(3)(A) Upon expiration of any debt limit impact period, the Managing Trustee shall immediately—

"(i) reissue to each of the Trust Funds obligations under chapter 31 of title 31, United States Code, that are identical, with respect to interest rate and maturity, to public debt obligations held by such Trust Fund that—

"(I) were redeemed during the debt limit impact period, and

"(II) as determined by the Managing Trustee on the basis of standard investment procedures for such Trust Fund in effect on the day before the date on which the debt limit impact period began would not have been redeemed if the debt limit impact period had not occurred, and

"(ii) issue to each of the Trust Funds obligations under chapter 31 of title 31, United States Code, that are identical, with respect to interest rate and maturity, to public debt obligations which—

"(I) were not issued during the debt limit impact period, and

"(II) as determined by the Managing Trustee on the basis of such standard investment procedures, would have been issued if the debt limit impact period had not occurred.

"(B) Obligations issued or reissued under subparagraph (A) shall be substituted for obligations that are held by the Trust Fund, and for amounts in the Trust Fund that have not been invested, on the date on which the debt limit impact period ends in a manner that will ensure that, after such substitution, the holdings of the Trust Fund will replicate to the maximum extent practicable the obligations that would be held by such Trust Fund if the debt limit impact period had not occurred.

"(C) In determining, for purposes of this paragraph, the obligations that would be held by a Trust Fund if the debt limit impact period had not occurred, any amounts in the Trust Fund which have not been invested, and any amounts required to be invested under paragraph (2), shall be treated as amounts which were required to be invested upon transfer to the Trust Fund.

"(4) The Managing Trustee shall pay, on the first normal interest payment date that occurs on or after the date on which any debt limit impact period ends, to each of the Trust Funds, from amounts in the general fund of the Treasury of the United States not otherwise appropriated, an amount determined by the Managing Trustee to be equal to the excess of—

"(A) the net amount of interest that would have been earned by such Trust Fund during such debt limit impact period if—

"(i) amounts in such Trust Fund that were not invested during such debt limit impact period solely by reason of the public debt limit had been invested, and

"(ii) redemptions and disinvestments with respect to such Trust Fund which occurred during such debt limit impact period solely by reason of the public debt limit had not occurred, over

"(B) the sum of—

"(i) the net amount of interest actually earned by such Trust Fund during such debt limit impact period, plus

"(ii) the total amount of the principal of all obligations issued or reissued under paragraph (3)(A) at the end of such debt limit impact period that is attributable to interest that would have been earned by such Trust Fund during such debt limit impact period but for the public debt limit.

"(5) For purposes of this section—

"(A) The term 'public debt limit' means the limitation imposed by subsection (b) of section 3101 of title 31, United States Code.

"(B) The term 'debt limit impact period' means any period for which the Secretary of the Treasury determines that the issuance of obligations of the United States sufficient to orderly conduct the financial operations of the United States may not be made without exceeding the public debt limit.".

(b) Subsection (a) of section 201 of the Social Security Act is amended by adding at the end thereof the following new sentence: "All amounts so transferred shall be immediately available exclusively for the purpose for which amounts in the Trust Fund are specifically made available under this title or under any other provisions of law directly related to the programs established by this title.".

SEC. ——. REPEAL OF NORMALIZED TAX TRANSFER.

(a) Subsection (a) of section 201 of the Social Security Act is amended by striking out the matter following clause (4) and inserting in lieu thereof the following: "The amounts appropriated by clauses (3) and (4) shall be transferred from the general fund of the Treasury of the United States to the Federal Old-Age and Survivors Insurance Trust Fund, and the amounts appropriated by clauses (1) and (2) of subsection (b) shall be transferred from the general fund of the Treasury to the Federal Disability Insurance Trust Fund, upon receipt by the general fund of taxes specified in clauses (3) and (4) of this subsection (as estimated by the Secretary). Proper adjustments shall be made in amounts subsequently transferred to the extent amounts previously transferred were in excess of, or were less than, the taxes specified in such clauses (3) and (4). All amounts so transferred shall be immediately available exclusively for the purpose for which amounts in the Trust Fund are specifically made available under this title or under other provisions of law directly related to the programs established by this title.".

(b) The amendment made by subsection (a) shall take effect on July 1, 1990.

SEC. ——. FAITHFUL EXECUTION OF DUTIES BY MEMBERS OF BOARD OF TRUSTEES OF TRUST FUNDS.

Section 201(c) of the Social Security Act is amended by striking the last sentence and inserting the following: "A person serving on the Board of Trustees (including the Managing Trustee) shall not be considered to be a fiduciary, but each such person shall faithfully execute the duties imposed on such person by this section. A person serving on the Board of Trustees (including the Managing Trustee) shall not be personally liable for actions taken in such capacity with respect to the Trust Funds.".

SEC. ——. REPORTS REGARDING THE OPERATION AND STATUS OF THE TRUST FUNDS.

Subsection (c) of section 201 of the Social Security Act is amended—

(1) by striking "once" in the fourth sentence and inserting "twice",

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(3) by redesignating paragraphs (3), (4), and (5) as subparagraphs (D), (E), and (F), respectively,

(4) by inserting after subparagraph (B) (as redesignated by paragraph (2) of this section) the following:

"(C) Report to the Congress as soon as possible, but not later than the date that is 30 days after the first normal interest payment date occurring on or after the date on which any debt limit impact period for which the Managing Trustee is required to take action under paragraph (3) or (4) of subsection (d) ends, on—

"(i) the operation and status of the Trust Funds during such debt limit impact period, and

"(ii) the actions taken under paragraphs (3) and (4) of subsection (d) with respect to such debt limit impact period;",

(5) by striking out "in paragraph (2) above" and inserting in lieu thereof "in subparagraph (B) above",

(6) by inserting "(1)" after "(c)", and

(7) by adding at the end thereof the following:

"(2) The Managing Trustee shall report monthly to the Board of Trustees concerning the operation and status of the Trust Funds and shall report to Congress and to the Board of Trustees not less than 15 days prior to the date on which by reason of the public debt limit, the Managing Trustee expects to be unable to fully comply with the provisions of subsection (a) or (d)(1), and shall include in such report an estimate of the expected consequences to the Trust Funds of such inability.".

SEC. ——. ELIMINATION OF UNDUE DISCRETION IN THE INVESTMENT OF TRUST FUNDS.

(a) Section 201(d) of the Social Security Act is amended, in the first sentence—

(1) by inserting "immediately" after "to invest"; and

(2) by striking ", in his judgment,".

(b)(1) Paragraph (2) of section 201(d) of the Social Security Act, as added by this title, is amended to read as follows:

"(2) If any amount in either of the Trust Funds is not invested solely by reason of the public debt limit, such amount shall be invested as soon as such investment can be made without exceeding the public debt limit and without jeopardizing the timely payment of benefits under this title or under any other provision of law directly related to the programs established by this title."

(2) The amendment made by paragraph (1) shall take effect on July 1, 1990.

SEC. ——. SALES AND REDEMPTIONS BY TRUST FUNDS.

Section 201(e) of the Social Security Act is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following:

"(2)(A) The Managing Trustee may effect any such sale or redemption with respect to either Trust Fund only for the purpose of enabling such Trust Fund to make payments authorized by this title or under any other provisions of law directly related to the programs established by this title. If either of the Trust Funds holds any amounts which are not invested by reason of the public debt limit, the Managing Trustee is nevertheless directed to make such sales and redemptions if, and only to the extent, necessary to assure timely payment of benefits and other payments authorized by this title or by any other provisions of law directly related to the programs established by this title, but the principal amount of obligations sold or redeemed pursuant to this sentence shall not exceed the principal amount of obligations that would have been sold or redeemed under normal operating procedures in order to make such payments.".

SEC. ——. EFFECTIVE DATE.

Except as otherwise provided by this title, the amendments made by this title shall take effect on the date of enactment of this Act.

### JOHNSTON (AND OTHERS) AMENDMENT NO. 649

Mr. JOHNSTON (for himself, Mr. Conrad, Mr. Wirth, Mr. Exon, and Mr. Kerry) proposed an amendment, which was subsequently modified, to amendment No. 645 proposed by Mr. Gramm (and others) to the joint resolution (H.R. Res. 324), supra; as follows:

On page 59 strike lines 1 through 5 and insert the following:

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1987, the lower of $140,000,000,000, or $36 billion less than the baseline estimate of the deficit in a manner to be determined by the conferees, and

"(B) with respect to the fiscal year beginning October 1, 1988, $120,000,000,000;"

At the appropriate place, insert and section (d)(1) of the Balanced Budget Act of 1985 is amended by striking out "$10,000,000,000" each place it appears and inserting in lieu thereof "$5,000,000,000".

(2) The amendment made by paragraph (1) shall be in effect only with respect to fiscal year 1988.

### EVANS (AND OTHERS) AMENDMENT NO. 650

Mr. EVANS (for himself, Mr. Humphrey, Mr. Exon, Mr. Boren, Mr. Gramm, Mr. Domenici, Mr. Proxmire, Mr. Nickles, Mr. Hecht, Mr. McCain, Mr. Roth, Mr. Garn, Mr. Murkowski, Mr. Boschwitz, Mr. Trible, Mr. Symms, Mr. Warner, Mr. Kasten, Mr. D'Amato, Mr. Bond, and Mr. Karnes) proposed an amendment to the joint resolution (H.J. Res. 324), supra; as follows:

At the appropriate place, add the following new title:

TITLE —TREATMENT OF CONTINUING RESOLUTIONS

SEC. . ENROLLMENT OF CERTAIN JOINT RESOLUTIONS.

(a) In General.—

(1) Notwithstanding any other provision of law, when any joint resolution making continuing appropriations is agreed to by both Houses of the Congress in the same form, the Secretary of the Senate (in the case of a joint resolution originating in the Senate) or the Clerk of the House of Representatives (in the case of a joint resolution originating in the House of Representatives) shall cause the enrolling clerk of such House to enroll each title of such joint resolution as a separate joint resolution.

(2) A joint resolution that is required to be enrolled pursuant to paragraph (1)—

(A) shall be enrolled without substantive revision,

(B) shall conform in style and form to the applicable provisions of chapter 2 of title 1, United States Code (as such provisions are in effect on the date of the enactment of this section), and

(C) shall bear the designation of the measure of which it was a title prior to such enrollment, together with such other designation as may be necessary to distinguish such joint resolution from other joint resolutions enrolled pursuant to paragraph (1) with respect to the same measure.

(b) Procedures.—A joint resolution enrolled pursuant to paragraph (1) of subsection (a) with respect to a title shall be deemed to be a bill under Clauses 2 and 3 of States and shall be signed by the presiding officers of both Houses of the Congress and presented to the President for approval or disapproval (and otherwise treated for all purposes) in the manner provided for bills and joint resolutions generally.

(c) Definition.—For purposes of this section, the term "title" means any division of a joint resolution making continuing appropriations that is designated as a title.

(d) Application.—The provisions of this section shall apply to joint resolutions agreed to by the Congress during the two-calendar-year period beginning with the date of the enactment of this section.

SEC. —. POINT OF ORDER.

(a) In General.—Notwithstanding any other provision of law, the Standing Rules

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of the Senate, or the Rules of the House of Representatives—

(1) it shall not be in order to consider any joint resolution making continuing appropriations for a fiscal year unless each title of the joint resolution corresponds to a regular appropriations bill,

(2) any general provisions of the joint resolution are contained in the appropriate title or titles of the joint resolution (rather than in a separate title).

"(b) For purposes of this section, the term 'regular appropriation bill' means any regular appropriation bill (within the meaning given to such term in section 307 of the Congressional Budget Act of 1974 (2 U.S.C. 638)) making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

"(1) Agriculture, rural development, and related agencies programs.

"(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

"(3) The Department of Defense.

"(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

"(7) Energy and water development.

"(8) Foreign assistance and related programs.

"(9) The Department of the Interior and related agencies.

"(10) Military construction.

"(11) The Department of Transportation and related agencies.

"(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

"(13) The legislative branch.".

### CONRAD (AND BOSCHWITZ) AMENDMENT NO. 651

Mr. CONRAD (for himself and Mr. BOSCHWITZ) proposed an amendment to the joint resolution (H.J. Res. 324), supra; as follows:

At the end of the joint resolution, add the following:

#### TITLE —2 PERCENT REDUCTION OF SPENDING FOR FISCAL YEAR 1988

**SEC. 01. 2 PERCENT REDUCTION OF APPROPRIATE LEVELS.**

Pursuant to section 304 of the Congressional Budget and Impoundment Act of 1974, section 4 of the concurrent resolution on the budget for fiscal year 1988 (H. Con. Res. 93, 100th Congress, 1st Session) is amended by adding at the end thereof the following new subsection:

"(t)(1) Notwithstanding any other provision of law but subject to the provisions of paragraphs (2), (3), and (4)—

"(A) for purposes of determining, in accordance with section 311(a) of the Congressional Budget Act of 1974, whether the maximum deficit amount for a fiscal year has been exceeded;

"(B) for purposes of other points of order under section 311 of the Congressional Budget and Impoundment Control Act of 1974;

"(C) for purposes of reconciliation under section 310 of the Congressional Budget and Impoundment Control Act of 1974; or

"(D) for purposes of allocations and points of order under section 302 of the Congressional Budget and Impoundment Control Act of 1974.

each appropriate level of total new budget authority for each major functional category and aggregate set forth for fiscal year 1988 in the concurrent resolution on the budget for fiscal year 1988 (H. Con. Res. 93, 100th Congress, 1st Session) shall be deemed to be reduced by 2 percent, and outlay levels shall be deemed to be reduced by appropriate amounts corresponding to a 2 percent cut in budget authority.

"(2) The reduction imposed by paragraph (1) and paragraph (3) shall not apply to the major functional categories for Social Security (650) and that portion of budget authority and outlays which are under any functional category and which are attributable to the enforcement activities of the Internal Revenue Service, and shall apply only to that portion Medicare (570) attributable to general revenues.

"(3) In addition to other changes specified in this subsection, the committees of the House of Representatives and the Senate that have jurisdiction over budget authority and outlays (other than budget authority and outlays within functional categories for Social Security (650) or under any function categories which are attributable to enforcement activities or the Internal Revenue Service) shall report changes in laws within their jurisdiction that provide budget authority and outlays (other than budget authority and outlays within functional category for Social Security (650) and the functional categories which are attributable to enforcement activities or the Internal Revenue Service) sufficient to reduce budget authority or, where applicable, outlays (other than budget authority and outlays within functional category for Social Security (650) and the functional categories which are attributable to enforcement activities or the Internal Revenue Service) by two percent.

"(4) The Chairmen of the Committees on the Budget of the House of Representatives and the Senate shall file with their respective Houses appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of such Act as allocations, functional levels, and aggregates contained in a concurrent resolution on the budget within the meaning of title III of such Act, and the appropriate committees of such Houses shall report revised allocations, pursuant to section 302(b) of such Act for fiscal year 1988 to carry out this subsection.".

### HUMPHREY (AND OTHERS) AMENDMENT NO. 652

Mr. HUMPHREY (for himself, Mr. BURDICK, Mr. HELMS, Mr. PROXMIRE, Mr. DECONCINI, Mr. MCCAIN, and Mr. ROTH) proposed an amendment to the joint resolution (H.J. Res. 324), supra; as follows:

At the appropriate place, add the following new section:

SEC. . (a) The rates of pay for all offices and positions which were increased pursuant to the recommendations of the President relating to rates of pay for offices and positions within the purview of section 225(f) of the Federal Salary Act of 1967, as included (pursuant to section 225(h) of such Act) in the budget transmitted to Congress for the fiscal year ending on September 30, 1988, are reduced to the rate of pay for each such office and position which was in effect before such recommendations became effective.

(b) The provisions of subsection (a) shall become effective on the first day of the first applicable pay period which begins on or after the date of enactment of this Act.

(c) The provisions of subsection (a) shall not apply to any judge, justice, or magistrate serving in the Judiciary Branch of the Federal Government.

### GRASSLEY (AND OTHERS) AMENDMENT NO. 653

Mr. GRASSLEY (for himself, Mr. HUMPHREY, Mr. BURDICK, Mr. DECONCINI, Mr. PROXMIRE, Mr. MCCAIN, Mr. HELMS, Mr. KARNES, Mr. THURMOND, Mr. NICKLES, Mr. EXON, Mr. DOMENICI, Mr. ROTH, Mr. HECHT, Mr. BOND, Mr. REID, and Mr. WILSON) proposed an amendment to the joint resolution (H.J. Res. 324), supra; as follows:

At the end of the bill, add the following new section:

SEC. . Paragraph (1) of section 225(i) of the Federal Salary Act of 1967 (2 U.S.C. 359) is amended to read as follows:

"(1) Each recommendation of the President which—

"(A) is transmitted to the Congress pursuant to subsection (h) of this section; and

"(B) is approved by a joint resolution agreed to by the Congress, shall be effective as provided in paragraph (2) of this subsection.".

## INTERLOCKING DIRECTORATES AND OFFICERS

### METZENBAUM AMENDMENT NO. 654

Mr. BYRD (for Mr. METZENBAUM) proposed an amendment to the bill (S. 1068) to amend the Clayton Act regarding interlocking directorates and officers; as follows:

At the end of the bill, insert the following new sections:

SEC. . Section 7A of the Clayton Act is amended by adding at the end thereof the following new subsection:

"(k) For purposes of this section, the annual net sales and total assets of a person shall include, in the case of a partnership, the annual net sales or total assets of any general partner and any partner having the right to 50 per centum or more of the profits of the partnership, or having the right in the event of dissolution to 50 per centum or more of the assets of the partnership.".

SEC. . This Act and the amendments made by this Act shall become effective sixty days after the date of enactment of this Act.

SECTION 7A(a) of the Clayton Act is amended—

(1) in paragraph (2), by striking out "$10,000,000" each place it appears in subparagraphs (A), (B), and (C) and inserting in lieu thereof "$15,000,000"; and

(2) in paragraph (3)(B), by striking out "$15,000,000" and inserting in lieu thereof "$20,000,000".

SEC. 2. (a) Section 7A(b)(1)(B) of the Clayton Act is amended—

(1) by substituting "twentieth" for "fifteenth"; and

(2) by striking out "or (g)(2)" and inserting in lieu thereof the following ", (g)(2), or (g)(3)".

(b) Section 7A(e) of the Clayton Act is amended—

(1) by substituting "20-day" for "15-day" each place it appears;

(2) in paragraph (2) by striking out "(or in the case of a cash tender offer, 10 days)"; and

(3) by striking out the word "only" from the last sentence of paragraph (2) and inserting at the end thereof the following: "or (g)(3)".

(c) Section 7A(g) of the Clayton Act is amended by adding the following at the end thereof: "(3) The court may extend the additional period for up to 25 days if, due to the complexity or scope of the information or documentary material to be evaluated, the Federal Trade Commission or the Assistant Attorney General reasonably requires such additional time to determine whether the proposed acquisition may, if consummated, violate the antitrust laws."

SEC. 3. This Act and the amendments made by this Act shall become effective one hundred twenty days after the date of enactment of this Act.

## DEPARTMENT OF JUSTICE AUTHORIZATION ACT

### BIDEN (AND THURMOND) AMENDMENT NO. 655

Mr. BYRD (for Mr. BIDEN, for himself and Mr. THURMOND) proposed an amendment to the bill (S. 938) to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal years 1988 and 1989, and for other purposes; as follows:

On page 3, line 10 strike "until September 30, 1989" and insert "for two fiscal years".

On page 4, line 3 strike "1988" and insert "1989".

On page 5, line 5 strike "1988" and insert "1989".

On page 5, line 19 after "For the Assets Forfeiture Fund:" and insert "in each fiscal year".

On page 5, line 22 and line 23 strike "not to exceed a total of $50,000,000 shall be available to pay for those expense" and insert "the Attorney General shall provide a special report to the Judiciary Committees of both Houses of Congress regarding the expenditures of the Fund if expenditures exceed a total of $50,00,000 for those expenses".

On page 7, line 11 after "appropriation" insert "in each fiscal year".

On page 9, line 16 after "$140,270,000" insert "in each fiscal year".

On page 11, line between lines 17 and 18, Insert the following new section:

SEC. 104. Notwithstanding the provisions of Public Law 99-591 making continuing appropriations for the fiscal year 1987, the amount made available in the Department of Justice Appropriations Act for "Salaries and expenses, Community Relations Service" (100 Stat. 3341-47) for grants, contracts, and reimbursable agreements and other expenses necessary under section 501(c) of the Refuge Education Assistance Act of 1980 is changed from $23,266,000 to $23,026,000.

On page 18, strike lines 20 and 21 and insert the following:

"(2) necessary expenses in attending to the safety of Judicial proceedings and the execution of court orders;".

On page 26, lines 13 and 14, strike "publish in the Federal Register for notice and comment" and insert "issue". On page 26, line 21 after "activities." strike the remainder of the section (through page 27, line 3) and insert the following paragraph:

"Any proposed guidelines and any changes thereto shall be made available to Congress at least thirty days prior to final adoption. In addition, following enactment of this statute, the Attorney General shall report to Congress, at intervals of one hundred and twenty days, regarding the Department's progress in drafting and issuing comprehensive guidelines.

On page 27, lines 13 and 14, strike "conduct" and insert "approval".

On page 28, between lines 11 and 12, insert the following new section:

SEC. 206. Section 567 of Title 28, United States Code, is hereby repealed.

On page 29, line 23, strike "Sec. 305" and insert "Sec. 303.".

On page 32, line 9, strike "Section 263" and insert "Section 263a".

On page 35, lines 3 and 4 strike "semiannually" and insert "annually".

On page 36, line 2 insert the following: "; provided that the Attorney General report annually to Congress regarding the number of private, for profit, contracts entered into for full detention services; such reports shall provide the name of the contractor, the location of the contractor's facility, the number of prisoners at each contract facility and their security level(s), and the cost and duration of each such contract.".

On page 36, line 22, after "unless the" insert "Judiciary and".

On page 37, line 13, after "unless the" insert "Judiciary and".

On page 41, between lines 3 and 4, insert the following:

"SEC. 504. The table of sections for Chapter 37 of Title 28, United States Code, is amended by deleting at the reference to section 567 the words "Expenses of marshals" and substituting in lieu thereof the word "Repealed"."

On page 41, line 4, strike "SEC. 504." and insert "Sec. 505.".

## AUTHORITY FOR COMMITTEES TO MEET

#### COMMITTEE ON VETERANS' AFFAIRS

Mr. BENTSEN. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Friday, July 31, 1987, for an open meeting to consider legislation relating to various veterans' benefits and programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SUBCOMMITTEE ON COMMUNICATIONS

Mr. BENTSEN. Mr. President, I ask unanimous consent that the Subcommittee on Communications, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on July 31, 1987, to hold hearings on S. 889, the Satellite Television Fair Marketing Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON FOREIGN RELATIONS

Mr. BENTSEN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, July 31, 1987, to hold a hearing on annex V, of the Maritime Pollution Convention (Treaty Doc. 100-3).

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. BENTSEN. Mr. President, I ask unanimous consent that the Subcommittee on Federal Services, Post Office, and Civil Service, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Friday, July 31, 1987, to resume hearings on S. 508, the Whistleblowers Protection Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

### MILITARY MEDICAL MALPRACTICE

● Mr. SASSER. Mr. President, several years ago, I learned about two tragic cases of medical malpractice involving active duty military personnel from my State. While investigating these cases, I discovered serious flaws in the military medical system.

I found that the Feres doctrine—a 1950 Supreme Court decision—bars active duty military personnel from filing medical malpractice suits against the Government. In other words, a military person in peacetime can be subject to the most negligent military malpractice, but he or she cannot seek redress in the courts of this land. This struck me as grossly unfair. Frankly, it relegates our military personnel to second-class citizenship.

To remedy this inequity, I introduced legislation in the 99th Congress and again in the 100th Congress which gives active duty personnel the right to file medical malpractice suits against the government in peacetime. I hope Congress will act on my legislation this year.

This legislation will give our service men and women the same right as all other citizens of this land to their day in court. However, it does not address the much deeper problem at stake here—that is, the issue of substandard care in military medical facilities.

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When I began my investigation into the military health care system 3 years ago, my goal was to improve the quality of care in the military system to a level equal to that found in the civilian sector. That is why I requested the General Accounting Office to identify patterns of problems in the military medical system and to make recommendations for correcting these problems.

Last month, the GAO published the first part of its findings. That report makes specific recommendations on how the Department of Defense can better use malpractice data to improve the quality of its medical care system.

First, GAO recommends strongly that DOD develop a centralized medical malpractice information system. Such a system—the GAO report concludes—would provide consistent data on actual claims and potential claims and identify individual providers responsible for malpractice. A central tracking system is critical in the military, because military physicians are transferred periodically from one hospital to another. By tracking individual physicians who are involved in malpractice, DOD can better identify those responsible for substandard care.

The GAO report also recommends that information about all claims or potential claims—even those involving active duty personnel—be included in the centralized system. This is an important point, because at present there is no assurance that malpractice incidents involving active duty service members will even be investigated or reviewed by the military claims services.

Army claims service officials have told GAO that their responsibility is to investigate claims for settlement purposes. Since, under the Feres doctrine, active duty personnel are not compensated for malpractice, their claims are typically not investigated. In essence, the Army tells its active duty personnel that since we do not have to compensate you for medical malpractice we are not interested in investigating why you suffered from negligent care. It is incomprehensible that the Army could be so disinterested in these often tragic cases of substandard care.

The GAO report sets out a clear path of corrective action for DOD officials. Yet, reports I have received suggest that DOD may continue to balk at these suggestions. This would be a tragic mistake. The GAO recommendations give the Department of Defense an excellent opportunity to improve its medical care system. I have written Secretary Weinberger urging DOD to make use of this opportunity and to implement the GAO recommendations as soon as possible.

DOD has made good progress in the fight to upgrade military medicine, but there is still plenty of room for improvement. I firmly believe the GAO recommendations will go a long way toward improving the quality of care in the military medical system.●

## LESSON FROM THE IRAN-CONTRA HEARINGS

● Mr. HELMS. Mr. President, as the hearings of the Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition draw to a close, I suspect all of us agree that there is a lesson for everyone involved—the administration, the Congress, and the American people. While we may not agree on what that lesson should be, it will be helpful to examine the hearings from every perspective.

One of my constituents, Mrs. Andrew Jackson Watkins, of Henderson, NC, sent me an excellent article titled "Will We Profit From Colonel North's Example?" The article is written by Dr. Walter E. Williams, a very fine economist and a good friend of mine. Dr. Williams makes a point with which I fully agree: "U.S. foreign policy cannot be run by 535 Congressmen * * * it's best left to the executive branch of Government."

Mr. President, I ask that a copy of Dr. Williams' article be printed in the Record.

I encourage my colleagues to heed Dr. Williams' wise words, and I thank Mrs. Watkins for bringing it to my attention.

The article follows:

[From the Durham Morning Herald, July 18, 1987]

### Will We Profit From Colonel North's Example?

(By Walter E. Williams)

Aside from the Iran-Contra affair being juicy gossip for an otherwise boring summer, it's a sad commentary on our foreign policy. It demonstrates that U.S. foreign policy cannot be run by 535 congressmen; for better or worse; it's best left to the executive branch of government.

During President Reagan's 1984 campaign, there was no doubt in anyone's mind that he was for aid to the contras, who are fighting Nicaragua's Soviet-backed Sandinista government. On that platform, Reagan was returned to the White House in a 49-states-to-1 sweep. Suggesting that: To condemn aid to the contras as a betrayal of national will is ludicrous. In order to carry out this policy, upon which Reagan was returned to office, the administration had to use proceeds from the sale of arms to one enemy to help fight another. That's the irony.

The real tragedy of the Iran-contra intrigue is that the mightiest nation on earth is forced to conduct sleight-of-hand foreign policy in an environment where Congress can produce more obstacles than our country's enemies can. But given congressional constraints, such as the Boland Amendment, Reagan administration people had to use sleight-of-hand and lie to Congress.

Congressmen have a way of bending the truth, too. But worse, some can't be trusted with state secrets. Some have been known to release secret documents to the benefit of our enemies—acts that used to be considered treason. So Col. Oliver North's concern led him to shred documents before they got into the hands of Congress was not entirely without merit.

The Soviet/Cuban influence in Nicaragua is a threat to our national interests. Therefore, "gunboat diplomacy" is a more appropriate U.S. policy. We should send our armed forces in to snuff out the Sandinistas and establish a naval military blockade. The fact that Mikhail Gorbachev has shipped $2 billion worth of helicopter gunships, rocket launchers, tanks, and small arms into Nicaragua makes the Soviet designs in the area clear. Or does Congress think that this is simply another Soviet goodwill gesture to us and to our Latin American allies?

Had today's Congress been around earlier in our history, we might now be a conquered nation.

Today's Congress would have withheld funding for World War II pending hearings to determine whether President Roosevelt had (as has been charged) deliberately stationed our fleet in Pearl Harbor in order to lure us into the war. After all, FDR had promised in his election campaign to keep us out of war.

And North Korea would have overrun South Korea had President Truman's Congress had the power to interfere with foreign policy as does today's. Even during Truman's presidency Congress tried to meddle; but Truman had guts. In effect, he told Congress, "I sent the boys to Korea; you'd better send them some ammunition." As a result, South Korea wasn't overrun and has emerged as one of the economic miracles of the Far East, while North Korea languishes in poverty under communist rule.

With today's Congress, President Kennedy might not have been able to confront Krushchev in 1962. Cuba would now be Russia's premier forward missile base with short- and intermediate-range warheads aimed at our major cities.

Col. North, a patriot, saw the communist threat and congressional connivance and tried to be more than he possibly could be. The fact that he carried it off, as much as he could, gave us some breathing room to collect our senses. But will we?●

## NOMINEES TO THE FEDERAL COURTS

(By request of Mr. Byrd, the following statement was ordered to be printed in the Record:)

● Mr. LEAHY. Mr. President, four nominations to the Federal courts have been approved by the Judiciary Committee and are now on the Executive Calendar. These four nominees were examined at a hearing on July 21, 1987, at which I presided. Based on the investigation conducted by committee staff, and on the record made at the hearing, these four nominees appear qualified for the positions to which they have been nominated. For the benefit of Senators who will soon vote on whether to confirm these nominations, I offer the following brief summaries of the nominees' qualifications, and of the testimony elicited at the hearing and in followup questions.

As an introductory matter, because the pace of judicial nominations processing by the Judiciary Committee has been the subject of some discussion recently, I would like to call the Senate's attention to a chart setting forth the chronology for the four nominations that are before the Senate today. This chart indicates that these nominees have been selected to fill vacancies which have existed for periods ranging from 7 to 15 months. However, the President did not nominate anyone to fill any of these vacancies until 5 weeks ago, in two cases, or 4 weeks ago, in the other two cases. Once the Senate received these nominations, the Judiciary Committee acted on them very promptly. Hearings were held within 19 days, in two cases, or 25 days, in the other two cases, after the nominations were received. Nine days after the hearing, the Judiciary Committee went to some lengths to schedule a special meeting on Thursday afternoon for the sole purpose of approving nominations, including these four judicial nominations. Looking at the total period between the date of each vacancy and the date of approval of each nomination by the Judiciary Committee, the vast majority of the vacancy period—in one instance, about 93 percent of that period—is attributable to one actor in the nominations process: the executive branch. The other actor—the Senate—is responsible for only a small portion of the vacancy period in each case.

One Assistant Attorney General, whose job description seems to have very little to do with the selection of Federal judges, felt moved earlier this month to take to the pages of the Washington Times in order to accuse the Judiciary Committee of conducting "a concerted effort, a calculated game plan * * * designed to slow down [judicial nominations] in every way they can." I hope that that Assistant Attorney General and his colleagues at the Justice Department will take a moment to examine this chart. Perhaps they will see that when the President sends to the Senate highly qualified judicial nominees, the Senate moves promptly to confirm them. When the President sends to the Senate nominees whose strong qualifications are not so obvious, it may take longer for the Senate to carry out its coequal constitutional role in the process of appointing Federal judges.

Mr. President, I include the chart I have referred to in the Record at this point:

CHRONOLOGY OF NOMINATIONS PROCESSING NOMINATIONS APPROVED BY JUDICIARY COMMITTEE, JULY 30, 1987

| Nominee and court | Date of vacancy | Date of nomination | Date of hearing |
|---|---|---|---|
| Scirica: 3d Cir | Dec. 31, 1986 | June 26, 1987 | July 21, 1987. |
| Hutchinson: 3d Cir | Jan. 2, 1987 | do | Do. |
| Wolle: S.D. Ia | Apr. 30, 1986 | July 2, 1987 | Do. |
| Ellis: E.D. Va | Nov. 30, 1986 | do | Do. |

Anthony J. Scirica, the first nominee in this group, has been nominated to the U.S. Court of Appeals for the Third Circuit. The nominee has served since 1984 as a U.S. district judge for the eastern district of Pennsylvania. Previously, he served 4 years as a State trial court judge, and 8 years as a member of the Pennsylvania House of Representatives, where he chaired the subcommittee on crime and corrections. As a legislator, he was the principal author of sentencing reform legislation, and, as a State court judge, served as chairman of the Pennsylvania Commission on Sentencing. From 1966 through 1980 he was in private practice in Norristown, PA, concentrating on general corporate matters and litigation. Judge Scirica, 46, is a graduate of Wesleyan University and of the University of Michigan Law School. A majority of the American Bar Association's Standing Committee on the Federal Judiciary rated him exceptionally well qualified—the highest possible rating, while a minority found him well qualified. His reputation among the bar and interested members of the public appears to be outstanding.

At the hearing on July 21, Judge Scirica, after being introduced by Senators Heinz and Specter, responded satisfactorily to questions concerning the value of trial experience for an appellate judge; the roles of legislatures and courts in applying constitutional principles to new technology; the tension between personal jurisprudence and precedent; and judicial activism. In response to followup questions, Judge Scirica gave his views on sentencing guidelines and appellate review of sentencing decisions.

William D. Hutchinson has also been nominated to the U.S. Court of Appeals for the Third Circuit. The nominee has served since 1981 as a justice of the Supreme Court of Pennsylvania. His prior experience was in private practice in Pottsville, PA, in a general practice that included representation of several local government bodies. He also served for 10 years as a member of the Pennsylvania House of Representatives, where he chaired the Subcommittee on courts. Justice Hutchinson, who is 55 years old, is a graduate of Moravian College and Harvard Law School. His ABA rating is well qualified. His reputation among the bar and public appears to be excellent.

At the hearing on July 21, the nominee, after being introduced by Senators Heinz and Specter, was examined concerning the following subjects: the value to a judge of legislative experience; the transition from the State to the Federal court system; the purposes of the criminal justice system; the role of stare decisis and precedent; and judicial activism. His responses were satisfactory.

Charles R. Wolle, the third nominee, has been nominated to the U.S. District Court for the Southern District of Iowa. The nominee has served since 1983 as a justice of the Iowa Supreme Court, and from 1981–83 as a trial judge in an Iowa State court. From 1961 to 1980 he conducted a private law practice in Sioux City, IA, concentrating in trial practice and labor law. Justice Wolle, 51, is a graduate of Harvard College and the Iowa University Law School. He appears to be well regarded by his professional colleagues and other associates, and was rated well qualified by the ABA.

At the hearing on July 21, at which he was introduced by Senator Grassley, Justice Wolle was examined concerning the value of appellate experience for a trial judge; the roles of lawyers and judges in settling cases; the enforcement of court orders; and deference to legislative decisionmaking. His responses were satisfactory.

T.S. Ellis III, the final nominee in this group, has been nominated to be U.S. District judge for the eastern district of Virginia. Mr. Ellis' entire legal career has been spent in a private law firm in Richmond, where he has conducted a general litigation practice and has been a partner since 1976. The nominee is 47 years old, a graduate of Princeton University and Harvard Law School, and holds a diploma in law from Oxford University. He appears well regarded throughout the legal community and among others in Virginia, and was rated well qualified by the ABA.

At the hearing on July 21, Mr. Ellis was introduced by Senator Warner, and responded satisfactorily to questions concerning his pro bono activities, judicial activism, and legislative intent. In response to written questions, the nominee discussed what he has learned from trying complex cases; his teaching activities at Oxford during a sabbatical taken in 1984; and the transition from the role of advocate to that of judge.

Mr. President, this concludes my summary of the record on these nominations. I believe that all these nominees are worthy of confirmation to the important posts to which they have been nominated.●

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## RECOGNIZING BURT FOLSOM

● Mr. McCONNELL. Mr. President, I rise today to recognize and congratulate an outstanding Kentuckian, Burt Folsom, associate professor of history at Murray State University. He is the author of "Entrepreneurs versus the State," which will be published this fall by the Young Ameica's Foundation. His scholarship is a credit to the Commonwealth of Kentucky and provides an important historical perspective to our Nation's business and industrial development.

Burt recently wrote an article, published in the Wall Street Journal, entitled "Entrepreneurs versus the Textbooks." I think this article is quite interesting, and the point he makes is a valid one, and I would like to bring it to the attention of my colleagues.

I am most proud of Burt Folsom and his historical research of these values of capitalism. I would also note that Burt has the distinction of being married to a former staff member of my office, Anita Folsom, whose service as a field representative in Kentucky was invaluable to me. I congratulate Burt on being published in the Wall Street Journal and wish both he and Anita the best of luck.

Mr. President, I most definitely enjoyed reading "Entrepreneurs versus the Textbook" and ask that this article be printed in the RECORD for the benefit of my colleagues.

The article follows:

[From the Wall Street Journal, July 22, 1987]

### ENTREPRENEURS VERSUS THE TEXTBOOKS

(By Burt Folsom)

Late last century, America's rise to power in the world was often a story of masterly entrepreneurship. Led by Andrew Carnegie in steel and John D. Rockefeller in oil, the U.S. became the industrial showcase of the world.

How did Carnegie and Rockefeller do so well? They cut costs, innovated, vertically integrated, and give bonuses on the basis of merit. Competitors who did not do these things fell by the wayside, but consumers and job-seekers benefited from low prices and American dominance.

The 1980s are also an age of entrepreneurship, but we don't turn for wisdom to the entrepreneurs of yesteryear. One reason is that historians often tell us not to. The message still sent forth from the leading college textbooks in American history is that our early industrialists were robber barons, whose unsavory escapades had to be regulated by the federal government for the good of the consumer.

In "The National Experience," C. Vann Woodward of Yale admires Carnegie's efficiency but says, "His trail to the top was strewn with ruined competitors, crushed partners, and broken labor movements." The fact is that these strewn bodies were often those of Englishmen and Americans who wanted to charge higher prices for their steel and their labor. Their story is sad, but it might have been sadder for the U.S. had Carnegie not come along and cut the price of making steel from $56 to $11.50 a ton. Thanks to Carnegie the U.S., not England or Germany, led the world in steel production.

Rockefeller fares even worse in the textbooks. Oddly, Mr. Woodward condemns Rockefeller for "price-slashing." In "The American Nation," John Garraty of Columbia University says Rockefeller was ruthless to his inefficient competitors. The same story is told by the late Thomas Bailey of Stanford, whose "The American Pageant" has sold more than two million copies. Mr. Bailey says that Rockefeller "pursued a policy of rule or ruin," and did so because he believed that "a kind of primitive savagery prevailed in the jungle world of big business."

These authors completely ignore the key economic event in Rockefeller's career: his epic battle against the Russians in the 1880s for the world oil trade. The Russians, in their plentiful oil fields at Baku, had a richer, more viscous oil that yielded 280 barrels per well per day, compared with 4.5 barrels per day from American wells. Also, Russia was closer to European countries, many of which slapped high tariffs on U.S. oil. Yet Rockefeller's Standard Oil ran such an innovative, efficient operation—from the making of barrels to the deploying of ocean tankers—that it could sell oil for an incredible seven cents a gallon ("price-slashing" to Mr. Woodward) and thereby outmaneuver the Russians for most of the world oil trade.

The biases that occur in the text of these college textbooks should be obvious, but more subtle ones can be found in the pictures selected and the captions adopted. For example, cartoons of fat industrialists biking the public are common. Mr. Bailey includes a cartoon of Rockefeller holding the White House in his hand. Mr. Woodward chooses a picture of banker J.P. Morgan with what appears to be a knife in his left hand. The caption reads: "J. Pierpont Morgan: a passion for order." Mr. Bailey includes a photograph of Morgan waving an umbrella, but it looks like a sword.

Grover Cleveland, who was friendly with many of the entrepreneurs, receives a photograph with the caption "stubborn conservative" in the Woodward textbook. By contrast, Jane Addams, a social reformer, receivces a photograph and this caption: "Jane Addams with her aides: she cared for the poor."

After showing how entrepreneurs often "corrupted" the rise of big business, textbook authors reveal their solution: government intervention. Often cited as needing federal aid are the transcontinental railroads. "Some system of subsidy was essential," states John Garraty. Not true. In fact, the four transcontinentals that were so subsidized all went bankrupt. The one transcontinental built with no federal aid—James J. Hill's Great Northern—never went bankrupt. It was the best-built, best-paying line of the lot.

Government regulation, the textbooks tell us, also was needed. According to Mr. Bailey, "a revolutionary new principle was written into the law books by the Sherman Antitrust Act of 1890, as well as by the Interstate Commerce Act of 1887. Private greed must henceforth be subordinated to public need."

Hill, again, is our antidote. He built two steamships and merged three railroads to make one large, efficient system to enter world trade. It worked. Hill beat England and Belgium and captured Oriental markets in railroads, cotton and food. Then the Interstate Commerce Commission told him he couldn't give special discounts; the Supreme Court told him he couldn't merge the three railroads. Bigness, the trust-busters said (and the textbooks concurred), was badness. Ever since Hill, the Sherman Act has left corporate debris and sad consumers all over the American landscape. AT&T is the most recent casualty of an antitrust law so vague that it can literally be interpreted to bar almost all acts of trade.

As the role of government increased in our society this century, we gradually neglected the lessons taught by past entrepreneurs. Those countries that cut costs, innovated and rewarded achievers began to surpass us. As these countries copied Rockefeller, now we are trying to copy them—unaware that we are often imitating our own entrepreneurs of 100 years ago.

History teaches us much that we should know. It's too bad the history textbooks don't do more of the same.●

## PLYWOOD TARIFF PROVISION

● Mr. BAUCUS. Mr. President, as the principal Senate proponent of the plywood tariff provision, the second section of amendment No. 443 to the trade bill, I ask to be recognized for the purpose of stating my understanding of the effect that the enactment of that provision would have on the pending Harmonized Code.

The plywood provision amends a headnote to the present Tariff Schedule of the United States. As we know, the administration shortly will ask the Congress to approve a new tariff coding system, the Harmonized Commodity Description and Coding System for a new Tariff Schedule. The United States has participated in the development of that code for 12 years, as mandated by section 608 of the Trade Act of 1974. On the motion a few days ago of the distinguished Senator from Hawaii, who is chairman of the Senate Finance Trade Subcommittee, we adopted amendment 336 to this trade bill, which provides for fast-track consideration of the Harmonized Code.

The question may arise as to how this plywood tariff change would be treated by the Harmonized Code, which has been the subject of international negotiation. Clearly, we intend that an adjustment be made in the new coding system so that the Harmonized Code will be consistent with the revision to the TSUS made by the plywood amendment.

A 10-digit product coding system will be used by the United States once the Harmonized Code is implemented. However, only the first six of those identification digits are internationally mandated by the rules of the Harmonized System Convention, which body the United States joined pursuant to Senate approval of Treaty Document 97-23 on June 21, 1983. The 7th through 10th digits may be unilaterally changed by the United States.

The administration's proposed bill to implement the Harmonized Code specifically refers to transitional modifications. Section 1(g)(2) of the proposed bill states:

> As part of such proclamation [of the new system], the President shall take such action as he deems necessary to incorporate such legislation and proclamations enacted or issued subsequent to May 1, 1987, or other modifications necessary or appropriate to implement existing import programs.

This provision thus would provide the Presidential authority necessary to alter the identification digits above six of the new U.S. Harmonized Code in order to take new legislation into account.

In the case of the plywood at issue in this amendment, the necessary change would be to the seventh and eighth digits that are used to distinguish products within the general six-digit classification of 4412-19.

Thus, I believe the record is clear that the change made by the plywood amendment would be administratively incorporated into the Harmonized Code without the need for either international negotiation or further action by Congress.●

## BUDGET SCOREKEEPING REPORT

● Mr. CHILES. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $0.3 billion in budget authority, but over in outlays by $15.9 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
*Washington, DC., July 28, 1987.*

Hon. LAWTON CHILES,
*Chairman, Committee on the Budget, U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1987. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 120. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32 and is current through July 24, 1987. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended. At your request this report incorporates the CBO economic and technical estimating assumptions issued on January 2, 1987.

Spending, revenues, and loan levels are unchanged since my last report. This report, however, reflects the expiration of the temporary statutory debt limit.

With best wishes,
Sincerely,
EDWARD M. GRAMLICH,
*Acting Director.*

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 100th CONGRESS, 1st SESSION AS OF JULY 24, 1987

[Fiscal year 1987—In billions of dollars]

| | Current level [1] | Budget resolution S.Con Res. 120 | Current level +/− resolution |
|---|---|---|---|
| Budget authority | 1,093.0 | 1,093.4 | −.3 |
| Outlays | 1,010.9 | 995.0 | 15.9 |
| Revenues | 833.9 | 852.4 | −18.5 |
| Debt subject to limit | 2,285.7 | [2] 2,322.8 | −37.1 |
| Direct loan obligations | 42.2 | 34.6 | 7.7 |
| Guaranteed loan commitments | 140.6 | 100.8 | 39.8 |

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The temporary statutory debt limit of $2,320 billion expired on July 17, 1987. The current statutory debt limit is $2,111 billion.

FISCAL YEAR 1987 SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 100TH CONGRESS, 1ST SESSION, AS OF JULY 24, 1987

[In millions of dollars]

| | Budget authority | Outlays | Revenues |
|---|---|---|---|
| I. Enacted in previous sessions: | | | |
| Revenues | | | 833,855 |
| Permanent appropriations and trust funds | 720,451 | 638,771 | |
| Other appropriations | 542,890 | 554,239 | |
| Offsetting receipts | −185,071 | −185,071 | |
| Total enacted in previous sessions | 1,078,269 | 1,007,938 | 833,855 |
| II. Enacted this session: | | | |
| Water Quality Act of 1987 (Public Law 100-4) | −4 | −4 | |
| Emergency Supplemental for the Homeless (Public Law 100-6) | −7 | −1 | |
| Surface Transportation and Relocation Act (Public Law 100-17) | 10,466 | −80 | 2 |
| Technical Corrections to FERS Act (Public Law 100-20) | 1 | 1 | |
| Prohibit entrance fees at the Statue of Liberty Monument (Public Law 100-55) | 1 | 1 | |
| SBA Program and Authorization Amendments (Public Law 100-72) | −43 | | |
| Supplemental Appropriations, 1987 (Public Law 100-71) | 4,212 | 3,018 | |
| Total enacted this session | 14,625 | 2,935 | 2 |
| III. Continuing resolution authority | | | |
| IV. Conference agreements ratified by both Houses | | | |
| V. Entitlement authority and other mandatory items requiring further appropriation action: | | | |
| Special milk | 22 | | |
| Veterans compensation | 93 | | |
| Readjustment benefits | 99 | | |
| Federal unemployment benefits and allowances | 33 | 333 | |
| Advances to the unemployment trust funds | (3) | (3) | |
| Payments to health care trust funds [1] | (224) | (224) | |
| Medical facilities guarantee and loan fund | 5 | 4 | |
| Payment to civil service retirement and disability fund [1] | (33) | (33) | |
| Coast Guard retired pay | 3 | 3 | |
| Total entitlements | 145 | 40 | |
| Total current level as of July 24, 1987 | 1,093,039 | 1,010,913 | 833,857 |
| 1987 budget resolution (S Con. Res. 120) | 1,093,350 | 995,000 | 852,400 |
| Amount remaining: | | | |
| Over budget resolution | | 15,913 | |
| Under budget resolution | 311 | | 18,543 |

[1] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.●

## COLOMBIA'S FUTURE

● Mr. CHILES. Mr. President, I returned this week from a brief visit to Bogotá, Colombia.

My trip was prompted by my continuing concern about the amount of narcotics entering the United States from South America. Eighty percent of cocaine consumed in this country comes from the region and most of it enters through my State of Florida.

Colombia processes much of this cocaine.

First, I want to report there is progress by the Colombian Government to control the drug flow. The efforts to eradicate the cannabis crops have been significant.

Seizures of precursor chemicals, used in processing cocaine, have increased. Destruction of hundreds of small base laboratories is being realized.

Crop substitution is being encouraged more by government actions and policy.

And, cooperation amongst the military, national police, and our own DEA continues.

Yet, all of this progress is overshadowed by one fact—90 metric tons of cocaine was exported from Colombia last year.

That fact underscores that Colombia is not doing enough to combat the cocaine trade.

The obstacles are many and possible solutions complex.

Government officials claim a lack of resources and manpower to sustain the mass attacks needed against those who manufacture and transport the cocaine. Colombian Minister of Defense Samudio told me he has only 75,000 militia and 60,000 national police to cover his entire country, the fourth largest in Latin America.

The involvement of guerrillas with drug syndicates raises serious political questions and strategy.

There is a critical absence of investigative capability by the Colombian criminal justice system.

The major, larger hydrocholoride laboratories are located and camouflaged in the eastern region, the llanos. This region's terrain, dense fo-

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liage and lack of roads makes it extremely difficult and costly to develop and implement tactical strategies against the drug industries.

And, most significantly, there is a total lack of respect amongst the narcotic cartels for the judicial and penal systems of Colombia.

The cooperative exercise of the 1979 extradition treaty has been the only force that they fear. Now, that treaty is in jeopardy.

My chief reason for traveling to Bogotá was to deliver a message about the treaty. My message was simple: The treaty is crucial to United States and Colombian efforts in stopping the major drug kingpins.

I met with President Barco who showed his intent and courage last December in signing the ratification legislation for the extradition treaty. The President's leadership is crucial to his Government's acceptance of the treaty.

But he cannot act alone. I also discussed the treaty with the President of the Colombian Supreme Court which recently found unconstitutional the ratification process which had sustained the treaty. The court under extreme intimidation by the narcotic cartels has had 14 of its justices murdered. This court must now reconsider the future of extradition by Colombia. In my view, this decision is key to addressing those who trade in narcotics.

Mr. President, Colombia is a healthy country in many respects.

Its economy is stable, especially in relation to other South American countries. It has a deficit of only 2 percent of its GDP of $35 billion and the country is able to keep pace with its international loans.

The country has lucrative industries in coffee, rice, bananas and flowers. These products continue as their major trade exports and provide the country with a solid, economic backbone.

Colombia has much to gain by bringing the worldwide attention to these industries instead of cocaine which continues to blacken its international reputation.

I saw signs that the public attitude toward narcotics in Colombia is changing. This has been prompted by increasing drug abuse amongst Colombians and by the relationship of the drug traffickers with the insurgents. There are many people in Colombia who desperately want change. Courageous Colombians from business, academia, media, and the arts continue to speak out against the drug lords. Many have been personally threatened as have their families. Violent threats, murder, kidnappings, and ransom are literally a way of life in Colombia. There were approximately 10,000 murders in Colombia last year amongst its 26 million people. That is roughly the same number of murders in the United States in 1986 but amongst a population 10 times as large.

Mr. President, I desperately want to help Colombia to curtail cocaine production. In doing so, I know I will directly be helping Florida as well as the rest of the United States.

But, I must be sure Colombians will use this help only as a supplement to their own commitment against narcotics. The Colombian Government must show that it is prepared to extend its efforts against cocaine processing and exportation.

Colombia must show that it is willing to cooperate with its neighboring countries to combat processing and trafficking.

The Government of Colombia must be willing to commit additional resources and personnel toward the enforcement and prosecution of the drug traffickers.

And above all, the Government and people of Colombia must be willing to provide the public support and resources necessary to protect those with the responsibilities of carrying out the justice system.

Only 10 years ago, Colombia exported literally no cocaine. Today it is a major source for the world. If Colombians do not erase the effects of the last 10 years, it might soon be too late.

Mr. President, I believe the people of the United States would be willing to support the people of Colombia in their battles against narcotics as long as they know Colombians are willing to fight. I believe they are.

I sensed a swelling frustration mixed with determination that the drug traffickers are not going to rule Colombia. I want that determination to be harvested into action.

The Colombians must show measurable steps in stopping the exportation of 90 metric tons of cocaine. This is the chief barometer the United States will use in judging the country's cooperation.

The United States must also be assured of a valid, cooperative stand on extradition with Colombia. Americans know the drug lords fear our prosecution and sentences. This leverage cannot be foresaken.

Americans rate drug abuse and drug trafficking as their No. 1 domestic concern. That concern has led Congress to strengthen our criminal justice system against drug traffickers. With the growing influence of the narcotic trafficker in their country, Colombians have much at risk. I am hoping that the Colombian people can impress upon their Congress and Government their support for aggressive action against the traffickers.

The United States will be watching.●

## INFORMED CONSENT: DELAWARE

● Mr. HUMPHREY. Mr. President, today I would like to insert into the RECORD a letter sent to my office in support of my informed consent legislation, S. 272 and S. 273. Today's letter comes from the State of Delaware.

I ask that the letter from a woman in Delaware be inserted in the RECORD.

The letter follows:

MARCH 10, 1987.

DEAR SENATOR HUMPHREY: I am one who has undergone an abortion over 13 years ago and was totally ignorant of the whole procedure and consequences. At no time was I ever informed of what was going to be done, or what I could expect after undergoing the procedure. I certainly wish this opportunity could have been available to me so I could have made an informed decision. Today, I can say I deeply regret what I did and will never forget it.

Many times I am in a state of depression which I feel is a result of the abortion. I am so thankful though, that the Lord has blessed me with 4 healthy children although my first pregnancy ended in miscarriage, again another result, I'm sure, of the abortion. The painful memory is slightly less than what it would have been had I not had children and I can't imagine what would be my state had I not been able to have children.

I want to thank you for what you are doing in trying to spare other women what I and others have gone through.

Sincerely,

T. MCNEILL.●

## THE INTENDED EFFECT OF THE FEDERAL CREDIT REFORM ACT

● Mr. CRANSTON. As chairman of the Subcommittee on Housing and Urban Affairs, I would like to ask the distinguished chairman of the Budget Committee to clarify three issues that greatly concern those who are working to maintain affordability of home ownership in this country. I want to make it clear that the proposed Federal Credit Reform Act of 1987 would not alter the underlying terms and conditions of, or eligibility for, or the amount of assistance provided by either the Federal Housing Administration or the Government National Mortgage Association.

● Mr. CHILES. I thank the Senator for helping to clarify the intent of this legislation. I share his concern for home ownership.

● Mr. CRANSTON. My first question is whether the proposed act would impose or otherwise provide for new ceilings or restrictions on the numbers or total amounts of loans insured by the Federal Housing Administration or covered by guarantees of the Government National Mortgage Association?

● Mr. CHILES. No. This legislation would not impose any limits on credit activity of the Federal Housing Administration or the Government National Mortgage Association that do

not already exist under current law. The credit reform provisions merely alter the way we account for these credit initiatives in the Federal budget.

● Mr. CRANSTON. Second, would enactment of the act in any way threaten or restrict the mutuality feature of the Mutual Mortgage Insurance Fund, under which FHA program users receive a distributive share payment after having paid off their mortgage?

● Mr. CHILES. No, nothing in the proposed act would do that.

● Mr. CRANSTON. Third, many have expressed concern that the act might later be interpreted as giving Treasury Department officials increased influence over Federal support for the mortgage finance system. Is it the Senator's understanding that, if this legislation is enacted, Treasury Department estimates of program subsidies will not be binding on Congress or on FHA or GNMA activities? I would like assurance that the Congressional Budget Office would carefully reestimate any Treasury Department numbers including any subsidy estimates and that the CBO reestimates would prevail in congressional budget decisions, for scorekeeping and other budgetary purposes. I want to make sure that Treasury Department officials would not be able to use estimating procedures to reduce the activities of FHA or GNMA below levels approved by Congress.

● Mr. CHILES. Yes, I am happy to give the Senator assurance on all those concerns. The intent of this legislation is to retain congressional control over the development and establishment of the subsidy estimates that will be used for scorekeeping and other budgetary purposes.

● Mr. CRANSTON. I would like further assurance that the Senator will maintain these positions in the conference on this matter.

● Mr. CHILES. Yes, I will. Mr. President, I would like to assure this body that the purpose of the credit reform legislation is not to alter the underlying terms or conditions of any Federal credit program or to impose restrictions or limitations on credit activity that do not already exist. To the contrary, the credit reform title is intended only to accomplish accounting and credit management improvements.

This legislation establishes the scoring of credit programs on the basis of their subsidy costs, defined as the estimated long-term costs to government. This change replaces the current cash flow accounting method for the allocation of credit, that provides little if any useful information with respect to the actual long-term financial commitment made by the Federal Government through the extension of a direct loan or loan guarantee.

Title III eliminates the need to constantly draft ad-hoc rules regarding the scoring of "gimmickry" savings achieved through the sale or the prepayment of loans. The rules determining the types of transactions that actually lower the deficit will be clear to all parties concerned. Title III does not require the sale of any loans, although it does not preclude them for policy reasons.

Title III does not authorize the reinsurance of Federal guarantees that might result in overstating the costs of those programs to the Treasury. The credit reform legislation is drafted so as not to alter the aggregate cash flow measure of the deficit. Therefore, credit reform will neither add to nor reduce the deficit.

Lastly, the recommendation to restructure the scoring of credit programs so as to allocate loans and guarantees on the basis of their subsidy costs, was endorsed unanimously by the Congressional Budget Office, the General Accounting Office and the Office of Management and Budget, in a Senate Budget Committee hearing on credit reform in March of this year.

In closing, Mr. President, I would like to say that I understand the concern that has been expressed concerning the potential for this legislation to affect the amount of assistance provided by the various Federal loan and guarantee programs currently in existence. In response to this concern, I asked the Congressional Budget Office to review the credit reform title and to let me know if any of the credit reform provisions in this legislation would have the impact of imposing new limitations on, or otherwise changing the underlying terms and conditions of existing Federal credit programs. I have received CBO's response and I ask that it be submitted in the RECORD. That letter concurs with my view that this title changes only the budget treatment of credit programs; it does not affect program levels. In brief, CBO has concluded that by including the subsidy cost of new transactions in agency accounts, as called for in title III, "this accounting change would not affect the terms, eligibility for, or the amount of assistance provided to beneficiaries."

● Mr. CRANSTON. I thank the Senator for this clarification, and I commend him for his work on this bill.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
*Washington, DC, July 30, 1987.*

Hon. LAWTON CHILES,
*Chairman, Committee on the Budget,*
*U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: At the request of the Committee staff, the Congressional Budget Office has examined a draft (as of July 27, 1987) copy of your proposal to improve the budgetary treatment of federal credit assistance.

CBO believes this bill, by including the subsidy cost of new transactions in the agency accounts, would substantially improve the budgetary treatment of federal credit programs. Further, this accounting change would not affect the terms, eligiblity for, or the amount of assistance provided to beneficiaries.

With best wishes,

Sincerely,

EDWARD M. GRAMLICH,
*Acting Director.*●

## SENATOR INOUYE'S AIR TRAFFIC CONTROL LEGISLATION

● Mr. HUMPHREY. Mr. President, I am pleased to cosponsor a bill offered by the senior Senator from Hawaii that would free our Nation's air traffic control [ATC] system from the ball and chain of Federal Government overmanagement.

Senator INOUYE's bill, S. 1159, would establish the National Aviation Authority as an independent user-fee supported Government corporation to operate, maintain, and enhance an efficient and responsive national system for air traffic control and management of our airways.

Mr. President, airline deregulation is under fire these days. It has become fashionable in Congress and elsewhere to blame the airlines for the delays and other inefficiencies in our air transportation system. While the airlines bear some responsibility, however, they are not to blame for the woeful inadequacies in our airports and in the ATC system. It is not the deregulation of the airline industry, but the continued overregulation of these other elements of the system that needs to be addressed.

In the case of the ATC system, Senator INOUYE's bill does just that. It would transfer the FAA's current ATC function to a Government corporation, an autonomous body substantially freed from the Federal bureaucracy and financed by existing aviation taxes. In this way, unlike with the current aviation trust fund held hostage by the Federal budget mess, aviation taxes would flow back to the consumer in the form of increased aviation safety and capacity.

Freed from micromanagement by Congress and the Federal bureaucracy, the ATC system would be able to bring on innovative technology in response to traffic growth, at a faster pace and at a lower cost than presently possible.

Regulation of air safety is a proper role for the Federal Government. Running an air traffic control system is not. Only an autonomous ATC corporation can keep pace with the expansion—and the benefits—of the finest air transportation system in the world, allowing a residual FAA to focus exclusively on the enforcement of air safety regulations.

Mr. President, I urge my colleagues to support S. 1159 and create the National Aviation Authority. This bill, combined with steps now finally being made in allocating funds for airport facilities, will allow our air travel system to accommodate the vast benefits reaped by the American consumer since deregulation in 1978.●

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## RECESS UNTIL MONDAY AUGUST 3, 1987

Mr. BYRD. Mr. President, does the acting Republican leader have any further business he wishes to transact this evening or any further statement he wishes to make?

Mr. WILSON. Mr. President, I have none.

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 12 o'clock noon on Monday next.

The motion was agreed to, and at 10:05 p.m. the Senate recessed until Monday, August 3, 1987, at 12 noon.

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## NOMINATIONS

Executive nominations received by the Senate July 31, 1987:

### DEPARTMENT OF STATE

Peter R. Sommer, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

### THE JUDICIARY

Sam R. Cummings, of Texas, to be United States District Judge for the Northern District of Texas, vice Halbert O. Woodward, retired.

Richard L. Voorhees, of North Carolina, to be United States District Judge for the Western District of North Carolina, vice David Bryan Sentelle, elevated.

### IN THE ARMY

The following-named officer for appointment to the grade indicated, under the provisions of Title 10, United States Code, Section 601(a), in conjunction with assignment to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601(a):

*To be lieutenant general*

Maj. Gen. Fred Hissong, Jr., 284-28-4894, United States Army.

### IN THE NAVY

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

*To be vice admiral*

Rear Adm. Albert J. Herberger, 051-22-0999/1110, U.S. Navy.

### IN THE AIR FORCE

The following named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

JUDGE ADVOCATE

*To be colonel*

Henry P. Fowler, Jr., 218-387-129

*To be major*

David R. Francis, 122-466-061

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of sections 593 and 8379, title 10 of the United States Code. Promotions made under section 8379 and confirmed by the Senate under section 593 shall bear an effective date established in accordance with section 8374, title 10 of the United States Code. (Effective dates in parentheses).

LINE OF THE AIR FORCE

*To be lieutenant colonel*

Maj. Gerard A. Brangenberg, 142-38-0644 (4/29/87).

Maj. Peter Collins, Jr., 043-42-6136 (5/28/87).

Maj. Terry L. Hughey, 255-78-3466 (5/5/87).

Maj. Wayne B. Larue, Jr., 426-94-7704 (5/3/87).

Maj. Philip C. Lehman, 368-48-8561 (4/10/87).

Maj. Joseph T. Miller, 203-28-2507 (5/3/87).

Maj. Robert L. Myer, 315-50-8692 (5/11/87).

Maj. Arthur G. Nickerson, 042-42-0481 (5/1/87).

Maj. James W. Richardson, 002-30-3680 (5/2/87).

Maj. Arnold E. Sirk, 213-36-7705 (5/15/87).

The following officer for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provision of section 8067, title 10, United States Code, to perform the duties indicated, provided that in no case shall the following officer be appointed in a grade higher than Major.

JUDGE ADVOCATE

David R. Francis, 122-466-6061

### IN THE MARINE CORPS

The following named Naval Reserve Officers Training Corps graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, U.S. Code, sections 531 and 2107:

Curtis R. Adair, 6565
Brett M. Bartholomaus, 6977
Christopher P. Bazin, 3281
Corey K. Bonnell, 5855
Shawn P. Conlon, 4174
Jeffrey P. Davis, 1781
Stephen M. French, 3186
Daniel T. Friedel, 7024
Raymond S. Gerwig, 5064
Gerald J. Hudson, 1071
Frank A. Kunst, 2027
Robert F. Merkel, 6538
Steven A. Nightingale, 6926
Alison Polgreen, 4076
Jon E. Sachrison, 8164
Anthony R. Sellitto, 0483
Mark A. Simon, 0581
Leo Taddeo, 6371
Timothy G. Tinner, 3456
Jon M. Wells, 9985
Fred A. Wood, 4660

The following named Marine Corps Enlisted Commissioning Education Program graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code section 531:

Roy P. Ackley, 6656
David S. Mazenko, 2583
Michael E. Rooney, 9260
Richard G. Yakubowski, 9210

*In the Navy*

The following named Naval Reserve Officers' Training Corps Program candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Brian K. Britton
Jeffrey B. Britton
John A. Burton
John H. Cannan
Patrick K. Connor
Don C. Cooper
Tuanb D. Diep
Gregory E. Dixson
Jon W. Gerhardt
Robert L. Hallworth
James C. Humphlett, Jr.
Steven M. James
Kevin S. Jasperson
Shirl D. Johnson
James W. Lees
Hugh B. Loftis
Edward C. Lovelace, Jr.
David C. Mailari
James D. O'Leary, II
William G. Parker
Ray A. Ricario
Anthony Rinaldi
David G. Robertson
Vincent J. Rocchi
Paul G. Schloemer
Mark E. Semmler
Eric N. Stauffer
David A. Strizinger
Dwight D. Turner

The following named Navy enlisted Commissioning Program candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Richard E. Canavaciol
James B. Carnahan
Russell M. Cook
Donald S. Geidel
Dan H. Hill
Donna M. Joyal
Thomas McDowell, Jr.
Bobby J. Pannell
Dennis M. Pendergist
William W. Rowan
Brian D. Steckler
Christopher J. Taylor
Gene F. Wallis
David B. Weiding

### IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall the officer be appointed in a grade higher than that indicated.

LINE OF THE AIR FORCE

*To be captain*

Abbott, Joseph A., 540-80-3032
Acosta, Fernando L., 584-30-5624
Adams, Michael E., 262-11-3583
Adams, Rebecca L., 416-94-5090
Adang, Peter J., 525-17-9244
Agurkis, Raymond L., 263-25-1781
Ainsley, Johnnie D., 244-82-3319
Albrechtsen, Louis, 456-82-4907
Albright, Cheryl L., 117-48-2444
Alder, Mark K., 576-72-5177
Alfier, Jeffrey C., 149-46-6760
Ali, Azar S., 132-52-8701
Allds, Douglas E., Jr., 394-58-0519
Allen, Aleta S., 511-62-7686
Allen, Charles M., 520-80-0572
Allen, David S., Jr., 222-40-0476
Allen, Kimberly M., 288-64-1747

Allen, Linda M., 492-58-4572
Allen, Michael M., 523-66-7212
Alm, Vance, S., 502-68-3921
Altier, Paul A., 471-70-9378
Alton, James H., II, 206-44-7336
Alvarez, Robert, P., 561-88-1186
Amato, Gerard, A., 426-96-2709
Andersen, Kevin, C., 568-80-0960
Anderson, Daniel, J., 549-70-3140
Anderson, Marc, H., 220-66-9534
Anderson, Robert G., Jr., 042-54-0217
Anderson, Sharon, L., 476-64-2645
Andersonhicks, Brenda, L., 004-60-7056
Andrews, Deborah, L., 570-02-6516
Andrews, Phillip G., 228-70-2060
Ardoin, Billy R., 558-68-3288
Arellano, Richard, 455-02-6214
Ariosto, Thomas P., 044-60-0670
Armbruster, Timothy P., 108-38-4670
Armour, John L., 412-02-6050
Armour, Robert D., 258-04-5258
Armstrong, Jon W., 507-80-0385
Artis, Darrell L., 319-58-5378
Ashton, Mark C., 238-04-5154
Attaway, David L., 409-80-3004
Austin, James W., Jr., 156-34-1546
Babcock, Burce L., 501-76-3884
Baez, Laurell, 080-56-6203
Bailey, Benny M., Jr., 245-08-8354
Bailey, Jan J., 479-66-5346
Baine, Robert P., III, 491-72-7625
Bair, Michael W., 343-46-1665
Baker, Bradley C., 534-60-8692
Baker, Richard E., 437-98-1373
Bakke, Daniel B., 117-46-9749
Baldwin, David L., 423-72-5052
Baldwin, Vanessa L., 217-56-6103
Ballew, J. Robert 202-46-5734
Ballmer, Candace A., 271-52-8086
Bandy, Constantine P., 211-42-4980
Banes, Jeffry M., 236-84-8671
Bannon, John A., 227-96-6078
Baptista, Clifford S., 568-74-2594
Barbery, Tyrone J., 107-48-5002
Barbour, Steven D., 261-86-2122
Barker, Patrick R., 516-58-6276
Barnhill, Jeffrey Kyle, 526-25-6692
Barr, Lewis E., 457-98-8453
Barry, Stephen P., 026-40-8543
Bartholohew, Richard D., 409-96-9314
Barton, Ronald D., 319-58-5991
Batchelor, Howard E., 237-82-5114
Baugh, Robert A., 542-62-7333
Bauman, William H., III, 115-44-8996
Bayley, Gregory M., 047-44-8957
Baylor, Michael P., 074-56-2261
Becerra, Robert D., 106-52-9984
Bechtel, Richard A., 466-13-7946
Beck, Theodore D., III, 421-74-6233
Bedsole, Alan L., 417-80-9396
Beem, Randall C., 472-66-5897
Beer, Bradlee J., 391-52-6457
Beissner, Kenneth C., 458-98-5128
Belch, Stephen P., 024-50-2064
Bell, Roy Q., Jr., 421-68-5030
Bellacicco, Susan M., 387-66-1999
Benelli, Michael P., 184-38-2345
Benjamin, Michael A., 238-04-3066
Bennett, Bruce W., 105-42-7636
Bennett, Clinton S., 587-56-5103
Benton, George W., 404-74-9589
Berman, William J., 539-62-0314
Berrie Yvelis, 583-68-1068
Betor, Monica L., 060-42-6019
Betrosoff, Bruce A., 469-52-1065
Bilby, Kirk D., 385-68-2751
Binger, William B., 546-29-8749
Bingham, Alfred L., 241-92-2296
Bird, William H., 215-50-9861
Birk, Kenneth E., 555-82-1954
Biviano, Charles J., 148-52-7673
Black, Ronald E., 242-04-1998
Blacken, James E., Jr., 230-98-6505
Blackshear, Lemoyne F., 578-86-1387
Blackwell, Garland W., 246-96-6793
Blake, William H., 322-46-3427
Blakeman, William D., 279-50-9303
Blasi, Edwin K., 526-21-3461
Blevins, Charles L., 403-78-5927
Blind, Stanley T., 254-92-0670
Bloser, Richard L., 175-48-7388
Boardman, Brian W., 521-84-8524
Bockhold, John A., 468-68-6380
Boggs, John P., 305-62-1338
Boland, James C., 474-80-1753
Bonucchi, Laura L., 356-44-3885
Boon, David L., 494-62-4133
Boone, Sharon D., 421-80-2493
Boren, Michael V., 466-82-7876
Bowen, Timothy E., 069-48-7875
Bower, James N., Jr., 385-72-0147
Bowers, John M., 153-46-9265
Bowman, John M., Jr., 091-52-4258
Bowman, William C., 408-80-6371
Boyle, John E., 539-58-8897
Braaten, Alan J., 527-39-6271
Braden, Brian A., 227-86-0346
Bradham, Curtis, 241-96-9064
Bradley, David C., 262-47-5411
Bradley, Ingrid K., 252-08-3655
Brady, Reita L. W., 223-88-6871
Bralick, William A., 387-62-0858
Breed, Michael H., 005-48-6332
Brenton, Jeffery C., 307-68-1191
Bresette, James L., Jr., 555-23-5766
Bettell, John E., 511-64-4682
Briggs, Myrl G., 479-66-6089
Bright, Randall R., 557-45-6608
Bronkema, Thomas R., 562-02-7113
Bronson, Robert R., 562-86-1287
Brooks, Howard O., 335-60-6813
Brooks, Jerry, 466-02-6616
Brown, Daniel J., 336-54-6126
Brown, Dennis A., 2568-43-770
Brown, Jerry T., 2407-47-659
Brown, Joseph D., IV, 2299-04-212
Brown, Marita D., 4638-82-729
Brown, Perry W., Jr., 2501-56-697
Brown, Robert L., 4188-09-168
Brown, Ronald E., 4247-64-058
Brown, Scot C., 5037-47-048
Brown, William R., II, 1444-46-462
Bruggeman, Mark E., 5279-41-773
Brumley, Barrington L., 5787-86-803
Bruner, William W., III, 5623-35-964
Bryant, Robert J., 4076-23-760
Buchanan, Johnny H., 5877-06-747
Bucknall, David M., 5206-88-619
Budds, John J., Jr., 2498-24-287
Buie, David E., 2337-40-317
Bullock, Walter M., Jr., 4238-20-321
Burdsal, Robert L., 5697-60-176
Burgess, Charles B., 4486-02-160
Burke, David P., 0235-09-333
Burkholder, David L., 0605-68-619
Burnett, Robert E., Jr., 2490-43-961
Burns, Michael L., 5396-48-619
Burrell, Alison D., 0315-21-410
Burrill, Gordon F., 5303-06-021
Burton, Clayton A., 5456-84-866
Burtt, Anne W., 3375-43-084
Butcher, Glenn G., 4387-03-395
Byers, Timothy A., 4017-83-484
Byron, B. Kimball, 2136-45-879
Cabiao, Benhur C., 5385-84-324
Cabral, Daniel J., 0264-60-672
Cadenhead, Thomas S., 0123-89-773
Cadieux, Michel P., 0085-48-889
Caicedo, Julio C., Jr., 3095-89-814
Caldwell, James A., 4669-45-000
Calhoon, John P., Jr., 3166-23-187
Camacho, Jorge F., 2157-09-693
Campbell, Lawrence E., 0046-29-019
Caraway, Pamela Amos, 2501-14-926
Cargill, Courtney S., 2083-66-618
Carlson, Jay S., 0015-46-225
Carlson, Richard W., 475-09-564
Carr, David B., 2168-08-951
Carr, David W., 3365-60-923
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Waldrip, Michael C., 416-78-6287
Walker, Alan D., Jr., 575-70-4609
Walker, Gregory L., 357-50-8454
Walker, Tracey A., 437-94-1049
Wallace, James R., 282-50-8230
Wallace, Michael J., 209-46-9844
Wallick, John A., 335-50-2855
Walmer, Randy C., 188-42-9894
Walsh, Robert L., 020-34-3597
Walt, Curtis K., 493-56-0273
Walters, Susan, 150-38-7943
Wamble, Charles D., 266-15-6012
Ward, Deborah, Borio, 266-47-8383
Ward, Ernest S., 553-23-9628
Ward, Franklin E., 248-02-5423
Wardlaw, Stephen P., 458-11-5711
Wardle, Donald R., 228-78-3978
Warner, Earl R., II, 480-68-7116
Warner, Larry J., 234-84-5717
Warren, Richard A., 436-66-1438
Waters, Kenneth R., 559-17-9233
Watkins, Earl B., 263-29-6845
Watson, James W., 159-42-7787
Watts, Loren K., 524-80-2940
Weber, Raymond A., 053-44-0704
Webster, David L., 265-29-2052
Webster, Michael, E., 219-70-4029
Weiss, Otto Jr., 486-52-3618
Welch, Wendell R., 410-96-0583
Welker, Kerry M., 329-46-1510
Wells, Lester L., 413-96-0223
Wells, William A., 241-72-7282
Welnetz, Mark N., 390-66-6232
Wentzell, John L., 468-78-1552
Werenko, Timothy J., 027-52-4309
West, John T., 548-96-5356
West, Michael J., 494-54-3959
West, Robert K., 513-72-4774
Westbrook, Gayle I., 183-54-5228
Westerfield, Richard C., 405-92-0180
Western, Jeffery L., 284-56-3716
Weston, Andrew C., 247-08-7437
Wetzel, Karl F., 064-46-6497
White, Carl D., 246-08-5518
Wideman, Frank D., 088-50-5086
Wierzowiecki, Bobby D., 467-94-2360
Wilderotter, Steven, 138-50-6085
Wiley, Robert J., 184-48-5107
Wilkins, Harvey C., 430-88-6760
Wilkinson, Laura J., 534-52-1526
Williams, Dale E., 419-78-0497
Williams, Gary D., 543-64-3086
Williams, Gary L., 499-62-6958
Williams, George B., 245-74-1287
Williams, Harvey L., Jr., 557-74-3894
Williams, Larry W., 223-92-3574
Williams, Mark A., 178-50-5520
Williams, Stephen E., 453-96-1511
Williams, Roosevelt, 410-94-7969
Wilson, Glen A., 164-36-3176
Wilson, James R., 257-88-4423
Wilson, Jimmy D., 435-84-4621
Wilson, Robert G., 551-04-1469
Wilson, Verl R., 519-52-1283
Wilson, Wayne B., 526-13-9106
Winkler, Stephen F., 532-70-3251
Winn, Richard F., 254-76-7068
Winslow, Jerome C., 380-54-5055
Winters, George D., 208-42-8245
Wirth, Donald L., 526-92-5131
Witter, Cletus F., 486-60-2859
Witteried, Michael F., 371-48-4806
Wnuk, Stephen P., III, 014-52-5737
Wolf, Edwin L., 233-92-3614
Wood, John L., 266-82-2218
Wood, Mary J., 553-68-3898
Wood, Pamela N., 444-54-9596
Wood, Theodore A., 245-17-1789
Wood, Wiltse D., 528-88-0991
Woodson, George B., 178-36-5856
Woodcock, Bruce W., 070-40-0626
Woods, Fannie J., 322-42-6467
Woody, Rosalind D., 515-58-6782
Wooster, Jack L., 382-72-3071
Wright, Aaron C., 579-64-1921
Wright, Curtis D., 287-46-3811
Wright, John R., Jr., 262-96-5765
Wrobel, William A., Jr., 091-46-7021
Wyatt, Paul R., 409-11-7450
Wylam, John M., 238-04-2837
Wyman, Peter R., 004-62-4365
Wynne, Charles E., 327-48-0584
Wypych, Joseph L., 068-50-1219
Yaple, Gerald P., 133-38-7397
Yeefong, Juan M., 585-80-8440
Yoder, Mark M., 349-56-8908
Youmans, Hugh W., 252-04-5115
Young, Gregory R., 563-96-9727
Young, John A., J., 172-44-4987
Young, Lamar 427-06-1143
Young, Lori A., 575-50-9877
Youngblood, Ronald L., 448-52-9728
Zachary, Scott D., 277-50-8283
Zachry, Jimmy D., 585-06-8617
Zanotti, Michael R., 024-46-8320
Zuercher, Philip A., 585-50-9245

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties indicated with grades and dates of rank to be determined by the Secretary of the Air Force provided that in no case shall the officers be appointed in a grade higher than captain.

### Chaplain Corps

Barlow, James P., 096-34-4527
Bomberger, Gary D., 541-44-3635
Bruning, Darrell W., 429-98-5303
Cobb, Harrell L., 418-56-6288
Conroy, Francis X., 029-30-2183
Cutter, James N., 538-46-1511
Dull, Jeffry A., 201-42-7146
Fedor, Edward P., 050-44-3383
Harned, Marion T., 407-72-1823
Hatcher, Edgar W., 554-88-0048
Herbert, Stephen R., 292-46-3829
Janes, Jadell, 402-64-9755
Janner, Robert T., 465-70-7254
Lamby, Robert James, 068-40-6420
Mayernick, Frank P., 293-46-3355
McClanahan, Joseph E., 219-54-6644
Meekins, Lorenza R., 224-80-3377
Morrow, David Lee, 245-94-8238
Person, Alexander Jr., 422-68-5736
Sanders, John S., 249-94-7897
Spearman, Richard E., Jr., 267-23-6722
Stavrevsky, Ken James, 092-46-1498
Stovall, Jon R., 503-72-1043
Timmons, Millard G., 291-50-8982
Turley, Sean F., 061-32-9854
Vandesteeg, Marinus G., 552-64-7414
Walling, Lawrence E., 481-50-9677
Wallroth, Joseph R., 143-36-2636
Wineberg, Robert M., III, 263-19-7248

### Judge Advocate

Edwards, Johnny H., 240-78-5979
Francis, David R., 122-46-6061

### Nurse Corps

Adams, Lorraine M., 555-82-4427
Adams, Pamela D., 567-84-8026
Addison, Danny L., 587-03-4539
Algea, Cassandra R., 561-37-0339
Amatriain, Fredrick M., 260-74-4575
Anderson, Antoinette K., 546-94-9539
Argenbright, Sharon A., 150-52-9748
Aune, Regina C., 274-40-2699
Balch, Beth A., 501-86-2813
Beisser, Paul T., III, 493-60-2100
Bell, Lynette M., 166-54-8969
Bernotas, Vincent P., 210-42-7879
Besel, Towne M., 388-60-7158
Beson, Linda R., 291-54-4618
Black, Sandra A., 464-94-0961
Blake, Susan J., 524-80-3580
Blue, Terry K., 262-11-8628
Bollinger, Karen M., 585-58-9739
Boss, Naomi M., 390-70-0590
Bourn, Madelyn C., 392-56-1391
Brickey, Susan J., 416-29-5833
Bridges, Elizabeth J., 541-86-9722
Brittain, Janet M., 506-74-0077
Bruce, Timothy F., 257-92-3118
Burkett, Melissa A., 467-11-2489
Burnette, Sharon A., 200-46-7467
Burns, Elaine M., 397-60-6336
Button Julie A., 544-70-8493
Campbell, Teresa A., 263-39-5291
Cardona, Valerie A., 293-50-7535
Carlisle, Sharon M., 451-19-3453
Carroll, Cheryl A., 050-52-5036
Carroll, Noel F., 047-54-6249
Casalapro, Debra A., 085-52-5435
Chadwick, Violet S., 419-74-2606
Chandler, Scott J., 264-02-6499
Clark, Rita A., 014-52-3349
Collins, Carolyn L., 430-06-4363
Connors, Mary M., 560-96-1055
Conrad, Mary 171-48-3827
Cook, Elton C., 462-82-8746
Corbin, Patricia D., 144-38-1931
Cowles, Elizabeth A., 262-41-4937
Cramer, Cynthia M., 512-74-0809
Cramer, Jeanette M., 259-80-4743
Cree, Diane D., 223-68-4022
Damico, Elizabeth A., 297-68-1692
Davis, Kimberly A., 268-68-1661
Davison, Susan M., 149-48-7037
Dean, William M., 309-68-9458
Dehner, Randall L., 478-66-1522
Deitz, Lorna J., 297-44-9809
Deshazo, Suzanne M., 561-15-8946
Dewildt, Donna L., 036-34-8506
Deyak, Diane L., 026-44-0053
Dottin, Denise L., 119-52-0180
Dunn, Kathleen M., 515-64-1606
Duong, Diep N., 586-52-8067
Epps, Janice, 254-98-3206
Erbach, Nancy A., 127-54-8270
Flanagan, Donald J., 328-42-9090
Fletcher, Diane L., 420-84-4808
Floersch, Patricia, 469-84-5605
Fogger, Susanne E., 048-42-5593
Frank, Diana L., 517-82-7199
Fritsch, Glenae E., 341-56-6393
Gensheimer, Cotton Helen M., 138-48-5439
George, Lori S., 214-54-8754
Geschkenedervelt, Barbara A., 267-04-1951
Gingras, Lorraine L., 045-60-7235
Godfrey, George W., Jr., 574-28-1293
Goitia, Eugenio, Jr., 070-42-9914
Goodell, Stephen C., 045-40-1976
Gottschalk, Robert J., 295-46-6760
Gouner, Warren H., 460-92-9684
Gouthro, Linda D., 522-84-5302
Graef, Theresa L., 394-70-2777
Gravette, Star C., 573-76-2952
Green, Gail M., 107-40-0706
Greene, Michael G., 025-38-3932
Grijalva, Melinda D., 458-02-3647
Guffee, Mary E., 457-98-8280
Haeger, Linda I., 261-33-4516
Hall, Vivian, 376-50-0844
Hardin, Sylvia A., 282-62-9301
Hardy, Janice L., 516-56-8257
Hargis, Rebecca M., 211-50-8344
Hart, Mary K., 445-56-8055
Hartl, Nancy D., 501-64-9203
Harvey, Alice J., 314-52-4217
Haverlack, Janet A., 483-68-5902
Haynes, Vickie L., 225-84-8406
Hebert, Roger G., 039-32-6038
Heist, Dawn E., 512-70-9157
Hessert, David, 007-58-5682
Hickman, Constance D., 443-58-5664

Hilton, Carole A., 212-56-4657
Himmelberg, Kirsten E., 208-52-2073
Hoback, Amanda J., 124-52-0982
Holt, James P., 414-96-4810
Hutchison, Kathleen E., 161-54-7168
Jackson, Annie B., 587-78-7021
Joganic, Rosemary A., 267-25-2354
Johnston, Brenda K., 556-92-6115
Jones, Albert S., Jr., 243-82-9293
Jones, Karen L., 245-92-0078
Kindel, David E., 515-56-5451
Kirkpatrick, Daniel R., 548-88-9452
Kisner, Linda C., 514-58-7752
Kloppel, Julie A., 184-50-7758
Kosh, Suber Jacquelyn D., 220-70-7238
Kost, Brenda L., 042-60-5616
Kuhn, Barbara L., 475-74-0069
Larson, David M., 471-66-3653
Lee, Amy, 578-72-7740
Lee, Donald A., 238-72-7436
Lemke, Sharon A., 396-52-2343
Leone, Mariacristina, C., 031-48-5445
Lepper, Arlene G., 560-15-6859
Lewin, Marianne C., 104-50-4324
Lewton, Diane R., 481-78-6211
Linn, Katharine D., 179-38-4818
Livingston, Charles E., 566-78-0699
Lunsford, Victor J., 416-84-7746
Lutz, John A., 433-68-2703
Lypek, Douglas J., 390-46-2817
Madden, Pamela G., 505-76-1266
Malec, John J., 358-38-0531
Martin, Karen M., 476-78-9471
McCall, William G., 242-86-2036
McCune, Ann G., 067-44-5553
McGee, Charlie H., III, 550-90-7196
McGrew, Penelope A., 315-64-3404
McKenna, Kimberly A., 585-19-2098
McRae, Anne C., 194-44-4677
Mermann, Mary A., 081-54-5368
Mickunas, Judith A., 287-48-2258
Moran, Ned L., 078-40-5524
Morgan, Ellen E., 138-64-5118
Morrissey, Joan E., 579-86-3221
Naftzger, Lisa A., 331-60-6257
Namdar, Deborah A., 319-52-1423
Ohara, Susan M., 181-38-3357
Palmer, Abigail M., 044-48-0236
Palmer, Thomas R., 234-90-8438
Perkins, Darlene M., 390-64-7603
Peters, Susan E., 490-62-5993
Pineau Janet E., 521-80-4475
Pitell, Gregory, 122-38-8535
Privett, Sharon, J., 247-04-4676
Prizer, Stephen, E., 351-40-7550
Randall, Lynn T., 502-86-0231
Randall, Todd M., 050-44-6846
Rantz, Pamela J., 221-40-1561
Reinhard, Joyce M., 261-23-4828
Reymann, Jane E., 281-58-8730
Riffle, Gregory L., 234-72-7219
Ronnerud, Clara L., 330-46-4914
Sammons, Joann E., 173-38-6742
Sanders, Lynda C., 421-80-2077
Scanlon, Elizabeth A., 079-48-9471
Schlegel, Vernola A., 409-96-7521
Shafer, Michaela R., 506-60-4261
Sievert, David A., 388-56-9002
Simpson, Karen L., 169-48-3797
Simpson, Vicki L., 495-66-5585
Smith, Carion, 260-76-5186
Smith, Wilbur K., 461-92-9528
Snell, Jinada L., 276-52-8150
Somma, Joseph J., 123-40-1671
Steberl, Carol A., 280-54-1217
Stefanski, Richard A., 399-58-8655
Stephenson, Yvette E., 153-48-2254
Stewart, Patricia A., 099-44-0523
Stock, Cheryl A., 212-86-2098
Stockdale, Mary A., 132-44-6559
Stosic, Mary J., 211-50-7826
Stultz, Margaret A., 309-68-3504
Swansburg, Philip W., 454-96-3193
Sykes, Catherine I., 246-88-9931
Sylvester, James C., 479-76-6192
Thomas, Jeanne M., 142-38-2336
Thornton, Robert E., Jr., 113-44-6663
Tillman, Thomas N., Jr., 254-90-7672
Treece, Terry L., 315-56-1828
Turner, Thomas O., 548-90-7381
Velezbustos, Wanda, 454-06-4491
Vorwald Patricia M., 399-76-2870
Walls, Steven E., 547-23-0580
Watts, Deborah L., 251-25-6529
Wegner, Jane L., 262-13-6221
Weinschenker, Lorena, 161-52-4947
Welter, Therese M., 472-72-4956
Williams, Blondenia J., 240-88-0250
Willis, Gregory, 326-46-5911
Wolf, Kristan J. T., 470-60-9167
Young, Linda M., 293-42-7876
Young, Nancy M., 534-52-0059

### Medical Service Corps

Anderson, Douglas E., 359-50-1013
Anderson, Gerald G., 468-56-6089
Baldwin, Joseph H., 193-42-4440
Blueitt, Pauletta D., 461-27-5451
Borg, Randy B., 480-74-7428
Boyles, David M., 258-86-7585
Brookes, Robert C., II, 272-50-7593
Cardenas, Steven L., 462-04-7409
Chrzan, Thomas J., 013-40-8993
Ciuro, Awilda, 584-28-4874
Coleman, Nathan J., 521-62-5051
Concepcion, Rene C., 041-60-1357
Counsman, James P., 186-46-3927
Counsman, Valerie P., 058-54-0842
Daubard, Winifred J., 359-46-8955
Dawson, Scott M., 374-70-6222
Feeser, Michael T., 567-90-3169
Furby, Robert G., 452-13-9918
Gessler, Maureen A., 163-40-1828
Holstein, Jeffrey M., 055-42-6451
Holway, Michael P., 006-56-4820
Kirschner, Corey A., 090-46-5386
Maniece, Doron N., 234-74-6987
Matthews, Joanna G., 224-70-1183
McClave, Christopher C., 146-48-2726
McDearis, Ronald O., 253-86-8268
Melvin, Gary S., 221-36-5418
Migliaccio, Eugene A., 390-54-2520
Odom, Lamar, 259-96-1841
ONeill, Martin B., 321-54-5012
Parish, Gregory L., 096-52-1938
Penrod, John A., Jr., 518-64-2814
Plourde, Alfred E., Jr., 261-98-1163
Poulsen, Michael J., 062-42-6398
Power, Kimberley K., 057-42-0688
Presson, Mark A., 560-06-7852
Richey, James L., 319-46-3793
Sarantakos, Elliot, 011-40-9062
Sherlock, Robert D., 528-76-2370
Smith, William C., 404-70-6350
Triche, Gary J., 467-02-3295
Waite, Nancy A., 526-04-9874
Williams, Brian J., 555-84-5162
Wolak, Charles K., 047-50-4282
Woods, Frederick L., 414-92-3128
Young, David L., 002-40-0220

### Biomedical Sciences Corps

Agostinelli, Joseph R., 161-48-7123
Atkins, Isaac, Jr., 266-43-2018
Bachmann, Jeffrey L., 297-54-4174
Bandy, Thomas W., 409-92-1509
Bastoky, Jeffrey L., 438-84-0255
Beck, Catherine L., 212-62-2041
Blamire, Gary M., 557-74-0748
Carrino, Thomas, 153-46-8525
Charissepiercy, Karan, 452-19-9108
Civitello, John V., Jr., 048-40-4665
Crabb, Melody L., 455-94-5377
Cunningham, Forrest C., 406-76-9371
Dahlquist, Bruce H., 468-68-0958
Davidson, Dean L., Jr., 437-72-5536
Davis, Martha L., 240-98-7052
Davis, Steven G., 261-13-2244
Dubaz, Mark D., 587-30-1489
Dutton, Randy W., 477-70-9230
Dyda, Anthony J., Jr., 191-42-6406
Fieg, Edward L., 082-44-8735
Fisher, Paul W., 334-48-2530
Fredericksen, Gary W., 010-46-0280
Garcia, Jesse, 338-48-5201
Golembeske, Charles, Jr., 013-42-0097
Graziano, Alfred S., Jr., 011-48-9946
Hadeen, Dennis R., 557-66-1347
Heron, Elizabeth A., 545-08-5492
Humphrey, Edward S., 213-62-8924
James, John D., 444-52-5573
Jeter, Jack H., Jr., 248-82-3109
Kilburn, Norman W., III, 480-54-7137
Kinkade, William E., III, 511-50-1239
Kubicek, Joseph H., 548-70-3720
Liebsack, Joseph P., 505-54-4287
Lindberg, Toni M., 139-52-9825
Livingstone, Samuel J.P., 130-42-3677
Maginot, James F., Jr., 500-66-6899
Martin, William B., 294-48-8170
Morton, Daniel Rae, 432-90-9043
Narciso, Danilo G., 573-35-3310
Newsome, Susan R., 447-52-3470
Nicolas, Gregory, 380-58-3435
Orr, Tracy C., 349-44-8143
Parent, Jaime B., 040-60-6626
Pimsler, Meade, 107-38-5205
Polinsky, Karen L., 554-02-6213
Prohaska, Ann M., 399-62-0233
Reith, Michael S., 450-06-0604
Rentz, Paul A., 377-54-1904
Richardson, Ronald W., 466-04-0644
Sadorf, Stanley J., 215-70-8239
Schlossnagle, George W., 218-44-0520
Sheeks, Rodney W., 400-78-0732
Smith, Daryl E., 513-54-6637
Smith, Dennis L., 223-76-1190
Smith, James W., 505-70-0463
Swenson, Kristin N., 481-68-0614
Thompson, Henry J., Jr., 404-80-1461
Tourjee, Richard L., 047-52-0021
Triche, Valerie A., 562-86-7368
Troyer, Robin D., 494-78-4977
Valley, Thomas H., 393-56-8961
Wilber, Ronald T., 552-86-5598
Wulff, Lianne M., 214-76-8199

## In the Navy

The following-named lieutenants in the staff corps of the Navy for promotion to the permanent grade of lieutenant commander, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

### Medical Corps Officers

*Lieutenant commander*

Abrams, Robert Harold
Adamson, Nathaniel Edwa
Adler, Brian K.
Alberto, Gino, Jr.
Albrecht, Daniel
Aldrich, Marc Nathan
Almquist, Timothy D.
Anderson, Michael Hunte
Anderson, Pamela E.
Anderson, Warren
Annand, David Wayne
Aprill, Brian Scott
Arthur, Tamara X.
Avallone, John Michael
Backman, Stephen
Bailey, Eva JD.
Baker, Lee Thomas
Balt, Dald Alan
Barclay, Gregory Paul
Bass, Randale Eugene
Bisceglia, Michael
Blackburn, Paul Allen
Blair, Ellen Kay
Bohonyi, William Anthon
Bonatus, Timothy J.
Bossian, John Leon, Jr.

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Boule, Burch Judith Ann
Boyce Ker
Brainard, Hugh E., III
Brannan, Donald Page
Brasfield, Joyce Borup
Braun, Dale
Bray, Jack Galen, Jr.
Breiterman, Andrew Clar
Bridges, James D.
Bridgham, Jerry Alan
Brink, David Andrew
Brinker, Jeffrey Richar
Brooks, James Robert
Brooks, John Michael
Brown, Daniel Mark
Brown, Deborah Suzanne
Bruch, Frederick Rudolp
Bryan, Dwight
Burke, Robert J.
Burton, Richard James
Butler, Dennis Michael
Butler, Edward
Butler, James Arthur
Byram, Melissa Ann
Byrnes, Gordon Andrew
Cahill, Terence Patrick
Canning, Douglas A.
Cantrell, Joyce Ann
Capobianco, David Joseph
Carnevale, Thomas A.
Carpenter, Michele Maue
Chahbazi, John Clark
Champa, James Rudolph
Chandler, Paul Evert
Chauhan, Suneet Bhushan
Cheeseman, Edward W.
Chidester, Michael David
Choban, Stephen Joseph
Christenson, Catherine
Church, Leonard W. P.
Cink, David Edmund
Clements, Walter
Clifton, Charles Lamar
Cole, Andrea Beth
Coleman, Colleen M.
Collins, Jonathan Scott
Conte, John Charles
Cosgrove, James
Cowdin, Hugh Pendleton
Cox, Gerard R.
Crawford, Jeffrey Ray
Crispin, John L.
Crumley, David Kelly
Cruz, Raquel Regina
Curiale, Steven Vincent
Curtis, Richard D.
Curtis, Peter Hodson
Cutting, Jonathan Paul
Dalton, Warren Rich
Dart, Robert
Daunis, Mark Stephen
Davis, David A.
Davis, Jack C.
Decker, Laura Jane
Delagarza, Jorge Luis
Demay, Joseph
Dempski, Jeffrey Walter
Dennen, Lawrence Edward
Denobile, John William
Dermond, Donald Michael
Devaney, Kenneth O.
Diaz, Dennis D.
Dickerson, Michael Manf
Dinneen, Michael Paul
Diveley, Kent
Dolan, Robert Paul
Doucette, David Joseph
Downey, Mark Patrick
Drake, Almond Jerkins I.
Drennan, Peter J.
Dsouza, Rikha
Dubois, David Neil
Dukowitz, Thomas Allen
Dupree, Marsha Louise
Dusenbery, David
Dwight, Gregory Dean
Edwards, Dyke Fielding
Edwards, Richard Calvin
Edwards, Thomas Bernard
Engdahl, Dwight Edward
English, James F.
Escoe, Bobby Lamar
Falvo, Thomas Christian
Feeney, John Robert
Fenton, Leslie Hall
Fetter, John Edgar
Flanagan, John F. K.
Fleck, Randolph Peter
Fletcher, Clinton Lynn
Ford, Donald Patrick
Forseth, Halfdan W.
Forseth, Lori Heim
Fox, Edward Patrick
Fredrickson, Sara Jane
Frost, Randall E.
Frum, Daniel K.
Fujikawa, Janet Nmn
Fuller, Bruce Evans
Galen, Deborah Jeanne
Gaston, Benjamin M., IV
Gaston, Susan Marie
Gerardi, William E.
Gerstein, Howard Jay
Gibb, Matthew Dewolfe
Gilbert, Raymond Lamar
Gilles, Elizabeth E.
Girolami, Stephen Gordon
Glasgow, Gary Douglas
Gleason, Barry
Goepfert, Cary J.
Goldszer, James Frankli
Gomes, Antonio Celestin
Gomez, Patrick Jose
Gottlieb, Roy
Goyins, Gale Gerard
Graf, James Alan
Graham, Scott J.
Greenwald, Jeffrey Robe
Gronkiewicz, Bruce Vinc
Grosskreutz, Scott Robe
Guinee, Jeanne M.
Guyer, Eva Ruth Ward
Hackett, Thomas E.
Hall, Thomas R.
Hallboyer, Kathryn Loul
Hansen, Keith Allen
Hawkins, Richard Eric
Hazlehurst, James Alan
Hemp, James Robert
Henderson, Raymond
Hennrikus, William Lawr
Herden, Mary J.
Hermiller, James B., Jr.
Hetzel, Donald Paul
Hickey, Thomas D.
Hirschhorn, Jessica Bet
Hoffmann, Ann H.
Hoffmann, David M.
Hogue, Gavin
Holder, Keith Franklin
Holzinger, Karl A.
Hood, Bold Robin, III
Hood, Robert Earl, Jr.
Hooker, Stephen Glenn
Horstman, William Glynn
Howe, William Lawrence
Hughes, Dennis Edward
Hunter, Robert B., III
Hurley, Donald Patrick
Inveisssiltumens, Anita
Irby, Steven Mark
Izenburg, Robert Alan
Izuno, Cynthia Toyomi
Jackson, David William
Jennings, Heidi Ann
Jentz, Irene A.C.
Jones, Gary Raymond
Joyce, Alice Plummer
Just, Norma Jean
Justesen, Lyle Richard
Kahan, Fred J.
Kaplan, William Isaac
Karl, Robert Laurence
Kase, Charles Jeffrey
Kasper, William J.
Keating, Noreen
Keating, William Joseph
Keenan, Paul Charles, Jr.
Kelleher, Brian Michael
Kelleher, Deborah D.
Kelley, Randall
Kelso, John Montana
Kemmer, Catherine There
Keppel, Amy Doran
Kerrick, Steven Scott
Kiser, Donald Raymond
Klemm, Mary C.
Knauer, Hope Elizabeth
Knoop, Kevin Joseph
Koffman, Robert Lewis
Kovacik, Mark S.
Kovats, Christian Andre
Kraftejacobs, Brian Ric
Kukulka, Rick Allen
Kummant, Eilleen
Kunz, David W.
Kynerd, Robert E.
Lamm, James Dominic
Lantelme, Bruce Edward
Lappert, Patrick W.
Larkin, Brenda Ann
Lawhead, Robert Gerard
Lee, John James
Leoni, James F.
Loeni, Michael K.
Lewis, Drew
Lewis, Evelyn Lynnette
Little, Robert Benjamin
Livenstein, Harry Paul
Llewellyn, David Mark E.
Long, Mitchell Hugh
Longstaff, James Edwin
Loriz, Vega Mark F.
Loveless, Eric A.
Lovins, Darrell Evan
Lowe, Elizabeth Haslup
Lutz, Roland Bruce
Luvin, Michael
Magrino, Thomas Joseph
Malley, Ross Anthony
Malone, Danny R.
Manfredi, Rita A.
Maquera, Victor Adalber
Marencic, William
Markwell, James Kevin
Marshall, Sharon Anne
Masci, Robert L.
Mastalski, John Hubert
Mathis, David M.
Maxwell, James M.
Maxwell, Steven John
May, Laurel Anne
Mcalfer, Irene M.
McBride, Donald W.
McCarrick, James Patric
McCarten, Michael Damia
McCarthy, Francis Micha
McCaul, James Franklin
McDonough, John Lee
McIntyre, Margaret Irwi
McKown, Kevin Mark
McLain, Kimberly Ann
McWilliams, Terrence R.
Meehan, Michelle A.
Mehegan, John Philip
Mendoza, Steve Charles
Mickunas, Victor Herber
Miller, Bruce Charles
Miller, Richard Charles
Mirkinson, Laura Jean
Mishik, Anthony Neal
Mitchell, Craig Stephen

Monaghan, Timothy Danie
Montgomery, Jean Charle
Mooney, Charles Daniel
Mooney, Robert Bruce, Jr.,
Moore, Glen Leslie
Moran, Thomas J.
Morand, Richard Eugene
Morin, Robert
Morin, William David
Moritz, John Bradley
Mueller, James Bernard
Nace, Timothy M.
Naylor, Gordon Schuelle
Neal, Charles
Nellstein, Michael Eug
Newland, Craig Charles
Newton, Thomas Arthur
Noall, Rhoda
Nomura, Jim H.
Norwood, Kenneth Westco
Norwood, Michael Wayne
Nowicki, Steven Douglas
Obrien, Patrick Michael
Odorizzi, Mark George
Olesen, Mark Clifford
Olshaker, Jonathan Stua
Olson, Russell J.
Oneil, Kevin Michael
Orban, Leonard Baily
Oswald, Richard Edward
Owen, Stephen
Owens, Paul J.
Paget, Jon David
Paparello, Scott
Park, Kyung Won
Parker, Prior Lewis
Parker, Stanley Lewis
Patterson, Michael Smit
Pellosie, Carmine John
Pezor, Laurence John, Jr.
Pierce, Lauri J.
Pigman, Edwin C.
Plaja, Dennis John
Poling, Rodney Allen
Pollard, Anthony L.
Powell, Carl Allen
Powell, Craig C.
Prokopchak, Richard
Pudimat, Mary Ann
Putnam, Karen L.
Quinn, Anthony Dennis
Quintana, Manuel R.
Raacke, Lisa M.
Race, Charles Mark
Rainbolt, Charles Danie
Ralston, Mark Elmer
Raybin, Robert Andrew
Reese, Charles A.
Reid, David Settle
Rice, James Philip
Richey, Alan Ward
Riley, Anthony Bruce
Rioux, David Conrad
Risk, Sharon C.
Rizzotto, Roxanne
Roberts, Allen H., II
Robertson, David L.
Robinson, Don E.
Robinson, Wesley Bradford
Rosati, Dennis Lee
Rosenbaum, Donald Herman
Roth, Bryan Leo
Rowe, Dennis N.
Rudick, Alan
Rudolph, William Garry
Runge, Mike
Russell, Patrick
Sageman, William Scott
Sale, Dennis
Sandusky, William
Sassler, Alfred Mark
Saylors, Robert
Scalise, Steven V.
Schall, Douglas
Schmidt, Maria Elaine
Schmidt, Mark Edward
Schneider, Steven Richard
Schnepf, Glenn Adrian
Schubert, Karen Marie
Schuppert, James
Scott, Daniel Alfred
Scow, Dean Thomas
Seldon, Stephen Lee
Shanholtz, Carl B.
Shannon, Stratton
Shiveley, David Lee
Silva, Francisco Javier
Simmons, Kay Melyndn
Singer, Adam Joel
Skoble, Luisa
Slaton, Johnny James, Jr.
Smith, Mark David
Smith, Robert Howell, Jr.
Smith, William
Smitherman, Kenton
Sover, Eric Richard
Sowa, Gail Ellen
Sparks, Alfred David
Spencer, David Duane
Stainken, Brian Frederick
Sternberg, Timothy L.
Stevens, Rom A.
Stevens, Virginia Teresa
Stockel, John Brennan
Stocks, Alton L.
Stokes, Monica Jo
Strand, William Richard
Strouse, Wayne Steven
Stults, Richard Franklin
Sugar, Jeffrey P.
Sumida, Floyd Kaname
Swindle, Glen Michael
Sykes, Steven Harvey
Syklawer, Ricardo
Taggart, Steven James
Taylor, Larry Edward
Taylor, Robert R.
Teneriello, Michael G.
Thoene, Joseph Gerard
Thomae, Cristian Maurice
Thompson, William Raleigh
Thorp, Adam Tredwell, IV
Timoney, James Michael
Tingle, Norman Rock, Jr.
Tobin, James E.
Toomey, James Michael
Torp, Eric Carl
Trescot, Andrea M.
Trezza, Scott A.
Triana, Mark
Turk, James
Updergrove, Randall Lee
Utecht, Lynn Marie
Valbracht, Louis Edward
Vancliff, Martha Ann
Vulgamore, Joseph M.
Wah, Robert Marcus
Wakefield, David W.
Walsh, Timothy P.
Wandel, Amy G.
Watsky, Kalman
Weber, Frederick H.
Weisbaum, Jon Stacey
Wenzel, Michael Scott
Whealton, Edward
Wheeler, Frederic R., II
Wiedenmann, Scott
Williams, Cynthia Jones
Williams, Cynthia Mary
Williams, John P.
Wilson, Joseph Richard
Wilson, Robert Francis
Wojtczak, Henry Albert
Wong, Henry C.
Yetman, Thomas James
York, James Kelso
Young, James
Yund, Alan Jeffrey

### SUPPLY CORPS OFFICERS

*Lieutenant Commander*

Abramowicz, Sylvester P., Jr.
Anastos, Ernest G.
Arcement, Larry Hugh, Jr.
Barr, Robert Charles
Beail, Bernard Edward
Bechtol, David J.
Bell, Charles W.
Bennett, Jeffery Paul
Berry, Vance D.
Bozzuto, Anthony Joseph
Braden, Jeffrey David
Bruner, Charles David
Cole, Nancy Sage
Conde, Henry NMN
Cummiskey, Joseph Willia, III
Curtis, William E., Jr.
Damiano, Patrick John
Davis, Frances R.
Degeorge, John Foster
Deguia, Edgardo Tan
Dehnz, Arthur Frank
Dunn, Walter Nelson, Jr.
Ellison, James David
Evard, Edward Thomas
Fawbush, James Arthur, Jr.
Ferraro, Eric L.
Ferree, Stephen D.
Fireoved, James Scott
Foster, Stephen Charles
Frankwich, Joseph Adam
Fricke, Michael W.
Gearey, Bruce Preston
Giglio, John Pasquale
Graham, Philip Elzy
Grove, David Brian
Hamilton, Jeffrey Scott
Hamilton, Lawrence Houston
Hansen, Gordon William
Harms, Gerard Richard
Heckelman, Loren Verne
Hettich, David Stanley
Hewett, Coy Davis
Hickman, John Randall
Holland, James Francis
Holst, George Peter
Honeycutt, Thomas William
Jenks, Craig Harris
Johnston, Larry Wayne
Kelly, James Bodkin
Kennedy, Mark Jaye
Lapp, Joseph Thomas
Lee, Dennis Richard
Lengel, Daryl A.
Lien, Daniel Maurice
Loewenstein, Dennis Eliot
Lubbers, James Edwin
Martin, Dana Allen
McCarthy, Patrick J., Jr.
McLean, Hugh Scott
McLean, Patrick Lee
McNeill, Paul Lynn
Miller, Gary Wayne
Moore, Virgil Vance, IV
Morgan, Edward NMN
Mulvey, David P.
Nieder, James Eugene, II
Nostrant, Craig Howard
O'Brien, Raymond Mark
O'Donnell, Thomas Patrick
Oliver, Randal Kidd
Patty, Howard Malone
Plunkett, Michael Joseph
Poad, Douglas Allen
Prendergast, John Joseph, III
Price, Larry Dale
Priest, Janice Kay
Reeves, Robert Martin
Ritchie, Robert Joseph
Rizzo, Louis Scott
Robbins, Paul H., Jr.
Saggus, Diane Lynn

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Schwaneke, Robert
Segich, Richard Thomas
Sherrick, Stephan Douglas
Singleton, Mickel NMN
Smith, Janice Stewart
Sommers, Harold Lee, Jr.
Stabile, Michael E.
Stearns, Ronald Jay
Stringer, Timothy Hampshire
Suckow, George Bruce
Sweeney, Douglas John
Taylor, Walter Cleveland
Tichelaar, Irene
Vancleave, William Morley
Vanhyning, Susan Elizabeth
Viellieu, Benjamin Louis
Waite, Stephen Joseph
Walter, Kevin R.
Watkins, Bruce Field
Watkins, Vernon Keith
Webb, Paul Bruce
Weirich, Dwight Samuel
Westmoreland, Allan Lamar
Winsper, Bruce Alexander

### CHAPLAIN CORPS OFFICERS

*Lieutenant commander*

Alexander, Luther Charles, Jr.
Allen, Paul Dean
Alloway, Joseph Yarrow
Anderson, Ronald Mark
Brimhall, Barry William
Brown, Mark Woodbridge
Burd, John Robert, III
Butler, Richard Corey
Caiazzo, Gregory Gene
Clifford, George Minott, III
Cook, Terry Wayne
Cramblit, Donald Michael
Dean, Anthony Wayne
Demy, Timothy James
Diamond, Thomas E.
Drummond, Norman Hansel
Gischel, Ronald Arthur
Griffith, Harry William
Haines, Robert Alton, Jr.
Harris, Jackson Lee, II
Heinke, Gary Dean
Hensley, Henry Wade
Hepner, Gregory Allen
Jensen, Peter Cochran
Johnson, Dudley Vincent, Jr.
Johnson, Franklin Oscar, Jr.
Johnson, Thomas Stuart
Kirk, Samuel David
Koshko, Dennis Michael
Kudilil, James
MacDicken, Gerald Kenneth
Mallow, Duane Douglas
Mancuso, David Edward
Meyer, Ronald Frederick
Milliner, Edward Lee, Jr.
Morgan, James Patrick
Mozon, Ollis Jon, Jr.
Murphy, Thomas Edward
Murray, John William
Napial, Rodolfo Sarabia
Nichols, Danny Elliott
Parry, Daniel Williams
Patterson, James Grady, Jr.
Poe, Ernest Adlai
Pope, John William, Jr.
Reed, William Allen
Schenk, Ronald Gene
Seely, Gerald Don
Soutiere, Ronald Armand
Tate, Jessie Raymond
Washburn, Mary Ellen
Wessendorf, Forrest Edward
Winters, Steven Robert
Wooten, Joan Hedrich
York, Lorenzo
Yourek, Robert Allen

### CIVIL ENGINEER CORPS OFFICERS

*Lieutenant commander*

Amos, Scott J.
Avedissian, Hagop Avedis
Beary, William J.
Bengtson, Robert Harry
Bentler, Jerome Fulton
Berger, James R.
Berry, Dirk E.
Beyer, Glen R.
Biggins, Timothy F.
Bollinger, John Reed
Bossa, Robert James
Calhoun, Thomas G.
Cellon, Richard E.
Chapman, Craig Hugh
Colden, Damian Andrew
Dell, James P.
Eichert, George E.
Engle, Gary Allen
Foster, Dennis Morgan
Gemender, Mark Benedict
Hague, James R.
Hirakawa, Jimmy Spencer
Katz, Richard Lee
Khan, Khalid Charles R.
Killinger, Scott L.
King, Robert H.
Komosky, Richard Paul
Lapiana, Fred G., III
Lehr, Daniel Lebon
Long, Gregory R.
Mathews, Peter
McCullum, William J.
Orndoff, Donald Hoyt
Patterson, Michael J.
Pedrick, Merritt Wesley, III
Pete, Robert Rogers
Pipkin, Wiley Eugene
Powers, George William, Jr.
Rado, Kenneth Lewis
Rakel, Jerome P.
Reidenbach, Dan Arthur
Rotz, Robert D.
Sachuk, Robert Joseph
Schaefer, Michael Edward
Schanze, Christopher Nmn
Schenk, Robert Eugene, Jr.
Schoeppner, Mark Joseph
Snyder, John Leo
Vanhutten, Darrell Young
Westberg, Robert
Willis, Chris Mack

### JUDGE ADVOCATE GENERAL'S CORPS OFFICERS

*Lieutenant commander*

Bannon, Maureen Rose
Bannow, Steven Walker
Cooper, Billy Joe
Cornelius, Jeffrey Dana
Dronberger, Hal Henry, I.
Fresher, Brian Leo
Getchell, Anthony B.
Gilliland, Jane Nmn
Gilner, Victoria Chambe
Harbeson, William Page
Harr, James Joseph
Hatch, Gerald T.
Hills, Howard Loomis
James, Jennifer Rae
Jeffery, Stephen Glen
Johansmeier, Ray
Johnson, Paul Cambron J.
Leachman, Pennie Cannon
Lundstrom, Thomas John
Luziettimyers, Debra Ly
MacDonald, Bruce Edward
Martin, John Sykes
McGregor, Michael E.
Molinengo, Henry Richard
Monaghan, Douglas James
NeMec, Alicia Marie
Norman, James Bradley
Petronio, Ronald Anthony
Poliquin, Gerard Michae
Price, Clark Alan
Rigterink, Daniel Phill
Ritter, Wayne Lyman, Jr.
Robb, Jeffrey Brian
Rolph, John William
Romine, Terry Jo
Rummel, Michael Paul
Schapler, Robert Hans
Slown, David John
Spengler, Earl Gordon
Sweeney, William Gary
Tyra, Kevin Clarey
Vollenweider, David Oth
Wities, Robert Barrett

### DENTAL CORPS OFFICERS

*Lieutenant commander*

Antus, James Joseph
Arena, Charles Anthony
Ash, David Lee
Bajuscak, Ronald Eugene
Barrett, Lawrence Arthur
Bestegen, Susan Carolyn
Bixler, Ronald
Bryant, Nathaniel Cedri
Bullock, Larry Joel
Butt, William Edward
Chau, James Yuk Ming
Cook, Kevin B.
Curran, Thomas Joseph
DeMayo, Thomas Joseph J.
Doll, Bruce Alfred
Eagan, Douglas Lawrence
Eifert, Kenneth Gray
Eisenhardt, Peter Willi
French, Arthur Allen
Griffee, Nancy Caroline
Haney, Scott C.
Huffman, Holly L.
Huston, James William
Johnson, Deborah Kay
Keating, Kevin Arthur
Kenney, Robert Lee
Lafferty, Thomas A.
Leary, Susan Doerr
Lento, Christopher A.
Lewis, John A.
Martin, Steven Joseph
McClanahan, Scott Brink
McKenna, Christine Elai
McLain, Kurt Alan
McMahon, Keith Taylor
Metzler, David Grant
Mocknick, Michael Charl
Moore, Becky Sue
Mounsdon, Thomas Albert
Northrop, Stephen Denni
Paul, Brian Francis
Porch, Thomas Edwin
Prose, Gary E.
Reeg, Edward George
Rhodes, Robert Stephen
Rolley, Robert S.
Rummelhart, Joanne Mari
Santulli, Gerald Anthon
Schwab, Richard Roy
Short, Kenneth Dewayne
Sindel, Dennis Wayne
Smith, James Alan
Smith, Johnny Sheldon
Synnott, Scott Arthur
Thorpe, Jeffrey Robert
Vankevich, Paul James
Varga, Klara J. Edith
Walczyk, Thomas Daniel
White, Cecil, Jr.
Wolfert, Paule Marie Be
Wolfert, Richard Evan
Wourms, Dennis Joseph

### MEDICAL SERVICE CORPS OFFICERS

*Lieutenant commander*

Ashbrook, Fred Martin

Babbitt, Mark Ernest
Barron, Eugene Devine, Jr.
Beaugrand, Marsha Jane
Blacke, Stephen Franklin
Bloomquist, Richard Lyn
Bowman, Clarence William
Burans, James Peter
Burg, Robert Jules
Calkins, Dennis Laroy
Chinnery, Henry Michael
Clendennen, Thomas E.
Colligan, Susan Carol
Dewar, John Alexander
Dipaolo, Joseph
Engelhart, Robert John
Erickson, Richard Thorp
Faulis, John Douglas
Garner, Denzel Eugene
Gillooly, Paul Bernard
Goodman, Leland Seth
Guible, Ernest Roy, Jr.
Hann, Richard Michael
Harper, Warren Emanuel
Hedstrom, Richard Cameron
Hertan, Robert Emmet
Holcombe, Forrest Douglas
Holmberg, Jerry Alan
Hostettler, Charles Francis
Ierulli, Joseph
Jain, Sushil Kumar
Jenkins, Zachary
Jimerfield, Craig Alexander
Kerschner, Harrison Fremont
Laurent, John Milton
Manders, Julian Henry J.
Mann, Robert Allan
Marcinik, Edward John
Maxwell, Melvin Lee
Miller, Bernard Thomas
Monroy Maureen Elizabeth
Moore, Jeffrey Lee
Moos, James August
Nolan, Elizabeth Anne
Oleary, Robert Thomas
Pagan, Herman John
Patten, Thomas Gerald
Pazzaglia, Gary
Przybyl, Janee Lee
Rovig, Glen Warren
Saunders, Michael Anthony
Seidman, Joyce H.
Senn, Kenneth Karl
Sexton, John Lantz
Styer, David Jacob, Sr.
Swisher, Raymond Joseph
Swogger, Keith Alan
Thomas, Leanne Lee
Thompson, David C.
Tinney, Glenna Lea
Weaver, Michael Allen
Witte, Steven Thomas
Working, Kim Raymond
Zoeller, Lawrence Lelan

### NURSE CORPS OFFICERS

*Lieutenant Commander*

Allison, Rick Eugene
Andrade, Rosemarie
Arington, Ronald Gene
Atchison, Melvin Lee
Bankester, Peggy Jean
Baysic, Ofelia Mandapat
Bertelsen, Ellen Doris
Boatright, Ronald Wayne
Bost, Judith Lynn Curtis
Branche, Margaret Ann
Buss, Donna S.
Campbell, James Van
Cappello, Cynthia Shaun
Carrio, Jan Marie
Castleberry, Laura Anne
Clayton, Brain Lee
Clayton, Nancy Smith
Crane, Pamela Elizabeth
Curto, Christine Josyan
Cwikla, Jacquelyn Kay
Dahlquist, Lisa Gerda
Deater, Mary Fern
Defendi, Suzanne Marie
Deltoro, Miguel Angel J.
Desalvo, Mary Elizabeth
Dood, Linda Marie
Dolan, Charles C., III
Dubbs, Lynette Tyrrell
Dunn, William David
Edwards, Mahlayna
Ehlers, Christine Diane
Esposito, Anthony NMN
Federovich, Peter Nicho
Fillingame, Mary Susan
Flippo, Polly Lynn
Frevert, Gayle Lynn
Gallagher, Patricia M.
Gallagher, Steven Peter
Gallaher, Michael Rober
Galloway, Glynn Ward, Jr.
Gamble, Patricia Mae
Glaccum, Louanne Vicker
Goulart, Ardis Ellen
Graheck, Lawrence Dean
Green, Matthew Alan
Gutch John Russell
Haffarnan, Bebe Angelin
Hammond, Leona Theresa
Hargraves, Andrea Marsh
Harrison, John Calvin J.
Harrison, Phillip Lee
Hartwell, Vathric Hami
Haughinberry, Donna Mar
Hauser, Mary Lynn
Heaberlin, Carl William
Heatley, Patsy Lee
Herterich, Deborah Kent
Hill, Frederick Charles
Holliday, Eve
Holub, Nancy Louise
Hoogendorn, Raelene Kul
Hopkins, Michael Burros
Hourigan, Jane Kathryn
Huddleston, Judith J
Hughes, Patricia
Iiams, Barbara Ann
Jeffery, James Allen
Johnson, Shirley Anne
Kerr, Susan Wycoff
Kestle, Lucinda Ann
Kingsbury, Erline R
Kinney, Mary Lois
Klaput, Donna Jean
Kotacka, Mary Jo
Ladd, Janet Yvonne
Lambert, Armand D., Jr.
Larson, Laurie Wood
Laurent, Christopher Lee
Leary, Barbara Frances
Lee, Thomas Kyle
Lemon, Marcia Hinkle
Lilly, Karolyn Ann
Lindsey, Stephen Ken
Logeman, Judy Ann
London, Linda Kay
Mabrey, Michael Ray
Madden, Susan Carol
Mahon, Maura Margaret
Maloney, Juliana Marie
Mann, Carol Patience
McClain, Dennis Raymond
McCormick, Charlotte He
McGloon, Elizabeth Brad
McKay, Deborah Ann
McKenzie, Robin Theresa
McNamara, Karen Jeanett
McNamara, Melanie Kay
Mead, Jane E.
Melidosian, Vivian Grac
Menenberg, Sonia Risa
Meyer, Geralyn J.
Michal, Diane Marie
Miller, Ann Margaret
Millington, Patricia An
Mitchell, Jacqueline An
Morgan, Jane Mercedes
Morrison, Robert Willia
Morse, Maryann Elizabeth
Mynchenberg, Thomas L.J.
Nezovich, Mary Ann
Niemyer, Elizabeth Schu
Norris, Thomas Joseph
Offringa, Robert Allan
Orr, Robin James
Pagliara, Claire Marie
Parker, Larry Bruce
Payne, Brendalee Consta
Payonk, Noreen Kay
Pellini, Deborah
Pierce, Dujwanice Marlo
Pierce, John Francis
Pierce, Kathryn Laws
Pressler, Eric Paul
Preston, Mary Catherine
Pyles, Faye Marie
Roberts, Barbara Ann
Ryan, Patricia Lee
Safran, Doris Jean
Santirogers, Darlene
Schenker, Cathy Ruth
Schjavland, Elena There
Scottbeach, Michele Jea
Shaughnesy, Larry Kevin
Shiffer, Scott Wayne
Simmons, Nancy Anne
Simpson, Peggy Faye
Sloan, Rosalind
Smith, Frances Rose
Spatrisano, William Fra
Stearns, Diane Alynn
Stjohn, Denise Elaine
Stokke, Christopher All
Straughn, Steven R.
Sullivan, Charles Lee
Tapp, Nancy Zikaras
Taylor, Charles Edwin
Tierney, Michael Steven
Todd, Jane Krabill
Tudhope, Steven W.
Waskey, Frank Joseph, Jr.
Wasneechak, Daniel Alan
Webert, Allyn Merrill
Welch, Richard Robert
Wells, Tommy Everett
Whiting, David Robert
Wiggins, George Earl
Williamson, Maureen Ann
Winchester, Marcia Isaa
Winiecki, Michael Willi
Wonderlich, Daniel Lee
Young, Kathleen Joan
Zukunft, Gay Antoinette

### LIMITED DUTY OFFICER (SUPPLY)

*Lieutenant commander*

Brown, Dewayne Charles
Drinan, John Vincent, Jr.
Hufford, Ross Merritt, Jr.
Iverson, Douglas Wayne
Markert, George W., IV
Panado, Ernesto Felix

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# SENATE—*Monday, August 3, 1987*

(*Legislative day of Tuesday, June 23, 1987*)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota.

### PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*He that dwelleth in the secret place of the most High shall abide under the shadow of the Almighty. I will say of the Lord, He is my refuge and my fortress: my God; in Him will I trust.*—Psalm 91: 1-2.

Most High God, thank You for the profound assurance given us by the psalmist. In the light of this promise, earnestly I beseech You on behalf of the Senators, their staffs, and their families today. As we begin this week, with its predictable delays, diversions, frustrations, and tensions—grant to leadership and Members a very special sense of Your presence. Remind them of Your provision, Your awareness of their situation, Your promise to sustain, to strengthen, to support, to satisfy human need in the midst of controversy and conflict. Make the words of the psalmist relevant to the unfolding drama of these hours of pressure. In spite of us, if necessary, infuse this place with Your love, Your peace. In the name of the Prince of Peace. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, August 3, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota, to perform the duties of the Chair.

JOHN C. STENNIS,
*President pro tempore.*

Mr. DASCHLE thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order the majority leader is recognized.

## AGENDA

Mr. BYRD. Mr. President, I hope a little later to ask unanimous consent that the Senate proceed to take up the catastrophic illness legislation. If we can do that I suppose that could be disposed of today or certainly today and tomorrow, and I think it would be well if that item could be disposed of before we go out on the August break.

If there is objection to going to that, I shall ask for the regular order which will bring back the campaign financing reform bill. That legislation could be interrupted and would be during the afternoon if we can have ready the FSLIC conference report.

Also, I would hope to dispose of the Greenspan nomination during the afternoon.

So all in all, I should think that we should have some rollcall votes today, possibly about midafternoon or later, and I have discussed these briefly with the distinguished Republican leader and I hope that we might be able to make progress accordingly.

Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. Under the standing order the Republican leader is recognized.

Mr. DOLE. Mr. President, let me indicate to the majority leader that I think there will be an objection to the catastrophic illness bill. I understand there are a number of Members on both sides who are concerned about certain provisions but I will confirm that if the majority leader will let me know if he intends to make that request. I will have one of those who object on the floor.

I have asked staff to prepare a list of legislative matters which have been cleared on this side. I know some may not have been cleared on that side. But I will simply hand that list to the majority leader. There may be some things we cannot agree on. On drug testing, Calendar No. 97, I do not think we will agree to that.

Calendar No. 219, NTIA authorization; Coast Guard authorization; airport and airways authorization; NOAA authorization; and improving commodity distribution I guess would be cleared by tomorrow. We have already mentioned the FSLIC conference report, and then there is a bill by Senator WEICKER dealing with the *Titanic* that I will give to the majority leader.

Any of those we could agree on.

Mr. BYRD. Very well. I thank the distinguished Republican leader.

If the Republican leader will yield, I would like to begin at the bottom of the calendar and indicate certain measures that perhaps we could agree to do by unanimous consent: Calendar Order Nos. 280, 277, 272, 271, 269, 268, 261, 249; we could do those by unanimous consent and get them off the calendar.

There are some, among which I believe the distinguished Republican leader made some reference, that are linked to other calendar numbers and on which there may be some jurisdictional problems and maybe an amendment on which our staff is trying to work out time agreements.

I would assure the Republican leader that the staff on this side will be continuing to discuss with the staff on that side and our own staffs any effort to work out time agreements regarding some of these measures.

I note there are several measures that have been reported out of the Rules Committee, for example, Calendar Order Nos. 265, 266, 267, 275, and 276, which have been reported out of the Rules Committee on which there are holds on the Republican side of the aisle. I would hope those holds can be lifted.

I find it difficult to understand why all the holds are being placed on Rules Committee resolutions.

Mr. President, I ask that the time I have consumed be taken out of my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Perhaps the distinguished Republican leader would wish to respond.

Mr. DOLE. I cannot respond to the last request, but I will check the other calendar items the majority leader mentioned and see if we can dispose of those by unanimous consent. I will try to check into the reason for the holds on various resolutions from the Rules Committee.

Mr. BYRD. Yes. I noted one hold on a resolution that provides for the printing of the pamphlet entitled "The Constitution of the United States of America." I wondered why anyone would want to hold that up.

Anyhow, I thank the distinguished Republican leader.

Mr. DOLE. I think there is some problem there, but I will try to find out precisely.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

## INTERNATIONAL SPECIAL OLYMPICS DAY

Mr. DOLE. Mr. President, today I want to pay tribute to the thousands of mentally disabled individuals in our Nation who are competing in the International Special Olympics this week.

Earlier this year, Congress enacted, and the President signed legislation, declaring the week of August 2 through August 8, 1987 as "International Special Olympics Week"; and today, August 3, as "International Special Olympics Day." We are celebrating this week what began as an experiment in the 1960's, and which has grown in the hearts and minds of those involved to equal the International Olympics. This week culminates a year in which more than 1 million athletes competed, in 16 official sports, in 19,000 grassroots programs, in every State of this Nation, and more than 70 countries around the world.

The Special Olympics Program, while testing physical fitness, has the ultimate goal of promoting the psychological and social development of the mentally handicapped. It strengthens their confidence, instills pride, and lets all of us know what they can honestly do if given the chance.

Yesterday, more than 4,000 mentally disabled individuals marched proudly into Notre Dame's Football Stadium. Their chins were held high, their faces showed confidence, their walk was determined. There was a sense of achievement that I think many of us would like to have. Even before the events began, I think it was obvious that the program has already achieved its goal.

While I honor the participants, I want to take a moment to acknowledge the work of Eunice and Sargent Shriver and the 500,000 volunteers who helped put the Special Olympics Program together this year. What began on the Shriver farm in Maryland 20 years ago has become a symbol to us all of what mentally disabled individuals can do. For myself, and I believe for all of us here, I would like to thank the Shrivers for their leadership and their dedication.

## BICENTENNIAL MINUTE

### AUGUST 3, 1944: HARRY S. TRUMAN RESIGNS AS TRUMAN COMMITTEE CHAIRMAN

Mr. DOLE. Mr. President, on August 3, 1944, 43 years ago today, Senator Harry S. Truman resigned as chairman, and member, of the Special Senate Committee to Investigate the National Defense Program. He took this action after receiving the Democratic Party's Vice Presidential nomination. His letter of resignation tells us a great deal about his sense of political propriety, and about the success of his committee.

He said:

> It is one of the regrets of my lifetime that this had to be done. But frankly, under the present circumstances, I am of the opinion that any statement, hearing, or report for which I would be responsible would be considered by many to have been motivated by political considerations.

The Missouri Senator concluded:

> The accomplishments of the commit4ee in the past largely have been due to the fact that all its members, Democrats and Republicans alike, were able to work together in harmony without partisanship.

It was Harry Truman's work on the special commit4ee that first brought him to national prominence. In early 1941, months before United States entry into World War II, he called for the creation of a Senate committee to examine military inefficiency and corruption. He initiated a personal investigation of wasteful practices at Fort Leonard Wood, MO, and ended up driving 30,000 miles visiting military bases in the South and East. Truman's hard work and enthusiasm helped convince the Senate to form the special investigative committee in March 1941, and to name him its chairman.

Senator Truman effectively led his committee in improving national defense by documenting widespread mismanagement. Despite the controversial nature of its investigations, the committee always produced unanimous reports. As chairman, Truman demonstrated dedication, integrity, and leadership ability. These qualities, in addition to his unassuming nature, made Truman one of the Senate's most admired and respected Members.

## GERMANY IS NOT A PART OF THE INF TALKS

Mr. DOLE. Mr. President, the obstacles to an agreement on intermediate-range nuclear forces in Europe—or "INF"—have been falling one by one. Most recently, Soviet leader Mikhail Gorbachev accepted an American proposal which makes good sense. Global "double-zero" will make an agreement easier to verify, and will truly rid the world of an entire class of nuclear weapons.

Soon after this development, the United States negotiators informed their Soviet counterparts that we would accept their proposal that all missiles covered by the INF agreement should be destroyed—not converted to other uses.

This is the way a negotiation should be. Now, with most of the disagreements on major principles ironed out, the way should be cleared for the negotiating teams to hammer out the all-important details. Let us not forget that this Senate is going to insist on the most effective verification regime possible.

With each new burst of optimism, I have cautioned that we should keep our feet on the ground. There is still much work to be done.

Unfortunately, instead of getting down to business on details, the Soviets are harping on 72 Pershing-1 missiles owned by the Federal Republic of Germany. Their dogged public pursuit of this issue can only be designed to cause dissension in NATO.

It will not work. The United States cannot break a long-standing pattern of cooperation with one of its closest allies; it cannot negotiate away what belongs to Germany. Neither should the Soviets expect us to stand idly by while they agitate for a concession which may appear to have originated in Bonn.

It is time to drop the issue of the German missiles, and get on with negotiating the details of an INF agreement—especially on verification. I hope that such an effort will be successful. But I know that the Soviets should not try to make us choose between an agreement and an ally.

Mr. President, I reserve the balance of my time.

## MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 12:30 p.m. today, and that Senators may speak therein up to 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## AGRICULTURE EXPORTS

Mr. BOSCHWITZ. Mr. President, I wish to rise quite briefly to discuss agriculture exports and the most recent weekly roundup from the USDA showing that the situation in agriculture exports has indeed improved. For wheat, for the year that just concluded, a total of 22,300,000 tons were exported last year, in 1985-1986 year. This year, it was 24.5 million tons, an increase of about 10 percent. And that is the equivalent of about 900 billion bushels.

Corn also has gone up very nicely and grain sorghum. Soybeans is down just a little bit, though new orders are

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about 3 times what they were at this point last year. So that there is apparently going to be a nice pickup there, too. Rice and cotton. Much has been said about rice and cotton. Indeed, they are up quite spectacularly particularly cotton. And then wheat, which began the new marketing year on the 1st of June, shows some really good signs of perking up.

Mr. President, wheat shows an increase of about 50 percent in this new marketing year that began on the 1st of June. Indeed, new orders are almost double what they were at this time last year.

I ask unanimous consent that a table with these figures be printed in the Record and also an article from the Journal of Commerce, dated July 27, 1987.

There being no objection, the material was ordered to be printed in the Record, as follows:

The 1985-86 data for corn and grain sorghum have been adjusted to include shipments reported during the month of September, so a meaningful comparison can be made. Data are measured in thousand units (metric tons/bales).

| Commodity | Year beginning | Accumulated exports | | Outstanding sales | |
|---|---|---|---|---|---|
| | | 1985-86 | 1986-87 | 1985-86 | 1986-87 |
| Wheat | June 1 | 22,314 | 24,558 | | |
| Corn | Sept. 1 | 29,153 | 32,600 | 2,923 | 5,488 |
| Grain sorghum | Sept. 1 | 3,936 | 4,141 | 875 | 931 |
| Soybeans | Sept. 1 | 18,956 | 17,882 | 847 | 2,290 |
| Rice | Aug. 1 | 1,521 | 2,247 | 271 | 436 |
| Cotton | Aug. 1 | 1,756 | 5,826 | 176 | 839 |
| | | 1986-87 | 1987-88 | 1986-87 | 1987-88 |
| New marketing year: Wheat | June 1 | 2,440 | 3,352 | 4,927 | 8,019 |

[From the Journal of Commerce, Monday July 27, 1987]

U.S. Grain Sales Look Up

Champaign, Ill.—Farmers in the United States, who have been through "six rough years," are beginning to regain important export markets for commodities like corn, the president of the U.S. Feed Grains Council said.

"We feel good to be able to start reporting that we've bottomed out and things are turning up," said Darwin Stolte, whose organization helps find customers for U.S. grain. "That's the encouraging signal."

Mr. Stolte said the value of U.S. agricultural exports, an important factor in a healthy farm economy, fell from $44 billion in 1979-80 to $26 billion in 1985-86.

And, in about the same period, the export volume of feed grains dropped from 71.6 million metric tons to 36 million tons, he said.

But Mr. Stolte said U.S. sales of feed grain abroad should increase by a total of 14 million tons this year and next year, partly because of a federal farm program that has lowered prices to competitive levels on the world markets.

World trade in feed grain will increase 7 million tons in that same two-year period, Mr. Stolte said.

"What those two numbers tell you is . . . We're starting to see recovery in the world marketplace," he said.

In addition, he said it shows that the 1985 federal farm bill is working.

"We're getting back a lot of that trade that we lost in previous years simply because we're being competitive," Mr. Stolte said.

That, he said, has persuaded some countries, like Australia and Canada, to reduce the acreage of crops that were growing to sell on foreign markets in competition with the United States.

Aggressive marketing of U.S. farm products also is helping to reverse the export slump, Mr. Stolte said.

Other factors are the lower value of the dollar, which makes our products less expensive abroad, and higher petroleum prices, which improve the buying power of oil-producing nations, he said.

He also said some nations like Egypt and Turkey are improving their economies and spending more money on food.

At the same time, Mr. Stolte said U.S. farmers are reducing their production, which will help get rid of the huge grain surplus that has depressed farm prices.

He praised a recent proposal by the Reagan administration that all nations end all export and internal subsidies on grain sales and production and open their doors to free world trade.

He said that was "a daring first step toward a more rational trading system for agricultural commodities," but he cautioned against the United States unilaterally dropping its farm subsidies.

Mr. Stolte answered questions at a news conference before a scheduled speech to a Champaign Chamber of Commerce dinner sponsored by its agricultural committee.

Mr. BOSCHWITZ. Mr. President, I conclude by saying that, as is mentioned in this article, it is the farm bill of 1985 that has given some new life to exports and has currently ended the downward spiral of the farm situation. So we are more optimistic now as we look to the future in rural America and certainly the farm export figures would back this up.

I yield the floor.

## THE NATIONAL PRICE OF R&D CONCENTRATION IN THE MILITARY

Mr. PROXMIRE. Mr. President a scholar named Jay Storsky has made an impressively documented study of the effect of the heavy concentration of much of America's science and technology on military weapons research. Storsky is a research fellow at the Berkeley Roundtable on the International Economy. He has written a report of his study in the fall 1986 issue of the World Policy Journal. This scholar concludes that the dominance of the military in American research in many areas is already adversely affecting the scientific and commercial progress of this country in some important respects. Many of our best and brightest scientists are being diverted to military research that has little or no relation to building a stronger economy. In fact Mr. Storsky concludes that the way the Defense Department presently conducts its research could have at least two major adverse consequences for America's leadership in science and technology. First as the current military technology requirements grow more over specialized and unrelated to economic competition the billions of dollars the Government spends on military R&D pull available scientific personnel and resources away from research that could benefit our civilian sector. Second, as the Defense Department sees military technology lagging behind commercial technology, it has pushed American commercial firms into its own Pentagon R&D sector to boost the military performance. Storsky argues "it would be ironic if this effort ended up undermining not only the technical superiority of the Pentagon's weaponry but the very organizational habits that enabled America's civilian high-tech sectors to be so innovative and commercially successful in the first place."

Mr. President, the arithmetic of the DOD big government invasion of America's economic technology is impressive. Roughly a third of this country's spending on R&D is defense related. It's worse. According to a 1983 National Science Foundation report between 70 and 80 percent of the funding for the real cutting edge technologies is military. That's the lasers, advanced material and artificial intelligence. A 1985 NSF report showed that about three quarters of all federally funded R&D is presently linked to military programs up from 50 percent in the late 1970's. And a 1985 article in Physics Today reports that only 2 percent of the DOD R&D money is for basic research and less than 20 percent goes for R&D of basic technologies most likely to produce commercial spin offs that could enhance U.S. competitiveness in world markets.

Storsky offers a vivid example of how the dominance of military technology in the United States and the absence of military technology in Japan handicaps our country in its competition with the Japanese. He cites the different treatment of research with respect to lasers in the two countries. For America with our emphatic priority for the strategic defense initiative [SDI] or star wars—nearly all of SDI's x-ray laser research aims at extremely high-powered application—specific uses—in fact typically powered by a nuclear explosion.

Now how about the Japanese? In a June 1986 article in High Technology Kerry Fineran points out that the Japanese Government is funding private commercial research into lasers for immediate nonmilitary purposes. That is carbon dioxide and solid state lasers designed for industrial uses, such as welding and semiconductor diode lasers that can power compact

disc players and fiber optics communications equipment.

Mr. President, our country has many great military advantages—including our relatively sheltered geographic location, our large and skilled population, our rich national resources, our immensely productive free economic system. But in this era of military technology our scientific excellence is crucial. How tragic it would be for our national security and our survival as a great nation if we permitted the diversion and perversion of this scientific excellence for short-term fleeting military advantage.

## THE KUWAIT REFLAGGING FIASCO

Mr. PROXMIRE. Mr. President, now let's get this straight. The United States is providing armed escorts to ships flying American flags that don't belong to us, which are carrying oil that is not going to us, for countries that won't escort their own ships. We are taking risks for an oil-producing nation that tried to blackmail us and bring us to our knees economically. American lives will be in jeopardy because this same country refuses to allow us to base minesweepers in their ports to protect their ships and their oil from mines.

Speaking of mines, the United States, the greatest sea power in the world has a grand total of three 40-year-old active duty minesweepers—all based on the east coast. Minesweepers, after all, are not glamorous budget items.

Meanwhile, overhead in the Persian Gulf, the Saudi's will not allow the aircraft we sold them to protect our ships. Nor will they allow us to station our aircraft in their country to protect our ships. Our aircraft are subject to attack from Iranian United States-made Hawk missiles which may be operational only because we sold them the spare parts in the covert Iran arms-for-hostage deal.

Our good friend, the People's Republic of China, to whom we are selling arms, has supplied Iran with missiles which could attack our ships. Our friends the Swedes have provided the fast patrol boats for Iranian hit and run missions. The Iranians are flying one of the most advanced fighters in the world—the F-14 with its Phoenix missile system because we imprudently sold them to the Shah.

So who do we have to thank when our first ship gets hit or goes down? There are so many choices to pick from.

## MALCOLM BALDRIGE

Mr. COCHRAN. Mr. President, our Nation has suffered a great loss because of the death of Secretary of Commerce, Malcolm Baldrige. He was so well liked and so well respected by all who knew him. He was kind and considerate to others, but he was very intelligent and could be bluntly decisive when forming and expressing his opinions about things.

Mac Baldrige was a real leader, too. He was persuasive. He had the ability, the self-confidence, and the skill to influence others; to make them think like he did because they were convinced he was right.

He had that effect on me, Mr. President. I remember hearing him discuss his concern that our Nation's businesses were at a disadvantage in their effort to compete with foreign businesses because of some of our own laws and our regulations.

One example was the antitrust law, section 7 of the Clayton Act to be specific, which is being interpreted and applied b9 some courts to prevent the merger of businesses and companies engaged in similar activities.

It was his opinion that this law ought to be modernized; that it ought to be brought up to date, and that the effect of foreign competition ought to be considered when we were determining whether or not a merger would result in anticompetitive or monopolistic business power.

I hope that when we get around to changing that law, Mr. President, we remember who it was who so forcefully urged that we consider the practical effect that this law was having on our failure to compete more effectively in the international and even the domestic marketplace.

For many of us, Malcolm Baldrige was also a good friend and he will truly be missed very greatly.

Our thoughts and prayers go out to his fine family.

At this time I cannot help but feel that all of us have been blessed to have had the benefit of his wisdom, his personality, and his force in our Government. I wish that we had more men like him.

I yield the floor, Mr. President.

## THE COMMUNITY EFFORTS OF MR. JAMES C. BECKETT

Mr. FORD. Mr. President, I rise today to salute the community oriented efforts of one of my constituents, Mr. James C. Beckett, of Cynthiana, KY. All too often here in Washington we tend to think and believe that we have a monopoly on the best solutions to the many problems troubling our States, cities, and small communities. We sometimes think that these solutions can only be realized through our broad, national approaches to these problems. Mr. Beckett, however, reminds me that there is an important message that should not be missed as we address the business of the Senate.

The message is quite simple, and it is not new. But it deserves restating from time to time as a reminder to national policymakers. The message is this: The best solutions in this country often come from those that have the problems. Although there are many vital programs which have been developed at the Federal level and which we should continue to strongly support, it is still true that the most successful communities in this country are those with people interested in seeking their own solutions and helping themselves and those around them.

Mr. Beckett is such a person. He is a leather craftsman in Cynthiana, KY and, among other things, he is especially concerned with the many difficult problems confronting the youth in this country. In particular, Mr. Beckett has been supportive of the many people and programs designed to help young people to "say no" to drugs.

Mr. President, I recognize this leather craftsman from Cynthiana today for his special efforts to find a way in which he could personally contribute to a solution to the drug problems facing young people in his community. Mr. Beckett contributed his most valuable resources—his hands and his experience—and has crafted a large number of jacket zipper tabs with the words "Say" and "No" inscribed on them. Together with the Cynthiana Downtown Merchants Association, several programs have been planned this fall for the youth of Harrison County, KY relating to this problem, and Mr. Beckett hopes to distribute the tabs to every child in the county. His efforts are part of a larger plan of the Cynthiana community to send this vital message to its young people.

Mr. President, I bring these actions to the attention of the Senate as an example of the necessary ingredients of potentially successful solutions. I believe the efforts of Mr. Beckett and the citizens of Harrison County in helping themselves to help their young people are as valuable as any broad solution that could have been crafted at the national level. I therefore commend Mr. Beckett for his actions and intentions, and hope that he will serve as a role model for many others in his community and beyond.

## FUTURE UNITED STATES ASSISTANCE TO PAKISTAN

(Note: In the Record of Friday, July 31, 1987, during the remarks of Mr. Glenn, one of the exhibits requested to be printed in the Record was omitted, that is, an article from the London Sunday Times of July 26, 1987. In the permanent Record the article will be included in the middle column of page 21882, as follows:)

VOL 133 PT 16 JL 30 — AG 6 1987 UMI

[From the London Sunday Times, July 26, 1987]

### A-Bomb Plot is Linked to Embassy

(By Mark Hosenball and James Adams)

Pakistan's embassy in London was directly involved in an unsuccessful attempt to buy special steel used in the production of nuclear weapons, according to American intelligence officials investigating a suspected plot in the United States to export nuclear bomb materials illegally to Pakistan.

The allegation casts further doubt on denials by the Pakistani government that it knows nothing about secret efforts by businessmen in Canada and London to obtain the special, high-grade steel for export to Pakistan.

Last week, The Sunday Times revealed that Mohammed Iqbal Fareed, 55, a Canadian national with business interests in London, had been identified as a suspect in the plot.

Between April and August 1985, American intelligence sources say, Abdul Jamil, an official at the Pakistan embassy in Lowndes Square, London, contacted the London sales office of Carpenter Steel, a Pennsylvania company which makes a super-hard metal called maraging steel.

Jamil indicated that the Pakistani government was interested in acquiring 50,000 pounds of the metal.

Because of its use in the production of nuclear weapons, the steel cannot be exported from the United States without a special export permit and, according to American officials, Carpenter Steel sought assurance from the Pakistanis that the material would not be used in their nuclear weapons programme.

The deal never went through because the American commerce department ordered Carpenter Steel to cancel it.

Jamil said he was merely . . . an accounts officer and that he knew nothing about weapons technology. He said that in February 1985, the embassy had contacted Carpenter's office in Worcestershire asking for details on a "few types of steel". Jamil said: "They sent us details of stainless steel they produced. But they also told us about maraging steel."

Jamil said that in April that year a representative from the company visited the embassy to follow up the inquiry. "I asked our defense procurement people in Pakistan if we needed any maraging steel, which I understand is used for making missile parts and rifle barrels."

Jamil said he was mystified by the allegations. He said a small order for stainless and maraging steel was placed. When the company said there would be problems over export licenses for the latter, he told them to forget about it.

The Americans have long suspected that Pakistan is actively pursuing a nuclear weapons programme. The new wave of allegations came two weeks ago after American Customs agents in Philadelphia arrested Arshad Pervez, a Toronto businessman, and charged him with attempting to obtain 50,000 tons of maraging steel from Carpenter Steel and illegally export it to Pakistan. Pervez is being held without bail in an American prison.

American officials now believe that after the Pakistani embassy in London failed to acquire the steel through a direct approach to the American manufacturer, the Pakistani government activated a clandestine network of front companies set up for the express purpose of secretly obtaining nuclear bomb materials from the West.

The latest revelations are expected to fuel demands in Congress for a curb on American aid to Pakistan.

## TRIBUTE TO MRS. MABEL AMOS

Mr. HEFLIN. Mr. President, I am proud to rise, today to pay tribute to a dear friend, Mrs. Mabel Amos, of Montgomery, AL, who provided many, many years of outstanding service to my home State of Alabama. Mrs. Amos began her public service in 1931, when she was appointed to the Revenue Department by Gov. Benjamin Meek Miller. In 1939 she was appointed by Gov. Frank Dixon as an assistant in his office, and he later named her recording secretary. From 1939 to 1966 she worked under six different Governors as recording secretary, serving until 1966, when she ran and was elected to the office of secreta2y of state. Mrs Amos then served for two terms as secretary of state.

Though Mrs. Amos retired from public service in 1975, she was the honoree of a surprise dinner that was held on January 29 of this year. Former Governors, Supreme Court Justices, appellate court judges, State senators and representatives, and many others who have loved and admired her throughout the many years of her public service attended, toasted, and roasted her. The next day the mayor of Montgomery issued a proclamation which declared January 30, 1987, as Mabel Amos Day.

Mrs. Amos richly deserves all praise and thanks which could ever come her way. She has worked through many years to help make Alabama what it is today. And throughout her service to our State she has won the respect of all.

Mr. President, I have finally received a copy of the proclamation which was made by the mayor of Montgomery, as well as an editorial that was made on television and a document entitled "Saluting the Record of Mabel S. Amos." I ask unanimous consent that these documents, as well as a letter that I wrote to Mrs. Amos that was read at the dinner, be included in the Congressional Record. I hope that each of my colleagues has an opportunity to see what an outstanding service Mrs. Mabel S. Amos has provided to my State and our Nation.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Saluting the Record of Mabel S. Amos

Recently, the many friends of Mabel S. Amos from across the State of Alabama gave her a "Surprise Dinner Party", honoring her for her many years of dedicated public service.

She was roasted, toasted, and generally discussed by former governors, supreme court judges, as well as appellate court judges, senators and representatives of the Legislature, preachers, dignitaries and many, many others who worked with her over the past forty-four years.

Mabel Amos came to Montgomery from Conecuh County during the depth of the Deep Depression in 1931. Governor Benjamin Meek Miller gave her a job as a state employee and assigned her to the Revenue Department. She was among a limited number that the Governor personally appointed and she served throughout his administration. She later worked for the Alabama Legislature during a number of sessions where she made many valuable contacts.

In 1939, Governor Frank M. Dixon appointed her as an assistant in his office, later naming her as Recording Secretary, where she served for the next twenty-eight years, being appointed, at the beginning of their terms, by the following:

Governor Frank M. Dixon, 1939-1943;
Governor Chauncey Sparks, 1943-1947;
Governor James E. Folsom, 1947-1951;
Governor S. Gordon Persons, 1951-1955;
Governor James E. Folsom, 1955-1959;
Governor John M. Patterson, 1959-1963; and
Governor George C. Wallace, 1963-1967.

In 1966, Mabel S. Amos while she was still serving as Recording Secretary to Wallace, took a leave of absence to run for the office of Secretary of State. She did not receive a clear majority of the votes but had such a commanding lead her two opponents withdrew thereby relieving her of a run-off.

During her term, she made such an enviable record trying to discharge the duties and responsibilities pertaining to the election laws under the provisions of the newly enacted Voting Rights Act. She was therefore re-elected for another four year term without Democratic opposition.

Under the present law, the Secretary of State cannot run for re-election but for one additional term.

Mable S. Amos retired at the end of her second term in 1975.

### A Tribute to Mabel Amos

January 30, 1987.

If Alabama politics is your thing, you should have been with me last night. I can honestly say I have never seen, under one roof, such a gathering of prominent political figures from Alabama's past and present. And they all came . . . some from considerable distance . . . to pay tribute to one of the great ladies of state government and state politics—Mabel Amos.

If you don't know Mabel, that's your loss. From the Brooklyn community of Conecuh County, Mabel came to Montgomery in 1931 to become a state employee. In 1939 Gov. Frank Dixon appointed her as his recording secretary. For the next 28 years governor's came and governor's went, but Mabel Amos stayed put. She became as much a fixture at the Capitol as the Jefferson Davis Star. After Dixon's term expired, she served as recording secretary for Govs. Chauncey Sparks, Jim Folsom, Gordon Persons, Jim Folsom a second time, John Patterson and George Wallace.

One of those governors, John Patterson, recalled last night that when he took office he contemplated putting one of his friends in Mabel's job. Very quickly he was told by a host of lawmakers that if he replaced Mabel he could forget his legislative program. Mabel stayed.

Patterson was but one of a roomful of active and no-longer active politicians and state officials who paid tribute to this lady. Former Gov. Albert Brewer, so rarely seen in these parts, was the master of ceremonies . . . there were judges and retired judges . . . almost forgotten cabinet members of the past . . . legislators . . . and in a nice touch, also present were the daughters of Govs. Persons, Folsom and Wallace. There were people in that room who had been bitter political enemies, but they sat side by side last night because of one common denominator—their 2espect and love for Mabel Amos.

It was truly a remarkable gathering for a remarkable lady.

And that's the way we see it tonight.

Bob Ingram,
*Editorial Director.*

### Proclamation

Whereas, Mrs. Mable Sanders Amos has been and continues to be a respected citizen of the City of Montgomery; and

Whereas, Mrs. Mable has served eight governors of the State of Alabama by being the personal secretary to Governor Frank Dixon and Recording Secretary for Governor Frank Dixon, Governor Chauncy Sparks, Governor James Folsom, Governor Gordon Persons, Governor John Patterson, Governor George Wallace, Governor Lurleen Wallace and Governor Albert Brewer; and

Whereas, Mrs. Mable has dedicated her life to her beloved State of Alabama and has served with distinction, advancing steadily in her career to positions of more and more responsibility, always demonstrating her willingness to place her concern for the public good ahead of her personal interests; and

Whereas, throughout her career, Mrs. Mable has earned the admiration and high regard of those with whom she has come into contact, and the affection of a host of friends; and

Whereas, Mrs. Mable retired from public life in 1975 after forty three years of public service including eight years as Secretary of State for the State of Alabama; and

Whereas, it is fitting and proper that Mrs. Mable be honored by her friends and admirers by a dinner given in her honor at the Montgomery Country Club on January 29, 1987;

Now, Therefore, I, Emory Folmar, Mayor of the City of Montgomery, Alabama, do hereby proclaim January 30, 1987, as Mable Amos Day in the City of Montgomery as an expression of appreciation for the years of dedicated service to the people of the State of Alabama.

United States Senate,
*Washington, DC, January 22, 1987.*

Mrs. Mabel Sanders Amos,
*Montgomery, AL.*

My Dear Mabel: I certainly do wish that I could take part in the "Roast" which is being held in your honor. Yet, though I am unable to attend, I would like to take this opportunity to thank you on behalf of every citizen of Alabama for the tremendous service that you have provided. We are all in your debt for your work as Recording Secretary to the Governor, and for the leadership you provided as Secretary of State.

In this history of our state, many people have offered their efforts and their involvement. Many have dedicated their labors and their time to accomplish the various achievements which have been realized in the past. However, I know of very few individuals who have matched the contributions you have made. Though some may think that you did not pursue the profession for which you were trained in college—that of being a teacher—they are gravely mistaken. Not only have countless people learned from your devoted service to the public and to our state, but you have also helped to teach six different governors the way to govern. From 1939 through 1965, as they came and left, there was one constant in Montgome; Mabel Amos was in charge.

You should feel very proud for all that you have done. Moreover, throughout your work, you have maintained the highest standards of honesty and integrity—qualities which have endeared your name to people everywhere. I commend you for your efforts.

In the future, I know that you will enjoy every happiness and that your life will be full with continued friendship.

With kindest personal regards, I am
Sincerely,

Howell Heflin.

## TRIBUTE TO KENNETH L. ADELMAN

Mr. PRESSLER. Mr. President, yesterday I became aware that the Director of the Arms Control and Disarmament Agency [ACDA], Kenneth L. Adelman, has decided to retire from that position to return to a career in the private arena. His departure from ACDA will be a great loss for that agency, our Government's arms control efforts, and the Nation. He has been an outstanding spokesman for President Reagan's administration and policies.

Mr. Adelman has done a superb job of managing the Nation's arms control agenda. Although I originally opposed his nomination, I realized my opposition was a mistake after he had occupied the directorship of ACDA for only a short period of time. In short, he quickly gathered up the leadership reins at ACDA and, for the past 4 years, has managed the agency and a broad variety of arms control issues in a highly professional manner. My opposition rested primarily on my concern that it was unwise, with major U.S. arms control initiatives in progress in early 1983, to replace Eugene Rostow, a highly experienced and able diplomat, as ACDA Director. Ken Adelman simply proved me wrong. He has been a forceful advocate for arms control—for the elimination of chemical weapons and the sharp reduction of nuclear weapons.

He also has educated our allies and the American people on the fundamental importance of keeping arms control within a mature perspective. That perspective says that arms control efforts are important, but should not be allowed to obscure the necessity of maintaining our national security and a world balance of power that deters aggression.

Mr. President, I commend Kenneth Adelman for his superb record as Director of ACDA. I strongly believe that, long after his resignation becomes effective, he will continue to contribute his intelligence, articulateness, and vigor to the important cause of national leadership—not only on arms control issues, but also in many other areas. I know that most of our distinguished colleagues share my respect for his fine record of public service and wish him well in his future endeavors.

## IMPORTS OF COTTON SHEETING FROM THE SOVIET UNION

Mr. THURMOND. Mr. President, more disquieting news regarding Soviet imports of cotton sheeting has recently been brought to my attention. I am amazed that the administration has taken unilateral action which allows the Soviet Union to import into this country more than 4 million square yards of cotton sheeting over the next 12 months. This action takes place at a time when the most recent Department of Commerce textile and apparel trade statistics are alarming.

For January through May, the textile and apparel trade deficit increased by 22 percent over the same period last year to a new recordbreaking $9.6 billion. This represents a $1.7 billion increase. At this rate, the textile and apparel trade deficit for 1987 will reach an unbelievable $23 billion.

In light of these statistics, I find it hard to believe that this administration would pursue a course so beneficial to our greatest adversary. Every year we spend billions of dollars to strengthen ou2 military defense. The major reason we spend these vast amounts is to protect the citizens of this Nation from the Soviet threat of domination. Yet, the administration, through this policy of opening our market to the Soviets, is making them stronger at our expense. For every new textile job created in the Soviet Union as a result of this policy, an American worker loses his or her job.

In summary, it is unsound policy to make the Soviets stronger at our expense. Stated simply, exporting textile jobs to the Soviet Union by virtue of this unilateral action makes no sense whatsoever. The best approach the administration can take is to stop any further shipments of textile and apparel imports immediately. At a minimum, a prohibition must be imposed at the end of the 12 month period to prevent a potential flood of these products from inundating the United States and displacing even more textile and apparel jobs.

Before concluding, I would like to bring to the attention of this body that the Finance Committee last week reported S. 549, the Textile and Apparel Trade Act of 1987. In light of unilateral action by the administration favorable to the Soviet Union and the most recent devastating Commerce Department statistics, reporting of this bill could not be more timely. I urge swift consideration of this vital legislation.

Mr. President, I ask unanimous consent that a copy of a letter regarding imports of Soviet Cotton Sheeting sent by me to Ambassador Clayton Yeutter, the United States Trade Representative, on July 30, 1987, and testimony given by me last week before the Senate Finance Committee regarding S. 549, the Textile and Apparel Trade Act of 1987, be included in the Record following these remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
*Washington, DC, July 30, 1987.*

Ambassador Clayton Yeutter,
*The United States Trade Representative, Executive Office of the President, Washington, DC.*

Dear Ambassador Yeutter: I have recently been informed that the Administration has decided to allow the Soviet Union to import over 4 million square yards of cotton sheeting into the United States in the next 12 months. It is extremely disturbing to me that the Administration has agreed to allow such a vast amount of cotton sheeting to enter our domestic market.

As you know, textile and apparel imports are gravely threatening the continued existence of these domestic industries. Recent Department of Commerce statistics show for the first five months of 1987, the textile and apparel trade deficit increased by 22 percent over the same period last year to a new record-breaking $9.6 billion. At this rate, the textile and apparel trade deficit for 1987 will reach an unbelievable $23 billion.

I do not understand how the Administration can allow a new textile supplier to enter our domestic market when current textile imports are costing us thousands of jobs. Some believe that the Soviet Union, our greatest adversary, could become a major textile and apparel supplier. This must not be allowed to happen. The Soviets will exploit and take advantage of this opportunity to ship additional textiles and apparel into the United States.

I believe that the best approach the Adminstration can take is to stop any further shipments of textile and apparel imports from the Soviet Union. I urgently request that this action be taken at the end of the 12-month period, if not sooner, to prevent a potential flood of these products from inundating the United States and displacing even more textile and apparel jobs.

With kindest regards and best wishes.

Sincerely,

Strom Thurmond.

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### Testimony by Senator Strom Thurmond Before the Senate Finance Committee

Mr. Chairman, I would like to thank the distinguished Members of this Committee for giving me the opportunity to testify in favor of S. 549, the Textile and Apparel Trade Act of 1987. It is most appropriate that this Committee hold hearings on this vital legislation so soon after passage of major trade legislation by the Senate.

Passage of the major trade bill is a step in the right direction toward solving the trade problems facing this Nation. But an important part of solving our trade problems includes passage of the Textile bill. Over two million jobs in the textile and apparel industry, more than the steel and the automobile industries combined, are at stake. Without passage of this bill, we simply are exporting these jobs to foreign competitors, making them stronger at our expense.

As this Committee begins consideration of S. 549, I believe you will find the most recent textile and apparel trade statistics alarming. Although we heard many, many statistics quoted during the Senate's consideration of the trade bill, I am compelled to quote the most recent ones relating to textile and apparel trade released by the Commerce Department. Figures released by Commerce show that for January through May, the textile and apparel trade deficit increased by 22 percent over the same period last year to a new record-breaking $9.6 billion—a $1.7 billion increase over last year. At this rate, the textile and apparel trade deficit for 1987 will reach an unbelievable $23 billion!

As dismal as these statistics are, there is more bad news for the textile industry. Measured in square yards, textile and apparel imports reached a record level for the first five months of this year. From January through May, textile and apparel imports totaled a massive 5.5 billion square yards, a 5 percent increase over the same period last year.

The most astonishing fact is that these record levels were reached in spite of the Administration claims that they have negotiated tighter bilateral agreements with foreign importers. The truth is that the Administration has taken no effective action to assure the more than 2 million Americans employed in this industry that their jobs are secure. Unless Congress takes prompt action to stop the flood of textile and apparel imports, the devastation will drive this domestic industry to extinction. Some two million Americans employed in this industry could suffer the tragedy of losing their jobs.

Further dismal statistics make it clear that this possibility is becoming a reality. Over 1000 textile and apparel plants have closed since 1980. Some 300,000 textile and apparel jobs have been lost to imports in the last several years. Incredibly, one-half of all textile and apparel goods sold in the United States are made abroad.

Along with these statistics, a recent study by the Office of Technology Assessment (OTA) warrants serious consideration by the members of this committee. OTA was created in 1972 as an analytical arm of Congress. Its basic function is to help legislative policymakers anticipate and plan for the consequences of technological change and to examine its impact on our citizens. OTA provides Congress with independent and timely reports in many areas—one being the U.S. Textile and Apparel Industry.

OTA recently issued a report entitled the U.S. Textile and Apparel Industry: A Revolution in Progress. Its conclusions are most disturbing. This report concludes that "despite the optimism made possible by technical progress, U.S. textile and apparel firms are in danger * * * in spite of these remarkable advances, the industry is gravely threatened."

The OTA report draws the following conclusion:

"* * * if penetration of U.S. apparel markets were to continue at the pace of the past decade, domestic sales of U.S. apparel firms would approach zero by the Year 2000, while two-thirds of the U.S. textile market would be served by [foreign] imports."

With this dangerous trend in mind, it is irresponsible for us as elected officials to stand by and fail to act when fellow Americans face such a bleak future. The livelihood of some two million American families depends on the textile mill, most of which are located in small towns across this Country. When a textile mill shuts down, its closing is a disruptive, shocking, and awesome experience. To some, the pain can compare to the loss of a loved one. The adverse economic impact of a community resulting from the closing of a mill can be devastating. A plant closing causes permanent scars. The disappointment, disillusionment, and frustration is lasting.

During consideration of the major trade bill, some argued that a global market approach will create new jobs in this country. The implication is that these new jobs will be filled by displaced textile and apparel workers. This is simply not the truth. New jobs in the utilities field, the health industry, or with legal or consulting firms offer no comfort to out-of-work textile employees. Their training and skills learned on the job are not transferable to these other industries. If foreign imports put a textile or apparel worker in the unemployment line, there is no guarantee that he or she will find work elsewhere.

Before closing, I would like to briefly comment on several provisions included in S. 1420, the major Senate trade bill. Regarding that legislation, it was often described as a "generic" bill, one which provides no special protection to any particular industry. My review shows this is simply not the case. This bill provides protection and support for several domestic industries. One provision, somewhat similar to the textile bill, limits imports of lamb. This section mandates the imposition of lamb quotas which would prevent lamb imports from rising above 28.5 million pounds per year. This provision will protect the lamb industry from the prospect of greatly increased imports.

Another provision helps the domestic steel industry. It requires the United States Trade Representative to seek bilateral agreements which restrain imports of welded steel fence panels, wire fabric, and welded steel wire mesh for concrete reinforcement. Still, another provision helps the telecommunications industry by directing that negotiations be undertaken to require foreign countries to open their markets to U.S. telecommunications goods and services.

Yet another provision extends unemployment benefits under the trade Adjustment Assistance Program to oil and gas workers who lost their jobs due to foreign imports.

There are other provisions included in the major trade bill which time does not permit me to discuss. After a review of these "special interest" provisions, I want to make it clear that they may be worthwhile and needed to help many domestic industries. In view of these provisions included in the Senate trade bill, the argument that the "Textile and Apparel Trade Act of 1987" does not merit support because it provides assistance to a specific industry, lacks substance.

In closing, I urge you to look at this legislation with an open mind. A vote against it is a vote in favor of exporting some 2 million textile and apparel jobs to foreign countries. It is not right to turn our back on these dedicated Americans.

Again, I appreciate the opportunity to testify regarding this vital legislation.

## CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. BYRD. Mr. President, has morning business closed?

The ACTING PRESIDENT pro tempore. Morning business is closed.

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## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I indicated last weekend that it would be my hope to be able to proceed to the consideration of the catastrophic illness legislation today. Senator Bentsen is on the floor. As chairman of the Committee on Finance, he has reported out the bill, S. 1127, a bill to provide for Medicare catastrophic illness coverage, and for other purposes.

I have discussed taking up this measure with the distinguished Republican leader upon more than one occasion. He has made a bona fide, conscientious, sincere, and dedicated effort to get consent on his side for us to take it up. He has had some problems in that regard, but I do know for a fact that the Republican leader has made these efforts. I do not believe the Republican leader ought to do all the objecting himself on that side.

I am going to ask unanimous consent shortly to take up the Bentsen bill.

Before doing that, I should call attention also to a nomination on the Executive Calendar, the nomination being Calendar No. 212, M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury, vice Richard G. Darman, resigned.

I understand there is a problem with that nomination, that a point of order can be made against it.

Mr. Bentsen, again, is chairman of the Committee on Finance having reported the nomination, and he is on the floor and prepared to proceed to make that point of order.

### UNANIMOUS-CONSENT REQUEST—MC PHERSON NOMINATION

If it is agreeable to all concerned, I shall ask unanimous consent at this point to go into executive session to take up the nomination of M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury.

Mr. President, I do make that request.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BENTSEN. Mr. President, I object. I make the point of order that the nomination is not properly before the Senate because it was reported by a committee when it was not authorized to meet.

The ACTING PRESIDENT pro tempore. The point of order is well taken.

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## MEDICARE CATASTROPHIC ILLNESS COVERAGE ACT

Mr. DOLE. Will the Senator yield?

Mr. BYRD. I am happy to yield.

Mr. DOLE. Mr. President, I am now advised that Senator Wallop, who was to make the objection to proceeding to consider the Medicare catastrophic illness coverage bill, cannot be present until 1 o'clock, but I will make it on his behalf so I do not hold up the majority leader and the chairman of the Finance Committee.

Let me indicate that I have suggested that we ought to go on to the bill and then if there is determined opposition, we can talk about that. But there are about seven or eight on this side, and I understand there are not any on the other side, who are concerned about one or two provisions, who feel it is in their interest and in the interest of getting better provisions, not to proceed to the bill.

I think perhaps there is still some dialog going on, and basically we can work it out and can settle it this week. There are a couple of controversial provisions, one on prescription drugs and one on the tax. I assume they will be resolved once we get to the bill.

On behalf of Senator Wallop, I would interpose that objection when the majority leader makes the request.

Mr. BENTSEN. If the majority leader will yield, Mr. President, catastrophic illness under the Medicare program coverage is long overdue. The House approved its bill on July 22. It is now up to the Senate. We should not be having this kind of delay because of some ideological maneuvering that may be taking place. Delaying action has a very direct impact upon the elderly and disabled who are most vulnerable. They are the ones incurring the highest health care costs. If we do not act, in 1988 we are going to see 10 percent of the elderly and disabled spend $1 out of $5 of their income on health and it is these individuals who often have to make the choice between paying for needed health care or buying basic food and shelter.

I understand there are a couple of controversial provisions associated with this bill. What we have done with the Senate bill is to create a basic premium to cover a portion of the cost of the benefit, and a progressive supplemental premium, in effect, to offset the balance of any new costs. The disabled and those above 65 will be reducing the law of averages for the individual. The elderly and disabled will be sharing responsibility of the financing of these benefits with their peers. I think it is a good approach that the committee has followed. Here you have a bill reported out of the Committee on Finance unanimously, 20 to 0. So there is excellent support for it.

There has been a lot of time to prepare for debate on this bill. The President addressed the issue first in his State of the Union Address in January of 1986 and again this year. We followed his proposal immediately in the Finance Committee. The minority leader is a distinguished member of that committee and has been very supportive in participating in the effort to develop and consider this bill. The distinguished Senator from Minnesota, now on the floor, took an active and very constructive role in the consideration of this major measure.

Mr. President, we had our first hearings in January after the President's address. We moved very promptly on this initiative.

The Bentsen bill has been reported out now—it was reported out on May 29—over 2 months ago. The House passed its bill earlier, as I stated. We had the report language filed a week ago and I advised committee staff to be particularly responsive to any members of the committee or any Members of the Senate who had any questions concerning this piece of legislation so that all could move on with it.

Now, the problem we run into in the Finance Committee is, as soon as we get back here after the August recess, we are going to have reconciliation on our hands, including the problem of trying to raise additional funds. That is going to be a pressing responsibility for us and the effort will be all-engulfing. So we have, I think, in effect a window here where we could move on this bill and clear this item from one agenda in September.

Full consideration of this bill has occurred in committee. The Senate ought to be prepared to debate and move on with the issue. If Members think that all of a sudden any problems they might have with S. 1127 are going to go away during the recess, I think they are wrong. Instead, problems are going to be accentuated. I think we will find the pressures have increased, and I think we will find the staffs will be diligent and hard at work in coming up with amendments to the bill. All the interest groups, whether associated with industry or representing consumers or the elderly, all will get very much more involved beyond what lobbying they have already done. All of these groups and organizations have been given ample opportunity to testify and present their cases before the House and before the Senate. I strongly urge that we now move forward with the committee reported bill.

Mr. BYRD. Mr. President, the distinguished Senator from Texas, the chairman of the Finance Committee, has made a strong case for proceeding with the measure, indicating it was reported out of the committee by a vote of 20 to 0 with strong bipartisan support. As I understand, it was voted out of the committee in May.

Did the Senator say "in May"?

Mr. BENTSEN. It was voted out of the House on July 22.

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Mr. BYRD. And out of the Senate Finance Committee?

Mr. BENTSEN. I do not have that exact date.

Mr. BYRD. In any event, it has been on the calendar now for some days, I guess a week.

Mr. BENTSEN. The majority leader is right. We reported the bill out over 2 months ago, on May 29.

Mr. BYRD. May 29. And it has been on the calendar for about a week. I emphasize the point that the chairman made, that being we have a little window here. During the time that the conferees are going to be working on the debt limit extension, there is a window during which the Senate can be working on this measure and it would be well, as the distinguished Republican leader and I said heretofore, that this measure be passed before the Senate and the House go out for the break.

Mr. President, I ask unanimous consent—and Senators may reserve the right to object—that the Senate proceed to the consideration of Calendar Order No. 260, S. 1127, the catastrophic illness legislation.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DURENBERGER. Mr. President, reserving the right to object, and I do not intend to object, I have listened to the majority leader's description of his efforts to bring this matter before us. I have listened, of course, with interest to my colleague, the chairman of the Senate Finance Committee, describe the path of the catastrophic insurance bill through the Finance Committee.

I suggest that they are both right. From my standpoint, I began this process in 1979 when I first came to the Senate. At that time it was the Senator from Texas and the Senator from Kansas [Mr. Dole] who were talking to us about the need for catastrophic in Medicare.

President Reagan, I believe, in his State of the Union Message in January 1986 instructed the Secretary of HHS to take some action. I, Mr. President, was fortunate enough to be the Senate's appointee to the Catastrophic Insurance Commission and we spent from January 1986 until November 1986 looking at the entire area of catastrophic but making some specific recommendations in the area of Medicare. Those recommendations, as everyone recalls, were the subject of some small amount of debate in January and February of this year within the administration. That debate was resolved by mid-February in favor of the legislation basically which the Finance Committee has reported out as of May 29.

Now, in addition to the catastrophic part of this bill, the House has chosen to add drug benefits in part B financed out of the catastrophic arrangement, and to some degree there appears to be a debate behind the scenes on the Senate side as to the appropriateness of the benefit, as to the manner in which the benefit might be financed, whether or not it might be done differently.

But that aside, it strikes me the time has come for this body to deal with catastrophic insurance in Medicare. I hope that those of my colleagues on both sides of the aisle, whether it is the Democratic side or the Republican side, who might seek to delay the consideration of this bill, because of their concerns not about the catastrophic but their concerns about the potential for a drug amendment here on the floor or something else, resolve those concerns as quickly as possible. Perhaps they might even come to the floor and discuss this issue as soon as possible so that those of us who have spent much of our lives in the Senate trying to come to the day when we could vote on a catastrophic bill might be permitted to do so.

So I encourage those of my colleagues who might be concerned about that potential, which is benefit expansion, but who care a lot about catastrophic, permit those of us who do care about catastrophic to proceed with this bill.

Mr. BYRD. Mr. President, I just simply say that there are no objections on this side to proceeding. It is cleared on this side of the aisle. And I make the request.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, let me indicate to the majority leader that I am not opposed to proceeding. Neither is the ranking member on the Health Subcommittee. There are I think six or seven on this side who have indicated an objection.

It would be my hope that perhaps the distinguished Senator from Minnesota [Mr. Durenberger] might be able to visit with those Members yet today—I would be perfectly willing to sit in on that meeting—to see if there is not some way to get the bill on the floor and then we can maybe negotiate any differences. Amendments are going to happen on every piece of legislation. It is no different than any other legislation. We do have a few days in which to accomplish this, which would be certainly helpful to the distinguished chairman of the Finance Committee, Senator Bentsen, as well as other members of that committee who are going to be tied up with reconciliation.

And so I would on behalf of the distinguished Senator from Wyoming [Mr. Wallop] object but on the hopes that we would still have an opportunity maybe, if we can work it out, to try this later today or the first thing tomorrow.

Mr. BENTSEN. If I may say, I would be delighted to be available for any conference so I might assist in trying to resolve some of these differences, if we can. I understand that one of the major issues apparently is the prescription drug amendment that might be forthcoming. But that has been known for a long time and we ought to be prepared to debate it.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. BYRD. Mr. President, I thank all Senators. I thank, in particular, the Republican leader for the efforts he has made to bring this measure up. I am encouraged by his statement that he will continue to meet with Senators on his side in an effort to remove the objection and get the measure before the Senate. Once it is before the Senate, as we have seen happen so often, Senators get together and resolve their differences.

I also thank Mr. Durenberger for his support of the legislation and for his efforts to mediate the differences among other Senators.

Mr. President, for the moment we have made our effort, and we hope that it can be renewed later.

At this time, Mr. President, I ask for regular order.

## SENATORIAL ELECTION CAMPAIGN ACT

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and .for other purposes.

The Senate resumed consideration of the bill.

Mr. BYRD. Mr. Boren, the chief author of the bill and the chief author of the amendment, which represents the latest compromise proposal, is on his way to the floor.

### TEN-MINUTE RECESS

Mr. BYRD. I understand that Mr. Boren will be here in probably 5 or 10 minutes. I ask unanimous consent that the Senate stand in recess for 10 minutes.

There being no objection, the Senate, at 1:27 p.m., recessed until 1:37 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Reid].

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## IMPORTATION OF OBJECTS FROM THE "TITANIC"

Mr. STEVENS. Mr. President, I send to the desk a bill that Senator Weicker will call up under the time agreement that the distinguished majority leader will now present, I believe. I am not introducing this for Senator Weicker. He will introduce it himself. But that is so everyone will know what the bill is that the majority leader is referring to.

Mr. BYRD. Mr. President, I ask unanimous consent that there be a total of 10 minutes on the bill to be introduced by Mr. Weicker dealing with the importation of objects from the *Titanic*, provided further that no amendments or motions to recommit the bill with or without instructions be in order, provided that the time be under the control of Mr. Weicker, and provided that the majority leader may call up the bill at any time after consultation with the minority leader today.

The PRESIDING OFFICER. Is there objections?

Hearing none, that is the order.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. STEVENS. I thank the majority leader. The distinguished Senator from Connecticut will be here later this afternoon.

Mr. BYRD. I thank the distinguished Senator.

## SENATORIAL ELECTION CAMPAIGN ACT

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, today we return to the unfinished business of the Senate, campaign finance reform. Senate bill 2 is among the most important legislation to be considered by this historic 100th Congress. It concerns the very integrity of this body, it concerns the integrity of the legislative process, and it concerns the integrity very directly of our system of democratic elections. The never ending pursuit of campaign funds, the money chase, will only accelerate if we do not act to limit spending.

Raising money is so time consuming it results in a diminished legislative capacity. This is not good for America. It also means, as I have previously said, that we are becoming a part time legislature because we must be full time fundraisers. These concerns should be enough to prompt action, but there is an even bigger threat to the integrity of this Congress that looms on the horizon. This cloud over democracy is the public outcry which will arise if we do not act to limit the campaign spending appetite and the excessive dependence on special interests.

Mr. President, public trust and confidence are the essential building blocks upon which a free and democratic government is built. Keeping faith with the American people is our highest obligation as elected officials. Sadly, we have seen in the past few months what can happen when a branch of Government loses sight of this obligation. The hearings of the Iran select committee have documented executive branch deception and efforts to skirt, if not break, the law. This breach of faith with the public and the Congress has significantly weakened the President's ability to act and lead. This is not good for America.

When Government breaks faith with the people as it did during Watergate, and as we saw again in the Iran-arms transfer, it is not only the misguided officials who lose, but all Government loses. There is a shared responsibility for good Government.

Mr. President, there is another issue which could seriously undermine public trust and confidence even further. Congress has suffered in the past from misdeeds by executive branch officials and Presidents, but the problem I refer to is the dramatic rise in campaign costs and our growing dependence on special interests to finance this money chase. If we do not act to establish reasonable, fair limits for campaign spending, we will by our inaction do serious damage to the building blocks of democracy—trust and confidence.

I am not alone in this view. It is a view shared by many on both sides of the aisle. Past public statements by Republicans and Democrats alike have indicated a need to limit the seemingly insatiable appetite for campaign money. What is at stake here is not partisan interest or advantage but the integrity of Congress. The public understands this and so do the media. We know the problem, we understand its dangerous implications, now we must act to do something about it.

Mr. President, it is important to remember that we were at a very similar crossroads in terms of Presidential campaign finance in 1974. In 1974 we were responding to a scandal, whereas today, we are trying to act to avoid one. In that debate several of the same charges were raised against reform—it was asserted that such a system would limit competition, provide incumbent protection, and that it would not work. History has proven all of these charges to have been unjustified. The system has had widespread competition. Certainly the large field of candidates seeking the Presidency in 1988, including several of our colleagues from the Senate, demonstrates that the system is a success. Incumbent protection has also not been a problem, as two of the three incumbents running under the system have been defeated—Presidents Ford and Carter. Finally, while the system is not perfect, it has been widely perceived as a success. Only 1 Presidential candidate in 35 has not accepted public funds, and I believe all candidates in 1988 plan on accepting the spending limits and public funds, including the Republican and Democratic candidates for the Presidency from this very Chamber.

Previously, I introduced into the Record, editorials from newspapers in 43 States and the District of Columbia. Those editorials, all approved or written by the local editorial boards, called upon Congress to act now on this important legislation. We simply must take the people's branch off the auction block. We cannot permit Senate seats to be put up for sale to the highest bidder.

Mr. President, in the 6 weeks since I introduced those editorials, many additional editorials have appeared in newspapers expressing support for the Senatorial Election Campaign Act, S. 2. This raises to almost 250 the number of editorials which have appeared on this subject in the past few months. These editorials come from newspapers in all regions, from cities of all sizes, and editorial boards of varying ideological predispositions. These editorials are at once a call to action and at the same time a voice of warning. We must act to stem the growing tide of money in congressional elections. If we do not, we will erode public trust and confidence in this, the people's branch. Similarly, the legislation has been endorsed by the League of Women Voters, Common Cause, the National Association for the Advancement of Colored People, by farmers' groups, senior citizens' groups, and many others. Opposition to the measure is rarely found in the Nation's newspapers—conservative or liberal. The only real opposition has come from some elements of the Republican Party and those special interests which are a part of the problem. This is a case in which the public interest is clear and widely perceived.

As the newspaper editorials point out, we are at a crossroads. We can act to establish fair and responsible limits on spending, or we can stand aside and put Congress up for sale to the highest bidder. I extend today, as I have done before, an invitation to any and all interested Senators who have not yet joined in this effort to come forward and work with us to enact limits on spending which would be fair, and which would foster competition just as the limits on Presidential candidates' spending have fostered healthy competition.

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Shortly before we began consideration of the trade bill, Senator **Boren** and I introduced an amendment which contains all of the essential ingredients of campaign finance reform but minimizes the role of public financing. It is therefore, in terms of real reform, a bottom-line position. The amendment has the following major features:

It retains aggregate PAC contribution limits, computed as they were in S. 2.

It establishes voluntary spending limits and limits on the use of personal wealth.

It contains no public financing for Senate General elections so long as candidates abide by the voluntary spending limits.

It establishes incentives for candidates to abide by those spending limits by making only those candidates eligible for preferential postage rates and lowest unit broadcasting time rates, and by providing that candidates who exceed the voluntary spending limits will trigger compensating payments to opponents who have agreed to remain within those limits.

It assures that candidates who are targeted by independent expenditures against them or for their opponents will be able to respond effectively, by increasing the primary spending limits of participating candidates when such expenditures are made during the primary period, and by providing a compensating payment to participating candidates when such expenditures are made during the general election period.

If Congress should enact and the States ratify a constitutional amendment permitting Congress to set spending limits, all public finance provisions of S. 2 would be dropped, but the spending limits set by the bill would become the spending limits for the constitutional amendment.

Finally, the very slight potential cost of this legislation is more than fully offset by ending the preferential mailing rates for political parties. In effect, the amendment, as it now is drawn, will result in no net cost to the Federal budget—and quite possibly could result in a reduction in the Federal budget deficit if all candidates live within the spending limits for their States. But the most important point is that it sets in place vital reforms to our present campaign finance system.

It will be most unfortunate if narrow partisanship, which in fact is mistaken partisanship, deters us from putting our own house in order. During the past few weeks Senator **Boren** and other Senators have sought out colleagues on both sides of the aisle, including the distinguished Republican leader. We are hopeful that these efforts will result in sufficient votes for cloture so that we can proceed to consideration of amendments to the bill and ultimately its enactment.

Mr. President, I have referred to various editorials which appeared on the subject of the Senatorial Election Campaign Act. I ask unanimous consent that those editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Bluefield (WV) Daily Telegraph, June 19, 1987]

### Time to Stop Stalling: Send PACs Packing

Most governmental scandals involve broken laws. But in the case of congressional campaign financing, the laws are the scandal.

And at the heart of that scandal are the political action committees—or PACs, as they're generally called—which poured more than $130 million into 1986's congressional races, a six-fold increase from a decade ago.

The Senate is debating—or, to be more accurate, is trying to debate in the face of a Republican filibuster—S. 2, a bill sponsored by Senator Majority Leader Robert C. Byrd, D-W.Va., and Sen. David Boren, D-Okla., which would curtail the scandalous influence of special-interest money in congressional elections.

As Archibald Cox, the former special prosecutor in the Watergate affair, has pointed out, this deluge of special-interest money "creates the image—if not the reality—that Congress is becoming populated with legislative Ivan Boeskys, pursuing a political brand of insider trading in which the currency is public policy."

It's time to end the congressional campaign financing scandal.

It's time for Senate Republicans to join with their Democratic colleagues in limiting the amount of PAC money a congressional candidate can accept.

It's time to establish a voluntary system of spending limits and partial public financing.

It's time to enact S. 2.

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[From the Charleston (WV) Gazette, July 8, 1987]

### Cash Corruption

Senate Majority Leader Robert C. Byrd, D-W.Va., waged a valiant fight for S. 2, the Byrd-Boren campaign finance reform bill to end the cash corruption of Congress. But Senate Republicans—fearful of losing their big-money edge—filibustered him to a standstill.

The heart of Byrd's plan is public financing of congressional campaigns, the same system used in presidential races. To obtain public funds, a candidate would have to accept severe limits on total campaign spending. (This is the only way limits can be imposed, since the Supreme Court has rejected direct ceilings.)

When Byrd's plan first was introduced, Minority Leader Robert Dole, R-Kan., promised there would be no GOP resistance. The Republicans did a turnaround, saying they can't tolerate use of taxpayer money for campaigns. This is baloney, because GOP presidential candidates have accepted $127 million of taxpayer money for campaigns since 1976.

Now Byrd and Boren have drafted an ingenious substitute. It requires candidates to accept voluntary ceilings—and, if one violates the limit in an attempt to buy an election, his opponent is given public funds plus lower mailing rates and other benefits. If both candidates honor the ceiling, no tax funds would enter a campaign.

Byrd's substitute is expected to come up for a Senate vote this week. We hope it succeeds, because eradication of the special-interest cash cesspool is desperately needed.

It reform is beaten again, here's a possible strategy:

The president is eager for Senate confirmation of right-wing ideologue Robert Bork to the Supreme Court. Byrd should specify that the Bork nomination will be considered after an election cleanup bill is passed and signed into law.

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[From the Charleston (WV) Daily Mail, July 11, 1987]

### PAC Reform

Spending limits, not public financing, are at the heart of the latest campaign finance bill pending in the U.S. Senate.

The bill deserves a look. It is not perfect, but it is a better defense against those who believe in spending as much as possible, and then some, to literally buy their way into office.

The new Boren-Byrd bill relies on the original measure's voluntary tax checkoff to generate funds. But the money will be made available only in races in which one of the candidates exceeds a voluntary spending limit. The candidate accepting the spending limit will be able to draw on the public funds, but only in sums to match his opponent's spending.

Senators who have joined in the filibuster against the original bill were rightfully concerned about tax dollars being used to support political candidates. But if they can get a guarantee that the funds used to finance campaigns can be covered from a voluntary tax check-off system, their doubts should be allayed.

As Oklahoma Sen. David Boren says, those who continue to oppose campaign finance reform must explain why "it is good for Congress to spend more and more time raising millions of campaign dollars; that it is good for challengers to be increasingly closed out of the system; that it is good for business and labor groups and their representatives to be increasingly victimized by escalating fund-raising requests; and finally, that it is good to allow even the appearance that the most important offices of public trust in our country are being placed on the auction block."

Boren is not using hyperbole. The average cost of winning a Senate seat last year was $3 million. To raise that amount in his or her six-year Senate term, a senator must beg or borrow $10,000 a week.

And the costs keep climbing. In 12 years, the average Senate race could cost $15 million.

It's time for candidates to return to standing on their records and qualifications, rather than mounds of cash.

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[From the Charleston (WV) Daily Mail, June 23, 1987]

### Campaign Reform

Rejecting the notion that Republicans should be taxed to support Democratic congressional candidates and vice versa, the GOP minority in the U.S. Senate has filibustered a critical campaign spending bill all month.

As Texas Sen. Phil Gramm says, taxpayer financing of congressional campaigns is an idea "totally alien to American democracy."

Two features of this legislation to curb the excesses of political action committees and the ever-rising cost of political campaigns, however, do make sense. Both sides of the aisle should join in instituting a voluntary tax checkoff scheme for interested voters, similar to that used now for presidential races.

The funds thus raised probably will not equal the estimated $500 million proposed for campaigns in the House and Senate, but it would be a start toward halting the "aristocracy of the moneybag," as Carlyle says.

Candidates who spurn the voluntary spending caps under this checkoff-financed system would find themselves accused of trying to buy their way into office.

The other reform that deserves a Senate vote is a limit on contributions from PACs. Rep. Jim Leach of Iowa captures the importance of this and other moves to dilute the impact of PACs:

"If the trend toward more expensive races . . . is not curbed, individuals elected to Congress will increasingly become indebted to either big business or big labor."

That surely will destroy American democracy.

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[From the Fairmont (WV) Times-West Virginian, June 19, 1987]

### Campaign Reform Bill Deserves a Chance

A campaign reform bill that would bring sweeping and necessary changes to congressional elections is now being considered by the U.S. Senate.

Unfortunately that bill, as of this writing, is bottled up in a filibuster as Republicans are objecting. Democratic senators, led by Majority Leader Robert Byrd, have been trying for the last week to break the filibuster in order for the bill to proceed.

We hope that they succeed in that task with the bill largely intact, because we firmly believe that the measure would bring much-needed reforms to the spiraling cost of campaigns and influence of political action committees, better known as PACs.

The bill being considered now would provide a voluntary system of state-by-state candidate spending limits coupled with a partial system of federal financing provided by income tax return check-offs similar to those now used to fund presidential elections.

It would also put limits on how much could be financed through large contributions such as those customarily made by PACs to candidates.

We agree wholeheartedly with the sentiments expressed by Sen. David Boren of Oklahoma, the main sponsor of the bill. "We must not let party politics stand in the way," he said Tuesday. "This is not a Republican problem. It is not a Democratic problem. It is an American problem. It is clear something is wrong."

Senate Republicans have said they will fight any campaign bill that contains limits on campaign spending or provides taxpayer financing, jolting hopes that the bill will be approved in any thing close to its present form.

Byrd has contended, and we agree, that the GOP opposition is basically to the spending limits. "If we're entertaining notions that we can have reforms without limitations on campaign expenditures and the PAC contributions, we're kidding outselves," he said. "The real problem is that of putting limits on campaign spending."

We would hope that some Senate Republicans would think the issue through and vote for an end to the filibuster so that the main bill can be voted on. Such a serious issue deserves at least that chance for approval.

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[From the Huntington (WV) Herald Dispatch, July 9, 1987]

### Revised Approach to Public Financing

On June 3, the Senate began consideration of S. 2, a campaign finance reform bill which would put limits on contributions to Senate candidates by political action committees and establish overall campaign spending limits tied to a system of public financing.

Led by Minority Leader Robert Dole, R-Kan., most Senate Republicans have been conducting a filibuster for the past month, blocking Senate action on the measure.

The most controversial aspect of S. 2—introduced on the first day of the 100th Congress by Majority Leader Robert C. Byrd, D-W.Va., and Sen. David Boren, D-Okla.—has been its pubic financing provision. A number of the bill's opponents have cited public financing as the principal stumbling block preventing them from supporting it.

Now, in an effort to break the GOP filibuster, Byrd and Boren have unveiled a proposed substitute for S. 2 which is designed to meet the objections to public financing.

The new proposal establishes a system of state-by-state campaign spending limits where no public funds would be provided to the candidates in a general election as long as they both agreed to abide by the spending limits. However, if one candidate decided not to participate and made campaign expenditures in excess of the spending limit for his state, this would trigger public funds for his (or her) opponent.

As the Washington Post has aptly put it, a candidate would receive public dollars "only if he agreed to abide by the spending limits . . . and his opponent did not. The public money would be only an insurance policy."

In addition to this "insurance policy," a candidate who agreed to the spending limits would receive lower mailing rates and other benefits. (This apparently would satisfy the Supreme Court's ruling that in order to establish a system of campaign spending limits, public benefits must be provided.)

Byrd and Boren's new proposal transforms the fight over campaign spending into a whole new ball game. With it, the two lawmakers have sent opponents of S. 2 a strong signal that they're more than willing to meet them halfway. The key question now is whether the Senate is willing to resist partisan pressures and set aside obstructionist tactics in order to act in the nation's best interests by enacting effective campaign finance reform.

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[From the Huntington (WV) Herald Dispatch, July 3, 1987]

### Campaign Financing Needs Reforms Now

There's been considerable attention focused on a Senate campaign finance reform bill offered by Senate Majority Leader Robert C. Byrd, D-W.Va., and Sen. David Boren, D-Okla., that's currently being roadblocked by Senate Republicans. But even though it's the Senate fight that's been getting the headlines, it's equally important that the House, too, act on the campaign finance issue.

A logical starting point for action in the House is a measure introduced by Reps. Tony Coelho, D-Calif., Mike Synar, D-Okla., and Jim Leach, R-Iowa, on June 18.

The Coelho-Synar-Leach bill would establish a voluntary system of overall spending ceilings and limits on the use of personal wealth in campaigns, along with partial public financing for House general election campaigns. And—importantly—it would limit the total amount of political action committee contributions a congressional candidate can accept.

The problem is clear. Excessive campaign spending and the increasingly large role being played by the free-spending PACs have served to sharply undermine public confidence in the integrity of Congress.

The current Congress may not be "the best money can buy"—but it clearly looks that way to more and more disillusioned voters.

The need for comprehensive campaign reform is more urgent today than ever before. The current congressional campaign finance system is a scandal and disgrace.

Indeed, in this, the Bicentennial year of the U.S. Constitution, there are few, if any, needs facing Congress that are more important than that for comprehensive campaign finance reform. We urge the House and Senate to join in early passage of this vital legislation.

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[From the Huntington (WV) Herald-Dispatch, June 19, 1987]

### Time to Stop Stalling: Send PAC's Packing

Most governmental scandals involve broken laws. But in the case of congressional campaign financing, the laws are the scandal.

And at the heart of that scandal are the political action committees—or PACs, as they're generally called—which poured more than $130 million into 1986's congressional races, a sixfold increase from a decade ago.

The Senate is debating—or, to be more accurate, is trying to debate in the face of a Republican filibuster—S. 2, a bill sponsored by Senate Majority Leader Robert C. Byrd, D-W.Va., and Sen. David Boren, D-Okla., which would curtain the scandalous influence of special-interest money in congressional elections.

As Archibald Cox, the former special prosecutor in the Watergate affair, has pointed out, this deluge of special-interest money "creates the image—if not the reality—that Congress is becoming populated with legislative Ivan Boeskys, pursuing a political brand of insider trading in which the currency is public policy."

It's time to end the congressional campaign financing scandal.

It's time for Senate Republicans to join with their Democratic colleagues in limiting the amount of PAC money a congressional candidate can accept.

It's time to establish a voluntary system of spending limits and partial public financing.

It's time to enact S. 2.

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[From the Huntington (WV) Herald-Dispatch, June 15, 1987]

### Campaign Spending Should Be Curbed

One of the most important issues facing the 100th Congress is reform of the way congressional campaigns are financed.

As the Washington Post has said, the present congressional finance system "is fundamentally corrupt. Every citizen knows that. So does every legislator."

Now the Senate has an opportunity to address this national scandal. A campaign reform bill, S-2, sponsored by Senate Majority Leader Robert C. Byrd, D-W.Va., and Sen. David Boren, D-Okla., has been reported to the floor by the Senate Rules Committee.

Commenting when S-2 was introduced on the very first day of the current session, Senate Minority Leader Robert Dole, R-Kan., said, "I would only indicate that it is a matter that I feel should be addressed. . . . I do not believe there will be any effort to stall any such legislation." And yet that's exactly what some Senate Republicans apparently intend to do.

Using the filibuster and other obstructionist tactics to delay reform of the congressional finance system is a clear attempt by some Senators to evade their responsibility.

S-2 or something very much like it is a "must" if any common sense is to be restored to the way congressional campaigns are financed.

Two provisions are essential to any meaningful, comprehensive legislation to reform the current system: overall spending limits and limits on the total amount of political action committee contributions a candidate can accept.

Both of these provisions are found in S-2. The bill would establish a voluntary system of spending limits, as well as limits on the use of personal wealth, tying these to partial public funding. The bill also would place aggregate limits on the amount of PAC contributions a candidate may accept. If this provision had been in effect in the 1986 election, total PAC contributions to Senate candidates would have been cut by two-thirds—from $45 million to $16 million.

The need for comprehensive campaign spending reform has never been more clear or more urgent. As former Sen. Barry Goldwater has said, "Unlimited campaign spending eats at the heart of the democratic process. . . . Our nation is facing a crisis of liberty if we do not control campaign expenditures."

The time is long past due for Congress to address this dangerous problem.

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[From the Morgantown (WV) Dominion-Post, June 9, 1987]

### THE AUCTION BLOCK

The success of campaign finance reform at the congressional level will depend upon whether or not the various forces at work within the legislative body can effect a consensus that will provide a strong, comprehensive product.

The other day, during debate printed in the *Congressional Record*, there was general agreement upon five principles for real campaign finance reform. They are:

First: The arms race in campaign spending must be halted.

We need firm and realistic spending limits for federal candidates, and we must close the loopholes that allow surrogate spending to make a mockery of current law.

Second: Those limits must apply to primaries as well as general elections.

Third: We must dam the rivers of special interest money that are flooding our candidates and our parties.

That means tough restrictions on political action committees, including steps to ensure that, once limited, PAC money does not pop up somewhere else under some other name. Soft money, bundling, and independent expenditures must also be cut back.

Fourth: The only realistic way to achieve these goals is to adopt public financing of federal elections.

That is how we took presidential elections off the auction block in the 1970s, and it is time to do the same for Congress in the 1980s.

We are mindful that President Reagan himself took public financing in his presidential campaigns. It was not mandatory that he do so. He did not express at that time a resentment or suggest that Congress was acting illegally in ensuring that there were going to be public funds available for the funding of the presidential campaigns.

Fifth: The net impact of our proposals must be to encourage, not discourage, participation by citizens, both as candidates and as campaigners. Campaign reform must not become an exercise in incumbent protection.

We must not impose entry barriers which are unrealistic or constrain parties from encouraging citizens to be involved.

These, it seems to us, provide the kind of guidelines that we need. Citizens who feel strongly about campaign finance reform of congressional elections need to let their representatives know.

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[From the Allentown (PA) Morning Call, June 11, 1987]

### CAMPAIGNS: NEW MODEL NEEDED

Not so long ago it was a widely held belief that in a democratic society long periods of governance were interrupted by a fine-tuning process known as elections. But that belief has been a fiction in American politics for decades. The fact of political life in today's America is that for the most part our political leaders are engaged in a continuous political campaign. No sooner are the victors of November rejoicing over their victory than they start fattening up the war chest for their next campaign. In the case of members of the House of Representatives (who serve two-year terms), their round-the-clock campaigns only end with death, defeat or retirement.

Aside from the detrimental effect that this divided attention has upon the primary job of legislators—legislating—their continuous preoccupation for money grubbing produces a malaise in the body politic and an apathetic electorate. The campaigns are too long and too costly. The experience of Gary Hart provides an example of the direct link between the length of campaigns and their cost.

Before Mr. Hart declared his willingness to move into the Oval Office in 1989, his 1983-84 presidential campaign was still $1.3 million in the red. Unperturbed, the former senator expected to be given $900,000 in taxpayer money for his new campaign, some of which he would use to help pay his debtors from his last campaign. However, the Federal Election Commission nixed that request because Mr. Hart dropped out of the campaign before he got around to filing for the money. Any appeal by Hart should fall on deaf ears. As we argued before in this space, no presidential candidate should qualify for taxpayer money until all previous campaign debts have been honored. Bankrupts (a name Mr. Hart may assume) need not apply.

Closer to home, the campaign finance picture is little brighter. Pennsylvania candidates for U.S. House and Senate seats in 1986 received a record $7.5 million from political action committees. These candidates spent a record $21.3 million in their election efforts. In 1980, the cost of these campaigns was $7.2 million—$2 million less than Senator Arlen Specter and his challenger, Bob Edgar, spent in last year's senatorial battle.

There are two ways to break the back of interminable campaigns and their multimillion-dollar price tags. The first is to limit the length of campaigns—almost an impossibility in our system. The second possibility—campaign-finance reform—though, is possible. That is if the politicians will it. Right now, Senate Republicans have bottled up a bill that would provide public financing of Senate campaigns—an improvement over the present vested-interest-financed campaign.

In the meanwhile, those Americans who suffer from domestic political campaign fatigue can direct their attention to Western Europe. There is a great deal to recommend the dispatch with which the European parliamentary democracies order their election process. For example, today millions of Britons will go to the polls to elect a government. It is a process that was last played out in 1983. Then, as now, the campaign was limited to three weeks.

If the purpose of a national election is to elect a national government, then the shortest time practicable to accomplish this is preferable. This would allow the government to do what it's expected to do—govern—and not have its members constantly occupied with raising money and spending time on the next election. So far the politicians who control the political process of campaign reform have shown little inclination to mend their ways. Although this is not surprising, it is disappointing. If the European election model fails to attract our politicians, at least they could make the effort to devise a streamlined American model.

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[From the Astoria, (OR) Daily Astorian, June 24, 1987]

### SUBSTANTIAL BEGINNING

The debate in the United States Senate regarding campaign financing has produced no surprises. Senators are reluctant to give up an arrangement that serves them well, but they know they must. They cannot avoid confronting the hard facts that campaigns for the Senate cost too much and that the candidates must depend too much on special interests for the funding of their campaigns.

Major reform is proposed by two Democrats, Sen. David Boren of Oklahoma and Sen. Robert Byrd of West Virginia. They have 47 co-sponsors. They would use limited public financing of congressional campaigns as it is used in presidential campaigns. They would tie this to a limitation on how much political action committees could contribute singly or in groups to an individual candidate.

The U.S. Supreme Court has ruled that limits can be placed on campaign spending and contributions only if accompanied by a system of public finance.

Republican senators, led by Bob Packwood, would prohibit all direct PAC contributions to candidates. But they would permit PACs to make contributions to political parties. Of course the parties would send the money on to candidates.

If you accept the theory that a sinner knows best how to cope with sin, Sen. Packwood has imposing credentials. He raised a huge amount of money—much more than he was able to spend—to get re-elected. Much of it came from PACs. Charging lobbyists $5,000 to have breakfast with him handsomely benefited Packwood.

The proposal which Packwood espouses would not get a handle on congressional campaign finance for it really wouldn't change anything. The Boren-Bird plan wouldn't entirely clean up an arrangement that is begging for reform but it would make a substantial beginning.

[From the Athens (TX) Daily Review, June 5, 1987]

### AS WE SEE IT: CONGRESS PONDERS ITS OWN "FILTHY LUCRE"

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are co-sponsors of legislation to curb political action committees (PACs) and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime in June. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Augusta (ME) Kennebec Journal, June 16, 1987]

### CAMPAIGN REFORM NEEDS GOP BOOST

The good news is that reform of congressional campaigns, with their vicious television commercials and exorbitant cost, is possible this year. The bad news is that the debate is proceeding along partisan lines, with Senate Democrats almost unanimously in favor of a public financing plan, and Republicans opposed.

The Senate is fertile ground for reform. Most senators are simply sick and tired of spending much of their time hounding potential contributors for the millions of dollars it takes to win a Senate seat these days. With contribution limits more or less ruled out by a 1976 Supreme Court decision, public financing—as in presidential races—is the obvious alternative.

Yet the Republicans are balking. In recent years, they have piled up a huge fundraising advantage over Democrats, and are reluctant to yield that edge.

The effect on attitudes is apparent. The party-line consensus is clearer on this issue than perhaps any other, even such "litmus test" votes as aid to Contras. On a motion to limit debate on the Byrd-Boren bill, every Democrat but three voted yes, and every Republican but two voted no. (Maine's George Mitchell (D) voted yes and William Cohen (R) voted no.)

Republican senators, anxious to avoid being labelled as defenders of the deplorable status quo, have offered various alternative bills, none of which, however, is a serious attempt to clean up the situation. Limiting contributions by political action committees has been tried and has failed. Allegedly "independent" spending in support of a candidate has multiplied and made a mockery of the existing PAC limits. Only by capping the overall costs of campaigns, and using partial public financing—with candidates matching the amount from taxpayers—will we ever stop auctioning seats to the highest bidder.

If that last statement seems harsh, consider the number of incumbent senators—and unsuccessful aspirants—who ran for the office almost solely on the basis of their private wealth. The majority of current senators are millionaires—not exactly representative of the American people. And a majority—even from small states such as Maine—spent more than a million dollars in their most recent campaign.

How to break the partisan deadlock? Perhaps offer a sweetener for the GOP, allowing increased contributions from national party headquarters.

But in the end, the Republicans must ask themselves this question: is their demonstrated fundraising clout really an advantage when the average voter is disgusted by the excesses of campaigning with the buy-and-sell atmosphere and the television commercials, repeated hourly, appealing to everyone's worst instincts?

Sen. Cohen, we hope, will change his mind and vote to end the filibuster, and then for campaign reform.

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[From the Bakersfield (CA) Californian, June 29, 1987]

### YACKETY, YACKETY, YACK!

When is a debate not a debate? When it's a debate, of course. In the looking-glass world of congressional politics that absurdity makes sense, even if the phenomenon it describes does not.

S2 is a bill by Senate Majority Leader Sen. Robert C. Byrd of West Virginia and Sen. David Boren, D-Okla., supported by Common Cause. It is a comprehensive federal campaign finance-reform measure. It is separate from a state initiative dealing with many of the same issues sponsored by a similarly named group, California Common Cause.

That there is a need for reform is almost unarguable. According to federal figures, in the last 10 years, U.S. Senate campaign costs quintupled—at one point doubling in two years!

At the present rate of increase, a person who next year wins a U.S. Senate seat will have to raise more than $1,300 every day (including Saturdays, Sundays and holidays) for the entire six-year term to finance his reelection campaign—and that is with the incumbent's advantage!

Those projections are based on average national costs, which usually are less than California's, so the seat now held by Pete Wilson, which will be contested then, will be at prices predictably higher. Incredibly, in the following term, increases will continue, quadrupling again over the present quintupled costs.

Aside from disproportionate inflation in the cost of politics compared to all other inflation components as a problem is the source of the money.

Contributions from special-interest political action committees—ironically envisioned as a Watergate-era campaign reform—are increasing faster than campaign costs. That means that contributions from individuals and groups within a district are becoming proportionately less of a candidate's war chest and interest.

To mitigate drawbacks, many solutions have been suggested. Naturally, there is disagreement on such issues as public financing, the so-called "millionaire's loophole" (the ability to use one's own money in a campaign without limit), mandated TV ad rates, etc.

Opponents of S2 have begun a filibuster—a non-stop debate—literally not letting the other guy get a word in edgewise: no meaningful give-and-take debate, no votes, no solution, no end to it.

Thus, we have the world's greatest deliberative body—as the Senate likes to bill itself—crippling itself.

It does not matter what side one takes on this issue. The issue does not even matter in the larger sense.

What matters is that despite the heroism with which filibusterers characterize themselves—voting and civil rights, Vietnam, fair housing and states rights are issues that come to mind that were subjects of a filibuster—it essentially is an undemocratic procedure designed to stifle the expression of differing points of view and votes on them.

The Senate should cease demonstrating the antithesis of all it thinks it stands for. Filibusterers should have the courage to allow a vote up or down on S2's considerable merits and amendments that may be offered as compromise solutions to some of its problems.

If senators don't deserve this basic courtesy of democracy, citizens do.

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[From the Bangor (ME) Daily News, June 18, 1987]

### CAMPAIGN FINANCING

Senate Democrats and Republicans are haggling over competing campaign finance reform plans in what is described as the best opportunity in years to get things changed. They should get together and design meaningful bipartisan reform. It's about time.

The campaign-financing problem is not that politicians are accepting bribes in briefcases. Rather, they're openly accepting huge campaign contributions from special interest groups, which, in effect, buy access to their offices, and drive up the cost of campaigning by quantum leaps. Frequently, the money comes from wealthy out-of-state

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organizations representing narrow special-interest groups, not local folks.

The impact is evident:

Senate winners in 1986 spent an average of $3 million, five times higher than a decade previously. During the same period, Senate PAC donations increased by a factor of nine.

Meanwhile, almost half the members of the U.S. House of Representatives got half of their money from PACS in 1988 (both of Maine's representatives received less), with the vast majority of the funds going to incumbents.

The Democrats' plan, co-sponsored by Sen. George J. Mitchell, makes a comprehensive stab at serious reform. It asks candidates to place a lid on their campaign expenditures, and to further limit their take from the political action committees. In return, they get public funding for a portion of their expenses, the limit depending on the voting population in their states. The system is voluntary, and it conforms to U.S. Supreme Court rulings.

In Maine, Senate candidates would be able to raise $190,950 from PACs, and spend up to $950,000 overall. Compare that to the 1984 Senate election in which Sen. William S. Cohen raised $417,657 in PAC money and spent $1,007,359 overall. Or compare it to the 1982 election in which Sen. George J. Mitchell raised $562,253 in PAC money and spent $1,208,026.

The new limits obviously would mean candidates would have to raise more money from the grassroots, and spend less on slick TV spots and other high-tech gimmicks. The new limits would slow the rise in campaign costs. And, most important, they would lessen the perception that politicians are being bought off by special interests.

The Republican alternatives don't deal with reform in as comprehensive a way. For example, they rule out spending limits on the premise they would favor incumbents, who are already much better known than challengers. This is not what has occurred with public financing of presidential campaigns, however. Since 1976, two of the first three challengers to incumbent presidents won their elections.

One of the Republicans bills purports to ban PAC spending altogether, but it leaves a big loophole in the practice of "bundling." That occurs when PACs channel individuals' checks to candidates in a way that doesn't count toward the PACs' own donation limit. Such a half-hearted approach to change is unacceptable.

Public financing would be paid for by doubling the campaign income-tax checkoff from $1 to $2. The $50 million price tag for a cleaner campaign system would be relatively cheap. As Common Cause Chairman Archibald Cox points out, that's less than what Congress spends on military bands. How much is too much to clean up Congress' image, and slow down the rise in campaign costs?

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[From the Boston (MA) Globe, July 5, 1987]

### Campaign-Finance Curbs

The U.S. Senate spent much of last month debating S. 2, the Senatorial Election Campaign Act of 1987, which would provide public funds for willing Senate candidates and limit political action committee money for all.

The Senate has spent time on the issue largely because the majority leader, Sen. Robert C. Byrd (D-W.Va.), believes that "our electoral system is in crisis and badly in need of overhaul."

The minority leader, Sen. Bob Dole (R-Kan.), believes that the Republican Party, as it approaches the post-Reagan era, will be in crisis if its ability to spend money is limited. He has supported a filibuster against S. 2 with some lame rhetoric: "Why are we not addressing soft money? What about all the phone banks that organized labor uses in Democratic campaigns?"

Dole complains that "Putting on a campaign-expenditure limit is, in effect, putting a brake on our growth in certain parts of the country." Can Republican ideas flourish only regionally? Dole insists that "we are not trying to drive true volunteers off the political scene," but big money fuels big consultant fees and consultants find volunteers a nuisance.

Sen. Phil Gramm (R-Texas) says, "There is something very un-American about the whole approach" to public funds. It was not un-American when President Reagan agreed to accept voluntary limits in 1980 and 1984. The president obviously thinks that Republican ideas are strong enough to do without millions in advertising fertilizer.

Dole—who will soon be accepting "un-American" public funds for his presidential campaign—has made this issue a partisan test, along with Sen. Bob Packwood (R-Ore.) and others who are ignoring the real strengths of their own party.

Curbing big money was one of the final efforts of Barry Goldwater before he retired from the Senate. Goldwater, like Reagan, had the courage of his convictions. Only two Republicans, Sens. John H. Chafee of Rhode Island and Robert T. Stafford of Vermont, have voted to stop a filibuster aimed at protecting their party's money advantage. They are beginning to look wiser each day.

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[From the Boulder (CO) Daily Camera, July 7, 1987]

### Limit Campaign Spending

Sponsors of a Senate bill aimed at congressional campaign finance reform have offered an alternate plan in an effort to shut off a filibuster led by Senate Minority Leader Robert Dole, R-Kan.

Noting that many senators have claimed to be in favor of campaign spending reform but have problems advocating public financing, sponsors, led by Sen. David Boren, D, Okla., altered their proposal to restrict public financing to just the cases where candidates attempt to "buy" an election.

Sen. Dole and others blocking consideration of the original S.B. 2 have repeatedly said that they haven't heard a demand from the folks back home for taxpayers to pick up the cost of congressional campaigning.

Responding to the substance of the complaint, Sen. Boren and Senate Majority Leader Robert Byrd, D-W.Va., last week proposed a compromise. The new proposal would rely on campaign spending limits established on the basis of population, and would limit aggregate political action committee spending in each race.

Public financing would be provided only in instances where candidates violate the legal limits in an attempt to overwhelm their opponents.

This is a serious compromise on the part of the sponso2s of S.B. 2, in our opinion. It removes a valid objection—that public financing might add too much in new expenses at a time when the most pressing issue facing the country is the mounting national debt. Given a good-faith effort on the part of those seeking office, the new reform measure should cost very little. At the same time it would stop the runaway cost of campaigning and end what has become a national scandal of PAC-controlled politics.

In a recent editorial, the Washington Post pointed out that the average campaign for the Senate now costs around $3 million. That means that an incumbent has to raise almost $10,000 a week for his entire term of office to meet the competition. The National Journal has reported that at the end of 1986, four Senate incumbents had raised $1 million each for their 1990 campaigns. Three other incumbents had already raised over $700,000 for their 1990 campaigns.

Surely the demands of such heavy money raising cut into the quality of performance in office. The Senate can end this treadmill of wasted effort by voting to end the filibuster on campaign finance reform when it comes up later this week. The bill's sponsors have earned a full debate on the measure with their new and better proposal.

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[From the Bozeman (MT) Daily Chronicle, June 23, 1987]

### Limit PAC Influence

#### SENATE CAMPAIGN BILL A GOOD STARTING POINT

Every so often Congress comes face-to-face with its own self interests and the resulting battles are typically severe and protracted.

That's the case today as the U.S. Senate wrestles with a bill designed to curb campaign spending and reduce the influence of organizations that dole out cash to their favorite politicians.

The bill would set voluntary spending limits in Senate races and give Senate candidates public campaign funds in return for staying within those limits. The bill would place a limit on the total amount of contributions a candidate could receive from political action committees, or PACs.

According to Common Cause, had the Senatorial Election Campaign Act been law during the 1986 Senate elections, PAC contributions to candidates would have been slashed from nearly $29 million to $10 million.

If the bill had been law during the 1985-86 campaigns, Idaho Sen. Steve Symms would have been allowed about $191,000 in PAC contributions instead of the $1.36 million he reportedly received.

The bill, in spirit, is a step in the right direction and away from the ritual money chasing that has become a hallmark of congressional campaigns.

The hunt for PAC donations not only gives incumbents a tremendous advantage and sends campaign costs skyrocketing but it encourages public suspicion about the strings attached to such massive donations.

Although there is much lipservice sympathy for the idea of lowering campaign costs and reducing the potential for scandal, the finance reform bill is being effectively stalled by Senate Republicans.

One problem with the bill, critics say, is its use of public tax dollars for campaigning. The money would be offered as an incentive to candidates who voluntarily limit PAC receipts. There may be room for compromise on that point—candidates could be given mail privileges instead of cash, for instance—but the use of some form of public incentive to reduce PAC influence may be necessary.

But the major GOP objection the campaign finance bill has nothing to do with tax dollars or public policy. The sticking point is politics.

The problem, Republican critics say, is timing. Limits on campaign spending couldn't come at a worse time for the GOP minority which naturally wants no limits placed on the amount of money it feels it needs to spend to recapture control of the Senate.

In effect, the proposed spending reforms would give Democratic incumbents the upper hand in keeping their majority, Republicans argue. Would Democrats be so willing to limit PAC contributions if they were in the minority?

While there may be some short-term validity to the GOP complaint, that purely political argument could be used to effectively kill any move to get campaign spending under control. One party or another will always be in the minority.

Congress has to start somewhere and now is as good a time as any.

Only the most naive believe that money has little influence on political decisions. That influence must be controlled and the Senatorial Election Campaign Act is a worthwhile place to begin the job.

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[From the Brookings (SD) Daily Register, June 5, 1987]

### A Dubious Distinction

This past fall, South Dakota finished first in something, but it was a rather dubious distinction.

To get your vote in the race for the Senate, Tom Daschle and Jim Abdnor combined to spend more than $25 per vote, more than double the previous per-vote spending record set in 1984 in the race between Sen. Jesse Helms and Gov. Jim Hunt in North Carolina.

More than $7,000,000 was spent electing a senator from South Dakota!

The Daschle-Abdnor confrontation was only one example of how public trust in our election system is being undermined by big money interests who invest huge sums of money to curry favor with candidates.

It's understandable that voters are starting to wonder if their candidates are being bought and paid for by the special interests.

The process of raising and spending such huge amounts of money is what was in question this week as the Senate began debate on a bill to limit campaign spending.

In a statement made in April, Daschle said, "More than any other single facto2 it is this almost unlimited funding that is a problem. If we are ever to get a handle on the multiple maladies that afflict our campaign financing system, our very first step must be to limit spending."

That is what Senate Bill 2 is designed to do.

S-2 is the Senatorial Election Campaign Act which was introduced by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va. It's the first comprehensive campaign finance reform bill sent to the full Senate since 1977.

The bill provides a system of public financing for Senate elections. It would require candidates to limit their total spending in both the primary and general elections in return for being eligible to receive public funds to finance their general election campaigns.

In South Dakota, that limit would be $950,000 on the general election per candidate and $636,500 in the primary.

That limit of $1.6 million is well under half what both Daschle and Abdnor spent in 1986.

That extra $2 million allowed the candidates to go far beyond what was necessary to get their messages to the voters of South Dakota. There was so much money in the two campaigns that they almost couldn't spend it all.

In the last few weeks, the money which was burning a hole in the pockets of the candidates was used to burn their opponents with negative advertising.

The presence of big money throughout the campaign created another problem for the candidates. The candidates had to spend an inordinate amount of 4ime trying to get those big bucks into their coffers.

That meant hours and hours on the phone and in meetings courting the big money people. Now even the most naive must wonder what promises had to be made to get that money.

The second important part of S-2 is a limit on how much money a candidate can accept from political action committees.

The limit in South Dakota would be $190,950.

For example, if S-2 had been in effect during the last election, the PAC receipts of Daschle would have been cut a whopping $971,000; for Abdnor, the cut would have been equally dramatic at $892,000.

We don't need to spend $7 million to get the message of candidates to the people of South Dakota.

If we don't limit campaign spending soon, what the voters of our state think won't much matter anymore.—Doug Anstaett, editor and publisher.

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[From the Buffalo (NY) News, July 5, 1987]

### Congress Should Adopt Election Spending Curbs

A sorely needed measure to reform congressional campaign financing is bogged down in the Senate—thanks to filibustering by misguided Republican opponents.

The bill, sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., is modeled on the successful method of funding presidential campaigns and would provide partial public funding for Senate candidates who agree to abide by voluntary spending limits.

It would also restrict the total amount of money a candidate can accept from political action committees (PACs) set up by a wide assortment of special interest groups.

Public financing of campaigns has its drawbacks, but it is the only practical way of getting candidates to accept campaign spending limits. The Supreme Court has ruled out mandatory limits on campaign spending as an unconstitutional infringement on the right of free speech, so any limits must be voluntary.

The significant fact is that public funding has worked very well in controlling spending and restraining the influence of private money in presidential elections.

The need for a similar plan for congressional campaigns is clear. The cost of these campaigns has reached vast proportions, and the growing dependency of candidates on PAC dollars, in particular, ought to alarm every citizen who recognizes the potentially corrupting nature of special interest financing.

Sen. Boren pointed out that the average cost of a successful Senate campaign has soared from $600,000 to more than $3 million in just 10 years. One consequence, as he noted, is that senators must spend more and more of their time, not on representing their constituents and working for the country, but simply on rising campaign funds.

"At this rate," said Boren, "a newly elected senator will have to raise more than $40,000 every single month of his or her six-year term just to fund a re-election race in 1992."

The surge in PAC contributions is no less worrisome. Common Cause, a leading proponent of campaign financing reform, stressed that PAC contributions to Senate candidates have grown from $5 million in 1976 to $45 million last year. One out of four senators received $1 million in PAC funds.

There is no excuse for Congress to continue to hide from this problem. In the words of Common Cause President Fred Wertheimer, the public financing bill now before the Senate is fair legislation "that will limit campaign spending and the undue influence of political money in Congress while allowing for competitive elections."

Unless its supporters make their feelings known, however, effective campaign reform is likely to remain buried under an continuing avalanche of special interest dollars.

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[From the South Idaho Press, Burley, ID, June 14, 1987]

### Effort On To Cut Power of PAC's

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for reelection and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are cosponsors of legislation to curb political action committees (PACs) and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record

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$130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

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[From the Burlington Free Press, Burlington, VT, June 16, 1987]

### DEMOCRATS' BILL TO BLUNT PAC'S WORTH PASSING

Even in Vermont, where the cost of a seat in the U.S. House or Senate is notoriously low by national standards, entirely too much money is being spent on political campaigns.

Excessive spending is fueled by more and more cash from political action committees, or PACs. As the power of government to regulate private interests has grown, so has the appetite of those interests to win and keep friends through judiciously distributed campaign contributions.

For the first time in more than a decade, Senate leaders appear to be serious about campaign spending reform. Democrats have written a bill worthy of passage not because it is ideal, but because it goes about as far as Congress can be expected to go on an issue so dear to every member's heart.

The Democrats would offer public funding to any Senate candidate who accepts spending limits, and would set a limit on PAC contributions to candidates and national political parties.

Republicans complain the Democrats want to pick the taxpayer's pocket to finance their own re-election and have blocked action on the bill. But what have the Republicans offered in return? Their own proposals are mere tinkering with the size of individual contributions.

Public financing might not be anybody's first choice. But a U.S. Supreme Court ruling has made mandatory spending limits unconstitutional. Voluntary limits offering the carrot of public funding seem to be best remaining choice.

It could be argued, in fact, that the Democrats didn't go far enough. Their proposal would not so much reduce campaign spending, as put a limit on future increases. (Under the proposed rules, a candidate could still spend more than $8 million on a campaign in California).

Nor would the bill necessarily work to an incumbent's advantage, at least in Vermont. Here, the bill would limit each candidate to about $1 million on the general election (plus, another $650,000 in the primary).

Last year, Sen. Patrick Leahy, D-Vt., spent $1.6 million defeating Republican Richard Snelling (who spent $1.2 million). Leahy was also much more dependent on the PACs, which kicked in more than 40 percent of his funding. The new law would limit him to 30 percent of the primary election spending limit.

The cost of running for federal office in the United States has doubled in the last 10 years. If the cost is not to double again, if elections are not to be buried in an avalanche of special interest money, if candidates are not to spend more time talking to out-of-state fundraisers than to their voters, Congress must seize the opportunity offered by the Democratic proposal.

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[From the Nevada Appeal, Carson City, NV, July 2, 1987]

### ELECTION FINANCE REFORM NEEDED

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance.

It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kan., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PACs.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessa2ily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PACs wield as a prime source of campaign financing.

In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits.

The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court.

If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster.

In doing so, they would be helping restore the integrity of our representative form of government.

(Appeal editorials are the opinions of the newspaper's editorial board. All other opinions expressed on the Opinion page are those of the artist or author indicated.)

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[From the Chandler (AZ) Arizonan, May 29, 1987]

### CAMPAIGN FINANCE REFORM DUE

The Senatorial Election Campaign Act has cleared the Senate Rules Committee but faces the roadblock of a Senate filibuster unless integrity wins out over greed in the hearts of some members of the Senate.

The bill, known as the Boren-Byrd amendment, would place overall voluntary spending limits on senatorial campaigns and limits on the amount of political action committee contributions a candidate could accept.

Among those in opposition to the campaign finance reform act are such big-gun PACs as the American Medical Association and the National Association of Home Builders.

Supporters of the legislation include the American Association of Retired Persons and the International Association of Chiefs of Police.

Senate opposition already has set up a ruse in the amendment introduced by Sen. Todd Stevens, R-Alaska. It is campaign finance reform in name only, and contains neither the spending limits nor the PAC contribution limits.

PAC contributions to Senate candidates have jumped from $5.4 million in the 1976 election to $45.7 million in the 1986 election. In the 1976 election it took an average of $610,000 to win a Senate race. In 1986 it took $3 million.

Election campaigns are too expensive and financed to too great a degree by PACs. The Senatorial Election Campaign Act is long overdue.

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[From the Chillicothe (OH) Gazette, May 28, 1987]

### CAMPAIGN ACT NEEDED TO CURB SPENDING

Money sets the world in motion, and politicians want all the action they can get.

Currently the full Senate has in its hopper the Senatorial Election Campaign Act which would put an overall spending limit and limits on the total amount of Political Action Committee contributions a candidate can accept.

The act, designated S. 2, has picked up momentum, winning endorsements by 65 national organizations, the support of 49 senators—only two short of the majority needed for passage—and according to a Gallup Poll the approval of a majority of the American people who feel campaign expense reform is long overdue.

So, what's the problem? Opponents vow to block action on S. 2 by filibustering. To end such a filibuster, 60 senators would have to vote for cloture, and that means S. 2 is in deep trouble.

The PACs, which invest millions in legislators to ensure favorable votes on their pet projects, are not about to take reform lying down. Without the leverage of virtually unlimited cash contributions, the committees would find their powers checked.

Congressional campaigning is costly; in the last 10 years overall expenditures on Senate races have increased fivefold from $38.1 million in 1976 to $178.9 million in 1986.

The reform act would clamp a lid on such outrageous spending. Candidates would be required to agree to limit total spending in both the primary and general election in return for which they would be eligible for public funds for the general election campaigns.

The electorate has a right to expect its senators and representatives to do the job for which they presumably have been elected. That is to govern. Not be the puppets of the money machines that churn out the wherewithal needed to keep them on the Congressional payroll.

[From the Messenger, Clemson, SC, June 5, 1987]

### CONGRESS PONDERS

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W. VA., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are co-sponsors of legislation to curb political action committees (PACs) and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987–88 election cycle would be set at about $181 million.

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress in the nation's history, the need for significant change is urgent.

Senate bill 2 will reach the floor of the Senate sometime in June. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Cleveland (OH) Plain Dealer, June 23, 1987]

### THE MUGGING OF S2

Everybody agrees that Congress needs to reform the system of financing campaigns. So why are Senate Republicans opposing that very effort? For three weeks (going on four) they have stalled action on a bill that would overhaul Senate campaign financing. They haven't offered any meaningful alternatives; they haven't raised any credible objections; they haven't offered any improvements. It is said that they are filibustering the bill, but they aren't. They're mugging it.

As written, the Senatorial Election Campaign Act (S2) would limit the total amount of money a candidate could receive from political action committees. It also would outlaw "bundling," a loophole through which PACs escape the $5,000 limit on their donations by delivering personal checks from PAC members. And it would establish voluntary spending limits for Senate candidates. As part of that voluntary limit, it would offer public financing to candidates who agree to the limits.

Arguments against the bill are difficult to pin down, largely because they are difficult to make. The Republican refrain has been, simply, that public financing somehow is bad. That sounds especially strange, however, when you consider that the man leading the opposition is Sen. Robert Dole, who was the grateful recipient of almost $450,000 in public funds for his brief, 1980 presidential campaign, and who recently received certification for public funding for his 1988 campaign.

Does public financing somehow skew electoral return? Not so you'd notice. In 1976, a Democrat beat an incumbent Republican. In 1980, a Republican beat an incumbent Democrat. And in 1984, a Republican incumbent was re-elected. Rather than distorting the campaign process, public financing seems to even it out. And if it's good enough for the presidency, it should be good enough for the Senate.

Despite the obvious absence of credible reasoning, Republicans, have remained remorseless. Senate Majority Leader Robert Byrd and Sen. David Boren, two Democrats who are devoted to the idea of Senate campaign finance reform, have thus been forced to seek compromises. The one currently in the works is sensible enough: Candidates who agree to spending limits would receive no public funds unless their opponent spends beyond the limit. The incentive for restraint is clear. What Senate hopeful would want to trigger public funds for his opponent? You can niggle about what the formula for spending limits should be, and how best to cap aggregate PAC contributions. But if Republicans agree with the basic idea of spending limits and only object to public financing, then this compromise is indisputably fair.

The proliferation of political action committees and their shameless manipulation of the limits of what they can contribute has helped inflate campaign spending to nearly impossible heights. In the last congressional elections, 4,000 PACs contributed $130 million to candidates. Reform is essential, and the Byrd-Boren compromise, if worked out, should satisfy every reasonable objection. If Republicans continue to fight campaign reform, they will only perpetuate and magnify the common belief that the Senate is available only to the highest bidders.

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[From the Columbia (SC) Record, June 23, 1987]

### HOLLINGS—PAC BILL "DAMNDEST ARROGANCE"

The world's most famous (or is it infamous?) deliberative body, the United States Senate, has spent more than three weeks in inconclusive, partisan wrangling over a fundamentally sound piece of legislation, one which would bring about genuine campaign reform. Five times proponents have sought cloture to break a Republican-sparked filibuster and failed. It is time surely, to resolve the impasse and send the bill to the House.

The legislation, commonly called S.2, is co-sponsored by 45 Democrats and two Republicans. It establishes a system of voluntary public financing for Senate elections, an extension of the check-off system now provided on income tax returns for funding presidential campaigns. Equally important, the bill sharply restricts the amount of money candidates can spend and accept from political action committees (PACs). It would allow Senate candidates to apply for public funds if they meet certain requirements or restrictions. For example, they would have to limit total general election spending to a specific amount depending on the population of the state.

It should come as no surprise that both South Carolina Senators—Republican Strom Thurmond and Democrat Ernest F. "Fritz" Hollings—oppose the bill. Both have been big PAC beneficiaries in past re-election efforts. Thurmond received $549,000 in PAC funds in 1984, and Hollings got $952,382 in 1986. Under the pending bill, the aggregate PAC limit for the South Carolina primary and general elections would be $226,627.

Hollings calls the bill "the damndest arrogance I have seen around here." He and other critics of the bill claim the cost to taxpayers could run as high as $500 million every two years. Not so, argue the proponents, who point to figures worked up by the Federal Election Commission, the agency which would administer the legislation and handle distribution of public funds to Senatorial candidates. The commission estimates the price tag in '88 at a relatively modest $87.3 million.

There is an arrogance in the way this nation conducts its political campaigns. It comes not from bills like S.2. It emanates instead, from PACs whose monetary impact on congressional candidates reached a record $130 million in '86, more than 10 times the amount spent in 1974.

Two years ago, the Commission on National Elections said public financing of presidential elections "has clearly proved its worth by opening up the process (and) reducing undue influence of individuals and groups." S.2 is the next logical step.

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[From the Cumberland (MD) News, Aug. 1, 1987]

### CAMPAIGN CASH CONCERNS SENATE

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kan., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limit and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PACs.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

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Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

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### Campaign Financing—Senate Republicans Should End Filibuster

Whether congressional candidates compete on the basis of their ideas or on the basis of their fund-raising abilities is likely to be determined by what happens to a campaign finance reform bill now tied up in the U.S. Senate.

For more than a month, a Republican filibuster has blocked consideration of the measure, which is aimed at reducing the inordinate influence of special interest donations in congressional races and reining in the huge amounts of money that candidates need to spend in order to get elected.

Now, in an effort to end the filibuster, Senate Democrats have offered a compromise that addresses the concern that many Republicans has expressed about the system of public financing called for in the original bill. No longer would senatorial candidates be encouraged to use public money.

Under the proposed compromise, public financing would become the exception rather than the rule. A senatorial candidate would be entitled to such money only when an opponent exceeded the measure's suggested spending limits.

That's reasonable. Those Republicans who are committed to holding down spending in campaigns have no grounds for delaying consideration of the important legislation any further. They should end their filibuster and allow a vote by the full Senate.

Ten years ago, another filibuster killed campaign finance reform legislation. Since then, special interest donations have increased from $5.4 million to $45.7 million, and spending in Senate campaigns has soared from $38.1 million to $178.9 million. The nation simply cannot afford another successful filibuster.

The growing influence of special interest groups in Congress threatens the public's fundamental right to set the legislative agenda. And the rapidly climbing cost of campaigning not only discourages many talented men and women from entering politics, it forces officeholders to spend too much time raising money and to neglect their paramount business of lawmaking.

The reform legislation now before the Senate would attempt to restore the public's faith in its elected officials by limiting the overall amount of money a congressional candidate could accept from special interest groups and by encouraging Senate candidates to abide by prescribed spending limits.

Contrary to what critics say, limiting what candidates could spend would not punish challengers and reward incumbents. If anything, the present system of ever escalating campaign expenditures is making it increasingly difficult for challengers to raise enough money to defeat incumbents.

The sooner the Senate can break its deadlock over campaign finance reform and approve some meaningful legislation, the sooner it will ensure that congressional candidates devote their time to debating the issues rather than soliciting funds. Further delay only would add to the public's disdain.

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[From the Dallas (TX) Times Herald, June 14, 1987]

### Time to Send PACs Packing

One of the top priorities of Congress should be the reform of campaign financing, which has become a disgrace through its overdependence on political action committees. A bill now being debated in the U.S. Senate would impose limits on the total contributions allowed from PACs and provide for public financing of Senate campaigns.

The merits of this legislation are so apparent that it has 44 sponsors. But a small group of senators has promised to filibuster the bill into oblivion. Senate Majority Leader Robert Byrd is leading the effort to stop the talkathons with a petition to limit debate on the issue.

Neither senator from Texas can be counted on where this issue is concerned.

Sen. Lloyd Bentsen, who scrapped his $10,000-a-head, fat-cat breakfasts under public pressure early this year, is having trouble supporting the public-financing aspects of the legislation.

Sen. Phil Gramm, R-College Station, voted against similar legislation introduced last year by Sen. David Boren, D-Okla., who refuses to accept any PAC contributions. Sen. Gramm vehemently opposes using public funds to pay for campaigns. The estimated $50 million annual cost of public financing for Senate races would be paid for with a voluntary $1 tax checkoff. An overwhelming majority of taxpayers already have volunteered to pay the $1 per year for presidential campaigns.

The current process is far more expensive in terms of the valuable time allotted by members of Congress to raising large contributions from special-interests groups, the bad legislation passed at the behest of those groups and the hidden costs those special interests pass on to taxpayers in the form of industry tax breaks and consumer charges. Ultimately, every taxpayer and voter pays for those PAC gifts.

Those who oppose the reform measure should realize they are siding with what Common Cause President Fred Wertheimer calls a "fundamentally corrupt campaign finance system."

Each Senator's stand on this issue reflects his concern about the continuing loss of taxpayer influence in the face of growing PAC power. Voters should remember where each senator stood on this issue at election time.

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[From the Danbury (CT) News-Times, June 18, 1987]

### Campaign Financing

The U.S. Senate seems unable to move forward on reforming the way campaigns are financed, so strong is the lure of the big bucks donated by political action committees.

Legislation now stuck in the Senate would limit the total amount of PAC money any congressional candidate could accept and would establish a voluntary system of spending limits, together with partial public financing, in Senate races.

The bill would create a new world for congressional candidates, ending their dependence on wealthy special interest groups and giving challengers a better opportunity to compete with the incumbents who attract most of the PAC money.

The need for reform is clear. PACs poured more than $130 million into 1986 congressional races—a six-fold increase from a decade ago. Twenty-four U.S. senators received more than $1 million each from PACs during their last election. And almost half of all House members received 50 percent or more of their campaign money from PACs in 1986.

That means when PACs talk, congressmen and senators have to listen. Voters are no longer the primary consideration, getting money from PACs is. And the injection of PAC dollars has encouraged higher and higher spending on campaigns.

It is a system that, as former Sen. Barry Goldwater says, "eats at the heart of the democratic process." This must be the year it is stopped.

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[From the Danville (PA) News, June 4, 1987]

### Congress Ponders Its Own "Filthy Lucre"

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for reelection and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are co-sponsors of legislation to curb political action committees (PACs) and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime in June. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Daytona Beach (FL) News-Journal, June 15, 1987]

### Senate PAC Limits Bill Deserves a Chance

Campaign finance reform, off to such an unexpectedly brisk start at the beginning of the session, has become bogged down in the obstructionist tactics of a group of Republican senators. A filibuster was still continuing Friday against a plan to limit contributions from Political Action Committees (PACs) and place caps on campaign spending in U.S. Senate races.

When the bill was introduced at the start of the session, it had 47 co-sponsors including Florida's senators, Lawton Chiles and Bob Graham. At that time, the memory of the 1986 senatorial elections was still fresh and provided a powerful argument in favor of the bill. The average winning senate campaign cost $3 million that year. In Florida, the race between Sen. Graham and Paula Hawkins cost more than $12.5 million.

When elections cost this much, fundraising is the No. 1 campaign priority; anything else—such as getting out to meet the voters and talking about the issues—is secondary. In campaigns that expensive, a PAC is a senator's best friend. PACs spent $45.7 million in the 1986 senate elections. When special interests pick up such a large tab, they must expect a great deal in return.

The senatorial campaign act would help remedy the situation by regulating campaign spending in Senate campaigns the way presidential campaign spending is regulated.

The bill provides for public funding for campaigns. In exchange for accepting public funds, a candidate would have to agree to set campaign spending limits which would vary from state to state depending on its size. The funds would come from a voluntary tax check-off such as the one now used for presidential elections.

An individual PAC would be able to give no more than $3,000 to a candidate and a candidate would be limited to receiving between $175,000 and $750,000, depending on the size of the state.

Some have tried to head off this needed reform by proposing that PACs simply not be allowed to make contributions to individual senators.

On the surface this sounds like a step forward. In practice, it means PACs could pass along more money than they do now. Although PACs would be forbidden from making donations themselves, they would be able to pass along members' checks to candidates. This bill would change only the mechanics of collecting money. PACs currently are limited to contributing $5,000 per candidate each election. This misleading proposal would remove even that limitation.

It would be a pity if obstructionist tactics and phony "reform" bills derail this reform. Last November's senate elections highlighted how fundraising has gotten out of control. Unless this bill is passed, future elections promise the same problems on an even larger scale: more media campaigns, a larger role for special interests, and a voting public that is more turned off and alienated than ever.

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[From the Denison (TX) Herald, June 19, 1987]

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[From the DuBois (PA) Courier-Express, June 30, 1987]

### Campaign Monster

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kan., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PACs.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PACs wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme

Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

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[From the Du Bois (PA) Courier-Express, May 28, 1987]

### Congress Has Money Scandal of Its Own

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[From the El Dorado (KS) Times, July 9, 1987]

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[From The Eugene (OR) Register-Guard, June 14, 1987]

### Real Reform Needed

Once it dispenses with such parliamentary gamesmanship as a filibuster over the issue of campaign finance reform, the U.S. Senate will be presented with two choices:

(1) Genuine, get-to-the-heart-of-the problem reform, or . . .

(2) Cosmetic change aimed only at stopping real reform.

While the Senate's choice appears easy, it isn't. Politicians are less than eager to change a campaign system that has installed them in office and keeps them there. But, praise be, there are senators—49 at last count—who apparently are ready to halt the skyrocketing cost of campaigns and eliminate the stench of special interest money that accompanies it.

The effort at genuine campaign finance reform is sponsored by Sen. David Boren, D-Okla., Senate Majority Leader Robert Byrd, D-W.Va., and 47 co-sponsors. The Boren-Byrd proposal seeks a limited form of public finance for congressional races—similar to that now used in presidential campaigns—with a concomitant lid on how much political action committees (PACs) can contribute singly or in groups to an individual candidate. (For First Amendment reasons, the U.S. Supreme Court has said that limits can be placed on campaign spending and contributions only if accompanied by a system of public finance. The Boren-Byrd proposal appears to meet the court's test.)

The other choice facing the Senate is one put forth by a group of Republicans, led by Oregon's own Bob Packwood. Packwood, who received more than $1 million for his 1986 re-election campaign from PACs, ironically proposes to ban all direct PAC contributions to candidates.

The senator's prohibition seems appealing but is little more than a smokescreen. He would still permit PAC contributions to political parties (which could in turn give the money to candidates) and he makes no attempt to solve the problem of "bundling." Bundling occurs when a group of PACs, each theoretically limited in the amount it can donate to a candidate, combines members' individual contributions into a much larger—and more influential—single donation.

Packwood has long opposed publicly financed campaigns. It is irrelevant whether that's because he thinks taxpayer-subsidized campaigns would discourage "volumtary grass roots participation," as he claims, or because he functions so well in the present system. What's important is that rather than fight the Boren-Byrd proposal head-on, he has chosen the oblique path of a gimmick-laden substitute.

It should be unarguable that huge campaign donations from special interests bring with them what The (Portland) Oregonian correctly describes as "real or implied obligations." The greater the amounts of money donated, the greater the obligations.

The current system is an abomination and must be reformed. The Boren-Byrd proposal is an attempt to do that. The Packwood proposal isn't. The Senate's choice should be clear.

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[From The Evansville (IN) Press, June 30, 1987]

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Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

We would prefer a much stronger bill, with tighter reductions on campaign spending. That probably won't happen, and the present bill offers at least the beginning of reform.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

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[From the Northwest Arkansas Times, Fayetteville (AR) June 11, 1987]

### Money Business

While the Iran-Contra hearings are grabbing all the headlines in Washington, other things are going on as well. On the Senate floor for consideration this month is Senate Bill 2, which would overhaul the current campaign financing system.

Common Cause, the national citizens lobby group, has been in the forefront in supporting the measure. Fred Wertheimer, president of CC, says the proposed measure contains two provisions essential to any meaningful, comprehensive reform of the system: "overall spending limits and limits on the total amount of political action committee contributions a candidate can accept."

The need to curb the spending of political action committees (PACs) is evident. Over the past 10 years spending in Senate races has increased almost five-fold, from $38.1 million in 1976 to $178.9 million in 1986. In a letter to all members of the Senate, Wertheimer noted if the currently proposed legislation had been in effect in the 1986 election PAC spending would have been cut by two-thirds, from $45 million to $16 million.

The bill would also establish a voluntary system of spending limits and limits on the use of personal wealth, a move that would help open elected office to those who may not possess massive personal wealth.

"By placing congressional office increasingly out of the reach of citizens lacking considerable financial resources or the ability to raise large sums from private sources," Wertheimer wrote, "and by demanding an enormous commitment to candidate's time and attention to fundraising activities, soaring campaign spending is changing the very nature of elections and our political process."

An amendment offered to S. 2 by Republican Senators Mitch McConnell of Kentucky and Robert Packwood of Oregon has been labeled by its supporters as a measure to eliminate PAC contributions. But does it?

Hardly. The McConnell-Packwood bill would instead lead to PACs changing their method of providing money to a congressional candidate and in so doing would open the door to PACs providing unlimited sums to a candidate.

What the amendment proposes is prohibiting direct PAC contributions to a candidate. It would, however, legitimize the practice of PACs bundling and delivering unlimited sums to candidates, collected by the PACs from individual contributors. All the PACs need do is make sure the checks are made out to the candidate rather than the PAC. The process is called "bundling." What the so-called reform amounts to is simply a change in the mechanics of money-funneling the PACs are famous for.

S. 2, without the McConnell-Packwood amendment, would close the bundling loophole, would restrict the role of PAC money, limit the skyrocketing cost of campaigns and reduce the enormous amount of time being spent by candidates on fundraising. It deserves support.

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[From the Fresno (CA) Bee, June 19, 1987]

### Talking Reform To Death

Republicans in the U.S. Senate are attempting to kill by filibuster a much-needed bill to reform the way senatorial campaigns are financed. In response, Senate Majority Leader Robert Byrd, a chief sponsor of the bill along with Sen. David Boren of Oklahoma, is threatening to keep the measure on the floor indefinitely.

Byrd and the Democrats should hold firm, even though it may prevent action on major trade and defense spending bills. The Republicans' demands that partial public financing of campaigns and limits on campaign spending be eliminated would render the bill meaningless. The Supreme Court in 1976 ruled, in effect, that spending limits can be established only as part of a voluntary system that includes public financing—the essence of the Boren-Byrd bill.

In an effort to compromise, Boren and Byrd recently offered an amendment that would cut the amount of public financing—and hence the cost to taxpayers—by at least half. The amendment also makes further attempts to limit the influence of political action committees by providing public matching funds only for contributions from individuals, to a maximum of $250.

Still, the Republicans have been unwilling to budge. Republican Leader Robert Dole claims that public financing of senatorial campaigns would be "an assault on the Republican Party" and "an assault on the taxpayer."

What Dole neglects to mention is that public financing of presidential campaigns, enacted in 1974 in the wake of the Watergate scandal, has worked well and has been used by 34 of 35 major party candidates who have sought the presidency. In 1985, the bipartisan Commission on National Elections concluded that it "has clearly proved its worth in opening up the process, reducing undue influence of individuals and groups, and virtually ending corruption in presidential election finance." Dole himself just became eligible the other day to receive public matching funds in his campaign for the presidency.

Of course Republicans tend to have a somewhat greater capacity for raising large chunks of private money. But that kind of money can hardly be regarded as one of the glories of the democratic process. The issue here is not partisan politics, it's the integrity of the political system.

The current system is corrupting. The skyrocketing costs of senatorial campaigns force incumbents to begin raising money almost as soon as they're returned to office. Challengers begin the quest for cash more than a year ahead of time. The bulk of the money comes in big chunks from political action committees and other special interests, which give it in expectation of favorable treatment. Too often the big contributors get what they seek.

While the Boren-Byrd bill won't solve all the problems, it will help restore some credibility to the system. For that, it's worth the fight.

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[From the Gainesville (FL) Sun, June 30, 1987]

### The GOP Obstructionists

In years past, many southern Democrats in the Senate were known to embrace the filibuster, using long-winded speeches to postpone or prevent a vote on legislation they opposed. Integration and equal rights legislation come to mind as examples.

Now it's the Republicans who are trying to talk a bill to death. Their efforts are as unbecoming as the Southern Democrats' efforts to delay equal justice for all. The bill now being filibustered seeks to remove the valid impression that Congress has a price. Or, as Florida Sen. Lawton Chiles said: "A large part of the American public thinks this Congress is the best money can buy."

The bill is entering its fifth week of debate. Its major provisions are:

Candidates would receive federal funds to help finance campaigns, provided they limited contributions from political actions committees.

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Contributions from PACs could not exceed $175,000 to $750,000, depending on the size of the state.

Maximum individual contributions to PACs would be reduced from $5,000 to $3,000.

Archibald Cox, chairman of Common Cause, a public interest lobby, said high campaign expenditures "drive the candidate to seek money from special interests seeking favors from government. Senators and representatives become less responsive to the people as their campaigns become more dominated by PACs."

In 1986 races, PACs favored incumbents over challengers by a ratio of 6 to 1. Since 1978, the number of representatives receiving more than half their contributions from PACs has more than tripled.

Republican opponents argue that tax money shouldn't go toward congressional elections. But Cox puts the amount in perspective: "The annual cost of (the campaign-reform bill) is a small price to pay the annual representative government—one-third the annual amount appropriated by Congress for military bands."

Sen. David L. Boren, D-Okla., the bill's chief sponsor, said the pursuit of election funds has turned congressmen "into panhandlers; begging for money, spending their time raising money instead of dealing with problems."

The Republican effort to allow unlimited campaign spending has brought the Senate's business to a halt. Florida's two senators—Chiles and Bob Graham—supported a recent attempt to end the fillibuster, but it failed by eight votes.

The filibuster should end. Americans have the right to know which of their representatives want to continue to be panhandlers and beggars, more concerned with raising money to extend their terms in office than dealing with problems.

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[From the Gardner (MA) News, June 19, 1987]

### CONGRESS PONDERS ITS OWN "FILTHY LUCRE"

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for reelection and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are co-sponsors of legislation to curb political action committees (PACs) and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would affect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime in June. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Great Falls (MT) Tribune, June 6, 1987]

### ELECTION SPENDING LIMITS ARE A MUST

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading.

But Congress is dealing with a semi-scandal of its own involving the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business.

Byrd and Sen. David Boren, D-Okla., are co-sponsors of legislation to curb political action committees (PACs) and limit campaign spending. As approved in committee, the measure would create a series of voluntary spending limits in Senate primary and general election races.

It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

The bill also would limit the House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom oppose public financing of campaigns. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would affect the status quo only slightly, it's reassuring that they recognize change is needed. Last year, political action committees tossed more than $130 million into the campaigns of senators. That is far too much influence, and everyone realizes it.

Byrd's measure will reach the floor of the Senate this month. As it looks now, the Democrats have enough votes to pass the bill, but they may not have the 60 votes needed to invoke cloture if the Republicans filibuster. We support the measure—but recognize it may be necessary to frame a compromise with its opponents.

A grass-roots suggestion: If Congress were to revoke its pay increase of last fall, the money saved would pay for at least part of the public funding of congressional campaigns.

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[From the Record, Hackensack, NJ, June 16, 1987]

### WHERE CASH IS KING

Senate Republicans are blocking the most promising effort in years to free Senate campaigns from the tyranny of wealthy contributors. These GOP obstructionists aren't doing any favors for themselves, their party, or their country.

Under the present system of campaign financing, cash is king. Candidates are forced to humiliate themselves by fawning over rich lobbyists, tycoons, and heirs. The cost of running for office is high enough to scare off, or disgust, candidates who might make a strong contribution to Congress. In California in 1986, the two Senate candidates spent $22 million; in Florida, $12.6 million. The only way many candidates can get in the game is to cozy up to political-action committees.

PAC's—campaign-financing organizations set up by real-estate developers, banks, chemical companies, and nearly every other special interest you can think of—are growing like mushrooms. In 1976 they contributed a total of $22 million to congressional campaigns. By 1986 the figure was over $130 million. Almost one out of every four members of the Senate, 24 of 100, took in more than $1 million in PAC money the last time they ran. Almost half the members of the House of Representatives, 194 of 435, got at least 50 percent of their money from PAC's in 1986.

Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., have a sensible proposal to limit both spending and PAC contributions in Senate campaigns. Spending would be tied to a population-based formula; in New Jersey, for example, the U.S. Senate candidates would have to keep their total spending—for both primary and general elections—below $4.8 million. This is considerably less than either incumbent spent on the last go-round—Bill Bradley $5.1 million in 1984, Frank Lautenberg $6.4 million in 1982. Total PAC contributions for both elections would be limited to $578,880. The present $5,000 ceiling on individual PAC contributions would be unchanged.

Candidates wouldn't have to accept these limits. But if they did, they could collect some of their campaign funds from the public treasury. Perhaps more important, they could escape being tagged as out to buy the election.

Republicans argue that the change would make it harder for a challenger to defeat a

well-known incumbent. This ignores the overwhelming support PAC's give incumbents now. It's also worth recalling that the first two incumbent presidents to seek re-election under the public-financing system already in place for presidential races, Gerald Ford and Jimmy Carter, both lost. And although Republicans grumble about the cost of public financing, it's a bargain at $50 million a year, to be financed by a voluntary tax checkoff. The price is worth paying to get people to stop snickering about candidates who do everything but dive off high cliffs to get money.

Senate Majority Leader Byrd says he's going to keep holding Senate votes on campaign financing until he gets it passed. In the end, he hopes, Republicans will realize they're wrong. If that's too much to hope for, they may realize that they're embarrassing themselves and the GOP. Only rich lobbyists could love the present system. And even a lot of lobbyist would be grateful if senators and would-be senators would stop putting the arm on them.

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[From the Hartford Courant, Hartford, CT, July 13, 1987]

### SENATORS TESTED ON ELECTION SPENDING

Do members of the Senate believe that congressional election spending and the role of political action committees in Senate and House compaigns have gotten out of hand? In an interview, most probably would frown with concern and say yes. Soon we'll see what they do when the question, in as basic a form as it's ever likely to take, comes to a vote.

A comprehensive, workable, fair and effective campaign finance reform package has been awaiting action in the Senate for more than a month. It would combine controls on what House and Senate candidates could take from PACs with a system of voluntary public financing linked to spending limits in Senate general election campaigns.

But a vote on the bill, which is sponsored by Democrats Robert C. Byrd of West Virginia and David L. Boren of Oklahoma, has been blocked by a Republican filibuster. Not even the considerable talents of Mr. Byrd, the majority leader, could work the measure free. Attempts to invoke cloture—supported by Connecticut's Christopher J. Dodd, a Democrat, but opposed by Lowell P. Weicker, a Republican—have come to naught.

So the sponsors turned to compromise, and have offered a substitute version of their bill. A cloture vote to clear the way for action on the new package could occur this week. Any senator who wants to reduce the huge and unhealthy role of money in congressional politics will vote for cloture and the bill.

The compromise amounted to removing the public financing provisions, with one exception: If a candidate who decided not to take part in the voluntary spending-limit system exceeded the limits established by the bill, the candidate's opponent would receive offsetting public money derived from a voluntary tax checkoff.

To induce candidates to accept the spending limits, the bill would give them special low rates for mailing and broadcast advertising. Nominees who rejected the limits couldn't get the low rates, and their rejection would have to be disclosed in advertising and other campaign materials.

When reform is badly needed, no compromise satisfies. Public financing remains the best way to reduce the influence of special-interest groups and to return campaign spending to reasonable levels. It has been highly effective in reforming the presidential campaign system and returning at least that sector of politics to the people.

But modest reform is better than none, and the substitute bill would do a lot of good. With the elimination of routine public financing—apparently the most objectionable part of the original bill in the eyes of many senators—the only credible explanation for a vote against cloture or the compromise package will be a desire to preserve the status quo.

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[From the Hartford Courant, Hartford, CT, June 9, 1987]

### DOES THE SENATE WANT REFORM?

You would be hard-pressed to find many members of the U.S. Senate who say they're unconcerned about the monetary saturation of congressional election campaigns. Today you may be able to learn how many senators want to translate purported concern into meaningful action by supporting effective campaign finance reform.

The Senate last week began debating a measure that would produce meaningful reform, a bill sponsored by David L. Boren, an Oklahoma Democrat, and Majority Leader Robert C. Byrd of West Virginia. It would dramatically reduce the role of political action committees in Senate and House elections—and thus the unhealthy influence of PACs in the making of the nation's laws. Most important, it would establish a system of public financing for candidates in Senate elections. That step is essential if the public interest is going to recapture the ground that special interests have managed to buy.

It was predictable that many members of Congress would resist any fundamental change in the vehicle that brought them to Washington, and sure enough, opposition has surfaced. Republican senators have criticized public financing as intrusive and offered several alternative campaign finance reform bills—most of them unworthy of the name. Fearing passage of the Boren-Byrd bill, which at last count had 47 co-sponsors, Republicans have threatened to block it by filibustering. A vote on whether to invoke cloture, thus stopping the delay, is expected to occur today.

Although the Republican bills contain some attractive ideas, they basically seem to be attempts to present an illusion of reform while preserving as much of the status quo as possible.

One measure, for example, would prohibit PAC contributions to congressional candidates, certainly a dramatic step. But the bill, offered by Sens. Robert W. Packwood of Oregon and Mitch McConnell of Kentucky, would allow PACs to continue donating to party committees and groups not linked to candidates. Since this money then could be used to help particular candidates, little would be accomplished.

Legislation offered by Sen. Ted Stevens, an Alaska Republican, would limit committee contributions to candidates but it would allow individuals to give more than they can now. Ostensibly it would deal with a loophole in the law that invites an abuse called bundling, in which PACs evade the legal limits on what they can give to candidates to encouraging and delivering individual contributions to them. But the Stevens measure only would require that bundled checks be made payable to candidates. That's authorization, not prevention.

Yet the biggest weakness in the GOP bills is that they don't squarely confront the root issue: the enormous, and rapidly growing, amount of money spent on congressional elections. About $38 million was spent on Senate races in 1976; 10 years later, almost $179 million was spent. A reasonable but firm cap on spending is indispensable, as is a total limit on what each candidate can receive from PACs. The Boren-Byrd bill has both, and a lot more.

If the Senate, to borrow a phrase from Sen. Edward M. Kennedy of Massachusetts, is serious about driving "the money lenders out of the temple of politics," it won't let a fillibuster, or the temptation of ersatz campaign finance reform, divert it from the real thing.

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[From the South Dade News Leader, Homestead, FL, June 3, 1987]

### CONGRESS PONDERS A FINANCING SCANDAL

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for reelection and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are co-sponsores of legislation to curb political action committees (PACs) and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

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The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime this month. As it looks now, Byrd has enough votes to pass the bill,

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but he does not have the 60 votes needed to invoke closture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Clarion-Ledger, Jackson, (MS), July 13, 1987]

### Finance Reform—Bills Encourage Fairer Campaigns

A comprehensive campaign finance bill has surfaced in the U.S. House of Representatives—a good sign that some reform will come from Congress soon.

The House bill would establish a voluntary system of overall spending limits and prescribe limits on the use of personal wealth in campaigns, along with providing partial public financing for House general election campaigns. It would also limit the total amount of political action committee contributions a congressional candidate can accept.

A host of members in the Senate, including John C. Stennis of Mississippi, introduced their plan for campaign finance reform last month, but have gained little ground due to a filibuster led by Republican conservatives.

The stall tactic forced supporters of the Senate reform bill to introduce a new proposal that limits campaign spending and puts and aggregate limit on the total amount of political action committee contributions which candidates may accept. The new proposal eliminates the controversial public financing for Senate elections, except in certain circumstances.

Both plans are fair and reasonable. The key is to limit campaign spending, which has gotten out of control, and to set confines on contributions from political action committees.

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[From the Clarion-Ledger, Jackson, (MS), June 12, 1987]

### Less Money—Controlling Special Interests

Campaign financing for candidates seeking election to the U.S. Senate must be reformed and the best improvement offered so far is through the taxpayer.

Sen. John Stennis of Mississippi is cosponsor of legislation before the Senate this week that would allow partial public financing of Senate elections, instead of heavy dependence on political action committees.

Stennis received $232,300 from political action committees during his 1983 campaign in which contributions totaled $994,000.

The reform measure, which was written by Sen. David Boren of Oklahoma, sets up optional public financing of political campaigns using a formula based on a state's population and setting various spending ranges for primary and general elections as well as runoff elections.

On the other end of the spectrum, Sen. Thad Cochran, also of Mississippi, says he supports more limits on media advertising and better disclosure of contributors to a candidate.

In his 1984 re-election bid, in which contributions totaled $2.8 million, Cochran received $969,739 from Political action committees.

The special interest groups are willing to spend the dollars and attract candidates who will likely feel indebted to vote for certain causes.

Reforms to dilute the strength of special interest groups are necessary. Stennis' legislation is a good beginning. Campaign financing must be changed.

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[From the Kenosha News, Kenosha, WI, July 7, 1987]

### Slay the Monster

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kans., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PACs.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PACs wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

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[From the Record-Courier, Kent-Ravenna, OH, June 30, 1987]

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[From the Valley News, Lebanon, NH, June 27, 1987]

### Campaign Spending

The most direct, and perhaps best, way to control the spiraling cost of campaigns would be to place a limit on donations from political action committees (PACs) and an overall limit on campaign spending. But that has been judged unconstitutional by the Supreme Court.

The second best way to slow the flow of cash into politics is to ask candidates to voluntarily accept spending limits by offering public financing as an inducement. Such a system has been used for presidential elections since 1974 and all but one of the 35 major party candidates have accepted public financing and limitations on campaign spending.

It is now time to bring the same sensible kind of reform to congressional campaigns. In 10 years, spending on Senate races has increased five-fold to $179 million. On average, a successful candidate for the Senate spends $3 million to get elected.

The Senate is now considering a bill sponsored by Sens. Robert Byrd, D-W.Va., and David Boren, D-Okla., that would place those types of limitations on congressional campaigning. The bill proposes to limit the total amount of PAC contributions a candidate may accept ($1,000,000 for House elections; between $191,000 and $825,000 in Senate elections, depending on the size of the state) and limit total campaign spending.

Common Cause, which has long fought for campaign finance reform, estimates that the bill would have reduced PAC contributions by two-thirds in 1986 Senate races. Sen. Patrick Leahy, D-Vt., for example, raised about $825,000 in 1986. Under the proposal, he would have been limited to $190,000.

There are several good reasons why PAC donations and overall spending should be reduced. Businesses, unions and industrial groups don't make campaign contributions out of generosity. They make them to gain political access. Judging from the steady increase in PAC giving, they apparently are satisfied with what they're getting.

PAC donations also tend to benefit incumbents over challengers. Incumbents are much more likely to win any given election and therefore hold more promise to make PAC contributions a good investment. And, because of the astronomical cost of running for office, politicians find themselves spending more and more time raising money for their next election than delivering on all the promises they made in their previous one. Limiting overall spending would take some of that burden off our politicians and give them more time to fulfill the responsibilities of their offices.

Although 49 senators initially supported the Byrd-Boren measure, a sizable opposition has since surfaced. Opponents, who are mostly Republican, have offered an alternative proposal that would change the mechanics of PAC giving but not affect aggregate amounts. They have also complained about the drain of public financing on the Treasury.

Democrats have responded with a couple of reasonable compromises: One that would limit public financing to 40 percent of the established limit for overall spending and another that would provide public financing only to a candidate whose opponent refused to accept the voluntary limits.

Right now, the Boren-Byrd proposal is going nowhere. It is locked in filibuster in the Senate. The same tactic was used in 1979, the last time a comprehensive campaign finance reform package was considered.

We hope the tendered compromise, the continued climb of campaign costs in the last eight years and, ultimately, concern for the integrity of Congress will make for a different outcome in 1987.

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[From The Leesburg Commercial, Leesburg, FL, July 4, 1987]

### Senate Should Adopt Proposal to Restrict Campaign Spending

The issue of political action committee financing of congressional races is being addressed by the Senate. It's about time.

In 1976, PACs contributed $5.4 million to Senate candidates. That's a big hunk of change, but that's all it is when compared to the $45 million donated to Senate races last year by PACs, with almost half of all senators collecting at least $1 million for their 1986 and future campaigns.

The growth of the PAC system has been detailed time and again, along with calls for meaningful reforms in campaign finance laws to eliminate PAC spending and influence. On the whole, Congress has ignored those calls, with proposals to limit or do away with PACs falling mainly on deaf ears.

Now, however, the Senate has a chance to begin meaningful campaign finance reform by supporting and refining a proposal from Senate Majority Leader Robert Byrd to limit campaign spending. Byrd's proposal ties campaign spending by Senate candidates to a state population on a voluntary basis, and limits House candidates to receiving no more than $100,000 from PACs.

Senate candidates not going along with the volunteer program would be limited to what he or she could receive from PACs. Also, Senate candidates could dip into the federal election fund for money to match what they receive in contributions of $250 or less.

In Florida, Senate candidates could spend up to $2.8 million on the general election. Considering that last year winner Bob Graham and loser Paula Hawkins spent about six times that much, the Byrd proposal could greatly reduce what's spent on Senate campaigns here.

There are some bugs that ought to be worked out of the Byrd proposal, such as the need to extend its coverage to primary races, making it mandatory instead of voluntary, and tying it into overall campaign finance reforms. But it is a good starting point, and one that enlightened members of the Senate, such as Graham and Florida's other senator, Lawton Chiles, support.

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[From the Lewiston (ID) Tribune, June 10, 1987]

### This Bill Won't Curb PACs' Influence

A Democratic Senate bill to curb campaign financing by political action committees, or PACs, is being countered by a Republican-sponsored bill to eliminate PAC contributions altogether to specific congressional candidates. Sens. Bob Packwood of Oregon and Mitch McConnell of Kentucky, who introduced the Republican measure last week, have said they do not necessarily believe the PACs are a bad influence on campaigns but that the public seems to think so—and that their role therefore should be restricted.

That is what they call in politics, these days, a case of smoke and mirrors. The Packwood-McConnell bill would in effect expand the role of the PACs while appearing to restrict it. This is how it would work, according to Fred Wertheimer, president of Common Cause:

"The impact that the McConnell-Packwood legislation would have on PAC money is perhaps best demonstrated by what occurred in Senator Packwood's 1986 reelection campaign. In that election, ALIGNPAC, a PAC representing insurance interests, gave Senator Packwood a $1,000 contribution made out from ALIGNPAC to Senator Packwood. At the same time, ALIGNPAC also gathered and turned over to Senator Packwood $215,000 in checks made out by ALIGNPAC's members directly to Senator Packwood.

"This controversial practice, known as 'bundling,' allowed ALIGNPAC to massively evade the $5,000 per election PAC contribution limit and to get credit for providing what was the equivalent of a $215,000 contribution form ALIGNPAC to Senator Packwood."

The McConnell-Packwood bill would prevent any PAC from contributing money directly to any candidate, but it would permit the PACs to give unlimited amounts to committees that could then turn the money over to specific candidates. And, as Wertheimer notes, PACs could collect checks from members in any amount, and the candidates would have no doubt where it came from. The influence of special-interest money on congressional campaigns would be expanded, not curbed.

This is the Republican answer to a Democratic bill that would reduce PAC influence on members of Congress by closing the "bundling" loophole and by financing campaigns partly with public funds. If the Senate truly seeks to reduce big-money influence on congressional elections, these bills offer an easy choice.

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[From the Lewiston (ME) Daily Sun, June 15, 1987]

### Campaign theatrics

As the cost of running a successful campaign for Congress climbs, the cast of characters in the political arena declines.

And as the qualifiers for the Washington playbill shrink, the quality of representation wanes.

But alack, is this trend to be or not to be? A bill before the U.S. Senate would reverse this course by limiting contributions from private donors as well as spending from candidates' personal funds.

The Senate Election Campaign Act took center stage Thursday but the script on the Senate floor was reduced to a dull filibuster.

In the spotlight is the measure that is also known as the Byrd-Boren bill—a proposal to limit campaign costs and Political Action Committee contributions by propping up the revenues with public financing. The Supreme Court prompted the need for public money by ruling that Congress can limit campaign finances only if it provides public funds—thus the rub.

The protagonists of the opposition—Sens. Robert Packwood, R-Ore., and Mitch McConnell, R-Ky.—have submitted a legislative charade to counter the Byrd-Boren bill. The two claim their bill would eliminate PAC contributions but the fact is it would simply change the path of the money. The absurd proposal would force PACs to adopt a method called bundling—having individual PAC members make small donations to candidates instead of the organization as a whole. It would also make PACs funnel money to the political parties and the parties would then pass it on to the candidates—thus in effect eliminating any ceiling for PAC contributions.

By contrast, the Byrd-Boren bill would explicitly prohibit bundling and limit PAC contributions to $5,000. It would put a stop to the spiraling costs of campaigns, decrease the influence of special-interest groups and reduce the amount of time candidates spend raising funds.

There are over 4,000 PACs increasing their monetary theatrics for candidates every year. In 1976, Senate candidates received $5 million in PAC funds. In 1986, the figure had climbed to $45 million.

Meanwhile, Packwood and McConnell were enacting a tragedy on the congressional stage Thursday. If the Senate had its act together, it would have mustered the 60 votes needed to pull the curtain on the filibuster.

The scene for the next act will take place with a cloture vote scheduled for next week. Hopefully, the slings and arrows of outrageous PAC fortune will miss their target in the election arena and rationality will prevail.

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[From the Lewistown (PA) Sentinel, June 17, 1987]

### Curbs Are Needed on Campaign Costs

It's about time.

For the first time in a decade, Congress is taking a hard look at an issue close to every one of its members—the high cost of getting elected.

Campaign expenses have risen astronomically. In 1976, the average cost of a successful Senate campaign was $610,000. Last year's average for winners was $3 million.

Or consider California, where Democratic Sen. Alan Cranston spent more than $8.5 million last year to defeat a $8.9 million challenge from Republican Ed Zschau. More than $17 million spent for a job that pays $89,500 a year.

Congressional reformers, led by Senate Democrats, are doing more than criticizing the amounts being spent. They are also targeting political action committees—PACs—the fastest rising sources of campaign money.

PACs are booming. In 1976 they gave $5.4 million to Senate candidates. Last year, the total reached $45.7 million. Fourteen of the 34 senators elected last year got more than $1 million each from PACs. More than 200 House members get at least half their election funds from them.

Legislation now stalled by a Republican filibuster in the Senate proposes PAC limits that would have cut the special-interest money going to winning 1986 Senate candidates from $28.9 million to $10.2 million, according to Common Cause, a citizens lobby that has been prodding Congress to change the system.

Democratic Sen. Robert Byrd of West Virginia, the Senate Majority Leader, brought the campaign finance bill to the floor earlier this month. He has shown no signs of withdrawing it despite a filibuster that has stopped most other business.

Even if the bill should eventually become law, participation by candidates would be voluntary to get around a Supreme Court decision that says mandatory spending limits violate constitutional free-speech rights.

Under the Democratic plan, a candidate could get up to 40 percent of general election expenses paid from the Treasury by agreeing to limit PAC receipts and restrict spending to $950,000 from $5.5 million, depending on a state's population.

Something needs to be done to curb campaign spending. PACs are largely responsible for the skyrocketing costs of getting elected, so it makes sense to limit contributions from those special-interest groups.

The Democratic plan represents a step in the right direction. It would at least provide an incentive for candidates to put less emphasis on PACs, and that would eventually make PACs less powerful.

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[From the Lincoln (IL) Courier, June 3, 1987]

### Congress Ponders Its Own Filthy Lucre

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are cosponsors of legislation to curb political action committees and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime this month. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Little (AR) Rock Gazette, June 18, 1987]

### Muting the Voice of Money

Nearly everyone there acknowledges that money has gotten the upper hand in the United States Senate. The average cost of a winning Senate campaign in 1986 raced to $3.1 million, an increase of more than 400 per cent in 10 years, and though every candidate is relieved to have it no one is proud of how he raises it.

Public opinion accounts for part of this nervous consensus in the Senate. Americans believe that special interests buy far too much power over public policy by campaign gifts and honoraria to senators and congressmen. Voters have ample opportunity to measure it. Anyone in Central Arkansas wondering how Congressman Tommy Robinson will vote, for example, must only look at his political action gifts. (But we get ahead of ourselves here: the House of Representatives doesn't feel moved on campaign finance yet because all its members are counting next year on the advantages the system offers them.)

But the consensus in the Senate doesn't embrace a solution. Both parties fear the other might get some advantage from a law controlling campaign spending and giving. If the Senate votes, it will approve a bill by Senator David Boren of Oklahoma, but Republicans have twice blocked a vote by defeating cloture of a filibuster.

Boren's bill would limit contributions from political action committees and install voluntary public financing of Senate campaigns. Taxpayers could designate a $1 checkoff on their income tax returns. To qualify for public funds, candidates would have to accept ceilings on their private fund-raising and on PAC gifts. The PAC ceiling for a candidate in Arkansas would be $190,950.

Republicans aren't so protective of PAC money as they are worried about the overall spending limitations. The GOP generally raises a lot more money for its candidates. Republicans support a bill by Senators Bob Packwood of Oregon and Mitch McConnell of Kentucky that would prohibit direct PAC contributions to candidates altogether. But the rub is that PACs would give to party organizations, which would funnel unlimited sums to candidates. The Republican bill would continue and expand the practice of "bundling," which the Boren bill would prohibit.

Arkansas voters saw the effects of bundling last year. The Republican Party bundled $125,000 in contributions from outside Arkansas to the Senate campaign of Asa Hutchinson, who was running against Senator Dale Bumpers. When Gazette reporters telephoned a few of the donors, they had never heard of Hutchinson or even been aware of the race in Arkansas.

If the Senate approves the Boren bill, it will be one of its more unselfish acts. Its principal effect will not be to help Democrats, but challengers, who must run against a tide of money. Indeed, Democrats might be the Boren bill's instant casualties because more of them will face re-election in 1988 and 1990. Such ironies have been the history of efforts to reform campaign finance. The explosion of corporate PACs followed a law to protect union PACs.

But the greater beneficiary would be the public interest, which is served whenever the influence of overpowering money is curtailed.

The Reagan administration opposes the Boren bill, and the president will surely veto it if it somehow passes in its present form—a setback most of the Senate, especially the 33 members facing re-election in 1988, no doubt would take philosophically. But the people shouldn't.

[From The Lock Haven (PA), Express, June 15, 1987]

### Powerful PAC-Men

Political action committee contributions to Pennsylvania congressional candidates rose to an all-time high $7.5 million in 1986, a lobbying group says.

Common Cause, which supports changes in the federal laws governing campaign contributions, said the increase in PAC contributions paralleled a record $21.3 million in overall campaign spending in 1986.

Almost 30 percent—or $2.1 million—of PAC funds funnelled to Pennsylvania went to the Senate campaigns of victorious incumbent Republican Arlen Specter and Democrat Bob Edgar.

Specter received $1.26 million, or 23 percent of the $5.4 million raised by his campaign, from PACs, according to statistics provided by Common Cause.

Edgar, a former Philadelphia-area congressman, received $814,254, or 21 percent of his total campaign till, from PACs, Common cause said.

In 1982, Sen. John Heinz, R-Pa., and his Democratic opponent, Cyril Wecht, received $644,512 in PAC contributions, Common Cause said.

Democratic Rep. William H. Gray III of Philadelphia, the powerful chairman of the Budget Committee, received the most money from PACs among House candidates, with contributions totalling $459,048.

At the other end of the spending spectrum, Rep. William Gooding, R-Jacobus, took no money from PACs in 1986. He is among the handful in Congress who will not accept special interest contributions.

Among area candidates, Cong. Joe McDade accepted $203,665 in PAC money, George Gekas $50,014, Bill Clinger $286,980.

The big PAC man? Clinger's unsuccessful challenger Bill Wachob with $320,804.

"The spiralling cost of congressional campaigns combined with the millions of dollars in special interest PAC contributions that flood candidates' coffers, in Pennsylvania and nationwide, vividly underscores the urgent need to reform the way congressional campaigns are financed," Common Cause President Fred Wertheimer said.

The group supports a Senate bill that would establish partial public funding for Senate campaigns and limit PAC contributions and overall campaign spending.

The measure was endorsed by the Rules Committee in April. Debate on the measure by the Senate began last week.

"The campaign financing system is a national scandal which threatens the very integrity of Congress," Wertheimer said. "Senator Specter and Senator Heinz have a historic opportunity to support the fundamental reforms this process so desperately needs."

The senators should do all they can to be a part of that reform.

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[From the Lodi (CA) News-Sentinel, June 10, 1987]

### Congressmen Ponder Their Own "Filthy Lucre"

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are cosponsors of legislation to curb political action committees (PACs) and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

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The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime this month. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke clouture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Long Island (NY) Newsday, July 7, 1987]

### Why Not Voluntary Campaign Spending Limits

Congressional reformers may have found an acceptable way to limit campaign spending at last: Make the limit voluntary—but make the alternative very unpleasant for those who don't go along. It worked with "Voluntary" quotas on cars from Japan (the alternative would have been mandatory quotas), and it's worth a try to reduce the obscene amounts now spent on congressional races.

When Congress provided for partial public financing of presidential campaigns 13 years ago, it also put mandatory ceilings on spending by House and Senate candidates. Two years later the Supreme Court found those limits unconstitutional, but it had no problem with voluntary restrictions.

Ever since, reformers have searched in vain for a way to induce candidates to hold down their expenditures voluntarily. And ever since, campaign costs have soared, political action committees have proliferated and fund raising has become such an onerous and time-consuming chore that many members of Congress have started to have second thoughts about the system. Now a majority of the Senate seems to favor an overhaul.

But that largely Democratic majority has been stymied by a largely Republican minority, which has filibustered successfully against a campaign reform bill sponsored by Sens. David Boren (D-Okla.) and Robert Byrd (D-W.Va.) It originally featured strict spending and contribution limits coupled with public financing for congressional candidates, along the lines of the presidential system.

Opponents objected chiefly to the cost but also to limiting spending and making taxpayers fund political campaigns. This proposal should put the cost argument to rest: Instead of providing substantial public funds to those who agree to abide by spending limits, it would use public funding only as a form of insurance. Candidates would be eligible only if their opponents exceeded the limit set for that race; the amount would be equal to that opponents' excess.

Public funds would also be allocated to match negative attacks mounted by independent forces—a provision that might prove difficult to enforce. Even so, this proposal makes it difficult to oppose spending limits out of concern for the public purse.

On the contrary, concern for the public interest argues strongly for reining in runaway campaign costs and the growing influence of political action committees. The minority should quit filibustering and allow a vote on this proposal's considerable merit. Who knows? It might even become a model for states and municipalities as well.

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[From the Louisville (KY) Courier-Journal, July 15, 1987]

### Limiting Political Bucks

U.S. Senators who claim they deplore the abuses of the political money game have refused to support the only effective reform proposal in Congress because it provides public money for U.S. Senate campaigns. A new version puts that complaint to rest, leaving critics with no plausible pretext for continuing the filibuster that has prevented action since early June.

The rewritten bill retains the two essential ingredients of campaign finance reform—a voluntary over-all spending limit for Senate candidates based on each state's population and a ceiling on contributions from special interest political action committees.

Unlike the original version, it does not offer public money to every candidate who raises a specified amount in individual contributions. But a candidate could become eligible for public dollars to offset the advantage of an opponent who refuses to accept the limit. Matching money could also go to candidates who are targets of negative advertising sponsored by independent groups. And Senate hopefuls would have other incentives to participate, including a break on postal and TV ad rates.

The idea is to encourage candidates to observe the limits and to deter so-called "independent expenditures," thereby minimizing the use of public money. This approach should satisfy the Supreme Court rule that Congress may set voluntary campaign spending limits if candidates are offered an inducement, such as public money, to

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comply. Because of its simplicity and low cost, it could be adopted by the House and even by states.

The limits wouldn't leave candidates bereft. A Kentucky contender could raise $243,290, or 20 per cent of the spending limit, from PACs. Hoosiers could take in $321,177 in PAC money and spend five times that amount. That's ample for a respectable race.

Opponents will raise the usual objections. One is that any one PAC contribution is too small a part of a campaign budget to influence a congressman's voting habits. But studies show members of key committees often receive money from many PACS with common legislative interest. Anyone who thinks lawmakers are oblivious to these large sums has his head in the sand.

Another claim is that spending limits would help incumbents. However, 98 percent of House members were re-elected last year, suggesting that no system could be more protective of incumbents than the present one.

The bottom line is that Congress must finally curb the corrupting influence of special interest money. The compromise answers the opponents' chief complaint. They should quit being obstructionists and allow the issue to come to a vote.

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[From the Louisville (KY) Courier-Journal, June 11, 1987]

### CAP CAMPAIGN SPENDING

Kentucky's Republican senator, Mitch McConnell, and his colleagues won the first skirmish in the campaign finance reform battle. If they win the war, look for the cost of congressional races to go from scandalous to nauseating.

Before the Senate is a simple proposition. It would set up a system of public financing of Senate campaigns similar to the system that has financed the last three presidential campaigns. Candidates would not have to take the tax money. If they did, though, they would have to abide by ceilings on spending that vary according to the population of the states.

Public financing is the only legal way to limit the role of megabucks in political campaigns, according to the Supreme Court. That is what Senate Democrats want to do and a vote Tuesday showed that a majority of the Senate favors that approach.

Unfortunately, the 52-47 vote on a motion to cut off a Republican-backed filibuster was eight short of the necessary 60. The prospect of prolonged debate set off talk of a compromise. But any change short of public financing would be mere window dressing.

That was shown when Sen. McConnell said that the $12 million spent by Kentucky's Democratic gubernatorial candidates wasn't "obscene or inappropriate," but just a healthy indication of vigorous political competition. Such big spending "represents participation" in, rather than corruption of, the political process, he argued.

He tossed off his remarks in support of a window-dressing substitute for the Democratic bill that he and Sen. Bob Packwood of Oregon offered. Their measure tries to obscure the issue by attacking political action committee spending. It would forbid PAC contributions to congressional candidates—but the PACs could continue to influence elections by making "independent expenditures" on behalf of candidates, and by donating to state and national political-party committees.

What McConnell-Packwood proposes is to change the mix of funds flowing into congressional campaigns. It would not cap those funds. The cash and checks from PACs and fat cats would still flood campaign headquarters and the cost of running for office—which has more than doubled in the past decade—would continue to skyrocket.

Surely the senators don't want that. They must not settle for cosmetic change.

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[From the Lyndhurst (NJ) Commercial Leader-Review, June 18, 1987]

### CAMPAIGN SPENDING LIMITS

Campaign finance reform is poised for a breakthrough. On the opening day of the 100th Congress, Sen. David Boren (D-Okla.) and Senate Majority Leader Robert Byrd (D-W. Va.) introduced a comprehensive campaign finance reform bill. The bill, S.2, would set aggregate limits on the amount of political action committee (PAC) money candidates for Congress could receive. It would also create a voluntary system of campaign spending limits and limits on the use of personal wealth, along with partial public financing for senatorial campaigns. Much like the system already in place for presidential public financing, S.2 would provide for financing by the checkoff on individual tax returns. For more on the reform bill.

CC President Fred Wertheimer says the bill "attacks the most dangerous aspects of the current campaign finance system: the obscene and excessive sums candidates are spending to get elected, and their increasing dependence on special interest PACs for funding."

Last year's elections underscored the need for such reforms. Congressional candidates in 1985 spent close to $400 million, four times the amount spent a decade ago. On the average, winning Senate candidates spent over $3 million on their election efforts. Between January 1, 1985 and December 31, 1986, Senate candidates received over $45 million from special interest PACs, a 63 percent increase over PAC giving in the 1984 races.

Pressure for reform, both from within Congress and from the public, is strong. The S.2 bill has 30 cosponsors spanning the political spectrum. As Budget Committee chairman Sen. Lawton Chiles (D-Fla.) has said, "I sense a growing consensus among members of this body that the trend toward more money in campaigns and bigger, richer and more PACs needs to be reversed . . . . I believe the partial public financing of Senate elections . . . is the way to change."

This could well be the year for long-awaited reforms to take shape, says Wertheimer. "With the Senate leadership strongly behind the campaign finance reform effort, this dramatically improves the chances for successful action in 1987 on this historic legislation. We must make an extraordinary effort to take advantage of this extraordinary opportunity."

While the chances appear better than ever for passage of the bill in 1987, the battle will not be easy—particularly with well-funded PACs like those of the American Medical Association and the National Rifle Association expected to lobby intensely against S.2. That's why, ultimately, it will take massive grassroots pressure to get the comprehensive reform package passed.

We must pull out all the stops to get Congress to pass these needed reforms. It is essential for your senators to hear from you. The U.S. Senate needs to know that the public is fed up with the current system of financing congressional elections.

Write your senators today. If they have not already done so, urge them to go on the record against special interest money and in favor of comprehensive campaign finance reform by signing on as a cosponsor to the Boren-Byrd bill. And if your senators are already cosponsors, thank them for their support and urge them to keep campaign finance reform a top priority in the 100th Congress.

If you have time, please also write to Sen. Robert Dole (R-Kan.), Republican leader of the Senate, who is expected to play a key role in this fight. Tell him how essential it is to the country to clean up congressional campaign financing and ask him to support and cosponsor S.2.

Mail your letter in care of your senators' names to: U.S. Senate, Washington, D.C. 20510.

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[From the Marion (OH) Star, July 5, 1987]

### LET'S SLAY IT

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget of trade strategy. It is money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kan., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PACs.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans do not necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PACs wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some

form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the high court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage

**Dole and his fellow filibusterers need to step aside and give the reform legislation a** chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

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[From the Marion (OH) Star, June 5, 1987]

### GET THEM

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Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of inside trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

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The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it is reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime in June. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Medford (OR) Mail Tribune, July 9, 1987]

### LIMITS ARE NEEDED

Members of the U.S. Senate will try again later this week to end a filibuster that has blocked a campaign spending reform bill since early June. If they fail, the price of winning a Senate seat will continue to increase at an obscene rate and the public's worry that political influence is being bought and sold will become stronger.

Leaders of this latest effort to limit campaign spending and reduce the power of political action committees (PACs) hope that July 1 revisions to the Senatorial Election Campaign Act will win enough votes to end the filibuster. The new proposal would retain key elements of S. 2, the original legislation, that are considered essential to holding down Senate campaign spending that has jumped from $45 million to $179 million between 1977 and 1986.

Those essential elements, which are endorsed by the citizens' lobby Common Cause, are: limits on spending, based on a state's population, and a limit on the total amount of PAC contributions that a candidate would be able to accept.

Candidates who abide by the spending limits would become eligible for preferential mailing rates and the lowest available TV rates. They also could receive taxpayer-funded "compensating payments" if their opponent refused to accept the ceiling on expenditures or if a third party spent money to campaign against them.

Common Cause says the presidential campaign spending system created after the Watergate affair proves that reform is possible. In 1972, with no limits, President Richard Nixon spent $62 million in his re-election effort. In 1984, with limits in effect, President Ronald Reagan spent $68 million—an increase of $6 million over 12 years.

By comparison spending in Senate races climbed from $35.5 million in 1972 to $137 million in 1984. During roughly the same period, PAC contributions went from $5 million in 1976 to $45 million in 1986.

"The question now before the Senate is whether the political will exists to resist partisan pressures and set aside obstructionist tactics, and to act instead in the nation's best interest by enacting effective and comprehensive campaign finance reform," says Common Cause President Fred Wertheimer. "Two hundred years after the framing of our Constitution and establishment of the U.S. Congress, senators cannot tell the American people that the present scandalous campaign finance system is the best they have to offer the country."

Amen to that.—R.A.S.

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[From the Milwaukee (WI) Journal, June 10, 1987]

### MAYBE A CHANCE TO THWART THE PACs

Since Congress voted in 1974 to provide for public financing of presidential elections, the lawmakers repeatedly have refused to take even a nip of their own good medicine. Most senators and representatives have preferred to get campaign money the old-fashioned way, by accepting donations from special interests.

After all, it's a system that heavily favors the incumbents and discourages challengers. But attitudes on Capitol Hill may be changing a bit for the better, thanks to public disgust with a system that has enabled well-heeled political action committees (PACs) to severely distort the electoral and governmental processes.

The Senate on Tuesday voted 52 to 17 against a Republican-led filibuster that threatens to keep a sensible campaign-reform bill from coming to a vote. The majority was not large enough; it takes 60 votes to limit debate. Nonetheless, it was a slightly encouraging sign, indicating that the bill could pass if the full Senate were allowed to vote on it.

The measure, sponsored by Sen. David Boren (D-Okla.) and Majority Leader Robert Byrd (D-W.Va.), would provide partial public financing for senatorial candidates if they agreed to abide by prescribed limits on total campaign spending and on total donations accepted from PACs.

A similar system in Wisconsin, covering legislative and statewide offices, has been widely accepted by politicians and has had generally beneficial effects. It has restrained both the total amount of political spending and the influence of PACs.

The Wisconsin system would work even better if it included a provision, as the Senate bill does, to prevent the evasion of PAC contribution limits through a trick known as bundling. (PACs are now allowed to round up checks for a candidate and give them as a bundle without counting them against PAC limits).

Of course, even if the Senate bill is eventually approved, obstacles will remain. The House has yet to act on the issue, and the possibility of a presidential veto must be considered. But supporters of campaign-finance reform say the chances for enacting at least partial public funding of congressional elections are better than they have been in many years.

Even some senators who oppose the concept are paying lip service to reform. For instance, Sen. Bob Packwood (R-Ore.), leader of the filibuster, has proposed that political action committees be forbidden to make direct contributions to candidates. But Packwood leaves a loophole large enough to accommodate a herd of elephants: PACs would be allowed to channel their gifts through the political parties.

Regrettably, he and some other prominent Republicans have resorted to outright demagogy on the issue of public financing. Packwood says the public-finance feature of the Boren-Byrd bill would "pick the taxpayers pocket," even though the cost is estimated at only about 50 cents a year per taxpayer.

That's a mighty reasonable price to pay for a finance system that will help take the government back from the PACs.

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[From the New Bern (NC) Sun Journal, July 7, 1987]

### PAC MONSTER IS TARGET OF REFORM

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At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public

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funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PACs.

In 1968, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PACs wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

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[From the New Brunswick (NJ) Central New Jersey Home News, June 9, 1987]

### THE ISSUE THAT WON'T DIE

Sometime today the Senate is expected to vote on a cloture petition to cut off debate on a sweeping campaign finance reform proposal. The bill's principal author, Oklahoma Sen. David Boren, doesn't think the necessary 60 votes are there to stop what threatens to become a summer-long filibuster aimed at stalling the Democratic-sponsored legislation. But as a tactical move, the cloture vote may move some senators to the negotiating table where a compromise reform bill can be drafted.

Campaign finance reform is the issue that won't die, but the Senate is torn by uneasiness about Boren's tough proposal—it would establish a public financing system and set overall spending limits as well as limits on the total amount of political action committee money Senate candidates could accept—and a desire to look good on the issue of runaway campaign spending and ballooning PAC contributions. Last week, in a move widely interpreted as an attempt to protect Republicans from being labeled anti-reform, two GOP senators introduced their own version of a campaign finance bill, which was promptly denounced by the citizens' lobby Common Cause as a "charade" that "should be rejected out of hand."

The Boren bill is not perfect. But it is a real attempt to right a campaign finance system that is out of control. The Senate can play games with filibusters and weak substitute proposals, but only real reform will address the problem of campaigns that cost too much—and the PAC money that pays for them.

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[From the New London (CT) Day, June 23, 1987]

### BLOCKING REFORM—THEY CAN ALWAYS FIND A GOOD EXCUSE

At least Minority Leader Robert Dole is honest about it. He won't let a bill aimed at reforming campaign financing through the Senate because it would hurt Republican political chances in some parts of the country where the GOP hopes to increase its effectiveness.

The result is that S. 2, a much-needed limitation on contributions from Political Action Committees, is stalled by a filibuster. ". . . Putting on a campaign-expenditure limit is, in effect, putting a brake on our growth in certain parts of this country. It may not be intended, but that is going to be the result," says Sen. Dole in explaining the filibuster.

This is raw politics, nothing more. There always will be compelling reasons for those candidates who can raise the most funds to want to raise as much as their contributors will give. Sen. Dole's fondness for unfettered campaign financing has as much appeal in areas where the GOP already is strong and merely wants to hold onto seats as it does where the party needs more support. It just happens that at this juncture, the Republicans are able to raise much more money that the Democrats, and that's why Sen. Dole disparages reform.

With such thinking, no reform would ever arrive, and campaign financing abuses would get worse and worse.

S. 2, whose principal sponsor is Sen. David Boren of Oklahoma, provides limits of $190,950 to $825,000 in Senate races, depending upon the size of the state. The measure also sets limits of $950,000 to $5.5 million for general and primary elections combined.

Candidates who wanted to accept public financing contributions from the government would have to agree to limit PAC contributions under the proposed legislation.

In the past decade, PAC contributions to Senate races have increased by nine times. The numbers show clearly how PAC money plays an increasing role in helping candidates run and win elections. Putting congressmen and senators in the position of having to beg for money from special-interest groups in order to match the spending of the competition denigrates the office and opens up the potential for buying votes.

The only way to reform that situation is to put in place absolute dollar limits on PAC contributions.

Senate bill 2 is not designed to help Democrats or Republicans, but to assist the free election process that makes America work. Sen. Dole, get out of the aisle and stop blocking this good legislation.

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[From the New London (CT) Day, May 27, 1987]

### CAMPAIGNS—LIMIT SPECIAL INTERESTS

There's nothing complicated about the effort to reduce the influence of the money peddlers who now try to shape legislation by filling congressional pockets. Either there will be a limit on the donations of PACs to individual candidates or there will not. Without question, there should be limits.

Political Action Committees were intended to get control of unbridled campaign contributions, the likes of which came to their most egregious public display in the revelations about Richard M. Nixon's fund raising prior to his re-election in 1972. Mr. Nixon spend $62 million for his primary and general election campaigns, some $6 million less than President Reagan spent in 1984. But given the adjustments for the Consumer Price Index, Mr. Nixon's expenditures would have been $153.9 million in 1984 if it were not for the campaign limitations and public financing already in existence.

Now the reformer no longer is chaste. PACs continue to be misused and abused to unduly influence the outcome of elections. Special interests increasingly are buying candidates with the not-so-subtle subversion of ready cash whenever a candidate needs it. The overwhelming percentage of the contributions go to incumbents, rather than challengers.

S. 2, a bill favorably reported out by the Senate Rules Committee would put a limit on such shenanigans. Some 49 senators currently favor the bill, but when the final vote is taken, arms weary from twisting may not go up in support of this much-needed continuation along the path of election reform.

The measure would set spending limits of $950,000 to $5.5 million, depending upon size of the election district. The limits apply to general and primary elections combined. Candidates who wanted to accept public financing contributions from the government would have to agree to limit PAC contributions.

In Senate campaigns, the limit would be $190,950 for PAC donations in the smallest states to $825,000 in the largest. Under these rules, the PAC donations of candidates such as Kansas' Robert Dole, the Senate minority leader, would have been just $190,950 instead of the more than $1 million in contributions he received from PACs.

Common Cause, the citizen's lobbying group that does so effective a job of making public the many campaign contribution abuses, is leaning hard on Sen. Dole to support the reform legislaltion. As a presidential candidate who may need to raise huge amounts of money, the senator obviously has some interest in protecting the status quo.

The influential support of Sen. Dole easily would push this much-needed campaign reform legislation over the top. Such statesmanship is necessary to curtail the ever growing abuses of PACs.

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[From the New York Times, June 19, 1987]

### THE REPUBLICANS' BIG-BUCKS FILIBUSTER

They don't filibuster in the Senate the way they used to in the days when Wayne Morse or Sam Ervin would strap on a tube and bag called The Motorman's Friend and then go out on the floor and orate for 22 hours without a break. Still, even lacking such individual heroics, Senate Republicans seem determined to prove their filibustering skills. For two weeks, they've blocked a bill

that would clean up the present system of campaign finance. The filibuster will go on, unless some sensible Republicans recognize how obstructionist their party looks on this issue, and is.

To run for Congress these days costs amazing amounts. In 1976, Senate campaigns cost a total of $38 million; in 1986, $179 million. One reason for such increases is technology. Television costs more than handbills, direct mail costs more than door-to-door volunteers. But there's another reason: There's more money to be had.

Some comes from rich candidates. Senator Daniel Patrick Moynihan is alarmed by a "trend to megacampaigns, vast fortunes clashing one with the other." More money also comes from the profusion of special interest political action committees. With more and more money to solicit, the spending war spirals ever upward.

Conscientious candidates hate the escalation. "I do not think a candidate for the U.S. Senate should have to sit in a motel room in Goldendale, Wash., at 6 in the morning and spend three hours on the phone talking to political action committees," says Senator Brock Adams, a Washington Democrat. The public ought to hate the escalation, too. When legislators depend so much on contributions, they leave ugly questions about their votes on issues affecting big contributors.

The obvious remedy is to enact a lid on campaign spending, based on population or other local variables. Obvious but impossible; the Supreme Court says Congress can't limit spending unless it puts up public funds for campaigns.

Senate Democrats are willing. They can muster 53 votes for the Byrd-Boren reform bill to limit PAC contributions and create public finance for Congressional races, as in the Presidential system. That's a majority, but it's still seven votes short of the number needed to stop the Republican filibuster. Some Republicans are concerned, and ought to be. The filibuster makes their party look baldly obstructionist on How Big Bucks Buy Elections.

There may now be some movement. Democrats are willing to cut back sharply their public finance proposals if only Republicans will accept the principle of total campaign spending limits. There's a worthy opening here for negotiations that could end the filibuster and, much more, bring the Big Bucks under control. It's up to the Senate Republicans.

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[From Ogden Standard-Examiner, Ogden, UT, July 19, 1987]

### TIME TO CAP COSTS OF ELECTION RACES IN SENATE, HOUSE

The U.S. Senate is expected this week to untie the knots that have kept the august body hamstrung over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kan., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amounts of money that House and Senate candidates may accept from political-action committees, or PACs.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PACs wield as a prime source of campaign financing. In the past 10 years, PAC contributors to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans have stymied action on Senate Bill 2 because of objections to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

The average Senate reelection campaign now costs $3 million. To amass that much, an incumbent it has been estimated must raise $10,000 a week 52 weeks a year every year of his term to build a campaign kitty. And that is obscene.

Consideration of the new proposal and a vote on ending the filibuster on campaign reform is due before week's end. A substitute to the proposal that has caused the Republican heartburn should be acceptable.

It protects candidates against independent expenditures and disclosure of so-called soft money funds and responds to the principal argument of public financing for Senate elections, except where a candidate exceeds the limits on established campaign spending.

Its time for Republicans to bargain. Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping to restore the integrity of our representative form of government.

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[From Ogden Standard-Examiner, Ogden, UT, May 31, 1987]

### DOMINANCE OF PAC'S IN NATIONAL ELECTIONS MUST BE REDUCED

Political action committees are playing an increasingly bigger role than ever in national elections. PAC contributions accounted for nearly 31 percent of the total 1986 receipts, compared with nearly 29 percent of 1984's fund-raising.

Fourteen senators elected in 1986 raised more than $1 million each in political action committees contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24 PAC contributions to all Senate general election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people.

The high cost of campaigning was a contributing factor in former Utah Gov. Scott Matheson's announcement last week that he would not run for the U.S. Senate in 1988. He said that as a candidate, he would have to spend most of his time seeking campaign contributions instead of studying and speaking out on the important issues of the day. Matheson said a spokesman for incumbent Sen. Orrin Hatch had predicted that $10 million would be spent on next year's Senate race.

Whether current office-holders are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity to make a conscious decision not to be beholders to PACs and their vested interests.

Languishing in the Congress is a bill introduced by Senators David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va. that would limit the total amount of special interest action committee funds candidates for Congress can accept. It would further establish for Senate general elections limits on total campaign spending together with a voluntary system of partial public financing, besides clamping down on PAC contributions and extending the current system of public financing of presidential elections to the congressional level.

It has more than 30 co-sponsors.

The likelihood of the upward spiral of campaign costs is not apt to end anytime soon without reform such as is embraced in the Boren-Byrd bill.

In 1986, House winners spent an average of $347,000 to capture their seats. Senate winners average $3 million. Total spending on TV ads and other campaign costs, including primary and general election disbursements came to $372 million, up from $321 million in 1984. Interestingly, Republicans outspent the Democrats for Senate races and the Demos were the big spenders in the House contests.

Under the Boren bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform in PAC giving cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform and special interests groups are wonderfully ingenious at finding loopholes.

Say what you want to about the integrity of individual members of Congress or the lack of a precise correlation between campaign contributions and votes. The potential

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for abuse is clear. What we have now is a mess, an intolerable situation of a bought and paid for Congress.

Cost of running for Congress in 1968 increased by 16 percent. The Boren-Byrd measure could be a way out to put the skids on big bucks buying tickets to Capitol Hill.

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[From the Orlando Sentinel, Orlando, FL, June 15, 1987]

### CHANCE TO BREAK PAC CHAINS

On Tuesday the Senate finally can break its dependency on campaign contributions from the political-action committees of special interests. It can limit how much money PACs can give a Senate candidate—and limit total spending in Senate races.

The status quo cannot continue. Ten years ago no senator had accepted more than $1 million in PAC contributions. Now two dozen members of that august body have accepted that much from special-interest groups.

That simply makes lawmakers too beholden to bankers, doctors, labor unions and other powerful groups. Another way to gauge the change: In 1976 PAC contributions in Senate races totaled $5.4 million; last year the total was $45 million.

Last year's winning candidates for the Senate spent an average of $3 million; in Florida, Democrat Bob Graham spent twice that to unseat Sen. Paula Hawkins, who spent roughly the same amount. The soaring cost threatens to make politics the province of folks who have personal wealth or wealthy pals. Yet these megabuck races, rather than airing serious issues more fully, revolve around dueling TV spiels.

So Senate Majority Leader Robert Byrd is pushing limits based on each state's population. In Florida, a Senate candidate could spend no more than $2.8 million on the General Election, with the federal government ready to match smaller contributions dollar-for-dollar after a candidate raised $650,000 in individual contributions of $250 or less. A candidate uninterested in the matching money could ignore the spending limit but could accept no more than $564,307 from PACs no matter what.

The plan also limits House candidates to $200,000 from PACs in the general election. That's plenty.

It's time for lawmakers to stop quibbling. Congressional committees have held hearings on PACs nearly every year since 1977. There's no perfect plan. Many Republicans, for example, complained that a plan shelved last week would cost $100 million every two years.

Mr. Byrd's new one would cost less than half that. Compared with the hidden cost of a Congress hypersensitive to special interest agendas, that's a bargain.

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[From Times, Ottawa, IL, June 2, 1987]

### AS WE SEE IT: CAMPAIGN SPENDING IS OUT OF CONTROL AND CHANGE IS NEEDED

Money is on the mind of Congress these days—money scandals, to be specific.

Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for reelection and the amount of time it takes to raise that money. Chief among them is Senator Majority Leader Robert Bryd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business.

Byrd and Sen. David Boren, D-Okla., are cosponsors of legislation to curb political action committees or PACs.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agrees to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed.

It is significant to note that spending has gone up in each of the last five election cycles monitored by the Federal Election Commission, that special interest PAC contributions to House and Senate candidates reached a record of $130 million in the 1986 election and the 100th Congress is more indebted to special interests than any Congress in the nation's history.

We also have concerns about putting public funds into the campaign treasure chest, but the need for significant change is urgent.

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[From the Messenger-Inquirer, Owensboro, (KY), June 19, 1987]

### CAMPAIGN FINANCING REFORM LONG OVERDUE

The Senate Election Campaign Act will not change the way the governor's and lieutenant governor's races are financed in Kentucky. But U.S. Sen. Wendell Ford of Owensboro thinks those races demonstrate why it's time for public financing of congressional races. He's right on the money.

Spending for campaigns has gone out of control. In just 10 years spending just for Senate races has increased five-fold, from $38.1 million in 1976 to $178.9 million in 1986. Keep in mind that only one-third of all the Senate terms expire each election.

The money it takes to get elected is a problem in two ways. First, it biases the system in favor of wealthy candidates who can loan money to their own campaigns. And that's where the recent Kentucky primary was an instructive example. Winners in both the governor's and lieutenant governor's races for the Democratic primary were millionaire businessmen. Gubernatorial candidates alone spent $12 million on the race.

Kentucky's other U.S. senator, Republican Mitch McConnell, thinks the spending is just dandy, a healthy sign of vigorous competition. "It represents participation," said McConnell.

Unfortunately, it represents participation by special-interest groups, not the public at large. The contributions of political action committees has grown from $5.4 million in 1976 to $45.7 million in 1986, according to Common Cause. And most of the PAC money goes to incumbents, making competition for the office far from equal.

S. 2 would change that by placing spending limits on campaigns, limiting the use of personal wealth, providing partial public financing and, as a consequence, reduce PAC funding by two-thirds.

Election financing reform is long overdue. And you don't have to leave Kentucky to see why.

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[From the Berkshire Eagle, Pittsfield, MA, June 16, 1987]

### THE INCUMBENTS CLUB

When a women's rights activist was once asked what single issue was most important to women, her answer was an insightful one: campaign-financing reform. This is not only because the current system of letting special interests pay for such a large share of campaign costs means that legislators are beholden to them and not to the people, but the system also makes if difficult for challengers—female or male—to break into the old-boy network that is the U.S. Congress.

In that sense, campaign-financing reform is the leading issue not just for women but for any number of groups that are concerned about Congress's failure to be responsive to their needs. As long as campaign bills are picked up to such a great extent by business, labor and professional political-action committees, it is their agendas that Congress will get to first, not the agendas of blacks, the elderly or the uninsured.

Next to the special interest, the group that thrives most under the exiting system is incumbent lawmakers. As the New York Times pointed out Monday, genuinely competitive races for seats in the House of Representatives are increasingly a thing of the past, although the Senate still does get its share of well-fought contests. In the House, though, a record 98.4 percent of incumbents running last November regained their seats. Nor did they have to run very hard. In both the 1986 and the 1984 elections, less than one-eighth of all contests saw the winner getting less than 55 percent of the vote—a dividing line between a closely fought election and a cakewalk.

The campaign-financing system, The Time article noted, plays a big part in the enormous edge that incumbents have. The practice of the special-interest PACs is to get on the right side of the likely winner, almost regardless of his political views, and in most cases that means they steer their money toward the person who already has the office. Last year, the PACs dished out eight times as much money to House incumbents as to challengers.

A bill that would substantially limit the role of PACs and introduce a measure of public financing of campaigns (as in presidential elections) is now before the Senate. Although the measure has the support of more than a majority of the 100 senators, backers have had trouble getting the 60 votes they need to end a filibuster against it.

In New England and New York, senators who are balking at ending the filibuster include five Republicans: Alphonse D'Amato of New York, Lowell Weicker of Connecticut, William Cohen of Maine and New Hampshire's Gordon Humphrey and Warren Rudman. They are standing in the way of legislation that could affect the way this country is governed far more profoundly than any new laws likely to come out of the Iran-contra hearings.

[From the Berkshire Eagle, Pittsfield, MA, June 2, 1987]

### LET'S BUY CONGRESS BACK

If there were any doubt about the poisonous role that special-interest money plays in Congress, let it just be noted that the biggest-spending lobbying group on Capitol Hill last year was a coalition of electric utilities and coal companies fighting acid-rain legislation. The coalition, by the way, was extremely successful, as another year passed without a meaningful law requiring sharp reductions in the smokestack emissions that cause acid rain.

There is a defense against this kind of spending. The Senate's campaign-financing reform bill would limit the contributions of the special interests' political action committees, put a lid on candidates' expenditures and, at the same time, introduce a degree of public funding. The measure is strongly supported by the citizens' lobbying group, Common Cause, and already has the backing of about 50 of the Senate's 100 members.

This degree of support would seem to assure the bill of fairly clear sailing, but there is a problem. Because the reform proposal is considered such anathema by the special interests and their errand-runners in the Senate, the latter are virtually certain to mount a filibuster against it. To bring that to an end requires not just a 51-vote majority but a vote of 60 senators for cloture.

Even that number would be achievable if senators focused more on the damage that the current system of campaign financing does to the fabric of this country's democracy. In the 1986 election, nearly half of the House of Representatives received 50 percent or more of their campaign funds from PACs. PACs donated a record total of $130 million to both Senate and House candidates in 1986, a six-fold increase over 1976 when they gave "just" $22 million.

Proof that PACs' legalized bribes are motivated less by ideology than by a desire to curry favor with incumbents (who are much more likely than challengers to win) can be found in this statistic compiled by Common Cause: In 1986, PACs gave more than $65 million to House incumbents and just $8 million to challengers for House seats.

This is a thoroughly unhealthy situation that would best be corrected by switching to a system in which private financing would play an insignificant role and public funds would be the order of the day. Failing that, the Senate's bill is the best bet. The most important action that chamber takes this year will almost certainly be its response—or lack of response—to this legislation.

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[From the Daily News, Port Angeles, WA, Feb. 19, 1987]

### PAC-FUNDING OF CONGRESSIONAL CAMPAIGNS NEEDS TO BE LIMITED

Now-retired Sen. Barry Goldwater once observed that "Unlimited campaign spending eats at the heart of the democratic process."

The Arizona Republican tried unsuccessfully to place limits on that spending last year, just before his retirement. Goldwater, with Sen. David Boren, D-Okla., co-sponsored legislation that won a test vote in the Senate but never made it to the floor before adjournment.

The effort is still alive. In the 100th Congress, Boren and Senate Majority Leader Robert Byrd have introduced a newly drafted campaign finance reform measure.

Byrd's sponsorship dramatically improves the chances for passage of campaign spending limits this year. It is the first time in more than a decade that the full weight of the Senate leadership has been behind a campaign reform effort.

The last time was in 1974, when Congress approved spending limits for congressional campaigns and presidential candidates. Two years later, the Supreme Court invalidated the limits in congressional campaigns, ruling that overall spending limits could be established only as part of a voluntary system that includes public financing. Public financing was included for presidential candidates, but not for congressional candidates.

Free of limits, spending in congressional campaigns has soared. In just 10 years, total congressional campaign spending for a general election candidates has increased nearly three times—from $99 million in 1976 to $289 million in 1986. Raising money has become the primary consideration for congressional incumbents and challengers alike. And the special interests represented by political action committees (PACs) have become a primary source of campaign money.

Obviously, these special interests are handing out campaign funds with the expectation of special consideration. This practice is as old as politics, but the stakes have changed dramatically with the advent of political action committees. Specifically, the stake needed for a political race has become prohibitive for most challengers. And it has made it virtually impossible for most incumbents to turn away special-interest dollars.

The Byrd-Boren bill would establish a voluntary system that includes public financing and limits the total amount of special-interest political action committee money a congressional candidate could accept. The reform is sorely needed.

Goldwater was right. A political system that gives overwhelming advantage on the basis of fund-raising skills or personal wealth threatens the heart of the democratic process.

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[From the Portsmouth (NH) Herald, May 13, 1987]

### ELECTION REFORM

The Senatorial Election Campaign Act is pending on the Senate floor. We hope it passes.

Should the legislation pass, candidates for the Senate in New Hampshire would be limited to PAC (Politial Action Committee) receipts of $190,950. Sen. Gordon Humphrey raised a total of $704,864 from PACS for his 1984 re-election campaign, according to Common Cause/New Hamshire. If the bill had been in effect at that time, Humphrey would have had to forgo $513,914 in PAC receipts. Sen. Warren Rudman raised only $5,000 from PACs during his 1986 re-election race.

Rudman, the state's junior senator, has a long-standing policy of accepting funds only from PAC within the state of New Hampshire.

Ironically, Rudman and Humphrey hold important votes in the fight to fend off a filibuster threatened when the bill comes to the floor. Common Cause/New Hampshire has called on the Granite Staters to oppose those efforts.

The legislation limits total PAC funds for each Senate candidate and limits total campaign expenditures and the use of personal wealth in Senate campaigns as part of a partial public finance system. It would establish a system for senatorial campaigns similar to the one that has worked for presidential elections.

The bill is supported by 49 senators and at least one former member of that body, Barry Goldwater, R-Ariz., who says, "Unlimited campaign spending eats at the heart of the democratic process. . . . Our nation is facing a crisis of liberty if we do not control campaign expenditures."

Again, according to Common Cause/New Hampshire, present senators received a total of $64.3 million in PAC contributions in their most recent elections. Under the provisions of the pending legislation, these senators would have been limited to $27.2 million form PACs—less than half the total they actually received.

The bill is supported by 65 national organizations, including the American Association of Retired Persons, the International Association of Chiefs of Police and the National Farmers Organization.

Spending in campaigns has long since gotten to the point of ridiculousness and we favor anything which would reduce the amount of money needed to run a competitive campaign because it opens the door to additional, qualified candidates.

"The Senate has the opportunity to end the national scandal caused by the way our congressional campaigns are financed by enacting this historic reform legislation," John Thomas, Common Cause/New Hampshire chairman and National Governing Board member John Thomas has said.

With that in mind, we hope Sen. Humphrey and Sen. Rudman will help choke off a filibuster if it should arise and then support the legislation itself.

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[From the Roseburg (OR) News-Review, May 2, 1987]

### CAMPAIGN SPENDING REFORM BADLY NEEDED

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are cosponsors of legislation to curb political action committees (PACs) and limit campaign spending.

As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.

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$150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would affect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime in June. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Red Bluff (CA) Daily News, May 16, 1987]

### MONEY ON THE MIND

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are cosponsors of legislation to curb political action committees (PACs) and limit campaign spending.

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Senate Bill 2 will reach the floor of the Senate any day. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the St. Cloud (MN) Daily Times, May 19, 1987]

### SENATORS NEED TO HEAL CAMPAIGN FINANCE ILLNESS

Politicians, like physicians, have trouble healing themselves. Most members of the U.S. Senate know that something has gone terribly wrong with campaign financing, but they cannot seem to administer the legislative cure.

For two weeks now, senators have been trying to come to some terms on a bill that would limit the amount of contributions candidates could accept from political action committees (PACs), establish a voluntary system of spending limits and allow partial public financing for Senate candidates. The bill would help prevent a practice that is becoming a political cancer: the overwhelming influence of PAC contributions in congressional campaigns.

Public debate has been marked by virulent anti-PAC rhetoric, but the bill's merits should be considered in a reasonably cautious light. Following a previous bout of campaign contribution reform in the 1970s, lobbying groups of all kinds and policies began forming separate committees for the distribution of their campaign funds. There is, in itself, nothing intrinsically wrong with such a practice, for PACs are simply a congregation of like-minded individuals who have the right to support whom they please.

The trouble begins, however, when the cost of election campaigns begins to dominate the business of congressional government, and when PAC contributions begin to become the dominant source of congressional campaign funds. That is exactly what has happened, and that is why campaign finance reform is needed now. In the 1976 election, successful Senate candidates spent an average of $610,000. Last year, winning Senate candidates spent an average of $3 million. During the same decade, the amount of PAC contributions to Senate candidates has increased markedly, from a total of $5.4 million in 1976 to $45.7 million in 1986.

Senators are loath to make changes when it comes to something as personally critical as their own election campaigns, and a Republican filibuster has further slowed progress on the reform bill. But senators are scheduled to vote today on a motion to end debate and take final action. For the sake of their chamber's credibility and the integrity of congressional campaigns, senators first must end the filibuster, and then end the growing reliance of congressional campaigns on special-interest contributions.

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[From the St. Louis (MO) Post-Dispatch, July 10, 1987]

### LIMIT CAMPAIGN SPENDING

Somehow, the idea of public financing of campaigns is a bitter pill for many to swallow. Why? They have the mistaken idea that so long as campaigns are financed privately, they control who gets their contributions. Dyed-in-the-wool conservatives, for example, don't have to worry about taxpayer money (including their own) going to support some bleeding-heart liberal.

It's an idea as appealing as it is wrong. Under the present system of financing campaigns for the U.S. Senate and House, the public foots the bill, but instead of controlling the outlay, it has hardly any say in the process. When, for example, utilities donate to political action committees set up to help elect members of Congress who will be sympathetic to their cause, that money does not come from thin air. When board members of corporations write checks for favored candidates, don't think for a moment that they personally are going to be so much the poorer for having done so. Despite efforts to limit corporate influence or to ensure that donations to PACs come from shareholders' profits, not cutomers' pockets, the costs of expensive campaigns are borne by everyone.

There's another cost, less calculable but even more significant. And that is in the quality of the product paid for: the elected official. As campaign expenses rise, more and more of the legislator's time and energy are devoted to fund-raising, and less and less to the business of making good laws. As Missourians saw so well in the decision of former Sen. Thomas F. Eagleton to retire rather than run again under ever-worsening conditions, the situation has become so severe that good legislators are being driven from the field.

Third, there's the appearance—if not in fact the reality—of growing numbers of legislators whose actions, including votes, may be influenced disproportionately by the need to raise funds for coming campaigns against potential challengers whose resources may exceed their own.

The Boren-Byrd bill, known as S.2, would address these problems. Costs in general Senate elections would be limited voluntarily. Candidates choosing to exceed those limits would trigger public funding for qualified opponents who agree to live within them, thus reducing candidates' incentive to buy ever greater amounts of broadcast time. In races where both candidates abide by the limits—and where no outside group targets either candidate—no public funds would be spent. Aggregate limits would be set on donations from PACs, while one of the most flagrant circumventions of PAC Limits—a practice known as bundling—would become more difficult, S.2 also required disclosure of "soft money" contributions (indirect support from political parties, PACs and others).

S.2 is not a perfect bill, but it goes further than anything else yet proposed to relieve the burden of soaring campaign costs—a burden that falls heavily on senators, challengers, and voters alike. Missourians should urge Sens. John Danforth and Christopher Bond to support the best solution to date to the unacceptably high costs of campaigning.

[From the St. Louis (MO) Post-Dispatch, May 15, 1987]

### CURB PAC POWER IN THE SENATE . . .

In the last decade, campaign spending for seats in the U.S. Senate increased by nearly five times, to the point where in 1986, senatorial candidates spent $178.9 million on their races. The proportion of that sum contributed by political action committees has multiplied even faster: to $45.7 million from $5.4 million.

If the present system of fund-raising is allowed to continue unchecked, the only candidates able to run will be those who are beholden to PACs. The winners, in turn, will be those beholden to the wealthiest PACs. The result is an unhealthy political imbalance in which a politician's sympathies are weighted toward the rich and powerful rather than the down and out.

A bill, S. 2, introduced in the Senate by David Boren and Robert Byrd, would go far toward inhibiting these dangerous tendencies. It would allow Senate candidates to obtain public financing if they agree to limit overall spending and accept a cap on the use of their personal funds in the campaign. S. 2 would also establish a formula for effectively limiting PAC contributions to $5,000 per PAC per campaign cycle.

S. 2 has won the support of 47 senators, but despite this and the endorsement of a wide-based coalition of national organizations, voting on the bill is being held up by a filibuster. In a conciliatory gesture, Sens. Byrd and Boren have offered to amend the bill to reduce the amount of public funds spent, and another cloture vote is scheduled within a few days.

The Byrd-Boren bill is vital to putting the Senate back on a track attuned to public rather than private interests. The electorate would be well served by senators voting to end the filibuster and then approving S. 2 without further amendments.

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[From the St. Petersburg (FL) Times, May 14, 1987]

### NOW IS THE TIME

Now is the time, goes the old typist's exercise, for all good men to come to the aid of **the party.**

**Just seven more will do.**

**A partisan filibuster is under way against the Boren-Byrd campaign reform bill, which** would pass if the Senate could vote. There were 52 votes for cloture last week, more than a majority. But it takes 60 to shut off debate. Counting an absent supporter, there are 53 votes to pass the bill. It will take seven more to let democracy work.

The obstacle is the Senate Republican minority, which voted 44 to 2 against cloture. John Chafee of Rhode Island and Robert T. Stafford of Vermont remain the only Senate Republicans willing to combat the corrupting influence of congressional campaign spending. The Boren-Byrd bill, which they cosponsor, would establish partial public financing of Senate campaigns in exchange for voluntary state-by-state spending limits. It would also set overall limits—none now exist—on what candidates for the Senate or the House may accept from political action committees (PACs).

Minority Leader Robert Dole, R-Kans., and other opponents had been arguing that it would be unprincipled to invest the taxpayers' money in campaigns even though that's the only approach by which the Supreme Court will allow spending ceilings and even though Dole himself is asking for public funds for his presidential race. Majority Leader Robert Byrd, D-W.Va., called the GOP bluff last week. He proposed an amendment to cut by half the public finance component. The Republicans rejected that, too, confessing that they really don't want any spending ceilings at all.

In so saying, they committed their party to an indefensible position. Congressional races cost $373-million last year—almost four times as much as in 1976—and PACs representing special interests gave a third of it. Most members scarcely attempt any longer to deny that the money obliges them to listen first to their big contributors. The shakedown of lobbyists has become so constant and shameless that lobbyists themselves have formed an organization to support the Boren-Byrd bill.

"Money has become the sour milk of American politics . . ." said a statement by the pro-reform lobbyists. "Like you," they told Congress, "we spend far too much time raising money. And we share your distress at being diverted from the public issues of the day to the pursuit of endless campaign dollars."

Even as America celebrates the bicentennial of the Constitution, the very premise of representative democracy is being subverted by institutionalized bribery. Dole and 43 other Republican senators seem to be saying that's just fine with them. Their only alternative has been to offer amendments purporting to restrict PAC money but which wouldn't do so at all.

"Unlimited campaign spending eats at the heart of the democratic process . . ." former Sen. Barry Goldwater, R-Ariz., has said. "Our nation is facing a crisis of liberty if we do not control campaign expenditures."

Will Goldwater's warning continue to fall on deaf ears among his own Republican ex-colleagues? Or will seven more come forward to join Chaffee and Stafford in support of legislation that would resolve the crisis?

Another cloture vote is scheduled this week. The integrity of Congress is at stake. So are the conscience and reputation of the Republican Party.

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[From the St. Petersburg (FL) Times, May 7, 1987]

### WHAT PRICE HONESTY?

In a recent letter to constituents, Senate Minority Leader Robert Dole, R-Kan., said he opposes public financing of senatorial campaigns. The next day, he applied for public financing for his presidential campaign.

The inconsistency between Dole the senator and Dole the would-be president is one of the fascinating things to watch as the Senate debates what is possibly the most important election reform bill it will see in many years. The bill (S. 2) by Majority Leader Robert Byrd of West Virginia, Sen. David Boren, D-Okla., and a host of cosponsors, would clean up congressional campaigns in three dramatic ways. It would cut back substantially on contributions from political action committees (PACs). It would stop PACs from evading present limits by the so-called "bundling" of checks from individual contributors. Above all, it would subsidize much of the cost of general election campaigns—although in Senate races only—for party nominees who agree at the outset to limit their total spending to amounts determined by the size of their states.

These measures, taken together, compose the only practical antidote for the poisonous influence of big money on congressional elections, congressional conduct and public confidence in the U.S. government. Since 1976, when the Supreme Court invalidated all campaign spending ceilings that aren't tied to a candidate's acceptance of public funds, congressional campaign spending has soared almost fourfold to $373-million. PACs, each of which represents a special interest, gave more than $130-million last year, nearly six times as much as a decade before. Most of the PAC money goes to incumbents as tribute to their influence or as payoffs for their votes, or to buy what a Democratic House fund-raiser once shamelessly described as "acess . . . the opportunity to be heard," a right supposedly guaranteed free of charge by the First Amendment.

The Byrd-Boren bill has 49 declared supporters, including both Florida senators, but only two of them are Republicans. Most Senate Republicans, heedless of former Sen. Barry Goldwater's warning that "unlimited campaign spending eats at the heart of the democratic process," oppose the bill. In addition to threatening a filibuster, they are supporting two alternatives, which purport to stand for reform, but they are shams. Neither would limit total spending or genuinely reduce PAC participation. Common Cause, the public affairs lobby, has charged that one of them, an amendment by Sen. Ted Stevens, R-Alaska, would permit PACs in some cases to give even more.

The other Republican proposal, by Sens. Robert Packwood of Oregon and Mitch McConnell of Kentucky, would forbid PACs from contributing directly to any candidate for Congress. But they could contribute indirectly through party campaign committees. It appears they could even earmark the money for a specific candidate, which would result in no reform at all. The PACs could also continue "bundling," the practice of collecting checks from PAC members made out to a specific candidate in order to evade the $10,000 per candidate limit on the PAC itself.

Packwood's indulgence for "bundling" is understandable in view of his 1986 campaign, in which he raised $986,517 from PACs and another $215,000 in bundled checks from a PAC representing insurance interests. The Byrd-Boren bill, had it been in effect last year, would have allowed him to take only $223,000 from PACs and nothing by way of bundling.

The Republicans say it's wrong to ask the public to pay for political campaigns—but how is it any more wrong than public support for presidential campaigns, which are no longer dominated by special interests? Dole objects that partial public financing for congressional races would "alter the very foundation of our American political system." Yes, indeed. It would turn a corrupt system into an honest one.

According to the Citizens' Research Foundation at the University of Southern California, the taxpayers would pay a maximum of $87.6-million in 1988 and $69.3-million in 1990 if all Senate nominees participated. PACs could contribute no more than $21.5-million next year, barely half as much as they gave in 1986. Total spending—assuming full participation in the public finance plan—would be held to just above this year's level, and less in the next three elections. In the House, where 323 candidates received more than $100,000 each from PACs last year and 51 topped $300,000 apiece, a flat limit of $100,000 per candidate from all PACs would apply.

"How can you govern a nation," lamented the late Charles de Gaulle, "that has 246 different kinds of cheese?" Lucky he was

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that he didn't have to try his hand at one that has 4,157 political action committees. America needs a Congress that isn't obliged to answer their telephone calls first, and if it takes $87-million in public subsidies to insure an honest Senate, no greater bargain could be had.

[From the Salem (NJ) Today's Sunbeam, July 2, 1987]

### LET'S REDUCE PAC POWER

One of the top priorities of Congress should be the reform of campaign financing, which has become a disgrace through its overdependence on political action committees. A bill being debated in the U.S. Senate would impose limits on the total contributions allowed from PACs and provide for **public financing of Senate campaigns.**

The merits of this legislation are so apparent that it has 44 sponsors. But a small group of senators has promised to filibuster the bill into oblivion. Senate Majority Leader Robert Byrd is leading the effort to stop the talkathons with a petition to limit debate on the issue.

Senator Lloyd Bentsen of Texas, who scrapped his $10,000-a-head, fat-cat breakfasts under public pressure early this year, is having trouble supporting the public-financing aspects of the legislation.

The estimated $50 million annual cost of public financing for Senate races would be paid for with a voluntary $1 tax checkoff. An overwhelming majority of taxpayers already have volunteered to pay the $1 per year for presidential campaigns.

The current process is far more expensive in terms of valuable time allotted by members of Congress to raising large contributions from sepecial-interest groups, the bad legislation passed at the behest of those groups and the hidden costs those special interests pass on to taxpayers in the form of industry tax breaks and consumer charges. Ultimately, every taxpayer and voter pays for those PAC gifts.

Those who oppose the reform measure should realize they are siding with what Common Cause President Fred Wertheimer calls "a fundamentally corrupt campaign finance system."

Each senstor's stand on this issue reflects his concern about the continuing loss of taxpayer influence in the fact of growing PAC power. Voters should remember where each senator stood on this issue at election time.

[From the San Diego (CA) Tribune, June 26, 1987]

### TIME TO SLAY CAMPAIGN MONSTER

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact. Since early this month, Senate Minority Leader Robert Dole, R-Kansas, and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-Needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees (PACs) in 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for pubic office and the undue influence that PACs wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some from of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign moster. In doing so, they would be helping restore the integrity of our representative form of government.

[From the San Diego (CA) Tribune, May 26, 1987]

### CONGRESS PONDERS ITS OWN "FILTHY LUCRE"

Money is on the mind of Congress these days—money scandals, to be specific.

Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affairs, and legislation is in the works that would deal with the Wall Street money scandal of insider trading.

But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money.

Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business.

Byrd and Sen. David Boren, D-Okla., are co-sponsors of legislation to curb political action committees (PACs) and limit cam**paign spending.**

**As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987-88 election cycle would be set at about $181 million.**

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $1909,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republican measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would affect the status quo only slightly, it's reassuring that they at least recognize change is needed.

With spending going up in each of the last five election cycles monitored by the Federal Election Commission (FEC), with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interests than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime next month. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

[From the Sanford (FL) Evening Herald, July 6, 1987]

### CHANCE TO SLAY CAMPAIGN BEAST

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In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

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The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

[From the Sanford (FL) Evening Herald, June 4, 1987]

### CONGRESS MULLS ITS "FILTHY LUCRE"

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

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[From the San Jose (CA) Mercury News, June 26, 1987]

### DOLE'S DELAY—SENATE REPUBLICANS MUST END THE FILIBUSTER ON CAMPAIGN FINANCE REFORM

Just as the California election system is corrupt, so is the congressional system. Elections have been taken over by special interests and big money. The time is ripe for remedies.

In California, the Assembly should pass the Lockyer bill and the governor should sign it. Next year, Californians will have a chance to approve the ballot initiative that limits campaign contributions, sets voluntary spending limits and provides for public funding in elections for the state Legislature.

A bill similar to the Lockyer bill is under debate in the U.S. Senate, and is supported by a clear majority. So far, however, S-2 has been held up by a filibuster lead by minority leader Bob Dole, R-Kan. Two weeks ago, 52 senators voted to end the filibuster, eight short of the 60 required for cloture.

Dole's tactics, intended to turn campaign financing reform into a partisan issue, are bad for his party and bad for the nation. The current Senate bill is an intelligent and fair one, which would do for Congressional elections what has already been done for presidential ones—provide a sane cap for spending.

The two Republican senators who supported cloture, John Chafee of Rhode Island and Robert Stafford of Vermont, have defied the party but served the nation. We wish we could say the same of Pete Wilson.

The Republicans' outdated view seems to be that since they are the party of money, why support a bill that limits campaign spending? The bill can only help the Democrats.

False. As President Reagan's two landslide victories show, spending limits and public financing have not hurt Republicans in the presidential race at all.

The same regulations that have brought spending for presidential elections under control should be extended to Congress.

Election figures leave no doubt about the wisdom of campaign financing reform. In 1972, before spending limits, President Nixon spent $62 million to win the race. In 1984, with limits, President Reagan spent $68 million to win, a huge decrease with inflation factored in.

Since 1977, when Senate Republicans first filibustered against reform, the average cost of winning a Senate seat has gone from $600,000 to over $3 million.

At the current rate of increase, it will cost $15 million to run for the Senate sometime in the 1990s, money largely spent by political action committees and interest groups to purchase influence.

Campaign reform's time has come. It has worked for the presidency, is working in those states that are using it and is supported in the polls. For a handful of Republicans to stand in the way of it is short-sighted, parochial politics, doomed sooner or later to fail.

[From the Scranton (PA) Times, June 10, 1987]

### TAKE THE DOLLAR OUT OF SENATE—TIME FOR PAC REFORM

A dark joke in the campaign fund-raising business is that contributors get good access to victorious candidates while those who do not contribute merely get good government.

It is a message that political action committees take seriously and one which threatens our democratic tradition as PAC contributions continue to play a larger role in senatorial elections.

PAC contributions to senate candidates totaled $45.7 million in 1986 and 24 candidates who received more than $1 million each in PAC funds were elected.

Overall campaign spending has skyrocketed, rising from $38.1 million in 1976 to 178.9 million in 1986.

PACs support incumbents over challengers at a ratio of about $6 to $1, making it virtually impossible for many otherwise viable candidates to compete in high-priced races.

This month, the full Senate will consider a reform bill introduced by Sen. David Boren (D., OK) and Majority Leader Robert Byrd (D. WV).

Based largely on the presidential public financing system, Senate Bill 2 would place a cap on the amount of PAC financing a senatorial candidate could accept and limit the amounts that could be spent on a campaign.

It also would provide public financing to qualified candidates just as presidential candidates receive public funds for their campaigns. The estimated cost to the federal treasury would be about $50 million each year.

Opponents of the measure contend that taxpayer dollars should not be used for campaign funding.

But $50 million per year is a small sum for a large investment in democracy, that could go a long way toward limiting the strength of well-financed special-interest groups and restoring basic fairness to the federal election process.

[From the Sioux (IA) Journal, July 4, 1987]

### CAMPAIGN REFORM NEEDED

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kan., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-needed legislation that would alter the system of election finance.

At issue is a measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by

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the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PACs.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PACs wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections have increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the sending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

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[From the Statesville (NC) Record & Landmark, June 10, 1987]

### IN OUR OPINION—OWN "FILTHY LUCRE"

Money is on the mind of Congress these days—money Scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

A growing number of lawmakers are expressing dismay at the amount of money required to run for re-election and the amount of time it takes to raise that money. Chief among them is Senate Majority Leader Robert Byrd, D-W.Va., who complains that his colleagues are spending so much time trying to raise campaign funds that they have no time for Senate business. Byrd and Sen. David Boren, D-Okla., are co-sponsors of legislation to curb political action committees (PACs) and limit campaign spending.

**As approved by the Senate Rules Committee, the Byrd-Boren bill, Senate Bill 2, would create a series of voluntary spending limits in Senate primary and general election races. It also would provide public funds for general election candidates who agree to abide by those limits. Spending for Senate races in the 1987–88 election cycle would be set at about $181 million.**

The bill also would limit the amount House and Senate candidates may accept from PACs. Initially, the ceilings would range from $190,950 to $825,000 in Senate races, depending on the population of the state involved, and from $100,000 to $150,000 for House candidates, depending on the number of contested elections faced.

The Byrd-Boren proposal faces heavy opposition from Republicans, many of whom view public financing of campaigns as anathema. They have threatened to kill the bill by filibuster, and they are rumored to be working on an alternative measure. The Republicans measure would limit PAC contributions but would not include public financing or spending limits.

Though the Republican measure would effect the status quo only slightly, it's reassuring that they at least recognize change is needed. With spending going up in each of the last five election cycles monitored by the Federal Election Commission, with special-interest PAC contributions to House and Senate candidates reaching a record $130 million in the 1986 election and with the 100th Congress more indebted to special interest than any Congress in the nation's history, the need for significant change is urgent.

Senate Bill 2 will reach the floor of the Senate sometime in June. As it looks now, Byrd has enough votes to pass the bill, but he does not have the 60 votes needed to invoke cloture if the Republicans filibuster. We hope he will push hard to get the necessary votes.

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[From the Sturgis (KY) News, June 3, 1987]

### CONGRESS PONDERS FILTHY LUCRE

Money is on the mind of Congress these days—money scandals, to be specific. Congressional investigators are trying to trace the byzantine trail of funds connected to the Iran-Contra affair, and legislation is in the works that would deal with the Wall Street money scandal of insider trading. But Congress is dealing with a money scandal of its own as well—a scandal that involves the way congressional elections are financed.

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[From the Tallahassee (FL) Democrat, June 16, 1987]

### PAC LIMITS—BYRD-BOREN BILL HAS MERIT

*Money and politics do not mix well. When they do mix, all too often democracy suffers. Are we so impoverished, are we so narrow in our vision, that we cannot see that a dollar for democracy is an investment that will protect the future of that democracy?*—U.S. Senate Majority Leader Robert Byrd.

So far, not enough U.S. senators have been able to see the value of that investment in democracy. Last week, an attempt to end a filibuster blocking action on a campaign reform bill introduced by Byrd and David Boren, D-Okla., fell eight votes short of the required 60. "I have every confidence that we will find a way to create that majority of 60 votes in due time," Byrd declared.

Another vote is expected this week. Wish Byrd luck. Political Action Committees, or PACs, are taking over federal elections, and they are not moving slowly. One thing that makes it so difficult to get those 60 votes is the fact that incumbents are most often favored by the special interest committees. Today's 100 sitting senators got $64.4 million from PACs during their most-recent elections.

Had the Byrd-Boren bill been law when the ran, that figure would have been slashed by 58 percent, to $27.3 million. A study by citizen lobby Common Cause showed that the 34 senators elected in 1986 got an average of $852,043 in PAC contributions; the reform bill would have cut that to $299,642—a drop of $552,401 per senator.

Florida Sen. Bob Graham would have had his $890,338 in PAC money trimmed by $326,031. The state's senior senator, Lawton Chiles, took no PAC money when he last ran in 1982. Both senators are sponsors of the reform legislation.

Senate PAC contribution limits would vary according to the voting-age population of each state and also would be tied to changes in the Consumer Price Index. Florida's current limit would be $564,307. House candidates could take up to $100,000.

In addition to capping PAC contributions, the Byrd-Boren bill would set up a voluntary system of partial public financing coupled with spending limits. Candidates who wanted to avoid the spending limit and

forgo to public matching funds would be free to do so.

There is no justification for a minority of senators to continue to stifle debate on this important piece of legislation. The filibuster should end and discussion of the merits of the bill begin.

It's time for the nation to make that small investment in democracy.

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[From the Temple (TX) Daily Telegram, July 9, 1987]

### SLAY THE MONSTER

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kan., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PAC's.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PAC's wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

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[From the Torrington (CT) Register Citizen, June 17, 1987]

### THE INCUMBENTS CLUB

When a women's rights activist was once asked what single issue was most important in women, her answer was an insightful one: campaign-financing reform. This is not only because the current system of letting special interests pay for such a large share of campaign costs means that legislators are beholden to them and not to the people, but the system also makes it difficult for challengers—female or male—to break into the old-boy network that is the U.S. Congress.

In that sense, campaign-financing reform is the leading issue not just for women but for any number of groups that are concerned about Congress's failure to be responsive to their needs. As long as campaign bills are picked up to such a great extent by business, labor and professional political-action committees, it is *their* agendas, that Congress will get to first, not the agendas of blacks, the elderly, or the uninsured.

Next to the special interests, the group that thrives most under the existing system is incumbent lawmakers. As The New York Times pointed out Monday, genuinely competitive races for seats in the House of Representatives are increasingly a thing of the past, although the Senate still does get its share of well-fought contests. In the House, though, a record 98.4 percent of incumbents running last November regained their seats. Nor did they have to run very hard. In both the 1986 and the 1984 elections, less than one-eighth of all contests saw the winner getting less than 55 percent of the vote—a dividing line between a closely fought election and a cakewalk.

The campaign-financing system, The Times article noted, plays a big part in the enormous edge that incumbents have. The practice of the special-interest PACs is to get on the right side of the likely winner, almost regardless of his political views, and in most cases that means they steer their money toward the person who already has the office. Last year, the PACs dished out eight times as much money to House incumbents as to challengers.

A bill that would substantially limit the role of PACs and introduce a measure of public financing of campaigns (as in presidential elections) is now before the Senate. Although the measure has the support of more than a majority of the 100 senators, backers have had trouble getting the 60 votes they need to end a filibuster against it.

In New England and New York, senators who are balking at ending the filibuster include five Republicans: Lowell Weicker of Connecticut, Alphonse D'Amato of New York, William Cohen of Maine and New Hampshire's Gordon Humphrey and Warren Rudman. They are standing in the way of legislation that could affect the way this country is governed far more profoundly than any new laws likely to comeout of the Iran-contra hearings.

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[From the Torrington (CT) Register Citizen, June 5, 1987]

### LET'S BUY CONGRESS BACK

If there were any doubt about the poisonous role that special-interest money plays in Congress, let it just be noted that the biggest-spending lobbying group on Capitol Hill last year was a coalition of electric utilities and coal companies fighting acid-rain legislation. The coalition, by the way, was extremely successful, as another year passed without a meaningful law requiring sharp reductions in the smokestack emissions that cause acid rain.

There is a defense against this kind of spending. The Senate's campaign-financing reform bill would limit the contributions of the special interst's political action committees, put a lid on candidates' expenditures and, at the same time, introduce a degree of public funding. The measure is strongly supported by the citizens' lobbying group. Common Cause, and already has the backing of about 50 of the Senate's 100 members.

This degree of support would seem to assure the bill of fairly clear sailing, but there is a problem. Because the reform proposal is considered such anathema by the special interests and their errand-runners in the Senate, the latter are virtually certain to mount a filibuster against it. To bring that to an end requires not just a 51-vote majority but a vote of 60 senators for cloture.

Even that number would be achievable if senators focused more on the damage that the current system of campaign financing does to the fabric of this country's democracy. In the 1986 election, nearly half of the House of Representatives received 50 percent or more of their campaign funds from PACs. PACs donated a record total of $130 million to both Senate and House candidates in 1986, a six-fold increase over 1976 when they gave "just" $22 million.

Proof that PACs legalized bribes are motivated less by ideology than by a desire to curry favor with incumbents (who are much more likely than challengers to win) can be found in this statistic compiled by Common Cause: In 1986, PACs gave more than $65 million to House incumbents and just $8 million to challengers for House seats.

This is a thoroughly unhealthy situation that would best be corrected by switching to a system in which private financing would play an insignificant role and public funds would be the order of the day. Failing that, the Senate's bill is the best bet. The most important action that chamber takes this year will almost certainly be its response—or lack of response—to this legislation.

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[From the Towanda (PA) Daily Review, June 17, 1987]

### PAC'S BENEFIT INCUMBENTS TOO OFTEN

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It is a message that political action committees take seriously and one which threatens our democratic tradition as PAC contributions continue to play a larger role in senatorial elections.

PAC contributions to senate candidates totaled $45.7 million in 1986 and 24 candidates who received more than $1 million each in PAC funds were elected.

Overal campaign spending has skyrocketed, rising from $38.1 million in 1976 to $178.9 million in 1986.

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It also would provide public financing to qualified candidates, just as presidential candidates receive public funds for their campaigns. The estimated cost to the federal treasury would be about $50 million each year.

Opponents of the measure contend that taxpayer dollars should not be used for campaign funding.

But $50 million per year is a small sum for a large investment in democracy, that could go a long way toward limiting the strength of well-financed special-interest groups and restoring basic fairness to the federal election process.

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[From the Tucson (AZ) Citizen, June 27, 1987]

### WHEN PAC'S TALK, CONGRESS LISTENS

Congress has an expensive habit. It's called re-election, and to feed it senators need $12,000 a day, House members $1,200.

With weekends off and two weeks of vacation, that's how much must be raised each day to pay the $3 million average cost of a Senate campaign, or $300,000 for a House seat.

And when Congress needs a fix, it turns to PACs. Freshman Sen. Harry Reid, D-Nev., recently told syndicated columnist David Broder he was astonished to discover it took 70 to 80 percent of his time just to raise campaign contributions.

Sen. Brock Adams, D-Wash., puts it this way: "I never imagined how much of my personal time—at least 50 percent—would be spent on fund-raising. Most of the time I was not talking to constituents about contributions; I was talking to professionals who control PACs, and lobbyists who were far removed from the voters of Washington state. I was campaigning for money, not campaigning for votes."

Assume for a minute that all those PAC contributions don't buy votes. Suspend disbelief and imagine that PAC-paid junkets to luxury resorts did not sway key members of the tax-writing committee just before they installed lucrative "transition" loopholes for their generous hosts (below).

Still, says Adams, the fear of cold-turkey PAC withdrawal makes Congress shiver.

"Beyond the illusion of 'vote selling' is the reality that Congress is not making the tough decisions that it should make," Adams wrote in a recent Washington Post column. "Too often we seek the easy answer, the compromise that will offend the least number of contributors. We hate to offend because we know that incumbents can collect money from all sides of an issue if only they hedge."

Campaign finance reform is desperately needed. Because the Supreme Court has ruled that campaign spending can't be limited without something in return, public financing must be an element. That's no excuse to bankroll campaigns with tax dollars. Simply use public financing to even the odds if one candidate obeys limits and his opponent does not.

Such public-paid "methadone treatment" won't be cheap, but it might help cure Congress of its costly addiction to PACs.

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[From the Tupelo (MS) Northeast Mississippi Daily Journal, June 16, 1987]

### ELECTION REFORM—LOWERING THE COST

A vote is scheduled at 4 p.m. today to stop a filibuster against election reforms proposed in Senate Bill 2. It's time to stop the talk and get on with the business of controlling the skyrocketing costs of congressional campaigns, particularly in the Senate.

The bill's lead sponsor is Mississippi Sen. John Stennis. Stennis, the president pro tem, has put his clout and integrity on the line for campaign expense reform. Still, the battle to get the necessary 60 votes is uphill.

Senate Bill 2 has been incorrectly characterized as a partisan bill. It is not. Campaign expense reform is a bipartisan issue that pits the power and influence of individual votes and small contributors against the clout of special interest dollars.

Stennis correctly has labeled the cost of campaigns and the dramatically increased influence of political action committees as a threat to the integrity of the Senate.

The financial facts of senatorial campaigns during the past 10 years support the concerns of Stennis and many other senators:

Senate general election campaigns cost $38.1 million in 1976;

Political action committees, the money of special interests, contributed $27 million to Senate general election candidates in 1984; PAC contributions jumped to $45 million in 1986;

The average cost of winning a senatorial campaign was $3 million in 1986; in California the winner spent $11 million.

Congressional politics, particularly in the Senate, is becoming a possibility only for people with significant personal wealth or access to the riches of PACs.

That's not the way American democracy is supposed to work.

Bitter political battles have been fought to equalize the influence of every elector's vote. The power of special-interest money now threatens to diminish the influence of a single vote and discourage small contributions to political campaigns.

Senate Bill 2 would enact three restrictions that could restore balance and sanity to campaign expenditures:

Senate races would receive partial public financing;

Limits would be placed on PAC contributions;

Voluntary limits would be placed on total campaign expenditures.

The House and Senate were not meant to be delegations representing wealth and special interests.

Senate Bill 2 could reverse the trend toward elitism in Congress.

America needs statesmen rather than political entrepreneurs available to the highest bidder.

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[From the Washington Post, July 1, 1987]

### U.$. $ENATE

The average Senate reelection campaign now costs $3 million. To amass that much, a senator must raise $10,000 a week 52 weeks a year every year of his term. Let him miss a week for some reason—could it be the press of legislative business?—and he must raise twice that much the next week, three times as much the week after that. If he represents a large state or fears a strong opponent—or wants to scare such an opponent off—he must also raise more than average. And they do.

The system has become obscene. Its defenders argue that the money now in politics is a sign of vigor, a healthy form of participation. Yes, up to a point—but that health point is past. The ceaseless quest for money absorbs the entire Congress, not only in election years. The National Journal recently compiled the amounts that senators not due to run until 1988 or 1990 had raised in 1985-86. By the end of last year four of the senators likely to run in 1990 had already raised more than $1 million; one was only $15,000 away; two more had raised more than $700,000. What notion of good government is served by that?

The Democrats seek to restore a sense of proposition to this process. They would impose spending limits. The Supreme Court has said that to satisfy the First Amendment, spending limits must be voluntary; as a practical matter that means they must be in return for federal funds. But Republicans object to public financing of congressional campaigns. The Democrats have therefore moved successively to minimize the role of public funds. Their latest proposal is that a candidate could get such financing only if he agreed to abide by the spending limits for his state and his opponent did not. The public money would be only an insurance policy.

It was easy for Republicans to block the Democratic bill when it contained a large measure of public finance; they could stand on principle. Now the issue is much more clearly the limits. Hardliners still resist the bill, on grounds that the Republicans, who are better fund-raisers, would be condemning themselves to permanent minority status. But money isn't what will deliver the Senate to the Republicans; nor, in the long haul, can it be healthy for the Republicans to link themselves to this iron lung.

Two Republicans—Robert Stafford and John Chafee—have joined the Democrats in voting to invoke cloture and move a bill. At least half a dozen others have acknowledged the need for restraint. "There is no doubt that campaign spending is out of hand," said Sen. Pete Domenici at one point in last month's debate. "I would be very happy to see some kind of overall limitation," said Sen. William Roth. "I believe there is no surer way to a complete breakdown of our electoral process than to ignore burgeoning campaign costs," said Sen. Daniel Evans. "It seems to me there have to be some limits," said Minority Leader Bob Dole.

The latest bill is fair; the Republicans should agree to bargain on it. The alternative will soon be to change the name on the place. It fast becomes the U.$. $enate.

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[From the Washington Post, June 22, 1987]

### TIN CUP CLUB

A full Senate term lasts 2,189 or 2,188 days, depending on leap years. The cost of an average reelection campaign is $3 million. Allow for a few days off—Sundays, Christmas, their birthdays—and the average senator has to raise $1,600 a day every working day for six years just to stay in office. That $100 every waking hour, and if the senator is from a populous state or expects a close fight it may be two, three, even four times that. The emblem of the modern Senate is the tin cup.

Left to itself the problem of raising these enormous sums will only worsen, as it steadily and dramatically has for 10 years now. The cost of office has doubled since the mid-'70s, and is now rising at a rate of 20 percent in each election cycle. John Stennis

is the senior member of the Senate; he has watched the place for 40 years. He is hardly the panting reformer; nor has he, over his career, been particular partisan. Much of his allegiance is to the institution itself. He said on the floor the other day, "the cost of election campaigns and the method of financing them has placed the integrity of the Senate in jeopardy." He is right, and the thoughtful people in both parties know it.

The Democrats, led by Robert Byrd and David Boren, propose to deal with this: they would set spending limits. Because the Supreme Court has said that such limits violate the First Amendment except as a condition for receipt of public funds, the Democrats have also proposed public financing. Because the Republicans, who are better fund-raisers, object that public financing would also, in any number of ways, be unhealthy, the Democrats have moved to reduce its role in their proposal, so that the most it could provide would be 40 percent of a candidate's funds. Now they are said to be ready to reduce it further, to make it only an insurance policy. If you agreed to spending limits and your opponent did also, neither of you would get public money. If you agreed and he did not, you would get public money (according to a formula still to be worked out) only if and to the extent that he exceeded the limit. As before, there would also be a limit on the total any candidate could receive from PACs in an election cycle.

Filibustering Republicans objected to the earlier proposals in part on the grounds that they would put the Senate at the trough. This is a much leaner proposal. The recipient wouldn't trigger the federal funds; his non-abiding opponent would. There is no way to shave the public financing any further and keep the system workable. If a candidate who agrees to the spending limits is not necessarily to be subsidized, he must at least be protected. There are Republicans who say that, while they oppose public financing, they would favor spending limits. This goes about as far as ingenuity can to accommodate them. There are lesser features of the bill that they also dislike, but these are subjects for bargaining. The Democrats are making a fair offer. The Republicans should take it, before the miserable, obsessive race for funds consumes them all.

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[From the Watertown (SD) Public Opinion, June 11, 1987]

### PRESSLER NEEDS TO SUPPORT S. 2

On Saturday, May 30, we criticized opponents of Senate Bill 2, which is designed to bring comprehensive campaign funding reform to the U.S. Senate. In talking to South Dakota's two U.S. Senators, Senator Daschle is a co-sponsor of this legislation and Senator Pressler said he needed to see some amendments to it before he could lend his support. He said at that time he felt that a proposed substitute amendment coming from Senator Packwood of Oregon would rectify some shortcomings S. 2 had.

Well, S. 2 has now been introduced on the Senate floor as has an amendment by Packwood and Senator McConnell of Kentucky. They say their amendment would eliminate PAC contributions to individual candidates. However, an article in *The Wall Street Journal* said about their proposal, "The move was seen mostly as a tactical ploy to protect Republicans from being branded as anti-reform." We can't say this is a strictly partisan proposal because there are a number of senators on both sides of the aisle who are mighty beholding to PACs for their past contributions.

The important thing here is that besides being a tactical ploy, this proposed legislation is a charade and would not accomplish its stated purpose.

The McConnell-Packwood bill would instead simply lead to PACs changing their method of providing money to a congressional candidate and in so doing would open the door to PACs providing unlimited sums to a congressional candidate.

The impact that this bill would have on PAC money is perhaps best demonstrated by what occurred in Packwood's 1986 reelection campaign. In that election ALIGNPAC, a PAC representing insurance interests, gave the senator a $1,000 contribution made out from ALIGNPAC to Senator Packwood. At the same time, ALIGNPAC's also gathered and turned over to the senator $215,000 in checks made out by ALIGNPAC's members directly to Senator Packwood. This controversial practice, known as "bundling," allowed ALIGNPAC to massively evade the $5,000 per election PAC contribution limit and to get credit for providing what was the equivalent of a $215,000 contribution from ALIGNPAC to the senator.

S. 2, the Senatorial Election Campaign Act, would make clear that PACs could not use this kind of "bundling" practice to evade contribution limits. All such contributions arranged for by a PAC would be counted against the PAC's contribution limit which under present law is $5,000 per election per candidate.

The "Mc-Pack" bill also claims to restrict this kind of bundling practice, but in fact it does nothing of the kind. The so-called "anti-bundling" language in McConnell-Packwood merely says that if a PAC gathers and delivers bundled contributions to a candidate, the checks need to be made out by the individuals directly to the candidate. That is of course, the very practice that ALIGNPAC used to provide $215,000 to Senator Packwood. Rather than restricting this kind of PAC bundling, McConnell-Packwood legitimizes the practices as a way for PACs to provide money to a candidate.

This amendment, if passed, would "hog house" the present wording of S. 2. This proposal to prohibit "direct" PAC contributions to a candidate, while legitimizing the practice of PACs bundling and delivering unlimited sums to a candidate, will result in all PACs simply mechanically changing their methods of raising money and providing it to a candidate without any limit on the total amount the PAC could provide. McConnell-Packwood will increase, not decrease, the ability of PAC money to unduly influence members of Congress.

The McConnell-Packwood bill is not campaign finance reform and should be rejected out of hand. After all of this, if Senator Pressler is really for reform, we hope he will support that rejection. If he doesn't, then the opposite is obvious. . . .

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[From the Westfield (MA) Evening News, July 3, 1987]

### SLAY THE MONSTER

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money, to be exact.

Since early June, Senate Minority Leader Robert Dole, R-Kan., and most of his Republican colleagues have been engaged in a filibuster to prevent the Senate from acting on Senate Bill 2, much-needed legislation that would alter the system of election finance.

At issue is a Democratic-sponsored measure that would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees, or PAC's.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't necessarily dispute the need for campaign reform. Dole himself has spoken out about the outrageous expense of running for public office and the undue influence that PAC's wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate Candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea of using government money to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that, in effect, is no compromise. It would cut the maximum amount that any single PAC can give to a candidate, but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled that there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary, as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Dole and his fellow filibusterers need to step aside and give the reform legislation a chance to slay the campaign monster.

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[From the Wilkes-Barre (PA) Citizens' Voice, June 9, 1987]

### PASS S. 2 TO CUT COSTLY CAMPAIGN

Special-interest Political Action Committees handed over seven and one half million dollars to candidates this year for the Pennsylvania House and Senate.

Candidates Arlen Specter and Bob Edgar alone spent a combined total of almost ten million.

This is too much. It's a waste of money. It's a distortion of the political process.

It's got to be curtailed. It can be. Bill S. 2—a campaign cost cutter—is now before the Senate. Pass it, senators.

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[From the Winner (SD) Advocate, June 17, 1987]

### CAMPAIGN FINANCING NEEDS CLOSER LOOK

State Senator Tom Daschle is undertaking efforts to reform campaign spending, some-

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thing that has needed to be done for quite some time.

Daschle said his recent bid for office cost him over $3.5 million. "I didn't like the two year-long campaign that money made inevitable," he said recently.

"I didn't like the blizzard of television ads that money paid for.

"I didn't like the negativism that seems to appear on both sides in every big money campaign.

"And I hated having to ask over and over and over again for campaign contributions just to stay even with my opponent," Daschle said.

The senator is certainly not alone with these feelings. Millions of Americans across the country are disgusted with the entire election process, where big bucks are used to influence voter opinion.

The money spent by candidates, in an attempt to get elected or re-elected, has jumped 400 percent in the past decade. Daschle says that many Senate candidates, whose elections don't begin until 1990, are already starting their fund raising.

This preoccupation with elections and fund raising does not benefit the American voter. It is a system out of control. It is estimated that by the 2000 it could cost over $50 million to run for the Senate from South Dakota. Daschle supports a bill (SB #2) which would change campaign practices.

It would limit the amount of money a candidate may raise and spend in a Senate race. It would reduce the influence of political action committees. And it would tighten controls on so-called "independent expenditures" such as money spent by out-of-state groups to evade the campaign laws and influence the results of both the primary and general election in South Dakota next year.

We support such efforts. Campaign ethics and methods need closer scrutinizing. Here is a good example: Last week this office received a copy of a recent editorial published in the Argus Leader. The editorial was written by presidential candidate Jack Kemp and mailed to presumably all state newspapers using the Senator's franking privilege. This meant the candidate could disseminate his opinions at no cost to himself.

Why all the interest from a Senator from the 31st District of New York? Why out of the clear blue do we suddenly start receiving his correspondence? The anwser is obvious. He is looking for free publicity and is using taxpayers' money to pay for it. This is an abuse we have been critical of before.

Another campaign problem (which grows worse with each election) is with political pornography—that is, the negative advertising we have seen in several past campaigns, including Senator Daschle's. Money has nothing to do with whether this type of advertising appears in the media. It is a method of conducting a campaign that the candidate ultimately controls. Unfortunately, experts are saying that negative campaign advertising is a trend likely to continue in the future.

Daschle believes that now is the time to act on campaign reforms. SB #2 bill is a step in that direction. If you support campaign reform, share your opinions with our elected officials.

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[From the Zanesville (OH) Times Recorder, July 6, 1987]

### Slay the Monster

The U.S. Senate is tied up in knots over an issue that to lawmakers is of paramount importance. It's not the Iran-Contra scandal or the budget or trade strategy. It's money—campaign money to be exact.

At issue is Senate Bill 2, a Democratic-sponsored measure that would alter the system of election finance. It would create voluntary spending limits in Senate elections, provide public funds for Senate general-election candidates agreeing to abide by the limits and restrict the amount of money that House and Senate candidates may accept from political-action committees or PACs.

In 1988, if the bill were to pass, general-election limits would range from $950,000 in a low-population state such as Wyoming to nearly $5.5 million in California.

Senate Republicans don't dispute the need for campaign reform. Minority Leader Robert Dole has spoken out about the outrageous expense of running for public office and the undue influence that PACs wield as a prime source of campaign financing. In the past 10 years, PAC contributions to Senate candidates have increased from $5 million to $45 million; campaign spending in Senate elections has increased from $38 million to $179 million. Senators complain about becoming "panhandlers."

In the words of the public-interest lobby Common Cause, "We have seen a monster created, a fundamentally corrupt campaign-finance system for Congress."

Senate Republicans object to the idea to run congressional campaigns—even though the public financing scheme for presidential candidates is working well. They argue that spending limits in congressional campaigns help incumbents to the detriment of challengers.

The Republicans have offered a compromise that in effect is no compromise. It would cut the maximum amount that any PAC can give to a candidate but it would eliminate the spending limit and public-financing components of the legislation.

Campaign reform simply will not happen without spending limits. The Supreme Court has ruled there must be some form of public benefits in order to establish a system of voluntary campaign-spending limits.

The spending limits contained in Senate Bill 2 are reasonable and voluntary as required by the Supreme Court. If presidential elections are a reliable guide, Senate Bill 2 will provide for competitive elections. Neither party will be at a disadvantage.

Senate Republicans need to give the reform legislation a chance to slay the campaign monster. In doing so, they would be helping restore the integrity of our representative form of government.

Mr. CRANSTON. Mr. President, before the Senator yields, will he yield to me?

Mr. BYRD. I yield.

Mr. CRANSTON. Mr. President, I join the Senate majority leader in urging that we be permitting to come to grips with the matter of campaign reform. We have been seeking reform for a long time in this session. We have been seeking to get the matter before the Senate and bring matters to a head with votes on matters pertaining to the legislation we have offered.

We have made great efforts to compromise, and much that made the measure most attractive to me and others has been eliminated by some of these compromises. Many aspects of public financing that I think are vital parts of any reform have been eliminated in an effort to have some give from those who oppose this effort. Thus far, we have not seen any willingness to compromise on a matter that is very important, as the majority leader just noted, to the integrity of the Senate, or to the appearance of the integrity of the Senate.

There is another matter involved, I think, and that is the integrity of the whole democratic system of our Republic. That, too, is at stake.

We have had a situation in our country, historically, where in the first 100 years we had rising participation in our elections, rising from a 3.5-percent turnout of eligible people in the first elections to over 80 percent in the election of 1876, and then it went downward for a variety of reasons, and it has been going down ever since.

One of the latest reasons that has contributed, I believe, to this continuing decline in participation was, first, the invention of television, and then the beginning of its use for campaigning; and, second, as a natural consequence, the need for increasingly large sums of money to buy television time to reach the voters. This has now led to a situation where candidates are told by their advisers, as I was told when I ran last year, that you have to spend over half your time raising money for your campaign, in order to be able to buy television time to reach the mass of voters.

What that leads to is a situation where the candidate spends more and more time campaigning, specifically among those who are able to make major contributions, in order to use that money to reach the rest of the voters. Those voters then are left out of the process. The candidate does not have time to make as many appearances before them as was the case in former days. All they are then involved in, in the process, is to listen to television and to respond to those appeals and to receive direct mail that requests small contributions from people who are not able to make large contributions. This increasing emphasis upon money undermines our system.

We are down to where in the last Presidential election only 50 percent of those voted who might have voted. In the last congressional elections, only 30 percent of those voted who might have voted. In municipal elections in cities, towns, counties, and local districts of one sort or another, it went down to where 12 or 15 percent of the people participate and vote all too often.

I think there is a real threat to democracy implicit in these circumstances. If people do not have a stake, if they are not involved, if they do not participate, if they lose confidence in

the process of democracy, that makes our whole system vulnerable.

Of the 22 major industrial democracies on the face of this planet, we are at the bottom, No. 22, in voter turnout. By comparison, in most European countries, it is 80 percent—in some cases, 90 percent. In the recent elections in India, over 80 percent participated. In the recent elections in the Philippines, over 80 percent participated.

It is a disgrace that in our democracy, the major democracy on the face of the Earth, people are dropping out of the system, and that forebodes danger for the system.

It is a disgrace that in a world where so many have fought and bled and died for the opportunity to vote and to pick their own leaders and to engage in the decisionmaking process of their countries, and are denied that right in many countries, we who have it do not exercise it.

One of the principal reasons it is being exercised less and less is that campaigns cost more and more.

We have to get this matter under control. This issue relates to every other issue we are concerned with, and therefore it is one of the most important issues that can conceivably come before this body.

I am delighted that the majority leader and the Senator from Oklahoma are providing the leadership on this issue. I urge others to join them. I urge those who have concerns about this particular approach, the latest in a long series of efforts to compromise—I wish those who have concerns about the current approach would at least come up with modifications that would make this acceptable, so that we can move this matter forward.

Mr. BOREN. Mr. President, I thank the distinguished assistant majority leader for the comments he has just made; and I thank the distinguished majority leader, whom I am proud to join in offering this piece of legislation, for the eloquent statements he has made earlier.

As they have both indicated, we are dealing here with a matter of fundamental importance to the people of the United States, to the future of this country and to the integrity of our constitutional process.

In our Government authority legitimacy rests upon the consent of the governed. It is, therefore, the election process itself which is the heart and soul of the system. Anything that compromises the basic integrity of that election process, anything which compromises the fairness of that election process access to that election process and equal opportunity for those with ideas about service to this country to run as candidates in that process, endangers the health of the democratic process itself.

(Mr. WIRTH assumed the chair.)

Mr. BOREN. I am pleased that we returned to consideration of S. 2. The majority leader's decision to return to this piece of legislation is a signal that the issue of campaign finance reform is not going to go away. It is going to be here for us to face until we deal with it. We may turn from time to time to other matters on our agenda, other important issues, budgetary issues, issues of Presidential appointments, other matters that are fundamentally also important to the country, but we are going to keep coming back to this issue of campaign finance reform, to this issue of protecting the integrity of the election process itself, until we deal with it, and that is appropriate. This issue must not be allowed to slip off the national agenda until we have done something to solve the problem.

We owe it to the next generation to protect the integrity of the Constitution itself.

That is why I applaud the decision of the majority leader to return our attention to this particular piece of legislation.

This is a new compromise proposal which has been offered. It is offered in the spirit and the hope of trying to form a consensus on both sides of the aisle to deal with this problem.

Democrats do not have a higher responsibility to guard the integrity of the election process than do Republicans. Republicans have no greater responsibility than do Democrats. This is not a partisan political issue. It is an American problem and we must find a way to get together as Americans and solve this problem.

During the June filibuster opponents focused upon public financing as a target of their opposition to this bill. This proposal has now been changed to in essence totally remove mandatory public financing as an aspect of the bill.

I want to just very briefly mention the kind of proposal that is now before us.

As under the original S. 2, there are voluntary spending limits which are adopted. For a candidate to fully participate in the system as set forth, a candidate must at filing time indicate and certify that that candidate will live by the spending limits. This is fundamental. There can be no true campaign finance reform without an agreement to limit overall spending. Candidates with the highest offices of public trust should compete on the basis of ideas, issues, and qualifications, and not on the basis of which candidates can raise the most money, for to have true reform, we must have a limit on the amount of money candidates spend in getting elected.

Congress previously acted to put reins on campaign spending, but in the 1976 landmark case of Buckley versus Valeo the Supreme Court found that Congress cannot set mandatory spending limits and, second, that if Congress sets voluntary limits its must provide some inducement as the Presidential system does to encourage compliance with the limits.

In this new proposal, we have set up a standard under which those who accept the voluntary spending limits will have to raise those funds from voluntary contributions from the private sector and not from Government funding. In addition to qualify, candidates must agree that while they accept an overall voluntary spending limit they will also raise a threshold amount depending upon the size of the State, 75 percent of which must come from individual contributions within that Senator's home State.

In addition, they will agree to contribute no more than $20,000 of their own personal funds to their campaign. This again is a provision put in in order to even out the playing field so that those with huge amounts of personal wealth will not be able to have an advantage in the election process.

Finally, the candidates must agree that they will not accept more than approximately 20 percent, under a formula that is set forth, of that voluntary limit from political action committee funds and special interest groups. Instead, they will go to individual contributors, principally, in their home States, to finance their campaigns.

Under the compromise that is now before us, if candidates accept those conditions, they voluntarily agree to hold themselves within reasonable spending limits, if they agree to limitations in terms of spending of their own personal wealth. If they agree to raise a certain portion of their initial funds from instate contributors, and if they agree to limit the amount of money that they receive from special-interest groups, they will receive certain benefits. First of all, they will qualify for the lowest unit broadcast rate for radio and television. That lowest unit rate is now given to all political candidates without regard to whether they accept spending limits or not. In the future that benefit would only be given to those candidates that accept voluntary limits. In addition those candidates who agree to live within reasonable voluntary limits would receive reduced first-class mail rates, 5½ cents per piece or 2 cents below the third-class mail rate.

This would give them a very significant advantage. This would be paid for by doing away with the present benefit that is given automatically to all political parties to use the bulk mail rate. Under the laws and under court decisions, if this is given to one political party, it is deemed to have to be given to all, including the Communist Party and other fringe groups. Doing

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away with that particular advantage will generate more than sufficient funds to offset the cost of giving a beneficial mailing rate to those candidates who accept voluntary spending limits, and so there would be no net cost to the Treasury. In fact, there should be a net gain to the Treasury from these two offsetting proposals.

Nonparticipating candidates, those candidates who will not agree to, in essence, give up their right to try to buy elections, those candidates who will not agree to reasonable spending limits, those candidates would have to carry in all of their advertising, including their direct mail and their broadcast advertising, a disclaimer that this candidate has not agreed to abide by voluntary spending limits. This would put the public on notice that that candidate is still reserving his right to try to decide the election on the basis of who can raise and spend the most money, that that candidate still wants to have the opportunity to buy the election if he or she is not capable of competing. We should compete within the democratic process on the basis of ideas, qualifications and what that candidate wants to do to help his or her country and his or her State through effective representation.

There is a standby proposal that, if a nonparticipating candidate comes within 75 percent of the limit, the candidate must report to the FEC in 5 percent increments of the limit and the participating candidate may begin to raise funds above that limit.

At the point that a nonparticipating candidate exceeds the general election spending limit, the participating candidate, that candidate who accepts the voluntary spending limits, is entitled to a grant equal to 67 percent of the general election limit and is allowed to raise and spend above the limit.

The point at which a nonparticiating candidate spends one-third of the amount of money that would be above the limit—in other words, he spends the entire spending limit plus 33 percent more—the particpating candidate is entitled to an additional grant equal to 33 percent of the general election limit.

In other words, funds raised through the voluntary checkoff on the income tax return and deposited in an account to enforce campaign finance reform would only be drawn upon by the participating candidate if the opponent went over the voluntary spending limit.

I believe that will rarely happen. I believe that the people of this country, who are very disturbed by the amount of spending that is going on, who are disturbed because the cost of running for the U.S. Senate has gone from $600,000 a decade ago to $3 million in the last election cycle—an enormous rate of increase that will propel us toward a $15 million price tag on the average U.S. Senate race if it continues at just the current rate within 12 years—that that alarm is so great that I think there will be strong public pressure, as well there should be, once this process is put in place, to cause candidates to want to abide by voluntary spending limits so that we can return some sanity to the campaign process in terms of the way it is financed.

I believe that that public feeling will be so forcefully expressed—and polls that have been taken all across this country indicate the great alarm that the people of this country have on the increasing amount of campaign spending—that candidates will find that it is to their detriment to try to buy elections, because the people of this country rightfully want that kind of behavior stopped. They want fair competition. They want an open process. They want candidates to compete on the basis of their qualifications.

Therefore, I believe that, once this system is put in place, it is very likely that candidates will begin to abide by the voluntary limits and that there will be no need for any public funds whatsoever to be involved in the process. It will not be the fault of the participating candidate if a single dime of public funds is involved. It will be the fault of the candidate that intentionally breaks the spending barrier.

And so this compromise goes the extra mile in trying to meet the opposition of those who said they were not prepared to vote for cloture to move ahead to vote on this bill, even though, quite clearly, as we debated in the past, a majority of the Members of this Senate favored it. Fifty-three Senators at one time or another went on record in favor of imposing cloture on this bill. But because we want to get above partisan politics, because we want to give due regard to the arguments raised by those on the other side who did not feel prepared to support S. 2 in its original form, we have made this major modification. Where, as previously, the participating candidate who accepted a voluntary spending limit immediately qualified to receive matching funds out of the checkoff, public funds, we have now taken that particular provision completely out of the bill.

If, for example, a spending limit in a certain State happens to be $1 million, that is the voluntary limit, the candidate who accepted that spending limit, that candidate would not get a single penny of public funds. That candidate would have to raise the funds from private contributors.

There certainly is a difference between the way he would raise them under our proposal and the way he now would raise them. He could only get 20 percent from interest groups. He would have to go back home to individual contributors to raise the balance. This will help restore some semblance of balance within the political system.

We had almost half of the Members elected to Congress last time who received more than half of all their political contributions not from the people back home, not from the people at the grass roots, but by organized interest groups largely headquartered right here in Washington, DC. We are endangering the concept of grassroots democracy as this balance is destroyed.

And so, while we would have voluntary spending limits and while candidates would continue to raise their funds through private contributors, we would see, I think, a healthy balance restored with candidates going back to individual contributors in their home States at the grassroots far more often and in a far larger proportion than they are now receiving their campaign contributions.

So, this bill is one that will bring about meaningful campaign reform. It is a proposal that should strike a responsive chord from those who have been opposing the bill in the past, because we have completely removed public financing as a basis for supporting campaigns. We have provided a bill with no net cost to the taxpayers. In fact, by removing the bulk rate privileges for all political parties automatically, we should have some net gain to the Treasury as a result of this piece of legislation.

What we will do if it is passed and if it is accepted in the spirit of bipartisan compromise, as I hope it will be, is restore the right kind of competition to American politics—competition based upon ideas, competition based upon character, competition based upon qualifications, competition based upon a desire to perform public service. We will no longer have competition based upon which candidate can raise the most money or which candidate is willing to accept the most special interest financing.

We have a chance, Mr. President, to take a giant step forward in preserving the integrity of the election process itself with this new proposal that has been offered, not only by myself and by Senator Byrd, but also by Senator Exon, who expressed his own reservations when S. 2 was first brought to the floor. Time and time again he came to the floor to say that he could not support S. 2 in the original form because he had misgivings about public financing. I understand why he had those misgivings. He sat down with us and worked with us to hammer out this new compromise. He is now giving his enthusiastic support to it.

We are gaining in momentum. We are gaining in support. I hope we now have before us, Mr. President, the

blueprint for an ultimate campaign reform package that can pass the Senate with broad support on both sides of the aisle as we join together as Americans to solve a real American problem.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I want to congratulate Senator Boren and the majority leader for their efforts in campaign financing reform and I am especially happy that this bill has now been brought up again. We have sat through weeks and weeks of debate on the trade bill, which is very important. We sat through an extended debate on the debt limit and all the variations that flowed from that, and rightfully so.

But I commend the majority leader for now allowing us to return to this important aspect of American politics and American government—campaign reform.

Mr. President, I have listened with interest over the weeks that this bill, S. 2, was debated to my able colleagues from the other party as they donned their armor of self-righteous indignation and mounted their rhetorical warhorses and charged full tilt against the dragon of campaign reform.

Each evening, after they had debated and spoken on the subject, I am sure they returned from the lists, with verbal lances splintered on the evil public finance giants, and shining swords blunted on the frightening spending limit dwarfs. What wonderful tales they must tell the firesides of their Republican castles; tales of valor, full of sound and fury.

"The arguments" I can hear them say, "we raised the good old solid arguments of days of yore, and they did us proud."

For it is the old arguments that my friends across the aisle have used as weapons in their battle to slay fundamental campaign reforms. Listen to what they say, and I am quoting now:

> The Constitution does not even mention political party, let alone national parties, nor any delegated power or right of this body to take taxpayers' dollars to subsidize political candidates. Deductions from individual taxpayers or not, the dollars still come from the U.S. Treasury.

Again:

> The Constitution does not even mention political party, let alone national parties, nor any delegated power or right of this body to take taxpayers' dollars to subsidize political candidates. Deductions from individual taxpayers or not, the dollars still come from the U.S. Treasury.

Another quote:

> As some of my Republican colleagues in the Senate have pointed out this checkoff system represents nothing more and nothing less than a raid on the Federal Treasury by the opposition party which is apparently in desperate need of campaign contributions.

Another quote:

> Through the $1 tax checkoff scheme these minor parties are not likely to ever pass from the scene. With a guarantee of public funding for their causes, they would achieve longevity, perhaps immortality.

Well, the new proposal, Mr. President, before the Senate no longer talks about public financing. It switched. But these arguments about which I have spoken dealt with that issue and I think it is important, before we leave that issue, to talk about the shallowness of those arguments, because those arguments sounded familiar, those quotes that I was given. They are the weapons with which our colleagues opposed to S. 2 in its original form have fought the battle. They are not, however, as I have stated, very new weapons.

In fact, the three quotes I read you came from opponents, on both sides of the aisle, to the 1971 Act which reformed the way in which Presidential campaigns are conducted in this country.

When this debate just developed—you will recall I asked my colleague, the distinguished junior Senator from Kentucky, if he would analogize between S. 2, and the Presidential electoral system. He was reluctant to do so, and with good reason. Not only has the checkoff system worked, but the candidates from his party have availed themselves of its provisions, and even right to this day continue to do so.

My friend from Kentucky hesitated to attack a system which financed the Reagan campaigns in 1980 and 1984, and which presently finances a number of his distinguished friends and colleagues as they struggle to succeed their current party leader as the architect of Republican philosophy and reason.

The system has worked, and yet the attacks made by its opponents in 1971 were precisely the same attacks they are making today. Like the good conservatives they say they are, my friends from the other party have fallen back on the weapons from the good old days, the lance of rhetoric, the dagger of half-truth, the sword of speculation, and the blunt club of fear.

The time has come, and I think this has been portrayed and certainly emphasized today, in the remarks given by Senator Boren who certainly is the conscience of the Senate on the issue of campaign reform.

Senator Boren said, in effect: It is time to call a truce. I agree. Public financing is out. Distinguished Senators like the senior Senator from Nebraska have now joined in this effort and is a cosponsor of this amendment.

I think it is time to negotiate an end to this medieval warfare and, instead, move forward into an age of enlightenment and reason. Because if there were ever an area where it is needed, it is in this area of campaign reform where people running for the U.S. Senate do not have to spend the majority of their time raising money, but they can campaign in the way that the American public thinks that we should campaign, by appearing in cities and towns before groups of men and women interested in bettering our form of government; not in determining how much money can be raised.

I have spoken a number of times on this Senate floor about S. 2, about the need to compromise. Certainly the way has been laid with the speeches made this morning, remarks on this floor, by the majority leader and by the Senator from Oklahoma.

Compromise is something that we must do. I think it necessary that both sides move. We have moved. Perhaps there is more movement that need take place but we have moved decidedly this day. I think we have moved in a reasonable manner. I believe that movement that has been made by the majority leader and the Senator from Oklahoma need to be recognized for what they are, an effort to resolve a complicated issue that certainly is before the American public.

This time now has come for the other party to get off its war horse and act in an equally reasonable and honorable manner.

The American people want this legislation. They want campaign reform. They want an end to the spiraling cost of campaign spending, and the campaigns which begin the day after the last election ended.

My colleagues, the time has come. Let us talk compromise now; so that those who oppose this bill with sword, and mace, and lance, are not trampled under by the votes of the people at the next election, when their weapons of rhetoric will avail them naught against the truth.

I yield the balance of my time.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. SANFORD. Thank you very much, Mr. President, I want to add to the words of my distinguished colleague just completed as well as the comments made by the majority leader and the sponsor of campaign reform; S. 2.

There is a judgment felt widely across the land that far too much money is spent for political campaigns, and the American political system is becoming the worse for it.

This reinforces the public's cynical belief that in the U.S.A. money talks louder than people. Candidates must spend far too much campaign time in fundraising. Excess campaign spending often reaches the absurd and then the obscene. Money can be given to causes much more worthy than the gilding of campaign lilies.

There is a reasonable amount of campaign money that needs to be spent. It is necessary to communicate a candidate's record and positions. That is the purpose of campaigns. Communication is the heart of campaigns.

I don't know what the reasonable limit is. We can debate that. But one thing certainly is true: the amounts needed are certainly not without limit.

True, as the minority leader suggests, this may not be a burning issue. People are writing fewer letters about this issue than about the Iran/Contra scandal, or the administration's bankrupt and bankrupting agriculture policy. But no political observer doubts that the American public is disgusted and expects us to curtail such excessive spending. The polls show it. The editorials show it.

Excessive spending puts a continuing strain on elected public officials. There are congressional fundraisers in Washington two or three times a week, and often two or three times a night. A senatorial candidate has to stand in line to hold a fundraiser in New York or Los Angeles. Congressional Members must worry about the legislative agenda of this PAC combine or that special interest group. If all that doesn't corrupt decisions, it has the potential to corrupt.

I was not initially able to grasp why so many of our Republican colleagues were so adamant, why they were filibustering to keep the Senate from even voting on campaign spending limits.

They seemed first to pose and posture as if protecting the taxpayer. "The taxpayers don't want to pay for our campaigns," they proclaimed day after day. But that wasn't quite straightforward talk. They know that the money is the equivalent of a voluntary contribution by taxpayers who check their tax forms. The American public understands its right to make voluntary contributions. That argument didn't fly.

Then the distinguished Republican leader told it all. Taking the floor after most of the Republicans had for the fifth time blocked a vote on the bill that would regulate spending, he gave the American public the official straightforward and honest reason for the Republican fear of campaign expense reform.

The Republicans need more money than Democrats in order to win. That is what he said. If they re not permitted to spend more than Democrats, they can never expect to win, they say.

He said the Republicans don't want any, and he said, "not any," limits on campaign expenditures. Fortunately, all Republicans do not agree with him, but the leader has put out the official word.

That comes awfully close to saying that they think they can buy elections. "If we spend enough money, we can win," they contend, so they want no limits whatsoever.

Now, at last, the issue is clearly joined. The Republicans want and need to use money to win. The Democrats expect to use issues and performance to win.

The Democrats want to stop obscene levels of campaign spending. The Republicans do not.

The American public wants to stop obscene levels of campaign spending. The Republicans do not.

The American public understands, now, that this is the great, clear issue.

Now the distinguished and able Republican leader, Senator DOLE, has said that his Republican colleagues will stand firm on spending all they want to spend so they can win. He especially pleads for the need to outspend Democrats in one-party States.

That plea has to be greeted with a wry smile. What is a one-party State? Kansas? Would the Republicans be satisfied to put a lid on spending in Kansas? Would they permit the Democrats to spend more in Kansas in order to catch up?

The American public does not want to be told that elections will go to the highest bidder. The American public does not want to believe that elections are for sale.

That is the clear dividing line on S. 2, the bill to put reasonable limits on campaign spending.

My distinguished colleague bemoaned the fact that in some States registration of Democrats over Republicans is 2 to 1, 4 to 1, or even more. The question is, why? Well, the Democrats did not reach that advantage anywhere by spending huge sums of money on television spots. They earned the Democratic registration by standing for those issues people believe in. They stand for people and their opportunities in life. That is why more people want to be called Democrats.

If the Republicans want to increase their registration they can better represent the vision that most Americans have for their country. That is better than trying to buy an increase in representation.

Americans do not approve of finding tricky ways to avoid treaties, or of continuing to pile up tremendous new nuclear capabilities, with the risk of blowing us all off the face of the Earth.

Americans do not believe in leaving one-fifth of the children of America in poverty, outside the gates of the American dream.

Americans do not believe in running the public business in secret and in violation of the laws of the land, and lying about it when caught.

Americans do not believe our farmers and industrial workers should be abandoned by some muddleheaded concept of free trade.

The Republicans cannot buy their way out of the mess they have made in the last 7 years—nor should they be able to.

This free land is based on free elections, and we have worked hard over the years to keep our elections clear of manipulation and corruption.

S. 2 is another attempt to cut down on manipulation and corruption.

Excessive campaign spending corrupts. There is no question about it. Excessive TV spots that attack and distort are campaign manipulation—no question about it.

No, Mr. Republican Leader, the people of the United States are not going to put their Senate seats on the auction block.

If the Republicans want to earn the respect and support of Americans, let them earn it the old-fashioned way. Let them work for it by working for the people.

The division on this election reform bill is clear: most Republicans want money to speak. The Democrats want people to speak.

And speak the people will. The political offices of the United States of America are not for sale.

I hope the citizens of the United States will start watching closely this action on the Senate floor. All-out Republican war has been declared.

They are fighting to kill the bill, to strangle it before we can even have a vote on it. Watch them closely. Some Republicans will vote in favor of spending limits. Others will not. Those who think money is more important than people will vote to bury S. 2.

In the final analysis, that is so often the big difference between our two political parties. And nothing would better exemplify that difference than how Members vote on this bill. Money first or people first. The difference is clear.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **BYRD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

## TO PROHIBIT THE IMPORTATION OF OBJECTS FROM THE R.M.S. "TITANIC"

Mr. **BYRD**. Mr. President, earlier today an order was entered for a time limitation of 10 minutes on a bill to be introduced by Mr. WEICKER dealing with the importation of objects from the *Titanic*.

According to the order, I was authorized to proceed with the matter after consultation with the distinguished

Republican leader. That consultation has occurred.

I ask unanimous consent, Mr. President, that the distinguished Senator from Connecticut [Mr. WEICKER] be recognized to call up his bill and that the Senate proceed to its immediate consideration once he does so.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **WEICKER**. Mr. President, I believe the bill is at the desk. If so, I ask that it be read.

The **PRESIDING OFFICER**. The clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 1581) to prohibit the importation of objects from the RMS Titanic.

The **PRESIDING OFFICER**. Without objection, the bill will be considered as having been read the second time and the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill.

Mr. **WEICKER**. Mr. President, I will be very brief in my discussion of this legislation.

The United States and France cooperated in a very successful way several years ago in the discovery of the Royal Mail Ship *Titanic*. The principal scientist in that venture was Dr. Robert Ballard, of the United States. Dr. Ballard, coming from Woods Hole Oceanographic Institute, made the initial discovery, and then proceeded to photograph the wreck and report it to the world.

Now, what was originally a scientific endeavor dedicated to marine research, to unearth the remnants of history, has degenerated into a salvage operation by the French.

I think it is important to point out that the United States, through Dr. Ballard, could have done more than a year ago exactly what the French are now doing. We have the hardware and the knowledge and the will to retrieve artifacts from the *Titanic*. To the credit of this Nation, we have chosen not to do so, leaving it, rather, as a marine memorial. Unfortunately, such was not the case with the French.

Now, I think it important here again to point out that it is not the French Republic that is doing this in the name of the Government of France. The French are contracting out their equipment and their services to commercial ventures located both in the United States and in Great Britain, and perhaps even elsewhere.

It is true that what they do is not illegal. Under international law they have the right to this act of salvage. But it was the hope of this Nation, as expressed in a bill passed by the Senate and the House over 1 year ago and signed into law by the President, that future activity on the *Titanic* would be done in the spirit of international cooperation.

It, in effect, requested of our Department of State that they contact the British and the French to see if guidelines could be set out relative to any salvage of artifacts from the *Titanic* or, indeed, any endeavor relating to the *Titanic*. Our State Department was unsuccessful in that effort, having contacted the French many times during the course of the year—the latest, of course, being recently when facts surfaced relative to this particular salvage operation.

So I think it can be safely stated as a matter of historical record that what started out as a venture in the name of science and history by the United States and France has degenerated into a commercial venture on the part of the French.

Now, as I indicated, there is little that can be done vis-a-vis international law, but I think what we can do is to take one step further the spirit of the initial discovery denying to the French any profit from its commercialization. Therefore, this bill now before the Senate bans the import for the purposes of commercial gain any object from the *Titanic* into the customs territory of the United States.

The bill defines the term "R.M.S. *Titanic*" as the wreck itself or cargo and contents scattered on the ocean floor around it, the so-called debris field, and it calls for termination of the ban when an international agreement to which the United States is a party governing any exploration and salvage of the *Titanic* enters into force.

The bill does not ban import for nonprofit purposes such as an exhibition at the Smithsonian or other educational nonprofit institution. To me this is a well-tempered response to the ill-advised venture of the French.

I again want to express the pride I feel for the scientists of my country in their eschewing the commercial profits which could have been generated from their activity. As one who has been deeply interested in marine research over a long period of time, heretofore French activity has been a positive example to the world, as evidenced by the work of Jacques Cousteau.

I think this, indeed, just completely reverses all the good will that has been gained by Mr. Cousteau, all the knowledge that has been disseminated among the people of the world by Mr. Cousteau and places the French in a very unenviable position of being in the field of commercial ventures, in effect desecrating what U.S. law designated as a maritime memorial.

It is not the desire of the United States to claim this as our own. It is a desire of the United States to see that it is handled properly by international agreements, which can only be arrived at by France, Great Britain, and the United States—indeed, anybody else who cares to join.

The oceans have too few friends in terms of the commitments of various nations around the world. The money we spend on oceans reseach is far too little. It is only a matter of time before the world is going to have to turn to these oceans for food and fuel. I hope that matters such as the *Titanic* would instill in all of us an urgency to understand the oceans and use that knowledge to explore and to develop their resources in the best possible way. When the Earth does turn to the oceans for its food and its fuel, do not forget it has to be a resource that lasts millions of years rather than just a decade or two to satisfy our most immediate desires.

That is why I again urge international cooperation. As a proud lay member of that community, one who himself has spent days on the bottom of the ocean, I hope that we would use our resources together and not apart and that the end result would be a tribute to science and history and not to a few bucks that can be made in a few short months.

This bill, then, obviously makes it still possible for the plunderers to vend their objects throughout the world, but they will not have as one resource this most bountiful of nations.

Mr. President, I hope the bill will pass.

The **PRESIDING OFFICER**. All time has expired.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1581

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SEC. . (a) Notwithstanding any other provision of law, no object from the R.M.S. Titanic may be imported into the customs territory of the United States for the purposes of commercial gain after the date of enactment of this act.

(b) For purposes of this section, the term "R.M.S. Titanic" means the shipwrecked vessel R.M.S. Titanic, her cargo or other contents, including those items which are scattered on the ocean floor in her vicinity.

(c) The provisions of this section shall terminate upon the entry into force of an international agreement to which the United States is a party governing any exploration and salvage of the R.M.S. Titanic.

Mr. **WEICKER**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **BYRD**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **WEICKER**. Mr. President, I thank the distinguished majority leader for his courtesy in allowing me to bring this matter to the attention of the Senate at this time.

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Mr. BYRD. Mr. President, I thank the distinguished Senator from Connecticut.

## HAPPY BIRTHDAY TO SENATOR STENNIS

Mr. BYRD. Mr. President, I note the presence in the Chamber of Mr. Stennis.

I call attention to the fact that this is a very important birthday in the life of a highly revered Senator—the distinguished Senator from Mississippi [Mr. Stennis].

Mr. Stennis is chairman of the Committee on Appropriations of the Senate. He is also the President pro tempore. This is a happy event in his life—the birthday of our esteemed senior Member of this body, senior from the standpoint of service, a man who has been in the Senate now for many, many years.

I know that my colleagues will join me in extending our best wishes to Mr. Stennis and in wishing him many happy returns for the day.

I shall try to recall a verse which I think typifies what this man's life and service in this body are to the body, to ourselves, and to the country.

I think we all can see much in the service of Senator Stennis here to attempt to emulate, much to inspire, much to guide us, much to attract us.

As we look upon the service of this man, we can see a service that is marked by high integrity, by honesty, by strong character, and by devotion to the Senate.

The Senator from Mississippi has been a great leader in this country and a leader in the Senate. He has been on the Committee on Armed Services of the Senate for many years. He has helped to guide us and counsel us with respect to arms control matters and with respect to national defense matters.

We have all gained much from working with John C. Stennis. He has certainly been an inspiration to me, and I count myself fortunate in having John Stennis as my friend.

Mr. President——

### My Neighbor's Roses

The roses red upon my neighbor's vine
Are owned by him, but they are also mine.
His was the cost, and his the labor, too,
But mine as well as his the joy, their loveliness to view.

They bloom for me and are for me as fair
As for the man who gives them all his care.
Thus I am rich, because a good man grew
A rose-clad vine for all his neighbors' view.
I know from this that others plant for me,
That what they own, my joy may also be.
So why be selfish, when so much that's fine
Is grown for me, upon my Mississippi neighbor's vine.

Mr. STENNIS. Mr. President, I say to the Senator from West Virginia, you warm my heart, you expand my gratitude. I appreciate your kind and generous words more than I can fully describe.

I appreciate, too, what you have done for our country, what you have done for this body, the U.S. Senate.

I cannot recall the exact date, but I remember when you came here. I remember the first caucus you went to and some of the things you said in that meeting. I said to many then, "He's a comer; he's a comer." I am not a prophet, nor the son of a prophet, but that was one time I hit the nail on the head.

We are all grateful to you and appreciate very much what you mean to this body and to us as individuals, year after year. I hope you will continue to be here for a long while.

I thank you again for your kind words.

## SENATORIAL ELECTION CAMPAIGN ACT

The Senate continued with the consideration of S. 2.

Mr. STENNIS. Mr. President, I am here to speak briefly, not more than 10 minutes.

I have listened carefully to the debate and prior debates regarding the important issue of campaign finance reform. I have joined in that debate, and for the third time I feel compelled to come to the floor and speak.

As my colleagues know, I am not given to making speeches just for the fun of it or for the privilege of it. I try to have something to say that might be helpful regarding the problems that surround the office we hold.

I believe that this issue to which my remarks will be addressed, this matter of elections, is so important to constitutional democracy and to the institution of the U.S. Senate that I feel compelled to speak out.

In the past I have spoken only to the need for reforming the current system of campaign finance and to make that reform without delay. But today, Mr. President, I must comment on the substance of these reform proposals and the arguments made against them.

Several years ago, I supported strongly an amendment that would have striken a provision providing for expenditure of Federal funds, taxpayers' money, in connection with the Presidential campaigns. I did not like the idea and I still do not like the idea, in a sense of fairness, of taking money that someone has earned and paid in taxes and giving it out to another person as a part of his cost of getting elected to office. I do not like that idea standing alone. I think it is unsound.

But the money we are talking about today is not of that category. It relates to graver things than merely paying a fee. I am speaking now to a provision to limit the total amount of expenditures made by Senate candidates in each State. This was, and I believe still is, the overriding goal of campaign finance reform.

I am gravely concerned at the extent to which we are developing these election campaigns into a kind of a running fundraising contest carried on in innumerable places over the Nation. The people doing the work are good. I do not challenge their purpose. I simply believe that is destroying the spirit and the feel of the local nature of the particular campaign.

The current method of campaign financing is putting local decisions in the hands not of the people who live in the area, in the vicinity, in the State, but it is putting elections in the hands of money from far away. It comes from another State. It comes from another area of the country. It comes from people who live perhaps thousands of miles from that voting precinct. To make just a small contribution as a matter of token support might be all right, on a voluntary, strictly voluntary basis without anything expected in return. That would have no kind of a wrong attitude about it or any suspicion about it. Something like that is nice enough to help a person along, especially if he is a friend. But when it comes to raising millions of dollars from throughout the Nation, contributed by people or companies that do not personally know the candidate; much less know him well enough to have confidence in him or her, or have a faithful judgment of their ability to cope with the known problems that are going to confront them, even before they are sworn in and certainly as long as they are in office; I just do not believe that we can let that practice continue to operate. We cannot continue to operate that way and continue to maintain integrity of our local elections.

We are driving the local people away from elections, because they do not believe in those practices. They do not believe in the possibility of having their local elections taken over by some person or group that they do not know and about the purposes of which they know nothing. It creates a suspicion that these groups are not all good.

I am not trying to berate or run down or raise questions about any individual. I am thinking in terms of a pattern of conduct. The Constitution of the United States says that Members of this body shall be elected by the people, by the people of the respective States. Now we went more than 100 years, during which the legislators from each State elected the Members of this body. But that was changed through a constitutional amendment. I remember just as a boy when it arose at the insistence of the people, because they wanted to exercise that political power themselves at their own voting precincts and in their

own voting places and under their own election managers, rather than to continue to relate it to a faraway city or some other process. Finally a few years ago, we hit on this system of campaign finance that has rapidly deteriorated. I am not accusing anyone of being a crook—what I am saying is this is taking the heart, the soul, the feeling, and the self-respect away from these people who live and vote at these precincts. This system is taking elections far, far away, to wherever this money came from, and it is creating conditions that cannot avoid affecting and changing the election process at the expense of the local people.

That is the substance of my plea.

Now the substance of this amendment here today is an invitation to hold down and circumscribe and directly control the amount of this outside money. There were provisions in here trying to meet this matter with money out of the Treasury, but this latest proposal leaves that language aside and provides that if any candidate spends more than allowed under the terms of this law, then the other side shall be paid out of the Federal Treasury a sum equal to two-thirds of the State expenditure limit.

That will keep the matter cleaner and will tend to reduce campaign spending because the man that has the overrun will be building up a sum of money for his opponent to draw from the Treasury.

(Mr. ADAMS assumed the Chair).

Mr. STENNIS. That is not an invasion of the money that is in the Treasury. This is an effort to keep elections clean, to keep it in the hands of the people who are to be served by these candidates, whichever one is elected, and thereby avoid what has come to be a new problem in elections.

Now I am not suggesting that elections everywhere in every State or every precinct is filled or touched with this evil, this wrong, this pattern that destroys in effect a lot if not all of the purity of the election.

Furthermore, if the spirit and interest is lost by the local people, with whom this right belongs, and I submit it is exclusively theirs, if there is something wrong with them then you kill the spirit of the entire election. We must not let that happen.

There are those who have worked very hard on this issue. And as for those who do not see a need for reform, I do not accuse them of having a bad motive; of course not. It is always a problem to work out a plan for elections. But, if we do not continue until we find a way here through some law that we can agree on we are riding hard for a fall of almost the worst possible kind. I think that those of us who are here now who can see these things that are going on in many places, can interpret what the real meaning of these developments is. At the same time have the real power here as Members of this body to stop that unfaithful and that questionable method of campaign financing that we have dropped into and, keep these elections clean and unpolluted and not subjected to being taken over by outside interests.

I wish that everyone, everyone in America, every citizen, could have an opportunity of visiting Philiadelphia, PA, as was our privilege a few weeks ago when about 40 of the Members of this body and about 100 Members of the House of Representatives, all gathered together at Philadelphia, PA. There we were, escorted around that great city and into the historical buildings. Everything is in its place like it was when the Constitution of the United States was written, where the Declaration of Independence was written, and where all these other things connected particularly with our early history happened.

It was my privilege to be among those that were there and went through these very places I have described. And it was a great thrill to me. They said, "Where do you want to sit? In the chair George Washington sat in when the Constitution was being written, or do you want another chair?"

I said, "Give me Mr. Washington's chair." And I had the privilege of occupying if for at least 30 minutes.

But the thrill comes from the overall satisfaction, satisfaction that there in that very building and in those rooms, in the premises there, that the standards, the standards that has proven so satisfactory to us as a whole and so productive to us as a whole successfully for 200 years. We have taken space that was a wilderness then, except for a relatively small percent of that that constitutes our 50 States now—then we had only 13—and it has grown into more than 260 or 270 million people.

It gives you that feeling of strength, thanksgiving, realization of the possibilities, but it makes you think, too, that we have got to keep elections clean, we have got to keep them on a high level. I do not think there is anything, anything, about our entire system of government that is quite as important as the preservation of high standards and clean standards in our elections and to keep those elections strictly in the hands of the people. They will make some mistakes. They will make some outstanding mistakes, at times. But as a whole, there will be satisfactory products, results obtained and the average service rendered by those elected under this system will be the average for the people. It will have standards of conduct, it will have standards of principles, and the best will work out as a whole for the benefit of the people and the strength of the Nation.

I am not a wise person by any means, but when it comes to observation and experience, I have served 402 people, think of that, by observation and experience, I have some knowledge of the high purposes and the high standard of conduct and the effectiveness of the work of these people over the years in the growth of our Nation.

So there is your proof. And I feel confident—I am not referring to any individual—but I feel confident if we continue to neglect these standards for our elections, our election patterns, if we continue to neglect these, then we are riding for a fall. And if we fall in that department, reform may not come quick enough.

So I hope that we will continue to take this matter quite seriously and in some fashion work out a simple plan that will carry with it the high purposes and the fine production that has brought us these results of the very highest kind.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

## TIME LIMITATION AGREEMENT—NOMINATION OF ALAN GREENSPAN, OF NEW YORK, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Mr. BYRD. Mr. President, as in executive session, I put the following request which has been cleared through the distinguished Republican leader, and I make the request at this time with his approval.

I ask unanimous consent, Mr. President, as in executive session, that on the nomination of Alan Greenspan to be a member of the Board of Governors of the Federal Reserve System, vice Paul A. Volcker, resigning, there be a time limitation of 30 minutes to be equally divided between and controlled by Mr. Dole and Mr. Proxmire, and that at the conclusion of the 30 minutes, or the yielding back thereof, a vote occur on the nomination of Mr. Greenspan.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, it will be the intention of the leadership to go to the nomination today at about 4:30, or between 4:30 and 5 p.m., and a vote

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then would occur roughly 30 minutes thereafter. It will be a rollcall vote. the yeas and nays will be ordered later in the day.

Mr. President, I yield the floor.

## SENATORIAL ELECTION CAMPAIGN ACT

Mr. DeCONCINI. Mr. President, I rise to discuss the election reform bill, S. 2.

Some of my colleagues have stood on this floor and advocated abolishing all political action committees. Not only is this not a good idea but, in my judgment, it is a terrible idea.

In supporting S. 2, I support aggregate limits on PAC giving. I support aggregate limits because I believe it brings balance to fundraising. However, abolishing PAC's would deprive many citizens of an opportunity to actively participate in campaigns and would likely not stand a court challenge. If you attempted to do that.

Mr. President, that is not what S. 2 is all about. I think many who have supported an effort to abolish political action committees are using it as a subterfuge because they do not want to have real election reform. They know we are not really going to do that.

We have talked a good deal about the outrageous spending of PAC's and their inordinate influence. But let me point out that all PAC's are not multimillion dollar operations. Many PAC's are small, well-run groups which truly represent their members' views and allow different ideas to be brought and heard, the chance for many voices to participate.

Let me take a few minutes of the Senate's time to tell you about one such PAC in my State of Arizona. The Salt River project is a water and power utility serving central Arizona. Salt River project's PAC is known as PPIC. PPIC had 229 member employees in 1986, 189 of whom made contributions to PPIC. The average contribution was $120.81 for a total in 1986 of $22,834.56, to be exact.

So this is not an outrageous PAC that we ought to be targeting to eliminate.

PPIC made contributions to 105 candidates in 1986. Only eight of those contributions were for amounts of $1,000 or more, and most were for a few hundred dollars.

In addition to funding candidates, PPIC has an active voter education program. They hold candidate forums and provide nonbiased detailed information on Federal and State candidates running for office.

PPIC has set out for itself lengthy and detailed ethical guidelines for the operation of their PAC. Among the guidelines is an assurance of confidentiality for all members so that there can be no pressure to give and no sanctions for not giving to the PAC. The advisory committee which makes the decisions on where to give contributions is made up of members representative of the membership. Importantly, the guidelines go on to assure that PPIC will honor not only the letter of the law but the spirit of the Federal, State, and local election laws as well. Finally, PPIC explicitly states "PPIC contributions will not be contingent on the promise of a vote or action on a specific topic, issue, bill or regulation."

Mr. President, as I believe I have illustrated, PAC's are not inherently evil. They are part of a good, sound, healthy political process. What is evil is the level of PAC giving which we have seen in recent years. By enacting aggregate limits on PAC giving we insure that voices like those of the Salt River project employees are still heard, in an effort to join together in what I think is a positive approach.

Let me add, Mr. President, there are many other such political action committees. Political action committees were not instituted primarily or initially to simply raise a bunch of bucks to try to influence Members or candidates on how they might vote on issues. They were put together many years ago by labor and environmental groups. They were put together to educate their members as well as raise money.

Some may scoff at that, saying, "Senator, do not tell me that the AFL–CIO PAC was put together to educate their members, or the environmental PAC was put together to educate their members, or the Salt River PPIC to educate their members. They were not. They were put together to get money to buy influence."

Well, that is not true. One of their main goals is educational. Unfortunately, we have seen many political action committees that have been converted to influence peddling, but still there are many of them, as I have pointed out in this statement, that do other things, that do educate their members, that educate the public by public forums, that print monthly periodicals and other information that is circulated among employees.

What is better than an employee, a registered voter talking to his neighbor or his relatives about some political issues, and that is what the education part is all about. Second, what is better than for that employee to feel that "I make $20,000 or $30,000, I can't afford to give $100 to every legislative candidate that I like. I might like 10 or 12 of them—or to the U.S. Senate nominee or U.S. House nominee—but I can give $125 to this political action committee which will then put that together with some other contributions and give a contribution to some candidates who I think are honest and are going to do a good job."

That is what political action committees are all about, Mr. President. I think it is unfair to give them a bum rap because some here on this floor oppose S. 2.

## HAPPY BIRTHDAY, SENATOR STENNIS

Mr. DeCONCINI. Mr. President, I want to congratulate the senior Senator from Mississippi on his birthday. It is a happy day for him, indeed it is a happy day for all of us. Senator STENNIS was kind to this Senator when I came here some 11 years ago. He had been a colleague and contemporary of Ernest McFarland. Governor McFarland had served in this Senate with the Senator from Mississippi and I know that Senator McFarland called the Senator from Mississippi before I came here, along with his senior colleague, Senator Eastland, and introduced this Senator to them over the phone. I remember going to see the Senator from Mississippi and how he recounted to me the conversation he had with former Senator McFarland and the hospitality and warmness both Senators from Mississippi extended to me when I first came to the Senate.

Senator STENNIS reminds me very much of my father; he was a man of principle, a man who understood the strength of an institution and the importance of an institution. But the Senator also realizes that life changes and that you have to look to the future with the younger Members of this body as Senator STENNIS did for me when I first joined this body.

I wish the Senator a happy birthday and thank him as one Member for always considering the younger generation. Now I have to look to younger generations coming along and share this institution, not only its history, precedents and love that the Senator has for it but also the leadership to consider the direction it should go. It is a tribute that the Senator has served so long in this body and now serves as the able chairman of the Appropriations Committee. If I had a hat on, I would take it off to the Senator and if I could applaud right now, I would applaud. But I wish him God's blessings in prosperity and continued leadership in this body.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. DeCONCINI. I will be glad to yield.

Mr. STENNIS. I thank the Senator very much for his kind and generous words and say, too, that I remember quite well the good impression we had of the Senator when he came to the Senate. But the happiest thought of all is how he has blossomed, risen to a place of high responsibility and has

had an outstanding role to play. I thank the Senator very much.

Mr. BOREN. Mr. President, I join in the comments made by my distinguished friend from Arizona about our good friend, the senior Senator from Mississippi. He has been an inspiration to all of us, and I congratulate him on this special occasion in his life.

It is not unusual that he would be on the floor having come to talk about the matter of great importance to our form of government, our constitutional form of government, being one of those who has encouraged me all along the way in trying to do something about campaign finance reform. He said to me, "I am concerned about what is happening in this institution from my perspective and I am concerned about what will happen to our country if the people who go to that ballot box back in those voting places all across this country lose control of their own government. We are going to have terrible problems."

His concern has been a major factor in altering me to the problem we are trying to deal with in the bill that is before the Senate at the present time. But it is not just in that area of endeavor. It has been in many, many others; that simply by watching the Senator from Mississippi, watching the example and observing the example that he sets for all of us, I have been led to try to do what I thought was right on a number of issues.

We are asked very often, can people serve in public life for a long time and have a great impact and still keep their personal standards of integrity, still have their character intact, still live by the standards of ethics that we would want to see in all those with whom we must work and have dealings.

I do not know that it would be appropriate to refer to the Senator from Mississippi as professor, but he has been a professor who has taught all of us in this Senate about personal integrity, about love for our country, about the courage of conviction, about courtesy, about kindness, about concern for his fellow human beings.

I wish him well and special congratulations on this day and thank him as one of his many pupils for the lessons he has taught this Senator as I know he has taught many, many others.

Mr. STENNIS. Mr. President, if the Senator will yield, I warmly thank my friend for his generous remarks. Along with the rest of the membership and people of this Nation, I am indebted to him for the fine and outstanding work he has done with regard to this knotty problem with which we are dealing. I believe he is going to improve the law in a very meaningful way without being extreme. More power to the Senator. I am going to back him.

Mr. BOREN. Mr. President, I thank the Senator from Mississippi.

Let me say in his coming to the floor again and again, if there are any days I get discouraged and wonder are we going to make it across that line and finally make the kinds of changes that are going to be needed to restore the integrity to the election process again, make sure that the people have control of their own government, elections are decided on issues and qualifications and not on the basis of who can raise and spend the most money, if at any time I am fainthearted or wonder if the fight is worth it, I look around and there is the Senator from Mississippi on the floor with an encouraging word, ready to continue that fight until we ultimately win.

I would say also that the distinguished majority leader would be another one who continues that kind of encouragement and that kind of tenacity. With the Senator from Mississippi and the Senator from West Virginia saying we are going to keep this matter on the national agenda until we finally do something that will help this system and will help this country, I have every confidence we are going to get it done. I thank the Senator from Mississippi for his encouragement.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BOREN. I will be happy to yield to my distinguished leader.

Mr. BYRD. I also thank the Senator from Mississippi, but I think we all have to say Senator BOREN is our leader in this matter. He is the one who has persistently pressed ahead, worked hard on the legislation, knows it up side and down, down side and up, inside and out; it was his idea to begin with, and I continue to look to his leadership and his guidance as we press forward with this matter, and I hope for an ultimate conclusive victory for democracy.

Mr. BOREN. Mr. President, I thank the distinguished leader for his kind words. That is exactly what is at stake, the integrity of the political process, making sure that the people retain control of their own government at the grassroots and that we do not end up putting the highest positions of public trust in this country on the auction block for a decision based upon who can raise the most money. That is not what the people want. That would be a dereliction on our part of our duty to uphold the constitutional process.

We are going to continue and will keep coming back again and again, until we finally forge the agreements that will make it possible to move ahead in this area.

Mr. HEFLIN. Mr. President, I would like to add my voice of praise and commendation to the distinguished Senator from Mississippi, JOHN STENNIS, on this occasion of his birthday.

I remember that about 2 years ago, I, along with a large number of Senators, went to his hometown, De Kalb, MS. There, the people of De Kalb and surrounding areas had gathered to help him celebrate his birthday.

There was a great outpouring of love and affection by friends and neighbors who had known him and his father and others before him, in his hometown. There is nothing like hometown folks who know an individual.

De Kalb is not a big place. It is a small community, a little smaller than the community I live in. Those people are the salt of the Earth. They know an individual for his character and his integrity.

The great outpouring of love and affection that was displayed by his hometown and home area people was evidence of the fact that he stands tall with the people who know him best.

So it is a pleasure to be here today. I have so many things I could say about him that I might be accused of filibustering if I talked a long time.

He and I have much in common. We are from the South. We have backgrounds that go back generation after generation.

I have enjoyed very much the [illegible] he has told us about his early years, how his father would raise cotton and then take it over into Alabama and ship it down to Mobile in those days.

He and I had the privilege of being judges. Not too many Members of the Senate today served on the bench. That gives you a different perspective, and I think a better perspective, of individuals and of human nature.

So I am delighted to participate in this occasion, and I wish you a happy birthday.

I had the pleasure of speaking at that birthday celebration, and I ended my speech with an old Irish prayer, and I would like to see if I can remember it, to wish you well on this birthday. The old Irish prayer goes like this:

> May the road rise to meet you.
> May the wind always be at your back.
> May the sun shine warm on your face
> And the rains fall soft on your shoulders,
> And may the Good Lord hold you in the hollow of his hand during the remainder of your days.

We admire you, we respect you, we love you, Senator JOHN.

Mr. STENNIS. Mr. President, I thank the Senator warmly for his fine words and his generous spirit. I claim that being his neighbor has contributed a lot to me. Knowing the Senator from Alabama gives me great strength.

## BICENTENNIAL OF THE CONSTITUTION

Mr. HEFLIN. Mr. President, September 17, 1987, will mark the Bicentennial of the Constitution of the United States. Many will doubtless remember when we celebrated the 200th anniversary of the Declaration of Independence just over 11 years ago. Well, I believe that the Bicentennial celebration of the Constitution is equally, if not more important. As Senators know, the Constitution is the frame work and blueprint for our government—the oldest government that has been in continual existence anywhere in the world. It combines our individual rights and liberties with a governmental structure unique for this then fledgling Nation, but sufficient to provide order and security to protect those individual rights and liberties.

The upcoming bicentennial offers each of us an opportunity to study, examine, and appreciate the Constitution. Without a working knowledge among the citizens of this Nation of our charter of liberties, our government would soon perish, because ours is a "government of the people, by the people, and for the people." Its functioning and survival depends entirely upon the capacity of all people to understand and to participate in our constitutional system. Our government is, therefore, only as strong as the understanding and will of the people who comprise it. To help promote this understanding, I wish to address the history and fundamental nature of our Nation's Constitution.

By fighting the Revolutionary War in 1776, our forefathers had established America's independence from England. They had proclaimed that "all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness." Undoubtedly, many of you have at some point in your lives been asked to memorize this section of our Declaration of Independence. But, at the time independence was declared in 1776, our forefathers had no actual government which would ensure that these rights would survive. In the history of the world, many peoples have momentarily grasped freedom only to let it slip through their fingers. Our forefathers were in a similar precarious position. Although they had obtained the rights which all mankind inherently strives and struggles for, our forefathers were in danger of losing them without a government which would secure these basic freedoms and protect their safety.

On November 15, 1777, Congress adopted the Articles of Confederation. These articles of government were finally ratified by the States in 1781, as the Revolution neared its end. At this time, after years of war, struggle, and sacrifice, our forefathers' new Republic—the United States of America—was finally self-governing.

Yet this government was highly ineffective. Its primary fault was that the National Government was not strong enough to address issues and problems which faced the country. When it was devised, many of the Nation's leaders were suspicious of a centralized government. They were fearful that a government which wielded too much power would become a tyranny, similar to the British Crown they had opposed so fervently. And each of the Thirteen Colonies refused to surrender the power it had gained by winning the Revolutionary War. So, although the 13 States were joined what was called "a firm league of friendship with each other," each State retained its own "sovereignty, freedom, and independence." Essentially, the United States was comprised of 13 individual nations. Each State worked independently to satisfy its own ends. For example, each State issued its own currency. Each maintained its own army, and each individual State was responsible for regulating its own trade and commerce.

You can, perhaps, imagine the confusion which resulted from the diverging laws and regulations that were adopted by the various States. Because of differences in currency, $1 in one State had a relative value of only 50 or 75 cents in another. How was the price for a product in one State to be determined when it was being purchased with currency from another? Also, each State had different laws governing trade. Often, one State would not allow goods from a bordering State to be offered for sale. This was absolute and complete protectionism. Each of these factors led to an economic depression which fostered dissatisfaction in the new Republic.

Furthermore, though there was a national Congress which met regularly and had the power to conduct diplomacy, declare war, and deal with Indians, there was no President to execute laws or to personally oversee relations with other nations. Neither was there any national court system. And because taxation was viewed as one of the greatest powers that could be held by Government, it was reserved by the States. When the National Government needed money, as it did at this time to pay the enormous debt it had assumed during the Revolutionary War, it was bound by the Articles of Confederation to appeal to the States, which would then collect revenue directly from individual citizens. Often, however, the States did not comply with these requests.

The national debt was compounded by a large private debt owed by United States individuals to British merchants. The British refused to surrender forts along the Ohio River in accordance with the Peace of Paris until after the debts owed to British merchants were paid. With this excuse, they continued to enjoy the lucrative fur trade, and to retain the allegiance of Indians. Likewise, the British merchants refused to trade with the Americans until they were paid. And, other nations, such as France, refused to give the United States Government any additional credit until the money owed them was paid. This debt, both that held by the National Government, and that held by individuals, led to a lack of credit which also contributed to the economic depression that plagued the farmers, merchants, and bankers of the young nation.

Additional problems resulted from the foreign occupation of lands which were adjacent to U.S. territories. The Spanish King claimed the lands which stretched west of the Mississippi. Yet, their agents would not allow American explorers and fur trappers to navigate or chart the rivers in this area. They would even use the Indians as a tool, stirring them up to fight against U.S. explorers and settlers. As I have mentioned previously, the British still occupied the Ohio River Valley, and they, too, manipulated Indian sentiments against American trappers and explorers.

Because the Government established by the Articles of Confederation was not strong enough to adequately resolve the problems facing the young Republic, many of our forefathers believed that a change in the articles would facilitate the operation of the National Government. But a substantive change in the articles required unanimous consent by each of the States. And there was always an objection by at least one State to any proposed change.

The summer of 1786 was an especially frustrating time for America. The country was being hurt by an economic depression that stifled commerce and farming. Armed conflicts had even taken place between States over various trade restrictions. The Indians, stirred up by the Spanish and British, were, again, posing a dangerous threat to settlers. Additionally, pirates in the Barbary states of North Africa had seized American ships and sold their crews into slavery. Even if Congress had agreed to pay the tribute demanded by the pirates for free navigation into the Mediterranean, there were not enough funds in the National Treasury to do so. No relief for any of these problems appeared to be in sight. Any legislative action by the National Congress was vetoed by one or more of the States.

Finally, national leaders hoped that a meeting which was scheduled to take place in the fall of 1786 at Annapolis, MD would provide answers to the many commercial problems which faced the Nation. However, a total of 12 delegates from only 5 States arrived in Annapolis on September 11, 1786, to discuss commercial matters. Representatives from other States either were not sent or had not yet arrived. After 3 days the delegates to what has

become known as the "Annapolis Convention" decided that it would be fruitless to continue. With such poor attendance, nothing substantive could be accomplished. On September 14, immediately prior to adjourning, the Annapolis Convention drafted and adopted a resolution asking each State to send representatives to a new convention which would assemble in Philadelphia in May 1787. This meeting would not be limited to commercial matters, but would address all issues necessary, as they wrote, to "render the Constitution of the Federal Government—the Articles of the Confederation—adequate to the exigencies of the Union." Thus, the foundation for a Constitutional Convention had been set. However, at this time, very few of the Nation's leaders believed that the Articles of the Confederation should be fundamentally changed or rewritten.

But in the fall of 1786, conditions were so bad in parts of America that many citizens resorted to arms in order to solve their problems. In Massachusetts, a revolt was led by a man named Daniel Shays, who had served as captain in the Revolutionary War. Shays was a natural leader. After the war, he had been regarded as a hero, and personally knew George Washington and other national leaders. As conditions in Massachusetts worsened, he led dissatisfied farmers in a rebellion against the Massachusetts government. These farmers where angry over the exorbitant land taxes, the high cost of litigation, and the high salaries of officials. Shays' rebellion was considered a grave threat to the entire Union by leaders in every State, for Captain Shays had a wide appeal among people in each State who had experienced similar frustration. George Washington expressed sentiments common among the Nation's leaders when he said:

> It was only the other day that we were shedding our blood to obtain constitutions under which we now live—constitutions of our own choice and making—and now we are unsheathing the sword to overturn them.

Shays' rebellion lasted from the fall of 1786 until February 2, 1787. Shays and his men were finally defeated by Gen. Benjamin Lincoln, a Revolutionary War hero for whom the town of Lincoln, AL, was named. However, the concept of a revolt greatly concerned Americans everywhere. Many people feared that our glorious young Nation would dissolve into tyranny or anarchy—that they would lose the freedoms and liberties for which so many had bravely fought, shed blood, and died. The main result of Shays' rebellion was to enlist support among people in every State for a stronger, more centralized National Government.

Rather than to stand by idly as the Union disintegrated into an anarchy, a few bold men began to consider the upcoming Constitutional Convention in Philadelphia as a forum in which to rewrite the Articles of the Confederation. It could provide the means by which to give the National Government more power and so meet the needs of a growing nation. Foremost among these farsighted saviors of our freedoms and liberties were, perhaps, James Madison, who is known as "the Father of the Constitution," and Alexander Hamilton.

For many months prior to the meeting of the Constitutional Convention, James Madison, a 36-year-old attorney from Virginia who had also served in the National Congress, busied himself by studying various forms of government that had been instituted during the history of the world. By the spring of 1787, when he was chosen to represent Virginia as a delegate to the Constitutional Convention, he was, by far, the most knowledgeable source on forms of government in the United States. Perhaps he, more than any other, realized the true importance of the convention when he said that its action "would decide forever the fate of republican government." Likewise, Alexander Hamilton had long been an advocate for a Constitutional Convention. In 1786, he had written a proposal for what he termed as "a convention of the States for the purpose of strengthening the Federal Government." When the convention was finally called, delegates naturally looked to him for leadership.

The Constitutional Convention assembled at Independence Hall in Philadelphia, PA, from May 25 through September 17, 1787. Fifty-five delegates, including Madison and Hamilton, represented 12 States. Rhode Island was the only State which sent no delegates. People there believed that the Convention was unlawful, that it would meddle in the affairs of the States, and that the smaller States would lose their representative power. There were other notable figures who were not present. Thomas Jefferson and John Adams were away on other Government duties. Patrick Henry was appointed, but refused to serve because he opposed a strengthened National Government, and Samuel Adams and John Jay were not appointed by their States. Still, as you know, many of the Nation's most prominent, respected leaders were in attendance at the Convention. George Washington was elected President, and Benjamin Franklin served at the age of 81.

When the Convention began, the delegates had been charged with the "sole and express purpose of revising the Articles of Confederation." Later, however, a majority of the delegates decided against simply revising the articles, and on June 19, 1787, voted to replace them with a new Constitution. Yet, though the delegates knew that the Articles of Confederation were an unsuitable and unworkable form of government, they could not immediately agree on a definite replacement. The disagreement among the delegates was so great that Benjamin Franklin proposed that the Convention begin its meetings each day with a prayer. On June 27, 1787, he said that—

> I have lived, Sir, a long time, and the longer I live, the more convincing proofs I see of this truth—that God governs in the affairs of men. And if a sparrow cannot fall to the ground without his notice, is it probable that an empire can rise without his aid?

Franklin's proposal was overwhelmingly adopted.

Finally, two major alternatives to the Articles of the Confederation were offered for consideration. The first plan, the Virginia plan, presented by Edmund Randolph of Virginia, proposed a bicameral legislature—two separate houses—with proportional representation of the States in both chambers. As you can imagine, this plan would have benefited States with large populations. The Virginia plan provided for a president who was chosen by the legislature, a judiciary, and a council comprised of the executive and the judiciary branch which possessed a veto over legislative enactments. Because the president was chosen by the legislative branch, it was feared by some that the president would pledge loyalty to the legislature instead of to the people. Additionally, the smaller States did not support representation based on population. They believed that each State should have an equal vote in all matters. In order to solve many of these problems, William Paterson proposed the New Jersey plan. His plan was a modification of the Articles of Confederation which would have given Congress the power to tax, to regulate foreign and interstate commerce, and which would have established an executive and a supreme court. This plan was favored by the smaller States because it would have provided for equal representation among the States in the national congress.

After long debate, the Connecticut delegates suggested a compromise which settled the problem regarding representation in Congress. Their plan incorporated provisions from both the Virginia plan and the New Jersey plan. Known as the Great Compromise or the Connecticut Compromise," it adopted the bicameral congress as proposed by the Virginia plan, but with provisions of the New Jersey plan. The Congress would be divided between an upper chamber, in which the States would have equal representation, and a lower chamber, in which representation by the States would be determined by population. Thus, this plan was agreeable to representatives of both large and small States. This agreement dispensed with one obstacle which faced the delegates, but there were many more rivers to cross.

In addition to the bicameral Congress, the delegates eventually agreed to the creation of an executive, and to the formation of a Federal judiciary. In this way, the government was divided into three separate branches. The delegates assigned certain powers to each individual branch of government so that no one entity would possess a disproportionate share of power. No one branch of government would wield total control. Rather, a system of checks and balances was instituted which would ensure responsible government. All money bills would originate in the House of Representatives, but could be amended in the Senate. The Congress would still have the power to declare war, to raise and maintain armies, and to provide and maintain a navy. Proposed legislation would have to be passed by both Houses of Congress, and agreed to by the President. The President would also have the authority to enforce the laws, to negotiate treaties with foreign nations, subject to the approval of the Senate, and would be designated as the Commander in Chief of the Armed Forces. The judiciary would have the authority to settle disputes between States, and between individuals. The agreement reached by the delegates also provide the National Congress with the authority to levy and collect taxes. It would additionally be solely authorized to coin money, and to regulate commerce both with foreign nations and between the individual States. With these new powers, the National Government would be able to address, and solve, many of the problems which faced the nation.

The Constitution that was agreed to by 39 of 55 delegates to the Constitutional Convention was an attempt to establish "a more perfect Union." Indeed, these are the first words of the Constitution they wrote, which begins:

> "We the People of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defence, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

Though the Constitution had been written, agreed to, and finally signed by a majority of the delegates on September 17, 1787, it had not yet gone into effect, and was by no means law. There were many noteworthy opponents of the strong centralized government for which the Constitution provided. Before it was to become the law of the land, 9 of the 13 States had to agree to its provisions through the ratification process. Thus, an important debate began among the citizens of each State. Both supporters and opponents began to discuss every aspect of the document that had resulted from 9 weeks of consideration in Philadelphia. Few people understood the importance of the Constitution as fully as George Washington, when he warned that:

> Should the States reject this excellent Constitution, the probability is, an opportunity will never again offer to cancel another in peace—the next will be drawn in blood.

Few States were as crucial to the ratification of the Constitution as was the acceptance by New York. In anticipation of the narrow vote which would occur there, Alexander Hamilton and James Madison, the two who had provided such leadership during the Convention itself, were joined by John Jay in drafting a series of essays which argued the need for and necessity of the ratification of the Constitution. Their essays, which are now known as the Federalist Papers were published under the penname of Publius, a derivation of the Latin word which meant the public. These essays attracted attention far beyond the borders of New York and were instrumental in the ratification of the Constitution. Since that time, they have provided guidance and insight into the intentions of the delegates, and the reasons behind many of their actions. The State of New York ratified the new Constitution by a narrow margin of only three votes.

Finally, New Hampshire was the ninth State to ratify the Constitution, putting it into effect on June 21, 1788. It was, in the words of Lord William E. Gladstone, a British statesman who served for 4 terms as Prime Minister of the British Empire:

> The most remarkable work ever struck off at a given time by the brain and purpose of man.

Though the Constitution had, indeed, been ratified and was finally in effect, people in every State demanded that certain freedoms and liberties be put in print—not just implied. Thus, 12 amendments were submitted to the people by the First Congress on September 25, 1789. Of these, 10 were ratified and went into effect on December 15, 1791. These 10 amendments to the Constitution comprise the Bill of Rights.

The 10th amendment is of particular importance to the States of the Union. Where the Constitution preempts specific powers to the Federal Government, it merely implies that the States would possess those which had not been reserved. This implication could, conceivably, have been the source of some conflict regarding whether the States actually held these powers. The 10th amendment dispels any question and places in the Constitution the basis for the powers held by the States. It reads that:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

One thing of which we should all be forever mindful is that the power given to Government by the Constitution originates from the people. Therefore, the ultimate responsibility for the success of our system rests with the people. If the Constitution is to endure, if it is to continue protecting our rights, all citizens should take an active part in the government of our communities, State, and Nation.

Our hold on democracy, on freedom, and on liberty is at times tenuous. Our rights have been threatened many times during our 199-year history. But, remembering the words of President Grover Cleveland at the time of the Constitution's centennial commemoration will help to give the resolve necessary to face future challenges. He said:

> If the American people are true to their sacred trust, another centennial day will come, and millions yet unborn will inquire concerning our stewardship and the safety of their Constitution. God grant they may find it unimpaired.

As we approach the 200th birthday of our Constitution, I want each person to consider what they can do in this year of the bicentennial of our Constitution. I want to give each of you a challenge. Every high school, every church, each mayor and every town council should, themselves, form a council or commission to commemorate and celebrate the bicentennial of our Constitution. In this way, a thorough understanding of the precepts and workings of our charter of liberities and government will be available to all. Each person will serve as an ambassador for the celebration.

After the Constitutional Convention adjourned on September 17, 1787, Benjamin Franklin was approached by a woman on the street as he left Independent Hall. "Well, Doctor," she said, "what have we got—a republic or a monarchy?" "A republic," he answered, "if you can keep it."

On September 17, 1796, 9 years to the day after Dr. Franklin was questioned on the street, George Washington gave his Farewell Address after serving as America's first President. In it, he stated that "the independence and liberty you possess are the work of joint councils and joint efforts, sufferings, and successes." Because you will inherit the stewardship of our republic, you must likewise act in joint efforts. You may also suffer hardships. But I assure you—if, as I know you will, you guard and protect our Constitution, you will be rewarded with successes. And someday, as Benjamin Franklin wished in the year of his death:

> God grant, that not only the love of liberty, but a thorough knowledge of the rights of man may prevade all the nations of the earth . . .

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## SENATORIAL ELECTION CAMPAIGN ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Washington.

Mr. ADAMS. Mr. President, I rise today in support of S. 2, the campaign reform bill.

Unfortunately, we have spent many weeks during the course of this session working to produce simply a consideration of S. 2, so that we could amend this bill and so that we could proceed forward with a campaign reform measure.

Many of us who were involved in the last campaign can only say to those who will be involved in the next campaign that our strenuous efforts on the passage of S. 2 and campaign reform to bring limits to the enormous expenditures which have occurred in the past are not something that we do in order to simply produce a record of the agony that we suffered in the last campaign, which was building toward a great crescendo, particularly in the months of October and November.

Rather, it is to say to those who will run next time and even more importantly to the American people that this process is rapidly going out of control.

We have reached a point with instant communication, with the ability of people to raise large sums of money, with the willingness of some people to spend large sums of their own money that we are converting the political process, and particularly in races that are involved in statewide elections, into a system that will do no more than convert the Senate of the United States into an institution that is controlled by wealth.

This is not why the Senate of the United States was created. In the debates in the Constitutional Convention leading to the final Grand Compromise in July 1787 we have a clear record that what was to be accomplished was a compromise between States of smaller populations and those of larger populations to create instead of a unicameral legislature such as existed in the Parliament and in the parliamentary governments of various portions of the European continent but instead to create a system that could properly unite our States that were small with those that were large and even more important to provide a system of movement into the western portions of the country where new States would be formed that originally would have small numbers of people but would feel that they were part of the Union and as part of the Union they would know that their rights were protected in the Senate of the United States which goes two by two rather than by population.

If this body had been intended to be one, as was originally envisioned by Alexander Hamilton and others, that would be appointed for life or to be like a House of Lords, that compromise would not have been adopted. It would be a great tragedy at the end of the 20th century if we were to change the condition and the complexity and the basis on which the Senate was founded to one that had been rejected by the original Founding Fathers. The Founding Fathers had a definite purpose in mind and it was not to create a House of Lords.

I think some of us that have just completed campaigns probably feel more strongly about this than those who have not been in a campaign for even as short a period as 2 years ago. The escalation factor of expenditures in the number of outlets necessary is multiplying every day. I can remember a time when it was only necessary in my State, which is a relatively medium-size State, eight congressional districts, we only had to determine really two media markets. Now there are four. And if you begin to consider cable outlets you are close to 10. Each now requires an expenditure of money. That expenditure of money, if it becomes overwhelming in behalf of either candidate in the campaign, can mean that you do not become a credible candidate at all.

What we are talking about in this campaign reform bill is not to prevent people from establishing their measure or establishing what they really are or taking measure of the other in the campaign, what we are trying to say and do is to be certain that people who run for office with a credible purpose are heard and that these people are recognized as being viable candidates. If you are not a viable candidate, no amount of work by volunteers, no amount of effort by individual candidates, no amount of effort by small contributors will offset the fact that you are not known to be a candidate.

I think this last election was a most unusual one. There were a series of people elected to the U.S. Senate that were elected through very sophisticated new campaigns involving the bunching of money, spending it at exactly the right time, and really a series of minor miracles which I can guarantee you, Mr. President, will be corrected for and is being corrected for at this very moment in every campaign shop with money in the entire United States. They will never be caught unaware again. And since they will not be caught unaware, it means that the pressure on those to give money will become more and more every day that goes by.

I am simply hopeful, Mr. President—and I know that the Senator who is the Acting President now shares this belief with me because we were two of that group who had a very unusual experience of being able to challenge and were told that we could not do this because of the relatively small amount of money that we had. But when we look at that relatively small amount of money, the amount of money that I spent, which was called relatively small, was more than had ever been spent in the race for the particular seat that I happened to run for. We spent more money than the candidate had spent for that election in 1980. My opponent spent three times as much.

This is the basic problem that we are trying to correct. It is not just to level the playing field, but it is to make the playing field available. I am very concerned that in the next election and the one that follows, if this escalation continues, the younger candidates will drop out. The candidates who have a message will be overwhelmed. The candidates who have money will coast to victory. And, as we look around this body, the people who will be speaking, the people who will be addressing the issues of the day will all address them from the same perspective. A body that addresses all issues from the same perspective drops out a remarkable number of the American people. We do not want that to happen.

Therefore, I hope we will move to consideration of S. 2. I hope that at least the motion to proceed will be adopted. I think we might state at this point that if it is not, this Senator, and I know a number of others, will be supporting procedural reforms that say that at least on the motion to proceed it should be able to be presented to this body in a minimum period of time. Then if Members wish to amend, filibuster, spend their time, that procedural step is over and the bill itself can form.

It is impossible to correct a bill or to form it or to answer arguments on individual or perhaps technical mistakes within a bill when it is not officially before the body. If it is not here where it can be amended and debate can take place, it cannot be perfected.

So I hope that people will vote for cloture, that we will proceed with this bill and, if not, that they will support reform so that a motion to proceed can be immediately adopted and, thereafter, the Senate can work its will.

Mr. President, I appreciate the time that has been spent by Senator BOREN.

### CONGRATULATIONS TO SENATOR STENNIS

I also on this day want to offer my congratulations to Senator STENNIS, who has been a friend for over a quarter of a century. He is a symbol of gal-

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lantry in the U.S. Senate. We all wish him very well on his birthday and many happy returns of the days to come.

Mr. President, I simply hope, with his remarks and that of many of the rest of us, that those that are listening will understand that this is not a partisan measure with S. 2. This is not a measure that does anything other than give the American people a chance, and particularly those from the smaller States, to have a fair voice. And that fair voice is important. This country must never divide into States large or small or into regional coalitions, because the whole purpose of the Constitution was to create a union of States, not a division of States.

With that, Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, we have been discussing today S. 2, the measure to reform the campaign finance laws. As has been made clear, there are several of us who have joined in presenting S. 2 initially, including the distinguished majority leader and myself and almost 50 Members of the Senate.

We have been endeavoring to find a way to move this legislation forward; to move it forward because we sincerely believe that it deals with one of the most pressing items on the national agenda and that item is: What do we do to contain the ever escalating cost of campaigns?

Just 9 years ago when I first ran for the U.S. Senate, the average cost of winning a U.S. Senate seat, the average amount spent by a winning candidate was $600,000. I thought that was an alarming amount of money to spend in a State the size of my State, for example, approximately 3 million people 9 years ago; $600,000.

And since that time, we have seen the cost of campaigns go up and up and up, skyrocketing virtually out of sight. In some States, we have seen campaign spending for the U.S. Senate elections—not a Presidential election, but U.S. Senate elections—go as high as $25 million. And even in the average-size State, just the average-size State, a State about the size of my State of Oklahoma, the average winning candidate in the last election cycle spent not $600,000, not $1.2 million, not $2.4 million, but $3 million in getting elected to the U.S. Senate.

Mr. President, where is this all going to end? As I have recounted to my colleagues on the floor previously, I was speaking to a group of students recently just as I was speaking to a group over at the Dirksen Building, a group of interns, college students who are serving here and working here in congressional offices this summer. Just this afternoon, I was talking to them. I was talking to them about this problem. Many of them expressed great concern about what is going to happen to the political process in this country; what is going to happen to the idea that every young person who dreams of performing public service will have an opportunity to enter into that profession, will have an opportunity someday, if he or she is willing to work hard, has good ideas, good character, and is well qualified, to have a chance to run for office and to serve in the U.S. Senate or the House of Representatives someday. What is going to happen to that dream if we allow the cost of the campaign to continue to escalate?

I was talking to a group of high school seniors and asked them if they would like to serve someday in the Senate. A lot of hands went up, that they were interested in that. Then I said, thinking 12 years ahead and in no way exaggerating, but just looking at the rate of increase in campaign costs over the past 12 years, going from somewhere around $.5 million up to $3 million, and I just project that same rate of increase with no exaggeration at all, no change, just the rate of increase in the last 12 years, projecting forward 12 years, the figure was $15 million that came out as the estimate of what it will cost to run for the Senate 12 years from now when those high school seniors will be qualified by age to seek service in the Senate.

I asked these students, "Those of you who are thinking about running for the Senate, have you started thinking about how you are going to come up with the $15 million it is going to take when you are old enough to run to try to serve in this body?"

I will never forget the expressions on their faces, the expressions of feeling let down. "What has happened to our system? What is happening to our country? What is happening to those of us who might have a dream of public service in the future?"

Mr. President, we cannot let that happen. Look at how it has already distorted what is going on in this institution, how the massive amount of money that is required to run for office is already distorting the institutions of Government including the U.S. Government, of which we are all a part.

Just at the current time, with the $3 million figure, stop and think about it. That means that if you are going to raise $3 million to be ready to run for reelection, and if you just got elected this year, you have 6 years to get ready to raise that $3 million that it is going to take. You have to raise that figure a little bit because of the current rate of increase means that 6 years from now it will be more like $6 million than $3 million.

Let us assume that it stays the same. That will mean you have to raise $10,000 every single week of your entire 6-year term to raise the $3 million necessary to run for reelection to the Senate, $10,000 each and every week.

Mr. President, with all of the problems we have in this country, problems with our trade imbalance, problems of millions of American jobs lost because we are no longer competitive in the world market, problems, challenges to the United States and our national interests and a highly volatile situation in the Persian Gulf, for example, as we meet today, problems in our own hemisphere, what to do about the growing influence of those hostile to the United States and our system of government in Central America, not halfway around the world but in our own back yard, how do we form a bipartisan consensus about this? Problem after problem. What do we do about the arms negotiations? Are there opportunities presenting themselves of which we should be taking advantage? Problems that our constituents elected us to solve. Great issues of the day that we should be thoughtfully considering. And in the midst of all that, those of us who are elected to the Senate, who should be spending our time solving the problems that our citizens sent us here to solve, must reflect on how we will raise $10,000 this week, $10,000 next week, $10,000 the week after that, and $10,000 the week after that, so that at the end of 6 years, we will raise the $3 million now required in just the average-size State to run for election in the Senate.

People did not send us here to be full-time, year-round fundraisers. They sent us here to concentrate our abilities and interests on solving those problems that are facing our country. Something must be done about it, Mr. President.

That is one of the reasons why those of us who introduced this legislation felt compelled to do something. That is why we feel so strongly that something has to be done. That is one of the reasons. Spending is out of control. It is taking the time and effort and energies that should be going into solving the Nation's problems. It is creating also the appearance of undue influence by money in the political process.

We must not allow the people of this country to believe that the highest positions in the public trust in our country are for sale on the auction blocks to those who can raise the most money to run an election.

I am convinced that is one of the reasons why the United States now has the second lowest percentage of voting of any country in the Western World. Think about that. What a record it is. It is not a record of which we can be proud.

I heard our colleague Jennings Randolph not too long ago. He retired as a Member of this body after many years of distinguished service dating all the way back to the first 100 days of Franklin Roosevelt's administration. For 30 years, Senator Randolph, starting back in 1940, introduced the amendment to the Constitution to allow 18-year-olds to have the right to vote, 30 years of effort to introduce it and reintroduce it every 2 years before it was ratified and enacted.

He was talking just this last week to a group of interns about his disappointment in the small percentage of those who had been given the right to vote having actually taking up the right. Imagine, there is only one other country among all the Western democracies that votes at a lower percentage than the United States.

Here we are with the greatest opportunity to influence what goes on in our world, the most powerful Nation on Earth, the freest Nation, and we take for granted the reason that we do not exercise our right to vote. I am convinced that part of that disillusionment keeping people away from the ballot box is their feeling that, back at the grassroots, one lone citizen cannot make a difference, that it is money, massive amounts of money, raised increasingly from special interest groups that will determine the outcome of elections anyway so why go to the polls to vote.

We cannot afford that kind of disillusion with our political system. We have to do something about it. We have to restore some balance. It is not only the amounts of money being spent but where the money is coming from that is alarming. More and more and more of that money is coming not from the people back home, not from individual contributors back at the grassroots in that Senator's home State or that Congressman's home State, but by organized special interest groups, largely run by lobbyists here in Washington, DC.

I say that not in derogation. Every group has a right to be represented by Washington representatives. Many of them are of great integrity and honesty and are here to explain the people they represent. But the money is being controlled by people here, not the people back home. Forty percent of all Members of Congress elected last time received over half of their contributions from outside of their home States instead of from people back home. The percentage of total campaign spending coming from the small contributor of $100 or less in the home State or district has shrunk in half over the last 10 years and the amount coming from special interest groups has skyrocketed.

In 10 years we have gone from $12 million to well over $100 million in political action committees and the amount keeps going up and up and up.

What happens to the concept of grass roots democracy?

As one leader said not too long ago representing one of these special interest groups, he said, "I was talking to a Member of Congress the other day and he said that he got 80 percent of his money not from the people back home but from the people here in Washington. You can have fundraisers here in Washington raising several thousand dollars in one night."

He quoted the representative as saying, "Isn't it a wonderful thing that you can raise all you money right here in Washington?"

"I used to be so embarrassed; I had to go back home to people I knew, people who were voters in my own district and I had to ask them to give me a campaign contribution." He said, "Isn't it wonderful that all that has changed; now we can raise all the money here in Washington, DC and we don't have to bother the people back home by asking them to support our campaigns anymore." He said, "What do you think about that, Senator?" I said, "Well, I am grateful that the Constitution at least requires that we have to trouble the people back home to vote in the elections or we could just solve the whole thing and let the people here in Washington, DC run it all, raise the money and have the election both."

We at least leave a little place for the people back home at the grassroots.

But something has to be done about it, in all seriousness. It is out of balance. What about this money coming from the special interest groups, the political action committees, be they of business, be they of labor, be they of single issue groups? Where do they invest their money? That is the term they usually use, investing their money in the political process. Do they give it equally to challengers and incumbents alike? No, they do not. You will find that about 82 percent of all that money is going to incumbents. They do not care if they are Democrats; they do not care if they are Republicans. They are incumbents. They are there. They are chairmen or ranking members of those crucial committees and subcommittees where they need the doors opened to have their story told. People are just human. I do not think any Members of this body would be subject to being directly influenced by campaign contributions.

But what happens if there is only 30 minutes left or 1 hour left or 5 hours of time before a crucial decision can be made in a committee and someone knocks on the door and wants to see that Member, somebody who represents a group that has given $10,000, and someone else is knocking on the door, a constituent from back home, who has never been able to give but $5? What happens? Who gets the access? These groups end up giving 80 percent of the money to incumbents because they are there, they need to deal with those subcommittees. They are going to be there for the 2 years or 4 years or 6 years left in their term. They do not know if that challenger is going to win or not. And then what happens? Suppose they bet on the incumbent because they want the access. What happens if that incumbent loses to the challenger? Most of these groups are pretty fast afoot. You will find group after group, all of a sudden they give to the challenger who has won to help pay off his deficit. And we have scores of them. Millions of dollars are given to both sides. If they happen to give to the incumbent and the incumbent got upset, they quickly get on board with the challenger now that he is here and has office doors that need to be opened.

So there needs to be a balance struck. We need to allow the people at the grass roots to have more input, and that is why S. 2, and the substitute for S. 2 as now pending, provides that to qualify under our system as it is being set up, you qualify for certain benefits if you accept voluntary spending limits. You also have to raise a certain amount of your campaign contributions from small, grassroots contributions of $100 or more back in the home State or the home district, so that we make sure that we keep alive that concept of grassroots democracy and keep some balance to the process.

So, Mr. President, there are reasons for our concerns, deep concerns. There is justification for very strong concern about what is going on.

We cannot allow the cost of running for the United States Senate to run all the way up to $15 million in an average size State. It is a disgrace we have allowed the situation to develop where a Member of the Senate has to spend every week raising an average of $10,000 every, single week without exception for 6 years in order to have a chance to be reelected.

That is a disgrace. It is a disgrace. We should not allow a system to continue where more and more of the money is coming from special interest groups that are giving out that money not on the basis of the total record of a Senator, not on the basis of his or her record for honesty and integrity or the stands on issues but on a little narrow range of issues, not the whole voting record, the three or four votes that are of interest to that interest group that year on which they rate us. They say, "Well, we will give the $10,000 only to those who are at least 75 percent with us on those three or four votes.

It is fragmenting us at a time we need to be coming together as Americans to deal with these serious problems, trying to determine what is best for the people of this country. Campaigns are being more and more financed by special interests at a time all of us need to be challenged to look at what is right for all of this country in the years ahead. We cannot ignore it. We must do something about it.

And so we introduced S. 2, and S. 2 said if you accept the voluntary spending limit—the Supreme Court has said we can no longer apply a mandatory limit. The Supreme Court decision of Buckley versus Valeo said you can no longer put a direct limit on how much candidates can spend. What is the only way you can do it? It has to be a voluntary limit, the Supreme Court said. How are you going to get candidates to accept the voluntary limit? You have to give them incentive, a package of benefits to encourage them to accept it.

As was said in some movie, you have to think of some kind of offer they simply cannot refuse to entice them into a situation where they will voluntarily accept these limits. So when we introduced S. 2 we said if you will accept the voluntary limit when you file, to get our campaign spending within some kind of reasonable level, you will then be eligible to get a certain amount of money from the voluntary—and you will raise it only 20 percent from PAC's, the rest from individuals, and you will raise a certain threshold amount from inside your home State from small contributors, then you will qualify for public funds from a voluntary checkoff pool, checked by people on their income tax return. That is the incentive to get you to accept the voluntary spending limits.

There were those on the other side of the aisle—and I understand why they said what they said because I myself have had a lot of misgivings about public financing—who said, "We cannot support that because you have taxpayer's dollars in there. You have public financing in that. We do not want public financing." I understand that.

That is why we are joining together, Senator Exon from Nebraska, who himself had those strong misgivings about public financing, who said he could not support a bill with public financing, Senator Byrd, myself, and others, to offer a substitute. No longer do we automatically give those candidates who accept the voluntary limits public funds.

Here is the way S. 2 would now work as we envision it under the new compromise proposal which was offered. Fifty-three Members of the Senate indicated we want to shut off debate; we want to vote on this bill; we want to have campaign reform. There was a filibuster and we were blocked, the majority was blocked from acting upon its desire to have true campaign reform. Those who conducted the filibuster said, "The reason we cannot accept this bill is that there are public funds in it." And so in the spirit of compromise, we said we will come forward and change this bill.

Let me say this is a sincere effort. If those who oppose where we are now have difficulty with this particular formulation, I hope they will come to us, talk to us, see if we can have a meeting of the minds because we must not take this item off the national agenda until we have dealt with it. We owe it to those who elect us. When we took an oath to uphold the Constitution, surely we undertook a responsibility to protect the integrity of the election process. That is a responsibility that we must not shirk.

This particular issue is not going to ge away. I can promise my colleagues it is not going to go away, as far as this Senator is concerned, until we deal with it. It does not have to be 100 percent a bill that this Senator would write if he could write the bill for all of the Senators. Of course not. We have to take into account the desires of the other Members of the Senate. But we must have meaningful campaign reform.

I can promise my colleagues if we do not do it now, if we do not do it next month, this Senator is going to be back. And I have heard the majority leader say the same thing. We are going to bring this bill back; we are going to bring this proposal back; we are going to bring back true finance reform again and again and year after year after year until we finally do something about it.

I have no doubt that we will do something about it. This is an issue that is not going to go away. Those who think they can just hide their heads in the sand and it will all go away and we will not have to worry about it anymore are wrong.

The problem is not going to go away. As long as the problem is there, those who want to do something about it are not going to go away. We are not going to go away until something is done about it.

The people back home are going to have an opportunity to judge the Members of the Senate on whether or not they want a system of elections that allows people to complete on the basis of ideas and ideals and hopes and plans for this country and qualifications, or whether or not those people for whom they are being asked to vote want to have competition based upon who can buy elections and raise the most special interest money and obligate themselves. It is always necessary to think about obligations you are making when you have to face the task of raising $10,000 every single week you serve in public office.

It is not going to go away, Mr. President. The people are going to ultimately insist on something being done. The only question is, will we have to wait until a major scandal takes place that shakes this country to its roots before something is done, or are we going to take action before that happens, to restore trust and confidence?

So we have come with a new proposal. The new proposal says, for example—say, a State has a $1 million voluntary spending limit. I file for office and accept a $1 million spending limit and say I will live by that. What do I get in turn to encourage me to do that? I get lower mailing rates.

You say, "Is that going to cost the taxpayers money?" No. Right now, all political parties, even the Communist Party and fringe parties, automatically get the bulk mailing rate. We are going to take it away from them. It will raise more money than it will require to finance this bill.

We are going to give that mailing rate only to those candidates who accept the spending limits. It will probably be a saving to the taxpayers and an incentive to the candidate who accepts it.

Second, candidates who do not accept spending limits will have a disclosure on their ads, like "The Surgeon General warns that smoking is hazardous to your health." It will be on television, radio, and direct mail: "This candidate does not accept voluntary spending limits."

So the people who are asked to vote for him or her will make the playing field fair. If Members of this body do not think the people care to have fair ground rules, do not think the people care about the massive cost of running for office in this country, fine. Let them have the courage of having that stamped on every ad and every letter. I will live by that. People make their judgments. All we are asking is that the people be informed about the candidates' view on spending.

So those are two of the incentives.

Right now, also, broadcasters have to give the lowest rate on television and radio advertising to all political candidates. We provide that they only give it to candidates in the future who accept voluntary spending limits.

Then we provide that if I have to raise $1 million, which is the spending limit, I have to raise all that privately. I have to raise it not from the Government, as in the original bill, but I have to raise it privately. I have to raise a threshold amount from small contributors in my home State, cannot take more than 20 percent from PAC's, mainly individual contributors in my home State.

Then, as a standby enforcement mechanism, when public funds do come into play—in an unlikely case—No. 1, if I raise my $1 million and stay by the spending limit but my opponent decides to go over the spending limit, then, as an enforcement tool, I can draw money up to an additional $1 million from that fund, to offset the spending by my opponent.

I do not think it will happen. If you know your opponent is going to break the barrier, will you do so? I do not think it will happen. But it stands there like a guillotine, to sweep down as a punishment if someone wants to try to buy an election.

The other time it might come into play is if you are attacked by a so-called indpendent group and they start running ads against you on television, that group will be on notice that the candidate who has been attacked may draw money from the voluntary checkoff on tax returns. I do not think money will be spent there, either, because why would a group make an attack on a candidate if they knew that he, in essence, would get free time to respond to that attack?

It is necessary to have a device like that. In the original bill that we had 2 years ago, the Boren-Goldwater bill, we had a provision that said the TV station had to give equal time if someone was attacked. The broadcasters said: "We don't think it's fair for us to be the total enforcement mechanism, the judge of all this, the financier of all this." That was taken out of the bill by a vote of the Senate. But we have to put something in its place to discourage the flow of money. There has to be something to keep that from happening.

So we offer S. 2 sincerely in the spirit of compromise. I think my colleagues know that if I were ranked on my record for being partisan, I would probably be at the bottom of the list. On occasion after occasion, I have not hesitated to cross party lines to do what I thought was right. While I am proud of my party affiliation, my first responsibility is to be a good Senator for this country and to be an American first.

Sam Rayburn often said he thought that if you were going to be a good Democrat, you had to be a good American first, and I cannot think of a better definition that came from one whose party loyalty was never in question.

In this situation, all those on both sides of the aisle are called upon to be good Americans first. We cannot afford to let this break down along party lines. We cannot allow party concerns to prevent us from effecting meaningful campaign reform.

This Senator has no interest in proposing a bill simply to help one party or the other. If this Senator were wise enough to write a bill that he would be sure would be absolutely neutral, that is what I would do. That is my goal. I am not for campaign reform to help one party, even my party. I am for campaign reform to preserve the integrity of the election process.

We have now presented a bill that does not have public funds in it, but it does have spending limits, voluntary spending limits, so that we can get spending under control. It is time for that.

I send this message to my friends on the other side of the aisle and those in both parties who have hesitated about supporting campaign reform in the past: We are ready to do something good for our country. Join us.

If, for some reason, you do not think this new proposal, which we offer in the spirit of compromise, is all it should be, if you think it can be improved, offer your suggestions to us; tell us what our own improvements would be. But join us, for the sake of the country and for the sake of the integrity of the election process, in an effort to do something that will help our country. Join us in an effort to do something so that the young people I have talked to, who want to perform public service, can attain the hope and dream of being a part of this political process directly some day, so that they can keep alive their hopes and dreams of coming here and helping our country in this arena, in which policy is worked out. Do not foreclose that opportunity, and do not deprive the people back home, at the grassroots, of the sense that they, themselves, can make a difference in their own political process.

When the people begin to believe that they cannot make a difference—when they lose heart—the vitality of this entire political system and the vitality of this country we love so much will be sapped. We must not allow that to happen.

I urge my colleagues to reflect upon the compromise which will soon be officially offered to the Senate for S. 2. I urge them to put aside party considerations and to join us in taking this reasonable and balanced step toward meaningful campaign financing reform

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Shelby). Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I am ready to call up the nomination of Mr. Greenspan to be a member of the Board of Governors of the Federal Reserve System. The distinguished Republican leader has control of half the time on the other side of this nomination.

## EXECUTIVE SESSION

Mr. BYRD. Mr. President, with the Republican leader's approval, I now ask unanimous consent that the Senate go into executive session to consider the nomination of Mr. Alan Greenspan, and that the time under the control of the Republican leader be transferred to the control of the distinguished Senator from Missouri [Mr. Bond].

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

## FEDERAL RESERVE SYSTEM

The legislative clerk read the nomination of Alan Greenspan, of New York, to be a member of the Board of Governors of the Federal Reserve System.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, will the majority leader yield me time on this nomination?

Mr. BYRD. Mr. President, the distinguished Senator from Wisconsin has control of 15 minutes of the time.

Mr. PROXMIRE. Mr. President, I yield such time as I may require and I will be as brief as I can.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, the Greenspan nomination as Chairman of the Fed is difficult for this Senator.

First. There is nothing in the Greenspan experience either in his long record of service to money center banks, or his role as an advocate for the Nation's largest and most powerful corporations, or his service as Chairman of the Council of Economic Advisers in the Ford administration that shows independence. Mr. Greenspan, through no fault of his own, follows three towering and proudly independent Federal Reserve Board Chairmen: William McChesney Martin, Arthur Burns, and Paul Volcker. The willingness to oppose and, if necessary, fight the unwise policies of those who hire him has never been demonstrated by Mr. Greenspan in any capacity. With his accession can the Fed kiss its prized independence goodbye?

Second. At a time when the country, including financial institutions, are moving toward widespread mergers and increased concentration, Dr. Greenspan testified last week that he doesn't even support the Sherman Antitrust Act of 1890, that has been for nearly 100 years the country's basic antitrust statute. This is specially pertinent. Here's why: The Federal Reserve is the agency that more than any other can deny or approve bank mergers. With the accession of Alan Greenspan as the country's preeminent bank regulator and the ruling force that will permit or deny bank mergers, the country may be poised on the verge of a transformation of the American financial economy into its greatest concentration since the turn of the century.

Third. Most significant of all, Mr. Greenspan supports the abandonment of this country's long-term policy of separating banking and commerce. He does, indeed, favor the requirement of a so-called Chinese wall designed to keep the two apart. This Greenspan position puts him into direct opposition on this critical issue with retiring Chairman Paul Volcker. Chairman Volcker told our banking committee just last week that he vigorously opposes the merging of commercial firms with banks. Mr. Volcker contended that the Chinese wall does not and cannot effectively insulate a bank from the firm that owns it. Volcker contended there would be no reason for a commercial firm to acquire a bank if the commercial firm were fully and effectively separated from using it or managing it.

And there are four strong points to be made in Alan Greenspan's favor. First, he brings to the Federal Reserve Chairmanship a clear commitment to follow monetary policies that will counteract inflation. The Federal Reserve Board has been our country's main bulwark against inflation. Of all the prospective Chairmen the Reagan administration might have been realistically expected to appoint—except for Chairman Volcker—Greenspan promises to be the most willing to pursue anti-inflationary policies.

Second, the President has at least one vacancy to fill on the Fed Board. For several years it has been clear that this President has not followed the past practice of previous Presidents of consulting the Fed Chairman and relying heavily on his advice in appointing other members of the Board. It is likely in view of the trust of the President and his economic advisers in Mr. Greenspan they will once again rely significantly on the Chairman in appointing other members. This will make the Board more cohesive and more likely to follow Greenspan anti-inflation policies.

Third, if Dr. Greenspan were denied approval it is unlikely that the administration would appoint a better qualified Chairman.

Fourth, Mr. Greenspan has excellent personal qualities. He is intelligent. He is respected by the business community that knows him and his work. He is an extraordinarily civil and decent man.

So with misgivings, with reluctance, this Senator will vote on balance for the confirmation of Alan Greenspan as Chairman of the Federal Reserve Board.

Mr. President, because this is of such absolutely vital importance—the Chairman of the Federal Reserve Board had been called the second most powerful man in America—I ask for the yeas and nays on this nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I yield myself 2 minutes.

Mr. President, I am pleased to rise in support of such a distinguished nominee as Alan Greenspan to be a member of the Board and Chairman of the Federal Reserve. I have known and admired Alan Greenspan since his days with the Ford Administration and have every reason to believe that he will be a fine Federal Reserve Chairman.

During Mr. Greenspan's confirmation hearing before the Banking Committee there was quite a bit of discussion about why anyone would want to take the job of Fed Chairman at this time. We talked about the enormous responsibility that Alan Greenspan has agreed to undertake. He will have to contend with an irresponsible fiscal policy that we foisted upon the country, trade deficits, budget deficits, lingering recession in some parts of our economy, the Third World debt crisis, record numbers of bank failures, an outdated legal structure for our financial system. In addition, the Federal Reserve will probably continue to serve as a convenient scapegoat for all sorts of groups seeking easy answers or trying to avoid responsibility. Yet, Alan Greenspan answered the questions that the Banking Committee put to him in a clear and forthright manner. He demonstrated the qualities that we would like to see in a Federal Reserve Board Chairman: A sound grasp of economics, a willingness to take political heat from both Congress and the White House, the ability to make hard choices on very complex problems.

The Congress has certainly not made the Fed Chairman's job any easier, and we have not been able to deal with the fiscal problems which contribute to the deficit.

As for Mr. Greenspan's independence, as our distinguished committee chairman has pointed out, Mr. Greenspan has raised questions about the economic consequences of laws that this Congress has adopted in the past in antitrust and in financial institution regulations.

I admire his independence. I hope that he will continue to question the economic impact of laws that we are considering because sometimes the laws that we pass do not conform to the laws of economics.

There is, however, no question in my mind that he will follow the law, though he may question the economic soundness of particular provisions. Furthermore, and finally, I am confident that Alan Greenspan is up to the heavy responsibility that faces the Chairman and that he will measure up to the very high standards of his predecessor. I applaud his willingness to tackle these issues, although I might question his good judgment in being willing to do so.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. I am happy to yield the time he may require to the Senator from Mississippi.

Mr. STENNIS. I certainly thank the Senator.

Mr. President, I am planning to vote in favor of the pending matter about the new officer in this role.

I want to say a word of appreciation for the services of the retiring Chairman, Paul Volcker. I did not know Mr. Volcker before he came here. I had very little association with him during the tenure he served here. So there is nothing personal one way or the other about this.

But I certainly admired him as an official in his poise, his deliberateness, his high sense of obligation to his duty and to his very fine knowledge and understanding, as it seemed to me, about his mission and about the economy and what should be done or what we should try to do about it.

It is a little out of my calling, but I called him up once and told him I would like to have breakfast with him, and he invited me to come over. I did not want to take his time, otherwise, I was very much impressed with the things that he said. All of those bad years we went through, with the high interest rates and other things, it was not any individual's fault, particularly, but he gave us an understanding of it. I am glad to be able to commend him highly and thank him, too.

I yield the floor. I thank the Senator for yielding.

Mr. D'AMATO. Mr. President, I rise to support enthusiastically Dr. Alan Greenspan as a nominee to the position of chairman of the Board of Governors of the Federal Reserve System. We are truly fortunate to have a man of Dr. Greenspan's stature to succeed Paul Volcker. Because Dr. Greenspan is no stranger to many of my colleagues, I will refrain from reciting the entire litany of his professional and academic accomplishments—all of which are achievements that recommend him to the position for which he is under consideration. Most important of all, however, is that he is a native New Yorker.

A review of Dr. Greenspan's biographical sketch reveals that he is a very busy man. In addition to his position as chairman and president of Townsend-Greenspan, he currently is a member of the President's Economic Policy Advisory Board, Time magazine's board of economists, senior advisor to the Brookings Institute, and a consultant to the Budget Office. He currently sits on the boards of 7 major corporations and is a member of numerous other councils, commissions and noncorporate boards.

Considering that he will have to sever many of these associations, it appears that Alan may be viewing the position as Fed chairman as a way to reduce his tremendous workload. At his confirmation hearing I assured Dr. Greenspan that if anything his workload would increase. As America's central banker he will be the ringmaster of the three-ring economic circus which is confronting the American and world economies. In one ring we have an increasingly weak dollar that threatens to push the inflation rate out of control if not properly monitored. In the center ring we watch both U.S. and foreign economies growing at a slow rate that could easily slip into a global recession that could even more easily occur should interest rates climb too high. And in the third ring we watch the spectre of the entire world financial system walking the unstable high wire of nonperforming Third World loans.

In short, his job will not be an easy task—since, to a large extent we are entrusting him with the fate of the dollar, the course of U.S. interest rates and quite possibly the prosperity of the world economy. Of all the distinguished bankers and economists who could have been considered, I believe that he is the best successor to the Fed chairmanship that the President could have chosen. Further, I would suggest to those who feel his nomination will turn the Fed into an arm of the administration that they do not know him very well. The Alan Greenspan that I know is not one who avoids the tough policy decisions for the sake of political expedience.

I am confident that his tenure as chairman will be most successful. I say this not only because he is a friend but because his academic and professional training has prepared him for this position. Therefore, I urge my colleagues in the Senate to swiftly confirm Dr. Greenspan, so he can get to work on the difficult tasks that we all know need to be done.

Mr. CONRAD. Mr. President, this vote to confirm Dr. Alan Greenspan as chairman of the Federal Reserve Board has tremendous significance. Few people in Government have as much influence over the conduct and course of economic policy as the chairman of the Federal Reserve. And this position is particularly important now, amid growing concerns about the stability of our economy and the crucial role that monetary policy will play.

The challenges facing the Federal Reserve at present are enormous, Mr. President. This country's budget and trade deficits are at staggering, unprecedented levels. Our dependence on foreign capital to finance these deficits has produced massive accumulations of foreign debt, transforming the U.S. from the largest international creditor to the world's largest debtor. And of utmost importance to an agricultural State like mine, real interest rates have remained extraordinarily high. Recent rises in interest rates have understandably sent shock waves through interest-sensitive sectors, raising fears that the economy's growth could subside and that unfavorable exchange rates could return.

By his actions affecting interest rates and the availability of credit, the chairman of the Federal Reserve will have a profound effect on the stability of our economy over the next 4 years. But the Fed will also face considerable cross-pressures during this period. It will be urged to pursue expansionary policies to assure that the fiscal restraint required to reduce the budget deficit does not produce a slowdown of the economy. Meanwhile, concerns about any resumption of domestic inflation as well as international considerations could make the Fed reluctant to lower interest rates and allow further declines in the value of the dollar.

I am very concerned about how the next Fed chairman will view these choices. High real interest rates and an overvalued dollar are literally life-or-death issues for my area of the country. Agriculture export markets were savaged by the extreme appreciation of the dollar from 1980 to 1985. Exchange rates have clearly improved since then, but the dollar is still overvalued—especially in relation to the currencies of most of our leading agricultural competitors. If anxiety about inflationary pressures, which strikes me as misplaced at present, precludes any serious consideration by the Fed of the need to lower interest rates and let the dollar fall, the chances of strengthening growth and revitalizing sectors like agriculture are poor.

The condition of American agriculture remains extremely vulnerable. In spite of signs that the farm recession may be abating, net farm income—in real dollars—is predicted to decline in 1987. In fact, net farm income in real dollars has been lower in the 1980's than at any time since the beginning of the Great Depression. The farm recession has caused considerable difficulty for rural financial institutions—and driven many small bussinesses into bankruptcy as well.

Mr. President, I recognize that Dr. Greenspan's economic qualifications are impressive, and that he has a distinguished record of past public service. But I am deeply troubled by what I judge to be major downside risks to the stability of our domestic economy in the next several years. Dr. Greenspan genuinely inherits an economic mess—the legacy of the Reagan administration's disastrously misguided policies. Without assurance that he use his influence to chart a substantially different course, I cannot support his nomination.

Mr. KARNES. Mr. President, I rise to urge my colleagues to support the nomination of Alan Greenspan for the chairman of the Board of Governors of the Federal Reserve System. As a member of the Senate Banking Committee, I have participated in the process of reviewing Dr. Greenspan's qualifications and have seen his ability to respond in a very thoughtful and responsible manner to the many questions that the committee asked.

Observers of the Federal Reserve and its outgoing chairman regard Mr. Volcker as a man whose political and economic intuition and skill have made him the best chairman in the Fed's 74-year history. Mr. Volcker's successor, Alan Greenspan, whose political and analytical skills are formidable, is probably the best choice that could have been made to carry on the critical role of the Federal Reserve in this Nation's fight against inflation and improving economic prosperity for all Americans.

As Dr. Greenspan has said himself, Mr. Volcker will be remembered for the economic and social pain that reducing the rampant inflation required. Home builders flooded the Fed with postcards mailed to protest the harsh impact on the housing market of the highest interest rates the country had seen since the Civil War era. Farmers, anxious to buy land to take advantage of soaring land and commodity prices, complained. Businessmen went into shock when the prime lending rate at commercial banks, to which the cost of their loans were tied, reached 21.5 percent at the beginning of 1981. Now he is being credited in large part for the dramatic decline in inflation that we have had. Dr. Greenspan has publicly stated he would have made the same decision. He further stated that the long-term costs of allowing the inflation to continue would have been

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far greater than the short-term costs we paid.

Mr. President, I have had the opportunity to sit down and chat with Dr. Greenspan at length in my office. We spoke of monetary policy and its effect on important industries such as agriculture, the heart of economic activity in the Midwest. I feel confident from our discussions that Dr. Greenspan will pursue policies of low inflation and steady economic growth that will benefit agriculture as well as the rest of the economy. Mr. President, I submit that Dr. Greenspan can make the difficult decisions that come before the Federal Reserve and will continue the assault against inflation that Mr. Volcker has so successfully begun.

Dr. Greenspan must prove to the financial markets that he is a worthy replacement for the outgoing Fed chairman. He will also face political pressures by those who think that he should be more accommodating during next year's Presidential campaign. In the Ford administration, Dr. Greenspan strongly supported the Fed's tight credit policies despite the deep recession those policies helped engender in 1974 and 1975. Dr. Greenspan has been an outspoken backer of Mr. Volcker, often echoing the Fed chief's warnings about the dangers of a precipitous decline in the dollar. Dr. Greenspan stated recently:

> Under Paul's chairmanship, inflation has been effectively subdued. It will be up to those of us who follow him to be certain that those very hard-won gains are not lost. Assuring that will be one of my primary goals.

In a striking endorsement of Mr. Volcker's policies, Dr. Greenspan added: "There are very few people in this profession who are more impressive than he and who seem to do the right thing at the right time almost every time." Mr. Volcker has stated himself that he was "very happy" that Dr. Greenspan was going to take over the Board of Governors. Dr. Greenspan will be able to draw authority from his popularity in financial markets which is considerable. Dr. Greenspan is a man of considerable knowledge and experience and will do an excellent job in one of the most important positions in this country. Mr. President, I wholeheartedly endorse the nomination of Dr. Greenspan and look forward to the benefit of his economic knowledge and expert counsel as we proceed to address the economic issues before us.

Mr. PROXMIRE. Mr. President, I yield back the balance of my time.

Mr. BOND. Mr. President, I yield back the balance of the time on this side.

Mr. BYRD. Mr. President, there will be no further rollcall votes today after this rollcall vote.

The PRESIDING OFFICER. All time has been yielded back. The question is on the confirmation of the nomination. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Arkansas [Mr. PRYOR], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. HEINZ] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 91, nays 2, as follows:

[Rollcall Vote No. 225 Ex.]

YEAS—91

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—2

Bradley
Conrad

NOT VOTING—7

Biden
Garn
Heinz
McConnell
Pryor
Simon
Stafford

So the nomination was confirmed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominee.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. BYRD. Mr. President, if nobody else wishes to speak while the Senate is in executive session, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

## ORDER OF PROCEDURE

Mr. MATSUNAGA. Mr. President, parliamentary inquiry. What is the present parliamentary situation?

The PRESIDING OFFICER. The Senate is back on S. 2.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that I may proceed as if in morning business for a period not to exceed 3 minutes.

Mr. BYRD. Mr. President, will the Senator withhold briefly until I can get some consent business done?

Mr. MATSUNAGA. I will yield to the majority leader.

Mr. BYRD. Mr. President, the following consent agreement I believe has been advanced to the point now that I might be able to present it.

## UNANIMOUS-CONSENT AGREEMENT

**Mr. BYRD. Mr. President, I ask** unanimous consent that when the Senate considers the conference report on H.R. 27, the Federal savings and loan recapitalization bill, there be a time limitation of 2 hours thereon, to be equally divided between Senator PROXMIRE and Senator GARN; provided further that no motion to commit the conference report be in order, either with instructions or without instructions; and provided further that at the conclusion of yielding back of the time, the Senate proceed to vote on the conference report.

Mr. THURMOND. Mr. President, we have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished Senator from South Carolina.

## MEASURE PLACED ON CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that when H.R. 2893, a bill to reauthorize the Fishermen's Protective Act is received in the Senate, it be placed directly on the calendar.

Mr. THURMOND. Mr. President, we have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## EXTENSION OF CERTAIN PROTECTIONS UNDER THE BANKRUPTCY CODE

**Mr. BYRD. Mr. President, I would** inquire of the distinguished acting Republican leader, the distinguished Senator from South Carolina [Mr. THURMOND], if Calendar Order No. 280 has been cleared on his side of the aisle.

Mr. THURMOND. Mr. President, it has been cleared.

Mr. BYRD. Mr. President, I thank the acting leader.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 280.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 1577) to extend certain protections under Title 11 of the United States Code, the Bankruptcy Code.

The bill was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1577

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Public Law 100-41 is amended by striking out "September 15, 1987" and inserting in lieu thereof "October 15, 1987".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. THURMOND. Mr. President, I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I thank the distinguished Senator from South Carolina [Mr. THURMOND]. Mr. President, I thank the distinguished Senator from Hawaii [Mr. MATSUNAGA] for his courtesy in yielding.

The PRESIDING OFFICER. The Senator from Hawaii.

## "HAUOLI LA HANAU," JOHN STENNIS

Mr. MATSUNAGA. Mr. President, the majority leader has noted the birthday today of our most distinguished colleague, the senior Senator from Mississippi and indeed the senior member of this body in service, age—and wisdom—JOHN CORNELIUS STENNIS, our President pro tempore!

The Senator hails from a State for which I hold great fondness. I recall the warm hospitality accorded to me and my comrades-in-arms by the people of Hattiesburg, MS, when as members of the 100th Infantry Battalion (Separate) we were stationed at nearby Camp Shelby, during the summer of 1942, shortly after the outbreak of World War II. More recently it has become home to my daughter, Diane, following her marriage to a native of Mississippi.

The Mississippi Senator's Phi Beta Kappa key is evidence of his early wisdom which has gained increasing luster with the years. He has served the people of Mississippi as a State legislator, district attorney, judge and jurist, and, for the last 40 years, as a member of the U.S. Senate. His has been, and continues to be, a distinguished record. His wisdom is complemented by that of his constituents in continuing to return him to this august body. In the language of my native State: "Hauoli La Hanau," John Stennis. "Happy birthday!"

## HAPPY BIRTHDAY TO SENATOR STENNIS

Mr. THURMOND. Mr. President, it has come to my attention that today is the birthday of Senator JOHN C. STENNIS, of Mississippi.

I have known Senator STENNIS for many years. When I was Governor of South Carolina, from 1947 to 1951, I recall that he visited our State, I believe, at the request of Senator Maybank. Senator Maybank. Senator STENNIS spoke at that time and made a very fine impression.

As the years have gone by, I have had the occasion to work with him since he has been in the Senate, and it has been a joy and a pleasure.

I might say that in the summer of 1922, he and I attended the same ROTC camp, Camp McClellan, in Alabama, the home State of the Presiding Officer (Mr. SHELBY). I did not know Senator STENNIS at that time, but I appreciate him because he did pursue ROTC and finished ROTC as a high-ranking cadet.

I do not believe he was in a war after that, but he served his country well, as chairman of the Committee on Armed Services and chairman of the Committee on Appropriations.

He is a man whom I think we could all emulate. He is a man of character, he is a man of courage, he is a man of compassion, and he has fine professional qualifications.

I congratulate Senator STENNIS upon his birthday. My suite in the Russell Office Building is next to his, and we see a lot of each other. Our staffs work closely together.

Although he is a Democrat and I am a Republican, we think very much alike. He is what you might call a conservative Democrat, and conservative Democrats are very much like Republicans. A lot of them ought to be on the Republican side—for example, even the Presiding Officer at this time.

I am proud of the friendship I have had with Senator Stennis. I am proud of the service he has rendered his country, and the Senate is better off because he has been here for these past number of years.

I hope he has many more years in the Senate, and I wish him well in all his undertakings.

## APPOINTMENT TO NATIONAL COMMISSION ON INFANT MORTALITY

The PRESIDING OFFICER. The Chair, pursuant to Public Law 99-660, announces the selection, made jointly by the Senate majority leader and the Speaker of the House of Representatives, of Diane E. Watson, of California, to serve as a member at large of the National Commission on Infant Mortality.

## HARTWICK COLLEGE TURNS BACK CLOCK

Mr. MOYNIHAN. Mr. President, from our hillside farm in Delaware County, we look across the Valley of the Susquehanna—still, at this point in its journey, little more than a trout stream—at the great green hills of Otsego. There stands dour Crumhorn, which Sir William Johnson characterized as a "worthless piece of land created by the Almighty for wild beasts and rattlesnakes" and one on which Timothy Murphy, the hero of Saratoga had a close encounter with a roaming band of Senecas. Off to the Southwest, however, are the gentler hills of Oneonta, on one of which will be found the beautiful red stone buildings of Hartwick College. It has been there as Hartwick Seminary since 1797, but with unusual diffidence it has until just this past Saturday been content to describe itself as having been founded in 1928. I can attest that the original vellum charter issued by the Board of Regents 131 years earlier is even now on display in the President's office, and I rejoice that after due and deliberate consideration President Philip S. Wilder, Jr. and the trustees have officially changed the date of the college's founding to 1797. Thus Hartwick enters the select group of 33 American colleges that were founded before the 19th century. Almost all, we might add, as Seminaries.

Mr. President, I ask unanimous consent to have printed in the RECORD the report of this event from this morning's Oneonta Star, and I am sure the Senate will join with me in welcoming Hartwick to the precious company of the ancient institutions of our land.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Daily Star, Oneonta, NY, Aug. 3, 1987]

### HARTWICK COLLEGE TURNS BACK CLOCK

#### TRUSTEES OFFICIALLY CHANGE DATE OF COLLEGE'S FOUNDING TO 1797

The Hartwick College Board of Trustees has adopted 1797, the year Hartwick Seminary was established, as the college's founding date, putting the college in an elite group of 33 colleges that were founded before the 19th century.

The college was actually started 131 years later, in 1928, by the seminary. But in 1947,

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the seminary went out of business, leaving the heritage to the college.

Philip S. Wilder, Jr., Hartwick College president, wanted the college's founding date to show its complete ancestry. Saturday, he announced the new founding date at the annual reunion of Hartwick Seminary alumni, whose status as alumni of Hartwick College is clarified by the change in date.

"It appears that the founding date was not changed in 1947 out of solicitude for people who felt they had brought the college into being in Oneonta 20 years earlier.

"There is no longer any reason to refrain from correcting the record. The survivors of the 1928 contingent support a change," Wilder said.

"Normal procedures in the consolidation of two corporate entities call for the use by the resultant organization of the founding date of its earliest constituent part," he said.

Hartwick's ancestry was noted on a historical marker given to the college by the state Education Department in 1950, "describing the present institution as 'founded in 1797 as Hartwick Seminary, chartered as Hartwick College in 1928,' " Wilder said.

Planning has already started for the college's bicentennial in 1997, he said.

The new founding date took effect Saturday, Aug. 1.

## RETIREMENT OF JAMES RESTON

Mr. MOYNIHAN. Mr. President, there cannot have been many Members of the Senate or persons active in government in Washington and elsewhere in the Nation, and indeed in capitals the world over, who failed to note with a kind of sad happiness that James Reston, at age 77, after 48 years with the New York Times, has decided it was time to get on with his vegetable garden at Fiery Run, VA, and very important town meetings in Nantucket, which demand more of his attention than they have received in the past, as well as like matters, leading him to make the decision to stop writing the two or three columns a week he has written for 30 years.

It will not be by any means the end of his writing, but the end of that iron routine to which he submitted for so very long and with such great example.

In the age when I think we might say Americans still could read and still would read, there has not been a more influential pen in this capital. He was fair. He was persistent. He was incapable alike of vindictiveness or unfairness.

He was the perfect example of a profession at its height in this city, as it had not ever been before and which I will never experience again.

The story goes that President Eisenhower once asked, with the kind of asperity he could summon on occasion, "Who is this man who is telling me how to run my Government?" I think it would have been fair for those of us who have watched Mr. James Reston, watched his work, and watched the reaction of other Presidents, to say to Mr. Eisenhower: "Mr. President, he is not telling you how to run your Government. He is telling other people how you run it"—a different and important point. It is that assessment that has mattered so much.

I know Presidents whose day was made when they found that Reston had approved what they were doing in the morning. Presidential output doubled before the day was out.

It is in that spirit that the Washington Post prints a lovely tribute, "James Reston Between Jobs," in this morning's edition, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### JAMES RESTON BETWEEN JOBS

Up in New York at Brand X, James Reston published his last regular op-ed page column yesterday. Mr. Reston pointed out that he had been a reporter for the New York Times for 48 years now and has been writing two or three columns a week for the past 30. He thinks that's about enough, at least of the regular column regimen. "I'm off for a while," Mr. Reston explained—invoking all those made-to-be-dashed fantasies busy people always have about at last finding time to work on the vegetable garden—but he did say he planned to return to the paper to write "when I please." We know Mr. Reston well enough to believe, not just to hope, that the writing and reporting will continue to preempt concern for the well-being of the rutabagas. Mr. Reston is first and foremost, primarily and hopelessly a journalist. His vegetables should not get their hopes up too high.

You cannot name anyone who has had a more pronounced and pervasive effect on the national news business than Scotty Reston, an unassuming, straight-arrow onetime sportswriter. In postwar Washington, through a period of great political transformation, when the country was accepting (grudgingly in some respects) a larger international role and an expanded role for the federal government in domestic affairs, and when the role of journalism itself was being transformed, Mr. Reston was at the center of events—a hugely influential figure in establishing new terms of coverage and new standards of commentary.

He has been in enough fights over the years, and he hasn't always been victorious, or, for that matter, always right. But he has always been honorable and important, and he has always been a great worrier about the champion of the press. He worries about its standards, its obligations and its performance. He champions its right to do the job, to be there. Most notably, Mr. Reston has always been suspicious of the lazy, the flashy and the self-promoting in our business, and he tried to pass on these aversions to the large number of young journalists he more or less raised up in his day.

We could offer some more reasons, but we don't think any more are required, for expressing the hope that Scotty Reston will not stray too far or too frequently from journalism—where he belongs—into the fray with weeds and cabbage borers, which is a lost cause anyway.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Iowa is recognized.

## AID TO THE CONTRAS

Mr. HARKIN. Mr. President, I want to talk this afternoon about the request for aid to the Contras that will be coming our way from the White House, which I assume will come to Congress shortly after we return from the August recess.

Mr. President, we are already seeing the drums being beaten on this subject. Ads are appearing on television put on by certain right-wing groups promoting aid to the Contras. A half hour documentary will air on television soon, again paid for by private individuals and groups around the United States who support aid to the Contras. And 30-second ads are already appearing on major television stations throughout the country supporting aid to the Contras.

Aside from the Contras themselves—I will have more to say about that later—what really concerns me now, Mr. President, is the Senate procedure that will rule consideration of aid to the Contras.

Two years ago, the Senate under the Republican leadership pushed through what expedited procedures for aid to the Contras. According to this procedure, the President of the United States on this issue, aid to the Contras, controls the floor of the Senate of the United States. That is not the way the Constitution meant for it to be. Under this procedure, the President sends his request for aid to the Contras to the Senate. It is referred to committee for 15 days, at the end of which any Senator can bring that request on to the floor of the Senate, ahead of all other legislation. The Senate gets 10 hours of debate, 5 hours equally divided, and within those 10 hours all amendments must be offered, debated and disposed of. At the end of 10 hours there is an up and down vote on the aid to the Contras.

Mr. President, I think that should strike my colleagues and the American people as very odd. On an issue of such major importance as aid to the Contras, which ranks at the top with all other issues dealing with national security, especially security in the Western Hemisphere, we are limited to 10 hours of debate, 5 on each side. Furthermore, this request does not go through the normal processes of being referred to the Foreign Relations Committee so they can call witnesses to discuss about it, and the committee to amend it. Even if the Foreign Relations Committee were to vote down in committee aid to the Contras, as I said, by expedited procedures, any Senator at the end of 15 days can bring the resolution to the floor, and it then would take precedence over any other piece of legislation.

Mr. President, right now, right this very minute, the President of the United States and his advisers can tell

you within 24 hours when the vote will occur on the Senate floor on aid to the Contras.

So they control the timing of it. What is so important about that? What is important is I believe that the administration, knowing when the vote on aid to the Contras will occur, can orchestrate events in Central America to effect the outcome in Congress.

I fear that the administration can orchestrate and will orchestrate a major military engagement between the Contras and the Sandinistas. Or perhaps the Contras could provoke a border skirmish with Nicaragua that could possibly lead to an encounter with Honduran or possibly American troops. In light of the disclosures of the Select Committee on the Iran-Contra Affairs, these events cannot be ruled out of the question.

And on this point, I was very disturbed to read in Friday's Washington Times an interview with National Security Adviser Frank Carlucci. When asked about the contra issue, Mr. Carlucci is quoted as saying in the Washington Times:

> The freedom fighter effort is on target, he said. "There will be results that will influence Congress when the time comes."

Because of expedited procedures, this Senate will vote on Contra aid. What does he mean when he says that there will be results that will influence Congress when the time comes? Well, what could those results be? A major Contra offensive? A border skirmish drawing in Honduran troops? A battle requiring the intervention of U.S. troops?

Right now, Mr. President, the CIA is airlifting troops to the Nicaraguan rebels. Does this mean some kind of altercation with one of our aircraft carrying CIA personnel? Does it mean drawing in some American troops that are now stationed near the Nicaraguan border?

Mr. President, I do not have any inside information about any of these examples by, I repeat, I do not rule them out of order.

We have learned from the Iran-Contra hearings that this administration was prepared to turn our Government inside out, break the law, undermine our Constitution, in order to keep the Contras alive. So I ask rhetorically: Is it possible that this same administration would use the Contras to provoke an incident to win a few votes in Congress to continue aid to the Contras? Of course, it is possible, and not only possible, I think, probable. I think the National Security Adviser, perhaps in a moment of unguarded, realistic answers to a reporter's inquiries, dropped the ball when he said that "There will be results that will influence Congress when the time comes."

Well, Mr. President, we need to proceed with caution in the next 2 months, as Congress prepares to consider the President's request for Contra assistance.

I share with the President his conclusion that our Nicaraguan policy is important both to domestic policy and to our international relations. Accordingly, Congress should give this issue the lengthy consideration it deserves.

We can debate for days and days, weeks on end, our trade policy. And it is important to us and we should have debated it at length because it is that important. We can debate all summer long campaign finance reform. There is a filibuster on right now by the Republicans to keep us from voting on defense authorization for the security of our Nation.

So we do debate things at length here that are very important to our country and they should be debated at length on the floor of the Senate. Not 10 hours. Not 5 hours on one side and 5 hours on another side.

The request for Contra aid ought to come to Congress and be considered like any other request for aid to any other country. It ought to go to the appropriate committees; it ought to be authorized, and then it ought to come to the Appropriations Committees. Under expedited procedures, we do not have that power. We do not have the normal functioning of the U.S. Senate as we do under all other legislation.

Mr. President, I would hope that our leadership will take every means possible to finally eliminate expedited procedures. It has no place in this body and it especially has no place when it concerns an issue of so much importance to the American people; we, the Senate of the United States, should not be told by the White House when the vote on this matter will occur here and how it will occur.

Well, Mr. President, because of the fact that we only have 5 hours for those of us who oppose Contra aid to debate this issue, I intend to address this week, Mr. President, a number of the issues related to the expected Presidential request. I will be taking the floor several times this week for lengthy discussions on who the Contras are, who the leadership of the Contras are, their relationships with the old Somoza government and the human rights record of the Contras. And in fact, I will use the administration's own Commission on Human Rights to show how the Contras have acted when they are dealing with the civilian population of Nicaragua.

I would hope that this would not be necessary to take the time of the Senate this week but, under expedited procedures, what else can we do? Those of us who believe that the record ought to be clear and ought to be laid out in full as to the whole background of the Nicaraguan situation have no other course.

I think it very odd that Lieutenant Colonel North gets 2 weeks on television to give his side of the Contra story, while we get 5 hours on the floor of the Senate—5 hours, including amendments and all else.

Well, I think the issue deserves more than that and that is why, Mr. President, I will be taking the floor several times this week, as I said, to talk about the Contra issue, who they are, their human rights record. I intend to name names and lay it in the RECORD for the public to see. I do not know what the effect or influence it will have, but I believe that the public has a right to have put in the RECORD the other side of the story, a full and complete exposure of the Contras and our Contra policy; of the distortions and the duplicity of this administration for the last 6 years in dealing with the issue; of the attempts made by many people, some in this administration, many on the floor of the Senate and in the other body, to reach a peaceful solution to end the conflict in Central America and open up the political process in Nicaragua; and how these efforts have come to naught because this administration was intent on only one thing: aiding the Contras to overthrow the Government of Nicaragua.

Mr. President, expedited procedures have no place on the floor of the Senate; they have no place, especially dealing with an issue of such concern to the American people.

Mr. President, I ask unanimous consent that the text of the article appearing in the Washington Times last Friday be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### CARLUCCI CITES CONTRA GAINS, COMPLAINS MEDIA IGNORE THEM

(By Jeremiah O'Leary)

The Nicaraguan resistance is scoring an increasing number of military successes over the Marxist Sandinistas, but the news media in this country are ignoring them, National Security Adviser Frank C. Carlucci said yesterday.

Nevertheless, attitudes in Congress are shifting in favor of continued military assistance to the resistance and will be further abetted by additional rebel victories, Mr. Carlucci said in an interview yesterday with editors of The Washington Times.

"The freedom fighter effort is on target," he said. "There will be results that will influence Congress when the time comes."

Meanwhile, President Reagan is expected to make an address to the nation to press his case for assistance to the resistance before he leaves Washington for a 25-day vacation in California on Aug. 13.

A senior U.S. official said the speech will be made after Congress adjourns the first week in August, but the exact date for the address and the forum for it have not been decided.

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Mr. Carlucci said Mr. Reagan has made no final decision on how much money to seek from Congress.

Mr. Carlucci said Mr. Reagan intends to push the issue of aid to the Nicaraguan resistance in a series of speeches.

But he complained: "One of the problems is that we consistently seem to be speaking with two voices to the rest of the world.

"Everyone is casting an eye on congressional foreign policy as opposed to administration foreign policy," Mr. Carlucci said. "We need a bipartisan policy toward Latin America, and I think things are now moving.

"If the Sandinistas begin to get a sense of bipartisanship as opposed to a Democrats vs. Republicans policy, I think we'll begin to get results," he said.

Mr. Carlucci said Congress has a problem about making crisp, sharp decisions on foreign policy and often gets into the implementation of foreign policy instead of oversight.

But President Reagan intends to take his case to Congress, use his veto powers during the recess and "press his own foreign policy forcefully," Mr. Carlucci said.

He also recognized the impact of Lt. Col. Oliver North's testimony before the congressional Iran-Contra investigative committees.

"There is no question that Ollie North influenced public opinion in a positive manner," Mr. Carlucci said. "He had the ideal forum at the hearings. President Reagan hasn't had that kind of forum."

Mr. Carlucci said Mr. Reagan's speeches on this subject "don't get the attention they merit" in the media.

The military successes of the resistance, along with the U.S. economic boycott of Nicaragua and pressures from other Central American countries to negotiate, are "putting a squeeze on the Sandinistas", he said.

"Add to that their own economic mismanagement, and I think there is a reasonable possibility of producing the kind of internal change which people in the region think is desirable," Mr. Carlucci said.

Mr. HARKIN. Mr. President, I yield the floor.

The PRESIDING OFFICER. Does the Senator suggest the absence of a quorum?

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is noted. The clerk will please call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

## MESSAGES FROM THE HOUSE

### ENROLLED BILL SIGNED

At 1 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the Speaker had signed the following enrolled bill:

S. 1198. An act to authorize a certificate of documentation for the vessel F/V CREOLE.

The enrolled bill was subsequently signed by the President pro tempore [Mr. STENNIS].

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At 5:38 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forebearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal Home Loan Bank System.

## ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 3, 1987, he had presented to the President of the United States the following enrolled bill:

S. 1198. An act to authorize a certificate of documentation for the vessel F/V CREOLE.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1643. A communication from the Assistant Vice President (Employee Benefits) of the Farm Credit Services, transmitting, pursuant to law, the financial reports of the Ninth Farm Credit District Retirement Plan dated December 31, 1986 and February 28, 1987; to the Committee on Governmental Affairs.

EC-1644. A communication from the Benefits and Risk Manager of the Farm Credit Banks of Louisville, transmitting, pursuant to law, the financial reports of the Farm Credit Institutions in the Fourth District Amended Retirement Plan for fiscal year 1986; to the Committee on Governmental Affairs.

EC-1645. A communication from the general counsel of the Department of the Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to issue regulations requiring that wages and salaries of Federal employees be paid by electronic fund transfer or any other method determined by the Secretary to be in the interest of economy or effectiveness, with sufficient safeguards over the control of, and accounting for, public funds; to the Committee on Governmental Affairs.

EC-1646. A communication from the Secretary of Agriculture, transmitting, pursuant to law, notice of revisions to a Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1647. A communication from the Secretary of the United States Postal Rate Commission, transmitting, pursuant to law, the final rule entitled "Amendment to Domestic Mail Classification Schedule: Extension of Collect on Delivery Services, 1987"; to the Committee on Governmental Affairs.

EC-1648. A communication from the Chairman of the Council on Environmental Quality, Executive Office of the President, transmitting, pursuant to law, the annual report of the Council under the Government in the Sunshine Act for calendar year 1986; to the Committee on Governmental Affairs.

EC-1649. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the annual report of the Office under the Freedom of Information Act for calendar year 1986; to the Committee on the Judiciary.

EC-1650. A communication from the Executive Secretary of the Federal Home Loan Bank Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1986; to the Committee on the Judiciary.

EC-1651. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final annual funding priority—Rehabilitation Long-Term Training Program (Rehabilitation Counseling); to the Committee on Labor and Human Resources.

EC-1652. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Formula Grants to Local Educational Agencies and Tribal Schools; to the Committee on Labor and Human Resources.

EC-1653. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Education Department General Administrative Regulations; to the Committee on Labor and Human Resources.

EC-1654. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Student Support Services Program; to the Committee on Labor and Human Resources.

EC-1655. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Upward Bound Program; to the Committee on Labor and Human Resources.

EC-1656. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Talent Search Program; to the Committee on Labor and Human Resources.

EC-1657. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, certification of the necessity for apportionment of additional funds for Radio Free Europe/Radio Liberty, Inc. resulting from the lower value of the dollar in foreign currency exchange rates; to the Committee on Appropriations.

EC-1658. A communication from the President of the United States transmitting, pursuant to law, a request for supplemental appropriations for D.C. for fiscal year 1987; to the Committee on Appropriations.

EC-1659. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, notice of the intent of the Navy to exclude certain records from examination by the Comptroller General; to the Committee on Armed Services.

EC-1660. A communication from the Assistant Secretary of the Army transmitting, pursuant to law, a report on the emergency disposal of a suspected chemical artillery projectile at Dugway Proving Ground, UT; to the Committee on Armed Services.

EC-1661. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to implement Annex V, Regulations for the Prevention of Pollution by Garbage from Ships; to the Committee on Commerce, Science, and Transportation.

EC-1662. A communication from the Under Secretary of Commerce transmitting, pursuant to law, notice of intent to convert the weather observation function at Dulles International Airport, VA to performance under contract; to the Committee on Commerce, Science, and Transportation.

EC-1663. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to authorize appropriations under the Hazardous Materials Transportation Act of fiscal year 1988 and 1989; to the Committee on Commerce, Science and Transportation.

EC-1664. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on a small reclamation project at Middle Creek Dam Rehabilitation Project, MT; to the Committee on Energy and Natural Resources.

EC-1665. A communication from the Deputy Associate Director, Minerals Management Service, transmitting, pursuant to law, a report on 25 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1666. A communication from the Deputy Associate Director, Minerals Management Service, transmitting, pursuant to law, a report on 25 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1667. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the administration, impact, and cost of the Utilization and Quality Control Peer Review Organization program; to the Committee on Finance.

EC-1668. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the 60 days previous to July 29, 1987; to the Committee on Foreign Relations.

EC-1669. A communication from the Director of the Office of Management Analysis, Department of the Interior, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1670. A communication from the Administrator of the Panama Canal Commission transmitting, pursuant to law, a report on 9 new Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-1671. A communication from the Acting Assistant Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1672. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-64; to the Committee on Governmental Affairs.

EC-1673. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-67; to the Committee on Governmental Affairs.

EC-1674. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-68; to the Committee on Governmental Affairs.

EC-1675. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-65; to the Committee on Governmental Affairs.

EC-1676. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-66; to the Committee on Governmental Affairs.

EC-1677. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-70; to the Committee on Governmental Affairs.

EC-1678. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-69; to the Committee on Governmental Affairs.

EC-1679. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-63; to the Committee on Governmental Affairs.

EC-1680. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-61; to the Committee on Governmental Affairs.

EC-1681. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-62; to the Committee on Governmental Affairs.

EC-1682. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-59; to the Committee on Governmental Affairs.

EC-1683. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 7-60; to the Committee on Governmental Affairs.

EC-1684. A communication from the Executive Director of the Federal Labor Relations Authority transmitting, pursuant to law, the Authority's 1986 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-1685. A communication from the Plan Administrator of the Farm Credit Retirement Plan Production Credit Associations' Retirement Plan, Farm Credit Banks of Jackson, transmitting, pursuant to law, the annual pension plan reports for the plan year ended December 31, 1986; to the Committee on Governmental Affairs.

EC-1686. A communication from the Assistant Secretary of the Smithsonian Institution (Administration), transmitting, pursuant to law, the annual pension plan reports of the Smithsonian Institution and the Woodrow Wilson International Center for Cheolarships, and Reading is Fundamental; to the Committee on Governmental Affairs.

EC-1687. A communication from the Acting Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1986; to the Committee on Governmental Affairs.

EC-1688. A communication from the Acting Archivist of the United States, transmitting, pursuant to law, the annual report of the National Archives and Records Administration for fiscal year 1986; to the Committee on Governmental Affairs.

EC-1689. A communication from the Attorney General of the United States, transmitting, pursuant to law, a certification under section 303 of the Bankruptcy Judges, United States Trustees, and Family Farmer Act; to the Committee on the Judiciary.

EC-1690. A communication from the Attorney General of the United States, transmitting, pursuant to law, a certification under section 303 of the Bankruptcy Judges, United States Trustees, and Family Farmer Act; to the Committee on the Judiciary.

EC-1691. A communication from the Attorney General of the United States, transmitting, pursuant to law, a certification under section 303 of the Bankruptcy Judges, United States Trustees, and Family Farmer Act; to the Committee on the Judiciary.

EC-1692. A communication from the Attorney General of the United States, transmitting, pursuant to law, a certification under the Bankruptcy Judges, United States Trustees, and Family Farmer Act; to the Committee on the Judiciary.

EC-1693. A communication from the Attorney General of the United States, transmitting, pursuant to law, a certification under section 303 of the Bankruptcy Judges, United States Trustees, and Family Farmer Act; to the Committee on the Judiciary.

EC-1694. A communication from the Attorney General of the United States, transmitting, pursuant to law, a certification under section 303 of the Bankruptcy Judges, United States Trustees, and Family Farmer Act; to the Committee on the Judiciary.

EC-1695. A communication from the Attorney General of the United States, transmitting, pursuant to law, a certification under section 303 of the Bankruptcy Judges, United States Trustees, and Family Farmer Act; to the Committee on the Judiciary.

EC-1696. A communication from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting, pursuant to law, a report on the suspension of deportation of certain aliens under sections 244(a)(1) and 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-1697. A communication from the Acting Secretary of Health and Human Services, transmitting, pursuant to law, the opinions of the Department on H.R. 1226 and S. 223; to the Committee on Labor and Human Resources.

EC-1698. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on the Low Income Home Energy Assistance Program for fiscal year 1986; to the Committee on Labor and Human Resources.

EC-1699. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the International Research and Studies Program; to the Committee on Labor and Human Resources.

EC-1700. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Undergrad-

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uate International Studies and Foreign Language Program; to the Committee on Labor and Human Resources.

EC-1701. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Educational Opportunity Centers Program; to the Committee on Labor and Human Resources.

EC-1702. A communication from the Secretary of Education, transmitting pursuant to law, final regulations for the Business and International Education Program; to the Committee on Labor and Human Resources.

EC-1703. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Drug Free Schools and Communities Program—Training and Demonstration Grants to Institutions of Higher Education, and Federal Activities Grants Program—General Provisions; Training and Demonstration Grants to Institutions of Higher Education; and Federal Activities Grants Program; to the Committee on Labor and Human Resources.

EC-1704. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit-Veterans' Administration's Financial Statements for Fiscal Year 1986"; to the Committee on Veterans' Affairs.

EC-1705. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Morocco for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

## PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-274. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE RESOLUTION NO. 620

"Whereas, A recent study by the National Academy of Sciences indicates that the current method of slaughtering chickens and the federal inspection of chickens does not offer adequate protection for consumers against salmonella poisoning; and

"Whereas, According to the U.S. Department of Agriculture's own estimate, 37% of the chicken offered for sale is suspected of being contaminated with salmonella; and

"Whereas, To protect consumers, the U.S. Department of Agriculture needs to strengthen its inspection methods and procedures for chicken and to insure that the chicken slaughtering industry be further required to take the necessary steps to reduce the instances of contamination of chicken by salmonella; therefore, be it

"*Resolved, by the House of Representatives of the Eighty-fifth General Assembly of the State of Illinois,* That we urge the U.S. Department of Agriculture and the Congress of the United States to pass legislation and implement a plan to provide adequate inspection of chicken at the slaughter stage with random testing to detect salmonella bacteria and to establish a consumer education program on safe handling and preparation of chickens; and be it further

"*Resolved,* That a suitable copy of this preamble and resolution be presented to the Secretary of the U.S. Department of Agriculture and to the Chairman of the Senate and House Agriculture Committees of the U.S. Congress.

POM-275. A resolution adopted by the Senate of the State of Alaska; to the Committee on Banking, Housing, and Urban Affairs:

"SENATE RESOLVE NO. 17

"*Be it resolved by the Senate:*

"Whereas the state, through its royalty share of Alaska North Slope crude oil, receives approximately 6,500,000 barrels of oil per month, all of which is sent through the Trans-Alaska Pipeline; and

"Whereas the Export Administration Act of 1979 (50 U.S.C. 2401-2420) essentially prohibits the export of crude oil transported through the pipeline and requires the action of President Reagan and the United States Congress to lift the prohibition; and

"Whereas, under the Energy Policy and Conservation Act (42 U.S.C. 6212), Alaskan crude oil that does not go through the pipeline is subject to the export restrictions of 15 C.F.R. 377.6, and these restrictions can be lifted by the federal administration without Congressional action;

"Whereas the United States trade deficit in 1986 totaled $169,800,000,000 of which $58,600,000,000 was with Japan; $7,100,000,000 was with Korea; $15,700,000,000 was with Taiwan; and $6,400,000,000 was with Hong Kong, and the deficits with Korea, Taiwan, and Hong Kong are the fastest growing trade deficits; and

"Whereas the growth of this trade deficit is attributable to ever-shrinking exports by the United States; the exports of the United States declined by nearly $12,000,000,000 between 1984 and 1986 while imports rose by only $1,700,000,000 during the same time period; and

"Whereas the United States exports only about $3,600,000,000 in petroleum products, but these products are in high demand by those Pacific Rim nations with whom the United States has large and growing trade deficits; and

"Whereas the recent shipment of Canadian Beaufort Sea oil to Japan by Gulf Canada Corporation proves that seasonal transportation of Alaska North Slope crude oil to Pacific Rim markets is possible without using the pipeline; and

"Whereas a dock exists at Kuparuk that can handle oil-carrying barges that could transport the crude oil to oceangoing tankers and eliminate the need for the oil to go through the pipeline; and

"Whereas Japan's Ship Research Institute is now prepared to build a full-size model of a 200,000-ton Arctic icebreaking tanker after nine years of study and design; and

"Whereas the current glut of oil on the West Coast and the lower prices for oil worldwide have not only shut down many small stripper wells across the country but have virtually stopped all exporation and drilling of new wells; this situation will deplete United States energy reserves, which will in turn threaten national security; and

"Whereas, in March 1987, the United States Department of Energy reported to the President of the United States the results of a department study that concluded that permitting the export of Alaska North Slope crude oil would "improve the energy security of the United States"; and

"Whereas the export of Alaska's royalty share of Alaska North Slope crude oil would help ease the West Coast glut, create new markets for Alaska oil, assist in the development of an export market for the state for other products, create conditions more conducive to increased oil exploration, and decrease the total United States trade deficit;

"*Be it resolved* That the Senate respectfully requests the Governor to immediately begin exploring the steps necessary to

"(1) export Alaska North Slope crude oil by water via Kuparuk to Pacific Rim and other foreign nations rather than through the Trans-Alaska Pipeline; and

"(2) obtain the approval of the President of the United States for lifting the export restrictions on the export of Alaska North Slope crude oil that is not transported through the Trans-Alaska Pipeline.

"Copies of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; the Honorable George P. Shultz, Secretary of State; the Honorable James A. Baker III, Secretary of the Treasury; the Honorable Donald P. Hodel, Secretary of the Interior; the Honorable Malcolm Baldrige, Secretary of Commerce; the Honorable John S. Herrington, Secretary of Energy; the Honorable Robert Ortner, Under Secretary for Economic Affairs of the U.S. Department of Commerce; the Honorable Bruce Smart, Under Secretary for International Trade of the U.S. Department of Commerce; the Honorable Louis F. Laun, Assistant Secretary for International Economic Policy of the U.S. Department of Commerce; the Honorable Orson G. Swindle III, Assistant Secretary for Economic Development of the U.S. Department of Commerce; the Honorable Judith A. Brady, commissioner of natural resources; and the Honorable J. Anthony Smith, commissioner of commerce and economic development."

POM-276. A resolution adopted by the Executive Committee of the Republican National Party of Puerto Rico relative to the admission of Puerto Rico as a state; to the Committee on Energy and Natural Resources.

POM-277. A joint resolution adopted by the Legislature of the State of Illinois to the Committee on Energy and Natural Resources.

"HOUSE JOINT RESOLUTION NO. 111

"Whereas, The United States desires to maintain its lead in high energy physics research, a position which has recently been threatened by European and Soviet discoveries; and

"Whereas, Europe and the Soviet Union are expanding their high energy physics facilities and will soon move ahead of the United States in accelerator power; and

"Whereas, The United States Department of Energy has announced it will construct a Superconducting Super Collider (SSC), which would operate at twenty times the intensity of any present accelerator, allowing scientists to explore the basic structure of matter at levels hitherto closed to human investigation; and

"Whereas, Illinois is the home of the Fermi National Accelerator Laboratory, which presently has the most powerful atomic accelerator in the world; and

"Whereas, The present Fermi facility could serve as an injector for the SSC, saving the federal government between $350 and $500 million in construction costs; and

"Whereas, Studies conducted by the Illinois Department of Energy and Natural Resources indicate the construction of the SSC in Illinois makes economic, geological, and environmental sense; and

"Whereas, The Chicago area near the Fermi Laboratory features the research, engineering, construction, and other facilities to accommodate easily the hundreds of new scientists, technicians, and engineers needed to staff the $4 to $6 billion SSC project; and

"Whereas, The construction of the SSC in Illinois will create jobs for Illinois citizens and improve the economic environment of the State; and

"Whereas, The Illinois General Assembly has shown its strong support for the SSC by appropriating substantial funding for the Illinois effort to win the project and by enacting substantive legislation to acquire the land; therefore, be it

"*Resolved, by the House of Representatives of the eighty-fifth General Assembly of the State of Illinois, the Senate concurring herein,* That we hereby applaud the United States Department of Energy in its decision to build the SSC and further urge the Congress of the United States to authorize the construction of the Superconducting Super Collider; and be it further

"*Resolved,* That we urge the United States Department of Energy to give favorable consideration to locating the SSC in Illinois; and be it further

"*Resolved,* That suitable copies of this resolution be presented to the United States Department of Energy, the President of the United States Senate, the Speaker of the United States House of Representatives and each member of the Illinois Congressional delegation."

POM-278. A joint resolution adopted by the Legislature of the State of Illinois; to the Committee on Environment and Public Works:

"HOUSE JOINT RESOLUTION NO. 73

"Whereas, Coal production is a major Illinois industry providing fifteen thousand jobs, over one billion dollars in overall economic benefit to our State and is the lifeblood of many communities; and

"Whereas, Illinois coal is a source of economical energy for millions of electric utility customers in Illinois and nearly 20 other states; and

"Whereas, In response to federal clean air act standards, Illinois has significantly reduced air pollution from coal at a cost of hundreds of millions of dollars to electric utility customers; and

"Whereas, The State of Illinois has invested over fifty million dollars in research and development projects designed to further reduce air pollution from coal; and

"Whereas, The United States House of Representatives has before it a measure which in an attempt to solve the acid rain problem could cut Illinois coal production by up to two-thirds of 1985 levels, cost 4,000 lost mining jobs and cause a $600 million loss to the State economy; and

"Whereas, Such federal acid deposition legislation would cost Illinois utility customers millions of dollars per year without offering any meaningful support for the costs of new pollution control equipment; and

"Whereas, What we need to do is to develop more cost-effective pollution control methods, a need which is widely recognized in the United States and Canada and is the subject of the major recommendation of the recent Drew Lewis-William Davis Report; therefore, be it

"*Resolved, by the House of Representatives of the eighty-fifth General Assembly of the State of Illinois, the Senate concurring herein,* That we express our feeling that federal acid legislation would levy disproportionate costs on the State of Illinois and result in job dislocation in the State; and be it further

"*Resolved,* That the Governor and the members of the Illinois Congressional Delegation be urged to work for meaningful federal support of new clean coal technology development which would solve the problem without economic disruption; and be it further

"*Resolved,* That a copy of this resolution be sent to Governor James R. Thompson, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Illinois Congressional Delegation."

POM-279. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Finance:

"HOUSE RESOLUTION NO. 101

"Whereas, The House of Representatives of the State of Illinois advocates a change in the law which would correct the unbalanced system of distribution of Social Security benefits; and

"Whereas, Congress intended Social Security benefits to be roughly 50 to 60 percent of the final working year's pay for a low income worker, and about 30 percent for the worker who made the maximum salary taxable under Social Security rules; and

"Whereas, In 1972, Congress created an inflation adjustment mechanism which made the benefits too generous and would cause the system to go broke; and

"Whereas, In order to correct their mistake, in 1977 Congress devised three separate formulas for computing Social Security retirement benefits, one formula applies to people born in 1916 and earlier, the second formula applies to people born in 1922 and later and the third formula applies to people born in the five years in between, the 'notch'; and

"Whereas, Those retiring individuals who were born in the years of the 'notch' will receive benefits that are considerably less than those born before them; and

"Whereas, What is needed is a bill which would correct the 1977 overcorrection and establish a uniform formula to compensate for the extension of the Social Security system beyond its budget; and

"Whereas, People born from 1917 to 1921 receive lower Social Security retirement benefits than people with similar earnings who were born earlier, and this injustice can be corrected; therefore, be it

"*Resolved, by the House of Representatives of the eighty-fifth General Assembly of the State of Illinois,* That the Congress of the United States is hereby urged to find a legislative solution to correct the imbalance in the system of distribution of Social Security benefits and to ensure that the Social Security system is once again able to provide equal retirement benefits to all deserving individuals; and be it further

"*Revolved,* That a suitable copy of this preamble and resolution be presented, respectively, to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Illinois Congressional Delegation.

POM-280. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Finance:

"HOUSE RESOLUTION NO. 361

"Whereas, The projected decline in the federal deficit which the Congressional Budget Office has published is predicated upon continuing growth in the Social Security trust fund, which is pulling in large and growing annual surpluses; and

"Whereas, By the early 1980's. the trust fund surplus is expected to reach $70 billion; and

"Whereas, In the 1985 Balanced Budget Act, lawmakers said that Social Security trust fund surpluses would count toward reducing the deficit; and

"Whereas, By the middle decades of the next century, however, the annual trust fund surpluses will begin to decline and will turn to deficits, and, if the government has depended on them to mask an imbalance in its finances, it will then find itself overcommitted; and

"Whereas, These funds should not be used now to decrease the deficit; for taxpayers will then be stuck with a huge bill when the baby boomers retire; therefore be it

"*Resolved,* by the House of Representatives of the eighty-fifth General Assembly of the State of Illinois, That we urge the United States Congress not to use Social Security funds to balance the budget; and be it further

"*Resolved,* That a suitable copy of this preamble and resolution be presented to the Speaker of the United States House of Representatives, the President of the United States Senate, and to each member of the Illinois Congressional Delegation."

POM-281. A resolution adopted by the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Governmental Affairs:

"RESOLUTIONS MEMORIALIZING CONGRESS TO ISSUE A STAMP COMMEMORATING THE ONE HUNDRED AND NINETY-FIFTH ANNIVERSARY OF THE BIRTH OF GEORGE PEABODY

"Whereas, on February eighteenth, nineteen hundred and ninety, there will be observed the one hundred and ninety-fifth anniversary of the birth in the city of Peabody, Massachusetts, of George Peabody, the first great American Philanthropist who bestowed so much of his great wealth for the education of the poor and in general for the benefit of mankind, and who probably as much as any individual helped by his financial ability to make this country the Greatest Nation in the world; and

"Whereas, it seems fitting and proper that the name of George Peabody be immortalized forever by having a stamp issued, if possible, on February eighteenth, nineteen hundred and ninety; therefore be it

"*Resolved,* That the Massachusetts General Court respectfully memorializes the Congress of the United States to provide for the issuance of such a stamp; and be it further

"*Resolved,* That copies of these resolutions be forwarded by the Clerk of the House of Representatives to the President of the United States, to the Postmaster General, to the Presiding Officer of each branch of Congress and to the Members thereof from this Commonwealth, to the citizens Stamp Advisory Committee, U.S. Postal Service, C/O Stamp Development Branch, 475 L'Enfant Plaza, SW., Washington, D.C. 20260.

POM-282. A resolution adopted by the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Governmental Affairs:

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"Resolutions Memorializing Congress to Issue a Stamp Commemorating Samuel Osgood as the First Postmaster General of the United States

"Whereas, Samuel Osgood was a patriot, soldier, statesman and financier with roots in North Andover, Massachusetts; and

"Whereas, Samuel Osgood was named by President George Washington as the first Postmaster General of the United States; and

"Whereas, it seems fitting and proper that the name of Samuel Osgood be immoralized forever by having a commemorative stamp issued in 1989, the two hundredth anniversary of that post, or a stamp published in the regular line of stamps; therefore be it

"*Resolved*, That the Massachusetts House of Representatives respectfully memorializes the Congress of the United States to provide issuance of such a stamp; and be it further

"*Resolved*, That copies of these resolutions be forwarded by the Clerk of the House of Representatives to the President of the United States, to the Postmaster General, to the Presiding Officer of each branch of Congress and to the Members thereof from this Commonwealth, and to the Citizens Stamp Advisory Committee, U.S. Postal Service, c/o Stamp Development Branch, 475 L'Enfant Plaza, S.W., Washington, D.C. 20260."

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POM-283. A certified act of the Virginia General Assembly amending the Washington Metropolitan Area Transit Regulation Compact; to the Committee on the Judiciary.

POM-284. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Labor and Human Resources.

"Resolutions Memorializing the Congress of the United States to Permit the Commonwealth of Massachusetts to Regulate Employee Welfare Benefit Plans

"*Whereas*, more than six hundred thousand citizens of the Commonwealth of Massachusetts lack any health insurance coverage, more than one third of whom are children, and many thousands more are seriously underinsured; and

"*Whereas*, the numbers of uninsured citizens pose a serious health hazard to those individuals and families, creating serious economic difficulties for the uninsured as well as for hospitals, social service providers, employers who provide health insurance, and the Commonwealth; and

"*Whereas*, increasing numbers of employees are now covered by employer-insured health plans which place these workers beyond any protection or regulation by the Commonweath to ensure adequacy and quality of services; and

"*Whereas*, section five hundred and fourteen of the Employee Retirement Income Security Act of 1974 has been interpreted to prohibit any State government from regulating employer insured health benefit plans; and

"*Whereas*, since the adoption of the Employee Retirement Income Security Act Statute, the numbers of employees who are covered by employer-insured health plans has grown dramatically, estimated in the year nineteen hundred and eighty-six to be greater than forty percent of all insured workers; and

"*Whereas*, this prohibition has had a deleterious effect not only on access to health services but also on the quality of health services received by these workers because of a lack of State supervision and regulation; and

"*Whereas*, Congress has previously granted an exemption to the State of Hawaii to permit that State to regulate all health insurance provided by employers, and as a result of that exemption, more than ninety-eight percent of all Hawaiians are covered by health insurance; and

"*Whereas*, on November fourth, nineteen hundred and eighty-six, more than one million Massachusetts citizens voted in favor of a non-binding resolution calling on the Congress of the United States to establish a national health service to provide adequate health care for all citizens, sixty-seven percent of those voting; now therefore be it

"*Resolved*, That the Massachusetts General Court calls upon the President and the Congress of the United States to provide an exemption for the Commonwealth of Massachusetts to the provisions of section five hundred and fourteen of the Employee Retirement Income Security Act of 1974 to permit the Commonwealth to regulate employer based health insurance plans; and be it further

"*Resolved*, That a copy of these resolutions be forwarded by the clerk of the House of Representatives to the President of the United States, the Presiding Officer of each branch of Congress, and to the Members thereof from this Commonwealth."

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POM-285. A joint resolution adopted by the Legislature of the State of Illinois; to the Committee on Labor and Human Resources:

"Senate Joint Resolution No. 49

"Whereas, We applaud the initial action of the Congress in 1965 to create the Older Americans Act; the action in 1973 to expand it; the action in 1978 to coordinate it; the action in 1981 to streamline it; the action in 1984 and the present action in 1987 to reaffirm it; and

"Whereas, Moreover, in making this call to the Congress for action, we endorse and transmit for consideration the positions of the Illinois Council on Aging, positions developed following public hearings by the 31-member statutory body charged with this responsibility; and

"Whereas, These positions with respect to the reauthorization of the act are as follows:

"(1) to support a three-year reauthorization—October 1, 1987 through September 30, 1990;

"(2) to support statutory provisions upgrading the status of the Administration on Aging Commissioner to that of an Assistant Secretary reporting directly to the Secretary of the Department of Health and Human Services;

"(3) *not* to support raising the eligibility age for receiving services from 60 to 70 years;

"(4) *not* to support the imposition of a means test for determining eligibility for service;

"(5) *not* to support the consolidation of Titles III-B, III-C-1, and III-C-2;

"(6) to support statutory provisions for a 1991 White House Conference on Aging with funding for the planning thereof;

"(7) to support setting specific authorization levels for all Titles of the Act and annual funding that is increased by at least 5% above the rate of inflation; and

"(8) to support strengthening statutory provisions of the Act and regulations in all of the Titles to foster increased representation and participation in governance and in policy and program determination by minorities, with consideration of language and cultural diversity; therefore, be it

"*Resolved, by the Senate of the eighty-fifth General Assembly of the State of Illinois, the House of Representatives concurring herein.* That it call upon the Congress of the United States, its Senate Committee on Labor and Human Resources, and Subcommittee on Aging, its House Committee on Education and Labor and Subcommittee on Human Resources, and upon the President of the United States, to take prompt action to reauthorize the Older Americans Act as an expression of the Nation's continuing commitment to goals and objectives for assuring the well-being of the elderly; and be it further

"*Resolved*, That suitable copies of this preamble and resolution be presented to the President of the United States, to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the chairpersons of the aforementioned committees and subcommittees, the Secretary, Department of Health and Human Services, and to all members of the Illinois Congressional Delegation, the latter being urged to support this resolution and to enter it as testimony in the appropriate committee hearings."

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POM-286. A joint resolution adopted by the Legislature of the State of Illinois; to the Committee on Veterans' Affairs:

"House Joint Resolution No. 34

"Whereas, The term 'veteran' is presently defined by Section 10(2) of Title 38, United States Code, which reads; The term 'veteran' means a person who served in the active military, naval or air service, and who has been discharged or released therefrom under conditions other than dishonorable; and

"Whereas, historically, the term 'veteran' has been reserved for individuals who have served in the uniformed services of the nation and have taken the oath to bear arms in defense of the Republic; and

"Whereas, To be designated as a veteran is an appellation of honor properly bestowed on those who have earned it and not on anyone else; and

"Whereas, A veteran is entitled to substantial rights and benefits provided exclusively to them by the nation in recognition of service rendered in support of the national interest; and

"Whereas, A considerable number of people did serve and support the war effort during various periods of conflict, but did not serve on active duty in the military, naval or air service, and did not take the oath to bear arms; and

"Whereas, An effort is being made by some of these people to persuade the government to include them in the classification of 'veteran' with all rights and benefits appertaining thereto; and

"Whereas, By allowing the classification of 'veteran' to include such people it would diminish the significance of the honor that is attached to the honor; and

"Whereas, It is essential that the present definition of 'veteran' in Section 10(2) of title 38 be maintained; and

"Whereas, There is an attempt to turn America's wartime disabled veterans away from the VA health care they need and have earned in an attempt by the Office of Management and Budget to balance the budget; and

"Whereas, America's sickest and poorest veterans would have the door to VA health care slammed in their face if the Office of Management and Budget's cuts prevail; and

"Whereas, We are responding to the Office of Management and Budget's plan to cut $928 million from the VA health care budget for fiscal year 1988, and their request for an immediate cut of $160 million from VA health care for the current fiscal year, which would bring the total cut to more than $1 billion in the near term; and

"Whereas, The proposed cut in the budget would result in the loss of more than 9,000 VA medical care jobs and a drastic curtailment of services nationwide, which would refute America's sense of duty to her wartime disabled veterans and represent a fundamental failure of the Office of Management and Budget to consider the wishes of the citizens it serves; and

"Whereas, As in the past, Congress is not going to let the Office of Management and Budget cut a billion dollars out of the VA budget, and during the 100th Congress, Congressman G. V. 'Sonny' Montgomery (D-Miss), Chairman of the House Veterans' Affairs Committee, stated 'it's as simple as that, the OMB, once again has made recommendations that ignore the express wishes of Congress, and we, in turn, have a fundamental duty in this instance to ignore OMB's recommendation'; and

"Whereas, Senator Alan Cranston (D-Calif), who is Montgomery's counterpart in the Senate, said, 'OMB seems determined to submit a fiscal 1988 budget that is just as outrageously bad and unfair to veterans as the Administration's fiscal 1987 budget was' and that budget was soundly defeated by Congress, with proposed deep cuts in a variety of VA services restored by both the House and Senate; and

"Whereas, Thomas K. Turnage, VA Administrator, appealed the Office of Management and Budget's plan, and he noted that such cuts 'would seriously damage the VA's ability to meet its mission';

"Whereas, The budget recommendations reflect the Office of Management and Budget's continuing contempt for America's disabled veterans; and

"Whereas, Most recently the Office of Management and Budget rejected VA plans to pay profoundly deaf veterans disability compensation commensurate with their loss of hearing and even though VA officials and the Congress both agree a serious disparity exists in the compensation paid this category of vets, the Office of Management and Budget flatly rejected it; and

"Whereas, The federal funds involved in compensating the deaf veterans were small, but the impact would have been great on this small number of disabled vets, who have also earned the right to lead quality lives; and

"Whereas, All the veterans organizations are united in their opposition to civilians being granted veterans status, and also to any and all proposed budget cuts affecting the disabled veteran; therefore, be it

"*Resolved by the House of Representatives of the eighty-fifth general assembly of the State of Illinois, the Senate concurring herein*, 'That we oppose the efforts of any person or groups of persons to acquire designation as 'veterans' on the basis of service rendered to the United States during a period of war or armed conflict, such service not having been rendered in the active military, naval or air service of the United States; and be it further

"*Resolved*, That a suitable copy of this preamble and resolution be presented to President Ronald Reagan, the President Pro Tempore of the Senate, the Speaker of the House of Representatives and to each member of the Illinois delegation to the United States Congress."

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## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. Kennedy, from the Committee on Labor and Human Resources, with an amendment:

S. 1441. A bill to reduce the incidence of infant mortality (Rept. No. 100-137).

By Mr. Hollings, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 1485. A bill to amend the Federal Aviation Act of 1958 to provide various protections for passengers traveling by aircraft, and for other purposes (Rept. No. 100-138).

By Mr. Moynihan, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 1550. A bill to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes (Rept. No. 100-139).

### FEDERAL TRIANGLE DEVELOPMENT ACT

Mr. MOYNIHAN. Mr. President, on Wednesday last, the Committee on Environment and Public Works took up S. 1550, as reported to it from the Subcommittee on Water Resources, Transportation, and Infrastructure.

This bill is entitled the "Federal Triangle Development Act" and it provides for the construction of a public building complex at 14th Street between Constitution and Pennsylvania Avenues that will mark the completion of the 25-year program for the redevelopment and reconstruction of Pennsylvania Avenue, the avenue of the Presidents, the great thoroughfare that leads symbolically from the Capitol building here to the White House building there. This was a thought that came to President Kennedy's mind as he drove down in the Inaugural Parade on January 20, 1961, which he thereafter turned over to the Secretary of Labor, for whom this Senator had the opportunity to serve as an assistant at the time.

Mr. President, the report which I will now send to the desk gives in great detail the project that we now propose. I simply make the important point for the purposes of the committee that in this new building, which will be the largest office complex in Washington, two-thirds the size of the Pentagon itself and accordingly the second largest of the Federal buildings, that in one great stretch of imagination and enterprise we will take the Treasury Department from 38 buildings to 4 in the city of Washington; we will take the Justice Department from 26 buildings to 3; and the State Department from 16 buildings to 3. We will put up an extraordinary monumental building, worthy of this site, the last site remaining on Pennsylvania Avenue. It will cost no Federal funds to build. Instead, after 30 years of renting, our lease payments will pay for the construction. We will then own the building as we now own the site. We will end by having saved the Treasury a third of a billion dollars.

Mr. President, the Committee on Environment and Public Works is understandably seen as a place where moneys are spent as indeed they ought to be. Public works are an honorable and necessary activity.

But our particular committee has for some 10 years now—I would like to mention Senator Burdick and Senator Stafford in particular—watched the gradual escalation of our rent bills as a Government.

We stopped building buildings such as we had been in the 1960's and have simply been renting them ever since. It always looks better in this year's budget to rent the building rather than to own the building. We reached the point from where rent bills have gone from $400 million annually in 1970 to $1.6 billion today, and we are heading for $2 billion.

Mr. President, for the first time we have been successful in turning this around and setting an example of how we may proceed in the future. Here on Pennsylvania Avenue is as visible and viable an example of what we have in mind as you could hope for. We will save the Treasury a third of a billion dollars.

If there is anyone who can note when this has last happened in this body, I should be very much interested to hear.

Mr. President, for the record, I would like to state this is a committee substitute for S. 1550 and that I submit the committee substitute for myself, Mr. Burdick, Mr. Mitchell, Mr. Lautenberg, Mr. Breaux, Mr. Reid, Mr. Graham, Mr. Stafford, Mr. Durenberger, and Mr. Warner; and that, finally, to note that the bill was reported without a dissenting vote from the committee on which the distinguished Presiding Officer is such a welcome addition. It was reported by a rollcall vote of 15 to zero.

Mr. President, I ask unanimous consent that a statement on the major provisions of the reported bill be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### General Statement

This bill brings to completion—we would dare to say triumphant completion—twenty-five years of the redevelopment of Pennsylvania Avenue which was ordered by President John F. Kennedy on June 1, 1962. It brings to completion, also, the construction of the Federal Triangle as provided in the Public Buildings Act of 1926, signed by

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President Coolidge and undertaken by then Secretary of the Treasury, Andrew Mellon.

The circumstances of President Kennedy's great directive ought to be recorded. At a meeting of the Cabinet on August 4, 1961, there was a pause in the discussion of foreign policy and talk turned to the second most important of all issues in government, which is to say office space. In truth the matter was pressing. Work on Mellon's Federal Triangle simply stopped with the Depression. Somehow the great New Deal public works projects barely touched Washington. The war ended any such activity, save for the construction of the Pentagon. The postwar period was taken up with reconstructing the cities of Europe and suchlike, but Washington remained neglected, and commenced to be run down. From the point of view of simple efficiency, departments grew ever more difficult to manage as bureaus spilled over into ever more haphazard temporary quarters. Worse yet, as with most postwar cities, Washington was striving to move away from its old "downtown", heading for the suburbs. The area between the capitol and the White House was becoming a slum.

Riding down Pennsylvania Avenue in his Inaugural Parade President Kennedy noted this, and later the same day mentioned it to his energetic and innovative Secretary of Labor Arthur J. Goldberg. At the August cabinet meeting it was decided to set up an Ad Hoc Committee on Federal Office space, with Secretary Goldberg as Chairman. (Labor was high on any list for a new building; besides, Goldberg saw the assignment as an opportunity both to press for the redevelopment of Pennsylvania Avenue, and to bring modernity to Federal architecture. At this time it had been roughly half a century since the Federal government had last built what could be called a contemporary building, and even these were derivative in the beaux arts tradition.

With the now Chairman of the Subcommittee on Water Resources, Transportation, and Infrastructure serving as secretary, and with the special encouragement of the President's great friend, William Walton, and the watchful assistance of Fred Holborn on the White House staff, the Ad Hoc Committee set to work. Its report to the President submitted on May 23, 1962, contained a ten year building program and two special sections, The Redevelopment of Pennsylvania Avenue, and Guiding Principles for Federal Architecture. (It should be noted that the Guiding Principles are still in effect, and are of course nationwide in their application.)

### THE REDEVELOPMENT OF PENNSYLVANIA AVENUE

One of the distinctive features of the American Republic is that from the earliest days the Nation's capital has been located in an area set apart for that special purpose. No one visiting Washington can fail to recognize that the Government established here in the 18th Century was something new in the world, and that the men who created it were fully conscious of the great enterprise on which they had embarked.

The plans for the City of Washington, as drawn for the first President by Major Charles Pierre L'Enfant, began with the location of the principal buildings of the new Government and the great avenues that would connect them. The grand axis of the city, as of the Nation, was Pennsylvania Avenue leading from the Capitol to the White House, symbolizing at once the separation of powers and the fundamental unity in the American Government.

Just as the new Government was not founded on small aspirations, neither did Washington or L'Enfant make any little plans. The city they conceived was not intended to be completed in the life of one administration, or one generation. They designed the Capital of a great nation: building it would become the work of that nation.

Scarcely a generation in our history has not contributed to this work. The appearance of the Nation's Capital has been a matter of continued concern to Congress and to successive administrations. Down through the years, despite some lapses, those responsible have been essentially faithful to the original vision of Washington and his inspired city planner.

The modern era began with the report of the McMillan Commission at the beginning of the Century, which reiterated the essential principles of the L'Enfant scheme. The Commission plans called for the construction of the Mall, the Lincoln Memorial, the Arlington Bridge, and for a general development of public buildings in the area between the Capitol and the White House.

The most recent major development in the Capital took place under President Hoover and Secretary of the Treasury Andrew Mellon who conceived the great Federal Triangle. This spacious and dignified complex of office structures occupies the area formed by Constitution Avenue, Fourteenth Street and Pennsylvania Avenue. As a result, all of the space on the south side of Pennsylvania Avenue between the Capitol and the White House is occupied by public buildings.

It was clear to the planners of the 1920's that the south side of Pennsylvania Avenue could not be developed while neglecting the north side. To develop one without the other would produce an imbalance wholly at odds with the spirit of L'Enfant. Accordingly, the plans for the Federal Triangle were accompanied by plans for a Municipal Center on the north side of the Avenue extending from Third Street to Sixth Street, with John Marshall place at the center. The architecture of the Municipal buildings was to follow closely that of the Federal structures opposite.

Andrew Mellon expressed with great feeling the harmony of the scene he hoped to create—

"It is easy to see what the effect will be. As one proceeds down Pennsylvania Avenue toward the Capitol, on the south side will be a succession of beautiful and harmonious buildings, all of a design in keeping with the semiclassical tradition so well established in Washington. On the north side, such as the beautiful District of Columbia Courthouse, on John Marshall Place, shall be brought into the general plan of Pennsylvania Avenue. At the same time the Mall will present the spectacle of a great park bordered on one side by the new boulevard with beautiful buildings, a wide parkway of greensward with its four rows of trees, its drives and walks, statues, and reflecting pools, all arranged in such a way that long vistas will be opened up for views of the Capitol in one direction and of the Washington Monument and Lincoln Memorial in the other."

The plans for Pennsylvania Avenue were never fulfilled. The great depression prevented the completion of the facade of the Federal buildings (while the Main Court of the Triangle was left to become a parking lot of surpassing ugliness.) For various reasons, only about half the Municipal Center was constructed.

The result of the failure to fulfill this grand concept has been lamentable disharmony. On the south side of the Avenue the stately progression of Federal offices designed under Andrew Mellon is twice interrupted by earlier structures of a quite different character. The north side presents a scene of desolation; block after block of decayed nineteenth century buildings, many of which are vacant above the first story, only rarely interspersed by partially successful efforts at modernization. The roadway, sidewalks, lamp posts and other features of the avenue have been sorely neglected. Increasingly the Capitol itself is cut off from the most developed part of the city by a blighted area that is unsightly by day and empty by night.

Pennsylvania Avenue should be the great thoroughfare of the City of Washington. Instead it remains a vast, unformed, cluttered expanse at the heart of the Nation's Capital.

The present appearance of Pennsylvania Avenue demands attention for the precise reason that profound changes are about to take place. Large segments on the north side are decayed beyond restoration. It is clear that a great many of the buildings are about to be torn down and replaced by new structures which will include both private and public buildings.

This presents a great opportunity. From Washington's time there has been a general understanding that the Federal Government has a responsibility to maintain standards of buildings and architecture in the Nation's Capital. For the past half century this function has been ably performed by the Commission of Fine Arts. The prospect that a considerable number of buildings will be erected along Pennsylvania Avenue in a short span of time makes it possible to consider the overall appearance, as well as the appearance of the individual structures. Instead of designing and constructing one new building at a time, it becomes possible to design and construct what would, in effect, be a new avenue.

This is an opportunity not to be missed. It will not come again for a half century or more, except at the prohibitive cost of demolishing large blocks of new and expensive office buildings.

At the same time it is clear that a dramatic transformation in the appearance of Pennsylvania Avenue is possible with only a marginal increase in projected expenditure. The General Services Administration hopes to build a number of new buildings in the downtown area. The need for additional office space is such that it cannot be doubted that Congress will approve. There are equally good grounds to suppose that substantial private capital will be expended for hotels and office buildings in the downtown area. (It may be noted that Washington attracts over 15,000,000 visitors a year.) Merely by combining these separate endeavors in one construction program a totality far more handsome, more truly functional, and more soundly economical may be achieved.

The committee feels there should be no delay in setting up this effort. Specifically, the Federal Government, in cooperation with the District government, should formally undertake the redevelopment of Pennsylvania Avenue, so that it may assume its rightful place as the principal thoroughfare of the Nation's Capital.

The Pennsylvania Avenue project should be regarded as a continuation of the work on the Federal Triangle which began a generation ago. In this instance, however, the effort should involve a partnership between the Government and private enterprise. A primary object of the redevelopment of the Avenue should be to emphasize the role of the Capitol itself as the center of the city. For this reason care should be taken not to line the north side with a solid block of public and private office buildings which close down completely at night and on weekends leaving the Capitol more isolated than ever. Pennsylvania Avenue should be lively, friendly and inviting, as well as dignified and impressive.

As much attention should be paid to the 160-foot wide Avenue itself as to the buildings that line it. Much repairing and rearranging is in order. The object should be to produce an Avenue on which it is pleasent to walk as well as possible to drive. Benches, arcades, sculpture, plantings and fountains should be encouraged.

In 1952, by Act of Congress, the National Capital Planning Commission was created and designated as "the central planning agency for the Federal and District Governments to plan the appropriate and orderly development and redevelopment of the National Capital and the conservation of the important natural and historical features thereof." It is clear that the central responsibility for planning the redevelopment of Pennsylvania Avenue resides with this Commission. To fulfill this responsibility it will be necessary for the Commission to engage the services of a number of the foremost architects of the Nation: nothing less than the very finest, established talents available will be sufficient for this unusually significant undertaking.

Responsibility for the design and construction of new Federal buildings will, of course, remain with the General Services Administration, which should play a major role in the entire program. The Planning Commission will also wish to work in the closest cooperation with the Architect of the Capitol and the Commission of Fine Arts. They will also wish to work with the National Capital Transportation Agency, the Federal City Council, Downtown Progress, the American Institute of Architects and the numerous other public and private organizations that will be concerned with this splendid challenge to the creative talents of all those concerned with the beauty and majesty of the Capital City of the United States of America.

### GUIDING PRINCIPLES FOR FEDERAL ARCHITECTURE

In the course of its consideration of the general subject of Federal office space, the committee has given some thought to the need for a set of principles which will guide the Government in the choice of design for Federal buildings. The committee takes it to be a matter of general understanding that the economy and suitability of Federal office space derives directly from the architectural design and the belief that good design is optional, or on some way separate from the question of the provision of office space itself; does not bear scrutiny, and in fact invites the least efficient use of public money.

The design of Federal office buildings, particularly those to be located in the nation's capital, must meet a two-fold requirement. First, it must provide efficient and economical facilities for the use of Government agencies. Second, it must provide visual testimony to the dignity, enterprise, vigor and stability of the American Government.

It should be our object to meet the test of Pericles' evocation to the Athenians, which the President commended to the Massachusetts legislature in his address of January 9, 1961: "We do not imitate—for we are a model to others."

The committee is also of the opinion that the Federal Government, no less than other public and private organizations concerned with the construction of new buildings, should take advantage of the increasingly fruitful collaboration between architecture and the fine arts.

With these objectives in view, the committee recommends a three point architectural policy for the Federal Government.

1. The policy shall be to provide requisite and adequate facilities in an architectural style and form which is distinguished and which will reflect the dignity, enterprise, vigor, and stability of the American National Government. Major emphasis should be placed on the choice of designs that embody the finest contemporary American architectural thought. Specific attention should be paid to the possibilities of incorporating into such designs qualities which reflect the regional architectural traditions of that part of the Nation in which buildings are located. Where appropriate, fine art should be incorporated in the designs, with emphasis on the work of living American artists. Designs shall adhere to sound construction practice and utilize materials, methods and equipment of proven dependability. Buildings shall be economical to build, operate and maintain, and should be accessible to the handicapped.

2. The development of an official style must be avoided. Design must flow from the architectural profession to the Government, and not vice versa. The Government should be willing to pay some additional cost to avoid excessive uniformity in design of Federal buildings. Competitions for the design of Federal buildings may be held where appropriate. The advice of distinguished architects ought to, as a rule, be sought prior to the award of important design contracts.

3. The choice and development of the building site should be considered the first step of the design process. This choice should be made in cooperation with local agencies. Special attention should be paid to the general ensemble of streets and public places of which federal buildings will form a part. Where possible, buildings should be located so as to permit a generous development of landscape.

President Kennedy approved the Report and on June 1, 1962, issued this directive, as taken from his Presidential Papers.

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### MEMORANDUM CONCERNING IMPROVEMENTS IN FEDERAL OFFICE SPACE AND THE REDEVELOPMENT OF PENNSYLVANIA AVENUE, JUNE 1, 1962

Memorandum for: The Secretary of Commerce; the Secretary of Labor; the Director, Bureau of the Budget; the Administrator of General Services Administration; the Special Assistant to the President for Cabinet and Departmental Relations; the Chairman, National Capital Planning Commission.

I have reviewed the report of the Ad Hoc Committee on Federal Office Space. This report provides a long-needed perspective on Federal office space problems and prospects in the Washington, D.C. metropolitan area.

I am requesting each department and agency head to give immediate study to the report and take appropriate action. Future planning for the acquisition and use of office space is to be guided by the findings and recommendations of this report.

I will appreciate a progress report one year from now by the Administrator of General Services with regard to Federal office space and the adoption of improved architectural standards. I should like a similar report on progress from the Chairman of the National Capital Planning Commission with regard to the improvement of Pennsylvania Avenue.

JOHN F. KENNEDY.

Note: At a cabinet meeting on August 4, 1961, the President directed that a survey be made of the Governments immediate and long-term space needs, with particular reference to the Greater Washington area. An ad hoc committee was established consisting of the Secretaries of Commerce and Labor, the Director of the Bureau of the Budget, the Administrator of General Services, and the Special Assistant to the President for Cabinet and Departmental Relations.

In reporting to the President, on May 23, the Committee pointed out that the problem of office space in the District of Columbia area was acute and that with each succeeding year the needs increased. The report noted that the steady growth of personnel in the area, combined with a low level of public building construction had produced a haphazard pattern of space procurement and continued reliance on temporary and obsolete buildings, some of which dated from World War I. The Committee recommended a 10-year plan providing for a minimum of 12 new Federal buildings, together with the elimination of existing temporary and obsolete Government-owned buildings. The design of the new buildings, the Committee emphasized, should provide efficient and economical facilities for the use of Government agencies, and should provide visual testimony to the dignity, enterprise, vigor, and stability of the American Government.

The Committee further recommended that immediate attention be given to improving the appearance of Pennsylvania Avenue. It noted that "the north side presents a scene of desolation; block after block of decayed nineteenth century buildings, many of which are vacant above the first story, only rarely interspersed by partially successful efforts at modernization." The Capitol, it pointed out, is increasingly cut off from the most developed part of the city by a blighted area that is unsightly by day and empty by night. The report stated that a great many of the buildings were soon to be torn down and replaced by new structures, both private and public, and that this presented an opportunity for a dramatic transformation in the appearance of the Avenue, with only a marginal increase in projected expenditures. "As conceived by L'Enfant," the Committee stated, "the 'grand axis' of the City of Washington was to be Pennsylvania Avenue from the Capitol to the White House, expressing symbolically both the separation of powers and the essential unity in the American form of Government."

The report concluded with the recommendation that central responsibility for planning the redevelopment of the Avenue should reside with the National Capital Planning Commission; for the design and construction of the new Federal buildings, with the General Services Administration

Next the great American architect and impresario Nathanial Alexander Owings was asked to chair a committee of architects, de-

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signers, and planners to develop a plan. This took another year, but was ready in the fall of 1963. Again the young President was moved by a vision of the City that had stirred Washington and Jefferson, if few of his predecessors in between. The last instruction President Kennedy gave before leaving for Dallas on November 21, was that on his return a coffee hour should be arranged at which he might show the model of the Pennsylvania Avenue plan to the Congressional leaders.

This meeting was being planned at a luncheon in Mr. Walton's house attended by him, the Chairman of our Subcommittee, and Honorable Charles A. Horsky, the President's Advisor for National Capital Affairs, when the White House operator phoned to report that the President had been shot.

There thus devolved on others the task and the dream the young President had embraced. It has taken a quarter century, but it is now done, or soon will be. One by one the projects have been put in place. They have not been uniformly successful, and they are anything but uniform, but they have saved the great avenue. The fine new Canadian Embassy is rising at the foot of Capitol Hill, its pillars echoing those of the Federal Trade Commission and the National Gallery. Across the Avenue I.M. Pei's masterful East Building seems now to have been there from the beginning. The Frances Perkins Department of Labor Building sits astride the sunken Interstate route 395, leading to the Reflecting Pool which was built with the savings that came from not bending the tunnel to accommodate three old cottonwood trees beloved of a then Senior Senator. The Meade Memorial is splendidly out of place just up the Avenue. Market Square, leading the L'Enfant's great transverse, is now being transformed into the Navy Memorial, while 8th Street is half on its way to becoming a pedestrian mall. The semi-derelict Pension Office of a quarter century back is now the vibrant National Portrait Gallery and National Museum of American Art. The Committee has provided for the restoration of the original Post Office Building on the west side of 8th Street. At 9th Street we come upon the massive FBI building which J. Edgar Hoover moved back fifty feet to allow for the Avenue's plan. Then we come upon the magnificently restored Old Post Office. One of the first decisions of President Kennedy's committee was not to tear down the Post Office as the Federal Triangle plan would have done. The purpose was to keep access to the magnificent platform in the tower which gives the finest view of Washington to be had anywhere. In the intervening quarter century we have learned to recycle buildings, and now the Post Office interior is alive with restaurants and shops. A similar happy fate awaited the old Pension Building, now the National Building Museum. All along the way buildings have been recycled, notably the old Apex Liquor building as it was known, now a corporate headquarters. Just outside is the restored Temperance Fountain dedicated in the minds of many to Nathanial Alexander Owings. The Washington Star Building is being redone, and next to it is the first building in which private owners voluntarily followed the "set back" scheme for a plante sidewalk. Western Plaza, with fair success, faces the equally modest achievement of the Marriott Hotel. But at 14th Street we come upon glory indeed with the reopened Willard Hotel, in ways the queen of the Avenue. The redone National Press Building is a great success, and a good case for not tearing things down too quickly. Pershing Square is a triumph. And now we shall have the International Cultural and Trade Center on 14th Street. It will be the City's largest—and let us hope one of its best designed—buildings on the site of what the Ad Hoc Committee described in 1962 as "a parking lot of surpassing ugliness." It is what he hoped would be done. It has been worth doing.

After a quarter century I believe our work is done and respectfully ask to be relieved. Before concluding, however, I wish to express special appreciation to Honorable Harry C. McPherson, Jr., who, as Counsel to President Johnson ensured that this enterprise was not lost in the difficult days that followed the death of President Kennedy, and also to President Richard M. Nixon who determined that it would indeed go forward. It is especially satisfying that we have ended up not merely saving the center of Washington, but saving almost a third of a trillion dollars in rent money as well.

It paid for itself!

### SUMMARY OF MAJOR PROVISIONS

This bill authorizes development of a federal office complex and international cultural and trade center on the federal triangle site at 14th St. and Pennsylvania Avenue N.W. The building will be built on a "lease-to-own" plan, whereby the federal government's lease payments over a thirty year lease term will pay for the cost of constructing the building. At the end of thirty years, the federal government will own the building in fee simple—no payments in addition to the rent over the thirty years will be necessary. This method of financing will save the Federal Government $281 million—almost a third of a billion—over the thirty year lease.

The primary agencies involved in planning and building this center will be the General Services Administration (GSA), Pennsylvania Avenue Development Corporation (Corporation) and a Presidential Commission, the International Cultural and Trade Center Commission (Commission). The Departments of State, National Capital Planning Commission and Commission of Fine Arts will have advisory roles. The bill mandates specific roles for these entities to ensure that the complex is of monumental quality, appropriate to the distinguished setting of the federal triangle.

Members of the Committee have long been concerned over escalating rents which the federal government pays for leased space. At the end of the lease term, often the landlord dramatically increases the rent to the federal government, which is somewhat of a "captive" tenant. The government must choose between this higher rent and a costly move to perhaps equally expensive or less desirably located space elsewhere.

Rents for the federal government in the National Capital region have increased by 30 percent over the last two years alone. The annual federal government's rental bill is about $1.4 billion currently, up from about $400 million in 1970. Without decisive action by Congress, the federal rental bill will reach $2 billion annually by the end of the century. Within the next 10 years, 95 percent of the federal office leases will come up for renewal.

In the 1960's, the federal government stopped constructing buildings, partly over concern about annual spending. In the short run, it appeared less expensive to appropriate funds for an annual lease payment, than to appropriate the entire cost of constructing a building up front. Now, however, the federal government is paying for this "creative accounting," as the statistics cited demonstrate. The Committee believes that the federal government once again must start to build office buildings, to ensure that the government not be at the mercy of escalating rents, and to guarantee that safe, comfortable working environments are provided to federal employees. The Committee intends that the international cultural and trade center be a model for future projects of this kind.

GSA's current housing plan calls for the Justice Department, the Securities and Exchange Commission, the Treasury, and State Departments to occupy the federal office portion of the complex. This project and other actions in the District will permit major consolidations of Treasury, Justice and State.

Treasury from 38 buildings to 4.

Justice from 26 buildings to 3.

State from 16 buildings to 3.

The benefits from these consolidations will include increased efficiency and decreased need for transportation of employees from location to location.

Next to the Pentagon, which has 3.8 million occupiable square feet, this will be the second largest federal building in the nation, and the largest building in the District of Columbia. According to GSA's estimates, this building will provide about 1.9 million occupiable square feet; 1.4 million square feet for the federal uses, and 500,000 square feet for the International Cultural and Trade Center (ICTC).

The ICTC will house foreign missions, international, state and local agencies concerned with trade, and government sponsored organizations supporting cultural exchanges. The ICTC Commission will determine appropriate tenants and uses for the center, in conjunction with the State Department and GSA Administrator.

At the hearing on this matter held May 1, 1987, the Committee received enthusiastic support for the center from representatives of the State Department, Commerce Department, U.S. Information Agency, diplomatic community, the Mayor of Washington, D.C., and the Federal City Council. The Committee believes that the center, if properly leased and operated, will enhance opportunities for American trade, commerce, communications, and cultural exchanges, and thus complement the work of Federal, State and Local agencies in the areas of international trade and cultural activities.

The House Public Works and Transportation Committee, led by Chairman James J. Howard and Subcommittee Chairman Fofo I.F. Sunia, and ranking minority Members, Representatives John Paul Hammerschmidt and Guy v. Molinari, held a hearing on this proposal July 22, 1987. Chairman Howard hopes to pass the Senate bill expeditiously once it is received from the Senate. The Committee on Environment and Public Works appreciates this cooperation on this important undertaking.

### SAVINGS TO THE FEDERAL GOVERNMENT

This method of financing will save the Federal Government $281 million—almost a third of a billion—over the thirty year lease. According to GSA, the total construction cost for the building will be $362 million. The cost of the lease for the federal office portion of the complex to GSA will be $38 million/year. Comparable space in the private market would cost $50 million/year, according to GSA. When the building is ready for occupancy in 1993, this lease cost for the federal office portion computes to $27.00 per square foot. The comparable cost in the private market would be $35.00 per square foot. These figures reflect GSA's assumption of 1.4 million occupiable square feet of federal office space.

For the ICTC portion of the lease, the cost will be $15.2 million per year. This is equivalent to $30.00 per square foot, slightly more than the federal office portion, due to special features of the space suitable for exhibits, displays, meetings, and security measures.

Mr. WARNER. Mr. President, I am pleased to cosponsor S. 1559, completing the complex of Federal buildings at the Federal Triangle over which Chairman Moynihan has labored so carefully.

I have had a longstanding interest in seeing this historical location used for a valuable public purpose.

The Public Buildings Act gave the Treasury Department under the guidance of the supervising architect the responsibility for developing the Federal Triangle.

In 1921, Secretary of the Treasury, Andrew Mellon, envisioned a complex of Federal buildings at this location. I am pleased that this legislation will recognize Ambassador Mellon's leadership in this effort by dedicating the historic auditorium as the "Andrew Mellon Auditorium."

Within that decade the area became the home of what is now the Federal Trade Commission, the Justice Department, Commerce Department, and others. For over 50 years the Congress has languished over various proposals to complete the Federal Triangle. Yet, today, this space is still used as a parking lot.

I commend the chairman for the creative financing plan proposed in the bill. Each year the Federal Government's lease payment will be contributed toward the cost of constructing the building and at the end of the 30-year-lease period the Federal Government will hold the sole title to the building. This approach is the beginning of freeing the Federal Government from the enormous rents we are obliged to pay to house our Federal workers.

For the American public, the International Cultural and Trade Center will provide a centralized passport and visa location. This will be a vast improvement over the current confusion the traveling public is put through to get a passport or visa.

I commend the Senator for diligent pursuit of this proposal and I am pleased to join as a copsonsor of S. 1550.

By Mr. INOUYE, from the Select Committee on Indian Affairs, with amendments:

S. 887: A bill to extend the authorization of appropriations for and to strengthen the provisions of the Older Americans Act of 1965, and for other purposes (Rept. No. 100-140).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WEICKER:

S. 1581. A bill to prohibit the importation of objects from the R.M.S. Titanic; considered and passed.

By Mr. WILSON (for himself and Mr. McCain):

S. 1582. A bill to amend section 1876 of the Social Security Act to protect medicare beneficiaries enrolled in an eligible organization with a risk-sharing contract under such section against certain practices; to the Committee on Finance.

By Mr. GORE:

S. 1583. A bill for the relief of Maria Antonieta Heird; to the Committee on the Judiciary.

By Mr. REID:

S. 1584. A bill to assure compliance with the National Environmental Policy Act of 1969, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CHAFEE (for himself and Mr. Stafford):

S. 1585. A bill to provide financial assistance to local educational agencies to improve the educational opportunities of the Nation's children and adults by integrating early childhood education and adult education for parents into a unified program to be referred to as "Even Start"; to the Committee on Labor and Human Resources.

By Mr. KERRY (for himself, Mr. Weicker, Mr. Stafford, Mr. Kennedy, Mr. Simon, and Mr. Metzenbaum):

S. 1586. A bill to provide financial assistance under the Education of the Handicapped Act to assist severely handicapped infants, children, and youth to improve their educational opportunities through the use of assistive device resource centers, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. D'AMATO:

S. 1587. A bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic Games; to the Committee on Banking, Housing, and Urban Affairs.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL (for himself and Mr. Cohen):

S. Res. 267. A resolution to express the sense of the Senate that Rachel Carson is recognized on the twenty-fifth anniversary of her book "Silent Spring," for her outstanding contributions to public awareness and understanding of environmental issues; to the Committee on the Judiciary.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILSON (for himself and Mr. McCain):

S. 1582. A bill to amend section 1876 of the Social Security Act to protect Medicare beneficiaries enrolled in an eligible organization with a risk-sharing contract under such section against certain practices; to the Committee on Finance.

### PROTECTING BENEFITS OF CERTAIN MEDICARE RECIPIENTS

Mr. WILSON. Mr. President, health maintenance organizations, or HMO's, are a new health care option for most older Americans. Although authority was given in the 1982 Tax Equity and Fiscal Responsibility Act for the Federal Government to contract with federally qualified health maintenance organization's and competitive medical plans [CMP's] it wasn't until 1985 that the office of prepaid health plans began to contract directly with HMO's for the care of Medicare beneficiaries. As a result, many HMO's have only recently become involved in the Medicare Risk-Sharing Program.

I have encouraged their growth because they are a cost-effective means of providing more health services than are usually covered under the traditional Medicare system plus supplemental insurance. Currently, the Health Care Financing Administration [HCFA] contracts with 156 HMO's and CMP's in 34 States. To date, these plans have enrolled nearly 937,000 Medicare consumers or approximately 3 percent of the 31 million Medicare beneficiaries.

I want to commend the administration for its efforts in developing and promoting competition through consumer choice, thus making available to beneficiaries the same options in health care delivery systems as are available to their fellow Americans under age 65. As I have indicated, this has been a very popular program with the seniors. Unfortunately, the popularity of this program has also caught the attention of a few unscrupulous individuals who seek to further their own selfish interests at the expense of the elderly and of those many legitimate providers who operate within the law. I wish to make it clear to my colleagues that while the problem does not appear to be systemic, still the incentives and potential for abuse exist, and, unfortunately, vulnerable seniors have been the victims of these abuses and continue to deserve and need protection against them.

The bill I am introducing contains the following provisions:

First, the bill would require those organizations with HCFA risk-sharing contracts to notify potential Medicare consumers that the organization can by law choose to refuse to renew it's contract with HCFA when it comes up for renewal. Currently, there is no requirement for eligible organizations—that is, HMO's—to notify the elderly consumer prior to enrolling him in a health plan that he may be disenrolled from the plan should the organization decide not to renew it's contract. This required notification will make the consumer aware of the possibility of disenrollment and assist Medicare beneficiaries in deciding whether to choose the HMO or Medicare as the health plan that is most likely to meet their needs.

Second, the bill imposes civil monetary penalties and intermediate sanctions on an eligible organization with risk-sharing contracts which:

First. Fails to provide medically necessary items and services if the failure has adversely affected the individual; or

Second. Charges an individual a greater premium than is permitted; or

Third. Acts to expel or to refuse to re-enroll an individual for medical reasons; or

Fourth. Engages in any practice that denies or discourages an individual whose medical condition or history indicates a need for future medical services; or

Fifth. And misrepresents or falsifies information to the Secretary of HHS or the individual, or enrolls an individual without the individual's knowledge or consent or makes a material inducement to the individual.

Currently, the only authority HCFA possesses to punish abusive marketing practices is to terminate the organization's contract. Although this authority is necessary, I believe the intermediate sanctions I am proposing are more appropriate for the less severe sharp marketing practices and better serve the needs of the elderly who would otherwise be the ones punished by a contract termination which leaves the HMO enrollee effectively disenrolled and once again in need of a health care program.

Third, the bill prevents the Secretary of the Department of Health and Human Services [DHHS] from entering into or renewing a contract with any eligible organization in a State that does not require the licensure of those individuals who solicit the enrollment of an individual. The results of a survey of the 50 States and the District of Columbia in June 1986, by the Illinois and Indiana Departments of Insurance reveal the following results regarding the solicitation or sale of HMO products.

Nineteen States presently require some degree of licensure for agents soliciting on behalf of HMO's. The remaining 31 States and the District of Columbia are without licensing requirements. Of these, 16 States have the statutory authority to promulgate the rules and regulations necessary for the licensing of HMO agents but, as of the date of this survey, have chosen not to exercise this authority. Three other States have limited authority and the remaining 12 States and the District of Columbia are without any provisions for regulating the solicitation or sale of HMO products.

Mr. President, I ask unanimous consent that material in connection with the licensure be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Re: Summary State Licensure requirements for agents soliciting HMO products.
To: NAIC/NAHMOR Joint Committee members
From: Shirley S. Hayes—Indiana Department of Insurance, David E. Grant—Illinois Department of Insurance.

The results of the survey of the 50 States and the District of Columbia reveal diverse positions on agent licensure, though the potential for consistency may exist in the event a standard is adopted by NAHMOR and the NAIC. The map attached divides the States into those which presently have some sort of licensure requirements and those which do not. Also attached is a brief statement of each State's licensure status.

Further analysis of the survey indicates 19 States presently require some degree of licensure for agents soliciting on behalf of HMO's. Of these, 11 require a special license for the HMO solicitor, 5 require a health license and 2 require a disability license. South Carolina requires all HMO solicitors be licensed; however, if they are salaried employees of the HMO, they are exempt from examination.

The remaining 31 States and the District of Columbia are without licensing requirements. Of these, 16 States have the statutory authority to promulgate the Rules and Regulations necessary for the licensing of HMO agents but as of the date of this survey, have chosen not to exercise this authority. Two States permit HMO's to enter contractual arrangements for the marketing of health plans, and one State requires solicitors be salaried employees of the HMO. The remaining 12 States and the District of Columbia are without any provisions for regulating the solicitation or sale of HMO products.

S.S.H.
D.E.G.

STATUS OF STATE LICENSURE REQUIREMENTS FOR AGENTS SOLICITATING HMO PRODUCTS

| State | Licensure | Comments |
|---|---|---|
| 1 Alabama | Yes | HMO must secure a Certificate of Authority for each agent writing or soliciting health care certificates |
| 2 Alaska | No | |
| 3 Arkansas | Yes | Prior to performing solicitation activities, each agent must submit an application for licensure, pay a fee, and pass a written examination |
| 4 Arizona | Yes | The Commissioner has issued Rule and Regulation 35. An agent is a person directly or indirectly associated with a health care plan who engages in solicitation or enrollment |
| 5. California | No | |
| 6 Colorado | No | The HMO may contract with any person for marketing, enrollment and administrative services. The Commissioner may promulgate reasonable Rules and Regulations as are necessary to provide for the licensing of agents |
| 7 Connecticut | No | |
| 8. Delaware | No | The HMO may solicit enrolless and sell its services through its own employees, persons licensed or otherwise permitted to sell health insurance or persons licensed or otherwise permitted to sell the benefit program of a health service corporation |
| 9 Florida | No | |
| 10. Georgia | Yes | Requires that each agent take and pass the examination required for an insurance agent in the accident and sickness lines or such other examination as may be prescribed by the Commissioner. No person shall act as an HMO agent without having passed the examination. |
| 11 Hawaii | No | |
| 12. Idaho | Yes | Agents or persons representing the organization in solicitation and negotiation of subscribers contracts shall qualify and be licensed as agents in accordance with procedures under Insurance Law for licensing of agents of disability insurers, with noted exceptions. |
| 13 Illinois | No | The Director may promulgatge reasonable Rules and Regulations for the licensing of agents |
| 14 Indiana | Yes | Agents, solicitors, and brokers performing services for HMOs are subject to the laws governing the licensing of health insurance agents |
| 15 Iowa | No | The Commissioner of Insurance may promulgate Regulations to provide for the licensing of agents of an HMO |
| 16 Kansas | No | |
| 17 Kentucky | No | The Commissioner of Insurance may promulgate the necessary Rules and Regulations for the licensing of agents |
| 18 Louisiana | No | |
| 19 Maine | No | The Insurance Superintendent may promulgate Rules and Regulations for the licensing of agents |
| 20. Maryland | No | |
| 21 Massachusetts | Yes | The Commissioner is authorized to regulate the licensing of agents |
| 22 Michigan | No | |
| 23 Minnesota | Yes | Agents, solicitors, and brokers performing services for HMOs are subject to the laws governing the licensing of health insurance agents |
| 24 Mississippi | Yes | Agents of the corporation soliciting contracts must be certified by the Commissioner of Insurance |
| 25. Missouri | No | The HMO is permitted to enter into contracts for the provision of marketing and enrollment services. |
| 26. Montana | No | |
| 27 Nebraska | No | The Director of Insurance may issue Rules and Regulations governing the licensure of agents |
| 28 Nevada | Yes | No person may solicit or sell to any group or individual a plan that provides for comprehensive health care services unless such person has a valid license, issued by the Commissioner. |
| 29 New Hampshire | Yes | All persons engaged in the solicitation or enrollment of subscribers must be duly licensed agents for the sale of health insurance in the State. |
| 30 New Jersey | No | The Commissioner of Health may promulgate such reasonable Rules and Regulations which have been approved by the Commissioner of Insurance, as are necessary to provide for the certification of agents. |
| 31 New Mexico | Yes | Solicitation of enrollees in an HMO is handled by an agent who is appointed or employed by the HMO and licensed by the Superintendent. |
| 32 New York | No | An HMO is prohibited from employing solicitors or accepting business from brokers on a commission basis. Solicitors must render their services as employees on a salaried basis |
| 33. North Carolina | No | The Commissioner may issue Rules and Regulations to provide for the licensing of agents |
| 34 North Dakota | No | The Commissioner may promulgate such reasonable Rules and Regulations as are necessary to provide for the licensing of agents |
| 35. Ohio | No | The Superintendent of Insurance may establish qualifications of agents and issue licenses to qualified applicants. |
| 36 Oklahoma | No | The State Insurance Commissioner after notice in hearing may promulgate such reasonable Rules and Regulations as are necessary to provide for the licensing of agents |
| 37. Oregon | No | |
| 38. Pennsylvania | Yes | Solicitors or agents shall meet such prerequisites as the Commissioner by Regulation shall require |
| 39 Rhode Island | No | An HMO is authorized to enter into contracts for marketing its health plan, enrollment and/or administration |
| 40. South Carolina | Yes | Regulations require all HMO solicitors be licensed however if they are salaried employees of the HMO they are exempt from examination. |
| 41. South Dakota | No | The Director of the Division of Insurance may promulgate such reasonable Rules and Regulations as are necessary to provide for the licensing of agents. |
| 42. Tennessee | Yes | Agents writing or soliciting contracts for the corporation must be certified by the Commissioner of Insurance |
| 43 Texas | Yes | Before making any solicitation for enrollment in an HMO, a person or other legal entity must have a valid HMO agents license. |
| 44. Utah | No | The Commissioner may promulgate such reasonable Rules and Regulations as are necessary to provide for the licensing of agents |
| 45 Vermont | No | |
| 46 Virginia | Yes | Enrollee contracts may be solicited outside of the principal office of an HMO only through licensed salesmen. |
| 47. Washington | Yes | No person may act as or hold himself out to be an agent of an HMO unless licensed as a disability insurance agent by the State and appointed or authorized by the HMO on whose behalf solicitations are to be made |
| 48 West Virginia | No | The Commissioner is authorized to issue Regulations necessary to regulate marketing of HMOs by persons compensated directly or indirectly by the HMO |
| 49 Wisconsin | Yes | Chapter 628, regulating insurance marketing, provides for licensing of agents representing service insurance corporations. |
| 50 Wyoming | No | The Insurance Commissioner may promulgate reasonable Rules and Regulations as necessary to provide for the licensing of agents. |
| 51 District of Columbia | No | |

STATUS OF STATE LICENSURE REQUIREMENTS FOR AGENTS SOLICITATING HMO PRODUCTS—Continued

Mr. WILSON. Mr. President, this provision should stimulate those States which have not yet adopted licensure of HMO marketing agents to do so promptly in order to protect their senior health care consumers.

This bill will protect the elderly from the many unscrupulous marketing techniques of those health maintenance organizations which have been guilty of sharp practices in seeking to attract Medicare recipients to their rolls.

As an example, some HMOs set up tables outside shopping malls, outside flea markets—even outside Social Security offices—to give free blood pressure tests to Medicare beneficiaries. To participate, the seniors are told they must give their names, Medicare numbers, and sign a form. What they aren't told is that what they are actually signing is an HMO enrollment application.

In other cases, Medicare beneficiaries are offered free gifts such as cameras as an inducement to sign enrollment forms. HMO marketing representatives pose as agents of the Government, or falsely advise beneficiaries that their current clinic is being closed and that they must enroll in the HMO which the HMO salesman is pitching.

Mr. President, there are many other abuses and I ask unanimous consent to have printed in the RECORD a full list of the marketing abuses documented by HCFA and my staff.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### NEED FOR THE LEGISLATION

1. Tables are set up in shopping malls, flea markets, banks, outside Social Security offices, outside clinics, or at retirement hotels or community centers. Free blood pressure tests are offered to Medicare beneficiaries, who are required to provide their names and Medicare numbers and sign for the tests. They do not realize that they are signing an enrollment application when they sign for tests.

2. Door to door solicitation is conducted, seeking signatures for a "petition" having to do with something of interest to seniors such as medical cost containment, better housing, or expanding Medicare. The "petition" turns out to be an enrollment application.

3. Gifts such as cameras are offered as an inducement to sign such "petitions" or HMO enrollment applications in other forms.

4. Potential enrollees are solicited to sign a request for information or literature about an HMO, which request turns out to be a membership application.

5. Beneficiaries are misled by HMO agents to believe that the HMO plan is a supplement to regular Medicare or to their current plan, rather than a substitute for it.

6. Misrepresentations are made by the marketing representative that he represents the U.S. Government or a State Government, or another insurance company.

7. The beneficiary is told by the marketing representative that "if you'll just sign the form now, I won't turn it in until after you call me and tell me you want it."

8. HMO representatives misrepresent the lock in provision so that a beneficiary believes he can still use his own physician.

9. An enrollee is told by a marketing representative that his current clinic is being closed and he must choose another one, and then enrolls him in another HMO.

10. The beneficiary is induced to sign multiple applications, one of which is later submitted to re-enroll the beneficiary without his knowledge or consent.

11. A Social Security Office is called by an HMO agent, falsely identifying himself as a relative of a beneficiary to obtain information regarding the Medicare number and status of that beneficiary.

12. A beneficiary is photographed under the guise that he is being interviewed for a magazine article and is induced to sign what is said to be a "consent" form and to give his Social Security number. The "consent" form turns out to be an enrollment application.

Mr. WILSON. Mr. President, when Congress enacted the legislation that authorized the Health Care Financing Administration to contract with qualified health maintenance organizations and competitive medical plans to care for Medicare patients, it intended the system to efficiently and effectively deliver high quality medical care.

Quality health care must be the foundation of any health delivery system. I believe we have accomplished that objective with a large degree of success. However, with any new program, mistakes will be made. Although some safeguards were built into the program to assure that Medicare beneficiaries were protected from potential abuse, more can and must be done. That is what I hope to accomplish with this piece of legislation today. This bill will help to protect the elderly from abusive and sharp marketing practices and give them the emotional as well as the physical security, which they deserve.

We in Congress, can no longer stand by and permit such abuses to be perpetrated on the elderly by unscrupulous marketing representatives. I urge my colleagues to join me in passing this legislation as quickly as possible.

Mr. President, I ask unamimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1582

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. NOTICE TO MEDICARE BENEFICIARIES.

(a) In General.—Section 1876(c)(3) of the Social Security Act (42 U.S.C. 1395mm(c)(3)) is amended by adding at the end thereof the following new subparagraph:

"(F)(i) Each eligible organization having a risk-sharing contract under this section shall notify individuals eligible to enroll with the organization under this section and individuals enrolled with the organization under this section that—

"(I) the organization is authorized by law to terminate or refuse to renew the contract, and

"(II) termination or nonrenewal of the contract may result in termination of the enrollments of individuals enrolled with the organization under this section.

"(ii) The notice required by clause (i) shall be included in—

"(I) any materials described in subparagraph (C) that are distributed by an eligible organization to individuals eligible to enroll under this section with the organization, and

"(II) any explanation provided to enrollees by the organization pursuant to subparagraph (E).".

(b) Application.—The amendment made by subsection (a) shall apply to contracts entered into (or renewed) on or after the date of the enactment of this Act.

### SEC. 2. CIVIL MONEY PENALTIES AND INTERMEDIATE SANCTIONS FOR ELIGIBLE ORGANIZATIONS WITH RISK-SHARING CONTRACTS.

(a) In General.—Section 1876(i)(6) of the Social Security Act (42 U.S.C. 1395mm(i)(6)) is amended to read as follows:

"(6)(A) Any eligible organization with a risk-sharing contract under this section that—

"(i) fails substantially to provide medically necessary items and services that are required (under law or under the contract) to be provided to an individual covered under the contract, if the failure has adversely affected (or has a substantial likelihood of adversely affecting) the individual, is subject to a civil money penalty of not more than $25,000,

"(ii) charges an individual covered under the contract a greater premium than is permitted under this section, is subject to a civil money penalty of not more than $2,000 plus double the excess amount charged (and the excess amount charged shall be deducted from that penalty and returned to the individual),

"(iii) acts to expel or to refuse to re-enroll an individual in violation of the provisions of this section, is subject to a civil money penalty of not more than $15,000, for each incident,

"(iv) engages in any practice that would reasonably be expected to have the effect of denying or discouraging enrollment with the organization (except as permitted by this section) by eligible individuals whose medical condition or history indicates a need for substantial future medical services, is subject to a civil money penalty of not more than $100,000, plus $15,000 for each individual consequently not enrolled, or

"(v) misrepresents or falsifies enrollment information that is furnished to the Secretary, to an individual, or to any other entity, or enrolls an individual without the individual's knowledge or consent or after making a material inducement to the individual, is subject to a civil money penalty of not more than $15,000 for each incident (or, in the case of enrollment information furnished to the Secretary, not more than $100,000 for each incident).

"(B) The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under subparagraph (A) in the same manner as they apply to a civil money penalty under that section.

"(C) If the Secretary determines that an eligible organization has committed any of the violations specified in subparagraph (A), the Secretary, in addition to, or instead of, imposing a civil money penalty, may provide for the suspension of enrollment of individuals under this section or of payment to the organization under this section for individuals newly enrolled with the organization, after the date the Secretary notifies the organization of the violation.".

(b) Effective Date.—The amendment made by subsection (a) shall become effective at the end of the fourteen-day period beginning on the date of the enactment of this Act and shall not apply to administrative proceedings commenced before the end of such period.

### SEC. 3. LIMITATION ON CONTRACTS WITH ELIGIBLE ORGANIZATIONS.

(a) Limitation.—Section 1876 of the Social Security Act (42 U.S.C. 1395mm) is amended—

(1) in subsection (g)—

(A) in paragraph (1), by striking "The Secretary" and inserting in lieu thereof "Subject to paragraph (7), the Secretary", and

(B) by adding at the end thereof the following:

"(7) The Secretary may not enter into or renew a contract under this subsection with any eligible organization unless that organization is located in a State that requires any individual who—

"(A) is an employee or agent of an eligible organization with a risk-sharing contract under this subsection, and

"(B) solicits the enrollment of any individual under this section with the organization,

to be licensed in accordance with procedures established by or pursuant to State law.", and

(2) in subsection (h)(1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively,

(B) by inserting "(A)" after "(1)", and

(C) by adding at the end thereof the following:

"(B) The Secretary may not enter into or renew a contract under this subsection with any eligible organization that is located in a State that fails to meet the requirements of subsection (g)(7).".

(b) Effective Date.—The amendments made by subsection (a) shall apply to contracts entered into or renewed on or after January 1, 1990.

● Mr. McCAIN. Mr. President, I rise today with my distinguished colleague from California, Senator Wilson, to introduce S. 1582. The purpose of this legislation is to provide the Health Care Financing Administration [HCFA] the authority to protect older Americans from possible abuses arising from the sales and operations of health maintenance programs targeted toward Medicare eligible Americans.

In 1982, through the Tax Equity and Fiscal Responsibility Act, Congress gave HCFA the authority to contract with health maintenance organizations [HMO's] and competitive medical plans [CMP's] in order to make this kind of prepaid plan option available to Medicare beneficiaries. It was not until 1985, however, that HCFA actually began contracting with HMO's and CMP's for the care of Medicare beneficiaries. Since that time, close to 1 million seniors have enrolled in these prepaid plans.

This was a positive move due to the fact that this capitated approach—paying one preset amount for each enrollee rather than paying on a fee-for-service basis—is such a cost-effective way of providing health care services. This approach in fact, appears to be a more cost effective way to provide health care services than through the traditional Medicare system, with an added supplemental plan. Perhaps this is the direction that the entire Medicare system will eventually move.

Mr. President, in Arizona we've been experimenting with a capitated approach to providing care for our State's poor. Rather than utilizing the traditional fee-for-service Medicaid Program, Arizona and the Federal Government entered into a contractual agreement and established the Arizona health care cost containment system—or AHCCS for short. This Medicaid demonstration project has been a success. Not only has it facilitated the providing of care to Arizona's poor, it has been a financial success—saving the State of Arizona and the Federal Government millions of dollars each year. Capitated health care programs may be the way of the future in terms of Government provided health care coverage.

The administration deserves to be commended for its efforts in developing and promoting the HMO concept for the Medicare-eligible population. As we have witnessed in just 2 years of operation, this competitive, consumer choice program has become very popular among seniors. The popularity of the program, however, has led to some abuse by a few quick profit solicitors.

These unscrupulous individuals have illustrated that a potential for abuse does exist due in large part to a lack of effective means to deal with individuals who desire to operate in such a self-serving manner.

While some safeguards were built into the program at the time of its inception, I believe we can and should do more to protect older Americans from the potential of abuse. Specifically, I think we need to do three things—all of which are addressed in this legislation we are introducing today.

First, we need to require eligible organizations to inform potential enrollees, prior to enrolling in the health plan, that they may be disenrolled from the plan should the organization decide not to renew its contract.

This will serve to promote greater consumer awareness, providing the consumer—up front—with all of the information they need to know in order to make a wise and informed decision regarding the selection of health care coverage.

Second, we need to give HCFA the authority to impose civil monetary penalties and/or intermediate sanctions on those organizations with risk sharing contracts who: Fail to provide medically necessary items and services, resulting in an adverse affect on the enrollee; charge an individual a greater premium than is permitted; expel or refuse to reenroll an individual for medical reasons; deny or discourage an individual from enrolling whose medical condition or history indicates a need for future medical services; or misrepresent or falsify information to the Department of Health and Human Services or the individual; enroll an individual without the individual's knowledge or consent; or tries to induce an individual into enrolling by offering material goods.

The only enforcement authority HCFA currently possesses in responding to marketing abuses is the termination of the organization's contract. There are many scenarios where such action many not be warranted, but where action must still be taken. The reality of terminating a contract is that seniors lose their health care plan. By providing HCFA with the flexibility and authority to impose lesser sanctions and/or penalties, we provide more effective ability to address such abuses.

Third, we ought to prevent the Secretary of HHS from entering into a renewing a contract with any eligible organization in a State that does not require the licensure of those individuals participating in enrollment solicitations. This would facilitate compliance on the part of salesmen with accepted marketing practices in the solicitation or potential enrollees.

The State of Arizona as well as 18 other States already require licensure. Of the other 31 States, 16 have the authority to promulgate such rules and regulations. Requiring licensure nationwide certainly would be a positive move.

Mr. President, the capitated approach to providing health care coverage ought to remain an option for seniors. The existence of this option is threatened whenever unscrupulous individuals attempt to take advantage of the system. We must give HCFA the tools to deal effectively with such individuals. Hopefully, the mere existence of such tools serve as a deterence to those who would even flaunt with the thought of making a fast buck at the expense and well-being of others.

I urge my colleagues to seriously consider this legislation and lend their support toward its adoption.●

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By Mr. REID:

S. 1584. A bill to assure compliance with the National Environmental Policy Act of 1969, and for other purposes; to the Committee on Environment and Public Works.

### AIRSPACE PROTECTION ACT

● Mr. REID. Mr. President, as an eagle soars over Nevada he beholds scenes of wonder as far as his his eyes can scan.

Wheeling over her snowcapped mountain ranges he can marvel at the Ruby Mountains, and the Sierra Nevada's towering fortress. He can swing upward through the drafts rising from the Black Rock and Mojave Deserts, with their vast expanse of dunes, and the joshua trees marching in prehistoric order. After a sudden summer rainstorm, he can smell the scent of sage warting from the valley floors sweeter than any perfume that could be devised by the poor hand of man.

And suddenly, out of the still desert air, he can detect the scream of mighty jet engines. Our Nation's aerial power bursts through the desert silence as fighters roar across the desert flats at low level, and twist suddenly upward to the Sun in an awesome display of the combination of technical ability and human skill which protects our Nation.

Those aircraft, flying from bases at Nellis, Indian Springs, and Fallon, contribute extraordinarily to the defense of America and the free world. It is over those desert ranges that our pilots hone their skills; it is in Nevada's desert air that they experience the anxiety and stress of aerial combat in a war without weapons. It is because those aerial battles take place that we can rest assured that the quality of our pilots is second to none on the face of this globe.

The still desert air with all its beauty, and the sudden scream of jet engines. Can the two coexist? Can we protect our Nation's vital interests, and yet still prevent the destruction of the very land those aircraft exist to preserve? I believe we can.

To protect both those interests, however, we must first resolve a serious problem occurring in the the United States, particularly in the West: the wholesale giveaway of airspace to the Department of Defense.

Airspace withdrawal is currently an administrative process which consists of the Secretary of Defense submitting a proposal to the Secretary of Transportation who, up until now, has acted as little more than a rubber stamp for DOD's requests. Airspace withdrawal not only restricts direct routes for civilian and commerical flights, but also has a significant effect on the health and safety of the people who live below or near the withdrawn area.

In the case of designated low-altitude supersonic areas [SOA's], hundreds of sonic booms per day are being reported. The long-term effect on residents of high volume exposure to sonic booms is still under study. For some, however, the situation has created intolerable living conditions.

I do not question the necessity of restricted airspace so that the military can conduct mock aerial combat, bombing practice and flight testing, nor do I doubt the good will of the military, especially the staff at NAS Fallon, in dealing with the problem. However, the process must become one in which the Department of Defense seriously takes into account the impact upon the environment, including human safety.

In my discussions with citizens, I have heard more and more complaints about the overwhelming and unchecked militarization of the public lands and the airspace above that land.

Conveying that sentiment, I testified 2 years ago before the House Public Lands Subcommittee on the illegal acquisition of the Navy's Bravo-20 bombing range in Nevada. I reminded the Navy that withdrawing land over 5,000 acres must be done by an act of Congress as stated in the Engle Act of 1958, and that until an act is passed the public has a right to enter that land.

In researching the airspace issue, I found there was no definitive law concerning its restrictions. That is why 2 years ago I introduced H.R. 1584. That bill would have required congressional approval whenever the Department of Defense created any restriction on airspace over nonmilitary public land.

I continued that effort last year, by introducing H.R. 4413, which again emphasized the problem of airspace restrictions over public lands.

During my time in this honorable body, I have been made increasingly aware that the problem is not just with airspace restrictions over public lands. The problem exists over both public and private lands. Simply put, the problem involves airspace above the entire Nation. The problem, therefore, affects all Americans.

Aerial thunder and the use restrictions on our land are becoming extremely important to Americans, particularly those in the Western United States. In Nevada, the military currently restricts almost 20 million acres of airspace.

I am convinced of the necessity of airspace withdrawals for the sort of flight training and testing which is done on the Nevada ranges. At the same time, however, citizens have been subjected increasingly to low-altitude supersonic flights by the military. These types of flights have had a significant adverse impact.

Based on the realization that there was indeed a national problem, I broadened the scope of my legislative thrust to offer protection to all Americans. Today I am offering that legislation. I feel it will provide that protection. Yet, I also feel it is also limited enough to allow the military to be able to successfully perform its vital duties in the defense of our Nation.

My bill is called the Airspace Protection Act. By introducing this bill, I hope to balance the needs of America's defense against the need to preserve the land which that defense is designed to protect.●

By Mr. CHAFEE (for himself and Mr. STAFFORD):

S. 1585. A bill to provide financial assistance to local educational agencies to improve the educational opportunities of the Nation's children and adults by integrating early childhood education and adult education for parents into a unified program to be referred to as "Even Start"; to the Committee on Labor and Human Resources.

### EVEN START ACT

● Mr. CHAFEE. Mr. President, the persistence of illiteracy in this country is one of the largest challenges we face. One of the most tragic aspects of illiteracy is that it tends to be passed from one generation to the next. Today, together with Senators PELL and STAFFORD, I am introducing legislation to break this cycle.

Over 60 million adults in this country—or one-third of the adult Population—reads below the ninth grade level. Consider the kinds of basic survival information that would be out of reach: Public housing leases, phone bills, food stamp applications, job manuals, even the antidote instructions on a can of Drano—all of which require reading abilities above the ninth grade level.

Even more tragic is that many of these adults will—despite their best intentions—pass their literacy problems on to their children. Lacking the intellectual stimulation that is crucial during the early years of life, the children of nonreaders tend to grow up to be nonreaders as well. They enter school at a distinct disadvantage in comparison to children from reading household, and fall still further behind as their school years progress. Their parents are at a loss to offer even the most basic help—much less to get actively involved in their child's schooling. What we need to do is to give these parents help, and give their children an even start at school—an even start on literacy.

The bill I'm introducing today, the Even Start Act, seeks to break the cycle by funding literacy programs targeted specifically at nonreading parents and their preschool-age children. The kinds of projects funded under this bill would combine adult and early childhood education in innovative ways. In an Even Start Program, parents would not only learn to read along with their children—they would also learn how to be their children's first teacher. They would, for the first time, get the tools to be true participants in their children's education.

This bill would authorize $30 million for Even Start projects in the first year, and such sums as may be necessary in the 4 subsequent years. These projects would be collaborative efforts between schools, libraries, community organizations, Head Start providers, JTPA agencies, and adult education organizations. Eligible for services would be families residing in chapter 1 eligible school attendance areas: specifically, nonreading parents and their children between the ages of 1 and 7.

The purpose of the Even Start Act is to spur a wide variety of parent-child literacy programs, particularly those that:

Involve parents and children together, providing instruction to both in the same setting or in the home where possible; use a variety of nonschool settings, since school, to the nonreading adult, can be a symbol of failure; and make maximum use of the literacy resources the community already has: Rather than supercede or compete with existing services, Even Start projects should build on these services.

Some may question the need for a new literacy program. First of all, Federal funding for literacy efforts is a far cry from the all-out effort that is needed. It amounts to about $350 million every year—or about $5.83 for each nonreader. When you consider the enormous social and personal costs of illiteracy, it is clear that we need to do more.

Second, Even Start tackles a very specific facet of illiteracy: The dilemma of parents who are unable to help their children succeed in school because fo their own literacy problems.

Imagine the anguish of parents who know they should be reading to their preschooler, but can't; who can't interpret or reply to notes from teachers or school bulletins; and who must stand helplessly by while their children try to handle school's challenges all alone. Imagine the child who gets no reinforcement at home for what he or she learns in school.

Even Start programs would address both sides of this problem by using a joint parent/child approach. This is something quite new, but where it has been done, it has been phenomenally successful. This is because nonreaders who are the parents of young children have not only a tremendous need to learn to read—they also have a tremendous incentive. In my view, the joint parent/child approach is so promising that it warrants a concerted effort, in the form of a nationwide program. It offers us our best hope for breaking the inexorable cycle in which illiteracy is handed down from one generation to the next.

Mr. President, I ask unanimous consent that a copy of the Even Start Act and a summary of the bill be printed in the RECORD at this point. I urge my colleagues to lend their support to this effort, and hope that the Senate will see fit to act swiftly upon it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### S. 1585

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

SECTION 1. This Act may be cited a the "Even Start Act".

#### PROGRAM AUTHORIZED

SEC. 2. The Education Consolidation and Improvement Act of 1981 is amended—

(1) by redesignating chapter 3 as chapter 4; and

(2) by adding after chapter 2 the following new chapter:

#### "CHAPTER 3—EVEN START PROGRAMS

#### "STATEMENT OF PURPOSE

"SEC. 590A. It is the purpose of this chapter to improve the educational opportunities of the Nation's children and adults by integrating early childhood education and adult education for parents into a unified program to be referred to as "Even Start", to be implemented through cooperative projects that build on existing community resources.

#### "GRANT ALLOCATION

"SEC. 590B. (a) STATE ALLOCATION.—Except as provided in subsections (b) and (c), each State shall be eligible to receive a grant under this chapter in each fiscal year that bears the same ratio to the amount appropriated for this chapter in that fiscal year as the amount allocated under section 111 of the Elementary and Secondary Education Act of 1965, as incorporated by reference in chapter 1 of this Act, to local educational agencies in the State bears to the total amount allocated to such agencies in all States.

"(b) STATE MINIMUM.—

"(1) Except as provided in paragraph (2), no State shall receive more than 5 percent or less than three-fourths of one percent of

the amount appropriated for this chapter for any fiscal year.

"(2) Subject to the availability of appropriations, no State shall receive less than $100,000 for any fiscal year.

#### "USES OF FUNDS

"SEC. 590C. (a) IN GENERAL.—Funds made available to local educational agencies under this chapter shall be used to pay the Federal share of the cost of providing family-centered education programs which involve parents and children in a cooperative effort to help parents become full partners in the education of their children and to assist children in reaching their full potential as learners.

"(b) PROGRAM ELEMENTS.—Each program assisted under this chapter shall include—

"(1) the identification and recruitment of eligible children;

"(2) screening and preparation of parents and children for participation, including testing, referral to necessary counseling, and related services;

"(3) design of programs and provision of support services (when unavailable from other sources) appropriate to the participants' work and other responsibilities, including—

"(A) scheduling and location of services to allow joint participation by parents and children;

"(B) child care; and

"(C) transportation;

"(4) the establishment of instructional programs that promote adult literacy, training parents to support the education and growth of their children, and preparation of children for success in regular school programs;

"(5) provision of special training to enable staff to develop the skills necessary to work with parents and young children in the full range of instructional services offered through this chapter (including child care staff in programs enrolling children of participants under this chapter on a space available basis);

"(6) provision of and monitoring of integrated instructional services to participating parents and children through home-based programs; and

"(7) coordination of programs assisted under this chapter with programs assisted under chapter 1, the Adult Education Act, the Job Training Partnership Act, and with the Head Start program, volunteer literacy programs, and other relevant programs.

"(c) FEDERAL SHARE LIMITATION.—The Federal share under this chapter may be—

"(1) not more than 80 percent of the total cost of the program in the first year of the local educational agency receives assistance under this chapter,

"(2) 60 percent in the second such year,

"(3) 40 percent in the third such year, and

"(4) 20 percent in the fourth and any subsequent such year.

The non-Federal share may be obtained from any available source (including Federal, State, and local programs and part A of this chapter).

#### "ELIGIBLE PARTICIPANTS

"SEC. 590D. Eligible participants in a program assisted by a local educational agency under this chapter may be a parent and child from a family that includes—

"(1) a parent who is eligible for participation in an adult basic education program under the Adult Education Act; and

"(2) a child aged 1 to 7, inclusive, who resides in a school attendance area designated for participation in programs under chapter 1.

#### "APPLICATIONS

"SEC. 590E. (a) SUBMISSION.—To be eligible to receive a grant a local educational agency shall submit an application to the State educational agency in such form and containing or accompanied by such information as the State educational agency may require.

"(b) REQUIRED DOCUMENTATION.—Each such application shall include documentation that the local educational agency has the qualified personnel required—

"(1) to develop, administer, and implement the program required by this chapter, and

"(2) to provide special training necessary to prepare staff for the program.

"(c) PLAN.—Each such application shall also include a plan of operation for the program which includes—

"(1) a description of the program goals;

"(2) a description of the activities and services which will be provided under the program (including training and preparation of staff);

"(3) a description of the population to be served and an estimate of the number of participants;

"(4) a statement of the methods which will be used—

"(A) to ensure that the programs will serve those eligible participants most in need of the activities and services provided by this chapter;

"(B) to provide services under this chapter to special populations, such as individuals with limited English proficiency and individuals with handicaps; and

"(C) to encourage participants to remain in the programs for a time sufficient to meet program goals; and

"(5) a description of the methods by which the applicant will coordinate programs under this chapter with programs under part A of this chapter, the Adult Education Act, the Job Training Partnership Act, and with Head Start programs, volunteer literacy programs, and other relevant programs.

#### "AWARD OF GRANTS

"SEC. 590F. (a) SELECTION PROCESS.—Each State educational agency shall award grants on the basis of proposals which—

"(1) are most likely to be successful in meeting the goals of this chapter;

"(2) are serving areas of the State in greatest need of services provided under this chapter;

"(3) demonstrate the greatest degree of cooperation and coordination between a variety of relevant service providers in all phases of the program;

"(4) submit budgets which appear reasonable, given the scope of the proposal;

"(5) demonstrate the local educational agency's ability to provide the non-Federal share of the cost of the program as required by section 590C(c);

"(6) are representative of urban and rural regions of the State; and

"(7) show the greatest promise for providing models which may be transferred to other local educational agencies.

"(b) DURATION.—Grants may be awarded for a period not to exceed 4 years.

#### "EVALUATION

"SEC. 590G. (a) INDEPENDENT ANNUAL EVALUATION.—The Secretary shall provide for the annual independent evaluation of programs under this chapter to determine their effectiveness in providing—

"(1) services to special populations;

"(2) adult education services;

"(3) parent training;

"(4) home-based programs involving parents and children;

"(5) coordination with related services programs; and

"(6) training of related personnel in appropriate skill areas.

"(b) CRITERIA.—

"(1) Evaluations shall be conducted by individuals not directly involved in the administration of the program or project operation under this chapter. Such independent evaluators and the program administrators shall jointly develop evaluation criteria which provide for appropriate analysis of the factors under subsection (a). When possible, evaluations shall include comparisons with appropriate control groups.

"(2) In order to determine a program's effectiveness in achieving its stated goals, the evaluations shall contain objective measures of such goals and, whenever feasible, shall obtain the specific views of program participants about such programs.

"(c) REPORT TO CONGRESS AND DISSEMINATION.—The Secretary shall prepare and submit to the Congress an annual review and summary of the results of such evaluations. The annual evaluations shall be submitted to the national diffusion network in the form required for consideration, for possible dissemination.

#### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 590H. There are authorized to be appropriated $30,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993 to carry out the provisions of this chapter.".

### SUMMARY: THE EVEN START ACT OF 1987

Purpose: To break the generational cycle of illiteracy by funding innovative literacy programs for non-reading parents of very young children. These children often start school at a disadvantage in relation to children from reading households, and fall still further behind as their school years progress. Their parents are at a loss to help, because of their own literacy problems.

By providing literacy training in these crucial early years, we will enable parents to participate in their children's education for the first time, and thus to give them an "even start" at school.

Funding: $30 million in the first year; such sums as may be necessary in each of the five succeeding years.

Allocation to States: States would receive Even Start allocations in proportion to their Chapter One allocations. The states would then review proposals for Even Start projects: collaborative efforts by schools, libraries, community organizations, Head Start providers, JTPA agencies, and adult education organizations to provide parent/child literacy instruction.

Grantees; required coordination with other literacy services: In these collaborative efforts, the school would serve as the umbrella organization: that is, the school would actually apply for and receive an Even Start grant on behalf of all the other entities. This does not mean that the schools would necessarily be the focus of Even Start activities; the intent of the program is to provide for maximum coordination with other literacy resources and maximum flexibility in the type of services offered. Rather than supersede or compete

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with existing services, Even Start projects should *build* on these services.

Federal/State match: Applications showing the most promise would be funded for 4 years, with a declining federal share each year: 80 percent, 60 percent, 40 percent, 20 percent. The purpose here is to encourage Even Start grantees to become self-sufficient, so that the programs would continue to exist after federal funds are withdrawn and given to other worthy applicants.

Eligible participants in even start programs: Non-reading parents and their children (between the ages of 1 and 7) who reside in Chapter one-eligible attendance areas. (About 64% of RI's school districts are Chapter One-eligible.)●

**Mr. STAFFORD.** Mr. President, I am pleased to join the Senator from Rhode Island as a cosponsor of the Even Start Act. This program addresses the critical problem of illiteracy in our country in a very unique and promising way. Even Start combines adult education for parents with limited skills, and school readiness training for their young children into a single educational program.

During the 99th Congress, the Senate Subcommittee on Education, Arts and Humanities and the House Subcommittee on Elementary, Secondary and Vocational Education, held a series of hearings on the issues surrounding illiteracy in the United States. We found that 23 million adult Americans, or 1 in every 5, are functionally illiterate as defined by the simplest test of everyday reading, writing, and comprehension. Illiteracy is found in every segment of society, and despite the many exemplary Federal, public, and private activities which provide literacy skills, we still have many more people to reach. We have yet to meet the needs of the unemployed, dislocated workers, housewives entering the job market, retired persons, or the close to 1 million teenagers who drop out of high school each year.

It is this Senator's belief that the Even Start Act is a way in which we can break the cycle of illiteracy by bringing parents and children together to learn. Parents with children between the ages of 1 and 7 from school attendance areas where the literacy problem is the greatest, may acquire the skills necessary to prepare their children for school and enhance their children's educational achievement at home.

I am pleased to rise in support of this bill today, and urge my colleagues to join me in cosponsoring this worthy and promising piece of legislation.

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By Mr. KERRY (for himself, Mr. Weicker, Mr. Stafford, Mr. Kennedy, Mr. Simon, and Mr. Metzenbaum):

S. 1586. A bill to provide financial assistance under the Education of the Handicapped Act to assist severely handicapped infants, children, and youth to improve their educational opportunities through the use of assistive device resource centers, and for other purposes; to the Committee on Labor and Human Resources.

### TECHNOLOGY TO EDUCATE CHILDREN WITH HANDICAPS ACT

**Mr. KERRY.** Mr. President, I rise to introduce a very important piece of legislation on behalf of myself and Senators Weicker, Stafford, Kennedy, Simon, and Metzenbaum, all of whom have a long and distinguished record in helping to improve the lives of citizens with disabilities.

This legislation will really make a positive difference in the lives of children with special needs. The Technology to Educate Children With Handicaps Act or the "Tech" bill, which I might add has been endorsed by over 20 national organizations who represent citizens with disabilities, establishes assistive device resource centers in each State. The purpose of these centers is to act as a resource so that handicapped children, through the use of technology, can gain more independence in the classroom and more independence in their social activities.

In our society from the very first day that a physically challenged infant is born, a host of barriers confront him. And parents of handicapped children are forced to face restrictions in their everyday lives. I cannot tell you the number of times that I have heard from parents about how they must devote each waking hour to making sure that their child is getting a fair and appropriate education; and often being too exhausted to offer any time to other children or even a spouse. But, why does that situation frequently occur? Basically, it is the fear of the unknown. Educators often are afraid of what they do not understand. Children who are nonverbal, children who use wheelchairs and children who have no control over the use of their arms and legs can be quite intimidating to someone who has not had the opportunity to learn about the unlimited potential that a handicapped child possesses.

The legislation that we are introducing today is designed to eliminate the uncomfortable, unfortunate and frankly, unnecessary educational barriers that face our special needs children through the use of technology. In Massachusetts alone, there are approximately 130,000 children who can benefit from the "Tech" bill and nationally the number is close to 4.5 million. The legislation amends the Education of the Handicapped Act by including a new discretionary program. It authorizes $20 million in fiscal year 1988, and the authorization is extended for 3 years. It also includes a State match of 30 percent the first year and then 35 percent and 40 percent for fiscal year 1990. The purpose of the "Tech" bill is to ensure that handicapped children have the opportunity to reach their educational potential through the use of assistive device technology which will enable them to maximize their learning capability. Whether it is the most advanced microcomputer to help a child communicate or a special seating system so that a child can sit up straight and participate in activities around him, assistive devices can mean the difference between sitting alone in a corner of a classroom or joking and playing with a fellow classmate.

Assistive device resource centers provide a number of services to handicapped children and their families. The centers will set up statewide service delivery systems. The centers assess the needs of, and train specialists to assess the needs of handicapped children, in order to determine what type of assistive device is most appropriate for a child in order to help him get the most out of school. Once it is decided what kind of assistive device is right for a child the center will help find funding for the assistive device. Whether it is working with a computer company to have one donated, contacting a private insurer or work out a payment scheme, grants under the Education of the Handicapped Act or even Medicaid funds, the resource center will help parents and their children get an assistive device. The resource center is there to train parents and educators in how to use assistive devices so that they feel comfortable with the device. The resource center will provide followup services with the schools and families to make sure that everything is going well. And then when a child outgrows his device and is ready to move on to more advanced equipment, the resource center is there to help find new equipment, and to act as a sort of clearinghouse for the old equipment so that another child can use the assistive device. And finally assistive device resource centers will disseminate information throughout the States on assistive devices and their availability.

Our Nation has entered the high-technology age. We have reached an era that is dominated by sophisticated computer technology. At a time when every classroom and many households have personal computers it seems particularly appropriate for handicapped children who can benefit most from such technology be able to access it. We have universities and advanced hospitals who have already demonstrated the success of assistive device technology. Let's offer them a boost. Let's take the models that we have in various parts of the country and apply their expertise nationwide, and therefore offer these excellent services to all handicapped children throughout America.

Before I close I would like to briefly tell you about a Massachusetts resident who I met this morning. His name is Ricky Hoyt. He has cerebral palsy, is nonverbal, has limited mobility, and uses a wheel chair. When I met Ricky, through the use of his synthesized talking computer activated by a head switch, Ricky told me what assistive devices have meant to him. After years of frustration of not being able to communicate he now can. He has an active social and recreational life. Rick and his father have been in the Boston marathon several times and currently Rick is attending Boston University and getting a degree in rehabilitation engineering and counseling. Rick told me that assistive devices have made this all possible and that he plans to devote his efforts to ensure that the "Tech" bill is enacted into law.

Mr. President, I thank my distinguished colleagues for their support of the "Tech" bill. I look forward to technology hearings this fall in the Subcommittee on the Handicapped, and I urge my colleagues to join this effort which will really make a tremendous difference to handicapped children. Mr. President, I ask unanimous consent that the bill be printed in the Record. I also ask for unanimous consent that a list of the national organizations who have endorsed the "Tech" bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### S. 1586

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

Section 1. This Act may be cited as the "Technology To Educate Children With Handicaps Act".

#### FINDING; DECLARATION OF PURPOSE

Sec. 2. (a) Findings.—The Congress finds that assistive devices are beneficial in helping severely handicapped infants, children, and youth improve their educational performance and increase their interaction with other handicapped and nonhandicapped children in the least restrictive environment.

(b) Purpose.—Therefore, it is the purpose of this Act to provide financial assistance for the establishment of assistive device resource centers in each State to allow severely handicapped infants, toddlers, children, and youths to reach their maximum potential in least restrictive environments.

#### ASSISTIVE DEVICE RESOURCE CENTERS PROGRAM AUTHORIZED

Sec. 3. (a) Program Authorized.—Part G of the Education of the Handicapped Act is amended—

(1) by inserting before section 661 the following:

"Subpart 1—General Authority"; and

(2) by adding at the end thereof the following new subpart:

#### "Subpart 2—Assistive Device Resource Centers

#### "ASSISTIVE DEVICE RESOURCE CENTERS AUTHORIZED

"Sec. 663. (a) Program Authorized.—The Secretary shall, from amounts appropriated pursuant to section 669, make grants to States to pay the Federal share of the cost of establishing assistive device resource centers, in accordance with the provisions of this subpart.

#### "ALLOTMENT

"Sec. 664. The Secretary shall, from the amount appropriated for this subpart for each fiscal year, allot to each State an amount which bears the same ratio to such amount as the number of children with handicaps counted under section 611 of this Act for the fiscal year prior to the fiscal year for which the determination is made bears to the total number of such children in all States, except that no State shall receive less than $150,000.

#### "SERVICES

"Sec. 665. (a) Eligibility for Services.—Each assistive device resource center established with assistance under this subpart shall serve—

"(1) severely handicapped infants and toddlers as defined by the State in the application required under this subpart;

"(2) severely handicapped children and youth as defined in the State application approved under this subpart; and

"(3) severely handicapped individuals who have attained 21 years of age if the State plan prescribes a targeted population of handicapped individuals who have attained 21 years of age.

"(b) Scope of Center Services.—Each center receiving assistance under this subpart shall—

"(1) train and assist specialists in local educational agencies and nonprofit community organizations to evaluate a handicapped student's potential to benefit from the use of assistive devices;

"(2) instruct teachers, therapists, paraprofessionals, parents, family members, other significant individuals, and handicapped students in the appropriate use of assistive devices;

"(3) provide follow-up services for individuals who have received services by the center when appropriate and collect data to determine the effectiveness of the services provided;

"(4) develop a statewide service delivery system for severely handicapped infants, toddlers, children, and youth that ensures all handicapped children and local educational agencies have access to the services of the center;

"(5) have the ability to assist in the development, design, fabrication, and modification of assistive devices to meet the needs of handicapped individuals;

"(6) disseminate information to local educational agencies and nonprofit community organizations on assistive devices and their availability; and

"(7) provide in-service training to specialists, teachers, administrators, parents, families, and other significant individuals working with handicapped students on the benefits of assistive devices to promote improved educational performance and increased interaction between handicapped and nonhandicapped individuals.

"(c) Priority of Service; Construction.—(1) Each State shall assure priority of services for handicapped infants, toddlers, children, and youth from birth through age 21.

"(2) Nothing in this subpart precludes the provision of services available from the assistive device resource center to handicapped individuals who are no longer eligible for services under the Education of the Handicapped Act.

"(d) Advisory Committee.—(1) Each center receiving assistance under this subpart shall establish an Advisory Committee.

"(2) No Federal funds may be used for the operations of the Advisory Committee.

#### "APPLICATIONS

"Sec. 666. (a) Applications Required.—Each State desiring to receive its allotment under this subpart shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) Contents of Applications.—(1) Each such application shall—

"(A) describe the manner in which the State will carry out a plan to meet the requirements of this subpart;

"(B) describe the severely handicapped infants, toddlers, children, and youth who will be eligible for services provided through assistance under this subpart;

"(C) describe the types of services that will be offered by the assistive device resource center and the manner in which services will be provided;

"(D) provide assurances that the State will ensure that activities of the assistive device resource center are coordinated with Rehabilitation Engineering Centers in the State;

"(E) describe the procedures that will be used to evaluate the effectiveness of the services provided by the assistive device resource center;

"(F) provide assurances that the State will use Federal funds only to supplement and increase the level of State and local funds expended for assistive device resource centers for handicapped infants, toddlers, children, and youth and in no case to supplant such State and local funds;

"(G) provide assurances that the State will pay from non-Federal sources the non-Federal share of the cost of the application; and

"(H) provide such additional assurances as the Secretary requires to carry out the provisions of this subpart.

"(2) Each application submitted under paragraph (1) shall be submitted by the Governor of the State for a period not to exceed 3 fiscal years.

"(3) Any public agency or private nonprofit organization or institution may submit an application to the State for a grant to establish an assistive device resource center in the State to carry out the services describe in subsection (c).

#### "PAYMENTS; FEDERAL SHARE

"Sec. 667. (a) Payment Rule.—The Secretary shall pay to each State having an application approved under section 664 the Federal share of the cost of the activities described in the application.

"(b) Federal Share.—The Federal share shall be—

"(1) 70 percent for fiscal year 1988;

"(2) 65 percent for fiscal year 1989; and

"(3) 60 percent for fiscal year 1990.

#### "DEFINITIONS

"Sec. 668. For the purpose of this subpart—

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"(1) the term 'assistive devices' includes adaptive learning devices, mobility and seating systems, augmentative communications systems, writing and reading devices, and environmental control devices;

"(2) the term 'assistive device resource center' means a center established by a public agency or a private nonprofit organization or institution designed to facilitate the appropriate use of commercial and noncommercial available devices that will assist severely handicapped infants, toddlers, children, and youth, and other handicapped individuals to reach their maximum potential; and

"(3) the term 'severely handicapped infants, toddlers, children, and youth' means handicapped infants, toddlers, children, and youth who, because of the intensity of their physical, mental, or emotional problems, need specialized educational and technological services in order to reach their maximum potential in the least restrictive environment.

### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 669. There are authorized to be appropriated to carry out the provisions of this subpart $20,000,000 for the fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year ending prior to October 1, 1990.".

(b) TECHNICAL AMENDMENT.—Section 662 of such Act is amended by striking out "part" and inserting in lieu thereof "subpart".

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### GROUPS WHO HAVE ENDORSED THE KERRY TECH LEGISLATION

American Association of University Affiliated Programs.

American Association of Mental Deficiency.

American Occupational Therapy Association

American Physical Therapy Association.

American Speech Language Hearing Association.

Association for Education of Rehabilitation Personnel.

Association for Children and Adults with Learning Disabilities.

Association for Retarded Citizens.

Association for Advance Rehabilitation Technology.

Child Welfare League of America.

Conference of Education Administrators Serving the Deaf.

Council of Organizational Representatives.

Disability Rights and Defense Fund.

Epilepsy Foundation.

Federation of Children with Special Needs.

National Association of Protection and Advocacy Systems.

National Association of Rehabilitation Professionals in the Private Sector.

National Association of State Directors of Special Education.

National Council on Rehabilitation Education.

National Easter Seal Society.

National Head Injury Foundation.

Spina Bifida Association of America.

United Cerebral Palsy Association.

### TECHNOLOGY TO EDUCATE CHILDREN WITH HANDICAPS ACT

Mr. WEICKER. Mr. President, I am proud to be an original cosponsor of the Technology to Educate Children With Handicaps Act, a bill introduced today by Senator JOHN KERRY. This important legislation will amend the Education of the Handicapped Act to add a new section authorizing grants to States for establishing assistive devices resource centers to help integrate severely handicapped infants and children into the classroom through the use of technology. These centers will be required to develop a statewide system of service delivery to ensure that disabled children have access to the services of the resource center. They will further be able to train parents, educators, and disabled children themselves on the use of these technological devices.

Technology for individuals with disabilities is clearly an important and evolving area which has proven its value in assisting individuals with severe disabilities to be more independent, and thus more integrated into the mainstream. Last year the amendments to the Rehabilitation Act recognized the value of technology through its emphasis on rehabilitation engineering as a means of getting people with disabilities into the competitive work force. This bill recognizes the equally important role that techonology can play in reducing barriers in communication, mobility, self-direction, and learning in the lives of children who have severe disabilities.

This measure will be referred to the Subcommittee on the Handicapped, now chaired by Senator HARKIN. Under his leadership, the subcommittee intends to hold hearings on the use of technology to benefit the Nation's disabled citizens, and the measure being introduced today merits careful consideration by the subcommittee as it develops comprehensive technology legislation.

I look forward to working with Senator KERRY, Senator HARKIN, and the cosponsors of this legislation to ensure that individuals with disabilities are able to access the technology which can make the difference between dependence and independence, and a life of dignity and fulfillment for millions of Americans.

Mr. STAFFORD. Mr. President, I am pleased to join my colleagues, Senator KERRY and Senator WEICKER, as an original cosponsor of the Technology to Educate Children Act of 1987. This legislation will provide funds to States to establish assistive devices resource centers. These centers will in turn help local school districts with their important task of integrating severely handicapped youngsters in our public schools.

Technology to assist the disabled has made dramatic strides in recent years. Previously isolated individuals are now able to communicate with specially equipped computer terminals. People with severe physical handicaps have new found mobility because of advances in rehabilitation engineering. I am sure many of us know someone personally who has benefited from this remarkable new technology.

This legislation will bring state-of-the-art technology services within reach of urban as well as rural communities around the Nation. Very severely disabled children for whom a least restrictive school placement was once a hospital room will be able to attend their neighborhood schools with the benefit of services made available through assistive devices centers.

In summary, technological advances which once served only the most fortunate among us will be available to everyone.

When Congress enacted Public Law 94-142, the Education of All Handicapped Children Act, the discretionary programs were included to enable States, universities, and other grant recipients to keep pace with evolutions in the field of special education. Their inclusion demonstrated an awareness that the kinds of services which would be needed to truly integrate handicapped people in the mainstream of public education would change over time. We have entered a technological era that holds great promise for physically and mentally challenged children and adults. The legislation being introduced today is modest in scope but limitless in the future opportunities it holds for handicapped people of all ages. I commend Senator KERRY and Senator WEICKER for their leadership on this issue, and encourage my Senate colleagues to join me in cosponsoring this legislation.

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By Mr. D'AMATO:

S. 1587. A bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic Games; to the Committee on Banking, Housing, and Urban Affairs.

### 1988 OLYMPIC COMMEMORATIVE COIN ACT

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation authorizing the minting of gold and silver commemorative coins next year memorializing the competition of U.S. athletes in the 1988 winter and summer Olympic Games. These coins will help raise the funds needed for the support and training of America's athletes. In so doing, I am pleased and proud to be following my distinguished friend from Illinois, Congressman FRANK ANNUNZIO, who has introduced the companion bill in the other body, H.R. 2741.

Across America, thousands of our finest athletes are in training today for the 1988 U.S. Olympic teams. Many of them are making great personal sacrifices in the sole hope of representing the land they love at the highest level of international competition. Thousands of hours of lonely practice must be put into the goal of standing on the victory platform while the American flag is raised, and our

National Anthem is played. As the hearts of Americans swell with pride.

This idea is not novel. It has helped before to make a significant contribution to the support of America's athletes. In 1982, Congress authorized a similar minting of commemorative coins for the 1984 Los Angeles Olympic Games. Sale of those coins raised $73.5 million for the U.S. Olympic Committee, making it possible for the USOC to distribute $6.4 million to the amateur sports organizations responsible for the promotion of particular amateur sports. This money played a significant role in enabling our competitors to win more medals in the 1984 summer games than ever won by any nation at a single olympiad.

An additional $31.7 million in money raised from these sales helped fund the United States Olympic Foundation.

While that money has been a tremendous help to the Olympic Committee, the costs of participating in the Olympic Games continue to rise. This new minting should help raise millions of badly needed dollars so that American athletes can have the facilities necessary to fully realize their potential and do their best at the games.

This bill authorizes the minting of 1 million gold coins and 10 million silver coins to be sold directly by the U.S. Mint to the public. A surcharge attached to the coins will go directly to the U.S. Olympic Committee to support local amateur programs and erect facilities for athletic training.

The legislation directs, incidentally, that the coins be sold at no net cost to the Government.

Mr. President, I am pleased to join Congressman ANNUNZIO in sponsoring this effort and I sincerely hope all of my colleagues will join me in supporting our Olympic athletes.●

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## ADDITIONAL COSPONSORS

### S. 680

At the request of Mr. CHAFEE, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 680, a bill to prohibit the use of subtherapeutic doses of penicillin, chlortetracycline, and oxytetracycline in animal feed.

### S. 889

At the request of Mr. GORE, the names of the Senator from Missouri [Mr. DANFORTH], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 889, a bill to amend the Communications Act of 1934 to provide for fair marketing practices for certain encrypted satellite communications.

### S. 909

At the request of Mr. REID, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 909, a bill to require that all amounts saved as a result of Federal Government contracting pursuant to Office of Management and Budget Circular A-76 be returned to the Treasury, that manpower savings resulting from such contracting be made permanent, and that employees of an executive agency be consulted before contracting determinations by the head of that executive agency are made pursuant to that circular.

### S. 1085

At the request of Mr. GLENN, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Maine [Mr. COHEN], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 1085, a bill to create an independent oversight board to ensure the safety of U.S. Government nuclear facilities, to apply the provisions of OSHA to certain Department of Energy nuclear facilities, to clarify the jurisdiction and powers of Government agencies dealing with nuclear wastes, to ensure independent research on the effects of radiation on human beings, and for other purposes.

### S. 1142

At the request of Mr. SHELBY, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1142, a bill to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.

### S. 1436

At the request of Mr. DANFORTH, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 1436, a bill to amend the Hazardous Materials Transportation Act regarding the transportation by rail of certain materials, and for other purposes.

### S. 1438

At the request of Mr. DURENBERGER, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 1438, a bill to assist rural hospitals facing unfair Medicare payment policies.

### S. 1440

At the request of Mr. EVANS, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1440, a bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid and Food Stamp programs; to impose a temporary moratorium for the collection of penalties under such programs, and for other purposes.

### S. 1503

At the request of Mr. HEFLIN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1503, a bill to cancel repayment of the community disaster loan made to the city of Prichard, Alabama.

### S. 1511

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. STAFFORD] was added as a cosponsor of S. 1511, a bill to amend title IV of the Social Security Act to replace the AFDC program with a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance, benefits improvement, and mandatory extension of coverage to two-parent families, and which reflects a general emphasis on shared and reciprocal obligation, program innovation, and organizational renewal.

### S. 1550

At the request of Mr. MOYNIHAN, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Maine [Mr. MITCHELL], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Louisiana [Mr. BREAUX], the Senator from Nevada [Mr. REID], the Senator from Florida [Mr. GRAHAM], the Senator from Vermont [Mr. STAFFORD], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 1550, a bill to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes.

### SENATE JOINT RESOLUTION 41

At the request of Mr. GLENN, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Arkansas [Mr. BUMPERS], the Senator from Alabama [Mr. SHELBY], the Senator from Tennessee [Mr. GORE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Connecticut [Mr. WEICKER], the Senator from Iowa [Mr. GRASSLEY], the Senator from Washington [Mr. ADAMS], the Senator from Idaho [Mr. MCCLURE], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 41, a joint resolution to designate the period commencing on November 22, 1987, and ending on November 29, 1987, as "National Family Caregivers Week".

### SENATE JOINT RESOLUTION 53

At the request of Mr. CRANSTON, the names of the Senator from New Mexico [Mr. DOMENICI] and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Joint Resolution 53, a joint resolution to designate the period commencing November 22, 1987, and ending November 28, 1987, as "American Indian Week".

### SENATE JOINT RESOLUTION 106

At the request of Mr. BINGAMAN, the names of the Senator from Connecticut [Mr. WEICKER], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Vermont [Mr. STAFFORD], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Nebraska [Mr. EXON], the Senator from California [Mr.

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Wilson], and the Senator from Utah [Mr. Hatch] were added as cosponsors of Senate Joint Resolution 106, a joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

### SENATE JOINT RESOLUTION 173

At the request of Mr. Reid, the names of the Senator from New Mexico [Mr. Bingaman], the Senator from New York [Mr. D'Amato], the Senator from Rhode Island [Mr. Pell], the Senator from Wisconsin [Mr. Proxmire], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Joint Resolution 173, a joint resolution to commemorate the 200th anniversary of the signing of the United States Constitution.

### AMENDMENT NO. 591

At the request of Mr. Danforth, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of amendment No. 591 intended to be proposed to S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

## SENATE RESOLUTION 267—TO RECOGNIZE RACHEL CARSON ON THE 25TH ANNIVERSARY OF HER BOOK "SILENT SPRING"

Mr. MITCHELL (for himself and Mr. Cohen) submitted the following resolution; which was referred to the Committee on the Judiciary:

### S. Res. 267

Whereas Rachel Carson, through her writings and work, made unprecedented contributions to public awareness and understanding of the natural environment and environmental issues;

Whereas her book, "Silent Spring", awakened the American public to the dangers posed by the misuse of chemical pesticides;

Whereas "Silent Spring" helped foster general public concern for the integrity of the natural environment and for the environmental threats posed by pollution of the water, air, and land;

Whereas the growth of environmental consciousness that occurred in the years following "Silent Spring" provided the foundation necessary for the enactment of our existing environmental laws;

Whereas continued public understanding of the natural environment is essential to the continued success of efforts to identify and respond to pollution problems; and

Whereas 1987 is the twenty-fifth anniversary of Rachel Carson's book, "Silent Spring": Now, therefore, be it

"*Resolved*, That it is the sense of the Senate to recognize the outstanding contributions of Rachel Carson to public awareness and understanding of environmental issues on the twenty-fifth anniversary of her book, "Silent Spring".

● Mr. MITCHELL. Mr. President, I rise today to submit a resolution commemorating the 25th anniversary of Rachel Carson's classic work "Silent Spring."

I am pleased that Senator Cohen, the senior Senator from our home State of Maine, is joining me in submitting this resolution. Ms. Carson lived and worked in Maine for many years. And, a major wildlife refuge on the Maine coast bears her name.

The publication of "Silent Spring" forever changed America's environmental landscape. It contributed to an awakening of public awareness to a range of environmental problems and helped generate the environmental consciousness which is the foundation of our existing environmental laws.

"Silent Spring" brought to light the grave effect commonly used pesticides were having upon our environment. Ms. Carson documented the toxic nature of many pesticides and identified the threats they posed to the quality of surface and ground waters, to wildlife, and to humans.

Ms. Carson's work generated immediate controversy. The book was praised for its assessment of the environmental impact of chemical pesticides and its translation of technical data into a readable and understandable discussion. At the same time, the book was attacked by some who called it alarmist and challenged the quality of its research.

Through all the controversy, one thing has never been in doubt: the public appeal of the book has always been overwhelming. To this date, over 1½ million copies have been printed.

"Silent Spring" was not Rachel Carson's only contribution to our understanding and appreciation of the natural world. She published several books relating to Maine and the environment, including "The Sea Around Us," "The Edge of the Sea," and "Under the Sea Wind."

The greatest tribute to the work of Rachel Carson has already been paid to her by the American people. Over the last 25 years we have made tremendous strides in the field of environmental protection. The Congress has enacted statutes to protect the quality of air and water. We have made great strides to control hazardous wastes, to clean up neglected and dangerous waste disposal sites, and to ensure the safe use of pesticides and other chemicals. And, we are working to improve and expand these laws as new problems arise.

We have seen the inception of a Federal agency to manage environmental problems. And, at the State level, environmental agencies have been established and State legislatures have enacted a wide range of statutes designed to further protect our environment and public health. The greatest tribute to Rachel Carson's work is our commitment to protecting the environment.

The closing chapter of "Silent Spring" is titled "The Other Road" and begins with the following words:

> We stand now where two roads diverge. But unlike the roads in Robert Frost's familiar poem, they are not equally fair. The road we have long been traveling is deceptively easy, a smooth superhighway on which we progress with great speed, but at its end lies disaster. The other fork of the road—the one "less traveled by"—offers our last, our only chance to reach a destination that assures the preservation of our earth. The choice, after all, is ours to make. If, having endured much, we have at last asserted our "right to know" and if, knowing, we have concluded that we are being asked to take senseless and frightening risks, then we should no longer accept the counsel of those who tell us that we must fill our world with poisonous chemicals; we should look about and see what other course is open to us.

Millions of Americans have considered this choice over the past 25 years. Overwhelmingly, they have chosen to pass laws and build programs which will ensure the continued protection of our environment and public health.

In closing, let me say that if Rachel Carson could be with us today, I hope she would be pleased. Pleased to see that the American people have risen to the challenge she laid before them in "Silent Spring." Pleased to see that we are continuing to work together to ensure that we will never have to face a silent spring.●

● Mr. COHEN. Mr. President, it is now 25 years since Rachel Carson, an adopted daughter of Maine, warned of the dangers that man-made pollutants, particularly pesticides, pose to our environment and ourselves.

"We stand now where two roads diverge," she wrote in 1962 in "Silent Spring," her compelling work that told of communities where birds had been silenced by the toxic effects of pesticides. I am pleased to join my distinguished colleague from Maine, Senator Mitchell, in submitting a resolution commemorating the 25th anniversary of the publication of "Silent Spring."

Rachel Carson dedicated her life to educating us about the need to protect our world now in order to preserve it for future generations. "We could," she wrote, "continue to poison our environment with chemicals designed to destroy the Earth's insect population, or we could undertake an alternate means of natural control and environmental cleanup."

In the quarter century since she first sounded the alarm, we have made tremendous progress in cleaning up our world. Legislation has been enacted to protect our air and water, and we in Congress continue to make strides in tightening those environmental controls.

We have also passed laws, such as the Resource Conservation and Recovery Act, to govern the disposition of toxic and solid waste, and the Superfund law to assist in safe cleanup when the procedures for proper disposition were not followed. Other statutes protect our drinking water, our oceans, our marine mammals, and our coastal areas. We've taken the lead out of most of our gasoline and the asbestos out of most of our buildings. DDT is no longer used on our crops.

But considerable dangers remain. We still have not figured out how to get rid of PCB's. Dioxin contamination continues to be a problem, and the chemical chlordane is still forcing people from their homes, 25 years after Rachel Carson questioned its household use.

Our last attempt to rewrite and strengthen the Federal pesticide law foundered last year, the victim of a clogged congressional calendar, political disagreements among environmentalists and the chemical industry, and a battle over States rights.

And there is clearly other work in the environmental area that remains to be done. We in Congress have not really tackled the question of ground water pollution, for example, and there still are many more chemical hazards in the food chain, the workplace and elsewhere that we must address.

But it is fitting that we pause at this 25-year milestone and remember Rachel Carson, who provided much of the impetus for the cleanup and chemical control efforts of recent years. To honor her memory—she died in 1964, just 2 short years after publication of "Silent Spring"—Senator Mitchell and I are sponsoring this resolution to recognize the outstanding contributions that she made to the public understanding of environmental issues.

Rachel Carson loved Maine, and we are quite proud of the national wildlife refuge on our south coast that is named in her honor. She wrote:

> The shore is an ancient world, for as long as there has been an Earth and sea there has been this place of the meeting of land and water. Yet it is a world that keeps alive the sense of continuing creation and of the relentless drive of life. Each time that I enter it, I gain some new awareness of its beauty and its deeper meanings, sensing that intricate fabric of life by which one creature is linked with another, and each with its surroundings * * *.

Without Rachel Carson's efforts at environmental education, I daresay we would not have come as far in the protection of our world and the recognition of potential threats to human health and the environment. I urge my Senate colleagues to join the 53 cosponsors of this resolution in honoring the landmark work of Rachel Carson and dedicating ourselves to carrying on with that effort.●

## AMENDMENTS SUBMITTED

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## IMPLEMENTATION OF PROVISIONS OF ANNEX V TO THE INTERNATIONAL CONVENTION FOR THE PREVENTION OF POLLUTION FROM SHIPS

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### CHAFEE AMENDMENT NO. 656

(Ordered referred to the Committee on Environment and Public Works.)

Mr. CHAFEE submitted an amendment intended to be proposed by him to the bill (S. 560) to implement the provisions of Annex V to the International Convention for the Prevention of Pollution from Ships, as modified by the Protocol of 1978; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: That the purpose of this Act is to amend the Act to Prevent Pollution from Ships to implement Annex V, Regulations for the Prevention of Pollution by Garbage from Ships.

Sec. 2. Section 2 of the Act to Prevent Pollution from Ships is amended as follows:

(a) Paragraph (1) is amended to read as follows:

"(1) 'MARPOL Protocol' means the Protocol of 1978 relating to the International Convention for the Prevention of Pollution from Ships, 1973, and includes the 'Convention';".

(b) Paragraph (2) is amended by striking all after "Annexes I" and substituting ", II, and V thereto, including any modifications or amendments to the Convention, Protocols, or Annexes which have entered into force for the United States;".

(c) Paragraph (3) is amended after " 'discharge' " by inserting "and 'garbage' ".

Sec. 3. Section 3 of the Act to Prevent Pollution from Ships is amended as follows:

(a) Subsection (a) is amended to read as follows:

"(a) This Act applies to—

"(1) except as provided in paragraph (2) of this subsection,

"(A) a ship of United States registry or nationality, or one operated under the authority of the United States, wherever located; and

"(B) a ship, other than a ship referred to in clause (A) of this paragraph, while in the navigable waters of the United States.

"(2) with respect to subsection (c)(2) of this section, section 4(a)(3), section 8(d), section 9(f)(2), and section 11(c) of this Act, a ship which is not of the registry, of the nationality, or operated under the authority of a party to Annex V of the Convention, while in the navigable waters of the United States or the exclusive economic zone of the United States.

"(3) with respect to regulations under section 6 of this Act, any port or terminal in the United States."

(b) Subsection (c) is amended to read as follows:

"(c)(1) The Secretary shall prescribe regulations applicable to the ships of a country not a party to the MARPOL Protocol to ensure that their treatment is not more favorable than that accorded ships of parties to the MARPOL Protocol.

"(2) The Secretary shall adopt regulations conforming to and giving effect to Annex V of the Convention.

Sec. 4. Section 4(a) of the Act to Prevent Pollution from Ships is amended to read as follows:

"(a) Unless otherwise specified in this Act, the Secretary shall administer and enforce the MARPOL Protocol and this Act. In the administration and enforcement of the MARPOL Protocol and this Act—

"(1) except as provided in paragraphs (2) and (3) of this subsection, the MARPOL Protocol and this Act apply to all ships;

"(2) Annexes I and II of the Convention and this Act apply only to seagoing ships; and,

"(3) this Act applies to all ships referred to in section 3(a)(2) of this Act.

Sec. 5. Section 6 of the Act to Prevent Pollution from Ships is amended as follows:

(a) Subsection (a) is amended by—

(1) inserting "(1)" immediately after "(a)";

(2) in the first sentence of newly designated subsection (a)(1), after "reception facilities", inserting "for mixtures containing oil or noxious liquid substances";

(3) adding a new paragraph (2) to read as follows:

"(2) The Secretary, after consulting with appropriate Federal agencies, shall establish regulations respecting the adequacy of reception facilities for garbage at a port or terminal, and shall specify the ports or terminals which shall be required to provide such reception facilities. Persons in charge of ports and terminals shall provide reception facilities for receiving garbage in accordance with those regulations."

(b) Subsection (b) is amended after "reception facilities" by inserting ", and in establishing regulations under subsection (a) of this section," and after "seagoing ships" inserting ", or, as appropriate, ships,".

(c) Subsection (c) is amended by striking "the MARPOL Protocol" and substituting "Annexes I and II of the Convention".

(d) Subsection (e) is amended by—

(1) inserting "(1)" immediately after "(e)";

(2) striking "(1)" and substituting "(A)";

(3) striking "(2)" and substituting "(B)";

(4) in clause (A), as redesignated by this subsection, striking "the MARPOL Protocol" and substituting "Annexes I and II of the Convention"; and

(5) adding a new paragraph (2) to read as follows:

"(2) The Secretary may deny the entry of a ship to a port or terminal required by regulations issued under this section to provide reception facilities for garbage if the port or terminal is not in compliance with those regulations."

Sec. 6. Section 8 of the Act to Prevent Pollution from Ships is amended as follows:

(a) Subsection (c) is amended by—

(1) inserting "(2)" immediately after "(c)";

(2) striking "(1)" and substituting "(A)";

(3) striking "(2)" and substituting "(B)";

(4) in clause (A) as redesignated by this subsection, after "harmful substance" inserting "or disposed of garbage";

(5) in clause (B) as redesignated by this subsection—

(A) after "harmful substance" inserting "or disposed of garbage";

(B) after "that a discharge", inserting "or a disposal";

(6) In paragraph (2) as redesignated by this subsection, in the last sentence, striking "If a report made under this subsection involves a ship other than one of United States registry or nationality or one operated under the authority of the United States," and capitalizing "the" immediately following the struck words.

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(7) before the newly redesignated paragraph (2) inserting new paragraph (1) to read as follows:

"(1) This subsection applies to inspections respecting—

"(A) possible violations of Annex I or Annex II of the Convention by any seagoing ship referred to in section 3(a)(1)(B) of this Act, and

"(B) possible violations of Annex V of the Convention by any ship of the registry, of the nationality, or operated under the authority of a party to Annex V of the Convention other than the United States."

(b) After subsection (c) add new subsections (d) and (e) as follows:

"(d)(1) This subsection applies to inspections respecting possible violations of the regulations adopted under section 3(c)(2) of this Act by any ship referred to in section 3(a)(2) of this Act.

"(2) To the extent authorized by international law, a ship may be inspected by the Secretary to verify whether or not the ship has disposed of garbage in violation of the regulations adopted under section 3(c)(2) of this Act.

"(3) If an inspection under this subsection indicates that a violation has occurred, the Secretary may undertake, in accordance with international law, enforcement action under section 9 of this Act.

"(e)(1) This subsection applies to inspections respecting possible violations of the MARPOL Protocol by any ship of United States registry or nationality, or operating under the authority of the United States.

"(2) The Secretary may inspect at any time a ship to which the MARPOL Protocol applies to verify whether or not the ship has discharged a harmful substance or disposed of garbage in violation of that Protocol.

"(3) If an inspection under this subsection indicates that a violation has occurred, the Secretary may undertake enforcement action under section 9 of this Act.

(c) Redesignate subsection "(d)" as subsection "(f)"."

Sec. 7. Section 9(f) of the Act to Prevent Pollution from Ships is amended as follows:

(a) Insert "(1)" immediately after "(f)".

(b) In paragraph (1) as redesignated by this section, strike "by a ship registered in or of the nationality of a country party to the MARPOL Protocol, or one operated under the authority of a country party to the MARPOL Protocol," and substitute "one which is referred to in section 8(c)(1) of this Act," and strike "to that country" and substitute "to the government of the country of the ship's registry or nationality, or under whose authority the ship is operating".

(c) Add a new paragraph (2) to read as follows:

"(2) Any action taken under this section with respect to violations of regulations adopted under section 3(c)(2) of this Act shall be in accordance with international law."

Sec. 8. Section 10 of the Act to Prevent Pollution from Ships is amended as follows:

(a) In subsection (a), strike "Inter-Governmental Maritime Consultative Organization", and substitute "International Maritime Organization".

(b) In subsection (b), strike "Annex I or II, appendices to the Annexes, or Protocol I of the MARPOL Protocol," and substitute "Annexes I, II, or V, appendices to those Annexes, or Protocol I of the Convention", and strike "Inter-Governmental Maritime Consultative Organization" and substitute "International Maritime Organization".

Sec. 9. Section 11 of the Act to Prevent Pollution from Ships is amended as follows:

(a) After subsection (b) add a new subsection (c) to read as follows:

"(c) Any person suffering damage or loss from any action of the Secretary, taken pursuant to section 8(d) or section 3(c)(2) of this Act, which is alleged to have been unlawful or to have exceeded that which is reasonably required in the light of available information may bring an action under this section to recover compensation for that damage or loss."

(b) Change existing subsections "(c)" through "(e)" to "(d)" through "(f)" respectively.

Sec. 10. (a) Except as provided in subsection (b) of this section, this Act shall be effective on the date Annex V of the Convention enters into force in the United States.

(b) The authority to adopt and issue regulations under this Act shall be effective on the date of enactment of this Act.

Sec. 11. Section 3(f) of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, (33 U.S.C. 1402(f)) is amended by inserting "or a discharge or disposal subject to regulation by the Act to Prevent Pollution from Ships, as amended," after "operation of motor-driven equipment on, vessels".

● Mr. CHAFEE. Mr. President, in February I introduced S. 560, a bill to implement the provisions of annex V to the International Convention for the Prevention of Pollution From Ships, commonly known as Marpol. My purpose in introducing this bill was to ensure that there would be no delay in considering legislation to implement the provisions of this important treaty.

Within the last few days the Coast Guard has completed a legislative proposal which, if enacted, will also implement the provisions of annex V. This legislative proposal is strongly supported by the administration, and forms a solid basis for a law to enact the provisions of annex V. I am therefore amending my original bill to reflect the proposed legislation received by the Senate on July 22 from the Secretary of Transportation.

I would ask that immediately following these remarks, the amendment to S. 560 appear in the Record.

Mr. President, last week I appeared before the Senate Foreign Relations Committee to testify on the importance of ratification of annex V of Marpol. In order for this annex to enter into force, the treaty must be ratified by nations representing at least 50 percent of the world's shipping tonnage. In July the Soviet Union announced that it had ratified annex V. This creates an opportunity for the United States. If, as is my hope, the Senate approves a resolution of advice and consent for annex V, nations representing more than 50 percent of the world's shipping tonnage will have ratified the treaty, and it will have the force of international law.

It is time that we stop using the ocean as a collective garbage dump for nondegradable materials. I strongly urge the Committee on Foreign Relations to issue a favorable report on this treaty, and recommend to the full Senate that we ratify this important annex without delay.●

## NOTICE OF HEARINGS

### COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a field hearing in Worland, WY, on Friday, August 14, 1987, to examine the problems confronting small businesses in Wyoming related to the difficult circumstances facing the energy industry. The hearing will be held at the Worland Elks' Club and will commence at 9 a.m. For further information, please call Chuck Culver of the committee staff at 224-3188, or Bonnie Cannon of Senator Wallop's office at 224-0871.

Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Thursday, September 17, 1987, on S. 818, a bill to provide permanent authorization for White House conferences on small business. The hearing will commence at 10 a.m. and will be held in room 428A of the Russell Senate Office Building. For further information, please call Todd Patterson of the committee staff at 224-3840.

Mr. President, I would like to announce that the Small Business Committee will hold a full committee oversight hearing on the Small Business Administration's Small Business Development Center Program on Tuesday, September 22, 1987. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 10 a.m. For further information, please call Patty Barker of the committee staff at 224-8495.

## ADDITIONAL STATEMENTS

## NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Mr. Ken Apfel, a member of the staff of Senator Bill Bradley, to participate in a program in the People's Republic of China, organized by the United States-China Friendship

Program, in conjunction with the United States-Asia Institute, and sponsored by the Chinese People's Institute of Foreign Affairs, in August 1987.

The committee has determined that participation by Mr. Apfel in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Paul Vick, a member of the staff of Senator Terry Sanford, to participate in a program in the People's Republic of China, organized by the United States-China Friendship Program, and sponsored by the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, from August 8-24, 1987.

The committee has determined that participation by Mr. Vick in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Donald Hardy, a member of the staff of Senator Alan K. Simpson, to participate in a program in the People's Republic of China, organized by the United States-China Friendship Program, and sponsored by the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, from August 8-24, 1987.

The committee has determiend that participation by Mr. Hardy in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Catherine Porter, a member of the staff of Senator John H. Chafee, to participate in a program in Japan, sponsored by the Congressional Economic Leadership Institute and paid for by the Japan-United States Friendship Commission, from August 8-15, 1987.

The committee has determined that participation by Ms. Porter, in the program in Japan, at the expense of the Japan-United States Friendship Commission, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Senator Mitch McConnell, and two members of his staff, Niels Holch and Robin Cleveland, to participate in a program in the Republic of Turkey, sponsored by the Turkish Foreign Policy Institute, from August 8-14, 1987.

The committee has determined that participation by Senator McConnell, Mr. Holch, and Ms. Cleveland in the program in Turkey, at the expense of the Turkish Foreign Policy Institute, is in the interest of the Senate and the United States.

The select committee has received a request for determination under rule 35, for Mr. J. Thomas Sliter, a member of the staff of Senator Robert C. Byrd, to participate in a program in the People's Republic of China, organized by the United States-China Friendship Program, and sponsored by the Chinese People's Institute of Foreign Affairs, in conjuction with the United States-Asia Institute, from August 8-25, 1987.

The committee has determined that participation by Mr. Sliter, in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, in conjuction with the United States-Asia Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Harry Broadman, a member of the staff of the Committee on Governmental Affairs, to participate in a program in the People's Republic of China, organized by the United States-China Friendship Program, and sponsored by the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, from August 8-25, 1987.

The committee has determined that participation by Mr. Broadman, in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Catherine Porter, a member of the staff of Senator John H. Chafee, to participate in a program in South Korea, sponsored by the Ilhae Institute of Seoul, South Korea, from August 9-17, 1987.

The committee has determined that participation by Ms. Porter, in the program in South Korea, at the expense of the Ilhae Institute of Seoul, South Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Gina Despres, a member of the staff of Senator Bill Bradley, to participate in a program in Japan, sponsored by the Policy Study Group of Japan.

The committee has determined that participation by Ms. Despres, in the program in Japan, at the expense of the Policy Study Group of Japan, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Kathleen Harrington, a member of the staff of Senator Christopher J. Dodd, to participate in a trip to Seoul, South Korea, sponsored by the Ilhae Institute of Seoul, South Korea, from August 8-17, 1987.

The committee has determined that participation by Ms. Harrington in the program in South Korea, at the expense of the Ilhae Institute of Seoul, South Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Barbara Larkin, a member of the staff of Senator Terry Sanford, to participate in a program in South Korea, sponsored by the Ilhae Institute of Seoul, South Korea, from August 22-29, 1987.

The committee has determined that participation by Ms. Larkin, in the program in South Korea, at the expense of the Ilhae Institute of Seoul, South Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Andrew Hyde, a member of the staff of Senator John Warner, to participate in a trip to Seoul, South Korea, sponsored by the Ilhae Institute of Seoul, South Korea, from August 9-17, 1987.

The committee has determined that participation by Mr. Hyde in the program in South Korea, at the expense of the Ilhae Institute of Seoul, South Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. William Wight, a member of the staff of Senator John Warner, to participate in a program in the Republic of China on Taiwan, sponsored by Tunghai University, from August 8-16, 1987.

The Committee has determined that participation by Mr. Wight in the program in the Republic of China on Taiwan, at the expense of Tunghai University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Jennifer Hillman, a member of the staff of Senator Terry Sanford, to participate in a trip to Seoul, South Korea, sponsored by the Ilhae Institute of Seoul, South Korea, from August 9-17, 1987.

The committee has determined that participation by Ms. Hillman in the program in South Korea, at the expense of the Ilhae Institute of Seoul, South Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule

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35, for Ms. Mary D. Pembroke, a member of the staff of the Committee on Banking, Housing, and Urban Affairs, to participate in a program in the Republic of China, Taiwan, sponsored by the Chinese Culture University, from August 17-24, 1987.

The committee has determined that participation by Ms. Pembroke, in the program in the Republic of China, Taiwan, at the expense of the Chinese Culture University, is in the interest of the Senate and the United States.●

## RECOGNIZING THE EMANUEL PIETERSON HISTORICAL SOCIETY

● Mr. D'AMATO. Mr. President, I rise today to call the attention of my colleagues to the Emanuel Pieterson Historical Society. This organization's service to the Afro-American community in New York State deserves recognition.

The society was established in August 1975 to preserve the history of Afro-American culture, encourage understanding and appreciation of Afro-American life, and promote the stability and preservation of historical Harlem-like communities.

Since its founding, the society has been instrumental in gaining national landmark designation of various Harlem sites, including the Harlem River Houses, our Nation's first federally funded housing projects.

The society also hosts functions that honor a broad range of distinguished Afro-Americans, tennis great Arthur Ashe, entertainer Eartha Kitt, and physician Dr. John Holloman, just to name a few.

I am certain that my colleagues will join with me in commending this historical society for its outstanding accomplishments and commitment to preserving American culture.

Thank you, Mr. President.●

## HOW THE FARMERS UNION PROMOTES GOOD COMMUNITY LIVING

● Mr. BOREN. Mr. President, each year the Oklahoma Farmers Union sponsors a speech contest. Winners are given an expense-paid tour of the Eastern section of the United States, including visits to Gettysburg, New York, Washington, and Niagara Falls. One of the Oklahoma winners, Mr. Steven Johnson, Route 3, Box 48, Gage, OK, gave his winning speech at a breakfast for members of the Oklahoma congressional delegation in the Rayburn House Office Building. His winning speech follows:

### HOW MY ORGANIZATION PROMOTES GOOD COMMUNITY LIVING

Cooperation, Legislation, and Education. These three bases for the Farmers Union Triangle are as important to our society today as they were back in 1902 when the Farmers Union organization began. Each base of the Farmers Union triangle cannot function without the other, but together—connected and regarded as one—these three words can have a huge impact upon our community. Today, I would like to explain how my organization, The Farmers Union, promotes good community living.

The Oklahoma Farmers Union is a 100,000-member family farm organization promoting good community living through cooperation, education, and legislation. Our insignia is the rake, plow, and hoe. Our Farmers Union emblem is the liveoak tree and our symbol is the triangle.

The base of the triangle is education. Education is learning as well as teaching and it is a process that never ends. Farmers Union believes that strength comes through knowledge and in many ways Farmers Union promotes knowledge. One method of promoting education is through speech contests where young people have the opportunity to broaden their education plus win numerous awards including a 17-day summer tour of the Eastern states. Oklahoma Farmers Union offers its young members a well-balanced, year-'round youth program that includes study units and summer leadership training camps. These camps can led to college scholarships and other awards. My Ellis County Square Top Local has day camps where leaders teach young children through high school about various farm programs, the importance of cooperatives, and current legislation.

I have completed 10 years of youth work and it has been a valuable experience for me.

Legislation, the second side of the triangle, is important in all levels of Farmers Union. The legislative goals of the organization are directed by the policy statement. Policy making begins in the local and county meetings where members discuss and adopt resolutions and send them on to the state convention. Policies and ideas are then sent by the state to the national policy drafting committee, where they are debated, amended and finally adopted.

As a farm organization, Farmers Union is not only interested in farm programs, but we are a total front organization. This means that we are committed to policy on all fronts including environmental, social, economic, and foreign issues—issues which affect the quality of life of everyone in our community.

It is clear that Oklahoma is suffering in its worst economic situation since the Great Depression. Farmers and ranchers in our state are literally fighting for survival. Congress must pass new legislation early in 1987 to correct the direction of agricultural trade and improve the farm economy. Now is the time for Oklahoma Farmers Union to help write and pass new legislation.

Cooperation, the third side of our triangle, is democracy at work. Ever since Farmers Union was started in 1902, its members have helped set up and have used cooperatives for selling their farm products and for buying supplies to use on the farm. Some of these co-op businesses were cotton gins, grain elevators, oil companies, feed stores, grocery stores, and lumber yards.

Cooperatives are owned by the people who do business there. They are called "patrons". Co-ops give their patrons a fair price for their products and charge a fair price for the things they buy. People working together to help one another results in good community living.

Farmers Union is founded on the dignity of the individual, the value of his way of life, and the importance of the community. Through cooperation, education, legislation and brotherly love, we can attain a better rural America and promote good community living.●

## SINGAPORE MAKES MAJOR STRIDES AGAINST RECORD AND MOVIE PIRATES

● Mr. WILSON. Mr. President, among the diamonds in the rough of the recently passed trade bill, there are provisions enhancing the ability of U.S. companies to protect their intellectual property rights against piracy and other unwarranted market barriers. Such practices rob American businesses of billions of dollars of sales each year.

During the debate on an amendment to a provision that I authored, the "Anti-Piracy and Market Access Act," I stated the following:

> Many beneficiaries of our GSP program allow rampant piracy and have erected insurmountable barriers to our intellectual property-based products. Specifically, Indonesia, Singapore, Taiwan, South Korea, and other Far East nations have been guilty of these practices, though some progress has been made in recent months.

Mr. President, while Indonesia continues as a "leader" in the field of piracy, as I noted in my statement, recent progress has been made by some countries. South Korea has made some changes improving market access for motion pictures and settled a 301 case on intellectual property protection. Taiwan has a new law designed to improve the ability of copyright, patent, and trademark holders to enforce their rights.

Mr. President, as to Singapore, the record of progress is even more startling. In the most recent "National Trade Estimate" report, issued by the U.S. Trade Representative in October of last year, the impact of piracy in Singapore was estimated at more than $350 million per year—most in the form of music piracy. It was on the basis of this report that I included Singapore in my statement. While I was aware that a new law had been enacted in Singapore, new laws generally do not have an immediate impact by themselves. The key ingredients are the will to enforce the law and the provision of resources to do the job.

Well, Mr. President, after hearing from the Ambassador of the Republic of Singapore, the Honorable Tommy T B Koh, I contacted the Recording Industry Association of America and the Motion Picture Association of America to ascertain if progress had been made, as represented. I am more than pleased to tell the Senate that swift and sure progress against piracy has been made in Singapore.

The new Singapore copyright law took effect on April 10 of this year—just 4 months ago—and already it has

produced significant effects. There have been millions of dollars in increased sales of American music, thereby increasing our exports—and increasing profits for legitimate Singaporean businesses. Further domestic benefits include a willingness of record companies to invest in the development of Singaporean singers and musicians.

In the movie market, video sales have increased 20 to 25 percent this year. Legitimate video rental operations have been revitalized, while a local magazine catering to the movie market has seen a great increase, to the point that a new competitor has come to the market.

Mr. President, this fast and effective turnaround belies any suggestion that the new Singapore copyright law was an empty gesture. Obviously, the Government of Singapore is determined to wipe out piracy, and for that they deserve a great deal of credit.

Mr. President, I ask that two newspaper articles from the Straits Times of Singapore on the progress against piracy be printed in the RECORD at the end of my remarks.

Mr. President, with the new law and official attitude in Singapore, the worldwide problem must still be addressed. It is important to note that while piracy in Singapore hurt United States sales in that country, most of the harm done by illegal copying in Singapore occurred outside of Singapore, in third-country markets. Therefore, while the illegal market is being shut down in Singapore, there are still markets for pirated music and movies, and other countries are moving "to fill the void".

So, Mr. President, as we continue to work for an end to the insidious practice of intellectual property privacy, we should recognize that progress has been made in some countries.

The articles follow:

[From the Straits Times, July 23, 1987]

### COPYRIGHT PERKS UP THE FUN INDUSTRY

#### FEWER PIRATES AND BIGGER PROFITS SPUR DISTRIBUTORS

(By Serena Toh)

Films such as critically acclaimed Eleni, Woody Allen's Hannah and Her Sisters and the remake of the Western classic Stagecoach, previously held back by video distributors because of "pirates", will now be released, thanks to the new Copyright Act.

In fact, video company, Kwangsia Home Video, encouraged by the clearing out of pirates, re-started its video rental business last week.

Frustrated by the raids of pirates, it shut down operations last year.

Because of the Act, too, entertainment magazine Swing was launched last month and longtime film magazine, Movie News, revamped.

Both magazines anticipate a boom in the film, video and recording industries, thus generating more revenue from advertising.

Swing, a bi-monthly magazine is distributed free at record shops, discotheques, nightclubs and Burger King restaurants, while the revamp of Movie News last month was timed to coincide with an expected rise in the number of cinema patrons.

Just three months after the Copyright Act came into force, sales are booming for video distributors and recording companies, while film distributors expect good times ahead, now that the pirates can no longer rob them of business.

The Act carries a maximum fine of $100,000 and maximum jail terms of five years for piracy of audio and video cassettes, books, computer software.

Major video distributors say their sales have increased by 20 to 25 per cent in an industry which is reportedly worth more than $7 million.

Cinema chain Shaw Brothers expects 20 per cent more patrons in the next few months. Polygram Records thinks sales would increase by 50 per cent this year while WEA Pte Ltd already reports that business has improved "manifold".

The Act could also help bring new talent into the music market now that pirates are less likely to eat into the profits.

WEA managing director Jimmy Wee said: "We want to spend more on promoting local singers, and look for long-term artistes."

The company also wants to import "quality studio people" such as sound engineers, song writers and producers from abroad to produce an album of international standard, something which it has not done since 1976.

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[From the Straits Times, June 4, 1987]

### TAPE PIRATES LOSING THE WAR

(By Yeo Kim Seng)

The music industry's relentless war on pirates last year has paid off.

Sales of records, cassettes and compact discs by wholesalers soared to a record $25.5 million last year, an $11 million increase over 1985.

They would have been higher if translated into retail prices, which are between 15 and 20 per cent more, said a senior music industry official yesterday.

Mr. Giouw Jui Chian, spokesman of the International Federation of Phonogram and Videogram Producers (IFPI), attributed the sharp rise in sales partly to the 200 or so raids against sellers of pirated music last year.

Since February 1984, 943,021 pirated cassette tapes with a street value of nearly $2.3 million have been destroyed.

Mr. Giouw also said the sales figures represented about 85 per cent of the industry.

Another reason for the better sales was the co-operation among retailers, the IFPI and the Singapore Sound Tape Retailers Association, Mr. Giouw said.

At the core of this effort was the strategy used to cushion retailers from the high costs of replacing their stocks with copyright versions, he added.

"We got retailers last year to beef up their stocks of copyright cassette tapes gradually to prepare for the introduction of the Copyright Act," he said. The Act came into effect in April this year.

Some shops would have been forced to close down if they had to replace all their stocks with copyright tapes immediately when the law took effect and this would have hurt everyone, he added.

"And others would have run into high financial commitments."

So the phonogram federation and the sound tape retailers association proposed a timetable for the retailers to get rid of their pirated tapes.

They were urged to ensure that, between January and March last year, up to 75 per cent of their stocks were copyright tapes. By last September the figure had risen to 90 per cent.

And between October and this April when the law took effect, their stocks should have had fewer than 70 pirated tapes.

"This ensured that shops could come clean on the day the law took effect," Mr. Giouw said.

This was important, he explained, because if they had closed down, the industry would have been hurt, too.●

## ADVANCE NOTIFICATION

### PROPOSED ARMS SALE

● Mr. PELL. Mr. President, as the result of a 1976 agreement, the executive branch provides Congress with advance notification of proposed arms sales under the Arms Export Control Act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has not less than 20 calendar days for informal review and consultation with the administration on the proposed sale. If the executive branch wishes to proceed with the sales proposal following the informal review period, section 36(b)(1) requires that the executive branch submit a formal notification to Congress of the proposed arms sale. Upon such notification, the Congress has 30 calendar days to review the sale. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point a notification which has been received. Portions of the notification which are classified have been deleted for publication, but are available to Senators at the Foreign Relations Committee.

The notification follows:

DEFENSE SECURITY
ASSISTANCE AGENCY,
*Washington, DC, August 3, 1987.*

In reply refer to: I-03451/87ct.

Mr. GERYLD B. CHRISTIANSON,
*Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.*

DEAR MR. CHRISTIANSON: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b)(1) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Northeast Asian country tentatively estimated to cost $50 million or more.

Sincerely,

GLENN A. RUDD,
*Deputy Director.*●

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## INFORMED CONSENT: FLORIDA II

● Mr. HUMPHREY. Mr. President, today I would like to insert into the Record two letters from women who support my informed consent legislation, S. 272 and S. 273. Today's letters come from the State of Florida.

I ask that these letters from women in Florida be printed in the Record.

The letters follow:

April 1, 1987.

Dear Senator Humphrey: I am writing to you on behalf of myself and the many other women who have been deceived through abortion. I have suffered two abortions. When I went to Orlando for the abortions no one at the clinic advised me about fetal development, physical consequences or emotional stress. I am now a counselor at a Crisis Pregnancy Center and I see over and over women who have suffered physically and emotionally from previous abortions. Very few of the women I see have ever been educated about abortion.

My plea to you is to support any legislation to educate women before they can consent to having an abortion. Also, for parent consent of minor girls seeking an abortion. If that law had been in affect my parents could have my protection from all of this pain and suffering. I would hope had I been educated about the truth of abortion I would have chosen to keep my babies. I grieve their loss but I am on the battlefront to save other unborn children.

Thank you for your support in the important issue.

Sincerely.

Vonnie Cardwell.

Titusville, FL.

—

February 23, 1987.

Dear Senator Humphrey: When I went for "counseling" regarding obtaining an abortion, the first thing that was discussed was money and then the procedure that would be used. They never raised the question that the fetus I was carrying might actually be a human being or that there were other alternatives to abortions.

I really feel that my baby that was aborted was a victim of a conspiracy of silence. I knew and realized after the abortion (without being told) that what I had done was wrong and tantamount to murder.

Yes, I should have control over my own body, but after conception the fetus that is created inside my body is a separate entity and deserves a chance to live.

Please continue your efforts on behalf of the babies that cannot lobby for their own lives. Please let me know if there is any way that I can help support your efforts.

Thank you.

Mrs. Kate Jones.

Orlando, FL.●

## REAUTHORIZATION OF THE PRICE-ANDERSON ACT

● Mr. JOHNSTON. Mr. President, there is an urgent need to pass legislation to reauthorize and extend the Price-Anderson Act. The Price-Anderson Act provides a system for public compensation in the event of a nuclear accident. On July 30, the House of Representatives passed legislation to modify and extend Price-Anderson. The Senate must take immediate action to do similarly.

Existing authority under the Price-Anderson Act expired on August 1, and we must take action quickly to renew the act.

The Price-Anderson system is a comprehensive, compensation-oriented system of liability insurance for Department of Energy contractors and Nuclear Regulatory Commission licensees operating nuclear facilities. Under Price-Anderson, there is a ready source of funds that would be available to compensate the public for damages resulting from a nuclear accident. Without Price-Anderson, there would not be such a pool of funds available.

The Price-Anderson Act was first enacted in 1957, and it has been modified and extended twice. We should not allow it to expire now.

In the absence of Price-Anderson, compensation to victims of a nuclear accident would likely be seriously limited. Failure to extend the Price-Anderson system for DOE contractor activities would raise serious concerns about adequate compensation for victims of a nuclear accident at a DOE facility.

DOE contractors are covered under the Price-Anderson indemnity provisions of current contracts, but with expiration of the act, DOE has lost its authority to indemnify contractors under Price-Anderson in new contracts. Therefore, any existing indemnity agreements will expire at the end of the term of the existing contracts and cannot be renewed. If the act is not renewed, DOE contractors—those involved in atomic energy defense, uranium fuel preparation, and nuclear waste disposal—will be without the comprehensive, no-fault liability insurance system provided by Price-Anderson. Congress must act quickly to preserve the ability of the Federal Government to undertake these essential activities.

Several of DOE's major contracts will come up for renewal soon. Contracts at three major facilities—Los Alamos National Laboratory, Lawrence Livermore National Laboratory, and Lawrence Berkeley National Laboratory—will expire on September 30. The contract for operation of another major facility, Brookhaven National Laboratory, will expire on December 31.

There is an urgent need to extend and reauthorize the Price-Anderson Act before any of these contracts expire. If these contracts are renewed without Price-Anderson coverage, the loser will be the public. In the absence of Price-Anderson, compensation for victims of a nuclear accident would be less predictable, less timely, and potentially inadequate compared to the compensation that would be available under the current system.

On June 12, the Committee on Energy and Natural Resources reported S. 748, the Price-Anderson Amendments Act of 1987. S. 748 would modify and extend the portions of the Price-Anderson Act that provide public liability coverage for DOE contractors.

S. 748 would extend authority for the Price-Anderson indemnification system for DOE contractors for 30 years. It would increase the amount of public compensation immediately available after an accident from $500 million in current dollars per incident to $6 billion in constant dollars per incident. In the event that damages exceed the $6 billion cap, S. 748 establishes an expedited mechanism for congressional action on additional compensation measures.

In addition, S. 748 adds new authority to provide for greater accountability of contractors, subcontractors, and suppliers in the performance of their duties under contract with the Department of Energy for nuclear activities. The Energy and Natural Resources Committee felt that exercise of this authority by DOE could reduce the likelihood of serious nuclear incidents.

S. 748 grants the Secretary of Energy new authority to impose civil and criminal penalties on contractors for violations of DOE rules, regulations, and orders related to nuclear safety. This authority parallels that provided to the Nuclear Regulatory Commission in the Atomic Energy Act with respect to NRC licensees. S. 748 provides for civil penalties of up to $100,000 per day for violations of DOE nuclear safety rules, regulations, or orders. The bill also provides authority for criminal penalties in the case of knowing or willful violations of these rules, regulations, or orders on the part of individual directors, officers, or employees of DOE contractors.

Additional mechanisms for ensuring safe operations by DOE contractors included in S. 748 are the establishment of an inspector general for nuclear programs and the establishment of an independent panel to make recommendations for permanent regulation and oversight of DOE nuclear activities. These provisions are positive steps toward ensuring continued safe operation of DOE facilities.

On July 30, the House of Representatives approved legislation to extend the Price-Anderson Act. The House-passed bill, H.R. 1414, will extend coverage under the Price-Anderson system for both DOE contractors and NRC licensees. The House-passed bill will increase the amount of public compensation available after an accident to just over $7 billion.

It is important that the Senate extend the Price-Anderson Act. The compensation system established by this Act has been a good one, and we

must extend the Act to allow that system to continue.

I hope that the Senate will be able to take action on Price-Anderson this week. If not, I hope we will take it up as soon as we come back after Labor Day.●

## HIGHWAY AND TRAFFIC SAFETY

● Mr. DANFORTH. Mr. President, highway and traffic safety is, in my judgment, an area where government can make a constructive contribution to the public interest. As we debate questions of highway and traffic safety, we often focus on statistics about death and injury, the cost of competing options, and the state of technology. I rise to call attention not to statistics, but to a person named Matthew Young, aged 24, of St. Louis. Two years ago, he was severely injured in a crash on an exotic new kind of motorcyle—one of the so-called "killer motorcycles" that are gaining increasing popularity with young riders. Such machines can reach 60 miles per hour in less than 2.7 seconds. They can achieve top speeds in excess of 160 miles per hour. I have introduced legislation to direct the National Highway Traffic Safety Administration to set a safety standard for this new and unique class of motorcycles. Killer motorcycles have no appropriate on-street use and should be used only in competition or other off-street environments. They should not be mass-marketed for general use on the public streets by young men like Matt Young. Matt Young agrees. He recently shared his experiences in an interview with the St. Louis Post-Dispatch. I ask that the article be reprinted in the Congressional Record, and commend it to the attention of Senators.

The article follows:

[From the St. Louis Post-Dispatch, July 27, 1987]

### "I'm Lucky I'm Alive"

### "SUPERBIKE" CRASH VICTIM BACKS CURB ON MACHINES

(By Kathleen Best)

Washington.—Saturday, June 15, 1985, is a blank space in Matt Young's memory.

He doesn't remember going out motorcycle riding with friends or slamming his hot, new Kawasaki Ninja against the side of a van. He doesn't remember the ambulance ride to St. Joseph Hospital of Kirkwood or the prognosis that he would die.

He remembers the five months in traction while his two broken legs and his broken hip mended, the later surgery to try to heal the three broken vertebrae in his neck and the 10 months of grueling physical therapy as movement slowly—and, he says, miraculously—returned to his limbs.

Young, 24, a nephew of former U.S. Rep. Robert A. Young, wants to share those memories to spare others the same pain.

"I'm lucky I'm alive," he says. "I don't think, especially for unqualified riders, that (the Ninja and other racing bikes) should be on the streets. I'm living proof they are very dangerous.

Sen. John C. Danforth agrees. He wants to take such motorcycles, which he calls "superbikes," off the roadways.

"From a dead stop, one of these superbikes accelerates to 60 miles per hour by the time it reaches the other side of a city intersection," Danforth said. "It takes one of these killer cycles 2.7 seconds to reach this speed.

"The combination of these racing machines and young, inexperienced riders is deadly."

Danforth introduced legislation last week that would direct the Department of Transportation to develop, within 12 months, safety standards aimed at taking high-horsepower, lightweight motorcycles off public streets.

The measure was narrowly drawn so that it would not apply to traditional motorcycles or dirt bikes, said Steve Hilton, a spokesman for Danforth.

Instead it is aimed at motorcycles that weigh between 400 and 600 pounds with engines that in some cases have more than 100 horsepower.

Hilton said the so-called superbikes were manufactured primarily by Japan's "big four" motorcycle companies—Kawasaki, Honda, Suzuki and Yamaha—and were marketed under model names such as the Ninja, Hurricane, GSXR and FZ.

Mel Stahl, vice president for government relations for the Motorcycle Industry Council, declined to comment on the legislation. "At this point, we don't have a position to express," he said.

The council has requested a meeting with Danforth to discuss voluntary regulations for such motorcycles. The request was made "before we saw the bill and the press release," Stahl said.

When Danforth introduced the legislation, he said, "The marketing of killer cycles is a lesson in corporate irresponsibility.

"The advertising is directed at teen-age males. A typical one is Honda's slogan: 'Zero to 55 faster than you can read this'."

Hilton said superbikes made up a minuscule proportion of motorcycle sales nationwide and seemed most popular on the West Coast.

He said no one had studied the number of such motorcycles or the injuries or deaths attributed to their use.

But Matt Young doesn't need any studies to be convinced of their danger.

"I'm not sure what the top speed on mine was, but it was at least 120, maybe more," he said. "I wouldn't consider myself a real good rider. At the time of the accident, I wasn't even motorcycle-qualified on my license.

"But it kind of caught my eye. I'd seen ads for them, seen them around town. It was a catchy bike, good-looking. It was what I had to have to be in with everybody else."

Being "in" has lost its importance, these days. Being alive is the main thing.

"I think this law is probably needed," Young said as he prepared for another round of therapy.●

## FIVE-YEAR ARCTIC RESEARCH PLAN

● Mr. MURKOWSKI. Mr. President, on Friday an important message from the President of the United States was delivered to the Senate.

In keeping with the Arctic Research and Policy Act of 1984, the President submitted to Congress the Nation's first 5-year Arctic research plan—a comprehensive 5-year program plan for the overall Federal effort in Arctic research.

The United States is an Arctic nation that has only very recently begun to play the part. Thousands of Americans live and work in the Arctic, and we have substantial natural resources and important strategic interests in the Arctic. However, we have only recently begun to think of ourselves as an Arctic nation.

When I was first elected to the U.S. Senate in 1980, Alaskans asked me to foster the creation of a comprehensive national Arctic research policy, an effort begun almost 20 years earlier by Alaska's first Senators. Indeed, as early as 1960, Alaskans in Washington were arguing that national goals in the Arctic required the United States to direct a greater share of national scientific resources toward research in the far north.

While an increase in Arctic research did occur during the 1970's, largely due to the construction of the trans-Alaskan pipeline, Government Arctic research was almost exclusively performed on an ad hoc, program-oriented basis. The Nation's Arctic Research Program, if you could call it that, was a fragmented collection of projects and programs that lacked clear direction, coordination, or an overall guiding policy.

By 1980, our stake in the Arctic had clearly risen. By that time, America was addicted to Arctic oil, deriving some 20 percent of our domestic production from a single Arctic field at Prudhoe Bay, AK. At the same time, new developments in military technology, most notably nuclear-powered submarines and long-range bombers equipped with cruise missiles, transformed the Arctic from a seemingly benign and remote polar region to one of the most strategic places on Earth. Indeed, the Arctic was beginning to be recognized as the true common border between the superpowers.

As a result of these developments, a new push for a policy-guided Arctic research effort began. As a result of my efforts, in addition to those of Senators Ted Stevens and Henry "Scoop" Jackson, and Representatives Don Young, Doug Walgren, Don Fuqua, and others, Congress passed the Arctic Research and Policy Act [ARPA] of 1984.

In passing ARPA, Congress intended that the Nation as a whole become more informed about the Arctic and the fact that the United States is an Arctic nation. Our lack of knowledge about the Arctic had been a clear source of frustration to Congress during the 1970's when the discovery of oil at Prudhoe Bay and a global energy crisis moved Congress to enact a number of new statutes affecting the future of the Arctic. With hindsight, it's easy to see that the congressional debates which preceeded passage of the Alaska Native Claims Settlement Act of 1971, the Trans-Alaska Pipeline Act of 1973, the Alaska Natural Gas Transportation Act of 1976, and the Alaska Lands Act of 1980, were sometimes characterized by ill-informed, sensational, and misleading information.

For instance, the Senate was only able to narrowly pass the Trans-Alaska Pipeline Act with the tie-breaking vote of the Vice President. Many Senators who opposed the pipeline believed the assertions of extreme environmentalists who argued that any development would seriously jeopardize the future of the central Arctic caribou herd and other wildlife. While we now know that responsible development can occur in the Arctic, ignorance of the truth in 1973 almost exacted a significant price—the pipeline might never have been built.

Mr. President, as the old saying goes, if you think knowledge is expensive, try ignorance. The basic purposes of the Arctic Research and Policy Act is to increase our knowledge of the Arctic in order that we can make wise decisions about its future and the future of our Arctic nation. As a consequence of the act:

The United States now has an Arctic Research Commission which meets regularly to advise the President and Congress on matters of Arctic Research;

The United States has a Federal Interagency Committee to coordinate Federal Arctic research efforts.

We have a coordinated Arctic research budget.

We are looking closely at the need for new research platforms, icebreakers, and other mechanisms to study the Arctic.

Finally, we have this document that was just transmitted to the Congress by the President—the first 5-year Arctic research plan.

The fact is, we've come a long way in the short time since the passage of the Arctic Research and Policy Act. And that's fortunate, because there is much we must know about the Arctic if we expect to move into what some have called "the Age of the Arctic" with confidence. For instance:

We must find the new technologies we need to develop Arctic resources wisely while protecting the Arctic ecosystem;

We must fully understand how Arctic systems operate if we expect to address problems such as Arctic haze and the greenhouse effect.

We must improve our knowledge of glaciers, sea ice, permafrost, and snow in order to perfect new Arctic air, land and maritime transportation technologies.

We must fully understand disruptive auroral displays and high latitude atmospheric disturbances if we expect to enjoy dependable telecommunications capabilities in the Arctic;

Finally, the Arctic, in stark contrast to the Antarctic, is the home to an indigenous people who have lived and hunted in the region since time immemorial. We must fully understand the Arctic and the short and long-term impacts of what we do there if we expect to protect the unique lifestyle of the Inuit—Eskimo—people.

Mr. President, it is clear that the Arctic, once considered a remote and forgotten area of our planet, is emerging as one of the most important regions of the world. Congress has recognized this fact. Building on the foundation of ARPA, the United States is poised to take its rightful place as a leader among the Arctic nations of the world.

In closing, I want to say just a few words about the plan and how it evolved. A tremendous amount of time, effort, and consultation went into this plan—more than we will ever know. It may interest my colleagues to know that meetings and workshops leading to the plan were held in Hanover, NH; Anchorage, AK; Boulder, CO; Barrow, AK; and Washington, DC.

Moreover, the members and staff of the Interagency Arctic Research Policy Committee, the Commissioners and staff of the Arctic Research Commission, the National Science Foundation, Arctic residents, other interested members of the public, and scientists in and outside of government, have all made significant contributions in time, energy, and expertise far above and beyond their normal duties. We owe them all a special debt of gratitude. The result of their efforts is before us today: A comprehensive plan that will help us to chart our course as a true Arctic nation.●

## COMMITTEES TO HAVE UNTIL 7:30 P.M. TO FILE REPORTS

Mr. BYRD. Mr. President, I ask unanimous consent the committees have until 7:30 today to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDERS FOR TUESDAY

### ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business the Senate stand in adjournment until the hour of 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow the call of the calendar be waived and no motions or resolutions over, under the rule, come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

### MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders are recognized there be a period for morning business not to extend beyond 11:30, the Senators may speak therein up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

## NOMINATION OF ROBERT BORK TO BE SUPREME COURT JUSTICE

Mr. HUMPHREY. Mr. President, I wish to comment on some noteworthy positive developments regarding our forthcoming consideration of the Bork nomination.

Though the chairman of the Judiciary Committee continues to unreasonably delay the start of the hearings on Robert Bork, indeed the delay will by far surpass any previous delay in modern times for the consideration of a Supreme Court nomination, I am pleased to note nonetheless that several distinguished Members from the other side of the aisle—that is the side opposite from which I am now standing—have made commendable efforts to bring some fairness and reasonableness to bear on the consideration of the nomination.

The majority leader and the senior Senator from Arizona have cautioned their colleagues to avoid premature judgments and to objectively examine Judge Bork's professional qualifications, judicial temperament, and other relevant criteria.

Mr. President, Senators will recall the inflammatory and intemperate rhetoric heard on this floor on the very day the nomination was announced. We were told then that the addition of this distinguished American to the Supreme Court would somehow result in "blacks being forced to sit at segregated lunch counters, rogue police breaking down citizens' doors in midnight raids," for example.

Such demagoguery has no place in our deliberations on this critically important nomination. That is why I welcomed and commend the refreshing and responsible statements of the majority leader and the Senator from Arizona.

Let us have a fair and rational debate. It is not asking too much. Indeed, the American people expect it of us in deliberating the confirmation

of a candidate for so important an office.

I can think of no more relevant criterion for us to consider than the nominee's key performances as a judge on the U.S. Court of Appeals for the D.C. District Court over the past 5 years. That position, Mr. President, is literally as close as one can get to the Supreme Court in our Federal judicial system without being on the High Court itself.

Judge Bork has been a member of that court now for 5 years, unanimously confirmed by the Senate in 1982. And how he performed as a U.S. court of appeals judge unquestionably provides the best possible evidence of how he would perform on the Supreme Court.

His record on the court of appeals also provides the best evidence for evaluating the charges of those who, in my opinion, unfairly and unreasonably claim that Mr. Bork is an extremist whose views are outside the mainstream of responsible jurisprudence.

Judge Bork's actual record as a Federal judge not only refutes such charges beyond any dispute, but also demonstrates that he is one of the most qualified and responsible judges ever nominated to the Supreme Court.

On the D.C. Circuit Court of Appeals, Robert Bork has authored over 100 opinions for the majority. Not one of those opinions has been reversed by the Supreme Court. Not one.

Hardly the work of an extremist, Mr. President. In fact, although the losing party has petitioned the Supreme Court to review 13 of Bork's majority opinions, his opinions have been so well-grounded that the Court has not considered it necessary to review a single one of them. The fact that the losing parties decided not to seek review of Bork's 87 other majority opinions further reenforces the soundness of those rulings. The sounder the reasoning in an opinion, the less likely it is that lawyers will pursue an appeal.

Equally remarkable is the fact that the Supreme Court has not reversed any of the 400 majority opinions in which Judge Bork has joined; in concurrence, not as author.

He has authored 100, none of which has been overturned. He has taken part and participated and concurred in some 400, not one of which has been reversed.

These hard facts are the most eloquent and objective possible testimony to the soundness of Bork's judicial approach. A judge who endorses and applies legal views which are "extremist" or outside the judicial mainstream could not possibly compile such an extraordinary record of consistently sound rulings, which have been upheld by the Supreme Court.

These are not the only facts from Judge Bork's judicial record that refute the unfair and unreasonable charges which some have made against the nominee. Other objective data demonstrate the fallacy of claims that his judicial philosophy places him on the "outer fringes" of responsible judicial decisionmaking.

Bork has voted with the majority of the D.C. circuit in 94 percent of the cases he has heard during his tenure there. Yet the D.C. Circuit Court had 7 Democratic appointees out of 10 members when he joined it, and presently has 5 Democratic appointees out of 10 members. This court includes some of the most prominent liberal jurists in the Nation, including Chief Judge Patricia Wald and Judge Abner Mikva.

Interestingly, when Supreme Court Justice Antonin Scalia sat on the D.C. Circuit Court with Judge Bork, Scalia and Bork voted the same in 84 out of the 86 cases—more than 98 percent—in which they both participated. More similar voting records would be difficult to find among any pair of judges. Are Bork's critics prepared to call Scalia an extremist as well? Are Senators prepared to admit they voted to confirm to the Supreme Court an extremist in the person of Antonin Scalia with whom Judge Bork voted 98 percent of the time? Justice Scalia was confirmed by a vote of 98 to 0 one year ago.

Where, then, is the basis for harshly condemning a nominee whose judicial record is virtually identical to that of another nominee who was unanimously confirmed less than a year ago? I suggest that the question provides its own answer—none!

The chairman of the Judiciary Committee was candid enough to concede last fall that if Judge Bork were nominated and "looked a lot like Scalia," then the chairman would "have to vote for him," despite the expected attacks from the special interest groups.

Well, Judge Bork does "look a lot like Scalia," at least from the standpoint of their voting records as appeals court judges. That is the point of the remarks I am delivering tonight. A 98-percent rate of agreement in voting record could hardly be more alike. And that is the standpoint that should count when we are considering a nomination for the highest appeals court in the land. Or maybe we misunderstood the distinguished Senator from Delaware when he used the phrase "looks a lot like Scalia." Maybe the Senator meant facial appearance. Maybe he favors jurists who are clean-shaven. Could that have been it? In that case, we must get Bork to shave off his beard, and then the Senator from Delaware no doubt will be prepared to support him.

The anti-Bork campaign being waged by certain special interest groups in connection with Presidential campaigning is an ill-disguised attempt to divert this confirmation process from its proper and legitimate task. We should be deciding whether Judge Bork, like Justice Scalia, has the qualifications, the judicial record, and the integrity befitting a Supreme Court Justice. Unless our hearings reveal some serious impropriety or flaw undetected by the prior hearings and microscopic examinations of Robert Bork's personal and public record, it is quite clear that he meets those tests.

Mr. President, like others, including many Senators on the Democratic side, I urge my colleagues to keep their focus on these relevant and legitimate considerations. We should not and cannot allow this important process to be dominated, distorted, by inflammatory assaults designed to turn our confirmation process into some element of the Presidential campaign by certain Members.

If each of us on both sides of the aisle listens to the wise admonitions of the majority leader and the Senator from Arizona, we will at least get off to a good start.

Mr. President, likewise, in connection with the Bork nomination, I ask unanimous consent to place in the Record an editorial on that subject printed in the Fosters's Daily Democrat, Dover, NH, on July 30, 1987.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Dover (NH) Foster's Daily Democrat, July 30, 1987]

### THE BORK BROUHAHA

#### OPPOSITION TAINTED BY OPPORTUNISM

Critics of U.S. Court of Appeals Justice Robert H. Bork base their opposition to his nomination to the U.S. Supreme Court on two fundamental arguments—one weak and the other illogical.

First, opponents contend Supreme Court nominees have historically been judged on their political ideology, not only their scholarly qualifications. Bork is brilliant, they admit, but he's too right-wing.

Historically, they are only partially right. Yes, about 20 percent of all presidential appointments to the high court have been rejected by the Senate—many of those for reasons rooted in politics. But that means an overwhelming majority, 80 percent, have been approved.

A credible case can be made that the Senate's constitutional charge to advise on and approve presidential appointments to federal courts provides for a role more aggresive than simply validating a nominee's sound morals and high intelligence. Supreme Court justices serve for life—all the more reason an appointee should be subjected to the same spirit of checks and balances that characterizes other conflicts between the executive and legislative branches of government.

However, history also shows the Senate generally gives presidents the benefit of the doubt—as the 80 percent approval rating attests. Even when the Senate does not agree with a court nominee's opinions, it tends to discount political differences and accedes to presidential prerogative.

The Bork nomination has crossed the bounds of legitimate ideological debate. it has become a tawdry partisan show trial tainted by the special interest politics of presidential campaigning. On issues relating to the Supreme Court, differences of opinion should be debated with an eye on civility and reason—a fact lost on Sen. Edward Kennedy and presidential hopeful Sen. Joseph Biden. who is chairman of the Senate's Judiciary Committee.

Kennedy recently made Bork out to be less humane than Adolf Hitler and Biden pledged to fight the nomination after first saying eight months ago that Bork was such an excellent judge he would vote to confirm Bork if he were nominated.

The Senate was never intended to be a rubber stamp for Supreme Court nominations, but neither was it meant to conduct confirmation proceedings as a kangaroo court. The rhetoric from the left leans to the latter.

The argument absent of logic is the one that says at another time Bork would be acceptable, but because he might become a swing vote on the conservative side, he must be rejected to maintain political "balance" on the court. Those making that claim never complained about the lack of "balance" during the heyday of the Warren Court. They showed no constitutional consternation when liberal rulings overturned established conservative decisions. Now that liberal sacred ground is threatened, suddenly the notion of "balance" is in vogue. Balance is relative. If anything, a more conservative court is needed in the 1990s to "balance" the liberal court of the 1960s and 1970s.

The big point the liberals are missing is that Bork is simply not the ogre they make him out to be. His writings are controversial, but actions speak louder than words. During Bork's tenure on the U.S. Court of Appeals for the District of Columbia, not one of his decisions has been overruled by the Supreme Court on appeal.

Furthermore, Bork is a devout follower of judicial restraint; he favors judicial intervention only when absolutely necessary. He is more likely to vote to maintain the status quo than incite a conservative counterrevolution.

When the political hysteria and opportunism is stripped away, what remains is a Supreme Court nominee with outstanding qualifications whose ideology has been unfairly distorted. Bork deserves to be confirmed.

Mr. HUMPHREY. Mr. President, I would just note that the editorial is titled "The Bork Brouhaha" and the subtitle is "Opposition Tainted by Opportunism." The editorial takes the opponents of Judge Bork to task for unfairness, unreasonable conduct and irresponsible charges against the nominee.

Inasmuch as some Members of the Senate are campaigning for the Presidency, I thought they might like to read this editorial from one of the important papers in New Hampshire, a State which everyone knows has the first Presidential primary.

Mr. President, I yield the floor.

## ADJOURNMENT UNTIL TOMORROW AT 11 A.M.

Mr. BYRD. Mr. President, if there be no further business, I move, in accordance with the order previously entered that the Senate stand in adjournment until the hour of 11 o'clock tomorrow morning.

The motion was agreed to and the Senate, at 6:37 p.m., adjourned until Tuesday, August 4, 1987, at 11 a.m.

## NOMINATIONS

Executive nomination received by the Senate August 3, 1987:

### Department of Justice

Samuel A. Alito, Jr., of New Jersey, to be U.S. attorney for the district of New Jersey for the term of 4 years, vice W. Hunt Dumont, resigned.

## CONFIRMATION

Executive nomination confirmed by the Senate August 3, 1987:

### Federal Reserve System

Alan Greenspan, of New York, to be a Member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1978.

Alan Greenspan, of New York, to be Chairman of the Board of Governors of the Federal Reserve System for a term of 4 years.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

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# HOUSE OF REPRESENTATIVES—*Monday, August 3, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, as we go about in our own space and time doing the things we feel important and necessary, may we never cease to hear Your voice calling us to live above the ordinary and routine necessities of life. May we never be content with the evils that so often affect our actions and thoughts, but may we be transformed by the renewing of our minds to see again the vision of a new and brighter day, where people live together in peace and share in a community of truth and of trust, one with another. This we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill and joint resolution of the House of the following titles:

H.R. 1403. An act to designate the U.S. Post Office building located in St. Charles, IL, as the "John E. Grotberg Post Office Building "; and

H.J. Res. 324. Joint resolution increasing the statutory limit on the public debt.

The message also announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 324) entitled "Joint resolution increasing the statutory limit on the public debt," and requests a conference with the House on the disagreeing votes of two Houses thereon and appoints Mr. Bentsen, Mr. Moynihan, Mr. Matsunaga, Mr. Chiles, Mr. Hollings, Mr. Levin, Mr. Packwood, Mr. Dole, Mr. Armstrong, Mr. Domenici, and Mr. Gramm to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 970. An act to authorize a research program for the modification of plants and plant materials, focusing on the development and production of new marketable industrial and commercial products, and for other purposes; and

S. Con. Res. 29. Concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

## CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar.

The Clerk will call the first eligible bill on the Consent Calendar.

## PROVIDING THAT CERTAIN LANDS SHALL BE IN TRUST FOR THE PECHANGA BAND OF LUISENO MISSION INDIANS OF THE PECHANGA RESERVATION, CALIFORNIA

The Clerk called the bill (H.R. 2615) to provide that certain lands shall be in trust for the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California.

There being no objection, the Clerk read the bill as follows:

H.R. 2615

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. CERTAIN LANDS HELD IN TRUST FOR PECHANGA BAND.

All right, title, and interest of the United States in and to the land acquired by the deed dated March 11, 1907, pursuant to the Act of June 21, 1906 (34 Stat. 333), is hereby declared to be held in trust by the United States for the use and benefit of the Pechanga Band of Luiseno Mission Indians of California. Such land is hereby declared to be part of the Pechanga Indian Reservation.

SEC. 2. PUBLICATION OF LAND DESCRIPTION.

The Secretary of the Interior shall publish in the Federal Register the description of the land referred to in section 1.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## MAKING MISCELLANEOUS TECHNICAL AND MINOR AMENDMENTS TO LAWS RELATING TO INDIANS

The Clerk called the bill (H.R. 2937) to make miscellaneous technical and minor amendments to laws relating to Indians, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 2937

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act of June 25, 1910 (36 Stat. 856) as amended, is further amended by deleting the phrase "the age of twenty-one years, *or over*" and inserting, in lieu thereof, the phrase "the age of eighteen years or older".

Sec. 2. (a) The Act of September 14, 1961 (75 Stat. 500) is amended by—

(1) deleting the phrase "Section 5, lots 7 and 8;" in section 1, and

(2) inserting the phrase "Section 5, lots 7 and 8;" after the phrase "Township 15 north, range 3 east:" in section 2.

(b) Subsection (e) of section 2 of the Act of October 28, 1986 (100 Stat. 3243) is hereby repealed.

Sec. 3 Section 1 of the Act of October 19, 1973 (87 Stat. 466) is amended by—

(1) inserting "(a)" before the word "That";

(2) deleting the phrase "any interest earned thereon" and inserting, in lieu thereof, the phrase "any investment income earned thereon"; and

(3) adding the following new subsections—

"(b) Except as provided in the Act of September 22, 1961 (75 Stat. 584), amounts which the Secretary of the Interior has remaining after implementation of either a plan under this Act, or another Act enacted heretofore or hereafter providing for the use or distribution of amounts awarded in satisfaction of a judgment in favor of an Indian tribe or tribes, together with any investment income earned thereon and after payment of attorney fees and litigation expenses, shall be held in trust by the Secretary for the tribe or tribes involved if the plan or Act does not otherwise provide for the use of such amounts.

"(c) This Act may be cited as the 'Indian Tribal Judgment Funds Use or Distribution Act'.".

Sec. 4. Paragraph (2) of section 2 of the Old Age Assistance Claims Settlement Act (98 Stat. 2317) is amended by inserting a colon after the phrase "trust property" and the following proviso—

"*Provided*, That, except for purposes of section 4, the term also includes the reimbursements for welfare payments identified in either the list published on April 17, 1985, at page 15290 of volume 50 of the Federal Register, as modified or amended on November 13, 1985, at page 46835 of volume 50 of the Federal Register, or the list published on March 31, 1983, at page 13698 of volume 48 of the Federal Register, as modified or amended on November 7. 1983, at page 51204 of volume 48 of the Federal Register".

Sec. 5. (a) Paragraph (1) of section 3 of the White Earth Reservation Land Settlement Act of 1985 (100 Stat. 61, 62) is amended to read as follows—

"(1) 'Heir' means a person who received or was entitled to receive an allotment or interest as a result of testate or intestate succession under applicable Federal or Minnesota law, or one who is determined under section 9, by the application of the inheritance laws of Minnesota in effect on March 26, 1986, to be entitled to receive compensation payable under section 8.".

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(b) Subsection (b) of section 5 of the White Earth Reservation Land Settlement Act is amended to read as follows—

"(b) The 'proper county recording officer', as that term is used in subsection (a) of this section, shall be a county recorder, registrar of titles, or probate court in Becker, Clearwater, or Mahnomen Counties, Minnesota.".

SEC. 6. The Secretary of the Interior shall calculate and certify to the Secretary of the Treasury for payment to Cook Inlet Region, Inc., pursuant to section 2 (a) and (e) of Public Law 94-204 (89 Stat. 1146), as amended by section 1411 of Public Law 96-487 (94 Stat. 2497) and section 22 of Public Law 99-396 (100 Stat. 846), a final determination of interest on funds withheld from revenues owed to Cook Inlet Region, Inc. under section 14(g) of the Alaska Native Claims Settlement Act, 43 U.S.C. 1613(g), and paid to the Treasury as windfall profits taxes on oil production from the Swanson River and Beaver Creek units in Alaska of which Cook Inlet Region, Inc. may be regarded as a producer under 26 U.S.C. 4996(a)(1), as though such funds had been withheld before conveyance to Cook Inlet Region, Inc. of interests in leases within those units. Such interest shall be calculated and paid for the period from the dates on which such funds otherwise would have been paid to Cook Inlet Region, Inc. to the date of refund of the principal amounts withheld.

With the following committee amendments:

Page 2, line 1, before the quotation marks, insert a comma and the words "or over".

Page 4, after line 11, insert the following:

SEC. 6. The Secretary of the Interior shall calculate and certify to the Secretary of the Treasury for payment to Cook Inlet Region, Inc., pursuant to section 2 (a) and (e) of P.L. 94-204 (89 Stat. 1146), as amended by section 1411 of P.L. 96-487 (94 Stat. 2497) and section 22 of P.L. 99-396 (100 Stat. 846), a final determination of interest on funds withheld from revenues owed to Cook Inlet Region, Inc. under section 14(g) of the Alaska Native Claims Settlement Act, 43 U.S.C. 1613(g), and paid to the Treasury as windfall profits taxes on oil production from the Swanson River and Beaver Creek units in Alaska of which Cook Inlet Region, Inc. may be regarded as a producer under 26 U.S.C. 4996(a)(1), as though such funds had been withheld before conveyance to Cook Inlet Region, Inc. of interests in leases within those units. Such interest shall be calculated and paid for the period from the dates on which such funds otherwise would have been paid to Cook Inlet Region, Inc. to the date of refund of the principal amounts withheld.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of eligible bills on the Consent Calendar.

## THE DEATH OF BILLY GRIEGO

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, this week in Santa Fe a good friend of mine, Billy Griego, died of AIDS. He was a beautiful person, kind, committed and with a social conscience.

I mention this for two reasons. First, because I have become another statistic, an individual in this country who knows someone that died of AIDS. Second, because the death of Billy Griego, an Hispanic, is another statistic in itself, the growing number of minorities afflicted with this deadly disease.

According to reliable data, the number of AIDS victims is twice, among minorities, than in whites.

Mr. Speaker, since Billy's death I have become more conscious of AIDS because it hit home and that is a problem. Many of us in this country will not react unless it affects us personally.

Let us all, government and private citizens, work together to fight this deadly disease before it touches us personally.

It will, unless we act.

## REVIEW OF A LETTER

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BARTON of Texas. Mr. Speaker, each session of Congress, thousands of issues are considered. On many of those issues, the stakes are high. To ensure fair and honest debate, the House has a rigorous set of rules and procedures to follow. This is good.

Sometimes, in presenting their side on an issue, or in trying to build support for their position, Members violate these rules.

Mr. Speaker, I insert into today's RECORD an official letter of a subcommittee of one of the standing committee's of this House. I ask you and my colleagues to review this letter, and ask yourself these questions:

First. Why was it sent on subcommittee stationery instead of the Member's personal stationery?

Second. Why did few, if any, of the subcommittee members know of its transmittal?

Third. Is this letter a violation of the Rules of the House and an abuse of congressional power?

Fourth. What action should the House take to answer the serious questions raised by this letter?

The letter follows:

SUBCOMMITTEE ON
TELECOMMUNICATIONS AND FINANCE,
*Washington, DC, July 24, 1987.*

Mr. GEORGE L. BALL,
*Chairman and Chief Executive Officer, Prudential-Bache Securities, New York, NY.*

DEAR MR. BALL: On July 21, 1987, Barry M. Abramson, C.F.A., vice president and Margaret D. Jones, C.F.A., vice president, of your firm responded in writing to an inquiry from Congressman Carlos J. Moorhead concerning the possible impact on the financial markets of my amendment on emergency planning for two nuclear powerplants.

In their letter, Mr. Abramson and Ms. Jones make the assertion that my amendment would lead to a $100 billion loss to the financial markets: "We would conservatively estimate that a greater than $100 billion reaction in the financial markets could occur to reflect the potential loss of value of these assets." Mr. Abramson and Ms. Jones then go on to conjecture that my amendment could trigger future brownouts and utility costs which could amount to "upwards of $200 billion." The text of their letter, as reprinted in the Congressional Record, is enclosed for your review.

As Chairman of the Subcommittee on Telecommunications and Finance, I found this letter surprising and potentially disturbing for a number of reasons: (1) the presence of factual inaccuracies pertaining to the substance of the amendment; (2) the lack of clarity as to the legal and financial assumptions underlying the opinions expressed in the letter; and (3) the appropriateness of Prudential-Bache politicizing official financial research opinions. The letter raises serious questions about the nature and adequacy of the advice provided to your customers, the extent to which this letter need be relied upon by Prudential-Bache in recommendations to your clients, and the reasonableness and prudence of the judgments supporting the opinions expressed in the letter.

In order to establish whether your analysts' letter is in accordance with recommendations which you are making to your clients and therefore not calling into question the anti-fraud provisions of the Federal securities law, I expect that you will supply the Subcommittee on Telecommunications and Finance with the following materials no later than the close of business, Tuesday, July 28, 1987:

(1) Provide all legal opinions, analysis, information, documents memoranda, or notes prepared or relied upon by Prudential-Bache in assessing the impact of the Markey amendment.

(2) When did Prudential-Bache commence and end its analysis concering the Markey amendment?

(3) When did Prudential-Bache receive Cong. Moorhead's inquiry concerning the amendment? Please provide a copy of Mr. Moorhead's inquiry. Identify all Prudential-Bache employees involved in the handling of Mr. Moorhead's inquiry and describe what their respective roles were.

(4) If in fact the July 21, 1987 opinion is the official position of Prudential-Bache, has your company issued or changed any recommendation regarding the purchase or sale of any security, including nuclear utility securities to its customers? If not, why not? Provide all research analysis, as well as all written materials circulated to sales staff or to clients regarding recommendations to buy or sell nuclear utility securities from January 1, 1987 to the present.

(5) Explain in detail how the analysis contained in your letter of July 21, 1987, impacts your decision to recommend the purchase or sale of nuclear utility securities.

(6) Will Prudential-Bache recommend selling and not buying nuclear utility securities if the Markey amendment passes?

We would hope that after careful review of all of the circumstances surrounding the issuance of the July 21, 1987 letter Prudential-Bache would disavow the opinions expressed therein and withdraw the letter.

If you have any questions concerning this request do not hesitate to contact Mr. Lawrence R. Sidman, staff director and chief counsel of the Subcommittee at (202) 226-2424.

Sincerely,

EDWARD J. MARKEY,
*Chairman.*

## FAKE FASTENERS

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, fake industrial fasteners—bolts, nuts and screws—pose an invisible threat to our Nation's security and costing the U.S. 30,000 jobs. Millions of the 7 billion large bolts and screws used every year in the U.S. in airplanes, nuclear powerplants, bridges, highrise buildings, and defense machinery fail to meet necessary standards. Fake bolts were even found in the space shuttle program's ground support system.

When used improperly, bolts and screws can fail, causing equipment breakdown, injuries and deaths. No one knows exactly how many substandard bolts have been installed throughout the country. But surveys of defense contractor inventories have found counterfeit levels as high as 50 percent. One defense procurement office bought over 10 million counterfeits of a particular bolt in just 2 years.

The root of the problem are foreign manufacturers who have flooded the U.S. market with cheap counterfeit and mismarked bolts, apparently at the request of American importers. Our domestic industry has been almost wiped out, thanks to the failure of the Commerce Department and the International Trade Commission to recognize the importance of the fastener industry to our national defense.

Indeed, the Government has been slow to respond to this threat. In 1981, the Nuclear Regulatory Commission reported more bolt failures at nuclear powerplants than had been reported since 1964; yet NRC took no action to correct the problem. And in 1986, NRC inspection reports found that low-strength bolts are randomly used in nuclear powerplants in applications requiring high-strength bolts. Still, the NRC remains a silent regulator on this issue. The consequences of equipment failure at nuclear powerplants would be devastating; yet, the NRC and the nuclear industry are playing Russian roulette with safety.

As late as June 9 of this year, the Commerce Department issued an economic assessment of the domestic fastener industry which completely ignored the widespread problem of mismarked foreign bolts.

Instead of burying its head in the sand and hoping the problem won't be noticed, the Government needs to act. The Energy and Commerce Committee, under the leadership of Chairman DINGELL, is conducting an investigation and holding hearings to determine the extent of the problem and possible solutions. At a minimum, we must stop the flow of fraudulent bolt imports, purge civilian and defense inventories, and devise a system to ensure we don't simply replace bad with worse.

## GETTING OUR NUCLEAR WASTE DISPOSAL PROGRAM BACK ON TRACK

(Mr. MORRISON of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON of Washington. Mr. Speaker, today I am introducing legislation that will provide the direction that is so necessary if we are to get our Nuclear Waste Disposal Program back on track.

This bill would temporarily halt the selection process for a geologic repository and establish a system for selecting at least four regional, above ground storage facilities for the packaging and storage of our spent nuclear fuel and high-level radioactive waste.

The current disposal program, mandated under the Nuclear Waste Policy Act, is simply not working as envisioned by Congress. Rather than place the blame, I am offering an alternative specifically designed to fit in with legislation recently introduced by Congressman UDALL, the Nuclear Waste Policy Commission Act of 1987. While the Udall bill calls for a Commission to review the Geologic Disposal Program, this legislation would ensure safe but rapidly available temporary storage. Under this combination we can guarantee safe storage and eventually permanent disposal for spent fuel and high level radioactive waste. An added advantage to this approach is the easy access an above ground storage facility would provide should this Nation decide to process and use this valuable resource.

This is how the legislation would work. The bill requires the Department of Energy to establish criteria for the selection of these facilities in conjunction with the Environmental Protection Agency and the Nuclear Regulatory Commission. The DOE then has latitude to select at least four sites that meet this criteria. The criteria require the DOE to meet existing environmental laws; consider any possible adverse effects on the local communities; and minimize transportation and handling of radioactive waste. The DOE would also be required to consider the use of existing Federal facilities during the site selection process. State and Indian tribes would retain the veto power and the financial assistance provisions of the existing Nuclear Waste Policy Act. The legislation also encourages the storage of wastes near the area of generation, thus reducing transportation and forcing regions to take more responsibility for the waste they generate.

I am concerned that the current implementation of the Geologic Disposal Program is simply not meeting the needs of the expectations of a public that depends on nuclear energy for 18 percent of their electrical energy. The establishment of regional storage facilities can provide assurances that nuclear waste can be properly disposed of while giving Congress and the public more time to determine if the geologic disposal option mandated under the Nuclear Waste Policy Act is the best approach for long-term disposal of these materials.

### SECTION-BY-SECTION ANALYSIS—REGIONAL MONITORED RETRIEVABLE STORAGE ACT, HON. SID MORRISON, AUGUST 3, 1987

#### SECTION 1

Titles the bill the "Regional Monitored Retrievable Storage Act." Offers an explanation of the need for the legislation.

#### SECTION 2

Suspends site specific activities of the geologic repository program and the single MRS program. Activities could not resume until reauthorized by Congress.

#### SECTION 3

Authorizes the Secretary of Energy to develop and construct at least four regional monitored retrievable storage facilities, one in each of four designated regions of the country. Establishes criteria for the design of the facilities which include a 15,000 metric ton capacity and a 50 year minimum life. Establishes site selection criteria which must consider environmental concerns, minimization of transportation, and use of existing federal facilities. Precludes the construction of a geologic repository in a state that hosts an MRS. Encourages the storage of radioactive waste within the region where it is generated. Provides authorization for financial assistance to affected states and Indian tribes. Allows affected states and Indian tribes veto power as prescribed in the Nuclear Waste Policy Act of 1982.

#### SECTION 4

Accelerates a program of research and development of alternatives for permanent disposal of spent fuel and radioactive wastes. Establishes a university-based consortium to investigate the feasibility of subseabed disposal. Authorizes funding for the subseabed disposal program.

#### SECTION 5.

Provides authority for states to regulate transportation of radioactive materials through permitting, driver training and use restrictions.

## THE PEOPLE OF NICARAGUA DID NOT CHOOSE COMMUNISM

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, as the Iran-Contra hearings wind down, the Congress should be mindful that the American people now understand that the President's Contra aid request is the best and only hope for a democratic solution in Nicaragua.

Unfortunately, when it comes to supporting democracy in Nicaragua the knee-jerk reaction of many Democrats in Congress has been, "just say no!".

Why have these Democrats turned their back on their own heritage? In 1940 President Franklin Roosevelt said, "the people of other nations have the right to choose their own form of government. But we in this Nation believe that such a choice should be predicated on certain freedoms which we think are essential everywhere."

The people of Nicaragua did not choose communism!!!

And reflect on the second part of F.D.R.'s statement, "We in this Nation believe that such a choice should be predicated on certain freedoms which we believe are essential everywhere.

F.D.R. was talking about the right to assemble, the freedom of the press and the right to vote in free and fair elections. These are the freedoms which the Contras are willing to fight and die for.

Lt. Col. Oliver North of the U.S. Marine Corps is right and the American people know he is right! They know it because they share a heritage with the democratic resistance, the Contras, in their fight for freedom and democracy.

The Congress must support the President's request to fund the democratic resistance in Nicaragua.

## INTRODUCTION OF LEGISLATION TO REHIRE 1,000 AIR TRAFFIC CONTROLLERS

(Mr. MOLINARI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLINARI. Mr. Speaker, today marks the sixth anniversary of the PATCO strike. On August 3, 1981, 11,400 controllers walked out on an illegal strike. The President rightly fired them. At that time, the Federal Aviation Administration promised the flying public that the air traffic control system would be rebuilt within 2½ years. Today, 6 years since the strike and 3½ years after the predicted recovery date, we are still far from recovered.

The public knows it and the safety indicators show that the system is in a crisis. Pilot reported near midair collisions, for example, have increased 30 percent in the first half of 1987. Today we have 3,500 fewer experienced controllers than before the strike. We desperately need experience in our control facilities.

It is time to put aside the unaltered opposition to the selective rehiring of some of the fired controllers. I have introduced legislation, H.R. 378, to rehire 1,000 of the fired controllers over the next 2 fiscal years. The bill currently has 171 cosponsors. After 6 years and for sake of safety and safety alone, I appeal to my colleagues and the administration to support my legislation.

## FEDERAL TAXPAYERS' RIGHT-TO-KNOW ACT

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, while preparing my Michigan tax return earlier this year I noticed that Michigan puts two pie charts on its tax instruction booklet. One illustrates the source of State revenues and one indicates how those tax dollars are actually spent.

It occurred to me that the Federal Government should provide taxpayers with the same information.

As a consequence, I recently introduced the Federal Taxpayers' Right-To-Know Act. This bill would require the IRS to provide two pie charts on the cover of its tax instruction booklet, one which illustrates the source of Federal revenues and another which indicates how these Federal tax dollars are spent.

I believe that the simple step contained in this bill would encourage greater public interest, and greater understanding of issues related to Federal revenues and expenditures and budgeting. Providing taxpayers with this information will, in my view, encourage more informed public debate on federal budget policy that will hopefully contribute to the national consensus necessary to bring the deficit crisis under control.

I would encourage my colleagues to consider their cosponsorship of this legislation.

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## PROPOSED LEGISLATION WOULD SET LIMITS FOR CONTINUED REFLAGGING OF KUWAITI SHIPS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the Persian Gulf is like a time bomb ticking down to a crisis. Recently our allies, France and England, have decided that they will not send minesweepers to the gulf because, in their words, they do not want to intensify a possible conflict.

In fact, France will not help. England will not help, and not even Kuwait will help or cooperate even though it is their oil we are protecting. In fact, what they say, Mr. Speaker, is, if this thing is going to blow up, let it blow up in the face of America. They are saying, "Let American taxpayers pay. Let Americans take the risks and possibly die. Don't endanger ourselves."

Mr. Speaker, the bottom line is that I think it is time America stop this joy ride, this free ride, all over the planet. They should pay their own way. H.R. 3039, which I have introduced, has 70 cosponsors already, and it basically says this: If Kuwait will not let our minesweeping helicopters land on their property and give us the assistance we need to protect the lives of our troops, then we will take our flags off their tankers. I think it is time that Congress starts to act responsibly. The joy ride is over.

## TODAY'S AGENDA INCLUDES LEGISLATION TO IMPROVE VETERANS' HOUSING PROGRAMS

(Mr. BROOKS asked and was given permission to address the House 1 minute and to revise and extend his remarks.)

Mr. BROOKS. Mr. Speaker, I rise in support of H.R. 2672. It is a good bill and will provide much needed assistance to the veterans who are so deserving. It was put together by the hard work, dedication, and diligence of the Housing and Memorial Affairs Subcommittee under the leadership of the gentlewoman from Ohio, Chairwoman Marcy Kaptur and under the general directorship of the gentleman from Mississippi, General Sonny Montgomery.

I would like to call to the House's attention one example of her hard work. Last Friday, Ms. Kaptur took her subcommittee to Houston to review the administration of the VA's Home Loan Guaranty Program there. Testimony at this hearing confirmed that major deficiencies exist in the VA's policies and procedures in providing for the veterans' housing needs in southeast Texas.

H.R. 2672 which we are considering today will bring much needed improvement to the VA's Housing Program. However it is up to the administration to address many of the managerial deficiencies that exist in southeast Texas.

I urge my colleagues to support H.R. 2672.

## WHAT THE HECK IS GOING ON IN THE PERSIAN GULF?

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, last week on this floor I addressed the House and I asked the President as Commander in Chief, "What the heck is going on?" We have a $300 billion

defense budget, a 600-ship Navy, and yet some World War II vintage mines supposedly placed by the Iranians were able to stop our convoy so that the United States was in the unfortunate position of having its up-to-date destroyers and frigates have to hide behind the tanker *Bridgeton*. Well, a day later Robert Sims at the Pentagon got up and said that some of us here in Congress did not understand defense policy because the mines were placed where we did not think they would be.

Well, I can say to Mr. Sims that you do not have to be a military genius to realize that the Iranians would place the mines where we thought they would not, and if you were sitting down and thinking about naval policy 6 months ago and you were asked, what is an area we should prepare for, it would be the closure of the Persian Gulf, one of the most vital waterways in the free world.

A picture is equal to a thousand words, Mr. Speaker, and this Herblock cartoon in the Washington Post I think, sums it up well. It shows the United States shouldering supercarriers, nuclear missiles, a 600-ship Navy, superplanes, and it stubs its toe on a World War II mine. The title is "Oops."

Mr. Speaker, we have to straighten out our defense budget and get those priorities set, and until then we ask, "Mr. President, as Commander in Chief, what the heck is going on?"

## COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. Leath of Texas) laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC, *July 31, 1987.*

Hon. Jim Wright,
*The Speaker, House of Representatives, Washington DC.*

Dear Mr. Speaker: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 5:31 p.m. on Friday, July 31, 1987 and said to contain a message from the President whereby he transmits the United States Arctic Research Plan pursuant to Section 109 of P.L. 98-373.

With great respect, I am,
Sincerely yours,
Donnald K. Anderson,
*Clerk, House of Representatives.*

## U.S. ARCTIC RESEARCH PLAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science, Space, and Technology:

(For message, see proceedings of the Senate of Friday, July 31, 1987, at page S11056.)

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken at the conclusion of legislative business today.

## VETERANS' HOUSING REHABILITATION AND PROGRAM IMPROVEMENT ACT OF 1987

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2672) to amend title 38, United States Code, for the purpose of improving veterans' housing programs, as amended.

The Clerk read as follows:

H.R. 2672

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### *SECTION 1. SHORT TITLE; REFERENCE.*

*(a) Short Title.—This Act may be cited as the "Veterans' Housing Rehabilitation and Program Improvement Act of 1987".*

*(b) Reference.—Whenever in this Act an amendment, repeal, redesignation, or transfer is expressed in terms of an amendment to, or repeal, redesignation, or transfer of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code, unless otherwise specified.*

#### *SEC. 2. SENSE OF CONGRESS REGARDING SALE OF CERTAIN LOANS.*

*(a) Findings.—The Congress finds that—*

*(1) a recent change in accounting procedures proposed by the Office of Management and Budget and concurred in by the Congressional Budget Office with regard to accounting for the proceeds of loans sold with recourse by an agency of the Federal Government has had a significant effect and seriously limited the policymaking function of the Congress;*

*(2) this change was accepted by the Congressional Budget Office without consultation with committees affected by such change; and*

*(3) further, continued efforts to achieve short-term savings in the Veterans' Administration loan guaranty revolving fund are compromising the Administrator of Veterans' Affairs' ability to manage soundly the financing of the Veterans' Administration housing loan guaranty program, thereby jeopardizing the future of this very successful program.*

*(b) Sense of Congress.—It is therefore the sense of the Congress—*

*(1) that the Congressional Budget Office should reverse its decision on accounting for loans sold with recourse by the Veterans' Administration; and*

*(2) that, consistent with section 7 of the concurrent resolution on the budget for fiscal year 1988, any change in the assets sales policy of the Veterans' Administration should not be considered in future budget resolutions as a means of achieving deficit reduction.*

#### *SEC. 3. LOAN ORIGINATION FEE.*

*(a) Extension.—Section 1829(c) is amended by striking out "1987" and inserting in lieu thereof "1989".*

*(b) Waiver.—Section 1829(b) is amended by striking out "described in section 1801(b)(2) of this title" and inserting in lieu thereof "of any veteran (including a person who died in the active military, naval, or air service) who died from a service-connected disability".*

#### *SEC. 4. GUARANTY AMOUNT.*

*(a) Purchase or Construction of Homes.—(1) Section 1803(a)(1) is amended by striking out "in an amount" and all that follows and inserting in lieu thereof the following: "in an amount not to exceed—*

*"(A) 40 percent of the loan, or $40,000, whichever is less, reduced by*

*"(B) the amount of entitlement previously used by the veteran under this chapter and not restored as a result of the exclusion in section 1802(b) of this title."*

*(2) Section 1810(c) is repealed.*

*(b) Manufactured Homes.—Section 1819(c) is amended—*

*(1) in paragraph (3), by striking out the first sentence and inserting in lieu thereof the following: "The Administrator's guaranty may not exceed—*

*"(A) 30 percent of the loan, or $20,000, whichever is less, reduced by*

*"(B) the amount of entitlement previously used by the veteran under this chapter and not restored as a result of the exclusion in section 1802(b) of this title."; and*

*(2) by striking out paragraph (4).*

*(c) Direct Loans.—Section 1811 (d)(2)(A) is amended by striking out "$27,500" each place it appears and inserting in lieu thereof "$40,000".*

#### *SEC. 5. ASSISTANCE PROVIDED IN DEFAULT.*

*Section 1816(a) is amended by adding at the end the following new paragraph:*

*"(4) Upon receipt of a notice pursuant to paragraph (1) of this subsection, the Administrator shall, through the appropriate local office of the Veterans' Administration, contact the veteran concerned for the purpose of providing the veteran with information about—*

*"(A) alternatives to foreclosure, including possible methods of curing the default such as (i) conveying the property to the Administrator, or (ii) utilizing the methods authorized by sections 1832(a)(2) and 1813 of this chapter; and*

*"(B) in the case of foreclosure, the—*

*"(i) Veterans' Administration and the veteran's liability with respect to the loan; and*

*"(ii) methods of reducing the veteran's liability to the Veterans' Administration,*

*unless the Administrator has received satisfactory assurances that the lender had adequately advised the veteran with respect to such matters. The Administrator shall, to the extent of the availability of appropriations, take such steps as are necessary to assure that sufficient personnel are available to effectively and efficiently administer this paragraph.".*

#### *SEC. 6. ACTIONS WITH RESPECT TO DEFAULTED LOANS.*

*(a) Determination of Total Indebtedness.—Section 1816(c) is amended—*

*(1) in paragraph (1)(D), by striking out "The" and inserting in lieu thereof "Except*

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as provided by paragraph (10)(B) of this subsection, the";

(2) in clause (ii) of paragraph (1)(D), by striking out "of the liquidation sale" and all that follows in such clause and inserting in lieu thereof the following: "applicable under paragraph (10)(A) of this subsection, and"; and

(3) by adding at the end the following new paragraph:

"(10)(A) The date referred to in paragraph (1)(D)(ii) of this subsection shall be—

"(i) the date of the liquidation sale of the property securing the loan;

"(ii) in any case in which there is a delay in such sale beyond a reasonable period of time caused by the holder of such loan, such earlier date as the Administrator may specify pursuant to regulations prescribed by the Administrator to implement this subsection; or

"(iii) in any case in which there is a delay in such sale beyond a reasonable period of time caused by—

"(I) the Veterans' Administration;

"(II) a voluntary case commenced under title 11, United States Code (relating to bankruptcy); or

"(III) the holder of the loan exercising forbearance at the request of the Administrator, such earlier date which the Administrator shall specify pursuant to such regulations.

"(B) For the purpose of determining the liability of the United States under a loan guaranty under clause (B) of paragraphs (5), (6), (7), and (8) of this subsection, the amount of the total indebtedness with respect to such loan guaranty shall include, in any case where there was a delay beyond a reasonable period of time caused by the Veterans' Administration in the liquidation sale of the property securing such loan, any interest which had accrued as of the date of such sale and which would not be included, except for this subparagraph, in the calculation of such total indebtedness as a result of the specification of an earlier date under subparagraph (A)(iii) of this paragraph.".

(b) Number of Vendee Loans.—Section 1816(d)(1) is amended by striking out "not more than 75 percent, nor less than 60 percent," in the first sentence and inserting in lieu thereof "not more than 75 percent (65 percent in the case of fiscal years 1988, 1989, and 1990), nor less than 60 percent (50 percent in the case of fiscal years 1988, 1989, and 1990),".

(c) Extension.—(1) Subsection (c) of section 1816 is amended by adding at the end (after the paragraph added by subsection (a) of this section) the following new paragraph:

"(11) This subsection shall cease to have effect on October 1, 1989."

(2) Subsection (d) of section 1816 is amended by adding at the end (after the paragraph added by section 10 of this Act) the following new paragraph:

"(5) This subsection shall cease to have effect on October 1, 1989."

(3) Paragraph (2) of section 2512(c) of the Deficit Reduction Act of 1984 (Public Law 98-369; 98 Stat. 1117) is repealed.

(d) Effective Date.—The amendments made by subsection (a) shall apply to defaults which occur on or after 30 days after the date of the enactment of this Act.

### SEC. 7. DIRECT LOANS IN AMERICAN SAMOA.

Section 1811 is amended by adding at the end the following new subsection:

"(l) The Administrator shall make loans, in accordance with subsection (d)(2) and the other provisions of this section, to eligible veterans in American Samoa in an amount equal to the amount provided to such veteran by the government of American Samoa."

### SEC. 8. REMOVAL OF OCCUPANCY REQUIREMENTS IN CERTAIN CASES.

(a) Refinancing.—(1) Section 1810(e)(1)(B) is amended by striking out "and occupied by the veteran as such veteran's home" and inserting in lieu thereof "by the veteran".

(2) Section 1819(a)(4)(A)(ii) is amended by striking out "and occupied by the veteran at such veteran's home" and inserting in lieu thereof "by the veteran".

(3) Section 1819(e)(5) is amended by inserting before the semicolon the following: "; except that the requirement of this clause shall not apply (A) in the case of a guaranteed loan that is for the purpose described in paragraph (1)(F) of subsection (a), or (B) in the case described in section 1804(c)(2)".

(b) Other Situation.—(1) Section 1804(c) is amended—

(A) by striking out "(c) No" and inserting in lieu thereof "(c)(1) Except as provided in paragraph (2) of this subsection, no";

(B) by striking out "No loan" in the second sentence and inserting in lieu thereof "Except as provided in paragraph (2) of this subsection, no loan"; and

(C) by adding the following paragraph at the end:

"(2) In any case in which a veteran is in active duty status as a member of the Armed Forces, the occupancy requirements of—

"(A) paragraph (1) of this subsection;

"(B) paragraphs (1) through (5) and paragraph (7) of section 1810(a) of this title;

"(C) section 1812(a)(5)(A)(i) of this title; and

"(D) section 1812(e)(5) of this title;

shall be considered to be satisfied if the spouse of the veteran occupies the property as the spouse's home and the spouse makes the certification required by paragraph (1) of this subsection.".

(2) Section 1810(a) is amended by striking out "(a) Any" and inserting in lieu thereof "(a) Except as provided in section 1804(c)(2) of this title, any".

(3) Section 1819(a)(5)(A)(i) is amended by inserting "(except as provided in section 1804(c)(2) of this title)" after "by the veteran".

### SEC. 9. PROPERTY MANAGEMENT.

(a) Homeless Program.—(1) To assist homeless veterans and their families acquire shelter, the Administrator of Veterans' Affairs may enter into agreements described in paragraph (2) of this subsection with—

(A) any organization named in, or approved by the Administrator under, section 3402 of title 38, United States Code;

(B) any political subdivision of any State; or

(C) the District of Columbia.

(2) To carry out paragraph (1) of this subsection, the Administrator may enter into agreements to sell real property, and improvements thereon, acquired by the Administrator as the result of a default on a loan made or guaranteed under chapter 37 of title 38, United States Code. Such sale may be for such consideration as the Administrator determines is in the best interests of homeless veterans and the Federal Government.

(3) The Administrator may enter into an agreement under paragraph (1) only if—

(A) the Administrator determines that such an action will not adversely affect the Veterans' Administration's ability—

(i) to fulfill its statutory missions with respect to the Veterans' Administration loan guaranty program and the short- and long-term solvency of the Loan Guaranty Revolving Fund; or

(ii) to carry out other functions and administer other programs authorized by law;

(B) the entity to which the property is sold agrees to (i) utilize the property solely as a shelter primarily for homeless veterans and their families, (ii) to comply with all zoning laws relating to the property, and (iii) to make no use of the property that is not compatible with the area where the property is located; and

(C) the Administrator determines that there is little likelihood of the property being sold for a price sufficient to reduce the liability of the Veterans' Administration of the veteran who had defaulted on the loan guaranteed under chapter 37 of title 38, United States Code.

(b) Job Training Program.—(1) To assist veterans obtain training pursuant to the Veterans' Job Training Act, the Administrator may convey, to persons described in paragraph (2) of this subsection, real property and improvements described in subsection (a)(2) of this section for an amount not less than 75 percent of the fair market value of such real property and improvements.

(2) The Administrator may convey such property to persons who enter into an agreement with the Administrator to—

(A) use veterans in a program of job training under the Veterans' Job Training Act in the rehabilitation of residences on such real property; and

(B) provide a priority to veterans in the sale of such rehabilitated residences.

(3) The Administrator shall reduce the amount of any liability that a veteran has with respect to any property conveyed under this section by an amount equal to the reduction in the sale price of the property below the fair market value of the property.

### SEC. 10. REHABILITATION WITH VENDEE LOANS.

Section 1816(d) is amended by adding at the end the following new paragraph:

"(4) The Administrator may include, as part of a loan to finance a purchase of property acquired by the Administrator as a result of a default on a loan guaranteed under this chapter, an amount to be used only for the purpose of rehabilitating the property to be purchased with the loan. Such amount may not exceed the amount necessary to rehabilitate the property to a habitable state and shall be made available periodically as such rehabilitation is completed."

### SEC. 11. NOTIFICATION REQUIREMENT IN CASE OF ASSUMPTION OF LOAN.

(a) In General.—Section 1817—

(1) is transferred to, and redesignated as, section 1814; and

(2) is amended to read as follows:

**"§ 1814. Release from liability under guaranty**

"(a)(1) If a veteran disposes of residential property securing a guaranteed, insured, or direct housing loan obtained by the veteran and the veteran notifies the holder of the loan before the property is disposed of, the veteran shall be relieved of all further liability to the Administrator on account of such loan (including liability for any loss resulting from any default of the transferee or any subsequent purchaser of such property) if—

"(A) the loan is current, and

"(B) the purchaser of such property from such veteran—

"(i) is obligated by contract to purchase such property and to assume full liability for the repayment of the balance of the loan remaining unpaid and has assumed by contract all of the obligations of the veteran

under the terms of the instruments creating and securing the loan; and

"(ii) qualifies from a credit standpoint, to the same extent as if the transferee were a veteran eligible under section 1810 of this title, for a guaranteed or insured or direct loan in an amount equal to the unpaid balance of the obligation for which the transferee has assumed liability.

"(2) If the holder determines that the loan is not current or that the purchaser of such property does not meet the requirements of paragraph (1)(B) of this subsection, the holder shall—

"(A) notify the veteran and the Administrator of such determination; and

"(B) notify the veteran that the veteran may appeal the determination to the Administrator.

"(3)(A) Upon the request of the veteran after a determination described in paragraph (2) is made, the Administrator shall review and make a determination with respect to whether the loan is current and whether the purchaser of such property meets the requirements of paragraph (1)(B) of this subsection.

"(B) If the Administrator determines that the loan is current and that the purchaser meets the requirements of paragraph (1)(B) of this subsection, the holder shall approve the transfer, and the veteran shall be relieved of all liability with respect to such loan.

"(C) If—

"(i) the Administrator determines that the loan is not current or that the purchaser does not meet the requirements of paragraph (1)(B) of this subsection; or

"(ii) no appeal is made by the veteran under subparagraph (A) of this paragraph within 30 days after the holder informs the veteran of its determination under paragraph (2) of this subsection,

the holder may demand immediate, full payment be made of the principal, and all interest earned thereon, of such loan if the veteran disposes of the property.

"(b) If a veteran disposes of residential property described in subsection (a)(1) of this section and the veteran fails to notify the holder of the loan before the property is disposed of, the holder, upon learning of such action by the veteran, may demand immediate, full payment be made of the principal, and all interest earned thereon, of such loan.

"(c)(1) In any case in which the holder of a loan described in subsection (a)(1) of this section has knowledge of a veteran's disposing of residential property securing such loan, the holder shall notify the Administrator of such action.

"(2) If the holder fails to notify the Administrator, the holder shall be liable to the Administrator for any damage sustained by the Administrator as a result of such failure, as determined at the time the Administrator has to make payments in accordance with any insurance or guarantee made by the Administrator with respect to the loan concerned.

"(d) The Administrator shall provide that each contract entered into by a veteran with respect to a guaranteed, insured, or direct housing loan shall contain provisions implementing the requirements of this section.".

(b) Effective Date.—(1) The amendment made by subsection (a) shall apply to loans for which commitments are made on or after 90 days after the date of the enactment of this Act.

(2) Section 1817 of title 38, United States Code, shall continue to apply to loans for which commitments were made before the effective date of paragraph (1) of this subsection in the same manner in which such section was applicable to such loans before such effective date.

### SEC. 12. MORTGAGE PAYMENT ASSISTANCE TO AVOID FORECLOSURE OF HOME LOANS GUARANTEED BY THE VETERANS' ADMINISTRATION.

(a) In General.—Chapter 37 is amended by inserting after section 1812, as transferred and redesignated as such by section 16(b)(1) of this Act, the following new section:

**"§ 1813. Loans to refinance delinquent indebtedness**

"(a)(1) The Administrator may, at the Administrator's option, provide assistance to a veteran under this section for the purpose of avoiding the foreclosure of a housing loan made to that veteran and guaranteed by the Administrator under section 1810 or 1812 of this title (thereinafter in this section referred to as a 'primary loan').

"(2) Assistance under this section shall be in the form of a loan to the veteran. Such assistance may be provided only if—

"(A) the dwelling that secures the primary loan is the current residence of the veteran and is occupied by the veteran as the veteran's home;

"(B) the veteran is at least six months delinquent in payments on that primary loan;

"(C) the veteran is unemployed or has had a substantial reduction in household income (as defined in regulations prescribed by the Administrator) through no fault of the veteran; and

"(D) the Administrator determines that there is a reasonable prospect that the veteran will be able to resume payment on the primary loan within six months after receiving assistance under this section.

"(3) For the purposes of this section, the term 'veteran' includes the surviving spouse of a veteran if the surviving spouse was a co-obligor of the primary loan.

"(b)(1) A loan under this section shall be advanced to the holder of the primary loan. The amount of the loan under this subsection shall first be applied to the amount delinquent on the loan guaranteed under this chapter including any amount delinquent on taxes, assessments, and hazard insurance required by the holder to be included in the veteran's monthly payment on the mortgage. Any remaining amount of such loan shall be retained by the holder and shall be applied to future payments including taxes, assessments, and hazard insurance due on the loan and unpaid (in whole or in part) on the date the payment becomes due.

"(2) The Administrator may make more than one loan under this section to a veteran. The total amount of loans under this section to any veteran may not exceed $8,400.

"(c) A loan under this section—

"(1) shall bear interest at the lower of (A) the maximum rate in effect (as of the date of the first loan made to the veteran under this section) for loans guaranteed under section 1810(a)(1) of this title, or (B) the rate on the primary loan;

"(2) shall be secured by a lien on the property securing the primary loan and by such other security as the Administrator may require; and

"(3) shall be subject to such additional terms and conditions as the Administrator may require.

"(d) As a condition of receiving a loan under this section the veteran shall execute an agreement, in such form as the Administrator may prescribe, to repay the loan within a reasonable period of time, as determined by the Administrator, not to exceed 15 years from the date on which such loan is made. If the Administrator determines that the veteran has sufficient income or other resources to do so, the Administrator may require the veteran to make partial payments on the primary loan guaranteed under this chapter during the period the holder of that loan is applying the amount of the loan under this section to payments becoming due on the primary loan.

"(e) Notwithstanding any other law, the Administrator may employ attorneys to bring suit to collect any amount of a loan under this section on which the veteran to whom the loan is made is in default.

"(f) The Administrator's decisions on any question of law or fact regarding assistance under this section, including whether or not to grant such assistance and the terms and conditions under which such assistance is granted or not granted, shall be final and conclusive, and no other official or any court of the United States shall have power or jurisdiction to review any such decision by an action in the nature of mandamus or otherwise.

"(g) The Administrator may not make a loan under this section after the end of the two-year period beginning on the effective date of this section.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect at the end of the 60-day period beginning on the date of the enactment of this Act.

### SEC. 13. APPRAISALS.

(a) Qualification for Appraisers.—Section 1831(a)(1) is amended by inserting before the semicolon at the end the following: ", including the successful completion of a written test, submission of a sample appraisal, certification of an appropriate number of years of experience as an appraiser, and submission of recommendations from other appraisers".

(b) Lender Appraisal.—(1) Section 1831 is amended—

(A) in subsection (c), by striking out "The Administrator shall, upon request," and inserting in lieu thereof "Except as provided in subsection (f) of this section, the appraiser shall forward an appraisal report to the Administrator for review. The Administrator shall then determine the reasonable value of the property for purposes of this chapter, and notify the veteran of such determination. Upon request, the Administrator shall";

(B) in subsection (d), by striking out "lender—" and inserting in lieu thereof "lender (other than a lender described in subsection (f) of this section)—"; and

(C) by adding at the end thereof the following new subsection:

"(f) The Administrator may, in accordance with standards and procedures established by the Administrator, authorize certain lenders to determine the reasonable value of the property. In such a case, the appraiser selected by the Administrator pursuant to subsection (b) of this section shall forward the appraisal report directly to the lender for review who shall, upon request, furnish a copy of such appraisal to the veteran concerned.".

(2) Section 1810(b) is amended—

(A) in paragraph (5), by striking out "by the Administrator;" and inserting in lieu thereof, "pursuant to section 1831 of this title;"; and

(B) by striking out the final sentence thereof.

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*SEC. 14. EXCLUSION FROM VETERAN'S LIABILITY.*

*Subchapter III of chapter 37 is amended by adding the following new section after the section added by section 16(b)(3) of this Act:*

*"§ 1834. Exclusion from liability*

*"In any case in which the Administrator refuses to accept a veteran's offer to convey the property securing a housing loan which is guaranteed under this chapter and with respect to which a default has occurred, the Administrator may not include in the liability of the veteran to the Administrator with respect to such loan any interest or other charges, including the cost of foreclosure proceeding, incurred with respect to such loan after 30 days after the date on which such offer is made."*

*SEC. 15. DEMONSTRATION PROGRAM.*

*(a) In General.—(1) The Administrator of Veterans' Affairs shall carry out a demonstration project under this section during fiscal years 1988 and 1989 for the purpose of guaranteeing loans in a manner similar to the manner in which the Secretary of Housing and Urban Development insures adjustable rate mortgages under section 251 of the National Housing Act.*

*(2) The Administrator shall carry out such project through the housing loan guaranty program office at a regional office of the Veterans' Administration.*

*(b) Report.—The Administrator shall transmit a report to the Congress no later than December 31, 1989, containing a description of the results of the implementation of the project carried out under this section and shall continue to make annual reports to the Congress with respect to the default rate and other information concerning the loans guaranteed under this section.*

*SEC. 16. TECHNICAL AMENDMENTS.*

*(a) Technical Reorganization of Subchapter I of Chapter 37.—(1) Section 1802(a) is amended—*

*(A) by striking out "(a)" and inserting in lieu thereof "(a)(1)";*

*(B) by striking out the first sentence and inserting in lieu thereof: "The veterans described in paragraph (2) of this subsection are eligible for the housing loan benefits of this chapter.";*

*(C) by striking out "in the preceding sentence, or in section 1818 of this title," in the second sentence and inserting in lieu thereof "in paragraph (2)";*

*(D) by striking out "(1)" and "(2)" in the second sentence and inserting in lieu thereof "(A)" and "(B)", respectively;*

*(E) by redesignating clauses (A) and (B) as clauses (i) and (ii), respectively; and*

*(F) by adding at the end the following:*

*"(2) The veterans referred to in the first sentence of paragraph (1) of this subsection are the following:*

*"(A) Each veteran who served on active duty at any time during World War II, the Korean conflict, or the Vietnam era and whose total service was for ninety days or more.*

*"(B) Each veteran who was discharged or released from a period of active duty, any part of which occurred during World War II, the Korean conflict, or the Vietnam era, for a service-connected disability.*

*"(C) Each veteran whose only active duty service occurred after July 25, 1947, and prior to June 27, 1950, and who—*

*"(i) served for a period of more than 180 days and was discharged or released therefrom under conditions other than dishonorable; or*

*"(ii) served for a period of 180 days or less and was discharged or released for a service-connected disability.*

*"(D) Each veteran who served on active duty, any part of which occurred after January 3, 1955, and prior to August 5, 1964, or after May 7, 1975, and who—*

*"(i) served for a period of more than 180 days and was discharged or released therefrom under conditions other than dishonorable;*

*"(ii) has served more than 180 days in active duty status and continues on active duty without a break therein; or*

*(iii) was discharged or released from such active duty for a service-connected disability.*

*"(3) Any entitlement based solely on the provisions of clause (D) of paragraph (2) of this subsection which had not expired as of October 23, 1970, and any such entitlement occurring after such date, shall not expire until used.".*

*(2) Subsection (g) of section 1802 is transferred to the end of subsection (a) of such section, as amended and otherwise modified by the other provisions of this subsection, and is redesignated as paragraph (4) of such subsection (a).*

*(3)(A) Paragraph (2) of section 1803(a) is transferred to the end of subsection (a) of section 1802, as amended and otherwise modified by the other provisions of this subsection, and redesignated as paragraph (5) of such subsection (a).*

*(B) Section 1815—*

*(i) is amended by striking out the section heading; and*

*(ii) is transferred to the end of section 1803(a) and subsections (a) and (b) of such section 1815 are redesignated as paragraphs (2) and (3) of such section 1803(a).*

*(4) Sections 1807 and 1818 are repealed.*

*(b) Technical Reorganization of Subchapters II and III of Chapter 37.—(1) Section 1819 (as amended by sections 4(b), 8(a) (2) and (3), and 8(b)(3) of this Act) is transferred to, and redesignated as, section 1812.*

*(2) The title heading of section 1816 and subsections (a) (as amended by section 5 of this Act), (b), and (c) (as amended by subsections (a) and (c)(1) of section 6 of this Act) of such section 1816 are transferred to, and redesignated as, a new section 1832.*

*(3) Subsections (d) (as amended by section 2, subsections (b) and (c)(2) of section 6, and section 10 of this Act), (e) and (f) of section 1816 are transferred to, and redesignated as, subsections (a), (b), and (c), respectively, of a new section 1833 with the following heading:*

*"§ 1833. Property manogement".*

*(4) Section 1832—*

*(A) is amended by striking out the section heading; and*

*(B) is transferred to the end of the new section 1833 added by paragraph (3) of this subsection and is designated as subsection (d) of such new section 1833.*

*(c) Table of Contents.—The table of contents of chapter 37 is amended—*

*(1) by striking out the item for section 1807;*

*(2) by striking out the items relating to subchapter II and inserting in lieu thereof the following:*

*"SUBCHAPTER II—LOANS*

*"1810. Purchase or construction of homes.*
*"1811. Direct loans to veterans.*
*"1812. Loans to purchase manufactured homes and lots.*
*"1813. Loans to refinance delinquent indebtedness.*
*"1814. Release from liability under guaranty."; and*

*(3) by striking out the item relating to section 1832 and inserting in lieu thereof the following:*

*"1832. Procedure on default.*
*"1833. Property Management."*

*(d) Conforming Amendments.—(1) Section 1801(a) is amended by striking out "1819(a)(1)" and inserting in lieu thereof "1812(a)(1)".*

*(2) Section 1803(c)(3) is amended by striking out "1819" in clauses (A) and (E) and inserting in lieu thereof "1812".*

*(3) Section 1810 is amended—*

*(A) in subsection (a)(9)(B)(ii), by striking out "section 1819(a)(5)" and inserting in lieu thereof "section 1812(a)(5)"; and*

*(B) in subsection (g)(2), by striking out "section 1819(e)(2)" and inserting in lieu thereof "section 1812(e)(2)".*

*(4) Section 1811 is amended by striking out "1819" each place it appears and inserting in lieu thereof "1812".*

*(5) Any reference, in effect on the date of the enactment of this Act, in any law to any of the sections, or parts thereof, redesignated or transferred by this section shall be construed to refer to the section, or part thereof, as redesignated or transferred by this section.*

*(e) Technical Nature of Amendments.—The status of any veteran with respect to benefits under chapter 37 of title 38, United States Code, shall not be affected by the amendments made by, or other provision of, this section.*

The SPEAKER pro tempore. Is a second demanded?

Mr. SOLOMON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. Montgomery] will be recognized for 20 minutes and the gentleman from New York [Mr. Solomon] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

H.R. 2672 is a major veterans housing reform measure. I want to commend the distinguished gentlewoman from Ohio [Ms. Kaptur], the very able chairwoman of our Subcommittee on Housing and Memorial Affairs, for the many hours she has devoted to hearings on every facet of the housing programs administered by the Veterans' Administration. This bill is the result of her leadership. It is the first comprehensive housing reform package to come out of our committee in many years.

So I applaud the gentlewoman for her efforts. I want to thank her for the excellent work she has done. She has held many hearings in Washington and she has conducted extensive oversight hearings in the field. I accompanied her and other members of

the subcommittee to Greenville, SC, earlier this year. We heard excellent testimony from Steadman Sloan, director of the regional office in Columbia, and members of his staff. We heard from my good friend E. Roy Stone, executive committeeman of the American Legion and Paul Greer, past department commander of the Disabled American Veterans. We heard from the mortgage bankers, homebuilders and realtors in the Greenville-Spartanburg area.

We received some very good proposals on how to help the veteran. Some of their recommendations are contained in this bill.

The gentlewoman from Ohio [Ms. Kaptur] is a member of the Banking and Currency Committee where she is deeply involved in Federal Housing Programs within the jurisdiction of that committee. She has been deeply involved in housing programs in Toledo and other places in her great State.

Last Friday Chairwoman Kaptur held an oversight hearing in Houston, TX. Houston, Beaumont, and other cities throughout the State have experienced a depressed housing market for the last few years and Miss Kaptur wanted to see firsthand what needs to be done to assist veterans, lenders, and others who have been affected. Later in the year her subcommittee will hold hearings in Chicago and possibly other areas of the country. So my colleagues can see that the gentlelady is making things happen. She is active and doing an outstanding job in leading this subcommittee.

Mr. Speaker, I also want to thank the distinguished gentleman from Indiana [Mr. Burton], the ranking minority member of the subcommittee for his cooperation and leadership in helping put together this bill. The gentleman has much experience in housing and real estate and this bill, to a major degree, reflects his views on how we should deal with some of the problems confronting our Nation's veterans and others who desperately seek housing in today's market. I'm grateful to the gentleman for his work.

I want to thank another new member of our committee, the very able gentlelady from the Fourth Congressional District of South Carolina [Mrs. Patterson] who invited us to go to her district and hear from the local people. I commend the gentlelady from South Carolina for the time and attention she has given to the work of the committee. She also serves as a member of the Banking and Currency Committee. Her two committees have jurisdiction over most of the Federal housing programs and she is rapidly developing an expertise in housing that will greatly benefit veterans in her district and nonveterans as well who need housing. I am grateful to the gentlewoman from South Carolina for her service.

Mr. Speaker, the bill before us—H.R. 2672—calls for improvement on three fronts. First, it will assist veterans in purchasing homes. Once the veteran gets his home, provisions in this bill will help the veteran keep the home. Finally, the enactment of this bill will save the Federal Government millions of dollars during the next fiscal year and in the years ahead. It is a measure that I fully support.

I now yield such time as she may consume to the chairwoman of the subcommittee, the gentlewoman from Ohio [Ms. Kaptur].

Ms. KAPTUR. Mr. Speaker, the bill H.R. 2672, the Veterans' Housing Rehabilitation and Program Improvement Act of 1987, offers the first really comprehensive look at the VA Home Loan Guaranty Program that Congress has taken since its inception over 40 years ago. To date the VA Housing Program has helped over 12 million veterans and their families obtain home mortgages.

I would like to commend the chairman of the Veterans' Affairs Committee, G.V. (Sonny) Montgomery, for his great leadership in moving this streamlining bill quickly through the legislative process.

I would also like to thank the committee's ranking minority member, Gerald B.H. Solomon, and Dan Burton, ranking minority member for the Subcommittee on Housing and Memorial Affairs, for their excellent support.

The various members of the Subcommittee on Housing and Memorial Affairs have worked diligently through the spring and summer to address on the many challenges facing the VA Home Loan Guaranty Program. Thanks to their active participation in a series of exhaustive hearings both in Washington and in the field, we have been able to develop a bill which is going to make significant improvements in our efforts to assist veterans in obtaining—and keeping—quality, affordable housing.

I would also like to mention the Honorable Marvin Leath, the Honorable Doug Barnard, and the Honorable Lane Evans, whose recommendations and participation in our hearings were invaluable.

The VA Home Loan Guaranty Program was established under the Servicemen's Readjustment Act of 1944 (Public Law 78-346). As World War II drew to a close, Congress sought ways to ease the economic and sociological readjustment of returning service men and women to civilian life. The program was an innovative means of affording veterans favorable credit which would allow them to purchase a home, business, or farm. Many of these veterans, because of their service in the Armed Forces, had missed an opportunity for establishing personal credit or for accumulating enough money for a substantial downpayment on a home. By substituting the guaranty of the United States, these veterans were able to enter the home buying market on a comparable level with their nonveteran counterparts.

Over the years, Congress enacted many changes to the program, to enhance its viability and to respond to developments in the economy and in the needs of veterans. There is now no delimiting date for a veteran to make use of this benefit, and entitlement may be regained once the veteran has paid off the initial loan in full and disposed of the property. The VA may presently guaranty 60 percent of the loan's value, up to a maximum of $27,500.

Since the inception of the VA Home Loan Guaranty Program in 1944, over 12 million veterans have received VA-backed mortgage assistance. More than 7.5 million of these loans totaling $102.7 billion have been repaid. The program has been enormously successful in terms of helping veterans to become home owners, and has proved to be a powerful stimulus to the Nation's economy.

### HIGH FORECLOSURE RATES

Veterans using the VA Home Loan Guaranty Program have an excellent repayment record. However, the number of foreclosures has been increasing in recent years. While the VA's experience is comparable to FHA and conventional lenders, there is serious concern about the solvency of the revolving fund which must pay claims arising from foreclosures; and above all the devastating effect of foreclosure on veterans who have defaulted on their obligation to repay a loan.

The VA does have loan servicing procedures in place. However, the timeliness in this aspect of the program has deteriorated. H.R. 2672 addresses this problem by requiring the VA to provide more effective servicing when a loan goes into default, to the extent that resources are available. At a minimum, veterans are to be advised of the alternatives to foreclosure that may be available to them, including voluntary deeds-in-lieu of foreclosure.

In addition, the bill establishes a mortgage foreclosure relief program targeted to veterans who have experienced default through no fault of their own. In essence, the bill would authorize the Administrator to make loans for the purpose of providing mortgage assistance, and thereby preventing foreclosures, up to a maximum of $8,400 to veterans or their surviving spouses, if coobligors, if they are unemployed, have suffered a substantial reduction in household income and have previously guaranteed VA housing loans which are at least 6 months delinquent.

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### LOAN ASSUMPTIONS

One of the perceived advantages to the VA Home Loan Guaranty Program is easy assumability of such loans when a veteran decides to dispose of the property; however, there have been aspects to this feature which have led to abuse and even fraud. Time and again the committee has heard from veterans whose loans were assumed, but became liable for the debt of the new occupant when the house went into foreclosure. The committee has also received very disturbing reports of certain frauds such as "equity skimming" being perpetrated against veterans. Unscrupulous "investors" assume a veteran's loan, rent the property to make a quick profit, and meanwhile allow the loan to go into default. When they disappear with the rental revenues, the veteran is left with liability for the intervening house payments, and the loan usually is foreclosed.

Although H.R. 2672 keeps the assumability feature in place, it provides better protection for the veteran by requiring new credit underwriting on prospective purchasers who wish to assume the original loan. It further provides the veteran with automatic release from liability so long as the lender is advised, and the properly qualified purchaser agrees by contract to assume responsibility for the loan. If the lender determines that the loan is not current or that the purchaser is not creditworthy, the lender will notify the veteran and the VA. The veteran may appeal the determination to the VA. Should the Administrator determine that the sale meets the requirements, the lender shall approve the transfer and the veteran shall be relieved of all liability.

The bill also provides that the lenders may demand termination of the loan if the sale occurs and the purchaser does not meet the requirements if the veteran fails to notify the lender of the sale.

Lastly, if the lender knowingly fails to notify the Administrator of a sale transaction, the lender will be liable for any damage sustained.

### OCCUPANCY REQUIREMENTS

Under current law and implementing regulations, a veteran or service member must physically occupy the property in order to be eligible for refinancing of a VA home loan. This has resulted in hardship and inequity for many home owners, such as active duty military and foreign service personnel, who might be residing abroad temporarily, but who still regard the property as their home. Some veterans with loans bearing a high interest rate are ineligible to refinance a VA loan at the lower rates prevailing in today's market. The result is clearly inequitable, and may have even contributed to some foreclosures which a lower monthly payment might have averted.

H.R. 2672 permits veterans to refinance their VA home loans regardless of personal occupancy. In addition, loan originations are permitted for active duty servicemen so long as the veteran's spouse occupies the home.

### LOAN GUARANTY FORMULA

H.R. 2672 changes the loan guaranty formula from 60 percent of the conventional housing loan up to $27,500 to 40 percent of the loan up to $40,000. The current formula is set up in such a way that veterans with a $50,000 loan can end up with as great a debt as veterans with a $110,000 loan. The proposed formula will help to correct this inequity. In addition, it will limit unnecessary risks to both the borrower and the revolving fund. The Congressional Budget Office estimates that this change in the guaranty formula will save $33 million over a 3-year period. These savings will be used by the committee to meet, in part, its reconciliation targets.

It should also be pointed out that 40 percent guaranty would continue to provide better credit protection for the lender than is currently available under conventional loans, which generally require a 20- to 25-percent downpayment.

### APPRAISALS

Two additional opportunities for improving the VA appraisal process have been incorporated into H.R. 2672. First, since there are no uniform industry procedures for licensing real estate appraisers, the bill outlines specific qualifications for VA fee-basis appraisers. These include successful completion of a written test, submission of a sample appraisal, evidence of an appropriate level of experience as an appraiser, and submission of recommendations from other appraisers. By applying a more stringent and consistent set of professional standards to its fee-basis appraisers, the VA should be able to achieve overall improvements in the quality of appraisals on prospective veteran loans.

H.R. 2672 also authorizes appraisal reports to be sent directly to certain lenders for expedited review and reasonable value determination. Under current procedures, the appraisal must first be sent to the VA for review and certification, and then forwarded to the lender. The bill would authorize appraisal reports to be sent directly to certain lenders for expedited review and reasonable value determination. Since 75 percent of all VA-guaranteed loans are underwritten by automatic lenders, the new procedure will reduce the paperwork and processing time for a significant number of loans, will allow faster loan processing and with less frustration, and should free up VA personnel who presently review such appraisals and issue CRV's for other critical activities, such as servicing on delinquent loans.

### HOUSING REHABILITATION LOANS

Some of the VA's foreclosed homes have fallen into a state of disrepair. They in turn have become a blight on the neighborhood, and may be difficult to sell. Although the VA may use money from the loan guaranty revolving fund to institute repairs, the property may still be subject to vandalism and deterioration while left unoccupied, and funds invested in repairs may never be recaptured when the property is eventually disposed of.

As an alternative to this situation, H.R. 2672 authorizes the VA to make additional loans to prospective purchasers for the purpose of restoring such properties to a habitable state. Funds would be released to the purchaser in increments, as rehabilitation progresses. It is believed that rehabilitation loans will be a good investment for the loan guaranty revolving fund; that they will make previously hard-to-sell properties more attractive and affordable to prospective buyers; and that they will help resolve some of the legitimate community concerns expressed over the maintenance of VA-owned properties.

### VETERANS JOB TRAINING ACT

H.R. 2672 provides up to 25 percent discount on houses sold to organizations which agree to use veteran employees in a program of job training under the Veterans' Jobs Training Act to rehabilitate the properties, and who give preference to veterans in selling the rehabilitated property. In order to protect the interest of veterans whose foreclosed properties are disposed of in this manner, the liability of the former veteran home owner will be reduced commensurate with the discount given.

### HOMELESS VETERANS

Through existing administrative procedures, several VA regional offices have been working with local groups to make vacant VA properties available, at reasonable prices, for use as shelters. H.R. 2672 encourages veterans organizations and political subdivisions to acquire hard-to-sell VA foreclosed properties in order to provide shelter to homeless veterans and their families. The VA is authorized to discount such properties, provided that the interests of the VA Home Loan Guaranty Program as a whole and the defaulting veteran are protected, that local zoning laws are respected, and that intended use of the property is compatible with the area where it is located. This will give legislative sanction to the concept of working with local groups to assist homeless veterans, and at the same time avoid adversarial situations between the VA and either the defaulting veteran or the community.

### PROPERTY ACQUISITION GUIDELINES

The administration's budget request to the Congress submitted February 1, 1984, contained a proposal recommended by the Grace Commission that, effective March 1, 1984, the Veterans' Administration would no longer respond to defaults on VA guaranteed loans by acquiring foreclosed properties. Rather, following foreclosure, the VA would pay all lending institutions an amount equal to the VA's guaranty. The lending institutions would be required to dispose of the property.

At committee hearings in 1984, a Congressional Budget Office analyst indicated the major inefficiency in the VA Loan Guaranty Program's operation was that all loans under foreclosure and all real property available for sale by the VA were handled in a like manner.

The Deficit Reduction Act of 1984 required the VA to analyze defaulted loans on a case-by-case basis and to stop acquiring property where it would be less costly to pay the guaranty. It was the Congress' understanding that this practice benefited veterans as well as lenders by permitting the orderly disposal of the property securing a VA guaranteed loan. This restriction on the VA's authority is scheduled to expire September 30, 1987.

Mortgage bankers and others in the housing industry made strong representations at the hearings of April 22 and May 13, regarding the impact of high foreclosure rates on their businesses. Certain areas of the country such as Houston, TX, have been especially hard hit. Testimony expressed particular concern over the increased number of "no-bid" cases which have resulted.

H.R. 2672 extends the property acquisition guideline for 2 years until September 30, 1989, with some modification to the calculation which the VA makes when determining whether a property will be treated as a no-bid case. Under the new formula, interest resulting from exercise of lender forebearance at the VA's request, delays in the foreclosure process caused by the VA, or circumstances beyond the control of the VA and lender, such as bankruptcy, will not be calculated.

### VA FINANCING ON VENDEE LOANS

Prior to 1984, the VA financed approximately 92 percent of all foreclosed properties. By offering financing on properties which it holds for sale, the VA is able to dispose of many properties in a timely manner at the appraised value. The Deficit Reduction Act of 1984 reduced the number of properties on which VA financing could be offered. Current law requires the VA to sell at least 60 percent but no more than 75 percent of its acquired properties with VA vendee financing. The VA routinely discounts cash sales at 10 percent or more. This provision is scheduled to expire on September 30. As part of the committee's efforts to meet its reconciliation target, these percentages will be changed to a range of 50 to 65 percent for 3 years. It should be emphasized that while this proposal will temporarily produce a net reduction in outlays, it will cost the Government more in the outyears if a permanent change were authorized. The Veterans' Affairs Committee will continue to seek alternatives that will meet long-term program requirements.

### HOME LOAN FUNDING FEE

H.R. 2672 extends the current 1 percent user fee for 2 years, to September 30, 1989. The committee wishes to emphasize that the VA Home Loan Guaranty Program is a veterans benefit, to which eligible persons are entitled. The committee will continue to examine alternatives to the loan origination fee.

H.R. 2672 also corrects an inequity in application of the user fee to a veteran who is also the surviving spouse of a deceased veteran whose death was service connected. A surviving spouse is exempt under current law, but due to a technicality the exemption does not apply in cases where the surviving spouse is also a veteran with eligibility in his or her own right.

### AMERICAN SAMOA

Although a relatively high proportion of the population of American Samoa serves in the U.S. military, the loan guaranty benefit is not viable there due to the lack of a secondary mortgage market. H.R. 2672 authorizes a direct loan program up to $33,000, to the extent that matching funds are made available by the Government of American Samoa. Amurican Samoa already qualifies as an area where the Administrator is authorized to make direct loans, because it is difficult for veterans to obtain housing loans in this area.

### DEMONSTRATION PROJECT FOR ADJUSTABLE RATE MORTGAGES

Volatile interest rates reduce housing activity. Interest rates have risen from 8½ percent to 10 percent this year. Therefore, H.R. 2672 authorizes the VA to establish a 2-year pilot program for adjustable rate mortgages [ARM] at one regional office. Interest rates for an adjustable rate mortgage are typically 1 percent to 2 percent lower than a fixed rate loan. The National Association of Homebuilders estimates that this results in a savings of as much as $100 in monthly mortgage payments on a $70,000 loan. The demonstration project is to be carried out in a manner similar to FHA's Adjustable Rate Mortgage Program, which allows interest rates to escalate no more than 1 percent per year with a cap of 5 percent over the life of the loan. In addition H.R. 2672 would require the Administrator to furnish the Congress with a report by December 31, 1989, containing a description of the results of this project and furnish a report yearly thereafter with respect to the default rate.

### LOAN PORTFOLIO SALES

Because of the high foreclosure rate over the past several years, and in conformance with administration efforts to reduce short term outlays, the VA has been pressured by the Office of Management and Budget to sell its loan portfolio. It has, however, usually sold these loans with recourse—repurchase agreements. In its fiscal year 1988 budget, the administration proposed another revision to its loan sales procedures which could seriously impair the long-term solvency of the loan guaranty revolving fund. This proposal would require the VA to sell all of its loans without repurchase agreements.

A proposed sale of the VA's loan portfolio without recourse resulted in offers ranging as low as 15 cents on the dollar. In September 1986, the General Accounting Office submitted a report to the Committee on Government Operations which stated that the Government's best interests will not be protected and the objectives of the Loan Asset Sales Pilot Program would not be achieved by sales without recourse. On June 16, the Committee on Government Operations approved and adopted a report entitled, "OMB's Guidelines for Sales of Existing Loans as Currently Written will not produce the best results for the Government." In its summary, it stated that the Government could lose millions of dollars because OMB's guidelines do not permit agencies to sell loans under any sales method other than nonrecourse. Therefore, it seemed appropriate that the bill as reported by the subcommittee simply require that the VA continue its existing policy in regard to loan sales. A year ago, this provision would have cost nothing.

However, without any consultation with this committee, OMB has changed its accounting procedures. The Congressional Budget Office has concurred. Under these new accounting rules, selling loans with recourse is treated as a borrowing from the public. Proceeds would then be credited to financing the debt rather than offsetting collections credited to the fund. On paper, therefore, the sales become losses.

Again, Mr. Speaker, I want to emphasize that before this exercise in account "sleight of hand", the provision had no cost impact whatsoever. So, if we do nothing, we "save" $680 million; but if we try to force the VA to operate under good business principles, we make our reconciliation target unattainable. Therefore, H.R. 2672 contains a sense-of-the-Congress resolution regarding the financial management of the loan guaranty revolving fund.

In essence, it outlines how these new accounting procedures have had a significant effect and seriously limited the policymaking function of the Congress. In addition, it states that continued efforts to achieve short-term savings in the Veterans' Administration loan guaranty revolving fund are compromising the Administrator's ability to soundly manage the financing of the program, thereby jeopardizing its future. Lastly, it expresses the sense of the Congress that CBO ought to reverse its decision on accounting for loans sold with recourse by the Veterans' Administration; and that consistent with section 7 of the concurrent resolution on the budget for fiscal year 1988, any changes in the assets sales policy of the Veterans' Administration should not be considered in future budget resolutions as a means of achieving deficit reduction.

Mr. Speaker, during the course of our hearings on the VA Home Loan Guaranty Program, we heard from an exceptionally broad cross-section of witnesses, from government to business to community groups to veterans organizations. H.R. 2672 was developed specifically in response to the concerns and issues that were raised. I appreciate the many viewpoints that went into developing this bill, and believe that this is one of its great strengths.

Mr. Speaker, H.R. 2672 reaffirms that the VA Home Loan Guaranty Program is a veteran's benefit. The bill carefully preserves the program's basic intent, offers creative approaches to some of its present-day problems, and sets it on a sound footing for meeting veteran's future needs.

I wish to point out that these very important reforms won't cost our American taxpayers anything. Quite the reverse. This bill will save $52 million in fiscal year 1988 and will help the committee meet its reconciliation targets.

I strongly urge the bill's favorable consideration.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in rising in strong support of this legislation which I am privileged to cosponsor, let me at the outset pay tribute to the gentleman from Texas, the acting Speaker of the House, Mr. LEATH, who is on leave from our Committee on Veterans' Affairs, a very valuable member of that committee.

The gentleman from Texas still performs great service to the American veteran by serving on the Committee on the Budget during the gentleman's leave of absence, and looking out for the adequate needs of our veterans, so we thank the gentleman for all that help.

The VA Home Loan Program was established in 1944 to provide a means for veterans to obtain credit for the purchase of a home. Many of these veterans, because of the time spent in service to their country, had missed an opportunity to establish credit or save money for a downpayment on a house.

Since its inception, over 12 million veterans have used the VA Home Loan Program, and it has benefited veterans, homebuilders, and the national economy. For many men and women who serve in our country's Armed Forces, this is the only veterans' benefit they will ever use.

H.R. 2672 will strengthen the VA Home Loan Program's potential for serving veterans effectively and improve the long-term solvency of the loan guaranty revolving fund. I wish to mention two provisions in particular.

The first would change the loan guarantee to a maximum of 40 percent and $40,000. This provision will make the program's guaranteed amounts more consistent with the values of the properties typically purchased.

The second would release veterans from liability after the sale of their homes and eliminate the unfairness to some veterans when later purchasers default on mortgages.

This housing reform legislation is indeed comprehensive. Ms. KAPTUR, the chairwoman of the Housing and Memorial Affairs Subcommittee, and Mr. BURTON, the subcommittee's ranking member, have put together a bill which will go a long way toward solving some of the problems in the VA's Home Loan Program.

We should also recognize the role played by Chairman MONTGOMERY, who once again provided the guidance and leadership needed to reach bipartisan agreement. His dedication and old-fashioned hard work on behalf of our Nation's veterans is outstanding.

Mr. Speaker, almost 20 percent of this country's population of 220 million people have their own homes thanks to the VA Home Loan Guarantee Program. This program has provided opportunities for home ownership, which is at the very heart of Americanism.

I strongly encourage all of my colleagues to support this significant bipartisan measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman for yielding me this time.

As an original sponsor, I rise in strong support of H.R. 2672, and I am pleased we have moved forward with this comprehensive VA housing bill in such a timely manner.

This legislation reflects the continuing efforts by our committee to ensure that our Nation's veterans will be able to achieve the American dream of home ownership.

The chairwoman of the Housing and Memorial Affairs Subcommittee, MARCY KAPTUR, and the ranking member, DAN BURTON, have worked tirelessly in forwarding an initiative that will both make it easier for veterans to afford housing and strengthen the solvency of the VA Home Loan Program. Chairman SONNY MONTGOMERY and ranking member JERRY SOLOMON of the full committee should also be commended for their fine work on this major housing bill.

H.R. 2672 takes steps to address the concerns which have been raised about the solvency of the program. The bill also addresses the situation of veterans affected by the high foreclosure rate of today's market by providing relief for certain veterans whose default occurs through no fault of their own.

The bill contains as well a new underwriting requirement which prevents a veteran from being unfairly penalized because of the monetary misadventure of another party.

More than 12 million VA loans have been approved to date, thus demonstrating the popularity and viability of this program. Over 60 percent of all VA home loans are made with no down payment, something not generally possible with conventional loans. Were it not for this important VA program, many veterans and their families would not be in their homes today.

Clearly, the VA Home Loan Guarantee Program is one of the most successful and beneficial VA programs available to our Nation's veterans.

I urge my colleagues to support this comprehensive VA home loan legislation.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again, I want to commend the gentlewoman from Ohio [Ms. KAPTUR], distinguished chairwoman of the subcommittee, for the work she has done to bring this comprehensive housing bill before the House.

I also want to thank my good friend, the very able gentleman from New York [Mr. SOLOMON] for his leadership and cooperation. This bill, unanimously approved by our committee, again reflects the bipartisan way we handle veterans' affairs. I am fortunate to be able to work with the gentleman from New York.

I appreciate the work of all members of the subcommittee.

This is a good bill. It is the result of many hours of work on the part of a lot of our Members and I urge its adoption by the House.

Mr. BURTON of Indiana. Mr. Speaker, since the provisions of this bill have been thoroughly explained I can be brief. H.R. 2672 will benefit the many veterans who have participated in the Home Loan Guaranty Program in addition to benefiting future users.

Even though the program enjoys a high degree of participation, we are also facing a high foreclosure rate. So, I hope that the particular sections of the bill such as the adjustment to the loan guaranty ceiling and the uniform guaranty amount will reduce the high foreclosure rate. I am confident that the Veterans' Housing Rehabilitation and Program Improvement Act of 1987 will be in the best interest of veterans.

Mr. MONTGOMERY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SOLOMON. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LEATH of Texas). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2672, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1240

### GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on this bill, H.R. 2672, and on the next bill, H.R. 2957.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

### CEMETERY IMPROVEMENTS AMENDMENTS OF 1987

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2957) to provide for improvements in the National Cemetery System administered under title 38, United States Code, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2957

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. VETERANS' CEMETERIES OWNED BY STATES.

Section 1008(b) of title 38 United States Code, is amended—

(1) by striking out clause (1); and

(2) by redesignating clauses (2), (3), and (4) as clauses (1), (2), and (3), respectively.

SEC. 2. CONTRIBUTIONS FOR CERTAIN PROJECTS.

Section 1004(f) of title 38, United States Code, is amended—

(1) by striking out "The" and inserting in lieu thereof "(1) The"; and

(2) by adding the following new paragraph at the end:

"(2) The Administrator may, to the extent of appropriated funds available for such purpose, make contributions to local authorities for the construction of traffic controls, road improvements, or other devices on land adjacent to a national cemetery if the Administrator determines that such a contribution is necessary for safe ingress or egress to or from such cemetery.".

SEC. 3. GRAVE LINERS.

(a) IN GENERAL.—Section 906 of title 38, United States Code, is amended—

(1) by adding at the end the following new subsection:

"(e)(1) The Administrator may provide an approved grave liner for the interment of casketed remains in cemeteries within the National Cemetery System and in the Arlington National Cemetery.

"(2) The use of grave liners shall be in accordance with specifications and procedures approved by the Administrator."; and

(2) by striking out the section heading and inserting in lieu thereof the following:

**"§ 906. Headstones, markers, and grave liners".**

(b) TECHNICAL AMENDMENT.—The item relating to section 906 in the table of sections at the beginning of chapter 23 of title 38, United States Code, is amended to read as follows:

"906. Headstones, markers, and grave liners.".

SEC. 4. GRAVE MARKERS.

Section 1004(c)(2) of title 38, United States Code, is amended—

(1) by striking out "and" at the end of clause (A);

(2) by striking out the period at the end of clause (B) and inserting in lieu thereof "; and"; and

(3) by adding the following new clause at the end:

"(C) in the case of the gravesites of cremated remains that are interred in the ground, the Administrator may provide for flat grave markers.".

SEC. 5. GRAVE MARKERS IN A CERTAIN LOCATIONS.

(a) ZABLOCKI VETERANS' ADMINISTRATION MEDICAL CENTER.—Notwithstanding section 1004(c)(2) of title 38, United States Code, the Administrator of Veterans' Affairs may provide for flat grave markers in the case of graves on land transferred to the Department of Memorial Affairs from the Department of Medicine and Surgery of the Veterans' Administration for expansion of a cemetery at the Clement A. Zablocki Veterans' Administration Medical Center in Milwaukee, Wisconsin.

(b) INDIANTOWN GAP, PENNSYLVANIA.—Notwithstanding section 1004(c)(2) of title 38, United States Code, the Administrator may provide for flat grave markers at the national cemetery at Indiantown Gap, Pennsylvania.

SEC. 6. AMERICAN BATTLE MONUMENTS COMMISSION FOREIGN CURRENCY FLUCTUATIONS.

(a) ESTABLISHMENT OF FOREIGN CURRENCY FLUCTUATIONS ACCOUNT.—The Act entitled "An Act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes", approved March 4, 1923 (36 U.S.C. 121), is amended by adding at the end the following new section:

"SEC. 13. (a) There is hereby established in the Treasury an account to be known as the 'Foreign Currency Fluctuations, American Battle Monuments Commission, Account'. The account shall be used to provide funds to appropriated funds available for salaries and expenses of the American Battle Monuments Commission to eliminate losses because of fluctuations in currency exchange rates of foreign countries occurring after a budget request for the Commission is submitted to Congress. The account may not be used for any other purpose.

"(b) Funds provided to appropriations under subsection (a) shall be merged with and available for the same time period as the appropriation to which they are applied. A provision of law limiting the amount of funds the Commission may obligate in any fiscal year shall be increased to the extent necessary to reflect fluctuations in exchange rates from those used in preparing the budget submission.

"(c) An obligation of the Commission payable in the currency of a foreign country may be recorded as an obligation based upon exchange rates used in preparing a budget submission. A change reflecting fluctuations in exchange rate may be recorded as a disbursement is made.

"(d) Funds transferred from the Foreign Currency Fluctuations, American Battle Monuments Commission, Account may be transferred back to that account—

"(1) if the funds are not needed to pay obligations incurred because of fluctuations in currency exchange rates of foreign countries in the appropriation to which the funds were originally transferred; and

"(2) because of subsequent favorable fluctuations in the rates or because other funds are, or become, available to pay such obligations.

"(e) A transfer back to the account under subsection (d) may not be made after the end of the second fiscal year after the fiscal year that the appropriation to which the funds were originally transferred is available for obligation.

"(f) No later than the end of the second fiscal year following the fiscal year for which appropriations for salaries and expenses have been made available to the Commission, unobligated balances of such appropriation provided for a fiscal year may be transferred into the Foreign Currency Fluctuations, American Battle Monuments Commisison, Account, to be merged with and available for the same period and purposes as that account.

"(g) The Secretary shall report to Congress each year on funds made available under this section.".

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Foreign Currency Fluctuations, American Battle Monuments Commission, Account the sum of $3,000,000.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to the fiscal year during which this Act is enacted and each subsequent fiscal year.

The SPEAKER pro tempore. Is a second demanded?

Mr. SOLOMON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 20 minutes.

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The Chair recognizes the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume. This bill (H.R. 2957) would provide for a number of improvements in the way the Veterans' Administration and the American Battle Monuments Commission administer their National Cemetery programs.

I yield such time as she may consume to the distinguished chairwoman of our Subcommittee on Housing and Memorial Affairs, the gentlewoman from Ohio [Ms. Kaptur] for an explanation of the bill.

Ms. KAPTUR. Mr. Speaker, the bill H.R. 2957, entitled the Cemetery Improvements Amendments of 1987, authorizes a number of measures which will improve efficiency in the National Cemetery System and the American Battle Monuments Commission.

I would like to commend the chairman of the full Committee on Veterans' Affairs, G.V. (Sonny) Montgomery, who has given us outstanding leadership on these important issues. I would also like to thank the ranking minority member of the full Committee, Gerald B.H. Solomon, and the ranking minority member of the Subcommittee on Housing and Memorial Affairs, Dan Burton, for their excellent support. The individual members of the subcommittee have worked hard together to develop this very timely legislation, and I would like to thank each of them for their excellent contributions.

Mr. Speaker, the National Cemetery System was established in 1862, when President Abraham Lincoln assured an honorable burial for soldiers who died in service to their country. Today, 110 national cemeteries are located throughout the United States to serve veterans, their spouses, and dependent children. Over 50,000 interments are made in the national cemeteries each year.

Overseas, the American Battle Monuments Commission maintains 24 cemeteries for wartime casualties not repatriated to the United States, as well as 14 separate memorials to American military service abroad.

In order to enhance the effectiveness of national cemetery and American Battle Monuments Commission operations, H.R. 2957 contains the following provisions:

### CURRENCY FLUCTUATION ACCOUNT FOR THE AMERICAN BATTLE MONUMENTS COMMISSION [ABMC]

The primary missions of the American Battle Monuments Commission are to commemorate the services of American military forces where they have served since the entry of this country into World War I (April 6, 1917); to build and maintain permanent U.S. military burial grounds on foreign soil; to control the design and construction of U.S. military monuments overseas; and to encourage adequate maintenance of such memorials by their sponsors.

At the present time, ABMC operates 24 permanent American military cemeteries and 14 separate monuments in 11 foreign countries and the Commonwealth of the Northern Mariana Islands, as well as four memorials in the United States. The Commission is staffed by 387 full-time civilian employees and 6 military officers who serve on a reimbursable basis. Of the civilian employees, 337 are foreign nationals indigenous to the countries where ABMC installations are located.

At a hearing of the Subcommittee on Housing and Memorial Affairs on July 1, 1987, ABMC testified with regard to the impact of foreign currency exchange rates on their operations. From 1979 to 1984, when dollar exchange rates were appreciating in Europe, a surplus in funds appropriated developed. ABMC was able to utilize the surplus funds generated to replace worn out equipment, restore stocks of spare parts, and initiate maintenance projects that had previously been deferred because of lack of funds.

Late in 1985, however, the United States and certain allies took steps to reduce the value of the dollar, in order to make American goods more competitive. The resulting depreciation of the dollar severely impacted ABMC operations, as over 90 percent of its appropriation is expended overseas.

In fiscal year 1986, ABMC required a supplemental appropriation of $1,553,000 to help offset losses associated with the weakened U.S. dollar. In fiscal year 1987, a supplemental appropriation of $1,414,000 was requested for similar reasons. In the meantime, in order to cope with the situation, ABMC has taken measures in Europe and the Mediterranean to reduce certain labor costs; defer capital improvement projects; suspend nonemergency repair and replacement projects; and limit purchases of essential supplies. Even with these measures, ABMC testified at the hearing that an additional $150,000 would be required by the end of the year to meet its obligations without furloughing employees, an action which would violate treaty agreements with most of the host countries.

In order to mitigate the adverse impact of declining dollar values on ABMC operations abroad, H.R. 2957 establishes a foreign currency fluctuation accounts, similar to those which have been set up for the State Department and the Department of Defense. The bill authorizes an appropriation of $3 million for deposit in the account.

Using this type of account, transactions in foreign countries utilize the budgeted rate of exchange as the standard for obligations. If the exchange rate at the time of purchase is higher than the budgeted rate, the difference is deposited into the account. If, on the other hand, the exchange rate is lower, the necessary additional funds may be withdrawn from the account.

In response to questions at the hearing on July 1, 1987, ABMC advised the Subcommittee on Housing and Memorial Affairs that establishing the foreign currency fluctuation account will virtually eliminate the need for supplemental appropriations in the future.

### INGRESS AND EGRESS

Mr. Speaker, the bill authorizes the VA to make contributions to local authorities for the construction of traffic controls, road improvements, or other devices, adjacent to national cemeteries if considered necessary for safe ingress and egress.

The VA Administration in a letter to the Speaker of the House of Representatives dated March 24, 1987, noted that:

> It has become evident, in administering the national cemetery system, that specific statutory authorization is required in order to undertake the type of construction projects deemed necessary to improve safety conditions at the entrance to national cemeteries. Under current law, in the absence of express statutory authority, such requisite construction projects are generally prohibited as a result of the well-established rule which prohibits the Government's expenditure of appropriated funds for the permanent improvement of private property. Although exceptions to that rule have been recognized by the Comptroller General and have been applied by the Veterans Administration to justify a limited number of improvements to private property adjacent to national cemeteries, we believe a specific statutory authorization under which this Agency could assist localities in constructing such needed improvements would be a more satisfactory means of achieving these results. The proposed legislation, in our opinion, addresses and resolves these concerns.

### TECHNICAL AMENDMENT TO STATE CEMETERY GRANT STATUTE

Section 1008(1) currently provides that no State may receive grants in any fiscal year in a total amount greater than 20 percent of the total amount appropriated program-wide for that fiscal year. The purpose of the original language was to prevent any one State from receiving a disproportionate share of Federal funds under the VA's cemetery grant program, to the disadvantage of other State(s).

In practice, after nearly 8 years of experience with this program, it has become apparent that this restriction is unnecessary, and may lead to unintended results. The VA Administrator, in a letter to the Speaker of the House of Representatives dated March 9, 1987, illustrates the potential negative impact of section 1008(b)(1) as follows:

> For example, if $3 million were available in the third year of an appropriation and three States each requested $1 million in Federal assistance, no grant could be made because of the 20 percent limitation in the statute: i.e., each State would be requesting more than 20 percent of the total amount appropriated programwide. Moreover, the entire $3 million would tehn lapse despite the seeming adequacy of the appropriation to fund all three requests.

There has been no situation to date, and none is anticipated, in which the original concerns leading to the 20 percent limitation could have occurred. Repeal of section 1008(b)(1) will avoid the unintended results described above. This action will enable the VA to deal more efficiently and equitably with carryover funds, and will enhance program flexibility while maintaining program goals.

### GRAVEMARKERS AT WOOD NATIONAL CEMETERY, MILWAUKEE, WISCONSIN, AND INDIANTOWN GAP NATIONAL CEMETERY, PENNSYLVANIA

Mr. Speaker, H.R. 2957 would exempt a newly acquired portion of the Wood National Cemetery from the statute which mandates upright gravemarkers in national cemeteries.

In 1985, the Veterans' Administration administratively transferred approximately 12 acres of land from the medical center to the national cemetery for expansion purposes. Without this additional land, the cemetery would have closed in 1987.

There was a specific agreement at the time of the transfer that gravemarkers in the new burial section would be flat. This condition was stipulated by the medical center director because the property is an integral part of the facility grounds.

Subsequent to this agreement, Congress in October 1986 amended 38 U.S.C. 1004 to mandate upright gravemarkers for interments in national cemeteries starting January 1, 1987.

H.R. 2957 would also permit the VA to continue using flat gravemarkers at the Indiantown Gap National Cemetery, Pennsylvania and in garden niches, 3 x 3 plots used for the interment of cremated remains.

Congressional intent was that the upright gravemarker provisions would apply to in-ground burial of casketed remains, not to burial of creamated remains in garden niches. In order to clarify this point, legislative authority is provided to the VA for using flat gravemarkers for burial of cremated remains that are interred in the ground.

### GRAVELINERS

Mr. Speaker, as the ground settles over a grave, sinkage occurs about 10 times over a 20-year period after an interment is made. In each case, the resulting depression must be filled in order to maintain an acceptable standard of cemetery appearance. Graveliners are rigid outer containers, typically made of concrete, which enclose the casket in order to prevent this type of sinkage, and thus reduce overall maintenance costs.

Although the VA experience with graveliners was very successful and they were used at 30 of the 57 national cemeteries which were open, fiscal restraints forced the agency to cut back substantially on the graveliner program in 1980, although there are still provided at three of the large new regional cemeteries—Calverton, Riverside and Massachusetts.

The VA testified that graveliners are used in national cemeteries for four basic reasons: First, to reduce maintenance requirements by preventing the ground from sinking over a collapsing casket; second, to prevent headstones from sinking and tilting; third, to reduce falls and other accidents to employees and visitors when walking over uneven ground; and fourth, to assure that cemetery appearance meets the high standard expected by the public. The VA further testified that graveliners are most efficient when gravesites are being used for the first time, and all burials in a section would have graveliners.

Graveliners are highly cost effective when used in these types of circumstances. In the interests of long-term efficiency, and especially in view of the anticipated increase in burials over the next 20 years, the VA Administrator is authorized to provide graveliners in VA national cemeteries and Arlington National Cemetery.

The Congressional Budget Office has estimated a cost of $7 million for the first year of this bill, including $3 million to start the ABMC currency fluctuation account and $4 million for graveliners in national cemeteries. The provisions of H.R. 2957 will lead to more efficient operations for these programs, and should result in long-range savings.

Again, Mr. Speaker, these provisions are going to help us operate American Battle Monuments Commission and national cemeteries more effectively, and assure that the appearance of these beautiful shrines is maintained at a level which the public very rightly expects. I urge favorable consideration of this bill.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2957, which would enhance our National Cemetery System by authorizing the Veterans' Administration to contribute funding to communities for local traffic controls and road improvements to provide for safer ingress and egress.

In addition it would permit the use of flat grave markers at two national cemeteries: one at Wood, Milwaukee, WI, the other at Indiantown Gap, PA. It would also permit the use of flat grave markers at gravesites for the interment of cremated remains in areas within the cemetery known as "garden niches."

This bill would also obviate the need for supplemental appropriations to remedy the foreign currency exchange rate problem being experienced by the American Battle Monuments Commission. To accomplish this, H.R. 2957 contains a provision to establish for ABMC's use a foreign currency fluctuation account, similar to those which have been set up for the Departments of State and Defense.

Another feature of this bill would provide for the use of graveliners at national cemeteries. This would be highly beneficial, due to the fact that they are cost-effective while at the same time, they improve grave sites.

Current law provides that no more than 20 percent of appropriated funds for any given year may be spent in any one State for State cemeteries. This provision was intended to ensure that no State would receive more than its fair share of funding. The provision has proved unnecessary and counterproductive. Enactment of H.R. 2957 would repeal this restriction and enable better operations.

Mr. Speaker, I wish to commend my good friend and chairman of the Veterans' Affairs Committee, the gentleman from Mississippi, Mr. Sonny Montgomery, for his expeditious handling of this measure.

In addition, I want to recognize the gentlewoman from Ohio, Ms. Marcy Kaptur, chairwoman of the Subcommittee on Housing and Memorial Affairs, and the ranking member, the gentleman from Indiana [Mr. Burton], for their efforts in moving this legislation to the floor.

Mr. Speaker, I urge my colleagues to vote in favor of this bill.

Mr. Speaker, I yield such time as he may consume to the former ranking member, the gentleman from Arkansas [Mr. Hammerschmidt].

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of H.R. 2957, which would make certain improvements in the National Cemetery System and would enable the American Battle Monuments Commission to operate more efficiently.

As has been noted, the basic provisions of H.R. 2957 would improve operation of the National Cemetery System, and I wholeheartedly endorse them.

The American Battle Monuments Commission [ABMC] whose mission involves the operation of facilities in foreign countries, must be able to conduct its operations in an efficient manner, but is hampered financially by falling exchange rates for the dollar. The provision contained in this measure would ensure the ABMC's ability to keep up its operations by establishing a foreign currency fluctuations account for it. Setting up this type of account would preclude the ne-

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cessity for supplemental appropriations.

Mr. Speaker, I wish to commend the gentlewoman from Ohio [Ms. Kaptur], the chairwoman of the Subcommittee on Housing and Memorial Affairs, and the gentleman from Indiana [Mr. Burton], the ranking member of the subcommittee, both of whom worked diligently to bring this bill to the floor for consideration.

In addition, Mr. Speaker, I wish to thank my good friend, the gentleman from Mississippi, Chairman Sonny Montgomery, and the ranking member, the gentleman from New York, Mr. Jerry Soloman, for their continued dedication and support for the needs of our Nation's veterans.

Mr. Speaker, I recommend H.R. 2957 to my colleagues. It deserves the support of every Member of this body.

Mr. SOLOMON. Mr. Speaker, I yield whatever time he might consume to the gentleman from New York [Mr. Gilman], a strong supporter of our veterans.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

I want to commend the chairman of the Veterans' Affairs Committee, the gentleman from Mississippi [Mr. Montgomery], and the chairman of the subcommittee, the gentlewoman from Ohio [Ms. Kaptur], and the ranking minority member, the gentleman from New York [Mr. Solomon], for bringing both of these measures to the floor at this time, measures that will certainly help our veterans, particularly the Cemetery Improvement Amendments of 1987. They go a long way toward providing proper access, providing the kind of monuments and the kind of funding that is needed for our foreign cemeteries. Too often we neglect those who have given so much for our Nation. It certainly is commendable to see these kinds of measures come before us at this time to remember those who gave of themselves for our Nation.

It is for that reason, Mr. Speaker, that I urge my colleagues to join with us in full support of both of these measures.

Mr. Speaker, I rise in strong support of two measures brought before us today, H.R. 2672, the VA Home Rehabilitation and Programs Improvement Act of 1987, and H.R. 2957, to enhance the VA National Cemetery Program. I commend the distinguished chairman of our Veterans' Affairs Committee, the gentleman from Mississippi [Mr. Montgomery], the gentlelady from Ohio [Ms. Kaptur], and the ranking minority member, the gentleman from New York [Mr. Solomon], for their leadership on the committee and for bringing these worthy bills to the floor today.

H.R. 2672 changes the formula for calculating the maximum VA home-loan guaranty from 60 percent of the total loan up to a total of $27,000 to 40 percent of the total loan up to $40,000 for conventional homes. The original cap has failed to keep pace with the general rise in housing prices, consequently, failing to provide the protection envisioned for the average lender. The higher limit and lower percentage also curtails unnecessary risks to the borrower and revolving fund while continuing to provide lenders better credit protection than is currently available under conventional loans.

Furthermore, H.R. 2672 allows the VA to sell properties acquired through default for less than fair market value if the purchaser agrees to rehabilitate the property hiring veterans under the Veterans Job Training Act and to give priority to veterans when reselling the property. The bill also permits the VA to reduce the sale price of suitable foreclosure properties to approved organizations or State and local governments if the property is to be used as a shelter for homeless veterans and their families.

H.R. 2957 repeals the 20-percent cap on the amount of total appropriated funds a State may receive in any fiscal year from the VA State Cemetery Grant Program, and authorizes the VA to hire local authorities to improve lands surrounding national cemeteries to ensure safe entrance and departure, furnish graveliners for casket burial plots in VA cemeteries, and use flat grave markers in certain instances. H.R. 2957 also authorizes $3 million for the American Battle Monuments Commission [ABMC] to help offset fluctuations in exchange rates overseas.

Mr. Speaker, the veterans of this Nation encounter many of the problems faced by us all: unemployment, inflation, homelessness, and crime. These two bills address these barriers and others. Accordingly, I urge my colleagues to join in support of H.R. 2672, the VA Home Rehabilitation and Programs Improvement Act, and H.R. 2957, to enhance the VA national cemetery system.

Mr. SOLOMON. Mr. Speaker, I yield whatever time he might consume to the gentleman from Pennsylvania [Mr. Walker], who gave us input on the Indiantown Gap Cemetery.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

I rise simply to thank the committee for being as responsive as they have been to the situation at the Indiantown Gap Military Cemetery.

The chairman of the subcommittee, the gentlewoman from Ohio, and the gentleman from Mississippi, the chairman of the full committee, and the ranking member of the committee, the gentleman from New York [Mr. Solomon], were all very responsive to this problem and it is much appreciated.

We have a situation there where we have a new cemetery. It is a cemetery which is developing, which is going to be an absolutely beautiful cemetery for the next many decades of this century.

With the action that the committee has taken here, I think we can assure that the original architectural plan will continue to be pursued and we will have a monument there to our veterans that we can all be very proud of.

So, Mr. Speaker, I thank the committee for their response in this matter and I am pleased to rise in support of this bill.

Mr. SOLOMON. Mr. Speaker, I again compliment the committee chairman and the chairman of the subcommittee.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I would like to thank the gentlewoman from Ohio, Ms. Kaptur, again for the hard work she has done on this legislation, and to the gentleman from New York, Mr. Solomon, the ranking minority member, and the gentleman from Arkansas, Mr. Hammerschmidt, for his total support, and to the gentleman from New York, Mr. Ben Gilman, always helpful on veterans programs, and to the gentleman from Pennsylvania, Mr. Bob Walker, to come to our committee and present this problem. We are very glad that we are able to help the gentleman from Pennsylvania, Mr. Walker.

Mr. Speaker, I would like to say that we are very proud of these national cemeteries. They are around the world. They are in this country. They are overseas.

Recently we went to Corregidor in the Philippines. While we were there, we did visit the national cemetery where 17,000 Americans are buried.

I would hope as our colleagues travel around the country and around the world that they would visit these great cemeteries. That is the least we can do is honor those who gave the supreme sacrifice and gave their lives. We were impressed with what we saw. The cemeteries are well maintained and we can all be proud of the way our Nation honors those individuals buried there who died defending freedom.

This bill will assure that the standard of care given our national cemeteries in this country and throughout the world will be maintained in the years to come. I urge the adoption of the bill.

Mr. BURTON of Indiana. Mr. Speaker, since the provisions of this bill have been thoroughly explained I can be brief. This memorial affairs bill will enhance our National Cemetery System.

VA national cemetery usage is expected to rise as our veteran population ages. I endorse the use of flat markers at the Wood, WI, Cemetery and grave liners at VA national cemeteries to improve the appearance and ease the burden of care for our cemetery caretakers. I also support plans to work with local officials to facilitate plans for the ingress and egress of veterans cemeteries. This will ease visitation and improve the safety of all local traffic.

Overseas, the Battle Monuments Commission has been forced to deal with budgeting problems beyond its control, caused by currency fluctuations. I support the establishment of a fund that would enable them to offset currency changes. This would not cost the Federal any money and in the long run would improve the efficiency of the Battle Monuments Commission.

Mr. SOLOMON. Mr. Speaker, I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Montgomery] that the House suspend the rules and pass the bill, H.R. 2957, as amended.

The question was taken.

Mr. SOLOMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule 1, and the Chair's prior announcement, further proceedings on this motion will be postponed.

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## COMMODITY DISTRIBUTION REFORM ACT OF 1987

Mr. de la GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1340) to improve the administration of the Department of Agriculture commodity distribution activities, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1340

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE: STATEMENT OF PURPOSE.

(a) Short Title.—This Act may be cited as the "Commodity Distribution Reform Act of 1987".

(b) Statement of Purpose.—It is the purpose of this Act to improve the manner in which agricultural commodities acquired by the Department of Agriculture are distributed to recipient agencies, the quality of the commodities that are distributed, and the degree to which such distribution responds to the needs of the recipient agencies.

SEC. 2. COMMODITY DISTRIBUTION PROGRAM REFORMS.

(a) Commodities Specifications.—

(1) Development.—In developing specifications for commodities acquired through price support, surplus removal, and direct purchase programs of the Department of Agriculture that are donated for use for programs or institutions described in paragraph (2), the Secretary shall—

(A) consult with the advisory council established under paragraph (3);

(B) consider—

(i) the results of the survey conducted under section 3; and

(ii) information received from the field testing program developed under subsection (g); and

(C) require that entitlement commodities and their products be—

(i) of the quality, size, and form determined by the advisory council established under paragraph (3), after consultation with recipient agencies, to be most usable by such agencies; and

(ii) to the extent practicable, consistent with dietary guidelines published by the Secretary of Agriculture and the Secretary of Health and Human Services.

(2) Applicability.—Paragraph (1) shall apply to agricultural commodities and their products that are donated for use—

(A) for programs carried out under the National School Lunch Act (42 U.S.C. 1751 et seq.), the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), or title III of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq.);

(B) under section 4 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) for the commodity supplemental food program, the food distribution program on Indian reservations, charitable institutions, summer camps; or

(C) under section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) for the temporary emergency food assistance program.

(3) Advisory council.—(A) The Secretary shall establish an advisory council on the distribution of donated commodities to recipient agencies. The Secretary shall appoint not less than nine and not more than 15 members to the council, including—

(i) representatives of recipient agencies;

(ii) representatives of food processors and food distributors;

(iii) representatives of agricultural organizations; and

(iv) one representative of State distribution agency directors.

(B) The council shall meet not less than semiannually with appropriate officials of the Department of Agriculture and shall provide guidance to the Secretary on regulations and policy development with respect to specifications for commodities.

(C) Members of the council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the committee.

(D) The council shall report annually to the Secretary of Agriculture, the Committee on Education and Labor and the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(E) The council shall expire on September 30, 1992.

(b) Duties of Secretary With Respect to Provision of Commodities.—With respect to the provision of commodities to recipient agencies, the Secretary shall—

(1) before the end of the 180-day period beginning on the date of the enactment of this Act—

(A) implement a system to provide recipient agencies with options with respect to package sizes and forms of such commodities, based on information received from such agencies under subsection (f)(2);

(B) implement procedures to monitor the manner in which State distribution agencies carry out their responsibilities; and

(C) after considering national standards and industry charges, including State and regional differences in such charges, establish mandatory criteria to be used by State distribution agencies when fees are charged to recipient agencies for storage and delivery of commodities;

(2) provide technical assistance to recipient agencies on the use of such commodities, including handling, storage, and menu planning, and shall distribute suggested recipes that are, to the extent practicable, consistent with the dietary guidelines described in subsection (a)(1)(C)(ii);

(3) before the end of the 90-day period beginning on the date of the enactment of this Act, implement a system for the dissemination to recipient agencies and to State distribution agencies of summaries of specifications with respect to such commodities, including nutrient content information, in a form suitable for use by such State agencies and recipient agencies, including information with respect to the amounts of fat, sugar, and salt contained in such commodities;

(4) implement a system for the dissemination to recipient agencies and to State distribution agencies, not less than 60 days before each distribution of commodities by the Secretary is scheduled to begin, of information relating to the types and quantities of such commodities that are to be distributed;

(5) before the expiration of the 90-day period beginning on the date of the enactment of this Act, establish procedures for the replacement of commodities received by recipient agencies that are stale, spoiled, out of condition, or not in compliance with the specifications developed under subsection (a)(1), including a requirement that the appropriate State distribution agency be notified promptly of the receipt of commodities that are stale, spoiled, out of condition, or not in compliance with the specifications developed under subsection (a)(1);

(6) monitor the condition of commodities designated for donation to recipient agencies that are begin stored by or for the Secretary to ensure that the highest quality is maintained;

(7) establish for each entitlement commodity that is donated to a recipient agency a value which shall be used by the appropriate State distribution agency in determining the extent to which donations of such commodities and food products fulfill applicable requirements established by the National School Lunch Act (42 U.S.C. 1715 et seq.), the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), and title III of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq.); and

(8) require that each State distribution agency shall receive donated commodities not more than 90 days after such commodities are ordered by such agency, unless such agency specifies a longer delivery period.

(c) Qualifications for Purchase of Commodities.—

(1) Offers for equal or less poundage.—Subject to compliance by the Secretary of Agriculture with surplus removal responsibilities under other provisions of law, the Secretary may not refuse any offer in response to an invitation to bid with respect to a contract for the purchase of entitlement commodities solely on the basis that such offer provides less than the total amount of poundage for a destination specified in such invitation.

(2) Other qualifications.—The Secretary may not enter into a contract for the purchase of entitlement commodities unless—

(A) the Secretary considers the previous history and current patterns of the bidding party with respect to compliance with applicable meat inspection laws and with other appropriate standards relating to the wholesomeness of food for human consumption; and

(B) Subject to compliance by the Secretary of Agriculture with surplus removal responsibilities under other provisions of law and except in the event of a situation that the Secretary determines to be an emergency, the contract provides for delivery terms free on board destination.

(d) Duties of State Distribution Agencies.—Before the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary shall by regulation require each State distribution agency to—

(1) evaluate its warehousing and distribution systems for donated commodities;

(2) implement the most cost-effective and efficient system for providing warehousing and distribution services to recipient agencies;

(3) utilize normal channels of trade for providing the services described in paragraph (2) unless—

(A) the agency submits an alternative plan to the Secretary; and

(B) the Secretary approves such plan;

(4) use delivery methods other than rail siding delivery of donated commodities to recipient agencies unless each such delivery is—

(A) solely for one recipient agency; or

(B) for two or more recipient agencies, if all of such agencies use the same warehouse facility;

(5) consider the preparation and storage capabilities of recipient agencies when ordering donated commodities, including capabilities of such agencies to handle commodity product forms, quality, packaging, and quantities; and

(6) in the case of any such agency that enters into a contract with respect to processing of agricultural commodities and their products for recipient agencies—

(A) test the product of such processing with the recipient agencies before entering into a contract for such processing; and

(B) develop a system for monitoring product acceptability.

(e) Regulations.—

(1) In general.—The Secretary shall provide by regulation for—

(A) mandatory criteria, based on national standards and industry charges (taking into account State and regional differences in such charges), to be used by State distribution agencies when fees are charged to recipient agencies;

(B) minimum performance standards to be followed by State distribution agencies;

(C) procedures for allocating donated commodities among the States;

(D) delivery schedules for donated commodities that are consistent with the needs of recipient agencies; and

(E) criteria for intrastate distribution of donated commodities (relating to such matters as timeliness of deliveries, advance notice of delivery, and frequency of such distributions).

(2) Time for Promulgation of Regulations.—The Secretary shall promulgate—

(A) interim regulations for the implementation of paragraph (1)(E) to take effect before the end of the 30-day period beginning on the date of the enactment of this Act;

(B) regulations as required by paragraph (1)(D) before the end of the 90-day period beginning on such date; and

(C) regulations as required by subparagraph (A), (B), (C), and (E) of paragraph (1) before the end of the 180-day period beginning on such date.

(f) Review of Provision of Committee.—

(1) In General.—Before the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary shall establish procedures to provide for systematic review of the costs and benefits of providing commodities of the kind and quantity that are suitable to the needs of recipient agencies.

(2) Information From Recipient Agencies.—Before the expiration of the 120-day period beginning on the date of the enactment of this Act, the Secretary shall establish procedures to ensure that information is received from recipient agencies not less than once every three months with respect to the types and forms of commodities that are most useful to persons participating in programs operated by recipient agencies.

(g) Field Testing Program.—The Secretary shall, before the end of the 90-day period beginning on the date of the enactment of this Act—

(1) develop and implement an ongoing field testing program, for existing and anticipated acquisitions of agricultural commodities and their products, to determine their acceptability with persons participating in programs operated by recipient agencies; and

(2) consider the results of the field testing program described in paragraph (1) when deciding the type and form of agricultural commodities and food products to be donated for use by such recipient agencies.

(h) Buy American Provision.—

(1) In General.—The Secretary shall require that recipient agencies purchase only food products that are produced in the United States.

(2) Waiver.—The Secretary may waive the requirement established in paragraph (1)—

(A) in the case of recipient agencies that have unusual or ethnic preferences in food products; or

(B) for such other circumstances as the Secretary considers appropriate.

(3) Exception.—The requirement established in paragraph (1) shall not apply to recipient agencies in Alaska, Hawaii, Guam, American Samoa, Puerto Rico, the Virgin Islands, or the Commonwealth of the Northern Mariana Islands.

(i) Uniform Interpretation of Policies and Regulations.—The Secretary shall ensure that policies and regulations of the Department of Agriculture with respect to donated commodities are interpreted in a consistent manner by regional offices of the Department.

(k) Per Meal Value of Donated Foods.—Section 6(e) of the National School Lunch Act (42 U.S.C. 1755(e)) is amended by—

(1) inserting "(1)" after the subsection designation; and

(2) adding at the end the following new paragraph:

"(2) Each State agency shall offer to each school food authority under its jurisdiction that participates in the school lunch program and recieves commodities, agricultural commodities and their products, the per meal value of which is not less than the national average value of donated foods established under paragraph (1). Each such offer shall include the full range of such commodities and products that are available from the Secretary to the extent that quantities requested are sufficient to allow efficient delivery to and within the State.".

(l) Report Requirements.—

(1) In General.—The Secretary shall annually submit to the Committee on Education and Labor and the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the implementation and operation of this section.

(2) Deadline for report.—The Secretary shall submit the first report under paragraph (1) before the expiration of the 1-year period beginning on the date of the enactment of this Act.

(m) Effective Dates.—

(1) In General.—Except as otherwise provided in this section, this section shall take effect on October 1, 1987.

(2) Other Effective Dates.—(A) subsections (b)(6), (b)(7), (b)(8), (h)(1), and (i) shall take effect on the date of the enactment of this Act.

(B) Subsection (c) shall take effect upon the expiration of the 180-day period beginning on the date of the enactment of this Act.

### SEC. 3. SURVEY OF RECIPIENT AGENCIES.

(a) Survey.—The Secretary shall conduct a survey of recipient agencies to determine which package sizes and forms of food products are commonly purchased locally by such agencies with their own funds.

(b) Report to Congress.—The Secretary shall submit to the Committee on Education and Labor and the Committee on Agriculture of the House of representatives and to the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the survey conducted under subsection (a) before the expiration of the 90-day period beginning on the date of the enactment of this Act.

### SEC. 4. FOOD BANK DEMONSTRATION PROJECT.

(a) Demonstration Project.—The Secretary of Agriculture shall carry out no less than one demonstration project to provide and redistribute agricultural commodities and food products thereof as authorized under section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c), to needy individuals and families throughout community food banks. The Secretary may use a State agency or any other food distribution system for such provision or redistribution of section 32 agricultural commodities and food products through community food banks under a demonstration project.

(b) Recordkeeping and Monitoring.—Each food bank participating in the demonstration projects under this section shall establish a recordkeeping system and internal procedures to monitor the use of agricultural commodities and food products provided under this section. The Secretary shall develop standards by which the feasibility and effectiveness of the projects shall be measured, and shall conduct an ongoing review of the effectiveness of the projects.

(c) Determination of Quantities, Varieties, and Types of Commodities.—The Secretary shall determine the quantities, varieties, and types of agricultural commodities and food products to be made available under this section.

(d) Effective Period.—This section shall be effective for the period beginning on the date of enactment of this Act and ending on December 31, 1990.

(e) Progress Reports.—The Secretary shall submit annual progress reports to Congress beginning on July 1, 1988, and a final report on July 1, 1990, regarding each demonstration project carried out under this section. Such reports shall include analyses and evaluations of the provision and redistribution of agricultural commodities and food products under the demonstration projects. In addition, the Secretary shall include in the final report any recommendations regarding improvements in the provision and redistribution of agricultural commodities and food products to community food banks and the feasibility of expanding such method of provisions and redistribution of agricultural commodities and food products to other community food banks.

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### SEC. 5. LIMITED EXTENSION OF ALTERNATIVE MEANS OF ASSISTANCE UNDER THE SCHOOL LUNCH PROGRAM.

Section 18 of the National School Lunch Act (42 U.S.C. 1769) is amended by adding at the end of the following new subsection:

"(e)(1) Upon request to the Secretary, any school district that on January 1, 1987, was receiving all cash payments or all commodity letters of credit in lieu of entitlement commodities for its school lunch program shall receive all cash payments or all commodity letters of credit in lieu of entitlement commodities for its school lunch program for each school year ending before July 1, 1992.

"(2) Any school district that elects under paragraph (1) to receive all cash payments or all commodity letters of credit in lieu of entitlement commodities for its school lunch program shall receive bonus commodities in the same manner as if such school district was receiving all entitlement commodities for its school lunch program.".

### SEC. 6. EXTENSION OF NATIONAL DONATED COMMODITY PROCESSING PROGRAMS.

(a) Subparagraph (A) of section 1114(a)(2) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431(a) (2)) is amended by striking out "June 30, 1987," and inserting in lieu thereof "June 30, 1992,".

(b) Section 4404 of the Child Nutrition Amendments of 1986 (Public Law 99-661) and section 364 of the School Lunch and Child Nutrition Amendments of 1986 (Public Law 99-591) are each amended by inserting after "the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(a)(2))" the following: "and effective through June 30, 1992".

### SEC. 7. ASSESSMENT AND REPORT TO CONGRESS.

(a) Assessment.—The Comptroller General of the United States shall monitor and assess the implementation by the Secretary of Agriculture of the provisions of this Act.

(b) Report.—Before the expiration of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Education and Labor and the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report of the findings of the assessment conducted as required by subsection (a).

### SEC. 8. DEFINITIONS.

For purposes of this Act:

(1) The term "donated commodities" means agricultural commodities and their products that are donated by the Secretary to recipient agencies.

(2) The term "entitlement commodities" means agricultural commodities and their products that are donated and charged by the Secretary against entitlements established under programs authorized by statute to receive such commodities.

(3) The term "recipient agency" means—

(A) a school, school food service authority, or other agency authorized under the National School Lunch Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) to operate breakfast programs, lunch programs, child care programs, summer food programs, or similar programs and to receive donations of agricultural commodities and their products acquired by the Secretary through price support, surplus removal, or direct purchase;

(B) a nutrition program for the elderly authorized under title III of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq.) to receive donations of agricultural commodities and their products acquired by the Secretary through price support, surplus removal, or direct purchase;

(C) an agency or organization distributing commodities under the commodity supplemental food program established in section 4 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note);

(D) any charitable institution, summer camp, or assistance agency for the food distribution program on Indian reservations authorized under section 4 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) to receive donations of agricultural commodities and their products acquired by the Secretary through price support, surplus removal, or direct purchase; or

(E) an agency or organization distributing commodities under a program established in section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note).

(4) The term "State distribution agency" means a State agency responsible for the intrastate distribution of donated commodities.

(6) The term "Secretary" means Secretary of Agriculture.

The SPEAKER pro tempore (Mr. Leath of Texas). Is a second demanded?

Mr. EMERSON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. de la Garza] will be recognized for 20 minutes and the gentleman from Missouri [Mr. Emerson] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. de la Garza].

Mr. de la GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1340, the Commodity Distribution Reform Act of 1987. This legislation is designed to improve the distribution and quality of agricultural commodities acquired by the U.S. Department of Agriculture and more adequately respond to the needs of recipient agencies.

This legislation is a compromise of H.R. 1340 as reported by the Committee on Agriculture on July 13 and H.R. 2496, the School Lunch Child Nutrition and Older Americans Commodity Program Improvement Act of 1987 and is the product of numerous consultations between Subcommittee Chairman Leon Panetta of the Domestic Marketing, Consumer Relations and Nutrition Subcommittee and members of the Committee on Education and Labor and our respective committee staffs.

Agricultural commodities are donated to food assistance agencies by the U.S. Department of Agriculture under two authorities, section 416 of the Agricultural Act of 1949 and section 32 of the act of August 24, 1935. Acquisition of price support and surplus removal commodities have helped stabilize the agricultural economy over the years and have provided numerous health benefits to children, the elderly and our low-income needy through provision of nutritious foods to food assistance agencies throughout the country.

The committee is aware that there have been problems associated with the Department's donation of agricultural commodities and commends recent actions by the Department of Agriculture to attempt to correct problems of timely distribution and respond more effectively to recipient agency needs. These efforts have also been recognized in a resolution adopted last week by the American School Food Service Association noting that "the Department of Agriculture has responded in an extremely constructive manner" to recommendations for improvements in the commodity distribution programs filed by the association and the National Frozen Food Association.

The compromise bill before us today provides a statutory base for these and additional improvements in the Department's donation programs.

In arriving at final compromise language providing these improvements, however, the Committee on Agriculture has been diligent in ensuring that the purpose of the commodity distribution programs—removing surplus agricultural commodities from the market and providing nutritious food to food assistance agencies—be maintained. Further, the committee worked hard to make certain that nothing in the bill would impair in any way the ability of the Secretary of Agriculture to acquire agricultural commodities through either the price support or surplus removal programs of the Department.

In this regard, two provisions in the bill as passed by the Committee on Education and Labor of deepest concern to our committee have been corrected to our satisfaction by the amendment offered to the bill on the floor today. First, section 2(a)(1) of the bill has been changed to apply the development of commodity specifications only to those commodities which already have been acquired by the Secretary of Agriculture through the price support, surplus removal and direct purchase programs of the Department. Second, section 2(c)(1) and section 2(c)(2)(B) have been changed to require that qualifications for purchase of commodities are subject to compliance with the surplus removal responsibilities of the Secretary of Agriculture.

Section 2(b)(4) of the bill requires that the Secretary of Agriculture provide recipient agencies information as to the types and quantities of commodities they are to receive not less than 60 days before each distribution. The Committee on Education and Labor has agreed that many times in surplus removal operations, in order to respond to a volatile marketplace, the Secretary must engage in surplus removal activities quickly. Thus, the committee report language specifies that the 60-day notification should be carried out to the maximum extent feasible. The Committee on Agriculture, however, does understand the need to notify recipient agencies as soon as possible when commodities are to be distributed and agrees that this requirement should be the exception rather than the rule.

Section 2(j) of the compromise bill mandates that entitlement commodities provided under the school lunch and elderly feeding programs shall be provided to recipient agencies without charge or credit if such commod-

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ities do not contribute to established meal pattern guidelines. The Committee on Agriculture is concerned that the Secretary may not acquire an entitlement commodity if such commodity cannot be charged against the entitlement purchase. The floor amendment strikes this provision and the concerns of the committees will be addressed in a subsequent colloquy.

H.R. 1340 as passed by the Committee on Agriculture received full bipartisan support, and our committee felt the proposed legislation would properly correct problems brought to our attention about the current operations of the commodity distribution programs. Our friends in the Education and Labor Committee, however, wished to correct deficiencies in the school distribution program in particular and, thus, the compromise bill includes improvements for all commodity donation programs of the Department of Agriculture.

I urge my colleagues to support the compromise bill as amended.

Mr. Speaker, it is our intention to divide our time on this side with our colleague from the Committee on Education and Labor, should they want to avail themselves of the time.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California [Mr. Panetta] chairman of the subcommittee, whom I cammend, along with other members of the subcommittee and staff, for doing yeoman work in this endeavor.

Mr. PANETTA. Mr. Speaker, I express my thanks not only to the ranking minority member, the gentleman from Missouri, Mr. Bill Emerson, but also to the gentleman from Michigan, Mr. Ford, ranking member of the Committee on Education and Labor, as well as the gentleman from Pennsylvania, Mr. Goodling, the ranking minority member of the subcommittee which has responsibility for this issue on commodities with the Committee on Education and Labor. All of them plus the staffs have worked long and hard and diligently to bring before the House a compromise bill on this issue.

For more than 50 years, USDA has helped stabilize our agricultural industry by removing surplus foods from the marketplace and donating them to a number of nutrition programs. The Department's commodity purchase and distribution program has allowed us to provide our schoolchildren and other eligible recipient agencies with wholesome and nutritious meals, and to simultaneously assist our Nation's farmers.

Legislative authority for these acquisitions is found in the Agricultural Act of 1949 and section 32 of the act of August 24, 1935. Last year, the Department distributed approximately $800 million worth of various commodities acquired through its agricultural support activities for use in child nutrition programs serving over 25 million children. This distribution formed 17 percent of the total $4.7 million in Federal child nutrition assistance last year. Additional commodities valued at almost $300 million were distributed to charitable institutions and programs serving the elderly and over $800 million in commodities were donated through the Temporary Emergency Food Assistance Program.

As important as the commodity distribution programs are, however, they are in need of improvement. For almost a decade, they have been the subject of growing controversy. The heaviest criticism has come from the agencies, primarily schools, receiving commodity supplements to the cash assistance they used to furnish meals to children.

In a hearing that I held in my subcommittee we heard all too often that the commodities received by recipients were delivered late and packaged in forms which were difficult to use. We also heard about cheese that doesn't melt and beef shipments which came so late in the academic year that schools had to store the hamburger over the summer.

H.R. 1340 is the end product of a long and balanced effort by users of the program throughout the country to develop recommendations on improving the Department's commodity purchase and distribution operations and strengthening their contributions to agricultural support programs. H.R. 1340 is designed to ensure that the distribution programs fulfill and balance two important objectives: First, to support U.S. agriculture by removing surplus commodities from the market; and second, to help protect the nutritional well-being of people throughout the country by providing nutrition assistance to schools, senior citizens centers, and other institutions through distribution of surplus commodities.

The bill recognizes the need for a strong statutory base to ensure that many of the recommendations on commodity distribution are implemented as soon as possible. It also includes provisions which would extend the authority for schools to continue to participate in pilot projects that offer cash and commodity letters of credit in lieu of commodities; extend the National Commodity Processing Program; and create a new community food bank demonstration project.

When originally introduced, H.R. 1340 was referred to the Committee on Agriculture. The Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition which I have the honor to chair held hearings on the bill in March 18.

There were five concerns which were raised by the Committee on Agriculture to the substitute approved by the Committee on Education and Labor. There have been long and difficult negotiations to resolve the five areas of difference. The Agriculture Committee's concerns reflect the importance of ensuring that the balance which was achieved in H.R. 1340 as reported by the Agriculture Committee on July 13, 1987 is maintained. That balance is to weigh the legitimate concerns of agriculture producers for surplus removal against the equally legitimate concerns of the agencies which receive the surplus Agricultural Distribution Program be responsive to their needs. I want to describe the resolution of these five issues.

The first issue is that the Education and Labor substitute directs the Secretary of Agriculture to consult with an advisory committee and consider results of a survey and information from a field testing program in developing specifications on commodities to be acquired under price support, surplus removal and direct purchase programs. The Agriculture Committee is concerned that this provision would restrict the Secretary's ability to acquire commodities in carrying out his responsibilities for removal of surplus agriculture products from the market.

Compromise statutory and report language was agreed to that ensure that the surplus removal responsibilities of the Secretary will not be compromised. This language clarified that by requiring that the Secretary develop specifications for commodities acquired through price support, surplus removal, and direct purchase programs of the Department of Agriculture, the Committee on Education and Labor does not intend that the Department be constrained in its commodity surplus removal activities. The Committee on Education and Labor's intention is to ensure that the nutritious agriculture commodities distributed to recipient agencies be of a quality and type that can be packaged in sizes or processed into forms useful to these recipient agencies.

The second issue is the Agriculture Committee's concern that the requirement in the Education and Labor Committee substitute for a 60-day notification to recipient agencies before each distribution is inappropriate because the Secretary of Agriculture would be prevented from responding quickly in a volatile market.

The Committee on Education and Labor recognizes that in the case of surplus removal operations involving highly perishable goods in a volatile market, the requirement that recipient agencies get 60-days notice of the types and quantities to be distributed may not be administratively feasible in all situations. In such instances, the dual objectives of the commodity distribution program—surplus removal and distribution of nutritious agriculture commodities to recipient agencies—will be best achieved with a shorter notification period. The Committee on Education and Labor, however, expects that the Secretary, to the maximum extent feasible, will comply with the 60-day notification requirement. The Committee on Education and Labor stresses that it will fully expect that instances of emergency will be the exception rather than the rule.

The third issue reflects the concern of the Committee on Agriculture that two provisions which were added in the Education and Labor substitute to encourage small business to bid for commodity contracts might restrict the Secretary of Agriculture's responsibility to carry out his surplus removal responsibilities.

One prohibits the Secretary of Agriculture from refusing a bid solely on the basis that the offer provides less than the total amount of poundage for a destination specified in the invitation to bid. The other requires that except in a emergency situation, the contract must provide for delivery terms free on board destination. Statutory language was added as a compromise to these two provisions that makes them both subject to compliance by the Secretary of Agriculture with surplus removal responsibilities under other provisions of law.

The Committee on Education and Labor included the requirements of the substitute to prevent the commodity acquisition activities of the Department from being administered in a way which would prevent full participation of small business concerns in the program. This provision is intended to ensure that contracts are not refused solely on the basis of the volume of the shipment.

The fourth concern was that the Education and Labor substitute provided for cost-benefit analyses of commodity acquisition and distribution. The Agriculture Committee objects to any implication that a cost-to-recipient agency test will determine what surplus commodities to remove from the market. The Committee on Education and Labor added report language to clarify that this is not the intent.

> The Committee believes that the cost-benefit analysis required under section 2(f) of the substitute will be useful to the Secretary of Agriculture in carrying out his responsibilities under this Act, but recognizes that the cost-benefit to recipient agencies, while it must be considered, may not always be a final determinant.

The fifth concern raised by the Committee on Agriculture pertains to the provision in the Education and Labor substitute which would not allow the Secretary of Agriculture to charge against their entitlement credit any commodities provided under the School Lunch or Older Americans Act that do not contribute to the meal pattern guidelines established by the Secretaries of Agriculture and Health and Human Services for those programs. The Agriculture Committee believes that this provision could result in an imbalance of commodities currently being purchased. If the Secretary cannot charge a commodity against the entitlement purchase, he would not acquire it. Statutory language was added to specify that this provision has been striken from the bill in the compromise and I will engage in a colloquy with my colleagues on the Committee on Education to ensure that the department continues to supply a bonus commodities those items which it is currently purchasing and distributing in that fashion.

This bill is a compromise. Probably it is a pretty good compromise because none of the parties who negotiated it are totally happy. The Department of Agriculture has raised at the last minute some concerns about provisions not addressed in the five issues negotiated between the Committees on Agriculture and Education and Labor. These concerns may be legitimate. The were raided too late to be fully analyzed. I would anticipate that in the conference with the Senate on this bill, we will be able to resolve remaining concerns.

What is important now is that we can go on with the task of ensuring that schoolchildren and poor Americans get nutritious commodities, and approve this compromise bill.

The SPEAKER pro tempore. The gentleman from California [Mr. Panetta] has consumed 5 minutes.

Mr. de la GARZA. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER pro tempore. The gentleman from Texas [Mr. de la Garza] has 14 minutes remaining.

Mr. de la GARZA. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Michigan [Mr. Ford] to use as he may require.

The SPEAKER pro tempore. Without objection, the gentleman from Michigan [Mr. Ford] will be recognized for 10 minutes.

There was no objection.

Mr. EMERSON. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. Goodling] for him to use as he wishes.

The SPEAKER pro tempore. Without objection, the gentleman from Pennsylvania [Mr. Goodling] will be recognized for 10 minutes.

There was no objection.

Mr. EMERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House of Representatives is now considering a bill to improve the administration of the Commodity Distribution Program. Through this program surplus commodities are made available to several programs including the School Lunch Program and the nutrition programs for the elderly. In all, over $2 billion of commodities are made available each year. The purpose of the Commodity Distribution Program is a dual one: it is aimed at providing assistance to our Nation's farmers and it is aimed at providing food to schools and other organizations to help feed needy children. It is ext2emely important to remember the dual goals of the Commodity Distribution Program and to ensure that the design of the program adheres to both areas that are served.

This bill was originally introduced by the chairmen and the ranking minority members of the Committee on Agriculture and the Subcommittee on Domestic Marketing, Consumer Relations and Nutrition. This, I believe, demonstrates our commitment to improvement of the administration of the Commodity Distribution Program and Adherence to the dual goals of the program.

In the subcommittee, we have held extensive hearings on Commodity Distribution Programs and have consistently urged the USDA to improve its distribution methods. The Secretary of Agriculture demonstrated his further commitment in December 1985 by establishing a task force to report to him on means to improve USDA's commodity purchase and distribution activities. In June 1987, the task force issued its report which is comprehensive and lists specific improvements to be made. In recognition of this, the American School Food Service Association, which is a non-profit association of 60,000 members comprised of employees that administer and staff the child nutrition programs at the State and local level, adopted a resolution on July 24, 1987. The Association's resolution found that USDA has responded to their concerns in an "extremely constructive manner" and had made "substantial progress" in addressing their recommendations. In addition, that association of 60,000 now opposes adoption of a commodity letter of credit option at the State or local level to replace the Commodity Distribution Program as we know it today.

I am pleased to bring this matter to my colleague's attention to demonstrate across the board commitment to improvements in the Commodity Distribution Program.

H.R. 1340 was agreed to by the Committee on Agriculture, to whom the bill was referred, on June 3, 1987. That bill was a carefully thought-out and constructive measure that required the Secretary of Agriculture to take certain steps to improve the distribution of agricultural commodities and food products acquired by the USDA that are donated. That bill had a wide range of support from organizations involved in the Commodity Distribution Program, such as the American School Food Service Associations and agricultural organizations representing milk producers, fruit and vegetable organizations and farm organizations.

H.R. 1340 was later sequentially referred to the Committee on Education and Labor who reported a substitute bill. Throughout our discussions on deciding the best manner in which we can achieve our goal or improvement in the Commodity Distribution Program, I believe we must remember the dual goals of the program: help to our Nation's farmers and provision of nutritious food to children.

I am pleased that we have agreed on these goals and have reached resolution of the major points in disagreement. We agree that this bill does not, in any way, restrict the Secretary of Agriculture's ability to acquire commodities and that it is our intention to ensure that nutritious commodities are distributed. We agree that the Secretary must be able to respond quickly to accomplish surplus removal activities in a highly volatile market. We have always agreed on the need to constantly improve the administration of the Commodity Distribution Program.

It is important that Price Support and Surplus Removal Programs which are vital to farmers not be restricted. The goals of the Commodity Distribution Program are consistent with this. We must ensure that good quality food is provided to schools and other agencies; that America's agricultural markets are strengthened and that the Commodity Distribution Program operates in an orderly fashion.

We do not need a complex, inefficient system providing fewer agricultural commodities. Nor do we need a system that provides highly processed food and reduces the amount of food acquired from farmers. The issues raised concerned the Secretary of Agriculture's ability to manage Price Support, Surplus Removal and Direct Purchase Programs.

By requiring that the Secretary develop specifications for commodities acquired through Price Support, Surplus Removal, and Direct Purchase Programs of the Department of Agriculture, we do not intend that the Department be constrained in its commodity surplus removal activities. Our intention is to ensure that the nutritious agriculture commodities distributed to recipient agencies be of a quality and type that can be packaged in sizes or processed into forms useful to these recipient agencies.

In addition, we recognize that in the case of surplus removal operations involving highly perishable goods in a volatile market, the requirement that recipient agencies get 60-days notice of the types and quantities to be distributed may not be administratively feasible in all situations. In such instances, the dual objectives of the Commodity Distribution Program—surplus removal and distribution of nutritious agriculture commodities to recipient agencies—will be best achieved with a shorter notification period. We, however, expect that the Secretary, to the maximum extent feasible, will comply with the 60-day notification requirement and stress that it will fully expect that instances of emergency will be the exception rather than the rule.

I am especially pleased that H.R. 1340 contains an amendment I offered concerning a food bank demonstration project and I wish to thank the chairman of the Nutrition Subcommittee for his assistance. Our subcommittee held a hearing in Sikeston, MI on the subject of food banks and how they participate in the Temporary Emergency Food Assistance Program. Chairman PANETTA presided over that hearing and heard the testimony of the people who operate the food bank in Sikeston. Following that hearing and after a review of information compiled in our other hearings, I offered an amendment in the committee to require the USDA to begin a demonstration project in which the variety of commodities provided to food banks will be expanded to include meat products, fruits and vegetables. That amendment remains a part of the bill before us today and I thank Chairman PANETTA for his assistance. In addition, I thank the gentleman from Pennsylvania, the ranking minority member on the Education and Labor Subcommittee for his help. I have discussed this amendment over the past few weeks with him and appreciate his assistance.

### PURPOSE OF H.R. 1340

It is the purpose of H.R. 1340 to improve the manner in which commodities that have been acquired by the USDA are distributed to agencies that use them to provide food for meals to improve the quality of the products distributed—and to improve the degree to which distribution responds to the needs of these agencies. To accomplish this, H.R. 1340 requires the Secretary of Agriculture, among other things, to—

First, make available summaries of specifications developed for the commodities and products;

Second, develop and implement schedules for distribution of commodities and products that are consistent with the needs of recipient agencies;

Third, develop replacement procedures for commodities and products that are stale or spoiled; and

Fourth, monitor the condition of commodities and products designated for donation that are in Department of Agriculture storage to ensure that quality is maintained.

For over 50 years, the Department of Agriculture has helped stabilize the agricultural economy through its Price Support and Surplus Removal Programs. Commodity acquisitions allows the Federal Government to not only significantly supplement nutrition assistance for children, the elderly, and the needy, but also to significantly assist our Nation's farmers.

Last year, the Department distributed approximately $800 million worth of a variety of commodities acquired through its agricultural support activities for use in child nutrition programs serving over 25 million children. This distribution formed 17 percent of the total $4.7 billion in Federal child nutrition assistance. Additional commodities valued at almost $300 million were distributed to charitable institutions and programs serving the elderly. Over $800 million in commodities were donated through the Temporary Emergency Food Assistance Program.

As important as the Commodity Distribution Programs are, however, they are in need of improvement.

### DUAL PURPOSE OF THE COMMODITY DISTRIBUTION PROGRAM

The purpose of the Commodity Distribution Program is a dual one: to assist our Nation's farmers and to provide low-cost, nutritious food for schoolchildren and needy individuals and families. This balance must be maintained. We must assure that the Secretary of Agriculture can fulfill his agricultural support objectives while making sure that commodities that are donated are done so in an effective and efficient manner.

The USDA must retain its ability to make emergency purchases wherever surpluses exist and markets are depressed and also assure that agencies receiving these contributions can operate programs with as much advance notice of receipt of commodities as is possible.

We must make sure that the commodities and products donated contribute to the good health of the participants and are not so highly processed that the cost of the product is increased while the value of the donated commodity decreases.

An example of how the dual nature of this Commodity Distribution Program works is the recent provision of 21.2 million pounds of frozen red tart cherries for use in the school lunch and other domestic feeding programs. This purchase helps cherry growers in Michigan, New York, Wisconsin, Pennsylvania, Ohio, Virginia, West Virginia, and Maryland and by reducing the large reserve of cherries on hand and will assure USDA can make cherries available to schools.

### COSTS OF H.R. 1340

As reported by the Committee on Agriculture the cost of H.R. 1340 was less than $500,000 each year, according to the Congressional Budget Office (CBO). This cost included small increases in administrative costs for testing the acceptability of commodities, establishment of an advisory council and evaluation of the food bank demonstration project. However, the cost

of H.R. 1340 after being reported by the Committee on Education and Labor increased to $3 million in 1988 and $2 million in each succeeding year. In addition, CBO indicated that there could be increased costs for State and local agencies involved in the programs covered by this legislation. Changes in the CBO cost estimates resulted from expansion of the size and responsibility of the advisory counsel, expansion of the requirements for sending out information, requiring a new survey and collection of information on a quarterly basis, extension of the cash/commodity letter of credit option for certain school districts and by adding several reporting requirements.

### FOOD BANK DEMONSTRATION PROJECT

H.R. 1340 requires the Secretary to establish at least one demonstration project in which the variety of commodities provided to food banks is expanded.

The purpose of this amendment is to test the concept of using section 32 commodities, those commodities removed from the market by the USDA under the Surplus Removal Program, for food banks. This pilot project will be established for the period through 1990, to coincide with the expiration of the farm bill. At that time the USDA will be required to submit a report to the Congress evaluating the pilot and making recommendations as to the feasibility of continuing the project and expanding it to other food banks.

The 1985 farm bill provided that public or private nonprofit organizations receiving commodities under section 32 of the act of 1935 are authorized to transfer these commodities or products to other private or nonprofit organizations that can use them without waste to provide nutrition assistance to low income persons. This redistribution will be a source of the surplus commodities to be made available for the food bank pilot project. Other surplus removal activities of the USDA can provide additional surplus commodities to the food bank pilot project.

Food banks provide a vital resource to the communities they serve. Their service is not only in distribution of surplus commodities made available by the U.S. Department of Agriculture through the Temporary Emergency Food Assistance Program (TEFAP). In addition, they provide food products donated by food stores and other private organizations. The food banks, which provide food to charities that serve the needy, are an integral part of the overall network of public and private organizations providing food assistance to needy individuals and families.

A food bank is defined by the USDA as a provider of central collection, storage and distribution of donated foods. A food bank has the resources to solicit, transport, store and distribute foods in large quantities thus providing a convenient outlet for donors who then interact with only one agency. Food banks may also operate food box programs which provide boxes or bags of food directly to households, for preparation at home.

According to a report issued by the USDA, food banks distributed a significant portion of TEFAP commodities, although the proportion varies across States. The proportion varied from 100 percent in seven States to less than 1 percent, but because States with larger TEFAP allocations tended to use food banks more, 30 percent of all TEFAP commodities for the Nation were distributed through food banks.

Commodities received by food banks through TEFAP include cheese, butter, nonfat dry milk, flour, cornmeal and rice. By initiating the food bank demonstration pilot project, the committee is testing the concept of increasing the variety of commodities made available to food banks, specifically section 32 commodities which include fruits, vegetables, meat and poultry products.

Many food banks have an established network in place to provide for the distribution of surplus commodities to agencies that feed needy people. Such food banks have workable transportation systems, available warehouses and a history of reliable service. The committee has chosen to use the available food bank system and to increase the variety of commodities made available to needy people. These commodities of fruits, vegetables, meat and fish products will complement the staple surplus commodities now distributed by food banks and thereby provide a wider range of food to individuals and families in need.

USDA is required to establish at least one demonstration project but, of course, may conduct more. The committee expects that the USDA will consult with the committee in carrying out this demonstration project and will report periodically on the status of the project, the types of commodities made available and the feasibility of expanding distribution of section 32 commodities to other food banks.

Mr. Speaker, under leave to include extraneous matter, I include herewith in the RECORD a statement of the USDA's position on H.R. 1340. They oppose the bill. However, it is my hope that many of the USDA concerns can be worked out in conference.

### MAJOR CONCERNS OF THE U.S. DEPARTMENT OF AGRICULTURE WITH H.R. 1340, THE "COMMODITY DISTRIBUTION REFORM ACT OF 1987," AS ORDERED TO BE REPORTED BY THE HOUSE EDUCATION AND LABOR COMMITTEE, JULY 31, 1987

The USDA commodity distribution system serves several important goals: providing good quality foods to schools and other recipient agencies; strengthening America's agricultural markets; and operating in an efficient and orderly fashion which accommodates the needs and capabilities of our State and local partners. This bill moves sharply away from the goals of agricultural support and operational efficiency. The net effect of this bill will be a complex, inefficient system which will provide less agricultural support and which may often fail to provide commodities to sites effectively. Entitlement commodities only constitute 20 percent of the funds for the National School Lunch Program; schools always can respond flexibly to their needs using the remaining funds.

The bill decreases the amount of entitlement commodities that can be removed from the market at current funding levels and reduces the amount of food that recipient agencies receive.

To provide further accommodation to recipient agency desires for entitlement commodities, USDA would have to buy more processed foods. For example, instead of frozen, cut-up chicken, USDA would purchase more expensive breaded chicken nuggets. The Study of Alternatives to Commodity Donation showed that such efforts reduce the market value of food purchased by 3 percent. The reduction in the amount of food acquired from farmers would be even greater due to the processing costs. A dollar's worth of breaded chicken nuggets uses half of the amount of chicken as a dollar's worth of frozen, cut-up chickens.

Further, purchasing more processed foods would likely increase the level of salt and other processing ingredients in children's diets.

This bill ignores recent and ongoing voluntary, cooperative improvements made by USDA. On July 24, 1987, the American School Food Service Association passed a resolution recognizing these improvements, supporting the USDA commodity distribution program and opposing a State or local Commodity Letter of Credit (CLOC) option.

The bill creates a complex, paperwork-laden system which will greatly increase burdens upon the Department, State distributing and educational agencies, and recipient agencies. This will both increase costs and decrease the ability of all organizations to manage the commodity distribution system within current resources and to improve the system.

Changes in purchase requirements made by the bill will result in inequitable and inflexible systems, hindering the Department's ability to provide the types and amounts of food desired by recipient agencies.

In addition, these changes will delay and increase the costs of an $18 million computer system being designed by Arther Anderson and Co. for three USDA agencies (FNS/AMS/ASCS) to improve commodity acquisition and distribution. The cost of systems redesign is about $2.6 million. The delay of at least one year (from Fiscal Year 1989 to 1990 readiness) will impair USDA ability to the commodity distribution system.

The rapid timeframes required for implementation will require substantial and sudden changes in regulations and procedures. The result will be short-term confusion and chaos. This will inevitably lead to a poor review of implementation by the General Accounting Office.

The Department estimates $6.05 million in Fiscal Year 1988 costs, not including major costs which will be incurred by State

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and local agencies and the loss of purchasing power for commodity acquisitions.

### MAJOR PROVISIONS OF CONCERN IN H.R. 1340 (EDUCATION AND LABOR SUBSTITUTE) SECTION AND PROVISION/CONCERN:

2(a)(1)(C)(i)—Requires USDA to buy commodities based on specifications determined by the advisory council. Terminates USDA discretion in purchasing commodities, based on market needs or availability and other legislative requirements.

2(a)(2) & definitions—Extends coverage of this bill to all commodity donations programs, including TEFAP, Charitable Institutions, Commodity Supplemental Food Program, and programs under the Older Americans Act. The provisions should be confined to mandatory coverage for the Child Nutrition programs and optional coverage for the other programs. Establishes needless burdens for programs marginally affected.

2(a)(3)—Establishes an advisory council to provide guidance on commodity specifications. Establishes an unnecessary and costly group. USDA already has well-established channels of information, including regular input from State advisory councils.

2(b)(1)(A)—Requires USDA to provide optional package sizes and forms of commodities. Needs to include the phrase, "where available." Optional forms are not always available or economical.

2(b)(1)(C) & 2(e)(1)—Requires USDA to establish mandatory criteria for State charges for handling commodities. Given the variation in State and local practices and financial status, this is not possible.

2(b)(3)—Requires a system to disseminate summaries of commodity specifications to State and recipient agencies. This is costly and unnecessary. Many recipient agencies (e.g., TEFAP agencies) would not want the specifications. This provision should be limited to State agencies, who can make the information available to recipient agencies. Cost $1 million.

2(b)(4)—Requires 60 day lead notification on deliveries. This needs an exemption for emergency situations, such as emergency surplus removal.

2(b)(6)—Requires commodities to be stored in conditions to maintain "highest quality." There is no industry standard for highest quality. This should be changed to "acceptable" quality.

2(c)(1)—Prohibits USDA from refusing offers from commodity contractors because the offer is less than the amount requested. This will create a needlessly complex system of bid review and distribution. Increases the burdens and risks of recipient agencies, who may be faced with multiple partial deliveries of slightly differing products from multiple producers. The FNS/AMS/ASCS computer system is designed with a truckload as the minimum unit. To redesign this system will cost AMS about $2.5 million and delay readiness from 1989 to 1990.

2(c)(2)(B)—Requires free-on-board destination buys, rather than point-of-origin buys. Bids may not be received for remote and rural areas, which will increase the unpredictability of deliveries for them. Also increases inequity of allocations, based on preferred destination points. Destination bids are less flexible for recipient agencies. To reprogram the tri-agency computer system for this will cost about $100,000.

2(d)—Requires USDA to develop regulations for State performance in six areas. This endangers USDA's cooperative efforts to establish performance standards for State distributing agencies, based on joint efforts with the National Association of State Agencies for Food Distribution and the American School Food Service Association.

2(e)(2)—Establishes extremely short timeframes for regulatory implementation. These will both limit public input and cause confusion due to sudden and changing rules. The results will be problems in Departmental, State and local implementation.

2(f)(1)—Requires cost/benefit analyses for commodity specification decisions. This is inappropriate for legislative price support and surplus removal acquisitions and is unworkable in practice. Could cause a massive paperwork burden for recipient agencies to establish costs and benefits.

2(f)(2)—Requires a quarterly reporting system for commodity preferences. This is a costly system that has little purpose. For the National School Lunch and Breakfast Programs, purchases are made on an annual schedule to fit their cycle or demands and the agricultural cycle of availability; USDA already receives annual reports. For the Commodity Supplemental Food Program and the Food Distribution Program for Indian Reservations, we already receive quarterly reports.

2(g)—Requires field testing of existing and anticipated commodities. USDA already field tests new products, but should not have to field test products that are already available and accepted.

2(h)—Requires that recipient agencies buy only American-produced food. While USDA only purchases American-produced foods and encourages recipient agencies to do so, this restricts the non-Federally-funded purchases of agencies. This may cause particular problems for certain commodities, such as bananas and sugar. Some agencies which receive relatively low Federal support, such as soup kitchens, may drop out of programs. It will be impossible to monitor this provision. This also has potentially serious trade repercussions.

2(j)(1)—Prohibits USDA from charging against a State's entitlement commodities, those foods which do not contribute to meal patterns, except vegetable oil and shortening. We oppose this provision, which is potentially costly or will reduce purchases. This can be made acceptable if report language specifies that this does not include foods which can be used in the preparation of foods in the meal pattern. For example, flour can be used in bread, which is part of the meal pattern, or cake, which is not. Flour should be exempt.

2(k)(2)—Requires States to offer to each school the full and range of commodities. This limits State flexibility in dealing with the amounts, types and shipping units of foods available, based on their assessment of school needs.

3—Requires a survey of recipient agencies within 90 days to determine what they are purchasing. This would be expensive and perhaps impossible to do in 90 days. This will also impose a large information collection burden on recipient agencies at the same time they are trying to comply with other bill provisions. USDA recently completed a School Food Purchase Study anyway. Cost $1 million.

5—Extends through 1992 CLOC and cash sites which participated in the Study of Alternatives to the Commodity Donation Study. The study is complete and there is no need to extend these sites. The alternative systems offered no significant advantages over the current system and provide less market support for agricultural purchases. The American School Food Service Association no longer backs State or local option CLOC.

6—Extends the National Commodity Processing System through 1992. USDA is actively trying to improve the system and does not believe mandates are appropriate. Further, given the declining stocks of surplus commodities, the system may not be needed by 1992.

### USDA COST ESTIMATES FOR H.R. 1340 (EDUCATION AND LABOR SUBSTITUTE)

The H.R. 1340 cost estimate is based on the version ordered to be reported out of the House Committee on Education and Labor on July 28, 1987.

*Fiscal year 1988 costs*

| *Provision* | *Millions* |
|---|---|
| Advisory Council | $0.2 |
| Specification summaries to recipient agencies | 1.0 |
| Field testing | .1 |
| Quarterly information from recipient agencies | .25 |
| Annual reports to Congress: | |
| USDA | .1 |
| Advisory Council | .1 |
| GAO | .1 |
| Extension of CLOC sites | .2 |
| Survey of recipient agencies within 90 days | 1.0 |
| Food bank demonstration evaluation | .2 |
| General FNS staff to write regulations and implement procedures | .2 |
| Redesign and reprogram FNS/AMS/ASCS computer: | |
| Purchases less than a truckload | 2.5 |
| Destination terms and delivery based on recipient agency needs | .1 |
| Total | 6.05 |

Note:—These costs do not include: Major costs to be incurred by State and local agencies which must implement the provisions of the bill, possible future costs based on implementing the advisory council recommendations, or possible increases in the purchase costs of foods due to changes in purchase requirements made by the bill.

### AGRICULTURAL MARKETS LIKELY TO BE AFFECTED BASED ON SCHOOL PREFERENCES

A major purpose of H.R. 1340 (the substitute bill from the Committee on Education and Labor) is to increase the extent to which USDA buys and distributes commodities based on recipient agency (e.g., school) preferences.

USDA currently uses the commodity distribution system to balance the needs of users and those of producers. Evidence on the effect of further basing purchases on recipient agency requests is available from the Study of Alternatives to Commodity Donation, which permited certain school districts to receive cash or Commodity Letters of Credit, in lieu of USDA commodities.

There would likely be two effects: (1) further processing of foods, substantially reducing the farm level impact of USDA purchases (discussed elsewhere) and (2) a change in the types of commodities purchased. If we assume that school preferences can be measured based on the experience with schools offered cash, the following markets would be affected:

*Decreased Purchases Based on School Preferences:* beef, peanuts, spinach, dry peas, chicken, pears, sweet potatoes, milk, blueberries, and tomatoes.

*Increased Purchases Based on School Preferences:* palm oil and cottonseed oil.

For the Commodity Letter of Credit sites, the impacts were similar, but more limited, since USDA letters of credit still required schools to buy specified commodity products, in accord with USDA commodity purchase allocations.

In the cash sites, the dollar volume impacts for beef, chicken and milk products were substantial. As a share of the market, the declines for fruits and vegetables were quite large, especially for pears and blueberries.

Since the Department of Agriculture currently uses its discretionary authority to provide market relief for varying degrees according to market conditions, assistance may be provided at other times to markets, such as cherries.

In seeking to improve the commodity distribution program, there has been considerable emphasis placed on providing users with more acceptable froms of commodities in question. If the products purchased by the Commodity Letter of Credit (CLOC) sites in the Alternatives to Commodity Distribution Demonstration Study are any indication of the form of commodities that would be preferred by local school food authorities in general, this emphasis on user acceptability of commodity form may have implications on the agricultural markets. Over the period of the demonstration, the flexibility afforded the CLOC sites provided them the opportunity to acquire foods in a more ready-to-use state.

For most commodities, the form of the items purchased by CLOC sites was similar to USDA donations, although the packaging of these items may have differed. However, there was some evidence that for some commodities, if the school districts were given the opportunity, they would acquire foods in a different form than what was donated by USDA. This was especially evident for meats other than beef. CLOC sites expended a significant portion of their letters of credit funds for the cost of processing the targeted commodity into more kitchen-ready forms than that currently being donated by USDA. In particular, almost 75 percent of all chicken products purchased with the CLOGs were cooked, breaded items such as chicken nuggets or chicken patties. About two thirds of all turkey purchases were processed turkey products such as turkey hotdogs, turkey lunchmeat or turkey hams. Instead of canned pork, CLOC sites purchased ham, pork sausage, and pork patties.

On average, commodity school districts expended about 52 cents of every food dollar for "value added costs" (i.e., the difference between the cost of the farm-level ingredients and the wholesale prices paid by the schools. The cash and CLOC systems increased the portion of the food dollar spent on processing and distribution by about 3 cents—a relative increase of almost 6 percent. Obviously, for commodities such as chicken and turkey the relative increase in processing would be considerably more.

As an example of how commodity processing affects the farm-level removal, suppose $1,000 was to be spent on chicken products. The following table displays the amount of specific chicken products that could be bought with that $1,000 and the farm-level equivalent needed to produce those products.

| Food item | Cost per pound | Pounds per $1,000 | Farm-level equivalent |
|---|---|---|---|
| Chicken fryer, whole, frozen | 0.62 | 1,613 | 2,224 |
| Chicken, cut-up, frozen | 0.73 | 1,370 | 1,889 |
| Chicken, cut-up, breaded, cooked, frozen | 0.95 | 1,053 | 1,635 |
| Chicken, nuggets, breaded, cooked, frozen | 1.77 | 565 | 1,000 |

Mr. FORD of Michigan. Mr. Speaker, on behalf of the Committee on Education and Labor, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1340, the Commodity Distribution Reform Act of 1987.

The bill that is before the House today was reported by the Committee on Agriculture on July 13, 1987, and sequentially referred to Education and Labor, due to its jurisdiction over the School Lunch, Child Nutrition, and Older Americans Act. We were to have the bill under sequential referral for 14 days—until July 31, 1987.

On July 28, 1987, the Education and Labor Committee ordered H.R. 1340 reported, by a vote of 34 to 0, amended in the nature of a substitute. The committee substitute contained the provisions of H.R. 2496, introduced by myself and WILLIAM GOODLING of Pennsylvania on May 21, 1987.

Both H.R. 2496 and H.R. 1340, as reported, were similar in their intent, Mr. Speaker, and that intent was primarily to put into law requirements that will remedy the shortcomings of the existing system for distribution commodities to schools, child care providers, elderly nutrition sites, and other recipient agencies defined under the bill.

But before elaborating on the provisions in the bill before the House, it is important to state that the major difference between the Agriculture Committee reported bill, and the substitute being considered today is that where the Agriculture Committee bill required the Secretary of Agriculture to comply with the reforms in the bill only to "the extent practicable," the Education and Labor Committee bill set definite dates by which USDA must have complied with its provisions.

The very substantial requirements we impose upon the Secretary are—

To improve the manner in which agriculture commodities are acquired, and the manner in which they are distributed to receiving agencies;

That such commodities that are donated be sent in a timely manner, so that recipients can plan ahead for their use, their pickup and delivery, and their storage; this is particularly important to schools;

That the quality of the commodities donated be of highest quality, and in good condition upon receipt and, if they are not, that steps be taken to immediately replace them;

That the Secretary take into account receipient needs with regard to product acceptability through field testing;

That recipient needs with regard to package size and forms be taken into account, and that options be made available whenever possible;

That commodities provided to recipients are consistent with current USDA dietary guidelines, and those of the Secretary of HHS with regard to nutrition for Older Americans;

That fees charged by State distribution agencies be set, using mandatory Federal criteria, so that excessive fees for delivery and storage of commodities are not charged to local recipient agencies,

To assure that Thanksgiving turkeys arrive before Thanksgiving, rather than in January or February the following year;

That huge quantities of commodities are not delivered to schools just before summer vacation, requiring expensive storage over 3 months;

To require that commodities delivered to schools be those that contribute to USDA required meal pattern guidelines, and if they do not, that they not be charged against recipient's 12 cents per meal served;

That the Secretary send commodities in other than railcar lots except under conditions outlined in the act;

That the Secretary monitor the condition of commodities stored by and for the Secretary, to assure they are maintained in a state of highest quality, and not become stale or spoiled;

That the Secretary, in developing commodity specifications, in keeping with dietary guidelines, provide recipients with the fat, salt, and sugar content, and to reduce the content in those commodities to the extent practicable;

That State distribution agencies evaluate their warehousing and distribution systems to assure cost effectiveness and efficiency;

That States be required to offer the full value of entitlement commodities to recipient agencies, and that they also must offer local school food authorities the full range of commodities available to it;

That States consider recipient agency ability to cope with quantities of commodities delivered, and assure that they have the capability of using and storing those commodities;

That recipient agencies use funds available for meal service to "Buy American" to assure that only food produced in the United States is purchased with our food dollars;

Mr. Speaker, the Education and Labor Committee has heard, for many years, the complaints of our school lunch authorities and the Older Americans Act recipient agencies.

At a recent committee hearing in Iowa, receiving testimony from representatives of Older Americans nutrition programs, Ms. Jean Beatty, direc-

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tor of the Area Agency on Aging of North Central, Iowa stated:

> I hope that Congress continues to make the food option available to the nutrition program to the elderly, that we can be offered a greater variety of food, and that the USDA will lower their specifications for salt, sugar and fat in the processing of the foods we receive * * * we receive comments from the elderly themselves about the salty flavor of the canned vegetables, and the turkey roll, particularly. Lowering the sodium content of these products would be of benefit to all our diners, especially to those with hypertension.

We have a requirement in the bill that requires the Secretary to deliver commodities at other than rail-sidings, except under certain conditions.

In explaining why, let me quote from Ms. Beatty's testimony out in Iowa, in response to the claim by the USDA witnesses at the hearing that the Nutrition Program for the Elderly often refused commodities: She said:

> Part of it is the requirement that the commodities have to come into the state in full carloads for NPE. And so as fewer and fewer of the agencies were receiving commodity foods, there were fewer and fewer of us that had to share this carload requirement. And then it gets to the point, do you want a carload of a particular item, or none at all. And sometimes the answer is none at all, thank you very much.

As we have recently learned, nearly 97 percent of the aging nutrition programs receive all cash, in lieu of commodities. And they do so because: First, of the high salt, fat, and sugar content in those commodities; and second, because they have to order in railcar lots rather than by the truckload—and they can neither use it nor store it inexpensively—so they either do without or they take the cash and buy food for their elderly participants on the local markets.

This is also true of school food authorities. They are very fed up with being a dumping ground for whatever the Secretary of Agriculture believes they ought to receive—with no thought given as to its acceptability among persons eating the meals, and no thought given to the people who have to pay to have railcars full of commodities picked up and delivered to nutrition sites—or to warehouses where storage costs, are in many States, outrageously high.

Mr. Speaker, while I understand the need of the Agriculture Committee, and by extention the Department of Agriculture, to give precedence to their role of removing surplus agriculture commodities from the marketplace and keeping up price supports, the Education and Labor Committee must also emphasize the need to protect those who are on the receiving end of those commodity purchases—the schools, the child care centers and family day care providers, the older Americans and nutrition sites.

We have tried, and I believe we have succeeded, in making this bill fit the dual objectives that these programs ought to strive for—

The removal of surplus commodities and for purposes of farm price supports; and

The feeding of the Nation's schoolchildren, its preschool children, and its elderly, through provision of nutritious agricultural commodities and their products.

While the U.S. Department of Agriculture must, by law, use section 32 and section 416 funds for removal and farm price supports, it must be recognized and taken into account here and now that without our school system—16,000 school districts in the United States which served 3.9 billion meals in fiscal year 1985—and numerous child care provider settings and elderly congregate and home-delivered meal participants—there would be no outlet for these surplus commodities, or items purchased for purposes of price supports. They would be rotting in the fields.

But for 52 years, the USDA has paid more attention to its role of surplus removal and price support then it has to providing quality commodity products to their outlets—the schools and other recipient agencies.

Under H.R. 1340 which is before us today, that dual objective is codified into law—we intend to do both, and we intend that USDA and State distribution agencies be mandated to comply with the reforms contained in the legislation—and to comply quickly and in a manner that will significantly improve the commodity distribution system in effect nationwide today.

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Mr. Speaker, it is important to point out one major difference in the bill and also important to say on behalf of the Committee on Education and Labor that we appreciate the fine cooperation that we have had from the chairman of the Committee on Agriculture and the Agriculture Subcommittee and the ranking Republican members, the chairman of the Subcommittee on Agriculture, Mr. Panetta, who with his staff has worked many hours with our staff putting together the compromise as he described it that comes to us today on the floor. This represents the best effort of the people on both committees to accommodate all of our concerns. While, like all compromises, it does not give everyone everything they would like to have, I believe, as Mr. Panetta indicated, it is a good compromise and worthy of the support of the House.

The only real major difference between the Committee on Education and Labor approach and the Committee on Agriculture bill in its original form was that the agricultural bill asked the Secretary of Agriculture to make changes in the commodity distribution system to the extent practicable. The bill before us goes much further than that and places very substantial requirements upon the Secretary to do a number of items enumerated in the legislation. I will not go into those at this time.

Mr. Speaker, I reserve the balance of my time.

Mr. EMERSON. Mr. Speaker, I reserve the balance of my time.

Mr. GOODLING. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I do want to engage in a colloquy a little later but first of all I think a little history lesson might be good. I would like to read the act and the declaration of policy. It seemed to be reversed every time I heard it mentioned here today and I would like to correct that for the record.

Section 2:

> It is hereby declared to be policy of Congress as a measure of national security to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other foods.

Again, you have heard the order in which this was presented. This is the way it has always been.

So I want to correct the record, because I have heard it repeated several times now today in reverse order.

For years, 17 before I came here as an administrator and 13 since I have been here, I had seen the problems of commodity distribution and we have heard over and over again from the people who are doing the School Lunch Program and the Child Nutrition Program back in the districts, of all of the problems and they recite them year after year after year.

However, they will say then, at the end, "Don't change anything because if you have money out there instead of commodities the Congress may take that money away from us and they can't take the commodities away."

That is not the way it happened in 1981, folks. They discovered that that was not true at all, as a matter of fact. They lost commodity money.

Was that not a shock to them?

All I want to point out is if the American public ever knew the amount of money involved in trying to make these distributions, they would rise in outrageous—whatever—because in many instances you buy and then you store and then you shift to the State and they store and then you shift to the local school district. Now they cannot take care of 50 pounds of frozen hamburger so they have to send it out someplace to store it. Then when they want to use it they also have to send it out and have it reprocessed so they can use it.

So for years and years and years we have been trying to find a way to improve food distribution. As someone said in our hearings, it does not matter

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which administration, it does not get any better. It is getting better now. Why is it getting better? Because for the first time in the history, the Department now has a little competition, because you authorized some program where you said you could either take cash or you could have a commodity letter of credit.

Let me talk about commodity letter of credit.

What could be any better if you want to move surplus commodities or commodities that you think are going to be a glut on the market than a commodity letter of credit? Why is it so great?

First, it is controlled by the Secretary of Agriculture. They cannot take it and go buy what they want to buy; they can only buy what he says they can buy. That is one.

So he takes care of any surpluses or anything he perceives that is going to be a glut on the market.

Second, they can buy locally and take that surplus away before it ever becomes a storage item. And it does not have to be reprocessed in most instances. So you get the best of all worlds there.

Now cash, cash is something that has been going on a long time. Is it not amazing we have one State in this Union that does this totally different than any other State?

The State of Kansas many years ago decided that "We are not going to have any distribution program anymore, we are going to get rid of that whole mess. As a matter of fact, we are going to get out of it."

So what happens? Well, as the good Senator said, "Well, I think the Government then ought to give us cash in lieu of those commodities that we don't want to bother with." And somebody over here in the House must have traded something off, I do not know, and said, "We will help you get it."

So the State of Kansas gets their bonus commodities and then they get cash for everything else—only one State. But the commodity letter of credit—I do not see how you can do a better job of taking care of surplus than having a commodity letter of credit.

Let me say that the bill as it originally came in my estimation did not do anything more than the Secretary can presently do. However, he seemed to think he needed additional authority so I have no problems with that, even though as I said I do not think it does anything any different, the original bill, than what he now has the power to do.

But I am happy to support the compromise that we have. I think it will take care of both the need to improve nutrition on the one hand and, on the other hand, to take care of the excess commodities that we have.

You have to understand the program. Everybody gets the surplus commodities; no matter what program you are under you all get the bonus commodities. We are really not talking about those.

We are talking about those that the Secretary goes out and purchases and then tries to distribute through a horrible distribution program. And sometimes I think the school food service is linked up somehow or other with the distribution people—they get in bed together, as I sometimes think lobbyists are lobbying from all different angles and representing and probably getting much more money than any of us in the Congress of the United States get because I guess they have more accounts.

Let me say that I rise in support of what we have come up with as a compromise.

Mr. Speaker, I rise in support of H.R. 1340, the Commodities Distribution Reform Act of 1987. This bill which has been under the supervising eyes of two committees of jurisdiction contains a good compromise which balances the agricultural removal programs with those of providing a nutritious meal to schoolchildren, the elderly, and the needy. I applaud the committee members and their work in arriving at a bipartisan compromise. This substitute contains not only improvements to the commodity distribution system but contains an extension of the current existing cash and CLOC programs. For years we have heard the continuous complaints and chronic problems about the distribution system involved in getting foods to the local recipient.

Our intent in this substitute is to grant the Department of Agriculture the statutory authority, which they believe they do not have and yet need to improve the program. We, therefore, are not only giving them this authority but are giving them a mandate to use that authority in a timely manner. We are serious about these changes. We have relaxed the time lines in order to allow for meaningful comment to regulations which we expect the Department to implement. Maximum public comment will ensure the best promulgated regulations.

There exists a vital link between the State and Federal agencies. We expect States, as we expect the Department, to make reforms. Each State should make complementary reforms so that we can proceed, knowing all has been done to make a complicated program work better.

An important aspect of this bill is the pilot project extension. Even though we commend the Department for recent changes to improve the program, I believe the pilots should be given credit for the serious reform of the commodity distribution program taken recently by the Department. The competition of alternatives is forcing the Department to perform better. These programs are not designed to dismantle the commodity removal programs, but are alternatives to the current distribution method of those commodities available. The bottom line is still removal no matter the method; then, using the surplus to feed people.

Since the current commodity distribution program applies to everyone except the 64 pilots and the State of Kansas, it has the greatest impact on the most number of youngsters; therefore, we intend the commodity program to work and work well. However, if the interested groups including the Department do not greatly improve the program with these legislative changes, I am reserving the right to revisit offering the CLOC option to all local agencies.

Again, I rise in support of this bill and urge my colleagues to join me in support of its passage.

I would like to engage in a little colloquy very quickly, if we could have it with the gentleman from California [Mr. Panetta].

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from California [Mr. Panetta].

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Speaker, in striking section 2(j), it is our understanding that the Department will continue its current distribution procedures to the National School Lunch, Child Nutrition, and Older Americans Act Programs in terms of bonus and entitlement commodities.

Specifically, we expect the Department to charge as an entitlement commodity only those items that contribute to the meal patterns established by the Secretaries of Agriculture and Health and Human Services.

Moreover, flour, shortening, and vegetable oil should be charged against entitlement to the extent that they are used in such a fashion as to satisfy relevant meal patterns.

We expect the USDA to continue to supply as bonus commodities those items which it is currently purchasing and distributing in that fashion.

Mr. GOODLING. Mr. Speaker, I might add we in no way intend the USDA to charge against entitlement any of those items which do not meet meal pattern requirements since the Secretary determines what the meal pattern is in the first place. Otherwise the child would be paying for the commodity support and that should not be. For example, in the National School Lunch Program we do not expect them to charge against commodity entitlement; potato chips, although we produce a lot in my district, corn curls, banana chips, pickle relish,

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tomato ketchup, which we went through a couple of years ago, chili sauce, pretzels, chips, and similar grain items. Is that the way the gentleman understands it?

Mr. PANETTA. If the gentleman would yield further, that is my understanding that they will, as they have, implement current practice and current practice should be as prescribed.

Mr. GOODLING. I thank the gentleman for yielding me this time.

Mr. EMERSON. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of this bipartisan effort to improve the quality and the efficiency of the Department of Agriculture's commodity-distribution program. I commend the gentleman from California [Mr. PANETTA], the gentleman from Pennsylvania [Mr. GOODLING], and the ranking member, the gentleman from Missouri [Mr. EMERSON], for their leadership in bringing this important measure before us today.

The USDA's program acquires and distributes surplus agricultural products to stabilize markets and benefit the needy. In the past I have received a number of complaints from constituents on the fairness and efficency of the distribution of goods from this program. The legislation before us requires States to evaluate their systems for warehousing and distributing commodities. Moreover, the USDA will be required to monitor State distribution agency operations, provide information of the types and quantities of the goods to be distributed and to promulgate regulations governing delivery schedules. Hopefully, the flaws in this well-intentioned program will be fully recognized through this evaluation, and steps can then be taken to correct them.

H.R. 1340 makes several other changes in the program. It will clarify State and Federal responsibilities with regard to the provision of donated commodities to recipient agencies. The USDA has conducted a pilot program exploring two alternatives to the present distribution scheme. Both replace the value of commodities with cash assistance or commodity letters-of-credit (vouchers allowing school districts to purchase designated commodities). These exploratory efforts will continue through the 1991-92 school year.

In addition, other new avenues toward improving the program will be explored. The USDA will be required to set up at least one community food-bank demonstration project while continuing and increasing distribution through established food banks. The USDA must also develop standards with which to measure the projects effectiveness and submit annual reports to Congress on each project. Furthermore, recipient agencies will be required to "buy American" agricultural products whenever possible.

Mr. Speaker, malnutrition need not and should not be tolerated in this country. Accordingly, I urge my colleagues to join in supporting this very sensible and appropriate legislation.

Mr. FORD of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BIAGGI. Mr. Speaker, I rise today in support of H.R. 1340, the Commodity Distribution Reform Act, as approved by the House Education and Labor Committee. This legislation is a meaningful step forward in ensuring that the commodities given to our school children and our elderly are of the highest quality and in the form most useable to the population served.

For many years, the Department of Agriculture has been hearing complaints about the commodity distribution program. These complaints have ranged from flour arriving in sacks too heavy for cafeteria workers to lift, to hamburger in packages too large to use in one meal, thus resulting in spoilage. These complaints have included bugs in rice packages, foreign matter and stems in bean cans, peanut butter that wouldn't spread and cheese that wouldn't melt. While I recognize that the Department of Agriculture is moving to eliminate these problems, I feel that this movement has been much too slow.

H.R. 1340 simply gives the Department deadlines before which they must comply with certain quality-ensuring provisions, as well as the authority to reform the commodity distribution program. This legislation also includes requirements that the Department set up an advisory council to assist in reforming the commodity distribution program and conduct a survey of the recipient agencies to determine the best package sizes and forms for the commodities.

I commend my dear friend and colleague, BILL FORD, for his leadership in this effort. Our Nation's schoolchildren and senior citizens can look forward to better quality food through his efforts.

I urge my colleagues to join me in voting for this vital legislation. Our Nation's children and elderly deserve the highest quality food. H.R. 1340 takes important steps toward ensuring this goal.

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank once again all who have worked to make this bill possible.

I extend my appreciation to all of them.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 1340, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read "A bill to improve the distribution procedures for agricultural commodities and their products donated for the purposes of assistance through the Department of Agriculture, and for other purposes."

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1340, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

## CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE ACT AMENDMENTS

Mr. GARCIA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2309) to amend the Christopher Columbus Quincentenary Jubilee Act, as amended.

The Clerk read as follows:

### H.R. 2309

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Christopher Columbus Quincentenary Jubilee Act (Public Law 98-375; 98 Stat. 1257).

SEC. 2. ADDITIONAL NONVOTING PARTICIPANT.

Section 3(c) is amended—

(1) by inserting "(1)" after "(c)"; and

(2) by adding at the end the following:

"(2)(A) For purposes of this paragraph, the term 'country or other political entity' means any country or territory or successor political entity listed under section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2707(b)).

"(B) In addition to the individuals under paragraph (1), the President is authorized and requested to invite the government of any country or other political entity recommended under subparagraph (D) to appoint 1 individual to serve as a nonvoting participant under this paragraph.

"(C)(i) Not more than 1 country or other political entity may be represented under this paragraph at any time, and, except as provided in clause (ii), the term for which any such country or other entity may be so represented shall be 1 calendar year, beginning with calendar year 1988.

"(ii) In the year in which the Commission terminates, the term of appointment under this paragraph shall end on the Commission's termination date.

"(D) The Commission shall submit to the President, on an annual basis, the name of any country or other political entity which the Commission considers appropriate, except that—

"(i) no country or other political entity may be represented under this paragraph more than once; and

"(ii) the first country to be recommended under this subparagraph shall be the Bahamas, which was the first place where Columbus landed in the course of his voyages of exploration.".

SEC. 3. OFFICIAL REPRESENTATION EXPENSES.

Section 6 is amended by adding at the end the following:

"(f) In carrying out any functions or duties with respect to representatives of foreign governments, the Commission may, out of amounts available under section 7(a), expend not to exceed $7,500 in any calendar year.".

SEC. 4. INCREASE IN MAXIMUM DONATIONS ALLOWABLE.

Section 7(a) is amended to read as follows:

"(a) The Commission may accept donations of money, property, or personal services, except that—

"(1) the aggregate amount of any donations which may be accepted from an individual in any year may not exceed $250,000; and

"(2) the aggregate amount of any donations which may be accepted from a foreign government, corporation, partnership, or other person (other than an individual) in any year may not exceed $1,000,000.".

SEC. 5. APPOINTMENT OF STAFF.

Section 8(b)(1) is amended to read as follows:

"(1) appoint and fix the compensation of such additional personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that—

"(A) not to exceed 20 staff members appointed under this paragraph may be paid out of amounts available under section 11, and any individual appointed to a position funded in such manner may not be paid at a rate in excess of the rate for grade GS-18 of the General Schedule; and

"(B) any other staff member appointed under this paragraph may be paid out of amounts available under section 7(a), and any individual appointed to a position funded in such manner—

"(i) shall be so designated at the time of such individual's appointment; and

"(ii) shall not be considered an employee of the United States other than for purposes of—

"(I) chapter 81 of title 5, United States Code, relating to compensation for work injuries;

"(II) chapter 11 of title 18, United States Code, relating to bribery, graft, and conflicts of interest; and

"(III) chapter 171 of title 28, United State Codes, relating to tort claims.".

SEC. 6. ADVISORY COMMITTEE MEMBERS.

Section 9(b) is amended—

(1) by inserting "(1)" after "(b)";

(2) by inserting ", except as provided in paragraph (2)," after "compensation, and"; and

(3) by adding at the end the following:

"(2)(A) Persons appointed to advisory committees under section 8(b)(2) may, while away from their homes or regular places of business in the performance of services for the Commission, be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

"(B) Any amount payable under subparagraph (A) shall be paid out of amounts available under section 7(a).".

SEC. 7. OFFICIAL LOGO.

(a) IN GENERAL.—Section 10 is amended—

(1) by amending subsection (a) to read as follows:

"(a)(1) For the purpose of this section, the term 'Christopher Columbus Quincentenary Logo' means the symbol or mark designated by the Commission for use in connection with the commemoration of the quincentennial of the voyages of discovery of Christopher Columbus.

"(2) The Commission may, in accordance with rules and regulations which the Commission shall prescribe, authorize the manufacture, reproduction, use, sale, or distribution of the Christopher Columbus Quincentenary Logo.

"(3) The rules and regulations under paragraph (2) shall include provisions under which—

"(A) fees may be charged for any authorization under this subsection (including circumstances under which any such fee may be waived);

"(B) any authorization granted under this subsection shall not be subject to reassignment or transfer without approval by the Commission; and

"(C) any authorization granted under this subsection may be revoked or otherwise terminated.

"(4) Amounts charged under paragraph (3)(A) shall be available to the Commission.";

(2) in subsection (b)—

(A) by striking "or uses any such logos, symbols, or marks, or any facsimile thereof, or in such a manner as suggests any such logos, symbols, or marks," and inserting in lieu thereof "uses, sells, or distributes the Christopher Columbus Quincentenary Logo"; and

(B) by striking the second sentence thereof; and

(3) by adding at the end the following:

"(c)(1) Notice of designation under subsection (a)(1) shall be published in the Federal Register.

"(2) Any rules and regulations under subsection (a), and any penalty under subsection (b), shall apply only in the case of any symbol or mark for which the Commission publishes notice of designation under paragraph (1).".

(b) SAVINGS PROVISIONS.—(1) All rules and regulations issued by the Christopher Columbus Quincentenary Jubilee Commission in connection with section 10 of the Christopher Columbus Quincentenary Jubilee Act (as in effect before the enactment of this Act) shall continue in effect, according to their terms, until modified, terminated, superseded, or repealed by the Commission.

(2) No suit, action, or other proceeding lawfully commenced before the amendments made by subsection (a) become effective shall abate by reason of the enactment of this Act. Determinations with respect to any such suit, action, or other proceeding shall be made as if this Act had not been enacted.

SEC. 8. TERMINATION DATE.

Sections 11(a), 11(b), and 12(a) are each amended by striking "November 15, 1992" and inserting in lieu thereof "December 31, 1993".

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is a second demanded?

Mrs. MORELLA. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. GARCIA] will be recognized for 20 minutes and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. GARCIA].

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Mr. GARCIA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, 1992 marks the 500th anniversary of Christopher Columbus' landing in the New World.

In 1984, Congress established the Christopher Columbus Quincentenary Jubilee Commission and charged it with the responsibility of preparing a comprehensive program for the commemoration of Christopher Columbus' voyages of exploration.

H.R. 2309 was introduced by my distinguished committee colleague, Mr. DE LUGO, to enable the Christopher Columbus Commission to raise adequate funds from the private sector, to underwrite appropriate ceremonies for the quincentenary.

The need for increased funding arose from the recognition of the significance of the 1992 event and the Commission's desire to maximize the participation of Americans from all ethnic and racial groups.

The bill, as amended also would acknowledge the historical reality of Christopher Columbus' landing in the New World, by adding a third nonvoting member to the Commission. This member would be a representative from a Caribbean country and would join members from Spain and Italy who are already on the Commission, in recognition of their historical ties to the explorer.

I wish to note that the Congressional Budget Office has reviewed H.R. 2309 and estimates that enacting this legislation would result in no net additional costs to the Federal Government and no cost to State or local governments.

Mr. Speaker, as a member of the Subcommittee on Census and Population, I support this bill and commend the efforts of the sponsor, Mr. DE LUGO.

I therefore urge passage of H.R. 2309, and I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2309 to amend the Christopher Columbus Quincentenary Jubilee Act. Public Law 98-375 established a Commission charged with preparing a comprehensive program for commemorating the voyages of Christopher Columbus in 1492. The year 1992 marks the 500th anniversary of those voyages.

The Commission is currently authorized Federal appropriation of $220,000, which will continue through 1992. The legislation now being considered does not request any additional appropriations. H.R. 2309 will enable the Commission to raise the private funds necessary to develop a proper commemoration without asking the Federal Government for additional funds.

The major provision of H.R. 2309 would raise the limitations on individuals and corporate donations and permit a broader and more effective use of the Commission's logo.

The proposed technical amendments would: Raise the limitation on individual and corporate donations to annual caps of $250,000 and $1 million, respectively; permit a broader and more effective use of the Commission's logo; provide a distinction between publicially paid staff and staff paid from private donations; eliminate the ceiling placed on the number of detailees to the Commission from other Federal agencies; permit the payment of some commission-related expenses for such expert advisers; permit an allowance of $7,500 for expenses relating to the hosting of representatives of foreign governments; and extend the life of the Commission to December 31, 1993 in order to allow for the appropriate celebration of the second voyage of Columbus.

The last provision of this would authorize the Commission to recommend annually to the President a representative of a Caribbean country to serve as a nonvoting member of the Commission.

The amendments would not affect the present authorization in any way since all additional funds must be raised through private donations.

Mr. Speaker, as I have reviewed this bill, I find more and more reason to support it. Not because I'm of Italian ancestry and am proud of my ancestry, as we all are, but I believe that in addition to recognizing this man who was willing to forge ahead with his convictions, celebrating the quincentennial of Christopher Columbus' voyage to discover the Indies is symbolic of the adventurous spirit of all those who crossed oceans and traversed overland to reach an area where they could set up a form of government where we can live in harmony in spite of diversity, of ethnicity, culture, religion, or background. This bill allows us to recognize the creative, the adventurous, and our country where we practice our convictions and live in peace. The bill recognizes our Nation's cultural history.

Mr. Speaker, I urge my colleagues to join me in supporting this legislation.

Mr. DE LUGO. Mr. Speaker, I rise in support of H.R. 2309 which amends the Christopher Columbus Quincentenary Jubilee Act that was passed during the 98th Congress.

In brief, H.R. 2309 will help the Commission, which currently operates on a staff of only three, to increase its staffing and fund-raising capabilities; and will extend the life of the Commission through December 31, 1993, to accommodate for Columbus' second voyage.

This last point is of particular interest to me and to my colleague, the Resident Commissioner of Puerto Rico, since it was on his second voyage in 1493 that Columbus landed in Salt River on St. Croix in the U.S. Virgin Islands, and on Puerto Rico. This is significant because these two locations are the only landing sites of Columbus under the U.S. flag.

After Columbus' historic visit almost 500 years ago, the Virgin Islands became a frontier of the Old World in the new and were caught up in all the tidal changes which swept over the entire world in the intervening centuries.

Now the U.S. Virgin Islands stands tall among her West Indian friends and family, a bastian of American democracy in the Caribbean. We continue to be a link between nations and people, and time and history, and we are proud to take an active role in the worldwide commemoration of the voyages of Columbus.

I must commend Mr. John Goudie, Chairman of the National Columbus Commission, and his staff for their excellent progress in seeing that the celebration will be a success.

I also wish to thank my colleagues from California, chairman of the Subcommittee on Census and Population, and my good friend from Michigan, chairman of the Postal Committee, for their expeditious handling of this bill, and their staff for their cooperation and assistance.

Mr. RODINO. Mr. Speaker, I rise in strong support of H.R. 2309, to amend the Christopher Columbus Quincentenary Jubilee Act. For a variety of reasons, both symbolic and operational, I believe that it is incumbent upon us to pass H.R. 2309 and, in so doing, to reaffirm our commitment to a proper celebration of the 500th anniversary of Columbus' voyage.

The Quincentenary of the Columbus expedition merits comprehensive and tasteful commemoration for many very important reasons. First, Columbus' voyage and landfall on what is now the Bahamian Island of San Salvador, mark the opening chapter in the history of this great Nation, and the proper commemoration of this event is important to the Nation's continuing awareness of its origins and evolution.

Moreover, I believe that Columbus' expedition represents something beyond an important historical event: it highlights the irrepressibility of the human spirit, which I believe is the very foundation of this Nation. Columbus embarked on his historic voyage in spite of the fact that its aims flew in the face of one of the basic truths of his day: the belief that the world was flat. According to the limited knowledge of the time, Columbus and his expedition would sail a short while to the edge of the Earth and fall off into oblivion. Columbus believed in his heart that this belief was too simplistic to be accepted. He chose instead to believe the old sailor stories telling of exotic lands, open spaces, and unfathomable riches and beauty.

This country, which is justifiably proud of its frontier origins and spirit, should properly salute Columbus as not only the original, but the very definition of the frontiersman. It is that spirit of following one's intuition in spite of the conventions and skepticisms of the times, and the willingness to venture into the unknown and endure great hardships in the pursuit of expanding the breadth of human knowledge and experience, which is the very essence of this Nation. Columbus' voyage is manifestly important in both historic and symbolic terms, and I believe that there is little question that a commission vested with the proper funding and powers will sponsor a celebration which benefits something as momentus as the 500th anniversary of Columbus' voyage to the New World.

Let me now discuss why I believe H.R. 2309 will go a long way toward our goal of having a tasteful and circumspect observance of the event. As the original sponsor of the bill creating the Quincentenary Jubilee Commission, my goal has always been to have a coordinated, informative, and meaningful observance of the Columbus landfall. I have no doubt that the Commission is committed to plan the commemoration without compromising the solemnity of the occasion. However, it has become clear that the Commission is being hamstrung by the donation ceiling and the narrowness of its authority. It is important that the Commission receive donated funds and authority to carry out the mandate of the original law. There is even concern that the United States may be unable to fulfill its share of what will be a four country collaboration, with the addition of the Bahamas. This must not come to pass. Finally, since the bill is budget neutral, it ensures that the cost of a proper celebration will not be shouldered by the American taxpayers.

As the original sponsor of the Christopher Columbus Quincentenary Jubilee Act, I have a great personal interest in the quality and solemnity of the event, and I am confident that passage of H.R. 2309 will help to bring about a celebration in which we can all take pride.

Mrs. MORELLA. Mr. Speaker, I yield back the balance of my time.

Mr. GARCIA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from New York [Mr. Garcia] that the House suspend the rules and pass the bill, H.R. 2309, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## OSCAR GARCIA RIVERA POST OFFICE BUILDING

Mr. GARCIA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1948) to designate the U.S. Post Office Building located at 153 East 110th Street in New York, NY, as the "Oscar Garcia Rivera Post Office Building."

The Clerk reads as follows:

H.R. 1948

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the United States Post Office Building located at 153 East 110th Street in New York, New York, is hereby designated as the "Oscar Garcia Rivera Post Office Building". Any reference to such building in any law, rule, map, document, record, or other paper of the United States shall be considered to be a reference to the "Oscar Garcia Rivera Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York [Mr. Garcia] will be recognized for 20 minutes and the gentlewoman from Maryland [Mrs. Morella] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. Garcia].

Mr. GARCIA. Mr. Speaker, I yield myself such time as I may consume.

I would first like to take this opportunity to thank my colleague, Mickey Leland, chairman of the Subcommittee on Postal Operations, and ranking minority member Frank Horton. I would also like to express my thanks to Chairman Bill Ford and ranking minority leader Gene Taylor of the full committee. My colleague Charlie Rangel was inadvertently left off as sponsor of this bill, but has expressed his support. I appreciate that.

This bill is to rename the Hell Gate Post Office Building located at 153 East 110th Street, New York, NY, to the Oscar Garcia Rivera Post Office Building.

The late Mr. Garcia Rivera was the first Puerto Rican elected to public office in the United States. He served in the New York State Legislature from 1938 to 1940 representing the 17th Assembly District. Mr. Garcia Rivera was not only the first Puerto Rican elected in the United States, he was also one of the first successful Latino civil rights leaders in the State. He was instrumental in the passage of antidiscrimination legislation which prohibited discrimination on the basis of national origin, race, or creed, against persons who applied for State jobs. He also sought strong legislative protection for the working people from exploitation of the workplace. He is further credited with the establishment of the Hot Meals Program in the public school system of New York.

From his little law office over the Woolworth discount store on Fifth Avenue and 115th Street, Oscar Garcia Rivera continued to inspire Puerto Rican Americans to continue to represent themselves in the legislative process.

Mr. Speaker, I believe this bill, which marks the 50th anniversary of his election, would serve as an inspiration to the young and future generations of Puerto Rican and Hispanic leaders. I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also rise in strong support of H.R. 1948 to designate the U.S. Post Office Building located at 153 East 110th Street in New York City as the "Oscar Garcia Rivera Post Office Building."

Mr. Rivera, a Republican, was elected to the New York State Legislature in 1937. He was the first Puerto Rican elected in the continental United States. That historical election was won by a margin of 2,580 votes. Due to Mr. Rivera's tireless efforts in civil rights and antidiscrimination legislation Puerto Ricans today have become a powerful voice in both the New York State and Federal legislative process.

Oscar Garcia Rivera is also credited with the establishment of the Hot Meals Program in the public school system in New York.

A successful union organizer who was endorsed by the American Labor Party, Mr. Rivera practiced law in New York until 1967 and returned to Mayaguez, Puerto Rico where he died in 1968.

Oscar Garcia Rivera was truly an outstanding individual who championed many issues long before they were politically popular and in the early 1930's was an active labor organizer with the U.S. postal clerks union.

Mr. Rivera was a great American who fought for the rights not only for his fellow Puerto Ricans but all persons who we oppressed and discriminated against.

Mr. Speaker, I urge my colleagues to join me in support of the resolution.

Mr. GARCIA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to say to my colleague from Maryland that she is absolutely right, that Oscar Garcia Rivera was indeed a Republican, he was elected as a Republican and she in her statement made it quite clear there were certain parts, certain biographical material that I did not realize. I did not realize that he was an organizer for the postal workers.

I think it is appropriate that a postal building be named after him. So I thank my colleague from Maryland [Mrs. Morella] for her research on Oscar Garcia Rivera.

Mr. RANGEL. Mr. Speaker, I rise in strong support of H.R. 1948, a bill to rename the Hell Gate Post Office Building at 153 East 110th Street as the Oscar Garcia Rivera Post Office Building. As the representative from the 16th Congressional District of New York, I am keenly aware of the good works of Mr. Rivera, and feel this honor is long overdue.

Fifty years ago, Oscar Garcia Rivera was the first Puerto Rican elected to the New York State Assembly. A revered leader in the New York Hispanic community, he served in the forefront of the fight for latino civil rights in New York State. His civil rights legislation served as an effective vehicle for providing Hispanic-Americans and other minorities access to employment opportunities that had been denied them for so long. Attempting to fight discrimination at the root of the problem of discrimination, Mr. Garcia Rivera introduced unprecedented antidiscrimination legislation which prohibited bias on the basis of national origin, race, or creed against persons who applied for State jobs.

Oscar Garcia Rivera not only championed the rights of individuals for access to employment opportunities, but he is recognized by many as a friend of the worker. His powerful legislative initiatives established protections for the working people from unusual or unfair treatment in the workplace.

In closing, Mr. Speaker, I would like to add that Mr. Garcia Rivera serves as a role model for us all. As a result of his efforts and undying commitment, the rights of individual citizens were protected. This, Mr. Speaker, is our charge; and it is for this reason that I support this legislation. Mr. Garcia Rivera's legacy must continue to live on in the vanguard of those leaders in political rights, workers' rights and the right for individual freedoms. I hope my colleagues will join me in support of the successful passage of this legislation.

Mr. GARCIA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. Garcia] that the House suspend the rules and pass the bill, H.R. 1948.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on H.R. 2309 and H.R. 1948, the two bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT AMENDMENTS

Mr. MILLER of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2629) to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the conveyance and ownership of submerged lands by Alaska Natives, Native Corporations, and the State of Alaska, as amended.

The Clerk read as follows:

H.R. 2629

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### TITLE I—SUBMERGED LANDS

Sec. 101. Section 901 of the Alaska National Interest Lands Conservation Act (94 Stat. 2430; P.L. 96-487) is amended by striking out text of such section and inserting in lieu thereof:

"Sec. 901. (a)(1) Except as provided in paragraph (2), whenever the Secretary surveys land selected by a Native, a Native Corporation, or the State pursuant to the Alaska Native Claims Settlements Act, the Alaska Statehood Act, or this Act, lakes, rivers, and streams shall be meandered in accordance with the principles in the Bureau of Land Management, 'Manual of Surveying Instructions' (1973).

"(2) If title to lands beneath navigable waters of a lake less than fifty acres in size or a river or stream less than three chains in width did not vest in the State pursuant to the Submerged Lands Acts, such lake, river, or stream shall not be meandered.

"(3) The Secretary is not required to determine the navigability of a lake, river, or stream which because of its size or width is required to be meandered or to compute the acreage of the land beneath such lake, river, or stream or to describe such land in any conveyance document.

"(4) Nothing in this subsection shall be construed to require ground survey or monumentation of meanderlines.

"(b)(1) Whenever, either before or after the date of enactment of this section, the Secretary conveys land to a Native, a Native Corporation, or the State pursuant to the Alaska Native Claims Settlement Act, the Alaska Statehood Act, or this Act which abuts or surrounds a meanderable lake, river, or stream, all right, title, and interest of the United States, if any, in the land under such lake, river, or stream lying between the uplands and the median line or midpoint, as the case may be, shall vest in and shall not be charged against the acreage entitlement of such Native or Native Corporation or the State. The right, title, and interest vested in a Native or Native Corporation shall be no greater an estate than the estate he or it is conveyed in the land which abuts or surrounds the lake, river, or stream.

"(2) The specific terms, conditions, procedures, covenants, reservations, and other restrictions set forth in the document entitled, 'Memorandum of Agreement between the United States Department of the Interior and the State of Alaska' dated March 28, 1984, signed by the Secretary and the Governor of Alaska and submitted to the Committee on Interior and Insular Affairs of the House of Representatives, and the Committee on Energy and Natural Resources of the Senate, are hereby incorporated in this section and are ratified as to the duties and obligations of the United States and the State, as a matter of Federal law.

"(c)(1) The execution of an interim conveyance or patent, as appropriate, by the Bureau of Land Management which conveys an area of land selected by a Native or Native Corporation which includes, surrounds, or abuts a lake, river, or stream, or any portion thereof, shall be the final agency action with respect to a decision of the Secretary of the Interior that such lake, river, or stream, is or is not navigable, unless such decision was validly appealed to an agency or board of the Department of the Interior on or before December 2, 1980.

"(2) No agency or board of the Department of the Interior other than the Bureau of Land Management shall have authority to determine the navigability of a lake, river, or stream within an area selected by a Native or Native Corporation pursuant to the Alaska Native Claims Settlement Act or this Act unless a determination by the Bureau of Land Management that such lake, river, or stream, is or is not navigable, was validly appealed to such agency or board on or before December 2, 1980.

"(3) If title to land conveyed to a Native Corporation pursuant to the Alaska Native Claims Settlement Act or this Act which underlies a lake, river, or stream is challenged in a court of competent jurisdiction and such court determines that such land is owned by the Native Corporation, the Native Corporation shall be awarded a money judgment against the plaintiffs in an amount equal to its costs and attorney's fees, including costs and attorney's fees incurred on appeal.

"(d) For the purposes of this section, the terms 'navigable' and 'navigability' means navigable for the purpose of determining title to lands beneath navigable waters, as between the United States and the several States pursuant to the Submerged Lands Act and section 6(m) of the Alaska Statehood Act.".

Sec. 102. Nothing in this Act shall amend or alter any land exchange agreement to which the United States is a party, or any statute, including but not limited to the Act of January 2, 1976 (89 Stat. 1151) and section 506(c) of the Alaska National Interest Lands Conservation Act (94 Stat. 2409; P.L. 96-487), that authorizes, ratifies or implements such an agreement.

### TITLE II—APPROVAL OF CONVEYANCE IN ANWR

Sec. 201. Section 1302(h) of the Alaska National Interest Lands Conservation Act (94 Stat. 2430; P.L. 96-487) is amended by redesignating the section "(h)(1)" and by adding the following new subsection: "(2) Nothing in this Act or any other provision of law shall be construed as authorizing the Secretary to convey, by exchange or otherwise, lands or interest in lands within the coastal plain of the Arctic National Wildlife Refuge (other than land validly selected prior to July 28, 1987), without prior approval by Act of Congress.".

### TITLE III—APPROVAL OF PUBLIC LAND ORDER

Sec. 301. The lands described in Public Land Order 6607 of July 8, 1985 (50 Fed. Reg. 130), comprising approximately 325,000 acres, are hereby included as part of the Arctic National Wildlife Refuge to be subject to and administered in accordance with the provisions of sections 303(2) and 304 of the Alaska National Interest Lands Conservation Act (94 Stat. 2430; P.L. 96-487) and other applicable statutes.

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. Miller] will be recognized for 20 minutes and the gentleman from Alaska [Mr. Young] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. Miller].

Mr. MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

I am pleased to join with my colleague from Alaska [Don Young], in support of H.R. 2629. This bill, which passed out of the Interior Committee by unanimous vote, would accomplish three goals.

First, title I of H.R. 2629 would end the confusion, unfair treatment, and litigation that Alaska Natives and the State of Alaska have endured by virtue of past BLM land conveyance practices. This bill reflects a consensus between Interior, the State, and the Alaska Federation of Natives as to the best resolution of this longstanding problem. I would note for my colleagues that the language is substantially similar to the provisions passed by the House in its version of the Alaska Lands Act in 1979.

Second, title II is intended to ensure that Interior's land exchange agreements related to the Arctic National Wildlife Refuge in Alaska [ANWR] must be reviewed and approved by Congress. This language is essentially the same as H.R. 3008 which I introduced along with Congressman Studds and Congressman Don Young.

Third, title III would approve a 325,000-acre addition to ANWR by adopting the same Public Land Order as passed by the House last Congress in House Resolution 419.

Mr. Speaker, this legislation has been worked out in close cooperation with the gentleman from Alaska. I believe that it is fair to say that title I, which deals with so-called submerged lands, is a matter of significance to a good many of Mr. Young's constituents. When I first came to Congress, I was kidded about being relegated to the subcommittee on swamps. Little did I know that, 12 years later, I would be dealing with Mr. Young's rather murky underwater concerns.

I want to spend the remainder of my time discussing this legislation's effect on the Interior Department's proposed "megatrade" proposals.

The question of whether to open ANWR to oil and gas development involves a difficult evaluation of national energy needs, economic benefits, and environmental concerns.

Many Members, myself included, have reserved judgment on this issue. The Subcommittee on Water and Power Resources, which I chair, has already held four hearings on ANWR and will schedule more in the fall. We intend to be both comprehensive and fair.

Yet many months before the Fish and Wildlife Service's draft ANWR report was complete and before the Secretary's final recommendations were presented to Congress, side negotiations were already underway with selected Alaska Native groups. It is clear that the top policymakers in the Department were long ago convinced that ANWR should be opened and busy thinking of ways to convince the Congress.

The mechanism that the Department developed to leverage the opening of ANWR is by virtue of land exchange with six Alaska Native groups. As the "megatrade" process is designed, the Department would receive 891,000 acres of Native in-holdings within seven different national wildlife refuges in Alaska. In return, the Natives would get 538 million dollars' worth of bidding rights for tracts on the coastal plain of ANWR.

The Natives got something else from the Department. They got the first crack at selecting ANWR tracts during a secret "conditional auction" in an Arlington, VA, hotel on July 9 and 10.

The natives are not playing this game on their own. Each group has oil company partners, including Shell, Arco, Chevron, Standard, British Petroleum, Phillips, Conoco, Exxon, and Texaco.

Why is it that the Reagan administration—whose budget requests for additional park or refuge lands have been nonexistent—and some of the world's largest corporations are suddenly promoting the national interest in acquiring wildlife habitat in Alaska?

The answer lies, in my view, in what the oil companies stand to gain out of this deal. Although their agreements with the native groups are not public, what we know for sure is this:

The oil companies will avoid competitive bidding by virtue of negotiated access to the native private property;

The oil companies will avoid paying rents and royalties that would otherwise go to the State and Federal Governments; and

The oil companies will have the rights to accelerated exploratory drilling in the refuge and acquire data that would effectively preclude other companies from competitive bidding for the remaining tracts.

One can look through the statutes and regulations and nowhere are there procedures for closed door, invitation only auctions of ANWR oil and gas tracts.

In my view, the Alaska Lands Act makes it abundantly clear that the 96th Congress intended the decision on development of ANWR, by virtue of land exchanges or otherwise, to be solely up to Congress.

"Production of oil and gas from the Arctic National Wildlife Refuge is prohibited," the act said, "and no other development leading to production of oil and gas" is allowed "until authorized by an Act of Congress."

The Department has testified, before my subcommittee and others, that they intend, because of political reality, to submit the "megatrade" proposals for review and approval by Congress. At the same time, the Department asserts that it somehow has complete and unilateral authority to trade away ANWR oil and gas tracts, to allow exploratory drilling, and to waive Federal and State rights to bonus bids, rents, and royalties, all without congressional scrutiny or approval.

Mr. Speaker, I do not believe that the Department's position on its authority to administratively execute the ANWR "megatrades" is justified as a matter of law or policy. However, because of the cloud that the "megatrade" process has placed on ANWR deliberations, it is important that we clarify once and for all that any decision regarding the timing or the means of developing ANWR is exclusively up to Congress.

This legislation does not by its terms block the proposed exchanges. Accordingly, I have asked the GAO to look into the 1983 Chandler Lake Agreement, a previously executed ANWR exchange, as well as to scrutinize the current "megatrade" deals. Given the nature of the process to date, the Department has a heavy burden to prove that the "megatrades" are anywhere close to being as good of a deal for the public as they are for the participants.

Mr. Speaker, I include the following article from the Anchorage Daily News, dated July 22, 1987, for insertion in the Record.

[From the Anchorage Daily News, July 22, 1987]

### Agency Proposes ANWR Land Trade

(By David Whitney)

Washington.—The U.S. Interior Department has offered to trade 166,000 acres of subsurface lands in the Arctic National Wildlife Refuge for 891,000 acres of Native-owned lands elsewhere in Alaska, according to an outline of the exchange agreements released by the House Interior Committee staff Tuesday.

The proposed exchange involves about five times more acreage in the coastal plain of the refuge than the Interior Department had previously discussed in congressional hearings. The plain has been described as the most promising unexplored area for a major oil find in North America, and oil companies are believed to be helping the Natives choose tracts in the refuge.

Exploration and development would require congressional approval. The land-exchange proposal outraged a key congressman, who said it could jeopardize congressional action to authorize development.

"These exchanges are a cynical attempt to put pressure on the Congress to vote to open the area for oil exploration and production," charged Rep. George Miller, D-Calif., chairman of the Interior water and power resources subcommittee.

"It is inevitable that the oil companies and Native corporations will demand that the Congress rubber-stamp these unauthorized exchanges because millions of dollars have been invested in them," Miller said in a statement opening the panel's fourth hearing on the arctic refuge.

"Those who believe that these unauthorized exchanges will accelerate resolution of the arctic refuge issue are sadly mistaken," Miller said.

"Continuation of these secret practices can only jeopardize any hope for reaching a consensus," Miller said.

Miller said he was ordering an investigation by the General Accounting Office of the land trades, which he said could turn into a major government giveaway to the Natives and the oil companies with whom the Natives are working in concert.

Native corporation officials said they haven't tried to hide their dealings from Congress.

"For Miller to state that negotiations have not been open is to misstate the truth," said George Kriste, executive vice president of Cook Inlet Region Inc., an Anchorage-based Native regional corporation that is a major player in the proposed land swaps.

"We've previously been up on the Hill advising congressmen and senators what the packages were going to look like," said Steve Hillard, CIRI's vice president of resources.

The final details of the land trades were worked out during a three-day closed-door meeting at an Arlington, Va., hotel. The Interior Department is expected to release more details about the exchanges, dubbed "megatrades" by critics, later in the week.

According to the summary of the deal given to Miller's staff by Assistant Interior Secretary William Horn at a briefing late Monday, the exchange involves 111 whole or partial tracts in the coastal plain, 38 of which include suspected oil-rich geologic structures.

The Native lands—holdings within seven national refuges in Alaska—were valued at $538.7 million. The summary said the coastal plain property had a value to the Natives of $538 million.

At previous congressional hearings, the acreage said to be involved in exchange proposals was about 33,000. The 166,000-acre figure surprised some attending the briefing.

"Frankly, we were quite surprised at the amount of land involved," said a committee source.

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### Land Trade: Congressmen Wants a Close Look at Plan to Swap ANWR, Native Territory

(By Hal Bernton)

CIRI officials said the size of the proposed trades also surprised them. However, they said the trade represented a "once-in-a-century ability" to consolidate critical Alaska refuge lands under federal control.

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They said there has been no attempt to ramrod the trades through Congress. CIRI proposes an environmental study of the trade, including a full public review, according to Kriste. Then, if Congress objects, it doesn't have to approve them.

The administration said it will push for congressional approval of the land trades, although it does not believe such approval is required. Sen. Bill Bradley, D-N.J., has introduced legislation requiring congressional approval, which Miller said he will introduce soon in the House.

If the exchanges were approved, nearly a sixth of the coastal plain will have been turned over to Natives and, through them, to oil companies.

The Arctic Slope Regional Corp. received subsurface rights to 92,000 acres in the coastal plain in 1983 under an agreement in which it traded its ownership of Chandler Lake in the Gates of the Arctic National Park.

That exchange was not submitted to Congress for approval and cleared the way for drilling the only exploratory well in the refuge. Results of that test well are a guarded corporate secret known only to Chevron and British Petroleum companies, which have a contractual arrangement with the regional corporation.

Miller blasted that deal Tuesday as he released documents showing that the 101,272-acre Chandler Lake property had a net value of about $5.9 million. Other documents he released showed that the estimated mineral value of the 92, 160-acre tract corporation received in the arctic refuge was $388.5 million.

"The Chandler Lake exchange, conceived in private and executed without congressional scrutiny, constitutes a $382 million gift to one Native corporation and their oil company partners," Miller said.

"The Chandler Lake exchange raises many questions, not the least of which is (whether) the 'megatrades' (are) just as seriously flawed," Miller said.

Miller said he was asking the GAO to investigate both land-exchange deals.

"In addition, GAO will also investigate the disparity in value between what the federal government gave up and what it received and how the disparity is justified.

"I take these actions very reluctantly," Miller said.

"Many members of Congress, including myself, have not formed a final opinion whether the arctic refuge should be opened for development," he said.

"I intend to continue with (an) open, deliberative process and I will respond very negatively to any effort by the administration to shortcut the process by cutting sidebar deals that shortchange the federal government and the state of Alaska," he said.

Alaska, which dropped out of the land-exchange talks earlier this year, would lose potential revenue from development of mineral rights traded to the Natives.

The summary released by the Interior subcommittee staff discloses the amounts and values of property the Native corporations are trading but not the acreage they would receive in the coastal plain.

However, because the exchanges would be dollar-for-dollar, the summary provides an indication of relative participation by the Native organizations. Based on the summary, it appears that the Doyon Regional Corp. and Native Lands Groups, an association of village corporations and CIRI, are the two heavy players in the proposed deal.

Native Lands Group is trading about 298,000 acres—233,000 in the Yukon Delta National Refuge and smaller portions from the Alaska Maritime and Kenai refuges—valued at $184 million. A Miller aide quoted Horn as saying that the Native Lands Group is working with Conoco and Exxon oil companies.

Doyon is trading about 220,000 acres from the Innoko, Kanuti and Nowitna national refuges valued at $121.7 million. It is working with Atlantic Richfield Co., which also has an arrangement with the Gana-Yoo corporation involving 56,000 acres offered for trade at a value of $35 million.

Other Native corporations involved are:

Ahkiok-Kaguyak, 115,000 acres in the Kodiak refuge valued at $74.9 million. It is working with Shell Oil Co.

Koniag, 112,000 acres in the Kodiak refuge valued at $77.4 million. It is working with Chevron, British Petroleum and Phillips Petroleum companies.

Old Harbor, 90,000 acres in Alaska Maritime and Kodiak refuges. It is working with Texaco.

If the trades are agreed to by the Natives and approved by Congress, 503 tracts in the coastal plain—or 85.5 percent of the total—would remain for competitive leasing.

A slightly higher percentage of tracts over suspected oil-rich geologic structures still would be available. That suggests that the Natives may have been more speculative in some of the proposed deals by looking to somewhat less promising areas.

A committee source said that none of the areas in the coastal plain where calving by the Porcupine caribou herd is most prevalent were involved in the land exchange proposals.

The source said that it appeared that most of the land to be exchanged is concentrated in the northeastern quarter of the coastal plain where large geologic structures are thought to exist.

Horn said last week that the negotiations for the land trades involved only the Natives and not the oil companies, who were not at the table or in the room.

But Miller said that the Natives were directed by the oil companies.

"The exchanges are not contracts between Native corporations and the federal government," Miller said. "They are, in reality, contracts between selected oil companies and the Interior Department. Thus we have no guarantee that the interests of the Native groups are being protected."

Horn could not be reached for comment Tuesday.

He has maintained, however, that the land trades give the government an opportunity to obtain Native in-holdings—property they own that is surrounded by federal refuges—at virtually no cost.

Some on Miller's subcommittee suggested in earlier hearings, however, that it would be cheaper for the federal government to use its proceeds from oil development to buy the holdings from the Natives rather than to trade away the potential for future oil revenues to acquire them.

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Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2629.

As the sponsor of this legislation, I would like to commend the gentleman from California and the distinguished chairman of the full committee, the gentleman of Arizona, for their assistance in passing this legislation. I appreciate their assistance and leadership on this issue.

For the past 4 years, we have attempted to finally resolve a longstanding dispute over the ownership of submerged lands in Alaska. Beginning in 1983, the State of Alaska, the Department of the Interior, and Alaska Native groups have been in agreement over the proper method to resolve this controversy. Since that time, the Department of the Interior has been following the agreed-upon survey rules. The rules have been unsuccessfully challenged in Federal courts by two environmental groups.

This legislation would ratify the current Federal policy and bring needed certainty to land conveyances involving submerged lands. For the State of Alaska and Alaska Native groups, it means that the full land entitlements promised in the Alaska Statehood Act and the Alaska Native Claims Settlement Act will be met.

At the same time, hundreds of potential lawsuits will be avoided by the passage of this legislation. This legislation will not result in increased Federal expenditures and is supported by the administration.

Mr. Speaker, in addition to ratifying the survey rules, the legislation restates that any proposed land exchange involving land in the coastal plain of the Arctic National Wildlife Refuge will require congressional approval. I support this requirement. However, I strongly believe that these proposed exchanges will receive congressional support and approval once the Congress receives all of the facts. The proposed exchanges would add over 800,000 acres to Alaska national wildlife refuge lands and represent the only method of acquiring prime wildlife habitat, which is now in private ownership.

Also, it is important to note that the legislation would preclude conveyance of lands within the coastal plain. While the committee takes no position of the authority of the Secretary to make withdrawals of areas under selection, it is my view that these actions may well become necessary and advisable in cases where villages would otherwise have to take land selection entitlements far away from existing villages.

Finally, the bill would ratify public land order 6607 which adds 325,000 acres of relinquished land to ANWR. This land has been previously relinquished by the State of Alaska.

Approval of such withdrawals are required by section 1326 of the Alaska Lands Act, the "no more" clause, which prohibits certain executive withdrawals unless approved by Congress within 1 year.

Mr. Speaker, this bill resolves several land issues in Alaska in a fair and responsible manner. For these reasons, I urge my colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. MILLER of California. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 2629 as reported by the Committee on Interior and Insular Affairs.

This is not the first time that the issue dealt with by this bill has come before the House.

In the last Congress alone we twice acted to forestall a deluge of litigation that the State of Alaska said would be forthcoming if the State was not granted relief from the statute of limitations in section 901 of the Alaska Lands Act.

That statute of limitations, I might add, was initially embodied in that act by the Senate at the request of the State itself. The corresponding section of the House-passed Udall-Anderson bill did not include such a statute of limitations—in fact, it rather closely resembled the bill now before us so far as concerns the treatment of submerged lands.

In any event, today we have an opportunity to dispose of this matter in a more complete way and in a way that does in fact essentially return to the provisions of the Udall-Anderson legislative version of anilca.

In my opinion, this will be an improvement in the Alaska National Interest Lands Conservation Act as it now stands, and the gentleman from California, Mr. Miller, deserves congratulations for the leadership he has shown on this, especially for broadening the scope of the bill so that it will further the protection of wildlife values and will assure that decisions about the coastal plain of the Arctic National Wildlife Refuge will be made by the Congress and not through exchange deals negotiated behind closed doors.

Mr. Speaker, there is a need for still more improvements in the Alaska Lands Act, and I wish that such improvements could also have been included in the bill before us.

The Interior Committee is presently considering one such important improvement, namely the repeal of the provisions that constrain the Forest Service from proper management of the Tongass National Forest and that take the funding for that management out of the appropriations process. And there are numerous other things that should also be done to strengthen and improve the Alaska Lands Act which I wish were before us today.

However, the bill before us, while not going as far as I would have wished, is an important and worthwhile measure. I again commend the gentleman from California for bringing it forward, and I urge its passage by the House.

Mr. JONES of North Carolina. Mr. Speaker, the committee on merchant marine and fisheries which I chair is cooperating with the leaders of the House Interior and Insular Affairs Committee so that H.R. 2629 can be considered and approved by the House today.

As reported from the Interior Committee, H.R. 2629 contains provisions within the jurisdiction of the Merchant Marine and Fisheries Committee. I have asked that the bill be sequentially referred to the Committee on Merchant Marine and Fisheries to confirm our jurisdictional rights but we are not holding the bill nor taking action in committee on it; instead we are permitting its consideration today without delay.

Today's bill contains a provision virtually identical to language in H.R. 3008, a bill jointly referred to the Merchant Marine and Fisheries Committee and the Interior and Insular Affairs Committee. This language prohibits the Department of the Interior from completing land exchanges involving the Arctic National Wildlife Refuge without prior congressional approval. Our committee has jurisdiction over fisheries and wildlife generally, including refuges. A proposed land exchange would give to certain Alaskan native corporations oil and gas development rights in the Arctic National Wildlife Refuge; the corporations, in turn, would convey to the Department of the Interior substantial inholdings found in refuges elsewhere in Alaska.

A second provision in the reported bill adds 325,000 acres of public land to the Arctic National Wildlife Refuge. If this language were introduced as a separate bill, I would maintain that my committee should obtain an original joint referral. Since it is an amendment to H.R. 2629, a sequential referral of the reported bill to my committee is warranted.

Finally, I note that the primary purpose of the bill involves the conveyance of certain submerged lands in the State of Alaska. Members should be aware that these provisions may have a major impact on National Wildlife Refuges in Alaska. If native corporations relinquish their claims for certain submerged lands, they can then select compensating acreage from uplands on adjacent Federal property. In actuality, many of these adjacent properties are within the National Wildlife Refuge System. We could see substantial and important portions of refuges subject to the new selections by the native corporations. If this bill is enacted, my committee will closely oversee how the implementation of the law affects refuges in Alaska.

At this point, I submit a copy of my letter to the Speaker on this subject to be printed as part of the debate.

COMMITTEE ON
MERCHANT MARINE AND FISHERIES
*Washington, DC, July 30, 1987.*

Hon. JIM WRIGHT,
*The Speaker, House of Representatives, H-209, The Capitol, Washington, DC. 20515*

DEAR MR. SPEAKER: On June 8, 1987, Congressman Don Young introduced H.R. 2629, a bill involving the conveyance of certain submerged lands in the State of Alaska. That bill was referred to the Committee on Interior and Insular Affairs. On July 23, 1987, Congressman George Miller introduced on behalf of himself, Mr. Studds, and Mr. Young, H.R. 3008, a bill prohibiting the Secretary of the Interior from executing any land exchanges involving the Arctic National Wildlife Refuge without prior Congressional approval. H.R. 3008 was jointly referred to the Committee on Merchant Marine and Fisheries and the Committee on Interior and Insular Affairs.

On July 29, 1987, the Committee on Interior and Insular Affairs held a markup for H.R. 2629 and adopted an amendment in the nature of a substitute which included, among other things, language prohibiting land exchanges involving the Arctic Wildlife Refuge without prior Congressional approval. Thus, the version of H.R. 2629 as ordered reported by the Committee on Interior and Insular Affairs contains language which is virtually identical in its scope and impact to H.R. 3008, a bill previously jointly referred to the Committee on Merchant Marine and Fisheries.

Moreover, H.R. 2629, as ordered reported by the Committee on Interior and Insular Affairs, includes a provision adding 325,000 acres of public land to the Arctic National Wildlife Refuge. In a letter to Chairman Udall dated March 14, 1979, Speaker O'Neill set forth certain general referral rules that he intended to follow regarding bills affecting or creating units of the National Wildlife Refuge System. In particular, page 3 of that letter delineated various scenarios in which either joint or sequential referrals would be in order for the Committee on Merchant Marine and Fisheries involving bills affecting wildlife refuges. I still believe that some of the referral guidelines enunciated in that letter are inequitable when applied to the jurisdictional interests of this Committee over those of the National Wildlife Refuge System. However, I would contend that, *at a minimum*, the March 14, 1979 letter supports a request for a sequential referral of a bill like H.R. 2629 as reported, which expands the size of an existing National Wildlife Refuge. Any contrary conclusion would seriously undermine the jurisdictional interests of the Committee on Merchant Marine and Fisheries over the Wildlife Refuge System as recognized in Rule X, Clause 1(n)(4) of the Rules of the House of Representatives. I, therefore, believe that my request for a sequential referral of a bill adding acreage to the Arctic National Wildlife Refuge is clearly within the referral guidelines laid out in Speaker O'Neill's letter.

In summary, H.R. 2629, as reported, should be sequentially referred to the Committee on Merchant Marine and Fisheries. It not only contains a provision virtually identical to one previously jointly referred to this Committee (H.R. 3008) but also adds acreage to a National Wildlife Refuge, an event which Speaker O'Neill's March 14, 1979 letter indicates would serve as the basis for a sequential referral.

As discussed in the notes accompanying Rule X, Clause 5 of the Rules of the House of Representatives, it has been the practice of the Speaker since January 5, 1981, to consider the text of bills as ordered reported for purposes of making a sequential referral to another Committee. I believe that H.R. 2629 falls squarely within this rule. I am interested in expediting the House's consideration of H.R. 2629 and do not desire to seek

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undue delays as the result of the request for a sequential referral. I would, therefore, be willing to consider any constructive procedural alternative to be negotiated between my Committee and by the Committee on Interior and Insular Affairs which would enable the bill to be considered by the House prior to the August recess.

With kind regards, I am,

Sincerely,

WALTER B. JONES,
*Chairman.*

Mr. MILLER of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from California [Mr. MILLER] that the House suspend the rules and pass the bill, H.R. 2629, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2629, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## CONFERENCE REPORT ON H.R. 27 FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION RECAPITALIZATION ACT OF 1987

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 236 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 236

*Resolved,* That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system, all points of order against the conference report and against its consideration are hereby waived, and the conference report shall be considered as having been read when called up for consideration.

The SPEAKER pro tempore. The gentleman from Florida [Mr. PEPPER] is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, this rule provides for the consideration of the conference report on H.R. 27, The Competitive Equality Banking Act of 1987, with 1 hour of debate equally divided between the chairman and ranking majority member of the Committee on Banking. It also provides that the conference report shall be considered as having been read. The rule waives all points of order against the conference report and against its consideration.

Mr. Speaker, this conference report represents many hours of intense negotiations, difficult choices and compromises. The final product in my opinion is good. It resolves many important issues that for many years for one reason or another have not been addressed. The major issues contained in this conference report include: The closing of the nonbank bank loophole except for those that were in operation on or before March 5, 1987; the placement of 1 year moratorium on the ability of banks to sell securities, insurance or real estate; the recapitalization of FSLIC at $10.825 billion with an annual net borrowing limit of $3.75 billion; the establishment of a forbearance system to keep well-managed but troubled financial thrifts open; the extension of title I and title II of Garn-St Germain giving regulators the authority to arrange interstate mergers of failing banks with assets of at least $500 million; and the establishment of an expedited funds availability schedule to facilitate a bank customer's access to his money.

Mr. Speaker, this legislation is extremely important to the future of our banking and financial service industries for two very critical factors. First, it recapitalizes our savings and loan industry just in time to prevent depositors from losing faith in these institutions and thus in the safety of their money. Title III of the conference report has been aptly described as emergency legislation needed to deal with a severe crisis. Currently, FSLIC has a negative net worth and hundreds of thrifts are insolvent. Savings and loans are losing $6 million a day. This legislation will restore the public's confidence in the thrift industry, an industry which has been so valuable to the economic growth of our Nation. Second, the closing of the nonbank bank loophole and the moratorium on expanded powers for banks provides Congress with an opportunity to determine the future direction and scope of the banking/financial service industries.

In this regard, I would like to make the following observations. This conference report contains language which states that it is the intent of Congress through its respective banking committees to review the restructuring needs of the financial and banking laws. During the Rules Committee hearing on this conference report I engaged Chairman ST GERMAIN in a colloquy on this subject. I was assured by him that his committee would be holding hearings on the topic of expanded powers for the banking and the financial service industries. In fact, this legislation was partially designed to force the various participants into discussing methods in which the laws could be modified to increase the availability of financial services to the people.

This reexamination is truly needed. Since the mid-1970's the separation of commerce and banking has been crumbling. The widely used money market accounts of security firms, the advent of nonbank banks, and the fact that this legislation permits security firms to purchase failing savings and loans with assets over $500 million clearly demonstrates that the distinction between commerce and banking continues to erode. Let us take a glimpse at the intrusion of the security industry into traditional banking territory. From 1966 until 1986 security firms have gone from a position where they provided only $0.8 billion of commercial loans to $78.5 billion and consumer deposits in money market accounts of $3.7 billion to $292.1 billion. I make these observations and cite these statistics without any negative connotations. In fact, I believe the options and the choices available to the consumer as a result of this competition are extremely valuable. I just want to illustrate the point that an irreversible change is rapidly occurring in the delivery of financial services. We in Congress must not try to turn the clock back, but rather, provide for financial deregulation within some type of framework. Today, banks are too constrained by Glass-Steagall while other financial service companies continue to offer more and more banking services to their customers. Let us in the next year develop legislation which will permit banks and financial service companies to compete on a level playing field. If we are going to allow security firms to operate banks and savings and loans, then banks and savings and loans should be able to operate security firms. I am confident that Congress can develop a set of disclosure rules and regulations that will protect the public interest and offer the financial service's consumer more and better services.

Mr. Speaker, this rule allows an extremely valuable omnibus banking conference report to receive orderly consideration on the floor of the House. I strongly urge my colleagues to vote for the rule and the conference report.

□ 1350

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able chairman of the Rules Committee has explained the rule and the provisions of the conference report. I support it.

Mr. Speaker, it has been a long and winding road this bill has traveled to reach this point. The issues involved are many and the compromises reached in this conference report probably do not entirely satisfy any of the parties who have worked on this bill over the past several years. Nevertheless, the conference report is acceptable and should be approved by the House today. This rule merely expedites its consideration so it can be sent to the President for his signature. Members should be aware that the final changes to the conference report last week will result in the President's approval and signature. Thus, we are at last at the end of the road on this important bill.

Mr. Speaker, I ask for a "yes" vote on the rule and a "yes" vote on the conference report. While I would hope some of the provisions in this conference report will be modified, it should be approved now because of the protection it provides for savings and loan depositors and taxpayers, and because it strengthens the Federal Savings and Loan Insurance Corporation and the savings and loan industry, and gives the banking industry a chance to do some things for which they had hoped.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Tennessee [Mr. QUILLEN] and rise in strong support of the rule on the conference report to H.R. 27.

I know that my colleagues are well aware of the serious problems facing the Federal Savings and Loan Insurance Corporation fund. It is estimated that FSLIC is losing $10 million a day, and according to the GAO, FSLIC was at least $6 billion in the red at the end of 1986. The situation has become even more critical over the past 6 months. We need to move forward on this legislation.

The report represents a true compromise reached with the administration. Until last week, the message from the White House was very clear. The President would veto H.R. 27 unless certain modifications were made by the conferees. The administration originally asked for $15 billion and then $12 billion for recapitalizing the fund.

The administration objected to title I, which closes the nonbank bank loophole.

Last Wednesday night the conferees agreed to a compromise which: First, increases the FSLIC recapitalization amount to $10.8 billion; second, sunsets some of the regulatory forbearance provisions when the financing corporation makes its final net new borrowings; and third, permits any financial or commercial concern to acquire an insolvent savings and loan association with assets of $500 million or more.

This compromise made possible by the active involvement of Secretary of the Treasury Baker and real give-and take on all sides assures Congress that the President will not veto H.R. 27. The real winners will be the taxpayers who will not be faced with paying for a massive bailout of the savings and loan industry.

Mr. Speaker, I urge adoption of the rule.

Mr. PEPPER. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I thank the distinguished chairman of the Rules Committee for yielding this time.

Mr. Speaker, I rise in strong support of the conference report on H.R. 27, the Competitive Equality Banking Act of 1987.

Although this legislation is generally referred to as the recapitalization of the Federal Savings and Loan Insurance Corporation [FSLIC], in reality the bill is far broader than that one subject area. The bill contains 12 titles, including the long-awaited and much needed legislation dealing with check holds, or the amount of time a financial institution can hold a depositors' check before making those funds available to the depositor. This may well be the most significant consumer legislation that will be enacted by the 100th Congress. The check hold section of the legislation will provide that consumers will soon be able to get access to their check deposited funds on the next day following the deposit provided the check is drawn in the same general area where the deposit was made. A slightly longer period will prevail on checks that were drawn in another area.

In addition, the legislation contains a significant title offered by the Senator from Illinois [Mr. DIXON], which will allow agricultural banks to write off farm losses over a 7-year period rather than to write down the loss immediately. This feature will help revitalize banks in agricultural areas and will go a long way toward helping provide new funding for America's farmers.

But the title of the legislation that has received the most publicity is, indeed, the recapitalization of the Federal Savings and Loan Insurance Corporation. I am not totally happy with the provisions of that section, but it is important that we get the legislation on the statute books as quickly as possible. Under the conference report we are taking up today, the total amount of the recapitalization will be $10,824 billion. That is a figure more than double the $5 billion voted by this Chamber. If time were not of such a critical nature in the recapitalization of the FSLIC, I would have fought much harder to reduce the $10.8 billion funding level. But time is a luxury we do not have. Because of the widespread media attention paid to the savings and loan situation, there is a fear that unless the recapitalization is accomplished quickly there could be runs on a number of savings and loans. This coupled with the threat of a Presidential veto, which would have added weeks if not months to the legislative process, has persuaded me to go along with the higher figure. It is a compromise that I make reluctantly, but one that I make in the interest of resolving a serious problem.

It is my belief that if the President had vetoed the legislation containing a lower recapitalization amount, there would be enough votes in both Houses to override the veto. But I am not certain that would be the type of victory that is needed at this point. With both Houses scheduled shortly to adjourn for a month, it would have been the end of the first week in September before we could have even begun the process of overriding the veto. And if the veto were sustained, it would have required additional weeks to write new legislation.

Time and common sense won out in my decision, Mr. Speaker, and I am glad that we are now on a fast track toward recapitalizing the FSLIC.

I would hope that once the FSLIC begins to receive the money for the recapitalization that the agency does not go on a spending spree. Great care must be taken in making decisions on whether or not to close a savings and loan. No institution should be closed where there is a possibility that with a little bit of work the institution can be saved. This is particularly true in smaller communities across the country where the loss of a financial institution could have serious effects. When an institution is closed, jobs are lost, lives are affected, and great economic strains are placed upon the people of the community. I urge the FSLIC to work to save institutions not to close them solely because the money is available for funerals.

In closing, I wish to commend Chairman ST GERMAIN and the ranking minority member, the gentleman from Ohio [Mr. WYLIE] for the outstanding job that they did in bringing this conference report before us today.

I also want to pay special tribute to the staff of the Committee on Banking, Finance and Urban Affairs for the incredible job that it did in doing the technical work needed to bring this bill to the floor. The staff worked long hours into the night and on more than one occasion gave up its weekends to work on the legislation. I want the staff to know how much I appreciate their efforts.

Mr. Speaker, the conference report on H.R. 27 is a good report. With time it may well be judged a great legislative effort. I urge all Members to support the conference report.

□ 1405

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. Dreier].

Mr. DREIER of California. Mr. Speaker, I am the first to realize that there is a real crisis for the Federal Savings and Loan Insurance Corporation and we must provide a recapitalization plan immediately. But with that in mind, I reluctantly rise in opposition to this rule.

I would like to read a quote that was sent to those of us who served on the conference committee from Treasury Secretary Jim Baker. He said in a June 22 letter:

> In our view the House of Representatives should not roll over to accept amendments it has never considered, especially since concurrence in all likelihood means the end of any hope for significant banking legislation in the 100th Congress.

Mr. Speaker, I ask what is it that has changed since that letter? First, the House conferees did roll over and accept the Senate's protectionist amendments. Second, the conferees agreed to increase the FSLIC recapitalization level to $10.824 billion, which is more than double what we in the House of Representatives voted to approve.

As my colleagues may recall, efforts to raise that recapitalization level beyond $5 billion failed 3 separate times in the House Committee on Banking, Finance and Urban Affairs, and right here on the House floor by a vote of 258 to 153. The conference report, unfortunately, in no way resembles H.R. 27 as it was passed by the House on May 5.

The conference report contains permanent and substantial changes in existing banking laws that as the Treasury Secretary stated have never been considered by this House. For instance, title I of this legislation would impose an unprecedented 7-percent annual growth cap on limited service banks. This is not a moratorium like title II. It would permanently change the legal status and business activities of limited service banks. Many of these institutions are owned by commercial firms such as Sears Roebuck and J.C. Penney. They exist because they are meeting the needs of consumers.

The restrictions contained in title I will severely inhibit their operation and will eventually result in the loss of thousands of jobs.

Title II is a convoluted and haphazardous attempt by various parts of the financial services industry to protect their markets from healthy competition at the expense of consumers and businesses.

The moratorium is also exclusively focused on commercial banks. No restraints would be placed upon securities firms or insurance companies, many of which now offer fully integrated commercial and investment banking services.

Moreover, Mr. Speaker, it is questionable whether the moratorium will really expire next March. Experience suggests that once this legislation is approved the industries that stand to benefit most from the moratorium will be working actively to extend it indefinitely.

This regressive and punitive moratorium will only discourage the real estate, insurance, securities, and banking organizations from working together to develop a progressive legislative package that will benefit all financial service providers and the consumer.

As my colleagues can see, Mr. Speaker, H.R. 27 is highly controversial. First, the conferees chose to defy the overwhelming sentiment of the House for a $5 billion recapitalization plan. Then they chose to burden the FSLIC bill with a series of prohibitions that will seriously hinder efforts to strengthen and modernize our Nation's banking laws.

I think the gentleman from Rhode Island, Chairman St Germain, stated it best when he stated:

> These issues are too important to be acted on without hearings, debate and votes within the committee and on the House floor. The House should have an opportunity to work its will on each of these issues.

Therefore, I urge my colleagues to follow Chairman St Germain's advice and reject this bill. Let us encourage the Rules Committee to bring to the floor a new rule making in order the FSLIC recapitalization provisions. Then we should send the remainder of the provisions back to our Committee on Banking, Finance and Urban Affairs where they can be fully considered and debated and brought to the floor under the normal legislative procedures of this House.

Mr. PEPPER. Mr. Speaker, I yield 3 minutes to the able gentleman from Minnesota [Mr. Vento].

Mr. VENTO. Mr. Speaker, I rise in support of the rule which will permit Congress to work its will, indeed. We have labored to provide this package of financial institution policy. It deserves to be considered and debated.

Mr. Speaker, this measure, H.R. 27, is a major victory for Congress. We have forced the administration to come down from the mountain of a $15 billion, no-strings-attached bailout to agree to a responsible bill that reasserts Congress in the debate on how our financial sector should operate and be structured in today's economy. It would not have been possible without the effective and positive leadership of the respective chairmen, Mr. St Germain, of the House and Mr. Proxmire, of the Senate and the ranking minority members, Mr. Wylie and Mr. Garn. They deserve our praise and more importantly our support.

Mr. Speaker, too often in the past few years, Congress has been circumvented in the process and debate on deregulation. Rather than acting and developing a sound national policy, we have been forced to react to the decisions of unelected bureaucrats and judges. This has occurred time and time again from telephones to trucking and airline deregulation. As my colleagues know, this administration-led piecemeal approach has been a rocky road.

It may all work out in the long run but today there is uncertainty, lost consumer trust, company closures and growing demands for deregulation. That's a gamble we can't take in the financial marketplace.

H.R. 27 gives us a chance to avoid the pitfalls. This bill closes the regulator-opened nonbank bank loophole and bars other regulator attempts at deregulation for the short term. This bill is not, however, the conclusion of a debate, but the beginning. H.R. 27 gives Congress and, in effect, the American people the opportunity to consider in a national dialog the course we should set for our financial industries for years to come. Clearly, this is a monumental task but it is one that must be done and must be done here in open debate on the floor, not by a small clique of Federal regulators meeting in private.

I want to urge my colleagues to support H.R. 27. This bill meets the immediate needs of the financially strapped thrifts and their depositors and sets the stage for future action. But I want to urge my colleagues to go beyond that and to begin to consider the deliberations that must follow.

The administration is already trying to frame that debate by endorsements of the so-called mega-banks styled after the Japanese and European models. This policy will override five decades of the positive American banking experience which has served our pluralistic society so well. It will violate all of our protections for healthy competition. Antitrust laws, rules preventing collusion, and conflicts of interest will be lost—all in the name of a competition called to the

tune of nations that have absolute Government control of their banks. Imitation may be the highest form of flattery but what we need is competition not imitation. U.S. F.I. that face risk and not seek absolute government insurance because they are simply too big to fail without adversely impacting the total world economy. With 20,000 thrifts, banks, and credit unions that have evolved to serve our Nation and the American people so well should not be permitted to become a sacrificial lamb to our trade deficit. Rather, these institutions should be used to pump life into the U.S. economy and help turn around that deficit through maintaining the viability of American business and American entrepreneurs. With the proposed regulators super or mega-bank, we lose one of our major economic strengths—entrepreneurship. Super megabanks dedicated entirely to only certain industries have a financial interest not to finance spin-offs and new businesses. As a result, major important American new firms such as Control Data and Cray Computer would not likely be in existence today to compete domestically and internationally.

We cannot be straitjacketed by these narrow administrative parameters. This is not some grand experiment into which we can lightly enter. The decisions we must make will have far-reaching ramifications which must be addressed. Any future banking legislation should build on the firm foundation that past 50 years of experience has established. The integrity of deposits and the insurance fund must be maintained and the wellspring of financial assistance to American entrepreneurs. The heart of our economic promise must be maintained.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. Parris].

(Mr. PARRIS asked and was given permission to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, I rise in support of the conference report on H.R. 27.

Mr. Speaker, I support the conference report on H.R. 27. This is the first comprehensive banking legislation that we have had in nearly 5 years, and we have been driven to this point because of our need to recapitalize the Federal Savings and Loan Insurance Corporation. Please allow me to summarize my support of this legislation.

### FSLIC RECAPITALIZATION

The most important aspect of this legislation is its provision to recapitalize the FSLIC. In October 1985, I took to the well of the House to express my concern about the dangerously low reserve level of the fund. Again, in January 1986, I spoke on the House floor about the urgent need to inject more dollars into the FSLIC. At that point I estimated that the projected losses to the fund would be nearly $25 billion. Many disputed that figure, but as time has progressed, that loss estimate is now a reality, if not now on the low side. Some would suggest, and I think rightly so, that the projected losses to the FSLIC could be $40 billion. In the summer of 1986, the Federal Home Loan Bank Board [FHLBB] proposed a recapitalization plan that would infuse $15 billion into FSLIC through bond issues. This coupled with FSLIC's annual income over 5 years, would provide FSLIC with $25 billion over 5 years—enough to cover the projected losses. We came close to passing this legislation in the 99th Congress, but failed to because extraneous issues prevented the House and Senate from reaching agreement on the legislation. That was unfortunate, and it was a failure of the House and Senate to act responsibly. As it turns out, that failure to reach a compromise in October 1986 will now cost the industry, and maybe the taxpayer, another $2.5 billion.

In January of 1987, everyone looked forward to an expedited passage of FSLIC legislation. Unfortunately, other issues clouded this scenario. The Senate used the FSLIC bill to address other banking issues, and the House delayed—eventually adding forbearance legislation, and approving a much smaller recap amount.

We have meandered through the legislative process and have arrived at a FSLIC recap figure of $10.824 billion. That might seem like a curious amount, but allow me to explain the reasons the conferees arrived at this figure.

The conference was faced with a choice of the House plan, a 2-year $5 billion recap, or a Senate 2-year $7.5 billion solution. Instead, the conferees agreed upon an $8.5 billion FSLIC recap. The number was raised by 1 billion because the Senate conferees asked for this in light of the conference decision to address the need for a solution to restoring the secondary reserve.

What is the secondary reserve you ask? The secondary reserve is a fund that was established by the Congress in 1962 to insure that FSLIC reserves were adequate in light of the growing number of thrifts at that time. By the mid-1970's the Congress felt comfortable enough that the primary reserve was adequate that the payments made to the secondary reserve could now be returned to the institutions. This continued until the early 1980's when the payments were discontinued because of the declining primary reserve. Since that time institutions with equity in the secondary reserve have carried this on their balance sheets expecting repayment. When the GAO declared that FSLIC was technically insolvent earlier this year because of the expected losses that FSLIC faced, the secondary reserve was "extinguished." Thrifts with equity in the secondary reserve have thus been forced to write this off of their balance sheets, much to their dismay.

The conference, and my self included, felt that it was appropriate to compensate these institutions in some fashion. The compromise that I helped draft would return the secondary reserve over a 5-year period to those institutions in the form of credits to their special assessments to the FSLIC. That is why the conference has decided to include $825 million in its FSLIC recap amount.

Now the question—why have we gone to the $10 billion? In sum, because the President would have vetoed this bill for providing anything less than that. The President is absolutely justified for doing so. A higher recap amount is imperative and necessary to begin to solve this crisis.

Unfortunately, the conference has retained the annual cap on borrowing authority for the FSLIC at $3.75 billion. Basically, this legislation is now a 3 year plan that will allow over $3 billion a year to be borrowed for that 3-year period. Added to this will be FSLIC's annual income, estimated at $1.8 billion a year. Subtract from this, however, the interest on the bonds, the secondary reserve credit, lack of interest on the primary reserve, and the phase out of the special assessment, and I estimate that FSLIC will have something in the nature of $4.5 billion available to it each year.

Is this enough for the FSLIC to get us out of this crisis? Most likely it will not be. Is it better than nothing? The answer is yes.

Let me briefly discuss the magnitude of the crisis. Currently there are 461 institutions that are GAAP insolvent, having $125 billion in assets. There are, however, another 281 institutions that are not technically insolvent, but have either negative earnings, or earnings less that 0.5 percent. This group has $146 billion in assets. Combined we have nearly 700 institutions that are either insolvent or are in a very weak capital and earnings position right now. As one can see, this is a significant crisis, that may require greater assistance than the industry alone can supply. I regret to say that we could well be back here asking for additional FSLIC borrowing authority in a year.

As I mentioned earlier, our failure to pass this legislation last year has cost us $2.5 billion since last October. The daily losses are now running $10 million a day, and that is why it is so imperative that we pass this legislation now.

Let me conclude by saying that I support this legislation because it will provide the urgently needed dollars that FSLIC must have in order to close the "brain-dead" thrifts that are accruing losses daily. I will caution fellow members, however, that this is not the last we will hear of the FSLIC crisis. This Congress must in the near future search for alternative solutions for thrift problems. If the losses climb so high that the industry alone will not be able to rescue itself, then the Congress will be forced to address a comprehensive alternative. I say, let's begin that process now so that we don't take action, driven by a crisis, that would not really solve the problem. I thinking of a merger of the two funds—that would only cover for a short term the true losses, and I want to avoid that.

Again, I urge my colleagues to support this legislation so that we can give the FSLIC the necessary funds to begin to solve this crisis in the thrift industry.

### THE NONBANK BANK LOOPHOLE

This legislation also closes the nonbank bank loophole. Banks are defined as institutions that accept demand deposits and make commercial loans. Institutions that do one or the other are not considered banks, and therefore, are not subject to many of the Nation's banking laws. For the most part, the major criticism aimed at nonbank banks is there ownership by commercial firms. This represents a departure from our Nation's banking policy that separates banking and commerce. Some would argue that this is a tradition for this country, but in fact as William M. Isaac stated in the Wall Street Journal recently, not until the 1956 Bank Holding Company Act did we separate banking and commerce. In fact, as he went on to say, this "Chinese wall" of separation remains rather porous today.

Many in the administration would argue that the nonbank banks have been a positive innovation for the consumer. I do not seek to argue that point at this time. In fact, that is not really the issue that this legislation addresses. As I see it, the problem is twofold. One, should we allow commercial firms to be in the banking business, but bar banks from being in the commercial field? Nonbank banks have effectively done this, and that is why the banks have raised this as being a competitive disadvantage for them. Quite frankly, they are right on this point.

Second, should our Nation's banking policy since 1956 be changed because of a legal loophole? I think not. I wrote to the President in favor of this legislation, and in doing so, I did not seek to rebut the administration's view that nonbank banks have helped deregulate banking, but I told him that our Nation's policies should be set by the Congress and the executive branch, not by lawyers looking for loopholes.

The legislation grandfathers 168 nonbank banks, many of which are owned by very large commercial and financial firms, however, it will shut off the nearly 200 applications that are pending. This legislation imposes many unnecessary and anticompetitive restrictions on non bank banks which I do not support, but the conference was unwilling to relax these in any substantial way.

Why should members be asked to support this section of the bill? Because it will level the playing field between banks and their competitors for the time being. But the Congress needs to address this issue in a comprehensive manner. The financial services arena is changing everyday, and innovation will not wait for the Congress. That is why it is imperative that we address this issue very soon in additional financial services legislation. Today's consumer is seeking an array of different financial services, and new products will be on the market soon after this legislation. The Congress cannot continue to react to the market, we need to set the parameters of competition now, and I hope that we will do that soon, particularly when we address the issue of additional bank powers, as has been promised by both the House and Senate Banking Committee chairman.

### TITLE II, MORATORIUM

Title II of this legislation would impose a moratorium on any new powers for banks issued by the Federal Reserve and the Comptroller of the Currency until March 5, 1988. This effectively puts a hold on the underwriting powers that were issued to several major commercial banks in early April of this year. Some would argue that the Federal Reserve in making these decisions went beyond the scope of its authority, and that this was in fact a radical interpretation of Glass-Steagall.

We have been presented a Hobson's choice by each industry with respect to the Federal Reserve's decisions. The large banks tell us that if their subsidiaries are allowed to underwrite securities, commercial paper, consumer receivables, mortgage backed securities, and municipal revenue bonds, then borrowing in the capital markets will be less expensive because of the enhanced competition. Ultimately the consumer will be the benefactor.

The securities industry, however, would argue that underwriting is an inherently risky business, and it is—one need only look to Merrill Lynch and Kidder Peabody to see that each has had to take substantial losses because of poor underwriting practices recently. If the banks are in this business, large investment banks will feel compelled to enter the commercial banking business, and by default the United States will insure double the number of large money center operations because of our insured deposit system. This is, of course, a terse description of the problem, but as you can see it is a perplexing one. The Congress has been stymied in its efforts to confront the conflict.

The net effect, however, has been that the regulators and the courts are making these decisions. Our failure to devise a rational solution to the conflict will only result in these decisions being made elsewhere, with a hodgepodge of regulation that may or may not be in the best interest of the U.S. Government.

The Congress has asked for time—by passing this bill we will have it. Let's rise to the challenge.

### GAAP ACCOUNTING

Mr. Speaker, I am pleased that the conference has retained a very important section of this bill that I added as an amendment on the floor of the House during our consideration of H.R. 27. This section would require that thrift institutions begin to abide by generally accepted accounting principles [GAAP] within a period of 5 years. We have now, what we call regulatory accounting principles, better known as RAP. Frankly, RAP had been used to hide the real trouble of the thrift industry. When thrifts got into trouble, the regulators invented a new scheme to make their balance sheets look better. If anyone of us did it, it would be called fraud. It is nothing short of "cooking the books." I won't excuse the Congress from blame either. We have artificially inflated that net worths of thrifts through net worth and income capital certificates.

But the time has now come to correct that situation and to approve this change. We are past the thrift interest rate crunch period, when many of these accounting changes were deemed necessary to help an industry on the ropes. We must swallow hard and go back to GAAP accounting so that we no longer put a false face on the health of the industry.

Finally, let me add that I had the pleasure of meeting with members of the Financial Accounting Standards Board recently. And what they told me was a good prescription to be mindful of in future deliberations over these kind of issues. If we want forbearance, that is reasonably justified, then fine let's have forbearance, but let's not change the accounting rules to do that. Once we begin changing the system, it's hard to get back on the right track.

Unfortunately, this legislation does just this in another section of the bill, which provides for loan loss amortization for 7 years for small agriculture banks. I don't have a problem with some forbearance for these institutions, but I fail to see the logic in changing the accounting rules to do it.

### FULL FAITH AND CREDIT

I am also pleased that this legislation includes my amendment placing the full faith and credit of the U.S. Government behind the insured deposits. At a time when public confidence is weakened by FSLIC's problems, it is all the more important that we assure our constituents that we don't intend to let the FSLIC, the FDIC [Federal Deposit Insurance Fund], or the NCUSIF [National Credit Union Share Insurance Fund] stand alone.

### GRAMM-RUDMAN

This bill also contains an amendment that I offered in conference to exempt Federal financial regulators from the sequestration provisions of Gramm-Rudman. Why them and not other necessary agencies? Because the budgets of these agencies are paid by those they regulate. Each is funded by premiums paid by the financial institutions that are regulated by the agency, and those funds can't be used for deficit reduction because they are not tax dollars, they are premiums. It makes little sense to ask, for example, the Home Loan Bank Board not to spend a certain percentage of its budget, because other agencies are reducing because of Gramm-Rudman. This is particularly true for the FHLBB that will need every dollar it can muster to solve the thrift crisis. So what results is a curious situation whereby the agency can't spend some of its money—and the Federal Government takes a fictitious reduction in its deficit because it counts money that was never put in the Treasury. We put a stop to this in the conference report.

### EXPEDITED FUNDS AVAILABILITY

Finally, Mr. Speaker, this legislation contains a very important section which will expedite the process by which we give consumers access to their deposits. Some States regulate check hold periods, and some do not. Now for the first time we will have national legislation that we will provide all consumers faster access to their dollars.

I want to congratulate Chairman St Germain and Senator Dodd—they came to the conference with two very different approaches to this problem, and they have drafted a good compromise.

As one who represents a substantial number of Federal employees, I am pleased that this section will provide for next day availability for Government checks beginning on September 1, 1988. I might add that my State of Virginia already has an excellent check processing system, and I do not expect that Virginia will have problems meeting the schedules in this legislation, in fact Virginia could well be ahead of the curve, as it is in many things.

In conclusion, Mr. Speaker, this is again, on balance, good legislation. This is not a far-reaching solution to the FSLIC problem, nor is it the final word on financial services restructuring, but it is a step forward by the House and Senate Banking Committees. I would urge my colleagues to support this bill.

Mr. PEPPER. Mr. Speaker, I yield 5 minutes to the able gentleman from New York [Mr. LaFalce].

(Mr. LaFALCE asked and was given permission to revise and extend his remarks.)

Mr. LaFALCE. Mr. Speaker, I reluctantly rise in opposition to the rule, and then, since I believe the rule will pass overwhelmingly, I intend to rise in strong opposition to the conference report, I also believe it will pass overwhelmingly. But I do think it is a very bad rule and a very bad conference report.

□ 1420

For those who do have open minds as of this point in time, I would offer the following procedural arguments for their consideration. At this point I shall not address the merits of the FSLIC recapitalization scheme, its adequacies or inadequacies, nor other difficulties inherent in the legislation. I think that even if you have difficulties with it, in the spirit of compromise you probably would go along with the conference report, if it contained only the FSLIC recapitalization provision. There are some other provisions within the bill, too, that I think are excellent.

For example, the provision dealing with expedited funds availability. I think the conference report provision that deals with that is superior to the House-passed version. But I have to stop there, not that there are not other good provisions of the bill.

The reason I stop there is because those were the only two items in the entire bill that were considered on the floor of the House of Representatives, considered in the Committee on Banking, considered in the Subcommittee on Financial Institutions, in this the 100th Congress.

Earlier this year, approximately March 1987, the Senate passed an omnibus banking bill. It really dealt with virtually every major issue confronting the financial services industry.

Admittedly, it puts some issues on temporary hold, it imposed a moratorium, et cetera, but it attempted to deal with all the major issues in one way or another.

From that time to the present a good many Members, especially myself, were concerned that a certain approach could be taken. We were concerned an approach could be taken whereby the Banking Committee itself and the Members of the House of Representatives would be bypassed, would be circumvented, perhaps indeliberately or perhaps even deliberately. Hence, time after time I asked the question, will we be able to have debate, discussion, and a vote on those issues, both in committee and on the floor of the House? Time after time I was assured "Yes," and indeed, we would at the very least have hearings in the House Banking Committee before we dealt with and had to vote on these issues.

Well, April went by and May and June and July, 4 months, and we have not even had one hearing on any of those major issues in this Congress; very important issues.

And when the House conferees went to the conference with the Senate conferees, I admit a decision was made to go to conference on all the issues; but the decision was not made to virtually capitulate to the Senate on almost every one of the titles in their bill—not every single one, but almost every single one, all the major ones; and yet that is what the end result was.

Now I think that most of those provisions happen to be very bad. Reasonable people could differ, however. I would tick off some of them and I would ask you in your sense of fairness whether this unusual procedure of having a rule on a conference report should be gone along with so readily when we have not had an opportunity to have amendments and separate votes on a number of extremely important issues.

Should we not be able to consider the wisdom of so-called nonbank banks. I call them limited service banks. Should we not debate that on the floor of the House and in committee? Should we not be able to vote on that separately in the full House?

Many people believe that prohibiting them is both anticompetitive and anticonsumer. As a matter of fact, that was the prinicpal reason the New York Times editorialized a few weeks ago:

> If it should pass it will richly warrant a veto. Passage would show that Congress is paying more attention to the lobbyists than the public. Unfortunately, legislators have worked harder to appease lobbyists than to guard the public interest. A bad banking bill would be worse than no legislation at all. This lobbyists' stew is a bad banking bill. It warrants a one word response from President Reagan "veto."

Now, the President is not going to veto this bill, not because he does not want to, but because he is a weak President, because he realizes that he cannot sustain a veto on this bill, because the lobbyists have overcome and prevailed; they have greater might than the President on banking legislation.

I should also like to add that there are several other provisions in this bill which were never considered either by the committee or by the full House. Should we pass a rule which precludes the House from having a separate vote on each issue?

For example, the 7-percent growth restriction placed on limited-service banks 1 year after enactment of this legislation. This issue was only examined during the course of the conference and was not part of the original bill voted on by the House of Representatives. Should we not be able to vote on that separately?

There are other provisions which were included by skirting the normal deliberative legislative process. The intrusion on State powers through the application of Glass-Steagall to State-chartered nonmember banks is a good example. States rights are a vital issue to this body, not only as a means of maintaining our dual banking system—but more importantly—as an approach to legislation. Should we intrude on the jurisdiction of States without even voting on this issue separately?

The same arguments holds for intrusion on regulatory and judicial powers. This rule would permit the House to ignore the authority of the regulators and the judicial branch to act on these banking issues. Such a precedent could have dangerous implications for the safety and soundness of the financial system. Should we not vote on such an issue separately?

Last, the 7-year loan loss amortization schedule permitted for agricultural banks is a provision that should be voted on separately by the House of Representatives. But like all the other examples I have cited above, it too will be lumped in with all the other provisions because of the procedural travesty being committed here today.

Right reason demands that this rule be rejected.

**Mr. QUILLEN.** Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. Roth].

**Mr. ROTH.** Mr. Speaker, I thank the gentleman from Tennessee for yielding.

H.R. 27 is very, very important legislation. This bill has been driven by a locomotive called the Federal Savings and Loan Insurance Corporation. We have been told by our congressional investigative arm, GAO [General Accounting Office], that we have a real problem with FSLIC.

So the administration requested $15 billion to keep FSLIC solvent. The original bill that we passed in the House was for $5 billion. This present bill before us compromises at $10.8 billion. I think it is a realistic compromise, Mr. Speaker. For that reason I think it again will undergird the depositors' confidence and trust in these institutions. That is why this legislation is so needed and so important.

Some people maintain that there are problems with this bill. Well, there are problems with every bill that comes before Congress.

Two hundred years ago when our forefathers were drafting the Constitution, that most perfect of all documents, they realized it had some imperfections. That is why the Bill of Rights was adopted before the Constitution was ratified. It's only natural that any legislation we pass in Congress is going to have some imperfections. But when you take a look at the total picture, this legislation addresses those issues and those questions that have to be addressed. The compromises made in this bill have been fair, just, and equitable. That's why President Reagan will sign it.

This bill goes beyond FSLIC. The bill goes to the heart and future of the banking and financial institutions.

Now we know that we have too many rules and regulations which are too constrictive and out of date. What I hope this legislation will do is provide a vehicle that drives forward with other banking legislation and legislation dealing with our financial institutions; Glass-Steagall must be revisited. We realize that. We must bring our financial institutions into the 20th century.

Ten years ago, most of the large banks in the world were American banks. Today only 3 out of the 25 largest banks in the world are American banks. We cannot continue to go in this direction. The present dilemma is indicative of a Congress sleeping at the switch while technology and the financial institution go through a welter of change. This bill is not a solution to all the problems of our financial institutions but it does set the agenda for future legislation.

Therefore, the reason this legislation is so important is because it addresses the crucial and critical problems that we are faced with today and it gives us the impetus, it gives us the roadmap to move forward. Banking legislation in our House has been stuck in mud for too many, many years. Now finally we are getting on the path, we are getting motion, we are getting movement, we are getting some momentum. That is what is needed.

The Banking Committee is going to be the most important committee in the House of Representatives. And the reason for that is because the issues we are faced with in our Banking Committee are the issues that other American institutions are going to be faced with.

That is why this is prototype legislation, this is vanguard legislation. That is why it is so important.

**Mr. ANNUNZIO.** Mr. Speaker, will the gentleman yield?

**Mr. ROTH.** I would be happy to yield to the chairman.

**Mr. ANNUNZIO.** Mr. Speaker, I asked the gentleman to yield so that I could commend him on an outstanding statement that he is making in behalf of this legislation.

I would also like to point out that when the gentleman talks about the amount of money that we are funding, $10.8 billion, the more that you vote out—if we had gone along with the $15 billion, the very institutions we are trying to help are those institutions that we would force to close because of the high payments. The larger that payment the larger the payments to the smaller S&L's.

**Mr. ROTH.** I thank my friend for his contribution and I thank the gentleman from Tennessee for yielding.

**Mr. PEPPER.** Mr. Speaker, I yield 3 minutes to the able gentleman from Tennessee [Mr. Cooper].

**Mr. COOPER.** Mr. Speaker, I support the conference agreement on H.R. 27 and urge my colleagues to vote for it.

Congress has been struggling with this issue for almost a year now. Congress has always felt that our Nation's S&L's should bail themselves out; no taxpayer money should be used. The fight has been over how much to ask of the S&L's. We voted to ask $15 billion last year, but that legislation died with the last Congress. This year we voted for $5 billion, but the reconvened conference has given us a total of $10.8 billion.

I support the $10.8 billion number because it, unlike this spring's House figure of $5 billion, is large enough to begin solving the problem. One State's S&L problems alone could have exhausted our earlier $5 billion request; the new request of $10.8 billion should enable our FSLIC fund to operate in the black, at least for the time being.

Other features of H.R. 27 are the sunset provisions on the special leniency or forbearance we are granting S&L's. Already they are operating under relaxed accounting rules, so-called RAP accounting. This bill grants them further leeway, at least to the well-managed ones. But these special favors are not made permanent. S&L's will have to begin operating under the accounting rules that every other business in America is ruled by. GAAP accounting, when the $10.8 billion bailout fund is exhausted.

There are many other features to this bill ranging from the long-overdue statement that the full faith-and-credit of the United States stands behind our Federal deposit insurance funds—which officially adds a contingent liability of hundreds of billions of dollars to our Nation's already overburdened credit ledger—to the controversial nonbank bank and moratorium provisions.

On these last issues, neither party to the controversy should object to the compromises reached, nor should they take much comfort in them either.

Nonbank banks are, and will be, alive and well. They might not grow as fast as their advocates would like, but

they have survived this battle and will fight another day. The moratorium on new bank powers may look as if it's strangling bank growth, but Congress could not have begun seriously voting on such issues before next March anyway.

The result of these features of the bill, add-ons that once again unfortunately circumvented the House Committee process, is to delay consideration of vital issues without much prejudice to the commercial interests at stake. One day Congress will have to face up to these financial structure issues. That day should be soon because Congress should have begun dealing with them years ago. Still, the sooner the better because it is not too late to unshackle our financial industries to allow them to compete internationally and domestically.

**Mr. QUILLEN.** Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. Bunning].

**Mr. BUNNING.** Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in support of the conference report on H.R. 27.

My support, however does not come without reservation. I have three reservations about the work of the conference and I feel that I should express them here.

First, I, as did many of my colleagues on both sides of the aisle, supported a clean FSLIC bill. When the Senate began adding other provisions, I feared a slow process in the face of an emergency situation. Well, that fear has materialized. The Banking Committee held its first hearings on the issue in early January. And now here it is 8 months later, and we're just getting around to sending final legislation to the President.

It's no wonder the taxpayers of this country get impatient with us. I am only glad that FSLIC didn't go belly-up in the process.

My second reservation concerned the funding level for FSLIC. From the very beginning I supported a higher level for the fund. Of course my reservation has been somewhat lessened by the 11th-hour negotiations between Congress and the White House.

I applaud those in Congress who lead these negotiations with the White House for their spirit of cooperation in order to get a signed bill. I still support a higher level of funding, but half a loaf is better than no bread at all.

My final and largest reservation still exists. Today, the House is being forced to vote, in an all-or-nothing situation, on substantive provisions, heretofore not even debated before the Banking Committee. Moreover, the prospect of comprehensive hearings before the March moratorium deadline seems unlikely. As a freshman member of the House Committee on Banking, Finance and Urban Affairs, I would urge the chairman to hold these hearings, post haste. The response that these are all issues that have been argued before does not fly with the freshman members.

Despite these reservations, I urge support of the measure.

**Mr. PEPPER.** Mr. Speaker, I yield 5 minutes to the able gentleman from Delaware [Mr. Carper].

**Mr. CARPER.** Mr. Speaker, I would observe that this conference report is probably neither as good as its proponents would contend nor as bad as its opponents are stating.

I want to just run through, briefly, some of the pluses and minuses as I see it in this legislation, having been someone who has been working on components or different parts of this legislation now for 4 years.

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On the plus side, the FSLIC compromise is a better package than we reported out of the House. It increases the borrowing authority in this industry self-help plan and has less onerous forbearance provisions. We do not tie the hands of the regulators to the extent that the original House measure did.

With regard to the check-hold legislation which several of the earlier speakers have talked about, it is a fair deal for consumers, and I think it is a fair deal for the financial institutions. Many of us in this body are concerned about the safety and soundness of these financial institutions. This compromise in this conference report is, I think, sensitive to those concerns about safety and soundness, while ensuring that depositors have reasonable access to their deposits.

The third point is one that Representative Parris mentioned today, and that is a provision dealing with the antideficiency law, the apportionment provisions of our law, and a Gramm-Rudman exemption. For the last 2 years, I have worked hard to try to make sure that we give our financial regulatory agencies some flexibility to ensure that we have enough examiners. We desperately need qualified, well-trained examiners. Moreover, we must reduce the turnover in our examiner forces within our regulatory agencies to avoid being hamstrung in our ability to better ensure the safety and soundness of our financial institutions.

There are a couple of key provisions in this conference report that were literally pulled out of the Carper-Lundine bill which was passed here in the House of Representatives last year. I salute Representative Parris for his efforts to include those provisions in this conference report.

Having mentioned those pluses, I now want to mention a couple of minuses, as well. I do not like the idea that we are considering legislation in title I of this conference report dealing with nonbank banks. We have never had the opportunity here in the House to debate the merits of those provisions. I am not comfortable with them, I do not like what this particular bill does in this area. I am hopeful that we will have the opportunity in the year ahead to revisit those issues as suggested by Senator Proxmire.

Neither do I like the notion that we are going to extend, for the first time in the history of this country, provisions of the Glass-Steagall Act to state-chartered financial institutions. We have never debated that issue, to my recollection, in the Banking Committee. We have certainly not debated that issue here in this Chamber to my recollection. Yet, we are voting here today to extend that coverage to March 1 of next year.

Third, we are basically saying in this legislation that we are going to tie the hands of the regulators, including the Federal Reserve, to keep them from providing even modestly expanded powers to financial institutions. I do not like the fact that we are going to do that. The kinds of modest new powers that were envisioned by the Federal Reserve, I think, do no harm to our financial insititutions. I believe they are really proconsumer and strengthen, rather than weaken, competition.

In light of the reservations, I hope to have the opportunity, when we actually debate the conference report itself, to ask the following questions of the chairman of the Banking Committee.

First. Will you support an extension past March 1, 1988, of the title I moratorium regarding extension of Glass-Steagall prohibitions to State-chartered financial institutions?

Second. Will you support an extension past March 1, 1988, of the title II moratorium on the discretion of regulators to authorize new activities for banks?

Third. During conference debate, Senator Proximire indicated that it would be appropriate to revisit the 7-percent growth cap for nonbank banks if the Congress expands products and services for commercial banks. Do you agree that a reexamination of the 7-percent growth cap would be appropriate under those circumstances?

**Mr. ROEMER.** Mr. Speaker, will the gentleman yield?

**Mr. CAPPER.** I am happy to yield to the gentleman from Louisiana.

**Mr. ROEMER.** Mr. Speaker, I want to express my thanks to the gentleman from Delaware [Mr. Carper]. I was a member of the conference, and I, like the gentleman from Delaware, have worked for years to try to get to this date. But all the credit goes to him for many parts of this bill. I thank him for his foresight, for his courage, and for his honesty.

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Mr. CARPER. Mr. Speaker, I am lost for words. I thank the gentleman from Louisiana for his kind words.

Many members of our committee, and especially the gentleman from Louisiana [Mr. Roemer], have played a part in the adoption of the positive provisions in this bill. We still have a great deal of work to do, though, and my hope is that between now and March 1, 1988, we will put our shoulders to the yoke and get that job done.

Mr. QUILLEN. Mr. Speaker, I yield 6 minutes to the gentleman from California [Mr. McCandless].

Mr. McCANDLESS. Mr. Speaker, the situation is this: There are a number of savings and loans across the country that, for one reason or another, should be closed. But they can't be closed because the Federal Savings and Loan Insurance Corporation—better known as FSLIC—does not have the resources to close them and payoff their depositors. Consequently, these troubled institutions are losing money at a rate of $6 to $10 million a day. What is needed is an infusion of money into FSLIC which can be used to pay depositors so that thrifts which have no hope of becoming solvent, can be closed.

There are two ways to put money into FSLIC. The first would be to use the taxpayers' money. The second is a self-help plan; a rescue financed by the industry that has benefited and profited from FSLIC insurance. Those are the only options. H.R. 27 is the latter. Not $1 of taxpayers' money is involved.

There are some who have couched this debate in terms of protecting a particular region or even a specific State. However, that view is extremely nearsighted. This legislation is designed to shoreup the insurance fund. If FSLIC goes under, and depositors start losing their money, panic will not stop at the State line. Nor is it likely to stop with thrifts. Depositors will also race to banks and credit unions to withdraw their life's savings. In short, our entire system of banking could collapse, and the disaster would be nationwide.

I was one of the six people who voted against H.R. 27 when it was before us in May. I thought the bill was woefully inadequate to accomplish its purpose of rescuing FSLIC. I didn't see any logic in passing a bill that wasn't going to work.

The legislation before us now—the conference report—is much improved, and I am going to support it. The conferees have crafted a compromise that, while certainly not perfect, will be a major step toward restoring solvency to FSLIC. Time is absolutely critical. FSLIC, and the people who have their money in savings and loans, simply cannot afford to wait for a perfect bill.

Throughout the process, I have stated repeatedly that my preference was for a clean bill—one that dealt only with FSLIC. That was the House's position, and, if the other body had acted likewise, FSLIC recapitalization would have been signed into law months ago. Instead, the other body chose to use the FSLIC issue as a vehicle to address a number of complicated and controversial banking issues. Many of these issues have paralyzed the banking committees and kept them from acting on comprehensive banking reform legislation, so perhaps it is not all bad that H.R. 27 will break the logjam.

H.R. 27 should not be viewed as a reversal of efforts to deregulate banking. It does put on hold, for 7 months, the Federal Reserve Board's approval of expanded securities powers for banks. However, in all likelihood, even without the moratorium, the courts—not Congress—would prevent the banks from exercising those powers while they grapple with the question of whether or not the Fed has exceeded its authority.

If we are going to allow banks to engage in securities activities, then Congress—not the Fed—should repeal the Glass-Steagall Act. Glass-Steagall is the law, passed in 1933, that mandates a separation between banking and the securities business. Repealing the law by default or regulatory fiat is not acceptable.

Our system of banking has evolved into a patchwork quilt of confusing, and in some instances, antiquated and contradictory laws. There is no question that a complete review and overhaul is needed. Over the next 7 months we can continue the comprehensive analysis of financial industry law. We need to put everything on the table and start from scratch. We need to determine what type of financial institutions we want to have. We need to decide what powers and what limits those institutions will have. We must also address the role of the Federal Government—in the form of Federal deposit insurance, and what effect it will have on an institution's powers and services.

The first, and most important step at this point, is solving the FSLIC crisis. The conference report will begin that process. Therefore, I urge my colleagues to join me in supporting it.

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentlewoman from New Jersey [Mrs. Roukema].

Mrs. ROUKEMA. Mr. Speaker, I rise today in strong support of the conference report on H.R. 27, the Competitive Equality Banking Act. This bill has been in the works for over a year now and the time has come to get on with our responsibility and pass this legislation.

I want to commend the conferees, the respective chairmen and ranking members, and the administration for their work on this bill. I also want to especially commend the Treasury Department and Jim Baker in particular for his leadership, tenacity, and farsightedness. This bill represents a giant step forward in addressing the key issues in the financial world. It is a major achievement in dealing with a potential crisis in the savings and loan industry and resolves the problem in a creditable way.

It is not often that three independent Government agencies reach the same conclusion about how best to solve a problem. However, in the case of FSLIC recapitalization, the Treasury Department, the Federal Home Loan Bank Board which oversees FSLIC, and the General Accounting Office, not to mention the Speaker of the House, the chairman of our committee, and the ranking Republican, all agree. We actually need at least $15 billion to adequately recapitalize the FSLIC.

However, today I will strongly support the $10.8 billion for FSLIC, if that was the highest amount to which the conferees could agree. However, it may be that at some point in the not too distant future, we will meet here again to consider another FSLIC funding bill.

The problems of FSLIC are varied. From risky real estate lending during boom times, to trouble in the energy and agricultural sectors of our country, a growing number of savings and loans are experiencing trouble in maintaining their net worth. Let me state unequivocally, however, that the S&L's in my State of New Jersey are for the most part very healthy, well-managed, and profitable. Unfortunately, their colleagues in other States have been neither so fortunate nor so prudent. But this is a national insurance program and demands support.

Here is the situation in its starkest terms. The industry has almost $1 trillion in deposits. As of the third quarter of 1986, 446 thrift institutions were insolvent according to generally accepted accounting principles. These held $112.7 billion in assets and were losing $5 billion per year. The most recent General Accounting Office information indicates that FSLIC's loss for 1986 will be close to $11 billion and that its deficit will be in the $6 billion range. FSLIC is currently insolvent.

It is central to the recapitalization proposal that it be enough to restore long-term confidence amongst investors because over half of the necessary money must come from the capital markets. The financing corporation created by this legislation must sell bonds in the bond market to raise the necessary funds.

We need an adequate level of recapitalization to restore confidence for a second reason as well. We want to return to a healthy S&L system. That means attracting new investors into

the industry, as well as just selling the bonds for the new financing corporation. We also need depositors to feel secure in their actions. Already I have gotten letters from constituents who ask whether they should withdraw all their money from their local savings and loan. Many are not aware of the difference between a funding problem with FSLIC and the failure of an S&L. A rejection of this recapitalization proposal would send an avoidable, and therefore unnecessary, signal of fear and hesitancy into the financial world.

I know that the healthy savings and loans do not want to continue to pay the special assessment to cover the losses of the S&L's which have gotten themselves into trouble. I can certainly understand their concern. However, the history of Federal deposit insurance in this country is that it has always been a nationwide, industry-supported fund. It would make no sense to abandon this system just when we need it the most.

All FSLIC-insured savings and loans have benefited for years from the public confidence in the FSLIC system. I am sure that if that sign they all have in their window that says "Member—FSLIC" were suddenly taken away or lost its meaning, they would feel quite clearly just how valuable a sound FSLIC insurance system is to them.

I also realize that this is their money we are using to recapitalize the system, and not taxpayers' money. Therefore they want us to spend it prudently. I agree, but I think that to ensure that we do not have taxpayer money bail out the FSLIC insurance system or have to consider merging FSLIC into the FDIC, we should follow the advice of the experts and take the strongest action we can to restore safety and soundness to the system.

The House last year passed a $15 billion recapitalization bill and the situation has only gotten worse since then, with more S&L's in trouble and FSLIC with lower and lower reserves. The $10.8 billion in this conference report has been accepted by the President and his advisers. We must act decisively and quickly to recapitalize FSLIC with enough money to do the job and not postpone the inevitable.

Mr. Speaker, the conference report before us also encompasses other key banking provisions. First, the bill establishes a moratorium until March 1, 1988, on the authorization by the Federal banking regulators of any new securities, insurance, or real estate powers.

Everyone can agree that our financial institutions and the financial markets are changing rapidly. This clearly means that Federal legislation must carefully forge new relationships. This bill should be considered an impetus for the House and Senate Banking Committees to begin serious discussion and serious legislative work to address the competitive concerns facing our financial community.

It is long past time for Congress to thoughtfully examine the state of the financial industry. For far too long the Congress has left the determination of policy in this area to the courts and regulators. We must ensure an American financial industry that is healthy, safe, and sound, one that is competitive with the rest of the world, where participation is not limited to a few financial conglomerates, and where the rules are equitable and clearly defined.

It is the responsibility of Congress and not the courts, the regulators, not the States, to set comprehensive Federal banking policy in this country. I believe that we must also look at broader trends in the financial world. Barriers between different financial industries are being broken down every day both here and abroad.

There are serious competitive issues to be discussed. There are continuing and unrelenting conflicts between various sectors of the financial world. The titans of the industry are moving quickly to respond to the evolving financial marketplace and the competitive forces of the global financial marketplace. The issues at hand are not simple and do not lend themselves to simple solutions. We definitely have our work cut out for us, but it is work from which we must not shrink.

In that regard, I strongly urge our distinguished chairman to hold comprehensive hearings on competition within the U.S. financial industry and our place in the global financial markets. I hope that the hearing we just had with Paul Volcker, outgoing Chairman of the Federal Reserve Board, was a start in that direction.

I am also pleased to see that the conferees were able to come to agreement on the check-hold provision to limit the amount of time that financial institutions can hold a check before it is credited to a customer's account. I have spoken strongly in favor of this before. I believe that the compromise worked out in the conference report will be of great assistance to consumers while being fair and reasonable for the banks.

Mr. QUILLEN. Mr. Speaker, I urge adoption of the rule and of the conference report when it comes before us.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PEPPER. Mr. Speaker, as our last speaker, I yield 2 minutes to the able gentleman from Kentucky [Mr. Hubbard].

Mr. HUBBARD. Mr. Speaker, I rise in support of the bill before us today. As one of the conferees on this legislation, I can tell my colleagues that it is the product of long and sometimes difficult negotiations and deliberations. We have resolved a wide range of complex issues and have committed to further consideration within the coming year of many others. This product deserves the support of every Member.

I would like to make clear the intent and application of several provisions of particular importance. First, I am gratified that the conference has arrived at an equitable resolution of the FSLIC secondary reserve problem on which my General Oversight and Investigations Subcommittee held hearings in June of this year. The secondary reserve was always intended to be treated as an asset of the institutions that contributed it, and this bill makes clear the intent of Congress that it continue to be so treated. Section 307 provides for the return of the secondary reserve to those institutions through offsets against special assessment premiums over the course of approximately 6 years. For institutions that, for their own business purposes or through merger or acquisition, exit the FSLIC, the secondary reserve offset provided by section 307 could be applied against those special assessment premiums paid as part of the exit fee. I applaud the conference for its recognition of the inequity of confiscating the funds contributed to the secondary reserve.

Second, I want to make absolutely clear the intent of this legislation on the question of exists from the FSLIC. There is a 1-year moratorium preventing any new plans to exist from being actually implemented. Following that period, the legislation provides in section 302, as an upper limit on the barrier to exist, a fee of twice the regular annual premium and twice the special assessment premium assessed under section 404 of the National Housing Act. The Bank Board should not use its recently asserted authority over exists from the FSLIC under its rule on transfer of assets of insured institutions as a means for unreasonable delay or to extract from institutions seeking to exist financial concessions in addition to the exit fee authorized by this legislation. Once the moratorium on exits expires, institutions that qualify for FDIC coverage and that pay the exit fee should be allowed to make the transition with a minimum of regulatory delay.

On another matter relating to thrifts, particularly savings banks, covered by FDIC, the legislation resolves only part of an ongoing dispute concerning Federal regulation of State-chartered institutions. Section 101(d) directly authorizes State-chartered savings banks established on or before March 5, 1987, to exercise all of the noninsurance powers granted to them by State law without restriction by the Federal Reserve Board under the Bank Holding Company Act. The section is silent and takes no position on

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the question of the exercise of State-granted powers by newly formed savings banks. The legislation does not intend by its silence to resolve the question by negative inference. This legislation grants no new authority to the Federal Reserve Board or other Federal banking agencies to restrict State-chartered institutions in the exercise of powers granted by the States.

Third, this legislation takes an important step forward in the section 402 provisions directing the Federal Home Loan Bank Board to move toward generally accepted accounting principles. The approach is a sensible one and takes specific note of the importance of both subordinated debt and goodwill to the thrift industry by specifically indicating that they may contribute to be included in computations of capital. With regard to the treatment of subordinated debt, the Federal Home Loan Bank Board should take particular note of Congress' intent not to remove it from the computation of capital. Particularly, as the board implements the provisions of section 406 mandating new minimum capital requirements it should recognize that it is the intent of Congress to allow subordinated debt to continue to be counted, without reduction, toward meeting capital requirements set for the thrift industry.

Fourth, the provision of section 406 that grants to the Bank Board new authority to establish minimum capital requirements on a case-by-case basis is intended to be implemented with the greatest of caution. There is very serious potential for abuse of such authority. The Congress does not intend to grant to the Bank Board the authority to single out individual institutions and create for them capital requirements that are significantly higher than those of the industry as a whole. Further, it is our intent that the Bank Board develop by rulemaking the guidelines that will be followed in exercising this extraordinary authority.

Finally, the legislation mandates an important step forward in providing opportunities to resolve important disputes between thrift institutions and the examination and supervisory personnel of the bank board. Section 407 directs the bank board to establish an informal process for appealing those disputes to the principal supervisory agents. While no right to review by the bank board itself is permitted by this provision, the bank board is not precluded by anything in this legislation from exercising its discretion as head of the Federal Home Loan Bank System to continue to monitor and review the decisions of the examiners and supervisors. Moreover, the bank board should examine several important issues in the rulemaking establishing this appeals process. At the very least, the affected public should be asked to comment on, preferably in public hearings, the manner in which this appeals process relates to the other processes by which the bank board regulates; how to resolve potential inconsistencies between districts; when the failure to arrive at a timely supervisory or examination decision should itself be reviewable; and such implementation matters as the board sees fit. In order to derive the greatest possible benefit from this appeals process, the board should begin this rulemaking as soon as possible.

Mr. Speaker, I believe the conference has produced legislation that will lead to the resolution of the growing depositor concern over an inadequate insurance fund at the FSLIC. I believe that the healthy majority of the thrift industry, who will bear the cost of the FSLIC recapitalization, will now have the chance to demonstrate their continued importance to the vitality of our economy without a cloud of inadequate insurance hanging over them. For these reasons, especially, I urge my colleagues to support this legislation.

As the final speaker prior to a vote on the rule for H.R. 27, I urge my colleagues to vote yes for the rule and later "yes" on final passage of this important legislation.

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Mr. PEPPER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. ST GERMAIN. Mr. Speaker, pursuant to the provisions of House Resolution 236, I call up the conference report on the bill (H.R. 27) to facilitate the provision of addition financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system, and against the consideration of such conference report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to House Resolution 236, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the CONGRESSIONAL RECORD of Friday, July 31, 1987, at page 21633.)

The SPEAKER pro tempore. The gentleman from Rhode Island [Mr. ST GERMAIN] will be recognized for 30 minutes and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

### PARLIAMENTARY INQUIRY

Mr. LAFALCE. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. LAFALCE. Mr. Speaker, does the gentleman from Ohio [Mr. WYLIE] oppose the conference report?

The SPEAKER pro tempore. The Chair would propound the question. Does the gentleman from Ohio oppose the conference report?

Mr. WYLIE. Mr. Speaker, I favor the conference report.

Mr. LaFALCE. Mr. Speaker, I oppose the conference report and would request the ability to manage 20 minutes in opposition to the conference report.

The SPEAKER pro tempore. Without objection, the gentleman from New York [Mr. LAFALCE] will be recognized for 20 minutes, the gentleman from Ohio [Mr. WYLIE] will be recognized for 20 minutes, and the gentleman from Rhode Island [Mr. ST GERMAIN] will be recognized for 20 minutes.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Rhode Island [Mr. ST GERMAIN].

Mr. ST GERMAIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are considering a vital piece of legislation—the conference-reported bill, H.R. 27, the Competitive Equality Banking Act of 1987.

It can be said that the value of any legislation can be gauged by the direct and immediate impact and benefit it will have on the American consumer. The least mentioned portions of the bill dealing with expedited funds availability; the congressional declaration reaffirming full faith and credit in federally insured depository institutions; the title allowing loan loss amortization for agricultural banks; the requirement of a study on Government check cashing; and the title relating to the depositors of Golden Pacific National Bank demonstrate the unique compassion of the House in fashioning consumer-oriented legislation.

The expedited funds availability title, title VI, which requires depository institutions to make funds available within certain set prescribed periods of time, is hopefully about to become law. It has been conservatively estimated that banks make $290 million per year on the float and $3.4 billion per year in fees for checks returned for insufficient funds—clearly, the consumer needs a break here from the use of their hard-earned funds by banks playing the float game. The time has finally arrived to enact this long overdue title of the bill.

Title IX, relating to a reaffirmation of the full faith and credit of Congress for deposits in federally insured depository institutions, is as important as any provision in this legislation. I believe it will go far in allaying the fears of any person concerning the safety of deposits in savings and loan institutions. The House and the Senate passed similar language in the form of a concurrent resolution in 1982.

Title VIII, loan loss amortization for agricultural banks, has been considered by the Banking Committee in the last two Congresses. It is a recovery provision for agricultural banks, comparable, in effect, to the recovery title for savings and loans. It will help alleviate the difficulties in the agricultural sectors of the economy for any bank that can demonstrate that its difficulties are primarily attributable to economic problems beyond the control of management.

Originally a requirement to cash Government checks, controversy surrounding title X has been alleviated by the substitution of a study for the Senate's mandatory provisions. I was disappointed that a consensus has still not emerged for a government check cashing requirement.

And finally, the depositors at the former Golden Pacific National Bank who held so-called yellow certificates of deposit are to at last be given interest on these deposits. They waited for 16 months after the closing of the bank before being paid off by the Federal Deposit Insurance Corporation. The Subcommittee on Financial Institutions held emotional hearings in 1985 and heard testimony by the use of interpreters from non-English-speaking Chinese-American depositors of that bank—an example of an interest group not often heard from by the committee but, certainly, no less deserving than our other witnesses.

Unfortunately, many Members of Congress have been or will be told that the House conferees caved in completely to the Senate, and that most of the items contained in this legislation have never been considered previously by either the House Banking Committee or the full House. This statement is not correct. At least 7 of the 12 titles of the bill have previously been dealt with by the House Banking Committee or the full House.

Other titles of the bill concerning nonbank banks; the moratorium on the expansion of bank activities in insurance, real estate and securities; the FSLIC recap; forbearance for well-managed, viable savings and loans; and the regulators' bill are all familiar and understood subjects by virtue of previous congressional action.

The FSLIC recapitalization, which is title III, was considered thoroughly by the Banking Committee and acted upon by the House in both the 99th and 100th Congresses. Legislation passed the House on October 6, 1986, providing for $15 billion in bond issuance authority. Regretfully, it was not acted upon by the Senate until the closing hours of the last Congress and then in a form totally unacceptable to the House. This required starting recapitalization anew in the 100th Congress.

I felt the $5 billion amount reported by the committee to be inadequate due to the worsening situation updated by GAO. Efforts by the Speaker and me to increase the $5 billion amount to $15 billion on the floor of the House on May 5 were defeated as a result of opposition by the U.S. League of Savings Institutions. It must be pointed out that the higher $15 billion amount has been consistently supported by the Federal Home Loan Bank System—the very organization whose funds will be used in the recapitalization of FSLIC and whose regional banks include directors who are either working in the industry successfully or concerned individuals very familiar with it.

As for title I of the bill, the nonbank bank title, similar legislation on this extremely controversial title was reported out of the Banking Committee in the 98th Congress as H.R. 5916, upon which we requested a rule in the closing days of that Congress. We reported a modified version, H.R. 20, early in the 99th Congress and again requested a rule. The grandfather date in the current title I has reduced much of the controversy, although some still remains. Certainly, the issues are well-known to the Banking Committee and to other Members, as well.

Title II provides for a moratorium on domestic and foreign banks and bank holding companies operating in the United States from engaging in the business of securities as defined in the Glass-Steagall Act; from engaging in the business of insurance, except as now provided in law; and from engaging in real estate activities which is an issue now being considered by the Federal Reserve Board. The moratorium which begins on March 6, 1987, will end March 1, 1988. This time period will permit the commencement of hearings and the consideration of proposals on these highly controversial issues.

Title IV establishes a process whereby savings and loans which are well managed, but are in trouble because of an economic slump in their region, can be kept in business until economic recovery occurs in their area. The House also included a provision applying such recovery provisions to minority-owned savings and loans. The objective of the title is to enhance the long-term viability of the thrift industry while reducing the overall cost to FSLIC.

Title V, the so-called regulators' bill, was also passed by the House as part of the FSLIC recapitalizaton bill last year in a somewhat stripped-down form.

Mr. Speaker, while much of the controversy surrounding this legislation has centered around dollar amounts and nonbank banks, let us not lose sight of the other very positive provisions of the bill which have a direct effect on the consumer. The importance of expedited funds availability, full faith and credit in our depository institutions, and other initiatives to help the areas of the country hard hit by difficulties in agriculture, energy and real estate cannot be overstated.

After much publicized negotiations with the administration, three adjustments were made in the bill. They are as follows: First, an increase in the dollar amount of the FSLIC recapitalization to $10.825 billion; second, a sunset of certain of the recovery sections in title IV until the financing authorization has been fully exercised; and third, changes to title I to permit the FSLIC to sell large failing savings and loans to a wide variety of companies. Clearly, today's FSLIC crisis permits no further delay as a veto would have caused. The conference was reopened last week for the purpose of considering the administration's proposal. The conferees agree and I urge the House to accept the conference report.

Finally, there was an inadvertant omission in the statement of managers concerning the status of women in certain minority provisions. It is the clear intent of the conferees that women be included as minorities, and that women benefit from the minority provision in the public offering of financing corporation securities.

Mr. Speaker, I submit for inclusion in the RECORD the following information:

The bill contains the following titles:

### TITLE I—COMPETITIVE EQUALITY AMENDMENTS

Title I closes the nonbank bank loophole in the Bank Holding Company Act by redefining the term "bank."

Currently, the Act defines a bank as an institution that meets a two-part test: it must both accept deposits that the depositor has a legal right to withdraw on demand, and be engaged in the business of making commercial loans.

This title redefines the term "bank" to include an FDIC-insured institution whether or not it accepts demand deposits or makes commercial loans. The new definition also includes non-FDIC insured institutions that both accept demand deposits or transaction accounts and are engaged in the business of making commercial loans.

Title I maintains the express exclusions from the definition of "bank" found under current law for FSLIC-insured or federally chartered thrift institutions. In addition, limited exceptions are provided for credit unions, credit card banks, industrial banks, industrial loan companies and other similar institutions.

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A company which acquired a nonbank bank after March 5, 1987 must immediately comply with the Bank Holding Company Act or divest its bank subsidiary. However, companies that acquired nonbank banks on or before March 5, 1987 are given grandfather rights so long as they do not directly or indirectly either (1) acquire control of an additional bank or thrift; or (2) acquire more than 5 percent of the shares or assets of another bank or thrift institution.

Restrictions on the activities of grandfathered nonbank banks are imposed, causing a company to lose its grandfather rights and thereby become subject to the Bank Holding Company Act if the nonbank bank (1) engages in any activity in which it was not lawfully engaged as of March 5, 1987; (2) offers or markets products of services of an affiliate not permissible for bank holding companies, or permits its products or services to be marketed by or through an affiliate engaged in impermissible nonbanking activities—unless they were being offered or marketed as of March 5, 1987, and then only in the same manner; (3) permits any overdraft; or (4) increases its assets by more than 7 percent per year beginning 1 year after date of enactment.

In order to lessen the risks of conflicts of interest, unsound banking practices, unfair competition, and the lack of impartiality in the credit granting process, joint marketing and anti-tying restrictions of federal banking statutes between a grandfathered company and its nonbank bank affiliate are also imposed.

Certain sections of the Glass-Steagall Act prohibiting affiliation and employee interlocks with securities companies are extended to insure thrift institutions. Title I also extends the Savings and Loan Holding Company Act's restrictions to unitary savings and loan holding companies that do not meet the "qualified thrift lender" test, defined in this title to require that savings and loans maintain 60 percent of assets in housing and related activities.

Adopted amendments by the conferees included adjusting the amounts of advances a thirft institution may receive from the Federal Home Loan Bank System based on its compliance with the qualified thrift lender (QTL) test.

Other provisions of title I would: (1) drop restrictions on acquisitions of failing S&Ls (over $500 million in assets) by holding companies owning nonbank banks, and (2) remove Glass-Steagall restrictions on the types of purchasers allowed to acquire failing savings and loans. The effect would be to allow any entity to purchase failing savings and loans with over $500 million in assets. Glass-Steagall limitations on the purchase of any savings and loan would expire in 1988.

Title I represents the culmination of many hours of hard work and several days of legislative hearings over a number of years by the House Banking Committee. As early as June 1983, the Committee began reviewing nonbank bank legislation. On two separate occasions the Committee reported out legislation which would have closed the nonbank bank loophole. H.R. 5916, which was ordered reported out by the Committee on June 26, 1984, and H.R. 20, the Financial Institutions Equity Act of 1985, which was ordered reported on June 12, 1985, demonstrate the determination and commitment of the House Banking Committee to correct a loophole in our banking statutes which could have an adverse impact on the safety and soundness of our financial institutions. Unfortunately, those two bills never reached the House Floor for consideration.

### TITLE II—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

Title II imposes a moratorium on certain securities, insurance and real estate powers of bank holding companies and banks by prohibiting Federal banking agencies from taking final action to approve any rule, regulation or order having the effect of increasing the above enumerated powers during the moratorium period. The moratorium is retroactive to March 6, 1987 and ends on March 1, 1988, in order to permit the commencement of hearings and the consideration of proposals on these topics.

In addition, this title prohibits foreign banks and foreign companies controlling foreign banks from expanding their grandfathered activities under the International Banking Act by acquisition, and applies the moratorium to these entities as well. Also, the grandfather rights of such a foreign entity terminate if it acquires a United States bank and thereby becomes a bank holding company.

Certain amendments to the Bank Holding Company Act are also included in this title such that a foreign bank or bank holding company that is "principally engaged" in business outside the United States would be generally prohibited from engaging in any banking, securities, insurance or other financial activities within the United States.

In addition, this title calls for the two Banking Committees to conduct a comprehensive review of our banking and financial laws and to make decisions on the need for financial restructuring legislation in the light of today's changing financial environment, both domestic and international, before the expiration of the moratorium. Further, it should be noted that it is the intent of the Congress not to renew or extend the moratorium established under this title.

As evidence of our intent to carry out this congressional mandate, it should be noted that the House Banking Committee on July 30, 1987 began hearings on this subject. Our first witness was the outgoing Chairman of the Federal Reserve Board, Paul Volcker, who testified on a number of issues, including the globalization of financial markets and corresponding effects upon United States markets and financial institutions. (See attached memorandum of July 24, 1987, to All Members, Subcommittee on Financial Institutions Supervision, Regulation and Insurance, from Fernand J. St Germain, Chairman, entitled Scope of International Banking Hearings.)

This country historically has separated banking from commerce and, over the past 50 years, a national legislative framework has been developed that broadly regulates the business of banking in the United States. Banks and thrift institutions occupy a special place in the American economy. Therefore, the Federal Government (with full recognition of the importance of the dual banking system) has taken significant steps over the past five decades to regulate the activities of banks and thrifts and those entities which seek to control them.

As indicated, the changing financial environment necessitates a comprehensive review. However, it must be emphasized that in meeting the challenges of this new financial environment, we must never forget that our legislative efforts must be directed to ensure that the safety and soundness of this nation's financial institutions is preserved, that conflicts of interest are prevented, and that the resources available to those institutions are directed toward socially responsible activities such as the provision of adequate housing for American families.

### TITLE III—FSLIC RECAPITALIZATION

Title III provides for a $10.825 billion recapitalization plan which employs the funding mechanism proposed by the Treasury Department. This title also includes an annual borrowing cap of $3.75 billion. This title provides a formula for crediting to certain savings and loans the FSLIC secondary reserve of $824 million. The financing mechanism used to raise these funds has been deemed to be off budget by the Congressional Budget Office.

As has been said on past occasions on the Floor of this House—More specifically on May 5 of this year and October 7, 1986—the FSLIC recapitalization plan is "must" legislation. Title III is a recognition of the serious drain on the Federal Savings and Loan Insurance Corporation from its attempts to deal with the problems of the savings and loan industry. Although estimates differ as to the amount of new funds that FSLIC needs, there is no disagreement that new funding sources are necessary to supplement the current deposit insurance base.

The compromise agreed to between the conferees and the Administrtion, which would increase the borrowing authority of the FSLIC Financing Corporation to $10.825 billion from the $8.5 billion agreed to in conference, will go a long way to stabilize the precarious condition that now exists regarding the FSLIC insurance fund. Continued monitoring by the General Accounting Office indicates that $10 billion in new financing is necessary and will allow FSLIC to begin actively resolving troubled institutions' problems.

The Bank Board is now closely monitoring 383 troubled institutions with total assets of $137 billion. The Bank Board estimates that these institutions have net operating losses of nearly $10.8 million a day, or nearly $4.0 billion per year. FSLIC losses resulting from assistance provided to institutions have increased dramatically, from $23 million in 1980, to $10.8 billion in 1986.

Compliments to the members of the Federal Home Loan Bank Board System are in order. The recapitalization plan is an industry self-help program which does not involve taxpayers' funds. The plan requires each of the 12 regional Federal Home Loan Banks (which are composed of savings and loan associations) to invest in the newly created "Financing Corporation," which in turn will be required to invest in the Federal Savings and Loan Insurance Corporation. Long-term bonds would be issued in the private capital markets and would be secured by zero coupon obligations bought by the Financing Corporation which would be equal at maturity to the total amount of debt issued by the Corporation.

The Financing Corporation will be under the management of a Directorate composed of 3 members, 1 of whom will be the Director of the Office of Finance of the Federal Home Loan Banks or his successor, and 2 of whom will be selected by the Federal Home Loan Bank Board from among the presidents of the FHLBanks. The Corporation will have no paid employees and the Directorate can, with the approval of the Board, authorize the officers, employees or agents of the FHLBanks to act on its behalf. All administrative expenses of the Financing Corporation will be paid by the FHLBanks.

The Corporation is given the power to issue obligations in the form of nonvoting capital stock to the FHLBanks; to invest in any securities issued by FSLIC; to borrow from the capital markets; to impose assessments; and to exercise incidental powers necessary to carry out the provisions of this title.

The conference-reported bill contains a provision which requires the Chairman of the Board and the Directorate of the Financing Corporation to insure that the minority-owned or minority-controlled commercial banks, investment banking firms, underwriters, and bond counsels throughout the United States have an opportunity to participate significantly in any public offering of bond obligations.

Title III authorizes the Financing Corporation to impose assessments on each FSLIC-insured institution. The Financing Corporation is authorized to assess each institution insured by the FSLIC an amount for each semiannual period equal to an amount not to exceed one-twelfth of 1 per cent of the total amount of all accounts of the insured members of such institution on an annual basis. An additional assessment may be imposed for exceptional circumstances.

The Financing Corporation, with the approval of the Board, is required to assess an exit fee on any insured institution which ceases to be an institution insured by the FSLIC. Such fee of "2+2" (2 times a thrift institution's annual premium and 2 times its special assessment) would be imposed. However, such an exit fee will not be imposed on certain institutions which, on or before March 31, 1987, have been converted into, merged with, or acquired by an FDIC-insured institution, or which have filed an application or notice of intent to convert. A one-year moratorium beginning on the date of enactment, during which no insured institution may voluntarily leave the FSLIC, was adopted by the conferees.

A Federal Savings and Loan Insurance Corporation Industry Advisory Committee will be created to review and make recommendations concerning the Board's activities, expenditures and receipts. The Financing Corporation will terminate no later than the earlier of (1) the date by which all stock purchased by the Financing Corporation in FSLIC has been retired; or (2) December 31, 2026.

The conferees adopted an amendment offered by the House which permits insured institutions to offset against assessments the amounts that were previously part of the so-called "secondary reserve." Institutions would be permitted to reduce or offset, with certain limitations, the amount of premiums they would otherwise pay to FSLIC each year.

### TITLE IV—THRIFT INDUSTRY RECOVERY PROVISIONS

A thrift industry recovery proposal was adopted for troubled but well-managed and viable thrifts to provide capital forbearance for institutions in those areas of the country which have weakened economies due to difficulties in the energy, agriculture and real estate markets. The overall objective of this title is to maximize the long-term viability of the thrift industry at the lowest overall cost to the FSLIC. Therefore, title IV's provisions require the Federal Home Loan Bank Board (Bank Board) to promulgate thrift accounting requirements consistent with Generally Accepted Accounting Principles (GAAP), or GAAP as modified by the commercial bank regulators, and establish an appeals process for the timely review of grievances related to the determination of appraisals, asset classifications, and loss allowances.

Title IV provides for audits of the Federal Asset Disposition Association by the General Accounting Office; new appraisal standards consistent with the practices of commercial bank regulators; increased utilization of minority thrifts as depositories for government funds; improved disclosure and control of outside consultants, counsel, and contractors; oversight and reporting requirements; and authority for the Bank Board to establish capital requirements consistent with the commercial bank regulators.

The conferees also agreed to a sunset of portions of title IV, relating to certain capital forbearance and other provisions. The sunset would take effect when the Financing Corporation borrows the last of the $10.825 billion that it is entitled to borrow as a result of the compromise agreement. (With the $3.75 billion annual borrowing cap, the sunset could not occur for at least 2.5 years.)

The expiration of these provisions at the end of the sunset period would not, however, affect the authority of the Federal Home Loan Bank Board or the FSLIC under other provisions of law to prescribe rules or regulations in the areas covered by these provisions.

### TITLE V—FINANCIAL INSTITUTIONS EMERGENCY ACQUISITIONS

The conferees agreed to language which is essentially the "Regulators' bill" of last year. This title basically permits emergency interstate acquisitions of banks "in danger of closing" which have assets of $500 million or more. It also permits the acquisition of 2 or more affiliated banks in danger of closing, if they have aggregate total assets of $500 million or more and if these total assets are equal to or greater than 33% of the aggregate total banking assets of the parent bank holding company. A new vehicle called a "bridge bank" is also established enabling the FDIC to bridge the gap between the failed bank and a satisfactory purchase and assumption or other transaction that cannot be accompanied at the time of the failure. The title also exempts the banking regulators from apportionment and sequestration by the Office of Management and Budget and extends title I (FDIC and FHLBB amendments, and credit union amendments giving the NCUA conservatorship authority) of the Garn-St Germain Act permanently, and title 2 (net worth certificates) of that Act for no more than 5 years.

### TITLE VI—EXPEDITED FUNDS AVAILABILITY

The conferees agreed to an expedited funds availability title requiring depository institutions to make funds available for deposits within certain specific time frames. A final schedule and an interim schedule were agreed to. Essentially, the final schedule to be implemented within 3 years after enactment is one intervening day for local checks, and 4 intervening days for nonlocal checks. The interim schedule, which takes effect one year after enactment, is 2 intervening days for local checks and 6 intervening days for nonlocal checks until the permanent schedule takes effect. The House definition of "local check" was agreed upon, meaning a check from the same Federal Reserve check processing region. Special accommodations in this title were also made for cash withdrawals from deposits, and for funds availability generally for deposits made at automated teller machines (ATMs).

### TITLE VII—CREDIT UNION AMENDMENTS

In addition to language in title V which grants the NCUA permanent conservatorship authority, the conferees agreed to language which streamlines and assists in the operations and regulation of credit unions, including extending the current 15-year limit for credit union home mortgage and home improvement loans. Another provision allows credit unions to pledge assets to secure certain governmental deposits.

### TITLE VIII—LOAN LOSS AMORTIZATION

The conferees agreed to language allowing appropriate Federal bank regulatory agencies to permit any agricultural banks they supervise to amortize any loss on any qualified agricultural loan for any year between December 31, 1983, and January 1, 1992, over as much as a ten-year period, provided there is no evidence of fraud or criminal abuse on the part of the bank leading to the loss. Agricultural banks are defined as FDIC-insured institutions in areas economically dependent on agriculture that have assets of $100 million or less and which generally have 25 percent of their total loans in qualified agricultural loans.

### TITLE IX—FULL FAITH AND CREDIT OF FEDERALLY-INSURED FINANCIAL DEPOSITORY INSTITUTIONS

The conferees agreed to language which declares that it is the sense of Congress to reaffirm that deposits up to the statutorily prescribed amount in federally insured depository institutions are backed by the full faith and credit of the United States.

### TITLE X—GOVERNMENT CHECKS

The conferees agreed to require a General Accounting Office study on the issue of government check cashing, with a report due back to the Banking Committees within 6 months. Language limiting the life of a Treasury check, without affecting the underlying claim upon which the check was issued, was also adopted.

### TITLE XI—INTEREST TO CERTAIN DEPOSITORS

This title requires the FDIC to pay interest to holders of "yellow certificates of deposit" issued by the former Golden Pacific National Bank.

### TITLE XII—MISCELLANEOUS PROVISIONS

Language was agreed upon to examine all types of direct investments made by Federally insured institutions and the effect these investments have had on Federal deposit insurance funds. Such study, to be done by the GAO in consultation with other agencies, must be transmitted to Congress within 6 months of enactment.

I would like to add that it took a tremendous amount of time and staff work to put together H.R. 27, which is one of the largest banking bills which the Committee has ever prepared. I would like to acknowledge the contributions made by the following and thank them for their efforts: Dr. Paul Nelson, Richard L. Still, Jake Lewis, Lee Peckarsky, Earl Rieger, Gary Bowser, Christopher Tow, Ken Clayton, Jim Deveney, Steve Judge, Mary Lou Kelly, Julie Black, Maria Sanchez-O'Brien, and Ann Kline.

A tremendous amount of administrative support staff work was also done accompanying H.R. 27. I would also like to thank the following: Diane Hoag, Beverly Herring, Dorothy Vitale, Sylvia Smith, Stacey Hayes, Jill Delano, John Zimmerman, Tom Adams, and Matthew Maurano.

I would especially like to thank the House Legislative Counsel for banking issues, James M. Wert, as well, for his expertise and effort in this process.

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JULY 24, 1987.

**MEMORANDUM**

To: All Members, Subcommittee on Financial Institutions Supervision, Regulation and Insurance.
From: Fernand J. St Germain, Chairman.
Subject: Scope of International Banking Hearings.

Hearings will open on July 29 on a number of International Banking issues with testimony by outgoing Chairman of the Federal Reserve Board, Paul Volcker. It is anticipated that Chairman Volcker will discuss the globalization of financial markets and corresponding effects upon U.S. markets and financial institutions. It can also be anticipated that he will discuss continuing Third World debt difficulties and recently proposed governmental initiatives, as well as current major bank actions to increase reserves for future losses. International supervisory initiatives such as recent efforts to increase capital for multinational banking organizations will also be reviewed.

Hearings will continue after the August recess with overview testimony from international bank supervisors (representatives of the Bank for International Settlements) giving the Subcommittee a perspective on supervisory issues from the viewpoint of foreign central bankers. The competitive aspects of uneven international supervision and the difficulty of obtaining uniform agreements on basic definitions and approaches will be examined as a prelude to an examination of the doctrine of "national treatment" versus reciprocity.

Views of the Administration (Secretary of Treasury and State Department) will be presented as part of the overview phase of the hearings. The Baker plan and other Administration initiatives related to Third World Debt will be reviewed. Both State and Treasury will update the Subcommittee on the financial service industry portion of the current free trade zone negotiations with Canada. General testimony on the International Banking Act and the International Lending Supervision Act of 1983 will be presented as well.

Upon completion of the overview phase, oversight hearings will focus on the International Lending Supervision Act of 1983 and the International Banking Act of 1978. The General Accounting Office has been continuously examining the implementation of the 1983 Act and will provide introductory material describing the Act and an evaluation of its implementation. Both the Comptroller and the Federal Reserve Board will provide detailed testimony concerning the operation of both Acts. The subject of country risk standards, application and impact on capital adequacy standards will be examined in depth.

Oversight of the International Banking Act will focus on a number of issues of considerable importance. In view of present international market realities, one of the most significant matters will involve a reexamination of the rationale for permissive treatment of foreign banks insofar as nonbanking activity is concerned. The extent of this activity is unclear as is its competitive implication for United States institutions as well as the overall effect on the U.S. economy. Of central importance to the current "national treatment" versus reciprocity debate will be an intensive examination of the treatment of U.S. commercial banking organizations by foreign governments. Section 9 of the IBA requires that the Secretary of the Treasury, in conjunction with the Secretary of State, the Federal Reserve Board, the Comptroller of the Currency and the Federal Deposit Insurance Corporation, study and report to the Congress on . . . the extent to which . . . [U.S. banks] are denied, whether by law or practice, national treatment in conducting banking operations in foreign countries, and the effect, if any, of such discrimination on United States exports to those countries.

Of equal importance is the fact that in addition to the study, the Secretary of the Treasury was also directed to . . . describe the efforts undertaken by the United States to eliminate any foreign law or practices that discriminate against [U.S.] banks. . . .

Reports by the Secretary of Treasury dated September 17, 1979; July 5, 1984; and December 18, 1986 have been submitted. These reports will be reviewed and an opportunity accorded all interested parties, domestic and foreign, to testify.

The emergence of regional compacts for interstate banking has raised the question as to whether a conflict of laws issue is involved insofar as the equality of treatment embodied in Section 5 of the International Banking Act is concerned. Certain U.S. banking organizations that are owned 25 percent or more by a foreign bank are, it is contended, likely to become competitively disadvantaged in expansion opportunities as a result of such ownership. This issue will be explored through agency and interested party testimony.

An examination will be made of those countries that do not have a tradition of the separation of banking from commerce as does the United States. The availability and cost of services provided to the general public in such countries will be determined as will the competitive implications of banking/security institutions compared to U.S. banking organizations both abroad and in the United States. Of particular interest will be an examination of those foreign institutions with a grandfathered security position under the IBA.

An effort will be made to obtain foreign analysts as well as domestic witnesses as we begin an evaluation of the Glass-Steagall Act as a part of the Subcommittee's comprehensive hearings.

The rapid movement of capital today in world markets which often exceeds $1.5 trillion a day flowing through the New York Clearinghouse Interbank Payment System raises serious questions as to the potential impact on our payment system and on financial markets generally. Many observers have noted that the potential for a major shock to the credit system and to security markets clearly exists today. Any examination of our current statutory and regulatory system must of necessity give primary consideration to ways and means of insuring the safety and soundness of our payment system.

Witnesses representing our major money center banks, foreign supervisors and representatives of free world central banks will be requested to testify.

Mr. Speaker, I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if the Members wanted to justify a "no" vote on the conference report, I could probably help the Members with 50 reasons to vote "no." But I can also give the Members at least 51 reasons as to why we should vote for this conference report.

The major reason to vote for the conference report is that it authorizes a $10.825 billion infusion of additional funds into FSLIC. This is absolutely crucial.

□ 1500

No one disagrees that FSLIC needs to be recapitalized. We may quarrel as to the proper amount, but even the U.S. League which opposed the higher $15 billion plan, agrees that FSLIC needs money, and now.

Right up there at the top as one of the reasons to vote for this conference report is the significant letter from Treasury Secretary Jim Baker to Chairman St Germain, and I quote:

> The President has authorized me to inform you he intends to sign H.R. 27 into law if the Congress presents him the bill with your proposed changes in three titles.

Now, the gentleman from New York [Mr. LaFalce] made an unfortunate statement a little earlier, when he said the President agreed to sign the bill because he is a weak President. The President had a lot of reluctance about signing this bill, may I say to the gentleman, and Treasury Secretary Baker helped persuade him. I have got news for the gentleman from New York. At least one Member of the leadership of the other body thought a veto could be sustained to the original conference report. The gentleman from New York in a letter to his colleagues quoted from the Washington Post of July 5, 1987, in which it says that President Reagan should veto this bill.

The President intervened, a compromise was adopted, and on August 1 the Washington Post changed its position and now supports adoption of the conference report. The Post commented that this is not an ideal bill, but it is adequate and urged the Members of this body to pass it.

So I respectfully submit to the gentleman that the President helped shape this new conference report.

Actually, these changes were compromise changes negotiated between Treasury Secretary Jim Baker, Chairman St Germain, Senator Proxmire, Senator Garn, and I myself. I mention this to compliment Chairman St Germain, Senator Proxmire, and Senator Garn. They all gave a little and got a little, and Treasury Secretary Baker is to be commended. He was a class act throughout all these negotiations. I know there was a different view on the veto question, even within the administration, even after Secretary Baker was persuaded that with the additional three improvements, it was better for the President to sign H.R. 27.

We are dealing with an extraordinary situation. The whole process of legislating in an area such as FSLIC

recap and the delivery of financial services is complicated and uncertain. Closing the nonbank loophole, placing a moratorium on banks getting into the securities business, the insurance business, and the real estate business calls for important compromises. The whole process of necessity has to be one of compromise.

Whether we like it or not, the President is a key player, and frankly I did not relish the unpleasant task of voting to sustain a veto when I knew this legislation, especially the FSLIC recap provisions, was so sorely needed.

The bill the conference reported is not my favorite position. I would have preferred to be here with a clean FSLIC recap bill today. When the conference opened, I offered a motion that the House go to conference only on a clean FSLIC recap bill. My motion was defeated on an 8-to-11 vote.

When it became clear that the conference was going to deal with the full range of issues contained in the Senate bill, S. 790, every conferee was faced with many difficult choices, and although the conference report is not my favored position or Treasury Secretary Baker's favored position, or more importantly, President Reagan's favored position, it does strike an appropriate balance between the diverse competing interests affected by this legislation.

The $10 billion is halfway between the House position and the administration position on recapitalization. The $825 million added to the $10 billion represents refunds from the secondary reserve, paid into some 10 years ago by S&L's, to insure against prospective losses. The S&L's were promised that the money would be returned. It was in effect a loan. The S&L's never got their money back because FSLIC was going broke. Some marginal S&L's will be helped with this money, which is rightfully theirs. Congressman Annunzio and I offered this as a bipartisan amendment in conference.

Closing the nonbank bank loophole is controversial. I happen to favor closing the loophole and feel strongly that the delivery of financial services has developed in a haphazard and dangerous way. Unfortunately, 168 nonbank banks are grandfathered in, but after the first year their growth will be limited to 7 percent of assets. These nonbank banks are providing services in direct competition with commercial banks, but are not subject to the same regulatory restraints. The banks and S&L's like this title.

Title II the banks do not like. It limits bank powers at a time when many, including the new Federal Reserve Board Chairman, Mr. Greenspan, and probably a majority of the Board favors granting banks additional powers.

This bill would require that Congress revisit the scene—now within 7 months—or all bets are off. The Fed would be free to determine if mortgage-backed securities, mutual funds, commercial paper or municipal revenue bonds, insurance powers or real estate investment powers are bank-related activities.

I think Congress should establish the guidelines; but as I say, our record on this issue is not very good. I think we are probably looking at a stalemate. I think it is important that we give ourselves more time, and this bill does that.

The forebearance section was a real hairshirt. This would allow some failing thrifts the opportunity to work their way out of their problems over a 3-year period of time. Then the forebearance provision sunsets. Again, I do not much care for forebearance, but this is a workable compromise.

The other controversial provision was the one dealing with the acquisition of failing thrifts of over $500 million in assets by grandfathered nonbank banks and securities firms. While the provision is unpopular with some, given the condition of FSLIC and the industry, I do not believe we can foreclose this possible additional source of capital for the industry.

So because of the critical need to recapitalize FSLIC and the pressure this bill can put on us to finally act to rationalize the structure of our financial services industry, I urge adoption of the conference report and hope that my colleagues will pass it today.

Mr. Speaker, I reserve the balance of my time.

Mr. LaFALCE. Mr. Speaker, I rise in opposition to the bill, and I yield myself such time as I may consume.

Mr. Speaker, I oppose the bill for both procedural and substantive reasons.

I discussed some of the procedural reasons during the debate on the rule. Although I was only able to discuss a few of the procedural difficulties, I will not take any more time discussing those difficulties.

Instead, I will now discuss only the substantive reasons for opposing the bill. First of all, as I said before, there are some good things and some bad things in this bill, at least from my perspective. There are some issues on which reasonable people can disagree.

Let us consider the recapitalization of FSLIC. Some individuals think it is too much, and some individuals think it is grossly inadequate. I happen to think it is inadequate, but that would not be reason enough for opposing the bill or vetoing the bill, other things being equal.

What concerns me more about the recapitalization of FSLIC than the amount are two factors. First, the forbearance provision, and second, the exist fees. I think my thoughts are fairly similar to the thoughts of the chairman on these issues, because I think he would have liked to have seen no forbearance language and stronger exit fees.

I will say this. The forbearance language that now exists is superior to the forbearance language that was in the original bill and especially that which was proposed initially in the House Banking Committee. But, we should not be in the business of regulating the regulators in this particular legislation. We should be in the business of giving stronger regulation to the S&L's that were doing some pretty bad deeds.

What concerns me about the exit fees is that after the initial moratorium, I am fearful that virtually all your healthy thrifts, who are being depended upon to finance this scheme, might leave the system immediately. I could be wrong on that, but I think it is a very big fear.

Let me go on, however, because I do not think that those reasons would be adequate to oppose the bill or to veto it. What are the reasons I think adequate for opposing or vetoing it?

Let me give you just a few of them. First, the whole subject of nonbank banks, or as I prefer to say, a limited service bank. You know, over the years I have yet to hear one difficulty that has been caused to one person, to one consumer, by a limited service bank. I am really not sure what the problem is that we are attempting to solve. No one today has said what the problem is with respect to such limited service banks.

In any event, we surely should have had separate consideration and vote on that.

A good many editorials have said that this particular provision, which is not a moratorium on such banks, it is a prohibition against them in the future, is anticompetitive and anticonsumer.

Admittedly, in this bill, we did grandfather all existing nonbank banks. But that raises the interesting question, if they are so bad, why do we not eliminate Sears? Why not eliminate J.C. Penny? At least insofar as their ability to have nonbank banks?

Well, they are providing a valuable consumer service. The consumers seem to like the service they are providing. So why prohibit future similar nonbank banks?

We did one thing in this bill, though, with respect to grandfathered nonbank banks that perhaps is the most obnoxious portion of the whole bill: We imposed a 7-percent limit on their ability to grow.

Now, I ask you, when before in the history of the Republic has the Congress saw fit to say to a business, any business, "You shall be able to grow, but by no more than 7 percent. If you are $20 billion, you can grow by 7 percent. If you are $1 billion, you can grow by 7 percent."

So the issue is not the size of the institution. Why then any limitation, much less 7 percent in particular?

To me there is something obnoxious about that. It seems opposed to the capitalist system, opposed to the free enterprise system, for a law to be passed limiting a business' growth. There is something fundamentally wrong with that. Indeed, it is a vital assault on the free enterprise system.

Speaking about 7, there is another 7 figure in this bill that I find particularly bothersome, and that deals with agricultural banks. The agricultural banks have been having some difficulties, as have the S&L's, as have the energy banks, real estate banks, banks with Third World debt, et cetera; but the conferees saw fit to accept a Senate provision that gives a long 7-year writeoff period, an amortization period, for losses incurred by agricultural banks. As a matter of fact, the conferees made this provision retroactive, so if an agricultural bank had a loss in 1985 or 1986, generally accepted accounting principles say you take the loss in that year. Regulatory accounting principles say you take the loss in that year.

This conference report says you can go back now and spread that loss out over a 7-year period. It is phony accounting. It is funny money. We really are undermining the viability not only of those institutions, but in my judgment, in the long-term, the viability of the FDIC.

We are doing for our agricultural banks what we, this Congress, did with the Farm Credit System. We are putting off the day of reckoning and we are making that day of reckoning far, far worse.

We had no hearings on this. We really do not know how bad it is going to be, but I think all of us do think it is going to be bad. Even those who favor the bill shrink when they have to discuss that particular provision.

Now, what else do we do? Some say, well, the report simply imposes a moratorium on certain powers. It is simply a moratorium on the regulators' ability to interpret Glass-Steagall, as Glass-Steagall has existed over the years. It is much more than that however.

The Glass-Steagall Act, for example, has never been applied to State chartered nonmember banks. The report applied Glass-Steagall to such institutions and so there is a tremendous intrusion on State powers in this bill, again uncalled for, again without consideration or hearings.

The report does something else. It interferes tremendously in both the regulatory and the judicial process. We impose a moratorium on securities, insurance, and real estate powers. A moratorium might not be bad, if it were prospective in nature, but we make our moratorium retroactive in nature, and applicable not simply to regulatory decisions, but also to judicial decisions. Hence, we intrude on the judicial process and on lawsuits presently in process.

The bottom line, I think, is as a good many editorials have said, and I point out again the New York Times:

> This lobbyists' stew is a bad bill. It warrants a one-word response from President Reagan—veto.

The President has indicated he is now not going to veto it. I sincerely believe it is because he thought he would not be able to obtain the votes to sustain his veto; but his administration still thinks it is bad, not as bad now as it was a week ago at this time, but almost as bad, because I do not think the compromises that were entered into were really all that significant.

I urge your consideration of the merits of the bill. If we should defeat it, we could come back this afternoon or tomorrow with recapitalization of FSLIC. We would not delay anything at all.

As a matter of fact, I was in the forefront of those urging that a bill recapitalizing FSLIC pass in the 99th Congress and the beginning of this the 100th Congress. We passed such a bill in the 99th Congress, and we could pass another such bill immediately.

Mr. Speaker, I reserve the balance of my time.

□ 1515

Mr. WYLIE. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. Leach].

Mr. LEACH of Iowa. Mr. Speaker, there have been two great regulation scandals of the last generation: The first relates to the overextension allowed of money center banks abroad; the second relates to the overextension of thrifts encouraged here at home.

When this bill passed this House, the end result was legislation that in partial measure represented head-in-sand-ism. At a time when the thrift industry had become overextended and too frequently fraught with fraud and abuse, this body stipulated too small an infusion into FSLIC and too lenient forebearance standards on the industry.

This conference report partially corrects both deficiencies. Twice as much capital is infused in the insurance system and, most importantly, the conference committee adopted a strong capital standard that I authored requiring thrifts to recapitalize themselves as the best antidote to public bailouts.

In addition, the so-called forebearance section has been modified with three provisions making it clear that thrift industry regulators can't shrink from applying the same rigorous standards applicable to the banking industry.

Let me be clear. When regulators are weak in one sector of the financial community, that sector is allowed to grow disproportionately and become a disproportionate liability on the American taxpayer.

For instance, if an individual or group has $10 million to invest, it is possible to start a bank and be allowed $120 million in deposits. With the same $10 million, a savings and loan can be chartered and allowed $2 billion in deposits—with the taxpayer potentially on the line if imprudent loans or spending practices are made.

This is nuts. It's time for regulatory comparability. This conference committee bill is a step in that direction.

There are fair disagreements that many Members have with this bill. Mr. LaFalce has with careful argumentation pointed several out. But the overriding issue is the imminency of runs on our thrift system.

Congress simply can't continue to cave in to the high flyers in the thrift industry. Nor can it continue to play Russian roulette with the financial fabric of our country.

This bill deserves passage—now, before it is too late.

Mr. LaFALCE. Mr. Speaker, how much time remains on all sides?

The SPEAKER pro tempore. (Mr. Murtha). The gentleman from New York [Mr. LaFalce] has 12 minutes remaining.

Mr. ST GERMAIN. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. Roemer].

Mr. ROEMER. Mr. Speaker, I just want to say I rise in support of the bill and thank the gentleman for yielding me this time. I appreciate being a Member of the conference committee. It was a tough conference with I think some healthy compromises on both sides.

The bill is not perfect; far from it. Our colleague, the gentleman from New York [Mr. LaFalce], pointed out some of the apparent weaknesses in the bill, particularly the nonbank bank provisions.

I thought our colleague from Virginia [Mr. Parris], early in today's debate, spelled out quite plainly the size of our problem in this country in regard to savings and loans. It is not the regulators who close them down, it is public confidence or lack thereof. We have a problem.

A stitch in time saves nine, as the old cliche goes. I think this bill is a stitch in time. It takes no money out of the pockets of taxpayers, increases the public confidence in the system and allows safety and soundness to take a step forward.

I think this is a good bill. I appreciate the work the chairman has done and I urge support of the conference report.

Mr. LaFALCE. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. Frank].

Mr. FRANK. Mr. Speaker, I thank the gentleman from New York for yielding time to me.

I am going to speak in opposition to this bill. It has a number of very important features that are useful, and I think the leadership of the Committee on Banking, Finance and Urban Affairs on both sides deserves a lot of credit for being able to deal successfully with difficult issues.

Unfortunately, my view is that in a couple of very important particulars they have arrived at the wrong conclusion. What we have is something of a philosophical disagreement. I believe that the consumer and the economy are better served by more competition.

We have had some failures in the banking industry in the last few years. Very little of the difficulty we have had has been the result of the move away from regulation. The commercial banks that have gotten into trouble have gotten into trouble because they did what commercial banks are supposed to do, but they did it badly. They lent money in the most traditional ways to people who did not pay it back. That turns out to be not so good a business practice. That has been the cause of most of the bank failures.

What we have in this bill is a response to some of our troubles which I believe truly are philosophically incorrect. It restricts competition, and it does that in 2 separate areas. One in the non-bank bank area where it is a permanent limitation with grandparenting of the banks. I appreciate the fact that has been done, and I think the chairman of the committee and others deserve credit for equity in choosing the March 1987 date. There were efforts to grandfather retroactively, and the notion of retroactive grandparenting is probably as complicated as the one of surrogate parenting, so we probably ought to leave it alone. Having a prospective date was a reasonable thing.

But what we still wind up with is restriction. As I think of the role of some of the financial institutions in this I am reminded of a comment once made by Senator Magnuson when he was chairman of the Senate Commerce Committee many years ago. He said as he dealt with various matters of economic competition and regulation he sometimes thought that all any business in America wanted from government was a reasonable advantage over the competition.

We have a lot of business people in this country who joined some of my Republican colleagues in being very great supporters of free enterprise and competition in general, but being not too crazy about it in particular. There are a lot of people who think free enterprise is a wonderful thing when it means six other people compete with seven people, but God forbid if anybody gets in their business or competes with them. What we have here is a bill which unfortunately embodies that response.

We ought to be clear what we are doing. We are reregulating to a certain extent in the nonbank bank limitation at the request of many of the financial institutions themselves. The vaunted American preference for free enterprise turns out to be something of a spectator sport. A lot of business people like to watch other people engage in competition, but not engage in it themselves.

Unfortunately, this bill embodies that anticompetitive response from some of the financial institutions. It is why consumer groups are in general in favor of more competition, more creativity, and I particularly regret that the non-bank bank provision is made indefinite.

We then have the moratorium on the exercise by certain commercial banks of powers. Here the securities industry is opposed to competition with themselves. The securities industry used to argue that this was an anticoncentration matter because they were small and competitive and the banks were big. That was an argument that we heard more of when the securities industry consisted of independent companies before they started getting bought out by bigger companies. The argument is still the same.

We are better served by more competition. What we tend to do in legislative bodies, because we hear from the people who are out there, is to be protective of institutions. Preserving existing institutions is really not part of our mandate. What we should be doing is serving the consumer, and the consumer in this case is both the individual and the corporate entity that is trying to raise funds.

We talk a lot about being competitive. This bill strikes me as unfortunately anticompetitive because it favors to a certain extent the institutions that make their money by providing the capital rather than by increasing competition, favoring institutions that would borrow and would therefore be able to get a lesser cost of capital.

So I particularly hope, and I know the chairman will be addressing these matters again today and in future days. I hope that the moratorium is really a moratorium. I know the chairman is well intentioned in this but, as many of us know, the most important factor in politics, particularly in legislative politics, is not money, it is not even popular support, it is inertia. It is so hard in a bicameral legislature, with a somewhat uninvolved Chief Executive, to get anything done that things at least tend to stay at rest. I hope inertia will not convert this moratorium into permanent legislation.

Mr. St GERMAIN. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. Vento], a member of the conference committee.

Mr. VENTO. Mr. Speaker, I rise in support of the conference report.

It is interesting to listen to the comment that after having 20,000 financial institutions competing that somehow that does not represent competition. What really represents competition is if we could aggregate and concentrate all together, security firms with banks and all commerce and financial institution activities and then spead the mantle of Federal deposit insurance over all of it, somehow then that would constitutes competition.

Who is seeking and who has sought these nonbank bank powers, who have granted powers within the States and what types of institutions are in varied degrees of serious distress? The State institutions that have whipsawed into this all too willing Federal regulators. We have had no ability to limit that legislatively. They have granted and extended the mantle and tentacles of Federal insurance over those nonregulated banking activities.

Oh, we want to help the depositors, but clearly we have a problem in terms of trying to redefine that. They want that Federal insurance, they want that blanket of federal/national protection, they talk about competition but in reality, they would like to be like the Japanese and the German banks where one cannot tell where the commerce starts and the banking activity begins nor where the government ends and the private business sector begins.

In this country today we have that distinction. I hope we will keep it, and this bill will permit us to help prevent a further unweaving of the basic economic fabric that has well served our free economy—financial institution activity by its very nature and existence is a government sanctioned franchise, that fact alone ought to strongly indicate the well defined distinction of powers and activities that F. I. engage within, this measure H.R. 27 will enable the national government to carefully and deliberately by law develop policy.

Mr. Speaker, as a member of the conference committee on H.R. 27, I would like to state my understanding on several issues in title I of the bill. Section 104 adds a new stringent standard, the "Qualified Thrift Lender" test, to ensure that thrifts meet their legal mandate. However, recognizing the need for flexibility, the conference committee has provided that FSLIC may grant temporary exceptions from the QTL test when

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extraordinary circumstances exist. I believe that this exception would include a situation where an insured institution, acquired pursuant to a voluntary supervisory conversion, was able to satisfy the qualified thrift lender test primarily due to the fact that a significant portion of the nonaccruing loans of the insured institution which are assumed by the acquirer and not subject to any FSLIC obligation, are commercial loans which due to their nonaccruing status, cannot be sold or disposed of and result in the institution's inability to be a qualified thrift lender.

In defining qualified thrift investments, it should include investments by an insured institution in mortgaged-backed securities such as GNMA's, Fannie Mae's, Freddie Mac's, REMIC's and other securities, the assets of which are exclusively in domestic residential real estate and which otherwise satisfy the investment criteria for insured institutions.

Finally, the words "related to domestic residential real estate or manufactured housing" in section 104 would include, in addition to other items consistent with normal definitions of residential real estate, construction loans on residential real estate, nursing homes, congregate care housing, student housing and dormitories. I would also like to confirm my understanding of title I, section 108 of the banking bill, which codifies leasing authority for national banks.

It is my understanding that the intent of this provision is to simply codify the authority of national banks to engage in lease financing. This authority would permit national banks to enter into such transactions on a "net, full-payout" lease basis, as defined in the regulations of the Comptroller of the Currency (12 CFR 7.3400), up to 10 percent of the bank's assets.

It is my further understanding that national banks would continue to be subject to the requirement that all leases be "net, full-payout" leases, under which the bank may not provide maintenance, repair, or servicing of leased property, and must meet the residual value and other limitations as defined in the regulations of the Comptroller of the Currency (12 CFR 7.3400), up to 10 percent of the bank's singular assets.

Mr. WYLIE. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. Mr. Speaker, I stand here this afternoon with mixed feelings. I was one who supported a clean bill as we debated the matter here in the House. I supported the lower funding limits, the $5 billion, which was the result in the House. And in the conference I voted against this bill and worked to amend it in a way that would match the work product of the House.

Nevertheless, I am prepared to vote for the conference report this afternoon, and I do that even though I disagree with many of its provisions. But I do it simply because I think there is an overwhelming good to be accomplished, and that is refunding of the FSLIC organization, providing the necessary capitalization so that the industry in this country can get back on its feet.

This bill does provide $10.8 billion to recapitalize FSLIC. It does contain forbearance provisions, it does repay the secondary reserves to savings and loans.

But I find particularly reprehensible in the bill title I. I have opposed this title, as I did in the conference committee, because I think it only protects the existing market situation. It keeps problems that we now have in the status quo. It freezes out competitors and, as has been already addressed here, I think especially unwelcome in our system is the 7-percent cap on growth. I think that kind of cap or ceiling has no place in American orientation, it does not provide for the growth and profits and provide the needed goods and services that we generally recognize.

Likewise, I am very much opposed to title II. I think it is anticompetitive. Certainly it penalizes banks, and as title I, I think it represents a move backward toward more regulation, not recognizing freer markets and competition which ultimately benefit the consumer most.

But title VI in the bill is one I think that addresses a current need in America, providing for expedited funds availability. It gives banks a 1-year leadtime to prepare for new schedules, a 2-year interim schedule, and provides for a good faith exemption to protect them from fraud or other risks, and has special provisions for automatic teller machines.

□ 1530

Mr. Speaker, there are good points and bad points in this legislation. But I believe on balance that the good points outweigh the bad because there is an urgent crisis in our country that needs to be addressed and that is the crisis represented by the need to recapitalize the FSLIC.

On balance I think those positive features outweigh the negative.

For that reason, Mr. Speaker, I am prepared to vote in favor of the conference report and urge my colleagues to do likewise.

Mr. ST GERMAIN. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. OAKAR], a member of the committee and of the conference committee.

Ms. OAKAR. I thank the chairman. I want to commend the chairman first of all. I think he really towed the mark. I did not agree with everything he did in the conference committee but he did a good job in getting out a bill.

The American people really want to have confidence in their financial institutions. And really and truly I think it comes down to this: You can quibble about details in the bill, and this is a compromise, and not everyone likes the bill in its entirety, but the fact is that what we are saying today, in my judgment, is whether or not we support the S&L industry. That is the bottom line. They need to have the reserves in their insurance fund so that the American people will have a renewed confidence in what is an important industry.

This is an industry that has as its primary purpose, in terms of its creation by Congress, to serve Americans who want to own their own home. So if you believe in the industry, vote for the bill.

Mr. Speaker, as a conferee to S. 790, the bill to recapitalize the FSLIC fund, I would like to extend my strong support for this much-needed legislation. This conference report presented before the House today has my full support and should be acted upon as quickly as possible.

Mr. Speaker, no conference agreement is perfect, and not all compromises satisfy all concerned parties. But what we have here, Mr. Speaker, is a good agreement, a good compromise, and some very necessary consumer assurances that the U.S. Government is backing the insurance fund faithfully and adequately.

This legislation will restore the confidence of the American people who have billions of dollars in depository accounts within this country's savings and loans. Mr. Speaker, I support and urge the House to come together and demonstrate to the American people with savings and loan deposits that the House is firmly behind the savings and loan industry.

The sum of money available within the FSLIC fund is at the critical stage. Currently, it is reported that the FSLIC fund is more than $6 billion in the red. The Federal Home Loan Bank Board recently stated that the cost of taking over problem thrifts has grown to the incredible amount of $6 million per pay. The GAO reported to the Congress last year that further delaying a resolution to the problem cases within the savings and loans will add substantially to the ultimate, final cost of the industry, as well as to the economy. Furthermore, the lack of a substantial pool of financial strength at the insurance level disallows the thrift managers, depositors, and others who wish to inject much-needed capital into the thrifts any guideline as to a source of stability. Lack of stability and confidence in this country's financial industry, specifically the savings and loans, is a severe detriment to future operations. Confidence and stability are the cornerstones for this country's financial strength.

Mr. Speaker, in this legislation before the House today, the conferees agreed to an exit

fee of two-plus-two, or 2 years' premium and 2 years' special assessment. This level was originally proposed by the House, and the Senate initially rejected it with their own proposal to raise the fee to six-plus-six. Within the spirit of compromise, conferees agreed to retain the House portion of two-plus-two and include a 1-year moratorium on institutions leaving the FSLIC. This exit fee is a fair provision that provides for a reasonable approach without imposing a punitive fee to further discourage much-needed capital. In addition, a fee of this magnitude will allow the thrifts to adjust to rapidly changing market conditions without an untimely cost imposed upon the operation. The fee tailored within this conference report will permit the savings and loans to diversify for their ultimate survival.

Mr. Speaker, what we have before us is the most sweeping financial industry legislation in 7 years. Both the House and Senate held extensive hearings and will hold further hearings on the proposed legislation. This broad, comprehensive banking bill before the House today is quite an amazing compromise. The moratorium on all nonbanking activities—March 5, 1987 through March 1, 1988—will allow the Congress to conduct valuable research and hearings in the area of combining commerce with banking. Also, the nonbank bank provision that puts a necessary limit on the amount of nonbank banks within current operations is very important. Restricting no other entity after March 5, 1987 makes good sense for the consumer and allows regulators to monitor this limited number of financial companies adequately.

Mr. Speaker, one aspect of this bill, which is very close to my heart as well as others, is the Expedited Funds Availability Act. This significant piece of legislation would provide uniform scheduling practices by banks concerning when checks are to be deposited and cleared. This act would prevent arbitrary policies imposed by various financial institutions regarding when the check would be credited.

Mr. Speaker, let me say for the record that I am proud of this conference report and admire the efforts from both sides of the aisle, as well as the other Chamber. The conferees recognize the urgent need for compromise and recapitalization. I strongly urge my colleagues to follow suit. As a senior member on the banking committee, my philosophy has always been "better bend than break." If members are not willing to accept the current conference report with its compromise, then the FSLIC fund, which is in such need of recapitalization, could possibly break.

To reach final agreement, Mr. Speaker, conferees made significant compromises. With sweeping legislation such as this, further compromises are necessary to satisfy all branches. I commend our good chairman, Mr. ST GERMAIN, for his sense of compromise and for moving this conference session so expeditiously. Obstacles always appear when you take your eyes off the main objective. Of course, there are always obstacles when legislation of this magnitude comes about, but our good chairman always kept the conferees focused within the scope of the ultimate goal—recapitalization of the ailing FSLIC fund as quickly as possible.

As William Wrigley, Jr., the chewing gum magnate, once said, "fools bite one another, but wise men agree together."

I urge strong support of this conference report and this imperative financial industry legislation.

Thank you, Mr. Speaker.

Mr. LAFALCE. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, I rise reluctantly to oppose this conference report. I am not going to rehash all the arguments which I made during the rule.

But I would like to start out by saying that I support the enactment of legislation to recapitalize the Federal Savings and Loan Insurance Corporation. It is imperative that we take quick action to shore up the sagging public confidence in our Nation's thrift industry. However, I oppose H.R. 27 because, unlike the legislation approved by the House, this bill is highly controversial and could actually undermine the safety and soundness of our Nation's thrift and banking institutions.

On May 5, this body approved a FSLIC recapitalization plan that was extremely responsive to the funding needs of the FSLIC, as well as the long-term viability of the thrift industry. But the conference committee went on to ignore the overwhelming sentiments of the House by more than doubling the funding level of the FSLIC recapitalization plan. And, after narrowly defeating, by a vote of 11-9, an effort to keep the legislation free of extraneous amendments that have nothing whatsoever to do with the FSLIC problem, the conference committee went down the line and accepted virtually every controversial provision in the Senate's banking bill, without hearings or debate either in the banking committee or on the House floor.

In my view, the $10.824 billion recapitalization level will saddle the thrift industry with a massive debt burden that would preclude any prospect for recovery well into the next century. Such a plan places in jeopardy the net worth of the healthiest institutions, and discourages outside investors from bringing new capital into the industry. The strong institutions will seek to escape the fund, as evidenced by the fact that 10 of the Nation's largest thrifts have already applied to convert to FDIC insurance. Ultimately, the result will be an increase in FSLIC's cost burden, and a reduction in the premium base upon which FSLIC must rely for recapitalization.

The $5 billion plan that the House initially approved is a far superior plan. Along with an estimated $5 billion for premiums and other sources, it would provide FSLIC with about the same level of funds over the next 2 years. At the same time, it would provide Congress with the opportunity to keep a closer watch on the operations of FSLIC. The agency's controversial actions are the primary reason there is forbearance language in the bill.

The GAO testified before the House Banking Committee that a desired ingredient in any recapitalization plan would be greater oversight by Congress. If the FSLIC has to return to Congress for more borrowing authority in 2 years, oversight is automatically built into the program.

Even more objectionable than the funding level is the fact that the FSLIC plan is being used as a vehicle to enact extraneous amendments under the guise of competitive equality, and safety and soundness. The financial status of the FSLIC is a real emergency; much of H.R. 27 is not. H.R. 27 is anticompetitive and anticonsumer.

Finally, I would like to make a few comments regarding the conference on H.R. 27. An amendment was proposed to extend the scope of the moratorium on regulatory action in the area of bank and bank holding company securities activities beyond that contemplated by the Senate bill. This amendment was not subjected to hearings and represents new matters not addressed by either body. It was agreed to sight unseen by the conferees. When a copy of the amendment was made available, its full scope and potential for disrupting the stability of the current financial system became apparent. Changes were made at the request of the conferees of the House and Senate.

The securities moratorium in section 201(b)(2) only forbids Federal banking agencies from authorizing banks to engage in securities activities that had not been authorized prior to March 5. It was not intended to prohibit a bank or bank holding company or their affiliates from engaging in a securities activity that was permissible for banks or bank holding companies or their affiliates prior to March 5, regardless of whether the particular bank or bank holding company or affiliate itself engaged in the activity prior to that date.

The conference in no way intended to impose upon any of the Federal banking agencies any affirmative duty that would limit the usual and customary discretion that they exercise in pursuit of their regulatory and administrative duties. Also, section 201(b)(2) is not intended to make any changes in the substantive law regarding the legality of a particular securities activity. It is also not intended to be construed as a congressional judgment on whether existing law does or does not permit a bank or its affiliates to engage in particular securities activities.

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In addition, section 201(b)(2) was not intended to cover those activities that might be engaged in with only prior notice to the relevant agency. Those activities are considered to be already legally authorized in writing and continue to be permissible.

The conference report reflects the agreement of the conferees on the meaning of the bill. Therefore, efforts to give new meaning and scope to this language in a unilateral fashion are inappropriate. This language is a product of much negotiation and compromise and stands as reported by the conference committee.

Mr. Speaker, H.R. 27 is bad banking legislation, and I urge my colleagues to reject it. In doing so, we should insist that the banking committee immediately report back to the House a measure which will provide a genuine solution to the financial problems of our Nation's thrift industry—without the regressive and restrictive amendments contained in H.R. 27.

Mr. ST GERMAIN. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. Hubbard], a member of the committee and of the conference committee.

Mr. HUBBARD. Mr. Speaker, I rise as a member of the banking conference committee which labored over the final language of this important bill and its accompanying report. I want to address in particular the moratorium provision, section 201.

As the conference report makes clear, the moratorium has a limited purpose. As passed by the Senate, its sole effect was to prevent the Federal Reserve Board from making effective, until March 1, 1988, any approval of an application by a bank holding company to underwrite bank-ineligible securities through a nonbank subsidiary if the approval required a determination that the subsidiary was not "engaged principally" in such new activities.

The conference committee agreed to this moratorium and, in a very late addition proposed by my distinguished colleague from New York, Mr. Schumer, also agreed to extend the moratorium to the approval of new securities activities by the Comptroller of the Currency. I want to emphasize my understanding, based on the explanation of the amendment by Mr. Schumer, that it was designed as a technical correction that would assure that the moratorium was effective to prevent the banking agencies from approving new securities activities.

It is very clear from the history, purpose, and text of the moratorium that it is simply a short-term freeze and suspends the effective date of approval of new securities activities by the Federal bank regulatory agencies. If an activity was found to be permissible for banks or bank holding companies prior to March 5, 1987, the moratorium does not affect it. Any banking institution can continue to engage, or begin to engage in such an activity, subject to existing laws unaffected by the moratorium.

I understand a question has been raised as to whether the moratorium prohibits banks and bank holding companies from underwriting securitized assets, or perhaps those registered with the SEC. Nothing in the bill or the conference report says this. My understanding is directly contrary. The trend toward securitization of assets—for example of consumer receivables and of residential mortages held be banks—began several years ago. The authority for a bank to participate in the sale of such securitized assets—which is often a part of the bank's funding activities—is longstanding, and preexists March 5, 1987. One example of this is the Comptroller's May 22, 1986, letter regarding Liberty Norstar Bank and the authorities it cites. The moratorium is not intended to make banks dismantle these programs or their plans to undertake them. Indeed, as a practical matter, looking at the banks' track record with securitization of bank assets will be very helpful to the committees, as we address the question of the role of financial institutions in the evolving capital and securities markets.

I also want to assure my colleagues that the moratorium does not limit the enforcement authority or discretion of the Federal bank regulators. When the bill speaks of prohibiting authorization of new securities activities by "inaction or otherwise," what we're talking about is the kind of situation where a statute or a regulation provides that an application to do something shall be deemed approved if the agency has not disapproved it within a certain number of days. In addition, the bill does not confer a private right of action against any agency, nor, of course, against any particular banking institution. If the conferees wished to create a private right of action, we would have done so with specific language.

I want to express appreciation to and compliment Chairman Fernand J. St Germain, staff director Dr. Paul Nelson and the staff of the House Banking Committee for their efforts on behalf of H.R. 27.

I urge my colleagues to support H.R. 27, a conference compromise of complex issues which President Reagan, Treasury Secretary James Baker, and a majority of the Members of the 100th Congress now support.

Mr. ST GERMAIN. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. Kleczka].

Mr. KLECZKA. Mr. Speaker, I rise in strong support of the conference report.

When H.R. 27 passed the House, I was among a handful of Members who voted "no."

My reasons were twofold.

First, the $5 billion recap level was ridiculously low.

Second, the bill's bargain basement exit fees sent a clear message: If the going gets tough, tough thrifts should get going—from the FSLIC to the FDIC.

The $10.8 billion recapitalization the conference report provides is far more realistic.

It's still not enough, but we're getting closer. Give us another Congress or two and we'll catch up to the real world.

I was especially pleased the conference report includes a temporary moratorium on thrift exits from the fund.

With that provision, we have breathing room to tackle an issue which may determine whether FSLIC will be "recapitalized" or "lemonized."

Ultimately, I believe Congress must require healthy thrifts which abandon the FSLIC for FDIC to pay a substantial departure fee.

If we do not, healthy thrifts will leave the FSLIC fund in droves.

When that happens, taxpayers will be asked to bail out an FSLIC fund dominated by failing thrifts.

The conference agreement also deserves a yes vote for reasons not directly related to the FSLIC issue.

It closes a gaping loophole in existing law which fostered the haphazard development of poorly regulated nonbank banks.

The conference agreement strengthens consumer rights by limiting the amount of time a bank can hold your check.

The moratorium on new bank powers will, I believe, force Congress to come to grips with this issue.

It would be a good idea for Congress to come to grips with the whole issue of Federal deposit insurance.

Mark my words.

This is the beginning of the deposit insurance debate, not the end.

To limit Federal bailouts and inspire depositor confidence, we must lay the groundwork for the merger of funds.

Putting out fires, one fund at a time, sends a dangerous signal to the marketplace.

One well-managed and well-capitalized financial institution insurance fund which insures all deposits is both desirable and inevitable.

Congress has a choice.

It can arrange a "shotgun marriage" of the funds during a period of severe fiscal crisis.

Or it can devise an orderly, step-by-step merger of the funds over a period of years.

The latter approach makes far more sense. I am now drafting legislation to do just that.

If we do not, we risk collapse in not only the thrift system, but also the bank system.

Mr. Speaker, by adopting the report, we take the first step toward comprehensive reform of our deposit insurance system.

I urge the adoption of the conference report.

Mr. WYLIE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. Wortley].

Mr. WORTLEY. Mr. Speaker, I rise in support of this legislation, but not without serious reservations. What started in the House as an emergency measure to recapitalize the savings and loan insurance fund has grown to include several controversial items. These items are responsible for delaying this entire process, and they demonstrate that Congress is still failing to recognize new developments in the financial services marketplace.

For example, despite the Federal Reserve Board's carefully considered decision to allow banks limited authority to underwrite and deal in commercial paper and other securities, this bill places a moratorium on those decisions harming the ability of banks to compete both domestically and internationally. With their Third World debt burdens, it is vitally important that banks remain competitive in today's financial services marketplace. And even more so, it is important to consumers.

The cost of homes and other large purchases could be decreased if banks were allowed to better fulfill the needs of their customers in the most cost-effective manner possible. Municipalities could fund important construction projects with revenue bonds at a lower cost to taxpayers if banks were allowed to compete with Wall Street firms in this area. Both large, established businesses and smaller, startup firms would find the cost of essential investment capital lower if banks could compete in the commercial paper market.

In addition, the concept and advantages of the dual banking system have been eroded by the provision in the bill extending provisions of the Glass-Steagall Act to State-chartered banks which are not members of the Federal Reserve System. This action was opposed by the National Conference of State Legislatures and the Conference of State Bank Supervisors. Without the ability to offer new powers, States will find it increasingly difficult to sell troubled banks and thrifts in order to protect depositors. Innovation in solving economic problems will be stifled. In my own State of New York, State-chartered banks have been permitted to be affiliated with securities firms subject to certain limitations. It was anticipated that this power would be used to spur industrial development.

As a conferee, I wish to reiterate that the moratorium provision of section 201 has a limited purpose. It is clear from the history, purpose and text of the moratorium that it is simply a short-term freeze which temporarily suspends the effective date of approval of new securities activities by the Federal bank regulatory agencies. If an activity was found to be permissible for banks or bank holding companies prior to March 5, 1987, the moratorium would not affect it.

Furthermore, it is my understanding that the conference in no way intended to remove any enforcement discretion that Federal banking agencies may now exercise with respect to the securities activities of banks, bank holding companies, and their affiliates. This legislation does not judge whether existing law does or does not permit a bank or its affiliates to engage in particular securities activities.

The legislation is not intended to prohibit a bank or bank holding company or their affiliates from engaging in a securities activity that was permissible for banks or bank holding companies or their affiliates prior to March 5, 1987, regardless of whether the particular bank or bank holding company or affiliate itself engaged in the activity prior to that date.

This legislation also closes the nonbank bank loophole to prevent the mixing of banking and commerce which resulted after unilateral and questionable action by unelected regulators. Nonbank banks were a result of an unforseen and technical loophole in the Bank Holding Company Act, and this unfortunate situation will now be corrected. However, I am concerned about the ability of the grandfathered institutions to effectively conduct their businesses. These institutions complied with the law as it was written, and they should not be penalized for their entry into banking. This bill imposes restraints on growth and marketing activity which may prove unworkable and unwise.

Consumers will benefit particularly under one section of this bill which limits the time a bank may withhold on checks deposited by customers. Within 3 years of enactment, checks drawn on local banks must be available on the second business day after deposit, and nonlocal checks must be available no later than the fifth business day after deposit. Next-day availability will be required for cash deposits and Government checks. This is essential legislation to protect the rights of consumers who often must have timely access to their money to pay everyday living expenses.

But the primary reason I believe this legislation should be approved is because of the provisions recapitalizing the savings and loan insurance fund and allowing regulators emergency acquisition authority. The amount of recapitalization has been nudged upward toward a more rational and reasonable level, and confidence in the system should soon be restored. The issue of the secondary reserve has been resolved, and the provisions requiring GAAP accounting by S&L's have been made more workable. Emergency acquisition authority will allow the FDIC to handle failed and failing institutions in a more efficient and cost-effective manner. Since taxpayer funds are ultimately backing the FDIC, this is a comforting prospect.

Despite its faults, this bill is a product of much discussion, heated debate, and frequent votes. It is a compromise that pleases some more than others, but time has run out and its provisions affecting the stability of the S&L industry must be enacted now.

I urge an affirmative vote on this legislation by my colleagues.

Mr. ST GERMAIN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. Lehman].

Mr. LEHMAN of California. Mr. Speaker, I rise in support of this compromise package which I think is the best possible compromise the committee could come out with.

Mr. Speaker, I would like to engage in a colloquy with my friend from New York [Mr. Schumer].

Mr. Speaker, as a member of the conference committee on H.R. 27, I seek clarification as the author of an amendment to title II of that bill pertaining to a moratorium on certain nonbanking activities by bank holding companies or insured banks relating to securities. Specifically, I refer to section 201(b)(2)(C) concerning operating a nondealer marketplace in options. Am I correct in stating that the application of the moratorium in title II to this particular activity is not intended to curtail the provision by bank holding companies or a subsidiary or an affiliate of a bank holding company of traditional banking services in connection with all types of securities trades by acting as a custodian, a transfer agent, or handling the disbursement of funds or serving as a clearing agency or otherwise acting as an agent on behalf of a customer?

Mr. SCHUMER. My friend from California is correct. In offering my amendment to title II concerning the operation of a nondealer marketplace in options by a bank holding company or a subsidiary or affiliate thereof, it was not my intention to curtail those traditional banking activities which you have enumerated from being offered by those entities subject to the moratorium.

Mr. SCHUMER. Mr. Speaker, will the gentleman yield?

Mr. LEHMAN of California. I yield to the gentleman from New York [Mr. Schumer].

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**Mr. SCHUMER.** I thank the gentleman for yielding.

Mr. Speaker, my friend from California who has worked so hard and diligently on this and other provisions of the bill is correct. In offering my amendment to title II concerning the operation of a nondealer marketplace in options by a bankholding company or subsidiary or affiliate thereof, it was not my intention to curtail those traditional banking activities which the gentleman has enumerated from being offered by those entities subject to the moratorium.

**Mr. LEHMAN of California.** I thank the gentleman for his contribution to the legislation and especially compliment our chairman, Mr. St Germain, our ranking minority, Mr. Wylie, for an excellent package.

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**Mr. WYLIE.** Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. Pashayan].

**Mr. PASHAYAN.** Mr. Speaker, I wish to commend my colleagues who serve on the Banking Committee; I believe they have produced a fine piece of legislation, worthy of our support. There are some provisions of particular merit or concern to the thrift industry that deserve our special consideration.

First, the legislation creates in section 407 an informal appeals process for resolving disputes that arise in examining and supervising the thrift industry. The Federal Home Loan Bank Board is directed to establish an informal review procedure for appealing such disputes to an independent arbiter appointed by the principal supervisory agent in each district. The Board must develop a set of regulations for executing this appeals process. In that rulemaking the Board should address such matters as how this appeals process relates to other dispute resolution processes in law or regulation; when the board itself should take discretionary review of questions decided at lower levels under those processes; and when the failure of board personnel to take timely action in supervisory matters should be the grounds for review. The board should immediately begin a rulemaking that includes a public hearing to resolve these matters and other questions presented by section 407.

This Chamber can be especially proud of the work done by its conferees in correcting the inequity of the confiscation by the Federal Home Loan Bank Board of the prepaid insurance premiums of certain thrifts held in a secondary reserve by the Federal Savings and Loan Insurance Corporation. The resolution of this matter contained in section 307 is confirmation of the congressional intent that the secondary reserve belongs to the institutions that contributed to it and should be considered an asset of these institutions. Section 307 ensures that every cent of that asset will ultimately be returned to those institutions through offsets against FSLIC special assessments and premiums. For institutions that leave FSLIC before recovering all of their share of the secondary reserve, it can be applied to offset the special assessment portion of the exit fee authorized by section 302 of this legislation.

I am also happy to see that the House-initiated upper limit on exit fees to be imposed on institutions moving from FSLIC to FDIC insurance has been adopted by the conference. While some have argued for much higher amounts or other administrative barriers, the provision in section 302 requiring an exit fee of two times an institution's annual premium plus two times its special assessments is fair and reasonable. The legislation has the clear intent of allowing institutions that qualify for FDIC insurance to transfer to that system without unreasonable delay, if they pay an equitable exit fee. Specifically, the Board should not attempt to use the authority it has recently asserted in its transfer of assets of insured institutions rule to delay or restrict the transfer to FDIC of a qualifying institution. That would provide a welcome degree of certainty on this question for institutions whose business decisions lead them to believe that the FDIC would be a more appropriate insuror for them.

For State-chartered savings banks insured by FDIC and in existence on or before March 5, 1987, section 101(d) of the legislation resolves an important dispute concerning the degree to which the Federal Reserve Board can restrict their activities under provisions of the Bank Holding Company Act. The section specifically provides that existing state-chartered savings banks may continue to exercise all non-insurance powers granted to them by state law without such restriction by the Federal Reserve Board. The legislation does not address the question with reference to newly formed State-chartered savings banks. No inference may be taken from the bill's silence on this question. Simply stated, the legislation grants no new authority to the Federal Reserve Board or other Federal banking agencies to restrict the State-granted powers of existing or new State-chartered savings institutions.

Finally, I must raise some serious concerns about one section of this legislation. I have deep reservations about the potential for inequitable treatment of thrift institutions under section 406. This section, which was not in either the House or Senate versions of the bill before conference, grants the bank board authority to establish minimum capital requirements for thrifts. The provision specifically references similar authority granted to Federal banking agencies in the International Lending Supervison Act of 1983 and indicates that the board's capital requirements should be "consistent with" those of the banking agencies. I want to state plainly that there is no requirement that the Board shall adopt precisely the same treatment of capital for thrifts as the banking agencies do for commercial banks. For example, in section 402 of this legislation Congress has specifically authorized the inclusion of subordinated debt and goodwill in computing capital levels for thrifts in a manner that is different from that used by commercial banks. The board should understand that such treatment is to be continued under any capital requirements adopted pursuant to section 406.

Even more troublesome is a provision in section 406 that would allow the board to alter minimum capital requirements, case by case. The potential for inequitable treatment is so great that I am compelled to indicate in the strongest possible terms that the bank board must recognize the extraordinary nature of such authority. The Congress does not intend that such authority would ever be used in the absence of a rulemaking that establishes clear guidelines for establishing capital requirements. The bank board is not free to accord less than equal protection to any individual institution. Similarly, it is not free to utilize such extraordinary authority as a means of undermining the dual banking system. The Congress, and this member in particular, will be watching closely to see that the authority is not used in any manner to control indirectly the activities of State-chartered institutions. Congress does not intend that the bank board use this authority to assign prohibitive capital requirements to the exercise of business activities authorized by the states for State-chartered thrifts. The bank board should give these concerns very careful consideration in a public rulemaking proceeding and should be very cautious with such potentially controversial authority.

The conference has fashioned a sensible piece of legislation that deserves our support. It assigns to the Federal Home Loan Bank Board the responsibilities that must be carried out with great care. It is our dual responsibility first to adopt this legislation and second to keep a very watchful eye on the bank board's exercise of its duties.

**Mr. WYLIE.** Mr. Speaker, I yield 2½ minutes to the gentleman from Texas [Mr. Bartlett].

**Mr. BARTLETT.** Mr. Speaker, I support the conference report on H.R. 27, and I urge every Member of the House from every region of the country to vote for it.

I am grateful for the bipartisan support and the leadership on a bipartisan basis that this bill has enjoyed and the effort of the administration to come out with a bill that is both signable and the best legislation that is available today.

This legislation is not perfect. I would have preferred some changes in it. I would have preferred clean FSLIC legislation, but due to the legislative process, that was not to be.

This legislation, however, is emergency legislation. It is emergency legislation that was first called to our attention in March, 1986 when we were told by FSLIC that FSLIC was an insurance fund without any funds. This legislation restores some of the funding to FSLIC in order to provide for insurance for depositors from all parts of this country. It is a nationwide insurance. The legislation provides for $10.8 billion in recapitalization.

I would have preferred the full $15 billion that was offered, but $10.8 billion is the level that is available today. It will get us started. It is sufficient for capitalization for the next several years.

Mr. Speaker, on the issue of the so-called forbearance section of the legislation, title IV, it is somewhat of a misnomer to call it forbearance because what this legislation does is indeed to require that those institutions that are so deeply insolvent that they cannot bring themselves back to health would be closed or merged with the assistance of FSLIC into a healthy institution. That in and of itself will bring down the cost of funds for the savings and loan industry across this country.

Those other institutions, however, that can demonstrate that they can work their way back into health and that are at low levels of profits because of the economy in general will be permitted to work their way back to health.

The heart of title IV is a change in the regulatory environment. It is a change that would mandate the use of generally accepted accounting principles in arriving at values and other regulatory matters. In fact, the only provision this bill makes when regulations are different from GAP accounting is when those regulations will be consistent with commercial banking regulations that are traditional and long used. Most of the problems in the economy in many areas are due to overbuilding and overlending.

Mr. Speaker, I urge a "yes" vote on this legislation.

**Mr. ST GERMAIN.** Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. Schumer], a member of the conference committee.

**Mr. SCHUMER.** Mr. Speaker, first I want to express my admiration and respect for the chairman of the committee, the ranking member of the committee, and all those who worked on this bill. It is awful difficult to pass banking legislation these days, with so many cross-cutting interests and very little national conception as to what the general and national interest is, let alone the interests on behalf of our constituents. When I pop into O'Halloran's pub in my district, I rarely hear one of the fellows say to me, as I am visiting my constituents, "Hey, Charlie, what's going on with Glass-Steagall"?

The second thing that I would say is that the three changes that have been added to the bill as a result of administration pressure all make the bill better. So I think if Members voted for the bill the last time, we have even a better bill this time.

Third, on the moratorium section, both the particular section on the Comptroller and the general section which I authored, let me state first that it is intended as a broad-based general moratorium, not just limited to principally engaged but in general to all.

Finally, on section 201(b)(2)(B), it is clear in debate and it is clear now, despite what both sides are saying, that the March 5, 1987, deadline is what was intended. That means that the Comptroller of the Currency's assertion that banks and their subsidiaries can participate as underwriters in the public sale and distribution of bank asset-backed securities contravenes what we did here today, or what we did contravenes what they did. The bill would allow an exception for one, and only one deal, that of Marine Midland, which closed prior to June 30.

So, therefore, while activities that were done before March 5, 1987, allowed by action or inaction of the Comptroller, will continue to be allowed, activities done after March 5, 1987, will not be allowed, at least until the time the moratorium expires.

I have heard it said that the Comptroller intends to simply go ahead and allow more deals like the Marine Midland deal, and the judgment of the author of this provision, that would directly contravene what Congress did, and in fact it would show in my opinion some contempt for our legislative authority.

Mr. Speaker, I thank all of those who worked on this bill and I yield back the balance of my time.

**Mr. ST GERMAIN.** Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. Barnard], a member of the conference committee.

**Mr. BARNARD.** Mr. Speaker, I rise as a member of the conference committee which labored over the final language of this important act and its accompanying report to state my understanding of certain provisions in these documents. I do so in order to make explicit a number of matters which might be subject to misinterpretation or to give emphasis to a number of points which have proven particularly contentious.

I would like to summarize three points, first, and return to them in some detail later.

With respect to the moratorium provisions of section 201, it is very clear from the history, purpose, and text of the moratorium that it is simply a short-term freeze and suspects the effective date of approval of new securities activities by the Federal bank regulatory agencies. Any securities activities authorized in writing, or engaged in, by any specific banking organization, prior to March 5, 1987, may also be engaged in during the moratorium by any other banking organization. Put otherwise, section 201 treats grandfathered activities generically and does not subject them to an ex post facto, case-by-case review.

Another point that should be made is that the "new activity" restrictions in title I on grandfathered nonbank banks relates to the activities they were offering to the public on March 5, 1987, and not to the services that they might obtain or were obtaining from the Federal Reserve under section A of the Federal Reserve Act before, on, or after March 5, 1987. These services are not proper activities. With the exception of statutory provisions related to daylight overdrafts, we did not try to amend section 11A of the act, with respect to grandfather nonbank banks. We only cut exempted, as opposed to grandfathered, nonbank banks out of section 11A services.

Finally, I believe that for purposes of section 101(c) of the bill, in its new addition of (f)(2)(ii) to the Bank Holding Company Act, that "shares acquired in a bona fide fiduciary capacity" is intended to encompass, for the purposes of the exemptions at that point in the bill, shares held in "street name."

Turning to a more extended treatment of these subjects, first, I want to address in particular the moratorium provision, section 201.

As the conference report makes clear, the moratorium has a limited purpose. As passed by the Senate, its sole effect was to prevent the Federal Reserve Board from making effective, until March 1, 1988, any approval of any application by a bank holding company to underwrite bank-ineligible securities through a nonbank subsidiary if the approval required a determination that the subsidiary was not "engaged principally" in such new activities.

The conference committee agreed to this moratorium and, in a very late addition proposed by my distinguished colleague from New York, Mr. Schumer, also agreed to extend the morato-

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rium to the approval of new securities activities by the Comptroller of the Currency. I want to emphasize my understanding, based on the explanation of the amendment by Mr. SCHUMER, that it was designed as a technical correction that would assure that the moratorium was effective to prevent the banking agencies from approving new securities activities. It is my understanding that the amendment by Mr. Schumer to section 201 was designed as a technical correction that would assure that the moratorium was effective to prevent the banking agencies from approving new securities activities. I should like to also add that, of course, this technical amendment is not intended to alter the historic and productive methods that the agencies use to communicate their views to the industry and other interested parties. Banks or their counsel routinely obtain the views of the agency, not because the law requires agency "approval" of an undertaking, but because keeping banks current on the agency's position is an important part of the regulatory process. The propriety of an agency's responding to these day-to-day requests for informal advice is not affected by the moratorium. When the moratorium talks about "approval," we're really just talking about those obviously new activities, such as applications under § 20 of the Glass-Steagall Act, or approval of new operating subsidiaries to engage in activities.

It is very clear from the history, purpose and text of the moratorium that it is simply a short-term freeze and suspends the effective date of approval of new securities activities by the Federal bank regulatory agencies. If an activity was found to be permissible for banks or bank-holding companies prior to March 5, 1987, the moratorium does not affect it. Any banking institution can continue to engage, or begin to engage in such an activity, subject to existing laws unaffected by the moratorium, regardless of whether the banking institution engaged in the activity prior to March 5, 1987.

I understand a question has been raised as to whether the moratorium prohibits banks and bank-holding companies from underwriting securitized assets, or perhaps those registered with the SEC. Nothing in the bill or the conference report says this. My understanding is directly contrary. The trend toward securitization of assets—for example of consumer receivables and of residential mortgages held by banks—began several years ago. The authority for a bank to participate in the sale of such securitized assets—which is often a part of the bank's funding activities—is longstanding, and preexists March 5, 1987. One example of this is the Comptroller's May 22, 1986, letter regarding Liberty Norstar Bank and the authorities it cites. The moratorium is not intended to make banks dismantle these programs or their plans to undertake them. Indeed, as a practical matter, looking at the bank's track record with securitization of bank assets will be very helpful to the committees, as we address the question of the role of financial institutions in the evolving capital and securities markets.

I also want to assure my colleagues that the moratorium does not limit the enforcement authority or discretion of the Federal bank regulators. When the bill speaks of prohibiting authorization of new securities activities by "inaction or otherwise," what we're talking about is the kind of situation where a statute or a regulation provides that an application to do something shall be deemed approved if the agency has not disapproved it within a certain number of days. In addition, the bill does not confer a private right of action against any agency, nor, of course, against any particular banking institution. If the conferees wished to create a private right of action, we would have done so with specific language.

Second, the correct reading of H.R. 27 is to say that the new activity restrictions on grandfathered nonbank banks relates to the activities they were offering to the public on March 5, 1987, and not the services that they might obtain or were obtaining from the Federal Reserve under section 11A of the Federal Reserve Act before, on or after March 5, 1987. For instance, if a grandfathered nonbank bank was serving in a fiduciary or custodial capacity, at a time prior to or on March 5, 1987, for accounts that involved activities which entailed possible Federal Reserve services available under section 11A of the Federal Reserve Act, they may access those Federal Reserve services even though they were not obtaining such services from the Federal Reserve specifically before, on or after that day without being considered engaged in a new activity. For further instance, a grandfathered nonbank bank, which was also affiliated with a securities firm that is a primary dealer may, subject to the collateralization provisions of H.R. 27, run an intraday overdraft after March 5, 1987, even though it did not run an intraday overdraft specifically on, before, or after March 5, 1987, without that being considered a new activity under H.R. 27.

Third, title I of H.R. 27 at 101(c) provides of exculpatory provisions for companies affiliated with nonbank banks that come into control of shares in capacities that are largely passive. While one might read the list of those capacities broadly, as they appear in the new subsection to the Bank Holding Company Act, (f)(2)(A)(ii), it is useful to point out that, for the limited purposes of new provision of the Bank Holding Company, "shares acquired in a bona fide fiduciary capacity" include shares held in "street name."

In addition, I want to express some views concerning one portion of the legislation that requires some clarification. Section 406 provides new authority to the Federal Home Loan Bank Board to establish minimum capital requirements for savings and loans. That authority is patterned after and intended to be consistent with authority granted to the Federal banking agencies by the International Lending Supervision Act of 1983. I want to make it clear to the Bank Board that it is not expected to adopt a capital requirements system that is exactly like that adopted for commercial banks. Congress recognizes that there are differences between commercial banking and the thrift industry and expects the Bank Board to adopt capital requirements that are appropriate for the savings and loan industry. For example, as indicated by specific provisions in section 402, Congress intends that the Board continue to allow subordinated debt, goodwill and special loan loss deferral treatment to be used in meeting capital requirements. The Board's implementation of section 406 should encompass that approach.

Further, the development of the Board's use of the authority granted by section 406 should proceed with caution and deliberation. Just as the banking agencies are doing, the Board should initiate a rulemaking to explore the proper approach to developing capital requirements. In particular, any contemplation of the use of a case-by-case approach to establishing capital requirements must be the subject of extensive public consideration and debate in that rulemaking. The Board must be careful not to create a system that would allow institutions to be treated inequitably.

Finally, I wish to call attention to the statement of managers on page 121 of the conference report in that it neglects to follow with a complete explanation of the pertinent statutory language at section 101(h) which begins on page 13 of H.R. 27. That statutory language clearly provides that there will be a buyer of the nonbank bank that is subject to the transition rule and that it is the buyer of the nonbank bank who is going to convert the nonbank bank to a credit card bank.

Mr. LAFALCE. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL. Mr. Speaker, I would like to emphasize that the securities moratorium contained in section 201 does not affect, among other things, any securities activities in which a bank, bank-holding company or a subsidiary

or affiliate of a bank or bank-holding company acts in an agency capacity. Accordingly, such moratorium would not affect, for example, any retail securities brokerage activities, including those activities which involve the provision of investment advice to customers, of any bank, bank-holding company, or their subsidiaries and affiliates.

Mr. ST GERMAIN. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. NELSON], a member of the conference committee.

Mr. NELSON of Florida. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to take this opportunity as a member of the conference committee to congratulate the leadership of this conference committee, which was conducted in an exemplary manner by the gentleman from Rhode Island [Mr. ST GERMAIN], who chaired the conference committee. I extend my compliments to the leadership of the other body. With their help, we sorted out some rather thorny issues and were able to come to an agreement.

This is a delicate balance. It is a delicate balance between the FSLIC recapitalization issues, the nonbank bank issues, and the moratorium on bank powers issues. This is indeed a piece of banking legislation that will be the major piece perhaps of this decade, and it has been a privilege for me to be a part of it.

Mr. KANJORSKI. Mr. Speaker, I believe there is much to support in the legislation before us today. I want to congratulate the chairman of the committee, the House conferees, and the staff for putting together such a difficult conference report on so many topics. The passage of this legislation will restore public confidence in our thrift industry, without any cost to the taxpayer, it will guarantee consumers access to funds they deposit in their checking and savings accounts within reasonable periods of time, and it will restore a semblance of order to our financial marketplace by closing the nonbank bank loophole. These are all major accomplishments.

I particularly appreciate the willingness of the conferees to include in section 414 language I recommended providing an extension of regulatory forbearance to thrift institutions who helped out the FSLIC in the early 1980's by taking over failing thrifts. These "white knight" institutions did us a great favor by reducing FSLIC's liquidation costs, and it is only appropriate that we give them additional time to adjust to the consequences of taking over troubled thrifts.

I'm also pleased to see that the conference agreement gives the GAO full audit authority over the Federal Asset Disposition Agency [FADA], and that section 415 includes language similar to a provision I added to the House version of the bill requiring reports by FADA to the Congress on its expenditures for receivers, conservators, accountants, attorneys and consultants. The potential for abuse, mistakes, and self-dealing in the disposition of billions of dollars of assets is substantial and we must make sure that there is adequate accountability and oversight. Along these lines, I want to commend Chairman ST GERMAIN for announcing his intention to hold oversight hearings in this area. As a member of the committee, I look forward to participating in these hearings.

Mr. Speaker, in approving this conference agreement, I also want to express my concern about the potential for abuse by the Federal Home Loan Bank Board of one provision of the bill. If improperly interpreted by the Board, section 406 could constitute a serious threat to the continuation of the dual banking system in the thrift industry by effectively eliminating the right of the states to regulate the institutions they charter. While there are those who favor giving the Bank Board unlimited power to restrict the lawful activities of State-chartered thrifts, it should be noted that the Congress has consistently rejected such an approach. The capital setting authority contained in section 406 should not be used as a backdoor way to prohibit otherwise lawful activities.

In order to ensure that the capital setting authority contained in section 406 is properly utilized by the Board, it is important that any guidelines for additions to capital requirements be adequately justified in a public rulemaking process. The Bank Board should proceed with extreme caution through the rulemaking process to make sure that its proposed rules do not indirectly restrict the exercise of State-granted powers the Board cannot restrict directly. My colleagues and I in the Congress will be monitoring closely the development of the Bank Board's guidelines under this authority to make sure that state regulatory systems are protected.

Mr. FRENZEL. Mr. Speaker, the conference report on H.R. 27, also known as the savings and loan bailout bailout bill, has become a consensus in this House.

The administration has negotiated up the new money to go into FSLIC to $10.8 billion from lesser figures in both House's versions—$10.8 billion is a big improvement, but it is still well short of the need.

The moratorium on new functions for banks may be politically attractive, but it's a cap out, and if not extended, will leave to the regulators decisions which should be made by Congress. I am also concerned that the 7 percent growth cap on grandfathered nonbank banks is unnecessarily restrictive.

The conference report falls short of what is needed, but the Congress is not going to have a better alternative this year. It will receive wide support, and I shall vote for it, too, as being better than the status quo.

Mr. BROOKS. Mr. Speaker, I rise to express my concern about the provision in this conference report that exempts all banking regulatory agencies from across-the-board sequestration cuts under the Gramm-Rudman law.

There may be entirely defendable reasons why these agencies should be exempted from sequestration cuts. Doing so, however, means that the amount cut from the budgets of every other defense and nondefense agency is increased. Many of these other agencies may be equally as worthy as the bank regulatory agencies of being exempted from the effects of an across-the-board sequestration cut. But, for a variety of reasons, these other agencies have not yet been singled out for special treatment under Gramm-Rudman.

The Gramm-Rudman law is a legislative atrocity that takes little, if any, notice of the importance of the mission of an agency or merits of a program when it lowers its deficit cutting ax. Consequently, instead of focusing on the deleterious impact that the provisions of this law have on just a few agencies, we should be examining the horrendous impact that the sequestration provisions of this law will have on the ability of all the agencies in the government to operate. Only then will we stop making the provisions of an awful law even worse.

Mr. LEACH of Iowa. Mr. Speaker, as a member of the conference committee, I would like to make several clarifying comments about the "2+2" exit fee imposed under section 21 of the Federal Home Loan Bank Act or under section 407(d) of the National Housing Act.

It is my understanding that this bill excepts three limited categories of institutions from these preexisting and continuing statutorily prescribed exit fees: First, those that already left the FSLIC system for the FDIC on or before March 31, 1987; second, those that actually filed with or gave notice to the FSLIC, the Bank Board, or a State or Federal banking agency regarding a transaction that would result in their leaving the FSLIC for the FDIC; and, third, those that entered into letters of intent or written memoranda of understanding regarding transactions that would result in their leaving the FSLIC for the FDIC.

It is also my understanding that this third category is intended to include those institutions that formally executed documents evidencing a decision to proceed with the transaction that results in their leaving the FSLIC, and conveyed those documents to parties involved in those transactions. It is not intended to include those institutions that had, by March 31, 1987, conveyed to the parties in their transactions or developed for their internal consideration less than formally executed decisions to proceed; for example, discussion memoranda, issues papers, or other manifestations of predecisional negotiation and analysis.

Mr. MANTON. Mr. Speaker, I rise to express my reservations concerning section 406 of this legislation. This section was not, previous to the conference, considered by either House of Congress. Section 406 provides a grant of new authority to the Federal Home Loan Bank Board to establish minimum capital requirements for thrift institutions on an institution-by-institution basis. Used improperly, this authority could allow the Board to dictate every business decision made by an institution it decided to single out. I want to make clear to the Board that Congress expects the Board to utilize this case-by-case authority sparingly. Moreover, I would expect the Board to promulgate a comprehensive rulemaking process in which the Board develops guidelines for the use of this authority. Those guidelines should protect institutions from any inequitable, arbitrary, or other abusive treatment by the Board or its agents. Mr. Speaker, as a member of the Committee on Banking, Housing and Urban Affairs, I expect to be consulted by the

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Board before it begins the rulemaking process on this section. I also believe the committee must be attentive to our oversight duties as this authority is developed.

Mr. BRUCE. Mr. Speaker, today we will vote on the conference report on H.R. 27, the FSLIC Recapitalization Act of 1987. I support this legislation, and I would like to call to the attention of my colleagues a section of the report which is particular importance to those of us who represent agricultural districts.

In addition to providing much-needed recapitalization for FSLIC, the final conference report contains a measure of assistance for hard-pressed agricultural banks and their farmer-customers. The conference committee has included in its report language based on the Agricultural Loan Assistance Act which I along with 25 cosponsors introduced earlier this year.

This section will allow qualified agricultural banks to write down loans from their book value to their fair market value over a 7-year period. It also will allow farm banks to amortize their losses on the reduced value of farmland acquired in the process of handling an agricultural loan.

If we are to restore the health of the Nation's agricultural economy, I believe these provisions are essential. The high interest rates and low crop prices of the recent past have left many farmers with debts that they cannot pay off. Consequently, agricultural banks have been forced to swallow huge losses all at once, and many of them are facing failure. Because farmers desperately need the credit assistance these banks provide, if we are to solve the many problems facing American agriculture, we must ensure the sound fiscal health of agricultural banks.

While agricultural banks are among the best-capitalized lending institutions in the Nation, the rising tide of farm bank failures demonstrates that even their strong capital position has not made them immune to the difficulties so many in American agriculture have been experiencing. These lenders and their farmer-customers need time to work through their problems; they deserve the forbearance period provided by the loan loss amortization provisions of this legislation.

This legislation encourages lenders to negotiate with farmers on appropriate debt restructuring measures. This ability to amortize will reduce the pressure on these financial institutions to foreclose and ease the continued downward pressure on land prices. Allowing these agricultural banks to stretch out their losses will enable them to remain competitive suppliers of credit to farmers and will help keep our entire rural economy afloat.

This section of the conference report is endorsed by the Farm Bureau, the Wheat Growers, the Corn Growers, the Soybean Growers, the American Bankers Association, and the independent Bankers Association, organizations which recognize that agricultural banks and farmer-borrowers urgently need the help it will provide.

I would like to thank the members of the conference committee for including these provisions from the Agricultural Loan Assistance Act, and I urge my colleague to join me in passing this much-needed legislation.

Mr. AKAKA. Mr. Speaker, I thank the gentleman for yielding me this time and rise in support of the conference report on H.R. 27. As many of my colleagues have emphasized, this conference report is not perfect. However, the $10.8 billion FSLIC recap represents a major step toward the maintenance of public trust in sound, responsible savings institutions, such as those in the State of Hawaii, and creates a positive environment strengthening consumer confidence in the safety and security of their deposits. Along with the FSLIC recap, the forebearance provisions provide a solid foundation for the restoration of industry soundness in financially distressed markets. The achievement of these worthy objectives, without imposing an unescapable, restrictive burden upon healthy savings and loans, or turning to the American taxpayer for relief, deserves our commendation and support.

The legislation also reflects the commitment of the House to the protection of consumer banking rights and the reassertion of congressional oversight over our Nation's banking activity. On both of these issues the conferees have arrived at fair compromises bridging diverse and competing interests.

I would like to express my gratitude and appreciation to the distinguished chairman of the Banking Committee, Mr. St Germain, and all the conferees for their diligence and efforts in bringing this equitable conference report to the floor.

I would also like to take the opportunity to extend my deepest aloha to the chairman of the Banking Committee, Mr. St Germain, the members of the committee, and the committee staff for their favorable consideration of circumstances unique to financial and industrial loan institutions in Hawaii in the drafting of titles II and VI.

Again, I thank the gentleman for yielding me this time and urge the bipartisan adoption of this legislation by my colleagues.

Mr. LOWRY of Washington. Mr. Speaker, I would like to take this opportunity to commend the chairman of the House Banking Committee, Mr. St Germain, for his excellent work on this very difficult piece of legislation and for his cooperation in addressing concerns of specific interest to institutions in my State of Washington. In particular, I would like to make explicitly clear the intent of an amendment to section 106 offered by my colleague, Mr. Lehman of California, which was adopted by the conference committee.

At the urging of Mr. Lehman, the conferees agreed to an amendment to exempt from the prohibitions contained in section 106 the purchase by Washington Mutual Savings Bank of one or more insured institutions. Section 106 as amended by Mr. Lehman and the conferees allows Washington Mutual to acquire FSLIC-insured savings institutions and hold them as subsidiaries and permit those savings institutions to be affiliated with Washington Mutual's securities subsidiary. This amendment also allows this securities subsidiary to establish offices, director and employee relationships with these new savings institution affiliates, just as are now maintained between Washington Mutual and this subsidiary.

I thank Mr. Lehman for his work on this matter and appreciate the support and cooperation provided by Mr. St Germain in urging adoption of Mr. Lehman's amendment by the conferees.

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I thank Mr. Lehman for his work on this matter and appreciate the support and cooperation provided by Mr. St Germain in urging adoption of Mr. Lehman's amendment by the conferees.

Mr. SCHUMER. Mr. Speaker, I wish to clarify the intent of an amendment which I introduced to H.R. 27, the banking bill which we are now considering. This amendment is now Section 201(b)(2) of the bill.

The cause of my introducing the amendment was my concern that Federal banking agencies would expand the securities activities of banks and their subsidiaries during the moratorium period set by title II of the bill on a determination other than the "engaged principally" standard of the original Senate version of this section.

In particular, the public sale of securitized bank assets, including mortgage-backed securities, is an activity covered by the amendment. Any such transaction for a bank, its subsidiary, or a bank holding company not specifically authorized in writing prior to March 5, 1987, is not to be authorized or allowed, by action, inaction, or otherwise, during the moratorium.

My intent to cover asset-backed securities in the moratorium is made clear in the addition of the exemption for "sales or transactions closed on or before June 30, 1987." Had I intended to exclude these activities from inclusion in the moratorium, this sentence would not have been necessary. The "lawfully engaged" exception to section 201(b)(2) is meant to cover only matters which a regulator has informally approved and which banks and bank organizations have carried on regularly and without dispute for extended periods. The public sale of asset-backed securities is not included in the "lawfully engaged" exception.

The SPEAKER pro tempore (Mr. Murtha). The Chair wishes to state that the gentleman from New York

[Mr. LaFalce] has 3 minutes remaining.

Mr. LaFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in summing up the opposition, I do not think I could do any better than quote at this time from an editorial in the Detroit News.

It said this:

> Congress has come up with a solution, but it will only prolong the problem and should be vetoed by President Reagan. Otherwise the taxpayer is going to be left holding the tab. Ronald Reagan's credibility as an anti-tax crusader is on the line."
>
> The conference bill, while it does not realistically deal with the problem of weak thrifts, does contain special provisions which would make it more difficult for new financial institutions, if you look back on so-called nonbank banks, to operate. This is clearly special interest, anticonsumer, anti-taxpayer legislation. Making it difficult to operate a consumer bank should not be a top priority. Real reform of the funding system or the FSLIC system is urgent. This bill creates a barrier where it is not needed and fails to deal with a pressing problem. It is sure to result in a tax increase on the American public. The President should veto it just as surely as he would any other tax increase.

In reviewing the comments that have been made by other Members for and against, I think the most salient arguments were made by the gentleman from Massachusetts [Mr. Frank]. He said there are philosophical differences, and while there are special interests on virtually every side of every piece of legislation, that is almost always true with respect to banking legislation. The public is really not that knowledgeable about banking legislation, and oftentimes, it seems as if the Congress is simply refereeing among competing special interests.

Here, though, I think the composite bill before us now appeals to virtually every anticompetitive instinct one could come up with, and hence, the special interests who are anticompetitive. In title I, for example, who prevailed there? The American Bankers Association, who did not want limited service banks, the Independent Bankers Association, who did not want the competition from limited service banks. That title is anticompetitive.

Also within title I, for example, are sections 103 and 106. Who prevailed there? The Securities Industry Association, the insurance industry, and the real estate industry, because they were able to impose a moratorium on State action, even though State action had not been prohibited in the past by Glass-Steagall.

The difficulty is that there are so many special interest provisions of that nature that the public winds up the loser.

With respect to the argument that we must pass the recapitalization of FSLIC today, that weakens, in my judgment, for if this bill, by some miracle, should be defeated, we could come back today or tomorrow with a clean FSLIC recap, as we did in the 99th Congress, and as the chairman wanted to do at the beginning of this Congress.

Mr. WYLIE. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. Miller].

(Mr. MILLER of Washington asked and was given permission to revise and extend his remarks.)

Mr. MILLER of Washington. Mr. Speaker, I rise in support of this conference report.

Mr. Speaker, today we take up the conference report on H.R. 27, a bill which we passed to recapitalize the Federal Savings and Loan Insurance Corporation.

When we voted on this bill in May, the House considered a clean FSLIC recapitalization bill. We did not take up the nonbank-bank issue or other provisions now before us. I would have preferred the House to take up these issues and debate them in a timely and thoughtful manner. We should have debated and voted on several of these provisions.

I will vote in favor of this conference report, Mr. Speaker, because recapitalization of the FSLIC is a national priority. The conference report also puts a limit on the time a bank may place a hold on checks. I have supported similar legislation in the past.

What does concern me, Mr. Speaker, is the limited attention we are giving to a moratorium on the creation of nonbank banks after March 5, 1987. Those nonbank banks are limited to an annual growth of 7 percent. We also will permit nonbank banks and securities firms to buy failing savings and loans.

This bill also contains significant provisions not included in the House bill which temporarily prohibit banks from providing financial services—such as securities brokerage, insurance sales and real estate transactions which they were not providing before March 5, 1987 until March 1, 1988. Fortunately, this moratorium will end.

Bringing these new major provisions before us today is not the best way to legislate. The world of financial services has changed significantly since the last major banking legislation was considered in the 1930's. The House deserves time to debate these issues and decide what reforms may be needed. We gave the conferees a properly limited bill. For more than 5 years, we have needed a constructive debate about the future of the financial services industry. I can understand why they raised the recapitalization figure from about $5 billion to $10.8 billion. A case has been made about the need for adequate funding of FSLIC. That was within the parameters of the House bill. However, these other major shifts in law are matters which cause me serious problems.

Mr. Speaker, I hope that the House Banking Committee will take a careful look at these provisions as soon as hearings can be arranged.

The SPEAKER pro tempore. The Chair will state that the gentleman from Ohio [Mr. Wylie] has 1 minute remaining.

Mr. ST GERMAIN. Mr. Speaker, I yield 1 additional minute from my time to the gentleman from Ohio [Mr. Wylie].

The SPEAKER pro tempore. The gentleman from Ohio [Mr. Wylie] now has 2 minutes remaining.

Mr. WYLIE. Mr. Speaker, I thank the Chair, and I thank the gentleman from Rhode Island [Mr. St Germain] very much. I yield myself such time as I may consume.

Mr. Speaker, I cannot emphasize strongly enough the necessity of moving forward on this bill. I think that the critical need to recapitalize the FSLIC has, at times, has gotten lost in some of the other debate on the more controversial sections of the bill: the nonbank bank loophole, closer in Title 1, and the moratorium provisions in Title 2.

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As I noted earlier, closing the nonbank loophole closing has been extensively considered by the House Committee on Banking, Finance and Urban Affairs.

The 168 nonbank banks in existence on March 5 that are grandfathered under this bill are providing financial services but are not regulated to the same extent as banks. It is obvious that we will have to revisit this issue, and the gentleman from Rhode Island [Mr. St Germain], the chairman of the Banking Committee, has said that we will.

The point of all of this is that not one of the Members would have written this bill in the form that it comes before Congress today, but Congress has worked its will, and the President has said he will sign it.

This bill represents the best in our constitutional process, Mr. Speaker. It is a workable compromise. It is workable legislation.

We have an achievable bill. Mr. Speaker, I urge my colleagues to vote "yea" on the conference report, because we need it.

Mr. ST GERMAIN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I would like to in these brief closing moments state that on many occasions in the past few years, I have expressed a desire, a hope, a wish that we could work on financial institutions legislation on a one-by-one item basis.

We attempted that in the last Congress. We came to the floor with a bill, sent it to the other body, came to the floor with another bill, sent it to the other body.

We did that with three or four bills with no reaction from the other body.

In the early days of this Congress, we sent as we did in the last Congress the delayed funds availability, the check-cashing bill, to the other body, and it languished there.

Obviously, the desire to legislate one on one, one item by one item, so that when we come to the floor we are not buying a package, swallowing some things we are not too happy with, is still a dream that is to be realized.

We see it not only from this committee, but from most of the major committees. It has become the legislative "how to do it." I do not think it is the best way to legislate, but it seems as if it is the only way to legislate; and when things have to be done, you have to do it.

For that reason, we are before the House today with a comprehensive bill. In listening to the debate today, it becomes clear as to why the controversy.

So many Members came up with differing problems with differing sections of the bill. Maybe, just maybe, it is about the only way we can do it.

We are before the Members with a package that has been fine-tuned, agreed to by the administration, so in these waning moments, I would like to say to the staff who have worked weekends, nights, holidays since the end of the formal conference, thank you for your yeoman's service.

I would like to say thank you to Senator PROXMIRE and Senator GARN, and to the gentleman from Ohio [Mr. WYLIE], for a job well done, and also staff on both sides of the aisle, and also to Secretary Baker. I must say, he is some kind of compromiser. Without him, we would not be here today with a bill that the President has said he would sign.

For these reasons, I say to the Members, sure, it is not the perfect package; but like Bismarck once said, "It is a legislative sausage. Eat it and enjoy it. Don't let one or two little parts of it give you a stomach ache."

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The **SPEAKER** pro tempore (Mr. MURTHA). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 382, nays 12, not voting 39, as follows:

[Roll No. 294]

YEAS—382

Ackerman
Akaka
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bennett
Bentley
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McGrath
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Molinari
Mollohan
Montgomery
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yatron
Young (AK)

NAYS—12

Anderson
Beilenson
Bonior (MI)
Crane
Dreier
Frank
Gradison
Holloway
LaFalce
Martinez
Moakley
Yates

NOT VOTING—39

Alexander
Atkins
Badham
Bereuter
Boehlert
Boner (TN)
Crockett
Daniel
Dannemeyer
Dingell
Dixon
Dowdy
Dymally
Espy
Ford (TN)
Gephardt
Gray (IL)
Hunter
Kemp
Lantos
Leland
Lent
Livingston
McDade
McEwen
McHugh
Moody
Owens (NY)
Owens (UT)
Ridge
Rose
Rowland (GA)
Slaughter (VA)
Tallon
Tauzin
Torricelli
Towns
Whitten
Young (FL)

□ 1610

Messrs. FRANK, BONIOR of Michigan, and YATES changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the conference report on H.R. 27, which has just been adopted.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1315, NUCLEAR REGULATORY COMMISSION AUTHORIZATION FOR FISCAL YEARS 1988 AND 1989

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-263) on the resolution (H. Res. 237) providing for the consideration of the bill (H.R. 1315) to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes, which was referred to the House Calendar and ordered to be printed.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 132, NATIONAL DAY OF REMEMBRANCE OF THE ARMENIAN GENOCIDE OF 1915-1923

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-264) on the resolution (H. Res. 238) providing for the consideration of a joint resolution (H.J. Res. 132) designating April 24, 1987, as "National Day of Remembrance of the Armenian Genocide of 1915-1923," which was referred to the House Calendar and ordered to be printed.

## CEMETERY IMPROVEMENTS AMENDMENTS OF 1987

The **SPEAKER** pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2957, as amended.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2957, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 393, nays 0, not voting 40, as follows:

[Roll No. 295]

YEAS—393

Ackerman
Akaka
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NAYS—0

NOT VOTING—40

Alexander
Atkins
Badham
Bereuter
Boehlert
Boner (TN)
Crockett
Daniel
Dannemeyer
Dingell
Dixon
Dowdy
Dymally
Espy
Ford (TN)
Frenzel
Gephardt
Gray (IL)
Hunter
Kemp
Lantos
Leland
Lent
Livingston
McDade
McEwen
Moody
Owens (NY)
Owens (UT)
Pepper
Petri
Ridge
Rose
Rowland (GA)
Tallon
Tauzin
Torricelli
Towns
Whitten
Young (FL)

□ 1640

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## YSLETA DEL SUR PUEBLO AND ALABAMA AND COUSHATTA INDIAN TRIBES OF TEXAS RESTORATION ACT

Mr. VENTO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 318), to provide for the restoration of Federal recognition to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Strike out all after the enacting clause and insert:

*SECTION 1. SHORT TITLE.*

*This Act may be cited as the "Ysleta del Sur Pueblo and Alabama and Coushatta Indian Tribes of Texas Restoration Act".*

*SEC. 2. REGULATIONS.*

*The Secretary of the Interior or his designated representative may promulgate such regulations as may be necessary to carry out the provisions of this Act.*

*TITLE I—YSLETA DEL SUR PUEBLO RESTORATION*

*SEC. 101. DEFINITIONS.*

*For purposes of this title—*

*(1) the term "tribe" means the Ysleta del Sur Pueblo (as so designated by section 102);*

*(2) the term "Secretary" means the Secretary of the Interior or his designated representative;*

*(3) the term "reservation" means lands within El Paso and Hudspeth Counties, Texas—*

*(A) held by the tribe on the date of the enactment of this title;*

*(B) held in trust by the State or by the Texas Indian Commission for the benefit of the tribe on such date;*

*(C) held in trust for the benefit of the tribe by the Secretary under section 105(g)(2); and*

*(D) subsequently acquired and held in trust by the Secretary for the benefit of the tribe.*

*(4) the term "State" means the State of Texas;*

*(5) the term "Tribal Council" means the governing body of the tribe as recognized by the Texas Indian Commission on the date of enactment of this Act, and such tribal council's successors; and*

*(6) the term "Tiwa Indians Act" means the Act entitled "An Act relating to the Tiwa Indians of Texas." and approved April 12, 1968 (82 Stat. 93).*

### *SEC. 102. REDESIGNATION OF TRIBE.*

*The Indians designated as the Tiwa Indians of Ysleta, Texas, by the Tiwa Indians Act shall, on and after the date of the enactment of this title, be known and designated as the Ysleta del Sur Pueblo. Any reference in any law, map, regulation, document, record, or other paper of the United States to the Tiwa Indians of Ysleta, Texas, shall be deemed to be a reference to the Ysleta del Sur Pueblo.*

### *SEC. 103. RESTORATION OF THE FEDERAL TRUST RELATIONSHIP; FEDERAL SERVICES AND ASSISTANCE.*

*(a) Federal Trust Relationship.—The Federal trust relationship between the United States and the tribe is hereby restored. The Act of June 18, 1934 (48 Stat. 984), as amended, and all laws and rules of law of the United States of general application to Indians, to nations, tribes, or bands of Indians, or to Indian reservations which are not inconsistent with any specific provision contained in this title shall apply to the members of the tribe, the tribe, and the reservation.*

*(b) Restoration of Rights and Privileges.—All rights and privileges of the tribe and members of the tribe under any Federal treaty, statute, Executive order, agreement, or under any other authority of the United States which may have been diminished or lost under the Tiwa Indians Act are hereby restored.*

*(c) Federal Services and Benefits.—Notwithstanding any other provision of law, the tribe and the members of the tribe shall be eligible, on and after the date of the enactment of this title, for all benefits and services furnished to federally recognized Indian tribes.*

*(d) Effect on Property Rights and Other Obligations.—Except as otherwise specifically provided in this title, the enactment of this title shall not affect any property right or obligation or any contractual right or obligation in existence before the date of the enactment of this title or any obligation for taxes levied before such date.*

### *SEC. 104. STATE AND TRIBAL AUTHORITY.*

*(a) State Authority.—Nothing in this Act shall affect the power of the State of Texas to enact special legislation benefiting the tribe, and the State is authorized to perform any services benefiting the tribe that are not inconsistent with the provisions of this Act.*

*(b) Tribal Authority.—The Tribal Council shall represent the tribe and its members in the implementation of this title and shall have full authority and capacity—*

*(1) to enter into contracts, grant agreements, and other arrangements with any Federal department or agency, and*

*(2) to administer or operate any program or activity under or in connection with any such contract, agreement, or arrangement, to enter into subcontracts or award grants to provide for the administration of any such program or activity, or to conduct any other activity under or in connection with any such contract, agreement, or arrangement.*

### *SEC. 105. PROVISIONS RELATING TO TRIBAL RESERVATION.*

*(a) Federal Reservation Established.—The reservation is hereby declared to be a Federal Indian reservation for the use and benefit of the tribe without regard to whether legal title to such lands is held in trust by the Secretary.*

*(b) Conveyance of Land by State.—The Secretary shall—*

*(1) accept any offer from the State to convey title to any land within the reservation held in trust on the date of enactment of this Act by the State or by the Texas Indian Commission for the benefit of the tribe to the Secretary, and*

*(2) hold such title, upon conveyance by the State, in trust for the benefit of the tribe.*

*(c) Conveyance of Land by Tribe.—At the written request of the Tribal Council, the Secretary shall—*

*(1) accept conveyance by the tribe of title to any land within the reservation held by the tribe on the date of enactment of this Act to the Secretary, and*

*(2) hold such title, upon such conveyance by the tribe, in trust for the benefit of the tribe.*

*(d) Approval of Deed by Attorney General.—Notwithstanding any other provision of law or regulation, the Attorney General of the United States shall approve any deed or other instrument which conveys title to land within El Paso or Hudspeth Counties, Texas, to the United States to be held in trust by the Secretary for the benefit of the tribe.*

*(e) Permanent Improvements Authorized.—Notwithstanding any other provision of law or rule of law, the Secretary or the tribe may erect permanent improvements, improvements of substantial value, or any other improvement authorized by law on the reservation without regard to whether legal title to such lands has been conveyed to the Secretary by the State or the tribe.*

*(f) Civil and Criminal Jurisdiction Within Reservation.—The State shall exercise civil and criminal jurisdiction within the boundaries of the reservation as if such State had assumed such jurisdiction with the consent of the tribe under sections 401 and 402 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes." and approved April 11, 1968 (25 U.S.C. 1321, 1322).*

*(g) Acquisition of Land by the Tribe After Enactment.—*

*(1) Notwithstanding any other provision of law, the Tribal Council may, on behalf of the tribe—*

*(A) acquire land located within El Paso County, or Hudspeth County, Texas, after the date of enactment of this Act and take title to such land in fee simple, and*

*(B) lease, sell, or otherwise dispose of such land in the same manner in which a private person may do so under the laws of the State.*

*(2) At the written request of the Tribal Council, the Secretary may—*

*(A) accept conveyance to the Secretary by the Tribal Council (on behalf of the tribe) of title to any land located within El Paso County, or Hudspeth County, Texas, that is acquired by the Tribal Council in fee simple after the date of enactment of this Act, and*

*(B) hold such title, upon such conveyance by the Tribal Council, in trust for the benefit of the tribe.*

### *SEC. 106. TIWA INDIANS ACT REPEALED.*

*The Tiwa Indians Act is hereby repealed.*

### *SEC. 107. GAMING ACTIVITIES.*

*(a) In General.—All gaming activities which are prohibited by the laws of the State of Texas are hereby prohibited on the reservation and on lands of the tribe. Any violation of the prohibition provided in this subsection shall be subject to the same civil and criminal penalties that are provided by the laws of the State of Texas. The provisions of this subsection are enacted in accordance with the tribe's request in Tribal Resolution No. T.C.-02-86 which was approved and certified on March 12, 1986.*

*(b) No State Regulatory Jurisdiction.—Nothing in this section shall be construed as a grant of civil or criminal regulatory jurisdiction to the State of Texas.*

*(c) Jurisdiction Over Enforcement Against Members.—Notwithstanding section 105(f), the courts of the United States shall have exclusive jurisdiction over any offense in violation of subsection (a) that is committed by the tribe, or by any member of the tribe, on the reservation or on lands of the tribe. However, nothing in this section shall be construed as precluding the State of Texas from bringing an action in the courts of the United States to enjoin violations of the provisions of this section.*

### *SEC. 108. TRIBAL MEMBERSHIP.*

*(a) In General.—The membership of the tribe shall consist of—*

*(1) the individuals listed on the Tribal Membership Roll approved by the tribe's Resolution No. TC-5-84 approved December 18, 1984, and approved by the Texas Indian Commission's Resolution No. TIC-85-005 adopted on January 16, 1985; and*

*(2) a descendant of an individual listed on that Roll if the descendant—*

*(i) has ⅛ degree or more of Tigua-Ysleta del Sur Pueblo Indian blood, and*

*(ii) is enrolled by the tribe.*

*(b) Removal From Tribal Roll.—Notwithstanding subsection (a)—*

*(1) the tribe may remove an individual from tribal membership if it determines that the individual's enrollment was improper; and*

*(2) the Secretary, in consultation with the tribe, may review the Tribal Membership Roll.*

## *TITLE II—ALABAMA AND COUSHATTA INDIAN TRIBES OF TEXAS*

### *SEC. 201. DEFINITIONS.*

*For purposes of this title—*

*(1) the term "tribe" means the Alabama and Coushatta Indian Tribes of Texas (considered as one tribe in accordance with section 202);*

*(2) the term "Secretary" means the Secretary of the Interior or his designated representative;*

*(3) the term "reservation" means the Alabama and Coushatta Indian Reservation in Polk County, Texas, comprised of—*

*(A) the lands and other natural resources conveyed to the State of Texas by the Secretary pursuant to the provisions of section 1 of the Act entitled "An Act to provide for the termination of Federal supervision over the property of the Alabama and Coushatta Tribes of Indians of Texas, and the individual members thereof; and for other purposes." and approved August 23, 1954 (25 U.S.C. 721);*

*(B) the lands and other natural resources purchased for and deeded to the Alabama Indians in accordance with an act of the legislature of the State of Texas approved February 3, 1854; and*

*(C) lands subsequently acquired and held in trust by the Secretary for the benefit of the tribe;*

*(4) the term "State" means the State of Texas;*

*(5) the term "constitution and bylaws" means the constitution and bylaws of the tribe which were adopted on June 16, 1971; and*

*(6) the term "Tribal Council" means the governing body of the tribe under the constitution and bylaws.*

### *SEC. 202. ALABAMA AND COUSHATTA INDIAN TRIBES OF TEXAS CONSIDERED AS ONE TRIBE.*

*The Alabama and Coushatta Indian Tribes of Texas shall be considered as one tribal unit for purposes of this title and any other law or rule of law of the United States.*

### *SEC. 203. RESTORATION OF THE FEDERAL TRUST RELATIONSHIP; FEDERAL SERVICES AND ASSISTANCE.*

*(a) Federal Trust Relationship.—The Federal recognition of the tribe and of the trust relationship between the United States and the tribe is hereby restored. The Act of June 18, 1934 (48 Stat. 984), as amended, and all laws and rules of law of the United States of general application to Indians, to nations, tribes, or bands of Indians, or to Indian reservations which are not inconsistent with any specific provision contained in this title shall apply to the members of the tribe, the tribe, and the reservation.*

*(b) Restoration of Rights and Privileges.—All rights and privileges of the tribe and members of the tribe under any Federal treaty, Executive order, agreement, statute, or under any other authority of the United States which may have been diminished or lost under the Act entitled "An Act to provide for the termination of Federal supervision over the property of the Alabama and Coushatta Tribes of Indians of Texas, and the individual members thereof; and for other purposes" and approved August 23, 1954, are hereby restored and such Act shall not apply to the tribe or to members of the tribe after the date of the enactment of this title.*

*(c) Federal Benefits and Services.—Notwithstanding any other provision of law, the tribe and the members of the tribe shall be eligible, on and after the date of the enactment of this title, for all benefits and services furnished to federally recognized Indian tribes.*

*(d) Effect on Property Rights and Other Obligations.—Except as otherwise specifically provided in this title, the enactment of this title shall not affect any property right or obligation or any contractual right or obligation in existence before the date of the enactment of this title or any obligation for taxes levied before such date.*

### *SEC. 204. STATE AND TRIBAL AUTHORITY.*

*(a) State Authority.—Nothing in this Act shall affect the power of the State of Texas to enact special legislation benefitting the tribe, and the State is authorized to perform any services benefitting the tribe that are not inconsistent with the provisions of this Act.*

*(b) Current Constitution and Bylaws To Remain in Effect.—Subject to the provisions of section 203(a) of this Act, the constitution and by laws of the tribe on file with the Committee on Interior and Insular Affairs is hereby declared to be approved for the purposes of section 16 of the Act of June 18, 1934 (48 Stat. 987; 25 U.S.C. 476) except that all reference to the Texas Indian Commission shall be considered as reference to the Secretary of the Interior.*

*(c) Authority and Capacity of Tribal Council.—No provision contained in this title shall affect the power of the Tribal Council to take any action under the constitution and bylaws described in subsection (b). The Tribal Council shall represent the tribe and its members in the implementation of this title and shall have full authority and capacity—*

*(1) to enter into contracts, grant agreements, and other arrangements with any Federal department or agency;*

*(2) to administer or operate any program or activity under or in connection with any such contract, agreement, or arrangement, to enter into subcontracts or award grants to provide for the administration of any such program or activity, or to conduct any other activity under or in connection with any such contract, agreement, or arrangement; and*

*(3) to bind any tribal governing body selected under any new constitution adopted in accordance with section 205 as the successor in interest to the Tribal Council.*

### *SEC. 205. ADOPTION OF NEW CONSTITUTION AND BYLAWS.*

*Upon written request of the tribal council, the Secretary shall hold an election for the members of the tribe for the purpose of adopting a new constitution and bylaws in accordance with section 16 of the Act of June 18, 1934 (25 U.S.C. 476).*

### *SEC. 206. PROVISIONS RELATING TO TRIBAL RESERVATION.*

*(a) Federal Reservation Established.—The reservation is hereby declared to be a Federal Indian reservation for the use and benefit of the tribe without regard to whether legal title to such lands is held in trust by the Secretary.*

*(b) Conveyance of Land by State.—The Secretary shall—*

*(1) accept any offer from the State to convey title to any lands held in trust by the State or the Texas Indian Commission for the benefit of the tribe to the Secretary, and*

*(2) shall hold such title, upon conveyance by the State, in trust for the benefit of the tribe.*

*(c) Conveyance of Land by Tribe.—At the written request of the Tribal Council, the Secretary shall—*

*(1) accept conveyance by the tribe of title to any lands within the reservation which are held by the tribe to the Secretary, and*

*(2) hold such title, upon such conveyance by the tribe, in trust for the benefit of the tribe.*

*(d) Approval of Deed by Attorney General.—Notwithstanding any other provision of law or regulation, the Attorney General of the United States shall approve any deed or other instrument from the State or the tribe which conveys title to lands within the reservation to the United States.*

*(e) Permanent Improvements Authorized.—Notwithstanding any other provision of law or rule of law, the Secretary or the tribe may erect permanent improvements, improvements of substantial value, or any other improvement authorized by law on the reservation without regard to whether legal title to such lands has been conveyed to the Secretary by the State or the tribe.*

*(f) Civil and Criminal Jurisdiction Within Reservation.—The State shall exercise civil and criminal jurisdiction within the boundaries of the reservation as if such State had assumed such jurisdiction with the consent of the tribe under sections 401 and 402 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" and approved April 11, 1968 (25 U.S.C. 1321, 1322).*

### *SEC. 207. GAMING ACTIVITIES.*

*(a) In General.—All gaming activities which are prohibited by the laws of the State of Texas are hereby prohibited on the reservation and on lands of the tribe. Any violation of the prohibition provided in this subsection shall be subject to the same civil and criminal penalties that are provided by the laws of the State of Texas. The provisions of this subsection are enacted in accordance with the tribe's request in Tribal Resolution No. T.C.-86-07 which was approved and certified on March 10, 1986.*

*(b) No State Regulatory Jurisdiction.—Nothing in this section shall be construed as a grant of civil or criminal regulatory jurisdiction to the State of Texas.*

*(c) Jurisdiction Over Enforcement Against Members.—Notwithstanding section 206(f), the courts of the United States shall have exclusive jurisdiction over any offense in violation of subsection (a) that is committed by the tribe, or by any member of the tribe, on the reservation or on lands of the tribe. However, nothing in this section shall be construed as precluding the State of Texas from bringing an action in the courts of the United States to enjoin violations of the provisions of this section.*

Amend the title so as to read: "An Act to provide for the restoration of the Federal trust relationship and Federal services and assistance to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes.".

Mr. VENTO [during the reading]. Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the Record.

The SPEAKER pro tempore. (Mr. Murtha). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

Mr. RHODES. Mr. Speaker, reserving the right to object, will the gentleman explain the amendments?

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Mr. Speaker, under my reservation, I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Speaker, H.R. 318 is a bill to restore Federal recognition to two Indian tribes in the States of Texas, the Ysleta Del Sur Pueblo and the Alabama Coushatta Indian tribes.

H.R. 318 passed the House on April 21 by voice vote and was sent back from the Senate with an amendment in the nature of a substitute. The bill as amended is supported by the administration.

The Senate amendment makes changes to section 107 and 207 of the bill. These sections deal with the regulation of gaming on the respective reservations of the two tribes. It is my understanding that the Senate amendments to these sections are in line with the rational of the recent Supreme Court decision in the case of Cabazon Band of Mission Indians versus California. This amendment in effect would codify for these tribes the

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holding and rational adopted in the Court's opinion in the case.

The Senate amendment also incorporates in the bill the current membership requirement of the Ysleta Del Sur Pueblo. The Pueblo imposes a minimum of one-eighth degree of Ysleta Del Sur Pueblo Indian blood as a condition for membership in the tribe.

I believe that the determination of requirements for membership in Indian tribes are the prerogative of the Indian tribes and I would oppose a policy which would congressionally impose blood quantum requirements for membership in Indian tribes. However, in this case, the amendment should not be viewed as a precedent for such policy since it merely incorporates an already existing tribal membership requirement and was included in the bill with the consent of the affected tribe.

I might add that this measure was introduced by the gentleman from Texas [Mr. COLEMAN] who has championed this issue and has done a good job. I hope there will be no objection. These are noncontroversial amendments.

Mr. RHODES. Mr. Speaker, I appreciate the gentleman's explanation.

Mr. UDALL. Mr. Speaker, H.R. 318 is a bill to restore Federal recognition to two Indian tribes in the State of Texas, the Ysleta Del Sur Pueblo and the Alabama Coushatta Indian Tribes.

H.R. 318 passed the House. It was sent back from the Senate with an amendment in the nature of a substitute. The bill as amended is supported by the administration.

The Senate amendment makes changes to sections 107 and 207 of the bill. These sections deal with the regulation of gaming on the respective reservations of the two tribes. It is my understanding that the Senate amendments to these sections are in line with the rational of the recent Supreme Court decision in the case of Cabazon Band of Mission Indians versus California. This amendment in effect would codify for these tribes the holding and rational adopted in the Court's opinion in the case.

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Mr. RHODES. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

A motion to reconsider was laid on the table.

## MINIMUM ALTITUDE FOR AIRCRAFT FLYING OVER NATIONAL PARK SYSTEM UNITS

Mr. VENTO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 921) to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over national park system units with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

### *SECTION 1. STUDY OF PARK OVERFLIGHTS.*

*(a) STUDY BY PARK SERVICE.—The Secretary of the Interior (hereinafter referred to as the "Secretary"), acting through the Director of the National Park Service, shall conduct a study to determine the proper minimum altitude which should be maintained by aircraft when flying over units of the National Park System. The Secretary of Transportation, acting through the Administrator of the Federal Aviation Administration (hereinafter referred to as the "Administrator"), shall provide technical assistance to the Secretary in carrying out the study.*

*(b) GENERAL REQUIREMENTS OF STUDY.—The study shall identify any problems associated with overflight by aircraft of units of the National Park System and shall provide information regarding the types of overflight which may be impacting on park unit resources. The study shall distinguish between the impacts caused by sightseeing aircraft, military aircraft, commercial aviation, general aviation, and other forms of aircraft which affect such units. The study shall identify those park system units, and portions thereof, in which the most serious adverse impacts from aircraft overflights exist.*

*(c) SPECIFIC REQUIREMENTS.—The study under this section shall include research at the following units of the National Park System: Cumberland Island National Seashore, Yosemite National Park, Hawaii Volcanoes National Park, Haleakala National Park, Glacier National Park, and Mount Rushmore National Memorial, and at no less than four additional units of the National Park System, excluding all National Park System units in the State of Alaska. The research at each such unit shall provide information and an evaluation regarding each of the following:*

*(1) the impacts of aircraft noise on the safety of the park system users, including hikers, rock-climbers, and boaters;*

*(2) the impairment of visitor enjoyment associated with flights over such units of the National Park System;*

*(3) other injurious effects of overflights on the natural, historical, and cultural resources for which such units were established; and*

*(4) the values associated with aircraft flights over such units of the National Park System in terms of visitor enjoyment, the protection of persons or property, search and rescue operations and firefighting.*

*Such research shall evaluate the impact of overflights by both fixed-wing aircraft and helicopters. The research shall include an evaluation of the differences in noise levels within such units of the National Park System which are associated with flight by commonly used aircraft at different altitudes. The research shall apply only to overflights and shall not apply to landing fields within, or adjacent to, such units.*

*(d) REPORT TO CONGRESS.—The Secretary shall submit a report to the Congress within 3 years after the enactment of this Act containing the results of the study carried out under this section. Such report shall also contain recommendations for legislative and regulatory action which could be taken regarding the information gathered pursuant to paragraphs (1) through (4) of subsection (c). Before submission to the Congress, the Secretary shall provide a draft of the report and recommendations to the Administrator for review. The Administrator shall review such report and recommendations and notify the Secretary of any adverse effects which the implementation of such recommendations would have on the safety of aircraft operations. The Administrator shall consult with the Secretary to resolve issues relating to such adverse effects. The final report shall include a finding by the Administrator that implementation of the recommendations of the Secretary will not have adverse effects on the safety of aircraft operations, or if the Administrator is unable to make such finding, a statement by the Administrator of the reasons he believes the Secretary's recommendations will have an adverse effect on the safety of aircraft operations.*

*(e) FAA REVIEW OF RULES.—The Administrator shall review current rules and regulations pertaining to flights of aircraft over units of the National Park System at which research is conducted under subsection (c) and over any other such units at which such a review is determined necessary by the Administrator or is requested by the Secretary. In the review under this subsection, the Administrator shall determine whether changes are needed in such rules and regulations on the basis of aviation safety. Not later than 180 days after the identification of the units of the National Park System for which research is to be conducted under subsection (c), the Administrator shall submit a report to Congress containing the results of the review along with recommendations for legislative and regulatory action which are needed to implement any such changes.*

*(f) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out the studies and review under this section.*

### *SEC. 2. FLIGHTS OVER YOSEMITE AND HALEAKALA DURING STUDY AND REVIEW.*

*(a) YOSEMITE NATIONAL PARK.—During the study and review periods provided in subsection (c), it shall be unlawful for any fixed wing aircraft or helicopter flying under visual flight rules to fly at an altitude of less than 2,000 feet over the surface of Yosemite National Park. For purposes of this subsection, the term "surface" refers to the highest terrain within the park which is within 2,000 feet laterally of the route of flight and with respect to Yosemite Valley such term refers to the upper-most rim of the valley.*

*(b) HALEAKALA NATIONAL PARK.—During the study and review periods provided in subsection (c), it shall be unlawful for any fixed*

*wing aircraft or helicopter flying under visual flight rules to fly at an altitude below 9,500 feet above mean sea level over the surface of any of the following areas in Haleakala National Park: Haleakala Crater, Crater Cabins, the Scientific Research Reserve, Halemauu Trail, Kaupo Gap Trail, or any designated tourist viewpoint.*

*(c) STUDY AND REVIEW PERIODS.—For purposes of subsections (a) and (b), the study period shall be the period of the time after the date of enactment of this Act and prior to the submission of the report under section 1. The review period shall comprise a 2-year period for Congressional review after the submission of the report to Congress.*

*(d) EXCEPTIONS.—The prohibitions contained in subsections (a) and (b) shall not apply to any of the following:*

*(1) emergency situations involving the protection of persons or property, including aircraft;*

*(2) search and rescue operations;*

*(3) flights for purposes of firefighting or for required administrative purposes; and*

*(4) compliance with instructions of an air traffic controller.*

*(e) ENFORCEMENT.—For purposes of enforcement, the prohibitions contained in subsection (a) and (b) shall be treated as requirements established pursuant to section 307 of the Federal Aviation Act of 1958. To provide information to pilots regarding the restrictions established under this Act, the Administrator shall provide public notice of such restrictions in appropriate Federal Aviation Administration publications as soon as practicable after the enactment of this Act.*

### *SEC. 3. GRAND CANYON NATIONAL PARK.*

*(a) Noise associated with aircraft overflights at the Grand Canyon National Park is causing a significant adverse effect on the natural quiet and experience of the park and current aircraft operations at the Grand Canyon National Park have raised serious concerns regarding public safety, including concerns regarding the safety of park users.*

*(b) RECOMMENDATIONS.—*

*(1) SUBMISSION.—Within 30 days after the enactment of this Act, the Secretary shall submit to the Administrator recommendations regarding actions necessary for the protection of resources in the Grand Canyon from adverse impacts associated with aircraft overflights. The recommendations shall provide for substantial restoration of the natural quiet and experience of the park and protection of public health and safety from adverse effects associated with aircraft overflight. Except as provided in subsection (c), the recommendations shall contain provisions prohibiting the flight of aircraft below the rim of the Canyon, and shall designate flight free zones. Such zones shall be flight free except for purposes of administration and for emergency operations, including those required for the transportation of persons and supplies to and from Supai Village and the lands of the Havasupai Indian Tribe of Arizona. The Administrator, after consultation with the Secretary, shall define the rim of the Canyon in a manner consistent with the purposes of this paragraph.*

*(2) IMPLEMENTATION.—Not later than 90 days after receipt of the recommendations under paragraph (1) and after notice and opportunity for hearing, the Administrator shall prepare and issue a final plan for the management of air traffic in the air space above the Grand Canyon. The plan shall, by appropriate regulation, implement the recommendations of the Secretary without change unless the Administrator determines that implementing the recommendations would adversely affect aviation safety. If the Administrator determines that implementing the recommendations would adversely affect aviation safety, he shall, not later than 60 days after making such determination, in consultation with the Secretary and after notice and opportunity for hearing, review the recommendations consistent with the requirements of paragraph (1) to eliminate the adverse effects on aviation safety and issue regulations implementing the revised recommendations in the plan. In addition to the Administrator's authority to implement such regulations under the Federal Aviation Act of 1958, the Secretary may enforce the appropriate requirements of the plan under such rules and regulations applicable to the units of the National Park System as he deems appropriate.*

*(3) REPORT.—Within 2 years after the effective date of the plan required by subsection (b)(2), the Secretary shall submit to the Congress a report discussing—*

*(A) whether the plan has succeeded in substantially restoring the natural quiet in the park; and*

*(B) such other matters, including possible revisions in the plan, as may be of interest. The report shall include comments by the Administrator regarding the effect of the plan's implementation on aircraft safety.*

*(c) HELICOPTER FLIGHTS OF RIVER RUNNERS.—Subsection (b) shall not prohibit the flight of helicopters*

*(1) which fly a direct route between a point on the north rim outside of the Grand Canyon National Park and locations on the Hualapai Indian Reservation (as designated by the Tribe); and*

*(2) whose sole purpose is transporting individuals to or from boat trips on the Colorado River and any guide of such a trip.*

*SEC. 4. The Administrator shall conduct surveillance of aircraft flights over the Boundary Waters Canoe Area Wilderness as authorized by the Act of October 21, 1978 (92 Stat. 1649-1659) for a period of not less than 180 days beginning within 60 days of enactment of this Act. In addition to any actions the Administrator may take as a result of such surveillance, he shall provide a report to the Committee on Interior and Insular Affairs and the Committee on Public Works and Transportation of the United States House of Representatives and to the Committee on Energy and Natural Resources and the Committee on Commerce, Science, and Transportation of the United States Senate. Such report is to be submitted within 30 days of completion of the surveillance activities. Such report shall include but not necessarily be limited to information on the type and frequency of aircraft using the airspace over the Boundary Waters Canoe Area Wilderness.*

### *SEC. 5. ASSESSMENT OF NATIONAL FOREST SYSTEM WILDERNESS OVERFLIGHTS.*

*(a) ASSESSMENT BY FOREST SERVICE.—The Chief of the Forest Service (hereinafter referred to as the "Chief") shall conduct an assessment to determine what, if any, adverse impacts to wilderness resources are associated with overflights of National Forest System wilderness areas. The Administrator of the Federal Aviation Administration shall provide technical assistance to the Chief in carrying out the assessment. Such assessment shall apply only to overflight of wilderness areas and shall not apply to aircraft flights or landings adjacent to National Forest System wilderness units. The assessment shall not apply to any National Forest System wilderness units in the State of Alaska.*

*(b) REPORT TO CONGRESS.—The Chief shall submit a report to Congress within 2 years after enactment of this Act containing the results of the assessments carried out under this section.*

*(c) AUTHORIZATION.—Effective October 1, 1987, there are authorized to be appropriated under sums as may be necessary to carry out the assessment under this section.*

### *SEC. 6. CONSULTATION WITH FEDERAL AGENCIES.*

*In conducting the study and the assessment required by this Act, the Secretary of the Interior and the Chief of the Forest Service shall consult with other Federal agencies that are engaged in an analysis of the impacts of aircraft overflights over federally-owned land.*

Mr. VENTO. (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

Mr. RHODES. Mr. Speaker, reserving the right to object, will the gentleman explain the amendment?

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I am glad to yield to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. I thank the gentleman for yielding.

Mr. Speaker, the House passed H.R. 921 by voice vote on May 4, 1987, and I am very pleased that the Senate has acted so expeditiously to complete action on this important legislation.

Mr. Speaker, several Members of the House deserve great credit for their perseverance, and hard work over the last several years on this bill. TONY COELHO, who introduced H.R. 921 and a similar bill in the 99th Congress; the honored chairman of the Interior Committee, MO UDALL, whose special interest in the Grand Canyon has shaped that precedent-setting language in this measure to help protect that great national park; NORM MINETA whose help was essential to the passage of the bill and DANNY AKAKA who worked to gain protection for national parts in Hawaii, are to be commended for their efforts in crafting this legislation.

The Senate amendments are acceptable to me and I urge adoption of H.R. 921.

I thank the gentleman for yielding and for allowing me to explain the bill.

Mr. MINETA. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from California.

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Mr. MINETA. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of passage of H.R. 921 with the Senate amendments. This is an important piece of legislation that accomplishes two broad objectives with respect to aircraft overflights of national parks. First, it authorizes comprehensive studies of the problems associated with aircraft overflights. Second, it requires regulation of overflights over three national parks, Grand Canyon, Yosemite, and Halenkala, where the problems are already understood.

With this legislation, the quite so essential to the enjoyment of our national parks will be restored. It is important to note that the bill very carefully delineates the responsibilities of the Government agencies involved, particularly the Federal Aviation Administration's role as regulator and manager of the Nation's airspace.

I want to commend our colleagues from the Committee on Interior and Insular Affairs for their fine work and diligence on this legislation, the gentleman from California [Mr. Coelho] for his authorship and leadership, and for the cooperation they have afforded me and the Committee on Public Works and Transportation in crafting a good, workable piece of legislation.

The Senate amendments to the House-passed bill are minor and mostly clarifying in nature and represent improvements. The House should accept them, and send this legislation to the President.

Again, Mr. Speaker, I urge the House to pass this important legislation.

Mr. RHODES. Mr. Speaker, I thank the gentleman for his statement.

Mr. COELHO. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Further reserving the right to object, I yield to the gentleman from California.

Mr. COELHO. I thank the gentleman for yielding.

Mr. Speaker, 2 years ago this fall we began the process that has led to the final consideration of this bill today. During an oversight hearing at Yosemite National Park in October 1985, it was brought to my attention that the serenity of Yosemite was being destroyed by noise from overflights of the park.

It was not the first time I had heard this complaint. Over 3 years ago I worked to get an agreement between the Park Service and the Federal Aviation Administration to advise pilots that they should remain at least 2,000 feet above the surface of our parks. However, my constituents pointed out to me at the Yosemite hearing that the FAA advisory was not working.

It became apparent that a complete FAA policy on regulating flights over the national parks would be impossible without a study of the problem. I introduced H.R. 921 so we could look at the places where the overflights are taking place. I also was concerned about doing something to address the complaints being heard in Yosemite and other parks.

As a result, during the study period we will restrict flights over Yosemite by mandating that planes and helicopters stay at least 2,000 feet above the surface of the park. Restrictions are also placed on one of Hawaii's national parks and the Grand Canyon.

The House originally passed H.R. 921 in early May. The Senate made some minor changes to the bill and I am pleased to support these changes today.

I want to say a few words about the steps we have taken to restore the peace and quiet of the Grand Canyon. There is no argument that this magnificent park has the worst overflights problem. Since 1975 we have been studying their particular situation, but we have done nothing to address it. H.R. 921 at last provides a comprehensive scheme for regulating air traffic over the canyon.

It is sad that it took a tragic accident last year to show everyone how crowded the skies were over this park. Today we are taking a giant step forward to insure that the canyon will remain a national treasure and a safe place to visit.

I want to express my appreciation to Mr. Udall, Mr. Vento, and Mr. Mineta for their strong support for this legislation. It would not have been possible without their leadership and active role in drafting the language of the bill.

I also want to acknowledge the assistance and cooperation of the staff director of the National Parks Subcommittee, Dale Crane. He has put in many hours on this bill and helped insure its smooth passage through the committee and through both Houses of Congress.

Mr. Speaker, I urge my colleagues to offer their strong support for H.R. 921 so we can send a clear message that we are serious about protecting and preserving our national parks.

Mr. RHODES. I thank the gentleman for his comments.

Mr. Speaker, further reserving the right to object, I agree with the gentleman 100 percent. This bill in its revised version I think personally is better than when it left this House. I think it is an extremely important bill not only for the State of Arizona, but for all citizens of this country and other countries who visit this national treasure, our Grand Canyon.

I also want to express my appreciation to my colleagues from Arizona in the other body, Senator McCain and Senator DeConcini, for their excellent work on this bill. It is an excellent bill.

Mr. Speaker, I rise in strong support of the version of H.R. 921 before us today. As you know, this bill would require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flights over national park system units. This bill was passed by the House on May 4 and was recently approved by the Senate.

During Senate consideration of H.R. 921, several amendments were adopted. They include requiring the Federal Aviation Administration [FAA] to define the rim of the Grand Canyon, requiring the Secretary of Agriculture to assess the impacts of aircraft flights over national forest wilderness areas, expanding the exemption of units from the overflights study to include all Alaska National Park Service units and clarifying that the FAA is the primary authority for the regulation of airspace over the Grand Canyon. I believe these amendments improve and strengthen H.R. 921.

Mr. Speaker, aircraft overflights of our Nation's national parks is a difficult issue which deserves serious attention and consideration. The study mandated by H.R. 921 will provide Congress with the information needed to determine appropriate future action on this issue. Therefore, I urge my colleagues to approve this legislation as amended.

Mr. UDALL. Mr. Speaker, I am very pleased to bring before the House today final legislation addressing aircraft overflights of our national parks. I and many members of both the Interior Committee and the Committee on Public Works have worked long and hard on it and we have had exceptional bipartisan support for this important effort.

Although this is primarily a bill to study the aircraft overflight problem at some parks, the bill includes specific direction for action to be taken at Grand Canyon National Park. There, the problem has become acute. Furthermore, the actions, or better put, the inactions of the Interior Department and the Federal Aviation Administration to do anything meaningful to protect the park and the public have forced the Congress to step in and require them to effect a plan.

The measure that has come back to us is not much different from the measure overwhelmingly approved by the House on two occasions. It does clarify language insuring that the FAA is the agency with final authority over the control of airspace. This had been the position of the House bill all along, but the amended bill charts the same course with different language.

The bill before us also preserves the very vital role of the Park Service in developing a plan that protects the interests of Grand Canyon National Park.

There is one matter in the bill before us that I would like to clarify, however. Section 3(b)(1) requires, among other things, that the plan for Grand Canyon ban flights below the rim and establish flight free zones. The section also exempts necessary administrative and emergency flights from the below-the-rim ban and the flight free zones. The language is written

in such a way that it might be construed to mean that these flights are exempted from the flight free zones only, and not the below-the-rim ban. I want to make it absolutely clear that it is now and always has been our intention to exempt necessary administrative and emergency flights from both proscriptions.

Mr. Speaker, I believe the other body has done a commendable job of preserving the thrust and meaning of the House bill while incorporating some improvements and I urge my colleagues to support it.

Mr. HOWARD. Mr. Speaker, I rise in support of H.R. 921, a bill to authorize a comprehensive study of the impact of aircraft overflights over our national parks. The bill further directs regulations at those national parks where the problem of overflights has been demonstrated.

The Senate amendments are acceptable to the Committee on Public Works and Transportation, and I believe we should move forward and send this legislation to the President for signature.

I commend our colleagues on the Committee on Interior and Insular Affairs with which the Committee on Public Works and Transportation shares jurisdiction on this matter. Their work and cooperation is very much appreciated and I thank them.

Again, I urge passage of H.R. 921.

Mr. RHODES. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. Hayes of Illinois). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 921, which we have just considered, and on H.R. 318, which was considered previously.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

## APPEAL RIGHTS FOR CERTAIN EMPLOYEES OF THE POSTAL SERVICE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 348) to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive service, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That (a) section 1005(a) of title 39, United States Code, is amended by adding at the end thereof the following:

"(4)(A) Subchapter II of chapter 75 of title 5 shall apply—

"(i) to any preference eligible in the Postal Service who is an employee within the meaning of section 7511(a)(1)(B) of such title; and

"(ii) to any other individual who—

"(I) is in the position of a supervisor or a management employee in the Postal Service, or is an employee of the Postal Service engaged in personnel work in other than a purely nonconfidential clerical capacity; and

"(II) has completed 1 year of current continuous service in the same or similar positions.

"(B)(i) The second sentence of paragraph (2) of this subsection applies with respect to the provisions of subparagraph (A) of this paragraph, to the extent that such provisions relate to preference eligibles.

"(ii) The provisions of subparagraph (A) of this paragraph shall not, to the extent that such provisions relate to an individual under clause (ii) of such subparagraph, be modified by any program developed under section 1004 of this title.".

(b)(1) The amendment made by subsection (a) shall be effective after the expiration of the 30-day period beginning on the date of the enactment of this Act.

(2) An action which is commenced under section 1005(a)(1)(B) of title 39, United States Code, before the effective date of the amendment made by subsection (a) shall not abate by reason of the enactment of this Act. Determinations with respect to any such action shall be made as if this Act had not been enacted.

Mr. McCLOSKEY [during the reading]. Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Indiana?

Mr. TAYLOR. Mr. Speaker, reserving the right to object, I will not object but rather will address the merits of H.R. 348 and state for the record that this bill has the full support of the minority.

Appeal rights for postmasters and postal supervisors have been a long time in coming. Similar legislation passed the House in the 99th Congress, only to be held up in the other body in the waning days of the session. As such, I am pleased at the bill's steady progress in this Congress.

Some may ask why this bill is necessary, citing the system already in place to address adverse actions. The Post Office and Civil Service Committee has studied this issue at length and has come to the conclusion that an impartial body, such as the Merit Systems Protection Board, offers the best forum for the resolution of adverse action cases.

Mr. Speaker, this bill is a step forward in Postal Service employee policy. I urge my colleagues to support it.

Mr. McCLOSKEY. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. Further reserving the right to object, I yield to the gentleman from Indiana.

Mr. McCLOSKEY. I thank the gentleman for yielding.

Mr. Speaker, I rise to urge approval of H.R. 348, a bill originally passed by the House in March and amended by the Senate which allows nonveteran managerial and supervisory employees of the U.S. Postal Service access to an impartial review of adverse personnel actions.

The measure before us today has an extensive legislative history as it has been twice considered and passed by the House. In the 99th Congress we passed H.R. 2854, a bill which is essentially the same as the one presently under consideration. A similar measure was also reported from the Senate Governmental Affairs Committee but failed to reach the Senate floor before adjournment.

At the beginning of this Congress, the Postal Employee Appeal Rights bill was again introduced by Congressman Mervyn Dymally. Although H.R. 348 is similar to the measure previously passed by the House, language was included to accommodate the Postal Service and the Senate. This provision would permit the Postal Service to seek, through the Office of Personnel Management, judicial review of certain Merit Systems Protection Board decisions which have a precedent-setting impact on postal personnel policy. H.R. 348 received bipartisan support from the members of the Post Office and Civil Service Committee and was passed by the House on March 3 under the suspension calendar.

Because of a pending court case, however, the Senate Governmental Affairs Committee found the above clarifying provision unnecessary and amended H.R. 348 by striking the above provision. The amended version of the bill was passed by the Senate on July 28 and returned to the House for further consideration.

Mr. Speaker, I concur with the action taken by the other body and urge the Members of House to support passage of H.R. 348, as amended.

Ms. OAKAR. Mr. Speaker, will the gentleman yield to me?

Mr. TAYLOR. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, I certainly want to compliment my friend from Indiana [Mr. McCloskey] as well as Members of the minority for this bill. I do not know if Members realize what a significant bill that is in assuring rights for

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Government workers but it really is, and I just wanted to compliment my friend from Indiana and those who have worked so hard on this bill.

Mr. TAYLOR. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Indiana?

There was no objection.

A motion to reconsider was laid on the table.

## JOHN E. GROTBERG POST OFFICE BUILDING

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1403) to designate the U.S. Post Office Building located in St. Charles, IL, as the "John E. Grotberg Post Office Building," with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, after line 9, insert:

CLARIFICATION RELATING TO CONSIDERATION OF PRE-1987 SERVICE AS AN AIR TRAFFIC CONTROLLER FOR RETIREMENT PURPOSES

SEC. 2. (a) For purposes of subchapter III of chapter 83 of title 5, United States Code, and chapter 84 of such title—

(1) service as an air traffic controller shall, with respect to any annuity which is based on a separation from service, or death, occurring on or after January 1, 1987, include any service as an air traffic controller whether performed before, on, or after January 1, 1987; and

(2) the Office of Personnel Management shall accept the certification of the Secretary, or the designee of the Secretary, in determining the amount of any service performed by an individual as an air traffic controller.

(b) For purposes of this section—

(1) the term "air traffic controller" has the meaning given such term by section 2109(1) of title 5, United States Code, as amended by section 207(b) of the Federal Employees' Retirement System Act of 1986 (Public Law 99-335; 100 Stat. 594); and

(2) the term "Secretary" has the meaning given such term by section 2109(2) of title 5, United States Code.

Mr. McCLOSKEY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Indiana?

Mr. TAYLOR. Mr. Speaker, reserving the right to object, and I will not object, H.R. 1403 honors our friend and former colleague, from Illinois, John Grotberg, whose career and service to this country was cut short by his untimely death. It was an honor to serve in this body with him and it is in his memory that we dedicate and rename this post office.

In addition, this bill contains technical amendments to the Federal Employees' Retirement System and Civil Service Retirement System which clarify congressional intent with regards to pre-1987 service for certain classes of air traffic controllers. Due to an administrative interpretation of the law, only post-January 1, 1987, service was creditable as air traffic controller service for these special classes of air traffic controllers. This provision clarifies congressional intent by specifying that service performed before, on or after January 1, 1987, is creditable as air traffic controller service.

This provision corrects an administrative interpretation which caused substantial hardship for many air traffic controllers who had retired since the beginning of the year. Believing they were entitled to retirement, many of these former employees sold their homes and relocated to other parts of the country. Through enactment of these provisions, these former employees may once again rest assured of their retirement benefits.

Mr. McCLOSKEY. Mr. Speaker, will the gentleman yield to me?

Mr. TAYLOR. Further reserving the right to object, I yield to the gentleman from Indiana for an explanation.

Mr. McCLOSKEY. I thank the gentleman for yielding.

Mr. Speaker, the Senate amendment to H.R. 1403 would correct a very serious problem affecting more than 100 employees of the Federal Aviation Administration who are employed as flight service station specialists.

The purpose of the Senate amendment is to clarify congressional intent with respect to section 207 of the Federal Employees' Retirement System Act of 1986.

Section 207 amended the definition of "air traffic controller" contained in section 2109 of title 5, United States Code, to include service as a flight service station specialist. It was the intention of the House and Senate conferees that such amendment would apply to all service as a flight service station specialist, whether performed before, on, or after January 1, 1987, the effective date of the new Federal employees' retirement system.

The Office of Personnel Management, however, interpreted the amendment to apply only to service performed on or after January 1, 1987. Thus, flight service station service performed before January 1, 1987, would not qualify as air traffic controller service for purposes of the 20-year retirement eligibility provision or the minimum 50-percent annuity benefit.

Unfortunately, as a result of an administrative misunderstanding, over 100 FAA employees were allowed to retire based on the presumption that flight service station specialist service performed before January 1, 1987, was fully creditable as "air traffic controller" service. About two-thirds of these employees currently are receiving retirement benefits which will soon be terminated in the absence of corrective legislation.

The remaining one-third of the separated employees have been denied retirement benefits, thus leaving them with no source of income.

The Senate amendment, in conformance with the original intent of Congress, will rectify this unfortunate situation.

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Mr. HASTERT. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Illinois.

Mr. HASTERT. Mr. Speaker, I appreciate the gentleman from Missouri yielding to me to say a few short words about my predecessor, John Grotberg.

Shortly upon arriving as a new Member of Congress this past January, I introduced H.R. 1403 to serve as an enduring tribute to a man who served so honorably during his short career in Congress. During the last 7 months, as this legislation has progressed through both bodies of Congress, many, many of John's colleagues have spoken of the contributions he made to this body, and perhaps more importantly, to the citizens of Illinois who he so deeply cared about.

I am very pleased that final passage of this bill will take place in the same Chamber of Congress in which John served. I know that all Members of this body who served with John share the gratification of knowing that their former colleague will be remembered in this manner. The John E. Grotberg Post Office Building in his hometown of St. Charles will serve as a reminder of John's commitment to public service. But to those who knew John Grotberg, and there were many, it will mean much, much more.

I would like to extend my sincere appreciation to the distinguished chairman of the Post Office and Civil Service Committee, Mr. FORD, and the ranking minority member, Mr. TAYLOR, for their hard work and expedient handling of this bill honoring one of their former colleagues.

Mr. TAYLOR. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the initial request of the gentleman from Indiana?

There was no objection.

A motion to reconsider was laid on the table.

### GENERAL LEAVE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendment just considered and adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## EXPRESSING SENSE OF THE HOUSE ON FUTURE UNITED STATES ASSISTANCE TO PAKISTAN

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the resolution (H. Res. 239) expressing the sense of the House of Representatives on future United States assistance to Pakistan, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. LEACH of Iowa. Mr. Speaker, reserving the right to object, I would take this opportunity to ask for an explanation from the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Speaker, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from California.

(Mr. LEVINE of California asked and was given permission to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, this bipartisan sense-of-Congress resolution expresses Congress' concern about Pakistan's continuing pursuit of a nuclear weapons capability, and our support for the administration's efforts to get Pakistan to comply with its past assurances regarding the nature of its nuclear program. The resolution was prompted by two events—the recent indictment of a Pakistani national on charges of trying to illegally export nuclear technology to Pakistan, and the administration's ongoing discussions with Pakistan about the future of our relationship in the wake of this incident.

This process of reviewing and reevaluating our relationship in a painful one for both Pakistan and the United States. In view of the close relations we have established with Pakistan over the past few years, it is truly unfortunate that events require such a review. But Pakistan has placed the United States in a very difficult position.

Six years ago, when we enacted the first portion of the multibillion-dollar aid package for Pakistan which runs out this September, we asked two things of them in return.

We asked for their help in supporting the Afghan resistance, which they have generously given. We also asked them not to develop a nuclear weapons program. They said they had no such intentions. All the same, already-existing evidence of a Pakistani effort to acquire a nuclear weapons capability forced us to give Pakistan a waiver from United States law, which bars United States assistance to any nation which attempts to acquire weapon-making capabilities.

Unfortunately, over the past 6 years, abundant evidence has accumulated that Pakistan has continued active efforts to acquire a weapons capability. In 1984, a Pakistani national was caught trying to smuggle parts for atomic weapons out of the United States. Later that year, General Zia gave President Reagan a pledge not to enrich uranium above peaceful use-levels, a pledge proven false within the year.

Then 2 weeks ago, another Pakistani native was indicted for trying to export specialized materials with nuclear weapons applications to Pakistan. Before his arrest, he acknowledged to an undercover Customs Service officer that the material was intended for use in Pakistan's nuclear program. All available evidence points to the conclusion that Pakistan has yet again broken its promises, and yet again engaged in criminal activity in the United States to further its nuclear ambitions.

Additionally disturbing is the fact that this has transpired even as Congress is considering a new multibillion-dollar aid package for Pakistan.

These arrogant violations of our laws and trust demand a firm response from the United States. If our longstanding policy of support for nuclear nonproliferation is to retain any credibility, we must not give in to the kinds of hollow promises which we have seen broken by Pakistan over and over in the past.

It is reassuring to see that the administration appears to share some of these concerns. Administration statements to the press earlier this month indicated that the administration has told Pakistan that "actions, not words, are needed to deal with the crisis of confidence caused by the arrest." I hope that this expression of congressional support for a firm stance toward Pakistan reinforces the administration's resolve to ask for some kind of concrete, verifiable efforts by Pakistan to comply with its past assurances about its nuclear program.

Even as we speak, Under Secretary of State Michael Armacost is in Islamabad expressing our concerns about these developments to the Government of Pakistan. We can give his efforts a boost by supporting this resolution, expressing Congress' support for the administration in these delicate discussions. I urge my colleagues to give this bipartisan effort their strong support.

Mr. LEACH of Iowa. Mr. Speaker, further reserving the right to object, I rise in strong support of this resolution declaring the strong support of this body for the President in his efforts to obtain Pakistan's compliance with its nuclear-related commitments. In urging the President to put Pakistan on notice that its "verifiable compliance" with these commitments is vital to further United States military aid, the resolution calls on the President to pursue "vigorously" an agreement between India and Pakistan to jointly accede to the Nonproliferation Treaty and to take other steps to prevent any nuclear arms race on the subcontinent.

This resolution sends an important and timely signal to Pakistan as Under Secretary of State for Political Affairs Armacost's visit to Pakistan draws to a close. It strongly underscores the efforts of the administration in seeking to further strengthen United States nonproliferation objectives in our relations with Pakistan.

The Subcommittee on Asian and Pacific Affairs, held hearings on July 22, at which time Assistant Secretary of State for Near Eastern and South Asian Affairs Richard W. Murphy testified that Pakistan is on the threshold of possessing nuclear weapons. He also testified that the administration has undertaken an intense dialog with Pakistani authorities with the objective of obtaining "concrete evidence of Pakistani nuclear restraint."

The recent arrest and indictment of Arshad Pervez on grounds of attempting to illegally export nuclear related materials to Pakistan has created a new climate of urgency on this issue. All the evidence in the case is not yet in and the administration has stated that it is "not in a position at this time to make any conclusive judgments." Assistant Secretary Murphy indicated at our hearing, however, that Pakistani authorities have denied any connection to this case and have offered to cooperate with the United States and to take action against any individuals violating Pakistani policy or law.

These recent developments cast an unfortunate shadow on past assurances by the Pakistani Government that it will not undertake illegal procurement activities here in this country and statements by Pakistan that it has no desire to develop nuclear weapons. It would appear that those assurances and statements are no longer sufficiently convincing in and of themselves for many Americans.

For that reason, I wholeheartedly support the position of the administration, as outlined at our recent hearings, that Pakistani assurances at this point "must be backed up by tangible

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evidence that their actions are in line with stated policy."

I also want to draw special attention to the third paragraph of the resolution which puts the nuclear issue in a broader and more balanced context. Agreement by both India as well as Pakistan to nuclear safeguards and inspection of nuclear installations could go far in assuring the stability and security of the subcontinent.

Before concluding, Mr. Speaker, I want to take the opportunity to commend the administration for the impressive Federal law enforcement operation which it undertook in the recent Pervez case in upholding U.S. law and nonproliferation policy objectives. Private sector American businessmen also deserve a special word of commendation for their exemplary action in this case. In putting the national interest above the profit motive, an American company in this instance didn't simply cooperate with Federal authorities but in fact precipitated the investigation that led to the above mentioned arrest and indictment.

Finally, let me emphasize that the resolution before us today seeks to strengthen rather than undercut the hand of the President in dealing with this difficult issue. I urge my colleagues to join in unanimous endorsement of its provisions.

Mr. Speaker, let me just conclude by expressing my support for the leadership of the gentleman from California [Mr. LEVINE], as well as the gentleman from Michigan [Mr. WOLPE] and, of course, the distinguished gentleman from New York [Mr. SOLARZ] and the committee chairman, the gentleman from Florida [Mr. FASCELL].

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. LEACH of Iowa. Further reserving the right to object, I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Speaker, is there a reason for us to believe that there is a cooperative posture being formed between India and Pakistan on which this resolution and what its intent is would be built? This is the first I have heard of any evidence of this, through the statements that have just been elicited as to the interest. Of course, we have an interest in it, but is there reason to believe that India and Pakistan can cooperatively work on these nonproliferation agreements?

Mr. LEACH of Iowa. Mr. Speaker with regard to the State of Pakistan, there is a commitment at least in public policy of the Pakistani government to accept the nonproliferation treaty once India has signed. With regard to India, there is not a tied position at this point in time, but certainly the government of Mr. Gandhi has taken the lead on certain arms control issues, and I think with the cooperation of the United States and Western Europe and perhaps other parties, there is a semblance of hope that we can see a new direction, both with regard to issues like the nonproliferation treaty and also the comprehensive test ban, but this resolution by no means guarantees such achievements will be made. It simply represents an effort to suggest that we ought to lead, and we hope the people on the Indian Subcontinent will listen.

Mr. LEACH of Iowa. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. GEKAS. Mr. Speaker, reserving the right to object, I will not object, of course, but I do feel that we must make statements of this genre to make certain that the entire world recognizes the delicate position of Pakistan and the Middle East where most of the things are occurring with respect to Afghanistan and India, and that it is the proper theme of the United States Government to voice its concerns, as this resolution will do.

Mr. LEACH of Iowa. Mr. Speaker, I thank the gentleman for his comments.

Mr. LEVINE of California. Mr. Speaker, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from California.

Mr. LEVINE of California. Mr. Speaker, I thank both the gentleman from Pennsylvania and the gentleman from Iowa for their comments and for their thoughtfulness in regard to pointing out the sensitivities and the complexities of this issue.

I would say to the gentleman from Pennsylvania that I think he is on the right track and he does pinpoint some important complexities with regard to an issue of this significance and some competing considerations that obviously are in place.

I would say to the gentleman from Iowa that I deeply appreciate his leadership on this issue and on so many other issues that affect our Nation's role in the world. The role that he had placed on the Foreign Affairs Committee has always been a very constructive role. He correctly points out that the language in subsection 3 of the resolve clause which talks about the linkage between India and Pakistan is language which was not included in the Resolution of the Foreign Affairs Committee which was passed last week. It was added by unanimous consent in the other body. It is important language, and it is language which helps to underscore the difficulty of the ultimate resolution of this issue.

We are dealing here with an issue which has many facets, and nobody should be under any illusions about the ease with which this issue can be solved. Six years ago, when the United States enacted the first portion of the multibillion-dollar aid package for Pakistan, which runs out this September, we asked—and I think it is important to underscore this—two things of Pakistan in return. First, we asked for Pakistan's help in supporting the Afghan resistance, which Pakistan has in fact generously given. Pakistan deserves our appreciation and our credit, credit to them for having provided the leadership and provided the support it has given with regard to the importance of providing support to the Afghan resistance.

We also asked Pakistan not to develop a nuclear weapons program. This is a vitally important component, not only of American foreign policy concerns but of the notion of keeping this world as safe as possible under the current condition of nuclear proliferation. At that time Pakistan said it has no such intentions. Nevertheless Pakistan has not responded or complied in an appropriate manner with regard to that assurance that it has given our country, and, unfortunately, evidence continues to develop which indicates that Pakistan has not been meeting with that concern and that promise.

We have Under Secretary of State Michael Armacost in Islamabad this very day negotiating with Pakistani officials, urging the Pakistanis to understand the significance that we as a nation place on this very, very serious issue. It is my hope that, with the other body and this body acting in concert, acting in unison, and hopefully both acting unanimously, the Pakistanis will understand that while on the one hand we are very grateful to them for their support in the Afghan area and we do have every interest and every desire of maintaining the closest possible relations with the government and the people of Pakistan with whom we have so many vital common interests, on the other hand we should not for a moment understimate the significance of the question of nuclear proliferation and in particular the issues pertaining to nuclear proliferation in South Asia, and Pakistan in particular.

Mr. Speaker, I think that this resolution strikes that balance and communicates that message. Hopefully, it will underscore the importance of Mr. Armacost's visit, and hopefully it will strengthen the administration's hand as our administration tries to convey that message to our friends in Pakistan.

So I thank the gentleman from Iowa [Mr. LEACH], I thank the ranking member of the committee, the gentleman from Michigan [Mr. BROOMFIELD], who has lent his name to this resolution as a coauthor, and I appreciate very much the bipartisan manner in which this resolution has been brought to the floor.

Mr. BROOMFIELD. Mr. Speaker, I support this resolution concerning the commitments by Pakistan that it will not conduct a Nuclear Weapons Development Program.

Last Friday, just prior to the trip to Pakistan by Under Secretary of State Michael Armacost, the Committee on Foreign Affairs voted to report a very similar resolution.

The resolution before us will be helpfull to the administration in its efforts to dissuade Pakistan from developing nuclear weapons. It would clearly state the support of the House for these efforts.

We in Congress are especially concerned with reported Pakistan activities in this area. This is because one of the chief reasons for the high level of United States defense assistance to Pakistan is to ensure that Pakistan possesses a strong conventional defense.

Pakistan is of great strategic and political value to the United States. It is on the front line of resistance to Soviet expansionism in Central Asia and has received massive numbers of refugees from the Soviet occupation of Afghanistan.

Pakistan is also an important link for the United States with the Islamic world.

In addition to supporting the administration's efforts, the resolution urges the President to inform Pakistan that its compliance with its commitments not to go nuclear is vital to further United States military assistance. It links these restraints on Pakistan with support for agreements by both Pakistan and India to enter verifiable agreements which would prevent nuclear weapons proliferation in this region.

Mr. Speaker, it is my pleasure today to add my support to this timely measure. I would also like to commend the efforts of my colleague Mr. LEACH, the ranking Republican member of the Subcommittee on Asian and Pacific Affairs, in promoting this resolution and seeing to it that it was carefully drafted.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of House Resolution 239 which expresses the sense of Congress with regard to Pakistan. As you know, a similar resolution passed the Foreign Affairs Committee unanimously.

I am a strong supporter and friend of Pakistan, but I am very concerned about the recent filing of criminal charges in two cases involving alleged efforts to procure material for Pakistan's nuclear program in violation of United States law. I stress, though, at this time that we are not in any position to make any conclusive judgments. For the time being, we are dealing with allegations and a continuing investigation which still has no conclusion.

Beginning in 1985, the Pakistani Government has provided unequivocal assurances that it would not engage in illegal procurement activities in the United States. In the wake of the arrest of Mr. Pervez, we need a full explanation from the Pakistani Government of what it may know about this matter. Standing firm against nuclear proliferation is of great importance to me, the administration and the American people. Ultimately, I would like to see a firm commitment, such as signing the Nuclear Non-Proliferation Treaty by both India and Pakistan. In the interim, I believe it is important to support the administration's efforts to achieve some restraints in the nuclear area despite India's previous detonation of a "peaceful" nuclear device. I know that Assistant Secretary Armacost was in Pakistan this past weekend and I am confident that he will soon inform Congress on the results of his important diplomatic mission to Islamabad.

I support this resolution because it voices Congress's deep concern about the Pakistan and India nuclear programs, a concern already raised by President Reagan, without jumping to any conclusions. It signals to Pakistan that any refusal to comply with their past commitments seriously jeopardizes any further American military assistance.

While some of my colleagues have been preoccupied with some of the recent allegations against Pakistan, I must emphasize the very important strategic relationship we have with Pakistan. Commanding a geopolitically significant position in southwest Asia, Pakistan has been the bulwark against Soviet expansion in this region. I must remind my colleagues about the very critical role Pakistan plays with regard to Afghanistan. Without a strong and supportive Pakistan, the efforts of the Mujahideen to liberate their country from illegal Soviet occupation would be severely jeopardized.

Already Pakistan, a pro-Western friend, has been a target of Communist and radical Iranian subversion. We must be very careful not to encourage the efforts by Khomeini, the KGB and other agents by sending signals of weakening United States support for Pakistan. Realizing there are over 120,000 front-line Soviet combat troops just across the long Pakistani frontier with Afghanistan and remembering the false assurances of friendship and peace the Soviets gave to the Afghans prior to their brutal invasion, I believe it is in the best interest of our national security to deliver a measured response to the allegations of Pakistani nuclear enrichment. This resolution, Mr. Speaker, does this. It provides the administration with the flexibility it needs in dealing with this delicate situation, registers our deep concerns, and does not jeopardize our important relationship with this strategic ally. I urge my colleagues to join me in fully supporting House Resolution 239.

Mr. WOLPE. Mr. Speaker, as I stand here as a cosponsor of this resolution, I cannot help feeling a sense of deja vu. For years, we have received reports of Pakistan's nuclear weapons program, followed by official denials. Most recently—and most convincingly—there was an interview in January with Pakistan's chief nuclear scientist, A.Q. Kahn, which removed the doubts of virtually all observers about the status and intentions of Pakistan's nuclear program. General Zia later confirmed the impression given by the interview.

Three years ago, General Zia had given President Reagan his personal assurances that Pakistan would not enrich uranium above 5 percent, a sufficient level for peaceful uses. But within a year, conclusive evidence emerged that Pakistan was enriching to 93 percent—the level needed for a nuclear explosive device.

The path to Pakistan's bomb is paved not only with these deceptions, but also with the repeated violation of United States laws. Also in 1984, a Pakistani national was caught trying to smuggle parts for atomic weapons out of the United States. Pakistan's denials of involvement were not supported by the evidence.

Last month a Pakistani national was arrested in Philadelphia on charges of attempting to illegally export materials whose only conceivable use is in Pakistan's nuclear weapons program. The Government of Pakistan's reaction to the arrest was to deny any connection with the incident, characterizing it as a "rogue operation." But State Department testimony at a subsequent hearing, as well as the documents which formed the basis for the indictment in the case, indicate that the Pakistani Government's denial is as groundless as others it has made over the years.

For many Members of Congress, this latest example of deceit by the Pakistani Government is the last straw. Many of us find it particularly galling that Pakistan would attempt to violate American laws prohibiting the export of nuclear technology even as Congress is in the process of drawing up a generous aid package for that country.

This package is even more generous than the current one, under which the United States has sent Pakistan more than $3 billion over the past 6 years. One of the justifications for that package was that Pakistan would be made to feel secure enough so that it would not feel the need to develop nuclear weapons. But each time a new piece of evidence is revealed, showing that Pakistan is in fact developing a nuclear weapons capability, the United States has looked the other way. Each time Pakistan has violated our laws—and those of other countries—we have been willing to overlook Pakistan's deception.

I fully appreciate the critical assistance that our friends in Pakistan have provided to the Mujaheddin in Afghanistan. I want to keep the supply route open to the Afghan freedom fighters, and I want to see the closest possible ties between the United States and Pakistan. However, supporting these goals does not require the United States to sacrifice another critical U.S. national interest—slowing the spread of nuclear weapons.

Our nonproliferation laws were enacted for just this type of situation. In their pursuit of a nuclear weapons capability, Pakistan has violated our laws and our trust. In the past, we have decided against taking a firm stand. If we don't stick to our guns this time, we will have given up our last shred of credibility, not just with Pakistan, but with our nonproliferation policy around the world.

Mr. Speaker, this resolution does not go beyond existing law. It simply calls for Pakistan to live up to its previous commitments, and it expresses the sense of outrage we feel at these latest violations of United States law.

I commend the gentleman from California for the dedication and insight he has brought to this issue. I have enjoyed collaborating with him on this resolution, as I have enjoyed working with him on other nonproliferation issues.

I urge my colleagues to approve this resolution clarifying and reaffirming the U.S. commitment to preventing the spread of nuclear weapons.

Mr. GEKAS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

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There was no objection.

The Clerk read the resolution, as follows:

H. Res. 239

Whereas production of weapon-grade nuclear materials in Pakistan and India constitutes a threat to regional and international security;

Whereas the United States desires to maintain a long-term security partnership with Pakistan;

Whereas the greatest threat to this partnership arises from activities in Pakistan's nuclear program that are viewed as being inconsistent with a purely peaceful program;

Whereas Pakistani choice to eliminate this threat would serve our mutual interests in promoting stability in South Asia and assisting the Afghan people;

Whereas The Government of Pakistan has repeatedly stated that it is not producing weapon-grade nuclear materials and that it would respect United States nuclear export control laws;

Whereas information exists that Pakistan is producing weapon-grade nuclear material;

Whereas in the absence of any other action by the Congress or the President, United States laws require a cessation of assistance in the event of violations of the nuclear export control laws of the United States; and

Whereas further assistance to Pakistan or India in the face of continued violations would undermine United States efforts to contain the spread of nuclear weapons, including United States commitments to the 132 non-nuclear-weapon-states which are parties to the Treaty on the Non-Proliferation of Nuclear Weapons: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) strongly supports the President in his forthcoming efforts to gain Pakistan's compliance with its past commitments, including commitments of record, not to produce weapon-grade nuclear materials;

(2) strongly urges the President to inform Pakistan that Pakistan's verifiable compliance with these past commitments is vital to any further United States military assistance; and

(3) urges the President to pursue vigorously an agreement by India and Pakistan to provide for simultaneous accession by India and Pakistan to the Treaty on the Non-Proliferation of Nuclear Weapons, simultaneous acceptance by both countries of complete International Atomic Energy Agency safeguards for all nuclear installations, mutual inspection of one another's nuclear installations, renunciation of nuclear weapons through a joint declaration of the two countries, and the establishment of a nuclear-weapons-free zone in the Asian subcontinent.

#### GENERAL LEAVE

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1710

## REPORT FROM CONSTITUTIONAL CONVENTION IN PHILADELPHIA, 1787

The SPEAKER pro tempore (Mr. Hayes of Illinois). Under a previous order of the House, the gentleman from Pennsylvania [Mr. Gekas] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, I am reporting to the House today from the floor of the Constitutional Convention in Philadelphia. It is now August 3, 1787, and the delegates are in recess.

They recessed about 8 days ago, and one would think that there is nothing going on here in Independence Hall; but I tell the Members, as I am reporting to the House, that there is a swarm of activity going on, even though the delegates technically are in recess.

George Washington, for example, along with Gouverneur Morris of Pennsylvania, have taken a side trip to Valley Forge, an opportunity for the general to revisit the site of where he and his gallant men braved that winter which led later to the successful overthrow of the British Government and the declaration and sustenance of the Revolution.

What has happened, though, in this Convention is that there were so many debates about so many different provisions and proposals, so many different resolutions, that the delegation, the Convention at Large, decided that they would relegate to the Committee on Detail the special duty of trying to put all of these things together and come back with a report to the full Convention which would lead to the final adoption, it is hoped, of some central documents.

Here I am in Independence Hall, but without the Convention in session, and I note right next to the main chamber in the library, there is a flurry of activity.

As I walk over there, I see the pages running back and forth; and finally in the library, I see the chairman, John Rutledge, the chairman of the Committee on Detail, at work looking over these massive numbers of resolutions and resolves.

For instance, he is looking over the Articles of Confederation. After all, these are the basic documents in which the Government of the United States is now being run, but which they have found to be unworthy of perpetuation.

The Virginia Resolve, the Pinckney Resolutions, even John Rutledge tells us he is looking over some of the documents of the basic government of the Iroquois Indians.

In other words, they are trying to get a world sense of what kind of government would be best suited for the new United States.

Edmund Randolph tells me something very interesting. He feels that the Constitution in the final analysis, if it be the Constitution that will be finally drawn from all of this, should be made up of provisions that are so simple, so to speak, that they would be able to be built upon in the future without damage to the individual liberties of the American citizens.

These are the kinds of things that the Committee on Detail is working on.

As I look over their shoulders, I can tell the Members that it looks like the final product is going to be made up of a preamble to say what the purposes are of the Constitution and then some 20 articles within which will be set forth the duties and responsibilities of the several branches of Government.

We believe, those of us who are observing this, that there is a new spirit among the delegates that might prevail and some success might come of it.

Right now I notice that the pages are getting the final drafts together, the ones that have been finalized by the Committee on Detail, and their duty is to take it to the printer in Philadelphia, Clay, Poole, and Dunlap, which is the firm who is going to make several copies of the proposals up to date and when the convention returns a few days from now, to circulate copies for all the Members for their deliberation.

I feel, as General Washington now feels, that there is a new optimism that something will be done during the balance of this month and in mid-September.

Here we are, and I am reporting to the Members 200 years ago today from the floor of the Convention in Philadelphia during a very hot summer.

## THE ARMENIAN GENOCIDE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. Ford] is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, the House is scheduled to consider tomorrow House Joint Resolution 132, which designates April 24, 1987, as a "National Day of Remembrance of the Armenian Genocide of 1915–1923."

The debate on this resolution centers in large part on the question of whether or not the deaths of 1.5 million Armenians during the period of 1915 to 1923 were the result of a government policy of race extermination; that is, genocide.

Throughout the years—as far back as the administration of President Benjamin Harrison—U.S. Presidents have recognized that Armenians have been subjected to persecution. So that my colleagues will have the benefit of the facts when asked to vote on this resolution, I will quote from statements of 10 Presidents.

On April 22, 1981, President Ronald Reagan, proclaiming Days of Remembrance of Victims of the Holocaust, said: "Like the genocide of the Armenians before it, and the genocide of the Cambodians which followed it—and like too many other such persecutions of too many other peoples—the lessons of the Holocaust must never be forgotten."

At a White House ceremony on May 16, 1978, President Jimmy Carter said: "* * * it is generally not known in the world that in the years preceding 1916, there was a concerted effot made to eliminate all the Armenian people, probably one of the greatest tragedies that ever befell any group. And there weren't any Nuremberg trials."

President Herbert Hoover, in his memoirs published in 1952, stated: "The association of Mount Ararat and Noah, the staunch Christians who were massacred periodically by the Mohammedan Turks, and the Sunday School collections over fifty years for alleviating their miseries—all cumulate to impress the name Armenia on the front of the American mind."

In a letter dated November 22, 1921, to his Secretary of State, President Warren G. Harding said: "If it is believed that a warship can be sent to an Armenian port on the Mediterranean I should have very little hesitancy in making such a suggestion on behalf of these stricken people. Surely there must be some way in which to utter the admonition of the five great powers to restrain the hands of assassins in that unfortunate land."

On September 18, 1919, in a letter to the Acting Secretary of State, President Woodrow Wilson urged: "* * * get into communication with * * * the appropriate committees of Congress with regard to our being authorized to send troops to Armenia. I am heartily in favor of such a course if the Congress will authorize it * * *."

The Taft papers on the League of Nations quoted President William Howard Taft as saying: "On the whole, it is not too much to say that the people of the Jewish race have suffered more in this war as noncombatants, than any other people, unless it be the Serbians and the Armenians."

In two instances, President Theodore Roosevelt referred to the Armenian persecution. In a letter on May 11, 1918, he said: "* * * the Armenian massacre was the greatest crime of the war, and failure to act against Turkey is to condone it * * * the failure to deal radically with the Turkish horror means that all talk of guaranteeing the future peace of the world is mischievous nonsense * * *."

On December 6, 1904, in his annual message, he said: "* * * it is inevitable that (the United States) should desire eagerly to give expression to its horror on an occasion like * * * such systematic and long-extended cruelty and oppression as the cruelty and oppression of which the Armenians have been the victims, and which have won for them the indignant pity of the civilized world."

President William McKinley in his annual message stated: "* * * press for a just settlement of our claims * * * during the Armenian troubles of 1895 * * *."

President Grover Cleveland in his annual message of December 7, 1896, said: "* * * it would afford me satisfaction if I could assure the Congress that the disturbed condition in Asiatic Turkey had during the past year assumed a less hideous and bloody aspect and that * * * as a consequence of the awakening of the Turkish Government to the demands of humane civilization * * * the shocking features of the situation had been mitigated. Instead, however * * * we have been inflicted by continued and not unfrequent reports of the wanton destruction of homes and the bloody butchery of men, women, and children, made martyrs to their profession of Christian faith."

And again in his annual message on December 2, 1985, President Cleveland said: "Occurrences in Turkey have continued to excite concern. The reported massacres of Christians in Armenia and the development there and in other districts of a spirit of fanatic hostility to Christian influences naturally excited apprehension * * *."

On December 14, 1894, President Benjamin Harrison said in a letter: "My indignation and sympathy have been greatly roused by the press reports of the fearful outrages practised on the Armenians."

## PRICE-ANDERSON AMENDMENTS: HELP MAKE NUCLEAR PLANTS SAFE AND ACCOUNTABLE

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Michigan [Mr. Conyers] is recognized for 5 minutes.

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Speaker, last week when the Price-Anderson amendments were on the floor, which were intended to help make nuclear plants safe and accountable, I unfortunately voted against the amendment of the gentleman from Minnesota [Mr. Sikorski], which I felt very strongly in support of.

I have called him to make known the inadvertent mistake that occurred, and I also include in this Record a "Dear Colleague" letter that I sent not only supporting the gentleman's amendment but all of the amendments which would have made important strengthening amendments to Price-Anderson.

The July 27, 1987, "Dear Colleague" letter follows:

#### Price-Anderson Amendments: Help Make Nuclear Plants Safe and Accountable

Dear Colleague: This week, we will have an opportunity to vote on an issue of great significance to all our constituents—renewal of the Price-Anderson Act, the law that limits liability and victim compensation for nuclear accidents.

Thirty years ago, Congress created this unprecedented corporate welfare program which in effect says that after a nuclear accident, industry doesn't have to foot the bill, and accident victims may never be fully compensated for damages to their homes, businesses and health. Today we are being asked to reauthorize this law which allows some of the country's largest corporations to escape financial responsibility for their mistakes—even if they intentionally violate federal health and safety laws.

These liability loopholes not only eliminate key safety incentives, they force innocent victims to bear the burden of private industry's carelessness. Moreover, both current law and the measure before the House allow industry attorneys to be paid from the limited compensation fund—ahead of victims.

The Price-Anderson Act directly affects the millions of Americans who live near commercial nuclear plants; federal nuclear waste, weapons and research facilities; and along nuclear transportation routes. It is imperative that we amend this outdated, inequitable policy to assure full compensation of accident victims and to increase safety incentives at all of our nuclear installations.

Unfortunately, the bill expected to be on the House floor (H.R. 1414) falls far short of meeting these important goals. I urge you to join me in supporting amendments that would eliminate the liability exemptions for nuclear contractors and assure full compensation for accident victims. In particular, I urge you to support the following amendments:

DOE contractor accountability (Wyden-Sharp)—holds DOE nuclear contractors liable for accidents caused by gross negligence or willful misconduct.

Full Compensation (Eckart)—establishes a mechanism that provides full victim compensation.

Attorney's Fees (Sikorski)—prohibits industry attorneys from being paid before victims.

Corporate Accountability (Markey)—holds the companies who design, build and supply parts for nuclear plants to liable for gross negligence.

Nuclear Waste Coverage (Swift)—Removes legal impediments to compensation for victims of nuclear waste accidents caused by federal employees.

I believe adoption of these amendments would go a long way toward creating a fair and responsible federal nuclear accident policy. I strongly encourage you to cast your vote in favor of these important public health and safety measures.

Sincerely,

John Conyers, Jr.,
*Member of Congress.*

## U.S. TRADE POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. Bentley] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, Walt Kelly had his main cartoon character, Pogo, comment upon conditions in the world. "That we have met the enemy and he is us!"

The editorial in Barron's Weekly this week convinces me that Kelly was a great commentator about the world in which we live today.

Barron's reports with awe on the amount of strategic material for our weaponry we are buying from the Russians. This is for our Defense Establishment.

United States imports of chrome ore from the Soviets surged to a whopping 6,440 gross tons per month over the previous average of 479 gross tons between 1981 and 1985.

The gigantic increase of 15 times more monthly is for the first 6 months this past March.

The more recent figures are expected to show another gigantic leap.

Imports of antimony, essential to bullet, computer, sonar, and radar manufacture, have risen 98 times, 98 times, since 1981.

We are also buying ferro-silicon manganese in increasing amounts. The purchase of industrial diamonds from Russia has increased 100-fold; platinum bars and plates, up 5 times.

It is a list of growing dependency upon our enemy to supply material for our war machine to protect us from them—ironic.

All of this, of course, is because we have imposed sanctions upon South Africa, and today we perceive South Africa to be greater enemy than Russia. I think that we had better decide who the real enemy is, and do it quickly.

There are some other aspects of what is happening in the defense posture, Mr. Speaker, that bother me a great deal.

In the trade bill that will be coming back to the House from the other body after a conference, we were briefed last Thursday that practically all export controls on technology will be out of the window, that instead of one Toshiba and one Tokyo Aircraft which we have reported as selling technology to the Soviet Union, and we are all very upset about it, there could very well be 1,000 Toshibas. At this time I urge Members in more senior positions in this body who are concerned about our defense capability to study this amendment, this part of the trade bill very, very carefully, and see what can be done to protect our technology.

We are the ones who develop, but we give it away.

On another aspect concerning defense, Mr. Speaker, on October 7, for 3 days over at the Hyatt Regency Crystal City Hotel, only 2 minutes from the Pentagon, there is going to be a defense weapons trade bazaar.

This is literally at the Pentagon's doorstep, as I said; but the shocking thing about this trade bazaar is that no American, no U.S. defense manufacturer need apply for exhibit space, because this bazaar is strickly limited to firms and organizations from those foreign producers having access to DOD procurement market under terms of their government's memorandum of understanding, MOU's, with the United States.

The exhibiting countries will include Australia, Belgium, Canada, Denmark, Egypt, France, Germany, Israel, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Switzerland, Turkey, and the United Kingdom.

I want to emphasize once again, Mr. Speaker, that a U.S. manufacturer/producer of defense weapons cannot get into this exhibit. According to testimony that was given before the Economic Stabilization Subcommittee of the House Committee on Banking, Finance and Urban Affairs by William G. Phillips, vice president, government relations of the National Council to Preserve the U.S. Defense Industrial Base, one of the principal workshop speakers, will be none other than Paal Prestegaard, president of the Norwegian Government-owned Kongsberg firm that was part of the Toshiba sale of our silent submarine technology to the Soviet Union.

According to the literature from this COMDEF, Kongsberg Vapenfabrik will exhibit "missile systems, proximity fuses, ground-base air defense and command systems."

More than 150 foreign defense product exhibitors from 17 MOU countries are expected to show their wares at the show.

☐ 1725

I do want to commend Chairman Mary Rose Oakar who is chairman of the Subcommittee on Economic Stabilization, who had this material brought out at a recent hearing only last week, as a matter of fact.

If we go through the other information that Mr. Phillips presented before that subcommittee, we will find that the participants in this affair and those who were invited—the invitation list looks like, you know, the whole Green Book from the Defense Department and from the State Department and from Capitol Hill; but among those who are scheduled in the calendar already, of those who have already accepted, one of the invitees is a man who appeared before the subcommittee earlier, Hon. Robert B. Costello, who is slated to speak there on October 8. His subject is "Mobilization Base and No Foreign Determination." According to Mr. Phillips, this refers to the list of defense weapons systems items so critically important to safeguarding U.S. national security that they are limited to domestic source procurement only under present policy. Rather frightening.

DOD Procurement Chief, Richard Godwin, is being advertised as the October 7 seminar speaker on the subject, "U.S. Defense Procurement in the Next Five Years," while Under Secretary of State Derwinski is scheduled to speak on "Current Technology Transfer Issue." DOD Assistant Secretary Spector is the advertised speaker on another key subject, "The MOUs and U.S. Procurement Policies and Procedures."

You know, Mr. Speaker, we are spending many, many billions of dollars of taxpayers' money overseas in procurement. What this money spent at our industries in this country could do to raise standards of living of many, many thousands of Americans who need it, many thousands who would like good paying jobs, is something that I cannot even estimate here today.

I have objected, and I object very strenuously, to any taxpayers' dollars going overseas. I have supported the defense establishment all the way through, but this is wrong.

Now, the man who is putting this affair together is a former member of the British Embassy staff here in Washington. He has made it, as I said, very clear that no Americans are welcome.

I just think the whole approach on this is wrong. I would hope that somehow it could be stopped.

Unfortunately, we are a free country and as a free country we put out the red carpet to everybody to come in and they literally invade us. Economically, they are invading us, and yet in many instances when we go to their doorstep, the door is shut.

I and many of my colleagues, and I know that Chairman Oakar on this committee and Congresswoman Kaptur, who also is very concerned about this, would like to see a change and more interest focused on what we can do here in this country.

Some of the statements that have been issued in connection with this workshop say, and here are some of the direct quotes, and again a lot of people are not paying that much attention to what is being said:

> Technology transfer to foreign competitors by U.S. industry has had a serious impact on U.S. competitiveness.

Yes, it has. That is another reason why I am so concerned about the lifting of these export controls, as now is written in the trade bill. If we lift anything more, if we transfer anything more, I think we might as well close shop over here in the manufacturing base.

Mr. Speaker, I do not think you want that, nor do I.

> Trade policy making is highly fragmented.

Well, they are trying to say that in the United States we do not have trade policymaking.

> Many departments establish policies that affect trade, often without consideration of the impact on U.S. competitiveness.

That is true. We fail to take into consideration all aspects of what will have an impact on our competitiveness.

Then they say:

> U.S. trade laws are ineffective to meet the new realities of global competition.

True. We are giving it away. We need—and the reason that many of us supported the trade bill to start with is what we felt we had to make our trading partners realize that once and for all we meant business, that we were not going to just let them continue to walk over us, and then they slip in this technology transfer.

Then it says:

> The international trading system under GATT has not kept pace with the evolution of the world economy.

Well, from what I hear on GATT, Mr. Speaker, the United States is really the only country that has abided by all aspects of GATT, and as a result of our usually being the good guy, we have exported more jobs overseas and that is one of the reasons that we are hurting.

> GATT reform, if pursued without clear national security objectives, could have a negative impact on the defense industrial base.

Well, I would like to see GATT abolished altogether, but that is not for me to make that decision. I think that we need to give some serious consideration to whether these other countries are going to abide by GATT in the same playing field as we do.

Yes, Mr. Speaker, as I have said, there are a number of things that cause me and others who have watched the exportation of our jobs overseas, the evaporation of our manufacturing base in this country, who feel that it is time that we start looking out for ourselves. I think this is one of the areas right now. If they want to have a seminar or an exhibit for 3 days and invite all the foreign manufacturers and no American manufacturers, then I do not believe that a single official of the U.S. Government should be on hand.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Daniel (at the request of Mr. Nichols), until further notice, on account of health reasons.

Mr. Badham (at the request of Mr. Michel), for today, on account of medical reasons.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Davis of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. Gingrich, for 60 minutes, today.

Mr. Gekas, for 5 minutes, today.

Mr. Boulter, for 60 minutes, on September 9.

Mr. Boulter, for 60 minutes, on September 10.

Mrs. Bentley, for 60 minutes, on August 7.

Mrs. Bentley, for 60 minutes, on September 9.

Mr. Burton of Indiana, for 60 minutes, on August 4.

(The following Members (at the request of Mr. Conyers) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Ford of Michigan, for 5 minutes, today.

Mr. Conyers, for 5 minutes, today.

Mr. Gaydos, for 60 minutes, on August 4.

Mr. Gaydos, for 60 minutes, on August 5.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Davis of Illinois) and to include extraneous matter:)

Mr. Schuette.
Mr. Courter.
Mr. Gilman.
Mr. Fields.
Mr. Henry in two instances.
Mr. Michel in two instances.
Mr. Horton.
Mr. Edwards of Oklahoma.
Mr. Porter.
Mr. Jeffords.
Mr. Oxley.
Mr. Houghton.
Mr. Fish.
Mr. Donald E. Lukens.
Mr. Burton of Indiana in two instances.
Mr. Leach of Iowa.
Mr. Coble.
Mrs. Bentley.
Mr. McCandless.
Mrs. Meyers of Kansas.

(The following Members (at the request of Mr. Conyers) and to include extraneous material:)

Mr. Anderson in 10 instances.
Mr. Gonzalez in 10 instances.
Mrs. Lloyd in five instances.
Mr. Hamilton in 10 instances.
Mr. Brown of California in 10 instances.
Mr. Annunzio in six instances.
Mr. Jones of Tennessee in 10 instances.
Mr. Boner of Tennessee in five instances.
Mr. de la Garza in 10 instances.
Mr. Torres in two instances.
Mr. Frank.
Mr. Murtha.
Mr. Mineta.
Mr. Smith of Florida.
Mr. Aspin.
Mrs. Boxer.
Ms. Kaptur.
Mr. Traficant.
Mr. Dyson.
Mr. Montgomery.
Mr. LaFalce.
Mr. Conyers.
Mr. Howard.
Mr. Slattery in two instances.
Mr. Stark in two instances.
Mr. AuCoin.
Mr. Florio.
Mr. Torricelli.
Mr. Manton.
Mr. Matsui.
Mrs. Schroeder.
Mr. Williams.

## SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 970. An act to authorize a research program for the modification of plants and plant materials, focusing on the development and production of new marketable industrial and commercial products, and for other purposes; to the Committee on Agriculture.

S. Con. Res. 29. Concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union; to the Committee on Foreign Affairs.

## SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1198. An act to authorize a certificate of documentation for the vessel F/V *Creole*.

## ADJOURNMENT

Mrs. BENTLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p.m.), the House adjourned until tomorrow, Tuesday, August 4, 1987, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1891. A communication from the President of the United States transmitting the FY 1987 supplemental budget of the District of Columbia, pursuant to Pub. L. 93-198, Sec. 446; Pub. L. 98-473 (H. Doc. 100-93); to the Committee on Appropriations and ordered to be printed.

1892. A letter from the Secretary of Education transmitting a copy of final regulations for the assistance for school construction in areas affected by Federal activities program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1893. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 8-87, concerning a proposed memorandum of understanding with the Governments of Canada, the Federal Republic of Germany, the Netherlands, Spain, and United Kingdom for the concept exploration phase of a NATO antiair warfare system, pursuant to 22 U.S.C. 2767(f); to the Committee on Foreign Affairs.

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1894. A letter from the Executive Secretary, Federal Home Loan Bank Board, transmitting a copy of the Board's activities under the Freedom of Information Act during calendar year 1986, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1895. A letter from the Executive Director, Federal Labor Relations Authority, transmitting the agency's report of its compliance under the Government in the Sunshine Act during calendar year 1986, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1896. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1897. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1898. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting copies of the grants of suspension of deportation for certain aliens, pursuant to 8 U.S.C. 1254(c); to the Committee on the Judiciary.

1899. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal years 1988 and 1989, and for other purposes, pursuant to 31 U.S.C. 1110; jointly to the Committees on Energy and Commerce and Public Works and Transportation.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and referenced to the proper calendar, as follows:

*[Pursuant to the order of the House on July 30, 1987 the following report was filed on July 31, 1987]*

Mr. St GERMAIN: Committee of conference. Conference report on H.R. 27 (Rept. 100-261). Ordered to be printed.

*[Pursuant to H. Res. 26, the following reports were filed on July 31, 1987]*

Mr. MILLER of California: Select Committee on Children, Youth, and Families. A report on Federal programs affecting children, 1987 (Rep. 100-258). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Select Committee on Children, Youth, and Families. A report on U.S. children and their families: current conditions and recent trends, 1987 (Rep. 100-259). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Select Committee on Children, Youth, and Families. A report on abused children in America: victims of official neglect (Rep. 100-260). Referred to the Committee of the Whole House on the State of the Union.

*[Submitted August 3, 1987]*

Mr. HAWKINS: Committee on Education and Labor. H.R. 1340. A bill to improve the administration of the Department of Agriculture Commodity; distribution activities, and for other purposes; with amendments (Rep. 100-216, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 237. Resolution providing for the consideration of H.R. 1315, a bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes (Rep. 100-263). Referred to the House Calendar.

Mr. BONIOR of Michigan: Committee on Rules. House Resolution 238. Resolution providing for the consideration of House Joint Resolution 132 designating April 24, 1987, as "National Day of Remembrance of the Armenian Genocide of 1915-1923" Rept. 100-264. Referred to the House Calendar.

## REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2629. A bill to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the conveyance and ownership of submerged lands by Alaska Natives, Native Corporations and the State of Alaska; with an amendment.

Referred to the Committee on Merchant Marine and Fisheries for a period ending not later than Aug. 3, 1987 for consideration of such provisions of title II and title III of the amendment as fall within the jurisdiction of that Committee pursuant to clause 1(n), rule X (Rept. 100-262, Pt. 1). Ordered to be printed.

## SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

*[The following action occurred on July 31, 1987]*

Under clause 5 of rule X the following action was taken by the Speaker:

H.R. 1340. Referral to the Committee on Education and Labor extended for a period ending not later than August 3, 1987.

*[Submitted August 3, 1987]*

Under clause 5 of rule X the following action was taken by the Speaker:

H.R. 2629. The Committee on Merchant Marine and Fisheries discharged, rules suspended, H.R. 2629 considered as amended and passed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA (for himself and Mrs. Saiki):

H.R. 3072. A bill to require the construction or acquisition of facilities for a new Veterans' Administration medical center in Hawaii; to the Committee on Veterans' Affairs.

By Mr. ANTHONY (for himself, Mr. Alexander, Mr. Robinson, and Mr. Hammerschmidt):

H.R. 3073. A bill to modify the McClellan-Kerr Arkansas River navigation project for the purpose of making water supply an authorized purpose of such project, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DERRICK (for himself, Mr. Gallo, Mr. Boucher, Mr. Coble, Mr. Slaughter of Virginia, Mrs. Martin of Illinois, Mr. Synar, Mr. Torricelli, Mr. DeWine, Mr. Rinaldo, Mr. LeLand, and Mr. Hughes):

H.R. 3074. A bill to amend title 35, United States Code, with respect to Patent term restoration, and for other purposes; to the Committee on the Judiciary.

By Mr. HERGER (for himself and Mr. Bosco):

H.R. 3075. A bill to amend title 18, United States Code, to make it unlawful to spike timber, and for other purposes; to the Committee on the Judiciary.

By Mr. LANTOS:

H.R. 3076. A bill to amend the Internal Revenue Code of 1986 to permit individuals to receive tax-free distributions from an individual retirement account or annuity to purchase their first home; to the Committee on Ways and Means.

By Mr. MORRISON of Washington:

H.R. 3077. A bill to suspend certain activities of the Secretary of Energy under the Nuclear Waste Policy Act of 1982, to authorize construction of regional monitored retrievable storage facilities, and for other purposes; jointly, to the Committees on Interior and Insular Affairs; Energy and Commerce; Science, Space, and Technology; and Public Works and Transportation.

By Mr. PASHAYAN (for himself, Mr. Bosco, Mr. Herger, Mr. Young of Alaska, Mr. Marlenee, Mr. Stump, Mr. Craig, Mr. Stallings, Mr. Robert F. Smith, Mr. Nielson of Utah, Mr. Shumway, Mr. Campbell, Mr. Dannemeyer, and Mr. Olin):

H.R. 3078. A bill to amend section 1853 of the act of June 25, 1948; to the Committee on the Judiciary.

By Mr. ROWLAND of Connecticut (for himself, Mr. Hunter, Mr. Ireland, Mr. Hansen, Mr. Donald E. Lukens, Mr. Burton of Indiana, and Mr. Wilson):

H.R. 3079. A bill to prohibit the Secretary of Defense from entering into contracts with the Toshiba Corp. and Kongsberg Vapenfabrik; to the Committee on Armed Services.

By Mr. SOLARZ:

H.R. 3080. A bill to make demonstration grants to local educational agencies eligible to receive assistance under title I of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981, in order to strengthen the educational partnership between the family and the school, and for other purposes; to the Committee on Education and Labor.

By Mr. WILLIAMS (for himself, Mr. English, Mr. Johnson of South Dakota, Mr. Stallings, and Mr. Dorgan of North Dakota):

H.R. 3081. A bill to consolidate and improve existing emergency livestock feed assistance programs administered by the Secretary of Agriculture, and for other purposes; to the Committee on Agriculture.

By Mr. WISE:

H.R. 3082. A bill to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol and ethanol, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. LEVINE of California (for himself, Mr. Wolpe, Mr. Solarz, Mr. Leach of Iowa, and Mr. Broomfield):

H. Res. 239. Resolution expressing the sense of the House of Representatives on future United States assistance to Pakistan; to the Committee on Foreign Affairs.

By Mr. LANTOS:

H. Res. 240. Resolution supporting the people of Haiti in their efforts to obtain respect for human rights and the holding of free and fair elections in Haiti, and for other purposes; to the Committee on Foreign Affairs.

## MEMORIALS

Under clause 4 of rule XXII.

177. The SPEAKER presented a memorial of the General Assembly of the State of Illinois, relative to the reauthorization of the Older Americans Act; which was referred to the Committee on Education and Labor.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 245: Mr. Barnard, Mr. Boucher, Mr. Davis of Illinois, Mr. Johnson of South Dakota, and Mr. Smith of Texas.

H.R. 378: Mr. Gonzalez.

H.R. 390: Mr. Donnelly, Mr. Vento, Mr. Boucher, Mr. Erdreich, Mr. Wheat, Mr. Brown of California, Mr. Durbin, Mr. Evans, Mr. St Germain, Mr. Synar, Mr. Thomas of Georgia, Mr. Henry, Mr. Udall, Mr. Gephardt, Mr. Hunter, Mr. Madigan, Mr. Wise, Mr. Foglietta, Mr. Rahall, Mr. Torres, Mr. Gordon, Mr. Hutto, Mr. Lantos, Mr. Ballenger, Mr. Beilenson, Mr. Bilbray, Mr. Bilirakis, Mr. Bruce, Mr. Carper, Mr. Carr, Mr. Coelho, Mr. Dorgan of North Dakota, Mr. Dreier of California, Mr. Ford of Tennessee, Mr. Gaydos, Mr. Gejdenson, Mr. Gonzalez, Mr. Hefner, Mr. Hopkins, Mr. Huckaby, Mr. Kildee, Mr. LaFalce, Mr. Leath of Texas, Mr. Lehman of California, Mr. Levine of California, Mr. McCollum, Mr. Mack, Mr. Markey, Mr. Mazzoli, Mr. Miller of Washington, Mr. Montgomery, Mr. Nichols, Mr. Oberstar, Mr. Penny, Mr. Rose, Mr. Sharp, Mr. Slattery, Ms. Snowe, Mr. Stump, Mr. Torricelli, Mr. Wylie, Mr. Flippo, Mr. Harris, and Mrs. Boggs.

H.R. 469: Mr. Hastert.

H.R. 514: Mr. Latta.

H.R. 622: Mr. Fields, Mr. Daub, Mr. Bustamante, Mr. Nichols, Mr. Nielson of Utah, Mr. Quillen, Mr. Horton, Mr. Marlenee, and Mr. Natcher.

H.R. 779: Mr. Gray of Pennsylvania.

H.R. 898: Mr. Hayes of Louisiana.

H.R. 1028: Mr. Neal.

H.R. 1158: Mr. Coelho and Ms. Pelosi.

H.R. 1217: Mr. Kolter.

H.R. 1259: Mr. Schuette.

H.R. 1433: Mr. Weiss, Miss Schneider, and Mr. Kastenmeier.

H.R. 1506: Mr. Brown of California and Mr. Pepper.

H.R. 1606: Mr. Archer, Mr. Neal, and Mr. Lowery of California.

H.R. 1623: Mr. Boucher and Mr. Bryant.

H.R. 1646: Mr. Owens of New York.

H.R. 1651: Mr. Hochbrueckner.

H.R. 1729: Mr. Shuster and Mr. Penny.

H.R. 1766: Mr. Johnson of South Dakota.

H.R. 1808: Mr. Solomon and Mr. Wolpe.

H.R. 1816: Mr. Jeffords.

H.R. 1981: Mr. Barton of Texas.

H.R. 1987: Mr. Lott.

H.R. 2045: Mr. Chapman.

H.R. 2240: Mr. Beilenson.

H.R. 2248: Mr. Martinez.

H.R. 2260: Mr. Donnelly, Mr. DeLay, Mr. Armey, Mr. McDade, Mr. Watkins, Mr. Emerson, Mr. Hiler, Mr. Hayes of Illinois, Mr. Campbell, and Mr. Manton.

H.R. 2298: Mr. Holloway and Mr. Weber.

H.R. 2456: Mr. Clinger, Mr. Studds, Mrs. Kennelly, Mr. Mrazek, and Mr. Waxman.

H.R. 2487: Mr. Conyers, Mr. Torricelli, Mr. Weldon, Mr. Martin of New York, Mr. Brown of California, Mr. Lujan, Mr. Espy, Mr. Valentine, Mr. Berman, Mrs. Saiki, Mr. Shumway, Mr. Kildee, and Mr. Hayes of Illinois.

H.R. 2521: Mr. Wolpe, Mr. Panetta, and Mr. Beilenson.

H.R. 2587: Mr. Thomas of Georgia, Mr. Livingston, Mr. Courter, Mr. Sikorski, Mr. Lehman of Florida, Mr. Campbell, Mr. Parris, Mr. Ritter, Mr. Ballenger, and Mr. Baker.

H.R. 2607: Mr. Sunia and Mr. Fish.

H.R. 2611: Mr. Tauke, Mr. MacKay, Mr. DeWine, Mr. Hughes, and Mr. Oxley.

H.R. 2624: Mr. Hyde, Mr. Holloway, and Mr. Nielson of Utah.

H.R. 2628: Mr. Barton of Texas.

H.R. 2640: Mr. Johnson of South Dakota, Mr. Espy, Mr. Derrick, Mr. Wolpe, Mr. Broomfield, Mr. Slaughter of Virginia, Mr. Clinger, Mr. Upton, Mr. Rowland of Georgia, Mr. Bateman, Mr. Spence, Mr. Watkins, Mr. Schuette, Mr. Saxton, and Mr. Thomas of Georgia.

H.R. 2649: Mr. Owens of New York, Mr. Darden, Mr. Nielson of Utah, Mr. Moakley, Mr. Foglietta, Mr. Lantos, Mr. Yatron, Mr. Studds, Mr. Lent, Mr. Bilbray, Mr. Johnson of South Dakota, Mr. Hayes of Illinois, Mr. de Lugo, Mr. Bliley, Mr. Livingston, and Mr. Bevill.

H.R. 2692: Mrs. Collins and Mr. Neal.

H.R. 2793: Mrs. Saiki.

H.R. 2800: Mr. Lagomarsino, Mr. Bruce, Mr. Waxman, Mr. Jontz, Mr. Fascell, Mr. Kostmayer, Mr. Bustamante, Mr. Green, and Mr. Pursell.

H.R. 2801: Mr. Feighan, and Mr. Kolter.

H.R. 2811: Mr. Pashayan.

H.R. 2837: Mr. Gordon.

H.R. 2844: Mr. Frank and Mr. Atkins.

H.R. 2848: Mr. Eckart, Mr. Wise, Mr. Olin, Mr. Penny, and Mr. Wilson.

H.R. 2856: Mr. Lewis of Florida and Mr. Nielson of Utah.

H.R. 2881: Mr. Sawyer, Mr. Ford of Michigan, Mr. Studds, Mr. Wilson, Mr. Shumway, and Mr. Levine of California.

H.R. 2884: Mrs. Byron.

H.R. 2919: Mr. Lagomarsino.

H.R. 2926: Mr. Towns, Mr. Biaggi, Mr. Gray of Illinois, Mr. Frost, and Mr. Gray of Pennsylvania.

H.R. 3005: Mr. Coelho.

H.R. 3010: Mrs. Boxer, Mr. Regula, Mr. Beilenson, Mr. Hochbrueckner, Mr. Ravenel, Mr. Jeffords, Mr. Davis of Illinois, Mr. Atkins, Mr. Stokes, Mr. Lantos, Mr. DeFazio, and Mr. Green.

H.R. 3039: Mr. Kleczka, Mr. Miller of California, Mr. Neal, Mr. Gejdenson, Mr. Conyers, Mr. Levine of California, and Mr. McCloskey.

H.R. 3050: Mr. Lewis of Georgia, Mr. Fauntroy, Mr. Owens of New York, Mr. Hayes of Illinois, Mr. Dymally, Mrs. Collins, and Mr. Gray of Pennsylvania.

H.J. Res. 24: Mr. Torricelli, Mr. Conte, Mr. Donnelly, Mr. Darden, Mr. Hansen, Mr. Flippo, Mr. Oberstar, Mr. Roybal, Mr. Yatron, Mr. Blaz, Mr. Coyne, Mr. Sikorski, Mr. Bateman, Mr. Stangeland, Mr. Bruce, Mr. Crockett, Mr. Fawell, Mr. Dellums, Mr. Wylie, Mr. Kastenmeier, Mr. Hall of Texas, Mr. Jeffords, Mr. Studds, Mr. Schumer, Mr. Kanjorski, Mr. Matsui, Mrs. Byron, Mr. Russo, Mr. Lowery of California, Mr. Bates, Mr. Chapman, Mr. Campbell, Mr. Panetta, Mr. Alexander, Mr. Applegate, Mr. Broomfield, Mr. Conyers, Mr. Pursell, Mr. Dorgan of North Dakota, Mr. Ford of Michigan, Mr. Boucher, and Mr. Gonzalez.

H.J. Res. 48: Mr. Grandy, Mr. Gregg, Mr. Ballenger, and Mr. Roth.

H.J. Res. 100: Mr. Brown of California.

H.J. Res. 130: Mr. Flake, Mr. Flippo, Mr. Hyde, Mr. Hutto, Mr. Clay, Mr. Gekas, Mr. Goodling, Mr. Gordon, Mr. Ravenel, Mr. Natcher, Mr. Udall, Mr. Tauke, Mr. Markey, Mr. Thomas of Georgia, Mr. Traxler, Mr. Mfume, Mr. Campbell, Mr. Chandler, Mr. Daniel, Mr. Darden, Mr. de Lugo, Mr. Lancaster, Mr. Hiler, Mr. Inhofe, Mr. Panetta, and Mr. Montgomery.

H.J. Res. 180: Mr. Parris, Mr. Sundquist, Mr. Clay, Mr. Olin, Mr. Gregg, Mr. Lowry of Washington, Mr. MacKay, Mr. Miller of California, Mr. Miller of Washington, Mr. Mineta, Mr. Moakley, Mr. Montgomery, Mr. Morrison of Washington, Mr. Natcher, Mr. Nelson of Florida, Mr. Pepper, Mr. Perkins, Mr. Price of North Carolina, Mr. Rodino, Mr. Swift, Mr. Anderson, Mr. Bilbray, Mr. Boner of Tennessee, Mr. Bonior of Michigan, Mr. Bosco, Mrs. Boxer, Mr. Carr, Mr. Chandler, Mr. Coelho, Mr. Flippo, Mr. Foley, and Mr. Hoyer.

H.J. Res. 206: Mr. Conyers, Mr. Bevill, Mr. Weldon, Mr. Rodino, Mr. Chandler, Mr. Levin of Michigan, Mr. Livingston, Mr. Carper, Mr. McDade, Mr. Neal, Mr. Burton of Indiana, Mr. McCollum, Mr. Foglietta, Mr. Sundquist, and Mr. Yatron.

H.J. Res. 217: Mr. Biaggi, Mr. Mazzoli, Mr. Schaefer, Mr. Burton of Indiana, Mr. Fawell, Mr. Hopkins, Mrs. Johnson of Connecticut, Mr. Lujan, Mr. Parris, Mr. Rhodes, and Mr. Roberts.

H.J. Res. 231: Mr. Nichols, Mr. Mfume, Mr. McEwen, Mr. Fish, Mr. Ford of Tennessee, Mr. Lantos, Mr. Latta, Mr. Saxton, Mr. Martin of New York, Mr. Gregg, Mr. Bennett, Mr. Dymally, Mr. Flippo, Mr. Morrison of Connecticut, Mr. Berman, Mr. Duncan, Mr. Moorhead, Mr. Lent, Mr. Carper, Mr. Obey, Mr. Pepper, Mr. Wolpe, Mr. Shaw, Mrs. Johnson of Connecticut, Mr. Guarini, Mr. Brown of California, Mr. Smith of New Jersey, Mr. Florio, Mr. Donnelly, Mr. Solarz, Ms. Slaughter of New York, Mrs. Kennelly, Mr. Scheuer, Mr. Rangel, Mr. McHugh, Mr. Morrison of Washington, Mr. Bustamante, Mr. Matsui, Mr. Courter, Mr. Conte, Mr. McCollum, Mr. MacKay, Mr. Perkins, Mr. McMillen of Maryland, Mr. Rinaldo, Mr. Gonzalez, Mr. Aspin, Mr. Hall of Texas, Mr. Dwyer of New Jersey, Mr. Rowland of Georgia, Mr. Dornan of California, Mr. Nelson of Florida, Mr. Murphy, Mr. McGrath, Mr. Rodino, Mr. Weldon, Mr. Thomas A. Luken, Mr. Manton, Mr. Pursell, and Mr. Boland.

H.J. Res. 240: Mr. Lewis of Georgia, Mr. Atkins, Mr. Lagomarsino, and Mr. DeWine.

H.J. Res. 299: Mr. Tauke, Mr. Young of Florida, Mr. McEwen, Mr. Miller of Ohio,

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Mrs. Vucanovich, Mr. Porter, Ms. Slaughter of New York, Mr. Barton of Texas, Mr. Sweeney, Mr. Foglietta, Mr. Bates, Mr. Bartlett, Mr. Hoyer, Mr. Schaefer, Mr. Inhofe, Mr. Andrews, Mr. Beilenson, Mrs. Boggs, Mr. Boucher, Mr. Donnelly, Mr. Downey of New York, Mr. Durbin, Mr. Early, Mr. Frank, Mr. Guarini, Mr. Kleczka, Mr. Lewis of Georgia, Mr. Mavroules, Mr. Mica, Mr. Miller of California, Mr. Murphy, Mr. Richardson, Mr. Smith of Iowa, Mr. Synar, Mr. Torres, Mr. Torricelli, Mr. Walgren, Mr. Watkins, Mr. Rinaldo, Mr. Cardin, Mr. English, Mr. Kastenmeier, Mr. Rangel, Mr. AuCoin, Mr. Berman, Mr. Bilbray, Mr. Bryant, Mr. Coleman of Texas, Mr. Conyers, Mr. Coyne, Mr. Florio, Mr. Hayes of Illinois, Mr. Hertel, Mr. McHugh, Mr. Manton, Mr. Ray, Mr. Spratt, Mr. Wolpe, Mr. Baker, Mr. Brown of Colorado, Mr. Coble, Mr. Dreier of California, Mr. Emerson, Mr. Gregg, Mr. Hansen, Mr. Hefley, Mr. Herger, Mr. Latta, Mr. Donald E. Lukens, Mr. Molinari, Mr. Moorhead, Mr. Parris, Mr. Rhodes, Mr. Ritter, Mrs. Saiki, Mr. Schuette, Mr. Skeen, Mr. Slaughter of Virginia, Mr. Smith of New Hampshire, Ms. Snowe, Mr. Solomon, Mr. Stump, and Mr. Sundquist.

H.J. Res. 313: Mr. Bevill, Mr. Nielson of Utah, Mr. Kolter, Mr. Stokes, Mr. Lungren, Mr. Murphy, Mr. Gingrich, Mr. Guarini, Mr. Andrews, Mr. Oberstar, and Mr. Davis of Illinois.

H.J. Res. 315: Mr. Mazzoli.

H.J. Res. 326: Mr. Volkmer, Mr. Lewis of Georgia, Mr. Kleczka, Mr. McMillen of Maryland, Mr. Garcia, Mr. Upton, Mr. Kolter, Mr. Bilbray, Mr. DeWine, Mr. Savage, Mr. Atkins, Mr. Owens of New York, Mr. Traficant, Mr. Borski, Mr. Davis of Michigan, Mr. Blaz, and Mr. Matsui.

H.J. Res. 327: Mr. Bliley, Mr. Brown of Colorado, Mr. Martinez, Mr. Robinson, Mr. Schuette, Mr. English, Mr. Lagomarsino, and Mr. Dornan of California.

H.J. Res. 338: Mr. Lancaster, Mr. Hertel, Mrs. Kennelly, Mr. Fauntroy, Mr. de la Garza, Mr. Lewis of Georgia, Mr. Dwyer of New Jersey, Mr. Frost, Mr. Kennedy, Mr. Young of Florida, Mr. Bates, Mrs. Vucanovich, Mr. Goodling, Mr. Daub, Mrs. Roukema, and Mr. Atkins.

H. Con. Res. 5: Mr. Yates,Mr. Slattery, Mr. de Lugo, Mr. Clarke, Mr. Wolf, Mr. Wyden, Mr. Berman, Mr. Towns, Mrs. Boxer, Mr. Bateman, Mr. DeFazio, Mr. Erdreich, Mr. Petri, Mr. Bilirakis, Mr. Schuette, Mr. Bustamante, Mr. Torricelli, Mr. Hoyer, Mr. Daub, Mr. Mica, Mr. Udall, Mr. Cardin, Mr. Moody, and Mr. Green.

H. Con. Res. 83: Mr. Boland, Mrs. Lloyd, and Mr. Cardin.

H. Con. Res. 111: Mr. Kolter.

H. Con. Res. 160: Mr. Badham, Mr. Martinez, Mr. Dornan of California, and Mr. DeLay.

H. Res. 189: Mr. Dorgan of North Dakota, Mr. Mrazek, Mr. Kostmayer, Mr. Traficant, Mr. Gray of Pennsylvania, Mr. Levine of California, Mr. Lewis of Georgia, Mr. Martinez, Mr. Kolter, Mr. Sikorski, Ms. Pelosi, Mr. Torres, Mr. Hayes of Illinois, Mr. DeFazio, Mr. Towns, Mr. Wolpe, Ms. Kaptur, Mr. Mfume, Mr. Conyers, Mr. Clay, Mr. Dixon, Mr. Dellums, Mr. Howard, Mr. Bonior of Michigan, Mr. Miller of California, Mr. Fazio, Mr. Frost, and Mr. Evans.

H. Res. 225: Mr. Bilbray, Mr. Boehlert, Mr. DeLay, Mr. Garcia, Mr. Henry, Mr. Jones of North Carolina, Mr. Kasich, Mr. Kolter, Mr. Lancaster, Mr. Donald E. Lukens, Mr. Mack, Mr. Martin of New York, Mr. Mineta, Mr. Neal, Mr. Oberstar, Mr. Savage, and Mr. Stump.

## AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1315

By Mr. ECKART:

—At the end of the bill, add the following new section:

SEC. 7. OPEN MEETINGS.

No amount authorized to be appropriated under section 1 may be used in fiscal year 1988 or 1989 to hold any Nuclear Regulatory Commission meeting that does not conform to the regulations contained in sections 9.100 through 9.109 of title 10 of the Code of Federal Regulations, as in effect on January 1, 1985.

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# EXTENSIONS OF REMARKS

## NATALIE HINDERAS, INTERNATIONALLY ACCLAIMED PIANIST

### HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. STOKES. Mr. Speaker, on July 22, 1987, America lost a great artist, humanitarian, teacher, and international star. Natalie Hinderas, a renowned black classical pianist passed away at her home in Philadelphia.

Over the years, Ms. Hinderas' contributions to music have been internationally acclaimed. Ms. Hinderas has provided inspiration to young artists the world over. She has promoted the careers of aspiring black artists and encouraged performance of the music of black composers.

Her mother Leota Palmer, a pianist, composer, and teacher at the Cleveland Institute of Music, was her first music teacher. Ms. Hinderas began studying music at age 3. By age 5 she had appeared as a pianist and singer in many variety shows. She made her first recital appearance at age 8 and began teaching other youngsters by the time she was 10.

Ms. Hinderas deserves to be recognized and honored. She gave generously of her time and musical talent to help generations of the students whose lives she touched.

I would like to enter into the Congressional Record an article published in the Philadelphia Inquirer, July 23, 1987, which highlights Ms. Hinderas' career.

Mr. Speaker, I ask that my colleagues join me in extending our sympathy to Ms. Hinderas' family and her many friends.

[From the Philadelphia Inquirer, July 23, 1987]

NATALIE HINDERAS, 60, INTERNATIONAL PIANIST

(By Daniel Webster)

Natalie Hinderas, 60 a pianist who promoted music by black and other contemporary composers in an international career, died yesterday of cancer at her home in Elkins Park.

She premiered works by a number of composers, including George Walker and Joseph Castaldo, and performed Alberto Ginastera's *Piano Concerto No. 1* with the Philadelphia Orchestra and the New York Philharmonic, among other orchestras.

Her playing was marked by unusual refinement of sound in standard works and a bold articulation in new music.

Born Natalie Henderson in Oberlin, Ohio, she grew up in a musical family. Her father was a jazz musician who divorced her mother, Leota Palmer, a pianist, composer and teacher at the Cleveland Institute of Music. Her grandparents also were musicians.

Miss Hinderas' mother was her first music teacher. She began piano studies at age 3, and was appearing as a pianist and singer in variety shows at age 5, when her mother decided that the piano was to be her focus. Miss Hinderas made her first recital appearance at 8 and began teaching other youngsters by the time she was 10.

She entered Oberlin Conservatory and appeared as soloist with the Cleveland Women's Symphony at age 12. She graduated at 18 and went on to study in New York with Olga Samaroff and at the Philadelphia Conservatory with Eduard Steuermann.

Miss Hinderas was chosen to make two tours of Europe in the early 1950s under the aegis of the State Department, and in 1954 she was signed to a contract for regular radio recitals on the NBC television network.

The Leventritt Foundation sponsored a series of her appearances with major American orchestras, and in the late 1950s she made a four-month world tour for the State Department. In 1961, she played to open the cultural center in Lagos, Nigeria, as a representative of the American Society for African Culture.

Her heritage was black, American Indian, Italian and Latin American, and she early made her music an aspect of a larger concern for humanitarian understanding. She once declared. "I am an integrationist. Good heavens. I've always been proud of my race."

Even as her career blossomed in the 1960s and 1970s, she undertook teaching programs, including one at the Settlement Music School, that stressed interracial participation. Miss Hinderas also organized tours of black colleges to provide her listeners with programs and lectures on the black musical heritage of the United States.

She made it a point to talk to her audiences about her music after her performances. As her career continued, she also researched lesser-known composers. She began to turn up more and more significant music by black composers, and undertook her major recording project, the two-record album *Music by Black Composers.* In it she played works by George Walker, Nathaniel Dett, William Grant Still, Stephen Chamber and John W. Work.

She played her debut with the Philadelphia Orchestra in 1971, and returned periodically, usually with contemporary concertos or music by Grieg and Rachmaninoff.

In 1966, she was named lecturer at Temple University's College of Music, and through the years eventually became a full professor. She won the university's Creative Achievement Award in 1985. Among her students have been Leon Bates, Horatio Miller, Joel Martin and Judith Willoughby Miller.

Helen Laird, Temple's music dean, said yesterday that "each of us mourns the loss of a great artist who inspired us all with her artistry, musical ideas and brilliance at the keyboard and her very positive attitude toward life."

The pianist's manager, Joanne Rile, said she had met Miss Hinderas as a neighbor in Mount Airy before she knew her as a pianist. Rile became her manager in 1968 and they had remained business associates since then.

Her final public appearances were at a taped performance of music by black composers made April 12 at Ramapo College of New Jersey and a concert May 3 at Temple Keneseth Israel in Elkins Park.

In 1960, she married Lionel J. Monagas, then an executive at WHYY-TV (Channel 12) when she was producing programs titled, *WHYY's Young Artist Series* and *Robin Hood Dell Previews.* They have a daughter, Michele, who lives in New York.

In addition to her husband and daughter, she is survived by her mother.

## IN MEMORY OF A SAILOR SERVING PEACE

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. FLORIO. Mr. Speaker, on Thursday, July 30, the Nation and the State of New Jersey were stunned by the tragic loss of one of our citizens, a young man serving our country abroad in the Persian Gulf.

U.S. Navy Lt. (j.g.) James F. Lazevnick of Paulsboro, NJ, was a serviceman in the true sense of the word. He loved his country and followed his country wherever it led him.

On Thursday, his patriotism led him to the most noble sacrifice, giving his life in the course of his duty.

In the performance of his duty as a helicopter copilot, he was killed in a crash while trying to land on the deck of the U.S.S. *LaSalle,* escorting Kuwaiti tankers in the Persian Gulf.

Along with the other Navy personnel who died and those who were injured in the crash, Lieutenant Lazevnick's exceptional sacrifice is a reminder of the danger that our servicemen face every day as they defend our Nation. His death is a reminder that often, a sailor is asked to pay the highest price in the course of his duty.

The family and citizens in the Borough of Paulsboro are mourning his death. As they draw together to remember his courage and the devotion that he demonstrated to his Nation, they will remember a young man who knew that the road from Paulsboro to Persia was a long and dangerous road.

His sacrifice is a sacrifice on the behalf of all citizens, for the soldiers and sailors who are closest to the peril from which they protect us and their families and friends who stay behind and pray for their speedy and safe return.

As the flags of Paulsboro fly at half-staff in memory of this tragic loss, I wish to extend my condolences to the family of Lieutenant Lazevnick.

As I join the community in expressing my sorrow for the loss of this soldier, I am including an article appearing in the Philadelphia Inquirer, honoring this young man and his sacrifice:

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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### A New Jersey Town Mourns Gulf Casualty

(By Kitty Dumas)

The Stars and Stripes is flying at half staff in Paulsboro, N.J.—the home of U.S. Navy Lt. j.g. James F. Lazevnick, 26—as residents of the tightly knit community mourn the hometown boy was killed Thursday in a helicopter crash in the Persian Gulf.

Lazevnick, the co-pilot, was killed after his helicopter, among U.S. forces protecting Kuwaiti oil tankers in the gulf, crashed into the sea while trying to land on the LaSalle, the command ship of U.S. forces in the gulf. The helicopter was on a routine transport mission.

Lazevnick and his wife, Linda, had no children. Relatives said they lived in Newport News, Va., but Lazevnick grew up in Paulsboro and his parents live there.

Paulsboro Mayor John Burzichelli said yesterday that he had ordered the flags flown at half staff until the day after Lazevnick is buried. Funeral arrangements are incomplete.

"You don't think this would happen in Paulsboro," Burzichelli said. "We're really shocked about it and saddened for the family."

"I know his mother and father real well," he said. "He graduated in 1980 with my son from Paulsboro High School." Lazevnick then attended the U.S. Naval Academy, graduating in 1984.

Robert Damminger, 30, is Lazevnicks' cousin and a borough councilman.

Damminger said they had heard about the crash Thursday afternoon, but were not notified until two Navy officers arrived at the Lazevnicks' home about 10 that night to notify the family that James Lazevnick had been killed.

"He loved the Naval Academy," Damminger said of James Lazevnick. "His family is very proud of him."

Rita Kelly lives across the street from Lazevnick's parents, John and Elizabeth. She and Lazevnick's mother Elizabeth, grew up together, as did their chidren. The Lazevnicks have three other children, Mary Beth, John and Joseph.

Yesterday, Elizabeth Lazevnick told Kelly the tragic news.

"He was just a neat kid," Kelly said, her voice breaking.

"My own son was in the Naval Academy, too, so it's very hard for me," Kelly said.

"They were in very close contact with him through letters," she said.

"They were and are a very closely knit family," she said.

When their son was sent to the Middle East the Lazevnicks feared for his safety, Kelly said.

"I know his mother had reservations. They felt distressed. But I think from everything Betty told me he felt that it was his duty," she said.

"Jimmy felt very proud of the job he was doing."

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## VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

## HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans, and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Dr. Franklin G. Ebaugh, Jr., Chief of Staff at the VA Medical Center at Palo Alto, CA, which demonstrates how the VA employees feel about their medical computer system. The letter follows:

Stanford University
Medical Center,
*Stanford, CA, March 27, 1987.*

Hon. G.V. (Sonny) Montgomery,
*Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.*

Dear Mr. Chairman: I understand that comparing the merits of the DHCP system with the McDonnell Douglas Computer System is being considered.

It would be extremely important while this comparison is being made not to stop funding the DHCP but to continue the funding until the day before a decision is made, if a decision is made to switch to another system. To do otherwise and stop supporting the DHCP while a comparison is being made would result in total and utter chaos in the management of the VA hospitals and would have very serious effects on health care.

We are now only just beginning to master the DHCP system, for example, getting our Laboratory on line, being able to get good data about the number and types of patients seen, getting the appointment schedule going, etc. If we stop the DHCP system and do not continue to add to it and support it, the results will be, as I said before, absolutely catastrophic. Furthermore, the cost of the mainframe is a smaller part than the peripherals, which could be used under either system. Also, it would not be a waste of money to continue to support the DHCP mainframe even though it would not ultimately be used, since it would still be a valuable computer resource that could be well and profitably used by the VA hospital system.

If the DHCP system is not supported before the switch over, if a switch does occur, this might result in a down time of from five to seven years, which would be very damaging to our patient care efforts. Therefore, I urge you to continue to support the DHCP system.

I'm writing this as a private citizen, but I have considerable expertise concerning the above subject matter since I am Chief of Staff at the VA Medical Center in Palo Alto, California.

Sincerely,

Franklin G. Ebaugh, Jr., M.D.

## PERSONAL EXPLANATION

## HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during rollcall votes 291, 292, and 293 on Thursday, July 30. Had I been present on the House floor, I would have voted as follows:

Rollcall 291, on approval of the Journal of Wednesday, July 29, "yea."

Rollcall 292, on the Sikorski amendment to H.R. 1414, "aye."

Rollcall 293, on final passage of H.R. 1414, "aye."

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## THE CONTRAS AT WAR

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MICHEL. Mr. Speaker, given the fact that it is all but universally agreed upon in the House that the current rulers of Nicaragua are self-avowed Marxist-Leninists; that is Communists, on what principle do we believe the Sandinistas will negotiate themselves out of power or institute what we in the West agree are basic human and civil rights?

It certainly can't be a principle found in Marxism-Leninism, because no such principle exists. How could it exist when the true believer in Marxism-Leninism dogma is convinced that because of his allegedly "scientific" understanding of history and the inner workings of society—an understanding open only to those who have embraced Marxism-Leninism—he has a duty and a historical right to determine the future course of his country?

If the principle of compromise cannot be found in Marxism-Leninism itself, where can we look for it? Only in the application of military pressure against the Sandinista government to such a degree that in order to save part of the revolution, they may be willing, with typical Communist pragmatism when dealing with tactical matters, to offer what they consider to be bourgeois, decadent, and imperialistic freedoms such as freedom of the press, and so forth.

We should pay the Communists in Nicaragua the tribute of saying they practice what they believe in and believe in what they practice. They are dediciated men and women. That their dedication is devoted to a cause which is the very antithesis of what we know as human freedom, is of course the major question. But we should not insult them by dealing with them as if they shared our values. They despise our values. They loathe what we term liberal democracy. They are in principle—and must be in principle—against every form of bourgeois morality or western political and economic structure that does not, for the moment, meet some immediate tactical requirement of the revolution.

Thus, all this talk that Nicaragua now has a "mixed economy" may be for the moment

true, but is beside the point. Whatever remnants of free enterprise that still exist in Nicaragua are there because of the current tactical and propaganda needs of the Communists, not because the Communists agree in principle to the right of private ownership of business or industry. Why don't supporters of the Sandinistas in the United States acknowledge that fact?

The Sandinistas are true Communist revolutionaries and have been since 1961. They believe in the ideals and the goals and, most expecially, the tactics, set down by Lenin many years ago. Such adherence to a faith would be admirable if we did not already know the price others have had to pay all over the world for the Communists to be able to put that faith into practice.

What about human rights abuses among the Sandinistas? The Wall Street Journal addressed this point recently.

At the point I wish to insert in the Record, "The Contras at War," from the editorial page of the Wall Street Journal, Friday, July 31, 1987.

### The Contras At War

When public support for the Nicaraguan Contras shot up following Oliver North's TV appearances, the Contras' congressional opponents said it couldn't last, that the campaign to defund the freedom fighters would continue. Now comes a respected human-rights report on the anti-Sandinista guerrillas. While the report pointedly criticizes aspects of the Contras' behavior, there's no blinking at the ironic fact that this critique exists because the Contras are perhaps the first army in modern civil war to let independent human-rights workers monitor their activities in the field.

Nowhere are the articles of the Geneva Convention more commonly ignored than in civil wars. Biafra, Afghanistan, Rhodesia, the U.S. War Between the States—it's never a pretty picture, and all serious people know it. But because Washington in recent times has become a kind of holy city of concern over ethical matters large and small, the Contras' opponents in Congress have figured out that human-rights probity will fly as a litmus test for further funding.

In October 1986, Congress dedicated $3 million of the $100 million Contra aid package to promote human righs among the Contras. A highly respected group of Nicaraguan exiles, with expertise in monitoring human-rights violations by both the Somoza and the Sandinista regimes, was formed under the name of the Nicaraguan Association for Human Rights. Two of the association's officials served in the Sandinista government—a former ambassador to the U.N. in Geneva and a vice minister of justice. The State Department monitors the association's use of funds, but that's the extent of its involvement.

Based on field work by 90 observers, the report faults the Contras on specific allegations as well as general practices, such as the treatment of prisoners. The next step is to set up a liaison between the association's offices and military prosecutors organized by the different branches of the Nicaraguan resistance. No one is sure how cooperative the Contras will be in prosecuting individuals found guilty of violations, but so far the resistance has generally acquiesced to the various demands of the association.

In its report, the association lists the most important limitation of its work as lack of access to war zones. The reason the report gives for this access problem is, "The Sandinista government continues to deny permission to conduct investigations inside Nicaragua." So perhaps now we have another litmus test of judgment: The Contras have made their dirty laundry available for inspection; the Sandinistas have not.

The Sandinista government has indeed provided greatly circumscribed cooperation with human-rights groups in the past. The Sandinistas have allowed observers into their criminal penitentiaries, for example, but no one has been allowed to look at their state security prisons, where many political prisoners languish.

Is it possible that the Sandinistas' conduct on the battlefield is less brutal and arbitrary than their conduct in detention centers or on the streets of Managua? Perhaps the person best suited to answer that question is the executive director of the new human-rights association that issued this week's Contra critique, Marta Patricia Baltodano.

Ms. Baltodano is a well-respected Nicaraguan lawyer who reported human-rights abuses during the Somoza dictatorship. But when reports of abuses continued after the revolution, Ms. Baltodano again braved personal threats and intimidation to head the Managua office of the Nicaraguan Permanent Commission on Human Rights. Its reports severely criticized the Sandinistas' behavior. Finally, after a particularly vile 1985 blackmail scheme orchestrated by the Sandinista secret police. Ms. Baltodano was forced into exile.

So what we're left with here is that one side keeps Ms. Baltodano from reporting on its human-rights abuses, while the other helps her report its defects. So little resistance to this condition of U.S. aid suggests a civility, and a recognition of the importance of that civility, that cannot be found in Managua.

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## A TRIBUTE TO THE NATIONAL TRUST FOR HISTORIC PRESERVATION

## HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. SLATTERY. Mr. Speaker, I would like to take this opportunity to pay tribute to the fine work of the National Trust for Historic Preservation. As the following letter indicates, when a group of northeast Kansans needed fast, accurate information on a matter of important local concern, the staff of the trust was able to respond in a timely and highly professional manner. The actions of the trust illustrate the many valuable functions that independent, nonprofit organizations perform in the service of the public interest, and I hope they serve as an inspiration to other organizations, both public and private, that are intended to serve the needs of all citizens.

The text of the letter follows:

The Lawrence Preservation
Alliance,
*Lawrence, KS, July 18, 1987.*

Representative Jim Slattery,
*Longworth House Office Building,*
*Washington, DC.*

Dear Representative Slattery: Several days ago our organization needed information concerning our tax-exempt status and our ability to lobby to influence legislation. We found that this is a specialized area and no lawyer in our city had the requisite expertise.

I called the regional office of the National Trust and spoke with Mary Humstone. I explained our situation and told her that we needed information that day if we were to be able to meet a deadline for submitting a historic preservation ordinance to our city commission.

Ms. Humstone phoned me back that afternoon with specific and precise information as to what our options were and how we should go about pursuing which ever direction we chose. By the end of the week I had received a reprint from the Trust's Preservation Law Reporter of an article dealing exactly with our situation.

In a period when people are quick to attack federal "bureaucracies" for one deficiency or another, I am very happy to report that the district office of National Trust was organized, responsive, and very competent. They provided us with a valuable service, and they did it efficiently. I hope that their sort of service will not go unnoticed or unappreciated.

Sincerely,

Oliver Finney,
*Chair, Revolving Fund Committee.*

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## STATES FILLING CONSUMER PROTECTION VOID

## HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. FLORIO. Mr. Speaker, on July 23, the subcommittee I chair, the Commerce, Consumer Protection, and Competitiveness Subcommittee, conducted a hearing on the State role in consumer protection. Witnesses included State attorneys general and consumer protection administrators.

The hearing revealed that the States—both through the attorneys general and the consumer protection agencies—are taking an active role in protecting consumers. However, to some extent, this role has been forced on them by a retreating Federal Government with a blind ideological adherence to deregulation. While the active involvement of the States is to be commended, the interstate nature of many scams requires a nationwide approach which the Federal Government is often best able to pursue.

The following Associated Press article sums up the hearing well:

### States Taking up Fight To Protect Consumers

Washington.—The battle to protect American consumers has fallen to the states as federal agencies pulled back in the name of deregulation, a panel of state attorneys general and consumer officials told Congress.

Federal laws and agencies remain, but their machinery has been dismantled as the Reagan administration sought to reduce its influence on the marketplace, Georgia consumer affairs administrator Barry W. Reid told the House Energy and Commerce consumer subcommittee.

"The deregulation philosophy did not take into account the public demand that

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exists for governmental consumer protection," Reid said Thursday.

"Faced with little federal assistance, the citizenry has turned to the states and demanded consumer protection so vital to effective marketplace functioning," he said.

In the long run this will prove even more troublesome and costly to businesses as they are faced with 50 state requirements rather than a single set of federal regulations Reid said.

In the meantime, though, federal inaction has forced the states to become "reluctant soldiers" in the battle against nationwide consumer fraud, Minnesota Attorney General Hubert H. Humphrey III said.

"Everywhere we look the wrecking crews are at work—at the Federal Trade Commission, the Consumer Product Safety Commission, the Food and Drug Administration and every other agency which should be safeguarding the integrity of the marketplace," Humphrey said.

"It is as though the fire department has set a torch to the firehouse," he said.

Steven W. Hamm, director of the South Carolina department of consumer affairs, said, "There is a growing perception that deregulation in Washington means standing on the sidelines regardless of the problems that might develop."

Hamm said the voters that elected both the federal and state governments are also the people who file complaints with consumer affairs offices about advertising issues, credit problems, warranty disputes and mail order problems.

"Inaction by federal officials on legitimate issues of concern will not cause those problems to disappear," Hamm said.

But the filing of separate state lawsuits against people and companies engaged in consumer fraud "is costly and encourages such operators to jump state lines as the individual lawsuits are filed, thereby hopscotching across the country as they line their pockets with fraudulently obtained consumer money," Kansas Attorney General Robert H. Stephan said.

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## VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter to the Honorable EDWARD P. BOLAND, chairman of the Committee on Appropriations' Subcommittee on HUD-Independent Agencies, which I received from Mr. Clark Graninger, Director of the VA Medical Center at Albany, NY, which demonstrates how the VA employees feel about their medical computer system.

The letter follows:

GUILDERLAND, NY, MAY 15, 1987.

Hon. EDWARD P. BOLAND,
*Chairman, Subcommittee on Hud-Independent Agencies, Washington, DC.*

DEAR MR. BOLAND: I am gravely concerned about the future direction of data processing in the VA Medical Centers. If indeed VAMCs are not allowed to progress with the DHCP solution, the quality of services provided to our Veteran population could very well degenerate.

As the Director of a VA Medical Center, I have seen the DHCP as a working, necessary tool used at all levels of clinical care. Our physicians can obtain a complete patient profile including admission information, x-ray results, medication history, lab test results, and more, without leaving their primary care area and without having to connect to several separate systems. This definitely allows for faster, more complete treatment of our patients.

The DHCP has helped VA Medical Centers improve their patient length of stay by developing and presenting patient information in a timely and effective manner. At Albany VAMC, as have seen significant decreases in the average length of stay from FY 86 to FY 87. In Surgical Service, a 15% decrease has occurred; Medical Service has displayed a 14% decrease. If this important and appropriate trend is to continue, the clinical staff will need all of the flexibility and data integration provided through the DHCP system.

I strongly urge that interested committees of Congress not prohibit or alter, in any way, the planned DHCP procurement cycle or implementation schedule. If required to abandon DHCP in favor of an untried, unnamed and dissimilar system, I feel that the Medical Center operation would be adversely affected.

Under the DHCP approach, users of the system are heavily involved in how the individual modules are designed and implemented. I do not think that "off the shelf" software would allow this flexibility nor do I think that clinical staff should have to waste valuable time learning to use a replacement system when the DHCP is already handling their needs very effectively.

Your prompt attention to this letter and this important issue is greatly appreciated.

Sincerely,

CLARK C. GRANINGER,
*Director, Albany VA Medical Center.*

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## IT IS NOT UN-AMERICAN TO SPEAK A LANGUAGE OTHER THAN ENGLISH

### HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. TORRES. Mr. Speaker, a friend of mine recently sent me an article that deserves special attention. Mr. Miguel Dominguez wrote an excellent opinion called "One Day at the Mall." His opinion appeared in the Mexican American Sun on June 4 and I want to share this article with my colleagues.

Mr. Dominguez' opinion serves to remind us that one of our Nation's strengths is the unique diversity we can find in our languages, cultures, and ethnic groups. We must not allow ignorance to prevent us from using the language we feel comfortable speaking. Misguided efforts to pass English-only laws will only damage our Nation's unique history. I encourage my colleagues to read the opinion.

[From the Mexican American Sun, June 4, 1987]

### ONE DAY AT THE MALL

(By Miguel Dominguez)

Recently, I was shopping at a popular mall. It was rather crowded so that I sought refuge in a fast food restaurant. I happened to sit next to a group of Chinese who were carrying on an animated conversation.

Almost at the end of my meal, I overheard another group of people behind me loudly and acrimoniously criticizing the Chinese because, as they said: "They might be talking about us" and "After all, this is America. They should be speaking English only."

I also do not speak Chinese but my reaction was very different. For a few moments my curiosity was aroused. I stopped munching and listened attentively to another language. The new sets of sounds and body movements and the novel range of tones fascinated me. At that moment I wished that I could speak Chinese.

East Los Angeles is my place of birth. There I grew up in a linguistic milieu in which I was urged to learn both Spanish and English very well. At the same time, my parents inculcated in me the ideas that a "persona educada" 1) was prepared to handle any exigency in two or more languages and 2) demonstrated civility and respect for all people whatever their cultural background.

My bilingual upbringing was conducive toward a humanistic outlook and it provided me with the opportunity to view distinct realities and describe them from two perspectives. This, in turn, has driven me to study four other languages—Latin, Portuguese, French and Italian, and to explore the world views of other culture.

In addition, my multilingual experience has shown me that cultures are certainly vastly different from each other but they are by no means superior or inferior.

The above may explain why I do not have a fear of the new and why I do not view the different as dangerous. If I were a paranoid xenophobe then I would be like the proverbial ostrich with its head in the multicultural sands of Los Angeles.

Neither the annoyed English speakers nor I knew with certainty what the Chinese were discussing at the mall restaurant. But my ignorance of Chinese did not make me feel insecure nor did it lead me to jump to the unreasonable conclusion that I was the topic. As a fellow bilingual, I know that I do not waste my fluency of two languages—a rarity in the United States—on idle gossip.

Their insecurity and arrogance reminds me of many people who consistently evince an apprehension of minorities who persist in maintaining their native language. Benjamin Franklin, feared that early German settlers would "germanize" Pennsylvania and endanger the development of an incipient nation. Apparently, old Ben wanted political democracy but not cultural democracy. (Even his idea of political democracy is tainted since blacks were still slaves, Indians were being unjustly deprived of their property, and women could not vote even after he died.)

Franklin's phobia is still well embedded and abetted so that some people continue to believe naively that the persistence of a language other than English is equal to a political threat to the United States. Even in the face of contradictory evidence, some people confuse ethnic linguistic loyalty with political disloyalty.

They forget that a few years ago, a majority of the voters of French-speaking Quebec opted to remain part of Canada. They forget that a large number of spies against the United States were citizens and monolingual speakers of English. Hey, who was Benedict Arnold?

They conveniently ignore that a disproportionately high number of bilingual Chicanos—and nationalized Mexicans who spoke limited English—died for this country in World War II, and in Korea and Vietnam.

Do you remember that a Chicano Marine, taken hostage with others in the U.S. embassy in Iran, defiantly scrawled "Long live the red, white, and blue" on a wall proclaiming his loyalty to this nation? I believe he wrote this proud message in Spanish!

Was his heroism futile? Did Chicanos and Mexico-born soldiers die in vain for democracy, self-determination, and the right to express one's thoughts freely? I doubt that they all believed that the First Amendment means "speak only English in the malls or any other place in this country."

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## MORE ON GLASNOST

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MICHEL. Mr. Speaker, in recent editions of the RECORD, I have been inserting press reports about a new publication, Glasnost, being published by Soviet dissidents. I recommend to our colleagues a recent article in the Wall Street Journal, dealing with the problems facing the dissidents. The article also contains an editorial statement by the publishers of Glasnost.

At this point I wish to insert in the RECORD, "Glasnost, the Magazine vs. Glasnost, the Policy" by Leonard R. Sussman, and "Declaration of the Editors" from Glasnost magazine, but published in the Wall Street Journal, Friday, July 31, 1987.

[From the Wall Street Journal, July 31, 1987]

### GLASNOST, THE MAGAZINE VS. GLASNOST, THE POLICY

(By Leonard R. Sussman)

Glasnost is the name that a group of ex-political prisoners and dissident writers have aptly christened their new magazine, which was launched in Moscow earlier this month. The magazine's first issue has been allowed to circulate freely.

Glasnost is edited by Sergei Grigoryants, whose sunken eyes and general pallor suggest the strain of 10 years of harsh imprisonments, the last of which ended just five months ago. Since the 1960s, when Mr. Grigoryants became a human-rights activist at college, he has been imprisoned three times for writing or assisting in the distribution of *samizdat, or unauthorized publications.*

Like the publications that put him in jail in the past, Glasnost, which he is editing in his cramped bedroom in Moscow, is critical of the most vital economic and political issues in the Soviet Union. In doing so it is testing the outer limits of Mikhail Gorbachev's policy of glasnost. The first issue includes a critical analysis of the Soviet-run peace conference in Moscow in June. The next issue will carry articles on the KGB, Jewish emigration and problems of the Soviet economy.

More extraordinary than Glasnost's contents, however, is the fact that the government has not condemned the magazine—or worse. Mr. Grigoryants sent the first issue to the Kremlin and formally sought permission to publish. So far he has received no reply, and the official attitude has been benignly bureaucratic. Alksandr N. Yakovlev, second only to Mr. Gorbachev in the Politburo, sent Mr. Grigoryants's request to a deputy in the agitation and propaganda sector, who is turn passed it on to a press-control official. When Mr. Grigoryants invited seven officials to a subsequent press conference and discussion of Glasnost articles, a government spokesman replied that they'd be pleased to come but all would be "on vacation" that day. (Plainclothese police monitored attendance at an earlier press conference called by Mr. Grigoryants.)

Such game-playing is a dramatic advance over the nearly 70-year history of oppressive, sometimes fatal control of the press by the Central Committee of the Communist Party. Hundreds of prisoners of conscience remain incarcerated in prisons, labor camps or psychiatric hospitals because they demonstrated similar courage in expressing their views.

The publication of Glasnost and the fact that it hasn't been banned suggest that for the first time dissidents and Kremlin leaders share a stake in an advertised policy—glasnost—for quite different reasons and objectives. The word's double meaning may provide an explanation. It is commonly translated as "openness," but it also means "publicity"—getting a better press for official policy.

The latter meaning is necessary for Mr. Gorbachev's plans to restructure the failed economy at home and de-escalate East-West tensions abroad. Reform of the economy can happen only through more open analysis of failures in production and distribution. That will occur only if Soviets' paranoia about criticizing the government is reduced. Similarly, in order to ease East-West tensions, foreigners' fear of Soviet hyper secrecy need to be allayed. Greater openness must not only be perceived at home, but publicized abroad.

For Soviet dissidents, glasnost is a glimmer of hope. But as it is conceived in the Kremlin, glasnost certainly is not the road to Western-style democracy. Mr. Grigoryants and his colleagues know this, but they also realize that the policy nevertheless may be the key to some constructive change. The lead article in Glasnost, excerpts of which are reprinted nearby, said the magazine's aim is to help "stimulate the development of democracy" in the Soviet Union. The dissidents I interviewed in Moscow earlier this month, including Andrei Sakharov, said they regarded Mr. Gorbachev as an intelligent reformer who may, if given the chance, construct a more productive, less fearful society.

But this won't happen without considerable struggle. The editor of a major establishment newspaper that has published more than its share of breakthrough stories in the glasnost spirit confided: "We have enemies in New York, and enemies here."

To avoid new oppression and to continue publishing Glasnost, which they hope to bring out three times a month, Mr. Grigoryants and his 20 to 30 colleagues need production supplies and equipment. The first weapon of the censors is denying printing supplies and equipment, and in the past, Soviet dissidents have been arrested for "offenses" such as owning a typewriter, which must be registered with the government. The first issue of Glasnost, which Mr. Grigoryants gave me, consisted of 55 carbon-copy pages typed on onionskin paper. Plans call for Glasnost to be published in Paris as well as Moscow. An English translation will be printed in New York.

Glasnost, the magazine, may well reflect the potential of glasnost, the policy. If the magazine is stifled either by clever intrigue or outright suppression, the policy will lose credibility in the West and among Soviet intellectuals. The support of both groups is a major factor in Mr. Gorbachev's reforms.

Asked whether he believes the government will grant permission to publish Glasnost, Mr. Grigoryants replied: "It's dificult to say. That depends on how good, how valuable and how serious the magazine becomes. It also depends on the reaction in the West. If the magazine is good, and is so perceived abroad, that will increase the chance of official recognition."

(Mr. Sussman is executive director of freedom House, which monitors political rights world-wide. His son Mark Sussman, who writes and works in the theater, helped prepare this article. Both have just returned from the Soviet Union.)

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### DECLARATION OF THE EDITORS

At the present time the need for reform in all spheres of life of society—political, economic, social, and cultural—has become evident. Not so long ago only a few people spoke publicly about the need for change. Today everyone speaks about change, and the nation's leaders more insistently than others. . . .

It would seem that those people who had already spoken and written the truth about life in their society, despite the prohibitions and repressions, would find it easier to become part of this process. It would seem that all they had to do was to continue their cause, but it is not so simple, because they must take into consideration not only their actions, but also the counteractions. It is no secret that the policy of change encounters active resistance from those in the political and economic apparatus who have brought the nation, directly or indirectly, to this "pre-crisis situation." Until now these individuals have continued to occupy numerous key positions, and they actively stand in the way of restructuring. Their major argument is the fear of losing control over the nation. These forces should not be underestimated.

We are aware of the fact that one can impede the budding restructuring process not by actively resisting the reforms, but also by prompting actions on behalf of their opponents. It is not easy in today's complicated political situation either to support with confidence or to reject outright any evaluation. We are aware of the danger of acting, but inaction is also intolerable. . . .

The first steps are clear. We begin by publishing the Information Bulletin Glasnost and a larger publication, the Anthology Glasnost, which will contain articles and materials on important contemporary problems. Both publications are independent organs with the purpose of facilitating democratic consciousness in society. . . .

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Both publications are intended as totally legitimate publications, registered with the appropriate state organizations. The Bulletin and the Anthology will highlight to the same degree aspects of the human-rights movement in the country as well as other socially significant problems, such as ecology, culture, economics, and social life, while bringing together in these publications a broad circle of highly qualified specialists.

The need for independent publications is dictated by the fact that the entire print media in our country are part of that very political, administrative, or economic apparatus which is far from irreproachable and has recently been subjected to open criticism. In our country the mass media are a part of this apparatus, and therefore do not perform the function of feedback between society and the leadership very well. . . .

There is another important aspect: all changes in our country are perceived with great interest by the entire world, and information provided by independent publications will be received with greater trust and will increase the degree of trust between nations.

And finally: A large part of the country's population is biased against official publications. Now these people will see that a publication which is checked by [the government] but is still independent is possible in our country. This will be serious evidence of the fact that democratization is beginning to take place and will enliven the spiritual climate of our society more than dozens and hundreds of declarations.

Today we have only one means of encouraging change in the nation—to embody these changes in the word and in the social consciousness, and to make them objective. Truth is in the domain of society, and what was a secret yesterday is being discussed today openly and everywhere. It is impossible to remain silent.

## BRINGING HOME THE BENEFITS OF THE INFORMATION AGE

### HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. SLATTERY. Mr. Speaker, last Thursday, the Energy and Commerce Subcommittee on Telecommunications and Finance, on which I serve, held a hearing which focused upon the provision of information services to the public through the telecommunications network.

Opponents of a Bell Co. provision of information services say many of these enhanced products are already available to the public. The problem is not availability, but demand, they say. Consumers just don't want them or they already have them, their argument goes. And that's why there hasn't been tremendous growth in demand for services such as videotext, electronic mail, or home banking and shopping.

However, this argument is misleading and distorts the true condition of the information services market.

There's a missing link in the chain of demand—a link that the Bell companies could fill if freed from certain restrictions in the AT&T consent decree. Lifting the information service restriction would bring home the full benefits of the information age for the average customer. Here's why.

It's true that some information services are available today to the public—but so are robots and rockets. That doesn't mean they're practical. Nor does it mean they are affordable, offered efficiently and available to the average customer.

Take online data bases. A person can buy a personal computer, modem, software, and learn to use it. Then you open an account with an electronic service provider, pay the online costs, and limit yourself to the data bases or services available. So now you sort out the password, account number, billing information and you're in pretty good shape. Right?

Not really. Let's say you then want to start banking at home. You have to start the whole process over again—different account number, different software, different billing information and so on.

Clearly, the current system is costly, confusing and inefficient. And as a result, consumer demand for information services has not lived up to its potential in this country. Furthermore, many entrepreneurial vendors who would like to offer their services electronically have not done so because of the lack of a gateway to the public—a gateway which might be provided today for certain national vendors, but not to the local bank or drug store in Lawrence, KA. The telephone company could provide such a gateway.

As a result of the information services restriction, American technology has not kept pace with foreign countries, America has lost jobs, and the American consumer and entrepreneur have not experienced the full benefits of the information age. Many more information services are available to a much broader segment of the population in countries like France, Japan, and Canada.

Yet, would letting the Bell companies provide these services make the situation any better? It would, and here's why.

First, if the Bell companies offered these services, access would be simpler for consumers and providers. Telephone companies could provide a menu of all the information services available to its customers. And, local or national companies could offer these services—the more the better. Customers could get one ID number, one account, and one bill. The telephone company would serve as a two-way gateway—from the customers to the information service providers, and from the information service providers to any one with a telephone.

This gateway would serve as an intermediary system that connects diverse users with diverse information providers, a marketplace where the buyers and sellers of information can easily find each other. But the gateway is not just an access point or a place, it is also a guide. It guides the user through the session, allowing him/her to navigate among services and systems. Unlike information systems, which are usually a collection of services targeted toward a particular interest group, the gateway offers access to all available systems and all available services without the need for separate passwords and access codes. By aggregating the demand and the supply, the gateway provides the critical mass that is needed to establish a synergy between providers and users, causing both to grow.

Some have alleged the telephone company might discriminate among providers for access to the local network. That would be ludicrous. Failing to get as many services as possible on the network is like a merchant picking certain people out of the cashier's line and telling them he doesn't want their money.

Second, telephone companies could most likely offer these services at less cost to the consumer. Today, customers usually need a personal computer and a modem to have access to information services. Through the telephone network, consumers could access these services with little more than a telephone and an old black and white TV. Allowing the telephone companies to provide these services would make the services inexpensive enough so that, over time, millions of new customers could afford them.

Third, it would be more efficient, benefiting local ratepayers who use, or even don't use, these services. Much of the technology needed to provide these computer age enhancements exist in the local telephone network. A telephone company's central office switch is just a big computer. Allowing that computer to provide a host of new services spreads the network costs across more users. That will help keep all rates down—for information service customers and local telephone users.

Fourth, allowing the Bell companies to provide these services would offer new opportunities to local providers of these services and a wider array of services for local customers. Today, national information services providers have no incentive to offer many of the most wanted services—local banking, local shopping, local entertainment information. This local or regional emphasis that the Bell companies bring to the table is the missing link in today's information services equation. These telephone companies can serve as the bridge between entrepreneurs who want to bring these services to the public, but have found little interest among national electronic service providers, and customers, who want locally oriented information services.

Finally, data base oriented information services have been the thrust of my comments today. Yet there is a wide array of other services to benefit consumers that have not become widely available because of the information services restriction. Advanced custom calling features such as voice storage—a substitute to answering machines, distinctive ringing for predesignated calls, and notification of what number is calling you are a few examples. Utility monitoring and health monitoring are other examples.

In short, the MFJ information services restriction denies a vast array of benefits to the public. Bell Co. provision of these services would: reduce costs, simplify access, broaden the number of subscribers, and increase efficiency of the public telephone network.

We can moan and groan all we want about the trade deficit and how we're treated unfairly by foreign countries. Until we get our own house in order and lift outmoded restrictions that hamstring U.S. companies, America's new emphasis on competitiveness is pipedream, not a policy.

## LIFE INSURER SOLVENCY DEBATED

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. FLORIO. Mr. Speaker, many Members of Congress have been concerned about the impact of the liability insurance crisis. The Subcommittee on Commerce, Consumer Protection, and Competitiveness has held hearings on the crisis and the rising numbers of financially troubled property-casualty insurance companies. Recently, State insurance regulators have suggested to the subcommittee that problems of at least the same magnitude may be brewing in the life insurance industry. In a recent hearing, the subcommittee turned its attention to the subject of life insurance company solvency. Because of the importance of this matter, I am inserting in the Record an article from the Journal of Commerce summarizing our hearing.

[From the Journal of Commerce, July 30, 1987]

LIFE INSURERS DEBATE JUNK BOND INVESTMENTS

(By Leah R. Young)

WASHINGTON.—Two insurance company executives led a heated debate over the wisdom of life insurance company investments in junk bonds before a House Commerce Subcommittee Wednesday.

John H. Tweedle, senior vice president and chief actuary of Metropolitan Life Insurance Co. rejected claims by smaller insurers and supporters of such high-interest, high-risk investments that reserves demanded by the National Association of Insurance Commissioners make these safe investments.

Mr. Tweedle told Rep. Howard Nielson, R-Utah, that the question is not whether high-yield bonds have been a major cause of past life insurance company insolvencies.

"The point is not what has happened but what might happen if there is a major economic down-turn."

Herbert Kurz, president of Presidential Life Corp. defended his company's heavy investment—now up to 35% to 40%—in junk bonds.

**He said "high-yield bonds have not been a factor in the financial problems of those life insurance companies that have had troubles."**

**He pointed out that the Security Valuation Office of the National Association of Insurance Commissioners evaluates junk bonds and categorizes them according to risk, requiring reserves from 10% to 20%, depending on the risk.**

**The reserves, he argued, have created a fund "that is many times larger than any default rate in the long history of high yield bonds, which for the past four years have averaged 1.63%."**

The New York superintendent of insurance, James P. Corcoran, disputed that. He said, "if the default rates remain stable, or improve, everyone will rejoice. If they worsen, however, a company with a heavy concentration of its assets in these obligations would come under extreme stress."

New York has just promulgated an insurance regulation limiting insurers doing business in that state to having no more than 20% of assets invested in junk bonds.

Subcommittee Chairman James Florio, D-N.J., expressed concern that if there is an economic downturn and several life insurance companies are threatened the public might turn to Congress if state guaranty funds prove inadequate.

There has to be planning for a worst case scenario, Rep. Florio told Mr. Corcoran, a strong believer in state regulation of insurance. "The committee may need proposals we can take off the shelf if needed," Rep. Florio said.

Ralph Ingersoll II, representing the Alliance for Capital Access, companies that issue high-risk bonds, charged that banks are behind the push to regulate the percentage of insurance industry assets invested in such bonds.

Commercial banks, he insisted, want to restrict competition and access to capital markets.

He argued that high yield bonds are not new. "The only difference between a high-yield bond purchased by an insurance company through private placement ten years ago and most high yield bonds today is the development of an active, liquid public market for these securities."

That, he said, "makes these securities far safer than they have ever been before."

Mr. Tweedle countered that many junk bonds are used to take over companies and will be paid off with the target's own cash.

"The target company often emerges highly leveraged and very vulnerable to a downturn in its earnings and cash flow. We are therefore very concerned about default risk," he said.

Rep. Florio appeared susceptible to Mr. Tweedle's warning that "there is a very real danger that some insurers who invest heavily in junk bonds could find themselves insolvent, should there be an unexpected change in economic conditions."

Rep. Florio noted rising insolvencies in the property/causalty insurance business saying witnesses have told the subcommittee "that problems are developing in the life insurance industry that could be at least as damaging as the liability crisis" has been for property/casualty companies.

He also released a General Accounting Office study of property/casualty insurance company insolvencies. The congressional investigating agency found that from November 1969 through 1986 there were 140 insolvencies, with 42% happening since 1983.

GAO could not find any characteristics or trends in common when it analysed 49 of 95 property/casualty companies liquidated between 1977 and 1986.

## PAYING TRIBUTE TO HON. ROBERT N.C. NIX, SR.

SPEECH OF

### HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 28, 1987*

Mr. WRIGHT. Mr. Speaker, I am pleased to join my many colleagues in remembering Robert N.C. Nix, and I want to thank the gentleman from Pennsylvania [Mr. Foglietta] for organizing this day of tribute for our late and dear friend and former colleague.

Bob Nix served in this House with great distinction for more than 20 years, and it is with enormous sadness that we remark upon his passing. And yet, in remembering his record of achievements, we draw inspiration and guidance.

Bob Nix died on June 21, 1987, at the age of 88. He lived a full and eventful life. The first black to graduate from the University of Pennsylvania Law School, Bob Nix also was the first black elected to Congress from that State. Bob Nix throughout his life helped to lay significant stepping stones in the path toward greater equality.

I was a junior Member of this body, only in my second term, when Bob Nix won a special election to the House on May 20, 1958. His period of service overlapped with mine until his retirement in 1979. When Bob Nix retired, this House lost one of its finest Members. When he died recently, humanity more generally suffered a similar loss.

As cochairman from 1968 to 1978 of the United States-Mexico Interparliamentary Committee, Bob Nix devoted a great deal of his time and talent to building better understanding and mutual trust between our country and our neighbor to the south. I worked with him in this effort, and I can attest personally to his effectiveness. A longtime member of the House Foreign Affairs Committee, and chairman of the Subcommittee on International Development, Bob Nix established himself as a leading authority on the Middle East and South Africa.

The gentleman from Pennsylvania [Mr. Foglietta] eloquently remarked upon Bob Nix as a pioneer. He was that. He was a trailblazer in race relations and in foreign relations. He stood for good government, and as chairman of the House Post Office and Civil Service Committee Bob Nix played an active role in bringing about a better government to serve the needs of the American people.

The son of a former slave, Bob Nix served the Congress and fathered a son who became the chief justice of Pennsylvania's Supreme Court. Bob Nix leaves behind a legacy of dedicated public service that at once teaches and inspires us all.

May all of his loved ones draw some comfort in knowing of the high esteem in which he is held by his colleagues in the House. Bob Nix will be missed. He will not be forgotten.

## THE OPENING OF THE PORTLAND CENTER FOR THE PERFORMING ARTS

### HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. AuCOIN. Mr. Speaker, August 28 marks the opening of the Portland Center for the Performing Arts, heralding a new era in world-class arts and entertainment facilities in Portland. I want to join the people of Portland in welcoming the crowning jewel in the Rose City's performing arts facilities.

Today's Performing Arts Center has its roots in the 1984 renovation of downtown's Paramount Theatre, an ornate movie and vaudeville palace which was built in 1928. Named the Arlene Schnitzer Concert Hall, this facility is a major pioneering element in Portland's urban revitalization.

With the August opening of the state-of-the-art Intermediate Theatre and Delores Winningstad Showcase Theatre, the center will be complete.

The Winningstad Theatre, named for a generous prominent Portlander, will be home to drama, dinner theater, small opera, ballet, chamber music, recitals, lectures, free form and environmental theater, dances, and receptions.

The Intermediate Theatre, designed primarily for drama production, will be used for medium- and small-scale opera, dance, ballet, recitals, conferences, and films.

Opening activities planned for the center will celebrate 10 years of community work. The opening culminates a tremendous joint public-private effort to provide top quality performing space for local professional arts companies.

The opening festivities will include 2 weeks of free and low-cost events to spread enjoyment and appreciation of the arts to the widest possible audience. They highlight the dozen local performing arts companies who will be major tenants of the two new theaters. And, Portlanders eagerly await the expansion of Ashland's world-renowned Oregon Shakespearean Festival to the new center in 1988.

The people of Portland deserve much credit, as they contributed the largest single donation to construction of the center by approving a $19 million bond measure in 1981.

The talented architects who created this fine facility designed it to complement historic buildings in the area. Portland's own Broome, Ogringdulph, O'Toole, Rudolf, Boles and Associates [BOORB/A] led an impressive design team that includes Barton Myers Associates of Toronto, ELS Design of Berkeley and Theater Projects of London.

The center is certain to win design accolades nationwide. It has already won a 1983 merit award from the Portland chapter of the American Institute of Architects; a 1984 honor award from Progressive Architecture magazine; and a 1986 Portland AIA merit award for the Main Street gates that separate the two buildings.

Visitors to the center will enjoy a stunning first glimpse of the building interior as they enter it from the Main Street Mall. A five-story rotunda opens to a sparkling art-glass skylight designed by New York artist James Carpenter.

Skilled artisans and workers from many unions put their hard work and care into the complex; attention to detail is evident in features throughout the facility, from the cherry wood paneling to dramatic glass exterior walls, from the brass-fronted elevators to three five-story glass-encased spiral staircases.

Completion of Portland's Performing Arts Center is proof the city's revitalized downtown, which is full of architectural and visual delights: the newly-redesigned pedestrian walkway along the Willamette River; the provocative Portland Building; MAX, the incredibly successful new light-rail system; and a host of unusual and colorful new and renovated downtown office buildings.

Mr. Speaker, I congratulate the city and the people of Portland for having the foresight to make a commitment to this ambitious project. It is a tremendous addition to downtown Portland which Oregonians and visitors will enjoy for decades to come, and I invite my colleagues to visit Portland and the new Performing Arts Center.

## COURT UPHOLDS INDEPENDENT COUNSEL

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. FRANK. Mr. Speaker, one of the most important questions before us this year is that of reenacting a statute which continues the Office of Independent Counsel, which is the name now given to the special prosecutors who are appointed when allegations of misconduct by high-ranking members of an administration must be investigated.

The Reagan administration has been campaigning against this statute, which has been in existence for nearly 10 years and has in my opinion, served the country well. This is the statute which was the result of the turmoil over the independence of the prosecution in the Watergate case. It is a statute which has made it possible for us to have the ongoing independent investigations of allegations of wrongdoing involving several members of this administration, and it is the statute which provided for the exoneration of members of both the Reagan and Carter administrations in previous years.

One of the arguments being made against this statute by the Justice Department is that it is unconstitutional. Recently, Chief Judge Aubrey Robinson of the U.S. District Court of the District of Columbia had occasion to rule on the constitutionality of the independent counsel statute in a matter involving the investigation being conducted by Lawrence Walsh. Judge Robinson concludes after a very thoughtful analysis that the statute is fully constitutional and is a reasonable choice by Congress for discharging this important function. Because of the importance of this cogent opinion, I include Judge Robinson's opinion at this point:

[U.S. District Court for the District of Columbia]

MEMORANDUM

This sealed matter presents for determination by the Court the question of whether the Independent Counsel provisions of the Ethics in Government Act of 1978, 28 U.S.C. § 591 *et seq.*, comport with the Constitution of the United States. After consideration of a number of submissions concerning this issue,[1] the Court holds that the statute is constitutional.

INTRODUCTION

The historical background of and need for the Independent Counsel provisions of the Act have been fully described in other decisions and shall not be repeated here. *See, e.g., In re Olson*, No. 86-1, D.C. Cir. Indep. Couns. Div., April 2, 1987, at 9-14. Congress's intent in enacting the statute was clearly to create an office within the Executive Branch to investigate and prosecute matters in which the Department of Justice had a real or apparent conflict of interest. In short, [t]he statute is designed to ensure that violations of federal criminal law by high ranking government officials (particularly those who are of the same party as the administration in power) will be fairly and impartially investigated and prosecuted. *Id.* at 9.

While it is beyond question that Congress's motive for enacting the statute was laudatory, it is also axiomatic that this motive cannot validate an otherwise unconstitutional act of the legislature. For this reason, the Court has examined in turn each provision of the Ethics in Government Act which has been alleged to be unconstitutional.

THE POWERS OF THE SPECIAL DIVISION OF THE COURT OF APPEALS

The first contention relates to the provisions of 28 U.S.C. § 49 giving authority for the appointment of Independent Counsel to a division of the United States Court of Appeals for the District of Columbia Circuit. It is strenuously contended that this grants powers to that division which exceed the limitations imposed upon federal courts by Article III of the Constitution of the United States. The specific duties alleged to be unconstitutional are set forth at 28 U.S.C. § 593(b): Upon consideration of an application (from the Attorney General) under section 592(c) a of this title, the division of the court shall appoint an appropriate independent counsel and shall define that independent counsel's prosecutorial jurisdiction.

In considering whether the Special Division has been vested with unconstitutional power, it must be recognized that the source of the court's authority is not only Article III but also the Appointments Clause of Article II. Article II, Section 2, Clause 2 of the Constitution expressly grants to Congress the authority to "vest the Appointment of such inferior Officers as they think proper, in the President alone, in the Courts of law, or in the heads of Departments."

The issue of whether the Independent Counsel is a superior or inferior officer for purposes of the Appointments Clause has been discussed and determined by other Courts with which this Court agrees that "the Independent Counsel is clearly an 'inferior officer'—he is appointed for a single task to serve for a temporary limited period." *In re Olson* at 17. *See also Banzhaf v. Smith*, 588 F. Supp. 1498 (D.D.C.), *vacated on other grounds*, 737 F.2d 1167 (D.C. Cir. 1984). *Cf. United States v. Eaton*, 169 U.S. 331, 343 (1898) ("Because the subordinate officer is charged with the performance of the duty of the superior for a limited time and under special and temporary conditions, he is not thereby transformed into the superior and permanent official.")[2] In addition to the limitations placed on independent counsels, it is also relevant that they are not among the specifically mentioned "primary class (of officers who) require a nomination by the President and confirmation by the Senate." *United States v. Germaine*, 99 U.S. 508, 509-510 (1878). In fact, Congress indicated its own assessment that independent counsels are inferior officers when it authorized their appointment by a court of law.[3] Finally, the Attorney General, by applying for the appointment by the Court of an independent counsel, also deemed the officer to be inferior as that word is used in Article II.

Although it is clear to the Court that independent counsels are inferior officers, this does not end the analysis of the proper role of the Special Division under the Appointments Clause. For as the Court wrote in *Banzhaf*, 588 F. Supp. at 1504: This constitutional provision obviously does not authorize the Congress to charge the courts indiscriminately and without reason with the responsibility for appointing officers in the Executive departments generally.

The Court in *Banzhaf* referred to the Supreme Court's decision in *Ex Parte Siebold*, 100 U.S. 371 (1880), for guidance in the determination of whether Congress appropriately vested the appointment power in the case of an independent counsel in a court of law. In *Siebold*, the Court made the following statements in the course of its decision involving a challenge to a statute vesting in the federal court the appointment of supervisors of congressional elections: But as the Constitution stands, the selection of the appointing power, as between the functionaries named, is a matter resting in the discretion of Congress.

* * * * *

The observation in the case of Hennen, to which reference is made (13 Pet. 258), that the appointing power in the clause referred to 'was no doubt intended to be exercised by the department of the government to which the official to be appointed most appropriately belonged,' was not intended to define the constitutional power of congress in this regard, . . .

* * * * *

[T]he duty to appoint inferior officers, when required thereto by law, is a constitutional duty of the courts; and in the present case there is no such incongruity in the duty required as to excuse the courts from its performance, or to render their acts void. *Id.* at 98.

Given the previously mentioned intent of the Congress in passing the Ethics in Government Act, it was clearly not incongruous for it to utilize the authority expressly stated in the Appointments Clause to allow an impartial court of law to select, at the application of the Attorney General,[4] an individual to investigate and potentially prosecute criminal activity within the Executive Branch. In fact, "[n]either the President, nor any head of department, could have been equally competent to the task." *Siebold*, 100 U.S. 398. Although the Special Division appoints independent counsels and defines their jurisdiction, it plays no role in their investigations and performs no acts with regard to any prosecutions that may result from these investigations. For this reason, the Act clearly does not "place incompatible duties upon (any) Court. *See Nader v. Bork*, 366 F. Supp. 104, 109 (D.D.C. 1973). Under the circumstances in which independent counsels operate, their appointment by the Judicial Branch is warranted and constitutional in the same manner as the courts' appointment of interim United States Attorneys (*See, United States v. Solomon*, 216 F. Supp. 835 (S.D.N.Y. 1963)) and attorneys to initiative criminal contempt proceedings *See, Young v. United States ex rel. Vuitton et Fils*, No. 85-1329 (U.S. May 26, 1987); *Musidor, B.V. v. Great American Screen Design, Ltd.*, 658 F.2d 60 (2d Cir. 1981); *Matter of Green*, 568 F.2d 1247 (8th Cir. 1978)). *See also* the inter-branch appointments upheld in *Rice v. Ames*, 180 U.S. 371 (1901); *Go-Bart Importing Co. v. United States*, 282 U.S. 344 (1931); *Hobson v. Hansen*, 265 F. Supp. 902 (D.D.C. 1967). The clear and precise words of the Appointments Clause validate all of these appointments.[5]

SEPARATION OF POWERS

A major theme running through the argument that the Independent Counsel provisons of the Ethics in Government Act are unconstitutional is the contention that the whole scheme represented by the Act violates separation of powers principles. This argument is advanced particularly with regard to the removal provisions of the Act, and the absence of ongoing Presidential supervision over the exercise of the Independent Counsel's discretion.

These issues are appropriately examined in a manner accepted by the Supreme Court. As the Court wrote in *Banzhalf* v. *Smith*, 588 F. Supp. at 1507, The Supreme Court has admonished the lower courts that, in matters involving the separation of powers, a pragmatic, flexible approach, must control (*citing Nixon* v. *Administrator of General services*, 433 U.S. 425 at 442 (1973)) and that separation of powers questions must be resolved "according to common sense and the inherent necessities of the governmental coordination" (*quoting Buckley* v. *Valeo*, 424 U.S. 1, 122 (1976) (*quoting Hampton & Co.* v. *United States*, 276 U.S. 394, 406 (1928))).

REMOVAL PROVISION

Pursuant to 28 U.S.C. § 596(a)(1): A(n) independent counsel appointed under this chapter may be removed from office, other than by impeachment and conviction, only by the personal action of the Attorney General and only for good cause, physical disability, mental incapacity, or any other condition that substantially impairs the performance of such independent counsel's duties. Although this provision of the act clearly places the authority to remove an independent counsel exclusively in the Attorney General, it is argued that the limitations placed on the Executive Branch's power of removal contravene the principle of separation of powers. This argument is advanced as well in relation to the authority of the Special Division under § 596(a)(3) which provides: A(n) independent counsel so removed may obtain judicial review of the removal in a civil action commenced before the division of the court and, if such removal was based on error of law or fact, may obtain reinstatement or other appropriate relief.

Supreme Court precedent suggests that in situations such as this one, where an inferior officer requires a certain degree of independence from the President for the proper execution of his assigned functions, the Congress may insulate him or her from the threat of termination at will by the Executive. First, the Supreme Court accepted even more stringent limitations than found here on the President's removal power in the case of the Watergate Special Prosecutor. *See, United States* v. *Nixon*, 418 U.S. 683 (1973). Additionally, both *Humphrey's Executor* v. *United States*, 295 U.S. 602 (1935) and *Wiener* v. *United States*, 357 U.S. 349 (1958) also upheld congressional authority to impose limitations on the removal power of the President. The Court, in deciding the latter two cases, looked to the nature of the function vested in the official by the Legislature to see whether independence from the Executive was a necessary characteristic of his position. The same analysis when applied here demands the conclusion that independent counsels must not be subject to removal at will by the President. For the reasons previously stated, it is beyond peradventure that "the very purpose of the office requires a degree of independence from Presidential control." *North* v. *Walsh*, C.A. Nos. 87-457 and 87-626, slip op. at 15, n. 9 (D.D.C. Mar. 12, 1987). The removal provision, therefore, does not violate the principle of separation of powers.[6]

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[1] Among the material considered by the Court are all of the briefs filed in North v. Walsh, C.A. No. 87-0457 (D.D.C. 1987) and the appellate briefs filed in *In re Sealed Case*, No. 87-5168 (D.C. Cir. 1987).

[2] The limitations on the Independent Counsel are numerous. Only a small set of officials are subject to the Independent Counsel provisions. (28 U.S.C. § 591(b) includes only the President, Vice President, high officials in the White House, Department of Justice and CIA, and ranking officers of the President's National Campaign Committee). The Independent counsel has no authority outside the jurisdiction established by the Court. Pursuant to 28 U.S.C. § 596(a)(1), the independent counsel is subject to removal by the Attorney General for "good cause." The Office of the Independent Counsel terminates automatically when he or she notifies the Attorney General that the investigation is completed, 28 U.S.C. § 596(b)(1), or earlier if the Division on its own motion or that of the Attorney General determines that the investigation is substantially completed, 28 U.S.C. § 596(b)(2).

[3] It is also noteworthy that the Watergate Special Prosecutor was not confirmed by the Senate, although his authority was virtually identical to the authority vested in independent counsels pursuant to the Ethics in Government Act.

Once it is determined that the Independent Counsel is an inferior officer, it is clear that the attorneys on his staff are not officers at all but employees of the United States. (Again, the attorneys employed by the Watergate Special Prosecutor were not appointed under the Appointments Clause.) *See* Buckley v. Valeo, 424 U.S. 1, 126 n. 162 (1976) (*citing* Auffmordt v. Hedden, 137 U.S. 310, 327 (1890); United States v. Germaine, 99 U.S. 508 (1879)) ("Employees are lesser functionaries subordinate to officers of the United States")). Therefore, the fact that Associate Independent Counsel were appointed by the Independent Counsel and not the Special Court does not invalidate their appointments or the Act.

[4] That the Attorney General must first apply for the appointment of an Independent Counsel before the Court may act is a vital limitation on the Court's power under § 593(b). If the Attorney General decides to apply for the appointment of an independent counsel, his decision is not reviewable by any court. 28 U.S.C. § 592(f). Similarly, if the Attorney General determines that there are no reasonable grounds to believe that further investigation or prosecution is warranted, that decision is also unreviewable. *See,* Banzhaf v. Smith, 737 F.2d 1167, 1169-70 (D.C. Cir. 1984); *accord* Dellums v. Smith, 797 F.2d 817, 823 (9th Cir. 1986). In fact, the Court may not even extend the jurisdiction of the Independent Counsel if the Attorney General has denied such request. In re Olson, at 22-25.

[5] That the Special Division also defines the jurisdiction of independent counsels does not invalidate the Ethics in Government Act. As stated above, the Court may constitutionally appoint an independent counsel under Article II because this appointment meets the incongruity test set forth by the Supreme Court. The power of the Court to define the independent counsels' jurisdiction is a necessary and proper incident of this appointment power. Independent counsels must be appointed to specific and limited tasks. To avoid the same incongruity that caused Congress to vest the appointment power in the Special Court, the Court was also given the authority to define the independent counsels' jurisdiction. The Constitution does not bar this action of the Legislature.

[6] It is significant that, although the basis of the foregoing argument is the violation of the principle of separation of powers, the Congress, in enacting the Ethics in Government Act, did not "aggrandize itself at the expense of the other two branches." Buckley v. Valeo, 424 U.S. at 129 (1976). This is an important distinction between this matter and cases such as INS v. Chadha, 462 U.S. 919 (1982) and Bowsher v. Synar, 106 S. Ct. 3181 (1986). Similarly, the Judicial Branch has no opportunity to aggrandize itself under the Act.

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The Congress's limits on the Attorney General's authority to remove an independent counsel are also valid for another reason. In *United States* v. *Perkins*, 118 U.S. 485 (1886), the Court upheld the power of Congress to place limitations on the Secretary of the Navy's authority to dismiss naval cadets who were inferior officers appointed by the Secretary. The Court wrote: We have no doubt that when Congress, by law, vests the appointment of inferior officers in the heads of Departments it may limit and restrict the power of removal as it deems best for the public interest. The constitutional authority in Congress to thus vest the appointment implies authority to limit, restrict, and regulate the removal by such laws as Congress may enact in relation to officers so appointed. *Id.* at 485. Here, because Congress validly vested the appointment of independent counsels in the court of law under Article II, it also validly limited the circumstances under which independent counsels may be removed.

### ABSENCE OF PRESIDENTIAL SUPERVISION

As has previously been noted, independent counsels operate within a limited and narrowly defined class of cases. With regard to these cases, however, they are given a large degree of independence from the Attorney General and the President.

Supreme Court precedent as well as "common sense and the inherent necessities of the governmental coordination" suggest strongly that the authority of independent counsels does not violate the separation of powers principle. In *United States v. Nixon*, 418 U.S. 683 (1973), the Court recognized and accepted that "the Attorney General has delegated the authority to represent the United States in these particular matters to a Special Prosecutor with unique authority and tenure." *Id.* at 694. The Court knew that this authority included "plenary authority to control the course of investigation and litigation related to" the Watergate matter. *Id.* at 694, n. 8 (*citing* 38 Fed. Reg. 30739, as amended by 38 Fed. Reg. 32805).

Although the Watergate Special Prosecutor was appointed by a regulation promulgated by the Attorney General, the Court's acceptance of the constitutionality of an independent prosecutor is equally applicable here. In both cases, inferior officers were freed from daily supervision by the Executive so that they could best perform their duties and thereby satisfy congressional intent. *See also, Kendall v. United States*, 37 U.S. (12 Pet.) 524 (1837); *Humphrey's Executor*, 295 U.S. 349 (1935); *Wiener v. United States*, 357 U.S. 349 (1957). Here, as in the above-cited cases, the Independent Counsel's power comports with the Constitution.

### CONCLUSION

The Independent Counsel provisions of the Ethics in Government Act represent Congress's measured response to the recurrent question of how to enforce the laws of the United States when they are violated by high government officials. Congress chose to use its authority, well settled under the Constitution and Supreme Court precedent, to create a mechanism to guarantee the integrity and independence of criminal investigations in matters where the Department of Justice has real or apparent conflicts of interest. By carefully assigning the functions necessary for the accomplishment of its purpose, it has constitutionally addressed an important national need. For the United States, the Act represents a landmark effort to instill public confidence in the fair and ethical behavior of public officials.

AUBREY E. ROBINSON, Jr.,
*Chief Judge.*

Date: July 20, 1987.

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## WHY H.R. 2470'S PROVISIONS TO PREVENT SPOUSAL IMPOVERISHMENT ARE NEEDED

## HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. STARK. Mr. Speaker, one of the most important but untalked about parts of the Medicare Catastrophic Protection Act that the House just passed is the section designed to prevent spousal impoverishment when one spouse needs extraordinary long term chronic medical care, thus placing incredible financial burdens on the healthy spouse.

The Senate bill does not have any provisions in the area of spousal impoverishment. The President has threatened to veto our bill.

If anyone ever, ever had any questions on why such legislation is necessary, I hope they will read the following letter I received from one of my constituents in San Leandro, CA.

Mr. Speaker, I join with my constituent in saying, "I didn't think it was supposed to end this way. What do you think?"

The letter follows:

SAN LEANDRO, CA,
*June 18, 1987.*

DEAR SIR: I would like to make you aware of what is happening to us. I will be as brief as possible but it is a long story spanning 50 years.

My husband Edward and I were married in 1937. We are hoping to "celebrate" our 50th wedding anniversary September 14, 1987. We have worked all our lives. Raised two fine children, have six grandchildren and two great-grandchildren. We have always been thrifty, saved for retirement, used coupons, cut corners, got our first new car in 1980 and have never relied on public assistance at any time.

However, our "Golden Anniversary" is clouded with illness, worry and fear. At age 58 my husband was told he had Parkinsons Disease; a progressive disease of the central nervous system that results in degeneration of body functions. There is no cure.

Six years ago he suffered serious trauma following oral surgery. He aspirated some blood and went into a total collapse and pneumonia. For weeks he hovered between life and death, totally helpless. We were finally able to have him transferred into St. Rose Rehabilitation center from Humana Hospital, San Leandro. At St. Rose he was taught to walk again, feed himself and dress himself. At home after 3 weeks he gradually improved but his care, the house and yard were taking a toll on my strength, so we sold our home and with the help of our family moved to [a] Mobile Home Park in San Leandro.

At first this seemed to be the answer to our prayers but we had been here less than a year when he fell with a spontaneous fracture of his hip requiring a total hip replacement. So it was back to square one. Hospitals, physical therapy and once again inch by inch trying to regain what was lost. I finally brought him home again on our 47th wedding anniversary.

Ed's Parkinsons symptoms had begun gradually in the beginning, a slight tremor of his right hand. Hours, days, and many tears trying to get him to see a doctor. When he finally did, the doctor seemed reluctant to deliver a diagnosis laced with hopeless words like "chronic", "incurable", and "degenerative". "We can treat it medically" the doctor told me, "but it will progress." I just wanted to go home.

Parkinsons shows itself in fits of depression, hallucinations, changing moods, unpredictability and sadness. In a mixture of sadness, loneliness and confusion I had to watch as our life style changed, our savings kept getting smaller, all the fun things that had been a part of our lives were no longer possible. His fine mind could no longer figure out the simplest solutions. We tried to make the best of it. Some of my worst times came when he would fall to the floor and I had to call for help to get him up. I cared for him through 5 years of the worst of this as I could not face placing him in a convalescent hospital, but on July 21, 1986 he developed a chemical imbalance due partly from the disease and partly from the medication for the disease. He went completely out of control with hallucinations. For 5 days he didn't even know me. He lost all touch with reality.

On the advice of his neurologist and internist, he was transferred to Parkland Convalescent Hospital in San Leandro. They say that I will never be able to bring him home. He still hallucinates, is confused, can't walk and sometimes incontinent. His care at Parkland is $75 per day. Medicare paid 5 days only. This does not include doctor visits or drugs. At this time we are faced with using all our savings. How can he be classed as custodial care when both doctors agree he can't be cared for at home?

At this time he is 72 and I am 68. I have been told my only hope of surviving this without being wiped out financially is to divorce him. I didn't think it was supposed to end this way. What do you think?

Sincerely,

Mrs. I.E.P.

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## POST TRAUMATIC STRESS DISORDER

## HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mrs. KENNELLY. Mr. Speaker, the Stamford Advocate recently published a compelling account of the tragedy of post-traumatic stress disorder [PTSD]. The disorder was first diagnosed in veterans of the Vietnam war. Veterans of more recent undeclared wars in Grenada and Beirut also suffer from its haunting effects. The disorder occurs in individuals who have survived a deeply traumatic event. Its symptoms include recurring nightmares, broken relationships and often suicidal depression. There is no cure, only treatment. But treatment is not available to all who need it. Veterans of recent undeclared wars are often turned away from the 15 facilities designed to treat Vietnam veterans suffering from PTSD. Many hospitals will not admit recent victims of this disorder because of the length of treatment required and the expense involved. I applaud the Advocate for bringing this tragic situation to light and recommend the following article for my colleagues' consideration.

[From the Stamford (CT) Advocate]

### FOR MANY VETERANS THE BATTLE GOES ON

On Oct. 23, 1986, Edward Maynard left work, crossed 31st Street in Manhattan and took a seat at the bar at Cedars of Lebanon restaurant.

Anniversaries are difficult for him.

In the 3½ years since he left Beirut after the tragic October 1983 bombing that killed 269 servicemen, the former Navy corpsman has held more than 10 jobs, seen two relationships end and has been in and out of hospitals. Once his rage was so great he had to be strapped to a table.

On that night last fall he felt a pressure behind his eyeballs—images of red and black, of blood and charred flesh—that divided his brain in half. Screams of agony and the laughter of old friends, now dead, echoed in his ears. A potent concoction of vodka and Triple Sec would numb the pain. He raised his glass.

In a dimly lit corner of the bar he gathered his friends around him and took from his pocket a folded piece of paper.

"In memory to the sailors and Marines who died in the search for peace and for all of us that returned," he read. "The memories and the fears will always be forever etched in the back of our minds. Beirut used to be called the Jewel of the Mediterranean. Now it is just the Jewel of Death. For those of us that returned, we have our jobs and our families to live with, and like our Vietnam brethren, we too live in a silent hell, Beirut, Lebanon. October 23, 1983. And I guess that's why they call it the blues."

Like thousands of veterans, Maynard, a 29-year-old draftsman from Elizabeth, N.J., suffers from a psychological disorder known as Post Traumatic Stress Disorder. It occurs when an individual survives a traumatic event outside the range of normal human experiences.

The victims know who they are. Often their families, their friends, their doctors do not know how they suffer.

They sit in restaurants, their backs to the wall, watching the door. When walking down the street at night they stare at the sidewalk, knowing that if someone is stalking them they will spot a shadow.

They sleep with a machete under the bed and are fond of taking risks. They create challenges, look for obstacles, are impatient and at times irritating. They are survivalists to an extreme and, as a result, often choose their own path to self-destruction. That is the nature of this illness, creating tiny crises, just to prove they can cope.

Post Traumatic Stress Disorder was first diagnosed in veterans of the Vietnam War, and recent evidence shows new groups of veterans, including those who served in Lebanon and Grenada, are at risk.

Today, six years after a definitive diagnosis was formally recognized, the Veterans Administration has no nationwide plan to provide care for all veterans suffering from Post Traumatic Stress Disorder.

Federal law mandates that the veterans of World War II, Korea and Vietnam receive the proper psychological counseling for post traumatic stress and hospitalization, if necessary. But the VA has not developed a nationwide plan for identifying and educating veterans of "undeclared wars" about the disorder or for treatment of thousands of Vietnam veterans with Post Traumatic Stress Disorder, other than in small specialized stress units at 15 veterans hospitals around the country.

Veterans of combat in undeclared wars such as Grenada and Lebanon also are prohibited by law from seeking out-patient counseling at one of the 189 storefront centers for Vietnam veterans around the country. (There are three in Connecticut, at New Haven, Hartford and Norwich.) These centers make referrals and provide the mechanism for bringing Vietnam veterans into the health care system.

If veterans of undeclared wars check into the hospitals by themselves, there are enormous obstacles to treatment. In some cases, they are turned away or are not eligible for admission to one of those 15 units designed to treat Vietnam veterans suffering from Post Traumatic Stress Disorder.

As a result, the care and commitment varies from hospital to hospital, and Vietnam veterans with Post Traumatic Stress Disorder who are eligible for treatment are often forced to travel long distances to get the specialized care they need.

In the words of one doctor, "The Grenada and Beirut vets are just another group of unrecognized vets trying to get into the treatment system."

"Treatment for these new veterans has not been authorized, but we will try to find informal ways of seeing these people" said Dr. Jack Smith, director of the Center for Stress Recovery, a specialized stress disorder unit in Brecksville, Ohio. "Most others (stress units) won't bother."

None of the 15 special stress units is in Connecticut; the nearest units are at VA hospitals in Montrose, N.Y., and Northampton, Mass.

It is unlikely that a Connecticut veteran suffering from post traumatic stress would be referred to an out-of-state special unit, according to Dr. Earl Giller, chief of psychology at West Haven VA Medical Center. Dr. Giller and VA specialists said a variety of factors, including the lack of a system-wide policy for referring patients between veterans hospitals in different states, stand in the way. Travel expenses and the physical separation from the support of friends and family also discourage many veterans from entering programs far from home.

"It's only in the specialized treatment centers that you have the special resources," he said. "Many of the special centers have long waiting lists. If somebody says to me that they are interested in a specialized program, I would call up the VA hospital that I was thinking of, and, while I couldn't get a guaranteed admission, I could send the other hospital information if that person gets accepted sometime later."

Doctors disagree on the prevalence of Post Traumatic Stress Disorder, but many say there are more than 500,000 Vietnam veterans who suffer from the disorder. More than 5,000 servicemen served in the Grenada conflict, and close to 10,000 served in Beirut, but the government provides no official estimate of how many of them could have developed the disorder. A nation-wide study by a team of specialists authorized by Congress and completed in 1981 concluded that 40 to 80 percent of those who experience heavy combat will develop some form of Post Traumatic Stress Disorder.

In fiscal year 1985 (the last year for which records are available), 4,838 patients were discharged from veterans hospitals with a diagnosis of Post Traumatic Stress Disorder, according to VA records. But that number does not reflect stress disorder cases that go unrecognized because outward manifestations such as drug abuse and alcoholism were identified as the primary disorder. Nor does that number include stress disorder patients treated in general psychiatric units, said Dr. John Lipkin, former Chief of Medicine and Surgery for the VA in Washington, D.C., and current chief of staff at the Perry Point (Md.) VA Hospital. He estimated that about 9,000 incidents of the disorder were recorded nationwide last year.

According to the VA, since 1979 approximately 800,000 veterans have visited federal veteran centers, seeking psychological counseling, looking for answers to readjustment problems, or simply in need of assistance with the paperwork for obtaining benefits. VA counselors said approximately 500,000 Vietnam veterans still need treatment.

The disorder cannot be cured, only treated. One Vietnam veteran said that even 17 years later he has violent nightmares and never sleeps more than four hours a night. A nurse decorated for his service in Vietnam needs medication four times a day; without it, he goes into a suicidal depression. Certain smells—the odor of burning garbage, stagnant water, the pungent odor of certain animals—trigger a flashback.

The number of Vietnam veterans seeking treatment has not declined, said Dr. Terrence Keane, Chief of Psychology at the VA hospital in Boston.

"The sad part is that the patients are changing," he said. "In early days, in 1979 and 1980, the patients were much more amenable to treatment. Today, they've been living with these stresses—and they are chronic stresses. They have developed more difficult lifestyles to change, breaking more and more relationships, losing more jobs. It's becoming more and more difficult to correct."

Dr. Giller of the West Haven VA hospital says of the patients he sees: "To say that someone has PTSD usually means that he needs additional medical intervention. We are just now recognizing that psycho-social stress has such an impact—that it changes the person's biology. It's equivalent to coming back with an arm or leg missing."

The effects of the disorder are longlasting. And the most frightening part, its victims say, is that one can feel himself slowly losing control. One tries to fight the feeling. He closes his eyes to hide from the horrific images—and that's when reality seems to slip away.

"Sometimes I'll be staring at a blank wall, and all of a sudden I'll see the building, the airport, the smoke," remembered Edward Maynard.

The heat and bright light of a summer's day have reminded him of Beirut. Many times when he's been driving in a car the vibration has reminded him of the movement of the ship, and suddenly "checks out—just fading in and out" of reality. He says it's as if there are eyes in the back of his head, always watching, never blinking.

Once he sat in a corner for three hours, shaking and crying. He wouldn't let anyone near him. Finally his girlfriend got close enough and slipped a tranquilizer into his mouth. Then he fell to the floor, exhausted.

He remembers one Friday night in June 1986, after the death of a close friend, he "checked out," as he calls it. His recollections are sketchy. He remembers his landlady running away from him in fear as he punched imaginary enemies and screamed for medics. He was finally taken to Elizabeth General Hospital in Elizabeth, N.J., where he was put in restraints.

"I tried to explain to the people at Elizabeth General that this is not the right way to handle this," he said. "Don't tie me up. I

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will stay here. I will stay calm. They could not do it. They just had to tie me down to a table, and I had to get out of it, and I got out of three of the four restraints."

An ambulance from the VA Medical Center in East Orange, N.J., came to pick him up the next day. By noontime on Saturday he was discharged.

"The doctor said, 'Do you think you'll be OK?' " Maynard remembered. "And she let me go."

Because of the many complexities of the VA system, a young veteran who walks into a hospital finds that he must meet a number of criteria before receiving treatment, experts say.

One of the problems, doctors say, is that there are simply not enough in-patient facilities that provide the specialized and expert care needed for veterans suffering from post traumatic stress.

"The Southwest is completely devoid of resources," said Dr. Gary Palmer, director of a 31-bed unit at the VA hospital in Tomah, Wis., where the waiting period for admittance is six weeks. "Just one in-patient unit covers Texas, Oklahoma, New Mexico. The Topeka, Kan., facility covers all around, even up north till South Dakota."

Getting treatment—or even a preliminary diagnosis—is often limited by the VA's system of setting priorities based on whether an ailment was a direct result of a veteran's military service.

A veteran whose illness is deemed service-connected goes "to the front of the line" receiving priority over a veteran with a problem not considered service-connected.

But service-connection is difficult to establish when the onset of symptoms often occurs more than a year after the person is discharged from the service. The one-year period is used by the VA as the cutoff for establishing service-connection for all other conditions.

When most veterans experience problems that are later diagnosed as Post Traumatic Stress Disorder and go to a VA hospital, they face delays in treatment because the VA has not determined a service-connected problem exists.

Also, because these men served in "undeclared wars" that possibly involved sensitive or secret military actions, many of their records are difficult to obtain or are still classified. Without service-connected status or proper documentation of the patient's military history, doctors are reluctant to begin treatment.

In attempts to shelter themselves from the brutal effects of the disorder, many veterans turn to drinking and drugs. But doctors cannot treat the disorder if a patient is under the influence of drugs or alcohol. And most veterans hospitals do not provide a specific alcohol or drug rehabilitation program. Patients are sent elsewhere for treatment and often do not return to the veterans hospital for psychological treatment.

The Disabled American Veterans, the Washington, D.C.-based organization that helps veterans in their compensation claims to the VA and lobbies for veterans' programs, has received reports from across the country of younger veterans being turned away or forced to wait as long as six months for a bed in a special stress treatment unit.

"Unless we press the hospital—make the phone calls, force the hand of the administrator—these men will not get service," said Thomas Keller, assistant national director of communications for the Disabled American Veterans. "Some hospital directors are looking to save money by not treating people."

In many cases, he added, veterans of Grenada or Lebanon must seek assistance from their congressmen—or from a service officer from his organization—to apply the pressure needed to get an appointment for an interview at veterans' hospitals.

Because of the decentralized nature of VA medical centers, hospital administrators can choose whether to open stress treatment units to veterans of Grenada and Lebanon. Hospital directors also can choose whether to expand or close units.

In some instances, individual doctors are very committed to treating Post Traumatic Stress Disorder, while the chief of psychology or psychiatry at a VA hospital is unsupportive, eliminating beds in the unit or cutting back on staff.

"There's this attitude that if we don't look at it, we won't have to deal with it," said Dr. Smith, head of the Brecksville, Ohio, stress center.

Dr. Palmer, who runs the stress unit in Wisconsin, said the key to success of an inpatient program depends on the hospital director.

"The past two directors we had were handmaidens of the (Veterans) administration," he said. "The problem of aging veterans and increasing geriatrics is much more prevalent in their minds. Some hospital administrators are Vietnam vets that didn't get PTSD, so they think that nobody gets it."

Officials of veterans service organizations say the VA has failed to target veterans from Grenada and Lebanon who run the risk of developing Post Traumatic Stress Disorder.

Because their numbers are relatively small, it is easy to forget about these younger veterans—easy to think that the problem will just disappear.

"For the 23- or 24-year-old Marine, where is his forum? We have a whole new population that's suffering," said Shad Meshad, a Vietnam veteran and founder of the Vietnam Veteran Outreach Program.

"That type of undeclared war is very analogous to what happened in Vietnam," said Meshad, who runs a private counseling service for veterans in Los Angeles.

"I remember after the boys from Lebanon came home—it was a few months after the tragedy with the Marines. I got an anonymous call from a guy in the military to help six or seven guys who were still out at the airport. . . . They were suffering. They were afraid to talk to anybody in the military. They didn't want to come off as cry babies."

Maynard remembers how in the weeks before the car bomb attack that killed 269 soldiers, sailors and Marines at their headquarters, the Navy showed war movies every night on the ship. They had practiced mass casualty drills practically every day. He was wound tight.

And on Oct. 23, 1983, after the bombing, the quarterdeck was set up as a emergency medical station and a morgue. He worked for 48 hours, dazed, shocked, exhausted. But on he worked like an automation.

"They tried after the bombing to find out if anyone was going to develop problems, or if they were having problems," he recalled. "Uncle Sam, D.C., the Pentagon—I don't know who they were, but they talked to us on our way back over, crossing the Atlantic. They pulled in people by division and were asking in a group if anyone was experiencing problems, depression, nightmares, sleeplessness. They were looking for PTSD. Because after the experience we went through—helping the wounded, looking for the bodies under the rubble—it would be there.

"Granted, they tried. But they didn't go about it the right way. You're asking guys in a group if you're having any problems. Who in their right mind is going to say yes? You go back to the standard macho image: 'Hey, we're men of the sea.' "

Dr. Jim Goodwin, chief of psychology services at Fitzsimons Army Hospital in Denver, described how he counseled a small group of U.S. Army Rangers who participated in the Grenada invasion on Oct. 27, 1983. He was part of a team of psychologists and researchers from Walter Reed Army Hospital in Washington assigned to study the effects of combat on these men.

It was only a year after the invasion that news organizations discovered that the Grenada operation, called a military victory by the Reagan administration, was marred by breakdowns in troop discipline and sometimes fatal technical errors. According to published reports, not only did nearly half of the 20 U.S. soldiers killed in Grenada die in accidents and mishaps, but more than one fourth of the 88 soldiers who were described as seriously wounded sustained their injuries as a result of something other than hostile fire.

Dr. Goodwin said after examining the troops he saw varying degrees of nervousness, anxiety, survivor guilt, exaggerated startle responses, painful recollections—symptoms of the early stages of Post Traumatic Stress Disorder.

"Some of these men had absolutely harrowing experiences," he said. "One guy just broke down when his commander was killed. He thought he didn't measure up to the way he was supposed to."

Dr. Goodwin is unsure how many of these men required additional treatment. It is almost impossible to determine, since symptoms of the disorder may manifest themselves years after the traumatic experience.

Now, more than three years after these events, veterans of Lebanon and Grenada are seeking help in understanding their troubled feelings. Many go to their nearest Vietnam Vet Outreach Center—storefront centers established by Congress in 1979 to counsel veterans who served from August 1964 through May 1975.

"It is not legally authorized," said Dr. Arthur Blank, director of the VA Readjustment Counseling Services, which oversees the centers. "Our staff is instructed to see people at least once and try to help them get help elsewhere."

These younger veterans, like their Vietnam counterparts, have somehow found each other. They knew from a look, a patch sewn on a leather jacket, a handshake, that they had lived through a certain time and place.

Counselor Judith Jenkins and others at the Vet Center in Jersey City, N.J., seeing the special needs of these men, asked permission from the VA to offer counseling. And the VA permitted them to conduct a weekly rap group for a limited period of time.

Edward Maynard attended those meetings, and found comfort there.

The groups met from September to December of 1985, when the VA said they had to end the sessions.

"We know they're out there," Jenkins said. "We were hoping to get more of them, but all we can think is that there are guys who heard the message but aren't ready to come in yet. There are some people who seek help, come in once and just are overwhelmed by what is dredged up, and go back into the woodwork."

Usually their feelings are at first held in check by their military duty, and then suppressed when they return home, counselors say.

"They've been working hard just to get back into the human race," said Angel Almadina, team leader for the Manhattan Vet Center. "Once their life is a little adjusted they'll come in here. They don't even know what's wrong with them."

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## COLLEGE SAVINGS BONDS

## HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. HENRY. Mr. Speaker, you may have noted articles in the Washington Post and New York Times last week describing Vice President BUSH's plan to encourage the use of college savings bonds. Since I have been working on a similar proposal for some time with people in the higher education community, I want to describe in a bit more detail the advantages of such a plan, and invite your cosponsorship of legislation which I recently introduced to establish a college savings bond program.

The college savings bond proposal should be viewed as an alternative approach to other precollege savings plans, particularly those that have recently been popular at the State—where my State of Michigan has been the trend setter—and institution level. Although these plans have attracted a great deal of attention, they have at least three significant drawbacks from the point of view of financing higher education. First, they are primarily a vehicle for the upper middle class, since they are both complicated and involve setting aside a fairly large sum of money at one time or within a short period of time. Second, many families will be reluctant to use them because of the risk of losing the investment if a son or daughter decides not to attend the particular college or colleges covered by the plan, or not to attend college at all. And third, these plans may potentially mean a huge loss in revenue for the Federal Government. The IRS has currently pending before it a request for a ruling on the tax implications of the Michigan plan. A favorable ruling by the IRS would certainly be a "shot in the arm" for such plans, it would also mean a significant revenue loss for the Federal Government.

The idea of the college savings bond is very simple. The Department of the Treasury would be required to issue a new bond, called a "U.S. College Savings Bond." It would be sold through banks, or bought through payroll deduction, just as are the current savings bonds. It would be distinguished from other savings bonds in three ways. First, the interest accrued would not be subject to Federal tax if the bond is redeemed for tuition costs at an accredited institution of higher education. Second, the terms of the bonds would be designed so as to ensure their usefulness for college costs. And, third, donors of college savings bonds would be allowed to change the beneficiary of the bond in the event it is not redeemed by the initial beneficiary for college costs. If the bond is not used for college tuition, it would be treated for tax purposes like any other U.S. savings bond.

In my judgment such a plan offers greater usefulness to middle income families, who really need assistance, than do most of the other prepay tuition plans. It also might very well prove to be a useful vehicle for corporations, and others who would find making a contribution to a college education a healthy marketing strategy. And for the Federal Government, savings bonds are one of the cheapest ways of borrowing, and thus whatever tax revenues are foregone by the tax exemption would be partially offset by the Government's use of the money during the life of the bond.

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## LT. COL. OLIVER NORTH: A ZEALOT, NOT A HERO

## HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. OBERSTAR. Mr. Speaker, I recently read an editorial in the Askov American of Askov, MN, which takes issue with the depiction of Lt. Col. Oliver North as an American hero. Over the last 2 weeks, I have been troubled to read stories about North's alleged popular appeal, and I would like to submit this article for my colleagues' attention. Oliver North is not a hero; he is a zealot who violated fundamental constitutional principles and numerous laws in his single-minded pursuit of the overthrow of the Sandinista government. Almost 70 percent of the American people disagree with North about U.S. funding of the Contras; I submit there are many more Americans for whom his conduct throughout this affair is deeply disturbing.

The currency of a democracy is openness and information, Mr. Speaker, information which allows the people we represent to make knowledgeable, informed decisions about the foreign and domestic policies of their Government. Oliver North's disdain for this constitutionally mandated process and his distrust of the United States Congress is what will be recalled when historians write the record of the Iran-Contra scandal. This disdain for the democratic process is the legacy of a zealot, not a hero. Let us not forget that fact as we continue these investigations.

I commend to the attention of my colleagues this editorial written with such perceptive insight by Askov American editor David Heiller.

### A GREAT AMERICAN HERO?

(By David Heiller)

National politics usually has no place in a weekly editor's repertoire, but the past week of testimony from Oliver North before a Congressional committee in Washington offers a good reason.

Excuse me while I rant and rave. Oliver North is not a hero to me, despite the telegrams stacked in front of him and his glittering uniform. Despite his "telegenic" personality, his erect back and direct stares, despite his sincerity and tenacity, I don't think he will stay an American hero for long, if at all.

A friend of mine perhaps said it best Monday at lunch: "If people think Oliver North is a hero, they'd better take a refresher course in civics."

North's actions, and the actions of the covert operation he belonged to, challenge our government just two months before the 200th anniversary of our Constitution. The Constitution, to refresh a few memories, is the document that set up our framework of government, dividing it into the executive, congressional, and judicial branch. It also added a Bill of Rights, 10 amendments that needed to be added to keep people believing in that government. First on the list: freedom of the press, freedom of speech.

The people who worked out the Constitution knew what life was like without freedom of expression, and they knew that an active press kept elected officials accountable. They knew that the system of checks and balances between Congress and the President would accomplish the same thing.

Oliver North stated time and again, with seeming pride, that he lied to Congress, to keep them from knowing the truth. He stated that he did not trust them, that they would leak information to the press, whom he did not trust either.

He did this to follow orders, he says, but he did this because it is something he believes in with such fervor. He didn't like the Congressional stand on Nicaragua, so he worked to change it, secretly, and against the laws of our Constitution, our nation.

His way reflects the Reagan's administration's way of dealing with Nicaragua and elsewhere. It's as good of an example of any as to why people in Nicaragua, and increasingly people around the world, are losing respect for our government. With double standards such as selling arms to terrorist, taking the money and secretly passing it on to the supporters of an overthrown dictator, and keeping the profits for personal use and future secret operations, who wouldn't support the Sandinistas? Who wouldn't lose faith in the current administration?

Heroes. We've all had them, and still do. Mine was Micky Mantle when I was a kid. He hit home runs and looked at you squarely from the Wheaties package. As we grow older, we look for other qualities to respect. Everybody has a person or two that they admire for their integrity, for their character, for their honesty. Parents try to raise their children with those qualities.

I hope my two children do not grow up to be like Oliver North. I want them to have convictions, but I want those convictions to follow our laws and government. If they do not, I want them to work openly to change them. I want them to follow orders, but not without asking why.

And I hope they live in a country that can separate a hero from a hoax.

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## TRIBUTE TO FRED W. DEVINE, RETIRING DIRECTOR OF CARE

## HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MOODY. Mr. Speaker, 41 years ago, CARE was founded to assist the people of war-torn Europe. That year a young Columbia University student and veteran of World War II named Fred Devine joined the staff of CARE and embarked on a remarkable and distinguished career.

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In September 1949 Fred Devine was assigned as Chief of the CARE Mission in Greece. Close to 700,000 people had been displaced, more than half of them children, as a result of the protracted civil war in Greece, particularly along the border areas. Many of the fields were still mined. Relief efforts of CARE, including the distribution of food packages, agricultural hand tools, and plows, organized by Mr. Devine and his staff, saved the lives of many who had no food to eat, seed, fertilizer, or animals to resume agricultural production. For his work, Mr. Devine was awarded the Gold Cross of the Royal Order of Phoenix by the King of Greece and the Distinguished Service Medal for exemplary action.

In 1952 Mr. Devine was assigned to India where he initiated one of CARE's first self-help programs which involved the introduction of improved plows to Indian farmers.

Mr. Devine moved on to become CARE's Regional Director for the Middle East, Africa, and Asia in 1953. His last overseas assignment was in Egypt as Chief of Mission. In 1957 he was called back to CARE headquarters and promoted to Assistant Executive Director. The following year he was named to the second ranking post at CARE headquarters, namely, senior deputy executive director, a position he held until last month. During his service with CARE Mr. Devine was a frequent visitor to Washington and was often called on by the committees of Congress as an expert witness on international relief and development issues.

In 1960 Mr. Devine was seconded by CARE to serve on President Kennedy's Task Force on the Congo; in this capacity, he assisted in drawing up plans for major relief and food aid programs to the Congo. Mr. Devine was repeatedly elected by his colleagues in the private voluntary organization community to chair the Material Resources Committee of the American Council of Voluntary Agencies which represented more than 50 organizations engaged in international relief and development work. The President Emeritus of CARE, Mr. Wallace J. Campbell, recently recounted a speech made by the U.S. Ambassador to Greece, Mr. Peurafoy in 1952 in which he referred to Mr. Devine as the Ambassador of the people of the United States to Greece.

As deputy executive director of CARE, Mr. Devine negotiated more than 30 agreements with heads of governments in Latin America, Africa, and Asia, leading to the provision of some 7½ million tons of food aid in support of health, education, and food-for-work programs.

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## IRISH AMERICANS MOURN THE LOSS OF JOHN GRIMES, PUBLISHER OF THE IRISH ECHO

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. BIAGGI. Mr. Speaker, it is with great sadness that I report the passing of a dear friend of mine and a good friend of the Irish-Americans in New York and around the Nation. John Grimes, publisher of the internationally known weekly newspaper, the Irish Echo, passed away Sunday, July 26, at the age of 54.

As the chairman of the 118-member, bipartisan Ad Hoc Congressional Committee for Irish Affairs, I feel this loss already. I have throughout the last 10 years relied heavily on John's leadership and insight, not only within the community, but also within the pages of the Irish Echo. Those of us who join together to find a solution to the suffering and strife in Ireland, and who seek freedom and justice in an oppressed land, look to the Irish Echo not just for information, but for inspiration.

John Grimes was that inspiration. He maintained his family tradition of excellence by bringing to the readers a link between the Irish-American community and the homeland, whether it be North or South. He published a newspaper that not only reported the news; it made the news. The acute attention that the Irish Echo has given to political issues of Ireland and Northern Ireland has indirectly contributed to national policy. John Grimes provided different Irish-American communities around the country with a means of reporting their special news—whether it be California or Connecticut, New Jersey or Chicago and, of course, New York, the Irish Echo's articles have brought everyone together with a deep sense of Irish pride.

John Grimes was a man with a strict work ethic. His drive and ambition resulted in a total sale of 32,000 copies of the Irish Echo during 1986. The Irish Echo circulates in and around New York City, ships copies across the country and publishes a Boston edition, started by John in 1981. While John's determination was obvious by his successful circulation, it is within the pages of the newspaper that John's special qualities can be found. His courage is brought out by the strong stand that the Irish Echo has never been afraid to take on any issue, yet his reason and sound judgment are evident in the editorial policies of the paper. In many ways, John Grimes was the Irish Echo, and our lives are diminished by his death.

John Grimes was born in the Bronx and attended Manhattan Prep and the New York School of Music. He graduated from Manhattan College in 1953, and was commissioned into the Navy, serving his country as a pilot on the *Coral Sea* until 1957. John Grimes succeeded his late father, Patrick, as publisher of the Irish Echo in 1978.

John Grimes leaves behind a legacy of accomplishments and success stories. While the Irish Echo's publication will continue under the leadership of John's widow, Claire, his absence will be felt by thousands. I will miss John. He was a valued friend and a compassionate one, and I would like to extend my sincere condolences to Claire O'Gara Grimes and to their daughters Jennifer and Katherine during this sorrowful time. I know that the entire ad hoc committee joins me in expressing our regrets in their loss and we send our prayers that God will indeed keep John "in the palm of His hand."

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## EMERGENCY LIVESTOCK FEED ASSISTANCE ACT OF 1987

### HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. WILLIAMS. Mr. Speaker, today my colleagues and I are introducing the Emergency Livestock Feed Assistance Act of 1987. This bill is designed to place the seven existing emergency livestock feed assistance programs under the authority of the Secretary of Agriculture, to establish standard eligibility requirements, and to speed up the appropriate response.

Natural disasters from drought and floods to insect infestation are an ever present concern of our Nation's agriculture community, and for years the Federal Government has properly provided an array of services to help our farmers and ranchers make it through the tough times. But it's clear now, from a recently released General Accounting Office investigation, that better and quicker help could be provided if the U.S. Department of Agriculture were provided the authority to administer emergency feed programs differently.

Under current law, seven distinct programs are available to provide emergency feed assistance. Some programs have the same objectives but differences exist under which the programs are available, the benefits they provide to livestock producers, and their relative cost to USDA. Some programs cannot be implemented without a presidential declaration of disaster, while others need only a secretarial declaration. Also, the Department of Agriculture cannot implement two of the programs without approval of the Federal Emergency Management Agency. These many and needless differences prevent a unified public policy of disaster feed assistance.

Many producers in some past emergencies have not even applied for assistance because the announced programs did not include an appropriate response to the circumstances in the particular State at a particular time. Also, delays in selecting appropriate assistance programs have resulted in too little help being made available too late. In many cases livestock producers have already sold their animals before the appropriate feed was made available.

This bill deals with all three of these issues. The legislation pulls together all seven emergency feed assistance programs under the Secretary of Agriculture. All assistance programs are made available for request by the Governor while the final determination for all livestock feeding rests with the Secretary of Agriculture.

The initiation of all emergency feed assistance is brought under a unified application process started at the State level by the Governor of each State. The Governor with the consultation of the State directors of agriculture stabilization and conservation service, soil conservation service, and Farmers Home Administration shall make a request to the Secretary of Agriculture for emergency assistance with the most appropriate program determined to meet the need at the local level. Most of

the problems experienced in the past could have been avoided by all seven of the statutory programs being considered initially by the Governors for appropriate application to the particular circumstances.

The bill sets time deadlines for response by the Agriculture Secretary. Within 14 calendar days, a preliminary determination must be made to deny the Governor's request or give tentative consideration to the specific program requests made by the Governor. Within 25 calendar days, a final determination by the Secretary must be made and justification given for denying the specific programs requested. This allows appropriate planning for providing feed to animals by livestock producers.

I believe that this bill is important to bring forth a clear public policy on livestock feed assistance and to improve the assurance that the policy will help USDA meet the greatest need with the most effective help. These improvements have been reviewed by the General Accounting office and have received the GAO's endorsement. I look forward to working for passage of this act.

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## INCUMBENT PROTECTION ACT

### HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. PORTER. Mr. Speaker, recently Mr. Alan Abramowitz wrote a most interesting article regarding Senator DAVID BOREN's bill on campaign finance reform. I agree wholeheartedly with Mr. Abramowitz' analysis of the bill's effect on campaign spending and the resulting protection for the incumbent candidate.

The article follows:

#### BOREN'S INCUMBENT PROTECTION ACT

(by Alan Abramowitz)

In 1986, Democrat Alan Cranston and Republican Ed Zschau together spend almost $25 million on their California Senate races. Two years earlier, Jesse Helms spent more than $17 million in successfully defending his Senate seat in North Carolina. Several candidates for the House of Representatives spent more than $1 million on their campaigns.

Even allowing for inflation, there is little question that political campaign spending has risen dramatically during the 1970s and '80s. Meanwhile, candidates complain about having to spend an inordinate amount of time and energy of fund-raising, and citizens' groups worry about the influence of special interest money on the legislative process.

The escalating cost of campaigns has led to increased interest in the issue of campaign finance reform. During the 1970s Congress enacted several reforms aimed at curbing campaign abuses, including strict disclosure requirements. However, two major reforms—limitations on personal campaign expenditures and total campaign spending—were ruled unconstitutional by the Supreme Court.

Now comes a new bill, proposed by Sen. David Boren of Oklahoma, aimed at getting around the Supreme Court's ruling by coupling spending ceilings with public financing of Senate compaigns. Under the Boren proposal, which has attracted a great deal of favorable attention in the press and appears to have considerable support in the Senate, a Senate candidate who raised at least $250,000 from individual contributors would be eligible to receive public funds equal to the difference between $250,000 and the spending limit for the state in which the election would be held. State spending limits, based on population, would range from $687,250 in Wyoming to $5.4 million in California.

At first glance, Boren's solution seems reasonable enough. Putting a lid on campaign spending would help neutralize the advantage of big-spending incumbents, and would greatly reduce the amount of campaign time devoted to fund-raising. Contributions by special interest groups also would be prohibited.

Despite these well-publicized advantages, a careful analysis reveals that the Boren proposal would have one major consequence that has been generally ignored by the press: Boren's bill, which sets spending ceilings that are substantially lower than the actual spending levels in recent Senate elections, amounts to an incumbent protection act.

To understand why the Boren proposal would work to the advantage of incumbents, it is necessary to consider the effects of campaign spending on the outcomes of Senate elections.

A statistical analysis of all Senate races between 1974 and 1986 (examining such factors as partisan and ideological makeup of each state, incumbents' voting records, challengers' political backgrounds, national political climate and possible candidate involvement in scandals and controversy) yields one overwhelming conclusion: Spending by challengers has a much stronger impact on the outcomes of Senate contests than spending by incumbents.

In fact, the challenger's campaign expenditures are the most important factor affecting an incumbent senator's chance of being re-elected. Thus, Boren's spending ceilings—too low to give most challengers a realistic chance of winning—protect the already favored position of the incumbent.

Why does the challenger's campaign spending have much more influence on the outcome of a Senate contest than the incumbent's spending? The answer is obvious: The incumbent is already well known by the time the campaign gets underway. An incumbent senator has had at least six years to cultivate voters by using taxpayer-subsidized perks such as the franking privilege, paid trips home on weekends and holidays, paid staff, printing and stationery allowances and subsidized television recording studios. In contrast, the campaign is generally the only opportunity for the challenger to establish his or her identity, and get messages across to the electorate.

It's true that since 1970 incumbent senators have not enjoyed the same degree of electoral security as their counterparts in the House. One out of five senators seeking re-election has been defeated, compared with only one out of 14 representatives.

Why? For one thing, the average state is much larger, more diverse and harder to represent than the average House district. An even more important reason for this discrepancy, however, is that Senate incumbents generally face much stronger challengers than do House incumbents.

If enacted into law, Sen. Boren's proposal would greatly reduce this discrepancy. Senators probably would become almost as secure in their seats as House members are. And because a senator's term is six years rather than two, the result would be a drastic reduction in membership turnover, leading ultimately to a decline in responsiveness to public opinion.

It is not surprising that a group of incumbents would try to write campaign rules that help to perpetuate their hold on power. However, for those who believe that competition is as important in the political sphere as in the economic sphere, the Boren proposal should raise a red flag.

Let's face it. When it comes to political campaigns, in the words of Reverend Ike, "Money isn't the root of all evil—lack of money is the root of all evil."

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## A LOOK AT CENTRAL AMERICA

### HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. EDWARDS of Oklahoma. Mr. Speaker, the National Endowment for Democracy has undertaken a program to assist the development of democracy in countries as diverse as South Africa, Nicaragua, Poland, Chile, the Philippines and Afghanistan. In May, the endowment held a conference on "Advancing Democracy" which brought together an impressive array of democratic leaders.

I was particularly impressed by the remarks made at the conference Xavier Zavala. Sr. Zavala is the director of Libro Libre, an endowment-supported publishing program which serves as a center for intellectuals in Central America. Based in Costa Rica, Libro Libre publishes books about Central America, as well as classical democratic works such as the Federalist Papers.

The armed conflict in Central America is a frequent point of debate in the Congress. But Sr. Zavala focuses on a different and more fundamental kind of conflict: the effort by Marxist-Leninists to capture the principal cultural and educational institutions of the region. Libro Libre is the first serious attempt to counter this 30-year Communist political program.

Mr. Speaker, I commend the National Endowment for Democracy for helping to launch this vital program, and I call my colleagues' attention to Sr. Zavala's analysis of the ideological conflict in Central America.

#### REINFORCING YOUNG DEMOCRACIES: THE CENTRAL AMERICAN CASE

The topography of democracy in Central America is irregular and volcanic. While we boast the oldest democracy in Latin America, Costa Rica, we also have, one step to the north, in Nicaragua, the youngest Latin American totalitarian regime. Three incipient democracies lie further to the north of Nicaragua: Honduras, El Salvador and Guatemala.

But, since democracy is not the result of winds and rains, but, pure and simply, of human conduct, let's get to the core of the matter and ask ourselves: What do we think in Central America about democracy? Do we want to live in democracies? Are we democrats?

In Central America, since the days of independence, we have thought of ourselves as democrats. By this I mean that throughout our history. Central Americans have always thought that democracy is the most desirable way of being governed. Our history is a chain of attempts at achieving democracy. Perhaps you wonder why a chain of attempts rather than a sustained democratic experience? I will answer this question, but first I want to emphasize the significance of these repeated attempts.

To say that our history has been a chain of attempts at achieving democracy is to also recognize that our history has been a chain of failures at achieving democracy. Each attempt ended up in new dictatorships and civil wars.

Since we are hear to think about the future, what should we focus on in the past, the attempts or the failures? Both. Our sad history of failures, dictatorships, and civil wars has not been able to dissuade us from believing in democracy. To have kept on trying means that Central Americans have been stubborn in their search for democracy. For us, democracy is like a vocation or a destiny. How I wish they could hear me, those Europeans and North Americans who have visited Nicaragua and told us that they don't understand why we are asking for democracy now when we have never had it, nor have we ever been interested in having it.

But why, with the exception of Costa Rica, have we failed so endemically? Because, in spite of our stubborn belief in democracy, we are not democrats. The intellectual acceptance of democracy does not make one a democrat. Central Americans have thought that democracy is a good way to be governed, but not a good way to govern. To be a democrat, it is necessary to have accepted so personally the beliefs and values of democracy, that they tend to manifest themselves in virtues, in habits of conduct.

Now, except for Costa Ricans, we have not possessed, nor have we cultivated, the virtues of democracy. One thing is to believe that peaceful, social life rests upon the value of giving in; another thing is to be ready to give in. One thing is to accept that everyone has the right to influence public decisions, another is to be ready to be defeated. Our history shows that we do not have the virtues of giving in and accepting defeat. Without the virtues of democracy, our democracy experiences have been like buildings without foundations.

It is therefore obvious that the new democratic experiences need reinforcement. There is no reinforcement other than the permanent education in the beliefs and values of democracy in every sector of the population, so that they will guide and mold the everyday behavior of the community.

There is a second reason to reinforce democracy in Central America. Our democracies are besieged.

When I say that in Central America the democracies are besieged, probably what first comes to your minds is a picture of guerrilla movements in Guatemala, El Salvador, and Honduras. However, I am not going to speak of that armed, violent siege. Which does not mean that it should be ignored or that I do not consider it important: the armed threat to Central American democracies is very serious and should be faced with realism and courage. Realism and courage that should take into account two important realities of those armed marxist-leninist groups: they use democratic vocabulary to camouflage themselves, and they rely on a powerful propaganda network here in the United States, in Europe, and in Latin America, that is constantly polishing up their image, justifying their existence, and promoting them.

But, because my time is limited, I am only going to speak about another type of siege being endured by Central America's democracies; a siege that is long-term and that, in the long term, is much more dangerous. It tends to pass unperceived because it is slow, silent. It tends to be acceptable because it rests upon and takes advantage of the very democratic principle of freedom of thought. This slow and silent attack is nothing less than the sowing of anti-democratic and pro-communist ideas and values.

The aim is to gradually change the Central American peoples' system of beliefs and values. For example, it is wrong to believe that everyone has an equal right to influence and direct the country's politics; the correct thing is to follow an enlightened vanguard of new men. To believe that the future depends on free choices is antiquated bourgois thought; what is scientific is to seek and accept the destiny of history. Private businesses are dirty, egotistical, and rob the people's work and wealth; on the other hand, an economy in the hands of the state is justice and equality. The ills of the Third World and of Central America are the result of North American imperialism; to try to resolve them without destroying that empire is naive; the United States is the evil, and beautiful, just, Russian socialism is the answer.

Although it doesn't make noise, it doesn't make the news, it is a real war against Central American democracy that has been waged primarily in three types of education centers: the general studies schools, the teacher-training schools, and journalism schools. The concrete goal it to change the set of beliefs and values of the university students (future professionals), of the normal school students (future school teachers), and of the journalism students (future public opinion shapers).

Perhaps I should clarify what I am referring to when I speak of general studies schools. Thirty years ago, when all the Central American universities were "national" and "autonomous", that is, when they all were run with public funds transferred obiligatorily by the governments, but simultaneously had total independence from the governments in administrative and academic matters, there, the most efficient attack against democracy was planned and implemented. An efficient but silent attack, that began considerably before the marxist-leninist guerrilla movements gained importance and that continues to this day, in almost all national universities and even in two private ones.

At the end of the fifties, university studies were reformed. It was a good reform. It didn't make sense that a young law student should receive only a knowledge of the legal profession while he was at the university, or that the engineering student should only study engineering. The universities should give young people a complete, balanced, humanist formation. Something similar to a college education in the United States. To achieve this goal, the general studies programs were created in the Central American universities: two years of humanities were obligatory for all new students before beginning their strictly professional studies.

But, there were persons properly placed at each university to deviate the reform from humanism to indoctrination. The new obligatory courses in philosophy, history, culture, national reality, etc. provided the perfect opportunity to indoctrinate the young university students against democracy and in favor of soviet totalitarianism. Let me give you an example to illustrate what I mean. There is, still today, in truly democratic Costa Rica, a national university that officially establishes as a specific objective of some general studies courses, that the student should "become conscious of economic and cultural dependency and endorse the Cuban revolution as an option for the overcoming of underdevelopment and dependency."

Important weapons in this war of ideas and values have been the text books and assigned reading material presented to the students. Publishing companies have been set up to produce and supply the necessary books. Let me use as an example the texts on sale at Panama's National University's bookstore. Just this past April, more than 80% of the titles for sale in the political science section were published by pro-soviet publishing houses; for history, more than 50%; for economics, 39%. It is interesting to observe that these specially created publishing houses do not seem to be interested in presenting other versions of Marxism, for example contemporary Euro-communism.

I had concluded the first part of this presentation saying that democracy in Central America needs a permanent education in its beliefs and values. However, while little was done in that respect, others had planned and implemented the takeover of educational centers to do exactly the opposite. For at least thirty years a good percentage of our youth has passed, unaware, through a battle ground against democracy where the bullets are ideas and values, and the weapons, professors, educational programs, and books.

Yes, democracy needs to be constantly reinforced. How? There are initiatives being taken in Central America and all around the world, as the attendance at this meeting shows, and as the National Endowment for Democracy probably has experienced. They should be backed and helped, as the National Endowment for Democracy has done with Libro Libre. I express here and very publicly, my thanks to the Endowment as I also do to Freedom House and to the American Institute For Free Labor Development for what they have done for us. But, of course, there is much more to be done. And it should be understood that all this is not for short-sighted people. The results are not for tomorrow. We need commitments to long-term efforts. Those who planned the indoctrination of the Central American youth thirty years ago, were not short-sighted.

## A TRIBUTE TO LAURA TRIVERS

### HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mrs. LLOYD. Mr. Speaker, for the past month I have had the pleasure of having Laura Trivers, a student at Duke University, and a resident of my congressional district in Tennessee, serve as an intern on my Washington staff. Laura has been an extremely capable addition to my office and I am pleased to submit to the CONGRESSIONAL RECORD an article she wrote which appeared in the July 30, 1987, edition of the Chattanooga Times

on her experience at the historic Iran-Contra congressional hearings. Godspeed Laura and best wishes. The article is as follows:

> I tumbled out of bed at 5 in the morning to stand in line—a line that two hours later would hold over 200 people. Tired and weary, we waited to see Oliver North who in a few short days had become the world's most famous or perhaps infamous lieutenant colonel.
>
> The preteen in pigtails next to me walked up and down the line and returned with the verdict. I was #77. Security guards admit only 18 people for each 30 minute session. Surely, I thought to myself, I would get in before lunch. I was wrong. The length of the line was deceptive. Each member of the select committee was given a pass to be used by staff members. These fortunate individuals were included with the people in line who had waited hours for the seats. After waiting through the two hour lunch recess, the ordeal continued as we were led single file into the Russell Senate Office Building where our bags were searched. We then walked through two metal detectors—one is regular Congressional procedure. Guards warned us that once seated we would not be allowed to stand up until our 30 minutes were completed. The previous day's outburst in the hearing room had obviously affected the security guards. We all nodded in acquiescence although after waiting nine hours we would have agreed to stand on our heads to see the testimony.
>
> My 30 minutes in the hearing room were filled with the select committee practices now standard to the American people. The senators and representatives nervously debated the tactics of Senate counsel Arthur Liman; Brandon Sullivan, outraged at the questions asked of his client, objected vehemently; Oliver North pleaded his case with that "Oh golly, I thought it was moral" voice; And, wife Betsy sat demurely with her hands folded in her lap while she looked adoringly at Ollie.
>
> What did surprise me, however, were the attitudes of the other people in line and those watching across the country. Oliver North had lied and shredded his way to become the newest American hero.
>
> "Ollie is the greatest," the high school student behind me told a reporter. "He is brave and loyal and a veteran and we should not be persecuting him like this, he continued.
>
> North admittedly lied to Congress, shredded documents pertinent to the Iran Contra affair, and totally disregarded both the Constitution and American public opinion on Contra aid. But it didn't matter. Olliemania was sweeping the country, and its headquarters was in Washington, D.C.
>
> While we waited to enter the hearing room, messengers carried bundles of telegrams into the hearing room. Florists carried dozens of long stemmed red roses. Across the street from the office buildings supporters held pro-North rallies and passed out buttons. Several days later stores began displaying Olliewear. Camouflage pants and "Ollie in '88" buttons became the look for the hot Washington summer. Restaurants even created the Ollie sandwich—a hamburger with shredded lettuce and tomato.
>
> As tourists and probably natives too began purchasing the T-shirts and buttons and banners, people around the country began to write or call their elected representatives in support of North. Members of the select committee were inundated with opinions. The vast majority were against Congress' treatment of Lt. Col. North.
>
> Sen. Sam Nunn's (D.-GA) mail ran 97% in favor of North or opposed to the Congressional investigation. But, Nunn's office reported his approval rating among Georgians increased dramatically when the senator began his series of questions to North.
>
> Rep. Dick Cheney (R-WY)'s office was not surprised by the deluge of constituent support for North. His staff has been instructed to answer the questions raised by their constituents but not to push the Congressman's opinion.
>
> As a country, we can't see the forest for the trees. The American people is too wrapped up in the trappings of the unfolding drama. Concerned with appearance and personality, the public has overlooked the importance and significance of these hearings. Even the Washington Post, that bastion of journalistic integrity, gave the drama's protagonists makeovers. Liman, Neilds, and Sullivan were given new coiffures at the sweep of the artist's hand. Neild's Berkeley style was replaced with an almost yuppie look. And, Liman received a tidy looking toupe to replace his fettucine style curls.
>
> The people who waited in line during the first two days of North's testimony were adults who remembered the Watergate hearings. The remainder of the testimony attracted younger people who remember Watergate only as the interrupton of the Brady Bunch. Understandably, they wanted to have that front row seat for this governmental drama—one that will most certainly be dissected in political policy classes as the case study for covert relations and executive-legislative interaction.
>
> The questions brought up during the past several weeks are crucial to the future of our government. We need to be concerned about the roles of our elected represenatives in foreign policy decisions. We need to be concerned about the difference between Congressional approval and Congressional knowledge. And, we must be concerned with the lack of knowledge of our chief executive on policy emanating from his office. These are the issues about which the American people should be writing to their representatives.
>
> Many of these questions will be addressed as members of Reagan's cabinet go before the select committee. Their testimony will not be as emotionally evoking as North's but it may be important to the big picture of American government and foreign policy.
>
> Select committee member Sen. William Cohen was recently quoted as saying, "If you want theatrics and drama, turn it (the hearings) off. But if you want to see how this government functions, stay tuned. The heat has been turned down, but the facts are very chilling."

## SUPPORT TRUTH IN PIZZA LABELING

### HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. JEFFORDS. Mr. Speaker, the frozen pizza manufacturers do not want the American people to know what they're eating. They have formed the "Fair Pizza Labeling Committee" to lobby against a proposal pending in Congress that would let consumers know whether or not their frozen pizza contains any real cheese.

The issue is simple. Fake cheese is cheap; using it on frozen pizzas boosts profits for the pizza manufacturers. Consumer surveys conducted for the Food and Drug Administration show that many consumers—over 40 percent—would not purchase a frozen pizza if they knew it did not contain real cheese. If consumers are allowed to make an informed choice, pizza manufacturers using fake cheese might be forced to switch to real cheese in order to satisfy consumer demand.

As a strong supporter of Truth in Labeling on frozen pizza, I commend to your attention the editorial that recently appeared in the Boston Globe. I think you'll agree that consumers deserve the right to choose between "cheese analogue" and the real thing.

The July 19, 1987 editorial, entitled "The Mock Mozzarella", reads as follows:

> Congress may have to resolve a controversy swirling around the freezer section of every supermarket in the land. The issue: should Americans know whether there is cheese in frozen pepperoni pizza?
>
> Government regulations allow food companies to make frozen pepperoni or sausage pizza with little real cheese. The companies are allowed to use a look-like consisting of soybean oil and milk protein. They are required to list these ingredients in small print. The dairy industry is pushing a bill in Congress that would compel the pizza companies to either use real cheese on their meat pizzas or put a big label on the front of the box proclaiming the presence of a cheese substitute. Pizza manufacturers. Such as Pillsbury and Quaker Oats, have organized themsleves into the Fair Pizza Labeling Committee. The fake stuff—they call it cheese analogue—is cheaper, they say, making frozen pizza more accessible to poor people, and is healthier because it contains less cholesterol.
>
> The dairy lobby says it is concerned with truth in labeling. The pizza producers say they want to safeguard consumers' health and pocketbooks. Both are circumspect about their true motives.
>
> The real issue is money. A bill dollars' worth of meat pizza is sold each year. Dairy people think they will unload $56 million worth of mozzarella, the most popular pizza cheese, if the bill passes. Pizza makers want to keep their profit margins high.
>
> The bill should pass. The name "pizza" implies the presence of cheese just as the world "hamburger" implies meat. People who thought the pizzas contained cheese all along are entitled to their mozzarella.
>
> The manufacturers should not lose heart if the bill is aproved. If fake cheese contains one-11th as much cholesterol and one-quarter as much saturated fat as the real thing, let them put the words "cheese substitute" on the label and rename the product. Let them call it "Nutri-Pizza." They'll make a fortune.

## U.S.S. "INTREPID"—A NATIONAL TREASURE

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. BIAGGI. Mr. Speaker, one of our Nation's great historical and educational landmarks is in need of our help. I am referring to

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the U.S.S. *Intrepid*, which has been designated a national historic landmark. On August 4, 1982, this historic aircraft carrier was opened as a museum at West 46th Street and the Hudson River, in my home city of New York. More than 3 million people have visited the Intrepid Sea-Air-Space Museum since then. Unfortunately, future generations may be deprived of this experience if Federal assistance is not made available.

To visit this gallant lady is to feel and hear the sounds of battle and the presence of thousands of American sailors who fought and sacrificed for our country. The decks of the *Intrepid* should be regarded as hallowed ground—a part of our Nation and its history—and should be preserved. Failing in that we will have broken faith to valiant specters that still inhabit this symbol of courage and freedom.

Specifically, the *Intrepid* is seeking affiliation with the National Park Service, as well as a limited amount of Federal funding to help improve its financial stability. The Intrepid Sea-Air-Space Museum is currently operating under chapter 11, due largely to the fact that development of Manhattan's westside waterfront—where the *Intrepid* is located—has been delayed, resulting in less than projected attendance levels at the museum. Without Federal help, there is great uncertainty about the future of the *Intrepid*, including the possibility that this historic aircraft carrier might be scrapped. That would truly be a national tragedy, and I believe a brief history of the *Intrepid* will help to convince my colleagues of the need for favorable action in this important matter.

The aircraft carrier *Intrepid* served the United States for a period of 35 years, participating in history-making events everywhere it went. Peacetime maneuvers, battle action, space exploration and national historical celebrations each make up an exciting chapter in *Intrepid's* fascinating biography.

Almost as if a premonition, its construction began in 1941, less than 1 week before the bombing of Pearl Harbor. In 2 year's time the *Intrepid* joined the Pacific fleet and became an important part of the *Essex*-class of aircraft carriers. The *Essexes* were responsible for Allied victory in the Pacific, sometimes referred to as the "carrier war."

The *Intrepid* played an instrumental role in the largest naval battle in history, the battle for Leyte Gulf, the Philippines, October 1944. A major loss for the Japanese, the battle cost them 22 ships and hundreds of aircraft.

In its total war effort, the *Intrepid* sunk over 80 Japanese ships and shot down more than 600 aircraft. But it did not emerge without battle scars. Two hundred airmen were lost in offensive movements, while a torpedo, bombs, and kamikazee hits took the lives of over 100 crewmen. At one point, after suffering two simultaneous kamikazee attacks, the ship itself was put on the disabled list for several months for repairs.

*Intrepid* was temporarily decommissioned after the war, but war in Korea put it on schedule for complete modernization. Ready for action in 1954, *Intrepid* spent the next decade cruising the Atlantic and the Mediterranean. Significant events during this tenure were participation in the naval blockade of Cuba during the Cuban missile crisis and assignment as NASA's prime recovery vessel for the retrieval of astronauts in 1962 and 1965.

War in southeast Asia brought *Intrepid* back into battle action, as it did three combat tours off Vietnam between 1966 and 1968. Later, it helped strengthen United States presence near the Middle East. In 1974, the *Intrepid* was permanently decommissioned by the Navy. But it did not remain inactive for long. It served for 1 year as an official U.S. Navy bicentennial exposition in Philadelphia to help celebrate the 200th birthday of our country. In order to be rescued from the scrapheap, this historic ship was established as a museum in 1978 and opened to the public 4 years later. Its most recent distinction was designation as a national historic landmark by the Secretary of the Interior just last year.

The *Intrepid* was in the forefront of world events. As a museum it can show us its own history, which is in itself, a part of American history. And it does so in a way distinctly different from most other museums. The *Intrepid* is a living piece of history, a closer link to past world events in which it was a direct participant than a simple photograph or scale model could be. When a person climbs aboard the ship and learns all about where it has been, what it has done, he or she can actually walk through the living quarters and on the flight deck and visualize what it must have been like.

As a museum, the *Intrepid* has quite a lot to offer to the public. Several major exhibit halls showcase past and present naval technology, *Intrepid's* historic battles during World War II, early aviation, the space age, and a special dedication to military heroes. A number of galleries have additional exhibits concentrating on sea, air and space. The educational resources it can provide include study guides and lesson plans for educators, workshops and seminars, a research library, and internship programs, to name a few. Approximately 200,000 students visit the museum each year. The overall educational value of the Intrepid Museum cannot be overstated.

Another asset of the museum is its permanent location in New York City, which greatly increases its accessibility. Twenty-five million people live in the metropolitan area, and nearly 40 million are within a day's drive of New York. In addition, the city is visited by 17 million American and foreign tourists each year. Once within the city, the Intrepid Museum is easily reached by any means of public transportation.

There are a number of other factors attesting to the value of the continuation of the Intrepid Museum. There is only one other retired carrier in the world to have been preserved, the U.S.S. *Yorktown* in South Carolina, and there are none incorporated into the National Parks System in this country. Also, several organizations depend on the *Intrepid's* existence, among them the Congressional Medal of Honor Society, the Manhattan Naval Reserve Center, and the Board of Education of New York City.

The Intrepid Museum is dedicated to the preservation and perpetuation of U.S. history. The lessons it has to offer on the growth of technology in the sea, air and space come from having been a part of that history in the making. Three million visitors in the first 5 years have been able to appreciate the opportunity to tour a world famous aircraft carrier. It would be a national disgrace to deprive the millions of others who have yet to experience it. I urge my colleagues to join me in providing the assistance necessary to prevent that from happening.

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## A CENTURY OF CARING: D.A. BLODGETT HOMES FOR CHILDREN

### HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. HENRY. Mr. Speaker, it has been said many times that children are America's most precious and valuable resource. No one knows that better than those who are associated with the D.A. Blodgett Homes for children in Grand Rapids, MI. For 100 years, D.A. Blodgett Homes has provided the foundation for the future for thousands of children and families in need.

In 1887, Mrs. D.A. Blodgett and Mrs. M.J. Clark organized a group of women to provide care for children from broken homes. Incorporated under the name, "The Children's Home Society," in 1892, the Home's stated purpose, in part, was "to keep and maintain a home for friendless and homeless children."

Every effort was made to operate as much like a family home as possible. There was a dining room where everyone ate and was taught table manners. The children all slept in two large rooms, one for boys and one for girls. Each child had a bed of his or her own. There was a playroom, and a reading and study room. All school age attended the nearest public school and all attended Sunday School regularly. The older girls were taught sewing, knitting, and mending, while the boys were taught manual training. Special efforts were made to instill politeness and good works.

In 1908, a new structure was built and the following year, the name was changed to D.A. Blodgett Homes for Children. During the next few years under the innovative leadership of Mrs. John (Minnie) Blodgett, the home was one of the first in the Nation to put into practice the foster care concept. Mrs. Blodgett was also instrumental in developing Camp Blodgett, a summer camp for foster children, the Clinic for Infant Feeding, the Association for the Blind and many other human services desperately lacking and needed during the early 1900's.

The year 1920 brought the employment of the Home's first social worker and signaled a rapid movement of children out of the institution and into foster homes. A short time later, the Foster Care Program was an established policy.

The Foster Care Program reduced the need for an institutional facility building and in 1935,

the Board of Blodgett Homes leased the building to the Mary Free Bed Guild while retaining space for administrative headquarters.

The 1930's brought an increased awareness of the importance of the parent-child relationship, and the Home began to regularly use the volunteered services of well-established local physicians and psychiatrists. With the emphasis more and more on fosterhome care, in 1950 the agency redesigned its purpose "to provide foster home care to children whose family situations or personal problems make necessary or advisable a plan away from their own parents * * *."

As one of the charter members of the Federation of Social Agencies which revolved into the United Way, Blodgett Homes was given a full membership to the Child Welfare League of America in 1954.

The 1950's brought other changes. A plan was created which contracted the various child care agencies to provide care for children who were public charges of the Kent County Department of Social Services. This significant development resulted in the expansion of the Home's Foster Care Program. The first of two Guilds was formed by the board of directors with the stated purpose "to be of service to Blodgett Homes and the children under its care whenever possible." And, the tremendous growth of the agency resulted in the construction of a new administration building—to which there have been three additions.

During the 1960's agency services were departmentalized into four categories which included Adoption and Infant Boarding Cart, Foster Care Home Finding and Placement, Family Rehabilitation and Unmarried Parent Counseling, and Big Brother. New programs were added throughout the sixties and seventies including a Big Brother Program, foster home care for the mentally impaired and physically disabled children, a Big Sister Program and a program to specially train foster parents to provide a more therapeutic environment in a home for the severely emotionally impaired youngster.

More recently, D.A. Blodgett Homes instituted three new programs—a Special Needs Adoption Program helping adolescents, minority children and large sibling groups in need of adoption services, Sisters in Support which matches volunteer adult women with parenting teens, and the Family Reunification Program, a pilot program with the purpose of expediting permanency through intensified counseling services to neglectful parents and their children.

As you can see, Mr. Speaker, the commitment D.A. Blodgett Homes for Children made 100 years ago to caring for friendless end homeless children continues today in a much expanded role. As the agency embarks on its second century, its mission and mandate is "to enhance the well-being of children with special needs and their families, both present and potential, through traditional and innovative services that provide the best opportunity for them to meet their full potential as human beings."

Please join with me, Mr. Speaker, in expressing appreciation to D.A. Blodgett Homes for a century of caring and for giving thousands of youngsters a reason to hope for the future.

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## KURDISH MILITANTS THREAT TO TURKEY

### HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MOODY. Mr. Speaker, I thought my colleagues might find interesting the following article that appeared in the Christian Science Monitor. This article deals with the very important and ongoing problems on Turkey's borders with Iran and Iraq. Activity in southeastern Turkey by the Kurdish militants has created, by many accounts, "the most serious threat" faced by that country in the last 50 years. For this reason, I wish to place this piece in today's Record.

#### Turkey Pursues Two-Track Policy To Stem Kurdish Violence

Istanbul.—Turkey is preparing for a long and difficult struggle against what officials here describe as "the most serious threat" this country has experienced in the last 50 years.

Escalating guerrilla warfare by well-trained Kurdish militants in southeastern Turkey, they say, has put at stake the region's security and the nation's unity and territorial integrity.

So far all attacks have been concentrated in the remote villages of the southeast, but the concern in official circles is that the guerrillas might expand their activities into urban areas.

In the spate of attacks in Turkey's "wild east," Kurdish "terrorists" have taken the lives of some 478 people in the region, including 320 civilians, the government says.

Groups of Kurdish gunmen have been entering villages late at night and opening fire indiscriminately. Two attacks occurred recently in Mardin Province only a few hours after Prime Minister Turgut Ozal toured the area and appealed to the terrorists to take advantage of an amnesty law and surrender.

The Workers' Party of Kurdistan (PKK), a Marxist-Leninist group, claims responsibility for the attacks. The group, which began as an underground organization in 1978, says its aim is to "liberate" the Kurdish-inhabited areas of Turkey and create an independent Kurdish state.

The PKK has conducted terrorist actions in the southeast for three years through its military wing, the People's Army for the Liberation of Kurdistan. The PKK leader, Abdullah Ocalan, is known to have his base in Damascus, Syria. Guerrillas, according to Turkish intelligence, come over the border from Syria, use hit-and-run tactics in areas difficult for Army units to reach, and escape over the borders into Syria, Iran, or Iraq.

According to the Turkish government, the PKK has some 1,100 armed men carrying out operations from within Turkey, and a total estimated force of about 3,400 men.

Because of the recent escalation of the terrorist campaign and the rise in casualties the Ozal government has developed a series of short- and long-term measures aimed at curtailing the terrorism:

A new post of "regional governor" has been created for an eight-province area of southeastern Turkey. The governor will have broad powers over the security forces.

A special, well-trained, well-equipped "strike force," probably numbering 5,000 will be formed to fight the terrorists in place of regular Army units. Army officers in the region have complained that regular soldiers doing military service are not properly trained nor equipped to deal with terrorism.

Prime Minister Ozal two weeks ago reached an agreement with Syria that provides for cooperation between the two nations on security matters. Syrian authorities are committed to preventing PKK militants from using Syrian territory as a base for actions.

Consideration is being given to ways of modernizing regional communications, increasing intelligence-gathering on the PKK and other terrorist groups, and improving the equipment and weaponry used against them.

The government has acknowledged an urgent need to develop southeastern Turkey, which has long been neglected, both economically and socially. Most of the country's ethnic Kurds (estimates vary from 6 to 10 million) live in the area and are poor and illiterate. Although such conditions create a favorable ground for the separatist campaign, surveys show that the majority of the Kurdish population does not support the militants and strongly opposes their terrorist methods.

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## REDUCTION OF THE FEDERAL DEFICIT

### HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MATSUI. Mr. Speaker, one of the most important issues facing this Congress is the reduction of the Federal deficit. Having presided over the staggering increase in the deficit over the last 6 years, the President now seems willing to take no meaningful action to reduce the deficit.

We have an opportunity this week to ensure that the deficit will be reduced and to increase the likelihood that the President will participate in the process. Enactment of a constitutionally valid Gramm-Rudman trigger as part of the conference on the increase in the public debt limit (H.J. Res. 324) is the key to deficit reduction.

Yesterday, Chairman Rostenkowski outlined his thinking on deficit reduction and Gramm-Rudman in an article in the Washington Post. I commend this article, which I am inserting in the Record on behalf of Mr. Anthony of Arkansas, Mr. Flippo of Alabama, and myself to my colleagues for their consideration.

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[From the Washington Post, Aug. 2, 1987]

### AN OFFER REAGAN CAN'T REFUSE—HOW DEMOCRATS CAN GET HIM TO SWALLOW A TAX HIKE AND CUT THE DEFICIT

(By Dan Rostenkowski)

I didn't shed any tears when the Supreme Court struck down the so-called Gramm-Rudman-Hollings law as unconstitutional. I've come to the conclusion, however, that the only way to force President Reagan and Congress to enact a realistic deficit-reduction package is to reinstate the automatic trigger under G-R-H in a constitutionally valid manner. This week House and Senate negotiators should agree on a plan to do this and a simple goal should guide our negotiations: real deficit reduction.

G-R-H establishes fixed federal deficit targets and requires that automatic spending cuts take place if the targets are not met through the regular legislative process. The idea that we have to rely on automatic spending cuts is offensive to me. Our budget priorities should be developed after debate, negotiation and compromise between Congress and the president. But I'm convinced that, unless the president and Congress are faced with substantial and, frankly, unpalatable spending cuts, we will never make the tough choices required to reduce the deficit.

I think I have a unique perspective on this issue, I chaired the House-Senate conference committee that drafted the final version of G-R-H, so I know how strongly its supporters and opponents feel about it. I also chair the House Ways and Means Committee, so I know how hard it is to reach consensus, especially on a tax bill.

My idea for restoring the "trigger" in G-R-H is pretty straightforward. In order to make the process constitutional, I would vest final authority for making automatic cuts with the Office of Management and Budget, an arm of the executive branch. But I would give OMB virtually no discretion in determining the cuts. I would reinstate the trigger for two years. That would allow the next president to make recommendations on continuing the trigger and give Congress time to see how OMB complies with the law.

I would revise the deficit targets to a level that would be painful but not disruptive to the economy. Deficit reduction on the order of $36 billion per year would satisfy that test. I would continue the current 50-50 split between defense and non-defense programs subject to the cuts, but I would exempt military personnel accounts. This balance would protect our combat readiness, while putting pressure on the president's defense buildup. Finally, I would double the cuts in the Medicare program from 2 percent of program costs to 4 percent. This would prompt the medical community and the elderly two powerful groups, to insist on a budget compromise rather than G-R-H cuts.

I want the G-R-H fixup to be simple, understandable and—unlike much of what we've done in past deficit-cutting efforts—real. I want Congress to pay a price if it fails to pass a balanced deficit-reduction bill—the price of having to explain to constituents why essential programs, such as air traffic control or bridge repair or medical care for the disabled suffered cuts that could have been avoided. And I want the president to pay a price if he insists on vetoing such a balanced bill—the price of a significant reduction in the defense buildup that he has refused to pay for.

By restoring the trigger under G-R-H, we make the price of failure to reach a budget compromise very high. It's a risky strategy. But the risk to our economy is much greater if we don't get action on the deficit. And without the G-R-H gun pointed at all of us, I don't think we will.

The president's recent stump speeches and veto threats on revenues indicate that he's willing to simply walk away from the deficit. It's bad enough that he's content to leave the next president with a built-in deficit of $200 billion per year. But he seems to be enjoying himself doing nothing about it!

But just as troubling are calls from members of my own party to be "constructively irresponsible" and pass a "soak the rich" bill that has no chance of becoming the law, just so we'll have political "cover" when the bill is vetoed.

To use the president's words, this is "our watch." Leaving the deficit unresolved until the next election is just plain gutless. Admitting that reduced spending must be combined with more revenue is the necessary first step. Then we've got to develop a bill that can become law. Tough as that will be, I'm convinced that passing a tax bill that Democrats can support and the president can sign is not as impossible as many legislators seem to think.

The history of major tax laws is one of Republican presidents cooperating with a Democratic Congress. The major exception to this rule of cooperation was the 1981 tax bill. It is also the best example of why Congress and the president should work together in writing tax laws. Democrats got rolled by the president on that bill and it started a $900 billion revenue drain on the treasury. But passage of the 1982 and 1984 deficit reduction bills and the 1986 tax reform virtually repealed the worst revenue excesses in the 1981 act. It took us six years, but we did it. And we did it with President Reagan's support.

How did we do that? How did we pass, and the president sign, not just these big tax hikes but also hefty boosts in gasoline and Social Security taxes without either side taking political heat for it? By working together and making sure the president was on board. The tax increases since 1981 have been signed by the president for two reasons. One, they were necessary to achieve important policy goals—deficit reduction, highway improvements and long term solvency of the Social Security system. Two, they did not threaten the president's primary tax policy—lower income-tax rates.

The 1982 and the 1984 acts had common characteristics: "Base broadeners" to distribute the tax burden more equitably. "loophole closers" to make the tax code fairer, "user fees" and more excise taxes. Now we have to use the same approach, starting with the revenue proposals in the president's own budget: further "base broadeners," the closing of "loopholes," user fees" and adding, only if necessary, modest excise taxes.

If we try to raise income-tax rates, however, we give up any chance of getting the president to the bargaining table. President Reagan is a formidable opponent even when he's wrong. And he is wrong when he says we don't need new revenues to reduce the deficit. But wait until you see him when he's right. And when he objects to raising marginal tax rates, he is right.

Tax reform promised two things, First, lower rates in return for the repeal of tax preferences. Second, stability in the tax system for both individuals and the business community. We have had four major tax bills since 1981. Although the deficit demands yet another major tax bill, the need for stability argues against disrupting the 1986 act.

I've worked with this president on a number of major bills over the past six years—two deficit-reduction bills, Social Security solvency, trade reform and tax reform. In fact, I've been criticized by Democrats for being too concerned about getting the president's support for legislation. But don't get me wrong. No member of the House is more disappointed and angry with the president's refusal to face up to the deficit.

Like many of my colleagues, I wish we could convince the American people that this president—who has never submitted anything remotely close to a balanced budget, who in six years has more than doubled the federal debt to over $2 trillion—is the biggest deficit spender in history. He is. But the American people just don't believe it.

It is even harder to convince the American people the president is the biggest peacetime tax raiser in our history. But he is. He has signed laws raising $400 billion in taxes over five years. His own budgets have recommended $220 billion in new taxes. But again, the people just don't believe it.

The president's political posturing doesn't sit well with me, but neither does a $180-billion deficit. To reduce that deficit, Congress must pass and the president must sign a deficit-reduction package. Our goal should be to get that presidential signature. We can get it by reinstating the G-R-H trigger and by sending the president a bill that cuts spending responsibly and raises revenues without raising income-tax rates. Let's stop the name-calling and finger-pointing and get the job done.

## BORK'S SATURDAY NIGHT MASSACRE

### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. CONYERS. Mr. Speaker, no matter his academic credentials, the nomination of Robert Bork to the U.S. Supreme Court is abhorrent to the Constitution whose Bicenntial we are now celebrating.

While it may be that President Reagan's memory of even recent events is flawed, the national consciousness of Mr. Bork's culpability in the Saturday Night Massacre has been preserved in the written opinion of United States District Judge Gerhard Gesell in the case of *Ralph Nader* v. *Bork* (366 F. Supp. 104, 1973). Although Judge Gesell's opinion was subsequently vacated as moot by the Court of Appeals, it remains the only judicial discussion of Acting Attorney General Bork's role in the so-called "Saturday Night Massacre."

Discussing Mr. Bork's execution of Richard Nixon's malevolent order to fire Prosecutor Cox, Judge Gesell remarked that "these distressing events * * * have engendered considerable public distrust of government." And to emphasize that salient point, Judge Gesell further noted that, "The discharge of Mr. Cox precipitated a widespread concern, if not lack of confidence, in the administration of justice."

Is it really belivable that a man who "engendered public distrust of government" and who precipitated a "lack of confidence in the administration of justice" should earn elevation to the venerable Supreme Court of the United States?

For those who, like President Reagan, have forgotten just how reprehensible was the firing of Prosecutor Cox, Judge Gesell's opinion reminds us that Mr. Cox was discharged "because he was insisting upon White House compliance with a Court Order which was no longer subject to further judicial review"—a final order that Richard Nixon turn over documents to the special prosecutor.

In other words, lest there be any fudging of that notorious incident, Bork fired Cox because the prosecutor insisted on having the incriminating evidence. And when neither the Attorney-General nor the Assistant Attorney General would carry out Nixon's order, Bork stepped forward to do the boss' dirty work.

As Judge Gesell determined, the dismissal of Mr. Cox violated the Justice Department's own regulations providing that the special prosecutor could not be removed "except for extraordinary improprieties on his part." Citing those regulations, Judge Gesell wrote:

> [T]he Supreme Court has twice held that an Executive department may not discharge one of its officers in a manner inconsistent with its own regulations concerning such discharge. * * * The firing of Archibald Cox in the absence of a finding of extraordinary impropriety was in clear violation of an existing Justice Department regulation having the force of law and was therefore illegal.

Cox's dismissal was so clearly violative of the regulation under which the Special Prosecutor has been appointed that Bork then tried to abolish retroactively the office altogether, an act Judge Gesell described as "simply a ruse."

For Richard Nixon's part in these disreputable events, he was driven from office after being recommended for impeachment by the House Judiciary Committee. Referring to the firing of Cox in article III of its impeachment resolution, the Judiciary Committee said of Nixon: "In disregard of the rule of law, he knowingly misused the executive power." How bizarre that 14 years later Nixon's chief accomplice in the "massacre" is recommended for the highest judicial office our Nation has to offer.

At a time when the Nation celebrates its 200-year-old commitment to the Rules of Law, President Reagan wishes to place upon our highest court the man who executed one of the most arrogantly lawless acts in the Nation's history. To place this man among the ranks of the defenders of our Constitution is the equivalent of installing one of the foxes among the guardians of the chicken coop.

## CONGRESS ATTEMPTS TO USURP PRESIDENT'S FOREIGN POLICY AUTHORITY

### HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. LUKENS. Mr. Speaker, as a member of the Africa Subcommittee of the Foreign Affairs Committee I am very disturbed when Congress tries to usurp the President's constitutional authority and responsibility for foreign policy.

A glaring example of this occurred in our committee last year in its promotion of the 1986 Comprehensive Anti-Apartheid Act. The law, passed in response to domestic interest groups rather than our country's national defense, overlooks the impact of punitive economic sanctions on the black majority of Namibia. Since June 1985, Namibia has had a black majority democracy. At that time a multiparty conference of Namibia's chosen political leaders negotiated a peaceful transfer of power from South Africa. That country now has an eight-member Cabinet of which only two are white. All apartheid laws have been abolished, and civil and minority rights are guaranteed in a bill of rights.

None the less, Congress is imposing economic sanctions on Namibia. How can we expect the American people to pay taxes to support a Congress that acts so blindly or irrationally?

Namibia is a principal target of SWAPO, a Soviet-financed terrorist group based in southern Angola along Namibia's northern border. Some 37,000 Cuban combat troops in Angola support SWAPO's campaign to seize control of Namibia.

Jeanne Kirkpatrick, while U.S. Ambassador to the United Nations, stated the Reagan administration's position in this way:

> Our principle goal . . . is independence for Namibia * * * Namibia has the largest known uranium deposits in the world * * * a second goal we have is to prevent this mineral-rich territory from being permitted to slide into the Soviet sphere of influence, which has markedly expanded in Africa. A related strategic goal is to keep the vital waterways around Namibia out of hostile hands * * * Our goals are complicated by the presence of more than 30,000 Cuban troops in neighboring Angola." (Ambassador Jeane Kirkpatrick, "The Reagan Phenomenon—and Other Speeches on Foreign Policy," American Enterprise Institute for Public Policy Research, Washington, and London, 1981, page 155.)

It is time for Congress to act sensibly on Namibia and encourage that country, not punish it. I am preparing legislation to accomplish that and support the Reagan doctrine of turning back the tide of Soviet expansion at Namibia's northern border. In the meantime, I and some of my colleagues have commenced litigation in the U.S. District Court for the District of Columbia to challenge congressional usurpation of President Reagan's policy opposing punitive economic sanctions. Not only do sanctions hurt blacks in sub-Saharan Africa, they cost U.S. workers jobs in export and import industries, block tourism and investment opportunities and other business relations of great benefit to Americans. I am enclosing the following excerpts from our complaint in the lawsuit:

[In the United States District Court for the District of Columbia]

U.S. SENATOR JESSE HELMS, 403 Dirksen Senate Office Building, Washington, DC 20510; and CONGRESSMAN DONALD E. LUKENS, U.S. House of Representatives, 117 Cannon House Office Building, Washington, DC 20510, et al. PLAINTIFFS, *v.* U.S. SECRETARY OF THE TREASURY, Room 330, 15th St. and Pennsylvania Ave., NW, Washington, DC 20220; and, U.S. SECRETARY OF STATE, 7th Floor, 2201 C Street, NW, Washington, DC 20520, DEFENDANTS

COMPLAINT FOR DECLARATORY JUDGMENT

For their complaint against defendants, plaintiffs allege as follows:

On October 2, 1986 the United States Congress enacted Public Law 99-440, with the stated goal of using the economic power of the United States to compel Namibia and South Africa to change their forms of government to what the Statute, without any reasonable definition or standards, refers to as a "non-racial, democratic form of government," an esoteric, arbitrary term which men of ordinary understanding cannot comprehend and which the peoples of Namibia and South Africa cannot sufficiently understand in order to comply.

On November 19, 1986, the Treasury Department promulgated regulations, purportedly under Section 3(6)(B) of Public Law 99-440, which provide, in pertinent part: "The term 'South Africa' includes . . . any territory (including Namibia) under the administration, legal or illegal, of South Africa . . ." (31 C.F.R. Sect. 545.312). Such regulations were promulgated without any hearing.

Regulations promulgated by defendant State Department purport to prohibit importation into the U.S. of any article grown, produced, manufactured by, marketed, or otherwise exported by parastatal organizations of Namibia or South Africa, and names among others, various organizations in Namibia such as Land and Agricultural Bank of South West Africa; National Building and Investment Corp. (South West Africa); Rehoboth Finance and Development Corp. Ltd.; Southern Oil Exploration Corp. (South West Africa) (Pty) Ltd.; South West Africa Broadcasting Corp.; South West Africa Karakul Corp.; and South West Africa Water and Electricity Corp. (Pty) Ltd. Such regulations were promulgated without hearing.

Namibia, formerly known as South West Africa, is a self-governing territory about twice the size of California with an estimated population of 1.1 million persons, 92 percent non-white, comprised of 11 major population or ethnic groups who speak at least 8 languages and 29 dialects, and which range in socioeconomic development from nomadic tribesmen to sophisticated professional, business, and political leaders educated at and holding numerous graduate degrees from major universities throughout the world.

Namibia has the largest uranium mine in the world, produces half the karakul (Persian lamb) fur in the world, has one of the world's most extensive gem diamond mining operations, as well as significant cattle and fishing industries and substantial gas reserves.

On June 17, 1985 the Republic of South Africa by Proclamation No. R. 101, transferred all authority for the administration and day-to-day government of Namibia from its Administrator-General to a multi-party conference of Namibian political leaders who represent their various population and political groups pending a U.N. supervised election pursuant to U.N. Resolution 435.

In Namibia all political prisoners have been released and all apartheid laws have been abolished. Proclamation No. R. 101 of June 17, 1985, promulgated by South Africa at the request of Namibia's chosen political leaders, transfers to Namibia's National Assembly the power to enact or repeal any internal law and repeal any internal law previously adopted by South Africa.

Proclamation No. R. 101 includes a bill of fundamental rights negotiated by Namibia's leaders, expressly providing for a non-racial, democratic form of government. The people of Namibia, to the maximum of their ability, have established a non-racial, democratic form of government which meets the stated purpose of P.L. 99-440.

Plaintiffs allege that Public Law 99-440 imposes certain punitive economic sanctions including prohibiting Krugerrand and other South African gold coin imports, importation of products grown, produced, manufactured, marketed or otherwise exported by Namibian and South African parastatal organizations, prohibiting loans to the governments of Namibia and South Africa, prohibiting the importation of Namibian and South African agricultural products and articles suitable for human consumption, prohibiting Namibian and South African iron ore and iron and steel imports; and prohibiting importation of Namibian and South African sugars, syrups, and molasses, all aimed at "punishing" the peoples of Namibia and South Africa into forcing their governments to change to some structure agreeable to the U.S. politicians, or to force the governments themselves of those countries to undertake such actions.

Plaintiffs allege that authority delegated to the U.S. Congress in Article I of the U.S. Constitution does not empower the U.S. Congress to violate the separation of powers principle and usurp the President's exclusive constitutional responsibility in the field of foreign affairs in order to use U.S. economic power to force other countries to change their forms of government.

Plaintiffs allege that defendants have acted in an arbitrary, capricious and unlawful manner without any hearing or evidence and without compliance with the Administrative Procedure Act to prohibit private sector trade between Namibia and the United States on the unlawful assumption that the U.S. Congress can force South African to change its form of government, and that the people of Namibia have power to force such a change.

Plaintiffs allege that defendants have no power to deny to the people of the Namibia their fundamental, natural and God-given right to choose their own form of local self-government and method of choosing political leaders empowered to administer the government.

Wherefore, the premises considered, plaintiffs request that this Court enter judgment declaring that defendants's regulations under Section 3(6)(B) of Public Law 99-440, to the extent they impose punitive sanctions on Namibia, be adjudged in violation of the U.S. Constitution, and/or in violation of U.S. treaty obligations, the U.N. Charter and U.N. Resolution 2131 (xx), and/or in violation of the historically accepted common law of international relations and comity governing the fundamental and God-given natural, fundamental and sovereign rights of the people of Namibia to establish their own form of government, and that the defendants be restrained from including Namibia in the sanctions set forth in Public Law 99-440, and further declaring that defendants have no authority under the Constitution (1) to deprive the Congressional plaintiffs of their right to vote on the status and compliance by Namibia with P.L. 99-440, (2) or deprive the commercial plaintiffs of their Fifth Amendment right to engage in business, (3) or usurp the President's exclusive authority over U.S. foreign relations, (4) or use the private sector economic power of the U.S. to bludgeon the people and public officials of Namibia or South Africa into changing the form of their government to meet arbitrary self-serving standards legislated by the defendants in their regulations and by the U.S. Congress.

## STEVE SINGER—AN INTERNATIONAL PUBLIC SERVANT

### HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. HALL of Ohio. Mr. Speaker, in recent years international interest has begun to focus on the plight of the poor and hungry in the developing world. Much attention has been directed to those who have learned about these challenges and have encouraged others to commit their energy and financial resources toward addressing them.

But there are other individuals, sometimes not as well known, who have been working for years both here and in the field to improve directly the lives of the poorest of the poor. Such an individual was Steve Singer.

Steve Singer died on July 31, 1987, after a fight with cancer. I am honored by the fact that Steve was working as a congressional fellow in my Washington office at the time of his death.

Steve Singer was an employee of the Agency for International Development. He was a congressional fellow in my office prior to a planned sabbatical year at Harvard University.

Steve's greatest contributions were realized during his many years of service both overseas and in Washington with AID. Nevertheless, his decision to spend a few months as a congressional fellow and the type of work he was performing at the time of his death say much about the quality and depth of his commitment to the world's needy.

There are many things Steve could have done with the time he had before his scheduled year of study and writing. He chose to devote this period to learning about the operations of Congress and to helping the Congress to learn about AID's food assistance programs.

The bottom line for Steve always was to improve the quality of life for the world's poorest citizens. His special contribution was to use his great talent and knowledge to apply effectively the resources of AID to achieve this objective.

Yet Steve knew that the work of AID was just one part of the picture. He realized that other entities, such as the private voluntary organizations, the World Bank, and the U.S. Congress also had vital functions to perform in aiding the poorest people on the planet. Steve sought to lend his expertise to making others as effective as possible in realizing their own potential in this effort.

In his time as a congressional fellow, Steve Singer was a tremendous asset to me in my service as chairman of the International Task Force of the House Select Committee on Hunger. He spent considerable time briefing the Hunger Committee staff, my personal staff, and me directly on the ways that Congress could help AID and other groups working to fight world hunger and poverty. He was the driving force behind the hearing conducted by the International Task Force on enhancing the developmental impact of food aid. The insight and experience he shared made this hearing successful.

Steve saw that congressional initiatives could complement the work of AID. He had the rare gift of being able to step back from his own highly detailed and specialized work to see the bigger picture. With educated objectivity, he could advise others about the best means at their disposal to contribute to hunger relief and development work.

Drawing on his years of experience and collegial contacts, Steve was able to craft recommendations for the Congress to pursue in order to encourage increased World Bank lending activities targeted to the poorest of the poor in the lesser developed countries. The legacy of his work in this regard will be an ongoing international dialog that will bring over time many real improvements in the quality of life for the world's poorest people.

Steve quietly dedicated his life to helping the neediest people on the Earth. He chose to use his keen, analytical mind to help those in the greatest need. In the truest sense of the term, he was an international public servant.

Despite the successes he had achieved in his lifetime of service, Steve Singer was impatient about making life better for the least fortunate human beings. While he acknowledged that progress was being made, he was concerned that it was coming too slowly. As he wrote to me in a memo, "There is a lack of boldness in attacking the poverty issue that its seriousness and urgency does not permit." I believe he felt obligated to encourage others in a position of influence to respond to the challenges he saw.

I am sure that Steve would be embarrassed by any kind of tribute to him personally and to his work. In his view, service and commitment were nothing unusual—they were expected. It was characteristic that he handled his illness, just as his work, with confidence and courage. Putting his hand to the plow, he never looked back.

It is always a tragedy when the world loses a talented, dedicated young person. All the more so, when that individual seems so clearly to be at the right time and the right place to make the most effective contributions.

The inspiration of Steve Singer's example is that the seemingly overwhelming challenges of world hunger and poverty can be overcome with knowledge, service, and commitment. We

cannot replace Steve Singer; we can only draw from his courage to continue his work.

## OPPOSE GASOLINE TAX INCREASE

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. ANDERSON. Mr. Speaker, 71 of our colleagues have now cosponsored House Resolution 225, expressing the sense of the House that the Nation's gasoline and diesel taxes shall not be increased for deficit reduction purposes.

While there can be no question that the Nation's deficit must be reduced, I have no question that our motor fuels taxes must not be increased to help meet this goal. There are three primary reasons that the gasoline and diesel taxes must not be increased. They are regressive, such an increase would severely damage the Nation's economy, and it would devastate the country's transportation network.

That a motor fuels tax increase would be regressive is self-evident. Of course, most consumer taxes are regressive. And while this alone should be of great concern, I would suggest that a regressive tax is particularly worthy of opposition when it is on such a necessary commodity. Gasoline, in today's society is not a luxury. Over two-thirds of all auto travel is nonelective. Do we want to tax lower and moderate-income families at a higher rate than our wealthiest families on this vital commodity? The answer should be clear.

Of course, a gasoline tax increase would be unfair not only to low- and moderate-income Americans, it is bad for the entire country. According to an analysis prepared by Wharton Econometrics, compared to generating comparable amounts from an oil import fee, an income tax surcharge, a corporate tax increase, or a tobacco tax increase, a gasoline tax increase would have the greatest negative impact on unemployment and our gross national product. It would also have a greater inflationary impact on the economy than any of these except an oil import fee, the inflationary impact of which would be similar to that of a gasoline tax increase.

So, any American who is worried about unemployment, worried about inflation, or worried about a recession, needs to be worried about the possibility of a motor fuels tax increase.

Finally, any of our colleagues who share our concerns regarding the need for a sound transportation network must also be concerned about a gasoline and diesel fuels tax increase. Such an increase, if used for deficit reduction purposes, would reduce revenues generated for the Federal highway trust fund. Highway and public transit spending in this country is already far below documented needs. A Federal motor fuels tax increase would inhibit the ability of States and cities to fill the void created by our Federal funding shortfall by making it more difficult for them to raise their own highway user fees, as was considered by 27 States in 1986 alone.

Mr. Speaker, 71 of our colleagues understand that motor fuels taxes must be increased for deficit reduction purposes; that the responsibility for reducing the deficit has absolutely nothing to do with the number of miles we drive.

Mr. Speaker, I urge all our colleagues to join the 71 who have cosponsored House Resolution 225. I submit for the RECORD those who have already cosponsored this resolution.

Mr. Anderson, Mr. Howard, Mr. Hammerschmidt, Mr. Shuster, Mr. Akaka, Mr. Applegate, Mr. Ballenger, Mr. Barton of Texas, Mr. Bilbray, Mr. Boehlert, Mr. Borski, Mr. Bunning, Mr. Carr, Mr. Chapman, Mr. Clinger, Mr. Courter, Mr. Craig, Mr. Daub, Mr. DeFazio, Mr. DeLay, Mr. de Lugo, Mr. Dornan, Mr. Dymally, Mr. English, Mr. Fascell,

Mr. Gallo, Mr. Garcia, Mr. Gordon, Mr. Grant, Mr. Gray of Illinois, Mr. Hastert, Mr. Hayes of Illinois, Mr. Hefner, Mr. Henry, Mr. Inhofe, Mr. Jeffords, Mr. Jones of North Carolina, Mr. Kasich, Mr. Kolter, Mr. Lagomarsino, Mr. Lancaster, Mr. Latta, Mr. Lightfoot, Mr. Donald Lukens, Mr. Mack, Mr. Martin of New York, Mr. McEwen, Mr. Mineta, Mr. Neal, Mr. Nielsen,

Mr. Nowak, Mr. Oberstar, Mr. Oxley, Mr. Packard, Mr. Perkins, Mr. Rahall, Mr. Ravenel, Mr. Savage, Mr. Shaw, Mr. Smith of New Hampshire, Mr. Smith of Florida, Mrs. Smith of Nebraska, Mr. Stangeland, Mr. Stump, Mr. Tallon, Mr. Towns, Mr. Upton, Mr. Valentine, Mr. Whittaker, Mr. Wise, Mr. Wortley.

## WINE GRAPE INDUSTRY NEEDS NO ADDED TAX

### HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. HOUGHTON. Mr. Speaker, one of the key agricultural commodities produced in my district is wine grapes. They are grown beside the beautiful lakes of upstate New York.

The district I represent has more farmers producing grapes than any other congressional district east of California. These growers produce an average of 25 acres of grapes a year in their vineyards. This is, as you know, labor intensive work. It is done mostly by farm families who work side-by-side, earning their living—without subsidies from the Federal Government.

For the past 4 years, according to the New York State Crop Reporting Service, grapegrowers have received less and less for their product. Their prices have been: 1982, $217 per ton of grapes; 1983, $187 per ton of grapes; 1984, $174 per ton of grapes; and 1985, $139 per ton of grapes.

Despite the decline in prices, these men and women have told me their economic future looks brighter than it has for several years. But that, of course, was before talk began of increases in Federal excise taxes.

At the present time, each gallon of wine is assessed a 17-cent tax. Some recent proposals suggest this tax could soar to 84 cents per gallon.

If one passes this increase back to the winery, it would add huge pressure to an industry already facing problems stemming from over capacity. If passed forward to consumers, the tax inevitably will reduce wine sales and force industry cutbacks. Considering the industry's links to other sectors of the economy, this scale-back would cost the Government more than the original increase in revenue would produce.

For example, passed on to the consumer, the increased tax equals an additional cost of $115 per ton of grapes or two-thirds the average price received by growers in New York State during the past 4 years. Producers are simply not capable of swallowing the full burden of this proposed tax. So what happens: The cost of wine would skyrocket and sales would drop. Period.

Estimates by the U.S. Department of Agriculture suggest the new tax would cause a $90 million drop in grape sales and a $175 million reduction in the sale of wine. Looking at the bigger picture, a loss in winery sales of this magnitude would reduce overall activity in the economy by $560 million. Combined losses could total $650 million. An increased tax as suggested would produce about $350 million in new revenue. Hardly an even trade.

So, Mr. Speaker, the message is this: Increasing taxes on wine is a bad idea. It unfairly burdens the consumer. It harms the grapegrower. New York grapegrowers want to tend their vineyards, produce and harvest their grapes. They simply want to continue their work. Why not give them that opportunity? I urge that the Congress not increase excise taxes on wine. Please leave the grapegrowers alone. They ask no subsidies. They are what this country is all about.

## FARMLAND FADING UNDER CITY SPRAWL

### HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. KOSTMAYER. Mr. Speaker, as the report of the President's Commission on Americans Outdoors noted, we are losing about 1.4 million acres of open land a year in the United States.

The loss of open land and green space threatens the quality of life in America.

The administration's failure to heed its own report must be countered by strong congressional action.

I urge my colleagues to read the following news article from the New York Times of July 15, 1987.

[From The New York Times, July 15, 1987]

FARMLAND FADING UNDER CITY SPRAWL—AGRICULTURE DEPT. SAYS CHANGE "MAY HAVE AN ENORMOUS EFFECT AT LOCAL LEVEL"

WASHINGTON, July 14 (AP)—City sprawl, highways and other nonagricultural uses are taking American farmland at an annual rate that could involve acreage equal to the entire State of Missouri by the year 2030, according to a report by the Department of Agriculture.

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Erosion, salt pollution in irrigation areas of the West and reduced vegetation on livestock ranges are other threats to the country's agricultural machine, department experts said in a draft report opened Monday for public review and comment.

The nation's total non-Federal rural land area, not counting Alaska, is more than 1.4 billion acres, which includes 421.4 million acres of cropland, 133.3 million acres of pastureland and 405.9 million acres of rangeland, based on the department's 1982 National Resources Inventory, the most recent available.

About 1.5 million acres are converted to nonagricultural uses each year, the report said. Sixty-four percent is cropland.

#### "ENORMOUS EFFECT AT LOCAL LEVEL"

"Assuming the current rate of conversion continued, the cropland base would be reduced by nearly 48 million acres, or 12 percent, between 1982 and 2030," the report said. "Changes in land use may have an enormous effect at the local level without becoming a problem that requires specific action at the national level."

The report said soil erosion caused by the wearing-away action of water and wind was reducing the productivity of some soils. In 1982, water erosion moved more than 3.4 billion tons of soil on non-Federal rural land and wind moved 2 billion tons.

"More than 286 million acres of non-Federal land are eroding at rates greater than the soil tolerance—that is, the rate at which sustained economic production is assured," the report said.

According to a new computer analysis cited in the report, 100 years of water and wind erosion under 1982 management conditions would reduce United States productive capacity 1.9 percent. The report said that would be "the equivalent of losing production worth $9 billion at 1980 prices."

George S. Dunlop, Assistant Secretary for natural resource and environment, said the report's value was in its identification of "the status and condition of our soil and water resources" so those resources could be conserved and protected.

#### U.S. CAN MEET FOOD DEMANDS

"Despite the fact that the report identifies some resources conservation problems, its findings show that the United States can meet food production demands for the foreseeable future," Mr. Dunlop said.

But some private conservationists are less optimistic. They contend that the Agriculture Department's projections in the past have sometimes missed the mark by wide margins.

Robert J. Gray, policy director for the American Farmland Trust, said the report's projections for the year 2030 probably were "a little rosier than reality."

The draft report is the second required by the Soil and Water Resources Conservation Act of 1977, which seeks appraisals of the national situation every 10 years. The first was published in 1980 after extended research and public comments.

Mr. Gray said that since the first appraisal, a good start had been made on getting marginal land out of crop production under the long-term Conservation Reserve Program, which is aimed at retiring 45 million acres of highly erodible land for 10-year periods. About 18 million acres have been signed up for the program.

"But we still don't know how good a job farmers are going to do on compliance," Mr. Gray said in an interview.

He also said that farm productivity had leveled off, a point that he said was masked somewhat in the 1970's by millions of acres that were brought into production as exports expanded dramatically and demand was overestimated.

"I'm not quite as optimistic as they are, and I think they tend to be somewhat overly optimistic in their projections," Mr. Gray said.

Under the department's projected "intermediate" conditions, the amounts of cropland and irrigation water are expected to be adequate but would "decline significantly by the year 2000 and level off after that date," the report said.

#### 218 MILLIONS ACRES BY 2030

In 2030, it said, demands for food and fiber could be met on 218 millions acres of cropland, 30 millions of which would be irrigated.

"The decrease in projected land and water requirements results from the projection that yields per acre would double by 2030 and that the efficiency of livestock feed use would more than double," the report said.

Under the department's "high-stress" conditions reflecting reduced availability of agricultural resources, larger export demand and reduced technology, all available cropland would have to be used, with the exception of the land in the Conservation Reserve Program, the report said.

Mr. Gray said he might expect the actual development of United States agriculture to be "somewhere in between" the intermediate and high-stress projections.

The draft report will be open to public comment for 60 days. Copies are available for review at local offices of the department's Soil Conservation Service and the Agricultural Stabilization and Conservation Service, officials said.

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## TRIBUTE TO EVELYN DUBROW

### HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. FISH. Mr. Speaker, lobbyists are common in the Halls of Congress. That is, except for Evelyn Dubrow. Evelyn is a longtime friend and an invaluable source of information for Members and has been for me during my 19 years as a Representative. Succinct, articulate, and always charming, she makes it virtually impossible to disagree with her.

A graduate of New York University, Evelyn earned a degree in journalism in the late 1930's and began her career as a secretary in the Textile Workers Union in New Jersey. Evelyn emerged as a strong member of the Democratic Party, serving as New York State director of the Americans for Democratic Action in 1948. Even a Republican has to admire her dedication and limitless energy on behalf of the Democratic Party.

Evelyn's focus then turned to the cause of labor. In 1956, she joined the International Ladies Garment Workers Union, and 2 years later was sent by I.L.G.W.U. to work in Washington. Her rare talent has served that organization well.

I have met with Evelyn on numerous occasions to discuss a wide range of issues in addition to trade and the plight of U.S. textile workers such as housing discrimination and discrimination in federally-financed programs. She brings a fresh outlook and I always welcome her suggestions.

Height always seems to find its way into a conversation about Evelyn. Her 4-foot 11-inch frame can be very deceptive. One might think she would get lost in a crowd, but the truth of the matter is, Evelyn is the crowd. She commands attention with her wit and knowledge of the issues. At 6-foot 3-inches, I am upstaged by this petite lady with the charismatic personality. Sincerity, competence, and dedication are her trademark. To me, Evelyn is not just a lobbyist, she is a dear friend.

There follows a recent New York Times profile which I comment to my colleagues.

[From the New York Times, July 27, 1987]

A Capitol Hill Lobbyist Everyone Loves

Washington, July 26—One person on Capitol Hill gets to share the Congressional doorkeepers' chairs outside the House of Representatives chambers, a good spot to catch the eye of an arriving or departing member of Congress.

Evelyn Dubrow and no one else.

No one protests. This 4-foot 11-inch lobbyist for the International Ladies Garment Workers Union who began roaming the halls of Congress 29 years ago seeking support for a $1 minimum wage, and who still troops Capitol Hill in her size 4 shoes, has earned the privilege. Besides, explains a staff member in the doorkeeper's office, "Everyone loves Evy."

Everyone knows Evy. Senators. Representatives. Aides. Receptionists. The Capitol Police. In fact, the former Speaker of the House, Thomas P. O'Neill, Jr., the man who asked the doorkeepers to give her their seats, still keeps in touch with her.

Ms. Dubrow has been on Capitol Hill longer than most other lobbyists and most members of Congress. She will not, under any circumstance, say how old she is, only: "I will admit to being a senior citizen." She still works 15-hour days, still attends as many as a half-dozen political receptions in a night, still managed to meet with 30 senators on a recent day and still declares she is never going to give up lobbying "as long as I can stay on my feet and as long as my head is somewhat in the right place."

#### HER CAUSES AND OTHER TASKS

At the moment her causes are a bill to broaden laws against housing discrimination, legislation to bar discrimination in federally financed programs and, especially, a provision of the trade bill that would help protect the country's textile, apparel, shoe and copper industries from unfair competition by imports.

But other tasks come up. Take July 17 for instance. "I heard that Orrin Hatch, who is a very nice gentleman but who couldn't disagree more with me on our legislative program, was going to introduce a bill that I knew would be very harmful not only to our union but a number of other unions," Ms. Dubrow said. The bill would have lifted 44-year-old restrictions that prohibit employers from hiring workers to work in their homes. That would allow employers to escape paying benefits and minimum wages. Ms. Dubrow marched up to Capitol Hill to do something about it.

"I started with the leadership," she recalled. She talked with the Democratic leader, Senator Robert C. Byrd of West Virginia. "I then proceeded to see as many

members of the Senate as I could, indicating to them that if this did come up I hoped there would be a move to table it or defeat it."

She will not know the fruit of her efforts for some time, but she bets she saw at least 30 senators that day.

When she talks to all these senators, this tiny woman with soft curls and light blue eyeshadow says she remembers one thing, which she likes to pass on. "The one caveat I would give to new lobbyists is don't pretend you know all the answers," she said. "Don't wing it. You better know what you're talking about. If you lie, they'll find you out."

Her voice is throaty, her tone serious, her manner charming, her politics liberal and her commitment unyielding. she is known for her diligence, her friendliness—and her height.

"She's my idol; I want to be just like her," said Sterling J. Henry, a 28-year-old, 6-foot 2-inch lobbyist for the National Association for the Advancement of Colored People.

"I once saw Senator Simpson, who must be 6-5 or 6-6, talking to her," Mr. Henry said. "The man looked up to her! You could see the respect."

"She's not confrontational," he went on. "She doesn't talk to senators or Congress persons like they're a little prima donna; she talks to them as a friend."

If asked why she became involved in labor and politics, Ms. Dubrow invariably points out that she was the daughter of a union man and the younger sister of a suffragette.

She was born in Passaic, N.J., earned a degree in journalism at New York University in the late 1930's and began her career in the labor movement working as a secretary in the Textile Workers Union in New Jersey. She went to Washington briefly in 1947 to help organize Americans for Democratic Action, a liberal organization that to this day espouses traditional New Deal values.

#### A REVERENCE FOR CONGRESS

She returned to New Jersey the next year to do political organizing for unions. After the 1948 election she was named New York State director for the A.D.A. In 1956, seeking to return to the labor movement, she joined the International Ladies Garment Workers Union, and in 1958, when the union decided to open a Washington office, the leaders asked Ms. Dubrow to go to the capital and work as a lobbyist.

Through the years she has developed almost a reverence for the institution of Congress. "The one thing I have is a respect for the office," she said. "I might not agree or even like the occupant of the particular office, but I've always respected and been courteous for that reason. I don't go around threatening members of Congress that if they don't vote with me they're going to be defeated or anything like that; I don't believe in it."

Likewise, she believes in her profession. "A lot of members will say, 'I owe you a vote Evy,' or You're a good friend.' But I would never ask them to give me a vote on that basis. I like to think that when I'm asking for their vote it's because I really have a case. Now it doesn't mean I'm not delighted if they think they'd do it for me because they personally like me. That's great; that's gravy. But that to me is not what lobbying is about."

"Lobbying," Ms. Dubrow said, "is presenting your case and proving it."

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## EVELYN DUBROW: A CAPITOL HILL LOBBYIST EVERYONE LOVES

### HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MANTON. Mr. Speaker, all of our colleagues have been lobbied by some of the best lobbyists in the country. While there are many good lobbyists in Washington, in my opinion none is better than Evelyn Dubrow.

Evy began lobbying for the International Ladies Garment Workers more than 29 years ago. When she first came to Capitol Hill, she worked for a minimum wage law. Since then, she has been at the forefront of every major legislative effort to improve the lives of working men and women in America. She has been a friend and ally to many of us in Congress. She has also proven to be a worthy and respected adversary for those who do not agree with her position.

Last week, the New York Times profiled Evy in its Washington talk section. The article, which is entitled "A Capitol Hill Lobbyist Everyone Loves," details the admiration and respect that all of us have for this wonderful woman.

Mr. Speaker, the praise contained in this piece is long overdue. I would like to take this opportunity to congratulate Evy for her 29 years of hard work on Capitol Hill. I know my colleagues join me in looking forward to continuing to work with Evy in the years ahead.

Mr. Speaker, I submit the New York Times article for the Record:

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## SCIENTIFIC DATA AND WHALING

### HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. DYMALLY. Mr. Speaker, last month I addressed the 39th annual meeting of the International Whaling Commission. My speech discussed my concerns about the collection of scientific data in order to determine future policy on whaling. The following is the full text of my speech which I want to include in the RECORD in order to bring it to the attention of my colleagues because this is an important issue.

Mr. Chairman, distinguished representatives of the International Whaling Commission (IWC), I am attending this meeting as a member of the Committee on Foreign Affairs of the United States House of Representatives.

This is the fourth Commission meeting I have attended because I am deeply concerned over strong indications that a small but well organized group of individuals may be unduly influencing decisions that should otherwise be made on the basis of science, reason and objectivity. This interference in the process of developing sound and effective programs for whale conservation and management threatens to undermine all efforts to conserve and utilize natural resources for the benefit of mankind. But the consequences go far beyond that. If the decisions arrived at here are not well grounded in science, if they are not reasonable, even-handed and fair, if they do not reflect the provisions of the international treaty under which this Commission is constituted, then it undermines the trust and confidence that nations have to enter into any international treaty agreements.

As we have seen in the past, the consequences of actions taken here have ramifications that go well beyond the conservation and management of whales. Unscientific, unreasonable and unfair decisions can severly damage otherwise friendly relations between nations. It can have economic consequences damaging to countries on both sides of the issues. The prospect of such decisions arising out of this meeting threatens mutual security arrangements and may also lead to the demise of the IWC itself.

Unfortunately, we in the United States have also been exposed to the pressure of individuals who want to make their particular ideology the official policy of our nation. And, sad to say, they succeeded in some areas because the people of the United States are uninterested in this area or unaware of the consequences. This situation has placed us in the position of interfering not just in the affairs of sovereign nations but in the abridgement of rights granted to such nations by international treaties. This situation must stop. Every nation in the world is entitled to seek its own destiny without being threatened by a more powerful force, as long as that nation does not harm another.

Despite the fact that anti-whaling organizations have managed to insinuate their ideology into U.S. government policy, I can assure you that many Americans approve of the utilization of whales as a food resource. In its national survey of American attitudes towards wildlife, the U.S. Department of the Interior found that 77 percent of all Americans approve of whaling provided that the whales are taken for useful products and are not threatened by extinction. In addition, the anti-whaling groups in the United States, despite intensive lobbying, have failed to get Congress to pass a concurrent resolution against whaling for the past six years.

Our Supreme Court, too, last summer rejected the notion that the United States had to impose sanctions against Japan for exercising its right to object to the moratorium and continuing to take whales under scientifically determined quotas. The Supreme Court's decision made clear that the continued taking of whales in the face of a moratorium by nations legally exempted from it by the objection provision of the international whale conservation convention did not in itself "diminish the effectiveness" of the conservation convention. Quoting from the legislative history, the Court pointed out that "the trade or taking (of whales) must be serious enough to warrant the finding that the effectiveness of the international program has been diminished."

This year, the IWC is being pressured to put a stop to the taking of whales for scientific research programs. This could very well destroy the continuity of data needed to show trends in the population growth of various stocks and prevent the accumulation of data necessary for more accurate calculation of whale populations. This is an unfortunate reversal of the position of the anti-whaling groups. Since 1980, having failed to convince the Commission that the continued take of a small number of whales from stocks known to be abundant would drive the 3,000,000 whales in this world to extinction, the anti-whaling groups insisted that a moratorium was needed to allow scientists to collect better data, unbiased by the commercial whaler's take of large whales.

In 1982, in fact, one of my esteemed colleagues in Congress, a supporter of anti-whaling causes, wrote that among the reasons that the U.S. supported the moratorium was that: (1) "assessments of the status of most whale stocks are based upon an inadequate data base;" and (2) "the (IWC) Scientific Committee is prevented from providing satisfactory confidence intervals for the catch limits and stock classifications it recommends by inadequate data."

Greenpeace, too, in testimony before Congress, called the IWC "a fragile and imperfect vehicle for international whale conservation efforts" because, among other things, it used "a very poor data base" derived almost entirely from commercial whaling. Now Greenpeace is telling the world that further data collection is unnecessary because the IWC already has data from tens of thousands of whales taken by commercial whalers.

The current demands to stop or cripple whaling research programs fly in the face of the requirement of the moratorium provision to complete a comprehensive assessment of the stocks by no later than 1990. They would also undercut the requirement of Article VIII of the International Convention for the Regulation of Whaling (ICRW) that states: "Recognizing that continuous collection and analysis of biological data . . . are indispensable to sound and constructive management of the whale fisheries, the Contracting Governments will take all practicable measures to obtain such data." This provision of the international treaty—which binds all signatory members and the Commission—mandates continuous collection of data from whales and places the responsibility for such collection of data on the individual whaling nations, not the Commission.

There is no grey area here. The obligation to provide a continuous stream of biological data in order to properly conserve and manage the whale stocks is demanded by the ICRW. And the burden for providing it lies on the individual nations, not the IWC. Moreover, "the taking of whales" under Article VIII of the ICRW, "shall be exempt from the operation of this Convention."

Last year the Commission provided a set of guidelines for whaling research programs calling for, among other things, that: (1) the taking of whales under such programs contributed to the rational management of the stock and facilitate the conduct of the comprehensive assessment mandated by the commercial moratorium provision, and (2) to take into account the data can be obtained by non-lethal means. This resolution should allay all fears that whales will be taken unnecessarily.

One point I would like you to keep in mind.

I believe it be unconscionable to deprive people who have traditionally subsisted on whale meat from continuing to take a small number of whales if such a take will not harm the stocks. This year, both St. Vincent and Japan are seeking permission for their local, small boat whalers to take an allocation of whales. In all fairness, this should not be denied. St. Vincent has traditionally caught a few whales each year, which the people use for food and medicine. Japan's coastal whalers meet all the criteria established by the IWC for an aboriginal exemption. For these whalers, in a handful of Japan's coastal communities, whaling is a longstanding tradition. It provides the mainstay of their livelihoods, is of major economic importance in their communities, and figures predominantly in their society and religion. The catch, small in number , comes entirely from within Japan's 200-mile zone and is consumed locally.

Members of the Commission, again I ask you that the decisions made by you at this meeting be fair and reasonable. And I ask you to preserve and foster the ability to conserve and manage the world's whales by helping to improve the scientific basis needed to maintain this unique resource while providing for rational utilization by future generations.

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## KEEP OUR GENIUSES IN THE FAST TRACK

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. BIAGGI. Mr. Speaker, I would like to bring to the attention of my colleagues an article which recently appeared in Psychology Today, entitled "Genius in the Slow Track." This article briefly highlights some of the problems faced by our exceptional children in our education systems.

I know all of us concur that our children are our greatest natural resource. Our Nation's gifted and talented children have the potential to be tomorrow's great leaders in fields such as science, technology, medicine, education, and politics. However, these students, as with any other resource, must have the opportunity to develop to their full potential. When a gifted student is enriched by being required to do twice as much of the same work his or her fellow students are doing, as opposed to extra, more advanced work, we are not developing that potential.

Much of the reason for the lack of adequate educational programs to serve our Nation's gifted and talented students is a result of the lack of Federal commitment to the education of the gifted and talented. In recent years we have witnessed cutbacks in funding for gifted and talented education programs as well as the consolidation of gifted and talented education into a block grant program with 29 other education priorities.

In fact only 13 percent of school districts receiving funding under the chapter 2 block grant spend any of that money on gifted education of those that do. An average of only $1,000 goes for this important priority. That is why I introduced H.R. 543, the Jacob K. Javitz Gifted and Talented Children and Youth Education Act. The need for Federal emphasis on gifted and talented education has motivated over 100 of my colleagues to join as cosponsors of this important legislation. The commitment to providing the best education possible for our students, even and especially our brightest students, resulted in H.R. 543, being folded into H.R. 5, the omnibus elementary and secondary education legislation which passed the House this past may.

Currently there are only 56 full time gifted and talented consultants employed by State education agencies to serve an estimated 2.5 million gifted and talented students. Only 23 States have mandated programs of any kind for gifted students; 36 States have no special certification requirement for teachers of gifted and talented children. The National Commission on Excellence in Education noted in "A Nation at Risk," "over half of the population of gifted students do not match their tested ability with comparable achievement in school." Testimony we've heard by the Council for Exceptional Children has said approximately 50 percent of the gifted children are working at least four grades below the level at which they could be working. As we are focusing our national attention on increasing our competitiveness, it is scandalous that we deny any young people, especially our gifted and talented the opportunity to achieve their full potential.

H.R. 543 has three major purposes: First, to identify and serve gifted and talented children and youth, with priority given to those who are at risk of being unrecognized or of not being provided adequate or appropriate education services; second, to provide preservice and inservice training and professional development activities or teachers; and third, to establish a national center for research and development in the education of gifted and talented children and youth to stimulate high quality research in this area and serve as an information base for gifted education nationwide.

I would urge my colleagues to read the enclosed article and to continue their support for gifted and talented education:

#### GENIUS IN THE SLOW TRACK

Julian Stanley is worried. "An enormous amount of intellectual talent goes down the drain each year," says the psychologist, "because brilliant kids are stuck in classes that proceed at what is, for them, a snail's pace."

All too often, Stanley says, the only accommodation made to these students is a shallow effort at enrichment. He cites the example of an eighth-grader with an IQ of 187 whose teacher asked him to do all the algebra exercises in his text, rather than just the alternate ones the other students had to do. Such "enrichment," Stanley charges, is more apt to stifle than to stimulate learning.

Exceptionally gifted student's need educational experiences that match their talents. At Johns Hopkins University, the Center for the Advancement of Academically Talented Youth offers gifted youngsters summer classes in ancient Greek, physics, computer science, mathematics and other areas. "These are serious, highlevel courses," Stanley says, "not the 'fun and games' of many enrichment programs." Typically, students meet for five hours a day, five days a week, for three weeks to study the subject of their choice.

What can a kid learn in three weeks? In the case of these kids, plenty. For example, on group of 25 youngsters aged 11 to 15 took a speed course in biology. Before the class started the group had an average score of 565 on the College Board's high school examination in biology. That's an impressive score for youngsters who've never taken a course in biology, but after three weeks of study the average score had jumped to 721, a score many college biology majors would find enviable.

Hopkins is not the only place gifted adolescents can take accelerated courses (see "Challenging the Brightest," June 1984). Stanley notes that Duke University, Northwestern University, the University of Denver and other schools offer similar programs. But he warns that many gifted youngsters never get into programs of this sort. Instead, they plod ever so slowly through shallow waters. And at a time when our society is making increasing demands upon our reservoir of talent, it is, indeed, something to worry about.—PAUL CHANCE.

## CHRISTOPHER COLUMBUS DISCOVERS PORT EVERGLADES

### HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. SMITH of Florida. Mr. Speaker, today I would like to bring recognition to a unique event which will take place in Port Everglades, FL on August 29, 1987. This is the day Christopher Columbus will discover Port Everglades.

Since his discovery of America 500 years ago, Christopher Columbus has changed a bit. Standing 8-feet tall and perched on a travertine marble base, Christopher Columbus will arrive in Port Everglades, FL on August 29 after a voyage originating in Genoa, Italy. Christopher Columbus is returning to partake in the festivities commemorating the 500th anniversary of his discovery of America.

Exuding pride and confidence, the Christopher Columbus monument was the creation and idea of Tom Sette. Driven by his desire to create an event recognizing this historic navigator, Tom gathered two friends by his side, Anthony Iannelli and Tony Paparella, and created the Christopher Columbus Monument Committee.

Ambitious and determined, these three men were able to collect the funds necessary to finance the celebration and monument. Every dollar of the $120,000 budget was donated by private citizens, listed below. In addition, Port Everglades readily donated land for a park where the statue will permanently reside. The well-known sculptor, Enzo Gallo, my constituent, contributed his artistic talents to create the 2-ton, bronze replica. Miami-based Costa Cruises, Inc., donated two ships to transport the monument to Florida.

The monument will arrive at Port Everglades after a long voyage from Genoa, Italy, the birthplace of Christopher Columbus. Numerous cities across the world will catch a glimpse of the monument en route to Florida. Ports of call in such countries as Italy, Spain, Azores, Canada and United States Virgin Islands will revel in the excitement of the voyage to its home.

The donors who made the Christopher Columbus monument and celebration possible are listed below:

Mrs. Jean Altamura.
James and Margaret Atria.
American's of Italian Heritage Club.
Cardamon & Sopke Family.
Frank and Maria Cernuto and Family.
Alfred and Catherine Ciffo, Sr.
Nicholas J. Clementi—(Marine & Mercantile Ent.).
Nicholas J. Clement—(Conmar Industries).
Peter and Catherine Casoria.
Edward L. Curran.
Julio J. Colangelo.
Dominick R. Colucci, Jr.
Frank A. Cona.
Domenico Deluca.
Flora Food Distributors.
Vita T. Fabiani.
Mr. and Mrs. A. Al Giunta.
Frederick William Mario Guardabassi.
John N. Goudie.
Anthony Iannelli.

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Anthony V. Iovino.
Italian American Civic League of Ft. Lauderdale.
Frances Lara.
Charles Leanza.
Magazzu—Leto.
Joseph A. and Clare Mocerino.
Orlando M. and Marion H. Marinelli.
Charles McElyea.
Mrs. Katherine Orlando.
Henry and Gloria Paul.
Gaetano Protano.
Mrs. George L. Pallotto.
Miss. Kartherine M. Pennetto.
J. Rick Ricciardelli.
Tony Rizzi.
Sara Rizzo.
Lou and Annetti Sandora and Family.
Thomas P. Sette.
Seminole National Bank.
Nicola Scoccimarro.
Anthony Perrone.
Sam Studlabe.
Anthony and Doris Tortolani.
Mike and Ana Maria Valletta.
Lucy C. Dibraccio.
Mr. and Mrs. Mario De Carlo.

I am pleased that the Christopher Columbus monument will be a Port Everglades landmark with national significance. I would like to ask my colleagues to join me in recognizing this unique commemoration and congratulating those involved in this project for a labor of love well done.

## TRIBUTE TO DR. JONG OK KIM

### HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. TORRICELLI. Mr. Speaker, I rise in tribute to Dr. Jong Ok Kim Ed.D., LL.D., one of the great educators and philanthropists in modern Korea, Dr. Kim is known and respected throughout the world for his achievements in strengthening education and increasing international understanding. I am deeply honored that Dr. Kim has invited me to address the outstanding institution that he founded and of which he now serves as chairman: the Baeyoung Haksook Foundation School.

Dr. Kim founded Baeyoung Haksook Foundation in 1960 when education in Korea was still in embryonic stage, and has served since then as its chairman during years of uninterrupted growth. Under Dr. Kim's wise leadership, the foundation has expanded steadily since 1960 and now owns and operates nine separate schools, from kindergarten to college. Total student enrollment is now 11,114. Among these schools is the Kumho school for the handicapped children, of which Dr. Kim is particularly proud and to whose welfare and growth he pays great attention.

In order to support these educational institutions as well as other philanthropic activities, Dr. Kim also runs and holds interests in the following business concerns: Taegu General Hospital; Audio Visual Studio; Youngsung Central Library; Youngsung Museum; Taejeon Broadcast Station; Baeyoung Printing Co.; Baeyoung Publishing Co.; Hankook Developing & Construction Co.; Baeyoung Stone Material Co.; Baeyoung Mushroom Co.; Baeyoung Planting Farms; and real estate interests.

Dr. Kim is a man not only of unusual vision but also of extraordinary ability. He has built a huge empire of educational and corporate institutions almost from scratch. While the implementation of his various ideas created thousands of jobs in the local area to help economy develop, his schools trained thousands of bright men and women to work for the development of the country. Dr. Kim has great empathy toward the downtrodden, the handicapped, and the aged. He has done so much for the underprivileged; he is a man whom society always calls upon, and he always answers that call.

Dr. Kim is an internationalist who strongly believes in international cooperation and benefits resulting from mutual assistance. He especially values friendship with the United States, which he views as the foundation of Korea's security and continued prosperity. For that reason, Dr. Kim hosted U.S. congressional delegations headed by my colleagues the gentleman from California, Mr. Dymally, beginning in 1984, and former Senator Gary Hart, in 1986. Dr. Kim has also taken the trouble to attend Presidential inaugurations and other major events in the United States. At the same time, he sponsors a number of projects which would facilitate better understanding and improve relations among nations in Asia.

Mr. Speaker, Dr. Jong Ok Kim is a rare combination of scholar, business leader, and philanthropist. He has made a signal contribution to his native land, to United States-Korean relations, and to the cause of peace, progress, and goodwill throughout the world.

## BUDDY DARDEN MAKES THE CASE FOR A U.S. ASAT SYSTEM

### HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. COURTER. Mr. Speaker, our colleague from Georgia and a member of the House Armed Services Committee, Buddy Darden, has done a great service with his recent commentary in Defense News on the U.S. antisatellite [Asat] weapon system.

Mr. Darden carefully explains the multifaceted Soviet Asat threat to our precious space assets, and points out the continuing folly of unilateral congressional limitations on the United States Asat Program. It really matters very little that the Soviet co-orbital Asat system is crude and unsophisticated, as the United States Asat critics charge, because it has already demonstrated a capability to destroy undefended, unhardened satellites.

In addition, the Soviets have several other potential Asat systems presently in existence, as well as a robust research and development program for more advanced Asat systems. The net effect is a dangerous asymmetry between United States and Soviet Asat capabilities which will encourage preemptive Soviet attacks during a crisis. I urge all my colleagues to read Buddy Darden's essay on this important subject.

[From the Defense News, July 27, 1987]

### Needed: Defensive Antisatellite System

U.S. DEVELOPMENT OF SUCH A PLAN WOULD HELP ELIMINATE DEFICIENCIES

(By George Darden)

The United States prides itself in never having been the aggressor in international conflicts. Rather, we rely on strong defenses to deter attacks upon ourselves and our allies.

Because the Soviet Union possesses a vast superiority in numbers of troops and equipment, it is necessary for the United States to defend itself and deter attack by the use of advanced technology weapons systems and through promoting an aggressive strategy once a conflict has begun. One area in which it seems promising for developing advanced weapons is in the realm of space.

Although many do not approve, it is a reality that space has become militarized. As military technology has expanded into space, the need to defend against weapons systems with spacebased elements has become extremely important. The development of an antisatellite (ASAT) system could prove critical to eliminating a deficiency in our defenses—a deficiency that allows free information flow to aid positioning and targeting for enemy terrestrial forces. There is a definite need to reinstate an effective and vigorous research, development and testing schedule for an ASAT system.

The Soviets have approximately twice as many types of low-altitude satellites in operation as does the United States. These space systems cover all aspects of military operations. Navigational satellites provide accurate positional information to ships, aircraft and ground forces, while clusters of communications satellites support direct contact between Soviet forces around the world and their headquarters.

Early-warning satellites in semi-synchronous orbits provide warning of any launch of ballistic missiles against the Soviet Union and also monitor routine test launches in the United States. Reconnaissance satellites—incorporating photographic, radar, electronic and infrared sensors—conduct continued surveillance of the Earth. By the mid-1970s, the Soviets were launching more than 30 photo-reconnaissance satellites annually, and these space systems provided 100 percent photo coverage of the earth. There is every indication that the Soviets have totally integrated these space systems into their systems into their military structure.

During recent consideration of the National Defense Authorization Act for fiscal 1988-89, the House of Representatives approved an amendment that bans the testing of the current ASAT system (the Miniature Homing Vehicle) against an object in space. Although I did not support this amendment, I am encouraged that the amendment does not prohibit the testing of the more advanced and more promising ASAT systems, such as electromagnetic railguns and lasers. Although these systems lack the necessary technological advances to begin adequate ASAT testing, I believe it is incumbent on the Department of Defense to actively promote these most promising ASAT technologies.

Opponents of the United States ASAT program argue that by stopping the development of ASATs by both the United States and the Soviet Union, we protect our own satellites. In other words, if neither side can

kill the other's satellites, all space systems will be inviolate in a future conflict.

My concern with this philosophy is the fact that the Soviets have had an operational ASAT system since the mid-1970s. This weapon, a co-orbital device that would be launched from the Tyuratam space complex, enters the satellite's orbit, maneuvers itself in close proximity to the satellite and explodes, thus destroying the satellite with a barrage of shrapnel.

By 1982, the Soviets had completed 20 tests of this system, and it is believed the Soviet ASAT is fully capable of performing its mission. Also, there are indications that the Soviets are conducting research and development of advanced systems, and may possess two ground-based test lasers with ASAT capabilities. If these circumstances are studied and considered, it is no surprise that the Soviets have stopped testing their ASAT and would like to see development of an American ASAT delayed or eliminated.

Surveillance and reconnaissance satellites should be considered an extension, or an enabler, of the Soviet weapons delivery system. Therefore, the ASAT, when it eliminates a hostile satellite, is placing a greater burden on the Soviet forces by putting out one of the "eyes" of the attacking force. In effect, this is defending friendly forces by preventing the enemy from bringing weapons to bear on a target.

The United States needs the strongest defense possible when facing the superior manpower and equipment advantages of the Soviet Union. If we have the ability to destroy major components of the Soviet communications, intelligence and battle management, we can multiply our forces and adequately defend ourselves against superior numbers. An ASAT capability is a key link in this defense.

## SPEED LIMIT INCREASES DON'T STOP SPEEDING

### HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. HOWARD. Mr. Speaker, the evidence continues to demonstrate that raising the speed limit on rural interstates from 55 miles per hour to 65 miles per hour simply has the effect of increasing speeds by 10 mph. The latest State to report this finding is New Hampshire.

It is clear that this development will bring about the most dangerous condition on the roads—an increase in the variance of speeds. Those who were driving at safe speeds or 55 to 60 miles per hour will continue to drive at those speeds. However, those who were driving at 65 mph or more when the speed limit was 55 mph, will now be driving at speeds of 75 mph or more.

The increase in the range of speeds on the road will result in the increase in fatalities and serious injuries that proponents of the 55 mph speed limit have predicted. Speed limits of 65 mph in rural areas and 55 mph in urban areas will also cause range and variance problems.

I have submitted for my colleagues' attention an Associated Press article from July 20, 1987, describing the situation in New Hampshire.

The article follows:

### NH—Speeding

Concord, NH.—Safety Commissioner Richard Flynn says the 65 mph speed limit on New Hampshire's rural interstate highways appears to have encouraged more people to continue speeding rather than to obey the law.

"We're seeing a lot more of them traveling at 70 mph than before and we're trying to hold them down to 65 because we think 65 is fast enough," said Flynn, who oversees the state police.

Congress in April approved letting states set speed limits at 65 mph on rural stretches of interstate, and New Hampshire quickly did so. Flynn and Gov. John Sununu supported the change, saying most drivers were ignoring the old limit.

Opponents had argued that the 65 mph limit would prompt people to drive even faster than before, and Flynn said that appears to have happened.

And in urban areas, where the limit remains 55 mph, Flynn said drivers are not slowing down much.

"When you raise the speeds to 65 elsewhere, people have a tendency of not reducing their speed to 55 when they come into those areas," he said.

Last week, the Executive Council took a step to crack down on speeding. The council approved spending more than $21,000 in federal money to buy 19 new radar guns for the state police.

## PERSONAL EXPLANATION

### HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mrs. MEYERS of Kansas. Mr. Speaker, my name was mistakenly added as a cosponsor of House Joint Resolution 132, the resolution pertaining to the Armenian genocide.

I regret the error, and want to inform my colleagues that I do not support this resolution and intend to vote against it when the House considers it tomorrow.

## NO NEED TO PANIC OVER M-1 TANK PROPOSAL

### HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. OXLEY. Mr. Speaker, as I am sure my colleagues in the House read recently in the "Washington Post," the Reagan administration is reportedly thinking about allowing Egypt to produce M-1 tanks.

One of the two cities where the M-1 Abrams tank is currently produced, Lima, OH, is located in the Fourth Congressional District I represent. The tank plant is the largest employer in my congressional district, with more than 3,500 employees.

No sooner had the ink dried on the story about the Egyptian tank production proposal than Ohio's two U.S. Senators had banged out press statements decrying the plan, claiming it would rob the United States of both jobs and sensitive military secrets.

While Ohio's two Senators were issuing their press-pleasing critiques of the plan, I was attending a top-secret briefing on the M-1 tank with members of the House Armed Services Committee's Subcommittee on Procurement and Military Nuclear Systems to try to find out the whole story. I would like to share what I learned at this briefing and my thoughts on this proposal with my colleagues in the Congress.

First of all, no decision has been made to transfer production of the M-1 tank to Egypt. We are only at the negotiating stage and, at the very most, the plan would only enable Egypt to coproduce or assemble the tank, if it could be done on a cost-effective basis. Moreover, if an agreement were reached tomorrow between the United States and Egypt, it would be about 12 years, according to the U.S. Army, before any Egyptian assembly of the tank could actually occur.

Second, the proposal would not cost any current American jobs. In fact, the proposal could very well ensure long-term job security for many of those presently employed at the Lima tank plant and even expand American job opportunities.

The current U.S. Army contract with General Dynamics Corp. is for 3,299 tanks over 5 years. This contract will not be affected by any decision on future production of the tank.

But what happens after we have produced all the M-1's U.S. forces need? No one can expect our demand for M-1's to last indefinitely. What then? Do we shut the Lima tank plant down? Where would that leave the Lima tank plant work force?

We've got to think ahead. Eventually, we've got to develop new markets for the M-1, and the plan to involve Egypt in M-1 production could very well be the key. To me, a properly negotiated agreement with a U.S. ally to coproduce or assemble the M-1 from American-made parts is far preferable to no tank production at all.

The prospect of an arms control agreement with the Soviets on medium- and short-range nuclear weapons would likely increase NATO's reliance on conventional forces. Since the Warsaw Pact countries currently enjoy a nearly 3-to-2 advantage in conventional weapons, including tanks and artillery, an arms control agreement could hold promise for the M-1, which is widely recognized as a superior tank.

It would be great to have the Egyptians and other allies simply purchase the tanks directly from us, but we may not have such a luxury. It is important to remember that Egypt is an industrially poor nation that desperately wants to create economic opportunities for its citizens. As a moderate Arab nation, Egypt must continue to play an important role in the Middle East peace process. In this volatile region of the world, economic opportunity is a stabilizing political force.

In short, the Egyptians and other United States allies might not be willing to buy the tanks outright. We need to recognize that our allies work within certain parameters and that they must deal with agendas and domestic political situations of their own. If we do not work with the Egyptians, we risk losing to the French or others the opportunity for any addi-

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tional tank production or sales. As we have seen repeatedly in the past, there is always some country willing to sell what we will not, and once we lose a market, it is not easy to recoup. The Carter grain embargo taught us that.

Concern about the transfer of technology is legitimate and numerous questions would have to be answered if any proposal is submitted to the Congress. It is highly unlikely, however, that any coproduction or assembly arrangement would involve the transfer of sensitive technology. The United States would maintain control over such technology, including designs. Besides, technology which is sensitive today may not be so 12 years from now.

The position of the Israelis is an issue to be discussed. It is far too early to have any reasonable assessment of what any coproduction arrangement or sale of the M-1 to Egypt may mean to the Israelis. Nevertheless, the balance of power and the peace process in this region are important considerations.

Similarly, questions relating to production costs, efficiency, and production quality would have to be addressed. The Egyptians have had real problems in these areas that must be rectified to make any coproduction arrangement a viable option.

What we have here is a classic case of turning a molehill into a mountain. If there truly were cause for alarm over the Egyptian tank production plan, you would hear me protesting louder than the aforementioned Senators—if that's possible. But the fact of the matter is that there is no reason to jump on the bandwagon.

I intend to closely monitor continued negotiations on the M-1, but I am simply unwilling to unilaterally reject any proposals which may mean more jobs and long-term job security to the Lima area.

## THE KELSEY TRACT

### HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. McCANDLESS. Mr. Speaker, I'm pleased to rise on behalf of H.R. 2615 and thank my colleagues for their support of this important legislation.

The land referred to in H.R. 2615 is a 235-acre parcel located directly across from the Pechanga Indian Reservation. It is known locally as the Kelsey Tract, and was purchased by the United States for Indian use under the act of June 21, 1906—34 Stat. 325, 333. The tract is within the original territory of the Temecula Band of Luiseno Mission Indians, and although clearly intended for the band's use, the parcel's title is silent as to beneficiary.

Although the Bureau of Indian Affairs has made the Kelsey Tract available for use by the Pechangas on an informal basis, the land's title uncertainty has left the BIA unwilling to permit construction of the irrigation facilities and other improvements needed to provide full use of the land. H.R. 2615 would remove that uncertainty by declaring the land to be held in trust by the Secretary of the Interior for the use and benefit of the Pechanga Tribe. It would also make the Kelsey Tract a part of the Pechanga Reservation, allowing the band to proceed with the improvements needed to provide greater employment and revenue generating resources for the tribe.

The Pechangas have already proven themselves able and willing to derive good use from their lands. Though most of the reservation's current 4,900 acres are remote, and unsuitable for more than low-density grazing, those areas available for better development have received it. Approximately 1,200 acres are allotted to tribe members for individual use. Other lands have been used to construct tribal government facilities and housing. On irrigated portions of the Kelsey Tract, the band has already located a 20-acre vineyard and 8-acre Christmas tree farm. It has also planted a multiacre oat crop and made plans for another 50-acre vineyard.

Additional to the Kelsey Tract's agricultural uses is the land's strong retail potential. Several privately owned lands adjoining the parcel have been scheduled for residential development, thus generating the need for various community-support services. Clear title to the tract would prepare the way for construction of such facilities, providing added employment opportunities for band members.

Although current reservation lands will be unable to provide adequately for the Pechanga's future, the agricultural and commercial promise of the Kelsey Tract will enhance the probability of the tribe's future economic independence and self-determination. Therefore, I urge your support of H.R. 2615.

## 1987: "THANKS FOR THE MEMORY"

### HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. HORTON. Mr. Speaker, in the past 50 years America has seen incredible changes. This year, 1987, is a historic year, marking the 100th Congress and the 200th anniversary of the Constitution. This year also holds special significance for me, as I complete my 25th year as a Member of this distinguished body.

I was graduated from Baton Rouge High School in 1937. That year, Spencer Tracy won the Academy Award for best actor, the New York Yankees beat the New York Giants to win the World Series, and Joe Louis knocked out Jim Braddock to become the world heavyweight champion. Hit songs of 1937, the year the jitterbug became a national craze, included "In the Still of the Night," "Josephine," "My Funny Valentine," "September in the Rain," "Harbor Lights," and "Thanks for the Memory."

Walt Disney made film history in 1937 when the first full-length animated feature film, "Snow White and the Seven Dwarfs," was released. In the first 3 months of "Snow White's" release, over 20 million children lined up to be scared by the witch, charmed by Snow White, and teased by the dwarfs. Disney's team of more than 750 artists produced over a million drawings, with 250,000 of these composing the 83-minute movie. Snow White, a classic that appeals as much to us now as it did 50 years ago, gave Depression-era audiences the happy ending they so needed.

On August 15, 1987, my former Baton Rouge classmates and I will have a reunion in celebration of our 50th year since our graduation in 1937. I'm sure we will reminisce about the many events that made 1937 a very special year.

The year 1937 was one of both hope and disappointment. The Pan American Airways Clipper III completed the first of a series of survey flights to prepare for regular transatlantic passenger service, even as Amelia Earhart set forth on her journey around the globe, never to return. San Francisco's Golden Gate Bridge opened, the first blood bank was established, and nylon was patented. In Pasadena, CA, the first McDonald's restaurant opened. In Hollywood, composer George Gershwin died at the age of 38. The average American earned $1,893 a year, if he had a job. Of that, he could pay $585 for a new Ford, fill the tank with gas for twenty cents a gallon, and buy a new, three-bedroom home for $4,000.

In 1987 we are concerned about the budget deficit, the economy, changes on the Supreme Court, and foreign policy. The events that faced Congress in 1937 show how much things have changed, and how much they have stayed the same. The U.S. Government ended the fiscal year June 30, 1937, with a net deficit of $2.7 billion, and a gross public debt of $36.4 billion. People complained then that the deficit was too high. In the summer of 1937, the economy slumped, unemployment rose, and the term "recession" was coined. The organized-labor movement progressed in picket lines and at bargaining tables, but at the cost of several lives in violent sit-down strikes and demonstrations. Prior to the retirement of 78-year-old Justice Willis VanDevanter, President Franklin Roosevelt stirred controversy by attempting to pack the Supreme Court with justices who would look favorably on his New Deal social and economic policies.

Little did the graduating class of 1937 know that the Japanese would bomb Pearl Harbor just 4 years later, catapulting the United States and the world into war. In 1937, 50 years prior to the Iraqi attack on the U.S.S. *Stark*, civil war raged in Spain, Japan invaded China, and a United States gunboat in Chinese waters was sunk by Japanese airplanes. Two American sailors died in the attack on our ship. Japan apologized for the mistake and offered to pay damages. Congress, concerned about foreign belligerency, passed the Neutrality Acts to limit the risk of American involvement in war, but the United States would be unavoidably drawn into World War II.

Today we take for granted many of the things we did not have 50 years ago: magnetic tape recordings, jet engines, ball point pens, penicillin, and television. Since the signing of the Constitution, we have achieved much. The past 50 years alone have witnessed tremendous technological progress and rapid social change. In the face of such change, there is ample reason for nostalgia; there is even greater reason for hope. The year 2000 is only 13 years away. When I was

graduated from high school in 1937, I and my classmates could only dream about the future. Between now and the turn of the century, we will create a whole new future for ourselves, our children, and their children.

## LOPID PATENT TERM EXTENSION AND FAIRNESS ACT OF 1987

### HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. DERRICK. Mr. Speaker, today I am introducing the Lopid Patent Term Extension and Fairness Act of 1987, legislation which will redress a unique and inequitable situation that has arisen in connection with the patent on a pharmaceutical product named Lopid (U.S. Patent number 3,674,836). I am pleased to have joining me as original cosponsors of this bill Representatives GALLO, BOUCHER, COBLE, SLAUGHTER of Virginia, MARTIN of Illinois, SYNAR, TORRICELLI, DEWINE, RINALDO, LELAND, and HUGHES. I am introducing the bill to facilitate the hearing process in the House. We recognize that the hearings may indicate better ways to draft the legislative relief we seek to provide, and we are open to any suggestions.

The manufacturer of Lopid is Warner-Lambert which is the parent company of the largest hard gelatin capsule plant in the world. This modern plant is located in my congressional district. The situation involving its patent on Lopid is a unique one, and one which demands expeditious consideration by Congress.

Identical legislation has been passed in the Senate as title 36 of the Omnibus Trade and Competitiveness Act of 1987, S. 1420. Earlier this year, the Senate Committee on the Judiciary unanimously reported the Process Patent Amendments Act of 1987, S. 1200, which included the legislative relief I am today proposing and was then merged into the trade bill. The House has also approved a process patent bill which was merged into the House trade bill, however, it does not contain the Lopid language.

As our colleagues are aware, the trade bill was passed in the other chamber on July 21 by a vote of 71 to 27. During consideration of the trade bill on the Senate floor, the Lopid provisions were not the subject of any controversy, which reflects the narrow yet well-supported nature of the legislation.

Mr. Speaker, I believe the background of the drug's development demonstrates the merits of this legislation. Warner-Lambert developed Lopid following extensive and exhaustive research that began in the 1950's. The FDA approved the marketing of this drug in 1981, but only for a very limited use and not for the use for which the drug had been developed. Further, the FDA required that the company undertake a so-called phase IV study which involved proving the basic medical hypothesis that was at the core of Lopid's development.

Mr. Speaker, while the company was engaged in this phase IV study—the longest phase IV study ever undertaken—Congress changed the rules of the game. Passage of the Drug Price Competition and Patent Term Restoration Act of 1984 eliminated the reasonable marketing expectation Warner-Lambert had when it agreed to undertake this research. Specifically, the expectation was that they would have a period of 5 to 7 years after the Lopid patent expired, in mid-1989, during which they would retain exclusive marketing of the drug.

In sum, Warner-Lambert will have approximately 1 year in which to recapture its investment in the phase IV study, now known as the Helsinki Heatt study. The 5-to-7 years of exclusive marketing assumed when Warner-Lambert agreed to undertake the study is lost because of the 1984 act.

Mr. Speaker, it seems to me that companies which underwrite such fundamental research and development should be encouraged. Indeed, these are the kinds of activities which will ultimately make American business more competitive. Where the laws we enact have unintended and unfair impacts and undercut such efforts, I believe it is incumbent upon Congress to acknowledge and redress the situation.

The bill I am introducing will do just that. While the situation the bill addresses is unquestionably unique, the fact that Congress will provide redress is not. In fact, I would note that my good friend and colleague from Massachusetts, Hon. BARNEY FRANK, introduced legislation in the 98th Congress to extend the patent on an antidiabetic drug known as DiaBeta. That bill, which extended the patent life on DiaBeta, was the subject of hearings in the House, passed the House and Senate, and was signed into law in less than 5 weeks.

Mr. Speaker, the bill I am introducing is narrowly drawn and precisely captures this one single situation—and none other. It provides a 5-year extension on the patent for Lopid if, and only if, the FDA approves its use for lowering the risk of heart attacks. The unique set of facts which have given rise to this inequity were expressly recognized and utilized in the drafting of the bill to ensure that it captures no other pharmaceutical product.

Mr. Speaker, if meaningful relief is to be provided by Congress, it must be timely. I hope that hearings can be held in the next few weeks to air fully the facts on this issue, and to establish the public record for our action on the legislation. Moreover, because the provisions have been added to the trade bill in the Senate, I am hopeful that the leaders on this issue can agree to accept the Senate position after having an opportunity to study and review the facts and after their review of testimony submitted at a public hearing. For this reason, it is critically important that such hearings be held in the very near future.

I encourage my colleagues to review this legislation and to cosponsor it. It shows that Congress recognizes the value of our business community's efforts to improve our quality of life.

## 150TH ANNIVERSARY OF GUILFORD COLLEGE

### HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. COBLE. Mr. Speaker, on August 1, 1987, my alma mater celebrated its 150th anniversary. I would like to take this opportunity to tell my colleagues about Guilford College in Greensboro, NC.

Guilford College was founded in 1837 as New Garden Boarding School. The school began with 25 male and 25 female students. It is now the oldest coeducational college in the South, and the third oldest coeducational college in the Nation. Guilford College has maintained a 150-year affiliation with the Society of Friends, or Quakers, with the traditional Quaker emphasis on tolerance, simplicity, candor, social justice, and world peace.

Guilford College has maintained a steadfast commitment to personal and academic excellence, to a traditional liberal arts curriculum, innovative research and the exploration of new ideas. The school has prepared students from all walks of life for the challenges they will face in the years ahead. Many of our area's political, business and academic leaders were educated at Guilford College.

I am proud to say that I am a graduate of Guilford College. I would like to extend my best wishes to Guilford on the occasion of its 150th anniversary. I would also like to wish the school continued success for the next 150 years as well.

## TOLEDO TRANSPLANT RECIPIENTS TO COMPETE IN INTERNATIONAL GAMES

### HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Ms. KAPTUR. Mr. Speaker, it is my sincere pleasure to bring to the attention of my colleagues two Toledo citizens who will participate this September in the sixth World Transplant Games in Innsbruck, Austria.

Oliver Hale and Ernie Prado received kidney transplants at the Medical College of Ohio in Toledo in 1985. Not only have they met the physical and emotional challenges entailed in transplant surgery but they have courageously entered into the demanding schedule of this international athletic competition.

Organ transplant recipients from 26 nations will take part in these games, patterned after the International Olympics, which will involve a variety of events in age categories for children, teenagers, young adults, and for men and women over age 35.

Mr. Hale, a board member of the Kidney Foundation of Northwest Ohio and a food service caterer in Toledo, plans to participate in the 100-meter run, the 400-meter relay and tennis competition.

Mr. Prado, a graduate student in business administration at the University of Toledo, will

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be a competitor in cycling, swimming, and race walking.

Both men have been engaged in rigorous training for several months and have been gratified by the outpouring of support for their efforts on the part of many Toledo citizens, organizations, and businesses. I, too, am very proud of their accomplishments and commend them for this vivid demonstration that people who have had transplants can continue to lead full, active, and exciting lives.

John Kennedy said, "The courage of life is often a less dramatic spectacle but * * * a man does what he must—in spite of personal consequences, in spite of obstacles and dangers and pressures * * *" These two men certainly exemplify that "courage of life."

## PLIGHT OF SOVIET JEWS

### HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. WOLF. Mr. Speaker, I am joining my colleagues in this year's Call to Conscience Vigil to bring attention to the plight of Soviet Jews seeking freedom of religion and the right to emigrate from the Soviet Union.

I share the concerns of all freedom loving people over the plight of Soviet Jews. I have expressed this concern by urging the Soviet authorities to adopt a more flexible policy on emigration and to live up to those basic international standards of human rights spelled out in the Helsinki accords and other documents to which the Soviet Union is a signatory. Time and again, in have written Soviet officials to urge reconsideration of individual refuseniks, from various cultural backgrounds, who were imprisoned for their religious or political convictions.

The Modlin family is but one example of the campaign of anti-Semitism that is becoming a standard occurrence in the Soviet Union. This family has been trying to emigrate to Israel since April 1982 so that they can be reunited with the wife's sister living in Jerusalem. Their application was initially refused in December 1982 on the grounds that they had no immediate family in Israel. They reapplied again in December 1983 but to no avail; that, and each subsequent application, has been refused. Beginning with the 1983 refusal the OVIR officials have assumed the position that the Modlin family's emigration is of no state interest.

Michael and Ella Modlin are both engineers by profession and their son, Igor, is a student. Unfortunately since applying to emigrate Michael has been forced to procure a laborer position.

In addition to this family's situation, I am further concerned about the continuing developments in the Soviet bloc that have lead to the increasing manifestations of officially sanctioned anti-Semitism, persecution of both prominent and less well-known refuseniks, and the continued downward trend in Jewish emigration from the Soviet Union. It is these types of persecutions that we can no longer fail to recognize. We must continue to raise human rights issues with the Soviets and with all Communist bloc nations at every level and in many forums. I pledge my continued support of the United States Government in its efforts on behalf of Soviet Jews, and in pursuit of progress on this vital human rights question.

## NAVY'S BOOBOO IN THE GULF IS AN ALL-AMERICAN BOOBOO

### HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. ASPIN. Mr. Speaker, the question everyone is asking me is: Why didn't the Navy have any minesweepers in the Persian Gulf? The proper answer to that is: Ask the Navy. The likely answer is that they once again missed the boat—if I may coin a nautical phrase—by focusing so heavily on more sophisticated threats. But let's not all jump on the Navy. The media, for example, committed the same gaff by talking for a month about the horrors of Silkworm missiles to the near total exclusion of threats like mines.

We've gone through four Pentagon reactions to the mines. I first had the staff raise the issue in mid-May when I came across a TASS wire dispatch. That report quoted seamen on the tanker *Marshal Chuikov*—which struck a mine on May 17 only hours before the USS *Stark* was hit—as saying that they had seen a speedboat with no lights come up and stop about 2 miles from them. The boat remained there for some time, then sped off without offering any assistance and without putting on its running lights. That raised my eyebrows. When the staff broached the issue, it raised no eyebrows in the military. I cited the TASS report in some speeches and a hearing, but got little response other than shoulder shrugging. Intelligence analysts, meanwhile, began warning of a mine threat. Finally, on a trip to the Persian Gulf early in July, I raised the matter with Rear Adm. Harold J. Bernsen, commander of the Middle East Force. The admiral said that mines were at the top of his list of concerns. That comment lulled me, and I ceased to be concerned at that point. It now becomes clear that the concerns of the Middle East Force were really rather narrow—as narrow as the channel off Kuwait where 15 mines were found last month. In other words, the Navy was very worried about mines in that particular area and didn't broaden its focus to other choke points in the gulf that were suitable sites for mining.

What can the Navy do to confront the mine threat? We have 21 minesweepers and 23 minesweeping helicopters. While this is an inadequate number for a war with the Soviets, it is more than enough to cope with the Persian Gulf problem. Stories about our frightful inadequacy in the mine countermeasures area simply confuse the Soviet and Persian Gulf scenarios. Stories that we only have three minesweepers in the Active Forces miss the point that we put capabilities that we only need rarely into the Reserves precisely because we only need them rarely. But they are manned, they are not mothballed, and they are supposed to be ready for call-up.

The bottom line is simply that the Navy didn't think this through. Once again, the Navy was preoccupied with the more sophisticated threats to our forces, such as the Silkworm missile. But in all fairness to the Navy, this is not merely a U.S. Navy mental block. This is a cultural preoccupation of the American society as a whole. It is most visible in the media coverage of the reflagging issue, which focused on the Silkworm even more than Navy planners. Throughout June and July, as I delivered this series of speeches and gave innumerable interviews, I stated repeatedly that the Silkworm and Iranian aircraft and tales of kamikaze attacks from Iran were not the threat—we needed to worry instead about some kind of "no-fingerprints" attack. I specified terrorism, mines, and some other kinds of innovative, cheap, low-technology assault on our interests. The reaction from the media was veritable silence. A few newsmen told me that they agreed with what I was saying but their editors were just asking for more stories on the Silkworm.

The Navy, of course, has a professional responsibility to analyse threats to ships in the Persian Gulf—a responsibility the media does not have. But I raise the issue to make clear that the Navy's cultural block is not a unique one.

Now, of course, we are in a frenzy over minesweeping. That's all the media wants to talk about this week.

In Tehran, I guarantee you, there are rooms filled with planners scoping out the tactic they will use after we have neutralized the mine threat. And there are probably planners working on the tactic they will use after we have neutalized the tactic that follows the mine. It is quite correct, as I have heard from various military planners in this country, that we can defeat whatever low-technology threats the Iranians toss at us. But that is not an excuse for composing tomes on the Silkworm. The Iranians know we can neutralize their tactics eventually—you don't read about truck bombs anymore. But that misses the point. It took time to counter the truck bomb—but in the meantime the Iranians made their point very, very, very effectively. When that mine exploded against the tanker *Bridgeton* last week, it spattered egg all over the face of the Navy. The Iranians made their point, very, very, very effectively. While we are busily countering mines—2½ months after we should have acted—the Iranians are off on their next scheme.

In other words, we are behind the power curve. And that's exactly where the Iranians want us.

What should we do now? We ought to be directly the best minds the Pentagon has to looking at low-technology threats rather than hi-tech ones. We need to fill a room with men and women who will put themselves in Iranian shoes, or turbans, and scheme as the Iranians are scheming.

There are three guidelines to use:

First, look for American vulnerabilities. Do American personnel living in the Persian Gulf tend to congregate at a few restaurants or cafes? Is there adequate protection around them? Look at where our ships and the tankers dock or anchor. Could someone easily fire

mortar rounds at them from land? Or float a dinghy with explosives up against them?

Second, look for tactics that are cheap and simple. The Iranians have kamikaze volunteers, but these people aren't computer whizzes. The Iranians aren't looking for concepts that are too intricate for their operatives to carry out.

Third, look for tactics that leave no Iranian fingerprints. The Iranians aren't likely to fire Silkworms at us since that simply begs for American retaliation. They are interested in stinging us; they aren't interested in being stung back.

Another matter we should consider is stinging them back. The White House, much to my surprise, sprang into action after the mine explosion to deny any interest in retaliation. That hardly discourages the Iranians from going after us again. Now, when we use the term "retaliation," the thought of American jets zooming down on Iranian cities and scattering bombs across the horizon immediately comes to mind. Retaliation need not be so dramatic—in fact, it ought not be so dramatic. The Iranians have to run tankers up and down the eastern side of the gulf. If "invisible hands," to quote Iran Prime Minister Mir-Hossain Musavi, are dumping mines on the western side of the gulf, maybe some other invisible hands will drop some mines on the eastern side.

Let me emphasize that I am not urging that we act without a reasonable certainty that the mines were set by the Iranians. If we simply say that we will retaliate against Iran if one more ship hits a mine, I'll wager the entire Iraqi Navy will be out in the gulf tonight scattering mines like bread crumbs. We have to be certain that we are not being taken advantage of.

I have not yet seen any intelligence reports on the latest mines found in the gulf. But I do note that the speaker of the Iranian Parliament, Ali Akbar Hashemi Rafsanjani, interrupted his sermon at Friday prayers to announce the *Bridgeton* mine strike. As he started to wax enthusiastic and began to gloat, he caught himself and said: "Of course, we aren't acknowledging responsibility."

## THE 13TH ANNIVERSARY OF THE ILLEGAL INVASION AND OCCUPATION OF CYPRUS BY TURKEY

### HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mrs. BENTLEY. Mr. Speaker, last month the Greek-American community in Baltimore remembered the 13th anniverary of the illegal invasion and occupation of Cyprus by Turkey. On Friday, July 17, a group of young students of Greek and Cypriot heritage, many of whom were born there, gathered in Baltimore at the Greek Orthodox Cathedral of the Annunciation. They were marching from New York to Washington to make the American people and the Members of Congress aware of the outrageous Turkish occupation of Cyprus. I commended them for their diligence in seeking the freedom of their homeland.

In my discussion I pointed out that as a first-generation Serbian, I understood their concern and frustration and deep sadness over the occupation of northern Cyprus by the Turks 13 years ago. My parents' nation of Serbia was conquered by the Turks in the 14th century; it was lost in the battle of Kosovo, and for five centuries both Serbia and then Greece were under the domination of the Turks. That long occupation finally ended, only to be repeated by the Turks 13 years ago when they illegally seized part of Cyprus.

I was surprised to learn that over a quarter of our military assistance package to Turkey is used in its domination of Cyprus. Mr. Speaker, this is wrong. It is in direct violation of U.S. law and must be stopped.

Today, ironically, Kosovo, which is a very sacred land in Yugoslavia, is also under siege, this time by the Albanians, who are pushing the Serbians out. So I have a great deal of understanding for the Greek Cypriots, 200,000 of whom have been forced out of their ancestral homeland.

Mr. Speaker, I join with the Greek-American community in Baltimore in calling for an immediate end to the occupation of Cyprus by Turkey. Further, Mr. Speaker, I say it is time to force Turkey to use American assistance for the purpose for which it was intended, not the occupation of Cyprus. Let us raise our voices with the Cypriot people who seek freedom for their land even as we join with my people, of Serbian heritage, in seeking freedom for the ancient and sacred province of Kosovo. America needs to know abut these tragedies where so many people have had their human rights violated.

## HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS

### HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. LAFALCE. Mr. Speaker, on July 30, on behalf of myself, the distinguished ranking minority member, Mr. MCDADE, and two distinguished members of the Ways and Means Committee, Mr. JENKINS and Mr. DAUB, I introduced H.R. 3065, a bill to increase the deduction for health insurance costs of the self-employed. This legislation represents an important first step toward reducing the health insurance gap in this country.

The bill amends the Internal Revenue Code of 1986 to allow self-employed individuals, primarily the sole proprietors and partners in many of the Nation's small unincorporated businesses, to deduct the full cost of health insurance for themselves and their families.

This legislation will rectify a fundamental inequity in the Tax Code which serves to discourage self-employed business owners from offering health benefits to their employees. All employers are entitled to deduct as a business expense the cost of providing health insurance coverage to their employees. The owner of an incorporated business may also deduct the full cost of his or her own health insurance. In the case of an unincorporated business owner, however, his health insurance costs were fully taxable under the law as it existed prior to enactment of the new tax bill.

The Tax Reform Act of 1986 addressed this unequal treatment between self-employed individuals and owners of small corporations by allowing the self-employed to deduct 25 percent of the costs of health insurance for themselves and their families, provided they offer comparable health benefits to their employees. While this modification in the Tax Code is a step in the right direction, it does not go far enough. Moreover, it is temporary; the 25-percent deduction will last only through 1989.

Mr. Speaker, there is no justification for continuing this unequal treatment of health insurance costs based on the legal form of a business. The conditions under which small corporations and unincorporated businesses operate are the same for most purposes. The tax benefits for operating as a sole proprietorship or partnership versus a corporation have been equalized in most areas, but not in the area of health insurance deductions. Partly as a result of the tax penalty imposed on health insurance costs, the Nation's unincorporated business owners are dicouraged from offering health insurance coverage to their employees.

According to recent studies, there are approximately 37 million Americans without health insurance. Two-thirds of that total are employed adults on their dependents, and almost half of all uninsured workers—over 8 million people—are in firms with less than 25 employees. Many of these workers in small firms are employed by unincorporated businesses that do not offer health benefits. In addition, the SBA estimates that there are 1.6 million business owners, primarly sole proprietors, without health insurance coverage.

The legislation we have introduced will provide an important tax incentive for the self-employed and unincorporated businesses to provide health insurance coverage for these owner-operators, their families, and their workers. The bill will raise the tax deduction for health benefit costs from 25 to 100 percent, effective January 1, 1987, and will make it permanent.

I urge my colleagues to join with us in cosponsoring this important legislation that will help to reduce the Nation's uninsured population.

I insert the text of H.R. 3065 in the RECORD at this point:

H.R. —

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. INCREASE IN AMOUNT OF DEDUCTIONS FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.**

(a) GENERAL RULE.—Section 162(m) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended as follows:

(1) by striking out "an amount equal to 25 percent of" and inserting in lieu thereof "an amount equal to"; and

(2) by striking paragraph (4).

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(1) shall apply to taxable years beginning after December 31, 1986.

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## REMEMBERING THE WOMEN WHO SERVED IN VIETNAM

### HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MURTHA. Mr. Speaker, I wish to add my support to the effort currently underway to place a statute at the Vietnam Veterans' Memorial to ensure a place in history for the women who served during that war.

I met recently with National Park Service Director William Penn Mott and expressed to him my support for this project. I believe the addition of the statue of a woman at the Memorial would be a fitting tribute to the many American women who served with honor and distinction in Vietnam. I have long felt their contribution has been overlooked by many public recognitions of Vietnam Veterans, and this statue would go a long way toward reminding Americans of present and future generations of the effort of American women in the Vietnam war.

The Vietnam Memorial Project is one I have felt particularly close to over the years. I was the first Vietnam combat veteran elected to Congress. I helped to form the Vietnam Veterans in Congress caucus. I was a member of the first congressional delegation to return to Vietnam after the War to inquire about American POW's and MIA's. I was a keynote speaker at the ceremony laying the cornerstone of the Vietnam Memorial.

I look forward to continuing to work with the Park Service and the many groups involved in this project. I endorse this statute to give proper recognition to the women who served America during the Vietnam conflict.

## THE 25TH ANNIVERSARY OF THE TEENAGE MUSICALS, INC.

### HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. SCHUETTE. Mr. Speaker, I would like to take this opportunity to give special recognition to an important organization in my district. Teenage Musicals, Inc., will celebrate its 25th anniversary on August 1 of this year. TMI has provided its community with quality entertainment, and its youngsters with an education in the musical theater since its inception.

As many as 150 young people develop their talents and share those talents with their community each August. For this year's performance, and to celebrate the 25th anniversary, TMI will produce "The Wizard of Oz."

The summer program of TMI is dedicated to teaching all aspects of the musical theatre and its production to young adults, ranging in age from 13 to 23. These talented individuals are guided and taught by adult volunteers who stress citizenship, teamwork, and leadership in their teachings. By participating in the TMI programs, young adults learn to develop personal confidence, so important to a successful and fulfilling adult life.

As an incentive, TMI initiated a scholarship program in 1978 to provide college book awards to scholastically deserving participants who are pursuing a career in the performing arts or related fields.

Operating as a nonprofit, self-supporting organization, TMI has continued to produce quality entertainment while providing an important education experience through box office ticket sales, purchased memberships, and business and individual contributions. Thousands of hours of time has been committed to the organization by dedicated individuals, such as Betty and Gerald Hath, who founded TMI. Others, such as Kay Collison, Peter Conarty, Ken Endline, Larry Johnson, and Peter Brown have dedicated many years of service to this worthy cause.

Mr. Speaker, I hope you and our colleagues will join me in commending this fine organization, its volunteers, and, most importantly, the young adults who have participated in the TMI programs. Providing our young adults with an expanded education and awareness of the fine and performing arts is a cause worthy of commendation and encouragement. I urge my colleagues in the House to wish Teenage Musicals, Inc., a joyous 25th anniversary celebration and wish them a successful future.

## CHILDREN'S GARDEN CELEBRATES TWENTIETH ANNIVERSARY

### HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mrs. BOXER. Mr. Speaker, in February 1988 the Children's Garden, a nonprofit residential treatment center for emotionally disturbed and physically abused children 3 to 10 years of age, will celebrate 20 years of service to the San Francisco Bay community.

Seriously disturbed children need sound parental nurturing and a stable environment to grow and develop properly. The Children's Garden provides intensive treatment with three group homes and sets of "parents" who provide the love and guidance to meet the "family" needs of each child. Parents also receive counseling to help reverse the generational cycle of abuse and neglect.

The Children's Garden conducts research in treatment intervention and provides training to other residential treatment agencies throughout the country. This extensive research has allowed the Children's Garden to develop several types of outpatient treatment centers and a highly successful 3-month Placement Evaluation Program which identifies a child's needs and formulates a comprehensive plan for treatment.

The Marin Academic Center, created and run by the Children's Garden, is a unique private school for children whose emotional problems are too severe to be handled in the public school. The center usually achieves its difficult goal of returning children to public school at the grade school level.

The Children's Garden also operates an emergency shelter home to provide critical 24-hour emergency service for children up to 11 years old who need immediate protection from their home environment. Another important Children's Garden innovation is the Specialized Foster Care Program which provides intensive treatment for children being cared for in the community.

Over the past 20 years, the Children's Garden has done the San Francisco Bay area community a great service by teaching children who have only known betrayal and violence to trust, love, and become active members of the community.

## THE TRAGIC DEATH OF LT. JAMES LAZEVNICK

### HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. DYSON. Mr. Speaker, yesterday yet another tragic accident occurred in the Persian Gulf. At 5:58 p.m. yesterday, a U.S. Navy helicopter crashed into the Persian Gulf while trying to land on the *LaSalle*, an American military command ship. Of the nine crew members on board at the time, five were later rescued. But there were also three missing, and one dead. The patriotic Navy man who gave his life in the line of duty yesterday was Lt. James Lazevnick, a resident of Waldorf, MD.

Lt. JG. James Lazevnick is not the only person from the First District of Maryland who has recently sacrificed his life for our great country. In 1985, Navy diver Robert Stetham, also of Waldorf, was tortured and murdered by a group of terrorists who took over TWA flight 847. The political chaos of the Middle East is increasingly affecting the lives of the men and women responsible for the national security of the United States.

The reason for the presence of U.S. forces in the Persian Gulf is the protection of our vital oil supply lines and the defense of the freedom of navigation in international waters. Lives will inevitably be lost in the protection of our national security. And I believe the United States should and must maintain its presence in the gulf. On July 8 of this year, I voted in favor of the Lowry amendment to H.R. 2342, the Coast Guard authorization bill. This amendment specified that the reflagging of Kuwaiti ships should be delayed for 90 days until a comprehensive plan could be devised.

The American people can no longer support any incidents such as the brief United States presence in Lebanon, which resulted in the death of over 200 U.S. marines. We have the responsibility to protect all American lives to the best of our ability. Serious questions remain; questions regarding our allies' role in view of their equally vital interest in this effort, and how the United States can best protect these vital interests. Even more importantly, I feel that we should never enter into an unstable region such as the Persian Gulf, without first adopting a clear policy objective.

This plan should include how we will react to the variety of challenges that our defense forces will face during this difficult operation. For example, what will the United States do if an unidentified attack on its forces occurs? And what will the United States do if Iran dictates the use of "any means necessary" for

its "legitimate defense?" We also need to coordinate the role that our various allies will play in this operation. Mr. Speaker, the United States must make well known and well understood its unwavering will to protect the free world's interests in the Persian Gulf.

Mr. Speaker, the free flow of oil through the Gulf is equally vital to our allies. I would like to see British and French soldiers next to Americans protecting the Gulf. This operation should be a mutual effort among all the nations who need to keep the Gulf open. The United States cannot and should not bear the burden of protecting the freedom of the Gulf alone. And this mutual defense effort must be carried out according to reasonable and comprehensive guidelines.

I hope that, on this day of mourning, Lieutenant Lazevnick's tragic death will move us to once more think about not only why we are in the Gulf, but, more importantly, how we are going to best protect our interests. The lives of our American soldiers depend on it.

## THE 25TH ANNIVERSARY OF JAMAICAN INDEPENDENCE

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. RANGEL. Mr. Speaker, today marks the 25th anniversary of Jamaica's independence from British control. The Jamaican people are abound in a major celebration on this day, marking years of positive growth and development. I share in the joy of the Jamaican Government and I am pleased to stand before you to express my heartfelt joy for the freedom of that country from British colonial rule.

Since its independence, Jamaica has served as a model developing nation, supporting the principles of democracy and self-help. In perpetuating its national motto, "Out of many, one people," the new governments of this beautiful island paradise have worked consistently to create an environment where all profit from the wealth of the land.

Mr. Speaker, most American citizens know Jamaica for its beaches, warm waters, and its friendly citizens. Tourism, one of Jamaica's most profitable businesses, serves as this nation's leading attraction to most visitors. It is also this characteristic, along with the determination of the people to succeed, that has helped this young democracy to survive.

I think it is only fitting to note that as Jamaica is celebrating its 25th Anniversary as an independent country, it is also celebrating the centennial birth of its first declared national hero, Marcus Garvey. Marcus Mosiah Garvey recognized that liberation for persons of African descent, whether personal or national, meant overcoming beliefs of prejudice, bigotry, half-truths, fears, and propaganda. He called on all of Jamaica's people to lift themselves up and to liberate their minds of mental slavery.

Today his message is as alive as ever. And, as we celebrate the 25th anniversary of Jamaica's independence as a nation, let us recognize that independence is not simply a historical event, but is a continuing process for each generation to define how it will meet the challenges of the day. Mr. Speaker, I am pleased to say that this country, and its people, are meeting those challenges and rising to the occasion as a shining start.

## PERSONAL EXPLANATION

### HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mrs. SCHROEDER. Mr. Speaker, I was absent the afternoon of July 28 and the morning of July 29. Had I been present, I would have voted as follows:

Rollcall No. 285: "Yea."
Rollcall No. 286: "Yea."
Rollcall No. 287: "Nay."
Rollcall No. 288: "Nay."
Rollcall No. 289: "Yea."

## A TRIBUTE TO EDMUND C. SAJOR

### HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. MINETA. Mr. Speaker, I would like to take a moment to pay tribute to Edmund C. Sajor, who passed away on June 14, 1987. Ed was a man who spent a lifetime in public service and who personified the love of civic duty, a love he imparted to others.

Ed Sajor devoted his life to public service in the San Francisco Bay area and his professional career was most impressive. He served as the assistant general manager of the Bay Area Rapid Transit District [BART] while the system was under construction. During Ed's tenure with BART he was the top liaison with local city and county governments and played a major role in obtaining Federal mass transit grants. He then left BART to join the Pacific Gas and Electric Co. and became their director of public affairs. Ed complemented his professional career by bringing his energy, compassion, and public service experience to many local and national organizations.

In the San Francisco Bay area, Ed Sajor served as president, board of directors of the Paramount Theatre for the Arts; he was on the advisory board for St. Rose Hospital; he was a member of the board of rectors of the Spanish-speaking unity council; and, he sat on the citizens advisory task force—East Bay Municipal Utility District. And yet, these were but a few of Ed's civic activities.

Ed Sajor devoted as much time and expertise to national organizations as he did for local community causes. Ed was past chairman and trustee of the CORO Foundation, a national leadership training program in public affairs; he sat on the advisory board of the United Negro College Fund; and more recently he served as chairman of the board of directors for Neighborhood Housing Services of America, helping thousands of low-income Americans obtain affordable housing opportunities. Ed Sajor will live in the hearts of his friends, but he will also live on through the thousands of lives who have been helped and touched by his selfless spirit.

Mr. Speaker, the San Francisco Bay area and our Nation has suffered a great loss with the passing of Ed Sajor. Ed leaves a legacy of love, competence, and devotion to his family, profession, and the people of this country. I respectfully request that my esteemed colleagues in the House of Representatives join me in extending our deepest sympathy to his family and in honoring the memory of Edmund C. Sajor.

## A TRIBUTE TO THE HILL-SMITH FAMILY REUNION

### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 3, 1987*

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the Hill-Smith family reunion, a wonderful event that is soon to take place in my 17th Congressional District. It is my distinguished honor to be able to inform my fellow members of the U.S. House of Representatives that this joyful family reunion will take place at the Holiday Inn Metroplex on August 8, 1987, in Youngstown, OH. Please allow me a few moments to give my colleagues a brief history of how this reunion developed.

When Dorothy (Griswold) Preston and her mother Annie Sue (Hill) Griswold went to Georgia in 1971 for a funeral, they were so deeply moved at seeing numerous family members for the first time that they were motivated to organize the first Hill-Smith Family Reunion. Their slavish work and countless hours of preparation paid off when over 350 relatives from 17 States attended the first family reunion in St. Louis in 1972. Since that time, family reunions have been held in many varied locations, including Atlanta, New York, and San Diego. A Hill-Smith Street was named in their honor in Cincinnati, a Raymond Hill Road was proclaimed in Newman, GA, and they have received proclamations from the city of St. Louis.

The theme for the Youngstown family reunion is "The Heartbeat of the Family." Family members are eagerly awaiting all of the reunion activities, which include a brunch, a dinner-dance, a tour of Youngstown, and other entertainment. It truly warms my heart to see this beautiful family making such a Herculean effort to remain close to each other. Thus, it is with thanks and special pleasure that I join with the residents of the 17th Congressional District in recognizing the beautiful family spirit and joyous occasion involved in the Hill-Smith family reunion.

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees

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to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, August 4, 1987, may be found in the Daily Digest of today's RECORD.

## MEETINGS SCHEDULED

### AUGUST 5

9:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

9:30 a.m.
Energy and Natural Resources
Business meeting, to resume consideration of certain spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 93, setting forth the congressional budget for the United States Government for fiscal years 1988, 1989, 1990, and 1991.
SD-366

Finance
Business meeting, to consider proposed legislation on Airport and Airway Trust Fund Excise Taxes, and the nomination of M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury.
SD-215

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to consider pending calendar business.
SR-332

Banking, Housing, and Urban Affairs
To hold oversight hearings on certain financial restructuring proposals.
SD-538

Foreign Relations
To hold hearings on S. 1437, to make certain members of foreign diplomatic missions and consular posts in the United States subject to the criminal jurisdiction of the United States with respect to crimes of violence.
SD-419

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

2:00 p.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To hold hearings on S. 1507, to provide for the uniform disclosure of the rates of interest which are payable on savings accounts.
SD-538

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 641, to provide for the relief of the city of Minot, North Dakota from liability for repayment of a specified sum associated with excess capacity of the Minot Pipeline resulting from enactment of the Garrison Diversion Unit Reformulation Act (P.L. 99-294), S. 649, to provide for an increase in authorized funds for construction at the Oroville-Tonasket Unit, Washington irrigation project, and S. 1549, to increase the authorization ceiling for the Closed Basin Division, San Luis Project, Colorado.
SD-366

3:30 p.m.
Foreign Relations
Closed briefing on Arab-Israeli military balance.
S-116, Capitol

### AUGUST 6

9:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

9:30 a.m.
Environment and Public Works
Hazardous Wastes and Toxic Substances Subcommittee
To hold oversight hearings on management of solid waste.
SD-406

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings on the limited securities powers for bank holding companies.
SD-538

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on proposed legislation authorizing funds for adult education programs.
SD-430

10:45 a.m.
Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
To resume closed hearings to review international drug control programs, focusing on law enforcement and foreign policy in the Central America region.
S-116, Capitol

1:30 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on S. 1320, to provide adequate funding levels for solar energy research and development, to encourage Federal procurement of solar energy systems, to encourage Federal loans for solar energy equipment, and to enhance the international competitiveness of the solar industry, and S. 1554, to provide Federal assistance for research, development and demonstration of renewable energy and energy conservation.
SD-366

2:00 p.m.
Judiciary
To hold hearings on the nomination of Susan W. Liebeler, of California, to be U.S. Circuit Judge for the Federal Circuit.
SD-226

Select on Indian Affairs
To hold hearings on S. 1475, to establish an effective clinical staffing recruitment and retention program within the Indian Health Service.
SR-485

3:00 p.m.
Select on Ethics
Closed Business meeting, to consider pending committee business.
SH-220

4:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

### AUGUST 7

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.
SD-192

9:30 a.m.
Joint Economic
To hold hearings to review the employment/unemployment statistics for July.
SD-628

10:00 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on a proposal to define insider trading.
SD-538

### SEPTEMBER 10

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on proposed legislation to create an independent Federal Aviation Administration.
SR-253

### SEPTEMBER 15

9:00 a.m.
Small Business
Government Contracting and Paperwork Reduction Subcommittee
To hold hearings to examine the impact of a series of amendments to the Small Business Act as contained in the Department of Defense Authorization Act for Fiscal Year 1987 (P.L. 99-661).
SR-428A

### SEPTEMBER 17

10:00 a.m.
Small Business
To hold hearings on S. 818, to provide permanent authorization for White House conferences on small business.
SR-428A

### SEPTEMBER 18

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on product liability.
SR-253

### SEPTEMBER 22

10:00 a.m.
Small Business
To hold oversight hearings on the Small Business Administration small business development center program.
SR-428A

### SEPTEMBER 29

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study to review coastal zone management consistency provisions.
SR-253

## CANCELLATIONS

### AUGUST 4

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

### AUGUST 5

10:00 a.m.
Small Business
To hold hearings on the impact of section 1706 of the Tax Reform Act of 1986 (P.L. 99-514) relating to technical service workers as independent businesses.
SR-428A

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# SENATE—*Tuesday, August 4, 1987*

The Senate met at 11 a.m. and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*The Lord is my shepherd. I shall not want* * * * .—Psalm 23:1.

Loving God, those precious words of King David, so familiar to all of us, remind us of constant daily benefits so routinely received that we fail to acknowledge them and be thankful. We slept in comfortable beds last night. Many had no place to sleep. We were able to get out of bed. Many did not. We wanted to get out of bed. Many did not. We enjoyed the luxury of bath or shower. Many have no water to drink. We had a good breakfast. Many did not. We came to work. Many had no work to come to. We can see and hear and think and feel and walk. Many cannot. Most of us always have more than we need of everything. Many never have enough of anything they need. Faithful Father in heaven, our lives are filled with blessing. Many of us live as though You are nonexistent and unimportant. Forgive us, Gracious God, for our negligence in appreciation. Help us to be thankful. In Jesus' name. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, August 4, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

JOHN C. STENNIS,
*President pro tempore.*

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

## THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## RESERVATION OF LEADERSHIP TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved for his use.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond 11:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes.

## OVERALL THE CONGRESS HAS REDUCED REAGAN SPENDING REQUESTS

Mr. PROXMIRE. Mr. President, recently President Ronald Reagan visited my State of Wisconsin to tell the people of my State how wasteful, how irresponsible, how downright reckless the Congress was behaving in spending the taxpayers' money. One Wisconsin paper carried a massive front page picture of my distinguished colleague Senator BOB KASTEN holding a giant, billboard-size credit card with President Reagan manning a king-size pair of scissors, presumably in the process of clipping Congress' huge spending down to size. Apparently President Reagan is carrying this—Congress is spending the Nation into ruin—campaign all over the country, shouting from the rooftops as only a President can about the extravagant, playboy ways of this Congress.

Now, I am a Democrat and President Reagan is a Republican. But I see nothing at all wrong with the President's rhetoric. He has every right to do this. In fact, he has a duty to go out and tell the American people how wasteful the Congress has been. He is right. He is telling the truth. But he is not telling the whole truth. In fact, he is leaving out the most important part of this story. He is not telling what to his Republican audiences would surely be an astounding fact. And that is that the President has in his 6 years in office actually called for more spending than the Congress.

Ponder that for a long minute, Mr. President. The President's budget sets the pace for spending by this Government. Oh, yes, indeed, the Congress has the constitutional right to modify that Presidential budget: to adopt it precisely as the President sends it to us in the Congress, to increase what the President requests or reduce it. We the Congress—not the President—have the final word. The buck stops with us. So the Congress must assume the final, ultimate responsibility for spending and for the deficit. That is a test for the Congress. The Congress has, indeed, flunked that test. We have flunked and flunked miserably. But, Mr. President, if we have flunked, how has the President done on this spending test? Let us take a look at the record. President Reagan has sent a budget to the Congress that provides the basis for final congressional action for 6 years: 1982 through 1987, inclusive. The President has modified his requests from time to time with requests for supplemental spending.

During these 6 years has the Congress increased or decreased Presidential spending requests? If the Congress had given the President precisely what he called for in spending, would we have balanced the budget? Would he have sharply reduced the deficit? Or, Heaven forbid, is it possible this irresponsible Congress actually cut the President's budget request? Answer: The Congress actually reduced the President's controllable spending requests by $26.6 billion. If we subtract $7 billion in Reagan rescission requests on which the Congress refused to act, we end up with Congress reducing President Reagan's spending requests by a net of $19.6 billion. So if the President had his way, and if the Congress had given the President exactly the budget he requested, the national debt would be $19.6 billion bigger today than it is. What's more, the Congress is doing better and the President is doing worse as time passes. In the 2 years, 1982 and 1983, the Congress did indeed, increase the spending requested by President Reagan. But in the 4 years 1983 through 1987 the Congress reduced the President's spending requests by enough to make up for that earlier excess and actually net over the full 6-year period $19.6 billion less spending.

The real difference between the President and the Congress is not in spending. Both are almost equally at fault with a slight edge in extravagance going to the President. The difference is in priorities. The President has, indeed, restrained the Congress in its social spending. The Congress has restrained the President in military spending. Obviously, what we need for a responsible fiscal policy is either to futher restrain spending on both social and military programs or to raise taxes or to do both.

How ironic. Here we have a President who is travelling around the country denouncing the Congress for irresponsible spending although the Congress has actually reduced his budget requests. And let no one forget that the President has more to say about the size of the Federal Government budget than anyone else. He sends the Congress the original document. He can fight against congressional increases in spending with all the expertise of the great spending departments of our Federal Government. They are all his to command. He can bring public pressure to bear on Members of the Congress through his unmatched access to television, radio, and the press. When he travels around the country he commands public attention like no one else. And this President is very highly skilled as a communicator and a master of the media. The President also has the ultimate power over congressional spending—the veto. If he disapproves of a spending bill, if it is too high, he can veto it. All he needs is a one-third plus one of either House and the spending bill the President opposes is dead. The President's Republican Party has more than one-third of the House and more than one-third of the Senate.

So what sense does it make for a President to blame the Congress for any excessive spending? Can't he veto any spending bill? He can indeed. Can't he sustain that veto by simply rallying his Republican troops in either House of the Congress? Of course he can. And especially what sense does it make for a President to refuse to share the blame with Congress when the Congress has cut his spending by billions of dollars?

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

## RECESS FROM 12 TO 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon today and 2 p.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. BYRD. This will accommodate the conferences of the two parties. At 2 o'clock today, Mr. President, it is my plan to proceed with the FSLIC conference report. There is a time agreement on that report, so we will dispose of that today. Mr. PROXMIRE, chairman of the Committee on Banking, is here. I think he is very agreeable to proceeding at 2 p.m. with the report.

Mr. PROXMIRE. I thank the majority leader.

We are ready to go, and I think we can handle the report expeditiously. As the Senator knows, it passed the House by an overwhelming vote, and I believe that the Senate will probably adopt it also by an overwhelming vote.

Mr. BYRD. I thank the chairman.

Mr. President, I would hope that we could take up the catastrophic illness legislation today. When the distinguished Republican leader is on the floor, I shall query him as to that possibility. There are no objections on my side of the aisle. There have not been any objections that I know of to taking that up, and I hope we will be more successful than we were yesterday in the effort.

## EXTENSION OF TIME FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the period for morning business be extended to the hour of 12 noon and under the same restrictions as heretofore ordered.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## RECESS UNTIL 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, the Senate at 11:20 a.m. recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DASCHLE].

## RECESS UNTIL 2:30 P.M.

The PRESIDING OFFICER. The Senate will stand in recess for an additional 30 minutes, without objection.

Thereupon, at 2 p.m., the Senate recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. FOWLER].

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Georgia, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

## MEASURES READ THE SECOND TIME

Mr. BYRD. Mr. President, before the Chair announces the close of morning business, there are two measures on the calendar of bills and joint resolutions read the first time.

The PRESIDING OFFICER. The clerk will read the first measure for the second time.

The assistant legislative clerk read as follows:

> A bill (H.R. 1994) to amend the boundaries of Stones River National Battlefield, and for other purposes.

Mr. BYRD. Mr. President, I object to any further consideration of this measure at this time.

The PRESIDING OFFICER. Objection having been heard, the measure will be placed on the calendar.

The clerk will read the second measure.

The assistant legislative clerk read as follows:

> A joint resolution (H.J. Res. 216) to support a cease-fire in the Iran-Iraq war and a negotiated solution to the conflict.

Mr. BYRD. Mr. President, I object to further proceedings on this resolution at this time.

The PRESIDING OFFICER. Objection having been heard, the measure will be placed on the calendar.

## CONFIRMATION OF DR. ALAN GREENSPAN

Mr. SASSER. Mr. President, yesterday the Senate confirmed Dr. Alan Greenspan as Chairman of the Board of Governors of the Federal Reserve System. It is not everyday that the Senate has the assignment of confirming the nominee for what we understand to be the second most important job in America. Indeed, the Chairman of the Federal Reserve can probably have more impact on the international economic situation than perhaps any single individual.

The overwhelming vote to confirm Dr. Greenspan underscores the belief of many, including myself, that Dr. Greenspan will provide outstanding leadership in his new post. He clearly has the requisite qualifications for this demanding job. He holds a Ph.D.

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in economics from New York University. He is an experienced and distinguished economist, having worked in the field for over 40 years. Moreover, he has served with distinction as Chairman of the Council of Economic Advisers, and as a member of the board of directors of some of America's leading corporations. In short, he is more than qualified for the job.

Dr. Greenspan will need his considerable skills in dealing with an economic and political situation today unlike the previous few occasions during which we have considered nominees for the chairmanship of the Federal Reserve. Indeed, the nomination of Dr. Alan Greenspan, and the situation today, does raise a number of particular considerations. In fact, my colleagues and I on the Banking Committee pointed out several issues and raised a number of questions during Dr. Greenspan's confirmation hearing 2 weeks ago. I would like to repeat some of them here today so that they are part of the record on Dr. Greenspan's nomination.

First, many of the members of the committee were concerned that Dr. Greenspan would not be enough independent of the economic and political agenda of the Reagan administration. We wondered if Dr. Greenspan would be able to resist pressure to pursue policies which would not be in the best long-term interest of the American people but might be in the short-term best interests of the administration. Dr. Greenspan answered that he would be able to resist such pressure. I believe that this will be the case.

Second, I wondered if Dr. Greenspan would feel compelled to prove himself as an inflation fighter and clamp down hard on monetary controls, thereby raising interest rates and sacrificing the jobs and home ownership aspirations of millions of Americans. I cannot forget that in 1981 and 1982 there was much concern in Congress, indeed all across the Nation, with regard to the monetary policy of the Federal Reserve. Tens of thousands of businesses were destroyed, thousands of farms were lost, as well as millions of jobs, in pursuit of an economic policy that I think went too far. I am somewhat concerned that the Federal Reserve could still pursue overly rigorous monetary policies with such devastating consequences in the future.

Third, I was curious as to how Dr. Greenspan would address today's economic excesses that are compared by some other economic scholars to those that occurred prior to the stock crash of 1928: for instance, the current takeover craze and the enormous and frightening increase in corporate debt which it has engendered. Mr. President, I am pleased that Dr. Greenspan recognized this great increase in corporate debt—almost $400 billion in 2 years—and attributed it rightly to increased merger and acquisition activity in the economy. He is concerned, as am I, about the impact this increased debt will have in exacerbating the next business downturn. It is reassuring to know that the new Chairman will be focusing on this problem area.

The last major issue on which the committee focused in the confirmation hearing is separation of banking and commerce. We wanted to know that Dr. Greenspan considered to be the proper approach to deregulation of, and expanded powers for, commercial banks. Members of the committee asked Dr. Greenspan if he thought that we are approaching the day when any kind of a company can own a bank and accept federally insured deposits. We asked him what should be the required regulatory safeguards against risk, conflicts of interest and economic concentration, if banking and commerce are combined.

Mr. President, these last few points on the separation of banking and commerce represent areas where I do differ with Dr. Greenspan's ideas. I do not believe, as does Dr. Greenspan, that a simple bureaucratic barrier can be erected with a "financial services" company that would adequately protect insured deposits, as well as prevent conflicts of interest and economic concentration, particularly if such financial powers as the banking, insurance and securities industries were to be combined. The Banking Committee will closely examine these issues in the coming months. Moreover, my colleagues and I on the Banking Committee will closely monitor the Federal Reserve's actions in this area as we deliberate over the future course for our Nation's banking system.

Despite this area of disagreement, I supported Dr. Alan Greenspan's nomination to be Chairman of the Board of Governors of the Federal Reserve System. I have a great deal of respect for his experience, his academic credentials and his ability to become a leader of the world economy. As a member of the Senate Banking Committee, I am looking forward to working with him on the multitude of important issues which face our financial system.

## REVIVE THE DRAFT, BREATHE NEW LIFE INTO OUR DEMOCRACY

Mr. HOLLINGS. Mr. President, the word from the campaign trail is that what America needs is new ideas. Well, I am sponsoring legislation that embodies an especially timely new idea—to be exact, and idea whose time came and went, and today has come again. The idea is complusory military service, revival of the draft. And the time for action is now, in the 100th Congress.

Since the early 1970's, we have muddled through our great experiment with a volunteer military. Certainly, in the abstract, it seems desirable to have a military in which everyone serves of their own free will. I do not deny that our peacetime volunteer military consists, by and large, of dedicated men and women.

However, the reality is that this is not a truly voluntary force—any more than a 19-year-old's employment at the corner gas station or at McDonald's is a voluntary job. As a practical matter, for hundreds of thousands of undereducated, unskilled, unemployed young people, the military has become an employer of last resort.

And while its voluntary nature is dubious, there is no question that ours is a less than democratic military. It is a military drawn disproportionately from the lower classes, from minorities, from the undereducated and disadvantaged. If we were to go to war tomorrow, the sons of suburbia would watch it on TV—if they choose to watch it at all—while the sons of the inner city, the sons of rural South Carolina would fight and die in radically disproportionate numbers.

Surely, this is a fundamental injustice. More important, it is a corrupting influence on our democracy. Not, as some originally feared, because the professional military constitutes a dangerous, independent political force. It doesn't. That simply is not a part of our tradition.

No. The corruption of our democracy is more subtle and insidious. The volunteer Army has created a whole generation with no concept whatsoever of service to country. It has permitted young people to tune out politics, in the smug assurance that if conflict comes, they will not have to participate. Conversely, it has created an environment in which our Government can blunder into a war—whether in Beirut or the Persian Gulf or Central America—because influential segments of the middle and upper classes don't give a hoot. After all, it is not their sons who will be called upon to fight and die as a result of unwise policy decisions.

Mr. President, at a future date, I will have more to say on this subject. As I said, I have introduced legislation in the 100th Congress—as I did in the 98th and 99th Congresses—to restore the draft. I look forward to hearings on this bill in the Armed Services Committee. In the meantime, I commend to my colleagues a column by Mark Shields in this morning's Washington Post. His arguments are profoundly on the mark—especially at a time when we contemplate the specter of open warfare in the Persian Gulf.

Mr. President, I ask unanimous consent that the Shields column be entered in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

### "VOLUNTEERS" FOR AMERICA

(By Mark Shields)

In the mined waters of the Persian Gulf, the men and ships of the United States gamble with death. But here in Washington, there is toward that gathering crisis a conspicuous absence of concern. On Capitol Hill and among the leading commentators, the dominant attitude with few exceptions is one of detached passivity. This is not because of preoccupation with the Iran hearings, nor is it a sign of a more worldly tolerance of the use of organized force by the United States. No, the explanation for the disinterest of the powerful is more base: the American establishment has no direct, personal stake in the armed forces of this country.

The American establishment—political and journalistic—lives in a different country from those Americans whose lives are at risk off Farsi Island or those whose lives were ended in a bombed Marine barracks in Beirut. They belong to different classes in proudly classless America. It's a sure bet that any Washington dinner party guest—conservative or liberal—does not personally know a single one of the nearly 2 million enlisted Americans currently in our armed forces, but that the same guest does personally know at least one of the 20,000 Americans who have died of AIDS.

This is an indisputable legacy from Vietnam, the war that imposed no home-front shortages or rationing and demanded no civilian sacrifices. It was a war that made few Americans uncomfortable and no Americans poor. Of course, Vietnam did make 58,135 Americans dead.

In any war, most of the fighting and the dying are done by the youngest soldiers holding the lowest rank. Vietnam was no exception: more than three out of four of the Americans killed there were enlisted men between the ages of 17 and 22 and under the rank of staff sergant. And they came, as do our current defenders, disproportionately from the working-class neighborhoods of our nation.

South Boston was just such a working-class neighborhood of approximately 2,000 draft-age young men during the 1960s. In Vietnam, 25 South Boston sons and brothers died in the service of their country. Between 1962 and 1972, Princeton graduated more than 8,000 men; six of them died in Vietnam. MIT graduated 8,998 during the same period, and two alumni were killed in Southeast Asia. Harvard graduated 12,595 men during those years, and 12 of them were killed in the war. For Notre Dame the numbers were 13,501 graduated and 38 killed.

Public pressure eventually forced U.S. withdrawal from Vietnam. That public pressure mounted then because young men from every social and economic background were at least threatened with service in that war. That particular political reality has been lost on today's peace advocates who make common cause with the Nixon-Reagan policy which rests on the flimsy moral premise that the rich and the educated ought to be exempt from defending the country.

A few passionate opponents of the "all-volunteer" military had earlier warned that such an isolated military establishment, absent the constant civilian infusion of draftees, would be a potential force in American life. Antimilitary alarmists hinted darkly at the prospect of a "Seven Days in May"-type takeover of the government. Such fears proved groundless. But the saga of Lt. Col. Oliver North suggests how a veteran Marine might intimidate a nonveteran like Assistant Secretary of State Elliott Abrams, who as a 1969 Harvard graduate supported U.S. presence in Vietnam for those young men from South Boston.

An exponent of military escalation with personal participation, along with Patrick Buchanan and a number of syndicated anti-communists, Abrams was almost certainly an easy mark for buffaloing by a swaggering combat hero like North, who survived the killing fields of Vietnam while Abrams was viewing the action from the London School of Economics.

We act as a nation when, as a people, we share the obligations and the perils of our common defense. The most fortunate have now imposed a policy that the burden of defending the country is to be in effect the exclusive burden of the less fortunate. Implicit in that policy is the premise that defending our nation is dirty work to be avoided by those who have been given more. Until we repeal the current system, which requires that the nation's defense be provided by young men and women whose names and identity are unknown to the nation's establishment leadership, that establishment will be able to treat national strategy as a theoretical abstraction, not as a specific policy option that could entail the life or death of their own sons and loved ones.

## CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be closed and, if it is agreeable with the distinguished chairman of the Committee on Banking, that the conference report on the Federal savings and loan legislation be laid before the Senate.

The PRESIDING OFFICER. Morning business is now closed.

## FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION RECAPITALIZATION ACT—CONFERENCE REPORT

The PRESIDING OFFICER. The clerk will now report the conference report.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forebearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal home loan bank system having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 3, 1987.)

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I rise to address the Senate today with pride in my colleagues on both sides of the aisle; with pride in the product of our mutual efforts, the Competitive Equality Banking Act of 1987; and with pride in the spirit of compromise between the administration and the Congress that made this legislation possible.

As we all know, this legislation closes the nonbank bank loophole, thereby reinforcing the longstanding separation between banking and commerce. It also recapitalizes the Federal Savings and Loan Insurance Corporation in order to restore public confidence in that crucial Federal institution. These are just 2 of the most critical components of the 12 titles comprising this important legislation.

Before reviewing those titles, I want to recognize some of the Members whose efforts this year and in years past made this legislation possible. The man on my right, my friend and colleague Senator JAKE GARN, merits my sincerest appreciation. Despite his deep reservations about some elements of the bill, he has steadfastly supported—and through his efforts improved—numerous other elements of the bill, particularly the FSLIC recapitalization. We should not forget that much of the bill now before us was passed by the Senate in 1984 and 1986 under the leadership of Senator GARN, who was then chairman of the Banking Committee. We must also not forget the crucial role Senator GARN has played during the past few weeks in helping construct a compromise that strengthened the legislation and averted a veto. Senator GARN, for myself and, I believe, for the other Members of the Senate also—thank you for your help.

Appreciation must also be extended to the Senate conferees on this complex and important legislation—Senators CRANSTON, RIEGLE, SARBANES, DODD, and DIXON, for the majority, and Senators HEINZ, ARMSTRONG, D'AMATO, and GRAMM, for the minority. Through the long hours of conference negotiations, they were patient, tough, and constructive. Their individual contributions are reflected again

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and again in the provisions of this important bipartisan legislation. For your efforts, on behalf of us all, thank you.

The other distinguished members of the Senate Banking Committee, the members of the House Banking Committee, and the House conferees also merit our highest appreciation. To House Banking Committee Chairman ST GERMAIN and ranking minority member WYLIE we owe a particularly large debt of gratitude. The efforts of these two distinguished legislators in past Congresses as well as this one helped immeasurably in bringing this legislation to fruition.

The Senate and House Banking Committee staffs, led by Ken McLean and Lamar Smith in the Senate and Paul Nelson and Tony Colt in the House, did a superb job. They were ably supported by Rob Dugger, Rick Carnell, and John Dugan. These gentlemen spent literally days and nights and weekends working on this important and complicated bill. In my judgment there are no better staffs in the Congress than the remarkable people who serve these two committees. They were at their best on this banking bill.

Our appreciation, however, is not limited to Members of Congress and our staffs. The efforts of several administration officials, particularly those of Treasury Secretary James Baker, have been pivotal. I think that we all know that there is nobody in the administration who is wiser, more adept and more cooperative in these matters than Secretary Baker. For their contribution to the enactment of this legislation, I extend to these officials my deepest appreciation.

Mr. President, the Competitive Equality Banking Act represents truly the best in bipartisan efforts and addresses a wide variety of financial institution issues. Let me now review the more important of them.

Title I closes the nonbank bank loophole and places restrictions on existing nonbank banks. By reinforcing the separation of banking and commerce, it:

Helps ensure that banks allocate credit impartially and without conflicts of interest; strengthens bank supervision and reduces the risk that banks will become entangled in the problems of nonbank affiliates; helps protect the payments system; reduces the unfair advantages that commercial companies controlling nonbank banks have overregulated bank holding companies and over commercial companies that have no nonbank bank; and reduce the potential for excessive concentration of economic power.

Title II imposes a temporary moratorium on Federal regulatory approval of certain new powers for banks and bank holding companies in order to give the Congress time to make basic decisions about the future structure of financial services. To lay the groundwork for those decisions, the Banking Committee is already holding comprehensive hearings on the issues involved, and I expect that we will bring a bill to the floor later this year.

Title III recapitalizes the Federal Savings and Loan Insurance Corporation. It authorizes the FSLIC Financing Corporation to borrow $10.825 billion which, together with deposit insurance premiums, can be used to resolve problem cases.

Title IV seeks to facilitate the recovery of thrift institutions that are troubled but viable and well-managed. It represents a substantial amelioration of the forbearance provisions passed by the House. Title IV also requires thrift institutions to use generally accepted accounting principles in place of the discredited system of regulatory accounting. I want to commend Senator PHIL GRAMM for his energetic and successful efforts to improve the House bill.

Title V strengthens the authority of the Federal banking agencies to arrange interstate sales of failed or failing banks. It also authorizes regulators to operate failed banks for up to 3 years while seeking to find purchasers for those institutions.

Title VI restricts banks and other depository institutions from placing excessive holds on money deposited by check.

It is the fruit of years of diligent effort by Senator DODD and others. I am sure that many people in the general public will find that this is the part of the bill that is most understandable and most helpful to them on a day-to-day basis.

Title VII gives the National Credit Union Administration additional flexibility in its supervision of credit unions.

Title VIII, authored by Senator DIXON, permits agricultural banks to amortize losses on certain agricultural loans.

It is a real boon to farmers not only in Illinois and Utah and Wisconsin but throughout our country, and I think Senator DIXON deserves special credit for his good work.

Title IX reaffirms the sense of the Congress that federally insured deposits are backed by the full faith and credit of the U.S. Government.

In conclusion, Mr. President, our financial system faces many acute difficulties and challenges. The conference report before us represents our best, bipartisan effort to ameliorate those difficulties and to prepare to meet the challenges of financial modernization. The conference report touches the foundations of our financial structure because the problems and challenges are profound. It is complex because those problems and challenges are complex.

Mr. President, this is not the bill I would have written if I had my way. It is not the bill Senator GARN would have written if he had his way. Indeed, it is not the bill that any Member of the House or Senate would have written if he or she had their way. It is a product of compromise and, like all compromises, it has its good points and its bad points. But on balance, I believe it represents a constructive first step toward solving some of the underlying issues in financial and banking legislation that have stalemated our efforts over the last several years.

I believe the most important and significant contribution made by the legislation is to remove the politically divisive issue of the nonbank bank loophole from our congressional deliberations. The nonbank bank loophole has dominated our agenda far too long. It has pitted bank against bank and made it difficult for the Congress to focus on the broader issue of financial restructuring. With the nonbank bank loophole issue now behind us, I am confident we can move on to the broader issues of financial restructuring.

In particular, Mr. President, I believe we need to take a close look at our policy of separating commercial banking from investment banking in the light of today's financial technology and marketplace. The Glass-Steagall Act may have made some sense 54 years ago when it was put on the books although there is a growing body of historical evidence that the Congress may have overreacted to abuses that were prevalent among all securities firms and not just bank affiliates. In any event, a lot has happened since 1933 and the Congress needs to face up to the policy implications of these changes. The distinction between commercial lending and securities underwriting is rapidly eroding under the pressure of the marketplace. Our task as legislators is to examine these changes and design a system that will serve our economy for the last decade of this century and well into the next century.

We want a system that will provide maximum economic growth and competition consistent with safety and soundness. It is no small task. I look forward to working with the members of the Banking Committee and with Secretary Baker to help achieve this long overdue modernization of our financial system.

I yield the floor.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I thank the distinguished chairman of the Senate Banking Committee for his kind remarks about my work in the committee in the past.

I would note that the chairman and I have had rather an unusual relationship over the last nearly 13 years. We have served together that long on the Senate Banking Committee with our chairmanships almost equally divided. Chairman PROXMIRE was chairman for 6 years. I was chairman for 6 years. Now he has me by half a year but I intend to get that back at some time in the future.

But we have had a unique and friendly relationship. We obviously have not always agreed on the issues but we have agreed a great deal more than we have disagreed.

As a matter of fact, overall on the directions that each of us have tried to go during our chairmanships of the Banking Committee, there have been very, very minor technical differences, and the legislation that I passed several years ago would not have been possible without the help of the Senator from Wisconsin.

So it is a relationship and a friendship that I value deeply, having had that opportunity for 13 years, to work together on the financial services legislation.

Today, Mr. President, I rise in support of the conference report on the Competitive Equality Banking Act of 1987. I do so, not because I believe it promotes either competition or equality. It does not. And certainly I do not like all of its provisions. As the chairman said: He does not like all of them either. I support this bill because we have a crisis in the thrift industry that demands legislation now. The administration and the Federal Home Loan Bank Board asked Congress to address this issue over 16 months ago. The cost to the thrift industry of our failure to respond has now risen to an estimated $10 million a day.

The FSLIC recapitalization provisions of this bill take the necessary first steps to resolve this crisis. They probably are not enough, and we will almost certainly need to do more in the next Congress, but the conference report is a far better effort to address this issue than either of the bills that emerged from the House and Senate.

For this I thank both my distinguished colleague from Wisconsin and our counterparts in the House, Representatives ST GERMAIN and WYLIE, all of whom worked very hard to improve this piece of legislation. We also owe a very special debt of gratitude to the President of the United States and his Secretary of the Treasury, Jim Baker.

The President went to the mat by threatening to veto the very bad piece of legislation that was about to emerge from conference last week. He did this despite a chorus of protests from powerful special interests such as the securities, insurance, real estate, and banking industries. He did not like the low level of funds for FSLIC, the so-called forbearance provisions that tied the hands of the regulators, and the bill's numerous anti-competitive provisions. But in the end he agreed to secure a compromise through the efforts of his Treasury Secretary that would substantially improve the FSLIC provisions and end Congress' long and irresponsible delay in providing needed funds for FSLIC.

Because of these efforts, FSLIC will receive over $2 billion more; the worst elements of the forbearance provisions will sunset in roughly 3 years; and current law will be preserved to make failing thrifts more marketable and thus less in need of FSLIC assistance. There will be no nasty veto fight and no more delays in giving FSLIC funds it sorely needs.

With these improvements I now support this legislation, and I urge my colleagues to do so, too. It is true that the anti-competitive provisions remain, but this was a compromise in the face of an emergency and the best that could be done under the circumstances. As the Washington Post said on August 1, after the compromise, "the banking bill is now greatly improved * * * it is not an ideal bill, but it is adequate * * * within its limits, it makes a valuable contribution to the safety of a national financial system that is now operating under great stress.

Mr. President, I will not describe again at length my objections to the anticompetitive provisions of this legislation, principally in titles I and II. Nor will I argue again that we should have passed a "clean" FSLIC bill first and a more comprehensive version later. Those battles have been fought, and my colleagues know my views on these issues very well.

It is time now to get this legislation behind us and move on. The Senator from Wisconsin has pledged that this conference report will soon be followed by more comprehensive legislation. I have been skeptical, not of his sincerity but of the ability to achieve the result, but I will do everything I can to support him in these efforts. No one has worked harder than I have in the past to realize comprehensive reform, and I pledge to the distinguished chairman that no one will work harder in the future.

I sincerely hope that we can put our differences behind us and work together again to achieve true reform of the financial services industry. While these issues became needlessly partisan during this Congress, which they never were before, I am encouraged by the bipartisan compromise we reached at the end and by the bipartisan efforts of staff in drafting the final version of this bill. We will certainly need to work together if we hope to enact comprehensive legislation. And I think we share the view that the country critically needs this bill to promote competition and to strengthen the safety and soundness of the entire financial system.

I also applaud the chairman for beginning hearings to move on to comprehensive legislation. We have already had three hearings, and two more are scheduled this week. We are seeing some genuinely new ideas surfacing, from New York Fed President, Corrigan's proposal to the financial services holding company proposal to Representative CARPER's bill encouraging State activities. I certainly hope that the hearings will explore these and any other serious proposals for reform between now and the time the Banking Committee marks up a comprehensive bill.

Let me make one final point. The moratorium provisions of this bill, which I have strongly opposed, are in titles I and II. Not surprisingly, the moratorium was broadened in the conference, principally on behalf of the securities industry. But the date the moratorium is scheduled to expire, March 1, 1988, was not extended, and one very significant change was made—the House joined the Senate in adopting the following unequivocal provision in section 203(b):

> It is the intent of the Congress not to renew or extend the moratorium established under section 201 whether or not subsequent banking legislation is passed by the Congress.

I remind my colleagues that a vote for this report and its moratorium is also a vote for this single date of expiration, March 1, 1988. I urge all Senators to work together to forge a consensus to enact comprehensive legislation before then.

Mr. President, I would like to emphasize that I sincerely hope that we will not reach that point in March 1988, the point where we are faced with going ahead with this decision by both the House and the Senate not to extend the moratorium. I do not want the moratorium extended. I would like comprehensive legislation. Again, I will do everything I can to help the chairman of the Senate Banking Committee achieve that result.

Mr. PROXMIRE. Mr. President, before I yield time to the distinguished Senator from Illinois, let me thank the distinguished Senator from Utah for his statement and tell him I am going to do everything I possibly can to prevent any extension of the moratorium past the March 1 date.

I want to tell him that I will certainly cooperate with him to the fullest, and I mean the fullest, in every possible way to act in that limited period of time so we can have a comprehensive banking bill that will provide for a coherent, consistent nationwide banking system and not have to rely on the kind of patchwork that we know we are going to have if the Congress fails to act on banking legislation.

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Mr. President, I yield 12 minutes to my good friend from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIXON. Mr. President, as one of the conferees on the legislation now before us, I want to congratulate the distinguished chairman of the banking committee, Senator Proxmire, and the distinguished ranking Republican member, Senator Garn, for their work in forging the compromises that make this action possible.

I also want to congratulate Secretary of the Treasury Baker for his efforts in reaching the agreements that avoided another potential major confrontation between the President and the Congress.

On all too many issues, both the President and the Congress have seemingly lost the will to work things out, preferring instead to blame one another for failures, hoping to score political points. Frankly, I do not believe the country wants that kind of warfare between the executive and legislative branches, and I do not believe we can afford it.

I was pleased, therefore, to see that compromises were worked out, and that a veto battle is now unnecessary. It is true that the administration agreed to work out a compromise very late in the process; in fact, the conference had finished its work before the administration began to negotiate seriously. I hope, in the future, that the administration will see fit to play a constructive role earlier in the legislative process. However, the Treasury Department did act before it was too late, and the compromise that was achieved is a reasonable one.

Like all compromises, it is far from perfect. The amount it provides to recapitalize the Federal Savings and Loan Insurance Corporation—approximately $10.8 billion—is significantly higher than the amount I supported when the bill was first before the Banking Committee. There has been considerable dispute as to how much the FSLIC fund requires. There has been agreement, however, that the FSLIC essentially could not raise and effectively spend more than $5 billion per year, no matter how high the overall amount provided for recapitalization is. Given the FSLIC's past administrative problems, there is ample reason for Congress to maintain tight control over the recapitalization program. Vigorous oversight is needed.

I believe, however, that we would do the savings and loan industry a real disservice if we insist on lower totals than those contained in the compromise. This is emergency legislation, but it has already taken far longer than it should. The Banking Committee reported S. 790, the original Senate bill, back in mid-March. If we were now to send a bill to the President that coud be vetoed, it could be September or October before action on an override would be completed. If an override were not successful, it could take even longer to get a new bill to the President.

Frankly, Mr. President, I think that is a risk we should not take. A veto battle, regardless of its outcome, creates uncertainty, and given the problems facing the thrift industry, it is time to end the uncertainty.

Confidence is a fragile thing. I am pleased we have been able to maintain it during the long period of time it has taken to put this bill together. It is time, however, to resolve the recapitalization issue. We cannot afford putting thrift industry confidence in further jeopardy to continue the dispute over the best level of FSLIC financing. Continuing to fight would hurt our Nation's thrift industry, instead of helping it. I therefore support the compromise, not because it contains the funding level I would propose, but because both the administration and the conferees reached an agreement that will end the uncertainty that has surrounded this legislation for so long.

The bill is still much lower than the President first proposed; it is significantly lower than the bill we passed last year. Both the House and Senate came up from the levels we passed earlier this year, but that is the essence of compromise. Both sides yielded in order to achieve an agreement.

It is also worth remembering that, even though the recapitalization level is higher than many in Congress would prefer, the Banking Committee will conduct the kind of vigorous oversight the program demands.

As important as the FSLIC issue is, however, it is only a part of this important bill. The bill also: Provides a mechanism for returning to the thrifts the amounts they contributed to the FSLIC secondary reserve, closes the nonbank bank loophole, imposes a moratorium on certain nonbanking activities, extends and enhances the powers granted the banking regulators in the Garn-St Germain Act, improves check clearing procedures for bank customers, and provides much-needed assistance for agricultural banks and their farmer-borrowers. The bill's 12 titles cover these issues, and a number of other matters of importance to our financial services industry. I would like to comment on two areas before I conclude.

First, as I am sure my colleagues know, this bill does not attempt to resolve the issues relating to comprehensive financial services reform legislation. In my view, action on fundamental financial services reform is long ovredue. The statutory and regulatory framework is no longer adequate to cope with the changes that have taken place in the marketplace.

I do believe, however, that this bill can help the Congress achieve action on a second piece of legislation that does modernize our banking laws. The moratorium freezes the current situation in place until next March, giving the committees of the Congress time to act. Closing the nonbank bank loophole resolves that issue—which has been the focus of congressional attention for so long—enabling us to focus our attention on the reform issues.

I have no illusions that enactment of a second major banking bill in this Congress is assured. Section 203 of the conference report, though, makes it clear that Congress will not extend the moratorium if we fail to achieve action on a second bill by next March, and I want to serve notice on the Senate now that this is one Senator who will do everything he can to ensure that the moratorium remains what it was originally intended to be—a one-time freeze to permit action on a comprehensive bill. The moratorium is intended to facilitate action; it should not, and must not, be used as a mechanism to avoid making the tough decisions on reform legislation that simply must be made.

I also want to highlight a title of the bill that is particularly important to me: title VIII. The loan loss amortization title. This title creates a program that permits eligible agricultural banks to amortize losses on agricultural loans over 7 years. It is designed to benefit both hard-pressed rural banks and their customers. It creates incentives for banks to restructure loans. Many farmers that are in trouble now can be helped; they can make it if their cash-flow is improved. Current law, however, makes it difficult for banks to renegotiate loans, because they have to recognize the losses all at once. Loan loss amortization, properly used, has the potential to help both banks and farmers, keeping banks active in their local communities and minimizing the number of foreclosures. I was proud to be the author of this provision in the Senate, and I am very pleased that it is included in the conference report.

I simply want to conclude, Mr. President, by reiterating that I think this bill is a good compromise and deserves the Senate's support. It is far from perfect, but it is the best that could be achieved. It avoids another divisive and time-consuming veto fight, and it takes us a step forward toward resolving fundamental financial services industry reform issues. I urge my colleagues to join me in voting in favor of the conference report.

Mr. President, I sincerely thank the chairman of the committee and the ranking member for their support over the years in helping me to finally bring to a point where it is going to the President, with his assurance of signature, title VIII, which I think will probably be the most important thing

Congress does this year for the agricultural communities in America, for the agricultural bankers, and for the small farmers in America. I deeply appreciate their friendship and warm support in connection with this, and I am indebted to them.

Mr. GARN. Mr. President, I yield 5 minutes to the Senator from Texas.

Mr. GRAMM. I thank the distinguished Senator from Utah for yielding.

Mr. President, I would like to join other members of the Banking Committee and the conference in congratulating our distinguished chairman and distinguished ranking member for their leadership in producing what I think is a good bill under very difficult circumstances.

I would like to limit my remarks today, since the whole bill is going to be discussed, to the part of the bill I was most directly involved in; the part having to do with recovery of our thrift industry.

First, I think it is important to note that we provide in this bill $10.825 billion to reinvigorate the insurance fund for the savings and loan industry. I hope people understand that this is not a taxpayer bailout. What we are doing is assessing the member institutions, the savings and loans, to generate a cash flow to service a debt that will be incurred by the thrift industry as they go into the financial markets and borrow $10.825 billion to rebuild the FSLIC.

As a result of our action today and the certain Presidential signature on this bill, savings and loan depositors all over the country can be confident that those deposits are now good up to the insured limit.

In my part of the country, that additional confidence is going to be important in stopping the financial hemorrhaging which has plagued our savings and loan industry. But we have done more than initiate a self-help program to rebuild FSLIC. In the Thrift Industry Recovery Act section of the bill, title IV, we have set out a positive program to allow troubled thrifts the opportunity to work out from under their problems. This program sets out new regulations for those areas of the country that have economic problems, allows thrifts that are well managed to work out from under their problems, build up their capital, and become profitable lending institutions again. This will help facilitate the building of new homes and new businesses that many of our troubled parts of the country need desperately to fuel their economic recovery.

I believe that under this bill, financial investors throughout the economy will look at this new blueprint, look at the guidelines we have set out for the recovery of our thrifts, and will decide that they can make money by acquiring a troubled thrift. By doing that we will attract new private capital into the thrift industry, and that will go a long way toward solving the problems confronting our Nation's thrifts.

Obviously, there are going to be savings and loans that will not survive. There will be savings and loans that will be closed. It is my hope that under new leadership, FSLIC can, to the maximum extent possible, use buyouts rather than outright closure of savings and loans. The last thing we need in depressed areas of the country is to have tremendous amounts of real estate dumped on the open market, sold at depressed prices, thereby producing a deterioration of the balance sheets of savings and loans and banks alike.

Finally, I believe we have set out a blueprint that can work. I think this bill is going to allow us to rebuild our thrift institutions. Quite frankly, I do not know whether the $10.825 billion is enough. But I know it is a start. It will allow us to go in and close institutions that cannot survive.

I believe the bill is written in such a way as to maximize the number of thrifts that will survive and minimize the cost to the insurance fund. I think we have been good stewards of the public interest. We have put together a bill that maximizes the opportunity for thrifts to survive and prosper and serve their communities, and I am proud of this bill.

I especially congratulate our leadership on both sides of the aisle that were able to put together a bill, to forge a compromise, to respond to a legitimate Presidential concern, and to go back at the end of the conference and make specific changes that were difficult, but I think they were important and that they improve the bill.

I look foward to the bill being signed into law; but, more important, I look forward to the bill going into effect and setting out a blueprint to rebuild our thrift industry, helping us put people back to work around the country.

Mr. PROXMIRE. Mr. President, before I yield to the Senator from Alabama, I thank the Senator from Texas for his statement, particularly for stessing the fact that the $10.825 billion is not from the taxpayers. A lot of people think this is a bailout by the taxpayers. It is an assessment on savings and loans throughout the country. The taxpayer will not have to pay a nickle for that. I think that is important.

The Senator from Texas played a very important role in this bill, and he was the Senate author of the thrift recovery title.

I yield 3 minutes to the Senator from Alabama.

Mr. SHELBY. I thank the Senator.

Mr. President, I commend the chairman and the ranking Republican member, Senator Garn, for their work in passing this comprehensive bank bill. I think it is the first bill we have been able to pass in quite some time. Although I do not agree with everything in this piece of legislation, I shall support it as an important first step.

At this very moment, FSLIC is bankrupt. As I understand it, the bill before us will infuse $10.8 billion into the thrift industry deposit insurance fund. Such infusion, while not a panacea, represents a giant step toward restoring the soundness of our troubled thrift industry nationwide.

Title I is not perfect. It has more holes than a doughnut. Yet, it does freeze to some extent the activities of existing nonbank banks and allows Congress the opportunity to create a level playing field for all our financial service industries. While some view title I as being anticompetitive, Congress is the proper entity to determine the ways in which our financial service industries may enter new markets, both geographic and financial.

Title II in some respects represents a step backward when our traditional financial institutions should be moving forward and modernizing so that they can meet the demands of consumers and compete successfully globally. Six years ago, only 1 of the 10 largest banks was Japanese. Today, only 1 of the largest 25 is American while 14 of the top 25 are Japanese and 9 are European.

Banks remain restricted from seeking new markets and have seen their market share erode as the financial arms of nondepository institutions provide similar services. This is not to say that I believe that all markets should be open to banks. I do not believe that. The possible conflict of interest and concentration of assets apparent in the insurance and real estate industry persuaded this Senator that full entry into those markets by banks would create an unnecessary risk in the banking industry that we depend on to be safe in this country.

Title II does provide Congress an opportunity to pause, examine the alternatives available and provide appropriate direction. To recapture a sizable presence in the global economy, I believe it follows that our banks must be competitive. Congress should provide that direction by making public policy.

I strongly support the provisions in the bill which protect consumers including new limits on the time banks may hold consumer checks for clearance.

The legislation before us, as I said earlier, is a first step; it sets us in motion a process for reform of the banking laws, and I hope that the chairman and the ranking member of our Banking Committee will again provide us the leadership to do in the

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next year a comprehensive valuation of this very important legislation.

Thank you, Mr. President.

Mr. PROXMIRE. Mr. President, I thank my good friend from Alabama. He said that title I has more holes than a doughnut. I remind him that a doughnut has only one hole.

Mr. SHELBY. But it is a big one, Mr. President.

Mr. GARN. Mr. President, I yield 5 minutes to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska [Mr. Karnes] is recognized.

Mr. KARNES. Thank you, Mr. President.

Mr. President, I would like to speak in support of H.R. 27. This is certainly one of the most significant pieces of legislation that this Congress will consider this year. I must note at the outset of my remarks that there are portions of this bill that I do not agree with. However, on balance this legislation is worthy of passage immediately and in the opinion of this Senator is long overdo. I also note that many critical banking issues are left unresolved and with the help of my colleagues on the Banking Committee we will address many of these during our deliberations in the Banking Committee during the next weeks.

As a member of the Banking Committee I had the opportunity to hear the testimony and consider the affects of the legislation in great detail. My prior experience as special counsel to the Federal Home Loan Bank Board in Washington and Chairman of the Board of Directors of the Federal Home Loan Bank of Topeka provides me a unique insight into the problems the thrift industry is currently experiencing.

I cannot overstate the significance of this legislation as it affects the thrift industry in this country. The $10.8 billion recapitalization amount of the FSLIC is indeed sorely needed to restore the public's confidence in the thrift industry and to allow the FSLIC to immediately address the task of resolving the 400-plus problem thrifts that are currently operating throughout the country.

I must also note that attention has been given in this legislation to the potential negative impact that may result from attempting to raise these large amounts of funds through the public marketplace; that is, the $10.8 billion. I note and I believe it is important to recognize that this bill has a limitation of $3.75 billion a year as far as the limits of how much can be raised so that the financial marketplace will not be negatively impacted at all by this large amount of money that is needed to be raised.

I compliment the Senate leadership for their expeditious scheduling of this legislation in light of its significance on the industry.

Time is of the essence since the latest estimates are that the troubled thrifts that I mentioned earlier, approximately 400 thrifts, are losing collectively $10.5 million each day that they remain open since the FSLIC has not had adequate funds to deal with those problems. Those kind of staggering daily losses equates to over $3.8 billion per year which should not be allowed to continue, and they will not be allowed to continue.

The profitability of the thrift industry through 1986 is certainly worth noting considering all the negative publicity surrounding the thrift industry. According to the Kaplan Smith report, 74 percent of the 3,247 FSLIC-insured and federally chartered FDIC-insured thrifts were profitable in 1986. Those thrifts with positive GAAP net worths had an adjusted return on assets of 0.74 percent, which is considered quite good. Hence, those thrifts that can be considered for the most part to be healthy and viable performed quite well in 1986. The relatively modest number of operating negative net worth thrifts accounted for only 11 percent of thrift assets; however, they reported adjusted losses in 1986 of $7.1 billion. Mr. President, passage of this legislation will finally allow the FSLIC to resolve those problems and give the profitable, well managed thrifts the opportunity to operate without the daily negative publicity they have had to contend with recently.

Mr. President, another section of the bill is also very important to me and my constituents in the State of Nebraska. I am referring to title VIII called loan loss amortization for agricultural banks. As a U.S. Senator from Nebraska and a third generation Nebraska farmowner, I have a great interest in the availability and cost of agricultural credit. This section of the bill allows qualified agricultural banks to amortize their loan losses over a period of 7 years. I know all my fellow Senators are fully aware of the excessive problems agricultural banks in Nebraska and throughout the country have experienced. Allowing these institutions to spread the losses over this 7-year period of time will alleviate some of the pressure on the many small, rural agricultural lending institutions attempting to provide a steady source of funds to their farm borrowers.

Mr. President, I appreciate the opportunity to convey my feelings on this important piece of legislation. I sincerely hope my colleagues will consider these arguments in support of the bill. This legislation is certainly in the best interests of not only the citizens of Nebraska but all Americans.

Lastly, I congratulate the distinguished Banking Committee Chairman Proxmire and distinguished ranking minority member, Senator Garn, who have worked tirelessly to seek solutions to the many great problems and many differences that we have found during the hearing process in this banking and thrift legislation. They are to be complimented for their hard work.

Mr. President, thank you for this opportunity, and I yield the floor.

Mr. DODD. Mr. President, I rise in support of the conference report.

This conference report has been a long time coming, but I think it has been worth waiting for. Many of the issues—from recapitalizing the FSLIC to expediting consumers' access to their check deposits—date back to Congresses past. But even those issues that originated in this Congress—most particularly the provisions designed to give us the time and the ability to consider comprehensive banking legislation to modernize our financial services industries—have had a long gestation period.

Starting with Chairman Proxmire's first bill in February, it took until the end of March for the Senate to complete action. Then it took another 6 weeks for the House to act. Thereafter, it took about another month just to get to conference and then more than 6 weeks to reach agreement, draft that agreement and then, last week, reach agreement again—this time with the President—before we were finally able to file the conference report.

We are all exhausted from the effort but I would just like to highlight a few of our actions:

First, the conferees went beyond the provisions of either bill to provide $10.8 billion in badly needed funds for FSLIC. While I do not generally support going beyond the scope of bills in a conference, in this case I think the conferees acted responsibly to head off what otherwise might have been a serious crisis. Now the FSLIC will have both the money and the time to restore public confidence in the Federal deposit insurance system.

Second, the bill will assure that bank customers will have timely access to their check deposits. By September 1, 1988, consumers will have access to their local check deposits after 2 business days and to their nonlocal check deposits after 6 business days. By no later than September 1, 1990, those times will be shortened to no more than 1 business day on local checks and 4 business days on nonlocal checks.

I am particularly pleased with this provision because it solves a problem that I identified 5 years ago. Our Banking Committee conducted the first hearings on the subject in 1982; I introduced the first legislation to remedy the problem in 1983; and, thereafter, the Senate adopted bills in

three successive Congresses. I am confident that the final compromise will assure consumers timely access to their funds without imposing any increased risk of loss on depository institutions.

Third, I want to emphasize with regard to the title I and II provisions—dealing with nonbank banks and the moratorium on new bank powers—that they are process provisions, rather than final legislative solutions. Combined, titles I and II are designed to give us the breathing space to examine in detail recent changes in both the domestic and international financial services arenas and to give us the time necessary to devise comprehensive legislation for the future.

Almost as important as the time gained by these provisions is the political impetus I expect them to provide for future legislation. The expiration on the moratorium will provide incentives for depository institutions, the securities industry, the real estate industry and the insurance industry to push for new legislation, because they will all be unhappy with their positions after the moratorium expires.

Mr. DIXON. Mr. President, I simply want to express my understanding of section 201(6)(2)(c). That provision imposes a moratorium on the operation of nondealer marketplace in options. It includes in its scope lesser included activities involved in operating such an exchange. For example, no bank currently clears options, although they clear many other securities acting as agent. However, clearing options involves much more than clearing other securities. In my view, and I believe in the view of the majority of conferees, clearing options involves activities of such a broad scope that it would amount to operating nondealer marketplace in options, and would therefore be prohibited during the moratorium period.

Mr. SANFORD. Mr. President, I rise to express reluctant support for this bill. While it contains many important provisions relating to issues other than the recapitalization of the FSLIC fund, I must express my objection to the changes that were made to the FSLIC recapitalization plan. These changes were made at the final hour, in a deal going beyond the scope of the level of funding approved by either the House or the Senate.

There is without a doubt a consensus that we must act effectively and decisively to beef up the FSLIC fund. While many argued about the way to do that and how much money should be committed, the Senate Banking Committee, after many hearings and much discussion, agreed upon a recapitalization plan providing borrowing authority of up to $7.5 billion over 2 years. The full Senate then approved that $7.5 billion figure. The House, on the other hand, voted decisively for a cap of $5 billion on the borrowing authority of FSLIC. However, in bowing to pressure from the White House, a new figure of $10.824 was agreed upon in a side arrangement that raises significant concerns about the way our process works.

I had encouraged the Senate to adopt the $7.5 billion figure because I believed then and continue to believe now that borrowing authority of $3.75 billion per year, when coupled with the income from special assessments and investments will provide the FSLIC with more than adequate resources. Indeed, the income from the borrowing plus the special assessment and investment will total almost $6.75 billion per year and that $6.75 billion figure exceeds even the Federal Home Loan Bank Board's projections of what it can effectively spend in 1 year.

I was also concerned about the ability of the Federal Home Loan Bank Board, an agency that has been plagued with administrative problems, to effectively handle the large amount of money being provided to FSLIC. In addition, I believe that many of the problems facing our savings and loan industry are not ones that will be resolved by simply putting more money into FSLIC. I had hoped that in placing a 2 year sunset on the borrowing authority on FSLIC, that the Congress would be given the opportunity to reassess the success of the recapitalization effort before more money was provided to FSLIC.

I must note that most institutions in this Nation are profitable, and many of the profitable institutions are very profitable indeed. Despite this fact, roughly one-tenth of the total are troubled. Some of these troubled thrifts, the well-managed institutions which are the victims of turbulent local economic conditions, will survive, given half a chance. Others, which are not so well managed and may indeed be troubled due to poor management or worse, will and should fail.

Unfortunately the price of their failure, the price in some cases of their folly, will be borne by their survivors. Thus, eager as we might be to resolve the FSLIC's problems, we must consider just how much the thrift institutions of this Nation can afford to contribute to the resurrection of other failing institutions. I submit that the $10.824 billion funding level may be higher than the Congress should go without threatening to undo the success of those healthy institutions which have proved their managerial mettle.

I am concerned that we have granted too much borrowing authority to an agency that has had numerous, well documented administrative problems. However, despite these reservations about the amount of funding for FSLIC agreed to in this compromise, as well as strong concerns about the manner in which the compromise was reached, I do support this bill. I believe that the recapitalization of the FSLIC is crucial to the health of our savings and loan industry, and despite my concerns about the level of funding of the program, I believe this bill deserves our support. I urged my colleagues, whatever their reservations may be, to join me in voting for this bill.

### CHARTERED PRODUCTS

Mr. CRANSTON. Section 101(c) prohibits a grandfathered nonbank bank from engaging "in any activity in which it was not lawfully engaged as of March 5, 1987." Is it correct to interpret this provision to mean that if, for example, a nonbank bank held insured deposits on March 5, 1987, and was servicing those deposits, it could solicit and accept additional such deposits after that date?

Mr. PROXMIRE. Yes, that is correct.

Mr. CRANSTON. Further, is it correct that our colloquy of March 26 regarding joint marketing—page S3959 of the Record—would apply to insured deposits?

Mr. PROXMIRE. That is also correct.

Mr. CRANSTON. I would like to engage the floor manager in a colloquy concerning section 406 of the legislation. One provision of that section grants to the Federal Home Loan Bank Board new authority to establish minimum capital requirements on a case-by-case basis. I would first like to confirm that this authority is essentially the same as has been granted to the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency by the International Lending Supervision Act of 1983. Is that correct?

Mr. PROXMIRE. Yes, that is correct.

Mr. CRANSTON. It is my understanding that each of those agencies has published a notice of proposed rulemaking for capital maintenance and risk-based capital rules pursuant to the authority granted by the International Lending Supervision Act. Can the gentleman confirm that they have taken such action?

Mr. PROXMIRE. Each of the agencies has sought comment on such proposed rules.

Mr. CRANSTON. I would like to confirm that the gentleman shares my expectation that the Bank Board will also seek public comment through a rulemaking concerning the proper implementation of this new authority and thereafter will promptly publish permanent regulations. Moreover, this authority will not be exercised until temporary or permanent rules have been published in the Federal Register. Is that your expectation, as well?

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Mr. PROXMIRE. It is.

### HOLDING SHARES IN STREET NAME

Mr. RIEGLE. I worked with the chairman and other members of the committee to secure passage of an amendment clarifying the scope of section 101(c) of the bill relating to the prohibition on acquisitions of more than 5 percent of the shares of other bank or thrift institutions by grandfathered nonbank banks. That amendment was successful. However, since the committee action, I have been made aware of an additional, technical clarification which is needed. It is my understanding that the prohibition on acquiring control of more than 5 percent of the shares or assets of an institution would not generally apply to shares of stock held in street name on behalf of another if those shares are held by a securities firm solely on behalf of a customer, are not voted by the firm, and raise no concerns regarding control. Is that a correct interpretation of that language?

Mr. PROXMIRE. Yes, it is. But I want to emphasize that the firm holding the shares must act only as the agent of its customers, must not have control over the institution in question, must not attempt to exercise such control, and must not vote the shares in question.

### CLASSIFICATION OF ASSETS

Mr. CRANSTON. I wish to confirm that the intent of title IV, section 402, paragraph (1) is to ensure that like assets of commercial banks and those of thrift institutions—for example, mortgage loans, home improvement loans, car loans, and other similar investments—shall be treated similarly by both the Federal banking regulators and the thrift regulators. Further, Mr. Chairman, is it your understanding that the conference committee recognized that there are significant differences in assets allowed by the Federal banking regulators and their thrift counterparts?

Mr. PROXMIRE. My colleague, Mr. Cranston is correct. The committee recognizes that there are differences in permissible assets allowed by Federal banking regulators and thrift regulators for different types of institutions. This section is not designed to redefine the permissible investments or the assets of a commercial bank or thrift institution or require them to have the same assets but to require a similar regulatory framework where the institutions have the same asset.

### SECTION 101(h)

Mr. DODD. At page 121 of the Statement of Managers, there is a description of section 101(h) of the conference report that I do not believe is quite correct. Am I correct that section 101(h) exempts from the definition of a bank a nonbank bank the owner of which publicly announced before March 5, 1987, an intention to sell the institution and the purchaser of which acquires the institution within 180 days of enactment of this act, informs the Federal Reserve Board within 7 days of the purchase of its intention to convert the institution to a credit card bank, and actually converts the institution to a credit card bank within 180 days of purchasing the institution?

Mr. PROXMIRE. The Senator is correct.

### THE ATM PROVISIONS OF TITLE VI, EXPEDITED FUNDS AVAILABILITY

Inasmuch as Senator Dodd is the sponsor of the Senate's expedited funds availability legislation and was the chief negotiator with the House on the subject during the banking conference, I have a question about the meaning of the sections in title VI that deal with deposits made into proprietary and nonproprietary ATM's.

I understand that special provisions apply to nonproprietary ATM's to reflect the fact that the systems currently cannot distinguish between cash and checks and among different types of checks. I want to make sure I understand the distinction based upon whether an ATM is operated by a receiving depository institution.

Let's assume a consumer makes a deposit at an ATM operated by Philadelphia National Bank for itself and for several other depository institutions. If the depositor's account is maintained at Philadelphia National Bank, then the deposit would be made into a proprietary ATM because the ATM is operated by Philadelphia National Bank.

On the other hand, if the depositor's account is maintained at another institution that is part of the ATM network, then the deposit would be made into a nonproprietary ATM because the ATM is not operated by the depositor's depository institution.

Is that correct?

Senator DODD. Yes; that is correct.

### INTENT OF THE SUPERVISORY APPEALS PROCESS—ENHANCE LEGITIMATE DELIBERATION WITHOUT INVITING ABUSE AND DELAY

Mr. GARN. With the chairman's permission I would like to engage in a brief colloquy concerning the supervisory appeals process.

Mr. PROXMIRE. I welcome the opportunity to engage the gentleman on this important provision.

Mr. GARN. We have all spent a great deal of time studying the balance between the need for timely, accurate, and effective supervisory decisions, and the concerns of some thrifts that the current process should be broadened to include some review of supervisory decisions independent of the supervisory agents. I commend the chairman for his leadership in shaping what I believe is the correct balance. I want to make clear that underlying the conference debate was a sense that what we were constructing was more a conduit for enhanced communication between supervisory agents and S&L's than an adversarial process. Evaluating the worth of real estate is hard work and not as precise and objective an analysis as we might wish—reasonable experts may differ. By arranging to have these decisions looked at by another pair of eyes, we intend to achieve greater consensus on supervisory decisions. We do not intend to create obstructions or combat—and, of course, this informal review process would not affect any other recourse available to either party.

Mr. PROXMIRE. The Senator is entirely correct. He and I both attended many meetings and briefings examining concerns of the thrift industry regarding overvalued or undervalued real estate and the always difficult calculation of write-downs. Write-downs are an essential part of the supervisory process. Moreover, they are essential to sound business operation and fiduciary responsibility. However, the write-down is only as accurate as full information and knowledge will allow, and even then, as the gentlemen notes, some difference of opinion may remain. The conferees recognized the supervisory appeals process will not create perfect supervision, but we believe it will help as long as all parties concerned act in good faith and with dispatch. There will be disagreements but we intend for there to be no abuse—this is a process for legitimate deliberation over a class of supervisory determinations. If that occurs, as Congress intends, then the entire supervisory process will be strengthened, its integrity enhanced, and the concerns of S&L's answered.

### THE INTENT OF FORBEARANCE—AID THE DESERVING WITHOUT PERMITTING ABUSE BY IMPRUDENT OPERATORS

Mr. GARN. With the chairman's permission, I would like to engage in a brief colloquy concerning the findings and intent of the conference as to the capital recovery provisions.

Mr. PROXMIRE. I would be happy to engage the distinguished gentleman.

Mr. GARN. I have followed the issue of forbearance very closely—attended many hearings and briefings, and studied the record presented to the Congress. I conclude, as we all do, that there are serious problems in the savings and loan industry today. I commend the chairman for his leadership of what I believe to be a responsible and effective response to those problems.

Mr. PROXMIRE. I appreciate the Senator's remarks and acknowledge his invaluable contributions on these issues.

Mr. GARN. As the chairman is keenly aware there are many reasons why we find our savings and loan industry in its current state. First, there

are deep pockets of economic despair in this Nation, and as with some other industries, the thrift industry has been wounded. Our capital recovery plan responds to this plight and I know it carries the endorsement and commitment of the FSLIC and its operating head, the Bank Board, to carry forth our intent—that all well-managed and viable thrifts, with reasonable prospects for recovery and sound business plans, should be permitted and aided in their efforts to recover from their business woes as long as their condition is due, primarily, to the depressed economy.

However, Mr. Chairman, I don't think any of the conferees or any Members of either body of Congress want to give an equivocal message about another class of thrifts that are suffering and causing suffering to their depositors, stockholders, their own industry, the FSLIC itself, and ultimately, to the public and the very integrity of our Federal Deposit Insurance System.

This class of S&L's, and I emphasize for the record that it is a small minority of the industry, has operated thrifts in an unsafe and unsound condition—often engaging in fraudulent and reckless investment strategies, self-dealing, conflicts of interest, and a whole host of otherwise repugnant business practices in violation of statutes, regulations, ethics, their fiduciary duties, and plain decent business standards.

I know, the Senator feels very strongly about this issue, and it is important that the record of this Congress be clear—we have found that a substantial part of the S&L problem is a direct result of this type of misconduct. And we intend to provide no safe harbor for such people. Rather, we want to encourage strong and swift supervisory and enforcement action taken against anyone who would so abuse their thrift charters and the integrity of the FSLIC.

Mr. PROXMIRE. I thank the Senator for stating so eloquently that which I personally believe and which I understand to be the unanimous sentiment of the conferees.

We are pleased with the forbearance provisions, and confident that the Bank Board's regulations will advance our intent—to provide forbearance for institutions suffering through no fault of their own, without permitting a perversion of this provision by those thrift institutions troubled by their own misdeeds.

### THE EXCEPTIONS TO THE 2-PLUS-2 EXIT FEE

Mr. GARN. With the chairman's permission, I would like to engage the gentleman in a brief colloquy concerning our understanding of the exceptions of what is referred to as the 2-plus-2 exit fee, whether imposed under section 21 of the Federal Home Loan Bank Act, or under section 407(d) of the National Housing Act.

Mr. PROXMIRE. I would be happy to discuss the provisions with the gentleman.

Mr. GARN. It is my understanding that we are excepting three limited categories of institutions from these preexisting and continuing statutorily prescribed exit fees: First, those that already left the FSLIC system for the FDIC on or before March 31, 1987; second, those that actually filed with or gave notice to the FSLIC, the Bank Board, or a State or Federal banking agency regarding a transaction that would result in their leaving the FSLIC for the FDIC; and third, those that entered into letters of intent or written memorandums of understanding regarding transactions that would result in their leaving the FSLIC for the FDIC. It is my understanding, Mr. Chairman, and the point for which I seek your confirmation, that this third category is intended to include those institutions that formally executed documents evidencing a decision to proceed with the transaction that results in their leaving the FSLIC, and conveyed those documents to parties involved in those transactions.

Mr. PROXMIRE. I thank the gentleman for raising such an important point for clarification, and appreciate the opportunity to make explicit that our intent is to except only those institutions that have, by March 31, 1987, formally executed letters of intent or written memorandums of understanding that indicate their present intent to proceed with the transaction that results in their leaving the FSLIC for the FDIC. Conversely, we do not intend to include in this excepted category those institutions that had, by March 31, 1987, conveyed to the parties in their transactions or developed for their internal consideration less than formally executed decisions to proceed—for example, discussion memorandums, issues papers, or other manifestations of predecisional negotiation and analysis.

Mr. GARN. I would like to engage the floor manager in a brief colloquy concerning one point of section 406 of the legislation. That section provides the Federal Home Loan Bank Board with authority to establish minimum capital requirements comparable to that granted the Federal banking agencies by the International Lending Supervision Act of 1983. I understand section 406 will be an invaluable tool for the Bank Board in fulfilling the public policy goal of raising the capital standards of the thrift industry and I heartily endorse this section. I also understand that section 406 is not intended to preclude the Board from phasing in higher capital levels over time commensurate with the strength of the industry, as determined by the Board.

Mr. PROXMIRE. The Senator is correct. Through the addition of ILSA, the Bank Board, for the first time, will have parity with Federal banking agencies as far as explicit statutory authority to raise minimum capital levels for the industry as a whole and on a case-by-case basis, as appropriate. This is a crucial component of effective supervision of a federally insured industry where capital is the touchstone of financial integrity and a guardian of our insurance guarantee. I agree with the gentleman that the requirements should be phased in, as determined by the Board, taking into consideration the relative strength of the thrift industry. I also note that the phase in of minimum capital requirements industrywide should not restrict and is not intended to inhibit a case-by-case application in the name of safety and soundness.

### MORATORIUM ON OPERATING OPTIONS TRADING SYSTEM

Mr. CRANSTON. As a member of the conference committee on H.R. 27, I seek clarification from you about the moratorium provisions of title II. Specifically, I refer to section 201(b)(2)(C) concerning the operation of a nondealer marketplace in options. Am I correct in stating that the application of the moratorium to this particular activity is not intended to restrict banks, bank holding companies, or their subsidiaries or affiliates from providing traditional banking services in connection with all types of securities trades by acting as a custodian or transfer agent, by handling the disbursement of funds, by serving as a clearing agency, or by otherwise acting as an agent on behalf of a customer?

Mr. PROXMIRE. My friend from California is correct. The moratorium on operating a nondealer marketplace in options does not curtail the entities subject to the moratorium from engaging in those traditional banking activities which you have enumerated.

Mr. D'AMATO. I am glad to hear that Chairman Proxmire agrees with Senator Cranston's understanding of section 201(b)(2)(C) of the legislation because I share Senator Cranston's concerns about the exact meaning of this provision. Senator Cranston's and my concerns have been adequately addressed by your clarification, Chairman Proxmire, which further elaborates on the language contained in the manager's statement in the conference report.

Mr. D'AMATO. Mr. President. I urge my colleagues to support the legislation before us today because it is the culmination of almost a year and half of intense efforts to recapitalize the FSLIC fund.

While the bill contains 12 titles, I believe the most important of these provide direct and immediate benefits to the consumers of financial products and services and the depositors in the Nation's thrift institutions. Ironically,

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the provisions which benefit the American consumer the most have received the least media attention. In addition to the recapitalization of the FSLIC fund, these provisions concern the:

Expediting of the check clearing process;

Congressional declaration reaffirming that the full faith and credit of the Federal Government stands behind those depository institutions insured by the Federal Government;

Allowance for extended loan loss amortization for agricultural banks;

Easing of the acquisition of failing and failed institutions so that the depositors of the institutions will not be denied access to their funds;

Payment of interests to the holders of yellow certificates of the Golden Pacific National Bank; and

Performance of studies by the Comptroller of the Currency designed to examine the safety and soundness of thrift institutions and to examine ways to expedite the processing and to minimize the expenses involved with the U.S. Government checks.

Much of the controversy surrounding the bill has dealt with titles I and II. These titles concern the closing of the so-called nonbank bank loophole and the imposition of a moratorium on banks and bank holding companies from engaging in certain activities prohibited by the Glass-Steagall Act. While I do not necessarily support all of the provisions of title I and would prefer a final legislative solution addressing the structure of our financial system rather than the moratorium contained in title II, I believe that the legislation in its current form represents a delicate balancing of greater interests that must be served and served soon.

For example, the warring factions that tend to be involved in the disputes regarding title I and title II involve what I describe as the "big boys." The tremendous disputes involving title I and title II put major commercial entities, domestic banking colossi, big investment houses, big thrift institutions and big insurance firms against each other. These institutions will suffer little, if any, long or short term hardships that may be inflicted by titles I and II of the bill.

I do not believe that the Congress should bow to the pressures exerted by the "big boys" who would like to derail the legislative process because they have failed to receive the favorable treatment which they so fervently sought and erroneously thought they deserved. I believe that the greater good served by this legislation which recommends its passage is found in the other 10 titles of the bill, especially title III, the FSLIC recapitalization plan.

The squabbling and struggling amongst the big boys about the future structure of the U.S. financial system is, at present, insignificant when compared to the threat that a loss of depositor confidence in the thrift industry poses to the financial system. Before we enact legislation designed to provide comprehensive reforms of the financial system, we must seek to ensure that the immediate threat to that system presented by an insolvent FSLIC fund is remedied. We must remember that ultimately regulators do not close financial institutions, lack of public confidence is the cause of their shut down. Comprehensive reform of the system will take more time, the crisis confronting FSLIC is immediate and therefore requires the immediate response provided for in title III and the forbearance provisions contained in title IV of the bill. While I would have preferred to recapitalize the FSLIC fund with an amount of $15 billion, I believe that the $10.825 billion is a vast improvement on the $7.5 billion contained in S. 790 and the $5 billion provided in H.R. 27. Therefore, I am prepared to endorse this legislation despite the screeching and moaning of the big boys who perceive themselves to be somehow wronged by titles I and II because:

First, the other provisions of the bill address problems of direct and immediate concern to the thrift industry and depositors in those institutions and indirectly to those individuals who finance their homes through loans from these institutions and the housing industry which constructs these homes;

Second, the moratorium contained in title II is temporary and expires on March 1, 1988; and

Third, because the members of the Senate Banking Committee have committed to addressing, in the near future, legislative proposals designed to address the structure of our domestic financial system.

Mr. HEINZ. Mr. President, it has been nearly 5 years since the Congress has passed any substantive banking legislation. In 1982, the Congress approved the passage of the Garn-St Germain Depository Institutions Act, a landmark event for America's economically distressed thrift industry. During the ensuing years, however, the Nation's financial services industry has been confronted by a mountain of critical financial issues which, if left unresolved, threatened to become a mudslide of competitive imbalance, regulatory chaos and financial instability and bury the financial services industry.

The legislation, reflected in the conference report before us today, is one that will address some of the more critical problems. It is one that will stabilize the financial services industry. It is one that will provide Congress the opportunity to review and establish national policy concerning the Nation's banking industry. It is one that is critical to the continued strength and viability of that industry. It is one that has my strongest support. It is one which I would unequivocally urge my colleagues to support.

Mr. President, the legislation has been controversial. It has been contentious. It has sparked sharp debate from all quarters. I want to commend Chairman PROXMIRE for his Herculean efforts in moving the bill to the point where it is today. I would note, Mr. President, that many of the provisions of the bill had their genesis under the chairmanship of Senator GARN, who is also to be congratulated for his efforts. Finally, the members of the conference committee are to be congratulated to their willingness to work through some very thorny issues and reach acceptable compromises that will benefit both the financial services industry and the consumers.

Five years ago, a crisis in the Nation's thrift industry prompted the legislation enacted at that time. It is ironic that a second crisis in the same industry; namely, the crisis confronting the Federal Savings and Loan Insurance Fund—is what has brought us back to the legislative drawing board again.

This legislation recapitalizes the Federal Savings and Loan Insurance Corporation. Last year, I noted that the FSLIC was a ticking time bomb. It was. It had been pushed beyond its capacity and, at that time, faced potential bankruptcy, due to the inordinate number of problem cases and mounting losses facing it. The Federal Home Loan Bank Board imposed a special assessment on individual FSLIC-insured institutions but it was not enough to staunch the hemorrhage of the cost of resolution of the growing number of very expensive FSLIC cases and bolster the needed long-term recapitalization of the fund.

As we all know too well, Mr. President, the FSLIC was declared insolvent in the spring of this year. The thrift industry's contributions to the secondary reserves were extinguished. In the absence of any resources, the Corporation could not resolve any more problem cases. Needless to say, the public's confidence in the system was severely undermined, as witnessed by the silent runs on both healthy and ill institutions in the economically troubled areas of the country.

This legislation addresses these problems. It provides an industry-funded plan to recapitalize the FSLIC. The proposal is supported by the administration, the industry and the conferees. It permits bonding authority of $10.83 billion, with $830 million of that amount to be used to restore the industry's contribution to the secondary reserve.

In conjunction with the shoring up of the FSLIC, the bill also extends and expands the Federal regulators' authority to arrange emergency interstate acquisitions of failing institutions. This will enable the regulators to deal with financially distressed institutions in the most effective and orderly fashion. More importantly, it will ensure absolute protections for deposits and full confidence in the financial marketplace.

Needless to say, Mr. President, the long-term recapitalization of the FSLIC Fund was the engine driving this bill. But the state of the FSLIC Fund was and is only the tip of the iceberg. There are other issues that must be addressed not only to guarantee the success of the FSLIC recapitalization plan but also to stabilize the entire financial services industry.

Rapid and revolutionary forces have buffeted the industry in recent years. It is obvious that the Nation is at a crossroad in terms of what its national financial policy and system will be. In light of this, Congress has the responsibility to reexamine the existing statutory framework—most of which has been in place for over 50 years—to determine whether it is still relevant in light of the rapid evolution of the marketplace, technology, and consumer needs. Since the last major banking legislation, however, Congress' role has been usurped by ad hoc deregulatory efforts on a piecemeal basis, whether by regulatory and judicial fiat or by those who have exploited loopholes in the existing law. The result is that while the system is not broken, it has definitely run amok. The situation can best be described by quoting from a familiar passage of a children's book:

> I don't think they play at all fairly, * * * and they all quarrel so dreadfully one can't hear oneself speak—and they don't seem to have any rules in particular; at least, if there are, nobody attends to them—and you've no idea how confusing it all is * * *.

Mr. President, the words of Lewis Carroll's "Alice in Wonderland" are more befitting to the state of the Nation's banking system during this period. New competitors, possessing new competitive advantages, are threatening the entire system, at the expense of the Federal Deposit Insurance System.

The legislation before us addresses some of these critical issues at this time. In my mind, it is the best solution to reestablish the "fair play" and the "rules" and to eliminate the "confusion" by reasserting congressional authority over our fundamental banking laws until we can conduct a comprehensive review of the statutory framework.

How does it do this? Let me elaborate very briefly:

First, the legislation closes the nonbank bank loophole and forces those institutions to play by the rules that the rest of the banks must abide by. This is a crucial component to the legislation. It restores competitive equity to the Nation's banking system by bringing within the parameters of Federal law those entities that are banks in every sense of the word except for purposes of the bank holding company. With certain limited exceptions, firms owning these limited service banks will now be subject to the same regulations governing geographic and product expansion as are bank holding companies.

It is important to note, Mr. President, that closing the nonbank bank loophole does more than bring the firms owning these entities under the umbrella of the Bank Holding Company Act. It eliminates the potential not only for abuse but also for creating a situation fraught with adverse consequences for the system as a whole. It will also expedite the recovery of the thrift industry. Until now, the nonbank bank loophole has given commercial banks and other enterprises a simple and inexpensive way to acquire interstate franchise rights. A very serious result has been the virtual elimination of serious bids for severely troubled thrifts and the undermining of any chance for success of the recapitalization proposal. Closing the loophole and permitting new firms, including entities owning grandfathered nonbank banks to acquire failing thrifts will bring new capital into the struggling industry and assure the long-term recapitalization of the FSLIC Fund.

Second, the legislation freezes until March 1, 1988, the Federal regulators from expanding existing authorities of banks to engage in nonbanking activities. I don't like legislated moratoria, Mr. President, because they don't solve the problems confronting the financial services industry. All they do is buy us time. However, in my opinion, the decision to make new or to change existing policy with respect to banking activities remains solely within the purview of the Congress and not by regulatory or State fiat and loophole leaders. Given the impasse that has existed on the subject as well as the piecemeal erosion of our banking laws, the moratorium was absolutely necessary. This legislation provides the Banking Committee and the Congress with a stable financial environment in which to conduct a thorough and searching review of the statutory framework governing the financial services industry.

I am convinced that the Congress, with appropriate input from all quarters, can and will examine carefully the structure of our financial system and resolve this matter in the 100th Congress. The members of the committee, including myself, have committed themselves to undertake this action. In fact, the Banking Committee has already commenced its review of the existing laws to determine whether they are still relevant and what changes, if any, need to be made in order to ensure the continued viability and safety and soundness of the system. These are complex issues and deserve this type of comprehensive review. The moratorium gives us the time, the information and the expertise to conduct the type of review to which the issue is entitled.

Mr. President, there are other meritorious provisions in this legislation. The bill provides much needed relief for consumers against banks who place unnecessarily long holds on deposited checks. It gives banks—and farmers—beset by problems in the agricultural sector of our economy time to work out troubled loans. It restores confidence in the Nation's Federal Deposit Insurance System by reaffirming the sense of the Congress that the full faith and credit of the United States protects depositors' funds in federally insured institutions.

This is a very good piece of legislation, Mr. President. It resolves the immediate problems facing the industry today. More importantly, it provides the framework to address the upcoming issues. I am proud to have been a participant in the committee, the Senate, and the conference which produced this final product.

Mr. GRASSLEY. Mr. President, the legislative process can certainly be long, some would say cumbersome. However, the framers of our Government intended that lawmaking would be a painful art, and evolution of developing ideas and vision.

Mr. President, H.R. 27, the Competitive Equality Banking Act of 1987 embodies this art. Our colleagues from Wisconsin and Utah, Mr. PROXMIRE and Mr. GARN, know all too well the pain that this art may entail. Their efforts, their vision, their dedication, are appreciated. It is no small task to acquire consensus among the divergent financial groups which have joined in support behind this bill. The bill in its entirety, while not perfect, represents progress in the financial services industries.

In particular, Mr. President, I would like to extend appreciation to Senator DIXON, who sponsored the amendment which became title VIII of this bill. Title VIII provides for 7-year amortization of farm loans in agricultural banks. I am very proud to have joined him, along with 10 other Senators, as a cosponsor of this section.

In Iowa many banks have been closed due to a troubled farm economy. Just last week another Iowa bank, the fifth this year, was closed due to problem agricultural loans. Regulators at FDIC predict that 200 banks nationally will fail before the close of

1987. This deferral period for farm loan losses will not only enable some rural communities to keep their banks open, it will also provide many lenders an incentive to keep productive farmers in business by writing down their debt to manageable levels. This partial solution to the farm crisis will not cost Government a dime, but will provide the farm economy time and flexibility to adjust to a new economic environment.

In support of this provision, I wrote letters to the conferees to urge them to include it in the conference committee report. In further support of this provision, as well as in support of the emergency assistance to the Federal Savings and Loan Insurance Corporation, I have sent a letter to the President to urge him to sign H.R. 27 into law.

So in conclusion, Mr. President, I urge my colleagues to support this bill, as reported out of the conference committee. I believe that it represents a fair compromise among the financial services. Especially, it provides much needed assistance to rural banks.

Mr. GORE. Mr. President, I rise today in support of the conference agreement for the Competitive Equality Banking Act of 1987. This legislation is vital to restore public trust in the stability of our savings and loan institutions.

Title III of the conference report, the Federal Savings and Loan Insurance Corporation [FSLIC] recapitalization, has been accurately described as emergency legislation. This provision would provide $10.825 billion with an annual net borrowing limit of $3.75 billion to recapitalize the insolvent FSLIC. The Federal Savings and Loan Insurance Corporation was $6 billion in the red at the end of last year because of the large number of S&L failures. Furthermore, it is estimated that savings and loans are currently losing $6 million a day. The conference agreement also establishes a forbearance system to keep well-managed but troubled financial thrifts open. I believe that this legislation will prevent a disaster waiting to happen—a taxpayer bailout of the S&L industry—and restore public confidence in the thrift industry.

While emergency legislation may come and go, the most far-reaching effects of the Competitive Equality Banking Act of 1987 will be its long-awaited move toward congressional restructuring of the financial services industry. No longer will judges and regulators determine the rules in a rapidly changing, increasingly technological industry. As the distinction between banking and commerce continues to blur, the global scale of the industry pits U.S. financial institutions against largely unregulated foreign firms: Foreign institutions can get around many U.S. banking laws, yet U.S. firms are being shut out of the playing field overseas. Congress must act to allow U.S. financial institutions to retain their competitive edge.

I have urged Banking Committee members on a number of occasions to enact comprehensive reform of the financial services industry. I welcome my colleagues' pledge to act on this overall issue before the temporary provisions of the Competitive Equality Banking Act of 1987 expire. Even while Congress has been debating H.R. 27, the Banking Committees have been holding hearings concerning issues of the long-term restructuring of the financial services industry. I look forward to working with my colleagues on this critical issue of the long-term health of the financial services industry.

The conference agreement addresses several critical areas: The closing of the nonbank bank loophole except for those in operation on or before March 5, 1987; a moratorium on the ability of banks to sell securities, insurance, or real estate until March 1988; and permitting any financial or commercial concern to acquire an insolvent savings and loan association with assets of $500 million or more. This conference report has garnered widespread support on the whole—even though many groups strongly oppose specific provisions—because it sets the stage for expeditious congressional action on the vital issues of competition within the financial services industry.

Furthermore, the conference agreement contains a long-sought victory for consumers. The check hold provision will allow customers quicker access to their funds deposited in financial institutions. For checks within the same general area, consumers will soon be able to have access to their funds the day following deposit. For checks that were drawn outside the area, a longer waiting period would be required. This provision will put an end to extraordinary delays in the processing of checks by some financial institutions.

I would like to commend my colleagues on the Banking Committees for their hard work in crafting this compromise. I hope that the Senate will pass this measure expeditiously, and the President will sign it into law.

Mr. SASSER. Mr. President, as a member of the Banking Committee I rise in support of the conference report on the Competitive Equality Banking Act of 1987. This bill is the product of several months of intensive work by the members of the Senate and House Banking Committees. It is vitally important legislation.

The bill recapitalizes the Federal Savings and Loan Insurance Corporation, and provides a badly needed infusion of funds to shore up the thrift industry. Although I am concerned that the bill may now provide too much money, too quickly, to an agency that does not yet have a track record of efficient management, I cannot overlook the fact that this action is desperately necessary. The bill and the recapitalization program will restore confidence in the deposit insurance system and thereby avert a potential financial crisis of unprecedented proportions.

The bill also closes the nonbank bank loophole once and for all. By doing so, it stops the entry of unregulated, diversified companies into the banking business. Nonbank banks, creatures of loophole lawyers, had raised regulatory havoc and engendered extensive litigation.

The bill makes a number of advances in consumer protection. Most importantly, it helps the American consumer by providing for a system of expedited check clearing. No longer will financial institutions be able to deny a person access to his money by placing lengthy holds on checks. In addition, in another area where consumers have had problems, the bill places caps on all adjustable rate mortgages and home equity loans.

Lastly, Mr. President, the bill's temporary moratorium on certain regulatory actions by the Federal banking agencies sets the stage for a comprehensive review, by the Banking Committee, of proposals to restructure the financial services industry and of the question of expanded products and services for commercial banks.

Mr. President, most of all, this legislation is a tribute to the tireless efforts and courageous leadership, of my friend and colleague, Senator Proxmire. As chairman of the Banking Committee, he guided this bill through an obstacle course of special interests and legislative logjams. Indeed, back in January, when he started this process, most people said it could not be done. They said too much time had passed since the last banking bill and the marketplace had changed too much. According to this view, we either had to do a narrow clean FSLIC bill or we needed to undertake a massive rewriting of the Nation's banking laws.

Chairman Proxmire held his ground. He advanced a moderate proposal, and modified it in the Banking Committee in order to form a consensus. He molded this legislative package along the policy lines that he has upheld throughout his long and illustrious career. The Banking Committee accepted it and, I might add, it has changed very little since it was reported by the committee March 10.

This bill puts the safety and soundness of our Nation's depositors foremost. The interests of consumers and competitive equity in the banking industry are protected by a scheme of fair and evenhanded regulation. It helps ensure that future national

banking policy will be made by Congress, by setting forth a framework for comprehensive legislation. But it calls a halt to disquieting trends that had been fostered by loophole lawyers and uncontrollable market forces.

In sum, Mr. President, this bill puts us back on the right track. Again, I congratulate Senator Proxmire for his leadership and achievement. I yield the floor.

### FSLIC EXIT FEES UNDER H.R. 27, THE COMPETITIVE EQUALITY BANKING ACT OF 1987

Mr. RUDMAN. I would like to take this opportunity to clarify the application of exit fee exemptions under H.R. 27. As I understand it, H.R. 27 requires the financing corporation to assess an exit fee on any insured institution which ceases to be an institution insured by the FSLIC. However, section 21(f)(4)(F) of the measure provides exemptions for institutions which have taken certain steps prior to March 31, 1987. Specifically, section 21(f)(4)(F)(iii) of the bill provides an exemption for institutions which "entered into a letter of intent or a written memorandum of understanding, pursuant to a transaction which will result in the termination of the institution's status as an insured institution in connection with its conversion into, merger with, acquisition by consolidation with, reorganization into, or combination by any means with, an institution the deposits of which are insured by the Federal Deposit Insurance Corporation."

Mr. PROXMIRE. That is correct.

Mr. HUMPHREY. If a savings and loan institution signed a letter of intent with a bank providing for the merger of the two institutions on March 19, 1987, then filed an application with the Federal Deposit Insurance Corporation [FDIC] for insurance of accounts in connection with the proposed merger transaction on April 23, 1987, would this institution qualify for the exemption under section 21(f)(4)(F)(iii), notwithstanding the fact that the proposed merger subsequently fell through in June 1987, if this institution pursues FDIC insurance by modifying its FDIC application?

Mr. PROXMIRE. Yes, it would qualify since the letter of intent was entered into on March 19, 1987, before the March 31 grandfather date, and as part of the process initiated by that letter the institution will change its insurance status to FDIC-insured. Thus grandfather status attaches despite the fact that the original merger transaction was not consumated as announced in June 1987, since the April 23 application to change insurance stems from the March 19 date. But this only applies since the April 23 application to the FDIC, under which the conversion will occur, was filed before the date of enactment of this bill. Thus if conversion does not proceed under the April 23 application—as may be modified with the approval of the FDIC—the institution will lose its grandfather rights.

If the institution retains its grandfather rights, it may proceed with its application notwithstanding the 1 year prohibition on termination of FSLIC insurance under section 306(h).

Mr. RUDMAN. I would inquire of the ranking manager of the bill if this is also his interpretation of this matter.

Mr. GARN. Yes, I agree with the assessment just given by the distinguished chairman, Mr. Proxmire.

Mr. RUDMAN. I thank the chairman and the ranking manager.

Mr. HUMPHREY. I too wish to thank the chairman and ranking manager for their assistance in this matter.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I have no other requests for speaking on my side of the aisle, and I am willing to yield back my time.

Mr. PROXMIRE. Mr. President, we have no request on this side, and I yield back my time.

As I understand, the yeas and nays have been ordered.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having now been yielded back, the question occurs on the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. Inouye] and the Senator from Illinois [Mr. Simon] are necessarily absent.

The PRESIDING OFFICER (Mr. Wirth). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 2, as follows:

[Rollcall Vote No. 226 Leg.]

YEAS—96

Adams
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Warner
Weicker
Wilson
Wirth

NAYS—2

Armstrong
Wallop

NOT VOTING—2

Inouye
Simon

So the conference report was agreed to.

Mr. GARN. I move to reconsider the vote by which the conference report was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

## MEDICARE CATASTROPHIC ILLNESS

Mr. BYRD. Mr. President, we still have some good working hours left in the day. I would like to inquire of the distinguished Republican leader if we might go to the bill, S. 1127, a bill to provide for Medicare catastrophic illness coverage. I think we have time in the remainder of this week to complete action on this measure if we can get started on it. It is important, not only to the poor and the elderly, but to our other citizens as well.

Mr. President, may we have order in the Senate?

Mr. President, the distinguished Republican leader has been making a very conscientious effort to have this bill cleared on his side. I know that he has been doing that.

There have been some problems there. There are no holds on this side and there have not been any. There is no objection to proceeding with this measure on this side. There were no objections yesterday.

I would like to inquire of the distinguished Republican leader as to what success he may have had on his side in getting this measure cleared for action.

Mr. President, I would like to have order in the Senate.

The PRESIDING OFFICER. Before proceeding——

Mr. BYRD. If the Sergeant at Arms can help us?

The PRESIDING OFFICER. The Chair would request that Senators wishing to converse retire to the cloakroom.

The minority leader is recognized.

**Mr. DOLE.** Let me indicate to the majority leader that the distinguished Senator from Minnesota, Senator **Durenberger**, is in process of contacting each of the Senators who have holds on the catastrophic coverage bill. He has had some success. I thought I might catch him on the floor. I will have to check to make that determination, but I do know for the moment at least, I would have to object on behalf of another. I have no objection.

This matter was raised this morning at the White House with the President. The President indicated he does support catastrophic coverage. He did recommend legislation. He is concerned about the cost of the House-passed bill and the cost of what he believes are some features of the Senate bill, but, obviously, the administration has nothing to do with when we bring it up. So I will get back to the majority leader.

I do believe there is at least, if not time to finish this bill, there will be time to do a lot of discussions and have a lot of good debate on the bill before we leave here on Friday.

**Mr. BYRD.** Mr. President, I believe we have time to complete action on this bill before we go out for the August break. I have a responsibility to do everything I can to try to get the measure up.

I am sure that if we can get the measure up that those who have problems, I think, will be under great pressure to try to work together to resolve those problems, and I thank the Republican leader for his efforts. I know that, if he has someone on his side—and I am confident that he does, I have no doubt about that—he is not at liberty to give consent to call it up, but I feel that I have to make the effort. I hope that, if it is objected to, by the Republican leader on behalf of another Senator, that efforts will continue to clear it and, having said that, I ask unanimous consent that the Senate proceed to consideration of S. 1127.

The chairman of the Finance Committee, Mr. **Bentsen**, is on the floor right now.

He made a good case for proceeding with this measure on yesterday.

Mr. President, before I put the request formally, I yield to the distinguished chairman of the committee, Senator **Bentsen**, for any comments he may have.

**Mr. BENTSEN.** Mr. Leader, we have had a great deal of time to study this measure and to prepare for debate on it. We have had the committee report printed. In turn, I instruct all staff to handle with priority any call from any Member pertaining to this legislation. We are prepared to go forward with it.

Mr. President, this is a bill that came out of committee by a unanimous vote, 20 to 0, with bipartisan support, very strong support.

Mr. President, the longer we wait means that those who are the least able to afford those kinds of financial sacrifice will be faced with a choice of deciding between food and medical care. It means that we are going to have more and more families who will be financially destitute as they try to take care of catastrophic illnesses.

Mr. President, this is something that was in the President's State of the Union Address as part of his agenda. This further undermines that.

We have no holds on our side. I strongly urge anyone who has a hold on this legislation to give consideration to the fact that they will be out in their State for 30 days and they will have all the interest groups on both sides trying to put pressure on them. I think we ought to address it now and get it done. It is clearly needed and it is good legislation.

Frankly, to those who think if they wait they will have less to contend with, I think they are seriously wrong. I see all the staff diligently pouring over that particular piece of legislation, trying to add further amendments to it. Most of those amendments will cost more money. We are already facing serious problems on the budget and we are trying to settle that.

Mr. President, I would urge that we move ahead with this matter. I think the most contentious issue will be the question on prescription drugs. In turn, I suppose in part there will be the compensation or paying for the catastrophic illness. But those are things that we should be able to reach agreement on without too much debate.

**Mr. BYRD.** Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 1127, a bill to provide for catatrophic illness coverage, and for other purposes.

**The PRESIDING OFFICER.** Is there objection?

**Mr. DOLE.** Mr. President, reserving the right to object, I will object on behalf of other Senators on this side. Again I would pledge to the majority and the distinguished chairman that we are trying to help in moving this along. I do not have any quarrel with doing that. The distinguished ranking Republican, Senator **Packwood**, is here. And I am advised that Senator **Durenberger** is in the middle of a meeting and as soon as he completed that he will get back to the distinguished majority leader.

**The PRESIDING OFFICER.** Objection is heard.

**Mr. BYRD.** I thank the distinguished Republican leader.

## VETERANS' EMPLOYMENT AND TRAINING AMENDMENTS

**Mr. BYRD.** Mr. President, I understand this is a request which has been cleared on the other side of the aisle.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 999, Calendar Order 262.

**The PRESIDING OFFICER.** The clerk will report.

The legislation clerk read as follows:

A bill (S. 999) to amend title 38, United States Code, and the Veterans' Job Training Act to improve veterans' employment, counseling, and job training services and programs.

**The PRESIDING OFFICER.** Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill which had been reported from the Committee on Veterans' Affairs with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

*SECTION 1. SHORT TITLE; REFERENCE TO TITLE 38, UNITED STATES CODE.*

*(a) SHORT TITLE.—This Act may be cited as the "Veterans' Employment, Training, and Counseling Amendments of 1987".*

*(b) REFERENCES TO TITLE 38.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.*

*SEC. 2. ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAMS.*

*(a) Section 2002A is amended—*

*(1) by inserting "(a)" before "There"; and*

*(2) by adding at the end the following new subsections:*

*"(b) The Secretary shall—*

*"(1) carry out all provisions of this chapter through the Assistant Secretary of Labor for Veterans' Employment and Training and administer through such Assistant Secretary all programs under the jurisdiction of the Secretary for the provision of employment and training services designed to meet the needs of disabled veterans, veterans of the Vietnam era, and all other eligible veterans and eligible persons;*

*"(2) in order to make maximum use of available resources, encourage all such programs and all grantees under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions;*

*"(3) ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to eligible veterans under all such programs by coordinating and consulting with the Administrator with respect to (A) programs conducted under other provisions of this title, with particular emphasis on coordination of such programs with readjustment counseling activities carried out under section 612A of this title, apprenticeship or other on-job training programs carried out under section 1787 of this title, and rehabilitation and training activities carried out under chapter 31 of this title, and (B) the Veterans' Job Training Act (Public Law 98-77, 29 U.S.C. 1721 note);*

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*"(4) ensure that job placement activities are carried out in coordination and cooperation with appropriate State public employment service officials;*

*"(5) subject to subsection (c)(2) of this section, make available for use in each State, directly or by grant or contract, such funds as may be necessary (A) to support (i) disabled veterans' outreach program specialists appointed under paragraph (1) of section 2003A(a) of this title, and (ii) local veterans' employment representatives assigned under section 2004(b) of this title, and (B) to support the reasonable expenses of such specialists and representatives for training, travel, supplies, and fringe benefits, including travel expenses and per diem for attendance at the National Veterans' Employment and Training Service Institute established under section 2010A of this title;*

*"(6) monitor and supervise on a continuing basis the distribution and use of funds provided for use in the States under this paragraph (5) of this subsection; and*

*"(7) monitor the appointment of disabled veterans' outreach specialists and the assignment of local veterans' employment representatives in order to ensure compliance with the provisions of section 2003A(a)(1) and 2004(a)(4), respectively.*

*"(c)(1) The distribution and use of funds under subsection (b)(5) of this section in order to carry out sections 2003A(a) and 2004(a) of this title shall be subject to the continuing supervision and monitoring of the Secretary and shall not be governed by the provisions of any other law, or any regulations prescribed thereunder, that are inconsistent with this section or section 2003A or 2004 of this title.*

*"(2) In determining the terms and conditions of a grant or contract under which funds are made available in a State under subsection (b)(5) of this section in order to carry out section 2003A(a) or 2004 (a) and (b) of this title, the Secretary shall take into account (A) the evaluations, carried out pursuant to section 2003(c)(13) of this title, of the performance of local employment offices in the State, and (B) the results of the monitoring, carried out pursuant to paragraph (1) of this subsection, of the use of funds under subsection (b)(5) of this section.*

*"(d) The Secretary shall assign to each region for which the Secretary operates a regional office a representative of the Veterans' Employment and Training Service to serve as the Regional Director for Veterans' Employment and Training.".*

*(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) Section 2003A is amended—*

*(A) in subsection (a)—*

*(i) by striking out paragraphs (1), (3), and (5) and redesignating paragraphs (2) and (4) as paragraphs (1) and (2), respectively;*

*(ii) in paragraph (1) (as so redesignated)—*

*(I) by amending the first sentence to read as follows: "The amount of funds made available for use in a State under section 2002A(b)(5)(A)(i) of this title shall be sufficient to support the appointment of one disabled veterans' outreach program specialist for each 5,300 veterans of the Vietnam era and disabled veterans residing in such State";*

*(II) in the third, fourth, and fifth sentences, by inserting "qualified" before "disabled" each place it appears; and*

*(III) in the fifth sentence, by inserting "qualified" after "any"; and*

*(iii) in paragraph (2) (as so redesignated), by striking our "paragraph (2) of"; and*

*(B) by striking out subsection (d).*

*(2) Section 2006 is amended—*

*(A) in subsection (a), by striking out the last sentence; and*

*(B) in subsection (d), by striking out "of Labor, upon the recommendation of the Assistant Secretary of Labor for Veterans' Employment,".*

*(3)(A) Section 2009 is repealed.*

*(B) The table of sections at the beginning of chapter 41 is amended by striking out the item relating to section 2009.*

*SEC. 3. LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.*

*(a) IN GENERAL.—(1) Section 2004 is amended to read as follows:*

***"§ 2004. Local veterans' employment representatives***

*"(a)(1) The total of the amount of funds made available for use in the States under section 2002A(b)(5)(A)(ii) of this title shall be sufficient to support the assignment of 1,600 full-time local veterans' employment representatives and the States' administrative expenses associated with the assignment of that number of such representatives and shall be allocated to the several States so that each State receives funding sufficient to support—*

*"(A) the number of such representatives who were assigned in such State on January 1, 1987, plus one additional such representative;*

*"(B) the percentage of the 1,600 such representatives for which funding is not provided under clause (A) of this paragraph which is equal to the average of (i) the percentage of all veterans residing in the United States who reside in such State, (ii) the percentage of the total of all eligible veterans and eligible persons registered for assistance with local employment offices in the United States who are registered for assistance with local employment offices in such State, and (iii) the percentage of all full-service local employment offices in the United States which are located in such State; and*

*"(C) the State's administrative expenses associated with the assignment of the number of such representatives for which funding is allocated to the State under clauses (A) and (B) of this paragraph.*

*"(2)(A) The local veterans' employment representatives allocated to a State pursuant to paragraph (1) of this subsection shall be assigned by the administrative head of the employment service in the State, with the concurrence of the State Director for Veterans' Employment and Training, so that as nearly as practical (i) one full-time such representative is assigned to each local employment office at which a total of at least 1,100 eligible veterans and eligible persons is registered for assistance, (ii) one additional full-time such representative is assigned to each such local employment office for each 1,500 such individuals above 1,100 such individuals who are so registered at such office, and (ii) one half-time such representative is assigned to each local employment office at which at least 350 but less than 1,100 such individuals are so registered.*

*"(B) In the case of a local employment office at which less than 350 such individuals are so registered, the head of such office (or the designee of the head of such office) shall be responsible for ensuring compliance with the provisions of this title providing for priority services for veterans and priority referral of veterans to Federal contractors.*

*"(3) For the purposes of this subsection, an individual shall be considered to be registered for assistance with a local employment office during a program year if the individual—*

*"(A) registered, or renewed such individual's registration, for assistance with the office during that program year; or*

*"(B) so registered or renewed such individual's registration during a previous program year and, in accordance with regulations which the Secretary shall prescribe, is counted as still being registered for administrative purposes.*

*"(4) Each local veterans' employment representative shall be a veteran. Preference shall be given in the assignment of such representatives to qualified disabled veterans. If the Secretary finds that no qualified disabled veteran is available for any such assignment, such assignment may be given to a qualified veteran who is not a disabled veteran.*

*"(b) Local veterans' employment representatives shall be assigned, in accordance with this section, by the administrative head of the employment service in each State.*

*"(c)(1) The services provided by local veterans' employment representatives shall be subject to the functional supervision specified in section 2003(c)(1)(A) of this title.*

*"(2)(A) Except as provided in subparagraph (B) of this paragraph, the work of local veterans' employment representatives shall be fully devoted to discharging at the local level the duties and functions specified in section 2003 (c)(1)(B) and (c) (2) through (12) of this title.*

*"(B) The duties of local veterans' employment representatives shall include providing, or facilitating the provision of, counseling services to veterans who, pursuant to section 5(b)(3) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note), are certified as eligible for participation under such Act.".*

*(2) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:*

*"2004. Local veterans' employment representatives.".*

*(b) BUDGETING.—Section 2006(a) is amended—*

*(1) in the fifth sentence—*

*(A) by striking out "to fund the disabled veterans' outreach program under section 2003A" and inserting in lieu thereof "in all of the States for the purposes specified in paragraph (5) of section 2002A(b) of this title and to fund the National Veterans' Employment and Training Service Institute under section 2010A"; and*

*(B) by striking out "such section" and inserting in lieu thereof "such sections"; and*

*(2) by amending the sixth sentence to read as follows: "Each budget submission with respect to such funds shall include separate listings of the proposed numbers, by State, of disabled veterans' outreach program specialists appointed under section 2003A(a)(1) of this title and local veterans' employment representatives assigned under section 2004(b) of this title, together with information demonstrating the compliance of such budget submission with the funding requirements specified in the preceding sentence".*

*(c) REPORTING REQUIREMENTS.—Subsection (c) of section 2007 is amended to read as follows:*

*"(c) Not later than February 1 of each year, the Secretary shall report annually to the appropriate committees of the Congress on the success during the preceding fiscal year of the Department of Labor and its affiliated State employment service agencies*

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in carrying out the provisions of this chapter and programs for the provision of employment and training services to meet the needs of veterans. The report shall include—

"(1) specification, by State, of the numbers of eligible veterans, veterans of the Vietnam era, disabled veterans, special disabled veterans, and eligible persons who registered for assistance with the public employment service system and, of each such categories, the numbers referred to and placed in jobs, the numbers referred to and placed in jobs and job training programs supported by the Federal Government, the number counseled, and the number who received some reportable service;

"(2) any determination made by the Secretary during the preceding fiscal year under section 2006 of this title or subsection (a)(2) of this section and a statement of the reasons for such determination;

"(3) a report on activities carried out during the preceding fiscal year under sections 2003A and 2004 of this title; and

"(4) a report on the operation during the preceding fiscal year of programs for the provision of employment and training services designed to meet the needs of veterans, including an evaluation of the effectiveness of such programs during such fiscal year in meeting the requirements of section 2002A(b) of this title, the efficiency with which services were provided under such programs during such year, and such recommendations for further legislative action (including the need for any changes in the formulas governing the appointment of disabled veterans' outreach program specialists under section 2003A(a)(2) of this title and the assignment of local veterans' employment representatives under section 2004(b) of this title and the allocation of funds for the support of such specialists and representatives) relating to veterans' employment as the Secretary considers appropriate.".

### SEC. 4. PERFORMANCE OF DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.

(a) In General.—Chapter 41 is amended by inserting after section 2004 the following new section:

**"§ 2004A. Performance of disabled veterans' outreach program specialists and local veterans' employment representatives**

"(a)(1) After consultation with State employment agencies or their representatives, or both, the Secretary shall prescribe, and provide for the implementation and application of, standards for the performance of disabled veterans' outreach program specialists appointed under section 2003A(a) of this title and local veterans' employment representatives assigned under section 2004(b) of this title and shall monitor the activities of such specialists and representatives.

"(2) Such standards shall be designed to provide for—

"(A) in the case of such specialists, the effective performance at the local level of the duties and functions of such specialists specified in section 2003A (b) and (c) of this title,

"(B) in the case of such representatives, the effective implementation at the local level of the duties and functions specified in paragraphs (1)(B) and (2) through (12) of section 2003(c) of this title, and

"(C) the monitoring and rating activities prescribed by subsection (b) of this section.

"(3) Such standards shall include as one of the measures of the performance of such a specialist the extent to which the specialist, in serving as a case manager under section 14(b)(1)(A) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note), facilitates rates of successful completion of training by veterans participating in programs of job training under that Act.

"(4) In entering into an agreement with a State for the provision of funding under section 2002A(b)(5) of this title, the Assistant Secretary of Labor for Veterans' Employment and Training personally may make exceptions to such standards to take into account local conditions and circumstances, including the employment, counseling, and training needs of the eligible veterans and eligible persons served by the office or offices to which the exception would apply.

"(b)(1) State Directors for Veterans' Employment and Training and Assistant State Directors for Veterans' Employment and Training shall regularly monitor the performance of the specialists and representatives referred to in subsection (a)(1) of this section through the application of the standards required to be prescribed by such subsection (a)(1).

"(2) A State Director for Veterans' Employment and Training, or a designee of such Director, shall submit to the head of the employment service in the State recommendations and comments in connection with each annual performance rating of a disabled veterans' outreach program specialist or local veterans' employment representative in the State.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 41 is amended by adding at the end the following:

"2004A. Performance of disabled veterans' outreach program specialists and local veterans' employment representatives.".

### SEC. 5. WAIVER OF RESIDENCY REQUIREMENT FOR CERTAIN STATE DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING.

Section 2003(b)(1) is amended—

(1) by inserting "(A)" after "(1)";

(2) by redesignating clauses (A) and (B) as clauses (i) and (ii), respectively;

(3) by inserting in clause (i), as redesignated by clause (2), ", except as provided in subparagraph (B) of this paragraph," after "shall"; and

(4) by adding at the end the following new subparagraph:

"(B) The Secretary, where the Secretary determines that it is necessary to consider for appointment as a State Director for Veterans' Employment and Training an eligible veteran who is an Assistant State Director for Veterans' Employment and Training and has served in that capacity for at least 2 years, may waive the requirement in subparagraph (A)(i) of this paragraph that an eligible veteran be a bona fide resident of a State for at least 2 years in order to be eligible to be assigned as a State Director for Veterans' Employment and Training. In the event of such a waiver, preference shall be given to a veteran who meets such residency requirement and is equally as qualified for the position of State Director as such Assistant State Director.".

### SEC. 6. SHARING OF INFORMATION REGARDING POTENTIAL EMPLOYERS.

(a) Between the Departments of Defense and Labor.—Section 2005 is amended—

(1) by inserting "(a)" before "All"; and

(2) by adding at the end the following new subsection:

"(b) For the purpose of assisting the Secretary and the Administrator in identifying employers with potential job training opportunities under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note) and otherwise in order to carry out this chapter, the Secretary of Defense shall provide to the Secretary and to the Administrator (1) not more than 30 days after the date of the enactment of this subsection, the then-current list of employers participating in the National Committee for Employer Support of the Guard and Reserve, and (2) thereafter, on the fifteenth day of each month, updated information regarding the list.".

(b) Between the Veterans' Administration and the Department of Labor.—(1) Section 2008 is amended—

(A) by inserting "(a)" before "In"; and

(B) by adding at the end the following new subsection:

"(b) The Administrator shall require each regional office of the Veterans' Administration to provide to appropriate employment service offices and Department of Labor offices, as designated by the Secretary, on a monthly or more frequent basis, the name and address of each employer located in the area served by such regional office that offers a program of job training which has been approved by the Administrator under section 7 of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note).".

(2)(A) The heading of section 2008 is amended to read as follows:

**"§ 2008. Cooperation and coordination".**

(B) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:

"2008. Cooperation and coordination.".

### SEC. 7. RESPONSIBILITIES OF PERSONNEL.

(a) State and Assistant State Directors for Veterans' Employment and Training.—Section 2003(c) is amended—

(1) in clause (1)—

(A) by inserting "(A) functionally supervise the provision of services to eligible veterans and eligible persons by such system and such program and their staffs, and (B)" after "(1)"; and

(B) by inserting ", including the program conducted under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note)" after "programs";

(2) in clause (2), by inserting "and otherwise to promote the employment of eligible veterans and eligible persons" after "opportunities";

(3) in clause (11), by striking out "and" at the end;

(4) in clause (12), by striking out the period and inserting in lieu thereof "; and"; and

(5) by adding at the end the following new clause:

"(13) not less frequently than annually, conduct an evaluation at each local employment office of the services provided to eligible veterans and eligible persons and make recommendations for corrective action as appropriate.".

(b) Disabled Veterans' Outreach Program Specialists.—Section 2003A(c) is amended—

(1) in clause (4), by inserting "(including part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.))" after "programs";

(2) in clause (6), by inserting "(including the program conducted under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note))" after "programs"; and

(3) by adding at the end the following new clauses:

"(9) Provision of counseling services to veterans with respect to veterans' selection of and changes in vocations and veterans' vocational adjustment.

"(10) Provision of services as a case manager under section 14(b)(1)(A) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note).".

### SEC. 8. NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICE INSTITUTE.

(a) Establishment of Institute.—Chapter 41 is further amended by adding at the end the following new section:

**"§ 2010A. National Veterans' Employment and Training Service Institute**

"In order to provide for such training as the Secretary considers necessary and appropriate for the efficient and effective provision of employment, job-training, placement, and related services to veterans, the Secretary shall establish and make available such funds as may be necessary to operate a National Veterans' Employment and Training Service Institute for the training of disabled veterans' outreach program specialists, local veterans' employment representatives, State Directors for Veterans' Employment and Training, and Assistant State Directors for Veterans' Employment and Training, and such other personnel involved in the provision of employment, job-training, counseling, placement, or related services to veterans as the Secretary considers appropriate.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 41 is further amended by adding at the end the following new item:

"2010A. National Veterans' Employment and Training Service Institute.".

### SEC. 9. STUDY OF UNEMPLOYMENT AMONG CERTAIN DISABLED VETERANS AND VIETNAM THEATER VETERANS.

(a) In General.—Chapter 41 is further amended by adding at the end the following new section:

**"§ 2010B. Special unemployment study**

"(a) The Secretary, through the Bureau of Labor Statistics, shall conduct, on a biennial basis, studies of unemployment among special disabled veterans and among veterans who served in the Vietnam Theater of Operations during the Vietnam era and promptly report to the Congress on the results of such studies.

"(b) The first study under this section shall be completed not later than July 1, 1988.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 41 is amended by adding at the end the following new item:

"2010B. Special unemployment study.".

### SEC. 10. SECRETARY'S COMMITTEE ON VETERANS' EMPLOYMENT.

Clause (1) of section 2010(b) is amended—

(1) by redesignating subclauses (D), (E), and (F) as subclauses (E), (F), and (G), respectively;

(2) by inserting after subclause (C) a subclause, as follows:

"(D) the Secretary of Education;"

(3) by striking out "and" at the end of subclause (F) (as so redesignated);

(4) by adding at the end the following new subclause:

"(H) the Postmaster General; and".

### SEC. 11. VETERANS' JOB TRAINING ACT AMENDMENTS.

(a) Expansion of Eligibility.—(1) Paragraph (1) of section 5(a) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note) is amended to read as follows:

"(1) To be eligible for participation in a job training program under this Act, a veteran must—

"(A) be unemployed at the time of applying for participation in a program under this Act;

"(B)(i) have been unemployed for at least 10 of the 15 weeks immediately preceding the date of such veteran's application for participation in a program under this Act; or

"(ii)(I) have been terminated or laid off from employment as the result of a plant closing or major reduction in the number of persons employed by the veteran's prior employer, and (II) have no realistic opportunity to return to employment in the same or similar occupation in the geographical area where the veteran previously held employment; and

"(C)(i) have served in the active military, naval, or air service for a period of more than 180 days; or

"(ii)(I) have been discharged or released from the active military, naval, or air service for a service-connected disability; or (II) be entitled to compensation (or but for the receipt of retirement pay be entitled to compensation).".

(2) Section 3(3) of such Act is amended—

(A) by striking out "'Korean conflict'" and "(9)"; and

(B) by striking out "'State', and 'Vietnam era'," and "(24), and (29)" and inserting in lieu thereof "and 'State'" and "and (24)", respectively.

(b) Counseling.—(1) Section 14 of such Act is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) The Administrator and the Secretary shall jointly provide for—

"(A) a program under which, except as provided in paragraph (2), a disabled veteran's outreach program specialist appointed under section 2003A(a) of title 38, United States Code, is assigned as a case manager for each veteran participating in a program of job training under this Act, the veteran has an in-person interview with the case manager not later than 60 days after entering into a program of training under this Act, and periodic (not less frequent than monthly) contact is maintained with each such veteran for the purpose of (i) avoiding unnecessary termination of employment, (ii) referring the veteran to appropriate counseling, if necessary, (iii) facilitating the veteran's successful completion of such program, and (iv) following up with the employer and the veteran in order to determine the veteran's progress in the program and the outcome regarding the veteran's participation in and successful completion of the program;

"(B) a program of counseling services (to be provided pursuant to subchapter IV of chapter 3 of such title and sections 612A, 2003A, and 2204 of such title) designed to resolve difficulties that may be encountered by veterans during their training under this Act; and

"(C) a program of information services under which (i) each veteran who enters into a program of job training under this Act and each employer participating under this Act is informed of the supportive services and resources available to the veteran (I) under subparagraphs (A) and (B), (II) through Veterans' Administration counseling and career-development activities (especially, in the case of a Vietnam-era veteran, readjustment counseling services under section 612A of such title) and under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.), and (III) through other appropriate agencies in the community, and (ii) veterans and employers are encouraged to request such services whenever appropriate.

"(2) No case manager still be assigned pursuant to paragraph (1)(A) in the case of the employees of an employer if the Secretary determines that—

"(A) the employer has an appropriate and effective employee assistance program that is available to all veterans participating in the employer's programs of job training under this Act; or

"(B) the rate of veterans' successful completion of the employer's programs of job training under this Act, either cummulatively or during the previous program year, is 60 percent or higher.

"(c) Before a veteran who voluntarily terminates from a program of job training under this Act or is involuntarily terminated from such program by the employer may be eligible to be provided with a further certificate, or renewal of certification, of eligibility for participation under this Act, such veteran must be provided by the Administrator with appropriate vocational counseling in light of the veteran's termination.".

(2) Section 7(d) of such Act is amended—

(A) by redesignating paragraph (12) as paragraph (13); and

(B) inserting after paragraph (11) the following new paragraph:

"(12) That, as applicable, the employer will provide each participating veteran with the full opportunity to participate in a personal interview pursuant to section 14(b)(1)(A) during the veteran's normal workday.".

(c) Discontinuance of Approval of Participation in Programs of Employers with Unsatisfactory Completion Rates.—Section 11 of such Act is amended—

(1) by inserting "(a)" after "Sec. 11."; and

(2) by adding at the end the following new subsection:

"(b)(1) If the Secretary, after consultation with the Administrator and in accordance with regulations which the Administrator and the Secretary shall jointly prescribe to carry out this subsection, determines that the rates of veterans' successful completion of an employer's programs of job training previously approved by the Administrator for the purposes of this Act is disproportionately low, the Administrator shall disapprove participation in such programs on the part of veterans who had not begun such participation on the date that the employer is notified of the disapproval.

"(2)(A) A disapproval under paragraph (1) shall remain in effect until such time as the Administrator determines that adequate remedial action has been taken. In determining whether the remedial actions taken by the employer are adequate to ensure future avoidance of a disproportionately low rate of successful completion, the Administrator may, except in the case of an employer which the Secretary determines meets the criteria specified in clause (A) or (B) of section 14(b)(2), consider the likely effects of such actions in combination with the likely effects of using the payment formula described in subparagraph (B) of this paragraph. If the Administrator finds that the combined effects of such actions and such use are adequate to ensure future avoidance of such a rate, the Administrator may revoke the disapproval with the revocation conditioned upon such use for a period of time that the Administrator considers appropriate under the circumstances.

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*"(B) The payment formula referred to in subparagraph (A) is a formula under which, subject to sections 5(c) and 8(a)(2), the amount paid to the employer on behalf of a veteran shall be—*

*"(i) in the case of a program of job training of 4 or more months duration—*

*"(I) for the first 4 months of such program, 30 percent of the product of the starting hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay) and the number of hours worked by the veteran during such months;*

*"(II) for any period after the first 4 months, 50 percent of the product of the starting hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay) and the number of hours worked by the veteran during that period; and*

*"(III) upon the veteran's successful completion of the program, the amount that would have been paid, above the amount that was paid, for such first 4 months pursuant to subclause (I) if the percentage specified in subclause (I) were 50 percent rather than 30 percent; and*

*"(ii) in the case of a program of job training of less than 4 months duration—*

*"(I) for the months prior to the final scheduled month of the program, 30 percent of the product of the starting hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay) and the number of hours worked by the veteran during the months prior to such final scheduled month;*

*"(II) for the final scheduled month of the program, 50 percent of the product of the actual hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay) and the number of hours worked by the veteran during that month; and*

*"(III) upon the veteran's successful completion of the program, the amount that would have been paid, above the amount that was paid, for the months prior to the final scheduled month of the program pursuant to subclause (I) if the percentage specified in subclause (I) were 50 percent rather than 30 percent.".*

*(d) AUTHORIZATION OF APPROPRIATIONS.—Section 16 of such Act is amended—*

*(1) by inserting "(a)" before "There";*

*(2) in subsection (a) (as so designated)—*

*(A) by inserting after the first sentence the following new sentence: "There is also authorized to be appropriated, in addition to the appropriations authorized by the preceding sentence, $60,000,000 for each of the fiscal years 1988 and 1989 for the purpose of making payments to employers under this Act."; and*

*(B) in the final sentence, by striking out "1989" and inserting in lieu thereof "1991"; and*

*(3) by adding at the end the following new subsection:*

*"(b) Notwithstanding any other provision of law, any funds appropriated under subsection (a) for any fiscal year which are obligated for the purpose of making payments under section 8 on behalf of a veteran (including funds so obligated which previously had been obligated for such purpose on behalf of another veteran and were thereafter deobligated) and are later deobligated shall immediately upon deobligation become available to the Administrator for obligation for such purpose. The further obligation of such funds by the Administrator for such purpose shall not be required, directly or indirectly, to be delayed in any manner by any officer or employee in the executive branch.".*

*(e) DEADLINES FOR VETERANS' APPLICATIONS AND ENTRY INTO TRAINING.—Section 17 of such Act is amended to read as follows:*

*"SEC. 17. Assistance may not be paid to an employer under this Act—*

*"(1) on behalf of a veteran who initially applies for a program of job training under this Act after June 30, 1989; or*

*"(2) for any such program which begins after December 31, 1989.".*

*(f) CONFORMING AMENDMENT.—Section 5(b)(3)(A) of such Act is amended by striking out "The" at the beginning of the first sentence and inserting in lieu thereof "Subject to section 14(c), the".*

*(g) DATA ON PARTICIPATION.—Section 15 of such Act is amended by adding at the end the following new subsection:*

*"(f) The Secretary shall, on a not less frequent than quarterly basis, collect from the heads of State employment services and State Directors for Veterans' Employment and Training information available to such heads and Directors, and derived from programs carried out in their respective States, with respect to the numbers of veterans who receive counseling services pursuant to section 14, who are referred to employers participating under this Act, who participate in programs of job training under this Act, and who complete such programs, and the reasons for veterans' noncompletion.".*

***SEC. 12. REVISIONS OF NOMENCLATURE.***

*(a) SECRETARY OF LABOR.—(1) Section 2001 is amended by adding at the end the following new paragraph:*

*"(7) The term 'Secretary' means the Secretary of Labor.".*

*(2) Sections 2002A, 2003 (a) and (b)(2), 2005(a) (as redesignated by the amendment made by section 6(a)(1)), 2006(a), 2007, 2008(a) (as redesignated by the amendment made by section 6(b)(1)), and 2010(b) are amended by striking out "Secretary of Labor" each place it appears except where preceded by "Assistant" and inserting in lieu thereof "Secretary".*

*(3) The first sentence of section 2010(b) is amended by striking out "The" and inserting in lieu thereof "Notwithstanding section 2002A(b)(1) of this title, the".*

*(b) ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.—(1) Sections 2000(2), 2002, 2002A(a) (as redesignated by section 2(a)) and 2010(b) are amended by inserting "and Training" after "Assistant Secretary of Labor for Veterans' Employment" each place it appears.*

*(2)(A) The heading of section 2002A is amended to read as follows:*

***"§ 2002A. Assistant Secretary of Labor for Veterans' Employment and Training; national programs".***

*(B) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:*

*"2002A. Assistant Secretary of Labor for Veterans' Employment and Training; national programs.".*

*(c) STATE AND ASSISTANT STATE DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING.—(1) Sections 2003 and 2003A(b)(2) are amended by inserting "and Training" after "State Directors for Veterans' Employment" and "Assistant State Director for Veterans' Employment" each place those terms appear.*

*(2)(A) The heading of section 2003 is amended to read as follows:*

***"§ 2003. State and Assistant State Directors for Veterans' Employment and Training".***

*(B) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:*

*"2003. State and Assistant State Directors for Veterans' Employment and Training.".*

***SEC. 13. EFFECTIVE DATE.***

*The provisions of and amendments made by this Act shall take effect on October 1, 1987.*

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Veterans Affairs be discharged from further consideration of the House companion bill, H.R. 1504, that the Senate proceed to the immediate consideration of H.R. 1504, that the Senate strike all after the enacting clause and substitute the language of S. 999, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I rise to urge all my colleagues to support passage of S. 999—the proposed Veterans' Employment, Training and Counseling Amendments of 1987—as unanimously reported from the Committee on Veterans' Affairs on July 28, which I introduced on April 9. I was delighted to be joined on April 9 in introducing S. 999, and on April 21 in introducing the revised version of it—Amendment No. 160—by Committee members MATSUNAGA and DECONCINI. Joining later as cosponsors were committee members MITCHELL, ROCKEFELLER, GRAHAM, and THURMOND and Senators KERRY, BURDICK, and SIMON.

The bill as reported, which I will refer to as the committee bill, incorporates the provisions of amendment No. 160 and many suggestions of the witnesses at our April 30 hearing, most of which was chaired most ably by Senator ROCKEFELLER. I am very grateful to Senator ROCKEFELLER for the excellent contribution he made to the committee's consideration of this legislation.

### CHAPTER 41 AMENDMENTS: VETERANS' EMPLOYMENT AND TRAINING SERVICE

Basically, chapter 41 of title 38, United States Code, provides for veterans' job and job-training counseling and placement service programs, and employment service programs for eligible veterans and certain other eligible persons, and requires that the Assistant Secretary of Labor for Veterans' Employment and Training [ASVET] provide these services through the Veterans' Employment and Training Service [VETS] within the Department of Labor. The VETS is required to provide a maximum of employment and training opportunities to veterans, with priority given to the needs of disabled veterans and veterans of the Vietnam era. The VETS works in close cooperation with and through individual State employment agencies in order to provide these services.

A further component of the Federal-State relationship in this regard is the provision of Federal funding for DVOP's and LVER's who provide job counseling, training, and placement services to veterans.

In fiscal year 1987, the Department of Labor is funding 1,894 DVOP's at a cost of $69,450,000 and 1,379 LVER's at a cost of $56,983,000. Although the DVOP's and LVER's are fully federally-funded, the persons serving in these positions are employed by the individual State employment agencies and for the most part are located in Job Service offices throughout each State. Current law requires that in each State at least 25 percent of the DVOP's be outstationed.

In addition, SDVET's and ASDVET's in each State are appointed by, report to, and are under the administrative direction of the ASVET. The SDVET's and ASDVET's serve as the representatives of the ASVET in each State in carrying out the ASVET's responsibility to ensure that State employment agencies, through their LVER's and DVOP's, are providing services to veterans in compliance with chapter 41 of title 38, United States Code.

At our Veterans' Affairs Committee's April 30 hearing, witness afer witness stressed that, during a period of severe fiscal restraint and exceptionally keen competition for limited Federal resources, it is imperative that the Federal dollars expended for veterans' employment and training services be stretched as far as possible. Dennis K. Rhoades, director of The American Legion's National Economic Commission, Ronald W. Drach, the Disabled American Veterans' national director of employment, Dr. Robert E. David, executive director of the South Carolina Employment Security Commission, and Ronald L. Sager, the 1983 Outstanding DVOP in the United States, all testified that the best way to accomplish this with respect to veterans' employment and training programs would be to build upon the Federal-State partnership by incorporating additional sound managerial principles into the current $126.4 million nationwide program of LVER's and DVOP's—managerial principles which would promote the approaches needed in order to meet veterans' persistent training and employment needs.

Against this background, the committee bill seeks to provide a comprehensive framework for the creation of a more stable, professional DVOP/LVER work force nationwide to furnish employment referral, counseling, job-training, and related services to eligible veterans.

### VETERANS' JOB TRANING ACT AMENDMENTS

The Veterans' Job Training Act [VJTA] is designed to promote training and employment opportunities for long-term jobless Vietnam-era and Korean-conflict veterans through a program of cash incentives to employers to help them defray the costs of employing and providing training to such veterans. The VJTA Program was originally established in 1983 with the enactment of the Emergency Veterans' Job Training Act, Public Law 98–77 and was extended and amended in 1984, 1985, 1986. Our committee bill would amend VJTA to authorize VJTA appropriations of $60 million for each of fiscal years 1988 and 1989 and expand the eligiblity to include veterans of all periods of service and eliminate the length-of-unemployment criterion for certain veterans, and make a number of changes designed to enhance veteran-participants' rates of successful completion of VJTA training.

### PURPOSE OF COMMITTEE BILL

Mr. President, the basic purpose of the committee bill, as reported, is to improve the provision of employment, counseling, job-training, and related services and opportunities for veterans through revisions of chapter 41 of title 38, United States Code, and the Veterans' Job Training Act.

The revisions to chapter 41 that we are proposing aim for a more effective, supportive, and accountable relationship between the Department of Labor's Assistant Secretary and the State and Assistant State Directors of Veterans' Employment and Training and the Disabled Veterans' Outreach Program specialists [DVOP's] and Local Veterans' Employment Representatives [LVER's] in the State employment agencies. Our legislation is designed to improve the management of veterans' employment and training programs—specifically with respect to the planning, organizing, staffing, administering, coordinating, budgeting, reporting, and evaluating of such programs by both Federal and State officials. Most importantly, our legislation is designed to enhance the effectiveness of employment and training services furnished to veterans by providing for greater accountability and professional development for our very valuable federally funded work force of 3,275 DVOP's and LVER's across the country.

We seek to build upon the Federal-State partnership for veterans' employment and training services by incorporating sound managerial principles to accomplish the following purposes, among others:

First, creation of a stable, professional work force of 1,600 LVER's nationwide to furnish employment and training services to veterans consistently and effectively without interruption due to the recently experienced annual budget hiatus.

Second, development of performance standards for DVOPs and LVER's by the Secretary of Labor, in consultation with State employment agencies.

Third, creation of a permanent National Veterans' Employment and Training Service Institute to train DVOP's, LVER's, State and Assistant State Directors of Veterans Employment and Training and other personnel in the provision of veterans' employment, job training, counseling, placement, and other services.

Fourth, implementation of annual evaluations of local employment offices by the State Directors along with recommendations for corrective action, as appropriate.

Fifth, authorization for the Secretary of Labor to provide for upward mobility of Assistant State Directors of Veterans' Employment and Training by waiving the 2-year State residency requirement to allow an Assistant State Director with 2 years' experience to be appointed as a State Director in a State in which he or she does not meet the residency requirement, with a preference required to be given any equally qualified veteran who meets the State residency requirement.

Sixth, codification of the requirement in section 653.214 of title 20 of the Code of Federal Regulations for State Directors functionally to supervise the provision of services to veterans by State employment agency personnel.

Seventh, require the State Directors and Assistant State directors of Veterans' Employment and Training to conduct not less frequently than annually evaluations of the services at local employment offices and make recommendations for corrective action as appropriate.

With respect to the Veterans' Job Training Act [VJTA], the committee bill would authorize appropriations of $60 million for VJTA for each of fiscal years 1988 and 1989 and expanding VJTA eligibility by repealing the requirement of service during the Korean conflict or Vietnam era and unemployment for 10 of the last 15 weeks for a veteran who is unemployed as a result of a plant closing or other major employment reduction.

This program has provided over 5,200 veterans with the opportunity to gain the skills and on-job experience needed to help them break away from sustained unemployment and build more productive lives for themselves and their families.

At the same time, I feel it is vital that we come to grips with the all-too-high noncompletion rate, and our committee bill attempts to do this by adding extensive provisions to improve the counseling services available to VJTA participants and to create a case-manager approach under which DVOP's will be trained to track and assist veterans as they progress through their training programs.

### COMMITTEE BILL AS REPORTED

A major purpose of the committee bill is to seek to make more efficient and effective the relationship between individual State employment agencies and the ASVET in order to improve employment and training services for veterans by provding for greater accountability and professional development for the federally funded work force of 3,273 DVOP's and LVER's across the country and stabilizing that number at approximately 3,500.

Specifically, with respect to the Veterans' Employment and Training Service, the committee bill would:

First, require that the Secretary of Labor's administration of veterans' employment, training, and related programs in all cases—unless provided to the contrary—be through the Assistant Secretary of Labor for Veterans' Employment and Training; and expand the requirement that the Secretary coordinate and consult with the Administrator of Veterans' Affairs with respect to the implementation of VJTA and all veterans' employment, job training, and related programs.

Second, require the Secretary to assign a Regional Director for Veterans' Employment and Training to each region in which there is a Department of Labor regional office.

Third, require the Secretary (a) to make available to the States funding sufficient for 1,600 LVER positions, and related reasonable administrative expenses nationwide; (b) to allocate to each State an amount of funds sufficient for the number of LVER's that it had on January 1, 1987, plus one additional LVER, and to allocate funding for the remaining LVER positions up to 1,600 pursuant to a formula based on first, the State's veteran population, second, the number of veterans registerd at local employment offices in the State, and third, the number of full-service employment offices in the State; and (c) to allocate to each State sufficient funding for the reasonable administrative expenses associated with the assignment of the LVER's for which it receives funding.

Fourth, provide that within each State the LVER's would be assigned to local employment offices so that, as nearly as practicable, each office with at least 1,100 registrants would have a full-time LVER and one additional full-time LVER for each 1,500 additional registrants; a half-time LVER would be assigned at an office with at least 350 but less than 1,100 registrants; and at an office with fewer than 350 registrants, the local office manager would be responsible for compliance with provisions in existing law requiring priority services for veterans and priroity referral of veterans to Federal contractors.

Fifth, require that the Department of Labor's annual budget include estimates of the funding necessary for the assignment of 1,600 LVER's and related administrative expenses and for the operation of the Veterans' Employment and Training Service Institute, and data demonstrating compliance with a requirement that the Secretary approve the submission only if the proposed funding level complies with the requirement for the funding to support 1,600 LVER's and certain expenses.

Sixth, require that persons assigned after October 1, 1987, as LVER's be veterans and that preference be accorded to qualified service-connected disabled veterans, and mandate the Secretary to monitor compliance with these requirements.

Seventh, redefine the responsibilities of LVER's so as to require that their work be fully devoted to certain employment, training, and related programs for veterans and that LVER's duties include providing, or facilitating the provision of, counseling services to veterans certified as eligible for participation under VJTA.

Eighth, require the Secretary, after consultation with State employment agencies or their representatives, to prescribe, and provide for the implementation and application of, standards for the performance of DVOP's and LVER's and to monitor their activities.

Ninth, allow the ASVET personally to make an exception to the nationally prescribed performance standards to take into account local conditions and circumstances.

Tenth, require State and assistant State directors for Veterans' Employment and Training [SDVET's and ASDVET's] regularly to monitor the performance of DVOP's and LVER's through the application of performance standards; require each SDVET or designee to submit to the head of the employment service in the State recommendations and comments in connection with the employment service's annual performance rating of a DVOP or LVER in the State.

Eleventh, authorize the ASVET, where the Assistant Secretary determines it necessary, to allow an ASDVET with 2 years of experience to be considered for appointment as an SDVET by waiving the current 2-year-State-residency requirement for appointment as an SDVET but require that preference be given any equally qualified veteran who meets the State-residency requirement.

Twelfth, require the Secretary of Defense to provide to the Secretary of Labor and the Administrator of Veterans' Affairs the list of employers participating in the National Committee for Employer Support of the Guard and Reserve; and require the Administrator to require Veterans' Administration regional offices to provide to appropriate employment offices the names and addresses of employers offering approved training programs under VJTA.

Thirteenth, require SDVET's and ASDVET's to supervise functionally the provision of services to eligible veterans and eligible persons by the State employment services and their personnel, certain other Federal or federally assisted programs, and State programs, and make SDVET's and ASDVET's functionally responsible for the supervision of the registration and placement of veterans under VJTA and responsible for, in addition to engaging in job development and advancement activities, otherwise promoting the employment of eligible veterans and eligible persons in addition to their responsibilities.

Fourteenth, require SDVET's and ASDVET's to conduct, not less frequently than annually, an evaluation of the services provided to eligible veterans and eligible persons at each local employment office and make recommendations for corrective action as appropriate.

Fifteenth, require the Secretary, in determining the terms and conditions of a grant or contract under which funds are made available to a State, to take into consideration the SDVET's and ASDVET's evaluations of the performance of local employment offices and the results of the Secretary's monitoring and supervision of the distribution and use of DVOP and LVER funding.

Sixteenth, require the Secretary to establish, and make available such funds as may be necessary to operate, a National Veterans' Employment and Training Service Institute [NVETSI] for the training of DVOP's, LVER's, SDVET's, ASDVET's, and such other personnel involved in the provision of employment, job training, counseling, placement, or related services to veterans as the Secretary considers appropriate.

Seventeenth, require the Secretary to conduct a study every 2 years on unemployment among special disabled veterans and among veterans who served in the Vietnam Theater of Operations during the Vietnam era.

Eighteenth, add representatives of the Postmaster General and the Secretary of Education to the Secretary's Committee on Veterans' Employment.

### VETERANS' JOB TRAINING ACT AMENDMENTS

The Veterans' Job Training Act [VJTA] is designed to promote training and employment opportunities for long-term jobless Vietnam-era and Korean-conflict veterans through a program of cash incentives to employers to help them defray the costs of employing and providing training to such veterans. The VJTA Program was originally established in 1983 with the enactment of the Emergency Veterans' Job Training Act, Public Law 98–77, and was extended and amended in 1984, 1985, and 1986. I am delighted to have been the coauthor of the 1983 law and the Senate sponsor of the succeeding amendments and extensions. The committee bill contains provisions to amend the VJTA, which would:

First, expand VJTA eligibility (a) eliminate the requirement for service during the Korean conflict or Vietnam era, and (b) to eliminate the requirement of unemployment for at least 10 of the 15 weeks immediately preceding the date of application for a veteran who is unemployed as the result of a plant closing or other major employment reduction and who has no realistic opportunity to return to employment in the same or similar occupation in the same geographic area.

Second, generally require the Secretary and Administrator to provide for case-managers for VJTA trainees by assigning DVOP's as case managers for VJTA trainees and requiring them to conduct a personal interview with each VJTA trainee within 60 days after the initiation of training—employers would be required to agree to provide their VJTA trainees with adequate opportunity during work time to participate—and to make appropriate contact with the trainee not less than monthly thereafter. The purpose of case management would be to avoid unnecessary termination of employment, to make referrals to appropriate counseling, to facilitate successful completion of training, and to follow-up to determine the outcome of the veteran's participation in VJTA. Case managers would not be assigned for trainees placed with an employer which the Secretary determines has an appropriate and effective employee assistance program available to its VJTA trainees, or where the rate of veterans' successful completion of an employer's VJTA programs is 60 percent or higher, either cumulatively or during the previous program year.

Third, require appropriate VA counseling before the Administrator may issue a new or renewed VJTA certificate of eligibility to a veteran who failed to complete a VJTA job training program.

Fourth, require the Administrator and Secretary to expand counseling and information services for VJTA trainees; and require the Administrator, upon the Secretary's determination that an employer has a disproportionately low VJTA completion rate, to disapprove new enrollments of veterans in the employer's VJTA programs until the Administrator determines that successful remedial action has been taken; and authorize the Administrator to condition the reinstatement of approval on the use of a modified payment formula under which payments to the employer for the initial months—up to the first 4—would be reduced from 50 percent to 30 percent of the veteran's starting wage and the amount so withheld would be paid to the employer upon the veteran's completion of the job training program.

Fifth, authorize an appropriation of $60 million for each of fiscal years 1988 and 1989 for VJTA, and extend the deadlines for eligible veterans to apply for, and to enter into, VJTA training by approximately 1½ years.

Sixth, require the Secretary to collect, at least quarterly, data from the States with respect to the numbers of veterans who receive counseling services in connection with VJTA training, are referred to VJTA employers, participate in job training under VJTA, and complete such training and data with respect to the reasons for noncompletions.

Seventh, require that, when VJTA funds which have been obligated in connection with a veteran's entry into a VJTA job training program are deobligated because the veteran leaves the training program before it is completed, the deobligated funds would automatically become available to the VA for reobligation for payments under VJTA.

### DESCRIPTION OF PROVISIONS IN THE COMMITTEE BILL

Mr. President, there are 10 substantive sections in our comprehensive committee bill, and, due to the depth and breadth of the scope of this bill, I think it important that I describe in some detail what the bill will do if enacted.

### ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAM

Section 2 of the committee bill would first, consolidate in section 2002A of title 38 various provisions of chapter 41 relating to the responsibilities of the Secretary of Labor and Assistant Secretary of Labor for Veterans' Employment and Training [ASVET]; and second, expressly require that, except as otherwise specifically provided, the Secretary must administer through the ASVET all veterans' employment and training programs under the Secretary's jurisdiction and all of the provisions of chapter 41.

The existing requirement—in section 2009(a)(3)—for the Secretary to ensure maximum effectiveness and efficiency in providing services and assistance to eligible veterans by coordinating and consulting with the Administrator with respect to various programs administered by the VA would be recodified in section 2002A and expanded to encompass VJTA. The committee notes that such coordination between the Secretary and the Administrator is essential to the success of the VJTA given that currently the VA is responsible generally for: First, determining veteran eligibility for the program; second, approving participating employers' programs of job training; third, making payments to employers; and fourth, conducting compliance surveys of employers.

The Department of Labor [DOL] is generally responsible for: First, counseling; second, coordination with business and industry; and third, promoting the development of employment and job training opportunities for veterans through employers. Both the VA and the DOL are responsible for conducting an outreach and information program to inform veterans about the employment and training opportunities under VJTA.

Current-law provisions—in section 2003A of title 38—requiring funds to be made available for the salaries and expenses of DVOP's would be recodified in section 2002A and combined with similar, new provisions requiring funds to be made available for the salaries and expenses of LVER's in accordance with the proposed funding formula for LVER support set forth in the amendment proposed in section 3 of the committee bill. A requirement for the provision of funding for DVOP's and LVER's attendance at the National Veterans' Employment and Training Institute would also be made explicit in section 2002A.

The existing provisions—in section 2003A(a)—requiring the Secretary—in effect the ASVET by virtue of the requirement in present section 2009(a)(1) for the Secretary to act through the ASVET—to monitor and supervise the distribution and use of DVOP funding and providing that the distribution of DVOP funding shall not be governed by law or regulations other than the pertinent chapter 41 provisions would also be recodified in section 2002A and expanded to cover LVER's.

Similarly, a provision requiring the Secretary to monitor the appointments of DVOP's and to ensure compliance with provisions requiring preference for certain disabled veterans, would be recodified in section 2002A and, in conjunction with a new provision requiring preference for service-connected disabled veterans in the assignment of LVER's, expanded to cover the assignments of LVER's.

Mr. President, in a provision adding significantly to the accountability of the Secretary for employment programs, the committee bill would require the Secretary, in determining the conditions of a grant or contract under which funds are made available in a State, to take into account the evaluations of local employment offices in the State conducted by SDVET's and ASDVET's pursuant to section 7 of the committee bill. I note that, at our committee's April 30 hearing, every major veterans' service organization stressed the need for improved monitoring of the furnishing of veterans' employment and training services and for overall accountability by the States to DOL. To this end, the committee has added an additional tool by which the Secretary can require accountability—contract management.

The committee bill would further require the Secretary to employ and assign to each region for which the Secretary operates a regional office a representative of the Veterans' Employment and Training Service to serve as Regional Director for Veterans' Employment and Training [RDVET].

Over the last several years, the number of RDVET's has been reduced to seven. The number of DOL regional offices has remained at 10, leaving only VETS with a truncated regional structure among the Department of Labor major programs.

The need for a strong regional VETS structure would be greater under the committee bill than it is under current law. That is because one of the goals of the committee bill is to increase the accountability of State employment agencies—and their federally funded DVOP's and LVER's—in providing mandated services to veterans. A full complement of regional directors would significantly assist the Assistant Secretary and the small national staff in monitoring and enforcing compliance with the new performance standards and functional requirements proposed in the committee bill.

I want to stress that this provision would require only parity, not special treatment, for veterans' programs. In any case in which the Secretary closes an entire regional office, the position of RDVET could be eliminated for that region. However, the Secretary would be required to appoint RDVET's to serve in all 10 regions which now or in the future have Department of Labor regional offices without RDVET's.

### LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES

Mr. President, section 3 of the committee bill would:

First, require the Secretary of Labor to make available to the States funds sufficient for 1,600 LVER positions nationwide and associated administrative expenses, to allocate to each State the number of LVER's that it had on January 1, 1987, plus one additional LVER, and to allocate funding for the remaining LVER positions up to 1,600 pursuant to a new funding formula;

Second, require the head of a States employment service to assign LVER's to local employment offices so that each office with at least 1,100 veteran-registrants would have a full-time LVER and one additional full-time LVER for each 1,500 registrants over the initial 1,100 and each local employment office with at least 350 but less than 1,100 veteran-registrants would have one half-time LVER;

Third, require the local employment office manager to be responsible for ensuring compliance with the provisions of title 38 providing for priority services for veterans and priority referral of veterans to Federal contractors;

Fourth, add a definition of registrants for services;

Fifth, require that each LVER assigned after September 30, 1987, be a veteran and that preference be given to qualified service-connected disabled veterans;

Sixth, add to the statutory duties of LVER's the provision, or facilitating the provision, of counseling to veterans certified for participation in job training under VJTA;

Seventh, require the Secretary to include in the Department of Labor's annual budget submission to the Congress the amounts necessary for the support of LVER's pursuant to the new funding formula;

Eighth, expand the existing requirement for a separate listing in the budget of the proposed number, by State, of DVOP's to include also a separate listing, by State, of LVER's and information demonstrating that the submission complies with the new LVER funding formula provision; and

Ninth, specify that the annual report to the Congress on the success of the Department of Labor and its affiliated employment services will be due on February 1 of each year, and expand the report's scope.

### LVER FUNDING

The basic intent of this provision is the creation of a professional work force of LVER's nationwide to furnish employment and training services to veterans consistently and effectively without disruptions due to budget reduction proposals, such as have been proposed in recent years. A stable work force—in this case of 1,600 LVER's—would allow the Secretary to count on year-to-year stability in the staff which furnishes services to veterans and enhance the Secretary's ability to carry out program planning.

Mr. President, Dr. Robert E. David, executive director of the South Carolina Employment Security Commission—and also chairman of the Veterans' Affairs Committee, Interstate Conference of Employment Security Agencies, Inc.—testified in strong support of the steady workforce of LVER's, our committee's April 30 hearing:

> The best feature in the proposal . . . is the guarantee that adequate staff will be provided with some degree of stability. That, Mr. Chairman, is a problem that has afflicted the entire employment security system in recent years—budgets being yo-yo-ed up and down without regard to workload or needs. If this bill can bring stability to the staffing of the Employment Service for veterans programs, then you will have done the veteran, the system, and the nation a very great service. (Emphasis in original.)

The committee bill as introduced proposed a formula that would have required one LVER for each local employment office at which 1,000 veterans were registered during the 12-month period ending on the most recent June 30 or which has a service area in which 5,000 veterans reside. One additional LVER would have been required for each additional 1,500 veterans registered or 5,000 veterans residing in the service area. At the committee's April 30, 1987, hearing, the proposal to establish a statutory funding formula based on both the number of veteran registrants and veteran population received support from all seven veterans service organizations giving testimony. The statement of Dennis K. Rhoades, director of the National Economic Commission of the American Legion, is representative of the support for such a provision:

> We are also pleased to note that S. 999 includes a provision for an additional LVER in a local office for every 1,500 applicants above the 1,000 which mandate full-time status. . . . Anyone who has ever visited in a local employment office in a large city or high unemployment area recognizes that the workload of a conscientious LVER is overwhelming, and that providing each veteran applicant who visits and/or registers in that office with high quality service is nearly impossible. Moreover, it is apparent when one reviews the level of services in a large employment office, the veterans are, as a general rule, underserved. We believe that the additional LVER will greatly alleviate that problem.

Our committee changed the LVER-allocation formula for several reasons: First, to achieve balance, that is, so that the allocation of the LVER work force among the States would take into account the different factors which affect workload: number of veterans, number of registrants, and number of local offices; second, to achieve greater equity, that is, so that the basic formula would provide that each State would receive at least one LVER to help offset the overall reductions in LVER' over the past several years; and third, to achieve continuity, that is, so that the basic, codified formula for 1,600 LVER's would not be subject to annual fluctuation and uncertainty as a result of the budget process that could endanger services to veterans.

This testimony noted above contributed substantially to the provision

adopted by the committee. Under the committee bill, each State—the District of Columbia, Puerto Rico, and the Virgin Islands each being considered a State—would receive funding sufficient to support the number of LVER's which were assigned to it on January 1, 1987—1,379 LVER's in all the States according to the Department of Labor, or an average of 26 per State. In addition, each State would receive one additional LVER for a total of 1,432 LVER's or any average of 27 per State.

Finally, each State would further receive funding to support a percentage of the difference between 1,432 LVER's and 1,600 LVER's, or 168 LVER's, according to a formula giving equal weight to: First, the percentage of all veterans residing in the United States who reside in the State; second, the percentage of the total of all eligible veterans and eligible persons registered for assistance with local employment offices in the United States who are registered for assistance with local employment offices in the State; and third, the percentage of all full-service employment offices in the State. In addition, the committee bill would require that the States also be provided with funds sufficient to cover the administrative expenses associated with the assignment of the number of LVER's allocated to the State under the foregoing formula.

### ALLOCATION AND HIRING OF LVER'S

Under the committee bill, LVER's allocated to each State would be assigned to local employment offices within the State in accordance with the various formulas I outlined earlier.

Persons assigned as LVER's after September 30, 1987, would be required to be veterans and preference in hiring would be given to qualified service-connected disabled veterans. I wish to make clear that this provision would not affect current LVER's who are not veterans. A similar requirement already exists, in section 2003A(a) of title 38, with respect to DVOP's and appears to be working very well. The committee views this provision for LVER's as still another opportunity for State employment agencies "to lead by example", as they have by hiring disabled veterans as DVOP's.

The technical revisions in the bill relating to the DVOP disabled veteran hiring preference are not intended in any way to change the structure of, but only to codify, the way that program has been implemented—that preference would be given when there are two qualified candidates for equal merit.

### DUTIES OF LVERS

The committee bill would require that the duties of LVER's be fully devoted to discharging, at the local level, the employment, training, and associated duties relating to the duties and functions of SDVET's and ASDVETS. The committee is optimistic that clear language requiring LVER's to serve veterans exclusively will help eliminate any unintentional or deliberate misuse of the time of LVER's. I also wish to make clear here that our committee's intent is not to suggest that only LVER's and DVOP's should provide employment and training services to veterans. According to the Department of Labor, over half of the services provided to veterans by State employment agencies are provided by personnel other than DVOP's and LVER's. We note with approval the conscientious work of State employment agency personnel in this area.

The committee bill requirement that the duties of LVER's include providing, or facilitating the provision of, counseling to veterans certified for participation in job training under VJTA is designed to improve the current 60 percent noncompletion rate under VJTA. I note in Assistant Secretary Shasteen's testimony that he believes LVER's—and DVOP's—can provide this service and that he has directed that such a counseling module be developed at the National Veterans Training Institute in Denver, CO, which trains LVER's and DVOP's.

### BUDGETING FOR LVER'S

The committee bill would amend section 2006(a) of title 38 to require that the Secretary include in the Department of Labor's annual budget: First, the estimated funding needed for the assignment and support of 1,600 LVER's and the associated administrative expenses; second, listing data, by State, of LVER's; and third, information demonstrating the compliance of the budget submission with the requirement that the Secretary approve the submission only if the proposed funding level is in compliance with the funding formula for LVER's.

This provision, which replicates for the LVER Program the language currently in section 2006 with respect to budgeting for the DVOP Program, is designed to help achieve compliance with the proposed funding formula for LVER's in the committee bill, thus enhancing the continuity of employment and training services for veterans and helping bring stability to the LVER work force.

### PERFORMANCE STANDARDS FOR LVER'S AND DVOP'S

Mr. President, section 4 of the committee bill would add to chapter 41 of title 38 a new section 2004A, entitled "Performance of local veterans' employment representatives and disabled veterans' outreach program specialists," which would: First, require the ASVET, after consultation with State employment agencies or their representatives, to prescribe—and provide for the implementation and application of—standards for the performance of DVOP's and LVER's and to monitor their activities; second, allow the ASVET personally to make an exception to these performance standards to take into account local conditions and circumstances; third, require SDVET's and ASDVET's regularly to monitor the performance of DVOP's and LVER's through the application of these performance standards; and fourth, require each SDVET or designee to submit to the head of the State employment service recommendations and comments in connection with each annual performance rating of a DVOP or LVER in the State.

S. 999 as introduced and as proposed to be amended by amendment No. 160 contained a provision to add this proposed new section 2004A. However, a number of changes were made in the proposed new section in response to concerns raised at the committee's April 30 hearing. Thus, in order to promote participation, cooperation, and coordination in the development of performance standards by those professional persons in the States who would be held accountable for meeting the standards, our committee added provisions to require the ASVET to consult with State employment agencies or their responsibilities before prescribing the standards and to allow an ASVET personally to make an exception to the prescribed performance standards to take into account local conditions and circumstances such as differing local economies.

Mr. President, also in response to concerns voiced at the committee hearing, the committee bill includes a provision to require each SDVET or designee to submit to the head of the States employment agency recommendations and comments in connection with—and I stress those words "in connection with"—each annual performance rating of a DVOP or LVER in the State instead of the proposed requirement in S. 999 as introduced for the SDVET or ASDVET to participate formally in the ratings. It is the intent of the committee to leave to the ASVET the formulation of the general guidelines with respect to such matters in such a way as to seek to avoid conflict with the general personnel procedures of the various state merit systems under which LVER's and DVOP's are employed.

Our committee views performance standards as a basic tenet of sound public management and intends that they be designed to first, assure that high-quality employment and training services are furnished through DVOP's and LVER's; and second, provide a basis for facilitating, developing, and maintaining high standards of professionalism for the DVOP and LVER programs, for which the Department of Labor expends a total of more than $125 million annually. I note that at our April 30 hearing the ASVET stated that he supports the

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development and implementation of specific standards of performance for DVOP staff and LVER staff, and, upon enactment of this provision, proposes to develop prototype standards and tailor them to meet each States merit system requirements through negotiations with SDVET's.

### WAIVER OF SDVET RESIDENCY REQUIREMENT IN CERTAIN CASES

Mr. President, section 5 of the committee bill would provide that the ASVET, upon determining it to be necessary, may allow an assistant SDVET with 2 years of experience to be considered for an appointment as a SDVET, by waiving the current 2-year State residency requirement in section 2003(b)(1) of title 38 for appointment as a SDVET. In the event of such a waiver, the committee bill includes a provision proposed by the distinguished Senator from South Carolina, Senator THURMOND, to require that preference be given to a veteran who meets the residency requirement and is equally as qualified for the SDVET position as the ASDVET candidate.

### SHARING OF INFORMATION REGARDING EMPLOYERS

Mr. President, section 6 of the committee bill would require the Secretary of Defense to provide to the Secretary of Labor and the Administrator the list of employers participating in the National Committee for Employer Support of the Guard and Reserve [NCESGR] and require each VA regional office to provide to appropriate employment service and Department of Labor offices the names and addresses of VJTA employers in the area served by the VA regional office.

These provisions are designed to help facilitate VA, Labor Department, and employment service efforts to encourage greater employer awareness of, and participation in, the VJTA Program.

With respect to the requirement for informing VA and the Labor Department about NCESGR participants, I note that NCESGR maintains a listing of approximately 350,000 employers who have demonstrated an interest in and commitment to assisting citizen soldiers, many of whom have veteran status, as well as a willingness to participate in Government-sponsored private-sector programs. Our committee believes that these employers could be a rich potential source of job-training for veterans under VJTA. I also note that the usage of the NCESGR list by VA regional offices and local employment offices should help expand the universe of employers participating in VJTA. Such an expansion would appear desirable given that the universe of veterans eligible for VJTA would be opened to veterans of all periods of service under the committee bill.

### RESPONSIBILITIES OF PERSONNEL

Mr. President, section 7 of the committee bill would:

First, require SDVET's and ASDVET's to supervise functionally the provision of services to eligible veterans and eligible persons by the State employment services and the coordination of certain other Federal or federally assisted programs, and State programs;

Second, made SDVET's and ASDVET's functionally responsible for the supervision of the registration and placement of veterans under VJTA and responsible for otherwise promoting the employment of eligible veterans and eligible persons;

Third, require SDVET's and ASDVET's to conduct, not less frequently than annually, evaluations of the services provided to eligible veterans and eligible persons at each local employment office and made recommendations for corrective action as appropriate;

Fourth, require the Secretary of Labor, in determining the terms and conditions of a grant or contract under which funds are made available to a State, to take into consideration the SDVET's and ASDVET's evaluations of the performance of local employment offices; and

Fifth, require DVOP's to provide grantees under part C of title IV of the Job Training Partnership Act with assistance in furnishing services to veterans, consult and coordinate with representatives of the VJTA Program, provide counseling services to veterans with respect to their selection of and changes in vocations and their vocational adjustment, and provide services as case managers for veterans participating in VJTA.

### FUNCTIONAL SUPERVISION OF STATE SERVICES

With respect to the proposed requirement that SDVET's and ASDVET's functionally supervise the provision of services to veterans by State public employment service systems and by other employment or training programs, the current regulations—20 CFR 653.214, entitled "Assignment and Role of State Veterans' Employment Representatives"—already require such supervision with respect to LVER's. Thus, the effect of the committee bill in practice would be to expand the concept of functional supervision to encompass the provision of services to veterans by DVOP's and other local employment office service providers. Such services incude registration, interviewing, counseling, testing, referral to supportive services, job development, and job/training referral.

Mr. President, this approach would not impose a dual management structure on the LVER or DVOP Program. The committee intends functional supervision by SDVET's to be distinct from line supervision by local employment office managers. Functional supervision by SDVET's/ASDVET's, as is currently required in the Labor Department regulations (20 CFR section 653.214):

> consist[s] of assisting state agency personnel in carrying out services to veterans and eligible persons and evaluating their performance. Functional supervision shall entail providing technical assistance, making suggestions for improvement of services, helping to plan progams and projects, checking for compliance with ETA regulations affecting veterans, helping to correct errors by working with local and state staffs, analyzing work as it affects veterans and eligible persons, training new state agency employees and providing refresher courses for state agency staff, bringing matters which require corrective action to the attention of those state agency personnel who have authority over policy, procedures and staff. Functional supervision does not authorize a SDVET or ASDVET to hire, fire, discipline or issue directives to state agency employees. Nor does it authorize an SADVET or ASDVET to make regulations, change procedure or establish policies for the state agency without specific authority from the state agency.

Mr. President, in our committee's view, the assignment of functional responsibility should have several positive impacts: First, it should make clearer the authority and responsibility of both the State agency and SDVET's and ASDVET's; second, it should facilitate the development of more nationally uniform position descriptions, and reduce the potential for misuse of these positions by some State agencies; and third, it should promote a more effective and accountable relationship between the ASVET and the State employment agencies through which DVOP's and LVER's are employed.

### NEW DUTIES

SDVET's and ASDVET's functional responsibility for supervising the registration and placement of veterans would be made expressly applicable to the VJTA Program, and their duty to engage in certain job-development and job-advancement activities would be expanded to include the general responsibility "otherwise to promote the employment of eligible veterans and eligible persons."

In response to concerns raised at the committee's hearing regarding the 60-percent noncompletion rate among veterans who have participated in training under VJTA, our committee has added a provision to make SDVET's and ASDVET's functionally responsible for the supervision of the registration of eligible veterans and eligible persons in local employment offices for suitable types of employment and training and counseling and placement of persons in the VJTA Program. We believe that the implementation of the proposed case-manager approach under VJTA and the additional counseling of VJTA trainees by DVOP's

and LVER's—coupled with greater attention paid to the provision of services as a result of a statutory requirement for functional supervision by SDVET's—should have a positive impact on the VJTA Program's success rate.

### EVALUATIONS OF LOCAL EMPLOYMENT OFFICES

The committee bill would generally codify the current regulatory requirement under 20 CFR 653.214(d)(11) for the ASVET to "review the performance of large local offices at least once each fiscal year on a formal, comprehensive, indepth basis, and . . . periodically review smaller local offices which evidence problems in providing services to veterans and eligible persons until the problems are resolved." Under the committee bill, SDVET's/ASDVET's would be required to conduct annual or more frequent evaluations of the services provided to veterans and other eligible persons by each local employment office in their State and make recommendations for corrective action as appropriate. In the committee's view, such evaluations should determine the extent to which local employment offices are, through DVOP's, LVER's, and other staff, providing quality registration, interviewing, counseling, testing and assessment, supportive-services referral, job development, and job and training referral services to veterans and other eligible persons.

Mr. President, the committee bill also includes a provision requiring the ASVET, in determining the terms and conditions under which funds are made available to a State, to take into consideration—as is currently done in the vast majority of States at present—the SDVET's and ASDVET's evaluations of the performance of local employment offices.

Finally, among other new duties, DVOP's would also be required to counsel veterans on their selection of and changes in vocations and their vocational adjustment. Under a related VJTA amendment—in section 10(b) of the committee bill—aimed at improving training-program completion rates under VJTA, DVOP's would assume various counseling functions and would also serve as case managers for veterans participating in VJTA. Development of the counseling module at the National Veterans' Employment and Training Service Institute, and provision of such training to DVOP's should help them fulfill their duties as case managers for veterans participating in VJTA.

### NATIONAL VETERANS EMPLOYMENT AND TRAINING SERVICE INSTITUTE

Mr. President, section 8 of the committee bill would amend chapter 41 of title 38 to add a new section 2010A requiring the ASVET to establish and make available such funds as may be necessary to operate a National Veterans Employment and Training Service Institute (NVETSI) for the training of DVOP's, LEVER's, SDVET's, ASDVET's, and such other personnel involved in the provision of employment, job training, counseling, placement, or related services to veterans as the ASVET considers appropriate.

The incumbent ASVET, Donald E. Shasteen, created the National Veterans' Training Institute administratively in September 1986; the first training session started on January 11, 1987. As of May 2, 1987, there had been 16 sessions of the Institute, attended by a total of 384 persons. Our committee views the training provided by the Institute as an important and worthwhile investment in the 3,300 DVOP's and LVER's who furnish employment and training service to veterans on a daily basis.

At present, the Institute provides week-long training programs designed to improve the skills of LVER's, DVOP's, and others in providing employment and training services to veterans. The goal of the Institute is to enhance the quality of services provided to veterans by the Department of Labor through its affiliated State employment agencies. There are 24 participants in each training class, with a minimum of 80 percent being LVER's and DVOP's. The other participants are local employment office managers and other State employment agency and U.S. Department of Labor staff.

The Institute is currently funded under a grant from the Veterans' Employment and Training Service to the Colorado Department of Labor and Employment [CDLE]. The operational repsonsibilities for the grant were subcontracted by the CDLE to the University of Colorado at Denver. The committee contemplates that the funding for the Institute will continue to be through the unemployment trust fund.

### SPECIAL UNEMPLOYMENT STUDY

Mr. President, section 9 of the committee bill would amend chapter 41 of title 38 to add a new section 2010B requiring the ASVET, through the Bureau of Labor Statistics to conduct, every 2 years, a study of unemployment among special disabled veterans—that is, those who either (1) have a service-connected disability rated at 30 percent or more, (2) have a service-connected disability rated at 10 or 20 percent and have been determined for purposes of the VA's program of vocational rehabilitation for service-connected disabled veterans to have a serious employment handicap, or (3) were discharged or released from active duty because of a service-connected disability—and veterans who served in the Vietnam theater during the Vietnam conflict. The first study would be required to be completed by July 1, 1988.

The rates of joblessness among service-connected disabled veterans and those who served in the Vietnam theater have been a continuing concern of the committee and one that the committee has made efforts to address through this and prior legislation developed to help meet the employment and job-training needs of veterans.

### SECRETARY OF LABOR'S COMMITTEE ON VETERANS' EMPLOYMENT

Mr. President, section 10 of the committee bill would add representatives of the Postmaster General and the Secretary of Education to the Secretary of Labor's Committee on Veterans' Employment [CVE].

The CVE, established under section 2010 of title 38, United States Code, meets quarterly. Its purpose is to bring to the attention of the Secretary problems and issues relating to veterans' employment. Under section 2010, the committee is chaired by the Secretary of Labor and includes representatives of the Administrator of Veterans' Affairs, the Secretary of Defense, the Secretary of Health and Human Services, the Director of the Office of Personnel Management, the chairman of the Equal Employment Opportunity Commission, and the Administrator of the Small Business Administration.

The Postal Service—with 331,830 veterans in its work force—is the second largest employer of veterans in the United States. The Department of Education, through its Veterans' Education Outreach Program and its Offices of Postsecondary Education and Vocational and Adult Education, implements education policies and programs which can benefit veterans' job readiness. Therefore, the committee believes that having the Postmaster General and the Secretary of Education represented on the CVE could contribute to the committee's effectiveness and success in advising the Secretary of Labor on veterans' employment issues.

### VETERANS' JOB TRAINING ACT (VJTA)

Mr. President, section 11 of the committee bill contains provisions which would authorize appropriations of $60 million for each of fiscal years 1988 and 1989 for the Veterans' Job Training Act [VJTA], extend the deadlines governing application and entry into a VJTA training program, and enhance the effectiveness of this job training program by providing for enhanced counseling services and making certain other changes. In the 1983 Emergency VJTA, eligibility for a job-training program was originally provided to unemployed veterans who had served during the Korean conflict or Vietnam era and were unemployed for 15 out of the 20 weeks preceding their application and who either had more than 180 days active service or were discharged or released from service for a disability or were entitled to VA service-connected disability compensation. That unemployment period was re-

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duced to 10 of 15 weeks by Public Law 99-238.

On March 18, 1987, the committee reported S. 477, the proposed "Homeless Veterans' Assistance Act of 1987" including in section 106 a provision to extend through fiscal years 1987 and 1988 the unused authorization of fiscal year 1986 appropriation of $30 million, postpone by 6 months the deadlines for veterans to apply for and to enter into training, and delete for unemployed Korean-conflict and Vietnam-era veterans who are homeless the length-of-unemployment criterion for eligibility under this program.

The bill was passed by the Senate on March 31. The extensions of authorizations of appropriations and of the deadlines were passed by the Senate a second time, on April 6, 1987, in section 907 of H.R. 558, the proposed "Urgent Relief for the Homeless Act," and incorporated in section 901 of the conference report (H. Rept. No. 100-174) on H.R. 558. On June 27, the Senate and on June 30 the House agreed to the conference report, and on July 22 the measure was signed into law as Public Law 100-77.

In the Supplemental Appropriations Act for fiscal year 1987 which was signed into law on July 11 as Public Law 100-71, Congress provided a $30 million supplemental appropriation for VJTA.

### EXTENSIONS OF AUTHORIZATION OF APPROPRIATIONS AND PARTICIPATION DEADLINES

VJTA has provided nearly 52,000 veterans with the opportunity to gain the skills and on-the-job experience needed to help them break away from sustained unemployment and build more productive lives for themselves and their families. In order to provide for the continuation of this job training program, the committee bill would authorize appropriations of $60 million for each of fiscal years 1988 and 1989 for VJTA. Funding at this level would enable approximately 40,000 additional veterans to participate in VJTA job training programs over the next 2 fiscal years. In addition, the deadlines by which eligible veterans must apply and enter into a job training program under VJTA would be extended from December 31, 1987, to June 30, 1989, and from June 30, 1988, to December 31, 1989, respectively.

### EXPANSION OF ELIGIBILITY

Under current law, VJTA eligibility is limited to unemployed veterans with service during the Korean conflict (June 27, 1950, through January 31, 1955) or Vietnam era (August 5, 1964, through May 7, 1975) who have been unemployed at least 10 of the 15 weeks preceding their application. Eligibility is further limited to those who either served on active duty for more than 180 days or were discharged or released for a service-connected disability or are entitled to VA service-connected disability compensation or would be so entitled if not receiving retirement pay.

The committee bill would eliminate the eligibility criterion requiring service during the Korean conflict or Vietnam era. This would open up eligibility to veterans of all periods of service, including most significantly from the standpoint of those who would be helped by the expansion, post-Vietnam-era veterans, who number 2,366,000 and veterans with service during the period between the Korean conflict and the Vietnam era, who number 2,996,000. Making post-Vietnam era veterans eligible for VJTA could be an especially valuable tool for helping their readjustment to civilian life, by providing them an opportunity to gain the skills and training needed to compete in the civilian labor force. There are over 18,000 recently separated veterans who are receiving unemployment compensation, and the committee believes that VJTA would be available to assist them in finding suitable training and employment if they remain unemployed more than 10 weeks following their separation from active duty.

Mr. President, our committee is also concerned by the disproportionately high number of dislocated workers who are veterans. According to the Bureau of Labor Statistics, although veterans make up approximately 13 percent of the civilian work force, as a group they comprise an estimated 26 percent of the population of dislocated workers. In order to help address this serious problem, the committee bill would eliminate the 10-out-15 week unemployment criterion for those veterans who have lost their jobs as a result of a plant closure or massive worker lay-offs and who have no realistic opportunity to return to employment in the same occupation in the geographical area in which the veteran had been employed.

### IMPROVED COUNSELING SERVICES

The VJTA Program is directed toward assisting veterans who have been out of the economic mainstream for a substantial period. Since many of the veterans who enter into training may thus not posses the skills and experience needed to succeed in the workplace, the committee has designed a number of VJTA and title 38 amendments to increase counseling services for trainees in order to help them resolve problems encountered in their training programs or that otherwise jeopardized their progress. Virtually all of the witnesses at the April 30 hearing agreed that expanded counseling services for veterans in training programs is essential to successful efforts to improve program performance.

The committee bill thus includes in section 11 a number of provisions to improve these counseling services. First, the existing requirements for the Secretary of Labor to provide for counseling and information services would be revised to make such services the joint responsibility of the Administrator and the Secretary, thus enlarging the VA's involvement and responsibility in this area. The Administrator would be responsible for providing information and counseling to trainees through the VA's programs of readjustment counseling, vocational rehabilitation counseling, and career development counseling.

Second, as part of the counseling program, each veteran, except as discussed below, would be assigned a case manager, who would be a DVOP. The case manager would be required to make face-to-face contact with the veteran within the first 60 days of training and some form of contact—the precise nature of which would be left to administrative discretion—on at least a monthly basis thereafter until the veteran's training is concluded. Approval of a training program would be conditioned on the employer's agreement to allow the participating veteran the opportunity to have the initial interview with the case manager during normal work hours.

Mr. President, under the committee bill, the purposes of the case-manager services would be to avoid unnecessary terminations; to refer veteran's for appropriate counseling, if necessary; to facilitate the veterans' successful completion of the training program; and, in conjunction with followup contacts with the employer, to determine the veteran's progress of the veteran's participation and whether or not the veteran successfully completed the program.

When appropriate, the case manager would refer the veteran to additional counseling services, including those available through the VA's program of veterans' outreach services, the VA's Vet Center Program of readjustment counseling for Vietnam-era veterans, the VA's program of rehabilitation counseling, the VA's program of career counseling, and the counseling services available through DVOP's and LVER's.

The committee notes that, under new section 2004A(a)(3), performance standards for a DVOP would be required to measure the extent to which the DVOP, in serving as a case manager, facilitates the rates of veterans' successful completion of VJTA training programs. The committee believes that the personal contact and professional accountability thus built into the case-manager approach, together with the inherent strengths of case management, would help avoid unnecessary termination of trainees and facilitate their successful completion of training programs.

In order to target resources most effectively, our committee bill would

provide that when the Secretary determines that an employer is already providing an appropriate and effective employer assistance program or where there is at least a 60-percent rate of completion among veterans, either cumulatively or during the previous program year, in an employer's VJTA job-training program, the case-manager requirement would not apply.

Third, in the case of a veteran who does not complete a VJTA training program, either on a voluntary or involuntary basis, the VA would be required to provide that veteran with vocational counseling before certifying the veteran's eligibility for participation in another VJTA program. The committee believes that such counseling would provide both the veteran and the VA with a clearer picture of the veteran's job-training needs, thereby helping to ensure a better, more appropriate match with any future training program.

### EMPLOYER ACCOUNTABILITY

Our committee believes that VJTA has generally been a successful partnership between employers and the Federal Government. At the same time, a continuing priority of the committee is to improve program performance and cost-effectiveness. In this regard, the committee notes with concern the finding of the Centaur report that approximately 25 percent of the veterans who drop out of VJTA training do so because they are unsatisfied with their training program. In an effort to provide for greater employer accountability in this area, the committee bill includes a requirement that, in cases where the Secretary determines that the overall veterans' completion rate in an employer's training program is disproportionately low the Administrator would disapprove the participation of any additional veterans in that employer's training programs. The employer would be afforded the opportunity for a hearing regarding the disapproval, which would take effect on the date that the employer is notified of it.

The disapproval would remain in effect until the Administrator determines that the employer has taken adequate steps to remedy the shortcomings in its VJTA Program. When action is completed which would likely raise the rates of completion, the Administrator would revoke the disapproval. Except in certain cases noted below, the Administrator, in deciding whether the remedial actions are adequate, would be able to take into account the effect of a modified VJTA payment formula placing a premium on veterans' completing their programs. Under the modified formula, which the committee bill provides for, at the Administrator's discretion, in the context of suspension of disapprovals, payments for the initial months of a training program could be reduced in order to provide for a lump-sum "bonus" upon completion of the training period. Under the discretionary formula, for programs of at least 4 months duration, the employer would receive for each of the first 4 months a payment equal to 30 percent of the veteran's starting wage; a payment equal to 50 percent of that amount for each month following that period; and, upon the successful completion of that program by the veteran, an amount equal to 20 percent of the first 4 month's of the veteran's starting wage. In the case of a job training program of less than 4 months duration, the employer would receive a payment equal to 30 percent of the veteran's starting wage for each month prior to the last month of the training period, 50 percent of the amount of the veteran's starting wage for the last month of training, and, upon the veteran's successful completion of the training program, an amount equal to 20 percent of the veteran's wages during all but the final month.

This special reimbursement formula could be applied to the employer—if the Administrator determines it to be appropriate as a condition of reapproval—for such period of time as the Administrator determines is appropriate in the particular circumstances surrounding that employer's job-training programs. The committee believes that the restructured formula could be used to increase the financial incentive to the employer to ensure that its training programs are responsive to veteran's needs.

The formula could not be used in the case of an employer having a VJTA Training Program completion rate of at least 60 percent, either cumulatively or during the previous program year, or an appropriate and effective employee assistance program available to all of the employer's VJTA participants.

### DATA COLLECTION

In order to provide for better assessments of VJTA activities and program performance, the Secretary would be required, on a not less than quarterly basis, to collect from the heads of State employment agencies and SDVET's data regarding the numbers of veterans who have received counseling services pursuant to the provisions of VJTA, who have been referred to employers participating in VJTA, and who are participating in VJTA training programs and who complete such programs, as well information relating to the reasons for veterans' non-completion.

### REOBLIGATION OF DEOBLIGATED VJTA FUNDS

The committee bill would provide, in section 11 that, when VJTA funds which have been obligated in connection with a veteran's entry into a VJTA job-training program are deobligated because the veteran leaves the training program before it is completed, the deobligated funds would automatically become immediately available to the VA for reobligation for payments under VJTA.

In accordance with its circular A-34, Instructions on Budget Execution—Revised, August 26, 1985—the Office of Management and Budget [OMB] requires the VA to request and receive an approved reapportionment each time the VA wants to reobligate a block of funds appropriated in a prior year which have been deobligated. The reapportionment process can delay the reuse of such prior-year funds for other VJTA trainees by many weeks. Reapportionment is a particular problem when all available funds from the current appropriation have been obligated and the VA is funding the program solely through deobligated funds. This can result in long program lulls while the reapportionment request is processed by OMB. This occurred earlier this year when the program was closed to new entrants for 6 weeks—from February 20, 1987, through April 3, 1987—despite the existence of $4.6 million in otherwise available deobligated prior-year funds for which OMB had not yet provided a reapportionment. Therefore, in the interest of program continuity, the committee believes that any deobligated funds would immediately be available for reobligation without any further action by OMB.

The committee has been advised by the VA that in May 1987 OMB informed the VA that apportionments based upon anticipated levels of deobligations would be approved. The committee notes, however, that this administrative policy, while an improvement over the prior approach, could be reversed at any time; that, even if it is not, the process of estimating future deobligations—like any other process relying on estimates—is imperfect; and that reliance on apportionments based on estimates cannot provide the same degree of assurance of maximum program continuity through the use of deobligated funds as would the automatic availability provided for in the committee bill.

### CONCLUSION

Mr. President, this measure is necessary in order to ensure that the Federal Government does its best to make certain that those who have carried the burden of our Nation's defense have the opportunity to participate in the economic system that their service and sacrifice preserved. The bill would do this by a major revision of the law governing the Veterans Employment and Training Service and important improvements in, and 2-year extension of funding for, the Veterans' Job Training Act.

Before closing, I wish once again to acknowledge the great assistance provided on this measure by the Senator

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from West Virginia [Mr. Rockefeller] who did such excellent work at our April 30 committee hearing.

I also want to acknowledge the outstanding work of the representatives of a number of organizations and businesses who gave of their time and talents in the development of this comprehensive legislation—including representatives of the the American Legion; the Disabled American Veterans; the Veterans of Foreign Wars; the AMVETS; the Paralyzed Veterans of America; the Blinded Veterans Association; the Vietnam Veterans of America; the Raleigh County Memorial Airport of Beaver, WV; the Hernandez Electric Co. of Phoenix, AZ; the McDonnell Douglas Corp. of Long Beach, CA; Town and Country Electric, Inc., of Appleton, WI; and the Interstate Commission of Employment Security Administrators.

Mr. President, I also want to thank our committee's ranking minority member, Senator Frank Murkowski, for his fine cooperation and his many excellent contributions to the development of this measure and to express my appreciation to the committee minority staff members, especially Chris Yoder and Tony Principi, for their very effective work on this legislation.

Finally, my very special thanks to Darryl Kehrer, Ed Scott, Jennifer McCarthy, Cathy Chapman, Loretta McMillan, Roy Smith, and Jon Steinberg of the Veterans' Affairs Committee staff for their invaluable assistance to me in developing and perfecting S. 999, Amendment No. 160, the bill as reported, the committee report, and this floor statement. They have done outstanding work.

Mr. President, I urge all of my colleagues to support this important measure.

Mr. MATSUNAGA. Mr. President, I rise in strong support of S. 999, the Veterans' Employment, Training, and Counseling Amendments of 1987, introduced earlier this year by the senior Senator from California [Mr. Cranston], and cosponsored by myself and Senators DeConcini, Mitchell, Rockefeller, Graham, Thurmond, Kerry, Burdick, and Simon.

In essence, S. 999 does two things. First, it revises the job counseling, training, and placement services for veterans mandated under chapter 41, title 38. Federal oversight of federally funded, local veterans employment and counseling officers will be increased by making them more directly accountable to the Department of Labor's in-State representatives. Evaluation of the performance of these local employment officers will also be made simpler by the establishment of uniform performance guidelines. Perhaps most important, the bill will codify a funding formula for local veterans employment representative [LVER's] in order to allow the formula determining the number of such representatives to drive the funding levels, rather than the reverse. By doing this, we would allow need, not arbitrary OMB cutbacks, to guide these very important counseling and training services.

Second, S. 999 amends the Veterans' Job Training act [VJTA] Program, a cash-incentive employment and training program set up in 1983 for Korean war and Vietnam-era veterans, by opening up eligibility to veterans of all periods of service. Also, in recognizing that less than half of the participants in Veterans' Job Training Act sponsored training programs remain for the full term of the designated training program, S. 999 would increase the role of Disabled Veterans' Outreach Program specialists [DVOPS] and local veterans employment representatives in the VJTA counseling program, as well as improve the manner in which counseling is conducted. The bill also reauthorizes appropriations of $60 million in each of fiscal years 1988 and 1989 for the VJTA Program.

Mr. President, the programs proposed to be continued by S. 999 have already afforded thousands of veterans the opportunity to obtain the job skills necessary to lead normal, constructive lives. The VJTA Program alone, for example, has already trained over 54,000 veterans. S. 999 would merely improve the efficiency and effectiveness of these programs in helping to integrate additional thousands of veterans into normal community living. In this day of massive budget deficits and increasingly restrictive fiscal choices, it is imperative that these valuable programs be strengthened to withstand budgetary pressures, not only for the sake of the veterans themselves, but for all of us as well. What better way to improve our economic competitiveness is there than through the training of a work force that has already demonstrated responsibility, courage, and determination in military service?

In closing, Mr. President, I would like to commend the senior Senator from South Carolina [Mr. Thurmond] for his support of this measure. The history of this August body shows that the gentleman from Aiken has established himself as one of the earliest advocates in Congress of veterans' training programs. His invaluable support for S. 999 reinforces that record. But above all, I wish to commend the senior Senator from California for his outstanding leadership in this area. S. 999 is his bill, and is yet another reflection of the Veterans' Affairs Committee chairman's unmatched advocacy of the rights and benefits of America's veterans. I commend the senior Senator from California [Mr. Cranston] for a job superbly performed. In his honor let us unanimously pass S. 999.

Mr. MURKOWSKI. Mr. President, I am pleased to rise in support on S. 999, the Veterans' Employment, Training and Counseling Amendments of 1987.

The Nation and the Congress can be justifiably proud of the benefits we provide for those who have served in our Armed Forces. A veteran returning to civilian life can look forward to assistance with vocational rehabilitation, education and training, housing, medical care and other needs. Perhaps the most important benefit, the one with the greatest long-term impact, is assistance in finding employment. A veteran with a good job is a veteran with the means to proceed with his or her life. For this reason, I place great importance on veterans' employment benefits and the agency that administers them: the Veterans' Employment and Training Service [VETS] of the Department of Labor.

Veterans, along with my colleagues in the Senate, owe a debt to our distinguished colleague from South Carolina, Senator Strom Thurmond, who long ago recognized the importance of employment to veterans. His determination to provide effective assistance to veterans seeking work led to the establishment of the Veterans' Employment and Training Service under the leadership of an Assistant Secretary of Labor. The legislation we consider today rests upon the foundation Senator Thurmond built and would not be possible without his leadership.

VETS is a partnership between the Federal Government and the States. The Federal Government is responsible for establishing policy for, and funding, the nationwide network of local veterans employment representatives [LVER's] and Disabled Veteran Outreach Program [DVOP's] specialists. It is to LVER's and DVOP's who are employees of the State employment services, that the Congress must look to deliver on the promise we made to America's veterans to assist them when they look for a job. It is these LVER's and DVOP's who will be the direct beneficiary of the legislation we are now considering. This legislation will help veterans by helping the State employment service employees charged with the implementation of the veterans employment programs enacted by the Congress.

The legislation will help the LVER's and DVOP's by: first, clarifying their duties, responsibilities, and chain of command. This legislation would, if enacted, require that the work of LVER's be fully devoted to the provision of employment and related services to veterans, either directly or by providing assistance and guidance to other State employment service staff; second, require the Assistant Secretary of Labor for Veterans Employment and Training [ASVET] to develop and provide for the implementation of performance standards of LVER's and DVOP's; and third, require the State directors of veterans' employment and training [SDVET's], employees of the Federal Veterans' Employment and Training Service, to functionally supervise the delivery of services to veterans by the State employment services and provide recommendations and comments to the management of the State employment services on the performance of the LVER's and DVOP's. These provisions will ensure that local employees receive the benefit of clear direction and unambiguous policy guidance, while at the same time assuring the Federal Government does not inject itself into the management and personnel practices of the State employment security agencies.

A major goal of this legislation is to enhance the professionalism of the LVER's and DVOP's in the field. The current Assistant Secretary of Labor for Veterans Employment and Training, Donald E. Shasteen, established administratively the National Veterans' Employment and Training Service Institute to provide for training and staff development of DVOP's, LVER's and others who provide employment, job training, counseling, placement or related services to veterans. This legislation would build on Assistant Secretary Shasteen's initiative by providing a legislative mandate for this staff development. The legislation would also provide for program stability for the LVER Program by mandating that the Department of Labor budget provide for 1,600 LVER's nationwide. In past years veterans' employment programs, and the morale of the staff in the field, have been threatened by the uncertainty which results when the budget submitted to the Congress would result in significant reductions in the number of staff. While the Congress has always provided adequate funding; the uncertainty makes it difficult to make, or implement, long-range plans to improve service to veterans.

I am also pleased this legislation includes a requirement that the Bureau of Labor Statistics conduct biannual surveys of the employment and unemployment status of special disabled veterans, including those who served in the Vietnam theater of operations. If the Congress is to effectively meet the needs of veterans with service-connected disabilities and those who served in Vietnam it is necessary to have accurate, current and reliable data on their employment status. Current data, which is based on the status of all veterans who served during the Vietnam era, is too general to be used as a basis for targeting benefits to those who may have been adversely affected by their service. If these veterans do have a disproportionately high unemployment rate it is not revealed in current data; because the data concerning these veterans is overwhelmed by the overall favorable data concerning Vietnam-era veterans in general. Conversely, specific data concerning veterans who served in the Vietnam theater or who have disabilities may show their employment status to be similar to that of other veterans. If that proves to be the case, then Congress will know that the benefits we have provided have been effective.

Mr. President, I commend the chairman of the Committee on Veterans' Affairs, Senator Cranston, for his willingness to amend S. 999, as it was introduced, to make clear that the functional supervision of State employment service employees would not create a dual chain of command with LVER's and DVOP's answerable to two bosses. In addition, the formula establishing the number of LVER's has been improved to eliminate the virtually open ended formula of the original bill. The formula in the current bill represents a compromise between the principle of assigning LVER's based on the number of veterans in a State and the principle of assigning LVER's based on the number of veterans registered for employment services.

Mr. President, I believe the American people and the Congress will insist that the Nation continue to provide priority employment services to veterans. This legislation will help ensure that the dedication of the employees who actually provide those services is matched by a comparable level of professionalism. I urge my colleagues to join me in its support.

Mr. THURMOND. Mr. President, I rise today in support of S. 999, the Veterans' Employment, Training, and Counseling Amendments of 1987. I am pleased to be a cosponsor of this legislation, which goes a long way towards making the current program of veterans' job training more efficient.

This bill strengthens veterans' job training in several ways. It establishes a statutory number of local veterans employment representatives, a structured chain of command among job service officers, and a National Veterans' Employment and Training Service Institute. As well, it sets forth uniform performance standards and performance reviews. In summary, Mr. President, this legislation greatly improves the quality of job training services available to veterans.

During the April 30, 1987, hearing on this matter, the Veterans' Affairs Committee heard testimony from the VA, the Labor Department, State and local employment agency representatives, and current employers of veterans. I was especially pleased that the committee was able to hear from Dr. Robert David, executive director of the South Carolina Employment Security Commission, about the merits of this important program. Dr. David is strongly committed to veterans employment issues and has a long history of involvement with job training.

Mr. President, facilitating the movement of unemployed veterans into the workforce is one of several key services we provide to those who have worn the uniform. I have long been a supporter of job training for veterans and can think of no group of Americans who are more deserving of this assistance.

Accordingly, I urge my colleagues to support this worthwhile legislation.

The PRESIDING OFFICER. The question is on the engrossment and of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed for a third reading and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 1504), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 262, S. 999, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATORIAL ELECTION CAMPAIGN ACT

Mr. BYRD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The pending business before the Senate is the consideration of the bill S. 2, which the clerk will state by title.

The bill clerk read as follows:

> A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

Mr. BYRD. Mr. President, if no Senator seeks recognition, I will suggest the absence of a quorum.

Mr. President, I withhold that.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER (Mr. Daschle). The Senator from Nebraska.

Mr. EXON. Mr. President, we have been working very diligently for weeks and months now to try to come up with an acceptable formula that could collect the necessary 60 votes to break the ongoing filibuster against the Campaign Reform Act.

I think the record is very clear that there are strong feelings on this particular measure. I would simply say that this Senator was one of those who was opposed to the original measure that was introduced in this particular area. I was against that, Mr. President, essentially because I have always been against the use of taxpayer funds as a principal element in so-called election reform. I was against that, Mr. President, because I felt that especially at this time when we are going through one of the great debates and discussions with regard to restricting the budget of the United States of America and bringing that under control, it was not appropriate for this body to consider additional expenditures of taxpayer funds for the purpose of seeking elective office.

Therefore, I told the sponsors of that bill after they had talked with me on many occasions that I could not and I would not support the original measure because it was against the principle that I had always stood for. That simply was, after we enacted legislation for taxpayer finance of the Presidential candidates—and it was predicted at that time that once we took that step, we would take the next step, logical or illogical—to start financing our own campaigns with taxpayer funds. So I opposed that and I opposed it quite vigorously. The sponsors of that measure knew that they would never have the vote of this Senator from Nebraska.

But all during that period, I was very much concerned, Mr. President, about the fact that I think that there is a decaying, if you will, an eating away, at the very principle of democracy because money plays such an important and key role in the political campaigns today.

I suspect that this has, to a large part, come about through the advent of television which is not only a very expensive but also a very effective media for or against the political candidates.

In any event, we started at that time, which I guess could be best established at maybe 5 or 6 weeks ago, and it became obvious that the sponsors of the original bill would never be able to get the votes to shut off the filibuster. I thought a filibuster on this bill was most inappropriate and on occasion I did support the cloture effort because I thought it should be up for debate and I thought we should have a chance to amend it along the way.

Finally, with a whole series of meetings and compromises, we compromised to the place where this Senator overcame most of the objections he had to the original act. I think that any indepth look at the original act and the measure that is before us now, as it has been amended, would lead one to conclude that it was significantly different from the original act.

There is some taxpayer financing in this measure. But those of us who felt that campaign reform was vitally necessary could come up with no other trigger mechanism or leverage, if you will, to bring about the improvements in the elective process so that money would not play such an important role.

We agreed that taxpayer campaign financing would only be a part of any campaign if one or both of the candidates would not live within not only the reasonable but also the excessive amounts of money that were assigned to each race on a per voter basis in the States.

Let me choose my State of Nebraska as a typical example. This compromise, which is the heart and soul of the campaign reform bill that I highly recommend to the U.S. Senate, provides that in a State with the populaton of Nebraska, it would allow up to about a million dollars, in round figures, to be spent on a political campaign. That was assumed to be a reasonable amount of money—indeed, it is a reasonable amount of money.

Until 4 or 5 years ago, if anyone anticipated that they would run for a major Statewide office in Nebraska, which could best be determined as the U.S. Senate or the governorship, and imagined that we would be spending more than $1 million in a campaign, it would have been rejected out of hand.

In a very few years not only has the campaign spending in Nebraska gone over $1 million for those offices, but considerably over that. In fact, in the last general election in Nebraska, each of the two major party candidates for Governor spent over $1.5 million each in their political campaigns.

It is estimated that $3 to $5 million or more was spent in our neighboring State of South Dakota last year on the senatorial race. I point out that the population of South Dakota is probably half that of the State of Nebraska—roughly 750,000 in South Dakota and roughly 1.5 million in Nebraska. So I guess that from that standpoint, one might conclude that things are not out of hand in Nebraska yet, as compared with South Dakota. But I think this proves a very important point.

When you talk about races, especially those for the U.S. Senate, when each Member of the Senate, as it should be, has an equal vote, with the Senators from the extremely populous States such as New York and California, it is tremendously important, I think, that we try to put all this in perspective.

You hear a great deal about the terrible expenditures of money in the State of California for a race for the U.S. Senate or for Governor. You hear such things as: "Would you believe $10 million, $12 million, $13 million, $14 million, or $18 million? Isn't that awful?"

I think it is awful, Mr. President. But compared with a State like South Dakota, where one candidate would spend in the area of $3 million, affecting the relatively small population of that State, then $12 million or $18 million per voter, proportionately speaking, is not "too much" for California.

The fact is that I think all these numbers are becoming totally obscene. While I think there are many instances in which it could be indicated that elections are not necessarily decided by the amount spent, I think it would be safe to conclude that if you had equally qualified candidates with essentially the same styles, with essentially the same appeal, with essentially the same debating ability—if everything else were equal—and if there were the same number of registered Democrats as there were registered Republicans in that State, and if each of those split groups had the same fervor for the candidates of their party, I think it would be safe to assume that the candidate who spent the most money under those unlikely if not impossible circumstances would win the election, 9 times out of 10.

I do not think that is what the people of the United States want. Although I have not heard a great hue and cry sweeping the land, I believe that an increasing number of Americans are becoming very much concerned about the money that is being collected, sought after, and spent by candidates for public office.

Mr. President, I have been in the Senate for my second term, going on 9 years, but I have talked with those who have been here for a long, long time—my senior colleagues, if you will—and they tell me how it used to be. It used to be, Mr. President, that a U.S. Senator, who has many and varied duties and who is an extremely busy individual, had his hands full carrying on his normal duties representing his State in the U.S. Senate. Likewise, during an election period, he had the additional responsibilities as chairman of a committee, subcommittee chairman, and committee assignments. But when you put those duties on top of this new burden that has been placed on every Member of this body, when they are up for election, it has become overwhelming.

There is no way, in my opinion, that many of us have the waking hours, with our responsibilities, to do what should be done, when we have to spend an inordinate amount of time on the telephone, traveling about the United States, seeking, begging, and pleading for donations to "my campaign," because if I cannot come somewhere near matching my opponent in this campaign, I am very likely to be defeated. So, I think it comes back to a

situation that sooner or later we are going to change the elective process. Sooner or later, Mr. President, there is going to be, I suggest, a scandal break across this land, and then after the fact the Congress will rush in and say "We should have done something about that."

I think the time to do that, Mr. President, is now in this session. I simply would hope that the Members of this body and the people of the United States would begin to understand what a serious challenge this is indeed to our elective process.

Once again I say, Mr. President, I do not think that there are any of my colleagues on either side of the aisle who can be "bought." That is an ever-present threat that a lot of people think exists, but I think I know the people in this body very well.

But I do say, Mr. President, that you cannot be a good U.S. Senator, you cannot be a good or the best U.S. Senator that you could be, you cannot do the job that you are charged to do with representing the people of your State and carry out your assignments that come through seniority basically in this body, you cannot do all those things and do it the way you should and serve your constituents and serve your Nation, if on top of all of those things you have to spend up to 20 percent of your time soliciting money for your reelection effort.

Therefore, I think that the amendment that we have put on this bill goes back and very well addresses the cure that the U.S. Senate tried many years ago to solve this problem and that was a very straightforward simple cure, Mr. President. It said that no more than such and such amount of money, again on a per voter or population basis, could be expended by any candidate in a congressional district or any candidate for the U.S. Senate in any State of the United States. You just could not spend. We have put a cap on spending.

Well, that would have worked but the Supreme Court, as we all know, held that violation of the constitutional rights of an individual and stripping aside all of the other legal phraseology the Supreme Court of the United States simply said that they agreed that the basic foundation of the bill was a good one but they also agreed that the constitutional rights of a very wealthy individual were violated if the law said that he could not spend all of his million or all of his billion on himself to be elected to high public office.

It was before I was involved here, but I remember when that ruling came down I though it was a rather disappointing ruling for what I felt would be fairness and reasonableness in the elective process. But at the same time I recognized that the Supreme Court of the United States has to make its decision on not what it would like to do but upon the laws of this land and basically the Constitution of the United States of America.

When that came down it just shattered the reforms that were then in place and ever since that time we have been trying to correct it with a constitutional amendment. When the Supreme Court decides something on constitutional grounds that you do not agree with, the one way of correcting that, and it is not an easy way, is to propose a constitutional amendment which changes the Constitution and the Constitution could be changed in a manner that would have allowed that previous campaign reform bill to become operative.

But changing the Constitution we all know and for very good reason is a difficult task. You have to get it passed by the Congress and then you have to get it ratified by most of the State legislatures in the United States. So that has not been done.

This Senator from Nebraska is a cosponsor of a constitutional amendment to allow us to do just that right now, but we all know that at a minimum this is a 4- to 6-year process even if it is successful and I suspect, in the long run, it might be.

So the other way to change that and the other way to get around this lengthy process and to stay away from amending the Constitution of the United States, which I think should not be amended promiscuously, is we have developed this bill. This bill simply goes back basically to the same tenets as the previous bill by setting campaign limits on a population basis for elective offices of the U.S. Senate and, as I said, in the case of Nebraska, it would allow roughly $1 million to be spent.

But to get around the constitutional problem, then we said and provided in this bill that if one candidate agrees when that candidate files for the U.S. Senate that he would spend no more than $1 million, and then we require appropriate reporting to see that that is accomplished, but if the opponent says, "No, I won't live by that, I am going to spend whatever I want to get elected to the United States Senate from Nebraska," then and only then could the candidate who had agreed to abide by the law qualify for limited taxpayer financing of a campaign up to a specific amount.

Mr. McCONNELL. Excuse me, will the Senator yield for a question?

Mr. EXON. I am happy to yield for a question.

Mr. McCONNELL. I was listening with interest to my friend from Nebraska describe what we might call "Boren III," the third proposal for taxpayer financing and spending limits in Senate campaigns, and the Senator's analysis of Buckley versus Valeo.

The Senator is aware, I assume, of the way that the Presidential public funding system works, is he not?

Mr. EXON. Yes.

Mr. McCONNELL. Would the Senator from Nebraska please describe to me what the penalty is against a Presidential candidate who chooses not to accept taxpayer funding of his campaign?

Mr. EXON. If he did not accept public funding?

Mr. McCONNELL. Yes. Consider for example, former Treasury Secretary John Connally, who said in 1980, "I choose not to accept public funding; I choose to go out and raise my money from people who support me." Could the Senator describe to me what penalty, under the Presidential campaign law, accrues to a candidate who says, "As a matter of principle I choose to raise my own money instead of dipping into the public bill." What happens to him?

Mr. EXON. I do not think very much happens to him. I guess he is probably an individual like John Connally who felt that he did not want to be controlled by any rules or regulations. He probably had the wherewithal to finance his campaign or felt that he had enough people interested in his candidacy that he could go out and raise the money on his own. What is the point of the question?

Mr. McCONNELL. The point I intend to make, as my friend from Nebraska knows, is that there is no penalty.

Mr. EXON. No.

Mr. McCONNELL. Under current law, if one is running for President and chooses to do it the hard way, by raising his campaign funds from a whole lot of people, there is no penalty. He just has to work hard to compete with the Government-funded opponent.

Now, under all three campaign finance schemes proposed by the Senator from Oklahoma, there is a penalty: you get punished, in other words, if you choose to go out and do it the hard way, to work for your funds, whether you do it as a matter of principle, or because you believe a lot of people are willing to support your views. Under Boren I, Boren II, and Boren III, the candidate who accumulates a lot of support the hard way triggers a punitive payment of money to his opponent from the Federal Treasury. I would suggest to my friend from Nebraska that all three of the proposals of the Senator from Oklahoma clearly are in violation of the Constitution, because you get punished by the Government for exercising your first amendment rights: to go out and get your own support, instead of reaching into the taxpayers' pockets. In the opinion of the Senator from Kentucky, the penalty feature of S. 2,

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in all its sordid permutations, violates the clear rule of law established by the Supreme Court in Buckley versus Valeo: that Congress may, in limited ways, offer the taxpayer's money as an inducement for candidates to forego private, voluntary contributions and limit their overall spending. But the Court makes it clear that Congress only can provide incentives for compliance, not Government-enforced penalties.

**Mr. EXON.** I thank my friend from Kentucky for asking the question.

I suppose, though, that if you would follow out the logic to the point that he has just raised you simply say that you never ever under any circumstances control the amount of money that any candidate could spend to be elected President of the United States or in the case of this body elected to the U.S. Senate. I do not know whether my friend was here earlier when I tried to make the point. But I do not believe that the people of the United States feel that elections should be bought, and I tried to give a reasoned position that I held in that regard.

Not always is it the case that the one that spends the most money wins an election.

But in going back to answer the Senator's question, he will remember, I am sure, that under the campaign law that was declared unconstitutional by the Supreme Court, it would have been against the law to spend more than a certain amount of money to be elected and the reason for that was the enforcement mechanism, I would suggest, for the Campaign Reform Act.

What we have done here, of course, in this act with the amendment that has now been offered to the measure of the Senator from Oklahoma that this Senator originated is simply say we think we get around the constitutional objection here. Who knows what the learned ones on the Supreme Court will do or say about anything that we do here because, as the Senator from Kentucky knows very well, they do pass judgment as is their responsibility on the laws that are passed by the Congress and, of course, signed into law by the President of the United States; the point being that if you are not going to have some enforcement mechanism, then always you are going to have the very wealthy person that can finance their own campaign highly likely of success in the political system.

Let me just say in concluding my remarks, Mr. President, that if there are those who think that the present system is fair and reasonable, if there are those who see nothing wrong with $1.5 million on each side for a candidate to run, or up to $5 or $10 million to seek office in the less-populated States of our country, if they think it is all right, that it is a good thing to spend up to $3 million per candidate for office in a State such as my neighboring State of North Dakota with 750,000, then I think what they are really saying is that, "Notwithstanding anything else, let's allow all the spending anybody wants or can raise to influence a campaign."

I am not sure that that is the best way to go. But, of course, I think no less of those, such as my friend from Kentucky, who do not share my point of view. They may be right. I think they are not.

I simply say, Mr. President, that we have tried to work this bill out. It has been amended so far from the original proposal by the Senator from Oklahoma that it is hardly recognizable. But it does do what my friend and colleague from Oklahoma, in close cooperation with the majority leader, has had in mind for a long, long time, and that is to begin to get the amount of money, the inordinate amount of money, the obscene amount of money, depending on your point of view, from having an improper influence on the elective process in this great country of ours.

So, Mr. President, I hope that I have made some points that my colleagues might study and take a look at; because I suspect that if the proposition that we are fostering here today were voted on by the people of the United States, I suspect that there would be an overwhelming number of the people of the United States, Republicans and Democrats alike, that would say that is fair, that is reasonable, and that puts a limited limit on the amount of money that should play within and outside the political system.

I just want to say one final message. There may be some additional flaws in this bill with regard to the control of expenditures by those other than the candidate and the candidate's campaign organization itself. We are certainly open to any suggestions, any workable suggestions from those on the other side of the aisle who remain diametrically opposed to the basic tenets and principles of this bill, which is to control, to limit, to some reasonable degree, the amount of money that is spent in campaigns.

So the door is open for constructive compromise, so long as an amendment is not offered that would, in essence, be a killer amendment and make inoperative the procedures that we are trying to advance with this bill.

Mr. President, I yield the floor.

**Mr. McCONNELL.** Mr. President, I commend the Senator from Nebraska for his insight in this matter. In fact, we do agree on a number of different points. The Senator from Nebraska on several occasions made reference to the problem of "campaigns being for sale." The implication of this concern is that millionaires, spending their own money on high-ticket campaigns, distorts the process. I cannot agree more.

One flaw in Buckley versus Valeo was that it allowed an individual of great wealth to spend everything he had in pursuit of political office. I might say to my friend from Nebraska, I wish that his most recent proposal, Boren III, did something about that. But it doesn't, and it can't, because the "millionaire's loophole" is a constitutional problem, requiring effective constitutional action.

The Senator from Kentucky has already introduced a constitutional amendment, Senate Joint Resolution 166, that would give Congress the authority to limit what an individual can spend from personal funds on his own campaign. That is a limited power that the Congress ought to have. And I agree that this portion of the Supreme Court decision in Buckley versus Valeo was not good policy.

I would be more than happy to have the Senator from Nebraska as a cosponsor of this constitutional amendment. I believe that we should not just casually or drastically amend the Constitution, but this is not a complicated amendment; it would be likely to pass through this Congress with great speed, an the election process would be better off for it.

**Mr. EXON.** Will the Senator yield for a question?

**Mr. McCONNELL.** Yes, I am glad to yield.

**Mr. EXON.** I am very much interested in the piece of legislation you just mentioned. How does your piece of legislation for a constitutional amendment differ from the constitutional amendment offered by the Senator from South Carolina which changes the Constitution? Is your amendment very similar to that?

**Mr. McCONNELL.** It differs, I say to my friend, in this one respect: It is the opinion of the Senator from Kentucky that, if we put reasonable limits on what individuals can contribute to campaigns—and we have those limits; I could give no more than $1,000 to your campaign in the primary and general elections; and if we require full disclosure of all contributions and their sources, then there should be no limit on how much support a candidate can gather from people at home. The Senator from Kentucky and the Senator from Nebraska ought to be able to go out and get as much support as they can attract, from a whole lot of people throughout the States they represent.

I do not agree with the Senator from South Carolina that Congress should be given broad authority to control how much participation there can be in a campaign, which is what spending limits are. I do agree that an individual millionaire shouldn't be able to

distort the process by going outside of the limits that the rest of us abide by.

**Mr. EXON.** If I could ask another question.

**Mr. McCONNELL.** Yes.

**Mr. EXON.** I appreciate the implied invitation, but I do not care to cosponsor the amendment offered by my friend from Kentucky and I will stay as a cosponsor of the amendment offered by my friend from South Carolina, which is in keeping, basically, with what I feel is critically necessary.

If I understand, then, the position of the Senator from Kentucky, if you and I were running against each other in the United States, which I am sure cannot and never will happen, but if we were and we were from the same State and if I traveled in a circle where I had 500 people that were millionaires or more in their total net worth and you had zero, none, who are millionaires or more, do you think that would not give me a distinct advantage in the race that we would have?

**Mr. McCONNELL.** I would say to my friend from Nebraska that a fellow running for a public office is like a fellow starting a business: he's got to find a way to build support for his venture and get people to believe in what he stands for. In politics, with the strict limits on individual contributions, none of your millionaire friends could give you more than $1,000 in the primary and general elections. With the limits as low as they are, you would be forced to attract a broad base of support and a lot of small contributors, just like any other candidate.

I might add that we could even further lower the limit on individual contributions, because the more you lower what can be contributed, the more you broaden the base of contributors and bring in more small donors.

I listened with interest to the observations of the Senator from Nebraska about the time involved in raising money. This is purely a strategy option, not necessity. Some incumbents choose to raise money early; many do not. I know several people on this side of the aisle who do not like to do that. They choose not to raise money early, preferring to wait until later. It is our option; nobody is making us go out and raise money early if we do not want to.

**Mr. EXON.** May I ask a further question, then, just for clarification?

**Mr. McCONNELL.** Yes.

**Mr. EXON.** All these millionaires that were in the hypothetical race that I outlined before, would it not be possible for those millionaire friends of mine to go out and form or contribute to a political action committee that could, in turn, give to this candidate, and, therefore, funnel additional money into the campaign of us millionaires?

**Mr. McCONNELL.** No, because we have also put limits on what people can contribute to PAC's: $5,000 per election. What would be most likely to happen, under the schemes that the Senator from Oklahoma has put forth, is that those millionaires could still do the same thing they do today under existing law: making independent expenditures in whatever amounts they desire. That is possible under today's law, and under each of the three versions of S. 2.

One good thing about existing law—though there are parts of it I do not like—is it gives preference to campaign spending which is fully reported and in fairly small denominations. None of the millionaires in your hypothetical could distort overall spending beyond the $1,000 limit, unless they made independent expenditures or chose to buy political office for themselves; in that case, they could spend as much as they desired. Both of these are loopholes the Senator from Kentucky would like to close, and he has introduced a limited amendment to the Constitution enabling Congress to limit millionaire spending on personal campaigns and independent expenditures.

**Mr. EXON.** Well, they would, would they not, be able to contribute to PAC's all over the country that, in turn, could contribute to me?

**Mr. McCONNELL.** As I indicated, no one can contribute more than $1,000 to you, or $5,000 to a PAC, and no PAC can give more than $5,000 to you either. The good thing about our current system is that wealthy supporters don't help you any more than average citizens who like you.

**Mr. EXON.** Well, I am not sure I totally agree with my friend from Kentucky. Both of us, I think, are creatures of the free enterprise system. I am not sure that running for office is like starting a business. Because this Senator started my business in the basement of our home, my wife and I. So I have some experience in starting a small business. I also have the experience of starting up from scratch in the political races.

I am not sure that I really believe that they are one and the same, and, therefore, I am not sure that the total free enterprise system applies to political races.

But, nevertheless, I respect the point of view expressed by my friend from Kentucky.

**Mr. McCONNELL.** Since you brought up the political action committees, my friend, it is the opinion of the Senator from Kentucky that public dissatisfaction with political action committees is what is really driving the movement for campaign finance reform.

I proposed a measure, along with Senator Packwood and others, which would eliminate PAC contributions altogether. We could zero out PAC contributions to candidates and, as far as I am concerned, to parties as well.

The two biggest distortions of overall spending are millionaire expenditures, which have gone from $11 million in 1978 to $40 million in 1986, and PAC contributions: in 1978, PAC contributions were roughly $35 million; last year they were $132 million.

It is clear, if you try to define where the problem is, that spending increases have occurred largely because of the millionaire's loophole and the advent of PAC contributions.

Those two developments have been the prime sources of abuse in the current system. That is what turns the public off, not the total amount of mney spent in campaigns, as long as it is spent by a whole lot of people. What offends the public is that wealthy candidates and PAC's have single handedly inflated campaign spending to vast proportions.

**Mr. EXON.** Let me ask you one more question. I know you want to make a presentation. I do not have any charts but I wanted to ask you this question. If we would enact a constitutional amendment that the Senator from Kentucky is sponsoring, and if we would enact into law the legislation that he is sponsoring, with regard to PAC's and everthing else, and if we had all those things in place—and going back to our theoretical race—the Senator from Nebraska against the Senator from Kentuchy, would, after you get all of these things in place, would it not be possible for me to raise and spend $3 million to $4 million in this race and my friend from Kentucky, if that is the best he could do, would have a total expenditure of, say, $500,000 to $800,000?

**Mr. McCONNELL.** That is certainly possible, because in the hypothetical that the Senator from Nebraska phrases, the Senator from Nebraska would have a whole lot more support than the Senator from Kentucky, and would be more likely to win—because he would have more support. That is what this process is all about, going out and getting support. That is perfectly all right; it is part of the rough and tumble of American politics.

Who is to say that every candidate should be funded from the Federal Treasury at an equal amount? Who is to say that if a candidate decides to go out and gather his support from a whole lot of folks, that he should trigger taxpayer dollars to his opponent?

I do not think we should be passing a law that is blatantly unconstitutional to deal with a limited problem that can be cured directly. Let's not make all candidates "equal." All candidates are not equal; that is why some win and some lose. Some try harder, some care more, some work harder to win. That is the American way. Public financing and spending limits is more like "from each according to his abilities, to each according to his means." That is socialism, and we don't need to import it into our American democracy.

Mr. EXON. Just to clarify this one more time, if you yield—I appreciate your consideration. You are coming back to the situation that I think is the main sticking point by many on that side of the aisle and others on this side of the aisle.

I would simply say to you that if we ever run for office against each other, I do not think that I am $3 to $5 million a better U.S. Senator, or more qualified U.S. Senator, than my friend from Kentucky.

While I would be quite well satisfied and comfortable as a politician—and I have been down the road—if I were going to spend $4 to $5 million, and you were going to spend $500,000 to $600,000, that would be very comfortable. I am very fearful, though, that what my friend from Kentucky is overlooking is the fact that the numbers of people giving to campaigns have a direct relationship to the amount of money that the individual who works at the factory can give and the amount of money that a fairly wealthy person can give, along with the contribution that he can also give in his wife's name.

So I simply say that I think where we part company—we are trying to be fair. I do not think it is fair for me to have $4 to $5 million in my campaign running against you and you have $500,000 to $700,000. I am sorry, I do not think that is fair to you. But, if you want to run under those circumstances, I am going to be assured of winning most of the time.

Mr. McCONNELL. I would say to my friend that it appears to me that he has a bias against certain kinds of political participation. There are all kinds of ways to participate in the campaign.

Those who are busy and involved, starting businesses, like the Senator from Nebraska started his, do not have time to go down to the union hall and work on a phone bank or go out to voter registration drives. Instead, they give a small, disclosed contribution to the candidate they believe in.

It is pretty clear to the Senator from Kentucky that the campaign finance schemes emanating from the other side have a clear bias against small contributions, as opposed to soft money contributions—none of those proposals would do anything at all about soft money.

If we are talking about leveling the playing field, we should bring all the soft money right into the open and put a limit on it. I wonder how the Senator from Nebraska would feel about that.

Mr. EXON. Let me answer that question. You remember that I said a few moments ago there still may be some shortcomings with the bill as advanced and as significantly amended, as the Senator from Oklahoma offered.

I was talking about that particular point. I worry, too, about the soft money. That is why, if we could work with the Senator from Kentucky and if he could help us formulate further amendment to that bill to get at the soft money, then I will support that. That is a concern of mine and, as I have advised the Senator from Oklahoma, I am not, still, totally satisfied with this bill from that standpoint.

So I just say to my friend from Kentucky, if you will be willing to work with us, close at least that portion of the concerns that you have with the bill we would be very delighted to have you join with us in giving us one more vote that we need to reach that 60 votes for cloture.

Mr. McCONNELL. Let me just conclude this discussion by saying I commend the Senator from Nebraska for recognizing this particular problem. As he knows, soft money is neither disclosed nor limited. Individual contributions are limited and fully disclosed; but soft money is a gaping loophole through which millions and millions of dollars are spent every election cycle. It is influence-buying on the black market, and we must blow it open and shut it down.

It has been the suspicion of the Senator from Kentucky that the schemes emanating from that side of the aisle are not particularly interested in either disclosure or limitation on soft money contributions, because the other side of the aisle benefits handsomely from them. If we are going to have a level playing field, it seems to me there ought not to be a bill that is constructed in a manner that has a certain bias against cash contributions and no bias at all against in-kind contributions.

Mr. EXON. I would simply add that we have been discussing and debating this now for I guess 30 or 40 minutes. We have come to a point where the Senator from Kentucky and the Senator from Nebraska agree and maybe we can work that out.

I thank you for your consideration.

Mr. McCONNELL. I thank the Senator.

The PRESIDING OFFICER. Does the Senator from Kentucky seek additional recognition?

Mr. McCONNELL. For the moment, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. MIKULSKI). Without objection, it is so ordered.

Mr. McCONNELL. Madam President, we are now into our 12th day of debate on S. 2. There are a number of issues confronting the country that I am reasonably confident the American people think enjoy a higher priority. The judgment of the Senator from Kentucky, for example, is that tort reform or the liability crisis might be more on the minds of the people of the United States than campaign finance reform.

The distinguished Senator from West Virginia is seeking to bring up catastrophic illness coverage. I believe that is a higher priority.

America is concerned about the competitiveness of our country's industry yet we passed a trade bill last week which was strongly anticompetitive.

As usual, we passed no appropriations bills and we will probably be here until Christmas Eve.

Yet we have spent 12 days, Mr. President, on a problem that really does not exist. There has been a lot of talk about campaign spending in this country, but the fact of the matter is we spend less on Senate campaigns than the American public spent on bottled water last year. We spent more advertising pet food than we spent on House and Senate races combined. When you talk about campaign spending, you have to say, "Compared to what?" Compared to almost any form of communication in our society, which is heavily communications-oriented, we are not spending a whole lot on campaigns.

Most of the money we are spending from campaigns is coming from a whole lot of people who are participating.

And the people who contribute to campaigns are people who are too busy taking care of patients or running businesses or doing something productive to register their views any other way. They do not have the time to go out and work a phone bank, or to go door-to-door, or engage in other political activities. But they want to participate, so they make a small contribution.

Under existing law it is not possible to make a very large financial contribution. The most anyone can give, and few give this much, is $1,000 per election. Not many people do that, but a lot of people make small contributions.

One of the wonderful things that has happened the last 10 years is that a whole lot of people have gotten involved in contributing to political campaigns. One of the reasons that we have been able to raise more money is because more people are interested

and are participating. That is not bad; that is absolutely good. We ought to be encouraging participation in campaigns. We ought to encourage people to get involved.

For most people, the easiest way for them to get involved is to make a small contribution.

That is what this whole debate is about, Madam President. There are some, unfortunately most of them are on the other side of the aisle, who do not have much problem with undisclosed special interest soft money. But these same Senators do want to limit how many individual contributors there can be.

Of course, their goal from the beginning has been to dip into the Treasury and have the taxpayers pay for political campaigns. We have seen several different proposals for this during these 12 days of debate, Boren I, Boren II, and now Boren III.

Boren III has cut the financial exposure of the Government and us taxpayers somewhat. It is estimated now at roughly $30 million in mail subsidies if the bill applied to Senate races only, and from $70 to $100 million if it included the House.

I might say, Madam President, there is no chance of a campaign reform bill being passed that applies only to the Senate. If we are going to change the rules in Federal elections, they must apply to both bodies. We are talking about a version of S. 2 that dips into the Treasury roughly to the tune of $70 to $100 million each election.

Further, Boren III will punish people for exercising their first amendment rights. We have had a lot of people criticize the decision of Buckley versus Valeo. Madam President, may I be so bold as to say it was a good decision. It ratified most of the campaign reforms that were passed in the 1970's. It did, however, say that Congress can go too far in gathering power to insulate its elections from popular will. It can go too far in a free society in snuffing out the rights of citizens to participate in a political campaign.

Let me read in part from the much-maligned decision of Buckley versus Valeo.

The Supreme Court said:

> A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached.

Further, the Supreme Court said:

> Virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.
>
> The expenditure limitations contained in the Act . . .

They were referring to the one passed back in the 1970's.

> . . . represent substantial rather than merely theoretical restraints on the quantity and diversity of political speech.
>
> No governmental interest that has been suggested is sufficient to justify the restriction on the quantity of political expression imposed by . . . campaign expenditure limitations . . . The interest in alleviating the corrupting influence of large contributions is served by the Act's contribution limitations and disclosure provisions . . .

The court went on to say:

> There is no indication that the substantial criminal penalties for violating the contribution ceilings combined with the political repercussion of such violations will be insufficient to police the contribution provisions. Extensive reporting, auditing, and disclosure requirements applicable to both contributions and expenditures by political campaigns are designed to facilitate the detection of illegal contributions.
>
> Given the limitation on the size of outside contributions, the financial resources available to a candidate's campaign, like the number of volunteers recruited, will normally vary with the size and intensity of the candidate's support. There is nothing invidious, improper, or unhealthy in permitting such funds to be spent to carry the candidate's message to the electorate. Moreover, the equalization of permissible campaign expenditures might serve not to equalize the opportunities of all candidates but to handicap a candidate who lacked substantial name recognition or exposure of his views before the start of the campaign.
>
> In any event, the mere growth in the cost of federal election campaigns in and of itself provides no basis for governmental restrictions on the quantity of campaign spending and the resulting limitation on the scope of federal campaigns. The First Amendment denies government the power to determine that spending to promote one's political views is wasteful, excessive, or unwise. In the free society ordained by our Constitution it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.

I venture to say, Madam President, that almost anyone in the Senate would profess to being a supporter of the first amendment. The Supreme Court has said very clearly, in a unanimous decision, that the kinds of restrictions suggested in the various S. 2 permutations are unconstitutional.

The Presidential system is frequently referred to by S. 2's supporters; but there are some important distinctions between the Presidential public funding option, and the penalties proposed in the various versions of S. 2.

In the Presidential system, there is no penalty for choosing to receive public funds. If you choose not to receive public funds, you just have to work very hard to win.

We had one candidate for President, who was not successful—and maybe that is why no one else chose this option—who said, "I don't believe in taking money from the Treasury to run my campaign. I'm going to raise it myself." He did not make it. No one else has. The only penalty was that he had to work harder. He did not dip into the Treasury. He went out and worked for it.

Under all the schemes that have emanated from the other side of the aisle, however, there are real and substantial penalties levied for exercising one's first amendment right in running for public office in this country, to go out and garner as much support as you can. If you do that under any of these schemes, a substantial amount of taxpayer money is triggered immediately to the opponent, in substantial sums.

Clearly, the only reason why the bills have been designed this way is to make it virtually impossible for a candidate, who chooses to raise his money privately, to go out and raise support from a lot of little people in his home State.

Having said that, Madam President, let me hasten to add that the Senator from Kentucky is not entirely satisfied with existing law. There are a number of changes that could and should be made.

Two things have clearly driven the increase in spending on campaigns in the last 8 years, and we have talked about them frequently in the long 12 days of debate that we have been involved in this issue on the floor.

In the age of television in the Senate, charts have become quite popular, and the Senator from Kentucky has one as well. This chart refers to total spending in 1978 in races for the House and the Senate. Total spending was just under $200 million in 1978. In 1986, it was around $450 million. There has been a clear increase in the amount of money spent in House and Senate races, from a little under $200 million, up to $450 million. Inflation obviously has driven that to some extent. But where does the money come from, that additional money that is going into political campaigns?

The big increases have been in two areas that are worthy of attention. First, political action committee contributions have grown substantially. The total PAC spending on House and Senate races in 1978 was $35 million. In 1986, political action committee spending had risen to $132 million, a fairly substantial increase over an 8-year period.

The other area that has gone up considerably is millionaire spending on their own candidates. This was one of the things that Buckley versus Valeo said you could not restrict, that it would be a violation of a wealthy candidate's first amendment rights to tell him how much of his own money he could put into his race. People who have a lot of money, therefore, have chosen to do that.

In the case of millionaire spending, on which there is no limitation, in 1978 there was $11 million spent by millionaires in their own behalf, by people in their own campaigns, and that had risen by 1986 to $40 million.

So what you see driving the increase in the amount of money spent are two new sources of funds: The growth in PAC's and the growth in the number of people of great wealth willing to spend money in their own behalf.

The Senator from Kentucky believes that those are two problem areas that could and should be addressed.

The Senator from Kentucky has introduced a constitutional amendment—that is what it would take to overrule Buckley versus Valeo, in part—which would give Congress the authority to limit what individuals can put into their own campaigns. That would level the playing field considerably between the millionaire candidate on the one hand and the candidate of modest means on the other.

Further, the Senator from Kentucky, the Senator from Oregon, and others have introduced a bill that would eliminate political action committee contributions altogether, to candidates and to parties.

To the extent that those two sources of funds were either eliminated, in the case of PAC contributions, or brought under the same restrictions as contributions to another, in the case of millionaire contributions, you begin to level the playing field.

The final item that should be dealt with is the question of the cost of campaigns on the other end, and that is the cost of television. We all know, because we have run for office, that the big cost in any campaign is TV. It is the magic medium. It is the place people get to know us. It is the place they make the decision as to whether to vote for or against us.

Clearly, the requirements under existing law that they sell us political candidates the time at the lowest unit rate available to others is not working out very well.

The Senator from Kentucky and the Senator from Oregon have also proposed a requirement that stations sell us the time at the lowest unit rate of the entire preceding year. It would eliminate the potential to raise, the lowest unit rate just prior to elections, and thereby nullify the discount. If it is a hotly contested race, it is easy for the station to raise the rate for all customers during that pre-election period, so that the lowest unit rate becomes a good deal higher than it was immediately before that; and they thereby make an enormous profit off of political activity.

It would not be violation of any broadcaster's property rights to simply require that the stations sell us campaign advertising time at the lowest unit rate of the preceding year. Considering the handsome sums they extract from us now, such a discount would not even materially hurt their balance sheets.

That would avoid the spending increases which have been seen in many States, and which have further driven up the costs of campaigns.

Madam President, there is a way to deal with the real problems in this area, without putting a limit on particpation by average individual citizens around the country. The Supreme Court has said that is in fact unconstitutional. It is a first amendment freedom, and shouldn't be restricted.

We can get at the real problem by doing something about the cost of TV, the millionaires' loophole, and political action committees.

It is the opinion by the Senator from Kentucky that what is generating all the bad press, and there has been some—is the belief that the special interests are contributing too much to political campaigns. You can make that argument. Special interest or PAC contributions have clearly gone up substantially, from $35 million in 1978 to $132 million in 1986. Why don't we just eliminate them, just zero them out, and then the contributions that go into campaigns will come entirely from individuals. We have not raised the amount that an individual can contribute in over 12 years and I am not even advocating that. Keep it where it is.

The downside of keeping the limit as low as it is requires us to work harder. I notice a lot of folks in this body don't want to work very hard in their campaigns. They just would like to reach into the Treasury and get the tax dollars that have been given involuntary by the folks out there, rather than going out and raising it themselves. It is time-consuming if one chooses, and it is our choice. Nobody makes us do it. It is time-consuming if one chooses to raise a lot of money, and it takes a little while to do that. You do not have to. If you want, you can just say no.

There are a number of Senators in this body on both sides of the aisle who simply choose not to do that. They say, "That may be good strategy, to stack up a lot of money early and scare my opponent off, but I choose not to do so. I am going to cut down the length of time that I am involved in this process to 1 year." Nobody is making us do either.

I have heard time and time again from the other side of the aisle, "I am spending all my time raising money." Senators are going hither and yon and everywhere raising money. No one is making them do that. They choose to. They choose to because they think it is good strategy.

We ought not to rewrite the basic compaign laws of this country because some Senators do not want to spend any time at raising money. Nobody is saying to them that their campaign budgets should be a certain amount. They can do what they choose to do.

We should not, however, pass a bill that is flatly unconstitutional, just because some people do not want to spend much time raising money.

The sanctions against the exerise of first amendment freedoms in the various Boren proposals violate the Constitution. Now, some will say, "Let us just pass a bill, and see if the Supreme Court decares it unconstitutional."

Now, I do not think we ought to go around as a careful, deliberative legislative body, passing bills that are blatantly unconstitutional.

The various suggestions that the Senator from Kentucky has made would achieve true campaign reform by doing something meaningful about the millionaire problem, the PAC problem, and the cost of campaigns. That would be true campaign finance reform.

The Senator from Kentucky has said frequently, over the 12 long days we have had this debate, that he would be willing to sit down at any time with the leaders on the other side to talk about true campaign finance reform. For true campaign finance reform to pass, it must be bipartisan. You are not going to get a partisan bill out of here on this vital issue.

The people on this side of the aisle have seen that the various proposals emanating from the other side discriminate against small individual contributions and protect the so-called in-kind contribution, or soft money. Democratic candidates, by and large, have done better with soft money, so they want to protect that. Republican candidates have attracted the support of the small contributor, so they want to push the average citizen out of politics.

Thus, it has developed into a partisan conflict. But if we are serious about passing a campaign finance reform bill, we ought to take this matter off the floor, sit down together, and work out something that will treat the millionaire problem, the PAC problem, and the cost of campaigns. We can enact a law that will be good for the system and not hurt either one side or the other side or the system itself. That is the kind of bill we ought to be working toward.

That concludes my observations for the time being, and seeing no one else on the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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The legislative clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## RECESS FOR 15 MINUTES

Mr. BYRD. Madam President, there will be no more rollcalls today. Some discussions are going on at the moment. Rather than keep the Senate in a quorum call longer and so as to give the doorkeepers and others a chance to get a drink of water and a breath of fresh air, I ask unanimous consent that the Senate stand in recess for 15 minutes.

There being no objection, the Senate at 5:32 p.m., recessed until 5:47 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Ms. Mikulski].

Mr. BYRD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## JUDGE BORK AND THE FIRST AMENDMENT

Mr. HUMPHREY. Madam President, last night in remarks before the Senate I called my colleagues' attention to the extraordinary track record compiled by Robert Bork as a member of the U.S. Circuit Court of Appeals for the District of Columbia. It is doubtful—and I am having this research done now so I will have more authoritative information on this point, but I think it is fair to say—it is doubtful that any other appellate judge in the Nation can match the number of majority decisions he or she has written or joined in with without a single reversal of those decisions by the Supreme Court.

Judge Bork's record on this point is extraordinary. He has written approximately 100 majority decisions, not one of which has been overturned by the Supreme Court. He has joined in, concurred in, more than 400 opinions in the last 5 years, likewise which have not been overturned by the Supreme Court.

I make the point because it is absurd to argue that a judge with such an exemplary record serving at the highest levels of the Federal judiciary, just below the Supreme Court, is undeserving of confirmation because of his judicial philosophy, as his opponents allege.

Beyond the matter of Bork's impeccable record, impressive record, extraordinary record—probably a unique record—it is important to dispel some of the misleading arguments made by the partisan groups attacking his positions in various critical areas of the law.

I want to focus this evening on the charges about Robert Bork's hostility to the first amendment, which charges are nothing more than rubbish.

Seizing upon an article Judge Bork wrote 16 years ago exploring a theoretical approach to first amendment issues, the opponents claim that Bork has an unacceptably narrow view of free speech rights. Once again, however, these criticisms are refuted fully by the observable facts of Bork's established judicial record. Bork has written major opinions in the D.C. Circuit which reflect exceptional sensitivity to the first amendment. These opinons are flatly incompatible to charges that his judicial philosophy gives short shrift to civil liberty and free speech in particular.

Madam President, in Ollman versus Evans and Novak, Bork wrote a concurrent opinion which extended novel first amendment protection to journalistic opinion. The issue was whether a newspaper column's critical characterizations of a Marxist professor were privileged opinion entitled to constitutional protection against liable suits. Judge Bork held that they were, and stressed that preservation of first amendment freedom sometimes requires a flexible judicial approach to contemporary situations.

Bork's opinion in Ollman was praised by the New York Times. Hear that, opponents who suggest that Bork is unfriendly to free speech.

Bork's opinion in Ollman was praised by the New York Times, and the Washington Post. Hear that, likewise. Both the Washington Post and the New York Times praised one of the two principal decisions which Bork was involved in that bore directly on free speech.

In fact, in one of the few cases where they differed while on the U.S. Court of Appeals, Antonin Scalia sharply dissented against Bork's conclusions as an unwarranted expansion of the first amendment theory.

So the man we confirmed by unanimous vote of 98 to nothing less than a year ago disagreed with Judge Bork in the Ollman decision which was about free speech. Bork was praised by the Washington Post and the New York Times for the correctness of his decision. Scalia dissented from Bork and we nonetheless, and rightly so, confirmed Scalia by 98 to 0.

Significantly, during Judge Scalia's confirmation hearings for the Supreme Court, the senior Senator from Massachusetts pointedly noted that Scalia had taken a more restrictive view of first amendment liberties there than Bork did. Yet, now the tune has changed, and Judge Bork, who was the hero of Ollman, is suddenly portrayed as one who is suspect in the area of free speech. It has become apparent that these charges against Bork have little to with the facts and everything to do with partisan political considerations.

In another key first amendment case, Judge Bork held that the Washington Metro's refusal to accept a poster harshly critical of the Reagan administration for display in subway stations was an unconstitutional prior restraint. The poster in question was a crude depiction of the President and other administration officials seated at a table full of food and appearing to laugh at underprivileged bystanders. Even though Metro had rejected the poster for violating Metro's guidelines with respect to deceptive advertisement, Judge Bork stressed that "the thumb of the court should be on the speech side of the scales." He held that any prior restraint of political messages on the basis of alleged deceptiveness is unconstitutionally overbroad.

So there are the two most important cases bearing on the first amendment, bearing on free speech, in which Bork has participated, and in both cases he was the hero; and in one case, in Ollman, he was cited as a hero by the Washington Post and the New York Times.

So it is clear from this record as a judge that he is very strong, indeed, on maintaining the sanctity and the strength of first amendment rights. The case of Ollman and the Metro poster case are the proof for those who want to look beyond political demagoguery and look at his decisions, look at his performance, look at his record, which is spotless as a judge.

I point out again that in over 100 decisions which he authored, he has been upheld every time by the Supreme Court—every time such decisions have been appealed. He has never been overruled by the Supreme Court.

When Judge Bork has rejected expansive claims in this area, the correctness of his rulings likewise has been borne out. A major case in point was Community for Creative Nonviolence versus Watt. In that case, a majority of the D.C. Circuit reached the curious conclusion that sleeping overnight in Lafayette Park constituted "protected speech," and therefore the Park Service was barred from enforcing its regulations against abuse of the parks. But Judge Bork joined Judge Scalia in dissenting. They said that the majority's decision "stretch(es) the Constitution not only beyond its meaning but beyond reason, and

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beyond the capacity of any legal system to accommodate."

So, in that case, he was on the other side of the fence, if you will. He felt that the majority, themselves, were overbroad in interpreting the first amendment. So, what happened? Did the Supreme Court stomp on Judge Bork's opinion? Not at all. By a vote of seven to two, the Court agreed with Scalia and Bork and reversed the D.C. Circuit Court ruling that sleeping in the park was free speech. Interestingly, Judge Powell, whose regulation created the vacancy for which Robert Bork is being considered, sided with the Bork view, as he almost always has, in reviewing D.C. Circuit Court rulings.

So, when Bork was in the majority on first amendment rights, he was upheld by the Supreme Court. When he was in the minority on first amendment rights, he was upheld by the Supreme Court. A spotless, flawless, perfect record; a 1,000 batting average for Robert Bork.

Yet, there are some who, without any substance, without any basis, claim that he is weak on first amendment rights. The record proves the critics wrong, for those who want to look at the record.

As in other areas of the law, Judge Bork combines sound constitutional principles with good common sense to reach just and correct resolution of first amendment disputes.

I urge my colleagues to consider these realities against the distortions, dishonest distortions, of Judge Bork's record being spread by his opponents. This is a judge with a proven record of reaching correct legal decisions in over 400 cases. This is a record second to none. This is a judge whose judicial record is nearly a perfect match for an outstanding Supreme Court Justice whose confirmation we unanimously approved about a year ago—speaking of Scalia. "He looks like Scalia," to use the phrase of the chairman of the Judiciary Committee. He looks like Scalia. The record proves he looks like Scalia. The records are almost identical. We confirmed Scalia by 98 to 0, less than a year ago.

Mr. President, these are the kinds of relevant and objective facts we must focus upon if we are to have a fair and reasonable confirmation process—fair and reasonable. Is that too much to ask? Can we have fairness and responsibility instead of demagoguery? I think it is not too much to ask.

There are those who claim that Bork is an extremist. His record proves that he is not. He looks like Scalia. Was Scalia an extremist? Are Senators prepared to admit that they confirmed to the Supreme Court, by a vote of 98 to 0, a man who was an extremist—Scalia?

Their records are almost identical on the D.C. Circuit Court, where they both served. Are Senators, likewise, prepared to admit that those of us in 1982, those who were here then—including the chairman of the Judiciary Committee, including the senior Senator from Massachusetts—those who, with the chairman of the committee, have been the leading vocal opponents of Bork—are we willing to say that in 1982, when confirming Bork, after careful scrutiny, we confirmed an extremist by unanimous vote?

Is that what the Senate is asking the American people to believe? It is preposterous. If Robert Bork was an extremist, was the ogre his opponents portray him to be, he would not have been confirmed by a unanimous vote 5 years ago to the second-most important court in this country, and neither would he have been confirmed as Solicitor General, a prior post he held, the third highest post in the Justice Department.

Mr. President, all the nominee wishes for, I am sure, and all the President hopes and wishes for is fairness and reasonableness. I think that if we have those things, it will be clear that Robert Bork looks a lot like Scalia. I would hope that the chairman, who said that, on that basis, he would vote to confirm, notwithstanding all the pressure of the special interest groups which play a part in the selection of the Democratic nominee for President, would vote to confirm. I hope that ultimately the chairman and every Member of this body will vote to confirm Judge Bork, assuming that nothing untoward is turned up in the hearings. There is always that possibility, and we should keep an open mind. As Members can tell, I am inclined to support Judge Bork, but I have not committed. As a member of the Judiciary Committee, I think I should remain openminded, at least until after the hearings, and I intend to do so. One never knows what might come up. But if there is anything untoward, it has never been discovered, either in his record as a member of the D.C. Court or in the confirmation process for that position or in the confirmation process for the post of Solicitor General.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GRAHAM). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## BICENTENNIAL MINUTE

### AUGUST 4, 1789: ESTABLISHMENT OF THE DEPARTMENT OF WAR

Mr. DOLE. Mr. President, 198 years ago today, on August 4, 1789, the Senate approved legislation to establish the third of the three original executive branch agencies: the Department of War. Under the "Articles of Confederation," the seeds of the future War Department had been planted and cultivated by Henry Knox, a distinguished Revolutionary War commander. In September 1789, the Senate confirmed Knox as the first Secretary of War.

With a personal staff of only two clerks, Knox supervised the Nation's two armories, in Springfield, MA, and Harper's Ferry, VA, while maintaining a well-regulated militia in support of a small 560-man Regular Army. The War Department's administrative structure consisted of a quartermaster's section, a fortifications branch, a paymaster, an inspector general, and an Indian office. By 1800, as the Federal Government moved to its new Capitol in Washington, the task of governing the military affairs of the entire Nation had overwhelmed the original tiny staff, and the number of department personnel had expanded to 80.

The young War Department was plagued by mismanagement, failure, and incompetence. Following a 1791 Indian victory over Federal forces, a congressional investigating committee blamed improper organization, and a lack of troop training and discipline, for the embarrassing defeat. In 1794, Secretary Knox resigned, distracted by the burden of his wife's gambling debts and undercut by President Washington, who considered military affairs as his own personal area of expertise. During the following century and a half, the War Department was headed by such notable national figures as James Monroe, John C. Calhoun, Jefferson Davis, and William Howard Taft. Under the 1947 "National Security Act", the old War Department was merged with the Navy Department to create the new Department of Defense.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting a treaty, which was referred to the appropriate committees.

(The treaty received today is printed at the end of the Senate proceedings.)

## ANNUAL REPORT OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—MESSAGE FROM THE PRESIDENT—PM 58

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

*To the Congress of the United States:*

Pursuant to the requirements 42 U.S.C. 3536, I hereby transmit the Twenty-second Annual Report of the Department of Housing and Urban Development, which covers calendar year 1986.

RONALD REAGAN.

THE WHITE HOUSE, *August 4, 1987.*

## ANNUAL REPORT OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE THE PRESIDENT—PM 59

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Environment and Public Works:

*To the Congress of the United States:*

Pursuant to the requirements of Section 10 of the Saint Lawrence Seaway Act of May 13, 1954, I hereby transmit the Saint Lawrence Seaway Development Corporation's Annual Report for 1986.

RONALD REAGAN.

THE WHITE HOUSE, *August 4, 1987.*

## MESSAGES FROM THE HOUSE

At 2:36 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the following bill:

H.R. 318. An act to provide for the restoration of Federal recognition to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the following bills:

H.R. 348. An act to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive service;

H.R. 921. An act to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over national park system units; and

H.R. 1403. An act to designate the U.S. Post Office Building located in St. Charles, IL, as the "John E. Grotberg Post Office Building.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1948. An act to designate the U.S. Post Office Building located at 153 East 110th Street in New York, NY, as the "Oscar Garcia Rivera Post Office Building";

H.R. 2309. An act to provide that certain lands shall be in trust for the Pechanga Band of Luiseno Mission Indians of the Perchanga Reservation, CA;

H.R. 2629. An act to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the conveyance and ownership of submerged lands by Alaska Natives, Native Corporations and the State of Alaska;

H.R. 2937. An act to make miscellaneous technical and minor amendments to laws relating to Indians, and for other purposes; and

H.R. 2957. An act to provide for improvements in the National Cemetery System administered under title 38, United States Code, and for other purposes.

### ENROLLED BILLS SIGNED

At 4:08 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 348. An act to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive service;

H.R. 1403. An act to designate the U.S. Post Office Building located in St. Charles, IL, as the "John E. Grotberg Post Office Building"; and

H.R. 1444. An act to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs.

The enrolled bills were subsequently signed by the President pro tempore (Mr. STENNIS).

At 5:01 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the joint resolution (H.J. Res. 324) increasing the statutory limit on the public debt; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Ways and Means: Mr. Rostenkowski, Mr. Gibbons, Mr. Pickle, Mr. Rangel, Mr. Stark, Mr. Jacobs, Mr. Jenkins, Mr. Russo, Mr. Matsui, Mr. Duncan, Mr. Archer, Mr. Crane, Mr. Schulze, and Mr. Thomas of California.

From the Committee on Appropriations: Mr. Whitten, Mr. Smith of Iowa, Mr. Murtha, Mr. Traxler, Mr. Edwards of Oklahoma, and Mr. Lewis of California.

From the Committee on Rules: Mr. Pepper, Mr. Moakley, Mr. Derrick, Mr. Beilenson, Mr. Frost, Mr. Latta, and Mr. Lott.

From the Committee on Government Operations: Mr. Brooks, Mr. Conyers, Mr. Waxman, Mr. Synar, Mr. Horton, and Mr. Walker.

From the Committee on the Budget: Mr. Gray of Pennsylvania, Mr. Leath of Texas, Mr. Williams, Mr. Wolpe, Mr. Gradison, and Mr. Mack.

Appointed as additional conferees: Mr. Foley, Mr. Ford of Michigan, Mr. Obey, Mr. Aspin, Ms. Oakar, Mr. Panetta, Mr. Fazio, Mr. MacKay, Mr. Frenzel, Mr. Regula, Mr. Gregg, Mrs. Martin of Illinois, and Mrs. Johnson of Connecticut.

The message also announced that the House has passed the following bill, without amendment:

S. 769. An act to provide grants to support excellence in minority health professions education.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1340. An act to improve the distribution procedures for agricultural commodities and their products donated for the purposes of assistance through the Department of Agriculture, and for other purposes; and

H.R. 2672. An act to amend title 38, United States Code, for the purpose of improving veterans' housing programs.

## MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1948. An act to designate the United States Post Office Building located at 153 East 110th Street in New York, New York as the "Oscar Garcia Rivera Post Office Building"; to the Committee on Governmental Affairs.

H.R. 2615. An act to provide that certain lands shall be in trust for the Pechanga Band of Luiseno Mission Indians of the Perchanga Reservation, California; to the Committee on Energy and Natural Resources.

H.R. 2629. An act to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the conveyance and ownership of submerged lands by Alaska Natives, Native Corporations and the State of Alaska; to the Committee on Energy and Natural Resources.

H.R. 2672. An act to amend title 38, United States Code, for the purpose of improving veterans' housing programs; to the Committee on Veterans' Affairs.

H.R. 2937. An Act to make miscellaneous technical and minor amendments to laws relating to Indians, and for other purposes; to the Select Committee on Indian Affairs.

H.R. 2957. An act to provide for improvements in the National Cemetery System administered under title 38, United States Code, and for other purposes; to the Committee on Veterans' Affairs.

## MEASURES PLACED ON THE CALENDAR

The following bill and joint resolution were read the second time and placed on the calendar:

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H.R. 1994. An act to amend the boundaries of Stones River National Battlefield, Tennessee, and for other purposes; and

H.J. 218. Joint resolution to support a ceasefire in the Iran-Iraq war and a negotiated solution to the conflict.

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1340. An act to improve the distribution procedures for agricultural commodities and their products donated for the purposes of assistance through the Department of Agriculture, and for other purposes; and

H.R. 2309. An act to amend the Christopher Columbus Quincentenary Jubilee Act;

## REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of August 3, 1987, the following report was submitted on August 3, 1987, during the adjournment of the Senate:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Report to accompany the bill (S. 1542) to provide financial assistance for a program of comprehensive child development centers, and for other purposes (Rept. No. 100–141).

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1048: A bill to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes (Rept. No. 100–142).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 812: A bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Improvement Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services (Rept. No. 100–143).

By Mr. METZENBAUM (for Mr. Kennedy), from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 945: A bill to require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite home and other assistance for infants abandoned in hospitals, and for other purposes.

By Mr. GLENN, from the Committee on Governmental Affairs, without amendment:

S. 1194: A bill to transfer jurisdiction over certain lands in Bernalillo County, NM, from the General Services Administration to the Veterans' Administration.

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. NUNN, from the Committee on Armed Services:

H. Lawrence Garrett III, of Virginia, to be Under Secretary of the Navy.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BURDICK, from the Committee on Environment and Public Works:

Kenneth C. Rogers, of New Jersey, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1992.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MATSUNAGA:

S. 1588. A bill for the relief of Vasikaran Ratnarajah; to the Committee on the Judiciary.

By Mr. BREAUX:

S. 1589. A bill for the relief of LeRoy Sylestine, Chairman of the Tribal Council of the Coushatta Tribe of Louisiana, and all other enrolled members of the Coushatta Tribe of Louisiana; to the Committee on the Judiciary.

By Mr. MURKOWSKI:

S. 1590. A bill to ensure American control of certain vessels engaged in processing of fish within the United States Exclusive Economic Zone; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO:

S.J. Res. 183. A joint resolution establishing a moratorium on the prepayment of certain mortgages insured under the National Housing Act or assisted under such act; to the Committee on Banking, Housing, and Urban Affairs.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

### By Mr. MURKOWSKI:

S. 1590. A bill to ensure American control of certain vessels engaged in processing of fish within the U.S. exclusive economic zone; to the Committee on Commerce, Science, and Transportation.

### PROCESSING OF FISH WITHIN THE UNITED STATES EXCLUSIVE ECONOMIC ZONE

● Mr. MURKOWSKI. Mr. President, the U.S. fishing and fish processing industries have made great strides in the recent past. We have come far along the road to the fully Americanized seafood industry visualized by those who led the passage of the Magnuson Fishery Conservation and Management Act, including my good friend and colleague Senator Stevens, the senior Senator from Alaska.

I rise today to introduce legislation that will help to assure continued progress toward that same goal.

Only a few years ago, much of the vast U.S. fishery resources were being harvested by foreign nations. These countries were only too happy to take advantage of the U.S. inability either to catch or to process its own resources. As a result, they were able to take billions of pounds of fish each year.

Ironically, most of what they harvested were bottom-dwelling fish such as Alaska pollock and Pacific cod, and we often found ourselves in the position of buying back our own fish, after foreign fishermen, processors, transporters, and reprocessors all had profited from it.

The Fishery Conservation and Management Act began to change that sad state of affairs by providing the domestic industry with preferential rights to the harvesting and processing of domestic resources. We have now reached the point where our resources are almost entirely harvested by American fishermen, and are rapidly moving toward the same state in the processing sector.

As an illustration of how rapidly this has occurred, let me call attention to the fact that as recently as 1982 only 2 percent of the fish harvested in this country's rich fishing grounds off Alaska were caught and processed by the domestic industry. This year, it was the foreign fleets that were allocated just 2½ percent of the total; 69 percent was allocated to American fishermen working in joint ventures with foreign processors, and a full 28 percent was scheduled to be both caught and processed by Americans.

We must recognize, however, that despite our progress toward using American boats and processing plants, practical control over a large portion of the American industry remains in the hands of foreign firms. Japanese companies especially hold a substantial—even overwhelming—interest in many U.S. companies. The purpose of such investment has been to provide for stability in the cost of American products to Japan, and it has worked splendidly.

Now, with the U.S. industry's operating capacity expanding rapidly, it is time to take steps to ensure that control over certain aspects of the expansion remain in U.S. hands.

The bill I am introducing today will accomplish this. It is directed toward at-sea processing ships, which form the most rapidly growing sector in the industry and the most likely target for future takeovers. These vessels include both mother ships supplied by catcher boats, and trawler processors which catch most of their own raw material.

Mr. President, the need for legislation of this type is amply illustrated

by what happened just a few days ago when an application was submitted to reflag three large Korean fish processing vessels under exactly the circumstances we are trying to prevent. Although title to these vessels may be in the name of an American company, control clearly is not. Worse, these vessels are large enough by themselves to make a significant dent in the amount of U.S. bottom fish available to U.S. processors.

This is a blatant attempt to get around the intent of the Magnuson Act, and I for one find it extremely objectionable. One way of avoiding this is quick action to prohibit the reflagging of fish processing vessels, and I wholeheartedly support doing so. In fact, I am today offering, in addition to this bill, an amendment which I hope will allow S. 377, which directly addresses reflagging, to go forward more quickly.

Mr. President, one cannot turn the clock backward, and the legislation I am introducing today avoids punitive restraints on existing companies. It will, however, require that controlling interest in new at-sea processing vessels be held by American citizens or by corporations that are under American control.

Section 1 of the bill prohibits any fish processing vessel from operating within the U.S. exclusive economic zone unless the controlling interest in the vessel is owned by U.S. citizens or is owned by a corporation or other company in which controlling interest is held by U.S. citizens.

Only two exceptions are allowed. The first allows existing foreign-controlled vessels to continue operating as long as they have been used continuously by the same company since before January 1, 1987. The second applies only in cases where a foreign lender has agreed to finance an American-controlled company's purchase, and retains an equity interest in the vessel until the loan is paid.

Section 2 of the bill calls upon the Secretary of Commerce to review and report to Congress on the effect this legislation has had on the number of foreign-controlled fish processing vessels operating in U.S. waters.

Finally, section 3 defines what is meant by the terms "fish processing vessel," and controlling interest. In reference to the latter, it is my intention to ensure a clear understanding that, before controlling interest is considered to exist, several conditions must be met. These include American citizen ownership of a majority of a company's stock, an American-held majority of the voting power within the corporate structure, and an absence of any other circumstances that could lead to control of the company by any foreign entity.

This bill represents a careful, deliberately cautious approach to promoting the goal of the Magnuson Act to Americanize our fisheries, and I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1590

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) notwithstanding any other provision of law, a fish processing vessel is prohibited from operating in the waters of the United States Exclusive Economic Zone unless—

(1) the controlling interest in such vessel is owned by an individual or individuals who are citizens of the United States or by a corporation, partnership, or other entity with respect to which the controlling interest therein is owned by an individual or individuals who are citizens of the United States; or

(2) such vessel—

(A) has been used continuously as a fish processing vessel in the waters of the United States Exclusive Economic Zone from January 1, 1987, to the date of enactment of this Act; and

(B) the controlling interest in such vessel was continuously held by the same individual or individuals, or by the same corporation, partnership, or other entity, from January 1, 1987, to the date of the enactment of this Act; or

(3) such vessel was purchased by an individual or individuals who are citizens of the United States, or by a corporation, partnership, or other entity with respect to which the controlling interest therein is owned by an individual or individuals who are citizens of the United States, for use in the United States Exclusive Economic Zone as a fish processing vessel pursuant to a financing agreement in effect on January 1, 1987.

(b) The exemption of a vessel under clause (2) of subsection (a) shall cease at such time as such controlling interest in any such vessel ceases to be continuously held by such individual, individuals, corporation, partnership, or entity.

Sec. 2. The Secretary of Commerce shall study and review the effectiveness of this Act in reducing the number of fish processing vessels within the United States Exclusive Economic Zone during the 12-month period following the date of the enactment of this Act the controlling interest of which is not owned by United States citizens. On or before the expiration of the 15-month period following such date of enactment, the Secretary of Commerce shall report to the Congress the results of such study and review, together with his or her recommendations.

Sec. 3. As used in this Act, the term—

(1) "fish processing vessel" means a vessel that commercially prepares fish or fish products other than by gutting, decapitating, gilling, skinning, shucking, icing, freezing, or brine chilling; and

(2) "controlling interest" has the same meaning as used in section 2(b) of the Shipping Act of 1916 (46 U.S.C. 802(b)).●

### By Mr. D'AMATO:

S.J. Res. 183. Joint resolution establishing a moratorium on the prepayment of certain mortgages insured under the National Housing Act or assisted under such act; to the Committee on Banking, Housing, and Urban Affairs.

### TENANT BILL OF RIGHTS

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation addressing a volatile and complicated issue affecting low-income tenants and low- and moderate-income housing management in this country. This legislation is intended to protect tenants and promote the long-term availability of affordable housing to low-income individuals.

The past few months have been difficult. Over 5,000 section 515 farmer's home units have become available for prepayment. Congress has been forced to further extend a moratorium on these prepayments in order to develop a feasible, long-term plan for low-income housing in this country.

This bill proposes that a temporary moratorium be placed on prepayments of certain HUD mortgages. Specifically, the moratorium would apply to 221(d)(3) market rate projects constructed with rent subsidy and/or converted to section 8 low management set-aside, 221(d)(5) projects, and 236 projects that are insured and not insured by HUD. The moratorium will terminate on January 1, 1989, providing 1½ years for Congress to address the prepayment problem in a thorough and productive manner. I do not envision the moratorium to be a long-term solution to this problem. However, in light of the current need for a temporary solution, some protection must be provided for low-income tenants.

Prepayment and "opting out" by owners of a variety of HUD programs poses a significant problem. The prepayment of HUD mortgages may subject low-income tenants to the whim of project owners. For some tenants, displacement and relocation are a very real threat. Many communities have very little housing available for tenant relocation.

The prepayment of these mortgages also has serious consequences for owners of these projects. Owners of projects, who have lived up to a 20-year agreement with the Federal Government, may be forced to renegotiate their contracts with the Government. Breaking these contracts could tie up owners and the Federal Government in court for an indefinite period of time. Unfortunately, low-income individuals are the ones who would most suffer if investment in low-income housing becomes unattractive.

Further, such prepayment has a very real impact upon the preservation and maintenance of our current housing stock. Tax reform and a major reduction in Federal spending have brought housing production to a virtual halt. The threat of the loss of already existing low-income housing is overwhelming. Long waiting lists for low-income housing in cities around the country already exist.

In view of the complexity of this issue, as well as the number of units and individuals affected by the prepayment issue, it would be unwise for Congress to act rashly. A quick-fix solution to this problem could be devastating for low-income tenants and project owners.

In addition, no one knows exactly which projects will or are likely to prepay in the near future. No one knows how many units could be lost from our low-income housing stock. No one knows how many low-income tenants will be affected by prepayments. We simply do not have enough specific information at this point.

Two task forces, representing all parties involved, are presently looking into solutions for the prepayment problem. They expect to complete their studies by the end of this year, the exact point at which Senator Cranston and I will be working on major, all-encompassing housing legislation. It would only be wise for Congress to wait until this time in order to address the prepayment problem in a well thoughtout, long-term manner. We will then have a clear idea of how best to approach the problem.

As ranking Republican on the Subcommittee on Housing and Urban Affairs, I am committed to ensuring that this Nation has long-term, permanent housing for low-income individuals. I am hopeful that this legislation will provide a necessary intermediate step in achieving this goal.●

## ADDITIONAL COSPONSORS

### S. 248

At the request of Mr. Lautenberg, the name of the Senator from Michigan [Mr. Riegle] was added as a cosponsor of S. 248, a bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform.

### S. 567

At the request of Mr. DeConcini, the name of the Senator from Virginia [Mr. Trible] was added as a cosponsor of S. 567, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

### S. 945

At the request of Mr. Metzenbaum, the names of the Senator from Massachusetts [Mr. Kennedy], the Senator from Utah [Mr. Hatch], the Senator from Indiana [Mr. Quayle], the Senator from Connecticut [Mr. Dodd], and the Senator from Illinois [Mr. Simon] were added as cosponsors of S. 945, a bill to require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite home and other assistance for infants abandoned in hospitals, and for other purposes.

### S. 1059

At the request of Mr. Moynihan, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 1059, a bill to terminate the application of certain Veterans' Administration regulations relating to transportation of claimants and beneficiaries in connection with Veterans' Administration medical care.

### S. 1203

At the request of Mr. Grassley, the names of the Senator from Colorado [Mr. Armstrong] and the Senator from Louisiana [Mr. Johnston] were added as cosponsors of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

At the request of Mr. Lautenberg, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 1203, supra.

### S. 1345

At the request of Mr. D'Amato, his name was added as a cosponsor of S. 1345, a bill to allow the National Association of State Racing Commissioners, State racing commissions and regulatory authorities that regulate parimutuel wagering to receive and share Federal Government criminal identification records.

### S. 1346

At the request of Mr. Matsunaga, the name of the Senator from Wisconsin [Mr. Proxmire] was added as a cosponsor of S. 1346, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

### S. 1365

At the request of Mr. Cranston, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1365, a bill to amend title 38, United States Code, to establish presumptions of service connection for certain diseases of former prisoners of war.

### S. 1369

At the request of Mr. Rockefeller, the name of the Senator from Michigan [Mr. Riegle] was added as a cosponsor of S. 1369, a bill to strengthen the technological literacy of the Nation through demonstration programs of technology education.

### S. 1382

At the request of Mr. Metzenbaum, the name of the Senator from Indiana [Mr. Lugar] was added as a cosponsor of S. 1382, a bill to amend the National Energy Conservation Policy Act to improve the Federal Energy Management Program, and for other purposes.

### S. 1397

At the request of Mr. Cranston, the name of the Senator from Mississippi [Mr. Cochran] and the Senator from Ohio [Mr. Metzenbaum] were added as cosponsors of S. 1397, a bill to recognize the organization known as the Non-Commissioned Officers Association of the United States of America.

### S. 1437

At the request of Mr. D'Amato, his name was added as a cosponsor of S. 1437, a bill to make certain members of foreign diplomatic missions and consular posts in the United States subject to the criminal jurisdiction of the United States with respect to crimes of violence.

### S. 1453

At the request of Mr. Heinz, the name of the Senator from Maryland [Ms. Mikulski] was added as a cosponsor of S. 1453, a bill to amend the Disaster Relief Act of 1974 to provide for more effective assistance in response to major disasters and emergencies, and for other purposes.

### S. 1464

At the request of Mr. Cranston, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of S. 1464, a bill to amend title 38, United States Code, to provide eligibility to certain individuals for beneficiary travel payments in connection with travel to and from Veterans' Administration facilities.

### S. 1475

At the request of Mr. Melcher, the name of the Senator from Alabama [Mr. Shelby] was added as a cosponsor of S. 1475, a bill to establish an effective clinical staffing recruitment and retention program, and for other purposes.

### S. 1484

At the request of Mr. Grassley, the names of the Senator from Nevada [Mr. Hecht], the Senator from Tennessee [Mr. Gore], the Senator from Montana [Mr. Baucus], the Senator from Mississippi [Mr. Cochran], and the Senator from North Dakota [Mr. Conrad] were added as cosponsors of S. 1484, a bill to provide permanent authorization for White House Conferences on Rural Development and the Family Farm.

### S. 1490

At the request of Mr. Sarbanes, the name of the Senator from Oklahoma [Mr. Boren] was added as a cosponsor of S. 1490, a bill to designate certain

employees of the Librarian of Congress as police, and for other purposes.

### S. 1511

At the request of Mr. Moynihan, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1511, a bill to amend title IV of the Social Security Act to replace the AFDC program with a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance, benefits improvement, and mandatory extension of coverage to two-parent families, and which reflects a general emphasis on shared and reciprocal obligation, program innovation, and organizational renewal.

### S. 1576

At the request of Mr. Helms, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of S. 1576, a bill to amend the Internal Revenue Code of 1986 to repeal the income taxation of corporations, to impose a 10 percent tax on the earned income (and only the earned income) of individuals, to repeal the estate and gift taxes, and for other purposes.

### S. 1587

At the request of Mr. D'Amato, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of S. 1587, a bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic Games.

### SENATE JOINT RESOLUTION 53

At the request of Mr. Cranston, the names of the Senator from Arizona [Mr. McCain], the Senator from Nebraska [Mr. Karnes], the Senator from Alabama [Mr. Heflin], the Senator from Washington [Mr. Adams], the Senator from Indiana [Mr. Quayle], and the Senator from Utah [Mr. Garn] were added as cosponsors of Senate Joint Resolution 53, a joint resolution to designate the period commencing November 22, 1987, and ending November 28, 1987, as "American Indian Week."

### SENATE JOINT RESOLUTION 171

At the request of Mr. Cranston, the names of the Senator from Alaska [Mr. Stevens], the Senator from Maryland [Ms. Mikulski], and the Senator from Ohio [Mr. Glenn] were added as cosponsors of Senate Joint Resolution 171, a joint resolution designating the week beginning November 8, 1987, as "National Women Veterans Recognition Week."

### SENATE JOINT RESOLUTION 173

At the request of Mr. Reid, the name of the Senator from New Mexico [Mr. Domenici] was added as a cosponsor of Senate Joint Resolution 173, a joint resolution to commemorate the 200th anniversary of the signing of the United States Constitution.

### SENATE JOINT RESOLUTION 175

At the request of Mr. Trible, the names of the Senator from Missouri [Mr. Danforth], the Senator from Illinois [Mr. Dixon], the Senator from Nebraska [Mr. Exon], the Senator from Utah [Mr. Hatch], the Senator from Alabama [Mr. Shelby], the Senator from Pennsylvania [Mr. Specter], and the Senator from Vermont [Mr. Stafford] were added as cosponsors of Senate Joint Resolution 175, a joint resolution to recognize the efforts of the United States Soccer Federation in bringing the World Cup to the United States in 1994.

### SENATE RESOLUTION 219

At the request of Mr. Daschle, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of Senate Resolution 219, a resolution expressing the sense of the Senate with respect to the use of ethanol, methanol, and other oxygenated fuels as an accepted air pollution control strategy in nonattainment areas designed by the Environmental Protection Agency.

### SENATE RESOLUTION 267

At the request of Mr. Mitchell, the names of the Senator from Washington [Mr. Adams], the Senator from Montana [Mr. Baucus], the Senator from Texas [Mr. Bentsen], the Senator from Delaware [Mr. Biden], the Senator from Oklahoma [Mr. Boren], the Senator from Minnesota [Mr. Boschwitz], the Senator from New Jersey [Mr. Bradley], the Senator from Louisiana [Mr. Breaux], the Senator from Arkansas [Mr. Bumpers], the Senator from North Dakota [Mr. Burdick], the Senator from Rhode Island [Mr. Chafee], the Senator from Florida [Mr. Chiles], the Senator from California [Mr. Cranston], the Senator from New York [Mr. D'Amato], the Senator from South Dakota [Mr. Daschle], the Senator from Arizona [Mr. DeConcini], the Senator from Connecticut [Mr. Dodd], the Senator from Kansas [Mr. Dole], the Senator from New Mexico [Mr. Domenici], the Senator from Minnesota [Mr. Durenberger], the Senator from Washington [Mr. Evans], the Senator from Tennessee [Mr. Gore], the Senator from Florida [Mr. Graham], the Senator from Oregon [Mr. Hatfield], the Senator from Pennsylvania [Mr. Heinz], the Senator from New Hampshire [Mr. Humphrey], the Senator from Nebraska [Mr. Karnes], the Senator from Wisconsin [Mr. Kasten], the Senator from Massachusetts [Mr. Kerry], the Senator from New Jersey [Mr. Lautenberg], the Senator from Michigan [Mr. Levin], the Senator from Hawaii [Mr. Matsunaga], the Senator from Ohio [Mr. Metzenbaum], the Senator from Maryland [Ms. Mikulski], the Senator from Alaska [Mr. Murkowski], the Senator from Oregon [Mr. Packwood], the Senator from Rhode Island [Mr. Pell], the Senator from South Dakota [Mr. Pressler], the Senator from Wisconsin [Mr. Proxmire], the Senator from Arkansas [Mr. Pryor], the Senator from Indiana [Mr. Quayle], the Senator from Nevada [Mr. Reid], the Senator from Michigan [Mr. Riegle], the Senator from Delaware [Mr. Roth], the Senator from North Carolina [Mr. Sanford], the Senator from Maryland [Mr. Sarbanes], the Senator from Illinois [Mr. Simon], the Senator from Vermont [Mr. Stafford], the Senator from Virginia [Mr. Trible], the Senator from Virginia [Mr. Warner], the Senator from California [Mr. Wilson], and the Senator from Colorado [Mr. Wirth] were added as cosponsors of Senate Resolution 267, a resolution to express the sense of the Senate that Rachel Carson is recognized on the twenty-fifth anniversary of her book "Silent Spring," for her outstanding contributions to public awareness and understanding of environmental issues.

## AMENDMENTS SUBMITTED

## CONDITIONS FOR QUALIFICATION OF CERTAIN VESSELS UNDER THE MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT

### MURKOWSKI AMENDMENT NO. 657

(Ordered referred to the Committee on Commerce, Science, and Transportation.)

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill (S. 377) to impose a moritorium on the ability of foreign-built vessels to qualify for certain benefits under the Magnuson Fishery Conservation and Management Act, and for other purposes; as follows:

On the first page, strike out lines 3 through 6 and insert in lieu thereof the following: "That, notwithstanding any other provision of law, it shall be unlawful for any foreign-built vessel for which an application for United States documentation was not submitted prior to January 1, 1987, and which has not been documented under the laws of the United States prior to August 1, 1987, to engage in the processing of fish for commercial use or consumption."

● Mr. MURKOWSKI. Mr. President, I rise today to submit an amendment on the reflagging of fish processing vessels, to clarify the issue of when fish processing vessels built in foreign countries may be allowed to operate in the United States exclusive economic zone.

To help encourage the development of a healthy U.S. fishing industry, the Magnuson Act created a three-tiered priority system for fishery allocations: Fish to be both caught and processed domestically has the highest priority, followed by fish caught by U.S. fishermen for sale to foreign processors, and finally, fish both caught and processed by foreign entities.

The priority system has been highly successful, especially in encouraging growth in the U.S. harvesting sector. Still, the lion's share of harvested fish continue to be processed, if not caught, by foreign companies and their floating processing vessels.

The domestic processing industry is just now beginning its own rapid expansion. In just the last year, the share of the harvest these companies can handle has more than tripled, from 8 to 28 percent of the total.

Unfortunately, there is a loophole in existing U.S. law that could forever eliminate this industry's ability to complete the job of Americanization. That loophole permits the owner of a foreign fish processing vessel to create a "paper" U.S. corporation under foreign control, then assign the interest in the vessel to the U.S. corporation. The newly created subsidiary can then have the vessel redocumented as a U.S. ship—the process we know as reflagging.

A reflagged ship would be fully eligible under current law for the highest priority allocation preference under the Magnuson Act. Further, because the processing capacity represented by these vessels is so great, the processing industry could undergo instant overcapitalization if mass reflaggings took place.

These vessels are also fully amortized, so even if they were to use all-American crews and U.S. packaging, fuel, food supplies, et cetera, they would still be able to offer their owners a higher rate of return than any newly financed American venture could hope to achieve, whether on shore or at-sea.

Perhaps even more important is the fact that the threat of reflagging decreases the availibility of investment capital for the expansion of our own industry. After all, what investor would put large amounts of money in a business when he knows there is an excellent chance it will never be able to pay back his investment.

When I introduced legislation on this issue late last year, and again when my distinguished colleague Senator Stevens and I introduced S. 377 early this year, I hoped to see this issue resolved swiftly. Unfortunately, there was not enough time left before the 99th Congress adjourned, and this year a steady stream of misinformation and speculation has muddied the waters and again prevented speedy action.

The need for rapid action on this issue has recently become even more obvious, and that is why I have chosen to offer both this amendment, and a new bill requiring American control of fish processing vessels themselves.

Despite claims by opponents of the earlier bills that it would never happen, a mass reflagging attempt is indeed being made. On Monday of last week, applications were submitted to reflag four foreign vessels. Three of these ships are Korean vessels being reflagged under the name of a newly established company that just barely meets the minimum requirements for U.S. incorporation. I find that outrageous. It is nothing more than a blatant attempt to get around the purpose and intent of the Magnuson Act.

Mr. President, this amendment is offered in a spirit of compromise, to be fair to those who began in good faith to document a foreign bottom before S. 377 was introduced, and who have since completed the administrative processes and been issued U.S. documentation.

My amendment removes the retroactive provision of S. 377, and replaces it with language requiring that any vessel to be used as a fish processing vessel has to meet two conditions: It must have applied for U.S. documentation before January 1 of this year; and it must have completed the process prior to August 1.

The net effect of this change is minimal. According to the latest information available from the U.S. Coast Guard Documentation Office, it would apply to just a single vessel, the former *Estavo Gomez*, which applied for documentation last year, and received it last month. This vessel, now called the *La Poncena*, is not the type of sham operation we are trying to prevent. It is, instead, a legitimate business venture opening new markets for Alaska codfish.

There are several reasons to choose August 1 as the cutoff for the completion of the documentation process. It is both late enough so that no one can argue that they did not have enough warning, or time enough to complete the process, and early enough to prevent the sort of last-minute, bogus attempts to escape congressional intent that occurred last week.

Mr. President, this is a clean, simple, and fair approach to resolving this problem. We need to act right away, before we have a flood of bogus ventures to deal with, and before any are actually given legal recognition.

Mr. President, I ask that my amendment be referred to the Senate Committee on Commerce, Science, and Transportation, for timely review as the committee moves toward mark up of S. 377.●

## AUTHORITY FOR COMMITTEES TO MEET

### SUBCOMMITTEE ON CONVENTIONAL FORCES AND ALLIANCE DEFENSE

Mr. BYRD. Mr. President, I ask unanimous consent the Committee on Armed Services' Subcommittee on Conventional Forces and Alliance Defense be authorized to meet during the session of the Senate on Tuesday, August 4, 1987 at 2 p.m. in closed session to receive testimony on the capabilities from the U.S. European command.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BYRD. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works, be authorized to meet during the session of the Senate on August 4, beginning at 2:15 p.m., to mark up the Price-Anderson Act, S. 1425, a bill to authorize construction of a building for the Environmental Protection Agency, and to consider the nomination of Kenneth C. Rogers to be a member of the Nuclear Regulatory Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON ANTITRUST, MONOPOLIES, AND BUSINESS RIGHTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Monopolies, and Business Rights of the Committee on the Judiciary, be authorized to meet during the session of the Senate on August 4, 1987 at 2:15 p.m., to hold a hearing on S. 567, Malt Beverage Interbrand Competition Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## THE GRAMM-RUDMAN-HOLLINGS "FIX"

● Mr. MOYNIHAN. Mr. President, on July 31, the Senate, by a vote of 71 to 21, approved the so-called Gramm-Rudman-Hollings "fix." However, Gramm-Rudman-Hollings is one law that cannot and should not be fixed.

During the 99th Congress I urge my colleagues first to oppose the original Gramm-Rudman-Hollings legislation and then to repeal it. I have continued this effort in the 100th Congress and have introduced legislation to repeal this law. I did so because in passing Gramm-Rudman-Hollings Congress attempted to give up its responsibility to set priorities and make decisions about Federal spending decisions.

Gramm-Rudman-Hollings rests upon several flawed premises. A series of declining deficit ceilings or targets are specified, along with a mechanism to cut spending if Congress and the President cannot agree on an appropriate fiscal plan to meet the targets. In order to force compliance with the targets, the Gramm-Rudman-Hollings law required automatic spending cuts, or "sequestration" as it is known within bureaucratic circles. The Supreme Court gave this process short

shrift, however, declaring automatic sequestration as determined by GAO to be unconstitutional. As a result of this decision, Congress and the President were required to take affirmative action in order to implement a sequester order rather than let it go into effect without so much as a single vote.

We have now had some experience with Gramm-Rudman-Hollings, including a sequester, yet the deficit targets have not been met. And they never will be. These original targets, it is apparent to all, were not realistic. They were based on inaccurate assumptions regarding U.S. economic growth. The assumptions were too optimistic as economic growth has been slower than anticipated. False economics and accounting gimmicks will not narrow the gap, and they certainly should not be the basis of a responsible Federal fiscal policy.

Mr. President, the Gramm-Rudman-Hollings "fix" adjusts the deficit targets to achievable levels. These new levels supposedly will enable Congress to meet its promises to the American people regarding deficit reduction by 1992, only 1 year later than the original promise. The specter of a new, and presumably constitutional, automatic sequester procedure is designed to force the President to accept the need for new revenues and spending cuts in areas where he has done nothing but escalate expenditures. False hopes and false promises, I regret to say.

The new deficit targets merely postpone the hard choices and difficult budget cuts until after the election. The revised Gramm-Rudman-Hollings is not a new and improved version. It will not lead to meaningful deficit reduction nor will it prompt the administration to rethink its approach to the deficit. And, most importantly, it fails to address the fundamental defect contained in the original legislation, a legitimization of Congress' and the President's abdication of their sacred oaths to govern.

Mr. President, I ask that an editorial entitled "Sham-Rudman" from the August 4, 1987, Washington Post and a copy of the July 31, 1987, roll call vote in the Senate on adoption of the Gramm-Rudman-Hollings fix be printed in the Record.

The material follows:

[From the Washington Post, Aug. 4, 1987]

### Sham-Rudman

In June congressional Democrats adopted a budget resolution promising to reduce next year's budget deficit some $37 billion, about half of it through a tax increase. The president responded with the usual non sequiturs. He would never agree to a tax increase, nor to the defense restraint on which the resolution also rests, but no one was a greater champion of deficit reduction than he. To force him out of this enduring fantasyland, members of both parties then said that they would reconstitute the Gramm-Rudman process, which calls for automatic spending cuts split equally between domestic programs and defense, if the president and Congress fail to meet declining deficit targets.

The Senate has now passed its version of this terrifying threat. It turns out to be a gummy compromise that, far from impelling a frightened president to bargain to save his defense buildup, might not impel him—or Congress—to do very much at all. Frankenstein has been transformed into R2D2. Its defenders argue that the alternative is nothing, no enforcement mechanism binding on either branch. Something beats nothing every time. But the deficit targets in this legislation are already an implicit retreat from the budget resolution. They are also carefully set, as a number of Democrats noted last week, so that most of their bite would come only after Ronald Reagan leaves office. The party would continue to be his, the cleanup his successor's.

This is concessional legislation, and disingenuous besides. Sen. Phil Gramm, who should know, said in debate that it was written in part "to try to get a bill that the president will sign." It would likely protect the very presidential priorities that it purports to challenge. That's why the Republicans like it; it would let them have it both ways. That's also why House and some Senate Democrats want to tighten it up in conference, as well they should. The point of this exercise, insofar as it has one, is not to perpetuate the feel-good policy that has prevailed for the past six years. It is to make the president—this president—choose.

[Rollcall Vote No. 218 Leg.]

Yeas—71

Armstrong, Baucus, Bentsen, Bond, Boren, Boschwitz, Breaux, Byrd, Chafee, Chiles, Cochran, Cohen, Conrad, D'Amato, Danforth, Daschle, DeConcini, Dixon, Dodd, Dole, Domenici, Durenberger, Evans, Ford, Fowler, Garn, Graham, Gramm, Grassley, Hatch, Hecht, Heflin, Heinz, Helms, Hollings, Humphrey, Inouye, Karnes, Kassebaum, Kasten, Kennedy, Levin, Lugar, Matsunaga, McCain, McClure, McConnell, Mitchell, Murkowski, Nickles, Nunn, Packwood, Pressler, Proxmire, Pryor, Quayle, Reid, Rudman, Sanford, Sasser, Specter, Stafford, Stennis, Stevens, Symms, Thurmond, Trible, Wallop, Warner, Wilson, and Wirth.

Nays—21

Bradley, Bumpers, Burdick, Cranston, Exon, Glenn, Gore, Harkin, Hatfield, Johnston, Kerry, Lautenberg, Melcher, Metzenbaum, Mikulski, Moynihan, Pell, Riegle, Rockefeller, Roth, and Sarbanes

Not Voting—8

Adams, Biden, Bingaman, Leahy, Shelby, Simon, Simpson, and Weicker.

## QUOTES FROM DANTE STEPHENSEN

● Mr. QUAYLE. Mr. President, Dante Stephensen's prose may not burn as brightly as his namesake's inferno, but his favorite and most meaningful quotes are certainly formidable and well worth persuing.

With that in mind, Mr. President, I should like to commend some of those quotes to this body and I ask that they be included in the Record.

The quotes follow:

### Some of Dante's Favorite and Most Meaningful Quotes (Part I)

Patience and delay achieve more than force and hurry.—De La Fontaine.

Life is not so short but that there is always time for courtesy.—Emerson.

A man's own good breeding is the best security against other people's ill manners.—Lord Chesterfield.

Let tenderness, compassion and good nature be all the fine breeding that you show in any place.—William Lain.

How much more grievous are the consequences of anger than the causes of it.—Marcus Aurelius.

The virtue of man is measured not by his extraordinary exertions but by his everyday conduct.—Pascal.

It is not wealth or ancestry but honorable conduct and a noble disposition that make men great.—Ovid.

It is better to suffer an injury than to do one to another.—Cicero.

No man is hurt but by himself.—Diogenes.

Affluence doesn't necessarily mean happiness and more doesn't necessarily mean better.—Anonymous.

We can change any situation by changing our internal attitude toward it.—Dr. Harry Emerson Fosdick.

It should not be men's act which disturb us . . . instead, it is our own opinions of these acts which disturb us.—Marcus Aurelius.

Men need work first for the good of their soul then for the good of their pocketbooks. All the pensions schemes on earth won't alter that fundamental human necessity.—Elsie Robinson.

Anger blows out the lamp of the mind.—Robert G. Ingersoll.●

## INFRASTRUCTURE PANEL REPORT ISSUED

● Mr. DOMENICI. Mr. President, I informed my colleagues a number of weeks ago that the Private Sector Advisory Panel on Infrastructure Financing had completed its work.

Under the leadership of Joseph M. Giglio, this panel of governmental and private sector members studied actions that governments at various levels should take to reduce the huge backlog of infrastructure needs confronting America.

I am particularly pleased that two New Mexicans served with distinction on the advisory panel. They are Harry Kinney, the former mayor of Albuquerque, and Robert O. Anderson of Roswell.

The report does not attempt to compute the backlog; it seeks instead to offer ways American might use to finance work on that backlog.

I am pleased to report to the Senate that this report has been issued as a committee print of the Senate Budget Committee; it is Senate Print 100-40.

It has been an honor for this senator to have generated this study during my service as chairman of the Budget Committee; I thank Chairman Chiles for issuing this helpful report, and I thank all those who worked so hard in the development and writing of the report, particularly the members of

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the panel as well as Chambers Associates, which served as staff for this privately financed study.

I ask that a copy of the "Executive Summary" be printed in the RECORD.

The material follows:

### EXECUTIVE SUMMARY

America has shortchanged its future.

We need better highways. We need to expand our sewage plants. We need improved garbage disposal, safer bridges, more efficient air traffic systems, cleaner drinking water.

The Panel is convinced that America has fallen behind in building the sinew of infrastructure necessary for the future. Following considerable analysis of methods to finance future infrastructure, the Private Sector Advisory Panel on Infrastructure Financing recommends a number of important initiatives, including:

Creation of a new Infrastructure Trust Fund, financed with $25 billion in special federal contributions over five years, and dedicated to capitalizing state infrastructure banks and revolving loan funds;

Creation of a new, tax-exempt infrastructure bond to help local governments meet local needs; and

Support for public/private partnerships in constructing and managing infrastructure facilities.

### BACKGROUND

To a disturbing extent, America's public facilities are defined by words such as "neglected," "decaying," "inadequate."

Each of us—all 240 million—at some point in our daily routines becomes aggravated with the problem of a clogged highway, a leaking water system, a stream polluted by untreated sewage, an aging subway car. Our roads and freeways are in disrepair. More frightening, we hear too frequently of collapsed bridges.

The physical underpinnings of America's economy have eroded.

Public spending on roads, bridges, and other types of physical infrastructure has declined steadily since the late 1960's. As a percentage of our gross national product, combined annual, federal, state, and local infrastructure investment fell from 3.5 percent of GNP in 1967 to about 2.7 percent of GNP in the mid 1980s. That percentage continues to drop.

Our failure to repair, replace, and expand essential public works is as glaring in the Sunbelt cities of the Southwest as in the older industrial cities of the Northeast.

The accumulated backlog carries a cost of overwhelming proportions. The shortage that will occur between now and the year 2000 has been estimated at $240 billion by the Congressional Budget Office. The Joint Economic Committee of the Congress put the shortfall over the period at $448 billion. Other estimates range much higher. Whatever number is accurate, it is astronomical. The situation appears certain to become more serious if action is not taken.

Why? The reasons are diverse. To a great extent, we see the consequence of choices made at every level of government in the allocation of resources. Instead of spending tax dollars on public works at the rate utilized for many years, America shifted its goals. While such a choice was never presented directly to America's taxpayers, it has been a decision at all levels of government, a decision that robs the future to pay for today.

Since the earliest civilizations, economic growth moved forward with public works. For America, the canals of the Northeast were followed by railroad lines stretched across the continent. We raised dams so the desert might bloom. We stitched together a system of interstate highways to speed travel. Public investment in public facilities added to our productivity, to economic growth, to a better life for all Americans.

As we enter the third century of the Republic, this Panel is convinced that a new national commitment to public works—to our infrastructure—is absolutely essential.

Senator Pete V. Domenici established the Private Sector Advisory Panel on Infrastructure Financing to advise the Senate Budget Committee on the role of the federal government in financing future infrastructure facilities.

The Panel was asked to examine the potential for state and local investments in infrastructure, review new market instruments and debt financing mechanisms, determine the usefulness of new state and local financing institutions such as infrastructure banks and revolving funds, recommend long-term, predictable sources of funding, and investigate the potential for private sector investment in public works.

Simply put, the challenge was to examine options for infrasturcture financing, then recommend effective ways to select and fulfill the best option.

The Panel reviewed activities in several states and held a series of hearings to gain insights and information. The states which participated in case studies included Florida, Indiana, New Jersey, Texas, and Washington. Public hearings were held in Washington, D.C., Albuquerque, Trenton, Indianapolis and Seattle.

The Panel did not attempt to measure the level of need for increased infrastructure funding which has been well-documented in studies by the Joint Economic Committee and the Congressional Budget Office. Instead, the Panel focused on the evolution in governmental responsibility for infrastructure financing, the impact of that shift on state and local financing, and the potential for new and innovative financing mechanisms to meet capital needs.

Should America rely more on the federal government, or on the state and local governments, or on private enterprise? Would we embark on a new wave of federal spending? Should we look for new, creative alternatives in public spending?

Based on its review, the Panel has reached the following conclusions.

### CONCLUSIONS

The continued productive capacity of the American economy depends on the availability of adequate basic public facilities. Rebuilding, revitalizing, and expanding America's public infrastructure is imperative to our future.

America's need for more and better public facilities is a national issue that must be addressed nationally. Public works are not only essential for interstate and international commerce, they are essential for the health, safety, and general welfare of the American people.

A significant federal role in building and rebuilding our nation's infrastructure is altogether appropriate. Since both the states and the local governments lack the capacity to address this need equitably and comprehensively, a revived federal involvement is essential.

The federal contribution to infrastructure financing has declined. With the sole exception of outlays earmarked from motor fuel tax receipts in the Highway Trust Fund, federal infrastructure spending has diminished, with state and local interests bearing an increasing share of the burden.

The financial responsibility for meeting America's infrastructure needs has fallen most heavily onto state and local governments. In six categories of public works investment—highways, water supply, wastewater treatment, aviation, mass transit, and water resources—annual federal spending recently was $25.5 billion, compared to non-federal annual spending of $63.6 billion.

As the federal government shifted priorities away from infrastructure financing, new federal laws have mandated state and local compliance with new requirements for water pollution control, clean drinking water, and the clean-up of hazardous wastes. While essential for the public welfare, these new laws provided little in additional funding to assist in meeting the considerable cost of state and local compliance.

States and localities have faced not only the federal shift in priorities but have had to contend with the "taxpayer revolt" which in many localities capped property taxes which are a primary source of revenue for local governments. To contend with the resulting revenue shortfall, local governments have increasingly turned to the bond market to borrow funds necessary to finance infrastructure facilities.

Within the past decade, the annual volume of tax-exempt debt issued for public works rose from just over $6 billion in 1977 to four times that level. State and local governments turned to new forms of loans, debt packages, credit enhancements, and other forms of financing. User fees and other exactions also have become increasingly popular, and many localities are exploring the potential for public/private partnerships.

Yet these initiatives have been insufficient. Demands for public facilities have continued to exceed the ability of State and local governments to respond. State and local governments lack the resources and the flexibility to shoulder the expanding burden of financing America's infrastructure need. Compared to the dimensions of need for new and improved public facilities, state and local resources are insufficient.

Infrastructure banks, revolving loan funds, and other innovative funding systems are being used effectively in a number of states. They offer the potential to become a major sustaining source of financial assistance for local infrastructure investments, when sufficiently capitalized.

Over the years, the federal government has, through the tax code, encouraged investments in public works indirectly through the availability of tax-exempt municipal bonds, favorable depreciation allowances, and investment tax credits. Historically, this indirect federal contribution has provided a substantial and valid subsidy of state and local infrastructure financing.

In recent years, however, increasingly severe restrictions on the use of tax-exempt bonds have made this form of infrastructure financing increasingly difficult. The tax-exempt bond provisions in the 1986 Tax Reform Act are even more restrictive. These provisions will reduce the volume of state and local debt financing, and make even traditional governmental bonds more difficult and more costly to issue.

The new tax code thus complicates and further confounds efforts by state and local government to fill the breach in infrastructure financing.

Increasing use of user fees to finance project costs, as well as supporting adequate operations, maintenance, and repair budgets, is sound policy, and should be incorporated into project planning.

Some of the newer mechanisms for raising special revenues, such as development exactions and impact fees, are effective in areas of rapid growth. These, however, hold limited appeal for areas of slower growth or declining economic base.

Federal regulations and compliance standards may reduce local flexibility and constrain or frustrate the application of cost effective and innovative solutions to local infrastructure needs.

The trend toward private investments in public works facilities and services should be encouraged through federal tax provisions and federal program implementation.

Based on these conclusions, the Panel offers the following recommendations, in order of priority:

### RECOMMENDATION ONE

Congress should create an Infrastructure Trust Fund to capitalize infrastructure state banks and revolving loan funds.

Legislation should be enacted to create a trust fund to distribute among the states $5 billion annually for each of five years. This money should be raised from a dedicated, broad-based, new source of taxation, then placed in the Infrastructure Trust Fund for distribution by formula that, among other things, stresses population and land area.

This Federal Trust Fund contribution would go to recipient states once they establish a revolving fund or infrastructure bank to finance needed infrastructure facilities within the state. The contribution from the Trust Fund would provide 80 percent of the capital for each bank or fund, with the state required to contribute the remaining 20 percent.

These revolving funds would provide loans or credit enhancement to build and maintain highways, streets, roads, mass transit, wastewater collection and treatment, solid waste disposal, water supply facilities, and other pressing infrastructure needs.

The states would not be required to repay these Trust Fund grants. But to assure the revolving nature of the state funds or banks, local governments would be required to repay at least the principal amount of all loans.

In the Panel's view, a Trust Fund is preferable to other possible forms of federal assistance such as increased categorical grants. Properly structured, the state banks or funds would replenish themselves, serving as continuing sources of investment capital.

No additional federal capital would be required following the fifth year of the program to make the revolving system work.

Clearly, the total sum available for construction will be contingent upon both the initial capital, the level of state matching funds, and the terms and conditions of loans, guarantees, and other forms of assistance. The Panel estimates that within 15 years, the initial federal capitalization, together with the 20 percent state match, could produce close to $75 million in infrastructure investment, assuming the loans were repaid at 7¼ percent interest. Alternatively, if the same amount of capital—$25 billion in federal grants plus $6.25 billion in state matching funds—were loaned over 10 years, with no interest charged, the program would generate $40.3 billion in new infrastructure work. It must be underscored that America's infrastructure needs far exceed the scope of a program with these assumptions, but this infusion of new capital will create a funding device available in perpetuity.

Each state revolving fund or infrastructure bank should be available for new construction, as well as for rehabilitation and major maintenance and repair of existing facilities.

The additional funds made available under this recommendation must be just that, additional funds. These funds must not be used to supplant existing federal and/or non-federal investments in infrastructure. This is a program to reduce the huge backlog, not simply provide a different source of funding for work that would be accomplished anyway.

To be eligible for funds from a state bank, a local government should be required to document its needs and established capital plans and budgets.

Under this recommendation, the federal government would serve as a catalyst in responding to our national need for infrastructure financing without adding permanently to the size of the federal bureaucracy.

### RECOMMENDATION TWO

Congress should create a new category of tax-exempt bond, an infrastructure bond.

With or without an Infrastructure Trust Fund to pump new cash into infrastructure, tax-exempt financing must continue to be available if state and local governments are ever to begin to meet their infrastructure needs.

State and local governments rarely have the funds on hand to finance expensive infrastructure projects. Therefore, they increasingly have had to borrow to pay for needed public improvements. Total outstanding state and local debt in recent years has increased significantly, now totaling more than one-half trillion dollars. A major portion of this increase has been in so-called "private activity" debt.

In the 1986 Tax Reform Act, Congress restricted the scope and availability of tax-exempt financing for private purposes. In seeking to give all taxpayers a fair shake, Congress went too far, in the view of the Panel. The restrictions imposed by Congress will affect not only bonds used for private purposes, but also, many bond issues which fall into the private activity category but are used for traditional governmental purposes.

Under the 1986 Tax Reform Act, vital bond issues for sewage collection and treatment, solid waste disposal, and water supply facilities, among other legitimate public purposes, will often fall under the classification—and limits—of "private activity" bonds. Such bonds are subject to state-by-state volume caps, based on population.

If the volume of bonds issued goes above the annual cap the Act imposes on each state, such bonds will no longer be tax-exempt issues. In which case, financing these necessary facilities will be costlier to the issuer and to the users.

To offset this unintended result, the Panel recommends the creation of this new category of governmental bonds, "infrastructure bonds," which would be excluded from the definition of "private activity" bonds under the federal tax code.

Issues of infrastructure bonds should be allowed to retain reasonable investment earnings on such debt issues. The alternative is simply to pile greater costs onto local governments, and higher fees on the local users.

### RECOMMENDATION THREE

Public/private partnerships must be encouraged in infrastructure financing.

Private investment in public facilities offers a sound opportunity to increase substantially the capital available for infrastructure investmetns.

The potential for public/private partnerships in solid waste disposal, wastewater treatment, water supply, transportation, and other areas has been demonstrated in recent years. But federal action is needed to encourage this potential.

Federal executive departments and agencies should follow the example of the Environmental Protection Agency and the Department of Transportation by actively promoting and facilitating public/private partnerships in which the private sector develops, operates, and in some cases owns, needed facilities in cooperation with local government.

These opportunities are most evident in projects such as water supply or sewage treatment. The low and slow rate of return on such facilities requires an early and rapid tax writeoff to maintain a flow of cash sufficient to attract private investment. A faster rate of depreciation under the federal tax law would encourage private investment and participation in the development of such projects.

Sewage treatment and water supply facilities should be placed in the same category with solid waste facilities in the Accelerated Cost Recovery System. Depreciation should be allowed over seven years generally, and over ten years with tax-exempt bond financing.

A federal clearninghouse should be established to coordinate and distribute information on initiatives at every level to encourage public/private cooperation in confronting our infrastructure problems.

### RECOMMENDATION FOUR

Federal technical support should be emphasized for all areas of infrastructure development.

Whatever new financing initiatives are undertaken by the federal government, whether in response to these Panel recommendations or other proposals, state and local governments will continue to carry the principal responsibility for building most public works.

Adequately funded, state and local governments can fulfill this responsibility. They can achieve it with greatest efficiency if provided additional technical support from the federal government. This support will be particularly valuable at the local level.

In the administration of various categorical grant programs, federal agencies have accumulated vast technical experience and expertise. As some of these grant programs wane, this wisdom may be lost. This must not occur. New emphasis should be given to make this federal experience and expertise available to state and local governments.

In this way, non-federal officials should be able to make better decisions on design, development, operation, maintenance, and other aspects of building and rebuilding needed public facilities.

### RECOMMENDATION FIVE

Existing Federal Trust Funds for infrastructure must be preserved as an essential federal component for constructing infrastructure.

The existing highway, airport, and waterway trust funds help assure a more stable and reliable level of funding for certain in-

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frastructure purposes. As devices for revenue collection and allocation, dedicated trust funds are very effective. They promote better planning, management, and budgeting at the state and local level.

The utility of trust funds to assist state and local capital investment planning is best served when disbursements are dependable and timely, and Congress should act promptly on reauthorizations and annual appropriations.

RECOMMENDATION SIX

Federal agencies should review standards and regulations related to infrastructure programs.

A review of federal regulations is needed to assure that the standards and regulations permit and encourage cost-effective solutions, plus innovations in design, technology, and response, and in no way frustrate or discourage non-federal initiatives.

In particular, a thorough review is needed of federal compliance standards to assure that life-cycle cost analysis is encouraged, that new investment is not encouraged at the expense of efficient operations of existing facilities, and that innovative techniques with the promise of superior performance have every opportunity to demonstrate their value.

The panel offers these six recommendations not as a solution to all of our infrastructure problems, but as a step—a major step—toward overcoming those problems.●

## S. 1345—LICENSING OF PARIMUTUEL PARTICIPANTS

● Mr. D'AMATO. Mr. President, under present regulations, all parimutuel participants in horse racing, dog racing, and jai alai must be licensed. A license must be obtained each year in any State where a participant will operate. Each State then processes the application, a costly, time-consuming, and largely duplicative process.

Since modern racing demands much interstate travel for jockeys, trainers, and other athletes, in many cases several investigations are done on the same individual. For example, if a person is going to race in six States, each of the States conducts its own investigation, including FBI background checks on each applicant.

To streamline and improve this licensing process, the National Association of State Racing Commissioners [NASRC] favors a multi-State licensing system. Under S. 1345, introduced by my distinguished friend from Kentucky, Senator McConnell, an applicant would file just one application with the NASRC. NASRC would then run the criminal background check and share the information with the States involved. This bill would give the NASRC access to, and the authority to share, presently restricted FBI information with the States and individual commissioners.

This modification of FBI restrictions called for in this legislation would not broaden access to criminal records. Each member of the NASRC is a State racing commissioner, appointed by the Governor. Simply put, they already have access to FBI criminal records. No individuals other than State-appointed racing commissioners are entitled to full membership or to hold office in the NASRC.

Since 1934, the NASRC has functioned as a repository and distribution center for all official rulings by stewards and racing commissioners. As racing grows, so does this file of rulings. The NASRC handles and distributes over 500 rulings every week. It has a massive computerized national filing system already in place, to which every jurisdiction has access for quick and efficient dissemination of appropriate information. It is fully capable of fulfilling the role imposed on it by this legislation.

To briefly summarize the advantages: First, applicants need only submit one application, one fingerprint card, and one check annually to the NASRC. While the program is voluntary, if widely used it would significantly reduce the administrative cost and inconvenience of licensing.

Second, each State would retain the right to apply its own licensing standards to each applicant. No State would be bound by the certification of another State.

Finally, the States' regulatory efforts will be vastly enhanced by the availability of annually updated criminal records, permitting the racing commissions to do an even better job of protecting the integrity of the sport.

Mr. President, S. 1345 is a good idea whose time has long since come. I urge my colleagues to support this bill.●

## S. 1437—IMMUNITY LIMITATIONS

● Mr. D'AMATO. Mr. President, I rise in support of S. 1437, introduced by my distinguished friend from North Carolina, Senator Helms. The purpose of this legislation is to place a limit on the immunity granted to certain members of foreign diplomatic missions and consular posts in the United States.

The number of innocent Americans who fall victim to diplomatic crime and criminal negligence is alarming. In the past year there have been 31 cases involving diplomats in the Washington area alone. The seriousness of these incidents across the spectrum has ranged from aggravated assault to shoplifting; but these are real crimes with very real victims.

The Vienna Convention of 1961 requires diplomats to respect the laws of the receiving state. Nevertheless, the record shows that American citizens are literally helpless against diplomats who break or want to ignore our laws.

The Diplomatic Relations Act of 1978 requires that diplomats carry auto insurance. It also provides to the accident victim a direct right of action against the insurance company. Laudably designed to provide some compensation to American citizens, it has unfortunately proven almost impossible to enforce. Many diplomats neglect to get insurance; American citizens continue to be defenseless and at risk.

Except for those involving auto insurance, no regulations protect Americans from diplomatic crime. Foreign diplomats cannot be prosecuted here, but can be declared persona non grata, and forced to leave the country. It will take more than the threat of expulsion for diplomats to take our laws seriously.

There is certainly a need to grant reasonable, limited privileges to foreign emissaries, so that our own missions can be provided reciprocity in other nations. But there is no need to let members of diplomatic staffs or their families literally to get away with murder.

I urge my colleagues to protect our innocent citizens and support this legislation.●

## INFORMED CONSENT: ILLINOIS

● Mr. HUMPHREY. Mr. President, today I would like to insert into the Record two letters from women who support my informed consent legislation, S. 272 and S. 273. Today's letters come from the State of Illinois.

I ask that the letters from women in Illinois be inserted in the Record.

The letters follow:

February 13, 1987.

Dear Sir: I was encouraged by Concerned Women For America to write to you about past abortions I have had. This is in reference to the consent bill you will introduce this year.

I have undergone three abortions in my life and I am 28 years old now. The last abortion I had was in 1982. Two of them were performed by Family Planning and one by a doctor in his office. At the time I was not a Christian and had no idea that what I was doing was wrong. I wouldn't expect an abortionist to tell me about Christ, however, no one told me anything about what it would do to me physically, mentally or spiritually. Basically, everyone told me that all I was getting rid of was just a very small blood clot and there was absolutely no danger and nothing wrong with what I was doing.

There was no mention of options, such as having the baby; giving the baby up for adoption, or keeping it. There was really no discussion on why I was not on birth control and how to prevent this type of thing in the future. They only asked me if I wanted valium during the procedure.

The first abortion I had I was 21 and I was about 2 months along and the last one I was 24 and was 6 weeks along. At no time was I informed that I was killing anything or shown what the baby looked like at the developmental stage. I was never encouraged to get on birth control and counseled on why I kept getting pregnant.

I had no Christian up-bringing and honestly didn't think there was anything wrong with it. I also had no idea that it could do damage to my body. To this day I have no idea if I can carry a child through to full

term. I don't know what type of damage having those abortions did to me physically. I do know what it did to me mentally and spiritually. It took me a long time to forgive myself and to forgive the abortionist. If they had been honest with me when I was 18 years old, I would have had the child and it is doubtful I would have continued the destructive behavior patterns set forth over the past years.

The point is that I did have three abortions and was never offered an alternative. I feel that abortionists are no different than businessmen or women. It's all a matter of dollars and cents, it's a money making business and doing the right thing has absolutely nothing to do with it. I am very much against abortion, I don't feel they should be performed under any circumstances. However, at the very least, women out there should know the truth about what they are really doing to themselves, both body and mind. I feel that it women could see both sides of the issue and understand that they are taking a human life not washing away a tiny blood clot, there would be far fewer abortions.

I have written this letter to hopefully help you with your great and difficult struggle. I am going to sign my name proudly because I am forgiven for what I did and hope that other women can benefit in some small way from this letter.

God Bless you for what you are trying to do. I truly believe that just one man can change history and change the world. I hope that you are that man that will help to stop the silent screams.

Sincerely,

Teri K. Strouse,
*Illinois.*

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June 3, 1986.

Dear Senator Humphrey: I would like to address the "Informed Consent Legislation" that deals with abortion.

I had my abortion 7½ years ago. There was no information given out at the time I consented to the abortion. The hospital did not tell me about fetal development, side effects of any kind.

I would like to say that the immediate months that followed were the most miserable months of my entire life in terms of emotional disorder. I was very, very close to a total mental breakdown. I could not make simple decisions to prepare an evening meal for my husband and child. I could not decide how to do a load of laundry. In other words I had ceased to function in my daily routine as a wire and mother which is as directly related to the abortion.

Abortion leaves many scars that take years to get over. Thank God, I have prayer and his hand of my life. I can say I am completely healed from the abortion. However, there are thousands of women who carry their abortion scars very close to the surface. We need to be rid Roe versus Wade once and for all!

Sincerely,

Name Withheld Upon Request,
*Illinois.*●

## UEL HURD, DEDICATED SCOUT LEADER RETIRES

● Mr. DANFORTH. Mr. President, one of the most decorated leaders in Scouting, Uel Hurd of Kansas City, recently retired after more than 53 years as Scoutmaster of Troop 87 of the Kansas State School for the Deaf. Uel Hurd, who has been deaf since the age of 3, was the first deaf Eagle Scout in Kansas, one of 25 Scoutmasters to receive special recognition for work with the disabled, and the first deaf Scoutmaster to receive the Silver Beaver, the highest award in Scouting.

A Life Scout from Raytown, MO, 14-year-old Matt Woodruff, recently wrote to ask if I would bring Mr. Hurd's striking accomplishments to the attention of the Senate. I am pleased to do so, and ask unanimous consent that the Kansas City Star's report on Uel Hurd's illustrious career in Scouting be included in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Kansas City Star, May 27, 1987]

### Scout Leader a Silent Hero for 53 Years

(By John North)

The flat-brimmed, tattered Stetson was Uel Hurd's first and favorite scoutmaster hat, the one that took him through miles of woods and more than half his 53 years as leader of the Kansas State School for the Deaf's Troop 87.

Plucking the faded brown hat from a pile of scouting keepsakes in his Olathe home, he patted it smartly down on his head, stuck out his chin and gave a curt nod.

Then Hurd, who has been deaf since he was 3, began to sign.

"If you were in the woods with this hat, you could go right through anything in your way," he said, as interpreter Jodine Trout followed the cadence of his right hand. "Whenever I would see a guy wearing this kind of hat, I'd walk up to him and shake his hand. 'You're a scoutmaster,' I'd say to him. 'We're both the same.' "

This spring Hurd, 76, is putting away his hat, his chestful of badges and his scouting career. One of the most decorated leaders in scouting is retiring to spend more time at home with his wife Ina of more than 45 years.

Almost everybody who knows him is sorry to see him quit.

"He was a role model like we've never had before," said Gerald Johnson, superintendent of the school for the deaf in Olathe. "He literally influenced two or maybe three generations of boys who came through here."

His tenure set no records for a scoutmaster, but "we think it is significant that a man like Mr. Hurd has been able to accomplish what he has," said Frank Hebb, spokesman for the Boy Scouts of America national headquarters in Irving, Texas.

Hurd, who was born in Kansas City, Kan., was the first deaf Eagle Scout in Kansas, one of 25 scoutmasters to receive a special award for work with disabled people and the first deaf scoutmaster to receive the Silver Beaver, the organization's highest award.

The plaques and medals have been nice, and Hurd has a roomful to show to admirers, but his greatest joy was setting out on a weeklong hike with some of the hundreds of boys he led through the years.

Over deep Canadian ponds and through dusty New Mexico canyons silent troops followed Hurd. They canoed through water so pure that they could life their paddles and drink the water, he said.

Three times he took a group of boys to the Philmont Scout Ranch near Cimarron, N.M., for two weeks. Twice, most recently in 1985, he and his scouts hiked from northern Minnesota and Wisconsin into Canada.

"Mr. heart is strong for scouting," said Hurd, who retired as a cabinet-making teacher at the state school in 1984. "It has been so helpful to young boys and girls."

He helped boys catch their first fish, build their first fire and scare off their first bear.

Once, Troop 87 was being him while he used a makeshift shower when a carload of girls drove up to tell the scouts about a fire in town. The boys scattered and left Hurd to fend for himself.

"Here I was, supposed to be the scoutmaster, and I'm standing nude in front of a bunch of girls," he signed, his face splitting into a grin.

There also were hard times. Returning from a trip out West some years ago, the troop's car was involved in an accident near Cody, Wyo., and a scout was killed.

"Hurd spend many sleepless nights consoling the boys," said Lloyd Parks, a former school principal and troop chairman. "Uel is, well, I just can't say enough about him. He is a tremendous person with young people."

Hurd isn't leaving scouting completely. He has assumed the role of unit commissioner and will act as a helper when the new scoutmaster needs him.

Until then, he will work on his second greatest passion—fixing things around the house.

"I love to do repair jobs," he said. "I want to get things fixed up, make them look new again. And if the boys need help, they'll call me."●

## SENATE JOINT RESOLUTION 173, TO COMMEMORATE THE 200TH ANNIVERSARY OF THE SIGNING OF THE U.S. CONSTITUTION

● Mr. DOMENICI. Mr. President, our Constitution is part of the political heritage of every American. As the first three words of the Constitution—"We the People"—make clear, we are a nation of people governing themselves.

Today I am pleased to join my good friend from Nevada [Mr. Reid] as a sponsor of Senate Joint Resolution 173. This resolution commemorates the bicentennial of the Constitution by calling upon the leaders of the Nation, as well as all citizens of America, youth and adult alike, to read the Constitution to become more knowledgeable about our national heritage.

This is an excellent idea.

Two hundred years ago, a group of citizens—ordinary in many ways, extraordinary in so many others—drafted a Constitution, a charter for democratic government, a charter that for two centuries has been a beacon of liberty.

The Constitution secures the "Blessings of Liberty, to ourselves and our Posterity", as stated in its preamble. It embodies the ideal of freedom and democracy. The Constitution is a testament to that ideal. It applies that ideal of freedom and democracy to the lives of each U.S. citizen every day.

What a marvelous document it is! Reading through it, one finds concepts that are amazingly simple, but concepts from which the vitality of America flows. It lays out the checks and balances among the branches of the National Government. It is here where the fathers of America joined our independent States into a Federal System, a National Government of limited power and representative democracy.

The Constitution, of course, created our National Legislature of two houses and an independent judiciary, institutions securing individual liberties and providing for the stability of democracy itself.

The U.S. Constitution is built upon the bedrock of certain unalterable values. Immediately after the Constitution was adopted, the Bill of Rights was incorporated to ensure that certain inalienable rights were guaranteed to Americans. That document remains the most significant articulation for free people ever written.

The Constitution, however, was not a perfect document. There were provisions in the original document that we find repugnant, and contrary to the ideals of freedom and democracy. The original document specifically permitted the importation of slaves and the forced return of fugitive slaves.

But much of the Constitution's strength rests upon its adaptability, the process that permits amendments, a process allowing each new generation to strengthen the Constitution.

Yet, Mr. President, in today's hectic society, we often seem to have an apathy toward the rights and values defined in our Constitution. At a time when liberty and democracy are threatened constantly, we must continually remind ourselves of the rights and freedoms and responsibilities laid down in the Constitution.

In honor of the bicentennial of the Constitution, I sponsored an essay contest for young students in New Mexico. Students from throughout the State were asked to write essays on how the separation of powers strengthened our Government. From nearly 300 entries, 15 winners were selected and will visit Washington, Philadelphia, and Williamsburg next week.

I'm proud of these bright young men and women. More young Americans must be encouraged to familiarize themselves with our Constitution. Adults, too, need to review and reflect upon it, and the values it represents. Maybe most of all, officials of Government—Members of Congress, judges, officials of the executive branch—need to reread the document, for we are its living instruments.

Democracy requires participation. Our Founding Fathers fought hard, both physically and intellectually, to secure the blessings of liberty. They wrote a Constitution in language that was clear and precise to the average citizen.

If the liberties laid down in the Constitution are ever lost, it will not be because the Constitution has failed us. It will be because Americans have failed to hold high the standard left to us in this marvelous document. If we fail to understand this charter for liberty, we run the risk of losing it.

Mr. President, I am proud to join as a cosponsor of Senate Joint Resolution 173, and I encourage every Member of this body, as well as every American, to take the time to read the Constitution, not just during this bicentennial year, but each year.

Its strength is our strength.●

## IN RECOGNITION OF NORMAN D. HELLMERS, SUPERINTENDENT, LINCOLN BOYHOOD NATIONAL MEMORIAL, NATIONAL PARK SERVICE

● Mr. QUAYLE. Mr. President, as you know, Abraham Lincoln spent the formative years of his life in the State of Indiana. While growing up in Indiana, Lincoln developed many of his basic values that provided the framework for his leadership and statesmanship through the most tumultuous times in our country's history.

To focus attention on Lincoln's early years in Indiana, I am sponsoring "Hoosier History Days," which will be held at the Lincoln Boyhood National Memorial on August 8-9, 1987, in Lincoln City, IN. The Lincoln Boyhood Memorial is part of the National Park Service and has as its theme Lincoln's Indiana boyhood.

The successful planning and execution of this event would not have been possible without the expert assistance of the superintendent of the Lincoln Boyhood National Memorial, Mr. Norman D. Hellmers. Superintendent Hellmers is a native of New Orleans, LA. He attended Concordia College in River Forest, IL, and joined the National Park Service in 1972. He became the superintendent of the Lincoln Boyhood National Memorial in 1981.

Norm Hellmers lives in Lincoln City with his wife, Pat, and two children, Jennifer and Jeffery.

Superintendent Hellmers has worked tirelessly to ensure the success of "Hoosier History Days." From beginning to end he has been deeply involved with every stage of this event. He deserves both praise and respect for his diligent work and desire to promote Lincoln's Hoosier roots.

Mr. President, it has been my great pleasure to work with Superintendent Hellmers. His professionalism and dedication have been inspirational to me and all the others associated with "Hoosier History Days." He is a tremendous asset to the National Park Service and the preservation of Abraham Lincoln's boyhood.●

## NATIONAL CITIZEN BEE

● Mr. DANFORTH. Mr. President, young people in every State have participated in the programs of the Close-Up Foundation. I know my colleagues are familiar with the efforts of Close-Up to strengthen the understanding of Young Americans of our system of government.

Today, I am pleased to draw attention to a new initiative of the foundation, the National Citizen Bee, and to the distinction earned by two students from my State in the second national competition.

John-Peter Pham, 16, who lives near St. Peters, MO, is the national winner of the Citizen Bee competition. John-Peter, a recent graduate of St. Dominic High School in O'Fallon, MO, was one of about 8,000 students in 17 States who competed.

Jerffrey Kubik, 17, a senior at McCluer North High School in Florissant, MO, was runner-up in the Missouri competition and ninth in national competition.

The Citizen Bee tests knowledge of American history, economics, government, culture, geography and current events. In Missouri, the St. Louis Post-Dispatch developed the Citizen Bee Program with support from the Pulitzer Foundation and the Monsanto Fund. Nationally, Citizen Bee is sponsored by the Milken Family Foundation, Peat Marwick Main & Co., RJR Nabisco, Inc., and others.

Sandra Dimond, Newspapers in Education Coordinator for the Post-Dispatch, worked with great energy and dedication to establish the Missouri Citizen Bee. All who seek to strengthen the understanding of Democratic institutions and our system of government owe a debt of gratitude to Ms. Dimond.

I am pleased to extend congratulations to John-Peter Pham and Jeffrey Kubik and to call attention to the efforts of so many individuals to bring the institutions of self-government closer to young Americans.●

## SENATORIAL ELECTION CAMPAIGN ACT

The Senate continued with the consideration of S. 2.

Mr. BYRD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The question before the Senate is S. 2.

Mr. BYRD. I thank the Chair.

## BILL PLACED ON CALENDAR—H.R. 2309

Mr. BYRD. Mr. President, I ask unanimous consent to place on the calendar H.R. 2309.

The PRESIDING OFFICER. Without objection, it is so ordered.

## JOINT RESOLUTION PLACED ON CALENDAR—S.J. RES. 175

Mr. BYRD. Mr. President, I ask unanimous consent that the Commerce Committee be discharged from further consideration of Senate Joint Resolution 175, relating to the location of the competition for the World Cup of the World Soccer Games in 1994, and that the joint resolution be placed on the calendar.

The PRESIDING OFFCIER. Without objection, it is so ordered.

## ORDERS FOR TOMORROW

### ORDER FOR ADJOURNMENT UNITL 11 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that no motions or resolutions over, under the rule, come over; that the call of the calendar be waived, and that following the two leaders under the standing order there be a period for morning business not to extend beyond the hour of 11:30 a.m., with Senators to be permitted to speak therein up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 100-8

Mr. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Treaty with the United Kingdom of Great Britain and Northern Ireland Concerning the Cayman Islands relating to Mutual Legal Assistance in Criminal Matters (Treaty Document No. 100-8), which was transmitted to the Senate today by the President of the United States.

I further ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the United Kingdom of Great Britain and Northern Ireland concerning the Cayman Islands relating to Mutual Legal Assistance in Criminal Matters, with protocol, signed at Grand Cayman on July 3, 1986, and related notes. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty concerning the Cayman Islands provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: (1) executing requests relating to criminal matters by undertaking diligent efforts, including the necessary administrative or judicial action (e.g., for the issuance of subpoenas and search warrants), without cost to the Requesting Party; (2) taking of testimony or statements of persons by noncompulsory or compulsory measures; (3) effecting the production, preservation, and authentication of documents, records or articles of evidence; (4) providing assistance to each other in proceedings for forfeiture or restitution of proceeds of an offense or for imposing fines; (5) serving judicial documents, writs, summonses, records of judicial verdicts, and court judgments or decisions; (6) effecting the appearance of a witness before a court of the Requesting Party; (7) locating persons; and (8) providing judicial records, evidence, and information.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

RONALD REAGAN.
THE WHITE HOUSE, *August 4, 1987.*

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, does the distinguished Republican leader have any further statement he wishes to make or any business he suggests that we transact?

Mr. DOLE. If the majority leader will yield, I have indicated a number of hopeful possibilities that we might start on tomorrow. I would indicate to the majority leader that we are down to one problem on the castastrophic coverage. I am not certain we will be able to complete it this week because of a couple of amendments. Prompt payment was almost cleared on this side, though we did hit a last-minute snag. That might be a possibility for tomorrow.

The State Department authorization we will check on the first thing in the morning and see if we can proceed with the State Department authorization.

On the DOD authorization bill, which you called to my attention, I must say we can probably not get consent to proceed to that.

There is a commodity bill on the calendar which I understand might have unanimous consent to complete.

Mr. President, the staff is doing a good job and will continue to drum up some business. What we do not complete this week will be here when we get back and I think that will create a greater problem for all of us, including Members, if they do not cooperate this week. It will be an extra week for them to stay in November or December.

Mr. BYRD. That is right. They can do their Christmas shopping in Washington.

Mr. President, I thank the Republican leader. There are several resolutions out of the Rules Committee and I hope we can clear and have placed on the calendar. There are several other measures that might be able to be transacted by unanimous consent which I have on my marked calendar. In the morning we will start anew and I hope we can have something before the Senate tomorrow. Otherwise, the Senate will be back on S. 2, the campaign financing reform bill.

I would suggest to Senators that in all likelihood there will be rollcall votes tomorrow.

Mr. President, I thank the Republican leader.

## ADJOURNMENT UNTIL TOMORROW AT 11 A.M.

Mr. BYRD. Mr. President, there being no further business to come before the Senate, in accordance with the order previously entered I move that the Senate stand in adjournment until the hour of 11 a.m. tomorrow.

The motion was agreed to and the Senate, at 6:51 p.m., adjourned until Wednesday August 5, 1987, at 11 a.m.

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# HOUSE OF REPRESENTATIVES—*Tuesday, August 4, 1987*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. FOLEY].

## DESIGNATION OF SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*August 4, 1987.*

I hereby designate the Honorable TOM FOLEY to act as Speaker pro tempore on August 4, 1987.

JIM WRIGHT,
*Speaker of the House of Representatives.*

## PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, as You raised up prophets of old to lift Your people in the way of truth, so too, raise up among us women and men who would speak to us and to our Nation of the things that are right and good and true. May we not hear only with our ears but listen in the depths of our hearts to those who prophesy of justice and mercy and honesty. May we not seek to deal in personal gain but remind us each day, O God, of the truth that truly makes us free. This we pray. Amen.

## THE JOURNAL

The **SPEAKER** pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. **GALLEGLY**. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The **SPEAKER** pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. **GALLEGLY**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 312, nays 97, not voting 24, as follows:

[Roll No. 296]

### YEAS—312

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Baker
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bunning
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Coats
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Craig
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Holloway
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hyde
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
MacKay
Madigan
Manton
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Oxley
Packard
Panetta
Parris
Patterson
Pease
Pelosi
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Richardson
Rinaldo
Robinson
Rodino
Roe
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schuette
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron

### NAYS—97

Armey
Badham
Ballenger
Barton
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Buechner
Burton
Chandler
Cheney
Clay
Clinger
Coble
Coleman (MO)
Coughlin
Courter
Crane
Dannemeyer
Daub
Davis (IL)
Dickinson
DioGuardi
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
Gallo
Gekas
Goodling
Hansen
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Hunter
Inhofe
Ireland
Jacobs
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lowery (CA)
Mack
Marlenee
Martin (IL)
McCandless
McGrath
Michel
Miller (OH)
Molinari
Moorhead
Pashayan
Penny
Rhodes
Ridge
Ritter
Roberts
Rogers
Roukema
Saiki
Schaefer
Schroeder
Sensenbrenner
Sikorski
Skeen
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stump
Sundquist
Swindall
Tauke
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Young (AK)
Young (FL)

### NOT VOTING—24

Bentley
Daniel
DeLay
Garcia
Gephardt
Gingrich
Gregg
Hutto
Kemp
Kleczka
Leath (TX)
Livingston
Markey
Mfume
Owens (UT)
Ray
Roemer
Rose
Roth
Tallon
Towns
Udall
Vander Jagt
Whitten

□ 1215

So the Journal was approved.

The result of the vote was announced as above recorded.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 170. Concurrent resolution relative to adjournment to a date certain during the remainder of the 100th Congress.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 938. An act to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal years 1988 and 1989, and for other purposes; and

S. 1068. An act to amend the Clayton Act regarding interlocking directorates and officers.

The message also announced that pursuant to Public Law 99-660, the Chair announces the selection, made jointly by the Senate majority leader and the Speaker of the House of Representatives, of Diane E. Watson of California, from the private sector, as a member at large of the National Commission on Infant Mortality.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## HOUR OF MEETING ON TOMORROW

Mr. COELHO. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on tomorrow at 11 a.m.

The **SPEAKER** pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from California?

There was no objection.

## PRIVATE CALENDAR

The **SPEAKER** pro tempore. This is Private Calendar day. The Clerk will call the bill on the Private Calendar.

## RICK HANGARTNER, RUSSELL STEWART, AND DAVID WALDEN

The Clerk called the bill (H.R. 1418) for the relief of Rick Hangartner, Russell Stewart, and David Walden.

There being no objection, the Clerk read the bill, as follows:

H.R. 1418

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. PAYMENTS.

The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $6,900.45 to Rick Hangartner of Tampa, Florida, the sum of $8,398.82 to Russell Stewart of Largo, Florida, and the sum of $8,268.75 to David Walden of Aberdeen, Maryland. Payment of such sums shall be in full settlement of all claims of Rick Hangartner, Russell Stewart, and David Walden against the United States for all losses or expenses incurred by them in connection with—

(1) the investigation by the Committee on Government Operations of the House of Representatives into improprieties in the award and management of the Social Security Administration's contract with Paradyne Corporation; and

(2) the Securities and Exchange Commission's investigation of and litigation with Paradyne Corporation.

SEC. 2. LIMITATION ON ATTORNEY'S FEES.

No amount exceeding 10 percent of a payment made under section 1 shall be paid to or received by any agent or attorney in consideration for services rendered in connection with such payment. Any violation of this section shall be a misdemeanor and any person convicted thereof shall be fined not more than $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT ON TODAY AND TOMORROW DURING 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be permitted to sit on today and tomorrow during the 5-minute rule.

Further, Mr. Speaker, let me say that this matter has been cleared by the ranking minority member.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## A TRIBUTE TO THE LATE HONORABLE WILLIAM S. (BILL) MOORHEAD

(Mr. COYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COYNE. Mr. Speaker, yesterday, the city of Pittsburgh, the State of Pennsylvania, and the Nation lost one of its most respected and distinguished public servants with the death of Bill Moorhead.

During his 22 years in Congress Bill held many key committee posts and was regarded by Members on both sides of the aisle as an able and knowledgeable legislator. He was active on a wide front while in Congress, playing a major role in issues ranging from energy, to housing, to the arts, to defense spending.

Bill's achievements touched both his city and the Nation deeply. His vision extended well beyond the boundaries of his hometown of Pittsburgh. As chairman of the House Banking Subcommittee on Economic Stabilization, Bill steered through Congress landmark legislation that gave the Chrysler Corp. a new lease on life. He was instrumental in formulating legislation to resolve New York City's financial crises and was a leader in the enactment of the Energy Security Act of 1980.

His love for the arts was demonstrated in his work to establish the National Endowment for the Arts and the Humanities.

His commitment to good government, the rule of law and the individual rights of citizens will serve as a model for present and future generations of Americans. And he acted on his beliefs by helping to strengthen the Freedom of Information Act and by authoring the Privacy Act to limit the amount of information a Government agency can disseminate about a citizen.

Pittsburgh and the Nation are the better for his service in Congress. It was a privilege to have known Bill Moorhead and I am honored to be able to pay tribute to this outstanding man. I want to express my deep condolences to his family.

□ 1230

## PENNIES FOR SPACE

(Mr. HOUGHTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOUGHTON. Mr. Speaker, today we are honored to have with us an unusual group of people. These people represent thousands of other students, teachers, and parents working through the Haverline High School in Bath, NY.

They have raised over $17,000 for the Pennies for Space Program. This program has as its purpose the desire, the sole desire, to help our country. There are no tax breaks, no Federal grants, no State moneys.

These are private funds raised by and earned by these young people to help put another shuttle back into space.

The funds will go toward replacing the *Challenger* and will be presented within the hour to the Vice President of the United States and the NASA Administrator, Mr. James Fletcher.

These are fine people. Let me name them. Charlotte Gregory, David Jones, Hazel Hopkins, Lynn Ahren, Donald Mills, and students Neremin Bibaway, Lisa Wolfe, and Dan Stenta.

There are heroes born every day going about their work silently and undramatically, but with real purpose. Mr. Speaker, these people are real heroes.

## ARMENIAN GENOCIDE

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, the disinformation campaign concerning the Armenian genocide continues.

Yesterday, Members received a flyer claiming that 69 so-called knowledgea-

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ble scholars refuted there was a genocide.

A close examination of this list reveals that only four have ever dealt with genocide or this specific historical period. Forty-one are not even scholars of Turkish history in the 19th and 20th centuries. Forty have received grants from Turkish foundations.

Eleven of the signatories have subsequently written letters casting doubt on the findings proclaimed in the advertisement.

This genocide was described by our own Ambassador on the scene as the mass extermination of a race.

By the great historian, Arnold Toynbee, who was also in Turkey at the time, and by Sir Winston Churchill, who described it as a complete clearance of the race from Asia Minor; and of course, by the U.S. Holocaust Memorial Council, which unanimously declared the necessity for commemorating this event.

We should not let the Turkish Government tell us which genocides to remember and which genocides to forget.

Modern Turkey's great leader, Ataturk, owned up to the facts. We should do no less.

## TORT LIABILITY REFORM ACT OF 1987

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAUB. Mr. Speaker, the insurance crisis remains a problem in our national business life. New arguments have been added to the debate surrounding the crisis, yet Congress as a whole continues to balk at the idea of tort reform. While genuine grievances exist in tort cases before our courts, costly, and frivolous cases continue to clog the courts.

Last year I introduced H.R. 4460, the Tort Liability Reform Act of 1986, to bring needed procedural reforms to the tort claims process. After listening to experts in the field and several colleagues, I have made changes in three areas of the bill. Therefore, I reintroduce H.R. 4460 with a new bill number—H.R. 3083, with the following changes:

First, the cap on noneconomic damage is eliminated and noneconomic damages are returned to a pure fault-based standard.

Second, the provision which placed payment of punitive damages in Government treasuries is eliminated.

Third and last, the bill is more streamlined and straightforward in its intention and purpose.

With these changes I submit this bill for your thoughtful consideration. While no simple fix-all answer exists to this complex issues, the enactment of meaningful procedural reforms to the tort claims process tackles part of the problem with the intended effect of making affordable insurance once again available to those who need it.

## ARIAS PEACE INITIATIVE

(Mr. LANCASTER asked and was given permission to address the House for 1 minute.)

Mr. LANCASTER. Mr. Speaker, I rise today, along with several of my colleagues, to help draw the attention of this House to a meeting which will be held at the end of this week in Guatamala City. The Presidents of the Latin American democracies gather Thursday with Nicaraguan leaders to discuss proposals put forward courageously by President Oscar Arias Sanchez of Costa Rica. It is important that we not allow the sound and fury of the present Iran-Contra scandal to obscure the long-term significance of this event.

Mr. Arias has the good fortune to preside over a country that is not racked with internal strife. The secret to liberty, prosperity, and stability in Costa Rica is inherent in the terms Mr. Arias has used to describe his country: "There are more schoolteachers than soldiers, more schools than cannons, more books than guns." This is the route along which Mr. Arias is attempting to direct all of Central America through his initiative. No one is more aware of the risks of failure than he.

But Mr. Arias has acted upon the responsibility incumbent upon his nation, as the oldest, most prosperous and most stable democracy in Central America, to work creatively and realistically for peace.

If these are the responsibilities of the leading free society of that region, how much greater must they be for the oldest, most prosperous, and most stable democracy in the world?

It is incumbent upon us to offer real support to Mr. Arias and the causes of peace and freedom in Central America. Offhand lipservice to Mr. Arias' ends is an insufficient and shortsighted response. Unless we earnestly foster the methods he advocates, this proposal will fail.

I am proud that many in America are coming to recognize this truth. I am even prouder that among the first of these thoughtful American statesmen to advocate Mr. Arias' initiative was my own colleague from North Carolina, the Honorable Senator TERRY SANFORD.

Democracy will come to this troubled region of the world not through simple solutions but only if the United States is willing to work diligently with the other democracies in the region to achieve peace and democracy.

The Arias proposal strikes at the origin, as well as the symptomatic cancerous growth, of the problem. It focuses both on a broadening of internal liberty in Nicaragua, and a reduction of outside military presence in the region. It represents a well-crafted compromise.

Such is the nature of true statesmanship and diplomacy. The creative use of our immense power in this manner is the only way to achieve lasting peace and security in this troubled region of the world.

## MR. PRESIDENT, IT'S TIME TO PLAY BALL

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, the bases were loaded and it was the bottom of the ninth last week, when the President stepped up to bat, only to strike out because he didn't keep his eye on the ball.

Strike One: Last Thursday, the Census Bureau announced the latest poverty statistics. The administration called it good news, choosing to highlight the gains in family income that occurred. But the real story is that we have made no progress in reducing poverty among children and have succeeded, in the last year, in widening the gap between rich and poor to a level unprecedented in the history of our Nation.

Strike Two: On Friday, the President decided to impose new restrictions on abortions which would prohibit doctors from presenting all of the facts to their patients. The real victims of this policy are poor women.

Strike Three: On Saturday, the President took to the airwaves, condemning the Democratic plans for welfare reform as misguided budget busters.

This criticism is ironic since the President and his minions have steadfastly refused to work with the Congress to develop a bipartisan welfare reform plan. Instead, they have insisted on a demonstration plan that offers no guarantee of real reform and allows chaos to prevail at the State and local levels. This approach has found little support in the Congress, even less in the States, and it has an assortment of people—from veterans to advocates for the poor—mad as hornets. The White House has been unwilling to discuss any alternatives.

Mr. President, you will undoubtedly get another chance at bat in the coming months. It's time to quit dodging, step up to the plate, and play ball. The poor children of this country are counting on you.

## H.R. 2881—A BILL TO ESTABLISH A NATIONAL COMMISSION ON ACQUIRED IMMUNE DEFICIENCY SYNDROME

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, I rise to express my support of legislation, which will be on our calendar today to create a National Commission on Acquired Immune Deficiency Syndrome, in the hopes that it might be an antidote to the Presidential Commission on AIDS. Two weeks ago the administration announced its AIDS commissioners. They are, for the most part, sadly inexperienced and unqualified to serve on such a potentially important panel. It is a tragedy, that after years of rhetoric and inaction on the AIDS epidemic, the admistration has fashioned a hollow body with possibly dangerous effects.

Today we will have before us a proposal for another Commission, which offers the hope of correcting a potentially damaging situation. I support this new plan. But let me express some caution.

What we need most in an AIDS Commission is an independent, nonpartisan, scientific advisory group, outside the Federal Government, whch would make recommendations and advise Congress, the President, and the executive branch agencies about the major AIDS issues. As decision and policymakers, we are posed with complex biomedical, public health, and legal issues on which we must act. Some programs must be put into place immediately, so that we may control the epidemic, and treat people with AIDS with effective measures and compassion. Informed answers, equitable decisions, and effective programs must be based on current scientific data and information from unbiased experts.

In April, I introduced legislation which would establish a National Advisory Panel on AIDS composed of AIDS experts from outside the Federal Government. The Institute of Medicine of the National Academy of Sciences would be asked first to submit a grant application, in light of the excellent job it did in creating an expert committee and comprehensive report on a National Strategy for AIDS during 1986. I still believe that would be the best approach. In sum, an effective AIDS Commission must be composed of superlative AIDS commissioners, who are both AIDS experts and nonpartisan.

Challenging the President's AIDS commissioners with this test, we find that only two are passable. The rest fail.

As I examine today's proposed legislation the question that concerns me is what are the chances that its members will be nonpartisan AIDS experts?

Five of the appointments would come from the administration and would include the Secretary of Health and Human Services and the Administrator of Veterans' Affairs. Expert, possibly. Nonpartisan, no.

The remaining 10 appointments would be selected by the House and the Senate, and 4 of these 10 would come from the minoritys' recommendations. The arithmetic is clear: 9 of the 15 Commissioners would be appointed by the President and members of his party.

Will this National Commission on AIDS correct the deficiencies of the Presidential Commission? I hope so and, therefore, will vote for it.

Congress and the President very much need the recommendations of a respected panel independent of political influence to help us make sound, objective, and cost-effective decisions in the war against AIDS.

□ 1400

## STOP THE SOVIET SHOPPING SPREE

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, the portrait of Japanese businessmen wining and dining Soviet trade officials contained in today's Wall Street Journal can only reinforce our view that security has taken a back seat to profit in Japan.

What is far more disturbing than the story of sushi-loving Russians is the fact that apparently the Toshiba incident is just the tip of the iceberg of security breaches. In the past year, American officials have presented Japan with half a dozen cases of serious violations, possibly involving a number of giant and well-known Japanese companies.

Our concern with Japan's sloppy record is now becoming apparent, and I have introduced legislation which would impose sanctions against Toshiba for their blatant disregard of export controls. What is often missed in the debate on this issue, however, is the need to provide for equally tough sanctions against other corporations in Japan and all countries who so flagrantly violate our trust. My bill would mandate such strong penalties, and send a clear signal to foreign companies that this betrayal will not be tolerated.

Mr. Speaker, a Soviet official was quoted in this article as being unconcerned about obtaining Western technology in the future. "What can't be bought in Japan," he said, could easily be bought elsewhere." It is time to stop the Communist shopping spree, and I urge my colleagues to support my legislation to do just that.

## REPORT FROM THE CONSTITUTIONAL CONVENTION, 1787

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, it is now August 4, 1787, and I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia. The delegates in this great Convention are now in a recess and they are not due to get back here for another couple days. George Washington is visiting Valley Forge. James Madison comes in once in awhile. You would think there is nothing going on; however, I am reporting to you from the library section next to the Chamber, the main Chamber of Independence Hall, where hard at work is a set of five delegates who have been constituted the Committee of Detail.

It is their job to put together the final provisions that have already been agreed on into one cohesive document that will be deliberated upon and debated the remainder of August and possibly in September and a final document will be drafted.

I talked with these delegates, the ones who are on the Committee of Detail. It is Rutledge of South Carolina, who is the chairman; he has a grand vision of a document to be adopted.

Randolph of Virginia is a man of detail himself properly on the Committee of Detail.

James Wilson of Pennsylvania, who is one of the better speakers during the 4 months of the Convention thus far, was also part of this Committee of Detail.

Ellsworth of Connecticut and Gorham of Massachusetts, these five are very confident, although in different ways, that they can piece together a document that will be the final working document of this Convention.

Everybody is optimistic, even General Washington, who, when he left, felt a little less optimistic than most, now I am told feels that they are going to be successful.

Mr. Speaker, I am reporting to you 200 years ago today from the Convention floor in Independence Hall in Philadelphia.

## PROSECUTE THOSE OPERATING OUT OF BASEMENT CLOSET IN WHITE HOUSE

(Mr. TRAFICANT asked and was given permission to address the House for 1 mintue and to revise and extend his remarks.)

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**Mr. TRAFICANT.** Mr. Speaker, the Ayatollah blames us for the deaths of Iranians in Mecca last weekend. No one knows what this character will do next.

One thing is for sure. The administration supposedly tried to make contact with moderates in Iran. In fact, the National Security Council in sworn testimony said that was their purpose.

Now we come to find out that one of those so-called moderates was a man named Ali Rafsanjani. He spoke recently about attacking the United States and retribution for our gulf policies. He also said, and I quote, "Iran's obligation is to uproot the Saudi rulers from that region."

Now, how in God's name could the President or any of his advisers consider this to be the moderates we should be dealing with?

I now quote a passage from the Washington Post of Bruce Laingen, a former hostage and American Embassy official in Iran. Here is what he said 8 years ago:

> We should not expect an Iranian readily to perceive the advantages of a long-term relationship based on trust.

### POINT OF ORDER

**Mr. WALKER.** Mr. Speaker, a point of order.

The **SPEAKER** pro tempore. (Mr. GRAY of Illinois). The gentleman will state his point of order.

**Mr. WALKER.** Mr. Speaker, has the gentleman received permission from the House to read from papers?

**Mr. TRAFICANT.** Mr. Speaker, I am not reading from papers. I am making a quote.

The **SPEAKER** pro tempore. The gentleman from Ohio has permission to read, unless he is challenged by any Member.

**Mr. WALKER.** Well, under the rules of the House, the gentleman cannot read from papers without receiving unanimous consent from the House. Has the gentleman received consent from the House to read from papers?

The **SPEAKER** pro tempore. The gentleman from Pennsylvania has it backward. The gentleman can read unless objected to by any other Member. Then it is put to a vote.

**Mr. WALKER.** Well, the gentleman can do it by unanimous consent, can he not?

The **SPEAKER** pro tempore. The gentleman was granted unanimous consent to address the House for 1 minute, which includes reading papers, unless objected to.

**Mr. WALKER.** He can also ask unanimous consent to be a allowed to read from papers, is that not correct?

The **SPEAKER** pro tempore. The gentleman does not need that under the rules, the Chair would say to the gentleman from Pennsylvania.

**Mr. TRAFICANT.** Mr. Speaker, to clarify the issue, I am not reading from a paper.

The **SPEAKER** pro tempore. Any Member who wants to challenge the gentleman's right to read can do so, and then it is put to a vote.

**Mr. TRAFICANT.** Mr. Speaker, is the gentleman challenging it?

**Mr. WALKER.** Well, I would just suggest to the gentleman that in order to proceed under the rules of the House, he ought to ask unanimous consent to read from papers.

**Mr. TRAFICANT.** Mr. Speaker, I am not reading from papers. If the gentleman is challenging it, let him make the challenge.

The **SPEAKER** pro tempore. The Chair will state that in the absence of a challenge, the gentleman may read. If some Member sees fit to challenge, then it would be put to a vote.

**Mr. WALKER.** I thank the Chair.

The **SPEAKER** pro tempore. The time of the gentleman from Ohio [Mr. TRAFICANT] has expired.

## TITLE X IS NOT THE CULPRIT

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. PORTER.** Mr. Speaker, as a Member of Congress who believes that Federal funds should not be used to perform abortions and as one who has consistently supported the Hyde amendment, I call on the prolife community to reassess its attack on title X voluntary family planning programs.

Title X clinics have scrupulously abided by the statutory requirement that they not perform abortions with Federal funds. Repeated GAO audits have upheld this fact. Family planning clinics which are physically located in proximity to abortion facilities are the exception, Mr. Speaker, not the norm, and most of these are hospitals.

Mr. Speaker, it is a violation of medical ethics not to inform a woman of her legal options in dealing with a pregnancy, and enshrining ignorance of medical options in title X regulations in place of informed consent flies directly in the face of principles followed consistently by administrations of both parties.

Yes, abortion, though legal, is not an acceptable birth control method and should not be encouraged; but attacking title X programs designed to prevent unwanted pregnancies through contraception, can only lead to more abortions, not less.

## A LANDMARK DECISION FOR THE NATIONAL GUARD

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. MONTGOMERY.** Mr. Speaker, late yesterday U.S. District Judge Donald Alsop made a landmark decision in the State of Minnesota versus the Federal Government, challenging the so-called Montgomery amendment that prohibits Governors from blocking overseas training of their State National Guardsmen only except in the case of a State emergency.

Judge Alsop dismissed the case with prejudice.

This ruling means that under the U.S. Constitution, Congress does have authority to share with the States the training of National Guardsmen and that Congress acted within its authority, without having to secure the consent of Governor Perpich of Minnesota on training.

Mr. Speaker, I am delighted with this ruling. This decision, if appealed, I am confident will be upheld.

## IN SUPPORT OF HOUSE JOINT RESOLUTION 132, NATIONAL DAY OF REMEMBRANCE OF ARMENIAN GENOCIDE

(Mr. TORRES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. TORRES.** Mr. Speaker, I rise today in support of House Joint Resolution 132. It is unfortunate that legislation like this is necessary. If it were not for the many instances when man has committed atrocious acts against his fellow man, there would have been no need to introduce this resolution.

From 1915 to 1923, a 9-year period, 1½ million Armenians were brutally murdered by agents of the Turkish Ottoman Empire. We have chosen April 24, 1987, to memorialize the loss of over a million lives.

It is not possible for us to return to the Turkish Ottoman Empire. If we had this capacity, perhaps we could have prevented the unjust murders of over a million of men, women, and children from history. However, we cannot return nor can we right the wrongs of the past.

We can do everything in our power to prevent such atrocities from occurring again. I admit that it is not enjoyable to reflect on these horrible incidents, but I encourage everyone to take a moment to think about the unnecessary loss of valuable human lives that resulted from this massacre.

We must pledge to never allow a similar incident to happen again. If House Joint Resolution 132 will allow us to achieve this goal, we must support it.

## A FURTHER TRIBUTE TO RAUOL WALLENBERG

(Mr. DORNAN of California asked and was given permission to address

the House for 1 minute and to revise and extend his remarks.)

**Mr. DORNAN** of California. Mr. Speaker, I will not read a statement. I will tomorrow.

Mr. Speaker, I rise like my colleague, the gentleman from New Jersey [Mr. SMITH], to remind everyone in the free world that today is the 75th birthday of Rauol Wallenberg. I have no proof that this great world hero is alive, but the Soviets have never given any proof that he is dead.

Mr. Khrushchev at some point during his 11-year reign said that Rauol Wallenberg had died in 1947 or 1948 in some Soviet prison. What prison? Where are his remains? What were the circumstances of his death? They have told us nothing.

So I choose to believe that at 75 years of age today, he is alive in some forgotten fringe labor camp in that Archipeligo of vicious gulags. Maybe he is on Wrangel Island. Maybe he is in some labor camp.

But if you were God, would you have kept this hero alive? I think in God's mysterious and wonderous ways that this hero is alive.

You know, some of us in life have a chance to save someone from drowning. One of my cousins claimed that I save his life. I do not know if I did or not. But here is a man who saved 100,000 human beings. What a thing to have in your record book when you face St. Peter, 100,000 human beings, many of whom went on to get married and raise families and their families are now having families.

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This man is truly a hero. If Mr. Gorbachev really means that glasnost is openness, let him give Raoul Wallenberg back to the world that loves him.

Happy birthday, Raoul. You are an inspiration to a whole century.

## WASHINGTON WEATHER IS NOT FLORIDA WEATHER

(Mr. SHAW asked and was given permission to address the House for 1 minute.)

**Mr. SHAW.** Mr. Speaker, there is something that has been bothering me for some time that I would like to bring to the attention of the House. For so long now as the temperature reaches the high 90's and now perhaps even into the 100's today, Members increasingly come up to me and say, "How do you like this Florida weather?"

Mr. Speaker, this is not Florida weather. This is Washington weather. Anyone who thinks that this is Florida weather, I invite them to Fort Lauderdale, FL, to enjoy our cool surf and cooling breezes. Fort Lauderdale does not have weather like we are experiencing in Washington today.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore (Mr. GRAY of Illinois). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on all motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

## DEVELOPMENT DISABILITIES ASSISTANCE EXTENSION ACT OF 1987

**Mr. BRUCE.** Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1871) to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the programs established in such act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1871

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Developmental Disabilities Assistance Extension Act of 1987".

SEC. 2. AUTHORIZATIONS OF APPROPRIATIONS.

The Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.) is amended—

(1) in section 130, by striking "$50,250,000" and all that follows and inserting "such sums as may be necessary for fiscal years 1988 through 1990.";

(2) in section 143, by striking "$13,750,000" and all that follows in the first sentence and inserting "such sums as may be necessary for fiscal years 1988 through 1990.";

(3) in section 154, by striking "$9,000,000" and all that follows and inserting "such sums as may be necessary for fiscal years 1988 through 1990."; and

(4) in section 163, by striking "$2,700,000" and all that follows and inserting "such sums as may be necessary for fiscal years 1988 through 1990.".

SEC. 3. ADDITION OF FAMILY SUPPORT SERVICES TO LIST OF PRIORITY SERVICES WITH RESPECT TO PERSONS WITH DEVELOPMENTAL DISABILITIES.

(a) IN GENERAL.—Section 102(11)(C) of the Developmental Disabilities Assistance and bill of Rights Act (42 U.S.C. 6001(11)(C)) is amended—

(1) by striking "and";

(2) by striking the period and inserting a comma; and

(3) by adding at the end "and family support services.".

(b) DEFINITION OF FAMILY SUPPORT SERVICES.—Section 102(11) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(11)) is amended by adding at the end the following new subparagraph:

"(I) The term 'family support services' means services designed—

"(i) to strengthen the role of the family as the primary care-giver;

"(ii) to prevent out-of-home placement;

"(iii) to reunite families with family members who have been placed out of the home; and

"(iv) to maintain family unity.".

(c) CONFORMING AMENDMENT.—Section 102(11)(D) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(11)(D)) is amended by striking "family support services,".

SEC. 4. REVISION OF DEFINITION OF SUPPORTED EMPLOYMENT OF PERSONS WITH DEVELOPMENTAL DISABILITIES.

Section 102(11)(F) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(11)(F)) is amended—

(1) by striking "paid" the first place it appears and inserting "competitive"; and

(2) by amending clause (i) to read as follows:

"(i) is for persons—

"(I) with developmental disabilities who are members of groups for which competitive employment has not historically occurred, or

"(II) for whom competitive employment has been interrupted or intermittent because of developmental disability.

who, because of their disabilities, need intensive ongoing support to perform in a work setting;".

SEC. 5. REQUIREMENT OF PROVISION OF NOT LESS THAN ONE PRIORITY SERVICE TO PERSONS WITH DEVELOPMENTAL DISABILITIES.

(a) IN GENERAL.—Section 122(b)(4)(B) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6022(b)(4)(B)) is amended to read as follows:

"(B) The plan must provide for not less than one of the five priority services. The plan may, in the discretion of the State, provide for more than one priority service, or for one or more services described in section 102(11)(A)(ii), or both.".

(b) STRIKING OF CERTAIN REQUIREMENT WITH RESPECT TO EXPENDITURES OF PAYMENTS.—Section 122(b)(4) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6022(b)(4) is amended—

(1) by striking subparagraph (C); and

(2) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (C), (D), and (E), respectively.

(c) CERTAIN REQUIREMENT WITH RESPECT TO EXPENDITURES OF PAYMENTS.—Section 122 (b)(4)(D)(i) of the Developmental Disabilities Assistance and Bill of Rights Act (as redesignated in subsection (b)(2)) is amended by striking "service activities in the priority services." and inserting "services described in subparagraph (B).".

SEC. 6. REVISION IN CATEGORIES OF REPRESENTATIVES ON STATE PLANNING COUNCIL.

Section 124(a)(3)(B)(ii) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C 6024 (a)(3)(B)(ii)) is amended by inserting "or previously institutionalized" after "institutionalized".

SEC. 7. REPORTS BY STATES WITH RESPECT TO SERVICES PROVIDED TO PERSONS WITH DEVELOPMENTAL DISABILITIES.

The Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.) is amended by adding at the end the following new part:

### "PART F—DEVELOPMENTAL DISABILITIES STATUS REPORT

### "REQUIREMENT OF CERTAIN ASSURANCES WITH RESPECT TO REPORT

"SEC. 171. (a) For each of the fiscal years 1988 through 1990, the State plan required in section 122 must contain or be supported by assurances satisfactory to the Secretary that, not later than September 30, 1990, the State will submit to the Secretary a report containing a comprehensive description of—

"(1) the eligibility standards established by the State for the receipt of services by persons with developmental disabilities;

"(2) a description of the services provided by the State to individuals with developmental disabilities;

"(3) the extent to which the State is meeting the needs of persons with developmental disabilities;

"(4) the extent to which the State is carrying out the purposes of this title, including a description of the manner in which the State has construed, and is construing, the term 'developmental disability;

"(5) the recommendations of the State for meeting the needs of all persons in the State with developmental disabilities, including recommendations with respect to appropriate initiatives by the State and by the Federal Government; and

"(6) with respect to the matters referred to in paragraphs (1) through (5), the views of persons in the State with developmental disabilities and the views of persons in the State who are advocates for persons with developmental disabilities.

"(b) For each of the fiscal years 1988 through 1990, the State plan required in section 122 must contain or be supported by assurances satisfactory to the Secretary that, in preparing the report required in subsection (a), the State will—

"(1) conduct a study for the purpose of obtaining the information required in subsection (a)(6) and will, in conducting such study, survey a representative sample of persons in the State with developmental disabilities and a representative sample of persons in the State who are advocates for persons with developmental disabilities; and

"(2) provide public notice with respect to the development of the report and such opportunities as may be necessary to provide interested persons an opportunity to present comments and recommendations with respect to the report.

### "REQUIREMENT OF SUBMISSION OF STATEMENT OF PROGRESS WITH RESPECT TO REPORT

"SEC. 172. For each of the fiscal years 1989 and 1990, the State plan required in section 122 must contain a statement of the progress made by the State with respect to completing the report required in section 171.".

**SEC. 8. EFFECTIVE DATE.**

The amendments made by this Act shall take effect October 1, 1987, or upon the date of the enactment of this Act, whichever occurs later.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **LENT**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Illinois [Mr. BRUCE] will be recognized for 20 minutes and the gentleman from New York [Mr. LENT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. BRUCE].

Mr. **BRUCE**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before us was introduced by the distinguished ranking minority member of the subcommittee, Mr. MADIGAN. It was reported by the Committee on Energy and Commerce by voice vote.

Briefly, H.R. 1871 extends for 3 fiscal years the authorization of appropriations for the programs which comprise the Development Disabilities Assistance and Bill of Rights Act. These programs include: First, formula grants to States; second, grants to support protection and advocacy systems; third, grants for special projects; and fourth, grants to university affiliated facilities.

The committee amendment to the legislation eases the administrative requirements on States and requires each State to prepare a report on the extent to which they are currently meeting the needs of persons with developmental disabilities.

Mr. Speaker, the Federal developmental disabilities programs are vitally important to the millions of Americans with developmental disabilities. Their importance and success have made it enormously popular with the public, the Congress and the administration.

I urge support for the legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. **LENT**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join the gentleman from Illinois, [Mr. BRUCE], a member of the Subcommittee on Health and the Environment in urging my colleagues to support H.R. 1871, the developmental disabilities assistance amendments of 1987. My colleague, Mr. MADIGAN, the ranking minority member of the subcommittee introduced this legislation on March 31, 1987, on behalf of the administration. H.R. 1871 reauthorizes the grant programs of the Developmental Disabilities Assistance and Bill of Rights Act for 3 fiscal years with such sums as may be necessary. The bill being considered under suspension of the rules today includes the provisions of H.R. 1871 as introduced and several amendments which enhance State flexibility in providing priority services to disabled individuals.

It is my understanding that the administration does not oppose this legislation. Therefore, I urge my colleagues to join me in supporting H.R. 1871.

Mr. **BRUCE**. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALGREN].

Mr. **WALGREN**. Mr. Speaker, I am pleased today to support the extension of the Developmental Disabilities Program. More than almost any other factor, this program has been the key to the rapid increase in sensitivity to the needs of the disabled and the protection of their rights.

I would like to underscore provisions in the bill I offered in subcommittee. The Developmental Disabilities Program has its origins in a 1963 law which applied only to individuals who were mentally retarded. Over time, Congress has expanded the definition so that those efforts now include a broad spectrum of functional limitations.

Currently under the law a "developmental disability" includes any severe chronic disability which—

(A) is attributable to a mental or physical impairment or combination of mental and physical impairments;

(B) is manifested before the person attains age 22;

(C) is likely to continue indefinitely;

(D) results in substantial functional limitations in 3 or more areas of life activity: (i) self-care; (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; and

(E) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment or other services which are of lifelong or extended duration and are individually planned and coordinated.

In our hearings, we learned that many States construe the definition far more narrowly. As a result, many eligible individuals are not being reached. In many States, disabilities attributable to physical impairments such as cerebral palsy and epilepsy or developmental disabilities attributable to a combination of mental and physical impairments are not reached by the advocacy and planning of the State councils which administer this program.

The bill before us would require each State to develop a process to identify those individuals and report to Congress on ways of fully serving the developmentally disabled population. States would be required to hold public hearings to bring out the views and recommendations of developmentally disabled individuals and advocacy organizations.

The goal of the program is to "assure that persons with developmental disabilities receive the care, treatment, and other services necessary to enable them to achieve their maximum potential through increased independence, productivity, and integration into the community." The failure of States to properly respond to the definition of developmental disabilities now results in this program being an unfulfilled promise to 1 million individuals and their families.

It is certainly my hope that this provision will send a strong signal to the States that they should move toward

fully serving all of the developmentally disabled.

I would like to share with my colleagues the testimony of Ms. Eileen Cubarney of Allison Park, PA, in which she poignantly and convincingly discusses the need for strong State programs.

### TESTIMONY PRESENTED BY EILEEN CUBARNEY

[On behalf of the National Society for Children and Adults With Autism, National Organization for Rare Disorders, Inc., Disability Rights Education and Defense Fund, United Cerebral Palsy Associations, Inc., National Spinal Cord Injury Association, National Network for Parent Centers, Spina Bifida Association of America, Epilepsy Foundation of America, Tourette Syndrome Association]

My name is Eileen Cubarney. I am the mother of six children. I have been engaged in advocacy on behalf of children and adults with disabilities for over twenty-five years. I am speaking today on behalf of United Cerebral Palsy Associations, Inc., Epilepsy Foundation of America, and seven other national organizations on behalf of individuals with the most severe disabilities. We share a common vision of an American society that provides opportunities for school age children with severe disabilities to be educated in public schools in a way that promotes interaction with their nonhandicapped peers; for adults with severe impairments to be employed in diverse settings earning a competitive wage; and for all children and adults with severe disabilities to live at home and in their home communities enjoying the benefits of friendship and continuing personal relationships.

My remarks today will be to paint for you a portrait of an American family: My family. The portrait is typical of thousands of families across the country who have sons and daughters with substantial functional limitations as defined in the Developmental Disabilities Act.

My testimony will describe the barriers we face as families seeking adequate and appropriate supports to enable our sons and daughters to learn, live, and work in their home communities.

My son David is twenty-one years old. He has a diagnosis of cerebral palsy and is further labelled as having quadraplegia. He can talk but he cannot walk, feed himself, dress himself or attend to his bodily fuctions.

He has average to above average intelligence. Had we listened to the professionals when he was a baby and placed David in an institution our family would have been financially solvent today. Instead we chose to raise David at home and learn first hand about the struggles to earn his right to citizenship.

Our family has had only four vacations in eighteen years. Although Pennsylvania has a very large program of family support and respite services, David did not have the right label to access the system. We chose not to try and find a clinician who would relabel David as "mentally retarded" to access these services. To do so was too much of a compromise of his dignity and our integrity.

We paid for his therapies in his infant years and he attended the UCP nursery school which was funded by donations from the Elks Club. At age five he attended a private school for which the public school paid a per diem and we paid the rest of the tuition which exceeded the mortgage payment on our home.

At age thirteen with David's and our rights articulated in P.L. 94-142, the Education for all Handicapped Children's Act of 1975, and with the ongoing assistance and support of Congressman Walgren and his staff in Pittsburgh and an attorney whom we paid, we filed and won both a due process and a civil rights suit against the school district in order to have David removed from "special school" where he learned almost nothing and sent to a regular school with children of his own age who were not handicapped. David was the first student with quadraplegia to be "mainstreamed" in our community.

We won, but the school was so unprepared to meet his needs that they wanted to offer him a janitorial training program. With the help of local UCP staff and appropriate education plan was developed. For the past two years, as the result of another fight, David receives his education two days a week at the Independent Living Center where he is learning how to direct his own life and how to manage his attendant. He began receiving attendant services in 1985 as a result of Pennsylvania's pilot program in this area.

The attendant services have changed our family's role from that of David's constant caregivers to mother, father, brother and sister. This service has allowed me the opportunity to go to work for the first time in over twenty years and assist my husband's modest income in supporting our four children in college.

I am employed in the rehabilitation technology center at the Rehabilitation Institute of Pittsburgh. I see everyday what can be and is being achieved through technology for people like David and countless others with severe functional limitations with and without mental impairments. Yet how many individuals go without, go begging or are denied access to these and other necessary support services because their state has not yet chosen to put in place a service delivery system for all persons with developmental disabilities?

The individuals who fall under the umbrella term "developmentally disabled" are not a homogeneous group in terms of service needs.

I am here today representing over one million individuals who meet the definition of developmental disabilities but whose primary impairment is not a mental one. I call to your attention that the intent of the law is not being met consistently in all 50 states. . . . "to assist states to (A) assure that persons with developmental disabilities receive the care, treatment, and other services necessary to enable them to achieve their maximum potential through independence, productivity, and integration into the community. . . ." The original intent of Congress in 1963 was to develop services to meet the needs of people with mental retardation. In 1970 and 1975, this intent was extended to people with other disabilities with similar service needs. And in 1978, the language was modified to assure that just persons with the most substantial disabilities received services.

The federal definition was purely categorical in 1970 (P.L. 91-517) and later evolved to a mixed categorical and functional one in 1975 (P.L. 94-103) which still had a reference to mental retardation . . . "results in similar impairment of general intellectual functioning or adaptive behavior to that of mentally retarded persons or requires treatment and services similar to those required for such persons." In 1976, the Secretary of H.E.W. awarded a contract and appointed a task force to study the confusion and different interpretations in operationalizing the mixed definition. The task force recommended a functional approach to the definition—a non categorical definition which emphasized the complexity, pervasiveness, and substantiality of the disability condition(s). The proposed definition was included in the 1978 Act (P.L. 95-602) and continues today. The major differences in this definition from the 1975 Act are:

No specific diagnostic categories or labels are used other than "mental and physical impairment";

The age limit for onset of the disability was raised from 18 to 22; and

The necessity of a substantial functional limitation in three or more areas of major life activity.

### IMPACT OF CURRENT DEFINITION

The current definition excludes persons with mild disabilities, and, by eliminating categories makes it possible for persons with a wide range of diagnostic labels such as spina bifida, spinal cord injury, muscular dystrophy, multiple sclerosis, cystic fibrosis, Tourette Syndrome, and others to be included in the definition along with many persons from the more traditional diagnostic categories of mental retardation, cerebral palsy, epilepsy, and autism, including many persons with multiple mental and physical impairments. In fact, most prevalence estimates suggest that 1 to 1½ million of the three million people classified as "developmentally disabled" are persons without mental impairments.

Though the disabilities are different, the common elements are that the origin of their disability was in the developmental period, that the individuals will need ongoing—possibly lifelong—support services and that goal of these services should be to increase independence, productivity, and community intergration as stated in the 1984 Act (P.L. 98-527).

The definition adopted nearly ten years ago has had an impact on states but not nearly what some of us expected. Over 20 states still have a state agency which has an exclusive responsibility to persons with mental retardation.

In 1985, New Jersey was the first and only state to adopt the federal functional definition in state statute. The remaining states have adopted a variety of mixed categorical and functional definitions, many with a strong mental impairment overlay. In my home state of Pennsylvania our Developmental Disabilities Council has just this year committed some resources over the next three years to develop a plan for a coordinated comprehensive service system for all persons with developmental disabilities. This decision has come about after five years of having a stated goal in the plan with no resources! Currently our single state agency is the Office of Mental Retardation in the Department of Public Welfare.

For more than eighty years, professionals have used an approach that focuses on individual deficits as the means of deciding whether a person was eligible for available services. The functional nature of the developmental disabilities definition should force a change in determining eligibility to a focus on the interaction between a person and his/her environment rather than focusing on deficits seen to be in the person.

### CHANGING SERVICE PATTERNS

Changes in the boundaries of eligibility for services which result from adoption and implementation of the current definition

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will, in all likelihood, mean that the "newly eligible" people will require even more varied levels and types of supports. This means that past patterns of service delivery will not be able to adequately accommodate these differing demands. New service patterns will have to be developed, some old patterns abandoned, and agencies will of necessity learn to become more flexible in their dealing with individuals receiving services.

For example, in the area of community living, the preferred model of support service for someone with substantial functional limitations without a mental impairment is the person's own home or home with a roommate and a personal attendant hired and managed by the individual rather than *placement* in an "eight-bed" group home or other facility.

In the emerging area of supported employment, ongoing support for persons with developmental disabilities who are not mentally impaired will include a variety of services including transportation, physical, speech, and occupational therapies, medications, and applied technology rather than a job coach.

From these two illustrative examples, I trust you can see that the actual delivery of support services for the divergent population I represent today encompasses the same concepts but far different implementation strategies than for persons with developmental disabilities and mental impairment. This is what we urge you to require the Developmental Disabilities Councils to do more of—to assure the services required to support all persons with developmental disabilities, regardless of categorical diagnosis, be planned, demonstrated, and assured throughout the land.

### Conclusion:

We have come a long way, but we believe it is now time to reconcile federal intent with state policy. As Dr. Elizabeth Boggs, a national expert on developmental disabilities, stated upon New Jersey's adoption of the federal definition into state statute in 1985, "We have had a non-accessing population of people—specifically, young adults with severe physical disabilities—who have had nowhere to go for assistance in putting it all together. These people really deserve to have an agency that can work for them . . ."

I urge you to: (1) reaffirm that State Councils be involved in the system reform necessary within their respective states so that each state adopt the federal definition in a timely manner and (2) assure that each of the states meet the intent of the law by assigning the most appropriate agencies to be responsible and accountable to provide access to the full range of support services for individuals with developmental disabilities without mental impairments. Until that time, the promise of the Act will remain unfulfilled. Over one million citizens will continue to be more dependent than necessary on our resources and robbed of their human dignity and opportunity to contribute to community life.

Mr. WAXMAN. Mr. Speaker, the committee amendment to the legislation eases the administrative requirements on States which receive formula grant funds. Under current law, the authority of many States to support programs for the developmentally disabled are limited to statutorily specified Federal priority areas. A limited number of States are eligible to use block grant funds designated for Federal priorities for so-called optional services. The committee amendment would allow all States the authority to allocate funds to these optional services. In addition, the amendment lifts the current restriction on the number of Federal priority services that could receive formula grant funds.

In addition, the amendment requires States to prepare a report on the extent to which they are currently meeting the needs of persons with developmental disabilities. Mr. Speaker, on this point I want to note and commend the contribution of Mr. WALGREN, an active member of our subcommittee, to this legislation. The committee amendment contains provisions to address in part concerns presented to the subcommittee by his constituent, Mrs. Eileen Cubarney, on behalf of the Cerebral Palsy Foundation. Mrs. Cubarney testified earlier this year to the inadequate level of services available under State law to her physically disabled son. Although her son is developmentally disabled under the Federal definition of the Developmental Disabilities Assistance and Bill of Rights Act, because his disability is physical rather than emotional, he is not eligible for many support services under Pennsylvania law.

The committee was concerned by reports that States have been slow to provide adequate community and support services to individuals who are intellectually capable but physically disabled. The committee amendment requires States to begin a planning process which may lead to expanding eligibility to all persons in the State with developmental disabilities—regardless of whether the disability is of mental or physical origin. This is a serious problem and I appreciate the gentleman from Pennsylvania brining it to our attention.

Mr. Speaker, I urge support for the legislation.

Mr. LENT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BRUCE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. BRUCE] that the House suspend the rules and pass the bill, H.R. 1817, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. BRUCE. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce and the Committee on Education and Labor be discharged from further consideration of the Senate bill (S. 1417) to revise and extend the Developmental Disabilities Assistance and Bill of Rights Act, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1417

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987".

REFERENCE

Sec. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Developmental Disabilities Assistance and Bill of Rights Act.

## TITLE I—GENERAL PROVISIONS

### FINDINGS AND PURPOSES

Sec. 101. Section 101 is amended to read as follows:

"FINDINGS AND PURPOSES

"Sec. 101. (a) The Congress finds that—

"(1) there are more than two million persons with developmental disabilities in the United States;

"(2) persons whose disabilities occur during their developmental period frequently have severe disabilities which are likely to continue indefinitely;

"(3) notwithstanding their severe disabilities, these persons have capabilities, competencies, and personal needs and preferences;

"(4) family and members of the community can play a central role in enhancing the lives of persons with developmental disabilities, especially when the family is provided with necessary support services;

"(5) persons with developmental disabilities and their families often require specialized lifelong assistance to be provided in a coordinated manner by many agencies and others in order to eliminate barriers for such persons and to meet the needs of such persons;

"(6) generic service agencies and agencies providing specialized services to persons with disabilities sometimes overlook, inappropriately meet the needs of, or exclude persons with developmental disabilities in their planning and delivery of services;

"(7) public and private employers tend to be unaware of the capability of persons with developmental disabilities to be engaged in competitive work in integrated settings; and

"(8) it is in the national interest to offer persons with developmental disabilities the opportunity, to the maximum extent feasible, to make decisions for themselves and to live in typical homes and communities where they can exercise their full rights and responsibilities as citizens.

"(b) The purposes of this title are—

"(1) to provide assistance to States and public and private nonprofit agencies and organizations to assure that all persons with developmental disabilities receive the services and other assistance and opportunities necessary to enable such persons to achieve their maximum potential through increased independence, productivity, and integration into the community;

"(2) to enhance the role of the family in assisting persons with developmental disabilities to achieve their maximum potential; and

"(3) to ensure the protection of the legal and human rights of persons with developmental disabilities.".

### DEFINITIONS

Sec. 102. Section 102 is amended—

(1) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) The term 'nonprofit' has the same meaning as in section 102(4) of the Older Americans Act of 1965.";

(2) by redesignating paragraph (4) as paragraph (3);

(3) by striking out paragraph (5);

(4) by redesignating paragraphs (6), (7), (8), and (9) as paragraphs (4), (5), (6), and (7), respectively;

(5) by redesignating paragraph (10) as paragraph (8), and in such paragraph, by striking out "nonhandicapped" each place it appears and inserting in lieu thereof "nondisabled";

(6) by striking out paragraph (11);

(7) by redesignating paragraphs (12), (13), (14), and (15) as paragraphs (18), (19), (20), and (21), respectively;

(8) by inserting after paragraph (8) (as redesignated by clause (5) of this section) the following new paragraphs:

"(9)(A) The term 'specialized services or special adaptations of generic services' has the meaning described in subparagraphs (B), (C), (D), (E), and (F) with respect to the activities described in each such subparagraph.

"(B) With respect to case management activities, the term 'specialized services or special adaptations of generic services' includes—

"(i) participation in the development of a comprehensive individualized habilitation plan under section 123;

"(ii) referral to, and coordination of, social, health, educational, support, and other services as identified in such individualized habilitation plan;

"(iii) monitoring to ensure the access, by the person with developmental disabilities and the family of such person, to appropriate services and to determine progress in meeting goals and objectives specified in such individualized habilitation plan; and

"(iv) the provision of assistance to a person with developmental disabilities to enable such person to obtain access to all services to which such person is entitled, and to effect changes in the service delivery system that will result in increased access to services for such person.

"(C) With respect to child development activities, the term 'specialized services or special adaptations of generic services' includes early intervention services.

"(D) With respect to community living activities, the term 'specialized services or special adaptations of generic services' includes—

"(i) in-home services, such as personal aides and attendants and other domestic assistance and supportive services;

"(ii) special living arrangements;

"(iii) group living services;

"(iv) recreation, socialization, and leisure time services;

"(v) nonvocational social development services; and

"(vi) placement and continuing support services.

"(E) With respect to employment activities, the term 'specialized services or special adaptations of generic services' includes—

"(i) services such as employment preparation and training leading to supported employment;

"(ii) follow-along services;

"(iii) incentive programs for employers who hire persons with developmental disabilities;

"(iv) services to assist transition from special education to employment;

"(v) services to assist transition from sheltered work settings to supported employment and nonsupported employment in integrated work settings; and

"(vi) job placement services.

"(F) With respect to activities which are within two or more Federal priority areas or activities which are within a State priority area, the term 'specialized services or special adaptations of generic services' includes—

"(i) outreach and identification activities;

"(ii) diagnosis, assessment, and periodic reassessment to determine each person's goals, strengths, functional limitations, and needs for specific services and other assistance;

"(iii) information and referral services;

"(iv) treatment;

"(v) family support services;

"(vi) respite care;

"(vii) foster care;

"(viii) day care;

"(ix) assistive technology;

"(x) counseling of a person with developmental disabilities and the family of such person;

"(xi) transportation services necessary to assure access to services for persons with developmental disabilities;

"(xii) protective and other social and sociolegal services;

"(xiii) education and training of personnel, persons with developmental disabilities, and family members of such persons; and

"(xiv) services to promote and coordinate activities to prevent developmental disabilities.

"(10) The term 'priority area activities' includes, with respect to Federal priority areas or a State priority area—

"(A) activities to increase the capacities and resources of public and private nonprofit entities and others to develop a system for providing specialized services or special adaptations of generic services or other assistance which responds to the needs and capabilities of persons with developmental disabilities and their families and to enhance coordination among entities;

"(B) the—

"(i) conduct of studies and analyses;

"(ii) gathering of information;

"(iii) development of model policies, and procedures; and

"(iv) presentation of information, models, findings, conclusions, and recommendations to policymakers,

in order to enhance opportunities for persons with developmental disabilities, including the enhancement of a system for providing or making available specialized services or special adaptations of generic services for persons with developmental disabilities;

"(C) the demonstration of new ways to enhance the independence, productivity, and integration into the community of persons with developmental disabilities, such as model demonstrations which, if successful, will be made generally applicable through sources of funding other than funding under this title, including new ways to enhance specialized services or special adaptations of generic services for persons with developmental disabilities;

"(D) outreach activities for persons with developmental disabilities to enable such persons to obtain assistance in the area, including access to specialized services or special adaptations of generic services for persons with developmental disabilities;

"(E) the training of persons with developmental disabilities, family members of such persons, and personnel, including professionals, paraprofessionals, students, and volunteers, to obtain access to, or to provide, services and other assistance in the area, including specialized services or special adaptations of generic services for persons with developmental disabilities; and

"(F) similar activities designed to prevent developmental disabilities from occurring or to expand and enhance the independence, productivity and integration into the community of persons with developmental disabilities through the State on a comprehensive basis.

"(11) The term 'Federal priority areas' means community living activities, employment activities, child development activities, and case management activities.

"(12) The term 'State priority area' includes, at the discretion of the State Planning Council, priority area activities in two or more Federal priority areas or priority area activities in an area in the State considered essential by the State Planning Council.

"(13) The term 'community living activities' means such priority area activities as will assist persons with developmental disabilities in developing or maintaining suitable residential arrangements and supports in the community (including nonfinancial supports).

"(14) The term 'employment activities' means such priority area activities as will increase the independence, productivity, or integration of a person with developmental disabilities in work settings.

"(15) The term 'supported employment' means competitive work in integrated work settings—

"(A) for persons with developmental disabilities for whom competitive employment has not traditionally occurred; or

"(B) for persons for whom competitive employment has been interrupted or intermittent as a result of a developmental disability, and who because of their disability need on-going support services to perform such work.

"(16) The term 'child development activities' means such priority area activities as will assist in the prevention, identification, and alleviation of developmental disabilities in children, including early intervention services.

"(17) The term 'case management activities' means priority area activities to establish a potentially life-long, goal-oriented process for coordinating the range of assistance needed by persons with developmental disabilities and their families, which is designed to ensure accessibility, continuity of supports and services, and accountability and to ensure that the maximum potential of persons with developmental disabilities for independence, productivity, and integration into the community is attained.";

(9) by striking out "facility or facilities" in subparagraph (A)(ii) of paragraph (18) (as redesignated by clause (7) of this section) and inserting in lieu thereof "program or programs";

(10) by striking out "facilities" each place it appears in such paragraph and inserting in lieu thereof "programs";

(11) by striking out "facility" the first place it appears in paragraph (19) (as redesignated by clause (7) of this section) and inserting in lieu thereof "program";

(12) by striking out "public or nonprofit facility" in such paragraph and inserting in lieu thereof "program operated by a public or nonprofit private entity";

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(13) by inserting ", including parents of persons with developmental disabilities, professionals, paraprofessionals, students, and volunteers," before "which is" in subparagraph (A) of such paragraph;

(14) by striking out "the facility" in such subparagraph and inserting in lieu thereof "a facility"; and

(15) by adding at the end thereof the following new paragraphs:

"(22) The term 'family support services' means services designed to—

"(A) strengthen the family's role as primary caregivers (including the role of the elderly parent);

"(B) prevent inappropriate out of the home placement and maintain family unity; and

"(C) reunite families with members who have been placed out of the home.

Such term includes respite care, personal care, parent training and counseling, and other individualized services.

"(23) The term 'assistive technology' means the systematic application of technology, engineering methodologies, or scientific principles to meet the needs of, and address the barriers confronted by, persons with developmental disabilities in areas including education, employment, supported employment, transportation, and independent living and other community living arrangements.

"(24) The term 'early intervention services' has the meaning given to such term by section 672(2) of the Education of the Handicapped Act.".

### REPORTS

Sec. 103. (a) Section 107(a) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(4) a review and description of any action taken by the State with respect to each annual survey report and plan of corrections for cited deficiencies prepared pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in such State and a description of the State Planning Council's response to such actions, reports, and plans; and

"(5) a description of the progress made in the State in, and any identifiable trends concerning, the setting of priorities for, policy reform concerning, and advocacy for, persons with developmental disabilities which are attributable to physical impairment, mental impairment, or a combination of physical and mental impairments, including any other subpopulation of persons with developmental disabilities (including minorities) that the State Planning Council may identify under sections 122(b)(3) and 122(f).".

(b) Section 107(c)(1) is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new subparagraphs:

"(C) the progress made by States in, and any identifiable trends concerning, the setting of priorities for, policy reform concerning, and advocacy for, persons with developmental disabilities attributable to physical impairment, mental impairment, or a combination of physical and mental impairments, including any other subpopulation of persons with developmental disabilities (including minorities) that the State Planning Council may identify under sections 122(b)(3) and 122(f);

"(D) the Federal fiscal and policy barriers to addressing the needs of persons with developmental disabilities attributable to physical impairments, mental impairments, or a combination of mental and physical impairments; and

"(E) the number of meetings held by the interagency committee established under section 108(b) during the period for which the report is made, which agencies were represented at each such meeting, the name and title of each individual attending such meeting, and the accomplishments of the interagency committee in comparison to the goals and objectives of such committee.".

## TITLE II—STATE ASSISTANCE PROGRAM

### PURPOSE

Sec. 201. (a) Section 121 is amended to read as follows:

"PURPOSE

"Sec. 121. The purpose of this part is to provide payments to States to assist in the development of a comprehensive system and a coordinated array of services and other assistance for persons with developmental disabilities through the conduct of, and appropriate planning and coordination of, administrative activities, Federal priority activities, and a State priority activity, in order to support persons with developmental disabilities to achieve their maximum potential through increased independence, productivity, and integration into the community.".

(b) The heading for part B is amended by striking out "And Service" and inserting in lieu thereof "Priority Area".

### STATE PLAN REQUIREMENTS

Sec. 202. (a) Section 122(b) is amended by striking out "for the provision of services for persons with developmental disabilities" in the matter preceding paragraph (1).

(b)(1)(A) Section 122(b)(1) is amended—

(i) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) The plan must provide for the establishment of a State Planning Council in accordance with section 124.";

(ii) by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) The plan must designate the State agency which shall administer or supervise the administration of the State plan (hereafter in this part referred to as the 'designated State agency'). Except as provided in subsection (e), the designated State agency may be—

"(i) the State Planning Council required under subparagraph (A) if such Council may be the designated State agency under the laws of the State;

"(ii) a State agency that does not provide or pay for services made available to persons with developmental disabilities; or

"(iii) a State office, including the immediate office of the Governor of the State or a State planning office."; and

(iii) by striking out "each" in subparagraph (C) and inserting in lieu thereof "the".

(B) Section 122 is amended by adding at the end thereof the following new subsection:

"(e)(1) If a State agency that provides or pays for services for persons with developmental disabilities was the designated State agency for purposes of this part on the date of enactment of the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987 and the Governor of the State determines, before June 30, 1988, not to change the designation of such agency, such agency may continue to be a designated State agency for purposes of this part.

"(2) The determination of the Governor of a State under paragraph (1) shall be at the discretion of the Governor and shall be made by the Governor after the Governor has considered the comments of the general public and the nonagency members of the State Planning Council with respect to the designation of such State agency and after the Governor has made an independent assessment of the impact the designation of such agency has on the ability of the State Planning Council to serve as an advocate for persons with developmental disabilities.

"(3) If the Governor of a State determines not to retain the designation of a designated State agency in effect on the date of enactment of the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987, the Governor shall, by October 1, 1990, redesignate such agency in accordance with the requirements of subsection (b)(1)(B).

"(4) After the date of enactment of the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987, any redesignation of a designated State agency shall be made in accordance with the requirements of subsection (b)(1)(B)."

(2) Section 122(b)(2) is amended—

(A) by inserting a comma and "activities," after "programs" in subparagraph (A);

(B) by striking out clause (i) of subparagraph (C) and inserting in lieu thereof "(i) the extent and scope of services being provided, or to be provided, to persons with developmental disabilities under such other State plans for federally assisted State programs as the State conducts and for which persons with developmental disabilities are eligible to participate, including programs relating to education, job training, public assistance, medical assistance, social services, maternal and child health, aging, programs for children with special health care needs, housing, and comprehensive health and mental health, and other such other plans as the Secretary may specify, and"; and

(C) by striking out "priority services being or to be provided" in subparagraph (D) and inserting in lieu thereof "Federal and State priority areas which are addressed or which will be addressed".

(3) Section 122 (as amended by paragraph (1)(B) of this subsection) is further amended—

(A) by redesignating paragraphs (3) through (7) of subsection (b) as paragraphs (4) through (8), respectively;

(B) by inserting after paragraph (2) of such subsection the following new paragraph:

"(3) The plan must describe a process and timetable for the completion, by April 1, 1990, by the State Planning Council in the State, of the reviews, analyses, and final report described in subsection (f)."; and

(C) by adding at the end thereof the following new subsection:

"(f)(1) Each State Planning Council shall conduct a comprehensive review and analysis of the eligibility for services provided, and the extent, scope, and effectiveness of, services provided and functions performed by, all State agencies (including agencies which provide public assistance) which impact or which potentially impact on the ability of persons with developmental disabilities to achieve the goals of independence, productivity, and integration into the community, including persons with developmental disabilities attributable to physical impairment, mental impairment, or a combination of physical and mental impairments.

"(2) Each State Planning Council shall conduct a review and analysis of the effectiveness of, and consumer satisfaction with, the functions performed by, and services provided or paid for from Federal and State funds by, each of the State agencies (including agencies providing public assistance) responsible for performing functions for, and providing services to, all persons with developmental disabilities in the State. Such review and analysis shall be based upon a survey of a representative sample of persons with developmental disabilities receiving services from each such agency and their families, if appropriate.

"(3) Each State Planning Council shall convene public forums, after the provision of notice within the State, in order to—

"(A) present the findings of the reviews and analyses prepared under paragraphs (1) and (2);

"(B) obtain comments from all interested persons in the State regarding the unserved and underserved populations of persons with developmental disabilities which result from physical impairment, mental impairment, or a combination of physical and mental impairments; and

"(C) prepare recommendations on how to remove barriers to services for persons with developmental disabilities and to connect such services to existing State agencies by recommending the designation of one or more State agencies, as appropriate, to be responsible for the provision and coordination of such services.

"(4) By April 1, 1990, each State Planning Council shall prepare and transmit to the Governor of the State and the legislature of the State a final written report concerning the review and analyses conducted under paragraphs (1) and (2). The report shall contain recommendations by the State Planning Council concerning—

"(A) the most appropriate agency or agencies of the State to be designated as responsible for the provision and coordination of services for persons with developmental disabilities who are traditionally underserved, such as persons with developmental disabilities attributable to physical impairment, persons with developmental disabilities attributable to dual mental impairments, and persons with developmental disabilities attributable to a combination of physical and mental impairments, and such other subpopulations of persons with developmental disabilities (including minorities) as the State Planning Council may identify; and

"(B) the steps to be taken to include the data and recommendations obtained, through the conduct of the reviews and analyses under paragraphs (1) and (2) and the preparation of the report required by this paragraph, in the State Planning Council's ongoing advocacy, public policy, and model service demonstration activities.

"(5) By April 15, 1990, the Governor of each State shall submit to the Secretary a copy of the report required by paragraph (4). By September 30, 1990, the Secretary shall transmit a summary of such reports to the appropriate committees of the Congress.".

(4) Section 122(b)(4) (as redesignated by paragraph (3)(A) of this subsection) is amended—

(A) by striking out "strengthening services for" in subparagraph (A) and inserting in lieu thereof "enhancing the independence, productivity, and integration into the community of"; and

(B) by striking out "or agencies" each place it appears in subparagraph (C).

(5) Section 122(b)(5) (as redesignated by paragraph (3)(A) of this subsection) is amended—

(A) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) The plan must provide for the examination, not less often than once every three years, of the provision, and the need for the provision, in the State of the four Federal priority areas and the State priority area. Such examination shall take into account the reviews and analyses conducted, and the report prepared, under subsection (f), and shall, at a minimum, include—

"(i) an analysis of such priority areas in relation to limited support or lack of support for persons with developmental disabilities attributable to physical impairment, persons with developmental disabilities attributable to mental impairment, and persons with developmental disabilities attributable to a combination of physical and mental impairments;

"(ii) an analysis of criteria for eligibility for services that may be causing persons with developmental disabilities to be excluded from receiving such services;

"(iii) an analysis of services, technology, or knowledge which may be unavailable to assist persons with developmental disabilities;

"(iv) an analysis of existing and projected fiscal resources;

"(v) an analysis of any other issues identified by the State Planning Council; and

"(vi) the formulation of objectives in both policy reform and service demonstration to address the issues described in clauses (i) through (v) for all subpopulations of persons with developmental disabilities which may be identified by the State Planning Council.";

(B) by striking out subparagraphs (B), (C), and (D);

(C) by redesignating subparagraphs (E) and (F) as subparagraphs (B) and (C), respectively;

(D) by striking out "service activities in the priority services" in clause (i) of subparagraph (B) (as redesignated by clause (C) of this paragraph) and inserting in lieu thereof "activities in the Federal priority area of employment activities, and, at the discretion of the State, activities in the three other Federal priority areas and a State priority area, the conduct of the analyses specified in clauses (i) through (v) of subparagraph (A), and the implementation of paragraph (3) and subsection (f)";

(E) by striking out "service activities for persons with developmental disabilities, and" in clause (ii) of such subparagraph;

(F) by inserting "priority area activities for" after "administration of" in such clause; and

(G) by striking out "the provision of such services" in such clause and inserting in lieu thereof "persons with developmental disabilities".

(5) Section 122(b)(6) (as redesignated by paragraph (3)(A) of this subsection) is amended—

(A) by striking out "services furnished" in clause (i) of subparagraph (A) and inserting in lieu thereof "programs";

(B) by striking out "furnished" in such clause and inserting in lieu thereof "operated"; and

(C) by striking out "delivery of services" in clause (ii) of such subparagraph and inserting in lieu thereof "programs".

### HABILITATION PLANS

Sec. 203. (a) Section 123(b) is amended—

(1) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The plan shall be developed jointly by (A) the person for whom the plan is established, (B) where appropriate, such person's parent or guardian or other representative, and (C) a representative or representatives of the program primarily responsible for delivering or coordinating the delivery of services to the person for whom the plan is established."; and

(2) by striking out "program coordinator who will be responsible for" in paragraph (3)(C) and inserting in lieu thereof "case manager who will be responsible for coordinating".

(b) Section 123(c) is amended to read as follows:

"(c) Each habilitation plan shall be reviewed, and where necessary, revised, at least annually by the person for whom the plan is established and the person's parents or guardian or other representative and the agency primarily responsible for the delivery of services to the person for whom the plan was established or each agency responsible for the coordination of the delivery of services to such person.".

### STATE PLANNING COUNCILS

Sec. 204. Section 124 is amended—

(1) by redesignating subsection (b) as subsection (d) and, in paragraph (1) of such subsection—

(A) by striking out "or agencies"; and

(B) by striking out ", including the specification of services under section 122(b)(4)(B)"; and

(2) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Each State which receives assistance under this part shall establish a State Planning Council which will serve as an advocate for all persons with developmental disabilities.

"(b)(1) The members of the State Planning Council of a State shall be appointed by the Governor of the State from among the residents of that State.

"(2) The Governor of each State shall make appropriate provisions for the rotation of membership on the State Planning Council.

"(3) Each State Planning Council shall at all times include in its membership representatives of the principal State agencies (including the State agency that administers funds provided under the Rehabilitation Act of 1973, the State agency that administers funds provided under the Education of the Handicapped Act, the State agency that administers funds provided under the Older Americans Act of 1965, and the State agency that administers funds provided under title XIX of the Social Security Act for persons with developmental disabilities), higher education training facilities, each university affiliated program or satellite center in the State, the State protection and advocacy system established under section 142, local agencies, and nongovernmental agencies and private nonprofit groups concerned with services for persons with developmental disabilities in that State.

"(4) At least one-half of the membership of each State Planning Council shall consist of persons who—

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"(A) are persons with developmental disabilities;

"(B) are parents or guardians of such persons; or

"(C) are immediate relatives or guardians of persons with mentally impairing developmental disabilities,

and who are not employees of a State agency which receives funds or provides services under this part, who are not managing employees (as defined in section 1126(b) of the Social Security Act) of any other entity which receives funds or provides services under this part, and who are not persons with an ownership or control interest (within the meaning of section 1124(a)(3) of the Social Security Act) with respect to such an entity.

"(5) Of the members of the State Planning Council described in paragraph (4)—

"(A) at least one-third shall be persons with developmental disabilities; and

"(B)(i) at least one-third shall be individuals described in subparagraph (C) of paragraph (4), and (ii) at least one of such individuals shall be an immediate relative or guardian of an institutionalized or previously institutionalized person with a developmental disability.

"(c)(1) Each State Planning Council may prepare and approve a budget using amounts paid to the State under this part to hire such staff and obtain the services of such professional, technical, and clerical personnel consistent with State law as the State Planning Council determines to be necessary to carry out its functions under this part.

"(2) The staff and other personnel of a State Planning Council, while working for the State Planning Council, shall be responsible solely for assisting the State Planning Council in carrying out its duties under this part and shall not be assigned duties by the designated State agency or any other agency or office of the State.".

### STATE ALLOTMENTS

Sec. 205. (a) Section 125(a) is amended—

(1) by striking out "$100,000" in clause (i) of paragraph (3)(A) and inserting in lieu thereof "$160,000";

(2) by striking out "$250,000" in clause (ii) of such paragraph and inserting in lieu thereof "$300,000";

(3) by striking out "$47,000,000" in paragraph (4) and inserting in lieu thereof "$60,000,000";

(4) by striking out "$160,000" in subparagraph (A) of such paragraph and inserting in lieu thereof "$200,000";

(5) by striking out "$300,000" in subparagraph (B) of such paragraph and inserting in lieu thereof "$350,000"; and

(6) by adding at the end thereof the following new paragraph:

"(6) In any case in which the total amount appropriated under section 130 for a fiscal year exceeds the total amount appropriated under such section for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 100(c)(1) of the Rehabilitation Act of 1973, the Secretary may increase each of the minimum allotments under paragraphs (3) and (4) by an amount which bears the same ratio to the amount of such minimum allotment (including any increases in such minimum allotment under this paragraph for prior fiscal years) as the amount which is equal to the difference between—

"(A) the total amount appropriated under section 130 for the fiscal year for which the increase in minimum allotment is being made, minus

"(B) the total amount appropriated under section 130 for the immediately preceding fiscal year,

bears to the total amount appropriated under section 130 for such preceding fiscal year.".

(b) Section 125(b) is amended to read as follows:

"(b) In any case in which a State does not expend by the end of a fiscal year the total amount of its allotment under this section for such fiscal year, the State may expend not more than 20 percent of such total amount during the fiscal year immediately succeeding such fiscal year. Any amounts expended from such allotment during such succeeding fiscal year shall be expended in accordance with the requirements of this part and the State plan submitted under this part.".

### WITHHOLDING

Sec. 207. Section 127 is amended—

(1) by striking out "or" at the end of clause (1);

(2) by striking out the comma at the end of clause (2) and inserting in lieu thereof a semicolon and "or";

(3) by inserting after clause (2) the following new clause:

"(3) there is a failure to implement the State plan or the regulations of the Secretary which are applicable to this part,";

(4) by inserting ", with respect to a violation of clause (1) or clause (2) of this section," before "further payments" the first place it appears; and

(5) by striking out "such failure" the first place it appears and inserting in lieu thereof "a failure to comply with clause (3) of this section".

### AUTHORIZATION OF APPROPRIATIONS

Sec. 208. Section 130 is amended to read as follows:

### "AUTHORIZATION OF APPROPRIATIONS

"Sec. 130. For allotments under section 125, there are authorized to be appropriated $62,200,000 for fiscal year 1988, $69,900,000 for fiscal year 1989, and $77,400,000 for fiscal year 1990.".

## TITLE III—PROTECTION AND ADVOCACY

### REQUIREMENTS FOR SYSTEM

Sec. 301. (a) Section 142(a)(2) is amended—

(1) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (E), (F), and (G), respectively;

(2) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) have the authority to—

"(i) pursue legal, administrative, and other appropriate remedies or approaches to ensure the protection of, and advocacy for, the rights of such persons within the State who are or who may be eligible for treatment, services, or habilitation, or who are being considered for a change in living arrangements, with particular attention to members of minority groups; and

"(ii) provide information on and referral to programs and services addressing the needs of persons with developmental disabilities;

"(B) have the authority to investigate incidents of abuse and neglect of persons with developmental disabilities if the incidents are reported to the system or if there is probable cause to believe that the incidents occurred;

"(C) on an annual basis, provide the public with an opportunity to comment on priorities established by, and activities of, the system;

"(D) establish a grievance procedure for clients or prospective clients of the system to assure that persons with developmental disabilities have full access to services of the system;"; and

(3) by striking out subparagraph (G) (as redesignated by clause (1) of this subsection) and inserting in lieu thereof the following:

"(G) have access to all records of—

"(i) any person with developmental disabilities who is a client of the system if such person, or the legal guardian, conservator, or other legal representative of such person, has authorized the system to have such access; and

"(ii) any person with developmental disabilities—

"(I) who, by reason of the mental or physical condition of such person, is unable to authorize the system to have such access;

"(II) who does not have a legal guardian, conservator, or other legal representative, or for whom the legal guardian is the State; and

"(III) with respect to whom a complaint has been received by the system or with respect to whom there is probable cause to believe that such person has been subject to abuse or neglect;".

(b) Section 142(c) is amended—

(1) by striking out "$11,000,000" in subparagraph (A) of paragraph (1) and inserting in lieu thereof "$20,000,000";

(2) by striking out "$80,000" in clause (i) of such subparagraph and inserting in lieu thereof "$107,000";

(3) by striking out "$150,000" in clause (ii) of such subparagraph and inserting in lieu thereof "$200,000";

(4) by striking out "$11,000,000" in subparagraph (B) of such paragraph and inserting in lieu thereof "$20,000,000";

(5) by striking out "$50,000" in such subparagraph and inserting in lieu thereof "$150,000, and the allotment of each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands for such fiscal year shall not be less than $80,000";

(6) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(7) by inserting after paragraph (1) the following new paragraph:

"(2) In any case in which the total amount appropriated under section 143 for a fiscal year exceeds the total amount appropriated under such section for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 100(c)(1) of the Rehabilitation Act of 1973, the Secretary may increase each of the minimum allotments under subparagraphs (A) and (B) of paragraph (1) by an amount which bears the same ratio to the amount of such minimum allotment (including any increases in such minimum allotment under this paragraph for prior fiscal years) as the amount which is equal to the difference between—

"(A) the total amount appropriated under section 143 for the fiscal year for which the increase in minimum allotment is being made, minus

"(B) the total amount appropriated under section 143 for the immediately preceding fiscal year,

bears to the total amount appropriated under section 143 for such preceding fiscal year.".

(c) Section 142 is further amended—

(1) by striking out subsection (b);

(2) by redesignating subsection (c) (as amended by subsection (b) of this section) as subsection (b); and

(3) by adding at the end thereof the following new subsection:

"(c) If, for any fiscal year, the total amount of a State's allotment under this section exceeds the total amount of the State's allotment under this section for the fiscal year preceding such fiscal year by an amount equal to or in excess of 20 percent of the State's allotment under this section for such preceding fiscal year, the State may use not more than 10 percent of its allotment under this section for such fiscal year for activities under this section in the fiscal year succeeding such fiscal year.".

### AUTHORIZATION OF APPROPRIATIONS

Sec. 302. Section 143 is amended to read as follows:

### "AUTHORIZATION OF APPROPRIATIONS

"Sec. 143. For allotments under section 142, there are authorized to be appropriated $20,000,000 for fiscal year 1988, $22,000,000 for fiscal year 1989, and $24,200,000 for fiscal year 1990.".

## TITLE IV—UNIVERSITY AFFILIATED PROGRAMS

### PURPOSE

Sec. 401. (a) Section 151 is amended—

(1) by striking out "facilities" and inserting in lieu thereof "programs"; and

(2) by striking out "the conduct of service demonstration programs" and inserting in lieu thereof "the demonstration of exemplary services and technical assistance".

(b) The heading for part D is amended by striking out "Facilities" and inserting in lieu thereof "Programs".

### GRANT AUTHORITY

Sec. 402. (a) Section 152(a) is amended—

(1) by striking out "section 154" and inserting in lieu thereof "section 154(a)";

(2) by striking out "facilities" and inserting in lieu thereof "programs"; and

(3) by striking out "section 102(13)" and inserting in lieu thereof "section 102(19)".

(b) Section 152 is further amended—

(1) by striking out subsections (b) and (d);

(2) by redesignating subsection (c) as subsection (d) and (in such subsection)—

(A) by inserting "and may compete for grants under subsections (b) and (c)" before the period; and

(B) by striking out "section 102(13)" and inserting in lieu thereof "section 102(19)";

(3) by inserting after subsection (a) the following new subsections:

"(b)(1)(A) From amounts appropriated under section 154(b), the Secretary shall make grants of sufficient size and scope to university affiliated programs receiving grants under subsection (a) to support training projects to train personnel to address the needs of persons with developmental disabilities in areas of emerging national significance, particularly projects to train personnel in the areas of early intervention programs (as defined in paragraph (2)), programs for elderly persons with developmental disabilities (as defined in paragraph (3)), and community-based service programs (as defined in paragraph (4)).

"(B) The Secretary shall make determinations with respect to grants under this subsection based on information relating to present and projected needs for the training of personnel based on identified State, regional, or national shortages of personnel, the capacity of the university affiliated programs to train personnel, and such other information as may be determined necessary and appropriate by the Secretary.

"(C) Grants under this subsection may be used by university affiliated programs to (i) assist in paying the costs of courses of training or study for personnel to provide services for persons with developmental disabilities and (ii) establish fellowships or traineeships providing such stipends and allowances as may be determined by the Secretary.

"(2) Grants under this subsection for training projects with respect to early intervention programs shall be for the purpose of assisting university affiliated programs in providing training to allied health personnel and other personnel who provide, or who will provide, interdisciplinary intervention to infants, toddlers, and preschool age children with developmental disabilities. Such training projects shall include instruction on methods of working and collaborating with professionals and families of persons with developmental disabilities.

"(3) Grants under this subsection for training projects with respect to programs for elderly persons with developmental disabilities shall be for the purpose of supporting the planning, design, and implementation of coordinated interdisciplinary training programs between existing aging or gerontological programs and university affiliated programs in order to prepare professional staff to provide services for elderly persons with developmental disabilities.

"(4) Grants under this subsection for training projects with respect to community-based programs shall be for the purpose of providing interdisciplinary training to personnel who will provide direct supports and services for persons with developmental disabilities, including paraprofessionals who are employed or are preparing to be employed in community-based day programs or residential programs for persons with developmental disabilities. The Secretary shall ensure that all grants under this paragraph are made only to university affiliated programs that involve local community-level direct care programs and paraprofessional training programs in the preparation of the application for such grant and shall assure that any training under the university affiliated program will be coordinated with local programs.

"(c) From amounts appropriated under section 154(b), the Secretary may make grants to university affiliated programs receiving grants under subsection (a) to support one or more of the following activities:

"(1) The provision of service-related training to persons with developmental disabilities, family members of such persons, professionals, volunteers, or other personnel to enable such persons, family members, professionals, volunteers, or personnel to provide services to increase or maintain the independence, productivity, and integration into the community of persons with developmental disabilities.

"(2) The conduct of an applied research program designed to produce more efficient and effective methods for (A) the delivery of services to persons with developmental disabilities, and (B) the training of professionals, paraprofessionals, and parents who provide such services."; and

(4) by adding at the end thereof the following new subsection:

"(e) From amounts appropriated under section 154(a), the Secretary may make a grant to a university to study the feasibility of establishing a university affiliated program or a satellite center. Such study shall include an assessment of the needs of the area in which the university is located for such a program or center. The amount of a grant under this subsection may not exceed $35,000 for any fiscal year. A grant under this subsection may only be made in a State in which there is no university affiliated program or satellite center.".

### APPLICATIONS

Sec. 403. (a) Section 153(a) is amended—

(1) by striking out "facilities" in the first sentence and inserting in lieu thereof "programs";

(2) by inserting "all" before "persons with developmental disabilities" in the second sentence; and

(3) by striking out "section 102(13)" in the second sentence and inserting in lieu thereof "section 102(19)".

(b) Section 153(b) is amended—

(1) by striking out "section 152" in the matter preceding paragraph (1) and inserting in lieu thereof "section 152(a)";

(2) by striking out "facility" each place it appears in paragraph (2) and inserting in lieu thereof "program";

(3) by striking out "is making" in clause (i) of subparagraph (B) of such paragraph and inserting in lieu thereof "will make";

(4) by striking out "and" at the end of such subparagraph;

(5) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon; and

(6) by adding at the end thereof the following new paragraphs:

"(4) the activities conducted under this part are consistent with, and to the extent feasible, complement and further, the objectives contained in the State plan required under section 122; and

"(5) before the submission of such application, an opportunity for comment has been provided to the general public and the State Planning Council of the State in which the program will be conducted or the satellite center is or will be located.".

(c) Section 153(c) is amended—

(1) by striking out "facility" and inserting in lieu thereof "program"; and

(2) by striking out "section 152" and inserting in lieu thereof "section 152(a)".

(d) Section 153(d) is amended—

(1) by striking out "facility" each place it appears and inserting in lieu thereof "program";

(2) by striking out "section 154" each place it appears and inserting in lieu thereof "section 154(a)";

(3) by striking out "$175,000" in paragraph (1) and inserting in lieu thereof "$200,000";

(4) by striking out "$75,000" in paragraph (1) and inserting in lieu thereof "$150,000"; and

(5) by adding at the end thereof the following new paragraph:

"(3) For purposes of making grants under section 152(a), the Secretary shall consider applications for grants for four university affiliated programs or satellite centers for each of the fiscal years 1988, 1989, and 1990 which are in addition to the total number of university affiliated programs and satellite centers receiving grants under such section for the preceding fiscal year. Such programs and centers shall, to the extent feasible, be geographically distributed for the purpose of serving States that are unserved by university affiliated programs and satellite cen-

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ters under this part on the date of enactment of the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987.".

AUTHORIZATION OF APPROPRIATIONS

Sec. 404. Section 154 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 154. (a) For the purpose of grants under section 152(a), there are authorized to be appropriated $9,400,000 for fiscal year 1988, $10,200,000 for fiscal year 1989, and $11,000,000 for fiscal year 1990. Amounts appropriated under this section for a fiscal year shall remain available for obligation and expenditure until the end of the succeeding fiscal year.

"(b) For the purpose of grants under sections 152(b) and 152(c), there are authorized to be appropriated $4,500,000 for fiscal year 1988, $5,000,000 for fiscal year 1989, and $5,500,000 for fiscal year 1990.

"(c) The Secretary may use funds appropriated under subsection (a) for the purposes described in subsection (b).

"(d) Of the amounts appropriated under subsection (b), at least 75 percent shall be used for grants under section 152(b) and the remainder shall be used for grants under section 152(c).".

### TITLE V—PROJECTS OF NATIONAL SIGNIFICANCE

PURPOSE

Sec. 501. (a) Section 161 is amended by striking out "for demonstration projects" and inserting in lieu thereof "and contracts for projects of national significance".

(b) The heading for part E is amended to read as follows:

"Part E—Projects of National Significance".

GRANT AUTHORITY

Sec. 502. Section 162(a) is amended—

(1) by inserting "and enter into contracts with" after "make grants to" in the matter preceding paragraph (1);

(2) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) projects of national significance relating to persons with developmental disabilities, including projects to educate policymakers, develop an ongoing data collection system, determine the feasibility and desirability of developing a nationwide information and referral system, and pursue Federal interagency initiatives, and other projects of sufficient size and scope and which hold promise of expanding or otherwise improving opportunities for persons with developmental disabilities (especially those who are multihandicapped or disadvantaged, including minority groups, Native Americans, Native Hawaiians, and other underserved groups); and"; and

(3) by inserting "the advocacy functions of the State Planning Council, the functions performed by university affiliated programs and satellite centers under part D, and" after "otherwise improving" in paragraph (2).

(b) The last sentence of section 162(b) is amended—

(1) by striking out "for each" and inserting in lieu thereof "in such"; and

(2) by striking out "in which an applicant's project will be conducted".

(c) Section 162 is further amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) Not later than January 1 of each year, the Secretary shall publish in the Federal Register proposed priorities for grants and contracts under this part and shall allow a period of 60 days for public comments and suggestions concerning such proposed priorities. After analyzing and considering such comments, the Secretary shall publish final priorities for such grants and contracts in the Federal Register not less than 30 days after the close of the comment period.".

AUTHORIZATION OF APPROPRIATIONS

Sec. 503. Section 163 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 163. (a) To carry out this part, there are authorized to be appropriated $3,650,000 for fiscal year 1988, $3,650,000 for fiscal year 1989, and $3,650,000 for fiscal year 1990.

"(b) Of the amounts appropriated under subsection (a) for any fiscal year, $600,000 shall be available for grants and contracts under section 162(a)(1) for not more than three projects to determine the feasibility and desirability of developing a nationwide information and referral system for persons with developmental disabilities. The Secretary shall award grants and contracts under section 162(a)(1) for such projects within 6 months after the date of enactment of the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987.".

MOTION OFFERED BY MR. BRUCE

Mr. BRUCE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Bruce moves to strike all after the enacting clause of the Senate bill, S. 1417, and insert in lieu thereof the provisions of H.R. 1871, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the programs established in such Act, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1871) was laid on the table.

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## EXCELLENCE IN MINORITY HEALTH EDUCATION AND CARE ACT

Mr. BRUCE. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 769) to provide grants to support excellence in minority health professions education.

The Clerk read as follows:

S. 769

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Excellence in Minority Health Education and Care Act".

FINDINGS AND PURPOSES

Sec. 2. (a) The Congress makes the following findings:

(1) Minority health care needs are currently greater than the health care needs of the general population.

(2) While the number of health professionals has increased, there are still shortages of health professionals from minority groups and there has been a drop in the enrollment of minority individuals in some health professional education programs.

(3) Health professionals from minority groups have critical roles in serving low-income minority populations, particularly in inner-city areas and rural areas.

(4) Historically, minority schools have developed a special capacity to conduct activities to prepare health professionals to serve minority populations.

(5) Health professions schools which train a disproportionate number of minority students also provide a disproportionate amount of health care services to minority populations.

(6) A disproportionate number of minority students trained at the schools described in paragraph (5) choose to practice in underserved areas.

(7) In the United States—

(A) there are only 4 schools of medicine, 2 schools of dentistry, and 4 schools of pharmacy which focus predominantly on minority health professions education, and 40 percent of black physicians, 50 percent of all black dentists, and 25 percent of all black pharamacists have trained at one of those schools; and

(B) there is only 1 school of veterinary medicine which focuses predominantly on the training of minority students, and that school has trained 75 percent of all black veterinarians.

(b) The purposes of this Act are to—

(1) strengthen the national capacity to train minority students in the health professions; and

(2) support the health professions schools which have trained a significant number of the Nation's minority health professionals and enable those schools to supply health professionals to serve minority populations in underserved areas.

ASSISTANCE

Sec. 3. Part F of title VII of the Public Health Service Act is amended by inserting before section 788B the following new section:

"GRANTS FOR MINORITY EDUCATION

"Sec. 788A. (a) The Secretary shall make grants to health professions schools to assist such schools in supporting programs of excellence in health professions education for minority individuals. A grant under this section shall be used by a health professions school to—

"(1) develop a plan to achieve institutional improvements, including financial independence, to enable such school to support programs of excellence in health professions education for minority individuals;

"(2) improve the capacity of such school to recruit and retain faculty;

"(3) provide improved access to the library and information resources of such school;

"(4) establish, strengthen, or expand programs to enhance the academic performance of students in such school;

"(5) establish, strengthen, or expand programs to increase the number and quality of applicants for admission to such school; and

"(6) develop curricula and carry out faculty training programs in order to enable such school to become, for the Nation's health care providers, a resource with respect to the health problems of minority communities, such as higher infant mortality rates and higher incidences of acquired immunodeficiency syndrome.

"(b) No grant may be made under this section unless an application therefor has been submitted to the Secretary at such time, in such form, and containing such information, as the Secretary may by regualtion prescribe.

"(c) In order to be eligible for a grant under this section, a health professions school must—

"(1) be a school described in section 701(4); and

"(2) have received a contract under section 788B for fiscal year 1987.

"(d) To carry out this section, there are authorized to be appropriated $10,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, and 1991.".

The SPEAKER pro tempore. Is a second demanded?

Mr. LENT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. Bruce] will be recognized for 20 minutes and the gentleman from New York [Mr. Lent] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Bruce].

Mr. BRUCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the House will consider S. 769, the Excellence in Minority Health Education and Care Act.

This bill is very similar to the one that was introduced by our colleague Bill Boner, and has over 100 cosponsors, including Members from both sides of the aisle.

This legislation will strengthen and enrich four important historically black health professional programs. It would provide grants for centers of excellence in minority medical, pharmacy, dental, and veterinary medicine education.

The schools that would benefit from this bill have been the recipients of funding under two earlier programs designed to improve their financial stability. The Financial Distress and Advanced Financial Distress Programs, which are now expiring, have helped bring about new leadership and improved management at these schools. S. 769 would recognize this progress and establish centers for excellence at each of these schools.

The bill before us now is identical to the text that was reported by the Committee on Energy and Commerce.

I believe this bill is not and should not be controversial and I urge all Members to join us in expressing our support for these important schools.

Mr. Speaker, I reserve the balance of my time.

Mr. LENT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 769 provides grants to Meharry Medical College's medical and dental schools, the Tuskegee School of Veterinary Medicine, and the Xavier College of Pharmacy. The grants authorized by this legislation will be utilized by these health profession schools to develop a plan for achieving financial independence, for faculty recruitment and retention, for enhancing the academic performance of students, for developing curriculums and carrying out faculty training, and for other purposes. Ten million dollars are authorized in fiscal year 1988 for these purposes and such sums as may be necessary in the out years.

These schools have trained a vast majority of the minority health professionals in this country to date. S. 769 will continue the Federal commitment to the historical missions of the schools and provide necessary financial assistance. I urge my colleagues to join me in supporting S. 769.

Mr. BRUCE. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. Boner].

Mr. BONER of Tennessee. Mr. Speaker, I am proud to speak in support of S. 769, the Excellence in Minority Health Education and Care Act, which is the Senate companion to H.R. 954, which I introduced last February with the unanimous support of the Alabama, Louisiana, and Tennessee delegations.

I first would like to extend my deepest appreciation to Chairman Henry Waxman and ranking Republican Ed Madigan for their support, advice, and assistance in bringing this measure to the floor of the House before the August district work period.

I would also like to thank the 105 Members who joined as cosponsors of H.R. 954, especially Lindy Boggs and Bill Nichols, who testified with me before the Subcommittee on Health and the Environment in support of the bill.

Mr. Speaker, the excellence in Minority Health Education and Care Act responds to the glaring disparities in the health status of blacks and other minorities and the continuing underrepresentation of blacks and other minorities in the health professions.

A 1985 report of the health and human services task force on blacks and minority health stated that, "Despite the unprecedented explosion in scientific knowledge and the phenomenal capacity of medicine to diagnose, treat, and cure disease, blacks and other minorities have not benefited from the fruits of science or from the systems responsible for translating and using health sciences technology." The sobering statistic is that each year 60,000 more blacks and other minorities die in this country than would die if they had the same age-adjusted death rates as whites.

The task force attributed much of this disparity to the lack of access to comprehensive and quality health care. It also concluded that the largest number of health professionals serving blacks and other minorities is concentrated among minority health professionals. A recent New England Journal of Medicine article reported that minority graduates were twice as likely to be practicing in underserved communities than their white counterparts. It is clearly evident that the number of health professionals serving blacks and other minorities is still insufficient.

Fortunately, four institutions of higher education have led the Nation in training black and minority health professionals. Meharry Medical and Dental Schools, Xavier University College of Pharmacy, and Tuskegee University School of Veterinary Medicine have educated 50 percent of the Nation's black physicians, 40 percent of the Nation's black dentists, 20 percent of the Nation's black pharmacists, and 90 percent of the Nation's black veterinarians.

Despite the great contributions these schools have made and continue to make in training health professionals, they have experienced chronic financial difficulties over the years and have struggled to improve their teaching and research programs. Because they are private institutions, they receive no State assistance. Because many of their students are from economically disadvantaged backgrounds and are often first generation college students, it is difficult for the schools to raise tuition; and because graduates practice in underserved areas, they do not have the income to support the kind of alumni-giving that many other schools depend on for financial support.

These four schools have been recipients of funding under two earlier programs designed to improve their financial stability. However, the financial distress and advanced financial distress programs expire at the end of this fiscal year. To replace these programs, the program outlined by H.R. 954 and S. 769 would designate these four institutions as centers of excellence and authorize grants so to strengthen and enrich these schools' role in educating minority health professionals.

This is a model program, Mr. Speaker. I know several concerns have been raised about the disparity in other minority communities that are not directly addressed by H.R. 954 and S. 769. In response, let me assure my colleagues that I believe similar programs can be designed to assist institutions with a high percentage of other minorities, especially Hispanics, and I look forward to working on such a bill when title VII of the Public Health Service Act comes up for reauthorization next year.

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H.R. 954 and S. 769 acknowledge the important role these four historically black colleges and universities perform in educating minority health professionals. But other than emphasizing financial distress, the bills emphasize continuing excellence in research and training.

Again, I want to thank Congressmen Waxman and Madigan and the members of the Energy and Commerce Committee. I would also like to commend my health legislative assistant, Norma Blankenship, for her work in bringing this bill to fruition.

Mr. Speaker, I urge passage of S. 769.

Mrs. BOGGS. Mr. Speaker, I rise in support of S. 769, the Excellence in Minority Health Education and Care Act.

This bill means a great deal to all of us who are interested in the education of the outstanding minority students in the health professions.

We have had sufficient documentation that blacks and other minorities are underrepresented in the health professions. Unfortunately, for blacks in particular, this problem is increasing.

The 1985 report of the Secretary's task force and black and minority health provides staggering data relating to the deaths that occur among blacks resulting from infant mortality, cardiovascular disease, diabetes, and liver disease.

As a member of the Select Committee on Children, Youth, and Families, I have heard testimony relating to these health problems among minorities that this bill is designed to address.

Minority health care needs are serious and tend to be much greater than the health care needs of the general population. While the number of health professionals has increased, there are still very serious shortages of health professionals from minority groups and there has been a drop in the enrollment of minorities in most health professional programs.

Enactment of this bill will insure that a Federal commitment of resources is provided to the institutions that have traditionally trained the greatest number of minorities in the health professions.

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Mr. LENT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BRUCE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Gray of Illinois). The question is on the motion offered by the gentleman from Illinois [Mr. Bruce] that the House suspend the rules and pass the Senate bill, S. 769.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. BRUCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 769 and H.R. 1871, the two bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

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## AUTHORIZING ASSISTANCE FOR MINORITY HEALTH PROFESSIONALS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, I wanted to make a point relating to the previous piece of legislation which I think is a meritorious piece of legislation. However, this bill does not address the health profession's education needs of Hispanics. I believe it is vitally important that this committee and the Congress acknowledge and address the needs of the Hispanic people of this country, for more Hispanic doctors and health professionals and health care. I am disappointed, although I am supporting H.R. 954, that this does not address or even acknowledge these needs.

I would like to engage in a dialog with the gentleman from California [Mr. Waxman] relating to what specifically the committee needs to do on this legislation, specifically on title VII.

I am particularly concerned that San Juan Bautista College in Puerto Rico, a possible recipient in the future of such assistance, was ignored in this legislation.

Let me stress that the problems of minorities also include Hispanics. Too often Hispanics are forgotten. I am concerned that there are not enough minority medical schools and minority medical students. While I commend the intent of this legislation, I would like to just engage in a dialog with the gentleman from California.

In a bill that is meant to address the health professions education needs of minorities, I believe it is vitally important that this committee and the Congress acknowledge and address the needs of Hispanic people of this country for more Hispanic doctors and health professionals and for better health care. I am disappointed that H.R. 954 does not address or even acknowledge these needs.

There are two ways to try to increase the number of minority health care professionals—increase the numbers of minorities in existing schools and help foster schools dedicated to providing minority health professional education. Perhaps acknowledging that despite all our efforts to increase minority enrollment in existing schools, that enrollment is declining, H.R. 954 takes the second approach by providing assistance to health professions schools that are dedicated to training minority health professionals.

It has been my intent to offer an amendment to add a Hispanic component to this bill. The Commonwealth of Puerto Rico, and its secretary of health, has embarked on the strategy of assisting in the creation and accreditation of a fourth school of medicine in Puerto Rico to train family doctors and general practitioners. Currently, there does not exist the capacity in Puerto Rico to train a sufficient number of family doctors. As a result, nearly 84 percent of general practitioners and 49 percent of family doctors on the island were trained at foreign medical schools in the Caribbean, which are not high quality schools.

The quality of health care provided to the people of Puerto Rico obviously suffers as a result.

A new school of medicine, San Juan Bautista, is in the process of creating a program that will meet the rigorous accreditation standards of the Liaison Committee on Medical Education. In fact, it believes it has met those standards with one exception—facilities and equipment. It had been my intention to offer an amendment to permit San Juan Bautista to obtain the needed facilities and equipment with a one-time authorization for startup funding of $1.3 million. That startup funding would be similar to what the Federal Government did a few years ago in providing startup assistance to the Morehouse School of Medicine in Atlanta, GA, the first predominantly black school of medicine founded in this century. That startup assistance enabled Morehouse to construct the facilities and plan and implement a 4-year education program that permitted Morehouse to become accredited and to graduate its first 4-year class of doctors.

It is my understanding, however, that the chairman of the Subcommittee on Health and the Environment, the gentleman from California, would prefer to obtain more information about San Juan Bautista prior to addressing its needs. As hesitant as I am to let a bill like this go by without addressing the needs of Hispanics, let me address a couple of questions to the distinguished gentleman.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Speaker, when we considered the bill just passed by the House in committee, the gentleman raised the points that if we are talking about the education of minorities for health professions that that bill was quite limited in its scope and it was limited to those black medical institutions that had previously been receiving funding and it did not go beyond that.

We will have before our committee what is known as title VII of the Public Health Service Act which is the health manpower provisions of the law and at that time I want to work with the gentleman and others in our committee and in the House to try to respond to the very serious needs of minority people in this country who are not in any way near the numbers that would reflect their part of the population in the health professions.

We want to work on legislation that will try to address those questions when we get to that broader manpower, health manpower issue that will be before us in title VII.

I want to commit to my friend and collegue from New Mexico [Mr. Richardson] that I will work with him to see what would be appropriate legislation when that issue is before us.

Mr. RICHARDSON. So then it is the intent of the chairman in the upcoming reauthorization of title VII health professions program to address the needs to foster the training of increased numbers of Hispanic health professionals?

Mr. WAXMAN. I certainly want us to look at that and see what the appropriate legislation would be, try to accomplish an objective that both the gentleman and I share and I am sure is the view of an overwhelming majority of the Members of Congress as well.

Mr. RICHARDSON. I thank the chairman.

Mr. Speaker, I also would like to include in the Record a letter that I received from the Association of Minority Health Professions Schools wanting to participate in this initiative. I would like to insert it into the Record.

The letter is as follows:

The Association of Minority
Health Professions Schools,
*Washington, DC, August 4, 1987.*

Hon. Bill Richardson,
*House of Representatives, Cannon Office Building, Washington, DC.*

Dear Congressman Richardson: The Association of Minority Health Professions Schools (AMHPS) shares your concern about the health status disparities that exist among Hispanics when compared to the non-minority population in the United States. The co-existing shortage of Hispanics that participate in the health professions to serve the Hispanic community is as well a national problem—one our Association would like to work with you to address.

Our Association has worked, in recent years to develop model policy initiatives that are being implemented to increase the number of Blacks in the health professions, and enhance the capability of Historically Black Health Professions Schools to train more Blacks in the health professions. Certainly, as Congress moves to prepare for the reauthorization of the federal health professions authority (Title VII, PHS Act) during the second session of the 100th Congress, the Association of Minority Health Professions Schools is prepared to work closely with you and institutions that train greater numbers of Hispanics to assist in the development and implementation of proposals that will increase the number of Hispanic health professionals, and assist these schools in enhancing their capabilities.

I and other members of the Association of Minority Health Professions Schools, as well as our Washington Representative, are anxious to begin this dialog soon after the first session of 100th Congress adjourns, or earlier if both of our times permit.

Sincerely,
David Satcher, M.D., Ph.D.,
*President, Meharry Medical College,*
*Past-President, AMHPS.*

My amendment permits the Secretary to make grants establishing scholarships for Hispanic individuals to attend medical schools with the stipulation that they agree to serve in a medically underserved Hispanic community upon completion of medical school. It authorizes $1 million for this purpose.

### NEED FOR HISPANIC SCHOLARSHIPS TO MEDICAL SCHOOLS

First. Currently, Hispanics represent 8 percent of the U.S. population and it is expected that this figure will double in size within 25 years.

Second. More importantly, Hispanics are less likely than any other population group to have a regular source of health care.

Third. However, even with the existence of these two concurrent trends—a doubling in Hispanic population size and lack of regular health care, a more frightening trend is occurring in our Nation's medical schools. Hispanics represent only 2.4 percent of those in medical schools and this figure is declining.

Fourth. For example: The University of Illinois Medical School had 10 Mexican American graduates in 1983-84. For this same year, the University of New Mexico had 13 graduates, Stanford had 12, and the University of Texas in San Antonio had 10 Mexican American doctors graduate from its program.

Fifth. These statistics are appalling and they are getting worse as Hispanic enrollments decrease in existing schools.

Sixth. Moreover, the numbers of Hispanic doctors currently practicing medicine is expected to rapidly decrease as those physicians who came to the United States during the Cuban outflow of the late fifties and sixties begin to retire.

Seventh. One of the primary reasons explaining the lack of Hispanic doctors is a lack of money. Hispanics are accepted at some of the best medical schools in the country but they simply cannot afford to attend.

Eighth. A second major factor involved in this trend is the lack of an infrastructure for Hispanic students. There are no Hispanic medical schools on the mainland of the United States and there are not likely to be any in the near future unless decisive action is taken now.

Ninth. For this reason, I am offering my amendment making medical scholarships available to Hispanic medical students as a first step in alleviating the ongoing crisis in Hispanic health care delivery.

### Amendment Offered by Mr. Richardson to the Amendment in the Nature of a Substitute Offered by Mr. Waxman

Page 5, after line 5, insert the following new subsection (and redesignate subsequent sections accordingly):

"(b) The Secretary shall make grants for the purposes of enabling medical schools that are grantees under subsection (a) to establish scholarships for Hispanic individuals to attend medical schools. Such a scholarship may be awarded to an individual only if the individual agrees to serve, upon completing medical school, in a medically underserved Hispanic community.

Page 5, strike lines 15 through 18 and insert the following new subsection:

"(e)(1) To carry out subsection (a), there are authorized to be appropriated $10,000,000 for each of the fiscal years 1988 through 1991.

"(2) To carry out subsection (b), there are authorized to be appropriated $1,000,000 for each of the fiscal years 1988 through 1991.".

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### Amendment Offered by Mr. Richardson to the Amendment in the Nature of a Substitute Offered by Mr. Waxman

Page 5, after line 18, add the following:

"Sec. 788B. (a) The Secretary shall make a grant to a medical school in the Commonwealth of Puerto Rico that, on the date of the enactment of this section, is seeking to meet applicable accreditation requirements for the purpose of constructing and equipping facilities and for such other purposes as are reasonably required to meet such requirements.

"(b) No grant may be made under this section unless an application therefor has been submitted to the Secretary at such time, in such form, and containing such information, as the Secretary may by regulation prescribe.

"(c)(1) To carry out this section, there are authorized to be appropriated $1,300,000 for each of the fiscal years 1988 through 1990.

"(2) Amounts appropriated pursuant to paragraph (1) shall remain available until expended.

Page 4, strike lines 3 and 4 and insert the following: "Act is amended by redesignating section 788B as section 788C and by inserting after section 788 the following new sections:".

Page 5, line 13, strike "788B" and insert "788C".

I thank the chairman and commend Mr. Boner for his important bill. But once again I hope that there is a recognition that there are many others in need of important legislation like this. I am hopeful of the Hispanic kinds of schools in the medical professions area. I thank the chairman for his assurances.

Mr. FUSTER. Mr. Speaker, I would like to thank the gentleman from California as well as the gentleman from New Mexico for their remarks. Although the needs of Puerto Ricans in the island are being largely met there by the University of Puerto Rico Medical School and the Ponce School of Medicine, both nationally accredited and recognized, I believe our attention should be focused on the needs of the Hispanic populations of the mainland.

Although the San Juan Bautista School of Medicine is in an ideal position to fill an existing need for general practitioners and family doctors in the island, it can also serve as a training center for doctors that can serve the Hispanic populations in the mainland, a problem we all recognize as serious. Just as the bill before us focuses on predominantly black schools, I believe similar attention should be accorded to Hispanic schools. I believe the reauthorization of the Public Health Service Act would be an adequate vehicle and I agree that hearings and a staff investigation would be productive and enlightening. I would be more than happy to provide any assistance to accomplish this and I am sure the Commonwealth government would welcome and support these efforts.

I would like to submit for the RECORD a letter from the secretary of the department of health of the Commonwealth of Puerto Rico in support of the request by the San Juan Bautista School of Medicine:

DEPARTMENT OF HEALTH,
*Puerto Rico, June 18, 1987.*

Congressman JAIME B. FUSTER,
*House of Representatives, Washington, DC.*

DEAR CONGRESSMAN FUSTER: This letter is written in full support of the San Juan Bautista School of Medicine in its funding request to the United States Congress under the "Excellence in Minority Health Education and Care Act" or any other source.

Some background information on health care administration in the Commonwealth of Puerto Rico follows together with recent policy changes which make the existence and continuity of San Juan Bautista School of Medicine essential for the well-being of Island residents.

As you know, in Puerto Rico, the Department of Health is the government agency that renders direct health services to 2.2 million citizens classified as medically indigent (out of a total population of 3.3 million).

In addition the Department watches over the health of all our citizens through multiple services which include the supervision and licensing of health facilities (public as well as private); environmental health; production of vital statistics; certification of health professionals; prevention and treatment of sexually transmitted diseases and operation of medical emergency services, among others.

The Department delivers these services through a system which includes 78 primary care centers for ambulatory services (one for each municipality); nine secondary care hospitals; five tertiary hospitals and one supra-tertiary medical center.

In January 1985, the Department drew up a reorganization plan which featured as an important element, the development, at the state level, of a family care program through the conversion of the 78 primary centers into family health centers.

This concept is centered around a health team consisting of a family or primary care physician or a well-trained general practitioner; a graduate nurse, a practical nurse and a family health technician. The team, plus their ancilliary support system, will provide high quality comprehensive care to 1,000 families (or 2,500 inhabitants).

This system is geared toward delivery of primary, preventive and ambulatory medicine within the family and community framework and constitutes a far more efficient and cost effective alternative to the practice of the last two decades where major emphasis was placed on hospital care.

For the plan to be operational, the Health Department estimates that at least 500 new residency trained family physicians and qualified general practitioners will be needed to staff the facilities.

Traditionally in Puerto Rico, most general practice and family physicians have come from the ranks of foreign medical school graduates. In fact, the latest available statistics on physicians in Puerto Rico (1982) reflect that 84 percent of general practitioners and 49 percent of family doctors are graduates of these schools.

However, recent changes in medical education have limited the number of physicians allowed to practice medicine in Puerto Rico. For example, graduates of only seven foreign medical schools are now allowed to take the State Board examinations. Currently the (FMGEMS) Foreign Medical Graduate Examination in The Medical Sciences is a requisite prior to take the Puerto Rico State Board Examination.

Although these changes were certainly necessary to uphold a high standard of quality care, the fact remains that the public health system now needs even more qualified general and family physicians and the traditional sources for these doctors have narrowed down.

Additionally, graduates from schools other than San Juan Bautista tend to enter post-graduate programs in specialized fields of medicine so that primary care physicians are not currently available in the numbers that are needed to staff government facilities under the plan for family health centers.

The emphasis that San Juan Bautista is currently giving to family medicine in its curriculum is directing many of its graduates to family or general medicine as their career choice thus making the School a valuable source of much-needed physicians at a crucial point in our health delivery efforts.

Furthermore, effective July 1, 1986, the Department entered into a contract agreement with San Juan Bautista whereby its faculty renders medical services in the Guayama Subregional Hospital (a secondary care facility) and students do their clinical clerkships in said facility and in the nearby family medicine centers in the municipalities of Patillas, Arroyo and Salinas.

In addition to providing valuable direct service assistance, the presence of San Juan Bautista also improves the level of continuing medical education for physicians and paramedical personnel.

By staffing the family health centers and the Guayama Subregional Hospital, the School is also participating in family and community health education programs as well as in the prevention and treatment efforts to control the spreading of the disease of Human Inmunodeficiency Virus Infection (AIDS).

In addition, the School has signed an agreement with McGill University in Canada in order to among other things, engage in joint AIDS research projects which will undoubtedly be of great help in our efforts to fight this deadly disease.

For all of the above, the Department of Health fully endorses the San Juan Bautista School of Medicine in its funding request and in its efforts to obtain accreditation from the Liaison Committee on Medical Education.

The constant drive for excellence of this young institution together with its continued emphasis on family medicine will help us achieve the health to which all our citizens are entitled.

Sincerely yours,
LUIS A. IZQUIERDO-MORA, M.D.,
*Secretary of Health,*
*Commonwealth of Puerto Rico.*

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## NATIONAL COMMISSION ON ACQUIRED IMMUNE DEFICIENCY SYNDROME ACT

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2881) to establish a National Commission on Acquired Immune Deficiency Syndrome, as amended.

The Clerk read as follows:

### H.R. 2881

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "National Commission on Acquired Immune Deficiency Syndrome Act".

### SEC. 2. ESTABLISHMENT.

There is hereby established a commission to be known as the National Commission on Acquired Immune Deficiency Syndrome (hereinafter in this Act referred to as the "Commission").

### SEC. 3. DUTIES OF COMMISSION.

(a) GENERAL PURPOSE OF COMMISSION.—The Commission shall carry out activities for the purpose of studying and making recommendations for national policy with respect to the acquired immune deficiency syndrome (hereinafter in this section referred to as "AIDS"). Matters considered by the Commission shall include the following:

(1) National policy and priorities with respect to—

(A) AIDS research, including the appropriate role of the Veterans' Administration and other Federal agencies in conducting such research,

(B) testing of individuals (including patients of the Veterans' Administration) for the AIDS virus and confidentiality of such test results,

(C) treatment and care of individuals suffering from AIDS, and

(D) prevention of the transmission of AIDS and education about AIDS.

(2) The appropriate roles of the Government, of State and local governments, and of the private sector in the matters referred to in paragraph (1).

(3) Guidelines for the coordination of United States activities concerning AIDS with those of international health organizations.

(b) HEARINGS.—The Commission shall hold hearings to receive the views of persons and organizations interested in matters relating to the purposes of the Commission as stated in subsection (a), including representatives of appropriate government agencies and responsible representative of groups principally affected by the AIDS virus.

### SEC. 4. MEMBERSHIP

(a) NUMBER AND APPOINTMENT.—(1) The Commission shall be composed of 15 members as follows:

(A) Five members appointed by the President, of whom two shall be the Secretary of Health and Human Services and the Administrator of Veteran's Affairs.

(B) Five members appointed by the Speaker of the House of Representatives, of whom two shall be appointed upon the recommendation by the minority leader.

(C) Five members appointed by the President pro tempore of the Senate, of whom three shall be appointed upon the recommenation by the majority leader and two shall be appointed upon the recommendation of the minority leader.

(2) Not fewer than two of the members of the Commission appointed under subparagraph (A) of paragraph (1), and not fewer than three of the members appointed under each of subparagraphs (B) and (C) of that paragraph, shall be appointed from among experts in the scientific and medical communities and in legal and ethical issues are specially qualified to serve on the Commission by reason of their education, training, or experience.

(3) Members of the Commission shall serve for the life of the Commission. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(b) CHAIRMAN.—The members of the Commission shall select a Chairman from among the members of the Commission. The selection shall be made not later than 60 days after the date of the enactment of this Act.

(c) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(d) MEETINGS.—The Commission shall hold its first meeting on a date specified by the President which is not later than 60 days after the date of the enactment of this Act. Thereafter, the Commission shall meet at the call of the Chairman or a majority of its members, but shall meet at least three times each year during the life of the Commission.

(e) PAY.—Members of the Commission who are Members of Congress or officers or employees of the United States shall receive no additional compensation by reason of their service on the Commission.

(f) PER DIEM.—While away from their homes or regular places of business in the performance of duties for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

(g) DEADLINE FOR APPOINTMENT.—Members of the Commission shall be appointed not later than 45 days after the date of the enactment of this Act.

### SEC. 5. REPORTS.

(a) INTERIM REPORTS.—Not later than one year after the date on which the Commission is fully constituted under section 4(a), the Commission shall transmit to the President and to Congress a comprehensive report on its activities to that date. Such report shall include such findings and recommendations as the Commission considers appropriate based on its activities to that date. In addition, the Commission shall transmit such other reports as it considers appropriate.

(b) FINAL REPORT.—The Commission shall transmit a final report to the President and to Congress not later than two years after the date on which the Commission is fully constituted under section 4(a). The final report shall contain a detailed statement of the activities of the Commission and of the findings and conclusions of the Commission, including such recommendations for legislation and administrative action as the Commission considers appropriate.

### SEC. 6. EXECUTIVE DIRECTOR AND STAFF.

(a) EXECUTIVE DIRECTOR.—The Commission shall have an Executive Director who shall be appointed by the Chairman, with the approval of the Commission. The Executive Director shall be paid at a rate not to exceed the maximum rate of basic pay payable for GS-18 of the General Schedule. The Executive Director shall be appointed not later than 30 days after the Chairman of the Commission is selected.

(b) STAFF.—With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Commission.

(c) APPLICABILITY OF CIVIL SERVICE LAWS.—The Executive Director and the additional personnel of the Commission referred to in subsection (b) may be appointed without regard to the provisions of title 5, United States Code, governing appoinments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) CONSULTANTS.—Subject to such rules as may be prescribed by the Commission, the Executive Director may procure temporary or intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed $200 per day.

(e) DETAILED PERSONNEL.—Upon request of the Commission, the Administrator of Veterans' Affairs may detail, on a reimbursable basis, any of the personnel of the Veterans' Administration to the Commission to assist the Commission in carryng out its duties under this Act.

(f) SUPPORT SERVICES.—The Administrator of Veterans' Affairs shall provide to the Commission on a reimbursable basis such administrative and support services as the Commission may request.

### SEC. 7. DUTIES OF ADMINISTRATOR OF VETERANS' AFFAIRS.

(a) RESEARCH COMPILATION.—In order to assist the Commission in carrying out its duties, the Administrator of Veterans' Affairs shall prepare a detailed compilation and synopsis of all medical research on acquired immune deficiency syndrome that has been carried out, or that is currently being conducted, in the United States and throughout the world. The Administrator shall prepare the compilation as soon as practicable, and not later than three months after the date of the enactment of this Act, and shall submit the compilation to the Commission.

(b) REPORT ON VA ACTIVITIES.—In order to assist the Commission on carrying out its duties, the Administrator shall submit to the Commission a report on all activities and information of the Veterans' Administration relevant to the duties of the Commission, including a detailed report on relevant research conducted by the Veterans' Administration and (subject to all laws and regulations with respect to confidentiality) detailed statistical information on the veterans population as a whole and the population of patients of the Veterans' Administration health system.

### SEC. 8. POWERS OF COMMISSION.

(a) HEARINGS.—For the purpose of carrying out this Act, the Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmation to witnesses appearing before the Commission.

(b) DELEGATION.—Any member or employee of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any executive department or agency such information as may be necessary to enable the Commission to carry out this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

### SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated for fiscal year 1988 the sun of $2,000,000 to carry out the purposes of this Act. Amounts appropriated pursuant to such authorization shall remain available until expended.

### SEC. 10. TERMINATION.

The Commission shall cease to exist 30 days after the date on which its final report is submitted under section 5(b). However, the President may extend the life of the Commission for a period of not to exceed two years.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from New York [Mr. LENT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, inasmuch as two committees are involved in this legislation, I will yield, from my 20 minutes, 10 minutes to the gentleman from California [Mr. WAXMAN] who is the chairman of the Subcommittee on Health and the Environment of the Committee on Energy and Commerce.

The SPEAKER pro tempore. Without objection, the gentleman from California [Mr. WAXMAN] will be recognized for 10 minutes.

There was no objection.

Mr. MONTGOMERY. Mr. Speaker, I am sure the gentleman on the other side of the aisle will do the same for the Veterans' Affairs Committee member who will be there in just a few minutes.

Mr. LENT. Mr. Speaker, I would be happy to yield time. How many minutes did the gentleman from Mississippi indicate?

Mr. MONTGOMERY. Mr. Speaker, I have yielded 10 of my 20 minutes to

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the gentleman from California [Mr. Waxman] and I would request that the gentleman from New York [Mr. Lent] do the same thing on his side.

Mr. LENT. Mr. Speaker, I am happy to comply with any request.

The SPEAKER pro tempore. Without objection, a member of the Committee on Veterans' Affairs will be recognized for 10 minutes.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

I am pleased to being before the House a bill that would create a National Commission on Acquired, Immune Deficiency Syndrome [AIDS].

The bill has 84 cosponsors, including 32 members of our committee. The chief sponsor of the bill, the gentleman from Georgia [Mr. Rowland], is a key Member of the house leadership task force studying the AIDS problem. As a physician, he understands the need for a national policy on AIDS and the creation of this Commission is a good beginning.

In a recent report released by the Public Health Service, it is estimated that in 5 years, AIDS will be one of the top 10 causes of death in the United States. AIDS deaths could total 54,000 in 1991. Mr. Speaker, we are faced with a serious, deadly and noncurable disease. Should the estimates of the Public Health Service prove to be correct, deaths from AIDS would surpass deaths from pneumonia, influenza, car accidents, diabetes, suicide, liver disease and hardening of the arteries. It is also estimated that by the end of 1991, the cumulative total of AIDS cases in the United States will reach 270,000 and result in a cumulative total of nearly 180,000 deaths.

As a witness before our committee, Dr. John Gronvall, the Chief Medical Director of the Veterans Administration, testified that the VA has been treating approximately 6 percent of the total AIDS cases reported to the Centers for Disease Control [CDC] in Atlanta.

Dr. Gronvall testified that from September 1983 to May 1987, the VA has treated 2,014 cases of AIDS which have been reported to CDC. The number of cases in the VA could reach a total of 14,000 by 1991.

Mr. Speaker, time will be required to answer some questions about AIDS, but there is much that can be done with what is known, provided there is a forum in which policy can be formulated.

That is what this bill would do. Again, it would create a 15-member Commission for the purpose of studying and making recommendations for national policy with respect to AIDS.

The need for a Commission that would include experts in medicine, science, law, and ethics, as well as members from the executive and legislative branches of the Federal Government, has become apparent as the debate over AIDS has intensified.

Mr. Speaker, there are two major differences between the Commission created by this legislation and the Commission appointed by the President on July 23. First, H.R. 2881, as amended, would require that a majority of the Commission members have expertise in fields important in AIDS: science, medicine, law, and ethics.

The bill would also provide the Congress an opportunity to become involved in setting a national AIDS agenda. These are very important differences. We are confronted with a very serious, noncurable disease. As Mr. Rowland has stated, we have never faced a disease so deadly, so rapidly spreading and with such complex moral, legal, and political ramifications. We need experts to give us some direction.

I appreciate the leadership of the Gentleman from Georgia [Mr. Rowland] and the very able ranking minority of the committee, the gentleman from New York [Mr. Solomon].

I am grateful for the cooperation we have received from the distinguished chairman of the Committee on Energy and Commerce [Mr. Dingell] and the very able ranking minority member of the full committee [Mr. Lent]. We appreciate the cooperation of the distinguished chairman and ranking minority member of the subcommittee on health and the environment [Mr. Waxman amd Mr. Madigan].

I commend the gentleman from Georgia for the leadership he is providing on this issue. I fully support him in his efforts.

I urge my colleagues to support the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. LENT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2881, the National Commission on Acquired Immune Deficiency Syndrome Act. This legislation establishes a new AIDS Commission that will complement the Commission established by the President in June. The Commission established under H.R. 2281 will include five members appointed by the President, five by the Speaker, and five by the President pro tempore of the other body. At least eight of the members of this Commission must be experts in the scientific and medical communities and in legal and ethical issues. The Commission must make an interim report of its activities 1 year after it has ben established and a final report 2 years after it has been established.

One element of this bill which is of particular importance is the prominent role which the Veterans' Administration will play in assisting the Commission. The Administrator of Veterans' Affairs may detail personnel and services to the Commission. The Administrator of Veterans' Affairs will also assist the Commission by preparing a detailed compilation of all medical research on AIDS.

I would be remiss if I did not mention the contribution of my colleague from the committee [Mr. Dannemeyer] who made several constructive suggestions about what the duties of the Commission should include. I hope that those suggestions will be recognized in the legislative history of this legislation.

Mr. Speaker, I reserve the balance of my time.

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Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the legislation. The bill, H.R. 2881, was jointly referred to the Committee on Energy and Commerce and the Committee on Veterans' Affairs. The bill would create a National AIDS Commission to be an advisory to the Congress, and putting an emphasis on veterans' affairs.

The bill was authored by the gentleman from Georgia [Mr. Rowland] and has the strong backing of both committees. Both committees have reported the bill to the floor. It is cosponsored by a number of Members of both sides of the aisle, and it is a bill that has strong bipartisan support.

I would emphasize that this bill would be very, very helpful to us as we consider the many issues that we will be confronted with as a result of this AIDS epidemic.

Mr. Speaker, I urge the adoption of the proposal before us to suspend the rules and pass this bill.

Mr. MONTGOMERY. Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. Mr. Speaker, many minority groups are being struck particularly hard by full-blown cases of AIDS. The incidence of AIDS among blacks and Hispanics is at least twice what it is among whites. More specifically, Hispanics currently make up 16 percent of the total number of AIDS cases, yet represent only 8 percent of the total U.S. population. In addition, blacks who represent only 11 percent of the population represent 25 percent of AIDS cases in the United States.

In addition, there is a real fear that minorities will be stigmatized as they become more and more identified with AIDS.

An even more frightening statistic is the centers for disease control figures indicating that Hispanic children represent 82 percent of pediatric cases of AIDS.

Hispanics and blacks are not the only minorities to have been hard hit by AIDS. In my district alone three cases of AIDS have been diagnosed this year among Navajos with two of them resulting in death. This evidence sustains my belief that AIDS has the potential to wipe out some Indian tribes and could spread rapidly on reservations unless a special effort is made to educate them.

Minority groups have special concerns with regard to AIDS. Of particular concern to members of minority groups is the:

Higher rate of IV drug abuse among minorities;

The greater degree of needle sharing which occurs among minorities;

A high incidence of heterosexual transmission;

A high rate of teenage pregnancy among minorities in general which contributes to the numbers of pediatric AIDS cases; and

And finally the inability of either the black church or the Roman Catholic Church to carry information about AIDS to the grassroots level.

Because minorities traditionally lack proper health care and health education and for the reasons outlined above, it is essential that the National Commission on AIDS be required to study the impact AIDS is having on minorities and more importantly to study ways to target prevention and education information so that it takes into account racial and ethnic differences.

Mr. Speaker, I would like to engage in a colloquy with the gentleman from California [Mr. Waxman].

Specifically, I want to make sure that in the naming of the commission that there be minority representation on the commission, and, second, that there be a detailed study of the AIDS problems of minorities and the preventive steps that might be taken to address minority as AIDS victims and cures. As I said, twice as many minorities are being hit by this disease, and I recall that in the markup of the legislation I saw very little mention of minorities and the problems that impact upon them. I would like to make sure that in the commission these concerns are addressed.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, there is no doubt when we look at the current statistics of this AIDS epidemic, the problem is most serious in the minority communities. I would join with the gentleman in urging that this commission pay specific attention to these problems in the minority communities and try to think of ways of addressing the problems that may be different and unique from how they would address the broader population's concerns about AIDS.

Mr. RICHARDSON. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I submit for inclusion in the Record the following article from the New York Times of August 2, 1987:

### High AIDS Rate Spurring Efforts for Minorities

(By William E. Schmidt)

Atlanta, July 31.—The disproportionate impact of AIDS among blacks and Hispanic people is leading civil rights groups and the Federal Government to shift resources to deal more directly with the threat the disease poses to minorities.

"The gravity of the disease has reached a point where the minority community is now moving faster than the majority community to mobilize, to do something about it," said John E. Jacob, the president of the National Urban League. The incidence of AIDS—acquired immune deficiency syndrome—among blacks and Hispanic people is at least twice what it is among whites.

#### A $7 MILLION ALLOCATION

Mr. Jacob said the fear of a racial backlash against minorities as they become more identified with AIDS "is one of the reasons the black community has been slow to address this issue, to put it on our agenda." But this summer, his organization and the National Association for the Advancement of Colored People have begun to disseminate AIDS information among their chapters.

Moreover, the Federal Centers for Disease Control will hold its first national conference on AIDS and minorities here next weekend. The Federal Government will use the meeting to announce that $7 million in public funds will be made available for the first time for use by minority organizations for AIDS education and prevention.

As a measure of the concern, more than 1,000 people say they will attend the conference, which the Government had planned for fewer than 400.

The growing focus on minorities marks an important turning point for civil rights leaders and Federal health officials, who say the incidence of AIDS among minority groups has long confronted them with a difficult dilemma: how to raise the alarm without stigmatizing minorities because of the widespread fears about the disease.

Dr. Stephen Margolis, the coordinator for AIDS and drug abuse at the Centers for Disease Control and the organizer of next weekend's conference, says the Government's approach has been to focus on high-risk behavior rather than on specific ethnic or racial groups.

"What we are doing now is pinpointing minorities, because we recognize that prevention strategies must take into account racia and ethnic differences, if they are going to be successful," he said.

White homosexual men still make up the largest share—49 percent—of the nation's 38,435 diagnosed AIDS cases, as of July 20. But blacks and Hispanic people make up 39 percent of all cases, even though they account for only 17 percent of the nation's total adult population.

Also, epidemiologists at the Centers for Disease Control have concluded that blacks and Hispanic people have a higher relative incidence of AIDS in almost all transmission categories, and account for the majority of cases involving intravenous drug abusers, heterosexuals and children borne to infected mothers.

#### A LINK TO DRUG ABUSE

Researchers say the major difference in the incidence of AIDS between whites and minorities is the degree to which intravenous drug use and needle sharing is practiced within minority communities. Hypodermic needles contaminated by one drug user can spread AIDS to another user.

"In a tragic way, the epidemiology of AIDS may indicate just how widespread IV needle sharing is among minorities," said Dr. Roger Bakeman, a psychologist at Georgia State University, who has conducted extensive studies on the matter.

It has been more than three and a half years since the Centers for Disease Control published data showing that blacks and Hispanic people were afflicted by AIDS at a far higher rate than whites. Since then, little Federal money has been channeled directly to organizations working with minority communities.

Although money has gone to education programs aimed at intravenous drug users, health experts say that reaching addicts with information and persuading them to change their behavior is far more difficult than reaching middle-class homosexuals.

Dr. Beny J. Primm, a physician and executive director of the Addiction Research and Treatment Corporation, a treatment program in Brooklyn, said the highly visible political leaders within the black and Hispanic communities had been too slow in dealing with the threat AIDS poses to minorities.

"They are afraid of backlash and won't talk about it, the same way the governments in Africa wouldn't either until so many people were sick and dying they could no longer ignore it," said Dr. Primm, who met recently in Washington with national representatives of seven black churches to encourage them to take a more active role in AIDS education and prevention programs.

Because of the high incidence of heterosexual transmission involving the sex partners of intravenous drug users and because of the high rate of teen-age pregnancy among blacks, health experts say the potentially rapid spread of the disease through heterosexual transmission makes AIDS prevention and education an increasingly urgent matter in minority communities.

But at the same time, the close ties between AIDS and drug abuse, coupled with its being perceived as a disease that primarily afflicts homosexuals, has raised difficult moral and cultural questions and, at times, even some resistance, among key segments of minority communities.

Gilberto Gerald, the head of minority affairs for the National AIDS Network, a private organization in Washington said: "Not only is homesexuality a taboo topic in both the black and Hispanic communities, but intravenous drug users have no political constituency either. AIDS patients are a minority within a minority."

Among blacks and other minorities, the focus on AIDS and race, even the discussion by scientists of the theory that the disease originated in Africa, still causes discomfort and "a kind of resentment among a lot of

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black folk," said the Rev. Joseph E. Lowery, the president of the Southern Christian Leadership Conference, who, was his wife, Evelyn, was among the first black leaders to address the issue of AIDS among blacks.

### A LACK OF HEALTH CARE

But Mr. Lowery said AIDS was, finally, a civil rights issue for blacks, who already suffer higher rates of heart disease, high blood pressure and cirrhosis of the liver than do whites.

"The problem is that blacks and Hispanic people are deprived, they lack proper health care and health education," he said.

The issue has been a special problem for the black church, which had been the moral refuge of the civil rights movement, leaders say.

Representative Floyd H. Flake, a black Congressman from Queens and an ordained minister, said the AIDS issue, like teen-age pregnancy, is not discussed from black pulpits, even though the black churches are essentially allies in any campaign to carry information about AIDS to the grass roots level.

"Historically, sexuality has been a no-no among the black churches," said Mr. Flake, who has presided at the funerals of two members of his own congregation who died of AIDS. "Even for me, I don't think I can talk about condoms in church without doing a lot of preparation first."

### TALKING ABOUT ABSTINENCE

Michael Lomax, the chairman of Atlanta's Fulton County Commission, said that the black establishment's difficulty in dealing with AIDS was part of a larger predicament. "It is a matter of coming to terms, at last, with the fact that there are problems within our community that were not imposed upon us by white society," he said.

"Intravenous drug use, teen-age pregnancy and sexual promiscuity are behaviors that are pathological in our own community, and we must come to grips with that, to take responsibility."

Within the Hispanic community, leaders say, education and prevention efforts have been complicated by the Roman Catholic Church's opposition to the use of condoms as a means of stopping the spread of the virus. Instead, many priests, like right-wing conservatives, talk about abstinence.

William A. Bogan, the executive vice president of the National Coalition of Hispanic Health and Human Services Organizations in Washington, said such cultural cross-currents have set back some community efforts to spread the word about AIDS.

But he said a bigger part of the problem has been what he called the failure of Federal and state officials to channel resources to community organizations that can do the most good in reaching minority people, including drug abusers.

Dr. Primm, for example, said officials at the Centers for Disease Control had been reluctant to focus on the incidence of AIDS among minorities, for fear that they would appear to be singling out black or Hispanic people.

Dr. Rudolph E. Jackson, a physician in Atlanta who is working as a consultant to the Centers for Disease Control, said he believed the agency was slow to deal with the issue of AIDS among minorities because of an earlier controversy over the Haitians.

When the agency first began assembling data on AIDS, a higher incidence among Haitians caused them to be identified as a separate risk group. That provoked controversy among Haitian nationals and others, who said the agency was stigmatizing an entire population. The agency then dropped the identification.

Health officials and representatives of groups helping AIDS patients stressed that it was critical for financing agencies to work closely with specific community groups to minimize language and cultural differences.

"For a lot of minority women, discussing safer sex is out of the context of their role," said Suki Ports, the director of the Minority Task Force on AIDS for the New York Council of Churches. "They may risk losing their man, or even risk physical abuse, if they were to suggest using a condom."

Ronald Jenkins, a health programs consultant with the state of Georgia, mixes in rap music and advice on avoiding pregnancy when he talks to black teen-agers about AIDS.

In some ways the message seems to be getting through. Sandra McDonald, who runs Outreach Inc., the first AIDS education project in Georgia working directly with blacks, said that a year ago, "people didn't even want to listen."

Now, she said, there is more and more interest, "These days, we're talking about women and babies dying too," she said. "The more we bury, the more people pay attention."

### AIDS: WHO CARRIES THE BURDEN

Relative incidence of AIDS by category and group. Relative incidence is a measure of the rate at which AIDS occurs per million in the black or Hispanic population, compared with the occurrence per million in the white population. For instance, AIDS occurs 2.6 times more often among black men than it does among whites; among Hispanic men, it occurs 2.5 times more often.

| | Cases per million population | Incidence compared with that of whites |
|---|---|---|
| Total cases, men: | | |
| Black | 764 | 2.6 |
| Hispanic | 730 | 2.5 |
| Total cases, women: | | |
| Black | 105 | 12.2 |
| Hispanic | 73 | 8.5 |
| Heterosexual men who are intravenous drug abusers: | | |
| Black | 262 | 21.8 |
| Hispanic | 248 | 20.7 |
| Heterosexual women who are intravenous drug abusers: | | |
| Black | 64 | 18.1 |
| Hispanic | 40 | 11.3 |
| Gay or bisexual men who are not intravenous drug abusers: | | |
| Black | 379 | 1.6 |
| Hispanic | 389 | 1.6 |

Source: Dr. Roger Bakeman, Department of Psychology, Georgia State University, based on data from the Centers for Disease Control from April 6, 1987

Mr. LENT. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California [Mr. DANNEMEYER], who is rapidly becoming our expert on this issue in the House.

Mr. DANNEMEYER. Mr. Speaker, first, on the procedure that we have observed with respect to the movement of this legislation, I am a member of the Subcommittee on Health and the Environment that normally would have considered this as a part of the Committee on Energy and Commerce.

Would the Members believe that the subcommittee of jurisdiction did not even consider this legislation at any time? Today, not more than a half hour ago, about an hour ago really, the full Committee on Energy and Commerce took up this bill without the benefit of any hearings at all. No witness has ever been called to testify about any legislative need. It was rushed through the committee very quickly, and here we are with the bill on the floor of the House now. No Member or no witness has testified to the legislative need or the reasons for any part of the process. If I did not know any better, I would suspect that we were attempting to just railroad this piece of legislation through the House. I would not accuse anybody of attempting to do that, but that is the premise or the impression that I get.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend, the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, did I hear my friend, the gentleman from California, say that the subcommittee chairman actually held no hearings on this bill?

Mr. DANNEMEYER. None at all.

Mr. DAUB. And the full committee held no hearings on this bill?

Mr. DANNEMEYER. No hearings were held at all.

Mr. DAUB. So this bill not only got reported out but got placed on the Suspension Calendar?

Mr. DANNEMEYER. It is on the Suspension Calendar right now, that is right.

Mr. DAUB. I see. So we have no legislative history on this except that we are going to engage in 20 minutes of debate on each side?

Mr. DANNEMEYER. And we have the legislative history that took place in the consideration of amendments today in the Energy and Commerce Committee, but that will not even be a part of the record because it will not get reported in time if it passes this House to be a part of the bill.

Mr. DAUB. Mr. Speaker, will the gentleman yield further?

Mr. DANNEMEYER. I yield to the gentleman from Nebraska.

Mr. DAUB. On an issue as serious as this and with a commission as important as this, it is really just being brought to the floor now with so few Members here?

Mr. DANNEMEYER. That is exactly where we are.

Mr. DAUB. So it is just politics to be one up on the administration because they have already taken action?

Mr. DANNEMEYER. Mr. Speaker, in response to my friend, I can say that we already have a commission in existence to deal with communicable diseases in America. It is called the Public Health Service. It has been in existence for decades, and it has worked very effectively to control communicable diseases. But because the U.S. Public Health Service and certain State public health officials of America have not pursued normal routine customary responses in dealing with communicable diseases, it is now not only a major public health issue in America but it is, in addition to that, a very profound political issue as well.

There are certain activities that I think this Commission should consider if it is to come into existence. As I say, we do not need it because we already have one, the U.S. Public Health Service. The President of the United States has already appointed a commission consisting of 13 members, distinguished citizens from across this country, who, I am sure, will do an excellent job for the American public in advising all of us what needs to be done. I do not think we need another commission to be created by this act of Congress.

If, on the other hand, it is the judgment of the House that this Commission is to come into existence, I think there are certain aspects that should be considered in the normal course of events that the Commission should consider. For example, the cornerstone of public health response to any communicable disease is reportability. That should certainly be a part of the consideration. Because we have not been reporting, we should be testing certain elements of the population of our country to give us a better handle on the extent of the problem and in what region and to what extent it has afflicted certain age groups of our population.

We have not as a people said that as a standard we would declare that anyone with the virus would be precluded from donating blood to the blood supply of the country. In order to protect the integrity of our blood supply, we need a law that says that, and this Commission should be considering that. We need a standard or a law on the books of this country that says that any person with the virus who knowingly transmits bodily fluids commits a public offense when they transfer bodily fluids. We have not said that as a people. We should be saying that, and this Commission should be considering it.

Finally, we should be testing certain persons in Federal jurisdictions such as Federal prisoners or persons seeking immigration to this country who routinely are tested for communicable diseases.

These five subjects, I think, belong within the purview of the commission if it is the judgment of the House to adopt this legislation.

Mr. Speaker, I would like to ask my colleague, the chairman of the subcommittee, the gentleman from California [Mr. WAXMAN], if he believes the points I have mentioned are subjects that the Commission should consider among others within the area of its responsibility.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The time of the gentleman from California [Mr. DANNEMEYER] has expired.

Mr. LENT. Mr. Speaker, I yield 1 additional minute to the gentleman from California [Mr. DANNEMEYER].

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend, the gentleman from California.

Mr. WAXMAN. Mr. Speaker, those issues that the gentleman has raised are perfectly legitimate issues for this Commission to look at. Among other issues they will want to evaluate in terms of how to deal with the AIDS epidemic, I do want to underscore that while the mandate is spelled out in generic terms, these are specifics that we would suspect they may well want to look at.

Mr. DANNEMEYER. Mr. Speaker, I thank my colleague for that comment.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to the chairman of the committee, the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I rise to support the legislation offered by my colleague from Georgia, Dr. ROWLAND.

AIDS is one of the most significant public health problems this Congress will face. The President has convened a Commission—made up in part of lay individuals—to provide the executive branch with recommendations regarding certain aspects of AIDS policy. There is an equal need for an impartial and expert Commission to study the scientific, economic and social aspects of this epidemic to provide the Congress with recommendations for effective policy action. The need for this Commission grows daily.

As the Committee on Energy and Commerce continues its work to create effective measures for dealing with the AIDS virus and the threat to public health that it represents, the committee looks forward to receiving the recommendations of this Commission. It was the clear intent of the committee in reporting this legislation that this Commission proceed with the broadest possible mandate to examine all areas of inquiry necessary to the development of sensible policy recommendations.

Among the many matters into which the Commission might inquire would be the advisability of reporting requirements and the efficacy of various methods for discovering who might be infected by the virus and of controlling transmission of the virus within this country and across our borders.

Finally, attention should be given to the problem of the disproportionately high incidence and rapid spread of AIDS among minority populations, including blacks, Hispanics, and native Americans. AIDS occurs roughly 2½ times more frequently among black and Hispanic men than among white men. Black women have a 12 times greater risk of developing AIDS than white women; Hispanic women are at more than 8 times the risk of developing the disease than white women.

Those familiar with the health problems of native Americans predict an equally alarming spread among this population—unless effective control measures are soon implemented. Finally, of the hundreds of infants and children with AIDS, blacks and Hispanics represent the overwhelming majority of cases.

A proper examination of effective policy would dictate serious study of the reasons for these startling numbers as well as practical steps that could be taken to slow the spread of AIDS and to care for those already affected by it.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Indiana [Mr. BURTON] for 10 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

First of all, Mr. Speaker, I would like to say that my colleague, the gentleman from California [Mr. DANNEMEYER], is in the forefront of the fight against AIDS here in this country, and I have the greatest admiration and respect for him.

I am a cosponsor of every one of the bills that the gentleman is supporting in this Congress, and in addition, I have a bill or two of my own that would deal with this tragic epidemic. But in this particular instance I disagree with my colleague. I think that this Commission should be established, for a number of reasons, and when the Commission is established, as I am confident it will be, I think all the issues the gentleman alluded to during his remarks just a few minutes ago should be discussed by the Commission, and I am confident that they will be.

Reportability is very important. Making sure that criminal penalties are imposed upon the people who knowingly transmit this deadly disease to other people should be passed by this body. And people who knowingly kill other human beings should be penalized, in my view, to the fullest extent of the law, and we should make sure the laws are very strong in this regard.

This is probably the most deadly epidemic that mankind has faced in our lifetimes, and maybe throughout history, and it is my view that the more attention we focus upon it and the more research we do from a legislative standpoint and an executive standpoint, as well as a medical standpoint, the better off we are going to be. It is estimated that we have 1.5 to 4 million people infected with this deadly disease right now, and the number is doubling. The number that is infected is doubling evey 10 to 12 to 14 months. At that rate we can see that a large percentage of the U.S. population is going to be infected in the not-too-distant future, and we do not have the luxury of time.

So it is my feeling, Mr. Speaker, that this Commission should be established. We should get on to appointing the members of this Commission. I

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hope to be one of those members, and I know the gentleman from California [Mr. Dannemeyer] likewise would like to be on this Commission to make sure that we get at the root cause of this problem and come up with solutions to the problem and wage all-out war against this disease. It should not just be a little piecemeal approach from the legisative branch or the executive branch or by the health services of this country, but we should wage a full-fledged war against AIDS.

So, Mr. Speaker, I think it is extremely important that we establish this Commission, get it passed by this body today, and get on with appointing the members of this Commission as quickly as possible.

Mr. Speaker, I reserve the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I yield 3 minutes to a member of the Veterans' Affairs Committee, the gentleman from Georgia, Dr. Rowland, who is one of the chief sponsors of the legislation.

Mr. ROWLAND of Georgia. Mr. Speaker, I wish to express my appreciation for this opportunity to speak on this subject.

I can say without hesitation or mental reservation that the people of this country thank the chairmen of this committee; they thank the gentleman from California [Mr. Waxman], they thank the gentleman from Michigan [Mr. Dingell], they thank the gentleman from New York [Mr. Solomon], and they thank the gentleman from Arkansas [Mr. Hammerschmidt] and the gentleman from New York [Mr. Lent] and all those who have been so instrumental in bringing this piece of legislation to the floor because it is such an extremely important piece of legislation.

I am so pleased that there have been so many Members of this House who have put aside partisan politics and philosphical differences to address what is probably one of the most important pieces of legislation that will pass this House this session because we are faced with a disease whose potential is absolutely devastating to the people of this country.

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That virus does not know or care about the color of one's skin. That virus does not know or care about one's sex. That virus does not know or care about what social strata you belong to or what your financial assets and liabilities are.

That virus does not care whether you are an adult or a newborn infant. It makes no difference.

It attacks the immune system and will destroy that individual.

It is so important for us to bring together a group of people who are experts in their areas who have some knowledge about AIDS in medicine, in science, in ethics, and in legal matters to advise the Congress and the President about what we need to do to address this terrible issue.

I have seen the debate and discussions take place in such a partisan and philosophical manner that it is time for the Members to address this in a manner that is appropriate, a manner that will focus on what a devastating disease this can be to our country.

I wish to commend all of the cosponsors who participated in moving this piece of legislation along, and look forward to working with the Members to get this to be a reality, so that we can address this problem that is almost overwhelming in our country.

The SPEAKER pro tempore (Mr. Gray of Illinois). The Chair would state that the gentleman from California [Mr. Waxman] has 9 minutes remaining, the gentleman from Mississippi [Mr. Montgomery] has 3 minutes remaining, and the gentleman from New York [Mr. Lent] has 2 minutes remaining.

Mr. WAXMAN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. Scheuer], a member of the Subcommittee on Health and the Environment.

Mr. SCHEUER. Mr. Speaker, I thank the gentleman for yielding time to me.

The previous gentleman, the only doctor in the House, who has done a herculean job of putting this bill together and deserves the gratitude of all of the Members, made one remark that I wish to elaborate on.

The gentleman said that the AIDS virus does not distinguish between the rich and the poor and various ethnic and racial and national groups in our society.

That may be true, but there is a vast level of informational differences between these groups, knowledge differences between these groups, and therefore, increased vulnerability, vast differences in the vulnerability of these various people.

This AIDS dominance predominantly, not entirely, affects the poor, the unknowledgeable, people who have not learned to alter their behavior to protect their life and limb.

It is heavily involved not only in the homosexual community which, of course, is not poor. It goes through every aspect of our society, but for the IV drug users among us, the intravenous drug users is a major source of the transmission of this horrifying, awful disease.

IV drug users in this country tend overwhelmingly to be poor, tend overwhelmingly to be less well informed than the rest of the public; and I am sad to report, overwhelmingly minority.

Approximately 80 to 85 percent of all the infants that are born with AIDS are minority-group members, so our society has a terrible burden to bring knowledge and information, and all kinds of education programs to the poor among us, the minority community amongst us; and if this Commission can make that point, the importance of education, it will have served a very noble purpose.

Mr. LENT. Mr. Speaker, I yield the balance of my time to the gentleman from Utah [Mr. Nielson].

Mr. NIELSON of Utah. Mr. Speaker, I thank the gentleman for yielding time to me.

I speak against the bill. I do not like the way it was handled in the Energy and Commerce Committee. It did go through the Committee on Veterans' Affairs in the proper manner. When the bill came to the Committee on Energy and Commerce it was assigned to the Subcommittee on Health and the Environment. The bill was not brought up there, but was instead brought to the full Committee on Energy and Commerce with no hearings. The bill was passed in that committee less than 1 hour ago. Obviously there is no report from the Committee on Energy and Commerce to consider along with the report from the Committee on Veterans' Affairs.

Several good amendments were offered by the gentleman from California [Mr. Dannemeyer] in the Committee on Energy and Commerce and they were all defeated by a straight party vote.

It appears to me that we are duplicating in the area of AIDS commissions. We have a Presidential Commission just recently formed, and the Labor-HHS appropriations bill which is coming before the House tomorrow also has a commission. This is the third commission being set up to study the problem of AIDS. It may be an attempt by the Congress to counter the recent Presidential Commission.

I am all for studying all we can about AIDS, but I do not think we have to have duplicative commissions.

We need to make the good suggestions of my colleague from California [Mr. Dannemeyer] to the President's Commission and not have a competing commission. I realize the Veterans' Administration is interested, because the Veterans' Administration hospitals could play a role, but that can be done with or without this bill.

Mr. Speaker, I, therefore, oppose the bill. It is an unnecessary expenditure of $2 million. If it is really urgent, as the gentleman from Indiana [Mr. Burton] said, we should not allow the Commission 2 years to come back with a report.

It is much more urgent than that, and if this Commission is formed, we should direct the Commission to report back much earlier.

Some good amendments could be made to this bill; but since it is on the suspension calendar with no opportunity for amendment, and no opportunity for hearings of any kind, I think it should be defeated at this time and reworked with proper amendment.

Mr. BURTON of Indiana. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. Pursell].

Mr. PURSELL. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I wanted to move along with the gentleman in respect to the same problem I see here. The left hand does not know what the right hand is doing.

Here we have a bill today without study and review by most of the Members in the House, and it establishes a new commission.

I want to inform the Members today that tomorrow the Labor-HEW appropriation bill will be before this House, which establishes a commission. Obviously, historically we know for a fact that the President has a commission.

I do not know what is going on between the committees, but obviously there is not much communication here between various statutory and jurisdictional committees, when we are establishing a commission to look at a very important issue.

It illustrates how fast this Government is going and how fast this AIDS appropriation is moving up, and tomorrow it will move to $970 million, almost $1 billion in 1 year.

I do not know if the agencies can spend it that well. That is a judgment that we are all going to have to evaluate in the next fiscal year; but for the establishment of a commission, I think we ought to step back for a moment, take a look at where we are going in terms of the congressional efforts and the executive effort in trying to work out an appropriate single voice, a commission that can look at this issue.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. PURSELL. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding.

The gentleman from Michigan and I have the opportunity of serving on the Labor, Health and Human Services and Education Subcommittee of the Committee on Appropriations, and I want to assure the gentleman, as one who has participated in the task force, and discussed this issue with the gentleman from Georgia [Mr. Rowland], and other cosponsors of it on both sides of the aisle, that I did bring to the gentleman's attention, the advisory committees that we have established in our report language, not in the bill, as the gentleman knows, to the Secretary and to the Directors of NIH and CDC.

We are cognizant of that, and we believe that this will be a complementary effort and not a contradictory effort.

Mr. PURSELL. Mr. Speaker, I think that is appropriate, and I have used those words myself, complementary, not confrontational or going in opposite directions.

Obviously, from the commonsense standpoint with three standing commissions going on, we are going to have some fundamental policy debate, discussions that are not unified in terms of speaking in one voice.

It gets to look like a foreign policy issue here in which every Member speaks on behalf of foreign policy, and I do think that is counterproductive in trying to get a single voice on addressing a comprehensive issue so big and complex fiscally, educationally, as well as research wise, that I think this is a mistake to establish these commissions without working together in a more unified way to establish one full commission with one voice to look at the research and education and problems that lie within this AIDS problem.

Mr. WAXMAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maryland [Mrs. Byron].

Mrs. BYRON. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise today in support of H.R. 2881, the National Commission on AIDS Act. As we all know by now, AIDS has become a deadly epidemic that is affecting the lives of American families across this Nation in the severest of terms. It is a disease which will inevitably touch the lives of every one of us—the recent death of our colleague, Stewart McKinney is a testament to that fact. It will refocus our priorities in the delivery of health care, prevention, and the allocation of Federal dollars for health research. There is no cure for this disease, and it appears that a cure may not be found for perhaps a decade according to some medical experts. That is why I think the work of the Commission proposed in this legislation is so important. Congress needs to be informed about this very important health issue so that it can make the correct choices devoid of panic or intolerance. The American public will expect Congress to above all, act responsibly in developing a comprehensive and bipartisan effort to combat AIDS. A comprehensive AIDS policy will also be one which evolves over time as we learn more about this disease. The Commission in this respect will be an invaluable tool.

One change which I would recommend to the current legislation would be to have a representative from the Department of Defense on the Commission.

As the chairman of the House Armed Services Personnel and Compensation Subcommittee, which has jurisdiction over the welfare of the men and women who serve this country, I can tell you that the Department of Defense has become essentially the lead Federal agency in the development of a comprehensive AIDS counseling and testing policy. There is a lot we can learn from them since DOD has had a testing policy in effect for over a year now and is currently in the process of expanding their testing base. I am hopeful that the gentleman from Georgia, along with the gentleman from California will work for this change when the bill is considered by the other body.

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As the chairman of the Armed Services Committee on Personnel and Compensation, which has jurisdiction over the welfare of the men and women who serve this country, I can tell you that the Department of Defense has become essential in the lead as a Federal agency in the development of a comprehensive AIDS counseling and testing policy. There is a lot we can learn from them, since DOD has a testing policy in effect for over a year now and is currently in the process of expanding their testing base.

Mr. Speaker, I am hopeful that the gentleman from Georgia, along with the gentleman from California, will work for this change when the bill is considered in the other body. I want to commend them for the swiftness with which they have moved forward with this legislation.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, charges have been made that there have been no hearings on this legislation. I would like to try to explain that there have been hearings on this topic during which our Members discussed extensively the need for this legislation. If the gentleman on the other side would like to see the report written by the Veterans' Affairs Committee, on this Commission legislation, I will be glad to share a copy with him. Also, there is a task force that was appointed by the Speaker to look into AIDS with the gentleman from California [Mr. Waxman] and myself and the gentleman from Maryland [Mr. Hoyer] was the chairman, we met a number of times.

In defense of the gentleman from California [Mr. Waxman], they were waiting on the Veterans' Affairs Committee to move with this legislation, which we did introduce at first, so there have been hearings.

I feel comfortable with what we are doing today. It is a terrible disease. We are trying to move ahead to solve some of the problems that we have.

If any of the other gentlemen would like to look at this report in detail, they spell out the problems that the gentleman was asking about.

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The **SPEAKER** pro tempore. The time of the gentleman from Mississippi has expired.

Mr. **MONTGOMERY**. Mr. Speaker, I yield myself an additional 30 seconds.

Mr. **NIELSON** of Utah. Mr. Speaker, will the gentleman yield?

Mr. **MONTGOMERY**. I am happy to yield to the gentleman from Utah.

Mr. **NIELSON** of Utah. Well, Mr. Speaker, I said that I knew it has been handled properly in the Veterans' Affairs Committee. My point was about the Energy and Commerce Committee, which held no hearings, either in the subcommittee or in the full committee, and in fact did not even write a report before it was on the floor.

Mr. **MONTGOMERY**. Well, we tried to make a bipartisan report. It could be some of our fault. We were working through the task force, working with the gentleman from California [Mr. Waxman]. He was on top of the situation. We do have a good report.

Mr. **NIELSON** of Utah. Mr. Speaker, I thank the gentleman.

Mr. **MONTGOMERY**. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. Rowland].

Mr. **ROWLAND** of Georgia. Mr. Speaker, may I say to my good friend, the gentleman from Utah, that I do not find it to be contradictory of the President's Commission and this one. In fact, I think they are complimentary.

There are some differences that exist between the Presidential Commission and this Commission. The President's Commission reports at the end of 1 year and then terminates. This Commission reports at the end of 1 year and then reports at the end of an additional year and this President has the prerogative for 2 additional years.

It is my feeling that people who serve on a commission should not be discharged at the end of a year, come back and start over with new people, because necessarily AIDS is something that is going to be continuing. It is going to be changing. To have those people on that Commission who are knowledgeable so that they can carry on in a continuous manner the efforts they are making, and additionally, the President's Commission reports to the President. It does not report to the Congress. It reports to the Secretary of HHS and then to the Congress.

This Commission reports to the President and to the Congress.

We tried to make it bipartisan. We tried to make it nonpolitical. I think it is going to be perceived in that way.

I just wanted to give this information to my good friend, the gentleman from Utah.

Mr. **WAXMAN**. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. Levin].

Mr. **LEVIN** of Michigan. Mr. Speaker, last year, the Institute of Medicine and the National Academy of Sciences issued its report calling for the establishment of a National Commission on AIDS.

The IOM report disclosed significant gaps in the efforts being directed against the AIDS epidemic and in the employment of the Nation's resources. In the areas of research, health care, public health measures, public education, health care finance, social services and civil rights, both in this country and internationally, the IOM report stressed the need for cohesiveness and strategic planning.

It went on to recommend that this National Commission should be able to engage all of the diverse public and private resources that can be brought to bear on HIV-associated problems. It must be sufficiently independent to give critical advice to participants in these efforts. It should have sufficient national and international stature and credibility for its advice to command the attention of participants * * * [and] * * * it should not be created within the administrative structure of the Federal executive branch.

The President's Commission, named 2 weeks ago, can make a positive contribution to our effort to combat AIDS. However, it cannot provide the full coordination and expertise called for in the IOM Committee report.

This bill, H.R. 2881 does follow the IOM-NAS recommendations. It establishes a 15-member Commission, a majority of whom must be recognized experts in the medical, legal, and ethical issues surrounding AIDS. This Commission will make recommendations to the President and Congress for national policies and priorities for AIDS research, testing, treatment, prevention, transmission, and public education. It will also recommend the appropriate roles for Federal, State and local governments and the private sector, as well as coordination of U.S. efforts with those of international organizations. Members will be appointed by the President and Congress, again, with an emphasis on their training and expertise on AIDS issues.

Mr. Speaker, this National Commission on AIDS will help us achieve what we need—a national policy on AIDS. This Nation must take the lead in finding a cure for AIDS, in stopping its spread, and in treating its victims with compassion and quality care. We must marshall all our resources toward that vital end. I commend the sponsor of this bill, Mr. Rowland, and the support of Chairman Dingell, Mr. Montgomery, and Mr. Waxman in bringing it to the floor. I urge my colleagues to vote for this important bill.

Mr. **BURTON** of Indiana. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, some of the arguments that have been made I take very strong issue with.

First of all, let me say that the amendments that Congressman Dannemeyer of California proposed in the committee this morning, I agree with all of them. I wish they had been adopted, but I do not believe because they were not adopted that this Commission should be stopped, or the formation of this Commission should be stopped by this body today. I think it is extremely important that we have as many agencies working on this problem as possible.

You know, when we talk about fighting AIDS and looking for a scientific solution to this, we do not ask just one scientific body to do research. We try to get as many well-qualified scientists as we can possible find to research this virus, to try to come up with a vaccine for it, as is humanly possible, and to indicate that only one commission is going to be able to come up with a solution to this from an executive or legislative or scientific standpoint I think is ridiculous.

Nobody has a monopoly on this. Nobody is omnipotent.

I think it is extremely important that we get more and more attention focused on this. That is one of the main reasons why I think this Commission should be established. I think it should be done in a bipartisan way.

I commend the gentleman from Georgia for attempting to do that with this legislation.

Policy debate between various commissions may be very good. You know, Dr. Koop has made many statements with which a lot of scientists disagree. There are scientists who believe that this disease is communicated through casual contact. We had three nurses who got the AIDS virus by having blood splashed on them, and yet Dr. Koop has said it cannot happen that way. We have heard people say that you cannot get it through deep kissing, and yet we know that there are people who have gotten it, and we believe the only way they could have received it was through kissing, as with an older couple, an elderly couple. The husband had it and the only contact he had with his wife was through kissing and she got the disease.

In short, I think because there is disagreement in the scientific community and because we have a scientific commission being established, we have a Presidential Commission being established and now we are going to have a legislative commission being established, we are going to come at this from various points of view. I think that kind of discussion and debate is going to be very healthy for coming up with a solution to this problem.

I would urge all my colleagues on both sides of the aisle to put aside any partisan differences that they might have and come together on this legislation. It is extremely important and I urge everyone to vote for it.

Mr. **MONTGOMERY**. Mr. Speaker, will the gentleman yield?

Mr. **BURTON** of Indiana. I am happy to yield to my colleague, the gentleman from Mississippi.

Mr. **MONTGOMERY**. Mr. Speaker, I believe the gentleman would agree that this Commission that we are talking about today will really get the Congress involved. The other commissions really do not get us totally with it.

Let me point out that tomorrow, as I understand it, there will be $1 billion of new money going to AIDS in the appropriations bill that will come up tomorrow. However, Congress would not be involved beyond appropriating money unless we come up with this type of commission, so I think it is absolutely important that we pass this legislation today.

Mr. **BURTON** of Indiana. Well, Mr. Speaker, I thank the gentleman for his contribution. I agree with him.

You know, we have 435 Members of this body and 100 Members of the other body. I will tell you from personal conversations with many of them, they are not very conversant with the problems we are facing with AIDS.

Congressman Dannemeyer, myself and a few others in this body, have really worked on it for over a year. I think the more education we give the Members of this body and the other body, the better off we are going to be when we have to appropriate more money or come up with other legislative action to deal with this problem. So I think this Commission is very important and I hope that everyone will support it.

Mr. **WAXMAN**. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. Hoyer].

(Mr. **HOYER** asked and was given permission to revise and extend his remarks.)

Mr. **HOYER**. Mr. Speaker, I thank the chairman for yielding.

I want to rise in very strong support of this legislation. I am pleased with the bipartisan support that it has and the bipartisan leadership that has brought it to the floor.

I particularly want to congratulate our doctor in the House, the gentleman from Georgia [Mr. Rowland], who has been the chief sponsor of this legislation and who has been a key factor in bringing together such a cosmopolitan group of people from all over the country, from all philosophical spectrums of the House, to focus in on probably the chief health problem confronting not only this country, but indeed the world.

I am hopeful that we will overwhelmingly support this piece of legislation.

As I discussed with the distinguished gentleman from Michigan [Mr. Pursell], there are other efforts being made. The President is making a very useful and worthwhile effort in terms of focusing on possible solutions.

I agree fully with the gentleman from Indiana that it is important that we bring a broad spectrum of views to bear on this issue.

The gentleman from Georgia and the cosponsors on that legislation have devised legislation which will now incorporate the President, the minority leader and the Speaker, the majority leader and the minority leader in the Senate, in forming a commission that will be able to advise us and indeed, as the gentleman from Michigan has pointed out, the Labor-Health Subcommittee of the Appropriations Committee has recommended and directed indeed that the Directors of ADAMHA, NIH, and CDC appoint their own advisory committees to advise them on the administration of this money that we will be appropriating tomorrow, a sum of $945 million, a dramatic increase in dollars being directed toward the solution of this terrifying, complex, confusing, fearful disease.

So I think it is appropriate that we pass this legislation as quickly as possible so that the appropriate authorities can appoint this particular Commission and it can start to focus on how best we can apply the resources of this Nation to overcome this devastating problem.

## PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO FILE REPORT ON H.R. 2881

Mr. **WAXMAN**. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce may have 5 legislative days in which to print its report on this bill, H.R. 2881, in the Record, including minority, dissenting, and supplemental views.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. **MONTGOMERY**. Mr. Speaker, I just repeat again what I said earlier, that this Commission does get the Congress involved. That is the way it should be. I hope we will get strong support from Members of Congress.

### GENERAL LEAVE

Mr. **MONTGOMERY**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this legislation, H.R. 2881.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. **WAXMAN**. Mr. Speaker, I yield 1 minute to my colleague, the gentleman from California [Mr. Levine].

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Mr. **LEVINE** of California. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 2881, which will establish a National Commission on AIDS. I also want to commend my distinguished colleague, the gentleman from Georgia, who sponsored this legislation, and the honorable chairman of the Energy and Commerce, and Veterans' Affairs Committees, and the chairman of the Subcommittee on Health for their work on this important bill. The Commission established by this legislation will be charged with addressing some of the most difficult medical, social and legal issues confronting our Nation.

AIDS is the most serious public health challenge facing our society. The Surgeon General has estimated that about 1.5 million Americans have been exposed to the AIDS virus. Of these, 100,000 to 200,000 people will develop AIDS or ARC. At this time, there is no known cure for AIDS, and according to the best estimates, it will take several years to develop and test a vaccine. The medical community is continuing its search for a treatment for AIDS and the accompanying opportunistic infections and cancers. Congress is moving to address this need, and Federal funding for AIDS research has increased from $200,000 in fiscal year 1981 to the current estimate of $415,575,000 in fiscal year 1987. Yet, there is still much to be accomplished.

AIDS presents difficult social and legal questions as well. By the year 1991, an estimated 156,000 AIDS victims will need health care services costing somewhere between $8 to $16 billion. Congress and the public will be confronting the question of financing medical and long-term care for AIDS and ARC victims. Other issues including the scope of preventative education, counseling and testing programs, and discriminating issues must be revised and considered carefully.

H.R. 2881 would establish a national commission to review and recommend policies addressing these questions. The 15-member Commission proposed in this legislation would be composed of experts from medicine, law and ethics, and the executive and legislative branches of Government. This Commission will have the best opportunity to pool knowledge and expertise to formulate key recommendations for Congress, the President, and the Nation in addressing the challenge presented by AIDS.

The National Commission proposed by this legislation will rely on the expertise rather than political or philosophical ideology of its members to address the AIDS crisis. Congress and the President will have the opportuni-

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ty to bring together the most qualified experts in this field.

I urge my colleagues to support this timely and desperately needed legislation.

Mr. SOLOMON. Mr. Speaker, I rise, as ranking member of the Veterans' Affairs Committee in strong support of H.R. 2881, as amended, to establish a National Commission on Acquired Immune Deficiency Syndrome. The AIDS outbreak, now officially an epidemic, has confronted the world with a deadly new disease which is incurable. The reaction to it has ranged from extreme indifference to extreme hysteria. And as the debating goes on, this killer disease spreads and claims new victims.

In the midst of all this, Dr. Roy Rowland of Georgia, a member of the Veterans' Affairs Committee who serves on the Hospitals and Health Care Subcommittee, has calmly and quietly drawn together support for a commission which would consider and recommend a bipartisan national approach to AIDS. He has recognized the need to end the debating and establish a widely accepted national approach to AIDS. H.R. 2881 could be a major step toward such a comprehensive policy on AIDS. The benefit would be enormous, not only for veterans, but for the entire country.

The Veterans' Administration, with its health care system of 172 hospitals, is playing a major role in caring for AIDS patients and in AIDS research. The VA has medical research capabilities which are surpassed only by the National Institutes of Health, and the VA has world renowned medical researchers, including two Nobel prizewinners. Many important medical advances have come from the VA, including inplantible heart pacemakers and the remarkable Seattle foot, a prosthetic foot made of high technology materials which enables amputees to run again.

Because of the VA's activities in health care and research, the Veterans' Affairs Committee is a logical one in which to originate this type of legislation. The Committee on Energy and Commerce, to which the bill was jointly referred, has also reported the bill, so it has had appropriate committee scrutiny.

The Commission would have 15 members with 5 appointed by the President; 5 appointed by the Speaker with 2 appointed upon recommendation of the minority leader; and 5 appointed by the President pro tempore of the Senate, with 3 of the 5 recommended by the majority and 2 by the minority. I believe this approach, which includes both the executive and legislative branches, would ensure that the Commission's recommendations would receive serious attention. The expertise of the Commission members required by the bill, which Mr. Montgomery has described, would also enhance the Commission's credibility.

The problem confronting the Nation is not so much a lack of action with respect to AIDS, as it is a lack of direction. Once we have a comprehensive national policy, probably much more in the way of resources should be devoted to AIDS prevention, treatment, and research.

The AIDS epidemic is very, very serious, and we'd better be realistic. It is going to take a large investment of resources, very likely for a long time.

Let's look at cancer research, for example. After years of worldwide research efforts by some of the best scientific minds, and after the investment of hundreds of millions of research dollars, much progress has been made, but there is still a long way to go. I hope I am proven wrong, but with AIDS we had better expect and plan for something like the protracted battle against cancer, rather than for something like the triumph of the vaccine against polio.

Mr. Speaker, on July 28, 1987, this body passed the Atomic Veterans Compensation Act, H.R. 1811, which Dr. Rowland authored, and now our committee has advanced a second Rowland bill, H.R. 2881. My distinguished colleague from Georgia deserves the highest possible praise and recognition for his dedication to veterans and his initiatives in their behalf.

Mr. Montgomery, chairman of the full committee and of the Subcommittee on Hospitals and Health Care, and Mr. Hammerschmidt, ranking member of the subcommittee, have given this legislation the crucial bipartisan backing it needed and have brought it to the floor. I commend them for their sensitivity to the difficult issues addressed by this bill.

Also, our distinguished colleague, Mr. Dingell, the able chairman of the Committee on Energy and Commerce, and the equally able ranking member of that committee, Mr. Lent, have helped smooth the way for the bill in their committee. Without their essential cooperation, we would not be on the floor today considering a National AIDS Commission.

Mr. Speaker, H.R. 2881 is worthy of the vote of every single Member of this body, and I urge its passage.

Ms. PELOSI. Mr. Speaker, I rise in support of H.R. 2881, a bill to create a national commission on AIDS. This bill would call upon our most qualified scientific and medical professionals to assist the Congress in setting the national agenda for responding to the medical and psychological crisis of AIDS. The Commission created by this legislation would include a minimum of eight scientific and medical experts. This is exactly the expertise that is needed in this time of crisis.

I believe that AIDS must be our Nation's top health priority. While nearly 40,000 Americans have already been diagnosed with AIDS, over a milion other Americans are infected with the AIDS virus. For these quietly desperate citizens, scientific and medical discoveries are the only hope. Today, we as a Nation are once again looking to our most precious resource of talented scientists to help end this nightmare.

Last fall, the National Academy of Sciences Institute of Medicine released a comprehensive report entitled confronting AIDS. To date, this is the most thorough, intelligent and reassuring document yet presented on AIDS. Its ressurance does not arise from any predictions of an early end to the crisis, or because it tells people not to worry about the devastation that this epidemic will bring. It does neither of these things. The report is reassuring because it is grounded in science. It calmly and rationally lays out what must be done to respond to this vicious, slow-moving virus which has destroyed so many lives, not only in the United States, but also throughout the rest of the world.

One of the recommendations in the National Academy of Sciences report was the formation of a national commission on AIDS which would guide the way to research priorities, as well as advise the Congress on rational, rather than irrational public policy. H.R. 2881 is based on the model recommended by the National Academy of Sciences. By enacting this measure, we can move forward. We must.

This bill also gives increased and well-deserved attention to the role of the Veterans' Administration hospitals in basic research as well as the care and treatment of people with AIDS. Clearly we must involve all of our relevant medical and scientific resources in this battle. The Veterans' Administration hospital system must be a vital part of the national effort to respond to AIDS. Hearings this month in California, chaired by our esteemed colleague from Georgia, Dr. Rowland, will give an added focus to this need. I applaud this effort.

We are now at a crossroads in the battle against AIDS. This legislation can help. We need the best research, prevention efforts and health care delivery system that our Nation can produce. We need our best scientists and medical professionals to guide our public policy debate. I urge my colleagues to vote yes on H.R. 2881. Thank you.

Mr. SYNAR. Mr. Speaker, this week my colleagues and I introduced legislation (H.R. 3071) to establish the first national policy governing AIDS testing. I am also cosponsor of a bill (H.R. 2881) to establish a National Commission on AIDS.

Polls indicate that acquired immune deficiency syndrome [AIDS] has become the highest priority health concern of the American people. 35,000 cases have been reported in the United States and 20,000 Americans have died from AIDS-related conditions. It is estimated that 1.5 million people in the United States—5 to 10 million worldwide—are infected with the HIV virus that causes AIDS. The U.S. Public Health Service has projected that by 1991 there may be 323,000 reported patients with AIDS in the United States and as many of 200,000 will have died.

Given the growing dimensions of this public health crisis, it is imperative that a national policy be established to attain the goals of prevention, treatment, and a cure. Until a cure is found, prevention and control of the disease must be an essential part of that policy. For the time being, the most effective weapon for fighting AIDS is education. I see AIDS testing and counselling as part of the educational process.

Testing alone will not stop the spread of AIDS. Transmission of the virus can be controlled only with the cooperation of the tested persons. So if testing is to be effective, it must be carried out within a voluntary context and in conjunction with counselling so that the people being tested will be motivated to avoid high-risk behavior.

Nearly all public health and medical officials agree that mandatory testing would be counterproductive because it would drive away the very people whom medical authorities most want to reach. Without assurance of confidentiality and protection against discrimination, people who need the counselling most will not come forward to be tested.

The legislation I have cosponsored would establish a national policy governing AIDS testing. This policy is based on the best expert information available at this time and on the extensive experience of public health officials dealing with AIDS. It is carefully balanced to take into consideration public concern for persons with AIDS and those infected with the HIV virus along with a concern for those who do not have the disease but may become infected.

I believe that this legislation will address the public's concern about AIDS testing in a way that will reach the most people, encourage infected persons to cooperate, and educate people to modify behavior that places them at risk of transmitting or acquiring the HIV virus.

H.R. 3071 would:

Establish the first national policy governing AIDS testing;

Expand testing for the AIDS virus on a voluntary basis;

Insure confidentiality and strict civil rights guarantees;

Authorize Federal grants to existing health care facilities;

Require extensive counselling before and after testing;

Allow doctors to inform spouses or sexual partners of risk;

Inform blood banks if necessary for safety of blood supply; and

Prohibit discrimination against infected individuals.

This legislation recognizes that the most effective way to prevent AIDS is education because it encourages people to modify behavior that leads to the transmission of the HIV virus. Testing and counselling is part of that effort. Of course, abstinence and monogamy are the safest ways to avoid contracting the disease and should be encouraged. However, widespread education is needed, particularly for those whose behavior puts them at risk. While the threat to public health is a crucial issue, so is the threat to privacy and civil liberties posed by a reckless policy of widespread mandatory testing. Voluntary testing with counselling will be made widely available to all who chose to participate. I am convinced that this legislation will provide us with an effective means of controlling the spread of AIDS.

I have also joined with my colleagues in Congress to sponsor a bill (H.R. 2881) to establish a National Commission on AIDS. This legislation would set up a bipartisan commission of experts to advise Congress in the continuing development of a national public policy regarding AIDS.

The Commission would include 15 members: 5 (including the Secretaries of Health and Human Services and Veterans' Affairs) to be appointed by the President, 5 members chosen by the House of Representatives, and 5 by the Senate. The Democratic and Republican leadership in both houses would be involved in the appointments so the Commission will be truly bipartisan. AIDS is not a partisan disease.

This year it will be 6 years since the first report of the malady we now call AIDS. Since then, Surgeon General C. Everett Koop has said repeatedly that "our only weapon is education." In the meantime, we have spent more time fighting about the disease than fighting the disease itself. We have probably heard more about AIDS feuds than AIDS facts. I am sponsoring H.R. 3071 and H.R. 2881 because I want the American people to know the facts that will enable us to prevent, treat, and eventually find a cure for AIDS.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise, as ranking member of the Subcommittee on Hospitals and Health Care, in strong support of H.R. 2881. As one of the original sponsors of this measure, I believe it is imperative for this Nation to act quickly and effectively to combat AIDS.

In his recent speech before the American Foundation for AIDS Research, President Reagan indicated it was vitally important that Americans face squarely a disease that is now not only fatal, but spreading. He also said that it calls for urgency and not panic, for compassion and not blame, and that our Nation should not reject those who have the disease, but should care for them with dignity and kindness. I couldn't agree more fully with the President's remarks.

As the Nation's largest health care provider, the Veterans' Administration should play a major role in AIDS education, treatment, and research. In addition to establishing an AIDS Commission, this legislation would require the VA's Administrator to prepare a synopsis of all medical research worldwide on AIDS.

The administration is in an ideal position for this task, because the VA has a vast research organization within its hospital system, which is itself actively pursuing AIDS research. The synopsis would be due 90 days after the date of enactment, and would be extremely useful for anyone concerned about AIDS.

I commend Dr. Roy Rowland for the leadership he has displayed by introducing H.R. 2881 to address this most serious of problems. My good friend of many years, Sonny Montgomery, who is, of course, our chairman, and my distinguished successor as ranking member of the full committee, Jerry Solomon, have both spared no effort on this measure. I commend them, too, along with the leadership of the Commitee on Energy and Commerce.

John Dingell, its chairman and Norman Lent, its ranking member, have both given the Committee on Veterans' Affairs their complete cooperation so that there would be no delay in floor consideration of this bill.

I join with my colleagues in urging House approval of this vital legislation.

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 2881, a bill establishing a National Commission on Acquired Immune Deficiency Syndrome [AIDS]. I would like to commend the gentleman from Georgia [Mr. Rowland], the distinguished chairman of the Veterans' Affairs Committee, Mr. Montgomery, and my colleague from New York, the ranking minority member of the Veterans' Affairs Committee, Mr. Solomon, for the leadership they have provided in bringing this measure before us today.

H.R. 2881 establishes a commission to complement the President's Commission to study and recommend legislation to combat the AIDS disease. This legislation ensures that Congress in integrally involved in the attempt to halt the spread of this disease and coordinate scientific efforts to discover an effective antidote. This Commission will have 15 members, 5 of which will be appointed by the President, 5 by the House of Representatives, and 5 by the Senate. In each of the Chambers of Congress, the majority leader in each body will appoint three of the five Commission members, and the minority leader in each body will appoint two of the five members. This proposal emphasizes appointing experts from appropriate fields to make it as bipartisan a commission as possible. The Commission will be required to make its recommendations to the President, Congress, and other appropriate policymaking agencies.

We cannot do enough to combat the AIDS epidemic. Although the Surgeon General, Dr. C. Everett Koop, has stated "We've learned as much about AIDS in 6 years as we know about polio in 40 or whooping cough in 200 years," we are still far from every knowledgeable about this disease. Moreover, a great amount of confusion and fear exists among the public in regard to AIDS. This panel will be instrumental in pulling together what is known about AIDS and serving as a forum in which a rational, bipartisan policy can be formulated.

Mr. Speaker, the cost of this Commission over its projected 2-year life span is $2 million. Given the gravity of the AIDS situation and the potential benefit of a focused national policy which the Commission promises, I believe this cost to be a relatively inexpensive investment in our Nation's battle against AIDS. Accordingly, I urge my colleagues to join in support of H.R. 2881, in order to continue our efforts on the Federal level to combat AIDS.

Mr. RANGEL. Mr. Speaker, we are today confronted by an enemy which threatens our national health and well-being. That enemy is AIDS, the acquired immune deficiency syndrome. This pernicious disease affects men, women, and children.

An effective response to this national health crisis will require a united front. We will need the expertise and resources of the private and public sectors including all levels of government. At the Federal level, such an offensive will demand the support of the Congress and the executive branch. For this reason, I support H.R. 2881, which would establish a National Commission on Acquired Immune Deficiency Syndrome.

Already the Centers for Disease Control has reported more than 38,000 cases of AIDS. These figures, however, only indicate the most severe manifestation of the disease. The CDC has estimated that 1.5 million Americans are infected with the virus. These individuals are assumed to be capable of spreading the virus sexually or by sharing needles, syringes, or other instruments of intravenous drug use.

As chairman of the Select Committee on Narcotics Abuse and Control, I am particularly concerned about the relationship between AIDS and intravenous drug use. Seventeen percent of AIDS cases are attributable to intravenous drug abuse. Another 8 percent of AIDS cases are homosexual males who are intravenous drug users. Moreover, intravenous drug abuse is the primary source of AIDS among women and children. Fifty percent of women with AIDS are intravenous drug users.

The second largest group of women at risk are the sexual partners of intravenous drug users. Among the more than 500 pediatric AIDS cases, 80 percent of the maternal transmission cases are children of intravenous drug users.

Combating the AIDS epidemic requires a national policy. The formulation of such a policy will raise a variety of complex questions and involve the accommodation of competing values and priorities. We will be forced to resolve a number of complicated and controversial public health, legal, economic, and research issues.

H.R. 2881 provides for a National Commission to consider and make recommendations on national policy and priorities with respect to AIDS research, testing, confidentiality of test results, treatment and care of AIDS patients, prevention of transmission, and education regarding AIDS. The Commission would also consider the appropriate roles to be played by Federal, State, and local government, as well as the private sector.

Perhaps equally important is the fact that the Commission proposed in H.R. 2881 would reflect a joint effort by the President and the Congress. Five members of the Commission would be appointed by the President; five would be appointed by the Speaker of the House, two of these members would be appointed on the recommendation of the minority leader; and five members would be appointed by the President pro tempore of the Senate, upon the recommendation of the majority leader, with two of the members appointed on the recommendation of the minority leader. The formulation of a national AIDS policy is a shared responsibility, and the organization of the Commission reflects this reality.

Moreover, eight members of the Commission will be experts in the areas of medicine, science, law, and ethics. This should ensure a national policy that addresses the multitude of complex issues raised by the AIDS problem in an impartial and expert manner.

I recognize that the President has appointed a Presidential Commission on the Human Immunodeficiency Virus. The Commission proposed in H.R. 2881 neither duplicates nor conflicts with the Presidential Commission. Rather, the proposed National Commission on Acquired Immune Deficiency Syndrome will complement this effort.

H.R. 2881 also requires that the National Commission issue a comprehensive report, no later than 1 year after the Commission is fully constituted. A final report is required no later than 2 years after the date of constitution. This report will help direct the efforts of the President, Congress and appropriate Federal agencies; $2 million is authorized to carry out the responsibilities of the Commission.

In conclusion, I believe that such a Commission is the appropriate vehicle to determine our national AIDS policy. Therefore, I am proud to support passage of this legislation.

The **SPEAKER** pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2881, as amended.

The question was taken.

Mr. **DANNEMEYER**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 355, nays 68, not voting 10 as follows:

[Roll No. 297]

YEAS—355

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Craig
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Hertel
Hochbrueckner
Holloway
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Swindall
Synar
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whittaker
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—68

Archer
Armey
Badham
Bartlett
Bereuter
Boulter
Cheney
Clinger
Coats
Coble
Combest
Coughlin
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Dickinson
Dreier
Early
Edwards (OK)
Frenzel
Gregg
Hall (TX)
Hansen
Hastert
Henry
Herger
Hiler
Houghton
Inhofe
Johnson (CT)
Kemp
Latta
Lightfoot
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
Mazzoli
McCandless
McCollum
McGrath
Michel
Moorhead
Nielson
Obey
Oxley
Packard
Penny
Pursell
Rhodes
Roth
Sensenbrenner
Shumway
Skeen
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Stangeland
Sweeney
Taylor
Vander Jagt
Vucanovich
Walker
Weber

NOT VOTING—10

Boner (TN)
Daniel
Hunter
Livingston
Owens (UT)
Pepper
Ritter
Roemer
Tallon
Whitten

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The Clerk announced the following pair:

On this vote:

Mr. Pepper and Mr. Tallon for, with Mr. Roemer against.

Messrs. GREGG, WEBER, BARTLETT, and SMITH of New Hampshire changed their votes from "yea" to "nay."

Mr. TAUKE and Mr. SKAGGS changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 324, STATUTORY PUBLIC DEBT LIMIT INCREASE

Mr. **ROSTENKOWSKI**. Mr. Speaker, pursuant to clause 1 of House rule XX and by direction of the Committee on Ways and Means, I move to take from the Speaker's table the joint resolution (H.J. Res. 324) increasing the statutory limit on the public debt, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

### MOTION OFFERED BY MR. ROSTENKOWSKI

The **SPEAKER**. The Clerk will report the motion.

The Clerk read as follows:

Mr. ROSTENKOWSKI moves to take from the Speaker's table House Joint Resolution 324, with Senate amendment thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The **SPEAKER**. The gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 1 hour.

Mr. **ROSTENKOWSKI**. Mr. Speaker, this motion simply allows the House to go to conference with the Senate on the long-term debt limit extension and their Gramm-Rudman revisions. The House bill was a clean debt limit extension. The Senate amendment reinstates the automatic trigger under Gramm-Rudman and contains other budget process reforms. I know that Members have strong feelings about this subject. Reaching agreement will not be easy. I am convinced, however, that going directly to conference will expedite a resolution of this issue by the end of this week.

In order to avoid yet another short-term debt extension, we need to complete this conference before August 7. To do this, we need to get started today.

I want to stress that this is purely a procedural motion. Adoption of the motion in no way reflects support or opposition to the Senate amendments. It merely gets us to conference as quickly as possible so that we can begin work on a final Gramm-Rudman plan.

Mr. Speaker, I have no further requests for time.

Mr. **FRENZEL**. Mr. Speaker, will the gentleman yield?

Mr. **ROSTENKOWSKI**. Mr. Speaker, for purposes of debate only I yield to the gentleman from Minnesota [Mr. FRENZEL].

Mr. **FRENZEL**. I thank the gentleman for yielding.

Mr. Speaker, can the distinguished chairman give us an idea of how this matter is going to proceed? We will go to conference; I suspect no one anticipates we are going to arrive at an immediate compromise and bring it back to the floor. Are we to anticipate, may I ask the chairman, another short-term extension to get us through the recess? Is the gentleman able to enlighten us at all on what the plans are, the contingency plans with respect to this conference and bills that might flow necessarily before the conference is completed?

Mr. **ROSTENKOWSKI**. I would suggest to the gentleman that he recognizes the procedure. Mr. Speaker, it is the Senate's turn to be chairman of the conference. I am sure Mr. BENTSEN, the Senator from Texas, has a procedure that he is going to follow. It is this individual's intention to try to conclude as quickly as possible the conference so that the long-term extension will be agreed to as opposed to going to a short-term extension.

That, of course, depends on how quickly we can get to the conference.

I understand that it is the intention of the Senate Members to meet as quickly as we have adopted the rule and go to conference and as soon as conferees are appointed.

I should imagine that the gentleman has been notified that we had intended to be in conference by 2 o'clock. I should imagine it will be immediately after we conclude deliberations on this matter.

Mr. **FRENZEL**. If the gentleman will yield further, if we are not able to reach a conclusion on the long-term debt extension and the Gramm-Rudman fix, it is possible that we will have a short-term extension to take us through the recess.

Mr. **ROSTENKOWSKI**. Well, what the gentleman observes is possible, but I hasten to add most unfortunate.

Mr. **FRENZEL**. I thank the gentleman for his information.

Mr. **ROSTENKOWSKI**. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The **SPEAKER**. Without objection, the previous question is ordered on the motion.

There was no objection.

The **SPEAKER**. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

### MOTION TO INSTRUCT CONFEREES

Mr. **MICHEL**. Mr. Speaker, I offer a privileged motion.

The Clerk read as follows:

Mr. MICHEL moves that the managers on the part of the House at the conference on the disagreeing votes between the two Houses on H.J. Res. 324 are instructed to agree to language that would restore an automatic (as opposed to discretionary) procedure for sequestration as part of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) in a manner that is constitutional and that allows flexibility in military personnel accounts for the purpose of protecting U.S. combat readiness. Any such automatic procedure should be designed to achieve significant deficit reduction over several years leading to a balanced budget. These procedures should recognize the need for shared responsibility and authority between the executive and legislative branches in the creation and implementation of fiscal policy.

☐ 1435

The **SPEAKER**. The gentleman from Illinois [Mr. MICHEL] is recognized for 1 hour.

Mr. **MICHEL**. Mr. Speaker, I yield myself such time as I may consume.

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. **MICHEL**. Mr. Speaker, the issue before us is not the budget, not the deficit, and it is not the fact of sequestration. It is, instead, something much more fundamental, and that issue before us is the responsibility of the House of Representatives to simply act.

The majority refuses to act. It apparently prefers to hide out there in the shadows, preferring to leave to the conference or to some configuration of the stars or fate the question of sequestration.

Mr. Speaker, I suspect the policy of the majority here is to force the President to chose between vetoing and accepting what we send him. But it seems to me what we have here is a situation where the majority itself refuses to choose. It refuses to come out front and say that they want to make the procedure discretionary.

No, the majority wants to play the sly old political game of placing the blame without having the courage, frankly, to openly demand that they want to go the "discretionary" route here.

That is what my motion is all about, the duty of the Congress to act, to come forth openly and stop this silly game that is being played here.

I say that the conferees should be instructed to agree to language that would restore an automatic rather than a discretionary procedure for sequestration. That is what Gramm-Rudman was all about.

Now, Members might disagreee with that view. There are disagreeing views on both sides of the aisle, and if those who disagree want to come forward with another view, then so be it. But let us stop this playing games here. Let us stop the charade and start acting responsibly and tell the conferees frankly what is on our minds here, because we really have not had an opportunity to express ourselves, as I recall, yet his year in definitive terms.

The majority believes it is perfectly positioned. They are hoping the conferees will do their dirty work for them. They are hoping the President will be forced to choose instead of being presented with what we originally thought best: automatic sequestration.

The time has come to move. The time has come to act. It seems to me that the American people are sick of the kind of back-room, closed-door,

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fault-free policy that we see prevailing round here these days.

I say that we are elected to make these kinds of decisions, difficult as they may be from time to time, and not suppose that others are going to make those decisions for us or that the legislative branch itself is incapable of doing that because it has to turn to the executive branch to make that decision for us.

I say, let us conjure up the courage to act to instruct the conferees, to tell them what we believe is the right thing to do and refrain from this drift, drift, and drift, hoping that we may somehow arrive where we want to be but by accident.

This language also implores our conferees to develop an approach, since the House cannot seem to develop that kind of approach, which restores balance in both the responsibility and authority exercised by the executive and legislative branches of government in the conduct of fiscal policy.

We have been fighting the executive-legislative political battle of the budget now for as long as this act has been on the books, for nearly 14 years, and, frankly, I do not know that it has had very many good results. It is time, in my judgment, to call a truce.

This idea of stick-it-to-the-President mentality around here ought to end if we are going to be partners in the creation and implementation of fiscal policy. It seems to me that we ought to be willing and able to work together on both sides of the aisle, and, yes, on both sides of the Capitol.

So, Mr. Speaker, I would certainly ask that my motion to instruct be adopted, and I would be happy to yield to any Members who might want to be heard on the subject.

Mr. COLEMAN of Texas. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from Texas.

(Mr. COLEMAN of Texas asked and was given permission to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, if I might make this statement in response to the minority leader, I think that the perception that we get is that if we do not agree with this, we are somehow shirking our duty, and it is my intention to place into the RECORD opposite views wherein I feel the suggestion made by the gentleman indeed backs away from the original intent of Gramm-Rudman as adopted by this body.

Mr. Speaker, I thank the gentleman for yielding.

Mr. COLEMAN of Texas. Mr. Speaker, when we voted for the Gramm-Rudman deficit reduction process in December 1985, we made a promise to the American people that we as a representative body were serious about reducing the Federal deficit, and furthermore, that we were actually going to do something about it.

The heart of Gramm-Rudman, of course, is the threat of automatic, across-the-board cuts even if the Congress and the administration cannot agree on how to reduce the budget deficit in any given year. The philosophy behind Gramm-Rudman is the recognition that across-the-board cuts, no matter how bad they might be, are nevertheless preferable to budgetary gridlock and a continual pileup of deficit and debt.

Today, the House will probably vote to approve the Michel instructions to the conference committee on the debt limit. I believe it would be a serious mistake, even though these instructions are nonbinding.

The Michel amendment represents a step backward from the tough requirements of Gramm-Rudman. Any precedent that would take us one step closer to backing away from our promise to the American people that was contained in Gramm-Rudman should not be approved, even if it is in a nonbinding form.

These instructions would not allow sufficient flexibility on the part of the Congress in our attempts to achieve real deficit reduction.

It would require automatic sequestration by the Office of Management and Budget, with no congressional oversight or participation. Not only do I believe that this violates the separation of powers, and is therefore unconstitutional, but after reading David Stockman's memoirs about how he and the OMB staff routinely "cooked" the numbers to make them fit the administration's political needs, I think that putting OMB—and only OMB—in charge of calculating the deficit and issuing the sequestration orders is a very bad idea.

Indeed, the Michel instruction puts complete blind faith in the ability of the Office of Management and Budget to properly handle the sequestration orders. It does so to the extent that it does not even permit the President the option of signing or not signing the sequestration order. The automatic process would be put on automatic pilot, with even the pilot, that is, the President, cut out of the loop, and that is no way to run the Government of the United States of America.

The process is so automatic, in fact, that the Michel instruction would not even allow previous estimates to be considered when issuing a sequestration order. If estimates early in the year become clearly inaccurate due to extreme economic circumstances, the Michel amendment would not allow this miscalculation to be taken into account. This complete absence of flexibility could have, in my view, serious and incalculable consequences for our national security as well as our economic future.

Mr. Speaker, the Michel instruction is not what we voted for when we voted for Gramm-Rudman.

Mr. MICHEL. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Speaker, frankly, on this issue I am having difficulty sorting out the good guys from the bad guys. I suggest that perhaps the bad guys are everywhere and the problem is us. The problem is the White House, the problem is the minority, the problem is the majority.

We are up against a difficult situation here, and coming to grips with this huge deficit is an extremely difficult problem. But let me say this: This is not an issue without bipartisan support. The gentleman from Florida [Mr. MACKAY] and I especially have worked together. I think this is largely a group of middle-benchers-back benchers who unified behind trying to get a bipartisan effort at reducing and ultimately eliminating this deficit that we face.

We asked the minority leader if he would sponsor this motion today. He agreed to do so, and I thank him for that. But there are perhaps a third of the Members of the majority who want to see this occur, who want to eliminate deficits, who are holding back their rhetoric trying to bring about a bipartisan compromise.

I think it is significant that what this motion suggests is that the shared responsibility and authority is between the executive and the legislative branches, and if this minority and this majority do not get together and put every issue on the table, including the T-words, the SS-words, and all the rest of it, we are never going to succeed.

So let us adopt this motion, instruct our conferees to go to conference, and get a fix on Gramm-Rudman before we go home, and then go to work on whatever package it takes to head us in the direction that we need to go. And let us make sure that we do it on a bipartisan basis so when we walk out of here, we can do as we did on Social Security, without putting the blame on one another.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if I might make a comment or two with respect to the gentleman who was just in the well, I commend him for the efforts that he and that bipartisan group of middle-benchers, front-benchers, or back-benchers, whatever he prefers to call them, have made. I commend the efforts that were made by the more junior Members, to use an apt classification, have made to try to come up with some compromise.

This older Member of this body remembers a time when there was a high degree of bipartisanship on any number of issues around here. I think the delight this Member has had and the more delightful days in his legislative career were when there has been that kind of accommodation, where we can see progress and see something move without, frankly, having it develop into a bitterly confrontational kind of thing on a day-to-day basis.

So having said that, Mr. Speaker, at this juncture let me yield such time as he may consume to my friend, the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in support of the motion to instruct conferees.

This is a rare occasion for me. Almost without exception, I have opposed motions to instruct conferees. I strongly believe in the legislative principle that conferees should be given maximum flexibility. They must be free to develop compromises in conference without the constraint of negotiating instructions from the House. Although a motion to instruct is not binding, it can interfere with the ability of the conferees to effectively explore all possible compromises.

However, I also strongly support the substantive goal of this motion to instruct. I, too, want the conference to report a tough Gramm-Rudman trigger; one that will force the President and the Congress to enact real deficit reduction. In the outlook section of Sunday's Washington Post, I made the case for reinstating the automatic trigger under Gramm-Rudman. On the substantive question of a hard trigger, I am in full agreement with the supporters of this motion.

The need for a hard trigger, one that will force us to reduce the deficit, has overcome my procedural opposition to motions to instruct. In this circumstance, I believe the motion is appropriate and I support it.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Illinois [Mr. ROSTENKOWSKI] very much for his support. I think it is significant that the chairman of the Committee on Ways and Means, the tax-writing body of this House of Representatives, would take particular note of what we do on the expenditure side, where, quite frankly, if we are ever going to balance our books around here and we do not do the ultimate on the expenditure side, then we have to think frankly in terms of how much revenue has to be raised. It is not a popular thing around here for members of the committee on Ways and Means to take that heat off the backs of everybody else and try to conjure up the means by which we raise the revenue.

So I think it is fully understandable that the gentleman from Illinois should take that position that if there is an opportunity here to do a better job on the expenditure side, we had best take a look very seriously at that before we think in terms of raising revenue.

Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. GREGG].

Mr. GREGG. Mr. Speaker, I thank the leader for yielding this time to me, and I rise in support of the minority leader's motion and certainly in support of the position of the chairman of the Committee on Ways and Means.

It seems to me that this can be a bipartisan effort to try to right the fiscal ship of the Congress and the country by readdressing the issue of Gramm-Rudman and correcting the problem of the trigger mechanism.

This is an opportunity for us in the House to speak out as to our belief that the correct way to correct that trigger mechanism is through the automatic trigger.

It is not binding on the conference, and if the conference comes up with a better idea, so be it. But it does seem to me that this gives all of us here in the House an opportunity to come forward and say that we once again are committed to the Gramm-Rudman process and to the belief that by making it a situation which is automatic, it will be a better document.

Therefore, Mr. Speaker, I strongly support the minority leader's motion and the effort of the chairman of the Ways and Means Committee in this area.

Mr. MICHEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I think this is a motion that ought to be able to get the House together. We have all agreed that the conferees are not going to be bound to the letter of this motion, but it does set at least for the moment a possible House policy to reinvigorate the Gramm-Rudman legislation so that it will pose the kind of threat that will force us to do that which we always knew we were supposed to do.

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In addition, the Michel motion would provide for an automatic trigger which I think most Members of the House, and most Members of the Congress, would subscribe to.

It puts some flexibility in the defense side and tries to make the Executive and the Congress some sort of partners in the movement to reduce our deficit.

When the President brought his budget up here, the House declared it dead on arrival, said it did not want to hear from him again until it wants him to pass a tax bill.

That is not a real kind of partnership; and I hope that, under the guidance of the Michel amendment, and with some hard work on the part of the conferees, we will be able to repair Gramm-Rudman in a way that will make us all proud. I hope it will be adopted.

Mr. COLEMAN of Texas. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. Mr. Speaker, I thank the gentleman for yielding to me.

I was unclear about the minority leader's explanation in the motion about the direction concerning the fiscal year 1988 deficit target numbers.

Was it specified in the gentleman's motion?

Mr. MICHEL. We did not address the targets.

Mr. COLEMAN of Texas. The gentleman used the word "flexible."

Is that the only thing that the gentleman is doing in that, so that it is unclear? In other words, there are options, so we would not stay within the original Gramm-Rudman numbers.

Mr. MICHEL. I have been a conferee any number of times. While there are at times specific points conferees would like to make, I want to keep those to a barebones minimum.

Mr. COLEMAN of Texas. I thank the gentleman.

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I yield to the gentleman from New York.

Mr. WEISS. Mr. Speaker, I thank the gentleman for yielding to me.

I would like to think in the course of this debate at least we would have some expression of opposition to what I think is a very, very radical move, and a move which flies directly in the face of what this House has been struggling with, and the Committee on the Budget has been struggling with for the last couple of years.

I think every Member remembers the maneuvers, the evasions, the creative methods of the Committee on the Budget in trying to get around the mandatory, loose mandatory aspects of Gramm-Rudman as they exist right now.

For the Members now to pretend that in fact there is an easy way to solve our problems by going back to a mandatory formula under Gramm-Rudman, I think, is totally illusory, asking for trouble.

It puts this Member as a Democrat certainly in the position of being asked to vote for a proposition which would devastate what remains of the domestic programs of this country.

The gentleman from Pennsylvania [Mr. GRAY], the distinguished chairman of the Committee on the Budget, sent out a listing of what would be needed to meet this year's goals if in fact we had to go down to $108 billion, or if in fact we had to have a $64 billion cut. Either one of those cuts would be absolutely draconian.

I would think that we would stand up and say that this body and the other body ought to be making judgments based on what we think our sense of priorities is, rather than letting a formula make those decisions for the Members.

I can understand why the gentleman on the other side might in fact urge this proposition on the Members. I cannot understand why any Member on my side of the aisle would be supportive of directing or advising the conference committee to go along with a position which was never supported by the Democrats in this body to begin with, and certainly after our experience with Gramm-Rudman, ought not to be supported now.

Mr. MICHEL. Mr. Speaker, the gentleman is entitled to his own feelings about what we are proposing to do, and it has been demonstrated that there is bipartisan support for doing whatever we can for meaningful deficit reduction.

Deficit reduction does not know bipartisan lines, and that is what we are attempting to do here today.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma.

Mr. WATKINS. Mr. Speaker, I thank the gentleman for yielding me this time.

I would like to say to the gentleman that the gentleman's motion has automatic sequestration by OMB.

I would like to address the matter of under this sequestration, it does not address how we come up with the difference. Our records show that basically most of that comes from erroneous economic estimates, technical deficits and also some deficits there from entitlements.

I would like to point out that this should not be on the backs of the Committee on Appropriations when we do a good job. The deficits that come about that require a sequestration come about because of erroneous assumptions, and that should bring about revenue.

Mr. Speaker, I would like to point out, you can fuzz these estimates up. We have known that has been done before, these economic assumptions. That can be done on the revenue side early in the ball game; and when we get to sequestration, it comes off of appropriations for not playing correctly with the estimates of revenue.

That plays in the hands of providing deeper and drastic cuts on appropriations. I think we must address the fact that when there is fuzzy estimates on revenue, that that should be made up in sequestration, not on the backs of appropriations.

As long as that is not addressed, then there is no reason not to make sure that the economic revenue assumptions are correct early in the year, so I would like to say that we are playing a game of deep, drastic cuts, automatic through sequestration by OMB who has not been nonpartisan to say the least in many respects.

Mr. MICHEL. I might say as a former member of the Committee on Appropriations for many years, I think it is rather assumed that the subcommittees and the full Committee on Appropriations would make those determinations on individual appropriations bills hopefully in a timely fashion; and by the end or as the season wears along, those decisions will have already been made. A sequestration would be simply across the board, and not do violence to the priorities that the Committee on Appropriations had heretofore made in its regular consideration of bills.

Mr. WATKINS. Does the minority leader agree, though, if the revenue figures are erroneous early in the game in putting together the budget, when it comes to sequestration, that will have an effect?

Mr. MICHEL. We have had this gamesmanship played by both sides, by all parties on different questions all year long and it gets to be a laughing charade.

Mr. WATKINS. On Appropriations we are not playing tricks. We try to meet those, and the facts show that we have; but we cannot take the burden of shortfalls in revenue and also the economic assumptions.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, it has been mentioned that sequestration is an issue that we are approaching, and that it is something that Congress will insist upon, it looks like.

Has the gentleman estimated the effect of the sequestration under the procedure which the gentleman offers to the House today?

More specifically, it is my understanding that we are about $64 billion short of the target as presented by the gentleman's proposition; is that correct?

Mr. MICHEL. I have no targets in my language, nor have I anticipated any specifically, other than what we will eventually get through the discussions of the conference committee when it goes about doing its thing.

There have been some discussions, though, from the other body that under their procedures, that some could not foresee our ever getting to a sequestration.

Mr. ALEXANDER. Has the gentleman a list of the probable effect of the gentleman's proposal on program classifications?

Mr. MICHEL. I have not done that, either. All of the Members are quite mindful of the procedure when we discussed and debated Gramm-Rudman in the first place.

Mr. ALEXANDER. One further question. If you met the target of, say, $64 billion for sequestration this year, would that balance the budget?

Mr. MICHEL. I cannot conceive that we are going to agree to the kind of figures in that conference that would lead us to that kind of end result.

Mr. ALEXANDER. Mr. Speaker, on July 14, the chairman of the Committee on the Budget, Mr. GRAY, distributed to House Members a table showing estimates, prepared by the committee's staff and based on existing law limiting the fiscal 1988 deficit to $108 billion, of the effect of two levels of spending sequestration—$64 billion and $36 billion.

This table was the subject of an article and table published in the Congressional Quarterly Weekly Report edition of July 18. I believe all Members of the House will be interested in this information and would like to insert the CQ article in the RECORD at this point.

The Congressional Quarterly Weekly Report article follows:

### CONSEQUENCES FOR SOME FEDERAL PROGRAMS OF ACROSS-THE-BOARD GRAMM-RUDMAN CUTS

The following table shows by how much spending for selected federal programs would be reduced in fiscal 1988 if uniform cuts were imposed in compliance with the Gramm-Rudman-Hollings anti-deficit law.

The figures, released July 14 by the House Budget Committee, are based on July Congressional Budget Office (CBO) estimates of spending, revenues and economic conditions. That baseline reflects current law, with some adjustments for inflation and expected changes in program participation rates. According to committee aides, further adjustments allow for different assumptions of the Office of Management and Budget, which participates with CBO in determining Gramm-Rudman cuts.

Two versions of the estimated program cuts are shown below: One is based on a $64 billion reduction in the baseline deficit to meet the $108 billion fiscal 1988 Gramm-Rudman deficit target; the other is based on a $36 billion deficit reduction, reflecting a proposed change in the deficit target now under consideration in Congress.

Since Gramm-Rudman requires that savings be split equally between defense and non-military spending, the percentage cuts for each would be somewhat different. To reduce the deficit by $64 billion would require a 14.8 percent cut in defense spending and a 21.2 percent cut in non-defense spending. To reduce the deficit by $36 billion, the cuts would be 5.8 percent for defense and 7.5 percent for non-defense.

The selective table below does not include those programs exempt from Gramm-Rudman cuts, such as Social Security, Medicaid and Aid to Families with Dependent Children. Nor does it include those programs that may be cut by limited amounts under special Gramm-Rudman rules, such as Medicare and Guaranteed Student Loans.

The amounts shown below are in budget authority—amounts authorized to be spent—and are computed to yield necessary reductions in outlays—amounts actually spent in a given year, which are used in deficit calculations.

[In millions of dollars]

| | Fiscal 1988 spending baseline | $64 billion deficit reduction | $36 billion deficit reduction |
|---|---|---|---|
| Defense: | | | |
| Military personnel | 75,009 | −12,164 | −5,525 |
| Operations and maintenance | 82,809 | −14,768 | −7,481 |
| Procurement | 88,803 | −22,226 | −10,950 |
| Research and development | 37,371 | −7,258 | −3,719 |
| International Affairs: | | | |
| Agency for International Development—humanitarian and development assistance | 1,452 | −362 | −147 |
| Food for Peace | 993 | −259 | −110 |
| Aid to Israel and Egypt | 5,115 | −1,113 | −413 |
| Military grant assistance | 944 | −220 | −97 |
| General Science, Space and Technology: | | | |
| National Science Foundation—research | 1,477 | −369 | −176 |
| Department of Energy—general science | 735 | −177 | −80 |
| Energy: | | | |
| Energy supply research and development | 2,140 | −1,079 | −894 |
| Fossil energy research and development | 312 | −79 | −38 |
| Energy conservation | 382 | −198 | −166 |
| Strategic petroleum reserve | 561 | −440 | −419 |
| Natural Resources and Environment: | | | |
| Watershed and flood prevention | 187 | −51 | −25 |
| Bureau of Reclamation—construction | 634 | −153 | −68 |
| Corps of Engineers—construction | 1,182 | −297 | −143 |
| Soil Conservation Service—conservation operations | 400 | −101 | −49 |
| National Forest Service—operations | 1,224 | −302 | −142 |
| National Park Service—operations | 748 | −192 | −95 |
| Fish and Wildlife Service—resource management | 343 | −89 | −44 |
| Environmental Protection Agency—Superfund | 1,488 | −376 | −183 |
| Environmental Protection Agency—research and development | 155 | −34 | −13 |
| Environmental Protection Agency—abatement, control and compliance | 611 | −138 | −49 |
| Agriculture: | | | |
| Agricultural Research Service | 540 | −129 | −58 |
| Cooperative State Research Service | 321 | −78 | −35 |
| Extension Service | 350 | −83 | −36 |
| Animal and Plant Health Inspection Service | 323 | −70 | −26 |
| Commerce and Housing Credit: | | | |
| Rural Housing Loans | 3,696 | −315 | −159 |
| Section 202 housing loans for the elderly or handicapped | 608 | −155 | −73 |
| Nonprofit mail subsidy | 674 | −162 | −73 |
| Periodic censuses | 374 | −236 | −212 |
| Small Business Administration—business loans | 363 | −57 | −23 |
| Transportation: | | | |
| Federal highway aid (obligation limit) | 13,475 | −3,743 | −2,050 |
| Mass transit discretionary grants (obligation limit) | 1,037 | −173 | −22 |
| Mass transit interstate transfer grants | 207 | −49 | −22 |
| Mass transit formula grants | 2,074 | −498 | −224 |
| Amtrak | 624 | −155 | −74 |
| Federal Aviation Administration—operations | 2,351 | −538 | −223 |
| Federal Aviation Administration—facilities and equipment | 838 | −204 | −94 |
| Federal Aviation Administration—research and engineering | 149 | −37 | −18 |
| Federal Aviation Administration—airport grants (obligation limit) | 1,037 | −249 | −112 |
| Coast Guard—operations | 1,910 | −509 | −265 |
| National Aeronautics and Space Administration—aeronautics research and development | 417 | −103 | −48 |
| Community and Regional Development: | | | |
| Community development block grants | 3,115 | −783 | −351 |
| Urban development action grants | 234 | −57 | −26 |
| Subsidized housing | 310 | −74 | −33 |
| Economic Development Administration | 200 | −90 | −38 |
| Rural water and waste-disposal grants | 114 | −28 | −13 |
| Appalachian Regional Commission | 109 | −26 | −12 |
| Tennessee Valley Authority | 106 | −27 | −14 |
| Disaster relief | 262 | −167 | −151 |
| Education, Training, Employment and Social Services: | | | |
| Impact aid | 755 | −189 | −91 |
| Handicapped education | 1,824 | −451 | −213 |
| Vocational and adult education | 1,038 | −254 | −118 |
| Compensatory education | 4,153 | −1,039 | −497 |
| Student financial assistance | 5,456 | −1,087 | −327 |
| Special elementary and secondary programs | 983 | −242 | −114 |
| Other higher education programs | 502 | −122 | −56 |
| Training and employment services | 3,874 | −954 | −446 |
| Community services employment for older Americans | 340 | −75 | −29 |
| Unemployment services | 969 | −147 | −10 |
| Work incentive program | 144 | −45 | −27 |
| Community services block grant | 387 | −72 | −17 |
| Social services block grant | 2,700 | −572 | −203 |
| Human development services | 2,209 | −553 | −266 |
| Health: | | | |
| Alcohol, drug abuse and mental health | 732 | −139 | −36 |
| Biomedical research | 6,965 | −1,745 | −838 |
| Health education and training | 554 | −139 | −67 |
| Consumer and occupational health and safety | 1,323 | −348 | −167 |
| Centers for Disease Control | 577 | −115 | −35 |
| Medicare: Salaries and expenses | 1,829 | −475 | −240 |
| Income Security: | | | |
| Employment Standards Administration—special benefits | 253 | −48 | −17 |
| Unemployment trust fund—salaries and expenses | 1,957 | −395 | −140 |
| Payments for operation of low-income housing | 1,583 | −519 | −334 |
| Subsidized housing programs | 7,814 | −2,261 | −1,220 |
| Cash and commodities for special groups | 194 | −49 | −23 |
| Low-income home energy assistance | 1,899 | −366 | −137 |
| Social Security: Salaries and expenses | 2,472 | −719 | −415 |
| Veterans' Benefits and Services: | | | |
| Veterans' Administration construction | 397 | −93 | −40 |
| Medical and prosthetic research | 204 | −36 | −7 |
| General operating expenses | 820 | −212 | −107 |
| Administration of Justice: | | | |
| Federal Bureau of Investigation | 1,365 | −346 | −166 |
| Drug Enforcement Administration | 511 | −124 | −57 |
| Immigration and Naturalization Service | 836 | −248 | −146 |
| Customs Service—salaries and expenses | 896 | −234 | −119 |
| Customs Service—Air Interdiction Program | 177 | −45 | −23 |
| Secret Service | 350 | −87 | −41 |
| Courts of appeals, district courts, and other judicial services | 961 | −224 | −97 |
| U.S. attorneys | 378 | −97 | −48 |
| Legal Services Corporation | 320 | −79 | −37 |
| Federal Prison System | 907 | −224 | −105 |
| Criminal justice assistance | 434 | −106 | −49 |
| Bureau of Alcohol, Tobacco and Firearms | 210 | −54 | −27 |
| General Government: | | | |
| Legislative functions | 1,608 | −400 | −193 |
| Internal Revenue Service | 4,605 | −1,102 | −493 |

Source: Congressional Quarterly Weekly Report.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I yield to the gentleman from Iowa [Mr. SMITH].

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Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, it has been mentioned here about expenditures, and I want to point this out, that we have figures here that show in the last 6 years the average discretionary expenditures in excess of the estimates used in the deficit reduction program was $2 billion a year. The average shortfall in revenues was $27.4 billion a year. The average entitlements exceeded by $6.2 billion a year.

You cannot solve this problem by cutting $2 billion worth of discretionary expenditures.

Now, this resolution does not say anything at all about revenues. I am not advocating a tax increase, but I point out that if there was a threat of having a 3- or a 5-percent surtax if we did not do our job, that might help, but there is no threat in this whatever.

What you are doing is saying, take all this out of discretionary spending, which cannot possibly be done.

What you are saying to the committees handling entitlements is, "Go ahead, pass entitlement laws. Increase entitlements. We are not going to hurt you, anyway. Later on in the year we will take it all out of discretionary spending." It cannot possibly be done.

Now, with regard to the $2 billion in discretionary spending, three bills this year have accounted for the $2 billion. One is the homeless bill that almost everybody in the House voted for——

Mr. MICHEL. Not this Member.

Mr. SMITH of Iowa. Well, almost everybody. Another one was the drug bill, which almost everybody voted for, and we could not get a high enough figure for AIDS research.

The three together more than exceeded the $2 billion by which discretionary spending exceeds the budget deficits allocated to discretionary spending, which is 30 percent of the budget.

My point is that we cannot just keep hammering on discretionary spending and solve this problem. You have to have some kind of a threat against a surtax being levied, or else against entitlements being cut also, or we are never going to solve this problem.

Mr. MICHEL. Well, the point the gentleman made in his later comments are so true and I would be the first to admit and maybe even propose that in the new administration, whatever it be, of whatever stripe, that we make an effort again in a bipartisan way to do something significant about entitlements, as we did with respect to a Social Security adjustment. I do not think it can be done in this next politically charged year because it is too hot an item, but I think if we are really going to do something over the long haul, there is really no other answer for that but to get seriously into that in a bipartisan fashion, and it cannot be done, frankly, in my opinion.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield further?

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Mr. MICHEL. I am happy to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. It could be done in this conference, however, by including in the trigger some mechanism that says that if we do not reach certain goals, there will be a surtax, and if we do not reach certain goals, there will be reductions in entitlements. That could be done in this conference in the next few days.

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the distinguished chairman of the Budget Committee.

Mr. GRAY of Pennsylvania. Mr. Speaker, I want to thank the gentleman for yielding.

First of all, I want to say to the gentleman, the distinguished minority leader, how happy I am to hear his words of concern and participation in a process of moving us toward greater deficit reduction.

I simply would like to ask the distinguished minority leader two questions, definitional, about his motion to instruct the conferees. I am always concerned and leery about instructing conferees, but I want to ask these two questions.

Could the gentleman explain to me, and perhaps I missed it, the difference between automatic as opposed to discretionary? Is the gentleman referring to anything specific there where he uses the word automatic, as opposed to discretionary?

Then second, I would like to ask the gentleman, what is the meaning of flexibility in military personnel accounts?

Mr. MICHEL. Well, with respect to the first, I think it is—all I have ever heard with respect to some alternative to normal sequestration was the Foley fix. Now, I must confess after asking several times for specific language on what is the Foley fix, I have yet to find out for sure what it is, but obviously it is something different from an automatic sequestration that we have come to recognize as being a part of Gramm-Rudman when we were originally debating it.

As for the flexibility, well, that is the whole point in using the word, to be flexible in conference and to adjust that as the conferees see fit.

Mr. GRAY of Pennsylvania. Well, I would just simply say to the gentleman, his definition of discretionary applying to the position of the distinguished majority leader of the House concerns me. I think that there has been some debate as to whether there should be an OMB executed trigger or whether there should be one executed by the President where he can have the option of signing or not signing.

I think many of us are concerned that under the OMB approach there is no way to insure that OMB cannot move money around in accounts and thus would be coopting legislative prerogatives; however, I believe that the conferees will be committed to restoring the trigger and coming up with the strongest possible trigger. As one who did not support Gramm-Rudman, I do believe that we ought to have a trigger, simply because right now the only persons who are held responsible for this budget process are those on Capitol Hill.

I think by restoring the trigger we therefore bring into the loop the executive branch; however, I would be strongly opposed to labeling the suggestion by the distinguished majority leader as discretionary. I think we have clearly several options in putting together a trigger.

I would agree with the gentleman that none of us want to cut personnel accounts with regard to the military. Certainly under Gramm-Rudman-Hollings, those cuts can be avoided on military personnel accounts, but I do believe that they ought to be evenly done across nonpersonnel accounts.

The way that has been proposed by the other body essentially gives the executive branch the right to draw up an armed services bill, a Defense bill, and totally rewrite the priorities. I do not think any of us would want that.

So I would just have to say to the gentleman, I am happy to hear he is prepared to work hard on deficit reduction. That is good news, I think for all of us, but I would have to say that I do not want to instruct the conferees to accept one trigger as opposed to another. I think we need the strongest possible one that can be worked out in conference. Therefore, I would have to say to the gentleman, based on that definition, I will not be able to support the motion to instruct. I think it would be inappropriate, but I do think we will be able to come up with a strong trigger.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, the House has just adopted a bill that sends this issue to conference. This was a recommendation of the chairman of the Ways and Means Committee. It was a good motion. It saves us a lot of time and allows us to get to work immediately on this very troublesome problem.

It is very strange, though, that we would want to instruct our conferees before we ever go. Perhaps if we had been to conference and had not been able to reach agreement, we might want to come back and ask for instruction from one body or the other, but here we are instructing ahead of time.

Now, the gentleman from Illinois says we ought to do this on a bipartisan basis. I do not know where the bipartisanship enters into it. It seems to me that it would be more bipartisan if we went there as a free agent and be able to say which trigger we want to work.

The gentleman also says that we ought to stop this tumbling and drifting and drifting. I say to the gentleman, there is no tumbling and drifting. We have just now this issue within the last 30 minutes. To say we have to go on with instructions before we even go to conference is just to beg the issue. The wish is the father of the son, or vice versa. Now, I do not know that I could accept that kind of reasoning.

Now, if we go to conference, as we are, and if the group says we should have a hard trigger, I would accept that and would work for it if that seemed to be the course that we should take. It does not bother me.

There is more than meets the eye, though, about which is best, the discretionary trigger, that would give us a choice, or the hard trigger.

I am not certain which one it is. Neither one bothers me particularly, but it does bother me that we would ask to be instructed even before we go to conference. Now, that is contrary to what the gentleman from Illinois and the other gentleman from Illinois normally ever advocated, or any of us. For them to do that seems to me that we are trying to get the cart ahead of the horse.

I would support that kind of position if it were to come to that point. At this stage, though, prior to ever going to conference, it seems to me that we are trying to get ahead of ourselves for some reason which I do not quite fathom.

I, therefore, think that our conferees would be better served if they could go as free agents to determine which direction we should go and then as a House body support that position for all we are worth in conference then.

Mr. MICHEL. Well, Mr. Speaker, it is not unique to have a motion to instruct around here. Frankly, it does indicate there is some bipartisan support. Frankly, the text of the instruction is very minimal that will give us the strongest deficit reduction and sequester order.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois [Mr. MICHEL].

The question was taken; and the Speaker announced that the Chair was in doubt.

### RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 267, noes 156, not voting 10, as follows:

[Roll No. 298]

AYES—267

Annunzio
Anthony
Archer
Armey
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bentley
Bereuter
Bilbray
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Bryant
Buechner
Bunning
Burton
Byron
Callahan
Campbell
Carper
Chandler
Chapman
Cheney
Clarke
Clinger
Coats
Coble
Coelho
Coleman (MO)
Combest
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
DeFazio
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckart
Edwards (OK)
Emerson
English
Erdreich
Fawell
Feighan
Fields
Fish
Flippo
Frenzel
Gallegly
Gallo
Gekas
Gephardt
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Kaptur
Kasich
Kennelly
Kleczka
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Matsui
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
McMillen (MD)
Meyers
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morrison (CT)
Morrison (WA)
Myers
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Olin
Oxley
Packard
Pashayan
Patterson
Pease
Penny
Petri
Pickett
Porter
Price (NC)
Pursell
Quillen
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Saiki
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sisisky
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
Stallings
Stangeland
Stark
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walgren
Walker
Weber
Weldon
Whittaker
Wilson
Wise
Wortley
Wyden
Wylie
Young (AK)
Young (FL)

NOES—156

Ackerman
Akaka
Alexander
Anderson
Andrews
Applegate
Aspin
Atkins
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bustamante
Cardin
Carr
Chappell
Clay
Coleman (TX)
Collins
Conte
Conyers
Crockett
de la Garza
Dellums
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Edwards (CA)
Espy
Evans
Fascell
Fazio
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gonzalez
Gray (IL)
Gray (PA)
Hawkins
Hayes (IL)
Hertel
Hochbrueckner
Howard
Hoyer
Hughes
Jones (TN)
Jontz
Kanjorski
Kastenmeier
Kennedy
Kildee
Kolter
Kostmayer
LaFalce
Lehman (CA)
Lehman (FL)
Leland
Levine (CA)
Lewis (GA)
Lowry (WA)
Manton
Markey
Martinez
Mavroules
Mazzoli
McCloskey
McHugh
Mfume
Mineta
Moakley
Mollohan
Moody
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Oberstar
Obey
Ortiz
Owens (NY)
Panetta
Parris
Pelosi
Perkins
Pickle
Price (IL)
Rahall
Rangel
Rodino
Roe
Roybal
Sabo
Savage
Sawyer
Scheuer
Schumer
Sikorski
Skaggs
Skelton
Smith (FL)
Smith (IA)
Solarz
St Germain
Staggers
Stokes
Stratton
Studds
Swift
Synar
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Watkins
Waxman
Weiss
Wheat
Williams
Wolf
Wolpe
Yates
Yatron

NOT VOTING—10

Boner (TN)
Daniel
Kemp
Livingston
Lloyd
Owens (UT)
Pepper
Roemer
Tallon
Whitten

☐ 1530

Messrs. FLAKE, SIKORSKI, and ANDERSON changed their votes from "yea" to "nay."

Messrs. ECKART, VOLKMER, VALENTINE, WYDEN, and WILSON changed their votes from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER. The Chair appoints the following conferees:

From the Committee on Ways and Means: Messrs. ROSTENKOWSKI, GIBBONS, PICKLE, RANGEL, STARK, JACOBS, JENKINS, RUSSO, MATSUI, DUNCAN, ARCHER, CRANE, SCHULZE, and THOMAS of California.

From the Committee on Appropriations: Messrs. WHITTEN, SMITH of Iowa, MURTHA, TRAXLER, EDWARDS of Oklahoma, and LEWIS of California.

From the Committee on Rules: Messrs. PEPPER, MOAKLEY, DERRICK, BEILENSON, FROST, LATTA, and LOTT.

From the Committee on Government Operations: Messrs. BROOKS, CONYERS, WAXMAN, SYNAR, HORTON, and WALKER.

From the Committee on the Budget: Messrs. GRAY of Pennsylvania, LEATH of Texas, WILLIAMS, WOLPE, GRADISON, and MACK.

As additional conferees: Messrs. FOLEY, FORD of Michigan, OBEY and ASPIN, Ms. OAKAR, Messrs. PANETTA, FAZIO, MACKAY, FRENZEL, REGULA, and GREGG, Mrs. MARTIN of Illinois, and Mrs. JOHNSON of Connecticut.

## GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the provisions just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I have been notified by Senator BENTSEN that the conference on the debt limit bill will convene today at 4 p.m. in room 1100 of the Longworth Building. Conferees just named should make a note of the fact that the conference will begin promptly at 4 p.m. in room 1100 Longworth Building, the Committee on Ways and Means committee room.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2686, PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AMENDMENTS OF 1987

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100–268) on the resolution (H. Res. 241) providing for the consideration of the bill (H.R. 2686) to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, which was referred to the House Calendar and ordered to be printed.

## PROVIDING FOR CONSIDERATION OF H.R. 1315, NUCLEAR REGULATORY COMMISSION AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 237 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

### H. RES. 237

*Resolved,* That is any time after the adoption of this resoluton the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of

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the Whole House on the State of the Union for the consideration of the bill (H.R. 1315) to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed two hours, with sixty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, and with sixty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 3037 as an original bill for the purpose of amendment under the five-minute rule and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. DONNELLY). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 237 is an open rule providing for the consideration of the bill H.R. 1315, the Nuclear Regulatory Commission authorization for fiscal year 1988 and 1989.

The rule provides 2 hours of general debate, with 1 hour equally divided between the chairman and ranking minority member of the Committee on Interior and Insular Affairs, and 1 hour equally divided between the chairman and ranking minority member of the Committee on Energy and Commerce.

The rule also makes in order the text of H.R. 3037, as original text for the purpose of amendment, which will be considered by section, with each section considered as having been read.

Finally, Mr. Speaker, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 1315 is the authorization bill for the Nuclear Regulatory Commission. The bill authorizes $427 million for fiscal year 1988, and $422 million for fiscal year 1989, for salaries and expenses of the Commission.

Mr. Speaker, some of the programs that the bill would authorize that are administered by the Commission, are the Office of Nuclear Reactor Regulation, the Office of Inspection and Enforcement, and the Office of Nuclear Material Safety, and Safeguards.

In addition, Mr. Speaker, the bill also requires the Nuclear Regulatory Commission to collect user fees on an annual basis from all licensees, and ensures that the licensees that use more of the Commission's resources will then pay a greater fee. At present, Mr. Speaker, all licensees pay the same user fee, about $950,000 regardless of the size of the reactor or the amount of service that is required.

Mr. Speaker, as I stated earlier in my statement, this is an open rule, any Member that wishes to offer any germane amendment can do so under this rule. I urge my colleagues to adopt this rule so we may proceed to this legislation.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this rule. It has no Budget Act waivers, no waivers of points of order under the House rules and no restrictions on amendments. This is the kind of rule we can support. Unfortunately it is becoming an endangered species.

I also support the bill made in order by this rule, Mr. Speaker. It provides a reasonable funding level for a necessary Federal agency.

However, Mr. Speaker, there is a cloud in this otherwise sunny picture. The cloud is an amendment to be offered by the gentleman from Massachusetts [Mr. MARKEY]. The Markey amendment would prohibit the Nuclear Regulatory Commission from applying to the Shoreham and Seabrook nuclear powerplants any emergency planning rule other than the one in effect on June 1, 1987.

The Nuclear Regulatory Commission's proposed rules change, if made final, would merely implement statutory language that Congress has adopted time and time again, starting in 1980. That statutory language expressly recognizes that State and local governments should not be permitted to veto operation of a safe nuclear powerplant simply through inaction.

Mr. Speaker, there are presently 109 licensed nuclear powerplants in this country, comprising approximately 17 percent of the Nation's electrical supply. While the Markey amendment directly targets just two nuclear powerplants, it will set a dangerous precedent for many nuclear powerplants in other parts of the Nation.

But, Mr. Speaker, not only would the Markey amendment threaten serious regional and national consequences for the reliable supply of electricity, his amendment would increase dependence on imported oil, at a time when such dependence is increasingly dangerous. In order to prevent disruptions of foreign oil markets, American men are put at risk in the Persian Gulf.

Finally, Mr. Speaker, some have said that we should simply import more electricity from Canada. First, this is simply not feasible in many parts of the United States, but even if it were feasible why should Americans finance the growth of the Canadian energy industry instead of their own? Of even more concern, why should the United States aggravate its balance of payments deficit by making such purchases.

Mr. Speaker, for all other reasons the Markey amendment should be defeated if it is offered.

In closing, Mr. Speaker, I will support this open rule so that the House may proceed to consider the Nuclear Regulatory Commission authorization.

☐ 1545

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, for the purpose of debate only, I yield 3 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Speaker, I thank the gentleman for yielding this time to me.

I want to speak directly to the Markey amendment which will be coming up sometime tomorrow. It is my understanding that we are only going to have debate today.

Mr. Speaker, the reason I rise on the Markey amendment is because it happens to be in my district. My district in Massachusetts is right on the borderline of New Hampshire, and I think the most poignant point I can make—and I hope we can have an understanding of the proper perception as to what this amendment means—is that it is not a pronuclear or an antinuclear amendment. It does not affect any other part of the country except Shoreham and Seabrook in New Hampshire. So I think we ought to lay out all the cards about whether we are going to now set a national policy.

In my honest judgment, this will not set a national policy. When I was mayor of my community, Mr. Speaker, back in 1974, they asked me my opinion about the Seabrook powerplant, about 30 miles north on that beautiful coastline, and I said to them, "In my opinion, if I may say so, it is the worst geographic area anyone could select as a site for a nuclear powerplant."

We are talking about an area, Mr. Speaker, that has beautiful beaches and where people enjoy a great quality of life, an area influxed by about a half a million new people during the summer months, an area with only one major highway running through Maine, New Hampshire, and Massachusetts, that being new Route 95.

For many of those reasons, when the debate takes place, particularly on the Markey amendment, I will try to state my case as best I can. And, by the way, it will be a parochial case. It will be my case. It will be my people I am going to be talking about, right on the borderline of Massachusetts and New Hampshire.

Mr. Speaker, I appreciate having had the opportunity to say a few words in support of the rule.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Speaker, I rise in strong support of the rule, and I also would like to address the question of the Markey amendment for my colleagues.

Many of us no doubt feel—I know I do—that nuclear power has an important role in our Nation's energy mix. Clearly, anybody concerned about acid rain and the global warming trends in this country realizes that there are limitations to fossil fuels, and that nuclear power provides us an option that we need.

But this does not deal with the question of Shoreham and Seabrook. Already many labor unions and the Chamber of Commerce have talked to our colleagues and said, "Please, please, don't vote for the Markey amendment. It will set a terrible precedent for nuclear power."

This is nonsense. I say to my colleagues this is nonsense. There are 107 operating nuclear power plants right now. None of them will be affected. There are 29 plants that have been abandoned for a variety of reasons, including the Zimmer plant in Ohio, which was 97 percent complete and now has been converted to coal.

We are not talking about precedent-setting. We are talking about safety, and we are talking about changing the rules of the game in the middle of the game.

At the end of Three Mile Island, crisis, a review was done, and the Nuclear Regulatory Commission felt it was essential that before future plants were licensed there be an emergency offsite plan to get people away from plants in the event of an accident. Nothing has changed since Three Mile Island to alter anyone's thinking about the need for offsite planning, with the exception of Shoreham and Seabrook. Here the Nuclear Regulatory Commission finds something unusual. They find much to their surprise, complete consonance among Democrats and Republicans on Long Island and in New Hampshire and Massachusetts that these two plants were cited inappropriately cannot be evacuated and should not go on line. Let me repeat that: the question deals with two plants where there is in the communities absolute bipartisan support, in the case of Suffolk County and in the case of New Hampshire, support that these plants should not go on line.

Mr. MRAZEK. Mr. Speaker, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from New York.

Mr. MRAZEK. Mr. Speaker, for the record, is it not true that if the Markey amendment passes, many Federal tax dollars from taxpayers in other parts of the country would have to be utilized to bail out these two plants?

Mr. DOWNEY of New York. Mr. Speaker, I thank the gentleman for asking that question.

Not one red cent of Federal dollars is at risk here, not one penny.

Mr. MRAZEK. Mr. Speaker, is it not also true that every elected official of Suffolk County, where the Shoreham nuclear powerplant is located, whether Republican or Democrat, is opposed to the licensing of the plants under present conditions?

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. DOWNEY] has expired.

Mr. MOAKLEY. Mr. Speaker, I yield 2 additional minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Speaker, the gentleman from New York [Mr. MRAZEK] asks an interesting question. In our county of Suffolk, which voted 66 percent for Ronald Reagan—it is putatively a Republican county—there is not an elected official that is in favor of the opening of the Shoreham nuclear powerplant. The reason they feel that way is because, as Don Regan said once, as we remember, then the chief of staff of the Reagan administration was asked on a television show about the evacuation of Long Island, he laughed and said, "You can't evacuate Long Island because of the traffic. You would have to build a bridge to get the people off of Long Island."

That is the issue. As early as 1974, the people who were opposed to the siting of the Shoreham nuclear powerplant said, "You cannot evacuate this plant in the event of emergency," and they were told over and over again, "You know that this issue of evacuation is premature. Raise the issue at the time that the plan is about to go on line." They raised it at the time that it was about to go on line, and the Nuclear Regulatory Commission said, "No, we were once concerned about evacuation; we are no longer concerned about evacuation. We are more concerned about the possible precedent that this would have on other nuclear powerplants.

Let me say to my colleagues that if you live on Long Island, you know that if there is an emergency because of this powerplant, no one is going to get off the island and away from this plant.

The other thing that should concern us just tangentially, I would submit to the Members, is the issue that the Nuclear Regulatory Commission, without reasoning, is abandoning all of the arguments that it made so eloquently after Three Mile Island about safety. They are changing the rules in the middle of the game, and all we are saying, whether you are for nuclear power or against nuclear power, is that we should recognize the distinction in Shoreham and in Seabrook. These plants were incorrectly sited. They cannot be evacuated, and the Nuclear Regulatory Commission must not be allowed to usurp its own responsibility to the people by forcing them to be opened through this process.

Mr. Speaker, I beg my colleagues to please understand this issue.

The SPEAKER pro tempore. (Mr. DONNELLY). The time of the gentleman from New York [Mr. DOWNEY] has expired.

Mr. LENT. Mr. Speaker, may I be granted 2 minutes?

The SPEAKER pro tempore. The time is controlled by the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Mr. Speaker, I know that the gentleman from Missouri [Mr. TAYLOR] said that he had no further requests for time. I think that he does at the present time, however, have further requests for time.

The SPEAKER pro tempore. Without objection, the gentleman from Missouri [Mr. TAYLOR] may reclaim his time.

Mr. TAYLOR. Mr. Speaker, I ask unanimous consent to reclaim my time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Speaker, first of all, let me apologize to my colleagues. I did not intend to get into the debate on the Markey amendment until we actually got into the bill, rather than here on the rule, but since the gentleman from Suffolk County, the gentleman from New York [Mr. DOWNEY] took the opportunity to make a representation about this amendment, I do not wish to leave it go unchallenged.

At first glance, as we read the language of the Markey amendment, which is kind of convoluted, one-eyed, crippled-man amendment, as we used to refer to this sort of amendment in the State legislature, it would appear to only cover two plants, the Seabrook plant and the Shoreham plant. But once Congress embarks on this very heady process of micromanaging the licensing and relicensing of nuclear

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plants, I do not think there is going to be a single one of the 107 now operating nuclear plants or the some 17 to 18 nuclear plants under construction that is going to escape a Markey-like amendment. I say to my colleagues that, as a matter of law, every single nuclear plant in this country comes up for relicensing every 2 years, and at the time of the relicensing the question of the evacuation plan is again tested. So that means next year or the year after or the year after that, every single one of the 107 nuclear powerplants in this country which generate 20 percent of the electricity needed in this country is going to come up for renewal.

I shudder to think what that means. If we think passage of this amendment is just something we can do for Tom Downey or George Hochbrueckner we are sadly mistaken. Believe me, we are establishing a very, very bad precedent, one that is going to affect this Nation at a time when we are reflagging Kuwaiti tankers, at a time when we are trying to do everything we can to develop new sources of energy in this country. To start the process of turning down and closing down 20 percent of the electric generating power in this country is the wrong way to go.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. Mrazek].

Mr. MRAZEK. Mr. Speaker, I think it is important for my colleagues to understand what is at stake for Long Island. Overwhelmingly the people in Suffolk County who live in proximity to this plant do not believe they can be safely evacuated.

The local utility has developed an emergency evacuation plan. When one gets a chance to review it, I think they will find it a rather interesting evacuation plan. It calls for people, in the event of an accident, to get on a thoroughfare called the Long Island Expressway. When the Friday night softball games get out, one cannot get on the Long Island Expressway, much less in the case of a nuclear accident.

It then calls for people on the Long Island Expressway who have been contaminated in the accident to drive to the Nassau Coliseum. And let us hope that the Islanders are not playing there at the time they are called to the Coliseum. But under the plan, volunteers are supposed to show up at the Nassau Coliseum with Handy-Wipes to wipe down contaminated vehicles, and then the victims are supposed to take their clothes off, when they are going to be given paper suits and a shower inside the Nassau Coliseum.

This is the emergency evacuation plan for an island that cannot be evacuated.

We have had serious construction flaws in that plant. We have building inspectors who think that the plant was constructed by the Three Stooges, and have said so. That is the reason why 85 percent of the people in Suffolk County say, "Do not allow the plant to go on line."

We have been fighting this issue. This is a State rights issue, and we have been fighting this plant through all the legal means at our disposal, led by the Governor of New York and both Republicans and Democrats, local and municipally elected officicals, who understand the sensitivity and the concern of the people on this issue.

At this particular juncture we have the NRC stepping in and saying, "Let's change the rules of the game. Let's not allow State and local officials to really have their day in court." That is what really is at stake here. It is an issue affecting those of us on Long Island who have deep serious concerns about the plant.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. Moorhead].

Mr. MOORHEAD. Mr. Speaker, I did not intend to speak today on this amendment. However, since the other side has chosen to open the debate at this time, I think it is important that we determine what the issues actually are.

☐ 1600

This is an amendment to politicize the licensing of nuclear facilities, and gives to local government the ability to stop the licensing of a facility that has already been built.

The debate pits two States against a Federal agency, and thus is being cast as a classic confrontation between State and Federal rights; but the real issue is not rights. It is what to do when a clash of rights threatens the national interests, when compelling national interests must prevail.

At issue are emergency plans for the $5 billion Shoreham plant on Long Island and the $4.8 billion Seabrook plant in New Hampshire. Both have been completed and are ready for operation, pending the approval of operating licenses by the Nuclear Regulatory Commission.

Both plants were built with the backing of State and local government officials. The officials in New Hampshire now approve the plant in their area. The Shoreham plant is being blocked by Suffolk County and New York State officials.

The issue really is not local. The emergency planning controversy bears directly on America's ability to maintain an energy supply that is not vulnerable to international insecurity and instability.

At a time when so many of our energy sources are being curtailed, and our ability to conserve seems to be slipping, we are thinking now about cutting back on a source that provides 15 percent of the electric power of our Nation.

America is turning again to imported oil. States have a right to participate in decisions that vitally affect them, but they should not have final say.

The people of America are involved, and no local area should be able to make a determination that is this major to the American people just by refusing to take any action at all.

There are a number of people that have looked at these amendments, a number of large organizations which have looked at them. They are very concerned.

Many of the Members have seen the ad in the local newspaper last week by the AFL-CIO Building and Construction Trades Council, by the International Brotherhood of Electrical Workers, the Chamber of Commerce of the United States, the U.S. Council for Energy Awareness, the National Association of Manufacturers, the American Nuclear Energy Council. Many of these groups would not agree on any other issue, but something that means jobs to the American people, means independence for us from oil dependency, means a lot to every single person in this country. A few public officials in one small area, by refusing to act by sitting on their backsides, should not be able to defeat the American people.

Mr. LENT. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD. I yield to the gentleman from New York.

Mr. LENT. Mr. Speaker, I thank the gentleman for yielding to me.

I want to commend the gentleman for the gentleman's statement and point out that the AFL-CIO Building and Construction Trades Department statement that the gentleman has read from is entitled "How To Worsen America's Foreign Oil Dependence."

Let me read the first paragraph or two from this statement from America's great union.

> U.S. Navy warships and aircraft are protecting oil tankers in the Persian Gulf, while two new nuclear power plants are kept from operating in New Hampshire and Long Island. These plants are ready to replace 18 million barrels of foreign oil every year. They are ready to generate much-needed electricity for regions of the country already faced with the prospect of serious power shortages.
>
> Can America afford to abandon nuclear plants that are ready and able to help cut our increasing demand for imported oil? Unfortunately, a move in the U.S. House of Representatives now threatens the operation of those plants and other nuclear plants as well.

The SPEAKER pro tempore (Mr. Donnelly). The time of the gentleman from California [Mr. Moorhead] has expired.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. Lent].

Mr. LENT. Mr. Speaker, I thank the gentleman for yielding me this time.

It is not just Shoreham. It is not just Seabrook that is at stake, but the other nuclear plants in the country as well.

My authority for that is our own Governor, Mario Cuomo, who says in a letter dated June 14, 1987, addressed to the various Governors of this country, in support of the Markey amendment, "Although such an amendment may be limited in application to Seabrook and Shoreham, it would have a much broader impact," for the Nation as a whole.

This is what we are talking about. If the gentleman thinks this amendment is only going to affect two plants, the gentleman is sadly mistaken.

One last item I wanted to quote from, and I have a telegram sent to me by the elected official who is charged with the education and safety of the young people who live in and about the Shoreham nuclear plant.

His name is Albert Prodell, president, Board of Education of the Shoreham-Wading River Central School District, and here is what he said about how he feels about this plan:

> The Shoreham Wading River Central School District has worked with Suffolk County consultants and with Lilco to develope an emergency plan for the school district, and the district participated in the drill held Feb. 1986. The school district is ready and willing to coordinate and participate with any governmental body or other agency given overall responsibility for emergency planning in the event Shoreham is licensed to operate.

Here is a school board president who frankly has more good sense and courage than some of the Members here in this House of Representatives to say what he stands for.

Long Island local governments cannot seem to manage the disposal of our own garbage, no less assess the safety of a nuclear plant.

The SPEAKER pro tempore (Mr. Donnelly). The Chair will state that visitors in the gallery are prohibited under the rules of the House from any overt demonstration.

Mr. LENT. Mr. Speaker, we are in a situation here where our own U.S. Navy servicemen are at risk trying to escort oil tankers through the Straits of Hormuz to keep open the oil pipeline to this country. By adopting the Markey amendment, we are playing into the hands of the Ayatollah who, I am sure, is glued to C-SPAN right now, wherever he may be, rooting for the passage of the Markey amendment. That is how bad it is.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. Downey].

Mr. DOWNEY of New York. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the gentleman from New York [Mr. Lent] has conjured up out of his vivid imagination the drying up of U.S. Navy ships in the Persian Gulf because of lack of oil if the Markey amendment passes. Really?

Does the gentleman know that less than 3 percent of the Nation's electricity comes from oil-fired plants and less than a fraction of that is imported oil?

Of course, it is in the gentleman's interest to conjure up every sort of ghost about the Markey amendment. For instance that the Markey amendment must apply to all 107 of the plants, the gentleman says, so each of the Members may have to worry about the crying and grasping.

The NRC is attempting to force an evacuation on two plants, Shoreham and Seabrook. The Markey amendment drafted by the gentleman from Massachusetts carefully applies only to those two plants, so if the gentleman wants to conjure up 107 catastrophies the gentleman can. The gentleman is wrong.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Speaker, I thank the gentleman for yielding to me this time.

I would like to point out that the gentleman from New York talks about foreign-oil dependence. The foreign-oil dependence of the New England States is 40 percent. For Long Island it's 80 percent.

New York City, Long Island, and the New England States need Shoreham and Seabrook more than the rest of the country. They need it more than ever, and I would like to quote from somebody who stands in opposition to the Ayatollah, the venerable former Speaker of this House, the Honorable Thomas P. (Tip) O'Neill.

Mr. LENT. Mr. Speaker, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from New York.

Mr. LENT. Mr. Speaker, I thank the gentleman for yielding.

The gentleman has very correctly straightened out the gentleman from New York [Mr. Downey], who does not sit on the Committee on Energy and Commerce as the gentleman from Pennsylvania and I do; and therefore, the gentleman can perhaps be forgiven.

Nassau and Suffolk Counties——

The SPEAKER pro tempore (Mr. Donnelly). The gentleman will suspend.

The Chair will state that the rules of the House prohibit any overt demonstration by members of the gallery.

The gallery will be cleared if the people in the gallery do not obey the rules of the House.

Mr. LENT. Mr. Speaker, if the gentleman would continue to yield, Long Island is between 80 and 100 percent, not 3 percent, as the gentleman maintained, but between 80 and 100 percent dependent on imported oil for our electricity, not 3 percent.

That is why we are against the Markey amendment. We are 80 to 100 percent dependent.

Mr. RITTER. Mr. Speaker, reclaiming my time, I would like to point out someone else who is in disagreement with the Ayatollah, and in agreement with the gentleman from Long Island, when he says, "I am not in agreement with some of the leading public officeholders as our Attorney General and our Governor. I have always been a strong advocate of nuclear power under strict supervision, strict guidance, and strict oversight."

I think we would make a mistake and divide this power and say Massachusetts, New Hampshire, this is a local matter for you, because the power that will be generated in Seabrook is going to be spread all over the Northeast.

We do not have enough power to rely on, and we are going to have to rely on Canadian power during peak hours.

☐ 1610

We have to protect this country for the future.

Mr. Speaker, that is well said by the distinguished former Speaker of the House, Tip O'Neill. Obviously, former Speaker O'Neill is seeking some of the same energy security for the United States of America, including New England and Long Island, that we are.

Mr. MARKEY. Mr. Speaker, will my friend, the gentleman from Pennsylvania, yield?

Mr. RITTER. I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Speaker, I thank the gentleman for yielding.

I took the liberty of contacting the Speaker so that I could get a clarification on that statement. I have a statement here from Tip O'Neill from yesterday, if the gentleman would allow me to read it.

Mr. RITTER. I take it the gentleman would like me to yield to read it. The gentleman should perhaps do it on his own time.

Mr. MARKEY. It is a one-paragraph response. It is in the context of the gentleman's statement.

Mr. RITTER. Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 9 minutes to the gentleman from Massachusetts [Mr. Markey].

Mr. MARKEY. Mr. Speaker, I thank the gentleman.

Mr. Speaker. I would just like to put in the Record a statement from Thomas P. O'Neill, August 3, 1987:

> I have always been a supporter of nuclear power and have felt the resources of Seabrook will be needed by its customers. Although I have also said that the Federal

Government has the authority and the responsibility for the licensing of nuclear power plants, I do feel, however, that the states cannot be excluded from exercising their responsibilities for protecting the safety of their citizens and the licensing process.

I would just like this to be on the record to clarify the Speaker's views on this issue.

Let me turn now, Mr. Speaker, if I may, to the history of the Seabrook plant, because a lot of people are under a misimpression that the State of Massachusetts and the State of New York are raising issues about these plants at the last minute and trying to change the rules in the middle of the game. Nothing could be further from the truth. In fact, the opposite is the case.

In the mid-1970's, the State of New Hampshire, represented by Attorney General Warren Rudman, and the State of Massachusetts represented by Attorney General Frank Belotti, went before the Nuclear Regulatory Commission, arguing that it was improper to allow the construction of a nuclear powerplant on the most populated beaches of Northern Massachusetts and southern New Hampshire without first determining whether or not it was possible to evacuate the hundreds and hundreds of thousands of people who live near the plant and would be enjoying the beaches or their particular communities, there in summer in winter.

The Nuclear Regulatory Commission excluded Massachusetts and New Hampshire. They would not allow us to raise those issues, saying that the plant should be constructed first before those issues could be raised, arguing that it was too incredible to believe that a nuclear melt-down could occur at that particular site. So basically they decided that a nuclear accident could not occur; therefore, Massachusetts and New Hampshaire were in fact taken out of the proceedings in 1975, even though we objected to the construction.

We move now to 1979, the Three Mile Island accident. In the wake of that accident, the Congress, the Rogovin Commission and the Kemeney Commission, all recommended to the Nuclear Regulatory Commission that they adopt tough new standards for emplacement of emergency evacuation plans around nuclear powerplants in this country.

The State of Massachusetts, through Attorney General Frank Bellotti and other intervenors, once again went to the Nuclear Regulatory Commission, arguing at a point where Seabrook had only been 15 to 20 percent constructed, the construction should be ceased until the question of the ability to emplace emergency evacuation zones around the plant had been answered, because the State did not want billions of dollars of their rate payers' and shareholders money expended if the plant could not be licensed.

The NRC dismissed the contentions of the State of Massachusetts and the intervenors, arguing that they would not be prejediced by the billions of dollars which would be invested over the subsequent 5 to 6 years in making their determination on the safety issues.

That case was then appealed up to the circuit court of appeals. The circuit court upheld the NRC in 1982, but in their ruling they said that the basis for upholding the NRC was that the NRC stated explicitly that the money invested in those plants by the utilities was a risk that had to be assumed by the utility if the plant could not in fact meet the safety standards at the point at which it applied for an operating license.

Finally, after waiting 12 and 14 years, the State of New York and the State of Massachusetts were finally allowed to go before the NRC and make their cases on emergency planning.

FEMA, the Federal Emergency Management Agency, has not been able to find a plan which works for this plant. It is built on beaches that are within 2 miles of the plant. This photograph is of two block of one of the beaches, two blocks of one of four beaches that contain 3 to 400,000 people, plus other permanent residents who live around these beaches all summer.

FEMA on June 5 of this year ruled that the New Hampshire plan, submitted by the State of New Hampshire to FEMA, is inadequate and does not work. That is FEMA.

Remember now, FEMA is not some granola-chomping organization affiliated with a clamshell alliance up in New Hampshire. FEMA is an organization which has a plan for Washington, DC. In the event that Washington is attacked by nuclear weapons and hit, they can evacuate all of us. They have been able to figure out a plan to evacuate all of us in the event this city is hit with a nuclear bomb. I am sure we all have our little letter that tells us where to go in the event of that incident.

However, they cannot figure out what to do with the Seabrook plant. They cannot figure out under any circumstances what to do here. What a tough situation. Is that arbitrary on the part of local communities? Is that arbitrary on the part of the intervenors? Is that arbitrary on the part of the State of Massachusetts?

FEMA cannot approve a plan to evacuate these communities in the event of a nuclear meltdown.

So what does the NRC do? It goes and institutes a rulemaking to change the rules. What is the intent of the proposed rules? After waiting 12 years, the rule is that the States cannot come in and raise their objections about emergency evacuation plans anymore.

And get this justification. In January this year, here is their justification for instituting the rulemaking:

> A forced abandonment of a completed nuclear plant for which billions of dollars have been invested also poses obvious serious financial consequences to the utility rate payers and taxpayers.

So after arguing in 1981 and 1982 at the NRC and the circuit court that financial investment would have no bearing, they come back in 1986 and 1987 and they argued that the inexorable pressure on investment already made over all these years should now be the criteria for changing the rules and never giving Long Island or Massachusetts the ability to make their case in court.

What we are arguing is that it is just wrong to allow a Federal agency packed with pronuclear supporters to change the rules. It is absolutely wrong to allow a Federal agency, much less the Nuclear Regulatory Commission, to deny the States of Massachusetts and New York the procedural due process which they invoked in timely fashion to raise important safety consideration affecting the health and safety of the citizens of their States, which under the 10th amendment of the Constitution of this country they are entrusted with.

It is wrong to tell the people who live inside this 10-mile radius that they will have to be treated different from people around every other nuclear powerplant in America which has an emergency plan certified by the State, by FEMA and by the NRC to evacuate them. It is wrong to tell the people of Long Island, to tell the people of Massachusetts and New Hampshire, that they are a special category.

What the gentleman is arguing and what the NRC is trying to do is to change the rules in the middle of the game and to now tell these people who have invested their good money, who are going to have to pay through their rates for this plant, that their families are going to have to live in the shadow of that plant with a sure warning from the Nuclear Regulatory Commission—and this is the Nuclear Regulatory Commission speaking—that there is a 15- to 40-percent chance of a meltdown at a nuclear powerplant in this country before the year 2000. It is wrong to take two plants in this country and make these people live in the shadow of a plant without that protection.

I would hope that the gentleman and all those who are supporting any attempt to undermine these Northeastern States will reconsider their position.

Mr. LENT. Mr. Speaker, will the gentleman yield?

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Mr. MARKEY. I am glad to yield to the gentleman from New York.

Mr. LENT. Mr. Speaker, is it not a fact that the gentleman from Massachusetts does not represent the area portrayed in that photograph, that that photograph is a plant in New Hampshire, that Seabrook is in New Hampshire, and the gentleman does not represent any area there?

Mr. MARKEY. Mr. Speaker, I will reclaim my time and ask, What is the relevance of public safety to that question?

Mr. TAYLOR. Mr. Speaker, I yield 4 minutes to the gentleman from New Mexico [Mr. Lujan].

Mr. LUJAN. Mr. Speaker, I thank the gentleman for yielding.

I was looking up to see what we have done in the past that brings us to this point, what the history is that brings us to wanting to change what the Nuclear Regulatory Commission can do.

I found that in 1980 we, the Congress, authorized the Nuclear Regulatory Commission to accept alternative plans in situations where State and local authorities might refuse to cooperate. Now, that is exactly what has happened here.

Mr. Speaker, let me state that over the weekend a group of us met in Massachusetts in a conference at Woods Hole. I was interested in reading the Boston newspaper which said something to the effect that Massachusetts has become an energy colony of Canada. Why was that? Because of the opposition to build any kind of powerplants in that area.

Now, we are told that, well, these plants can be converted to coal-fired plants. I would like to see the arguments at that time when there is an attempt to convert them to coal.

I think it is important to point out, Mr. Speaker, that we went through this whole thing last week. There is another antinuclear initiative in the Congress this week. Every single week we seem to hear the same arguments of what we should do and what we should not do.

There is a $10-billion investment in these two plants. As I said before, if you think you are hearing some arguments now, wait until somebody decides that they want to convert these to coal. We will have the same opponents on this floor decrying the attempt to convert them to coal.

It is strange that we do not hear anything from anybody from New Hampshire. Their Governor is a supporter of opening up the Seabrook plant, but it is the neighboring governor and the neighboring people who are opposed to it.

I would just say that we cannot leave the decision to those who are philosophically opposed to nuclear power. As a matter of fact, any time the word nuclear is used there is that same philosphical opposition.

So I would say, Mr. Speaker, that even though at the moment we are discussing the rule and we have gotten a little far from the acceptance of this rule, because it is an open rule, I do not think anyone should have any objection to the rule, but I do see where there could be some serious objections to the Markey amendment and to some other amendments that are coming up this afternoon.

□ 1625

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Utah [Mr. Nielson].

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. NIELSON of Utah. I am happy to yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Speaker, I would like to point out that nothing in former Speaker O'Neill's letter or statement that I read has been revised as a result of the statement introduced by the gentleman from Massachusetts. The former Speaker of this House is obviously still opposed to those who would cripple the licensing and operation of Seabrook and Shoreham.

Mr. NIELSON of Utah. Mr. Speaker, I would like to read a few editorials from the New York Times, Boston Herald, and various other places.

The first one is February 1987 the New York Times. It says:

### Federal Power Over Nuclear Power

Should nuclear power be regulated by the Federal Government or the states? Only Washington has the technical expertise and the duty to weigh the national interest. But states including New York and Massachusetts refuse to cooperate in emergency evacuation plants at Shoreham and Seabrook, effectively blocking their start-ups. The staff of the Nuclear Regulatory Commission now proposes to remove this veto power. That would be a welcome and overdue step.

The states got a foot in the door of nuclear plant licensing after the accident at Three Mile Island in 1979. The Nuclear Regulatory Commission told utilities to prepare to evacuate people from a 10-mile radius around nuclear power plants in the event of a radioactive release. That required the cooperation of local authorities, but it seemed inconceivable to the commission that any would refuse to help prepare its citizens for crisis.

Local authorities like Suffolk County and the Governor of New York saw non-cooperation as a weapon against power plants they opposed, especially where the start-up would sharply increase local electric bills. The commission found it had shared its prerogative to license plants with municipal orator and antinuclear governor.

Giving local authorities a veto power over new plants means none will be built. That's a decision that affects the national interest and only Washington should make it. The Nuclear Regulatory Commission ceded states this power by regulation and now proposes to take it back by modifying the regulation. There's no question of usurping states' rights or police powers. All that the commission staff proposes is that plants should be licensed once a reasonable emergency plant has been drawn up, even if the local authorities say they won't cooperate.

Fabian Palomino, Governor Cuomo's principal adviser in preventing Shoreham from going on line says that for the commission even to consider such a step would be "a shameless act and a total abandonment of any sense of responsibility." To the contrary, it's Mr. Cuomo's behavior that compels the commission to rescind the power it asssumed the states would handle responsibly.

If Congress wants the state to set nuclear policy, let it pass a law. Meanwhile, the commission has already delayed too long in restoring its authority.

From the Wall Street Journal:

### Nuclear Politicking

Opposition to nuclear power in the U.S. long ago left off whatever basis in fact it may have had and is now mainly a political religious movement for the doomsday wing of the ecology movement. Rather than incur the wrath of these evening-news activists, politicians frequently join their opposition to nuclear-generated power. Last week, the U.S. Nuclear Regulatory Commission struck a blow against anti-nuke politicking.

It rejected the pleas of several governors who said the operation of some power reactors would endanger public health and safety. The commissioners voted 4 to 1 to make it easier for utilities to get an operating license where local governments refuse to cooperate with planning for emergencies. The vote is subject to 60 days of public comment and is likely to meet a court challenge.

Emergency planning sounds like a reasonable cautionary measure. In fact, it has become little more than a stalling tactic. Immediately at issue are the Seabrook plant near the New Hampshire-Massachusetts border and Long Island Lighting's Shoreham facility. Each of these reactors, which cost more than $4 billion to build, has yet to get an operating license to start generating electricity for its region because state and local authorities refuse to participate in ferderally required emergency-evacuation drills. For anti-nuke local officials, this technical device is a de facto veto over the start-up of these completed plants.

At an NRC hearing in Washington last Tuesday, New York's Gov. Mario Cuomo called the proposed rule change "a blatant disregarding of the need for evacuation." Gov. Michael Dukakis of Massachusetts is standing in the way of the Seabrook plant. Also on hand to pound away on the anti-nuke tom-toms were the governors of Vermont and Ohio, as well as Sens. Kennedy, Moynihan and D'Amato. Some activist protesters in the hearing room cheered, hooted and sang "God Bless America."

These histrionics about threats to public health and safety are unfounded. The chances of a major nuclear accident are remote, given the extensive safeguards and containment measures the industry has installed to accommodate wave after wave of objections. Each new safety measure brings little more than restagings of melodramatic anti-nuke protests.

The newest wrinkle, expressed at the NRC hearing, is to argue that the commission's ruling violates President Reagan's commitment to federalism. State and local officials, however, already have had input into the nuclear-reactor approval process along every step of the way, from site selection to design and construction to start-up. The Seabrook and Shoreham plants didn't just suddenly appear one day. They were the

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result of more than 10 years of planning, hearings and construction. Now the governors are using evacuation and federalism gimmicks to prevent operation.

The delays at Shoreham and Seabook will mean large future costs for both consumers and investors. The governors' opposition to operation represents a financial burden and jeopardizes the security of future electricity supplies in those locales.

After all this time, there's no good reason that these plants shouldn't receive permission for full-scale operation. The Nuclear Regulatory Commission, which in the past 15 years has been far more tolerant of anti-nuke obstruction than mere prudence demands, finally is getting fed up. Its vote to override nuclear politicking is long overdue.

From the Waterbury Republican:

NUCLEAR FOES SOUGHT VETO

At least two multimillion dollar power plants—whose only "fault" is to be nuclear—can't open simply because local officials say so.

That's the power the Nuclear Regulatory Commission wants to take away from Govs. Michael Dukakis and Mario Cuomo and others who have blocked opening of plants in New Hampshire and New York and who promise to take their fight to the courts and Congress know that the commission has landed on the side of energy policy sanity.

Ostensibly at issue is the nature of evacuation plans for areas around nuclear power plants.

But what's really at issue is whether local officials who simply refuse to act should be permitted to keep inoperative power plants that have been built by investors in good faith and that abide by all the requisite federal safety and design features.

By recommending that the evacuation plan requirement be waived or modified in those areas where local officials refuse to assist in their development, the commission hopes to make ineffective the stonewalling that has kept the Shoreham nuclear plant on Long Island and the Seabrook nuclear plant in New Hampshire from producing electricity.

At Shoreham, local officials, with the backing and encouragement of Cuomo, have simply said that no evacuation is possible, and therefore they don't intend to present a plan.

Dukakis and others who oppose Seabrook are employing a similar tactic.

This position doesn't represent any good faith effort on the part of local officials. It is merely taking advantage of a vulnerable—and very recent; it was adopted in 1979—link in the licensing process for nuclear power plants.

Cuomo, Dukakis and others don't want the plants to open, and blocking the evacuation plan is their way to keep them closed.

Opponents of the rule change argue safety and even states' rights to assert that, through official inaction, they should have the right to block the operation of plants which are as safe or safer than the many that have operated for years without incident.

Though Chernobyl, naturally, is the boogeyman for anti-nuclear forces, Three Mile Island is the blot on this country's nuclear record and in this worst case incident, mass, immediate evacuations were not necessary.

Cuomo, Dukakis and others can chatter all they want about the evacuation nightmares that a Shoreham or Seabrook accident would cause, but their worries are based on fears born of prejudice and political expediency, not experience.

The commission is correct to rebuff such thinking, and the nation can only hope the courts and Congress see things the same way.

From the Hartford Courant:

GOVERNORS SHOULDN'T VETO THIS

When the Nuclear Regulatory Commission decided in 1979 that operators of nuclear power plants must draw up detailed evacuation plans in the event of an emergency, and test those plans in drills, no one thought the NRC was giving state governors veto power over new generating plants.

But that is exactly the weapon that Gov. Michael S. Dukakis of Massachusetts has tried to wield at the Seabrook plant in New Hampshire, and Gov. Mario M. Cuomo of New York has used at the Shoreham plant on Long Island.

Each governor by refusing to cooperate in evacuation plans, has made it impossible for utilities to open their plants.

The NRC last week tentatively approved a modification that would take the veto club out of local or state hands. A proposed amendment to the rules would establish the presumption that any "non-cooperative" state or local authority would, in fact, respond to an emergency, and that an operating license may therefore be issued.

That is an imperfect solution, but it is probably the best that can be designed. Once each nuclear plant is functioning, it will be in the interest of local or state governments to participate in evacuation plans and drills.

Opponents of the plants argue that they have been built in densely populated areas, and that no evacuation plan is credible. That is a good argument, but the question of sitting safety was addressed publicly in each case well before construction began. The sites were approved.

Furthermore, even in densely populated areas, evacuation can save lives and avoid serious contamination and illness in the event of an accident like that at Three Mile Island (which led to the evacuation requirement) or even that at Chernobyl in the Soviet Union.

Nuclear power plants should not be allowed to operate, regardless of the investments already made, if new information shows that they pose an imminent danger to public health. No such information has surfaced about Seabrook and Shoreham.

Federal regulatory authority could be challenged in court, but Messrs. Dukakis and Cuomo have simply decided to ignore the evacuation plan required by Washington.

It is cavalier of any governor to assert a last-minute right to block a plant after years and billions of dollars have been spent in planning and construction. It is equally cavalier to refuse to plan for the health of citizens in the event of a catastrophe.

Here is another one from the Boston Herald, April 22, 1987:

POLITICS AND POWER

Why doesn't Gov. Michael Dukakis come right out and say it: He's opposed to nuclear power—any where, any time.

In a speech at Dartmouth College, the governor declared we shouldn't build any more nuclear plants until the waste disposal problem is solved.

Combine this with his other positions (after Chernobyl, it's impossible to approve an evacuation plan for Seabrook), his policies and his perspective on the issue is clear.

If we had waited to solve all of the problems contingent with the generation of power from other sources before actually expliciting them, we probably still would be burning candles and whale oil. Technology may well need to be used before further innovations can deal with subsidiary difficulties.

Massachusetts' power needs are growing at a pace exceeding the national average. Absent the development of nuclear energy, how will these burgeoning requirements be met?

Does the answer lie in more oil and coal-fired plants? But, without exceedingly costly controls, this inevitably will lead to an increase in acid rain, which, he assures us, the governor also is quite concerned about.

It's time for a modicum of candor, from our governor. If he is indeed opposed to the use of nuclear power, he should admit it. And if this is mere political expediency, he ought to admit that too.

Mr. Speaker, I have a number of others which I will mention when I talk about this tomorrow, but let me state that another thing told to me by an official from the State of New York was that the State of New York had approved the plan, insisted on nuclear rather than coal for the reasons mentioned by the gentleman from New Mexico [Mr. Lujan] and also approved the sitting.

It seems to me that they should not now pull the rug out from under them after they have approved all of these points.

Mr. TAYLOR. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, to listen to the gentleman from Massachusetts [Mr. Markey] speak, one would think that the local authorities and the States were frozen out of the decision process on evacuation planning and emergency response planning. That is not what happened.

What really happened and the real issue is blockage of licensing and operation by nonparticipation in the emergency planning process after 10 years of local government support for those two powerplants. What the NRC seeks to do is clarify the rule so that nonparticipation is not tantamount to stopping the licensing or operation of a nuclear powerplant.

Mr. MOAKLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Miller].

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, I rise in support of Mr. Markey's amendment to the NRC authorization bill (H.R. 1315).

Mr. Markey's amendment would prohibit the Nuclear Regulatory Commission from relaxing its emergency preparedness procedures for the Shoreham and Seabrook nuclear powerplants. Local and State officials and

others in New York and Massachusetts have made it abundantly clear that the offsite emergency plans—specifically plans to safely evacuate the local population in the event of a nuclear incident—cannot work. In the absence of a workable evacuation plan, these officials have taken the only prudent course open to them. They are objecting to licensing these two plants.

When confronted with the Seabrook and Shoreham situations, the NRC apparently decided that the easiest course of action was to amend its own rule. Accordingly, last spring, the NRC issued a proposed rule to relax the existing requirement for State and local involvement in emergency planning. The proposed rule would allow the NRC to issue a full-power license to a nuclear plant where there is no State or local participation in the offsite emergency planning.

The NRC action is a blatant attempt to circumvent the legitimate concerns of the people of New York and Massachusetts about their safety. As one former NRC Commissioner, Mr. Asselstine, put it in his dissent from the proposed NRC rule change—and I quote—the NRC's "commitment to emergency planning only lasts as long as it does not get in the way of expeditious licensing of plants."

Much has been made of the argument that States should not have a veto over powerplant licensing. This argument begs the real issue. The real issue is whether or not effective and workable emergency plans can be developed and put into place for these two plants. If they cannot, then the plants should not be licensed. It is not a question of a State vetoing a plant. It is a question of prudent public policy—a basic question of public health and safety.

Since Three Mile Island and since Chernobyl, we have learned some valuable lessons about nuclear safety and nuclear powerplants. We have learned that serious accidents can and do happen. Fortunately, these are not frequent, but they do occur. When they occur, the local populace is affected—seriously affected. We have also learned that emergency procedures for handling the public—evacuating them or taking other measures, requires a prepared, ready, and cooperative local government. It is not—it will not ever be—enough for a utility to have some plans on a piece of paper. It is essential that the local community be part of the emergency planning process.

For the most part, State and local governments have participated in developing emergency plans. For the most part, the existing rules have worked well. Now, we are confronted with just two instances where the State and local governments have raised serious concerns about public safety—about whether or not people can be evacuated safely from the area in the event of an accident.

The NRC's response to these safety concerns is to overturn the rule, rather than listen to the State and local governments.

My response is that public health and safety are of paramount concerns. Public safety should not be compromised because it is inconvenient for the NRC or the local utilities. The existing rules should continue to apply to Seabrook and Shoreham. I urge you to join with me in supporting Mr. Markey's amendment.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Maine [Mr. Brennan].

Mr. BRENNAN. Mr. Speaker, as I see it the issue with regard to the Markey amendment is who should decide what is in the interest of public safety for the States of New York and Massachusetts. Who should make the decision on that very important question? Should that decision be made by a few members of the Nuclear Regulatory Commission here in Washington, or should it be made by 18 million citizens in New York and 6 million citizens in Massachusetts through their respective Governors?

Basically what it comes down to is this: Should this decision rest with millions of citizens through their highest elected States officials or with a handful of bureaucrats here in Washington? I think the answer is clear. The Governors of the States of Massachusetts and New York are certainly in a far better position to determine whether evacuation plans are realistic and workable for their States than a handful of bureaucrats in this city.

We are not talking about defense policies which are the special reserve of the Federal Government. We are talking about emergency evacuation plans and the ability of these States to respond effectively to a serious nuclear accident.

I do not believe there can be any question whatsoever but the people at the scene of a possible nuclear accident, and those are the people who are most vitally affected, those are the people whose lives are in jeopardy, those are the people in the States and the cities and towns who bear the brunt of any nuclear accident, would be in a far better position to determine what is a safe evacuation plan for them.

I think bascially we are showing some respect for local officials. I have been here 7 months or so and I hear a lot of talk about respect for the States. These are the people who have elected their Governors, whether it is Governor Cuomo or Governor Dukakis. I think we have to respect the fact that they are going to act conscientiously and they are going to act in the best interests of their citizens. I think we ought to show them that respect by letting them make that decision.

So I urge my colleagues, when the vote comes up, to strongly support the Markey amendment.

Mr. TAYLOR. Mr. Speaker, I think we will have ample time tomorrow, and we have 2 hours of general debate plus time under the 5-minute rule, to pursue this debate. I think we all look forward with great anticipation to an enlightening continuation of this dialog.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mrs. Emery, one of his secretaries.

## NUCLEAR REGULATORY COMMISSION AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The SPEAKER pro tempore (Mr. Donnelly). Pursuant to House Resolution 237 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1315.

The Chair designates the gentleman from Minnesota [Mr. Oberstar] as chairman of the Committee of the Whole, and requests the gentleman from Massachusetts [Mr. Moakley] to assume the chair temporarily.

□ 1635

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1315) to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes, with Mr. Moakley [Chairman pro tempore] in the chair.

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Arizona [Mr. Udall] will be recognized for 30 minutes, the gentleman from New Mexico [Mr. Lujan] will be recognized for 30 minutes, the gentleman from Michigan [Mr. Dingell] will be recognized for 30 minutes, and the gentleman from New York [Mr. Lent] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Arizona [Mr. Udall].

Mr. UDALL. Mr. Chairman, I yield myself 3 minutes and 30 seconds.

Mr. Chairman, I rise in support of H.R. 1315, the Nuclear Regulatory Commission Authorization Act for fiscal years 1988 and 1989.

This is a simple, straight-forward bill. It does two things. It authorizes

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appropriations for fiscal years 1988 and 1989, and it raises the portion of the NRC's annual budget that will be recovered through user fees on the agency's licensees.

The bill authorizes a total NRC appropriation of $427.8 million for fiscal year 1988 and $422.6 million for fiscal year 1989. These figures represent a 4.3-percent increase in fiscal 1988 and a 3-percent increase in fiscal 1989 over the NRC's estimate for fiscal year 1987.

These increases are necessary for the Commission to meet responsibilities thrust upon it by the increased number of operating plants and by the low- and high-level waste laws, and to shore up the NRC's Safety Research Program. Safety research is essential to the Commission's regulatory program and to ensuring the safety of nuclear powerplants. Funds for this research were cut in half between fiscal 1981 and 1987. Unless the erosion of the NRC's Research Program is reversed, the Commission's ability to address future safety problems may be hampered.

The bill also increases the portion of the agency's budget recovered through user fees on agency licensees. Currently, the NRC collects about one-third of its annual budget through fees. As introduced and reported by the Interior Committee, H.R. 1315 calls for the NRC to collect half of its annual budget through user fees. This was the portion recommended by both the Commission and the Office of Management and Budget. The Energy and Commerce Committee amended the bill to recover a full 100 percent of the budget through fees.

Mr. Chairman, the two committees have assembled a consensus bill, H.R. 3037, that splits the difference between the 50-percent fee approved by the Interior Committee and the 100-percent fee approved by Energy and Commerce. H.R. 3037 recovers 75 percent of the NRC's annual budget from user fees. In practical terms, this will probably mean the average nuclear utility will pay a fee of about $2.3 million per reactor in fiscal 1988, compared to the fiscal 1987 fee of $840,000 under current law. The rule makes this consensus bill in order as original text for the purpose of amendment.

That is the sum and substance of the bill now before us, Mr. Chairman. The gentleman from Massachusetts [Mr. Markey] intends to offer an amendment, which I support. The amendment simply prevents the Commission from licensing nuclear powerplants unless they meet the emergency planning requirements now on the books—the same requirements that all presently operating plants have already met. This is a reasonable requirement and it has my support.

Mr. Chairman, I reserve the balance of my time.

Mr. LUJAN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in support of H.R. 3037, legislation which would make appropriations for the Nuclear Regulatory Commission for fiscal year 1988 and 1989.

It would authorize appropriations of $427.8 million in fiscal year 1988 and $422.6 million in fiscal year 1989;

It would direct NRC to annually assess and collect charges and user fees that approximate 75 percent of the annual NRC budget starting in 1988; and

It would reiterate congressional support for gas-cooled thermal reactor safety research.

Mr. Chairman, this has traditionally been a fairly controversial authorization bill.

Let me quote from the Interior Committee report on H.R. 1315, report 100-90, issued on May 12, 1987, which reads on page 3 as follows:

> Although there are many nuclear policy issues of particular concern to Committee members at this time, the Committee has kept H.R. 1315 free of nuclear policy provisions that are not germane to an authorization bill. The Subcommittee on Energy and the Environment will carry out oversight and legislative activities on a broad variety of national nuclear policy issues throughout the 100th Congress. The Committee believes that the authorization process is not the appropriate context within which to consider nuclear legislation such as amendments to the Atomic Energy Act of 1954, the Energy Reorganization Act of 1974, and the Nuclear Waste Policy Act of 1982.

Unfortunately, Mr. Chairman, nobody seems to have read that material, or if they did, they have forgotten it.

Today, we will have five or six amendments presented and most of those amendments consist of significant nuclear policy changes.

Mr. Eckart may be offering an amendment which would prevent the NRC from closing certain meetings to the public.

Mr. Madigan may offer an amendment directing NRC to suspend a certain operating license for a nuclear facility in Will County, IL.

Mr. Markey may offer an amendment allowing local governments to veto the opening of two fully constructed nuclear powerplants.

Mr. Pashayan may offer an amendment directing NRC to promulgate certain regulations relating to emergency planning.

And the list goes on. Somebody may offer an amendment to overhaul the entire NRC and I can't say I'd oppose that but I question whether or not this is the time or the place for all of these major nuclear policy changes.

In closing, Mr. Chairman, I support H.R. 3037 but I think we should follow committee procedures and not try to make all of these nuclear policy decisions on the floor of the House.

☐ 1630

The CHAIRMAN pro tempore (Mr. Moakley). The Chair recognizes the gentleman from Indiana [Mr. Sharp] for 30 minutes.

Mr. SHARP. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 1315 which authorizes appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989.

As I think our colleagues have heard, the Committee on Interior and Insular Affairs and the Committee on Energy and Commerce have worked well together on this legislation and are largely in agreement on the bill.

Mr. Chairman, I want to commend Chairman Udall and Chairman Dingell for their leadership on this legislation.

I want to take this opportunity just to indicate that one of the real rewards in being a Member of the House of Representatives is to serve with and work with the distinguished gentleman from Arizona, a man of extraordinary ability and character. His intellectual vigor, his unbending integrity, his legislative skill and his well-known humor have enriched this institution and they reflect a measure of honor and credit upon all of us who have the privilege of serving with him.

This again, Mr. Chairman, this piece of legislation is just another of the many indications of his skill.

The authorization before us, Mr. Chairman, requests a total of $428 million annually which is only a modest increase over the current appropriation.

It has been adjusted for inflation. It is certainly a lean budget. The Commission has indicated that it is sufficient for it to carry out its responsibilities.

We have provided a slight increase for safety research recognizing the critical importance of that portion of the job of the NRC. There will be two amendments derived from the Committee on Energy and Commerce, which the committee did adopt and which I hope our colleagues will adopt in the House.

One is to make the user fees 100 percent for this agency. We have done that in terms of the Federal Energy Regulatory Commission and the SEC, and I think it is clearly a direction in which we are moving and we might as well get onto it this year given our deficit problems.

The second amendment from the Committee on Energy and Commerce would prevent the operation of an NRC rule dealing with the Sunshine Act. Frankly, the NRC has seen the wisdom of not operating under that rule which they adopted without following appropriate procedures. That is what led to our concern and the oversight by the Committee on Energy and Commerce about this issue.

Our distinguished colleague, Mr. Eckart from Ohio, will be offering the amendment to neutralize that particular rule.

Finally, as our colleagues are very much aware, we will have Congressman Markey's amendment which I intend to support tomorrow when the House gets to that amendment. It received almost a majority in the Committee on Energy and Commerce. It failed because it was a tie vote of 21-21.

Mr. Chairman, we are dealing with the one agency of our Federal Government which has first and foremost responsibility for safety at our nuclear powerplants. And it certainly is my goal, as it is the goal of Chairman Udall and many others in the House, that the agency function with a fundamental and firm commitment to the safety of the American people—as well as the people who work in those plants—and that it pursue the goal of safety vigorously, thoroughly and efficiently. We intend to do all that we can through oversight and through legislation to make sure that the NRC is clearly focused on that goal.

That is its critical function and, for those who wish to advocate nuclear power in this country, it is important to recognize that the NRC can give the greatest assist to nuclear power if it is helping to enhance confidence here in the Congress and around the country that safety concerns will be taken extremely seriously and pursued regardless of cost.

The CHAIRMAN. The gentleman from Indiana [Mr. Sharp] has consumed 4 minutes.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. I thank the chairman and would like to enter into a brief colloquy with the distinguished gentleman from Arizona.

Mr. Chairman, the Court of Appeals for the Tenth Circuit recently affirmed an injunction barring the Department of Energy from enriching foreign source uranium for domestic end use to the extent necessary to assure the maintenance of a viable domestic uranium industry. The court noted that that industry is "vitally important to U.S. defense and security interests" and that Congress under the Atomic Energy Act "did not want the United States to become dependent on foreign sources of uranium." DOE has expressed concern that some of its customers may evade the effect of the injunction as well as harm DOE's enrichment enterprise by going abroad for enrichment services. Is it your understanding that NRC has authority upon proper request to limit importation of enriched uranium for domestic use under the Atomic Energy Act?

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the distinguished chairman, the gentleman from Arizona [Mr. Udall].

Mr. UDALL. I thank the gentleman for yielding.

Mr. Chairman, the answer is "Yes."

In response to recent questions, NRC has informed Congress as follows: "The Commission has broad authority under sections 161(b), 161(i), and 161(p) of the Atomic Energy Act to promulgate whatever regulations or orders are necessary or desirable to carry out the purposes of that act—namely the protection of the public health and safety and promotion of the Nation's common defense and security." NRC indicated that "any Commission regulations or orders of the type under discussion would need to be based on a finding that these are necessary or desirable to promote the common defense and security." The Commission further indicated that it could be requested to make the necessary finding, and that it could in fact make such a finding upon an appropriate record.

Mr. RICHARDSON. May NRC use funds authorized under this bill for the purpose of responding to a request to implement authority of the kind described under 161b, 161i, and 161p of the Atomic Energy Act?

Mr. UDALL. Yes.

Mr. RICHARDSON. I thank the gentleman. Appropriate exercise of NRC's authority would appear to fully protect DOE from any feared loss of business due to the injunction.

Mr. Chairman, I thank the chairman for his leadership on this legislation and I thank Chairman Sharp and Representative Lujan and the distinguished minority leader from the House Committee on Energy and Commerce.

Mr. LUJAN. Mr. Chairman, I yield 6 minutes to the gentleman from Pennsylvania [Mr. Gekas].

Mr. GEKAS. Mr. Chairman, let us make no mistake about it, the debate has now come down to whether or not we are going to approve at a later stage the Markey amendment. I believe everyone who objectively looks at the report of the committee and the bill that it has fashioned, that there is really no objection to any of the general features of the continuation of the work of the Nuclear Regulatory Commission.

The question is how should we deal with this Markey amendment that is yet to come up? We have had a preview of the arguments already.

What I am mulling over in my mind, and I need some help from the people who work on this on a regular basis is this: I feel on the one hand that the Markey amendment is a bit extreme, that it calls for a kind of antinuclear response to a problem centered around two nuclear installations that may have an effect on the rest of the country and the ongoing nuclear industry. And to vote for it would be to succumb to the temptation to enter into a philosophical kind of decision.

On the other hand as one who lives within the shadow of Three Mile Island, I am dissatisfied with the ability of the local community to give a full vent to their concerns about any portion of nuclear power.

Now on the question of evacuation, it seems, as we have already learned, that communities can evade the aegis of nuclear power by simply not proposing an evacuation plan or not cooperating with one that the utility might advance. And so are they being in false logic in refusing to cooperate? Therefore, they are refusing themselves the opportunity to give input? It is a kind of an irony.

What I would like to know and I would like to have the gentleman from Arizona answer if he would not mind: without the Markey amendment passing are we not still in a position where a local community or a State can appeal an adverse decision by the Nuclear Regulatory Commission on the implementation of an evacuation plan whether or not the local community or the State cooperated?

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Arizona [Mr. Udall].

Mr. UDALL. I thank the gentleman for yielding.

Mr. Chairman, the answer is yes, they can do that.

Mr. GEKAS. And further if the gentleman would not mind pursuing this, if the State government or local municipality wanted to present new facts or evidence, there are avenues to do that even after a decision is made by the NRC to adopt an evacuation plan without the original cooperation of the State and local government? Is that not the case? I ask the gentleman is that not the case that there would still be this arena available to the State government and the local communities for fighting through what they consider the adverse decision of the NRC on the evacuation plan on which they failed in the origins to cooperate in bringing about?

Mr. UDALL. There would be a wide variety of actions available to citizens, to groups in that case, both within the NRC which has provisions for restudy and appeal to higher authority and so on, plus the court system.

Mr. GEKAS. Yes. Now if that be the case then why are people like me who are caught in this quandry eager, as I was at one time, to vote for the Markey amendment to send a signal to the NRC that we have got to give

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more opportunity to State governments and local municipalities and local communities to have an impact on the adverse decision on evacuation plans?

Mr. UDALL. The gentleman's experience is similar to mine. I thought some time ago they were attempting to set up a system whereby a mayor or a Governor or a governing body of a small town within 10 miles from the nuclear plant could prevent it from operating, after it is all paid for and in position. That is not the case now. The Markey amendment has been changed.

I reluctantly came around to voting for it.

Mr. GEKAS. I thank the gentleman for supplying me with some of those answers. But I think that what his answers imply to me and bring me about to the position where I think I must vote against the Markey amendment, is that the Markey amendment does not by itself foster additional ways that the State or the local community can make its voice, their collective voices heard in the absence of an evacuation plan.

☐ 1655

So if that be the case, if I brought myself around to that way of thinking, then I must devote myself—and I aim to do so, and I ask for the help of the members of the committee—to the goal of seeing if we can revise the permanent rules and regulations of the NRC to give an additional measure of ability to the State governments and the local governments to have even further input, even after the initial decisions are made by the NRC, as to the efficacy of an evacuation plan.

Mr. Chairman, I do believe that at this juncture I am ready to vote no on the Markey amendment.

Mr. LUJAN. Mr. Chairman, may I inquire, how much time do I have remaining?

The CHAIRMAN. The gentleman from New Mexico [Mr. Lujan] has 20½ minutes remaining.

Mr. LUJAN. Mr. Chairman, since I have no additional requests for time and since the gentleman from New York [Mr. Lent], who controls the other time on this side, does have numerous requests for time, I ask unanimous consent that I be allowed to yield to him the remaining time that I have, and I also ask unanimous consent that the gentleman be allowed to apportion and to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. UDALL. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. Hochbrueckner].

Mr. HOCHBRUECKNER. Mr. Chairman, it seems to me that today, as we begin the debate on this issue—and we really are, as was pointed out, debating the Markey amendment; that is really what it comes down to—the question comes down to the basic issue of whether the NRC should have the absolute right to turn on nuclear powerplants without the consideration of legitimate local concerns. That is really what the issue is when we think about it.

Now, there is not a problem with new plants because clearly the problems that have occurred with nuclear power have sensitized the American people to the concerns about nuclear power, and so as far as new plants are concerned, there will not be a problem because they will never be sited. People will never turn them on initially in terms of their site plans. The problem we have to deal with is what we do with regard to the plants that are in the pipeline.

Certainly the Markey amendment will not do anything to affect the 107 nuclear powerplants that exist in the United States today, and there are 15 plants in the pipeline. The Markey amendment will not affect those except for the Shoreham and Seabrook plants. That is the goal of the amendment. That is its only concern.

This is not the first step to stop nuclear power in the United States. This is a step to stop two plants that should never have been sited in the first place. That is the problem. So we do not have a future problem with nuclear power. We have a problem that we must deal with today, and that problem is: how do we deal with the Shoreham and Seabrook plants, because with regard to the other plants in the pipeline, there are no concerns about local safety and evacuation plans. No one is raising a voice about that. It is only two plants we are talking about, and that is the issue.

So since this is a 2-day debate, let me start out, I say to my colleagues, by providing a little education on the Shoreham situation, because the Shoreham nuclear plant is in my district.

The question was raised before: "Mr. Markey, why are you concerned about nuclear power in your district with Seabrook? It is not physically in your district." Well, the Shoreham plant is in my district, and I am concerned about that plant, and 85 percent of the people in my district do not support that plant. Let me tell the Members why they do not support that plant and why I am here on this floor to explain to my colleagues why the Markey amendment is absolutely essential in order to stop a plant that many people do not want.

So let the education begin, because obviously the vote will not happen until tomorrow. There are three good reasons why the people on Long Island do not want the Shoreham nuclear powerplant. First, they have come to realize that there is no safe evacuation plan that can apply to Long Island. Look at Long Island. It is 125 miles long. I represent essentially the eastern 70 miles of that Long Island—which it is; it is a long island. The Shoreham nuclear plant has been positioned right here, as the arrow shows. Think about this. If there were a nuclear accident and the alert went out, the horns rang, the buzzers went off, and the radio station said, "There is a problem at Shoreham, folks," my people, over 200,000 of them, would have to drive past the nuclear powerplant in order to evacuate Long Island.

The NRC will say, "Well, they don't have to evacuate; only a 10-mile radius should be concerned." Tell that to the mothers, tell that to the fathers, and tell that to the schoolchildren. Did only the people in a 10-mile radius evacuate Three Mile Island? Of course not. When the bells go off, people are concerned, people are frightened, people are scared, and people leave. And everyone will tell us that the Long Island Expressway really is the longest parking lot in the world.

Let me give the Members an example of what happened on Long Island on Thursday, July 17, 1986. The Newsday's front page says: "The day the LIE stood still." It shows a nice picture there of thousands of cars stuck on the Long Island Expressway. The capiton reads: "Slimy mess from an overturned mayonnaise truck near the Glen Cove exit above creates a 5-hour ordeal for thousands of motorists." Glen Cove is over here on the western end. Very clearly, we could not evacuate Long Island safety, and that is the point.

The CHAIRMAN. The time of the gentleman from New York [Mr. Hochbrueckner] has expired.

Mr. UDALL. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York [Mr. Hochbrueckner].

Mr. HOCHBRUECKNER. So, Mr. Chairman, the fact of the matter is that we cannot have a safe evacuation from Long Island. That is very clear. Look at the map. Look at the geography. The plant should never have been built there.

Now, we raised that question. In 1970 the people of Long Island raised the issue and said, "You can't evacuate Long Island. Stop building the plant."

What did the establishment or what did the AEC or the NRC say? Their response was: "Don't talk about evacuation now. It is not time. You talk about evacuation plans when it is time to talk about an operating license."

So they turned us off. In the Seabrook case, it was 1975 when they first raised the issue. They said, "Go away and come back later when it's your time."

Well, it is now our time, and we are saying you cannot evacuate Long

Island and you cannot evacuate the Seabrook area, and how dare you try to jam these plants down our throat?

The fact of the matter is that the NRC in 1980, because of Three Mile Island, put in place a very good plan, a rule that said, "We, the NRC, will not grant an operating license for any nuclear power plant that does not have a State and locally approved evacuation plan." It was a great idea, a great rule, and a great regulation. We supported it then. It made sense then, and it makes even more sense now. Yet the NRC is in the process of changing that rule.

That is what the Markey amendment is about. It says, "No, NRC. Do not change that rule for the Seabrook and Shoreham nuclear power plant." That is all the Markey amendment says.

Mr. Chairman, I am pleased to say that the gentleman from Massachusetts [Mr. Markey] has informed me that this is now really the Markey-Hochbrueckner amendment, and I am delighted to have my name on that amendment because it makes sense. The people of Long Island need that amendment, the people of Seabrook need that amendment.

Mr. Chairman, I think my time is nearly up, but let me assure my opponents that I will be back in a few minutes.

Mr. LENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. LENT. Mr. Chairman, I rise in support of H.R. 1315.

The authorization proposed for the Nuclear Regulatory Commission in this bill is the amount requested by the administration. It holds the line at the agency's current funding level and increases the amount of funds to be recovered from fees paid by regulated entities.

As we consider this legislation, let's remember why we in Congress created NRC. Congress created NRC as a specialized agency to make technical safety judgments on the use of radioactive materials. The many uses of radioactive materials, from medical therapies to generating electricity, provide needed services to the American public but also represent potential harm if they are not carried out correctly. It was and is sound public policy to establish an expert agency with broad authority to protect the health and safety of the public, free from the politics of special interest groups. It is best to leave the specifics of how to assure the protection of the public to these experts.

I urge my colleagues to support this legislation which authorizes funds necessary for NRC to continue to fulfill its health and safety responsibilities.

Mr. Chairman, I had not intended to talk about the Markey amendment today. That is going to be debated tomorrow. But a lot of things have been said, and I understand it will be put over for a vote at a subsequent time. But this is a very controversial amendment that will be offered by the gentleman from Massachusetts [Mr. Markey], and I think it is only prudent that I at this time alert my colleagues to the situation and urge them to defeat this amendment.

The effect of this amendment, as I read it, is to block this special agency, the Nuclear Regulatory Commission, from remedying a situation which allows any State or local governing body to shut down a nearby nuclear plant. This is a very dangerous amendment because it affects the security of the United States. That is what this fight over the Markey amendment is all about.

Many of us in this body can recall the two energy crises of the 1970's when the OPEC cartel ratcheted down the oil spigots and almost brought this Nation and other industrialized nations to their knees. When it came time during these crises to allocate the precious oil supplies to alleviate the inflation and the unemployment that resulted and to set up strategic petroleum oil reserves, it was the National Government that had to bear the burden and lead this Nation out of its predicament. We did not then hear the supporters of the Markey amendment talking about handling the energy problem by home rule. We were in the throes of a national energy shock, and the National Government had to deal with it.

Are our memories so short that we have forgotten the spectacle of President Carter on television wearing his sweater with the fireplace ablaze behind him? Have we forgotten that winter the Christmas trees and the monuments in this city went unlighted? Have we forgotten the temperature controls, the gasoline lines, and the rationing coupons that were actually printed, although never used? Have we forgotten the summer we sweltered in this very Chamber to conserve precious energy? And do we not remember the rhetoric of our own speeches resounding in this Chamber about energy independence and how we would never again allow our Nation to become dependent on foreign oil?

George Santayana put it best when he said: "Those who cannot remember the past are condemned to repeat it."

Mr. Chairman, the fundamental lesson that should have been learned from the experience of two oil shocks during the 1970's is that excessive reliance on oil imports from a market ultimately controlled by OPEC undermines our national security. It is here in Washington, not in the States or in the county legislative bodies, it is here in the Congress that responsibility for our energy security ultimately lies.

Now, what are the real facts about Shoreham and about Seabrook? The electricity generated in the area represented by the gentleman from Massachusetts is 40-percent generated by oil.

☐ 1710

Long Island, and I live on that island, is even more dependent. Three million Long Islanders depend on oil for 80 to 100 percent of their power.

When and if these two plants, Shoreham and Seabrook, are placed on line, they will displace 20 million barrels a year of OPEC oil, so a vote on the Markey amendment is a very important one, because of the message it will send to OPEC and to the American people on how deeply committed this Congress really is to energy independence.

In deciding how to vote on this amendment, keep two additional points in mind.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. LENT. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

It seems rather strange that in the midst of a national crisis involving the commitment of American sailors to the Persian Gulf, we are talking about not bringing on line $10 billion worth of investment in American, yes American, energy production that almost one for one displaces foreign oil, but Persian Gulf oil production.

I think the gentleman's point is well taken. The percentages that the gentleman mentions for both New England and Long Island are very, very important. I know Members from other congressional districts might say, "That does not affect me." They are hyperdependent on foreign oil.

Those Members' oil does depend a lot on what happens there, because if there is a blowup in the Middle East, and if Persian Gulf oil is cut off, whatever the percentages that are stopped, the whole world converges on the rest of the oil-producing markets.

We need energy independence like we have never needed if before, and this is a rather absurd time for curtailing directly America's attempt at energy independence.

Mr. LENT. Mr. Chairman, I thank the gentleman for his contribution, and point out if any Member has taken the trouble to look at today's issue of the New York Times, the front-page story, and it is ironic, is this:

"Oil prices rise as fears grow of cut in supply." So many of the Members who are saying, well, we can trust the Ayatollah, the OPEC countries, we do not have to worry about this, forget about what happened to us twice during the 1970's when the spigot was turned down, ought to read today's edition of the New York Times.

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In deciding how the Members will vote, keep in mind, and do not let yourself be hoodwinked into thinking that the Markey amendment applies only to Shoreham and Seabrook and the 2,000 megawatts of oil-free electricity they will generate.

At first glance, this is all that is at stake; but once Congress embarks on this very heady process of micromanaging the licensing of nuclear plants, the inevitable result will be more and more Markey-type amendments applicable to the 110 operating nuclear plants and 4 plants under construction.

All of those operating plants in this country come up for a relicensing every 2 years. The question of emergency evacuation is restudied and rethought out for every single plant in this country every 2 years.

If the Markey amendment is adopted, God forbid, it will give tremendous aid, comfort and inspiration to antinuclear activists, and will be used by antinuclear activists around the country.

The Markey precedent could, and I say will, be applied in the case of plants already licensed and operating which, for one reason or another, have fallen into political disfavor.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. LENT. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

The gentleman makes an excellent point, not just a theoretical point.

The May 1987 publication of Ralph Nader's Public Citizen entitled "Shutdown Strategies," that is right.

That is not just a new plant coming on line; that is existing powerplants that could, in the gentleman's words, "fall into political disfavor."

Citizens efforts to close nuclear powerplants, May 1987 report; and in that report there is a full section, section 3B, emergency planning, and there are few cases listed here.

Illinois, the LaSalle plant, we are talking about two little nuclear powerplants, only 2,000 megawatts of electricity-generating capacity. That is a great deal of foreign oil.

A case study described here of the LaSalle plant in Illinois, and in Massachusetts there is an interesting element here, so we are not just talking about Seabrook.

Massachusetts might be interested in this, because in Massachusetts there is also Pilgrim and Yankee. Massachusetts gets some 50 percent of its electricity from foreign oil.

In addition to the State of Massachusetts, there is another powerplant in New York State that is part of this document on shutdown strategies, this Ralph Nader document, the Indian Point plant in New York State.

For those Members from North Carolina who might think that this debate is limited only to Shoreham and Seabrook, in the Ralph Nader document entitled "Shutdown Strategies," citizens' efforts to close nuclear powerplants, we see the Shearon Harris plant. Beyond North Carolina, we can go to Ohio where the Perry and Davis-Besse plants are both viewed as potential shutdowns by Mr. Nader and his colleagues.

Mr. LENT. Mr. Speaker, I thank the gentleman for his contribution.

I am going to reclaim my time to put Mr. Nader's antinuclear piece in the Record, so that the Members tomorrow would have an opportunity to review it, because the gentleman's point is very well taken.

As we indicated, the Markey precedent could and will be used in the case of plants already licensed and operating which, for one reason or another, have fallen into political disfavor.

In other words, notwithstanding the fact that we have an NRC, an independent regulatory agency charged with making complex, technical decisions on matters affecting public safety, the Congress would under the Markey amendment, and in a precedent on a case-by-case basis, be second-guessing the Commission's judgment when it proved politically expedient to do so, so today we are not just asked to look at the special circumstances surrounding Seabrook and Shoreham. Tomorrow we will be asked to look at nuclear plants in Ohio, Pennsylvania, or Massachusetts. Consider the fact that the State of Ohio is refusing to participate in emergency planning for the Perry plant, and reports that Massachusetts may decline to further participate in emergency planning for the Pilgrim plant, an operating plant currently down for repairs.

There is also the case of Limerick II in Pennsylvania where the new Governor campaigned on a promise to assist opponents of that plant.

Clearly there is more at stake here than just two unpopular plants in the Northeast. It is a trend threatening to spread far and wide.

In the context of nuclear security, this becomes a very critical matter. In fact, it is the most important of all.

Today in an increasingly dangerous world, we rely on nuclear power for nearly 20 percent of our Nation's energy needs. Frankly, it bothers me.

It bothers me that the proponents of this amendment would put this important source of energy at risk, without any thought whatsoever as to how we are going to make the shortfall; and if we encourage the systematic shutdown of nuclear plants with the adoption of this amendment, we may eventually have to burn another 2 billion barrels of oil a year to offset the nuclear power that would be lost.

Yet, we contemplate this at a time when our own domestic oil industry is in the depths of a depression, and when our reliance on imported oil is rising, further aggravating our trade imbalance on a day when the front page of the New York Times headline is "Oil Prices Rise As Fears Grow of Cut in Supply."

□ 1720

Mr. Chairman, watch when this vote on Markey is taken, because many of the same Members who support this amendment opposed reflagging the Kuwaiti tankers in the Persian Gulf. They also opposed burning coal because it causes environmental damage through acid rain. They also opposed drilling for oil offshore. They will also vote against opening up the Arctic National Wildlife Refuge in Alaska for exploration and possible development. They also oppose damming America's few remaining wild rivers in an effort to increase our supply of hydroelectricity, yet they would buy it from the Canadians at inflated prices.

They oppose all this, and yet put our reserves of nuclear power at risk, so it is as if the two energy crises of 1970 never happened. It reminds me of a character from a Robert Louis Stevenson novel who proclaimed, "I've got a grand memory for forgetting."

If the House adopts this Markey amendment, it can be said that we possess the same talent of that character; so vote no on the Markey amendment, strike a blow for energy independence.

Mr. RAVENEL. Mr. Speaker, will the gentleman yield?

Mr. LENT. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina.

Mr. RAVENEL. Mr. Speaker, I would like to read into the Record a letter from the Governor of South Carolina, our late colleague, who said:

State of South Carolina,
Office of the Governor,
*Columbia, SC, August 3, 1987.*

Hon. Arthur Ravenel,
*House of Representatives,*
*Washington, DC.*

Dear Arthur: I understand that a letter I sent to the Nuclear Regulatory Commission is being circulated among the South Carolina delegation as an argument in support of the proposed Markey amendment to the NRC authorization act. I want to state in the strongest terms that I am not a supporter of the Markey amendment.

I am extremely reluctant and would be deeply concerned to see the Congress seek to make decisions about the operation of individual nuclear power plants, as the Markey amendment would have you do. Inasmuch as the amendment speaks specifically to ongoing licensing procedures affecting the Seabrook nuclear power plant in New Hampshire and the Shoreham plant in New York, two projects which are already beset with controversy and politics its passage would raise serious questions about the role of Congress in individual nuclear decisions in the future.

About 60 percent of South Carolina's electricity last year was produced by nuclear power and the citizens of our state will rely on this source of power for many years to come. South Carolina has enjoyed excellent relationships with the NRC and our utilities, and has cooperated fully in developing effective evacuation plans. As governor, then, my rationale for opposing the proposed rule change is two-fold. First I do not see the need to change a system that has worked for most states and works well for South Carolina simply to deal with Seabrook and Shoreham. Secondly, as my letter indicated, I believe that the federal government already has the power sought in the rule change.

However, as governor, my reason for opposing the Markey amendment is much stronger: I do not want to see the future of an industry vital to our state clouded by an amendment which I view as a political statement about federal preemption and about the nuclear industry as a whole.

Safe management of nuclear power requires close cooperation between the states and the NRC, and there is no question that sincere concerns raised by Seabrook and Shoreham have strained that cooperation. However, I believe we must rely on the regulatory system in place to find a solution to these problems within the delicate balance of power that has prevailed since the Atomic Energy Act of 1954. I believe passage of the Markey amendment could threaten that balance, and with it the future of nuclear power, and I urge you to oppose it.

Sincerely,
Carroll A. Campbell, Jr.,
*Governor.*

Mr. LENT. Mr. Chairman, I have to reclaim my time, because there are others that I promised.

I think we get the point that the gentleman's State and the gentleman's Governor is opposed to the Markey amendment.

I did promise the gentleman from Massachusetts that I would yield to him for the purpose of asking a question, not making a speech. If he wants to make a speech, he can do that on his own time.

Mr. MARKEY. Mr. Chairman, the question I would like to pose is to the gentleman from Pennsylvania through the gentleman from New York, if I could, because the gentleman made references to the Massachusetts economy.

What is the unemployment rate in Pennsylvania?

Mr. RITTER. What is the unemployment rate in Pennsylvania?

Mr. MARKEY. That is correct.

Mr. RITTER. It is probably around 6 percent.

Mr. MARKEY. The Massachusetts unemployment rate is about 3 percent. We are doing quite well, thank you. The gentleman's concern for our economy and the way in which we generate electricity is very much appreciated, but as they say, "Doctor, heal thyself."

When the gentleman has the prescription for the Pennsylvania economy that can get his unemployment rate down, we would appreciate knowing that.

Mr. LENT. Mr. Chairman, I will reclaim my time.

I think the gentleman from Massachusetts talked about the plant in New Hampshire, which is not in the gentleman's district. As a matter of fact, the Congressman from New Hampshire in whose district the Seabroak plant is located is here in the Chamber now and he intends to vote against the Markey amendment. He wants the Seabrook plant opened; so the gentleman was poaching a little on New Hampshire, so I can forgive the gentleman from Pennsylvania for talking a little bit about Massachusetts.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. LENT. I am happy to yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

Pennsylvania has been through some very tough times and has come out with great progress having been made. Our unemployment not too many years ago was 13 and 14 percent, probably under 6 percent right now; but it is interesting, the Massachusetts economy does very, very well. It is true they do it on imported oil and a lot of imported electric power from Canada. New England tends to do that very well; but I should say that given what is going on in the Persian Gulf today, given the tremendous potential for 1979 and 1973 recurring, doing what the gentleman from Massachusetts wants to do really cripples America's energy producing potential.

Mr. LENT. Mr. Chairman, could the gentleman refresh our recollection collectively of this body what happened to the employment situation nationwide during the time the OPEC nations turned the ratchet on the oil supply? What happened to inflation? What happened to employment?

Mr. RITTER. Well, I thank the gentleman for asking me that question.

There are so many Members of this House who blame the surge in inflation which crippled the American economy, led to massive layoffs and unemployment, the surge in inflation, on oil prices. Now, I do not know whether that is true or not, but a lot of people think that is true and all we need to do is to curtail America's oil energy production capacity at this time and promote further dependence on foreign oil, all we need to do is that and we will see 1973 and 1979 recurring if something happens in the Persian Gulf.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Alaska [Mr. Young].

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman for yielding.

I have been listening to this debate with great interest from my office on the television screen. Rarely do I watch television, it is usually so poor, but this debate has been very interesting.

I want to compliment the gentleman from New York [Mr. Lent] for his statements on this issue.

What has brought me to the floor is the concept of dependency on foreign oil, the Persian Gulf, the loss of lives, the reflagging of foreign vessels so we can protect the supply of oil not only to ourselves, but to our so-called friendly allies.

The reason I stand in the well, Mr. Chairman, is to bring to light a little information concerning the dependency on fossil fuels from overseas and some alternative solutions. One of those solutions, of course, is the development of the Arctic Wildlife Range in my district. We have 29 billion barrels of oil with an infrastructure in place, 150 Congressmen support that position, but it is ironic to me and I have gone over the list of those supporting the amendment of the gentleman from Massachusetts [Mr. Markey], they also oppose the development of the Arctic Wildlife Range, including the chairman, the gentleman from Arizona.

In fact, those who are speaking in support of the Markey amendment all oppose developing our sources of energy within the United States.

I say sources of energy. I have never heard the gentleman from Massachusetts [Mr. Markey] or any other of those groups presenting their views on that amendment today stand up and support oil and gas development, coal development, hydro development, or any source of energy.

I ask the listening audience and I ask this body to try to ask yourselves, where do they think the energy is going to come from? It has to come from somewhere, preferably from our shores and not from overseas.

I am urging this body to defeat the Markey amendment, because it is a mischievous amendment.

I understand the gentleman's desire. I understand what he wishes to do. I understand his position. We have debated this before, but the gentleman had his opportunity in the committee.

The CHAIRMAN. The time of the gentleman from Alaska has expired.

Mr. LENT. Mr. Chairman, I yield 30 additional seconds to the gentleman from Alaska.

Mr. YOUNG of Alaska. The gentleman's amendment was defeated in the committee. It was defeated in the other committee, and now he brings it to the floor. That is his prerogative.

But I am suggesting if this Nation is to have the energy necessary for the younger generations and to remain strong, we must have nuclear power, we must have oil and gas, we must have coal, and we must have hydro.

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Power is very similar to blood. When you have a weakness in power, you have no opportunity for the future generations of this great Nation of ours. When you are weak with power, you are weak and you cannot expand. You cannot lead the free world. You cannot give the jobs and opportunities to the States we are speaking of.

Mr. Chairman, I urge defeat of the Markey amendment.

Mr. SHARP. Mr. Chairman, I yield 8 minutes to the gentleman from Massachusetts [Mr. Markey].

Mr. MARKEY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I am enjoying this debate, because this is the first debate on a national energy policy that the Republicans have had in the 7 years of the Reagan administration, and I am really enjoying it. I hate to be diverted down this blind alley, knowing that the real debate here is on whether or not we can evacuate the hundreds of thousands of people who live inside the emergency evacuation zones around the Shoreham and the Seabrook plants; but it is almost an irresistible target, the Reagan energy policy. That is an oxymoron, as I am sure everyone who is listening to this debate knows.

In 1981, when Ronald Reagan took over, two-thirds of the Department of Energy budget was devoted to developing new energy technologies, and one-third was devoted to developing new nuclear weapons.

When we come back in 1987 here on the floor, two-thirds of the Reagan Department of Energy budget is devoted to new nuclear weapons and only one-third is devoted to alternative energy sources.

As we know, there has been an ever-escalating importation of oil from overseas during the Reagan years, culminating in this year's numbers which are putting us pretty close to where we were back in the 1970's.

What I am always astonished to know is the incredible concern that the gentlemen on the minority side have for our energy crisis, but we can never quite get their answer as to what should be our level of commitment to conservation and solar energy, to filling the SPRO, or to auto-efficiency standards. After all, 50 percent of all the oil in this country goes into the gasoline tanks of our country.

Where do the gentlemen stand on mandatory fuel economy standards for new automobiles so that we can have 35 and 40 mile a gallon auto fleets by the year 1990 and 1995?

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I am more than glad to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, how does the Markey amendment, which would shut down or keep from opening two plants that are going to use 20 million barrels a year of oil, how does that help us achieve energy independence? What is the gentleman's energy policy?

Mr. MARKEY. Mr. Chairman, if I can reclaim my time, as the gentleman knows, nuclear power in this country does not displace imported oil. It displaces gas or coal or the other alternatives which we would use, using domestic fuels.

As a matter of fact, the State of Massachusetts has indicated that if in fact this plant does not open, that we could very adequately satisfy the energy needs that we have for our region by using coal, gas-fired cogeneration, hydropower, and energy efficiency.

The crocodile tears which the minority are shedding for the Massachusetts and Long Island economies unfortunately do not relate to the question which is at hand. We can take care of ourselves. Do not worry about us. We are doing very well and Mike Dukakis is going to run for President on that lowest unemployment rate in the United States for the last 3 years, the lowest inflation rate. We are doing very well. Do not be concerned with us. We can take care of our future energy generation capacity.

As a matter of fact, Boston Edison has just put out bids for 200 new megawatts and 1,800 megawatts of orders came in as far away as Duke Power in North Carolina that wanted to supply us with cogeneration capacity.

□ 1735

We can do the job for our region, do not worry about us. What you should be asking is how are we going to evacuate the people in the 10-mile radius around these two plants? I know the gentleman does not want to deal with the question because he cannot answer it.

Two of the stupidest, most preposterous decisions were made to put a nuclear powerplant on a beach and on an island, for all intents and purposes, that requires hundreds of thousands of people to ride past the plant after it melts down to escape. That is the real issue here and I do not blame the gentleman for not wanting to debate that issue and for getting off on the red herring of what two nuclear powerplants that can be converted over to coal or gas will do to the American economy. What they do not want to debate is the central core issue which is that public safety is going to be seriously and irreparably compromised if the NRC is going to neglect to act.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I am happy to yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Chairman, I thank the gentleman for yielding because I think he put his finger on the issue. The issue is not 107 other nuclear powerplants that when they come up for license renewal will have the issue raised for them, and if that issue were necessary to be raised it should be raised. The issue, as the gentleman from Massachusetts pointed out, is the question of safety, and not a word from our friends, the advocates of nuclear power, do we hear, not one iota about the question of an evacution plan, not a word.

The gentleman from Long Island has not addressed the issue and neither have any of the other gentlemen.

Mr. MARKEY. If I can reclaim my time, we just heard some comments from the gentleman from South Carolina. The Governor of South Carolina has today retracted his support for the NRC rule. I can appreciate the pressure he was under to change his position.

I would just like to put on the record, however, what Gov. Carroll Campbell of South Carolina said on May 1, 1987, 3 months ago, on the rule:

> The sweeping changes * * * proposed by the NRC * * * would not be in the best interests of the State of South Carolina, its citizens and their property. I strongly recommend that the present NRC rule * * * be maintained as presently written.

I appreciate the gentleman from South Carolina letting us know how the Governor of South Carolina feels about the issue today. I just wanted the listening audience to understand it is a pretty radical change of his views from a few months ago.

Mr. SMITH of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I am happy to yield to the gentleman from New Hampshire.

Mr. SMITH of New Hampshire. I thank the gentleman for yielding.

On the question of evacuation plans, since the gentleman says we have not mentioned it, would the gentleman support in the case of the Seabrook nuclear powerplant putting the plant on line providing that the utility agreed to close the plant down during June, July, and August, when the evacuation plan is in question?

Mr. MARKEY. Does the gentleman mean during the summer months and when the beaches are loaded?

Mr. SMITH of New Hampshire. That is correct, and it is in my district.

Mr. MARKEY. I would be willing to support the rule if that happened, and also if we would shut it down when there is between 12 and 24 inches of snow. In New Hampshire on the same roads there are two seasons, the Fourth of July and winter. So if we are going to deal with the issue of evacuation, we have to realize that we live in a very cold climate and we have snow on the ground a big chunk of the time. So unfortunately just dealing with the summer months does not deal with the evacuation problem for the roads of New Hampshire or Massachusetts.

Mr. SMITH of New Hampshire. If the gentleman will yield further, I would point out that he and I both well know that the numbers of people in the seacoast area during June, July, and August are far greater than they are in the wintertime, snow or not.

Mr. MARKEY. I agree with the gentleman. The problem is FEMA has not been able to certify a plant for any season of the year, and the State of Massachusetts has been also incapable of divining such an escape route for the people who live up there.

Licensing this plant without an emergency evacuation plan would be like licensing a high-rise building in a city without a sprinkler system in the event of a fire. It would be like licensing a ship without life rafts in the event that there was an accident and the boat was sinking.

This is not some arbitrary standard which we are trying to apply to this nuclear power plant. It is common sense. It is a minimal requirement that governments have a right to expect from private investment in terms of their relationship with the public in general.

So from sprinkler systems to life rafts to emergency evacuation plans, these are central questions that are involved in the day-to-day operations of State and local governments in terms of protecting their citizens. We are not asking for anything outrageous. All we are asking is that two of the worst decisions that have ever been made, the two worst in fact siting decisions in the history of the Nuclear Regulatory Commission be allowed to proceed under the existing rules that every other plant in the country has proceeded under.

Mr. UDALL. Mr. Chairman, could I have a reading on how much time remains?

The CHAIRMAN. The gentleman from New York [Mr. Lent] has 24½ minutes remaining, the gentleman from Indiana [Mr. Sharp] has 18 minutes remaining, and the gentleman from Arizona [Mr. Udall] has 16½ minutes remaining.

Mr. UDALL. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee [Mr. Cooper].

Mr. COOPER. Mr. Chairman, I am not a regular combatant in the House nuclear war here. I am a pronuclear Member of Congress, I am from a pronuclear State and I support the Markey amendment. That is right, I support the Markey amendment and I am a pronuclear Member of Congress.

Why do I support the Markey amendment? Because the Markey amendment, in my opinion, if my colleagues will look at the relatively narrow issue involved, just look at that issue, the Markey amendment, despite its characterizations here today, gives the nuclear industry about 98 or 99 percent of what it wants. The Markey amendment allows the proposed NRC rule to go into effect for 107 nuclear plants in this country and for all of the proposed ones except for 2, the Shoreham and the Seabrook plants.

So of the 107-plus plants we are only talking about 2 plants here and their evacuation problems. That, in my opinion, is giving the nuclear industry about 98 or 99 percent of what it wants.

My Governor of Tennessee has written me a letter urging me not to give the nuclear industry anything. He has urged me to give them zero percent, and yet I am today choosing to give the nuclear industry 98 or 99 percent of what it wants. In my opinion, my State's Governor has several well-founded concerns and he is a conservative man. My Governor, a conservative man, realizes that the ultimate responsibility for the health and safety of the citizens of the State lie at the Governor's doorstep. My Governor realizes that the NRC has not exactly been the most watchful watchdog in the Federal Government. My Governor is sorry that fine commissioners like Commissioner Asselstine have now left the NRC giving us even less confidence in NRC's abilities.

My Governor also resents the implication that a Washington set of bureaucrats like the NRC know more about safety in Tennessee and other States than their own Governor or local officials of the State.

Finally, my Governor is aware of the debate we had here on the House floor last week regarding Price- Anderson in which we put a $7 billion cap on liability, a debate in which the nuclear industry admitted that in the event of an accident in an urban area there would not be enough money in that fund to pay all of the costs involved, $7 billion will not cover the cost of an accident right next to Boston or right next to New York City. So the industry, by its own admission, has said they are not willing to pay for the damages that could be caused in an urban nuclear accident.

Why then am I not only overriding my Governor's wishes and giving the industry 98 or 99 percent of what it wants; why am I not willing to go ahead and give the nuclear industry 100 percent? Because, in my opinion, that would be unfair to the Shoreham and Seabrook folks who have worked under this NRC guideline since 1980. It is unfair to change the rules on them now, and it is also, in my opinion, appropriate in our democracy to let the people of these two New England States decide what they want to do with their reactors. This is a democracy, after all. I do not see why we should be afraid of democracy.

Why should we as Members of other States force nuclear reactors down their throats when they do not want them? We have heard testimony today that every single elected official of both parties on Long Island is against this plant, or at least of the immediate county involved. These are the people most directly concerned. It would be wrong for us to fail to exempt these few plants from the proposed NRC rule.

Mr. LENT. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from California [Mr. Moorhead], the distinguished ranking member of the Subcommittee on Energy and Power.

Mr. MOORHEAD. Mr. Chairman, I rise in support of H.R. 1315, the Nuclear Regulatory Commission authorization for fiscal years 1988 and 1989. I do not believe that this legislation is controversial in any way, but amendments that may be offered to it are.

I think of greatest concern to the people of the country is the Markey amendment, which we have been discussing; 110 plants displace approximately 2.7 million barrels of oil a day in imported oil. This is approximately 47 percent of the total amount of oil that we import daily. Seabrook and Shoreham alone would displace 53,190 barrels a day of imported oil.

If nuclear units were shut down, the United States would import more oil because at today's relatively low oil prices, the additional demand would be met by foreign producers who have lower production costs than the U.S. producers.

I agree with those that say that local governments should have a voice, and we have passed laws giving local government a voice. They participate under the law in making the emergency evacuation plans. Unfortunately, some of them have found that they can defeat nuclear projects by refusing to participate, by saying we will not play, we want out of the action, we want the plants shut down or not opened because we will not even discuss the issue and we will not play a role.

This is the thing the Markey amendment would enable local governments to do. It has been told to this group today that local governments have no voice in Seabrook or Shoreham. I would tell my colleagues that in Long Island there were 75 different government permits that were obtained from local government before that plant was completed. They had a strong voice, they were heard.

In the plant that is in New Hampshire, only 2 miles of the 10-mile area is in Massachusetts, and the people of New Hampshire want the plant, they want it opened, and I feel that they will get it opened.

Mr. SHARP. Mr. Chairman, I yield 5 minutes to the distinguished gentleman fron New York [Mr. Scheuer].

Mr. SCHEUER. Mr. Chairman the hour is late and I do not wish to repeat many of the arguments that were very brilliantly made, especially the remarks of my colleague from Long Island, George Hochbrueckner. But I will make some remarks.

I heard the figure of 75 permits and so forth. How about the 75 percent of all of the people on Long Island of both parties who strongly oppose this plant? How about the Republican Party of Long Island that denied its nomination to Congress to an 8-year incumbent because of his support of the Shoreham plant? So offended were they and the rest of the population at that plant, it was that espousal of the Shoreham plant that made it possible for my colleague, George Hochbrueckner, to make his brilliant and extraordinarily effective statement today.

Mr. Chairman, I am pronuclear, as was my colleague from Tennessee, Mr. Cooper. I believe in a mix. I have no problems with nuclear. In fact, I believe nuclear energy is probably the most safe and least environmentally degrading form of energy that we have available, certainly far more safe than digging coal out of mines, and far less environmentally degrading than coal, especially soft sulfur coal.

But that is not the point here. We are not on an antinuclear binge. I am pronuclear. What we are on is a pro-process binge, a pro-process binge. I am in love with process and never more so, and I am in love with legal niceties, that is the way we govern ourselves, and never more so than after having watched television these last 30 days or so. Every American should thank God that we have a government based on process and principle. We have learned to our regret what happens when process is brushed aside, and that is what is happening here.

□ 1750

Of the 110 nuclear plants there are only 2. I do not know whether the figure is now 107 or 108 that I approve of, where no controversy was to be seen at all. There are only two to which there are objection, there are only two that are delineated in the Markey amendment. The reason is because in the case of these two plants the Nuclear Regulatory Commission sought to sweep its established process under the rug, the established process by which States and cities would participate in the process.

So we are for process. We object to the irrational and improper procedures of the Nuclear Regulatory Commission in pushing aside the system, the process by which all levels of society and all levels of the government agree on these plants that were established after long deliberations in both Houses of the Congress and signed into law by the President.

As to how this is going to hurt our energy independence, there are lots of sources of energy in this country other than nuclear, other than coal; oil, alternative sources of energy. The total nuclear energy production of this country amounts to about 20 percent of our total energy.

So if you take the fact that there are roughly 110 plants you get down to the fact that any one plant produces about two-tenths of 1 percent of our national energy supply. So if you were to lose the energy output of Seabrook and Shoreham, which is not at all necessary because they can be converted easily to other forms of energy, you would lose an infinitesimal fraction of 1 percent of our national energy consumption.

I suggest that that is a proper and reasonable price to pay for the integrity of the processes of our Government. Never should we value them more highly than this day, the end of the 30 days of the hearings which have rocked the American public, and the 200th anniversary of the Constitution of the United States. What is more important than process? Let us preserve it, let us nurture it, let us respect it.

Mr. LENT. Mr. Chairman, I yield 5½ minutes to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, I had planned to make a longer statement on the general issue but I think I am going to confine myself to remarks that have something to do with the danger of the possibility of a nuclear accident and what it means to places like Shoreham and Seabrook.

I would like to remark on a letter that is sent to Jim Wright, Speaker of the House, and Robert Michel, minority leader, by a group of scientists which includes eight Nobel prize winners, people like Luis Alvarez, of the University of California at Berkeley, Hans Bethe of Cornell University, A.M. Cormack of Tufts, Arno Penzias from Bell Laboratories, Glenn Seaborg from Lawrence-Berkeley, Charles Towns from Berkeley, Eugene Wigner from Princeton, and Rosalyn Yalow from the Albert Einstein College of Medicine.

Mr. Chairman, I would like to quote a few of these things that they say about nuclear plant safety because I think we need this out now, early in the debate before it gets too emotionalized.

They say:

> Nuclear plants in the U.S. have inherent safety through the incorporation of the negative power coefficient which suppresses power in the event of a loss of coolant accident. (Tragically, the Soviet RBMK design has a positive power coefficient which caused an immense power surge as Chernobyl.) This fundamental stability of design is reinforced by redundancy of systems so no single failure can allow an accident. Those systems have been refined over the years both on the basis of experience, and the use probabilistic-risk analysis. As a final safety measure (absent at Chernobyl), containment has been required and, over the years, the specifications have been strengthened.

And I might add vastly strengthened in the wake of Three Mile Island's accident.

I go on:

> The synergism of these safety features is such that the risk of reactors of the Seabrook and Shoreham generation having an accident with a sudden large release of radioactivity is on the order of one in a billion per year, about once in the age of the earth. This is about 10,000 times safer than the hazard encountered each time you ride a commercial aircraft. Is that a level of risk which a rational person avoids?
>
> The fourth step, evacuation, would be necessary, if ever, only within one or two miles of the plant, followed perhaps by evacuation of those within a narrow strip downwind of the plant at a later time. In view of the low population density required in siting plants, the last resort of evacuation is not a challenging task. An evacuation of everyone within the entire ten mile radius probably would never be advisable but, if done, it would not incur the volume or congestion which local police routinely handle after a college or pro football game.

I do not know whether that is true or not, but, by gosh, let us listen to eight Nobel prize winners commenting on this issue.

They also talk about the irrational objection:

> The only way that fear mongers can create a threatening scenario is by (1) characterizing the one-in-a-billion accident as a realistic basis for planning, (2) insisting on a zone for evacuation 25 miles in radius instead of the NRC's 10 mile radius, and then (3) postulating a need for instantaneous evacuation of the entire zone. The second and third parts of the scenario have no technical (or legal) justification. However, they do make a modest task much larger, as well as much more complex and hazardous.
>
> Further perspective on this issue is gained by considering that evacuations are relatively often needed for many other industrial activities such as chemical plant and railroad accidents. However, nuclear power is the only human activity where such evacuation plans are a pre-condition to operation.

We have taken one of the safest technologies that has ever been created and created preconditions which are virtually impossible.

And they go on in conclusion:

> What we need is an understanding of the immense amount of scientific scrutiny which has been given to develop safety in nuclear power plants and emergency planning to the point where the risk from a nuclear plant pales beside the risk of commercial air travel.

The Nobel prize winners go on to say that:

> We also need a rational appreciation of the alternatives to nuclear energy. We do not need to further expose our economy and national security to the risk of reliance on imported oil or electricity. We do hope that the reflections presented in this letter will help you and your colleagues arrive at a considered position and assist you in avoiding the imposition locally or internationally of unwarranted statutory prohibitions which would proscribe otherwise very effective useful and by most professional reckoning safe nuclear power.

Mr. UDALL. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. Mrazek].

Mr. MRAZEK. I thank the gentleman for yielding.

Mr. Chairman, I think it is fair to ask the question why an overwhelming percentage of the people of Nassau and Suffolk Counties on Long Island oppose this particular nuclear powerplant? I want my colleagues to know that they are not all deep-seated antinuclear activists in Nassau and Suffolk Counties. The bottom line question that they had to ask themselves—and at one time it is important to understand that a big majority of the people in Nassau and Suffolk Counties wanted this plant to go on line—but their patience and their understanding ran out. It ran out because none of the 39 most sensitive safety components of that plant were ever effectively inspected by independent inspection teams and the first time that those safety systems had a chance to operate they broke down.

The three major backup generators, one by one broke down with circumferential cracks up and down the turbines.

The construction of the nuclear powerplant at Shoreham is a catalog of mismanagement and incompetence. I submit to you how many utilities in the United States of America ever bought their own uranium mine? Only one utility in the United States decided to go out and buy one. It was loco.

They bought the uranium mine from organized crime interests in New Mexico and it turned out to have no uranium in it. Two-hundred million bucks worth.

I submit to you that common sense and good judgment are the reason that overwhelmingly people in Nassau and Suffolk Counties are opposed to Shoreham going on line. I want to commend my colleague, Jim Cooper, from Tennessee. I am not, I would not consider myself pro-nuclear, but I do not have deep seated antinuclear feelings. I only know, as do the overwhelming percentage of people in Nassau and Suffolk Counties, that this was not the place to build a plant and clearly it was not the right utility to trust with the ability to construct a nuclear powerplant.

This is a States rights issue. It is a local issue. What we are asking for on Long Island is simply the right and the opportunity to make a judgment for ourselves.

If you think it is easy for 1.3 million people in Suffolk County and the same number of people in Nassau County to say we understand that if this plant does not go on line that we are going to end up paying a huge capital cost for an asset that does not exist, I submit to you that they made that decision reluctantly and over the course of years of disappointment and frustration over the incompetence and mismanagement by this utility.

They fear that if this plant goes on line, not only is it impossible to evacuate it, but that the plant is, in itself, unsafe. What does unsafe mean? Unsafe means that people in Suffolk County are concerned that if there is an accident and there could be an accident that there is no way for them to effectively protect their families.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. MRAZEK. Yes, I yield to my colleague from Nassau.

Mr. LENT. I thank the gentleman for yielding.

The gentleman cited some statistics from long ago about different things that broke down. I just wanted to point out to the gentleman who may not know this that the NRC's latest systematic assessment of licensee performance review which covered the period of January 1985 to March 1986, awarded the Seabrook plant the highest mark on all facets of construction quality.

Mr. MRAZEK. I want to reclaim my time.

Mr. Chairman, I am not discussing the Seabrook plant.

Mr. LENT. And also the Shoreham plant, Shoreham also.

Mr. MRAZEK. I am discussing Shoreham. And there is a catalog of criticism and condemnation for ineffective management practices from the NRC of the Long Island Lighting Co. for its management of this plant.

I only submit to my colleagues as one Member of this body that the people of Suffolk and Nassau Counties have reviewed the case of Shoreham and they have come to a judgment. They did not come to that judgment, again, because of deep seated antinuclear feelings; they came to the judgment because they fear what Shoreham can be.

Mr. SHARP. Mr. Chairman, I yield 5 minutes to the gentleman from the State of Washington [Mr. Swift].

Mr. SWIFT. Mr. Chairman, I was interested in the remarks of my good friend from New York [Mr. Lent] when he referred to the Markey precedent that would be set if this amendment were to pass. And I would like to address that. But first I would like to address the Markey precedent that would be set if this amendment fails to pass. For all of the Members of this House who are from States that might be targets for nuclear waste repositories, that would be a very interesting precedent, indeed.

For the precedent would be "what the Government giveth the Government can taketh away." Those of us who are in some of those earmarked States know that in that legislation there is a State veto. It can be overridden by a two-thirds vote, but there is a State veto. If the Government can take a regulation that has been on the books and abided by and, when the conclusion that seems to be coming out that process displeases the Federal Government, it can then change the rule, then anyone from those States that is a first or second round repository State—New Hampshire is one, my State is another—what value does that veto power have do you think?

□ 1805

Or do you not think, when we finally find a place to put all this nuclear waste, we will roll right over the top of any State, just like we are about to roll over the top of a couple of States here?

Let me address the other part of the Markey precedent. My good friend, the gentleman from New York, said that this will lead to closing all the plants. That is the problem of the debate that we have all the time on nuclear power. The slightest question about safety is seen as the beginning of the ultimate mortal attack on all nuclear power, and we cannot get ourselves out of that frame of mind to be able to deal rationally with proposals that are brought to the floor.

I am the third Member to speak who is going to vote for the Markey amendment who is not antinuclear. I believe we need nuclear power, but I do not believe we have to have nuclear power exactly on the basis that the nuclear industry dictates we will have nuclear power. I think we have minds. We use our minds here constantly on other issues, but once we get inside these four walls, we seem to believe that we have to do what the nuclear industry tells us we must do or we will eliminate the nuclear option. That is nonsense, pure and simple. The nuclear industry seems very effective at persuading us of that and totally ineffective at persuading the American public that it cares about or knows how to assure safety of these plants, and one of the things that it does wrong is that it vehemently opposes anything we try to do to send a signal to the American public that we are concerned and we are going to deal with nuclear power safely.

I had a location in my district that was a proposed site for a nuclear plant, and some local people wanted a plebiscite on it. It had no force of law. It was just that they wanted to ex-

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press on opinion. The utility went to court to get an injunction to keep them from expressing their opinion. That happened in America. Any industry that would think that was a smart policy move or a smart way to persuade the people they really care about probably could not get Ollie North elected commandant of a local American Legion post.

What we bring before the Members with the Markey amendment is not an attack on nuclear power. I would not support that. It says, let the rules that applied when these plants started their process and went through it apply to end of that process, and then let the new rules go into effect. That is all it says. That is reasonable, and it is rational. If those plants were in our area, we would want no less. It is not an attack on nuclear power, and we should not be so foolish in this body as to buy that tired old line again.

We have got to use our own independent judgments and decide, if nuclear power is to continue to be a viable part of the energy mix in this country, that we are going to have to take over control and guarantee to the American public that it is safe, that it is cheap, and that it is going to be operated properly, because the industry simply has proven that it is not capable of doing that. We must do that ourselves. We must take it upon ourselves to do that, and we cannot achieve that end and send that signal to the American public if we simply do whatever the industry tells us we must do, because if we do otherwise, we put a bullet through the head of nuclear power. That is nonsense. We should not buy the argument as we bought it before.

Mr. Chairman, we should agree to the Markey amendment.

Mr. UDALL. Mr. Chairman, may I inquire as to the status of the unallocated time?

The CHAIRMAN pro tempore (Mr. MRAZEK). The gentleman from Arizona [Mr. UDALL] has 8½ minutes remaining, the gentleman from Indiana [Mr. SHARP] has 8 minutes remaining, and the gentleman from New York [Mr. LENT] has 16½ minutes remaining.

Mr. UDALL. Mr. Chairman, I yield myself 30 seconds just to say to my colleagues that I am under an obligation from the leadership to move that the Committee rise not later than 6:30. I thought that we were going to be able to conclude general debate by this time, but we will not do that unless a good deal of the time is yielded back. So I just want to put my colleagues on notice that in about 10 minutes from now, if a miracle has not occurred before that, we will have to rise for the evening.

Mr. LENT. Mr. Chairman, I yield 5 minutes to the member from the Seabrook vicinity, the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Chairman, with all due respect to the preceding speakers, the Markey amendment does not deal with safety at all. I do not understand where we get the impression that the Markey amendment deals with safety. Nor does it deal with States' rights.

The final rule, as issued by the NRC, has not even been adopted yet, and here we are trying to preempt this authority. The Markey amendment was defeated in two House committees. It would not only block the NRC from doing the job this Congress authorized it to do at Shoreham and Seabrook, but it could jeopardize the future of our nuclear power plants by setting an unprecedented pattern for Congress to manage nuclear power plant by plant. Congress did not intend that.

Now, I might point out to my colleagues, the gentleman from Massachusetts [Mr. MARKEY] and others, that these are New Hampshire beaches he is referring to, and that the utility has offered to close that plant down during those summer months. That is very important. The utility has offered to close that plant down during summer months so that the evacuation of those beaches would not be an issue.

This is not a State's rights issue either. Under the terms of the gentleman's amendment, the NRC can use this rule in all other cases except Shoreham and Seabrook. So how can it be a States' rights issue? The fact is that we would all like to have States participate fully in the process. As a matter of fact, they should. If you are a town or a city or a State, you would want to participate in the process to insure that safety would prevail. The problem is that States are simply refusing to participate at all, so that no other determination on emergency planning can be made one way or the other.

There is no stronger advocate of States' rights in this place than me, and I would support an amendment, quite frankly, to the Atomic Energy Act which would give veto power if it is applied to new plants. So if the gentleman from Massachusetts [Mr. MARKEY] would like to amend his amendment, he would have my support. That is not the case with Shoreham, and it is not the case with Seabrook.

This amendment before us does absolutely nothing to assure safety in the operation of nuclear powerplants. In fact, I would join with the gentleman from Massachusetts [Mr. MARKEY] if it did. The amendment is saying that Congress does not want to solve the problem, and that in fact we simply want to maintain the current state of limbo which the nuclear powerplant licensing process is in. That is not facing up to the issue.

Let us not be led into believing that this amendment is somehow going to clear the way for a determination of whether the seacoast area of New England can or cannot be evacuated. It will not kill the Seabrook plant, as some would like to believe. It will only contribute to current delays in litigation. For those who believe it would stop the submission of utility plants for Seabrook, it will not. Even if the amendment were to pass, it is my understanding that the utility could and would still submit evacuation plans for Seabrook station to the NRC for review. The amendment would prevent the NRC from using the criteria necessary to judge the adequacy and the safety of such plant.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Hampshire. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, a little while earlier, during the debate, we looked at a picture, a photograph in color, purportedly of the Seabrook plant and showing a beach down the road. Does that picture represent an area that is in the gentleman's district?

Mr. SMITH of New Hampshire. Yes, it does. It is in this gentleman's district. That was a New Hampshire beach we were looking at.

Mr. LENT. Mr. Chairman, I want to commend the gentleman for his courage in standing up for America's energy independence and standing up and supporting this plant and expressing his opposition to the Markey amendment.

Mr. SMITH of New Hampshire. Mr. Chairman, I thank the gentleman.

Mr. Chairman, let me in conclusion address this issue: I have been accused of being "in the pocket" of the nuclear industry. I venture to say that there may be some on this floor right now who take the opposite position on the Markey amendment who did not vote as I did last week to totally remove the cap on Price-Anderson, to totally make the nuclear industry liable. I voted for that. That is not being "in the pocket" of the industry.

I also voted to insure that the lawyers would get paid after the victims. That is not being "in the pocket" of the nuclear industry.

For the same reasons, I oppose the Markey amendment, I also do not plan to support, if it is offered, the Stratton amendment, which is the opposite, the antithesis of the Markey amendment, because that amendment is wrong, too, because it butts into the right and the opportunity of the NRC to make decisions regarding safety.

Mr. Chairman, the Markey amendment does not stop the NRC's proposed rule in any other district for any

other plant, other than Shoreham and Seabrook.

Second, it does not kill these two plants. It merely exacerbates the litigation and their costs. It does not stop the utility from submitting emergency plans for consideration to NRC. It does not address the safety concerns or the emergency planning for Seabrook. It changes the law midway through the licensing process. It is the total opposite of what the preceding speaker said.

Finally, Mr. Chairman, it is not a States rights issue. In conclusion, I ask the Members to vote against the Markey amendment.

Mr. UDALL. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Chairman, with the admonition in mind that everything has been said but everyone has not said it, I would just like to make a few points that need to be made, I think, to bear closer scrutiny. First of all, the gentleman from Washington made a point that I think needs to be made over and over again. Those who talk about the Markey amendment as a precedent lose the capacity, it seems to me, to make distinctions in the law.

The Markey amendment applies to Shoreham and Seabrook alone, to no one else. It is painful, I know, for Members who are staunch advocates of nuclear power to recognize that fact because it leaves them in the position of having to argue the point that we make about safety. That is an issue that has been made over and over again.

With respect to Long Island, our Governor is not antinuclear. During his administration there have been two nuclear powerplants, one at Indian Point and the other at Oswego, that have gone on line. He is opposed, as am I and other Members of the Long Island delegation, for one very simple reason. The Nuclear Regulatory Commission, after Three Mile Island, understood the need for an evacuation plan. They recognized that it should be a condition precedent to the operation of a nuclear power plant. The people of Long Island, Democrats and Republicans, sober public officials, felt in their good judgment that they could not safely get the people away from a powerplant if there was an accident. However remote the possibility of that accident may be, it was their judgment that they could not be removed in time to protect them.

So the issue for many of us, if we feel deeply about this on Long Island, is to be lectured about the safety, not so much from the perspective of a gentleman from Pennsylvania or a gentleman from California who feels that the precedent is so much more important than the safety of the 2.6 million people of Long Island that we need to brush aside that issue and raise a cloud of obfuscation about precedent and never deal with the most fundamental problem, and that is that these two plants, their siting and their location, is a profound mistake that we must not allow to happen.

Mr. GEPHARDT. Mr. Chairman, on Wednesday, we will consider the Markey amendment to the NRC authorization bill, which would prevent the NRC from licensing the Shoreham and Seabrook plants on the basis of relaxed emergency planning standards. I intend to support this amendment, and I urge my colleagues to do the same.

Just over 1 year ago, the Chernobyl accident sent a radioactive cloud across thousands of square miles of Europe. Nearly 40 people have died. Over 200 were exposed to serious levels of radiation and 135,000 were evacuated from an area 20 miles around the reactor. The city of Pripyat remains deserted. The Soviet Government continues a long, difficult clean up.

Some have said that Chernobyl cannot happen here, that our commercial reactors are different from those in the Soviet Union.

But this cannot be a reason for complacence. It cannot be a reason to belittle the importance of emergency planning.

The NRC reports that there is a significant chance of another reactor accident over the next 15 years. Former NRC Commissioner Jim Asselstine is on record saying that the containment on certain types of our reactors have "an 80- or 90-percent chance" of being breached in the event of a core meltdown.

The 1979 accident at Three Mile Island demonstrated clearly the need for adequate emergency planning around nuclear plants and for State involvement in that planning.

In 1980, after much deliberation in the wake of the Three Mile Island accident, the Nation implemented policies to improve nuclear plant safety. The Nuclear Regulatory Commission issued rules requiring "an applicant/licensee * * * to submit its energency plans, as well as State and local governmental emergency plans, to [the] NRC."

These rules provided States an explicit and critical role in developing plans to protect the public in the event of a nuclear accident.

The NRC is now considering a rule to bypass the present emergency planning process if States do not approve emergency plans. The practical effect is that State and local governments might have to implement plans they had no hand in designing and that are inadequate to protect public safety.

The result is this: two densely populated areas where evacuation planning is most critical, those around the Seabrook and Shoreham plants, could end up with inadequate emergency planning.

What Mr. MARKEY proposes to do is to maintain current regulations for two plants: the Shoreham and Seabrook plants. The legislation simply applies current rules to those two plants. It doesn't say that Congress will shut them. What it says is that we aren't going to let the NRC change the rules and override local concerns just so they can get two plants on line.

Whatever you think of nuclear power, whether you are for it or against it, the question today is whether you want the States to have real roles and prerogatives in protecting public safety. Will they have the leverage they feel that they need to get others to take seriously their concerns about safety?

Safety must be our paramount concern. If evacuation plans ever have to be used, we had better make sure that those plans are workable and that the States are up to the job.

This amendment will put Congress firmly on record in support of nuclear safety. I urge your support.

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Mr. UDALL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. SHARP] having assumed the chair, Mr. LANTOS, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1315) to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes, had come to no resolution thereon.

## ANNUAL REPORT OF SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION FOR 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. LANTOS) laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Public Works and Transportation:

(For message, see proceedings of the Senate of today, Tuesday, August 4, 1987.)

## ANNUAL REPORT OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs.

(For message, see proceedings of the Senate of today, Tuesday, August 4, 1987.)

## GENERAL LEAVE

Mr. DAVIS of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days

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in which to revise and extend their remarks, and to include extraneous material, on the subject of the special order today by the gentleman from California [Mr. BADHAM].

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

## EXPLANATION OF ABSENCE AND VOTE ON H.R. 27

(Mr. BEREUTER asked and was given permission to address the House for 1 minute.)

**Mr. BEREUTER.** Mr. Speaker, yesterday, I was absent from the House due to prior commitments. However, if I had been present I would have supported and voted "aye" on the bills that were considered and passed in the House under a suspension of the rules.

I also want to express my very strong support for the conference report on H.R. 27, the Competitive Equality Banking Act of 1987. I would have voted "aye." This passage of this legislation was, without a doubt, long overdue. Members who supported the bill, including myself, understood the serious financial condition of the FSLIC and the need to provide Federal legislative support at this time.

I would note the conference report eventually won a consensus of support from the members of the Banking Committees in both the House and Senate, the administration, and the various interest groups in the financial community.

While some members of the House Banking Committee might have preferred that H.R. 27 only address the FSLIC recapitalization problem, the House and Senate conference report is an amazing compromise among the many factions involved. In addition to recapitalizing the FSLIC, H.R. 27 closes the nonbank bank loophole, places a moratorium on all new nonbanking activities until next March, provides faster check clearance by banks, gives Federal regulators broader authority to deal with failed and failing institutions, and permits qualified farm banks to amortize losses from agricultural loans over 7 years.

I commend the members of the House Banking Committee who were conferees for their perseverance and hard work during the conference. I applaud the administration for their willingness to work and compromise with the House and Senate conferees to reach a bill that would not be vetoed by the President. And finally, I thank my colleagues in the House for giving their overwhelming support to H.R. 27.

## LICENSING SEABROOK AND SHOREHAM

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. MARLENEE.** Mr. Speaker, I urge my colleagues to examine very closely yesterday's New York Times article by John Chubb which headlines read, "License Seabrook, Shoreham."

I visited Shoreham with the gentleman from Massachusetts [Mr. MARKEY]. The purpose was a hearing on licensing procedure. As the hearing unfolded, it became increasingly clear that the antinuclear crowd did not want to play by the rules of the game. It went something like this:

Yes, we will let you spend $5 billion to build Shoreham. Yes, we will allow you to pay millions of dollars in taxes. Yes, we will participate in developing an emergency evacuation plan.

Then came rug-jerking time. Ship in some activists who were formerly the Jerry Brown crowd in California. Inflame the people; change local government. Said new local government then refuses to participate in developing an evacuation plan; but even that was not enough.

The antinuclear crowd now sees this as an opportunity to have the gentleman from Massachusetts [Mr. MARKEY] cinch killing nuclear power by offering an amendment on emergency evacuation plans.

Vote "no" on the Markey amendment.

[From the New York Times, Aug. 3, 1987]

### LICENSE SEABROOK, SHOREHAM

(By John E. Chubb)

WASHINGTON.—Tomorrow, Representative Edward J. Markey, Democrat of Massachusetts, is expected to ask the House to prevent the Nuclear Regulatory Commission from proceeding with its licensing of two completed nuclear power plants. This is not a routine legislative matter. Congressional action could determine not only the immediate fate of both plants—which should be licensed—but also the future use of nuclear power in this country.

The debate pits two states against a Federal agency and thus is being cast as a classic confrontation between state and Federal rights. But the real issue is not rights: It is what to do when a clash of rights threatens the national interest. When compelling the national interest must prevail.

At issue are emergency plans for the $5 billion Shoreham plant on Long Island and the $4.8 billion Seabrook plant in New Hampshire. Both have been completed and are ready for operation, pending approval of operating licenses by the Nuclear Regulatory Commission.

Both plants were built with the backing of state and local officials. Both have successfully obtained the dozens of state and local permits needed for construction and operation. Both have completed the N.R.C.'s extensive safety review, including hundreds of hours of public hearings. Both will help avert electric power shortages in their regions.

But both are being held up by the persistent refusal of state and local officials to participate in the emergency planning and testing required by law before a nuclear plant is allowed to operate.

Shoreham is blocked by Suffolk County and New York State Officials. Seabrook has been approved by New Hampshire but is still blocked by the Governor of Massachusetts, for his state's border lies within the requisite emergency planning radius of 10 miles around the plant.

After the accident at Three Mile Island in Pennsylvania in 1979, Congress required that an emergency response plan be created and tested with the cooperation of state and local governments before a nuclear plant received an operating license. Congress assumed that state and local officials would cooperate in such activities. And at plant sites throughout the country, including California's controversial Diablo Canyon, planning has proceeded cooperatively.

But recognizing that on rare occasions planning might not proceed cooperatively, Congress has repeatedly stated that it did intend to empower states to veto plant licensing by failing to participate. Congress also gave the N.R.C. authority to issue licenses without state and local cooperation if utilities developed feasible emergency plans.

Faced with the intransigence of New York and Massachusetts officials and threats of similar action from officials in a few other states, the commission has proposed specific criteria to exercise this authority and break the licensing logjam.

Since the N.R.C.'s proposal was released for public comment, Representative Markey has tried unsuccessfully to prevent the N.R.C. from taking actions that could lead to operating licenses for Seabrook and Shoreham. Twice defeated in committee votes, he now wants to bring the matter before the full House, asking it to defer to his wishes on what he portrays as a "local" issue.

But the issue is not local. The emergency planning controversy bears directly on America's ability to maintain an energy supply that is not vulnerable to international insecurity and instability.

The states, which are not individually responsible for the national interest, can refrain from developing their own resources by importing a large volume of their energy from other states and from friendly countries like Canada—or from insecure, unfriendly sources like many of the nations that belong to the Organization of Petroleum Exporting Countries.

Ironically, the region most dependent on foreign oil for electricity production is the Northeast, where Seabrook and Shoreham are located. More than 40 percent of all electricity used in New England is generated with oil. The Long Island Lighting Company, struggling to license Shoreham, depends on oil for 80 percent to 100 percent of its normal generating capacity, depending on the season of the year.

Excessive reliance on imports from a market ultimately controlled by OPEC constitutes a serious threat to our security. Washington, not the states, is responsible for maintaining the kinds of diplomatic and military relationships with the Middle East—for example, escorting tankers through the Persian Gulf—that will keep the oil from there flowing.

If that supply should be interrupted or, more likely, cut back, the national Government will bear the burden of allocating precious supplies and strategic reserves and of

alleviating the inflation and unemployment that would probably result.

As our demand for electricity rises, as our conservation efforts slip with falling oil prices, as our domestic supply of oil continues to dminish, as potential energy alternatives like solar power languish and as available alternatives such as coal and nuclear power are put on hold, America is turning again to imported oil.

Thus, we cannot escape dangerous dependency unless we act to break the regulatory logjams. Clearly, states vetoes of Shoreham and Seabrook would set a dangerous precedent that could prevent utilities from considering nuclear power as an option for future generating capacity.

This is not to say that the states do not have the right to participate in decisions that vitally affect their interests and the nation's—only that they cannot have the final say.

Throughout our history, the states have argued that to permit the national Government to pre-empt them is to threaten the dual sovereignty that is the basis of the Federal system. That argument is fair, but the courts have told us time and again that states' rights must be balanced against the national interest.

The Federal Government thus enjoys ultimate authority over an impressive range of activities that affect interstate commerce, not to mention national defense. It should exercise the same authority over the nation's energy policy.

Three things should happen immediately. Congress should defeat the Markey proposal, reiterating its view that emergency planning does not provide the states with a veto. The Nuclear Regulatory Commission should implement its proposed criteria for dealing with uncooperative states, and proceed with its consideration of operating licenses for Seabrook and Shoreham. Finally, politicians at all levels of government should elevate the debate from the rhetoric of states' rights to the reality of genuine national interest.

In energy, the overriding national interest lies in taking whatever steps are necessary to break our dependence on foreign oil.

## A TRIBUTE TO RAOUL WALLENBERG

(Mr. Smith of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

**Mr. SMITH of New Jersey.** Mr. Speaker, I rise today to pay tribute to Raoul Wallenberg, a man whose love, compassion, and faith in God led him to risk all to save and to preserve over 100,000 innocent people from the atrocities of the Nazis.

Raoul Wallenberg is 75 years old today, Mr. Speaker, and his fate in the bowels of a Soviet gulag remains a mystery. Absent our abiding hope of eternal life, Mr. Speaker, it would be absolutely unbearable to dwell on the cruelty suffered by this man of peace at the hands of his Soviet jailers.

It is a bitter irony that one who has done so much good should be forced to endure so much evil. Throughout the world, Raoul Wallenberg is loved and admired. Nowhere is this devotion and respect more powerful than among those for whom he interceded to save.

Recently, I had the privilege of meeting one of those survivors, a constituent of mine, who told me the story of how she was saved by Raoul Wallenberg, her own miracle. In 1944 Dr. Vera Goodkin and her family were being held by the Nazis in a prison camp just outside of Budapest. As Jews, they were made to suffer unspeakable abuse. Vera Goodkin was just barely alive and was emaciated and very frail when Raoul Wallenberg came to vist that day leading a team of Red Cross workers. The purpose of the visit was to rescue the children, to plead with the authorities to at the very least let those children go.

Mr. Speaker, I include for the RECORD her full story taken from excerpts of a speech she recently gave, as follows:

### EXCERPT OF SPEECH BY DR. VERA GOODKIN

The process of dehumanization I spoke about earlier began with incredible manifestations and grew like a malignancy toward its ultimate goal of extermination. The jovial barber refused to cut my father's hair; my first-grade classmates started calling me names; family friends reduced the amount of socialization and finally, appealed to my parents' sense of fairness to let them go completely. Then came the curfew from sunset to sunrise. All the while, I heard and watched my father get up and go downstairs with a pail of water and a brush at 5:00 a.m. Each day to scrub scurrilous propaganda off his shingle, so that his remaining patients would not be treated to all that obscene graffiti. Soon, he was forbidden to practice medicine and drafted into forced labor.

How prophetic were my hysterical screams of fear when I heard the goose-stepping German troops in the town square on March 15th. "They're going to kill us: I cried. And that was exactly what they had in mind in slow, painful stages.

As you have undoubtedly heard, to make sure that Jews could readily be indentified and targeted for ridicule and abuse, a yellow felt star, six inches in diameter, graced the left side of the chest of all adults and children of walking age. Even infants did not escape this badge of shame which had to be pinned to their carriages and strollers. Failure to display the star prominently was a criminal offense punishable by penalties ranging from fines to sentences of death, depending upon judicial whim. "Where did all this cruelty come from in a formerly ideal democracy?" One might ask. I guess, I must agree with Voltaire who said that, given a few rabble rousers, the rabble soon surfaces everywhere.

Our efforts to emigrate to the U.S. failed on what, later on, when the name of the game became survival, was a mere technicality. The authorities refused to grant us a passport and my father, a law-abiding citizen, would not leave the country illegally. Thus, the last door to freedom was shut tight, and we became hostages. Shortly thereafter, we started a career as professional escapees from one city to another, from local holding prisons to temporary safe havens and from one country to another, always one step ahead of the Nazis and their collaborators. The latter were always ready, willing, and able to do the Nazis' dirty work by delivering three more Jews for bondage and destruction. Having been denounced in our last hiding place in Slovakia, we were visited by four members of the Jewish property confiscation team. The group consisted of one member of the SS, one representative of the Slovak secret police, one local collaborator, and one member of the Jewish community, an attorney who was forced to join the unholy trio to draw up papers, making the confiscation proceedings "legal". We wondered why they bothered.

Within a few days, after the SS kidnapping of Jewish women between the ages of 18-25, both single and married, for the use of troops at the front, the Jewish community of Banska Bystrica was included on the Auschwitz shipping list. We knew that, as aliens, we would be part of the first transport. We also knew that there was an organization akin to the underground railroad for slaves. It was, however, not based on altruism, but cold, hard cash paid to members of certain farm families whose properties spanned the Slovak and Hungarian sides of the border. We made contact, and having agreed to surrender our remaining assets, were smuggled out to a farm house whose living quarters consisted of one large room which housed three generations, along with assorted farm animals and an attic filled with rats. We cohabited with the rats, remaining virtually motionless for 24 hours since we were warned that grandma was a Nazi sympathizer who would have cheerfully had us removed from the premises and handed over to the authorities. As sleep settled in on family and livestock, on the second day, the young farmer led us into the darkness of a dismal November night. The torrential downpour drenched our bodies and the ankle-deep mud in the forest made each step difficult and painful. In order to proceed, we had to forcibly extract each foot from the mud and, having shaken off the excess, reinsert it one step farther along the way. While we concentrated on this routine, suddenly a flash of light appeared at a distance. This frightened our guide who decided to leave us to our own devices. Without a word, he turned and began heading home.

After all those years, I can still feel the crippling exhaustion that overtook me and remember an eerie sense of relief that the journey was over. In my child's mind, I could only picture how wonderful it would be to slump down against a tree and go to sleep. I even said so to my mother, but she was not impressed. Giving up my fantasy, I watched in utter amazement as my mother broke away from us to pursue the guide. "You have children of your own," she cried out, "don't let this child die:" Miraculously, she won.

The next night, we made it across the Hungarian border and boarded a train for Budapest where Jews, while harassed, still lived in relative safety, but not for long. We were arrested and taken to the infamous prison fortress, Tolonc. It was filled to capacity, so we stood in the courtyard overnight, packed so tightly that we could not sit down. As we kept dozing off in a standing position, we resembled a field of wheat swaying in the breeze. When they made room for us inside, we were not at all it was an improvement. We were separated from my father and herded into empty, concrete-floored dungeons whose walls were polka-dotted with well-nourished bedbugs—although there were no beds or cots for that matter. We got our nourishment in the form of watery potato peel soup, with an iron supplement from the rusty cup. Crusts of stale bread made relatively effective spoons. Soon the men were shipped to Sarvar, a prison on the Austrian border and the women and children to Kistarcsa, a prison on the outskirts of Budapest.

One day, two months later, when most of us were suffering from ailments brought on by filth and malnutrition, there was a great commotion; all women and children were called out into the courtyard. The prison commandant introduced three members of the Swedish Red Cross who explained that they could secure the release of all prisoners below the age of 14 and appealed to the mothers to let their children go. Their words certainly rang true to my mother who literally pushed her child into their arms. As the prison gates shut behind us, and we were on our way to the Swedish Red Cross headquarters, I found out that a Mr. Wallenberg engineered these prison visits for the express purpose of saving children. In a makeshift dormitory, I met 36 other children whose mothers had the foresight to let them go in the hopes that they would have humane treatment and, above all, a chance to survive. Within two weeks, while helping care for a little girl with scarlet fever, I contracted such a severe case that I was transferred to the hospital for contagious diseases. During my hospitalization, the Hungarian Arrow Cross kidnapped and killed my little friends. Upon my release, I was taken to an orphanage operated by the Swedish Red Cross in the firm belief that I, too, was an orphan. In the interim, an incredible interplay of random circumstances became responsible for a miracle. Soon after I was saved, my mother found herself in a sealed cattle wagon en route to Auschwitz. As the train kept rolling along, prisoners familiar with the landscape and able to get near the iron-grated openings, began noticing that the train was being side-tracked. They soon found out why; the Hungarian prison authorities had made a mistake by unwittingly including the Jewish wife of one member of the ruling Horthy family. While the Horthys could not keep this woman out of prison, they were going to see to it that she did not end up in a crematorium. Since the cattle wagons had no passenger lists, the only way she could be found was by emptying the entire train to search for one individual, a needle in a haystack. For security reasons, this could best be done in the yard of another prison which turned out to be Sarvar, where my father now worked as prison physician. In the monumental confusion, he casually sauntered by my mother's group and whispered, "take this!" As he slipped a vial of poison into her hand. A few minutes later, she was carried, unconscious, into the so-called infirmary. The scheme almost didn't work as the SS guard furiously insisted on taking her along "as is" to complete his roster of 2,000 bodies. Just then, he was urgently summoned by his superior and ordered to move the transport immediately. The German high command was perturbed by the lateness of its human cargo and issued a change of orders: the prisoners were to be shot right outside the prison walls . . . my mother got another reprieve.

A couple of months later, during a 36-hour underground coup, my parents found one another and left Sarvar together on foot en route to Budapest. By the time they arrived, the coup had been crushed, and freed prisoners were being recaptured in droves. That was when the "Angel of Budapest" reentered our lives. Everyone spoke with awe about the young, handsome Swede who was issuing "schutzpasses", protective passes, and placing people in houses protected by the Swedish Government. My father decided to try reaching the Swedish embassy; a risk well worth taking, when recapture meant death. Having weathered the trip, my father found himself in the company of the legendary Swede whom he described as gentle and compassionate. Within minutes, in utter disbelief, he even found out where his little girl was. To complete the miracle, he was clutching a schutzpass that would entitle his reunited family to asylum in one of those Swedish houses. For the next 2½ months, we joined 128 others in waiting for the end of a long nightmare. The last 6 weeks were spent in the basement to escape the shelling and bombing during the siege of Budapest. Food was scarce, but morale was high. On January 16, 1945, the Russians drove the Germans out of our street. Within 48 hours, still in a hail of bullets, we began our journey back to Czechoslovakia and the life we knew before March 1939. On January 17, 1945, the Angel of Budapest disappeared into the Gulag.

## HAMILTON AND JEFFERSON WERE RIGHT ABOUT THE MINT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the bicentennial of the Constitution this year has led many people to go back and study the early history of our Nation and the thoughts of the founders. I, too, have done this. My studies confirm my belief that our Founding Fathers possessed profound wisdom. Their words and warnings are as appropriate today as they were 200 years ago.

The thoughts of Alexander Hamilton and Thomas Jefferson regarding the U.S. Mint are a case in point. Their comments on the operation of the U.S. Mint are particularly relevant to my efforts to require that the current U.S. Mint contract with American rather than foreign firms.

After the adoption of the U.S. Constitution in 1788, Alexander Hamilton, the first Secretary of the Treasury, wrote a report favoring the establishment of a national mint. Hamilton, a fervent advocate of a strong central government recognized the need for the Nation to closely control its coinage. His views were contrary to the practice in the States at the time, since State coinage during the period of the Articles of Confederation was struck by private concerns under contract with the States.

While Hamilton originated the idea of a national mint, Jefferson was its greatest advocate. As the first Secretary of State for the new republic, Jefferson devoted much time and effort to killing efforts to contract abroad for the production of United States coins. His efforts were successful and on March 3, 1791, Congress passed a resolution calling for the establishment of a national mint. The following year the first coins were struck by the U.S. Mint.

Unfortunately, this lesson of history seems to be lost on the current administration, despite much talk of the framers' "original intent."

Over the past several years the Subcommittee on Consumer Affairs and Coinage has seen an increasing tendency on the part of the mint to rely on foreign sources for machinery and services. In just the past 2 years, for example, the mint has purchased foreign coin presses, used foreign gold refiners, used foreign coin distributors, and purchased foreign metal for use in United States coins. Two years ago it was about to purchase coin blanks from foreign producers, until the threat of legislative action forced it to abandon its scheme.

Fortunately, members of the subcommittee continue to be better students of American history than the U.S. Mint. On July 15, the subcommittee adopted amendments I offered to the mint's budget authorization that will require the mint to use American sources to manufacture American coins.

I think Hamilton and Jefferson would approve.

## FREEDOM OF THE DEPARTMENT OF DEFENSE PRESS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. ENGLISH] is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, I am today introducing the Freedom of the Department of Defense Press Act. The purpose of this bill is to establish a temporary commission to investigate allegations of censorship in the editorial operations of newspapers published by the Department of Defense. This bill is virtually identical to S. 1130 which was introduced by Senator WILLIAM PROXMIRE on May 5.

Both Senator PROXMIRE and myself have received numerous complaints from civilian journalists at Pacific Stars and Stripes. These complaints allege that the newspaper is being censored and that the news is being managed in order to keep out or suppress unfavorable news.

These charges are very serious. Pacific Stars and Stripes is a Department of Defense sponsored newspaper that provides news to Army, Navy, Air Force, and Marine personnel serving our Nation overseas in Asia. The mission of the newspaper is to bring DOD personnel and their dependents the same international, national, and regional news and opinion from commercial sources available to newspapers throughout the United States.

According to the Department of Defense, this news makes possible the continued intelligent exercise of the responsibilities of citizenship by DOD personnel while they serve away from home. This helps improve morale and readiness by dispelling rumor and by keeping servicemen and their families in touch with

many aspects of life in the United States while they serve overseas.

It is the written policy of the Department of Defense that a free flow of news and information shall be provided to all military personnel without censorship or news management. In addition, written guidelines governing the Stars and Stripes newspapers specifically prohibit the calculated withholding of unfavorable news.

Notwithstanding this formal policy, the history of both the European and Pacific Stars and Stripes is full of battles over censorship. Lately, the tension between censorship and responsible editing has increased, and there is strong evidence that the hand of the censor is more and more replacing that of the editor.

We need an independent review of the problems that have arisen. That is the purpose of the legislation. It would establish a commission to examine the editorial policies and operations of both Pacific and European Stars and Stripes in order to determine whether any censorship or news management is permitted or practiced. The commission would also explore whether increased civilian control over editorial operations would help to alleviate the problems. The commission would be composed of distinguished journalists appointed by the Secretary of Defense from nominees of professional journalism organizations.

Mr. Speaker, we need to make sure that men and women who are serving our Nation overseas in the struggle for freedom are not deprived of their first amendment rights. The bill I have introduced will help to make sure that the Stars and Stripes newspapers are giving these people all of the news that is available in the United States.

## VACATING SPECIAL ORDER

Mr. HYDE. Mr. Speaker, since it is my intention to join the gentleman from New York [Mr. FISH] today in the gentleman's special order, I ask unanimous consent that my special order be vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## HAPPY BIRTHDAY, COAST GUARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. HUTTO] is recognized for 5 minutes.

Mr. HUTTO. Mr. Speaker, today is the U.S. Coast Guard's 197th birthday and, as the chairman of the Subcommittee on Coast Guard and Navigation, I want to take this opportunity to wish all the fine personnel of the Coast Guard a "happy birthday."

The Coast Guard has a long and distinguished record of service to the American people since its beginning as the Revenue Cutter Service in 1790. While the Coast Guard's role as the Good Samaritan of the seas is widely recognized, the Coast Guard really is a multimission agency. It is responsible for patrolling the waters out 200 miles from our shores to enforce fisheries laws and for national defense purposes under the Maritime Defense Zone agreement with the Navy signed in 1983. It's responsible for investigating major maritime casualties, such as the recent collision of two ferries in Long Island Sound. It's responsible for marine environmental pollution control, particularly the cleanup of oil spills such as the large spill last month off the coast of Alaska. It plays a major role in drug interdiction, and does it very well, as proven by the May 8 interception of nearly 2 tons of cocaine—the second largest cocaine bust every made by a Federal agency.

On July 8, the House approved our subcommittee's Coast Guard authorization bill for fiscal year 1988. That bill contained a very lean budget that is adequate—but certainly not excessive. It does not provide funds for major acquisitions or new programs. It simply provides the basic amounts necessary to pay personnel, buy fuel and spare parts, perform critical maintenance, and continue current programs, including drug interdiction operations originated by last year's omnibus drug bill. Unfortunately, the transportation appropriations bill passed by this same House just 5 days later contains a Coast Guard funding level that is more than $300 million below the authorization figure.

This time last year, the Miami News ran an editorial entitled "Rescue the Coast Guard So It Can Do Its Job." In that editorial was the following statement: "Congress is fast with ideas for new things the Coast Guard could do but slow with the money to do them." There is entirely too much truth in that statement, Mr. Speaker. Despite the fact that we continue to increase the missions of the Coast Guard, in constant dollars there has been no growth in the Coast Guard budget over the last 5 years. And, to literally add injury to insult, the appropriations level passed by this House for the Coast Guard actually cuts Coast Guard funds by more than 10 percent from fiscal 1987 funding levels.

Mr. Speaker, all Americans benefit from the services of the Coast Guard, whether it be directly as the result of a search and rescue mission, or indirectly through port security, the safe transport of consumer goods made possible by the Coast Guard's maintenance of aids to navigation, the cleanup of an oil spill, or the interdiction of the illegal drugs plaguing our Nation. The Coast Guard is one Federal agency that truly gives the taxpayers the most value for money spent. The Coast Guard is a 24-hour-per-day, 7-day-per-week service whose personnel put in 96-hour work weeks, without overtime pay, if that's what it takes to get the job done.

The many missions we have assigned to the Coast Guard are critical to the health and safety, as well as the national security, of our Nation. For the Congress to continue to expect the Coast Guard to do more jobs while we give them less money flies in the face of plain common sense. The dedicated personnel of the Coast Guard do not deserve the shameful treatment they are receiving from this Congress.

The best birthday present this Congress could give to the Coast Guard—although it will have to be a belated one since we obviously cannot do it today—would be to give them the necessary funds to carry out their many missions and to contiue to live up to their motto—Semper Paratus—Always Ready.

## CONFERENCE ON DEBT CEILING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MACK] is recognized for 5 minutes.

Mr. MACK. Mr. Speaker, I take this opportunity this evening to raise an issue that just developed as a result of the conference committee on the debt ceiling.

As many Members are aware, annually this is a debate about the level of the debt ceiling of the Nation should be. During the last several years, the issue of Gramm-Rudman; that is, a deficit-reduction plan which the Congress passed back in 1985 asserting its position that the No. 1 concern was the reduction of the size of the national deficit on a gradual reduction over a 5-year period down to a balanced budget.

We are at a point now where the debt ceiling has to be raised again; and because of the actions of the Supreme Court in early 1986 which held that the automatic trigger mechanism, the automatic trigger enforcement mechanism of Gramm-Rudman was held unconstitutional.

We are in the process of trying to fix that, so as a result, we are in conference over the positions of both the House and the other body relative to how to fix the automatic feature to Gramm-Rudman and what level to establish the debt of the United States. The reason I went through that background before I made my point is because I think it is important to understand that context.

The first order of business in that conference was for the Members of both the House and the other body to take up what they considered their No. 1 issue, and that was the protection of how they receive pay increases.

In the other body's plan, the Senate amendment said that it provides for the recommendations of the President concerning the salary rates for Members of Congress and certain other officers and employees of the United States.

It said in essence, in order for that pay increase to go into effect, it would take a positive vote on the part of the Members of the Congress in both the House and in the other body.

That is contrary to present law that allows for the President to make recommendations, and those recommendations will go into effect, unless the Congress were to act to the negative. That is, within a 30-day period of time, both the House and the other body have to get together and establish the fact that they disagree with those pay increases. That is present law.

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The other body wanted to change that, and basically made the statement that if Members of the Congress are going to get increases in pay, that we ought to vote for them before they go into effect. That was what the Senate provision was.

Without any information beforehand that this was a point that was going to be brought up for discussion, or even a decision being made on it, it was breezed through the conference with basically no Member being informed.

I used this time to say how ironic it is that the Congress talk of the importance about controlling spending, reducing the deficit; and yet, the very first thing, and the only thing done during that conference meeting earlier today, was to protect the Members of the Congress, to ensure that while the Members are having to make deficit reductions from other sources, that the Members' own pay is going to be protected.

The Members are going to get their increases without having to vote for them, so I took this time to bring that information forward, and to make it available to the other Members who did not participate.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. MACK. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding.

Conceptually does the gentleman not think that voting for a Member's own pay increase is the ultimate conflict of interest?

Mr. MACK. I do not think so at all. It is the only mechanism that we have in this particular body to in fact do that.

I happened to have been in the business community before I came to the Congress; and I would say to the gentleman that one of the most difficult things to do under any circumstances is to make a determination about how somebody should be paid.

In this body everything we do should be voted on by the Members of the Congress.

☐ 1835

Yes, it is difficult, but it should be voted on by the Members of Congress.

Mr. HYDE. Mr. Speaker, if the gentleman will yield, I think especially spending money, but it just is ironic. It seems to me a conflict of interest is where you have a personal interest in the outcome of a particular vote and we shy away from those, but we insist on voting on our own pay raises.

Reverse English applies. Nobody will vote for a pay increase if they are forced to, or very few will, but it is a very complex problem. I think the gentleman has done a great service in bringing it to our attention.

Mr. MACK. Well, I appreciate the gentleman's point of view, but again I would make the point about how ironic it is that the point issue that we dealt with today during a conference over how to reduce Federal expenditures, the only action that was taken, and I might add, not in the total light of day, not in a way that was totally understood and explained to everyone, the decision was made to protect the way Members of Congress receive their pay.

I know the gentleman and I have a disagreement over that particular issue.

Mr. HYDE. Well, I do not disagree.

Mr. MACK. Mr. Speaker, I thank the gentleman.

## HIDING AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Walker] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, I rise to further elaborate on the point just made by the gentleman from Florida, because this gentleman was in the same conference with the gentleman from Florida. I would like to perhaps detail exactly how this came about. Maybe the gentleman from Florida could confirm my version of the facts.

We arrived in the conference, not ever having had a meeting of the House conferees, is that correct?

Mr. MACK. Mr. Speaker, if the gentleman will yield, that is absolutely correct.

Mr. WALKER. When this issue came up, it came up as amendment No. 3, which was buried at the back of a packet of papers that we were given.

Mr. MACK. Mr. Speaker, if the gentleman will yield, I have in my hand the packet of information that was given to us. There is no indication of amendment numbers.

Frankly, there were several issues that were brought up at the same time. Members were told that they could be found either on page 6 or page 23, but there was no identification as to what amendment numbers were being discussed.

Mr. WALKER. The gentleman is correct. Then the issue was raised that the House insisted that the Senate recede to the House position on this particular matter. At no point had the House been given an opportunity to even make that kind of determination, so that the House position was stated without the House conferees ever having been given a chance to reflect on what our position should be; is that not correct?

Mr. MACK. Absolutely.

Mr. WALKER. Then when the Senate went to confer on this matter as to whether or not they were going to recede to the House position, as I recall, it took them about 2 minutes to make their decision that indeed they were going to recede. They kind of got together and discussed it and it took them about 2 minutes to decide that they would in fact recede on this issue of whether or not we ought to vote on our pay raises; is that the gentleman's recollection?

Mr. MACK. That is correct.

Mr. WALKER. And this vote in the Senate, as I understand it, was about a 90-to-4 vote, so it was not a matter of minor concern in the United States Senate.

Then when we raised questions about how that whole process had taken place, we were told that it took place in a process where unanimous consent was asked, without objection.

I turned to one of the Members sitting beside me and asked whether or not they had ever heard the term "without objection" used and they had not.

Does the gentleman ever recall that terminology being used?

Mr. MACK. I did not hear that, either.

Mr. WALKER. But nevertheless, it took place, and then it was not timely to ask that the whole matter be considered.

The only point that I am making is that once again, instead of being straightforward in the way we make determinations about things like congressional pay, we used a rather underhanded process to assure that the Senate provision regarding pay; namely, that we ought to vote for our own pay raises in the future, was totally obliterated from the conference report.

I have to say that what we now have is a conference report when it comes back to us that will not only increase the debt to $2.8 billion, it will not only have some kind of a Gramm-Rudman-Hollings fix in it that we do not know what it may be, but we now will have the issue before the House, although it will not be stated as such, but that particular conference eliminated language that would force the Members to vote on their own pay.

Therefore, what you have in the conference report coming back to us by implication will endorse the present system of doing pay increases.

I think that the Members are going to have to be very careful of this conference report in that light. It would certainly be this gentleman's intention not to sign such a conference report unless we go back and revisit that issue and at least give us a chance in the conference to vote on whether or not this is how we want to proceed.

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Florida.

Mr. MACK. Mr. Speaker, I would like to ask the gentleman a question.

Is it the gentleman's understanding or impression that the amendment that was offered in place of the Senate provision, will that language actually end up in the conference report, or will it just totally drop out the issue of the pay raise?

Mr. WALKER. My understanding is that the House position is current law, so therefore what we are doing is simply dropping the Senate language, which was not language that the House passed, so the conference report coming back will remain moot on this particular point; but the fact is that there will have been a conscious decision made to eliminate the Senate language with regard to congressional pay.

## THE NOMINATION OF JUDGE ROBERT H. BORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Fish] is recognized for 60 minutes.

(Mr. FISH asked and was given permission to revise and extend his remarks.)

Mr. FISH. Mr. Speaker, the purpose of this special order is to discuss the pending nomination of Judge Robert H. Bork to be an Associate Justice on the Supreme Court of the United States. This time has been reserved so that some of us who serve on the Committee on the Judiciary in the House of Representatives can share our thoughts and views on this important subject with our colleagues and with the American people.

Of course, we fully recognize that confirmation is not a matter that will be decided in this House. However, as members of the House Judiciary Committee, we have an abiding interest in the overall quality of those who serve on the Federal bench and on the Supreme Court in particular. The Judiciary Committee regularly deals with constitutional issues. Included within our legislative jurisdiction are proposed constitutional amendments and bills dealing with the Federal criminal and civil procedure. It is the Judiciary Committee that recommends the creation of additional Federal judgeships and the disciplining of Federal judges through impeachment. Our jurisdiction also includes amendments to our civil rights laws, the antitrust and intellectual property laws, bankruptcy, immigration, Federal administrative procedure, and virtually all Federal criminal laws.

Because of our committee's jurisdiction, we are in frequent contact with the Judicial Conference of the United States, the Administrative Office of the U.S. Courts and, most importantly, with members of the Federal judiciary themselves. Members of our committee get together with the Chief Justice, along with Federal appellate and district court judges, at an annual conference known as the Williamsburg Conference. There we focus on our ongoing commitment to improving the administration of justice. Those meetings and discussions provide an opportunity—in an informal atmosphere—for members of the judicial branch and the legislative branch to share ideas and possible solutions to matters of mutual interest.

Perhaps more than any other committee, we consider and act upon legislation that directly impacts upon the Federal judiciary and the laws they interpret. We, then, have a particularly strong interest in the tone and quality of the debate over the Bork nomination, as well as a direct stake in its outcome. In the time allotted to us, we hope to frame the issues and acquaint our colleagues in greater detail with legal credentials, judicial philosophy, and appellate court decisions of Judge Bork. Hopefully, the view from our vantage point will make a positive, substantive contribution to the ongoing debate over the merits and implications of this nomination.

Mr. Speaker, I am happy now to yield to the gentleman from California [Mr. Moorhead].

☐ 1850

Mr. MOORHEAD. Mr. Speaker, I commend the gentleman from New York [Mr. Fish] for taking this special order.

Mr. Speaker, this special order is very timely and I hope that it will make a positive contribution to both the congressional and public debate surrounding Supreme Court nominee Judge Robert H. Bork.

Mr. Speaker, at the outset, it would appear logical to begin with the following question—what are the relevant factors or qualifications that go into the selection of an individual to serve on the U.S. Supreme Court? First, I think we all would agree that legal training is an important and fundamental factor. Second, the length and scope of the nominee's practical legal experience is also an important consideration. Third, does the nominee have prior judicial experience and, if so, has he exhibited legal ability and fairness in exercising those judicial responsibilities? Finally, while not an absolute prerequisite, I think all of us would agree that a demonstrated record of legal scholarship would also be a strong factor in favor of a particular nominee.

Now, with these factors in mind, allow me to briefly review the career of Robert H. Bork. Judge Bork is a graduate of the University of Chicago—BA 1948—and in 1953 received his juris doctor from the University of Chicago Law School, as well. While at Chicago, he was a Phi Beta Kappa and managing editor of the Law Review. Robert Bork has been engaged in the private practice of law on three different occasions during his career—for a total of 10 years—most recently as a general partner in the prestigious law firm of Kirkland and Ellis. His reputation in private practice was that of an outstanding litigator.

Those demonstrated legal skills led to his appointment as the Solicitor General of the United States—a position he held from 1973 to 1977. The job of Solicitor General is universally recognized as requiring the talents of a "lawyer's lawyer." The Solicitor General is the principal litigator for the Government of the United States and, in that capacity, Robert Bork represented the United States before the Supreme Court in literally hundreds of cases. As Solicitor General, he was called upon to determine whether lower court decisions adverse to the Federal Government should be appealed. He also directly involved in decisions as to whether or not the United States should file an amicus brief in any Federal appellate court or the Supreme Court. While the position is that of an executive branch official, highly placed in the Department of Justice, the Solicitor General also has a special, unique relationship with the Supreme Court as a result of exercising those duties.

Both prior to and following his service as Solicitor General, Judge Bork was professor at Yale Law School for a total of 15 years. In that capacity, he was the holder of two endowed chairs, that of the Chancellor Kent Professor of Law, 1977-79, and the Alexander Bickel Professor of Public Law, 1979-81. Robert Bork is considered one of the Nation's foremost scholars on both constitutional law and antitrust law. He is the author of dozens of scholarly articles and books—including the widely quoted "The Antitrust Paradox," considered by many to be a landmark contemporary work on antitrust law.

In 1981, Robert Bork was nominated to serve on the Circuit Court of Appeals for the District of Columbia—one of the Nation's most prestigious Federal appellate courts. At the time that nomination was pending, it was greeted with almost universal favorable acclaim. For example, he received the American Bar Association's highest rating—"exceptionally well qualified"—a rating that is received by only a handful of Federal court nominees annually.

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In fact, allow me to share with my colleagues some pertinent quotes from two interesting sources. On December 10, 1981, the New York Times wrote about the Bork nomination in the following manner:

> Mr. Bork, moreover, is a legal scholar of distinction and principal. For instance, he opposes the various court-stripping bills that have been introduced in Congress, a braver position than any so far taken by his Justice Department sponsors. One may differ heatedly with him on specific issues like abortion, but those are differences of philosophy, not principle. Differences of philosophy are what the 1980 election was about; Robert Bork is, given President Reagan's philosophy, a natural choice for an important judicial vacancy.

During the confirmation hearings held before the Senate Judiciary Committee on January 27, 1982, Senator Baucus made the following statement:

> Senator Baucus. * * * Mr. Bork, I want to thank you for appearing before us and I want to congratulate the President on his nomination of you. I think there is no doubt that you are eminently qualified to serve in the position to which you have been nominated. There is no doubt in my mind that you will be confirmed, and I hope very quickly and expeditiously.

Judge Bork was unanimously confirmed by the U.S. Senate on February 8, 1982.

Since Judge Bork has been a member of the U.S. Court of Appeals for the District of Columbia Circuit, he has participated in a total of 426 cases. Of those cases, Judge Bork has been the author of the majority opinion in 106 instances. With respect to those 106 majority opinions, it is deserving of emphasis that he never has been reversed by the Supreme Court. Furthermore, of the 401 cases in which Judge Bork joined with the majority, none have been reversed by the Supreme Court. Judge Bork authored dissenting opinions in 25 remaining cases, and the Supreme Court adopted the views expressed by Judge Bork in those dissents on six different occasions. Many have offered the observation that Judge Bork may well have the most remarkable record on appeal of any currently sitting U.S. Federal judge.

Now, I ask: Would a judicial radical—a man who has been accused of being out of the mainstream of America legal thought—have this kind of record? The answer, of course, is no. Judge Bork is not only highly qualified to fill the vacant seat on the U.S. Supreme Court, he may well be the best qualified person in America for that vacancy.

His judicial philosophy is not that of an interventionist judge. Both as a professor and legal practitioner, he has been a strong critic of what he refers to as "judicial imperialism." That is the term he applies to judges who would substitute their personal philosophy or political views for that of the legislators who actually wrote the laws. It is his strongly held view that a judge should abstain from following his own desires or views and rather attempt to place himself in the Framers' or the legislators' minds. Judge Bork's supposedly radical philosophy is that judges should confine themselves to interpreting the law—rather than advocating and imposing their own public policy ideas on individuals or society.

It is now abundantly clear that the President's nomination of Judge Bork has been used by opponents as a forum for a national debate over certain controversial social issues. It is extremely unfortunate that this man of exceptional ability and outstanding qualifications is not being judged for what he is; and how he has judged—but rather on the unfounded speculations of certain special interest groups. Congress and the American people should look at the real record of Robert Bork. That record demonstrates that he is a remarkable lawyer, a widely recognized scholar and an exceptional appellate jurist. His career—marked by numerous professional achievements and a demonstrated history of excellent public service—should be allowed to speak for itself.

Mr. FISH. I thank my colleague from California for his thoughtful statement. I think the statistics cited by the gentleman are particularly impressive. They show that Judge Bork has voted with the majority in the D.C. Circuit 94 percent of the time and he authored the majority opinion in 25 percent of those decisions.

I would like to add a further breakdown of Judge Bork's voting record on that court. Significantly, the statistics show that Judge Bork voted with Judge Scalia—who was confirmed by the Senate for the Supreme Court last year—98 percent of the time. Judge Bork voted with Judge Ruth Bader Ginsburg almost as often—90 percent of the time. Indeed, Judge Bork voted together with Judge J. Skelly Wright—who some view as one of the most liberal judges on the D.C. Circuit—74 percent of the time.

Much has been made of the fact that Judge Bork would be replacing Justice Powell and doing so would significantly alter the makeup of the Supreme Court. It is difficult to reconcile this assertion with the position that Justice Powell took on the 10 cases before the Supreme Court in which Judge Bork participated at the circuit level. The facts are that Justice Powell agreed with Judge Bork 9 times out of those 10 cases.

Mr. Speaker, I am happy to yield to my good friend from Illinois [Mr. Hyde].

Mr. HYDE. Mr. Speaker, first of all I want to congratulate the gentleman from New York [Mr. Fish] who is also the ranking Republican member on the Judiciary Committee, for taking the initiative which has resulted in this special order.

It is most appropriate that we, as members of the House Judiciary Committee, publicly express our views on the pending nomination of Judge Robert H. Bork.

There are two fundamental points that I would like to address. First, given all the discussion and controversy of Robert Bork's judicial philosophy, I think it is important for the American public to understand that his views are premised on very fundamantal mainstream moral values. Second, I would like to discuss the scope of "advice and consent" in an effort to demonstrate that the factors involved seem to change with time and to change with respect to particular nominations.

Robert Bork's view of the appropriate role of a judge in our society is both simple and demanding. He feels that it is inappropriate for a judge to go beyond what Congress or a State legislature intended when it passed a particular law. He does not believe that judges have the authority to write the law themselves, but rather the obligation to decide on the basis of what the legislature did and did not do. He rejects what he refers to as "judicial imperialism" where the unelected, appointed for life presume to tell Congress what it should have done. He understands the significant distinction between legislation and adjudication.

Simply put—for Robert Bork—the legal end does not justify any judicial means. In a democracy, we must care not only about the societal goals, but we must care about how we proceed to get there. In his view, judges are not appointed to make policy choices—that responsibility can only be exercised by those elected by the public; for example, the President of the United States and the Congress. His approach to judicial analysis demands an intellectual honesty and consistency to reach a particular goal or result; he cannot set aside the moral responsibilities of the process involved.

Despite what his critics have said, his judicial philosophy fully recognizes the protections that are specifically guaranteed in the Constitution and its Bill of Rights. He refuses, however, to go beyond those protections enumerated in our Constitution and create new "rights" that have no foundation either in constitutional principle or in authorized legislative action. For Judge Bork, the "plain words" of the Constitution are to be respected, not circumvented.

Now, allow me to turn to the concept of "advice and consent" and raise some questions that I feel need to be asked. Since President Reagan decided to nominate Judge Bork for the Supreme Court, there has been considerable comment on what is the appropriate role of the Senate in this process. In my view, the qualifications of the individual for the position involved are the principal criteria to be looked at. There can be admittedly disqualifying factors that involve the individual's integrity or a political philosophy that is inconsistent with our form of Government. I think my colleagues have and will accurately demonstrate that Robert Bork's legal views are well within the acceptable realm of American legal thought. But, allow me to pose some questions that need to be asked, that may answer themselves.

Is the scope of "advice and consent" different from a Supreme Court nominee than it is for a Cabinet nominee? If so, why?

Is the standard for Senate confirmation of a Supreme Court nominee more exacting than it is for a Federal district court judge or a Federal circuit court judge? If so, what is the logic for this distinction, and how different are those criteria?

What is different about Robert H. Bork in 1987 than was the case with Robert H. Bork in 1982?

In 1982, Robert Bork was unanimously confirmed for the position of circuit court judge on the United States Court of Appeals for the District of Columbia. At that time, he received the highest possible rating from the American Bar Association—"exceptionally well qualified." An "exceptionally well qualified" rating from the ABA is extremely rare, and one need only look at a random sample of recent Federal court nominations to understand the significance of that high rating. For example, from December 1981 to June 15, 1982, 25 individuals were nominated for Federal judgeships; only Robert Bork received the highest rating of "exceptionally well qualified." Between December 1982 and June 1983, 11 individuals were nominated for Federal judgeships—1 of the 11 was deemed to be "exceptionally well qualified." In the rating period between June 16, 1986 and December 12, 1986, 15 persons were evaluated by the American Bar Association's Standing Committee on the Federal Judiciary. None of those individuals were accorded the "exceptionally well qualified" rating previously received by Judge Bork. It is estimated that less than 5 percent of the nominees for all Federal court positions receive the rating that Judge Bork received prior to his circuit court confirmation. Now, again, how much different can Robert Bork's qualifications be 5 years later, except that he now has 5 years of appellate judicial experience?

Are the criteria different, or more exacting, if the "balance" in the Supreme Court may shift?

Judge Bork has been nominated to replace Associate Justice Lewis Powell, who is popularly characterized as a "swing vote" on the Court. Do the factors involved in "advice and consent" differ, based upon the person the nominee is replacing? I would have to observe that no one postulated this particular theory when President Kennedy nominated Arthur Goldberg to replace Felix Frankfurther.

My point in raising these admittedly rhetorical questions is that the scope of "advice and consent" often is subjectively determined by the "eye of the beholder." More accurately, it may well rest upon "who" is in the eye of the beholder.

Recently, I reviewed the transcript of a hearing held by the Senate Judiciary Committee when they were considering the nomination of my good friend, Abner Mikva, to the Federal Court of Appeals for the District of Columbia in 1979. The hearing was held on July 12, 1979, and as background, I should mention that the Mikva nomination was vigorously opposed by the National Rifle Association, principally based upon then Congressman Mikva's position on gun control legislation as a Member of the House of Representatives.

With that as background, allow me to quote from some of the exchanges between Members of the Senate Judiciary Committee and the witnesses at that hearing:

> Senator Biden. Congressman, what is your view of the proper scope of the responsibilities and concerns of a member of the judiciary? Specifically, do you see a distinction between the role of advocating a change in law as a legislator, and interpreting the law as a judge?
>
> Mr. Mikva. Very much so. The judge ought not make the law, and ought not advocate changes in the law. The judge ought to interpret the law as policymakers decide.
>
> As a member of legislative bodies for almost 20 years, I have, as I indicated before, marveled at the way the system works when that difference is maintained, that important line is kept, where the judge interprets the decisions that policymakers have made, but scrupulously avoids getting into policymaking areas himself.
>
> Senator Biden. Do you believe, in spite of your strongly held views on some issues, you can make that scrupulously needed distinction?
>
> Mr. Mikva. Yes, I can.
>
> * * * * *
>
> Senator Metzenbaum. I am intrigued by the whole idea that because you have taken a position in connection with some pending issue, or some issue in the past, or some organization in the past, you thereby should be excluded from consideration to sit on the bench * * *.
>
> Mr. Mikva. * * * All of us have been activists—the kind of people who rise up to seek judgeships and come before this committee have all been active. Lawyers who have taken active cases, argued passionately on one side of the matter; sometimes on both sides.
>
> It is impossible to find people to be judges who have not been involved in the passions of our time. The question is, not have you been involved, but the question is, can you leave those passions at the courthouse door * * *.
>
> Senator Metzenbaum. I just think this whole approach raises so many potential problem areas for every nominee to come before us that I have difficulty in following the line of reasoning that suggests you are not qualified by reason of some of your past advocacy positions * * *.
>
> * * * * *
>
> Senator Biden. * * * Now, if you are arguing that the judicial temperament of Abner Mikva is improper, that is a judgment for us to make. I think that is a legitimate one to be made and for us to act on. But what I have philosophically rejected is the nontemperamental aspect of that argument; that on the basis of a position, or regardless of how it is arrived at, he could be disqualified. That is different.
>
> Do you understand the distinction I am making?
>
> Mr. Featherstone. To address that point, Mr. Chairman, do you not think that prospective nominees' philosophy is important? Do you not think that a judge takes into consideration how he views certain matters?
>
> Senator Biden. I think that is precisely right and I think that the advice and consent responsibility of the Senate does not permit us to deprive the President of the United States from being able to appoint that person or persons who have a particular point of view unless it can be shown that their temperament does not fit the job, that they are morally incapable or unqualified for the job, or that they have committed crimes of moral turpitude.
>
> This is where you begin to make the distinction. Obviously, President Nixon picked members of the judiciary because they reflected a philosophy. It was designed to reflect the philosophy that he hoped would be consistent with his. Had I been in the Senate at that time, I would not have been able to vote against Justice Burger, although philosophically I often disagreed with him and if we had examined his stated positions on the issues, I would have gone on the record and said I have a different philosophy than Justice Burger on most constitutional issues.
>
> On the other hand, I would not have had much problem in voting against Justice Carswell at all, and the reason it was not a question of whether I agreed with him philosophically, which I did. It dealt with the question of whether I thought he was competent intellectually, by way of training, background, and disposition to sit on the Bench.
>
> That is a judgment that I believe as a Senator I have right to make.
>
> I do not think that under the Constitution I have a right to say I will not vote for someone to be on the Supreme Court or to be Secretary of Treasury, because I disagree with the view that he holds on a particular issue. I think it is important for this record, that we do not establish that the line of questioning raised here was raised for the purpose of arriving at a position for or against Abner Mikva because we believed or did not believe in the positions he held, or that the fact that he took strong positions qualified him or disqualified him. I think it is a question of temperament * * *.

Mr. Speaker, in the context of today's debate over Judge Bork, I think these prior statements are worth remembering. They have a special resonance and relevance for those Members of the Senate who will—soon we hope—have an opportunity to put them in action.

☐ 1905

I thank the gentleman for yielding me this time.

Mr. FISH. I thank my friend from Illinois.

Mr. Speaker, at this time it gives me great pleasure to yield to my friend from Wisconsin, the gentleman from Wisconsin [Mr. SENSENBRENNER].

Mr. SENSENBRENNER. Mr. Speaker, the ugly campaign to portray Supreme Court nominee Robert H. Bork as lacking sensitivity toward victims of discrimination has been marked by calumny and stridency. But veteran observers of Supreme Court confirmation battles should be struck by such campaigns with a sense of deja vu.

In 1971, a distinguished member of the House Judiciary Committee opposed the confirmation of Lewis Powell stating that "Powell's lifestyle, his views of Government as evidenced by his activities on the boards of education, his close association with a variety of corporate giants, his public conduct, his membership in the largest all-white law firm in Richmond, his support of segregated social clubs, and his defense of the status quo, are inconsistent with the kind of jurist needed for the Court in the 1970's and 1980's." Wilma Heide of the National Organization for Women [NOW] opposed Powell's confirmation, reasoning that "because we have no evidence that Mr. Powell exercised positive action leadership in acts of commission, we must conclude his acts of omission vis-a-vis women disqualify him to make the Constitution a living document to balance the scales of justice."

During the confirmation battle of Justice Rehnquist in 1971, a former leader of a county NAACP chapter branded the nominee as a "sophisticated racist." Opposition by Joseph L. Rauh, Jr., of the Americans for Democratic Action and the Leadership Conference on Civil Rights became so strident. Senator Kennedy rebuked Rauh for his "uncalled for and unwarranted" personal attack on Rehnquist.

In 1975, NOW opposed the confirmation of John Paul Stevens to the Supreme Court. Their opposition during the confirmation hearings was summed up as follows: "[T]he National Organization for Women believes that this record of antagonism to women's rights on the part of Judge Stevens is clear. We oppose his confirmation. We oppose his confirmation not solely because of his consistent opposition to women's rights but, more importantly, because Judge Stevens has demonstrated that his legal opinions on women's issues are based on an apparent personal philosophy and not on the facts and laws of the cases before him." Fortunately, these characterizations of insensitivity did not carry the day in the confirmation hearings of Justices Powell, Rehnquist, and Stevens.

However, there was an instance where attacks by civil rights groups against a Supreme Court nominee prevailed, much to our nation's regret. In 1930, President Hoover nominated Chief Judge John J. Parker, of the U.S. Court of Appeals for the Fourth Circuit. According to Supreme Court scholar Henry J. Abraham in his book, "Justices & Presidents" (2d edition, Oxford University Press, 1985), Parker was "a prominent and distinguished Republican leader in North Carolina for many years and an outstanding jurist" who "fell victim to the sustained opposition of the American Federation of Labor [AFL] and the National Association for the Advancement of Colored People [NAACP]." Parker was rejected by the Senate 41 to 39, but Abraham's commentary explains the irony of the rejection:

> The N.A.A.C.P. contended that the nominee was generally opposed to black participation in politics and especially to black suffrage. Thus, Walter White of the N.A.A.C.P. leadership pointed out that Judge Parker, while stumping North Carolina as a gubernatorial candidate in 1920, had indeed made an unfortunate remark: "The participation of the Negro in politics is a source of evil and danger to both races and is not desired by the wise men in either race or by the Republican Party of North Carolina." Parker had uttered the statement in response to repeated taunts and charges by his Democratic opponents that he intended to enfranchise blacks and to alter the North Carolina constitution to accommodate "them." Ironically, it would be Judge Parker (he continued to sit on the Fourth Circuit bench after his rejection) who would write some of the earliest and most significant pro-black opinions on desegregation. Among them were *Rice* v. *Elmore* in 1947, in which he sustained U.S. District Court Judge J.W. Waring's outlawing of South Carolina's machinations to bar blacks from primary elections, and his 1955 remand opinion in *Briggs* v. *Elliott*, in which he rejected "massive resistance."

Indeed, Justice William O. Douglas later wrote that, in his opinion, John Parker was a more capable man and would have made a better Justice than the man appointed in his place, Owen Roberts.

Given this track record, virulent opposition from civil rights activists to a Supreme Court appointment should be viewed with a healthy skepticism by the distinguished Members of the other body. More importantly, the civil rights record of Robert H. Bork reveals that attacks on his alleged "insensitivity" to civil rights are utterly wrong. Not a scintilla of evidence has been produced that shows bigotry, racism, or prejudice on the part of Judge Bork.

But one need not even strain through the record to find Judge Bork advancing the cause for minorities or exhibiting fairness to those with differing viewpoints throughout his professional career.

During his private law practice, Judge Bork fought antisemitism in his law firm. A July 26, 1987, Washington Post article noted the following:

> Another Director protege, Howard Krane, came to interview at the firm a couple of years later, but was given short shrift. One associate overheard a partner mentioning in the corridor that Krane was passed over because he was Jewish, and reported this to Bork, who had an affinity for Director's students.
>
> Then a star lawyer on his way to becoming partner, Bork went with this associate to see several senior partners and said, according to his colleague, "We have a larger stake in the future of this firm than you do. We want this man considered on his merits." The partners agreed to take a second look. (Krane is today the managing partner of Kirkland & Ellis.)

His years at Yale Law School hardly show him as an unsociable, cold-blooded intellectual his opponents say he is. In a July 27, 1987 article in the New York Times, many of Bork's former Yale colleagues and students—mainly moderates and liberals who disagree profoundly with Judge Bork's constitutional philosophy—were interviewed about their recollections of Professor Bork. The article states, "Many described him fondly in interviews as a decent, vibrant and devastatingly witty man, a complex and powerful intellect tempered by a fine sense of humor, a warm friend, a stimulating teacher wreathed in a cloud of cigarette smoke who could be cutting with people he did not know or did not respect." Significantly, the interviewees recalled, "that he had been fair in grading student papers that challenged his basic philosophy head on."

By the way, there has been an attempt to make much ado about nothing of a 1963 article in the New Republic where Bork criticized proposed public accommodations provisions that eventually became part of the Civil Rights Act. But 10 years later at his confirmation hearings for Solicitor General, Bork recanted his position. The article was not even raised during his unanimous confirmation to the D.C. Circuit in 1982. Moreover, the article itself makes clear Bork's abhorrence of racism: "Of the ugliness of racial discrimination there need be no doubt." Finally, using this 1963 article to imply Judge Bork is insensitive on racial issues makes as much sense as calling a U.S. Senator a Communist sympathizer because of certain organization affiliations he had 40 years ago.

During his tenure as Solicitor General, Judge Bork was responsible for the Government arguing on behalf of the most far-reaching civil rights cases in the nation's history, sometimes arguing for more expansive interpretations of the law than those ultimately accepted by the Court. It was this

record as Solicitor General that prompted Senator JOSEPH BIDEN, the distinguished chairman of the Senate Judiciary Committee, during the Fried confirmation hearings to cite Judge Bork along with other Solicitors General as officials who "remembered that their first responsibility is to the people of the Nation."

Among Bork's most important arguments to advance the civil rights of minorities were:

Beer versus United States: Solicitor General Bork urged a broad interpretation of the Voting Rights Act to strike down an electoral plan he believed would dilute black voting strength, but the Court disagreed 5 to 3.

General Electric Co. versus Gilbert: Bork's amicus brief argued that discrimination on the basis of pregnancy was illegal sex discrimination, but six Justices, including Justice Powell, rejected this argument. Congress later changed the law to reflect Bork's view.

Washington versus Davis: The Supreme Court, including Justice Powell, rejected Bork's argument that an employment test with a discriminatory "effect" was unlawful under title VII.

Teamsters versus United States: The Supreme Court, including Justice Powell, ruled against Bork's argument that even a wholly race-neutral seniority system violated title VII if it perpetuated the effects of prior discrimination.

Runyon versus McCrary: Following Bork's argument, the Court ruled that civil rights laws applied to racially discriminatory private contracts.

United Jewish Organization versus Carey: The Court agreed with Bork that race-conscious redistricting of voting lines to enhance black voting strength was constitutionally permissible.

Lau versus Nichols: This case established that a civil rights law prohibited actions that were not intentionally discriminatory, so long as they disproportionately harmed minorities. The Court later overturned this case and narrowed the law to reach only acts motivated by a discriminatory intent.

As a member for 5 years of the United States Court of Appeals for the D.C. Circuit, Judge Bork has compiled a balanced and moderate record in the area of civil rights. He has often voted to vindicate rights of civil rights plaintiffs, frequently reversing lower courts in order to do so. For example:

In Palmer versus Shultz, he voted to vacate the district court's grant of summary judgment to the Government and held for a group of female foreign service officers alleging State Department discrimination in assignment and promotion.

In Ososky versus Wick, he voted to reverse the district court and held that the Equal Pay Act applies to the Foreign Service's merit system.

In Doe versus Weinberger, he voted to reverse the district court and hold that an individual discharged from the National Security Agency for his homosexuality had been illegally denied a right to a hearing.

In County Council of Sumter County, South Carolina versus United States, Judge Bork rejected a South Carolina county's claim that its switch to an "at-large" election system did not require preclearance from the Attorney General under the Voting Rights Act. He later held that the County had failed to prove that its new system had "neither the purpose nor effect of denying or abridging the right of black South Carolinians to vote."

In Norris versus District of Columbia, Judge Bork voted to reverse a district court in a jail inmate's section 1983 suit against four guards who allegedly had assaulted him. Judge Bork rejected the district court's reasoning that absent of permanent injuries the case must be dismissed; the lawsuit was thus reinstated.

In Laffey versus Northwest Airlines, Judge Bork affirmed a lower court decision which found that Northwest Airlines had discriminated against its female employees.

In Emory versus Secretary of the Navy, Judge Bork reversed a district courts decision to dismiss a claim of racial discrimination against the U.S. Navy. The district court had held that the Navy's decisions on promotion were immune from judicial review. In rejecting the district court's theory, Judge Bork held: "Where it is alleged, as it is here, that the Armed Forces have trenched upon constitutionally guaranteed rights through the promotion and selection process, the courts are not powerless to act. The military has not been exempted from constitutional provisions that protect the rights of individuals. It is precisely the role of the courts to determine whether those rights have been violated."

It is on the basis of this record that Stuart Taylor wrote in a July 5, 1987 New York Times article that Judge Bork's hard-edged theories "are devoid of bigotry". It is on this record that Lloyd Cutler wrote in a July 16, 1987 New York Times op-ed piece that "Judge Bork is neither an idiologue nor an extreme right winger, either in his judicial philosophy or in this personal position on social issues." It is on this record that U.S. Senators can be confident that Judge Bork will be a fair-minded Justice who is sensitive to the rights of all Americans.

☐ 1920

Mr. FISH. Mr. Speaker, I am happy to yield to my colleague from Florida [Mr. MCCOLLUM].

Mr. McCOLLUM. Mr. Speaker, I think as we listen this evening to the debate there is no question but there is a sense about it that Robert Bork is one of the most highly qualified men ever to be nominated to the U.S. Supreme Court.

The real question is whether or not naked political power of those who oppose him on philosophical, ideological grounds is going to prevail in this situation. History says that it should not. Tradition says that it should not, and I think that we owe it to our colleagues to discuss as we are this evening the rationale and the reasons.

Mr. Speaker, Robert Bork, as has been stated before but I think bears repeating, has been highly acclaimed by the American Bar Association when he was first put up as a nominee of the President for the Federal Appeals Court. He has in fact received their highest rating.

He is a past Solicitor General of the United States and during a period of time, a very troubled time in this country, was acting Attorney General.

He served this country ably in those capacities as he has served ably as the appellate court judge here in this District of Columbia Court of Appeals.

In more than 100 decisions as the majority writer of opinions in this court since he has been appointed to it, he has never once been reversed by the U.S. Supreme Court, a truly remarkable record.

Mr. Speaker, looking back to the time he was editor of his Law Review, at a very distinguished law school, or look back 15 years at his record of a respected professor of law at Yale University, one of the most prominent universities in our country, look at all of these things and there is absolutely nothing that his opponents can do to attack this gentleman on the basis of his credentials. What we are left with is the fact that he is a strict constructionist of the Constitution; that he believes in judicial restraint; that his views consequently flowing from that opinion and that philosophy might yield results differently from what the Supreme Court majority has been deciding on issues over the past few years, some very sensitive issues to our public concern, and the fact of the matter is that no one can ever be sure of how the Supreme Court is going to decide anything.

Justices, once they are appointed, and once they are accepted by the Senate and confirmed, tend to go marching to their own tune but, generally speaking, if you have someone who expresses the views that Judge Bork has expressed time and again about being a strict constructionist, and belief in judicial restraint, you have a measure of predictability. It scares those who think he is the swing vote, the pendulum vote or potential deciding vote on a divided Supreme Court, that he might be there. All of a sudden those liberals who have hereto-

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fore been more than happy to fall behind the bandwagon and saying that anyone who is really qualified who doesn't have a taint on their record, who is not only pure and moral but also eminently distinguished in the bar and in his activities previously, to be on the Supreme Court should be there regardless of philosophy, they are turning the other way. I would like to quote from one of those critics and it surprises me that he has been a critic, and I certainly hope he will not be much longer because it defies previous rationale and logic.

In the Congressional Record of September 25, 1979, Senator Kennedy said, and I quote:

> If strong political views were a disqualifying factor from serving on the Federal bench, then all of us here today—and every man and woman who has ever served in either House of Congress, or held political office—would be disqualified. In my judgment, such a rule makes no sense at all.

It does not make any sense at all and I trust that when the folks who have to make the votes talk to their constituents, talk to the country as a whole, reason with their consciences, that in due course they will realize that this distinguished jurist, Robert Bork, should be a member of the U.S. Supreme Court.

Mr. Speaker, I urge the confirmation of Judge Bork to the U.S. Supreme Court.

Mr. Chairman, I thank the gentleman from New York, Mr. Fish, for yielding me this time to participate this evening. It is quite a debate.

Mr. FISH. I am very happy to recognize the gentleman from Georgia [Mr. Swindall].

Mr. SWINDALL. Mr. Speaker, I first want to commend the gentleman from New York [Mr. Fish] for calling this special order. I think that it certainly is something that needs to be discussed prior to the beginning of the confirmation hearings that I understand will start on September 15.

Mr. Speaker, as a number of people have already stated, I think there is some significance to the fact that that is a delay of over 70 days. I say that is significant because the average over the last 25 nominees has been 18 days with the longest of any of those being 41 days.

Mr. Speaker, the question, I think is, Why are we seeing this delay? I think the answer is fairly obvious. It is to give those from the liberal left wing adequate time to marshal their lobbying resources. People for the American Way, which I would categorize as one of those leftwing organizations, founded by Norman Lear, has already pledged that it will spend at least a million dollars trying to block this nomination as it spent when it tried to block the nomination of Dan Manion last year.

The real question I think is why are we seeing this concerted move to block the nomination of an individual that certainly from credentials ought to be quickly nominated and affirmed, and I think the answer has to do with the fact that last year the Supreme Court had half of its total 81 decisions determined by either a 6 to 3 or 5 to 4 vote. That comparies to roughly one-third along the same margin line the year preceding that.

So what is really happening here is that as those individuals that have political views substantially different from the President are seeing their margin of victory on some key issues narrowed, they want to apply an entirely different test with respect to this particular nominee. There is no other way that you can explain the 180-degree reversal of the chairman of the Senate Judiciary Committee, the gentleman from Delaware [Mr. Biden], when he stated just last year, and I am quoting, "Say the administration sends someone up like Bork and after our investigation he looks a lot like another Scalia, I would have to vote for him and if groups tear me apart"—and let me stop here and say I assume he is talking about groups like People for the American Way—"if groups tear me apart, that is the medicine I will have to take. I am not Teddy Kennedy."

Why, after making that statement, would he change his position so dramatically? I think the answer is fairly evident. He is an individual who has stated that he wants to run for President of the United States. He understands that in 1988 the party that he is running in largely being controlled by individuals from the leftwing ideologically are not likely to support him unless he jumps in and somehow becomes a champion for this blockage.

The problem with that is that it deprives the individuals in the 49 States of the 50 that voted for President Ronald Reagan in 1984 to make this nomination.

The SPEAKER pro tempore (Mr. Lantos). The Chair will ask all Members to refrain from referring in their remarks or in insertions to members of the other body. The Chair must take this initiative under the rules, where references are made to Members of the Senate.

Mr. SWINDALL. Mr. Speaker, I have not referred to any of them. I have referred to comments and statements they have made. I think that is all I have said.

The SPEAKER pro tempore. That is not permitted under the rules of the House.

Mr. SWINDALL. Mr. Speaker, would you please state the rule that bars me from referring to the comments of any other Member of this body or the other body?

The SPEAKER pro tempore. Just the other body.

Mr. SWINDALL. Or the other body?

The SPEAKER pro tempore. Yes.

Mr. SWINDALL. No Member can refer to comments of the other body?

The SPEAKER pro tempore. That is correct.

Mr. SWINDALL. Mr. Speaker, could you tell me the rule involved?

The SPEAKER pro tempore. Jefferson's Manual. It is in Jefferson's Manual and in rulings of the Chair cited therein.

Mr. SWINDALL. I understand that, Mr. Speaker, but could you tell me the specific rule in Jefferson's Manual?

The SPEAKER pro tempore. Rule XIV clause 1 of the rules of the House.

Mr. SWINDALL. Would the Speaker mind reading specifically, because I do not believe that that refers to comments that have been made off the floor. These are all off the floor of the other body. They are public comments in the public domain.

The SPEAKER pro tempore. The rules and precedents of the House preclude any critical reference to Members of the other body or to comments made by them, on or off the floor.

Mr. SWINDALL. Mr. Speaker, is that on or off the floor?

The SPEAKER pro tempore. On or off the floor of the other body, yes.

Mr. SWINDALL. Mr. Speaker, let me quickly say that I am not sure that it is a fair analysis to say that they are critical remarks. I am certainly willing to say that some may find them critical. All I am saying is these are comments that they have made that explain actions with respect to the delay. I do not know how my colleagues in this body can understand the gist of my debate if I am not allowed to state what my interpretation of their comments is with respect to why we are seeing a delay any more so than I think we can debate amendments like a balanced budget amendment without talking about some of the comments that have been made on or off the floor, and if that is the rule, I think that the rule clearly has to do with the critical nature of them meaning to criticize him.

Mr. Speaker, that is certainly not my intent here. My intent is simply to lay before my colleagues the facts with respect to what their statements have been.

If they want to criticize, that is their prerogative, but certainly the rule would not cover such criticism.

The SPEAKER pro tempore. Other than the rules and precedents cited by the Chair, nothing prevents the gentleman from laying facts before this body. The gentleman is prevented from referring critically to Members of the other body.

Mr. SWINDALL. Mr. Speaker, let me quickly say that I am not referring

critically. I am stating facts, factual statements in quotes with respect to my interpretation as to why there is a deliberate delay with respect to these particular hearings, a delay that is roughly double any precedential hearings we have seen with respect to the last 25 nominees.

The SPEAKER pro tempore. For the benefit of the gentleman, the Chair would quote from the rule XIV, page 489,

> Debate may include references to action taken by the Senate or by committees thereof which are a matter of public record, and to the pendency or sponsorship in the Senate of bills, resolutions and amendments, but may not include other references to individual members of the Senate, expressions of opinion concerning Senate action, or quotations from Senate proceedings.

Mr. SWINDALL. Mr. Speaker, I probably need an attorney, or a fleet of attorneys to understand exactly what that means, but I am not talking here about action of the Senate. I am talking about inaction of the Senate, which I think is a major distinction here.

The SPEAKER pro tempore. That is implicitly precluded.

Mr. SWINDALL. Inaction, Mr. Speaker? I did not hear that.

The SPEAKER pro tempore. Any characterization of Senate action or inaction.

Mr. SWINDALL. Mr. Speaker, does it say "inaction"?

The SPEAKER pro tempore. That is the Chair's interpretation under the precedents cited on page 170 of the manual.

Mr. SWINDALL. Mr. Speaker, I would respectfully say I think that they are talking about action, and I am talking about inaction. But I will certainly respect your opinion that you are also including their inaction.

The SPEAKER pro tempore. The gentleman may proceed.

Mr. SWINDALL. Mr. Speaker, let me say that certainly I think it is a fair interpretation of a number of statements and comments of individuals that have opposed this particular nominee's consideration that they understand that he may well be the pivot point on a number of key issues including issues like abortion and including issues like cracking down on the criminal elements in this country, including issues like seeing that victims have their rights taken into account as well as criminals having their rights taken into account.

Mr. Speaker, I would say to those individuals that they may well be jumping to conclusions because there is at least one individual who has reviewed, and knows Mr. Bork's record well, and that individual is Lloyd Cutler who was a lawyer who served as counsel to President Carter and was a founder of Lawyers Committee for Civil Rights Under Law.

His statement, and I am quoting from an article that appeared in the New York Times, was:

> In my view Judge Bork is neither an ideologue nor an extreme rightwinger either in his judicial philosophy or his personal position on current social issues. I base this assessment on a postnomination review of Judge Bork's published articles and opinions and on 20 years of personal association as a professional colleague or adversary. I make it as a liberal Democrat and as an advocate of civil rights before the Supreme Court.

Let us look at several categories of concern. First of all, he talks about the Roe versus Wade decision, the abortion issue. What he concludes there is that if you really look at what Judge Bork has said historically he is not suggesting that he would necessarily overturn Roe versus Wade. What he is saying is that it is an issue that States' rights have preempted. Let me quickly say as a pro-life Member of this body that I differ with Judge Bork tremendously on that issue. I think that the Federal Constitution precludes any State from depriving an individual of their right to life or their right to liberty.

As a result of that, I would have to say that if that is the reason why some people are opposed to Mr. Bork's nomination, they are just simply not well grounded in their opposition.

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The second point that I would make is that many people say that the acid test of a rightwing conservative, to be precise, using the nomenclature of those that would not categorize themselves as such, is the balanced budget amendment.

It is significant that Judge Bork has on numbers of occasions stated his opposition to a balanced budget amendment.

Mr. Cutler's point is, you cannot really examine his record and reach any clear conclusion with respect to his ideology. His one point that is sticking in the craw of those individuals that have seen precious liberties taken away through judicial activism is this: There are those who would rather see the courts in this country make our laws rather than see those individuals that were elected by the people to make their laws make them.

We all know certainly in this bicentennial year of our Constitution that the Constitution placed all legislative power in this body, as well as the other body. It never intended to have the Supreme Court, through judicial activism, rewriting rather than interpreting laws. That is the heart of the issue.

That is why we see this opposition today. I would close by simply saying this. What we do here will have precedential value. If we in fact allow those individuals that have the most political clout and the most financial ability to sway this nomination or any other, what we will see in my judgment is a precedent that, in my judgment, says that the other body will become the nominating body, because in reality what will happen is, any President, Democrat or Republican, will have to go first to the other body and determine if they will accept that nomination.

There is a world of difference between that and advice and consent. For that reason alone, I would hope that we would respect our Constitution, and allow this eminently qualified justice to move to his position in the Supreme Court.

Mr. Speaker, let's face it—Judge Bork's credentials are impeccable. He has the ability, wisdom, and experience to be an excellent Supreme Court Justice.

What makes this individual so qualified? Certainly his experience speaks for itself. He was a professor at Yale Law School for 15 years; the holder of two endowed chairs; a graduate of the University of Chicago Law School; Phi Beta Kappa and managing editor of the Law Review. He is also an experienced practitioner of law, and was a partner in the firm of Kirkland & Ellis. He served as the Solicitor General of the United States from 1973–77, representing the United States before the Supreme Court in hundreds of cases. He was unanimously confirmed for the D.C. Circuit in 1982, after receiving the ABA's highest rating—"exceptionally well qualified"—which is given to only a handful of judicial nominees each year. No appellate judge in America has had a finer record on the bench; not one of his more than 100 majority opinions has been reversed by the Supreme Court.

These are a few of the highlights of his judicial career that demonstrate not only his ability as a legal scholar and a lawyer but attest to the general consensus of his peers that this individual is of truly extraordinary caliber, and one that we are lucky to have as a nominee for the U.S. Supreme Court.

So much has been written about the Bork nomination that it would be difficult to come up with anything new or original about his career that does not support his qualifications as a nominee.

In addition, we have not only had an in-depth discussion of Judge Bork's impeccable credentials and judicial philosophies but a history lesson on the constitutional origins of the U.S. Supreme Court and the process of selecting its Justices. Scores of material have been written by the best constitutional scholars on the intent of the Framers when they drafted article II, section 2, those sparse but important words that the President shall nominate, by "advice and consent" of the Senate "shall appoint the judges of the Supreme Court."

In this current debate, no words have been scrutinized more closely than these. What did the Framers really intend that the roles of the Senate and the President be in the selection of a Supreme Court Justice? Is the Senate to join with the President—to form a kind of nominating committee, or was it intended that

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the Senate simply review the President's nominee, objecting only in cases where individuals are clearly not qualified.

Most of our knowledge about the intent of the Framers when they drafted the Constitution 200 years ago comes from the early Federalist Papers. As it is true of our legislative process today, the words used in the final draft of this document were not simply the product of one author, but the work product of many debates between individuals with different ideological and personal values. In addition, all of us know only too well that in most cases a bill is not drafted, introduced and signed overnight, but that the final product is based on rewriting and changing the work product until a consensus is reached. What does this add to our current debate on the Bork nomination?

Some have argued that because the Framers discussed and adopted various drafts which envisioned a greater role for the Senate that such history is evidence of the greater importance of the Senate than simply to review the President's choice. [Senator BIDEN's debate CR July 23, 1987.] I disagree. Whatever the Federalist Papers may say about the Framers' various drafts of article II, section 2, on this selection process, in the end, we are left only with the words currently existing in the Constitution—that the President nominates with advice and consent of the Senate.

I believe the meaning is clear. In the selection of a Supreme Court Justice, it is the Chief Executive of the United States, the Founding Fathers designated, to nominate its Supreme Court Justices and the Senate who reviews them. Both roles are equally important; however, one act is clearly before the other. It is not the job of the Senate to nominate Supreme Court Justices. In addition, the Senate acts as a "check" on the President's choice. The Senate has the power to veto, if you will, an individual who is clearly unsuitable to be a Justice and the President has no authority to override that veto power.

We know that this checks and balances system is a consistent theme of the Constitution. Three independent branches of government, the bicameral legislative process. The State and Federal system were not accidentally placed in the Constitution. Another obvious example is the legislative process. It is the Congress that introduces legislative initiatives, the President reviews it and has the authority to veto such legislation.

What then should the Senate do to sufficiently satisfy its advice and consent role? In my view, the Senate's review should concentrate on the individual's suitability as a nominee. In fulfilling this role, certainly, the Senate should carefully and thoroughly review the candidate's credentials to determine if the President's choice fits the necessary qualifications for the job—and in this case, a lifetime Supreme Court Justice—deserves close scrutiny. However, in my opinion, and in the opinion of many others, there is no doubt that Judge Bork is superbly qualified for this position.

If we were picking a professional for any other job, would we not want the same caliber of professional that Judge Bork has demonstrated in his career? Would we think twice about picking the best surgeon for an operation, or putting our best quarterback in the game for the Super Bowl?

What has confused the debate on this nomination is not that this judge lacks the professional qualifications to be an excellent Supreme Court Justice as demonstrated by the support he received during his confirmation hearings in 1982. But that this is a Reagan nomination—and a nomination of a conservative President—that in the past has supported conservative beliefs. In essence, some would have the Senate nominate the candidate.

I believe this is not the Senate's proper role. Who would they pick as their candidate? The name is not as important as is the nominee's ideological and political beliefs. A politically balanced Supreme Court in line, of course, with their own views, is their true objective. Why else would anyone question this nomination?

I think this approach not only violates the intent of the Framers with regards to the Supreme Court selection process, but also strains basic separation of powers principles by making Supreme Court Justices political puppets of the Senate. It is not the judicial qualifications and personal integrity of the nominee that become the issue—but how he will vote when he gets on the Bench. Why not simply pick someone with the right judicial voting record? Is this the kind of selection process our Founding Fathers envisioned? I think not.

Mr. FISH. Mr. Speaker, I thank the gentleman very much for the gentleman's contribution.

Mr. SHAW. Mr. Speaker, in November of last year a news story broke in the Middle East that quickly led to the uncovering of what America came to know as the "Iran-Contra Arms Scandal." When that event was made public to the American people, one individual in particular was immediately singled out as the "bad guy," guilty of dozens of untold, yet culpable acts. He was portrayed as the right-wing radical, the liar, the cheat, and the criminal. His name is Oliver North.

Many of the politicians, the news media, and consequently many of the American people prejudged Oliver North. Then something happened; Oliver North got his day in Congress, in front of the American public, to defend his record. And soon, those who were guilty of prejudging the man became silent and attempted to explain away their earlier statements.

This same Congress is once again embarked on the judgment of another individual. His name is Robert Bork. And once again, the liberal politicians, the news media and many of the American people have prejudged Robert Bork. What have they said? They said he is a right-wing radical, guilty of dozens of untold conservative wrongs, culpable of something bad—but just what we have not exactly been able to discern. Sound familiar? It is familiar. It is just another example of the wholesale prejudgment of a man before the public has had the opportunity to hear from him or look at his record. That is not supposed to be the American way.

What has Judge Bork been accused of by those who have already judged him? Has he been accused of being intellectually unqualified to sit as a Supreme Court Justice? No, his record of academic and judicial accomplishments is too substantial to support that accusation. Is he accused of dishonesty or lack of integrity? No, his reputation is unblemished. Is he accused of being a bad judge, a judge whose opinions for example are consistently overturned? No, his judicial record is proficient and in fact, not one of his more than 100 appellate opinions have ever been reversed. What Judge Bork has been accused of is that he is a conservative, that he is very conservative, and that he is too conservative.

Let's look at the history of this "radical conservative." When he was appointed by President Reagan to the U.S. Circuit Court of Appeals, Judge Bork was 1 of only 2 Republicans sitting on the 10-member panel. Today he is one of five Republicans on that panel. And, despite the disparity in representation on that bench, of the hundreds of cases heard and decided by that court, Judge Bork wrote only nine dissents and seven partial dissents. Of those few dissents, several were adopted by the U.S. Supreme Court as its reasoning when it reversed that Circuit Court of Appeals decisions. That does not sound like the judicial history of a radical conservative.

We have already heard here today of Judge Bork's fair-minded opinions regarding the broadcast media, free speech, economic policy, criminal justice, and civil rights. Let's turn for a moment to his support of labor unions in this country. As an appeals court judge, Bork has authored numerous decisions upholding significant victories for labor unions. For example, in his opinion in United Mineworkers of America versus Mine Safety and Health Administration, Judge Bork held on behalf of the United Mineworkers Union and against the administration. Judge Bork held that the Mine Safety and Health Administration could not excuse individual mining companies from compliance with mandatory safety standards, even on an interim basis, without following particular procedures to ensure that the miners were made as safe or safer by the exemption from compliance. In Musey versus Federal Mine Safety and Health Review Commission, Judge Bork ruled against the Commission and in favor of the union when he held that the union's attorneys were entitled to costs and attorneys fees for representing union members against the Commission. Again in Amalgamated Transit Union versus Brock, Judge Bork, writing for the majority, held in favor of the union and against the Secretary of Labor. He ruled that the Secretary of Labor had exceeded his statutory authority in certifying in Federal assistance applications that "fair and equitable arrangements" has been made to protect the collective bargaining rights of employees before the union and the management had actually agreed to a dispute resolution mechanism. And again, in Black versus Interstate Commerce Commission, Judge Bork joined in a per curiam opinion in holding that the ICC had acted arbitrarily and capriciously in allowing a railroad to abandon some of its tracks in a manner that caused the displacement of employees of another railroad. These are just a few of the several opinions that Judge Bork has authored or joined with the majority in upholding the rights

of union workers against unfair management practices or unfair administrative rulings.

In reviewing those labor-related cases wherein Judge Bork has ruled in favor of the labor unions as well when he has ruled in favor of the Government or of a private employer, one pattern becomes evident. That pattern is a consistency by Judge Bork to uphold the letter of the law regardless of the political or social ramifications. The pattern of judicial philosophy that is reflected in Judge Bork's labor opinions is consistent with Judge Bork's description of his philosophy that judges must apply the Constitution, the statute, or controlling precedent in cases of law and not their own moral, political, philosophical, or economic preferences.

Judge Bork's judicial philosophy, as exemplified in his opinions regarding labor law, is further demonstrated in his rulings in the field of administrative law. For instance, in the 1983 case of Planned Parenthood Federation of America, Inc. versus Heckler, Judge Bork concurred in a court of appeals opinion which held that the parental notification regulation under title X of the Health Services Act was inconsistent with Congress' intent. Judge Bork agreed with the majority that HHS had no authority to promulgate a parental notification rule with regard to the prescribing of contraceptives to minors. Consistent with Bork's strict constructionist philosophy, he reasoned that because HHS' authority claimed to be predicated on Congress' 1981 amendments to title X that the regulation must fail because title X did not grant the agency the authority to promulgate such a rule. Further consistent with his judicial philosophy to interpret the law as written, in Jersey Central Power and Light versus FERC, Judge Bork ruled against the Commission and in favor of Jersey Central's right to a hearing. In that case, the court of appeals, sitting en banc, considered the utility's argument that the rates it was permitted to charge by the Federal Energy Regulatory Commission were so low that they constituted an unconstitutional taking of property without just compensation. The Commission had ignored the utility's claim and refused to even grant the utility a hearing at which it could present its case. Although the court initially affirmed the Commission's action, upon rehearing by the full court, Judge Bork wrote an opinion for the majority sending the case back to the Commission and criticizing the Commission for its disregard of the utility's constitutional right to a hearing.

As we have heard from other Members today, Judge Bork's record with regard to criminal law and civil rights is a balanced one. The cases I have mentioned here concerning labor law and administrative law, I believe, again reflect a balanced record and Judge Bork's sense of fairness. Certainly in the fields of labor law and administrative law, Judge Bork has had an opportunity to side squarely with a conservative Reagan administration, time and again. The examples of cases set forth above, indicate that Judge Bork in his role as a judge has not taken political sides. He, in fact, has in many instances and in key cases, ruled against this administration. Judge Bork is the leading proponent of "judicial restraint." It has been said that he believes that judges should set aside the decisions of the democratically elected branches of government only when there is warrant for doing so in the Constitution itself. His decisions on the Circuit Court of Appeals very plainly reflect that principle. Judge Bork further believes that a judge has no authority to create new rights based upon his own personal philosophical views, but must instead base his judgment on the principles set forth in the Constitution. I believe his record supports this philosophy.

The rush to judgment against Judge Bork as a nominee to the U.S. Supreme Court is unfair. This sense of unfairness has apparently motivated even current members of the U.S. Supreme Court to speak out in his favor. Justice John Paul Stevens, in what has been described as an unusual public remark by a sitting Supreme Court Justice, praised Judge Bork's qualifications and explicitly rejected the portrait of Bork as a rigid rightwing ideologue. Justice Stevens, a moderate on the Supreme Court, in a speech 2 weeks ago in Colorado, likened Judge Bork's constitutional philosophy to that of himself and two other moderate centrists on the Court, Justice Lewis F. Powell, Jr., who Bork has been nominated to replace, and the late Justice Potter Stewart. Justice Stevens said of Judge Bork: "I personally regard him as a very-well-qualified candidate and one who will be a very welcome addition to the Court."

It has become evident to me during my review of Judge Bork's record and my review of the criticism hurled against him by the liberals here in Washington, that it is not Judge Bork's conservatism that they disdain. It is rather that Judge Bork is not a liberal and does not appear willing and prepared to impose a liberal agenda on the Court. It is obvious to me that Judge Bork is a very qualified candidate for the U.S. Supreme Court and has displayed an ability to interpret the law without regard to any political agenda.

That his absence of a liberal political agenda should be used as a basis to criticize his qualifications as a nominee to the Supreme Court is evidence that our confirmation process has degenerated into one purely political. I urge my colleagues in the other body to avoid repeating the recent mistakes made in the Iran-Contra spectacle. Wait and see for yourselves the record of Judge Bork and allow him an opportunity to be heard before you judge him.

Mr. FISH. Mr. Speaker, it is noteworthy, and it has come across in this hour that Judge Bork as a man, as an intellect and as a jurist, should be looked at closely and honestly by the other body and by the American people.

I find it difficult to reconcile the charges that have been leveled against him with the record since becoming an appellate Federal judge.

Mr. Speaker, I am going to close now; but this matter will be continued. It is a policy of the House to recognize Members from one side of the aisle and then the other side of the aisle.

The subject matter of the qualifications of Robert Bork as Associate Justice of the Supreme Court for the United States will be continued in a while under the special order of the gentleman from California [Mr. LUNGREN].

Mr. Speaker, I find if personally difficult to reconcile the charges that have been leveled against Judge Bork with his record since becoming an appellate Federal judge. It has been said that he reflects an extremist view that is somehow beyond the range of acceptable American legal thought. It has been charged that he is a rigid ideologue and that his rigid ideology will be translated into judicial rulings that are illogical or unfair. How do these charges actually jibe with Robert Bork's legal and judicial philosophy? How do they stand up, when one looks at the actual facts?

Robert Bork, both before he was a Federal judge and since his elevation to the D.C. Circuit Court of Appeals has been—both in theory and practice—an advocate of judicial restraint. Under that legal philosophy it is inappropriate for a judge to go beyond the intent of the statute in question or to attempt to deal judicially with matters that are the sole prerogative of the legislature. On December 6, 1984, Judge Bork delivered the Boyer Lecture before the American Enterprise Institute, and took that opportunity to summarize his judicial philosophy in the following way:

> The sole task of the judge—and it is a task quite large enough for anyone's wisdom, skill, and virtue—is to translate the framer's or the legislator's morality into a rule to govern unforeseen circumstances. That abstinence from giving his own desires free play, that continuing and self-conscious renunciation of power, that is the morality of the jurist.

So, Judge Bork asks the following kinds of questions: What does the law actually say? Does the statute permit a government agency, a private organization, or an individual to act in a particular manner? Do the regulations issued by the agency reflect the statutory authority given to that agency? Does the Constitution allow the outcome sought by the litigants in this particular case? Do these sound like the questions of a radical or an extremist? Or, do they sound like the type of questions that a judge ought to ask?

Critics of Judge Bork also assume that his philosophy of judicial restraint automatically results in decisions that would be popularly characterized as conservative as opposed to liberal. That presumption is simply not correct, nor even logical if one spends much time thinking about it. Legislatures can and do write liberal, as well as conservative, laws. If that is the statute before Judge Bork, that is the statute he applies and follows. Agencies can promulgate regulations that foster liberal political results and, if that is the case, Judge Bork looks at the language of that regulation and its statutory authority. Judge Bork does not substitute a desired philosophical result for sound legal reasoning.

Allow me now to cite some interesting cases on which Judge Bork has participated since he served in the D.C. Circuit Court of Appeals. I believe these decisions are illustrative of Judge Bork's philosophy in action.

In 1983, Judge Bork voted with the majority on the court so as to invalidate the so-called squeal rule. *Planned Parenthood Federation of America* v. *Heckler*, 712 F.2d 650, 665–668 (1983). The case involved a Department of

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Health and Human Services regulation that required providers of family planning services—those receiving Federal funds—to notify the parents of minors when contraceptives were provided those minors. Judge Bork and his colleagues looked at the regulation in question, the authority cited by HHS, and concluded that the agency did not have the legal authority to issue that regulation under the statute they relied upon.

In 1984, Judge Bork wrote the unanimous opinion upholding the first amendment right of an artist to lease display space in Washington's subway stations. *Lebron* v. *Washington Metropolitan Area Transit Authority,* 749 F.2d 893 (1984). The artist sought to publicly exhibit a poster that was graphically critical of President Reagan and the Reagan administration. Judge Bork reversed the decision of the Washington Metropolitan Transit Authority, which had refused to lease the space to the artist on the ground that his poster was deceptive. Judge Bork determined that their refusal was an unconstitutional interference with that individual's first amendment right of political free speech.

In 1985, in the case of FTC versus Brown and Williamson Tobacco Corp., Judge Bork wrote for a unanimous court stressing that the first amendment protects not only political free speech, but commercial free speech as well. See: 778 F.2d 34 (1985). In that same year, Judge Bork joined in a majority decision in the landmark Quincy Cable case which overturned the controversial FCC must-carry regulation. *Quincy Cable TV, Inc.* v. *Federal Communications Commission,* 768 F.2d 1434 (1985). That decision, authored by Judge Skelly Wright, invalidated a regulation that compelled pay TV systems to carry a certain number of public service channels. The majority opinion, joined in by Judge Bork, determined that the FCC had overstepped its regulatory authority and in doing so unnecessarily impinged upon the first amendment rights of cable TV systems.

In his service on the D.C. Circuit Court of Appeals, Judge Bork has also demonstrated his sensitivity on civil rights issues. For example, sitting as part of a three-judge panel in the case of County Council of Sumter County, South Carolina versus United States, Judge Bork rejected the arguments of a South Carolina county that its change to an at-large election system did not require preclearance by the Justice Department under section 5 of the Voting Rights Act. 596 F.Supp. 35 (1984). I doubt that any Member of Congress of either party, who has been involved in voting rights legislation and litigation as I have been, would disagree with this decision.

In another case involving the Department of the Navy, Judge Bork rejected the notion that the military services are immune from judicial review in cases involving racial discrimination. *Emory* v. *Secretary of Navy,* 819 F.2d 291 (1987). In that case, Judge Bork decided that the courts had a right to inquire into whether or not the failure to promote a particular individual was based on racial discrimination.

My point in reciting these cases is that when Robert Bork exercises his judicial responsibilities, consistent with his view of the proper role of a judge, the result can often be civil libertarian in nature. To talk of Robert Bork, a man remarkably well qualified to serve on the Supreme Court, as an extremist or as being outside the realm of acceptable American legal thought is not only an unfair and incorrect—it reflects an elementary failure to look at his real record. The debate over this nomination has and will, inevitably, be a mixture of politics and law. In fairness to the man, let's look clearly at the facts in this case before a final judgment is rendered.

Mr. SMITH of Texas. Mr. Speaker, we are in the midst of thoughtful debate over the confirmation of Supreme Court appointee Robert H. Bork. Key issues raised involve the Senate's advise and consent role and what Senate precedent suggests about ideological opposition to Judge Bork's confirmation. The purpose of my statement is to bring certain Senate precedents to the public attention that will further inform the debate.

The first set of precedents I will mention are relatively recent. They concern statements made during the confirmation hearings of Justice O'Connor in 1981. These statements are from distinguished Democratic Senators, currently members of the Senate Judiciary Committee. I find their statements instructive about how the Senate should approach the nomination of Judge Bork to the Supreme Court. I also want to mention my appreciation about the fairness these distinguished Democratic Senators showed during the O'Connor hearings. It is my hope that Judge Bork will receive the same kind of fairness Justice O'Connor received.

Senator Joseph BIDEN, now the distinguished chairman of the Senate Judiciary Committee, made the following comment concerning the Senate's role in confirming Supreme Court appointments:

> There is no more important responsibility for the Senators who serve on this committee, in my opinion, Judge, than the one we will exercise today—that is, reviewing the qualifications of the nominee for the U.S. Supreme Court. The Supreme Court has a profound impact on the shape of our Government and the well-being of our people.
>
> Accordingly, I believe it is necessary at the outset of these hearings on your nomination to define the nature and scope of our responsibilities in the confirmation process, at least as I understand them.
>
> First, as a Member of the U.S. Senate, I am not choosing a nominee for the Court. That is the prerogative of the President of the United States, and we Members of the U.S. Senate are simply reviewing the decision that he has made.
>
> Second, our review, I believe, must operate within certain limits. We are attempting to answer some of the following questions: First, does the nominee have the intellectual capacity, competence, and temperament to be a Supreme Court Justice? Second, is the nominee of good moral character and free of conflict of interest that would compromise her ability to faithfully and objectively perform her role as a member of the U.S. Supreme Court? Third, will the nominee faithfully uphold the laws and Constitution of the United States of America?
>
> We are not attempting to determine whether or not the nominee agrees with all of us on each and every pressing social or legal issue of the day. Indeed, if that were the test no one would ever pass by this committee, much less the full Senate.

Senator EDWARD KENNEDY, the distinguished former chairman of the Senate Judiciary Committee made these insightful remarks concerning labels and litmus tests:

> By some, Judge O'Connor has been termed a judicial conservative. However, simplistic labels are inadequate to define a complex concept like judicial philosophy, let alone predict a vote in a future case. What we seek in the Federal courts are judges who will display legal excellence and personal integrity and sensitivity to individual rights.
>
> It is offensive to suggest that a potential Justice of the Supreme Court must pass some presumed test of judicial philosophy. It is even more offensive to suggest that a potential Justice must pass the litmus test of any single-issue interest group. The disturbing tactics of diversion and distortion and discrimination practiced by the extremists of the "New Right" have no place in these hearings and no place in our Nation democracy.

Senator HOWARD METZENBAUM indicated his open-mindedness and fairness toward the O'Connor nomination.

> I come to this hearing with no preconceived notions. If I happen to disagree with you on any specific issues, it will in no way affect my judgment of your abilities to serve on the Court. It is a matter of concern to me, however, that there are certain groups who have spoken adversely about this appointment by reason of some of your votes or actions as a State legislator.
>
> I have some very strong feelings about judicial appointments. Basically, I think that the appointee must be a person of integrity; a person who has been shown to be a highly qualified scholar; and a person who will have the kind of character that reflects well on the judiciary in general.

Senator PATRICK LEAHY stated his views in a similar vein:

> Our examination of Judge O'Connor's judicial philosophy, that is relevant and important, but we should not condition our confirmation on her agreement with any opinions of ours, so long as her philosophy is within the norms set down by the Constitution itself. We are a pluralist republic, no less on the bench than in a Vermont town meeting or a national election.
>
> I enjoyed my own visit with Judge O'Connor. I told her at that time I really did not care whether she was a Republican or a Democrat, a conservative or a liberal. That is not the issue. The issue is one of competence and whether she has a sense of fairness. I am convinced on both counts.

Mr. Speaker, I believe these statements correctly portray the Senate's advise and consent role: open-mindedness without conditioning confirmation on ideology. These Senators deserve praise for their approach to the O'Connor nomination, and if they are mindful of their past statements, I feel certain they will be fair to Judge Bork.

Mr. Speaker, the second set of precedents helpful to the debate concern past Senate refusals to confirm Supreme Court nominees. I submit the table of Supreme Court nominees not confirmed by the Senate to be included in the RECORD.

SUPREME COURT NOMINEES NOT CONFIRMED BY THE SENATE

| Nominee | Senate action | Reason(s)[1] |
|---|---|---|
| William Paterson[2] | Withdrawn, Feb. 28, 1793 | |
| John Rutledge | Rejected (10–14), Dec. 15, 1795. | 2. |
| Alexander Wolcott | Rejected (9–24), Feb. 13, 1811. | 2, 6. |
| John J. Crittenden | Postponed, Feb. 12, 1829 | 1. |
| Roger Taney[2] | Postponed, Mar. 3, 1835 | |
| John C. Spencer | Rejected (21–26), Jan. 9, 1844. | 1. |
| Reuben H. Walworth | Withdrawn, Jun. 17, 1844 | 1, 4. |
| Edward King | Postponed, Jun. 15, 1844 | 1. |
| Edward King | Withdrawn, Feb. 7, 1845 | 1. |
| John M. Read | No action | 1. |
| George W. Woodward | Rejected (20–29), Jan. 22, 1846. | 1, 2, 4. |
| Edward A. Bradford | No action | 1. |
| George E. Badger | Postponed, Feb. 11, 1853 | 1. |
| William C. Micou | No action | 1. |
| Henry Stanbery | No action | 1. |
| Ebenezer R. Hoar | Rejected (24–33), Feb. 3, 1870. | 2. |
| George H. Williams | Withdrawn, Jan. 8, 1874 | 6. |
| Caleb Cushing | Withdrawn, Jan. 13, 1874 | 5. |
| Stanley Matthews[2] | No action | |
| William B. Hornblower | Rejected (24–30), Jan. 15, 1894. | 4. |
| Wheeler H. Peckham | Rejected (32–41), Feb. 16, 1894. | 4. |
| John J. Parker | Rejected (39–41), May 7, 1930. | 2, 7. |
| Abe Fortas | Withdrawn, Oct. 4, 1968 | 1, 2, 3, 6. |
| Homer Thornberry | No action | 1, 2, 3, 6. |
| Clement Haynesworth, Jr. | Rejected (45–55), Nov. 21, 1969. | 2, 6. |
| G. Harrold Carswell | Rejected (45–51), Apr. 8, 1970. | 2, 6. |

[1] 1—Opposition to the nominating President, not necessarily the nominee. 2—Nominee's involvement with a visible or contentious issue of public policy or, simply, opposition to the nominee's perceived political or sociopolitical philosophy (i.e., "politics"). 3—Opposition to the record of the incumbent Court which, rightly or wrongly, the nominee had presumably supported. 4—Senatorial courtesy (closely linked to the consultative nominating process). 5—A nominee's perceived "political unreliability" on the part of the party in power. 6—The evident lack of qualification or limited ability of the nominee. 7—Concerted, sustained opposition by interest or pressure groups.

[2] Eventually confirmed.

Sources: "The Supreme Court and Its Work," Congressional Quarterly; Henry J. Abraham, "Justices & Presidents" (2d. edition 1985).

The table shows that the Senate has refused to confirm 26 of the 141 Supreme Court nominees forwarded to it in about two centuries of our history as a nation. However, the trend is toward a lower rate of Senate refusal to confirm. In the 19th century the rejection rate was 1 out of 3 nominees. Supreme Court scholar Henry Abraham states that a return to this record is "highly unlikely." In this century, even when counting the Senate's refusal to vote on the Fortas promotion, only 4 have been voted down for a 1 out of 5 rejection rate. It should also be noted that 3 of the 26 rejected nominees eventually were confirmed and 5 of the 26 served on the Court.

This table not only shows the increasing infrequency of refusals to confirm but also the reasons for these refusals. The opposition to Judge Bork's confirmation is an admitted frontal assault for ideological reasons. Thus, this opposition is based totally on what is called reason No. 2 in the table. Although Bork opponents are correct that ideology has played a role in the confirmation process, the reason column in the table—based on Henry Abraham's book "Justices & Presidents"—reveals that there are only three instances (Rutledge, Hoar, and Parker) in Professor Abraham's view where ideology or political philosophy was basically the only reason for the Senate's refusal to confirm. My argument is that these three instances do not constitute valid precedent for the Senate to refuse confirmation of Judge Bork to the Supreme Court.

First, each of these three instances are easily distinguishable from the circumstances of the Bork nomination. In the case of John Rutledge, the Senate reportedly rejected his confirmation as Chief Justice because of his vigorous opposition to the Jay Treaty of 1794. However, several other facts should be noted. Rutledge at the time of his rejection was serving as a recess appointment on the Court. It was a few weeks after his nomination and while he was Chief Justice of the United States, that Rutledge attacked the Jay Treaty—a conciliatory treaty negotiated by the Washington administration to ease tensions with Great Britain. Prof. Laurence Tribe in his book "God Save This Honorable Court" further describes the scenario:

> The treaty was ardently supported by the Federalists. Washington's Senate allies, as an integral part of party policy; it was opposed by Democratic Republicans as an affront to the nation's former ally, France. To the minds of many Senators, Rutledge's opposition to the treaty called into question his views on foreign policy and his judgment in taking so strident a position on an issue that polarized the nation. Rutledge's behavior even fueled rumors that he suffered from mental instability.

Indeed, the concerns about Rutledge's mental stability may have been more than rumors. In Congressional Quarterly's "The Supreme Court and Its Works," it is noted that:

> Rutledge attempted to drown himself after hearing news of his Senate rejection and suffered lapses of sanity until the end of his life.

The differences from the Bork nomination are considerable. Judge Bork is not serving on the Court as a recess appointment. Nor has he commented on a volatile political issue totally divorced from judicial proceedings as a distingiushed jurist on the U.S. Court of Appeals for the D.C. Circuit. Nor is there any concern about the mental health of Judge Bork. While the Rutledge case illustrates the consideration of ideology, it seems it is only strong precedent for Senate rejection where the nominee as a sitting Justice on a recess appointment made comments on a current political issue on the which his opponents disagreed. The closest analogy would be Judge Bork sitting as a recess appointment on the Court, vigorously opposing an Arms Control Treaty negotiated by the Reagan administration. Indeed, the situation appears to be the reverse for Judge Bork. We do not really know his political views. Only his judicial views have been publicized. Moreover, to the extent he has commented on pending legislation, it was as an authority cited as support by Senators who opposed the "human life statute" in 1982.

The rejection of Ebenezer Hoar came in the politically troubled times of the Reconstruction Era. In 1866, President Andrew Johnson attempted to fill the vacant seat on the Supreme Court created by the death of Justice John Catron. The radical Republican Senate, who would later try Johnson after his impeachment by the House, reduced the size of the Court to eight so that Johnson could not fill the seat. When Ulysses S. Grant became President in 1869, Congress restored the seat. Grant nominated his Attorney General Ebenezer Hoar to the Court. At the same time, Justice Grier announced his retirement creating another Court vacancy. The Senate then insisted that Grant appoint Secretary of War Edwin Stanton to the Court. After initial resistance, Grant agreed to nominate Stanton as a trade for confirmation of Hoar. Unfortunately, for Grant and Hoar, Stanton died 4 days after his confirmation and the deal for Hoar was off. Professor Abraham described the Senate's rejection of Hoar as follows:

> On December 15, 1869, Republican President Ulysses S. Grant nominated his eminently qualified and popular Attorney General, Ebenezer R. Hoar. The debate over his nomination dragged on for seven weeks until February 3, 1870, when Hoar was finally rejected by a vote of 24 to 33. He had antagonized most of the Senators by his consistent refusal to back Senatorial nominations for judgeships, by his publicly uncompromising insistence on "nonpolitical" appointments throughout the government, and by his early championship of civil service reform. Moreover, he had made enemies of fellow Republicans by his outspoken opposition to the proposed impeachment of President Andrew Johnson. Few professional politicians appreciated Judge Hoar's high standards of excellence and assertive political independence, and the Court was deprived of an unusually promising candidate.

Again, the political circumstances are obviously different from the Bork nomination. Judge Bork is not a sitting public official who has antagonized Congress. Opposition to Bork's confirmation is not based on his views on pending legislation but on his judicial philosophy. Most importantly, I don't believe anyone is arguing the Senate considering the Bork nomination should act like the radical Republican Senate of 1870.

The rejection by the Senate in 1930 of Chief Judge John J. Parker of the U.S. Fourth Circuit Court of Appeals was based on his perceived views toward labor in a judicial opinion and statements about black participation in politics made as a gubernatorial candidate in 1920. The American Federation of Labor's grudge against Parker was that they thought he was unfriendly to labor and that he handed down an opinion affirming a lower court decision that upheld yellow dog contracts. Professor Abraham observed:

> A close reading of Judge Parker's opinion in the case indicates neither approval nor disapproval of yellow dog contracts; rather it reflects the responsible jurist's belief that he was bound a U.S. Supreme Court precedent. Yet, according to Professor Tribe, one magazine characterized the issue in Parker's nomination as a concern that "dogmatic adherence to a judicial precedent * * * is not evidence that a man is fit to sit on the Supreme Bench."

Opponents argued that Parker should have ruled that yellow dog contracts were unjust despite the precedents.

Further opposition to Parker was generated by the National Association for the Advancement of Colored People [NAACP] because Parker had made the following remark during a political race:

> The participation of Negro in politics is a source of evil and danger to both races and is not desired by the wise men in either race or by the Republican Party of North Carolina.

Ironically, Parker would later write some of the earliest and most significant problack

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opinions ono desegregation. This example reinforces the view of Senator BIDEN made on the Senate floor September 21, 1981:

> What dawned on me was that no one, Mr. President, in the approximately 200-year history of the Court, has been accurately able to predict what a Justice of the Supreme Court would be like prior to that justice's being appointed to the Supreme Court.

Again, the circumstances of Parker rejection are not analogous to Judge Bork's situation. Judge Bork has not made an unfortunate remark like the one made by Parker. Moreover, Parker was attacked for positions on two issues. Judge Bork is being attacked because he is a forceful and eloquent advocate of judicial restraint. Finally, no one is opposing Bork's confirmation because of "dogmatic adherence to a judicial precedent."

I think these precedents make it clear that the Senate has never rejected a nominee solely because of his judicial philosophy. To the extent the precedents indicate political ideology as a sole factor, they are not applicable to the circumstances of the Bork nomination. Most importantly, these refusals to confirm Supreme Court nominees have been some of the low points in the history of the Senate. Indeed, the historical view is that the rejections of Hoar and Parker were mistakes.

Those who argue that past Supreme Court rejections make the case of ideological rejection of Judge Bork to the Supreme Court are not supported by precedent. Refusals to confirm are becoming less frequent. Past rejections were in many cases mistakes and ugly moments in our Nation's history. In no instance has the United States ever rejected a "four star" appointment like Judge Bork. Nor is there an instance of rejection purely because of judicial, not political, orientation.

The Senate would be better served if it adhered to its approach taken in the O'Connor nomination and in about 80 percent of the nominations this century than in following inapplicable and wrong precedents in the few rare cases.

Mr. ARMEY. Mr. Speaker, I rise today to express strong support for President Reagan's latest nominee to the Supreme Court, Judge Robert H. Bork.

Since the President submitted Judge Bork's name to the Senate for confirmation, I've tried to understand why some of our colleagues in the Senate feel compelled to prejudge his fitness based on their perception of his political persuasion, without the benefit of his remarks. Sadly, it seems the confirmation process has degenerated to the point where politics has replaced professional ability as the central question.

The point is not whether or not you agree with Jude Bork's political ideology. The question facing the Senate is whether Robert Bork is qualified to be a Supreme Court Justice. Looking at Judge Bork's qualifications, it's hard to imagine a man with better credentials.

Judge Bork is a distinguished jurist, a renowned legal scholar, and a dedicated public servant. He's served the United States as Solicitor General and Acting Attorney General, and he has shared his knowledge of the law as a professor at one of our most prestigious law schools. In his current role as a judge on the District of Columbia Federal Court of Appeals, he has proven to be one of the court's hardest working and most influential legal minds.

Thus, it is truly astounding that some Senators have seen fit to lambast Judge Bork, saying that he is an extremist and unfit to replace Justice Powell. Are they unaware that the American Bar Association has given Judge Bork its highest rating, that of "exceptionally well qualified?" Are they unaware that a recent poll of judges nationwide showed a majority favor the confirmation of Judge Bork? Are they unaware that in his tenure at the Court of Appeals, he has written over 100 majority opinions, and not one has been reversed by the Supreme Court? It's hard to imagine a better-qualified nominee.

It is both obvious and outrageous that it is Judge Bork's politics, and not his qualifications, that are at issue. No doubt, many Senators would like to name their own replacement for Justice Powell, imposing their, and not our elected President's, views on the Supreme Court. However, that is not their prerogative.

In their limited role of confirming or rejecting nominees, Senators should not be driven by political considerations. However, it would appear that some are more interested in furthering their own political ambitions than in discharging their responsibilities. If that's not true, why has the chairman of the Senate Judiciary Committee, who said only a year ago that he would vote for Judge Bork if he were nominated, postponed Judge Bork's confirmation hearings longer than any others in history?

Mr. Speaker, Justice Powell chose this time to annouce his retirement for a specific reason. He wanted to give the President ample time to name a replacement and have that replacement confirmed by the Senate by October 5, when the Court reconvenes. He feared that if he waited the confirmation process would become bogged down in the 1988 Presidential campaign and that the Court would be forced to operate at less than full strength, reducing litigants' access to the Court and slowing the resolution of any cases in which the Court was evenly split.

I urge the Senate leadership to put politics aside and convene the hearings immediately. The American people deserve a Supreme Court operating at full strength.

## GENERAL LEAVE

Mr. FISH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order tonight.

The SPEAKER pro tempore (Mr. LANTOS). Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 60 minutes.

[Mr. GLICKMAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

## TRIBUTE TO FORMER CONGRESSMAN DOMINICK V. DANIELS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. GUARINI] is recognized for 60 minutes.

Mr. GUARINI. Mr. Speaker, I am very saddened by the passing of Dominick Daniels who died July 17 after a long illness. Our former colleague was a dedicated representative of the 14th District of New Jersey which I now represent. He was a very effective member of the House Education and Labor and Post Office and Civil Service Committees for nine terms from 1958 until 1976.

Dominick Daniels was born in Jersey City, NJ. He was the son of an Italian immigrant. He graduated from Fordham University, and worked his way through Rutgers University Law School. He became a member of the New Jersey and Hudson County bar association at age 21.

In 1952, he was appointed magistrate of the Jersey City Municipal Court and was named presiding magistrate in 1957. Dominick Daniels also served as vice chairman of the Jersey City Civil Rights Commission from 1952 to 1955.

As a Member of the House from 1958 until 1976, Dominick Daniels championed the causes of health and safety in the workplace. He took the lead in efforts to provide compensation of injured workers and Federal job-safety rules where States failed to enforce any. His efforts led to a compromise that established the principle of Federal supervision over occupational health and safety in industries around the country. He was particularly instrumental in the passage of key labor legislation, including the Comprehensive Employment and Training Act [CETA], and the Occupational Safety and Health Act [OSHA].

Mr. Daniels was also outspoken in prodding the Kennedy administration to see that schools and colleges strictly complied with the 1954 Supreme Court decision against racial segregation. He wrote a bill that in 1962 closed a loophole through which land-grant colleges could escape such compliance.

He also guided legislation which made many improvements in the operation of the postal service and advancements for postal workers. He was instrumental in the development of the North Jersey Mail Facility in Kearny, NJ, which now employs over 4,000 workers. As a fitting memorial to Dominick Daniels, I have introduced

legislation to rename this facility the Dominick V. Daniels Postal Facility.

In 1976, he was awarded an honorary doctor of laws degree by St. Peter's College, where his congressional papers are now housed. In 1980, he was honored by the people of Hudson County for his special interests in the problems of older Americans.

Congressman Daniels was an advocate of pride in workmanship and often preached his ethic of hard work to school children in the area. He told a group of students at Public School No. 6:

> It is easy to criticize, but hard work is necessary to improve things. Our forefathers did not retreat from the challenge of work. America is a great country today and will continue to be if we don't forget the principles laid down by its founders.

Dominick Daniels was a parishioner of St. Joseph's Roman Catholic Church in Jersey City and a fourth-degree member of the Knights of Columbus Council 137. He was also a member of the Elks Lodge 211 and had been the president of the Dante Alighieri Society of Jersey City.

Surviving Dominick Daniels are his devoted wife, Camille Curcio Daniels; two lovely daughters, Dolores Maragni of North Long Branch, and Barbara Coleman of Avon; a brother, Alfred J. of Englewood Cliffs; and five sisters, Anna Coglianese of Holmdel, Genevieve Daniels and Elizabeth Corrigan of Avon, Mildred Daniels of Cliffside Park, Eleanor Stutz who lives in Louisiana, and four grandchildren.

A front page article in the Jersey Journal concerning his death, said, "Hudson County has lost a true friend." Tributes by former Representative Joseph A. LaFante, who succeded Daniels in 1976, West New York Mayor Anthony M. De Fino, and others, recalled that "Hudson County showed its appreciation for Daniels by sending him back to Congress term after term with sweeping margins." Congressman Daniels left a legacy to the community leaders of Hudson County reminding them of the need of "service above self."

On a personal note, Dominick was a good friend of mine and my family. We held him in the highest regard and shared many happy times together over the span of our lives. His friendship and wise counsel was truly valued. He dearly cared for all his people and they return their feelings with love and respect. He helped to make the world a better place to live. He will be missed by all whose lives he has touched.

I urge my colleagues to join me in paying tribute to a worthy man. He has earned our accolades for a job well done. May he rest in peace.

Mr. RODINO. Mr. Speaker, it is with great sorrow that I rise to note the passing of Dominick Daniels, my good friend and former New Jersey colleague, who died on July 17 in Jersey City.

Dom Daniels was first elected to Congress in 1958 by the people of New Jersey's 14th Congressional District. He served them with distinction and integrity until 1976 when he opted not to seek reelection. Dominick Daniels was a distinguished member of the Committee on Labor and Education as well as the chairman of the Select Committee on Labor and the chairman of the Civil Service Committee Subcommittee on Retirement, Health Benefits and Insurance. In this capacity, Congressman Daniels was instrumental in the passage of landmark legislation that provided for national standards of worker safety and training, and for postal reform.

Dom was always an articulate and compassionate champion of the right to fairness, access, and equality in education, speaking out often and with force in behalf of minority interests in seeking to desegregate our Nation's schools. Refugees and migrant workers found in Dominick Daniels a man who was willing to fight for their human rights and dignity. Finally, as a man who held the highest regard for the institution of the family and traditional family values. Congressman Daniels worked to create programs that sought to combat the tragedy and debasement of drug abuse and hard-core pornography.

Dominick Daniels' life was a testimony to his compassion and commitment to public service. His wisdom, leadership, and friendship will be greatly missed.

I join with my colleagues in expressing heartfelt condolences to Dom's family.

Mr. HOWARD. Mr. Speaker, when I first came to Congress in 1965, Dominick Daniels was one of the Members to whom I went for guidance and advice.

He was a diligent and effective member of the New Jersey congressional delegation. Time and time again, we in the delegation looked to Dominick Daniels for direction, particularly in the areas of his committee jurisdiction.

The job safety legislation he championed will continue to protect millions of working men and women for generations to come. He was a leader in the fight to ensure desegregation on the college level.

Dominick Daniels served in Congress for 18 years, but he never forgot his humble beginnings nor the men and women who built this country and keep it running. Although he retired over 10 years ago, his legacy remains a part of this institution. Deep respect and affection for Dom Daniels will remain always in our hearts.

I extend my deepest sympathies to the family of this most able and respected legislator.

Mr. HOYER. Mr. Speaker, on July 17, 1987, Dominick Vincent Daniels, who served in this body for 18 years, with unusual distinction passed away in Christ Hospital in his native Jersey City after a long and debilitating illness. I never had the honor of serving with Congressman Daniels but as one who represents a district where the Federal Government is the largest employer, his name was a household word. His work as a ranking member of the Post Office and Civil Service Committee and as chairman of the Subcommittee on Life Insurance, Retirement and Health Benefits made him one of the best known and most popular Members of Congress. I am pleased to join with the gentleman from New Jersey, Mr. GUARINI, in paying tribute to the memory of a true statesman and to extend my sympathy to Mrs. Daniels, his two daughters and their children on the loss of this distinguished American.

My good friend Judge Gerard F. Devlin of the Maryland district court was a long time staff member in the Washington office of Congressman Daniels. Today I received a letter from Judge Devlin that I include at this point in the RECORD:

DISTRICT COURT OF MARYLAND,
*Upper Marlboro, MD, August 3, 1987.*

Hon. STENY HOYER, M.C.
*Room 1513, Longworth House Office Building, Washington, DC.*

DEAR STENY: Thank you for your telephone call informing me that our mutual friend, Congressman Frank Guarini, has arranged for a special order on the House Floor on Tuesday, August 4, 1987 to honor the memory of the late Dominick V. Daniels of New Jersey.

As you know, I worked for Dominick Daniels for a very long time as his press secretary, legislative assistant and eventually as his administrative assistant during the years 1965-1975.

Congressman Daniels was an unusually productive legislator and his name appears on legislation on many topics. He developed the landmark Occupational Safety and Health Act and was the father of Comprehensive Employment and Training Act. During the great 89th Congress, he led the war on poverty and he was the principal sponsor of about half the legislation which came out of the Education and Labor Committee in the years 1965-1966. During that two year period the Congress authorized and appropriated more money for education than the first 88 Congresses combined. Mr. Daniels as Chairman of the Select Education Committee was a dominant figure in that exciting era.

But as you well know in special orders the public record of a deceased Member is always made to look impressive. Even those whose contributions were modest come out a little better than they might. *De Mortius nil nisi bonum.* However, when a Member with a record of splendid accomplishments such as Dominick passes to his reward there are many to note his milestones indeed his epitaph appears all throughout the Federal Code. His successful battles for the less fortunate in our society are very much part of the public record. There is very little I can add. The record speaks for itself, and it is a splendid record.

On the other hand there is much that I can add about the private record of this most private of men. I know of his remarkable sympathy for those who needed help most. His instinctive feelings for those who needed help was very much a part of him. His generosity to charitable groups in Jersey City was simply boundless.

As a legislator he took an interest in causes remote from the crowded 14th District of New Jersey. His sponsorship of legislation benefiting victims of black lung disease produced no votes in Jersey City. His championing of the Federal employee played better in Hyattsville than it did in Hoboken. Very few of his people struggling to keep body and soul together sent their children to summer camps. Yet Dominick Daniels fought the good fight to make summer camps safe with the Young Camp Safety Act. These causes were the extension of the man's private philosophy.

In the days when I was on his staff the demographic makeup of the 14th District was different than it is today. For the most part it was a virtually all white ethnic district. Yet, Dominick was a champion of civil rights in private as well as in public. In all my life I know of no man who was more free of bigotry or racism than he.

As an attorney, a judge in Hudson County, and, an important Member of the Congress he never became in his own esteem better than those with whom he lived for all of his 78 years. Indeed at the time of his death he lived in an apartment only a few blocks from where he was born in 1908. Tom Wolfe was wrong: you can go home. Dominick Daniels not only went home, he never left.

The child of an immigrant family he had unswerving love for this country and what it had permitted his family and his wife's to accomplish. And it is as a family man that he will be remembered. His love for his wife, the former Camille Curcio endured for a lifetime. His pride in his two daughters, Dolores Maragni and Barbara Coleman and their fine children is an inspiration to us all. He has left them a heritage for all time.

As you know, I am today a lawyer only because Dominick Daniels encouraged me to attend a law school, gave me time off to study and take the bar examination. Indeed when I ran for the Maryland General Assembly he told me to take as much time off as I needed. All this and a generous campaign contribution.

All I can say as one who was touched by this man's generosity in so many ways that I have lost a friend. We are all a lot better off that he came our way.

I know that I speak for all of the scores of people who worked for him here in Washington and in the Union City, Jersey City, Bayonne and Kearney offices that we have all lost a man whose generosity towards us and whose toleration for our short comings seemed limitless. Rest in peace, old friend.

Sincerely,

GERARD F. DEVLIN.

Mr. ROE. Mr. Speaker, it is with deep sadness in my heart that I rise today to join in this tribute to our former colleague, Dominick Daniels, who recently passed away.

Dominick Daniels served the people of the 14th Congressional District of New Jersey with great distinction during his nine terms in the House of Representatives. He was truly a hero of the "common man," fighting many uphill battles on this floor to insure that all Americans had the opportunity to earn a decent wage and to live a fulfilled life.

During his years in the House, from 1958 until he retired in 1976, Dominick Daniels was the acknowledged leader in efforts that resulted in passage of legislation to provide compensation of injured workers and establish Federal job safety rules where States failed to enforce them. As a member of the House Committees on Education and Labor and Post Office and Civil Service, he was instrumental in securing congressional approval of key labor legislation including Comprehensive Employment and Training Act [CETA] and the Occupational Safety and Health Act [OSHA].

In the area of civil rights, Dominick Daniels wrote the landmark bill in 1962 that closed the loophole through which land-grant colleges could escape compliance with the 1954 Supreme Court decision against racial segregation.

Dominick Daniels was truly representative of the American dream. Born the son of an Italian immigrant in Jersey City, he later graduated from Fordham University, worked his way through Rutgers University Law School, and at the age of 21, became a member of the New Jersey and Hudson County Bar Associations.

In 1952, he was appointed magistrate of the Jersey City Municipal Court and was named presiding magistrate in 1957. Following his retirement from Congress in 1976, Dominick Daniels was awarded an honorary doctor of law degree from St. Peter's College in his beloved Jersey City, where his congressional papers are proudly displayed.

The deep feelings of love and respect that those who know him felt about Dominick Daniels was perhaps best expressed by a headline in the "Jersey Journal" the day he died: "Hudson County Has Lost a True Friend."

Mr. Speaker, not only Hudson County but America has lost a great friend with the death of Dominick Daniels. I am sure that I express the feelings of every Member of this body when I say that Dominick Daniels represented the highest ideals that we all strive for in serving the needs of our great Nation. He was truly an "American Hero" and his guidance and clearness of thought will be deeply missed in the years ahead.

My prayers go out to his lovely wife Camille and the rest of the Dominick Daniels' family at this time of deep sorrow.

That sorrow is expresed by all those who were privileged to know Dominick Daniels. I am especially proud to say that he was my friend.

Mr. DWYER of New Jersey. Mr. Speaker, I am pleased to join my good friend and colleague from New Jersey [Mr. GUARINI] in paying tribute to Dominick Daniels who served with distinction in this body for nearly 20 years.

As a resident of New Jersey all my life, I know the dedication to his district, State, and Nation Representative Daniels brought to this job. Although I did not have the opportunity to serve with him in the House, I have admired him over the years for his leadership on such important issues as workplace safety and civil rights.

Dominick Daniels worked very hard throughout his career, working his way through Rutgers University Law School and becoming a member of the New Jersey and Hudson County Bar Associations at the age of 21.

His sensitivity to the needs and rights of working people led to substantive legislation to protect those rights, and he left behind him a legacy of legislative achievement in which he could take great pride.

While the people of New Jersey will miss him, Dominick Daniels will always hold a prominent place among those who represented our State in the Congress. His career spanned many pivotal years in our history, and he played a major role in helping to bring those issues which affect our people so deeply to the forefront of the legislative agenda.

Mr. ANNUNZIO. I rise to pay tribute to our former colleague from New Jersey, the Honorable Dominick V. Daniels, whose death on July 17 is a tremendous loss to the people of this Nation.

Dominick Daniels became my close and trusted friend during the period we served in Congress together, and I shall always be proud to have served with him in the U.S. Congress and have cherished the wise counsel, advice, and good will that he so generously extended to me.

The son of Italian immigrants, Dominick Daniels graduated from Fordham University and Rutgers University Law School, and was elected to the 86th Congress in 1958. As a Member of the House of Representatives, he championed the causes of American workers, serving as a Member of the House Education and Labor Committee and as chairman of the subcommittee with jurisdiction over health and safety in the workplace. Under Congressman Daniels' leadership, the principle of Federal supervision over occupational health and safety in industries around the country, including the provision of compensation for injured workers, was established.

Dominick Daniels also had an outstanding record of achievement as a member of the House Post Office and Civil Service Committee. He devoted his life to the betterment of his fellow citizens, and his dedication to the highest standards was an inspiration to his friends and to his constituents whom he so ably represented. His special commitment to the working men and women of America will long be remembered by those of us who had the privilege of serving with him in the Congress of the United States.

Congressman Daniels was a fine legislator who served the people of the 14th Congressional District of New Jersey with compassion and courage for 18 years until his retirement from Congress in 1976. In recognition of his many achievements and untiring service to his constituents, I was glad to add my name as a cosponsor to H.R. 2985, a bill to designate a post office in Kearny, NJ, as the "Dominick V. Daniels Postal Facility."

Mrs. Annunzio and I extend our deepest sympathy to the other members of his family who survive him.

Mr. HAWKINS. Mr. Speaker, on behalf of the members and staff of the Committee on Education and Labor, I am proud to participate in this special order in memory of one of our most respected colleagues and friends, Representative Dominick Daniels, the former Representative of the 14th District of New Jersey.

During his 18 years as a Member of the House of Representatives, he demonstrated integrity, dedication, compassion, and a genuine commitment to making life better for the men, women, and children of our country.

In his own and unique way, he worked to improve the lives of the people who help to build our bridges and houses, who assemble our automobiles, work in our coal mines, keep our government running, and work in the agricultural sector. Because of his gallant efforts, the safety and health of millions of American workers has been dramatically improved.

As a ranking member on the Education and Labor Committee and chairman of its Manpower, Compensation, Health, and Safety Subcommittee, Dominick Daniels was responsible for shepherding numerous pieces of legislation through the Congress. With his guidance, such important legislation as the Occupational Safety and Health Act of 1970, the Vocational Rehabilitation Act of 1970, Comprehensive Employment and Training Act of 1973, and the Youth Conservation Corps Act of 1970 become law.

In closing, we in the House, and especially those of us who had the opportunity to work closely with him on the Education and Labor Committee, were fortunate to have a man of his caliber associated with us. A debt of gratitude goes out to this great humanitarian and friend of working people and the disenfranchised. He will be missed as both a colleague and a friend.

Mr. BIAGGI. Mr. Speaker, July 17 was a very sad day for me and I am sure for the others who had the good fortune to know and respect our former colleague and friend Dominick Daniels of New Jersey who passed away. While Members may have served longer than Dom in the House few served their constituents or their Nation any more effectively than he did.

For 18 years Dom Daniels served in this House. He served as a devoted champion of the working men and women of our Nation from our letter carriers to Federal workers, to those in organized labor. His leadership was best reflected in his outstanding service on both the Post Office and Civil Service and Education and Labor Committees. He was a persistent fighter for equality whether it be in adequate wages for the working man, or access to higher education facilities by people of all races, colors, and creeds. Dom Daniels and I served on the Education and Labor Committee for 8 years. He was a genuine inspiration to me during those years which were among my first in the Congress. He set the example upon which we all strived to match. He worked hard on the committee. He held his ground but he was not obstinate. He knew how to compromise as well as when. The fruits of his legislative labors are among some of the most landmark laws of the 1960's and 1970's.

Time does pass quickly. It is hard for me to imagine that it was more than 10 years ago when Dom retired. Yet his legacy of service has and will endure for years to come. He was a strong man with strong values and integrity. He was a good family man and friend. The people of Union County, NJ and the Nation were better served because of Dominick Daniels.

As I mentioned, I was proud to have served for 8 years on the Education and Labor Committee with Dom. Our labor force today owes much to his leadership in guaranteeing health and safety in the work place. Dom championed the cause of providing adequate compensation for workers injured in the work place and led the effort to ensure Federal job-safety rules were in place where States failed to provide or enforce their own. His strong leadership and constant commitment to the concerns of the American worker resulted in two major legislative initiatives—the Occupational Safety and Health Act and the Comprehensive Employment and Training Act. These laws provide protections and services for our Nation's workers. In this age of competitiveness, we can thank Dom for helping to ensure that our Nation has well-trained workers, who have a healthy and safe work environment.

Dom demonstrated this same leadership and concern for others in his work in education initiatives. He helped to ensure that schools and colleges strictly complied with the 1954 Supreme Court decision of Brown versus Board of Education which banned racial segregation. Dom authored legislation to close a loop hole which had allowed land grant colleges to continue segregation. His constant concern prodded the administrations he served under to enforce this historic court decision.

His work on the Post Office and Civil Service Committee reflected his concern for workers and their rights and safety. His legislative leadership resulted in improvements in the U.S. Postal Service and in advancements for postal workers. He was instrumental in the development of our nation's bulk mail system.

Dom and I share a similar background. As the sons of Italian immigrants, we both were raised in a strong family tradition. This family tradition has carried over and I would like to join my colleagues in extending our condolences to Dom's wife Camille and his children and grandchildren. You have much to be proud of; Dom dedicated his life for the service of others and many across this Nation are leading better, safer, and more profitable lives.

I would like to commend my colleague from New Jersey [Mr. GUARINI] for holding this special order this evening. I would also like to commend him for his effort to rename the North Jersey postal facility in honor of our dear friend. The postal employees in this facility owe much to Dom and it is indeed fitting that he be recognized for his contributions in this manner.

Mr. HORTON. Mr. Speaker, earlier this month we lost a former colleague after a long illness. Dominick Vincent Daniels, a former Member of Congress from New Jersey, died July 17 at the age of 78. My wife Nancy and I want to join our colleagues on the floor today in expressing our deep regret and sympathy for his wife Camille and the rest of the Daniels family.

Dominick came to the House in 1959. He quickly earned a reputation as a New Deal liberal, fighting the conservative committee leadership to protect public education and enact tough Federal labor safety standards. He was specifically instrumental in passing safety standards in youth camps across the country.

Dominick led an outstanding life. He was born in Jersey City as the son of an Italian immigrant. He was graduated from Fordham University and worked his way through the New Jersey Law School. His perseverance earned him admittance to the bar at the age of 21. Professionally, he became Jersey City's presiding magistrate, where he stayed until his election in 1959.

Many of us who had the honor and privilege of serving in this Chamber with Dominick will always remember his dedication to the many causes about which he felt deeply. Foremost among these are workers compensation, Federal health standards, antidiscrimination efforts, and job training and employment programs.

Mr. Speaker, I know that I speak for many Members when I say that Dominick Daniels gave his heart and soul to this Chamber. His work here was an inspiration to the many Members of the House with whom he served. Again, Nancy and I share the sorrow felt by the scores of friends and colleagues of Dominick, and wish his family the very best in this difficult time.

Mr. HUGHES. Mr. Speaker, I want to thank the gentleman from New Jersey for organizing this special order in honor of our late friend, Dominick Daniels.

Many Members of this House never had the opportunity of working with and getting to know Dominick, but during my freshman term in the Congress I had that privilege. At the time, I was grateful that a senior Member of this body would take the time to show the ropes to one of the new kids on the block. Now, in reflecting on his years of service to our country, I am struck by how much he embodied the kind of Representative whose quiet but persistent work is the backbone of this institution.

Perhaps it was his experience as the son of an immigrant worker—perhaps it was just because he cared so much about the little guy—that caused Dominick to become a champion of health and safety in the workplace. Whatever the reason, his tireless efforts in persuading others to do the right thing earned him the admiration of his constituents and the respect of his colleagues.

A forceful advocate of racial desegregation long before that cause became politically fashionable, Dominick's powers of moral suasion were instrumental in moving this House in the right direction on civil rights, and particularly in insuring equal opportunity for all Americans in our country's land-grant colleges.

Dominick Daniels was a man whose contributions to this House were to be found not only in the legislation that bears his name, but also in the example that he set for his colleagues as a Representative of his district and as a trustee for his Nation. Like many Members who have served in this great deliberative body over the past 200 years, he worked diligently, but without fanfare—quietly, but effectively.

In the brief time we had an opportunity to serve together, Dominick left a deep impression on me. I know that his colleagues who enjoyed the privilege of working with him for many years were similarly affected by his dedication to this institution, and that his influence still resonates within these walls.

Again, Mr. Speaker, I appreciate this opportunity to gather with my fellow Members who knew Dominick Daniels not only as an effective legislator, but also as a wise counselor and a trusted friend.

Mr. CLAY. Mr. Speaker, I would like to commend the gentleman from New Jersey, Mr. GUARINI, for providing this opportunity to pay tribute to his distinguished predecessor as Representative of the 14th District, the Honorable Dominick Daniels. I was privileged to serve on both the Education and Labor Committee and the Post Office and Civil Service

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Committee with Judge Daniels. As one who was able to observe his efforts on behalf of all Americans from a close proximity, I was deeply saddened to learn of his passing. I extend to my sincerest condolences to his wife, Camille, and his family.

When I arrived in Washington in 1969, Judge Daniels had already been here for 10 years. In that period, he had already developed a deserve reputation as a strong proponent for the rights and welfare of all Americans. From 1969 until his retirement in 1976, I was privileged to witness first hand his concern and compassion for the welfare of his constitutents and his prodigious abilities as a legislator to fashion and shepherd legislation on their behalf. The list of Judge Daniels' legislative accomplishments reads like a bill of rights for the working men and women, the underprivileged, and those who have historically been ignored and discriminated against. Judge Daniels was instrumental in promoting integration on the part of schools and colleges and authored legislation in 1962 to close loopholes by which land-grant colleges had sought to escape compliance with Brown against Board of Education. As a member of the Post Office and Civil Service Committee, Judge Daniels was instrumental in assuring fair wages and working conditions for postal and Federal employees.

In my view, Judge Daniel's most significant legislative accomplishments were achieved from his position as chairman of various subcommittees of the Committee on Education and Labor. The legislation his name is associated with includes The Emergency Employment Act of 1971, the Manpower Development and Training Act Amendments, the Construction Safety Act, the Youth Conservation Corps, and the Federal Employee Compensation Act. His most significant legislative accomplishments include passage of the Occupational Safety and Health Act of 1970 and the Comprehensive Employment and Training Act of 1973 [CETA]. Few Members of Congress have earned as distinguished a summary of their congressional careers as that of Judge Daniels: he sought to ensure that all Americans had equal opportunity for gainful employment in safe and healthy circumstances. That his passing is tragic is because he did so much in his life toward achieving these goals.

Mr. JEFFORDS. Mr. Speaker, first I would like to thank the gentleman from New Jersey, Mr. GUARINI, for having taken this special order to permit us to express our sorrow at the loss of our former colleague Dominick V. Daniels.

I am joining in this tribute as a spokesman for the minority of the Committee on Education and Labor. Regrettably, I cannot personally claim that I knew Mr. Daniels very well or worked with him closely; I arrived here just as he was announcing his intention to retire from this body after serving nine distinguished terms. But those who preceded me as ranking minority member in Education and Labor did know him well and did work closely with him, and it is what they said almost 11 years ago on the occasion of the tribute extended to Mr. Daniels upon his retirement that has impelled me to join you today.

Yes, they cited Mr. Daniels' extraordinary list of legislative accomplishments in the fields of employment and training, safety in the work environment, and benefits for the working man. But then my predecessors quickly added that there was a great deal more to Dominick Daniels than his work record. Listen to what they said, for it is what we would all aspire to hear said about ourselves:

> * * * there is a question of credibility in people's minds concerning Congress, but there never has been a question of credibility in the minds of [Mr. Daniels'] colleagues when [he] gave [his] indication of [his] intent to do something or uphold a particular view.—Rep. Marvin Esch;
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> Though I often had disagreements with him, I have always had the greatest respect for his ultimate fairness, honesty, integrity, and friendliness. * * * Dominick V. Daniels has always kept his word. * * * Those of us on the Education and Labor Committee have been fortunate in having a man of his caliber serving so capably.—Rep. Albert Quie.

Mr. Speaker, we in the House will always mourn the loss of such a fine man. My colleagues—majority and minority—in the Committee on Education and Labor certainly do.

Mr. GAYDOS. Mr. Speaker, the death of my friend and former colleague, Dominick V. Daniels of New Jersey, is a great loss to our Nation.

The son of Italian immigrant parents, Dom showed his outstanding capabilities at an early age, and his admission to the New Jersey bar at the age of 21 proved what an energetic and intellectually gifted man he was.

When I came to Congress, I had the pleasure of serving with Dom on the Education and Labor Committee and the Subcommittee on Manpower, Compensation, and Health and Safety. Dom chaired the subcommittee until he retired from Congress in 1978, and since then I have had the privilege of chairing it, although we now call it the Subcommittee on Health and Safety.

During the years we worked together, I learned a great deal from him, and I can attest to his dedication to the welfare and protection of American workers. While he was in Congress, Dom Daniels probably did more to help American workers than any other person.

His involvement and leadership were crucial to the development and passage of some of the most important pieces of safety and labor legislation, including the Occupational Safety and Health Act, the Youth Conservation Corps Act, the Mine Safety and Health Act, the Youth Camp Safety Act, and other bills too numerous to name.

All during the long and agonizing process of moving these bills through Congress, Dom never faltered in his dedication to see them become the law of the land, and his persistence is evidenced by the health and safety protection enjoyed by millions of people.

Mr. Speaker, I was honored to serve with Dom Daniels in Congress and on the Education and Labor Committee, and I hope that I have continued his tradition of compassion and concern for working men and women during my tenure as chairman of the Subcommittee on Health and Safety. Dom's family, friends, colleagues in the House, and I, will all miss his quiet competence, his wise counsel, and his dedication to the people of New Jersey and the people of the United States of America.

Mr. RINALDO. Mr. Speaker, it is with deep sorrow that I join my colleagues today in paying tribute to the late Dominick Daniels, a fellow New Jerseyan and colleague who served in the House of Representatives from 1958 until his retirement in 1976. Dominick and I became close friends during the years we served in the House together, and I can say without reservation that he was a very capable and dedicated public servant who has left his mark on Capitol Hill.

During his 18 years of service, he brought to the deliberations of the House a strong sense of personal conviction, integrity and high moral character. In establishing an outstanding record of service, he contributed creatively and constructively to legislation advancing the welfare of the Nation. As a member of the Education and Labor and Post Office and Civil Service committees, Dominick championed the causes of health and safety in the workplace and of fair compensation for injured workers. He also made significant contributions to legislation affecting Postal Service operations, and was instrumental in the development of the North Jersey mail facility in Kearny, NJ, which employs 4,000 workers.

Dominick had a positive influence on all of us who knew him. He was a fine man and I'm going to remember the honor it was to know and work with him.

## GENERAL LEAVE

Mr. GUARINI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

## DEMOCRACY AT WORK IN INDIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 60 minutes.

Mr. DYMALLY. Mr. Speaker, on June 4, 1987, I stood before this distinguished body to urge that world governments stand with Rajiv Gandhi as he worked to find a peaceful settlement to the Sinhalese-Tamil conflict in Sri Lanka. At the time, unfortunately, mainly criticism was heard in the United States regarding Mr. Gandhi's air drop of relief supplies in the war torn Tamil areas in the northern and eastern provinces.

I am happy to announce today that my trust in Mr. Gandhi's leadership has been reaffirmed. Through his efforts, a peace accord was signed July 29, 1987. It is a watershed agreement not only in South Asia but in the literature of international relations. It will be studied by statesmen and peace experts as a model for settlement of

future conflicts. To fashion a peace accord that places control of the peacemaking process firmly in the hands of the moderates on both sides is an accomplishment by itself.

This peace accord establishes the basis for a federation between the northern and eastern sections of Sri Lanka and the rest of the country. It restores the Tamil language as an official one, thus removing a longstanding grievance of the Tamil community. This peace accord also allows for the repatriation of 100,000 Tamils who have been made refugees in India.

While this accord is of overriding significance, it should be noted that it is one in a series of Indo-Sri Lankan agreements aimed at effecting a negotiated settlement of Indo-Sri Lankan bilateral problems.

It is my fervent hope that this agreement will be an effective assurance that the human rights of the Tamil minority, long grossly ignored, will at last be respected.

The agreement will also assure the Sinhala community which constitutes the majority of Sri Lankan society of peace and harmony for the whole country. That atmosphere of peace will bring them the economic development which their country so sorely needs.

In all honesty, this peace agreement demonstrates once again Prime Minister Rajiv Gandhi's ability at conciliation and pacific settlement of seemingly intractable problems. He did it in Assam, in the Punjab, and now in Sri Lanka. This accord in fact, preempts an effort I have made in Congress to pass a sense of the Congress resolution regarding human rights abuses in Sri Lanka. The numbers of Members who expressed interest or wanted to be original cosponsors of that measure reflect the important place which human rights still occupies in our hearts. Most encouraging to me is the bipartisan nature of this support.

Mr. Speaker, I also commend President Jayewardene for agreeing to a peace agreement. He has taken a great personal risk, given the opposition of groups within his own community. The agreement is a sound one. It constitutes a realistic basis for ending the ethnic civil war. It provides the best opportunity yet for resolving the conflict on an equitable, just, and lasting basis.

In beginning this peace process, Prime Minister Rajiv Gandhi knew that he risked being mired in an ethnic conflict which already has taken well over 6,000 lives in Sri Lanka, since 1983. He, nevertheless, worked relentlessly, unhampered by international criticism. His efforts will accomplish peace in that troubled land. His efforts culminated last week in a peace accord which reflects the moral conviction and courage which are prerequisites of leadership.

Mr. Speaker, I believe that we all should commend and recognize Mr. Rajiv Gandhi's achievement in accomplishing a peaceful settlement. It surpasses all expectations. Once again, we should note that he did this at a great personal risk soon after the set back of the peace accord he struck in Punjab.

Mr. Speaker, as we celebrate the bicentennial of our Constitution, India marks the 40th anniversary of her independence. These significant milestones in the national lives of our countries serve to remind us of the shared values and ideals which inspire and guide our policies. These bonds stress a commitment to individual rights, liberties, and freedom. They transcend distance and the ebb and flow, highs and lows, of our relationship. On their firm foundations we can construct the edifice of Indo-United States relations.

Some weeks ago, there was a focus of attention in this House on some domestic issues faced by India. Many colleagues highlighted India's internal problems, especially in the state of Punjab. Some leveled charges, I believe, based on a lack of adequate information about the true facts of the situation, or on account of misinformation. Many others were critical of different facets of India's foreign policy, in particular India's relationship with the Soviet Union. Here again, criticism based on a lack of appreciation of the totality of India's external relations, and the basic determinants of her foreign policy.

Our media report are selective on India. This phenomenon contributes to the information gap. Reports about passing events—accidents and natural calamities, occasional social disturbances, are highlighted. India's achievements, progress and indeed its comprehensive reality escape us. India has witnessed, in a relatively short span of 40 years, a quiet revolution which has transformed a backward society and a stagnant economy into a dynamic country. Its people are throwing off the bondage of poverty. V.S. Naipaul, amongst the world's greatest living writers, who comes from Trinidad and Tobago, now living in England, and who is of Indian origin, but no sympathetic observer of the Indian scene, had this to say in a recent interview, I quite:

> I think India's development since I went in 1962 is extraordinary. The newspapers were abominable. Reports of Parliament and speeches were clerk's writings. The politics was really court politics—who was close to Panditji and who was not close to Panditji.
>
> But, after two generations, there has been a great efflorescence of intellectual life. There is a publishing industry which did not really exist in 1962. There is no problem that is not talked about. There is great tolerance, and great human values rather than rabble rousing.

Perhaps, India's greatest achievement in the years since independence has been the sustenance and the strengthening of democracy. India is one of the world's truly great democracies. Its open and free system is based on the will of her people. Elections, entirely free and fair, are a way of life. India's political system has withstood shocks both of external aggression and of domestic turmoil . India has shown a remarkable resilience. This is particularly noteworthy if we consider the complexity and size of India.

India's democracy stands in stark contrast to the inability of many countries which began as democracies at independence, but failed later to maintain a democratic process. Pakistan, India's neighbor to the west, fell victim to military rule within 10 years of its independence, and that rule has continued with a brief interlude ever since. Bangladesh succumbed to the rule of the generals soon after its birth as a free nation. India's democracy is strong and continues to grow stronger.

The U.S. administration emphasizes its work in restoring democracy throughout the world. It points to the dismantling of authoritarian rule in many countries in Central and Latin America as part of its record of achievement. I wonder if it ever considers its role in stregthening democracy where it exists. In South Asia one witnesses the extraordinary spectacle of an authoritarian army rule in Pakistan, closely allied with the world's powerful democracy, while some basic concerns of India continue to be neglected by this administration.

India pursues a policy of nonalignment. In the clash between superpowers, nonalignment has acted as a great shock absorber. It has served to reduce tensions. In its absence, the world would have been a far more dangerous place and the dangers of superpower conflict would have been much greater.

India is a founding member of the nonaligned group of countries, and has supported the forces of balance and moderation within that forum. Yet many in this country believe that India is closely allied with the Soviet Union and the socialist block of countries. The charges levelled against India in this context are: First, India imports arms mainly from the Soviet Union; second, Soviet ships have access to Indian ports; third, India gives aid to Nicaragua; fourth, India buys sugar from Cuba and exports it to the United States; and fifth, India is economically dependent on the Soviet Union.

Now consider the facts:

First, India imports arms mainly from the Soviet Union: According to reliable Western sources, including the

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Stockholm International Peace Research Institute [SIPRI], about 40 percent of Indian arms supplies were procured from Western countries in the last decade. These defense systems included sophisticated aircraft from the United Kingdom and France, artillery from Sweden, naval ships, including an aircraft carrier from the United Kingdom, and submarines from the Federal Republic of Germany. India is interested in interacting with the United States in the field of defense supplies, and the two countries are exploring the possibilities of cooperation in India's light combat aircraft project. In fact, there has been a history of the United States denying access to India in the field of defense equipment. It is on this account that India, in the first place, turned to the Soviet Union for military equipment.

India's own defense industry supplies it with a large variety and depth of systems which are required for its defense.

Second, Soviet ships access Indian ports: There is no Soviet base or facility in India. Soviet ships visit on a case-by-case basis, as do Western ships including United States. Very often, more Western ships call on Indian ports than do Soviet ships.

Third, India gives aid to Nicaragua: This is a deliberate distortion of the Indian practice of extending technical credits to facilitate trade. As Representative Stephen Solarz pointed out in this House, this is the equivalent of export promotion. Even the United States does not prohibit trade with Nicaragua.

Fourth, India buys sugar from Cuba and exports it to the United States: This is a false charge. India does not have a bilateral agreement with Cuba. In years of sugar shortfall, India purchases through the London commodity exchange. The years of shortfall are not the periods of export.

Fifth, economic ties with the Soviet Union: While India does have close economic links with the Soviet Union, and the socialist block countries, the United States is her leading trading partner. It is the United States which has the highest number of foreign agreements with India. There is an impressive record of scientific and technical cooperation between the two countries. This has been further strengthened by the Gandhi-Reagan science and technology initiative which began during the visit of Prime Minister Indira Gandhi to the United States in 1982. This agreement was renewed for 3 years during the June 1985 visit of Prime Minister Rajiv Gandhi. In this program, Indian and American scientists work at the cutting edge of research in areas which include agriculture, nonsoon forecasting, solid state science, engineering, and health.

Another change leveled against India is her voting record in the United Nations. What is the truth? A majority of resolutions in the United Nations are passed by consensus. On these there is naturally an identity of views between India and the United States. In 1986, 152 resolutions were voted upon. India supported 85 percent of these, opposed 1 percent and abstained on 13 percent. The United States, on the other hand, opposed 60 percent, supported 15 percent and abstained from 24 percent. The differences between the two countries were on issues which touched fundamental concerns of the nonaligned movement. These are: disarmament, issues connected with the racist South African regime, and Namibia. Other issues are connected with decolonization and the Middle East. India's views on these matters are rooted in its historical experience and world views. Its leaders have asserted that they are committed, in principle, and will not compromise when it comes to racism, injustice, and inequality. They, however, recognize that the United States has its own perceptions, and in some cases even compulsions. There are two further aspects which are of significance. India voted 10.1 percent with the United States in the United Nations in 1986. The voting record of our close allies, such as Pakistan, 16.4 percent; Saudi Arabia, 16 percent; Indonesia, 13.2 percent; and even Singapore, 20.9 percent; was hardly much better.

Indian leaders assert that a difference in voting records does not imply hostility. Given the differing geopolitical situations, such as development, and historical experiences, there are naturally differences in perceptions on world issues. These do not mean animosity. There is force in these arguments. It must also be noted that on many issues which are of direct concern to the United States, India has raised its voice in favor of moderation. It has used its influence against name calling. Indeed, India feels that on many issues which are of vital concern to her interest, the attitude of the United States delegation to the United Nations has not been helpful.

Mr. Speaker, I now wish to turn to the troubled state of Punjab. Terrorist forces within that state seek to undermine the democratic traditions of India. They would like to erode India's policy of secularism. In its preamble, the constitution of India proclaims her as a secular democratic republic. The traditions of secularism and tolerance lie deep within the Indian consciousness and history, and thwart attempts of fundamentalists and communal forces to create problems. The Sikhs are a thriving prosperous community in a state which has been a success story in agriculture, industry, and economic development. The Sikhs are respected for their energy and enterprise. It is unfortunate that a small fringe among them has taken to terrorist violence. Two ghastly incidents on the 6th and 7th of July 1987, in which small terrorist groups waylaid buses in Punjab and Harayana and murdered 80 men, women and children, have again drawn our attention to the viciousness of these forces.

Earlier in June, Delhi witnessed a round of senseless killing. All right thinking people cannot but condemn these outrageous actions.

It is alleged that India does not permit visits of foreign journalists to the Punjab. The fact is that the foreign press has covered Punjab regularly. This is evidenced by stories printed in our media within the last year in all our leading papers datelined in towns in the Punjab.

It is important to consider events in the Punjab in their right context. There were extraordinary reasons which led to the actions in June 1984 by the Indian security forces. Terrorists who were using the temple as a sanctuary to direct the murders of political opponents and use other forms of intimidation and violence, including killing innocent people. Surely no democratic government can permit the use of religious shrines for such terrorist purposes. More recently it was the continuing problem of terrorism in Punjab, and the inability of the government of Mr. Barnala to control it that led the Federal Government to take over the administration of the Punjab directly. This was in keeping with India's constitutional practice.

The Punjab accord, signed between the late Sant Harchand Singh Longowal and Prime Minister Rajiv Gandhi, is a testimony of both the Prime Minister and moderate Sikh forces to work in harmony, in order to find a solution of the problem. This accord was welcomed by the people of Punjab who gave their verdict in the elections of 1985. It is the endeavor of the Government of India to implement this accord and a substantial portion has already been implemented.

The Government of India is aware of the need to implement the accord in full. In democratic societies, working out the modalities of a complex and contentious issue, particularly which one affects more than one State needs perseverance and patience. It is through the democratic method of resolving political differences that a solution to the problems faced in the Punjab will be found. This policy is being pursued by Prime Minister Rajiv Gandhi.

The Sikhs do not face any discriminatory laws. They are equal citizens in a society which has equal laws for all citizens. They take an active part in the political processes of the Punjab. The current President of India is a Sikh, as is the Federal Minister of Home Affairs. They suffer from no discrimination. The forces of terrorism are forces of intolerance. The Government of India can surely not allow a tiny fraction of the political spectrum to impose its will on the rest by force. There can be no more questions of Punjab separating from India, than any State of the United States leaving the Union.

I remarked earlier that India has witnessed a quiet revolution since independence. What are the contours of this revolution? Consider:

First, India's agriculture, which was entirely dependent on rainfall, produced only 50 million tons of food in 1947. This was insufficient for India's needs. As a result of the application of scientific methods and technological development, India's agricultural scene has entirely changed. India meets all her food requirements herself. Its average yield is 150 million tons per annum.

Two thirds of the Indian population today is above the poverty line. There are better health and sanitation facilities. Malnutrition among the young is being overcome by antipoverty programs. There is a vigorous program for population control. That is, of course, the major problem faced by India.

Second, in 1947, India had no industrial base. Today India is amongst the world's first 10 industrialized countries. India produces a wide range of sophisticated industrial products, and has a space program as well as a nuclear program for peaceful purposes.

Third, above all, India has made phenomenal progress in science and technology. Mr. John Gunther Dean, our Ambassador to India, wrote recently, I quote: "In the years since independence, Indian scientific research has made tremendous strides. Basic and applied research has been conducted over a broad spectrum ranging from health and biomedicine to atomic energy and space." Applied research in agriculture has made the world's most populous democracy self-sufficient in foodgrains. Average life expectancy has risen from 35 to 58 years in the period since independence.

With the world's third largest pool of scientific and technological talent, India today is a nation on the move. In the words of the United States Vice President George Bush, India is "ready to do with the technological revolution what it did with the Green Revolution."

Our policies toward South Asia need to take into account India's sensitivities. Our military relationship with Pakistan has complicated our relations with India. While we need to be cognizant of the Soviet presence in Afghanistan, we must ensure that our actions do not create tensions for India. The Pakistani Nuclear Program is clearly weapons oriented. Pakistan's clandestine activities were evidence of this fact. The recent arrest in Philadelphia of a Canadian national of Pakistani origin, who was seeking to illegally export specialized steel which is required for use in Pakistan's Kahuta enrichment facility, causes serious concern. The administration's assertion that its policies have been able to restrain Pakistan in the context of its nuclear program now ring hollow.

The United States administration is also seeking a new assistance package for Pakistan which will include military supplies to that country. I think it is clear that such a package should contain defense equipment which will be of use only on the Pakistan-Afghanistan border, and not against India.

The administration justifies its request as a result of the pressues Pakistan faces from the Soviets in Afghanistan. However, the equipment it has received from us, since 1980, is clearly unsuitable for use on that border. M-48 tanks, armoured personnel carriers, heavy artillery, and counter battery radars, have little value on the Pakistan-Afghanistan border on account of the terrain. Harpoon missiles and gearing class destroyers are for use in the Arabian Sea. Afghanistan is a landlocked country. Indeed, these weapon systems may be deployed against India. The Pakistani military infrastructure does not take into account the threat from Afghanistan.

The current aid package contemplates supply of air borne early warning systems. Technically, they have no utility over the Pakistan-Afghanistan border. In these circumstances, the Congress must ponder deeply on the package and its suitability.

The stability and prosperity of India are in the national interests of the United States. These interests demand a close relationship with India. Instability in that region would strengthen those forces which are inimical to United States interest. The traditions of our society, which in harmony with India's free and democratic systems, underline this demand. The administration must act purposefully and reform its South Asia policies to ensure that it assists India's efforts internationally and domestically. Politics which retard these efforts are neither in the long term interest of the United States nor of international peace.

Mr. Speaker, I would like to conclude my speech by urging my colleagues to recognize India, a friendly nation, and a great democracy whose leadership is indeed inspiring. This peace accord is a great testimony to Prime Minister Rajiv Gandhi's personal statesmanship which in my opinion should not go unrecognized by the U.S. Congress.

I strongly believe that the Congress should officially commend Prime Minister Rajiv Gandhi for this milestone in accomplishing world peace. I think it not unreasonable to propose that we strengthen this accord by expressing our interest in rebuilding Srilunka's war ravaged economy. Now is the time to heal the wounds of a decade of violence.

Mr. Speaker, I shall introduce a resolution doing just these things. I hope my colleagues will wholeheartedly endorse this effort.

□ 2005

## NOMINATION OF ROBERT H. BORK TO THE SUPREME COURT OF THE UNITED STATES

Mr. SPEAKER pro tempore (Mr. Lantos). Under a previous order of the House, the gentleman from California [Mr. Lungren] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, at the outset I might say that it might be difficult for me to give my entire remarks because of the ruling of the Speaker with respect to a previous special order this evening.

While I understand the diligence of the Speaker and the Parliamentarians, I might just suggest that having looked at Cannon's Procedures in the House of Representatives I am reminded that there are several precedents which indicate the following: For instance, a Member may not in debate speak disparagingly about any State of the Union address by the President. According to the Cannon's Procedures in the House, the principles of decorum and courtesy governing the relations of the two Houses should extend to the relations of the House to the President. Further, in referring to the President a Member shall abstain from language personally offensive and shall eschew terms of opprobrium. It is the duty of the House to protect the President from personal abuse, innuendo, or ridicule.

I do not address my references here to the gentleman who presently is in the Speaker's chair. I would just comment, however, that there have been any number of comments made on the floor of the House that violate every one of those rules I have just suggested, and I have not seen the type of diligence displayed today displayed during those occasions when the President of the United States has been ridiculed, when he has been the subject of personal abuse in this House, when innuendo has been directed toward him, when a violation of the principles of decorum and courtesy governing the relations of the two Houses have been found on the floor of this House, when in fact just a couple of weeks ago the President was called on this floor a liar on about seven different occasions, and at that

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time we discovered that the Parliamentarian was not paying attention to the debate so much so that we could not reflect on the statements made by the person then in the well.

All I am saying is if the ruling of the Chair is going to be tonight that we cannot even make a reference to the Senate, we cannot make any reference to statements made by Senators, we cannot make reference to references made by Senators on or off the floor with respect to Judge Bork or other nominations to the Supreme Court that relate to standards which were established in the other body to judge those individuals, then I think this House ought to be put on notice that we expect that same diligence to be applied to comments critical of the President of the United States that violate the precedents of the House and the rules.

□ 2020

I have been here 9 years and I must say I have not seen that displayed on this floor on a regular basis. And I would, of course, expect that to be done henceforth.

Next time I hope we will not get the excuse that the parliamentarians are not listening to what is being said on the floor and therefore criticisms of the President that go to the question of verbal abuse, go to the question of calling the President of the United States a liar are not heard and therefore rulings cannot be made.

Having said that, Mr. Speaker, I will try and go forward with my speech. I recognize the reason for the rule, that we should have courtesy and comity extended on both ends of Pennsylvania Avenue, in both ends of this Capitol. But it just seems ironic that the rules are such that the only place where people are gagged about speaking about one of the most important things in our Democratic system here, that is the nomination and then consideration of someone being appointed to the Supreme Court, is here in the House of Representatives.

We cannot make reference to statements made by Senators, we cannot make reference to inconsistent statements made by Senators in judging whether one should be placed on the Supreme Court. And yet everyone gives speeches in the well about how important it is and gives speeches here in the House about how it is of utmost importance, perhaps the most significant thing that this President or any President can do and yet we, the peoples' representatives, are gagged in the House from even making reference to statements made officially or unofficially by Members of the other body.

But that is the ruling of the Parliamentarian and I will attempt to abide by that ruling as best I can. But I will say I hope that we see the same consistency when disparaging remarks are made about the President of the United States on this floor.

Mr. Speaker, as we celebrate the 200th anniversary of our Constitution, a Constitution which is, of course, to accord all of us our freedom of speech, it seems somewhat ironic that controversy has arisen over the fact that Mr. Robert Bork actually believes that this hallowed document means what it says. Ironically, this is apparently difficult for some to swallow. The discovery of so-called penumbras and mystery of rights not obvious to the naked eye, brings excitement to the hearts of these constitutional revisionists.

In our pluralistic society, there is certainly room for disagreement over the Bork nomination or any other issue for that matter. Yet the current outrage expressed by the judge's detractors is simply too much. What has taken place, Mr. Speaker, since 1982 to generate such vitriol when Mr. Bork was nominated to serve on the Court of Appeals for the D.C. Circuit? It must be remembered at that time, Mr. Bork was the same individual, had been reviewed by the American Bar Association, had been judged to be extremely well qualified, the top rating that one can be given by the American Bar Association, was unanimously approved by the Judiciary Committee of the other body and then went on to be confirmed by the full Senate without a scintilla of dissent.

I had hoped at this point in my speech to make reference to one of the statements of a Member of the other body on that nomination in which there was a congratulations of the President for his nomination. But evidently I am prohibited from doing that. I would just say to those who might read this RECORD as well as to my colleagues, "You can look it up yourself."

There was a bipartisan endorsement of Judge Bork when he was before the other body being considered for the Court of Appeals for the District of Columbia. That circuit is considered the second most prestigious Federal bench in the United States.

There was a veritable love feast the last time Judge Bork was up for confirmation. And I just wonder what happens to alter some of the considerations being stated publicly at the present time.

Evidently, the newfound concern about Judge Bork is not attributable to anything which has transpired since he assumed his seat on the appellate bench. Again, if I were allowed to make references on this floor I could even cite speeches made by Members of the other body in which they indicated that Judge Bork has acquitted himself well while on the appellate bench.

I must say that in some circumstances even political courage has been displayed by some in suggesting that Judge Bork ought to be approved by the U.S. Senate despite the fact that his political philosophy may be in disagreement with some of those who sit in judgment upon him right now. This is nothing extraordinary. The same thing happened when we had Judge Sandra Day O'Connor before the U.S. Senate. Some disagreed with her positions at that time; some on my side of the aisle, some who considered themselves as strong conservatives did not think she was conservative enough. Yet the response to that was that it is too simple to identify someone as a strict constructionists or a conservative or a moderate; one has to look beyond that, it is more complex than that.

And I would think that that same sort of thought process ought to prevail in the present circumstances.

Remember we are talking about Judge Bork, a distinguished professor for 15 years at Yale Law School, background as Solicitor General of the United States, as Acting Attorney General of the United States, appellate court judge, prolific writer, lecturer, practitioner.

When you add up all of his background, his experience, his brilliance, no one can question his competence.

With respect to his sense of fairness, how can some suggest that he is going to so overturn the present balance, whatever that might be, on the U.S. Supreme Court when you realize that in his more than 100 majority opinions not a single one has been reversed by the U.S. Supreme Court.

I would hope that some would look at this without preconceived notions, that some who would disagree with him on specific issues would not allow that to affect judgments when they look at his ability to serve on the Court.

I would hope that some would believe that appointees should be people of integrity, people strong enough to stand up for their point of view, someone who has shown himself to be highly qualified as a legal scholar; perhaps someone will have that character. And when you wrap it altogether that would reflect well on the judiciary in general.

I mean I really wonder whether we want someone appointed to the bench who has no ideas, or someone who says, "I will give up my ideas once I get on the bench." Would you trust that person? Would you trust that person as your own attorney? Is that who you want to be before you as a judge? Of course not. What you would want is someone who admits that he has strongly held feelings but will attempt to be fair. That is all we can ask of one another.

Now there are few if any men or women in this country who possess the intellectual capability and competency and such a distinguished legal career.

Mr. Speaker, some have suggested that we should not have ideology as an element in the confirmation process. And I think that is true. Some have suggested in the past that ideology ought not to be the determining factor. And yet now from those same quarters we see the suggestion that we must examine the ideology of Mr. Bork. I just wonder with these outside groups making these suggestions whether they have ever watched the movie in which Michael J. Fox played the individual who got to go back to the future. Perhaps if they had an opportunity to look at some of the things they said in the past they would less likely to make some of the statements with respect to Mr. Bork today.

In fact, I think the contrast and contradictions are purely tragic comedy.

Maybe a possible answer for this can be found to exist somewhere in the political-judicial dialectic where inconsistencies abound. One possible explanation offered by the detractors of Judge Bork is that while he was an excellent choice for a position on the appellate court, more stringent analysis is now necessary because we are talking about the highest court in the land.

Let me ask you this: Do you really think the U.S. Senate would have approved Robert Bork for being placed on the second most important Federal bench in the land if in fact his philosophy was such that he would consign women to back-alley abortions, that he would bring back segregated lunch counters, that he would bring back midnight raids by police? I mean, what nonsense. Yet, that is really the outline of some of the attacks being made against Judge Bork. If he was that type of person, would the U.S. Senate have approved him unanimously in 1982 to sit on the second greatest court in the land? I doubt that.

Second, it is important to bear in mind that when the combined wisdom of the Senate gave rise to the doctrine on judicial confirmation, the very issue at hand concerned the question of nominations to the U.S. Supreme Court. That is, anybody who is concerned about an individual being placed on the U.S. Supreme Court, I would think, would also be concerned about placing someone on the Court of Appeals for the District of Columbia Circuit.

Why? Because it has long been known as the stepping-stone bench to the Supreme Court.

Evidently, much of the newfound concern about the nomination of Judge Bork relates to the impact that it might have on the so-called balance of the U.S. Supreme Court. Some are concerned that he would significantly alter the balance on the Court. This is a fascinating constitutional theory, probably to be found in a penumbra somewhere. Those of you who are wondering what a penumbra is, might look at some of the previous Supreme Court cases in which they said there is no right of privacy articulated in the Constitution of the United States or the Bill of Rights. Rather, it is within the penumbra of rights that exists in the Constitution of the Bill of Rights.

What is a penumbra? Penumbra is that kind of an air of radiance, that reflecting radiance that you find on a sun.

In other words, it is something that emanates out of the Constitution. And now if you would like to write a contract for yourself in which you would say that the "rights my opposite part in this contract has" or have "are not articulated in the contract but rather will arise from the penumbra of rights that emanate from the words of the contract," I think you would be rather worried. Yet that is precisely what is said by those who would oppose the judicial philosophy of Judge Bork. They do not want to be limited to the words of the Constitution nor to the intent of the writers of the Constitution.

Rather, they want to be free to discover whatever penumbras are out there.

Well, I suppose in this whole debate that balance is found in the eye of the beholder. And I guess those that are concerned that the fact that the zeitgiest has left them at the train station, would have a natural tendency to try to restrain the ideational flow of history. Nonetheless, while such an approach to the confirmation process may be convenient at the moment, I hope that it will not prove necessary to some day test the memory of any of those who would be President on this question.

In other words, some are now saying that this President's nominations ought to be carefully considered as to whether they alter the balance—remember the balance happens to be what exists right now—but if it alters the balance maybe they ought to think about what subsequent Congresses, subsequent Senates will do when the balance is to be adjusted once again.

In other words, it can go either way. If a nominee to the Supreme Court is going to be tossed out because he happens to be a conservative, I suppose that means that any liberal President of the United States who attempts to appoint a liberal to the U.S. Supreme Court could have his nominee tossed out because he was in fact liberal.

□ 2035

But this does raise an interesting question however, it might be fun to apply it to some real life examples. How would it have played in evaluating the eight nominations to the Court by President Roosevelt? Or what about Lyndon Johnson's nominees to the Warren court?

Prof. Laurence Tribe, who exemplifies the kind of ideological balance that never seems to offend Judge Bork's detractors, has penned some interesting thoughts on this subject. With regard to Justice Black's appointment in 1937 he writes that it:

> Took a delicately balanced court and turned it into a court willing to give solid support to F.D.R.'s initiatives.

As you will recall, despite the failure of President Roosevelt's famous Court packing plan—which has become synonymous with his name—eventually, he was able to replace those on the Court who had posed constitutional obstacles to his New Deal Program. With the change of opinion by Justice Hughes, there was a working majority on the Court which went on to uphold the Fair Labor Standards Act, the Wagner Act, and other social legislation.

Another ideological change in the balance of the Court took place when Justice Arthur Goldberg was appointed to replace Felix Frankfurter on the Court. As Professor Tribe writes:

> Arthur Goldberg's appointment to the Court in 1962 shifted a tenuous balance on matters of personal liberty toward a consistent liberalism * * *

Let's not kid ourselves. There is nothing new, or in any way unusual about a President of the United States appointing someone to the Court who has compatible views on judicial matters.

Can you think of any of the individuals that are either real candidates or prospective candidates for President of the United States campaigning on the promise that they will appoint people who do not agree with them, saying, "Vote for me for my views on crime, vote for me for my views on activism, vote for me for my views on the relationship of a President to the Congress, but I pledge to you if you vote for me to sustain those idea I will appoint someone who disagrees with me"?

That does not make much sense.

If the selection process is going to be limited to a pool of political eunuchs, we are not likely to enhance the quality of potential nominees.

This issue came to a head upon the nomination of judge—and former Member of this body—Abnor Mikva to the U.S. Court of Appeals for the District of Columbia. The issue was whether one with strong political views is an appropriate choice for the bench.

At this time I intended to refer to comments made by the Senator from Delaware, Mr. BIDEN, the present chairman of the Senate Judiciary Committee on that, but I am prohibited to do so by our rules, but let me

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just suggest that it might make good reading for anyone who is interested.

I recall that Abner Mikva at that particular time asked me to make a call over to the other side of the Capitol to do what I could to vouch for his character, for the fact that he was a fair man even though we disagreed politically, and I did that because I thought it was an appropriate thing to do.

Mr. Speaker, I did not refuse that request, saying, "Ab Mikva, because you disagree with me you do not belong on the court, and I shall so tell those in the Senate who ask for my opinion."

I thought it was an appropriate thing to do, because he was qualified. He has added something to that court even though I disagree very strongly with him on any number of views that he may have.

That is the way that Ab Mikva's nomination to the U.S. Court of Appeals for the District of Columbia was considered.

This is a particularly interesting observation in light of the fact that the one quality about Judge Bork which is most salient is his belief that personal preferences and values should not be the basis for constitutional interpretation. This is an essential element of his philosophy of judicial restraint.

The idea of restraint on the part of the judiciary for some reason seems to put fear in the hearts of those who see the Court as an instrument for social engineering. Actually, Mr. Bork's detractors have nothing to fear but fear itself. What Mr. Bork is really saying is that those of us in the popularly elected branches of Government are the ones who should legislate in the critical areas of public policy which will determine the course of our country at the Federal, State, and local levels.

Of course it is a distinct possibility that this may in fact be the source of their fear. It is entirely possible that many of Borks congressional opponents would just as soon defer to the courts in order not to have to grapple with many highly contentious, and politically volatile issues. While this may be expedient it is contrary to the very concept of popular Government.

To borrow a concept from the political scientists, the legitimacy of democratic government itself ultimately rests with the concept of accountability to the people. That more than anything else is what distinguishes us from the banana republics of the world.

The idea that judges should formulate major social policy in a quasilegislative fashion is simply incompatible with the precepts of a free society. As Montesquieu wrote "There can be no liberty * * * if the power of judging be not separated from the legislative and executive powers. * * *." James Madison made a similar point in Federalist No. 47 in stating that:

> Where the power of judging joined with the legislative, the life and liberty of the subject would be exposed to arbitrary control, for the judge would then be the legislator.

The issue was framed well by former Justice Sutherland:

> The judicial function is that of interpretation; it does not include the power of amendment under the guise of interpretation.

Mr. Speaker, those who have expressed criticism about Judge Bork's personal conservatism have confused the issue by failing to understand that the essential feature of his judicial philosophy is that the personal preferences of judges should not be substituted for the prerogatives of the legislature. Judge Bork succinctly described restraint in a recent interview with Bill Moyers as an ability "to stick to the law as it was intended to be applied." Not only is this a wholey unradical proposition, but it is firmly rooted in our Anglo-American legal tradition. We can find its origins in Sir William Blackstone's "Commentaries on the Laws of England." In developing a framework for legal interpretation Blackstone laid out a number of valuable principles.

The first source of legislative intent was said to be the words of language of the text itself "in their most usual and most known signification * * * their general and popular use." If the "words happen to be still dubious" then the meaning was to be found from the context. In cases where "the words bear either none or a very absurd signification, if literally understood," deviation from "the received sense of them" is permissible. Finally according to Blackstone "The most universal and effectual way of discovering the true meaning of a law, when the words are dubious, is by considering the reason and spirit of it; or the cause which moved the legislator to enact it."

Mr. Speaker, I would say parenthetically that the cause which moved the framers of the Constitution, the writers of the Bill of Rights, to enact it, is that point.

Blackstone's impact on the American legal tradition can be seen in Hamilton's thoughts on interpretation:

> The rules of legal interpretation are rules of common sense adopted by the courts in the construction of the laws * * * in relation to such a subject, the natural and obvious sense of its provisions, apart from any technical rules, is the true criterion of construction.

A similar approach to the construction of legal language can be found in Justice Oliver Wendell Holmes opinion in United States versus Pulaski Co.:

> There is a strong presumption that the literal meaning is the true one, especially as against a construction that is not interpretation but perversion.

Judicial restraint is really nothing more than adherence to the rule of law. And I might add that it cuts across conservative and liberal lines. Judge Bork's belief in neutral, text-based rules of interpretation has put him at odds not only with those on the political left but with conservative activists as well. For example, he testified before the Senate Subcommittee on Separation of Powers that he believed the human life bill was unconstitutional. He is on record as having opposed efforts by some conservatives to deprive the Supreme Court of jurisdiction over issues like school prayer and abortion. And despite his libertarian leanings on economic issues, Judge Bork has differed with those conservatives who see the courts as a vehicle to invalidate economic regulation of business.

As a Member of the minority in this Chamber I can attest to the fact that Judge Bork is not motivated by the concerns of a conservative activist. In the case of Vander Jagt versus O'Neil, Judge Bork concurred in upholding a district court opinion which dismissed a complaint filed by 14 House Republicans which avered that our under representation in committee assignments was constitutionally infirm.

Although I am not all that happy with the result, I think it is illustrative of the integrity of Judge Bork's judicial philosophy. Rather than interject the court into a political question, Judge Bork's opinion is a classic exercise in restraint:

He said, "There are compelling reasons rooted in the concept of separation of powers, and in particular in the proper role of courts in relation to the political branches to hold that appellants lack standing here, for courts to reassign congressional committee seats would be no less intrusive than for Congress to enact a law forbidding the members of this court from sitting on cases of a particular type. If the courts would not accept such invasions of their sphere, they ought not attempt the invasion of Congress' sphere sought by appellants."

This classic delineation of the separation of powers doctrine reflects not only that Judge Bork is unwilling to interject the Court into mere political questions, and at the same time explodes the argument that he is a political judge.

While Judge Bork has been a staunch opponent of "judicial-legislation" at the same time he understands the important role of the Court in protecting those constitutional rights which depend on the Court for their protection and not the legislative branch. In this regard it is as important to understand what judicial restraint is not, as well as what it is. As Judge Bork made clear in the Moyers interview:

> But, if you say that, then you're saying the constitutional provision which guarantees the freedom of the press is protected by the legislature and not by the Court. That's wrong. The Court has a function to perform, to protect the things that the Constitution tells it to protect.

In other words, where there are express constitutional provisions the Court has a responsibility, even a duty to inject itself into the legal fray. The restraint comes into the picture only when the Constitution assigns the remedial duty to one of the other two branches of Government.

This is perhaps best illustrated in Ollman versus Evans and Novak. In that case Judge Bork expanded the constitutional protections covering journalists in libel cases. He reasoned such protection as being entirely consistent with "a judicial tradition of a continuing evolution of doctrine to serve the central purposes of the first amendment." His staunch defense of the first amendment literally demolishes the efforts of his detractors to paint him as an inflexible "wooden literalist." He went on to write the following words in Ollman which briliantly balance a respect for the values of the framers with the demands of contemporary America:

> It is the task of the judge in this generation to discern how the framer's values, defined in the context of the world they knew, apply to the world we know.

The judicial philosophy of Judge Robert Bork is thus an adherence to the values of the framers balanced by an appreciation of the fact that the complex world we face today is a far cry from that of 18th century America. For example there is little doubt that the framers had no knowledge of electronic surveillance. And yet the values inherent in the fourth amendment clearly bring such technological innovations within its parameters.

The vicious attack on Robert Bork should be understood for what it is. The menagerie of special interest groups who are "freaking out" over his nomination fear that if they are no longer able to use the Court as an instrument for their agendas they will have to go to the popularly elected legislators to plead their case.

Mr. Speaker, that is us.

Ironically, this result-oriented approach to the court strikes at the very heart of a democratic society. Just because one might desire a particular result, doesn't mean we should entrust the judiciary with the power to achieve it. Under such circumstances the nature of the law would become a mere product of who happened to be sitting on the court. In other words, legislation by judicial fiat is a lot of fun as long as those on the court are to one's liking. If we are truly a nation of laws and not of men, this would be unacceptable. Under the Constitution, such changes in public policy were deemed to be more appropriately dealt with by those more directly responsible to the people.

Mr. Speaker, I would say this; any of those of us who have studied philosophies of the ages, if we read Aristotle, we read of the concept of the philosopher king. In the concept of the philosopher king, it was premised on the fact that the people are incapable of deciding for themselves, and in ruling themselves, that we needed to have above us some sort of philosopher king or series of philosopher kings who would be far brighter than we were, who would have more wisdom than we would have, who would be detached from us and therefore be able to make those decisions that would basically rule our lives.

We reject that notion in America. The Constitution rejects that notion. But I would suggest those who say we ought to have judges who are not concerned about interpreting the words of the Constitution and the Bill of Rights and the other amendments in accordance with the attitudes of the people and intentions of the people who wrote those and adopted those, those very same people are those who would accept the concept of philosopher kings.

□ 2050

They just put it under a different rubric. We ought to be very concerned about that.

At one time Justice Oliver Wendell Holmes made the observation that "Judges should be a combination of Justinian, Jesus Christ, and John Marshall." Despite his impressive credentials I am not sure that even Robert Bork could fill this bill. Nevertheless, it is clear to me that this scholar-jurist has all of the qualities to distinguish himself and the intellectual integrity of the Court for years to come. I hope our colleagues in the other body will transcend the pressure of special interest groups and do the right and noble thing—confirm Robert Bork as a member of the Supreme Court.

Mr. Speaker, I yield to the gentleman from Virginia [Mr. SLAUGHTER].

Mr. SLAUGHTER of Virginia. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, on July 1, 1987 President Reagan nominated U.S. Appeals Court Judge Robert H. Bork to replace retiring Justice Lewis Powell. The nomination was not really a surprise since Judge Bork's name had been suggested as a possible candidate for the Supreme Court as far back as President Ford and more recently his name was mentioned prior to the appointment of Justice Scalia.

Scores of material have been written on Judge Bork's credentials. I do not think anyone could disagree that Judge Bork is truly an outstanding legal scholar and judge. But what makes him a particularly qualified nominee is his principled judicial philosophy. It has been said by critics that Judge Bork is "a vehicle" for the Reagan philosophy. However, I believe that Judge Bork has repeatedly demonstrated that this is not so.

We do not have to guess about Judge Bork's judicial philosophies. We have the benefit of his judicial opinions and writings on constitutional law that demonstrate these philosophies. Judge Bork has spent more than a quarter of a century developing his philosophy of law.

He begins with the simple proposition that judges must apply the Constitution, the statute, or controlling precedent—not their own moral, political, philosophical or economic preferences. He testified in 1982 regarding the role of precedent within the Supreme Court:

> I think the value of precedent and of certainty and of continuity is so high that I think a judge ought not to overturn prior decisions unless he thinks it is absolutely clear that the prior decision was wrong and perhaps pernicious.

Judge Bork believes judges are duty-bound to protect vigorously those rights provided in the Constitution. However, he is a realist as well. He has written that it is the "task of the judge in this generation to discern how the framers' values, defined in the context of the world they knew, apply to the world we know."

He views the framers as having adopted certain core principles in the Constitution and he believes that the role of Judge is to apply these principles to the case. Judge Bork's concurring opinion in *Ollman* v. *Evans* 717 F.2d 568 (1984) en blanc is very useful in observing Judge Bork's balanced approach in interpreting the Constitution.

> A judge who refuses to see new threats to an established constitutional value, and hence provides a crabbed interpretation that robs a provision of its full, fair and reasonable meaning, fails in his judicial duty. That duty, I repeat, is to ensure that the powers and freedoms the framers specified are made effective in today's circumstances. The evolution of doctrine to accomplish that end contravenes no postulate of judicial restraint. The evolution I suggest does not constitute a major change in doctrine but is, as will be shown, entirely consistent with the implications of Supreme Court precedents.

Whatever critics may say about Judge Bork, he is clearly not a political judge. He has repeatedly criticized politicized, result-oriented jurisprudence and disagreed with those who have urged conservative manipulation of the judicial process as a response to liberal judicial activism. His judicial record speaks for itself.

Statistics show that Judge Bork agreed with his colleagues the great part of the time. He voted with the majority in 94 percent of the cases in

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which he participated, including cases concerning motion's for rehearing.

Judge Bork's record has been impressive. In the 106 majority opinions he has written, he has never been reversed by the Supreme Court. Perhaps even more remarkably, of the 401 cases in which Judge Bork joined the majority, none were reversed by the Supreme Court, and only one was reversed by the D.C. Circuit en blanc. In addition, in a number of cases where Judge Bork dissented, either the D.C. Circuit en blanc or the Supreme Court eventually adopted Judge Bork's position.

I believe, we are most fortunate to have a nominee such as Judge Bork who possesses the academic and professional qualifications as well as the judicial experience and necessary wisdom for such a position.

Mr. LUNGREN. Mr. Speaker, I thank the gentleman for the gentleman's comments; and I thank the gentleman for taking the time to be here at this late hour to participate in this special order.

I might say that I hope Members will avail themselves of the abundance of information that is available at the present time in terms of the qualifications of Judge Bork.

I suspect that many of the Members, as we return to our home districts for part of the August recess period, will be asked by our colleagues for our opinions on the qualifications of Judge Robert Bork.

I just hope Members realize that that information is available, that we attempted to spread some of it on the record today.

Because of the rules of the House, we were not able to spread as much on the record as we wished, but that there is no lack of information on the qualifications of this distinguished jurist, and that they need not worry about the qualifications of this jurist, if they have an opportunity to review his record, his experience, his credentials, his judicial philosophy.

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## INDIA SHOULD GUARANTEE HUMAN RIGHTS OF SIKHS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. FIELDS] is recognized for 60 minutes.

### GENERAL LEAVE

Mr. FIELDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore (Mr. LANTOS). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FIELDS. Mr. Speaker, there are several Members who have statements that have been submitted as part of this record, the gentleman from Illinois [Mr. PORTER]. The gentleman from California [Mr. COELHO] has submitted a statement.

Mr. Speaker, I am very proud to say that we have the gentleman from California [Mr. HERGER], a distinguished Member, who wishes to join me tonight in this special order.

Mr. Speaker, I am going to allow the gentleman to go first, because the gentleman has some family considerations, and the hour is late.

I certainly appreciate the gentleman participating.

Mr. Speaker, I yield to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Speaker, I thank the gentleman from Texas for yielding, and for arranging this special order to again call the attention of the Congress and the American people to the plight of the Sikh people in India's Punjab State.

Mr. Speaker, I want to emphasize my strong opposition to terrorist activities of any sort, and deplore the tragic loss of lives in India that have resulted from the continued strife in Punjab. Still I want to emphasize as well that I have spoken with Dr. Gurmit Singh Aulakh, president of the Washington-based International Sikh Organization, as well as his excellency P. K. Kaul, India's Ambassador to the United States, to emphasize this point. I further want to point out that Dr. Aulakh, speaking for his International Sikh organization, also deplores terrorist acts, a point which should be of interest to Ambassador Kaul.

Because of my concern over this issue, and my concern over the degree to which the Government of India has been a party to the violation of the rights of the Sikh minority in the Punjab, I rise today to make several requests of the Indian Government. I believe these requests would help greatly the Indian Government to prove its determination to respect human rights, not only for the Sikh minority in India, but throughout the world.

First, I would simply request that the Indian Government restore democratic government in the Punjab and allow the freely elected officials of the Punjab government which it has displaced to return to their posts. I believe that these officials, many of whom are Sikhs, have shown a determination to establish order in their homeland without trampling on the legitimate political rights of their citizens to participate in the political process.

Second, I would request that the Indian Government issue a directive to its police forces and other civil authorities that the individual rights of all Indian citizens are to be respected, including the right to a fair and speedy trial for any criminal charge, and the right to be free of the fear of methods of torture while in police custody. If India wishes to remain a respected member of the world community, it must repudiate torture and detention without trial.

Finally, I would ask the Indian Government to illustrate its commitment to oppose terrorism by example, through the implementation of Indian foreign policy.

Mr. Speaker, the Indian Government rightly condemns terrorist acts as barbaric and uncivilized. However, the Indian Government has curiously shown moral blindness by offering aid and encouragement to terrorists such as the Palestine Liberation Organization and the Communist Sandinista Government of Nicaragua.

Currently, India maintains full diplomatic relations with the PLO, an organization dedicated to terrorism, and an organization which has murdered American citizens in cold blood. If the Indian Government wishes to repudiate terrorism, let it sever its relationship with the PLO.

Moreover, the Indian Government has granted aid and subsidized credits to the Sandinista Government of Nicaragua, which terrorizes its own people, and is actively engaged in an effort to destabilize the governments of neighboring democracies in Central America. India, no wealthy nation itself, has given the Communist Nicaraguan Government 5,000 tons of wheat. This grant enabled the Nicaraguans Communist Regime to funnel even more of their scarce funds to its armed effort to crush freedom in Central America. Currently, the Indian Government is offering the Nicaraguans more than $10 million in subsidized sales. I find it offensive that India, a not too wealthy nation, is willing to spread its scarce resources on the Sandinista terrorists while denouncing those who urge humane treatment of the Sikh people as sympathizers with terrorism. To truly repudiate terrorism, the Indian Government must immediately cease all aid to the Sandinista Government of Nicaragua.

Mr. Speaker, if the Indian Government does these things, and commits itself to respecting the Sikh people's rights to self determination, I am sure the unrest in the Punjab will cease. That should be our goal here today, as it should be the goal of peace loving people of good will the world over. I thank the gentleman from Texas.

Mr. FIELDS. Mr. Speaker, I want to say that I appreciate the gentleman from California making the effort to be here tonight. The hour is late.

The gentleman did have family commitments, but the gentleman felt that this was an issue that was so important that the gentleman must be here personally to make this statement on the floor.

Like the gentleman, Mr. Speaker, I rise tonight to express my deep concern about the ongoing problems between the Government of India and the Sikh people.

Disagreements between the two parties have resulted in a wave of violence that has pitted Hindus and Sikhs against one another and has caused an intolerable amount of suffering which has claimed the lives of thousands of people.

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A number of my colleagues addressed this matter during a special order on June 2. I was unable to participate in that session and my statement today is a continuation of that effort. I know that there will be others who will follow me in other special orders.

In my home district, Mr. Speaker, many of my Sikh constituents, including Dr. Assad and others, have told me they feel their fellow Sikhs are being treated unfairly by the Indian Government. In fact, the Sikh community came this past Saturday to one of my town meetings to discuss this very issue. I have been given a very real honor by the Sikh community in my district. I was asked to come to their temple for a religious service. I had lunch with them after that service. I experienced their hospitality. I heard their genuine concern about their family and friends in the Punjab. They have asked me to express their concerns regarding the plight of their family and friends back in India.

The Sikhs are fine people, and allegations of mistreatment by the Indian Government of its Sikh citizens should be of interest to all of my colleagues in the House who represent Sikh constituents, or who are just interested in human rights abuses. It is time Congress focuses its attention on this matter so that basic human rights can be guaranteed to Sikhs living in India.

The most notable and highly publicized example of the violence between the Sikhs and the Indian Government came in 1984, when the Indian Army stormed the Golden Temple in Amristar, the Sikhs' holiest shrine.

It is really hard for me to imagine an army overrunning a church.

Several hundred Sikhs were killed in the ensuing battle, and thousands of Sikhs reportedly were massacred the following week.

This incident fueled Sikh-Hindu tensions, leading to more bloodshed and death. To this day, three years after the storming of the Golden Temple, the violence in Punjab continues. We are still seeing the results of the storming of the Golden Temple. The Indian Government has been unable to bring about a political solution to what has to be its country's worst internal problem of this decade. The violence will continue unless Prime Minister Rajiv Gandhi steps up his efforts to respect the needs and freedoms of the Sikhs in India.

The Sikhs face a terrible dilemma. In their quest for greater religious and political autonomy in their home province of Punjab in northern India, they have had difficulties with the central government in New Delhi.

In response to these difficulties, certain Sikh extremists have taken matters into their own hands by engaging in terrorist activities. These extremists have been a wedge between Punjab officials and officials in New Delhi who have been negotiating for a peaceful settlement of the problem. Moderate Sikh representatives are continually threatened by extremist elements, who accuse them of compromising with the central government.

Even Harchand Singh Longowal, the former leader of the Sikhs' Akali Dal party and a principal in the Rajiv-Longowal accord, was assassinated by dissenting radicals.

Over the past 5 years, Punjab has been a virtual war zone as thousands of men, women and children have lost their lives in terrorist attacks and subsequent revenge attacks. Thus far, the Punjab government's efforts to counter this kind of terrorism have been unsuccessful. These terrorist acts have caused extreme prejudice against the Sikhs within the Hindu population.

As a result, in the government's quest for justice, many innocent Sikhs have been denied their basic human rights and civil liberties.

All Sikhs are suffering from the stigma of "terrorist," Mr. Speaker. Moderate Sikhs wish to disassociate themselves from the violent tactics used by extremists, but they are still burdened by this unfortunate and unwarranted stereotype. It also has been reported that police have been involved in rioting against Sikhs, and have been given sweeping powers of arrest and detention.

The Sikhs claim that thousands of innocent people are being brutalized and killed under the guise of fighting terrorism, as prescribed by Mr. Gandhi. The bloodshed and intolerance indicates a continuing spiral of violence, one which can only serve to complicate the process of finding a peaceful solution.

Not only is this not fair, it is not right.

India's Sikhs' population does not deserve to be denied its basic rights because of the terrorist activities of a militant few. It is not the type of image that is representative of India's 16 million Sikhs or it is not representative of the people that I have come to know personally in my congressional district in Houston, TX.

As a whole, the Sikh people detest terrorism and consider such activities as both unholy and uncivilized. Punjab Chief Minister Barnala called a recent terrorist attack "an act of criminal minds acting at the behest of foreign powers to disintegrate the nation." The Sikhs seek peaceful means to solve their differences with the New Delhi government. The anti-Sikh attitudes common among Hindus can only facilitate further abuses of Sikhs' human rights and individual liberties. The violence is unnecessary, and it only serves to undermine the efforts of reaching rational, practical, and legitimate solutions.

To complicate matters even further, Mr. Gandhi will not allow the foreign press, independent observers of human rights organizations into the Punjab for fact-finding missions. The area has been sealed off to outsiders. Foreigners are allowed to travel anywhere in India except Punjab. As a result, the outside world receives a biased, one-sided view of what goes on in Punjab because the Indian Government has control over most of the domestic media. This contributes to the stereotype that all Sikhs are extremist radicals who are terrorizing the predominantly Hindu nation, and that is just not the fact.

Government reports often conflict with eyewitness reports of arbitrary arrest, detainment and mass murder. This policy of censorship only enhances the complaints of the Sikh people. The accuracy of these allegations could be better determined if the press were allowed inside the Punjab. If the Indian government has nothing to hide, it should remove the news blackout and permit outsiders into Punjab. The free flow of information is essential to the preservation of rights and liberties in a democratic society, and India claims to be the world's largest democracy, so they should act as the world's largest democracy.

As I have mentioned before, Mr. Speaker, the Sikhs are a hardworking and honest people. The positive contributions they make to society are great, and those contributions should not go unnoticed. The great contributions of Sikhs to India are far out of proportion to what would normally be expected of such a small minority group. For example, the Sikhs make up approximately 2 percent of India's total population, yet they are responsible for a quarter of the country's gross national product. The Sikhs have transformed Punjab from a backward area into a model of agricultural efficiency that contributes to the self-sufficiency in wheat consumption that India now enjoys. Sikh farmers produce 73 percent of the wheat and 48 percent of the rice in all of India. In addition, many distinguished Sikhs have made great contributions in the Indian Government and military.

I, may be incorrect on this, Mr. Speaker, and I will be glad to correct

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my remarks tomorrow if I am wrong, but as I understand, as a percentage, I am told that there were more Victoria Crosses awarded among Sikhs than of any other group that was formerly a member of the British Empire. To me that is a testament to the Sikhs courage, to their valor, and to their determination.

Also, it is well documented that many Sikh lawyers and doctors are leaders in their fields.

The point I am trying to make, Mr. Speaker, is that the Sikhs are a quality people doing more than their fair share for the well-being of Indian society. The unselfish contributions and accomplishments of Sikhs also are well-known in the United States, especially in my home district. The Sikhs are a people who conduct themselves with dignity and have great respect for the individual. The Sikh people stand for individual initiative as indicated by their support of a free-market economy.

I might say, they are making a great contribution to the market economy of my home town of Houston.

They are aware of the deprivations of rights of the individual under a Communist or socialistic system of government.

Congress should not make it a habit to dictate policy to foreign countries or the President, but in this case, Mr. Speaker, it is important that we express interest and concern about the nature of alleged human rights abuses occurring in India. As the leader of the free world, the United States cannot ignore violent and repressive measures directed against the people of any nation—including India's Sikhs.

Justice, equality, and the pursuit of happiness are fundamental rights of all human beings—regardless of race, color, creed, sex, or in this case, religion. This is the foundation for a democratic nation, and it is not too much to ask of India to respect the rights of all of its people, not just the Hindu majority. It is not right for any government to deny 16 million of its own people their basic political and civil rights. India has a moral obligation to protect the Sikh community.

The United States should reexamine its policy toward India, and do what is in its power to encourage the restoration of civil liberties and human rights to the Sikh people. At the same time, we should demand that extremist Sikh factions reconcile their differences with moderates to prevent further terrorist acts. This should be a two-way street. If Sikhs truly want the atrocities to stop, it is necessary for both sides to cease all terrorist activity. Also, we should ask no less of Mr. Gandhi than to end this violence that is plaguing his country. A fast solution must be implemented so extremists will not be able to add more fuel to the already burning flames.

Violence, terrorism, or oppression have no place in solving the religious and political differences which divide India's Hindus and Sikhs. Much damage has been done already, and I implore Mr. Gandhi to dedicate himself to preventing further carnage and suffering among his people and throughout his nation.

Mr. COELHO. Mr. Speaker, today, I join my colleagues here in the House to express my concern over the violence that has taken place and continues to take place in India.

The people of the United States are generally unaware of the widespread killings that are taking place among Sikhs and Hindus in India. We know about the storming of the Golden Temple, the assassination of Prime Minister Indira Gandhi, and the brutal bus hijacking which took so many lives. However, we are generally not informed as to just how grave the situation is in India. Reporters and foreigners are not allowed in the state of Punjab where so much violence has occurred, and the central government of India controls the flow of information as to events there. Members of the Sikh community who live in my district are in constant worry about the safety and well being of their families remaining in India. For them, it is time that we demand the truth.

Both Sikhs and Hindus have made tremendous contributions in India and the United States. The high industrial and agricultural output in the Punjab is proof of how successful the Sikhs have been in helping to build a stronger, self-sufficient India.

Like their brothers and sisters in the Hindu community, the Sikh people want an influential India that will take her rightful place in the international community as a democratic power.

I join the many voices calling for action on the part of Prime Minister Gandhi to adhere to the provisions of the Punjab Accords and to move toward full recognition of Sikhs as Indian citizens, with all the rights and freedoms that other Indian citizens enjoy.

It is time that the world awake to the problems the Sikhs are facing in India. Too many Sikhs and too many Hindus have suffered because of the government's inability to uphold the guarantees established in the Indian Constitution. As the largest democracy in the world, India should look to the histories of other democratic countries and realize that freedom and equality are virtues that people everywhere are willing to die for.

India must live up to her promises and provide for all of her people the freedoms upon which a democracy is based.

Mr. PORTER. Mr. Speaker, as cochair of the Congressional Human Rights Caucus, I rise to join Representative JACK FIELDS in condemning the continuing violations of human rights occurring in India.

There has been no respite from the violence in the Sikh-majority Punjab since the 1984 fighting around the Sikh's holiest shrine, the Golden Temple of Armistrar. Since then, thousands of innocent people have died as a direct result of Indian-Sikh violence.

The tragedies in India are difficult to access. In early July, newspapers reported the "Worst Violence in Three Years." Stories described the deaths of at least 72 Hindu bus passengers by suspected Sikh terrorists. The stated facts were derived from official quotes taken by the Press Trust in India—a government controlled news service.

I am not disputing the legitimacy of the Indian press, nor am I condoning violent attacks against innocent people. I do protest the limited information we receive on the Sikh-Hindu conflict. Foreign journalists are not allowed into Punjab. Members of Congress who visit India are often denied the opportunity to visit Punjab. Just 3 months ago, the Indian Government dissolved the state government of Punjab. This city is now ruled directly from New Delhi.

Two weeks prior to the July bus killings, police and security forces raided the Golden Temple and surrounding residential districts. Homes were searched, hundreds of people were arrested and a curfew was clamped on the citizens of Armistar if the so-called extremists go ahead with a planned meeting. Why didn't we read about this in the newspaper?

Mr. Speaker, India claims to be a democratic nation. If this is true, I implore the Indian Government to respect the fundamental freedoms of their citizens and of the rest of the world. Prime Minister Gandhi must halt the violations perpetrated against the Sikh minority and allow the rest of the world to see the real situation in the Punjab.

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## TRIBUTE TO JOHN CRONIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BADHAM] is recognized for 10 minutes.

Mr. BADHAM. Mr. Speaker, it is my pleasure today to join my colleagues in the Orange County, CA, delegation to honor a man who has been a large part of the success of the Republican Party in southern California.

John J. Cronin will be honored August 17 when he is presented with a Volunteer of the Month Award from the Orange County Republican Central Committee. But he could just as easily be named a volunteer of the decade. Since he moved to California in 1969, John has been a dedicated worker, devoting himself to each and every of the many tasks he has accepted. Those tasks have included politics, work in the fields of recreational and commercial diving, and community service.

It is especially fitting that he should be honored by all of Orange County's Congressmen because of what he has given to Orange County and I will ask my colleagues to tell you more about him.

### THE EARLY YEARS

Mr. DANNEMEYER. Mr. Speaker, John Cronin was born in 1928 in Albany, NY, and grew up there during the depression. He enlisted in the Marine Corps in 1946. When he was honorably discharged 2 years later, he went to work as a "gandy dancer," laying track for the New York Central Railroad. Two years later, he was recalled into the Marine Corps during the Korean conflict and served through February, 1952.

He then went to work in retail sales and soon moved into the diving industry. It is apparent, Mr. Speaker, where John Cronin acquired his taste for hard work. There are few jobs more difficult than serving in the Marine Corps or laying rail and John Cronin puts as much effort into his current endeavors as he put into those tasks. It has been my pleasure to be associated with a man who has worked so hard for so long for so many.

### DIVING

Mr. DORNAN of California. Mr. Speaker, in 1958 John Cronin initiated one of America's first diving training courses in upstate New York, and soon after that, in 1959, he accepted the position of promotions manager for U.S. Divers Co. in New York. John moved his family to the Midwest in 1961 where he formally established the Pacific Association of Diving Instructors [PADI] with Ralph Erickson in 1965. The Cronins moved to California in 1969 when John was appointed general manager and C.E.O. of U.S. Divers Co.

John Cronin worked vigorously to defeat Los Angeles County antidiving legislation that would have infringed upon the personal liberty of divers. While president of Divers Co., John also served as president of Body-Guard Corp. of Missouri, which produces protective clothing for firefighters. Over the years John has worked with Jacques Cousteau in his efforts to preserve and study our planet's marine life and he remains involved in the effort to promote safe diving. Through John's tireless work in support of safety, and other works which my colleagues will discuss, our good friend John Cronin has truly demonstrated concern for his fellow man.

### PERSONAL AND POLITICAL

Mr. LUNGREN. Mr. Speaker, John Cronin is a generous community volunteer and has devoted himself to many worthy causes. He has served on the board of directors of the Boy Scouts of America, the Correctional Institution Needs and Assessment Committee, the Equestrian and Recreational Trails Committee and the State Underwater Parks Committee.

In 1985, he received the Good Government Lincoln Club Man of the Year Award. He was 1 of 49 people in the Nation selected to attend President Reagan's private breakfast for the official Presidential reelection kickoff. He has been a role model for many of the younger people who have become active in the Orange County Republican Party and I can think of no Orange Countian better suited to such a position.

### A MAN OF CONVICTION

Mr. PACKARD. Mr. Speaker, by virtue of alphabetical order, I am privileged to summarize John Cronin's accomplishments and conclude this long overdue and highly deserved tribute. During the time that John Cronin has lived in Orange County, the population has boomed and there have been radical changes in the way of life for many residents. But John Cronin has been a stable force for conservatism, a dependable campaign worker, and a model citizen.

Indeed, even as we honor John Cronin as volunteer of the month, we ought to learn from him about the importance of the qualities that my colleagues and I have discussed and that he displays so well. John J. Cronin is a personal friend of mine and a treasure to the people of Orange County.

## AMERICA'S ELDERLY AND THE FEDERAL BUDGET OPENING REMARKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROYBAL] is recognized for 60 minutes.

Mr. ROYBAL. Mr. Speaker, I rise today in response to the unrelenting assault on America's elderly and poor. That assault is most clearly and most recently reflected in the administration's threats to veto Congress' reasonable and compassionate budget plan for fiscal year 1988.

Sadly, the administration's continuing attacks come as no surprise to those of us who care deeply about the millions of elderly and poor Americans, who have always been at the very bottom of this administration's priority list. For 7 straight years, America's elderly and poor have been the target of a massive assault by this administration; and for 7 years, Democrats in the Congress have fought to shield these most vulnerable Americans from the unyielding onslaught of the Administration budget ax.

The administration advances the cynical, and convenient, argument that America's massive budget deficits simply make it impossible to do more for our elderly and poor. Yes, our deficits are massive. Yes, our deficits require us to make hard choices about our priorities. However, it is my conviction, Mr. Speaker, that many of the problems we face today are the result not of hard choices which the administration has made. They are the result of wrong choices—choices which have placed unfair tax cuts and excessive military spending above the real needs of the American people.

The administration blames the Congress, and our party, for the tremendous budget deficits now plaguing the American economy. But it is not our priorities which have caused the huge deficits these past 7 years—deficits which dwarf anything our republic has ever before experienced. Rather, if the policies and priorities of this administration which are, more than anything else, responsible for the deficits we face.

What's really driving the deficit? Based on CBO figures from the early years of this administration, the impact of tax cuts and excessive military spending more than equaled the huge deficits burdening America.

Let's take a look at some of the numbers. In every fiscal year between fiscal year 1981 and fiscal year 1987, the administration has demanded more increases in the military budget and more cutbacks in domestic programs. During this period, defense spending increased more than 40 percent while domestic discretionary spending decreased 21 percent. Moreover, this 21 percent decrease represents the average reduction in domestic discretionary programs. Some programs, such as subsidized housing and employment and training programs have been cut over 60 percent.

Suppose for a moment, that the administration's defense and revenue priorities since fiscal year 1981 had not been put into effect. According to the House Budget Committee, defense spending in fiscal year 1986, for example, would have been $54 billion lower, interest costs would have been $39 billion lower, and revenues would have been $66 billion higher had these administration priorities not been put into effect. That's a total of $159 billion that would not have been added to our deficits in fiscal year 1986 alone. Sadly, however, those administration priorities were put into effect, and it is those priorities which are driving the deficit today.

Mr. Speaker, contrary to what this administration would like to have the American people believe, it has never once sent a balanced budget to Congress. No, Mr. Speaker, this administration has, instead, repeatedly sent the Congress budgets with large deficits resulting from grossly misplaced priorities. Fortunately, we Democrats have succeeded in softening the blows inflicted upon the most vulnerable Americans by these misplaced priorities. Unfortunately, however, we have so far not succeeded in changing the basic thrust of these priorities.

Despite our efforts, this administration has largely succeeded in shielding high income people and large corporations from contributing their fair share to the Nation's support. It has succeeded in shielding the wasteful military from the kinds of massive cuts which have been inflicted upon critically needed domestic programs for America's vulnerable children, elderly, and poor.

What about the effects of this administration's priorities on specific programs that affect the everyday lives of America's elderly and poor? What about the effects of these priorities on programs like Medicare and Medicaid which protect America's sick and frail when they need medical care? What about the effects of these priorities on the Social Security, housing, health and human services programs which are supposed to make up the "safety net" protecting America's elderly, America's disabled, and America's poor from catastrophe and ruin?

Most of these programs have been threatened often, and cut repeatedly, by the administration budget ax. As a result, America's most vulnerable people have suffered desperately over the past 7 years. That suffering will continue to grow unless we act decisively and quickly.

Let's begin with Medicare which has suffered cumulative spending reductions of $34 billion since fiscal year 1981. In 1981, beneficiaries paid Medicare part B premiums of $11. Today they are paying $17.90, an increase of 63 percent in just 6 years. The amount beneficiaries must pay for the first day of hospital care has risen from $204 to $520 over the same period. That's a whopping 150 percent increase.

Incredibly, the Medicare reductions which have been put into effect over the past 7 years represent only a portion of the reductions which the administration has wanted, and it has continued to press for large Medicare reductions in its fiscal year 1988 budget. The administration is asking for Medicare part B premium increases that would add $11.4 billion to beneficiary costs over the next 5 years. Meanwhile, it doubles research on antisatellite weapons of questionable feasibility.

The Medicaid Program has also suffered heavily under this administration. Today, Medicaid protects fewer than half of America's

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poor. Given this administration's record of insensitivity to our Nation's most vulnerable citizens, it is sad, but not surprising, that the administration's proposed Medicaid cuts would total $1.3 billion in fiscal year 1988 and $19.5 billion over the next 5 years.

The administration's proposals would result in a fiscal year 1988 cut of over $50 per beneficiary. The magnitude of the administration's proposed reductions goes far beyond what States could absorb. So-called savings under these proposals would jeopardize the neediest among us and shatter our State-run programs.

The administration has also repudiated its longstanding promise not to cut into the Social Security Program. The quality of services provided to the poor, elderly, and disabled has been repeatedly threatened by administration proposals to reduce Social Security staff by more than 20 percent in each of the last 5 years. Most recently, the administration's fiscal year 1988 budget requested 5,092 staff below congressional appropriation levels. Despite consistent rejection by Congress of these staff reduction proposals, the administration has continued to reduce Social Security staff below congressionally authorized levels through attrition and through its failure to hire any new staff.

Perhaps the administration's most relentless assault on America's needy has been its attempt to eliminate all funding for any low-income housing construction, rehabilitation, and senior citizen housing. Although Congress has rejected many of these proposals, Federal assistance has been drastically reduced by more than 70 percent over the past 6 years. The administration's budget proposals for fiscal year 1988 would all but end any Federal housing assistance for low-income Americans and senior citizens, despite the fact that nearly half the residents of HUD-assisted housing are among the poorest of our low-income elderly.

This administration has also proposed the total elimination of the low-income weatherization program and legal service assistance to the poor. Substantial reductions in funding were proposed for the low-income energy assistance program, the Community Service Block Grant Program, the Job Training Partnership Act's dislocated worker program, and transportation assistance. In the first 4 years of this administration, spending on the aged was cut by a cumulative $26.5 billion. Grants funding locally provided health and social services received cuts ranging from 22 to 39 percent.

One initiative by this administration, the block-granting of social services, virtually assures that older minority persons will not receive services which have been designed to serve their special needs. Programs are less likely to be culturally sensitive. Adequately trained personnel may not be available to administer supportive services, and services are much less likely to be located in the most appropriate community settings.

Low-income senior citizens have been particularly hurt by reductions in food stamp eligibility and benefits. Although not generally identified as an elderly nutrition program, one out of five households receiving food stamps have at least one elderly member, making the food stamp program this Nation's largest elderly nutrition program. Despite administration talk of preserving a "safety net," low-income elderly have been hurt most by this administration's misplaced priorities and have suffered a great loss as a result of this administration's misdirected policies.

Mr. Speaker, the time has come to be brutally honest with ourselves and with the American people. The Administration's priorities have had devastating effects on America's most needy and most vulnerable citizens. Children, the elderly, the sick, and the poor, have all suffered horribly because of the misplaced priorities of this administration. Just a few months ago, the administration described its budget proposal as "a plan, a hope, a vision of what America is and where it is going." But if you are poor, homeless, hungry, or sick in America, the administration's budget provides no plan, no hope, and no vision of what America is and where it should be going.

Just look at America in the seventh year of this administration: 12.6 percent of America's elderly still live in poverty, including 31.5 percent of America's black elderly and 23.9 percent of America's Hispanic elderly—more than half of Indian elderly live below the poverty level; 15.6 percent of America's elderly women live in poverty, including almost 20 percent of women over the age of 85.

In 1980, 19 cents was spent on subsidized housing for each dollar spent for national defense. By 1985, the administration proposed less than 1½ cents be spent on housing for every dollar spent on the military.

Two out of every five elderly Americans consume too few calories, proteins, or basic vitamins and minerals to meet even minimal requirements for good health.

Out-of-pocket health costs consume 16 percent of elderly income, more than when Medicare and Medicaid began. Even without further cuts, out-of-pocket costs are projected to consume up to 18.5 percent of elderly income by 1991.

Thirty-seven Americans are uninsured for any health costs; 200 million Americans are underinsured against the costs of catastrophic, long-term illness.

Sadly, what I have outlined here is just the tip of a large and threatening iceberg. Much more can and must be said about this administration's relentless assault against America's elderly and poor.

Mr. Speaker, the words we have heard today paint a tragic portrait of America—an America in which people are suffering because of the misplaced priorities of an insensitive administration. America's elderly and poor have been the target of this administration's assault for 7 long and tortuous years, far too long for a compassionate nation.

Mr. Speaker, contrary to what administration's speechwriters would like for us to believe, its priorities are way out of sync with those of the American people. Time after time, the American people have reaffirmed their compassionate commitment to protecting our most vulnerable citizens. In keeping with that commitment, time after time, Democrats in Congress have fought back and tried to shield America's poor, its homeless, its elderly, and its infirm.

Democrats in Congress have fought to strengthen programs weakened by the administration. We fought to protect and expand the Older Americans Act. The House version of this very important bill contains provisions to help low income and minority elderly, including Native Americans and others with the greatest social and economic needs.

For 7 straight years, we have repeatedly fought to save Medicare and Medicaid from destruction. This spring, our House Budget Resolution once again protected both of these critical programs from major cutbacks and precluded any increases in out-of-pocket costs to beneficiaries. Just last week, we acted to provide an extra measure of Medicare protection against catastrophic illness. However, much remains to be done, especially in the areas of long-term care and the medically indigent.

But the struggle continues and the challenge remains. This administration, as demonstrated by its veto threats and its budget proposals for fiscal year 1988, fully intends to continue its relentless assault. This Congress and these Democrats fully intend to block that assault and strengthen the protective shield surrounding America's most vulnerable.

Mr. BIAGGI. Mr. Speaker, as an original member of this committee I am proud to participate in this special order to discuss the issue of the administration's budget policies and their impact on the elderly.

The fundamental question we must deal with today—how best do we deal with the No. 1 economic threat to groups of all ages—the deficit?

I would submit that the approach that has been attempted by this administration has been narrowminded—shortsighted and punitive to groups in this Nation such as the elderly.

How can one be wedded to an economic principle which defies all economic logic. That principle says that you can eliminate a $200 billion deficit by merely reducing some spending.

You do not have to be a Rhodes scholar to realize that deficits can only be eliminated by either reducing spending—or raising new revenues. This administration as the champion of Gramm-Rudman disagrees.

It is true—and it is also fortunate that almost every administration budget that has been sent up here has been rejected.

However it is also true and more unfortunate that the administration budget has served as a catalyst for certain of the major cutbacks which have occurred in programs serving the elderly.

Let us consider some realities—today in the Nation the poverty rate for those 65 and over is the highest of any adult group in the United States.

SSI benefits reach fewer than half of those eligible for them—even those an SSI eligible person represents the very poorest segment of our elderly population.

From 1981–84, 9 percent of elderly Medicaid recipients lost coverage because of Medicaid budget cuts. Again we refer to the very poorest of our elderly citizens.

The misguided efforts at cost containment have in fact resulted in care containment for

our Nation's elderly. Today the elderly of our Nation pay more to get less in fact more than they did before Medicare was created.

Today in our Nation 4.6 million elderly need the help of others in activities of daily living. Yet this administration resists and rejects all efforts to develop a long term care policy. This despite the fact that by 2000 9 million seniors will need long-term care.

In housing this administration has launched an all out offensive to reduce the Federal commitment to housing. As a result—10.3 percent of housing units headed by persons 65 and over showed signs of mice and rats. A total of 54 percent of elderly lived in housing 40 years and over.

Consider that this administration's long-stated hostility toward legal services for the poor. As a result these services have experienced an inflation adjusted loss in funding of more than 30 percent between 1981 and 1983.

Administration proposals that fortunately were not adopted would have made matters even worse for millions more elderly such as those receiving Older Americans Act services and those from the social service block grant.

The point to make is that we must work for equity and fairness in our budget policies. The elderly are as committed as any other group to make their fair share of sacrifice for the cause of deficit reduction. They have proven this on several occasions in recent years.

However it is one thing to voluntarily sacrifice. It is something for any one group or segment of our population to be sacrificial lamb.

As I have said on several occasions in the past—in our passion for economy let us not economize on compassion for those in need.

Mr. Speaker, the administration's budget policy's impact on human services programs for seniors has been especially regressive; it has failed to recognize the infinitely and rapidly growing demand for services, and most importantly it has failed to provide the Federal dollars necessary that keeps the elderly living independently in their homes and active within their communities. When the elderly are institutionalized, it costs the Government much more.

One area of particular concern to me comes from a longstanding involvement I have had with the Older Americans Act. The Older Americans Act, now enjoying its 22d year of success, is the key vehicle by which services to the elderly are delivered. These services, whether they be meal programs, transportation to and from senior centers, employment for the aged, and a variety of others all stand to be affected by the administration's budget. The Older Americans Act reauthorization has recently been reported out by the House successfully which was the culmination of many months of holding hearings in Washington and around the country. One such hearing which I chaired in September 1986 focused on the administration's perspectives on the then-upcoming reauthorization. We were especially interested in a draft document which was making its way through the aging network that contained proposals that might have been extremely harmful to seniors served by the act. In these proposals, there were three basic issues I opposed. The first and most controversial was the proposal to raise the eligibility age for services under the act. Under current law, a State is allotted funds for supportive nutrition and home delivered nutrition services primarily on the basis of its population aged 60 and over as compared to all States. The proposal suggested by the administration would change the formula so that a State would receive funds based on its population aged 70 or over. I took, and always will, strong exception to this change for one major reason. The Older Americans Act at the present time has one targeting requirement—that is that seniors in the greatest economic or social need be served. This is a requirement directed at all older persons under this criteria. A change of this type would serve to eliminate that segment of seniors under the age of 70 despite their demonstrated need for services. Another concern that stemmed from this proposed change related to the disproportionate impact that this change would have had on low income and minority seniors. There has been a 24.7 percent decrease in the participation rate in services among minorities since 1980. Were the eligibility age to change to 70, it would only serve to exacerbate this problem. As of 1984, the life expectancy for whites at age 65 is almost 9 percent longer than for minorities. Any increase of the age requirement would have forced the reduction or elimination of services to persons between the ages of 60 and 70. This would hit the minority elderly the hardest.

A second major concern we addressed at our hearing was the suggestion that we completely block grant the services provided under tittle III of the Older Americans Act. Since the nutrition program was established in 1972, I have been a chief supporter of separate funding and a separate title for nutrition services in the act. Nothing that I have encountered since that time leads me to change my mind. Any further consolidation of title III is unwarranted and could be dangerous if it leads to erosion in funding for nutrition services. In a Library of Congress briefing paper prepared for me last year it stated, "Nutrition services under title III of the act are among the most visible federally funded benefits available to older persons and represent 47 percent of the act's total fiscal year funding (for 1986)."

The final and major area of concern I had was the suggestion by the administration to permit the States to waive on a demonstration basis any requirement of title III "if the waiver would result in greater flexibility and improved quality of efficiency in community or family services designed to enable vulnerable older persons to retain or regain their independence." The idea that a State could choose to waive any requirement under title III was unconscionable. That could lead to an end of a service, or even the abolition of an area or State agency on aging.

Another area that I am extremely concerned about when we speak of the administration's budget is the social services block grant. The present funding level for this program as proposed and supported by the administration is $2.7 billion. The social services block grant provides funding for a broad range of social and human services which includes adult day care, homemaker and chore services for the elderly and a variety of other programs for the elderly. The funding levels for this program have undergone a number of cuts since the authorization of the program in 1980. In 1981, the program was cut by 20 percent and in 1986 under Gramm-Rudman-Hollings, funding was reduced again—to $2.5 billion. In addition to proposing the $2.7 billion funding level, the adminstration has proposed eliminating legal services assistance, the work incentive program, vocational education and other programs, some of which would be included in the social services block grant without additional funding. I voted for the amendment that assumed $2.9 billion for the social services block grant and will support any legislation that seeks to increase funding for these services.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DAVIS of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. DIOGUARDI, for 60 minutes, on August 5.

Mr. BADHAM, for 10 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, today; 60 minutes on August 5 and 6.

Mr. MACK, for 5 minutes, today.

Mr. WALKER, for 5 minutes, today.

Mr. SWINDALL, for 30 minutes, today.

Mr. HYDE, for 5 minutes, today.

(The following Members (at the request of Mr. ROYBAL) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ENGLISH, for 5 minutes, today.

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Mr. Hutto, for 5 minutes, today.

Mr. Roybal, for 60 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Davis of Illinois) and to include extraneous matter:)

Mr. Fields in two instances.
Mr. Ritter.
Mr. Packard.
Mr. Roth.
Mr. Sundquist.
Mr. Gekas.
Mr. Gilman.
Mr. Badham.
Mr. Michel in two instances.
Mr. Dornan of California.
Mr. Pursell in two instances.
Mr. Gingrich.
Mr. Gallo.
Mr. Broomfield.

(The following Members (at the request of Mr. Roybal) and to include extraneous matter:)

Mr. Stark.
Mr. Donnelly.
Mr. Coelho in two instances.
Mr. Rahall.
Mr. Murtha.
Mr. Kanjorski.
Mr. Dorgan of North Dakota in two instances.
Mr. Clarke.
Mr. Boland in two instances.
Mr. Lowry of Washington in two instances.
Mr. Yatron.
Mr. Morrison.
Mr. Downey.
Mr. Skelton in two instances.
Mr. Bates.
Mr. Montgomery in two instances.
Mr. Florio in five instances.
Mr. Fauntroy.
Mr. Lipinski.
Mr. Martinez.
Mr. Beilenson.
Mr. Garcia.
Mr. Lantos.
Mr. Dellums.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1068. An act to amend the Clayton Act regarding interlocking directorates and officers; to the Committee on the Judiciary.

## ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 348. An act to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive service;

H.R. 1403. An act to designate the U.S. Post Office Building located in St. Charles, IL, as the "John E. Grotberg Post Office Building;" and

H.R. 1444. An act to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs.

## ADJOURNMENT

Mr. FIELDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 19 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, August 5, 1987, at 11 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1900. A letter from the Secretary of Education, transmitting notification of final annual funding priority—Educational Media Research, Production, Distribution, and Training Program, pursuant to 20 U.S.C. 1232(d)(i); to the Committee on Education and Labor.

1901. A letter from the Secretary of Education, transmitting, a draft of proposed legislation to amend the Higher Education Act of 1965, to enhance the equity and effectiveness of Federal programs in support of higher education, to restore the role of the family in financing a student's postsecondary education, to expand and improve the Income Contingent Loan Program, to provide the broadest possible access to student assistance by eliminating restrictions on the availability of supplemental loans for students and PLUS loans, to focus student assistance on the neediest students, to reduce waste and abuse, and for other purposes; to the Committee on Education and Labor.

1902. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation to amend the Anti-Drug Abuse Act of 1986 to permit certain participants in the White House Conference for a Drug Free America to be allowed travel expenses, and for other purposes; to the Committee on Government Operations.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. Supplemental report on H.R. 1632 (Rept. No. 100-163, Pt. 2). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1871. A bill to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the programs established in such act, and for other purposes; with an amendment (Rept. No. 100-265). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROE: Committee on Science, Space, and Technology. H.R. 2916. a bill to amend the act of March 3, 1901, and the Stevenson-Wydler Technology Innovation Act of 1980 to further U.S. technological leadership, and for other purposes; with an amendment (Rept. No. 100-266). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2372. A bill to exempt natural gas liquids from the minimum price requirement for the naval petroleum reserves (Rept. 100-267, Pt. 1). Ordered to be printed.

Mr. FROST: Committee on Rules. House Resolution 241. Resolution providing for the consideration of H.R. 2686, a bill to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965 (Rept. 100-268). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 2655. A bill to designate the Federal Building located at 330 Independence Avenue SW, Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building" (Rept. 100-269). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. House Concurrent Resolution 161. Resolution authorizing a public ceremony on the East Lawn of the Capitol in honor of the Bicentennial of the United States Constitution (Rept. 100-270). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 3085. A bill to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, PA. (Rept. 100-272). Referred to the Committee of the Whole House on the State of the Union.

Mr. LaFALCE: Committee on Small Business. A report on the Implementation of the Regulatory Flexibility Act—a 5 year Report (Rept. 100-273). Referred to the Committee of the Whole House on the State of the Union.

## REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2897. A bill to amend the Federal Trade Commission Act to extend the authorization of appropriations in such act, and for other purposes; with an amendment; referred to the Committee on Public Works and Transportation for a period ending not later than September 25, 1987, for consideration of such provisions of title II of the amendment as fall within the jurisdiction of that committee pursuant to clause 1(p), rule X (Rept. 100-271, Pt. 1). Ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DAUB:

H.R. 3083. A bill to establish limitations and procedures in Federal tort claims cases; to the Committee on the Judiciary.

By Mr. SAVAGE (for himself and Ms. Oakar):

H.R. 3084. A bill to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965; jointly, to the Committees on Public Works and Transportation and Banking, Finance and Urban Affairs.

By Mr. CLINGER:

H.R. 3085. A bill to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, PA; to the Committee on Public Works and Transportation.

By Mr. BROOKS:

H.R. 3086. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to apply to welfare plans restrictions which currently apply to pension plans preventing cutbacks in benefits upon a merger or consolidation of plans or transfers of assets or liabilities between plans; to the Committee on Education and Labor.

By Mr. BROWN of Colorado:

H.R. 3087. A bill to authorize the Secretary of Agriculture to provide facilities and equipment for additional storage space and laboratories at the National Seed Storage Laboratory at Fort Collins, CO; to the Committee on Agriculture.

By Mrs. BYRON:

H.R. 3088. A bill to amend title 10, United States Code, to provide catastrophic loss protection for dependents of active-duty members of the Armed Forces under the Civilian Health and Medical Program of the uniformed services; to the Committee on Armed Services.

By Mr. CONYERS:

H.R. 3089. A bill to amend chapter 1 of title 1, United States Code, to include in the definition of fraud for the purpose of Federal laws frauds involving intangible rights; to the Committee on the Judiciary.

By Mr. DORGAN of North Dakota:

H.R. 3090. A bill to amend the Clayton Act to limit mergers; to the Committee on the Judiciary.

By Mr. DORNAN of California:

H.R. 3091. A bill to amend the Internal Revenue Code of 1954 to regulate and limit collection procedures of the Internal Revenue Service in order to provide protection of taxpayer civil rights, and for other purposes; to the Committee on Ways and Means.

By Mr. ENGLISH (for himself and Mr. Kleczka):

H.R. 3092. A bill to establish a commission to investigate allegations of censorship in the editorial operations of certain newspapers published by the Department of Defense; to the Committee on Armed Services.

By Mr. GLICKMAN (for himself, Mr. English, and Mr. Roberts):

H.R. 3093. A bill to expand and improve the optional acreage diversion program for the 1988 crop of wheat; to the Committee on Agriculture.

By Mr. GREEN:

H.R. 3094. A bill to authorize the Administrator of the Environmental Protection Agency to establish an industrial assistance program for reducing the generation of all environmental pollutants and hazardous waste at their source, to assist States in establishing waste reduction programs, to establish an Office of Waste Reduction, and for other purposes; jointly, to the Committee on Energy and Commerce and Science, Space, and Technology.

By Mr. KEMP (for himself, Mr. Roth, Mr. DeLay, Mr. Boulter, Mr. Hyde, Mr. Lungren, Mr. Smith of New Hampshire, Mr. Gingrich, Mr. Wolf, and Mr. Hiler):

H.R. 3095. A bill to amend the Export Administration Act of 1979 and the Federal Deposit Insurance Act to authorize controls on the export of capital from the United States, to control exports supporting terrorism, to prohibit ownership of U.S. banks by controlled countries, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

By Mr. SIKORSKI:

H.R. 3096. A bill to establish a commission to study Federal voluntary service opportunities for young people; jointly, to the Committees on Post Office and Civil Service and Education and Labor.

By Mr. WAXMAN:

H.R. 3097. A bill to amend the Public Health Service Act to revise and extend the program of assistance to organ procurement organizations, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BATES (for himself, Mr. Vento, Mr. Sabo, Mr. Obey, Mr. Moody, Mr. Aspin, Mr. Hughes, Mr. Dorgan of North Dakota, Mr. Frenzel, Mr. Oberstar, Mr. Sikorski, Mr. Coelho, and Mr. Gunderson):

H.J. Res. 347. Joint resolution recognizing the identical plaques initiated by Sami Bandak, created by Margareta Hennix and Ginvanni Bizzini, and depicting the *Calmare Nyckel*, the ship that brought the first Swedish settlers to North America, as significant symbols of the "Year of New Sweden;" and providing for the placement of one of such plaques at Fort Christiana in the State of Delaware; to the Committee on Post Office and Civil Service.

By Mr. BROWN of Colorado (for himself, Mr. Campbell, Mr. Blaz, Mr. Rodino, Mr. Henry, Mr. Davis of Illinois, Mr. Lantos, Mr. Horton, Mr. Savage, Mr. Yatron, Mr. Mfume, Mr. Daub, Mr. Hayes of Illinois, Mr. Wortley, Mrs. Morella, Mr. Fish, Mr. Conyers, Mr. Vento, Mr. Dellums, Mrs. Patterson, Mr. Neal, Mr. Sisisky, Mr. Solarz, Mr. Skaggs, Mr. Frenzel, Mr. Beilenson, Mr. Nichols, Mr. Lagomarsino, Mr. Boner of Tennessee, and Mr. Bevill):

H.J. Res. 348. Joint resolution designating the week of September 11 through September 18, 1987, as "National Week for Worldwide Conservation"; to the Committee on Post Office and Civil Service.

By Mrs. BENTLEY (for herself, Mr. Gallo, and Mr. Lightfoot):

H. Con. Res. 172. Concurrent resolution expressing the sense of the Congress with respect to human rights in Poland; to the Committee on Foreign Affairs.

By Mr. DioGUARDI:

H. Res. 242. Resolution concerning the reunification of Ireland; to the Committee on Foreign Affairs.

By Mr. LAGOMARSINO:

H. Res. 243. Resolution expressing the sense of the House of Representatives on the occasion of the 25th anniversary of the independence of Jamaica; to the Committee on Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARPER:

H.R. 3098. A bill for the relief of Mie Mie Joe; to the Committee on the Judiciary.

By Mr. DORGAN of North Dakota:

H.R. 3099. A bill for the relief of the city of Minot, ND; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 66: Mr. Fascell and Mr. Chappell.

H.R. 74: Mr. Shaw.

H.R. 190: Mr. Wolf, Mr. Bliley, Mr. Lagomarsino, Mr. Towns, Mr. Ackerman, Mrs. Patterson, Mr. Lehman of Florida, Mr. Bilbray, Mr. Atkins, Mr. DeLay, Mr. Skeen, Mr. Owens of New York, Mr. Lancaster, and Mr. Brown of California.

H.R. 260: Mr. Weiss.

H.R. 371: Mr. Clarke and Mr. Kostmayer.

H.R. 378: Mr. Dixon.

H.R. 578: Mr. Applegate.

H.R. 792: Mr. Tauke and Mr. Broomfield.

H.R. 911: Mr. Bereuter, Mr. Spratt, Mr. Lott, Mr. Harris, and Mr. Dyson.

H.R. 958: Mr. Rhodes, Mr. Wilson, Mr. Stump, and Mr. McCollum.

H.R. 1036: Mr. Kildee.

H.R. 1054: Mr. Nielson of Utah and Mr. Feighan.

H.R. 1115: Mr. Kolbe, Mr. Bereuter, Mr. Lipinski, Mr. Denny Smith, Mr. Goodling, and Mr. Shaw.

H.R. 1119: Mr. Dixon.

H.R. 1242: Mr. Sabo.

H.R. 1332: Mr. Rogers, Mr. Buechner, Mr. Edwards of Oklahoma, Mr. Moorhead, and Mr. Young of Florida.

H.R. 1334: Mr. Rogers.

H.R. 1342: Mr. Weiss.

H.R. 1395: Mr. Lewis of Georgia, Mr. Gray of Illinois, Mr. Savage, Mr. Wilson, Mr. Solarz, and Mr. Borski.

H.R. 1512: Mr. Studds, Mr. Miller of Washington, Mrs. Kennelly, Mr. Dymally, and Mr. Mfume.

H.R. 1634: Mr. Lantos.

H.R. 1707: Mr. Gephardt and Mr. Packard.

H.R. 1754: Mr. McMillan of North Carolina.

H.R. 1800: Mr. Durbin, Mr. Gray of Illinois, Mr. Watkins.

H.R. 1857: Mr. Vento.

H.R. 1879: Mr. Perkins, Mr. Kolter, Mr. Rahall, and Mr. Traficant.

H.R. 2148: Mr. Sikorski and Mr. Walgren.

H.R. 2165: Mr. Howard, Mr. Neal, Mr. Stokes, Mr. Bustamante, Mr. Mfume, and Mr. Bonker.

H.R. 2371: Mr. Pickett.

H.R. 2429: Mr. Solomon.

H.R. 2434: Mr. Panetta.

H.R. 2454: Mr. Flake and Mr. Mavroules.

H.R. 2482: Mr. Fish.

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H.R. 2497: Mr. Donnelly.

H.R. 2498: Mr. Donnelly.

H.R. 2517: Mr. Lipinski and Mr. Jontz.

H.R. 2586: Mr. Fascell, Mr. Hyde, Mr. Grant, Mr. Lott, Mr. Swindall, Mrs. Lloyd, Mr. Lewis of Georgia, Mr. Boner of Tennessee, Mr. Horton, Mr. Daniel, Mr. Gordon, Mr. Lehman of Florida, Mr. Sawyer, Mr. Johnson of South Dakota, Mr. Callahan, Mr. Slaughter of Virginia, Mr. Boehlert, Mr. Thomas of Georgia, Mr. Scheuer, Mr. Ford of Tennessee, Mr. Mfume, Mr. Solarz, Mr. DioGuardi, Mr. Price of Illinois, Mr. Hubbard, Mr. Mazzoli, Mr. Darden, Mr. Frank, Mr. Torres, Mr. Gekas, Mr. Crockett, and Mrs. Johnson of Connecticut.

H.R. 2609: Mr. Dreier of California, Mr. Morrison of Connecticut, Mr. Hoyer, and Mr. Bilirakis.

H.R. 2626: Mr. Owens of New York, Mrs. Kennelly, and Mr. Espy.

H.R. 2655: Mr. Fauntroy.

H.R. 2697: Mr. Grant, Mr. Penny, and Mr. Ireland.

H.R. 2717: Mr. Markey, Mr. Stark, and Mrs. Schroeder.

H.R. 2732: Mr. Leland, Mr. Mfume, Mr. Stokes, Mr. Levin of Michigan, Mr. Ford of Tennessee, Mr. Levine of California, Mr. Mineta, Mr. Dwyer of New Jersey, and Mr. Howard.

H.R. 2743: Mr. Flake, Mr. Price of Illinois, Mr. Gekas, and Mr. Lancaster.

H.R. 2762: Mr. Borski, Mr. Biaggi, Mr. Florio, Mr. Frank, Mr. Kildee, Mr. Savage, Mr. Vento, Mr. Solarz, Mr. Traficant, Mr. Wise, Mr. Gray of Illinois, Mr. Rodino, Mr. Traxler, Mr. Owens of New York, Mr. Hayes of Illinois, Mr. Jones of North Carolina, Mr. Harris, Mr. Dymally, Ms. Oakar, Mr. St Germain, Mr. Weiss, Mr. Hertel, Mr. Brown of California, Mr. Yates, Ms. Pelosi, Mr. Dellums, Mr. Lewis of Georgia, Mr. Kastenmeier, Mr. Howard, Ms. Kaptur, Mr. Lehman of Florida, Mr. Price of Illinois, Mr. Sabo, Mr. Clay, Mr. DeFazio, Mr. Ackerman, Mr. Gephardt, Mr. Gilman, Mr. Bonior of Michigan, Mr. Foglietta, Mr. Yatron, Mrs. Collins, Mr. Eckart, Mr. Annunzio, Mr. Wilson, Mr. Rahall, Mr. Towns, Mr. Bilbray, Mr. Ford of Michigan, Mr. Mavroules, Mr. Kennedy, Mr. Crockett, Mr. de Lugo, Mr. Staggers, Mr. Mfume, Mr. Ford of Tennessee, Mr. Edwards of California, Mrs. Johnson of Connecticut, Mr. Garcia, Mr. Coyne, and Mr. Cardin.

H.R. 2787: Mr. Lipinski and Mr. Jontz.

H.R. 2792: Mr. Johnson of South Dakota.

H.R. 2859: Mr. Valentine and Mr. DeFazio.

H.R. 2831: Mr. Synar and Mr. Leland.

H.R. 2837: Mr. Frank, Mr. Conyers, and Mrs. Bentley.

H.R. 2916: Mr. Lujan, Mr. Ritter, Mr. Torricelli, Mr. Buechner, Mr. Nowak, Mr. McMillen of Maryland, and Mr. Hayes of Louisiana.

H.R. 2969: Mr. Regula, Mr. Davis of Illinois, and Mr. Fascell.

H.R. 2972: Mr. Hunter, Mr. Stokes, Mr. Rose, Mr. McEwen, Mr. Ortiz, Mr. Pepper, Mr. Leland, Mr. Martinez, Mr. Dwyer of New Jersey, and Mr. Roybal.

H.R. 2999: Mr. Atkins and Mr. Scheuer.

H.R. 3025: Mr. Murphy.

H.R. 3039: Mr. Clay and Mr. Swift.

H.J. Res. 34: Mr. Broomfield, Mr. Flippo, Mr. Burton of Indiana, Mr. Horton, Ms. Oakar, Mr. Rinaldo, Mr. Henry, Mr. Fuster, Mr. Hayes of Illinois, Mr. Jacobs, Mr. Matsui, Mr. Fazio, Mr. Bryant, Mr. Traxler, Mr. Espy, Mr. Ortiz, Mr. Dymally, Mr. Martin of New York, Mr. Murphy, Mr. Lagomarsino, Mr. Martinez, Mr. Darden, Mr. Livingston, Mr. Hatcher, Mr. Lipinski, Mr. Coats, Mr. Moorhead, Mr. Jenkins, Mr. McGrath, Mr. Hutto, Mr. Dwyer of New Jersey, Mr. Nielson of Utah, Mr. Sikorski, Mr. Schuette, Mr. Daub, Mrs. Boxer, Mr. Wylie, Mr. Wolf, Mr. Owens of Utah, Mr. Grant, Mr. Huckaby, Mr. Gray, of Illinois, Mr. Roe, Mr. Towns, Mr. Hastert, Mr. Erdreich, Mr. Traficant, Mr. Feighan, Mr. Panetta, Mr. Whittaker, Mr. Harris, Mr. Bevill, Mr. Dornan of California, Mr. Rahall, Mr. McHugh, Mr. DeWine, Mr. Sunia, Mr. Fish, Mr. Hammerschmidt, Mr. Montgomery, Mr. Dyson, Mr. Howard, Mr. Wortley, Mr. Fields, Mr. Young of Florida, Mr. Fauntroy, Mr. Shumway, Mr. Lungren, Mr. Hughes, Mr. Crockett, Mr. Holloway, Mr. Bliley, Mr. Conyers, Mr. Kostmayer, Mr. Anderson, Mr. Annunzio, Mr. Valentine, Mr. Nichols, Mr. Kolter, Mr. Mfume, Mr. Spence, Mr. Gradison, Mr. Scheuer, Mr. Whitten, Mr. Volkmer, Mr. Regula, Mr. Packard, Mr. Conte, Mr. Campbell, Mr. Coleman of Missouri, Mr. Boner of Tennsesee, Mr. Kasich, Mr. Buechner, Mr. Frenzel, Mr. Garcia, and Mr. de Lugo.

H.J. Res. 92: Mrs. Bentley, Mr. Bilirakis, Mr. Borski, Mrs. Boxer, Mr. Campbell, Mr. Chandler, Mr. Conyers, Mr. Davis of Illinois, Mr. de Lugo, Mr. Dwyer of New Jersey, Mr. Frost, Mr. Gilman, Mr. Hall of Texas, Mr. Hertel, Mr. Hochbrueckner, Mr. Hoyer, Mrs. Johnson of Connecticut, Mr. Kennedy, Mrs. Kennelly, Mrs. Meyers of Kansas, Mr. Miller of Washington, Mr. Nielson of Utah, Mr. Packard, Mr. Parris, Mr. Pickle, Mr. Porter, Mr. Rhodes, Mr. Richardson, Mr. Roberts, Mr. Rodino, Mr. Savage, Mr. Schaefer, Mr. Sundquist, Mr. Walgren, Mr. Weldon, Mr. Whittaker, Mr. Wyden, and Mr. Young of Alaska.

H.J. Res. 180: Mr. Frank, Mr. Kildee, Mr. Synar, Mr. Harris, Mr. Dowdy of Mississippi, Mr. Campbell, Mr. Guarini, Mr. Tallon, Mr. Tauzin, Mr. Thomas of Georgia, Mr. Torricelli, Mr. Roe, Mr. Whitten, Mr. AuCoin, Mr. Hefner, Mr. Stallings, Mr. Cardin, Mr. Hayes of Louisiana, Mr. Gephardt, Ms. Pelosi, Mr. Savage, Mr. Sawyer, Mr. Jones of Tennessee, Mr. Hutto, Mr. Sabo, Mr. Stratton, Mr. Hubbard, Mr. Oxley, Mr. Hertel, and Mr. Panetta.

H.J. Res. 198: Mr. Shumway, Mr. Moorhead, Mr. Shaw, Mr. Buechner, Mrs. Vucanovich, Mr. Gekas, Mr. Courter, and Mr. Nielson of Utah.

H.J. Res. 231: Mr. Brown of Colorado, Mr. Cheney, Mr. Clinger, Mr. Coughlin, Mr. Grandy, and Mr. Porter.

H.J. Res. 240: Mr. Stokes, Mr. Lungren, and Mr. Volkmer.

H.J. Res. 255: Mr. Whitten, Mr. Tauke, Mr. Solomon, Mr. Bustamante, Mr. Bennett, Mr. Davis of Illinois, Mr. Flake, Mr. Gray of Pennsylvania, Mr. Frank, Mr. Mineta, Mr. Nichols, Ms. Oakar, Mr. Ray, and Mr. Weiss.

H.J. Res. 268: Mr. Lantos, Mr. Martinez, Mr. Thomas A. Luken, Mr. Ireland, and Mrs. Saiki.

H.J. Res. 272: Mr. Ackerman, Mr. de Lugo, Mr. Pickett, Mr. Bryant, and Mr. Weiss.

H.J. Res. 313: Mr. Gilman and Mr. Sikorski.

H.J. Res. 343: Mr. Bliley, Mr. Traxler, Mr. Livingston, Mr. Wolf, Mr. Gordon, Mr. Daniel, Mr. Slattery, Mr. Dornan of California, Mr. Horton, Mr. Gray of Illinois, Mr. Lantos, Mr. Pashayan, Mr. Erdreich, Mr. Bateman, Mrs. Boxer, Mr. Yatron, Mr. Atkins, Mr. Oxley, Mrs. Bentley, Mr. Sikorski, Mr. Ritter, Mr. McCollum, Mr. Conyers, Mr. Gingrich, Mr. Akaka, Mr. Stark, Mr. Chappell, Mr. Kasich, Mr. Bevill, Mr. Lujan, Mr. Thomas of Georgia, Mr. Packard, Mr. Lancaster, Mr. Walgren, and Mr. Lagomarsino.

H. Con. Res. 66: Mr. Biaggi.

H. Con. Res. 68: Mr. Beilenson, Mr. Bilirakis, Mr. Clinger, Mr. DeLay, MR. Dellums, Mr. de Lugo, Mr. Donnelly, Mr. Flake, Mr. Foglietta, Mr. Hefley, Mr. Holloway, Ms. Kaptur, Mr. Lungren, Mrs. Morella, Mr. Morrison of Connecticut, Mr. Nielson of Utah, Mr. Oberstar, Mr. Stark, and Mr. Stratton.

H. Con. Res. 138: Mr. Lancaster and Mr. Levine of California.

H. Res. 188: Mr. Bates, Mr. Penny, Mr. DeLay, and Mr. Parris.

H. Res. 229: Mr. Holloway, Mr. Davis of Illinois, and Mrs. Johnson of Connecticut.

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# EXTENSIONS OF REMARKS

## DETROIT'S SPARKY ANDERSON—HE'S JUST GETTING WARMED UP

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### HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. PURSELL. Mr. Speaker, triumphant World Series pennants from 1935, 1945, 1968, and 1984 fly over Detroit's Tiger Stadium reminding fans of yesterday's Detroit Tiger conquests. But this summer, Tiger fans aren't dwelling on days gone by.

Under the direction of Manager Sparky Anderson, the Tigers are defying the dismal predictions of preseason critics and making the American League Eastern Division race one of the hottest in baseball.

After an abysmal start, Anderson's Tigers have muscled their way into contention going 34-18 in June and July. They are locked in a close, heated battle for first, with Toronto and New York, that may not be decided until the last out of the regular season.

Much credit for this comeback can be given to Sparky Anderson. He has masterfully meshed promising rookies like Matt Nokes, Jeff Robinson, and Mike Henneman with perennial Tiger stars like Jack Morris, Alan Trammell, and Lou Whitaker to make this club a contender and give it a sense of energy and excitement all its own.

Through his 17 major league seasons with Detroit and Cincinnati, Anderson has come to embody the belief that to persist is to triumph. His youthful exuberance, at age 53, is exemplified by his inability to give anything his undivided neglect.

Mr. Speaker, I would like to take this opportunity to share a charming article on Sparky Anderson by Richard Justice of the Washington Post. Justice paints a clear picture of the kind of man Sparky is—warm, funny, competitive, a winner. I urge my colleagues in the House, many of whom are also devoted baseball fans, to read it.

With Sparky Anderson at the helm, Tiger fans aren't dwelling on old championship pennants—they're dreaming of new ones.

[From the Washington Post, July 28, 1987]

DETROIT'S SPARKY ANDERSON—HE'S JUST GETTING WARMED UP

(By Richard Justice)

DETROIT.—Three years ago, Sparky Anderson was talking about retirement, about going back to his home in Thousand Oaks, Calif., working in his garden and staying close to baseball only through television and occasional trips to Dodger Stadium.

Why not? He'd spent 31 years in a uniform, and after the sting and embarrassment of being fired by the Cincinnati Reds eight years earlier, his 1984 Detroit Tigers were about "to take that monkey off my back" with a World Series championship.

He said, too, that 1984 "was my worst year personally. I knew we had a chance to win it all, and I became obsessed by it. I felt every loss was on me. We'd lose a game and I'd sit in the office and stare at the wall. One of the coaches would come in and say, 'Let's go have dinner.' I wouldn't go. I thought because we lost I couldn't even go eat.

"That goes back to what happened in Cincinnati. I've got as big an ego as the next guy and felt I just had to win it with another team. You win it in one place and maybe you'll get some credit. You win it in two places and it's yours, baby. But it was tough, and I remember telling Carol, 'If we win this thing, that may have to be it.' "

His wife advised him to wait a bit before announcing anything, and when he did he came back to her with some less-than-stunning news: He didn't want to quit.

"I don't think I ever will," he said. "But I did promise myself that nothing would ever eat at me like that season did. But, in the end, I didn't want to quit. This is my life. Now, they may call and tell me to go home tomorrow. Fine, let them do that. But quit? No."

So let's hit the fast-forward button to a clear summer afternoon in 1987, and Sparky Anderson hasn't yet retired. He's still the manager of the Detroit Tigers and, as he sits in a small neat office at Tiger Stadium before the all-star break, he's drinking coffee, tapping some sweetsmelling tobacco into his pipe and considering John McGraw and 2,840 victories as a manager.

"Connie Mack has [3,776]," Anderson said, "and that's out of reach. But McGraw . . . 2,800. That's possible. You know what I'd really like to do is win 3,000 games. That's a goal of mine."

He has figured all of this before and does so again. He began this season with 1,513 victories and, if he wins 95 this season, would need 16 more 87-victory seasons to reach 3,000.

A conservative man, he said, "You're looking at 17 seasons."

Are you looking at 17 more seasons?

He smiles.

"That's my goal."

These are the best of times for silver-haired George Lee Anderson, the times when he can remind people that only 11 men ever have managed teams to more major league victories and that there may be many more to come.

He has survived a game in which the burnout and firing index is high and, at 53, not only seems eager to get to the park "by 2 p.m. at least," but perfectly comfortable being one of baseball's few still-active living legends.

"It ain't the money," he said. "I don't spend much money, and what I have never changed me, anyway. I was raised in a poor family and was 35 before I made $30,000. My life style is about what it always was."

He lives in the same Thousand Oaks home he and the former Carol Valle bought in 1966 "because we couldn't afford anything in the [San Fernando] Valley." He drives a midsized American-made car, and his hobbies consist mostly of late-night television and early-morning walks.

A conversation with him is still a romp through anecdotes, philosophies, double negatives and misplaced metaphors. If he isn't yet Casey Stengel, he's at least close, particularly the moment last year when he said shortstop Alan Trammell would have to play through a shoulder problem because, "Pain don't hurt."

He admits that, yes, he sometimes gets a little too excited about games or players, such as the time two years ago when he abruptly moved all-star second baseman Lou Whitaker to third because rookie second baseman Chris Pittaro "is the best prospect I've ever seen." A couple of days later, after Pittaro began to look like something less than the next Jackie Robinson, Whitaker, was quietly moved back to second and Pittaro eventually was traded.

"The worst mistake I ever made," he now says.

And there was the time in 1979 when he moved reliable starter Milt Wilcox to the bullpen, explaining that, "We're going to build this team around [Steve] Baker."

Wilcox asked, "Baker? You mean the one that's here now?" That plan eventually was scrapped, too.

He admits to all of it, to wanting to make stars of Pittaro, Rod Allen, Rustry Kuntz and Howard Johnson before their times.

"I am," he said, "observed with youth a little bit."

But if he does get carried away now and then, he has at least retained his enthusiasm, his love of the game and his ability to perserve where others have grown tired, bored and cynical.

"Yeah, I don't let it bother me like I used to," he said.

"We lose, 10-0, and people say, "What are you going to do?" Well, what do you think? We're going to come back tomorrow and try again. Now, don't get me wrong. I do get upset. There's always going to be some idot [player] walking through that door trying to ruin your day."

He can laugh at all of it now, the firing by the Cincinnait Reds after winning five division championships in nine seasons, the grueling wire-to-wire lead of the 1984 Tigers and the image of Sparky Anderson.

He once saw a reporter leaving one of his news conferences early and yelled, "Don't leave yet. I'm just starting to sling it."

He has a large picture of his granddaughter on his desk, and above his right shoulder another photo with the words, "Wanted for stealing pacifiers."

Next to it is a motto that reads: "Each 24 hours the world turns over on someone who is sitting on top ot it."

At the moment, it doesn't appear the world is about to turn over on Sparky Anderson. Since winning that '84 World Series, his Detroit teams have had seasons of 84-77 and 87-75.

This year, picked by many to finish in the bottom half of the American League East, the Tigers are on a pace to win 96 games. It was Anderson who helped introduce players such as Lou Whitaker, Lance Parrish, Alan Trammell and Jack Morris to the big leagues in the late '70s, and this year's Tigers include members of another genera-

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tion, one that will include catcher Matt Nokes and pitchers Jeff Robinson and Mike Henneman.

"I love this team," he said. "I love kids. We don't know how good we're going to be, but it might be better than people think. I wouldn't count us out yet. These kids are hungry, and they haven't been tarnished like some veterans. They want to learn. I'll tell you, I love having kids because, if you raise 'em right, they won't go bad on you. It goes back to the way you talk to 'em and treat 'em. If you see 'em starting to change, you get to 'em right away."

He called a Tigers-Reds exhibition game in 1986 and a conversation he had with Dave Concepcion, who had recently criticized Reds Manager Pete Rose for not playing him.

Yet the people who know him best aren't sure why he has succeeded. They say that, as far as strategy goes, he's something less than Gene Mauch. As a friend of the working player, he's not Lou Piniella or Roger Craig. And certainly players don't fear him as, say, the Seattle Mariners fear Dick Williams.

What then?

"I think his strongest point is that he gets together a group of people that get along," first baseman Darrell Evans said. "In the four years I've been here, that's the thing I've noticed. He'll scream occasionally, but not that often. I think his only rule is that he wants us to be on time."

Trammell added, "He's calmed down quite a bit since 1984, but don't let him kid you. The game is still his life. The big thing is that he's a good evaluator of talent. He assembles a team, then doesn't mess it up."

Another of his strengths is flexibility. He broke in just as the game was changing from total control by management to the players' union having more and more of a say. He leaves no doubt he's glad to see the power shifting back to management, but adds:

"There are a lot of things a million-dollar contract isn't going to change. They are still young guys searching for something. You see a guy go bad and it's just like he was a little boy again. Basically, you have to know these are good people. You have a few jerks, but those only mess up your day every once in a while. But think about it: How would the guy on the street react if he was given so much money at an early age? I think I wouldn't have been able to keep my senses, and I think it hurts the players. The one-year contract drives them, and I'm glad we're getting back to that.

"Some guys are still driven. I leave here late every night and guys like Evans and Trammell are still here talking the game. You have a lot of guys who can't wait to get out of here because they've got to go see their agent or their financial adviser or do a deal. That's what has changed. Players used to be clannish, have barbecues at each other's house and all that. Now, one lives in a $600,000 house over here and another over there."

He says now he can even enjoy the travel. "Let me tell you about our trip to Baltimore," he said. "I love that Inner Harbor and, on our day off, I went over there and walked around and drank a beer. That night, I went back for dinner and ended up in Little Italy. Ain't that a great city? I love just sitting there watching people, talking to people. I love every city we visit: Kansas City, Oakland, Seattle, you name it."

A simple man who brags that he's "never read a book, for instance," he has become a creature of habit, especially after games. He says he has probably had 25 postgame beers in his 18 seasons as manager, but that he's addicted to coffee and, recently, "ESPN and CNN. It's great because I never used to enjoy that stuff. I couldn't escape the game, but that has all changed."

He says he has even started enjoying the winters and that he and Carol spend a couple of days a week in Santa Barbara, Calif., "where no one has the phone number except the kids." And this winter, they're taking a cruise to Venezuela, and then spending a week at Disney World's Epcot Center with their granddaughter.

"It's like a whole new world for me," he said. "But I think I've finally learned how to enjoy myself."

ANDERSON'S RECORD

| Year | Games | Won | Lost | Percent |
|---|---|---|---|---|
| Cincinnati: | | | | |
| 1970 | 162 | 102 | 60 | 630 |
| 1971 | 162 | 79 | 83 | 488 |
| 1972 | 154 | 95 | 59 | .617 |
| 1973 | 162 | 99 | 63 | .611 |
| 1974 | 162 | 98 | 64 | .605 |
| 1975 | 162 | 108 | 54 | .667 |
| 1976 | 162 | 102 | 60 | 630 |
| 1977 | 162 | 88 | 74 | 543 |
| 1978 | 161 | 92 | 69 | .571 |
| Detroit: | | | | |
| 1979 | 106 | 56 | 50 | .528 |
| 1980 | 163 | 84 | 78 | 519 |
| 1981 | 109 | 60 | 49 | 550 |
| 1982 | 162 | 83 | 79 | .512 |
| 1983 | 162 | 92 | 70 | 568 |
| 1984 | 162 | 104 | 58 | 642 |
| 1985 | 161 | 84 | 77 | 522 |
| 1986 | 162 | 87 | 75 | .537 |
| 1987 | 95 | 57 | 39 | .594 |
| Total | 2,731 | 1,570 | 1,161 | 575 |

## IS ERICH HONECKER A MURDERER?

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. MICHEL. Mr. Speaker, Erich Honecker, president of East Germany's State Council, and chief of the East German Communist Party, will visit West Germany in September. It should be recalled that the party headed by Mr. Honecker has for many years ordered that anyone attempting to escape from East Germany is to be shot. Despite this, thousands have tried to flee, some successfully.

The language of diplomacy, one part civility and one part hypocrisy, forbids us from using the blunt words usually applied to those who order the deaths of human beings for the supposed crime of wanting to live somewhere else. In fact, the language of diplomacy has deprived us of any moral vocabulary to describe, accurately and bluntly, the reality of Communist domination. We are left with innocuous phrases such as "our systems are different" and "we look at the world in different ways" and other such meaningless words that disguise the fact the Communists claim a total and unchallengable right to rule because Marxists-Leninists alone know the secrets of history through what they believe are scientific means.

This means that Communist parties, in nations where Communists rule, are not one among many or first among equals but, instead total masters of the destiny of those they rule in the name of Marxism-Leninism, a a theory that is as despicable in practice as it is intellectually incoherent in theory.

The language of diplomacy has acted like a drug on the West, lulling us into a moral stupor from which we awake from time to time when Marxist-Leninist practice reminds us of what Marxist-Leninist theory really means. The Korean airliner's destruction—to use but one example—was horrible in and of itself—but the real horror was that such a brutal act can be traced, with iron logic, back to the Marxist-Leninist theory of total power. When President Reagan said the Soviet Union is "an evil empire," the outcry in the media and in certain political quarters was deafening. Yet no one bothered to ask the critics the essential question: With which word do you disagree, "evil" or "empire"?

It will be interesting to see how the visit of Mr. Honecker is treated in the world press. He will probably be greeted as a statesman who has the unfortunate, but understandable, little flaw of shooting innocent men, women, and children because they want to leave the country.

At this point I wish to insert in the RECORD, "West Germany Gets Ready To Welcome a Murderer," by Enno von Loewenstern, in the Wall Street Journal, July 29, 1987:

[From the Wall Street Journal, July 29, 1987]

WEST GERMANY GETS READY TO WELCOME A MURDERER

(By Enno von Loewenstern)

BONN.—The West German government has announced that the president of East Germany's state council, Erich Honecker, will pay a visit in September. This will be the first time that an East German chief of state enters West Germany. Mr. Honecker is also chief of the East German Communist Party. The Bonn government is immensely pleased with itself for having thus proved that the conservatives too can have good relations with the East. This explains why the West German government receives Mr. Honecker at all—why, in fact, it so desperately has striven to entertain the Soviet puppet who embodies East Germany's oppression.

How would Norway celebrate Quisling, were he still alive? West Germany, it seems, is different. The prevailing opinion in the West German press is that thou must not anger those who control the roads to Berlin and the destinies of 17 million Germans behind the Iron Curtain, that "dialogue" is good for its own sake, and that the Western politician who gets the most attention from communist dictators is best for peace and should get the most votes.

There used to be a time when West German politicians would say: If Mr. Honecker comes, he will "have to bring something substantial along." Some even would demand that he rescind the Schiessbefehl, the order to shoot all East Germans who try to escape to the West. But the things that Mr. Honecker now is expected to "bring along" could have been settled at a lower level—agreements on ecological questions or cultural exchange or the like. West Germany is to pay for the cleaning up of East German rivers, which will benefit West Germans since socialist dirt is flowing westward.

There is hope that Mr. Honecker will widen the "family visits" program so that East Germans who have no relatives in the West may take trips to briefly sniff the air of freedom (under current rules East Germans traveling to West Germany to see close relatives for three to 10 days leave their own families in East Germany as hostages). But East Germans first would have to find somebody to invite them and pay the bill, as East Germany just has cut down foreign exchange for travelers to the West; each traveler gets only 15 West German marks (a little more than $8) for the entire trip.

Mr. Honecker did announce an "amnesty." How many of the estimated 4,500 political prisoners in East Germany will benefit no one knows, since details will not be announced until September or October when Mr. Honecker is safely back in East Germany. He also announced abolition of the death penalty. But he stopped short of declaring that the death penalty for refugees, the Schiessbefehl, would be abolished or that the Berlin Wall would be torn down.

Thus, instead of having to make significant concessions, Mr. Honecker forced them upon his too-willing hosts. The oppressor of 17 million Germans will be received in Bonn, the West German capital, with (almost) full honors befitting a chief of state. This will make it extremely difficult for the West German chancellor, when returning the visit, not to go to East Berlin, which the East German government calls its capital city. A West German chancellor or federal president visiting the East German chief of state there would go far to undercut the Berlin status, the foundation of West Berlin's freedom. When former Chancellor Helmut Schmidt, a Social Democrat, visited Mr. Honecker in 1980, they met in a lodge on Lake Werbellin, outside Berlin's borders. The conservative Christian Democrats seem to have become less careful.

Chancellor Helmut Kohl will not remove his sofa as he did before receiving President Pieter Botha of South Africa. The idea was that he didn't want to be seen sitting down with Mr. Botha, a symbol of apartheid. The fact that Mr. Honecker embodies apartheid in Germany is not to be considered. But there is an even more embarrassing aspect to the matter: Mr. Honecker is, of course, a murdered, and so are his associates. They personally are guilty of the shootings at the Wall and elsewhere. There is a prosecutor's office in Salzgitter that collects data on crimes committed against East Germans. By rights, Mr. Honecker should be arrested the instant he steps on West German soil.

To avoid this, West Germany passed a law in 1966 to offer amnesty to East German leaders should they visit the West: at the time an "exchange of speakers" was envisioned. The East Germans protested against what they curiously called the "handcuffs law"; it was the opposite. It was dropped before East German Prime Minister Willi Stoph visited West Germany in 1970. Later the Supreme Federal Court ruled that chiefs of state have immunity anyway. So Mr. Honecker cannot be arrested if during his visit somebody is shot at the Wall, but the soldier who fires at Mr. Honecker's order could be arrested and tried here.

Mr. Honecker comes nevertheless because he wishes to impress the East Germans with the respect West Germans pay him. He does not feel compelled to pay an entrance fee in humanitarian coin, for his are loftier aims: furthering the cause of peace. He actually appealed to Chancellor Kohl "in the name of the German people" not to block nuclear disarmament by demanding some nuclear protection against Soviet conventional superiority. The fact that French newspapers upon announcement of the visit promptly speculated whether it means that "Germany is drifting off to the East"—a subject dear to the French press and many French politicians—must gratify Mr. Honecker. The Kremlin marked the recent visit to Moscow by the president of West Germany, Richard von Weizsaecker, with solemn assurances that the Soviet Union of course does not aim to lure West Germany out of the North Atlantic Treaty Organization.

Tension in East Germany still is high, despite seeming normalcy. Several hundred thousand people openly demand permission to leave the "second German Republic" for good. Were they successful, innumerable others would seek to leave. People still risk their lives in spectacular escapes, climbing the Wall, braving mine fields on the borders elsewhere, sailing or even swimming the Baltic Sea, or hopping the Wall in flying machines. What if a refugee is shot at the Berlin Wall while Mr. Honecker steps on Bonn's red carpet? Or what happens if a new riot explodes such as the unrest of June 7 and 8, when thousands of young people were driven back from the Wall after they had pressed close to hear a David Bowie concert on the Western side?

There is even fear that many might descend simultaneously on the Wall, hoping that Mr. Honecker has ordered his border guards not to shoot during those three sensitive days. What if they do not shoot and there is a mass escape? What if they do shoot?

## TIME TO RETHINK INDIAN AID

### HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FIELDS. Mr. Speaker, several of our colleagues have recently been calling our attention to the cooperative efforts of India toward the Soviet Union and its client, the Sandinista regime in Nicaragua. The question has properly been posed as to why the American taxpayers should be sending aid to our sworn enemies through the guise of foreign assistance to India. Mr. Speaker, at a time when Congress is so heatedly debating the sending of funds to the Nicaraguan freedom fighters, it makes no sense to send United States wealth to India so that it can help fund the Sandinista Marxists.

Mr. Speaker, I offer for the RECORD a recent policy paper upon this subject for the serious consideration of my colleagues. We should all be grateful to the National Center for Public Policy Research, and others, for bringing this issue before the public.

GANDHI SENDS MILLIONS TO SANDINISTAS AS U.S. AID TO INDIA INCREASES

India's Prime Minister Rajiv Gandhi showed his true colors recently by pledging to give $10.4 million in financial assistance to the Sandinista regime—while many in his own country starve.

In light of the fact that Gandhi has expanded India's military and economic alliance with the Soviet Union, this assistance is not surprising. But what should concern Americans is that Gandhi's increasingly pro-Soviet stance and his generous aid to the Sandinistas comes at a time when the United States is dramatically increasing aid to India.

In response to reports of malnutrition and starvation in poverty-stricken India (1984 per capita income was only $240), Americans have dramatically increased aid to that nation in recent years. Since 1982, the United States has provided India with over $1 billion in economic and military aid, with well over two-thirds of this in the form of grants. Over the next four years, the U.S. will be giving an additional $600 million in direct aid to the Indian government.

In response to American generosity, Gandhi has shown his true sympathies by dedicating his nation to the Marxist-Leninist revolution in Nicaragua. During a recent visit to India by Sandinista dictator Daniel Ortega, Gandhi pledged $10.4 million of financial assistance to the Sandinista regime, and called Nicaragua's foreign policy of exporting violent revolution into Central American democracies a "positive response" to Central American difficulties. Oretega, for his part, announced that he values the "deep and abiding links" between India and Nicaragua. The brotherly alliance between the two leaders was quite evident. Ortega awarded Gandhi Nicaragua's highest award, the *Augusto Cesar Sandino Order*, making Gandhi the sixth leader to receive it. Fidel Castro was the first.

Congressman Dan Burton has criticized Gandhi's aid to Nicaragua, saying, "Should we give massive foreign aid to countries that aide enemies of our friends and the United States? Of course, the answer is 'no'. That is unthinkable. We are giving them $600 million, and they are taking our taxpayers' dollars and supporting a war against our friends down there."

Gandhi's announcement of the aid came only one day after the United States reiterated its accusation that Nicaragua was harboring terrorists. In fact, at the same time Ortega pinned the "Augusto Cesar Sandino Order" onto Gandhi the U.S. State Department was summoning Nicaragua's ambassador to formally accuse the Sandinista regime of planning attacks on American missions in South America.

This $10.4 million in aid is not poverty-stricken India's first gift to the Sandinistas. In the past India has provided medicines and thousands of tons of wheat to Nicaragua, has provided managerial, technical, and material assistance to the Sandinistas in a variety of industries, and expanded cultural exchanges. For example, an Indian economic and technical delegation was recently sent to Managua to identify areas of cooperation.

In a recent letter to the House of Representatives, Congressman Dan Burton, Bill Cobey and William Broomfield said, "We must realize that, by this action, India is now a direct sponsor of Nicaraguan terrorism in Central America. As such, we cannot define a difference between our giving aid to the Indian government and our giving aid to Nicaraguan Communists . . ."

Gandhi has clealy aligned himself with the anti-American, anti-democratic communist thugs in Nicaragua. But his fraternal ties to Marxist elements go much deeper. Since taking power in late 1984 upon the death of his mother, Prime Minister Indira Gandhi, Rajiv Gandhi has expanded India's continuing friendship with the Soviet Union.

During a recent visit by Soviet dictator Mikhail Gorbachev to New Delhi, Gandhi praised Gorbachev as "the great and dynamic leader of a great and friendly country." During talks with Gorbachev, Gandhi

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endorsed the Soviet view of United States' plans to defend itself with the Strategic Defense Initiative. Gorbachev's response was to pledge $1.7 billion in new credits to India for financing a hydroelectric complex and other industrial projects. At the same meeting, the two signed a "Delhi Declaration" which called for total nuclear disarmament by the year 2000. According to Newsweek (December 8, 1986), "Gandhi's effusive reception of Gorbachev made it clear that despite the recent warmth in U.S.-Indian relations, the Prime Minister is determined to hang on to his friends in the Kremlin."

India's ties to the Sovet Union are nothing new. Military, economic, and cultural ties have increased since the signing of a 1971 friendship treaty. India's military dependence upon the Kremlin is especially alarming. Over 80% of Indian weapons are Soviet-made or produced in India under Soviet license. Soviet MIG-21 and MIG-27 fighters and the advanced T-72 tank are manufactured in India, and India has ordered 40 new MIG-29 state-of-the-art warplanes from Moscow.

The Soviet propaganda network within India is quite extensive. In the Indian capital, New Delhi, at least 500 Soviet officials operate. The Soviet embassy produces 48 publications in twelve of the languages spoken in India, and three Soviet radio stations broadcast in eight of the Indian languages. Furthermore, in the last 20 years over 400 Soviet university textbooks have been published in India. Gandhi has even sent his own children to study in the Soviet Union.

According to The Economist, Gandhi's government bears a remarkable similarity to that of the Soviet Union. On January 31, 1987, The Economist said "For [Gandhi's] purposes India is, almost as badly as Russia, a one-party state. As in Russia, the party does not want to change the old ways, because the old ways give its members their sense of self-importance, and often put money in their pockets too."

During a 1985 two-day trip to Moscow, Gandhi received an extremely warm welcome at the Kremlin. While there, he strongly denounced U.S. foreign policy, signed a major trade agreement with the Soviets, and attended a ceremony in which a Moscow square was dedicated to Indira Gandhi.

One can also clearly see just how anti-American India is by examining India's United Nations voting record. In 1985, India voted the same way as the United States 8.9 percent of the time. This is comparable to Libya's 6.9 percent, Cuba's 6.2 percent, and Nicaragua's 8.4 percent. Indeed, the United States received more support in the U.N. from East Germany, Mongolia, Uganda, and even the USSR than it did from India. As Congressman Burton noted, "Should we give aid to a country that votes against us continually at the United Nations? The answer is 'no'".

Gandhi has refused to condemn, and indeed defends, the Soviet invasion of Afghanistan. India is the only major noncommunist nation which maintains good relations with the Soviet-installed Afghan regime. India has endorsed as legitimate the communist puppet regime in Cambodia. Gandhi maintains full diplomatic relations with the terrorist Palastine Liberation Organization (PLO).

While graciously accepting millions of dollars in America aid, Gandhi has continually bitten the hand that feeds it. Not only has he increased his collaboration with the enemy of freedom, the Soviet Union, but he promotes unrest and suppression in Central America by sending millions of dollars to the Sandinistas.

In the words of Congressman Bill Cobey, "India is giving economic aid to the Nicaraguan Government while completely ignoring the terror the Sandinistas are spreading in our own backyard. It is time that we end our aid to India until it stops supporting the spread of communism in Central America . . ."

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## JAN DOZIER: HUNTSVILLE'S FIRST ASTRONAUT

### HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FLIPPO. Mr. Speaker, in June of this year NASA announced the selection of Dr. Jan D. Dozier as a candidate for America's astronaut corps. Jan is a resident of Huntsville, AL, and the first Marshall Space Flight Center employee to be selected for the astronaut program.

I want to extend to Jan and her parents, Bryce and Dolly Davis of Huntsville, my hearty congratulations and best wishes on being selected for this high honor. I know that her fellow employees at Marshall and the citizens of Huntsville are very proud of this achievement.

On August 7, Dr. Dozier will be honored by her hometown as they celebrate "Dr. Jan D. Dozier Day." She will also be the honoree at a banquet hosted by the National Space Club and the Huntsville Chamber of Commerce.

Jan Dozier joined NASA in 1979 and has worked on several projects managed by the Marshall Center including the Hubble space telescope, the advanced X-ray astrophysics facility, and the Shuttle Solid Rocket Booster Program.

Jan is a graduate of Huntsville High School. She received her B.S. degree in biomechanics from Georgia Tech, a B.M.E. from Auburn, a M.S.E. and a Ph.D. in mechanical engineering from the University of Alabama in Huntsville.

It is interesting to note that as a astronaut Jan may have the opportunity to fly a mission involving the Hubble space telescope, a project that she is intimately familiar with. She received the Marshall Center's Special Service Award for her outstanding work on the space telescope project.

For a young woman who was born in the space town of Cocoa Beach, FL, grew up in the space town of Huntsville, AL, and has already made significant contributions to our Nation's space program, to be selected as an astronaut candidate must be the ultimate in personal and career satisfaction.

I look forward to the day when the television picture from space shows Dr. Jan Dozier working diligently in the bay of the space shuttle as thousands of her friends and neighbors in North Alabama cheer our fellow Alabamian on.

It is every child's dream to be able to reach out and touch the stars. Jan Dozier's career must be one of the best examples for any child to follow if they want to make that dream a reality.

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## TRIBUTE TO THOMAS E. WHITECOTTEN II

### HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. SKELTON. Mr. Speaker, I rise today to pay tribute to an outstanding Missourian, Thomas E. Whitecotten II, of Jefferson City, who recently passed away. Tom Whitecotten was a truly remarkable individual whom I had come to admire.

Tom Whitecotten was one of the original members of the Missouri State Highway Patrol when the organization was created in 1931. Gov. Phil M. Donnelly appointed him to position of warden of the Missouri State Penitentiary and chairman of the penal commission in 1945. In 1953 he was appointed director of the department of corrections. He was employed also at the department of revenue. He was elected to the city council and served two terms. The Jefferson City Police Department building was named and dedicated in his honor in 1980.

Tom Whitecotten was a longtime leader in his community who devoted his time and energy to make the world around him a better place.

Mr. Speaker, I feel sure our colleagues join me in sending our sincere condolences to his loving wife Dee, son Lt. Col. Thomas E. Whitecotten III, daughter Mrs. Marilyn Finnical, Jefferson City, and his seven grandchildren. He will be greatly missed. I truly valued his friendship.

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## THE PRESENT STATE AND FUTURE OF AMERICA'S DEFENSE INDUSTRIAL BASE

### HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Ms. OAKAR. Mr. Speaker, on July 8, the Economic Stabilization Subcommittee which I chair, began extensive hearings on the present state and future viability of America's defense industrial base. Our second hearing was held on July 28, and we have scheduled further hearings immediately after the August recess. While it is yet very early in our investigation, we have already uncovered some startling facts regarding the defense production process. I would like to share this with you:

The Department of Defense has concluded that American industry very possibly cannot respond to defense surge requirements in the case of emergency.

Existing military supplies are inadequate to meet defense needs—there is a substantial shortfall of supplies which could last until U.S. industry was converted from peacetime to emergency production capability.

There is an alarming degree of fragmentation of responsibility within DOD and the Government regarding our Nation's industrial preparedness plans.

There has been a steadily increasing procurement of weapons subsystem and components from overseas, and that this is primarily the result of price competition practices of both United States and foreign owned corporations.

Policies regarding defense procurement, the defense preparedness of our allies, trade and the balance of payments, leading edge research and development, and the need to maintain democratic freedoms and defense security often act at cross purposes in maintaining the viability of the U.S. defense industrial base.

Mr. Speaker, because of my concern with maintaining American democratic institutions, I am conducting exhaustive investigative hearings through the Economic Stabilization Subcommittee which I chair. I am loathe to delay, yet because of the importance of this topic, I believe that thoroughness is the only proper course of action. I will conduct hearings which provide a sober assessment of the entire problem which is being addressed here. We cannot rush to judgment or act in haste, as the consequences are far too costly. This is a big task and will require the utmost of cooperation in conducting this investigation which I have initiated. I formally invite my colleagues to join me in this endeavour. Specifically, I welcome Ms. KAPTUR's participation in the subcommittee hearings, and encourage her assistance in the hearing process. This, I believe, is the most productive way to develop the comprehensive appraisal which has begun. I have worked with Mrs. BENTLEY to guarantee that the American metal fastener industry remains strong and continues to grow on our shores, and I welcome further joint efforts of this nature in the future.

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## THE VII INTERNATIONAL SUMMER SPECIAL OLYMPICS

### HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. COELHO. Mr. Speaker, Eunice Kennedy Shriver's work on behalf of the Special Olympics has helped to instill a sense of pride and self-respect to tens of thousands of people. Through her own belief in the abilities of the mentally retarded, Eunice has built the Special Olympics into an international program of love and sportsmanship, breaking down the walls of isolation caused by a disability. She has reached out to the mentally retarded, giving them the encouragement all of us need, but they often did not receive.

This week, the VII International Summer Special Olympics is taking place in South Bend, IN. The efforts of not only 1 million athletes, but also 500,000 volunteers, will culminate with these games, and the Washington Post's recent feature only begins to appropriately pay tribute to Eunice Shriver:

The article follows:

[From the Washington Post, Aug. 3, 1987]

#### EUNICE SHRIVER AND THE POWER OF THE POSSIBLE

#### THE SPECIAL OLYMPICS FOUNDER, BREAKING DOWN THE WALLS

(By Victoria Dawson)

It's Friday night in a small plane bound for Allentown, PA., and Eunice Kennedy Shriver is asking questions.

She wants to know about Jane Austen, though no subject, it would seem, could be less relevant to Shirver's immediate interests—Special Olympics and the mentally retarded—than a 19th-century English novelist.

But since her questions have brought her to her seatmate's favorite author, she want to know: What was Jane Austen like? Was she the one with the nasty father? Were her books well received when she wrote them? The questions keep coming until, finally, an answer about "Persuasion"—that its heroine was deemed a "nobody" and a "nothing" by her family and her own selflessness—seems to satisfy her.

Shriver's lanky body sinks into a slouch. The briefing notebooks—filled with categorized information on the Pennsylvania Special Olympics, whose games she will visit in less than 12 hours—slide a little closer to the edge of her lap. Her right hand raps absently at the window. Several thousand feet above the ground and buckled in, she takes leave of the conversation and turns to stare out the window, into an empty darkness and an inviolable silence.

She sits there, dressed in a white-on-blue polka-dot outfit, with little, lacy bobby socks creeping out of a pair of blue loafers. Bobby pins dangle in her tousled thick hair, loose and useless like so many extra twigs in a nest.

Long minutes pass.

"That's interesting," she says suddenly. "I find that very interesting.

"You see, that's how the children are—that's what happens to them," she says. "So often they are isolated and overlooked, even by their own families. Pushed aside by society."

She leans toward the floor, rummages through a bag, pulls out a black notebook and prints on the top of a page "Get Persuasion."

Ethel Kennedy, Shriver's sister-in-law, says "she's just got her own spin on everything. It's a little different from everyone else. Like putting a spin on a billiards shot." She is constantly splicing together the most unlikely subjects and ideas—mixing something that was squirreled away in her mind years ago with a new scrap of information; Jane Austen and the mentally retarded. Abigail Adams and young women of the '80s who whine about balancing family and work. Or "E.T." and the mentally retarded.

"'E.T.' I just loved 'E.T.', didn't you?" Shriver says. "After I saw it, I wrote to Steven Spielberg—to see if he would do a [television] spot for special Olympics. Because, I thought E.T.—you know, that's how the children are sometimes ignored. Hidden. People are ashamed of them."

#### THE GENESIS OF A CAUSE

Today Special Olympics is the world's largest year-round program of sports training and competition for children and adults with mental retardation. It reaches more than 1 million athletes, ages 8 and up, and is run by more than half a million volunteers. Shriver is its founder and chairman.

This week, during the VII International Summer Special Olympics Games in South Bend, Ind., more than 4,500 Special Olympics athletes representing every U.S. state and more than 70 countries will compete in such sports as aquatics, basketball, bowling, soccer and softball. Last night's opening ceremonies will air tonight as a two-hour special on ABC.

But 25 years ago, Special Olympics was a back-yard summer camp with a three-digit enrollment. The Shrivers, who married in 1953 when Eunice was 31, lived on a farm in Rockville—Timberlawn—that in 1963 became Eunice Shriver's camp for mentally retarded children. The numbers were humble: 100 high-school-aged volunteers; 100 mentally retarded children; "about five" paid instructors; a week-long training session; one swimming pool; sundry horses, dogs, fields and barns; and Shriver says, "just lots of fun things."

Sargent Shriver, first director of the Peace Corps and now president of Special Olympics International, says the purpose "was for my wife to see what the truth was. What were the facts? What could the mentally retarded do? In that time you had to see for yourself. . .

"So she tried everything. She had 'em on horseback, swimming, on a trampoline, shooting bows and arrows, climbing trees, building tree houses, playing tennis. . .

"It wasn't that she was sitting up there with a magic wand waving to everybody, "Now do this! Now do that! She was out there. She'd be in the swimming pool, holding a mentally retarded [teen-ager] up to see whether she could teach him how to kick, how to swim. Whether she could get him through the water."

There were signs before Timberlawn that Eunice Shriver would devote herself to people with special problems. After earning her bachelor's degree in sociology at Stanford University, she worked first for the State Department reorienting American POWs after World War II, and later for the Justice Department as coordinator of the National Conference on Prevention and Control of Juvenile Delinquency.

But before all that there was Rosemary, three years older than Eunice and, as the family's euphemism goes, "slow to learn."

Edward M. (Ted) Kennedy, the youngest of the nine Kennedy children, remembers.

"It always seemed the Eunice reached out to make sure that Rosemary was included in all activities—whether it was Dodge Ball or Duck Duck Goose," he says. "Eunice was the one who ensured that Rosemary would have her fair share of successes.

Timothy Shriver, 27 and the middle of the Shrivers' five children, say his mother—"always committed to the possible"—saw in Rosemary, now 68, "somebody who was succeeding, as opposed to somebody who was barely doing what she could with her limitations.

"I suppose," Eunice Shriver, 66, says, "the fact that I had seen my sister swim like a deer—in swimming races—and do very, very well just always made me think that they [the mentally retarded] could do everything."

But to draw a straight line from Rosemary Kennedy to Special Olympics—or even to the Joseph P. Kennedy Jr. Foundation for the retarded—is, according to Eunice Shriver, a mistake. It wasn't because of Rosemary, she says, "And I think that's important. Certainly, if you have a sister who learns slowly, you are obviously aware of certain things—insights that you wouldn't have if you never had a sister who is slow to

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learn. But, would I have gone into this for her, and do I run around for her? No."

### BATTERING DOWN BARRIERS

Working his way toward an explanation of Eunice Shriver's ability to see the positive side of retardation, Sargent Shriver says. "She just didn't believe that there were human beings who were as useless or hopeless or whatever the right word might be as the mentally retarded were thought to be 40 years ago."

But 40 years ago hopelessness was indeed the state of science. The goal of medical intervention, says Dr. Robert E. Cooke—a specialist in mental retardation and professor of pediatrics at the State University of New York at Buffalo—was "custodial care and keeping people moderately alive."

"When I was a medical student, which would have been in the '40s, the general teaching regarding the mentally retarded was that they all belonged in institutions," Cooke says. "Retarded people and Down's [syndrome] people were just not the sorts of individuals who could benefit from the usual social contacts.

"And the notion that a Down's individual could run or jump or do gymnastics or participate in sports was unthinkable. They'd die. Somehow, constitutionally, no way could a Down's person run a race, or run a mile."

Then there was the idea that losing and disappointment would not be good for retarded children. The mention of it brings Shriver to a simmer. "Yeah, well, I heard a lot of that," she says. "That's a lot of baloney. What proof have they got that as a group of people they can't take losing? Who? Where does it come from, that idea? Somebody cries because they lose? I can tell you 50 people who cry—I go and watch my own kids cry when they lose."

The change in attitude—the recognition of the value of competitive sports for the mentally retarded—has been, Cooke says, "just phenomenal. When you think it is expected that they can run, that they will compete, and that people are even interested in their [race] times—to a very large extent, this is Eunice's accomplishment."

### GREAT EXPECTATIONS

Behind the accomplishment—be it Shriver's or a Special Olympics athlete's—is expectation. The word runs through Shriver's life, present at every chronological turn, threaded through what others say about her and what she says about herself. "There's no sense [with her] that you can't do something very important," says Sargent Shriver. "And the back side of that is that you are expected to do damn well. You've got no damned excuse not to do well.

"And the retarded—well, I think my wife just expected them to do well. There's no mollycoddling in her. That's true with our own kids and with the mentally retarded."

Nor was mollycoddling a part of her own upbringing. Achievement was expected: She was part of a financial and political dynasty—daughter of businessman and diplomat Joseph P. Kennedy and Rose Fitzgerald Kennedy; sister of President John F. Kennedy, assassinated in 1963, and Sen. Robert F. Kennedy, assassinated in 1968, as well as Sen. Edward Kennedy.

In Rose Kennedy's 1974 memoir "Times to Remember," Eunice Shriver describes an aspect of her childhood that Rose called "training them [the children] for excellence":

> I remember she [Rose Kennedy] would take us ice skating in Bronxville, and you just wouldn't go skating off into the blue yonder. She'd say, use your right leg or use your left leg better; again it was this terrific drive, she wanted everyone to do their best. There was quite a little pressure around. If you weren't doing very well there weren't any excuses for it. She'd say, you just get along there, don't be stupid about it, or something like that . . .
>
> And she was always very energetic and expected us to be. Today, children stay in and watch television or listen to radio or records, but we were packed up and out we'd go, no matter what the weather was . . . so far as I can remember the first time in my life I ever stayed indoors was when I was in my thirties and had a baby and had to stay in. And I walked around in the hospital and thought, How odd, some people stay in and read all day . . .

Ethel Kennedy remembers a story about Shriver's drive to excel:

"Eunice prides herself on her sailing ability—she races. And one summer her boat wasn't going well. Like everything else she does, she got involved in it and she started to investigate. She climbed below [deck] and discovered heavy bricks in the bottom, beneath the floorboards—very, very heavy, like gold bars. She's so competitive that she probably thought—well, I don't know what she thought—that somebody was trying to sabotage her. Then and there, she threw the anchor overboard and she and the children tossed the bricks out of the boat. As it turned out, the bricks were the ballast.

"Later," Ethel Kennedy concludes, "she discovered that they were worth something like $3.75 each—and the rest of the summer those children were seen diving for them."

### THE PERSISTENCE OF VISION

She's impossible. Autocratic, Shy. The most interesting and exciting woman in the world. Funny, Difficult, Curious, Bright as hell, Irreverent, Spiritual, Eccentric, Sensitive, Insensitive.

People say the most contradictory things about Eunice Shriver. But on one thing they agree: She knows what she wants and she is relentless in the pursuit of it.

"She has a great sense of priorities in her life," say longtime friend Donald Dell, a Washington sports attorney who was Sargent Shriver's assistant at the Office of Economic Opportunity in the '60s. "Whereas most people worry about 'What should I do with my life next year?' and 'Where do I want to go?'—for Eunice all that stuff is stuff. With her it's family, religion and causes."

"She has through her persistence, strength and the fear she creates, driven people to participate who otherwise wouldn't have. They might not like it, but they are better for it," says David Burke, an ABC News vice president who formerly was administrative assistant to Ted Kennedy. He considers his own enlistment in her causes and laughs: "If I get to heaven, it will be because she drove me to it."

"Sure," says friend Ann Buchwald. "She's very bossy. Very determined. Hurries. And drops things. And says only the important things. Talks only to the important people. And why not? She has only a limited energy. If she could put 13 more hours into the day, she would. Meanwhile, she wastes not a minute."

Eunice Shriver operates with a kind of high-octane fervor. "We don't usually sit and talk," Deeda Blair says of her friendship with Shriver. "We would swim and talk while we were swimming. Or we would walk rather briskly and talk. Or we would be driving somewhere to see something and do something and talk along the way."

Even when she sits, she's always moving. Swiping at her hair. Batting the bangs out of her way. Gnawing at one finger or another. Attacking the cluster of diamonds and sapphires on her ring finger, twirling it around and around.

And when she's moving, she expects others to move. She still seems vexed, for example, by a Timberlawn camp episode: "We had a day for parents and they came and sat by the pool. They were supposed to play sports, but they all sat around the pool. I was so mad 'cause I wanted them all to participate. But they sat by the—I suppose it was their day off and they lolled by the pool."

### THE CHEERLEADER

The 25-meter freestyle swim behind him, the Special Olympics athlete, wet and draped with towels, steps up onto a plywood box, throws a tightly clenched fist into the air and shouts, "Eat your heart out, Stallone!" And then he shouts again: "Eat your heart out, Stallone!"

Before him stands Shriver, ribbons dangling from her hand. "The gold one. The gold one," he says, swelling with adolescent pride. Shriver pulls out a gold medal and hangs it around his neck. "Here you go," she says. "Well done. Terrific."

The Pennsylvania Special Olympics summer games echo with Shriver's "Well done . . . well done." She spends the day—a dry, hot Saturday—roaming from pool to playing field, one minute handing out medals, the next sitting on the bleachers talking to a corporate sponsor, the next disappearing into a crowd of children. She smiles with them. Pats their arms. Urges them on. "You look in good shape." Is this your first gold medal?" "Are you getting better?" "Practice every day." "Keep it up."

At the end of the afternoon, as she sits on a bench and talks to a softball player, one side of Shriver—restless, elusive and abrupt—gives way to another—calm, settled and delicate. "Do you read? Do you want to learn to read?" And Annie, an affable, red-haired young woman of almost 20 who pitches a mean softball, shakes her head, smiles and looks at Shriver.

"No," Annie says. She can't read. She doesn't know why not. She wants to, but she just can't.

"Do you read signs?" Shriver asks: "Do you know your address?" "Do you know what street you live on?" No, no and no.

Eventually Shriver, has, in her notebook, Annie's full name and, from another source, her address.

Annie has, from Shriver, the promise that she'll investigate the possibility of a tutor or a reading program, as well as a bit of advice: "What you oughta do," Shriver suggests, "is go home and memorize your address. If you said it to yourself five times a day, I betcha you could learn it."

### ESTHETICS AND ESSENTIALS

Shriver, a devout Catholic, "would have made a wonderful abbess," Ethel Kennedy says.

"But she would have made a terrible cook," she adds. "She's totally oblivious to anything worldly. Sort of like Eleanor Roosevelt—she's into the world of ideas."

The esthetic expressions of self exist in her life like a necessary postscript, neither completely omitted nor completely incorporated.

Clothes, for example. "Her get-ups are beyond belief," Ethel Kennedy says. If

someone should register a comment or criticism, "she just looks at them like 'What are they talking about?' and goes on about her business."

And food. It's possible to spend a day with Shriver and see her nibbling at nothing more nutritious than a handful of graham crackers, cookies or bread—always in a kind of neutral, distracted manner.

"Lots of things that are terribly important to other people and that are life-enhancing, like delicious food and pretty flowers and well-organized households and that sort of thing—I guess Eunice likes all that, but she doesn't care about it intensely, in an obsessive way," says Deeda Blair. "You can go [over to the house] and things will be in wild disorder; and sometimes they will be spruced up and there will be a very pretty party. But nothing like that is terribly important to her."

Blair remembers visiting the embassy in Paris when Sargent Shriver was ambassador to France during the Johnson administration; "You'd walk in the front door and instead of being grand and imposing, it would be full of bicycles and motorbikes and skates and skis."

The tone was one of youthful, cluttered Shriver, vitality, Bobby and Maria, the two older children, were teenagers and scattered behind them in age were Timothy, Mark and Anthony.

And if, for a formal event, the skis and roller skates were temporarily contained in a closet, the children were not. Often, they were the life of the party. One reception Blair particularly remembers honored a group of African ambassadors. "All in these wonderful robes. And all these little children were going around, passing trays of hors d'oeuvres, sort of half of them falling off," she says, raising her arm and dangerously tipping an imaginary tray of food.

The Shrivers had put a trampoline in the embassy garden, she says. "And the children would pull and tug and get these African ambassadors to jump up in the air on the trampoline. It was absolutely so unconventional."

### THE HAPPIER COURSE

"Let's face it," Ethel Kennedy says, "she would have made the best president of the United States."

"I mean," Sargent Shriver says, "she would have been a terrific United States senator."

"That's nice," she says quietly, when told of the many people who believe she could have held public office. "I think my brothers have done extremely well and enough. That's enough." She laughs lightly. "Enough," she says again.

"I really wanted to work with children," she says. "You can't do it—well, now, much more, because there are so many committees, but you do an awful lot of other things. And I wanted to devote all my time to the children. In Congress, you have to do 50 other things before you get there, then once you are there, you have to do so much."

Then, almost inaudibly, she says, "But that's nice." What they said, she means.

And she squirms out of the thought: "I chose the happier course as far as my life—no regrets."

### THE NO-NONSENSE HOSTESS

Art Buchwald most admires the hostess in Eunice Shriver—the woman who "throws people out of the house at 10 o'clock because she's tired and she wants to go to bed."

Donald Dell laughs and talks about "the old coffee trick": At the conclusion of dinner, Shriver announces that coffee will be served in the living room. The guests file in, the maid serves the coffee, and everyone asks "Where's Eunice?" Eunice, of course, has gone up to bed.

Her finest party-ending moment may have been during the mid-'50s in Chicago, where Sargent Shriver was managing the Merchandise Mart, one of the Kennedy family holdings. It was, as former ambassador William McCormick Blair remembers it, the Shrivers' first formal party:

"We all got there promptly," Blair says, "No Eunice, as I recall. Or Sarge. That's often the way. They were busy doing useful things, and she'd been working all day on some important project.

"Finally they came. And we had a wonderful dinner and evening. After dinner—it couldn't have been much after 10 o'clock—Eunice kept saying to me, 'When is everyone leaving?' I said, 'Well, Eunice, this is a black-tie party. It's your first party. Everyone is having a good time. It's a wonderful dinner. And people don't go home, usually, until around 11.' She sort of rolled her eyes at that.

"Finally, in a loud voice, she said, 'I've got a wonderful new game to play.'

"Everybody looked horrified. Eunice likes playing games—charades. But this wasn't going to be charades. She said, 'Everyone stand up and close your eyes and put your hands on the shoulder of the person next to you. Then we'll all start marching. Going round in circles.' We all started and the next thing we knew, she said, 'Now you can open your eyes.'

"We were all standing out by the elevator. And she said, 'Good night.' "

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## A TRIBUTE TO CARLOS AND NORMA LONG

### HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. PURSELL. Mr. Speaker, it is with great pride and pleasure that I rise to honor Mr. and Mrs. Carlos Long of Clayton, MI. On September 4, 1987, they will be among 11 families honored at an induction ceremony for the Michigan Farmer's Hall of Fame.

The Michigan Farmer's Hall of Fame was founded in 1982 to honor farmers for the contributions to their community and to Michigan's proud agricultural industry. Just after they were married in 1939, the Long's began farming on a small piece of rented land in Oakland County. Through their hard work, patience and perseverance, they purchased this land and eventually bought the 510-acre dairy farm they now operate in Clayton. In addition to caring for 75 registered holstein cows plus 125 registered heifers, they crop 500 acres of land growing wheat, oats, corn, and alfalfa.

Despite the demands of farm and family, the Longs have been leaders in their community. Carlos was an active member of the Michigan Milk Producers Association and an ASCS committeeman. He also served as president of the Oakland County Farm Bureau for 2 years. His wife, Norma, was instrumental in establishing her local 4-H Club and was a volunteer at her local hospital for several years.

Both Carlos and Norma are active members of their local Methodist Church.

Mr. Speaker, I ask my colleagues in the House of Representatives to join me in congratulating Carlos and Norma Long and offer them warmest wishes for good health and success.

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## HUMAN RIGHTS, THE CONTRAS AND THE TRUTH

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. MICHEL. Mr. Speaker, we hear quite a bit about human rights violations in Nicaragua. But only one side of the battle allows an objective, serious, rigorous and honest outside group to investigate allegations of human rights abuses. The democratic resistance in Nicaragua, unlike the Communists they are fighting, allow members of the Nicaraguan Human Rights Association to monitor their activities, to investigate allegations and to question prisoners.

The United States Department of State recently published a brief study that outlines the work and the goals of the Nicaraguan Human Rights Association. I believe our colleagues should learn more about this organization.

At this point I want to insert in the RECORD, "Human Rights and the Nicaraguan Resistance," a publication of the United States Department of State, June 1987:

### HUMAN RIGHTS AND THE NICARAGUAN RESISTANCE

A cadre of combatants from Nicaragua's internal resistance is being selected and trained to accompany resistance fighting forces into the war zone to report and investigate human rights abuses, particularly any committed by the resistance. The Nicaraguan Human Rights Association (ANPDH), headed by Nicaraguan human rights activist Marta Patricia Baltodano, is responsible for investigating alleged abuses and instructing members of the resistance in proper human rights conduct.

From 1979 to 1985, Baltodano served on the staff and, later as director of the Permanent Commission on Human Rights (CPDH) in Nicaragua, which brought international attention to Anastasio Somoza's human rights record and which today register more than 80 alleged Sandinista cases of violations each month.

On March 19 at a Nicaraguan Democratic Forces (FDN) base camp along the Nicaraguan/Honduran border, Baltodano counseled some 20 men in human rights reporting. Each delegate was to accompany a task force of 150 men into the war zone. "The primary role you will play is to make sure that human rights are not abused and that those 150 men will behave in a proper fashion," she said. "When there is an abuse, you will inform your commander and us."

Some 61 of the 80 resistance task forces now have human rights activists permanently assigned to them, according to ANPDH Washington representative Jose Antonio Tijerino.

ANPDH was created in October 1986 with funds appropriated by the U.S. Congress

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and made available by the Department of State through periodic grants. Congress appropriated $3 million for human rights activities in response to allegations of human rights violations committed by soldiers of the Nicaraguan resistance, known as the "Contras," fighting for democracy.

In December 1986, the association began human rights training for military commanders and unit human rights representatives, or activists. Seven southern front commanders, eight platoon leaders, and 36 activists attended a 2-day seminar. In early 1987, the association held a seminar for 32 Miskito Indian military commanders in the Honduran Mosquitia; instructed 76 northern front activist candidates in international humanitarian law, the laws of war, human rights, and procedures for taking accusations; and gave similar classes, including a 4-day seminar, for some 170 Miskito Indian combatants.

"Our role is not simply to report violations, it is to establish mechanisms so that violations will not occur," says Baltodano. "In addition, our job is very difficult because we are trying to provoke a change in human rights behavior within a guerrilla force, not a regular army."

Sailing has not always been smooth between the ANPDH and the resistance. In May, the ANPDH was temporarily asked to leave the FDN base camps on the Honduran/Nicaraguan border after commanders complained that ANPDH observers were interfering with combat operations.

Since then, relations between the association and the FDN have been reinforced with a clearer understanding of the association's need to continue investigations.

A practicing attorney with more than 10 years' experience in human rights, Baltodano is also a Nicaraguan refugee forced into exile in December 1985 by the Sandinistas.

She is the first to admit that the resistance does not have a perfect record in human rights, but also is quick to expose the skill with which alleged violations are exploited by both the Sandinistas and their sympathizers. "I think there have been some abuses of human rights by the FDN," she admits, "but up to this point, I don't have any indication that this was a pattern of instruction or political policy of the FDN."

She claims, however, that a number of the alleged incidents of human rights violations by the resistance were actually set up by the Sandinista Front of National Liberation (FSLN), which rules Nicaragua as a totalitarian state. "Refugees have repeatedly told us how the Sandinistas will militarize a civilian target. They will establish a military command center within an agricultural cooperative, but will also locate a clinic or school within the cooperative. They give arms and uniforms to the *campesinos* (peasants). It becomes difficult for the guerrilla forces to determine at what point this is a military target or civilian target. This is an important point used by the Sandinistas to show that the contras attack civilian targets."

Baltodano notes that although public international opinion concedes that the Sandinistas commit human rights abuses, the Sandinistas have been able to sell the idea to the public that the resistance commits violations more brutally and as a matter of deliberate policy. "The Sandinistas have learned how to manipulate the human rights concept to get to power and how to manipulate it to remain in power," she says.

The Sandinistas claim, however, that were it not for U.S.-backed resistance, political repression would be unnecessary.

"So why are there contras?" Baltodano responds. "The contras were not created by the United States. Even without U.S. assistance, there would be contras. The fathers of all contras are Marxists. Everywhere there is a Marxist regime, there are contras."

The ANPDH's close ties with the Nicaraguan resistance has drawn considerable criticism from groups opposed to U.S. policy toward Nicaragua. The association also has been accused of being in the pocket of U.S. policymakers because it is financed by the U.S. Government. Baltodano herself has been the target of bitter criticism.

She counters, "The United Nations and other organizations also receive funds from the United States but are able to maintain their status as independent entities.

"Because we are receiving part of the assistance voted for the contras, that identifies us a lot with them, even though we don't want to be. Another thing that makes us look close to the contras is precisely that our work is with them," she notes.

"However, we are not an organization like Amnesty International. Rather, we are an organization that, within a movement that has political and armed characteristics, is trying to institutionalize mechanisms that will eventually mean reducing human rights violations and promoting human rights within the organization."

The association does this by monitoring military action, instructing the troops in the Protocols of the Geneva Convention, and investigating human rights abuses.

"If the violation was committed, then we make sure there is a hearing, sanction, and condemnation of those who have violated human rights. Also we are trying to update and put into use a code of conduct and fortify the judicial mechanisms that each troop has for the trial and the foundation of military courts," she explains.

The ANPDH has recently completed investigations on three out of six major cases of alleged resistance violations. The cases involved forced conscription of Sumo Indians, the execution of Sandinista soldiers in the Nicaraguan village of Cuapa, and the kidnapping of Nicaraguan Mennonite youths.

In the Sumo case, some 18 Nicaraguan Indian refugees were psychologically pressured into joining an independent guerrilla band, although some of them say they joined voluntarily. The band was organized by a former FDN Indian combatant. The ANPDH report was given to the U.N. High Commissioner for Refugees in Honduras and the FDN military prosecutor.

In the Cuapa case, patrols from the FDN Jorge Salazar Command were charged with entering Cuapa in August 1985, allegedly executing 11 Sandinista soldiers and one civilian night watchman. The ANPDH investigation established that FDN patrols captured 12 Sandinista soldiers on August 2, 1985. Of those, four joined the FDN. The ANPDH heard testimony that the rest were taken to a nearby hill and shot. The results of the recently completed investigation have been turned over to an FDN military prosecutor.

In March 1986, the Mennonite Central Committee claimed that the FDN kidnapped four Nicaraguan Mennonite youths. The ANPDH found no evidence that any of them were kidnapped by the resistance. Two voluntarily joined the FDN, and the other two are reportedly in refugee status in Honduras.

The association is concluding investigations into other allegations such as the El Nispero case involving civilian casualties by resistance forces. In addition, the ANPDH has received more than 30 denunciations from refugees and citizens still inside Nicaragua against Sandinista human rights abuses. These have been turned over to the Inter-American Commission on Human Rights, Amnesty International, and Americas Watch.

Inquiries into Sandinista abuses require coordination with outside human rights monitors since the Sandinista government has denied the ANPDH access inside Nicaragua. This denial has made investigations of resistance violations difficult as well.

Baltodano worked on an informal basis with the Permanent Commission on Human Rights while attending the Universidad Centro-americana. "When the Sandinistas took power, it was very strange to me that the office still had so many human rights cases before it. They [CPDH] asked me to join it in a formal fashion. I thought a couple months would be sufficient to complete the work," she says. "I became aware that human rights violations were not the result of an abrupt change in government. It appeared it was a pattern of conduct or a policy of the new authorities."

In October 1985, Baltodano left CPDH to attempt to create a human rights office within the Catholic Church.

"The [Sandinista] government impeded the creation of this organization within the Church. They confiscated the office, documents, funds, and started to persecute the people involved in that." Baltodano declined to make public some of the events that transpired because, she says, doing so would demoralize the victims and cause serious repercussions.

In December 1985, Baltodano went into exile.-(Sharon Isralow is the editor for the Office of Public Diplomacy in the State Department's Bureau of Inter-American Affairs. This report is based on a recent fact-finding trip to Central America.)

## ADOPTION OF THE KENNEDY PLACE HOUSING PROJECT

### HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FIELDS. Mr. Speaker, on July 23, 1987, President Reagan presented the 1987 awards for private sector initiatives. On this occasion, 100 businesses from around the country were honored for outstanding achievement in volunteer service and community outreach programs.

The President's Citation Program for Private Sector Initiatives was established in 1984 to recognize exemplary community involvement projects sponsored by businesses, trade associations, and professional societies. All private sector initiative projects qualifying for the citation program are eligible to fly the program's symbol—a red, white, and blue C-Flag bearing the slogan "We Can—We Care." The C-Flag identifies the organization as a contributor to the American spirit of volunteerism and community action.

Each year, President Reagan presents 100 citations for private sector initiatives to the

outstanding entries in the citation program. An awards committee, consisting of leaders from the business and association communities, reviews the entries and selects the top 100 programs for Presidential recognition. I am pleased to announce that a company located in my district, the Eighth Congressional District of Texas, was selected for recognition.

In 1984, Brown & Root, Inc., of Houston, TX formed a partnership with the city of Houston and the city's private sector initiative group to develop plans for a massive clean-up effort of Kennedy Place, a public housing project. The goal of the program was to remove dangerous buildings and trash from the housing development and to make the area a clean and safe place in which to live and work. To date, 35 unsafe buildings have been demolished and 183 truckloads of trash and debris have been removed from city streets and privately owned lots.

Vernon Black, manager of housing and conservation for the city of Houston recently commented on the Kennedy Place Housing Project. He said, "Demolition of so many dangerous buildings in one area in such a short period of time is unprecedented."

I would like to extend a personal thank you to Brown & Root, Inc., for playing a key role in this worthwhile community endeavor.

## W.C. HANDY MUSIC FESTIVAL

### HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FLIPPO. Mr. Speaker, I rise today to join my colleagues in cosponsoring House Concurrent Resolution 57 which designates jazz music as a national treasure, and to call attention to the 1987 W.C. Handy Music Festival taking place August 2 through August 8 in the Shoals area of north Alabama.

William Christopher Handy, a pioneer in jazz music, was born in Florence on November 16, 1873. W.C. Handy's musical interests began early. He saved money for a guitar, only to be told by his father, a minister, that he must trade it for something useful—a dictionary. The trade was made, but soon saved enough money for a cornet. Then, at every opportunity he studied and played music. To support himself, he tried foundry work, school teaching and, finally, he formed his own band.

By 1902, the man destined to become known as the "Father of the Blues" had moved to Memphis where a song he wrote for a mayoral campaign became "The Memphis Blues." His 1914 "St. Louis Blues" is probably most widely recognized in its military marching band arrangement by Glen Miller during World War II.

W.C. Handy's determination and his incredible talent allowed him to produce more than 100 songs, form a music publishing company, and inspire thousands of musicians. From his humble birth in a log cabin in Florence, AL, W.C. Handy went on to become an accomplished musician with worldwide admiration. When Handy died March 28, 1958, the world mourned the loss of composer, musician, publisher, and friend.

Each year the Shoals area honors W.C. Handy by holding a week long festival, bringing thousands of visitors from all over the United States as well as many foreign countries to north Alabama. Events include jazz concerts, special tours of the W.C. Handy Home, and a songwriters conference. This week the W.C. Handy Festival proudly celebrates a truly American form of music.

Jazz is indeed a national treasure, a quintessentially American art form. Events such as the Handy Festival and this congressional resolution give jazz the widespead recognition and appreciation which it deserves. Jazz is an important part of our 20th century culture and history.

Jazz musicians such as W.C. Handy, Charlie Parker, John Coltrane, Dexter Gordon, Theolonius Monk, Miles Davis, Louis Armstrong, Duke Ellington, Charles Mingus and others gave special contributions not only to music but also to American heritage. We celebrate them as great musicians and especially as great American musicians.

The hard work of the people involved in the planning of the W.C. Handy Music Festival has given the event the status of a national tourist attraction. Each year more people participate and more events are scheduled. The festival has been listed in several national publications and selected as one of the top 20 festivals by a panel of independent judges acting for the Southeast Tourism Society in Atlanta.

More important than the W.C. Handy Festival's value as a tourist attraction is the tribute which it pays to American music. This week jazz will be played live in music halls, theaters, parks, clubs, streets and sidewalks of the Shoals area. The joyful spirit shown by the people who come together to honor W.C. Handy is one which I think my colleagues in the House hope to foster through House Concurrent Resolution 57, and I am happy to join them as a cosponsor.

## A TRIBUTE TO COL. JAMES McBRAYER SELLERS

### HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. SKELTON. Mr. Speaker, on August 22 a Shrine ceremony will be held at Wentworth Military Academy in Lexington, MO. The activities will include the induction of 20 candidates into the Shrine and then an hour long parade. This ceremony is being held in honor of Col. J.M. Sellers, an outstanding Mason, Missourian, and American. I would now like to tell you about this true American patriot.

James McBrayer Sellers was born on June 20, 1895, in Lexington on the campus of Wentworth. He graduated from Wentworth in 1912, then continued his education at the University of Chicago, from which he graduated Phi Beta Kappa in 1917.

Upon graduation he was commissioned as a second lieutenant in the U.S. Marine Corps. He served as commander of the 78th company, 6th Marines, American Expeditionary Force in France. Colonel Sellers' decorations for valor include the Distinguished Service Cross, the Navy Cross, the Silver Star, the Purple Heart, and the French Croix de Guerre. He remained in the USMC Reserve until 1945 after leaving active duty in 1921.

From 1922 to the present he has occupied various positions at Wentworth. He served as commandant from 1922 to 1928, executive officer from 1928 to 1933, and superintendent from 1933 to 1960. Since his semiretirement in 1960, he has continued his duties at Wentworth as president and chairman of the board. At age 92 he still comes into the office every day and even teaches a Latin class.

Through the years Colonel Sellers has been very involved with the Masons and the Shriners. He served as worshipful master of the Lexington Lodge No. 149 in 1939; as high priest in Lexington Chapter No. 10 in 1940; as commander of the DeMolay Commandery No. 3 in 1941; as grand commander of Missouri in 1951; and as grand master of the Grand Lodge of Missouri in 1953.

Colonel Sellers was married to the former Rebekah Evans in 1924. The couple raised three children: Steven W., James McBrayer, Jr., and Fred Evans. Along with his many other activities, he has served as a president of the Association of Military Schools and Colleges, and as an elder of the Presbyterian Church in Lexington.

Mr. Speaker, I feel certain that the Members join me in paying tribute to this great public servant and educator who has made his mark on the lives of thousands of people. His life has been and continues to be an example to all who meet him.

## URGENT REFUSENIK APPEAL FOR ELBERT FAMILY OF KIEV

### HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. LOWRY of Washington. Mr. Speaker, I wanted to let my colleagues know about an appeal that I will be making on behalf of the Elbert family of Kiev. Lev and Inna Elbert and their son Carmi are longstanding refuseniks who have faced repeated harassment as they have sought to rejoin their relatives in Israel.

A new, potentially hopeful development has taken place in their case. Lev recently met with a Foreign Ministry official, Arkady Shuvayev, who told him that the reason for denying the family exit visas—Lev's alleged exposure to state secrets—"does not exist." This marks the first official recognition of Lev's repeated insistence that he was not exposed to secret information.

Mr. Shuvayev also said that there was no reason why the Elberts should not be allowed to leave the Soviet Union. He indicated that their case would be referred back to the Ukrainian OVIR office in Keiv for a ruling.

Under the circumstances, a new congressional appeal on behalf of the Elberts may be effective. Accordingly, I plan to send the following telegram to the Ukrainian OVIR office. Because a decision is thought to be imminent, I will send the telegram late Thursday, August 6.

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VLADIMIR SIFAREV,
*Ukrainian OVIR, 34 Bulvar Shevchenko, Kiev, Ukrainian S.S.R., U.S.S.R.*

DEAR SIR: We, the undersigned Members of Congress, urge you to grant exit visas to the Lev Elbert family of Kiev to implement immediately the Foreign Ministry decision to let them leave the U.S.S.R. and rejoin their family abroad in keeping with the Helsinki Final Act.

Thank you for your attention to this request.

Many Members of Congress have participated in earlier efforts to help this deserving family. I hope that many of my colleagues will be able to join me in this latest urgent, humanitarian endeavor on their behalf.

## A REMARKABLE PERSON

### HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Ms. OAKAR. Mr. Speaker, I rise today to honor Capitol Hill's premier lobbyist, Evy Dubrow. Over the past 30-odd years, Evelyn Dubrow has walked the Halls of Congress on behalf of the International Ladies Garment Workers Union. She is a staunch advocate of worker's rights, but has always tempered her arguments with liberal doses of good will. That good will has made her welcome in every office and the most effective voice for her many causes.

The New York Times paid tribute to Evy Dubrow in a glowing article last week. It is heartening to read that there are still those message-bearers and cause-carriers left for whom we can all have respect.

I have known Evy Dubrow for many years and respect her not only as a lobbyist, but as a woman who has defied many odds to attain the status she commands today. She worked on Capitol Hill long before the women's liberation movement and long before women were allowed to be anything else but clerical help. Evy Durbrow has made a career out of "bearding the lion in his den," so to speak, and in the process has advanced the issues she represents and the cause of women everywhere. My hat is off to Evelyn Dubrow as a lobbyist, woman, and friend.

The following article appeared in the New York Times last week:

[From the New York Times, July 27, 1987]

A CAPITOL HILL LOBBYIST EVERYONE LOVES

WASHINGTON, July 26.—One person on Capitol Hill gets to share the Congressional doorkeepers' chairs outside the House of Representatives chambers, a good spot to catch the eye of an arriving or departing member of Congress.

Evelyn Dubrow and no one else.

No one protests. This 4-foot 11-inch lobbyist for the International Ladies Garment Workers Union who began roaming the halls of Congress 29 years ago seeking support for a $1 minimum wage, and who still troops Capitol Hill in her size 4 shoes, has earned the privilege. Besides, explains a staff member in the doorkeeper's office, "Everyone loves Evy."

Everyone knows Evy. Senators, Representatives. Aides, Receptionists. The Capitol Police. In fact, the former Speaker of the House Thomas P. O'Neill Jr., the man who asked the doorkeepers to give her their seats, still keeps in touch with her.

Ms. Dubrow has been on Capitol Hill longer than most other lobbyists and most members of Congress. She will not, under any circumstance, say how old she is, only: "I will admit to being a senior citizen." She still works 15-hour days, still attends as many as a half-dozen political receptions in a night, still managed to meet with 30 senators on a recent day and still declares she is never going to give up lobbying "as long as I can stay on my feet and as long as my head is somewhat in the right place."

HER CAUSES AND OTHER TASKS

At the moment her causes are a bill to broaden laws against housing discrimination, legislation to bar discrimination in federally financed programs and, especially, a provision of the trade bill that would help protect the country's textile, apparel, shoe and copper industries from unfair competition by imports.

But other tasks come up. Take July 17 for instance. "I heard that Orrin Hatch, who is a very nice gentleman but who couldn't disagree more with me on our legislative program, was going to introduce a bill that I knew would be very harmful not only to our union but a number of other unions," Ms. Dubrow said. The bill would have lifted 44-year-old restrictions that prohibit employers from hiring workers to work in their homes. That would allow employers to escape paying benefits and minimum wages. Ms. Dubrow marched up to Capitol Hill to do something about it.

"I started with the leadership," she recalled. She talked with the Democratic leader, Senator Robert C. Byrd of West Virginia. "I then proceeded to see as many members of the Senate as I could, indicating to them that if this did come up I hoped there would be a move to table it or defeat it."

She will not know the fruit of her efforts for some time, but she bets she saw at least 30 senators that day.

When she talks to all these senators, this tiny woman with soft curls and light blue eyeshadow says she remembers one thing, which she likes to pass on. "The one caveat I would give to new lobbyists is don't pretend you know all the answers," she said. "Don't wing it. You better know what you're talking about. If you lie, they'll find you out."

Her voice is throaty, her tone serious, her manner charming, her politics liberal and her commitment unyielding. She is known for her diligence, her friendliness—and her height.

"She's my idol; I want to be just like her," said Sterling J. Henry, a 28-year-old, 6-foot 2-inch lobbyist for the National Association for the Advancement of Colored People.

"I once saw Senator Simpson, who must be 6-5 or 6-6, talking to her," Mr. Henry said. "The man looked up to her! You could see the respect."

"She's not confrontational," he went on. "She doesn't talk to senators or Congress persons like they're a little prima donna; she talks to them as a friend."

If asked why she became involved in labor and politics, Ms. Dubrow invariably points out that she was the daughter of a union man and the younger sister of a suffragette.

She was born in Paasaic, N.J., earned a degree in journalism at New York University in the late 1930's and began her career in the labor movement working as a secretary in the Textile Workers Union in New Jersey. She went to Washington briefly in 1947 to help organize Americans for Democratic Action, a liberal organization that to this day espouses traditional New Deal values.

A REVERENCE FOR CONGRESS

She returned to New Jersey the next year to do political organizing for unions. After the 1948 election she was named New York State director for the A.D.A. In 1956, seeking to return to the labor movement, she joined the International Ladies Garment Workers Union, and in 1958, when the union decided to open a Washington office, the leaders asked Ms. Dubrow to go to the capital and work as a lobbyist.

Through the years she has developed almost a reverence for the institution of Congress. "The one thing I have is a respect for the office," she said. "I might not agree or even like the occupant of the particular office but I've always respected and been courteous for that reason. I don't go around threatening members of Congress that if they don't vote with me they're going to be defeated or anything like that; I don't believe in it.

Likewise, she believes in her profession. "A lot of members will say I owe you a vote Evy,' or 'You're a good friend.' But I would never ask them to give me a vote on that basis. I like to think that when I'm asking for their vote it's because I really have a case. Now it doesn't mean I'm not enlighted if they think they'd do it to me because they personally like me. That's great; that's gravy. But that to me is not what lobbying is about."

"Lobbying," Ms. Dubrow said, is presenting your case and proving it."

## THE PORTUGUESE ELECTIONS

### HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. COELHO. Mr. Speaker, last month the people of Portugal took another bold step toward a stable and prosperous future. For the first time in the 13 years since democracy dawned there, the people elected a majority government, casting 50.2 percent of their votes for the Social Democratic Party and returning Anibal Cavaco-Silva as Prime Minister.

The people of Portugal are fortunate to have two men of extraordinary capability at the helm of state. The vision of President Mario Soares and the pragmatism of Prime Minister Cavaco-Silva combine to form a solid partnership dedicated to moving Portugal ahead. Dr. Soares brought democracy back to Portugal setting the stage as well as the standard for her development as a free nation. Prime Minister Cavaco-Silva has brought unity to the formerly divided Social Democratic Party and now has the mandate he needs to begin the economic reforms the nation so badly needs if she is to prosper as a member of the European Community and flourish as an example for other struggling young democracies.

We who are of Portuguese ancestry are especially proud to applaud this newest development in Portugal's progress. We salute the people of Portugal and their leaders, and we point to the Portuguese experience as another

example of democracy's victory in so many different parts of the world.

As we applaud our ally Portugal on her people's vote for stable development, we would do well to take a serious look at how we are investing our resources around the world. In too many instances the United States continues to waste our resources supporting military efforts, while we forget that the real goal, the goal of democracy and of all democratic-oriented nations around the globe, is power through economic stability. We claim to promote democracies, yet we allow ourselves to become overburdened with unparalleled expenditures in defense, losing the larger economic war because we are not putting our resources into partnerships in education, research, development—partnerships which will benefit our own economy at the same time they will strengthen our relationships with our allies throughout the world. We might do well to reorder our priorities and reprogram our resources.

## SOVIET BANK LOANS

### HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. ROTH. Mr. Speaker, I am pleased to have my colleague, Congressman JACK KEMP, join me today in introducing legislation that goes to the heart of our Nation's security.

The issue which we are raising today comes down to one simple fact. The West is supplying the Soviet bloc roughly $1 billion every month in new bank loans. Every day, Western commercial banks send $33 million to the Soviet bloc on terms that you and I, or farmers, or blue chip companies, or homebuyers, or any working American would be very hard pressed to find.

Where is the money coming from? About 45 percent of it is coming from Japanese commercial banks; about 45 percent is coming from banks in Europe; and the rest is coming from our own banks right here in the United States.

The funding of the Soviet empire by us and our allies is not acceptable to the American people and it is time that Congress take action.

When he was before our Banking Committee on July 21, I asked our outgoing Federal Reserve Board Chairman, Paul Volcker, his views on this issue. He told the Congress that if we were seriously concerned about the consistency of Soviet bloc lending with our national security interests, then it was the responsibility of Congress to say so and to give banks some guidance. That is what we are doing here today.

What is particularly astounding about these loans is that most of them are given to the Soviets on an untied basis. That is, these loans aren't tied to any particular project. They can be used for any purpose. No questions asked.

On top of that, the Soviets are getting these loans at a very cheap price. In some cases, the interest rate is only one-eighth over LIBOR—the London-Interbank Offer Rate—which works out to about 7½ percent. And they don't have to pay back a dime in principal until 6 years from now.

This is an extremely hazardous direction for our banks to be headed. The rush to extend general purpose loans to Latin American governments in the 1970's was one of the major causes of the international debt crisis. Yet now we find our banks falling into the same trap, giving money to the Soviet bloc countries at a spead roughly six or seven times cheaper than is given to our Latin American friends. We are also concerned about the Soviet bloc being viewed as the new safe harbor of capital fleeing our hemisphere. Yet just yesterday in the Wall Street Journal, we learn of another rescheduling of Poland's debt.

Aside from the concerns we have on purely commercial grounds, there is another issue here. Is it in the interest of the West to provide $1 billion a month in cash to the Soviet bloc? We think not. These are not rubles we are lending. It's hard currency dollars which the Soviets can use to pay for anything ranging from their financial obligations to Cuba to acquiring illegal sophisticated Western high-technology.

It is time for this Congress to make it clear that we want banks to stop providing the Soviet Union and its client states with the financial resources that only enhance their ability to engage in subversive and aggressive activities around the globe.

We need to bring greater discipline and transparency to the Western banking community on this point. Not only for commercial reasons but also for the benefit of our collective defense.

It is imperative that Western banks begin now voluntarily to phase out untied lending to the Soviet bloc in favor of loans which can be verifiably linked to specific trade transactions and projects.

The legislation which JACK KEMP and I are introducing today gets at this issue in a number of ways. First, it requires banks to make public their untied loans to the Soviet bloc. Shareholders should know whether their bank is engaging in this foolhardy practice.

Second, it gives the President discretionary authority to control loans to the Soviet bloc. We would expect that banks will, on their own, voluntarily phase out untied lending to the bloc so that use of this authority won't become necessary.

The Toshiba case has brought home the critical importance of effective controls on Western technology. But we have the opportunity now to take this one case and look at the bigger picture. Let us today chart the true lessons of Toshiba.

It is not good enough to simply improve our export control system. All allies need to scrutinize and discipline the entire spectrum of their economic and financial dealings with our adversaries.

Better cooperation in the future includes discipline in Soviet bloc lending. We call on our friends in Japan and in Europe to cooperate with us in calling on banks to stop giving united cash credits to the Soviet bloc countries.

We were quite surprised to learn that Japan has been the Soviet bloc's single most important source of untied credits over the past 2 years.

Japan has been providing new loans and economic assistance to Vietnam, despite the vigorous protests of the Asian countries. And Japan has become Cuba's largest Western creditor and trading partner.

It is time for the governments of Europe and Japan to work with us and look beyond the enhancement of export controls to other equally crucial areas necessary for Western security.

Taking constructive action in this area is one way in which Europe and Japan can contribute importantly to the burden sharing in our common defense. Reducing the cash available to the East will lighten the load for United States taxpayers over time through a reduced Soviet capability worldwide.

I share Secretary Weinberger's view that the only safe way to reduce defense spending is to reduce the threat. These actions over time could result in billions annually in reduced defense costs. It is simply wrong for the United States to spend almost $300 billion a year for our own and allied defense while our allies and some of our own banking institutions are providing an inordinate amount of cash to our Soviet adversaries.

As long as the Soviet bloc is able to get $1 billion a month from us, they will continue to be able to finance sophisticated technology diversion schemes. As long as the Soviets have unqualified access to easy money from the West, they will continue to be able to fund their adventurism and aggression spanning from Nicaragua to Angola to Ethiopia to Afghanistan and elsewhere.

The time has come for the United States, Japan, and Western Europe to curtail its untied lending to the Soviet bloc.

## SELF DETERMINATION IN PALAU

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. EDWARDS of California. Mr. Speaker, today the people of the Republic of Palau are going to the polls to vote on whether to amend their constitution to reduce the number of votes needed to adopt the Compact of Free Association with the United States. I want to bring to the attention of our colleagues that this vote, coupled with another plebiscite later this month, are cause for our concern.

Under the 1947 United Nations Trusteeship Agreement, the United States continues to have jurisdiction over Palau. This agreement is still in effect. As long as the United States continues to have responsibility for Palau, we have an obligation to ensure that basic rights and freedoms are protected.

Today's vote, and the upcoming vote on August 21, are part of a series of frequent plebiscites held in Palau. The upcoming vote on the Compact of Free Association will be the sixth vote since 1983, and the third vote in 9 months. The last vote was held just at the end of June. Each time the people of Palau failed to approve the compact.

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Now, the Palauan people are voting to change the rules by amending their constitution to reduce to a simple majority the required 75 percent necessary to pass the compact.

Of course, the Palauan people have the right under their constitution to amend it. But because the United States has continuing authority under the Trusteeship Agreement, we have a responsibility to ensure that the amendment does meet Palauan constitutional standards. And some questions have been raised, under Palau's Constitution, as to whether a constitutional amendment can be voted on at any time other than a general election.

The frequent votes on the compact raise a number of policy questions for the Congress: Why have the votes happened so fast, and are the people of Palau really exercising free choice in this matter?

The Subcommittee on Insular and International Affairs, ably chaired by our distinguished colleague from the Virgin Islands, RON DE LUGO, held hearings on the stituation in Palau last month, following political and social unrest there. The subcommittee has been following this situation closely, and I want to commend them for their prompt and responsible actions in this matter.

But, Mr. Speaker, this is an issue that should concern the Congress as a whole. Are the people of Palau being given a fair chance at determining their future under a constitution they adopted? And what will be the response of the United States in guaranteeing that basic rights and freedoms are maintained in Palau?

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## THE SANCTITY OF LIFE

### HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. DORNAN of California. Mr. Speaker, I would like to share a letter with my colleagues which I recently received from Mrs. Aletia Ellis of Rusterburg, VA. Mrs. Ellis is a woman who was almost talked into killing her preborn child, Aaron. It was discovered, during prenatal examination that Aaron had hydrocephalus—water on the brain. Although the Ellis' were put under tremendous pressure to abort the pregnancy, they placed their faith in God.

Mrs. Ellis' faith in God, her love for life and her struggle to keep her baby against the odds are heart-rending. Her story is not only dramatic and touching, but speaks volumes against the massacre of the innocents which takes the lives of 4,000 American preborn babies every day. Mr. Speaker, I urge everyone who has ever questioned the sanctity of preborn life to read Mrs. Ellis' letter:

DEAR CONGRESSMAN DORNAN: I have debated for many months if I should write to you or not, for fear of receiving glory that is not mine. I pray that the glory will go to the Lord Himself alone. I would also like for you to use this information and testimony for the good use of saving precious lives. I do regret not having spoken up sooner.

Let me start at a beginning which happened *almost seven years ago*. I wasn't saved at the time and was far from thinking about being a child of God. Well, I became pregnant while not married. I thought about abortion many times and almost had one a couple of times. But something inside me wouldn't let me do it. Undoubtedly, it must have been the Lord's small voice. I finally decided to go ahead with the pregnancy. I was advised to put the child up for adoption; but decided it was best for me and my child to keep it.

On March 28, 1980, I was blessed with a very beautiful, seven pound fourteen ounce baby girl. Today, that little baby is almost seven years old and is in the first grade this year. She's very intelligent for her age and said she has asked the Lord into her heart to save her. I rejoice everyday for this! From that first moment I saw her I have never regretted keeping her.

Another beginning that is just as important happened about two years ago. Around April 1985, my husband and I found out that we were to have a baby. We were really excited since it was to be our first child together.

My doctor wanted to do an ultrasound to determine an appropriate due date. This was done in about my fifth month of pregnancy. The ultrasound not only gave an approximate due date, which was January 10, 1986, but it also showed that our baby had hydrocephalus (or water on the brain). My doctor and the doctors of a well-known hospital in Virginia advised us to "terminate" the pregnancy or, in a better word, abort. Because there was something medically wrong with the child, they assumed we didn't want it and that it had no right to live. Needless to say, we were crushed and very disappointed with the news. After all, everyone hopes for a beautiful, "perfect" and normal child. We were very hurt and angry with God! We felt cheated somehow. All those people out there aborting their babies just because they didn't want it or it would embarrass them. Many abuse their children. We felt that it just wasn't fair! We loved the thought of our baby! But to be handed this! Through all the emotions we decided to ask God's forgiveness, guidance and strength. We chose to trust Him and go ahead with the pregnancy.

After two weeks of thinking about it, my doctor wouldn't even let me give him my answer, "no," to the abortion. He told me to think about it some more and let him know the next month I came in. I told him I already knew what the answer would be but he still wouldn't accept it. In the meantime, he said the doctors at the University of Virginia Hospital wanted to discuss the case and possible options. Notice the plural of "option." So August 1985, my husband and I went to the hospital in Charlottesville. The doctors there did two ultrasounds with two different pieces of equipment. After that we all went to a conference room to discuss their results, information and our options.

They told us that they felt it still best to "terminate the pregnancy." They told us the baby had very little brain tissue and that the baby would be severely retarded. They said if the baby lived after birth, it would more than likely be a vegetable. It wouldn't know how to perform the normal bodily functions to keep it alive: breathing, eating, and sucking. Again, the only option they gave us was abortion.

They told us they would call in a day or so to get our answer. One thing that I will never forget about that day was the very last picture the ultrasound made was a picture of our baby's face. You could actually see the places for the eyes, nose and mouth. I will never forget that picture.

We left that hospital totally crushed and defeated. We cried most of the way home from Charlottesville. We really didn't know what to do. To be honest, we thought for a little while that they might be right. Thank the Lord we finally came to our senses. I remember something I had heard before, "Sometimes the Lord makes everything look so humanly impossible, so that all the glory goes to Himself." I guess He sometimes backs you up to a wall so that the only thing you can do is look to Him. So instead of abortion, we chose to do what we thought He was leading us to do. We leaned totally on the Lord and decided to deal with the baby's infirmities later.

The hospital called us a few days later for our answer. I told them we were Christians and felt abortion was murder. We also told them that we still wanted to have the baby. At this moment the conversation made me so angry and sickened. Because their reply to my answer was, "How can we help you with the child at its birth?" Just two or three days before they were ready and willing and even wanting to kill my baby. Now they wanted to save its life. To me this is hypocrisy. I never answered them and I never called them back.

I went back to my doctor at home for my next checkup and told him. My husband and I wanted a second opinion from Duke University Medical Center in Durham, North Carolina. This was the advice of a friend. He said he would set up the appointment for us.

The day arrived when Roy and I went to Duke. Before we left the house, we prayed and asked God to have His way and no matter what, we would keep the baby. We were scared to death and also excited. We were going to be in such a big, well-known capital. We read that Duke University Hospital was ranked third in the South among major hospitals.

We expected to receive the very same information. We were taken to the Private Women's Clinic when we arrived and then to the ultrasound. We met my doctor there. He seemed to be very easy going and unusually kind and concerned for a doctor. He stayed with Roy and I during the majority of the day. They took so many pictures of what they found. It was hard to keep up with everything. We were hanging on their every word and gesture for a bit of hope. They reached their decision and let us go into a conference room so they could let us know what they came up with. They told us the baby had almost a full brain on one side and only a little on the other, which was better than none. To Roy and I that sounded better than "very little" as the other hospital had said. They also told us that it was getting very late for us to still consider abortion and if that was my decision, I would have to make a quick one. Also, they said it seemed as though we wanted the baby or else we would have aborted it long ago. So they told us of some of the things they could do to help the baby once it was born. They said they would give it the best chance for a normal life as they possibly could.

So, we decided to go with Duke. Because they had the opinions we wanted. Also, they gave us two options that let us do the choosing, not just one and then try to push it on us.

They suggested that I have a test done called amniocentesis to see if the baby had a disorder known as Downs Syndrome. We did this as they suggested.

We went home with somewhat lighter hearts, praising the Lord for a little positive information.

Time went so slowly between then and the results of the test. Finally, about three weeks later they let us know our baby was normal, except for the hydrocephalus. Also we found out the baby was a boy. We decided to name him Aaron. We finally felt like there was a ray of hope lightening what seemed to be the darkest time of our lives.

Each month from then on, I would go to Duke for an ultrasound to monitor the growth of Aaron's head. November 1985, the Wednesday right before Thanksgiving, we were scheduled for another ultrasound. This one showed the size of Aaron's head was somewhat larger, which concerned the doctors on the case. So they scheduled me to come in December 1, 1985, which was one month early, to have Aaron by Cesarian section on Monday, December 2, 1985.

The big day came and Aaron was born. I didn't get to see Aaron the first three days of his life because of my own operation and recovery. After I was alert enough, Roy told me Aaron had a beautiful full head of black hair and that he came out crying because he knew he wasn't supposed to be born yet. Also, my doctor told Roy, he had a little trouble getting Aaron out too, because Aaron tried to get away from him. This was an example of a baby knowing its time to be born had not yet come.

Aaron's neurosurgeon came to my room that evening and told me that because of the hydrocephalus; Aaron was forgetting to breathe. He insisted that Aaron have an operation the next day, Tuesday, December 3, 1985. I had to sign the papers to okay the operation.

Wednesday evening, December 4, I got to see Aaron for the first time. I just looked at first, but then I cried for him; he looked so pitiful and helpless. Being premature, he was rather purplish. I must admit, he wasn't very pretty. But my heart went out to him because he was mine and I loved him no matter what. They had IV's and monitors everywhere on him. The pain of the surgery must have been terrible for him. He was such a fighter though! When he was born, he weighed four pounds and fourteen ounces but because of the surgery he only weighed three pounds and six ounces. Due to his rapid improvements, we were able to take him home two weeks later.

One year and two months later on February 1, 1987, the Lord took Aaron home with Him. He had suffered enough. The week before he caught viral pneumonia and had high fevers for a couple of days. His little body just couldn't handle the sickness and strain. He died of respiratory arrest. Even in dying he fought for his life. We know he's better off now with the Lord than he could ever have been here on earth. He isn't suffering anymore. It was hard and his case took a lot of time and money. But it was all worthwhile. We loved Aaron as much as our daughter and his life blessed so many. The Lord was always there for us to lean on and to guide us. If I had to do it again I'd still keep the child because of the blessings the Lord can give.

Please, use this to let people know even in a case of physical impairments, abortion is not the answer, God gives life and creates everyone differently for a purpose. Sometimes God creates a little differently for a reason. Who are we to question God? Remember: "God doesn't make junk."

Also, what else can I do to get involved with the Right to Life Campaign. I will do whatever is needed to help save lives like Aaron's and even "normal" little Aarons.

In memory of Aaron Michael Ellis, In Christ.

ALETIA C. ELLIS.

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## VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Mr. Al Washko, Director of the VA's Department of Medicine and Surgery's Northeast Region, which demonstrates how the VA employees feel about their medical computer system. The letter follows:

MAY 15, 1987.

Hon. G.V. (SONNY) MONTGOMERY,
*Chairman, Committee on Veterans' Affairs, U.S. House of Representatives, Washington, DC.*

DEAR CHAIRMAN MONTGOMERY: As the Regional Director of the Northeast Region of the Veterans' Administration's Department of Medicine and Surgery, my primary responsibility is to manage medical care operations within this region. My primary mission is to provide the highest quality of care possible to our veteran population. One of the principal tools in meeting this mission has been the automation of our medical centers through the Decentralized Hospital Computer Program (DHCP).

Prior to the Decentralized Hospital Computer Program, the Agency unsuccessfully pursued a number of automation solutions for the medical centers. The most notable was a commercial implementation in seven of our largest facilities. This alternative failed due to severe limitations, lack of flexibility and prohibitive costs associated with ongoing maintenance and software change orders. During this same time period, a small number of dedicated VAMC staff members began development of a system that was the antithesis of the commercial products featuring flexibility, ease of change, a high degree of user involvement and minimal costs due to vendor independent design structures. This common sense approach overcame all obstacles to form the basis for the Decentralized Hospital Computer Program.

Thanks to this program, clinical test results are now obtained within a fraction of the time that it use to take; veterans' medical benefit eligibility can be obtained in a matter of minutes rather than the once-normal two weeks; VA pharmacies provide substantially greater numbers of prescriptions in reduced amounts of time; veterans' waiting times have been greatly reduced; patient information is available to doctors, nurses and other health care professionals in a fraction of the time that it took before the Decentralized Hospital Computer Program; and the overall care of the sick and disabled veteran has unquestionably improved. With the increased number of veterans being treated today, the increased number of diagnostic tests performed, and the need to maximize quality of care with minimum cost, the Decentralized Hospital Computer Program is critical to our success.

Unfortunately, a program that should be receiving accolades for reflecting government at its best, is instead under attack and facing loss of funding due to entrepreneurial interests of parties such as McDonnell Douglas within the commercial medical ADP sector. This firm has strongly lobbied the Appropriations Subcommittee on HUD-Independent Agencies and forced a reconsideration of the continued funding of the Decentralized Hospital Computer Program. As the Chairman of the House Veterans Affairs Committee, you are well aware of the published reports documenting the cost benefits of the Decentralized Hospital Computer Program as compared to commercial vendors; you are well aware of the success of the Decentralized Hospital Computer Program program and our prior history of automation failures; and you are well aware of the prohibitive costs and damage to morale that would result if the program was eliminated. Damage to government employee morale is a matter that must not be overlooked, as there is a trickle-down effect which ultimately impacts on the quality of care provided to veterans.

You have it in your power to settle this dispute and allow the Veterans' Administration to move forward with a program recognized internationally for its excellence and inventiveness. If this political battle continues, the only losers will be the Agency's health care providers and the sick and disabled veterans whom they serve. I ask you to lend your full support to the Decentralized Hospital Computer Program effort to ensure continued program funding for this critical component of veterans' care.

Sincerely,

AL WASHKO,
*Regional Director, Veterans' Administration, Northeast Region.*

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## SHARON FOX AND TEENAGE PREGNANCY

### HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. RICHARDSON. Mr. Speaker, I'm sure you are all aware of the problem of teenage pregnancy in the United States. The statistics are alarming:

Each year, 1.1 million U.S. teenagers become pregnant;

More than 500,000 of those young women give birth;

Ninety-six percent of those who give birth keep their babies.

And those figures are rising at an alarming rate.

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I bring to your attention the accomplishments of Sharon K. Fox, a New Mexico woman who was recently honored for her work with teenage parents. The American Home Economics Association [AHEA] chose Mrs. Fox as the recipient of the 1987 National Home Economics Teacher of the Year Award.

Mrs. Fox is the employment program coordinator of the New Futures School in Albuquerque, a nationally recognized model school for teenagers who are pregnant or are already parents. With its award, the AHEA recognizes the creative and caring approach she takes to her work demonstrated by her Jobs for Credit Program, a course which gives teenage parents the skills, support, and motivation to find and keep jobs while properly caring for their children.

The Teacher of the Year Award is designed to reward and recognize creativity and innovation in home economics education programs. Dr. Joan R. McFadden, the executive director of AHEA explains:

> As society's needs have changed, so has the focus of home economics education. Our focus is always on the family. Now it is on the realities that today's families face.

Statistically, the reality is that many of American families today consist of single, young, undereducated mothers who have neither child-rearing skills nor the skills needed to find and hold a job. Sharon Fox designed and implemented a program to meet those needs.

Mrs. Fox explains:

> Parenting is not child's play, ask anyone who's been a parent. Every infant needs almost constant attention, regular medical care, clothes, food, and a clean, safe place to live. It's a challenge at any age. In addition, teen parents have other worries. Most are not married. Many feel a sense of loneliness, depression, and isolation. Few have jobs. None are finished with their education.

The New Futures School was designed to teach young parents both the family living skills required for maintaining a decent home and the employment skills needed to go out and find a job. Mrs. Fox states that: "The mission of New Futures School is to prepare teen parents to become self-sufficient, contributing members of society."

In her class, Mrs. Fox guides each teen parent through a 2-week intensive training program to develop such job skills as preparing résumés, establishing references, analyzing help-wanted ads, writing application letters, interviewing, dressing appropriately, and being responsible. A crucial aspect of the program is free child care which is provided both during academic hours and during work on weekdays. In addition, Fox visits students on the job and keeps in touch with them after graduation, providing not only skills training but moral support and motivation. Her program establishes attitudes and habits that hopefully will remain with her students all their lives.

The program has been extremely successful. For example, of the 32 students in Fox's program this year, 18 got their GED or high school diplomas; 17 of the 32 had been high school dropouts and 29 were economically disadvantaged. Mrs. Fox placed 32 students in jobs this year who worked more than 4,500 hours and earned more than $25,000. None made less than minimum wage and about half made more. In addition, 23 were offered continuing jobs with their employers when the class ended.

Those figures represent a significant impact on the Albuquerque community, especially in light of the fact that a considerable percentage of teenage parents who drop out of high school end up on welfare.

I bring Mrs. Fox's program to your attention in order to highlight her success in combating some of the problems faced by teenage parents. Mrs. Fox's Jobs for Credit Program is a successful, concrete effort on the part of a community to address the problem of teenage pregnancy. I think it is a wonderful example of a community-based effort to cope with the changes in our society and can serve as an example for the whole country.

I congratulate Mrs. Fox on her award and thank her for her contribution to the welfare of New Mexico's teenagers. I think she and her fellow teachers at the New Futures School in Albuquerque set a standard of attention and care for all educators.

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## DEATH OF JIMMY O'KEEFE

## HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. DONNELLY. Mr. Speaker, I am inserting in the RECORD today an article from the Boston Globe about a good friend who passed away last week: Jimmy O'Keefe of Boston.

This article tells the real story of this man's life: A man who owned a nightclub in the 1940's and 1950's that was frequented by the "greats, the near-greats and the failures in sports, politics, entertainment and the press"; a man who knew bank robbers, convicts, boxers, priests, cops, reporters and a thousand other people who were happy to be his friend.

I think that this article captures the Jimmy O'Keefe I knew and that most of Boston knew. It tells the story of how he helped elect Maurice Tobin the mayor of Boston and then the Governor of Massachusetts. It tells the story of his nightclub during prohibition days, his help to boxers—and other sports greats including Ted Williams.

Jimmy O'Keefe was buried last week, and a part of Boston was buried with his. He will be missed—and this obituary is a fitting tribute to his memory.

[From the Boston Globe, July 28, 1987]

### THIS IS THE STORY OF JIMMY O'KEEFE AND WHAT THE DEATH NOTICES LEFT OUT

(By Douglas S. Crocket)

They're going to bury Jimmy O'Keefe tomorrow morning and when they do, a big portion of what used to be Boston will be gone.

He died at Deaconess Hospital Sunday, and he was 83 years old.

The death notice in yesterday's papers ran just a few lines and, at the end, said he was the owner of a place called The Dugout Cafe just outside of Kenmore Square.

It didn't say that James J. O'Keefe was the closest thing to a legend Boston had left.

It didn't say that many people believe that, if it wasn't for O'Keefe, one man, Maurice Tobin, would never have been elected mayor of Boston, then governor of Massachusetts and then appointed to a presidential Cabinet. It didn't say that once, O'Keefe physically beat up a Massachusetts governor because he did not get a job for a man who stood in the rain and snow and gave out cards for the governor at a polling place.

It didn't say that in the 1940s and 1950s Jimmy O'Keefe's nightclub and restaurant at the corner of Boylston Street and Massachusetts Avenue was the gathering place of the greats, the near greats and the failures in sports, politics, entertainment and the press.

It didn't say that he knew bank robbers and boxers and convicts and priests and cops and reporters and cab drivers and prostitutes and waitresses and bartenders and all the rest.

"He knew everyone but the unknown soldier," Frank Kennedy, one of his closest friends, said last night.

It did not say that thousands of Boston University students looked at him as a father figure.

It did not tell that thousands of alcoholics, homeless people and those down on their luck knew that Jimmy O'Keefe was always good for a handout.

It didn't tell of thousands of dollars loaned and never asked for. nor of jobs obtained.

But this is the story of Jimmy O'Keefe.

He was born in Boston's Back Bay and he never left that area.

He delivered groceries as a youth from a horse and wagon in the area now called Kenmore Square, played football and graduated from Boston English High School, worked for the telephone company for a while and then found his calling.

He became a bootlegger. He even bought a drugstore on Huntington Avenue and they used to say, "Jimmy O'Keefe sold more booze there than he did aspirins."

And, after Prohibition ended, he bought the Dugout in 1934.

There are so many stories about Jimmy O'Keefe they could never be told in a day.

#### ONE OF THE OLD SCHOOL

In politics, he was of the old school. He not only knew everyone in his area, he knew their cousins and friends and aunts and uncles and sisters and brothers and everyone else who even came in contact with them.

That was why Maurice Tobin went after him. O'Keefe didn't make speeches for Tobin. He organized his campaign for mayor.

O'Keefe brought all his friends into the organization and they came through. Tobin was elected but everyone knew O'Keefe was behind it.

Tobin went on to become governor but one day, when O'Keefe asked him to help a friend and Tobin said he was too busy, O'Keefe beat him up.

He never admitted it or denied it, but plenty of people knew it was true.

#### IN THE BOXING WORLD

In sports, he had countless boxers under contracts.

Could they fight?

"They eat better than they fight," he said. "Their feed bill is higher than Suffolk Downs."

He had Irish Bob Murphy and Bobby Quinn and no one knows how many more.

Sammy Fuller worked for him and called him one night to say he was taking a heavyweight to Providence to fight an "Italian shoemaker from Brockton."

Later Fuller called O'Keefe and said their man was knocked out, and he asked O'Keefe what to do.

"Sign the shoemaker," O'Keefe said, but he never got him. The shoemaker from Brockton was Rocky Marciano.

O'Keefe was among the closest friends of the greats of sport. When Ted Williams was a rookie, he drove O'Keefe's car. One night the police pulled him over.

"Why did you pull me over?" the Red Sox star asked.

"Why are you driving Jimmy O'Keefe's car?" the policeman said.

Forty years ago, Jimmy O'Keefe's Restaurant was the biggest spot in Boston. Sports figures such as Williams, Joe Cronin, Jimmy Foxx, Jim Tabor were only a few of those who congregated there.

Writers such as Dave Egan and Bill Cunningham and Walter Howie were regulars. The politicians were there. The people who later robbed Brinks were there. Everyone, it seemed, was there.

#### FRIEND TO ALL

But he always kept the Dugout and when everything was said and done, he loved the young people.

His bartenders were Boston University hockey and football players. He kept waitresses and bartenders on the payroll for decades.

Kids who needed $5 or $10 always knew they could get it from Jimmy O'Keefe.

In 1961, Boston police arrested him after an undercover officer said he heard O'Keefe calling in a bet. That wasn't news. Everyone knew Jimmy O'Keefe would bet on anything.

The news was when he was arrested. The switchboard at Boston Police headquarters lit up like a Christmas tree as friends called to ask why such a thing could happen. "It was like arresting Santa Claus," the Boston Record-American reported. The case was dropped.

Jimmy O'Keefe never married nor had children. His closest relative is a cousin.

His last request was that, instead of flowers, donations be sent to the Pine Street Inn, where the people he cared about live.

His heart was bigger than he was.

And you can bet a lot of people are going to be at a funeral Mass at St. Theresa's Church in West Roxbury Wednesday, July 29, at 10 a.m.

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## NORTH BROOKFIELD'S 175TH ANNIVERSARY

## HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. BOLAND. Mr. Speaker, I would like to call to my colleagues' attention a very special anniversary which is being celebrated in my district.

Almost all Americans are aware that 1987 is the 200th anniversary of what I believe to be the crowning achievement of modern democracy, the U.S. Constitution. To the people of North Brookfield, MA, however, 1987 is also being celebrated as the 175th birthday of their hometown.

Our Constitution has endured these many years because succeeding generations of Americans have renewed the commitment of the Founding Fathers to the fundamental right of the people to maintain the integrity of their life and thought—to govern themselves.

North Brookfield was established 25 years after that miracle at Philadelphia. Its endurance can be attributed to many of the same principles which have effected the longevity of that famous document. Each generation of residents of North Brookfield has renewed its commitment to the shared interests, civic values, and neighborly concern that motivated the ancestors of the present-day residents to settle there. That those commitments should last for 175 years is, in my mind, ample cause for celebration.

North Brookfield's anniversary will be a year-long affair, but I would like to give special recognition to what will surely prove to be its crowning moment—the six-division parade which took place on July 26. I would like particularly to recognize the efforts of Parade Committee Chairman Kathleen Crevier; 175th Anniversary Committee Chairman Robert Littlefield; and Town Selectmen Joseph A. Vallencourt, Jr., Raymond H. Small and Eugene Caille, Jr., for a tremendous display of civic pride and planning.

Mr. Speaker, it is a very special year in our country's history and the confluence of events which has made it all the more special for North Brookfield is truly deserving of our recognition.

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## JETS JAM NEIGHBORHOODS WITH NOISE

## HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FLORIO. Mr. Speaker, in the friendly skies every morning, there is a noise that refuses to go away. It is that of airplanes landing in and taking off from our Nation's airports.

For the millions of individuals who live in the acoustic shadow of the aircrafts' flight paths, the noise they wake up to in the morning and live with as they sit in their homes is a persistent problem.

In the past few weeks, I have brought this matter to the attention of our colleagues in Congress because it is a matter that affects every community. There are hundreds of airports with airplanes crisscrossing the skies.

For every airplane that enters the airspace, there is that much more noise for our communities to contend with.

Yet there are solutions to the airport noise problem. Thanks to legislation that I supported and the Congress passed in 1979, Federal funding exists for programs to study the noise problem at all of the Nation's airports.

Since 1979, however, only 100 of the airports in the Nation have participated in the Federal programs. Of the remainder, much still needs to be done to address the noise pollution.

Indeed, airport noise is a very apparent form of pollution. It is not the kind that fills our lungs; it is the kind that rattles our homes.

Recently, when the Federal Aviation Administration adopted its expanded east coast plan covering north and central New Jersey, the impetus was the number of flight delays and safety problems with the amount of traffic in the skies.

Since then, the skies have become even more confused. The friendly skies are just as frantic with activity, but the noise problem has grown. With the FAA's plan, millions of homes were previously unaffected by airport noise now are affected.

In my State of New Jersey, the problem has been so dramatic, that I have asked several airports in New Jersey, Pennsylvania, and New York to participate in noise abatement.

Our colleague from California, NORMAN MINETA, has included a provision in the Airport and Airway Improvement Amendments of 1987, putting pressure on airports to participate in Federal noise monitoring and abatement. If an airport authority does not make reasonable progress in developing a noise compatibility program, then 10 percent of the airport's Federal funding would be redirected to the community level, so that the noise level can be addressed through the community.

The FAA and the Environmental Protection Agency are charged with protecting our Nation from the persistent problem of airport noise.

Much can be done to help the millions affected by airport noise. All it takes is doing it.

I am including an article from the Jersey Journal, speaking to the problem:

[From the Jersey Journal, July 8, 1987]

### AIRPORT NOISE CONTROL STUDY SOUGHT

The Port Authority of New York and New Jersey should do a study on the problem of increased noise at metropolitan area airports, said Rep. James J. Florio, South Jersey Democrat.

Speaking yesterday at a news conference in a Kearny park, he said new flight patterns instituted in February at Newark International Airport and LaGuardia Airport in New York City have prompted complaints from residents in 27 New Jersey communities.

He said helicopter traffic that has risen considerably at Teterboro Airport also has contributed to the problem.

The Port Authority should request funds from the Federal Aviation Administration to examine noise levels in six counties near Newark International Airport, Florio and Rep. Frank J. Guarini, D-Jersey City, told P.A. Executive Director Stephen Ledger in a letter dated July 2.

The letter had not been received by late yesterday afternoon, said a P.A. official.

Surrounded by local officials, including state Sen. Thomas F. Cowan, D-Jersey City, and Kearny Mayor Henry Hill, Florio accused the Environmental Protection Agency and the FAA of being lax in enforcement of noise pollution laws.

"It seems that some people in Washington don't want the EPA involved in noise pollution. It's time to start thinking about it and doing it," Florio said.

He suggested that the state attorney general should consider suing the EPA if conditions do not improve soon.

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Florio attributed the rise in complaints to the FAA's new system of routing planes, more flights spurred by deregulation, and overworked air traffic controllers "who are not cushioning the impact of higher levels of traffic."

Air safety is foremost at airports, Florio said, but high noise levels can add to health problems. He chided the EPA for "opting out of its responsibility" and said the EPA and FAA have not coordinated efforts on that front.

The FAA's decision to alter traffic routes from Florida to Boston was part of a plan to relieve congestion and improve safety.

Under the Expanded East Coast Plan, or EECP, planes flying south and southwest out of the two local airports were routed over the New Jersey communities of Tewnsbury, Long Valley and Hackettstown. Before the EECP, the flights went over Headington.

Legislation passed in 1979 by Congress allows airports to petition the FAA for a study of noise levels.

Such FAA studies allow federal funding for programs such as sound-proofing homes, changing traffic patterns, designating preferential runways, limiting night operations and enforcing minimum noise standards, Florio said.

Only about 100 airports in the country have conducted the studies, he said. Jim Muldoon, general manager of aviation technical services for the P.A., said both airports have studies similar to the one requested. "We've had it for four years and the FAA has been funding 90 percent of our noise abatement program, such as school soundproofing in 17 or 18 schools. We've done it in Newark's Ironbound and in Port Elizabeth."

The studies he said usually examine areas surrounding airports, not areas 20 to 30 miles away.

Florio said the higher volume of air traffic meant "more planes are circling over remote areas."

## A CONGRESSIONAL SALUTE TO ROBERT E. RUSSELL

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. ANDERSON. Mr. Speaker, it is my distinct honor to rise today to pay tribute to Officer Robert E. Russell, who is retiring from the Long Beach, CA, Police Department after having served over 30 years. Officer Russell will be honored at a retirement ceremony on Friday, August 14, 1987.

Officer Robert Lee Russell was born October 15, 1932 in Long Beach. He attended Long Beach Polytechnic High School where he excelled in track and field. Upon graduation he joined the U.S. Army where he served 4 years and was honorably discharged as a corporal. Bob then went to work for Douglas Aircraft where he was a union representative until joining the Long Beach Police Department in July 1, 1957.

During his career of service with the Long Beach Police Department, Bob has worked as a patrolman in the patrol division, the jail division, vice division, and community relations division. He spent a 7-year period in the vice division, which was divided between working the uniform vice zone patrol, whose responsibility was to maintain order in the Pike amusement area, and to enforce ABC laws in the restaurants and lounges in the area. The remainder of the time Bob spent on the vice force as a plain clothes officer dedicated to enforcing gambling, prostitution, and ABC laws.

Officer Russell was assigned to Community Relations in March 7, 1981. He immediately took over the responsibilities of the Officer Bill program, making presentations to elementary school children throughout the city of Long Beach. Bob is often recognized as Officer Bill by the children of the community. He has become an invaluable asset with the community relations division where he is often called on to speak to many groups and organizations who request crime prevention information in any area of law enforcement. He has been established as the liaison officer for the department in the areas of labor relations, Asian relations, and gay liaison.

For the past 7 years, Bob has organized the Police and Citizens Award Luncheon which has always been a tremendous success. His outstanding commitment to his community has never gone unnoticed as he has been recognized by many organizations for his contributions and presentations, and has received over 65 letters of appreciation and commendations.

Officer Robert Russell married his wife, Molly, on April 18, 1964. Together they raised two daughers, Colleen and Kathleen. They also have two grandsons, Matthew Allen and Bryan David.

Bob has many hobbies including collecting police patches and coins. He enjoys fishing, off-road biking, and horseback riding. He also enjoys traveling, water skiing, and is an avid fan of the Los Angeles Rams football team.

Bob raises Arabian horses, and aside from being an expert horseman, he has taken his Arabian horses to over one hundred first place trophies in open shows and rated class A Arabian, Halter, and Western pleasure competition. Upon retirement, Bob and Molly will move to Lockwood Valley to continue to raise horses on their ranch which is appropriate named Russell's All "R's" Arabians.

Mr. Speaker, Officer Robert L. Russell has proudly served his uniform and his community. He made the city of Long Beach a special place to live and work. My wife, Lee, joins me in congratulating Officer Russell on his many accomplishments and achievements over the years. We wish him and his wife, Molly, and their two daughters, Colleen and Kathleen, and their two grandsons, Matthew Allen and Bryan David, happiness and all the best in the years ahead.

## COMMENCEMENT EXERCISE FOR ACTION TO REHABILITATE COMMUNITY HOUSING

### HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FAUNTROY. Mr. Speaker, I would like to take this opportunity to commend to my colleagues an outstanding vocational training program for young adults in the District of Columbia who aspire to enter the building trades industry.

Action to Rehabilitate Community Housing [ARCH] is a program which operates under the Cooperative Employer Education Program [CEEP], in conjunction with the Division of Adult Education in the District of Columbia Public Schools. As a building trades training program, ARCH provides two 26-week carpenter/drywall and weatherization mechanic programs, a 47-week housing rehabilitation specialist program, or a 16-week gas/heat maintenance and repair program. In addition to these skills, the curriculum focuses on cultivating good work habits, healthy customer/coworker relationships, and tutoring in reading, mathematics, measuring, and oral and written communication.

On August 14, 1987, ARCH will hold its first commencement exercise and will award certificates to 27 trainees who have successfully completed the prescribed course of study. These young adults having had the benefit of this vocational training program, which combined hands-on craft skills with classroom study, will be in a better position to enter the highly competitive job market in this metropolitan area.

Mr. Speaker, I am proud to bring this worthwhile program to your attention, and I want to express the gratitude of the citizens of the District of Columbia to the DC Government, the DC Public School System, PEPCO, and the Private Industry Council for their continued support and dedication to this project. Action to Rehabilitate Community Housing is the kind of program that might serve as a model for other communities.

## IN HONOR OF THE VICTIMS AT NASSCO

### HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. BATES. Mr. Speaker, I was deeply saddened to learn of the tragic accident which occurred at National Steel and Shipbuilding in San Diego on July 10, 1987. Six men lost their lives and six others were injured in this regrettable incident.

These brave men were victims of an unfortunate accident while serving the United States. These men had just completed their days' work assignments on the U.S.S. *Sacramento*, a fast combat support ship that was undergoing repairs at the shipyard.

I want to express my condolences and deepest sympathies to the families of Maurice McClure, Carlos Mendez Ortiz, William A. Starke, Jr., August Lawrence Unser, Rafael Barajas Magana, and Roberto Estrella, who lost their husbands, fathers and sons.

I wish to extend my sincerest wishes for a speedy recovery to Carge Johnson, Jr., Esteban Delgadillo, Ford Pulley, George Sumner, Doug Wilson, and Robert Miller, who were injured on this dreadful day.

The trades involved in shipbuilding are very dangerous occupations. I would like to impress upon officials at National Steel and Shipbuilding, and at the Federal Occupational Safety and Health Administration, the need for a comprehensive updating of the safety regulations for this industry.

## AMENDMENT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

### HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. BROOKS. Mr. Speaker, today I have introduced a bill to amend the Employee Retirement Income Security Act of 1974 [ERISA]. This legislation is identical to that which I proposed in the last two Congresses.

As it stands now, ERISA's protections are incomplete; the law explicitly protects workers pension plans from the ravages of corporate mergers, but does not cover any of the numerous other, nonpension, worker programs—life insurance, accidental death and dismemberment insurance, and disability retirement income plans, and so forth—that millions of the Nation's workers have earned and rely on presently, any of these many nonpension programs can be wiped out through the course of a corporate merger. Often such programs are as important, if not more important, to the economic security and well-being of retirees as their basic pension plans which ERISA protects. This bill will extend ERISA's merger protection provisions to all employee benefit plans, pension or otherwise.

Hearings were held during the 98th Congress on this remedial legislation before the Labor-Management Subcommittee of the Education and Labor Committee. In light of the attention this subject has attracted recently, I am hopeful that this bill may be expeditiously considered by the House.

## BORK SHOULD BE REJECTED

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FLORIO. Mr. Speaker, the President's nomination of Judge Robert H. Bork to a seat on the U.S. Supreme Court is a grave mistake for our Nation.

I strongly believe that Judge Bork is a nominee whose extreme views threaten societal and constitutional balance. I have researched this and elaborated on my position at length in a letter to the chairman of the Senate Judiciary Committee.

For the benefit of my colleagues, the text of that letter follows:

Congress of the United States,
House of Representatives,
*Washington, DC, July 28, 1987.*

Hon. Joseph R. Biden, Jr.,
*Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC*

Dear Chairman Biden: I write to express my views on the nomination of Judge Robert H. Bork to the United States Supreme Court. I hope your Committee will take these views into account in exercising its Constitutional responsibility to provide advice and determine whether consent should be given to the appointment.

Under our Constitutional system, liberty and justice depend on balance—a balance of governmental institutions and a balance of principles of popular sovereignty and fundamental rights. The Federalist No. 51. The Supreme Court plays a crucial role in determining the nature of the balance. Since a seat on the Supreme Court is a lifetime appointment, the stakes are high each time a nomination is considered. A justice with extreme views could upset the balance of our democracy.

The nominee's views have been set forth forcefully and articulately in the prolific writings of a long professional career. Regrettably, review of the record makes clear that this nomination threatens to upset the Constitutional balance. In evaluating a nominee's views, considerable latitude should be allowed for differences of opinion and philosophy. Here, however, the nominee's views are outside the mainstream of American Constitutional and legal thought.

The economic and social forces of the twentieth century accompanied by nearly perpetual state of international tension, have put to a severe test the Constitutional system devised by the Framers. But the system has, not without painful struggle, withstood the test, and in some respects it has grown stronger. For example, in the decades since World War II, America destroyed forever the curse of government-backed racial discrimination and strengthened the right to privacy, to free speech, and to vote. Nevertheless, national consensus on many public issues remains fragile, and many difficult challenges lie ahead. Can we move from a situation where government does not discriminate to a society without discrimination? Can we meet the current global economic challenge? Can we emerge from a Constitutional crisis in the implementation of United States foreign policy and restore compliance with democratic processes and the rule of law?

Judge Bork's record leads to the disconcerting conclusion that he has opposed virtually every aspect of the progress of the last generation. Equally troubling, the nominee's extreme views and rigid ideology are ill-suited for the challenges that lie ahead.

At a crucial point in the civil rights struggle, the nominee opposed as "coercive" the legislative effort to achieve decency and simple justice by ending racial discrimination in public accommodations. When public opinion passed him by, the nominee abandoned his position on public accommodations. In the ensuing years, however, he attacked the Supreme Court's decisions forbidding discriminatory real estate contracts, striking down the poll tax, and allowing universities to consider race in admitting students, if done for substantial public policy reasons. The last case is particularly instructive. The decision in *Regents of the University of California* v. *Bakke*, 438 U.S. 265 (1978), allowing affirmative action in university admissions, was written by Mr. Justice Powell, whose place on the Court the nominee would fill if he is confirmed. The nominee criticized Powell's opinion as an "uneasy compromise." Actually Powell's approach was conservative. He struck down the admissions plan in issue and simply suggested that a more flexible approach would have been sustained. Widely recognized as a conservative jurist, Powell nevertheless demonstrated the difference between conservatism and extremism. In leaving the door open to some forms of affirmative action, he had the personal flexibility to permit an interpretation of the Constitution in light of the evolving sense of justice of the American people.

The nominee has opposed improvement in the fairness of our political system, arguing against the landmark decision guaranteeing the principle of one-person-one-vote. He has authored opinions arguing for restricted access to the courts and against women's rights. He has criticized Supreme Court decisions elaborating the Constitutional right of privacy, and he had made troubling statements on free speech, suggesting a dangerously narrow approach.

When one turns from the need to preserve and strengthen individual rights, to the other challenges that lie ahead, the nominee's record is equally troubling. America, today, faces a world of fierce economic rivalry. In the short period of a half dozen years, ballooning debt, slipping productivity, and eroding market shares have put us on the defensive around the world. We need an undogmatic and flexible response, but the record of the nominee suggests a rigid and doctrinaire approach, ill-suited to the challenge. It is well known, for example, that the nominee has consistently espoused a rigid approach to interpretation of our antitrust laws. The sole criterion for interpreting the antitrust laws he would allow is an academic conception of efficiency that amounts to "anything goes." For example, his view of the mergers and takeovers that violate the Clayton Act is so narrow that if it were the law, even with an enforcement minded administration, little would stand in the way of the continuation of the present, "anything goes" approach. In such an environment, financial manipulation is rewarded, communities are dismembered, plants are closed, jobs are lost, and nothing is done to regain our international economic position.

Finally, in light of the fact that the United States is currently in the midst of a Constitutional crisis regarding official compliance with law in the implemention of foreign policy, it is impossible to ignore the nominee's role in what came to be called the "Saturday night massacre" during the Watergate scandal. The nominee was then the Solicitor General of the United States. When the Attorney General refused to follow the President's order to fire the Watergate special prosecutor, the nominee carried out the order, despite Justice Department regulations. Two weeks later, he told Congress that legislation to create a special prosecutor independent of the President could be unconstitutional. Such legislation was enacted, but it is now being challenged by former officials who are under investigation. Undoubtedly the Supreme Court will soon have to consider the status of the independent counsel and other matters relating to official accountability. Simply stated, the record of the nominee, on this point alone, disqualifies him for a seat on the Court.

Sometimes it is said that whatever else is revealed by the record of this nominee, he is at least an advocate of judicial restraint and of deference to legislative intent and the intent of the Framers of the Constitution. I am afraid that I am not persuaded that this assertion is correct. In his extensive writings on antitrust, the nominee argues, in effect, that the courts should read into the Sherman Act a particular, modern, academic economic theory, as the lode star for antitrust analysis. Bork, "The Rule of Reason and

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the Per Se Concept," 74 Yale Law Journal 775, 839 (1965). In fact, the legislative history of the antitrust laws is filled with concern for the social and political consequences of concentrations of economic power, and this concern should be taken into account in application of the law. Pitofsky, "The Political Content of Antitrust," 127 University of Pennsylvania Law Review 1051 (1979).

As for deference to the intent of the Framers of the Constitution, the nominee has written extensively about the intent behind particular Constitutional provisions but has basically missed the point. Over a generation ago, Felix Frankfurter observed that the broad clauses of the Constitution, such as "due process" and "equal protection" and doctrines like the separation of powers, are vague. He said the ambiguity of these "is such that the Court is compelled to put meaning into the Constitution not to take it out." Mr. Justice Holmes and the Supreme Court (1938), page 7. For this reason, the emphasis on deference to the Framers' intent can be misleading. Part of their intent was that the great clauses of the Constitution would be adaptable to the needs of the times. McCloskey, The American Supreme Court (1960), page 15. Too often today, the claim of having found a specific intent in 1787 or 1867 is an unconvincing attempt to justify disregarding the precedents that prevail in 1987. Though purporting to reflect "restraint," the argument seeks to justify an exercise of power to overthrow precedent. Since dubious history is used to make respectable an effort to put certain things into the Constitution, we are returned to the need to scrutinize a nominee's philosophy, while regarding skeptically assurances of restraint.

Judge Bork's views stand in stark contrast to those of Justice Holmes. The nominee has attempted to nail antitrust law to a rigid, academic doctrine of neo-laissez-faire, yet can find only limited protection for individual rights in the Constitution. Holmes tended to be very deferential to legislatures on economic issues and less so when government action might impinge on fundamental civil rights. Justice Holmes understood how social arrangements are affected by time and circumstances and how "fragile, in scientific proof, is the ultimate validity of a particular economic adjustment." (Frankfurter, pages 50-51) Holmes attributed much more significance to the liberties of the individual, which are the foundation upon which our free society is based.

It has been frequently noted that the current nominee, if appointed, would replace a swing vote on a delicately balanced Supreme Court. Equally noteworthy, however, is the fact that our Constitutional system, and even our society, as we grapple with the challenges of a revolutionary age, are delicately balanced. The present nomination comes at a time when Congress is investigating an unprecedented challenge to the Constitutional balance of powers in the implementation of foreign policy. Serious questions are pending on whether care was taken faithfully to execute the laws. In these circumstances, the legitimacy of this nomination to the Court is clouded and both the nomination and the nominee should be reviewed with extra care.

I respectfully submit that the Senate should not consent to an appointment to the United States Supreme Court where the legitimacy of the nomination is in doubt and where the record reveals a nominee whose extreme views threaten to upset the social and Constitutional balance and jeopardize the hard-won gains of two centuries.

Sincerely,

JAMES J. FLORIO.

## A TRIBUTE TO OUR LATE COLLEAGUE, WILLIAM S. MOORHEAD

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. YATRON. Mr. Speaker, I rise today in great sadness to pay tribute to our late colleague, former Congressman William S. Moorhead. Bill Moorhead's life was dedicated to public service and to representing the people of the city of Pittsburgh in the U.S. House of Representatives.

Bill Moorhead ably served in the House for 22 years. I was privileged to serve with Bill for much of this period. His hard work and commitment ensured the admiration and support of his constitutents. In his long career, he was active on a number of legislative fronts. His work on the Government Operations Committee and on the Banking, Finance and Urban Affairs Committee was especially important. Bill was best known for his fine work in enacting the Privacy Act, providing Federal loan guarantees for the city of New York and the Chrysler Corp., and establishing the National Endowment for the Arts and the Humanities. In all of his endeavors, Bill represented the citizens of the 14th District of Pennsylvania with the utmost dedication and sense of responsibility.

I feel honored to have known and served with Bill Moorhead. He was a caring and compassionate man and a tremendous political leader and public servant. Mr. Speaker, I join with my colleagues in extending deepest sympathy to Bill's wife, Lucy, and all members of his family.

## CLEAN AIR ACT AMENDMENTS

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. ANDERSON. Mr. Speaker, our colleague, Congressman WAXMAN last week introduced H.R. 3054, to amend the Clean Air Act. This legislation is the product of long and diligent work, and clearly Congressman WAXMAN is owed our gratitude for his good efforts on what is certainly one of the most critical problems facing our country.

On a bill so complex and so comprehensive in nature, it is not likely that any two individuals would agree on every provision. And so it is with H.R. 3054. Though I have cosponsored this because, as indeed it will point the Nation in the right direction in our struggle for clean air and is on balance a fine piece of legislation, there are provisions in the bill which trouble me. Among these is the provision which would authorize the Administrator of the Environmental Protection Agency to impose a gasoline tax increase in severe nonattainment areas.

While the people of our Nation must have clean air, there are various means of approaching this objective. But the people and the economy of our country also require a sound transportation network. And I am convinced that such a transportation network is dependent upon the existence of user fees that are used exclusively for transportation-related purposes.

I have suggested in recent weeks that highway user fees should not be utilized as a mechanism for achieving the vital national goal of deficit reduction. I am equally persuaded that they should not be a tool in our clean air campaign.

Mr. Speaker, we must have clean air. The obvious and simple truth is that we can't live without it. And for this reason I urge our colleagues to consider joining Congressman WAXMAN as a cosponsor of H.R. 3054. But I do so with the caveat that not every provision in this important legislation is perfect. Indeed, as H.R. 3054 runs the legislative gamut toward enactment, I would hope that any language which could provide for a highway user fee increase be dropped.

## TRIBUTE TO MR. ANTHONY J. GIAQUINTA

### HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FAUNTROY. Mr. Speaker, I am privileged today to bring to the attention of my colleagues an event on Thursday, August 6, 1987, sponsored by the Shaw Community Center Food Committee to honor Anthony J. Giaquinta for his outstanding community service in the District of Columbia.

In recognizing the charitable contributions of Mr. Giaquinta, who is the director of the Joint Carpentry Apprenticeship Committee, we acknowledge his many volunteer efforts and his unselfish commitment to serving needy families in the Washington community. His active participation on the Shaw Community Food Committee has enabled this volunteer group to raise funds for thousands of area families in celebration of the Thanksgiving holiday. In addition to his work with the Food Committee, Mr. Giaquinta is currently serving as the president of the Carpenters' District Council, chairman of the board of the Carpenter's Health and Pension Fund, and a board member of the Wider Opportunity for Women Advisory Council.

Anthony J. Giaquinta is a Washingtonian, who has remained involved in the city of his birth, both in a professional capacity and in his civic duties.

Mr. Speaker, I believe Mr. Giaquinta exemplifies the volunteer spirit that has contributed so much to the making of the District of Columbia, as a caring community, as a city, and as the Nation's Capital. I invite my colleagues to join me in saluting this American citizen for his dedicated service to worthy human needs and for his devotion to his city.

## FAMILY PROTECTION ACT

### HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. LIPINSKI. Mr. Speaker, I would like to take this opportunity to make my colleagues aware of three pieces of legislation I recently introduced with the goal of protecting, strengthening, and aiding low- and middle-income American families.

As we quickly move through the second half of this decade it has become apparent that a serious and harmful trend is taking place across this Nation—the disintegration of the traditional family unit. The shapes and needs of the middle-class American family are changing. Yet, this Nation's leadership projects an image of the family that no longer squares with the facts—facts that point to new pressures on the family budget. Nowhere are the new pressures on the family budget more evident than in their impact on homeownership, postsecondary education and child-care arrangements.

Clearly, based upon the nature of a technological society, no government can avoid having policies that influence the family unit. The key issue, however, is whether these policies reach to the heart and soul of strengthening the American family.

There are two basic assumptions we must follow in order to adequately address this problem: The first being that the family structure has been the cornerstone for stability and understanding in our society; and second, the Government has the tools necessary to preserve the structure.

It is based upon these basic premises that Senator DENNIS DECONCINI and I have introduced three bills that will assist the middle-income American family in the areas of education, housing, and child-care.

Two of the proposals would provide tax incentives to low- and middle-income families to purchase their first home and/or pay for their children's postsecondary education.

These two bills are based on the individual retirement account [IRA] system and its income eligibility requirements. Couples filing a joint income tax return may take full deductions for the individual housing account [IHA] and the educational savings account [ESA] if their adjusted gross income does not exceed $40,000. The amount of their deduction is gradully phased out if income is over $40,000 until it reaches $50,000 at which point they are ineligible. For a single parent or individual filing a separate return the phaseout range is $25,000 to $35,000.

The ESA will provide parents with the opportunity to make maximum annual contributions of $1,000 for their child's postsecondary education until he or she reaches the age of 19.

Skyrocketing postsecondary education costs have priced many promising students out of the market. As the requirements of the workplace increase, we cannot allow the cost of education to become prohibitive to the American family.

The IHA, in turn, will help low- and middle-income families purchase their first home. The housing account proposal would have a maximum annual contribution of $2,000 per working person—$4,000 per working couple.

Clearly the American dream of owning your own home is getting more difficult for young families to achieve. The fact is that the prospects for most young people today are not as bright as those their parents had at a comparable period in their own lives.

The third phase of this family package, the day care tax credit bill, will provide incentives to employers who establish on site day care facilities for their employees.

Onsite day care provides the most promising solution available to many low-income families. Onsite care allows more direct contact between parent and child throughout the day and assists the parent in the return to the work force.

Too many families today are caught between the rising cost of achieving traditional family goals and stagnating family incomes. The dream of providing one's family and children with decent child care, a college education, and a good home is fading away. I feel strongly that government must now step in to help the family help itself.

If we are serious about strengthening the family, we must get a clear picture of what the family needs and how we might assist it. This legislation recognizes, understands, and deals with the reality of change and will once again make the American family the vital core of our society.

## AN OPEN LETTER TO THE LEADERS OF THE PEOPLE CONCERNING THE ISSUES OF NUCLEAR WEAPONS

### HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. ROWLAND of Georgia. Mr. Speaker, in early May of 1986, the Council of Bishops of the United Methodist Church adopted the final drafts of a pastoral letter and a foundation document, both entitled "In Defense of Creation: the Nuclear Crisis and a Just Peace." We have attached a copy of the letter and foundation document to this, our response to the bishop's letter. Our youth ministry took these documents and used them as a guide to study the issues ourselves.

We listened to several speakers, studied various materials, had several audio-visual presentations, and were involved in many intensive discussions involving the policies concerning nuclear weapons. We studied Christ's teachings and the concept of Shalom, both as Christians and as youth raised with the moral traditions of our nation. These sessions have helped us understand and reach our own conclusions about nuclear arms issues.

As Christian youth, we all agree that nuclear weapons affect more than one aspect of our lives. After studying all the issues, we believe this is more than just a question of war or peace with the Soviet Union. Whatever we do affects the whole planet and everyone living on it.

In the midst of these arms issue, we as a Christian nation have a responsibility to protect all of God's Earth, not just our own nation. We see the situation growing and are concerned that unless we start trying to make peace and get rid of these nuclear weapons, then there won't be a way to turn back in the future. In other words, we know that there are already enough nuclear weapons to destroy the earth several times over. We've seen the effects, on both nature and society, of radiation from atomic explosions as well as from nuclear reactor leaks. Therefore, we must avoid a nuclear war, begin to control the situation and begin working toward peace.

Everyone in our youth group agrees our country should do whatever is needed to prevent a total nuclear war. We feel there could be no "winner," but only destruction and death. We are split, however, on the issue of limited use of nuclear arms.

About half of our youth group believes that any use of nuclear weapons is not only harmful to the people and the world environment, but eliminates any real hope of world peace. One reason for this is the direct effects of radiation on the country attacked, as well as the indirect effects of radiation on the surrounding non-participating countries. Another reason is that we would instill distrust and fear in the rest of the world, if they see we actually are willing to use nuclear weapons. Finally, we see the real possibility that any use would lead to an all-out nuclear war that would destroy the Earth.

The other half of our group believes we should leave open the option of limited use of nuclear weapons as a means of national security. The fear of becoming a communist nation is the main reason for supporting limited use of nuclear weapons. Thus, we feel we must retain our nuclear weapons in order to give us a defense to threats toward our nation.

As Christian youth, however, we see how the threats involved in nuclear deterrence cannot be supported. We see that by supporting nuclear deterrence, the United States becomes the so-called "tough guy," rather than the peacemaker.

After studying the proposed Star Wars Defense Initiative, we are concerned with the tremendous cost of this defense system and the questionable effectiveness of it. This money could better be used to support existing social programs and to develop new programs to aid the hungry and homeless. It's time for the United States to take a positive step forward by dropping this proposed system and addressing the day-to-day needs of people.

Among the proposals in the Bishop's Letter, we strongly support a freeze in the production of all nuclear weapons. This would include a ban on both offensive and defensive weapons in space and on Earth. Next, the United States should re-affirm the ABM treaty of 1972 and ratify the SALT II treaty. By working toward treaties and agreements with the Soviet Union, we will lay the groundwork for more openness and better relations with other nuclear and non-nuclear countries as well.

We feel that an important first step toward peace would be an agreement with the other nuclear countries prohibiting a first use of any nuclear weapons. With the possibility of a first use eliminated, we could and should move toward the ultimate dismantling of all nuclear weapons.

These are important issues that need to be addressed now. They continue to grow more complex every day. Our nation cannot accept this situation as unchangeable. We must study the issues and consider all possi-

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ble solutions. We must begin now to plan and move toward a lasting world peace.

## COMMUNITIES CONFRONT AIRPORT NOISE PROBLEM

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FLORIO. Mr. Speaker, in the past few weeks, I have brought to the attention of my colleagues in Congress a problem that affects hundreds of communities across the Nation. The problem is that of airport noise.

Although the problem can be treated with a number of effective solutions, the problem has refused to go away.

Since 1979, the Federal Government has made available to airport authorities around the Nation funds to perform studies of the airport noise problem and to improve the noise levels in affected neighborhoods.

The solution might involve rerouting traffic to lessen the impact of noise on the neighborhoods, installing better soundproofing, changing the flight schedules of airplanes and operating hours of airports, among others.

Yet despite the ready availability of Federal funding for these projects, only 100 airports have participated in the studies.

The problem of airport noise has only increased. In attempts to reduce flight delays and improve air traffic safety, the Federal Aviation Administration implemented its expanded east coast plan in the Northeast corridor earlier this year. Under that plan, neighborhoods that were previously unaffected by the noise, wake up in the early morning to the disturbing rattle of an airplane overhead.

Concerned by the noise pollution affecting residents of my own district, I recently asked the authorities at Philadelphia International Airport to conduct studies of the airport noise problem in the surrounding neighborhoods.

In that time, the authorities have agreed to cooperate in a limited study and the results are coming in. The airport noise problem is affecting those neighorhoods to a tremendous degree.

At the same time, the noise problem continues unabated from airports in Newark, NJ, and in New York.

The problem is so serious for our communities that the communities themselves are taking an active role in increasing pressure on airports to address the problem.

On June 25, Mayor Joseph N. Petruzzi of the Borough of Bellmawr, NJ, and the borough council adopted a resolution protesting the airport noise problem.

Their resolution is a model for other communities across the Nation affected by excessive airport noise.

The methods and the funds to improve the problem of airport noise do exist. I urge my colleagues in Congress to address this pressing problem for our communities and constituents.

I am including below the resolution as passed by the Borough of Bellmawr, NJ. That resolution can serve as a model for other communities in dealing with the noise pollution problem.

RESOLUTION 6:118-87

Whereas, the take-off and approach patterns of the aircraft utilizing the Philadelphia International Airport have created a noise problem in the Borough of Bellmawr; and

Whereas, this generation of larger and more powerful jet aircraft omits a higher level of noise pollution; and

Whereas, it appears that the aircraft departure and landings have been at altitudes that make this noise unbearable, especially in the borough of Bellmawr that is predominantly residential and where a large percentage of our population is comprised of senior citizens: Now, therefore, be it

*Resolved* by the Mayor and Council of the Borough of Bellmawr, County of Camden and State of New Jersey that the continuous communities in the County of Camden and their Governing Bodies be encouraged to join together to protest the problem of noise pollution being generated by aircraft leaving and entering the Philadelphia International Airport: Be it further

*Resolved* that a copy of this resolution be sent to all Mayors of surrounding communities and Local, State and Federal representatives.

JOSEPH N. PETRUZZI,
*Mayor.*

The foregoing resolution was duly adopted by the Mayor and Council of the Borough of Bellmawr at a meeting held on June 25, 1987 in the Municipal Building, Bellmawr, NJ, beginning at 8:00 p.m.

MARGARET WELSH,
*Borough Clerk.*

## MODERN DAY BETSY ROSSES

### HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FOGLIETTA. Mr. Speaker, I would like to take this time to recognize 15 highly-skilled women working in my district to whom I like to refer as the Betsy Rosses of modern times. They are all Federal Government employees working in the flag-making room at the Defense Personnel Support Center in south Philadelphia.

It was more than 200 years ago that Betsy Ross used her skills to create the first American flag at her home in Philadelphia, and today, these 15 women with backgrounds from all over the world are working together to create three more historic flags to commemorate the 200th anniversary of the U.S. Constitution. The flags are called We The People.

Although most of these women were born outside the continental United States in places like Korea, Italy, and Portugal, they are all now American citizens working together to hand embroider these beautiful patriotic flags.

Each of the flags takes more than 240 hours of embroidering with red, white, blue, and gold thread to complete. The flags are being made at the request of the Commission on the Bicentennial of the United States Constitution, which is headed by former Supreme Court Chief Justice Warren Burger. One of the flags will be presented to President Reagan, another will be placed in the Smithsonian Institution and the third will be used in bicentennial ceremonies in Philadelphia.

These flags proudly represent the freedom our Constitution protects, and these women should be recognized for their efforts. These women are: Anna Cavallucci, Grazia Panettiere, Grazia Marciano, Natalie Nardo, Mary Nociforo, Sarah D. Simon, Rose T. Clavin, Stella Crispno, Aida Figuerao, Maria C. Martins, Samye So, Christine Upchurch, Josephine Spitalieri, Maria Negron, and Anna Fantazzi. The shop foreperson Is Magnolia Young. The illustrator for the flags is Judy Mendes.

I commend each of these women for their efforts, in this the 200th anniversary of the United States Constitution.

## COAST GUARD: 197 YEARS OLD TODAY

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. BIAGGI. Mr. Speaker, I want to congratulate the U.S. Coast Guard, which today is celebrating its 197th birthday. Since the early days of our Nation, the Coast Guard has had a proud tradition of service to the public. Its responsibilities impact upon each of us. I often wonder whether we truly appreciate its value to the health, safety, and security of our Nation. I say this because it seems that every year there is an attempt to reduce the financial resources essential for the Coast Guard to carry out its responsibilities.

The Coast Guard is cost effective. It is a bargain. It benefits all of us. Its mission capabilities run the gamut for aids to navigation to boating to vessel traffic systems and zeppelins.

Since 1790 when Alexander Hamilton created the Revenue Marine to guard our coasts, prevent smuggling, and raise revenues for our fledgling Nation, the Coast Guard has operated with a willingness to serve the best interests of our Nation. Its "can do" spirit is well known to all of us. Its motto, "Semper Paratus" ("Always Ready"), appropriately describes the Coast Guard.

Today, the Coast Guard continues to struggle to obtain the funds necessary to carry out its day-to-day missions, and for an acquisition and construction program to guard against deterioration of its physical assets. How much longer can we exploit the cost effectiveness of this proud and valiant organization? In 1981, the Committee on Merchant Marine and Fisheries issued an oversight report, entitled "Semi-Paratus: The United States Coast Guard, 1981." The committee found "that Coast Guard resources are not currently sufficient in quality or quantity to cope with the variety of responsibilities placed upon the agency by law."

The Coast Guard is a multimission agency, whose chief responsibilities are maritime safety, military readiness, and law enforcement.

Maritime safety includes one of the oldest missions of the Coast Guard—maintenance, repair, and operation of a system of short-range aids to navigation necessary for the safe navigation of our waters. There are over 47,000 such aids—including large navigational

lighthouses, small- and medium-sized buoys, 34 light stations, and a system of radio navigation aids to navigation to assist both air and marine traffic. In addition to providing 200 radio beacons in U.S. waters, the Coast Guard operates a 42-station, long-range navigation [loran] system and an 8-station Omega system. In accomplishing this mission, the Coast Guard uses 49 large buoy tenders, 29 smaller tenders, 64 aids to navigation téams, 18 bases, and 2 depots. It publishes the Coast Guard Light List, Rules of the Road, and local and weekly notices to mariners. The Coast Guard also operates vessel traffic systems in the Houston/Galveston, New Orleans, San Francisco, Puget Sound, Prince William Sound, and New York areas.

Maritime safety includes recreational boating safety. The objective is to reduce loss of life, personal injury, and property damage in the use of over 16 million recreational boats by more than 50 million boaters. Education is the primary objective; however, the program includes inspection and jurisdiction over manufacturers of boats and their associated equipment. To assist the Coast Guard in promoting recreational boating safety, the Congress established the Coast Guard Auxiliary—a group of 32,000 experienced boaters who volunteer their time, boats, and equipment.

Maritime safety also includes the preservation of the public right of navigation by assuring that 18,000 bridges are constructed, maintained, and operated to promote safe navigation.

Maritime safety includes the development and enforcement of standards for the safe design, construction, maintenance, and operation of commercial vessels and offshore facilities. In addition to approving designs, supervising vessel construction, and subsequent operations, it assures the competence of personnel through examination and licensing program. In any one year, this involves the inspection or examination of more than 40,000 U.S.-flag vessels and nearly 4,000 foreign-flag vessels, the conduct of about 13,000 merchant marine investigations, and in excess of 70,000 transactions involving seamen's documents and licenses.

Since the 1972 enactment of the Federal Water Pollution Control Act, maritime safety has been expanded to include environmental safety in recognition of the fact that, while accidents can be reduced, they can never be eliminate. The United States has, therefore, developed a national oil and hazardous substance spill response system that relies heavily on the Coast Guard. Its goals are to minimize pollution damage while also trying to reduce the threat of potential pollution in our coastal areas and within our inland river and Great Lakes systems. To do this, the Coast Guard maintains three strike teams that are highly trained in pollution response, maintains a large pollution response inventory, and provides a centralized reporting point for spills of oil or hazardous substances. This involves responding, on an annual basis, to more than 12,000 oil and hazardous substance spills; 11,000 cargo transfer operations; 300 major oil pollution removal operations; and thousands of vessel, barge, and waterfront inspections.

Maritime safety includes port safety and security. The Coast Guard's objective is to safeguard our Nation's ports, waterways, waterfront facilities, vessels, and personnel from accidental or intentional damage, disruption, destruction, or injury. The service also safeguards our ports from external threats of sabotage and espionage. In peacetime, its principal functions involve monitoring oil and hazardous cargo transfers, preventing spills and accidents, and inspecting waterfront facilities. There are 47 Captain of the Port Offices along our four coasts and inland waters. The Captains of the Port inspect more than 4,000 waterfront facilities and examine a multitude of vessels calling on our ports.

Maritime safety includes search and rescue activities. This activity is probably most typical of the Coast Guard's multimission concept in that is also encompasses the other two major missions, law enforcement and military readiness. Vessels and aircraft engaged in search and rescue play integral parts in military readiness and are also equipped for fisheries, oil pollution, and drug law enforcement activities. This multimission concept permits the flexibility to use vessels and aircraft to detect and chart iceberg movements as part of the annual International Ice Patrol. During 1985, the Coast Guard responded to 70,062 distress calls, saved 6,303 lives, and assisted 136,341 people in distress. The dollar value in property saved and in property assisted superseded the service's 1985 budget authority of $2.6 billion by a half billion dollars.

The Coast Guard is the smallest of the five armed services of the United States, but its military readiness responsibilities are very large and complex. As a matter of fact, Coast Guard forces have been assigned the responsibility for the coastal defense of the United States out to 200 nautical miles through the establishment of Maritime Defense Zones [MDZ's] in 1984.

Military readiness includes maintenance of radio stations, air stations, shore stations, shipyards, vessels, boats, aircraft, and engineering, repair, and support activities. Since 1790, readiness, preparedness, and training have been essential to the Coast Guard's multimission capabilities. Throughout our history, the Coast Guard has been an effective and ready Armed Force.

Last, but certainly not least, is the Coast Guard's third major mission—law enforcement. This mission includes enforcement of various laws or treaties on the high seas and waters subject to the jurisdiction of the United States. Today's emphasis is on the interdiction of drug smuggling and illegal migrants. A few years ago, the emphasis was on the enforcement of fisheries laws and regulations within our 200-nautical-mile exclusive economic zone.

As of July 1986, the Coast Guard, in the enforcement of our fisheries laws, has boarded 15,684 foreign and domestic vessels, issued 2,825 citations, seized 76 foreign and 4 domestic fishing vessels, and assessed approximately $25 million for various violations under the Magnuson Fisheries Conservation and Management Act. Coast Guard operations alone have led to the confiscation of 35 million pounds of narcotics and dangerous drugs, 2,000 cases involving maritime smuggling, with the seizure of 1,405 vessels and the arrest of 6,907 individuals.

On the Coast Guard's birthday, it is incumbent upon us to take a moment and reflect upon the impact this service organization has upon all our lives. I am pleased to have this opportunity to wish the entire Coast Guard family best wishes on this 197th birthday.

## CONSTITUTIONAL CONVENTION

### HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. PACKARD. Mr. Speaker, on August 6, 1787 the Convention reconvened after a 10 day recess. The committee of detail had completed the first draft of our United States Constitution. Copies were distributed to each of the members and at that time the Convention was adjourned to allot time for each delegate to study the report. The first draft consisted of a preamble and 23 articles. Of the 23 articles, two were introductions, seven dealt with Congress and its powers, one covered the executive, one the judiciary, three provided for interstate comity, and seven covered such miscellaneous topics as the admission of new States.

Much debate along with many changes were to follow the original draft, however, the main concepts behind the document could still be recognized if compared with the final work. Parts were agreed on with little difficulty whereas others ended in heated debates. Changes made by the committee were often questioned by many of the delegates. The most important change made by the committee was regarding the amount of authority given Congress. With the revised report Congress could no longer do things such as declare war, coin money or regulate foreign and domestic commerce. Restrictions on the various branches were added so that they could not have absolute freedom to do as they pleased.

With the Iran/Contra hearings, we are questioning certain sections of our Constitution just as our forefathers did. For example, did public officials go beyond the boundries of our Constitution? This is a question that will be debated for years. I think Thomas Jefferson sums it up most appropriately when he said, "some men look at constitutions with sanctimonious reverence, and deem them like the ark of the covenant, too sacred to be touched * * * I am certainly not an advocate for frequent and untried changes in laws and constitutions * * * but I know also, that laws and institutions must go hand in hand with the progress of the human mind * * * we might as well require a man to wear still the coat which fitted him when a boy, as civilized society to remain ever under the regimen of their barbarous ancestors."

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## RAOUL WALLENBERG HAS PROVEN THAT ONE PERSON CAN MAKE A DIFFERENCE

### HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. GALLO. Mr. Speaker, today is the 75th birthday of a man who has proven for all time that one person can make a difference.

In honor of Raoul Wallenberg's birthday, the people of Morris County, NJ, have taken action to find an appropriate site for a permanent reminder of Mr. Wallenberg's life and his one-man stand against the tyranny of nazism. This action will honor the man, his Swedish heritage, and his unselfish dedication to justice and humanity.

The courageous actions of Raoul Wallenberg during the Nazi purges of the Jewish people saved the lives of tens of thousands of people. Acting at great risk to his own life, Mr. Wallenberg used every method at his disposal as a diplomat representing the neutral Swedish Government to prevent the Nazis from deporting as many as 100,000 people from occupied Hungary to the death camps.

It is appropriate that the 75th birthday of this brave man be celebrated through the efforts by Mount Olive Mayor Charles Johnson, Randolph Councilwoman Kayla Bergeron, and other local and county officials to find an appropriate site for this honor, with the support and cooperation of the Jewish Anti-Defamation League and the Jewish War Veterans.

As a supporter of this action, who also has called on the Soviet Government in the strongest possible terms to open their records on Mr. Wallenberg, I believe he would be pleased to know that his courageous actions on behalf of peace-loving people everywhere are remembered 40 years after he disappeared into the Soviet gulag.

The great irony of Mr. Wallenberg's life is that he is best remembered for singlehandedly freeing a people from bondage, only to be sentenced to the same fate by a Soviet Government under Stalin that proved no more sympathetic to human rights than the Nazis were.

The Soviet Government owes a 40-year debt to freedom-loving people everywhere who have waited for word of Mr. Wallenberg's fate.

This action is appropriate for another, equally important reason. I am very disturbed by the fact that a growing number of young people do not know who Raoul Wallenberg is. Long after we all are gone, his story should be told so that his example will continue to remind future generations that one person can change the course of history for thousands of others, if he or she has the courage to try.

## MODEL CONGRESS CHARTERS PATH PROMOTING INTEREST IN GOVERNMENT

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. FLORIO. Mr. Speaker, for many years now, the Educational Information and Resource Center in Sewell, NJ has been sponsoring a "Model Congress" for middle, junior, and senior high schools throughout the State of New Jersey. Through this Model Congress, EIRC has promoted a renewed interest in the way the Government operates and has helped to restore confidence in the legislative process.

Originally sponsored by the Institute for Political and Legal Education, the Educational Information and Resource Center has served a vital need in our society for the past 18 years through the Model Congress by promoting an awareness among our children of how the Government works.

The Model Congress is patterned after the actual branches of Government of the United States, including the rules and procedures of the Congress of the United States. Elected by their peers, students from grades 7 to 12 participate in a model legislature to tackle issues that we in the Congress of the United States must also deal with.

The Model Congress Program allows students to study the Constitution, and the Federal Government's three branches—the legislative, the executive, and the judicial branches—in depth and hands on.

Through the Model Congress, students in my State of New Jersey have a forum in which to meet and discuss vital issues among themselves and with State and National Government officials.

Currently, several dozen schools in New Jersey are participating in the Model Congress with several hundred students getting a firsthand grasp of how the Government works each year.

The EIRC provides instructional background and materials for the students and their teachers to use. By working with the participating schools, the Model Congress combines an extracurricular activity with the academic program of the schools, adding to the students' understanding of the way Government works.

This forum is a way for these students to get firsthand experience as to the operation of the Congress. For some, it is the budding start of a congressional career or public service. For others, it is an insight into Government that can be shared with their peers back at school.

For all, it is a way of getting inside the Government and bringing the democratic ideals of the Nation closer to all.

For many congressional offices, the Model Congress offers an opportunity to participate in the education of children in our district's schools. Individual offices can work with schools in their districts, playing an active role in how the Congress works. That Capitol perspective is an invaluable part of helping students understand how the American system of democracy works in practice.

I commend the EIRC, its Associate Director Dr. Theodore J. Gourley, and the Model Congress in New Jersey and urge the sponsors to keep the program alive, making Government attainable for all.

## THE CENTENNIAL OF THE BIRTH OF MARCUS MOSIAH GARVEY

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. RANGEL. Mr. Speaker, it is remarkable, and altogether fitting and appropriate, that this month we celebrate both the 25th anniversary of the independence of Jamaica and the centennial of the birth of Marcus Mosiah Garvey, its first declared national hero. I believe we have much cause to rejoice in this fortuitous conjunction to remember and reflect what preceded the 25 years of Jamaican independence and understanding that the long, hard struggle for independence were blessed by the presence and work of Marcus Garvey.

I am proud to be the sponsor of House Concurrent Resolution 84, a bill to exonerate Marcus Garvey of the unjust conviction he suffered as a result of the politically motivated persecution by the U.S. Government aimed at him because of fear of his growing influence with the black masses. I am pleased that on Tuesday, July 28, our colleague John Conyers chaired a hearing before the Subcommittee on Criminal Justice on my legislation.

I was thrilled to have the opportunity to testify on behalf of my bill and to have been joined by the sons of Marcus Garvey, Julius and Marcus Garvey, Jr. Mr. Conyers, and the members of his subcommittee also heard from Ambassador Keith Johnson of Jamaica, and a distinguished panel of historians who presented clear and compelling evidence in support of the exoneration of Marcus Garvey. Also present and participating in the hearing was my good friend, former Ambassador from Jamaica, the Honorable Alfred A. Rattray. Mr. Rattray now serves as a member of the Executive and a Shadow Minister for Investment and Foreign Trade of the People's National Party, which last formed the Government of Jamaica from 1972 to 1980.

Freddie Rattray's stirring testimony supporting my legislation and commemorating the life and legacy of Marcus Garvey is a wonderful expression of the love that the Jamacian people have for their national hero. Regardless of their political persuasion, the Jamaican people appreciate Marcus Garvey for his contribution to their independence.

Today, Marcus Garvey's liberating message is as alive as ever, and as we join our Jamaican friends in celebrating the 25th anniversary of Jamaicans independence as a nation, let us recognize that independence is not simply an historical event, achieved once and settled forever. It is a continuing process, a struggle for each generation to define how it will meet the challenge of the day. On August 17, 1987, in every part of the world reached by the diaspora—Jamaica, United States, Europe, Asia, and Africa—millions will remember the message and work of Marcus Mosiah Garvey. His message of liberation is alive, uniting us in purpose and binding us together.

I am pleased to join this important celebration of the centennial of Marcus Garvey's birth and to inform my colleagues of his rightful place in history through inserting the testimony of Ambassador Alfred Rattray in the Record.

The testimony follows:

Statement by Hon. Alfred A. Rattray

Mr. Chairman, Honorable Members of the Committee, I am Alfred A. Rattray. I thank you for the opportunity to present this statement to you on this very important matter. I am a former Ambassador of Jamaica to the United States and a former Ambassador/Permanent Representative of Jamaica to the Organization of American States. I am a Member of the Executive and a Shadow Minister for Investment and Foreign Trade of the People's National Party, which last formed the Government of Jamaica from 1972 to 1980. I am also Chairman of the North American Committee of the People's National Party of Jamaica.

Marcus Mosiah Garvey is one of a select few who have had a profound effect upon world history and human affairs during the 20th century.

Most of the territories of the Americas and the West Indies suffered conquest by external powers, and over time there arose liberators who freed individual territories or groups of territories from colonialism, or from foreign occupation. Marcus Garvey came along and ushered in a new concept of liberation. He viewed a world demeaned by the scourge of colonialism—that system whose very purpose is the enforced exploitation of whole races and classes of people by others more powerful than themselves. He saw everywhere in the Americas and in Africa, the denial of reasonable economic, social and educational opportunities for the vast majority of people. He observed the entrenched systems which deliberately and systematically debased and at times even sought to exterminate or enslave whole races, minority groups and disadvantaged persons.

There seemed no end to this global oppression of one race by another, of the weak and powerless by the strong and the powerful. The victims seemed powerless to throw off the shackles which so effectively impeded their economic, cultural, social and political mobility. The plight of the Negro race and of other oppressed peoples everywhere seemed hopeless.

And then, the 20th century produced Marcus Garvey. He led and helped to spawn a new breed of liberators who developed new strategies and employed new techniques to wage war against the seemingly impregnable fortresses of human selfishness, abuse, exploitation, callousness, and cynicism.

Tracing through the pages of history the methods and techniques used along the way to secure and perpetuate the bondage of oppressed peoples, Garvey noted that the Negro race, and by extension all oppressed people, were the victims of man's inhumanity to man. They were victims of that brutal inhuman urge which produced the twin systems of slavery and of colonialism, and which even today is dominant wherever one nation or class of people for whatever motive seek to dominate another.

Observing his people in Jamaica, in the Americas and in Africa, and learning from the lessons of history, Garvey noted that the conquest and subjugation of the human spirit was at least as important and as effective a strategy of enslavement, as the conquest and subjugation of the human body.

The establishment and perpetuation of the political, social, economic and psychological bondage of the Negro race, and indeed of all oppressed peoples, were facilitated and indeed secured by the false notion of their inherent inferiority. This notion was invariably implanted into their minds by their oppressors—be they slave masters, colonial masters, or other breeds of exploiters.

So carefully and relentlessly cultivated throughout the ages has been this notion of the inherent and inescapable inferiority of the oppressed, that it emerged as perhaps the greatest stumbling block to his liberation.

The abiding greatness of Marcus Garvey, and that which assures for him his place in the history of mankind, is not only that he clearly perceived all this, but also that he embarked upon a process which showed the way for the liberation of the enslaved spirit of oppressed people everywhere—in Jamaica and the Caribbean; in the Americas; in Africa—everywhere. It was this liberation of the beseiged spirit of the Negro race and of other oppressed peoples throughout the world that was the focus of Garvey's strategies and endeavours. He knew that once the human spirit is liberated the human being can reach out and firmly grasp and guide his own destiny. By the power of his ideas and his philosophies and by example, Garvey aroused in the mighty Negro race an appreciation of their true value, of their inherent worth, of their inherent equality, and their potential to achieve. A profound believer and practitioner of democracy he summoned the Negro race to unity of purpose and clarity of vision and set them on the road in pursuit of their political, economical, and social emancipation. Thus Garvey and the organizations he created and promoted waged war on ignorance and on inferiority syndromes, and in their place, sowed and nourished to maturity human dignity, self respect and self esteem.

His teachings, which had a profound impact upon Black and other oppressed people everywhere, helped to spawn that new breed of 20th century liberators and set in motion in Africa, in the Caribbean and in North America that irresistable tidal wave which swept away colonial empires and produced the massive gains of civil rights for so long denied to our people.

Such giants of history as Mahatma Gahndi, Namdi Aziklwe, Kwame Nkrumah, George Padmore, and Dr. Martin Luther King, Jr., some of the 20th century heroes of Asia, of Africa, of America, and of the Caribbean with numerous others from these areas, were deeply influenced and inspired by Garvey in the pursuit and fulfillment of their own great deeds.

Garvey's main gift to humanity was spiritual and his influence upon humanity will continue to increase with time.

Marcus Mosiah Garvey is National Hero of Jamaica and his life and work are a unifying influence in that great young nation. He has been acclaimed Hero of the Americas and his bust adorns the Hall of Heroes of the Americas at the O.A.S. in this great city. His great and untiring efforts which reached out to the world were wrought mainly in the small proud great nation of Jamaica and in our mighty proud great neighbour and friend the United States of America. Thousands of your people share with us and others throughout the Americas, the Caribbean, and Africa a common pride in this great man.

May his life and work, his struggles, his sacrifices and his triumphs and the realization of what he means to millions in our two countries and throughout the world, become and continue forever as a source of mutual respect, mutual understanding and friendship.

The people of Jamaica and I believe the vast majority of the people of the United States share the view that the charges brought by the Federal Government against Marcus Garvey were unsubstantiated and the conviction was unjustified and unwarranted. The People's National Party of Jamaica, on whose behalf I testify today, unequivocally supports House Concurrent Resolution 84 as introduced by Representative Charles Rangel and sincerely hopes that in this the Centennial Year of Marcus Garvey's birth the Congress of the United States will adopt this resolution.

## RAOUL WALLENBERG'S 75TH BIRTHDAY

### HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. PORTER. Mr. Speaker, under the leadership of my distinguished colleague Mr. Tom Lantos, the Congressional Human Rights Caucus sponsored a rally on the steps of the Capitol yesterday to honor one of this century's greatest heroes—Raoul Wallenberg. In celebrating Wallenberg's 75th birthday, prominent speakers recognized how much one person can do for his fellow man, and how one man can make a difference.

Throughout history, many are known for their ruthlessness, but very few are remembered for their compassion. Wallenberg is one such man. Hundreds of thousands of individuals owe their life to him. Survivors remember that the name Raoul Wallenberg was their only key to freedom.

On October 5, 1981, President Reagan granted honorary citizenship to Wallenberg. Only two other persons, General Lafayette and Winston Churchill, have received this recognition. Under the leadership of Congressman Lowery, Senator Levin, and others, we have renamed one of Washington's streets in his honor. Actions like these are the result of tireless work by Annette and Tom Lantos, Rachel Haspel and the Raoul Wallenberg Committee of the United States. They have made Wallenberg's tragedy reknown.

The Soviets are well aware of our concern for Mr. Wallenberg, but have resisted all requests to satisfactorily account for his whereabouts. Since the Soviets took Wallenberg into protective custody in 1945, their sparce statements have been marked by inconsistencies and secrecy. Their inaction is immoral. Why does the Soviet Government persist in punishing Raoul Wallenberg?

The Soviets first claimed they knew nothing of Mr. Wallenberg's condition. Then they claimed he died in a Moscow prison in 1947. However, well-documented evidence insists

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he was alive at least through the 1970's and may be alive today.

Stalin's injustice against Wallenberg is a disgrace. But if Gorbachev really believes in glasnost, then the chances of discovering Wallenberg's whereabouts are improved. Let Gorbachev's openness policy uncover the case of Raoul Wallenberg.

Over 200 people signed a petition to Secretary Gorbachev demanding the immediate release of Wallenberg and all information concerning his incarceration. By signing this petition, concerned citizens are making sure that this matter will not fade away. Free people everywhere demand to know what has happened to one of our greatest heroes.

Mr. Speaker, I commend my colleagues TOM LANTOS, STENY HOYER, BILL GREEN, ROBERT DORNAN, JOHN MILLER, BILL LOWERY, FRANK WOLF, BEN GILMAN, and Senator CARL LEVIN for participating in this important celebration. When Wallenberg was asked to go to Budapest as a representative of the American War Refugee Board, he said: "If I can save one life, I will go." He did that a hundred thousand times over. We must follow this example and bring Wallenberg home.

## H.R. 2902, FOR THE RELIEF OF NANCY L. BRADY

### HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. BOEHLERT. Mr. Speaker, today I wish to bring to the attention of my colleagues an admirable example of compassionate volunteerism in the Federal workplace.

A Federal employee from my district has been kept away from her job by a long-term illness. In the process, she has used up all of her accumulated sick and annual leave. However, her coworkers, sympathetic to her situation, have come to her aid and volunteered to donate part of their own annual leave to hers. Their assistance will give her the reassurance of knowing she'll have both the time to heal and the constant income needed to pay for that healing.

Now that's a heartwarming story, isn't it? But there's a catch. Under current law, this yarn will remain a mere fairy tale. Our Government prohibits the commonly used and commonsense business practice of allowing employees to transfer their annual leave between each other during emergency personal situations.

This is the rule—regardless of the fact that the cost of employee annual leave is already budgeted into an agencies' appropriations for the year. And allowing Federal coworkers to transfer their annual leave between each other for such justifiable and extraordinary situations is budget neutral. Companies that have incorporated such plans into their leave policies have had no problem in finding employees willing to donate a portion of their leave. They've even reported that the program has fostered a renewed spirit of teamwork and cooperation in their offices, leading to increased amounts and quality of office production.

I became aware of this regulation only within the past month, after being informed of the plight of a constituent, Nancy L. Brady. Nancy has not only courageously battled cancer for over 2 years but she's also been forced to contend with the Federal bureaucracy for relief—a frustrating task, at best, when one is healthy. That's why I have introduced H.R. 2902, a private bill which would allow Nancy to receive transferred annual leave from her coworkers.

Passage of this legislation will help Nancy with her problems. But the problem won't really end here because this is not an isolated incident: There are literally hundreds of Federal employees that are faced with situations similar to Nancy's. They could all benefit from such a program. But what has been the Federal response?

The Office of Personnel Management is conducting a feasibility study toward universal implementation of such a plan. Hundreds of affected workers applied. Three were chosen to participate. Three.

Now, it will be at least 6 months until the conclusions of OPM's study are known. But I've spoken with OPM and they've told me that their program is virtually running itself. Mr. Speaker, we can already determine what conclusions OPM will reach—the evidence and employee support for the program is already overwhelmingly in favor of universal application.

So I'm here today to urge my colleagues to join me in cosponsorship of H.R. 2487, Congressman WOLF's legislation that would allow OPM to universally apply the leave-sharing program. There are too many people out there suffering needlessly. The problem is apparent and the solution won't cost the Government a single penny. But it would be priceless to Nancy L. Brady and those Federal workers who are being denied access to the relief this program would offer.

## THE TRAGEDY OF THE INVASION OF CZECHOSLOVAKIA IS STILL WITH US

### HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. BROOMFIELD. Mr. Speaker, 19 years ago, Soviet troops marched into Czechoslovakia and snuffed out that country's experiment with liberalization. Since that brutal invasion, Czechoslovakia has been kept under the thumb of the Soviet Union. If Mr. Gorbachev is the great reformer that he claims to be, now is the time for him to withdraw Soviet troops from that country and allow that closed society to breathe the fresh air of freedom.

We all remember that tragic day in 1968 when thousands of Soviet and Warsaw Pact troops invaded Czechoslovakia. The Kremlin leaders could not accept the flame of democracy that had begun to burn among the Czechoslovak people. Since then, over 80,000 heavily armed Soviet troops have been stationed in that country. The Soviet Army, the Czechoslovak Army, and a powerful internal security force maintain almost total control over the Czech people.

The violation of the human rights of those freedom-loving people occurs on a daily basis. Czech Government officials make free use of various forms of repression including house searches, detentions, and interrogations. Government security officials conduct intrusive surveillance and other forms of psychological pressure on anyone who "steps out of line." Opponents of the current regime face discrimination in employment and may have educational opportunities denied to their family members. Religious activists and groups which monitor human rights abuses in that country are particularly subjected to heavy repression.

Over the years, the Czech Communist regime has purged the party, the state, the economy, the arts, the universities, and the media of anyone who dares to speak critically or independently about politics.

In order to prevent their own citizens from escaping from the police state, Czechoslovak border guards have killed a number of Czechs and others from various Eastern European countries attempting to escape across the border to Western Germany.

Gorbachev should take this opportunity to fulfill the promises of glasnost. If glasnost is more than words, now is the time to show the world. This is the time for the Soviet leader to withdraw Soviet forces from Czechoslovakia and let the Czech people experience the new "openness" of the Gorbachev era. Actions, not mere promises, will give Mr. Gorbachev the credibility that he is seeking.

## HONORING THE MEMORY OF WALTER HAWRYLAK

### HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Ms. SLAUGHTER of New York. Mr. Speaker, I rise today to ask my colleagues to join me in honoring the memory of Walter Hawrylak. Mr. Hawrylak, a resident of Irondequoit, NY, was a supreme advisor of the Ukrainian National Association [UNA] and a leader in the Ukrainian community of Rochester, NY%, for over 30 years. On July 25, 1987, Walter Hawrylak died at the age of 74.

Mr. Hawrylak emigrated to the United States from Rohatyn, Ukraine, in 1939. After arriving in Rochester, NY, he taught himself English by using a dictionary. In recalling his first glimpse of America, Mr. Hawrylak once said "We went past the Statue of Liberty * * *. I had read about it, knew that it stood for liberty. It was so big, everything was so big, so new, so impressive."

When his new homeland called on him to fight in the U.S. Army during World War II, Mr. Hawrylak was quick to serve. He fought in Italy with the 88th Division "Blue Devils" where he was wounded by mortar fire. After 2 months' recovery, Mr. Hawrylak returned to the front line to fight for his new country. Once out of the Armed Services, he worked for the postal service for 22 years before retiring in 1977.

True to the spirit of the American melting pot, Mr. Hawrylak actively kept his Ukrainian

roots alive throughout his lifetime. He was manager and treasurer of the Rochester Ukrainian Federal Credit Union, an organization he helped establish in the 1950's. The Ukrainian Civic Center, the Rochester District of the New York State Credit Union League, and other local commmunity organizations prospered under Mr. Hawrylak's leadership.

Mr. Hawrylak was also secretary of the UNA Branch 316 for 31 years, was an 18-time member of the UNA Champions Club, and was elected a UNA supreme advisor in 1982 and reelected in 1986. During the years of his fraternal activity, Mr. Hawrylak is credited with having enrolled a total of 600 UNA members.

The death of Walter Hawrylak is a deeply felt loss to Ukrainian Americans across the country. His loving leadership and guidance will be especially missed by the Rochester community. It is fitting, Mr. Speaker, that we join today in honoring Mr. Hawrylak's extraordinary contributions to our community. May we also extend our condolences to the Hawrylak family.

## FRAUD AMENDMENTS ACT OF 1987

### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. CONYERS. Mr. Speaker, I introduce today the Fraud Amendments Act of 1987. The proposed legislation is designed to strengthen our Federal laws dealing with fraud, particularly the insidious fact of the abuse of political power.

I

On June 24, 1987, the United States Supreme Court decided *Charles J. McNally* v. *United States*, No. 86–234 and *James E. Gray* v. *United States*, No. 86–286. In these companion decisions, the Supreme Court held, in the context of a political corruption prosecution in Kentucky, that the phrase "any scheme or artifice to defraud" within the Mail Fraud Statute, 18 U.S.C. 1341 (1982), did not include a "scheme or artifice to defraud" that did not seek to obtain "money or property" that belonged to the state government. As such, it rejected under the Mail Fraud Statute the so-called intangible rights doctrine, most often employed in politicial corruption prosecutions, which had been almost universally followed in the circuit courts of appeal. *See, e.g., United States,* v. *Silvano,* 812 F.2d 754, 759 (1st Cir. 1987); *United States,* v. *Von Barta,* 635 F.2d 999, 1005–06 (2nd Cir. 1980), *cert. denied,* 450 U.S. 998 (1981); *United States,* v. *Mandel,* 602 F.2d 653 (4th Cir. 1979) (en banc), *cert. denied,* 445 U.S 961 (1980); *United States,* v. *Keane,* 522, F.2d 534 (7th Cir. 1975), *cert. denied,* 424 U.S. 976 (1976); *United States,* v. *States,* 488 F.2d 761, 766 (8th Cir. 1973), *cert. denied,* 417 U.S. 909 (1974). This salutary doctrine was premised upon an underlying theory, reflecting the character of modern society, that a public official acts as "trustee for the citizens and the States and thus owes [to them] the normal fiduciary duties of a trustee, e.g., honesty and loyalty . . . ." *Mandel,* 591 F.2d at 1363. Indeed, in *Mandel,* a prosecution of the former governor of Maryland for "selling" racing days for horse tracks to his hidden partners, the Fourth Circuit confidently asserted:

> "[T]here can be no real contention that . . . schemes to defraud a state and its citizens of intangible rights, e.g., honest and faithful government, may not fall within the purview of the mail fraud statute." *Id.* at 1362.

For the tragic story of the corruption of Mandel and his ignominious fall from grace, *see W. Manchester, Thimble Riggers* (1984); the similar story of Otto Kerner, the former governor of Ilinois and judge of the Seventh Circuit, albeit told with little sympathy for the prosecution, is related in *H. Messick, The Politics of Prosecution* (1978). Essential to the "intangible rights" doctrine has been the notion that it is not necessary to show that the public or other body "lost" something in a narrow financial sense; it is sufficient to show a "loss . . . of . . . good faith services" by the fiduciary. *Silvano,* 812 F.2d at 760.

The rejection by the Supreme Court of the "intangible rights" doctrine under the Mail Fraud Statute is a crippling blow to the ability of Federal law to curtail political corruption in the United States, particularly at the State and local level. Among the recent prosecutions that may be adversely affected by these decisions are the convictions in New York of Stanley M. Friedman, the former Bronx Democratic leader, Joseph M. Margiotta, the former Nassau Courts Republican leader, Jack E. Bronston, a former New York State Senator, and Jay C. Turoff, a former chairman of the New York Taxi and Limousine Commission. I cite only a few examples. In fact, the list is long, and it extends to all areas of the Nation. Accordingly, Congress must act now to reverse, at least for the future, the deleterious impact of these two most unfortunate decisions.

II

Mr. Speaker, the 1970's and 1980's witnessed an unprecedented series of public corruption investigations and prosecutions by the Federal Government. A President left office in disgrace; a Vice-President was convicted of abuse of position; a Supreme Court Justice resigned under a cloud of suspicion; Cabinet officers, Senators, Congressmen, Federal judges, Governors and Lieutenant Governors, State judge, assorted mayors, State legislators, sheriffs and police officials were all indicted and convicted by a reinvigorated Federal law enforcement presence. The basic data are staggering. See the 1987 Almanac at 802:

FEDERAL PROSECUTIONS OF PUBLIC CORRUPTION: 1975 TO 1984

[Prosecution of persons who have corrupted public office in violation of Federal Criminal Statutes as of Dec. 31, 1984]

| Prosecution status | 1984 | 1983 | 1982 | 1981 | 1980 | 1979 | 1978 | 1977 | 1976 | 1975 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total [1] Indicted | 936 | 1,073 | 729 | 878 | 721 | 687 | 557 | 507 | 563 | 255 |
| Convicted | 934 | 972 | 671 | 730 | 552 | 555 | 409 | 440 | 380 | 179 |
| Awaiting trial | 269 | 222 | 186 | 231 | 213 | 187 | 205 | 210 | 199 | 27 |
| Federal officials: Indicted | 408 | 460 | 158 | 198 | 123 | 128 | 133 | 129 | 111 | 53 |
| Convicted | 429 | 424 | 147 | 159 | 131 | 115 | 61 | 94 | 101 | 43 |
| Awaiting trial | 77 | 58 | 38 | 23 | 16 | 21 | 42 | 32 | 1 | 5 |
| State officials: Indicted | 58 | 81 | 49 | 87 | 72 | 58 | 55 | 50 | 59 | 36 |
| Convicted | 52 | 65 | 43 | 66 | 51 | 32 | 56 | 38 | 35 | 18 |
| Awaiting trial | 21 | 26 | 18 | 36 | 28 | 30 | 20 | 33 | 30 | 5 |
| Local officials: Indicted | 203 | 270 | 257 | 244 | 247 | 212 | 171 | 157 | 194 | 139 |
| Convicted | 196 | 226 | 232 | 211 | 168 | 156 | 127 | 164 | 100 | 94 |
| Awaiting trial | 74 | 61 | 58 | 102 | 82 | 67 | 72 | 62 | 98 | 15 |

[1] Includes individuals who are neither public officials nor employees, but who were involved with public officials or employees in violating the law, now shown separately NOTE.—represents zero. Source: U.S. Department of Justice, Federal Prosecutions of Corrupt Public Officials 1970–1980, and Report to Congress on the Activities and Operations of the Public Integrity Section annual.

The scope of these prosecutions calls to mind the sad commentary of Livy, the Roman historian, "Roman was originally, when poor and small, a unique example of austere virtue; then it corrupted, it rotted, it slowly absorbed vices." *T. Livy,* "History of Rome" i (1854). A mainstay of this federal effort is—or was—a crucial group of federal fraud statutes. *See, e.g.* §§ 371 (conspiracy to defraud the United States), 1341 (mail fraud), 1343 (wire fraud), 2314 (travel fraud).

III

The Mail Fraud Statute, the prototype of the group, dates back to 1872. Act of June 8, 1872, ch. 335, sections 149 and 301, 17 Stat. 302 and 323. It was originally aimed at the "operation of lottery gamblers through the postal service." Note, *Intangible Rights Doctrine and Political Corruption Prosecutions under the Federal Mail Fraud Statute,* 47 U. Chi. L. Rev. 562, 567 (19809). The statute, however, was drafted in general, not specific, language. Until the Supreme Court's decisions in *McNally* and *Gray,* the statute had always been read broadly to reflect its expansive language and to implement its remedial purpose. *See, e.g., United States* v. *Maze,* 414 U.S. 395, 399 n.4 (1974) (Rehnquist, J.) ("While obviously not directed at credit card frauds as such [its language] is sufficiently general . . . to include them if the requirements of the statute are otherwise met"). Since its initial construction by the Supreme Court at the turn of the century, it had not, moreover, been limited—for good reason—to common law fraud.

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*Durland* v. *United States*, 161 U.S. 306, 313–14 (1896) (not limited to statements of present fact). In contrast, common law fraud had had a sharply stunted development as part of the growth in a society dominated by a philosophy of *lassez faire* and *caveat emptor* of the law of larceny, which was aimed, at first, "to prevent breaches of the peace rather than * * * protecting property from wrongful appropriation." W. LaFave and A. Scott, "Criminal Law" 702 (2nd ed 1986). Justice Stephen summed up the early common law attitude well, "[A]gainst open violence people ought to be protected by law, but . . . they could protect themselves against breach of trust by not trusting people." "A History of the Criminal Law of England" 124 (1883). As late as 1761, Lord Mansfield, in fact, dismissed an indictment for fraud, castigating instead the plaintiff for his own carelessness in the market place. II W. Russell, "A Treature on Crimes and Misdemeanors" 522 (1877). The defects in common law of larceny, which did not, as such, reach fraud, had to be remedied by statute. Parliament acted in 1757, and it prohibited obtaining property by false pretenses. 30 Geo. III c. 24 (1757). Nevertheless, as befitting the 18th century, the central, although not exclusive, focus of the law of fraud was on the protection of tangible property. Largely ignored were intangible rights or broader conceptions of breaches of trust, which are far more significance to a modern society. When the Supreme Court, however, decided *Durland* in 1896, it farsightedly freed the development of the Federal law of fraud from this property-based and crabbed common law history. *See, e.g., United States* v. *Goldblatt*, 813 F. 2d 619, 624 (3rd Cir. 1987) ("term 'scheme to defraud' . . . is not capable of precise definition fraud . . . is measured . . . by . . . departure from fundamental honesty, moral uprightness, or fair play and candid dealing. . . ."); *United States* v. *Bonansinga*, 773 F. 2d 166, 173 (7th Cir. 1985) ("Congress has decided not to define . . . [it] because the range of potential schemes is as broad as the criminal imagination"), *cert. denied*, 106 S. Ct. 2281 (1986); *Weiss* v. *United States*, 122 F. 2d 675, 681 (5th Cir.) ("The law does not define fraud; it needs no definition; it is as old as falsehood and as versable as human ingenuity"), *cert. denied*, 311 U.S. 687 (1941). As such, the Mail Fraud Statute became the "first line of defense" of the Federal law against modern forms of fraudulent activity. *United States* v. *Maze*, 414 U.S. at 405 (Burger, C.J. in dissent). The Supreme Court's decisions in McNally and Gray, therefore, turn back the Federal law of fraud to an unwisely narrow conception of the proper scope of the interests to be protected, which is wholly inadquate to a 20th century society.

IV

Mr. Speaker, the McNally and Gray decisions potentially threaten, not only to undercut mail fraud prosecutions, but also to affect other similarly worded statutes or administrative regulations in the Federal law. They portend ill, for example for a decision that will be handed down next term, *United States* v. *Carpenter*, 791 F. 2d 1024, 1034–35 (2d Cir.), *cert. granted*, 107 S. Ct. 666 (1986). Carpenter deals with the breach of fiduciary relations concept in the context of the misappropriation theory under the Federal security laws and rule 10b–5, which was adopted by the Securities and Exchange Commission to implement section 10b of the Security Exchange Act of 1934, 15 U.S.C. § 78j. Rudolph W. Giuliani, the U.S. attorney in Manhattan, sadly observed of *McNally and Gray*. "A theory of prosecution is no longer available to us. On insider trading cases, we're going to have to allege and prove specific loss of money [, which will be difficult]." N.Y. Times, June 29, 1987, at 24, col. 1. The misappropriation theory was at the heart of a number of Guiliani's pending insider trading investigations on Wall Street. Current law, reflected in such important prosecutions as *United States* v. *Newman*, 664 F. 2d 12 (2d Cir. 1981), *cert denied*, 464 U.S. 863 (1983), must be safeguarded, at least for the future. As such, we must act legislatively to remedy McNally and Gray, not only under the Mail Fraud Statute, but elsewhere. *See, e.g.*, 7 U.S.C. § 60; 15 U.S.C. §§ 77q; 78jjj; 80b–6; 1703; 18 U.S.C. §§ 1341, 1343, 1344, 2314. Appropriate change, if necessary, ought to be made, too, by the various administrative agencies under the regulations entrusted to their care.

V

Fortunately, the Supreme Court has not told us that we cannot write a statute embodying the "intangible rights" doctrine. As it cut the theory out of "scheme or artifice to defraud" within the Mail Fraud Statute, it expressly recognized that it was fully applicable to the comparable language in 18 U.S.C. § 371 (1982) ("defraud"). *See, e.g., Haas* v. *Henkel*, 216 U.S. 462, 479 (1910). Justice White merely suggested for the majority of the Court that if Congress wanted to go further under the Mail Fraud Statute than the limited common law protection of property "it must speak more clearly than it has."

I, for one, do not believe that the original text of the Mail Fraud Statute was ambiguous. I agree with Justices Stevens and O'Connor, who suggested, in dissent, that the phrase "scheme or artifice to defraud" in context was broad, but not ambiguous. I also agree with them that the phrase originally had no "tangible rights" limitation built into it. I do not believe, in short, that "tangible loss" is of the essence of fraud. Such a rule might write, for example, into Federal law the so-called "Agnew defense." Former Vice President Spiro T. Agnew defended his conduct in 1972 by saying that no crime had been committed, since he had not altered his public conduct in response to the money he took, so no one was 'injured." R. Cohen & Witcove, "A Heartbeat Away" 349 (1974) ("I deny that the payments in any way influenced my official actions.") Agnew was eventually sued under a constructive trust, accounting, and breach of fiduciary duty theory; the suit was successful. *Agnew* v. *State*, 51 Md. App. 614, 466 A2d 425 (1982). I see no reason to give corrupt public officials an "Agnew defense" under the Federal fraud statutes.

I add another consideration. Congress itself is not unaware of the developments of legal doctrine. The Judiciary Committee, which authorizes funds for the Department of Justice, is now—and has been—fully aware—and supportive—of the Department of Justices' efforts to prosecute political corruption at the Federal, State, and local level. I, for one, have applauded the FBI's efforts since the death of its former director to turn away from chasing kids who steal cars and focus on adults who commit white-collar crimes. If the Department of Justice was wide of the mark in its legal theory in these prosecutions, voices would have been heard in this body calling it to task. We have not only been silent; we have supported the Department of Justice's prosecutive policies, at least in this area of the law. There is little in the area of civil rights that I can say anything charitable about. But I applaud its prosecutions in white-collar crime area, including political corruption and insider trading.

I conclude here by associating myself with another pointed coment of Justice Stevens. I, too, cannot understand why a majority of the Supreme Court reached out for this particular result in this particular prosecution. Justice Stevens observed:

> "[T]he Court has made a serious mistake. [Because it may be mitigated does] not erase my lingering questions about why a Court that has not been particularly receptive to the rights of criminal defendants in recent years has acted so dramatically to protect the elite class of powerful individuals who will benefit from this decision."

Justices Stevens and O'Connor were lonely voices, who could only vote against the Court's determined majority. We can—and should—vote to reverse these unwise decisions.

IV

Mr. Speaker, the impact of white collar crime, particularly political corruption, on our society cannot be understated. It is not limited either to economic damage, as the court apparently believed. It is not just the loss of money or property, which is important, although that figure may be as high as $200 billion. "Annual Report of U.S. Attorney General" 42 (1985). Writing in 1967, the President's Crime Commission observed:

> [W]hite-collar crime—now commonly used to designate those occupational crimes committed in the course of their work by persons of high status and social repute . . . [is] only rarely dealt with through the full force of criminal sanctions.
>
> * * * * *
>
> During the last few centuries economic life has become vastly more complex. Individual families or group of families are not self-sufficient; they rely for the basic necessities of life on thousands or even millions of different people, each with a specialized function, many of whom live hundreds of thousands of miles away.
>
> * * * * *
>
> Serious erosion of morals accompanies [the white-collar offender's] violation. [Those who so] flout the law set an example for other businesses and influence individuals, particularly young people, to commit other kinds of crime on the ground that everybody is taking what he can get.

"The Challenge of Crime in a Free Society," 47–48 (1967). It is no good telling people, as the common law did, to avoid breaches of trust by not trusting others. That common law attitude is fundamentally flawed. Today, each of us depends on government officials, insurance companies, bankers, stock brokers, lawyers and accountants to provide us faithful service in our everyday lives. Modern society is held together by bonds of trust. The law must recognize, too, that wealth today is no longer held in only gold. Information may be worth more than precious metal. More illicit profit can be made, in short, on Wall Street by a single theft of inside information than can be stolen by robbing a Brinks truck with a gun. In addition, loss of property is not what is to be feared most. Abuse of trust in an interdependent society—whether of governmental character or otherwise—is far more threatening to our most basic and important values. If the Government is corrupt, for example, we will not be either Republican or Democratic, but plutocratic. No public policy value—liberal or conservative—can be implemented in a society tainted by political corruption. It is not stealing public money that we must fear most; it is the abuse of public power and the betrayal of public trust. President Theodore Roosevelt said it well long ago:

> There can be no crime more serious than [public corruption]. Under our form of Government all authority is vested in the people and by them delegated to those who represent them in official capacity. There can be no offense heavier than that of him in whom such a sacred trust has been reposed, who sells it for his own gain. * * * He is worse than the thief, for a thief robs the individual, while the corrupt official plunders an entire city or State. He is as wicked as the murderer, for the murderer may only take one life against the law, while the corrupt official . . . aim[s] at the assassination of the commonwealth itself.

"IX Presidential Messages and State Papers" 3048 (M. Muller ed. 1917).

Mr. Speaker, I ask that the text of the bill appear in the RECORD following my remarks.

H.R. 3089

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fraud Amendments Act of 1987".

SEC. 2. INTANGIBLE RIGHTS AND BREACHES OF FIDUCIARY RELATIONSHIPS.

(a) IN GENERAL.—Chapter 1 of title 1, United States Code, is amended by inserting at the end thereof the following new section:

**"§7 'Fraud' or 'defraud' as including fraud involving intangible rights and breaches of fiduciary relationships**

"The term 'fraud' or 'defraud' includes defrauding another—

"(1) of intangible rights of any kind whatsoever in any manner or for any purpose whatsoever; or

"(2) by using material private information wrongfully stolen, converted, or misappropriated in breach of any statutory, common law, contractual, employment, personal, or other fiduciary relationship.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 1, United States Code, is amended by adding at the end the following:

"7. 'Fraud' or 'defraud' as including fraud involving intangible rights and breaches of fiduciary relationships.".

SEC. 3. CONSTITUTIONAL BASIS.

This Act is enacted on the basis of the following Articles of the Constitution of the United States:

(1) Article I, section 1 (legislative power).

(2) Article I, section 8 (specific powers and those necessary and proper thereto).

(3) Article IV, section 4 (republican form of government).

SEC. 4. CONSTRUCTION.

This Act shall be broadly construed to achieve its remedial purpose.

## TO AMEND THE CLAYTON ACT TO LIMIT MERGERS

### HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. DORGAN of North Dakota. Mr. Speaker, today I am introducing the Merger Limitation Act of 1987. The goal of this legislation is to slow down the pace of megamergers which are running rampant in our country. Present laws encourage giant mergers, while blunting America's competitive edge. This bill will require an affirmative test for megamergers, by making certain that large acquiring corporations demonstrate that a merger manifestly advances the national interest. Thus the buyer would have to prove to either the Federal Trade Commission or the Attorney General that the acquisition would not substantially reduce competition, would enhance operating efficiency and international competitiveness, and would promote the welfare of the affected employees and local communities.

Currently, billion-dollar corporations are roaming the forest of hostile takeovers, stalking and bagging one another. The only ones who benefit from the hunt are the paper shuffler on Wall Street who put these deals together. The victims in the hunt are American workers, communities, and the economy.

"Bigness is not a sign of strength. In fact, just the opposite is true," Martin Davis, president of Gulf & Western recently said. Most megamergers are simply not in the national interest. Studies show that they do not result in the creation of new products; they do not produce greater efficiency; they do not provide more jobs. For example, in 1986 there were $177 billion in mergers and acquisitions. This represents more money than was spent on all plant and equipment purchased by all manufacturing companies throughout the United States—$140 billion. In 1986 American corporations sold $263 billion worth of debt which is five times more than in 1982. In 1986, over $32 billion takeover deals took place in America. Seventeen of them, involving $41 billion, were the result of hostile bids. Almost 40 percent of all corporate marriages of the 1960's and the 1970's have ended in divorce. Some 80,000 jobs of members of unions affiliated with the AFL–CIO have been lost in recent raids. Bidders, on average, experience and immediate and sharp decline in profitability.

Studies indicate that corporate giantism and gargatuan acquisitions tend to create bloated, timid, and unimaginative corporations. Ironically, this is precisely what business so often decries in the Federal bureaucracy. Megacorporations tend to act in ways that undermine good economic performance and harm the American economy by, for example, reducing technological innovation; incurring large debt; reducing cash or engaging in unnatural company restructuring to make themselves less attractive as a takeover target; expending funds for acquisitions which could be utilized to increase American productivity; acting in ways to maximize short term profitability or cash flow rather than long-term productivity; and behaving without regard to the hardships created in local communities.

How does my legislation propose to slow down the pace of megamergers and promote American competitiveness? This bill amends section 7 of the Clayton Act by barring a corporation from acquiring more than 10 percent of the stock or assets of any billion-dollar corporation unless an affirmative test can be met. Thus, the Federal Government would allow large corporate mergers only when they clearly strengthen our economy and result in competitive and social advantages.

We should not forget basic fact: the marketplace works best when no giants dominate and competition is allowed to flourish. My legislation will help to focus business energies on creative, competitive decisionmaking rather than on counterproductive financial board games. I believe it's time that Congress stepped in and formulated the rules of giant acquisitions. I am requesting your cosponsorship of the Merger Limitation Act of 1987.

The text of the bill follows:

H.R. 3090

A bill to amend the Clayton Act to limit mergers

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act shall be known as "The Merger Limitation Act of 1987".

SEC. 2. FINDINGS.

The Congress of the United States finds as follows:

(1) Mergers of very large companies particularly, unfriendly takeovers, are presumptively not in the national interest.

(2) such mergers, and the threat thereof, have caused and are causing companies—

(A) to reduce technological innovation, incur debt, and reduce cash or engage in unnatural company restructuring, to make themselves less attractive as a takeover;

(B) to expend funds for acquisition instead of using funds to increase United States productivity;

(C) to act to maximize short-term profitability or cash-flow rather than long-term productivity, including—

(i) to discharge employees, often without adequate provision for retraining, relocation, pension beneftis, and severance allowances; and

(ii) to close or consolidate facilities with little or no attention to the hardships created in the communities involved; and

(D) to incur large debt in order to finance the merger, resulting in—

(i) a loss in competitiveness because of the costs associated with the debt; and

(ii) unnecessary and illogical divestiture of divisions or subsidiaries, reduction of research efforts, and procurement of supplies overseas, in order to reduce the debt.

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SEC. 3. LIMITATION ON MERGERS.

Section 7 of the Clayton Act (15 U.S.C. 18) is amended by adding at the end thereof the following: "No person shall, directly or indirectly, acquire more than 10 percent of the stock (or other share capital) or assets of another person which had, in the calendar year preceding such acquisition, assets or gross sales exceeding $1,000,000,000 in value unless the acquiring person receives, before such acquisition, a certificate issued under section 7B with respect to such acquisition.".

SEC. 4. NOTIFICATION REQUIREMENT.

Section 7A(d)(1) of the Clayton Act (15 U.S.C. 18a(d)(1)) is amended by inserting after "information" the following: ", including a list identifying each community in which the person to be acquired employs 500 or more individuals and a list identifying each certified representative of 1,000 or more employees of the person to be acquired".

SEC. 5. ISSUANCE OF CERTIFICATE.

The Clayton Act (15 U.S.C. 12 et seq.) is amended by inserting after section 7A the following:

"SEC. 7B. (a) The Assistant Attorney General or the Federal Trade Commission shall, not later than five business days after receiving a completed notification required under section 7A(a) or a request for the issuance of a certificate under this section, determine whether a certificate is required by section 7 to be issued before the occurrence of the acquisition with respect to which such notification or such request is received. The determination shall specify the identity of the acquiring person and of the person whose stock (or other share capital) or assets are to be acquired.

"(b) Not later than two business days after making an affirmative determination under subsection (a), the Assistant Attorney General or the Federal Trade Commission shall publish the same to all interested parties. The Assistant Attorney General or the Federal Trade Commission shall also publish to all interested parties a list of communities in which 500 or more employees of any person to be acquired are employed (hereinafter in this section referred to as 'interested community parties') and a list of certified representatives of 1,000 or more employees of the party to be acquired (hereinafter in this section referred to as 'interested representative parties').

"(c)(1) Not later than five business days following publication of an affirmative determination by the Assistant Attorney General or the Federal Trade Commission to an interested party, such interested party shall file with the Assistant Attorney General or the Federal Trade Commission a declaration indicating whether such party is a proponent or opponent of the acquisition. No interested community or representative party which does not so file such a declaration may participate in any proceeding with respect to such acquisition under this section except for good cause shown.

"(2) A community or certified representative may also participate, after filing a declaration, if it establishes that it is an interested party but that the affirmative determination was not published to it.

"(3) Ten business days after the affirmative determination is made, the Assistant Attorney General or the Federal Trade Commission shall publish to all interested parties the schedule of the proceedings for determining whether a certificate is required to be issued under this section.

"(4) If no acquiring person or person to be acquired declares itself a proponent of the acquisition, a certificate may not be issued with respect to such acquisition.

"(5) The burden of persuading the Assistant Attorney General or the Federal Trade Commission to issue a certificate shall be on the proponents of the acquisition.

"(d) The Assistant Attorney General or the Federal Trade Commission shall issue a certificate if the proponents of the acquisition involved establish that—

"(1) such acquisition will not substantially lessen competition;

"(2) on balance, the acquisition will create long-range efficiencies (not including advertising or brand name differentiation efficiencies) in the product or service and geographical markets in which the person to be acquired competes;

"(3) on balance, the acquisition will be of long-range benefit to United States consumers of the products or services which the person to be acquired sells or provides;

"(4) on balance, either—

"(A) the acquisition will benefit employees of the person to be acquired; or

"(B) reasonable provisions have been made for their welfare consistent with achieving the efficiencies described in paragraph (2) and the benefits described in paragraph (3); and

"(5) on balance and after consideration of benefits, if any, to other communities, the impact on interested community parties is not unreasonably detrimental and is consistent with achieving the efficiencies described in paragraph (2), the benefits described in paragraph (3), and the benefits described in paragraph (4).

"(e) In making the determinations required by subsection (d) the Assistant Attorney General or the Federal Trade Commission shall consider—

"(1) whether the proposed acquisition would be detrimental to the national defense;

"(2) whether such acquisition would inhibit technological innovation;

"(3) whether such acquisition would benefit foreign competition;

"(4) the nature and extent of the impact such acquisition would have on interested community parties and on other communities;

"(5) whether such acquisition would result in labor contracts limiting maximization of an employee's services;

"(6) whether the acquiring person or person to be acquired committed illegal acts, including any violation of the antitrust laws and the laws relating to the securities, in the 10-year period ending on the date a determination is made under this section;

"(7) the market performance of acquiring person, and the person to be acquired, within such 10-year period;

"(8) the performance of the person to be acquired within such 10-year period in the United States markets for its goods and services when compared with other persons competing in those markets;

"(9) the reasonableness of the salaries of, terms and conditions of, and agreements applicable to the officers and directors of the person to be acquired, and a comparison thereof with norms in the United States, generally, and with those of other persons competing in the United States markets of the person to be acquired;

"(10) whether the acquiring person has filed with the Assistant Attorney General or the Federal Trade Commission a binding commitment to treat all pension benefits of employees of the person to be acquired, under pension benefit plans (as defined in Employee Retirement Income Security Act of 1974) as vested if such employees are terminated without clear and convincing cause within two years after the acquisition, and what, if any, binding commitments the acquiring person has filed with the Assistant Attorney General or the Federal Trade Commission regarding retraining, relocation, and severance allowances for employees of the person to be acquired;

"(11) the probable impact in terms of the operation or restructuring of the person to be acquired, of any debt the acquiring person has obtained, has agreed to obtain or it may reasonably be supposed the acquiring person must necessarily obtain, to finance the acquisition;

"(12) whether the acquiring person has filed with the Assistant Attorney General or the Federal Trade Commission a binding commitment not to sell, directly or indirectly, to the person to be acquired any shares of, or interest it may own or have the right to acquire in, the person to be acquired;

"(13) the performance during such 10-year period of the person to be acquired in positioning itself for long-term growth in its markets, as opposed to maximizing short-term profits or cash-flow, and, in general, efficiencies of the management of the person to be acquired;

"(14) any other factor reasonably related to either the findings made by the Congress in section 2 of the Merger Limitation Act of 1987 or any issue specified in paragraph (1), (2), (3), (4), or (5) of subsection (d); and

"(15) any other factors prescribed by rule by the Attorney General or the Federal Trade Commission.

"(f) The Assistant Attorney General or the Federal Trade Commission shall issue, and transmit to the President, an order granting or denying a certificate within ninety business days after making the determination under subsection (a). The order shall make a finding on each of the issues specified in paragraphs (1) through (5) of subsection (d) which shall summarize the evaluation of whatever evidence has been introduced and which is relevant to each of the matters specified in paragraphs (1) through (15) of subsection (e), stating how the evaluation of the evidence relevant to each matter affects the issues specified in paragraphs (1) through (5) of subsection (d).

"(g) The certificate, if granted, shall be effective as of the close of business on the tenth business day following its issuance.

"(h) Any injured employee shall have a private right of action for breach of a commitment filed under subsection (e)(10) and any injured shareholder, partner, or participating member of any person to be acquired shall have a private right of action for breach of a commitment filed under subsection (e)(12), for compensatory damages and, if successful, costs (including a reasonable attorney's fee). Reasonable punitive damages may be awarded upon proof of a willful breach thereof.

"(i) After a hearing on the record, the Attorney General and the Federal Trade Commission shall issue jointly rules necessary or appropriate to effectively administer this section.

"(j) For purposes of this section and section 7A—

"(1) the term 'business day' means a day other than Saturday, Sunday, or a Federal legal holiday;

"(2) the term 'certified' means designated or selected for collective bargaining, as described in section 9(a) of the National Labor Relations Act;

"(3) the term 'interested parties' includes all acquiring persons, all persons to be acquired, all interested community parties, and all interested representative parties; and

"(4) the term 'person to be acquired' means the person whose stock (or other share capital) or assets are to be acquired.".

SEC. 6. EFFECTIVE DATE; ISSUANCE OF RULES.

(a) EFFECTIVE DATE.—The amendments made by this Act shall take effect 180 days after the date of the enactment of this Act.

(b) ISSUANCE OF RULES.—Not later than 90 days after the date of the enactment of this Act, the Attorney General and the Federal Trade Commission shall publish jointly in the Federal Register proposed rules to carry out the amendments made by this Act.

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## WILLIAM J. KOZERSKI HONORED BY LIONS CLUB

### HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to an outstanding citizen, Mr. William J. Kozerski, who is being honored by district 14–W of the Lions International Club for his dedicated leadership as district governor and his many years of service to the Lions.

Born and raised in Plains Township, PA, Bill Kozerski attended public schools in Plains and graduated with a degree in business administration from King's College. He married another Plains native, Shirley Logan, and together they have six children.

Mr. Kozerski has been a dedicated member of the Plains Lions Club, having served as president, first, second, and third vice president, treasurer and tailtwister. He has received two International Presidents' Certificates of Appreciation, as well as several awards from district governors. Active for 11 years on the district cabinet, Mr. Kozerski has been a member of the Lionews staff where he was advertising manager and coeditor.

In addition to his devotion to the Lions Club, Bill Kozerski is active in many other civic organizations in the Plains area. He has served as president of the Hilldale Community Center, chairman of the Plains Blood Bank Executive Committee, president of the St. Francis Holy Name Society, and is a member of the Plains American Legion.

Mr. Speaker, it is citizens like William J. Kozerski, giving selflessly of their time and energy to their communities, who make this Nation great. I am pleased to draw the attention of my colleagues in the House of Representatives to the dedicated public service of William Kozerski, and I join his fellow members of the Lions International Club in honoring him.

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## TRIBUTE TO JAMES PACHECO

### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. GARCIA. Mr. Speaker, I rise today in praise of a constituent of mine, James Pacheco. As a caring citizen of New York City, Mr. Pacheco nearly lost his life while trying to prevent a woman from being assaulted by five young men.

As Mr. Pacheco was waiting at the 160th Street subway station late one night in June of this year, he noticed a group of five young boys approach a woman sitting next to him, asking for her money. Mr. Pacheco rose to defend her from the aggressors and a physical altercation ensued. He was thrown to the floor and shot once below his right shoulder.

Mr. Pacheco managed to get into the train and inform the conductor about the incident. The police were notified and Mr. Pacheco was transported to the hospital, where the bullet, located only a few inches away from his heart, was extracted.

The city of New York has had the reputation of being, not only a dangerous city, but also one in which its citizens have become frivolous and apathetic to the situation in the streets. I rebuke this false generalization by applauding Mr. Pacheco, and the few like him, that not only have respect for human life, but most importantly will come to the aid of their neighbor regardless of the dangers that might be present. Mr. Pacheco, I admire and praise your kindness and most of all, your concern for others.

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## SOVIETS USE EXCUSE OF SECRECY TO DENY RIGHT OF EMIGRATION

### HON. JAMES McCLURE CLARKE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. CLARKE. Mr. Speaker, one of the pretexts used by the Soviet bureaucracy to deny human rights to Soviet citizens is the allegation that an individual possesses state secrets. Soviet authorities often used this excuse to try to justify the exile of Dr. Andrei Sakharov to the closed city of Gorky.

The alleged knowledge of state secrets has also been used repeatedly to deny several dozen people the right to emigrate. In 1985 General Secretary Gorbachev said publicly that access to secrets should not keep anyone from emigrating for more than 5 to 10 years after the end of sensitive employment. Yet his subordinates continue to hold back people whose "secrets" are 10, 20, even 30 years old, or who never really knew any secrets at all. Is it a coincidence that many of these people happen to be vocal advocates of the right of Soviet Jews to emigrate?

Prof. Naum Meiman, who tragically lost his wife to cancer a few weeks ago, was an early associate of Dr. Sakharov in the Helsinki Monitor group in Moscow. Professor Meiman did theoretical work in physics over 30 years ago. Recently the Soviet authorities once again denied him the right to emigrate because of his knowledge of these "secrets" of the 1950's.

Another eminent scientist who applied to emigrate was Dr. Alexander Lerner. After his first application to emigrate over 16 years ago, Dr. Lerner lost his position and was never again allowed access to any sensitive information. The Soviet authorities continue to tell him he cannot leave the country.

Lev Blitshteyn has also been told he cannot emigrate because he possesses state secrets. He has never been a scientist. Before he was fired for trying to emigrate, he was a butcher. There are many other Soviet Jews who have been denied emigration for having secrets, but whose secrets are outdated or who never worked in any sensitive position at all.

Mr. Speaker, I call upon Mr. Gorbachev to see that his bureaucracy carries out his own policy of placing a time limit on the denial of emigration for having secrets. He should also see that this reason is no longer used to keep butchers, elementary school teachers, and others with no state secrets from emigrating. The Soviet Union gains nothing by such cruel and aribtrary violations of human rights.

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## NATIONAL DAY OF REMEMBRANCE

### HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. OWENS of New York. Mr. Speaker, I rise in strong support of House Joint Resolution 132 to designate a National Day of Remembrance for the victims of the Armenian genocide of 1915–23 because it is only in the act of remembering that the frail, frightened screams of the past can be heard and heeded in the present.

Heed them we must. Throughout the history of mankind, the silence and indifference of humanity to the persecution and slaughter of minority peoples has always spawned the replication of new atrocities elsewhere. And so tragically it was with the Armenian genocide. Noting the ease with which the Ottoman Empire was able to defy world opinion as it snuffed out the lives of millions of Armenians, Adolph Hitler was emboldened in his psychotic belief that no nation would act to prevent the annihilation of millions of Jews. Unmentioned, unnoted, and unprotested, the massacre of Cilicia, the pogroms of the Teshkileti Mahsusa, and the bloody edict of deportation helped inspire the master race madmen of the Third Reich to commit the most horrible crime in human history.

The corpses of millions of Armenians lie on the steps of civilization. They cannot be removed; they will not disappear. The crime cannot be undone and the only meaningful reparations which we today can pay is simply to remember and act to ensure that such carnage is never repeated. Vote to pass House Joint Resolution 132.

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## THE HERSHEY FOODS CORP. IS TO BE COMMENDED

### HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. GEKAS. Mr. Speaker, most people associate the name Hershey with those delicious candy bars made by the Hershey Foods Corp. in Hershey, PA. But the Hershey Foods Corp. is also known nationally for its support of, and contributions to, the youth of our Nation.

August 15, 1987, will mark the 10th anniversary of Hershey's National Track and Field Youth Program. The program was, and still is, a playground program designed to introduce children to physical fitness through basic track and field events. Children are instilled with the attitude that having fun is more important than winning.

Hershey's Youth Program is open to boys and girls, ages 9 to 14, across the Nation. Approximately 2 million children have participated in the program since its inception, and we expect 250,000 children to compete this year. Several children have since gone on to become Olympians and professional athletes.

Mr. Speaker, the Hershey Foods Corp. is to be commended and recognized for the role it has played over the years in the development of our athletes. Hersey Foods' generous financial contributions to the Hersey Youth Program over the years, while maintaining a very low profile, is deserving of our honor and recognition.

Their efforts serve as an example for other individuals and corporations to invest in our children's future—for the children are our future. I would ask my colleagues in the U.S. Congress to join me in congratulating the Hershey Food Corp., their employees and the local meet volunteers for their efforts in helping to provide a quality program to the youth of America.

## SELF-DETERMINATION FOR THE PEOPLE OF PALAU

### HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. DELLUMS. Mr. Speaker, the hearings on the Iran-Contra scandal are coming to a close, and the Members of this Congress and the people of this Nation are trying to piece together what went wrong. We are trying to understand how it is that the will of the people, as expressed in the laws passed by their elected representatives, can be so callously and cynically subverted. Americans cannot afford to take for granted our right to democratic rule of law. We are rightly proud of this heritage and rightly angered when this sacred process is subverted or abused.

In broader terms, this Nation has stood in principle for the right of people not only in the United States, but people all over the world, to have the right of self-determination. Yet, today, the United States has taken what I believe to be the unfortunate position of opposing the clear will of the people of a small peace-loving Island in Micronesia to determine for themselves how they wish to live their lives.

The people of Palau adopted by a 92 percent majority a constitution which bans the storage, testing, and disposal of nuclear materials within their territory without the approval of 75 percent of the votes cast in a referendum. The people of Palau have time and again reaffirmed their desire to live without nuclear weapons and waste in their environment. Yet over and over they are asked to vote to approve a compact of free association which does not comply with these important aspects of their constitution.

As chairman of the House Armed Services Subcommittee on Installations and Facilities, the implications and importance of the forward positioning of American military ships and Forces is not unknown to this gentleman. But what is also known, and firmly believed by this gentleman, is that the importance of the Palauans' declaration of their desire to live without nuclear weapons and waste in their midst is to be recognized and honored. As nuclear strategists pursue their war games and preparations for the ultimate act of insanity, they would do well to take note of the strong and determined statement of the people of Palau.

That a people may declare for themelves how their constitution shall read, how their land is to be used, and how they shall act or refuse to act in the geopolitical military strategies, is not contrary to, but is entirely consistent with the American commitment to the human right of self-determination.

## EXPLANATION OF VOTE ON MEDICARE CATASTROPHIC PROTECTION ACT: WE MUST MAKE THE BEST POSSIBLE USE OF OUR SCARCE HEALTH CARE DOLLARS

### HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. BEILENSON. Mr. Speaker, on July 22 I voted against the Medicare Catastrophic Protection Act and would like to explain briefly my reasons for doing so. I agree, of course, with the stated intent of the bill—to help protect Medicare beneficiaries from catastrophic medical expenses—as well as with the progressive method of financing part of the additional benefits by basing the new supplemental premium on the ability to pay.

But H.R. 2740, as passed by the House, will cost $10 billion a year by 1992—and possibly up to $30 billion annually by 2005. Before we commit ourselves to spending such a huge additional amount of money, we ought to be sure we will be making the best possible use of our limited Federal health care dollars and assisting those who are most in need of Government help to pay their medical expenses. I don't think this bill will do either.

First, although the bill is titled the "Medicare Catastrophic Protection Act," in fact it will not protect Medicare recipients from what is by far the leading cause of catastrophic health care expenses for our senior citizens—the immense costs of long-term unskilled nursing home and home health care. The cost of this care is what the elderly rightfully fear the most, and I am afraid a great many of them think that the bill we have passed, and the higher tax they will be paying, will safeguard them from these devastating long-term care costs that they see as most threatening, when this legislation does not even begin to cover these costs.

Second, in addition to the fact that the bill does not provide true catastrophic coverage, I am concerned that far too few Medicare recipients will benefit from the $10 billion annually that they will be taxed. For example, one of the principal benefits provided in the bill is expanded coverage of hospitalization costs, but fewer than one-half of 1 percent of all Medicare recipients will actually use this extra benefit. Similarly, fewer than 10 percent of Medicare beneficiaries will be helped by the bill's additional coverage of their physicians' fees; only about 15 percent or 16 percent will be helped by the new coverage for the costs of prescription drugs; and only one-fortieth of 1 percent of all beneficiaries will use the additional skilled nursing home coverage that the bill provides.

Meanwhile, many Medicare beneficiaries will be paying large additional sums to underwrite this modest extra coverage: a person with an annual adjusted gross income of just $15,000 will pay a new supplemental annual premium of $580 starting next year, and by 1992 that fee will rise to more than $1,000 per person a year. Many of the elderly are going to pay far more than they now realize for additional coverage, yet the vast majority will not use the extra benefits.

Third, there are other problems with the bill. Although Medicare will for the first time be paying billions of dollars for prescription drugs, H.R. 2740 fails entirely to control the price of the drugs that will account for at least one-third, and perhaps more than one-half, of the legislation's total cost. In addition, administering the drug portion of the bill will be enormously complex and costly: a huge amount of paperwork will be necessary to process literally tens of millions of prescriptions annually, so it is clear that a major portion of the drug program's cost will go not toward paying for prescription drugs, but for the personnel and paperwork that will be required.

Fourth, if at a time when circumstances mandate great fiscal restraint, we are going to increase Federal payments for health care by several billion dollars a year, we must choose our priorities very carefully. One goal, it seems to me, should be to work toward providing true catastrophic coverage for the elderly. Doing that will require us to face up to the fact that such coverage will be very expensive—at least $25 billion a year. In the meantime, it seems foolish to tax our senior citizens $10 billion a year merely to provide expanded coverage that most Medicare beneficiaries won't need and, more importantly, won't protect them against catastrophic costs. Taxing the elderly $10 billion a year now will only make true catastrophic coverage that much more difficult and expensive to achieve later.

Another goal should be to protect from the devastation of catastrophic costs the nearly 40 million Americans who now have no health insurance at all. These are working men and women of all ages who are struggling to meet their families' basic needs, pay rent, and raise and educate their children. They face the risk of financial devastation in the event of a health catastrophe, and we could provide them with catastrophic insurance for just a few billion dollars a year.

The bill as currently written will, I think, prove to be a very expensive and inefficient way of spending our limited resources for additional health care. Before we spend $10 billion just to expand noncatastrophic Medicare coverage, we should work to ensure that no person—young or old—will be destroyed economically by the exhorbitant costs of long-term illnesses such as cancer, heart disease, stroke, and Alzheimer's disease. That would be a true and great benefit to many millions of Americans of all ages and would be a far better use of our limited tax dollars than the expensive additional coverage provided in H.R. 2740.

## TRIBUTE TO RAOUL WALLENBERG ON HIS 75TH BIRTHDAY

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. LANTOS. Mr. Speaker, I rise today to pay tribute to Raoul Wallenberg on his 75th birthday. As most of my colleagues know, Wallenberg is the Swedish diplomat who—at great personal sacrifice and through incredible courage and daring—saved 100,000 Hungarian innocent men, women, and children from Nazi death camps during World War II. In January 1945, he was taken prisoner by the Soviet Army and he has not been free since then. In October 1981, President Reagan signed my legislation making Raoul Wallenberg an honorary citizen of the United States, the only person at the time in addition to Sir Winston Churchill to be so honored.

Today on the steps of the U.S. Capitol, we held a celebration to mark the 75th birthday of this great humanitarian and to urge the Soviet Government to release Wallenberg from prison.

Mr. Speaker, a number of our distinguished colleagues joined me in paying tribute to Wallenberg—Senator CARL LEVIN of Michigan, a State where Raoul Wallenberg attended the University of Michigan; Congressman JOHN PORTER of Illinois, the cofounder and cochairman of the Congressional Human Rights Caucus; Congressman STENY HOYER of Maryland, the chairman of the Helsinki Commission, who has done so much to encourage observance of the Helsinki accords on human rights; Congressman BILL GREEN of New York; Congressman BILL LOWERY of California, who authored legislation naming the street in front of the U.S. Holocaust Memorial Museum "Raoul Wallenberg Place," Congressman JOHN MILLER of Washington; Congressman FRANK WOLF of Virginia; Congressman BOB DORNAN of California; and Congressman BEN GILMAN of New York.

Rev. Dr. James D. Ford, Chaplain of the U.S. House of Representatives, offered the invocation and made introductory remarks for the celebration, and Rev. Dr. John F. Steinbruck, senior pastor of the Luther Place Memorial Church and a human rights leader in Washington, DC, made closing remarks and offered the benediction. The Charge d'Affaires of the Swedish Embassy in Washington, Mr. Ulf Jertonsson, represented the Government of Sweden.

Frankly, Mr. Speaker, one of the highlights of this birthday celebration were the remarks by leaders of the Wallenberg committees that have been established to honor this great man. My wife, Annette, the founder and chairperson of the International Free Wallenberg Committee, probably more than any one else is responsible for bringing attention to the heroic activities and the tragic plight of Raoul Wallenberg. Rachel Haspel, president of the Raoul Wallenberg Committee of the United States, and Leona Feldman, president of the Raoul Wallenberg Committee of Greater Philadelphia, Inc., also spoke at this event.

Mr. Speaker, Raoul Wallenberg saved tens of thousands from death at the hands of German and Hungarian Nazis as the nightmare of the Holocaust was almost at an end. At the very moment of his triumph, Soviet troops dragged him away to the horrors of the Gulag. When we began our struggle to free him from the shadowy half-world of Soviet prisons, he could have been saved more easily. But many chances have been missed. Many people—and several governments—could have done a great deal to liberate him. They did not. But as long as there are any of us who remember him, we will continue to fight for his life and for the truth.

Wallenberg lives! We honor him; we remember him; his story inspires us to become better human beings and more valiant in our struggle to build a better and safer world.

Raoul Wallenberg is a hero in an age profoundly devoid of heroes. Many become heroes when heroism is thrust upon them, but Wallenberg went out of his way voluntarily to assume a daring and dangerous assignment. Leaving behind the comfort and affluence, the safety and security of Stockholm, he confronted the anguish, suffering, terror, and degradation being perpetrated in Budapest. No one else had the audacity to follow the death marches, to jump in front of guns leveled at Jews, to pull people off deportation trains. Raoul Wallenberg not only saved 100,000 lives, he saved our faith in humanity.

In history, one can find many men who have killed 100,000 people. But how many have saved 100,000? Wallenberg has shown us that one individual—motivated by a genuine and personal concern for human rights—can face evil and triumph; that one person alone can make a difference; that there are genuine heroes to illuminate our age.

## ANOTHER FARM BURDEN

### HON. CARROLL HUBBARD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. HUBBARD. Mr. Speaker, I want to share with my colleagues the June 23 letter which I received from my friend and prominent attorney from Elkton, KY, Randall V. Oakes, Jr. Randy and his wife Marguerite gave up their home and work in Ohio to return to Kentucky to manage the family farm. Their dream has been to improve the farm as a family home and family economic unit. Now they wonder if there is any future to maintaining the desire to see the family farm pass to successive generations.

Too often, we in the House have not realistically viewed the burdens we have placed on families. Randy Oakes is concerned about the House Ways and Means Committee's considering the possibility of taxing capital gains when a person dies as one of the proposals for narrowing the Federal budget deficit. In simple terms, he graphically illustrates the idea that so-called tax reforms are in reality changes to law that help to concentrate wealth in the hands of those few persons or corporations with the resources to cope with the continual changes in our tax laws and regulations.

I urge my colleagues to read the letter from Randy Oakes which follows:

ELKTON, KY,
*June 23, 1987.*

Hon. CARROLL HUBBARD, Jr.,
*U.S. House of Representatives,*
*Washington, DC.*

Re: Capital Gains Tax on Appreciation of Value of Farms at Death of Owner

DEAR CONGRESSMAN HUBBARD: My immediate concern is very personal. My wife has spent the past five years of her life managing her parents' farm in south Todd County. We left our home and work in Ohio so that she could do this and I could open my law office in Todd County. (We were Kentuckians before we went to Ohio.)

Our purpose and the purpose of my wife's parents and the purpose of my wife's sisters is to maintain and improve the farm as a family home and productive family unit. It is a reasonable and worthwhile effort and dream under the rules as they now are and have existed for years. At this late date, if the rules are changed as proposed, the dream and the effort will be frustrated.

Life insurance to cover the prospective income tax comes to mind as an answer. It is not an answer in the tens or hundreds of thousands of cases in which, by reason of age or infirmity, the farm owners are not insurable.

Obviously, tax lawyers and accountants will devise programs under which family farms will continue to pass to successive generations without this proposed income tax burden. There will be payments to lawyers and accountants for professional services, but Uncle Sam can expect little in the way of taxes.

Throughout, I have referred to this as an income tax matter. Make no mistake, this proposal is a proposal for an increase in income taxes. This proposal is a proposal to violate the promises made by our Congress

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and the President during the 1986 annual tinkering with the tax law.

This proposal appears to pander to the perceived understanding of the urban person who lives on a wage or salary and owns a residence and who has no perception of the long term planning and capital required for the continued operation of a farm or any other small business. The proposal may give some emotional satisfaction to an occasional "Joe Lunchbucket" but it will not do him or her any real good. The actual effect will be to drive out of business the employer upon whom "Joe Lunchbucket" depends for a job.

I am extremely concerned about the tendency of so-called reforms to concentrate business ownership and wealth in the hands of those few persons, individual or corporate, who have the financial resources to cope with the continual changes in taxation and regulation imposed by our Congress.

I hope that the appearance in the press of this tax increase proposal will create an outburst from the public which will be without example in recent history.

I earnestly entreat you to vote "no" on any and every proposal to tax as capital gain or any other kind of income at the death of the owner any perceived increase in the value of that owner's property which the passage of years or the efforts of the owner or both have brought about.

Thank you for your consideration of this matter.

Very truly yours,
Randall V. Oakes, Jr.,
*Attorney at Law.*

## THE 75TH YEAR OF THE GIRL SCOUTS OF THE UNITED STATES

### HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. RITTER. Mr. Speaker, it is an honor to congratulate and pay tribute to the Girl Scouts of the United States of America in this 75th year of service to girls and their communities.

The hallmark and goal of the Girl Scout Program is to form a microcosm among the young of the larger population. Girl Scouting reflects a 75-year-old commitment to the expansion and enrichment of the understanding and appreciation of various people and other cultures.

Girl Scouting seeks first the growth and development of the young girls wo participate. This growth is well achieved through fun, crafts, skills, and education which reflect a long tradition and move with confidence into the future.

From camping to sports, to classroom achievement, including computer technology, exploration of the worlds of outer space and medicine, searching for global understanding and learning fashion design, nutrition and money management all stem from the Girl Scout Promise and Law. The Girl Scouts lean out to the world and seek to enrich it through understanding and appreciation.

In our Lehigh Valley, the first office of the new council was North 15th Street in Allentown, PA, in 1961. Well over 10,000 girls and adults form the membership of the council. New capital additions for council headquarters were completed in 1977, on Moravian Avenue, Allentown, with facilities for meeting, training and parking, as well as good working facilities and storage space.

John Henry Leh, Allentown, was first president of Great Valley Girl Scout Council and H. Leh & Co. has been a Girl Scout equipment agency for 55 years and is one of the oldest in the country. Allen High School hosted Music Connection finals at Allen High School in March. Dorney Park, Allentown, was the site of Great Valley's 75th anniversary celebration.

We need to salute the Girl Scout Program in this 75th year of its existence for the wealth of productive, resourceful and self-reliant women it has already given our Nation. Our communities, and especially my own Lehigh Vally, owe a present debt of gratitude and look with great hope to the future because of the Girl Scout Program.

## THE DUBLIN WORLD TRADE CENTER

### HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. MURTHA. Mr. Speaker, I would like to bring an important matter to the attention of the Congress. The Government of the Republic of Ireland is planning to develop a World Trade Center at the Customs House dock site in downtown Dublin. The center will provide a unique focus for international trading activity by bringing together in one place representatives of government, of manufacturing firms, and of firms that provide services, financial and otherwise, to organizations involved in international trade.

The center—the first phase of its development is projected at more than $350 million, and it will eventually include over two million square feet of floor space—will make Ireland a major center for international financial services, and will physically incorporate a magnificent technical capacity to provide the telecommunications services that are essential to the functioning and growth of international trading activity.

The Dublin Center will also give a much needed stimulus to the Irish economy, where, despite a serious and sustained national effort at economic development, the unemployment rate is still tragically high, at 19 percent. The center will facilitate the export of goods made in Ireland, and ease the grinding economic pressure that has, over the past several decades, forced thousands of the Nation's most talented men and women to emigrate to other countries, including our own.

In light of the long and close relationship between the United States and Ireland, in light of the enormous contributions that Irish-Americans have made to the life of our country, and in light of our history of providing economic development assistance to nations that are striving to help themselves, the Dublin World Trade Center gives the United States a perfect opportunity to share its own capability for fostering economic development by assisting the Irish Government in the development of the project. Congress in particular should be looking for ways to support the center.

There is another important incentive for the United States to do whatever it can to assist the project. The Irish Government does not intend to develop the center by itself. It is looking for a foreign partner, and, although firms from several other nations have bid for the right to develop the project, the officials involved are favorably disposed toward that partner being an American firm. In a very simple, very modest way, Congress can help to ensure that an American firm is that partner. It can do so by guaranteeing to the project a relatively small amount of economic development funding, provided of course that an American firm is, along with the Irish Government, one of the principal developers of the project. Such an initiative on the part of the Congress would contribute significantly to the success of the project, and through it, the United States would take another step toward regaining its competitive edge in international trade and resuming the leadership role in world markets that it once enjoyed.

Mr. Speaker, I commend the Dublin World Trade Center to my colleagues in the House. As the project moves ahead, I hope the Congress will find a way to support it that contributes significantly to economic development both in Ireland and the United States.

## ARMY TIMES EDITORIAL ON COLONEL NORTH'S "TRAVESTY OF MILITARY VALUES"

### HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. STARK. Mr. Speaker, one of the publications that is most read by the military community, Army Times, carried an interesting editorial on the recent testimony and performance of Lieutenant Colonel North.

It raises some most interesting questions.

The reference in the second paragraph to Harry Summers, refers to an article by retired Col. Harry Summers, which also appeared in the July 27 issue of Army Times entitled "North is no Hero to those who value the Constitution." It too is a powerful indictment of the Poindexter/North school of foreign policymaking.

[From the Army Times, July 27, 1987]

#### North's Image

America's most famous military officer has paraded a travesty of military values before a credulous national television audience.

Wearing a crisply pressed Marine Corps uniform bedecked with fruit salad, Lt. Col. Oliver North portrayed himself as a dedicated military officer who was just obeying the orders of his superiors. But, as Harry Summers points out in a trenchant commentary in this issue, North, like all soldiers, is not obliged to follow illegal orders. Indeed, his oath is to defend the Constitution, and that entails abiding by the laws that flow from it.

North is a powerful, dynamic personality, and he presented his case with extraordinary skill and vigor. His six days of televised congressional testimony won him millions of admirers, but the likely reasons for his instant popularity bear examination. Is the public idolizing him because of what he did in the Iran-contra affair or in spite of it? Well, if there is a groundswell of support for selling weapons to the regime of the Ayatollah Khomeini, which is responsible for the deaths and kidnappings of many Americans by terrorists, we're unaware of it. As for North's use of profits from the arms sales to supply the rebels seeking to overthrow the government of Nicaragua, the will of the people is on record in the form of the Boland Amendment, which was passed by their elected representatives in Congress. Thus, it appears that the public likes North's sharp military appearance and patriotic slogans so much it is willing to forget his actions.

If that is the case, the implications are grave and far-reaching. Are there no transgressions that won't be forgotten if the transgressor happens to look good on television? Doesn't justice apply to the handsome as well as to the homely?

The American public has been given a highly detailed account of North's questionable actions. Yet, his appealing personality and attractive appearance apparently are more important to a people who have become accustomed to passive acceptance of images beamed to them by television than any laws he may have broken. Understanding the intricacies of law and foreign policy requires rigorous thought, and too few Americans seem willing to exert themselves mentally. It's far easier to let colorful images wash over them and form their impressions for them.

Those who think hard about North's actions eventually may reach two conclusions grounded in reality. By selling weapons to Iran in an effort to free American hostages, the administration through North showed terrorists everywhere that one way to get what they want is to seize American hostages. By funding the contras in apparent violation of restrictions imposed by the people through their representatives in Congress, North scorned the democratic principles he yearns to see established in Nicaragua.

North's image is that of the model military officer; the reality is that many of his actions were contrary to the military ideas he professes to embrace.

#### North Is No Hero to Those Who Value the Constitution

(By Col. Harry G. Summers, Jr.)

(Summers is a contributing editor for U.S. News & World Report and a retired military intelligence officer who served in Korea and Vietnam.)

When Marine Lt. Col. Oliver North emerged a national hero after his first week of testimony on Capitol Hill, it proved only one thing: ask the wrong questions and you get the wrong answers.

It also was obvious the high-priced lawyers conducting the congressional investigations into the Iran-contra affair—steepest in the amoral traditions of the American legal profession—have an educated incapacity to ask the right questions. They obviously know nothing of the American military or the principles of duty, integrity and loyalty that are central to the American profession of arms. As a result, North was able to portray himself as the very embodiment of a patriotic American Marine.

It might have been a different story if those asking the questions had known what they were talking about. Consider, for example, if North's interrogator had been a Marine gunnery sergeant who had survived the bombing of the Marine barracks at Beirut in 1984.

"Colonel North," he might have asked, "as you know, a military officer's loyalty is not only to his superiors, it is also to his contemporaries and especially to his subordinates who look to him to stand up for their interests.

"That being the case, how could you consider selling arms to the very Iranians who paid a million dollars to the Lebanese terrorists who killed over 200 of my buddies—and your fellow Marines—with the bombing of our barracks in Beirut?"

Or consider if his questioner had been a tank platoon leader from the Army's 24th Infantry Division (Mechanized) at Fort Stewart, Ga., whose mission it is to intervene in Iran if American interests there are threatened.

"As a fellow officer," the lieutenant might have asked, "can you tell me how I explain to the young soldiers in my platoon that if we have to go into battle in Iran, they might well be killed by the TOW antitank missiles you sent to the Iranians? I know you wanted to look good to your boss, but in God's name how could you do that to your fellow soldiers?"

And perhaps the congressional committee could have brought in a contra guerrilla fighter, fresh from putting his life on the line in the jungles of Nicaragua.

"Colonel North, I want first to thank you for your efforts to get supplies to us while U.S. aid was cut off. But there is one thing I don't understand. Believing in democracy, I fought with the Sandinistas against the Somoza military dictatorship. And when they too imposed a military dictatorship under Commandante Ortega, I again took to the hills to fight for the principles of democracy. But now I find you too have betrayed democracy in the name of fighting for democracy. If we abandon our principles, how then do we differ from our enemies who insist that the ends justify the means?"

Instead of importing a lawyer from New York, the committee could have sent down the road to Quantico, Va., and gotten one of the students from the Marine Corps Command and Staff College to ask the questions.

"You said you would stand on your head in the corner if the president told you to. But such blind obedience to orders flies in the face of what we're being taught at Quantico. As you are well aware, in the American military tradition 'just obeying orders' has never been an excuse for an illegal action. While a private may not know better (and even that is not an excuse), an officer has a duty to refuse an illegal order. If your integrity is such that you would obey an order to stand on your head, where then would you draw the line? With shooting prisoners? With violating other laws of war? Or subverting the Constitution you took a solemn oath to defend?"

And that last question strikes at the heart of the matter. One of the main tenets of American democracy has been the subordination of the military to civilian control, so the current canonization of Lt. Col. North can have dangerous consequences.

The framers of the Constitution, 23 of whom had served as soldiers in the Revolutionary War, knew those dangers, and that's why they wrote specific safeguards into the Constitution. The American military would be an instrument of the American people rather than of the president. The Congress—the representatives of the people periodically elected—were given exclusive power to raise the military, commit it to war and make rules for its regulation and governance.

While the president was named commander in chief and had operational command of the military, an officer's oath of office was pledged to the Constitution. Thus, an officer's loyalty was not only to the president, it was also to the Congress. Military officers not only are legally bound to obey the laws enacted by that Congress, they are honor-bound by their oath as well.

Abandoning that tradition in the name of expediency can spell disaster. Now the right of the political spectrum applauds North's stance in the name of the "higher principle" of anti-communism in Central America. But only a decade or so ago, it was the left of the spectrum that was calling on the military to disregard the orders of its civilian superiors and refuse to serve in Vietnam.

Tampering with civilian control of the military by the president or by the Congress is a slippery slope indeed, for at the bottom of that slope is military dictatorship.

Wittingly or not, tampering with those controls is precisely what North was doing. Ironically, the military sees the dangers in his actions more clearly than do many civilians. North may be a national hero to many Americans, but he assuredly is not to most of his fellow military officers.

## THE CLOSING OF THE PALESTINE INFORMATION OFFICE

### HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. RAHALL. Mr. Speaker, There is currently legislation pending before this institution as well as the other body which would force the closing of the Palestine Information Office here in Washington as well as the Palestine Liberation Organization mission at the United Nations in New York. This legislation, in my opinion nothing more than a feel-good bill, is referred to as the antiterrorism bill.

While it is being pushed hard by supporters of the State of Israel as good for Israel there are those in Israel, where debate on Israeli-United States relations flow much easier than in America, the bastion of free speech, who feel as I do that dialog and negotiation are the solution to the problem of the displaced Palestinians in the Middle East.

I received a letter recently from a member of the Israeli Knesset. Maj. Gen. Matti Peled, eloquently stating a very valid argument against this bill. In his letter, he reiterates a desire I know that I share with all of you—peace between Israel and her neighbors in the Middle East. And he argues that in order to bring about that peace, dialog, and negotiation is necessary.

I would like to share Major General Peled's letter with all of my colleagues, as well as the American people, because the points raised here need to be heard.

July 23, 1987.

Dear Member of Congress: I am writing to you concerning the bill known as "The Anti-Terrorism Act of 1987", which is aimed at closing down the PLO offices in the

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United States. This is being presented as a "pro-Israel" bill, and for that reason U.S. senators and representatives who consider themselves friends of Israel are being urged to support it.

As a member of the Israeli Knesset (Parliament), I would like to dispute that view. I believe that achieving peace is a prime requirement for Israel's long-term survival and prosperity. There can be no peace without negotiations between the Israeli government, representing the Israeli people, and the representatives of the Palestinian people. Such representatives can only be chosen by the Palestinians themselves, and on each occasion that the Palestinians were asked for their opinion, they unequivocally expressed their support for the Palestinian Liberation Organization, the PLO. Such for example, was the result of the 1976 municipal elections on the West Bank, which were the last free elections to be held there. Similar results were the outcome of a public opinion poll, held in the Occupied Territories in August 1986. Indeed, The Government of Israel itself, in refusing to permit new municipal elections on the West Bank, admits that in its view such elections would be won by supporters of the PLO.

Together with many of my fellow-citizens of Israel, I have been urging the Israeli government to reconsider its policies and to agree to negotiate with the PLO in the context of an international peace conference. Recently this idea has been spreading; not only opposition members such as myself, but also Ezer Weitzmann, member of the Israeli Cabinet, as well as several Knesset Members from the Israeli Labor Party, have publicly voiced their support for Israeli negotiations with the PLO.

Passage of the bill closing the PLO offices in the U.S. would, in my view, constitute a grave setback for the Middle East peace process. It would mean total abdication by the U.S. of any role as a mediator in the Middle East conflict. Hardliners in the Israeli Cabinet would be encouraged to persist in their intransigent position and their refusal to talk with the PLO. Far from "stopping terrorism", as it is supposed to do, this bill would further escalate the cycle of bloodshed and violence in the Middle East.

Therefore, as an Israeli concerned with the well-being of my country and my people, I urge you to voice your opposition to this so-called "Anti-Terrorism Act". By so doing, you will not be taking an "anti-Israel" stand; on the contrary, the rejection of this bill will be compatible with the long-term interests of the State of Israel and will be seen as such by a substantial number of Israel's citizens.

Yours Sincerely,

*Major General,*
MATTI PELED,
*Member of Knesset.*

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# SENATE—*Wednesday, August 5, 1987*

The Senate met at 11 a.m., and was called to order by the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

* * * *they that wait upon the Lord shall renew their strength; they shall mount up with wings as eagles; they shall run, and not be weary; and they shall walk and not faint.*—Isaiah 40: 31.

Gracious God, our Father in heaven, the words of Isaiah sound unrealistic and impractical in this place where pragmatism dictates much of the process, especially at a time like this when a pressure cooker environment prevails. Yet waiting on the Lord, as Isaiah suggests, is filled with promise. No time is lost—no energy wasted—waiting on the Lord. Deliverance from the tyranny of the urgent is guaranteed. And pressure becomes constructive. We remember that diamonds are just rocks under pressure * * * pearls are just grains of sand under pressure and darkness. Tension is essential if strings are to make beautiful music. Grant to Your servants wisdom to take God seriously and profit from Your providence and promise. In Jesus' name. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, August 5, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota, to perform the duties of the Chair.

JOHN C. STENNIS,
*President pro tempore.*

Mr. DASCHLE thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

Mr. BYRD. I thank the Chair.

## THE JOURNAL

Mr. BYRD. I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## SCHEDULE

Mr. BYRD. Mr. President, the unfinished business will come down following morning business today unless by unanimous consent we go to other legislation. I have not had an opportunity to look at my marked calendar this morning, but I do wish to say again it would be my desire that we go to the catastrophic illness legislation. There are no holds on this side, no objections on this side of the aisle to taking that up. The Republican leader has attempted over the past several days to get clearance so that we might proceed to that legislation. I have not had an opportunity this morning—I do not believe I have mentioned this to the distinguished Republican leader while we were down at the White House together—to ask whether or not he had been able to clear this overnight. However, when morning business is closed, I will at that time ask again and give the Republican leader additional time if he wishes to further query his colleagues. I will ask at that time that the Senate go to the catastrophic illness legislation, S. 1127.

Mr. DOLE. If the majority leader will yield.

Mr. BYRD. Yes.

Mr. DOLE. I think there are a number of UC's on which the staff is working. I will have word on catastrophic. I think we are down to maybe one on this side rather than seven. We are also checking on State Department authorization. I think there may have been one other.

Mr. BYRD. DOD.

Mr. DOLE. DOD I think I could probably indicate we could not do, but I will be back to the majority leader as soon as I can.

Mr. BYRD. Very well.

## RESERVATION OF LEADERSHIP TIME

Mr. DOLE. If I could reserve the leader's time on this side.

Mr. BYRD. Yes. Mr. President, I ask unanimous consent that I may reserve my time also and the distinguished Republican leader has asked that his time be reserved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent—I see several Senators on the floor who want to speak—there be 45 minutes of morning business and that Senators may be permitted to speak therein. But before that begins, I yield 5 minutes of my leader time to Mr. PROXMIRE.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Wisconsin is recognized.

## COMPETITIVE EQUALITY BANKING ACT

Mr. PROXMIRE. Mr. President, I thank my good friend, the majority leader.

I understand the Senator from Alabama has an inquiry about the banking bill that passed yesterday.

Mr. SHELBY. If the distinguished chairman of the Banking Committee will yield, I do have a question I would like to ask.

Mr. Chairman, was it the intention of the conferees on the Competitive Equality Banking Act that First Mutual Savings Association of Florida meets the requirements of section 21(f)(4)(F)(iii) of the Federal Home Loan Bank Act, as amended by the act?

Mr. PROXMIRE. Yes, that is my understanding of the intent of the conferees.

Mr. SHELBY. I appreciate the distinguished chairman of the Banking Committee yielding and clarifying this for the record. I thank the chairman.

## SAFIRE'S IRAN-CONTRA COLUMN OF THE YEAR

Mr. PROXMIRE. Mr. President, this Senator's award for Iran-Contra column of the year goes to William Safire of the New York Times and by a country mile. Safire declared in a column in the New York Times on August 4 that the Iran-Contra investigations have disclosed a series of crimes. Those crimes go to the very heart of an accountable Government. Safire contends the Government should prosecute those who committed the crimes. It should prosecute them vigorously. Safire lists the crimes: First, conspiracy to defraud

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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the Government of $8 million; second, deliberately misleading officials charged with oversight of appropriated funds; third, destroying potential evidence being sought by lawmen; and fourth, pretending while under oath not to remember what you well remember.

Now, keep in mind, Mr. President, that William Safire has the most solid of conservative credentials. He has consistently devoted his long career in and out of government from way back when he was writing speeches for Spiro Agnew and coined that Safire phrase denouncing the liberal press as "nattering nobobs of negativism."

Safire rightly argues that what is at stake here is the primacy of law in a democratic society. He rejects the contention that those who committed these crimes deserve forgiveness because they were following the higher law of their conscience. Of course, the old higher law appeal would justify violating any law any time under any circumstances. All you need is a sincere lawbreaker. Cheat, lie, steal, kill. As long as your cause is right in your mind, you are home free. That is a formula for chaos. But Safire offers a more practical and telling reason for prosecuting those who violated the law in this Iran-Contra situation.

Here is how he challenges his own conservative brethren. Safire asks us to imagine the next President is a Democrat who has a small group of highly respected decorated officers on the National Security staff. They have the bright idea of handing over to the Soviets super secret information about SDI and the star wars technology in order to advance arms control. The motives of these "heroes" are the best. They are convinced that arms control progress with the Soviets will greatly improve the prospect of preventing nuclear war and living in peace. They do not tell the President because they want to spare him the political embarrassment.

To Safire, the conduct of Colonel North and Admiral Poindexter in the Iran-Contra affairs provides precise precedent for exactly this kind of conduct in the future. Safire is right. Again, keep in mind this is Safire—a champion of the Contra cause. It is Safire, a consistent and an all-out supporter of President Reagan and his domestic and military and foreign affairs policies with the single exception of selling weapons to Iran in return for Iran help in freeing hostages. So this must have been a hard column for Safire to write. Because he, William Safire, conservative par excellence, did write it, this Senator awards Safire the Iran-Contra column of the year distinction.

Having done this, this Senator, frankly, does not expect a successful prosecution on criminal charges of Poindexter, North, or any of the other conspirators. Imagine if Colonel North goes to trial. He has Brendan Sullivan as his counsel. This is the same Brendan Sullivan who did such a superb job in preparing Colonel North for his super-star quality testimony before the Inouye-Hamilton committee. And this is the same Colonel North who had a fine war record in Vietnam, a fighting marine, a man who obviously loves this country and would lay down his life to defend our country against communism. Can anyone seriously believe that any red-blooded American jury would convict this anti-Communist fighting marine?

And then there's Admiral Poindexter. He has none of the exciting appeal of Colonel North. But he has something else. And maybe it is more important. Maybe it is almost as appealing to a jury. Here is the one man—Admiral Poindexter—who accepts full and total responsibility. He has told the Congress: "The buck stops with me and me alone." The President is taken off the hook. The Cabinet is home free. The President's personal chief of staff claims he played only a passive role. The President was kept in the dark on the illegal fund diversion. Even Colonel North claims that he was only following orders, often just Poindexter's orders. That leaves Poindexter. Only Poindexter. All alone. He stands up and takes the consequences for the entire administration. Do we toss him in the slammer? The one person with the manhood to take full responsibility. What do you think?

So Special Prosecutor Walsh may try to jail these men and others. If Walsh does, Walsh is very likely to lose. Safire is right in saying that these men have committed criminal acts. He is right in saying that we should punish those who committed these acts. But it is very unlikely that there will be any punishment.

So we are left with the consequences. A small group of future "heros" may, indeed, be tempted on the basis of this Iran-Contra precedent to once again violate the law—perhaps as Safire suggests they will leak military secrets to the Russians to advance arms control while keeping the President in the dark. They will be following the Iran-Contra precedent. So without punishment, the consequence of this Iran-Contra experience may very well be that a future coup against the country is more likely than ever.

Mr. President, I ask unanimous consent that the column to which I have referred by William Safire be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### PUNISH THE GUILTY

(By William Safire)

WASHINGTON.—President Reagan, who supported the appeasement ring within the White House, says he sees no crime revealed in the Iran-contra hearings. Ed Meese, the tenderest cop in America, thinks prosecution would be a tragedy. Many of my conservative brethren, relieved that the President was absolved of guilty knowledge of the diversion of ransom profits to the contras, are inclined toward non-prosecution, clemency or outright pardon.

But conspiring to defraud the Government of eight million dollars is a crime; deliberately misleading officials charged with oversight of appropriated funds is a crime; destroying potential evidence being sought by lawmen is a crime; pretending while under oath not to remember what you well remember is a crime.

Ah, but what of Jefferson's "higher obligation" than the "written law"? All the technical infractions, say the defenders of the appeasement ring, were committed in a good cause—to make friends in Iran, to buy back our hostages, to finance the contras. What neat symmetry; to use the byproduct of appeasement of terrorists to subvert Sandinistas.

Ollie North, we are told, may be a rogue but is a decorated marine who meant well and now has a political following. John Poindexter belatedly took responsibility for approving the double dealing, and deserves thanks for being the fall guy. Who but a bloodlusting dovish liberal partisan out to discredit the Reagan Administration would want these patriots tried, and if convicted, punished?

Count one hawkish conservative and consistent contra supporter among the unforgiving. The reason has to do with a principle as high as any "higher law."

Suppose the next President is a dovish Democrat. Suppose a small ring of much-decorated officers within the National Security staff, motivated by noble patriotic aims, sees an opportunity to achieve a breakthrough in arms reduction negotiations by secretly supplying the Soviet Union with details of our Star Wars technology, and the man in charge chooses not to tell the President in order to spare him political embarrassment if the secret leaks.

In the ensuing uproar, the future appeasement ring would say its purpose was advancing our national security, not espionage; that its zealous members understood it to be the President's policy to promote detente; and that they followed the Poindexter-North-Secord path, which had been tacitly approved in the late 80's when the perpetrators of the Iran-contra appeasement and diversion went not only unpunished but were lionized.

My conservative colleagues would howl: Yalta betrayal! Usurpation of the powers of Congress! Pinko takeover of the Presidency! They would be right, but they would not have a leg to stand on. The coup that goes unpunished leads to more coups that cannot be punished.

We know Admiral Poindexter to be the apostle of disinformation. This professional note-taker, whose career in the N.S.C. was built on his ability to provide "memcons" of what happened at meetings, suddenly blanks out when asked about a face-to-face meeting with William Casey at the height of the crisis. His sworn testimony was considered "not credible" for good reason; his amorality was demonstrated last year when his policy of official lying was exposed.

But John Poindexter defiantly asserts he has no apologies. He does not have even the shabby defense, claimed by the proudly self-proclaimed liar Oliver North, that he was only following orders. In the warped Poindexter thinking, the national security adviser has the authority to destroy secret Presidential findings to avoid political embarrassment; he claims the power to seize the buck of accountability, keeping from his elected leader the secret of a venal diversion that would cause widespread revulsion.

That undemocratic view erodes national security. We have laws to prevent such obstruction, a code of conduct to stop such power seizure in the guise of staff slavishness.

Let us not, my fellow contra supporters, be suckered into defending the appeasement ring in the White House merely because a small portion of the ransom profits was directed to a good cause. What the President did in going soft and appeasing the Iranian terrorists was stupid, and he has rightly suffered for it; what his agents did in diverting the profits, if criminal, must not go unpunished or we will all suffer for it.

Think about the consequences of going soft again. Do not invite the next crowd to stage a similar coup with impunity.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, for 45 minutes, with Senators permitted to speak therein for not to exceed 5 minutes each.

## MEASURES ON THE CALENDAR AWAITING ACTION

Mr. FORD. Mr. President, we are approaching the August recess, and several measures that have been reported by the Rules Committee remain on the calendar. Timely action is needed on some of them. Most are noncontroversial but important for a number of reasons. I reviewed the list last evening. Senators will find out in a moment why I am so concerned about what has developed here as it relates to the procedure of the Senate. These measures are—

First. Senate Resolution 210, to provide supplemental funding for the Judiciary Committee, Finance Committee, Armed Services Committee, Agriculture Committee, Veterans' Affairs Committee, and Rules Committee. The resolution would also authorize the Intelligence Committee to use 1987 funds to cover a 1986 overrun. Without these additional funds, some of the committees will not be able to meet all of their obligations this year.

Second. House Concurrent Resolution 125, to authorize the printing of the revised edition of the pamphlet entitled "The Constitution of the United States of America." Without authorization, copies of the pamphlet will not be available for distribution to visitors and constituents in September, as we celebrate the bicentennial of the Constitution.

Third. Senate Resolution 259 authorizes reimbursement of expenses to witnesses appearing before the Senate.

Fourth. Senate Resolution 258 requires documentation for payments and reimbursements from the contingent fund of the Senate. Presently, documentation is required of Members' offices but not of committees.

Fifth. S. 1532 authorizes the Sergeant at Arms to bill, collect, and pay for telecommunications services in the Senate.

Sixth. S. 1574 combines Members' clerk hire allowance account and the official office expense account into a single "Senator's official personnel and office expense account." This new account would give Members greater flexibility in managing their offices.

It is my understanding that no Senator from this side of the aisle opposes any of these items. For the record, I want everyone to know where the hold is coming from—the other side of the aisle.

When Finance, Armed Services, Judiciary, Agriculture, and other committees cannot fulfill all of their obligations because of budget restraints, then every Senator should know why additional funds have not been provided.

If copies of the pamphlet on the Constitution are not available for distribution during our bicentennial celebration of that historic document, then people should know the reason why.

If we are not permitted to move forward with documentation of expenditures, the consolidation of Senators' accounts, and changes in payment of expenses for witnesses, then Senators should know why.

If the Sergeant at Arms is not authorized to bill, collect, and pay for telecommunications in the Senate, Members need to know why.

Mr. President, I have checked around, and found that there is no opposition to these measures from Democratic Members. I am not sure of why opposition exists—but that is the right of any Member. However, I did want to make the record clear that action on these measures is being held up by the other side of the aisle and not by this side.

Mr. President, I do not want to just lay everything on the other side. We have the air safety piece of legislation, S. 1184, which has been reported by the Commerce Committee and has been before the Senate now for some time. We have been working for 2 weeks trying to arrive at a unanimous-consent agreement so that we can move forward on S. 1184, because we need that legislation to start on October 1, in order to begin to move in the direction of eliminating the problems we have as they relate to air safety.

Mr. President, as we are moving toward the end of this period and moving into the recess in August, if S. 1184 cannot be cleared and passed by the Senate prior to that time, it is doubtful that we will be able to have this piece of legislation in place by September 30, so new authorization under this legislation of the airport improvement trust fund will be delayed. We have worked hard on this legislation. We have tried to develop a measure that would be helpful to the communities, to the passengers, and to the airlines.

We have now seen cooperation among all the communities with respect to what should be done, and this bill incorporates those thoughts, and I think we have the approval of the administration. The Commerce Committee has reported it, and all those have an interest in the aviation industry have come together, saying, "These are the things we believe ought to be done and fit into this package."

Mr. President, if S. 1184, which is being held on this side, is not taken up this week and approved, so that we might move on to the House with the conference committee, so that we can have it back and in place prior to October 1, when the new fiscal year comes, then I have some concern about moving as expeditiously as we should.

Yes, we will have a continuing resolution, but this piece of legislation has to be included in that. We need to go forward and develop a safety package that is in the best interests of the industry and particularly the safety of the passengers.

So, Mr. President, the Rules Committee has worked hard. We have letters of compliments with respect to how we are moving legislation out, how we are at least attempting to be quicker and better able to get things done. Now I find that in our ability to get things done, we have come to the Senate floor, and the Senate floor is the holdup.

I may strike a nerve or two today, Mr. President. I hope I do. I hope these pieces of legislation will have the holds taken off and that we will be allowed to bring these measures to the Senate floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

## THE SENATE ROLE IN CONFIRMATION OF SUPREME COURT NOMINEES

Mr. FOWLER. Mr. President, I rise today to discuss the role of the Senate in the confirmation of Supreme Court nominees. It seems to me that on this question everyone has become an amateur interpreter of the Constitution—reporters, law professors, editorial writers to the left and right, lobbyists,

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Presidents, and especially Senators. For in answering this question, we in the Senate are given the enormous responsibility of actually interpreting the Constitution, translating the advice and consent clause into practice—in the proper balance, without hopefully either obstruction or dereliction of duty.

Where my thoughts on any particular nominee are concerned, I believe that part of our constitutional responsibility of advice and consent involves keeping an open mind until the process has taken its course and all, including the nominee, have had the chance to present their case. I do not believe in prejudgment on committing my vote to popular referendum.

I believe every President deserves a fair hearing of his nomination on the merits and not on narrow partisan or ideological grounds. At the same time, the American public, to whom we are ultimately responsible, is entitled to more than a rubber stamp. It deserves a full examination of the advisability of seating any nominee on the highest court in the land—the court which, in the words of Justice John Marshall, "says what the law is."

While we must remain open regarding the nominee, there are questions of process that can be settled before deliberations begin:

First of all, does the Senate have equal power to the President in determining who will sit on the Supreme Court? My reading of the Constitution says that we clearly do. Others, disagree, claiming privileged knowledge of the intent of the advice and consent clause.

We all know, of course, that his is not backed up by the negotiating record of the Constitutional Convention, where Presidential appointment was a very late entry into the compromise.

But those who would give the President almost exclusive prerogative quote the Federalist Papers writings of Alexander Hamilton as definitive, but he was 1 of the 55 Framers of the Constitution. Hamilton wrote that the Senate's only role was to screen against "unfit characters," and appointments based on unseemly ties of family, friendship, and finance to the President.

At the same time, we know Hamilton was the leading proponent among the Framers of a strong—some would even say monarchical—executive. We also know that Hamilton advocated a loose and liberal interpretation of the Constitution when it came to consolidating the power of the President and concentrating capital in the hands of our financiers. Therefore, his insight into this matter appears contradictory at best.

But even if we were to agree that the Senate should play a secondary role, that of sweeping up after the President, it is the President who has made the ideological content of the judiciary an issue. This door left hanging wide open brings us to our second question.

Is it proper for the Senate to consider the ideology of the nominee as part of its deliberations? While I believe we should follow certain nonpartisan guidelines in this area, the Constitution of our country clearly places no limits on what this body may consider.

Again, amazingly, those who say we may not consider ideology argue precedent and claim to know the "real meaning" of advice and consent.

And, once again, nothing in the Constitution or American history supports this argument. This is not Ronald Reagan's Supreme Court. It is not Jimmy Carter's Supreme Court. It is not Ulysses Grant's Supreme Court. The Senate has recognized this fact, turning away 20 percent of the nominees submitted—most recently in the Johnson and Nixon administrations.

John Rutledge, the first to be turned down by a bloc of Federalist Senators because of his opposition to the Jay Treaty, was 1 of the 55 original Framers, as were 3 of the 14 Senators who voted against him.

I would not want to fall back on some of the more embarassing precedents for rejection—involving the rankest partisanship from all ends of the political spectrum. But it is clear that this Senate is not charting new ground in insisting that "advice and consent" is a meaningful, and not a "toothless," phrase. On the contrary, I think it a dangerous argument to advance that any language in our Constitution lacks significant meaning, or somehow requires modification not contained in the wording of the document itself.

This brings us to the question of what, in fact, should we examine? It should not matter whether the candidate is labeled conservative or liberal. Should we look for extraordinary intelligence, understanding, knowledge? Certainly we should look for those qualifications.

But for this position we should look for more than that. We should seek men and women with sound judicial ideals, not political ideologues—from the left or the right—with predetermined agendas. We should seek men and women with respect for the law. We should, above all, search for those whose guiding principle in their stewardship of the Supreme Court is respect for those Americans, all of us, who have to live under our law.

I think this individual needs to clearly understand that law comes from real cases, real controversies, the actual circumstances, experiences, trials, opportunities and demands of our people. Constitutional adjudication does not or should not stem from theories concocted by the justices. Any discernible pattern of writing decisions to conform of such an ideology must be carefully scrutinized before we make our decision.

The Senate should also examine the nominee's attitudes toward an individual's rights, that serve as a shield against laws created by our Government. Are they derived from the state? Or allowed by the majority? Or are we endowed by our Creator with certain unalienable rights?

Looking at philosophy and ideology in these terms carries the debates to a realm beyond partisanship, it seems to me, which is surely where it belongs.

The Senate does have a clear constitutional obligation in this case. It is to the American people. We owe it to them to examine Supreme Court nominations with the utmost care. We owe every President a fair hearing of his recommendation, certainly no more and absolutely no less.

The ACTING PRESIDENT pro tempore. The Senator's time has expired. The majority leader.

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## THE CALENDAR

Mr. BYRD. Mr. President, I wish to inquire of the distinguished Republican leader as to whether or not Calendar Order No. 294 and Calendar Order No. 291 have been cleared on his side of the aisle.

Mr. DOLE. I am pleased to report to the majority leader they both have been cleared on this side.

Mr. BYRD. Mr. President, I thank the Republican leader.

I ask unanimous consent that the Senate proceed to those two items as I enumerated them.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BOSCHWITZ. Mr. President, reserving the right to object.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. BOSCHWITZ. May I ask the distinguished majority leader if there will be more time for morning business?

Mr. BYRD. Yes, there is more time.

Mr. BOSCHWITZ. But the majority leader is going to proceed to this?

Mr. DOLE. It will take one second.

Mr. BYRD. This will be brief.

Mr. BOSCHWITZ. I thank the leader.

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## SOCCER WORLD CUP

The joint resolution (S.J. Res. 175) to recognize the efforts of the U.S. Soccer Federation in bringing the World Cup to the United States in 1994, was considered.

Mr. TRIBLE. Mr. President, recently I introduced Senate Joint Resolution 175 which puts the Government on record in full support of the efforts of the U.S. Soccer Federation to bring

the 1994 World Cup soccer matches to this country. I am grateful to my many colleagues, including the Republican leader, who have cosponsored this resolution and I am pleased that the Senate is addressing this issue.

Soccer is the world's most popular sport and the World Cup is the most important event in the sport of soccer. This event would create a tremendous tourism boon for this country. Over 2.4 million people saw the World Cup live in 1986. The total television audience was 12.8 billion. We should be able to capitalize on our experience in hosting the 1984 Summer Olympics to show thousands of foreign visitors the rich diversity of our American way of life.

There are many factors that will be considered in the awarding of the 1994 games including financial backing, transportation, accommodations, communications, and the support of the host government. The U.S. Soccer Federation can make all the necessary arrangements except for the backing of the Government.

In September the U.S. Soccer Federation will make its presentation to the International Soccer Federation. A final decision on the location of the games will be made by June 1988. Lets give our strong support to their effort.

This resolution will not cost the Government any money but will authorize the Secretary of Commerce to represent our country in any negotiations with the International Soccer Federation. The Commerce Department's travel and tourism administration can coordinate the governmental functions and work with the private sector to assure the success of the World Cup games.

Mr. President, I would like to thank Senator HOLLINGS, chairman of the Commerce Committee, and Senator DANFORTH, ranking member of the Commerce Committee, for expediting the consideration of this resolution by the entire Senate.

Mr. President, I move the adoption of this resolution.

The joint resolution (S.J. Res. 175) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

### S.J. Res. 175

Whereas soccer is one of the world's most popular sports and the World Cup is the single most important event in that sport;

Whereas the 1986 World Cup games had a television audience of 12.8 billion with a live attendance of over 2.4 million;

Whereas the United States Soccer Foundation is seeking to bring the World Cup games to the United States in 1994;

Whereas the United States is capable of meeting all the requirements of a host country including financing, transportation, security, communications, and physical accommodations; and

Whereas the World Cup would serve as a tremendous impetus to national and international tourism, because the games would bring people from all nations together in friendly competition and permit these people to experience, first hand, the American way of life: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That Congress recognizes the efforts of the United States Soccer Foundation to bring the World Cup to the United States in 1994, and the President of the United States is authorized and requested to designate the Secretary of Commerce as the official representative of the United States Government in any discussions with the Federation Internationale de Football Association.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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## ABANDONED INFANTS ASSISTANCE ACT

The Senate proceeded to consider the bill (S. 945) to require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite homes and other assistance for infants abandoned in hospitals, and for other purposes, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

That this Act may be cited as the "Abandoned Infants Assistance Act of 1987".

### FINDINGS

Sec. 2. The Congress finds that—

(1) throughout the Nation, the number of infants who have been exposed to drugs taken by their mothers during pregnancy has increased dramatically;

(2) the inability of parents who abuse drugs to provide adequate care for such infants and a lack of suitable shelter homes for such infants has led to the abandonment of such infants in hospitals for extended periods;

(3) the vast majority of these infants will be medically cleared for discharge, yet remain in hospitals as boarder babies;

(4) hospital-based child care for these infants is extremely costly and deprives them of an adequate nurturing environment;

(5) training is inadequate for foster care personnel working with medically fragile infants and infants exposed to drugs;

(6) a particularly devastating development is the increase in the number of cases of acquired immune deficiency syndrome in infants, and the number of such cases has doubled within the last 13 months;

(7) more than 80 percent of infants with acquired immune deficiency syndrome have at least one parent who is an intravenous drug abuser; and

(8) infants with acquired immune deficiency syndrome are particularly difficult to place in foster homes, and are being abandoned in hospitals in increasing numbers by mothers dying of acquired immune deficiency syndrome, or by parents incapable of providing adequate care.

### DEMONSTRATION PROJECTS

Sec. 3. (a) The Secretary shall make grants to local governments to support projects to—

(1) demonstrate methods of providing incentives to encourage families or qualified community-based organizations to provide foster care for infants abandoned in hospitals, particularly infants with acquired immune deficiency syndrome; and

(2) train foster care personnel and other appropriate individuals to provide for the special needs of infants exposed to drugs and infants with acquired immune deficiency syndrome.

(b) The Secretary shall make grants to local governments to support the establishment of respite homes for infants abandoned in hospitals, including infants with acquired immune deficiency syndrome. In making grants under this subsection, the Secretary shall give priority to local governments with jurisdiction over areas in which there is the greatest need for such homes, as determined by the Secretary.

### APPLICATION REQUIREMENTS

Sec. 4. No grant may be approved under this Act unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, be submitted in such manner, and contain or be accompanied by such information as the Secretary may by regulation specify. The Secretary shall not approve any application under this Act unless the application contains assurances that the applicant—

(1) will use the funds provided under this Act only for the purposes specified in the approved application;

(2) will establish such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement and accounting of Federal funds paid to the applicant under this Act; and

(3) will report to the Secretary annually on the utilization, cost, and outcome of activities conducted, and services furnished, under this Act.

### REPORT

Sec. 5. Within 6 months after the date of enactment of this Act, the Secretary shall prepare and transmit to Congress a report—

(1) specifying the number of infants abandoned in hospitals in the United States and the number of such infants who have acquired immune deficiency syndrome; and

(2) estimating the annual costs incurred by the Federal Government and State and local governments to provide housing and care for such infants.

### DEFINITIONS

Sec. 6. For the purpose of this Act, the term "Secretary" means the Secretary of Health and Human Services.

### AUTHORIZATION OF APPROPRIATIONS

Sec. 7. For grants under section 3, there are authorized to be appropriated $20,000,000 for fiscal year 1988 and each of the two succeeding fiscal years.

The ACTING PRESIDENT pro tempore. Is there further debate on the amendment?

Mr. METZENBAUM. Mr. President, I ask the majority leader and minority leader whether or not they might just take action with respect to the bill and then reserve 10 minutes for me in

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order to address myself in order not to hold them up on the floor immediately after the conclusion.

Mr. **BYRD**. There is no objection to this Senator.

Mr. **BOSCHWITZ**. May I ask the majority leader, does that mean we are not to return to morning business until after?

Mr. **BYRD**. There will be morning business, but while we have the bill up, the Senator from Ohio wishes to address his remarks to the bill.

Mr. **BOSCHWITZ**. So the Senator from Ohio will speak for 10 minutes at the conclusion of this? How long, Mr. President, will morning business take?

### EXTENSION OF MORNING BUSINESS

Mr. **BYRD**. Presently it was for 45 minutes, but I will be glad to extend that. I ask unanimous consent that morning business extend to 12 noon.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. **METZENBAUM**. Mr. President, one of the most harrowing examples of the tragedy which drugs leave in their wake can be witnessed in the pediatric wards of hospitals around the country. Infants, exposed to drugs during pregnancy are being abandoned in hospitals because their parents are unable to provide adequate care

Now the tragedy of drug-exposed infants is being compounded by the tragedy of infants born with AIDS.

Treated as outcasts by society, infants with AIDS are being left behind in hospitals, deprived of a warm and nurturing environment.

This bill addresses that problem.

Recently the Washington Post published a front-page article describing the heart rending plight of these infants.

Let me quote from that article:

> Last July a drug addict, 7 months pregnant, was admitted to Harlem hospital center in labor. Within hours she delivered a 1½-pound baby. The next day she checked out of the hospital, leaving behind a daughter she did not name.

Today that 9-month-old baby whose weight hovers around 6½ pounds—lighter than many new-borns—is dying of AIDS in the hospital she never left. Doctors say she got the disease from her mother, who returned only once for a visit.

The baby, who has spent her life encased in an oxygen tent, hooked up to a heart monitor, a nasal feeding tube and an intravenous antibiotic line, is a member of a fast-growing second generation of AIDS victims: infected babies, most of whom are born to drug-addict parents who are dying of the disease.

Because AIDS is incurable, no child is expected to survive. Some have lived as long as 8 years, while others die days after they are admitted. Medically there is little doctors can do. Some children receive regular infusions of gamma globulin, an infection-fighting serum, and doctors try to keep them comfortable with painkillers.

Scenes like that disturb pediatrician Elaine Abrams. "These kids are learning to walk in the * * * hospital," she said, shaking her head sadly. "They're wearing donated clothes and playing with donated toys that we solicited at Christmas. The nurses are being mamas and papas and doing their best, but this is no place for a kid to grow up."

Mr. President, I recently wrote the Assistant Secretary for Health regarding the growing crisis of children with AIDS. His assessment of the problem is alarming.

The number of reported cases of children with AIDS has doubled in the past 13 months. Over 80 percent of AIDS children have acquired the infection from their mothers. In New York City alone, the department of health estimates that there may be as many as 50,000 IV drug abusing women of childbearing age, with an estimated 2,500 deliveries per year to this group. Half of these women may be infected with the AIDS virus.

It does not take much imagination to project the future dimensions of this problem. The official estimates for the number of infants with AIDs who are abandoned in hospital are small, but so too are the official estimates for the total number of children with AIDS.

These figures represent only the tip of the iceberg. The Assistant Secretary for Health has stated that reported cases reflect only a portion of the children being born with AIDS, since the only infants being counted are those with severe clinical symptoms documented by strict methods of diagnosis. The actual number of cases is double or triple the official estimate.

Mr. President, we had better be prepared to care for the increasing number of infants who are being abandoned in hospital either because they have AIDS or because they have been exposed to drugs by their mothers who are unable or unwilling to provide the necessary care. The population of these so-called boarder babies can only be expected to grow in the future.

The Abandoned Infants Assistance Act of 1987, will provide Federal funds for the establishment of respite homes for infants abandoned in hospitals, including infants with AIDS. Such homes will provide a caring environment for these children as well as curtail the massive costs associated with maintaining these children in a hospital environment.

The legislation also provides incentives for the placement of these infants in foster homes. Funds for training foster care personnel in providing for the special needs of these infants is also included in the bill.

The provision of adequate support services will allow those infants who can return to their own home environment to do so.

Finally, Mr. President, the Secretary will have 6 months to prepare a report on the total number of infants abandoned in hospitals in the United States and the number of such infants who have acquired AIDS.

This legislation represents a modest investment of Federal dollars to help improve the quality of life for a group of children whose futures are very bleak. It is the very least we can do.

Mr. President, I ask unanimous consent that a draft of the committee report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### ABANDONED INFANTS ASSISTANCE ACT OF 1987

### I. SUMMARY OF BILL

The bill authorizes appropriations for grants to local governments for the purpose of:

Demonstrating methods of providing incentives to encourage families and qualified community-based organizations to provide foster care for drug-exposed infants and infants with AIDS who have been abandoned in hospitals;

Supporting the establishment of respite homes for such infants; and

Training foster care personnel and other appropriate individuals to provide for their special needs.

Within six months after the date of enactment of the Act, the Secretary of HHS must prepare and transmit to Congress a report specifying:

(A) The number of infants abandoned in hospitals in the U.S. and the number of such infants who have AIDS; and

(B) An estimate for the annual costs incurred by the Federal government and state and local governments in providing housing and care for infants abandoned in hospitals.

### II. BACKGROUND AND NEED

S. 945 addresses the tragic plight of infants who have AIDS or have been exposed to drugs during pregnancy. In far too many cases these infants are abandoned in hospitals by their sick or dying mothers or by parents who are incapable of providing adequate care.

These so-called "boarder babies" end up living in an institutional environment where, despite the valiant efforts of hospital personnel, many of their basic emotional needs go unmet.

Though no official figures are available, the estimate for the number of infants and children living in hospitals beyond the period medically required is more than a thousand. The problem is expected to grow dramatically as the AIDS crisis builds.

The Assistant Secretary for Health and Human Services, Dr. Robert Windom, has stated that the number of reported cases of children with AIDS has doubled in the past 13 months.

Over 80 percent of AIDS children have acquired the infection from their mothers. In New York City alone, the Department of health estimates that there may be as many as 50,000 IV drug abusing women of childbearing age, with an estimated 2,500 deliveries per year to this group. Half of these

women may be infected with the AIDS virus.

Official figures grossly underestimate the scope of the problem since tests on the infants are conducted only when the physicians have discovered the mother is a drug abuser or has the HTLV-IV virus (AIDS), and even then hospitals and doctors are not legally required to report such findings.

Reported cases reflect only a portion of the children being born with AIDS, since the only infants being counted are those with severe clinical symptoms documented by strict methods of diagnosis. The actual number of cases is double or triple the official estimate.

Because AIDS is incurable, no child is expected to survive. Some have lived as long as eight years, while others die days after they are admitted. According to the CDC, the average length of life is 6–8 months after a diagnosis of AIDS. At this time, there is little that can be medically done.

The problem is also serve with drug-exposed infants. In San Francisco alone, 10 to 12 babies a month are testing positive for drug-exposure with cocaine and PCP emerging as the drugs most commonly used by the mothers. The infants can show a variety of symptoms including spasams, severe jitters, convulsions, breathing disorders, and intense irritability.

Alternatives to hospital care for these infants have been attempted on an ad-hoc basis. Local governments are also starting to experiment with incentives to encourage foster care for these children.

There is a strong incentive for such efforts, given the fact that custodial care for these children in hospital can run as high as $600 a day. Significant savings should be able to be realized.

In addition, the human costs associated with these children being housed in hospitals are enormous.

Recently, the *Washington Post* published an article on children with AIDS who have been abandoned in hospital.

"Scenes like that disturb pediatrician Elaine Abrams. 'These kids are learning to walk in the hospitals, she said, shaking her head sadly. They're wearing donated clothes and playing with donated toys that we solicited at Christmas. The nurses are being mamas and papas and doing their best, but this is no place for kids to grow up'."

### III. COMMITTEE VIEWS

The Committee is very concerned about the care of infants and children with AIDS and infants who have been exposed to drugs during pregnancy. It is a tragedy that so many of these infants and children have been abandoned, leaving no option available but hospital care. The Committee is very supportive of community efforts to develop alternatives to institutional care. Such support is based on the Committee's view that these infants and children should receive appropriate medical treatment, schooling, and other support services in a warm, caring environment.

S. 945 establishes a grant program for demonstration projects to meet the need of infants who are currently living in hospitals because their parents are unable to provide them with the care that they need.

The Committee recognizes that many of these infants reside in hospitals beyond the time that is medically necessary. This exacts a tremendous cost in both human and financial terms. The Committee also recognizes the difficulties faced in the placement of these children in foster care.

The Committee also feels strongly that there is an urgent need for official statistics on the problem. Unofficial estimates of the number of infants residing in hospitals unnecessarily run into the thousands. However, the Committee believes that local communities will be able to promote more effective responses to the problem if accurate and detailed figures are made available by the Secretary.

The plight of infants being abandoned in hospitals is directly related to the drug crisis and the spread of the deadly disease, AIDS. The parents of these infants are primarily IV drug abusers who are unable to provide adequate care. Though the vast majority of these infants will be medically cleared for discharge or require only intermittent care, they remain in hospitals as "boarder babies."

Hospital-based child care for these infants is extremely costly and deprives them of an adequate nurturing environment.

The Committee notes that a particularly devastating development is the increase in the number of cases of Acquired Immune Deficiency Syndrome in infants, and the fact that the number of such cases has doubled within the last 13 months. More than 80 percent of the infants with AIDS have at least one parent who is an intravenous drug abuser. Infants with Aids are particularly difficult to place in foster homes and are being abandoned in hospitals in increasing numbers by mothers who are themselves afflicted with AIDS.

### IV. COMMITTEE ACTION

On July 8, 1987, the Senate Committee on Labor and Human Resources unanimously voted to report S. 945, as amended.

### CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, JULY 31, 1987

1. Bill Number: S. 945
2. Bill Title: Abandoned Infants Assistance Act of 1987.
3. Bill status: As ordered reported by the Senate Committee on Labor and Human Resources on July 8, 1987.
4. Bill purpose: To require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite homes and other assistance for infants abandoned in hospitals, and for other purposes.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

| | 1988 | 1989 | 1990 | 1991 | 1992 |
|---|---|---|---|---|---|
| Authorization level | 20 | 20 | 20 | | |
| Estimated outlays | 11 | 17 | 19 | 9 | 3 |

The costs of this bill would fall within budget function 550.

Basis of estimate: The authorization level for grants to local governments is specified in the bill. CBO assumes all authorized amounts are fully appropriated at the beginning of each fiscal year. Outlays are estimated using spendout rates calculated by CBO on the basis of similar health service spending data.

Enactment of this legislation could result in savings in the Medicaid program. The bill would establish respite care homes for infants abandoned in hospitals, including infants with Acquired Immune Deficiency Syndrome (AIDS). Currently, infants abandoned in hospitals can often be placed in foster homes. It is much more difficult to find homes for children who are not healthy, especially those having been diagnosed with AIDS or even those testing positive for the human immunodeficiency virus (HIV). In most cases, these children remain in the hospital whether they are ill or not. Almost all of these children have their hospital costs paid for by Medicaid. By establishing respite homes, some of these children could be released from hospitals. Although we do not know the number of abandoned children currently living in hospitals who could be released into these respite homes, early information provided by such a home currently operating in New Jersey indicates that savings would accrue to the Medicaid program.

6. Estimated cost to State and local government: It is possible that funds provided by the federal government under this bill could be substituted for funds that otherwise would have been provided by local governments. State payments for Medicaid would also be reduced.
7. Estimate comparison: None.
8. Previous CBO estimate.
9. Estimate prepared by: Carmela Dyer.
10. Estimate approved by: C.G. Nuckols, for James L. Blum, Assistant Director for Budget Analysis.

### VI. REGULATORY IMPACT STATEMENT

The Committee has determined that this legislation does not impose additional regulatory burden.

### VII. SECTION-BY-SECTION ANALYSIS

S. 945 to require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite homes and other assistance for infants abandoned in hospitals, and for other purposes.

This Act may be cited as the Abandoned Infants Assistance Act of 1987.

#### *Findings*

#### Sec. 2

Congress in their studies revealed that:

(1) The number of infants who have been exposed to drugs taken by their mothers during pregnancy has drastically increased;

(2) The inability of parents who abuse drugs to provide adequate care for such infants and a lack of suitable shelter homes for such infants has led to the abandonment of these infants in hospitals;

(3) The majority of these infants will remain as boarder babies in the hospital even after they have been medically cleared for discharge;

(4) Hospital based child care is costly and deprives the child of adequate nurturing;

(5) Foster care personnel training is inadequate;

(6) The number of infants with the acquired immune deficiency syndrome has doubled within the past 13 months;

(7) More than 80 percent of the infants with AIDS have at least one parent who is an intravenuous drug abuser; and

(8) Infants with AIDS are particularly difficult to place in foster homes, and are being abandoned by mothers dying of aids, or by parents incapable of providing adequate care.

#### *Demonstration projects*

#### Sec. 3

(A) The Secretary shall make grants to local governments to support projects to:

(1) provide incentives to encourage families or qualified community-based organizations to provide foster care for infants abandoned in hospitals, particularly infants with AIDS;

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(2) Train foster care personnel and other appropriate individuals to provide for the special needs of drug-exposed infants and infants with AIDS.

(B) The Secretary shall make grants to local governments to support the establishment of respite homes for infants who have AIDS and who are abandoned, giving priority to local governments with jurisdiction over areas in which there is the greatest need for such homes.

*Application requirements*

Sec. 4

No grant may be approved unless application has been submitted and approved by the Secretary. The application shall be in such form, submitted in such manner, and contained or be accompanied by such information as the Secretary may by regulation specify. The Secretary shall not approve any application unless the application contains assurances that the applicant:

(1) will only use the funds provided for purposes specified in the approved application.

(2) will ensure proper disbursement and accounting of federal funds paid to the applicant;

(3) will file an annual report to the Secretary outlining utilization, cost, outcome of activities conducted, and services furnished.

*Report*

Sec. 5

Within six months after the date of enactment of this act, the Secretary shall prepare and transmit to Congress a report:

(1) Specifying the number of infants abandoned in hospitals in the U.S. and the number of such infants with AIDS;

(2) Estimating the annual costs incurred by the Federal, state and local governments to provide housing and care for such infants.

*Definitions*

Sec. 6

For the purpose of this Act, the term "Secretary" means the Secretary of Health and Human Services.

*Authorization and appropriation*

Sec. 7

For grants under Section 3, there will be appropriated $20,000,000 for FY 1988 and such sums as may be necessary for FY 1989 and FY 1990.

Mr. **METZENBAUM**. Mr. President, I ask unanimous consent that Senator **McCain** be added as a cosponsor of this legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. **McCAIN**. Mr. President, I come to the floor today to express my support for S. 945, the Abandoned Infants Assistance Act of 1987. This legislation, which I am a cosponsor of, was offered by my distinguished colleague, Senator **Metzenbaum**. This legislation seeks to address the human care needs of infants who are born with AIDS—a population for whom the toll of this disease is perhaps most tragic.

Mr. President, mankind is facing what is quite probably the most virulent social disease in history. This disease cruelly destroys the immune system of its victims, thus eliminating the body's ability to fight off illnesses. It ultimately leads to death. And—at present—there is no cure.

I am talking about AIDS.

The number of individuals who will perish as a result of this modern day plague is staggering. The potential impact on our Nation's—indeed, the world's—social, economic, and political fabric is mind boggling.

AIDS is transmitted when human beings come into contact with the blood products or bodily fluids of an AIDS-infected person. In my mind, this classifies AIDS as a social disease—and it is a very potent one at that.

Mr. President, it is estimated that—currently—1 to 1.5 million people in the United States are carrying the HIV virus, the virus which holds with it the potential for the development of AIDS. Of these 1 to 1.5 million, more than 40,000 have developed the disease, with just over 21,000 Americans known to have perished thus far.

The Centers for Disease Control estimates that by 1991, the number of Americans with AIDS will be close to 300,000. Of this amount, 179,000 will have perished. Conservative estimates are that by 2010, close to 15 million will have contracted the virus.

Mr. President, this is far more than the sum total of those who died in the Vietnam and Korean wars.

It is little wonder that AIDS has replaced cancer as the disease most feared by the American public—and is an issue consistently named in poll after poll as among the top problems facing the Nation.

Although one can only speculate as to what the actual number of casualties will be, I think most everyone agrees the number will be staggering.

Mr. President, in one way or another AIDS is going to affect every American.

First, many Americans will, themselves, contract the virus and develop AIDS.

Second, many Americans will know someone who is affected with AIDS. For some it may be a family member. For others, it may be a friend or loved one. Each of us in this Congress already knows at least one person who has perished at the hands of AIDS—one of our colleagues died of AIDS on May 7 of this year.

Third, many scientists will be directly involved in the research effort. Many educators and lay people will be involved in the education effort. Many in the medical community, as well as family and friends, will be involved in actually providing care for someone with AIDS.

Fourth, as taxpayers, each of us will share the financial burden of this disease. The resources needed just for the research and development of a vaccine are astronomical. It is estimated that, by 1991, the public sector alone will pour an excess of $1.1 billion a year into research efforts. However, experts tell us that regardless of the resources expended in the effort to develop a vaccine, it will be at least 1995 before an effective vaccine is likely to be available. We should do all we can to speed up this effort, but we must face the reality that it will take some time. In addition to the money needed for the research effort, a great deal of resources are also needed to develop effective forms of treatment, as well as to facilitate education and epidemiological efforts.

Mr. President, the statistics are cold and menacing. Yet statistics cannot begin to convey the extent of the tragedy and despair that is connected with AIDS. When the Nation loses the likes of a Michael Bennett and a Charles Ludlam from the world of the performing arts—both of who succumbed to AIDS at age 44—one is led to wonder what future artistic achievements might have been, but for AIDS.

In every profession and walk of life, AIDS is robbing the world of many people whose best and most productive years lay ahead of them. We know we are losing friends and fellow human beings, and that is always sad. But we are also being denied their achievements. And, as such, we are all a lesser nation and world because of it.

Mr. President, the effect this disease will have on Americans is devastating. No one will be left untouched. Though the contracting of AIDS in the United States appears, at this point, to be confined largely to the homosexual, bisexual, and intervenous drug abuser populations, its potential to penetrate the heterosexual population must not be underestimated.

Indeed, there is a rise in the number of heterosexuals who have contracted the virus. In addition, some are unaware of the high-risk activities the person with whom they have an intimate relationship is participating in—activities which place them at high-risk.

Mr. President, as individuals in the heterosexual community contract the virus it is natural to assume that they will in turn spread it to other heterosexuals. It is just this fact which has led the Surgeon General, C. Everett Koop, to speculate that growth in the number of AIDS cases among heterosexuals is going to far outpace the growth among current high-risk segments of the population.

In short, no one is completely safe from AIDS.

One group for which the illness is most tragic, the group that this bill addresses itself to, is children. The number of children infected with the HIV virus is rising at a dramatic pace. Public Health Service officials estimate that by 1991, in excess of 3,000 children will have suffered from AIDS. Virtually all will die.

As tragic as this may sound, many say this number is actually underestimated.

Especially tragic is the fact that for most of these children, there is no choice involved. They either acquire it at birth or through contaminated blood—transmission which is especially prevalent among children suffering from hemophilia.

Nearly two-thirds of the cases among children are the result of transmission from infected mother to child. Most of these mothers are intravenous drug abusers or who have sexual partners that are themselves drug abusers or bisexuals. However, as the virus continues to spread through the general population, a woman's lack of direct involvement with current high-risk groups and behaviors will provide no guarantee against her infection and transmission of the disease to her fetus.

According to information currently available, up to 65 percent of babies born to infected mothers will contract AIDS. The inevitable scenario for these children is almost certain death.

I will cover the issue of care for children with AIDS a bit later in this statement.

In my own State of Arizona, we have begun to see a presence of AIDS among the native American population. According to Dr. Ben Muneta, chief medical officer for the Navajo tribe in Arizona and New Mexico, AIDS is beginning to infiltrate the native American population. He estimates that there are close to 150 cases of AIDS to date, including those which are undetected or yet have to be reported.

The fact that there is a rise in substance abuse, including intravenous drug use, American Indians is on the rise, has contributed to the concern over the increased spread of AIDS through the native American population. There needs to be early intervention techniques, education, and bolstered health services on reservations. The reality here is that the threat of AIDS in small Indian communities is so great that entire tribes could be wiped out by the spread of this disease.

Another group for which I have a great deal of concern is health care professionals. We need to make sure that every health care provider is aware of the true risks involved in treating or coming into contact with individuals who have AIDS. The Public Health Service has published a list of precautions that should be taken by health care providers so as to minimize the risk of contracting the virus.

Every health care provider must know the facts. We should not have health care providers contracting the virus because they don't take the suggested precautions. At the same time, we must dispel the unfounded fears that exist among some health care providers—and they must strive to rise above these understandable fears in order to fulfill their Hippocratic Oath.

Mr. President, over the past couple of months I have read countless articles, watched numerous news broadcasts, spoken with a great number of people both here and at home, and listened to hours of debate in this body—all in an effort to come to grips with the facts about AIDS and the views of how it should be addressed.

It is not an easy debate, and there are no easy answers. I admit that my own views have evolved and will probably continue to do so as we learn more about this menace to public health. However, I wanted to share some of my thoughts with regard to what I believe our responsibility is in addressing the AIDS crisis.

We must all realize that AIDS is—first and foremost—a serious health problem. We must all strive to regard it as such. It is not a civil liberties problem—although dealing with AIDS certainly has certain civil liberties ramifications. It is most definitely not appropriate fodder for partisan politics.

However, given the serious threat to national health and safety that AIDS represents, all Americans must join together in a search for the best policy regarding the search for a cure and the treatment of those afflicted with the disease. This is no time for a fractionalized effort. We must be united in our efforts.

The effort to bring the spread of this lethal disease to a halt must involve all of us—physicians, nurses and other health care providers; scientists; educators; members of the media; and, yes, politicians—just to name a few.

More and more Americans are coming to the realization that the only reliable protection against AIDS at present is a change of behavior.

Unfortunately, Mr. President, this is easier said than done. A massive change in behavior is going to take a good deal of time and will require education as to the facts about AIDS. It is for this reason that I believe the most effective weapon we have against the spread of AIDS is education.

Americans need to be taught the facts about AIDS. We are a rational people, capable of responding intelligently to even the darkest of situations if we are informed. The goal of informing people about the facts regarding AIDS is to equip them with the information that will enable them to make informed decisions.

At present, there is a lack of clear and accurate information readily available to the public. By way of illustration, consider headlines that appeared over news stories on June 5 on successive pages of one newspaper, the Seattle Post-Intelligencer. One headline read, "No Sign That AIDS is Spreading Rapidly Among United States Heterosexuals, Expert Says." The second headlines—same paper, same day—proclaimed, "AIDS To Become a Disease of Heterosexuals, Expert Predicts."

Mr. President, no wonder many Americans are confused about AIDS.

I know that the subject of public education about AIDS frightens and disturbs many Americans. Some fear that it will lead to national hysteria. Others fear that education may encourage promiscuity among young people as they are taught about various protection devices.

Mr. President, we must not allow these fears to prevent us from facing reality and confronting this crisis. As unpleasant a subject as AIDS is, we have a duty to give people who may one day be victims the basic information that could enable them to avoid contact with this deadly enemy.

We must teach our young people the facts about AIDS and do so in a systematic manner.

The very young ought to be taught about the important role of their body's immune system in keeping them healthy. Perhaps this could be done by using the illustration of why one cold requires that the child stay home from school for a day while another requires that the child spend several days recuperating and at the same time take antibiotics. Let's teach our kids what makes them susceptible to illness, and in turn what gives their body the ability to fight off serious illnesses. Such an approach, it seems, would be effective in laying the foundation for instruction about the disease which so effectively destroys one's immune system.

As they get older, our young people ought to learn about their own development process. As they learn about themselves, children will come to understand the great complexity of the human species as well as its frailty. Equipping young people with knowledge about themselves will enable them to make the best and most informed choices when it comes to actions that effect their bodies.

It is important, when discussing education, to point out that it is not the role of the Federal Government to determine how an individual school is going to teach the concepts regarding AIDS. This decision must be left to the individual States and communities.

There is, however, a role for the Federal Government. That role is making available to States and communities the latest factual, scientifically accurate information that is available. This year, in excess of $350 million will be spent on education and the dissemination of facts about AIDS.

It is my belief that education about AIDS should be accelerated to include the use of public service announce-

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ments on television. Tremendous thought, planning, and discretion must be used in determining both content and placement of these ads. They should be targeted primarily to the teenaged and young adult population, in my view. It is my hope that, much like the successful "just say no" anti-drug campaign, educational advertising designed to enlighten our population about AIDS will have far more positive impacts than negative ones.

While it is imperative that we educate our young people, particularly if we are going to bring this disease to a halt, we must not ignore those who are susceptible right now. One of the tools in this effort will be a nationwide mailing which will be sent to each household in America later this year. This factual pamphlet on AIDS will provide members of every household with the information to make informed choices. Informed choices about how to conduct themselves so as to eliminate the risk of being exposed to the virus.

Mr. President, I hope that as people become informed about AIDS, and are aware of how one eliminates the risk of contracting the lethal HIV virus, it will inspire a return to old fashion values in which sexual behavior is based on fidelity, commitment, and maturity.

One issue over which there has been much debate is testing.

I think virtually everyone agrees that there must be some testing. The question is one of degree. In my opinion, testing plays more of an educational role than anything else. In this vein, I believe testing would accomplish four things:

First, it provides epidemiological information allowing us to determine just how widespread the virus is.

Second, it informs individuals that they have contracted the virus, so that they can seek proper medical treatment.

Third, it allows us to inform individuals who have tested positive that they must refrain from activities that would endanger the life of others.

Fourth, it allows the public health authorities to know who has tested positive so that they can alert others who may be at risk.

In spite of the consensus that there must be some testing, a fair amount of disagreement seems to exist over just who ought to be tested.

In my opinion, mandatory testing ought to be done of those groups for which testing would serve well-established and well-accepted protection goals. Among such groups would be military personnel, immigrants, prison inmates, blood, organ and semen donors. In addition, I believe a test for AIDS should be included among the tests performed on the blood of applicants for marriage licenses.

Further, I support the American Medical Association's call for testing of hospitalized patients in areas with a high incidence of AIDS who are scheduled to undergo surgery or other procedures that would put health care personnel at risk.

Mr. President, I would certainly acknowledge that in doing testing, we must take pains to assure that confidentiality exists and that individuals found to test positive are not unduly discriminated against. I believe, however, that testing will indeed serve a positive function.

As we proceed to require mandatory testing of prison inmates—a high-risk group—we must ask ourselves what will be done to promote adequate treatment for these individuals?

Clearly, the already overcrowded prisons are not equipped to provide treatment for these terminally ill inmates. At the same time, because of security requirements, hospitals are reluctant or unable to handle these cases.

This promises to become a real problem as more and more prisoners test positive with the HIV virus.

Mr. President, I believe that the Federal Bureau of Prisons ought to conduct a feasibility study to determine whether minimum security facilities can be established—preferably by renovating or adopting an existing facility—for the isolation and proper treatment of inmates with AIDS as well as inmates in need of long-term nursing care.

It is my thought that such facilities could be operated and managed by a qualified private sector entity, in cooperation or under contract with the Federal, State and county governments. Hopefully, such a program would prove less costly than what the different levels of government are currently paying—and will end up paying—for the treatment of prisoners with AIDS.

I would like to believe that no American who, if told they have AIDS, would participate in activities which they know lead to the transmission of the virus to others—but this is not the case. We have seen, in the past couple of months, isolated cases. We must be prepared to deal swiftly and boldly with those who, after being informed that they are carrying the virus, continue to participate in high-risk activities which place others at risk of contacting the virus.

Several States have already begun examining the ability of their existing laws to deal with such individuals. I believe all States ought to be encouraged to take a hard look at the adequacy of their laws to deal effectively with individuals who carry on in such a manner. By and large, however, I maintain the belief that the vast majority of people will not carry on in a manner which they know is harmful to others.

The second area that deserves our attention is research.

A massive basic and applied biomedical research effort has been underway in the attempt to develop a vaccine for AIDS. However, even with the incredible amount of money we are expending—some $500 million this year and an estimated $1 billion by 1990—it has been projected that the very earliest an effective vaccine will become available is 1995. Most experts say that it will probably be at least the year 2000.

Given this fact, and the reality that the chemotherapies currently available do not represent cures, it seems that we can do no more than make whatever resources available which are needed. In light of the fact that a vaccine will not be available for some time, education stands as our only weapon immediately available for the fight against AIDS. This means that it is going to be human action, not scientific application which is going to save us in the short run.

The third and last area I would like to cover is treatment of those already infected with the virus.

Mr. President, it has already been established that a vaccine and effective treatment for AIDS are many years off, and, therefore, education is our only weapon at hand for the fight against AIDS. But the plain and simple fact is that some people already have AIDS and more are going to get it, even under the most optimistic of scenarios.

For its victims, the reality of AIDS is very painful both emotionally and physically. Because there is not a treatment available which is capable of forcing the disease into remission, AIDS victims must face the emotional pain of dealing with a terminal illness. The remainder of their lives will be riddled with painful bouts with all kinds of illnesses, from cancer to pneumonia.

We must be compassionate and humane in dealing with those who are afflicted with AIDS. The health care community must develop a procedure for minimizing the trauma that occurs with diagnosis.

As recently as this year, I am told, a major hosptial in Washington, DC, was not equipped with even basic literature about AIDS to distribute to victims of the disease and their families. A patient was told of his diagnosis in the most off-handed manner, as if he had been told that he was suffering from the common cold. He was denied essential information for a period of days and, therefore, was forced to endure his painful diagnosis with the added trauma of ignorance. This is simply unacceptable. The medical community must develop materials that explain the facts about AIDS and

make them available to hospitals, treatment and centers and individual medical practitioners.

In fighting the life and death battle with AIDS, most of the victims will be impoverished within a brief span of time. The costs of this disease are staggering, particularly because its victims tend to live in a debilitated state for such lengthy periods. There are no good estimates of what the ultimate cost for this terminal illness will be. Medical care for each AIDS patient now costs between $50,000 and $150,000, based on an average survival time of 18 months between the diagnosis of AIDS and death. With new treatments increasing the survival time, the costs will increase accordingly.

Plans are currently being looked at to move AIDS patients from expensive hospital beds to hospices or home-care programs. Not only would such a plan reduce the expense, it would enable the victims of AIDS to receive treatment in their home surrounded by their families and other loved ones. This same approach is taken with many cancer patients.

In spite of such cost-effective programs for care, the public health service estimates that the cost of care for AIDS patients will be between $8 billion and $16 billion a year by 1991. This, however, has been labeled as low by some experts, due to the fact that the number of patients is likely to exceed current estimates.

Last, Mr. President, I would like to return to the issue of care for children with AIDS. There is a real need for some focused attention in this area.

Currently, there are only a couple of programs across the country which provide coordinated, community-based care provided for children infected with the HIV virus.

There is a lack of foster care placement for infants and children infected with the virus.

The pediatric units of many of our Nation's hospitals are overwhelmed by the medical and social demands of both ill and well children with HIV infections.

There are not enough hospital personnel to provide and coordinate multidisciplinary inpatient, outpatient, community care, and just plain affection and attention to these children.

Some pediatric hospital staffs are concerned that their neonatal experience thus far does not help them care for neonates with AIDS or deal with the consequences of their mother's drug addiction.

You know what the saddest thing is Mr. President? Not only are these children victims of maladaptive behavior, they have been abandoned both by the mother and society.

The children of this Nation, who have been infected with this lethal disease by the actions of others, must be afforded as normal and dignified a life as possible. They must be nurtured, helped to grow and develop, allowed to interact with peers, attend school, and encouraged to enjoy and participate in all activities of childhood despite their shortened lives. We cannot allow them to be isolated and ostracized—cut off from society like members of a medieval leper colony.

S. 945, the "Abandoned Infants Assistance Act of 1987," addresses itself to these very issues. It requires the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite homes and other assistance for infants abandoned in hospitals.

Mr. President, in summation, this modern day plague poses a crippling affect on the social, economic and political fabric of America—indeed the world. We are already seeing evidence that AIDS is imposing severe social and economic burdens on many communities. AIDS is going to take the combined resources on all levels of government and the private sector to meet the challenges it presents.

I urge my colleagues to support the passage of S. 945.

Mr. HATCH. Mr. President, I am pleased to join the Senator from Ohio in supporting this legislation. It is not often that the Senator from Ohio and I agree, and when we agree on an issue as controversial as AIDS, the legislation must not only be extremely important but also well conceived.

There are over 400 babies who have AIDS in this country, three-fourths of them have been abandoned, left languishing in hospitals with no hope of survival. These innocent victims have no hope of an extended life, but the least we can do is to give them loving care for the valuable time they have on Earth.

These are special need children—children who deserve our care and compassion. With appropriate precautions, these children can have the valuable time. All we need to show is a little love.

Because of these concerns, Senator METZENBAUM and I have developed the Abandoned Infants Assistance Act, which provides $20 million for demonstration grants to provide funding to local governments. These grants will be used to develop methods of providing incentives to families and agencies to provide foster care for children abandoned because they have AIDS; to train foster care personnel in the special needs treatment of infants suffering from AIDS; and to support the establishment of respite homes for such infants.

I am pleased that my colleagues have joined Senator METZENBAUM and me in supporting this legislation and I urge the House to give it prompt consideration.

There are many tragedies in this country, but in my opinion these innocent victims of the AIDS crisis are the Baby Does of 1987. They have no lobby, no PAC, no voting constituency. They need our help. S. 945 will help these tragic victims of the AIDS epidemic who have no choice and no chance to help themselves.

Mr. LAUTENBERG. Mr. President, I am pleased that the Senate is considering the Abandoned Infants Assistance Act, which I have cosponsored. This legislation addresses the tragic plight of infants who have AIDS or have been exposed to addictive drugs taken by their mothers during pregnancy. These helpless, innocent infants are likely to be abandoned in the hospital by their sick or dying mothers. They have no place to go. Even if their families want to care for these children, they often need special training to handle the special problems involved.

The Centers for Disease Control report that well over 400 children under the age of 13 have been diagnoised with AIDS. In fact the true total is probably two to three times the reported number because the CDC classification for pediatric AIDS excludes children with AIDS-related diseases. In addition, an untold number of infants are born addicted to drugs or in poor condition because of the drug habits of their mothers.

Whose heart does not go out to these children? Their only experiences on this Earth are those of disease and abandonment. They are experiencing the brutality of AIDS at a time when most other babies are learning to crawl and talk.

Some have little prospect of living outside the hospital, not because they are too ill to leave, but because they have no home to go to. A mother with AIDS or a drug abuse habit cannot or will not care for an infant. These children need foster homes. But their medical problems make these children hard to place. And if they can be placed in foster homes, the foster parents may need special training and other services.

The bill we are considering today is an attempt to help these babies. The bill would authorize demonstration projects using incentives for foster care for abandoned infants. Foster parents would also receive training for the special needs of infants exposed to drugs and with AIDS. Demonstration grants would be provided for counseling and intervention for pregnant mothers who appear to be at risk of abandoning their babies. Local governments will be eligible for grants to establish respite homes for temporary care of abandoned infants.

Mr. President, my own State of New Jersey has one of the highest numbers of children with AIDS. As of March 1,

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1987, the State has reported 63 cases. Specialists who work with pediatric AIDS cases believe the number is at least twice as high. The difference is explained by the strict classification currently required by the CDC. This classification is being revised and the full dimensions of this childhood tragedy will be more fully disclosed. Several of these children have been abandoned in the hospital, with no place to go. And additional numbers of babies born to drug abusing mothers have been left behind.

I first learned about the plight of AIDS babies from a dedicated physician in Newark, Dr. James Oleske. His commitment to his tiny patients is heartwarming. Dr. Oleske sees a need for the services that this bill would provide and I value his counsel. Even when relatives or foster parents do take their children home, they need encouragement and assistance from hospital personnel.

Mr. President, hospitals are wonderful, caring places for those who need their services. But they are no environment for a child to be in, especially if the child does not require the high level of care provided in hospitals. This bill is intended to offer the hope of a more normal homelife for children whose only home has been a hospital.

I urge my colleagues to join in support of this much-needed legislation.

The **ACTING PRESIDENT** pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The **ACTING PRESIDENT** pro tempore. If there is no further debate, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. **BYRD**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **METZENBAUM**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## NOMINATION OF ROBERT BORK TO BE SUPREME COURT JUSTICE

The **ACTING PRESIDENT** pro tempore. The Senator from North Carolina.

Mr. **SANFORD**. Mr. President, on July 23, the distinguished minority leader argued on the floor of the Senate that for the Senate to consider the views of a nominee on specific political and social views, as opposed to his fitness and merit, "would offend common sense, would be contrary to the intent of the framers, and would, in the end, be shortsighted." On the same day, my colleague and friend, the assistant minority leader, the Senator from Wyoming, argued that if we do not like Judge Bork we should just say so "instead of somehow trying to shroud the political, partisan, and special interest opposition in some type of vapid rationalization or some ponderous historical perspective." While I have the utmost respect for both gentlemen, their arguments miss the point. Surely, they jest!

I am not prepared today to make a decision on how I will vote on confirmation of Judge Bork, but I think too much of this institution, the U.S. Senate, to trivialize the Senate's role in the formulation of our Supreme Court. Of course the framers of the Constitution intended to involve many minds, to spread the privilege and responsibility of voting on nominations to our Supreme Court. I take this duty very seriously. How can we look at our history, how can we study our Constitution, and take any other view? In my opinion, the gravest responsibility of a Senator, with the exception of voting on a declaration of war, is selecting Justices of the Supreme Court.

For that reason, I have studied carefully what the role of the Senate was intended to be, and historically has been, in the selection of Supreme Court Justices. It is clear that the Senate should properly consider the political views and ideological leanings of the nominees, and it has done so in the past. Since the Constitution was ratified 200 years ago, the Senate has often refused to confirm Presidential nominees to the Supreme Court, many on purely ideological grounds.

I am a middle grounder myself, feeling that judges should not be hung up on leanings too far in any ideological direction. They should be fairminded in seeking justice in the case at hand, leaving it to others to promote ideologies. I join those who argue that it is entirely proper, indeed incumbent upon, the Senate to examine carefully all aspects of a nominee's background and qualifications, including his or her political views and judicial and philosophical inclinations.

I will not, as the minority leader has suggested, consider political and social views of the current nominee to the exclusion of his "fitness and qualifications." I do not intend to apply a litmus test to his views on specific issues. However, I do consider his ideology to be essential elements of his qualifications for this lifetime appointment, and the President has been fairly explicit in saying ideology was a factor with him.

As Walter Dellinger, professor of law at Duke University, said in 1985:

> I do not mean to suggest that a Senator should attempt to impose his or her own view on the Court. In deciding whether to consent to a Supreme Court nominee's appointment, a Senator ought to probe for evidence of intelligence, integrity, and openmindedness—a willingness to be persuaded by cogent argument. Whether a Senator will also take philosophy into account should depend to a large degree upon whether the President has done so in making the nomination . . . When a President attempts to direct the Court's future course by submitting a nominee known to be committed to a particular philosophy, it should be a completely sufficient basis for a Senator's negative vote that the nominee's philosophy is one that the Senator believes would be bad for the Country.

Nor do I consider the study and discussion of constitutional law and history to be "some type of vapid rationalization or some ponderous historical perspective." I am not hiding behind the Constitution, as suggested by the Republican leadership. Rather, I am proclaiming constitutional law and history as essential to the responsible exercise of our duty as U.S. Senators.

I will not be one to seek "balance" on the Supreme Court. I believe we should not veer too far in either direction. The very fact that Supreme Court Justices have not been named by one person has been our greatest safeguard against having extremists on the Court. Over the years, the Senate has exercised a moderating influence. We have not veered so much from one extreme to another for the very reason that more than one person is directly involved in placing individuals on the Supreme Court. That is another example of the wisdom of those who framed the Constitution.

In 1959, a young Arizona lawyer, outraged with the Warren court's decision enforcing the "equal protection of the laws" for racial minorities, demanded that the Senate do a better job of determining the judicial philosophy of Supreme Court nominees. "The only way for the Senate to learn of these sympathies," William Rehnquist wrote, "was to make proper inquiries during the confirmation process."

We will, Mr. Chief Justice. and I don't want anyone who leans too much into the wind or too much against the wind of fairness and justice. Fairness and justice are the purpose of the courts.

Thank you, Mr. President. I yield.

The **ACTING PRESIDENT** pro tempore. The Senator from Delaware.

Mr. **BIDEN**. Mr. President, I compliment my colleague from North Carolina on his fine statement. I have a relatively long statement which, in the interests of time and conforming with the morning business requirements, I will at some point ask unanimous consent to insert. But I would like to just highlight a few parts of it.

Today I would like to speak frankly about what is really going on here.

I, and my Democratic colleagues on the Judiciary Committee, have been charged with being unfair. We have been accused of playing politics with the Bork nomination.

This nomination has been portrayed as just one other reasonable Supreme Court nomination. We are told that we should not consider the political philosophy of the nominee. We were told that to do so is another example of playing politics with confirmation.

There is a great deal at stake with this nomination. To attempt to suggest that this is not one of the most controversial nominees who has been sent up in decades would quite frankly be somewhat disingenuous. I might add parenthetically that I find it interesting that no one questions how anyone could automatically support the nominee.

The press does not write that some Senators have been unfair because they have concluded at the front end that they know they are going to support the nominee. Yet, if someone suggests that they are going to oppose the nominee, it must be that it has something to do with politics.

I am at a loss to understand that. How is the fact that a colleague of mine announces he is for the nominee any different, any more or less premature than the colleagues who say they are opposed to the nominee?

Some of us know a great deal about the nominee. I think he is a fine man. But I have read almost everything he has written since 1962. I thought they were going to send him up back when they sent up Justice O'Connor. So I got prepared. I read a lot. I thought they were going to send him up when they sent up Justice Scalia. I read a lot more.

For me to suggest now that I do not know what he stands for and what he writes and what he does not write, it seems to me would be a little bit silly.

I think it is a little bit silly for someone to say I know I am for the nominee, therefore I have taken my stand, but it is unfair for you to say you are against the nominee. I think it is, somewhat disingenuous. I would hope the press would note that.

The fact of the matter is that those of us who will oppose, or who are skeptical about the nomination, did not create this controversy. The President created the controversy. He made the nomination even after he was advised that it would be a very controversial nomination.

I ask unanimous consent to have printed in the Record, not take the time now, the circumstance in which this came about.

There being objection, the material was ordered to be printed in the Record, as follows:

### ADVICE AND CONSENT ON THE SUPREME COURT NOMINATION: A CHRONOLOGY OF EVENTS

June 26—Justice Lewis Powell resigns.

June 26—Senator Biden issues statement on Powell resignation:

Pointing to important role that will be played by Powell's successor;

Stating, "The scales of justice should not be tipped by ideological biases";

Calling on the President to nominate someone "with an open mind—someone, in short, in the mold of Justice Powell"; and

Pledging to "examine with special care any nominee who is predisposed to undo long-established protections that have become part of the social fabric that binds us as a nation."

June 27—Senator Biden calls Chief of Staff Baker indicating that Senators Biden and Byrd would like to consult with Administration officials to offer "advice" in the selection of the nominee.

June 30—Senator Biden and Senator Byrd meet with Attorney General Meese and Chief of Staff Baker:

Senator Biden advises Meese and Baker that the Administration should nominate an individual on whom the Senate could act swiftly;

Senator Biden reiterates call for Administration to nominate someone in the mold of Justice Powell—"a conservative with an open mind"; and

After outlining criteria he would advise be applied to the list of candidates in the selection of the nominee, Senator Biden advises Meese and Baker that some candidates do meet criteria in his judgment but that he doubts whether Judge Bork does.

July 1—President announces nomination of Robert Bork:

Nomination comes within 24 hours of meeting during which 15 candidates were discussed and Senators Biden and Byrd expressed reservations about the selection of Judge Bork.

July 1—Senator Biden holds press conference in Houston and issues statement on the selection of Judge Bork:

Senator Biden reiterates the importance of the nomination, calling it "one of the most important nominations to the United States Supreme Court in decades";

Senator Biden commits himself as Chairman of the Judiciary Committee to doing everything possible to ensure that Judge Bork receives full and fair confirmation hearings;

Senator Biden reiterates criteria he suggested to Meese and Baker—someone who could be acted upon quickly by the Senate and someone with an open mind;

Senator Biden again expresses doubts about Judge Bork meeting those criteria, saying that he has "grave doubts" about the nomination and that he expects it to cause "a difficult and potentially contentious struggle in the Senate."

Mr. **BIDEN**. When the administration submitted a list of 15 names, that said here are the ones among whom we are going to choose. This is not an exhaustive list but all these people qualify. What do you think?

We went down the list and said that at least half of the names would go through here quickly, but that a couple would have real problems.

Who would have problems?

Mr. Bork would have real problems because his views are so well known and so controversial.

The administration took that advice. Less than 20 hours later, they announced the nomination of Judge Bork. So I wonder how serious they were asking our advice in the first place.

It was clear from the start that this would be an enormously important nomination. Before any Senator, before any Congressperson, before anybody made any statement about whether they were for or against Mr. Bork or who should or should not be sent up, the leading newspapers in America knew what was at stake. Let me just read some of the headlines.

"Powell Leaves High Court—President Gains Chance To Shape the Future of the Court." New York Times, July 27, 1987.

"White House Search for a Justice; New Balance on Court Is Sought," New York Times headline, July 27.

"Justice Powell Quits, Opens Way for Conservative Court," Los Angeles Times headline, July 28.

"Reagan Gets His Chance To Tilt the High Court," New York Times headline, July 28.

"Picking a Supreme Court Justice To Perpetuate the Reagan Legacy," Los Angeles Times headline, July 28.

Folks, let us not kid each other here. What game is the press playing? What game are we playing? The fact is that everybody knows what is at stake here: the future of the Court, and, in turn, the direction of America.

The Court is one of the coequal branches of Government. It has as much power as a Senate, as a House, as a President.

So, what is this game that the press is playing, the game that the editorial writers are playing, the game that Senators are playing? Everybody, including the press, acknowledged the stakes immediately. The stakes are nothing less than the future direction of the Court.

I tried to discourage this nomination when asked my advice. I let the administration know. The administration has a right to reject my advice. They have a right not to listen to my point of view. I understand that.

But the question that faces us now is: How should the Senate respond? I think it is unquestionably clear that the Senate has a right, a role, and an obligation to consider what is at stake.

I fully understand that many Senators have had neither the opportunity nor the obligation, as I have had, to spend hours and hours so far reading everything that Judge Bork has written. I fully understand. I think it is very wise or prudent for a man or woman in this body who does not know the record not to take a preliminary position. I acknowledge that it is possible that Judge Bork could come forward and say, "All of what you thought I meant and what I wrote I did not mean" and thereby change my mind.

To the extent that he has been misrepresented in any way, I keep an open mind.

I would like, finally, to discuss the timing of the hearings. I think we have this settled now. On the timing

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of the hearings, I immediately began by consulting with the minority. The first person I called was Strom Thurmond.

To conclude, in the interest of time and within the required time, we will begin hearings on September 15. We will go consistently until we can conclude the hearing and have a vote in the committee. Our target date is October 4 so that it can be sent to the floor—if, in fact, it is the will of the committee—shortly thereafter. There is no desire, and there has never been any desire, and there never will be, any desire, to delay on this nomination. The only debate that has ever taken place, is whether my Republican friends were right in wanting to start on August 31 or whether I am right in starting on September 15. That is what is at issue here. People are making a mountain out of a molehill.

In the meantime, we have an FBI Director that we are supposed to confirm. I will hold hearings on the FBI Director on Wednesday and Thursday when we return, I believe it is the 8th and 9th or 9th and 10th, Wednesday and Thursday, upon our return. We will move directly to Judge Bork and he will have a full, fair, and thorough hearing. Then the Senate will work its will.

Mr. President, I have a lengthy statement on advise and consent to respond to statements made by my colleagues taking a different view.

### Advice and Consent: Response to Senators Dole, Hatch, Humphrey, and Simpson

In an address to the Senate on July 23, I attempted to offer a historical answer to a recurring question: Should Senators consider the constitutional and political views of Supreme Court nominees in deciding how to cast their votes?

The response to my speech has been provocative. After I finished speaking, Senators Dole, Humphrey, Simpson, and Hatch rose to challenge my conclusion that "history, precedent, and common sense" say it is incumbent upon the Senate to consider all aspects of a nominee's qualifications—including his political and constitutional views. The next day, on July 23, the New York Times published a poll suggesting that "Americans say that the Senate should attach a great deal of importance to a Supreme Court nominee's position on constitutional issues in weighing confirmation." On July 30, Senator Hatch rose with a detailed and interesting contribution to the historical debate.

My argument was simple. I argued that the Founders intended the Senate to serve as a check on the President to preserve the independence of the judiciary and to prevent the President from politicizing the appointments process. I argued that, in case after case, the Senate has scrutinized the judicial philosophy, as well as the professioal competence, of nominess. And in several important cases, it has rejected professionally qualified nominees because of their political and constitutional views.

I was pleased to see that while Senators Dole, Humphrey, Simpson and Hatch took issue with nuances of my interpretation—i.e. specific intentions of specific founders, or the specific circumstances in which it is proper for the Senate to check the President—none questioned the Senate's right to consider judicial philosophy, nor the fact that it has often done so in the past.

I was also pleased to see that on substantive points, Senators Dole and Hatch and I are in complete agreement. Senator Dole concluded that the Bork nomination is "The most important nomination in my view that Ronald Reagan has made since he became President, if you look at what impact it could have after he leaves the Presidency in January 1989."

Senator Dole is correct on that score. I argued simply that, in view of constitutional history and Senate precedent, it would be patently irresponsible of Senators not to consider that impact in casting their votes.

Today, I am happy to respond to specific points raised by Senators Dole, Humphrey, Simpson, and Hatch:

1. Senator Dole said: "Consideration of a nominee's views on specific political and social issues, as opposed to his fitness and merit . . . would offend common sense, would be contrary to the intent of the Framers and would in the end be horribly shortsighted."

It is hard to see how considering a Supreme Court nominee's opinions about major constitutional issues "would offend common sense." Common sense suggests that it would be difficult for the Senate to judge a nominee's "fitness" to uphold the Constitution without taking a close look at his approach to constitutional questions.

It is no surprise that the majority of Americans agree. A New York Times/CBS News Poll asked the following question: "When Senators decide how to vote on confirming a President's nominees for the Supreme Court, after satisfying themselves about the nominee's legal experience and background, how much importance should a Senator attach to the nominee's positions on major constitutional issues?"

65% of Democrats, and 63% of Republicans, said the Senate should pay "a lot" of attention to a nominee's positions on constitutional issues. 25% said "a little," and only 6% said none at all.

2. What of Senator Dole's second point about the intent of the Framers?

He said: "Had the Framers intended that the Senate should consider views on Political or social issues as a criterion for confirmation, the Constitutional Convention would have adopted a proposal that would have exclusively lodged the appointment power in either the Senate or the entire Congress."

It was precisely because they were concerned about a nominee's political and social views that they rejected proposals to give the appointment power exclusively to the Senate, Congress, or to the President. The proponents of executive power and the proponents of Senatorial power shared one basic concern: protecting the absolute independence of the Judiciary. In adopting the advice and consent compromise, even those who favored a strong executive were confident that the Senate would provide an important check on presidential power. Even Hamilton—whose defense of executive power was so extreme that many called him a secret "monarchist"—even Hamilton agreed. He responded to the argument that the Senate's power to refuse confirmation would give it an improper influence over the President: "If by influencing the President, he meant restraining him, this is precisely what must have been intended. And it has been shown that the restraint would be salutary."

3. Senator Dole offers a different reading of Hamilton. He states: "In Federalist 76, the Senate's role in the confirmation process was limited to weighing the qualifications, rather than the politics, of each candidate." To support his view, he quotes Hamilton's statement that requiring the cooperation of the Senate would be "an excellent check upon a spirit of favoritism in the President, and would tend greatly to preventing the appointment of unfit characters from state prejudice, from family connection, from personal attachment, or from a view to popularity."

But the quotation only reinforces my point. Hamilton relied on the Senate to keep the President from playing politics with the nominations process. In discouraging the President "from betraying a spirit of favoritism, or an unbecoming pursuit of popularity," the Senate would have to ensure that the nominee was not being appointed on the basis of his politics rather than his qualifications. In addition to choosing incompetent cronies, the President might also attempt to pander to the electorate by appointing qualified nominees whose political views—not to mention judicial philosophy—were well known in advance and "popular" with particular factions or interest groups. Thus, the Senate would have to consider those views thoroughly to guarantee the nominee's independence from the President.

And thus, Federalist 76 concludes by expressing "sufficient grounds of confidence in the probity of the Senate, to rest satisfied not only that it will be impracticable to the Executive to corrupt or seduce a majority of its members; but that the necessity of its cooperation in the business of appointments will be a considerable and salutary restraint upon the conduct of the magistrate."

Just a personal note here—it struck me how Senators Dole and Hatch and I could draw such different interpretations about the intent of the Framers from the same historical evidence. It just confirms my basic point: that the scholarship of original intent is a notoriously inexact science. The Founders spoke with many different voices. They rarely tell us what they had in mind and, even when they do, reasonable people can not agree what they meant, as the present debate shows. That is why the Framers themselves did not intend future generations to be bound by their specific intentions, only by their general principles. That is why, at the Congress of 1796, Madison said:

"He did not believe a single instance could be cited in which the sense of the Convention had been required or admitted as material in any constitutional question. . . . But, after all, whatever veneration might be entertained for the body of men who formed our Constitution, the sense of that body could never be regarded as the oracular guide in expounding the Constitution. As the instrument came from them it was nothing more than the draft of a plan, nothing but a dead letter, until life and validity were breathed into it by the voice of the people, speaking through the several state conventions.

But even those who are wedded to specific intentions will find it difficult to support Senator Dole's view that consideration of a nominee's constitutional views would offend the intent of the Framers. Who, after all, would know better what standard the Framers intended the Senate to apply than the

generation of the generation of the Framers themselves? It can hardly be argued that those who rejected John Rutledge because of his opposition to the Jay Treaty in 1795 were unaware of the intent of the Framers. It can hardly be argued that Rutledge was unqualified to sit on the Court—he was a Framer himself. Thus it is clear that, in the generation of the Framers, it was entirely legitimate to reject a nominee on the basis of politics alone. I argued for a more circumspect approach to advice and consent—focusing on constitutional, rather than political, views, and only when the President attempts to remake the Court in his own image.

4. Senator Humphrey says: "Today, some Senators would have us believe that 100 Senators in 1982 were grossly derelict in our duty when we confirmed Robert Bork unanimously to the D.C. Circuit Court of Appeals. Either the Senate acted as a fool in 1982 or some Senators are acting as fools in 1987. . . . They leave us incredulous. They leave us aghast. Either they were extraordinarily careless in the discharge of their responsibility five years ago, or there is a great deal of hypocrisy about today. It is grossly unfair. It is grossly and shamefully unethical."

But Senator Humphrey is missing the point. All three of the Supreme Court nominees who were rejected by the Senate in the Twentieth Century had earlier won Senate confirmation as Circuit Court Judges. (A fourth, Abe Fortas, whose nomination as Chief Justice was withdrawn after a filibuster, had earlier been confirmed as an Associate Justice.) The history speaks for itself: the Senate has always held Supreme Court nominees to entirely different standards than Appeals Court nominees. And with good reason.

As the only court of no appeal, the Supreme Court establishes the constitutional precedents that the lower courts are bound to respect. As a result, qualifications that might be acceptable in a lower court nominee are not sufficient to guarantee Supreme Court appointment.

As an Appeals Court Judge, Robert Bork is constitutionally bound to respect and to apply Supreme Court precedents. To ignore them would be to defy his constitutional responsibility. For example, in a footnote to *Dronenburg* v. *Zech*, Judge Bork wrote: "It may be only candid to say at this point that the author of this opinion, when in academic life, expressed the view that no court should create new constitutional rights. . . . The Supreme Court has decided that it may create new constitutional rights and, as judges of constitutionally inferior courts, we are bound absolutely by the decision."

On the Supreme Court, however, the nominee would no longer be so bound by past precedent. On the contrary, he would be more free to overturn many of the precedents that had restrained him on the lower court. And his writings indicate that he would do so. He wrote in 1971: "Courts must accept any value choice the legislature makes unless it clearly runs contrary to a choice made in framing the Constitution. It follows, of course, that broad areas of constitutional law ought to be reformulated."

5. Senator Simpson says: "Nothing I find in the historical practice . . . requires or even suggests anything about balance between liberals and conservatives when a new nominee is presented for a vacancy."

Of course, the historical record is filled with references to the balance of the Court. I quoted many of them in my speech. During the debate over Clement Haynsworth, Senator Muskie of Maine spoke movingly of the Senate's duty to consider the impact of a nominee's views on the balance of the Court. He said: "it is the prerogative of the President, of course, to try to shift the direction and thrust of the Court's opinoins in this field by his appointments to the Court. It is my prerogative and my responsibility to disagree with him when I believe, as I do, that such a change would not be in our country's best interests."

During the debate over Associate Justice Marshall in 1967, Senator Thurmond also expressed concern over balance: "This means that it will require the appointment of two additional conservative justices in order to change the tenor of future Supreme Court decisions."

The Parker nomination in 1930 was rejected specifically because progressive Republican Senators disagreed with the extremely conservative direction of the Taft Court and felt that Parker's appointment would shift the Court even further to the right.

6. But Senator Simpson and Senator Hatch appear to misunderstand my concerns about balance. Senator Hatch says, "The capstone of Senator Biden's theory is that the balance of the Court must be protected, that if a single nomination might upset that delicate balance, it must be rejected. This notion derived from a prominent theme in Professor Tribe's book God Save This Honorable Court, deserves an examination."

In fact, my concerns about balance are entirely different than Professor Tribe's. I was not arguing that a particular balance should be maintained. I was merely discussing the circumstances in which the Senate should consider judicial philosophy. Under normal circumstances, I said, the Senate would prefer not to check the President. But when the balance of the Court is in question, and a single nomination has the power to shift the direction of the Court in favor of the President's political agenda, then the Senate has a responsibility to pay close attention to judicial philosophy.

Senator Hatch also says: "If past Presidents had striven to preserve the Court's ideological balance, the vile separate but equal doctrine of *Plessy* v. *Ferguson* would still be the law of the land."

Again, my point was very different. History suggests not that Senators should strive to preserve the status quo, but that, in a divided time, each Senator has a responsibility to consider the effect of a nomination on the balance of the Court. Each Senator will then have to make an individual decision about whether or not that influence is in the best interest of the country.

Incidentally, if past Supreme Courts had striven to adhere rigidly to the original intent of the Founders, then *Plessy v. Ferguson* would still be the law of the land.

7. Senator Hatch appears to have misunderstood my conclusion that "The Framers intented the Senate to take the broadest view of their constitutional responsibility."

He seems to suggest that in endorsing a "broad role" for the Senate, I was calling for the Senate to have exclusive control over nominations as well as appointments. That would require a new Constitutional Convention and a reenactment of the Virginia Plan—which would be carrying "original intent" a little too far. Senator Hatch says:

"In the first place, the 'broadest role' for both the President and the Senate was rejected by the Convention. The Convention arrived at a compromise that Madison, the Framer of the compromise, designed to achieve the results just discussed. This is hardly the 'broadest role' for the Senate. Furthermore, the Senate was given no nominating authority whatsoever."

Obviously, I was not arguing that it should be.

I noted simply that every time the Convention was faced with a choice between appointment by the President and appointment by the Senate, they chose the Senate. Having repeatedly rejected exclusive appointment by the President, as "leaning too much toward monarchy," it is inconceivable that, in adopting the advice and consent compromise, they intended the Senate to be a rubber stamp. In "giving the Senate," in the words of Governeur Morris, "The power to appoint judges nominated to them by the President," the Framers were confident that the independence of the Judiciary would be protected.

In regard to the interesting historical details introduced by Senator Hatch, he is correct in noting that the Convention's initial vote (on June 5, 1787) did reject vesting the sole appointment power in the Congress as a whole. And he also notes correctly that Madison had not yet made up his mind about where the appointment power should be vested. But Madison's basic inclination—expressed both on June 5 and on June 13—was for the Senate alone to make appointments. The Convention voted repeatedly to adopt this view, and its vote stood until virtually the end of the Convention, on September 7. Whatever one's opinion of the Convention's final choice—and I happen to think it was a wise choice—the Framer's adherence to Senate appointment for so long, and against several attempts to give it solely to the Executive, can only be read as suggesting a very considerable degree of confidence in the Senate's capacity to take a far-reaching role in the appointment of judges. That is what I meant in saying that the Framers took the "broadest view" of the Senate's role in the appointment process.

Some of Senator Hatch's other assertions illustrate the danger of taking historical statements out of context to serve modern purposes. Specifically, Senator Hatch quotes both Mr. Madison and Mr. Ghorum as expressing fears of "cabal," "intrigue," and "partiality" in legislative appointments to the Judiciary. From this he concludes that Senate examination of anything other than the competence and character of the nominee would, in the minds of the Framers, raise the spectre of "political intrigue and partiality."

But Senator Hatch fails to note that these fears were raised in the context of giving the Legislature or Senate sole power of appointment—"The election of the Judges by the Legislature" (Madison, 1 Farrand 120). Of course, Madison and Ghorum were correct that such elections would be particularly susceptible to vote-trading, favoritism and "jobbing."

Senator Hatch also fails to note that the Framers had even stronger fears about giving the Executive sole power of appointment. Flush with the memories of royal favorites around the Court of George, the Framers resolved to avoid at all costs government by intrigue. That is why Hamilton felt compelled to allay those fears in Federalist 76. That is why John Rutledge expressed the fear that "the people will think we are leaning too much toward monarchy." And that is why the Convention never once

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voted to give the appointment power solely to the Executive.

But it is obvious that when the Executive nominates, and the Senate approves, the dangers are entirely different. Votes can not be "jobbed" among different candidates; "cabals" and "factions" can not be formed for local favorites. Instead, as Madison said in endorsing the advice and consent formulation, the Senate's participation would provide "security * * * against any incautious or corrupt nomination by the Executive." (2 Farrand 43a)

So the Framers' final advice and consent formulation exemplifies the Framers' wisdom in constructing effective checks and balances—dividing power to prevent its abuse. They refused to give the appointment power to the legislature alone. They refused to give it to the President alone. Through most of the Convention, they gave it to the Senate alone. At the end of the Convention, they thought better of exclusive appointments and divided the power between the President and the Senate. It is utterly inconsistent with the broad design of the Constitution to assert that they "intended" perfunctory checks on the power that they were determined to check at all costs.

8. In turning finally to Senator Hatch's inquiry into the precedents for Senate confirmation or rejection of Supreme Court Nominees, I was struck at the outset by a curious point. "Most damaging" to my case, he claims, "is the fact that only five of the 26 nominees who failed to win confirmation have been turned down since 1893. But if his standard for judgment in the first place is the Framers' intent, surely he should focus on the record of the first decades after ratification. Who would know better what standard they wanted the Senate to apply than the generation of politicians that wrote and ratified the Constitution itself? The Rutledge precedent set the stage for a century of intensely political battles. I warned of the costs of those battles and argued that the Senate should take a more circumspect view, looking to constitutional philosophy rather than immediate political isues.

Much of Senator HATCH's treatment of the Senate precedents displays a tendency to pick and choose among historical evidence. He takes most of his examples from Harry Abraham's Justices and Presidents, which he quotes repeatedly and approvingly. But he fails to note that Mr. Abraham lists seven historical and constitutional bases for Senate rejection, six of which are clearly rooted in politics or philosophy. Abraham says:

"Just why were the twenty-seven rejected either outright or simply were not acted on by the Senate? Among the more prominent reasons have been: (1) Opposition to the nominating President, not necessarily the nominee; (2) The nominee's involvement in visible or contentious issues of public policy, or, simply, opposition to the nominee's perceived political or sociopolitical philosophy (i.e. "politics"); (3) Opposition to the record of the incumbent Court which, rightly or wrongly, the nominee had presumably supported; (4) Senatorial courtesy (closely linked to the consultative nominating process); (5) A nominee's perceived "political unreliability" on the part of the part in power; (6) The evident lack of qualification or limited ability of the nominee; and (7) Concerted, sustained opposition by interest or pressure groups. Usually several of these reasons—not one alone—figures in the rejection of a nominee. [Abraham, p. 39]

In short, Abraham is hardly the best source for Senator HATCH's claim that Senate review of nominees has been strictly limited to nominal qualifications.

In his long discussion of the specific reasons for rejection, Senator Hatch treads on dangerous ground. "Lame duck" nominations and "partisan attempts to thwart an unpopular President" are clearly dangerous for the Court and for the country, and I would not recommend either of them today. But they confirm rather than question the precedents for expansive Senate purview. Of course, not all of the "lame duck" nominations have been strictly partisan. Jeremiah Black's defeat in early 1861 was related to Lincoln's imminent inauguration, but there would have been little reason for Republicans to oppose him had they agreed with his views of the impending struggle. Instead, an equally decisive factor in Black's repudiation was his refusal to sanction the use of force to maintain the Union—an issue of constitutional philosophy par excellence. (Kurland, at 208)

Conceding, finally, that the Senate has, after all, opposed qualified nominees on the basis of their constitutional views, Senator Hatch tries to make the case that they have been wrong to do so. Historical speculation based on 20-20 hindsight is about as scientific as speculations based on original intent. But I'm happy to give it a shot. Senator HATCH claims that Judge Parker—the last nominee rejected exclusively for his constitutional views, would have made a better Justic than Owen Roberts, whose "switch in time" defused the Court Packing Plan. Others have also wondered, "what if?" Who knows? Certainly, his record on the 4th Circuit after his Supreme Court nomination vindicated some of the fears of the progressive Republicans who felt he and the Taft Court were too conservative. It was Parkers' ruling on the Court of Appeals in the watershed case of *Near* v. *Minnesota* in 1931 that the Supreme Court reversed by only a 5-4 vote. In other words, Parker's elevation to the Supreme Court would have made prior restraints on press freedom the law of the land.

Similarly, his decision in *Briggs* v. *Elliott* was also overturned by the High Court in *Brown* v. *Board of Education*. Perhaps Senator Hatch would defend Judge Parker's decision in *Briggs* as only following the precedent of *Plessy* v. *Ferguson* that *Brown* overturned. Nonetheless, Parker's stern observation in *Briggs* that official segregation was "grounded in reason and experience" smacks more of enthusiasm than simple respect for precedent.

Senator HATCH also regards as a "mistake" the opposition to Roger Taney—the man who carried out the Executive order that two Treasury Secretaries would rather resign than execute; the man who on the Supreme Court declared that blacks had "no rights which the white man was bound to respect." The Whigs who controlled the Senate in 1835 did not simply wish to retaliate against Jackson and Taney for the withdrawal of federal deposits from the Bank of the United States. They felt that Taney's compliance with Jackson's illegal order, in contrast to the principled refusals of his two predecessors, rendered him, in the words of a New York newspaper, a "supple, cringing tool of power." While Taney's initial performance as Chief Justice was creditable, his ultimate legacy to the nation realized the worst Whig fears. The Dred Scott decision, which Taney wrote for a divided court, was, in the words of Chief Justice Hughes, the greatest "self inflicted wound" in the history of the Court. In refusing to rule slavery unconstitutional, Taney helped to precipitate the greatest constitutional crisis in our history—the Civil War.

But these are historical quibbles. On the substantive point, Senator HATCH and I agree. Senator HATCH's speech was entitled, "The Dangers of Politicizing Supreme Court Selections." He concluded, "ideological involvement in the selection of judges is a two-edged sword." And he noted that "Nowhere [in the Constitutional Convention] do we find hints of the need for political purity as a qualification for the non-political task of judging."

Senator HATCH is correct. But it is the President, not the Senate who has introduced politics and ideology into the selection process. That is why Professor Walter Dellinger said, in 1985:

"Whether a Senator will also take philosophy into account should depend to a large degree upon whether the President has done so in making the nomination. . . . When a President attempts to direct the Court's future course by submitting a nominee known to be committed to a particular philosophy, it should be a completely sufficient basis for a Senator's negative vote that the nominee's philosophy is one that the Senator believes would be bad for the country."

Mr. President, I will conclude by suggesting that I think this thing is finally settled. I have spoken at length with the ranking member, Senator THURMOND, and to some degree with the minority leader, Senator DOLE. The hearings will begin and they will conclude and we will have plenty of time in the Senate to determine whether or not Judge Bork should become Justice Bork or remain Judge Bork.

Mr. HUMPHREY. Will the Senator yield?

Mr. BIDEN. I ask unanimous consent that I may have an additional 2 minutes to respond.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BIDEN. I yield to my colleague from New Hampshire.

Mr. HUMPHREY. Mr. President, is the Senator suggesting that there was an agreement with the ranking member of the Judiciary Committee, Senator THURMOND, for reporting out this nomination by a date certain?

Mr. BIDEN. I am stating that the Senator and I in open hearings today in the committee agreed that the target date for reporting this out would be October 1. The Senator and I and other members of the Judiciary Committee agree—this was probably prior to your coming to the committee, Senator, but you will find out—that word means a lot in that committee. I have given my word. We will report by that date and we will vote by that date, assuming that all witnesses that both sides could agree to will be heard by that time and assuming that we will have a day before the target date for an executive session. That is what

I discussed today in the open session with the ranking member, Senator THURMOND.

Mr. HUMPHREY. You said after all the witnesses have been heard plus 1 day, assuming all the witnesses have been heard plus 1 day, October 1 would be the target date.

Mr. BIDEN. That is the target. I fully expect we can meet that day. I laid out the specifics. We will begin meeting on the date to begin hearings with Judge Bork on the 15th. We would have opening statements in the morning from all Senators. We would then call up Judge Bork at 2 o'clock and we would keep him as long into the night as he wished to go to expedite the matter. We would go late in order to be able to get the nomination going forward. We would spend time. We would meet on Mondays and Fridays, we expect, based on the requests we have thus far for witnesses. I have asked the minority to submit to me a list of witnesses they wish to have testify.

Senator THURMOND and I will agree on what witnesses there should be. It is my expectation that we will be able to complete the final day of hearings on Monday, the 27th, or Tuesday, the 28th. I believe I have the dates correct, recalling from the top of my head. If that were the case, we would be prepared to bring up the nomination in executive session for a vote on October 1.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

## EXTENSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The Chair will inform Members that the time for morning business has expired.

Mr. BYRD. I ask unanimous consent that morning business continue for 45 minutes and that Senators be permitted to speak therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(Mr. WIRTH assumed the chair.)

## NOMINATION OF ROBERT BORK TO BE SUPREME COURT JUSTICE

Mr. McCONNELL. Mr. President, I listened with great interest to the chairman of the Judiciary Committee with reference to the nomination of Judge Robert Bork to be a member of the Supreme Court. I might say I for one have no objection whatsoever to the chairman of the Judiciary Committee making an early decision on the Bork nomination. I think that is entirely his prerogative. I, too, have made an early decision on the Bork nomination. I have decided to support Judge Bork. I think the Senator from Delaware and I both know a good deal about the nominee. He probably has read more of the nominee's material than I have, but I think it is not fair to criticize the chairman of the Judiciary Committee for making an early decision. I do, however, have some quarrel with the manner in which the decision was made.

I recall as a member of the Judiciary Committee last year listening to debate and proceedings on Justice Rehnquist and Judge Scalia and their nominations to the Court. My friend from Delaware said at the time, "I am not just against any conservative. For example, if the administration were to send up Judge Bork, I would have to be for him and take the heat."

I recall thinking at the time that this was a courageous statement for my friend from Delaware to make, and I remember thinking that was quite an observation. I also remember thinking at the time I wonder what will happen if you do at some point get Judge Bork for the Supreme Court.

Mr. President, that is, of course, what we have. I understand the pressures to which the chairman of the committee is being subjected on this issue. We all do. And as he said earlier, we certainly know what is at stake. This is a most important nomination.

Many years ago, Mr. President, back in the late 1960's as a matter of fact, I was a legislative assistant to a Senator who served on the Judiciary Committee and was in the Senate as a staffer during the Haynsworth-Carswell period and observed the Senate during that particular time struggling with the question, "What is the appropriate inquiry of this body when any President of the United States sends up a nomination to the Supreme Court?"

The Senate has struggled with that issue over the years. There have been nominees rejected. I studied the matter at that time in great detail. As a matter of fact, I wrote a law journal article which appeared in the University of Kentucky Law Journal back in 1971 on that very question. The Senator for whom I worked at that time reached the decision to support Haynsworth and to oppose Carswell.

Those two nominations in those days had a tendency to get linked together; you were either against them both or for them both, and nobody sort of looked through the quality of the nominees to get at the crux of the matter—nobody, that is, except the fellow for whom I worked, who in my judgment made the appropriate decision on those two nominees. He supported Haynsworth but he opposed Carswell. How did he reach that decision? He reached the decision through an effort not only to research what the history of the Senate had been in advising and consenting to these nominees but also what the appropriate inquiry of the Senate ought to be.

I ask unanimous consent that my 1971 article in the University of Kentucky Law Journal appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### HAYNSWORTH AND CARSWELL: A NEW SENATE STANDARD OF EXCELLENCE

(By A. Mitchell McConnell, Jr.[*])

(All politicians have read history: but one might say that they read it only in order to learn from it how to repeat the same calamities all over again.—Paul Valery.)

(Author's note.—This article represents the thoughts and efforts of over a year's involvement in the Senate with three Presidential nominations to the Supreme Court. The experiences were possible only because of the author's association with the Junior Senator from Kentucky, Marlow W. Cook, and the conclusions drawn and suggestions made, many of which may be found in a speech by the Senator of May 15, 1970, represent, in large part, a joint effort by the two of them to evolve a meaningful standard by which the Senate might judge future Supreme Court nominees.

(Only rarely does a staff assistant to a Member of Congress receive the opportunity to express himself by publication or speech on an issue of public significance. For the freedom and encouragement to do so in this instance, the author is grateful to Senator Cook.)

With the confirmation of Judge Harry A. Blackmun by the United States Senate on May 12, 1970, the American public witnessed the end of an era, possibly the most interesting period in Supreme Court history. In many respects, it was not a proud time in the life of the Senate or, for that matter, in the life of the Presidency. Mistakes having a profound effect upon the American people were made by both institutions.

The Supreme Court of the United States is the most prestigious institution in our nation and possibly the world. For many years public opinion polls have revealed that the American people consider membership on the Court the most revered position in our society. This is surely an indication of the respect our people hold for the basic fabric of our stable society—the rule of law.

To the extent that it has eroded respect for this highest of our legal institutions, the recent controversial period has been unfortunate. There could not have been a worse time for an attack upon the men who administer justice in our country than in the past year, when tensions and frustrations about our foreign and domestic policies literally threatened to tear us apart. Respect for law and the administration of justice has, at various times in our history, been the only buffer between chaos and order. And this past year this pillar of our society

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has been buffeted once again by the winds of both justified and unconscionable attacks. It is time the President and the Congress helped to put an end to the turmoil.

The President's nomination of Judge Harry Blackmun and the Senate's responsible act of confirmation is a first step. But before moving on into what hopefully will be a more tranquil period for the High Court, it is useful to review the events of the past year for the lessons they hold. It may be argued that the writing of recent history is an exercise in futility and that only the passage of time will allow a dispassionate appraisal of an event or events of significance. This may well be true for the author who was not present and involved in the event. However, for the writer who is a participant the lapse of time serves only to cloud the memory. Circumstances placed a few individuals in the middle of the controversies of the past year. In the case of the author the experience with the Supreme Court nominees of the past year was the direct result of Senator Marlow W. Cook's election in 1968 and subsequent appointment to the powerful Senate Judiciary Committee. This committee appointment by the Senate Republican leadership, and Supreme Court nominations by President Nixon, brought about an initial introduction to the practical application of Article II, section 2 of the Constitution which reads, in part, that the President shall "nominate and by and with the advice and consent of the Senate, shall appoint . . . judges of the Supreme Court."

The purpose of this article is to draw upon the events of the past year in suggesting some conclusions and making some recommendations about what the proper role of the Senate should be in advising and consenting to Presidential nominations to the Supreme Court. The motivations of the Executive will be touched upon only peripherally. [1]

Initiated by Senator Robert P. Griffin, Republican of Michigan, the senatorial attack upon the Johnson nomination of Justice Abe Fortas to be Chief Justice which resulted in blocking the appointment had set a recent precedent for senatorial questioning in an area which had largely become a Presidential prerogative in the twentieth century. The most recent period of senatorial assertion had begun. But there had been other such periods and a brief examination of senatorial action on prior nominations is valuable because it helps put the controversial nominations of the past two years in proper perspective.

Joseph P. Harris, in his book, "*The Advice and Consent of the Senate*," sums up the history of Supreme Court nominations by pointing out that approximately one-fifth of all appointments have been rejected by the Senate. From 1894 until the Senate's rejection of Judge Haynsworth, however, there was only one rejection. In the preceding 105 years, 20 of the 81 nominees had been rejected. Four of Tyler's nominees, three of Fillmore's and three of Grant's were disapproved during a period of bitter partisanship over Supreme Court appointments. Harris concludes of this era:

"Appointments were influenced greatly by political consideration, and the action of the Senate was fully as political as that of the President. Few of the rejections of Supreme Court nominations in this period can be ascribed to any lack of qualifications on the part of the nominees; for the most part they were due to political differences between the President and a majority of the Senate." [2]

The first nominee to be rejected was former Associate Justice John Rutledge, of South Carolina. He had been nominated for the Chief Justiceship by President George Washington. The eminent Supreme Court historian Charles Warren reports that Rutledge was rejected essentially because of a speech he had made in Charleston in opposition to the Jay Treaty. Although his opponents in the predominantly Federalist Senate also started a rumor about his mental condition, a detached appraisal reveals has rejection was based entirely upon his opposition to the Treaty. Verifying this observation, Thomas Jefferson wrote of the incident:

"The rejection of Mr. Rutledge is a bold thing, for they cannot pretend any objection to him but his disapprobation of the treaty. It is, of course, a declaration that they will receive none but Tories hereafter into any department of Government." [3]

On December 28, 1835, President Andrew Jackson sent to the Senate the name of Roger B. Taney, of Maryland, to succeed John Marshall as Chief Justice. As Taney had been Jackson's Secretary of the Treasury and Attorney General, the Whigs in the Senate strongly opposed him. Daniel Webster wrote of the nomination: "Judge Story thinks the Supreme Court is gone and I think so, too." [4] Warren reports that

". . . the Bar throughout the North, being largely Whig, entirely ignored Taney's eminent legal qualifications, and his brilliant legal career, during which he had shared . . . the leadership of the Maryland Bar and had attained high rank at the Supreme Court Bar, both before and after his service as Attorney General off the United States." [5]

Taney was approved, after more than two months of spirited debate, by a vote of 29 to 15 over vehement opposition including Calhoun, Clay, Crittenden, and Webster. He had actually been rejected the year before but was re-submitted by a stubborn Jackson. [6]

History has judged Chief Justice Taney as among the most outstanding of American jurists, his tribulations prior to confirmation being completely overshadowed by an exceptional career. A contrite and tearful Clay related to Taney after viewing his work on the Court for many years:

"Mr. Chief Justice, there was no man in the land who regretted your appointment to the place you now hold more than I did; there was no member of the Senate who opposed it more than I did; but I have come to say to you, and I say it now in parting, perhaps for the last time—I have witnessed your judicial career, and it is due to myself and due to you that I should say what has been the result, that I am satisfied now that no man in the United States could have been selected more abundantly able to wear the ermine which Chief Justice Marshall honored." [7]

It is safe to conclude that purely partisan politics played the major role in Senate rejections of Supreme Court nominees during the nineteenth century. The cases of Rutledge and Taney have been related only for the purpose of highlighting a rather undistinguished aspect of the history of the Senate.

No implication shall be drawn from the preceding that Supreme Court nonimations in the twentieth century have been without controversy because certainly this has not been the case. However, until Haynsworth only one nominee has been rejected in this century. President Woodrow Wilson's nomination of Louis D. Brandeis and the events surrounding it certainly exhibit many of the difficulties experienced by Judges Haynsworth and Carswell as Brandeis failed to receive the support of substantial and respected segments of the legal community. William Howard Taft, Elihu Root, and three past presidents of the American Bar Association signed the following statement.

"The undersigned feel under the painful duty to say . . . that in their opinion, taking into view the reputation, character and professional career of Mr. Louis D. Brandeis, he is not a fit person to be a Member of the Supreme Court of the U.S." [8]

Hearings were conducted by a Senate Judiciary subcommittee for a period of over four months, were twice-reopened, and the record of the hearings consisted of over 1500 pages.[9]

The nomination of Brandeis, like the nomination of Haynsworth, Carswell and to some extent Fortas (to be Chief Justice) quickly became a *cause celebre* for the opposition party in the Senate. The political nature of Brandeis' opposition is indicated by the fact that the confirmation vote was 47 to 22; three Progressives and all but one Democrat voted for Brandeis and every Republican voted against him.[10]

The basic opposition to Brandeis, like the basic opposition to Haynsworth and Carswell, was born of a belief that the nominee's views were not compatible with the prevailing views of the Supreme Court at that time. However, the publicly stated reasons for opposing Brandeis, just as the publicly stated reasons for opposing Carswell and Haynsworth, were that they fell below certain standards of "fitness."

Liberals in the Senate actively opposed the nominations to the Court of Harlan Fiske Stone in 1925 and Charles Evans Hughes five years later, for various reasons best summed up as opposition to what opponents predicted would be their conservatism. However, it was generally conceded by liberals subsequently that they had misread the leanings of both nominees, who tended to side with the Progressives on the Court throughout their tenures.[11]

No review of the historic reasons for opposition to Supreme Court nominees, even as cursory as this one has been, would be complete without mention of the Parker nomination. Judge John J. Parker of North Carolina, a member of the United States Court of Appeals for the Fourth Circuit, was designated for the Supreme Court by President Hoover in 1930. Harris reports that opposition to Parker was essentially threefold. He was alleged to be anti-labor, unsympathetic to Negroes, and his nomination was thought to be politically motivated.[12]

Opposition to Haynsworth and Carswell followed an almost identical pattern except that Judges Parker and Carswell were spared the charges of ethical impropriety to which Judge Haynsworth was subjected. All three nominees, it is worthy of note for the first time at this point, were from the Deep South.

As this altogether too brief historical review has demonstrated, the Senate has in its past, virtually without exception, based its objections to nominees for the Supreme Court on party or philosophical considerations. Most of the time, however, Senators sought to hide their political objections beneath a veil of charges about fitness, ethics and other professional qualifications. In recent years, Senators have accepted, with a few exceptions, the notion that the advice and consent responsibility of the Senate

should mean an inquiry into qualifications and not politics or ideology. In the Brandeis case, for example, the majority chose to characterize their opposition as objecting to his fitness not his liberalism. So there was a recognition that purely political opposition should not be openly stated because it would not be accepted as a valid reason for opposing a nominee. The proper inquiry was judged to be the matter of fitness. In very recent times it has been the liberals in the Senate who have helped to codify this standard. During the Kennedy-Johnson years it was argued to conservatives in regard to appointments the liberals liked that the ideology of the nominee was of no concern to the Senate. Most agree that this is the proper standard, but it should be applied in a nonpartisan manner to conservative southern nominees as well as northern liberal ones. Even though the Senate has at various times made purely political decisions in its consideration of Supreme Court nominees, certainly it could not be successfully argued that this is an acceptable practice. After all, if political matters were relevant to senatorial consideration it might be suggested that a constitutional amendment be introduced giving to the Senate rather than the President the right to nominate Supreme Court Justices, as many argued during the Constitutional Convention.

A pattern emerges running from Rutledge and Taney through Brandeis and Parker up to and including Haynsworth and Carswell in which the Senate has employed deception to achieve its partisan goals. This deception has been to ostensibly object to a nominee's fitness while in fact the opposition is born of political expedience.

In summary, the inconsistent and sometimes unfair behavior of the Senate in the past and in the recent examples which follow do not lead one to be overly optimistic about its prospects for rendering equitable judgments and about Supreme Court nominees in the future.

### CLEMENT F. HAYNSWORTH, JR.: INSENSITIVE OR VICTIMIZED?

(For the great majority of mankind are satisfied with appearance, as though they were realities and are often more influenced by the things that seem than by those that are.—Author unknown.)

The resignation of Justice Abe Fortas in May of 1969 following on the heels of the successful effort of the Senate the previous Fall in stalling his appointment to be Chief Justice, (the nomination was withdrawn after an attempt to invoke cloture on Senate debate was defeated) intensified the resolve of the Senate to reassert what it considered to be its rightful role in advising and consenting to presidential nominations to the Supreme Court.

It was in this atmosphere of senatorial questioning and public dismay over the implications of the Fortas resignation that President Nixon submitted to the Senate the name of Judge Clement F. Haynsworth, Jr., of South Carolina, to fill the Fortas vacancy. Completely aside from Judge Haynsworth's competence, which was never successfully challenged, he had a number of problems from a political point of view, given the Democrat-controlled Congress. Since he was from South Carolina his nomination was immediately considered to be an integral part of the so-called southern strategy which was receiving considerable press comment at that time. His South Carolina residence was construed as conclusive proof that he was a close friend of the widely criticized senior Senator from that state, Strom Thurmond, whom, in fact he hardly knew. Discerning Senators found offensive such an attack against the nominee rather than the nominator, since the southern strategy would be only in the latter's mind, if it existed. Nevertheless, this put the nomination in jeopardy from the outset.

In addition, labor and civil rights groups mobilized to oppose Judge Haynsworth on philosophical grounds. Some of the proponents of the Judge, including their acknowledged leader Senator Cook, might have had some difficulty on these grounds had they concluded that the philosophy of the nominee was relevant to the Senate's consideration. Senator Cook expressed the proper role of the Senate well in a latter to one of his constituents, a black student at the University of Louisville who was disgruntled over his support for the nominee. It read in pertinent part as follows:

". . . First, as to the question of his [Haynsworth's] view on labor and civil rights matters, I find myself in essential disagreement with many of his civil rights decisions—not that they in any way indicate a pro segregationist pattern, but that they do not form the progressive pattern I would hope for. However, as Senator Edward Kennedy, pointed out to the conservatives as he spoke for the confirmation of Justice Thurgood Marshall,

"I believe it is recognized by most Senators that we are not charged with the responsibility of approving a man to be Associate Justice of the Supreme Court only if his views always coincide with our own. We are not seeking a nominee for the Supreme Court who will express the majority view of the Senate on every given issue, or on a given issue of fundamental importance. We are interested really in knowing whether the nominee has the background experience, qualifications, temperament and integrity to handle this most sensitive, important, responsible job.

"Most Senators, especially of moderate and liberal persuasion, have agreed that while the appointment of Judge Haynsworth may have been unfortunate from a civil rights point of view, the ideology of the nominee is the responsibility of the President. The Senate's judgement should be made, therefore, solely upon grounds of qualifications. As I agree with Senator Kennedy and others that this is the only relevant inquiry, I have confined my judgment of this nominee's fitness to the issue of ethics of qualifications." [13]

The ethical questions which were raised about Judge Haynsworth were certainly relevant to the proper inquiry of the Senate into qualifications for appointment. Also distinction and competence had a proper bearing upon the matter of qualifications, but Judge Haynsworth's ability was, almost uniformly, conceded by his opponents and thus was never a real factor in the debate. A sloppy and hastily drafted document labelled the "Bill of Particulars" against Judge Haynsworth was issued on October 8, 1969, by Senator Birch Bayh of Indiana, who had become the *de facto* leader of the anti-Haynsworth forces during the hearings on the nomination before the Judiciary Committee the previous month. This contained, in addition to several cases in which it had been alleged during the hearings that Judge Haynsworth should have refused to sit, several extraneous and a few inaccurate assertions which were swiftly rebutted two days later by Senator Cook in a statement aptly labelled the "Bill of Corrections." This preliminary sparring by the leaders of both sides raised all the issues in the case but only the relevant and significant allegations will be discussed here, those which had a real impact upon the Senate's decision.[14]

First, it was essential to determine what, if any, impropriety Judge Haynsworth had committed. For the Senator willing to make a judgment upon the facts this required looking to those facts. The controlling statute in situations where federal judges might potentially disqualify themselves is 28 U.S.C. § 455 which reads:

"Any Justice or Judge of the United States shall disqualify himself in any case in which he has a substantial interest, has been of counsel, is or has been a material witness, or is so related to or connected with any party or his attorney as to render it improper, *'in his opinion'* for him to sit on the trial, appeal, or other proceeding therein." [Emphasis added.]

Also pertinent is Canon 29 of the American Bar Association Canons of Judicial Ethics which provides:

"A judge should abstain from performing or taking part in any judicial act in which his personal interests are involved."

Formal Opinion 170 of the American Bar Association construing Canon 29 advises that a judge should not sit in a case in which he owns stock in a party litigant.

The first instance cited by Judge Haynsworth's opponents as an ethical violation was the much celebrated labor case, Darlington Manufacturing Co. v. NLRB,[15] argued before and decided by the Fourth Circuit in 1963. The Judge sat in this case contrary to what some of his Senate opponents felt to have been proper. The facts were that Judge Haynsworth had been one of the original incorporators, seven years before he was appointed to the bench, of a company named Carolina Vend-A-Matic which had a contract to supply vending machines to one of Deering-Millikin's (one of the litigants) plants. In 1957, when Judge Haynsworth went on the bench, he orally resigned as Vice President of the Company but continued to serve as a director until October, 1963, at which time he resigned his directorship in compliance with a ruling of the U.S. Judicial Conference. During 1963, the year the case was decided, Judge Haynsworth owned one-seventh of the stock of Carolina Vend-A-Matic.

Suffice it to say that all case law in point, on a situation in which a judge owns stock in a company which merely does business with one of the litigants before him, dictates that the sitting judge not disqualify himself. And certainly the Canons do not address themselves to such a situation. As John P. Frank, the acknowledged leading authority on the subject of judicial disqualification testified before the Judiciary Committee:

"It follows that under the standard federal rule Judge Haynsworth had no alternative whatsoever. He was bound by the principle of the cases. It is a Judge's duty to refuse to sit when he is disqualified, but it is equally his duty to sit when there is no valid reason not to * * * I do think it is perfectly clear under the authority that there was virtually no choice whatsoever for Judge Haynsworth except to participate in that case and do his job as well as he could." [16]

This testimony by Mr. Frank was never refuted as no one recognized as an authority on the subject was discovered who held a contrary opinion.

The second situation of significance which arose during the Haynsworth debate con-

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cerned the question of whether Judge Haynsworth should have sat in three cases in which he owned stock in a parent corporation where one of the litigants before him was a wholly owned subsidiary of the parent corporation. These cases were Farrow v. Grace Lines, Inc.,[17] Donohue v. *Maryland Casualty* Co.,[18] and *Maryland Casualty* Co. v. *Baldwin.*[19]

Consistently ignored during the outrage expressed over his having sat in these cases were the pleas of many of the Senators supporting the nominations to look to the law to find the answer to the question of whether Judge Haynsworth should have disqualified himself in these situations. Instead, the opponents decided, completely independent of the controlling statutes and canons, that the judge had a "substantial interest" in the outcome of the litigation and should, therefore, have disqualified himself. Under the statute, 28 U.S.C. § 455, Judge Haynsworth clearly had no duty to step aside. Two controlling cases in a situation where the judge actually owns stock in one of the litigants, not as here where the stock was owned in the parent corporation, are Kinnear Weed Corp. v. Humble Oil and Refining Co.[20] and Lampert v. Hollis Music, Inc.[21] These cases interpret "substantial interest" to mean "substantial interest" in the outcome of the case, not "substantial interest" in the litigant. And here Judge Haynsworth not only did not have a "substantial interest" in the outcome of the litigation, he did not even have a "substantial interest" in the litigant, his stock being a small portion of the shares outstanding in the parent corporation of one of the litigants. There was, therefore, clearly no duty to step aside under the statute. It is interesting to note that joining in the Kinnear Weed decision were Chief Judge Brown and Judge Wisdom of the Fifth Circuit whom Joseph Rauh, a major critic of the Haynsworth nomination, had stated at the hearings on the nomination "would have been heroic additions to the Supreme Court."[22]

But was there a duty to step aside in these parent-subsidiary cases under Canon 29? The answer is again unequivocally No. The only case law available construing language similar to that of Canon 29 is found in the disqualification statute of a state. In Central Pacific Railroad Co. v. Superior Court,[23] the state court held that ownership of stock in a parent corporation did not require disqualification in litigation involving a subsidiary. Admittedly, this is only a state case, but significantly there is no federal case law suggesting any duty to step aside where a judge merely owns stock in the parent where the subsidiary is before the court. Presumably, this is because such a preposterous challenge has never occurred even to the most ingenious lawyer until the opponents of Judge Haynsworth created it. Therefore, Judge Haynsworth violated no existing standard of ethical behavior in the parent-subsidiary cases except that made up for the occasion by his opponents to stop his confirmation.

There was one other accusation of significance during the Haynsworth proceedings which should be discussed. It concerned the Judge's actions in the case of Brunswick Corp. v. Long[24] The facts relevant to this consideration were as follows: on November 10, 1967, a panel of the Fourth Circuit, including Judge Haynsworth, heard oral argument in the case and immediately after argument voted to affirm the decision by the District Court. Judge Haynsworth, on the advice of his broker, purchased 1,000 shares of Brunswick on December 20, 1967. Judge Winter, to whom the writing of the opinion had been assigned on November 10, the day of the decision, circulated his opinion on December 27. Judge Haynsworth noted his concurrence on January 3, 1968, and the opinion was released on February 2. Judge Haynsworth testified that he completed his participation, in terms of the decision-making process, on November 10, 1967, approximately six weeks prior to the decision to buy stock in Brunswick. Judge Winter confirmed that the decision had been substantially completed on November 10.[25] Therefore, it could be strongly argued that Judge Haynsworth's participation in Brunswick terminated on November 10. However, even if it were conceded that he sat while he owned Brunswick stock it is important to remember that neither the statute nor the canons require an automatic disqualification, although Opinion 170 so advises. And the facts show that his holdings were so miniscule as to amount neither to a "substantial interest" in the outcome of the litigation under 28 U.S.C. § 455 or to a "substantial interest" in the litigant itself. Clearly, once again, Judge Haynsworth was guilty of no ethical impropriety.

As mentioned earlier there were other less substantial charges by Haynsworth opponents but they were rarely used by opponents to justify opposition. These which have been mentioned were the main arguments used to deny confirmation. It is apparent to any objective student of this episode that Haynsworth violated no existing standard of ethical conduct, just those made up for the occasion by those who sought to defeat him for political gain. As his competence and ability were virtually unassailable, the opponents could not attack him for having a poor record of accomplishment or for being mediocre (an adjective soon to become famous in describing a subsequent nominee for the vacancy). The only alternative available was to first, create a new standard of conduct; second, apply this standard to the nominee retroactively making him appear to be ethically insensitive; third, convey the newly-created appearance of impropriety to the public by way of a politically hostile press (hostile due to an aversion to the so-called southern strategy of which Haynsworth was thought to be an integral part); nd fourth, prolong the decision upon confirmation for a while until the politicans in the Senate reacted to an aroused public. Judge Haynsworth was defeated on November 21, 1969, by a vote of 55–45. Appearance had prevailed over reality. Only two Democrats outside the South (and one was a conservative-Bible of Nevada) supported the nomination, an indication of the partisan issue it had become, leading the Washington Post, a lukewarm Haynsworth supporter, to editorially comment, the morning after the vote:

"The rejection, despite the speeches and comments on Capitol Hill to the contrary, seems to have resulted more from ideological and plainly political considerations than from ethical ones. It is impossible to believe that all Northern liberals and all Southern conservatives have such dramatically different ethical standards."

### CARSWELL: WAS HE QUALIFIED?

(Even if he was mediocre, there are a lot of mediocre judges and people and lawyers. They are entitled to a little representation, aren't they, and a little chance? We can't have all Brandeises and Cardozos and Frankfurters and stuff like that there.—Senator Roman Hruska, March 16, 1970.)

The United States Senate began the new year in no mood to reject another nomination of the President to the Supreme Court. It would take an incredibly poor nomination, students of the Senate concluded, to deny the President his choice in two successive instances. Circumstances, however, brought forth just such a nomination.

Subsequent to the defeat of Judge Haynsworth, President Nixon sent to the Senate in January of 1970 the name of Judge G. Harrold Carswell, of Florida and the Fifth Circuit. Judge Carswell had been nominated to the Circuit Court by President Nixon the year before, after serving 12 years on the U.S. District Court for the Northern District of Florida at Tallahassee to which he had been appointed by President Eisenhower.

He, too, faced an initial disadvantage in that he came from the south and was also considered by the press to be a part of the southern strategy. This should have been, as it should have been for Haynsworth, totally irrelevant to considerations of the man and his ability, but it was a factor and it immediately mobilized the not insignificant anti-south block in the Senate.

Many were troubled at the outset of the hearings about reports of a "white supremacy" speech Carswell had made as a youthful candidate for the legislature in Georgia in 1981, and later by allegations that he had supported efforts to convert a previously all-white public golf course to an all-white private country club in 1950, thus circumventing Supreme Court rulings. There were other less substantial allegations including lack of candor before the Senate Judiciary Committee (which had also been raised against Judge Haynsworth) but all of these were soon supplanted by what became the real issue—that is, did Carswell possess the requisite distinction for elevation to the High Court.

In attempting to determine by what standards Judge Carswell should be judged, some who had been very much involved in the Haynsworth debate attempted to define the standards which had been applied to the previous nominee. Kentucky's Marlow Cook called his standard the "Haynsworth test" and subsequently defined it as composed of essentially five elements, (1) competence; (2) achievement; (3) temperament; (4) judical propriety and (5) non-judicial record.

Judge Haynsworth himself would not have passed this test had he in fact been guilty of some ethical impropriety—that is, if his judicial integrity had been compromised by violations of any existing standard of conduct. His record of achievement was only attacked by a few misinformed columists and never really became an issue. And his competence, temperament and the record of his life off the bench was never questioned, but a breakdown in any of these areas might have been fatal also.

The judicial integrity component of the "Haynsworth test," previously described as a violation of existing standards of conduct for federal judges, was never in question in the Carswell proceedings. It was impossible for him to encounter difficulties similar to those of Judge Haynsworth because he owned no stocks and had not been involved in any business ventures through which a conflict might arise. Certainly, his non-judicial record was never questioned, nor was it a factor raised against any nominee in this century. Disqualifying non-judicial activities referred to here could best be illustrated by examples such as volations of federal or state law, or personal problems such as alcoholism or drug addiction—in other words, debilitating factors only indirectly related to effectiveness on the bench.

However, all the other criteria of the "Haynsworth test" were raised in the Carswell case and caused Senators seeking to make an objective appraisal of the nominee some difficulty. First, as to the question of competence, a Ripon Society Report and a study of the nominee's reversal percentages by a group of Columbia law students revealed that while a U.S. District Judge he had been reversed more than twice as often as the average federal district judge and that he ranked sixty-first in reversals among the 67 federal trial judges in the south. Numerous reversals alone might not have been a relevant factor; he could have been in the vanguard of his profession some argued. This defense, however, ignored simple facts about which even a first year law student would be aware. A federal district judge's duty in most instances is to follow the law as laid down by higher authority. Carswell appeared to have a chronic inability to do this. No comparable performance was ever imputed to Judge Haynsworth even by his severest critics.

Second, in the area of achievement, he was totally lacking. He had no publications, his opinions were rarely cited by other judges in their opinions, and no expertise in any area of the law was revealed. On the contrary, Judge Haynsworth's opinions were often cited, and he was a recognized expert in several fields including patents and trademarks, habeas corpus cases, and labor law. In addition, his opinions on Judicial administration were highly valued; he had been called upon to testify before Senator Tydings' subcommittee on Improvements in Judicial Machinery on this subject in June of 1969.

In addition his lack of professional distinction, Judge Carswell's temperament was also questionable. There was unrebutted testimony before the Judiciary Committee that he was hostile to a certain class of litigants—namely, those involved in litigation to insure the right to vote to all citizens regardless of race pursuant to the Voting Rights Act of 1965. There had been testimony that Judge Haynsworth was anti-labor and anti-civil rights, but these charges alleged not personal antipathy but rather philosophical bias in a certain direction such as Justice Goldberg might have been expected to exhibit against management in labor cases. Such philosophical or ideological considerations, as pointed out earlier, are more properly a concern of the President and not the Senate, which should sit in judgment upon qualifications only.

And finally, a telling factor possibly revealing something about both competence and temperament was Judge Carswell's inability to secure the support of his fellow judges on the Fifth Circuit. By contrast, all Fifth Circuit judges had supported Judge Homer Thornberry when he was nominated in the waning months of the Johnson presidency, even though that was not considered an outstanding appointment by many in the country. All judges of the Fourth Circuit had readily supported Judge Haynsworth's nomination. Therefore, it was highly unusual and significant that Judge Carswell could not secure the support of his fellow judges, especially when one considers that they must have assumed at that time they would have to deal with him continually in future years should his nomination not be confirmed. His subsequent decision to leave the bench and run for political office in Florida seeking to convert a wave of sympathy over his frustrated appointment into the consolation prize of a United States Senate seat only tended to confirm the worst suspicious about his devotion to being a member of the Federal Judiciary.

Judge Carswell, then, fell short in three of the five essential criteria evolving out of the Haynsworth case. This compelled a no vote by the junior Senator from Kentucky and he was joined by several other Senators who simply could not, in good conscience, vote to confirm despite the wishes of most of their constituents. Of the southern Senators who had supported Haynsworth, Spong, of Virginia, and Fulbright, of Arkansas, switched. Gore, of Tennessee and Yarborough, of Texas, voted no again and the only Democrat outside the south of liberal credentials who had supported the Haynsworth nomination, Gravel, of Alaska, joined the opponents this time.

Judge Carswell was defeated 51–45 on April 8, 1970 by essentially the same coalition which stopped Judge Haynsworth. The justification for opposition, however, as this article seeks to demonstrate, was much sounder. Some undoubtedly voted in favor of Carswell simply because he was a southern conservative. Others, no doubt, voted no for the same reason. The key Senators who determined his fate, however, clearly cast their votes against the Hruska maxim that mediocrity was entitled to a seat on the Supreme Court.

### HARRY M. BLACKMUN: CONFIRMATION AT LAST

(The political problem, therefore, is that so much must be explained in distinguishing between Haynsworth and Blackmun, and when the explanations are made there is still room for the political argument that Haynsworth should have been confirmed in the first place.—Richard Wilson, Washington Evening Star, April 20, 1970.)

President Nixon next sent to the Senate to fill the vacancy of almost one year created by the Fortas resignation a childhood friend of Chief Justice Warren Burger, his first court appointment, Judge Harry A. Blackmun, of Minnesota and the Eighth Circuit. Judge Blackmun had an initial advantage which Judges Haynsworth and Carswell had not enjoyed—he was not from the South. Once again, in judging the nominee it is appropriate to apply Senator Cook's "Haynsworth test."

Judge Blackmun's competence, temperament, and non-judicial record were quickly established by those charged with the responsibility of reviewing the nomination,[27] and were, in any event, never questioned, as no one asked the Judiciary Committee for the opportunity to be heard in opposition to the nomination.

In the area of achievement or distinction, Judge Blackmun was completely satisfactory. He had published three legal articles: "The Marital Deduction and Its Use in Minnesota;"[28] "The Physician and His Estate;"[29] and "Allowance of In Forma Pauperis in Section 2255 and Habeas Corpus Cases."[30] In addition, at the time of his selection he was chairman of the Advisory Committee on the Judge's Function of the American Bar Association Special Committee on Standards for the Administration of Criminal Justice. Moreover, he had achieved distinction in the areas of federal taxation and medico-legal problems and was considered by colleagues of the bench and bar to be an expert in these fields.

The only question raised about Judge Blackmun was in the area of judicial integrity or ethics. Judge Blackmun, since his appointment to the Eighth Circuit by President Eisenhower in 1959, had sat in three cases in which he actually owned stock in one of the litigants before him: Hanson v. Ford Motor Co.,[31] Kotula v. Ford Motor Co.,[32] and Mahoney v. Northwestern Bell Telephone Co.[33] In a fourth case, Minnesota Mining and Manufacturing Co. v. Superior Insulating Co.[34] Judge Blackmun acting similarly to Judge Haynsworth in Brunswick, bought shares of one of the litigants after the decision but before the denial of a petition for rehearings.

As previously mentioned, Judge Haynsworth's participation in Brunswick was criticized as violating the spirit of Canon 29 and the literal meaning of Formal Opinion 170 of the ABA, thus showing an insensitivity to judicial ethics, but Judge Blackmun acted similarly in the 3M case and was not so criticized. Except as it could be argued in Brunswick, Judge Haynsworth never sat in a case in which he owned stock in one of the litigants but, rather, three cases in which he merely owned stock in the parent corporation of the litigant-subsidiary, a situation not unethical under any existing standard, or even by the wildest stretch of any legal imaginations, except those of the anti-Haynsworth leadership.

Judge Blackmun, on the other hand, committed a much more clear-cut violation of what could be labelled the "Bayh standard." Senator Bayh, the leader of the opposition in both the Haynsworth and Carswell cases, ignored this breach of his Haynsworth test with the following interesting justification:

"He [Blackmun] discussed his stock holdings with Judge Johnson, then Chief Judge of the circuit, who advised him that 'his holdings did not constitute a substantial interest' under 28 USC 455, and that he was obliged to sit in the case. There is no indication that Judge Haynsworth ever disclosed his financial interest to any colleague or to any party who might have felt there was an apparent conflict, before sitting in such cases."[35]

Judge Haynsworth did not inform the lawyers because under existing Fourth Circuit practice he found no significant interest and, thus, no duty to disclose to the lawyers. In any event, Judge Blackmun did not inform any of the lawyers in any of the cases in which he sat, either. Judge Blackmun asked the chief judge his advice and relied upon it. Judge Haynsworth was the chief judge.

Chief Judge Johnson and Chief Judge Haynsworth both interpreted that standard, as it existed, not as the Senator from Indiana later fashioned it. That interpretation was, as the supporters of Judge Haynsworth said it was, and in accord with Chief Judge Johnson who described the meaning of 28 U.S.C. § 455 to be "that a judge should sit regardless of interest, so long as the decision will not have a significant effect upon the value of the judge's interest."[36]

In other words, it is not interest in the litigant but interest in the outcome of the litigation which requires stepping aside. But even if it were interest in the litigant, the interests of Blackmun were de minimis and the interests of Haynsworth were not only de minimis, but were one step removed—that is, his interest was in the parent corporation where the subsidiary was the litigant. Furthermore, the case law, what little there is, and prevailing practice dictate that in the parent-subsidiary situation there is no duty to step aside.

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As John Frank pointed out to the Judiciary Committee during the Haynsworth hearings, where there is no duty to step aside, there is a duty to sit. Judge Haynsworth and Judge Blackmun sat in these cases because under existing standards, not the convenient ad hoc standard of the Haynsworth opponents, they both had a duty to sit. But it is worth noting that if one were to require a strict adherence to the most rigid standard—Formal Opinion 170, which states that a judge shall not sit in a case in which he owns stock in a party litigant—Judge Haynsworth whom Senator Bayh opposed had only one arguable violation, Brunswick, while Judge Blackmun whom Senator Bayh supported had one arguable violation, 3M, and three clear violations, Hanson, Kotula and Mahoney.

The Senator from Indiana also argued that since Judge Blackmun stepped aside in Bridgeman v. Gateway Ford Truck Sales,[37] arising after the Haynsworth affair, a situation in which he owned stock in the parent Ford which totally owned one of the subsidiary-litigants, he "displayed a laudable recognition of the changing nature of the standards of judicial conduct."[38] Of course, Judge Blackmun stepped aside after seeing what Judge Haynsworth had been subjected to. Haynsworth did not have an opportunity to step aside in such situations since this new Bayh rule was established during the course of his demise. Certainly Judge Haynsworth would now comply with the Bayh test to avoid further attacks upon his judicial integrity just as Judge Blackmun wisely did in Bridgeman.

It is clear, then, to any objective reviewer, that the Haynsworth and Blackmun cases, aside from the political considerations involved, were virtually indistinguishable. If anything, Judge Blackmun had much more flagrantly violated that standard used to defeat Judge Haynsworth than had Judge Haynsworth. However, Judge Blackmun violated no existing standard worthy of denying him confirmation and he was quite properly confirmed by the Senate on May 12, 1970 by a vote of 88 to 0.

### A NEW TEST: CAN ONE BE CODIFIED?

Bad laws, if they exist, should be repealed as soon as possible, still, while they continue in force, for the sake of example they should be religiously observed.—Abraham Lincoln.

It has been demonstrated that Judges Haynsworth and Blackmun violated no existing standards worthy of denying either of them confirmation. Judge Carswell's defeat, like Judge Haynsworth's, was also due in part to the application of a new standard—it having been argued that mediocre nominees had been confirmed in the past, 'a *fortiori Carswell* should be also. Yet, certainly achievement was always a legitimate part of the Senate's consideration of a nominee for confirmation just as ethics had always been. The Senate simply ignored mediocrity at various times in the past and refused to do so in the case of Carswell. And in the case of Haynsworth it made up an unrealistic standard of judicial propriety to serve its political purposes and then ignored those standards later in regard to Judge Blackmun because politics dictated confirmation.

Possibly, new standards should be adopted by the Senate but, of course, adopted prospectively in the absence of a pending nomination and not in the course of confirmation proceedings. In this regard, Senator Bayh has now introduced two bills, The Judicial Disqualification Act of 1970 and the Omnibus Disclosure Act which, if enacted, would codify the standards he previously employed to defeat Judge Haynsworth. This legislative effort is an admission that the previously applied standards were nonexistent at the time. Those bills are, however, worthy of serious consideration in a continuing effort to improve judicial standards of conduct. Some standards have been suggested here and will be recounted again but first some observations about the body which must apply them.

First, it is safe to say that anti-southern prejudice is still very much alive in the land and particularly in the Senate. Although this alone did not cause the defeats of Haynsworth and Carswell, it was a major factor. The fact that so many Senators were willing to create a new ethical standard for Judge Haynsworth in November, 1969, in order to insure his defeat and then ignore even more flagrant violations of this newly established standard in May of 1970, can only be considered to demonstrate sectional prejudice.

Another ominous aspect of the past year's events has been that we have seen yet another example of the power of the press over the minds of the people. As Wendell Phillips once commented, "We live under a government of men and morning newspapers." Certainly, one should not accuse the working press of distorting the news. The reporters were simply conveying to the nation the accusations of the Senator from Indiana and others in the opposition camp. These accusations were interpreted by a misinformed public outside the south (as indicated by prominent public opinion polls) as conclusive proof of Judge Haynsworth's impropriety and Judge Carswell's racism, neither of which was ever substantiated. The press should remain unfettered, but public figures must continue to have the courage to stand up to those who would use it for their own narrow political advantage to destroy men's reputations, and more importantly, the aura of dignity which should properly surround the Supreme Court.

Some good, however, has come from this period. Senatorial assertion against an all powerful Executive, whoever he may be, whether it is in foreign affairs or in Supreme Court appointments, is healthy for the country. Such assertions help restore the constitutional checks and balances between our branches of government, thereby helping to preserve our institutions and maximize our freedom.

In addition, the American Bar Association has indicated a willingness to review its ethical standards and has appointed a Special Committee on Standards of Judicial Conduct, under the chairmanship of Judge Traynor, which issued a Preliminary Statement and Interim Report which would update the ABA Canons of Judicial Ethics. This report was discussed in public hearings on August 8th and 10th, 1970 at the Annual Meeting of the ABA in St. Louis and may be placed on the agenda for consideration at the February, 1971, mid-year meeting of the House of Delegates. Both supporters and opponents of Judge Haynsworth agreed that a review and overhaul of the ABA's Canons of Judicial Ethics was needed. This should be valuable and useful to the Senate as the Judiciary Committee under Senator Eastland has made a practice of requesting reports on Presidential nominees to the Supreme Court by the Standing Committee on the Federal Judiciary of the ABA. This practice probably should be continued as the Senate has not, in any way, delegated its decision upon confirmation to this outside organization. Rather, it seeks the views of the ABA before reporting nominees to the Judiciary to the floor of the Senate just as any committee would seek the views of relevant outside groups before proposing legislation.

Although not central to the considerations of this article, it should be noted what the Executive may have learned from this period. President Johnson undoubtedly discovered in the Fortas and Thornberry nominations that the Senate could be very reluctant at times to approve nominees who might be classified as personal friends or "cronies" of the Executive. It was also established that the Senate would frown upon Justices of the Supreme Court acting as advisors to the President as a violation of the concept of separation of powers. This argument was used very effectively against the elevation of Justice Fortas to the Chief Justiceship as he had been an advisor to President Johnson on a myriad of matters during his tenure on the Court. President Nixon learned during the Carswell proceedings that a high degree of competence would likely be required by the Senate before it approved future nominees. He also learned during the Haynsworth case that the Senate would likely require strict adherence to standards of judicial propriety.

Unfortunately, as a result of this episode, the Administration has adopted a very questionable practice in regard to future nominations to the Supreme Court. Attorney General John N. Mitchell announced on July 28, 1970 that the Justice Department would adopt a new procedure under which the Attorney General will seek a complete investigation by the ABA's Standing Committee on the Federal Judiciary before recommending anyone to the President for nomination to the Supreme Court. This Committee has already enjoyed virtually unprecedented influence in the selection of U.S. District and Circuit Judges as this Administration has made no nominations to these Courts which have not received the prior approval of this twelve man Committee. In effect, the Administration, after delegating to this Committee veto power over lower federal court appointments, has now broadened this authority to cover its selections to the Supreme Court. Complete delegation of authority to an outside organization of so awesome a responsibility as designating men to our federal District and Circuit Courts is bad enough, but such a delegation of authority to approve, on the Supreme Court level, is most unwise. Far from representing all lawyers in the country, the ABA has historically been the repository of "big-firm," "defense-oriented," "corporate-type lawyers" who may or may not make an objective appraisal of a prospective nominee, if President Wilson had asked the ABA for prior approval of Brandeis, the Supreme Court and the nation would never have benefitted from his great legal talents. The presumption that such an outside organization as the American Bar Association is better able to pass upon the credentials of nominees for the federal courts and especially the Supreme Court than the President of the United States who is given the constitutional authority, is an erroneous judgment which the passage of time will hopefully see reversed.[39] This is not to imply that ABA views would not be useful to the Executive in its considerations just as they are useful to but not determinative of the actions of the Senate (the Senate having rejected ABA approved nominees Haynsworth and Carswell).

What standard then can be drawn for the Senate from the experiences of the past year in advising and consenting to Presidential nominations to the Supreme Court? They have been set out above but should be reiterated in conclusion. At the outset, the Senate should discount the philosophy of the nominee. In our politically centrist society, it is highly unlikely that any Executive would nominate a man of such extreme views of the right of the left as to be disturbing to the Senate. However, a nomination, for example, of a Communist or a member of the American Nazi Party, would have to be considered an exception to the recommendation that the Senate leave ideological considerations to the discretion of the Executive. Political and philosophical considerations were often a factor in the nineteenth century and arguably in the Parker, Haynsworth and Carswell cases also, but this is not proper and tends to degrade the Court and dilute the constitutionally proper authority of the Executive in this area. The President is presumably elected by the people to carry out a program and altering the ideological directions of the Supreme Court would seem to be a perfectly legitimate part of a Presidential platform. To that end, the Constitution gives to him the power to nominate. As mentioned earlier, if the power to nominate had been given to the Senate, as was considered during the debates at the Constitutional Convention, then it would be proper for the Senate to consider political philosophy. The proper role of the Senate is to advise and consent to the particular nomination, and thus, as the Constitution puts it, "to appoint." This taken within the context of modern times should mean an examination only into the qualifications of the President's nominee.

In examining the qualifications of a Supreme Court nominee, use of the following criteria is recommended. First, the nominee must be judged competent. He should, of course, be a lawyer although the Constitution does not require it. Judicial experience might satisfy the Senate as to the nominee's competence, although the President should certainly not be restricted to naming sitting judges. Legal scholars as well as practicing lawyers might well be found competent.

Second, the nominee should be judged to have obtained some level of achievement or distinction. After all, it is the Supreme Court the Senate is considering not the police court in Hoboken, N.J. or even the U.S. District or Circuit Courts. This achievement could be established by writings, but the absence of publications alone would not be fatal. Reputation at the bar and bench would be significant. Quality of opinions if a sitting judge, or appellate briefs if a practicing attorney, or articles or books if a law professor might establish the requisite distinction. Certainly, the acquisition of expertise in certain areas of the law would be an important plus in determining the level of achievement of the nominee.

Third, temperament could be significant. Although difficult to establish and not as important as the other criteria, temperament might become a factor where, for example in the case of, Carswell, a sitting judge was alleged to be hostile to a certain class of litigants or abusive to lawyers in the courtroom.

Fourth, the nominee, if a judge, must have violated no existing standard of ethical conduct rendering him unfit for confirmation. If the nominee is not a judge, he must not have violated the Canons of Ethics and statutes which apply to conduct required of members of the bar. If a law professor, he must be free of violations of ethical standards applicable to that profession, for example plagiarism.

Fifth and finally, the nominee must have a clean record in his life off the bench. He should be free from prior criminal conviction and not the possessor of debilitating personal problems such as alcoholism or drug abuse. However, this final criterion would rarely come into play due to the intensive personal investigations customarily employed by the Executive before nominations are sent to the Senate.

In conclusions, their criteria for Senate judgment of nominees to the Supreme Court are recommended for future considerations. It will always be difficult to obtain a fair and impartial judgment from such an inevitably political body as the United States Senate. However, it is suggested that the true measure of a statesman may well be the ability to rise above partisan political considerations to objectively pass upon another aspiring human being. While the author retains no great optimism for their future usage, these guidelines are now, nevertheless, left behind, a fitting epilogue hopefully to a most unique and unforgettable era in the history of the Supreme Court.

### FOOTNOTES

[1] For recent articles discussing the role of the Executive see Bickel, *The Making of Supreme Court Justices*, 53 The New Leader, May 25, 1970, at 14-18; Commager, Chossing Supreme Court Judges, 162 The New Republic, May 2, 1970, at 13-16.

[2] J. Harris, The Advice and Consent of the Senate 302-03 (1953).

[3] C. Warren, The Supreme Court in U.S. History 134-35 (rev. ed. 135).

[4] 2 C. Warren, The Supreme Court in U.S. History 10 (rev. ed. 1935).

[5] *Id.* at 12.

[6] *Id.* at 13-15.

[7] *Id.* at 16.

[8] J. Harris, *supra note 2, at 99.*

[9] *Id.*

[10] *Id.* at 113.

[11] *Id.* at 115-27.

[12] *Id.* at 127-32.

[13] Letter from Senator Marlow W. Cook to Charles Hagan, October 21, 1969.

[14] For complete discussion of all issues raised by the "Bill of Particulars" see speech of Senator Marlow W. Cook, 115 Cong. Rec. S12314-20 (daily ed. Oct. 13, 1969). *See also* Report of Senate Judiciary Committee on the Nomination of Clement F. Haynsworth, Jr., Executive Report No. 91-12, 91st Cong., 1st Sess. (1969).

[15] 325 F.2d 682 (4th Cir. 1963).

[16] *Hearings on Nomination of Clement F. Haynsworth, Jr., of South Carolina to be Associate Justice of the Supreme Court of the United States Before the Senate Comm. on the Judiciary,* 91st Cong., 1st Sess. 115-16 (1969).

[17] 381 F.2d 380 (4th Cir. 1967).

[18] 363 F.2d 412 (4th Cir. 1966).

[19] 357 F.2d 228 (4th Cir. 1966).

[20] 403 F.2d 437 (5th Cir. 1968).

[21] 405 F. Supp. 3 (E.D.N.Y. 1952).

[22] *Hearings on Nomination of Clement F. Haynsworth, Jr., supra* note 15, at 469.

[23] 296 P. 883 (Cal. 1931).

[24] 392 F.2d 337 (4th Cir. 1968).

[25] *Hearings on Nomination of Clement F. Haynsworth, Jr., supra* note 15, at 238.

[26] *See Hearings on Nomination of George Harrold Carswell of Florida to be Associate Justice of the Supreme Court of the United States Before the Senate Comm. on the Judiciary,* 91st Cong., 2nd Sess. (1970). *See also* Report or Senate Judiciary Comm. on Nomination of George Harrold Carswell, Executive Report No. 91-14, 91st Cong., 2nd Sess. (1970).

[27] *See Hearings on Nomination of Harry A. Blackman of Minnesota to be Associate Justice of the Supreme Court of the United States Before the Senate Comm. on the Judiciary,* 91st Cong., 2nd Sess. (1970).

[28] Blackmun, *The Marital Deduction and Its Use in Minnesota,* 36 Minn. L. Rev. 50 (1951).

[29] Blackmun, *The Physician and His Estate,* 36 Minn. Med. 1033 (1953).

[30] Blackmun, *Allowance of In Forma Pauperis in Section 2255 and Habeas Corpus Cases,* 43 F.R.D. 343 (1968).

[31] 278 F.2d 586 (8th Cir. 1960).

[32] 338 F.2d 732 (8th Cir. 1961).

[33] 377 F.2d 549 (8th Cir. 1967).

[34] 284 F.2d 478 (8th Cir. 1960).

[35] Report of Senate Judiciary Comm. on Nomination of Harry A. Blackmun, Executive Report No. 91-18, 91 Cong., 2nd Sess. 9 (1970).

[36] *Id.*

[37] No. 19, 749, (February 4, 1970).

[38] Report of Senate Judiciary Comm. on Nomination of Harry A. Blackmun, *supra* note 34, at 10.

[39] *But see Walsh, Selection of Supreme Court Justices,* 56 A.B.A.J. 550-60 (1970); Report of the Standing Comm. on the Federal Judiciary of the American Bar Association (1970).

Mr. McCONNELL. It was pretty clear to this Senator back in those days, and it is still clear to him today, that if we decide that the Senate and the President are on coequal footing on these nominations—in other words, any inquiry that is relevant to the President is relevant to the Senate—we have a formula for gridlock in the future.

What disturbs me is that if a majority of the Senators in this body today decide, for whatever reason, that the test is no longer competence or qualifications or a variety of other issues that deal with the question of fitness, but that we instead should look at all the criteria that a President, any President, might take into account, we have a formula for gridlock.

If the Senate happens to be conservative at a given moment and the President is a liberal, he might never be able to get a nominee approved.

Over the years, going back to the beginning of this country, there have been some Senators at any given moment who have said: "Philosophy is relevant. I choose to make it relevant. I decide how to cast my vote, and I will vote 'no' against the nominee." But I think it is safe to say that on no occasion was that the majority view in the Senate.

Nominees have been rejected, as we all know, but I do not think that in any one of those instances a majority of the U.S. Senate reached the decision to reject a nominee on the basis that the nominee's philosophy was simply repugnant. Some took that view. Others may have felt it in their souls. But, in fact, the stated purpose, the stated reason, for objecting to the nominee was that the nominee somehow did not meet professional qualifications or standards or fitness that we can generally agree upon.

So what I worry about during the course of the Bork nomination is that the Senate reach an unfortunate decision that anything that is relevant to the President's consideration is relevant to our consideration and that that will be a formula for a gridlock.

The framers of the Constitution considered giving to the Senate the authority to appoint a Supreme Court

Justice. They rejected that. Clearly, there is a difference between appointing, on the one hand, and advising and consenting, on the other. They are different words; they must have a different meaning.

It seems to me that the appropriate role for us in this body is to look at the character, the professional qualifications, the fitness, if you will, of the nominee, and to leave to the one person who is elected by all the people of the United States the philosophical judgment. I think that if we follow that standard, if a majority of this body follows that standard, it will be well served when the President of the United States may be of a different philosophical persuasion.

If, on the other hand, we are going to decide, during the course of the nomination of Judge Bork, that it is entirely relevant for the Senate to consider philosophical leanings of a nominee, then Senators such as myself, who might prefer a conservative nominee—a year and a half from now, for example, if the chairman of the Judiciary Committee might be President of the United States, he might be confronted with a situation in which there is deep-seated philosophical opposition to an arguably well-qualified liberal nominee for the Supreme Court.

So the question is whether we ought to do down that road. I hope that as this debate unfolds over the coming months, we will seriously consider once again, as the Senate has on frequent occasions over the years, what is the appropriate role for this institution in advising and consenting to Presidential nominations to the Supreme Court. It is a most serious question, and we ought to think very long and very hard about what our appropriate inquiry ought to be. Otherwise, the Senator from Kentucky feels that we will have continued periods of gridlock over Presidential nominations to the Supreme Court.

Mr. BIDEN. Will the Senator yield?

Mr. McCONNELL. I yield.

Mr. BIDEN. The Senator paraphrased my earlier statement that if they send up Bork, I would have to be with him. The implication is that somehow the Senator from Delaware has changed his view and that the change may have been because of pressures of the chairmanship.

I would like to point out to the Senator that upon voting for Judge Scalia, I said to Judge Scalia at the hearing that had Judge Scalia been changing the balance on the Court, were he replacing someone other than a conservative like Chief Justice Burger, I might not be able to vote for him.

After that hearing, after voting for on Scalia and setting out my reservations, I was asked what would happen if they sent up a Bork. My response was that if he were like Scalia I would probably have to vote for him, regardless of what anybody said. I got "heat" for voting for Scalia.

My reference was in the context of the Scalia nomination—I understand the political value of taking it out of context. I am not saying that the Senator from Kentucky did that, because he might not be aware of my comments on Scalia. But the reference was made in the context of a Bork replacing a conservative Justice. I laid out my view clearly then. I said that if the fundamental direction of the Court were changed as a consequence of a vote on a nominee, I would carefully consider the wisdom of change.

It is my view that Judge Bork's appointment to the Court would fundamentally change the direction of the Court. That is why Judge Bork is not Judge Scalia. There is nothing inconsistent in what the Senator from Delaware did.

Mr. McCONNELL. I said that not to impugn the motives of the chairman.

Mr. BIDEN. I appreciate that. I just want to clarify the record.

I should like to say one more thing. I share the Senator's concern about gridlock, and I will make an agreement with him. If he will read my speech on advise and consent, I will read his law review article. At least, I would be curious to know the Senator's reaction to my analysis of the historical circumstances in which the philosophy of the nominee clearly becomes a matter of concern to the Senate.

I suggest this: I believe there is historical evidence for using the phrase "advise and consent" for the express purpose of avoiding gridlock.

The reason why the Constitution requires the advice of the Senate—is to avoid conflict in those circumstances where the President is clearly philosophically different from the Senate, the Framers of the Constitution envisioned that possibility. It is implicit in such a division that the country is divided. If you have a President with one philosophical view and the Senate is controlled by the opposite party, with a different philosophical view, at least arguably, the country is divided on the issue.

To avoid gridlock both sides should be reasonable—a President should seek the advice of the Senate, and the Senate should not insist that there be a liberal or a moderate.

Of the 15 people that this administration submitted to us for our votes, we immediately said that more than half a dozen, as many as 10, all of whom are conservatives, would be acceptable. But we said that there were several who were on the end of the Richter scale, who would cause a confrontation. That is not to prejudge what the result of the confrontation will be.

I say to my friend from Kentucky that I respect his view on this. I acknowledge his having spent time considering and thinking about what the Framers meant and what the constitutional mandate for his body is, and I respect the different view he has from mine on this issue.

In conclusion, it is my view that the Framers envisioned the possibility of gridlock when you have a President of one philosophic disposition and when the Senate is controlled by the party of another. That is why they put in the words "with the advice of," in order to reach a compromise.

Mr. McCONNELL. I say to my friend that with reference to his earlier observations about the balance issue, that is a fairly new issue, I suppose. There were some of us who felt that the Court was unbalanced in the other direction a few years earlier, and there is nothing particularly inappropriate about seeking to move it back in a different direction.

Mr. BIDEN. I agree with that.

Mr. McCONNELL. Over the years, that has been a prerogative of the President of the United States.

With regard to what the Framers meant to do and how the Senate has interpreted that over the years, the Senator from Kentucky recalls from his research a few years back—and it is not quite as alive as it was when I was poring over the books in those early days of 1970 and 1971—it was pretty clear that there was no occasion—and if I am wrong on this, I would be happy to be corrected—there was no occasion upon which a majority of the Senate stated the reason for rejection as a philosophical doctrine, shall we say.

There were Members of the Senate who have all along the way said: "I choose to call philosophy relevant. Therefore, I vote 'no.'" But I do not think that on any of those occasions upon which nominees were rejected, a clear majority of the Senate, in unison, said, "We reject this person because his views are obnoxious." They tended to look for—and sometimes they found, as in the case of Judge Carswell—disabling features, lack of fitness, lack of character, lack of professional standards.

I say this with some trepidation, because, as the Senator well knows, by sticking to the standard I am advocating, I put myself in the position, maybe a couple of years from now, of having to choke it down and support a well-qualified nominee whose views I find completely inappropriate.

If, in the course of this debate on Judge Bork, a majority of the Senate adopts the view that philosophy is just as relevant for the Senate as it is for the President, then I would say the Senator from Kentucky is willing to adopt that new view. If that is going to become the majority view around here—and we will find that out as this

unfolds—then the Senator from Kentucky will probably adopt that new view. In the future, that will mean that a good portion of us, maybe a majority, at any given time, will stand up on any nominee who comes up and say, if he is too liberal for me or too conservative for the Senator from Delaware, "I am going to vote 'no.'"

And we are going to have an awful lot of contentious nominations and an awful lot of rejections. Really I do not think it is a sound way to go. I know it is not easy. I must say to my friend from Delaware I know it is not easy for a U.S. Senator who is generally liberal in persuasion to support a conservative nominee.

I must say if I put myself in the Senator's shoes or look down the road and see myself in the position of having to react to a nominee whose views I find offensive in terms of his leftish leaning, it would be tough, but I think the best standard for the Senate to adopt is to leave the philosophy to the President and to make certain that we get men and women as nominees up here who are men and women of conspicuous achievement, those who have published, those who have achieved great distinction in their fields, in the field of law, in the field of endeavor.

I think that is a lot safer ground for us to be on for the future than to simply adopt a philosophical inquiry and go down that road. That is my principal concern.

Mr. BIDEN. If the Senator will yield, I would like to make three points. No. 1, that although there is no time when as many as 25 have at one time said that they explicitly set out philosophy as a rationale for their vote—I may have miscounted; it is in the record and I will not take the time now to go through it—there are qualified nominees who were rejected for clearly political reasons. Rutledge was clearly qualified. He was one of the Framers of the Constitution. He had served on the Supreme Court. He was clearly qualified. No one suggested that he did anything that was inappropriate or unethical in any way. Yet a majority concluded he should not be the Chief Justice.

Mr. McCONNELL. If I may interrupt, on the Rutledge nomination, he did have a temperament problem that was widely viewed as relevant.

And when we are talking about the judiciary, and I might say harkening back again to my law journal article, judicial temperament, one of the standards I set out I thought was appropriate that the Senate ought to take a look at even though on this they may be cloaking it, I agree with my friend, I think some people over the years have looked for a problem because they really did not like the philosophy. They tried to find something wrong because they did not like the philosophy. At least they felt the need to find something relevant as a reason for voting "no."

Mr. BIDEN. I think that is fine. In the case of Rutledge they said the Jay Treaty. They said anybody who can be so vociferous against the treaty obviously has to be unstable and not have judicial temperament. That may be the case. They may have cloaked it another way.

Let me speak to the second point, and that is that somehow the Senator from Delaware or other Senators who do not share the view of President Reagan on a number of issues would not vote for conservative judges. The fact of the matter is I have already voted for two conservative Justices. No one suggests that Sandra Day O'Connor was a liberal. No one ever suggested she was. Clearly no one ever said Justice Scalia was a liberal. As a matter of fact he was offered as a intellectually profound conservative, and I voted for both of them.

So this is not a question of not being able to vote for a conservative nominee. I have already done this twice so far just in the last 5 years. This goes beyond that question without determining whether you should or should not vote for Judge Bork to become Justice Bork.

The fact of the matter is that when you have a judicial philosophy, assuming that Judge Bork does, that is so clearly going to fundamentally change the outcome of decisions on the Court on a whole range of issues, when you have as, Judge Bork apparently does, a view that has a very, very limited view of the ninth amendment and the right of privacy, when you have views he has, it is not inappropriate to say "I just cannot support such a person to the Bench at this moment."

Mr. McCONNELL. Will the Senator yield on that point?

Mr. BIDEN. Surely.

Mr. McCONNELL. Is the observation of the Senator then that it is OK to support a conservative but not too many of them?

Mr. BIDEN. The observation is that on occasion can be the case.

For example, if tomorrow the Senator from Kentucky were President of the United States and the entire Supreme Court resigned, for whatever reason, is the Senator from Kentucky suggesting that he would even contemplate, as conservative as he is, putting nine Judge Borks on the Court? I suspect he would say at some point the Senate would be able to say now wait a minute. It is one thing to have a conservative point of view on the Court; it is another thing to have nine Judge Borks. Conversely, if the Senator from Delaware were President, would it be appropriate for him if the entire Court, God forbid, had a horrible accident or resigned, to say I put nine Brennans on the Court?

Mr. McCONNELL. If that is a question to the Senator from Kentucky, let me respond I do not think there is anything in the Constitution about this balance concept that he has been talking about.

Mr. BIDEN. The Senator is correct.

Mr. McCONNELL. My view is that the balance is a philosophical matter and as the Senator from Kentucky has said earlier it is my judgment that the philosophical leaning of the nominee is the prerogative of the President.

So if the question is would the Senator from Kentucky support nine Judge Borks if we got them all up at one time if they met the standard of fitness, competence, and temperament and achievement we have the right to expect as a nominee for the Supreme Court, the answer would be yes. If any President sent up nine Harrold Carswells, the answer would be no. And so the Senator from Kentucky is saying once again it seems to me the relevant inquiry here is that we have a right to expect excellence——

Mr. BIDEN. That is correct.

Mr. McCONNELL [continuing]. In a Supreme Court nominee.

But as to whether his views tend to be liberal or conservative it seems to me that is the inquiry for the President.

Mr. BIDEN. That is the fundamental disagreement. I think the Constitution clearly and precedent clearly dictate a different result.

I would suspect that the Senator from Kentucky might have a different view if I found him—assuming there were one—an incredibly bright, well-written, honorable, card-carrying Communist, who wished to be on the Court, met every standard, had judicial temperament, never lost his or her temper, were in the position where he understood the Constitution thoroughly, said he would abide by it, agree to it, and was that well-written and scholarly. I imagine the Senator would say, "Whoa, wait a minute, I cannot accept the views that are embodied in the basic philosophy this person brings to the bench," would he not?

Mr. McCONNELL. I mentioned that issue again in my article which the Senator now agreed to read, and I appreciate that. I cited that as an example, about the only example I think certainly makes a philosophy relevant. Presumably there you would be talking about someone who would be in favor of violent overthrow of our system. So the Senator picked a case where I suppose one would have to concede his philosophy would be relevant inquiry.

I do not think the Senator is equating the Bork nomination is in any way that much outside the main stream of acceptable judicial thinking in our country, is he?

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Mr. BIDEN. No; I am not. What I am responding to is the point the Senator cannot have, and the Senator acknowledges he does not clearly have, an absolute standard as long as someone meets the test of judicial temperament, intellectual excellence, and training. The point I am making is that the Senator himself acknowledges that there are occasions when in fact other relevant factors, including philosophy, even come in even from the Senator from Kentucky.

Mr. McCONNELL. I make this commitment: if any President of the United States, while the Senator serves in the Senate, sends up a Communist, I will oppose it so we can move that one off the table.

I might say to my friend, I think he would have been on firmer ground had he opposed the nomination of Judge Scalia. It seems to me that if we are to conclude that the philosophy is a relevant inquiry, if we are, it ought to apply to any conservatives. I think the Senator would have been on much firmer ground had he gone on and said this last year, by golly, I just think Judge Scalia is too far to the right, he is going to vote ways I do not approve of; therefore, I oppose him.

Mr. BIDEN. If the Senator will yield, what I suggested then and I suggest now is that the fact of the matter is that there are occasions, three occasions when in fact the U.S. Senate and individual Senators should, and I would argue must, consider the judicial philosophy of the nominee. One of those occasions is when that nominee, being placed on the Court, would fundamentally change the outcome of the Court rulings. I believe there should be conservative points of view represented on the court. I believe that brings about an intellectual dynamism that is required to the Court. I want that point of view represented on the Court. And I mean that sincerely. But I do not want that point of view, what I view as an extreme right position taken by Judge Bork on any issues, I do not want that to become law on the Court.

I do not want that to be the direction of the Court. But I do want it represented, assuming he meets the other criteria that the Senator has suggested. And I believe he does. I believe that he is honorable, that he is intellectually fit, that he is scholarly, that he has a background, et cetera. The fact of the matter is that if, in fact, placing a nominee on the Court is going to—for example, would the Senator, and this is more a rhetorical question he can answer; I do not expect him to—would the Senator vote for a nominee to the Supreme Court who argued still that Plessy versus Ferguson should be the prevailing law of the land, that Brown versus the Board of Education was incorrectly decided, that it was a wrong decision. Would he vote for such a person?

Mr. McCONNELL. I probably would not on the grounds that it would be foolish to throw out that many years of legal precedent. I had a question.

Mr. BIDEN. Let me ask another question.

Mr. McCONNELL. Since I have the floor.

Mr. BIDEN. If the Senator will yield, let me ask a second question and then I will yield. If the nominee who the Senator was about to vote on said that, in fact, stare decisis was a relevant concept when it came to the Supreme Court and that if any decision is incorrectly decided by the Court in the past regardless of the impact it would have on the decisions that had been made thus far, he would not feel compelled to abide by what had been precedent for the last 15 or 20 years, would the Senator then vote for such a nominee?

Mr. McCONNELL. It would seem to this Senator that, to the extent that a nominee's views amounted to incompetence, in terms of the judgment of how our court system works, it could raise what I believe is a relevant inquiry into his judicial ability.

You cannot simply ignore—I missed the last part of the question. Senator STEVENS had my attention.

Mr. BIDEN. I think it is important. I will repeat it because it relates to what you are suggesting there. There is no incompetence to suggest that the court incorrectly decided Brown versus the Board.

A lot of very brilliant people thought that was the wrong decision. It is not incompetent to suggest that.

Mr. McCONNELL. Incompetence is not the word, but I think for any nominee to argue that many years of precedent on a significant area might be irrelevant would certainly raise the question.

I do not know, based on this hypothetical, which way I would vote in that situation.

Mr. BIDEN. How about the circumstances where a nominee said that a decision like the Griswold case, where the State of Connecticut passed a law saying that you cannot advise married couples on the use of birth control, is against the law and if you advise a married couple on the use of birth control devices, you will be prosecuted.

That case was appealed to the Supreme Court. The Supreme Court ruled that the State of Connecticut cannot do that, because it violates the privacy of people in Connecticut.

That was in the mid-sixties. How about a nominee who came along and said that that was incorrectly decided; there is no right to privacy that exists within the Constitution and that "I would overturn those decisions"? How would you feel about voting for such a nominee?

Mr. McCONNELL. We can talk about hypotheticals all day.

Mr. BIDEN. That is not a hypothetical.

Mr. McCONNELL. You will have a chance to ask the nominee that question and I am sure you will. We will get back to this discussion in a moment, but the Senator from Alaska has some bills that have been cleared, I think.

Mr. BIDEN. I am willing to cease and desist.

Mr. McCONNELL. We can talk about hypotheticals all day. My friend from Delaware has talked about the need to keep the Court balanced and he is concerned about, as he puts it, unbalancing the Court to the right. I would hope the Senator, since he thinks this balance is so critical, would also oppose a nominee who might also someday unbalance the Court to the left and I will be listening during the course of the debate as to how we are going to achieve this mystical balance and keep the Court in perfect perspective from right to left. This standard by which we measure all these nominees will be something, maybe, that will evolve in the course of the hearings and the floor debate.

Mr. President, I have the floor and I am going—is the Senator from Alaska ready? Is the Senator from Alaska ready to proceed?

Mr. STEVENS. I would say, Mr. President, to my good friend from Kentucky, that when this dialog is ended the distinguished leader and I have some routine business to handle but we did not want to interrupt it in any way.

Mr. McCONNELL. The Senator from Kentucky has a meeting to attend and he is prepared to yield the floor and I am sure this debate will continue for many days in the future. I yield.

Mr. BIDEN. The Senator from Delaware will not continue the debate except to take 1 minute. The Senator from Delaware is not insisting there be a perpetual balancing in the court and has never argued that. The Senator from Delaware is suggesting that when the balance is going to change from one direction to another in a significant way, as everyone acknowledges this nominee will do—everyone acknowledges that—when that occurs each Senator then has an obligation to determine whether or not he wishes it to change in that direction. That is what the Constitution says we should do.

If he chooses that it should change, then he should vote for the nominee. But if he believes that in so changing the balance it will move the country in a direction with which he or she fundamentally disagrees, then the Constitution says they should vote no. That

is all. There is no mystical or mythical balance.

For, if you were to say that, it would mean the court could never change. It is just a matter of whether or not it changes in a way that each Senator thinks it should or should not change. I would suggest that the line of questioning that the Senator from Kentucky was raising is a valid one. If, in fact, you find yourself in a circumstance where there are precedents that a Justice would very well overrule—longstanding precedents—assuming he would say and he has written that he would overrule them and he would overrule them in a way that you do not like; then it seems to me every Senator should ask: Do I want that to be the case?

That is all I am saying. I thank my friend from Kentucky. I look forward to continuing discussions with him on this subject and I thank the Chair.

## EXTENSION OF TIME FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended until 1 o'clock, that the distinguished Senator from Alaska have 3 minutes to introduce a bill; that the distinguished Senator from New Hampshire may have 5 minutes, and the distinguished Senator from Oklahoma may have 5 minutes. At the conclusion of those speeches, I ask unanimous consent that the Senate stand in recess until 2 p.m.

Mr. HUMPHREY. Mr. President, I would like to have 10 minutes, if I may, or be permitted to ask for an extension.

Mr. BYRD. Mr. President, I will change that so that the distinguished Senator from New Hampshire may have 10 minutes, 3 minutes to Mr. STEVENS, and 5 minutes to Mr. BOREN, and at the conclusion of the remarks the Chair recess the Senate until 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

## DOCUMENTATION OF FOREIGN-BUILT FISH-PROCESSING VESSELS

Mr. STEVENS. Mr. President, I want to express my deep appreciation to the distinguished majority leader for agreeing to this procedure.

Mr. President, I send to the desk a bill and ask for its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 1591) to temporarily restrict the ability to document foreign-built fish-processing vessels under the laws of the United States.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, there is no objection on this side. It has been cleared and we are ready to proceed with its immediate consideration.

The PRESIDING OFFICER. Without objection, the bill will be considered to have been read the second time and the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, I am offering an emergency bill designed to prevent the documentation of foreign-built fish processing vessels under the laws of the United States until March 1, 1988.

This issue is of critical importance to the U.S. fishing industry. Under current law, foreign companies can take advantage of the U.S. documentation laws and claim access to U.S. fisheries resources in contravention of the Magnuson Fisheries Conservation and Management Act. The Senate Commerce Committee and the House Merchant Marine and Fisheries Committee are in the process of developing legislation to correct the loophole in the documentation laws. Despite warnings from Members of Congress to refrain from documenting any foreign-built vessels until this issue has been resolved, a Korean company has submitted applications to have three vessels documented as United States fish processors.

The U.S. Coast Guard has informed me that it does not have discretion to deny an application if it has been properly filed. This amendment would prohibit the Coast Guard from approving any such application until the Senate and House have had time to carry the legislative effort to its conclusion.

Mr. President, this bill will suspend the right of the Coast Guard to issue certificates of reflagging for foreign-built vessels to become fish processors under the laws of the United States until March 1, 1988, so that both the House and the Senate can complete work on a very complicated bill dealing with this subject.

Mr. President, I appreciate the cooperation of all concerned.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1591) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1591

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* Notwithstanding Chapter 121 of Title 46 of the United States Code, the Secretary of the department in which the Coast Guard is operating shall not grant a certificate of documentation to any foreign-built vessel for use as a fish processing vessel. This restriction shall be effective until March 1, 1988. The Secretary may issue such regulations as the Secretary considers necessary to obtain information on the intended use of any vessel applying for a certificate of documentation in order to prevent the documentation of a foreign-built fish processing vessel.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. I thank the distinguished majority leader.

Mr. BYRD. I thank the Senator.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I wonder if the Senator from Colorado and I may proceed with a little business.

## THE CALENDAR

Mr. BYRD. Mr. President, I ask the distinguished acting Republican leader [Mr. ARMSTRONG] if the following calendar orders have been cleared on his side of the aisle: Calendar Order No. 250, Calendar Order No. 267, Calendar Order No. 276, and Calendar Order No. 289.

Mr. ARMSTRONG. Mr. President, if the distinguished leader will yield to me, I will be happy to respond that they have been cleared, and, at the right time, either now or later, I would like to take a few moments to explain why they have been delayed until now. But at this point they are cleared on this side.

Mr. BYRD. Very well. We could wait until later if the Senator wishes to speak. I do not want to delay the other Senators who are waiting.

Mr. ARMSTRONG. I would think it would take 1 or 2 minutes for me to explain the delay. I will be glad to do that now or return another time.

Mr. BYRD. Very well. If the Senator would like to explain it now, we will proceed with the explanation.

Mr. ARMSTRONG. I will be happy to.

Mr. President, there are about six or seven items of the Senate Rules Committee which were pending on the calendar which I asked that we withhold action on. At the request of the majority leader and subsequently the minority leader, I have cleared these four items which have just been listed.

The reason I asked that they be held up for a few days is simply to gently and in a friendly way make the point that there are two parties in the Chamber and that the Senators on both sides of the aisle have a right to be consulted about these things, and to express my concern about some actions which are occurring under the direction of the Rules Committee.

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### CHANNEL 26 MINICONTROVERSY

I refer to what is at this point just a minicontroversy over channel 26. The issue is very simply censorship.

Some time ago, at my direction, the staff director of the Republican Policy Committee sought approval of the Rules Committee to put on channel 26, or an appropriate channel, a bulletin board, an internal service for the information of Republican Senators and indeed for anyone else in the Capitol area who was interested in floor information. What this service amounts to is just that. It is a public service. It is not partisan in any way. It would be appropriate to put partisan information on there because it comes from the Republican Policy Committee. But we have not done that.

This was in due course approved and put on the air. Then with the informal approval, and I stress informal because it was not acted upon, we put behind the bulletin board a picture of the Senate proceedings which not only made it more pleasing to the eye but a more useful service so that one could have on in their office or a more convenient place a picture of the Chamber, seeing what the proceedings were, and then a notation of the Republican Policy Committee of what was occurring, what the action was.

This was shut down a few days ago. The chairman of the Rules Committee called and said we just had to take it off, that we could not continue this.

Implicit in the discussion I had with the Rules Committee chairman was the fact that if we did not take this picture off of channel 26 the switch would be thrown and it would be taken off altogether.

I make the point this is really censorship, not in keeping with the better traditions of the Senate. What we are doing, first of all, does not disadvantage anybody. It is only for the service and information of Senators. It is something which is completely within the rules. It was something that was cleared formally with respect to the bulletin board and informally with respect to the underlying picture, and which was something that anybody outside the Senate could do. Any person who wanted to pick up the broadcast of the Senate and rebroadcast it on a cable system somewhere else would be free to do so, and to put over it any kind of information of this type so long as it was not partisan in character. I have already pointed out this information was not.

I just wanted to make this point, Mr. President, not to argue it or make a big issue of it at this time. We have not sought to make a big flap over it. But I thought that holding up one or two or three otherwise not offensive items would be a way to make a point. We are not here to fight on this issue but here to just get on with our tasks.

Mr. President, I wonder if the name Ned Ludd is familiar with the Chair. He was a member of a group that came to be known as the Luddites in 1811. They thought they could hold back progress by destroying machinery. It was short lived. The idea that somehow you could turn back the clock on technology and improve the human conditions thereby lives on.

I trust that does not live in the Senate. I hope that in due course, Mr. President, the Senate Republican Policy Committee will be permitted to resume fully the service which we offered on channel 26. I thank the distinguished leader for giving me this moment to explain the situation.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I have very scant knowledge of the matter about which he is talking. I am a member of the Rules Committee and I feel that there may be something that the chairman or someone on the Rules Committee would want to say in response to what the distinguished Senator from Colorado has just said.

If that be the case, I ask unanimous consent that that statement appear immediately behind the statement which has just been made by the distinguished Senator from Colorado. I do not know enough about the details to respond, but if there is a response I think it should appear in the RECORD at that point.

Mr. ARMSTRONG. If the Senator will yield, that would be entirely appropriate. Our purpose is not to start a controversy over this. My hope and belief is that as Senators learn what the issue really is, everyone will think it is a good idea and a useful service.

I note that the distinguished chairman of the Rules Committee has just come to the floor. He may have something to say about it now or at a future time.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

If the Senator will withhold, the Chair will point out that we are under a previous unanimous-consent agreement. The Senator from Alaska was to be recognized for 3 minutes and the Senator from Oklahoma for 5 minutes. The Senator from Arizona yielded to the majority leader to transact some business.

Mr. BYRD. Mr. President, the business has not been transacted.

Mr. President, I ask unanimous consent that the business that is being transacted proceed for not to exceed 5 minutes without prejudice to the distinguished Senator from New Hampshire or the distinguished Senator from Oklahoma, and that the morning business period be extended to accommodate these matters and, at the conclusion of the morning business, the Chair recess the Senate until 2 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kentucky.

Mr. FORD. Mr. President, I was not on the floor and I did not hear the distinguished Senator from Colorado explain the flap over the hold on the bills from the Rules Committee. I did not mention any names this morning when I made my little statement. Down in Kentucky we have a little saying that a bit dog always barks.

So I am here now and if the distinguished Senator wants to have a little colloquy with me I am more than delighted to have it. I have talked with him personally about channel 26.

He had no objections at that time and, in fact, he was very amenable to my request, and, in fact, made some comments where the Democrats and the Republicans might be able to join together at a later period of time.

Immediately after that, which would seem to me to have been a conversation that was affable and he seemed to understand, we left it with that, without any problems.

Immediately a hold went on all the bills from the Rules Committee, and apparently it was by the senior Senator from Colorado. So I am here now. If the Senator has any problems that he would like to discuss with me openly, I would be more than happy to do that and be more than happy to try to explain more than I have because that is all that transpired.

Mr. ARMSTRONG. Mr. President, if the Senator will yield.

Mr. FORD. I will be delighted to yield.

Mr. ARMSTRONG. I am happy to take a moment to do so.

Mr. President, let me say to my friend that I have already explained to the Senate and would restate again that the reason why I put a hold on several of these bills—and I do not know that I am the only Senator who did so, but I was one who did and have now released it—was to make the point gently and in a friendly way, without being unduly confrontational, that this is about a body which operates on a consensus for the most part and that there is the right of all Senators to participate including Senators on the minority side. And that it is not an attempt to start a big fight over this, but it is an attempt to raise the point that we think we have been mishandled a bit on this channel 26 issue. Now, I have released my hold on these several things. They have been held up 2 or 3 days. We probably could have held them a bit longer, maybe 2 or 3 weeks, maybe forever. It is not our desire to be obstructionist in the slightest, just our desire to make the point——

Mr. FORD. Will the Senator yield just a moment? Who is "our desire"?

Mr. ARMSTRONG. It is my desire.

Mr. FORD. Oh, OK.

Mr. ARMSTRONG. The desire of other Senators on the Republican side of the aisle to make the point that we would like to be treated a bit better on the channel 26 issue.

Now, the Senator is correct that he and I talked about this on the telephone, but he is not correct in stating that I agreed with the outcome. We had an affable conversation, and I have never known the Senator to be anything other than affable. And indeed, we are friends. Whether we are able to resolve the controversy over this or not, we are going to remain friends and that is as it should be. But I think it is a form of none-too-subtle censorship and a kind of procedure which I cannot willingly agree to.

Let me just tick off the facts. The facts are that we have the written permission——

Mr. FORD. Remember, we only have 5 minutes.

Mr. ARMSTRONG. Would the Senator like to do it another time?

Mr. FORD. No, let us go ahead and do as much as we can now.

Mr. ARMSTRONG. We have, and properly so, the authorization to put the notes, the floor information on this channel. All that is at issue is in one sense a fairly petty manner, the question of whether or not we may put as the background to the messages a picture of the floor. And I pointed out earlier, let me say to the chairman, that any cable television system in the country could do this. It is not against the law. It does not violate the rules of the Senate. Any person outside the Senate is at liberty to take the picture of the Senate and superimpose floor information on it provided that that is not information or notices of a political or partisan character.

Well, why is it important that we make an issue of this if, after all, it is not really a great national issue? In a sense it is petty, first because it is a more useful service if Senators can simultaneously see the floor information and see the picture. Second, it is an issue which we think is a fundamental first amendment question. Sometimes these issues present themselves in a dramatic way, sometimes in subtle ways, and this is, in my opinion, a more subtle way, but implicit in this is the question of whether or not we may control for ourselves that which we transmit over this channel. It is a free speech issue pure and simple.

So my hope—and I want to have this conversation be just as affable and just as friendly as our last discussion of it was—that as the Senator reflects upon and counsels with his colleagues on his side of the aisle, they will not choose to make an issue of this and we can easily just with a flip of a switch restore this service to its full usefulness.

I also think, by the way, that it would be well if the Democrats wanted to do the same thing. I hope he did not understand me to suggest that we do it together. I do not think that would be appropriate, but I do think it would be perfectly appropriate for the Democratic side to furnish similar kinds of floor information and in effect have competing services to the benefit of all.

Finally, Mr. President, let me point out we are talking only about an in-house, on-campus, TV signal. We are not talking about anything that goes out to the world, out to C-SPAN, out to the networks. We are just talking about what appears in the offices for the benefit of Senators and staffs and committees and we are just trying to be helpful.

The PRESIDING OFFICER. The Chair would remind Senators that the time set aside for the resolution of this particular matter has expired.

Mr. FORD. I might just say, I asked——

Mr. BYRD. Mr. President, I ask unanimous consent that there be 2 additional minutes.

Mr. FORD. I do not care. I just asked a question, and I reminded the Senator we had 5 minutes and he took it all, which is typical. We will fight this at a later date.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate consider en bloc the four measures which have been cleared; that they be agreed to en bloc—I do not note any amendments to any of them—and that the motion to reconsider en bloc be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank all Senators.

## PAYMENT FOR TELECOMMUNICATIONS EQUIPMENT AND SERVICES

The bill (S. 1532) relating to the payment for telecommunications equipment and services furnished by the Sergeant at Arms and Doorkeeper of the Senate, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1532

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### DEFINITIONS

SECTION 1. As used in this Act, the term—

(1) "Sergeant at Arms" means the Sergeant at Arms and Doorkeeper of the United States Senate; and

(2) "user" means any Senator, Officer of the Senate, Committee, office, or entity provided telephone equipment and services by the Sergeant at Arms.

### REGULATIONS; CERTIFICATION

SEC. 2. (a) Subject to such regulations as may hereafter be issued by the Committee on Rules and Administration of the Senate, the Sergeant at Arms shall have the authority, with respect to telephone equipment and services provided to any user on a reimbursable basis (including repair or replacement), solely for the purposes of this section, to make such certification as may be necessary to establish such services and equipment as official, issue invoices in conjunction therewith, and receive payment for such services and equipment by certification, voucher, or otherwise.

(b) For purposes of this Act, telephone equipment and services provided to any user for which payment, prior to the effective date of this Act, was not authorized from the contingent fund of the Senate shall, on and after such effective date, be considered telephone equipment and services provided on a reimbursable basis for which payment may be obtained from such fund in accordance with subsection (a) of this section.

(c) Subject to the approval of the Committee on Rules and Administration, the Sergeant at Arms may establish reasonable charges for telephone equipment and services provided to any user which may be in addition to that regularly authorized by the Committee.

(d) All moneys, derived from payments for telephone equipment and services provided from funds from the Appropriation Account within the contingent fund of the Senate for "Contingent Expenses, Sergeant at Arms and Doorkeeper of the Senate" under the line item for Telecommunications (including receipts from carriers and others for loss or damage to such services or equipment for which repair or replacement has been provided by the Sergeant at Arms), shall be deposited in and made a part of such Appropriation Account and under such line item, and shall be available for expenditure or obligation, or both, in like manner and subject to the same limitations as any other moneys in such account and under such line item.

(e) Nothing in this Act shall be construed as limiting or otherwise affecting the authority of the Committee on Rules and Administration of the Senate to classify or reclassify telephone equipment and services provided to any user as equipment or services for which reimbursement may or may not be required.

### REPORT

SEC. 3. The Sergeant at Arms shall report to the Committee on Rules and Administration of the Senate, at such time or times, and in such form and manner, as the Committee may direct, on expenditures made, and revenues received, pursuant to this Act. It shall be the function of the Sergeant at Arms to advise the Committee, as soon as possible, of any dispute regarding payments to and from such Appropriation Account as related to the line item for Telecommunications, including any amounts due and unpaid by any user, if any such dispute has remained unresolved for a period of at least 60 days.

### EFFECTIVE DATE

SEC. 4. This Act shall take effect on October 1, 1987.

## REIMBURSEMENT OF EXPENSES PAID TO WITNESSES APPEARING BEFORE THE SENATE

The resolution (S. Res. 259) relating to the reimbursement of expenses paid to witnesses appearing before the

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Senate, was considered, and agreed to; as follows:

S. Res. 259

*Resolved,* That witnesses appearing before the Senate or any of its committees may be authorized reimbursement for per diem expenses incurred for each day while traveling to and from the place of examination and for each day in attendance. Such reimbursement shall be made on an actual expense basis which shall not exceed the daily rate prescribed by the Committee on Rules and Administration, unless such limitation is specifically waived by such committee. A witness may also be authorized reimbursement of the actual and necessary transportation expenses incurred by the witness in traveling to and from the place of examination.

Sec. 2. (a) The provisions of this resolution shall be effective with respect to all witness expenses incurred on or after October 1, 1987.

(b) Senate Resolution 538, agreed to December 8, 1980, is repealed effective on October 1, 1987.

## PRINTING OF A REVISED EDITION OF THE PAMPHLET ENTITLED "THE CONSTITUTION OF THE UNITED STATES OF AMERICA"

The concurrent resolution (H. Con. Res. 125) authorizing the printing of a revised edition of the pamphlet entitled "The Constitution of the United States of America," was considered and agreed to.

## TRANSFER OF CERTAIN FEDERAL LANDS TO THE VETERANS' ADMINISTRATION

The Senate proceeded to consider the bill (S. 1194) to transfer jurisdiction over certain lands in Bernalillo County, NM, from the General Services Administration to the Veterans' Administration.

Mr. DOMENICI. Mr. President, S. 1194 will transfer a 5-acre tract of land in Albuquerque, NM from the General Services Administration [GSA] to the Veterans' Administration [VA]. The land will be used to provide much-needed parking at the Veterans Administration Medical Center in Albuquerque. I encourage all Senators to support this bill.

The tract that will be transferred by this bill was originally owned by the VA. In April 1974, the VA transferred the land to the State of New Mexico at no cost. The State of New Mexico intended to use the land as a highway corridor. The State subsequently modified its plans and decided not to use the parcel for a highway corridor. Last year, the State retransferred the tract at no cost to the GSA, the agency designated by law to receive property for the Federal Government.

In January 1986, the VA and the Air Force established a joint venture that will result in the relocation of the Kirtland AFB Hospital to the VA Medical Center. As part of this project, three new buildings need to be constructed.

The 5-acre parcel that this bill would transfer is urgently needed to provide parking for VA employees and patients. Construction on the new facilities is to begin around the end of this year. During the construction period, which will take many years, a good portion of existing parking on the VA campus will be lost to construction activity. The land is needed to overcome the anticipated parking shortage during construction and to provide sufficient long-term parking when the new facilities are in place.

The parking space shortage at the hospital is already critical, as a letter I recently received from Mrs. C.R. Canfield of Albuquerque demonstrates. In the letter, Mrs. Canfield related how frustrating it is to try to find a parking space when she takes her husband to the hospital.

Mr. President, listen to a portion of what Mrs. Canfield had to say:

May 20, 1987.

Dear Senator Domenici: Yesterday I took my husband, Chester R. Canfield, a totally and permanently disabled veteran of World War II, to the new VA Hospital here in Albuquerque for an appointment in the General Medical Clinic.

The parking situation is a real disgrace! He could not have kept his appointment if I hadn't taken him, because there is no way he could walk from where I had to park (out in the south parking lot for the old hospital building) back to GMC in the new hospital.

In the parking area east of the hospital, I counted only 10 parking spaces for patients * * *.

According to my count, the north parking lot has 28 parking spaces for the handicapped.

We've no idea how many other spaces are in the north lot, but not enough! Every space was filled and the driving lanes were almost filled with people looking for places to park.

Why * * * is there so little parking for the handicapped veteran patients?

What makes the matters even more distressing is that the Kirtland A.F.B. Hospital patients will have to start using the VA Hospital one of these days, if they haven't already. That will mean thousands more, I'm sure, to vie for the precious parking spaces.

My husband's blood pressure was 20 points higher at his appointment yesterday than it normally is at home. I wonder how many real health crises, such as heart attacks and strokes, are brought on veterans because of the upset, the frustration, the anger about not being able to park.

There is hardly ever a time that I fail to take my husband for his VA appointments, but I can't always, and I'm sure there are many handicapped veterans who always have to go alone to their appointments at the VA Hospital.

We and all other veterans who use this facility will greatly appreciate any help you can give to secure an improved parking situation for the veterans entitled to receive service at the VA Hospital here in Albuquerque.

Very truly yours,

Mrs. C.R. Canfield.

Mr. President, the VA has requested that the GSA transfer the property back to the VA. Although the GSA is willing to do so, it is requesting that the VA pay $540,000 for the tract. The VA does not have the funds in its budget to pay for the land. The VA has inquired of OMB whether OMB would waive the payment for the land, but OMB has refused to do so.

Mr. President, this is a simple matter of transferring a small tract of land from one agency of the Federal Government to another. Fairness dictates that the transfer of the land back to the VA be done at no cost, as the VA originaly transferred it to the State of New Mexico at no cost. Furthermore, this transfer would cost the GSA nothing, since it received the land from the State for free. This transfer needs to be accomplished quickly because of impending construction. I hope that this measure will have the support of all the members of the Senate and that the Congress will enact it quickly.

Mr. BINGAMAN. Mr. President, I rise to urge my colleagues to support a measure of critical importance to all veterans and their families in my State. This legislation would transfer ownership of an important 5.081 acre parcel of land in Albuquerque to the Veterans Administration in order to help alleviate a serious parking shortage at the Veterans Administrative Medical Center [VAMC]. I introduced this measure on May 13 of this year with the distinguished senior Senator from New Mexico, Senator Domenici.

The parcel of land in question was at one time the property of the Albuquerque VAMC. In April of 1974, this land was transferred at no cost to the State of New Mexico. This conveyance was contingent upon its use as a highway corridor. However, the State laid aside plans to build a highway through the land. As a result, the VAMC has sought to reacquire the parcel given the State. At the VA's prompting, the State released this land to the General Services Administration [GSA] at no cost. The VA then requested ownership from GSA. Because GSA has placed a value of $540,000 on the land, the VAMC cannot realistically expect to acquire this land.

This bill would allow for the expeditious transfer of the land from GSA to the VA. The land is needed in the very near future by the VA to accommodate the parking shortage that is expected with the construction of new buildings for use by the VAMC and the Kirtland Air Force Base Hospital. Action must be taken now to provide long-term parking for the use of veterans and their families.

I am pleased that my colleagues on the Governmental Affairs Committee passed this bill without opposition on August 4. In light of parking problems that will arise at the VAMC without

the completion of such a transfer, I believe it is important that the Senate address this matter promptly and I urge my colleagues to vote for this measure.

Thank you, Mr. President.

The bill was ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1194

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the real property described in subsection (b) shall be transferred without compensation or reimbursement from the control and jurisdiction of the General Services Administration to the control and jurisdiction of the Veterans' Administration.

(b) The real property referred to in subsection (a) is a tract of land located in the NW ¼ of Section 39, Township 10 North, Range 3 East, New Mexico Principal Meridian, consisting of 5.081 acres, more or less, in Bernalillo County, New Mexico, such property being that same property that—

(1) was formerly part of the Veterans' Administration Medical Center, Albuquerque, New Mexico;

(2) was transferred to the State of New Mexico at no cost for use as a highway corridor in 1974; and

(3) was subsequently retransferred by the State of New Mexico to the General Services Administation at no cost.

The PRESIDING OFFICER (Mr. Rockefeller). The Senator from New Hampshire is recognized for 10 minutes.

Mr. HUMPHREY. Mr. President, I thank the Chair.

Mr. President, before I return to my remarks on the nomination of Judge Bork, I want to state my regret at what seemed to me to be a suggestion on the part of the Senator from Kentucky that the Senator from Colorado has somehow treated him unfairly in the colloquy that took place a moment ago. Surely, if a poll were conducted on both sides of the aisle few Senators would come out farther ahead than the Senator from Colorado in matters of fairness and graciousness and generosity. So I did not want the opportunity to pass by without stating that for the record.

## BORK NOMINATION

Mr. HUMPHREY. Mr. President, the chairman of the Judiciary Committee, Senator Biden, addresed the body earlier this afternoon to further expound on his views with respect to the Bork nomination. He said afterwards in an exchange with this Senator—perhaps earlier as well; I was not here for the entire speech—that he has reached an agreement with the ranking member of the Judiciary Committee, Senator Thurmond, to commit to a date of October 1 to report out the Bork nomination, provided that preceding period is sufficient to accommodate all of the witnesses plus 1 additional day.

That is very good news, indeed, and I thank the chairman of the Judiciary Committee for that commitment. It does not erase, of course, the fact that by selecting September 15, on which date the hearings are to begin, the chairman has set a new modern times record for delaying the onset of such hearings. Research done by the Congressional Research Service shows that over the last quarter century, the modern era telecommunications, the average time between the receipt of the nomination papers by the Senate and the beginning of nomination hearings by the Judiciary Committee has been 17.6 days.

In this case, in the case of Bork, under the timetable set up by Senator Biden, it will be 70 days, some four times the average, almost twice the delay of the previous record, which was 42 days in the case of Justice Scalia.

I think that such a delay is unnecessary and is unfair to the President and the nominee. It is unfair to our judicial system because of the effect the delay will have on the Court when it begins its new term. It is quite possible that we may have some 4–4 decisions, and in those cases justice will be delayed, if not completely denied.

So I regret that September 15 remains as the date, but I am grateful to the chairman for expressing his commitment to report the nomination by October 1.

Maybe this is a sign that the dust is settling. Maybe this is a sign that the rhetorical dust that was thrown up in the heated, partisan pawing of the earth is beginning to settle. I hope so.

I believe that when we begin to focus on the facts and the dust settles and we can discern the facts, a majority of the Senate will see that the nominee is extraordinarily well qualified to serve on the Supreme Court. Indeed, if one were to design a hypothetical candidate for a person ideally suited to the Supreme Court, it would closely match the actual—not the hypothetical—career and accomplishments of Robert Bork.

He received his law degree from the University of Chicago Law School, one of the most prestigious in the Nation. He served with the highest distinction as a professor of law at Yale Law School, where he held two of the most distinguished chairs at that institution. His scholarly legal writings have been both prolific and profound, reflecting an appreciation and respect for our written Constitution that is exactly what we need on the Court.

Robert Bork served in the third highest post in the Justice Department, to which he was confirmed by the Senate—that is, the post of Solicitor General of the United States—from 1973 to 1977, where he served as the Justice Department's chief litigator before the U.S. Supreme Court. His performance in that capacity was exemplary in every respect and further provides him with invaluable knowledge and understanding of and respect for the high court as an institution.

Later, as Senators know—many of whom were here at the time—Robert Bork was nominated and confirmed unanimously by this body to the D.C. Circuit Court of Appeals, generally regarded as the second-most important court in the country, second only to the Supreme Court itself. I repeat: Judge Bork, who is now the object of so much criticism and vitriol, was unanimously confirmed by the Senate of the United States to the second-most important court in this country.

Surely, Senators, particularly those who, like this one, were here in 1982, are not about to retract the votes they cast that year, are not about to admit that in the discharge of their responsibilities in connection with that nomination, they were careless or guilty of malfeasance in casting their vote unanimously for this man to occupy the second-highest court in the country.

Let me say further, Mr. President, that Judge Bork's performance on the D.C. court has been outstanding and fully compatible with the sound principles of judging cases which he expressed in his confirmation hearings.

I mentioned the facts, as opposed to the hot political rhetoric. Here are the facts.

He served for 5 years in that second most important tribunal. He has authored over 100 majority opinions, not one of which has been reversed by the Supreme Court. Such a record would be inconceivable if, as alleged by his opponents, Judge Bork was an ideological extremist on the fringes of the judicial mainstream.

I point out, further, with regard to his service on the Circuit Court of Appeals for the District of Columbia, that he voted with Judge Scalia, when they both served together, 98 percent of the time. Ninety-eight percent of the time, these two judges voted alike.

So I say to the Senator from Delaware, using his own words, Bork looks a lot like Scalia.

The Senator from Delaware seemed to indicate today that he now, once more, has an open mind, if I correctly interpret him, although one gets the impression that he has done a number of pirouettes on this issue, and he might be the envy of Mikhail Baryshnikov. In any event, one hopes he still has an open mind and that after participating in the hearings, the Senator from Delaware will recognize and realize that in fact—as I have just made the point—Bork looks a lot like Scalia; so now let us have the other part of the agreement, which is that we hope the Senator will support Bork.

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With regard to the irresponsible charges that Judge Bork is an ideological extremist, let me cite a source that styles himself as a liberal Democrat, Lloyd Cutler, former White House counsel to President Carter, one of the most respected and knowledgeable lawyers in the Nation, who directly refuted the charges, saying in an article in the New York Times of July 16:

> * * * Judge Bork is neither an ideologue nor an extreme right-winger, either in his judicial philosophy or in his personal position on current social issues. I base this assessment on a post-nomination review of Judge Bork's published articles and opinions, and on 20 years of personal association as a professional colleague or adversary. I make it as a liberal Democrat and as an advocate of civil rights before the Supreme Court.

Mr. President, this statement shows that the charges of ideological extremism raised against Judge Bork are nothing more or less than partisan political attacks.

I hope Senators will keep an open mind, as urged by the majority leader and the senior Senator from Arizona, both of whom are Democrats. The least we can expect is that Senators will keep an open mind until after the hearings and until the nominee has has a chance to utter at least a few words in his own defense, in the setting of committee hearings.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## ATTACK ON SENATOR METZENBAUM

Mr. BOREN. Mr. President, a few days ago, I read reports in the press about the attack that had been made on one of our colleagues, the Senator from Ohio [Mr. Metzenbaum]. According to these press reports, which were later discussed on the Senate floor, plans were being made to try to portray Senator Metzenbaum, for purely political reasons, as a person in sympathy with Communist causes.

Mr. President, while I was tied up in committee meetings, the discussion occurred on the Senate floor, and I did not want to let the matter pass without making some comments for the record about how I feel about these kinds of allegations and that kind of politics.

These kinds of distortions have absolutely no place in American politics. These kinds of attempts to assassinate the character of any public official deserve to be roundly repudiated, not only by every Member of the Senate but also by the American people.

It is well known that Senator Metzenbaum and I have had many heated debates on the Senate floor. Just a few weeks ago, we engaged in a debate on the plant closing policy. We were on opposed sides.

Time and time again, perhaps, I have had more debates with Senator Metzenbaum on the floor of the Senate than with any other Senator, especially with regard to energy policy. It is an understanding to say that we do not agree when it comes to matters pertaining to energy policy and several other issues. No one can accuse this Senator of being one who would try to apologize for Senator Metzenbaum or his behavior because we are always in agreement. It is well known that we have had honest differences of opinion.

Let me say this: As chairman of the Intelligence Committee, I have the privilege of serving with Senator Metzenbaum on that committee. His patriotism and his devotion to his country are daily demonstrated in his service on that committee. He keeps the secrets. He conducts himself in a manner always consistent with what he sincerely believes is in the best interests of the United States of America. He never hesitates to support those programs vital to our national security, which he believes will help enhance the strength of the United States of America and our ability to meet the threat from those who stand against us, including those in the Communist bloc.

And I simply could not let the matters pass having served as a colleague on the Intelligence Committee with Senator Metzenbaum, and having observed his diligence, his patriotism, his commitment to this country, his desire to see everything done to protect its security against those in the Communist bloc and others, without raising my voice to condemn those who have made these false and despicable charges against the patriotism of a very fine man, an able public servant.

It is a part of our system that we will sometimes disagree. It is a part of our system, an appropriate part of our system as Senator Metzenbaum and I have engaged in days and days and hours of debate on those issues about which we have a differences of opinion.

I would fight to the last, as has been said many times by others in history, for the right of those who happen to disagree with me to hold their views and to express their views and to act upon them.

That is what this country is all about. That is the freedom that this Constitution reserves to us.

No one should impugn the motives and integrity of anyone else simply because he happens to disagree with you on the issues.

So, Mr. President, I am pleased to have had this opportunity to make these comments, and I have great respect for Senator Metzenbaum as a human being and I have great respect for his patriotism.

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## BIPARTISAN CONSENSUS

Mr. BOREN. Mr. President, I would like to say one other word. There have been discussions over the past several days again commenting upon in the press yesterday. Efforts are under way to try to forge a bipartisan consensus in some of the critical areas of foreign policy, especially the area of Central America policy.

Mr. President, I commend leaders on both sides of the aisle for trying to make that effort. If there is any war that needs to be ended it is the war between the two ends of Pennsylvania Avenue.

We in the Congress and those in the executive branch work for the same people and the same cause.

I have read reports and I know from personal conversations as Speaker Jim Wright, the Speaker of the House from Texas, is endeavoring to take lead in these matters.

Mr. President, our country has never been served better than in the days in which President Dwight Eisenhower, Republican, and Speaker Sam Rayburn, another Texas Democrat, worked together, met together, consulted together so that we could forge bipartisanship in foreign policy.

When they spoke to the world, they spoke to the world as America speaking, not as Democrats and not as Republicans, not the executive branch and not the legislative branch.

Mr. President, when I heard about these initiatives, and when I heard about what Speaker Wright was trying to do to open consultation and cooperation between the two branches of Government, I wanted to publicly say that I salute his courage, I salute what he is trying to do for the sake of this country. As Sam Rayburn often said and Harry Truman often said if you want to be a good Democrat, you must first be a good American.

That should be true about the membership in either of our two great political parties.

Speaker Wright is acting in that tradition. All Americans without regard to party should hope and pray that he will succeed in rebuilding that kind of trust and forging that kind of bipartisan coalition so necessary to our national interest.

Since I have been a Member of this Congress I have rarely seen initiatives that I think held more promise. I have rarely seen more courageous action by any individual that I have seen from Speaker Wright. I salute him. I wish him well. I make it clear that as one Senator his aims are my aims. The spirit in which he has conducted himself is the spirit in which I profoundly believe. I am very, very proud to be a member of a political party that is providing the kind of leadership that Speaker Wright is now trying to provide not for the sake of a party, not even for the sake of an institution, but for the sake of the United States of America, and his action should be applauded by all of us.

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## RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2 p.m. today.

Thereupon, the Senate, at 12:27 p.m. recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Dixon).

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## RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Without objection, the Senate will stand in recess for 15 minutes.

There being no objection, the Senate, at 2 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembeld when called to order by the Presiding Officer (Mr. Dixon).

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Illinois, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a resumption of morning business, for not to exceed 15 minutes, and that Senators may be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I appreciate the courtesy of the majority leader.

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## BORDER PROTECTION ON THE MIAMI RIVER

Mr. GRAHAM. Mr. President, we are faced today with a volatile and worsening political situation in the Persian Gulf, the lastest technology in military hardware was ineffective against sheer determination and an outdated mining operation.

We positioned all of our most sophisticated resources, all of our futuristic high technology defense mechanisms, and we ignored a basic threat so unglamorous, so unimaginative, so common that it penetrated our rhetoric, our shield of defense and the hull of the ship we were trying to protect.

Our inadvertent poor judgment in the Persian Gulf is the mirror image of a problem we have much closer to home.

We have tried to throw advanced technology and lofty rhetoric at the serious and often tragic problem of smuggling. In south Florida, we are once again ignoring history and the simple reality of unsophisticated and relentless smuggling operations.

The Miami River runs for 6 miles through the heart of the city and gives it its name. The Miami River is a working river—but what works on that river today includes rusting freighters with holds crammed with illegal aliens who slip ashore and meld into the city before the boats are docked.

Drug cargoes are even more profitable and easier to conceal than human cargoes. The illegal cargo which sails up to our docks with such frequency and impunity does so under the very windows of the U.S. Customs Headquarters in Miami which sits almost at the mouth of the river.

What works along the Miami River are slick speedboats and luxurious yachts and island freighters which dump loads of marijuana and cocaine and other illegal drugs on our shores and in our cities across this Nation. What comes to us daily and nightly along the Miami River is devastating, is destructive, is deadly.

A recent article in the July 27 Miami Herald claimed at least 100 Caribbean island freighters dock along the Miami River each month. The article quotes a Miami official's estimate that 500 to 600 illegal aliens are smuggled aboard these ships and that 98 percent of them are never caught. The article goes on to say:

> . . . while the Miami River doesn't show on maps as part of the Nation's southern boundary, the river, nonetheless, has become part of the U.S. border.

And the New York Times picked up the story on August 1 with this quote:

> Last week local and Federal law-enforcement officials conceded that the smuggling of drugs, illegal aliens and controlled argicultural products and animals was rampant along the river because little attention was paid to the small island vessels that were allowed to slip into port without a pilot aboard. This diclosure, in face of the millions spent to intercept drug shipments at sea, prompted consideration of a 24-hour interagency checkpoint at the mouth of the river to cut the smuggling.

The Miami River is a symbol of what may well occur elsewhere in many of our coastal cities. As can be demonstrated in the case of the Miami River, the problem can go unheeded by the responsible Federal agencies for an unacceptably long time.

It is shameful that smugglers operate unabashedly and in plain sight and that no organized effort is made to stop them.

We can cut off their access. We can close that river to illegal smuggling. We can do a better job of protecting our borders. We can stop talking and start cleaning up a mess which has grown to alarming proportions through sheer neglect.

America needs common sense, diligent, everyday surveillance of the traditional and brazen smuggling which pollutes the Miami River and, doubtless, many other bays and rivers along our borders.

The beginning of common sense is the proper definition of the threat. The threat is the carrier—not the cargo. While the cargo may be illegal drugs, illegal refugees or nonpermitted agricultural products, those are merely manifestations.

The problem—the reality—is that the United States of America has lost control of its borders. The Miami River illustrates that as a nation, we stand vulnerable to the most primitive of sea and air carriers. Thus, we are subject to the consequences of whatever cargo those carriers may transport.

We cannot afford to be mesmerized by the glitter of high technology to the point where we are blinded to the mundane incursions which do as much damage as more daring and expensive smuggling operations.

U.S. Customs, as the Federal agency with primary responsibility, must start tracking and controlling what comes into our country through this southern border.

Federal agencies, in cooperation with the State and municipalities, must establish a single control point and staff it to provide 24-hour surveillance.

Rivers, bays, harbors and other bodies of water should be surveyed by the responsible Federal agencies to determine whether or not they are being adequately protected from illicit activity.

Although its geography makes the Miami River especially vulnerable,—there is no reason to believe it is more unique than other areas of this country.

Mr. President, the defense of our borders is not primarily a role for civilian law enforcement.

We need a commitment of military resources to combat the constant penetration of our borders by unauthorized vessels, aircraft and criminals profiting from human misery.

We need that high technology to secure our national borders and to underscore our national sovereignty.

We need all of our defense resources to tighten up our dangerously porous borders. We may need to lay compli-

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cated strategies and appropriate funds and materiel for our most sweeping border defense. But we can certainly address the disproportionately dirty traffic on one river with an immediate and direct, hands-on approach.

Our commitment to protecting our borders must use every kind of resource available to be effective. Every kind of resource—even the basic American stockpile of simple common sense.

Mr. President, I ask unanimous consent to have printed in the Record two newspaper articles referred to in my remarks.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Aug. 1, 1987]

### Miami's 6-Mile River: Pollution, Aliens and Drugs

(By Jon Nordheimer)

Miami, July 31.—In the days when he was a Miami homicide detective, Bill Bonner lived life in the fast lane. Now the traffic that flows past him rarely gets above five knots. But it is seldom boring.

Mr. Bonner, retired for 13 years, lives aboard a creaky 62-foot fishing schooner tied alongside a rusting bulk-head on the Miami River, the six-mile-long waterway that is a stage for some of Miami's most offbeat moments.

"It get exciting out here," Mr. Bonner, a Jersey City native, said about the river that Miamians either love or hate. After the sun sets, the river, takes on shadings of a modern-day Barbary Coast. The riverfront cuts through the heart of the city.

Drug smugglers in sharklike boats drop bundles of cocaine to henchmen posted on river banks where sidewalks end and cars with running engines are parked. Shallow-draft foreign-flag cargo vessels dock and before the last lines are secured, a half-dozen aliens jump ship and melt into the darkness. Voodoo priests lead acolytes to the water's edge and sacrifice live animals.

#### STRANGE FORMS OF POLLUTION

"I yell at anyone who throws a beer can in the water, but what can you do when headless chickens and goats come floating by?" Mr. Bonner asks from his perch with a smile producing a weatherbeaten crinkle on his face.

This summer calls were renewed for a cleaning-up of the river. Last year a step in that direction was taken. Red tape was cut and more than 100 derelict vessels were towed out of the river where they had sat like barnacled corpses lining the banks. Most had been seized by the authorities for transporting drugs.

Last week local and Federal law-enforcement officials conceded that the smuggling of drugs, illegal aliens and controlled agricultural products and animals was rampant along the river because little attention was paid to the small island vessels that were allowed to slip into port without a pilot abroad. This disclosure, in face of the millions spent to intercept drug shipments at sea, prompted consideration of a 24-hour interagency checkpoint at the mouth of the river to cut the smuggling.

Unlike most metropolitan areas that recognize the esthetic and marketable value of riverside development, Miami has always treated the river, a ribbon of water that flows from Miami Inter-national Airport into Biscayne Bay downtown with little respect, even disdain. Perhaps the existence of so many splendid natural bays and ocean beaches devalued a narrow tidal river that springs in the middle of the city from a salt-water intrusion dam, barely a ditch at that point.

#### LONG HISTORY OF POLLUTION

The river has been polluted since the early developers of the city dumped raw sewage into it. Now, every day, industrial boatyards, fuel docks, scrap iron yards and a hash of small eyesore worksheds add to the pollution of the water and a riverbed that has not been dredged for half a century.

"If you dug up the sediment and touched a match to it, it would burn," said Robert Parks, with a dry rattle of exasperation in his throat.

Mr. Parks is chairman of the Miami River Coordinating Committee, a quasi-official group appointed by the governor to recommend ways to raise the river from its present low status level and point the way to future enhancement.

Those who see charm in the workaday world of the river, the paint-laden smell of the boat sheds and the decaying charm of faded bungalows on the side canals that branch off it mutter darkly that progress means gentrification, trendy riverside cafes with expense account customers and limited access to the public. They see an end to use of the river as a colorful port for the rust bucket tramp freighters, some as long as 200 feet, that squeeze down it headed for Caribbean Islands laden with foodstuffs, machine parts, clothes and just about anything that can be lashed down on their decks.

Mr. Parks would settle for just elimination of the eyesores that blot the image of the river. Along the eroded banks, in the shadow of the downtown financial district, is an open-air electrical transmission substation covering acres with an steel arbor of high voltage lines, a sewerage pump house, ramshackle sheds and time-stained machine shops and garages.

"There is no political or civic pressure to clean up the river," Mr. Parks said in a two-hour tour of the river the other day aboard a city marine patrol boat. "Where we haven't made a dent is with the influential downtown power people. They are all concerned about the city's image, but for some strange reason they ignore the fact that the river is like an open sewer running through the middle of the city."

Cruising past a shoreline lined with tramp freighters bearing registration of island nations like Haiti, the Bahamas and the Cayman Islands, Mr. Parks said that now that the derelict drug vessels have been removed from the river, the next big project for his committee was to better regulate illegal shipping on the river.

"Traffic has really picked up since the change of governments in Haiti last year," he said, Pausing, he pointed at a 45-foot-long Haitian boat, flecked with dull orange rust, its upper deck crowded with bicycles covered by a flapping canvas. "See that boat," he said. "That's every kid's bike in Miami." On spot checks the police have found some Haitian boat captains doing a brisk business in transporting stolen bicycles to Port-au-Prince.

Mr. Parks says some of the island freighters have no refrigeration and carry live animals, such as chickens, for food, which represented an unregulated threat of disease to the domestic poultry industry if they flew ashore.

#### FLOWERING PAST RECALLED

Several parks abut on the river, greenswards that recalled a past, early in this century, when the best pioneer homes were built on the river and tall trees like royal palms and mahogany and royal poinciana shaded the water's edge and flowering shrubs like bougainvillea climbed garden walls in dappled yellow and red patterns.

The waterfront is still colorful but the hues are industrial: bright metallic paints glisten on ships slashed with rust and docking scars, sports fishing craft still smelling of fresh Fiberglas coming out of a boatworks like Bertram Yachts on the river near the airport, and the scruffy animals and people who make their way to the river's edge, purposefully or mindlessly, or find themselves on the 12 drawbridges that cross the river and still bring street traffic to a halt numerous times a day when they open for boat traffic.

"Things are slowly cleaning up," said Tommy Sykes, a Miami resident for 40 years who now operates a modest restaurant, The Big Fish, one of the few situated at the river. Environmental laws have helped remove some of the toxic lead, cadmium and mercury from the water, he said, inducing some live crabs and fish to return to the oil-streaked waters for the first time in memory, "Not that you would want to eat them," Mr. Sykes remarked as an afterthought.

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[From the Miami Herald, July 19, 1987]

### America's Other Border

(By Russell Splane)

It's nearly 2 a.m. and most of the city is asleep.

A faint sound breaks the stillness of the Miami River, the muffled throb of a diesel engine in an approaching boat.

The bridge tender can read the name of the trawler as it slips through the opened 27th Avenue bridge: Marie Celeste, a 54-foot freighter from Cap Haitien, Haiti. That's not necessarily the boat's name, but it will do for this report.

A short distance upstream the trawler nudges into a berth at one of the 14 freight terminals that now line the river. With the boat secured, a familiar ritual unfolds.

Six men (it could be eight, or 10—even more) silently step ashore and make their way to waiting cars behind the dock. Each man carries a suitcase or bag tightly packed with his belongings. Headlights flick on and the cars move off into the darkness. Shortly the new arrivals will be enjoying an emotion-filled reunion with friends or relatives in Miami's "Little Haiti" community.

Is this the moody opening of a Federico Fellini film? Or maybe a segment from Miami Vice? The Marie Celeste may be hypothetical but it's not fictitious. Dozens of similar boats each month make night-time forays up the Miami River, delivering a steady stream of illegal immigrants that U.S. authorities seem powerless to stop. The most frequently cited reason: lack of manpower.

The nation, it would appear, no longer can afford to protect its borders against unlawful entry.

What does all this portend for Miami? Is it a new Mariel boatlift with a Haitian twist?

Nobody knows for sure how often this nightly Miami River drama is re-enacted. Bridge records show an average of 60 Haitian boats a month pass through the Brickell Avenue span on their way up the river.

Nearly all arrive during the hours of darkness.

Bridge tenders' logs also show another 40 or so boats from other Third World countries in the Caribbean Basin enter the river each month. A good portion of these other vessels, particularly those flying the Honduran flag, are Haitian-owned.

How many of these 100 or so arriving boats each month carry a cargo of illegal aliens like those who slipped off the Marie Celeste?

"Ninety-eight percent of them," says Leon Jennings of Miami's Haitian Migrant Interdiction Operation (HMIO). He says the number of lawless immigrants stepping ashore from these boats along the Miami River reaches a minimum of 500 to 600 a month!

"It could go up," he adds, "to a thousand or more—I don't know!"

Whatever the figure, the result is that while the Miami River doesn't show on maps as part of the nation's southern boundary, the river nonetheless has become, in effect, part of the U.S. border.

It's not quite like the Rio Grande, where Mexicans regularly wade across shallow stretches of the river to begin a new, and illegal, life in the United States. Illegals here seldom get their feet wet. But the Miami River in its own way has become as much a conduit for undocumented aliens as the Rio Grande.

Some of these new arrivals get caught and are hauled off to the Krome Avenue detention center. If, after a hearing, they're ordered excluded and returned home. Those who are not caught are free to move about the city where they compete for jobs with Miami's legitimate work force.

The Haitian interdiction program, which began in 1981, was set up to halt this illegal traffic by stopping the smugglers before they reach Miami. But Leon Jennings, who is the Immigration and Naturalization Service's representative at HMIO, says the operation is "getting less than 10 percent" of the vessels engaged in this illicit commerce. One reason: The Coast Guard normally can spare only one cutter for this interdiction effort.

"We're able to stop and check only eight or 10 boats a week," Jennings says, "and almost every one we board is carrying illegal aliens." Most are transported in the guise of "excessive crew members," as HMIO labels them. If intercepted at sea—in the small fraction of boats actually stopped—the would-be immigrants are returned to Haiti.

The "excessive crew member" dodge is the device many of these small boats employ to facilitate their transport of human cargo. The majority of boats engaged in this illicit commerce are small—under 100 feet and drawing less than seven feet of water. A crew of four is normally adequate. But ship captains, eager to cash in on a lucrative trade that nets them $2,500 to $3,000 for each person transported, simply sign on their illegal passengers as additional crewmen.

Shipping agents along the Miami River say many Haitian boats arrive with two sets of papers provided by cooperative Haitian port officials. One document is a manifest that lists the names, usually four, of the legitimate crew—captain, pilot, engineer and seaman.

The second manifest (same boat, same port, same date) may show a crew of as many as 12 or 14—the original four, plus eight or 10 others listed in such diverse categories as seamen, assistant engineers, cooks, etc.

If the boat is stopped for inspection before reaching Miami, the skipper produces the long manifest, accounting for every man on board as a crew member.

If he is boarded while leaving Miami (an unlikely eventuality), he shows the short version and says (in those rare instances where he can speak English), "See, monsieur—I arrived with four and I'm leaving with the same number."

How can a Haitian, living in the hemisphere's most impoverished land, come up with $2,500 or more to pay for his illicit passage to Miami? The answer is, he doesn't. The payment usually is made at this end.

Earlier immigrants who've found jobs in Miami soon set aside enough to pay for the passage of a close friend or relative still in Haiti, or perhaps waiting in the Bahamas. The deal is struck, and payment made, to a willing Haitian captain in Miami. On a dark night a few weeks later, the requested immigrant steps ashore in Miami—and the skipper goes back to Haiti, or the Bahamas, for more.

Not all of these nocturnal arrivals debark at a terminal as they did from the Marie Celeste. Boats plying this shady trade tie up wherever a handy spot appears on the river bank. Others "raft up" alongside other Haitian vessels already moored. Brickell Avenue observers recently saw a boat stop and let eight or 10 people jump off at the DuPont Plaza Hotel!

How do they get away with it?

A combination of antiquated U.S. laws and an understaffed corps of enforcement agents makes the task easy. Also helping is a Florida law that says that boats drawing less than seven feet of water are not required to have a licensed pilot aboard when entering a Florida port. Shallow-draft Haitian boats take advantage of this law to come up the river unescorted.

Mr. BYRD. Mr. President, How long does the distinguished Senator wish to speak?

Mr. SYMMS. Five minutes.

Mr. BYRD. Mr. President, I ask unanimous consent that upon the conclusion of the remarks by the distinguished Senator from Idaho for not to exceed 10 minutes, that the Senate return to the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. We just cannot go on and on all day on morning business. This is a great speaking forum and Senators have the right to make speeches. We do need to go on with the business. At that time I hope to query the distinguished Republican leader as to whether or not clearance has been gotten on the Republican side of the aisle to take up the catastrophic illness legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I thank the majority leader for the time and I thank the indulgence of the distinguished Presiding Officer.

## THE UNITED STATES IS LINING THE POCKETS OF THE SOVIETS AT THE EXPENSE OF OUR NATIONAL SECURITY

Mr. SYMMS. Mr. President, what I want to discuss today is a rhetorical question that I pose to my colleagues in the Senate: Is the United States lining the pockets of the Soviet Union at the expense of our own national security in the name of South Africa—bashing? I just ask that as a rhetorical question, and I would like to call to the attention of my colleagues the August 3 edition of Barron's weekly financial newspaper where Shirley Hobbs Scheibla wrote what I believe to be an excellent article that should be read by all Senators and all Americans, and the title of it is "Anti-Apartheid or Pro-Soviet? [South African] Sanctions Raise U.S. Dependence on U.S.S.R. for Strategic Minerals."

In the article, Mrs. Scheibla goes into great detail on the amount and use of the strategic minerals currently being imported into the United States originating from Communist block countries. I concur with the writer that these statistics are absolutely mind boggling and staggering to what is really taking place.

By overriding the President's veto of the Comprehensive Anti-Apartheid Act, Congress inadvertantly allowed the United States to become trading partners with our main adversaries, the Soviet Union and other Communist bloc countries, for many of our strategic minerals. However, this can and should be stopped, and it can be stopped under the law that is now on the books.

Included in the Anti-Apartheid Act is my provision, section 502, which states that:

> The President may lift any prohibition contained in this act imposed against South Africa if the President determines * * * that such prohibition would increase United States dependence upon any member country or observer country of the Council for Mutual Economic Assistance (C.M.E.A.) for the importation of coal or any strategic and critical material by an amount which exceeds by weight the average amounts of such imports from such country during the period 1981 through 1985.

The Department of Commerce, as required under section 502(b)(1) of the act, has prepared several reports:

> Setting forth for each country * * * (A) the average amount of imports from such country during the period of 1981 through 1985; and (B) the current amount of such imports from such country entering the United States.

I have monitored these reports and find the metal trade between the United States and Communist countries has increased dramatically and continues to grow. Moreover, the reports show that the increase in trade directly coincides with the passage of the Anti-Apartheid Act.

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Now Congress has ambitions and in my view this was blind ambition to try to improve the human rights situation in South Africa. I fault none of my colleagues for that motive. It is a highly noble motive. But oftentimes, as I have said on this floor before, the highways to hell are paved with good intentions. The distinguished Presiding Officer recalls that from an earlier debate that we had where I used that illustration. This is exactly my view of what happened with respect to the Anti-Apartheid Act. We have successfully become dependent upon the Soviets and their puppet nations for the importation of many minerals and materials that are vital to our national security.

I ask my colleagues these questions: Who has benefited from the imposition of sanctions? Who have we helped? Certainly it is not the blacks in South Africa, whom the legislation was intended to help. Many black South Africans have lost their jobs because of United States business disinvestment.

The people we have assisted are the Communist dictators, the ones with the slave camps. The United States, through the imposition of sanctions on South Africa, has helped the Soviets earn hard currency so they can expand their war machine. They are currently enjoying windfall profits in the metal trading business.

Do we really want to depend on the Soviets for our strategic minerals and materials? I do not believe there is a Senator in this body that does. However, through passage of the South African sanctions, that is exactly what we have done.

Mr. President, at this time I ask unanimous consent that the text of Barron's article be printed in the RECORD following my remarks.

I believe the time to act on this is now. Currently, the Department of State has not pursued any action in his matter. The Secretary of State, George Shultz, and his assistant, Chester Crocker, must open their eyes to this travesty. The United States is watching silently as the Soviet's quest for world domination becomes a reality.

Mr. President, the Reagan doctrine, which was put into effect in 1981, was a doctrine that simply states that the U.S. policy is no longer one of containment but it is one of rolling back the borders of communism and expanding the frontiers of freedom so that more people can have an opportunity for a better life on this Earth. If the President believes that somehow he can sit in 1600 Pennsylvania Avenue and not direct his State Department to follow up with the law that is on the books and go after this point that we are now importing more products from the CMEA countries than we were before the imposition of this law, and let it pass idly, the Reagan doctrine will never become a reality.

I think he should be credited for having come up with the idea of the Reagan doctrine, but I think that it does a great disservice to the President to have his own State Department run for cover every time that they have an opportunity to expand the frontiers of freedom. They run for cover and they want to act like the problem does not take place.

I urge my colleagues to study the article and review the Department of Commerce reports on the matter and I praise the Commerce Department and people in the Commerce Department who have been monitoring this and keeping track of it for this country.

I will just cite one very glaring example:

> The statistics are jolting. For instance, U.S. imports of chrome ore from the Soviets surged to a whopping 6,440 gross tons per month on average for the 6 months ended March 31, compared with a mere 479 gross tons on average during the legislatively designated base period, 1981 through 1985.

I have no idea how much foreign exchange that is, but it is hard currency that goes from the hands, hearts and souls of hard-working, freedom-loving Americans into the coffers of the murdering dictators of the Soviet Union. They will say anything, whether it is truth or falsehood, in order to achieve their goals. Their goals are world domination. One of those goals is to take over the treasure house of Africa's minerals. The other goal is to take over the treasure house of the Persian Gulf oil resources so they can strangle the Western industries and economies and then have a stronger position themselves in the world.

So I would urge my colleagues to take heed of this and then, those that voted for the law should at least have the privilege of knowing that there was an amendment in the bill and I cite it again. Public Law 99-440, section 502(a)—this was the Symms amendment which states:

> Notwithstanding any other provision of this Act, the President may lift any prohibition contained in this Act imposed against South Africa if the President determines, after six months from the date of the imposition of such prohibition, and so reports to Congress, that such prohibition would increase United States dependence upon any member country or observer country of the Council for Mutual Economic Assistance (C.M.E.A.) for the importation of coal or any strategic and critical material by an amount which exceeds by weight the average amounts of such imports from such country during the period 1981 through 1985.
>
> (b)(1) Not later than 30 days after the date of enactment of this Act, the Secretary of Commerce shall prepare and transmit to the Congress a report setting forth for each country described in subsection (a)—
>
> (A) the average amount of such imports from such country during the period of 1981 through 1985; and
>
> (B) the current amount of such imports from such country entering the United States.
>
> (2) Thirty days after transmittal of the report required by paragraph (1) and every thirty days thereafter, the President shall prepare and transmit the information described in paragraph (1)(B).

The PRESIDING OFFICER. The Chair regrets to advise the distinguished Senator from Idaho that his time has expired.

Mr. SYMMS. I thank the distinguished Presiding Officer and I will either suggest a quorum call or yield the floor.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### ANTI-APARTHEID OR PRO-SOVIET?

#### SANCTIONS RAISE U.S. DEPENDENCE ON U.S.S.R. FOR STRATEGIC MINERALS

WASHINGTON.—Among other things, the Comprehensive Anti-Apartheid Act, which Congress overrode a Presidential veto to pass last October, prohibits U.S. imports of any "article from any firm connected in any way with the South African government. The law also threatens to prohibit currently legal imports of strategic minerals from South Africa one year after passage, if "significant" progress hasn't been made in establishing a nonracial democracy. While few lawmakers (and almost none of their constituents) seem to realize it, such provisions already have succeeded in sharply curtailing the flow of strategic and critical materials from South Africa. At the same time, they have made the U.S. increasingly—some say alarmingly—dependent for such imports on the Soviet Union and its satellites.

The statistics are jolting. For instance, U.S. imports of chrome ore from the Soviets surged to a whopping 6,440 gross tons per month on average for the six months ended March 31, compared with a mere 479 gross tons on average during the legislatively designated base period, 1981 through 1985. Chrome, of course, is essential to the manufacture of stainless steel and superalloys; hence, it is vitally important in the aerospace, chemical, defense, power-generation and transportation industries. And the U.S. is heavily dependent upon imports to meet its needs. Small wonder then that upon passage of the Anti-Apartheid Act, the Soviet Union, the world's second largest source of chrome, started developing a new mine with annual capacity of two million tons.

And chrome is only part of the shocking story. Imports of antimony from Russia have risen to 98 times the total in the base period. The U.S. also lacks adequate domestic sources of antimony, which is essential for such items as bullets, computers, radar and sonar. Anticipating the new demand, Russia also is rapidly expanding production of antimony in the Soviet Central Asian republics of Kirgiziya and Tadzhikistan.

The list goes on—more Soviet ferrosilicon manganese, industrial diamonds, rhodium, platinum and silver bullion, all critical materials. Strategic imports also are up from Soviet block countries. Ferrosilicon and ferrosilicon manganese are essential for alloyed and specialty steels used to make hull plates for Navy ships and in the bodies of military vehicles and tanks. Under the first six months of the law, monthly imports of Soviet ferrosilicon averaged 2,814,527 gross

pounds, compared with 692,970 for the 1981-85 average.

Again, monthly imports of ferrosilicon manganese from Yugoslavia averaged 3,270,157 gross pounds, against the base of 2,168,352. Imports of industrial diamonds from Russia were up 100 times the base average; platinum bars and plates, up five times; rhodium up three and a half times and zinc up four and a half times. Six different categories of Yugoslav aluminum imports rose.

The law says that the President may lift any of its provisions if he determines after six months that it is causing increased U.S. dependence on Soviet and Soviet-bloc countries for strategic and critical materials and reports his finding to Congress. Even though the newly compiled figures are so startling, President Reagan has no plans to do so. The reason is painfully clear. In the current climate of opinion, Congress and the media would go for his throat.

To its credit, the Commerce Department has carried out the act's mandate to give monthly reports to Congress on growing U.S. vulnerability to the Soviets or Soviet-dominated countries in terms of strategic and critical materials. But nobody on Capitol Hill seems to be paying the slightest heed.

Queried about this, Secretary of the Interior Donald P. Hodel, who also serves as chairman of the National Critical Materials Council, replied, "I don't have the answer. If you ask somebody should we buy a major component of a weapons system from the Soviet Union, they would say. 'Of course not; that's crazy.' Then should we buy the raw material that is necessary to make that weapons system from the Soviet Union? Of course not. Because of the sanctions against South Africa, we are increasingly dependent on the Soviets and Soviet-bloc countries for raw materials that are essential to the defense establishment, at the very least."

To make matters worse, the House Foreign Affairs Africa Subcommittee plans hearings this fall on HR 1580, a bill by Rep. Ronald V. Dellums, California Democrat. It would repeal the Anti-Apartheid Act and substitute a much more drastic measure. Among other things, it would ban imports of any mineral from South Africa essential for military uses unless the President certifies to Congress that domestic supplies are inadequate and "substitutes for such minerals are not available." It says nothing about importing from Communist countries. Moreover, it does away with the requirement to report to Congress on such imports.

HR 1580 also would get rid of a little-noticed part of the Anti-Apartheid Act, which states: "The United States . . . recognizes that some of the organizations fighting apartheid have become infiltrated by Communists and that Communists serve on the governing boards of such organizations."

Incredible as it may seem, during the last Congress, the House passed the Dellums bill. The only change in the current version is an addition which would prohibit any form of cooperation, direct or indirect, with the government of South Africa by U.S. military or intelligence agencies. HR 1580 has 53 co-sponsors, including Rep. Peter W. Rodino, Jr., a New Jersey Democrat and chairman of the House Judiciary Committee.

Sen. Alan Cranston, a California Democrat, has introduced S. 556, a nearly identical measure, on behalf of himself and Democratic Senators Ted Kennedy of Massachusetts and Carl Levin of Michigan. It differs from the Dellums bill only by deleting authorization for the President "to limit the importation into the U.S. of any product or service of a foreign country to the extent to which such foreign country benefits from, or otherwise takes commercial advantage of, any prohibition imposed by or under this Act." S. 556 now is pending before the Senate Foreign Relations Committee.

Meanwhile, ostensibly because the findings of the Anti-Apartheid Act for the first six months may be criticized as seasonal, the Administration is planning to continue the monthly reports for a full year. But if both houses of Congress pass the Dellums-Cranston bills, they may end abruptly.

Secretary Hodel, however is considering having the National Critical Materials Council report on increasing imports of strategic materials from the Soviets. The 1984 law which created the Council calls for it to make public such critical materials "issues and concerns . . . as are deemed critical to the economic and strategic health of the nation" and to make policy recommendations to the President concerning them.

Will Hodel recommend that something be done about this country's mounting reliance on the Soviets for strategic materials owing to the Anti-Apartheid Act? First, he replies, Congress and the country must understand what's at stake. "Right now, when we start talking about solutions, people usually say, "What's the problem?" he notes.

"The last time I checked," adds Hodel pointedly, "the Soviets were still engaged in killing, mutilating and bombing innocent people in Afghanistan in a clear war of aggression."

If the sanctions against South Africa were working, the Rev. Leon Sullivan (civil rights activist and General Motors director) wouldn't find a need to call for all companies to pull out of that country. Indeed, the South African Catholic Bishops Conference, which initially supported sanctions, now has published a report finding that they are ineffective. In fact, they are counterproductive: By leaving South Africa, some companies are greatly enriching the Afrikaners who take over the divested enterprises.

At the same time, several land-bound black African countries are dependent on exporting through South Africa. Sen. Kennedy is so concerned about the harm which the sanctions he has pushed for are inflicting on them that he has proposed giving them $700 million of American taxpayers' money over half a decade.

One must ask why the U.S. should believe that racial injustice in South Africa warrants action drastic enough to harm this country, but should embrace trade with the Soviet Union, which puts millions of its own people in gulags and commits untold atrocities abroad. U.S. foreign policy should have two objectives: to achieve its intended aims and to advance the nation's interests. On both counts, sanctions against South Africa have failed.—Shirley Hobbs Scheibla

## UNIVERSITY OF NEVADA SCHOOL OF MEDICINE

Mr. HECHT. Mr. President, the University of Nevada School of Medicine is a young, dynamic institution which offers diverse educational opportunities to Nevadans. The school conducts premiere scientific investigations, contributing to the quality of health care delivery in Nevada. The medical schools works with State and private agencies to enhance the overall quality of health care delivery in Nevada and the overall quality of life for Nevada's citizens.

With a visionary look to the future, the school of medicine has developed progressive programs in nutrition and geriatrics and has incorporated the teaching of ethical decisionmaking into many aspects of its curriculum. On the scientific front, the school has gained a national reputation for its faculties work in smooth muscle physiology and pharmacology and in virology and immunology. The school offers the States only program in speech pathology and audiology and has a well developed program in medical technology.

Nevada's School of Medicine is proud of its affiliations with hospitals statewide. These hospitals provide the clinical resources necessary in planning high-quality, diverse educational opportunities.

Its students are the school's greatest resource. They are capable, talented men and women who have demonstrated not only their academic talents but also their ability to relate to people as compassionate care givers. It is this relationship—the doctor/patient relationship—which the University of Nevada School of Medicine sees as tantamount in the preservation of medicine as the noblest and most exciting of all professions.

## TRIBUTE TO UNION BRIDGE FIRE COMPANY

Mr. SARBANES. Mr. President, I want to join with all Marylanders in honoring the members of the Union Bridge Fire Co. The men and women who serve deserve our utmost respect and gratitude. They volunteer their time and energy under demanding and often dangerous circumstances to provide the vital emergency services on which the rest of us depend, and which we frequently take for granted.

On September 12 and 13, the Union Bridge Fire Co. will be celebrating its 100th anniversary. In 1887, it was organized in Carroll County, MD, to protect the citizens of Union Bridge and surrounding areas in Carroll and Frederick Counties.

These public spirited men and women have provided many essential and immeasurable services throughout the years. The time and effort these people have volunteered in addition to the many sacrifices they have made too often go unnoticed.

So, Mr. President, on this, the 100th anniversary, I ask my colleagues to join me in recognizing and thanking the volunteers of Union Bridge for their outstanding contribution.

## POLLS ASIDE, REAGAN'S STRATEGIES PAYING OFF

**Mr. BOSCHWITZ.** Mr. President, I wish to enter into the RECORD an editorial from the St. Paul Pioneer Press. Unfortunately, I do not have the date. It is a recent date, however.

It is entitled "Polls Aside, Reagan's Strategies Paying Off."

It talks about the fact that although Mr. Gorbachev's polls in Europe and in other places have reflected the fact that many people regard him as the initiator of some of the agreements which have taken place, that, indeed, it is not him but rather President Reagan who has initiated the basis of the agreements that now seem to be moving forward in Europe.

The article points out that, "Mr. Reagan's fundamental strategy is proving itself correct."

It points out that when Mr. Reagan suggested zero option, which is now the basis of the agreement which is being sought, that it was regarded that he was not really interested in that. It was regarded as being so outlandish and so beyond the acceptability of the other side that, indeed, it was proof that he was not interested in arms control.

Indeed, it now serves as the basis for an agreement.

Furthermore, the deployment of the Pershing II cruise missiles in Western Europe, which was done at such great political cost not only in this country but also for the Europeans themselves, has proved to be one of the catalysts which has brought about this particular agreement that seems to be developing.

The editorial concludes: "But after dinking around for a half-dozen years, the Soviet Union certainly won't deserve the greater share just because Mr. Gorbachev is showing better than Mr. Reagan at international grandstanding."

I ask unanimous consent that the editorial be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### POLLS ASIDE, REAGAN'S STRATEGIES PAYING OFF

The fact that Mikhail Gorbachev revealed his new position on medium-range nuclear missiles publicly through the press Wednesday, rather than privately in Geneva Thursday, helps explain numbers like these:

By a margin of 45 percent to 16 percent, men and women in France think Mr. Gorbachev deserves more credit for arms-control progress than does Mr. Reagan. (The remaining 39 percent presumably don't know what to think.)

In Great Britain, the figures are 63 percent to 13 percent in favor of the Soviet leader, and in West Germany, they are 72 percent to 9 percent, again in his favor.

As for the very idea of eliminating all medium-range missiles, first proposed by Mr. Reagan in 1981 and seemingly agreed to by Mr. Gorbachev this week, a plurality of 42 percent to 34 percent in France think that the plan originated in Moscow.

The corresponding numbers are 30 percent to 20 percent in Great Britain, and 49 percent to 21 percent in West Germany, with Mr. Gorbachev winning each time.

These results are from surveys conducted in mid-May by Western European polling organizations, under contract to the United States Information Agency.

Some folks, warmed by the possibility of actual reductions in nuclear weapons after a treaty hiatus, probably don't care very much how the credit for any current progress is divided. They should.

They should, not only because Mr. Gorbachev's posturing in the media complicates negotiating at the table and ought not be rewarded, but also because Mr. Reagan's fundamental strategy (and that of NATO) is proving itself correct.

Despite charges when he first took office, for example, that his proposal for banning all medium-range missiles was neither serious nor helpful, the exact opposite conclusion is now clear.

The same holds for the alliance's decision to deploy medium-range Pershing 2's and cruise missiles in Western Europe as long as the Soviet Union refused to remove medium-range SS20's from Eastern Europe. This stand, which was criticized violently by antinuclear activists on both sides of the Atlantic for several years, was first proposed by West Germany Chancellor Helmut Schmidt. It soon after was adopted by NATO during the Carter administration, and then continued by the Reagan White House. It, too, has proved right.

If an agreement to get rid of all medium-range missiles is really near, and remains unimpeded by last-minute obstacles thrown by either side, then both sides will deserve credit. But after dinking around for a half-dozen years, the Soviet Union certainly won't deserve the greater share just because Mr. Gorbachev is showing better than Mr. Reagan at international grandstanding.

**Mr. BOSCHWITZ.** Mr. President, I have a second piece that I wish to insert into the RECORD. It is an opinion piece that appeared in the Wall Street Journal on July 15, and it is entitled "Why Common Market Cannot Generate Jobs."

The article speaks about the fact that the United States has a far greater job growth in past years than has either Europe or Japan. In fact, the annual employment growth in Europe has been one-tenth of 1 percent per year. It has been almost 20 times as great in the United States, being about 2 percent a year. That employment growth by about 2 percent a year, which is in excess of 2 million jobs a year, is quite a rapid growth of new jobs in the United States. In Japan, the employment growth as a percentage of their work force is about half of what it is in the United States. The writer of this opinion piece traces the expenditures of government as related to the gross national product of those countries, and when the government's expenditure with respect to gross national product is high, then its new employment is low. Or in the case of Japan, where the spending with respect to the gross national product is not as high as it is in the United States, it nevertheless has grown far more rapidly. The Government in Japan has expanded at a far more rapid pace than the Government of the United States, and this, too, has drawn away resources from the economy to create new jobs. Despite the fact that we have large deficits, despite the fact that we have an expanding Federal expenditure, nevertheless those expenditures have not grown as rapidy as they have in other countries, so job creation in this country has been better than it has been in other parts of the world.

The article states that where the Government does not take too much of the wherewithal, of the goods and the moneys of a society, that society can be very regenerative. And that really is the sum and substance of this article.

Mr. President, I ask unanimous consent that the entirety of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 15, 1987]

### WHY COMMON MARKET CANNOT GENERATE JOBS

(By Giuseppe Tullio)

BRUSSELS.—In the debate about the causes of the low growth of employment in Europe, the role of the expansion of government expenditure over the past 25 years and the ensuing increase in taxation have not been stressed sufficiently. Not only were government expenditures as a ratio of GNP the highest in the European Community in 1960 but they also recorded the steepest rise. They stood in the eight major countries at 32.3% in 1960, as opposed to 26.8% in the U.S. and 18.2% in Japan. By 1986 they had reached 50.4% in Europe and 35.3% in the U.S. In Japan, they were about 35% in 1983. To finance the growth in government expenditure a sharp rise in tax receipts and social security contributions was necessary, along with a rise in public debts, especially in Europe.

Employment, meanwhile, grew at an average annual rate of about 0.1% a year in the 12 EC countries, 1% in Japan and an astonishing 1.9% in the U.S. Among other factors contributing to the different growth rates is the expansion of the labor force: Population grew at about 1.1% a year both in Japan and the U.S. while it grew at about 0.5% in the EC. Other important differences are that regulations about layoffs are less rigid in the U.S. than in Europe, that rigidities in the European labor market are in general greater and that the level of taxation, and taxation of labor in particular, is higher in Europe.

The growth of taxation and social security contributions has depressed employment in Europe by increasing the cost of labor to corporations. Increased taxes create a wedge between the after-tax wage rate, or take-home pay, and the cost of labor to firms. It is still debated whether sales or value-added taxes should be included in the wedge, i.e., whether the dependent worker is indifferent in evaluating his standard of living between paying more value-added taxes and fewer income taxes or vice versa.

An increased tax wedge generally leads to a higher cost of labor for firms and, as a result, to increased substitution of capital for labor, lower production levels and to increased production in countries where the cost of labor does not increase as much. During recent decades most European industries experienced sharp increases in the capital-labor ratios and losses of jobs. It is also likely that the jump in tax receipts in Europe in this period has substantially contributed to the development of the so-called newly industrialized countries—Taiwan, South Korea, Hong Kong, Singapore.

The extent of the increase in the cost of labor for a given tax rise depends in turn on two factors: The power that labor unions have to prevent a fall in the after-tax wage and the value that the worker attributes to the additional government expenditure.

If labor unions are very strong, most of the tax increase will be "shifted forward" onto higher labor costs. The same will happen if the workers attribute little value to the increased government expenditure, because they will refuse to accept a reduction in their disposable income, or after-tax wage, if they get very little in exchange for paying higher taxes. It is therefore likely that in countries where governments are efficient and government officials are responsive to the needs of the population the degree of forward-shifting of taxes will be lower.

In addition, to the extent that higher taxes tend to reduce the after-tax wage, the incentive to work will be reduced. Recent research suggests that married women especially tend to be discouraged from seeking work when income taxes increase. In many European countries top marginal tax rates exceed 60%, but in special cases marginal tax rates can surpass 100% even at lower income levels if the loss of transfers and benefits is taken into account, when someone finds a job.

A major difference between the U.S. and Europe in this respect is that because of the lesser power of labor unions and more competitive labor markets in the U.S., higher taxation there mainly discourages potential workers from seeking employment, while in Europe the negative effect on employment operates mainly via a higher cost for labor.

During the 1980s, virtually all European governments have pursued reductions in budget deficits and many have been quite successful in this respect. This, however, has prompted many countries to further increase tax revenues. From 1980 to 1986, only the German government in the EC has succeeded in slightly reducing the ratio of tax and social security revenues to GDP.

If the channels discussed above are important, as I believe they are, much bolder cuts in inefficient government expenditures and in tax revenues are required in Europe than what has been taken so far if unemployment is to fall significantly.

Probably the right order of magnitude of the cuts would be about 1% of GDP a year for at least 10 years for tax revenues and slightly more for government expenditures. Suggestions of bold cuts in expenditures are, however, generally dismissed on the ground that they are "politically unacceptable." But a government that proposes to cut tax revenues by the amounts suggested above may gain enough popular support to resist the strong lobbies that gain from high government expenditures.

Margaret Thatcher's government has preached the kind of policies suggested here but achieved very little. Government expenditure as a share of GDP increased in the United Kingdom from 41.2% in 1979 to 45.9% in 1982 but fell back to 44.2% in 1986. The share of total tax receipts to GDP increased during the same period from 38% to 40.9%. Ronald Reagan's fiscal policy consisted in keeping tax revenues about constant in relation to GDP from 1980 to 1986, but increasing government expenditure and especially the federal debt.

At the end of 1986 unemployment rates were 11.8% in the 12 countries of the European Community, 6.7% in the U.S. and 2.9% in Japan. My best guess is that high unemployment and low growth of employment in Europe are here to stay for many years, unless government expenditures and tax revenues are reduced and disincentives in the labor market are curtailed.

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## THE ADMINISTRATION'S PEACE PLAN

**Mr. KENNEDY.** Mr. President, ever since President Reagan embarked on his policy of providing aid to the Contras, I have been critical of the administration's unwillingness to pursue a negotiated solution to the conflict in Nicaragua rather than to escalate the military conflict. There is no Senator that is more committed to the idea of negotiations.

But the administration's so-called peace plan is not a serious effort to pursue the diplomatic route. If the administration had been genuine, it would have quietly notified the five Presidents of the Central American governments now meeting in Guatemala of its change of heart rather than unveiling this initiative publicly to the Congress of the United States.

The timing of the administration's proposal—1 day before the critical meetings in Guatemala—may well sandbag the negotiations already underway on the Arias plan. The President's so-called peace plan gives a good idea—negotiations—a bad name.

The purpose of this plan is to score points with Congress, not to bring peace to Central America. It is an effort to rehabilitate a flawed and failed policy. It is a sham from beginning to end.

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## MINE RECLAMATION AND OPERATION

**Mr. SASSER.** Mr. President, Monday afternoon a ceremony was held at the Lincoln Memorial in recognition of the 10th anniversary of the Surface Mining Control and Reclamation Act. My colleagues will recall the act was designed to provide for control over mining practices and reclamation of mined lands.

I was particularly pleased that several Tennesseeans were honored at this ceremony. Among them was Fred Brown of Knoxville, TN. Fred writes for the Knoxville News Sentinel and has been a tireless fighter against mining abuses in America's coalfields. Fred has written several excellent series on the problems attendant to Tennessee's abandoned mines. He has focused public attention on the dangers associated with the more than 45,000 acres of abandoned mines in Tennessee. Fred's work has touched the lives of many Tennesseans, and his emphasis on health and safety concerns has helped our reclamation activity in Tennessee. It is fitting that Fred Brown be recognized for his work.

Efforts such as this are desperately needed if we are to make significant headway reclaiming abandoned mine sites. While the intentions of the Surface Mining Act are explicit, the Office of Surface Mining has not met the act's mandate. We continue to hear horror stories of inadequate management and a failure to halt abusive mining practices. A report from the National Wildlife Federation in October 1985, noted a failure on the part of the Office of Surface Mining to effectively enforce the Surface Mining Control and Reclamation Act. The Report noted that some 6,000 minesites lacked the necessary environmental controls, over 2,000 mining operations continued to operate after receiving orders to cease illegal mining activity, OSM failed to collect $200 million in fines, and OSM failed to collect $32 million owed to the abandoned mine land fund.

Failure of OSM to adequately enforce the Surface Mining Control Act is compounded by the administration's apparent disregard for the urgency of mine reclamation. In fiscal year 1988, the administration would provide only $500,000 for the Rural Abandoned Mines Program. Now the RAMP is run by the Soil Conservation Service—an agency long dedicated to preserving our land. RAMP holds great promise of delivering on efforts to reclaim abandoned mine sites. Yet, the administration has consistently sought to kill this program.

With the problems uncovered in OSM's efforts at mine reclamation, such a policy is shortsighted indeed. Rather than working to gut RAMP, we should examine whether we can do more with this program. While authorized to receive 20 percent of the moneys paid into the abandoned mine land fund, RAMP has received less than 5 percent of these funds annually since fiscal year 1978.

As a result of these misguided policies, we have seen further environmental abuse: Unreclaimed mined land, soil erosion, toxic runoff, and highly polluted streams. Indeed, abandoned mines represent one of the greatest threats to our ground water supplies. As for soil erosion, in Tennessee alone mines sites are responsible for over 4.6 million tons of soil loss each year.

As we enter the 10th year of the Surface Mining Control and Reclama-

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tion Act, it is clear that we have much work ahead of us. It is reassuring to know that in such efforts, we can count on the assistance of individuals such as Fred Brown who are dedicated to reclaiming abandoned mine lands.

## ADVISE AND CONSENT ROLE OF THE SENATE

Mr. SIMON. Mr. President, the Senate's calendar is ticking toward a momentous decision: whether to confirm Judge Robert Bork to be the next Associate Justice of the Supreme Court of the United States. Because Justice Lewis Powell was the swing vote on an increasingly divided Court, Judge Bork, if confirmed, could have the opportunity to cast the deciding vote on many of the most significant constitutional law issues of our day, issues affecting all Americans. Thus, the next Justice will determine whether a woman's right to choice in abortion will survive, whether affirmative action will be allowed, whether the protection of free speech will remain robust or muted, whether the traditional wall of separation between church and state stands secure or is breached. With so much at stake, it is essential that the Senate carry out its proper role in the appointment process and that the public understand that role.

There is a reason judicial nominees should receive the special scrutiny of the Senate. In contrast to the President's nominations to positions within his own executive branch, appointments to the judiciary are to a branch of Government that is supposed to be independent of the President and for a duration exceeding his own term of office. For the President to control such appointments unilaterally would be inappropriate, especially in a political system where checks and balances are so important. The Senate is an institution in some ways not as broadly representative as it should be: we have only two women; there are no blacks; no Hispanics. But the Senate is broadly representative of the country's political diversity. It does not defer to the President when it thinks his proposed budget or legislation will harm the country, and the same should be true with respect to his judicial nominees.

Given that basic perspective, what criteria should the Senate use in evaluating judicial nominees as part of its advise and consent role? A central feature of the Senate's role must be to evaluate the nominee's quality. By quality I mean several things. First, we must be concerned about a nominee's professional competence, which includes intellectual capacity and legal skills, as well as the nominee's experience—a factor which bears on the nominee's practical wisdom about the people and the world as well as more narrow professional skills. Second, we must be concerned about the nominee's integrity and moral character. Third, we must be concerned about the nominee's temperament: his or her openmindedness, judgment, consistency, and sense of fair play. Few, if any, of my Senate colleagues would disagree in the abstract with the notion that the Senate should evaluate quality factors. Finally, the nominee must have a balanced and sound understanding of the meaning of our Constitution and the Supreme Court's role in our society.

This last criterion is likely to be a critical part of the upcoming confirmation process. Some say that the Senate has no role to play in assessing a nominee's views. But if a nominee's views and philosophy are taken into account by the President—and in this instance the President has made clear that they have been—surely the Senate should also examine and weigh those views. Judge Bork's legal views and philosophy are highly relevant to how he would perform the job for the simple reason that a Justice on the Supreme Court has considerable leeway in interpreting the law and also has the raw power to overrule prior cases. A judge must fill in gaps in the law and must resolve ambiguities about what the law is, and in doing so inevitably draws upon his or her starting point views and outlook. This is true of all judges, and it is especially true of Supreme Court Justices, whose leeway in giving meaning to the majestic general commands of the Constitution is particularly great, and who must resolve conflicts among lower courts on a daily basis.

A Senator who considers only whether a judicial nominee will follow the law is ignoring the fact that the law to be followed is often not clear, and that judicial decisions are often affected by a judge's individual legal views. To contend that a Senator may not properly consider those views amounts to a contention that things highly relevant to the job—things that make a good or bad judge—may not be considered.

A Justice who is sensitive to civil rights and civil liberties will approach the decision of cases very differently from one who is not. A Justice who shares Justice Powell's view that precedent "demands respect in a society governed by the rule of law" will act very differently from a judge with a mission to change the law. To assess Judge Bork—or any nominee—in light of how that person will actually act as a Justice is not politics, as some have suggested; rather, it is the Senate's responsibility.

Carefully assessing a nominee's views is especially important in the current context. With Justice Powell's resignation, a new appointee will be able to affect the actual outcome of cases in many of the most sensitive and controversial areas of American life. The point here is not that the balance of the Supreme Court must always stay precisely the same. But the Supreme Court cannot be a pendulum, swinging back and forth, recognizing constitutional rights and then disavowing them. And most important, we in the Senate have a responsibility to assure that the Court balance does not shift in a direction that we believe is wrong and harmful to the Nation. Our constituents elected us to do no less, and our duty to uphold the Constitution requires that we do no less. The Senate cannot avoid responsibility for the consequences of this appointment, and every Senator knows that.

And so the Senate is about to raise the curtain on a historic and critically important debate. Every American has a stake in the outcome; every American's life will be influenced by it. And in this year in which we honor the bicentennial of our national charter, every American is more likely than before to appreciate that the Supreme Court is more than a dispenser of justice—it is also a symbol of justice in this Nation. Every American has a right to enter that courtroom and find a judge who is fair and openminded, one who is willing to judge, not prejudge, every case on its merits. And every American should be able to look upon each new appointee, once the Senate has given its consent, and have reason to believe that "this person will be fair, this person will be just." Let the Senate so honor its calling in these confirmation proceedings that these words can be spoken by our fellow citizens.

## SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. Under the previous order, morning business is closed and the clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

Mr. BYRD. Mr. President, the Senate has been debating campaign financing reform legislation for several weeks. This legislation was first called up on June 3. It was reported by the Committee on Rules and Administration on May 14. It was reported out unanimously by Democrats with no Republican votes in support thereof. As the debate has proceeded off and on, we have shown repeatedly that a

majority of Senators favor a system of public financing tied to voluntary spending rules.

The bill reported from the Rules Committee was carefully constructed to be fair to all. Yet, to halt the staggering spiral of growing campaign costs, and limit the role of moneyed special interest groups in campaigns in order to regain the public trust, and remove incumbents and challengers alike from the money chase, we have not only debated the bill but we have also offered to amend it, to change it, so as to meet some of the objections by those who have consistently expressed opposition to it.

Unfortunately, a sufficient number of Senators opposed to cloture has kept the majority in favor of this bill from cutting off a filibuster, a filibuster designed to prevent passage of the bill.

The first principal objection raised by opponents was to public financing. They claimed that they could not support using tax dollars in Senate campaigns, even if they were voluntarily allocated for that purpose by the taxpayers themselves.

That is what we are talking about, a tax checkoff which is a feature of Presidential campaign financing, by which the individual income-tax payers fill out their forms and indicate on their forms that they wish to check off $1 to put into the Presidential campaign fund. So these are voluntary tax dollars.

The people who check them off are the income-tax payers themselves and they do it knowing what they are doing, doing it willingly and on their own part.

The opponents also said we could not afford the projected cost even though it amounted to less than 25 cents per U.S. citizen per year. In good faith we offered a compromise substitute proposal which utilized the matching funds projected and which cut by more than half the cost of the public financing provision and cut the maximum proportion of the total 6-year election cycle cost a candidate could receive from public funds to less than 25 percent.

Senator Boren, the principal author of the amendment, and others of us who cosponsor the amendment and support it, hoped that at least some of those Senators who initially had been opposed to the legislation would meet us after we had gone over halfway in their direction. We offered, therefore, to go more than halfway, but our opponents on the other side of the aisle still did not budge. They did not move 1 inch.

It was at that point that the Senate Republican Conference took a step that I believe was ill advised and ill considered. It took a very harsh stand against any legislation—any legislation—that had what they referred to as public financing but which, as I have already indicated, was paid for by taxpayers who willingly check off on their income-tax returns for that purpose, a very small amount. It is from that fund that the public financing of the legislation would draw its resources.

Also, the Republicans took a harsh stand against any provision that would put any limitation on campaign spending.

And so it became very clear then as to what the real objection was on the part of our Republican friends on the other side of the aisle—the real objection being a limitation on campaign spending.

Well, of course, it would be sheer demagoguery if we attempted to fool the American people by passing legislation and called it campaign financing reform if it did not result in a limitation on campaign spending. That is the crux of the matter. There can be no genuine campaign reform without a limitation on campaign spending.

So the Republican conference took a position against any legislation whatsoever that would put a limitation on campaign spending. That took us perilously close to turning a matter which should not be clouded with partisan considerations into a partisan contest. It became all too clear—despite all of the merits of the committee-reported public financing proposal and all of the merits of the compromise substitute amendment—the almost monolithic Republican objection to public financing would assure a long and difficult path for either proposal. One need look no further than the ability of 41 Senators to prevent passage of any legislation through this body. And so time and time again, we sought to get cloture so as to let us get to a vote on the campaign financing reform legislation—clean up the system, put limits on campaign spending, stop the money chase in which Senators have to go to all points of the compass, travel great distances throughout the length and breadth of this land in an effort to raise money for their campaigns.

I call attention again to the fact that as majority leader I am in a position to see close up what the current system is doing to the U.S. Senate, how the current system impacts on the time of Senators, how the current system impacts on their attendance in committees and on their Senate floor attendance on rollcalls. I know that Senators have to hurry and scurry and travel hither, thither, and yon in their efforts to raise money for their next campaign. I know of Senators who are raising money not only 2 years in advance but 3 years, 4 years, 5 years, and there have been instances in which Senators who have been elected or reelected and who immediately begin raising money for the next campaign 6 years away. And it is within the rules. It is within the law. They are not violating any law. But they have to travel away from the Senate. They have to leave their families, leave the Senate, and go on the money chase.

Mr. President, campaigns require a lot of money. In my last campaign in West Virginia, I had to raise almost $2 million—a very sizable sum for the State of West Virginia, the economy of which has been seriously hit, a State with high unemployment, a State the smokestack industries of which have been hurt by imports from abroad, a State which has a population of under 2 million people. But there are other States, smaller, and other States in which campaigns cost even more.

The average senatorial campaign last year cost nearly $3 million. That is quite a long way from the day when, in West Virginia, Senator Randolph and I first ran for office. We both ran on the same ticket in the same election. Both of us together had a war chest of something like $50,000. I do not recall exactly how much it was; it could have been less than $50,000. But, as I say, 2 years ago I had to go out and raise almost $2 million.

Now, I had to go to California a number of times. I went to Illinois, the States from which the distinguished senior Senator who now presides over the Senate comes, and a State which he very ably represents. Incidentally, he has been in politics in that State a great number of years and is not only a seasoned politician but also a seasoned legislator and a very effective one. I went to his State. I went to Utah, Arizona, Texas, Florida, Pennsylvania, Ohio, Georgia, Alabama, and Virginia, and others, and I went to several of these States not once but twice or three times or more.

Now, when it comes to Senators who have to raise more money than I had to raise last time—I had to raise almost $2 million, but there are Senators who have to raise $3 million, some $4 and $5 million and above—there is no hope that the burden will become less, no hope that the burden of raising moneys for campaigns is going to diminish. It is going to become worse and worse.

The cost is becoming ever greater. I know, because as majority leader of the Senate I have the responsibility of trying to set the schedule and trying to bring matters to a point of resolution, trying to get final action on legislation that is called up in the Senate. Many times I have difficulty in calling up a piece of legislation because the manager of that particular bill or the ranking member cannot be here on a particular day or cannot be here at a particular hour. Senators who have amendments sometimes cannot be here on a particular day or at a particular hour to call up their amend-

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ments. Then I have to try to go to something else. And so it makes it a very, very difficult task.

The people expect us to be here. We are elected to come here to legislate, to attend committee meetings, and to do the work of the people. They expect us to come here to legislate, and yet more and more Senators are being forced to spend more and more time raising money than in legislating. I say legislating. I do not mean necessarily passing legislation. It may be just as important to be here to slow down or stop legislation. I am not talking about this legislation. This is not legislation that ought to be stopped or delayed. But it is important to be here to debate the issues.

What we have seen is that the situation has come down—and I am in my 29th year in the Senate. I have never seen it before like it is now—to where we have to close the Senate down on Mondays. The Senate does not come in on Monday. And for many months now, and as the case will be for several months into the future, the Senate has not been meeting on Mondays and it will not be meeting on Mondays. This is to allow Senators the time to go out and raise money for their campaign.

Much of the time when the Senate is in session and Senators are in town, they have to be out raising money—in the evenings, in the mornings, attending fundraising functions; and oftentimes fundraising functions are not for themselves but for their colleagues.

I am invited to many fundraising functions by my colleagues in the evenings. Some I attend and some I cannot attend because of the business here, because of my responsibilities here. I would like to attend all those functions because I like to go and demonstrate my support for and my friendship with my colleagues who are having the fundraisers.

(Mr. KERRY assumed the chair.)

Mr. McCONNELL. Mr. President, will the majority leader yield on that point?

Mr. BYRD. I yield.

Mr. McCONNELL. It occurred to me, in listening to the observations of the majority leader, that I understand his frustration in trying to schedule the Senate's business. Could not that problem be cured by having the Senate in session and making it clear that there will be votes and the people's business will be done, and if someone is off attending to campaign-type matters, they would do so at their own risk and pay a certain price for it from the voters at home?

Mr. BYRD. Yes, the distinguished Senator has presented a plausible-sounding proposal. But the Senator knows that if the Senator from Kentucky [Mr. McConnell] tells his leader on the other side of the aisle that he, Mr. McConnell, is not going to be here on a given day to call up a certain bill which Mr. McConnell on that occasion will manage, or that he, Mr. McConnell, will not be here to call up an amendment which he, Mr. McConnell, wishes called up, the Republican leader is going to protect him.

The Senator also knows that almost all business in the Senate—unlike the House—can only be taken up by unanimous consent; that a motion to proceed to it can be debated until cloture is invoked, if cloture is ever invoked; and that easily 98 percent of the business of the Senate is called up by unanimous consent.

I could take the hard-nosed view that if a Senator is not here to make his own objection, we should call it up. But I know that will not work; because, if one of my own Senators is not here to make his own objection, the next time I want to call up something, he may object if he is here.

Senators are equal, as Daniel Webster said. Some may feel that they are more equal than others. But it takes only one objection to prevent a bill from being called up, and the Senator from Kentucky knows that.

So, it is one thing to say, "Well, we ought to call it up. If those Senators are not here, they will have to answer to the people for that." That sounds good. But we have not been able to get up the Department of Defense authorization bill. I have tried for cloture three times, and the junior Senator from Kentucky has voted against cloture three times, just to take up that bill. He was here. He was not absent. He was here and exercised his right, but he voted against allowing the Senate to even vote to take up the bill.

It is one thing to say, "Why can't the majority leader do this and that," when most of us know, or ought to know, how the Senate operates and what the rules and precedents are, and we know that it just is not that easy.

Mr. McCONNELL. I say to my friend from West Virginia that I am sympathetic with the difficulty of making the Senate function, and certainly he is an expert in this institution, as to its rules and how it proceeds and does not proceed.

Just by observation, after 2 years here, it seems that the problems the majority leader is having are related to the rules of the Senate and the use of those rules by Senators on both sides when they are here.

It does not seem to me, at least—again, I do not have the responsibility you have for scheduling—that going off to fundraisers has caused the majority leader's problems. It seems to me that there is a deep-seated difference of opinion in the Senate these days as to what is in the best interests of the country. Would not the majority leader feel that is a good part of the problem he is having? We have some real disagreements over what kind of legislation ought to be taken up and passed.

Mr. BYRD. Of course, the Senator is getting off the subject a little bit.

We do have disagreements about what legislation should be passed. For example, I cannot get the consent at this point to take up the bill dealing with catastrophic illness. Why? Because of one Senator on the Republican side of the aisle. I take the word of the Senate Republican leader for that. He has said he has cleared it with everybody except for one Senator on that side of the aisle.

So, yes, we can differ on that issue. But if we are not allowed to take up the bill because of one Senator's objection, we will not be able to resolve the issue and the differences among us. We first have to get the bill up. Let us stay on the subject, the subject being campaign financing, and the present system under which we all have to operate.

Nobody is avoiding any law in going out and raising money. The problem is that it is making it increasingly difficult for the Senate to function.

The majority leader and the minority leader can only do so much, and what they are able to do is determined by how much consent they can get on their respective sides of the aisle to proceed on matters.

I am saying that we have already closed down the Senate one day a week, and I do not believe that we entered into that kind of contract with the American people.

When I said, "Send me to the Senate," I did not say, "Send me to the Senate and I will work there 4 days a week—Tuesday, Wednesday, Thursday, and Friday."

That is not to say that Senators do not work when the Senate is not in session. What I am saying has to do not only with the Senate floor work but also with committee work and the office work for constituents. Of course, Senators who are out traveling the country, may read and sign a few letters that they are able to take with them in a briefcase on the way to and from their destination.

I am saying that this money chase is eating into the effectiveness and the ability of the Senate and the effectiveness and the ability of Senators to do the work of the people.

It does not stop at just Mondays. I have Senators who, in agony, say: "Well, why do we have to have votes at 3 o'clock or 4 o'clock? I can't get in from such and such a far away point until 5 o'clock on Tuesday." Or, "If you could make the vote at 6 o'clock, that would enable me to get in."

There are those who will say: "Are we going to have any votes Friday? Can I catch a plane that leaves at 11 o'clock on Friday?"

So, here we are: We are talking about problems that Senators have. They are legitimate problems. They are not created by the Senators themselves, although I must say that not all Senators who wail and cry and gnash their teeth with respect to Friday afternoons are going to visit their constituents and in many instances are not even going out to raise money. They may be going out to the golf course or some other pleasant place. But that is their business, not mine.

I am talking about the money chase. That is the big culprit here; that is the main culprit. So we are hemmed in where we can have full day sessions only on Wednesdays and Thursdays. It is getting worse, because this money chase is demanding more and more and more of the time of Senators.

We know the old song: "Give Me More And More of Your Kisses." The campaign financing needs of Senators and House Members are requiring more and more and more of your money.

What kind of perception does that create on the part of our constituents? I, like every other Senator, am a victim of the system. No, not every other one. Some Senators may not have to go out and raise money. The perception is that most of us are beholden to the moneyed interests, that we are beholden to PAC's. And I can understand that perception. I am a victim of it. We who have to go out and raise these sums of money are victims of it. There are many of us who want to remain in public service. We feel that we have something to contribute to public service. We want to continue to serve our States and our people and the Nation.

With the increasing cost of campaigns, however, it is becoming more and more difficult for us to remain in public service.

I ask the pardon of everyone for alluding to myself, but there are others like me and there have been many times in the past in similar situations.

But I ask the question: As we look into the future as far as the eye can see how many more Senators will ever come here who come from poor background? How many more will start out as garbage collectors, as gas station attendants, as meatcutters, as produce salesmen, as welders? What chance will they have to become a Member of the U.S. Senate? The chances will become slimmer and slimmer and slimmer. Yet, there is a place here in this Senate for people like that.

It is not just the wealthy who have a corner on intelligence or who have all the IQ's that there are to be had. It is not just the wealthy who have a feel or an understanding of what the Nation needs.

But the system that we are finding ourselves the victim of is creating, and will more and more create, a situation in which the average guy like myself can have no hopes of ever coming to the U.S. Senate. A person in my early circumstances cannot break out of those circumstances to become a Member of this body. The prospect of having to raise millions of dollars in a campaign is too intimidating.

This money chase is undermining the faith of the American people in the legislative branch.

There is enough being said and done to undermine that faith, wrongly or rightly, without having this additional stone come crushing down upon us—the stone of the money chase.

Does the distinguished Senator wish to ask me any more questions?

Mr. McCONNELL. I would just say to my friend from West Virginia I could not agree more about his concern that the Senate not continue to move in the direction of being a repository of the millionaires and I will say with all due respect to him that S. 2 and its various versions and other bills before us would not solve that problem.

The only way we can close that loophole is to do something about the decision of Buckley versus Valeo as it applies to an individual's ability to put all he has into his own race and that distorted the process. None of the bills that we have been discussing address that issue.

There is only one way, Mr. President, to solve that problem, and that is with the constitutional amendment which the Senator from Kentucky has introduced and is welcoming others to cosponsor which will give to the Congress the authority to apply the same rules to those with great wealth who choose to put it into their own races as to anyone else in contributing to others.

I must say in listening to the majority leader's statement this afternoon we agree with a lot of things. The Senator from Kentucky came from humble beginnings, certainly not a wealthy person, had to work very hard to get here. I think it ought to be possible for people like Senator Byrd and Senator McConnell to get to this place. I think we have demonstrated that is possible.

The millionaires putting their own money into races has distorted the process. But none of the bills we have been discussing treat that. That would take a constitutional amendment. Even though we do not lightly amend the Constitution, it is the feeling of the Senator from Kentucky that a constitutional amendment carefully crafted to level the playing field on that issue and to allow the Congress to set the same standard for contributing to races, to contribute to your own race as for contributing to anyone else's race is the kind of constitutional amendment that might zip through here and be ratified in record time by the various State legislatures.

I am interested in how the majority leader might feel about that kind of constitutional amendment.

Mr. BYRD. Mr. President, the distinguished Senator from South Carolina [Mr. Hollings] is very much interested in a constitutional amendment to place a limitation on campaign spending. I am a cosponsor of his amendment.

But I want, first, to see legislation passed to limit spending. Otherwise, if a constitutional amendment is first brought up, Senators can vote on it and go back to constitutents and say "I voted for a constitutional amendment, I have done my part, I have already voted for a constitutional amendment to put a limit on campaign spending." Some will use that as a reason for not supporting this legislation.

Legislation is needed to deal with this issue now. A constitutional amendment is all well and good but that will undoubtedly take a number of years to be ratified by the people through their State legislatures or in conventions.

It is the immediate problem that we should address in the short run. As a matter of fact, under the latest compromise that Mr. Boren and others have attempted to present, the remaining minute public financing element, which in that proposal is used only as an enforcing mechanism, would be completely eliminated upon the ratification of a constitutional amendment putting a limitation on campaign spending.

So a constitutional amendment is not an approach that is to be denigrated, but it is an approach that has its place and will take some time and, of course, if we could pass that, and it would become law as quickly as we can pass a bill and have it become law within a matter of days, then I would be all for that.

Mr. McCONNELL. I will say to the leader that I do not support the Hollings amendment. The Hollings amendment, as I understand it, limits overall campaign spending. I do not favor that. That is the approach that is blatantly skewed against the Republicans and in favor of the Democrats and we cannot pass bipartisan bills around here.

What I am saying was a constitutional amendment to limit what a millionaire or any of us put into our own races is something that would level the field with reference to the millionaire problem which the leader mentioned. I share his view about that. A seat in the U.S. Senate should not be for sale. Nobody, because you acquired more wealth than others, should bring out a big fund for election. You ought to go out and get it from a lot of folks

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which is what the leader has to do and the Senator from Kentucky has to do, has to get a lot of people in order to pull it off.

The problem with the three proposals for Senators is different in an important respect from the Presidential system. Under the Presidential system if one chooses as a matter of principle or whatever not to accept public funding and just go out and do it on his own or her own—we had one candidate back in 1980 who chose to do that—there is no punishment for that. You simply have to work hard to raise the money. But under each of the schemes that have been put forward, S. 2 and the two subsequent revisions of S. 2, that has a punitive aspect. If you decide as a matter of personal conviction, or whatever reason, partisan advantage, you want to go out and raise your own money from a whole lot of voters, then you trigger for your opponent public funds, so you get punished for exercising the first amendment right as described in Buckley versus Valeo. You get punished and the punishment is that tax dollars are triggered for your opponent.

So there is an important distinction between these approaches to public funding and the Presidential public funding system, I will say to the leader.

Mr. BYRD. Mr. President, I am not sure that the distinguished Senator from Kentucky is accurate in what he has just said, especially with respect to the amendment which has been most recently introduced by the distinguished senior Senator from Oklahoma, [Mr. Boren], and others.

While it is true that those who are very wealthy could still write a check for whatever they wish to write and they could still spend amply from their resources, I think they would be put under the gun if they were not willing to limit their expenditures voluntarily. If such an opponent were not willing to agree to a spending limitation, I could probably use that very well against an opponent in West Virginia, simply by saying to the people, "Look, here is someone who wants to buy the office. He does not want to play fair. He thinks he can buy this office. This office is not for sale. I cannot match him dollar for dollar; I cannot match him. But I say to you, the people, Do you want somebody to represent you who is willing to put a limitation on spending and say so much but no more? Or do you prefer a candidate who says to you that he or she will not agree to limit spending? Is he afraid? Why is he afraid to put a limit on his spending?"

I welcome, Mr. President, the opportunity to cut an opponent into pieces on that basis.

Senators when they go out to the people should be out discussing the issues in the campaign. They should be able to go back to our constituents, meet them in the courthouse yards, in the schoolhouses, in the church basements, out on the truck beds that are used for platforms and say these are the issues. Here is where I stand. Here is my voting record. But instead of that we can not go out and talk about the issues. We have to spend our time in raising money. We go all over this country to raise money, not from constituents but from loyal supporters who support the party, who feel that it is their patriotic duty to support the party and to support candidates of the party. We are forced to do it by the system that nurtures the money chase.

This is no fault of the PACs. PACs are allowed under the present system. This is no denigration of PACs. It is no denigration of people who work for PACs. I have talked to a lot of people who are involved with PACs and they are being overwhelmed by the system also.

Mr. President, if I may continue, I will be glad to yield at any time if the Senator wishes me to.

We who believe so strongly that we must achieve true campaign financing reform this year are not defeated. We have tried and we have tried and we have tried and we have tried and we have tried—five times—to get cloture. We have been unable yet to do it.

But Robert Bruce, through whose veins flowed that royal Scottish blood, tried seven times. And so we are going to try some more. We are not defeated.

I am pleased to join with Senator Boren in cosponsoring the new proposal which he introduced on July 1. That new proposal contains all of the essential ingredients of campaign financing reform, but it does not rely on public financing for all Senate campaigns, and it has the following major features:

It retains aggregate PAC contribution limits computed as they were in S. 2; it establishes voluntary spending limits and limits on the use of personal wealth; it contains no public financing for Senate general elections so long as candidates abide by the voluntary spending limits; it establishes incentives for candidates to abide by those spending limits by making only those candidates eligible for preferential postage rates and lowest unit broadcasting time rates and by providing that the candidates who exceed the voluntary spending limits will trigger compensating payments to opponents who have agreed to remain within those limits.

It assures that candidates who are targeted by independent expenditures against them or for their opponents will be able to respond effectively, by increasing the primary spending limits of participating candidates when such expenditures are made during the primary period, and by providing a compensating payment to participating candidates when such expenditures are made during the general election period.

The amendment will establish the voluntary spending limits it contains as mandatory spending limits if a constitutional amendment is ratified permitting the establishment of such mandatory limits, and at that time drops the incentive provisions for abiding by the voluntary limits I described previously.

The proposal contains a full offset for even its very slight potential cost, by ending preferential mailing rates for political parties. The amendment will result in no net cost to the Federal budget—and quite possibly a reduction in the Federal budget deficit if all candidates live within the spending limits for their States—at the same time it sets in place vital reforms in our system of campaign financing.

It is time to find out precisely which Senators support basic campaign financing reform and which do not. When we vote on this amendment there will be no doubt about where Senators stand with respect to this question.

As we continue this very important debate, it is important that we remember the fundamental facts: There can be no true campaign financing reform without establishing spending limits which are equitable, a set of incentives to encourage candidates to choose to abide by the limits, and effective limits on the amounts of money which can become to candidates via the actions of policical action committees.

The most recent amendment offered by Senator Boren contains all these essential features. It does not contain public financing for all Senate candidates.

Those of us who originally sponsored S. 2 and moved it to the Senate floor are trying every way we know to move meaningful campaign financing reform legislation on a nonpartisan basis. We have reached out to our colleagues on the other side of the aisle again and again.

It is in that spirit that the most recent Boren amendment was offered, an amendment that, instead of relying on public financing, relies on the lest costly mix on incentives that can be devised to make a system of voluntary spending limits feasible within the constraints of the Supreme Court's decision in Buckley against Valeo.

We urge those Senators who have not yet supported campaign financing reform legislation—regardless of their party allegiance—to join in supporting this amendment. We urge those Senators, in both parties, who have been voting to prevent the Senate from considering and acting on this legislation, to vote now to permit the Senate to

consider the legislation and to act on it.

This is a chance for all Sentors to be for a strong, workable, fair bill that contains the essential ingredients of reform. I hope the next vote on cloture will find an overwhelming majority of Senators voting in favor of campaign financing reform.

The Senator from Oklahoma.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi, the Senator from Oklahoma has the floor.

Mr. BOREN. Mr. President, I relinquish the floor.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I thank the Chair for the recognition.

Mr. President, during the time that we have had this S. 2 on the floor and the modified S. 2 that has been offered by the distinguished Senator from Oklahoma and the distinguished majority leader, Mr. Byrd, there has been a great deal of discussion about whether or not it has anything to do with limiting campaign contributions by political action committees; and whether it provides mandatory or voluntary public financing; and what the basic reasons are for the reform proposal generally.

As a result of newspaper accounts and coverage of the debates, I think a lot of misinformation has been made available to the citizens of the country, and that there is a lot of confusion about what this proposal would really do.

As an example, it was advertised last year when it was first introduced as a way to reduce the impact on the election process of political action committees.

I challenge anyone to find in this bill where the contribution limits of an individual political action committee are reduced in any way.

Under current law, as I understand it, a political action committee can contribute $5,000 per election for the benefit of a candidate for the U.S. Senate. And an election means either a primary election or a nominating covention or the general election.

So, under current law a political action committee can contribute up to $10,000; $5,000 in a primary and $5,000 in a general election for a candidate for Federal elective office.

Under S. 2, the bill before us as modified, there is no change in that. The other day I was confused by an Op Ed piece I saw in the Washington Post, written by the principal sponsor of this measure, the distinguished Senator from Oklahoma. The headline of that Washington Post Op Ed piece mentioned PAC reform: reducing the influence of political action committee contributions.

You read the body of that Op Ed piece and nowhere in it was political action committee mentioned.

I do not have it before me right now, and others may have mentioned before in the debate on this subject the misleading nature of that headline. Someone just glancing at the page, seeing the name of the distinguished Senator from Oklahoma, seeing the headline of that Op Ed piece, that guest editorial, would conclude that the measure that we are debating here in the Senate has something to do with the reduction or restriction of contributions for Senate campaigns by political action committees. But it does not.

I mean I have looked through S. 2. I know the distinguished Senator from Kentucky has spoken on this subject before, but I haven't. This is my first opportunity to speak on the bill that is before us.

But, if there is a provision in S. 2 as modified recently that changes those contribution limits, I have yet to find it.

Mr. BOREN. Would the Senator yield?

Mr. COCHRAN. I would be happy to yield to the Senator with the understanding that I will not lose my right to the floor.

Mr. BOREN. I thank the Senator. I just wanted to inquire of the Senator if he was aware of the fact that both the original S. 2 and this bill have the effect of imposing limits on the aggregate amount of PAC funds which can be received from candidates to approximately 20 percent of the general election spending limits set in the bill and that applying this formula to the last election, PACs gave approximately $45 million in total to Senate candidates and that if this formula had been applied of aggregate PAC limits, candidates could have only received a maximum of $20 million instead of the $45 million they actually received from PACs. So it would have more than cut in half the proportion of funds that Senate candidates receive from political action committees.

Mr. COCHRAN. Mr. President, I appreciate the distinguished Senator's clarifying remarks about what is in the bill as far as his interpretation of it is concerned. But I say, and this has not been challenged, and I do not think the Senator disputes it: Under this bill, if it is enacted, a political action committee is still entitled, under the law, to contribute $5,000 per election to Senate candidates. That is not changed by this bill.

What I am suggesting is that there is an alternative. If the effort is being made here to reduce the contributions made by political action committees, the only bill that is before the Senate that does reduce them is the Stevens' bill. I think the bill introduced by the Senator from Kentucky and the distinguished Senator from Oregon eliminates political action committee contributions; but not S. 2. It is not the proposal offered by the democratic majority leader that reduces political action committee contributions.

It is the measure offered by the distinguished Senator from Alaska, the ranking Republican on the Rules Committee that reduces contribution limits, and the measure introduced by the Republican Senator from Kentucky and the Republican Senator from Oregon that will eliminate political action committee contributions.

So let us get serious now. If you really want to convince the American people that you are after the political action committee influence in Federal elections, you will not support S. 2. You would choose, instead, either the bill offered by Senator Stevens, which I am cosponsoring, or the bill offered by the distinguished Senator from Kentucky and the distinguished Senator from Oregon.

Let us get the facts straight as to what is being sought to be done. I will tell you what is being sought to be done. That is to create by S. 2 a new Federal entitlement program. That is exactly what this is.

We can play like we are going to reform the election process to diminish the influence of special interest groups. But you will really create a new entitlement program. You will continue to legalize the failure to disclose certain kinds of contributions in the election process. I am referring specifically to the soft money contributions, the efforts that organized groups can make in the Federal election process that is not counted as a contribution because it is not a dollar or money contribution. It is a contribution of in-kind services and assistance that is more easily provided by those groups that are organized for the purpose of supporting the election usually of candidates who are running as Democrats for the U.S. House of Representatives or the U.S. Senate.

Mr. President, I think those are facts that we need to get out on the table and be honest about and disclose in our debate of the real issues here.

S. 2 is an effort to develop a partisan solution for a bipartisan problem. We have problems in our Federal election process that need to be corrected, and I think that is absolutely true. But I think that there are proposals pending before this Senate that seek to do that without having the taxpayers finance a new Federal entitlement program and which would do it better.

So I am saying that we have a difference of opinion about how to go about this. Some of us think that we should increase, modestly, the amount of allowable contributions by individuals from $1,000 per election, as it is under current law, to $1,500 per election.

That is what would be allowed under the Stevens proposal.

I think there are other changes that could be made to try to reduce the total amount of money that has to be spent in the election process. I think it is out of control. I think we are seeing too much money spent in advertising the campaigns of candidates, incumbents and challengers alike, for public office. I think there are ways to get at that.

I believe we ought to agree among ourselves that the first thing we ought to do is to disclose in our reports that are required to be filed with the Federal Election Commission all of the contributions that are received by our campaigns—these are all of the in-kind contributions that we receive, all of the financial contributions, the money contributions, that are received from individuals and political action committees—a full disclosure so that those who are interested in knowing whether or not a candidate is going to be beholden to or dependent upon an organization as well as an individual or a political action committee will have the full array of facts before him so he can make that decision.

I am not suggesting that organized efforts in a political campaign are wrong or should be discouraged in any way whatsoever. I am just saying that if that has a dollar value, and if we want full disclosure in the process, then that should be disclosed in our reports.

I am also suggesting that we carefully consider another kind of limitation that has not been fully discussed in this debate. That is a limitation on the time within which advertising your candidacy is legally permissible.

I recall in 1984 when I was a candidate for reelection to the Senate in my State of Mississippi, the campaign lasted from about February 1 until November. During the course of the summer, I remember reading in the newspapers about the fact that in Canada, Parliament had been dissolved, elections had been called, and they had been set for about 6 weeks from the day the Parliament was dissolved. I know we do not have a parliamentary system, but it occurred to me at the time, "Would not that be nice if in our election process, we had a shorter period of time within which to conduct our campaigns and have our election? Think of the amount of money that would not be spent in the campaign if you had a 6-week period of time allowable for your campaign."

Well, they elected a new Parliament and Prime Minister in Canada during that 6-week period of time but we continued slogging along through the State, advertising on radio and television, in newspapers, doing door-to-door canvasing, and all kinds of activities that cost a lot of money. We finally concluded the campaign in November.

Just the other day another example was the election in Britain. Elections were called, Parliament was elected, Margaret Thatcher reelected, all within the period of about a month.

I do not know what the total cost of those campaigns were in Canada or in Britain, but compared with the cost of campaigns here I would imagine that they were very modest.

I am not suggesting that we go to the parliamentary system or that we limit our campaigns to that period of time, but I have suggested an amendment and when it is appropriate to offer it I intend to offer it. It is printed in the RECORD of June 9, 1987, earlier this year. It is the Cochran amendment No. 284, on page S7896 of the CONGRESSIONAL RECORD.

The operative part of this amendment woud prohibit the advertising of a candidate's campaign except during the period of time 90 days preceding the date of the election or the primary or the nominating convention.

It is my suggestion that if we limit the period of time within which campaigns can lawfully be conducted, we are going to take care of the problem of excess expenditures in these campaigns.

I had the Congressional Research Service do a study to determine when campaign spending occurs with reference to the day of the election.

Mr. President, I ask unanimous consent that at this point the report provided to me by the Congressional Research Service be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CAMPAIGN SPENDING BY DATE OF EXPENDITURE (REPORTED BY CRS)

1986 HOUSE AND SENATE CAMPAIGN SPENDING BY DATE

[In millions of dollars]

| Date | 3/31/86 | 6/30/86 | 10/15/86 | 12/31/86 |
|---|---|---|---|---|
| Senate | 46.0 | 92.2 | 145.8 | 211.1 |
| House | 58.1 | 99.7 | 153.1 | 239.0 |
| Total | 104.1 | 191.9 | 298.9 | 450.1 |

*1980 Presidential campaign spending by date*

| Spent by Mar. 31, 1980: | Millions |
|---|---|
| Reagan campaign | $11 |
| Carter campaign | 9 |
| Total | 20 |

*1984 Presidential campaign spending by date*

| Spent by Jan. 1, 1984: | Millions |
|---|---|
| Reagan campaign | $1.7 |
| Mondale campaign | 11.7 |
| Other campaigns | 16.8 |
| Total | 30.2 |
| By party: | |
| Republicans | 1.7 |
| Democrats | 28.4 |
| Others | .1 |

Mr. COCHRAN. Mr. President, what we see in this report is that millions of dollars are spent well in advance of the campaign, not only in Presidential campaigns. As described in this report, in the 1980 campaign, total campaign spending by President Reagan and former President Carter prior to April 1980 totaled $20 million. In here you find the dates by which those funds were spent.

By March 31, 1980—this is for an election in November—those candidates, together, had spent $20 million.

In the 1984 Presidential campaign, President Reagan and former Vice President Mondale, and other campaigns that were involved in the 1984 election cycle, by January 1, 1984, spent a total of $30.2 million.

There are other indications in this report of how much was spent by House and Senate campaigns. Let me just use this to illustrate.

By March 31, 1986, for the 1986 election cycle for Congress, total spending by all House and Senate campaigns totaled $104.4 million.

Keep in mind that the earliest congressional primary that year was March 18, in the State of Illinois.

What this illustrates, Mr. President, is that candidates are spending more and more money each year, earlier and earlier in the election cycle.

I just read the other day that in Iowa there are candidates advertising on television already who are seeking to be selected by the caucuses that are going to be held just after the first of the year, in 1988, in the Presidential campaign, and that in New Hampshire, when the primary election is going to be held in February 1988, candidates are already advertising on radio, spending money for staff, doing direct mail pieces, expending huge amounts of money.

I am not suggesting that this amendment that I am going to offer will correct that problem. That is Presidential election politics, and we are not seeking to make changes in the measure before the Senate in Presidential campaigns. We are targeting our effort to Senate elections. I think we should include House elections as well.

For the purpose of Senate and House campaigns, this amendment, if it is agreed to, would prohibit election advertising, campaign advertising, prior to 90 days before a primary or general election. I think that would take care of a lot of problems.

Mr. McCONNELL. Will the Senator yield?

Mr. COCHRAN. I will be happy to yield with the understanding that I will not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. The Senator and I have discussed this issue a couple of times in the past, noting that we do

not have a parliamentary system in this country, and in parliamentary systems the people by and large vote parties, and, therefore, are able to make quick decisions about who they favor.

I think there is a lot to be said for the statement of the Senator from Mississippi. However, I am troubled about one aspect of it. I am interested in the Senator's reaction.

The unknown candidate, the candidate who starts out, such as the Senator from Kentucky did, without a 10-percent name identification in the State. Is the Senator from Mississippi troubled by the idea of coming from nowhere, if you will, in the American system, if one is confined to this brief period of time for the introduction of the candidate and sales pitches of the candidate, this brief period of time for television advertising? Do you find this troubling?

Mr. COCHRAN. I am troubled by the fact that there are campaigns that are going to disadvantaged because of the fact that they are not going to have a year to advertise or 2 years to advertise their candidacies.

But I really think that this campaign thing has gotten completely out of hand. If you look at the fact that many campaigns now last for a year, or more, I do not know that we can justify to the American people having to subject them to a year's worth of television advertising for a race for the House or the Senate. I think that maybe our perspective has gotten completely distorted.

We are very much involved in the election process. Most of the people who are serving in the Senate have been in politics for a long time and been very successful in campaigns. They think about campaigning. They think about campaign advertising techniques a lot. They spend a lot of time on this subject. But the average American citizen is not nearly as interested in all of this as are those who serve in the Senate.

If we took a sample of public opinion and asked citizens, "How long would you like to have to review the qualifications and/or size up candidates in a political campaign," and if you gave them a choice of 1 month, 1 week, 2 months, 3 months, I would suggest that it would be a lot less than those who serve here would say they need in order to make an evaluation of candidates.

I think that our idea about it may be wrong. Some are going to say, "Well, that is going to give an advantage to incumbents." Well, I would like for the Senator to describe to me anything that is pending in the way of a suggestion for reform that is not going to provide an advantage to incumbents. I would like to challenge the Senator to identify for me a single piece of legislation that has ever been enacted by the Congress which did not give the incumbents in Congress an advantage over challengers for the seats they occupy. I would suggest that every measure that has been passed by Congress on this subject in the history of the Republic has not had as its purpose the creation of a fair and even playing field for challengers who might be wanting the jobs of those who are passing that law.

Mr. President, that is another thing we need to point out for the benefit of those who are interested in this discussion and wondering what is in this bill, that it is not, as some have self-righteously proclaimed, for the purpose of enabling challengers to have just as much of an opportunity for election to Federal office as incumbents have, because that is not going to be result of the enactment of S. 2. Incumbency is a tremendous advantage and everybody ought to admit that. And S. 2 does not correct that.

Mr. President, I do not think it is likely that many taxpayers, once they find out what S. 2 really would require in the way of outlays to candidates and incumbents who are running for office, are going to be very happy about it. The reason I do not think they are going to be happy about it is that it is going to either require new taxes be imposed to pay for this program or the deficit to be increased to an even larger amount.

I think these are serious problems. I think these are serious problems that the people are going to have with S. 2 when they find out what is really in it.

I do not think, for instance, that reform of the election process requires us to create a new Federal entitlement program. Now, some are saying, "Well, this is a voluntary program." I think the distinguished Senator from Kentucky has certainly answered that. I heard him describing the so-called voluntary nature of this bill the other day, and I think it is pretty clear that it is not voluntary at all. Any incumbent Senator who is seeking reelection who would not agree to abide by the limits imposed on S. 2 would be stupid.

Now, there may be some who would say that they would not agree and have a good reason for it, but in looking at what happens to you if you do not agree and what happens to the funding possibilities for your opponent if you do not agree to abide by strict limits that are imposed in this bill, then you would be foolish or misguided not to agree.

So it is not voluntary at all. The alternative to voluntary participation in the Federal fund matching aspect of this election law makes it involuntary. It is mandatory. As a practical matter, it is mandatory. And so what we are being asked to create is a new Federal program that will provide money out of the taxpayers' pockets to campaigns of incumbent Senators and challengers alike.

Those challengers do not have to have any credibility. There is a minimum requirement for raising a campaign fund that would qualify you for matching money out of the Federal Treasury. And because those limits are set very, very low, those requirements are minimal. I suggest that almost anybody could put together an organization of friends and acquaintances which would permit him or her to raise a requisite amount of money to qualify for the Federal money for his campaign. The Federal money that would come in would guarantee there would be a very real requirement of the incumbent to raise as much money as the law would permit, get as much of the Federal matching share as the law allows, and have a full-scale spending campaign. This is reformed campaigning? I suggest it would look pretty much like the campaigning that we have now. The only real difference, Mr. President, is that the taxpayers would be paying for most of it, whether they supported a candidate, thought he was a good, qualified candidate and ought to be involved in this campaign, or not.

I think you could just look around at some of those who have qualified for matching funds in Presidential campaigns and find that it really is not that difficult.

I do not mean to single out any one candidate, but I know that in the last Presidential election campaign, Lyndon LaRouche, for example, ended up getting about a half-million dollars, I think, from the U.S. Treasury to finance his campaign for President.

There is every reason to believe, Mr. President, that in Senate and House campaigns, we would have a proliferation of candidates because of the enactment of this new law and the requirement for the first time that the money that is given to them to run their campaigns come from the U.S. Treasury.

I think that, like any other new program that is created, S. 2, if it is enacted, is going to have the same kind of future. It will tend to get bigger than originally intended. There will be more money made available as time goes on. It will be indexed to try to accommodate the increased costs of advertising and campaigning as time goes on. It will get more out of control than people had intended it to when it was created. Like almost all the other entitlement programs I have seen enacted since I have been in Congress and in the Senate, it will be impossible to terminate.

So, even if we enact this, as some are suggesting, as an experiment, to see if this would improve the way we conduct our Federal election campaigns, I do not think it is an experiment that we could stop once it got started. It will become more expensive. It will

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become more complicated. It will impose on the American people the burden of more campaign advertising than they have ever had before. Do we not have enough already? I think we do.

So, I get back to the suggestion I made earlier: One sure way to reduce the cost of campaigns, to ensure that the campaigns are modest, is to restrict the time within which they can lawfully be conducted. There is precedent for this. Some are saying that they have not heard of this before. I pointed out the examples in parliamentary democracies in Canada and Britain. But there are statutes already on the books and there are ordinances in certain cities in our country that restrict the period of time within which candidates can post signs or can advertise by posting billboards.

The State of Wisconsin, as a matter of fact, has a statute that limits to the period of the actual campaign when a person files a petition with his signature to qualify for office and the election date as the period for campaigning.

Mr. President, I ask unanimous consent to have printed in the Record a copy of the Wisconsin statute.

There being no objection, the statute was ordered to be printed in the Record, as follows:

ELECTIONS—SIGNS ON RESIDENTIAL PROPERTY

1985 WISCONSIN ACT 198

An Act to create 12.04 of the statutes, relating to placement of materials containing a political message during election campaign periods

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 12.04 of the statutes is created to read:

12.04 Communication of political messages. (1) In this section:

(a) "Election campaign period" means:

1. In the case of an election for office, the period beginning on the first day for circulation of nomination papers by candidates, or the first day on which candidates would circulate nomination papers were papers to be required, and ending on the day of the election.

2. In the case of a referendum, the period beginning on the day on which the question to be voted upon is submitted to the electorate and ending on the day on which the referendum is held.

(b) "Political message" means a message intended for a political purpose or a message which pertains to an issue of public policy of possible concern to the electorate, but does not include a message intended solely for a commercial purpose.

(c) "Residential property" means property occupied or suitable to be occupied for residential purposes and property abutting that property for which the owner or renter is responsible for the maintenance or care. If property is utilized for both residential and nonresidential purposes, "residential property" means only the portion of the property occupied or suitable to be occupied for residential purposes.

(2) Except as provided in s. 12.03 or as restricted under sub. (4), any individual may place a sign containing a political message upon residential property owned or occupied by that individual during an election campaign period.

(3) Except as provided in sub. (4), no county or municipality may regulate the size, shape, placement or content of any sign containing a political message placed upon residential property during an election campaign period.

(4) (a) A county or municipality may regulate the size, shape or placement of any sign if such regulation is necessary to ensure traffic or pedestrian safety. A county or municipality may regulate the size, shape or placement of any sign having an electrical, mechanical or audio auxiliary.

(b) In addition to regulation under par. (a), a 1st, 2nd or 3rd class city may regulate the size, shape or placement of a sign exceeding 11 square feet in area. This paragraph does not apply to a sign which is affixed to a permanent structure and does not extend beyond the perimeter of the structure, if the sign does not obstruct a window, door, fire escape, ventilation shaft or other area which is required by an applicable building code to remain unobstructed.

(5) (a) The renter of residential property may exercise the same right as the owner to place a sign upon the property under sub. (2) in any area of the property occupied exclusively by the renter. The terms of a lease or other agreement under which residential property is occupied shall control in determining whether property is occupied exclusively by a renter.

(b) The owner of residential property may exercise the right granted under sub. (2) in any portion of the property not occupied exclusively by a renter.

(6) This section does not apply to signs prohibited from being erected under s. 84.30.*

SECTION 2. Initial applicability. This act applies to acts prohibited under a lease or other contract which is in effect on the effective date of this SECTION upon the expiration or renewal of the contract.

St.1915, § 12.01.
L.1935, c. 308.
L.1937, c. 101, § 2.
L.1965, c. 666, § 3, eff. July 1, 1967.
St.1971, § 12.01.

Effective date and application of L.1973, c. 334, see note preceding this section.

Cross References

Campaign financing, see § 11.001 et seq.

Code of ethics for public officials, see § 19.41 et seq.

Library References

Elections 🔑309 et seq.
C.J.S. Elections §§ 324, 334.

United States Code Annotated

Federal Corrupt Practices Act, see 18 U.S.C.A. § 592 et seq.

12.02 Construction:

In this chapter, criminal intent shall be construed in accordance with s. 939.23.

Historical Note

Source: L.1977, c. 427, § 110, eff. July 1, 1978.

Library References

Elections 🔑324.
C.J.S. Elections § 337 et seq.

12.03 Election day campaigning restricted:

(1) No election official may engage in electioneering on election day.

(2) No person may engage in electioneering during polling hours on election day within 500 feet of an entrance to a building containing a polling place.

(3) A municipal clerk, election inspector or law enforcement officer may remove posters or other advertising which is placed in violation of this section.

(4) In this section, "electioneering" means any activity which is intended to influence voting at an election.

Historical Note

Source:
L.1973, c. 334, § 35.
L.1977, c. 427, §§ 111, 112, eff. July 1, 1978.
L.1979, c. 89, § 21, eff. Dec. 9, 1979.
1983 Act 484, § 129, eff. June 1, 1984.
Prior Laws:
Ann.Stats.1889, § 23g.
L.1893, c. 288, § 123.
St.1898, § 4544d.
L.1925, c. 4.
St.1925, § 348.234.
L.1955, c. 696, § 227.
St.1955, § 12.64.
L.1959, c. 556, § 13.
St.1971, § 12.64.

Effective date and application of L.1973, c. 334, see note preceding § 12.01.

Mr. COCHRAN. Mr. President, this is one example of a law that has been used to limit the period of time that campaigns can be conducted.

Another example is in the city of Jackson, MS, where I live. We had municipal elections not too long ago. We just had a primary election in State and local government races on Tuesday. Within the city of Jackson, there is a law that limits the posting of election campaign signs and posters to 45 days prior to an election. This is not just public property where this is applicable. It is also on private property within the city.

I do not know whether anyone has challenged that and has raised the issue of freedom of speech. But the fact is that that ordinance is in force, and the city, as recently as this last primary election, took down signs that violated that ordinance.

So, it is not new in our system to limit the period of time for the conduct of election campaigning.

I think there are probably other examples that Senators can cite to support the notion that that is not something unheard of or unconscionable in our democratic process.

I think Congress has the lawful and constitutional right to prescribe the rules for the election of its Members. I think that is what the Constitution says. It shall be the judge of the qualifications of those who serve in Congress, and it shall enact laws that relate to the election. In addition to the constitutional amendment that was passed in 1913 which provided for the direct popular election of Senators, Congress has acted from time to time under its constitutional authority.

There are probably going to be others who will have a contrary argument on that point, and I am not surprised. But I suggest that there is also a good argument that can be made for the proposition that Congress has the power to limit the time within which campaigns for office in Congress can be conducted.

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* 84.30—generally regulates "Outdoor Adv." Highways, etc.

Beyond that, Mr. President, I do not want to take up any more of the time of the Senate. Others are here on the floor and probably have comments they would like to make.

Mr. KERRY. Mr. President, will the Senator yield for a question?

Mr. COCHRAN. I am happy to yield to the Senator, with an understanding that I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, while I was presiding over the Senate for a period of time, I listened with great interest to my friend from Mississippi. I think he raises a lot of very legitimate questions about problems in the electioneering process in this country about which we are all very concerned.

I think the public ought to understand this, and my question to the Senator really surrounds the problem of why we are not able to proceed forward to deal with some of the issues the Senator has talked about.

The Democratic process ought to allow us to take up every one of the points the Senator has made. He can make an amendment to S. 2 at any time with every one of his proposals. I would like to vote on them. I would like to debate them. But five times, as the distinguished majority leader has said, we have tried to bring this bill to the floor in a way that will allow us to vote and legislate and debate these very issues.

I wonder why the Senator and my friends on the other side of the aisle continue to refuse to allow this issue to be legislated on. Why can we not proceed forward and have every one of the amendments of the Senator from Mississippi argued about and voted on? I wonder why the Senator, himself, has voted against our ability to proceed forward to do that.

Mr. COCHRAN. I am happy to respond to the question of the distinguished Senator.

From the perspective of this Senator, I think it is helpful if the facts about what is in S. 2 as originally introduced and what is in S. 2 as modified are fully debated and fully discussed, so that everybody understands what we are looking at.

For example, I do not think there has been an accurate portrayal through the media of the contents and the implications of the proposal that is now before the Senate.

The Senate was created as an institution in which we would have an opportunity to carefully review and to deliberately study proposals that were made for changes in the laws of the country. From this Senator's point of view, this is the first opportunity I have had to discuss a suggested alternative to the spending limits and public financing that are being advanced principally by those on the Democratic side of the aisle.

As I said earlier, I think that once the full story is out about what is in the bill that is being urged upon the Senate now and what it really means so far as the cost to the taxpayers is concerned, and the institutionalizing of a new Federal entitlement program that would just benefit politicians and not the American people, they will not want us to enact it. I do not think they understand that now. I think that having the opportunity, as we are having this afternoon, to talk about it a little more, to look at it a little more carefully, to ask questions, just as the Senator has asked me about my motivation, the more fully the American people will understand the issues.

I conclude, from what I have heard and what I have read, that this is a very partisan suggestion that is attempted to be brought to the floor of the Senate for consideration. It is a partisan suggestion to solve a bipartisan problem, and I do not think that is right or fair.

I think that we need to include in the bill, for example, a full disclosure of the origin and the nature of all contributions to the Federal election process, whether or not organizations, who may not be political action committees, are using funds of their members specifically for the purpose of electing Democrats or Republicans or specific candidates of both parties to the House and to the Senate. Those funds should be reported and those expenditures should be reported to the Federal Election Commission.

I think, for instance, if you are going to try to limit, as this bill does, money contributions only, that you are not talking about all the contributions that are made by special interest groups in the Federal election process, but you are talking about those that are normally used far more effectively by Republican candidates than Democratic candidates because Democratic candidates tend to have, generally speaking, more organized support from labor unions and other groups and do not actually have to report everything that they do to the Federal Election Commission. That is not required under current law and it is not required under the so-called reform measure that is being advanced here under the provisions of S. 2.

I think "soft money" ought to be reportable. I do not think it ought to be necessarily outlawed or restricted or that persons ought to be intimidated in the free exercise of their powers of a citizen, but I do think that if we are going to have rules for one kind of contribution we ought to apply those same rules to other kinds of contribution that are just as effective and just as influential in the election process as a dollar contribution. I think that is the point that a lot of people have missed in this discussion and in this debate. I think the more we talk about it and the more we look at it and see it we realize that it is a very partisan suggestion for a problem that affects both parties, not just one.

Mr. KERRY. I appreciate that.

Mr. McCONNELL. Mr. President, will the Senator yield?

Mr. COCHRAN. Let me yield to the distinguished Senator from Kentucky with the understanding I will not lose my right to the floor, and then I will yield further to the Senator from Massachusetts.

The PRESIDING OFFICER. Without objection, the Senator is recognized under the conditions.

Mr. McCONNELL. I thank my friend from Mississippi.

I say two things. First of all, the Senator speaks with an outstanding analysis of the various S. 2 proposals, S. 2, 1, 2, and 3 we have seen and, second, the Senator is right on the mark. The reason we are not writing this bill on the floor is that if we write the bill on the floor, it is going to be a partisan bill. The leadership on this issue has said to the other side from the beginning if you want a bipartisan bill, as the Senator from Mississippi said, let us go off the floor and let us work on a bipartisan bill. We cannot write this bill on the floor of the Senate. It is too sensitive. It is too partisan. It is too obvious, as the Senator from Mississippi pointed out, that S. 2 is designed to nail the Republican Party and is asking too much of us to say let us go out and write this on the floor of the Senate where there are 54 Democrats and 46 Republicans. That is asking too much.

If we want to pass a bipartisan bill as we said we are willing to do for the last 2 months, let us huddle and do it and go out to the floor then with the kind of bill and pass it 59 to 5.

Mr. COCHRAN. I thank the Senator.

I am happy to yield to the distinguished Senator from Massachusetts with the understanding that I not lose my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator has yielded on his conditions to the Senator from Massachusetts.

The Senator from Massachusetts.

Mr. KERRY. I thank the distinguished Senator.

If I could just comment on the comments of both Senators which try to assert that this is somehow a partisan measure which is without compromise and without effort to legislate genuinely I think the record shows otherwise.

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When this measure was first brought to the floor by the distinguished Senator from Oklahoma and the Senator from West Virginia, the majority leader, it had in it a public finance mechanism and at that time our distinguished colleagues on the other side of the aisle took the floor en mass and said no public financing, public financing is an evil, public financing cannot be accepted under any conditions.

I suppose the irony was not missed by many that one or two of those who were making that argument were in fact preparing to file their letters to accept the Presidential public financing funds in their candidacy for President of the United States.

Mr. COCHRAN. Mr. President, if the Senator has a question, I will be happy to try to respond to it. I have not heard a question. It appears we are hearing a new speech on a different subject.

Mr. KERRY. I understand the floor was yielded to me on the condition the Senator did not lose his right to the floor. It was not stated specifically it was a question.

Mr. COCHRAN. I am happy to yield to the Senator for a question, Mr. President.

Mr. KERRY. Let me come back. I did want to ask the Senator from Kentucky a specific question. I do not know if he is going to be returning to this colloquy or not.

Mr. COCHRAN. I will tell him about it and I will try to answer it in his absence.

Mr. KERRY. He is present. I am not sure he is listening at this point.

I understand the Senator from Kentucky made a point about how somehow, and this is a question, I assure the Senator from Mississippi, that it was punitive and somehow contrary to the first amendment to say to somebody with a lot of money that if they went and spent above a specific amount, that the candidate opposing them would then receive equalizing funds.

My question to the Senator from Kentucky is, as a student of law and a lawyer, which he is, I do not know of anywhere in the Constitution or particularly in the first amendment that there is anything except a right to freedom of speech, a right to freedom of association, a right to have access and be able to spend your money to get your message across. But I do not believe that there is anywhere decreed or right to prevent us, a U.S. Government from providing funds to equalize that access for other people. There is no right to buy an election.

I wonder if the distinguished Senator could articulate for us where it is in the first amendment that there is some definition of that punitive aspect of providing that equality for funding for an election.

The PRESIDING OFFICER. The Senator from Mississippi has the floor. Does he yield to the Senator?

Mr. COCHRAN. I am happy to yield to the distinguished Senator from Kentucky for the purpose of answering that question with the understanding that I not lose my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator's request is granted and the Senator from Kentucky has the floor on the conditions stated by the Senator from Mississippi to reply to a question. Then the Senator from Mississippi will be recognized again.

Mr. McCONNELL. I thank the Senator from Mississippi.

The question, as I understand it, was the distinction simply between the existing public finance law which is available to Presidential candidates and the various schemes envisioned by the proposals of the Senators from Oklahoma and West Virginia. There is a very important distinction. One is running for the President of the United States and chooses as a matter of conviction or otherwise not to accept public money. There is no penalty for that. He simply has to work hard to raise the money rather than raising part of the money and getting the rest from the Treasury. We had one candidate back in 1980 who did that. He was not successful. That may explain why none others have since. But as I said, Governor Connally said "As matter of principle, I don't want any Federal money. I will go out and raise mine."

He went out and did it, worked hard and, did not get anywhere, but there was no penalty. His decision to do that did not trigger any public funds or punitive actions to any of his opponents.

I say to my friends from Mississippi and Massachusetts the difference between the Presidential system under which there is no penalty at all for opting to go private and the various schemes that have been put forward in Byrd-Boren 1, Byrd-Boren 2, and Byrd-Boren 3 is if you approach above the limit public funds are triggered in fairly significant amounts for your opponents.

Therefore, as the Senator from Mississippi pointed out earlier making it pretty unlikely that unless you are a super millionaire, you are going to have the option to exercise your right of free speech because you are being punished with taxpayers' dollars for exercising this option.

That is the portion of these bills that in the judgment of the Senator from Kentucky is unconstitutional.

I think a clear reading, precise reading of Buckley versus Valeo leads one to the conclusion that that kind of punishment for exercising your first amendment freedom is very likely to fail the test of the first amendment.

That would be my answer to the question of the Senator from Massachusetts.

Mr. COCHRAN. Mr. President, I think if the Senators who are interested in the alternative proposals to S. 2 would look at the bill introduced by the Senator from Alaska, Mr. STEVENS, which I am cosponsoring, they would see a provision that relates to the wealthy candidate. If a person spends over a certain limit of his own funds and it is obvious that he is prepared to spend an enormous amount of his personal funds in his campaign, then the contribution limits under current law are increased so that a person faced with the wealthy candidate has a better chance to raise funds to offset that advantage.

Now, I think that is a better answer to it. I think that is a better way to handle that problem than having the Federal Treasury raided by a candidate to try to establish some semblance of balance between one who is wealthy and one who is not so wealthy or between one who is wealthy and one who is poor.

The fact of the matter is, as I suggested earlier in this discussion, I do not think it is possible for us to legislate equality in Federal election campaigns between incumbents and challengers. No matter how much someone might pretend they want to do that, I do not think that is going to be possible. We cannot legislate for someone a high name identification. But what we can do, Mr. President, is to require of all candidates that they disclose their campaign contributions, their monetary contributions in the form of donations of funds or money, whether it is from individuals or political action committees, or organizations, and that the organizations which spend money on their own in behalf of a candidate must also report those expenditures. I think that is important.

We have seen, Mr. President, a proliferation in many campaigns of the independent contribution, the so-called independent contribution. I think we are going to find if we look at a lot of those independent contributors, that they are really a part and parcel of a national political party or a national political movement and are centainly not just an ordinary average citizen pursuing some first amendment right.

I think this is true whether you are talking about liberal groups, conservative groups, or however you describe them. The fact is that the independent contributor now wields a tremendous amount of power and influence in the Federal election process. So we are not any longer just concerned, if we want full disclosure and spending limits, with how much money candidates themselves and their own personal campaign committees raise and spend.

In order to have full disclosure, we ought to include these independent organizations, whether they are an organized workers group or a trade association or a professional association. We ought to have the rules and laws applied to them just as strictly as they are applied to candidates and incumbents. I do not think current law does.

The Stevens bill would require the full disclosure of these independent contributions.

As a matter of fact, those contributions that are made for advertising for political candidates would have to be fully disclosed. Fven organizational activities would be disclosed if they exceed the sum of $10,000.

In my judgment that is something that is needed. But it is not in the partisan bill, because it steps on too many people's toes who support those on the other side of the aisle who run for offices in the Federal election process.

I think these are facts, Mr. President, that are important, that are material, and that are relevant to this debate, and they ought to be carefully reviewed. I do not think they have been discussed very much in the newspapers. They have not been discussed very much in the accounts that I have heard and seen in the media about the debate on S. 2.

What we have heard more often than not is that the Democrats are for limiting and restricting the expenditures of moneys by special interest groups and for some manner or form of public financing for elections, and that the Republicans are against it. That is what I have read and I have heard, and I think that is what the average citizen has been led to believe by those who have dominated the debate on this issue on this floor, and it is time to straighten the record out. Because that is not true.

What is true is that this is a partisan effort to change the process but not to have full disclosure of all the influence in the Federal election process. I think that is what we need.

The S. 2, bill, that is presented to the Senate under this motion does not reduce the amount of contributions, the limits on contributions that can be made by political action committees. The Stevens bill does. it reduces from $5,000 to $3,000 the allowable contribution a political action committee can make to a Federal candidate, for the House or the Senate.

The McConnell and Packwood approach is to do away with them entirely—listen to that, Mr. President—the Republican Senator from Kentucky, and the Republican Senator from Oregon have proposed that all political action committee donations be done away with. It is hard to find that out, though, reading the paper.

The other day the Washington Post carried a guest editorial by my good friend, the distinguished Senator from Oklahoma, and you would have thought by reading the headline that his bill had something to do with limiting PAC contributions in Federal elections. It does not. It does not change the allowable limit that a political action committee can contribute in the Federal election process. It just does not.

The Senator had a long, involved discussion of how that bill indirectly affects political action committees. Even if you understood that and how that really would work, there is no change in the amount of money that a political action committee can contribute to a Senator's campaign. But the Republican Senators, who have offered the principal alternatives, would reduce the contributions that PACs can make.

I do not know whether anybody has said this or not, but if you look at the amount, as a percentage of contributions that are made to Democratic candidiates for the House and Senate by PACs, and contributions by PACs to Republican candidates for the House and Senate, you will find that more contributions have been made to Democratic candidates by PACs. That is just a fact.

It has been that way since PACs started. It gets bigger every year. And S. 2 does not change that. It does not change the amount of money that a political action committee can donate to a campaign of a candidate for the Senate or the House.

A lot of people are just now finding that out. So the Senator is wondering why we are taking this opportunity to discuss what is in S. 2? We are trying to have full disclosure, Mr. President, of what is in this bill. So we will know what they would have us disclose in Federal election campaigns in the future. What we are finding out is that some things will be disclosed and there will be limits on monetary expenditures in a way that limits only cash contribution spending. It does not limit the organizational spending, independent spending; it can be hidden under this proposal, so that the process can be dominated, Mr. President, by those who do not have to report; who do not have to say what they are doing or how they are influencing or manipulating the process for their benefit.

It creates the opportunity for massive abuse of the Federal election process and the American people ought to know that.

I have talked enough today on the subject. I have suggested that there are better alternatives than S. 2, for Federal election reform.

I am suggesting that the better alternative is the Stevens bill.

My distinguished friend from Kentucky has introduced a bill which also deserves careful review. It has a lot of good provisions in it that ought to be carefully reviewed. But to hear Senators come to the floor and complain that the Republicans are obstructing the processes of the Senate by telling everybody what is in these bills needs to be carefully reviewed, too.

Why do we want to rush this bill through with the atmosphere that has been created, with all of the publicity, the campaign of sending editorials to editorial writers all over the country telling them what is in the bill. Many of them have just been reproducing these editorials.

In one of my home State papers, you could pretty well figure when an S. 2 editorial is coming out because it will have come out in the Post the day before or 2 days before; then it will show up in one of my major newspapers in Mississippi.

A lot of the same phrases; a lot of the same words. Interesting.

I wonder about that fellow down in my State who is writing that editorial. How did he get all of this information when a lot of it is not even true; not even true? But it is being printed as if it is not only true but somehow sacrosanct. Sacrosanct because the public will now have every right to find out all there is to know about campaigning. Even that the Treasury will finance the campaigns.

Well, I say we need to take a very careful look at what is being pushed over on us in the name of reform. It is a new Federal entitlement program. Taxpayers are not going to like it when they find out that their money is going to support a lot of candidates whom they would not want supported under any circumstances for any office. But that will be the effect of S. 2.

I would be happy to yield to the distinguished Senator for a question.

The PRESIDING OFFICER. The Senator from Mississippi has the floor. The Senator from Massachusetts is seeking recognition.

Mr. COCHRAN. I yield to the Senator for a question. I do not intend to hold the floor much longer.

The PRESIDING OFFICER. The Senator yielded to the Senator from Kentucky for a question.

Mr. McCONNELL. I wanted to commend the Senator for one of the finest speeches I have heard on the floor in the 2½ years I have been in the Senate. You certainly laid it out. The disinformation campaign about S. 2 has been astounding. It has been one of the most incredible efforts to misinform the public that I have ever observed in all of my years in public life.

The Senator is absolutely correct saying that we need time to correct

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the misimpressions that have been laid before the American people.

Also, where the Senator points out that all of these measures have been carefully crafted he hits the mark again. They have been crafted to take advantage of the strengths of the Democratic Party and to get at the advantages of the Republican Party.

We have done better with the small donor. So let us put a clamp on what the small donor can do. Let us leave the soft money alone. Let us leave the organizational efforts alone. Let us do not have them limited or disclosable. Let us get at cash contributions because the guys and the girls on the other side have done a better job garnering those contributions. It is a thoroughly partisan bill. I thank the Senator.

Mr. BYRD. Will the Senator yield without losing the right to the floor?

Mr. COCHRAN. I will be happy to yield the floor, as I said a moment ago. I will be happy to yield to the distinguished majority leader.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I thank the Senator.

I was somewhat amazed to hear the Senator from Kentucky refer, in his remarks, to S. 2 and to the Senators who are sponsoring and supporting S. 2—not personally—but he referred to it as the most incredible misinformation campaign that he had ever heard. Is that an accurate statement?

Mr. COCHRAN. Mr. President, if I may respond? I heard the Senator, and he can speak for himself, and I intend to yield to him for that purpose.

We were talking about the disinformation campaign that has been going on by editorial writers, people who have canned editorials and send them around the country under the alleged purpose of describing the contents of S. 2.

The Senator did not talk about any Senators being involved in any misinformation or disinformation campaign; but the atmosphere that has been created through the media about what this bill does and what it seeks to do. Its purposes have been distorted in his opinion, and my opinion, too. We have been talking about that for about the last hour.

But I am happy to yield to the Senator for any response he would care to make.

Mr. McCONNELL. Yes.

The PRESIDING OFFICER. Without objection, the Senator from Kentucky is recognized.

Mr. McCONNELL. That is true. The Senator from Mississippi accurately stated it. He cited, for example, Senator BOREN's op-ed piece in the Washington Post, the title of which is "Trying To Cut Back Power." And the article essentially did not mention PACs. We were just talking about how the editorials across the country have been talking about cutting PACs, and that is not what S. 2 is about in our judgment.

Mr. BYRD. I am glad to have it clarified. I thought the Senator was referring to what is in the bill and what the Senators who are consponsoring and supporting that bill are saying about it. I want to be sure that I heard him correctly and that it was a most incredible misinformation or disinformation campaign—whatever it was, misinformation or disinformation. I wanted to be sure I got that clarified.

Was the Senator referring to the Senator from Oklahoma and other Senators on the Democratic side?

Mr. McCONNELL. Mr. President, if the Senator will yield, the Senator from Kentucky was not referring to any Members of the Senate. Second, on the observation of the Senator from Mississippi, with which he agrees, the amount of disinformation being circulated around the country, which appears in editorial after editorial, has been interpreted that somehow that bans the PACs, which in our judgment it does not do.

Mr. COCHRAN. The entire thing from the beginning has been announced in terms of, "Let us have the public pay for these campaigns rather than the special-interest groups. The PACs are dominating the process. This legislation is going to curtail that and somehow make sure that our process is pure, that it is not tainted by special group influence."

So what the American people assume is that S. 2 reduces the allowable limit of PAC contributions, and it does not; that it fully requires full disclosure of soft money contributions of organizational activity to raise money and spend money in behalf of Federal election candidates, which it really does not do. It does not have anything to do with independent expenditures in the process, by somebody who wants to come in and get involved in a campaign on his own, or maybe part of a national organization, or maybe as a group which is an arm of a national party. Those disclosures are not required by S. 2.

The American public is being led to believe by the way the debate is being printed in the newspapers that this is a bill that is evenhanded, that applies to Republicans and Democrats evenly, that it is fair, and that it is better in many respects than what we have. Some of us do not agree with that. So the point this Senator has been making or trying to make this afternoon is that there are two sides to the story and there are alternatives to S. 2. I discussed particularly the Stevens bill as a much better alternative and described why I am supporting it.

Mr. President, I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. BYRD. Mr. President, will the distinguished Senator yield for a moment?

Mr. KERRY. I am delighted to yield.

Mr. BYRD. Mr. President, I am delighted to hear from the two Senators that their remarks were not directed at those Senators on both sides of the aisle, and there are at least two on the other side of the aisle, who have, by their votes, indicated that legislation is needed and they are considering supporting this legislation. I am glad to hear from the two Senators that their remarks as to misinformation were not arguments leveled toward Senators who are supporting this legislation.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, there are just a couple of points that I would like to address which I think bear on what we are really doing here. I think people ought to be reminded of what we are really doing here.

The distinguished Senator from Mississippi talks about airing the issues, getting at this.

Well, this bill has been through the legislative process, Mr. President. There are many items that come before the U.S. Senate, many of them initiated by my colleagues on the other side of the aisle, that have never had a hearing. This bill has had days of hearings before the Rules Committee. Many Senators testified. Everybody had an opportunity to go in and make their views known. This bill is not a surprise.

This bill has been floating around the floor and in committee since January of this year when we first got back. This bill has had as much lead time as almost most legislative matters that we ever confront here.

So this bill is not a mystery.

Secondly, Mr. President, this is a motion to proceed that we are debating.

My colleague from Mississippi has said, "I am for the Stevens bill." We would love to let him have a vote on the Stevens bill. That is the democratic process. Let us take a vote, Mr. President. I am sure all my colleagues on the Democratic side would welcome the opportunity to have the Stevens bill come. We will let them have the Stevens bill if they will let us have a vote on this bill. But I am not so sure they will go for that, Mr. President.

The reason I do not think they will go for that is because of the punishment argument that was made by the senior Senator from Kentucky.

I think we ought to examine the punishment argument and what it really means.

The Senator from Kentucky is saying that if you can raise whatever amounts of money you want, or if you are lucky enough to have that kind of money and you go ahead and spend it, then it is somehow punishing that person to have somebody else have the same right of access to communication, to the election process.

The converse of that argument, if you accept it, is that if you are going to view it as punishment to permit somebody equal access, you are, in effect, going to institutionalize forever financial advantage. That means if you have more money or can raise more money, you will always have the advantage because you can always buy more TV, mail to more people, hire more people to work for you, hire more telephone callers to make calls for you, do more polls, and be far more sophisticated in your election approach.

So what he is really saying, if you get underneath the notion of punishment, is, "It is OK in the United States of America for us to have a permanent system by which, if you can spend more money, you can hold office."

That is precisely, Mr. President, what they are trying to get at in this bill. We are trying to say, "Let the ideas win, let the candidates win on the basis of what they are going out and saying to the voters, and on the record and on the experience and on the character of the candidates; not on who has the slickest advertisements, not who can buy the best PR firms, not who can fudge the most times the record of another person and put it out in negative advertisements."

I have never in my life heard of something more American than the notion that we are going to have equality in the election process. If you have somebody who has millions of bucks and he wants to spend his millions of bucks, let that person go spend his millions of bucks. But let the other person have the opportunity to be able to take their ideas out on an equal footing and not be smothered by money.

I think the American people are sick and tired and fed up with the notion that money, and not policies and not character and not ideas, is going to decide the future of this country. That is not what anybody had in mind when they set up the democratic process such as we have.

I think what you really have when you get underneath this punishment argument of the Senator from Kentucky is a Republican desire to guarantee that the advantage that they have in funding remains.

Mr. President, last year Senator CRANSTON, of California, raised more money than any Democratic candidate for the U.S. Senate has ever raised in history, about $14 million for one U.S. Senate seat. And, Mr. President, he was still outspent by his Republican opponent.

Republicans in turn will say, "Well, we won, so maybe it is okay."

That is not the issue. The issue is. Are we going to be able to get back to the job of being Senators and not raising money in Miami, Los Angeles, New York, and all over the country all the time? Will we be able to have those committee hearings that do not always coincide because they are crammed into 3 days when people can be here? Are we going to have time to come to the floor and debate great issues? Are we going to have to continue to adjust the Senate to fundraising needs of Senators?

Mr. President, I have the privilege of chairing the Democratic Senate Campaign Committee in this cycle. Last year the Democratic Senate Campaign Committee raised $12.2 million, a record amount for the Democratic party.

Our Republican counterparts raised over $90 million, and they were able not only to fully fund evey single one of their candidacies to the maximum amount allowable by the law, but they were able to spend millions of dollars in polling, get out the votes, and lots of other things, not to mention negative advertising.

My colleague from Mississippi says there is disinformation about PACs, PACs are not being limited in this effort, Mr. President.

Well, that is just not accurate. PACs are being limited. I have heard from countless PACs who called me up and asked, "Why are you limiting our ability to participate?"

PACs are angry at this legislation, Mr. President. They do not like it. The reason they do not like it was stated clearly by the Senator from Oklahoma because, as my colleague from Mississippi said, he is correct, we do not lower the $5,000 limit, but they are limited in their total ability to participate in any one candidate's campaign. That is the imbalance that people are upset about today.

Some campaigns for the U.S. Senate have an enormous disproportionate amount of PAC money in them and some have not. Some have a little bit.

But what is happening increasingly is those PACs have, according to some people's view, gone out of whack. So this legislation by Senator BOREN indeed limits the participation to 20 percent from about the 40 percent it is at today. That is a limitation.

In all candor, Mr. President, the amounts of money which we set by the Federal Election Commission were set in 1974. In 1974, we created a $1,000 limitation for any one individual to a campaign in the primary and in the general. Well, it is now 1987, and in the 13 years that have lapsed, the value of the dollar has gone down, the purchasing power of that $1,000 is less. The purchasing power of the $5,000 PAC contribution is considerably less. At the same time, the costs of campaigning have skyrocketed: television, far more expensive; polling, far more expensive. All of the costs of campaigning are more expensive. So it simply does not make sense to take a figure set in 1974 and in the face of high costs of campaigning lower that figure so as to make it even harder for people to be able to fund their campaigns.

Now, another issue, the history of this bill. The Democrats I think have shown an enormous willingness to compromise. At the outset, when this bill came to the floor, there was a hue and cry about the notion of public financing, and so back to the drawing board.

The public financing was reduced by 50 percent. That was not good enough. The stall continued. So back to the drawing board and, indeed, the public financing was eliminated with the exception of a voluntary checkoff system and some spillover if the voluntary checkoff system did not provide enough.

Now I hear my colleagues from the other side of the aisle saying, "My God, how can we use the Federal Treasury of this country to fund campaigns? Isn't that awful."

Well, Mr. President, almost every single one of them voted, those who were in the Senate, to do exactly that when they created a tax credit which gave people credit for up to $100, $50 for their donation to campaigns at the Federal level. Mr. President, that tax credit for which they voted cost the Federal Treasury $536 million. The election cycle of both the House and the Senate for the general election combined was $258 million.

So, Mr. President, we could have fully funded every single campaign in the country with Federal dollars that were being collected from 5 percent of the American people and still reduced the deficit of this country by $250 million if we had passed that plan last year.

But now, all of a sudden, when that Federal dollar may be spent in a way that equalizes the process, "Oh, no, we don't want anything to do with that. Don't do that. The sins and evil of a Federal dollar being spent to encourage participation in the election process is unacceptable."

Mr. President, I am happy to have this issue aired before the American people because it reeks with hypocrisy. How can we have that dollar spent one year and the next year it is not acceptable and they say no. I think, Mr. President, the American people as they begin to learn about his issue, will, indeed, say enough of the money in politics, enough of this process by which people who can contribute

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$1,000 are the people who get their phone calls returned first, enough of this process by which the people who have a lot of money to give are the people who get more access and more say in what happens.

The President of the United States, Ronald Reagan—certainly no one beats him as the leader of the conservative movement in this country, who does not accept deficits, does not like public spending, does not want to see this country's deficit supposedly get worse, yet it does every year under him—has accepted money on two occasions from the Federal Government in order to conduct his campaigns for President of the United States.

(Ms. MIKULSKI assumed the chair.)

Mr. KERRY. Now, I think that given what is at stake in terms of the energies of Senators, the ability to be able to do our job as legislators, the ability to go back to our districts and listen to people more rather than raising money, the ability to be able to spend time legislating, there is much to be gained for this country in the process which would allow us to have equal access to the election process. There is no denigration of the Constitution of this country in this approach, not one iota, Madam President.

In this particular approach, there is a voluntary system. I emphasize that—voluntary. If you think it takes you $20 million to sell yourself to your State or your district, you go out and do it. But if somebody else thinks that is an unfair advantage and they need to be able to do that, too, in order to have people even hear their ideas in the midst of the kind of flood of television and advertising that that would provide, they get that shot. That is all. They do not get an advantage. They do not get more money. They just get the shot to stay on equal footing, Madam President.

It seems to me that nothing could be more essential to restoring people's confidence in this system than money, money, money is not the eternal decider and the unequivocal, critical pinion of the whole election process.

I think that the Senator from Mississippi has made many good points. There is much that ought to be discussed about the length of campaigns and when we begin and whether there can be limits. But I think, Madam President, we ought to get on with the business of doing just that rather than stalling in a process that I think is calculated, rather than to really deal with this issue and vote on it, to somehow run out the session, run out the year and avoid this from happening so that we can continue to see an enormous disadvantage remain part of the institutional election processing of this country.

I think my colleague is correct, incidentially, when he says this should not become partisan institutionalism. I do not think it should. I think there are issues that ought to be discussed about full disclosure, absolutely. And there ought to be issues discussed about what kind of sideline independent expenditures might be created by one facet of this bill or another. But again I repeat: There is not one aspect of that which cannot be voted on in the course of consideration, and I think my colleague understands that and would welcome the opportunity to do just that.

I yield, Madam President.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Madam President, I welcome the comments the distinguished Senator from Massachusetts, who is chairman of the Democratic Campaign Committee this year for the Senate, has made about this bill. I think what we have come to realize today, and maybe some Senators have earlier than today, is that we need to get back together at the committee level, and those Senators who serve on the Rules Committee, which has jurisdiction over this subject matter area, ought to make a new effort—I hope that a new effort can be made—to develop a bipartisan bill that would attract the support and sponsorship of Members of the Senate from this side of the aisle and not be just a vehicle for trying to provide partisan advantage in the Federal election process.

I know there are differences of opinion about whether S. 2 does that or does not do that. I am strongly convinced that it is a partisan bill and that in order to have a bill enacted and to really change the law in any meaningful way, we are going to have to get together, Republicans and Democrats, to work out a compromise.

In the atmosphere we have today that obviously cannot be done on the floor. I hope that we would rededicate ourselves to the effort to craft a bill that will have bipartisan support; so that we can have real reform, full disclosure, and a better election process.

Madam President, I yield the floor.

Mr. BOREN. Madam President, I was able to hear at least a portion of the remarks of my good friend, the Senator from Mississippi, and he is my good friend. I have great respect for him. We have had many causes on which we have stood together on this floor. We have the privilege of working together on the Agriculture Committee and other arenas, and I value that partnership very much.

I have to say, in all due respect, that at least the concluding statement I heard him make is not one with which I can agree. I want to assure him with all sincerity that this bill is not offered for a partisan purpose.

If it has any unintended impact upon the chances of one party or another, I would say to the Senator from Mississippi that it is purely unintended. It is offered because of a sincere belief that we have to do something to preserve the integrity of the election process in this country and that the integrity of that process is being very rapidly eroded.

I recall when Senator Goldwater and I introduced our proposal a couple years ago, a proposal which mirrors a part of this bill, the part dealing with the aggregate amount of money that candidates can receive from political action committees, there were caucuses of both parties to discuss this legislation. In some ways it was amusing to me, and perhaps it is a sign of the times in which we are living, that in the caucus on the Republican side there was widespread suspicion voiced that this bill was a Democratic plot.

At the same time that meeting was going on, there was a meeting on the other side of the Capitol of the Democratic Caucus; and in that meeting there was widespread suspicion voiced that this was a Republican plot.

So, Senator Goldwater was accused of allowing himself to be duped by a Democratic plot, and I was accused of allowing myself to be duped by a Republican plot.

It reminds me of some discussions we have heard in the last 48 hours of an attempt to reach some consensus of where we go in Central America and on other foreign policy matters. There have been those who have said, "Is the White House trying to trick us?" There have been those, particularly the supporters of Contra aid—I happen to be a supporter, but I do not share the suspicion—who have said, "Is the White House selling out to those in Congress who are not really for Contra aid?"

I think that what we have had is an honest effort to try to get together. I hope it will succeed. I wish all those working on that matter Godspeed, as they try to develop a bipartisan approach to that problem. I hope we can have a bipartisan approach to this. I hope we can find common ground with the Senator from Mississippi, the Senator from Kentucky, and others.

I am alarmed at the way campaign spending has gone up. It has gone up 500 percent in the last decade in terms of the cost of running for the U.S. Senate, a successful campaign. I am alarmed that over 160 Members of Congress, in the last election, received over half their campaign contributions not from people at the grassroots but from special interest groups, largely controlled in Washington, mainly composed of people who have never been to the States of the candidates to which they have made contributions. So, some balance needs to be restored,

and that is why we put limits on how much a candidate can receive from PACs and put in voluntary inducements with respect to limitations on contributions from PACs.

Only those who accept limits will get favorable postage rates. We have tried to do away with the bulk mailing rates which most parties get, the Communist Party and other parties. We would pick up enough revenue to pay for that. So we do it without any net increase in cost to the general revenue fund.

Then we have come along at the end and said that even though we have taken nearly all the public financing out of this package—again, in deference to those on the other side of the aisle who are not for public financing, I understand their concern about it, and it is a concern which I share to a large degree. I am not a great fan of public financing of any kind of campaigns. We were trying to find some way of getting people to accept campaign spending limits, in light of the ruling of the Supreme Court in Buckley versus Valeo.

It is the same reason why the Presidential system was put in place. We have to find some way to give candidates an incentive to accept spending limits. In the Presidential system, the cost of campaigns has been kept down, while in the Senate it has gone up 500 percent in the last decade. It has been the same for the past three Presidential elections. That is a great victory for the process of having candidates compete on the basis of ideas, ideals, and qualifications instead of on the basis of who can raise the most money. It has been good and healthy for the system.

However, in deference to those who are concerned about public financing, we have tried to take as much public financing as possible out of this bill. In the new compromise which has been talked about, and which will be offered later in the process, we have only used money from the voluntary income tas checkoff fund to be used as a mechanism that will come in place to discourage candidates from breaking the spending limit.

For example, in a State where the spending limit was $1 million and both candidates agreed to that, they would have to raise it privately. Not a dime of public money would come into play.

We have money from the checkoff used as a standby in this bill. If one candidate accepts a million dollar spending limit and does not break it, but the other breaks it, then the funds would be available to the other candidate to offset it and to offer a level playing field. It is used only as an enforcement mechanism.

We have gone a step further. Many on the other side have said: "I would rather do this by constitutional amendment and make sure that we have no public funds at all involved, even as a standby enforcement mechanism." So we have provided in the bill that if the constitutional amendment is adopted—and I support a constitutional amendment to let Congress place limits on campaign spending, as we used to be able to do—if that constitutional amendment is ratified—and Senator STROM THURMOND, a distinguished Senator on the other side of the aisle is one of the principal cosponsors, or perhaps the principal sponsor, of the constitutional amendment to limit the amount that candidates can spend—if that amendment is adopted, then the public financing, even as a standby mechanism, every penny, would come out of this bill; and the spending limits set in this bill would simply become implementing legislation allowed by the constitutional amendment.

So we have taken step after step to bring this in a bipartisan direction, to try to find areas of agreement.

I am encouraged by some things I have heard from Members on both sides of the aisle. Senator EXON told me he could not support the original version of S. 2 because he did not want candidates to automatically qualify for thousands of dollars of public money. He says that now that we have taken that out of the bill, he can support the bill.

Others on both sides of the aisle have indicated to me that they are very seriously considering supporting cloture in the light of the changes that have been made in this bill. I think we are moving in the right direction. We have an obligation to do that. We do not want a situation in which 160 Members of Congress, or more, are elected with over half the money coming not from their districts but from organized interest groups with no contact with their home States.

We do not want a situation in which the cost of running for the Senate has gone up to $3 million in the last decade and will go up to $15 million in the next decade.

We do not want young people who dream of performing public service to think about how they will raise $15 million to run for the U.S. Senate by the time they are old enough to run.

There are changes that need to be made, and we do not hold out our proposal as perfection. All we say is that it is an honest, well-intentioned attempt at putting together the best ideas we have to deal with an important problem in this country.

This year of the bicentennial of the Constitution, we are all reminded of the responsibility we have, whether Democrats or Republicans, to try to obtain the best system for this country, about which we all care.

So, that is what this bill is all about. It is a problem that is not a Republican problem, not a Democratic problem. It is an American problem. The highest offices of public trust in this land are more and more being placed on the auction block. Many of the American people believe that elections are being decided too much on who can raise the most money instead of who has the most sincere desire to serve this country and to make our country strong and economically competitive again and to hold our place in world affairs.

That is the challenge. We have made some significant changes. I do hope our colleagues will very carefully look at the compromise and will understand that it is a very different proposal from the one originally offered. I assure them that it is sincerely offered in the spirit of trying to reach a bipartisan consensus, and I look forward to examining their suggestions for improving it further.

If someone brings me a sincere proposal to try to improve this bill, I will be the first Senator to accept that proposal, if I believe it is right. In my own sincere opinion, I will view that proposal with equal openness, whether it comes from a Republican or a Democrat.

We have drifted into too much polarization in our country—polarization of suspicion and confrontation in foreign policy; polarization of suspicion and confrontation in domestic policy. Debate on this bill, a bill aimed at the election process, which should not have anything to do with party, has drifted into that kind of field.

I am sure that my colleagues on both sides of the aisle are sincere in having these suspicions, but I do believe it is time for us to replace polarization with partnership. I believe it is time for us to replace confrontation with cooperation. I think it is time for all of us to work as hard as we can to do what is right for the country, and this is a sincere effort to do that.

I salute the majority leader for his commitment to this particular approach. He understands the problems that are being caused in this institution by the need to raise more and more money.

Madam President, I do not believe there is any person in this country, if he would reflect upon it, who would think it is a good thing that the average Member of the Senate—I am not talking about a Senator from New York or California where spending has gone as high as $20 million or more to run for the U.S. Senate—I am talking about just an average Senator from an average State, a State the size of Oklahoma, for example, with 3 million people; the cost of running in a State that size, which is relatively small, is $6 million. If you look at this for over a 6-year period to raise $3 million, every Senator would have to raise at least $10,000 every single week of the

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entire 6-year term that that Senator serves, $10,000 raised this week, $10,000 raised the next week, $10,000 raised the next week, every single week for 6 years without exception to come up with $3 million which is now necessary to run a successful campaign.

Madam President, we ought to be dealing with the problems of this country, not figuring out how to raise $10,000 this week and how to raise the $10,000 next week. We were not sent here by our constituents to spend our time thinking about how to raise $10,000 every week. We were sent here by our constituents to grapple with and solve the real problems they are facing and our country is facing. We were not sent here to figure out how to raise the $10,000 so there would be some appearance out there we are so concerned about raising our money that it could have some indirect influence about our standing on the issues.

We should be spending our time doing the job we were elected to do.

I hope we can find a way to limit this overall spending to get it back under control so that this week this Senator and other Senators on this floor will not have to stop and think about raising $10,000. We can turn our attention instead to the problems in the Persian Gulf and what is going on in Central American and what we do about the trade imbalance and what we do about farm credit and energy policy and all the other issues about which we should be concerned and about which I think the Members of this Senate want to spend their time and their thinking time and their time and energies trying to work to do something for their country.

Madam President, again I want to appeal to all of those on both sides of the aisle, let us step back from this and think about it again and let us see if we cannot find a way to get together to do something that will help this institution.

The majority leader has indicated we are going to come back, going to come back to this again and again until we find a way to do that. I know he is not offering to do that because he is a Democratic leader. I think he is offering to do that because he is the majority leader with a responsibility to this institution and to the country and to try to do something to preserve this institution.

I have heard him say that he is thinking about the time when he is no longer a Member of this Senate. He is thinking about what kind of institution we are going to have down the road and what kind of institution the U.S. Senate will be when it is dealing with the problems of our children and our grandchildren and whether or not it will still be able to function as it should to play that role in the affairs of this country.

I know that is his commitment. He is a historian of the Senate. He sees what happened.

The Senator from Mississippi, the senior Senator, Senator STENNIS, the President pro tempore, served here so many years, celebrated his 86th birthday just a few days ago, served here longer than any other Senator and has spoken very eloquently time and time again about his concern about what is happening to this institution as a result of the trend and the campaign financing and the amount of money that it takes.

These voices should be heeded. Those with historic perspective should be listened to. We should see what has happened to us. We must not close our eyes to what is going on. How many elections will have to pass, Madam President, before we recognize the problem? How many problems will have to be put on the back burner while people raise that $10,000 a week before we realize for the sake of our country this is the time for us to act.

I yield the floor.

Mr. HOLLINGS. Madam President, I rise today to join the discussion on S. 2, the Boren-Byrd campaign finance bill, in response to some remarks made earlier today on the floor of the Senate. First, I would like to thank the majority leader for his kind comments about my constitutional amendment to allow Congress to limit campaign spending, Senate Joint Resolution 21. He and I both agree that absurd amounts of money are being raised and spent in congressional elections, and that a constitutional amendment is a constructive way to deal with this problem. I welcome the leader's support on this issue and look forward to working with him to see that this bill passes the Congress and is sent to the States.

After the majority leader's remarks, however, the Senator from Kentucky [Mr. MCCONNELL] responded that he opposed Senate Joint Resolution 21 because it was a partisan bill aimed at limiting the Republican Party. Well, Madam President, that would come as quite a surprise to the Republican supporters of this bill that include my senior colleague from South Carolina, Senator THURMOND, the ranking member on the Judiciary Committee, and the Senator from Alaska, Senator STEVENS, the ranking member on the Rules Committee. The newness of the view of the Senator from Kentucky has its merits. This Senator, however, is more persuaded on campaign matters by the view, nourished by over 52 total years of Senate experience, expressed by Senator THURMOND and Senator STEVENS. They know my constitutional amendment is not partisan, and I am pleased to have them as cosponsors.

Unlike my friend from Kentucky, they recognize that the Congress has turned into a body of fundraisers, not legislators, that while money has always been a part of politics, the tables have been turned. It used to be that politicians attracted the money, now the money attracts the politicians. For example, Congress used to work during the week and raise money on the weekend. Now, we continually disrupt our legislative schedule with what are called "Windows." I used to think that a window was something you looked out of, but I know now that it is something you haul money through. The point, Madam President, is that the megadollar requirements of modern campaigning undermine the ability of all Members to do their job, and thereby the integrity of the body itself.

## ORDER OF PROCEDURE

Mr. BYRD. Madam President, this request has cleared with the able Republican leader and the two Senators who will manage the bill are on the floor, Senators LEAHY and LUGAR.

## ADMINISTRATION OF THE COMMODITY DISTRIBUTION PROGRAM

Mr. BYRD. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 261, S.305.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 305) to amend the National School Lunch Act to improve the administration of the commodity distribution program.

There being no objection the Senate proceeded to consider the bill which had been reported from the Committee on Agriculture, Nutrition, and Forestry, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

*SECTION 1. SHORT TITLE.*

*This Act may be cited as the "Commodity Distribution Reform Act of 1987".*

*SEC. 2. SENSE OF CONGRESS.*

*(a) DISTRIBUTION OF AGRICULTURAL COMMODITIES.—It is the sense of Congress that the distribution of commodities and products—*

*(1) should be improved as an effective means of removing agricultural surpluses from the market and providing nutritious high quality foods to recipient agencies for assistance to needy persons; and*

*(2) is inextricably linked to the agricultural support and surplus removal programs administered by the Secretary of Agriculture and is an important mission of the Secretary.*

*(b) COMMODITY DISTRIBUTION PROGRAMS.—It is the sense of Congress that the Secretary of Agriculture should—*

*(1) adopt such policies and rules as are necessary to make the commodity distribution programs administered by the Secretary more efficient and responsive to eligible recipient institutions and the needy persons relying on the programs; and*

*(2) improve the quality of the commodities so distributed and the manner in which the commodities are distributed.*

*SEC. 3. COMMODITY PROCESSING EXTENSION.*

*(a) IN GENERAL.—Section 1114(a)(2)(A) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(2)(A)) is amended by striking out "1987" and inserting in lieu thereof "1989.".*

*(b) CONFORMING AMENDMENTS.—*

*(1) Section 4404 of the Child Nutrition Amendments of 1986 (Public Law 99-661) is amended by striking out "In" and inserting in lieu thereof "Effective through June 30, 1989, in".*

*(2) Section 364 of the School Lunch and Child Nutrition Amendments of 1986 (Public Laws 99-500 and 99-591) is repealed.*

*SEC. 4. COMMODITY DISTRIBUTION PROGRAM REFORMS.*

*(a) APPLICATION.—This section shall apply to—*

*(1) the commodity distribution and commodity supplemental food programs established under sections 4(a) and 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note);*

*(2) the program established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b));*

*(3) the school lunch, commodity distribution, and child care food programs established under sections 6, 14, and 17 of the National School Lunch Act (42 U.S.C. 1755, 1762a, and 1766);*

*(4) the school breakfast program established under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773);*

*(5) the donation of surplus commodities to provide nutrition services under section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a); and*

*(6) to the extent practicable—*

*(A) the temporary emergency food assistance program established under the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note); and*

*(B) programs under which food is donated to charitable institutions.*

*(b) QUALITY AND FORM OF COMMODITIES AND PRODUCTS.—*

*(1) DEVELOPMENT OF SPECIFICATIONS.—The Secretary of Agriculture (hereinafter in this section referred to as the "Secretary") shall develop specifications for commodities and products that are distributed by the Secretary that ensure that the commodities and products are of a quality, size, and form that is most useful to eligible recipient agencies, taking into account the duty of the Secretary—*

*(A) to remove surplus stocks of agricultural commodities through the Commodity Credit Corporation; and*

*(B) to purchase surplus agricultural commodities through section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c).*

*(2) OPTIONAL SIZES AND FORMS.—The Secretary shall, to the maximum extent practicable, make the commodities and products available in optional package sizes and forms.*

*(3) AVAILABILITY OF SPECIFICATIONS.—The Secretary shall make available summaries of the specifications for the commodities and products to State agencies.*

*(4) TESTING FOR ACCEPTABILITY.—The Secretary shall establish an ongoing field testing program for present and anticipated commodity and product purchases to test product acceptability with program participants. Test results shall be taken into consideration in deciding which commodities and products, and in what form the commodities and products, should be provided to recipient agencies.*

*(c) DIETARY GUIDELINES.—Commodities and products that are distributed by the Secretary shall, to the maximum extent practicable, be consistent with the Dietary Guidelines for Americans published by the Secretary of Agriculture and the Secretary of Health and Human Services.*

*(d) COMMODITIES AND PRODUCTS THAT ARE NOT IN GOOD CONDITION.—*

*(1) REPLACEMENT.—Commodities and products that are distributed to eligible recipient agencies and are found not to be in good condition shall be replaced under procedures established by the Secretary. On receiving a commodity or product that is not in good condition, a recipient agency shall expeditiously notify the State agency of the condition. The State agency shall take appropriate steps to ensure that the commodity or product is expeditiously replaced.*

*(2) PROCEDURES.—The Secretary shall establish procedures governing the handling of commodities and products that are not in good condition when received by recipient agencies.*

*(3) MONITORING SYSTEM.—The Secretary shall establish a system to monitor the age and condition of commodities and products that are stored by the Secretary, to ensure acceptable quality.*

*(e) DISTRIBUTION AND DELIVERY.—*

*(1) DISTRIBUTION SCHEDULES.—The Secretary shall establish schedules, to the maximum extent practicable, for the distribution of commodities and products that are consistent with the needs of eligible recipient agencies, taking into account the duty of the Secretary—*

*(A) to remove surplus stocks of agricultural commodities through the Commodity Credit Corporation; and*

*(B) to purchase surplus agricultural commodities through section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c).*

*(2) DELIVERY SYSTEMS.—The Secretary shall monitor the delivery systems used by State agencies, and require State agencies to implement an effective delivery system, for the intrastate delivery of donated commodities and products. The Secretary shall establish a value for donated commodities and products to be used by State agencies in the allocation or charging of commodities against entitlements.*

*(f) RECIPES.—*

*(1) IN GENERAL.—The Secretary shall distribute to all recipient agencies suggested recipes for the use of donated commodities and products.*

*(2) DISTRIBUTION.—The recipe cards shall be distributed as soon as practicable after the date of enactment of this Act and updated on a regular basis.*

*(g) IMPLEMENTATION.—*

*(1) REGULATIONS.—Not later than 9 months after date of enactment of this Act, the Secretary shall issue such regulations as are necessary to carry out this section, including regulations concerning—*

*(A) reasonable intrastate fees if such fees are charged to local recipient agencies;*

*(B) minimum performance standards to be followed by State agencies responsible for intrastate distribution of donated commodities and products;*

*(C) procedures for commodity allocations among the States;*

*(D) delivery schedules; and*

*(E) procedures for local recipient agencies to return commodities and products delivered that are stale, spoiled, or similarly not in conformity with the product specifications of the Secretary.*

*(2) UNIFORM INTERPRETATION.—The Secretary shall take such actions as are necessary to ensure that regional offices of the Department of Agriculture interpret uniformly across the United States policies and regulations issued to implement this section.*

*SEC. 5. EXTENSION OF ELIGIBILITY OF CERTAIN SCHOOL DISTRICTS TO RECEIVE CASH OR COMMODITY LETTERS OF CREDIT ASSISTANCE FOR SCHOOL LUNCH PROGRAMS.*

*(a) IN GENERAL.—Section 1581(b) of the Food Security Act of 1985 (Public Law 99-198; 99 Stat. 1594) is amended by striking out "1987" and inserting in lieu thereof "1989".*

*(b) CONFORMING AMENDMENT.—Section 14(g)(2) of the National School Lunch Act (42 U.S.C. 1762(g)(2)) is amended by striking out "In" and inserting in lieu thereof "Effective through the school year ending June 30, 1989, in".*

*SEC. 6. COSTS FOR NUTRITION SERVICES AND ADMINISTRATION.*

*(a) IN GENERAL.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by adding at the end thereof the following new paragraph:*

*"(5)(A) In addition to the amounts otherwise made available under paragraphs (1) and (2), each State agency may use 10 percent of the savings (as defined in subparagraph (C)) for the costs of nutrition services and administration of the State agency and local agencies associated with increases in the number of persons served. In the case of a State agency that instituted a competitive bidding or rebate system before the date of enactment of this paragraph, the State agency may use savings under this subparagraph only if the use of the savings does not result in a reduction in the number of persons served in the State.*

*"(B) In addition to the amounts otherwise made available under paragraphs (1) and (2) and subparagraph (A), each State agency may use up to 10 percent of the savings (as defined in subparagraph (C)) for the costs of nutrition services and administration of the State agency and local agencies to the extent that the additional expenditures are related to increases in the number of persons served due to an increased availability of supplemental food assistance. The Secretary shall issue rules to implement this subparagraph that take into account—*

*"(i) the types of persons to be served and the per participant costs for nutrition services and administration in the State;*

*"(ii) incremental costs per participant of nutrition services and administration associated with serving an increased number of persons;*

*"(iii) amounts allocated and reallocated under paragraphs (1) and (2); and*

*"(iv) other factors considered appropriate to further efficient and effective administration, such as staffing needs, density of population, utilization of existing facilities and equipment, and other special circumstances that severely restrict the fiscal capacity of the State (such as a State economic crisis).*

*"(C) As determined under procedures developed by the Secretary, the savings specified under subparagraphs (A) and (B) shall be—*

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*"(i) the amount of funds realized by a State agency as the result of a rebate system; or*

*"(ii) in the case of a direct distribution or home delivery system, the difference, in any fiscal year, between—*

*"(I) the total cost to the State agency of obtaining and providing one or more of the supplemental foods under any competitive bidding system under which a State or local agency contracts for the purchase of supplemental foods and products at reduced prices; and*

*"(II) the total cost that would have been incurred in obtaining and providing such supplemental foods based on an average Statewide retail price, as measured by price surveys conducted by the State agency or other means approved by the Secretary.*

*"(D) Paragraphs (3) and (4) shall apply to funds expended under this paragraph.".*

*(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective and implemented on the first day of the first quarter beginning 180 days after the date of enactment of this Act.*

***SEC. 7. COORDINATION OF WIC PROGRAM WITH MEDICAID COUNSELING.***

*Section 17(f)(1)(C)(iii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)(iii)) is amended by striking out "and maternal and child health care programs" and inserting in lieu thereof "maternal and child health care, and medicaid programs".*

***SEC. 8. STUDY OF MEDICAID SAVINGS FOR NEWBORNS FROM WIC PROGRAM.***

*(a) STUDY.—The Secretary of Agriculture shall conduct a national study of savings in the amount of assistance provided to families with newborns under State plans for medical assistance approved under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and State indigent health care programs, during the first 60-day period after birth, as the result of the participation of mothers of newborns before birth in the special supplemental food program authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).*

*(b) REPORT.—Not later than February 1, 1990, the Secretary shall submit to Congress a report that describes the results of the study conducted under subsection (a).*

*(c) FUNDING.—This section shall be carried out using funds made available under section 17(g)(3) of the Child Nutrition Act of 1966.*

***SEC. 9. EFFECTIVE DATE.***

*Except as otherwise provided in this Act, this Act and the amendments made by this Act shall become effective on July 1, 1987.*

Mr. BYRD. Madam President, this is an important bill and I am going to ask for the yeas and nays on the final passage of it.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Madam President, will the distinguished Senator from West Virginia yield?

Mr. BYRD. I yield.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I thank the distinguished Senator from West Virginia for bringing this matter up. I concur with him. It is an important bill.

The Commodity Distribution Reform Act of 1987 will mean that thousands of needy infants and pregnant women, determined to be at nutritional risk by health professionals, can receive special nutritional foods at no additional cost to the taxpayer. Indeed, it is possible that several hundred thousand pregnant women, newborns and infants who are poor will be able to receive infant formula, milk, cheese, fortified cereals, and other nutritious foods selected by health professionals without one penny of additional Federal or State money being used.

The need to help these needy women and children is clear. Assistant Secretary of Agriculture John Bode testified recently at our Agriculture Subcommittee hearing that only 40 percent of the women, infants, and children eligible for the WIC Program—the Special Supplemental Program for Women, Infants and Children—can participate because of Federal budget restrictions. Indeed, President Reagan's proposed budget would throw more than 50,000 eligible women, infants, and children off this program this fiscal year. This bill makes an important first step in solving the budget problem. It adds eligible women, infants, and children to the WIC Program at no additional expense.

The bill incidentally borrows an idea that has been used in Vermont for years. Vermonters are very frugal and it shows in the way they run the WIC Program. Vermont buys the commodities which it distributes through the WIC Program at volume discounts. Because of these procedures Vermont serves more eligible WIC recipients than any other State. Vermont serves over 70 percent of those eligible whereas the national average is only 40 percent.

On the other hand, most States pay a lot more—they buy these same commodities at retail prices. This bill provides incentives for States to adopt Vermont's approach and use competitive bidding to obtain the same healthy and fortified foods at discount—volume buying—prices.

To be eligible for WIC the applicant must not only be poor but also be at nutritional risk as determined by a physician, nurse, or nutritionist. Generally speaking, under current law State agencies may use around 20 percent of the WIC money they receive from USDA for administrative costs—80 percent, or more, of the Federal funding must be used for "food costs" as defined by Federal law.

The costs of making nutritional risk assessments, and the costs of nutritional counseling, are part of the administrative costs. Five WIC directors testified at the June 11 subcommittee hearing that the costs of these nutritional assessments, including salaries, accounted for much of the expenditures of "administrative" costs.

Several States have expressed a desire to expand program operations by obtaining WIC foods at reduced costs. The problem is that a USDA ruling, based on an OMB directive, requires that States use all of the savings for additional purchases of WIC foods. Most States would be unable to serve additional recipients without being able to use some of the savings to cover nutritional risk assessments, nutrition education activities, and the normal certification costs.

This bill provides an incentive to encourage States to buy WIC foods at reduced prices by allowing them to use up to 20 percent of the savings for medical and other processing and health assessment costs. States would automatically be eligible to use the first 10 percent of the savings for certification costs to serve more people. USDA will establish regulations regarding how much of the second 10 percent States would be eligible to use based on certain factors indicating their need for additional funding. Thus, at least 80 percent of the savings obtained through these competitive bidding systems must be used for purchases of nutritional WIC commodities.

When you also consider other taxpayer savings involved in the WIC Program this bill will likely save money while serving more pregnant women, new mothers, infants, and children under 5. Recent studies published in the American Journal of Public Health have shown that participation by pregnant women in WIC reduces Federal Medicaid costs regarding newborn infants. Babies born to WIC participants were less likely to be seriously ill at birth as measured by lower neonatal intensive care unit admission rates and shorter stays in intensive care.

Those studies showing these taxpayer savings in Medicaid caused by the pregnant woman's WIC participation were limited to persons living in Missouri. This act also requires that USDA conduct a nationally representative study to test the accuracy of those studies limited to Missouri. WIC funds available for WIC studies, already authorized under section 17 of the Child Nutrition Act, will be used for that purpose. I have been informed that the Missouri study cost around $40,000.

This act also requires the Department of Agriculture to improve the quality of commodities delivered to schools for use in the School Lunch Program. We have heard complaints about the quality of the foods delivered by USDA for use in the School Lunch Program. The act also requires that USDA follow its own "Dietary Guidelines for Americans" regarding the commodities it distributes.

School districts have also complained that they are never sure when USDA commodities are going to be delivered which makes planning menus and arranging for storage very difficult. This act calls for improvements so that schools can receive fresh commodities, delivered in good condition and on time.

These same improvements also apply to USDA elderly feeding programs, the Food Distribution Program on Indian reservations which is a substitute for the Food Stamp Program, the Child Care Food Program and other USDA food donation programs. This act provides the Secretary of Agriculture with a certain amount of discretion on how to make these improvements. We will be carefully watching how this act is implemented so that we can respond quickly should further legislation be necessary.

America has the largest stockpiles of agricultural surpluses of any nation in history. We should use those surpluses to feed the hungry and to feed our schoolchildren. The agricultural support programs, so important to our farmers, have for years provided vital foods to America's needy and hungry.

This act also extends around 60 School Lunch Program pilot projects for 2 years. These pilot projects, two of which are in Vermont, are designed to test two alternatives to the regular commodity delivery program for schools that participate in the School Lunch Program.

I am pleased that this act has such strong bipartisan support.

Certainly, we have the invaluable support of the distinguished Senator from Indiana, Senator LUGAR, who is one of the most knowledgeable Members of this body in this area. Senator DOLE, the distinguished Republican leader, who has been a leader in nutrition matters, has been very instrumental in obtaining the support of other Senators for this bill. In fact, months ago, Senator DOLE introduced legislation, S. 236, designed to improve School Lunch Program commodities. The bill before us incorporates many of these ideas.

I also want to thank the distinguished Senator from Iowa, the chairman of the nutrition subcommittee, Senator HARKIN for all his efforts. Senator HARKIN chaired two lengthy subcommittee hearings demonstrating the need for this bill. Senator HARKIN's initiative and leadership have been vital to the success of this bill. This act will allow Iowa, and other States, to provide thousands of more eligible pregnant women and infants with nutritional WIC benefits at no additional cost to the taxpayer.

Certainly, in this same area Senator MELCHER, who is also on the Subcommittee on Nutrition and Investigations, has for years been a standard-bearer in the crusade to get the WIC Program to serve more eligible women, infants, and children and in the battle to get USDA to use more of its surpluses to feed the hungry. I greatly appreciate his efforts in this regard and his support of this bill.

Staff, from both sides of the aisle, have also put in a lot of work on this bill. We had two subcommittee hearings, a subcommittee markup and a full committee markup in addition to a number of meetings and negotiations on this bill.

I'd like to thank Charles Riemenschneider, John Podesta, Ed Barron, Janet Breslin, and Chris Sarcone of the Agriculture Committee. On the minority side of the committee I appreciate the efforts of Chuck Connor, Tom Clark, and Dave Johnson.

In addition several other staff members made contributions to this effort: these include Chris Bolton, of Senator DOLE's staff; Bob Andros and George Palmer of Senator HARKIN's staff; Barbara Thompson of Senator BOSCHWITZ' staff; and Jane Whitmeyer of Senator MCCLURE's staff.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, the distinguished chairman of the Agriculture Committee, Senator LEAHY, has mentioned that the legislation before us comes as a combination of two bills, one that the distinguished chairman himself has authored and one authored by the distinguished Republican leader, Mr. DOLE.

Madam President, given these two legislative initiatives, the Agriculture Committee heard complaints from recipient agencies of commodities that on occasion these commodities are delivered in unusable forms, such as 50-pound blocks of cheese.

This bill requires the Secretary of Agriculture to develop specifications to ensure that commodities are of the quality, size, and form that is most useful to the recipient agencies. It requires that the Secretary must field-test present and possible future commodities and products to determine which commodities and products should be distributed and in what form they should be provided.

As the distinguished chairman of our committee, Senator LEAHY, has mentioned, the Senator from Iowa, Senator HARKIN, and others, gave vent to a number of thoughts with regard to the current distribution program and its heavy emphasis in their judgment upon fat and other cholesterol products.

This legislation requires the commodities should to the maximum extent possible be consistent with the dietary guidelines published by the Secretary of Agriculture and Secretary of Health and Human Services. Further, this section provides that commodities that are distributed but not in good condition should be replaced under procedures to be established by the Secretary.

It requires that, to the extent practical the Secretary should create distribution schedules which are consistent with the needs of the recipient agencies.

Section 5 came to us from the distinguished Senator from Idaho, Senator MCCLURE, who had planned to offer an amendment to H.R. 1157, the disaster relief bill.

Madam President, perhaps you and others will recall that in an attempt to form that legislation which was a narrowly drafted agricultural bill, we asked the distinguished Senator from Idaho to refrain at that point and promised to review this issue at a later date. His amendment has been made section 5 of this bill and the alternatives that he suggested allow certain school districts to receive cash for commodity letters of credit which are vouchers given for specific amounts of money designated for types of food in lieu of traditional commodities provided for the school lunch program.

These alternatives were part of a pilot program begun in 1981 to study alternatives to the traditional system and many of the districts involved refer to alternatives and wish to have the pilot projects extended. Sixty-four school districts in our country would be affected by that extension.

Finally, Madam President, section 6 provides for a change in the Women, Infant, and Children Program, the WIC Program. Under current law, small children and pregnant women who are determined to be at nutritional risk are given vouchers to purchase certain types of food. This legislation allows companies to bid to be the sole supplier for the WIC Program in each State.

WIC vouchers issued in those States would be redeemed only for those companies' products. In return, the States would pay a lower cost for the product and thus save food money.

Madam President, it is important that the cost of all of this be mentioned so that Senators may be knowledgeable before casting their votes. Our best estimate is that the program will cost less than $500,000. It is admittedly a low cost, and we have been determined to make certain that that cost remain low because the budget impact of everything we do must be considered.

In my judgment, Madam President, the changes that we have made are constructive for the distribution of food commodities in America. It is the collection of a number of ideas. It focuses our attention on efficiencies and I am hopeful that Senators will consider it carefully and will support this legislation.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. I ask unanimous consent that Senators Karnes and McCain be added as cosponsors of S. 305.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Madam President, S. 305, as reported from the Committee on Agriculture, Nutrition and Forestry, represents a bipartisan effort to improve the commodity distribution system associated with the child nutrition and elderly food programs. It has been a pleasure working with the chairman of the committee, Senator Leahy, and the distinguished ranking minority member, Senator Lugar, on this legislation. Through careful negotiations with the administration's Department of Agriculture officials, we were able to develop language that will greatly enhance the efficiency of the current Commodity Distribution Program.

This committee bill would be a substitute to S. 236 and S. 305, previously introduced by myself and the Senator from Vermont. It would provide the necessary authority for the U.S. Department of Agriculture to implement improvements in the current program in order to address complaints concerning commodity distribution as it affects the school lunch and other programs which use it. Senators Boschwitz, Cochran, Bond, McConnell, and Danforth are joining us in this effort.

### COMMODITY IMPROVEMENTS

This bill would require the U.S. Department of Agriculture to improve the quality, packaging, and delivery of commodities issued by USDA in conjunction with several important child and elderly nutrition programs. The national School Lunch Program serves about 24 million children a day and approximately 90,000 schools throughout the country receive USDA commodities. The Child Care Food Program also receives commodities and feeds thousands of children in day care centers and residential homes. Low-income elderly people also benefit from this Commodity Distribution Program. Further, low-income and unemployed individuals and families also receive assistance through the Temporary Emergency Food Assistance Program [TEFAP], which was begun as a temporary program and has continued to be reauthorized due to existing needs in local communities throughout the country. In fact, last year, TEFAP distributed 410 million pounds of surplus cheese, 127 million pounds of flour, 130 million pounds of rice, 70 million pounds of butter, and 78 million pounds of honey.

Under the provisions of this bill, the Secretary of Agriculture is expected to make every effort to ensure that commodities and USDA products are available in optimal packages and forms for handling by local food program administrators.

### WIC AND CLOC PROVISIONS

Madam President, S. 305 also includes some improvements for the very important special supplemental food program for women, infants and children, popularly referred to as WIC, as well as an extension of the commodity letter of credit pilot projects. A change in the WIC program has been included to give States an incentive to obtain WIC commodities, including infant formula, at concessional prices through a competitive bidding process. This money can be reprogrammed to serve hundreds of thousands of recipients nationwide that would otherwise not be served.

The bill would allow State agencies participating in the WIC Program to devise methods to reduce food costs, such as competitive bidding, and to use up to 20 percent of the savings for the costs of administering the program to additional applicants. The balance of the savings, at least 80 percent, must be used for additional WIC food purchases.

Further, as I have previously mentioned, this new bill includes an extension of the commodity letter of credit pilot projects for the School Lunch Program. This is part of an agreement with the distinguished Senator from Idaho, Senator Symms, who withdrew a proposed amendment to the supplemental upon the understanding that this committee would take action on its own.

### BACKGROUND OF THIS BILL

On the first day of the 100th Congress, I introduced S. 236, legislation which would provide the authority to improve the current commodity distribution system, as it relates to the school lunch and other child nutrition programs. I was pleased to have Senators Cochran, Boschwitz, Helms, Lugar, and Wilson join me as cosponsors at that time.

The distinguished chairman of this committee, Senator Leahy, introduced similar legislation previously, and the House has already acted on H.R. 1340, a bill which incorporates modifications in the way USDA distributes surplus agricultural commodities to various nutrition programs.

### BACKGROUND

For some time now, this commodity distribution system has been criticized as being unwieldy, inefficient, and too cumbersome to administer. For many months, various concerned groups, including the National School Food Service Association [ASFSA], and many traditional commodity groups, met with officials from the U.S. Department of Agriculture in an attempt to come up with recommendations for improvement. These groups are to be commended for their constructive approach to the problems involved.

### CRITICISM OF EXISTING PROGRAM

Opponents of the commodity distribution program claim that USDA commodities are inconsistent in quality, not packaged in usable sizes and forms, and are delivered on a schedule that is inconsistent with the needs of recipient agencies. These elements make the program administratively inefficient. When commodities are distributed in damaged or poor condition, they are not easily replaced. Further, these commodities are often not consistent with the dietary guidelines for Americans, published by USDA.

### NEED FOR CLARIFICATION OF STATUTORY AUTHORITY

One of the observations that had emerged as a result of these meetings with the Department of Agriculture is that the commodity distribution program does not have the statutory base that applies to the other food and nutrition programs. Without the necessary statutory authority, it would be difficult for USDA to implement many of the recommendations for improvement that have been made. In short, the Department needs additional authority to correct the deficiencies that have been identified in the current system.

The distribution of various foods and commodities by the Secretary of Agriculture is authorized by a variety of laws, including section 32 of the Agricultural Adjustment Act, section 416 of the Agricultural Act of 1949, section 4(a) of the Agriculture and Consumer Protection Act of 1973, sections 6 and 17(b) of the National School Lunch Act, section 311 of the Older Americans Act of 1965, and section 409 of the Disaster Relief Act of 1965.

This legislation will provide the language to assure proper administration of the program, and clarify the USDA's authority to make changes that will improve the distribution of commodities to nutrition programs utilizing these commodities. The Senator from Kansas is pleased to have introduced similar legislation early this session, because it is something that the administration believes will be helpful in its efforts to address the existing problems.

This legislation is not the least bit controversial, and there is bipartisan support for the goals of this bill. The sooner this legislation can be passed by the Senate, the closer we will be to implementing these changes before the regular school year begins in September. I ask my colleagues to support this initiative that will result in better service to children in schools and day care, as well as improved food distribution to low-income elderly people in local communities throughout this country.

Mr. EVANS. Madam President, I rise to offer an amendment extending the existing deadline for completion of the aid to families with dependent children [AFDC] and Medicaid quality control studies. These studies were authorized under the Consolidated Omnibus Reconciliation Act of 1986 [COBRA].

Quality control is a system used to measure State performance in administering Federal income assistance programs. In addition, it is used to impose large fiscal penalties against States when their error rates in program administration exceed federaly established tolerance levels.

Because of considerable and compelling evidence suggesting that our existing quality control procedures provide neither an accurate nor equitable measurement of State performance we included a provision in the 1986 COBRA authorizing the National Academy of Sciences to conduct a comprehensive study of the Federal quality control system. A similar study for the Food Stamp Program was authorized by the 1985 farm bill.

Originally, the studies were to be completed within 1 year. Recently, the National Academy of Sciences [NAS] transmitted to Congress its study on the food stamp quality control system, in accordance with the 1-year deadline. Although it is scheduled to deliver the AFDC/Medicaid study by September 30, 1987, NAS has informed us that it needs three additional months to complete this study.

NAS has requested a 3-month extension from the Food and Nutrition Service [FNS] the principle agency through which the AFDC/Medicaid study contract was negotiated. Unfortunately, FNS was unwilling to grant NAS a short-term extension. Thus, legislative action now is necessary to grant this very brief extension of the study deadline. My amendment would ensure that NAS has ample time to complete the comprehensive review which we have authorized. This is the original intent of Congress—not rigid adherence to a date which is much less important than ensuring that NAS has the opportunity to conduct a thorough and exhaustive review of a quality control system in dire need of reform.

Madam President, I urge the adoption of this amendment.

Mr. GRASSLEY. Madam President, I am joining the distinguished Senator from Idaho, Senator McClure, in support of his initiative in S. 305, the extension of the Alternative School Lunch Pilot Program. However, to be consistent with the intent and objectives of the School Lunch Commodity Program, I, along with my distinguished colleagues, Senator Dole and Senator Helms, am proposing an amendment to the extension of the school lunch program alternative.

The extension of this school lunch pilot project involves 64 school districts in 30 States. This pilot project allows school districts to receive the value of the commodities that they would have received in the form of letters of credit for specified types of commodities or in cash. Presently this amounts to 12.5 cents per meal per student.

I am offering an amendment which would require that the schools in the 30 States involved in this project be asked to use their commodity letter of credit or cash to "Buy American."

The amendment reads:

> In carrying out the pilot project referred to in subsection (a) a school district shall be required to provide through contract specifications that only items produced and processed in the United States be purchased with cash assistance and commodity letters of credit provided under the project.

For our own national economy, it is essential that we support our own domestic food producers.

As we all know, the reasoning behind the School Lunch Commodity Program is to help schools prepare nutritious student meals at a lower cost using our own Nation's surplus commodities. The current commodity system provides support to American farmers and aids our schools and farmers in two significant ways. First, it guarantees that commodities are American grown and processed, and second, the food that is used for our students in the school lunch program are foods that meet all standards for quality.

Without this amendment, cash and letters of credit could be used to purchase foreign grown or processed products, diminishing support for American grown and processed commodities. This amendment would guarantee support of American products and help assure that foods purchased for use in our school lunch programs meet all standards for quality.

I urge you to support our American farmers and food processors and see that American schoolchildren are provided with American foods.

Mr. BOSCHWITZ. Madam President, I rise today in support of this legislation to improve the commodity distribution programs. The purpose of this bill is to improve the distribution of commodities to schools for the School Lunch Program. Basically, the commodity distribution program has been run to maximize the agricultural purposes of the program without enough focus on the needs of the schools. Commodities arrive in huge quantities with very little notice, commodities arrive spoiled, and commodities arrive late in the school year that have to be stored all summer.

This bill requires the Secretary to develop specifications to assure products of the quality, size and form most useful to recipients. Commodities distributed not in good condition would be replace. A schedule would be established for the distribution of commodities.

### CASH AND CLOC PILOT PROJECTS

This bill also extends the pilot studies of cash and commodity letters of credit [CLOC]. Although, to be frank I feel that we have already sufficiently studied the effect of cash and CLOC in the School Lunch Program, this is a delicate compromise that should be allowed to continue.

Some States have been looking for ways to save money in the Women, Infants, and Children Supplemental Feeding Program, commonly known as WIC. One of the methods being used by States is purchasing infant formula for the WIC Program on a statewide basis or allowing the infant formula companies to bid to offer a rebate to the State for infant formula purchased with WIC vouchers.

This legislation would allow States that use a rebate system or concessional pricing to use 10 to 20 percent of the savings for administrative funding. The savings are determined by the difference between the average statewide retail price and the cost to the State agency of obtaining the supplemental food. For States that are already very efficient with their administrative funding this 20 percent may be reasonable, but I don't think every State that does some type of rebate system should automatically be able to use 20 percent of the savings for administrative costs. The Department of Agriculture would determine whether a State would be eligible to keep more than 10 percent, based on criteria in the legislation and regulations. The criteria include: the State's food costs per participant; the administrative costs per participant; and, the incremental costs per participant.

The purpose of this WIC provision is to allow States to serve more needy participants and I commend wholeheartedly these efforts to make the Federal benefit dollar go further. I will be watching with interest the States experience with these efforts. However, I, for one, will want to thoroughly assess the impact of these rebate systems before we give blanket endorsement for nationwide implementation.

One issue that has already come to my attention is infant formula companies bidding for statewide contract that do not have FDA product approval. It appears that exactly that situation occurred in a statewide bid last week. Therefore, I am offering an amendment specifying that infant formula companies competing for these statewide bids be in compliance with the Infant Formula Act including registration and filings with the FDA.

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I am pleased to support this legislation improving the child nutrition programs.

AMENDMENT NO. 658

(Purpose: To improve the bill.)

Mr. LEAHY. Madam President, I send an amendment to the desk and ask it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Vermont [Mr. Leahy] proposes an amendment numbered 658.

Mr. LEAHY. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment is as follows:

On page 13, line 6, after "basis" insert the following: "taking into consideration the Dietary Guidelines for Americans published by the Secretary of Agriculture and the Secretary of Health and Human Services (as in effect at the time of the update of the recipe cards)".

On page 14, between lines 13 and 14, insert the following new subsection:

(b) Domestic Purchase Requirement.—Section 1581 of such Act is amended by adding at the end thereof the following new subsection:

"(d) Effective beginning July 1, 1987, in carrying out the pilot project referred to in subsection (a), a school district shall be required to provide through contract specifications that only items produced and processed in the United States be puchased with cash assistance and commodity letters of credit assistance provided under the project.".

On page 14, line 14, strike out "(b)" and inserting in lieu thereof "(c)".

On page 18, between lines 9 and 10, insert the following new sections:

SEC. 9. SUPPLYING INFANT FORMULA FOR THE WIC PROGRAM.

Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended by adding at the end thereof the following new paragraph:

"(16) To be eligible to participate in the program authorized by this section, a manufacturer of infant formula that supplies formula for the program shall—

"(A) register with the Secretary of Health and Human Services under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 et seq.); and

"(B) before bidding for a State contract to supply infant formula for the program, certify with the State health department that the formula complies with such Act and regulations issued pursuant to such Act.".

SEC. 10. OVERSPENDING AND UNDERSPENDING UNDER THE WIC PROGRAM.

Section 17(i)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i)(3)) is amended—

(1) in subparagraph (A)—

(A) by inserting "and subject to subparagraphs (B) and (C)" after "paragraph (2)"; and

(B) by striking out "or" at the end of clause (i) and inserting in lieu thereof "and"; and

(2) by adding at the end thereof the following new subparagraph:

"(C) The total amount of funds transferred from any fiscal year under clauses (i) and (ii) of subparagraph (A) shall not exceed 1 percent of the amount of the funds allocated to a State agency for such fiscal year.".

SEC. 11. EXTENSION OF QUALITY CONTROL STUDIES.

Section 12301(a)(3) of the Consolidated Omnibus Reconciliation Act of 1985 (42 U.S.C. 603 note) is amended by striking out "one year" and inserting in lieu thereof "15 months".

On page 18, line 10, strike out "9" and insert in lieu thereof "12".

Mr. LEAHY. Madam President, this amendment to the Commodity Distribution Reform Act of 1987 incorporates amendments of Senators Grassley, Harkin, Evans, and Boschwitz. I understand these amendments have been cleared on both sides of the aisle and are acceptable to the U.S. Department of Agriculture.

I know the leadership has already noted that we will have a rollcall on final passage. Let me just very briefly describe what these amendments incorporate to inform everybody who is listening.

Senator Harkin's amendment requires that recipe cards issued by the Department of Agriculture to school districts and other recipient agencies be updated on a regular basis taking into consideration the dietary guidelines of USDA and Department of Health and Human Services that are in effect at the time the recipe cards are udpated.

Senator Grassley's amendment which is also incorporated affects school districts participating in the cash or commodity letter of credit pilot projects, instead of the regular School Lunch Program. The amendment requires that those schools provide, in their contracts used to buy food, that the food purchased with USDA assistance be produced and processed in the United States.

Senator Boschwitz' amendment, which is also incorporated in this amendment, requires that infant formula bought for the women, infants and children program be registered with the Food and Drug Administration and meet the requirements of the Infant Formula Act. His amendment also allows States to use up to the 1 percent, total, of the unspent WIC funds for the preceding fiscal year for the current fiscal year and for the current fiscal year for the succeeding fiscal year.

Lastly, Senator Evans' amendment which is also incorporated in this amendment extends the period of time to complete studies of quality control programs contracted for by the Department of Agriculture to 15 months, instead of the current year limit.

I strongly support each of the four amendments. I have incorporated them as one amendment, but they are the amendments, as I said, of Senators Grassley, Harkin, Evans, and Boschwitz.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, each of the four amendments that have been incorporated by the distinguished chairman as one amendment have been carefully considered by the committee and I support all four and the way the chairman has grouped them for inclusion in this overall amendment.

Mr. LEAHY. Madam President, I would move the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Vermont.

The amendment (No. 658) was agreed to.

Mr. LUGAR. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LUGAR. Madam President, I ask unanimous consent that Senator Domenici be added as a cosponsor to S. 305.

The PRESIDING OFFICER. Without objection, it is so ordered.

Are there further amendments?

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 659

(Purpose: To reestablish food bank special nutrition projects, to establish food bank demonstration projects and for other purposes)

Mr. HEINZ. Madam President, I send an amendment to the desk and ask it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. Heinz] proposes an amendment numbered 659.

Mr. HEINZ. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new sections:

SECTION . FOOD BANK SPECIAL NUTRITION PROJECTS.

The first sentence of section 211(d) of the Agricultural Act of 1980 (7 U.S.C. 4004(d)) is amended by striking out "a progress report on July 1, 1983, and a final report on January 1, 1984," and inserting in lieu thereof "an annual report".

SEC. FOOD BANK DEMONSTRATION PROJECTS.

(a) In General.—The Secretary of Agriculture (hereinafter in this section referred to as the "Secretary") shall carry out at least one demonstration project in each of the standard Federal regions to provide and

redistribute agricultural commodities or products made available under section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c), to needy individuals and families through community food banks designated under section 211(c) of the Agricultural Act of 1980 (7 U.S.C. 400(c)).

(b) Tranfer of Commodities.—The Secretary may use State agencies or any other food distribution systems to transfer the commodities or products to community food banks in accordance with the last sentence of section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935.

(c) Food Types.—The Secretary shall determine the quantities, varieties, and types of agricultural commodities and products to be made available to community food banks under this section.

(d) Statewide Coverage.—To the maximum extent possible, the Secretarty shall provide for Statewide coverage in each project carried out under this section.

(e) Report.—Not later than January 3, 1990, the Secretary shall submit a report to Congress describing the demonstration projects carried out under this section. The report shall include an analysis and evaluation of the distribution and redistribution of food under the demonstration projects and the feasibility of expanding the projects to other community food banks.

(f) Termination.—The authority provided under this section shall terminate on December 31, 1990.

Mr. HEINZ. Madam President, the background to this amendment proceeds from the fact that in recent weeks several of my colleagues have discussed the distressing reality we face as surplus commodities build up in federally supported warehouses. At the same time, there are countless thousands of Americans who have inadequate diets.

It is this Senator's believe, and I think a large number of our colleagues share the same belief, that we need to do far more to distribute surplus commodities to those in need than we are doing at this time.

The purpose of the amendment that I have sent to the desk and I offer today is to accomplish that goal.

To give our colleagues some idea of the nature of the problem and its scale, last summer there were some 600 million pounds of cheese in federally supported warehouses. Now all of that cheese could have been distributed to the poor and to emergency feeding organizations around the Nation. It was not.

At the same time, we have allowed the efficient network of food banks, a very good distribution network, to go unused.

So what the amendment I am offering today does is to create a demonstration project in each of the standard Federal regions, the purpose of which is to provide and to redistribute section 32 commodities, those are the surplus commodities, to needy individuals and families through community food banks. I repeat that: through community food banks.

The demonstration project would run from the date of enactment through 1990 and, in addition, as a small portion of this amendment, but I think it is important, we would reestablish the food bank special nutrition project.

The authority for that never expired, but so far, at least lately, the Department of Agriculture has ceased to operate it.

Let me emphasize what these initiatives would do.

In the first case the demonstration projects would direct the utilization of food banks. We would be able to use food banks as distribution centers for such commodities that are in surplus as cheese, butter, nonfat dry milk, flour, rice, honey.

Those, as I say, are the surplus commodities and there are many, many individuals; some homeless, some barely able to subsist, who need such commodities desperately.

It strikes this Senator as a great wrong to overlook the effective work our food banks can do for needy Americans.

Some might be concerned that there are going to be some additional distribution costs if these demonstration projects are enacted.

Madam President, I do recognize that concern, but I would emphasize that the $48 million annually, and at least $48 million, probably more, that we have to support right now in needless storage costs for these same commodities, seems far greater than the costs of efficiently distributing the food to those who are hungry.

I believe we particularly need to, and my amendment does, target food banks. That is because the nature of food banks is not to distribute commodities directly but to be a center of distribution for a network of emergency feeding organizations. It is for this reason that food banks can provide the management and storage skills as well as the accountability—and I emphasize that word, "accountability"—which has been lacking in many of our programs—most especially the temporary food assistant program, FAP.

Let me emphasize, too, the need for skills that food banks represent. Back in 1985, in December, I received a GAO report. Senator Eagleton and I requested that report. The study found shocking incidents where surplus cheese, butter, other commodities, had literally been left to rot in inadequately managed warehouses.

Inventory management was poor. Some warehouses simply had no idea what commodities had been received or where they had been distributed. That was a description of our present and past, as well as present, commodity distribution program.

Food banks, in contrast, not exclusively, mind you, but in contrast, provide far superior commodity management and the use of their abilities, in my judgment, would assist needy families and individuals to receive the commodities they need when they need them.

Madam President, the provisions of this amendment, therefore, are very simple. They are two: One, the continuation of an existing project that is small and the creation of a relatively small number, 11, of demonstration projects in each Federal region. Both will help us to achieve the goal of moving commodities from storage to those truly in need.

Madam President, I have one other piece of information, or lack of it. I have not been able, although we have tried, to get a cost estimate on this amendment. I believe the cost to be very small—possibly all but completely offset by reduced storage costs. But I cannot swear to that.

The chief cost in this amendment, since the commodities are in effect surplus and worthless, is increased transportation. I would be pleased to answer any questions. I would hope that the amendment would be acceptable to both sides.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I know of the concern of the Senator from Pennsylvania. He raises a number of good points but I do want to underscore the last point he made, that we do not have the cost estimate of his amendment at this time.

This was introduced originally on July 10. We have not held hearings on it nor has the committee otherwise considered it.

Further, I have just been advised by the Department of Agriculture that the administration opposes the amendment.

I would propose to the distinguished Senator from Pennsylvania, because we do not know the cost but would like to study the amendment further, that he consider withdrawing the amendment. We will arrange as soon as possible after we come back from recess, at the first appropriate hearing, to consider it in the Agriculture Committee. I will be happy to ask the Senate Agriculture Committee staff to work with him and to consider the issues raised by the administration. We will consider it and perhaps modify it in such a way that it will meet some of the purposes of the Senator from Pennsylvania.

Madam President, this is an extremely important piece of legislation designed to improve the nutrition of women, infants, and children, for all the reasons Senator Lugar and I have discussed. I will move at the appropri-

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ate time to substitute our piece of legislation for the House piece of legislation and send it back. I hope whatever conference there is will be minimal so that we can get this legislation signed by the President of the United States, and get this food to needy pregnant women, to infants and children, to women who have just given birth.

I would hope we would not put anything onto it that might add questions that could not be answered in the conference or which might raise objections when we send it down to be signed.

I would urge the distinguished Senator from Pennsylvania to withdraw his amendment. I will have to oppose it, not knowing the amount of money involved, and knowing the Department is opposed to it, so that we will not hinder this extremely important piece of nutrition legislation from going on to the other body and hopefully on to the President of the United States.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, I must also oppose the amendment of the Senator from Pennsylvania. He has a fine idea. Clearly, Americans do not want warehouses filled with cheeses and other commodities that will simply spoil. The Senator from Pennsylvania has touched upon part of the twofold problem. He has attempted, apparently, to find the cost but has not been successful.

I mentioned early on in arguing for the overall bill that we anticipate the cost would be less than $500,000. It was for this reason we had the boldness to come to the floor today and consolidate these changes with a minimal cost.

Madam President, I am advised that although no one has a very good idea of cost, that we have a ballpark figure from the U.S. Department of Agriculture of maybe $5 or $6 million. If so, that would be a multiple of 10 times what we started with in this bill and it is significant. Others feel it will be much less. The Senator from Pennsylvania has argued that there may just be transportation payments to persons involved in the distribution procedure.

That is always the catch. There has been mention from time to time that we have surpluses in our country that could help many people throughout the Earth, and we all wish that there were a magical means to somehow drop those commodities into the homes of consumers wherever they might be.

But it does not work that way. There are costs in distribution and transportation.

The idea the Senator has presented is to be national, at least one of these demonstrations in each of the relevant districts. It may finally be that when examined by the Agriculture Committee we can find offsets, and maybe the storage costs do mount up to almost the cost of distribution, but at this point we do not know.

Second, Madam President, the amendment the distinguished Senator mentions talks about section 32 food products.

Section 32 includes fruits, vegetables, meat, poultry, and fish. It does not simply pertain to surplus commodities.

The intent of the mover of this amendment is clear. That is to get rid of surpluses. But in drafting this amendment and mentioning section 32, the possibility is for a much more substantial distribution of things that are not in surplus at all comes into view. Conceivably that might be modified or corrected in committee.

If the language were further massaged, as the Senator from Vermont has mentioned, perhaps that objection can be removed. But we are in a position, Madam President, of attempting to do the work of the committee on the floor without having costs, having opposition from the USDA mentioned, and section 32 clearly in the discussion.

For all these reasons, moving this amendment I think could be quite untimely, quite apart from the jeopardy it would have to be an expeditious means of accomplishing the goals that our distinguished chairman mentioned.

It is for these reasons that I oppose the amendment. I hope the distinguished Senator from Pennsylvania would be prepared to let us work with him and provide the background where it could be advanced to the floor with a favorable thought on the amendment.

Mr. HEINZ. Will the Senator yield for a question?

Mr. LUGAR. Certainly.

Mr. HEINZ. The Senator made reference to section 32 commodities being not only those commodities in surplus. Could he inform me proportionately what those nonsurplus commodities account for? Are they a major or relatively minor portion?

Mr. LUGAR. Without studying the amendment and its implications——

Mr. HEINZ. I am asking for an answer using judgment.

Mr. LUGAR. I am unable to respond.

Mr. HEINZ. The Senator made the point——

Mr. LUGAR. If the Senator will allow me, section 32 includes fruits, vegetables, meat, poultry, and fish. Once again, the Senator has approached the floor today, as we all have, with a short notice to talk about a very complex amendment. He can answer his own question as to how many of these items are now in section 32 in the country.

Mr. HEINZ. It is my understanding, and perhaps my understanding is wrong, that the principal commodities are, in fact, a large proportion of the commodities to be distributed and are those that will be in surplus. Those in surplus are the ones I have talked about. I have spent some time on this matter, probably not as much as the Senator from Indiana, a distinguished member of the Agriculture Committee. Perhaps he can correct me.

Mr. LUGAR. I cannot correct the Senator. I think common sense would dictate that the Senator is probably right in terms of general proportions. But we simply get back to the fact that we do not have the facts. It is not a question of challenging but a question of groping.

Mr. LEAHY. Will the Senator yield?

The PRESIDING OFFICER. The Chair would like to recognize the Senator from Indiana and ask him if he chooses to yield time.

Mr. LEAHY. Will the Senator yield to me to answer the question?

Mr. LUGAR. I would be delighted.

Mr. LEAHY. Section 32 commodities include entitlements commodities as well as surplus commodities. I will repeat the point that I believe the Senator from Indiana has made very clear—we do not know how far this amendment will go.

No matter how long we may have colloquies here on the floor, and if we bring in all 100 Senators, we will not know how far it goes. We can find that out very easily in hearings or in research we are able to do in our committee. This may well become an amendment that I would support. It may well become an amendment everybody else would support. But I think if we are going to bring this piece of legislation back to the other body and go into a conference, we ought to at least be able to go back and tell them we have a clear idea of what we passed. When somebody has the obvious question of how much this will cost, we ought to be able to give them an answer.

With the amendment of the Senator from Pennsylvania, at this point we cannot say how much it will cost. We cannot say how much surplus commodities or nonsurplus commodities might be used.

I would suggest to the Senator from Pennsylvania that we are talking about an amendment offered on July 10 which raises this question. Let us have a hearing. We will have time to have the hearing. I assure the Senator from Pennsylvania that we will work with him in the committee to try to get the answers.

(Mr. BINGAMAN assumed the chair.)

Mr. HEINZ. I have listened carefully to what my two friends and colleagues on the Agriculture Committee have said. I do not quite know, Madam President, how to respond to the Senator from Vermont because he is a very peaceful person, and the same is true of the Senator from Indiana. But to say that this is a new issue that would have no experience is not correct. This is an amendment that has already passed the Senate on one occasion. I offered it before the Senate last fall. The Senate accepted this amendment. So the first time it saw the light of day was not July 10 of this year. The first time it passed the Senate was a year ago July.

The second thing I might say is that, as I understand the bill, the bill deals with section 32, and I think we all ought to know, especially the managers of the bill, what section 32 does and does not do. I will not claim that I can answer every question that the sponsors of the legislation have, but I must say I object to the notion that somehow we do not know enough about section 32. That is what the underlying legislation is all about.

Third, I will agree with the managers on one point: We do not have the cost. I can do something about that to make it relevant, so I suppose I can modify the amendment to have it apply after October 1, 1988. That will nullify all arguments and give everybody a year or so to get their act together. But I will not do that at this point.

I would like to enter into a dialog with the managers on a suggestion that the Senator from Vermont made. As I understand the Senator from Vermont, he suggested that it might be desirable to hold a hearing on this and then if the hearing answered the questions that he and the Senator from Indiana have, it would be possible to include it as part of other legislation. Could the Senators, and particularly the chairman of the committee, give me some idea as to when such a hearing might be held and, second, what vehicles there might be?

Mr. LEAHY. We could make it as a bill by itself for that matter. If the questions were all answered and if it came out with strong support from the committee, I suspect that something like this could go on the unanimous consent calendar.

Mr. HEINZ. Since the administration opposes it, I doubt that is going to be likely.

Mr. LEAHY. As it is now nobody can answer among other things how much it is going to cost. I assume we are going to be able to get those costs. As I said to the Senator from Pennsylvania, I am willing to work with him in trying to remove the objections. Maybe we will need to make changes, changes which the Senator from Pennsylvania might be perfectly willing to make. But we are going to have a number of markup sessions in our committee on farm credit, probably more than any of us like to see. I suspect that the questions being raised are ones that can be answered fairly quickly, maybe even without a hearing. I do not know. It may well just mean some minor changes. It may mean a cap on the amount of money that is going to be spent. If that was the case, I will be happy to put the Senator's bill on the agenda at an early markup session in September. Believe me, we are going to have a lot of markup sessions in September, as the distinguished Senator from Indiana knows, because of farm credit.

Mr. HEINZ. Let me ask, if I may, Mr. President, either Senator, apart from the lack of known information, do they see any substantive problems—I am not trying to trap them into supporting the legislation—do they see any substantive problems of giving food banks a bigger role? Because it has been this Senator's experience in his own State that a lot of problems we have had with the Commodity Distribution Program, indeed, could have been more effectively addressed in many instances, perhaps not all, if we had used these intermediaries, think of them as wholesalers, to help us distribute these surplus commodities to the various feeding organizations. Right now it is all done from Washington, DC.

Mr. LEAHY. If the Senator will yield, I have been working very hard for the 13 years I have been in the Senate with a number of food banks in my State to get them USDA commodities to distribute. I have also worked on expanding the Food Stamp Program, and a number of other food assistance programs. Also, when I donate money to charity it has been to various food banks, because I know how effective they are, so I do not need to be convinced of the need for food banks. But I think before we make some new expansion, let us at least be able to answer the questions that have been raised. I happen to be a fan of food banks, but let us be able to answer the questions and then let us be able to come in here perhaps all singing from the same hymn book, so to speak.

Mr. LUGAR. Mr. President, let me respond to the distinguished Senator from Pennsylvania by saying I see no problem in principle as to why there should be objection to it.

I suspect that the question of cost is probably paramount to how this fits together with the overall budget picture. I suppose, too, we want to find out what the nature of the USDA objection is. I presume that it is the cost of distribution of food, but I do not know that that is the case. I would like to at least hear what they have to say. The purpose of this legislation, as the Senator knows, was to collect a number of good ideas as to how food might be made available to Americans. The idea of the Senator from Pennsylvania is an excellent one and as I admitted in my opening comment this problem intrigues all of us, as to how to use these surpluses effectively. Maybe we will find that there are offsets in terms of the end of storage costs or maybe others that we have not yet found that will make the whole idea more feasible.

Mr. HEINZ. Mr. President, I thank the Senator from Vermont and the Senator from Indiana for their comments. I found them very helpful. I happen to believe, and I happen to know as well as anybody can, that the managers of the legislation which we have before us are very sincere in their intent to try and improve our feeding program generally. They have done a good job on the programs that they have brought to us. So I am inclined very strongly to accept their offer of good will, of helping to get answers to the unanswered questions, and as I understand it, to work with me to fashion legislation that will in fact pass. It may or may not be a part of another bill. That is a judgment I hope we would be able to make jointly and collectively after we got the answers to the questions. And I would hope, too, they would assist, as I know they can be of assistance, in getting both prompt and accurate answers to some of these questions. So with those assurances, and I believe that I have received those assurances—if I have not, I hope I will be corrected—I would be prepared to withdraw the amendment and work with the committee.

Mr. LEAHY. I thank the Senator from Pennsylvania. Of course, he has my assurances on this.

Mr. HEINZ. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. HEINZ. I thank Senator LEAHY and Senator LUGAR for their help and constructive attitude even if they could not accept the amendment at this time.

Mr. LEAHY. Of course I thank the Senator from Pennsylvania. I will expound on my praise of him in greater detail another time. I know there are Senators who want to go home. Perhaps even more importantly, I know a lot of staff wants to go home and they are the ones who really worked hard on this bill.

I ask unanimous consent that Senator KENNEDY be added as a cosponsor of S. 305.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I am glad to see this bill moving through the Senate. I have long been in support of changes to the Commodity School Lunch Program. In 1980, Senator SYMMS and I sponsored an amendment which set up a pilot study which was designed to determine if school districts receiving commodity letters of credit [CLOC] or cash instead of commodities could better provide nutritious means to our schoolchildren and also continue to support agriculture markets.

The school districts which have been on the cash and CLOC systems have found that they have lower overhead, provide meals which more of their students will eat, and have lower overall plate waste. The CLOC sites have been very successful in this and in maintaining the direct link between the farmer who sometimes has surplus crops which need to be purchased to keep the price up and the needs and wants of the school districts.

Letters of credit can be issued for commodities which are in surplus which the Government wants purchased. This helps everyone, the farmer, the Government, and the school. The schools have flexibility because if the certificate is for a commodity which they know from experience their students will not eat, the school district supervisor can exchange the certificate for a different commodity which the students will eat. This makes meals at school more fun, gives students something which they will eat, and aids in the scheduling of meals.

In working out the agreement of this bill, a provision was added that all cash and CLOC sites under the pilot program would only be able to purchase products produced and processed in the United States. I have no quarrel with this idea. However, I do want to point out that this measure is unnecessary, as pilot site work orders, which are sent to Virginia Polytech University for certification, are refused for payment if the work order does not specify that the commodity purchased is made or produced in the United States.

In addition, because many in Congress are concerned that only products consumed in the school lunch programs are produced and processed in the United States, I would suggest that in the conference on this bill or on a bill in the future, Members should review the entire program and require that all the cash assistance from the Federal Government to the school districts; which amounts to roughly $1.35 for the free meal, $0.955 for the reduced price and $0.135 for the regular price meal on a per meal per day basis be spent on only items produced and processed in the United States. Every school district in the country, not just the cash and CLOC pilot project sites, which amount to only 64 school districts out of 15,000, or 0.06 percent of all school districts, should be subject to the requirements of "Buy America."

I believe that the "Buy America" provision in the House Education and Labor Committee reported bill is more advantageous for those who are concerned that school districts be required to buy American products. This language states that all recipient agencies purchase only food products which are produced in the United States. This brings the 306 school districts in the State of Kansas, which receive only cash for their school lunch programs, and all the other commodity school lunch programs in the country under the "Buy America" provision. I feel that if it is important that the handful of cash and commodity letter of credit sites be under the "Buy America" provision, then all school districts should be treated the same in that regard.

I hope that the members of the conference are aware of this and work toward rectifying this discrepancy in the conference.

Mr. President, I will take no more time up on this bill, but will urge fast passage of this bill and a short conference. It is critical for the school districts which have completed contracts for the upcoming school year to have the authority to remain on the cash and CLOC program. If Congress does not pass this bill and the President not sign this bill, several districts in this country will be involved in lawsuits for noncompliance with their contracts. This will be a large and expensive problem for school districts which have acted in good faith in responding to a congressional call to help in a pilot project to determine better ways to help our farmers and feed our students.

Mr. HARKIN. Mr. President, I rise to express support for the measure introduced by my distinguished colleague and friend from Vermont, Senator LEAHY. I would like to recognize the great bipartisan support this bill has received in its various forms, both in the House and in the Senate. My subcommittee, the Subcommittee on Nutrition and Investigations, has held several hearings and spent countless hours reviewing and studying these issues and working with the various concerned parties. I would like to begin by stating that all schoolchildren and many other groups such as older people, native Americans, and WIC participants will benefit by this legislation. Ironically this bill will result in little or no new budget authority over the current baseline, yet in the case of WIC it will actually expand participation by decreasing costs. In short, it is a bill that all of us can support and feel proud of.

There are three main issues addressed by this bill. The first is the Commodity Distribution Program. This bill directs the Secretary of Agriculture to make those commodities removed from the marketplace, due to excess supply conditions, more useful to users through improved quality standards, packaging, shipping, and distribution. It also requires that commodities and products distributed by USDA comply with the "Dietary Guidelines for Americans," published by HHS and USDA.

The second issue that this bill addresses is the extension of two pilot projects—Cash in Lieu of Commodities [CASH] and Commodity Letters of Credit [CLOC]. This bill extends these pilot projects for another 2 years at the conclusion of which the subcommittee hopes to see sufficient improvement in the Commodity Distribution Program to be able to recommend a consolidation of these programs.

The third issue, and one that I am personally excited about, is a revision to the WIC Program that actually reduces commodity costs and permits States to use these savings to expand WIC participation. Under the existing program, a State can institute a system designed to save food money, such as Tennessee recently did, by requiring competitive bidding or other concessional pricing methods. However, if the State does not have sufficient administrative money on its own to serve the additional eligible WIC participants within the State, the food money saved must be returned to the USDA unspent. Moreover because the food money is not all spent, or at least 95 percent spent, the USDA will withhold additional administrative and nutrition assessment funds from the State, thereby actually reducing WIC participation. All of this would happen just because a State became more cost efficient in procuring its WIC commodities.

Under current practice a State usually gives a WIC participant a voucher for the needed commodities. The commodities are then purchased with the voucher at the local retail store at the retail price. Under the rebate system, authorized by this bill, the State negotiates a lower price with the supplier. The WIC participant still receives the same service and purchases the same commodities in the same way. However, when the State redeems the voucher from the local retail store, it then secures a rebate from the supplier based on the purchased price of the commodity and the negotiated or bid price of the supplier.

The WIC provisions of this bill will not cost the Federal Government any more money but they will remove the perverse incentive in the current program that promotes inefficiency and poor administration. By allowing States to use 10 to 20 percent of the food costs saved through congressional pricing on assessing the nutritional needs of additional eligible WIC participants, we give the States the ability to serve more than the meager 40 percent of eligible WIC participants currently being served. The Oregon State WIC director recently testified before my subcommittee. Concerning this

provision alone, she said, "Based on the bid in Tennessee, $100,000,000 could be saved nationwide and those savings could provide services to 300,000 more infants and children." Although these numbers represent a potential goal that may not be realized for several years, this is a tremendous amount of good that can be done without any cost to the Federal Government and we can all speak proudly to our constituents of our role in pursuing cost efficiency in Government programs.

In as much as I have included a clarifying amendment in the group of amendments accepted in block to S. 305 with my good friend and colleague from Minnesota, Senator BOSCHWITZ, I want to say a few words about this amendment. It simply directs that the recipe cards distributed by USDA in support of the Commodity Distribution Program and its recipient agencies conform to the "Dietary Guidelines for Americans," published by the Secretaries of Agriculture and HHS. Similar language is already contained in the committee report.

We have come a long way as a nation in understanding the vital relationship between what we eat and how healthy we are.

In 1980, the Departments of Agriculture and Health and Human Services released a joint publication detailing what we know about this relationship and what we ought to change in our daily diets to achieve optimum nutrition and health. In developing these guidelines, they sought the advice of health and nutrition experts nationwide and reviewed guidelines established by various governmental and professional bodies, so that the U.S. guidelines would reflect the current state of knowledge about nutrition and health.

The guidelines, simply stated, are that we should:

> Eat a variety of foods;
> Maintain desirable weight;
> Avoid too much fat, saturated fat, and cholesterol;
> Eat foods with adequate starch and fiber;
> Avoid too much sugar;
> Avoid too much sodium; and
> If you drink alcoholic beverages, do so in moderation.

The two Departments put much time and effort into the development of the guidelines and the explanatory information that goes with them because they recognized that the relationship between diet and health had become a major concern of many Americans. The public was confused about what to eat to maximize health. People were asking: What do we really know? How can we change our diets to improve our health? The two Departments also recognized that, in the long-run, nutritionally healthy citizens translate into reduced health costs and a better quality of life for all Americans. They felt an obligation to provide a practical guide for the individual consumer as well as for anyone planning the diets of large numbers of people.

I believe it makes good sense to help the school food planners and preparers in the school lunch programs across the Nation to apply these dietary guidelines to the lunches they provide students every day. As my colleagues are well aware, the stated purpose of the National School Lunch Act is:

> As a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food. (42 U.S.C. Sec. 1751, as amended).

The purpose of my amendment to S. 305 is to ensure that when the U.S. Department of Agriculture issues recipe cards for school nutrition programs that serve as a basis for many of the lunches served nationwide to our children, the Department takes into consideration the most current dietary information available. This is the best way to ensure that we can continue to "safeguard the health and well-being of the Nation's children."

There is no group that is more deserving of our best care and attention than our children and those that are dependent on us for sustenance. I feel strongly that my own children should be fed the most nutritious meals possible and I have talked to no one on this issue who feels differently about his own children.

I should also add that my staff has worked with the Department of Agriculture on the wording of this amendment, and the Department is in support of it.

I am pleased to be able to recommend this bill and encourage my colleagues to join with me in supporting this measure.

Mr. WARNER. Mr. President, I rise in support of this important measure extending the Commodity Letter of Credit [CLOC] Program which has been of such benefit to participating Virginia school districts.

Under the CLOC demonstration authority extended in this bill, Fairfax and Allegheny Counties and the city of Fredericksburg in Virginia may continue to utilize in their school food service programs the unique ability to purchase foodstuffs directly from wholesale distributors with a letter of credit provided by the Department of Agriculture.

This program acts in lieu of the standard commodity distribution system and has been greatly valued by my constituent school districts. The results have been fresher and more nutritional meals under the School Lunch Program, increased efficiency in food service administration, and the elimination of wasteful and haphazard commodity distributions.

In addition, and a provision I wholeheartedly support, all foodstuffs purchased directly under the CLOC Program must be produced in the United States, thus eliminating the possibility that subsidized foreign commodities might be used in the American School Lunch Program.

I commend the distinguished chairman and ranking member of the Agriculture Committee, Senators LEAHY and LUGAR, for their action in extending this program before the beginning of the 1987-88 school year. In this way, any disruption in services due to the brief interruption in authorization this summer may come to an expeditious and timely end.

I have asked to become a cosponsor of S. 305, and I am deeply appreciative to the Senate agriculture leadership for their support and good efforts in extending this important program.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. LEAHY. Mr. President, I ask unanimous consent that S. 305 be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. I ask unanimous consent that the Senate now proceed to the consideration of H.R. 1340, Calendar No. 290, the House companion bill.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (H.R. 1340) to improve the distribution procedures for agricultural commodities and their products donated for the purposes of assistance through the Department of Agriculture, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, I ask unanimous consent that all after the enacting clause be stricken and that the text of S. 305, as amended, be inserted in lieu thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I understand that the yeas and nays have been ordered. I ask unanimous consent that the yeas and nays already ordered on the passage of S. 305 be transferred to H.R. 1340.

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The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. LEAHY. Mr. President, I have nothing further on this matter, other than to again thank the distinguished Senator from Indiana for his help in getting this bill before us at this time and in this condition.

Mr. LUGAR. I thank the Senator.

Mr. DIXON. Mr. President, will the manager yield for a question?

Mr. LEAHY. I yield.

Mr. DIXON. Does the manager know whether the majority leader has further plans for this evening? I see the distinguished majority leader on the floor, and we are about to vote. Perhaps he can enlighten his colleagues.

Mr. LEAHY. There is no way I can suggest reading the mind of the distinguished majority leader when he is standing right here. I eagerly yield to the distinguished majority leader.

Mr. BYRD. I thank the distinguished Senator for yielding. Mr. President, I congratulate him and the ranking manger, Mr. LUGAR, on their good work in moving this bill forward. It is an important measure, and they have demonstrated their usual skill and expertise in proceeding as they have.

In response to the question of the distinguished Senator from Illinois, there will be no other rollcall votes today, after this rollcall vote.

Mr. DIXON. I thank the leader.

Mr. BYRD. I thank all Senators, and I yield the floor.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 227 Leg.]

YEAS—97

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NOT VOTING—3

Gore
Johnston
Murkowski

So the bill (H.R. 1340) was passed, as follows:

S. 305

Strike out all after the enacting clause and insert:

### *SECTION 1. SHORT TITLE.*

*This Act may be cited as the "Commodity Distribution Reform Act of 1987".*

### *SEC. 2. SENSE OF CONGRESS.*

*(a) DISTRIBUTION OF AGRICULTURAL COMMODITIES.—It is the sense of Congress that the distribution of commodities and products—*

*(1) should be improved as an effective means of removing agricultural surpluses from the market and providing nutritious high quality foods to recipient agencies for assistance to needy persons; and*

*(2) is inextricably linked to the agricultural support and surplus removal programs administered by the Secretary of Agriculture and is an important mission of the Secretary.*

*(b) COMMODITY DISTRIBUTION PROGRAMS.—It is the sense of Congress that the Secretary of Agriculture should—*

*(1) adopt such policies and rules as are necessary to make the commodity distribution programs administered by the Secretary more efficient and responsive to eligible recipient institutions and the needy persons relying on the programs; and*

*(2) improve the quality of the commodities so distributed and the manner in which the commodities are distributed.*

### *SEC. 3. COMMODITY PROCESSING EXTENSION.*

*(a) IN GENERAL.—Section 1114(a)(2)(A) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(2)(A)) is amended by striking out "1987" and inserting in lieu thereof "1989.".*

*(b) CONFORMING AMENDMENTS.—*

*(1) Section 4404 of the Child Nutrition Amendments of 1986 (Public Law 99-661) is amended by striking out "In" and inserting in lieu thereof "Effective through June 30, 1989, in".*

*(2) Section 364 of the School Lunch and Child Nutrition Amendments of 1986 (Public Laws 99-500 and 99-591) is repealed.*

### *SEC. 4. COMMODITY DISTRIBUTION PROGRAM REFORMS.*

*(a) APPLICATION.—This section shall apply to—*

*(1) the commodity distribution and commodity supplemental food programs established under sections 4(a) and 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note);*

*(2) the program established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b));*

*(3) the school lunch, commodity distribution, and child care food programs established under sections 6, 14, and 17 of the National School Lunch Act (42 U.S.C. 1755, 1762a, and 1766);*

*(4) the school breakfast program established under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773);*

*(5) the donation of surplus commodities to provide nutrition services under section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a); and*

*(6) to the extent practicable—*

*(A) the temporary emergency food assistance program established under the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note); and*

*(B) programs under which food is donated to charitable institutions.*

*(b) QUALITY AND FORM OF COMMODITIES AND PRODUCTS.—*

*(1) DEVELOPMENT OF SPECIFICATIONS.—The Secretary of Agriculture (hereinafter in this section referred to as the "Secretary") shall develop specifications for commodities and products that are distributed by the Secretary that ensure that the commodities and products are of a quality, size, and form that is most useful to eligible recipient agencies, taking into account the duty of the Secretary—*

*(A) to remove surplus stocks of agricultural commodities through the Commodity Credit Corporation; and*

*(B) to purchase surplus agricultural commodities through section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c).*

*(2) OPTIONAL SIZES AND FORMS.—The Secretary shall, to the maximum extent practicable, make the commodities and products available in optional package sizes and forms.*

*(3) AVAILABILITY OF SPECIFICATIONS.—The Secretary shall make available summaries of the specifications for the commodities and products to State agencies.*

*(4) TESTING FOR ACCEPTABILITY.—The Secretary shall establish an ongoing field testing program for present and anticipated commodity and product purchases to test product acceptability with program participants. Test results shall be taken into consideration in deciding which commodities and products, and in what form the commodities and products, should be provided to recipient agencies.*

*(c) DIETARY GUIDELINES.—Commodities and products that are distributed by the Secretary shall, to the maximum extent practicable, be consistent with the Dietary Guidelines for Americans published by the Secretary of Agriculture and the Secretary of Health and Human Services.*

*(d) COMMODITIES AND PRODUCTS THAT ARE NOT IN GOOD CONDITION.—*

*(1) REPLACEMENT.—Commodities and products that are distributed to eligible recipient agencies and are found not to be in good condition shall be replaced under procedures established by the Secretary. On receiving a commodity or product that is not in good condition, a recipient agency shall expeditiously notify the State agency of the condition. The State agency shall take appropriate steps to ensure that the commodity or product is expeditiously replaced.*

*(2) PROCEDURES.—The Secretary shall establish procedures governing the handling of commodities and products that are not in good condition when received by recipient agencies.*

*(3) MONITORING SYSTEM.—The Secretary shall establish a system to monitor the age and condition of commodities and products that are stored by the Secretary, to ensure acceptable quality.*

*(e) DISTRIBUTION AND DELIVERY.—*

*(1) DISTRIBUTION SCHEDULES.—The Secretary shall establish schedules, to the maximum extent practicable, for the distribution of commodities and products that are consistent with the needs of eligible recipient agencies, taking into account the duty of the Secretary—*

*(A) to remove surplus stocks of agricultural commodities through the Commodity Credit Corporation; and*

*(B) to purchase surplus agricultural commodities through section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c).*

*(2) DELIVERY SYSTEMS.—The Secretary shall monitor the delivery systems used by State agencies, and require State agencies to implement an effective delivery system, for the intrastate delivery of donated commodities and products. The Secretary shall establish a value for donated commodities and products to be used by State agencies in the allocation or charging of commodities against entitlements.*

*(f) RECIPES.—*

*(1) IN GENERAL.—The Secretary shall distribute to all recipient agencies suggested recipes for the use of donated commodities and products.*

*(2) DISTRIBUTION.—The recipe cards shall be distributed as soon as practicable after the date of enactment of this Act and updated on a regular basis taking into consideration the Dietary Guidelines for Americans published by the Secretary of Agriculture and the Secretary of Health and Human Services (as in effect at the time of the update of the recipe cards).*

*(g) IMPLEMENTATION.—*

*(1) REGULATIONS.—Not later than 9 months after date of enactment of this Act, the Secretary shall issue such regulations as are necessary to carry out this section, including regulations concerning—*

*(A) reasonable intrastate fees if such fees are charged to local recipient agencies;*

*(B) minimum performance standards to be followed by State agencies responsible for intrastate distribution of donated commodities and products;*

*(C) procedures for commodity allocations among the States;*

*(D) delivery schedules; and*

*(E) procedures for local recipient agencies to return commodities and products delivered that are stale, spoiled, or similarly not in conformity with the product specifications of the Secretary.*

*(2) UNIFORM INTERPRETATION.—The Secretary shall take such actions as are necessary to ensure that regional offices of the Department of Agriculture interpret uniformly across the United States policies and regulations issued to implement this section.*

### *SEC. 5. EXTENSION OF ELIGIBILITY OF CERTAIN SCHOOL DISTRICTS TO RECEIVE CASH OR COMMODITY LETTERS OF CREDIT ASSISTANCE FOR SCHOOL LUNCH PROGRAMS.*

*(a) IN GENERAL.—Section 1581(b) of the Food Security Act of 1985 (Public Law 99-198; 99 Stat. 1594) is amended by striking out "1987" and inserting in lieu thereof "1989".*

*(b) DOMESTIC PURCHASE REQUIREMENT.—Section 1581 of such Act is amended by adding at the end thereof the following new subsection:*

*"(d) Effective beginning July 1, 1987, in carrying out the pilot project referred to in subsection (a), a school district shall be required to provide through contract specifications that only items produced and processed in the United States be purchased with cash assistance and commodity letters of credit assistance provided under the project.".*

*(c) CONFORMING AMENDMENT.—Section 14(g)(2) of the National School Lunch Act (42 U.S.C. 1762(g)(2)) is amended by striking out "In" and inserting in lieu thereof "Effective through the school year ending June 30, 1989, in".*

### *SEC. 6. COSTS FOR NUTRITION SERVICES AND ADMINISTRATION.*

*(a) IN GENERAL.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by adding at the end thereof the following new paragraph:*

*"(5)(A) In addition to the amounts otherwise made available under paragraphs (1) and (2), each State agency may use 10 percent of the savings (as defined in subparagraph (C)) for the costs of nutrition services and administration of the State agency and local agencies associated with increases in the number of persons served. In the case of a State agency that instituted a competitive bidding or rebate system before the date of enactment of this paragraph, the State agency may use savings under this subparagraph only if the use of the savings does not result in a reduction in the number of persons served in the State.*

*"(B) In addition to the amounts otherwise made available under paragraphs (1) and (2) and subparagraph (A), each State agency may use up to 10 percent of the savings (as defined in subparagraph (C)) for the costs of nutrition services and administration of the State agency and local agencies to the extent that the additional expenditures are related to increases in the number of persons served due to an increased availability of supplemental food assistance. The Secretary shall issue rules to implement this subparagraph that take into account—*

*"(i) the types of persons to be served and the per participant costs for nutrition services and administration in the State;*

*"(ii) incremental costs per participant of nutrition services and administration associated with serving an increased number of persons;*

*"(iii) amounts allocated and reallocated under paragraphs (1) and (2); and*

*"(iv) other factors considered appropriate to further efficient and effective administration, such as staffing needs, density of population, utilization of existing facilities and equipment, and other special circumstances that severely restrict the fiscal capacity of the State (such as a State economic crisis).*

*"(C) As determined under procedures developed by the Secretary, the savings specified under subparagraphs (A) and (B) shall be—*

*"(i) the amount of funds realized by a State agency as the result of a rebate system; or*

*"(ii) in the case of a direct distribution or home delivery system, the difference, in any fiscal year, between—*

*"(I) the total cost to the State agency of obtaining and providing one or more of the supplemental foods under any competitive bidding system under which a State or local agency contracts for the purchase of supplemental foods and products at reduced prices; and*

*"(II) the total cost that would have been incurred in obtaining and providing such supplemental foods based on an average Statewide retail price, as measured by price surveys conducted by the State agency or other means approved by the Secretary.*

*"(D) Paragraphs (3) and (4) shall apply to funds expended under this paragraph.".*

*(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective and implemented on the first day of the first quarter beginning 180 days after the date of enactment of this Act.*

### *SEC. 7. COORDINATION OF WIC PROGRAM WITH MEDICAID COUNSELING.*

*Section 17(f)(1)(C)(iii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)(iii)) is amended by striking out "and maternal and child health care programs" and inserting in lieu thereof "maternal and child health care, and medicaid programs".*

### *SEC. 8. STUDY OF MEDICAID SAVINGS FOR NEWBORNS FROM WIC PROGRAM.*

*(a) STUDY.—The Secretary of Agriculture shall conduct a national study of savings in the amount of assistance provided to families with newborns under State plans for medical assistance approved under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and State indigent health care programs, during the first 60-day period after birth, as the result of the participation of mothers of newborns before birth in the special supplemental food program authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).*

*(b) REPORT.—Not later than February 1, 1990, the Secretary shall submit to Congress a report that describes the results of the study conducted under subsection (a).*

*(c) FUNDING.—This section shall be carried out using funds made available under section 17(g)(3) of the Child Nutrition Act of 1966.*

### *SEC. 9. SUPPLYING INFANT FORMULA FOR THE WIC PROGRAM.*

*Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended by adding at the end thereof the following new paragraph:*

*"(16) To be eligible to participate in the program authorized by this section, a manufacturer of infant formula that supplies formula for the program shall—*

*"(A) register with the Secretary of Health and Human Services under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 et seq.); and*

*"(B) before bidding for a State contract to supply infant formula for the program, certify with the State health department that the formula complies with such Act and regulations issued pursuant to such Act.".*

### *SEC. 10. OVERSPENDING AND UNDERSPENDING UNDER THE WIC PROGRAM.*

*Section 17(i)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i)(3)) is amended—*

*(1) in subparagraph (A)—*

*(A) by inserting "and subject to subparagraphs (B) and (C)" after "paragraph (2)"; and*

*(B) by striking out "or" at the end of clause (i) and inserting in lieu thereof "and"; and*

*(2) by adding at the end thereof the following new subparagraph:*

*"(C) The total amount of funds transferred from any fiscal year under clauses (i) and (ii) of subparagraph (A) shall not exceed 1 percent of the amount of the funds allocated to a State agency for such fiscal year.".*

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*SEC. 11. EXTENSION OF QUALITY CONTROL STUDIES.*

*Section 12301(a)(3) of the Consolidated Omnibus Reconciliation Act of 1985 (42 U.S.C. 603 note) is amended by striking out "one year" and inserting in lieu thereof "15 months".*

*SEC. 12. EFFECTIVE DATE.*

*Except as otherwise provided in this Act, this Act and the amendments made by this Act shall become effective on July 1, 1987.*

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LUGAR. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## CATASTROPHIC ILLNESS

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, while the distinguished Republican leader is on the floor, I wish to inquire of the distinguished Republican leader as to whether or not that one holdout on the other side of the aisle is ready to let the Senate go to catastrophic illness.

I say that in a facetious way, but the Republican leader has been trying to clear this bill so we can take it up and dispose of it. But he has an objection on his side. There are no objections on this side.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 260, S. 1127, a bill to provide for Medicare, catastrophic illness coverage.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Reserving the right to object, and I will be constrained to object, we still have—now I understand it is not one, it is two holds. I think it is fair to say that I just checked with staff and I am not certain how firm the holds are, but they are there right now. We think there may be one of those that will disappear.

I would hope the majority leader would give us one more opportunity tomorrow morning, and I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. BYRD. Very well.

## PROMPT PAYMENT ACT AMENDMENTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 132, S. 328, a bill to amend chapter 39 of title 31, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes. And why should it not?

Mr. President, may I say that Mr. Sasser, the manager of the bill, will be ready to proceed with that bill on tomorrow.

Mr. President, I ask unanimous consent that on tomorrow, at the conclusion of morning business, the Senate resume consideration of Calendar Order No. 132.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I wonder if the distinguished majority leader might be willing to withdraw that request at this time and make it again tomorrow morning. As I understand, there are two potential problems that we might be able to resolve. One is in the cloakroom right now, I mean one Senator with one problem. There is one other Member on this side who also has a problem.

Mr. BYRD. Very well, Mr. President, I withdraw my request.

The PRESIDING OFFICER. The request is withdrawn.

Mr. BYRD. I will repeat that request tomorrow.

## THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I ask the distinguished Republican leader if the following nominations have been cleared on that side: Nominations under Marine Corps, page 2 and page 3; the nominations on page 8 under the judiciary, Calendar Nos. 304, 305, 306, and 307; the nomination under Department of Defense, Calendar No. 312; and the nomination under Nuclear Regulatory Commission, Calendar No. 313.

Mr. DOLE. Mr. President, I will advise the distinguished majority leader that all those have been cleared, and the ranking member on this side on the Armed Services Committee has further indicated they have been cleared.

Mr. BYRD. Very well.

## EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations under the judiciary, Calendar Nos. 304, 305, 306, and 307; under Department of Defense, Calendar No. 312, and under Nuclear Regulatory Commission, Calendar No. 313; that those nominations be considered en bloc and be confirmed en bloc, that the President be immediately notified of the confirmation of the nominees, and that a motion to reconsider be laid on the table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

### The Judiciary

William D. Hutchinson, of Pennsylvania, to be U.S. circuit judge for the third circuit.

Anthony J. Scirica, of Pennsylvania, to be U.S. circuit judge for the third circuit.

T.S. Ellis III, of Virginia, to be U.S. district judge for the eastern district of Virginia.

Charles R. Wolle, of Iowa, to be U.S. district judge for the southern district of Iowa.

### Department of Defense

H. Lawrence Garrett III, of Virginia, to be Under Secretary of the Navy.

### Nuclear Regulatory Commission

Kenneth C. Rogers, of New Jersey, to be a Member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1992.

Mr. BYRD. Mr. President, while the Senate is in executive session, I ask unanimous consent that the Senate proceed to the consideration of those nominations under Marine Corps, Calendar Order No. 271.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

## MARINE CORPS

The bill clerk read the following named brigadier generals for promotion to the permanent grade of major general: Edmund P. Looney, Jr., Orlo K. Steele, Hollis E. Davison, Robert F. Milligan, Gene A. Deegan, Joseph P. Hoar, Royal N. Moore, Jr., and Donald E.P. Miller.

Mr. WARNER. Mr. President, I wonder if the distinguished leadership at this time will allow the distinguished chairman of the Armed Services Committee and the ranking member an opportunity to make a brief statement.

Mr. BYRD. Certainly.

Mr. NUNN. Mr. President, on July 24 of this year, the Armed Services Committee favorably reported these nominations for promotion to the permanent grade of major general in the Marine Corps. These 8 nominations were part of a list of 10 major general nominations that the President had submitted to the Senate for confirmation earlier this year. The committee report accompanying the eight nominations explains the basis for the committee's action. This is a very important matter. The committee deliberated on it long and hard. The members of the committee attended a number of meetings we had on it. It has been a very difficult subject, but we do recommend that these eight nominations be confirmed by the U.S. Senate.

The committee report has all of the details on this matter. It has been public now for some 8 or 9 days and I think all of our colleagues have had a chance to review it.

I urge the Senate to act on these nominations.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I wish to concur in and associate myself with the remarks of the distinguished chairman of the Armed Services Committee. I thank the leadership and Members of the Senate who have an interest in this matter, one of which temporarily held these nominations but at my request that hold was released.

### IN SUPPORT OF THOMAS SELBY ELLIS III

Mr. President and my distinguished colleagues, it is my great pleasure to rise today to support Mr. Thomas Selby (Tim) Ellis III to be confirmed as a judge for the United States District Court for the Eastern District of Virginia.

Mr. Ellis received his undergraduate degree in aeronautical engineering from Princeton University, where he was a Naval Reserve Officer Training Corps scholarship student.

He then served for 6 years as an aviator in the U.S. Navy, and was honorably discharged having achieved the rank of lieutenant.

He graduated magna cum laude from Harvard Law School, then received a diploma in law from Magdalen College at Oxford University.

Since 1969, Mr. Ellis has been associated with the Virginia law firm of Hunton and Williams, where he has distinguished himself as a trial attorney, speaker and author.

Mr. Ellis' extensive litigation experience in both State and Federal court covers a broad spectrum of the law.

He has also been involved in numerous State and Federal administrative proceedings.

Mr. Ellis has authored many publications on a variety of topics, and has lectured in law at several universities.

His services to community groups and his church are extensive.

Particularly noteworthy are his efforts to help Vietnam refugees who have located in the Richmond, VA area.

From his experience as a litigator, a published author and speaker, this judicial nominee possesses the ideal combination of credentials necessary to be a superior judge.

Mr. Ellis is a man of principle who will continue to distinguish himself on the Federal bench just as he has throughout his entire career.

I am proud to have the opportunity to represent Tim Ellis in the U.S. Senate.

And I am pleased to speak on behalf of this distinguished Virginian, who has earned the respect of his colleagues in the legal community as an attorney and a man of integrity.

Tim Ellis will be a great asset to the Federal judiciary.

I commend him wholeheartedly to the support of my colleagues.

The PRESIDING OFFICER. Is there further debate on the nominations? If not, the nominations are confirmed.

Mr. BYRD. Mr. President, I thank both Senators, Mr. Nunn and Mr. Warner. I ask unanimous consent that the President be immediately notified of the nominations that were confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Was the motion to reconsider made and laid on the table?

The PRESIDING OFFICER. There was not a motion.

Mr. NUNN. I move to reconsider the vote by which the nominations were agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MEASURE INDEFINITELY POSTPONED

Mr. BYRD. Mr. President, the Senate just acted on the House bill which was a companion measure to the bill S. 305, a bill to amend the National School Lunch Act. I, therefore, ask unanimous consent that S. 305 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## APPOINTMENT OF SENATE CONFEREES ON THE TRADE BILL, H.R. 3

Mr. BYRD. Mr. President, on behalf of Mr. Bentsen, I ask unanimous consent that the Senate insist on its amendment to H.R. 3, the trade bill, and request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

There being no objection, the Chair appointed the following conferees on the part of the Senate:

From the Committee on Finance: Senators Bentsen, Matsunaga, Moynihan, Baucus, Boren, Packwood, Chafee, Roth, and Danforth.

From the Committee on Banking, Housing, and Urban Affairs: Senators Proxmire, Sarbanes, Dixon, Garn, and Heinz.

Solely for the consideration of subsections 1029 through 1036 of title X: Senators Cranston and Gramm.

Solely for the consideration of title XIV: Senators Exon and Danforth.

From the Committee on Commerce, Science, and Transportation: Senators Hollings, Inouye, Exon, Riegle, Danforth, Packwood, and Pressler.

From the Committee on Labor and Human Resources: Senators Kennedy, Pell, Metzenbaum, Mikulski, Adams, Hatch, Stafford, and Quayle.

From the Committee on Small Business: Senators Bumpers, Sasser, and Weicker.

From the Committee on the Judiciary: Senators DeConcini, Leahy, and Hatch.

From the Committee on Foreign Relations: Senators Pell, Sarbanes, Dodd, Helms, and Lugar.

From the Committee on Agriculture, Nutrition, and Forestry: Senators Leahy, Melcher, Pryor, Lugar, and Cochran.

From the Committee on Governmental Affairs: Senators Glenn, Chiles, Bingaman, Roth, and Stevens.

## THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished Republican leader if the following calendar orders have been cleared on his side: Calendar Order Nos. 284, 268, 269, 278, 292, and 293.

Mr. DOLE. Those have been cleared.

Mr. BYRD. I thank the leader.

Mr. President, I ask unanimous consent that the Senate proceed seriatim to the consideration of the bills in the order I enumerated.

The PRESIDING OFFICER. Without objection, it is so ordered.

## FEDERAL TRIANGLE DEVELOPMENT ACT

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1550) to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space for an international cultural and trade center, and for other purposes.

The Senate proceeded to consider the bill which has been reported from the Committee on Environment and Public Works, with an amendment to stike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Triangle Development Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds and declares that—

(1) it is in the national interest to build a Federal building complex and establish an international cultural and trade center on the Federal Triangle property in the District of Columbia;

(2) development of such a Federal building complex will permit consolidation of a number of Federal agencies which are currently housed in numerous, scattered locations and will enable more economical and efficient use of building space and environs;

(3) inclusion of an international cultural and trade center within the Federal building complex will create and enhance opportunities for American trade, commerce, com-

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munications, and cultural exchanges with other nations and complement the work of Federal, State, and local agencies in the areas of international trade and cultural exchange; and

(4) the appropriate development, maintenance, and use of the Federal Triangle property should be a joint development effort of the General Services Administration, the Pennsylvania Avenue Development Corporation, and the International Cultural and Trade Center Commission.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To transfer the Federal Triangle property from the Administrator of General Services to the Pennsylvania Avenue Development Corporation.

(2) To grant to the Corporation the power of eminent domain to acquire certain properties and rights-of-way adjacent to the Federal Triangle site and to authorize the Corporation to exercise such power as may be necessary to further the public interest.

(3) To authorize the Corporation, after consultation with the Secretary of State, the Administrator, and the Commission, to prepare plans for development of such property.

(4) To establish a process for review and selection of such plans and, after completion of such review process, to authorize the Corporation to enter into an agreement with a private developer selected for the development of such property.

(5) To ensure that the design and construction of the Federal building complex on such property will insofar as practicable be in accordance with the guiding principles for Federal architecture recommended by the Committee on Federal Office Space in 1962 which require among other things that facilities to be used by Federal agencies be efficient and economical and that public buildings provide visual testimony to the dignity, enterprise, vigor, and stability of the Federal Government.

(6) To provide for establishment, operation, and maintenance of a self-sustaining international cultural and trade center in such complex.

### SEC. 3. FEDERAL TRIANGLE PROPERTY.

(a) TRANSFER TO PADC.—

(1) GENERAL RULE.—Subject to such terms and conditions as the Administrator and the Corporation may establish, the Administrator shall transfer, without compensation, to the Corporation title to the Federal Triangle property for development under this Act.

(2) DURATION OF TRANSFER.—Title to the Federal Triangle property shall revert to the Administrator at such time as the Administrator and the Corporation agree but not later than the date on which ownership of the building to be constructed on such property under section 5 vests in the United States. On and after such date, title to such building shall be in the Administrator.

(3) LEGAL DESCRIPTION.—The exact acreage and legal description of the Federal Triangle property shall be based upon surveys which are satisfactory to the Administrator and the Corporation.

(b) ADJOINING PROPERTY AND RIGHTS-OF-WAY.—

(1) ACQUISITION.—The Corporation may acquire by purchase, exchange, condemnation, or otherwise such additional property or improvements or interest therein (including any portion of any street, roadway, highway, alley, or right-of-way and any easements to and air rights on or above any public lands or rights-of-way) as are necessary for development of the Federal Triangle property.

(2) TRANSFER TO GSA.—At the time title to the Federal Triangle property reverts to the Administrator under subsection (a), the Corporation shall transfer to the Administrator, without compensation, title to any property or interest therein acquired under this subsection and improvements thereon.

### SEC. 4. DEVELOPMENT PROPOSAL.

(a) PREPARATION AND CONTENTS.—The Corporation shall prepare a written proposal for development of the Federal Triangle property which shall include, but not be limited to, the following:

(1) A narrative description of the building to be constructed on the Federal Triangle property, including a description of the types of uses both public and private to be permitted in the building.

(2) A comprehensive plan prepared by the Administrator for providing space for Federal officers and employees in the building.

(3) A plan for inclusion of an international cultural and trade center comprising not to exceed 500,000 occupiable square feet, including a leasing plan prepared by the Commission for occupancy of such center and a plan for permitting conversion of space not used for such center to office space.

(4) A comprehensive plan for providing security for the building and its occupants and contents.

(5) A comprehensive plan for providing parking for motor vehicles of occupants of and visitors to the building and for providing access to the building by delivery and service vehicles.

(6) A statement prepared by the Administrator for rents and other housing costs currently being paid by the United States for Federal agencies to be housed in the building.

(7) Design criteria for the building.

(8) An estimate of the cost of construction of the building and of the annual cost to the United States of leasing the building under section 6.

(9) Environmental impact documentation for development of the Federal Triangle property under Federal laws and regulations.

(10) An analysis of the economic impact in the metropolitan area which includes the District of Columbia of development of the Federal Triangle property.

(11) terms and conditions approved by the Administrator for inclusion in the lease agreement under section 6.

(b) LIMITATIONS.—

(1) SIZE OF BUILDING.—The building (including parking facilities) to be constructed on the Federal Triangle property may not exceed 3,100,000 gross square feet in size.

(2) HEIGHT OF BUILDING.—The height of the building shall be compatible with the height of surrounding Government buildings.

(3) DESIGN.—The building shall be designed in harmony with historical and Government buildings in the vicinity, shall reflect the symbolic importance and historic character of Pennsylvania Avenue and the Nation's Capital, and shall represent the dignity and stability of the Federal Government.

(c) CONSULTATION REQUIREMENT.—In preparing the development proposal under subsection (a), the Corporation shall consult the Secretary of State, the Administrator, and the Commission.

(d) DUTIES OF THE ADMINISTRATOR AND COMMISSION.—

(1) ADMINISTRATOR.—The Administrator shall prepare and submit to the Corporation for inclusion in the development proposal under subsection (a)—

(A) a comprehensive plan for providing space for Federal officers and employees in the building to be constructed on the Federal Triangle property;

(B) a statement of rents and other housing costs currently being paid by the United States for Federal agencies to be housed in the building; and

(C) a list of terms and conditions which the Administrator has approved for inclusion in the lease agreement to be entered into under section 6.

(2) COMMISSION.—The Commission shall prepare and submit to the Corporation for inclusion in the development proposal under subsection (a) a leasing plan for occupancy of the international cultural and trade center under section 8.

(e) REVIEW AND APPROVAL OF DEVELOPMENT PROPOSAL BY GSA AND OTHERS.—

(1) SUBMISSION FOR REVIEW.—As soon as practicable but not later than 365 days after the date of the enactment of this Act, the Corporation shall submit the development proposal prepared under subsection (a) to the General Services Administration, the Commission, the National Capital Planning Commission, and the Commission of Fine Arts.

(2) APPROVAL OR RECOMMENDED MODIFICATIONS.—Not later than 60 days after the date of submission of the development proposal under paragraph (1), each governmental entity referred to in paragraph (1) shall notify the Corporation of approval or recommended modifications of the development proposal. If such governmental entity does not notify the Corporation of its approval or recommended modifications of the proposal within such 60-day period, such governmental entity shall be deemed to have approved the proposal.

(3) CONSULTATION.—In the event a governmental entity referred to in paragraph (1) submits recommended modifications of the development proposal within the 60-day period described in paragraph (2), the Corporation shall consult such entity regarding such modifications and may modify such proposal to take into account one or more of such recommended modifications.

(f) SUBMISSION FOR CONGRESSIONAL REVIEW.—Not later than 150 days after the date of submission of the development proposal to governmental entities under subsection (e)(1), the Corporation shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives for review and approval the development proposal with any modifications made under subsection (e)(3), a statement of the areas of difference between such proposal and the recommended modifications of each such governmental entity, and the views of the Corporation with respect to such differences.

(g) FUNDING.—Not later than 60 days after the date of the enactment of this Act, the Administrator shall transfer from amounts appropriated to the Administrator $800,000 to the Corporation for carrying out this section.

### SEC. 5. CONSTRUCTION OF BUILDING.

(a) SELECTION PROCESS.—

(1) GENERAL RULE.—Upon approval of the development proposal submitted under section 4(f) by resolutions adopted by the Committee on Environment and Public Works of

the Senate and the Committee on Public Works of the House of Representatives, the Corporation in accordance with its policies and procedures for a development competition, shall select a person to develop the Federal Triangle property.

(2) CONSULTATION REQUIREMENT.—In selecting a person to develop the Federal Triangle property, the Corporation shall consult the Administrator and the Commission.

(3) COMPETITION.—The Corporation shall conduct a competition for selection of a person to develop the Federal Triangle property. Such competition shall be conducted in accordance with the existing policies and procedures of the Corporation for a development competition.

(4) PROHIBITION ON PAYMENTS FOR BIDS AND DESIGNS.—The Corporation may not make any payment to any person for any bid or design proposal under the competition conducted under this subsection.

(b) DEVELOPMENT AGREEMENT.—

(1) AUTHORITY TO ENTER.—The Corporation may enter into an agreement for the development of the Federal Triangle property in accordance with the development proposal approved under subsection (a) with the person selected to develop the Federal Triangle property.

(2) CONTENTS.—The development agreement under paragraph (1) shall at a minimum provide for the following:

(A) The construction of a building on the Federal Triangle property in accordance with the architectural plans and specifications selected under the development competition.

(B) Ownership of such property and building will be by the United States; except that the person selected under subsection (a) may own such building for a term not to exceed 35 years beginning on the date on which construction of such building commences.

(C) The Administrator to lease such building from such person for the term determined under subparagraph (B).

(D) Inspection of such building during construction by the Administrator and the Corporation.

The agreement shall include a copy of the lease agreement and technical directives and specifications prepared by the administration entered into by the Administrator and such person under section 6.

(c) CONNECTION WITH RAIL SYSTEM.—The building to be constructed under this section may be connected with the rapid rail system operated by the Washington Metropolitan Area Transit Authority via a station located on the Federal Triangle property. The construction cost of making such connection shall be the responsibility of the person selected to develop the Federal Triangle property. The Washington Metropolitan Transit Authority may not charge any fee or other amount for the connection of such building to such rail system.

(d) CONSTRUCTION STANDARDS AND INSPECTION.—The building constructed under this section shall meet all standards applicable to construction of a Federal building. During construction, the Administrator and the Corporation shall conduct periodic inspections of such building for the purpose of assuring that such standards are being met.

(e) TREATMENT OF PADC.—For purposes of any State or local law (including laws relating to taxation and building permits and inspections), the Corporation with respect to development of the Federal Triangle property shall be treated as the General Services Administration is treated with respect to acquisition and construction of a Federal building.

(f) APPLICABILITY OF CERTAIN LAWS.—Any person who enters into an agreement with the Corporation under subsection (b) for development of the Federal Triangle property shall not, with respect to such development, be subject to any State or local law relating to building permits and building inspection. Such property and any improvements to such property shall not be subject to real and personal property taxation, or special assessments.

(g) TREATMENT OF FEDERAL TRIANGLE DEVELOPMENT AREA.—For purposes of the Pennsylvania Avenue Development Corporation Act of 1972 (other than section 5), the Federal Triangle development area shall be treated as being a part of the development area described in section 2(f) of such Act (40 U.S.C. 871(f)). The Corporation shall have the same authority with respect to the Federal Triangle development area as it has with respect to the development area described in such section 2(f).

(h) POWERS OF THE CORPORATION.—The Corporation shall have with respect to its duties under this Act any powers which the Corporation has under section 6 (other than paragraphs (9) and (10)) of the Pennsylvania Avenue Development Corporation Act of 1972 (40 U.S.C. 875) with respect to its duties under such Act. The Corporation may enter into agreements with any Federal agency or the Commission with respect to this Act, or as permitted or authorized by 31 U.S.C. 1535.

(i) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated, from the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), to the Administrator for transfer to the Corporation for carrying out this section and section 4 $3,700,000 for fiscal year 1988. Such sums shall remain available until expended.

### SEC. 6. LEASE OF BUILDING BY GSA.

(a) ENTRY INTO AGREEMENT.—Before the development agreement is entered into under section 5, the Administrator shall enter into with the person selected to construct the building under section 5 an agreement for the lease of such building for Federal office space and the international cultural and trade center space.

(b) TERMS OF AGREEMENT.—The agreement entered into under this section shall include at a minimum the following terms:

(1) The Administrator will lease the building for the term that the person selected to construct the building owns the building.

(2) The rental rate per square foot of occupiable space for all space in the building will be in the best interest of the United States and carry out the objectives of this Act, but in no case may the aggregate rental rate for all space in the building produce an amount less than the amount necessary to amortize the cost of development of the Federal Triangle property over the term of the lease.

(3) Obligations of funds from the Federal Building Fund shall only be made on an annual basis to meet lease payments.

(4) The Administrator will be permitted to sublease to the Commission for establishment, operation, and management of the international cultural and trade center under section 8.

(c) ACCOUNTING SYSTEM.—The Administrator shall maintain an accounting system for operation and maintenance of the building to be constructed under section 5 which will permit accurate projections of the dates and the costs of major repairs, improvements, reconstructions, and replacements of such building and other capital expenditures on such building. The Administrator shall take such action as may be necessary to assure that funds are available to cover such projected costs and expenditures.

(d) OBLIGATION OF FUNDS.—Obligation of funds to make lease payments under this section may only be made on an annual basis and from amounts in the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)).

### SEC. 7. INTERNATIONAL CULTURAL AND TRADE CENTER COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the International Cultural and Trade Center Commission.

(b) DUTIES OF COMMISSION.—The duties of the Commission are as follows:

(1) To participate in accordance with section 4 in the planning of the building to be constructed under section 5.

(2) To enter into an agreement with the Administrator under section 8 for the lease of space in the building constructed under section 5 for establishment, operation, and maintenance of an international cultural and trade center.

(3) To operate and manage any space leased under section 8 in accordance with the objectives of this Act.

(4) To prepare under section 8 an annual report on the operation and management of such space.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 15 members as follows:

(A) The Secretary of State or his delegate.

(B) The Secretary of Commerce or his delegate.

(C) The Secretary of Agriculture or his delegate.

(D) The United States Trade Representative or his delegate.

(E) The Administrator or his delegate.

(F) The Director of the United States Information Agency or his delegate.

(G) The Chairman of the Corporation or his delegate.

(H) The Mayor of the District of Columbia or his delegate.

(I) The Chairman of the National Endowment for the Arts or his delegate.

(J) 6 individuals appointed by the President one of whom shall be a resident and registered voter of the District of Columbia and all of whom shall be specially qualified to serve on the Commission by virtue of their education, training, or experience in international trade, commerce, cultural exchange, finance, business, or management of facilities similar to the international cultural and trade center described in section 8. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(2) TERMS.—

(A) GENERAL RULE.—Except as provided in subparagraph (B), the terms of office of the private sector Members first taking office shall begin on the date of the enactment of this Act and shall expire as designated at the time of appointment, two at the end of two years, two at the end of four years, and two at the end of six years.

(B) FILLING A VACANCY.—Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term

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for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

(3) Pay.—Members of the commission shall serve without pay; except that any member of the Commission appointed under paragraph (1)(J) shall while attending meetings of and attending hearings held by the Commission be entitled to travel or transportation expenses in accordance with section 5703 of title 5, United States Code.

(4) Quorum.—8 members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(5) Designation of chairman.—The Chairman and Vice Chairman of the Commission shall be designated by the President; except that the Chairman may only be designated from individuals appointed under paragraph (1)(J).

(6) Meetings.—The Commission shall meet at the call of the Chairman but no less often than every 4 months.

(d) Staff of Commission.—

(1) General rule.—The Commission shall have a staff, including an executive director. Such staff shall be composed of individuals who may either be appointed under paragraph (2) or detailed under paragraph (3); except that the staff of the Commission may not at any time be composed of more than 15 individuals.

(2) Authority to appoint.—The Commission may appoint and fix the pay of not to exceed 10 individuals, including an individual to serve as the executive director of the Commission. Staff appointed under this paragraph shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; except that—

(A) the individual appointed to serve as the executive director and one other individual appointed to the staff of the Commission may be appointed and compensated without regard to such provisions; and

(B) the pay of any individual (other than the 2 individuals referred to subparagraph (A)) appointed under this paragraph shall be at a rate not to exceed the maximum rate of basic pay payable for GS-17 of the General Schedule.

(3) Detail.—Subject to paragraph (1), upon request of the Commission, the Secretary of State, the Secretary of Commerce, the Secretary of Agriculture, the Special Trade Representative, the Administrator, and the Director of the United States Information Agency may detail, on a reimbursable basis, such of the personnel of the department or agency such person heads as may be necessary to assist the Commission in carrying out its duties under this Act.

(e) Office Space and Supplies.—Upon request of the Commission, the Secretary of State, the Secretary of Commerce, the Secretary of Agriculture, the Special Trade Representative, the Administrator, and the Director of the United States Information Agency may provide, on a reimbursable basis, such office space, supplies, equipment, and other support services as may be necessary for the Commission to carry out its duties under this Act.

(f) Powers of Commission.—

(1) Hearings and sessions.—The Commission may, for the purpose of carrying out its duties under this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) Powers of members and agents.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this subsection.

(3) Obtaining official data.—The Commission may obtain from any department or agency of the United States information necessary to enable it to carry out its duties under this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(4) Gifts.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(5) Mails.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) Authority to contract out.—Subject to applicable provisions of law, the Commission may enter into such contracts or agreements as the Commission considers appropriate to carry out any of its duties under this Act.

(7) Experts and consultants.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code.

(g) Limitation on Expenses.—

(1) Maximum amount.—The maximum amount of expenses (including salaries, travel expenses, expenses for temporary and intermittent services, expenses under contracts or agreements entered into under subsection (f)(7), and supply expenses) which the Commission may incur in any fiscal year may not exceed $1,000,000 in any fiscal year.

(2) Adjustment for inflation.—Any dollar amount referred to in this subsection, subsection (h)(3), and section 8(d) may be adjusted by the Commission annually to reflect a percentage increase or decrease in the Consumer Price Index for All Urban Consumers for the preceding calendar year, as determined by the United States Department of Labor, Bureau of Labor Statistics.

(h) Funding.—

(1) Requests for transfers.—If the Commission incurs any expenses in carrying out its duties under this Act, the Commission may request the Secretary of State, the Administrator, or any other Federal official referred to in subsection (c)(1) to transfer to the Commission an amount equal to such expenses from funds appropriated to such official.

(2) Authority for transfers.—Subject to paragraphs (3) and (5), any official referred to in paragraph (1) may transfer such amounts from funds appropriated to such official as may be necessary to enable the Commission to carry out its duties under this Act.

(3) Maximum amount of requests and transfers.—The aggregate amount of requests for transfers, and the aggregate amount of transfers, under this subsection may not exceed $1,000,000 in any fiscal year.

(4) Deposit of receipts.—The Commission shall deposit all amounts it receives under this subsection into the account established by section 8(d).

(5) Limitation on effect.—This subsection shall not be effective with respect to any fiscal year beginning after the last day of the 2-year period beginning on the first day the Commission deposits under section 8(c) funds into the account established by section 8(d).

### SEC. 8. OPERATION AND MANAGEMENT OF INTERNATIONAL CULTURAL AND TRADE CENTER.

(a) Lease of Space.—

(1) Agreement.—The Administrator and the Commission shall enter into an agreement for the Commission to lease from the Administrator not to exceed 500,000 square feet of occupiable space in the building to be constructed under section 5 to serve as an international cultural and trade center.

(2) Size.—The Commission shall determine the amount of space necessary for operation of the international cultural and trade center based upon demand, except that such space may not exceed 500,000 square feet of occupiable space. Upon certification of such demand by the Commission, the Administrator shall lease such amount of space to the Commission.

(3) Terms.—The agreement entered into under this subsection shall include at a maximum the following terms:

(A) The Commission will be permitted to sublease its space in such building to foreign missions, commercial establishments sponsored by foreign governments, and international cultural and trade organizations, including domestic organizations and State and local governments.

(B) All space leased by the Commission from the Administrator will be at such rate as the Administrator and the Commission may agree but not less than the rate established under section 6(b)(2) plus such amount as the Administrator determines is necessary to pay on an annual basis for the costs of administering such building (including operation, maintenance, and rehabilitation costs) which are attributable to such space.

(C) Such terms relating to default and nonperformance as the Administrator considers appropriate to protect the interests of the United States.

(b) Establishment of Center.—

(1) By commission.—The Commission shall establish, operate, and maintain an international cultural and trade center in the space leased from the Administrator under subsection (a).

(2) Contents.—The international cultural and trade center may include the following:

(A) Office space for foreign missions and domestic and international organizations involved in international trade or cultural activities.

(B) A world exhibition center providing space for exhibits from foreign nations.

(C) An international bazaar providing space for commercial establishments sponsored by foreign governments.

(D) An international center providing a centralized foreign trade reference facility, conference and meeting facilities, and audio-visual facilities for translating foreign languages.

(E) Such other facilities as are consistent with the objectives of this section.

(3) Subleasing of space.—

(A) Agreements.—The Commission may enter into agreements with foreign missions and international cultural and trade organizations (including domestic organizations and State and local governments) to sublease any or all of the space it leased from the Administrator under subsection (a). Space subleased to such missions and organizations may only be used for establishment of trade centers and exhibitions, offices, and commercial establishments described in paragraph (2) and such other facilities as the Commission determines are

consistent with an international cultural and trade center.

(B) Terms and conditions.—An agreement entered into under this subsection shall be subject to such terms and conditions as the Commission determines are appropriate to carry out the objectives of this Act. The rental rate per square foot of occupiable space for space subleased under this subsection shall be determined in accordance with subsection (c); except that the Commission may adjust such rate with respect to any space subleased to a foreign mission in accordance with the recommendations of the Secretary of State acting in accordance with section 204(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4304(b)). The Secretary of State may reimburse the Commission for any expenses which are incurred by the Commission as a result of making adjustments in the rental rate for space under this subparagraph.

(4) Reference facility and cultural events.—The Commission may establish in a portion of the space leased from the Administrator under this section a centralized foreign trade reference facility and conference and meeting facilities and audio-visual facilities for translating foreign languages. The Commission may permit cultural events and other activities to be held in a portion of such space. The Commission shall establish in accordance with subsection (c) fees and charges for—

(A) the use of such facilities and auditorium; and

(B) the holding of such events and activities.

(c) Rents and Fees.—

(1) Establishment of amount.—The Commission shall establish the amounts of fees under subsection (b)(4), and establish a rental rate for space subleased under subsection (b)(3), taking into account the objectives of this section and the best interests of the United States. In any fiscal year beginning after the last day of the 2-year period beginning on the first day the Commission deposits under this subsection funds into the account established under subsection (d), the aggregate amount of such fees and rent shall not be less than the cost to the Commission of subleasing space from the Administrator under subsection (a) in such fiscal year plus the expenses (including salaries, travel expenses, expenses for termporary and intermittent services, expenses under contracts or agreements entered into under section 7(f)(7), supply expenses and any reimbursable expenses) incurred by the Commission in carrying out its duties under this Act in such fiscal year.

(2) Collection.—The Commission shall collect—

(A) rent for space subleased under subsection (b); and

(B) fees and charges under subsection (b).

(3) Deposit.—The Commission shall deposit all amounts collected under this subsection and all amounts transferred by the Secretary of State to the Commission under subsection (b)(3)(B) into the account established under subsection (d).

(d) Separate Account.—

(1) Establishment.—There is established in the Treasury of the United States a separate account.

(2) Contents.—The account shall include all amounts deposited by the Commission under subsection (c) and section 7(h).

(3) Availability.—Amounts in the account established under this subsection shall be available to the Commission to pay—

(A) all rents owed to the Administrator for lease of space under subsection (a); and

(B) all expenses (including salaries, travel expenses, expenses for temporary and intermittent services, expenses under contracts or agreements entered into under section 7(f)(7), and supply expenses) incurred by the Commission in carrying out its duties under this Act but not exceeding $1,000,000 in any fiscal year.

(4) Payments.—The Commission shall pay, from amounts in the account established by this subsection—

(A) for lease of space under subsection (a) on an annual basis amounts owed to the Administrator for deposit into the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)); and

(B) all expenses incurred by it in carrying out its duties under this Act but not exceeding $1,000,000 in any fiscal year.

(5) Transfer of excess funds.—Periodically, but not less often than once per fiscal year, funds which the Commission determines are in excess of those needed to make the payments described in paragraph (4) shall be transferred by the Commission from the account established under this subsection to the fund established under section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)).

(h) Annual Report and Budget.—The Commission shall prepare and transmit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives (1) an annual report in January of each calendar year on the operation and management of the space leased by the Commission under subsection (a) and the international cultural and trade center, and (2) a budget for such fiscal year for operation, maintenance, and alteration of such center, including amounts received and projected to be received by the Commission in such fiscal year and expenses incurred and projected to be incurred by the Commission in such fiscal year.

### SEC. 9. DESIGNATION OF DEPARTMENTAL AUDITORIUM.

(a) The Departmental Auditorium, located on the Federal Triangle between the Custom Service building and Interstate Commerce Commission building on Constitution Avenue, shall hereafter be known and designated as the "Andrew W. Mellon Auditorium".

(b) Any reference in any law, regulation, document, record, map or other paper of the United States to the auditorium referred to in subsection (a) is deemed to be a reference to the "Andrew W. Mellon Auditorium".

### SEC. 10. DEFINITIONS.

As used in this Act—

(1) Administrator.—The term "Administrator" means the Administrator of General Services.

(2) Commission.—The term "Commission" means the International Cultural and Trade Center Commission established by section 7.

(3) Corporation.—The term "Corporation" means the Pennsylvania Avenue Development Corporation.

(4) Federal triangle development area.—The term "Federal Triangle development area" means the area which begins at a point on the southwest corner of the intersection of Fourteenth Street and Pennsylvania Avenue (formerly E Street), Northwest; thence southerly along the west side of Fourteenth Street to the northwest corner of the intersection of Fourteenth Street and Constitution Avenue, Northwest; thence easterly along the north side of Constitution Avenue to the northeast corner of the intersection of Twelfth Street and Constitution Avenue, Northwest; thence northerly along the east side of Twelfth Street and Constitution Avenue, Northwest; thence northerly along the east side of Twelfth Street to the southeast corner of the intersection of Twelfth Street and Pennsylvania Avenue, Northwest; thence westerly along the south side of Pennsylvania Avenue to the point of beginning being the southwest corner of the intersection of Fourteenth Street and Pennsylvania Avenue (formerly E Street), Northwest.

(5) Federal triangle property.—The term "Federal Triangle property" means—

(A) the property owned by the United States in the District of Columbia, known as the "Great Plaza" site, which consists of squares 256, 257, 258, parts of squares 259 and 260, and adjacent closed rights-of-way as shown on plate IV of the King Plats of 1803 located in the Office of the Surveyor of the District of Columbia; and

(B) any property acquired by the Corporation under section 3(b);

except that for purposes of section 3 such term does not include any property referred to in subparagraph (B).

Mr. MOYNIHAN. Mr. President, if I might take just a moment of the Senate's time to say that this act will bring to a completion one of the great sequences of public building and urban design in our Nation's history.

The effort must be seen to have many progenitors. At the beginning of the century, there was the McMillan Commission which engaged Daniel Burnham, Charles McKim, Frederick Law Olmsted, Jr., and Augustus Sain-Gaudens create the great design of the mall. The Commission also moved the railroad tracks to Union Station and made many other improvements in our Capital. Then under the great Secretary of the Treasury Andrew Mellon, and Presidents Harding and Coolidge, the enterprise went forward to construct what we know of as the Federal Triangle. The construction, however, though magnificently conceived, came to a sudden halt with the Great Depression that began in the 1930's, so that almost 60 years later the most prominent site in the Federal Triangle remains a parking lot of surpassing ugliness.

This fact and the general deterioration of the downtown Washington area was forcibly brought to the attention of President Kennedy in the course of his inaugural parade in 1961. Later as he looked to his left he found incompleted a Federal project from the 1920's, and to the north he found a city in decay, a city which at that time like many American cities was seeking to move out toward the suburbs. This desertion of the city's core left the Capitol building isolated, and undermined the symbolic representation of the great avenue between the Capitol and the White House that had

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been planned by Major L'Enfant and agreed to with such enthusiasm by President Washington and President Jefferson. President Kennedy later that day mentioned this condition to the Secretary of Labor, Mr. Justice Goldberg, who set in motion the sequence of events in which the Senator from New York was honored to be involved, that led to a plan for the rebuilding of the avenue and the revitalization of the center of the city.

It is a historic fact, Mr. President, that the last direction President Kennedy gave as he left Washington on his visit to Dallas and other parts of Texas was that when he returned he hoped there would be a coffee hour with congressional leaders where he might show them the new plan and enlist their cooperation. Of course, he was not able to do that. It devolved on others. A succession of Presidents, Presidents Johnson, Nixon, Ford, and Carter and now President Reagan have cooperated in bringing a really quite extraordinary set of changes in place.

As you go down the avenue from the Capitol, we first come upon the fine new Canadian Embassy with where its pillars echo, the Mellon Gallery, and the International Trade Commission Building. We see the east wing of the National Gallery, the I.M. Pei masterpiece. We see the beginnings of the naval memorial at Market Square.

We found in 1961 what is now the National Portrait Gallery and the Collection of American Art that was all but an abandoned building. The old Patent Office was used by the Civil Service Commission. The original Post Office was in equal decline.

The Patent Office is now a magnificent museum. The Committee on Public Works has made the old original Post Office available for uses that are appropriate to Eighth Street. J. Edgar Hoover was willing to see the FBI Building move back 50 feet so that there could be a wide sidewalk where the trees are just now beginning to get high enough to appreciate them in the summer. There is the FBI Building and the Star Building now being redone.

We have seen restoration of the two great squares in the middle of the avenue, most importantly Pershing Square. We have seen the Marriott Hotel, the newly redesigned Press Building, and the queen of the avenue, the newly refurbished Willard Hotel.

This particular legislation will bring us a building of incomparable importance. It will be some 3 million square feet, the second largest building in the Federal inventory, only surpassed by the Pentagon.

It will be developed by a public corporation at no cost to the Treasury, none whatsoever. It will be leased by the General Services Administration for 30 years for Federal office use. We will have the opportunity to bring the Justice Department from some 26 sites in Washington to 3. At the end of 30 years we will own the building and we will have saved the Federal Government $281 million in rent during the period. The Federal Government, of course, owns the land on which this will be built.

I take special opportunity now to express the appreciation of our committee, to Mr. Terence Golden, the Administrator of the General Services Administration, who has seen this possibility and moved it with energy. That is altogether admirable.

I express my appreciation to Mr. Joseph Wright, the Deputy Director of the Office of Management and Budget, for his support throughout this undertaking. Of course, I am grateful to my colleagues on the committee, Senators Stafford and Burdick for their leadership. They have long been concerned about Federal rent bills which were $400 million in 1970 and now have reached $1.4 billion a year, and are continuing to grow.

This is the first time we have managed to add to our inventory of permanent buildings and simultaneously to save the Federal Government almost one-third of a billion dollars in lease costs. It is altogether appropriate that on behalf of the committee—I am sure I can speak on behalf of the committee—I express my personal appreciation to Nan Stockholm, who made this her personal enterprise and during her first year as a full-time committee member on the staff, has done a brilliant job, has worked with the most extraordinary range of persons to bring it about, and, of course Mr. Peter Prowitt, our able and indefatigable chief of staff.

Finally, Mr. President, I can report that our good friends in the House Committee on Public Works have agreed to hold this bill at the desk such that it might be passed tomorrow and sent to the President for his approval.

Mr. President, it is not every day that we are able to stand on the Senate floor and say that we have saved almost one-third of a billion dollars for the Federal Government and that we have initiated a redirection of Federal policy with respect to public buildings—one that we very much hope will continue for years and generations to come.

Mr. President, I thank the distinguished majority leader for giving me this opportunity to speak and, of course, to Mr. Dole for his clearing the measure, and Mr. Simpson who was especially helpful in the usual last-minute difficulties.

Mr. SARBANES. I would like to engage the floor manager in a colloquy concerning section 4 of the legislation, specifically the provisions affecting parking for Federal employees and visitors to the buildings in the Federal Triangle. It is my understanding that employees of the Departments of Treasury and Commerce as well as the District of Columbia are currently permitted to park on the property where the new Federal office building and international cultural and trade center would be built. The permits are available to employees who carpool and are obtained through a lottery system. The employees pay a fee of approximately $20 per month to park on this property.

I am concerned that adequate parking provisions be made not only for motor vehicles of occupants and visitors to the new building, but also for the vehicles of employees and visitors of other buildings in the Federal Triangle area. I wish to confirm that the intent of committee in section 4, paragraph (5) of the legislation and the committee report is to ensure that the current parking system is not jeopardized by the construction of the new Federal office building and that the parking needs of those currently working in the Federal Triangle area will be addressed by the General Services Administration and the Pennsylvania Avenue Development Corporation in its development proposal. Is this correct?

Mr. MOYNIHAN. The Senator is correct. The committee shares the Senator from Maryland's concerns and it is our intent that the General Services Administration and the Pennsylvania Avenue Development Corporation consider the parking needs of current and future employees of adjacent buildings.

Mr. President, I believe the measure is before us and the majority leader has moved to adopt Calendar No. 284, which is S. 1550.

The PRESIDING OFFICER (Mr. Ford). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, if I might take just a moment of the Senate's time I will say with this action I bring to an end 25 years of involvement in this enterprise and I believe it has been a successful effort and to the degree I contributed to it I felt very satisfied indeed, and I respectfully request permission to stand down.

Mr. BYRD. I congratulate the Senator from New York for his persistence and vision and for the success with which his efforts have come to an end.

Mr. MOYNIHAN. I thank the Senator.

## RECOVERING COSTS ASSOCIATED WITH COTTON CLASSING SERVICES

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2971) to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services, and for other purposes.

The Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, I rise in support of the bill, H.R. 2971, the Uniform Cotton Classing Fees Act of 1987. This bill is designed to enable the Agricultural Marketing Service to continue to provide cotton classification services to cotton producers at the same level as it has in the past. The bill authorizes an increase in the amount of fees that can be charged cotton producers in order to reimburse the Government for the cost of providing this classification service. In addition, the bill extends until 1992 the authority of the Agricultural Marketing Service to classify cotton. This authority was due to expire in 1988.

The Agricultural Marketing Service is in danger of being short on funds to cover its expenses incurred in providing cotton classification services to cotton producers. If funds are not adequate to cover expenses, the Agricultural Marketing Service might have to cut back on its services.

Mr. President, the cotton industry has long had a consistent, accepted standard for determining cotton quality. The cotton industry has a good quality record with purchasers of cotton thanks in large part to the consistency and accuracy of this classification system. It is important that this record be maintained and that the level of classification services provided by the Agricultural Marketing Service not be reduced. The National Cotton Council supports this legislation.

It is important that this amendment be enacted as close to the beginning of the 1987 marketing year as possible. Therefore, Mr. President, I recommend the immediate passage of H.R. 2971.

Mr. COCHRAN. Mr. President, this bill, H.R. 2971, amends the Cotton Statistics and Estimates Act by changing the limitations on the amount the base fee can be adjusted in any year. Greater latitude for adjusting fees paid by producers is necessary to assure full and timely funding of cotton classing services conducted by the Department of Agriculture.

The method of calculating the base classing fee remains unchanged and, therefore, will continue to be based on the previous year's fee as adjusted for inflation. This bill, however, provides new authority for certain year-by-year adjustments to be base fee. These adjustments are based first on the number of bales produced in a given year, and second on the fiscal year ending level of the Agricultural Marketing Service [AMS] operating reserve fund.

In offering cotton classing services, AMS incurs certain fixed costs which must be paid regardless of the size of the crop. To improve the correspondence between revenue collected and AMS annual cost, this bill provides for adjustments in the fee depending on the quantity of cotton produced in any year. If the Secretary of Agriculture estimates cotton production for a year to be below 12.5 million bales, the fee for that crop may be increased by 1 percent for every 100,000 bales below 12.5 million. Conversely, if production is estimated to be above 12.5 million bales for a year, the fee for that crop may be decreased by 1 percent for every 100,000 bales above 12.5 million. Production based adjustments are limited to 15 percent unless the AMS operating reserve funds falls below 10 percent of total annual program cost.

Finally, if the year ending level of the AMS operating reserve fund is projected to be less than 25 percent of the estimated cost of providing classing services, the bill would allow a special producer surcharge of 5 cents per bale. This adjustment is necessary to help assure that the reserve fund is maintained at an acceptable level for efficient management and implementation of classing services.

It is important to note that all adjustments, including the surcharge, will be determined on an annual basis. The base fee for any year will be equal to the previous year's fee and adjusted for inflation, without any adjustments or surcharges that may have also been levied during the previous year.

Mr. President, I urge my colleagues to support this legislation.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 2971) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HELMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## NURSING SHORTAGE REDUCTION ACT

The PRESIDING OFFICER. The clerk will report the next measure.

The assistant legislative clerk read as follows:

A bill (S. 1402) to amend title VIII of the Public Health Service Act to establish programs to reduce the shortage of professional nurses.

The Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

### S. 1402

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Nursing Shortage Reduction Act of 1987".

### ESTABLISHMENT OF PROGRAM

Sec. 2. Title VIII of the Public Health Service Act is amended by adding at the end and thereby the following new part:

### "Part D—Initiatives To Reduce Nursing Shortages

### "ADVISORY COMMITTEE

"Sec. 861. The Secretary shall establish a special advisory committee to develop a comprehensive plan which specifies long-term solutions to the problems experienced by hospitals and other health care institutions in recruiting and retaining professional nurses. Such committee shall consist of representatives of professional nursing organizations, other health care professional organizations, hospitals and other health care providers, and experts in rural health care. *Representatives of hospitals and other health care providers on such committee shall include nurses.*

### "INNOVATIVE HOSPITAL NURSING PRACTICE MODELS

"Sec. 862. (a) The Secretary shall make a grant to a nonprofit private entity with a demonstrated record in supporting innovative health initiatives for a project to demonstrate and evaluate innovative hospital nursing practice models designed to reduce vacancies in hospital nursing positions and to make the hospital nursing position a more attractive career choice. Models demonstrated and evaluated under a grant under this section shall include initiatives to—

"(1) restructure the role of the hospital nurse, through changes in the composition of hospital **[staffs,]** *staffs and through innovative approaches for interaction between hospital administration and nursing personnel,* in order to ensure that the particular expertise of nurses is efficiently utilized and that nurses are engaged in direct

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patient care during a larger proportion of their work time;

"(2) test innovative wage structures for nurses in order to—

"(A) reduce vacancies in work shifts during unpopular work hours; and

"(B) provide financial recognition based upon experience and education; and

"(3) evaluate the effectiveness of providing benefits for nurses, such as pensions, sabbaticals, and payment of educational expenses, as a means of developing increased loyalty of nurses to health care institutions and reducing turnover in nursing positions.

"(b) The Federal share of the costs of the project supported with a grant under this section shall not exceed 50 percent.

"(c) For a grant under this section, there are authorized to be appropriated $2,000,000 for each of the fiscal years 1988, 1989, and 1990.

### "LONG-TERM CARE NURSING PRACTICE DEMONSTRATION

"SEC. 863. (a) The Secretary shall make grants to or enter contracts with public and nonprofit private collegiate schools of nursing for projects to demonstrate and evaluate innovative nursing practice models with respect to the provision of long-term managed health care services and health care services in the home or the provision of health care services in long-term care facilities. Models demonstrated and evaluated with grants and contracts under this section shall be designed to increase the recruitment and retention of nurses to provide nursing care for individuals needing long-term care and to improve nursing care in home health care systems and nursing homes.

"(b) For grants and contracts under this section, there are authorized to be appropriated $2,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.

### "NURSE RECRUITMENT CENTERS

"SEC. 864. (a) The Secretary shall make grants to and enter into contracts with public and nonprofit private entities to develop, establish, and operate at least one and not more than five regional model professional nurse recruitment centers for the purpose of recruiting individuals to enter education programs to train professional nurses. *In making grants and entering into contracts under this section, the Secretary shall ensure that centers developed, established, and operated under this section include centers in rural areas.*

"(b) Each center developed, established, or operated with a grant or a contract under this section shall—

"(1) conduct nursing recruitment programs directed towards—

"(A) individuals between the ages of 12 and 14 years of age;

"(B) individuals who are enrolled in high schools;

"(C) individuals enrolled in colleges and universities who have not declared a major field of study; and

"(D) adults who are not in school and who may desire to enter nursing;

"(2) develop and compile resource materials concerning professional opportunities in nursing, and disseminate such materials to appropriate individuals and groups, such as community and professional organizations, hospitals, career and guidance counselors in educational institutions, and the print and broadcast media;

"(3) identify potential applicants for nursing education programs and provide information to such potential applicants on the role of the nurse and nursing education programs; and

"(4) assist individuals and organizations to establish mentor relationships between professional nurses and potential applicants for nursing education programs.

"(c) For grants and contracts under this section, there are authorized to be appropriated $1,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.

### "APPLICATION REQUIREMENTS

"SEC. 865. No grant may be made and no contract may be entered into under this part unless an application therefor is submitted to the Secretary at such time, in such form, and containing such information as the Secretary may prescribe.".

The PRESIDING OFFICER. The question is on the first reported committee amendment.

Without objection, the amendment is agreed to.

Without objection, the second committee amendment is agreed to.

Without objection, the third committee amendment is agreed to.

Mr. KENNEDY. Mr. President, I rise to speak on legislation to address the national nursing shortage which has reached crisis porportions. This shortage is threatening the quality of health care in our Nation. New initiatives are necessary to improve working conditions for nurses in acute- and long-term care settings. Moreover, without intense recruitment efforts, the problem will only increase.

The American Hospital Association recently reported that over 80 percent of hospitals had a shortage of registered nurses and that the vacancy rate for RN's more than doubled between 1985 and 1986, from 6.3 to 13.6 percent; 87 percent of the hospitals reported extreme difficulty with recruitment of nurses to work in intensive care units or coronary care units.

Of even greater concern for the future of health care are the current projections related to nursing school enrollments. Between 1984 and 1986, nursing school enrollments decreased by 17.6 percent. In the last 2 years, the number of college freshmen desiring to be nurses decreased by 33 percent.

The solutions are complex because the issues causing the problems are complex. Nurses work in settings that require around the clock coverage. Financial rewards are not commensurate with the responsibility required of nurses; opportunities for upward mobility are lacking; nurses have insufficient authority and autonomy in the work setting; work demands are increasing because of rising severity of illness; and nurses do not participate in management decisions regarding the practice standards or support services necessary for high quality care.

I introduced S. 1402 to improve the working conditions in hospitals, enhance the links between academic nursing programs and long-term care settings, and develop regional recruitment centers to increase enrollment in our Nation's nursing programs. As reported unanimously by the Committee on Labor and Human Resources, S. 1402 authorizes appropriations for the following:

A matching public/private demonstration project to support innovative hospital nursing practice models designed to reduce nurse vacancies, restructure the hospital nursing role to make it more attractive as a career option, and test creative wage structures and benefits for nurses. Authorizations would be $2 million each year for fiscal years 1988, 1989, and 1990, matched by a private nonprofit entity.

Grants to collegiate schools of nursing to demonstrate liaisons between practice and education to increase quality of care and recruitment of nurses in home health care and nursing home care. Authorizations would be $2 million for fiscal year 1988 and such sums as necessary for fiscal years 1989 and 1990.

Grants to establish regional model recruitment centers to recruit individuals into professional nursing education. Programs would be targeted at 12–14 year olds, high school students, college students without a declared major, and adult learners. The centers would develop and compile resource materials to be disseminated to community and professional groups, career and guidance counselors, hospitals, and the public media. They would also establish nurse mentorships for individuals interested in a nursing career. Authorizations would be $1 million for fiscal year 1988 and such sums as necessary for fiscal years 1989 and 1990.

To ensure quality of care in our Nation's health care system, we must address problems facing the nursing profession today. This legislation is a step in that direction. I would like to thank the members of the Committee on Labor and Human Resources for their support of this legislation.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on the engrossment and the third reading of the bill.

The bill was voted to be engrossed for a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## MARINE SCIENCE, TECHNOLOGY, AND RESOURCE DEVELOPMENT ACT

The PRESIDING OFFICER. The clerk will report the next bill.

The assistant legislative clerk read as follows:

A bill (S. 1196) to provide for the enhanced understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the National Sea Grant College Program and by initiating a Strategic Coastal Research Program, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment:

On page 7, line 7, strike "207(a) (a)(A),", and insert in lieu thereof "207(a)(2)(A)".

So as to made the bill read:

S. 1196

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Marine Science, Technology, and Resource Development Act of 1987".

### DECLARATION OF POLICY

SEC. 2. (a) Section 202(a) of the Sea Grant College Program Act (33 U.S.C. 1121(a)) is amended—

(1) by (A) redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively, and (B) inserting immediately before paragraph (4), as so redesignated, the following:

"(2) The national interest requires a national ocean policy to—

"(A) provide a sound basis for the enhancement and wise use of ocean, coastal, and Great Lakes resources and environment;

"(B) promote public stewardship and encourage wise economic development of the ocean and its margins, the Great Lakes, and the Exclusive Economic Zone;

"(C) understand global environmental processes; and

"(D) promote cooperative domestic and international solutions to ocean, coastal, and Great Lakes resource issues.

"(3) Investment in a strong program of research, education, technology transfer, and public service is essential for effectuating this policy.";

(2) in paragraph (1) and paragraph (4), as so redesignated, by striking "ocean and coastal" and inserting in lieu thereof "ocean, coastal, and Great Lakes"; and

(3) in paragraph (4), as so redesignated, by striking "such" and inserting in lieu thereof "marine".

(b) Section 202 (b) and (c) of the Sea Grant College Program Act (33 U.S.C. 1121 (b) and (c)) is amended by striking "ocean and coastal" and inserting in lieu thereof "ocean, coastal, and Great Lakes".

### DEFINITIONS

SEC. 3. Section 203 of the Sea Grant College Program Act (33 U.S.C. 1122) is amended—

(1) by redesignating paragraphs (4) through (14) as paragraphs (5) through (15), respectively;

(2) by inserting immediately after paragraph (3) the following:

"(4) The term 'directors of sea grant colleges' means the persons designated by their universities or institutions to direct sea grant colleges, programs, or regional consortia.";

(3) in paragraph (7), as so redesignated, by striking "the waters of any zone over which the United States asserts exclusive fishery management authority;" and inserting in lieu thereof "the exclusive economic zone established by proclamation numbered 5030, dated March 10, 1983;"; and

(4) by amending paragraphs (8) and (12), as so redesignated, by striking "ocean and coastal" and inserting in lieu thereof "ocean, coastal, and Great Lakes".

### NATIONAL SEA GRANT COLLEGE PROGRAM

SEC. 4. Section 204 (c)(5) and (d)(3) of the Sea Grant College Program Act (33 U.S.C. 1123 (c)(5) and (d)(3)) is amended by striking "ocean and coastal" wherever it appears and inserting in lieu thereof "ocean, coastal, and Great Lakes".

### PRIOR APPROVAL REQUIREMENTS

SEC. 5. Section 205(d)(1) of the Sea Grant College Program Act (33 U.S.C. 1124(d)(1)) is amended by adding at the end the following: "Terms, conditions, and requirements imposed by the Secretary under this paragraph shall minimize Federal prior approval requirements.".

### STRATEGIC MARINE RESEARCH PROGRAM

SEC. 6. Section 206 of the Sea Grant College Program Act (33 U.S.C. 1125) is amended to read as follows:

### "SEC. 206. STRATEGIC MARINE RESEARCH PROGRAM.

"(a) IN GENERAL.—Within one year after the date of enactment of the Marine Science, Technology, and Resource Development Act of 1987, and every three years after such date, the Administrator shall develop and publish the Sea Grant Strategic Research Plan. The plan shall identify and describe a limited number of priority areas for strategic marine research in fields associated with ocean, coastal, and Great Lakes resources. In addition, the plan shall indicate goals and timetables for the research described in such plan. Upon publication of the plan, the Administrator shall submit the plan to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives. The Secretary may not make a grant under subsection (c) of this section regarding priority areas identified and described in the plan until after forty-five days from the date of receipt of the plan by such Committees.

"(b) CRITERIA FOR AREAS TO BE INCLUDED IN PLAN.—The priority areas of the Administrator's plan submitted under subsection (a) of this section shall concentrate on—

"(1) the critical resource and environmental areas where their national or global scope, their fundamental nature, their long-range aspects, the scale of the needed research effort, or the need for the broadest possible university involvement preclude adequate funding under other sections of this Act; and

"(2) the areas where the strength and capabilities of the sea grant colleges, programs, and regional consortia in mobilizing talent for sustained programmatic research and technology transfer make them particularly qualified to manage the strategic marine research called for in this section.

"(c) PROCEDURES AND ELIGIBILITY.—(1) The Secretary may make grants of up to 100 percent to carry out the strategic marine research program described in this section. The grants shall be subject to the guidelines and review procedures, including peer review, used by the national sea grant office, and sea grant colleges, programs, and regional consortia.

"(2) A grant may be made under this section to—

"(A) sea grant colleges, programs, and regional consortia; and

"(B) any qualified individual at a degree granting institute of postsecondary education.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section not to exceed $5,000,000 in fiscal year 1988, $9,000,000 in fiscal year 1989, $13,000,000 in fiscal year 1990, $17,000,000 in fiscal year 1991, and $20,000,000 in fiscal year 1992. Such sums shall remain available until expended. The amounts obligated to be expended under this section shall not, in any fiscal year, exceed 50 percent of amounts appropriated for such year pursuant to section 212.".

### DESIGNATION OF SEA GRANT COLLEGES AND REGIONAL CONSORTIA

SEC. 7. Section 207(a) (2)(A), (3)(A), and (3)(B) of the Sea Grant College Program Act (33 U.S.C. 1126(a) (2)(A), (3)(A), and (3)(B)) is amended by striking "ocean and coastal resources" and inserting in lieu thereof "ocean, coastal, and Great Lakes resources".

### FELLOWSHIPS

SEC. 8. Section 208(a) of the Sea Grant College Program Act (33 U.S.C. 1127(a)) is amended to read as follows:

"(a) IN GENERAL.—The Secretary shall support sea grant academic, congressional, and Federal fellowships to provide educational and training assistance to qualified individuals at the undergraduate and graduate levels of education, as well as support postdoctoral level fellowships to accelerate research in critical subject areas. Such fellowships shall be related to ocean, coastal, and Great Lakes resources and be awarded pursuant to guidelines established by the Secretary. Congressional and Federal sea grant fellowships may only be awarded by the national sea grant program. Academic and postdoctoral fellowships may be awarded by sea grant colleges, regional consortia, institutions of higher education, and professional associations and institutes.".

### SEA GRANT REVIEW PANEL

SEC. 9. Section 209(b)(1) of the Sea Grant College Program Act (33 U.S.C. 1128(b)(1)) is amended by inserting immediately before the semicolon the following: ", and section 3 of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1125a)".

### INTERAGENCY COOPERATION

SEC. 10. Section 210 of the Sea Grant College Program Act (33 U.S.C. 1129) is amended by striking "ocean and coastal resources" and inserting in lieu thereof "ocean, coastal, and Great Lakes resources".

### AUTHORIZATION OF APPROPRIATIONS

SEC. 11. Section 212 of the Sea Grant College Program Act (33 U.S.C. 1131) is amended by inserting immediately after paragraph (4) the following:

"(5) Not to exceed $46,000,000 for fiscal year 1988, not to exceed $48,000,000 for fiscal year 1989, not to exceed $50,000,000 for fiscal year 1990, not to exceed $52,000,000 for fiscal year 1991, and not to exceed $54,000,000 for fiscal year 1992.".

### SEA GRANT INTERNATIONAL PROGRAM

SEC. 12. Section 3(a) of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1124a(a)) is amended to read as follows:

"(a) IN GENERAL.—The Secretary may enter into contracts and make grants under this section to—

"(1) enhance cooperative international research and educational activities on impor-

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tant ocean, coastal, and Great Lakes resources;

"(2) promote shared marine activities with universities in countries with which the United States has sustained mutual interests in ocean, coastal, and Great Lakes resources;

"(3) encourage technology transfer that enhances wise use of ocean, coastal, and Great Lakes resources, in the United States and in other countries;

"(4) promote the exchange among the United States and foreign nations of information and data with respect to the assessment, development, utilization, and conservation of such resources; or

"(5) use the national sea grant college program as a resource in other Federal civilian agency international initiatives where research, education, technology transfer and public service programs concerning the enhancement and wise use of ocean, coastal, and Great Lakes resources are fundamentally related to the purposes of such initiatives.".

AUTHORIZATION OF APPROPRIATIONS FOR SEA GRANT INTERNATIONAL PROGRAM

SEC. 13. Section 3(c) of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1124a(c)) is amended—

(1) by inserting after paragraph (4) the following:

"(5) For each of fiscal years 1988, 1989, 1990, 1991, and 1992, not to exceed $1,000,000. Additional funding may be provided through other Federal program elements with a marine science or technology transfer component, or both.".

**Mr. HOLLINGS.** Mr. President, back in 1966, the year I entered the Senate, Congress passed the Sea Grant Act and created the program that I have watched mature over the last 21 years. During that period, Congress has passed other important ocean and coastal legislation, including the Coastal Zone Management Act back in 1972 and the Magnuson Fishery Conservation and Management Act in 1976, but none can rival the Sea Grant Program in terms of expanding our knowledge.

The purpose of Sea Grant is to further our understanding and development of ocean and coastal resources through university-based research, education, and advisory services, and thus promote a strong basis for remaining internationally competitive. Sea Grant differs from many traditional academic programs in its emphasis on applied research and in the creation of an effective partnership among university, government, and industry sectors. Over the past 20 years, the Sea Grant network has grown to include 22 Sea Grant Colleges and 7 institutional programs which are supported by matching Federal and State institutional grants.

The National Sea Grant Program has long understood the problem of getting research results into the hands of those who need it in the private sector—in fact, it is one of the few existing Federal programs I know of that succeeds in doing that. Sea Grant's philosophy of linking research and education and extension was ahead of its time when I supported the program in the 1960's and 1970's. Their statutory mission is clear and unambiguous "to accelerate national development of marine resources, including their conservation, proper management and maximum social and economic utilization." And they manage to carry out that mission, in spite of constant pressure from the Reagan administration to terminate the program.

Why, the Reagan administration should be having a love affair with Sea Grant. It is one of the few Federal programs that pays for itself by providing savings and stimulating commercial development. In a 1981 study of projects supported by Sea Grant, it was concluded that over $230 million in revenues or savings were generated in 1 year. That just about equaled the total Federal investment in the Sea Grant Program over the entire 13 year history of the effort up to that time.

Some of the examples of the creativity and innovation found throughout the Sea Grant network are pretty remarkable. In my own State of South Carolina, a Sea Grant research working with a Sea Grant-supported colleague in Alabama identified the particular substance that controls the growth of shells in organisms such as oysters. Many of you may know that mineral fouling is a very serious problem in the industrial and military sectors. The research from this project will lead to improvements in the technology to control this problem. Four patents have been obtained and Nalco Chemical Co. has committed to an internal research program to parallel the university effort.

This is a single example of the potential of fundamental marine research. Yet, from it, it is clear that Sea Grant's biotechnology effort is yielding results of substantial scientific value, and also, by training graduate students, the program is ensuring a supply of skilled young scientists. I could go on and cite literally hundreds of other Sea Grant examples in this field. And if I focus on other areas where Sea Grant researchers are involved, such as water quality research, aquaculture, or fisheries management, many more breakthroughs are evident.

But the point is that Sea Grant is on track. In fact, the country needs more of what Sea Grant is doing. We must take fuller advantage of our coastal and marine resources. Because not only are we not doing enough to use our marine resources, but the stakes are going up. The population experts still tell me that by the year 2000, 80 percent of our population will live within 50 miles of the ocean. And as a result, the need for more effective use of our ocean resources is only going to increase. That is the reason that I introduced S. 1196, "The Marine Science, Technology, and Resources Development Act of 1987" back in May.

In addition to reauthorizing the core Sea Grant programs for 5 years, the bill restructures the section on National Projects into the Strategic Marine Research Program. This revised program focuses the Sea Grant network on areas of research which are national or global in scale, and which are not now being comprehensively addressed. This initiative would require the NOAA Administrator to develop a strategic research plan identifying a limited number of research priorities. The combined research capability of the Sea Grant network could then be focused on these priorities. Funding authorized for this program would start at $5 million in fiscal year 1988 and grow to $20 million in fiscal year 1992.

Several adjustments to the existing legislation are proposed to increase the effectiveness of the Sea Grant program. These include: First, emphasizing the significance of the Great Lakes as a national resource and of the Great Lakes institutions as an integral part of the Sea Grant network; second, expressing congressional intent that administration of grants and contracts should minimize Federal prior approval requirements; third, defining Sea Grant's educational responsibilities by listing the current fellowship programs and establishing postdoctoral fellowships to accelerate strategic research; and fourth, clarifying the objectives of the International Program.

We in Congress, as well as the President, are all talking about a renewed emphasis on interdisciplinary basic research. We have called for the National Science Foundation to establish basic science and technology centers and treat this as if it is some great new idea. Well I know that Sea Grant has been acting as a network of cooperative research centers for 20 years. And, as my colleagues know, I strongly support efforts to encourage the transfer of potential technologies to the private sector. Of course, Sea Grant has had active, successful technology transfer programs since it began.

The National Sea Grant College Program is all about developing new knowledge through basic research, adapting existing technology for new applications, and communicating and cooperating with the private sector in the creation of new technologies, new markets. I urge my colleagues to support this legislation.

The **PRESIDING OFFICER.** The question is on the committee amendment.

Without objection, the committee amendment is agreed to.

Are there further amendments? If not, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

**Mr. BYRD.** Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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## NATIONAL QUALITY IMPROVEMENT ACT

The **PRESIDING OFFICER.** The clerk will report the next bill.

The assistant legislative clerk read as follows:

A bill (H.R. 812) to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging Amrican business and other organizations to practice effective quality control in the provision of their goods and services.

The Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

*SECTION 1. SHORT TITLE.*

*This Act may be cited as the "Malcolm Baldrige National Quality Improvement Act of 1987".*

*SEC. 2. FINDINGS AND PURPOSES.*

*(a) FINDINGS.—The Congress finds and declares that—*

*(1) the leadership of the United States in product and process quality has been challenged strongly (and sometimes successfully) by foreign competition, and our Nation's productivity growth has improved less than our competitors over the last two decades;*

*(2) American business and industry are beginning to understand that poor quality costs companies as much as 20 percent of sales revenues nationally, and that improved quality of goods and services goes hand in hand with improved productivity, lower costs, and increased profitability;*

*(3) strategic planning for quality and quality improvement programs, through a commitment to excellence in manufacturing and services, are becoming more and more essential to the well-being of our Nation's economy and our ability to compete effectively in the global marketplace;*

*(4) improved management understanding of the factory floor, worker involvement in quality, and greater emphasis on statistical process control can lead to dramatic improvements in the cost and quality of manufactured products;*

*(5) the concept of quality improvement is directly applicable to small companies as well as large, to service industries as well as manufacturing, and to the public sector as well as private enterprise;*

*(6) in order to be successful, quality improvement programs must be management-led and customer-oriented and this may require fundamental changes in the way companies and agencies do business;*

*(7) several major industrial nations have successfully coupled rigorous private sector quality audits with national awards giving special recognition to those enterprises the audits identify as the very best; and*

*(8) a national quality award program of this kind in the United States would help improve quality and productivity by—*

*(A) helping to stimulate American companies to improve quality and productivity for the pride of recognition while obtaining a competitive edge through increased profits,*

*(B) recognizing the achievements of those companies which improve the quality of their goods and services and providing an example to others,*

*(C) establishing guidelines and criteria that can be used by business, industrial, governmental, and other organizations in evaluating their own quality improvement efforts, and*

*(D) providing specific guidance for other American organizations that wish to learn how to manage for high quality by making available detailed information on how winning organizations were able to change their cultures and achieve eminence.*

*(b) PURPOSE.—It is the purpose of this Act to provide for the establishment and conduct of a national quality improvement program under which (1) awards are given to selected companies and other organizations in the United States that practice effective quality management and as a result make significant improvements in the quality of their goods and services, and (2) information is disseminated about the successful strategies and programs.*

*SEC. 3. ESTABLISHMENT OF THE MALCOLM BALDRIGE NATIONAL QUALITY AWARD PROGRAM.*

*(a) IN GENERAL.—The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended by redesignating sections 16, 17, and 18 as sections 17, 18, and 19, respectively, and by inserting after section 15 the following new section:*

*"SEC. 16. MALCOLM BALDRIGE NATIONAL QUALITY AWARD.*

*"(a) ESTABLISHMENT.—There is hereby established the Malcolm Baldrige National Quality Award, which shall be evidenced by a medal bearing the inscriptions 'Malcolm Baldrige National Quality Award' and 'The Quest for Excellence'. The medal shall be of such design and materials and bear such additional inscriptions as the Secretary may prescribe.*

*"(b) MAKING AND PRESENTATION OF AWARD.—(1) The President (on the basis of recommendations received from the Secretary), or the Secretary, shall periodically make the award to companies and other organizations which in the judgment of the President or the Secretary have substantially benefited the economic or social well-being of the United States through improvements in the quality of their goods or services resulting from the effective practice of quality management, and which as a consequence are deserving of special recognition.*

*"(2) The presentation of the award shall be made by the President or the Secretary with such ceremonies as the President or the Secretary may deem proper.*

*"(3) An organization to which an award is made under this section, and which agrees to help other American organizations improve their quality management, may publicize its receipt of such award and use the award in its advertising, but it shall be ineligible to receive another such award in the same category for a period of 5 years.*

*"(c) CATEGORIES IN WHICH AWARD MAY BE GIVEN.—(1) Subject to paragraph (2), separate awards shall be made to qualifying organizations in each of the following categories—*

*"(A) Small businesses.*

*"(B) Companies or their subsidiaries.*

*"(C) Companies which primarily provide services.*

*"(2) The Secretary may at any time expand, subdivide, or otherwise modify the list of categories within which awards may be made as initially in effect under paragraph (1), and may establish separate awards for other organizations including units of government, upon a determination that the objectives of this section would be better served thereby; except that any such expansion, subdivision, modification, or establishment shall not be effective unless and until the Secretary has submitted a detailed description thereof to the Congress and a period of 30 days has elapsed since that submission.*

*"(3) Not more than two awards may be made within any subcategory in any year (and no award shall be made within any category or subcategory if there are no qualifying enterprises in that category or subcategory).*

*"(d) CRITERIA FOR QUALIFICATION.—(1) An organization may qualify for an award under this section only if it—*

*"(A) applies to the Director of the National Bureau of Standards in writing, for the award,*

*"(B) permits a rigorous evaluation of the way in which its business and other operations have contributed to improvements in the quality of goods and services, and*

*"(C) meets such requirements and specifications as the Secretary, after receiving recommendations from the Board of Overseers established under paragraph (2)(B) and the Director of the National Bureau of Standards, determines to be appropriate to achieve the objectives of this section.*

*In applying the provisions of subparagraph (C) with respect to any organization, the Director of the National Bureau of Standards shall rely upon an intensive evaluation by a competent board of examiners which shall review the evidence submitted by the organization and, through a site visit, verify the accuracy of the quality improvements claimed. The examination should encompass all aspects of the organization's current practice of quality management, as well as the organization's provision for quality management in its future goals. The award shall be given only to organizations which have made outstanding improvements in the quality of their goods or services (or both) and which demonstrate effective quality management through the training and involvement of all levels of personnel in quality improvement.*

*"(2)(A) The Director of the National Bureau of Standards shall, under appropriate contractual arrangements, carry out the Director's responsibilities under subparagraphs (A) and (B) of paragraph (1) through one or more broad-based nonprofit entities which are leaders in the field of quality management and which have a history of service to society.*

*"(B) The Secretary shall appoint a board of overseers for the award, consisting of at least five persons selected for their preeminence in the field of quality management. This board shall meet annually to review the work of the contractor or contractors and make such suggestions for the improvement of the award process as they deem necessary. The board shall report the results of the award activities to the Director of the National Bureau of Standards each year, along with its recommendations for improvement of the process.*

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*"(e) Information and Technology Transfer Program.—The Director of the National Bureau of Standards shall ensure that all program participants receive the complete results of their audits as well as detailed explanations of all suggestions for improvements. The Director shall also provide information about the awards and the successful quality improvement strategies and programs of the award-winning participants to all participants and other appropriate groups.*

*"(f) Funding.—The Secretary is authorized to seek and accept gifts from public and private sources to carry out the program under this section. If additional sums are needed to cover the full cost of the program, the Secretary shall impose fees upon the organizations applying for the award in amounts sufficient to provide such additional sums.*

*"(g) Report.—The Secretary shall prepare and submit to the President and the Congress, within 3 years after the date of the enactment of this section, a report on the progress, findings, and conclusions of activities conducted pursuant to this section along with recommendations for possible modifications thereof.".*

*(b) Conforming Amendment.—Section 9(d) of such Act (15 U.S.C. 3708(d)) is amended by striking "or 16" and inserting in lieu thereof "16, or 17".*

The PRESIDING OFFICER. The question is on agreeing to the committee substitute.

The committee substitute was agreed to.

Mr. HOLLINGS. Mr. President, today the Senate considers a bill named in honor of Malcolm Baldrige, the late Secretary of Commerce. The bill would create a new national quality award program, to recognize the achievements of American companies which have taken significant steps to assure the quality of their goods and services. The Department of Commerce would administer the program; but donations, and fees if necessary, not new Federal funds, would cover its costs.

This bill was first introduced in the House. Senator Graham introduced the Senate version, S. 1251, on May 21. Senators Chiles, Danforth, Riegle, and Rockefeller were original cosponsors. On July 28 the Commerce Committee without objection ordered reported the version before us today, with many members of the committee voicing their strong support for the legislation.

Mr. President, this is a good bill, a way to recognize and encourage improved American quality in an era of increasing industrial competition from abroad.

It is also fitting and appropriate to name this legislation and its awards program in honor of Malcolm Baldrige. He took a personal interest in this bill and helped to write the version that passed the House. That interest reflected his lifelong concern with industry, both as a corporate executive and as a Cabinet officer. As a Washington Post editorial put it:

> He was one of the few people in the administration who spoke with real knowledge of the importance of performance on the factory floor, and of the necessity of strengthening American manufacturing. He knew that his country's prosperity and strength depend ultimately on the skill and quality of its manufacturing.

Mr. President, Secretary Baldrige will be sorely missed. I believe this bill is a fine way to recognize both the man and the values that he expressed so well. I urge my colleagues to support the legislation.

Mr. GRAHAM. Mr. President, we have before us for consideration today the Malcolm Baldrige National Quality Improvement Award Act of 1987. This bill, which has already been adopted by the House, establishes a national quality award program to encourage American business to improve the levels of its goods and services.

As important as encourgement, is recognition of the innovative production and excellence which are traditional hallmarks of American business.

To celebrate American excellence and to promote the spirit of competition which leads to the achievement of excellence, we should institutionalize a national quality award.

The late Commerce Secretary, Malcolm Baldrige, embodied our American spirit of competition and excellence in his life and in his efforts to encourage a vigorous marketplace. Up until the moment of his untimely death, Secretary Baldrige encouraged principles of free and fair trade, the highest standards of quality in American manufacturing—and the highest personal standards for excellence and productivity as well.

Secretary Baldrige was instrumental in drafting this legislation and was its keenest supporter.

We submit that this award be named in honor of that great man as fitting tribute to his unflagging industry, enthusiasm and example. The Malcolm Baldrige National Quality Improvement Award will be both a congratulations and a challenge to its recipients.

Although the United States has been in the leadership role in quality, that role has been minimized by an increasing strength in foreign competition and a concurrent decline in U.S. productivity.

We are seriously grappling with the issue of "competitiveness" today. To regain our historic supremacy in the international marketplace we need to foster a renewed dedication to the highest criteria for quality.

This bill authorizes the Secretary of Commerce to present annual awards for quality improvement in each of the following categories:

Small business; companies or their subsidiaries and companies which primarily provide services.

No more than two awards in each category are to be given each year. A panel of private sector quality experts will be responsible for auditing applicants to determine the level of overall quality. The program may be expanded to the public sector and provides for the creation of new or expanded categories.

This legislation requires no Federal funds. Funding will come from private allocations—potentially supplemented by application fees for quality improvement award entrants.

I urge my distinguished colleagues to give favorable consideration to this bill. The Malcolm Baldrige National Quality Improvement Award will send a clear signal to the American people and to our trading partners that the American commitments to excellence and achievement are stronger than ever.

Mr. DANFORTH. Mr. President, last week, as a tribute to the late Commerce Department Secretary, the Commerce Committee unanimously approved the Malcolm Baldrige Quality Improvement Act. This legislation is simple and direct. It establishes a national medal to be awarded by the President or the Commerce Secretary to companies demonstrating a superior commitment to quality. The Commerce Department's Bureau of Standards Director will select private sector quality boards to evaluate the quality improvement programs of competing applicants, and will rely on the boards' judgment in recommending the winners to the Commerce Secretary. All applicants will receive their evaluation results as well as suggestions for improvement. In order to be able to advertise receipt of this award, winning companies will be required to assist other businesses in their quality improvement programs.

Mr. President, Mac Baldrige championed quality. As a mill hand in Connecticut, as the chairman of Scovill, Inc., as a rodeo cowboy, or as the Secretary of Commerce, he pursued each endeavor with a passion for excellence. He worked his way up from a mill hand to become a company president. He took command of Scovill, transforming it from a financially troubled brass mill into a competitive international company. As a cowboy, he was just as successful. In 1980, he was named "Professional Rodeo Man of the Year" and in 1984 he was inducted into the Cowboy Hall of Fame. As Commerce Secretary, he negotiated the difficult course between protectionism and free trade. His leadership leaves a lasting mark on America's competitive abilities.

I urge my colleagues to support this legislation which will perpetuate Mac Baldrige's legacy of excellence.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill was read the third time, and passed.

The title was amended so as to read:

> "An Act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish the Malcolm Baldrige National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE ACT AMENDMENTS

The PRESIDING OFFICER. The clerk will report the next measure.

The assistant legislative clerk read as follows:

> A bill (H.R. 2309) to amend the Christopher Columbus Quincentenary Jubilee Act.

The Senate proceeded to consider the bill.

Mr. DeCONCINI. Mr. President, in 1984 Congress established the Christopher Columbus Quincentenary Jubilee Commission. It was charged with the responsibility of commemorating Christopher Columbus' voyages.

H.R. 2309 was introduced in the House by Mr. de Lugo to enable the Commission to raise adequate funds from the private sector, and to underwrite appropriate ceremonies for the quincentenary. In May of this year, I introduced a companion measure, S. 1180 for the same purposes. The House passed H.R. 2309 on August 3, 1987 and I urge passage of the House bill at this time.

Two million dollars in Federal funds were appropriated in 1984 for this historical celebration. The legislation now being considered does not request any additional appropriations. The Congressional Budget Office has reviewed H.R. 2309 and estimates that enacting this legislation would result in no net additional costs to either Federal, State or local governments.

The major provision of H.R. 2309 would raise the limitations on individuals and corporate donations and permit a broader and more effective use of the Commission's logo. The proposed technical amendments would raise the limitation on individual and corporate donations to annual caps of $250,000 and $1 million, respectively. It would also provide a distinction between publicly paid staff and staff paid from private donations. In addition, it would permit the payment of some Commission-related expenses for expert advisers and provide an allowance of $7,500 for expenses relating to the hosting of representatives for foreign governments. The bill also extends the life of the Commission to December 31, 1993 in order to allow for the appropriate celebration of the second voyage of Columbus.

Finally, the bill, as amended, would acknowledge the historical reality of Christopher Columbus' landing in the new world by adding a third nonvoting member to the Commission. This member would be a representative from a Caribbean country and would join members from Spain and Italy who are already on the Commission in recognition of their historical ties to the explorer.

Mr. President, this bill recognizes our Nation's cultural heritage and allows us to celebrate our creative and adventurous spirit. I therefore urge passage of H.R. 2309.

The PRESIDING OFFICER. Are there amendments to be offered? If not, the question is on the third reading and passage of the bill.

The bill (H.R. 2309) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## ORDER TRANSFERRING SENATE CONCURRENT RESOLUTION 49 TO SUBJECTS ON THE TABLE

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 93 be transferred to the Calendar of Subjects On The Table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

## ORDER TO INDEFINITELY POSTPONE CERTAIN MEASURES

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 114 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 264 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## THANKING AND CONGRATULATING FLOOR STAFF

Mr. BYRD. Mr. President, I thank and congratulate the floor staffs on both sides of the aisle for the excellent work which has culminated in the passage of several important bills within the last few minutes. The Senate is often perceived to be listless, lethargic, and not doing very much. Sometimes a good bit of work is being done when it does not appear that way.

I have to say I am proud to say that the floor staffs—the Democratic floor staff, Mr. Charles Kinney and Mr. Marty Paone, and the Republican floor staff, Mrs. Elizabeth Greene—that it is through their persistent work over a period of several days that we have been able to move these bills and finally clear them for action on both sides so that they could be passed by unanimous consent. Their labors ought not to go unnoticed.

Mr. President, I yield to the distinguished Senator from North Carolina, the acting Republican leader.

## EXTENDING THE PERIOD FOR WAIVERS OF STATE ELIGIBILITY REQUIREMENTS

Mr. HELMS. Mr. President, I send a bill to the desk on behalf of Mr. McCain, cosponsored by Senators DeConcini, Stevens, Murkowski, and Thurmond, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

> A bill (S. 1596) to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuse and neglect assistance.

Mr. BYRD. Mr. President, is the distinguished Senator asking for the Senate to proceed to the immediate consideration?

Mr. HELMS. Yes, I do.

Mr. BYRD. This matter has been cleared on this side of the aisle and there is no objection to the immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the bill.

Mr. McCAIN. Mr. President, I rise today to introduce legislation of great importance to the abused and neglected children of Arizona and Alaska. The measure seeks to amend the Child Abuse Prevention and Treatment Act which provides funding to the States for child abuse and neglect programming.

A State's eligibility for funding is contingent on its compliance with certain statutory criteria intended to promote Federal standards in the application of child abuse services. In 1984, the Secretary of Health and Human Services was given a 2-year authority to waive the contingency to assist States which were working toward compliance but had not yet met the test set forth in the statute. This bill, Mr. President, will extend the Secretary's waiver authority through the current fiscal year.

I understand that a waiver is required for both Arizona and Alaska to

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receive funding for fiscal year 1987. The absence of waiver authority and the defunding it portends would undermine the momentum both States have gained toward implementing programs necessary for their abused and neglected children and mandatory for compliance with the eligibility criteria.

Mr. President, waiver authority is not intended to contravene the standards we are trying to promote. It merely allows the Secretary to use his discretion to grant a waiver if he believes an applicant is making a good-faith effort and substantial progress toward achieving these goals.

The measure is cosponsored by my distinguished colleagues, Senators DeConcini, Stevens, Murkowski, and Thurmond. Furthermore, Senator Dodd, the distinguished chairman of the Subcommittee on Children, Families, Drugs and Alcoholism has expressed his support.

I believe it is important to note that the House of Representatives recently reauthorized the Child Abuse Prevention and Treatment Act, including a waiver provision retroactive to 1987. Passage of this bill would affirm what the House has already seen fit to provide. A general reauthorization of the act is underway in the appropriate Senate committee. This amendment is needed, however, to ensure that the Secretary has the proper waiver authority prior to the end of the fiscal year and before the 1987 funds are expended.

Mr. President, I thank Senators Dodd and Thurmond who are working extremely hard on the Senate's reauthorization of the Child Abuse Prevention and Treatment Act, and for their support of this measure which seeks to make funding possible for children in Arizona and Alaska this year.

Mr. DeCONCINI. Mr. President, I strongly agree with the remarks of my distinguished colleague from Arizona, Senator McCain, and urge other Members of the Senate to support this bill to authorize the Secretary of Health and Human Services to grant a waiver for fiscal year 1987 to the States of Alaska and Arizona from certain requirements of the Child Abuse Treatment and Prevention Act, Public Law 94-247.

Mr. President, the evidence of child abuse and neglect is both alarming and overwhelming. The data collected by the Child Help U.S.A. organization and others show that over 1 million cases of child abuse are reported each year. But, only 1 of 4 cases of child abuse is reported so potentially as many as 4 million of our Nation's children are being tragically abused. Congress has responded to this tragedy by enacting the Child Abuse Prevention and Treatment Act, which assists States by providing funds for statewide child abuse treatment and prevention programs.

Mr. President, my home State of Arizona has its share of abused children. Each year, thousands of children in Arizona suffer physical, sexual, and emotional abuse, or severe neglect because the adults responsible for them don't provide adequate protection or care. These children are often removed from their parents' care and placed under the protective custody of the State of Arizona as wards of the court. In Arizona, a court appointed special advocate [CASA] is a specially trained volunteer who advises the court about the best interest of a child who has been made a ward of the court, usually as a result of severe neglect or abuse. The CASA helps to ensure that the child's right to a safe, permanent home is acted upon in a sensitive and expedient manner, and progress is being made to achieve permanency for the child.

Since October, 1, 1985, Arizona has received grant funding through the Child Abuse Treatment and Prevention Act which has been utilized by the Arizona Supreme Court Administrative Office of the Courts, through an intergovernmental agreement, to implement a guardian ad litem or Court Appointed Special Advocate [CASA] Program. Arizona has used the majority of these funds to establish its CASA Program. The program, administered through the Arizona Supreme Court, is established currently in Maricopa, Pima, and Coconino Counties. In almost 2 years of Federal funding, great strides have been taken to make these CASA volunteers or guardians ad litem available to children in our court system as mandated by the act's requirements. Of the 11 eligiblity requirements under the act, it is only the requirement for statewide implementation of a guardian ad litem program that has not been met.

For a State to qualify for funding under the act, the law originally required that it provide guardian ad litem programming on a statewide basis. However, amendments to the law provided a waiver of eligibility criteria allowing time for States not in compliance to meet the requirements under the act. For the past 2 years, Oregon, Alaska, and Arizona have received funding under the contingency waiver. These States have since implemented and have shown good faith in their efforts to expand their programs. However, there is insufficient funding presently available through the act to implement the program on a statewide basis in Alaska and Arizona, and 2 years has not been enough time to secure other funding.

Mr. President, an extension of Federal funding for fiscal 1987 for these most important programs for abused children is vital in order for these two States to expand their programs during the current fiscal year. This extension will ensure that our States have the time and resources to continue to provide and expand these important programs on behalf of all abused and neglected children. The absence of a waiver and resultant defunding would be a severely destructive blow to the momentum our States have gained toward accomplishing this end.

In conclusion, I would like to add that the leadership on both sides of the Labor and Human Resources Subcommittee on Children, Families, Drugs and Alcoholism, Chairman Dodd and ranking minority member Thurmond, strongly support this waiver. I thank them both. I would also like to thank Senator Murkowski, Senator Stevens, and Senator Thurmond for joining Senator McCain and myself in cosponsorship of this bill. I urge the rest of my distinguished colleagues to support the unanimous-consent request on this most important bill.

The PRESIDING OFFICER. Are there any amendments to be proposed? If not, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1598

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

QUALIFICATIONS FOR CHILD ABUSE AND NEGLECT ASSISTANCE

Clause (i) of section 4(b)(3)(A) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5103(b)(3)(A)(i)) is amended by inserting before "or" at the end thereof the following: "and for a third one-year period if the Secretary makes an additional finding that such State is making substantial progress to achieve such compliance.".

Mr. HELMS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## AMENDING THE FARM DISASTER ASSISTANCE ACT OF 1987

Mr. HELMS. Mr. President, I send to the desk and ask for its immediate consideration a bill on behalf of Senator Dole and Senator Melcher.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1597) to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost-effectiveness study.

Mr. BYRD. Mr. President, there is no objection on this side to the immediate consideration of the bill.

There being no objection, the Senate proceeded to consider the bill which was read the first time by title and the second time at length.

Mr. DOLE. Mr. President, Senator Melcher and I are offering a bill today which simply extends the timeframe for the ethanol panel, established under the "Farm Disaster Assistance Act of 1987" from the original 90 days to 180 days.

Senator Grassley and I established the panel to provide some industry input on the feasibility of producing ethanol. We had given the panel 90 days to complete the study. However, its taken about two-thirds of that time to just name the panel and arrange its first meeting.

PANEL REQUEST FOR TIME

When the panel met recently they agreed that due to the time already expired it would be useful to request additional time to complete a quality study.

I urge my colleagues to adopt the amendment.

The PRESIDING OFFICER. If there are no amendments, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1597

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. ETHANOL COST-EFFECTIVENESS STUDY.

(a) In General.—Section 13(d) of the Farm Disaster Assistance Act of 1987 (Public Law 100-45; 101 Stat. 324) is amended by striking out "90 days" and inserting in lieu thereof "180 days".

(b) Effective Date.—The amendment made by subsection (a) shall become effective on May 27, 1987.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## AUTHORIZING SENATE LEGAL COUNSEL REPRESENTATION

Mr. BYRD. Mr. President, on behalf of myself and Mr. Dole, I send to the desk a Senate resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 268) to direct the Senate Legal Counsel to represent and to authorize the production of documents by Linda J. Gustitus in the case of United States v. Stanley Simon, et al.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, Linda J. Gustitus, staff director and chief counsel of the Committee on Governmental Affair's Subcommittee on Oversight of Government Management, which is chaired by Senator Levin, has received a subpoena in a criminal case now before the U.S. District Court for the Southern District of New York. The case, United States versus Stanley Simon, et al., involves allegations about the Wedtech Corp. The subpoena, which was obtained by counsel for one of the defendants, Richard Biaggi, calls for the production of subcommittee documents relating to Attorney General Meese and the Wedtech Corp.

The Senate has acted previously to assist committees and subcommittees in protecting their investigative records from disclosure in litigation on the basis of the speech or debate clause of the Constitution. If it is necessary to seek the assistance of the court in protecting the privileges of the Senate, this resolution would authorize the Senate legal counsel to move to quash the subpoena. The resolution also authorizes the chairman of the subcommittee, Senator Levin, acting jointly with the ranking minority member, Senator Cohen, to produce relevant documents to the extent they deem it necessary to promote the interests of justice consistent with the privileges of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 268) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 268

Whereas, in the case of *United States* v. *Stanley Simon, et al.*, S 87 Cr. 265, pending in the United States District Court for the Southern District of New York, one of the defendants, Richard Biaggi, has obtained a subpoena, addressed to Linda J. Gustitus, staff director and chief counsel of the Subcommittee on Oversight of Government Management of the Committee on Government Affairs, for the production of subcommittee documents;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(2)(1982), the Senate may direct its counsel to represent the committees, Members, officers or employees of the Senate with respect to subpoenas issued to them in their official capacities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents in the possession of the Senate are or may be needed for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore be it

*Resolved*, That the Senate Legal Counsel is directed to represent Linda J. Gustitus in the case of *United States* v. *Stanley Simon, et al.*

Sec. 2. That the Chairman and Ranking Minority Member of the Subcommittee on Oversight of Government Management, acting jointly, are authorized to produce documents in the case of *United States* v. *Stanley Simon, et al.*, to the extent they deem it necessary to promote the interests of justice consistent with the privileges of the Senate.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## AUTHORIZATION FOR TESTIMONY AND REPRESENTATION

Mr. BYRD. Mr. President, on behalf of Mr. Dole and myself I send to the desk a Senate resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 269) authorizing testimony of Senate employees and representation by Senate legal counsel in bar admission proceeding.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, two employees on Senator Wilson's staff have been subpoenaed to testify at a hearing in a bar admission proceeding currently pending before the State Bar of California. The applicant is a former intern in Senator Wilson's San Diego office. The State Bar has determined that two members of Senator Wilson's staff, Sandra Weintraub and Katherine A. Holladay, who supervised the applicant during his internship, have information concerning the applicant's qualifications for admission to the California State Bar.

Consistent with Senator Wilson's wishes and previous actions of the Senate to facilitate the provision of information relevant to professional licensing determinations, this resolution would authorize Ms. Weintraub and Ms. Holladay to testify at the hearing and authorize the Senate Legal Counsel to represent them in connection with their testimony. Mr. President, I move adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 269) was agreed to.

The preamble was agreed to.

The resolution, together with its preamble, is as follows:

S. Res. 269

Whereas, in In the Matter of Mark Anthony Hollander, a bar admission proceeding pending before the State Bar of California, San Diego County No. 87-M-04 SD, two em-

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ployees of the Senate, Sandra Weintraub and Katherine A. Holladay, have been subpoenaed to appear and to testify at a hearing;

Whereas, the two employees have information which may be relevant to that proceeding;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(1982), the Senate may direct its counsel to represent employees of the Senate with respect to subpoenas issued to them in their official capacities;

Whereas by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony by Senate employees in their official capacities may be needed in any forum for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

*Resolved*, That the Senate Legal Counsel is directed to represent Sandra Weintraub and Katherine A. Holladay in connection with their testimony in In the Matter of Mark Anthony Hollander.

SEC. 2. That Sandra Weintraub and Katherine A. Holladay are authorized to testify at proceedings before the State Bar of California in In the Matter of Mark Anthony Hollander, except concerning matters which are privileged.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. HELMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask that there be morning business now for not to exceed 15 minutes and Senators may speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

## PEACE PLAN FOR CENTRAL AMERICA

Mr. HELMS. Mr. President, today President Reagan proposed a peace plan for Central America, intended to remove the Communist threat in the region and to restore free and democratic government in Nicaragua.

This afternoon I was one of six Senators who met with the President. True enough, it was after the fact but we were able to state to him our apprehensions about this and at the same time extend to him our wish that he and those who joined in proposing this plan be successful.

The plan was worked out in consultation with the distinguished Speaker of the House, Mr. WRIGHT, and the distinguished majority leader of the Senate, Mr. BYRD and others. Cooperation of the Democratic leadership in attempting to find some common ground on this issue is noteworthy. Unfortunately, from my point of view, their participation carried no commitment to support aid to the Nicaraguan resistance in case the diplomatic initiative in the proposal fails.

Which raises an important question: Does not the failure of the majority leadership to make such a commitment guarantee that the plan itself will fail? A key element of the plan requires agreement by the Sandinista regime on key points leading to the restoration of a free society. If there is no certain prospect that Congress will support the freedom fighters, where is the incentive to the Sandinistas to make concessions? Should not those who want to restore democratic government to Nicaragua be willing to give full support to the freedom fighters if the diplomatic initiative fails?

It should be pointed out, Mr. President, that this administration has not failed to try diplomatic initiatives. The complete chronology of these negotiations is readily available, and it is certainly comprehensive. The negotiations have been going on for the better part of 8 years.

Mr. President, I ask unanimous consent that the chronology of diplomatic initiatives by the United States for Central America peace be printed in the RECORD at the conclusion of my remarks.

Mr. President, when you examine this plan, it has the gauzy contures of a grand dream, rather than of a practical course of action.

The only way to make sure the diplomatic initiative will not fail is to make absolutely clear to the Communist regime that the Congress will support full military action by the freedom fighters if necessary. Otherwise, the Communists will perceive that all they have to do is to delay, delay, and delay until freedom fighters run out of weapons and money. Those in the Congress who refuse to make that commitment are in fact encouraging the Communists to hold out.

The plan as outlined may be divided into two parts. The first part concerns Nicaragua and the Nicaraguan resistance, and calls for an immediate cease-fire, the withdrawal of military aid from the Nicaraguan resistance on the part of the United States, and the rejection of military aid from the Communist countries on the part of Nicaragua. In addition, full civil liberties would be restored to all Nicaraguans, including freedom of speech and the press, and the right to enter into the political process. Amnesty would be proclaimed to the fighters on both sides, who would be reintegrated into Nicaraguan society. Finally, free and fair elections would be prepared and implemented.

The second part is multilateral, and proposes negotiations among the United States and the Central American countries on regional security issues, including the reduction of standing armies in the region, restoration of regional military balance, withdrawal of foreign military personnel from all countries in the region, and security guarantees against outside support for insurgent forces. As a sign of good faith, the United States would suspend combat maneuvers in Honduras as a demonstration of good faith.

Finally, Mr. President, it should be mentioned that all of these good things are to happen by September 30—September 30, 1987, not September 30, 1988.

The terminal date alone makes it difficult to believe that this plan is realistic. But another factor that enhances the dream-like quality of the proposal is the lack of concrete details about verification. We are told that the cease-fire will be verified by "the OAS or an international group of observers." We are told that the timetable and procedures for elections will be guaranteed by "an agreed international body such as the OAS." Finally, with regard to the regional security agreement, "the OAS shall be invited to be a signatory and guarantor."

It is not enough to be told that these details will be firmed up later. the timetable set up is less than 60 days—56 days, to be precise. The cease-fire issue alone is a matter of life and death for the 17,000 freedom fighters who are in the field. Even if a cease-fire is "verified" by the OAS, their positions and numbers will be revealed to the enemy, and their security endangered should the cease-fire or any other aspect of this complicated plan fail. Moreover, no effective method of ensuring Sandinista compliance with the cutoff of military aid from the Communist bloc is even proposed.

These facts alone can only be demoralizing to the freedom fighters in the field. These forces are not professional soldiers. They have no reason to sit in the jungle while politicians in faraway cities wrangle about the fate of freedom. The only thing that holds such an army together is the hope, the spirit of freedom. If that vision of freedom dissipates, the army could well dissipate too.

Mr. President, this plan cannot inspire confidence in those who are putting their lives at risk in the field. I read the document with astonishment, because no where does it even identify the freedom fighters as parties to the negotiation. The battle in Nicaragua is not a fight between the United States and Nicaragua. It is a battle between the Nicaraguan freedom fighters and the Soviet Union, which is orchestrat-

ing the Communist invasion of this hemisphere. Will not the freedom fighters wonder if they have already become the forgotten men and women?

These freedom fighters know too well how others who fought against Communists were betrayed by the United States. The Hungarians, the Cubans, the Vietnamese, the Cambodians remain as examples of those who dared to fight for freedom against Communism.

Mr. President, when you come right down to it, this plan asks the Communists to negotiate away the basic principle of communism, namely, the totalitarian state. There is nothing in the history of communism that suggests that power can be shared in a Communist state. We are demanding that the Communist negotiate away the first principle of their totalitarian survival. The freedom fighters know that the Communists will never allow alternative political power in a Communist state. So the freedom fighters will lose heart if they are asked to stop fighting while there is yet another political delay.

The truth is, Mr. President, that the only leverage the freedom fighters have is their ability to fight, to apply destabilizing military pressure against an entrenched regime. The Marxist-Sandinista dictatorship, thanks to the Soviet Union, has the largest standing army in Central America. It is well armed. A totalitarian system of political control imposes Communist discipline on the people of Nicaragua. Indeed, they are well entrenched. But the freedom fighters have nothing but their ability to fight.

Thus a cease-fire may take away from the freedom fighters the only asset they possess. It protects the Marxist-Sandinistas in every asset the Communists already have, and gives them the bonus of not having to be prepared to defend their positions. So a cease-fire is not symmetrical at all, even if it were to be scrupulously observed.

The freedom fighters have only one hope: That the Marxist-Sandinistas will reject the so-called peace plan. I hope the Communists do reject it. But I think that it is more likely that the Communists will pretend to agree to it, at least initially, because they know that the plan demoralizes the freedom fighters, and undermines their fighting spirit. If it is prolonged long enough, it could even lead to the disintegration of the movement for freedom.

Therefore, Mr. President, at the appropriate time, I am prepared to send to the desk a simple amendment calling upon this body to vote now for $300 million in aid for the Nicaraguan resistance, that is to say, the anti-Communist freedom fighters in Nicaragua.

This amendment, which I intend to offer to any item of general legislation that is amendable, provides that the aid does not go into effect until October 1. It gives the agreed-upon time for the peace plan to work. But if the plan does not work, then the freedom fighters will be able to count on the support of the United States in their courageous battle. Once the President certifies the diplomatic initiative has failed, the funds will become available.

So, Mr. President, as I conclude, let me read into the RECORD the text of the amendment to which I have just alluded. I shall add that the distinguished Senator from South Carolina [Mr. THURMOND] is a cosponsor of the amendment.

(Purpose: To authorize funds for Military assistance to the Democratic Resistance in Nicaragua unless the President certifies to Congress that the communist government in Nicaragua has met certain conditions)

Add at the end of the bill the following new section:

"SEC. . The sum of $300 million dollars is authorized to be appropriated for military assistance to the Nicaraguan Democratic Resistance during fiscal year 1988; provided, however, that the funds authorized to be appropriated by this section shall not be obligated or expended if the President, on or before September 30th, 1987, shall have certified to Congress the following:

1. That there be no Soviet, Cuban or Communist bloc bases established in Nicaragua that pose a threat to the United States and the other democratic governments in the hemisphere.

2. That Nicaragua pose no military threat to its neighbor countries nor provide a staging ground for subversion or destabilization of duly elected governments in the hemisphere.

3. That the Nicaraguan government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan constitution and pledges made to the OAS—free speech, free press, religious liberty and a regularly established system of free, orderly elections.".

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### NEGOTIATIONS IN CENTRAL AMERICA

### SUMMARY

The United States has continuously supported the search for peace in Central America. Since 1981, the U.S. had sought to resolve the regional conflict through bilateral negotiations with the Sandinista regime as well as through its encouragement of the Contadora process and other regional efforts.

U.S. efforts to reach agreement with the ruling commandantes predate those of the other countries of Latin America, including Contadora. Our initial diplomatic overtures offered U.S. nonaggression toward Nicaragua and renewed economic assistance in exchange for an end to Sandinista support to the Communist guerrillas of El Salvador and a slowdown in Nicaragua's military buildup. These are the very same goals the Sandinistas now profess to have no objection to were they to be included in a regional peace accord.

Even though the Sandinistas were not receptive to U.S. initiatives in 1981, we unilaterally continued our efforts to resolve the regional impasse through diplomatic means. The highlights of those initiatives are:

On October 4, 1982, the U.S. joined six Latin American and Caribbean countries in the "Declaration of San Jose" setting out principles for a regional peace settlement.

On June 1, 1984, Secretary of State Shultz visited Managua to consult with Sandinista President Ortega and Foreign Minister d'Escoto, setting the stage for nine rounds of bilateral discussions between the U.S. and Nicaragua.

On June 25-26, 1984, the first of the bilateral talks were held in the Mexican city of Manzanillo. They were ended in December 1984 due to Sandinista intransigence.

On October 29-31, 1985, Special Envoy Harry Shlaudeman met with Nicaraguan Ambassador Carlos Tunnermann in Washington and proposed that the U.S. would renew bilateral talks with Nicaragua if the Sandinistas would accept the Nicaraguan democratic resistance's call for a Church-mediated dialogue. The Sandinista Government refused to accept this proposal.

On February 10, 1986, Secretary Shultz met with the Foreign Ministers of the Contadora countries and offered to renew bilateral talks with the Sandinistas if they began a dialogue with the democratic resistance.

Between June 1985 and April 1987, Special Envoys Shlaudeman and Habib traveled to the region on at least 15 occasions to consult with Central American and South American officials in an effort to support the peace process.

Here follows a chronology of the history of Central American negotiations and the texts of the Contadora Document of Objectives (Appendix A), the peace proposal of Costa Rican President Oscar Arias (Appendix B), and the Declaration of Principles issued by the Presidents of the Central American democracies at the conclusion of their San Jose meeting (Appendix C).

### CHRONOLOGY OF KEY EVENTS 1981–1987

#### *1981*

August-October: United States initiates diplomatic exchanges with Nicaragua. U.S. offers bilateral nonaggresion agreement and renewed economic assistance if Nicaragua stops aid to Salvadoran guerrillas and limits its military buildup. Nicaragua labels U.S. offer "sterile."

#### *1982*

March 15: Honduras proposes Central American peace plan at the Organization of American States to reduce arms and foreign military advisers, to respect nonintervention, and to provide for international verification of commitments.

April 9: U.S. offers eight-point proposal to Nicaragua. Nicaragua demands high-level meeting in Mexico.

October 4: At San Jose conference the U.S., Colombia, Costa Rica, El Salvador, Honduras, Belize, and Jamaica issue Declaration of San Jose outlining principles for a regional peace settlement that calls for democracy, pluralism, arms reduction, respect for human rights, and national reconciliation. Nicaragua subsequently refuses to receive Costa Rican Foreign Minister Volio as emissary of group.

#### *1983*

January 8-9: Foreign Ministers of Colombia, Mexico, Venezuela, and Panama meet on Contadora Island and issue Declaration commending dialogue and negotiation as instruments for peaceful settlement.

January-April: Nicaragua resists meeting in multilateral setting and opposes idea of comprehensive agreement dealing with all interrelated issues.

April 20-21: Nine Foreign Ministers of Central America and Contadora Group meet for first time in Panama.

July 17: Declaration of Cancun by the Presidents of the Contadora Group calls for renewed efforts to continue peace process. Declaration sent to President Reagan, Central American Chiefs of State, and Fidel Castro.

July 19: Sandinistas issue six-point plan, calling for end of all outside assistance to "the two sides" in El Salvador, end of all external support to paramilitary forces in region, prohibition of foreign military bases and exercises, Nicaraguan/Honduran nonaggression pact, noninterference in internal affairs, and end to economic discrimination.

*Comment:* Proposal accepted multilateral talks but did not address such key issues as foreign advisers, arms limitations and reductions, or democratization and national reconciliation. Plan equated Salvadoran Government with guerrillas and, if implemented, would have cut off all U.S. military assistance to El Salvador.

July 21: Foreign Ministers of Guatemala, Costa Rica, Honduras, and El Salvador propose eight-point peace plan drawing on Honduras plan of March 1982 and emphasizing contribution that democratization could make to restoration of peace and stability to region.

July 23: President Reagan expresses support for Contadora objectives in letter to Contadora Group Presidents.

September 9: Document of Objectives adopted by Foreign Ministers of the nine Contadora participating governments. Document includes strong formulation of objectives relating to democratization and national reconciliation.

October 20: Nicaragua proposes series of bilateral and multilateral treaties, addressing some but not all goals of Document of Objectives.

October-December: Attempts to translate Document of Objectives directly into treaty falter.

### *1984*

January 8: "Norms of Implementation" declaration that was adopted in Panama by nine Contadora Foreign Ministers establishes three working commissions in security, political, and socioeconomic matters to recommend by April 30 specific measures to implement Document of Objectives.

April 30: Five Central American Foreign Ministers request Contadora Group to integrate recommendations into single negotiating text.

June 1: Secretary of State Shultz visits Managua to launch bilateral talks in support of reaching a comprehensive Contadora agreement.

June 8-9: Contadora Group presents "Contadora Act for Peace and Cooperation in Central America" to Central American governments and requests comments by mid-July.

June 25-26: First of nine rounds of bilateral talks between U.S. and Nicaragua held at Manzanillo, Mexico. U.S. throughout seeks informal understandings to facilitate Contadora agreement. Nicaragua seeks formal bilateral accords in lieu of Contadora; excludes discussion of democratization and national reconciliation.

August 25-27: Technical Group (vice-ministerial level) of Contadora process meets in Panama to consider oral and written comments on the June 8th draft Act. Nicaragua refuses to accept any feature of the Contadora June draft to which it has not previously agreed.

September 7: Contadora Group submits revised draft Contadora agreement for Central American leaders comment by mid-October.

Comment: The draft agreement achieved Nicaragua's two principal objectives (end of support to democratic resistance and prohibition of maneuvers) upon signature while leaving arms reductions and withdrawal of advisers for later negotiation. Verification provisions were weak.

September 21: Nicaragua states it is willing to sign the September 7th draft provided that it is not changed; calls on U.S. to sign and ratify its Additional Protocol.

Comment: Portrayed as a step toward peace, Nicaragua's acceptance was in U.S. view an attempt to freeze the negotiating process at a moment of advantage.

September 25-26: At sixth round of Manzanillo talks, Nicaragua adopts Contadora draft agreement as its negotiating position. U.S. suggests the two sides focus on text of draft agreement, but Nicaragua rejects any discussion of possibly modifying the draft.

September 29: European Community and Central American Foreign Ministers, meeting in Costa Rica, call draft agreement "fundamental stage in negotiating process" but refrain from endorsing any text not agreed upon by all participating governments.

October 15: Comments submitted to the Contadora Group by Costa Rica, El Salvador, and Honduras identify verification and need for simultaneous implementation of commitments as areas for modification.

October 19-20: Honduras, Guatemala, El Salvador, and Costa Rica (Nicaragua is invited but does not attend) meet in Tegucigalpa to consider the September 7th draft agreement and drafted proposed modifications. Honduras, El Salvador, and Costa Rica endorse and forward modifications to the Contadora Group and Nicaragua.

November 12-16: Extensive private consultations among the Contadora participants are held on the margins of the OAS General Assembly in Brasilia.

December 10-11: Ninth round of Manzanillo talks. Nicaragua definitively rejects U.S. approach to reach agreement on basis of September draft; reverts to initial position of bilateral accords in lieu of Contadora.

### *1985*

January 18: U.S. informs Nicaragua that it is not scheduling further meetings at Manzanillo, pending further evolution of the Contadora process.

February 14: Contadora meeting canceled over asylum dispute between Nicaragua and Costa Rica.

Aril 11-12: Contadora meeting of plenipotentiaries agrees in principle on revised verification procedures.

May 14-16: Second meeting of Contadora plenipotentiaries, with inconclusive discussion of security issues.

May 31: Sandinista border incursions into Costa Rica kill two Costa Rican Civil Guardsmen.

June 7: OAS Permanent Council appoints investigative commission consisting of Contadora Group and OAS Secretary General to report on the May 31st and other related border incidents.

June 17-19: Nicaragua's refusal to discuss agreed agenda results in abrupt ending of Contadora meeting of plenipotentiaries and 4-month hiatus in Contadora negotiations.

June 24-28: Ambassador Shlaudeman visits Guatemala, El Salvador, Costa Rica, Colombia, and Venezuela for consultations on Contadora; reviews conditions under which the U.S. might resume bilateral talks with Nicaragua.

June 30–July 2: Ambassador Shlaudeman continues consultations during visits to Mexico and Panama.

July 17: Ambassador Shlaudeman concludes consultations with visit to Honduras.

July 22: Contadora Group governments publicly call on U.S. to resume bilateral talks with Nicargua. Communique also announces intentions to hold bilateral meetings with individual Central American governments in lieu of resuming talks.

July 26: In Mexico City, Secretary Shultz states willingness of U.S. to resume bilateral talks if that would promote a Church-mediated dialogue in Nicaragua and reaffirms strong U.S. support for the Contadora process.

July 28: Following consultations with the Contadora Group, the governments of Argentina, Brazil, Peru, and Uruguay form the "Contadora Support Group."

August 1: Costa Rica, Honduras, and El Salvador in joint statement welcome the visit of Contadora ministers but propose resumption of Contadora negotiations.

August 3-8: Contadora Group Vice Ministers visit the five Central American states to consult on outstanding Contadora issues.

August 23-25: The Contadora Group and Support Group, meeting in Cartagena, Colombia, issue communique stating intent to consult regularly on Contadora matters.

August 26: U.S. welcomes formation of Support Group.

September 4: Costa Rica, Honduras, and El Salvador formally reiterate proposal to resume Contadora negotiations.

September 9-13: Ambassador Shlaudeman consults with Support Group governments in visits to Argentina, Uruguay, Brazil, and Peru. He explains U.S. view that Support Group could help by working toward a Sandinista dialogue with armed resistence (United Nicaraguan Opposition) and urges Support Group to consult with all the Central American states.

September 8: Costa Rica, Honduras, and El Salvador jointly request a meeting with the Support Group governments on the margins of the September 12-13 meeting of Contadora Foreign Ministers in Panama. The request is denied on the ground that it might interfere with the scheduled meetings.

September 12-13: The Contadora Group tables a third draft of a Contadora agreement. The Central American Foreign Ministers agree to convene multilateral negotiations on October 7, with the aim of reaching final agreement within 45 days. The agenda for these negotiations is defined narrowly. It is also agreed that events and developments within the region will not interfere with Contadora talks.

October 7-11: The first round of talks is held on Contadora Island, Panama. Costa Rica states it is willing to sign the September 12th draft. El Salvador and Honduras express general support while identifying issues that require further negotiation. Guatemala maintains neutrality on content of draft while pointing to constitutional difficulty of current government to commit Guatemala in view of upcoming elections. Nicaragua states it is not ready to declare its view.

October 17-19: Second round of plenipotentiary negotiations held on Contadora

Island. Nicaragua presents extensive objections to September 12th draft.

October 24: President Reagan addresses the U.N. General Assembly, presenting an initiative on regional conflicts. President states that U.S. support of struggling democratic forces "must and shall continue" until there is progress in negotiations between the parties to internal conflicts.

October 29-31: Ambassador Shlaudeman and Nicaraguan Ambassador Tunnermann meet in Washington. Shlaudeman says U.S. will resume bilateral talks if Sandinistas accept March 1985 proposal of the Nicaraguan resistance for Church-mediated dialogue, cease-fire, and suspension of the State of emergency. Tunnermann reports Nicaraguan Government rejection of this offer.

November 11-12: Foreign Ministers of the nine Central American and Contadora Group governments meet in Luxembourg with the Foreign Ministers of the EC-10, Spain, and Portugal. European Community/Central American economic agreement is signed; political communique supports Contadora and stresses democratic pluralism and civil liberties.

November 11: Nicaragua publishes letter to Contadora Group and Support Group Presidents detailing objections to the Contadora Group's September 12, 1985, draft of a final agreement. Nicaragua's position, in essence, is to insist on an accommodation with the U.S. prior to a Contadora agreement.

November 19-21: Third round of negotiations among Contadora plenipotentiaries held in Panama. Some progress is achieved on verification and related issues. All delegations recommend extending 45-day deadline for final agreement.

November 22: U.S. Permanent Representative to the United Nations Vernon Walters addresses the General Assembly on continued U.S. support of the Contadora process.

December 1: Nicaragua announces that it will not take part in the Contadora meetings to be held on the margins of the OAS General Assembly meeting in Cartagena, Colombia, December 2-5.

December 2: Secretary of State Shultz meets with Contadora Group Foreign Ministers at the OAS General Assembly in Cartagena.

December 3: Nicaragua submits formal request for suspension of Contadora peace negotiations until May 1986.

December 6: Contadora Group submits report to OAS Secretary General expressing hope that negotiations will continue.

December 7: Nicaragua reiterates its request for suspension of Contadora talks at a SELA (Latin American Economic System) meeting in Caracas, Venezuela.

December 11: OAS General Assembly Resolution, opposed by Nicaragua only, urges continuation of Contadora talks.

December 10: Venezuelan officials publicly oppose suspension of talks.

December 17-18: Contadora Group governments consult informally in Montevideo.

### *1986*

January 8: Nicaragua publishes letter from President Ortega to the Presidents of the Contadora Group and the Support Group proposing a scaled-down treaty of general principles (in lieu of a comprehensive Contadora treaty) and a series of bilateral talks, including U.S.-Nicaraguan talks.

Janmuary 11-12: The eight Foreign Ministers of the Contadora Group and Support Group governments, meeting in Caraballeda, Venezuela, issue the "Message of Caraballeda." It reiterates basic Contadora principles; urges actions to create climate for negotiations, including resumption of Contadora talks; and offers Contadora's help to "promote new steps of national reconciliation" and renewal of U.S.-Nicaraguan bilateral talks.

January 14: Vice President George Bush leads U.S. delegation to inauguration of Guatemalan President Vinicio Cerezo.

January 15: Foreign Ministers of the five Central American states sign the "Declaration of Guatemala," endorsing the "Message of Caraballeda."

January 15: Central American Presidents agree to hold summit in Esquipulas, Guatemala, in May.

January 16: Central American Presidents issue statement expressing satisfaction that their Foreign Ministers have endorsed the "Message of Caraballeda."

January 16: Nicaragua publicly reaffirms its position on Contadora, as set forth in its November 11th statement, and describes actions called for in the "Message of Caraballeda" as prerequisites to Contadora talks.

January 16: Secretary Shultz receives the "Message of Caraballeda" from Washington Ambassadors of the Contadora Group and Support Group governments and promises to give it careful study.

January 17: U.S. statement on "Message of Caraballeda" announces visit of Ambassador Shlaudeman to Central American and Contadora Group countries to explore possibilities in the Message.

January 17: President-elect Jose Azcona of Honduras visits Washington for consultations. At National Press Club, Azcona opposes resumption of U.S.-Nicaraguan bilateral talks as detracting from Contadora.

January 19-23: Ambassador Shlaudeman visits Panama, Costa Rica, El Salvador, Colombia, and Venezuela to consult with regional leaders.

January 25: Secretary of State Shultz invites Foreign Ministers of the Contadora Group and Support Group governments to Washington for February 10th consultations.

January 26-27: Vice President Bush leads U.S. delegation to inauguration of Honduran President Azcona; meets with several Contadora and Central American Presidents and Foreign Ministers.

Habib endorses Duarte initiative; reiterates U.S. willingness to renew bilateral talks with Nicaragua if Sandinistas open talks with armed democratic opposition.

March 14-15: Meeting of plenipotentiaries in Panama, but no discussion of Contadora treaty; inconclusive discussion of how to implement the "Message of Caraballeda."

March 17: Presidents of Guatemala and Honduras join President-elect Oscar Arias of Costa Rica in endorsing Duarte initiative.

March 20: U.S. House of Representatives defeats administration's proposal for assistance to the Nicaraguan resistance.

March 31: Legislative authorization for humanitarian assistance to Nicaraguan resistance expires.

April 5-7: Nicaragua's d'Escoto refuses to sign joint communique outlining negotiating goals at meeting of 13 Contadora, Support Group, and Central American Foreign Ministers in Panama. Costa Rica, Honduras, and El Salvador propose schedule of intensive negotiations to reach agreement by end of May 1986. Eight Contadora and Support Group ministers issue invitation to renew talks; reach agreement by June 6.

April 11: Ambassador Habib reiterates U.S. position that we will abide by a Contadora agreement that implements September 1983 Document of Objectives in a comprehensive, verifiable, and simultaneous manner.

April 11: Nicaragua agrees to renew talks and conditions final agreement on resolving outstanding issues and on ending all "U.S. aggression" by date of signature. Central American democracies all accept renewal of talks and urge they begin immediately.

April 18-28: Ambassador Habib consults with Presidents and Foreign Ministers of the Central American Democracies, Contadora and Support Group countries.

April 19: President Ortega, in public statement, calls Ambassador Habib a "demagogic liar," raising the issue of Sandinista interest in constructive negotiations.

May 8: Vice President Bush heads U.S. delegation to inauguration of President Oscar Arias.

June 6-7: Contadora and Support Group Foreign Ministers meet in Panama, present Central Americans with amended draft agreement.

June-August: Central American countries respond to June 7th draft. All countries express support for the Contadora process but make various points about the draft.

### Costa Rica

Peace is not valid unless based on democracy; Costa Rica cannot accept half-measures that do not fully address the complete democratization of all of Central America.

Calendar of continuous verification must be presented with the agreement.

All negotiations must be concluded before signing, including those concerning arms limits and troop levels.

Criteria used in establishing maximum limits of military development are susceptible to subjective interpretation and must be clarified prior to signature.

### El Salvador

Draft does not contain the conditions or requirements agreed on for its adoption and formalization in accordance with the 1983 Document of Objectives—especially in areas of arms limits and troop levels; simultaneous and integrated treatment of all aspects of the Document of Objectives is essential.

Verification of all obligations is essential.

Draft must contain sufficient guarantees that Nicaragua will accept serious negotiations in arms issues (including verification and control) and must demonstrate a willingness to observe the Document of Objectives in its entirety.

There is a need to continue and complete negotiations.

### Guatemala

Commitments in armament, military forces, evaluation, verification, and control should be clearly stated to constitute a guarantee that agreed results and objectives are achieved.

### Honduras

Draft does not establish reasonable and sufficient obligations to guarantee its security.

November 10-15: OAS General Assembly meets in Guatemala. At the initiative of Nicaragua and Mexico, Foreign Ministers from Contadora and Support Groups introduce a controversial draft resolution that, among other things, calls for preventing an alleged imminent U.S. aggression as the key issue in Central America. Costa Rica, El Salvador, and Honduras oppose resolution. Other Latin countries announce their opposition to the draft resolution and OASGA ultimately adopts new consensus resolution

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that supports Contadora effort. Secretary Shultz meets with Foreign Ministers of Central American democracies while attending OASGA.

November 18: U.N. General Assembly adopts consensus resolution on Central America.

November 18: U.N. Secretary General de Cuellar and OAS Secretary General Soares issue "menu of services" available from their organizations to complement Contadora: establishing border patrols; monitoring reduction of armed forces or dissolution of irregular forces; verifying international maneuvers or withdrawal of military advisers; verifying human rights complaints; and coordinating economic assistance.

November 19-21: Ambassador Habib travels to Central America, Mexico, and Colombia for consultations with regional leaders.

December 3: Government of Costa Rica responds to U.N.-OAS joint initiative. Commends efforts but reiterates Costa Rica's belief that an effective regional accord must be multilateral, comprehensive, binding, and verifiable.

December 4: Government of Nicaragua responds to U.N.-OAS joint initiative. Expresses deep satisfaction with the document.

December 17-18: Contadora and Support Group Foreign Ministers meet in Rio de Janeiro. Announce they would visit Central America in January accompanied by U.N. and OAS Secretaries General. Also announce intentions to strengthen and systematize the political agreement of their governments through a process of regular consultations, beginning the following April in Argentina.

February 15: At San Jose, the Presidents of the four Central American democracies launch a new peace initiative and endorse draft proposal by President Arias of Costa Rica as the basis for discussion at a subsequent summit of all five Central American Presidents, including Nicaragua's Ortega, at Esquipulas, Guatemala.

February 22-24: Ambassador Habib visits Costa Rica, Honduras, El Salvador, and Mexico.

March 6: Ambassador Habib visits Guatemala for talks with President Cerezo and other officials.

March 22-31: Ambassador Habib travels to the Central American democracies and the Contadora Group countries for ongoing consultations.

March 29: Guatemalan President Cerezo visits Nicaragua and meets with President Ortega and members of the civic opposition.

January 30: Six Nicaraguan opposition parties propose cease-fire, effective amnesty, agreement on a new national electoral process, and lifting of the State of Emergency. UNO leaders endorse proposal.

February 4: Nicaraguan President Ortega leads FSLN delegation to Third Congress of the Cuban Communist Party in Havana; gives speech to the Congress.

February 6: Nicaraguan Foreign Minister d'Escoto writes open letter to Contadora Group and Support Group Foreign Ministers calling on ministers to press for renewal of U.S.-Nicaraguan talks but cautioning that the U.S. would have to abandon the idea that such talks could be used as an "instrument to force Nicaragua into an immoral dialogue with terrorist forces."

February 10: Secretary Shultz meets with eight Contadora Foreign Ministers in Washington. He proposes simultaneous U.S.-Nicaraguan/Nicaraguan-UNO talks and policy adjustments in response to Nicaraguan movement on U.S. areas of concern.

February 14-15: Meeting of Contadora and Central American negotiators in Panama. Nicaragua refuses to negotiate on a Contadora treaty.

February 18-26: Ambassador Shlaudeman meets with Presidents of Mexico, Panama, Colombia, Uruguay, Argentina, Peru, Costa Rica, Guatemala, Honduras, and El Salvador.

February 24: Costa Rica and Nicaragua reach preliminary agreement on border supervision commission.

February 27-28: Contadora Group and Support Group ministers meet at Punta del Este, Uruguay.

March 4: Salvadoran President Jose Napoleon Duarte proposes simultaneous dialogues to end the internal wars in Nicaragua and El Salvador.

March 7: President Reagan appoints Philip C. Habib to replace Harry W. Shlaudeman as Special Envoy for Central America.

March 12-14: Ambassador Habib visits El Salvador, Guatemala, and Honduras.

Arias of Coasta Rica. Bush reiterates U.S. willingness to respect comprehensive, verifiable, and simultaneous treaty.

May 16-18: Contadora talks held in Panama to consider Contadora Group proposals on arms and military maneuvers. Nicaragua rejects Honduran proposal. Four democracies reject Nicaraguan proposal. Costa Rica and Guatemala jointly present compromise proposal. El Salvador and Honduras support compromise proposal.

Proposal prohibits maneuvers within 5 kilometers of borders, prohibits use of artillery capable of reaching neighboring countries, and regulates maneuvers within 30 kilometers.

Proposal fixes overall ceiling on arms and troops prior to signature; ceiling expressed in "units of value," with each security component (e.g., a tank) assigned an agreed value.

May 24-25: Five Central American Presidents meet at Esquipulas, Guatemala. Communique notes "frankness" of exchanges and profound differences between Nicaragua and its neighbors over meaning of democracy. Presidents reiterate commitment to reach Contadora agreement, omitting June 6 as target date; agree to create Central American Parliament.

May 26: President Ortega presents a list of "14 Points" calling for a reduction of armament levels and other military-related matters.

May 27-28: Contadora meeting in Panama. Nicaragua tables its "14 Points," which, if adopted, would have virtually no effect on strength and size of Sandinista arsenal but would have serious impact on the security capabilities of the other Central American countries. Nicaragua also refuses to negotiate limits on "defensive" weapons. Meeting inconclusive.

May 26-29: President Azcona of Honduras makes working visit to Washington; supports aid for the Nicaraguan democratic resistance.

May 31–June 3: Ambassador Habib visits Costa Rica, Guatemala, and El Salvador for consultations.

Obligations regarding disarmament must be established rigorously and clearly in the treaty and not deferred to a later date.

Draft raises subjective criteria of dubious multilateral significance that would make eventual agreement on limitation, reduction, and control of arms and troops impossible.

### Nicaragua

Indicates that it could accept draft, but only on the condition that future arms talks be conducted on the basis of its May "14 Points" proposal (which the four democracies had rejected).

June 26: Contadora Group Foreign Ministers meet with U.N. Secretary General Perez de Cuellar and OAS Secretary General Baena Soares to present the June 7th draft.

July 2: U.N. Secretary General de Cuellar issues report on the situation in Central America commending Contadora's effort but citing fundamental preconditions for peace, which focus on pluralistic democracy and nonintervention by outside forces.

July 10-12: Ambassador Habib travels to the Central American democracies.

August 7: Secretary Shultz heads the U.S. delegation to inauguration of President Barco in Colombia. Meets with Presidents and Foreign Ministers of the Central American democracies.

September 7-11: Ambassador Habib travels to Central America.

September 22-October 1: Contadora and Support Group Foreign Ministers meet in New York on margins of the U.N. General Assembly. On October 1, they issue a declaration warning of the dangerous situation in Central America and reiterating their willingness to continue their efforts to find a negotiated settlement.

October 30-31: Contadora and Support Group deputy foreign ministers meet in Mexico City. Discussion focuses on possibility of institutionalizing Contadora and expanding its scope to include other regional issues such as debt.

### *1987*

January 7: Assistant Secretary of State Elliott Abrams and Ambassador Habib meet in Miami with Costa Rican Foreign Minister Madrigal to discuss President Arias' plan for regional peace, a plan predicated on national reconciliation and democratization within Nicaragua.

January 9: President Ortega signs into law Nicaragua's new "democratic" constitution. Within hours of its promulgation, Ortega issues new emergency decreee suspending the rights and liberties of the Nicaraguan people provided for in the new charter, including freedom of speech, press, assembly, right to organize, right to privacy, and others.

January 12-16: Ambassador Habib travels to Panama, Argentina, Uruguay, Brazil, and Venezuela to consult with Latin American leaders.

January 18-25: Ambassador Habib travels to Belgium, West Germany, Italy, Portugal, Spain, United Kingdom, and France to consult on the negotiating process.

January 18-21: Contadora and Support Group Foreign Ministers, accompanied by the U.N. and OAS Secretaries General, travel to Central America seeking to revive the negotiating process. They issue communique in Mexico City on January 21st expressing Contadora's continued hope for peace in Central America but offering no new proposals.

February 6: Seven civic opposition parties in Nicaragua issue a "9 Point" peace proposal calling for, among other things, a national dialogue, a National Commission for Peace, a cease-fire, and a general amnesty. The Sandinista Government does not respond to this latest call for peace by opposition parties who are committed to a civic struggle for democracy in Nicaragua.

February 9-10: Central American, Contadora Group, and European Community Foreign Ministers meet in Guatemala (San Jose III) and endorse negotiating efforts.

April 6: Salvadoran President Duarte visits Guatemala for a private meeting with President Cerezo.

April 7: Three-member Costa Rican delegation visits Nicaragua to discuss peace initiative with Sandinista Government and civic opposition.

April 13-16: Contadora and Support Group Foreign Ministers meet in Argentina to discuss Central America situation; issue a communique expressing support for the peace initiative of the Central American democracies. They then discuss other issues (debt, etc.) as "Group of Eight."

April 27-28: Ambassador Habib visits Guatemala, Costa Rica, Honduras, and El Salvador.

June 25-26: Scheduled summit of Central American Presidents at Esquipulas, Guatemala.

Mr. HELMS. Mr. President, I thank the Chair and I thank the distinguished majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator from North Carolina [Mr. Helms].

Mr. President, I only say what I am about to say at this moment, at this particular time, because the distinguished Senator from North Carolina in referring to the proposed peace plan, I believe, stated that it had been developed between and among the administration, the distinguished Speaker of the House and the majority leader of the Senate.

Mr. President, I had no part in the writing of this plan. The distinguished Speaker of the House was kind enough to contact me last Thursday and reveal to me that efforts were going forward with respect to such a proposal. He indicated that he had been approached by a representative of the White House, and that that individual had indicated to the Speaker that the President was interested in a diplomatic initiative, which hopefully would bring an end to the war in Nicaragua. I felt that it was a matter that was certainly worth exploring, that should be explored. Further meetings ensued.

The distinguished Republican leader and I met with the Speaker and other Senators on last Friday, the Speaker having addressed this subject to me on last Thursday. Then from the meeting on Friday there developed a further meeting on this past Monday. The Republican leader and I and other Senators met. Then on Tuesday, yesterday, there was another meeting in which the two Senate leaders participated with about six or seven other Senators on both sides of the aisle. In that meeting were Mr. Shultz, Mr. Howard Baker, and the Speaker.

Out of these meetings then culminated the meeting at the White House today, to which the President was kind enough to invite me. The two leaders of the Senate were there, and the Speaker and majority leader of the House were there.

The President was also kind enough to allow me to bring with me, one Senator, Senator Dodd, the chairman of the Foreign Relations Subcommittee on Central American Affairs. The Republican leader of the House, Mr. Michel, also was there. Mr. Michel was also in some of the other meetings to which I have alluded which were called by the Speaker.

So I cannot claim any authorship whatsoever so far as the proposal is concerned. I took the position at the White House that we on our side of the aisle, think almost unanimously, if not unanimously, favor an effort to bring the war in Nicaragua to a peaceful conclusion.

I also stated that most Senate Democrats have long been in favor of a diplomatic initiative. Of course, some Senate Democrats have supported Contra aid, military aid and or humanitarian aid.

I felt that we ought to applaud the President for his attempting to pursue a diplomatic initiative. That is, as I say, what many of us on this side have been advocating for a long time. Some of us, including myself, have preferred that to a military solution, not ruling out at some point, as far as I am personally concerned, the possibility of resorting to military. But not ruling it in, either.

So my position, as stated at the White House, and as stated here for the record, was and is, speaking for most Democrats, that we support a diplomatic initiative carried out in good faith.

A good faith diplomatic initiative; that it must in no way, if it is carried on in good faith, be tied with Contra aid; that there can be no nexus, no tie, no umbilical cord to military aid as a part of that good faith initiative. Furthermore, that there should be no attempt to make a political case for Contra aid while such good faith diplomatic negotiations and discussions are going forward.

I also expressed the strong feeling that the September 30 date in the proposal was not a realistic one. And, finally, that there should be a team of bipartisan observers on the part of the Senate and the House, who would not negotiate, of course, but who would observe the negotiations and who could independently, on the basis of their observations, advise the other Republican and Democratic members of the Senate and House as to the good faith of the negotiations and as to the state of progress being made.

I am expressing my own viewpoint here as I expressed it there. I expressed it as I felt that it was representative of Democrats, generally speaking, in the Senate. I did not represent it as being a unanimous viewpoint. I think I accurately portrayed the feelings, certainly of a great majority of the Democratic Senators here, in that we want to see a peaceful resolution to the conflict. It is a positive approach. I hope it will succeed.

### EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business has expired.

Mr. BYRD. Mr. President, I ask that there be a resumption of morning business to accommodate the distinguished Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. And the distinguished Republican leader.

Mr. HELMS. Mr. President, will the distinguished leader yield?

Mr. BYRD. Yes, I will be glad to.

Mr. HELMS. I certainly can confirm everything the majority leader said. I think all I said in reference to him was that he did consult, that he did cooperate in the manner that he described. I did not presume to speak for the Senator, how he is going to vote or what position he was going to take. But I know he consulted because I was there, and I know he cooperated. Whether he agrees or not is the decision he will make.

I just wanted to make that clear. I did not intend to misrepresent this role at all.

Mr. BYRD. Mr. President, I am sure that the Senator did not intend to nor did he misrepresent my position. I had no cause for stating at this point what my position was and is except I thought the distinguished Senator from North Carolina inadvertently, certainly not intentionally—perhaps he was laboring under some misinformation—had indicated that I had a part with the Speaker and the White House in formulating the exact language of the proposal.

Mr. HELMS. No. The Senator made that clear at the meeting yesterday morning.

Mr. BYRD. Yes.

Mr. HELMS. I can confirm that without any hesitation whatsoever.

Mr. BYRD. I thank the Senator.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. The Republican leader.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations,

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which were referred to the appropriate committees.

[The nominations received today are printed at the end of the Senate proceedings.]

## REPORT ON CERTAIN ACTIONS TO BE TAKEN UNDER THE TRADE ACT—MESSAGE FROM THE PRESIDENT—PM 60

The **PRESIDING OFFICER** laid before the Senate the following message from the President of the United States; which was referred to the Committee on Finance:

*To the Congress of the United States:*

Pursuant to sections 406, 202, and 203 of the Trade Act of 1974, as amended (19 U.S.C. 2436, 2252, and 2253), I have determined the action I will take with respect to the report of the United States International Trade Commission [USITC] dated June 5, 1987, concerning the results of its investigation, as requested by the United States Trade Representative, of the domestic industry producing ammonium paratungstate and tungstic acid, provided for in Items 417.40 and 416.40, respectively, of the Tariff Schedules of the United States. In accordance with section 203 of the Trade Act of 1974 (19 U.S.C. 2253), I am hereby reporting to the Congress the actions I am taking and the reasons therefor.

After considering all relevant aspects of the case, including those set forth in section 202(c) of the Trade Act of 1974, I have determined to provide import relief for the domestic industry in the form of an orderly market agreement to be negotiated by the United States Trade Representative. I have determined that relief should be granted, and in a form different from that recommended by the USITC, for the following reasons:

1. The domestic industry has suffered losses in employment, profits, and production.

2. The economic costs of relief in terms of consumer cost, inflationary impact, and national economic welfare would be small, because of the small size and structure of domestic industry.

3. Relief will help maintain a viable domestic processing industry; important because tungsten is a strategic metal, and the legislated national stockpile is based on continued domestic processing capabilities.

4. Imports from China were at very low levels around 1980, but nearly tripled between 1982 and 1986, when they accounted for 85 percent of imports and 17.8 percent of U.S. consumption. Chinese imports as a percent of consumption have risen to 28.6 percent in the first 4 months of 1987.

5. Other countries are considering protecting their producers, which would increase pressure on the U.S. market to absorb additional imports.

6. An orderly marketing agreement is likely to deal more effectively with possible circumvention of the import restrictions.

In addition, I have directed that a review be completed, within 60 days, regarding relevant plans for the operation of the stockpile for the fiscal years 1988 and 1989.

RONALD REAGAN.

THE WHITE HOUSE, *August 5, 1987.*

## MESSAGES FROM THE HOUSE

At 4:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with amendments:

S. 1417. An act to revise and extend the Developmental Disabilities Assistance and Bill of Rights Act.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2881. An Act to establish a National Commission on Acquired Immune Deficiency Syndrome.

## MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 2881. An act to establish a National Commission on Acquired Immune Deficiency Syndrome; to the Committee on Labor and Human Resources.

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. GLENN, from the Committee on Governmental Affairs:

John W. Crutcher, of Kansas, to be a Commissioner of the Postal Rate Commission for the term expiring October 16, 1992; and

Jerry Lee Calhoun, of Washington, to be a Member of the Federal Labor Relations Authority for a term of five years expiring July 29, 1992.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Kenneth Leon Nordtvedt, Jr., of Montana, to be a Member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1990;

Ruth Reeve Jenson, of Arizona, to be a Member of the National Advisory Council on Educational Research and Improvement for the term expiring September 30, 1989;

David F. Demarest, of Virginia, to be an Assistant Secretary of Labor;

James L. Usry, of New Jersey, to be a Member of the National Council on Educational Research and Improvement for a term expiring September 30, 1989; and

William John Maroni, of Rhode Island, to be an Assistant Secretary of Labor.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. STEVENS (for himself, Mr. EVANS, and Mr. BREAUX):

S. 1591. A bill to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States; considered and passed.

By Mr. HECHT:

S. 1592. A bill to raise speed limits on roads and highways, other than rural interstate highways, up to 65 miles per hour; to the Committee on Commerce, Science, and Transportation.

By Mr. BINGAMAN:

S. 1593. A bill to designate the site of the Glorieta Battle in the Civil War as a national historic site; to the Committee on Energy and Natural Resources.

By Mr. GRAHAM:

S. 1594. A bill to improve the operation of the Caribbean Basin Economic Recovery Act; to the Committee on Finance.

By Mr. DOMENICI:

S. 1595. A bill to amend title 5, United States Code, to provide for the establishment of a voluntary leave transfer program for Federal employees, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HELMS (for Mr. MCCAIN (for himself, Mr. DECONCINI, Mr. STEVENS, Mr. MURKOWSKI, and Mr. THURMOND)):

S. 1596. A bill to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuse and neglect assistance; considered and passed.

By Mr. HELMS (for Mr. DOLE (for himself, Mr. MELCHER, Mr. BAUCUS, Mr. GRASSLEY, and Mr. DASCHLE)):

S. 1597. A bill to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study; considered and passed.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself and Mr. DOLE):

S. Res. 268. Resolution to direct the Senate Legal Counsel to represent and to authorize the production of documents by Linda J. Gustitus in the case of *United States* v. *Stanley Simon, et al*; considered and agreed to.

By Mr. BYRD (for himself and Mr. DOLE):

S. Res. 269. Resolution authorizing testimony of Senate employees and representation by Senate Legal Counsel in bar admission proceeding; considered and agreed to.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HECHT:

S. 1592. A bill to raise speed limits on roads and highways other than rural interstate highways, up to 65 miles per hour; to the Committee on Commerce, Science, and Transportation.

### SIXTY-FIVE MILE PER HOUR SPEED LIMIT

Mr. HECHT. Mr. President, 4 months ago, Congress took a long overdue step and allowed, for the first time since 1973, speed limits on rural interstate highways to rise up to 65 miles per hour. Certainly, the people of Nevada were the leaders in bringing about this modification and I was glad to have introduced the initial legislation to change 55 on my State's behalf.

While I am extremely pleased we prevailed in raising the speed limit, my original intent was to raise the speed on all roads and highways. As originally drafted, my bill, S. 65, modified the 1973 law to do just that. However, given congressional concern that raising the speed limit to 65 would naturally lead to higher fatalities, my bill, in amendment form, was defeated. I am happy to say that the alternate amendment offered by myself and my distinguished colleague Senator SYMMS, designed to raise speeds on rural interstates only, was successful and is now law.

Mr. President, in the intervening months since the new 65-mile-per-hour law has taken effect, motorists have traveled America during two holiday weekends. While it is obviously too early to make wholesale judgments, early statistics indicate the worst fears of those opposed to higher speeds were unfounded. In fact, statistics indicate that over those two holiday weekends, Memorial Day and the Fourth of July, fatality rates were down significantly over 1986 data.

I think it is clear that our original proposal to raise the speed limit was sound and really in the best interest of the traveling public, Therefore, I am today introducing new legislation that will expand upon what we did earlier this year. My new bill will allow speeds to be raised up to 65 on roads outside urbanized areas not now eligible to be posted at 65. As before, the State retains the right to choose those roads and an urbanized area continues to be defined as 50,000 people or more.

Mr. President, we must continue to eliminate Government intrusion into the daily lives of each and every American; 55 was appropriate during the crisis days of 1973 but is woefully unnecessary today. The problems of state are much too large for Washington to be worrying about how fast we drive our vehicles and I would urge my colleagues to support this legislation.

By Mr. BINGAMAN:

S. 1593. A bill to designate the site of the Glorieta Battle in the Civil War as a national historic site; to the Committee on Energy and Natural Resources.

### ESTABLISHMENT OF GLORIETA PASS AS A NATIONAL HISTORIC SITE

● Mr. BINGAMAN. Mr. President, one of the westernmost battles of the American Civil War was a bitterly fought clash between Union and Confederate troops at Glorieta Pass in northern New Mexico, in March 1862.

The battle of Glorieta Pass on the Santa Fe Trail marked the high water mark and turning point of a Confederate drive to occupy the Trans-Mississippi West beyond Texas.

The site of this pivotal battle has never been adequately recognized and appreciated. And I rise today to introduce a bill to designate the ground where it was fought as a national historical site.

The Glorieta battlefield broke into the news recently with the discovery of the well-preserved skeletons of 33 Texas soldiers killed during the battle. This is a valuable archeological find, arguing further for making this important western battlefield an historical site.

A Confederate force driving up through the Rio Grande Valley under the command of Brig. Gen. Henry Sibley was bent on occupying New Mexico Territory and then securing all of the West to California for the Confederacy. After having pushed Union forces up the valley past Santa Fe, Texas Mounted Rifle Volunteers were met at Glorieta by a Federal contingent of Colorado and New Mexico volunteers and detachments of U.S. Cavalry regiments.

The Texas Volunteers were intent on continuing through the pass and on to the Federal garrison of Fort Union to the northeast. The opposing forces fought to a draw as the Union soldiers fortified and blocked the trail, and attacked and burned an 80-wagon supply train holding nearly all of the Confederate supplies. The Texas Volunteers were checked, turned back, and forced to begin a retreat to San Antonio, ending for good Confederate plans to occupy the western territories.

The casualties suffered on both sides were significant and the stakes were high—nothing less than jurisdiction over the two vast territories of Arizona and New Mexico and the chance to control much of the Far West for the Confederacy.

Today, the battlefield area is in private hands and parts of it lie under the roadbed of a nearby interstate. A smaller, two-lane road bisects the site. The adobe buildings of Pigeon Ranch, around which the battle swirled, and still stand are without the Federal protection I believe they deserve.

Mr. President, the time has come to act quickly in this matter, if the important historical events that transpired at Glorieta Pass are not to be lost to memory forever. Increased developmental activities in the area and the growing popularity of the region make it imperative that these lands and buildings be secured before deterioration render them valueless. I have asked the National Park Service in cooperation with the New Mexico State Historic Preservation Office and the Glorieta Battlefield Preservation Society to recommend exact boundaries for the battlefield site. I look forward to receiving their recommendation before hearings are held on the legislation.

It is important that generations to come not forget the history of this great Nation, which includes the battles that we have fought among ourselves. For this reason, I introduce legislation today that would easily and inexpensively facilitate the Federal acquisition of the important lands on which this significant western battle was fought. Congressman RICHARDSON is introducing similar legislation in the House of Representatives. I respectfully ask my colleagues to support this legislation.●

By Mr. GRAHAM:

S. 1594. A bill to improve the operation of the Caribbean Basin Economic Recovery Act; to the Committee on Finance.

### CARIBBEAN BASIN ECONOMIC RECOVERY EXPANSION ACT

Mr. GRAHAM. Mr. President, I am introducing today legislation that will strengthen and improve the Caribbean Basin Initiative.

The area of the Caribbean Basin is something more than a neighboring region of developing nations which need our assistance in their economic growth. The Caribbean Basin is an immediate challenge to our comprehensive foreign policy goals for the region. The helping hand we extend to island nations and Central American nations is tangible proof that we are working partners in the movement toward democracy in our hemisphere.

The recent passage of the CBI amendment in the omnibus trade bill, which restarted the CBI clock for an additional 12 years, was a signal of support from this Senate. We know that trade with the Caribbean and

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Central America is an insignificant fraction of our overall trade activity. But we also know that a prosperous and peaceful region is highly significant to our strategic goals.

And we know that the limited favorable trade which the CBI confers on member countries is very important to their economies.

The CBI has its critics. Many of their criticisms are accurate. But the CBI was not meant to be a cure-all for the economic woes of the Caribbean.

Moreover, the world market has altered so drastically since the CBI was first passed that some provisions need to be changed or fortified. Some contingencies no longer work. Some economies have not recovered nor grown to the extent we had hoped.

This doesn't mean it's time to give us. The Caribbean Basin Initiative was and continues to be the symbol of our commitment to shared economic stability in our hemisphere. The CBI is a document we can work with, improve, strengthen.

More important, it has begun to produce some tangible results. Nontraditional exports from the region are up. There has been measurable progress.

This bill which we are introducing today attempts to help that process along. It offers no pat solutions. It doesn't pretend to have all the answers. But it is a good stimulus for debate. It should be a catalyst for statements and hearings and a closer look at our economic ties with Caribbean Basin nations and how those ties can be mutually beneficial.

The Caribbean Basin Economic Recovery Expansion Act of 1987—which was introduced in the House today by our distinguished colleagues, Congressmen GIBBONS, FASCELL, PICKLE, and RANGEL—addresses the current and future economic reality of the Caribbean Basin.

Several of the provisions which will be particularly important to the Caribbean are:

A "tariff-rate quota" to allow a portion of currently dutiable goods to enter the United States duty free.

The separation of CBI goods from worldwide imports which may be unfairly affecting the U.S. economy in cases where those goods may be restricted or sanctions applied. In these cases CBI goods, when taken by themselves, generally have little or no effect on our economy and should not be penalized for a larger problem.

More liberal sugar import quotas for CBI sugar producers. The level set would revert to the quotas existing when the CBI program went into effect.

Unlimited duty-free treatment for articles manufactured, assembed, or processed from 100 percent U.S. goods. This provision will encourage labor-intensive industries in the Caribbean Basin while strengthening our own export market.

These are some of the issues of vital concern to those developing economies in the Caribbean. They are not provisions which could hurt the United States. Clearly by renewing our interest in and attention to the CBI we can make the small but wise investments which will yield tremendous returns in a healthy and stable regional economy, in good will, and in stronger democratic societies in our hemisphere.

I urge my colleagues in the Senate to consider and support this bill as a further demonstration of our confidence in the CBI and in our Caribbean/Central American neighbors who are a part of it.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1594

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Caribbean Basin Economic Recovery Expansion Act of 1987".

### SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) a stable political and economic climate in the Caribbean region is necessary for the development of the countries in that region and for the security and economic interests of the United States;

(2) the Caribbean Basin Economic Recovery Act was enacted in 1983 to assist in the achievement of such a climate by stimulating the development of the export potential of the region; and

(3) the commitment of the United States to the successful development of the region, as evidenced by enactment of the Caribbean Basin Economic Recovery Act, should be reaffirmed, and further strengthened, by amending that Act to improve its operation.

### SEC. 3. UNITED STATES CONTENT OF BENEFICIARY COUNTRY PRODUCTS.

Section 213(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(1)) is amended by striking out the last sentence and inserting the following: "If the cost or value of materials produced in the customs territory of the United States (other than the Commonwealth of Puerto Rico) is included with respect to an article to which this paragraph applies, an amount not to exceed—

"(i) 25 percent, if the article is the product of an East Caribbean beneficiary country; or

"(ii) 15 percent, if the article is the product of a beneficiary country other than an East Caribbean beneficiary country;

of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (B). For purposes of the preceding sentence, each of the following, during any period when designated as a beneficary country under this subtitle, shall be considered as an East Caribbean beneficiary country: Antigua and Barbuda, Anguilla, Aruba, the British Virgin Islands, the Cayman Islands, Dominica, Grenada, Montserrat, Netherlands-Antilles, St. Christopher-Nevis, St. Lucia, St. Vincent and the Grenadines, and the Turks and Caicos Islands.".

### SEC. 4. TREATMENT OF EXEMPT ARTICLES.

(a) IN GENERAL.—The Caribbean Basin Recovery Act is amended by inserting after section 213 the following new section:

### "SEC. 213A. SPECIAL CATEGORY ARTICLES.

"(a) Except as provided in subsections (c) and (d), the duty-free treatment provided under this subtitle shall not apply to—

"(1) textile and apparel articles which are subject to textile agreements;

"(2) footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

"(3) tuna, prepared or preserved in any manner, in airtight containers;

"(4) petroleum, or any product derived from petroleum, provided for in part 10 of schedule 4 of the TSUS; or

"(5) watches and watch parts (including cases, bracelets, and straps), of whatever type including, but not limited to, mechanical, quartz digital or quartz analog, if such watches or watch parts contain any material which is the product of any country with respect to which TSUS column 2 rates of duty apply.

"(b) the President shall establish such categories of the kinds of articles referred to in each of paragraphs (1) through (5) of subsection (a) as may be appropriate for purposes of administering each of subsections (c) and (d).

"(c)(1) The President shall provide duty-free treatment under this subtitle to articles within any category established under subsection (b) if the United States International Trade Commission determines that—

"(A) the articles within that category either—

"(i) are not produced in the United States, or

"(ii) are not produced in the United States in quantities sufficient to meet the domestic demand for the product; and

"(B) no directly competitive articles are produced in the United States.

"(2) The President shall withdraw the duty-free treatment provided under paragraph (1) to articles within any category if the Commission determines, after a petition for such a determination is filed under paragraph (3), that the category is no longer eligible for such treatment under subparagraph (A) and (B) of paragraph (1).

"(3) A request for a determination under paragraph (1) or (2) may be made by any intersted person by filing a petition for the determination in such form as the Commission shall prescribe. The Commission shall make the determination within 120 days after the date on which the request is received. A petition for a determination under paragraph (2) with respect to any category of articles may not be filed sooner than the first anniversary of the date on which the determination under paragraph (1) extending duty-free treatment to that category was made.

"(d)(1) As used in this subsection, the term 'duty-free quota' means, with respect to each category of articles established under subsection (b), and not excluded under paragraph (2), for each beneficiary country—

"(A) for calendar year 1988, a quantity equal to 103 percent of the base quantity for that category for that country; and

"(B) for each calendar year after 1988, a quantity equal to 103 percent of the duty-free quota for the immediately preceding calendar year for that category for that country.

The base quantity of any category of articles established under subsection (b) for a beneficiary country is the larger of—

"(i) the quantity of articles in that category that are a product of such country and were exported to the United States during the most recent 12-month period for which data is available; or

"(ii) the quantity of articles in that category that results from dividing—

"(I) the aggregate quantity of articles in that category that are a product of all beneficiary countries and exported to the United States during such 12-month period, by

"(II) the number of beneficiary countries.

"(2) For purposes of applying this subsection, articles that are provided duty-free treatment under subsection (c) or item 807.50 of the TSUS shall be disregarded.

"(3) Subject to paragraph (4), the President shall provide duty-free treatment under this subsection to articles of any beneficiary country that are entered during any calendar year after 1987 before the total quantity entered during that year equals or exceeds the duty-free quota for those articles for that country for that year.

"(4) The aggregate quantity of articles—

"(A) in any category to which a duty-free quota applies; and

"(B) produced in all beneficiary countries; that may be entered duty-free during any calendar year after 1987 may not exceed an amount equal to 5 percent of the aggregate quantity of articles of that kind that are entered during that year from all beneficiary countries. If the 5 percent limitation set forth in the preceding sentence is exceeded during any calendar year, the President shall apply the excess, on an appropriate pro-rated basis, against the duty-free quotas for the following year for that category for all beneficicary countries.".

"(b) CONFORMING AMENDMENT.—Section 213(b) of the Caribbean Basic Economic Recovery Act (19 U.S.C. 2703(b)) is repealed.

### SEC. 5. REPORTS BY BENEFICIARY COUNTRIES.

Section 217 of the Caribbean Basin Economic Recovery Act is amended to read as follows:

### "SEC. 217. REPORTS BY BENEFICIARY COUNTRIES.

"(a) Each beneficiary country shall prepare, and submit to the President reports setting forth, with respect to the period covered by each report—

"(1) the extent to which the government of the country has promoted and used benefits provided under this subtitle;

"(2) any change in the policies of the government for purposes of encouraging investment, and promoting exports, under this subtitle; and

"(3) the efforts by the government to enter into an exchange of information agreement under section 274(h)(6)(C) of the Internal Revenue Code of 1986, or, if such an agreement has been entered into, the extent to which the country has used the benefits under sections 274(h)(6)(C) and 936 of the Internal Revenue Code of 1986.

Each beneficiary government shall submit a report under this section not later than September 1, 1988, and a subsequent report before the close of each 3-year period occurring thereafter.

"(b) If a beneficiary country fails to comply with a reporting requirement under subsection (a), the President may suspend the provision of duty-free treatment under this title until such time as compliance occurs.".

### SEC. 6. TERMINATION OF DUTY-FREE TREATMENT.

Section 218(b) of the Caribbean Basin Economy Recovery Act (19 U.S.C. 2706(b)) is amended by striking out "1995" and inserting "2007".

### SEC. 7. SPECIAL TARIFF TREATMENT FOR BENEFICIARY COUNTRY PRODUCTS.

"(a) BENEFICIARY COUNTRY ARTICLES WHOLLY OF UNITED STATES MATERIALS.—Subpart B of part 1 of schedule 8 of the Tariff Schedule of the United States (19 U.S.C. 1202) is amended—

"(1) by adding the following new headnote:

"5. No quantitative import restriction provided for under any law shall apply with respect to any article provided for under item 807.50."; and

(2) by adding at the end thereof the following new item:

| | | |
|---|---|---|
| "807.50 | Articles manufactured, assembled, or otherwise produced in a country listed in general headnote 3(e)(vii)(A) in whole of materials, components, or other goods that are products of the United States | Free". |

(b) DUTY-FREE ALLOWANCE FOR RETURNING RESIDENTS.—Subpart A of part 2 of schedule 8 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by inserting the following new headnote:

"4. As used in items 813.31 and 813.32, the term 'beneficiary country' means a country listed in general headnote 3(e)(vii)(A).";

(2) by striking out "item 813.30" and all that follows thereafter in the superior heading to items 813.30 and 813.31 and inserting "item 813.30, 813.31, or 813.32 within 30 days preceding his arrival, and claims exemption under only one of such items on his arrival.";

(3) by striking out "$800" in item 813.31 and inserting "$1,000";

(4) by inserting "or up to $600 of which have been acquired in one or more beneficiary countries" before the parenthetical matter in item 813.31; and

(5) by inserting after item 813.31 the following new item:

| | | | |
|---|---|---|---|
| "813.32 | Articles whether or not accompanying a person, not over $600 in aggregate fair market value in the country of acquisition, including—<br>(a) but only in the case of an individual who has attained the age of 21, not more than 1 liter of alcoholic beverages, and<br>(b) not more than 200 cigarettes, and not more than 100 cigars,<br>if such person arrives directly or indirectly from a beneficiary country, not more than $400 of which shall have been acquired elsewhere than in beneficiary countries (but this item does not permit the entry of articles not accompanying a person which were acquired elsewhere than in beneficiary countries) | Free | Free". |

(c) EFFECTIVE DATES.—

(1) The amendments made by subsection (a) apply with respect to articles exported from the United States on or after the 15th day after the date of the enactment of this Act.

(2) The amendments made by subsection (b) apply with respect to residents of the United States who depart from the United States on or after the 15th day after the date of the enactment of this Act.

### SEC. 8. CUMULATION INVOLVING BENEFICIARY COUNTRY PRODUCTS UNDER THE COUNTERVAILING DUTY AND ANTI-DUMPING LAWS.

Section 771(7)(C)(iv) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(C)(iv)) is amended by inserting before the period the following: "; except that the volume and effect of imports from a country designated as a beneficiary country under the Caribbean Basin Economic Recovery Act may only be cumulatively assessed with respect to the imports of like products that are the product of one or more other countries designated as beneficiary countries".

### SEC. 9. ETHYL ALCOHOL PRODUCED IN BENEFICIARY COUNTRIES.

Section 423(b)(1)(A) of the Tax Reform Act of 1986 is amended to read as follows:

"(A) an azeotropic distillation facility located in—

"(i) an insular possession of the United States, if that facility was established before, and in operation on, January 1, 1986, or

"(ii) a beneficiary country if that facility, was established before, and in operation on, January 1, 1987, or".

### SEC. 10. SUGAR IMPORTS FROM BENEFICIARY COUNTRIES.

Notwithstanding any other provision of law, the aggregate quantity of sugar that is the product of any country designated as a beneficiary country under the Caribbean Basin Economic Recovery Act that may be entered, or withdrawn from warehouse for consumption, in the customs territory of the United States during any annual period occurring after December 31, 1987, is the aggregate quantity of sugar (expressed in short tons) that was allocated to that country for entry or withdrawal in such territory during the period beginning on September 26, 1983, and ending September 30, 1984.

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## By Mr. DOMENICI:

S. 1595. A bill to amend title 5, United States Code, to provide for the establishment of a voluntary leave transfer program for Federal employees, and for other purposes; to the Committee on Governmental Affairs.

### FEDERAL EMPLOYEES LEAVE ACT

● Mr. DOMENICI. Mr. President, today I send to the desk the Federal Employee Leave Act of 1987. I am pleased to introduce this bill, which would authorize a Governmentwide program allowing Federal workers to donate voluntarily their unused annual leave to coworkers who are in need of additional time. This bill is identical to H.R. 2487, introduced by Congressman WOLF.

In these days of deficit crises, I believe this is an innovative way to help Federal employees faced with long-term illness. "Leave sharing" is not a widely used practice. But its potential benefits are increasingly recognized. In fact, I am aware of legislators in some States who are considering this concept as an added option for their State employees.

Too many employees today are faced with the choice of either holding their jobs or tending to seriously ill spouse

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or child. This is a cruel choice to be forced to make.

The Federal Employees Leave Act would establish a new policy for Federal workers who need leave for major medical or family emergency situations. Simply put, my bill would enable employees to donate some of their annual leave to a coworker who is facing a personal emergency, but lacks sufficient leave to attend to the problem.

Leave sharing is currently prohibited to the Nation's 2.1 million Federal workers. However, the Office of Personnel Management has begun a study, authorized by Congress, to allow leave sharing. Over 200 people, from 32 different departments, applied to be a part of this pilot project. While the hardships in each of these cases were worthy, only three could be selected for this initial study.

The mutual benefits of leave sharing are well illustrated by this pilot project. Coworkers felt like they were really helping by donating their vacation time. The added flexibility and time to recuperate, or tend to a loved one, was a blessing documented by the study. It's time to make this program available Governmentwide.

I would like to share with you the story of one woman from my own State of New Mexico who would benefit from this legislation.

Let me tell you about Gerry Grenko. One month out of high school, she went to work for the Bureau of Indian Affairs in the State of New Mexico. Starting as a clerk typist, she now holds a position of responsibility, reflecting her consistently good work for the past 35 years. Her entire adult working career, her entire adult life.

Five years ago, she successfully overcame a very aggressive form of cancer. She continued to serve as a Federal employee, despite serious surgery and arduous cancer treatments. Then last year, Gerry was told that a different cancer has stricken her, and she won't be so lucky this time.

Gerry is a fighter, though. She came to me because she wants to continue to work at the BIA while she can. A single person, she told me, "I cannot face just staying home and waiting to die." Like over 200 others, she applied for the pilot leave sharing program. As we now know, there were many more persons qualified for this program.

Gerry's coworkers want to give her their leave time, so that she can continue to work with them. She has used all her own leave time, and doctors tell her that in the time remaining to her, there will be days she won't be able to leave her bed. That is why she needs this additional leave, for those days when she cannot make it into the office, no matter how hard she tries.

I believe this leave sharing initiative is one small gesture of compassion on the part of the Federal Government. More importantly, it is a sensitive statement to the concern that employees have for each other. After all, the true concessions being made here involve the employees themselves, not the employer. We owe it to our employees to give them the opportunity to support each other during times of stress.

Leave sharing is much more than an excellent way to help offices pull together for the common good. It is a true blessing for employees and their families when faced with catastrophies.

I urge my colleagues to support this important piece of legislation.

I ask unanimous consent for a copy of the Federal Employee Leave Act to be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1595

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Federal Employees Leave Act of 1987".

**SEC. 2. VOLUNTARY LEAVE TRANSFER PROGRAM.**

(a) IN GENERAL.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end the following:

**"Subchapter III—Voluntary Leave Transfer Program**

**"§ 6331. Definitions**

"For the purpose of this subchapter—

"(1) the term 'employee' means an employee as defined by section 6301(2);

"(2) the term 'personal emergency' means a medical or family emergency or other hardship situation that is likely to require an employee's absence from duty and to result in a loss of income to the employee because of the unavailability of paid leave;

"(3) the term 'leave recipient' means an employee whose application under section 6333 to receive donations of leave is approved;

"(4) the term 'leave donor' means an employee whose application under section 6334 to make donations of leave is approved; and

"(5) the term 'transferred leave' means annual leave transferred under this subchapter.

**"§ 6332. General authority**

"Notwithstanding any provision of subchapter I, and subject to the provisions of this subchapter, the Office of Personnel Management shall establish a program under which annual leave accrued or accumulated by an employee may be transferred to the annual leave account of any other employee if such other employee requires additional leave because of a personal emergency.

**"§ 6333. Receipt and use of transferred leave**

"(a) An application to receive donations of leave under this subchapter, whether submitted by or on behalf of an employee—

"(1) shall be submitted to the employing agency of the proposed leave recipient; and

"(2) shall include—

"(A) the name, position title, and grade or pay level of the proposed leave recipient;

"(B) a brief description of the nature, severity, and anticipated duration of the personal emergency involved; and

"(C) any other information which the employing agency may reasonably require.

"(b) A leave recipient may use annual leave transferred to the leave recipient's annual leave account under this subchapter in the same manner and for the same purposes as if such leave recipient had accrued that leave under section 6303, except that—

"(1) any annual leave and (if appropriate) any sick leave accrued, accumulated, or otherwise available to the leave recipient shall be used before any transferred leave may be used; and

"(2) unless the personal emergency involves a medical condition affecting the leave recipient, the employing agency may consider the likely impact on morale and efficiency within the agency in considering a leave recipient's request to use transferred leave.

"(c) Transferred leave—

"(1) may accumulate without regard to the limitation imposed by section 6304(a); and

"(2) may be substituted retroactively for periods of leave without pay or used to liquidate an indebtedness for advanced annual leave granted on or after a date fixed by the employee's employing agency as the beginning of the personal emergency involved.

"(d) Transferred leave remaining to the credit of a leave recipient when the leave recipient's employment terminates—

"(1) may not be transferred to another agency, except with the consent of such other agency;

"(2) may not be included in a lump-sum payment under section 5551 or 5552; and

"(3) shall not be available for recredit under section 6306 upon reemployment.

**"§ 6334. Donations of annual leave**

"(a) An employee may, by written application to such employee's employing agency, request that a specified number of hours be transferred from such employee's annual leave account to the annual leave account of a leave recipient.

"(b) Upon approving an application under subsection (a), the employing agency of the leave donor may transfer all or any part of the number of hours requested for transfer, except that the number of hours so transferred may not exceed—

"(1) the number of hours remaining in the leave year (as of the time of the transfer) for which the leave donor is scheduled to work and receive pay; or

"(2) one-half of the maximum number of hours of annual leave accruable by the leave donor during the leave year, except with the written approval of the leave donor's employing agency.

"(c) Regulations prescribed by the Office of Personnel Management under section 6341 shall include—

"(1) procedures to carry out this subchapter when the leave donor and the leave recipient are employed by different agencies; and

"(2) provisions under which appropriate adjustments shall be made when the leave donor and the leave recipient are under different leave systems.

**"§ 6335. Termination of personal emergency**

"(a) The personal emergency affecting a leave recipient shall, for purposes of this subchapter, be considered to have terminated as of the date on which—

"(1) the leave recipient's employing agency determines that the personal emergency no longer exists; or

"(2) the leave recipient's employment by the employing agency terminates.

"(b) A leave recipient's employing agency shall continuously monitor the status of the personal emergency affecting the leave recipient and, consistent with guidelines prescribed by the Office of Personnel Management, shall establish procedures to ensure that a leave recipient is not permitted to use or receive transferred leave after the personal emergency ceases to exist.

**"§ 6336. Restoration of transferred leave**

"(a) The Office of Personnel Management shall establish procedures under which any transferred leave remaining to the credit of a leave recipient when the personal emergency affecting the leave recipient terminates shall be restored on a prorated basis by transfer to the annual leave accounts of the respective leave donors.

"(b) Transferred leave restored to a leave donor under subsection (a) before the beginning of the third biweekly pay period before the end of a leave year shall be subject to the limitation imposed by section 6304(a).

"(c) Transferred leave restored to a leave donor under subsection (a) after the beginning of the third biweekly pay period before the end of a leave year shall not be subject to the limitation imposed by section 6304(a) until the end of the leave year following the leave year in which the transferred leave is restored.

"(d) The Office shall prescribe regulations under which this section shall be applied in the case of an employee who is paid other than on the basis of biweekly pay periods.

"(e) Restorations of leave under this section shall be carried out in a manner consistent with regulations under section 6334(c), if applicable.

**"§ 6337. Prohibition of coercion**

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with any right which such employee may have with respect to donating, receiving, or using annual leave under this subchapter.

"(b) For the purpose of subsection (a), the term 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as an appointment or promotion or compensation), or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

**"§ 6338. Inclusion of postal employees**

"An individual employed by the United States Postal Service or the Postal Rate Commission shall be eligible to participate under this subchapter to the same extent and subject to the same conditions as in the case of an employee under section 6331(1).

**"§ 6339. Negotiated contracts; exclusion authority**

"(a) Employees within a unit with respect to which an organization of Government employees has been accorded exclusive recognition shall not be included under this subchapter except to the extent expressly provided under a written agreement between the agency and such organization.

"(b)(1) Upon written request by the head of an agency, the Office of Personnel Management may exclude that agency from this subchapter if the Office determines that inclusion under this subchapter is causing substantial disruption to agency functions.

"(2) Section 2(b)(2) of the Federal Employees Leave Act of 1987 shall apply with respect to any transferred leave remaining to the credit of an employee whose personal emergency has not terminated before that employee's employing agency is excluded pursuant to this subsection.

**"§ 6340. Reporting requirements**

"The Office of Personnel Management may require agencies to maintain records and provide pertinent information to the Office for purposes of any report which the Office may be required to prepare with respect to this subchapter.

**"§ 6341. Regulations**

"The Office of Personnel Management may prescribe regulations necessary for the administration of this subchapter.".

(2) The analysis for chapter 63 of title 5, United States Code, is amended by adding at the end the following:

"SUBCHAPTER III—VOLUNTARY LEAVE TRANSFER PROGRAM

"Sec.
"6331. Definitions.
"6332. General authority.
"6333. Receipt and use of transferred leave.
"6334. Donations of annual leave.
"6335. Termination of personal emergency.
"6336. Restoration of transferred leave.
"6337. Prohibition of coercion.
"6338. Inclusion of postal employees.
"6339. Negotiated contracts; exclusion authority.
"6340. Reporting requirements.
"6341. Regulations.".

(b) COMMENCEMENT AND TERMINATION OF PROGRAM; AUTHORITY TO USE RESIDUAL LEAVE REMAINING AFTER PROGRAM TERMINATES.—(1) The voluntary leave transfer program shall be implemented beginning not later than 4 months after the date of the enactment of this Act and shall terminate 5 years after its commencement date.

(2) If the voluntary leave transfer program terminates before the termination of the personal emergency affecting a leave recipient, any annual leave transferred to the annual leave account of the leave recipient before the termination of the program shall remain available for use (including by restoration to leave donors, if applicable) as if the program had remained in effect.

(c) REPORT.—The Office of Personnel Management shall submit a written report to the President and the Congress with respect to the operation of the voluntary leave transfer program not later than 6 months before the date on which the program is scheduled to be terminated.

**SEC. 3. EXPERIMENTAL PROGRAMS INVOLVING ADDITIONAL LEAVE AS A MEANS OF RECOGNIZING OUTSTANDING PERFORMANCE BY FEDERAL EMPLOYEES.**

(a) GENERAL GUIDELINES.—As soon as practicable after the date of the enactment of this Act, the Office of Personnel Management shall by regulation establish general guidelines in accordance with which agencies shall be permitted to conduct experimental programs to determine the desirability and feasibility of providing additional leave under subchapter I of chapter 63 of title 5, United States Code, as a means of recognizing outstanding performance or other achievements by Federal employees.

(b) SPECIFIC CONDITIONS.—(1) An experimental program—

(A) may be designed in such a way so that the additional leave could be used in lieu of, in addition to, or otherwise in conjunction with, any monetary award or other form of recognition otherwise available under existing provisions of law; but

(B) may not be implemented in the case of any particular employee except with the consent of the employee involved.

(2) Employees within a unit with respect to which an organization of Government employees has been accorded exclusive recognition may not be included in an experimental program except to the extent expressly provided under a written agreement between the agency and such organization.

(c) TECHNICAL ASSISTANCE.—The Office shall, upon request of an agency, provide technical assistance relating to the design or implementation of an experimental program under this section.

(d) INFORMATION TO OPM.—The Office may require agencies to maintain such records and to provide such information as the Office may require in order to prepare its report under subsection (e)(2).

(e) TERMINATION; REPORT; REMAINING LEAVE.—(1) All experimental programs under this section shall terminate not later than 5 years after the date of the enactment of this Act.

(2) Not later than 6 months after the termination of the experimental programs, the Office shall submit to the President and the Congress a report containing the Office's findings and conclusions with respect to each such program. Included as part of such report shall be recommendations for any administrative action or legislation which the Office considers appropriate.

(3) Any additional leave standing to the credit of an employee upon the termination of the experimental program under which such leave was granted shall remain available for use by such employee as if the program had remained in effect.●

## ADDITIONAL COSPONSORS

### S. 123

At the request of Mr. INOUYE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 123, a bill to amend title XVIII of the Social Security Act to provide that psychologist services are covered under part B of Medicare.

### S. 305

At the request of Mr. MOYNIHAN, his name was added as a cosponsor of S. 305, a bill to amend the National School Lunch Act to improve the administration of the commodity distribution program, and for other purposes.

At the request of Mr. LEAHY, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Arizona [Mr. MCCAIN], the Senator from New Mexico [Mr. DOMENICI], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 305, supra.

### S. 328

At the request of Mr. SASSER, the names of the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

### S. 438

At the request of Mr. LEAHY, the name of the Senator from Arizona [Mr. DECONCINI], was added as a co-

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sponsor of S. 438, a bill to modify the application of the antitrust laws to encourage the licensing and other use of certain intellectual property.

S. 581

At the request of Mr. Proxmire, the name of the Senator from Iowa [Mr. Harkin] was added as a cosponsor of S. 581, a bill to amend title 10, United States Code, to increase the combat support assignments open to women in the Armed Forces.

S. 612

At the request of Mr. Simon, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 612, a bill to repeal a provision of Federal tort liability law relating to the civil liability of Government contractors for certain injuries, losses of property, and deaths and for other purposes.

S. 686

At the request of Mr. Nickles, his name was added as a cosponsor of S. 666, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 780

At the request of Mr. Reid, the name of the Senator from West Virginia, [Mr. Rockefeller] was added as a cosponsor of S. 780, a bill to amend the enforcement provisions of the Federal Election Campaign Act of 1971.

S. 876

At the request of Mr. Baucus, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 876, a bill to amend the Federal Aviation Act of 1958, relating to small community air service.

S. 945

At the request of Mr. Metzenbaum, the name of the Senator from Arizona [Mr. McCain] was added as a cosponsor of S. 945, a bill to require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite home and other assistance for infants abandoned in hospitals, and for other purposes.

S. 1250

At the request of Mr. Biden, the name of the Senator from Kentucky [Mr. McConnell] was added as a cosponsor of S. 1250, a bill to strengthen the criminal justice partnership between the States and the Federal Government.

S. 1251

At the request of Mr. Graham, the names of the Senator from South Carolina [Mr. Hollings], the Senator from Hawaii [Mr. Inouye], the Senator from Kentucky [Mr. Ford], the Senator from Tennessee [Mr. Gore], the Senator from Texas [Mr. Bentsen], the Senator from Massachusetts [Mr. Kerry], the Senator from Louisiana [Mr. Breaux], the Senator from Washington [Mr. Adams], the Senator from Nebraska [Mr. Exon], the Senator from Oregon [Mr. Packwood], the Senator from Kansas [Mrs. Kassebaum], the Senator from South Dakota [Mr. Pressler], the Senator from Alaska [Mr. Stevens], the Senator from Wisconsin [Mr. Kasten], the Senator from Virginia [Mr. Trible], the Senator from California [Mr. Wilson], and the Senator from Arizona [Mr. McCain] were added as cosponsors of S. 1251, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services.

S. 1273

At the request of Mr. Rockefeller, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 1273, a bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs.

S. 1325

At the request of Mr. Chafee, the names of the Senator from Colorado [Mr. Wirth], and the Senator from Massachusetts [Mr. Kerry] were added as cosponsors of S. 1325, a bill to require the Secretaries of Agriculture and Health and Human Services to enforce certain food labeling requirements for packaged foods sold by certain restaurants.

S. 1345

At the request of Mr. McConnell, the names of the Senator from Arizona [Mr. DeConcini], the Senator from Ohio [Mr. Metzenbaum], the Senator from Wyoming [Mr. Simpson], the Senator from Massachusetts [Mr. Kerry], the Senator from Arkansas [Mr. Bumpers], and the Senator from Iowa [Mr. Harkin] were added as cosponsors of S. 1345, a bill to allow the National Association of State Racing Commissioners, State racing commissions and regulatory authorities that regulate pari-mutuel wagering to receive and share Federal Government criminal identification records.

S. 1347

At the request of Mr. Simon, the names of the Senator from Wisconsin [Mr. Kasten], and the Senator from Pennsylvania [Mr. Specter] were added as cosponsors of S. 1347, a bill to facilitate implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction, and for other purposes.

S. 1366

At the request of Mr. Kennedy, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 1366, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 1397

At the request of Mr. Cranston, the names of the Senator from Oklahoma [Mr. Boren], and the Senator from New Mexico [Mr. Domenici] were added as a cosponsors of S. 1397, a bill to recognize the organization known as the Non Commissioned Officers Association of the United States of America.

S. 1424

At the request of Mr. Simon, the names of the Senator from Connecticut [Mr. Weicker], the Senator from Wisconsin [Mr. Kasten], the Senator from Michigan [Mr. Riegle], the Senator from New Jersey [Mr. Lautenberg], the Senator from Oklahoma [Mr. Nickles], the Senator from Rhode Island [Mr. Pell], and the Senator from Utah [Mr. Hatch] were added as cosponsors of S. 1424, a bill to amend title 8, United States Code, to provide for adjustment of status of certain Polish nationals who arrived in the United States before July 21, 1984, and who have continuously resided in the United States since that date.

S. 1475

At the request of Mr. Melcher, the name of the Senator from Michigan [Mr. Riegle] was added as a cosponsor of S. 1475, a bill to establish an effective clinical staffing recruitment and retention program, and for other purposes.

SENATE JOINT RESOLUTION 135

At the request of Mr. Simon, the name of the Senator from Georgia [Mr. Nunn] was added as a cosponsor of Senate Joint Resolution 135, a joint resolution to designate October 1987 as "Polish American Heritage Month".

SENATE JOINT RESOLUTION 172

At the request of Mr. Bradley, the names of the Senator from Rhode Island [Mr. Pell], and the Senator from Kansas [Mr. Dole] were added as cosponsors of Senate Joint Resolution 172, a joint resolution to designate the period commencing February 21, 1988, and ending February 27, 1988, as "National Visiting Nurse Association Week".

SENATE JOINT RESOLUTION 173

At the request of Mr. Reid, the name of the Senator from South Dakota [Mr. Pressler] was added as a cosponsor of Senate Joint Resolution 173, a joint resolution to commemorate the 200th anniversary of the signing of the United States Constitution.

SENATE JOINT RESOLUTION 174

At the request of Mr. Simon, the names of the Senator from Rhode Island [Mr. Pell], the Senator from Tennessee [Mr. Gore], the Senator from Michigan [Mr. Riegle], the Senator from Maryland [Mr. Sarbanes], the Senator from Florida [Mr. Chiles], the Senator from North

Carolina [Mr. Sanford], the Senator from Hawaii [Mr. Inouye], the Senator from Iowa [Mr. Grassley], the Senator from Mississippi [Mr. Cochran], the Senator from California [Mr. Wilson], the Senator from Indiana [Mr. Lugar], and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of Senate Joint Resolution 174, a joint resolution designating the week beginning November 15, 1987, as "African American Education Week".

SENATE JOINT RESOLUTION 175

At the request of Mr. Trible, the names of the Senator from Kansas [Mr. Dole], and the Senator from Pennsylvania [Mr. Heinz] were added as cosponsors of Senate Joint Resolution 175, a joint resolution to recognize the efforts of the United States Soccer Federation in bringing the World Cup to the United States in 1994.

At the request of Mr. D'Amato, his name was added as a cosponsor of Senate Joint Resolution 175, supra.

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. Humphrey, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children.

SENATE CONCURRENT RESOLUTION 56

At the request of Mr. Durenberger, the name of the Senator from Missouri [Mr. Bond] was added as a cosponsor of Senate Concurrent Resolution 56, a concurrent resolution expressing the sense of Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the Ninety-ninth Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 63

At the request of Mr. Sanford, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of Senate Concurrent Resolution 63, a concurrent resolution expressing the sense of the Congress regarding the formulation and implementation of a regional economic development and recovery program for Central America.

## SENATE RESOLUTION 268—AUTHORIZING THE RELEASE OF CERTAIN DOCUMENTS

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 268

Whereas, in the case of *United States* v. *Stanley Simon, et al.*, S 87 Cr. 265, pending in the United States District Court for the Southern District of New York, one of the defendants, Richard Biaggi, has obtained a subpoena, addressed to Linda J. Gustitus, staff director and chief counsel of the Subcommittee on Oversight of Government Management of the Committee on Governmental Affairs, for the production of subcommittee documents;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(2) (1982), the Senate may direct its counsel to represent the committees, Members, officers or employees of the Senate with respect to subpoenas issued to them in their official capacities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents in the possession of the Senate are or may be needed for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore be it

*Resolved*, That the Senate Legal Counsel is directed to represent Linda J. Gustitus in the case of *United States* v. *Stanley Simon, et al.*

Sec. 2. That the Chairman and Ranking Minority Member of the Subcommittee on Oversight of Government Management, acting jointly, are authorized to produce documents in the case of *United States* v. *Stanley Simon, et al.*, to the extent they deem it necessary to promote the interests of justice consistent with the privileges of the Senate.

## SENATE RESOLUTION 269—AUTHORIZING CERTAIN ACTION BY THE SENATE LEGAL COUNSEL

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 269

Whereas, in *In the Matter of Mark Anthony Hollander*, a bar admission proceeding pending before the State Bar of California, San Diego County No. 87-M-04 SD, two employees of the Senate, Sandra Weintraub and Katherine A. Holladay, have been subpoenaed to appear and to testify at a hearing;

Whereas, the two employees have information which may be relevant to that proceeding;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(1982), the Senate may direct its counsel to represent employees of the Senate with respect to subpoenas issued to them in their official capacities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony by Senate employees in their official capacities may be needed in any forum for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

*Resolved*, That the Senate Legal Counsel is directed to represent Sandra Weintraub and Katherine A. Holladay in connection with their testimony in *In the Matter of Mark Anthony Hollander.*

Sec. 2. That Sandra Weintraub and Katherine A. Holladay are authorized to testify at proceedings before the State Bar of California in *In the Matter of Mark Anthony Hollander*, except concerning matters which are privileged.

## AMENDMENTS SUBMITTED

## ADMINISTRATION OF COMMODITY DISTRIBUTION PROGRAM

### LEAHY AMENDMENT NO. 658

Mr. LEAHY proposed an amendment to the bill (S. 305) to amend the National School Lunch Act to improve the administration of the commodity distribution program, and for other purposes; as follows:

On page 13, line 6, after "basis" insert the following: "taking into consideration the Dietary Guidelines for Americans published by the Secretary of Agriculture and the Secretary of Health and Human Services (as in effect at the time of the update of the recipe cards)".

On page 14, between lines 13 and 14, insert the following new subsection:

(b) Domestic Purchase Requirement.—Section 1581 of such Act is amended by adding at the end thereof the following new subsection:

"(d) Effective beginning July 1, 1987, in carrying out the pilot project referred to in subsection (a), a school district shall be required to provide through contract specifications that only items produced and processed in the United States be purchased with cash assistance and commodity letters of credit assistance provided under the project.".

On page 14, line 14, strike out "(b)" and inserting in lieu thereof "(c)".

On page 18, between lines 9 and 10, insert the following new sections:

SEC. 9. SUPPLYING INFANT FORMULA FOR THE WIC PROGRAM.

Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended by adding at the end thereof the following new paragraph:

"(16) To be eligible to participate in the program authorized by this section, a manufacturer of infant formula that supplies formula for the program shall—

"(A) register with the Secretary of Health and Human Services under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 et seq.); and

"(B) before bidding for a State contract to supply infant formula for the program, certify with the State health department that the formula complies with such Act and regulations issued pursuant to such Act.".

SEC. 10. OVERSPENDING AND UNDERSPENDING UNDER THE WIC PROGRAM.

Section 17(i)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i)(3)) is amended—

(1) in subparagraph (A)—

(A) by inserting "and subject to subparagraphs (B) and (C)" after "paragraph (2)"; and

(B) by striking out "or" at the end of clause (i) and inserting in lieu thereof "and"; and

(2) by adding at the end thereof the following new subparagraph:

"(C) The total amount of funds transferred from any fiscal year under clauses (i) and (ii) of subparagraph (A) shall not exceed 1 percent of the amount of the funds allocated to a State agency for such fiscal year.".

**SEC. 11. EXTENSION OF QUALITY CONTROL STUDIES.**

Section 12301(a)(3) of the Consolidated Omnibus Reconciliation Act of 1985 (42 U.S.C. 603 note) is amended by striking out "one year" and inserting in lieu thereof "15 months".

On page 18, line 10, strike out "9" and insert in lieu thereof "12".

## HEINZ AMENDMENT NO. 659

Mr. HEINZ proposed an amendment to the bill S. 305, supra; as follows:

At the end of the bill, add the following new sections:

**SECTION . FOOD BANK SPECIAL NUTRITION PROJECTS.**

The first sentence of section 211(d) of the Agricultural Act of 1980 (7 U.S.C. 4004(d)) is amended by striking out "a progress report on July 1, 1983, and a final report on January 1, 1984," and inserting in lieu thereof "an annual report".

**SEC. . FOOD BANK DEMONSTRATION PROJECTS.**

(a) In General.—The Secretary of Agriculture (hereinafter in this section referred to as the "Secretary") shall carry out at least one demonstration project in each of the standard Federal regions to provide and redistribute agricultural commodities or products made available under section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c), to needy individuals and families through community food banks designated under section 211(c) of the Agricultural Act of 1980 (7 U.S.C. 4004(c)).

(b) Transfer of Commodities.—The Secretary may use State agencies or any other food distribution systems to transfer the commodities or products to community food banks in accordance with the last sentence of section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935.

(c) Food Types.—The Secretary shall determine the quantities, varieties, and types of agricultural commodities and products to be made available to community food banks under this section.

(d) Statewide Coverage.—To the maximum extent possible, the Secretary shall provide for Statewide coverage in each project carried out under this section.

(e) Report.—Not later than January 3, 1990, the Secretary shall submit a report to Congress describing the demonstration projects carried out under this section. The report shall include an analysis and evaluation of the distribution and redistribution of food under the demonstration projects and the feasibility of expanding the projects to other community food banks.

(f) Termination.—The authority provided under this section shall terminate on December 31, 1990.

## AUTHORITY FOR COMMITTEES TO MEET

### SUBCOMMITTEE ON WATER AND POWER

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, August 5, 1987, to receive testimony concerning S. 641, for the relief of the city of Minot, ND; S. 649, to amend the Reclamation Authorization Act of 1976; and S. 1549, to increase the authorization ceiling for the closed basin division, San Luis Valley project, Colorado.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, August 5, 1987, to conduct an executive session on the following: pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, August 5, 1987, at 3:30 p.m. to receive a classified briefing from the administration on the Arab-Israeli military balance.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON CONSUMER AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Affairs of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, August 5, 1987, to conduct hearings on S. 1507, the Truth in Savings Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## KATHERINE D. DAVIS

● Mr. ROCKEFELLER. Mr. President, today I am very proud to pay tribute to Katherine Davis of Dunbar, WV, for her winning essay in the U.S. Department of Education's Elementary Essay project on the bicentennial of the Constitution.

The contest required an essay of up to 250 words on the theme, "What the Constitution Means to Me and to Our Country." Over 1 million students in grades 1 to 8 entered the competition. Entrants were divided into four age groups and judged on understanding of the topic, clarity of expression, unity of ideas, originality, and style, and mechanics. Katherine was 1 of only 150 youngsters selected for recognition by the eight-member national selection panel which was made up of educators and private citizens knowledgeable in history and writing.

Her essay displays fine writing skills and an exceptional understanding of our Constitution for such a young age. I commend her for her talents and insight into the document that is truly the foundation of our Nation.

Special praise is also due for her parents and teachers who have nurtured these skills and values. Without their good work, our future would not hold the bright prospects that Katherine's life promises to fulfill.

As adults, we should also understand that we have something to learn from our children. We all too often dwell on the letter of the Constitution and forget the spirit behind it. Children, on the other hand, are more apt to see things in their simplest terms and in so doing are often able to capture the core of ideas and values sometimes overlooked by their elders. Katherine's essay and those of her peers are a valuable reminder of these basic principles.

As the Constitution prepares to enter its third century of existence, we can rest assured that it will remain in good hands when Katherine and her generation step forward to lead our country. For this we can all be thankful. ●

## A RESOLUTION OF THE OREGON LEGISLATIVE ASSEMBLY

● Mr. HATFIELD. Mr. President, I request that the following legislative memorial be included in the Record, as recognition of the keen leadership and valuable initiative of the 64th Oregon Legislative Assembly.

The memorial follows:

### House Joint Resolution 41

Whereas the majority of land in the State of Oregon is owned by the United States Government, with 25.3 percent managed by the United States Forest Service and 25.5 percent managed by the Bureau of Land Management; and

Whereas the Forest Service and Bureau of Land Management currently are preparing plans under the National Forest Management Act and the Federal Land Policy and Management Act that will control the development and use of federal lands in this state for the next 10 to 15 years; and

Whereas pursuant to federal law, the Forest Service and Bureau of Land Management are required to coordinate their plans with state and local plans; and

Whereas this state depends upon federal land to supply many of the commodities critical to the economy of this state, including timber, grazing, tourism, fish and minerals, and to the environment of this state, including fish and wildlife, water and recreation; and

Whereas over 65,000 workers, comprising nearly one-third of the manufacturing jobs

in the state, substantially rely on commodities supplied from federal land for their livelihood and virtually all residents of this state enjoy recreational opportunities on federal land; and

Whereas to achieve an economic comeback, the people of this state need to assure that federal land use plans are environmentally sound and allow the industries and communities of this state to invest, based upon stable and predictable supplies of commodities from federal lands in this state; now, therefore, be it resolved by the Legislative Assembly of the State of Oregon:

(1) The Governor of the State of Oregon is directed to participate actively at all stages of federal land use planning to assure that the federal plans are consistent with state and local plans and meet the future needs of all the people of this state.

(2) The Governor of the State of Oregon is directed to coordinate the responses of all state agencies to federal land use plans, and with full public participation, to develop and advocate a single position of this state on such plans.

(3) The Governor of the State of Oregon is directed to urge the Congress of the United States, the United States Forest Service and the Bureau of Land Management to make decisions on federal plans for the State of Oregon consistent with state and local plans and state commentary presented in the federal planning process and to avoid incremental decision making by deferring final decisions on all national forests and management districts until the statewide cumulative impact of the proposed plans can be evaluated and considered.

(4) The Governor of the State of Oregon is directed to urge the United States Forest Service and the Bureau of Land Management to continue managing federal lands under existing land use plans until the new plans, or amendments to existing plans, are developed and approved with participation by this state, to urge that no constraints should be applied in the interim to existing plans in contemplation of the new plans without an opportunity for the State of Oregon to review any such proposals, and to urge that new plans should consider the full range of possible management alternatives in order to make participation in the process by this state meaningful.

(5) Copies of this resolution shall be sent to the Governor, the administrative head of each state agency, the Secretary of Argiculture, the Chief of the United States Forest Service, the Director of the Bureau of Land Management, the Regional Forester, the Secretary of Interior, the State Director of the Bureau of Land Management, the President of the United States and each member of the Oregon Congressional Delegation.●

## HERB GARDENS

● Mr. ROCKEFELLER. Mr. President, it gives me great pleasure today to pay tribute to herb gardens and herb gardeners. Thousands of persons across America devote great amounts of time and care to the cultivation of these fascinating plants. I commend them for their efforts to make this world a more pleasant place in which to live.

Herb gardens are both beautiful and useful—a combination that makes for a truly rewarding hobby. Recently, the Wheeling Herb Society and the Wheeling Civic Garden Center completed a herb garden that consists of six raised brickbeds with over 140 varieties of herbs. The garden also includes an armillery sundial which is fondly dedicated to the memory of Mary V. Paull. I want to commend those who donated their time and money to the creation of this herb garden. Those who will maintain the garden—the Wheeling Civic Garden Center and the Herb Society of Wheeling—are also deserving of praise.

Throughout history, man has used the secrets of herbs for medicinal, culinary and dyeing purposes. Early doctors used certain herbs to treat their patients. Anise was said to aid digestion and relieve coughs. Lavender was used for nervous headaches and depression, and sage was considered an effective treatment for sore throats. Even today, many doctors and scientists will attest to the fact that these herbs are valuable for certain medicinal purposes just as their predecessors had claimed.

Of course, herbs are best noted for their value as a seasoning. With the current emphasis on natural foods and good health, herbs are becoming more and more common in recipes and kitchens throughout our country. One would hate to think how bland and unappealing food would be if it were not for the flavor enhancing qualities of herbs such as garlic, mustard, basil—the list goes on and on.

Herb gardeners devote their time and effort to the cultivation of these delightful plants, and are rewarded with the simple serenity and fulfillment of having made something grow. Once again, I salute their efforts and encourage them and others to join in herb gardening—a hobby that truly adds some spice to this world of ours.●

## INCREASING EMPHASIS ON EDUCATION IN THE SUMMER YOUTH JOBS PROGRAM

● Mr. SIMON. Mr. President, one of the most alarming problems among young people is the failure of those who attend and graduate from high school to acquire the necessary educational tools to become effective contributing members of society. As a group, youth have a higher unemployment rate than adults, although this is not a long-term problem. However, many economically disadvantaged young people have difficulty obtaining and keeping a job that will put them on the path of advancement. A major employment obstacle—even for those who are high school graduates—is low proficiency in the areas of reading, writing, and mathematics.

The Summer Youth Jobs Program is a federally funded job training program authorized under title II–B of the Job Training Partnership Act (JTPA, Public Law 97–300), and is administered by the Department of Labor's Employment and Training Administration. The Department allocates funds to States and territories who, in turn, allocate these funds to service delivery areas [SDA's] to operate these programs. In the summer of 1986, SDA's expended about $765 million of the title II–B funds and served 748,000 young people. The Summer Youth Employment and Training Program [SYETP] was created to address the educational needs of economically disadvantaged youth working in the Summer Youth Jobs Program. It does so by: First, enhancing their basic educational skills; second, encouraging school completion or enrollment in supplementary or alternative school programs; and third, providing eligible youth with exposure to the job market. Economically disadvantaged individuals 16 through 21 years old are eligible to participate.

In recent years support has grown for using the Summer Youth Jobs Program to improve youths' short- and long-term employability. In a desire to enhance these goals, the 1986 JTPA Amendments revised the summer program to require SDA's to assess the reading and math abilities of eligible youths and to provide basic and remedial education programs. The Senate bill (S. 2069) required that each program be conducted during the summer. The Department of Labor is required by this law to develop performance standards measuring the effectiveness of this program within 4 years.

In a study conducted by the U.S. General Accounting Office [GAO], 200 SDA's program officials in 44 States were interviewed on the remedial education requirement in the SYETP's. Of those interviewed 83 percent plan to address the assessment requirement by obtaining grades and scores from schools. SDA's will use more than just information from schools; 76 percent of the SDA's will give written reading and math tests to youths.

Test performance will be the primary criteria for selecting youths for remediation. About 86 percent of the SDA's will require that youths who score below some specific level on both reading and math be provided with remedial education. The GAO report found that local programs plan to provide remediation to more youth and expend more funds for remediation in 1987. More than twice as many youths are expected to receive remediation during the summer of 1987 than in 1986—116,000 compared to 55,000—an increase of 8 percent to 21 percent of all program participants. This is due, in part, to the fact that more SDA's will provide remedial education, from 57 percent in 1986, before enactment

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of legislation, to the mandatory 100 percent in 1987. The report also projected that the local program expenditures on education will increase from $37 million to $67 million—an increase from 5.2 percent to 12.1 percent of their total allocation. As a result of the additional expenditures to fulfill the remedial education requirement, a reduction in the number of youth served and hours worked is expected. Most SDA's—more than 90 percent—plan to use performance tests to assess the effectiveness of remediation provided. The majority of the officials surveyed—67 percent—felt the new provision requiring remedial education in the SYETP was appropriate.

I believe that education and employment programs offered through the Summer Youth Jobs Program can have a lasting impact on the future of thousands of economically disadvantaged young people. They will not only learn good work habits, but they will supplement their education as well.●

## S. 1575—AIDS TESTING AND COUNSELING

● Mr. SIMON. Mr. President, last week the Centers for Disease Control reported that over 38,000 Americans have been diagnosed with AIDS. We are facing a crisis of potentially epidemic proportion and there is a great need to respond to the challenges posed by this threat. The public health policy aspects of AIDS are difficult and the social and moral issues have already begun to tear segments of our society. We who have been elected to represent and lead this great Nation have a special responsibility in managing this as the public health crisis that it is.

There are issues that divide us politically and morally. But moving on the AIDS threat should not be one of them. We must educate, not discriminate; we must provide treatment, not instill fear; and we must renew our belief and reliance in scientific research and public health efforts. We must resolve to prevent suffering.

On July 31, our distinguished colleague and chairman of the Labor and Human Resources Committee introduced legislation to accept these challenges. I am pleased to join Senator KENNEDY in this effort. He and Congressman WAXMAN have worked tirelessly to incorporate recommendations of the medical, scientific, public health, and legal communities. I commend them for their leadership on such a controversial and difficult issue.

We must provide adequate assistance immediately for voluntary testing centers. Hardly anyone who knows he or she has AIDS spread it. But those who do not know they have it, do spread it. The wait to get tested at voluntary centers in Minneapolis is 3 months, in Chicago 2 months, in New York about 1 month.

Those waiting periods are unbelievably costly to the Nation. For anyone suspecting he or she has AIDS, voluntary and confidential testing should be quickly available.

The bill would provide $400 million for these purposes. This is a good first step. It acknowledges the gravity of the situation. However, we must admit to ourselves, and to the rest of the Nation, that AIDS will not be defeated easily.

This legislation serves as a complement to S. 1220, the education and risk reduction initiative. Testing helps in the education effort by providing the individual with the information needed to make intelligent decisions. Counseling is crucial in this regard and is an integral part of that progress.

Combined these two bills put us in line with the 1990 goals set in the Institute of Medicine and National Academy of Sciencies recommendations for research, risk reduction, and education.

I urge my colleagues, Democrats and Republicans alike, to support this effort. We all are aware that the process is a joint and cooperative one. We have a responsibility to lead our nation through this crisis: to educate and stop the spread of the disease, to provide testing, counseling, and health care services to those in need. I believe we can defeat this disease if we work together.●

## ALLOCATIONS OF FISCAL YEAR 1988 SPENDING AUTHORITY TO THE SUBCOMMITTEES OF THE COMMITTEE ON ARMED SERVICES

● Mr. NUNN. Mr. President, under section 302(a) of the Congressional Budget Act, the statement of managers accompanying a conference report on a concurrent budget resolution includes an allocation of budget totals among the committees of the Senate and House of Representatives that have jurisdiction over spending authority.

Section 302(b) of the act requires the committees to allocate such spending authority among either subcommittees or the programs over which they have jurisdiction. After consultation with appropriate committees of the other House, the committees are required to report the allocations they have made to their respective House.

The Committee on Armed Services submits the following report in compliance with section 302(b) of the Budget Act allocating its direct spending authority among the subcommittees. I ask that the report be printed in the RECORD.

The report is as follows:

### REPORT OF THE COMMITTEE ON ARMED SERVICES PURSUANT TO SECTION 302(b) OF THE CONGRESSIONAL BUDGET ACT OF 1974

Mr. Nunn, from the Committee on Armed Services, submitted the following report:

The Committee on Armed Services, which was allocated certain budget authority and outlays by the managers of the conference on the House Concurrent Resolution 93, report the division of such allocations among subcommittees of the Committee for fiscal year 1988.

### BACKGROUND

Under section 302(a) of the Congressional Budget Act, the statement of managers accompanying a conference report on a concurrent budget resolution includes an allocation of budget totals among the committees of the Senate and House of Representatives that have jurisdiction over spending authority.

Section 302(b) of the act requires the committees to allocate such spending authority among either subcommittees or the programs over which they have jurisdiction. After consultation with appropriate committees of the other House, the committees are required to report the allocations they have made.

### ALLOCATION RECEIVED BY THE COMMITTEE

The allocation received by the Committee on Armed Services from the managers of the conference was in two parts: (1) direct spending authority; and (2) entitlements that require appropriations.

The direct spending authority allocation was made to this committee of original and complete jurisdiction for the federal programs and activities assumed in the allocation.

Entitlements and other direct spending accounts that require appropriations were allocated both to this committee and to the Appropriations Committee of the Senate. These amounts, therefore, are reflected in the reports filed by both committees as required by section 302(b).

The Committee on Armed Services received the following allocations for fiscal year 1988:

*Fiscal year 1988*

| | |
|---|---|
| Direct Spending authority: | *Millions* |
| Budget authority | $44,256 |
| Outlays | 30,359 |
| Entitlements that require appropriations: | |
| Budget authority | 161 |
| Outlays | 161 |

### ALLOCATIONS MADE BY THE COMMITTEE

The Committee has made its allocations among the several subcommittees as shown in the following table. Budget authority and outlay figures are CBO baseline estimates incorporated in the budget resolution.

The total amount of funds allocated in this report is equal to the allocations made to this Committee in H. Con. Res. 93, the Concurrent Resolution on the Budget for Fiscal Year 1988.

*Fiscal year 1988*

| | |
|---|---|
| Subcommittee on Manpower and Personnel: | *Millions* |
| Budget authority | $44,221 |
| Outlays | 30,361 |
| Subcommittee on Readiness, Sustainability and Support: | |
| Budget authority | 196 |
| Outlays | 159 |

*Subcommittee account assignments for fiscal year 1988—Committee on Armed Services*

[In millions of dollars]

| | |
|---|---|
| Committee total: | |
| Budget authority | $44,417 |
| Outlays | 30,520 |
| Subcommittee on Manpower and Personnel: | |
| 1. Account name: Payment to Military Retirement Fund: Account number: 97-0040-0-1-054: | |
| Budget authority | 11,200 |
| Outlays | 11,200 |
| 2. Account name: Military Retirement Fund: Account number: 97-8097-0-7-602: | |
| Budget authority | 32,743 |
| Outlays | 19,081 |
| 3. Account name: Education Benefits Fund: Account number: 97-8098-0-7-702: | |
| Budget authority | 277 |
| Outlays | 80 |
| 4. Account name: Miscellaneous trust funds (other veterans benefits and services): Account number: 20-9971-0-7-705: | |
| Budget authority | 0 |
| Outlays | 0 |
| 5. Account name: Payment of claims: Account number: 84-8930-0-7-705: | |
| Budget authority | 0 |
| Outlays | 0 |
| Subcommittee subtotal: | |
| Budget authority | 44,221 |
| Outlays | 30,361 |
| Subcommittee on Readiness, Sustainability and Support: | |
| 1. Account name: Department of the Navy trust funds: Account number: 17-9972-0-7-051: | |
| Budget authority | $26 |
| Outlays | 26 |
| 2. Account name: Navy Industrial Fund (ship leases): Account number: 20-7004-0-4-051: | |
| Budget authority | 0 |
| Outlays | −34 |
| 3. Account name: Department of the Army trust funds: Account number: 21-9971-0-7-051: | |
| Budget authority | 0 |
| Outlays | 0 |
| 4. Account name: Department of the Air Force General Gift Fund: Account number: 57-8928-0-7-051: | |
| Budget authority | 0 |
| Outlays | 0 |
| 5. Account name: Claims, defense: Account number: 97-0102-0-1-051: | |
| Budget authority | 161 |
| Outlays | 161 |
| 6. Account name: Homeowners Assistance Fund, Defense: Account number: 97-4090-0-3-051: | |
| Budget authority | 3 |
| Outlays | 1 |
| 7. Account name: Coast Guard General Gift Fund: Account number: 69-8533-0-7-403: | |
| Budget authority | 0 |
| Outlays | 0 |
| 8. Account name: Operations and facilities: Account number: 95-5190-0-2-403: | |
| Budget authority | 4 |
| Outlays | 4 |
| 9. Account name: Barry Goldwater Scholarship and Excellence in Education Fund: Account number: 95-8281-0-7-502: | |
| Budget authority | 2 |
| Outlays | 1 |
| Subcommittee subtotal: | |
| Budget authority | 196 |
| Outlays | 159 |
| Grand total: | |
| Budget authority | 44,417 |
| Outlays | 30,520● |

## INFORMED CONSENT: INDIANA

● Mr. HUMPHREY. Mr. President, today I would like to insert into the RECORD two letters from concerned women who support my informed consent legislation, S. 272 and S. 273. Today's letters come from the State of Indiana.

I ask that these from women in Indiana be inserted in the RECORD.

The letters follow.

FEBRUARY 3, 1987.

DEAR SENATOR HUMPHREY: I understand you're interested in hearings from women who have had abortions. Well I'm one and would like to share with you my experience.

Thirteen years ago January I had a suction abortion. In Indianapolis at Community Hospital. I was married and had two children at the time. My husband was in college and I was working full time. Because of finances and marriage problems my husband felt it was the only thing to do. Planned Parenthood did a pregnancy test and affirmed the pregnancy. The doctor who examined me said it would be no problem but I should also be sterilized at the same time. After all I couldn't afford this one so I shouldn't have any more. The counselor made the arrangements for the abortion but said nothing else to me.

When I arrived at the doctors office in Indianapolis he proceeded to share with my husband and I that there was no baby formed at this point (just a blob of tissue). He went on to share about the tubal litigation and never mentioned the abortion again.

I know I chose to believe these people but we have been raised to trust the doctors. Five years later I was told the truth. I remember when I saw the first film on abortion. I became sick and distraught with guilt and grief. It took years before I could over come the feelings that started that day.

Today I work in pro-life work ministering to women who have gone through abortion. I also share wherever I can the truth about abortion.

Thank you so much for your interest and all the work you do. Continue on in God's peace and strength.

Sincerely,

PAT HATCHER,
*Indiana.*

FEBRUARY 2, 1987.

DEAR SENATOR HUMPHREY: This letter is pertaining to informed consent. Every woman has the right to know the truth about abortion before making this life changing decision. Eleven years ago I was a divorced mother of two and the sole supporter of my family. Pregnancy was not on my agenda, but I did consider myself a survivor and I knew I could make it through the worst of circumstances.

The Women's Clinic offered free pregnancy tests. They told me my test was positive and in the next breath that at my stage of pregnancy (12 weeks) there was no form to my "product of conception" just "blood and tissue like a piece of liver".

I paid cash up front for my suction abortion. I had no idea of the seven years of torment to follow. I suffered incredibly low self-esteem, drug and alcohol abuse, promiscuity, and suicidal impulses. After months of psychiatric counseling sessions, I was worse than ever. I tried to kill myself with an overdose of prescription sleeping pills. I survived and woke up in the mental ward of our local hospital.

After a second suicide attempt four years ago, Jesus rescued me. I'm finally whole.

As millions of women like me, I was lied to and coerced into paying to have my own child murdered. God have mercy on these liars and murderers! We have a right to know the truth!

In His Service,

JULIE WESTCOTT,
*Indiana.*●

## ARGUMENTS FOR AMTRAK PRIVATIZATION ARE ON THE WRONG TRACK

● Mr. LAUTENBERG. Mr. President, for several years now, this administration has sought to eliminate funding for Amtrak. These efforts, fortunately, have been year after year, thwarted by the Congress. Congress, unlike the administration and conservative supporters, understand the importance of Amtrak. We understand that in order to continue to develop and thrive, we must have a balanced national transportation network. Intercity rail service must be a part of that network.

Mr. President, I came to this body from the private sector. I cofounded and ran a company that started with a handful of employees and grew to over 20,000 employees throughout the country and in several foreign countries. From experience, I know what the private sector can do. I truly believe in the capabilities of the private sector. There are many things the private sector can, and should, do rather than the Government. Running a national passenger railroad, however, is not one of them.

As a Member of the Senate, I have supported reasonable privatization initiatives. I was a leading proponent of the sale of Conrail. I proposed the sale of Federal loan assets. I think we should look more closely at the privatization of the Bonneville Power Administration. And I will continue to support privatization where it's appropriate.

But I cannot support the efforts to eliminate funding for Amtrak. Amtrak was created in 1971 to fill the void left by failed private rail enterprises. The private sector simply could not provide the intercity rail service we needed so badly.

The arguments that private entities would step in and provide the service

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Amtrak provides today just doesn't hold true. Private companies are in business to make a profit. Under private ownership, nonprofitable routes would not be served. We've seen that this is the case in aviation, where small, rural communities have had airline service severely curtailed or cut off entirely since deregulation.

There are certainly ways that Amtrak can be improved, and I encourage all efforts in that direction. Over the last several years, Amtrak has continually improved its financial standing. In 1981, Amtrak received $896.3 million in Federal subsidies, and had a revenue to cost ratio of 48 percent. In 1986, under the aggressive leadership of Amtrak president Graham Claytor and the direction of the Congress, Amtrak had increased that ratio to 62 percent. At the same time, Federal support had been cut by nearly one-third, to $602 million. Amtrak's revenues this year are covering about 65 percent of costs, and more progress is expected in the years to come.

Mr. President, I wish we could point to such success in all our Federal agencies and programs.

Each year, Amtrak gets more and more efficient, and more and more important to a balanced national transportation network. Ridership is at new highs. Innovative progress should result in continued improvements. We have the right—and the duty—to demand the most out of our Federal dollars. As chairman of the Transportation Subcommittee of the Appropriations Committee, I will continue to insist that Amtrak find new ways to improve its financial performance. If one looks at the facts, Amtrak is doing a better job than most in this area, and is continuing to improve.

Yet, the administration and others continue to single out Amtrak for attack. In June, the U.S. Chamber of Commerce published a paper in which many of the same old arguments were trotted out against Amtrak. Unfortunately, this paper is in several cases an inaccurate portrayal of the Amtrak situation.

Amtrak president Graham Claytor has responded to the chamber paper, setting the record straight and responding to the propositions laid out in that paper. Mr. Claytor, whose leadership and accomplishments as president have been lauded by both supporters and opponents of a federally supported passenger rail system, presents a thoughtful, effective response to the paper. I ask unanimous consent that the text of Mr. Claytor's letter of July 15 be included in the RECORD.

I urge my colleagues to read this letter. I think they will find it very instructive in assessing Amtrak, and considering its importance to our national transportation system.

The letter follows:

NATIONAL RAILROAD PASSENGER CORP.,
*Washington, DC, July 15, 1987.*

Dr. RICHARD L. LESHER,
*President, U.S. Chamber of Commerce, Washington, DC*

DEAR DR. LESHER: I am writing to you about a U.S. Chamber of Commerce Policy Working Paper entitled "Amtrak and the Privatization Option," prepared by Rajni Bonnie Ohri and published in June 1987. I find the paper alarmingly shallow and inaccurate. As an economic analysis of intercity rail passenger service, it demonstrates near total ignorance of actual and potential market forces, costs, revenues and operations applicable to the intercity rail passenger business.

This is not surprising. The paper is not, in fact, an original economic analysis at all, but rather a virtual reprint of a thoroughly rebutted Heritage Foundation paper entitled "Privatizing Amtrak's Northeast Corridor," by Stephen Moore, published February 11, 1987.

No one can disagree with the paper's opening statement, that "The essential idea behind privatization is to identify those government services that could be more effectively provided by the private sector." This is followed, however, by the paper's basic thesis, that Amtrak is "the most dramatic example of a privatization opportunity." This conclusion, in turn, is necessarily based on the premise that intercity rail passenger service can be operated today at a profit if this is done by private enterprise. This premise, on which the whole paper depends, is never proved nor even analyzed; in fact, the relatively recent actual experience of the privately owned and operated railroad industry conclusively proves the contrary. While the paper dismisses this experience as based on "burdensome regulations, declining ridership and mismanagement," it is uncontroverted that even the best managed railroads were unable to operate an intercity rail passenger service at a profit in competition with the taxpayer-supported highways and air transportation facilities that existed then and have since been further expanded, largely at public expense.

I served for ten years, 1967 to 1977, as chief executive officer of Southern Railway System, one of the most successful railroads in this private enterprise industry. It is generally recognized that during this period Southern operated a first-class passenger service—the "Southern Crescent" between Washington and New Orleans. That Southern was not guilty of what you call "mismanagement" is indicated by the fact that it was selected by Dun's Review in 1974 as "One of America's Five Best Managed Companies." In spite of the quality of both its management and its passenger service, it was impossible to operate Southern's passenger service at anything approaching a profit, even on an "out of pocket" cost basis. Government regulations at the time made it difficult to get out of the passenger business, but in no way did they add to operating costs or otherwise adversely affect the profitability of passenger operations. There is no reason to believe that private enterprise could do better today, or that there would be any interest by private capital in such a venture.

Amtrak was created in 1971 to take over from the freight railroads the increasingly heavy burden of operating a national railroad passenger system. Although established as a for-profit railroad corporation, no one experienced in the business believed it could be operated without continuing Federal financial aid. It started with old and frequently worn-out equipment, essentially no shops or modern miantenance facilities and a management with little or no railroad experience. Its first ten years were filled with tribulations, resulting from its necessarily trial and error approach. Amtrak started to become a genuine operating railroad in 1976, when it received the Northeast Corridor that had been carved out of the Penn Central bankruptcy, and when the rehabilitation of that rail line for passenger, freight and commuter service was begun under the Northeast Corridor Improvement Project (NECIP). During the next four or five years, Amtrak was heavily engaged in designing and acquiring its first modern locomotives and Superline cars, in electrifying and rehabilitating its old "Heritage" equipment, in obtaining and modernizing badly needed maintenance facilities, and in developing its Northeast Corridor high-speed operations to the extent permitted by NECIP progress. Accordingly, when we look at statistics, we should really start with 1981 or 1982, when Amtrak became able to provide service with up-to-date and modernized equipment, and to operate a rehabilitated high-speed Northeast Corridor railroad. The earlier statistics are of interest today only as background.

In the light of this history, the Working Paper's statement that Amtrak has grown increasingly reliant on Federal subsidies is simply untrue. The bulk of what are called "losses" in the late 1970's and early 1980's were capital expenditures for the NECIP rebuilding of the Northeast Corridor (which benefitted commuter and freight service as well as intercity passenger service), and for Amtrak equipment and facilities needed if passenger service was to be provided at all. From 1981 to 1987, the Federal grants to Amtrak were reduced by almost one-third, from $896.3 million [1] to $602 million. In constant dollars, this reduction was even greater—some 48%. If other Federal expenditures has been comparably reduced, there would be no budget crisis today.

The Working Paper is replete with other critical misstatements, misleading and in some cases inaccurate statistics and false conclusions about the comparative efficiency of Amtrack and a proposed privately owned and operated passenger railroad. I will refer only to the more flagrant of these.

On page six, for example, it is stated that "fewer passenger miles were recorded on the Northeast Corridor in 1986 than in 1981." In fact, the 1986 number is 1.273 billion passenger miles versus the 1981 total of 1.091 billion, a 17% increase. On page five, it is suggested that Amtrak's food service could be improved and its "significant losses" there reduced by contracting this out to a private firm. Unfortunately for this theory, the reverse turned out to be true in practice: Amtrak initially contracted out its food service on its Auto Train at a cost of approximately $22.00 per passenger; when it subsequently provided food service on this train itself, the cost per passenger was reduced to approximately $9.00, a 62% cost reduction which was accompanied by an improvement in the quality of the food provided.

Even more glaring than this are the misrepresentations about Amtrak's labor contracts, described on page five as "archaic," with "excessive labor costs, low productivity and mismanagement." Apparently, the author again did not make any attempt to check his facts. Starting in 1982, Amtrak has renegotiated its labor agreements covering all train and engine crews to eliminate the traditional railroad time-mileage formula as well as practically all of the old counterproductive "arbitraries" for these crafts. As a result, Amtrak is the only really large railroad system in the country today that pays its train crews on the basis of an 8-hour day with time and a half for overtime, regardless of mileage run. We are also the only intercity railroad that operates most of its short and medium distance trains with only one crew member, the engineer, in the locomotive. As a result, our train crew costs are significantly lower than those for the privately operated freight railroads, and lower than they would be if those railroads ran our passenger business. The savings achieved by these changes alone are saving Amtrak about $50 million a year below the costs that would have been incurred under the old railroad work rules still followed in much of the industry. Amtrak has also negotiated contracts with most of its non-operating employees for wages some 12% below those of comparable employees of the private rail carriers.

By resorting to such unfounded epithets as mismanagement and low productivity, the Working Paper studiously avoids any mention of Amtrak's enormous financial and operating progress over the last five years—surely the most relevant period if we are looking to the future. In 1981, our revenue-to-cost ratio—the percentage of our total operating costs covered by our own earned revenues—was 48%; by 1986, this had improved to 62%, and in the current year it will be at least 64%. Mismanagement does not produce operating ratio improvements of this magnitude, and the suggestion that private ownership would somehow enable Amtrak to operate either the Northeast Corridor or a nationwide passenger system without significant public funding is balderdash.

To return to an analysis mentioned above, let us compare Amtrak's short-term avoidable (or "out of pocket") loss on operation of its Amtrak Crescent passenger train between Washington and New Orleans in the twelve months from May 1986 through April 1987 with the comparable loss incurred by Southern Railway for the same train over the same route in the last year of Southern's passenger operation, 1978. Southern's loss in 1978 dollars was $7 million; Amtrak's loss in 1986 dollars was $4.8 million. If we convert Southern's figures to 1986 dollars, the comparison would be $11.8 million loss for Southern compared to $4.8 million loss for Amtrak. In other words, in current dollars, the last private industry operation of this train lost 46% more than Amtrak now does; in constant dollars, that figure becomes 146%. This hardly supports the proposition that turning intercity passenger operation back to private industry would cure all, or any, of its financial problems.

The notion of providing a needed public service at no cost to the government simply by privatizing it is beguiling and simplistic. The great virtue of purely private enterprise is not a mysterious alchemy that can make inherently unprofitable activities profitable, but rather a ruthlessness that identifies unprofitable activities and terminates them. We can all agree that this discipline imposed by the marketplace is what makes the economy as a whole vital, adaptive, and efficient. It is very different, however, to say that any given activity can be made profitable if managed under purely private auspices. The financial turnaround of Conrail—cited in your paper as a possible model for Amtrak—in fact illustrates the fallacy of this thinking: Conrail's revenues between 1980 and 1985 actually declined (while Amtrak's over the same period increased 46%). What made Conrail profitable, in addition to extensive Federal capital funding, were wholesale cuts in service, back to a profitable core operation. Given the economics of rail passenger service, where no core of profitability exists, the lesson of Conrail is that privatization would simply mean the elimination of Amtrak service. Under these circumstances, the idea of continuing Amtrak service by means of public stock sales, mergers with private companies, distribution of shares to workers, etc., cannot be taken seriously.

In conclusion, let me say that, as a longtime supporter of much of the Chamber's work and as a trustee for many years of the Committee for Economic Development, what disturbs me most is that the Chamber would publish a paper like this without even bothering to consult us or obtain readily available facts about Amtrak's operation. Our people would be happy to confer with your staff on these or other questions at any time. I take no umbrage at honest differences of opinion, but I deplore this type of unfounded attack, using plainly biased, misleading and in many cases erroneous data.

Very truly yours,
W. GRAHAM CLAYTOR, Jr.,
*President.*●

## THREATS TO TUNISIA

● Mr. BOSCHWITZ. Mr. President, determining U.S. policy toward a friendly government in transition is among the most difficult problems faced by policymakers. If the United States supports the current leader without question, opposition elements of all stripes view the United States as hostile and antidemocratic. On the other hand, criticizing and appearing to desert a long-term friend may weaken not only a friendly regime, but all those in that country sympathetic to the United States.

Part of the difficulty lies in determining the nature of the opposition. American interests are best preserved by promoting open, free, and democratic societies. Often a less than perfect regime is better than what is likely to follow.

A case in point is the current situation in Tunisia. No one can deny Tunisia faces serious problems—a faltering economy, a hostile Libyan neighbor, rising influence of Islamic fundamentalism, and an aged leader who has dominated the country since independence. How the Tunisians address these issues is of concern to the United States, and we must encourage the Tunisian Government to address these problems responsibly.

Tunisia's current political difficulties are aggravated by economic hardships. Tunisian leaders believed, as did many emerging national leaders following the Second World War, that state-directed economies would provide the best life for their people. State industries and state subsidies became staples of Tunisian economic life. Uneconomical industries were underwritten. The bureaucracy became bloated and inefficient. Political leaders were unwilling to take the actions necessary to revitalize the economy because of the hardships these actions might entail.

A growing economic crisis in the mid-1980's, however, forced the Tunisian leaders to confront these issues. Declining revenues from oil production, fewer tourists as a result of regional instability, declining remittances from workers in Europe and Libya, and severe drought forced the government to alter its economic views. Subsidies have been reduced and private investments have been encouraged. Such actions, although good in the long run, created short-term dislocations, declining living standards, and high unemployment. These hardships in turn created issues which the opposition has used to challenge the regime.

In Tunisia, the foremost challenge comes from Islamic fundamentalists. The Western perception of the Islamic fundamentalist movement, as reflected in some recent press articles, differs significantly from perceptions in Tunisia. What the Tunisians understand, and some more distant observers have ignored, is that while some within the Islamic fundamentalist movement may be moderate, many are antidemocratic. These individuals whose purpose is to destroy the moderate, relatively tolerant value system upon which Tunisian society is based.

Some observers have argued that the fundamentalists are indigenous and have therefore downplayed, their danger. Just because a movement is indigenous, however, does not mean, it is not pernicious. Khomeini is an indigenous Iranian leader; Qadhafi is indigenous to Libya; Hitler was indigenous to Germany. All were clearly destructive.

It's important to remember that some fundamentalists do receive foreign support. Six Tunisians arrested in Paris in March were carrying terrorist materials given them by the Iranians. The Tunisian Government subsequently expelled the Iranian mission from Tunis. The head of that mission, it should be noted, had previously been in Lebanon organizing the radical "Hizballah." One has to be naive to believe his activities in Tunis were benign.

President Bourguiba and the Tunisian Government have been particular targets of antidemocratic elements in the region. This is due, in part, to close Tunisian identification with

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[1] The figure given on p. 3 of the Working Paper was $906.3 million, but the correct figure for 1981 was $896.3 million.

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Western values and Bourguiba's reasonable views on East-West, North-South issues, and even on the Arab-Israel conflict. In 1965, for instance, he was the first Arab leader to call upon the Arabs to recognize the reality of Israel. While we may forget such distant events, many in the region do not.

The thought of allowing the antidemocratic, antiliberal opposition to "run its course," as some in the Western media have suggested, is absurd. In countries developing Western-style institutions, the cost of opening society to radical assault can be tragic—as was the case in Iran. No one is today arguing that President Aquino should allow the Communist rebels a free hand in the Philippines.

The difficulty faced by the Tunisian Government is to develop a system which allows full participation of all groups committted to democracy while protecting its citizens from antidemocratic elements. The problem is complicated by the brevity of Tunisian independence, the lack of experience with functioning democratic institutions, and Tunisia's hostile environment.

The United States also must be careful not to take actions which hold Tunisia to a different standard than other nations with similar ties to the United States. For instance, the foreign assistance bill, as it emerged from the House African Affairs Subcommittee, sets a standard of human rights for Tunisia which, if applied to the other nations under the jurisdiction of that subcommittee, would allow little, if any, aid to Africa to be forthcoming. Despite recent restrictions, Tunisia remains one of the most open societies in Africa and the Arab world.

The task for the United States is to promote genuine human rights in the most effective manner possible. Narrow legislative restrictions are unlikely to promote the response desired. The House language threatens that declining United States aid levels will decline further if Tunisia does not meet prescribed standards of "human rights." For meeting these standards nothing is offered in return. Under even the best of circumstances, aid levels are likely to remain static or to decline further. Moreover, little political support is likely to come from Washington if antidemocratic elements move against the dominant liberal social forces. Consequently, such legislation is viewed in Tunis as unfairly punitive and not truly designed to assist the Tunisians through a difficult period.

Assisting Tunisia to broaden democratic participation and maintain a free and open society is in America's interest. We should encourage the Tunisian Government to allow responsible opposition elements a means to participate in the political process.

We do not help achieve this objective by failing to distinguish between the antidemocratic opposition and the democratic opposition. Failure to make this distinction, at the least, discredits America's views and, at worst, weakens friendly governments, making democratic reform more difficult. We must be certain that our advice is fair, is applied consistently, and can be met without more political and economic support than the United States is willing to give.●

## NAUM MEIMAN

● Mr. SIMON. Mr. President, I would like to call attention to the case of Naum Meiman. He is a Soviet refusnik who has been refused permission to emigrate to Israel.

For over 10 years, Mr. Meiman has expressed his desire to leave the Soviet Union. The Helsinki Watch Movement, to which the Soviet Union is signatory, grants freedom of emigration and allow individuals to choose their place of residence. The movement also grants freedom of religion. By not allowing Naum Meiman to emigrate to Israel and subjecting him to mental cruelty, the Soviet Union is violating the Helsinki Watch Movement.

I strongly urge the Soviet Government to illustrate their desire to improve United States-Soviet relations and allow Naum Meiman an exit visa. It is time for Naum to live in peace.●

## BICENTENNIAL MINUTE

### AUGUST 5, 1965: PRESIDENT JOHNSON SIGNS VOTING RIGHTS ACT IN PRESIDENT'S ROOM

Mr. DOLE. Mr. President, on August 5, 1965, 22 years ago today, President Lyndon Johnson signed into law the Voting Rights Act. This landmark legislation provided an effective means for Federal enforcement of the 15th amendment's bar against racial discrimination affecting the right to vote. It served as a cornerstone for Johnson's Great Society Program, redressing with action injustices at the ballot boxes that the constitutional amendment had unsuccessfully addressed with words 95 years earlier.

The signing of that significant measure took place in the President's Room just outside the Senate Chamber. Located at the west end of the Senator's Lobby, the President's Room is one of the most grandly embellished rooms in the Capitol. Its walls and ceiling display magnificent frescoes by Constantino Brumidi. First opened in 1859, the room was designed to provide a private office for the President in the Capitol.

Over the past century and a quarter, Chief Executives have used the President's Room on various substantive and ceremonial occasions. Until 1937 the President's term expired every 4th year on March 3, the final day of the congressional session. This made it necessary for the Chief Executive to come to the President's Room in the session's final hours to sign newly passed legislation. It was on such an occasion in March 1865 that Abraham Lincoln received word that Confederate Gen. Robert E. Lee desired a meeting with Union Gen. Ulysses S. Grant. Lincoln responded that Grant was to hold no meeting except for the purpose of accepting the surrender of Lee's army.

President Woodrow Wilson regularly used the President's Room to confer with Senators and to lobby for his legislative programs. President Reagan, who visited that Chamber immediately following his 1981 swearing-in ceremony, has used it more than any Chief Executive since Franklin Roosevelt.

## SENATE ACTION

Mr. DOLE. Mr. President, finally, as the majority leader has already noted, the Senate disposed of 22 items and bills today, and I make the same point the majority leader made.

Some days it may appear that there is not a lot of action, not a lot of rollcall votes. But these are significant pieces of legislation. They are very important to the people who may be affected by the legislation.

There has been a lot of work done by Members and by staff; and, as a result, we have been able to clear these for action without any floor time.

I commend the distinguished majority leader for his tireless efforts in keeping this calendar clean. I do not know of anyone who has ever done it better than the distinguished majority leader. If you look at the calendar, with few exceptions, it is up to date.

We will continue to cooperate to the fullest with the majority leader because it is in our interests, the Senate's interests, to move this business, unless we have a fundamental difference, and then we have to fight it out on the Senate floor.

So we will be working with the majority leader on tomorrow and on Friday to move as much additional legislation as we can.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for his consistent cooperation, without which the majority leader would do very little.

## ROLLCALL VOTE ON TOMORROW ON RUDER NOMINATION

Mr. BYRD. Mr. President, I have discussed this matter with the distinguished Republican leader. On tomorrow at the conclusion of morning business, it is my intention to go to the nomination, either by unanimous consent or by motion, of David S. Ruder

of Illinois to be a member of the Securities and Exchange Commission. The distinguished Republican leader has indicated—and he is here—that will be agreeable with him. That will necessitate a rollcall vote. And so all Senators will be on notice that there will be a rollcall vote on it, I ask unanimous consent that it be in order as in executive session to order the yeas and nays on the nomination of David S. Ruder.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, at the conclusion of morning business, the Senate proceed to the consideration of the nomination of David S. Ruder. I make that request as in executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. There will be time for debate.

Mr. BYRD. Yes, that will be debatable.

## ORDER FOR RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR MORNING BUSINESS TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders are recognized under the standing order, there be a period for morning business of not to exceed 30 minutes and that Senators may speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, this would mean that the nomination of Mr. Ruder would come before the Senate at circa 12:45 p.m. There may be some debate on the nomination or there may not. If there is not debate on it, this would mean that the rollcall vote would occur around 12:45 or 1 o'clock, which would be just the right time, I think, not to interrupt the meeting of committees. I state that for the record.

There will be other rollcall votes tomorrow, undoubtedly.

## RECESS

Mr. DOLE. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 12 noon tomorrow.

The motion was agreed to, and at 7:46 p.m. the Senate recessed until tomorrow, Thursday, August 6, 1987, at 12 noon.

## NOMINATIONS

Executive nominations received by the Senate August 5, 1987:

### DEPARTMENT OF THE TREASURY

John K. Meagher, of Virginia, to be a Deputy Under Secretary of the Treasury, vice J. Michael Hudson, resigned.

### BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION

R. James Woolsey, of Maryland, to be a member of the board of trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term of 2 years, new postion.

## CONFIRMATIONS

Executive nominations confirmed by the Senate August 5, 1987:

### DEPARTMENT OF DEFENSE

H. Lawrence Garrett III, of Virginia, to be Under Secretary of the Navy.

### NUCLEAR REGULATORY COMMISSION

Kenneth C. Rogers, of New Jersey, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1992.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

### THE JUDICIARY

William D. Hutchinson, of Pennsylvania, to be U.S. circuit judge for the third circuit.

Anthony J. Scirica, of Pennsylvania, to be U.S. circuit judge for the third circuit.

T.S. Ellis III, of Virginia, to be U.S. district judge for the eastern district of Virginia.

Charles R. Wolle, of Iowa, to be U.S. district judge for the southern district of Iowa.

### IN THE MARINE CORPS

The following-named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, under title 10, United States Code, section 624:

Edmund P. Looney, Jr.
Orlo K. Steele
Hollis E. Davison
Robert F. Milligan
Gene A. Deegan
Joseph P. Hoar
Royal N. Moore, Jr.
Donald E. P. Miller

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# HOUSE OF REPRESENTATIVES—*Wednesday, August 5, 1987*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. COELHO].

## DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*August 5, 1987.*

I hereby designate the Honorable TONY COELHO to act as Speaker pro tempore on this day.

JIM WRIGHT,
*Speaker of the House of Representatives.*

## PRAYER

The Reverend Barbara Trombley Fitterer of the Episcopal Diocese of California in San Francisco offered the following prayer:

Divine Creator of all that is beautiful and true, we thank You for those moments in life when Your blessings are impressed upon us and we take time to recognize Your presence in them. Make us aware in matters of purport great and small that we are filters for Your sunlight and only in stillness reflect Thee.

Help us to become quiet in the deepest recesses of our minds that when we do speak and act there can be enlightenment in our hearts and peace in Your world. Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GALLEGLY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GALLEGLY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 302, nays 112, not voting 19, as follows:

[Roll No. 299]

YEAS—302

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Atkins
AuCoin
Baker
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clinger
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lott
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McEwen
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Patterson
Pease
Pelosi
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Rinaldo
Ritter
Robinson
Roe
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolpe
Wyden
Wylie
Yates
Yatron

NAYS—112

Armey
Badham
Ballenger
Barton
Bentley
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clay
Coats
Coble
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Dickinson
DioGuardi
Dornan (CA)
Edwards (OK)
Emerson
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gregg
Henry
Herger
Hiler
Hopkins
Hunter
Inhofe
Ireland
Jacobs
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McCollum
McGrath
McMillan (NC)
Miller (OH)
Molinari
Moorhead
Nielson
Oxley
Parris
Pashayan
Penny
Quillen
Rhodes
Ridge
Roberts
Rogers
Roukema
Saiki
Saxton
Schaefer
Schroeder
Sensenbrenner
Sikorski
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Swindall
Tauke
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Young (AK)
Young (FL)

NOT VOTING—19

Aspin
Boner (TN)
Daniel
Foley
Gephardt
Hall (OH)
Hansen
Kemp
Leland
Lloyd
McDade
Michel
Nowak
Pepper
Rodino
Roemer
Stratton
Sweeney
Williams

So the Journal was approved.

The result of the vote was announced as above recorded.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 27) entitled "An act to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forebearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board, and the Federal home loan bank system."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1577. An act, to extend certain protections under title 11 of the United States Code, the Bankruptcy Code; and

S. 1581. An act to prohibit the importation of objects from the R.M.S. Titanic.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. COELHO). The Chair intends to recognize Members for only two 1-minute speeches and two unanimous-consent requests, and then we will move on with the business of the day.

## ANNOUNCEMENT OF THE PASSING OF THE HONORABLE JOHN W. WYDLER

(Mr. HORTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HORTON. Mr. Speaker, as the dean of the New York Republican delegation, it is with sincere sadness and regret that I announce that our former colleague, John (Jack) Wydler passed away last night. It was very sudden. He died of a massive heart attack. The gentleman from New York [Mr. LENT] went back to his office after he finished on the floor and found that Jack had had a massive heart attack, and after great effort to bring him back, they were unable to do so.

Jack served in the House of Representatives. He came here with me in the 88th Congress, and he served from 1963 until 1980. At the time of his death he was 63 years old.

Mr. Speaker, prior to his service in the Congress, he served as a U.S. attorney for the eastern district of New York. During his service in the House he served on the Science and Technology Committee and was its ranking member at the time of his retirement. He also served with me and sat next to me for most of the years he was in the Congress on the Government Operations Committee. He also served along with me alternately as the dean of the Republican delegation and on the Committee on Committees. He also served as the dean of the Long Island delegation.

After he retired from the House, he returned to private practice near his residence in Garden City, Long Island.

He is survived by his wife Brenda and three children, a son Chris, a daughter Kathleen, and another daughter, Elizabeth.

Mr. Speaker, I would like to announce also that the dean of our delegation, the gentleman from New York [Mr. STRATTON], and I will take out a special order sometime in early September so that the Members will have an opportunity to express their regrets to Brenda and Jack's children.

I will indicate also, Mr. Speaker, that many of the Members saw Jack here yesterday. He was on the floor of the House yesterday and the day before, and many of you saw him here yesterday and are quite surprised by his sudden passing.

Mr. LENT. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

☐ 1130

Mr. LENT. Mr. Speaker, I thank the gentleman for yielding.

I want to join with the gentleman from New York in his expression of condolences to the family of the late Congressman Jack Wydler, his wife, Brenda, and their son, Chris, who is an employee at the Department of Commerce, and their two daughters, Kathleen and Elizabeth.

Jack was a good friend of mine. We worked together for 12 years. We had abutting congressional districts. We never had a harsh word.

Jack was a very sincere, dedicated man, Phi Beta Kappa, very bright.

His word was his bond, and he was effective; and after he left this House and was succeeded by the gentleman from New York [Mr. MCGRATH], he continued to serve the Long Island community.

He was very much respected in Nassau County, and he is going to be sorely missed for his many achievements, and his dedication to public service.

Mr. HORTON. Mr. Speaker, I yield to the gentleman from New York [Mr. MCGRATH].

Mr. McGRATH. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, it is with deep regret that I join my colleagues in informing the House of the death of my predecessor, Jack Wydler.

Many of the Members knew Jack during his distinguished 18-year career in the House, and shared with him many memories.

Jack left a tremendous legacy of Government service; and from the time that he served in the U.S. Air Force in World War II to yesterday afternoon, his life was dedicated to Government service.

His leadership on difficult issues and his vision of what the future of our Nation should be earned Jack a tremendous reputation, both at home in my district, the Fifth Congressional District of New York, and here in Washington.

I will miss his counsel. I will miss his friendship, and I certainly want to extend my deepest sympathy to Brenda, Chris, Elizabeth, and Kathleen.

Mr. DOWNEY of New York. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, Jack was a good man, a tough adversary. He was a friend. He will be deeply missed. I also want to join my friends from Nassau County in wishing his family our condolences in this time of bereavement.

Jack was also tremendously involved after his career in the Long Island community. He was an enormous aid to me and to those of us who work in Suffolk County on economic matters.

He will be deeply, deeply missed.

Mr. HORTON. Mr. Speaker, I know I express the sincere regrets of the Members of the House and condolences to Brenda and Jack's three children.

As I indicated, we will take a special order. The gentleman from New York [Mr. STRATTON], who is the dean of our delegation, and myself, will take a special order in early September, so the Members can properly express their condolences.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 132

Mr. STALLINGS. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Joint Resolution 132.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 132

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Joint Resolution 132.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

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## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 132

**Mr. NIELSON** of Utah. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Joint Resolution 132.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 132

**Mr. RHODES.** Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Joint Resolution 132.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

## VACATING AUTHORITY FOR MEMBERS TO REMOVE THEIR NAMES AS COSPONSORS OF HOUSE JOINT RESOLUTION 132

The **SPEAKER** pro tempore. The Chair needs to make a ruling at this time.

The Chair has just been informed that the requests of the gentleman from Idaho [Mr. STALLINGS], the gentleman from Arkansas [Mr. ANTHONY], the gentleman from Utah [Mr. NIELSON], and the gentleman from Arizona [Mr. RHODES] are not in order.

The joint resolution has been reported from committee; and the gentlemen cannot remove their names as cosponsors, so the statements of the gentleman will appear in the RECORD, but the gentlemen will not be removed as cosponsors.

## IN REMEMBRANCE OF JESSE UNRUH

(**Mr. LEHMAN** of California asked and was given permission to address the House for 1 minute.)

**Mr. LEHMAN** of California. Mr. Speaker, one of California's greatest leaders died last night—State treasurer Jesse Unruh.

Jesse spent 16 years in the California Legislature; 8 of those he served as assembly speaker, longer than any one else in the State's history.

Jesse Unruh was the father of the modern State legislature and was the greatest reformer of our State's political system since Hiram Johnson.

He was a champion of consumer causes and a staunch advocate of civil rights legislation. He wrote our full disclosure laws and greatly improved our education system.

During a period of rapid population growth and generational change, when many divisive issues threatened California's future, Jesse Unruh provided strong leadership in the legislature and in the Democratic Party to keep us on a progressive path.

For the past 12 years Jesse served with great distinction as State treasurer and revolutionized that office as well.

I knew him as a close friend and one of those people who first inspired me toward a political career in the 1960's. Behind the image of the big, tough, powerful politician there was a gentle, caring human being and a brilliant man with great compassion. Jesse, the son of an itinerant Kansas sharecropper, hitchhiked to California after the war with $5 in his pocket. He dreamed big dreams and did great things, but never forgot who he was or where he came from.

## PRIVILEGES OF THE HOUSE—DIRECTING THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO FURTHER INVESTIGATE THE CONDUCT OF REPRESENTATIVE FERNAND J. ST GERMAIN

**Mr. GINGRICH.** Mr. Speaker, I rise to a question of the privileges of the House, and I send to the desk a privileged resolution (H. Res. 244) and ask for its immediate consideration.

### PARLIAMENTARY INQUIRY

**Mr. DIXON.** Mr. Speaker, I have a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman will state it.

**Mr. DIXON.** Mr. Speaker, under the rules of the House and the rules of the privileged resolution do the opponents have an equal opportunity to time; and if not, I would ask the gentleman, if the gentleman from Georgia intends to yield to the opponents of the resolution equal time?

The **SPEAKER** pro tempore. If the resolution states a question of privilege, the gentleman from Georgia will have 1 hour; and the gentleman can yield as the gentleman sees fit.

**Mr. GINGRICH.** If the Chair would recognize me, it would be my intention, I say to the gentleman from California [Mr. DIXON], my distinguished colleague, to yield 30 minutes to the gentleman to control for purposes of debate only, and to ensure that those who oppose the resolution have their half of time for debate purposes.

**Mr. DIXON.** I thank the Chair, and I thank the gentleman.

The Clerk read the resolution, as follows:

### H. RES. 244

> Whereas Rule IX of the House of Representatives states: "Questions of privilege shall be, first those affecting the rights of the House collectively, its safety, its dignity, and the integrity of its proceedings; second the rights, reputation, and conduct of Members, individually, in their representative capacity only; and shall have precedence over all the questions, except motions to adjourn.";
>
> Whereas propositions to further investigate charges against a Member of the House have been presented as a question of the privileges of the House;
>
> Whereas a news report contains information and allegations that Representative Fernand J. St Germain may have acted improperly;
>
> Whereas a public interest organization recently has requested that the Committee on Standards of Official Conduct further investigate the conduct of Representative Fernand J. St Germain; and
>
> Whereas the said charges and other identified improprieties do rise to such level warranting further action by the Committee on Standards of Official Conduct: Now, therefore, be it
>
> *Resolved,* That the Committee on Standards of Official Conduct is directed to further investigate the conduct of said Representative and report promptly back to the House its findings together with such recommendations (for disciplinary action, if any,) as they deem appropriate.

The **SPEAKER** pro tempore. The resolution presents a question of privilege, and the gentleman from Georgia [Mr. GINGRICH] is recognized for 1 hour.

**Mr. GINGRICH.** Mr. Speaker, I yield myself such time as I may consume.

Let me first state the case and set a framework, and then I will yield the floor to the gentleman from California [Mr. DIXON].

I want to start by thanking the House Parliamentarian because this is a very, very difficult process; and it is very important that we approach it within a framework of seriousness and of comity, recognizing that it is fraught with emotion.

□ 1140

Recognizing that we are in an era in the United States in which ethics on a variety of fronts, from Wall Street to the executive branch, to the PTL Club and to the Congress, are all in turmoil and that ethics is an issue of considerable importance as we wrestle with ourselves as a nation and with our conscience.

It is also important for the House to recognize that parts of this are difficult to discuss, not only because we are discussing our colleagues, but also because under the rules of comity it is necessary to phrase things carefully and to insure that only that is stated on the floor of the House which is appropriate to the demeanor of the House.

I say in advance then to the Chair that I hope the Chair will advise me. It is my intention to put in the RECORD part of a letter from Common Cause, only that part which relates directly to Mr. ST GERMAIN and to the question of ethics at this time, to put in the RECORD part of the report of the Committee on Standards of Official Conduct and to put in the RECORD a very

brief part of an article in the Wall Street Journal on Mr. ST GERMAIN.

In addition, it is my intention to explain why this is more than simply a case of an individual Member's ethics. It seems to me that we have to recognize that there are two different things coming to bear here. One is the question as raised by Common Cause and others of how the House deals with questions of ethics. The other question is the question of the entire savings and loan problem and the degree to which in this particular case, dealing with the chairman of the Banking Committee, produces an even more difficult problem.

Let me start by citing the July 29, 1987, letter from Common Cause President Fred Werthheimer to the chairman of the Ethics Committee, and I quote:

> Recently the Wall Street Journal reported that Representative St Germain is the subject of a Justice Department criminal investigation for allegedly permitting a savings and loan lobbyist to pay Representative St Germain sizable entertainment bills. According to the Wall Street Journal story, the earlier Ethics Committee investigation of Representative St Germain touched on the matter now under scrutiny by the Justice Department, but the committee did not pursue it. As a result, according to the Wall Street Journal, Representative St Germain apparently continued to pursue his alleged questionable entertainment practices even as the Ethics Panel was completing its work. We urge the Ethics Committee to reactivate its investigation regarding Representative St Germain in order to examine the further allegations raised in the Wall Street Journal on July 16, 1978.

Let me go on to quote one other paragraph from the Common Cause letter, which said:

> At a time when questions of government integrity are in the forefront of public concern, it is critically important for the Ethics Committee to make it clear that Representatives who violate House rules will be held accountable.

Now, let me say to my colleagues, were this a single allegation in a single newspaper, were this allegation standing purely on its own, then one might argue that by itself there are no grounds just to take the newspaper's word for it, but let me put this in context.

First of all, as I will come back to, there is a massive savings and loan scandal building in this country. The bill we just passed is totally inadequate. We are likely to end up, as the Wall Street Journal this morning quotes an adviser of the Speaker as saying that we may well have a $50 billion problem on savings and loans.

The exact quote is:

> It is in such a mess it is going to cost billions, he says, $50 billion.

So on the one hand we have a scandal of an industry which may have to be bailed out to the tune of $50 billion. I will come back to that.

Second, we have a chairman about whom we know a great deal, and I must commend the committee. This report is a massive document. Much of it is the specific research done by the Ethics Committee on the question of Mr. ST GERMAIN. Obviously, far more material than most Members intend to read, but there are a number of quite specific quotes that I think are important to understand about Mr. ST GERMAIN in putting in context the Wall Street Journal allegation.

The Ethics Committee found in its report, and I am quoting from an official document of the House here:

> Representative St Germain consistently understated—by more than a million dollars—on his Financial Disclosure Statements the fair market value of his five International House of Pancakes Restaurants.

That is page 46.

> This undervaluation violated House Rule XLIV and the Ethics in Government Act of 1978.

That is page 48.

> The committee concludes the sale of the Providence IHOP was incorrectly reported.

That is page 49.

> The statement contained in each purchase agreement * * * was not correct.

Page 49.

> Representative St Germain violated House Rule XLIII, clause 4, in connection with his acceptance of transportation provided in 1980 by Florida Federal.

Page 3.

> In 1978, Congressman St Germain failed to disclose $20,000 in income. The Ethics Committee admonished the member to not repeat his performance.

Page 44.

> In 1984, St Germain failed to report a $30,000 transaction in 1983. "He has never disclosed the purchase transaction * * *. Counsel for the Congressman did not offer any plausible explanation for the nonreporting. This nonreporting violated House Rule XLIV and the Ethics in Government Act of 1978."

Page 45.

My point is this. If you read the report of the Committee on Ethics, there are reasonable grounds to suggest a pattern of behavior which makes reasonable the Wall Street Journal article.

Let me carry you one stage further to put this in context so Members understand that in this case we are not even talking only about a question of ethics. I would say only a question of ethics is a pretty strong statement, but in this case it is more than just a question of the ethics of the House.

I want to read briefly from a proposed statement of William Black, Deputy Director of the Federal Savings and Loan Insurance Corporation, and William Robertson, Director of the Office of Regulatory Policy Oversight and Supervison of the Federal Home Loan Bank Board. This statement was never delivered. It was prepared for a subcommittee meeting on June 9, 1987, but it was not presented, because it sets in context why the role of the chairman of the Banking Committee in carrying, if he did as alleged by the Wall Street Journal, the credit card of the savings and loan lobbyist has the importance beyond simply the ethical behavior of a single Member. These are quotes from Federal Government officers who were planning to testify:

> By way of overview, insider abuse and fraud are very significant contributors to thrift losses and failures.

They go on to say:

> Combined, these two causes of losses are overwhelmingly responsible for virtually all recent failures, FSLIC growing insolvency and huge coming losses that we have already identified.

In other words, the industry being overseen by the Banking Committee had at the core of its problems insider abuse and fraud.

They go on to say:

> Too often the cases involving FSLIC's largest losses have borne an uncanny resemblance to each other. The general pattern was a state chartered association that underwent a change of control in 1982–1983, massive growth, adoption of a risky investment strategy, emphasizing acquisition, development and construction loans, acquisition, development and land loans, and direct investments. Underwriting was often extremely poor. Insider abuses usually present, and actual fraud was far from rare. The change of control often brought a real estate developer under the control of the thrift. For the unscrupulous developer, owning a thrift was a dream come true, a virtual printing press to provide money to develop his real estate. Typically, the new manager put minimal capital into the acquisition. Indeed, some changes of control were funded by over-appraised real estate property without any cash infusion.

They go on to say:

> On its surface, these problems, ADC and ADL—

That is, the terms refer to acquisition, development and construction; acquisition, development and land loans—

> On its surface these problem ADC and ADL loans are so insane that it seems irrational for any thrift manager to engage in such practices. From some thrift managers perspectives, however, it could pay to make such loans. By booking high income, the managers could justify awarding themselves high salaries, bonuses and dividends. They also increased their reported net worth, which in turn allowed them to make still larger loans and book still larger profits. Some managers also gained from loans because they were giving money to themselves through conflicts of interest or through kickbacks from borrowers.
>
> This was a sham. The worst managed thrifts were able to report as profits the act of essentially giving away their money and making themselves insolvent. These problem loans never made any sense. The decline of the regional economy merely exacerbated losses. For example, on average the Texas 40 were insolvent on a tangible cap-

> ital basis by the end of 1984, well before the steep 1986 drop in oil prices. The carnage that such risky investment and growth strategies and insider abuse and fraud have left is staggering. Virtually all FSLIC's recent and pending major losses are explained by such practices.
>
> Since part of the cause of FSLIC losses has involved suspected criminal conduct, such as insider abuse and fraud, the board had more than quadrupled its number of criminal referrals in 1986 over 1985 and currently is proceeding at a pace that could well exceed that number in 1987.

Now, the point I want to leave with Members is simple. If you read the statement of William Black, who was then Deputy Director of FSLIC, and William Robertson, the Director of the Office of Regulatory Policy Oversight and Supervision of the Federal Home Loan Bank Board and you read the Ethics Committee report, which does include a report on whether or not a staff member of the Banking Committee was calling the Federal Home Loan Bank Board and you recognize it is a $50 billion scandal building and that allegations have been made by executive branch officers, and in addition not just allegations, these are three Federal district court lawsuits alleging insider abuse and fraud to the tune of $350 million in one savings and loan, a savings and loan, which by the way has 97 percent of its current indebtedness insolvent; that is, of its current outstanding loans, 97 percent are noncollectible, an achievement which has to be a function of systematically setting it up.

In that setting, let me just suggest to my colleagues, and I will then yield to the chairman of the Ethics Committee, there is a clear Ethics Committee report that suggests that the chairman of the Banking Committee does on occasion do things that are not according to the rules.

There is a powerful allegation in the Wall Street Journal that the savings chief lobbyist was loaning his credit card to the chairman of the committee while he was writing the bill.

There are clear statements by the executive branch that a multibillion-dollar scandal in savings and loan is building.

There are lawsuits that have been filed, and for the life of me I do not see how a Member could vote not to ask the Ethics Committee to investigate.

This does not condemn Mr. ST GERMAIN. It does not conclude the case. It simply says, given a multibillion-dollar scandal that we know is true, given an allegation by a very important publication, is it not important for the House to instruct the Ethics Committee to further investigate?

Mr. Speaker, I reserve the balance of my time.

Mr. DIXON. Mr. Speaker, I yield myself such time as I may consume.

□ 1155

Mr. Speaker, first let me indicate to my colleague and friend from Georgia, Mr. GINGRICH, that he has made it perfectly clear that this issue does not address itself to the Ethics Committee, that he has conducted himself certainly in informing me and keeping me apprised of his activities. As a matter of fact, we have become great pen pals over the last 30 days on issues around this House.

Let me say first of all I think that this is probably one of the most important issues that this House can address, and that this is the issue of what is the criteria and threshold for initiating an investigation of a Member of employee of this House. I would like to read what I consider the operative section of this resolution. The resolution says in part that:

> Whereas a news report contains information and allegations that Representative FERNAND J. ST GERMAIN may have acted improperly;
>
> Whereas a public interest organization recently has requested that the Committee on Standards of Official Conduct further investigate the conduct of Representative FERNAND J. ST GERMAIN.

That is the heart of the gentleman's resolution. I cannot respond to what the gentleman from Georgia perceives as the problems in the savings and loan industry. That is not the jurisdiction of this committee. We do not have anything to do with inside dealing or any of the other material the gentleman mentioned.

I cannot comment by House rules and committee rules and an interpretive resolution by the Committee on Ethics on the report the gentleman talks about, the 1,400 page report on Mr. ST GERMAIN except to say that if my colleagues read the report, the report speaks for itself.

I can comment on a few things the gentleman mentioned, and that is to tell the House that the Common Cause letter that he cites, that cites a New York Wall Street Journal article, is absolutely untrue, that the committee touched upon but did not pursue certain allegations in the investigation of the gentleman from Rhode Island.

Gentlemen and ladies, there are basically four ways that the House investigates Members. Three are relevant to this conversation.

The first way is that the committee on its own initiative can initiate an investigation. The second way, which is very relevant in this case, is by a sworn complaint to a reasonable belief by any Member of this House, if they have personal knowledge of any wrongdoing. The third way that is relevant to our discussion today is the resolution that is now before this House, this privileged resolution.

Pursuant to the authority of the committee to initiate its own investigation, I, as chairman of the committee, have evaluated the relevant material on at least four occasions with the staff attorney, and the committee in its entirety has evaluated the relevant material on two occasions, most recently yesterday afternoon. It is the unanimous opinion of the Members of the Ethics Committee that the relevant material is entirely from one press account, the Wall Street Journal. When the entire body of material is reviewed, it is the unanimous opinion of the Members of the committee, that it is nothing more or less than rumor. That is, it is nothing more or less than unverified information of uncertain origin.

That is very important. I am saying that ths information is rumor. I am saying that the six Republicans on the committee and the six Democrats on the committee all agree that it is unverified information from an unverified source.

Compare what I am about to read to the quotation from the Wall Street Journal. The Wall Street Journal says, and I am quoting now that:

> There was widespread reports from lobbyists and House Members that Representative ST GERMAIN regularly accepted expensive food, drink and entertainment from Mr. Freeman.

There is no existence to my knowledge or to any committee Member's knowledge of any widespread reports from lobbyists or from Members of this House. If I have misstated that, any Member of this House can contact the committee by a written complaint, or even a letter, informing me of widespread reports by either Members of the House or lobbyists.

There is no assertion in the article itself as to the source of this information by Members or lobbyists, and there is no information in the article to provide us dates and times.

The second part of the article that is relevant, and I quote again from the Wall Street Journal, says:

> One lobbyist said that Representative ST GERMAIN openly signed for a meal for himself and other guests one night at the Prime Rib, using Mr. Freeman's credit card.

What is the source of this information? The reporter for the Wall Street Journal says one lobbyist said. Does the reporter say that one lobbyist said to him? No, he does not even assert that this was said to him. He says one lobbyist said. The identification of the source is the general class of lobbyists.

Does he say when it occurred? No, there is no inference here that the writer of the artricle knows anything about when this occurred.

So it is unverified material from an unknown source. I ask my colleague to judge whether that is a rumor.

What this resolution does, in my opinion, is it lowers the threshold for us to start an investigation based upon a rumor. The gentleman from Georgia

[Mr. GINGRICH] mentioned Common Cause. Common Cause has read the same article, they have see the same rumor, and then they write us, and based upon what they have read, which the committee has deemed to be a rumor, repeated it.

We have the gentleman from Georgia [Mr. GINGRICH] who could file a verified complaint that to the best of his ability certain facts exist. I do not think that the gentleman from Georgia [Mr. GINGRICH] can do that because he knows nothing of any factual situation, and so he attempts through this resolution to do indirectly what he cannot do directly; that is, to sign a verified complaint.

Then he takes the rumor, puts it in the resolution, Common Cause reads the rumor, sends us a letter. I am saying to this House that the standard to pass a privileged resolution against a Member of the House to cause an investigation should certainly be higher than accepting a rumor standing alone, repeated by a public interest group and another Member of this House.

This makes no sense. It would have been the easiest thing in the world, and I have been approached by Members who have said, my God, why do you not investigate this issue, and as the gentleman from Georgia Mr. GINGRICH, has said in his Dear Colleague letter, he had no desire to move forward if we took action yesterday. The Members of that committee met yesterday, and I am proud that they lived up to their responsibility. There was not a Republican there, all six of them were present, nor a Democrat there that could bring themselves to vote a privileged resolution on a rumor, notwithstanding the politics or any heat that may be applied to them.

Second, there is a longstanding policy of the committee not to make an investigation when it is known to our committee that there is a criminal investigation going on. The Wall Street Journal says that there is a criminal investigation going on. I have reason to believe, based on independent information as chairman of the committee, that there is a criminal investigation going on, and there is no reason at this point in time for us to initiate an investigation when in fact a law enforcement agency is conducting an investigation. It does not mean that if there are subsequent relevant facts that turn up in the course of that investigation or turn up or come to our attention in some other manner that ultimately the committee may take some action. But it is certainly premature based on that investigation.

So I am saying to my colleagues today that when they examine the Wall Street Journal article they will come to no other conclusion than that it is rumor and that there are a group of repeaters of the rumor from the same source.

So couple a rumor with two repeaters of the same rumor and the gentleman from Georgia would suggest that is enough. I say it is not enough to start to an investigation on an employee or a Member of the House.

As chairman of this committee I receive written rumors, oral rumors almost every day of the week. Some of them appear in the personality column of the Washington Post. This is not the criteria. There must be a reasonable belief of some violation of House rule or the Code of Ethics.

So I say to my colleagues when they look at the totality of this and look at the implication of investigating a Member of this House based on a rumor standing alone that he will not live up to our responsibility by voting for this resolution.

I know there is a strong feeling from the gentleman from Georgia [Mr. GINGRICH] as it relates to the Savings & Loan League, but I say that does not have anything to do with our investigation. We are not going to be investigating the Savings & Loan League as it relates to inside dealings or anything else.

The issue here is conduct of Members and whether they have violated their rules.

Finally, I say to my colleagues that serving on the committee is not a thankless job when one thinks that each member of that committee can stand up every day and look at themselves for exercising their best judgment. In my opinion, part of the reason for this resolution is that some people in this Chamber felt that the judgment call of the committee on the original St Germain issue was not the appropriate call. That is their opinion and they are entitled to it. They did not have at their disposal all of the facts, and I think when my colleagues read the report, if they read it in its entirety, as the gentleman from Georgia [Mr. GINGRICH] has said, we probably know more about Mr. FREDDIE ST GERMAIN's life than we want to. I think I know more about his financial transactions over a period of years than I would ever know about any other person in life.

But it was the judgment of this committee that we would not come to the floor with recommendations. It did not come easy. It took 14 months. It took a lot of discussion, a lot of dissemination of information and a strong investigation.

So it is the right of the gentleman from Georgia to disagree. He did not have the responsibility to carry out that job. I am pleased that every Member of that committee voted for that report. There was not a dissenting view, there was not any arm twisting. Everyone on that committee has a right to exercise and exchange ideas.

□ 1210

And so I say to you that this resolution is wrong, it is destructive of this institution because it sets a standard that is ridiculous and that is any time that you have a rumor published in the newspaper with no source, no date, no one who said it, some general class of people, coupled with a reporter that writes a letter to the Ethics Committee, then we should move on it; we should not. This resolution should be resoundly voted "no."

The SPEAKER pro tempore (Mr. SABO). The gentleman from California [Mr. DIXON] has consumed 16 minutes.

Mr. GINGRICH. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

Let me say, Mr. Speaker, that we have heard the case for the defense and it is a good case in a very narrow context. But it seems to me that what it says to the House is that our standard for investigation ought to be the same as our standard for judgment. And I think that that is what gets us into a problem with the American people and for that matter with many of our colleagues.

I for the life of me cannot believe that if the allegations that are now before the body had been known during the previous investigation of Mr. ST GERMAIN that the House Ethics Committee would not have pursued them.

I fundamentally believe that a charge this serious would have been pursued as a part of that investigation. I believe the integrity of the members of that committee is such that they would not have ignored this matter. It was not known to them at this point. Despite the fact that it may have qualities of rumor about it, they would have looked into it because it fits precisely with that which they were investigating in their previous work.

The chairman of the committee just said that the heart of the resolution is the informational clauses, the whereas clauses.

I would contend something entirely different, that the heart of this resolution is exactly as the heart of all resolutions are, it is in the resolve clause. It puts the question before the House as to whether or not we ought to take a further look into this matter. And I think the evidence suggests that we should take a further look.

The report that the chairman referred to does speak for itself. I thoroughly agree with the chairman on that. The report, as the gentleman from Georgia has pointed out, says that Mr. ST GERMAIN made a number of ethical violations. I would say to the House that the report does not say what the chairman of the Banking

Committee says that it says. Let me quote to the House what the chairman of the Banking Committee's opinion of that report is. He said, and I quote, "It is impossible to overstate the satisfaction I feel because my innocence has been officially confirmed by the Ethics Committee."

There is no such report. The report of the Ethics Committee very strongly suggests, very strongly says that the chairman of the Banking Committee was guilty of major ethical violations.

That is the reason why the rumor that we have heard talked about does not exist in a vacuum. This is not just a rumor coming into the Ethics Committee from out of nowhere. This is a matter which is a matter that was reported in this one newspaper, but comes in the context of all the other things that we have already established on the record, things that the Ethics Committee itself has established. And, of course, there are not widespread reports. I agree with the chairman in that regard.

But the fact is because of the questions that we know from the previous report it seems logical that questions here should be asked again on the new matters that are now before the House. This is not a new investigation that is being asked for here. If you will read the resolve clause of the report, what we are asking for is for a further investigation, in other words, an extension of that which the committee has already done because the charges here are in line with the charges of previous times.

The chairman used the term that I think we ought to use as our way of judging this. He said if there is "a reasonable belief." Well, in light of all the committee has put together, it certainly seems to me that we have reason to believe that these charges could have some foundation, particularly when you take the important point that I think the chairman has made, that he has reason to believe that the Justice Department is looking into this matter right now.

Now when we have a criminal investigation under way in the Justice Department on matters like Iran-Contra, it does not prevent this House from asking questions itself in a special committee. Why should we apply a different ethical standard to ourselves? Good heavens, what we have now is a standard that if the Justice Department is investigating we do not look and if the Justice Department is not investigating we do not look. That is not a good enough way of proceeding.

I would suggest that it is very important that we vote for this resolution, that this resolution does make sense, that it makes sense in light of the need for this House to assure itself of the highest possible ethical conduct. The arguments made by the chairman are as good as far as they go, but they do not go far enough.

Mr. DIXON. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina [Mr. Spence], the ranking minority member on the committee.

Mr. SPENCE. Mr. Speaker, this is a very difficult matter. As a matter of fact, it is so difficult that some of us on the committee hesitate to even speak pro or con, because our rules, prevent us from discussing matters which are before the committee or which we might have to consider. I cannot even say whether or not this matter is before our committee right now because that fact, in itself, would tend to prejudice the case, hurt innocent people, if it was reported that we were or were not pursuing the case.

These rules are designed to help innocent people, to protect people from just what we are confronted with here today, from rumors in the press, in the media.

Think back, please, if you will: how many times have you read speculation or rumors in the press about other Members, other people or, more importantly, about yourself from time to time. Political reporters at home, on television, in newspapers.

Even you do not know about the letters we get about you which are based on rumors and speculation, political and otherwise, which we do not even bring to your attention. We advise these people about the proper way to bring a complaint. We never hear again from most of them because they are just that, rumors, and people do not want to sign their names to verified complaints.

If you want this committee or this body to engage in witch hunts on every letter we receive, every rumor brought to our attention in the press, you can do it without me.

There is a proper way to do things to prevent these things from happening; this is not the proper way. I have even got to vote "present" today because a yes or no vote might indicate how I feel about considering this matter one way or the other, on its merits.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. Spence] has consumed 4 minutes. Does the gentleman yield his time back, or does he yield it back to the gentleman from California [Mr. Dixon]?

Mr. SPENCE. Mr. Speaker, I yield my time back to the gentleman from California.

The SPEAKER pro tempore. The Chair will state that the gentleman from California [Mr. Dixon] has 10 minutes remaining and the gentleman from Georgia [Mr. Gingrich] has 11 minutes remaining.

Mr. DIXON. Mr. Speaker, I recognize that the gentleman from Georgia [Mr. Gingrich] would like to close, and he has the right.

Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. Fazio], a member of the committee.

Mr. FAZIO. I appreciate my chairman for yielding to me.

I would like to just take a second to pay tribute, and I use that term advisedly, tribute to Mr. Dixon and Mr. Spence the chairman and ranking member of this committee because I think they accept a burden, in accepting that responsibility, that few other Members of this body would be willing to bear.

I know from personal experience, having served with both of them now for, I believe, 5 years, that they are fearless; they are willing to accept criticism from their colleagues, criticism that indicates they have not done enough, criticism that they have done too much; they are willing to accept criticism from external pressure groups and they are certainly willing to stand before their own constituency defending what sometimes is a very difficult and complex situtation in an institution that obviously bears some burdens in this society that we live in today.

I think we need to strongly reject this resolution today and reaffirm our confidence in the people that we have asked to take up this very difficult task. I do so, not because I believe members of this committee have reached any final conclusions in regard to the gentleman at issue. In fact, I do not believe this committee is in a position to say that it will or will not take any further action on the gentleman from Rhode Island at any point in the future. We certainly remain open to valid documented factual evidence that may be presented by several different sources, including that of the Department of Justice, should that be forthcoming.

But we do have standards, both for a decision to prosecute and for a decision to indicate that we wish to penalize some individual—perhaps the term "conviction" or "sentencing" would be applied. However, we cannot take action in a manner that would cause unsubstantiated rumors to become the standard of proof that would cause this committee to act. It is important that we not set any precedent here today that would leave implications that are far reaching and that could do a tremendous amount of damage to this institution.

There is no question that the chairman and ranking member made the case very well. I simply would like to say in addition to the arguments that they have made that I think it is important we reaffirm our support for them and for the committee and for the rule of law within this institution.

Mr. Speaker, I yield back the balance of my time.

Mr. GINGRICH. Mr. Speaker, I yield myself 30 seconds just to say to my colleague that all the committee ever had to say was "We will explore this information." It is not a question of the rule of law, it is not a question of prejudgment. All the committee had to say, because we inquired in writing and I inquired in person of the chairman, all the committee had to say was, "Give us until we come back in September, we will explore this and let you know if there are any grounds." All the committee had to say, I say to the gentleman from California who just spoke was that "we will explore it."

Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. Smith].

Mr. SMITH of New Hampshire. I thank the gentleman from Georgia for yielding.

If I may just pick up on that point, Mr. Chairman, as a signer of the letter that was sent to the gentleman from California on July 24, the intent of that letter was to at least get a response as to whether or not some of the things in this article, the Wall Street Journal article, were accurate. We certainly would not be here today with this privileged resolution, it certainly was not our intent to have such a resolution, at least if you could have responded as Mr. Gingrich said, "We will look into it, there is nothing to it, it is just rumor."

□ 1225

I just want to point out that it is not out of disrespect for the gentleman. It is the intent and certainly my intent certainly in signing that letter to do just that. I must confess that I am not totally familiar with the Ethics Committee's procedure, but I just felt that given this kind of exposure that this article had, it would be in the committee's best interest to respond.

I am not sure whether the gentleman alluded to this specific paragraph, but I just wanted to bring it up. I felt that the article took a shot at the committee with the paragraph that said:

> Ethics Committee staff members did attempt to question Mr. Freeman during the investigation, but backed off when the U.S. League protested, according to people familiar with the panel's investigation.

That is a very serious charge made against the committee.

Mr. Speaker, I would appreciate a response from the gentleman, and I would be happy to yield to the gentleman from the balance of my time for a response. The gentleman may have alluded to this, and if he did, I apologize for that. I would just like to hear a response.

Mr. DIXON. Mr. Speaker, if the gentleman will yield just briefly, I will address this on my own time and respond to it. There are no other requests for time, I say to the gentleman from Georgia [Mr. Gingrich], and I would close my remarks, with the understanding that he has the right to close.

Mr. GINGRICH. Mr. Speaker, may I inquire, how much time do I have remaining?

The SPEAKER pro tempore (Mr. Sabo). The Chair will state that the gentleman from Georgia [Mr. Gingrich] has 8½ minutes remaining and the gentleman from California [Mr. Dixon] has 7 minutes remaining.

Mr. GINGRICH. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Hunter].

Mr. HUNTER. Mr. Speaker, I thank the gentleman from Georgia for yielding time to me.

Mr. Speaker, I think this is a very painful experience we are going through right now. There is no one in the House I respect more than the gentleman from South Carolina [Mr. Spence], with whom I have a chance to deal on a regular basis, and I appreciated his remarks. But I think the problem the House faces right now is that we are being charged essentially in this article, I think, by the American people with a double standard.

My friend, the gentleman from South Carolina [Mr. Spence], mentioned the importance of protecting families and protecting honest people who are unjustly charged, but I am reminded that nobody was interested in protecting Mr. North's family. When Mr. Meese held his investigation of the executive branch and the activities with regard to the Iran-Contra affair, Members of this House and Members of the other body ridiculed the investigation. We tried a number of those people in the press and in press conferences and hung them before the hearings even began.

The cochairman of the Iran-Contra Investigations Committee for the House, the gentleman from Indiana, stated that this was a cleansing process that was needed for the executive branch, this airing of problems, and I would suggest that we cannot move forward and say we need to cleanse the executive branch with regard to ethics without at least moving forward where investigations seem to be in order for ourselves in the House of Representatives.

I think this is the problem that we face today. Again I think the gentleman from Pennsylvania [Mr. Walker] made a good point when he said the fact that criminal investigations were ongoing did not prevent or deter the Iran-Contra Committee from moving forward with a full-blown schedule of months and months of investigation and hearings, and it should not prevent this House from moving forward either.

For that reason, Mr. Speaker, although it is a very painful thing and, I think, a personal thing for Members of the House, because we are familiar with some of the problems that are attendant to public life, I think it is incumbent on us to support this resolution.

Mr. DIXON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if I may respond for just a second, let me explain my response to the Members of the House as it relates to the question of the gentleman from New Hampshire. I believe I said in my opening statement that counsel for the committee, along with me, had reviewed the body of evidence, the relevant material, four times independently, and that the committee on two occasions had reviewed the body of material, and it was our opinion that the material consisted totally of one press account and that press account was rumor.

But I think this is a classic example. Unless the proponents of this resolution get the answer they want, they assume that nothing has been done. Now, the gentleman from New Hampshire referred to the letter that they wrote on the 24th. It was not written on the 24th; it was written on July 28. I received it, and there is a date stamped on it of the 29th. But I am glad he brought up the letter. What I am saying to the House is that, No. 1, this committee is constantly monitoring evidence to see if it reaches the threshold of a reasonable belief; that we have never accepted and should not accept rumor, unverified information, from an unidentified source—that "one lobbyist said that." That is not the criteria.

I compliment the members of the committee, particularly the gentleman from South Carolina [Mr. Spence], who is the ranking member, and I commend all of the work that the members, six Democrats and six Republicans put in. They operate with a scalpel, not a shotgun.

The gentleman from New Hampshire mentioned this letter, and I had not really intended, until this came up, to bring it up. It is not a big thing, but when you bring a privileged resolution to the House and you correspond with the committee, you should be exacting. You should know what you are saying and be able to stand behind it.

Now, I quote from the letter that was sent to me by the gentleman from Pennsylvania [Mr. Walker] and others: "In the 19 July 1987 Wall Street Journal article entitled"—and then it goes on to entitle it—"St Germain faces inquiry over bills allegedly paid for by thrifts." They say, "In the July 19, 1987 article." That is the shotgun approach. The article was not published on July 19; it was published on July 16.

It is not a big thing. It just shows you how reckless one can be. The Wall

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Street Journal is not published on Sunday. July 19 was a Sunday.

I had not intended to raise that issue at all. The committee acts as a scalpel. These people here are acting as a shotgun. It was obviously a mistake, but they put their names on here, and just as they put their names on here with an error in the date, they put their names on here in an error of judgment, and that is in bringing a privileged resolution to this floor on rumor.

To put it in another way, let me summarize it for the Members: this House is being asked to vote on a resolution by a Member who is circulating a rumor that has been repeated by a public interest group that says that the Wall Street Journal says that a lobbyist provided a credit card for someone at some place at some time.

Mr. Speaker, the Members must vote "no." There is no criteria here for an investigation. There is rumor, and there is no place in a priviledged resolution to investigate a Member based on rumor standing alone.

Mr. Speaker, I ask the Members for a "no" vote on this resolution.

The **SPEAKER** pro tempore. The gentleman from California [Mr. Dixon] has 2 minutes remaining.

Mr. **DIXON**. Mr. Speaker, pursuant to our agreement, I yield my 2 minutes back to the gentleman from Georgia [Mr. Gingrich].

The **SPEAKER** pro tempore. The gentleman from Georgia [Mr. Gingrich] now has 8½ minutes remaining.

Mr. **GINGRICH**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not think I will use up 8½ minutes, but let me start, I say to the gentleman from California [Mr. Dixon], in this way: the gentleman from California [Mr. Dixon] correctly cited the typing error by whoever typed that letter and then took that typing error, which said the 19th instead of the 16th, and then built a case around it.

Let me suggest to the gentleman that as chairman of the committee which accepted an understatement of $1,515,400 in one item and said nothing should be done about that underreporting of $1,515,400, you are hardly in a position to hold this House up to a very narrow standard. That is precisely the point of this resolution, that when you can find an explanation for a series of errors which, by your own account, by your own report, are clearly fairly gross violations, the failure to report a $30,000 transaction, then you attack our letter because we are off on the date that was typed in?

Now, let me ask the gentleman, second, which Wall Street Journal article are you referring to? Are you referring to the obviously shallow Wall Street Journal article which suggests this—let me quote from it—which suggested the part the gentleman denied:

> One lobbyist said Representative St Germain openly signed for a meal for himself and his guest one night at the Prime Rib, using Mr. Freeman's credit card, though Mr. Freeman was not present.

That is something which you correctly point out is only an allegation.

Or is the gentleman citing the Wall Street Journal article which said:

> Ethics Committee staff members did attempt to question Mr. Freeman during the investigation, but backed off when the U.S. League protested, according to people familiar with the panel's investigation. Messrs. St Germain and Freeman continued being seen together frequently in expensive watering holes, even as the ethics panel was completing its work.

Those are only allegations, but then you said in your own statement that the beginning of the article stated:

> House Banking Committee Chairman Fernand St Germain's troubles aren't over; the Justice Department has opened a criminal investigation of sizable entertainment bills allegedly paid for him by a savings and loan industry lobbyist.

That particular quote was accurate, according to the gentleman's own statement. Which article is it? Is it the highly inaccurate allegation or the highly accurate statement that there was a criminal investigation? The gentleman said there was a criminal investigation.

Mr. **DIXON**. Mr. Speaker, will the gentleman yield?

Mr. **GINGRICH**. I am glad to yield to the gentleman from California.

Mr. **DIXON**. First of all, so that there is no confusion, there is only one article. The whole body of the comments of the gentleman from Georgia are in one article, and it was published on July 16.

Mr. **GINGRICH**. That is correct.

Mr. **DIXON**. But the point is that I said—and I try to be very careful, and I want the record to show this—that I said that the Wall Street Journal had indicated that there was an investigation and I had information at my disposal, and that I was aware independent of this article of an investigation. I just want the record to show that.

Mr. **GINGRICH**. Mr. Speaker, all I was stating is that it is the same article. That is, of course, my point there. All I was suggesting, I say to the gentleman, is that the same article which apparently, based on your independent verification, is apparently accurate about a criminal investigation, and it may in fact, if you investigate, turn out to be accurate about other investigations.

Notice that we are not coming to the floor—and I say this to every Member on both sides of the aisle—we are not coming to this floor and saying, "Vote to charge Mr. St Germain." We are saying, "Having approached the Ethics Committee and being told they are not even investigating the allegations, at least vote to ask them to investigate."

Let me walk through this for a minute, because I have the greatest respect and affection for and have served very closely with the gentleman from South Carolina [Mr. Spence]. I do not know the gentleman from California [Mr. Dixon] as well, but I know what a difficult job they both have. I know this is very, very emotional and very hard. But this is precisely an argument over standards. All the committee had to say was: "We will investigate and we will report back."

That is all they had to say. That is a very narrow base. There is no section of the ethics report which either affirms or denies the credit card use. There has been no statement by the committee about whether or not they were blocked off by the savings league. There is no evidence under testimony about that.

The gentleman says it lowers the threshold to begin an investigation, but in fact there are things that can be verified. Do the lobbyists' and the chairman's schedules fit? Do the lobbyists' and the chairman's schedules fit? Do the credit records fit? Are there different signatures on the credit card charges that fit when the chairman was there and the lobbyist was not there?

The question I have is this: you are not a criminal committee; you are an ethics committee. We have already been through one cycle where, because a Member was being investigated and we did not explore it or we did not investigate it ourselves and then the Federal Government ceased to investigate it, we did not investigate it because, after all, that was too late. Now we are back in the same cycle.

I would think that there is a great gap between ethics and illegality, that a Member can be innocent of any criminal wrongdoing and still be unethical. Otherwise why have an Ethics Committee?

Let me remind Members of what is at stake. We are going through changing ethics in this country, and all of us are living through that. There are a number of unresolved ethics charges in the House. There is a savings and loan scandal of enormous proportions, what has been called by some as possibly the largest white collar crimes in American history.

□ 1240

There is a chairman who, by the Committee on Standards of Official Conduct's own report, has clearly violated the House rules, and there is no question about that.

There is a Wall Street Journal article whose allegations of a criminal investigation, the chairman of the Committee on Standards of Official Conduct says that by independent sources, he has verified.

There is a call by Common Cause for more enforcement, more vigor, for aggressiveness; and now we have a refusal to investigate.

It should be a scalpel, but I would suggest given all of that, this is hardly an allegation about a random Member; and notice all the resolution asked for:

Resolved, that the Committee on Standards of Official Conduct is directed to further investigate the conduct of said Representative and report promptly back to the House its findings together with such recommendations—for disciplinary action, if any—as they deem appropriate.

I would just close with this plea to the Members, and I know it is emotional, and it is hard, and we all hate it.

Can the Members really vote comfortably not even to know, now even to look at it?

Can the Members really vote to say to the Committee on Standards of Official Conduct, "Don't find out if the chairman of the Banking Committee was dealing with the savings and loan lobbyists using his credit card. Don't find out how a bill that affects a $50 billion bailout was written, or what may be behind the criminal investigations that even the ethics committee has now verified are current."

Can the Members vote for ignorance about a position this powerful, an industry in this much trouble and go home and say, "Boy, we sure got to clean up the White House, Wall Street and the PTL Club; and by the way, I am from the U.S. House."

Mr. **MYERS** of Indiana. Mr. Speaker, will the gentleman yield for one question?

Mr. **GINGRICH**. I yield to the gentleman from Indiana.

Mr. **MYERS** of Indiana. Mr. Speaker, I thank the gentleman for yielding.

As I understand, if this resolution should pass, we would be mandated to start proceedings right away to investigate.

There has been a long-established understanding between the Justice Department and this committee that we would not interfere with any investigation they might have.

The gentleman would force the Members to go ahead and violate that rule that we have had with Justice?

Mr. **GINGRICH**. I would assume you could report back and ask the House's advice on how to handle that part of it.

There are parts you could investigate now. No judgment, all I am asking is a yes vote to say to the committee, "Please investigate the chairman in this context."

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER** pro tempore (Mr. Sabo). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. **WALKER**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 111, nays 291, answered "present" 13, not voting 18, as follows:

[Roll No. 300]

YEAS—111

Archer
Armey
Badham
Baker
Ballenger
Barton
Bateman
Bilirakis
Billey
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Chandler
Cheney
Coats
Coble
Coleman (MO)
Courter
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Edwards (OK)
Fawell
Fields
Gallegly
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hastert
Hefley
Henry
Herger
Holloway
Hunter
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kolbe
Kyl
Lagomarsino
Lewis (CA)
Lightfoot
Livingston
Lott
Lujan
Lukens, Donald
Lungren
Mack
Martin (IL)
Mazzoli
McCollum
McEwen
Meyers
Miller (WA)
Morella
Morrison (WA)
Nielson
Oxley
Packard
Porter
Pursell
Rhodes
Ritter
Roberts
Rogers
Roth
Rowland (CT)
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Skeen
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Stangeland
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Young (FL)

NAYS—291

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnard
Bartlett
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lowery (CA)
Lowry (WA)
Luken, Thomas
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
McCandless
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Montgomery
Moody
Moorhead
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Patterson
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schroeder
Schulze
Schumer
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

ANSWERED "PRESENT"—13

Atkins
Craig
Dixon
Dwyer
Fazio
Gaydos
Hansen
Mollohan
Myers
Pashayan
Petri
Schneider
Spence

NOT VOTING—18

Boner (TN)
Clarke
Daniel
Frenzel
Gephardt
Hatcher
Hyde
Kemp
Konnyu
Latta
Lloyd
MacKay
Marlenee
Michel
Pepper
Roemer
St Germain
Stump

□ 1305

Messrs. MINETA, OLIN, BOEHLERT, LEWIS of Florida, and McCANDLESS changed their votes from "yea" to "nay."

Messrs. DIXON, ATKINS, and FAZIO changed their votes from "nay" to "present."

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Mr. CALLAHAN and Mr. PARRIS changed their votes from "present" to "nay."

So the resolution was not agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERMISSION FOR COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO TAKE TESTIMONY AND CERTAIN OTHER ACTION BY QUORUM OF ONE DURING PERIOD OF AUGUST 5, 1987 TO SEPTEMBER 9, 1987, NOTWITHSTANDING HOUSE RULE PROVISIONS

Mr. DIXON. Mr. Speaker, I ask unanimous consent of the House that during the period August 5 to September 9, 1987, the Committee on Standards of Official Conduct be permitted to take testimony and other certain action by a quorum of one of its members, the provisions of House rule XI, clause 2(h)(1), notwithstanding.

This request has been approved by the ranking minority Member.

The SPEAKER pro tempore (Mr. Sabo). Is there objection to the request of the gentleman from California?

There was no objection.

## PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO HAVE UNTIL MIDNIGHT THURSDAY, SEPTEMBER 3, 1987, TO FILE REPORT ON H.R. 3100

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight, Thursday, September 3, 1987, to file its report on H.R. 3100.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. WALKER. Mr. Speaker, reserving the right to object, I would ask the gentleman, has this been cleared by the minority?

Mr. FASCELL. Mr. Speaker, if the gentleman will yield, this has been cleared by the minority.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

## GENERAL LEAVE

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3058, Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 1988, and to include extraneous matter along with tables and charts.

The SPEAKER pro tempore. Is there objection to the gentleman from Kentucky?

There was no objection.

## DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1988

Mr. NATCHER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3058) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1988, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Massachusetts [Mr. Conte] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. Natcher].

The motion was agreed to.

☐ 1308

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3058, with Mr. Sharp in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Kentucky [Mr. Natcher] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. Conte] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Kentucky [Mr. Natcher].

Mr. NATCHER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, it is a distinct honor and privilege for me to serve on this subcommittee with my friend, the gentleman from Massachusetts [Mr. Conte], the ranking minority member and all of the members of the subcommittee. Further, Mr. Chairman, I want my colleagues to know that it is an honor to serve on the Appropriations Committee with my chairman, the distinguished gentleman from Mississippi [Mr. Whitten], the dean of the Congress, the House and the Senate. I want the committee to know that at all times on our bill our chairman of the full committee works with us on every program and every item in this bill.

Mr. Chairman, H.R. 3058, which we present to the House today, makes appropriations for the fiscal year 1988 for the Departments of Labor, Health and Human Services, and Education, and for 14 related agencies, including ACTION, the Corporation for Public Broadcasting, the Federal Mediation and Conciliation Service, the Federal Mine Safety and Health Review Commission, the National Commission on Libraries and Information Science, the National Council on the Handicapped, the National Labor Relations Board, the National Mediation Board, the Occupational Safety and Health Review Commission, the Prospective Payment Assessment Commission, the Physician Payment Review Commission, the Railroad Retirement Board, the Soldiers' and Airmen's Home, and the United States Institute of Peace.

The bill includes 1988 appropriations totaling $112,792,398,000 for these departments and agencies, which is $13,291,935,000 over the amounts requested by the President, and $12,676,473,000 over the comparable amounts available for 1987. In addition, the bill includes advance appropriations of $13,750,000,000 in fiscal year 1989 and $238,000,000 in fiscal year 1990.

A large portion, 67.8 percent, of the appropriations in the bill is for entitlement programs for which funding levels are determined by the basic authorizing legislation. The bill includes $76,502,488,000 for these entitlements in fiscal year 1988, an increase of $4,686,739,000 over the amount requested by the President and an increase of $9,723,428,000 above the amounts available for these programs in fiscal year 1987. For discretionary programs, in which spending is controlled through the annual appropriations bill, the bill includes $36,289,910,000 in fiscal year 1988, an increase of $8,605,196,000 over the President's budget and an increase of $2,953,045,000 over the amount available for fiscal year 1987. In addition to these amounts, consideration of $2,332,757,000 of budget estimates for 1988 has been deferred because authorizations have not yet been enacted for these programs.

In addition to the amounts included in the bill, very large sums are automatically appropriated each year for labor, health and human services, and education programs without consideration by the Congress during the annual appropriations process. The principal items in this category are the unemployment compensation, Social Security, Medicare, and railroad retirement trust funds. If the trust funds were counted, total budget authority for labor, health and human services, and education programs considered in this bill would increase from $421,933,023,000 in 1987 to $471,331,015,000 in 1988, an increase of $49,397,992,000.

Mr. Chairman, this bill is well within the ceilings set by the 1988 budget resolution. After adjusting for advance appropriations included in the bill, the total for fiscal year 1988 which counts against our 302(b) ceiling is $125,604,463,000 of which $89,314,553,000 is for entitlements and $36,289,910,000 is for discretionary items. These amounts are below our 302(b) allowance in total by approximately $4 billion. The bill is $3,960 million below for discretionary programs and $168 million below for entitlements. This results because the subcommittee has deferred consideration of programs which are not currently authorized for fiscal year 1988. The President's budget requests $2,332,757,000 for unauthorized programs which received $3,005,533,000 for fiscal year 1987. The amount of 302(b) ceiling remaining is sufficient to fund these deferred programs as well as to fund new or expanded authorizations assumed in the budget resolution. When appropriations are made with respect to these deferred activities as well as for new or expanded authorizations currently before the Congress, the committee expects to be exactly at its ceilings under section 302 of the Budget Act.

With respect to outlays, the bill includes $130,978 million in outlays for fiscal year 1988 including $18,968 million for discretionary programs and $112,011 million for the entitlements. This is $2,106 million below the 302(b) allowance in total including $1,616 million for discretionary programs and $490 million for entitlements. This occurs because of the deferred items not included in the bill. While the outlay ceiling is extremely tight, we believe that there are sufficient outlays remaining to cover the items which have been deferred.

### DEPARTMENT OF LABOR

The bill provides a total of $5,959,806,000 for the Department of Labor, including $4,845,231,000 for discretionary programs and $1,114,575,000 for entitlements. For discretionary programs the bill exceeds the President's budget request by $402,209,000, and it is $300,123,000 over the 1987 level. For entitlement programs we are above the President's request by $82,575,000 and above last year by $496,479,000.

In addition, the bill includes a total of $2,818,966,000 in trust fund transfers, an increase of $206,073,000 over the President's request and $146,302,000 over the 1987 level. Virtually all of the trust funds are for financing the administrative costs of the State employment security agencies.

### TRAINING AND EMPLOYMENT SERVICES

For programs under the Job Training Partnership Act, we recommend $3,639,685,000, an increase of $354,137,000 over the President's budget and $189,456,000 over the 1987 amount. This includes $783,500,000 for the Job Corps to maintain the current services level of 106 centers and 40,544 training slots. We also extend the prohibition of Job Corps center closings until January 1, 1989. Included in the total is $93,500,000 over the request for capital costs, of which $49,000,000 is for new centers, $32,000,000 is for relocation of certain existing centers within the same city, and $12,500,000 is for additional high-priority needs including those centers where leases cannot be renewed. For the summer youth program the bill includes $750,000,000 for the summer of 1989, an increase of $100,000,000 over the President's budget and the same as the amount already appropriated for the summer of 1988. We added $97,000,000 to the President's request for the State block grant for a new total of $1,880,000,000.

We recommend $50,000,000 for training, job search, and relocation assistance authorized by the Trade Act, the same as the 1987 appropriation. The administration did not propose to fund it. State administrative costs for the program are included in the amount of $4,000,000.

The bill includes $8,000,000 for a new job training demonstration program for the homeless.

In the Employment and Training Administration, we restored 57 full-time equivalent staff to maintain current staffing levels with respect to the regional offices. We also added 42 FTE's over the budget request for activities under the Immigration Reform and Control Act of 1986. The budget made no provision for this.

### STATE EMPLOYMENT SECURITY AGENCIES

We provide $755,200,000 for Employment Service State grants, the same as 1987. For State administration of the unemployment insurance system, the recommendation is $1,734,618,000, an increase of $97,050,000 over 1987. Included here is $60,000,000 to cover the cost of legislated State salary increases occurring in fiscal 1988.

We provided $30,000,000 for administration of the targeted jobs tax credit, an increase of $15,000,000 over 1987. There was nothing requested for this.

### EMPLOYMENT STANDARDS ADMINISTRATION

We added a net amount of $2,069,000 to the budget request to finance an additional 100 full-time equivalent staff for the Office of Federal Contract Compliance programs. These are to be used for additional nonsupervisory field enforcement caseworkers. This restores the field staff to almost the fiscal year 1980 level.

### VETERANS EMPLOYMENT AND TRAINING

We added $7,512,000 over the budget request for veterans employment and training. This is to restore the number of local veterans employment representatives to the 1987 level.

For the other departmental salaries and expenses accounts the committee has basically approved the President's budget request with minor exceptions. In most cases, this allows for built-in cost increases and any program increases requested.

### DEPARTMENT OF HEALTH AND HUMAN SERVICES

The bill includes $99,188,886,000 for activities administered by the Department of Health and Human Services. This includes $13,750,000,000 in advance appropriations for fiscal year 1989 for the various public assistance entitlement programs. For discretionary activities, the bill includes $14,041,013,000, which is an increase of $2,834,033,000 over the amount requested by the President and an increase of $1,262,282,000 over the comparable amount available during fiscal year 1987 for these programs.

The President's budget proposed the elimination of a variety of health and human services programs and radical reductions in others. For the most part the committee has not gone along with these proposals. Major cuts proposed in the budget and not approved include $175.2 million from health professions training grants, $747.8 million from non-AIDS-related research at the National Institutes of Health, $86.3 million in refugee programs; and $585.3 million in energy assistance for low-income families. In addition to restoring funds for these activities, the committee bill includes significant increases in several areas which we believe are of high priority both to the Nation as a whole and to this Congress. These increases over fiscal year 1987 levels include:

+$446,245,000 for research, education, and prevention activities related to acquired immune deficiency syndrome. This bill includes $945,430,000 for the No. 1 public health problem facing this country. The funds are included in a new consolidated AIDS account in the Office of the Secretary. Funds are also included to continue services demonstrations activities including resources to renovate long-term-care facilities for victims of the disease.

+$625,642,000 for non-AIDS-related research programs at the National Institutes of Health. The bill includes $6,563,857,000 for the NIH. The majority of this increase is necessary to cover inflationary costs in ongoing research activities. Fiscal year 1988 funding is expected to support approximately 20,000 research project grants of which 6,500 will be new stud-

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ies. The bill also includes a few high-priority new initiatives including $30,000,000 for an expansion of the gene mapping effort and $3,000,000 to establish a new National Center for Biotechnology Information.

+$38,250,000 for maternal and child health grants to accelerate efforts to reduce this country's infant and neonatal mortality rates. A total of $535,000,000 has been included for this program.

+$125,458,000 for the Head Start Program to expand programs which are intended to improve the learning skills and health status of low-income children before they enter school; $1,256,000,000 is included for Head Start in this bill.

The bill includes other increases and decreases in health and human services programs as described in the report. However the basic approach of the committee with respect to discretionary programs has been to reject the program eliminations proposed in the President's request and to concentrate increases on emergency and high-priority activities.

The bill also includes $85,147,873,000 for entitlements, principally public assistance activities for aged, blind, and disabled individuals and for poor families. These activities include Medicaid, aid to families with dependent children, supplemental security income [SSI], social services block grants, and payments to the various Social Security trust funds. The amount included in the bill is an increase of $10,612,907,000 over fiscal year 1987 and an increase of $3,219,672,000 over the amount requested by the President. The committee bill makes no substantive changes in these entitlements but adds funds based on the latest estimates by the Congressional Budget Office of the amounts necessary to finance benefits under current law.

### ACQUIRED IMMUNE DEFICIENCY SYNDROME [AIDS]

Acquired immune deficiency syndrome is the most serious and devastating public health problem to appear in recent memory. It is the No. 1 health priority of this Nation. Over 39,000 cases have been diagnosed so far and the number is expected to escalate geometrically in the next several years. As many as 1.5 million individuals may have been infected in the United States. The Public Health Service estimates that by the end of 1991, total AIDS cases will have risen to more than 270,000 with nearly 180,000 deaths.

In response to the steady growth in the number of cases, the committee has recommended a substantial increase in appropriations for AIDS activities. As discussed earlier, the bill includes $945,430,000, an increase of $466,245,000, or nearly 100 percent, over the 1987 level. In addition, $24,570,000 has been requested by the President for the Food and Drug Administration in the rural development-agriculture appropriations bill, making a total appropriation for AIDS of $970,000,000. We believe that this substantial increase will enable the Public Health Service to continue to make progress against this dread disease. By agency, the amounts in the bill are as follows: Health Resources and Services Administration, $38,500,000; Centers for Disease Control, $306,750,000; National Institutes of Health, $472,428,000; Alcohol, Drug Abuse and Mental Health Administration, $101,252,000; the Office of Minority Health, $1,500,000; and the Office of the Secretary, $25,000,000.

The committee has also recommended organizational changes designed to make the AIDS Program more effective, including the creation of a Secretary's Advisory Board on AIDS and the establishment of three permanent advisory committees on AIDS research at the National Institutes of Health, the Centers for Disease Control, and the Alcohol, Drug Abuse and Mental Health Administration.

### HEALTH RESOURCES AND SERVICES

The bill includes $1,343,476,000 for programs administered by the Health Resources and Services Administration. This is $286,262,000 above the President's request and $3,413,000 above the amount available in 1987. The committee did not consider the budget requests for the National Health Service Corps programs which are not currently authorized for fiscal year 1988.

The mission of the Health Resources and Services Administration is exceptionally broad. Its activities include the provision of inpatient and outpatient health care to the poor, pregnant women, children, and other high-risk populations; the training of health professionals, and the rational development of health resources, including health personnel and health facilities, throughout the United States. Approximately 3,100 persons are currently employed by this agency to carry out these responsibilities.

Of the funding added by the committee over the President's request, almost two-thirds relates to the committee's rejection of the proposal to drastically reduce Federal support for the training of health professionals including nurses. The bill includes $209,429,000 for these training programs which is $3,719,000 more than available for these programs in 1987. The committee has rejected the administration's position that the national surplus of physicians widely predicted for the 1990's justifies a Federal abandonment of the effort to improve the geographic and specialty mix of health professionals and to increase the number of minority health providers. These are real problems which the overall surplus has not resolved. The committee has, therefore, recommended that these programs be funded for the most part at the same levels provided in last year's appropriation act. The committee has also rejected the administration's proposal to reduce HEAL loans for these students from the $305,000,000 currently authorized to $100,000,000. The committee believes these loans are the financing of last resort for many of these students who would otherwise have to drop out of school. The bill also includes $56,300,000 for nursing programs.

The bill also includes $535,000,000 for the maternal and child health block grant, an increase of $38,250,000 over the amount available for this program in fiscal year 1987. The MCH block grant is targeted to high-risk mothers and children and to crippled children. The increased funding recommended in the bill is for programs to reduce infant and neonatal mortality rates which are unacceptably high in this country.

The bill also includes $400,000,000 for community health centers which is the maximum amount currently authorized. These funds subsidize approximately 50 percent of the operating budgets of 565 centers providing primary health service to more than 5.7 million Americans. In addition to these general-purpose centers, the bill includes $45,400,000 for migrant health centers which will support 125 projects serving approximately 2,700,000 migrant and seasonal farmworkers.

The committee recommends $4,000,000 to fund activities authorized by the National Organ Transplant Act—Public Law 98-507. This will support a nationwide system to increase the availability of organs and to facilitate the matching of donors and recipients. This new initiative was initially funded in fiscal year 1986. No funds have been included for organ procurement organizations which are not currently authorized for fiscal year 1988.

### NATIONAL INSTITUTES OF HEALTH

The bill includes $6,563,857,000 for the 18 appropriations which together fund the programs of the National Institutes of Health. These include the appropriations for the 12 research institutes, the Division of Research Resources, the John E. Fogarty International Center, the National Center for Nursing Research, the National Library of Medicine, the Office of the Director, and buildings and facilities. This is in addition to funds for research on AIDS which are appropriated in the Office of the Secretary. Counting AIDS activities the bill includes $7,036 million for the NIH.

The 1988 NIH appropriations—excluding AIDS—of $6,563,857,000 recommended by the committee represents an increase of $1,373,448,000 over the amount requested in the President's budget and $625,642,000 over the amounts currently available for 1987 for these activities.

The committee continues to give the highest priority to the support of investigator-initiated research projects, and intends that the amounts in the bill should be used to fund approximately 6,500 new and competing awards as close as possible to the amounts recommended by peer review groups. In addition, the committee expects that 13,660 noncompeting research projects will be supported. The committee has also provided increased funds for the support of research centers which may be used for existing and/or new centers, as determined by the directors.

For training grant programs, the bill provides sufficient funds for the support of approximately 11,000 trainees. Additional funds are also provided for other essential elements of the NIH intramural and extramural programs, including—but not confined to—research career awards, clinical trials, biomedical research support grants, intramural research, instrumentation grants, construction and renovation of facilities including animal facilities, research management and support, and the National Library of Medicine.

The committee has recommended funds for a significant expansion of work in the area of "gene mapping." This effort is expected to yield breakthroughs in many different fields over the next years; $30,000,000 has been added to the request at the National Institute of General Medical Sciences for this purpose. The bill also includes $3,000,000 to establish a new National Center for Biotechnology Information to be located at the National Library of Medicine.

### CENTERS FOR DISEASE CONTROL

The committee recommends $221,977,000 for non-AIDS disease prevention activities at the Centers for Disease Control. This is $21,651,000 above the President's budget and $12,282,000 above the amount available in 1987. The bill does not include funds at this time for the prevention grants, sexually transmitted diseases, or immunization programs which are not currently authorized. The committee has not approved the President's request to terminate the training activities of the National Institute for Occupational Safety and Health and has recommended $9,900,000 for this program, the same amount available in 1987. The bill also includes $43,125,000 for infectious diseases, $45,272,000 for chronic diseases, and $57,193,000 for epidemic services.

### ALCOHOL, DRUG ABUSE AND MENTAL HEALTH

The committee recommends $470,094,000 for programs administered by the Alcohol, Drug Abuse and Mental Health Administration including $68,312,000 for the Federal share of costs at St. Elizabeths Hospital in the District of Columbia. This amount is $39,624,000 over the President's request and $12,337,000 over the amount available in fiscal year 1987. The committee has deferred consideration of budget estimates totaling $645,298,000 for drug abuse and alcoholism research, for block grant activities, and for new substance abuse initiatives begun in 1987. These programs are not currently authorized for fiscal year 1988.

The committee has been impressed with the quality of recent research at the National Institute of Mental Health and believes that the potential for breakthroughs in our understanding of the cause, prevention, and treatment of mental illnesses such as schizophrenia and Alzheimer's disease are possible in the not too distant future. The committee has therefore recommended a funding level of $265,541,000 for this program which will permit more adequate funding of ongoing efforts including the intramural programs and will also support an increase in the number of new investigator initiated research projects.

The committee bill also includes $20,000,000 for the community support program [CSP] which finances State and local demonstrations to better serve the chronically mentally ill, many of whom have been released from mental hospitals as a result of deinstitutionalization programs. This program is focused on chronically ill patients with special emphasis on children and adolescents.

The bill also includes $17,500,000 to continue clinical training activities which is $12,500,000 more than requested in the budget. This program supports students in the core disciplines of psychiatry, psychology, social work, and nursing with special emphasis on activities which are targeted at children, the elderly, and minorities.

### HEALTH CARE FINANCING ADMINISTRATION

The committee bill includes fiscal year 1988 appropriations of $48,941,580,000 for programs administered by the Health Care Financing Administration. This amount includes $22,946,000,000 for State Medicaid programs, an increase of $2,806,000,000 above the 1987 level and $1,926,000,000 above the President's request. The amount added by the committee is based on the most recent estimate of costs under current law prepared by the Congressional Budget Office. This account supports approximately 55 percent of the cost of the State Medicaid programs of health insurance for the poor.

The bill also includes $25,893,000,000 for payments to the Medicare trust funds. This is $5,161,000,000 above the 1987 level and $266,000,000 above the President's request. The amount recommended is based on the most recent estimates of costs under current law submitted by the Congressional Budget Office. This mandatory appropriation now supports 75 percent of the Medicare part B program from general funds. The committee is concerned by the extraordinary growth in this appropriation and has asked the General Accounting Office to review the estimates for fiscal year 1989.

No funds have been included for military service credits which the President's budget has requested under the Department of Defense.

H.R. 3058 includes $1,524,158,000 in general and trust fund appropriations for Federal administration of the Medicare and Medicaid Programs. The committee has recommended total funding of $1,232,000,000 for the cost of processing Medicare claims. This is $70,200,000 above the President's budget and $87,576,000 above fiscal year 1987. This amount is expected to be sufficient to handle a substantial increase in the number of claims and to maintain the payment cycle for claims at historic levels.

### SOCIAL SECURITY ADMINISTRATION

The bill includes general funds appropriations of $13,542,134,000 for programs administered by the Social Security Administration. This amount includes $105,298,000 for payments to Social Security trust funds, $651,452,000 for black lung benefits, and $9,535,384,000 for Federal cash assistance for the aged, blind, and disabled under the Supplemental Security Income Program. The bill also includes $3,250,000,000 in advance appropriations for fiscal year 1989 for these activities.

The committee recommends that $3,680,921,000 be expended from the Social Security trust funds for administrative costs of the Social Security Retirement, Survivors, and Disability Program. This is $124,200,000 less than the amount requested by the President and $190,641,000 less than the amount available in 1987. This limitation account supports the staff, computers, telecommunications, facilities, and other resources to manage these programs which are expected to pay more than $225 billion to more than 40 million Americans in fiscal year 1988. The committee bill provides for a staffing level of 73,314 workyears which is an increase of 639 over the number requested in the budget. The committee has reduced the President's request by $100 million related to excess carryover funds in the systems modernization area and by $45 million based on overestimates of the cost of Federal retirement programs. The committee has continued to follow closely the issue of potential district office closings. No funds have been requested by the President nor have any funds been included by the committee for office closings.

### FAMILY SUPPORT ADMINISTRATION

The bill includes $13,770,648,000 for activities administered by the Family Support Administration. This agency was created last year in a reorganization of departmental programs serving disadvantaged families. This includes $8,644,385,000 for payments to States to finance their aid to families with dependent children programs, $1,822,269,000 for energy assistance grants, $320,885,000 for refugee programs, and $408,200,000 for community services. These recommendations are described in detail in the report. Funds have not been included at this time for the Work Incentives [WIN] Program. This program is in the process of being reauthorized and the structure of the replacement activities have not yet been determined.

### HUMAN DEVELOPMENT

The committee bill includes $2,700,000,000 for the social services block grant entitlement. This is the same amount requested by the President and the maximum amount authorized for 1988. These funds are distributed to the States by formula for a variety of social and supportive services for children, aged and other vulnerable populations.

The committee recommends $1,641,456,000 for other social services activities under the human development services account. Included in this amount is $1,256,000,000 for Head Start programs and $260,000,000 for child welfare services. Also included in this account are a variety of smaller programs serving vulnerable children and adults. The bill does not include funds for activities not currently authorized for 1988 including aging programs, child abuse grants, and developmental disabilities.

The committee recommends $811,178,000 for the foster care and adoption assistance entitlement programs. The amount for these entitlements is $129,138,000 over the President's budget.

### DEPARTMENT OF EDUCATION

For the Department of Education, the bill includes $20,636,613,000, an increase of $6,653,058,000 over the budget request for fiscal year 1988. The total amount in the bill is $1,165,110,000 over the amount available for 1987. The budget submitted by the Office of Management and Budget proposed a net reduction of $5.5 billion below the 1987 appropriation for education programs. Just to give Members some examples of the reductions included in the budget request—

| | |
|---|---|
| Pell grants | −$1.2 billion |
| Work-study, grants, and loans | −1.3 billion |
| Vocational education | −882 million |
| Education of the handicapped | −254 million |
| Rehabilitation of the disabled | −84 million |
| Aid to libraries | −132.5 million |
| Drug abuse education | −100 million |
| TRIO programs disadvantaged | −94 million |
| Developing institutions and black colleges | −95 million |

Mr. Chairman, the committee could not accept the reductions contained in the budget request. Testimony presented by the Department witnesses during the hearings gave no justification for the reductions.

The committee bill restores the reductions proposed in the budget, and in addition provides increases over 1987 for high-priority programs such as chapter 1 aid to the disadvantaged, Pell grants, handicapped children, black colleges, and the TRIO programs for the disadvantaged. Mr. Chairman, these increases are necessary and justified. Some of the major program increases for education are as follows:

### COMPENSATORY EDUCATION FOR THE DISADVANTAGED

The bill includes $4,595,000,000 for chapter 1 of the Education Consolidation and Improvement Act. This amount is $650,837,000 over the amount available for 1987, and $450,837,000 over the amount requested in the budget for 1988. About 14,000 school districts participate in the program serving approximately 5 million disadvantaged students.

### IMPACT AID

The committee bill provides $757,500,000 for the Impact Aid Program, an increase of $40,000,000 over fiscal year 1987. This is $209,500,000 over the budget request. The committee restored funding for category B payments which the budget proposes to terminate. In addition, increases over the budget have been provided for construction and special payments to local school districts.

### SPECIAL PROGRAMS

For a variety of elementary and secondary education programs, the bill includes $921,314,000, an increase of $136,977,000 over the budget request and $20,176,000 below the amount available for 1987. The chapter 2 Block Grant Program will be continued at $529,337,000, the same amount as fiscal year 1987. Drug abuse education, civil rights training, women's educational equity, leadership in education, magnet schools, and aid to the homeless will be maintained at about the 1987 levels. The budget proposed to terminate many of these programs.

### BILINGUAL AND IMMIGRANT EDUCATION

For bilingual and immigrant education, the committee has provided $198,981,000, an increase of $10,000,000 over the 1987 amount, and an increase of $55,886,000 over the budget request. The amount recommended includes $15,886,000 for refugee education and $30,000,000 for emergency immigrant education. In general, the Federal bilingual education programs are designed to assist limited English proficient children to improve their academic skills.

### EDUCATION FOR THE HANDICAPPED

In the bill we include $1,913,800,000 for the education of handicapped children at elementary and secondary school levels. This amount is $425,619,000 over the budget request and $171,900,000 over the amount available for 1987. The amount provided in the bill will assist State and local educational agencies in providing special education to 4.2 million handicapped children.

### REHABILITATION SERVICES AND HANDICAPPED RESEARCH

For rehabilitation services to disabled youths and adults, the bill provides $1,561,940,000, an increase of $160,817,000 over the budget request and $77,182,000 over the 1987 appropriation. The amount includes $1,350,000,000 for basic State grants, $43,410,000 for independent living programs, $30,000,000 for training, and $4,800,000 for the Helen Keller Center. The committee recommends $52,000,000, an increase of $3,500,000 over the 1987 amount for the National Institute on Disability and Rehabilitation.

### VOCATIONAL AND ADULT EDUCATION

For programs authorized by the Carl D. Perkins Vocational Education Act, the bill includes $899,600,000, an increase of $24,781,000 over the 1987 appropriation. The budget proposed to terminate funding for vocational education, a program that has been authorized for over 70 years. Funds available for vocational education are designed to support and improve programs that provide education and training needed by persons to compete and advance in the labor market.

The bill includes $130,000,000 for adult education programs, the same as the budget request, and an increase of $17,119,000 over the 1987 amount. These funds will be used to assist State programs that serve an estimated 2.6 million persons annually.

### STUDENT AID

The committee recommends $5,806,000,000 for student assistance programs. This is an increase of $2,470,000,000 over the budget request and $648,000,000 over the 1987 funding level. The budget request is based on a legislative proposal to restructure the existing student aid programs. Since Congress has taken no action on this proposal, the committee recommendation is based on current law.

The bill includes $4,450,000,000 for Pell grants to permit a maximum grant of $2,300 as compared to a maximum grant of $2,100 in the previous year. Also included in the bill is $625,000,000 for college work study,

$425,000,000 for supplemental opportunity grants, $226,000,000 for direct loans, and $80,000,000 for State incentive grants.

### GUARANTEED STUDENT LOANS

The bill includes $2,425,000,000 for the guaranteed student loan appropriation, the latest estimate of the funding that will be required for the program under current law. This amount is $1,248,426,000 over the budget estimate for 1988. In its budget request for 1988, however, the administration proposed certain legislative changes that would have reduced its 1987 estimate for the program by about $1 billion. The committee makes no assumptions about changes in existing law, which may result from the regular legislative process.

### HIGHER EDUCATION

For the various higher education institutional aid programs, the bill includes $584,450,000, an increase of $408,339,000 over the budget request. The committee has provided increases over the 1987 funding level for special programs for the disadvantaged [TRIO], minority institutions science improvement, and graduate training programs. The committee bill includes $180,000,000, an increase of $32,792,000 over 1987 for aid to developing institutions and black colleges. This assists schools serving black students throughout the United States—schools such as Mississippi Valley State which the chairman of our committee, Mr. WHITTEN, is so concerned about. For college housing loans, the committee authorizes $90,000,000 in new loans compared to $60,000,000 in 1987, and zero requested in the budget.

### LIBRARIES

Again, as in previous years, the budget proposes to terminate all Federal assistance to libraries. The bill provides $144,500,000, an increase of $12,000,000 over the amount available for fiscal year 1987. The recommendation includes $22,500,000 for public library construction, and $5,000,000 for library technology cooperation.

### SPECIAL INSTITUTIONS

For payments to special institutions the bill includes $5,510,000 for the American Printing House for the Blind; $33,000,000 for the National Technical Institute for the Deaf; $65,925,000 for Gallaudet University; and $179,865,000 for Howard University.

### RELATED AGENCIES

The bill includes $995,093,000 for 14 related agencies. We are over the President's request for these agencies by $204,039,000 and over the 1987 level by about $1,507,000. This includes $238,000,000 for the Corporation for Public Broadcasting, which is an advance appropriation for fiscal year 1990. In addition, there are trust fund transfers here in the amount of $69,626,000, an increase of $3,430,000 over the budget request.

Mr. CONTE. Mr. Chairman, I yield myself whatever time I may consume.

Mr. Chairman, I rise in strong support of H.R. 3058, the fiscal year 1988 Labor, Health and Human Services, and Education appropriations bill.

Every year, as Chairman NATCHER and I bring this bill to the House floor, you hear me say what a genuine pleasure it is to work with my good friend, BILL NATCHER, on this important bill. I say it again this year, because the gentleman from Kentucky has no peer in the House in terms of commitment, hard work, fairness, and knowledge of these complex issues.

Once again, I am proud to say that we are bringing a good bill—and a responsible bill—before the House. Once again, this bill meets our obligations, both to the realities of the budget deficit situation and to the American people who depend on the programs funded through this bill.

We have worked long and hard to ensure that the bill meets both of those obligations. We held 35 days of hearings from February to May, 28 with administration witnesses and 7 with outside witnesses. We heard from 418 witnesses, representing 332 organizations. And, 62 Members of the House appeared before the subcommittee during our hearings.

We met to mark up the bill last month after Congress had set its fiscal year 1988 budget priorities, and spent a total of 11½ hours in session, making sure our choices were sound. I say this because I want Members to understand that this complex bill is not the result of partisanship or political philosophy or quick fix gimmickry. It is the product of hard work by all 13 members of the subcommittee to face up to the realities of our budget situation and balance them against the needs of the American people.

What is the product that we bring to the House today?

For fiscal year 1988, total spending for Labor, Health and Human Services, and Education programs will amount to $475.3 billion. That amount includes $358.6 billion—three-quarters of the total—in trust funds and permanent appropriations, $112.7 billion in curent year funding for entitlements and discretionary programs in the bill, and approximately $4 billion held in reserve for unauthorized programs and anticipated new or expended authorizations.

The trust funds and permanent appropriations—including unemployment compensation, Medicare, Social Security, and railroad retirement trust funds—are, of course, not subject to annual action by Congress, and are funded automatically.

Of the $126.7 billion that is contained in H.R. 3058 for fiscal year 1988, including $112.7 billion in current year funding, $76.5 billion for appropriated entitlements. Funding for these programs—more than two-thirds of the current year funds in the bill—is set by the authorizing legislation, and virtually all we do on the Appropriations Committee is plug in the latest figures from the Congressional Budget Office. These mandatory programs include Federal Employees Compensation Act benefits, black lung benefit payments, Medicaid benefits, rehabilitation services, and guaranteed student loans.

That leaves the discretionary programs, and the bill proposes $36.2 billion for those programs, an increase of $2.9 billion over the amount appropriated for discretionary programs for fiscal year 1987. These are the programs over which the Appropriations Committee exercises its discretion in putting together the annual appropriations bill for Labor, HHS, and Education. And it's these discretionary programs that arouse all of the controversy about excessive spending that we'll hear about later today.

But let me tell you about those discretionary program funding levels. As I said earlier, H.R. 3058 contains $36.2 billion for discretionary programs, and an additional $4 billion is being held aside for later congressional action. That totals $40.2 billion in budget authority which is the amount allowed for discretionary programs by the 302(b) allocation made last week. And that amount of discretionary budget authority accounts for only 8.4 percent of all spending on Labor, HHS, and Education programs.

Let me show you how that compares with the fiscal year 1980 appropriation for Labor, HHS, and Education activities. Eight years ago total spending on Labor, HHS, and Education programs was $244.6 billion, just over half of what we're spending today. The trust funds and permanent appropriations accounted for over two-thirds of that amount, and appropriated entitlements and discretionary funding made up the other third.

Today the permanent appropriations comprise 75 percent of total spending, with appropriated entitlements and discretionary programs making up the other quarter.

But the real point of all of this is the fact that spending for discretionary programs does not show an excessive increase. In fact, for these budget busting programs, these programs that you'll hear have caused the deficit to go through the roof, even with the modest growth allowed in this bill, discretionary spending will be only $5.9 billion over what it was 8 years ago.

By comparison, the Labor, HHS, and Education permanent appropriations are up nearly $100 billion, and entitlements are up another $30 billion. But—let me repeat that—the discre-

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tionary programs are up only $5.9 billion.

These discretionary amounts are the funds used for biomedical research into the causes and cures of diseases, including the latest scourge—AIDS. These accounts fund the student aid programs by which needy students are able to attend college. Disadvantaged children are able to get a quality education in our elementary and secondary schools as a result of discretionary spending under chapter 1.

None of the priority items in the bill should surprise anyone: AIDS research and prevention, $945.4 million; biomedical research at NIH, $6.563 billion; education of disadvantaged children through chapter 1, $4.595 billion; student financial assistance for needy students, $5.806 billion.

These are the areas where we should be spending more, and I'm delighted to be here presenting a bill to the House that proposes increases to allow that 8-year growth to reach $5.9 billion. Some will try to make the case today that we're spending too much on these programs, or that the rate of growth is too high and should be reduced by half or more. But their case does not benefit from the thorough record we developed in our hearings before we made our choices.

I urge my colleagues to reject those arguments when they are made and oppose amendments to reduce this bill—across the board or by line item.

In addition, I urge my colleagues to maintain the historic commitment of the House to provide reasonable growth in funding for those programs that meet the labor, health and human services, and education needs of the American people by joining with Chairman Natcher and me in strong support of H.R. 3058.

What would you be supporting?

By now, we've all acknowledged that AIDS is public health enemy No. 1. H.R. 3058 provides funds for our attack on AIDS, by fulfilling the commitment that the House made just weeks ago when it adopted the budget resolution—it provides the entire amount of AIDS-related funding that was assumed, $945.4 million. Given the predictions about the number of deaths that will occur as a result of AIDS, and the rate at which AIDS is spreading among segments of the population, I believe it would be irresponsible to provide anything less.

My subcommittee spent a considerable amount of time on how best to allocate funding for a national attack on AIDS in our hearings, in additional discussions with HHS and PHS officials, representatives of the Institute of Medicine, other Members of Congress, and other health care practitioners, including a special meeting with nine Nobel laureates.

The result of that work is additional funding for this disease, not only for research into the cause of AIDS and its treatment and cure, but also for education and prevention efforts, for testing and counseling services, for the delivery of health care services to AIDS victims, and for the training of health care workers in how to care for AIDS patients, safely.

We propose an organizational framework that will enable HHS to draw on experts who are outside the Government-sponsored effort on this disease. This will help to see that all the best and brightest minds are drawn into the fight against AIDS. And it will give them a structure for interacting with each other and the affected Federal agencies, so that they produce not just a collection of competing viewpoints, but a thorough analysis of the issues, and a blueprint of the next steps that will have to be taken to wipe out the AIDS epidemic.

I am particularly pleased that this bill will make a very significant increase in the Federal Government's effort to get the word out about AIDS prevention and to provide meaningful education and useful information with which people can protect themselves. This increased emphasis on education is absolutely essential—after all, while this bill will continue to support research into the development of treatments and a cure for AIDS, we can't kid ourselves that putting up a strong offense on that front is enough.

Right now, when it comes to containing the AIDS epidemic, it's not true that the best defense is a good offense, such as a vaccine or some other treatment. Instead, right now, it's the other way around—the best offense we've got is a good defense. In other words, doing whatever you can not to get AIDS in the first place. Our best scientists have acknowledged that even though promising research will continue, it will be years before an AIDS vaccine is developed. In the meantime, people need to know how to keep from being exposed to AIDS, and for those who become exposed how to avoid spreading it. This bill will put up that basic defense.

This bill provides a well-crafted Federal attack on AIDS from all sides—care, containment, and cure.

A second priority HHS area for which this bill provides a significant funding increase is biomedical research within the National Institutes of Health.

The amount provided for NIH biomedical research does exceed the amount requested by OMB. But the bill is far from a budget buster. The figure provided for NIH in this bill is below the figure that the NIH Director testified was necessary to simply continue its activities at the fiscal year 1987 level.

The funds provided in this bill for NIH are also too low to enable noncompeting grants—those in their second or third years—to be funded at the levels for which they were initially intended by the peer review groups who evaluate and approve individual proposals. These grants will have to be revised downward.

Does the bill put significant increases into some of the specific institutes, so that they can pursue their missions of research into the causes and cures of such diseases as arthritis, Alzheimer's, neurofibromatosis, digestive disorders, diabetes, deafness, and so on? Yes, it does. Is that out of line with the priorities of the American people? No, it isn't.

For those who think it is, I urge you to go back to your mailboxes, and look at the letters you've received from mothers of children with diabetes, with hearing and speech impairments, with multiple sclerosis. The message I get most often in letters and phone calls from people all over the country is "Increase funding for NIH research". These programs give people hope, and courage, and enable them to bear incredible burdens because they make it possible for people to believe that answers are on the way.

H.R. 3058 contains some modest and carefully chosen reductions in certain programs below their fiscal year 1987 level. For instance, in certain specific programs within the Health Resources and Services Administration, the Alcohol, Drug Abuse, and Mental Health Administration, and the Family Service Administration, the committee felt comfortable with recommendations that improved administrative efficiency, continued availability of funds from prior bills, and recognized success in certain program goals that justified reducing funds for these programs below the fiscal year 1987 level.

The bill also maintains a variety of programs at their fiscal year 1987 funding levels; including migrant health programs, black lung clinics, most health professions training programs, and LIHEAP. In other words, it freezes them.

But the increases in the bill also demonstrate the same commitment to providing adequate funding within the constraints of the budget resolution. The months we spent reviewing these programs demonstrated that increases are justified, for AIDS and NIH funding, as well as in the maternal and child health block grant, which we increased by $38.2 million to $535 million, and mental health biomedical research, for which we provided $265.5 million, an increase of $30.1 million; and the $37.5 million increase for child welfare assistance, to $260 million.

For Labor Department programs, H.R. 3058 provides $3.6 billion for the Job Training and Partnership Act, an increase of $189 million over last year.

Included in that amount is $750 million for summer youth employment,

the same level as was provided in fiscal year 1987, and $783 million for the Job Corps, an increase of $127 million over last year. The funds for Job Corps will be used at the existing 106 centers, for renovation and construction, and for the opening of up to 8 new centers in underserved areas around the country. And, the bill contains $50 million for trade adjustment retraining, virtually the same amount as provided in fiscal year 1987. I am pleased to report that the BLS mass layoff survey will be funded again for the fourth year.

For Education programs, H.R. 3058 provides $20.6 billion, an increase of $1.1 billion over the fiscal year 1987 level. Here is an area where the committee exercised its judgment early that the American people simply would not stand for the major reductions proposed in the administration's budget request. The administration proposed to terminate the vocational education program—all $874 million of it. I am pleased to report that H.R. 3058 provides $899 million for vocational education, a $24.7 million increase and one that is necessary if we are to have any chance of keeping up in the world economy.

The bill also provides an increase of $649 million as a first step toward implementing the student aid policy changes contained in last year's higher education amendments. For the first time in 4 years, the Pell grant maximum will increase—to $2,300—and the campus-based programs—supplemental grants, Perkins loans, and college work study—will increase along with the State Student Incentive Grant Program. I voted for the last year's bill which attempted to put in place a policy to reverse the trend whereby more and more low-income students were being forced deeper and deeper into debt, because grant funds were not available.

I am also delighted to report that the bill provides a $38.6 million increase—to $215 million—for the TRIO programs. These programs reach out to help disadvantaged young people to make it in school and in college.

In addition, H.R. 3058 restores or increases funding for a number of other education programs, including $145 million for impact aid "b" payments, $45 million for emergency immigrant and refugee education grants, $52 million for the early intervention initiative included in $1.9 billion for education of the handicapped programs, $1.5 billion for rehabilitation programs, including a $2 million increase for independent living programs, $33.5 million for consumer and homemaking education, and $90 million for new loans for academic and college housing construction and renovation.

Finally, I would like to call attention to several provisions of the report and the bill. First, with respect to the Academic Facilities and College Housing Program, the report contains language directing the Secretary not to sell off the assets remaining in the revolving fund.

I have been concerned, and the committee joined me in this concern, that if the Department begins selling off the loan assets, we could soon reach a situation where insufficient funds remain in the revolving fund to make new loans. Since no loans have been sold, except under the discounted prepayment program, I hope the Secretary will recognize the concerns of the committee and refrain from selling any loan assets.

The bill and the report contain language I proposed to correct a situation that exists with impact aid that could have disastrous effects in at least 43 States. The language prohibits the Department from requiring retroactive payments of funds paid in 1984-86 to local school districts on behalf of impact aid students eligible because their families resided in low rent housing under section 8 of the Housing Act. The Department has recently reinterpreted its earlier determination that such children were eligible. Local school districts in 43 States relied on the earlier determination, received impact aid payments on behalf of these children, and are now having demands placed upon them that they have to repay all funds paid on behalf of these section 8 children from 1984 through 1986.

Mr. Chairman, this is a good and responsible bill. We made our judgments based on our lengthy hearing record and the priorities contained in the fiscal year 1988 budget resolution.

I strongly support the bill, and I urge my colleagues to support it unchanged.

□ 1320

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Mr. Chairman, that was an excellent presentation of what we are faced with here. It enlightens me personally on the percentage of the discretionary funds available for across-the-board cuts.

Mr. Chairman, will the gentleman please answer for me a question to deconfuse me? Where does the figure of $13 billion over the budget request of the President come in? Where does that figure come in which we have heard bandied about here?

Mr. CONTE. I am not certain whether it is $13 billion. Mandatory and discretionary is $13 billion. I will give you one fine example: vocational education. How do you feel about vocational education?

Mr. GEKAS. Well, I like it.

Mr. CONTE. OK. I like it, I like it. The President zeroed vocational education, zeroed it and we had to put in nearly $1 billion.

Sure you can draft these budgets with mirrors and smokescreens, you know, make us look bad. Some day we are going to smarten up and come in to this House with what the President really wanted and watch the House go wild.

Mr. GEKAS. To finish my question, to those of us who like vocational education, it does not also imply that there is no room for adjustment there. But the chairman of the subcommittee, Mr. Natcher, said that we are under the authorization and yet we are $13 billion over the President's request.

Mr. CONTE. What he said is that we are under the 302(b) allocation which was made by the Committee on Appropriations and based on the 302(a) allocations included in the budget resolution that was passed here by a majority of the House of Representatives.

Mr. GEKAS. Does that mean that the President's request was lower than even the budget authorization?

Mr. CONTE. Yes, much lower.

Mr. GEKAS. I think I am less confused, but I thank the gentleman.

Mr. WEBER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend from Minnesota, Mr. Weber, who incidentally is a freshman on the Committee on Appropriations. And I had the high honor on the Republican side where I have the job, the chore or whatever you want to call it of placing our appropriation members on subcommittees and I was proud to place the name of Vin Weber on the Health and Human Services Education Subcommittee and the Subcommittee on Agriculture. He has made a fine, fine contribution to our committee. He is a fine man anyway, he comes from a very well-known family in Minnesota in the newspaper business. Well, go ahead.

Mr. WEBER. I will just step back and let the gentleman continue, he is doing so well.

Mr. Chairman, I thank the gentleman from Massachusetts for yielding.

In response to the question of our colleague from Pennsylvania, the $13 billion-some over the President's request as the gentleman indicated includes both mandatory and discretionary spending. That is important for Members to understand because the only way that those reductions in mandatory spending could have been accomplished is if we had changed basic policy at the authorizing level. Is that not correct?

Mr. CONTE. That is absolutely correct. This chart shows that all of this piece of the pie right here in the blue and the brown, there is not a thing we could have done about it. It is only

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this little piece of pie here, the green, that we could have done something about.

Mr. WEBER. I just think that is worth it for Members to think about. I think if Members think we are simply $13.5 billion over the President's budget request that is really not accurate unless you want to go back into all of the authorizing committees and change the basic policy that drives this budget.

I thank the gentleman for yielding.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend from Texas and I wish he was on the Appropriations Committee. Some day he will be. I will support him.

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, my request was based partially on the desire to have the same introduction that Mr. WEBER had.

But I think the gentleman has made an important point, one I think those of us who do work very hard trying to find ways to cut spending must carry to the body. We recognize the limited discretion that the appropriation subcommittees have and we more or less compress the entire effort to resolve the deficit problem on your backs as you have to try to defend that limited discretion.

I think in the final analysis if we are going to get about the business of resolving this deficit we are going to have to carry the whole project beyond the Appropriations Committees, beyond the Budget Committee and into the authorizing committees where we can restructure these entitlement programs in such a way as to differentiate between needy recipients of Government assistance and those perhaps not so needy and restructure the legislation in order to really exercise discretion across the whole budget.

I do want to say at this point that I recognize the hard work of the appropriations subcommittee trying to do their best with a limited range of discretion. But nevertheless, I feel that my duty compels me to try to squeeze it just a little bit tighter even with this narrow range remaining to us.

Mr. CONTE. I told the gentleman from Texas and I have told others of my colleagues that I do not take issue or take umbrage with the fact that you are going to offer amendments. I encourage you. And I respect you for your feelings on that. We debate them and let the majority, the House decide which way they want to go. That is the democratic way of doing things around here.

We will see what the afternoon brings.

Mr. NATCHER. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. HAWKINS], the distinguished chairman of the Committee on Education and Labor.

Mr. HAWKINS. Mr. Chairman, I thank the distinguished chairman of the subcommittee and also the ranking minority member, the gentleman from Massachusetts [Mr. CONTE]. I think they have done an outstanding job of bringing before us a proposal that should not in any way be reduced.

Mr. Chairman, I rise to express my strong support for H.R. 3058.

The committee bill recognizes that investments in education, training, and human services will lead to a real reduction in the budget deficit, contribute to a sound increase in economic growth and increased revenues due to the higher earnings and productivity of a better educated and skilled work force.

By the year 2000, 23 million jobs will go begging because there won't be enough qualified people to fill them unless we begin now to educate and train our population as it should be. At the same time, there are more than 23 million adult Americans who cannot read above the fifth grade level. We have a classic labor market mismatch.

H.R. 3058 provides the funding necessary to begin to correct these conditions with cost effective and proven programs. It follows through on the commitment this body made in May when we passed H.R. 5, the School Improvement Act of 1987, by a 401 to 1 bipartisan vote.

H.R. 3058 will increase funding for chapter 1 and bolster Headstart. Studies show that $4.75 is saved for every $1 spent on quality preschool education for economically disadvantaged children.

The committee also has increased Pell grants and campus-based aid programs, which should help reduce financial impediments for many bright and talented young people deserving of a college education.

Money spent on education is money invested in the future stability and security of our country.

We should not burden industry with an annual bill of over $200 billion for remedial makeup programs when we can restructure our school systems so that we produce graduates who can read, write, and communicate effectively.

Finally, I oppose any attempt to cut the funding levels in the committee bill.

Failure to support the committee bill will further jeopardize our trade position, increase the interest payments on even higher deficits, and risk our national security. Either we invest wisely now or pay dearly later.

□ 1335

Mr. CONTE. Mr. Chairman, I yield 5 minutes to my good friend; the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Chairman, I personally want to congratulate the chairman of the subcommittee, the gentleman from Kentucky [Mr. NATCHER], and the ranking member, the gentleman from Massachusetts [Mr. CONTE], for their many years of outstanding service in the fields of education, health and labor.

I also want to thank Mike Stephens, Bob Knisely, Fred Pfluger, and Betty Lou Taylor for their outstanding work on the committee staff, along with our staff here on this side of the aisle.

This is an important bill for this Nation. There are three or four points I want to make very briefly, because it is a long day. The National Institutes of Health this year is celebrating its 100th anniversary. From a single attic room in the Marine Hospital on Staten Island in 1887, NIH has grown to a center of great stature and international distinction. We now have 13 institutes, and the newest one, the National Center for Nursing Research, is a credit to the nursing profession and to the health community. I want to credit both the authorizing and the appropriations committees for their leadership in developing that new institute and getting it off the ground this year.

I also want to say something about the student financial assistance program that has been developed over the years, particularly the Pell Grants Program, which is the largest Federal based postsecondary student grant program administered by the Department of Education. The committee recommends an additional $600 million this year for Pell grants in recognition of the new changes in last year's higher education reauthorization.

Another of the key programs in the bill which I think should be mentioned today is biomedical research directed at the treatment of diseases such as cancer and arthritis, Alzheimer's disease, Parkinson's disease, Huntington's disease, heart, lung, and blood diseases, and lupus just to name a few.

So I want to congratulate the NIH institutes for its milestone and its excellent efforts and the committee for this outstanding appropriation level. It is admittedly high, but we recognize this bill's national significance and the programs contained therein, national priorities for this Nation.

The National Center for Nursing, which I mentioned earlier, is the newest institute at NIH. It was established in April 1986 and supports nursing research and research training, focusing on promoting health care for patients and mitigating the physical

and emotional effects of acute and chronic illness of patients and their families.

The NIH budget also includes funding for biomedical research support grants and I want to commend the chairman and ranking member for their efforts in this area. The committee has provided additional funds for the biomedical research support grant program which the President zeroed out, but which is critical to this Nation. This program was funded at $60 million last year. The President zeroed it out in his fiscal year 1988 budget request and both the committee and the chairmen agreed to fully fund that program at the 1987 level of $60 million. I want to congratulate the committee for showing that kind of courage on a very important research program for this Nation.

In conclusion, Mr. Chairman, I want to congratulate the gentleman from Massachusetts [Mr. CONTE] today for outlining to the Congress, particularly the House, the major mandatory entitlement programs in this bill, which comprise about 67 percent of our budget. That is a major piece of this pie as we look at the diagram. But I might also add that in the $1-trillion-plus Federal budget today, 17 percent of that budget is discretionary. About 44 percent of the total Federal budget is entitlements, 26 percent is defense, and about 13 percent is the interest on the national debt, which is $130 billion right off the top.

Today we are looking at budget cuts across the board and I can sometimes support those in our fight to balance the budget. I think that a balanced budget is something that all of the Members of Congress want to achieve ultimately by the years 1991 or 1992. But in this particular bill, the mandatory and entitlement programs are so high and the relatively small discretionary piece is so critical to the Nation, that we cannot annually come back and make budget reductions in such a small piece of the Federal budget, particularly when we are addressing the health and education needs of this Nation.

So I just want to emphasize the excellent work that the subcommittees' ranking Republican has done here to outline how harmful such budget cuts would be to this bill. We are under our 302(b) allocation both in budget outlays and budget authority. I think the committee has done an excellent job.

Mr. Chairman, I yield back the balance of my time.

Mr. NATCHER. Mr. Chairman, I yield 3 minutes to the dean of the Congress, the chairman of the Appropriations Committee, the distinguished gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I take pleasure at this time in endorsing the bill that is before us, and I say here that this subcommittee and in particular, this subcommittee chairman, do an excellent job. None excels him in preparation and in work in presenting us with a good bill.

This has frequently been called an all-American bill. I take this time to agree with all who have said that we would like to have a balanced budget. We need to work toward a balanced budget. But I would point out here that the committee and this subcommittee has insisted that whatever our problems were, we have to take care of basic things first. I agree with that. We must take care of our country if we are going to support our military; if we are going to meet our international obligations; and if we are going to live with our people and keep their support.

May I say, that in this bill we are doing that. And I call the Members' attention to the fact that all members of the Appropriations Committee support the chairman and the ranking member of this subcommittee in the additions that they made here and the effort they made to take care of the American people in education, labor and HHS.

Again, I congratulate the subcommittee chairman, the gentleman from Kentucky, and the ranking minority member, the gentleman from Massachusetts, for the fine job which they have done with this bill. All of the members of this subcommittee have done a fine job down through the years.

As you know, as chairman of the Committee on Appropriations I have the responsibility of working out with the chairman of each subcommittee the allocation to each of the subcommittees the total provided for our committee under the budget resolution. These amounts are published in our 302(b) report which was agreed to by the committee on the 29th of July, 1 week ago today. In approving these allocations, the overall committee approved the allocation which made it possible for us to maintain all vital activities and expand in a few high priority areas in this bill. The 302(b) allocation for the fiscal year 1988 provides $40,250,000,000 for discretionary programs administered by the Departments of Labor, Health and Human Services, and Education. As the gentleman from Kentucky, an outstanding Member of Congress, has said many times, this is the people's bill and this is where the money belongs.

Mr. Chairman, this is a bill which is supported by all of the members of the Committee on Appropriations. When you deal with the health and education of the citizens of this country, nothing deserves more attention and the committee agrees that these programs are so important that an adequate allocation must be made in order to support them.

Let us look at some of the programs that are funded in the bill, we provide for our junior colleges and many programs for senior colleges.

I shall not mention all the programs because they have been discussed by the chairman and the ranking minority member. I am glad we include an increase of $24,781,000 over the fiscal year 1987 level for vocational education although the President's budget eliminated this vital program; for training and employment services, an increase of $197,556,000 over the 1987 level; for summer youth employment for 1989, $750,000,000, the same as provided for the summer of 1988; for job training, an increase of $40,000,000 above the 1987 level; for Job Corps, an increase of $127,150,000; for acquired immune deficiency syndrome [AIDS], an increase of $466,245,000; for maternal and child health, an increase of $38,250,000 over the fiscal year 1987 level; for National Institutes of Health (excluding AIDS), an increase of $625,642,000 over the fiscal year 1987 level; for Headstart, an increase of $125,458,000; for child welfare assistance, an increase of $37,500,000; for chapter 1, Disadvantaged Assistance, an increase of $650,837,000; for Education for the Handicapped, an increase of $171,900,000; for Pell grants for student loans, an increase of $588,000,000; for developing institutions, an increase of $32,792,000, and this includes assistance to historically black colleges, including newer colleges; and for Special Programs for the Disadvantaged, an increase of $38,630,000 over the fiscal year 1987 level as well as funds for primary and secondary education, and, of course, Health and Human Services, including funds for AIDS, and to control drug abuse, and the many, many activities of the Institutes of Health.

Mr. Chairman, this is where the increases are and where they should be. Not only do we provide these increases but, with the cooperation of the chairman and members of the overall committee, our total appropriations bills are below the total recommended in the President's budget recommendation.

Questions have been raised about this bill exceeding the amount requested by the President. That is true. The President recommended that we abolish vocational education. Of course, we had to restore it. But may I say that the overall appropriation bills are below the President's budget and they are below the House budget. Our Committee on Appropriations has done its job.

This afternoon when I leave here to go over to the conference on the debt extension, I will have to insist that we leave the appropriation process as it is, so that we can look after the American people, who in turn have to support all these other things.

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May I say that I thank my colleagues for doing a great job. I thank all the members of the Appropriations Committee because they saw fit to reduce other things in order to take care of these increases. I hope that the Members will go along with the committee on this.

In connection with historically black colleges, let me say to the subcommittee chairman that I hope he will give attention to the Mississippi Valley State College, which is one of the new ones. It has all the problems of the old ones, plus those problems that are new.

Again, Mr. Chairman, I congratulate the gentleman and I congratulate all members of the committee for their willingness to tighten up elsewhere so that in this bill we can have a little more than the President would let us have in this recommendation.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Ohio [Mr. Stokes], a member of the subcommittee.

Mr. STOKES. Mr. Chairman. I rise in support of H.R. 3058. As a member of the subcommittee which drafted this bill, I want to say that it continues to be a great privilege to work with our distinguished chairman, the gentleman from Kentucky [Mr. Natcher]. He is always hard working and imminently fair in the consideration of programs that are of vital importance to the people of this great Nation. I personally appreciate the consideration he has given me and the programs in which I have a special interest. Additionally, I want to express my appreciation to the ranking minority member, Mr. Silvio Conte. It is a great privilege to serve on the Labor-HHS-Education Subcommittee with both of these distinguished gentlemen.

Mr. Chairman, the fiscal year 1988 Labor-HHS-Education appropriations bill is certainly one of the most important of the 13 appropriations bills. This bill determines the quality of life for our citizens. It is the foundation for our Nation's health, productivity, and competitiveness. This bill provides for all segments of our society—infants and children, the elderly, the disabled, and the homeless. The residents of my congressional district as well as those of other metropolitan districts and rural districts will benefit greatly from this bill's passage. This bill is truly the peoples' bill. It puts our citizens to work, preserves and enhances their health, and provides for the education of our youth—our Nation's most valuable resource. I urge all my colleagues to reject all amendments to cut funding in this bill.

H.R. 3058 provides a $112.8 billion fiscal year 1988 appropriation for Labor, Health, Human Services, and Education programs. The administration proposed major cuts including the abolishment of a number of essential services provided for in this bill. In education alone, the President recommended a devastating $5.488 billion cut. The committee in its wisdom restored a significant number of the cuts and provided support for the continuation of these vital programs.

For the Department of Labor, this bill includes a $5.96 billion fiscal year 1988 appropriation. Included in the committee recommended funding level is $783.5 million for Job Corps. The committee also included language that extends the prohibitions of job center closings. The increase will be sufficient to keep all 106 centers operational.

For training and employment services, H.R. 3058 includes $3.698 billion. The training and employment services is comprised of programs designed to enhance the employment and earnings of economically disadvantaged and dislocated workers including seasonal farmworkers. For the Summer Youth Employment and Training Program, this bill provides $750 million for the summer of 1989.

State unemployment insurance and employment service operations will benefit from a $2.559 billion appropriation. As many of my colleagues are aware, a number of employment offices across the country were forced to close due to insufficient funding. Ohio alone suffered 33 such closings. H.R. 3058 funds would be used to prevent closings in fiscal year 1988.

The Congress recognized the need to address the health concerns of our Nation in the passage of the $85.4 billion package for the Department of Health and Human Services. Included in this appropriation is $945 million for intensified AIDS education and research, $6.56 billion—excluding AIDS—for the National Institutes of Health, and $535 million for the Maternal and Child Health Block Grant Program.

In addition to providing for the well-being of mothers and children, H.R. 3058 also recognizes the urgent need to provide essential services to our Nation's elderly citizens. The bill includes $112 million for the older Americans programs and $1.822 billion for low-income energy assistance.

Mr. Chairman, I am pleased that the committee responded positively to the health concerns of our Nation, an area we can not afford to ignore.

I also appreciate the high priority that the committee placed on the education of our youth. For the Chapter 1 Program, H.R. 3058 includes $4.595 billion, $1.914 billion for handicapped education and $1.030 billion for vocational and adult education. These additional funds are necessary to offset several years of not being provided adjustments for inflation.

Mr. Chairman, I am delighted that the committee chose to provide substantial and urgently needed increases for higher education. The bill includes $215 million for TRIO. The administration had slated TRIO for massive cuts totaling approximately $94 million. H.R. 3058 includes $5.808 billion for student financial assistance. The President did not request funds for college work study, State student incentive grants or supplemental educational opportunity grants. The committee-passed bill includes $4.450 billion for Pell grants for a maximum Pell award of $2,300, $425 million for supplemental educational opportunity grants, $625 million for work-study programs and $80 million for the State Student Incentive Grant Program.

Mr. Chairman, I am pleased that the committee included $83.533 million for historically black colleges and universities. These urgently needed funds will permit the institutions to strengthen academic programs, acquire state-of-the-art equipment, and make vital repairs to deteriorating buildings and facilities.

Mr. Chairman, I have been pleased to have a close working relationship with the black institutions of higher education. One such institution, Howard University is a recipient of a $179.865 million appropriation. The university is in dire need of additional funding to prevent the loss of faculty, to revitalize its library resources and to address deficiencies indentified by the law school and medical school accreditation review and evaluation boards. The $11.635 million increase provided by the committee will allow Howard to begin to address these requirements. This educational resource must be preserved.

I am additionally pleased that the committee adopted my amendment to fund grants to institutions to encourage and increase minority participation in graduate education, a new program authorized under the Higher Education Amendments of 1986. The $5 million provided for this program will go a long way toward increasing our Nation's competitiveness.

The education package is one that we can be especially proud of. It addresses the needs of the Nation's youth and provides a foundation for their future.

Mr. Chairman, I strongly endorse the passage of H.R. 3058 and urge my colleagues to support this bill. A vote in support of H.R. 3058 is truly an investment in the short- and long-term economic survival and the technological advancement of our Nation. We cannot afford to lose the ground that we as a nation have gained as a result of our Nation's steadfast commitment to labor, health, human services, and education. Millions of Americans and their families will benefit from passage of this legislation and I urge its adoption.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. Hoyer], a member of the subcommittee.

Mr. HOYER. Mr. Chairman, I rise today to express my strong support for H.R. 3058, the Labor, Health and Human Services and Education appropriations bill for fiscal year 1988. My statement is entitled "A Committee Responds." This year, this title is appropriate and fitting.

The Subcommittee on Labor, Health and Human Services and Education held hearings for 4 months this year. We heard from a broad spectrum of witnesses including those from the administration and numerous interest groups. Unlike other years many interest groups joined forces and pushed for their priorities. This strategy was not only effective but sensible.

It has become clear to the members of the subcommittee and I presume to Congress and the American people that there are programs that are in desperate need of a substantial increase in Federal funding. A few years ago there was a lot of publicity concerning the findings included in "A Nation at Risk." The administration publicly stated that it shared the concerns of our Nation's educators over the state of education.

However, in its 1988 budget the administration didn't address those concerns. The Congress, both the House and Senate, did put its money in the right place. The conference agreement on the budget for fiscal year 1988 recognizes the domestic needs of this country without ignoring our national defense.

The budget conference agreement provided the Appropriations Committee with the necessary flexibility to address several problems and provide additional Federal funding to key programs, several of which I will address in my remarks.

Mr. Chairman, this year the debate over education funding has centered around providing assistance to "At-Risk" children. These are the children who lag behind their classmates on standardized tests; and who have not realized the benefits of our educational system. Many of these children are minorities; some are handicapped; some come from broken homes and they come from both urban and rural communities. These children are, however, part of our future. For our society to be all that it can be, they must become productive and successful members of it.

We will have nice offices with no one to staff them; we'll have a huge military with no one to operate the weapons and we'll have empty college dormitories because only a small fraction of our population will be ready or able to take part in higher education.

The Labor, Health and Human Services Subcommittee understands the problem facing "at risk" children in this Nation and what needs to be done to insure these children the opportunity to get on the right track.

H.R. 3058 provides funds for highly successful and cost effective Federal programs for our Nation's children—programs such as Head Start, chapter 1 compensatory education, maternal and child health block grant, Job Corps and many others. In this bill we have provided a $650 million increase for the Chapter 1 Program. An effective program which can do a lot to address the problems of "at risk" children.

In relative terms, this is a small step in recouping the damage that has been wrought since 1980. The proposed 1988 funding level for chapter 1, as adjusted for inflation, is still approximately 13.5 percent less than it was in fiscal year 1980. Presently, only 40 to 45 percent of the 8.9 million eligible students are served by this program. The increase provided for in this bill will allow the chapter 1 to increase its participation by 15 percent or 715,000 students.

I am also proud to note that the committee provided a $125.4 million increase for the Head Start Program. Programs such as Head Start which are referred to as "early intervention" programs have been proven time and time again that they are cost-effective programs.

Early childhood education is a critical investment. Head Start works hand in hand with the Chapter 1 Program. Insufficient funds have limited Head Start participation to only 16 percent of the eligible children. Every eligible child should have the benefit of a Head Start experience. We have made a big step in the right direction.

Another subject that I'd like to mention is the subject of AIDS. This is another area where the committee and the Congress heard the facts and responded. The committee heard testimony from all sources that the Federal AIDS research and education effort should be expanded greatly. Several institute directrors discussed the need to expand clinical trials on AIDS. Increased funds will also go to expand the effort to develop a vaccine for AIDS and expansion of efforts to develop drugs for treatment of AIDS and to test those drugs. It became clear from testimony we received that we had to try for a new balance between our search for cures or vaccines with efforts to prevent and control the spread of AIDS. And until such time as we find a cure funds must be provided to expand education and prevention efforts particularly those affecting the minority and IV drug using communities.

This bill provides $945 million for AIDS research and education; $315.6 million of this increase can be associated with various information and education activities throughout the Public Health Service, including $95.8 million for testing and counseling. The overall increase if $466.2 million over 1987. The President's revised budget request requested $766 million. Just 5 years ago we provided $5.5 million for research. The committee report points out in clear and specific terms the danger we face with this disease. The committee has also directed that administrative steps be taken to increase the amount of scientific expertise available to the National Institutes of Health, the Alcohol, Drug Abuse and Mental Health Administration and the Centers for Disease Control.

Mr. Chairman, I'd like to remind the Members of the House that this subcommittee conducted hearings for 4 months and had a markup which lasted 11½ hours over 2 days. We worked hard to fashion a bill that meets the domestic needs of this country.

Like all of the members of the subcommittee, I rise to congratulate the gentleman from Kentucky [Mr. Natcher], one of the extraordinary leaders of this House and of this country. We are blessed on that committee, and this country is blessed by having the gentleman from Kentucky [Mr. Natcher], matched by another extraordinary Member of this House, the gentleman from Massachusetts [Mr. Conte]. Those of us who serve on that committee realize their commitment to the welfare of all the citizens of this Nation.

Mr. Chairman, I rise in strong support of the passage of this bill as it is. Let me say to my colleagues in the House that this bill does not do enough. This bill does not spend enough money. America is not committing enough to the education and the health and the welfare of its citizens in this bill.

□ 1350

The gentleman from Massachusetts [Mr. Conte], the ranking member of our subcommittee, has pointed out very dramatically that discretionary spending, since 1980 on education, on health and welfare, discretionary spending has been very sharply constrained.

As a result the amendments that we consider on this floor ought to be 50-percent increases, not cuts; 25-percent increases, not cuts; 5-percent increases, not cuts.

I would urge my colleagues in the House to look carefully at this bill. Look at what we are doing for the educationally disadvantaged.

As the gentleman from California [Mr. Hawkins] so appropriately observed, this money that we spend on education will save us money, will produce more taxes, will produce a higher quality of living not only for those whom we educate, but those whom they will serve.

I urge the Members to support this bill wholeheartedly, and oppose any cuts in any of the programs in the people's bill.

Mr. CONTE. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. Weber].

Mr. WEBER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 3058, making appropriations for the Departments of Labor, Health and Human Services and Education for fiscal year 1988.

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. WEBER. I yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I do not wish to disturb the gentleman during the gentleman's statement, but I just want to

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join the gentleman from Massachusetts [Mr. Conte], my friend, in commending the gentleman from Minnesota [Mr. Weber], one of the new members of our subcommittee, and a good member.

Mr. Chairman, the gentleman has worked hard on this bill; and I certainly want to commend the gentleman and say that it is a distinct honor and a privilege for me to serve with the gentleman on the Committee on Appropriations.

Mr. WEBER. Mr. Chairman, I thank the gentleman from Kentucky [Mr. Natcher] the chairman of our subcommittee.

Since I came to this Congress, there have been a number of Members that we have had a chance to serve with that are institutions in the Congress and the country, and none stand higher than the gentleman from Kentucky.

It is a real pleasure for me to serve on the gentleman's subcommittee. I also want to extend a special thank you to the gentleman from Massachusetts [Mr. Conte] my ranking member, who accommodated my requests and put me on exactly those subcommittees I wanted to be on on the Committee on Appropriations. I appreciate serving with both of these distinguished gentleman.

Mr. Chairman, this is a large bill covering a large variety of areas. That is one of the things that strikes you most, is the breadth of this bill.

From my perspective as a new member of the subcommittee, I have been struck by the extraordinary breadth and complexity of these programs—programs which touch the lives of virtually every American, and which are the cornerstone of our society's efforts to improve our overall health, education, and quality of life.

This committee works very hard. We had months of hearings and 12½ hours of markup. I can't begin to address all the programs covered in this bill, but I would like to mention some that are important to me. As a member who has represented perhaps the most rural district in the country for the past 7 years, I am extremely concerned with those programs which affect the quality of life in rural America. Rural areas account for a disproportionate share of our unemployment, poverty, physical and mental health needs, and illiteracy problems, and I share with many of my colleagues the belief that rural economic development should be at the forefront of both Congress' and the President's agenda.

This bill in its labor components, it's educational programs and senior citizen programs is vital to our commitment to rural America. The economic health of our entire country depends on an active and viable rural economy. Our Nation's small towns and farm communities face problems which are unique and deeply rooted, and they require the wide range of programs in this bill that provide job training, education, and health services. They deserve the support of this body.

On a broader level, this bill contains a number of high priority items which transcend regional, economic, or other demographic boundaries. In particular, I would like to commend the chairman and my committee colleagues for their forthright and objective approach to the AIDS crisis. This bill provides for a $945,000,000 Federal commitment to AIDS research, education, counseling, and other activities. This is the largest increase in this bill. For the first time, this bill establishes a central Advisory Board for AIDS under the Secretary of HHS, as well as a series of three subsidiary advisory committees which will coordinate and assess all Federal efforts regarding the AIDS crisis.

The testimony received by our committee reflected one overriding point—that the coordination of Federal research is absolutely essential, given the overwhelming breadth and complexity of the AIDS crisis. And yet, Members who served on the committee during the expansion of cancer research, pointed out the problems of overcentralization. This issue has, in certain circles, tended to become overtly politicized; but the structure and mandate of these boards are eminently reasonable, and should be received favorably by the administration, our colleagues in Congress, and the American people.

Finally, Mr. Chairman, I have been frequently troubled by the propensity of this body to fund programs which are of low priority, are not well planned, or which do not address clearly defined national needs. I have few such concerns with this bill. I recognize that all of us would like to see greater fiscal discipline imposed on a disorganized and incoherent budget process. But the development of this bill reflects a high degree of integrity on the part of the chairman and other committee members. The subcommittee has not funded unauthorized programs, and it has not earmarked appropriations for the pet projects of members.

Members may decide to challenge the judgment of the committee in determining spending levels, but the integrity of the process is beyond question. I have participated in the hearing and deliberation process, and I am convinced that this process is honest, objective, and defensible. It is a process that I would like to see adhered to by our other subcommittees. Overall, this bill addresses the investments we are required to make if we are to remain a competitive, well-educated, economically progressive country.

Committee members and staff have conducted a thorough and professional examination of these programs. I would like to commend Chairman Natcher and our ranking minority member for their leadership on this bill, and I would urge its adoption.

Mr. NATCHER. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Kildee], a member of the Committee on Education and Labor.

Mr. KILDEE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, H.R. 3058 contains appropriations for a number of programs under the jurisdiction of the Subcommittee on Human Resources which I chair.

I want to thank the gentleman from Kentucky [Mr. Natcher] and the other members of the Committee on Appropriations, including, especially, the gentleman from Massachusetts [Mr. Conte] for whom I have enormous respect, for the favorable consideration they have given to these programs in this bill.

I was also pleased to see services for the frail elderly noted in the report as an example of the type of program for which funds have been reserved pending enactment of authorization legislation currently under consideration.

The amounts proposed for Head Start, Runaway Youth, Follow Through, Community Services Block Grant Programs, and others are realistic funding levels that will maintain the effectiveness of these programs.

Mr. Chairman, in other cases such as the Older American Volunteers Programs, funding levels will enable much needed cost-of-living increases. The benefits of these programs go far beyond the individuals directly receiving assistance.

Whether it be giving a child the skills necessary to succeed in school, providing the support that enables people to move from positions of dependency to self-sufficiency, or enabling the elderly to continue to be active, independent members of their communities, the benefits of these programs go far beyond the individuals directly receiving assistance.

I believe the Government's role is to promote, protect, defend and enhance human dignity; and I try to examine every bill that comes before this body with that in mind, and this bill certainly does that.

It promotes, protects, defends and enhances human dignity, and I thank the committee for its work on that.

I would like to engage the gentleman from Kentucky [Mr. Natcher], the chairman of the subcommittee, in a colloquy on part of this bill.

I would like to ask the gentleman from Kentucky about section 583(a)(1), the National Diffusion Network [NDN], in chapter 2 of the Education Consolidation and Improvement Act. I see that the committee appropriates $10,700,000 for the NDN. Is it the intent of the committee that funds for the National Diffusion Network are to be used for a program significance panel which would determine whether a program is appropriate for inclusion in the program?

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to advise the gentleman from Michigan no, that is not the intent of the committee bill.

Mr. KILDEE. Is it the committee's intent then that decisions about the significance of a program are to be left to local schools and their governing bodies?

Mr. NATCHER. Yes, that is the intent.

Mr. KILDEE. Moreover, is it the intent of the committee that the National Diffusion Network facilitators be State-based?

Mr. NATCHER. Yes, the intent of the committee is that the NDN facilitators be State-based, rather than regionally or nationally based.

The Secretary of Education may provide incentives to State facilitators, however, so as to assure additional adoptions of development demonstrator programs in public and nonpublic schools.

Mr. KILDEE. Mr. Chairman, I again thank the chairman of the subcommittee and the committee for helping us do just that: promote, protect, defend, and enhance human dignity.

I also would like to take this opportunity to clarify a provision in the authorizing language relating to the Community Economic Development Discretionary Program for which funds are provided in H.R. 3058.

The Community Economic Development Discretionary Program authorizes funds for nonprofit organizations to increase employment and business opportunities in low-income communities. In all cases, the Federal funds generate additional non-Federal resources. Section 681(a)(2)(A) of the law makes eligible for funds nonprofit community development corporations [CDC's] or their affiliates. This language is intended to foster relationships between local CDC's and other organizations which may assist in carrying out local CDC activities. Public-private partnerships are an important part of creating business and employment opportunities in low-income communities and should be encouraged.

I am advised that the Department of Health and Human Services may consider providing fiscal year 1988 discretionary funds to a foundation-sponsored, statewide, Community Economic Development Program which has already assembled a pool of private and non-Federal funding commitments. A key component of this proposal would be the involvement of local community economic development corporations. Any community economic development discretionary funds added to such a statewide program must result in no less than an equal amount of financial assistance to participating nonprofit community economic development corporations. However, the inclusion of these funds in such a project would not require that similar restrictions be applied to the private and non-Federal funds involved.

I submit the following sections of the report to accompany H.R. 5:

### REPORT 100-95

*Sections 1561 through 1567.* The Committee intends to continue those programs currently funded through the Secretary's Discretionary Fund in Chapter 2. Part B, National Programs and Activities, will receive the same 6 percent set aside of the total Chapter 2 funds as the discretionary fund does in current law. The order of funding is also maintained from current law. The only exception to this is the elimination of the authorization for programs in drug abuse education. This specific program is now redundant with provisions of the drug abuse prevention act passed in the 99th Congress.

Section 1562, authorizing activities of the National Diffusion Network (NDN), was amended by the Committee in order to clarify which activities are authorized. The Committee has found that the National Diffusion Network is an extremely important and successful dissemination program. One of its major strengths is the requirement that all programs approved for dissemination be validated as effective. Since 1974 the National Diffusion Network has had unparalleled success in making the nation's educators aware of the availability of a wide variety of exemplary alternatives that improve school and classroom practice, the effect of which has been to make the NDN one of the most effective Federally supported education initiatives. It is appropriate that the National Diffusion Network's principal focus for the decade ahead be assuring and sustaining high quality assistance to schools implementing exemplary and effective practices that constitute significant changes for schools and classrooms.

The legislation to which this report is appended specifically uses the terms "implementation", "implementing," and "ongoing implementation assistance" to describe processes that will assure that National Diffusion Network efforts have an impact on the improvement of the nation's schools.

Further this legislation directs the Secretary to "ensure that a substantial percentage of the innovations disseminated represent significant changes in practices for schools and teachers." Such a programmatic priority will insure that the National Diffusion Network deepens its maturation beyond awareness of available innovative projects and first-level training of teachers toward a system that significantly and positively impacts the substantive improvement of the nation's schools.

The Secretary shall evaluate (or review the evaluation of) the effectiveness of proposed exemplary school improvement projects according to objective, evaluation criteria relating to student, classroom, and/or school-wide achievement. These criteria have been appropriately developed, modified, and utilized by the Secretary's Joint Dissemination Review (or Program Effectiveness) Panel throughout the past decade. Selection of projects based upon their content, or "program significance", shall remain the decision of local schools, not the Federal government.

The Secretary shall not review, screen, select, or assess projects based on their content (e.g., attempt to ascertain what is an appropriate or an inappropriate reading instructional model or the proper biology text), but rather, shall allow local schools and their governing bodies to make all such determinations about disseminated projects after the projects' successes have been validated (i.e., through an objective examination of evaluative assessment of achievement) by the Secretary's Joint Dissemination Review (or Program Effectiveness) Panel.

The Secretary shall make yearly or multiple-year funding awards to exemplary projects (Developer Demonstrators) based upon the projects' ongoing effectiveness and the continued demand for adoption/adaptation/implementation of the program by local schools throughout the nation. No arbitrary number of years of National Diffusion Network funding for Developer Demonstrators shall be prescribed.

The Secretary shall assure that National Diffusion Network facilitators be State-based (State Facilitators), not regionally based. The Secretary may provide incentives to State Facilitators so as to assure additional, priority adoptions/adaptations/implementations of Developer Demonstrator programs in public, private, parochial, and/or other non-public schools.

While the Secretary shall utilize 95 percent of monies allocated for the National Diffusion Network, pursuant to the above language, for the purposes of funding State Facilitator and Developer Demonstrator projects and the technical assistance services that support them, additional National Diffusion Network support—up to five percent of allocated NDN monies—may go for the funding of experimental "dissemination processes" efforts on a pilot basis.

Funds authorized for the National Diffusion Network are not to be used for any purpose other than those clearly outlined in the legislation. The Secretary shall spend 95 percent of all monies so allocated to the National Diffusion Network (NDN) solely for the purposes of funding traditionally defined NDN programs, specifically—(1) exemplary school improvement projects (Developer Demonstrators), (2) state-level brokers acting as liaisons (State Facilitators) between local school with needs and national, exemplary projects, and (3) the necessary technical assistance services that support the Developer Demonstrators and the State Facilitators. The Secretary shall not utilize monies, as directed under this Section for the funding of National Diffusion Network programs, for the so-called Secretary's School Recognition Program or any other "excellence recognition effort" not specifically part of the traditionally defined NDN program, i.e., Developer Demonstrators, State Facilitators, and technical assistance services to these projects.

While it is acknowledged that the Secretary's School Recognition Program has been of benefit, it is incumbent upon the Secretary to either utilize Discretionary Fund monies unallocated by Congress for any other specific purpose, such as for the National Diffusion Network, to support such Department-created efforts, or to seek specific Congressional authorization and appropriations for such efforts. The Education Department has, in recent years, made of funds directed for the funding of National

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Diffusion Network projects for its School Recognition Program and "other excellence recognition efforts." The Committee has adopted this amendment so that this practice shall cease, pursuant with the above directives.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. Green].

Mr. GREEN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise for the purpose of engaging in a short colloquy with the gentlemen from Kentucky [Mr. Natcher], the chairman of the subcommittee.

Mr. Chairman, I am concerned that the costs of AIDS treatment exceeds reimbursements being paid to hospitals for those patients. I understand that one of the functions of the Prospective Payment Assessment Commission is to study and recommend DRG's, or other methods to reimburse hospitals, for the costs of various illnesses. I feel it should be a top priority for the Commission to study DRG's or other appropriate methods to reimburse hospitals for the high costs of the various manifestations of AIDS cases.

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, I thank the gentleman for yielding.

The gentleman is correct. The committee agrees that it should be a top priority for the Prospective Payment Assessment Commission to determine appropriate reimbursement to hospitals for AIDS patients under Federal programs.

Mr. GREEN. I do want to thank the gentleman from Kentucky [Mr. Natcher], the distinguished chairman, both for the gentleman's remarks this afternoon, and also for the gentleman's great willingness to proceed on this when I raised the issue prior to the markup.

I appreciate the gentleman's help.

Mr. NATCHER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. Waxman].

□ 1400

Mr. WAXMAN. Mr. Chairman, I rise in support of the bill and to ask the distinguished chairman of the subcommittee, Mr. Natcher, a question about how the Appropriations Committee intends for the Department to use its program management funds.

As the gentleman knows, section 1122 of the Social Security Act requires the Secretary of HHS to enter into agreements with States that want to review capital expenditures made by health care facilities. Currently, 15 States have agreements and I understand that others are interested in making agreements.

According to HHS documents, the Health Resources and Services Administration intends to terminate all section 1122 agreements as of September 30, 1987. They justify their action by citing the lack of funds to award to States or to carry out the necessary Federal administrative responsibilities.

I understand that H.R. 3058 does not contain funds that can be awarded to States to pay the cost of their activities under these section 1122 agreements. However, the lack of appropriated grant funds for the States does not remove the mandate in section 1122(b) that the Secretary enter into agreements with those States which have State operating funds and therefore are "able and willing" to have section 1122 agreements.

Mr. Chairman, does the committee intend that the Department's program management funds be used to process section 1122 agreements for those States which have their own operating funds?

Mr. NATCHER. Yes. Given the requirements of the law as the gentleman has just described it, we would expect that program management funds would be used for this purpose.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. Montgomery], the chairman of the Veterans' Affairs Committee.

Mr. MONTGOMERY. Mr. Chairman, I rise in support of H.R. 3058.

As the gentleman from Kentucky knows and was aware, I was prepared to offer an amendment to this bill to transfer some of the $945 million being appropriated for AIDS research and treatment to the Veterans' Administration; however, in view of the respect and admiration that I have for the chairman, as well as the gentleman from Massachusetts, the chairman of the full committee, I have decided not to offer this amendment.

However, to the chairman, I would like to point out, and to my colleagues, that the Veterans' Administration has the second largest research program in the Federal Government, second only to the National Institutes of Health. There is no money earmarked in here of the billion dollars for AIDS and none of this AIDS money is earmarked for the VA.

That is why I would like to ask the chairman if he could help by advising the NIH and some of these other Departments that are getting this billion dollars, would they please look at the Veterans' Administration and consider them for part of this billion dollar funding.

Mr. NATCHER. Mr. Chairman, will the gentleman yield to me?

Mr. MONTGOMERY. I yield to the distinguished gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, I would like to thank the gentleman for yielding.

I want the gentleman to know that I appreciate his assistance and the words of assurance he has just given the members of the committee.

The veterans of this country deserve our help when they become ill, and I hope that we can continue to provide them with the assistance that they need.

I want the gentleman from Mississippi to know that every consideration will be given to his request.

Mr. MONTGOMERY. Mr. Chairman, I appreciate the gentleman's assurance. We will try to get this bill amended in the Senate. If we do not, though, Mr. Chairman, we certainly will need the help of the gentleman from Kentucky in the conference.

If part of this billion dollars could be given to the second largest research division of the Federal Government, which is the Veterans' Administration, I would recommend around $50 million. There are 6 percent of the AIDS patients now coming through the VA system. We think we can do the job and we can do as much in research, and treatment as any agency in the government. We need to be included in this extra money in the bill.

Mr. Chairman, I thank the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana [Mr. Williams].

Mr. WILLIAMS. Mr. Chairman, I rise today in support of H.R. 3058 the fiscal year 1988 appropriations bill for the Departments of Labor, Health, and Human Services, Education, and related agencies. I commend Mr. Natcher and the Members of his subcommittee for reporting out a bill that represents a $1 billion increase over fiscal year 1987 for the Department of Education programs. This plan provides $6.6 billion more than requested by the President. These increases are fair. They have been carefuly considered. On balance, I would say they are deserved.

As the chairman of the Subcommittee on Postsecondary Education, I am especially pleased by the treatment of higher education in this bill. Under H.R. 3059, Postsecondary education programs, including both institutional and student financial assistance programs, would rise from $8.69 billion to $8.83 billion next year, a small increase, but nearly double the President's request. I am also pleased that this bill includes some moneys for programs newly authorized under the 1986 Amendments to the Higher Education Act.

At the heart of the Postsecondary Education programs is student financial aid. These programs provide students with access to higher education through loans, grants, and work-study opportunities. H.R. 3058 assumes an increase of $323 million over the fiscal year 1987 appropriation for the student financial assistance programs.

I applaud the committee's efforts to give high priority to programs that target aid on the nation's neediest students by recommending $4.45 billion for Pell grants, an increase of $558 million over fiscal year 1987. This program provides grants to low-income undergraduate students enrolled in postsecondary institutions. The committee has also recommended that the maximum Pell grant award be raised from $2,100 to $2,300. If enacted, more than 2.9 million qualified students would receive an average grant of $1,300 in academic year 1987-88; $1,300 may sound like a great deal of money for a student, but with the average annual cost of attendance at a 4-year, public institution reaching $4,100, a Pell grant is only a part of a student's financial aid package.

I do wish to express some concern regarding the adequacy of this appropriation to reach this maximum award of $1,300. There has been some discussion of the methodology used to reach these estimates. It is my hope that every student receives the maximum amount for which he or she is eligible, and that under these numbers, no linear reduction by the Department in award amounts will be necessary. We already have too many students who are not receiving grants under this program: Between 1980 and 1985, only an average of 57 percent of the students who completed the application process for a Pell grant, actually received a grant.

The committee also recommends increases for campus-based programs, including an additional $12.5 million for supplemental opportunity grants, an increase of $32.5 million for college work-study, $12 million for Perkins loans, and $4 million for State student incentive grants. The President did not request funds for any of these important programs.

H.R. 3058 also provides some support for institutions. I especially support the committees' recommendation to make available $90 million for new loan commitments for college housing and academic facilities loans. We are all well aware of the growing concern for the condition of our Nation's academic and research facilities. A recent survey indicates that 20 percent of the college and university physical plant is in need of replacement or renewal, all at a cost of $40 billion.

I also note that the committee has acknowledged the role of the revolving fund in providing new loan moneys for facilities and thus has prohibited the Department from the further sale of these loans. The members of the Subcommittee on Postsecondary Education are currently discussing the sale of this portfolio with the Department, and share the Appropriations Committee's concern for the policy implications of such a sale.

In addition to funding the loan programs, the bill we are considering today includes $20 million dollars for the College Construction Loan Insurance Association. The association, authorized under the 1986 amendments to the Higher Education Act, will assist colleges and universities in financing the construction and renovation of their campus facilities. This $20 million will be used to capitalize the new association.

Also included in today's bill are two important efforts to support our Nation's teachers and school administrators.

First, the committee has recommended $2 million funding level for the Christa McAuliffe Fellowship Program. This program was developed to allow more that 440 talented public and private school teachers from across the Nation a 1-year fellowship to upgrade and enhance their teaching skills.

Second, for our Nation's school administrators, the committee has included $7.177 million for the Leadership in Educational Administration Development [LEAD] Program. This program provides an opportunity for thousands of local administrators to participate in seminars which emphasize the identification, assessment and development of leadership skills.

Unfortunately, the committee did not provide funds for institutional support of programs for nontraditional students contained in title I of the Higher Education Act. I must express some concern for this lack of support. I was joined by Steve Gunderson in authoring the 1986 amendments to the Higher Education Act which authorized title I programs designed to link postsecondary resources more closely to the needs of our growing population of adult learners. No funds were provided for these programs under H.R. 3058.

With the passage of Public Law 99-457, the Federal Government renewed its commitment to deliver quality education to our Nation's most vulnerable children, those who suffer with disabilities. In the bill we are considering today, the committee acknowledges this commitment by including more than $1.9 billion, an increase of $425 million over the President's budget request and a $171.9 million increase over the fiscal year 1987 funding level. As the chief sponsor of that legislation I am especially pleased that the committee has recommended the full funding level for preschool grant programs, so that all children with disabilities aged 3 to 5 will begin to receive services.

I note that $52 million is included for the infant intervention grants, and increase of only $2 million. Although the recommended amount is less than the $75 million requested, by making these funds available, the Congress is making a solid commitment to the development of statewide systems to provide necessary early intervention services to handicapped infants and toddlers and their families.

I would also like to thank the members of the committee for including more than $20 million ($20,710,000) for the VISTA [Volunteers in Service to America] Program. This represents an increase of $1.71 million over the fiscal year 1987 funding level.

The funds used under this program will provide for 2,500 volunteers to work in communities across the country addressing problems affecting low-income persons, such as drug abuse, illiteracy, hunger, unemployment and child abuse.

Although I am well aware of the tremendous budgetary restraints we are currently facing, I am troubled that funds were not included for the VISTA Literacy Corps, which was funded last year. With so much attention focused on the problem of illiteracy across this country, I believe it is imperative that the Federal Government utilize all of its capabilities to address this situation, one that can only be described as a national tragedy. I hope that when this legislation is given final consideration that funds would be made available for this very valuable effort.

I would also like to thank Mr. Natcher for including in the appropriations bill language authorizing funds for the establishment of a rural rehabilitation research and training center, as authorized in Public Law 99-506. The conference report accompanying Public Law 99-506 specifically states the intent of the conferees that the center be located in Missoula, MT.

It is my understanding that the Appropriations Committee references the specific section in statute in order to link into the statement of managers' language concerning the establishment of the center in Missoula, MT. It is my understanding that the reference in the report accompanying H.R. 3058 implies that the authorization of an appropriation for a rural research and training center is specifically for the purpose of establishing such center in Missoula, MT.

I conclude by again commending Mr. Natcher and the members of the committee for their efforts in developing H.R. 3058. You have brought us a bill that not only addresses the priorities expressed by this Congress during the budget process, but have also provided some funds for new initiatives, all while meeting your budget allocation.

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I am certain that this was not an easy task.

Mr. NATCHER. Mr. Chairman, I yield 1½ minutes to the distinguished gentlewoman from California [Mrs. Boxer].

Mrs. BOXER. Mr. Chairman, as chairman of the AIDS Task Force of the House Budget Committee, I rise with great gratitude in my heart to the chairman of the committee, the gentleman from Kentucky [Mr. Natcher], to the ranking member, the gentleman from Massachusetts [Mr. Conte] and to the entire committee for the appropriation for AIDS contained in this bill, and the $900 million matches the Budget Committee's request.

Mr. Chairman, we must beat back this disease, and I know we will, but it takes money. There is no question about it.

Right now, our only vaccine for AIDS is education, and it takes money to educate.

Then we must find a real vaccine and that takes money. Just to replicate the virus alone costs over $1,000 for each experiment. It is an expensive disease to fight.

Then we must look at treatment, compassionate treatment. That is what this bill does.

The gentleman from Kentucky [Mr. Natcher] has always been in there for us in this fight, from the very beginning when I first talked to the gentleman about a $12 million appropriation upon the death of our beloved colleague, the gentleman from California, Phillip Burton. I went to the gentleman and he was there then and is still there.

Let me just say in closing, I hope the House will beat back any attempt to cut this bill in any way. We are not just talking about AIDS. We are talking about cancer. We are talking about hemophilia. We are talking about all the diseases we must conquer. We are talking about education. We are talking about the heart and soul of what this Federal Government is all about.

So, Mr. Chairman, I urge strong support for this bill.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. Mr. Chairman, I would like to enter into a colloquy with the chairman and the distinguished minority member.

As the gentleman knows, I recently assembled, with the help of Chairman Hawkins and Chairman Williams, an advisory panel of experts in the education field to prepare advice and draft potential legislation to improve minority participation in the teaching profession. The first of a series of meetings was held July 30 and others are scheduled on a continuing basis. In preparing for this conference, I became aware of the lack of information on the status of minorities in our schools. Many of those on my advisory panel confirmed the need for up-to-date information on minorities in our schools. For this reason, I would ask you if it is the understanding of the Chairman that the committee intended that some of the over $14 million appropriated for the national center on education statistics should be used for a report on minorities teachers?

Mr. NATCHER. Mr. Chairman, if the gentleman will yield, I would like to say to the gentleman that yes, it was my understanding that a report of this nature would certainly be useful. I believe that much of this information is probably already available. It may simply be a matter of compiling existing data.

Mr. Chairman, further I want to say to the gentleman, that I appreciate and the gentleman from Massachusetts [Mr. Conte] appreciates and all of our Members do, the gentleman's assistance with our bill.

I say to the gentleman from New Mexico [Mr. Richardson] that we will join with the gentleman on this request.

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman.

To the gentleman from Massachusetts [Mr. Conte], may I say that I would hope a letter from the two ranking members of the subcommittee to the NCES asking for this information would be in order.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to my colleague, the gentleman from Massachusetts.

Mr. CONTE. By all means, as I stated to the gentleman when he spoke to me earlier on the floor of the House, I would be glad to join with the gentleman from Kentucky [Mr. Natcher] in sending a letter.

I do not see where it is any big chore for them. They ought to be able to gather that information out of the computers in no time at all. I would be glad to do it.

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman from Massachusetts and the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, I yield 30 seconds to the gentleman from Texas [Mr. Bustamante].

Mr. BUSTAMANTE. Mr. Chairman, I rise in support of H.R. 3058.

Mr. Chairman, I would like to take this time to express my gratitude to the gentleman from Kentucky [Mr. Natcher], chairman of the subcommittee; and the gentleman from Massachusetts [Mr. Conte], as well as all the members of the Appropriations Committee for providing adequate funding for youth job training needs under the Job Corps Program and for the educational needs of federally connected dependents served by the Impact Aid Program.

I am not sure how many Members of this Chamber are familiar with the unemployment problems facing the Southwest border region of our country—particularly the employment problems facing our younger men and women.

But I do know that the members of the Appropriations Committee—especially the gentleman from Kentucky, Chairman Natcher—were very sensitive to the problem of youth unemployment when they reported out this appropriations measure.

The committee recognizes the important contribution of the Job Corps Program in developing the vocational skills of hard-core, unemployable youth. The committee has included report language prohibiting the Department of Labor from closing Job Corps Centers until January 1, 1989. It also has added $93,500,000 over the request of the President's budget for capital costs to establish new and improve existing Job Corps facilities. Additionally, the bill provides sufficient funds for the Department of Labor to take care of those Job Corps Centers where current leases are expiring and cannot be renewed.

The provisions of this bill ensure that the Job Corps facility in Laredo, TX, located in my congressional district will continue to meet the youth employment-training needs of south Texas. The Laredo Job Corps Center is one of two centers in the United States where leases are expiring and cannot be renewed. The increased funding for capital costs will allow the Department of Labor to exercise its option to purchase the facilities and property currently leased to the Laredo Job Corps Center.

Second, I commend the committee for increasing payments for section 3(a) and 3(b) students under Public Law 81–874, the Impact Aid Program. These moneys are critical to local school districts serving the city of San Antonio and Bexar County, TX.

Overall, Mr. Chairman, 19 local education agencies with an average daily attendence of almost 225,000 receive some reimbursement under Impact Aid in my congressional district. We have 2,700 category "A" children and 34,000 category "B" children served by the Impact Aid Program. The great majority of these students fall under super "A" and "B" status.

Bexar County is also unique in that it is host to three school districts whose boundaries are coterminous with the military installations they serve. Because they share the same boundaries with military bases, they have no taxable base available for financing a free and adequate public education for military-connected dependents.

The committee rightly recognized that without the funds derived from the Impact Aid Program the coterminous school districts would be nonexistent. Without the increase funding for section 3 of the Impact Aid Program their ability to maintain quality educational programming would atrophy.

So on behalf of the Laredo Job Corps Center and the educational institutions serving Randolph Field, Lackland Air Force Base, and Fort Sam Houston, I thank Chairman Natcher and members of the Appropriations Committee for being sensitive to the concerns of these institutions.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. Bilirakis], our cleanup hitter.

Mr. BILIRAKIS. Mr. Chairman, as you and my colleagues are aware, I have been extremely interested in the plight of those suffering from phobias, which is the No. 1 mental disorder surpassing depression and alcoholism, with some 56 million Americans affected.

I have for the past several years introduced legislation to designate the month of October as "Phobia Awareness Month" and I would invite my colleagues to join in cosponsoring this legislation which would do much to call attention to the debilitating effects of this horrible mental disorder.

For those of you who are not familiar with phobias, they can include fear of flying, bridges, open spaces, public speaking, and crowds. If accompanied by panic attacks they can render the phobic incapable of leaving their homes. Since I became interested in phobias I have found many in this Chamber who suffer from some sort of phobia. During the last Congress a hearing was held by the Subcommittee on Health and the Environment to evaluate Federal research efforts into phobias. The testimony that was presented was both horrifying and hopeful.

Mr. Chairman, I rise today to speak on this disorder since we are considering legislation to provide funds to the National Institute of Mental Health, which is responsible for research into phobias. I want it to become a part of the legislative history on the bill before us that the Congress continues to be concerned about the plight of phobics and that we expect the efforts of the National Institute of Mental Health to continue and not diminish and that this includes a sufficient distribution of funds for phobia research. Research strides have been made; however, we are not yet at the point where we can rest on our laurels. I would also like to inform this body and the public that since our subcommittee hearing where I expressed dismay that there was not a pamphlet available on phobias one has now been published and is now available for distribution.

Mr. Chairman, I am inserting for the Record correspondence I have had with the NIMH on phobia research and their budget allocation for anxiety disorders. I also believe it is appropriate to call to the attention of this body the fine work the Phobia Society of America is doing as evidenced by the testimony they presented to the Appropriations Subcommittee on Labor, Health and Human Services on May 5, 1987.

Congress of the United States,
House of Representatives,
*Washington, DC, May 22, 1987.*

Dr. Frank Sullivan,
*Acting Director, National Institute of Mental Health, Rockville, MD.*

Dear Dr. Sullivan: In 1985, a hearing was held on phobias by the House Energy and Commerce Subcommittee on Health and the Environment. That hearing indicated that there were no pamphlets available to the general public on phobias, as there are for other diseases and disorders.

In March 1986, I was provided a draft copy of Information on Phobias and Panic by Dr. Frazier, which was to be developed into a pamphlet for public distribution. I was told by Dr. Frazier that I would be receiving a copy of the final publication. To date, I have not received this pamphlet.

I would like to have a copy of the pamphlet that is being distributed to the public and if it hasn't been completed, I would like to know why not. Additionally, I would like to have information on what the Institute is presently doing on phobia research, both intramurally and extramurally. Would you please provide me with budget figures for phobia research, contrasting fiscal year 1986, 1987 and your request for fy 1988 for this research.

Should you have any questions, please contact me or Ms. Hanbury in my Washington office. Thank you for your kind assistance.

Sincerely yours,
Michael Bilirakis,
*Member of Congress.*

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Department of Health & Human Services, Public Health Service, Alcohol, Drug Abuse, and Mental Health Administration,
*Rockville, MD, July 14, 1987.*

Hon. Michael Bilirakis,
*House of Representatives,*
*Washington, DC.*

Dear Mr. Bilirakis: Thank you for your letter of May 22, as well as your letters of June 12 to various staff members of the National Institute of Mental Health (NIMH), regarding research on phobias.

I apologize that you were not sent a copy of the general public information pamphlet on phobias. Enclosed is a copy of "Useful Information on Phobias and Panic," ADM 86-1472. The pamphlet is available to the public on a complimentary basis from the National Institute of Mental Health and from the Consumer Information Center, Pueblo, Colorado 81009.

Phobias are characterized by intense anxiety toward circumscribed objects and a strong tendency to avoid them. Symptoms of other disorders often co-occur with agoraphobia, such as panic attacks, depression, hypochondriasis, somatization, and dysthymia. This type of disorder is the most prevalent mental illness in the country, and its cost in productivity, human suffering, and loss of potential is inestimable. The most recent results from the ongoing NIMH Epidemiological Catchment Area Program reveal that 14.6 out of every 100 Americans, about 37 million persons, will receive a diagnosis of anxiety disorder at some point in their lifetime. Within a typical 6-month period, 7.7 out of 100 Americans, approximately 19 million individuals, usually experience a phobic disorder.

In spite of these large numbers, help is available and new therapeutic methods are under study. Both pharmacologic and cognitive/behavior therapies claim considerable success with phobia patients, although the length and complexity of treatment tends to increase as the number of co-occuring symptoms increase. The NIMH is now encouraging clinical investigators to follow the course and emergence of symptoms and study their interactive role. This line of investigation should have important implications for treatment.

The NIMH extramural and intramural research on anxiety disorders, which includes phobias and panic disorder, currently involves a wide ranging group of studies in biology, genetics, epidemiology, treatment assessment, psychopharmacology, and the behavioral sciences. Approximately $11.4 million was spent by NIMH in Fiscal Year 1986 to support research on anxiety disorders. The Fiscal Year 1987 budget is projected at $11.6 million. The President's budget for Fiscal Year 1988 allows for funding at $10.4 million.

The investment of research dollars in areas targeted specifically for anxiety disorders tells only part of the story. Much of our progress to date is the result of basic brain research that has produced findings of value in a variety of areas. Approximately one-third of the NIMH research budget, or $53 million, is targeted to basic research believed to be of vital importance to our knowledge of anxiety disorders, as well as other mental illnesses.

If I can provide any additional information or be of any assistance, please do not hesitate to contact me.

Sincerely yours,
Frank J. Sullivan, Ph.D.,
*Acting Director,*
*National Institute of Mental Health.*

Mr. NATCHER. Mr. Chairman, I yield 1½ minutes to the gentleman from North Carolina [Mr. Price].

Mr. PRICE of North Carolina. Mr. Chairman, I want to congratulate Chairman Natcher and the other members of the Labor-Health and Human Services-Education Subcommittee for the careful work that has gone into this bill. I want to call the attention of the House to two items of particular interest—the restoration and renovation of Estey Hall in Raleigh, NC, and the consolidation of the National Institute of Environmental Health Sciences [NIEHS] facilities in Research Triangle Park, NC.

Originally a residence for women at Shaw University, Estey Hall is the oldest standing structure built for the accommodation of black students, male or female, in the United States. It was listed in 1973 in the National Register of Historic Places, and is an outstanding example of 19th-century architecture and construction. It is a landmark structure in the field of women's education and a monument to the ambitious first decade of Shaw University. What makes this anticipated renovation so important is the renewed commitment it represents to the historic role of black higher education.

With the funds provided in this bill, together with State and local fundraising initiatives, Estey Hall can serve once again as an educational facility.

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Under current plans, a new function of Estey Hall will be to serve as a continuing education center and a community and cultural resources center, housing meeting rooms, a 300 seat auditorium, offices, and classrooms. This will provide a much needed facility for the activities of youth, senior citizens, performing arts groups, and the community surrounding Estey Hall near the Raleigh Civic Center complex.

I am also pleased, Mr. Chairman, with the committee's action regarding the NIEHS facilities in Research Triangle Park, NC. The report states that the committee expects NIEHS——

> to continue with its plans to consolidate all of its programs at the permanent facility in Research Triangle Park in anticipation of the expiration of the current lease for the temporary laboratories (page 84).

The report also clearly gives the NIEHS project priority within the building and facilities account (page 97).

Continuing the second phase of the architectural and engineering work is critical to the advancement of the NIEHS and its ability to continue its tradition of the high quality and timely research on major environmental health issues. This action allows work to proceed on consolidation of facilities at NIEHS and would over the long term actually reduce costs relative to the current leasing arrangements. When completed, the consolidation would reduce leasing costs by approximately $4.2 million per year—to say nothing of the savings in staff time and research efficiency that would result from the consolidation.

Mr. Chairman, I am appreciative of the efforts made by the committee not only in its consideration of these two important issues, but in its commitment to fiscal responsibility in meeting the guidelines set out by the budget resolution and I encourage my colleagues to support this bill.

Mr. ROYBAL. Mr. Chairman, I rise in support of the Labor HHS-Ed fiscal year 1988 appropriations bill. I want to commend the diligent and fair work of Chairman NATCHER. This bill reflects and emphasizes those areas which are important not only to Chairman NATCHER but to all of us who are members of the committee.

### AIDS AND HEALTH

This country is in the midst of a major health crisis. AIDS is a major epidemic which must be controlled as soon as possible. This appropriations bill provides $945,430,000 for all research and education activities associated with AIDS.

As of June of this year, more than 36,000 cases of AIDS have been reported throughout the United States. It is estimated that by 1991 there will be more than 270,000 cases and more than 179,000 persons will have died of AIDS. Up to $16 billion will be spent on health care. Yet our best experts estimate that it will be at least 7 to 10 years before we have a vaccine.

I am most concerned with the disproportionate impact of AIDS on Hispanics and blacks. Whereas 5 percent of white non-Hispanic AIDS victims contract the disease through intraveneous [IV] drug abuse, 36 percent of Hispanic AIDS victims fall into this transmission category. Even more sobering is the grim statistic that 84 percent of Hispanic children with AIDS contracted the disease through parents with or at risk of AIDS. For white non-Hispanic children the comparable figure is 45 percent.

One of the concerns expressed by the Hispanic and black community is the failure of Federal and State officials to channel resources to community organizations that are more able and capable of providing AIDS education and prevention information to minority persons and drug abusers.

I want to thank Chairman NATCHER for accepting my amendment to increase funding for CDC by $20 million for education activities in minority communities. In addition to this special initiative, this bill includes increased funding for education and prevention activities in general. The only tool we have at our disposal to fight this disease is education. Prevention is the only way we are going to contain this dreaded disease and buy time for researchers to develop a cure or vaccine.

The report which accompanies this bill also includes language relating to the testing for AIDS of applicants for entry into the United States and determining whether these individuals are excludable or inadmissible on the ground of being infected with the AIDS virus.

The committee has heard from health and medical experts who have serious misgivings about the advisibility of making such determinations in the case of residents of the United States. There is concern that such determinations of inadmissibility or exclusion will have the effect of discouraging would-be applicants for lawful immigration from participating in any mandatory screening for the AIDS infection as required as part of the application process. In addition, there is a strong likelihood that long-time residents found to be infected with the AIDS virus probably acquired the disease in the United States. A determination of inadmissibility or exclusion would raise the specter of deporting individuals and spreading the infection to countries which do not have the resources to deal with such a crisis. Because of these concerns, the committee believes that the Attorney General should consider issuing waivers of that ground of inadmissibility or exclusion in cases of infection with the AIDS virus for persons who arrived in the United States and established residence by January 1, 1982. Among long-time residents who would fall under such a waiver process would be those applying for lawful immigration status under the Immigration Reform and Control Act. I hope the Attorney General seriously considers this advice.

This 1987 appropriations bill also includes increases in other health areas in addition to AIDS. The bill includes increases for all the national institutes. There are funds for more cancer research, specifically in the area of malignant melanoma/skin cancer. It is estimated that as many as 500,000 Americans are effected by some type of skin cancer. It is hoped that the additional funds in this area will allow for the formation of an interagency task force to coordinate research and prevention activities for this form of cancer.

In the area of Health and Human Services, this bill provides a level of funding which rejects further cuts and allows for this country to remain a leader and maintain the level of scientific research which is expected and demanded by the American public.

### LABOR

I am a strong believer in the notion that a competitive America must have a competitive labor force. Willing workers cannot be left to drift in a sea of economic dislocation and disenfranchisement caused by factors out of their control. Those who have not been able to enter the mainstream, but tread the waters in low-paid and low-skilled jobs, must be assisted.

I am referring to large segments of our working age people, individuals we cannot abandon without risking further deterioration of our economic system. Our youth, our elderly, and disadvantaged workers deserve a strong Federal commitment to improving their earning potential and ability to be fully self-sufficient.

This bill reflects such a commitment. The funding for training and employment services is increased by almost $200 million.

One of the most successful programs for training disadvantaged young men and women—the Job Corps—is provided additional funds to enhance its efforts. Up to eight new centers in areas of the country now unserved can be established. The cost effectiveness of the existing Job Corps centers has been proven repeatedly, and the savings in terms of human potential are immeasurable.

Another needed expansion is provided to train migrants and seasonal farmworkers—by an increase of over $10 million—which will permit an additional 8,000 persons to be served. The number of individuals eligible for such services could double. Our farmworkers remain severely underserved, and it is my view that the current Department of Labor estimate of eligible farmworkers—438,000—is far too low. The United Farmworkers Union, for example, believes that there are at least 1.5 million farmworkers in the country.

Domestic farmworkers and the agricultural industry will also benefit from an increase of $10 million for employment service operations dedicated to the recruitment of domestic workers for agricultural jobs. This program will help to reduce the displacement of U.S. workers by foreign guestworkers. It is my fear that we will see more and more displacement of Americans, made possible by the immigration bill's expansion of opportunities for employers to recruit abroad and to bring in foreign agricultural workers.

### EDUCATION

Just as there is a need for a strong Federal role in job training, there is a critical need for a national effort to improve the education of all our youth. I am especially concerned about the needs of those at the bottom of the opportunity ladder. We must resist Darwinian approaches to educational excellence.

The demographic reality is that growing numbers of our youngest and most vulnerable human resources are not being provided the quality education needed for their full participation in modern America. If budget constraints require that we make difficult choices, education must be a top priority.

This year's appropriations shows how serious we are about caring for the educational needs of our Nation's children. I am especially pleased by the major increases in programs dedicated to serving disadvantaged and minority youngsters. The increased funding allows for improvements and enhancements in Headstart, chapter I, education to meet the special needs of handicapped students, assisting those with limited proficiency in English, providing financial assistance to those entering our colleges and universities, and increasing the participation of those underrepresented in higher education.

The neglected area of educational research is strengthened in several important respects. Funds are provided for a modest beginning to look into the problems of underachievement among minority students, especially those of Hispanic origins and limited English proficiency. Experts in the education field have documented the abysmal rate at which minority students obtain high school diplomas and go on to participate in postsecondary education.

I hope that the Department of Education will embrace the committee's recommendation and fund a $1 million research effort to examine issues identified by experts in the field as high priority—such issues as the effects of tracking and ability grouping on minority students, culturally specific modes of learning and reasoning, and the design of appropriate instructional systems and teaching strategies. The results of such research could enlighten future educational reform efforts aimed at improving the achievement levels of our minority disadvantaged students.

### AGING

The committee has also acted well and responsibly in funding of time-critical health research and in the support of program initiatives that will help to ensure that older persons have rightful access to high quality health and long-term care services. One of the committee's and my highest priorities in medical research has consistently been to find the cause and cure for the millions of older Americans stricken with Alzheimer's disease. Again this year, the committee has continued its pledge to Alzheimer's victims and their families by providing additional moneys to expand the geriatric training and research initiatives related to Alzheimer's disease under the National Institute on Aging [NIA] and the National Institute for Mental Health [NIMH]. The committee's action is particularly critical this year in light of the breakthroughs that have only recently been made into the possible causes and possible treatments for this devastating disease. In the wake of these achievements, we cannot afford to relinquish our commitment to Alzheimer's research and clinical training. The committee's actions to fully fund the existing 10, and possibly additional, Alzheimer's Disease Centers, to increase funding of other Alzheimer's research initiatives under the NIA and NIMH, and to provide additional funds for the National Alzheimer's Education Program and Clearinghouse established by the Congress last year reflect this continued commitment.

The committee's actions also recognize the commitment to meeting the broader challenge that our Nation faces in meeting the health and long-term care needs of increasing numbers of older persons with a range of acute and chronic care needs. Part of this challenge is to ensure that we have a cadre of professionals across the health and long-term care spectrum who are sensitive to and highly trained in the care of older persons with physical and mental health limitations. In response, the committee has increased support of geriatric training of professionals—including a new emphasis on training related to the care of persons with mental health needs and to the care of persons in their own homes.

Yet another part of the Nation's challenge is continued research into appoaches to health and long-term care financing, to protecting against rising out-of-pocket costs, to increasing program efficiency, and to ensuring beneficiary access to quality care. In these respects, the committee has called for additional support for NIA research initiatives in long-term care, the needs of the oldest old, and nutrition disorders as well as comparative biomedical and health services research cross-nationally. In addition, the committee is requiring Medicare and Medicaid research and demonstrations in the areas of long-term care financing—including continuation of the current social HMO demonstrations—health and long-term care quality and access, and the protection of special populations—including racial minorities and persons with Alzheimer's disease. And, the committee has gone further to require expanded studies on the out-of-pocket health care costs of the aged and nonaged and to require the development of improved methodologies and technical assistance to support the quality assurance activities of PRO's. In light of the Congress' recent concern over the quality of care that is being increasingly provided to persons in their own homes, the committee has also called for expanded research into home care training and manpower under the Health Resources and Services Administration [HRSA]. Finally, the committee has demonstrated its continued concern over the efficient and equitable administration of the Medicare Program by providing sufficient funds to protect against claim processing and payment delays that can adversely impact beneficary access and out-of-pocket costs.

Taken collectively, I believe the committee's actions in support of geriatric research, training, and program administration are both fiscally responsible and in the best interests of our growing numbers of older citizens.

Mr. WEISS. Mr. Chairman, I rise in support of H.R. 3058, the fiscal year 1988 appropriations bill for the Departments of Labor, HHS, and Education. One aspect of this legislation which I strongly support is the $945.4 million appropriation for AIDS activities at the Department of Health and Human Services. This is $179 million more than the administration's request to deal with the AIDS epidemic. Once again, Congress is taking the lead in providing sufficient funding for research and control of the constantly expanding AIDS crisis.

According to the most recent figures from the Centers for Disease Control, AIDS has already claimed the lives of over 22,500 American men, women, and children. And, this week, the number of AIDS cases reported to the CDC since June 1981 is expected to reach 40,000. Looking ahead to 1991, the Public Health Service estimates a cumulative total of more than 270,000 AIDS cases and 179,000 AIDS deaths.

We must proceed, as rapidly as possible, with AIDS research and treatment, and education and prevention activities. There are urgent needs and deficiencies in certain areas, which I think the Labor-HHS bill will help ameliorate. I would like to point out a few key provisions.

First, it is crucial that we begin to provide and plan for the health care needs of people with AIDS. In this regard, I would like to commend sections of the bill which deal with funding and programs at the Health Resources and Services Administration. The Appropriations Committee has greatly expanded the administration's request for HRSA from $6.6 million up to $38.5 million. HRSA activities would include the AIDS training of health care providers, and the renovation and construction of health care facilities.

Second, AIDS education efforts must be increased dramatically for all Americans. The Centers for Disease Control has been long on planning and short on action. The appropriations bill increases the administration's request for CDC by $73 million, up to a level of $307 million. Among other things, this increased CDC budget would provide for expanded education/prevention activities for minority groups, adolescents, and child-bearing women.

Third, our progress in biomedical and treatment research, as excellent as it has been, must be stepped up even further. In this area, the appropriations bill earmarks $472 million for NIH, an increase of $50 million over administration's budget. New approaches will include the expansion of research in structural biology and antiviral substances, and also the expansion of physical facilities to support a long-term program of such complexity and magnitude.

Fourth, I commend the idea of establishing four advisory entities at the HHS: the Secretary's Advisory Board on AIDS, and the advisory committees to be set up at CDC, NIH, and ADAMHA. Certainly, I have recommended, since 1983, that an expert panel be convened to present a comprehensive strategy for responding to AIDS. The Public Health Service needs better overall coordination of its AIDS activities. I greatly hope that advisory boards selected by the Secretary and the various agency heads will be able to do this job.

Finally, in addition to speaking for these AIDS appropriations, I would like to take this opportunity to commend the terrific efforts and leadership of the distinguished gentleman from Kentucky [Mr. NATCHER] and his subcommittee. Once again, the Labor-HHS appropriations bill and report provide us with the means and the direction for gaining ground in our war against AIDS.

Mr. LIGHTFOOT. Mr. Chairman, today I must voice my support for the efforts of those of my colleagues who are proposing that we in the Congress take some responsibility for the fiscal affairs of our country.

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H.R. 3058, the Labor/HHS/Education appropriations bill for fiscal year 1988, is grossly inflated. In fact, it is the second largest appropriations bill we will work on after the defense appropriations bill. This measure contains almost $14 billion more in funding for the same programs in fiscal year 1987.

Granted, much of the spending increase in this bill is in mandatory programs that are beyond our control, such as Medicaid and Medicare. However, discretionary spending in the bill, which we do control, is increased by $2.96 billion. Mr. Chairman, I support the efforts to cut the increase in these discretionary programs included in this legislation.

I am second to none in my awareness of the importance and significance of many of the discretionary programs in this bill. My support for the Jobs Corps office in Denison, IA, is well known. I believe this is one Federal program that is worth the money we appropriate. As a parent, I am aware of the importance of Federal programs to provide financial assistance to today's college students.

However, my support for cutting the increase in the funding for these discretionary programs will not reduce the funding for these programs. These programs will still be receiving more money in fiscal year 1988 than they received in fiscal year 1987. I simply am asking of these discretionary programs within the Federal Departments of Labor, Health and Human Services, and Education to hold the line on spending.

During my service in the Congress, I have maintained that no one Govenment program should have to bear more than its fair share of the burden in our ongoing efforts to reduce the Federal deficit. In the 99th Congress, I voted against 28 of the 36 spending bills considered by the House. I will not back away from this position.

The Federal budget deficit is this country's greatest domestic crisis. I consider its existence a disgrace and a failure on the part of our country's leadership, from all branches of Government. I do not believe that we can continue to support programs that are duplicative, stop-gap, or possibly best left to the States and localities to fund. We cannot afford to fund some favorite programs to the point of giving them more funds than they can possibly spend in a responsible manner.

This is not a popular stance, Mr. Chairman, it is not an easy decision to say no. However, for the health of our economy, we must start to reduce these discretionary program increases.

Mr. JEFFORDS. Mr. Chairman, I rise in support of the fiscal year 1988 appropriations bill for the Departments of HHS, Labor, and Education, H.R. 3058. This appropriations measure is one of the most important that Congress considers each year. As ranking Republican of the Committee on Education and Labor, I believe that this proposal gives appropriate recognition to the priority we as a nation must give to education, training, and social services.

The past few years have seen significant efforts on the part of State and local education agencies to revitalize our education system. Further, these years have witnessed the implementation of a new job training program directed toward the needs of the disadvantaged and dislocated workers of this country. I recognize that in all of these programs, their basic strength resides in the fact that they are programs operated at the State and local levels. However, there is much that the Federal Government can and should do as a partner to assist these efforts.

As we look to our ability as a nation to compete in world markets and to maintain our standard of living, it is critical that we have an educated and trained population in order to meet these challenges. This bill is every bit as important to our competitiveness as H.R. 3. Education and training programs have the capacity to help us hold our ground and to improve our competitive edge—they are vital to our economic survival.

Our States, local schools and colleges and universities have responded to the challenges that were first put forth to the Nation in the 1983 report, "A Nation at Risk." They have responded by requiring tougher high school graduation requirements, improving textbooks and instructional materials, increasing the time students are in class, and reforming teacher preparation. Further, we can point to greater business and corporate participation and support in improving our children's education.

Our education system has made great strides in providing services to a broad spectrum of individuals. However, the system has not been as successful in meeting the needs of those who are not in the mainstream—including the disadvantaged, women and immigrants. As we look to those who we will be depending on to fill our future work force needs, we are looking to exactly those who have historically fallen through the cracks. We cannot allow such a situation to continue.

This appropriations bill comes a long way toward acknowledging that an investment in human resources is an investment in our future. Without an investment in education and training, the alternative is illiteracy and unemployment, and all the problems that stem from them. For example, $100 billion is lost each year in the gross national product due to the current numbers of illiterate and functionally illiterate adults in this country.

Chapter 1 programs currently serve no more than 50 percent of the eligible population. With the increase in funding provided in this bill, in Vermont, as in other States, these programs will be able to serve a greater number of disadvantaged young children whose education needs are now unserved. The Adult Education Program has assisted many adults achieve literacy. This bill proposes funding, consistent with the administration's request, which will increase the program's ability to improve the literacy skills of many more adults who are suffering the isolation that illiteracy brings.

Our vocational education programs have been called upon to provide the technical and occupational skills that will increasingly be needed for the future. The funding proposed for vocational education in this bill will continue those efforts to meet the new skill demands of our evolving marketplace.

It is estimated that three-fourths of the jobs available during the 1990's will require some postsecondary education. Federal funds must continue to provide access and opportunity for participation in postsecondary education for all Americans, not just those who are able to pay for it without assistance. Seventy-five percent of all student financial assistance is provided by the Federal Government. H.R. 3058 continues this congressional commitment to educational opportunity. Funds are also provided to assist colleges and universities in areas of important national needs for improvement in graduate and International education, libraries, and developing institutions.

One concern that we all have with respect to individuals having access to postsecondary education is the escalating costs of attendance. In the Higher Education Amendments of 1986, a provision was included which authorized a commission charged with developing a national policy which clearly defines the role and responsibility of the family, institutions of postsecondary education, the various levels of government and the student in planning for the financing of college. The modest cost of this Commission will be repaid back to the taxpayer as a result of its work. Unfortunately, this bill does not contain funding for this Commission, and I intend to offer an amendment at the appropriate time to correct this oversight.

I am pleased that H.R. 3058 also contains funding increases for programs under the Job Training Partnership Act [JTPA]. Since 1982 when JTPA was enacted, we have seen greater involvement of the private sector in the training of disadvantaged workers, resulting in high placement rates in unsubsidized jobs. The system is not without its problems, but I am confident that as we continue to support its efforts, they will be resolved. It is unfortunate though, that long deliberations over the trade bill have left us without new legislation for a much needed worker readjustment program.

I am hopeful that we will be able to work through the differences between the trade bills with respect to the worker readjustment program. Without that new authority, increased funding for that program is not likely. The program has been modified to include a rapid response capability, and to provide a greater balance between quick placement and longer term education and training which many dislocated workers need. We should not ignore the successes of the Canadian IAS model, nor the information that we have from our current Dislocated Worker Program under JTPA. I believe that we have learned from these experiences and that the result will be a program better designed to meet the specific needs of our dislocated workers.

Turning to another aspect of the bill, while I understand the constraints under which the Appropriations Committee was operating, I must say that I am somewhat disappointed in one respect. The Low Income Home Energy Assistance Program received no increase over last year's appropriation.

I think there may be the false impression among some of my colleagues that this program is somehow awash in money due to the oil overcharge funds. This is just not the case. In fact, States are under no obligation to put this money into the LIHEAP program, and many have put very small amounts into it. At the same time, demands on the program are increasing. This summer's heat wave has

strained the cooling programs, and oil prices have moved back up, very likely meaning higher heating bills next winter. And these increased demands come at a time when the program has already been scaled back dramatically. While the program covered 40 percent of all eligible families' heating and cooling costs, this year it will fall to less than half that amount.

In closing, I want to thank both the chairman of the Labor-HHS Subcommittee, Mr. NATCHER, and the ranking Republican, Mr. CONTE, for bringing a bill to the House floor which appropriately reflects the priority that education and training programs must have in this country in order for us to maintain our competitive edge as a leader in the world market. The fact that this bill is within the limits set out in the fiscal year 1988 budget resolution, both in budget authority and outlays, should be applauded. I appreciate this opportunity to discuss but a few of the worthwhile programs in this bill, and I strongly encourage my colleagues to support H.R. 3058 as it was reported out of the committee.

Ms. PELOSI. Mr. Chairman, I rise in support of H.R. 3058, the Labor/HHS appropriations bill for fiscal year 1988. This bill contains funding for many programs which are of value to the Nation, as well as to the Fifth Congressional District of California. I am especially pleased with increased funding for activities to address the AIDS crisis. This appropriations bill represents a significant increase over the funds requested by the President to respond to the medical and psychological crisis of AIDS.

AIDS must be our Nation's top health priority. While nearly 40,000 Americans have already been diagnosed with AIDS, over a million other Americans are infected with the AIDS virus. In San Francisco alone, nearly 4,000 people have been diagnosed with AIDS, and 50,000 others are infected with the virus. Last month, the city averaged nearly five new cases diagnosed each day. For all of these quietly desperate citizens, scientific and medical discoveries are the only hope. Today, the people of the United States are looking to the Congress for adequate funding to help end this nightmare.

With regard to research, the funds included in this bill for the National Institutes of Health would allow for the expansion of research on effective treatments for AIDS. Thousands of people infected with the AIDS virus would have the opportunity to be involved in clinical trials. At the same time, researchers at the National Institute of Allergy and Infectious Diseases would be able to step up their efforts to develop a safe and effective vaccine.

In the absence of an effective vaccine or drug to cure this disease, prevention must remain a top priority. The best tools for facilitating individual behavior change, which will reduce the transmission of this virus, are clear and factual education and counseling. Education will involve providing citizens with information about AIDS transmission and risk reduction. Counseling will require individualized assessment of behaviors that put a person at risk and facilitation of decisionmaking concerning appropriate behavior change. Counseling should be provided to all those seeking services in family planning and prenatal care clinics, as well as those seeking services in clinics for sexually transmitted diseases and substance abuse.

I congratulate the committee for targetting minority populations for special prevention education programs. This bill will permit the Office of Minority Health to assume a much more active role in addressing this unmet need. I also congratulate the committee for the special attention paid to pediatric and adolescent AIDS issues.

With regard to care and treatment, this bill provides greatly increased funding for the training of health care providers. It also provides funds for technical assistance to communities with increasing numbers of AIDS patients. Clearly, much more planning needs to be done for a health care delivery system that is responsive to the unique nature of this disease. Nonetheless, this appropriations bill is an important step in the right direction.

This appropriations bill responds to the crisis of AIDS. On behalf of the people of my district and all Americans who are concerned about a responsible Government response to AIDS, I thank the committee and Mr. NATCHER, the esteemed chairman, for the excellent product of their deliberations. I urge my colleagues to support this bill.

Mr. RAHALL. Mr. Chairman, I rise today in support of H.R. 3058, the fiscal year 1988 appropriations measure for the Departments of Labor, Health and Human Services, and Education. Congress' historic commitment to providing the training, health care, and education necessary to ensure our national long-term stability is upheld by the provisions of this bill.

Of great importance to many in my home State of West Virginia is funding included in this appropriations measure for the continuation of employment and training programs administered by the Department of Labor. I am pleased that the committee has seen fit to significantly increase the funding levels of these vital programs over the Reagan administration's inadequate requests. These programs are of special importance to States, like West Virginia, which continue to suffer from high levels of unemployment, in part due to the policies of the current administration.

The bill appropriates $1.9 billion for job training programs, $750 million for the Summer Youth Employment Program, which has been highly successful in West Virginia, and $783.5 million for the Job Corps, with an extended prohibition against closing Job Corps centers. I am especially pleased that there is $50 million included in this measure for training, job search, and relocation assistance programs authorized by the Trade Act, programs for which the administration requested no funding. These programs are operated by the States to assist workers who have been adversely affected by foreign trade and have been so certified by the Department of Labor. These programs, which I strongly support, are of extreme importance to workers, who through no fault of their own, have lost jobs and who are desperately seeking new ways to provide for themselves and their families.

Also of great significance to many West Virginians is a provision in the bill which grants the authority to expend $686.4 million from the black lung disability trust fund, an increase of approximately $50 million over the 1987 amount. The trust fund pays black lung compensation, medical and survivor benefits for those coal miners who have been stricken with this cruel, debilitating disease as a result of their employment in this Nation's coal mines.

This bill provides funding for vital programs at the National Institutes of Health [NIH] and the Alcohol, Drug Abuse, and Mental Health Administration, health professions and nurse training assistance, and for maternal and child health grants, among others. The support Congress has provided for these programs in the past has enabled this country to be the world leader in scientific research, health care delivery, and education. Attempts to cut funding now would jeopardize this standing, limit the opportunities for new advances promised through current research efforts, curtail our ability to improve present methods of health care delivery, and restrict access to health professions education. This bill is responsive to the health care, research, and educational need of our citizens.

In this vein, I am pleased that the bill includes $945.4 million for research, education, and other activities relating to the acquired immune deficiency syndrome [AIDS]. This is an issue which is raising concern nationwide. I have received correspondence from many of my fellow West Virginians in this regard and have strived to provide them with whatever information is available. There is indeed a great need for research into this disease as well as education for both the public and health care givers to help make people aware of the dangers and the limitations of AIDS.

With regard to education, H.R. 3058 funds numerous highly successful and cost-effective Federal education programs for our Nation's children—programs such as Chapter 1 Compensatory Education, Head Start, Education of the Handicapped and the Pell Grant Program. These are particularly important programs in West Virginia and throughout the Nation. Acknowledged by educators and policymakers alike to be the most effective Federal education program, Chapter 1 desperately needs the added $650.8 million provided by this bill.

Currently, Chapter 1 enables local educators to serve only 40 percent of the children who are eligible to receive extra classroom help. The funds in H.R. 3058 will enable local schools to begin serving greater numbers of disadvantaged children, who make up an ever-growing proportion of our local school population. Without these funds, the future for these students would be bleak, and the cost to the Nation would be far greater than the funds provided for this educational effort. H.R. 3058 allocates a modest increase for such priority education programs targeted to our most disadvantaged students and maintains the base of existing education programs that have proven to be essential to maintaining the educational services and aid now in place.

The $20.6 billion total appropriation for education follows through the congressional commitment made in the fiscal year 1988 budget resolution. The bill works within the budget resolution's budget authority and outlay ceilings for education spending. The gentleman from Mississippi, Chairman WHITTEN, Ken-

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tucky, Chairman NATCHER, and Massachusetts, Congressman CONTE, are to be commended for this achievement. These distinguished gentlemen and their colleagues on the Appropriations Committee have done a superb job of achieving budgetary constraint while accentuating both worker training and retraining as well as better education and health care for the benefit of the entire Nation. I urge my colleagues to join me in support of this measure. No nation can compete, no nation can survive in this difficult world if it tries to do so by scanting its citizens of adequate education, health care, and job training. If we make arbitrary cuts in these areas, future generations—and our national security—will surely suffer. Investment in education, health care, and job training is the key to long-term growth of our economy and long-term deficit reduction. On behalf of my fellow West Virginians, it will be my pleasure to support this legislation, and I urge my colleagues to join in offering their support.

Mr. GAYDOS. Mr. Chairman, I rise in strong support of H.R. 3058, the appropriations bill for the Departments of Labor, Health and Human Services, and Education for fiscal year 1988.

First, I want to commend the Committee on Appropriations for ignoring the budget request from this administration in the areas of vocational education and student financial aid for higher education.

This administration, which seems to speak out of both sides of its mouth at the same time, especially with regard to educating our youth, proposed no funds for vocational education in fiscal year 1988, and huge reductions in student financial aid programs.

Fortunately for the future of America, the Appropriations Committee rejected this thinking and, understanding the importance of education in this time when our effort is on making America competititve, continued the congressional commitment to education.

The committee's decision to provide nearly $900 million for vocational education for fiscal year 1988 is a sound step forward. The $25 million increase over the 1987 appropriation is in keeping with our need for skilled young people who can step immediately into necessary jobs.

The same must be said for the committee decisions on student aid. Overall, this administration wanted to reduce spending for student aid by $2.1 billion, from $5.48 billion in fiscal 1987, to $3.33 billion for 1988. The committee, in its wisdom, determined that an increase in student financial aid was far more important and has committed an additional $400 million to student aid, proposing a funding level of $5.8 billion for fiscal year 1988.

Two of the most important student aid programs are Pell grants and guaranteed student loans. In fiscal year 1987, the Congress provided $3.86 billion for Pell grants and $2.7 billion for GSL's.

This administration's request for 1988 funding proposed the virtual destruction of both programs—recommending $2.7 billion in Pell grants—a reduction of $1.6 billion—and $1.17 billion in GSL's—a reduction of $1.6 billion from 1987 funding levels.

In its decision, the committee recognized the importance of these programs by increasing funding for Pell grants by $600 million over 1987 levels to $4.45 billion in 1988, and by trimming a mere $300 million in GSL's for 1988.

These decisions reaffirm the commitment of the Congress to the education of American youth, something this administration only talks about.

Second, as the chairman of the Subcommittee on Health and Safety within the Committee on Education and Labor, I am concerned about the futures of the Occupational Safety and Health Administration [OSHA], the Mine Safety and Health Administration [MSHA], and the National Institute for Occupational Safety and Health [NIOSH].

As we all know, OSHA has been making headlines of late by proposing some huge, record-setting fines against some of the Nation's best known companies.

While all of this sounds great—after all, large fines do get the headlines—I am still concerned about the ability of OSHA to function.

Many of the recent citations have been for the failures of companies to record and report injuries and illnesses. This kind of failure is important because OSHA, MSHA, and NIOSH are supposed to use this data to develop health and safety standards that will prevent injuries and illnesses in the workplace.

For the past 6 years, during this administration's so-called era of voluntary compliance, a great deal was made of records' inspections in lieu of plant inspections. Under the voluntary compliance system, if a firm maintained an injury-illness rate below the national average for all industry, it wouldn't be inspected.

Now, however, OSHA is saying that the records were wrong and is proposing huge, record-setting fines as a means of correcting those errors.

Personally, I believe it is important to maintain accurate and proper records with regard to injuries and illnesses. This information is vital if we are to develop the health and safety standards needed to reduce and eliminate injuries and illnesses in the workplace.

I also firmly believe that only checking the records will not suffice. OSHA must have the requisite number of inspectors to do the job right. It needs trained health inspectors; it needs trained safety inspectors; and it needs the support staff to back them up.

Over the past several years, OSHA has allowed its inspection force to dwindle, from more than 1,300 in 1980 to just over 1,000 today.

I want to commend the Committee on Appropriations for recognizing the importance of OSHA, MSHA, and NIOSH to the health and well-being of American workers by continuing to increase the funding for these three agencies.

Although the committee has slightly trimmed the administration's 1988 requests for OSHA and MSHA, it has recommended significant increases from 1987 funding.

For OSHA, the committee has recommended $244 million for fiscal year 1988, roughly $1.8 million below the administration request, but an increase of $16 million from the 1987 funding level of $228.9 million. More importantly, the committee has provided for 2,364 full-time employees in OSHA, of which 1,234 are to be compliance officers. I only hope the administration fills these vacancies.

For MSHA, the committee has recommended funding of $164.8 million for fiscal year 1988—a cut of $2.4 million from the administration's 1988 request, but an increase of $8.4 million over the 1987 funding level of $158 million.

Finally, the committee has continued to fund NIOSH at levels above the administration's request. In 1987, NIOSH received funding of about $71 million. In its 1988 budget request, the administration proposed a reduction of about $5 million from 1987.

In response to the growing importance of the agency in the area of health and safety in the workplace, the committee has recommended funding for fiscal year 1988 at $72.8 million, which includes funding for the education resource centers.

Mr. Chairman, the Subcommittee on Health and Safety is preparing to conduct oversight hearings into the activities or lack of action by OSHA and MSHA. Those hearings will be later this year. We intend to look very closely to determine if these agencies are doing what is required of them by the statutes that created them.

In the meantime, however, I believe the Committee on Appropriations has acted with considerable thought in funding these agencies. The job of health and safety in the workplace is an important one, and we need to provide the funds so that when an administration recognizes its responsibilities, it will have the funds to perform its duties.

I strongly recommend that my colleagues support this bill.

Mr. MURPHY. Mr. Chairman, I rise in strong support of the Labor-HHS-Education appropriation bill as reported by the committee and I commend Chairman NATCHER for his effort and leadership in bringing this measure to the floor.

The bill recognizes the need for meaningful employment and training programs for America's work force, advances decent health care and reiterates our commitment of America's future with a much needed investment in education. The threefold objective of this legislation is requisite for a competitive work force and a competitive economy. The unemployed steelworker and coal miner in my district know all too well the pain involved when retraining programs are not available and education programs are decimated by budget cuts.

Specifically, the bill appropriates $3.7 billion in fiscal year 1988 for employment and training programs that are authorized primarily by the Job Training and Partnership Act. This appropriation is $412.1 million more than the administration request and $197.6 million more than the 1987 appropriation. It includes 42 FTE's and $2.5 million for Immigration Reform and Control Act responsibilities, an additional 100 FTE's for OFCCP and extends the prohibition against closing Job Corps Centers.

The bill also appropriates a total of $99.2 billion for the Health and Human Services Department. This includes $945.4 million for all AIDS-related programs, more than double the 1987 appropriation. It also provides increased funds for maternal and child health, community health centers, migrant health centers,

health care for the homeless, and health professions programs.

Finally, but I believe most importantly, the bill appropriates a total of $20.6 billion in fiscal year 1988 for the Education Department. The committee bill reflects the education priorities embodied in the School Improvement Act that passed overwhelmingly this year. It includes $2.4 billion for the Guaranteed Student Loan Program, twice as much as the administration's request. In addition, it provides funds for compensatory education, impact aid, bilingual education, education for the handicapped, vocational and adult education, and student financial assistance.

Mr. Chairman, this appropriation bill is perhaps the most important one we have to consider. It is a step toward assuring a competitive work force, both today and in the future and I urge my colleagues to vote in favor of this critical legislation.

Mr. LEVINE of California. Mr. Chairman, I rise in strong support of H.R. 3058, the Departments of Labor, Health and Human Services, and Education and related agencies appropriations bill, for 1988. I would like to commend the distinguished chairman of the Appropriations Committee, Mr. WHITTEN, and the chairman of the subcommittee, Mr. NATCHER, for their leadership and work on behalf of this legislation. I would also like to extend a particular thank you to my colleague from California, Mr. ROYBAL, for his assistance in introducing language into the committee report which urges the Director of the National Institute on Disability and Rehabilitation Research to develop a plan for the establishment of an information and referral resource center for the partially sighted.

The need for such a center is clear. There are approximately 2.11 million partially sighted Americans, and three-fourths of the Nation's 551,000 legally blind have useful remaining sight. But sadly, partially sighted individuals are often neglected in the Nation's health care system, receiving assistance best suited to total blindness, or no assistance at all. Yet, the cost of providing low-vision services is much less than the cost of providing comparable services best suited for the totally blind individual. More importantly, low-vision training is vital to enabling partially sighted people to fully utilize all remaining sight to help overcome barriers that traditionally confront partially sighted and blind citizens.

A national center for the partially sighted will serve as a clearinghouse for the collection and dissemination of referral information, patient data, and assessments of the special needs of and optimal rehabilitative techniques for partially sighted individuals. A comprehensive center would encompass the broad range of patient needs that the low-vision clinics and private practitioners are not able to offer.

As I have mentioned earlier, the cost of treating partially sighted persons, as persons with valuable remaining eyesight, is far less than that of treating them as if they were totally blind. A comprehensive center would provide the cost-effective services that partially sighted individuals desperately need.

Since there are less than a dozen low-vision rehabilitation centers in the Nation, four of which serve only veterans, the majority of the partially sighted population is left without access to vital low-vision care. A comprehensive low-vision center should offer services that assist patients to better handle psychological problems, live independently, move about alone and safely, find educational, vocational, recreational and social opportunities, and locate and receive economic assistance when it is needed.

In order to reduce the necessity of dependency on scarce tax dollars, the National Center for the Partially Sighted should provide qualified individuals and organizations that desired to established and operate low-vision facilities with technical assistance emphasizing the acquisition of support from the private sector.

Mr. Chairman, I once again want to commend the distinguished members of the subcommittee and full committee for their efforts in drafting this legislation. I share the committee's view that there is a critical need for a national information and referral center for the partially sighted, and I look forward to working with the committee to make such a center a reality.

Mr. RANGEL. Mr. Chairman, again, I rise to express my strong support for the actions of the Appropriations Subcommittee on Labor-Health and Human Services-Education on the education provision of H.R. 3058. These provisions are consistent with the efforts of the other portions of this legislation which provide funding for crucial job training and employment, health and other social services programs. Education is an area of particular concern to me because it is a vital link in the resuscitation of our flailing economy.

In New York City one of the main complaints that I receive from the business sector is that many of our young people are graduating from high school without the skills necessary for entry level positions. And, one of the primary goals of the Secretary of Labor is to make America more competitive by increasing the viability of our labor force. These two points only focus on a small portion of an extremely pressing problem. There is an obvious need to increase the skill level of our work force to meet the demands of the advanced technology taking over many of our workplaces. And, there is an undeniable link between our economy and our commitment to providing quality education for all of America's youth.

I strongly support this legislation because it provides funds for education programs from Head Start to colleges, all of which are so vital to the continued prosperity of our Nation. The bill appropriates $1.3 billion for the Head Start Program, which offers early education training for preschool aged children. Head Start has a proven success record for increasing the academic potential of children who have had the benefits of this program. The committee, through its great insight, provided $125.5 million more for the program this year than the fiscal year 1987 appropriation.

H.R. 3058 also includes funding for an education program that has come under unnecessary attack since the advent of the Reagan administration. The Bilingual Education Program will receive an appropriation of $199 million. Of the $199 million, $105.7 million will go directly to school districts in the form of grants.

Under this provision funding will also be secured for emergency immigrant education. The Emergency Immigrant Education Program will receive $30 million. These funds are badly needed in places like New York where the immigrant population is very large. Also, the numbers of individuals working to meet the education requirements of the new immigration law increases daily and is overburdening the existing immigrant education services.

Another point of interest in this comprehensive legislative appropriations, is the inclusion of funds for education of the handicapped and vocational rehabilitation programs. Both of these programs are instrumental in our efforts to increase the involvement of handicapped individuals in society. I am convinced that the commitment of this Congress, combined with the increased advances in technology will bring haste to our efforts to provide handicapped individuals complete accessibility to society.

The bill contains funding for a variety of education programs including vocational and adult education programs and student financial assistance. The Reagan administration proposed to terminate the vocational education programs, which are funded in this legislation at $899.6 million. The measure provides $130 million for adult education.

This legislation also includes money for programs that increase the opportunities for low-income individuals to attend college. The bill's student financial aid appropriates $4.5 billion for Pell grants; $4425 million for supplemental educational opportunity grants; and $625 million for work-study programs.

In closing, I would like to say that this bill is the most significant effort that we have addressed in this Congress this year. The omnibus provisions of this legislation addresses many of the most fundamental problems faced by the people of this country. I strongly support the letter and language of this legislation, and encourage all of the Members of this great body to join me on this issue.

Mr. Chairman, I am very much in favor of H.R. 3058 which allows appropriations to Labor, HHS, and Education for fiscal year 1988. More specifically the bill appropriates $3.7 billion for the employment and training programs primarily authorized by the Job Training and Partnership Act.

This bill is directed to help those who are most in need in this country. It will give thousands of Americans an opportunity for employment that they might not have otherwise. And, as unemployment reaches epidemic proportions in our country, it is extremely important that we continue to give our support for programs that increase the employability of our work force.

The bill will continue funding such necessary programs as the Job Training Program which will receive $1.9 billion to give people without marketable skills the training they need to obtain employment. One group that needs this type of program is our Nation's youth. With no classes to attend during the summer months, thousands of urban youth spend time idly on the streets or get into trouble with the police.

The Summer Youth Employment Program gives our Nation's youth a productive summertime alternative to the streets by offering them the opportunity to learn a skill. The experience they will gain will surely encourage them to continue their studies and perhaps pursue a career. Our Nation's youth are the hope for our Nation's future. Helping them with their future guarantees ours.

In recent years many factories have closed causing thousands of Americans to lose their jobs. These workers want to continue working to support themselves and their families. Because many of them had worked for 10 or more years with these plants and factories, they are skilled to do a job specific to only one industry. However, they can be retrained to do other jobs through the assistance of the Trade Act Job Training Program. This bill will appropriate $50 million for the training, job search, and relocation assistance programs authorized by the Trade Act.

Distinguished colleagues, we all know of the tragic plight of the thousands of homeless Americans. Creating housing for them is only one step to solving this serious problem. Another crucial step is locating jobs and teaching them skills so that they can become financially independent. This bill appropriates $8 million for a new job training demonstration program for the homeless. I wholeheartedly support these provisions which are so vital to our continued commitment to eliminating this extremely unfortunate problem.

Mr. Chairman, the district that I represent is one of the Nations poorest; it is plagued by unemployment and drugs. A bill such as the H.R. 3058 will give people in my district and across this great Nation, particularly the youth, a chance to break the vicious cycle of poverty.

Mr. GILMAN. Mr. Chairman, I rise in strong support of the legislation pending before us, and want to particularly commend our colleagues, the gentleman from Kentucky, the distinguished chairman of the Committee on Appropriations, [Mr. NATCHER] and the ranking minority member, [Mr. CONTE], for their outstanding work on this important vehicle. H.R. 3058 appropriates funds for the Department of Health and Human Services, the Department of Education, and related agencies.

For fiscal year 1988, $112.8 billion has been appropriated to the Department of Health and Human Services. Although I regret that the alcohol, mental health and drug abuse block grant is not included in this appropriation due to the lack of authorizing legislation, I look forward to supporting that program as well as other currently unauthorized initiatives initially created by the Anti-Drug Abuse Act of 1986.

However, the spectre of AIDS has spurred the Appropriations Committee to allocate nearly $1 billion for AIDS research and related activities. As ranking minority member of the Select Committee on Narcotics Abuse and Control, I am keenly aware of the increase in AIDS cases among IV drug abusers or their sexual partners. It is therefore important to note how the committee has specifically designated the $945.4 billion. Almost half of the amount—$472.4 million—has been given to the National Institutes of Health for additional research into this deadly disease. An additional $306.8 million has been appropriated to the Centers for Disease Control. Of these funds, $95.8 million is for counseling and testing, $119.2 million is for the very important health education programs, $30.4 million is to be spent on information dissemination and public affairs, while $61.3 million is for surveillance and laboratory activities.

Mr. Chairman, I am also pleased to note that the committee saw fit to allocate $2.5 million to develop strategies and effective models and coordinate services for pediatric AIDS cases. The Narcotics Select Committee held a hearing on pediatric AIDS at Harlem Hospital in New York City just last week. Those of us who participated in the hearing received some first hand information on the problems emanating from this new tragedy, which unfortunately, will get much worse before it gets better.

Rounding out the appropriations for AIDS activities is a $101.3 million allocation for ADAMHA, and $38.5 million to the Health Resources and Services Administration. As each of these fine agencies commits itself to finding an effective treatment or supportive environment for those who suffer from AIDS, I find it heartening that the committee's report states that "information and education are the only currently available means of prevention". Accordingly, I would also like to express my support of NIDA's research into the spread of HIV among drug abusers, my support for their efforts to provide information and education services for professionals, and the information campaign that they have initiated which attempts to educate intravenous drug abusers.

Furthermore, the committee is to be commended for urging the Child Health Institute to support research to develop appropriate educational AIDS programs for children and youth, acknowledged to be at high risk because of the possible adolescent experimentation with drugs and sex. As our Surgeon General, Dr. C. Everett Koop, has stated, children and teenagers believe they will live forever, and that nothing can harm them. While this belief is indeed naive, it is a true statement, as each of us recalls our own youthful enthusiasm.

I have also noted that $200 million has been appropriated to the Department of Education, to carry out its program under the Drug Free Schools and Communities Act. This important component of our Federal war on drugs will enter its second year, as the committee has specified that $161 million be passed through to the States in the form of grants, while the Secretary of Education is to retain $39 million for a variety of antidrug abuse education activities.

And, the Alcohol, Drug Abuse, and Mental Health Administration has been appropriated $401.8 million for 1988, of which $265.5 million has been designated for mental health activities. When the block grant is reauthorized, I look forward to seeing the allocation for drug abuse treatment and rehabilitation programs, which are so sorely needed throughout this country.

H.R. 3058 funds other numerous highly successful and cost effective Federal programs for our Nation's children: Head Start, chapter 1, compensatory education, maternal and child health block grant, Job Corps, and many others. The Chapter 1 Program, which provides remedial education services to disadvantaged youth, will receive $4.6 billion, an increase of $650 million from fiscal year 1987. Chapter 1 and these others are preventive programs, proven time and again to generate savings far in excess of the amount invested. Most important, they are programs proven essential for the development of healthy, educated children.

This bill firmly establishes education as a Federal funding authority. It provides essential increases in a number of very important programs at the postsecondary level, including Pell grants, TRIO Programs, graduate fellowships, and aid to developing and historically black institutions. H.R. 3058 increases the amount available for college student aid by $648 million, to $5.8 billion, including $4.5 billion for Pell grants, $625 million for the College Work-study Program and $425 million for SEOG's. The bill also appropriates $2.4 billion for guaranteed student loans. The expansion of these programs increases educational opportunities for individuals, and benefits our Nation by educating its citizens and improving international competitiveness.

Mr. Chairman, while we may not yet have won our war against AIDS or drug abuse, the funds provided in this measure give us the tools to do battle in the coming fiscal year. Accordingly, I urge support for H.R. 3058, and request my colleagues to join in voting for this vital appropriations bill.

Mr. RANGEL. Mr. Chairman, I am pleased to rise in support of H.R. 3058, the Department of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 1988. As the chairman of the House Select Committee on Narcotics Abuse and Control, I wish to highlight the provisions in the bill relating to drug abuse education; the Alcohol, Drug Abuse and Mental Health Administration; and the Federal effort to combat the acquired immune deficiency syndrome [AIDS].

The Drug-Free Schools and Communities Act of 1986, title IV, subtitle B of the Anti-Drug Abuse Act of 1986, authorized a 3-year program of drug abuse education. The act provided authorizations of $200 million for fiscal year 1987 and $250 million for each of the fiscal years 1988 and 1989. I was dismayed when, just 2 months after signing the Anti-Drug Abuse Act of 1968—Public Law 99-570—President Reagan proposed in his fiscal year 1988 budget to sharply curtail funding for many drug programs. Specifically, in the area of drug education he proposed cutting the budget from $200 million to $100 million. The administration's request of $100 million was an unconscionable retreat from the commitment made last year to provide expanded Federal support for comprehensive drug abuse education programs in our Nation's schools.

Testimony before the select committee earlier this year strongly indicated that without a sustained commitment from the Federal Government, State and local educational agencies will not be able to mount effective drug abuse education programs. House enactment this year of H.R. 5, the School Improvement Act, which would extend the authorization for the Drug-Free Schools and Communities Act through 1993, demonstrates the strong support in the House for this program.

At a time when almost two-thirds of our Nation's high school seniors have tried an illicit drug, we cannot afford to reduce drug abuse education efforts in our schools. Therefore, I am pleased that H.R. 3058 restores the funding for drug abuse education programs to $200 million, the fiscal year 1987 level and $100 million more than the administration's budget request. I would have preferred that the Appropriations Committee provide the full amount authorized for fiscal year 1988—$250 million. The funding appropriated will, however, both assure the States and local school districts of the continuing Federal commitment to drug abuse education and enable them to provide needed drug abuse education to our Nation's students.

H.R. 3058 does not include funding for the alcohol, drug abuse, and mental health block grant, alcohol and drug abuse research, or the substance abuse initiative. I understand that this is because the authorizing legislation for these activities has not yet been enacted. I would hope, however, that when funding for these activities has been authorized that the House will act swiftly to enact the appropriations legislation. Federal funding for drug abuse treatment and research is essential to our national antidrug abuse efforts. Moreover, we are finding that our antidrug abuse efforts are critical to our battle against our newest epidemic—AIDS.

Acquired immune deficiency syndrome [AIDS] threatens the health, life, and vitality of our Nation. In just a short period of time the incidence of AIDS has increased to epidemic proportions. As of July 1987, there have been more than 38,000 reported cases in this country, and more than 22,000 of these patients have already died. The Public Health Service estimates that by the end of 1991 total AIDS cases in the United States will have risen to more than 270,000 and more than 179,000 people with AIDS will have died.

As chairman of the Select Committee on Narcotics, I am particularly concerned about the relationship between intravenous drug use and AIDS; 17 percent of AIDS cases are attributable to intravenous drug abuse. Another 8 percent of AIDS cases are homosexual males who are IV drug users. Moreover, intravenous drug abuse is the primary source of AIDS among women and children. Fifty percent of women with AIDS are intravenous drug users. The second group of women at risk are the homosexual partners of intravenous drug users. Among the more than 500 pediatric AIDS cases, 80 percent of the maternal transmission cases are children of intravenous drug users.

H.R. 3058 includes a total of $945,430,000 for all Federal activities associated with AIDS. This amount, together with the funds provided to the Food and Drug Administration, bring the 1988 total for Federal spending on AIDS to $970 million. This is an increase of $475 million, or 95 percent, over the fiscal year 1987 amount. The budget of the Alcohol, Drug Abuse, and Mental Health Administration to fight AIDS is $101,252,000. This amount is $52,699,000 more than the 1987 appropriation level and the same amount requested in the President's revised AIDS request for 1988.

With no cure for AIDS in sight, AIDS research, education, and prevention efforts are our primary line of defense. We must support adequate levels of funding in this area. Our Nation's health and security depend on our doing so. I suspect that these funds will not be the last provided for AIDS-related activities for fiscal year 1988. They are, however, an important step and will provide the underpinnings for our battle against this disease.

Mr. Chairman, H.R. 3058 is a good bill. I commend Chairman NATCHER for once again making an important contribution to improving the health care of all Americans. H.R. 3058 provides urgently needed funding to continue the program of drug abuse education and to combat AIDS. I urge my colleagues to join me in voting in favor of the bill.

Mr. BIAGGI. Mr. Chairman, I rise today in strong support for H.R. 3058 the appropriations for the Departments of Labor, HHS and Education. This legislation reflects our national commitment to assist those in need whether they be poor, elderly, handicapped, or eager to learn. As a senior member of the Education and Labor Committee, I commend my colleagues on the Appropriations Subcommittee and committee for their emphasis on meeting the needs of our Nation's work force, our students and our older Americans.

I would like to take a moment to focus on some of these programs. H.R. 3058 places special emphasis on programs to assist our Nation's students. This bill includes an over $650 million increase in funding for chapter 1, the major Federal assistance program for economically and educationally disadvantaged elementary and secondary school students, as well as many increases for our important student financial assistance programs.

I am especially supportive of the provision which raises the maximum Pell grant to $2,300. The Pell Grant Program is our Nation's largest student assistance grant program, targeting our poorest and neediest students. An increase in the maximum grant size allows students a wider range of choice of institutions they could afford to attend, furthering our goal of equal educational opportunities for all. I am also supportive of the increases in campus-based aid, including increases over last year's appropriation of $12.5 million for supplemental grants, $32.5 million for college work study and $12 million for Perkins loans. This funding will provide students with the opportunity to work while enrolled in school along with supplementary funds for grants and low interest loans. As our Nation is striving to improve our competitiveness, we are examining other countries' practices and programs. Clearly, we see from all studies that investment in education is essential to developing the full potential for our labor force and our people. While we are in a period of necessary budgetary constraints, I applaud the $104,022,000 increase for our Nation's postsecondary students.

I also commend my colleagues on appropriations for their attention to funding programs for the handicapped. The $171.9 million increase in education for the handicapped and $77 million increase in rehabilitation services and handicapped research are significant steps toward education and assisting those Americans with handicaps and disabilities. I am especially supportive of the $52 million appropriation for early intervention service, a program authorized last year to develop statewide systems to provide early intervention services for handicapped infants and toddlers. In the past two decades, we have made great strides forward in assuring our Nation's handicapped can achieve their full potential and contribute their unique talents to society. The funding levels in this appropriations bill will allow this progress to continue.

Mr. Chairman, H.R. 3058 is one of the most important bills for older Americans that Congress will pass this year. As an original member of the House Select Committee on Aging, I have had many opportunities to learn about the problems that older adults in this society face and to advocate in their behalf for policy changes and additional funding. Today I do not intend to offer any amendments to this appropriations bill, but will comment on a number of its provisions that will serve the best interests of the elderly.

Before I mention specific elements of this bill relative to the elderly, I will make two general observations. First, given our Nation's fiscal predicament, this bill is a positive effort and, relatively speaking, a generous effort on the part of the Appropriations Committee to respond to the growing need for services to older adults. The graying of our Nation threatens to create a large under class of older Americans, and we must do everything within our means to improve the quality of life for the elderly. This bill represents an understanding of this need.

Second, I want to once again register my dismay regarding the administration's lack of commitment to the elderly. It appears to have little compassion for or understanding of the growing needs and often desperate situations that older Americans must endure. The President has consistently submitted appropriations requests that would reduce funding for or eliminate important social service programs for those persons in America that need most the Federal Government's assistance. Those of us who will probably never need to worry about financial ruin as the result of catastrophic health care costs or prolonged unemployment, must have compassion for those individuals who need a helping hand to make it through the tough times. This administration has not shown America this compassion: I believe that the majority in Congress has.

Mr. Chairman, we are currently in the process of reauthorizing the Older Americans Act of 1965. The House passed H.R. 1451, on May 28, and the Senate plans on consideration of its companion legislation, S. 887, as early as this Friday, August 7. For this reason, the Appropriations Committee has deferred consideration of specific appropriations levels for programs for the aging and for several other unauthorized programs. When authorizing legislation is enacted for these programs, the committee will complete its work on defining funding levels for the Older Americans Act programs.

As an active member of the Human Resources Subcommittee which has jurisdiction over the act, I am anxious to see the Appropriations Committee complete its work. I believe that H.R. 1451 is one of the best reau-

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thorizations that has been developed over the last 20 years and I am particularly interested in the funding levels for the act because we have worked diligently to improve the Older Americans Act programs this year.

We are hopeful that as a result of amendments that I authored regarding the targeting of services and outreach efforts that funds will be more effectively distributed in the future. The Older Americans Act will include a stronger mandate for targeting services to those elderly with the greatest economic or social need, with particular attention to low-income minorities. These efforts will include more focused outreach efforts at both the State and area agency levels. Therefore, I am supportive of a healthy overall increase for Older Americans Act programs.

Mr. Chairman, I am particularly interested in the funding levels that the Appropriations Committee will assign to two programs within the Older Americans Act that we have expanded. I offered an amendment which was accepted during committee action to provide separate and expanded funding for the long-term care ombudsman program. This program aims to investigate and resolve complaints abuse and poor care made by or for residents of nursing homes and board and care facilities. This program was further improved in H.R. 1451 by providing for access to residents, their records, and the facilities in question. Also, better training of ombudsmen and new language to prevent reprisals against patients and employees who provide information to ombudsmen was included in the older Americans Act reauthorization. Some of the provisions will cost additional dollars and regardless of that fact, there are currently insufficient moneys to provide adequate staff levels to monitor long-term care facilities across the country. It is my hope that the appropriations committee will provide the $20 million that the House has authorized for this important program.

Mr. Chairman. I am also hopeful that the committee will find in its heart the compassion to provide full funding for title VI of the Older Americans Act, which serves older American Indians. The House passed language which I offered to greatly improve access to services and to improve the quality of services provided to Indians. These provisions include a $12.1 million authorization of appropriations for fiscal year 1988, and I request the assistance of my colleagues on the committee in working to fund title VI at this modest level. Your efforts will benefit some of the most needy older Americans.

I am quite pleased that the committee has included $1,641,456,000 an increase of $177,177,000 over the amount available for fiscal year 1987, for human development services. This includes funds of the Older Americans Act and I am confident that the act will be treated fairly.

Mr. Chairman, there are a number of other programs for older adults funded through this appropriations bill that I will mention. I am very pleased that the committee has provided over $6.5 billion for the 18 appropriations which together fund the program of the National Institutes of Health, including moneys for the 12 research institutes. One of the most valuable research efforts takes place at the National Institute of Aging which is appropriated $203,034,000 for fiscal year 1988. This represents a $25,494,000 increase from fiscal year 1987 and is over $47 million more than the administration requested. These funds will be used to support research, research training, and health information dissemination focused on the aging process and the diseases of older people. We have learned in recent years about the serious nature of such diseases as Alzheimer's disease and osteoporosis, and this bill goes a long way toward supporting efforts to address these and other health problems of the elderly.

H.R. 3058 also funds the older Americans volunteer programs under action. The bill provides an $8,194,000 increase over the fiscal year 1987 level. There will be $112 million available for the Retired Senior Volunteer Program [RSVP], the Foster Grandparents Program, and the Senior Companion Program, and I believe these excellent service programs deserve at least this increase level. I commend the chairman for his support of these programs. I only regret that no funding was made available for VISTA literacy corps. VISTA volunteers can do much to fight the alarming problem of illiteracy in our Nation, a problem we must overcome to realize our national potential.

Mr. Chairman, I support strongly the appropriation of $60,499,000 for State inspection of nursing homes serving Medicare beneficiaries. This amount is about $6.3 million more than was available in fiscal year 1987, and I am hopeful that additional dollars will improve our ability to ensure that institutions meet acceptable standards of quality and safety for Medicare patients. The bill also provides $30,046,000,000 in Medicaid grants to States which is an increase of some $3.4 billion. This is another essential program which benefits both the young and the old of our Nation.

In closing, Mr. Chairman, I want to offer my support to appropriations for several additional programs that serve many Americans, but are extremely important to older Americans. We must not decrease our commitment to the social services block grant, the community services block grants, and the Low-Income Home Energy Assistance Program [LIHEAP]. This bill appropriates $2.7 billion for the social services block grant and $1,822,265,000 for LIHEAP; these are the same amounts appropriated in fiscal year 1987. It is unfortunate that these programs which provide a variety of essential services have not been increased, but I am pleased that we have not taken the administration's advice to cut LIHEAP, which provides heat and cooling for many older Americans.

I congratulate the committee on increasing the community services block grant by $3,164,000 over the 1987 appropriation. The services that will be provided with the $408,200,000 appropriation will include employment, education, housing, nutrition, energy, and health care services. I am confident that older Americans and individuals in all age groups will benefit greatly from our efforts to support these programs.

Mr. Chairman, I strongly endorse this legislation and urge my colleagues to vote for its passage.

Mr. BUECHNER. Mr. Chairman, America's future is threatened by a disease that is silently slaughtering our society: AIDS—the acquired immune deficiency syndrome. The Department of Health and Human Services reports 38,000 cases of AIDS, with over 22,000 deaths to date. But these figures represent only the tip of the iceberg; the initial infection incubates between 5 to 10 years prior. Two to three million Americans are now estimated to be infected with the AIDS virus—more than 90 percent of which have no knowledge of infection and are capable of spreading this lethal virus. The time is now to realize the importance of examining the AIDS virus, before AIDS becomes our final epidemic.

Today we are debating the Labor/HHS/Education appropriations bill which includes $945.4 million for the prevention and treatment of AIDS—almost a 50 percent increase in Federal funding from fiscal year 1987. I endorse increased monetary support for this deadly disease; however, it is essential that we use these funds for basic biomedical research.

H.R. 3058 directs funds to the National Institute of Health, the Centers of Disease Control, and other similar medical institutes in an effort to provide panels, training, and health care facilities for the treatment of AIDS. Some institutes advocate testing procedures while others recommend treatment for victims. Expert recommendations are more often controversial than consistent. While I realize the importance of dialog on this topic, I must argue that further extensive biomedical research of the AIDS virus should act as a catalyst for discussion and analysis.

According to Dr. Robert Redfield, head of Walter Reed's Department of Virus Diseases, "The number of AIDS cases is the problem as defined a decade ago. The virus represents the magnitude of the problem today." As the AIDS virus is the root of the problem, we must not fail at directing appropriations for basic research in virology and immunology.

It seems only reasonable that Federal funding be directed specifically to enhance the knowledge needed for vaccine and drug development through basic research in virology, immunology, and viral protein structure, in order to improve understanding of the natural history and pathogenesis of AIDS and trace the spread of HIV infection by means of epidemiologic and clinical research.

The Institute of Medicine, in accord with other public health institutes, maintains that only with a more thorough understanding of the AIDS virus and its manifestations, can we be more sensitive to the needs of its victims—the most critical of which is the ability to live a long and healthy life.

Only after we confront AIDS head-on can we integrate our findings and expert advice into a viable national policy. One thing is certain: the AIDS epidemic is not simply going to go away. Let us focus our attention on the nucleus of this nightmare through basic viral research in an effort to combat further transmission of AIDS.

**Mr. NATCHER.** Mr. Chairman, we have no further requests for time on this side, and I yield back the balance of our time.

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The **CHAIRMAN.** All time under general debate has expired.

The Clerk will read.

The Clerk read as follows:

### H.R. 3058

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1988, and for other purposes, namely:

## TITLE I—DEPARTMENT OF LABOR

### EMPLOYMENT AND TRAINING ADMINISTRATION

#### PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, $73,896,000 together with not to exceed $46,425,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

#### TRAINING AND EMPLOYMENT SERVICES

For expenses necessary to carry into effect the Job Training Partnership Act, including the purchase and hire of passenger motor vehicles, $3,511,185,000 plus reimbursements, to be available for obligation for the period July 1, 1988, through June 30, 1989, of which $62,370,000 shall be for carrying out section 401, $70,480,000 shall be for carrying out section 402, $10,409,000 shall be for carrying out section 441, $2,000,000 shall be for the National Commission for Employment Policy, $3,000,000 shall be for all activities conducted by and through the National Occupational Information Coordinating Committee under the Job Training Partnership Act, and $8,000,000 shall be for service delivery areas under section 101(a)(4)(A)(iii) of the Job Training Partnership Act in addition to amounts otherwise provided under sections 202 and 251(b) of the Act: *Provided,* That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers.

For necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers as authorized by the Job Training Partnership Act, $128,500,000, to be available for obligation for the period July 1, 1988 through June 30, 1991.

For activities authorized by sections 236, 237, and 238 of the Trade Act of 1974, as amended, including necessary related administrative expenses, $50,000,000.

For activities authorized by title VII, subtitle C of the Stewart B. McKinney Homeless Assistance Act, $8,000,000.

#### FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and payments as authorized by title II of Public Law 95-250, as amended, and of trade adjustment benefit payments and allowances, as provided by law (part I, subchapter B, chapter 2, title II of the Trade Act of 1974, as amended), $141,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year: *Provided,* That amounts received or recovered pursuant to section 208(e) of Public Law 95-250 shall be available for payments.

#### STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-491-1; 39 U.S.C. 3202(a)(1)(E)); title III of the Social Security Act, as amended (42 U.S.C. 502-504); necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, and sections 231-235 and 243-244, title II of the Trade Act of 1974, as amended; as authorized by section 7c of the Act of June 6. 1933, as amended, necessary administrative expenses under sections 101(a)(15)(H)(ii), 212(a)(14), and 216(g)(1)(2)(3) of the Immigration and Nationality Act, as amended (8 U.S.C. 1101 et seq.); and necessary administrative expenses to carry out the Targeted Jobs Tax Credit program under section 51 of the Internal Revenue Code of 1986, $23,400,000, together with not to exceed $2,536,012,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which the sums available in the basic allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502-504), and the sums available in the basic allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, shall be available for obligation by the States through December 31, 1988, and of which $22,700,000 together with not to exceed $732,500,000 of the amount which may be expended from said trust fund shall be available for obligation for the period July 1, 1988, through June 30, 1989, to fund activities under section 6 of the Act of June 6, 1933, as amended, including the cost of penalty mail made available to States in lieu of allotments for such purpose and of which $182,866,000 (including not to exceed $4,600,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980) shall be available only to the extent necessary to administer unemployment compensation laws to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic allocation was based, which cannot be provided for by normal budgetary adjustments based on State obligations as of December 31, 1988.

#### ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 1989; $30,000,000.

### LABOR-MANAGEMENT SERVICES

#### SALARIES AND EXPENSES

For necessary expenses for Labor-Management Services, $81,192,000, of which $13,600,000 for a pension plan data base shall remain available until September 30, 1989.

### PENSION BENEFIT GUARANTY CORPORATION

#### PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96-364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 1988, for such Corporation: *Provided,* That not to exceed $40,034,000 shall be available for administrative expenses of the Corporation.

### EMPLOYMENT STANDARDS ADMINISTRATION

#### SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $217,085,000, of which not to exceed $8,000,000 shall be available for obligation through September 30, 1989, for acquisition of computer equipment and software for the Federal Employees' Compensation Program's ADP system, together with $488,000 which may be expended from the Special Fund in accordance with sections 39(c) and 44(j) of the Longshore and Harbor Workers' Compensation Act.

#### SPECIAL BENEFITS

#### (INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title V, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 per centum of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, $257,177,000, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to September 15 of the current year: *Provided,* That in addition there shall be transferred from the Postal Service fund to this appropriation such sums as the Secretary of Labor determines to be the cost of administration for Postal Service employees through September 30, 1988.

#### BLACK LUNG DISABILITY TRUST FUND

#### (INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, $646,842,000, of which $594,522,000 shall be available until September 30, 1989, for payment of all benefits as authorized by sections 9501(d) (1), (2), and (7) of the Internal Revenue Code of 1954, as amended, and of which $28,293,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, and $23,521,000 for transfer to Departmental Management, Salaries and Expenses, and $506,000 for transfer to Departmental Management, Office of Inspector General, for expenses of operation and administration of the Black Lung Benefits program as

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authorized by section 9501(d)(5)(A) of that Act: *Provided*, That in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation or other benefits for any period subsequent to June 15 of the current year: *Provided further*, That in addition, there are hereby appropriated such amounts as may be necessary to repay advances from the Treasury that are not needed to make disbursements during the current fiscal year, as authorized by section 9501(d)(4) of that Act: *Provided further*, That in addition, such amounts shall be paid from this fund into miscellaneous receipts as the Secretary of the Treasury determines to be the administrative expenses of the Department of the Treasury for administering the fund during the current fiscal year, as authorized by section 9501(d)(5)(B) of that Act.

### Occupational Safety and Health Administration

#### SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $244,001,000, including not to exceed $42,327,000, which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than fifty percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970: *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended for the assessment of civil penalties issued for first instance violations of any standard, rule, or regulation promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful, or repeated violations under section 17 of the Act) resulting from the inspection of any establishment or workplace subject to the Act, unless such establishment or workplace is cited, on the basis of such inspection, for ten or more violations: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, order or administrative action under the Occupational Safety and Health Act of 1970 affecting any work activity by reason of recreational hunting, shooting, or fishing: *Provided further*, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of ten or fewer employees who is included within a category having an occupational injury lost work day case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of five or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

*Provided further*, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended for the proposal or assessment of any civil penalties for the violation or alleged violation by an employer of ten or fewer employees of any standard, rule, regulation, or order promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful or repeated violations and violations which pose imminent danger under section 13 of the Act) if, prior to the inspection which gives rise to the alleged violation, the employer cited has (1) voluntarily requested consultation under a program operated pursuant to section 7(c)(1) or section 18 of the Occupational Safety and Health Act of 1970 or from a private consultative source approved by the Administration and (2) had the consultant examine the condition cited and (3) made or is in the process of making a reasonable good faith effort to eliminate the hazard created by the condition cited as such, which was identified by the aforementioned consultant, unless changing circumstances or workplace conditions render inapplicable the advice obtained from such consultants: *Provided further*, That none of the funds appropriated under this paragraph may be obligated or expended for any State plan monitoring visit by the Secretary of Labor under section 18 of the Occupational Safety and Health Act of 1970, of any factory, plant, establishment, construction site, or other area, workplace or environment where such a workplace or environment has been inspected by an employee of a State acting pursuant to section 18 of such Act within the six months preceding such inspection: *Provided further*, That this limitation does not prohibit the Secretary of Labor from conducting such monitoring visit at the time and place of an inspection by an employee of a State acting pursuant to section 18 of such Act, or in order to investigate a complaint about State program administration including a failure to respond to a worker complaint regarding a violation of such Act, or in order to investigate a discrimination complaint under section 11(c) of such Act, or as part of a special study monitoring program, or to investigate a fatality or catastrophe: *Provided further*, That none of the funds appropriated under this paragraph may be obligated or expended for the inspection, investigation, or enforcement of any activity occurring on the Outer Continental Shelf which exceeds the authority granted to the Occupational Safety and Health Administration by any provision of the Outer Continental Shelf Lands Act, or the Outer Continental Shelf Lands Act Amendments of 1978.

### Mine Safety and Health Administration

#### SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $164,874,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the purchase of not to exceed sixty passenger motor vehicles for replacement only; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of major disaster: *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended to carry out section 115 of the Federal Mine Safety and Health Act of 1977 or to carry out that portion of section 104(g)(1) of such Act relating to the enforcement of any training requirements, with respect to shell dredging, or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate, or surface limestone mine.

### Bureau of Labor Statistics

#### SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $184,833,000, of which $9,184,000 shall be for expenses of revising the Consumer Price Index, together with not to exceed $43,419,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: *Provided*, That $7,694,000 shall remain available until September 30, 1989.

### Departmental Management

#### SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of 5 sedans, and including $2,434,000 for the President's Committee on Employment of the Handicapped, $120,041,000, together with not to exceed $286,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

#### ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed $145,826,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 2001-08 and 2021-26.

#### OFFICE OF THE INSPECTOR GENERAL

For salaries and expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of

1978, $38,224,000, together with not to exceed $6,476,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

### General Provisions

Sec. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

Sec. 102. None of the funds appropriated under this Act shall be used to grant variances, interim orders or letters of clarification to employers which will allow exposure of workers to chemicals or other workplace hazards in excess of existing Occupational Safety and Health Administration standards for the purpose of conducting experiments on workers health or safety.

Sec. 103. None of the funds appropriated in this Act shall be obligated or expended for the purpose of closing any Job Corps Center operating under part B of title IV of the Job Training Partnership Act prior to January 1, 1989.

Sec. 104. Notwithstanding any other provision of this Act, no funds appropriated by this Act may be used to execute or carry out any contract with a non-governmental entity to administer or manage a Civilian Conservation Center of the Job Corps which was not under such a contract as of September 1, 1984.

This title may be cited as the "Department of Labor Appropriations Act, 1988".

## TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Office of the Secretary

#### PRIORITY DISEASE CONTROL AND RESEARCH (AIDS)

For carrying out the Public Health Service Act with respect to Acquired Immune Deficiency Syndrome, $945,430,000, of which $38,500,000 shall be for the Health Resources and Services Administration, $306,750,000 shall be for the Centers for Disease Control, $93,946,000 shall be for the National Cancer Institute, $25,839,000 shall be for the National Heart, Lung and Blood Institute, $3,310,000 shall be for the National Institute of Dental Research, $3,500,000 shall be for the National Institute of Diabetes, Digestive, and Kidney Diseases, $12,755,000 shall be for the National Institute of Neurological and Communicative Disorders and Stroke, $223,323,000 shall be for the National Institute of Allergy and Infectious Diseases, $2,500,000 shall be for the National Institute of General Medical Sciences, $9,928,000 shall be for the National Institute of Child Health and Human Development, $4,000,000 shall be for the National Eye Institute, $4,091,000 shall be for the National Institute of Environmental Health Sciences, $377,000 shall be for the National Institute on Aging, $25,661,000 shall be for Research Resources, $533,000 shall be for the National Center for Nursing Research, $1,200,000 shall be for the John E. Fogarty International Center, $61,465,000 shall be for the Office of the Director, $101,252,000 shall be for the Alcohol, Drug Abuse and Mental Health Administration, $1,500,000 shall be for the Office of Minority Health, and $25,000,000 shall be for the Office of the Secretary: *Provided*, That of the amounts appropriated under this heading, $40,000,000 shall remain available until expended, including $10,000,000 for section 1610(b): *Provided further*, That amounts appropriated herein may be transferred between the institutes and agencies named herein upon the approval by the House and Senate Committees on Appropriations of a reprogramming request submitted by the Secretary of Health and Human Services.

### Health Resources and Services Administration

#### HEALTH RESOURCES AND SERVICES

For carrying out titles III, VI, VII, VIII, XVI and XXIII of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V of the Social Security Act, and the Stewart B. McKinney Homeless Assistance Act, $1,343,476,000 of which not to exceed $750,000 to remain available until expended, shall be available for renovating the Gillis W. Long Hansen's Disease Center, 42 U.S.C. 247e, and of which $100,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act: *Provided*, That when the Department of Health and Human Services administers or operates an employee health program for any Federal department or agency, payment for the full estimated cost shall be made by way of reimbursement or in advances to this appropriation.

#### MEDICAL FACILITIES GUARANTEE AND LOAN FUND

#### FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, $22,000,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

### Centers for Disease Control

#### DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out title III and section 1102 of the Public Health Service Act, sections 101, 102, 103, 201, 202, and 203 of the Federal Mine Safety and Health Act of 1977, and sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, $221,977,000, of which $2,000,000 shall remain available until expended for equipment and construction and renovation of facilities: *Provided*, That training shall be made subject to reimbursement or advances to this appropriation for not in excess of the full cost of such training: *Provided further*, That funds appropriated under this heading shall be available for payment of the costs of medical care, related expenses, and burial expenses hereafter incurred by or on behalf of any person who had participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health and Human Services and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further*, That collections from user fees, including collections from training and reimbursements and advances for the full cost of proficiency testing of private clinical laboratories, may be credited to this appropriation.

### National Institutes of Health

#### NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $1,448,411,000.

#### NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301, title IV, and section 1105 of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $990,808,000.

#### NATIONAL INSTITUTE OF DENTAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental diseases, $128,965,000.

#### NATIONAL INSTITUTE OF DIABETES, AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney diseases, $563,768,000.

#### NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological and communicative disorders and stroke, $554,039,000.

#### NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $439,667,000.

#### NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $666,037,000.

#### NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $405,673,000.

#### NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $234,382,000.

#### NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311, and title IV of the Public Health Service Act with respect to environmental health sciences, $225,724,000.

#### NATIONAL INSTITUTE ON AGING

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $203,034,000.

#### NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis, and musculoskeletal and skin diseases, $154,632,000.

#### RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $338,991,000: *Provided*, That none of these funds, with the exception of funds for the Minority Biomedical Research Support program, shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants.

#### NATIONAL CENTER FOR NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $24,744,000.

#### JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, $12,128,000 of which $1,934,000 shall be available for payment to the Gorgas Memorial Institute for maintenance and operation of the Gorgas Memorial Laboratory.

#### NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $71,465,000.

#### OFFICE OF THE DIRECTOR

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $71,389,000, including purchase of not to exceed six passenger motor vehicles for replacement only.

#### BUILDINGS AND FACILITIES

For construction of, and acquisition of sites and equipment for, facilities of or used by the National Institutes of Health, $30,000,000, to remain available until expended.

### Alcohol, Drug Abuse, and Mental Health Administration

#### ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For carrying out the Public Health Service Act with respect to mental health, drug abuse, alcohol abuse, and alcoholism and the Protection and Advocacy for Mentally Ill Individuals Act of 1986, $401,782,000, of which $200,000 for renovation of government owned or leased intramural research facilities shall remain available until expended.

#### FEDERAL SUBSIDY FOR SAINT ELIZABETHS HOSPITAL

#### (INCLUDING TRANSFER OF FUNDS)

To carry out the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, $65,587,000, together with any unobligated balances from "Saint Elizabeths Hospital, Construction and Renovation" (except those balances determined by the Secretary of Health and Human Services to be necessary to carry out existing Federal renovation contracts), all of which shall be available in fiscal year 1988 for payments to the District of Columbia as authorized by sections 2, 4, and 9 of the Act; and in addition, $2,725,000 which shall be available through September 30, 1989 for Federal activities authorized by sections 6 and 9 of the Act: *Provided*, That funds appropriated under this heading may be used for multi-year contracts with the District of Columbia for maintenance of Saint Elizabeths Hospital: *Provided further*, That any amounts determined by the Secretary of Health and Human Services to be in excess of the amounts requested and estimated to be necessary to carry out sections 6 and 9(f)(2) of the Act shall be returned to the Treasury.

In fiscal year 1988 the maximum amount available to Saint Elizabeths Hospital from Federal sources shall not exceed the total of the following amounts: the appropriations made under this heading, amounts billed to Federal agencies and entities by the District of Columbia for services provided at Saint Elizabeths Hospital, and amounts authorized by titles XVIII and XIX of the Social Security Act. This maximum amount shall not include Federal funds appropriated to the District of Columbia under "Federal Payment to the District of Columbia" and payments made pursuant to section 9(c) of Public Law 98-621. Amounts chargeable to and available from Federal sources for inpatient and outpatient services provided through Saint Elizabeths Hospital as authorized by 24 U.S.C. 191, 196, 211, 212, 222, 253, and 324; 31 U.S.C. 1535; and 42 U.S.C. 249 and 251 shall not exceed the estimated total cost of such services as computed using only the proportionate amount of the direct Federal subsidy appropriated under this heading.

### Office of Assistant Secretary for Health

#### RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), such amounts as may be required during the current fiscal year.

### Health Care Financing Administration

#### GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $22,946,000,000, to remain available until expended.

For making, after May 31, 1988, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 1988 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

Payment under title XIX may be made for any quarter beginning after June 30, 1987, and before October 1, 1988, with respect to any State plan or plan amendment in effect during any such quarter, if submitted in, or prior to such quarter and approved in that or any such subsequent quarter.

For making payments to States under title XIX of the Social Security Act for the first quarter of fiscal year 1989, $8,000,000,000, to remain available until expended.

#### PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, and section 278(d) of Public Law 97-248, $25,893,000,000.

#### PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, and XIX of the Social Security Act, $102,580,000, together with not to exceed $1,421,578,000 to be transferred to this appropriation as authorized by section 201(g) of the Social Security Act, from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein: *Provided*, That $80,000,000 of said trust funds shall be expended only to the extent necessary to process workloads not anticipated in the budget estimates, including the cost of administration of catastrophic health insurance if enacted into law, and to meet unanticipated costs of agencies or organizations with which agreements have been made to participate in the administration of title XVIII and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That all funds derived in accordance with 31 U.S.C 9701, are to be credited to this appropriation: *Provided further*, That of the amount transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, $2,000,000 shall be made available for patient outcome assessment research, as authorized by section 9316 of Public Law 99-509.

### Social Security Administration

#### PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, as provided under sections 201(m), 217(g), 228(g), and 1131(b)(2) of the Social Security Act and section 152 of Public Law 98-21, $105,298,000.

#### SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, including the payment of travel expenses on an actual cost or commuted basis, to an individual, for travel incident to medical examinations, and when travel of more than 75 miles is required, to parties, their representatives, and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and to proceedings before administrative law judges, $651,452,000, to remain available until expended: *Provided*, That monthly benefit payments shall be paid consistent with section 215(g) of the Social Security Act.

For making, after July 31, of the current fiscal year benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year 1989, $250,000,000, to remain available until expended.

#### SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out the Supplemental Security Income Program, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the social security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, $9,535,384,000, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For carrying out the Supplemental Security Income Program for the first quarter of fiscal year 1989, $3,000,000,000, to remain available until expended.

#### LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, not more than $3,680,921,000, may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That travel expense payments under section 1631(h) of such Act for travel to hearings

may be made only when travel of more than seventy-five miles is required: *Provided further*, That $50,000,000 of the foregoing amount shall be apportioned for use only to the extent necessary to process workloads not anticipated in the budget estimates, for automation projects and their impact on the work force, and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That $65,400,000 for automatic data processing and telecommunications activities shall remain available until expended: *Provided further*, That none of the funds appropriated by this Act may be used for the manufacture, printing, or procuring of social security cards, as provided in section 205(c)(2)(D) of the Social Security Act, where paper and other materials used in the manufacture of such cards are produced, manufactured, or assembled outside of the United States.

### Family Support Administration

#### FAMILY SUPPORT PAYMENTS TO STATES

For making payments to States or other non-Federal entities, except as otherwise provided, under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C., ch. 9), $8,644,385,000, to remain available until expended.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV-A and -D, X, XIV, and XVI of the Social Security Act, for the last three months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or other non-Federal entities under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C., ch. 9) for the first quarter of fiscal year 1989, $2,500,000,000, to remain available until expended.

#### LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $1,822,265,000.

#### REFUGEE AND ENTRANT ASSISTANCE

For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-422), $320,885,000.

#### COMMUNITY SERVICES BLOCK GRANT

For making payments under the Community Services Block Grant Act, section 408 of Public Law 99-425 and the Stewart B. McKinney Homeless Assistance Act, $408,200,000, of which $18,700,000 shall be for carrying out section 681(a)(2)(A), $4,000,000 shall be for carrying out section 681(a)(2)(D), $3,000,000 shall be for carrying out section 681(a)(2)(E), $7,000,000 shall be for carrying out section 681(a)(2)(F), $3,000,000 shall be for carrying out section 408 of Public Law 99-425 and $2,500,000 shall be for carrying out section 681A with respect to the community food and nutrition program.

#### PROGRAM ADMINISTRATION

For necessary administrative expenses to carry out titles I, IV, X, XI, XIV, and XVI of the Social Security Act, the Act of July 5, 1960 (24 U.S.C., ch. 9), title XXVI of the Omnibus Budget Reconciliation Act of 1981, the Community Services Block Grant Act, the Stewart B. McKinney Homeless Assistance Act, title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980, $74,913,000.

### Assistant Secretary for Human Development Services

#### SOCIAL SERVICES BLOCK GRANT

For carrying out the Social Services Block Grant Act, $2,700,000,000.

#### HUMAN DEVELOPMENT SERVICES

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, title II of the Children's Justice and Assistance Act of 1986, chapter 8-D of title VI of the Omnibus Budget Reconciliation Act of 1981 (pertaining to grants to States for planning and development of dependent care programs), the Head Start Act, the Child Development Associate Scholarship Assistance Act of 1985, and part B of title IV of the Social Security Act, $1,641,456,000.

#### FAMILY SOCIAL SERVICES

For carrying out part E of title IV of the Social Security Act, $811,178,000.

### Departmental Management

#### GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six medium sedans, $66,359,000, together with not to exceed $7,000,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

#### OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, $37,361,000, together with not to exceed $40,000,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

#### OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $17,070,000, together with not to exceed $4,000,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

#### POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, $5,090,000.

## GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 202. None of the funds made available by this Act for the National Institutes of Health may be used to provide forward funding or multiyear funding of research project grants except in those cases where the Director of the National Institutes of Health has determined that such funding is specifically required because of the scientific requirements of a particular research project grant.

SEC. 203. Appropriations in this Act for the Health Resources and Services Administration, the National Institutes of Health, the Centers for Disease Control, the Alcohol, Drug Abuse, and Mental Health Administration, the Office of the Assistant Secretary for Health, the Health Care Financing Administration, and Departmental Management shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed two thousand four hundred commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents, between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; expenses for medical care for civilian and commissioned employees of the Public Health Service and their dependents, assigned abroad on a permanent basis in accordance with such regulations as the Secretary may provide; rental or lease of living quarters (for periods not exceeding five years), and provision of heat, fuel, and light and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers, and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18; not to exceed $9,500 for official reception and representation expenses related to any health agency of the Department when specifically approved by the Assistant Secretary for Health.

SEC. 204. None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

SEC. 205. Funds advanced to the National Institutes of Health Management Fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 327A of the Public Health Service Act.

SEC. 206. Funds appropriated in this title for the Social Security Administration shall be available for not to exceed $10,000 for of-

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ficial reception and representation expenses when specifically approved by the Commissioner of Social Security.

Sec. 207. Funds appropriated in this title for the Health Care Financing Administration shall be available for not to exceed $2,000 for official reception and representation expenses when specifically approved by the Administrator of the Health Care Financing Administration.

Sec. 208. No funds appropriated for the fiscal year ending September 30, 1988, by this or any other Act, may be used to pay basic pay, special pays, basic allowances for subsistence and basic allowances for quarters of the commissioned corps of the Public Health Service described in section 204 of title 42, United States Code, at a level that exceeds 110 percent of the Executive Level I annual rate of basic pay: *Provided*, That amounts received from employees of the Department in payment for room and board may be credited to the appropriation accounts "Health Resources and Services", National Institutes of Health "Office of the Director", "Disease Control Research and Training", and "Federal Subsidy for Saint Elizabeths Hospital".

Sec. 209. None of the funds appropriated in this title shall be used to transfer the general administration of programs authorized under the Native American Programs Act from the Department of Health and Human Services to the Department of the Interior.

Sec. 210. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years, so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

Sec. 211. The Secretary shall make available through assignment not more than 50 employees of the Public Health Service, who shall be exempt from all FTE limitations in the Department, to assist in child survival activities through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization. In addition, commissioned officers assigned under this section shall be exempt from all limitations on the number and grade of officers in the Public Health Service Commissioned Corps.

Sec. 212. Funds appropriated by this Act may be used to pay physicians' comparability allowances, as authorized under 5 U.S.C. 5948, only to those persons who are licensed to practice medicine, except that this provision shall not apply to individuals receiving such allowances prior to January 1, 1988.

Sec. 213. For the purpose of insuring proper management of federally supported computer systems and data bases, funds appropriated by this Act are available for the purchase of dedicated telephone service between the private residences of employees assigned to computer centers funded under this Act, and the computer centers to which such employees are assigned.

This title may be cited as the "Department of Health and Human Services Appropriations Act, 1988".

## TITLE III—DEPARTMENT OF EDUCATION

### COMPENSATORY EDUCATION FOR THE DISADVANTAGED

For carrying out chapter 1 of the Education Consolidation and Improvement Act of 1981, as amended, $4,595,000,000, of which $10,000,000 shall be used for purposes of section 555(d) of said Act to provide technical assistance and evaluate programs, and the remaining $4,585,000,000 shall become available on July 1, 1988, and remain available until September 30, 1989: *Provided*, That of these remaining funds, no funds shall be used for purposes of section 554(a)(1)(B), $278,000,000 shall be available for purposes of section 554(a)(2)(A), $158,000,000 shall be available for purposes of section 554(a)(2)(B), $34,000,000 shall be available for purposes of section 554(a)(2)(C) and $40,000,000 shall be available for purposes of section 554(b)(1)(D).

For carrying out section 418A of the Higher Education Act, $8,000,000.

### IMPACT AID

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13), $735,000,000, of which $22,000,000 shall be for entitlements under section 2 of said Act and $713,000,000 shall be for entitlements under section 3 of said Act of which $568,000,000 shall be for entitlements under section 3(a) of said Act: *Provided*, That payment with respect to entitlements under section 3(b) of said Act to any local educational agency in which 20 per centum or more of the total average daily attendance is made up of children determined eligible under section 3(b) shall be at 60 per centum of entitlement and payment with respect to entitlements under section 3(b) of said Act to any local educational agency in which less than 20 per centum of the total average daily attendance is made up of children determined eligible under section 3(b) shall be ratably reduced from 100 per centum of entitlement: *Provided further*, That payment with respect to entitlements under section 3(a) to any local educational agency described in section 3(d)(1)(A) of said Act shall be at 100 per centum of entitlement, except that payments on behalf of children who reside on property which is described in section 403(1)(C) shall be at 15 per centum of entitlement, so long as the fiscal year 1988 per pupil payment does not exceed 105 per centum of the fiscal year 1987 per pupil payment: *Provided further*, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 15 per centum but less than 20 per centum of such agency's total average daily attendance shall be at 75 per centum of entitlement, except that payments on behalf of children who reside on property which is described in section 403(1)(C) shall be at 11.25 per centum of entitlement and the fiscal year 1988 local contribution rate for such agency shall not exceed 105 per centum of such agency's fiscal year 1987 local contribution rate: *Provided further*, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to less than 15 per centum of such agency's total average daily attendance shall be ratably reduced from 100 per centum of entitlement, except that payments on behalf of children who reside on property which is described in section 403(1)(C) of said Act shall be ratably reduced from 15 per centum of entitlement: *Provided further*, That the provisions of section 5(c) of said Act shall not apply to funds provided herein: *Provided further*, That none of the funds appropriated in this Act shall be used for the recovery of payments made to any local educational agency under section 2 and section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), for fiscal years prior to 1987, but in the case of section 3 only on behalf of children who reside on or whose parents are employed on property that is housing assisted under section 8 of the United States Housing Act of 1937, as amended.

For carrying out the Act of September 23, 1950, as amended (20 U.S.C. ch. 19), $22,500,000 which shall remain available until expended, shall be for providing school facilities as authorized by said Act, of which $9,000,000 shall be for awards under section 10 of said Act, $9,000,000 shall be for awards under sections 14(a) and 14(b) of said Act, and $4,500,000 shall be for awards under sections 5, 9 and 14(c) of said Act.

### SPECIAL PROGRAMS

For carrying out the consolidated programs and projects authorized under chapter 2 of the Education Consolidation and Improvement Act of 1981, as amended, $529,337,000, of which $29,337,000 shall be for programs and projects authorized under subchapter D of said Act, including $10,700,000 for programs and projects authorized under subsection 583(a)(1) of said Act; $4,500,000 shall be used for awards, which, except for educational television programming, are not to exceed a cumulative amount of $1,000,000 to any recipient for national impact demonstration or research projects; $7,800,000 for activities authorized under subsection 583(b)(1) of said Act; $3,337,000 for programs authorized under subsection 583(b)(2) of said Act; and $3,000,000 for activities authorized under subsection 583(b)(4) of said Act including support for the center for law related education providing a statewide K-12 program: *Provided*, That $500,000,000 to carry out the State block grant program authorized under chapter 2 of said Act shall become available for obligation on July 1, 1988, and shall remain available until September 30, 1989.

For grants to State educational agencies and desegregation assistance centers authorized under section 403 of the Civil Rights Act of 1964, $25,000,000.

For carrying out activities authorized under title IX, part C of the Elementary and Secondary Education Act, $3,500,000.

For carrying out activities authorized under section 1524 of the Education Amendments of 1978, $5,000,000.

For carrying out activities authorized under section 1525 of the Education Amendments of 1978, $2,000,000.

For carrying out activities authorized under Public Law 92-506, as amended, $2,000,000: *Provided*, That said sum shall become available on July 1, 1988, and shall remain available until September 30, 1989.

For carrying out activities authorized under the Drug-Free Schools and Communities Act of 1986, $200,000,000, of which $161,000,000 for grants to States and outlying areas shall be available beginning July 1, 1988, and shall remain available until September 30, 1989.

For carrying out the provisions of title VII of the Education for Economic Security Act, relating to magnet schools assistance, $75,000,000: *Provided*, That not more than $4,000,000 in the fiscal year may be paid to any single eligible local educational agency.

For carrying out the provisions of title II of the Education for Economic Security Act, $55,000,000 of which $50,000,000 for State grants under section 204 shall become available on July 1, 1988, and shall remain available until September 30, 1989.

For carrying out the provisions of subpart 2 of Part C of title V of the Higher Education Act, $7,177,000, to become available

July 1, 1988, and to remain available until September 30, 1989.

For carrying out the provisions of subpart 2 of part D of title V of the Higher Education Act, $2,000,000.

For carrying out the provisions of subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act, $7,500,000 to become available July 1, 1988, and remain available through September 30, 1989.

For carrying out activities authorized under the Follow Through Act, $7,800,000.

### BILINGUAL EDUCATION

For carrying out, to the extent not otherwise provided, title VII of the Elementary and Secondary Education Act, Refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act, part B of title III of the Refugee Act of 1980, and section 501 of the Refugee Education Assistance Act of 1980, and title VI of the Education Amendments of 1984, $198,981,000, of which $105,701,250 shall be for part A, $10,370,000 shall be for part B, and $37,023,750 shall be for part C of title VII of the Elementary and Secondary Education Act and $30,000,000 shall be for the Emergency Immigrant Education Program authorized by title VI of the Education Amendments of 1984.

### EDUCATION FOR THE HANDICAPPED

For carrying out the Education of the Handicapped Act, $1,913,800,000, of which $1,490,000,000 for section 611 and $189,000,000 for section 619 shall become available for obligation on July 1, 1988, and shall remain available until September 30, 1989: *Provided*, That $150,000 shall be available to operate a model program for deaf, hearing impaired, and handicapped students under section 625 of said Act.

### REHABILITATION SERVICES AND HANDICAPPED RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973 and the Helen Keller National Center Act, as amended $1,561,940,000, of which $1,350,000,000 shall be for allotments under sections 100(b)(1) and 110(b)(3) of the Rehabilitation Act, and $4,800,000 shall be for the Helen Keller National Center.

### VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational Education Act, and the Adult Education Act and the Stewart B. McKinney Homeless Assistance Act, $1,029,600,000 which shall become available for obligation on July 1, 1988, and shall remain available until September 30, 1989: *Provided*, That $13,000,000 shall be available for title IV of the Carl D. Perkins Vocational Education Act including $6,000,000 for section 404 and $450,000 for section 415 of said title: *Provided further*, That $7,900,000 shall be available for State councils under section 112 of the Carl D. Perkins Vocational Education Act: *Provided further*, That $6,300,000 shall be made available to carry out title III-A and $33,500,000 shall be made available for title III-B of said Vocational Education Act: *Provided further*, That $3,900,000 shall be available for part E of title IV of the Carl D. Perkins Vocational Education Act.

### STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 2, and 3 of part A and parts C and E of title IV of the Higher Education Act, as amended, $5,806,000,000, which shall remain available until September 30, 1989: *Provided*, That the maximum Pell grant that a student may receive in the 1988-89 award year shall be $2,300.

### GUARANTEED STUDENT LOANS

For necessary expenses under title IV, part B of the Higher Education Act, $2,425,000,000, to remain available until expended.

### HIGHER EDUCATION

For carrying out title III of the Higher Education Act of 1965, as amended, $180,000,000, of which up to $20,000,000 for part C of title III of said Act shall remain available until expended: *Provided*, That $84,533,000 of funds appropriated for title III of said Act shall be available only to historically black colleges and universities.

For carrying out subparts 4 and 6 of part A of title IV; part B and subpart 1 of part D of title V; titles VI and VIII, parts A, B, C, D, E, and F of title IX; parts B and D of title VII; subpart 1 of part B and parts A and C of title X; and sections 420A and 1204(c) of the Higher Education Act of 1965, as amended; title XIII, part H, subpart 1 of the Education Amendments of 1980, as amended; and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961; $391,900,000, of which $29,500,000 for parts B and D of title VII and $8,000,000 for subpart 6 of part A of title IV of said Act shall remain available until expended: *Provided*, That $8,000,000 provided herein for carrying out subpart 6 of part A of title IV shall be available notwithstanding sections 419G(b) and 419I(a) of the Higher Education Act of 1965 (20 U.S.C. 1070d-37(b) and 1070d-39(a)).

For carrying out sections 772, 773, and 775 of part G of title VII of the Higher Education Act, and Public Law 99-608, $12,550,000 to remain available until expended.

### HIGHER EDUCATION FACILITIES LOANS AND INSURANCE

The Secretary is hereby authorized to make such expenditures, within the limits of funds available under this heading and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for the current fiscal year. For the fiscal year 1988, no new commitments for loans may be made from the fund established pursuant to title VII, section 733 of the Higher Education Act, as amended (20 U.S.C. 1132d-2).

### COLLEGE CONSTRUCTION LOAN INSURANCE

For carrying out part E of title VII of the Higher Education Act of 1965, as amended, $20,000,000 to be available until expended.

### COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS

Pursuant to title VII, part F of the Higher Education Act, as amended, for necessary expenses of the college housing and academic facilities loans program, the Secretary shall make expenditures, contracts, and commitments without regard to fiscal year limitation using loan repayments and other resources available to this account: *Provided*, That during fiscal year 1988, gross commitments for the principal amount of direct loans shall be $90,000,000. Any unobligated balances remaining from fixed fees previously paid into this account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of this account.

Whenever the Secretary, pursuant to sections 762(c) or 783 of the Act, sells, exchanges, or otherwise transfers on a discounted basis obligations or securities held by the Secretary under title VII, part F of the Act, the outstanding balance remaining on the notes of the Secretary issued to the Secretary of the Treasury under section 761(d) of the Act shall be reduced by the amount of the discount. For such transactions occurring prior to the fiscal year 1988, such reduction is effective on September 30, 1987. For such transactions occurring in fiscal year 1988 or thereafter, such reduction is to be effective on the last day of the fiscal year in which the discounted transaction occurs.

### EDUCATION RESEARCH AND STATISTICS

For necessary expenses to carry out sections 405 and 406 of the General Education Provisions Act, as amended, $73,801,000, of which $14,486,000 shall be used for the Center for Education Statistics, as authorized under section 406 of the General Education Provisions Act, and $7,900,000 shall be for the National Assessment of Educational Progress, as authorized under section 405(e)(1) of the General Education Provisions Act: *Provided*, That $4,000,000 of the sums appropriated shall be used to continue a rural education program by the nine regional laboratories.

### LIBRARIES

For carrying out, to the extent not otherwise provided, titles I, II, III, IV, and VI of the Library Services and Construction Act (20 U.S.C., ch. 16), and title II, parts B, C, and D of the Higher Education Act, notwithstanding the provisions of section 221, $144,500,000: *Provided*, That $22,500,000 of the sums appropriated shall be used to carry out the provisions of title II of the Library Services and Construction Act and shall remain available until expended.

## Special Institutions

### AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101-106), including provision of materials to adults undergoing rehabilitation on the same basis as provided in 1985, $5,510,000.

### NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For carrying out the National Technical Institute for the Deaf Act (20 U.S.C. 4301 et seq.), $33,000,000.

### GALLAUDET UNIVERSITY

For carrying out the Model Secondary School for the Deaf Act (80 Stat. 1027) and for the partial support of Gallaudet University (20 U.S.C. 4301), as amended, including continuing education activities, existing extension centers and the National Center for Law and the Deaf, $65,925,000.

### HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), $179,865,000.

## Departmental Management

### SALARIES AND EXPENSES

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, $251,753,000.

### OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $42,333,000.

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#### OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, $18,341,000.

### General Provisions

Sec. 301. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

Sec. 302. Funds appropriated in this Act to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, and Gallaudet University shall be subject to audit by the Secretary of Education.

Sec. 303. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

Sec. 304. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

Sec. 305. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

Sec. 306. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

This title may be cited as the "Department of Education Appropriations Act, 1988".

## TITLE IV—RELATED AGENCIES

### Action

#### OPERATING EXPENSES

For expenses necessary for Action to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, $162,191,000.

### Corporation for Public Broadcasting

#### PUBLIC BROADCASTING FUND

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 1990, $238,000,000: *Provided*, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for government officials or employees: *Provided further*, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex.

### Federal Mediation and Conciliation Service

#### SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia; and for expenses necessary pursuant to Public Law 93-360 for mandatory mediation in health care industry negotiation disputes and for convening factfinding boards of inquiry appointed by the Director in the health care industry; and for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 125a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95-454 (5 U.S.C. chapter 71), $25,601,000.

### Federal Mine Safety and Health Review Commission

#### SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $4,080,000.

### National Commission on Libraries and Information Science

#### SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345), $750,000.

### National Council on the Handicapped

#### SALARIES AND EXPENSES

For expenses necessary for the National Council on the Handicapped as authorized by section 405 of the Rehabilitation Act of 1973, as amended, $932,000.

### National Labor Relations Board

#### SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, $139,019,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

### National Mediation Board

#### SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, $7,316,000.

### Occupational Safety and Health Review Commission

#### SALARIES AND EXPENSES

For the expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), $6,147,000.

### Physician Payment Review Commission

#### SALARIES AND EXPENSES

For expenses necessary to carry out section 1845(a) of the Social Security Act, $3,130,000, to be transferred to this appropriation from the Federal Supplementary Medical Insurance Trust Fund.

### Prospective Payment Assessment Commission

#### SALARIES AND EXPENSES

For expenses necessary to carry out section 601 of Public Law 98-21, $3,752,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

### Railroad Retirement Board

#### DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $368,000,000, all of which shall be credited to the account in 12 approximately equal amounts on the first day of each month in the fiscal year.

#### FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for unnegotiated checks, $3,100,000, to remain available through September 30, 1989, which shall be the maximum amount available for payments pursuant to section 417 of Public Law 98-76.

#### LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board, $60,434,000, to be derived from the railroad retirement accounts: *Provided*, That such portion of the foregoing

amount as may be necessary shall be available for the payment of personnel compensation and benefits for not less than 1,254 full-time equivalent employees: *Provided further*, That $500,000 of the foregoing amount shall be available only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workloads within the remainder of the existing limitation has been achieved: *Provided further*, That notwithstanding any other provision of law, no portion of this limitation shall be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j); 45 U.S.C. 228a-r): *Provided further*, That not to exceed $2,500,000 of funds provided under this head in Public Law 99-591 shall remain available until September 30, 1988, only for retirement claims processing automation activities.

#### LIMITATION ON RAILROAD UNEMPLOYMENT INSURANCE ADMINISTRATION FUND

For further expenses necessary for the Railroad Retirement Board, for administration of the Railroad Unemployment Insurance Act, not less than $14,445,000 shall be apportioned for fiscal year 1988 from moneys credited to the railroad unemployment insurance administration fund: *Provided*, That such portion of the foregoing amount as may be necessary shall be available for the payment of personnel compensation and benefits for not less than 303 full-time equivalent employees.

#### LIMITATION ON REVIEW ACTIVITY

For expenses necessary for the Railroad Retirement Board for audit, investigatory and review activities, as authorized by section 418 of Public Law 98-76, not more than $2,310,000 to be derived from the railroad retirement accounts and railroad unemployment insurance account.

### Soldiers' and Airmen's Home

#### OPERATION AND MAINTENANCE

For maintenance and operation of the United States Soldiers' and Airmen's Home, to be paid from the Soldiers' and Airmen's Home permanent fund, $36,647,000: *Provided*, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners and the Surgeon General of the Army.

### United States Institute of Peace

#### OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $3,310,000.

## TITLE V—GENERAL PROVISIONS

Sec. 501. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Sec. 502. No part of any appropriation contained in this Act shall be expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract in full compliance with such Act and regulations promulgated thereunder.

Sec. 503. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

Sec. 504. Appropriations contained in this Act, available for salaries and expenses, shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

Sec. 505. Appropriations contained in this Act, available for salaries and expenses, shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

Sec. 506. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curricula, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

Sec. 507. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

Sec. 508. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 509. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress.

Sec. 510. The Secretaries of Labor, Health and Human Services, and Education are each authorized to make available not to exceed $7,500 from funds available for salaries and expenses under titles I, II, and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 from the funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for "Salaries and expenses, National Mediation Board".

Sec. 511. None of the funds appropriated by this Act shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or a participant's parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.

This Act may be cited as the "Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 1988".

Mr. NATCHER (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto conclude no later than 4 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. TAUKE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. NATCHER. Mr. Chairman, I renew my request.

Mr. TAUKE. Instead of objection, if I could, I would reserve the right to object, Mr. Chairman.

The CHAIRMAN. Objection was heard; however, as the Chair understands, the gentleman from Kentucky [Mr. Natcher] renews his unanimous-consent request that all debate end at 4 o'clock, and the gentleman from Iowa has reserved an objection.

□ 1415

Mr. NATCHER. Mr. Chairman, will the gentleman yield to me on his reservation of objection?

Mr. TAUKE. I am pleased to yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, let me say to the gentleman from Iowa we understand on this side that there are three or four amendments pertaining to reductions in this bill. It is our intention that every Member that has an amendment to offer, that that amendment be heard and properly heard and voted upon. That is our in-

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tention. We have no intention on this side, and my friend, the gentleman from Massachusetts [Mr. Conte], has no intention on his side to cut any Member off.

The amendments that we know of on this side and on the gentleman's side I would say should be concluded and can be concluded by 4 o'clock, and it is not our intention to cut anyone off, and the gentleman has my word on that.

Mr. TAUKE. I appreciate the chairman's characterization of the request, and I certainly understand that there is no intent to cut anyone off.

However, as the chairman knows, this is one of the largest appropriation measures to come to the floor. I am personally aware of five amendments that Members plan to offer. I assume that there may be others.

It just seems to me that on a measure of this nature that it is a little premature to ask for a limitation of 1 hour and 45 minutes, or frankly any limitation at this juncture. As we get further down the road and see what the number of amendments might be, we might have an opportunity to entertain such a request.

I might observe also, Mr. Chairman, that a number of Members did not have an opportunity to speak during the general debate because of limitations on time. I for one, for example, plan to strike the last word just to make some general comments before getting into the amendment process.

Mr. NATCHER. Mr. Chairman, at this time I ask unanimous consent that all debate on this bill and all amendments thereto conclude no later than 4:30.

The CHAIRMAN. The Chair must indicate that we have a pending unanimous-consent request of the gentleman from Kentucky to end debate at 4 o'clock on which discussion was occurring on a reservation by the gentleman from Iowa.

Is there objection or does the gentleman from Kentucky wish to modify his unanimous-consent request?

Mr. NATCHER. Mr. Chairman, at this time I would like to maintain the hour of 4 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. TAUKE. Mr. Chairman, reserving the right to object, I do not want to be difficult, but at this juncture I probably will object to any limitation until we have an opportunity to get a better handle on what amendments may be offered.

The CHAIRMAN. Objection is heard.

Mr. NATCHER. Mr. Chairman, at this time I ask unanimous consent that all debate on the bill and all amendments thereto conclude no later than 4:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. TAUKE. Mr. Chairman, reserving the right to object, perhaps the Chair and the gentleman from Kentucky, I would say, could perhaps reach a limitation on individual amendments, but I am reluctant without knowing how many amendments are out there to limit debate on the total bill. So I will object.

The CHAIRMAN. Objection is heard.

Mr. NATCHER. Mr. Chairman, at this time I ask unanimous consent that all debate on the bill and all amendments thereto conclude not later than 5 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. TAUKE. Mr. Chairman, reserving the right to object, again, I do not mean to be difficult, but I intend to object to any limitation on the total amount of debate on the bill until we have a better handle on how many amendments are available.

Mr. Chairman, I would not oppose a limitation on individual amendments, but I do on the whole bill, so I do object.

The CHAIRMAN. Objection is heard.

Mr. NATCHER. Mr. Chairman, I move that all debate on this bill and all amendments thereto conclude no later than 5 p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Kentucky [Mr. Natcher].

The question was taken; and the Chairman announced that the ayes appeared to have it.

### RECORDED VOTE

Mr. TAUKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 262, noes 159, not voting 12, as follows:

[Roll No. 301]

### AYES—262

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Bennett
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hubbard
Huckaby
Hutto
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Patterson
Pelosi
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Richardson
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Schneider
Schroeder
Schulze
Schumer
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Solarz
Spratt
St Germain
Staggers
Stokes
Stratton
Studds
Swift
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)

### NOES—159

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Beilenson
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Carper
Chandler
Cheney
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Kasich
Kennedy
Kolbe
Konnyu
Kyl
Lagomarsino
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack

Madigan
Martin (IL)
Martin (NY)
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Myers
Nielson
Oxley
Packard
Pashayan
Pease
Penny
Petri
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Scheuer
Schuette
Sensenbrenner
Shaw
Shumway
Skeen
Slaughter (VA)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stallings
Stangeland
Stark
Stenholm
Stump
Sundquist
Sweeney
Swindall
Synar
Tauke
Taylor
Thomas (CA)
Upton
Walker
Weber
Whittaker
Wolf
Wortley
Wylie

### NOT VOTING—12

Boner (TN)
Bonker
Daniel
Gephardt
Horton
Kemp
Latta
Lloyd
Pepper
Roemer
Vander Jagt
Vucanovich

□ 1430

Messrs. SCHAFFER, DAUB, and CONTE and Ms. SNOWE changed their votes from "aye" to "no."

Mr. MOODY changed his vote from "no" to "aye."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Accordingly, debate on the bill and all amendments thereto is limited to 5 o'clock.

Mr. GOODLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to thank the committee for the good consideration and the careful consideration they gave to what I would consider two of the most important parts of our budget.

First of all, I am happy that I can be one of those who can stand up and support something that is, as a matter of fact, $3.9 billion below the 302(b) allocation.

□ 1445

Second, I want to point out that we hear a lot of talk about competitiveness, and we talk a lot about the defense of the country, and I want to be sure we understand that we cannot be competitive nor can we defend ourselves if as a matter of fact we have somewhere between 26 million and 60 million functional illiterates in this country, a number that is growing rather rapidly, partially due to those who are coming into the country with very little education, but a lot of it has to do with those who are already here and have been here. That functional illiteracy number will rise primarily because in the 1990's to be functionally literate you will have to read and comprehend on the 12th grade level, not on the 3d grade level, where we write a lot of manuals for the military now and they still manage to destroy everything even though it is written down on that level.

Third, I would like to mention that the Pell grant problem has been a big problem in this Congress because it has always been underfunded. We have always borrowed from the next year to try to take care of it. It is a little difficult to determine early in the spring how many recipients there will be.

Finally, last year we took the money that was left over from loans because of low interst rates and got Pell grants on an even keel. The prediction now is that we could be somewhere, without any cuts in the program, close to a $500 million deficit in our Pell grant area, without any cuts at this time.

I would like to also mention on the labor side of it that probably the most important part in there is the Job Corps. If you have visited Job Corps centers, you could not walk away without saying that that is one place where we are getting our money's worth. They are dealing with the most difficult in our entire society. They are not only teaching them a worthwhile trade to become a citizen that pays taxes but as a matter of fact they are teaching them what discipline is all about, because it is a very well-disciplined operation, providing probably the first discipline that those young people have ever had in their lives.

I also want to mention that in chapter 1 and chapter 2 we have added some new programs, programs that will deal as a matter of fact with this cycle of illiteracy and that somehow or other will break that cycle of illiteracy in this country.

So, Mr. Chairman, I urge my colleagues, since we are $3.9 billion below the 302(b) allocation, to support this piece of legislation.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, last year we adopted some legislation in the reauthorization of the Higher Education Act, the National Needs Graduate Fellowship Program. It is to enable talented students to pursue graduate studies and disciplines that are critical to the national interest, including science, mathematics, technology, and foreign languages.

I am pleased that the funding for this program is included in this bill, and I especially want to thank the chairman of the subcommittee, the gentleman from Kentucky [Mr. Natcher], for his cooperation in securing this funding, as well as our ranking member, the gentleman from Massachusetts [Mr. Conte], for supporting this program and seeing that it is funded. I want to pay special thanks to my friend and colleague, the gentleman from Minnesota [Mr. Weber], who is a member of the Appropriations Committee, for his special helpfulness on the committee in securing passage of the appropriations.

Mr. Chairman, the number of American students pursuing advanced degrees is falling rapidly. Last year I developed the National Needs Graduate Fellowship Program, as part of the reauthorized Higher Education Act, to enable talented students to pursue graduate study in disciplines critical to the national interest, including science, math, technology, and foreign language. I am pleased the funding necessary to implement this program has been included in H.R. 3058. I want to thank the gentleman from Kentucky [Mr. Natcher] and the gentleman from Massachusetts [Mr. Conte] for their support of this program. My colleague from Minnesota Mr. Weber has been especially helpful in seeking funding for this graduate program and I thank him as well.

America has always looked to its universities to conduct research and to train scholars, two functions that are vital to the country's future. The Federal Government has played a significant role in financing graduate education, but Federal support, in the form of fellowships, has fallen dramatically in recent years—from some 60,000 in 1969 to fewer than 13,000 by 1981. And the reduction in these fellowship programs has contributed to an equally well documented decline in both graduate enrollment and the quality of graduate students.

In contrast, our foreign competitors have agressively pursued advanced degrees in critical fields at American universities. Foreign students have received more than 50 percent of all engineering Ph.D.'s that have been awarded in this country since 1980. Foreign students have also received 30 to 40 percent of the doctorates in mathematics and physics in recent years, while the number of such degrees to American students is declining. Only 7 out of every 1,000 American students obtains a degree in engineering, while in Japan that figure is 40.

A strong graduate system is critical to our national interests and future security. Recent advances in medicine, biomedical research, space exploration, and information technology have been made possible through advanced graduate research. To secure America's lead in these highly competitive fields, and to prepare Americans for the jobs of the future—where it is estimated that 50 percent of all manufacturing jobs will be held by highly skilled engineers and technicians—the United States must reaffirm its historic commitment to graduate research and education. The National Needs Graduate Fellowship Program will enable talented students to pursue study in the disciplines where we have the greatest national need, and stimu-

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late the technological advances critical to the future economic vitality of our Nation.

Specifically, under the fellowship program institutions of higher education can apply for competitive grants of up to $500,000 per year, and individual students will be eligible for up to $10,000 a year in financial assistance. These grants will enable the students to pursue studies in critical fields as determined by the Secretary of Education, with help from the National Science Foundation, the National Academy of Sciences, the National Endowment for the Arts and Humanities, and other Federal agencies. Likely disciplines of national need include biology, chemistry, computer science, engineering, foreign languages, the geosciences, and physics.

If this country is truly concerned about competing effectively in the international marketplace, programs to encourage graduate education must be a national priority. Graduate education is one of the most powerful resources we have for restoring our competitive edge; funding for these programs is an investment in our future that will yield substantial long-term benefits. The $12 million provided in H.R. 3058 will indeed prove to be money well spent.

Mr. Chairman, I want to point out that the reason this program is in here is that our foreign competitors are aggressively pursuing advanced degrees at our universities in this country. In fact, for the last 7 years, taking the number of Ph.D.'s in engineering who have graduated from U.S. colleges and universities, over half of them are foreign nationals. We want to reverse that trend. We want to grab hold of the competition. We want to be able to pursue graduate degrees for American students in American universities, and this scholarship and fellowship program will enable us to do that, because if we are talking about competitiveness, we have to start with pure research. That is what this graduate program recognizes.

Mr. GOODLING. Mr. Chairman, I want to point out one other thing in relation to Pell grants. Pell grants, fortunately, are now going to those who are not necessarily 4-year graduates. The greatest part of our education is geared more and more to those who are 25, 30, and 35 years old who are trying to get a salable skill so they can become productive citizens.

Mr. AKAKA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to vigorously commend the chairman of the subcommittee, the gentleman from Kentucky [Mr. Natcher], as being a great American, a person with concern for the people of our country and the future of our country. I also want to commend the ranking member, the gentleman from Massachusetts [Mr. Conte], as a great American and one who is also concerned with our country. I also commend the committee members and the staffers of the committee for fashioning such a great bill.

Mr. Chairman, I would like to engage the chairman of the Subcommittee on Labor—Health and Human Services—Education, who has worked tirelessly on this piece of legislation, in colloquy about a provision in the report accompanying H.R. 3058 intended to address the needs of our disabled children and youths. The report provision I have in mind, and which Mr. Natcher was responsible for including in the report, is found on page 143 of the report, and reads as follows:

> It is anticipated that special project funds will be used to continue and expand * * * projects concerning * * * hearing dysfunction among school-age children * * *.

The problem of hearing dysfunction, to which this report language applies, has become prevalent in the Native Hawaiian children of my State. Two years ago, at the beginning of the 1985–86 school year, 93 Hawaiian and part-Hawaiian children entering preschool were screened for hearing dysfunction. Shockingly, it was discovered that approximately 85 percent of these children did not pass the screening.

Though it would appear that those ethnic children are overrepresented with regard to hearing dysfunction, this problem has not been fully documented. Consequently, the incidence and prevalence of hearing dysfunction is conjecture, and its full impact upon language achievement, cognitive development, school performance, and life skills is unknown. Indeed, a program that addresses these concerns is desperately needed.

With this in mind, I would simply ask the chairman of the subcommittee, if the committee's intention to fund service projects concerning hearing dysfunction among school-age children would be appropriately applied if funds are used to support a program of this nature?

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. AKAKA. I yield to the chairman of the subcommittee.

Mr. NATCHER. Mr. Chairman, I want to thank the gentleman from Hawaii for bringing this matter to our attention. The committee report does include the language the gentleman mentioned. It is the intent of the committee that a project concerning hearing dysfunction among school-age children should be supported by the Department.

Further, Mr. Chairman, I want the gentleman from Hawaii to know that we appreciate his help on this subcommittee. All down through the years, since he has been a Member of Congress, he had helped, us, and we appreciate it.

Mr. AKAKA. Mr. Chairman, I thank the gentleman from Kentucky.

Finally, Mr. Chairman, I would like to outline an additional concern that I have regarding language in the report accompanying the bill, H.R. 3058. The language with which I am concerned is found on page 40 of the report, and concerns Native Hawaiian Children Health. The language reads:

> The Committee continues to be concerned about the health and well-being of our nation's Native Hawaiians. The Office of Technology Assessment has reported that overall Native Hawaiians have a 34-percent higher death rate than the rest of the nation and further, that full-blooded Hawaiians have a death rate that is 146 percent higher than the nation as a whole. Native Hawaiian children and youth are particularly at risk.
>
> The committee is pleased with the efforts of the MCH program to ensure that the native Hawaiian population is given a high priority and feels that the recently established series of Native Hawaiian Maternal and Child Health Centers are an excellent first step. Given their pressing needs MCH is urged to continue to provide appropriate resources to this population.

I can think of nothing more important to the development of our Nation than the care of our children. And, the care offered by the recently established Native Hawaiian Maternal and Child Health Centers would not have happened without their abilty to get some seed money from the MCH Program. I would like to commend the chairman of the subcommittee, and the Committee on Appropriations for recognizing the value of this program.

At the same time, I am concerned that no additional funds have been appropriated for the center's program in fiscal year 1988. This is as I comprehend it due to an understanding, at the time of committee consideration of the bill, that the program would not require additional funds in fiscal year 1988. I would point out, however, that following consultation with the program's director, it has become apparent that the centers will indeed require additional funds in the next fiscal year. And, as has been the case in the past, the program remains committed to matching any Federal funds that it may receive.

So, while we remain committed to the integration of education, health and social services as envisioned by the Native Hawaiian centers program, I would urge the committee and this body not to forget that this program cannot be sustained without continued Federal assistance. It is my understanding that the Senate intends to clarify this position, and I would urge the committee's favorable consideration of such clarification when this measure goes to conference.

I thank the chairman of the subcommittee for his sensitivity, fairness, and fortitude in this area.

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Mr. Chairman, I urge my colleagues to support this bill with no amended cuts.

Mr. GUNDERSON. Mr. Chairman, may I be recognized?

The CHAIRMAN. The Chair wishes to indicate to our colleagues that we have a strict time limit, and the Chair will recognize additional Members for the purpose of striking the last word. At least until we go to the substantive amendments, we will recognize two additional Members to strike the last word, but the Chair would remind our colleagues that this does come out of the time for discussion of the amendments that will be proposed and the Chair would hope that our colleagues will take this into account as they speak.

The Chair recognizes the gentleman from Wisconsin for 5 minutes to strike the last word.

Mr. GUNDERSON. Mr. Chairman, I want to take this opportunity during consideration of this particular appropriation bill to talk about a subject that I think is very essential in terms of the investment in our educational community in this country. I want to begin by commending and complimenting our chairman and ranking member of this committee and also of the subcommittee for their responsiveness to the education community, and I support that.

But at the same time that I do that, I must tell the Members that I have a great deal of disappointment in the higher education community's continual thrust in focusing on higher education dollars only in the traditional way. We are looking at approximately a $1.2 billion increase in spending in the education area in this appropriation bill, and yet we are not spending one new penny on title 1 of the Higher Education Act to deal with the nontraditional student.

That disappoints me greatly, but I do not criticize the committee because the higher education community did not ask for any funds. I was told that I was the only person who made a request for funding in that particular area, with the exception of one college administrator who came in after the markup was completed. That sort of suggests to us the lack of vision that exists in the higher education community today.

The reality is that by 1990, 49 percent of our higher education or our college student body in this country will be the nontraditional college student. The fact is that any young person today who goes into the work force will have four different careers in their lifetimes, and one only needs to spend 2 minutes with the Secretary of Labor, Mr. Brock, before he begins to talk about the need to train and retrain the work force this country needs for the year 2000 and beyond.

Now, the problem is that we continue in this Congress and the higher education community continues to make requests for funding for those 18- to 23-year-old full-time college students who come right out of high school into the college community with no sensitivity. The problem is that the traditional student, that 18- to 23-year-old, is not where we need to begin focusing our needs in an ever-changing society.

I would like to just share with the Members for just a bit some of the increases in this legislation. I have no criticisms over these increases in the higher education area. For example, in college housing we have a $30 million increase, in institutional assistance we have a $33 million increase, in the Perkins loans we have a $16 million increase, in the Pell grants a $590 million increase, in college work study a $32 million increase, and in the area of SEOG's a $13 million increase. That adds up to a $714 million increase.

I am not critical of those increases, but I am suggesting that if the higher education community would wake up and see the daylight in this country, they would recognize that if we would fund title 1 of the Higher Education Act, we would put money for nontraditional students, both on campus and even weekends and off campus, in the bill, taking education to the workplace of today's workers who need those continuing educational requirements, and we would be able to train and retrain our students without Pell grants, without guaranteed student loans, and without building college dormitories, or at least we would be able to reduce those funds.

So, Mr. Chairman, I plead with the Members and the leadership of this particular subcommittee today that in the future if the higher education community is unwilling to go with us and make the transition to this area, I would hope we might be able to do so ourselves in the future.

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the distinguished chairman of the subcommittee.

Mr. NATCHER. Mr. Chairman, I want the distinguished gentleman from Wisconsin to know that I appreciate his yielding to me. I just want to say this to the gentleman: he is one of the best Members in the House, and he serves on his committee with distinction and honor.

□ 1500

I know how the gentleman feels about education. I know how the gentleman feels about health. And I want the gentleman to know this.

The gentleman's former chairman who is no longer with us used to talk about the gentleman from Wisconsin, and I want the gentleman to know that I appreciate the gentleman's service.

Mr. GUNDERSON. Mr. Chairman, I appreciate very much those kind remarks.

The former chairman of the Committee on Education and Labor, Mr. Perkins, was the guy who really taught me what I need to know about the role of the nontraditional student.

I am hopeful in the future we might be able to work in that regard, and I thank you very, very much.

Mr. DORGAN of North Dakota. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wanted to bring to the attention of the House an issue that is important to North Dakota. In doing so, I first wanted to indicate my admiration for the gentleman from Kentucky [Mr. Natcher], the chairman of the subcommittee, and the work that the gentleman has done on this legislation.

Specifically I take the floor to talk about the Job Corps.

It has been said previously that this is an excellent program. It is one that is very important to some people in our country. I agree with that.

It is the kind of investment we need to make in some young people in our country.

North Dakota is one of eight States that does not now have a Job Corps center, and we would hope that in this legislation that provides for expansion under certain conditions to underserved areas, that if there is to be expansion, that North Dakota will be considered on a priority basis for a Job Corps site.

I would like to describe the reasons why that is important to us. The Governor of North Dakota, the two U.S. Senators, others and I have worked together on the Job Corps issue.

We have a facility in the center of our State in Minot that is going to be abandoned by the Air Force, a facility, buildings and grounds, a wonderful facility that will be abandoned that will be nearly perfect for a Job Corps center.

We have 300 young North Dakotans who are being transported out of the State to other Job Corps centers. Those 300 North Dakotans ought to be able to take advantage of a Job Corps center in our State and save the Federal Government that travel money. Utilizing a facility in Minot, ND, for a Job Corps center would make good sense, because that is a facility that is very well suited to that sort of thing, and will be abandoned in the very near future by the Air Force.

We have Native Americans making up 20 to 25 percent of the Job Corps students, and they come from four reservations in North Dakota whose unemployment reaches 40 to 50 percent. They, too, would be well-served.

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We understand the Job Corps and the need for it. I support it fully, and I especially commend the gentleman from Kentucky for his work on this very important piece of legislation. I would like to encourage the chairman and others to help those of us who come from those very few areas in the country where there is not a Job Corps center, where we produce 300 young men and women who must be transported elsewhere to those centers, to give us whatever assistance the committee might be able to when we make the proper application to the Department of Labor under that expansion.

I wanted to take the time to underscore North Dakota's interests, those of the community of Minot, the two Senators and myself on this Job Corps issue.

Mr. Chairman, I think the chairman of the subcommittee for a job well done; and I would hope to have whatever support the gentleman might be able to give me in this process.

AMENDMENT OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMEY: Part 16, after line 25, insert the following new section:

SEC. 105. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available in Title 1 of this Act not required to be appropriated or otherwise made available by previously enacted law is hereby reduced by 3.09 percent.

Mr. ARMEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARMEY. Mr. Chairman, I ask unanimous consent that debate on this amendment be limited to 15 minutes, to be divided equally between the gentleman from Kentucky [Mr. NATCHER ] and myself.

The CHAIRMAN. Is the request on this amendment and any amendments to the gentleman's amendment?

Mr. ARMEY. Mr. Chairman, yes, it is.

The CHAIRMAN. Is that for a total of 15 minutes?

Mr. ARMEY. Yes, to be divided equally between the gentleman from Kentucky [Mr. NATCHER] and myself.

Mr. NATCHER. Mr. Chairman, reserving the right to object, we have no objection to the request.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Accordingly, the gentleman from Texas [Mr. ARMEY] will be recognized for 7½ minutes, and the gentleman from Kentucky [Mr. NATCHER] will be recognized for 7½ minutes.

The Chair recognizes the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, this is the first of a group of amendments that a group of Members will be offering to this bill.

We had an earlier discussion in the general debate regarding the difficulty we have in cutting spending. It is difficult for the Committee on Appropriations, and I might say again, and I suppose perhaps more sincerely here than in many instances, it is with sincere respect for the gentleman from Kentucky [Mr. NATCHER], the chairman of the subcommittee, and the gentleman from Massachusetts [Mr. CONTE], the ranking member, that I bring this to the floor.

Nevertheless, this appropriations subcommittee must try to do their best to save money and to allocate money within a very narrow range of discretion. That is not a happy job for them.

Many of the Members who are committed to fighting the deficit on every possible front must, as we address amendments also, by and large, confine our attention to this area of discretion.

This amendment does exactly that. It is very simple and straightforward. In line with our overall objective of trying to cut the increases in fiscal year 1988 spending over 1987 spending by one-half, and in a manner consistent with our efforts to try to do this with respect to discretionary spending.

We have with this amendment isolated that spending in title I of this bill; that is, all spending in title I of this bill, with the exception of mandatory spending on Federal unemployment benefits, advances to the unemployment trust fund, Federal employees' retirement, and the black lung disability trust fund.

Looking again only at title I, which is those funds allocated to the Department of Labor, confining our attention to discretionary spending, we find that the discretionary spending then in this bill is a total of $4,845,000,000. It is a $300 million increase in discretionary spending over fiscal year 1987.

This represents a 6.19-percent increase in discretionary spending in title I of this bill.

Consistent with our objectives and our past practices, we offer an amendment that would cut that increase from 6.19 percent to 3.09 percent, cut it in half, leaving a 3.09-percent increase in spending from fiscal year 1986 to fiscal year 1987 in discretionary spending in title I in the amount of $150,062,000.

We also cut by that amount from the proposed increase in this bill. It is very simple. There is no net reduction in spending. There is a decrease in the increase by 50 percent.

It is confined only to discretionary spending and only to discretionary spending in title I.

We could have gone into title I and offered several individual cuts, a million there, and a million here and then again there, and we could have added up to $150 million with several separate amendments.

That has been considered by some to be dilatorious and, Mr. Chairman, time is scarce. An hour ago we accepted a limit on all amendments to this bill, and we have since lost that hour with 24 minutes being left to our clock which was to run for 15 minutes on a vote.

Then subsequent debate that should have been taken in general debate and other tactics that, had I not known the Members involved so well and respected those Members so much, I might have suspected to be dilatorious in wasting this precious time.

Consequently, I asked for a limitation on this amendment. It is straightforward. We are trying to save money. We believe that these discretionary funds can be reallocated, those that remain within the increase, and we can do a good job for these discretionary programs.

We need to show a good-faith effort to reduce spending.

$150 million is not by this body's standards a great deal; for the average American, it is.

The programs are still left with generous increases, and they are generous programs.

Mr. Chairman, I reserve the balance of my time for other Members and myself. We will use our full 15 minutes, and we will move on.

I will do my best to remain on the floor and protect the remaining precious minutes for those Members who are offering amendments rather than for those Members who wish to make statements.

Mr. Chairman, I reserve the balance of my time.

□ 1510

Mr. NATCHER. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, at the outset, I agree with the gentleman from Texas. I will do everything I can to preserve every moment for the amendments that will be offered.

Mr. Chairman, I rise reluctantly, in my great respect for the gentleman from Texas, in opposition to his amendment.

This is one of those amendments that only serves to hurt people, and I want to talk about its effects on one program.

The bill provides increases for the Job Corps, there is no doubt about it,

that are overdue; $33.6 million is provided just to maintain current services. That would keep the current 106 centers open, training 40,000 youngsters. I do not have any in my congressional district.

We also provide $93.5 million for capital expenditures, including $32 million for dilapidated centers to relocate within their cities.

And within the capital total, we provide $12.5 million for existing centers to make health and safety improvements.

But, in my opinion, the most important addition for the Job Corps is the one that would be most hurt by the amendment. That is the addition of funds to allow up to 8 new centers to open in areas that are currently underserved.

I know of a number of pockets of high unemployment and severe economic distress across the country, particularly for young people.

This amendment would preclude those underserved areas from getting the kind of skill training and socialization for the most disadvantaged young people in order to get them back up on their feet. It would cut $24.2 million out of the money we included for this program.

Other cuts that would result from the amendment include summer youth $31.5 million, and unemployment compensation $53.5 million.

And one effect that I'm not sure that author knows about is an $85 million cut in the trust funds on top of the $145 million he intends to cut.

Let's beat back this amendment. I ask for a "no" vote.

Mr. NATCHER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I thank the gentleman for yielding.

What I want to point out is what I said in my brief remarks earlier. If I understand the amendment correctly, $24 million of that would be taken from any increases to Job Corps centers. Again, I plead with all of you, as I have in the last, I do not know how many, years, to go visit the Job Corps centers. It is their last possible chance of ever becoming productive citizens. You have to go and see it in operation to understand for the first time in their lives there is discipline. For the first time in their lives there is studying going on and there is someone there to make sure they are studying. For the first time in their lives they are learning skills that they can use when they come back into the communities.

It is expensive, there is no question, but it is cheap in relationship to their spending the rest of their lives in an institution, a penal institution.

So I would hope that we look very carefully at where this money will come from. I do not believe the Job Corps centers should be a target.

Mr. NATCHER. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, I would like to call the attention of the members of the committee to just what effect this amendment would have, if adopted.

The amendment requires a 3-percent cut across the board on discretionary spending at the Department of Labor. Here is what it would mean. It would mean in the Job Training Program we would have a $56,400,000 reduction.

In summer youth employment that means so much to the cities in this country and to everyone, a $22,500,000 reduction.

The Job Corps reduction, under the amendment of the gentleman from Texas [Mr. ARMEY] would be $23,505,000.

Trade adjustment retraining, $1,500,000.

State employment service, $22,500,000.

Mr. Chairman, my guess is that if this type of an amendment were adopted, some of the offices might have to close. Some of the employees might have to be laid off. Local unemployment offices would be reduced by $52 million.

Worker safety and health, $12 million.

Mr. Chairman, that is the effect of this amendment.

Mr. Chairman, let me say this. You know, when we passed the Budget Reform Act of 1974, we provided that we set up a Budget Committee. That committee would fix the overall spending ceiling for the Congress of the United States, which they do. The Appropriations Committee has 13 subcommittees. We take the ceiling that the Budget Committee fixes and we have to stay within it.

Every member, and the gentleman from Massachusetts [Mr. CONTE], will tell you this, every member of our subcommittee made up their minds that we would stay within the figure they have allocated to us.

We are under our ceiling in budget authority and in outlays.

Mr. Chairman, let me say this, it took some doing to do it.

Mr. Chairman, I say to the gentleman from Texas [Mr. ARMEY], when we talk about being over the President's budget, I have served with seven Presidents. I do not believe today that President Reagan knew that in this budget that was submitted that all of vocational education would be wiped out. Not reduced $50 million; not reduced $100 million; but wiped out completely, $882 million, and that library services, $144 million, would be wiped out completely.

Let me say to the gentleman from Texas [Mr. ARMEY], that I served with seven of them. I have gotten along with all seven of them. No President that I have served with can tell you every item that is in his budget. Certainly they know the bottom line figure, but when you say to a President of the United States, "Mr. President, did you know that vocational education that has been good to our people down through the years, one of the finest programs, one of the great achievements of the 20th century, was zeroed out in your budget?"

Let me say to the gentleman from Texas [Mr. ARMEY], in all fairness, I do not believe that President Reagan would have ever agreed to it. Take my word for it.

Mr. Chairman, this amendment ought to be defeated.

Mr. ARMEY. Mr. Chairman, I will always count as one of the great privileges of my life the fact that I served in this body with the gentleman from Kentucky, BILL NATCHER, and make no mistake about it, if you are in this body and you do not love the gentleman from Kentucky, BILL NATCHER, there is something wrong with you and we would all agree on that. The gentleman deserves every bit of respect that everybody gives him.

Mr. Chairman, I did not talk about the President's budget. I talked about the spending levels in this title in discretionary spending for fiscal year 1988 and the extent to which they were greater than fiscal year 1987 and would remain greater after my amendment is passed, as I am certain it will.

The debate focus with respect to the discretionary spending was only on the Job Corps. That is not all that is there, Mr. Chairman. There are many, many items in that discretionary spending, and discretionary means tradeoffs. If the Job Corps is so precious, trade it off. Take the cuts someplace else.

Now, if indeed the whole 3.09 percent meat ax falls on the Job Corps share, that would reduce its 19.5-percent increase to a 16.5-percent increase, hardly a death blow.

Now, last Tuesday night I sat down with my wife and we figured out what it would cost for us to send our three children to college next fall in a 4-year university, paying all their tuition, room, board and books, and giving them $150 a month spending money, and it came out to slightly over $18,000 for this coming academic year, slightly under, about $1,000 less than it costs to send one youngster to a Job Corps program for 1 year. I could have sent all three of my children to college and had money left over to take my wife to the Bahamas.

Now, I am saying we must respond. I happen to be an enormous advocate of trade and industrial vocational training. I am angry about the President's budget on that point in particular and I do not want to take a meat ax to this.

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But do you know what else my wife and I decided, along with our children? We cannot give them tuition, room, board and books and $150 a month spending money. They will have to get a part-time job and work, and they will do it, because they know the opportunity they have and they will take advantage of it.

We must have everybody recognize the opportunities that already exist in this great land and they can take this cut and we can reduce our budget deficit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

### RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 132, noes 287, not voting 14, as follows:

[Roll No. 302]

AYES—132

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bentley
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Carper
Chandler
Cheney
Coats
Coble
Combest
Cooper
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
English
Fawell
Fields
Frenzel
Gallegly
Glickman
Gradison
Grandy
Gregg
Hall (TX)
Hansen
Hefley
Herger
Hiler
Holloway
Hopkins
Houghton
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Marlenee
Martin (IL)
McCandless
McCollum
McEwen
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Nielson
Olin
Oxley
Packard
Patterson
Penny
Petri
Porter
Regula
Rhodes
Ritter
Roberts
Robinson
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skaggs
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Vucanovich
Walker
Wolf
Wortley
Wylie

NOES—287

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Coughlin
Courter
Coyne
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hutto
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lowry (WA)
Luken, Thomas
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Pease
Pelosi
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Richardson
Ridge
Rinaldo
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—14

Boner (TN)
Callahan
Crockett
Daniel
Ford (TN)
Gephardt
Gingrich
Kaptur
Kastenmeier
Latta
Lloyd
Pepper
Roemer
St Germain

☐ 1540

Mr. MOODY changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. MILLER of California. Mr. Chairman, I move to strike the last word, and I rise in support of H.R. 3058.

Mr. Chairman, I rise in support of H.R. 3058, the fiscal year 1988 Labor/Health and Human Services/Education appropriations bill.

I especially want to thank Chairman NATCHER of the Appropriations subcommittee on Labor/HHS/Education for his leadership in supporting important and cost-effective programs for children and their families.

Such leadership is crucial to safeguard the future and protect the Nation's children. Empty rhetoric on children as our national resources fall far short of ending childhood poverty and enhancing child development and family stability. This legislation, by funding effective programs for children and families, takes action against illiteracy, juvenile crime, poverty, infant mortality, homelessness, declining family living standards, the spread of AIDS, and family instability.

But this bill is not a spending splurge for special interests. We are not inventing a bevy of new programs on which to lavish taxpayer dollars. Rather, we are investing in proven programs which have a documented track record of improving the health, the education, and the development of American children.

In every instance, the resources this bill funds are modest compared to the program's proven cost effectiveness, and the number of children and families who need these critical services. In every case, the motivation is compassion, but the return on the initial investment is significant and makes good fiscal sense.

Whether $1 invested in early comprehensive prenatal care for high risk women that returns over $3 in averted neonatal costs, or $1 invested in early childhood education that returns $4.75 in averted juvenile crime, welfare costs, or special education, the savings are noteworthy.

For every $1,000 invested in family preservation programs and child-abuse prevention, tens of thousands are saved in costly foster-care placements; for every $1,000 invested in respite care for a disabled child, tens of thousands are saved in avoided institutionalization costs.

Those are not just my figures. They are the results of studies and evaluations by leading researchers and academicians in the Nation's most respected universities. In some cases, the studies which establish the effectiveness and cost savings of these programs were solicited by the administration which now tries to cut back or even to destroy some of these proven programs.

It is important to note that, despite the proven effectiveness of these efforts, we are in many cases failing to provide nutritional assistance, educational opportunities, and other services to those in need. And by failing to do so, we are wasting money, in the long run, and we are wasting lives.

Chapter I, WIC, School Breakfast, Head Start—in every case, we are allowing only a fraction of those in need to participate in the program today.

So when those who do not support these efforts ask us, "How can we expand funding at a time of budget deficits," I must reply, "Which of your constituents would you deny the right to education for the handicapped? Which of your constituents would you tell she will have a low birthweight or retarded child because we refused to make WIC or prenatal health services available? Which of your constituents are you prepared to deny special educational services, or to consign to an expensive institution or group home because we just couldn't afford to provide preventive services that cost less—in every case than doing nothing?"

I am not prepared to make that choice, with any of your constituents or with mine. When we have the scientific knowledge, the medical skill, the professional ability to provide services and to save money in the process, it is immoral, as well as fiscally shortsighted, for this Congress to deny those opportunities to any American.

Much of the information about these programs, about which I wish to speak today, has been developed during hearings and investigations by the Select Committee on Children, Youth and Families, which I have the honor of chairing. The fact that these programs enjoy the level of support which they do in this House, I am delighted to say, in no small measure is a result of the record of that select committee, which has demonstrated their effectiveness through dozens of hearings around the country where we have met with and listened to your constituents who have pleaded with us to do more.

That record also served to generate support within the Budget Committee and the House for the Children's Initiative, which we again included in this year's budget, and which established the broad support within the House for additional resources for children and for prevention programs.

### MATERNAL AND CHILD HEALTH/MEDICAID EXPANSION

An additional $38.2 million over fiscal year 1987 levels for the maternal and child health block grant is included in the bill. This small increase could not come at a better time. For some children, the health care provided by the MCH block grant may be all the care they ever receive, yet these services are largely unavailable. Of the 35 million Americans without any health insurance, one-third or 11 million are children. Thirty percent of these uninsured children have employed parents who do not have coverage for their children; fewer than one-half of all poor children are currently eligible for Medicaid.

Mr. Chairman, expanding prenatal care and early infant health care must remain an important priority for this Nation. Just last week, the National Center for Health Statistics reported that there has been improvement in the last 3 years in the proportion of mothers who received late or no prenatal care. For some age groups, and for most black mothers, the proportion who received delayed or no care increased between 1984 and 1985 alone. As a result, the number of infants born at low birthweight—the single greatest predicator of infant mortality and lifelong disability—went up slightly to 6.8 percent in 1985, virtually assuring that we will not meet the Surgeon General's 1990 goal for reducing low birthweight to 5 percent of all live births.

While the increased funds for the MCH block grant will only partially meet the growing need for health care for low income women and children who are falling through the widening cracks, States will at least have the opportunity to expand services to some. The $3.4 billion increase in Medicaid funds will also assist States in implementing recent Medicaid expansions to serve more low income pregnant women and children.

### COMPENSATORY EDUCATION, HEAD START, AND EDUCATION FOR THE HANDICAPPED

Congress took significant action when it recently strengthened Head Start and chapter I—Compensatory Education for the disadvantaged—and when it enacted several new early childhood education programs, including the Even Start Act, the Handicapped Infant and Toddler Program, and the new expanded Handicapped Preschool Initiative. It is now widely recognized that early intervention stimulates children's capacity to learn and virtually guarantees a more productive and more successful educational experience. We need no more studies to establish that early intervention also saves significant dollars—in the long and short run.

I am especially pleased that the bill we are considering today contains funding for these new programs, as well as significant increases for chapter I and Head Start.

### AIDS RESEARCH AND TREATMENT

The legislation more than doubles the amount available in 1987 for the research, education, and other activities aimed at prevention and treatment of AIDS. AIDS is not a disease limited to adults. It threatens to kill thousands of children, many of them very young. And while AIDS has afflicted less than 200 teenagers nationwide, the select committee recently learned that the number at risk of developing the deadly disease may number in the thousands. As witnesses, including Surgeon General Koop, have testified before the select committee this year, the need for education and prevention for young children and teenagers has reached critical levels. Congress' willingness to recognize this fact and increase the appropriation for AIDS education offers hope that we can stem this devastating disease and provide essential health and social services to families and children already afflicted.

### CHILD CARE

I am especially pleased that the bill contains $5 million for two new programs to provide temporary child care for handicapped and chronically ill children, and crisis nurseries for children at risk of abuse or neglect. These two provisions were included in the Opportunities for Families Act, which I introduced along with 80 of my colleagues in the 99th Congress. The Select Committee on Children, Youth, and Families documented the extent to which family stability is protected and child abuse prevented when child care and respite care programs are available, and providing funds to start up these targeted programs will aid many vulnerable families.

In addition, the important legislation we are considering today provides $10 million for dependent care planning and development to provide Federal matching grants for before and after school child care to begin to serve the millions of latchkey children so that families can work, and local resource and referral systems providing information on dependent care services; and an additional $500,000 to enable more child care workers to get the Child Development Associate credential. CDA is the only national credential that assures parents that their children are being cared for by competent professionals.

### CHILD WELFARE AND FOSTER CARE

Recent hearings and a nationwide survey on child abuse by the select committee documented that reports of child abuse and neglect jumped nearly 55 percent between 1981 and 1985, creating additional pressures on the foster care system. In addition, after the number of children in foster care had declined by nearly half since the late 1970's, the number of children in foster care is again on the rise. Homeless families are often forced to place their children in foster care because shelters are rarely set up to bear drug dependent parents, too ill or unprepared to properly care for them, have begun to enter the foster-care system.

From New York to California, severe strains are subjecting children in the foster-care system to abuses. Contrary to the intent of Public Law 96–272, the landmark Child Welfare and Adoption Assistance Act of 1980, to promote preventive services and family reunification, or adoption where services fail, too many abused and neglected children continue to be placed in foster care indefinitely. These problems have recurred not because of any serious flaw in the law itself, but because of the failure of the Reagan administration to enforce the law and seek sufficient funds to promote the prevention effort.

The fiscal year 1988 appropriations bill responds to these new strains on the system by providing an additional $118 million over fiscal year 1987 levels for children in foster care. The amount provided for foster care also includes funds for the important Independent Living Program Congress enacted last year designed to assist youth age 16 and over in foster care to make the transition to independent living.

The funding bill we are considering today also includes $108 million for the adoption assistance program that provides funds to States to facilitate the placement of hard-to-place children in permanent adoptive homes and thus prevent long, inappropriate stays in foster care. During 1988, this program will now be able to serve an estimated average of 39,000 children per month.

In addition, the bill includes an increase of $37.5 million to establish, extend, and strengthen child welfare services to provide the preventive services which enable children to remain in their own homes, or to provide alternative permanent homes when necessary. Without these funds States are hard pressed to provide the intensive family based services, often called family preservation programs, which have proven so effective in keeping

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families together and averting unnecessary institutionalization of children.

HOMELESS FAMILIES

Hearings before my Select Committee on Children, Youth, and Families revealed that as many as 40 percent of the homeless are children and families who not only go without adequate shelter, but experience social isolation, family stress, poor nutrition, and limited educational opportunities for their children. The select committee learned as well that the lack of social supports, the dearth of adequate family shelters, and a dwindling supply of affordable housing leaves many families with no alternative but to give up their children to foster care.

I am pleased to see that the bill we are considering today includes funds to implement the Stewart B. McKinney Homeless Assistance Act in a timely fashion. The Homeless Assistance Act, recently signed into law, includes some provisions for family shelter, health care, and other supports for families, which have been so sorely lacking.

The select committee also learned that runaway youth are comprising a significant segment of the homeless population. In addition, the appropriations measure we are considering today includes a $4 million increase for the Runaway and Homeless Youth Act to develop and strengthen community-based facilities which are outside the juvenile justice system, and to help reunite runaway youth with their families.

VISTA

The bill also includes $20.7 million for the highly effective VISTA Program, which has a long record of combating poverty, illiteracy, hunger, and homelessness through grassroots self-help efforts.

It is nevertheless distressing to note the effect of the Reagan administration's opposition to this important program. Even with the additional funding for fiscal year 1988, VISTA is less than half its level in 1980—and that was before the addition of millions of more Americans to the poverty rolls—including 2½ million children—before homelessness became a subject of daily concern, and before soup kitchens became a familiar sight in every American city.

And at a time when we are rightly concerned about our ability to compete in the world marketplace and about our inability to reduce the still unacceptable unemployment rate, the VISTA Literacy Corps would receive no funding for next year.

CONCLUSION

In every case, the funding I am asking my colleagues to support today was opposed by the administration. Their indifference to the health, education, and welfare of America's children and families has caused needless suffering, and even tragedy. Because this administration did not recognize the value of investing in children and families, the cost to the Government in wasted lives and resources reaches into billions of dollars.

And unlike many programs of Government, we cannot defer this spending or these efforts to another year. We cannot correct poor prenatal care, malnutrition, low birthweight, mental retardation next year for a woman who is pregnant today. We will lose millions of children in indeterminate, costly foster care because they will spend another year in the system. Millions of children will not receive the educational services and support they need, and many will leave schools and begin lives of poverty and dependence.

I urge my colleagues to support this legislation because it promotes sound and compassionate human policy and makes good fiscal sense as well. I urge my colleagues to support the leadership of the Appropriations Committee in bringing this bill to the floor today and by voting for H.R. 3058 to reverse the damage this administration has wrought on the Nation's families and to protect their future.

AMENDMENT OFFERED BY MR. FRENZEL

**Mr. FRENZEL.** Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Frenzel: At the end of title V, insert the following new section:

"Sec. . Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available by this Act not required to be appropriated or otherwise made available by previously enacted law shall be reduced by 8.16 percent."

**Mr. FRENZEL.** Mr. Chairman, when I came to bring my amendment to the House, I intended to offer an apology. Because of a conference now ongoing I have not been able to spend enough time to present the amendment in a proper way.

However, I noticed that the House has restricted debate time on this enormous bill already. Since the House wants bobtailed discussions, I guess no apologies are in order.

I think that squelching debate is a serious error on the part of the House. It gives the impression of closed minds and knee-jerk votes.

Mr. Chairman, I wrote a letter to all of the Members of the House under date of August 4 in which I indicated my intention to try to reduce what I consider to be outrageously high expenditures contained in H.R. 3058.

Mr. Chairman, I yield to no man in my admiration for the subcommittee and committee, and the subcommittee chairman who brought this bill to the floor. I have been before that subcommittee often myself making requests. It does its work, I think, with great care and great skill.

Nevertheless, it has presented to us a bill which is a country mile over similar expenditures for the previous year. Mandatories are increased in this bill by over 12 percent and discretionary spending, by my count, is increased by something over 8 percent.

Mr. Chairman, that just seems to be unconscionable in a time in which most Americans, and nearly every Member of Congress agrees that the No. 1 priority in the United States is reducing our deficit.

Here is a bill which spends billions more than last year, spends billions over current services. It simply gives the Congress, or gives the people, the impression that Congress is making no effort to reduce its spending or reduce its deficit.

My amendment does not touch the mandatories at all. My amendment only touches discretionary spending.

Mr. Chairman, I repeat that my amendment does not touch mandatory spending at all; it is aimed exclusively at discretionary spending within H.R. 3058.

Because I have assumed that the amounts normally funded in this bill but not covered in this one. They approximate $3 billion and are not included in this year's bill because they have not been authorized. My amendment makes across-the-board cuts in an amount sufficient to reduce the discretionary spending about $3 billion. That is the equivalent of a freeze in discretionary spending.

I think it is important that the House stand up for fiscal sobriety rather than simply merely approving each appropriation no matter how openhanded it is. The author does not expect this amendment to pass, but it does need to be presented.

Again, I have to stress I have no complaint about the subcommittee. It is doing a splendid job. But, I must say that I cannot believe this Congress is going to approve a bill with a double-digit increase over last year, when we are talking about a CPI or a deflator of something less than five. It defies reason that anyone should think that we are trying to reduce our deficit when in fact we are making these huge increases.

I have nothing against the programs supported by the subcommittee. I have simply cut them uniformly by a percentage of about 8.16. I have used the priorities that were adopted by the committee.

And, yes, my amendment will result in less money being spent than the committee spent. On the other hand, none of those projects that are cut by an amendment will be zeroed and few will be cut at all from last year. Many of them will receive much more than they got last year because they are new starters or hugely increased by the committee.

Mr. Chairman, this is a pretty simple vote. It does not require a lot of heavy thought by any Member of this body. I am simply trying to stand up for fiscal sanity at a time of rampant fiscal profligacy.

I believe that if a committee brings us a bill with a double-digit increase over last year's, the House simply must stand up and say "stop." At some point we have got to stop representing the interests and begin to start representing the taxpayers.

Mr. Chairman, I urge an "aye" vote on my amendment.

**Mr. NATCHER.** Mr. Chairman, I move to strike the requisite number of

words, and I rise in opposition to the amendment.

Mr. Chairman, if this amendment is adopted here is what it means: total discretionary programs, a reduction of $2,961,256,656. It means in the Department of Labor there would be a $395,370,850 reduction. In the Job Corps there would be a $63,933,000 reduction. In the Summer Youth Program there would be a $61,200,000 reduction.

As far as the Department of Health and Human Services is concerned, the Department that is trying through the National Institutes of Health to conquer cancer, heart disease and stroke, all of the diseases that are doing so much to our people, a $1,145,000,000 reduction if this amendment is adopted. It means that acquired immune deficiency syndrome [AIDS], after we take it up to $945 million, this amendment would reduce it by $77 million.

National Institutes of Health, there it would be a $535 million reduction; cancer research, $118 million reduction; heart, lung and blood, $80 million reduction; arthritis, $12 million; aging, $16 million; mental health research, $30 million; nurse training, $4 million; maternal and child health care, $43 million; programs for the homeless, $7,384,000.

For Head Start, a $102 million reduction if you adopt this amendment.

The low income home energy assistance program, $148 million, if you adopt this amendment.

Mr. Chairman, for the Department of Education, a $1,358,000,000 reduction. Over a period of years we finally brought education up to $19.5 billion, 7½ percent of the total amount spent for education in this country.

Most of the education costs are paid by your counties, cities, and States. In the chapter I program for the disadvantaged, $374 million; education for the handicapped, $156 million; vocational education, if the amendment is adopted, would be reduced $73 million; student aid, $473 million; Pell grants alone, $363 million.

Mr. Chairman, other student aid, $110 million; libraries, an $11 million reduction if this amendment is adopted; Action, $13 million; public broadcasting, $19 million.

Mr. Chairman, as I have said briefly, in preparing and submitting this budget to the Congress, the total amount for vocational education was left out. In addition to that, Mr. Chairman, they have left out library services and other good programs that we had to restore.

They come in here and they say—this is OMB now; I do not blame this on the President—they come in here on basic biomedical research grants that mean so much to our people and they say, "Here is the way we are going to do that. We are going to cut it, but we are going to take it out of the current year's budget for 1987. In other words, cut out $334 million and let that come out of the current budget carried over into next year."

As I said to you a few minutes ago, I do not believe that President Reagan knows that some of these reductions are in this bill. And I say to you that no President that I have served with—and I have served with seven of them—none of them know all of these items and agencies and I say that to you frankly. It is just not possible.

If you said to the President, "Mr. President, did you know that library services, a little program for $144 million that means so much to the people in this country, was zeroed out of your budget?

Do you know what he would probably say to you? He would say, "No, I wasn't aware of it." I say that to you frankly.

Let us defeat this amendment. This amendment ought to be defeated.

**Mr. TAUKE.** Mr. Chairman, I ask unanimous consent that debate on this amendment conclude at 4 p.m.

**The CHAIRMAN.** The gentleman has requested debate conclude on this amendment at 4 p.m.

Does that include all amendments thereto?

**Mr. TAUKE.** This amendment and all amendments thereto, Mr. Chairman.

**The CHAIRMAN.** The gentleman from Iowa [Mr. Tauke] ask unanimous consent to limit debate on the present amendment and all amendments thereto to conclude at 4 p.m.

Is there objection to the request of the gentleman from Iowa?

PARLIAMENTARY INQUIRIES

**Mr. NATCHER.** Mr. Chairman, I have a parliamentary inquiry.

**The CHAIRMAN.** The gentleman will state it.

**Mr. NATCHER.** Mr. Chairman, what is the motion?

**The CHAIRMAN.** The request is that all debate on the amendment of the gentleman from Minnesota and any amendments thereto end at 4 p.m., in 6 minutes.

Is there objection to the request of the gentleman from Iowa?

**Mr. HAWKINS.** Mr. Chairman, reserving the right to object, may I ask is any one of the gentlemen seeking recognition who made the motion?

**Mr. TAUKE.** I am sorry. Would the gentleman repeat that?

**Mr. HAWKINS.** The point is, is all of the time going to be used by those who are now standing, or will some of that time be allocated to this side?

**The CHAIRMAN.** The gentleman from California [Mr. Hawkins] is asking a parliamentary inquiry.

Under the unanimous-consent request the time could be allocated to those Members who are standing.

**Mr. CONTE.** Mr. Chairman, I have a parliamentary inquiry.

Mr. Chairman, I was standing when the gentleman made his request, in order to be recognized as a member of the committee to speak. I hope that I am going to get at least my 5 minutes.

**The CHAIRMAN.** The Chair has a choice, if the unanimous-consent request goes forward, of either allocating the time equally among those who are standing or dividing it between a proponent and an opponent.

**Mr. CONTE.** Mr. Chairman, then I object.

**The CHAIRMAN.** Objection is heard.

The gentleman from Massachusetts [Mr. Conte] is a member of the committee. Does he seek recognition at this time?

**Mr. CONTE.** Mr. Chairman, I move to strike the requisite number of words.

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**Mr. CONTE.** Mr. Chairman, I rise in opposition to the amendment to freeze discretionary programs at their fiscal year 1987 levels.

Mr. Chairman, I am tired of hearing this bill characterized as a budget buster. The simple fact is that when you look at the growth in these discretionary spending items over the last 8 years, you see that they represent a smaller portion of the total bill now than they did in fiscal year 1980. Further, you see that, where the fiscal year 1980 Labor-HHS-Eduation bill contained $34.3 billion in discretionary spending, the fiscal year 1988 bill before us today contains only $40.2 billion in discretionary spending. So, a full 8 years later, discretionary programs under this bill have grown only $5.9 billion. That small growth, over a period of 8 years, can hardly be blamed for the nearly $200 billion Federal deficit.

Furthermore, I am tired of hearing people stand up and say "Let's stop taking the easy way of showing concern for the health and welfare of our citizens by just throwing money at these programs." What ought to be stopped is the pretense that attacking these particular programs, which accounted for only 9 percent of the Federal Government's outlays in fiscal year 1987, will produce real deficit reduction. What ought to be stopped is picking on these small, vulnerable programs that comprise a tiny part of the Government's spending and trying to characterize them as the items that "push us over the top" when it comes to deficit spending.

Labor-HHS-Education discretionary spending has grown only 7.8 percent between 1980 and 1987. That percentage change is smaller than the growth in almost every other type of spending—it is smaller than the growth in "Energy and water development," than "Military construction," than

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"Defense," than "Rural development," or the Treasury-Postal Service or Interior or Commerce-State-Justice or District of Columbia spending.

I am particularly surprised to see my colleague from Minnesota offer this amendment, because earlier this year he submitted a budget proposal that protected funding for the student aid and higher education programs.

The argument is repeatedly made that every program has to "do its bit" for deficit reduction. Well, sure, but only if the cut it takes is actually going to produce deficit reduction. But to acknowledge repeated failure to reform the budget process, and then to go ahead and take the guts out of individual appropriations bill anyway, is to go about this whole process backward.

We all know that the full amount of spending allocated by the budget resolution is going to get spent somewhere, by some committee, for some program. Well, I think this spending ought to take place right here, right now. There are no other programs that I want to see subsidized by the Labor-HHS-Education programs—and the American people don't want that either.

You know what this bill is? This bill is welfare reform, because it educates kids from low-income families and gives them a chance to do something with their lives. This bill is competitiveness, because it puts quality back into our education system and workplaces. This bill is hope and life for the hundreds of millions of Americans who are waiting for relief from AIDS and Alzheimer's, from arthritis and diabetes and deafness.

This bill is the future, and anybody who thinks they can be proud to go home and brag about ravaging these programs and canceling our investment in the future and in the health and education of our people, is sadly shortsighted and is sorely underestimating the intelligence of the American people.

I urge my colleagues to defeat this amendment.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, the gentleman makes a very good point. But, of course, if we turn to page 4 of the committee report, we find the following quotation:

> In the aggregate total budget authority for labor, health and human services and education programs considered in the bill would increase from $421 billion in 1987 to $471 billion.

That is a $50 billion increase this year alone. Now, granted that is not all discretionary, but to assert that no money has been spent on labor, health, and education and these related services is just wrong. Obviously a lot of it has become mandatory rather than discretionary. But this is a $50 billion increase in this year, just 1 year alone.

Mr. CONTE. Mr. Chairman, the gentleman raises a very good question, a very legitimate question. But let us look at this chart. For 1980, for HHS and Education and Labor, we see $244.6 billion. This pink part of the chart here is $164.2 billion, which is Medicare, Social Security, and the other trust funds, and down here we have $46 billion appropriated in entitlements, which we cannot do a darned thing about. Then we have the discretionary funds of $34.3 billion, but this is 14 percent of that entire budget in 1980. All right, we take the 1988 budget, and we see what happened. Those trust funds have gotten even bigger. They now provide for $358.6 billion. The total is $475 billion, and on that little green chart they are down to $40.2 billion.

Mr. HAWKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think sometimes we can become so involved in talking about dollars and cents that we forget we are talking about the children and young people of this Nation who are seeking to go to college, along with the other human aspects of the subject.

The implication is that we are wasting billions of dollars on education and on putting people to work in this country. I think each of us honestly believes that that is not so. I think that there is a feeling that we want to take credit for whacking the devil out of the budget, and we think of nothing else. But the point is that since 1980, despite the fact that the dollars have been increased constantly each year, when adjusted for inflation, each year we have actually expended less on education in this country. In 1981 we cut education by 11.4 percent, in 1982 by 19.3 percent, in 1983 by 19.6 percent, in 1984 by 17.6 percent, in 1985 by 16.9 percent, in 1986 by a whopping 22.7 percent, and in fiscal year 1987 by 17 percent.

Now, each year we have, therefore, expended less on education in this country, a country which stands not at the top but about 17th among the industrialized nations of the world in literacy, and yet we are trying to compete with those other countries. That just does not make sense. Now, since that time we have cut 6 million children off from these programs. We have reduced the number of children served in chapter I by almost 1 million children.

So let us not talk in terms of dollars and cents. Let us talk in terms of the effect of what we have been doing in this Congress and with the assistance lent by the administration of advocating even deeper cuts. We have increased the illiterates in this country by 2.3 million each year since 1980. That has now built up to more than one-third of the population that is now improverished in terms of illiteracy and in terms of economics.

It seems to me we ought to talk in terms of what we are really doing. It is said that all of the programs in the Department of Education are now costing a little over $19 billion, but when you adjust for inflation—and these budget-cutting amendments do not adjust for inflation—we have actually reduced the amount available to the young people and the children of this Nation. So we have in that period of time reduced the total amount for the Department of Education by almost 6 percent.

I think that if we look at it this way, there is no need of talking about competing with other industrialized nations. Are the illiterates going to compete in the open market? Are we going to reduce the deficits by lowering the productivity of the wage earners of this country? That just does not make sense.

Mr. Chairman, I think that the committee has put together an excellent bill. It sounds like it is generous. It begins to go in the proper direction, and I think we should urge the committee to look seriously at the problems facing this Nation and reject these so-called budget-cutting amendments.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this may be the most important bill that we vote on in this Congress because it deals with the needs of people here at home, people in their everyday lives. It deals with the future of our country, with education and training, as the chairman of the Committee on Education and Labor so eloquently said just a few moments ago.

This bill deals with matters of human equity. In this appropriation bill the committee has restored funds that the administration through OMB would have cut. It deals with vocational education. We have talked a great deal about productivity in America, about keeping America competitive, but if we do not have vocational education programs in this country, we are not going to train the workers of tomorrow for the skills of tomorrow. The administration proposed to eliminate $890 million in vocational education funding. This bill restores that funding and increases it to $900 million. That is the minimal amount. We should be doing more. We are only providing as much as we have done in the current year.

College work study is a program that helps the poorest and the neediest of our society, students from families at the lowest end of the economic ladder.

This bill restores those funds and restores the opportunity for children of poor families to have a higher education.

And then there is a trade adjustment assistance. We passed trade legislation just a few weeks ago in this body which said that we are going to put an emphasis on training, on education, on replacement of jobs lost through unfair trade practices by the adjustment assistance mechanism. This legislation restores funding that the administration proposed to eliminate. It would restore the entire $50 million budget for trade adjustment assistance. This fulfills a commitment made in Federal law in 1974, when we passed legislation that opened the doors on trade, to allow unfair trade practices and the goods produced by them to enter this country, to allow other countries to dump their unemployment on America's shores.

There are 12,000 people in my district who are out of work because of the imports of steel that have denied markets for iron ore in northern Minnesota, because the only market for our taconite is the domestic steel industry. Those workers are skilled and trained, and they want to have other jobs, but they cannot find work in the taconite industry. Under the trade adjustment assistance program, they will learn other skills and they will go somewhere else and find another job, or when we attract other industries, they will train for the skills that those industries will need in northern Minnesota.

There are 800 unemployed steelworkers in my district who have been laid off from the taconite industry, and who are likely to qualify for trade adjustment assistance, but who will not get a dime unless we pass this legislation, fund TAA, and give them an opportunity for a job. In fact, as of now, only 125 workers have been certified for TAA, and only one-half of them are being funded, because the appropriations have been inadequate, even with the supplemental we passed earlier this year, because the administration has failed to be tough on unfair trade practices, and failed to keep faith with the principles of the Trade Adjustment Assistance Program.

Then we have library services. When the disaster of steel imports hit and the iron ore economy of northern Minnesota went into recession, the laid-off workers went into the libraries to research job opportunities, to learn how to write a résumé, to learn where they could go for new job opportunities. It was the libraries that helped them learn those skills of job application, of writing résumés, of learning where they could get training opportunities.

Mr. Chairman, we spend more in this country on military marching bands than we spend and propose to spend in this budget for library services. I think that is an outrage. But this legislation will restore at least the level of funding, and just a little bit more, not even enough to keep pace with inflation, for one of the most important services in our entire society, that of library services.

Mr. Chairman, I think the amendment offered by my colleague, the gentleman from Minnesota [Mr. FRENZEL], would be a disaster. I think it should be defeated, and I urge the Members to vote against that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. FRENZEL].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. TAUKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 83, noes 341, not voting 9, as follows:

[Roll No. 303]

AYES—83

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Boulter
Brown (CO)
Bunning
Callahan
Chandler
Cheney
Coble
Combest
Craig
Crane
Dannemeyer
Davis (IL)
DeLay
Dreier
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gingrich
Gradison
Gregg
Hall (TX)
Hansen
Hastert
Hefley
Herger
Holloway
Hopkins
Hunter
Inhofe
Ireland
Kasich
Kemp
Konnyu
Kyl
Lagomarsino
Lewis (CA)
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McCollum
McEwen
Michel
Miller (OH)
Moorhead
Nielson
Oxley
Packard
Petri
Porter
Schaefer
Sensenbrenner
Shaw
Shumway
Shuster
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stenholm
Stump
Sweeney
Swindall
Thomas (CA)
Upton
Vucanovich
Walker
Wortley

NOES—341

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
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Boner (TN)
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□ 1620

Mrs. LLOYD and Messrs. LEVIN of Michigan, MORRISON of Connecticut, and DAUB changed their votes from "aye" to "no."

Mr. BARTON of Texas and Mr. HOLLOWAY changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. HOYER. Mr. Chairman, I move to strike the last word. Mr. Chairman, I will not take the 5 minutes. I rise to enter into a brief colloquy with my chairman.

Mr. Chairman, as the gentleman knows, section 202(4) of the Carl D. Perkins Vocational Educational Act provides for an 8.5-percent set-aside of the appropriated funds which authorizes serving individuals who are single parents and homemakers.

Mr. NATCHER. Mr. Chairman, if the gentleman will yield, I would like to say to my friend, who is a good member of this subcommittee, the answer is yes. We are aware of this set-aside.

Mr. HOYER. Mr. Chairman, the gentleman may also be aware that in the past the services provided under this section have been provided to pregnant teenagers.

Mr. Chairman, does the gentleman believe, as I do, that that policy should remain in effect?

Mr. NATCHER. Mr. Chairman, I say to the gentleman from Maryland [Mr. Hoyer], we do believe that it should remain in effect and that that policy should remain in effect as it is at this time.

Mr. HOYER. Mr. Chairman, I thank the gentleman.

### AMENDMENT OFFERED BY MR. TAUKE

Mr. TAUKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Tauke: Page 65, after line 23, insert the following new section:

Sec. 512. Notwithstanding any other provision of this Act, each amount appropriated in this Act which is not required to be appropriated by law shall be reduced by 4.07 percent.

Mr. TAUKE. Mr. Chairman, this amendment is very simple. It cuts the rate of increase in this bill in half. The bill provides for an 8.16-percent increase in discretionary funding that is contained in the bill. This cuts the rate of increase in discretionary funding to 4.08 percent.

Now, I regret that the first amendment I have an opportunity to offer is the across-the-board cut. There are many provisions in this bill which it seems to me should have been looked at individually.

For example, we have a 97-percent increase in AIDS research. In all the testimony that I have heard as a member of the Health Subcommittee, that is more money than can be spent effectively on AIDS research.

We have a 16.5-percent increase in chapter 1. As a member of the Education and Labor Committee, I have listened carefully to the testimony. I think that could be curtailed somewhat.

We have an increase of 15 percent in Pell grants. I have 13 private colleges. I love Pell grants, but I guess the bottom line is that on these programs and other programs we are in danger of loving them to death. We love these programs so much that we want to keep throwing at the programs until we come to the point where the deficit will make it impossible for us to continue these programs or other programs.

So we do not have the opportunity to look at the individual programs under the tight time limitations under which we are working, so we have to look at aggregates. I urge the Members to look at the aggregates in this legislation.

There are three key sets of figures that the Members should be acquainted with. The first relates to the total budget authority that is being allocated for Labor, Health and Human Services. Last year it was $421.9 billion. This year it is $471.3 billion, a $49.4 billion increase in this set of programs.

The second set of figures is the amount appropriated specifically by this bill. We have a $49.4 billion increase in the total amount of budget authority.

Now, appropriated in this bill we have $100.1 billion in fiscal year 1987. The committee proposes $112.7 billion.

Now, that is discretionary and mandatory, but nevertheless, it is a 12.5-percent increase.

Now, the committee members and the ranking member, the gentleman from Massachusetts, whom we all dearly love, pointed out with his charts that we do not have control over all that, and I understand.

We do we have control over? It is the discretionary funds, and that is the third set of figures.

We go from $33.3 to $36.3 billion, which is an 8.14-percent increase.

Now, that increase pales in comparison to the $50 billion increase in overall budget authority. It pales in comparison to the $12 billion, 12.5 percent increase, in the appropriated amounts in this bill, but it still is a significant amount of money over which we have control today in this bill.

This amendment then has that amount; $1½ billion is what we are cutting.

It still provides for a healthy 4.07-percent increase in all these discretionary programs. It still provides for over a 10-percent increase in the money appropriated totally in this bill and it still provides for $48 billion in additional spending in the general categories that are provided for under this legislation.

I know that this is but a pebble in the pond, but I think somewhere along the line where we have the chance, we have to hold the line. If we demonstrate that we will hold the line here, that sends the message to many others that we have got to hold the line elsewhere.

It is ironic that this week we voted for hard figures for the budget deficit sequestration program, and yet when it comes to the actual dollars in the programs, we find an inability to hold the increases down below 12.5 percent overall, or 8.1 percent in the discretionary level.

□ 1635

This is a small step but it is an important step, and I urge Members to join with us in reducing the rate of increase to 4 percent.

Mr. FORD of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if the gentleman is still on the floor I simply would say how much I enjoy working with him on the committee and how literally I was not going to participate in this debate because I did not believe that the gentleman from Iowa was really going to offer an amendment like this. It is totally out of character with the gentleman from Iowa and his conduct. As a Member and a very valued member of my subcommittee last Congress in reauthorizing the Higher Education Act, for example, the gentleman came up with a tremendous amendment that would let every farmer in the United States who is suffering problems disregard the value of the farm property for the purpose of qualifying for a Pell grant. I am shocked to see that this amendment cuts $181 million out of Pell grants. Surely the gentleman did not mean to give the Iowa farmers with one hand what he would take away with the other hand, and perhaps this is an oversight.

Did the gentleman intend that?

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, first I thank the gentleman for what I think were kind comments about this amendment being out of character.

We are all anxious to do everything we can to help those people back home. I have just reached the conclusion that the best way that I can help the people back home is to fight for them to the greatest extent possible within certain budgetary limitations.

I think that the greatest threat to the folks back home at the moment is not the 4-percent cut in the Pell Grant Program, it is the runaway Federal deficit that we have.

Mr. FORD of Michigan. The gentleman referred to his amendment as but a pebble in the pond. God forgive us if we ever saw a boulder that was described in the same way as the gentleman describes a pebble. This pebble is the size of the Grand Coulee Dam, and unfortunately that huge pebble is going to be carried by the people in our society who are least able to bear that burden.

The gentleman takes away from the programs of education for the disadvantaged $187 million. It takes away from education to the handicapped $78 million, vocational education, $37 million, student aid, $236 million.

What the gentleman is doing by cutting back on the investment in human resources for the future of this country by those kinds of cuts is in my mind penny-wise and pound-foolish, and it is totally, as I said, inconsistent with the gentleman's performance for several years on the committee because he has always looked forward to educational expenditures being an investment in the future of this country, an investment in the training and education of our people for the good of this country. He has been in the forefront of very progressive moves, and I hope it will not be any embarrassment to the gentleman to be referred to as a progressive. But I have always regarded him as a progressive Member of the House.

I think this is just an ill-conceived and poorly contrived amendment that because of the last atrocious amendment happens to be approximately half of what the last one was and the gentleman thought maybe that would be a good place to do it. I think we owe it to the gentleman, in keeping with his fine performance heretofore, and I hope hereafter as an outstanding Member from the State of Iowa, to vote this amendment down resoundingly and save him from the folly of this pebble the size of the Boulder Dam being dropped into the pond of American education.

Mr. McMILLAN of North Carolina. Mr. Chairman, I rise in support of the amendment.

Mr. CHAIRMAN. We all have the greatest respect for Chairman Natcher, who has done an excellent job of setting priorities in this bill, and the ranking member, Congressman Sil Conte. However, we must look beyond this appropriations bill to see the broader picture.

Each of us in the House is responsible for the Federal budget deficit. Each time we cast a vote we either add to the budget deficit or we reduce it. There is no place for us to hide and shirk our responsibilities to the American people.

Unfortunately, after two decades of budget deficits, Members of the House have to agree with the immortal words of the cartoon character, Pogo, when he said, "We have met the enemy and he is us." The American people certainly agree with that sentiment.

Despite the pressing priorities set in this appropriations bill, and there are many, none of them are more pressing to the United States as a whole than the $175 billion-plus budget deficit that is staring us in the face.

We have simply been borrowing from our children and grandchildren long enough and no amount of argument on the relative merits of any of the line-items in this appropriations bill, or any other, can obscure the fact that the budget deficit is our Nation's No. 1 problem.

A recent report by CBO projects that, without changes in current spending or tax policies, the deficit for the fiscal year beginning October 1, exactly 56 days from today, will be $182 billion. If, by some slim chance, a $20 billion tax increase is passed by this House to meet the budget resolution passed for fiscal year 1988 and the President signs it, the budget deficit may fall to $162 billion or so.

But I do not think that we, as Members elected to do the tough job of reducing the deficit, should hold our breath waiting for that $20 billion.

The bipartisan task force has offered amendments to seven previous appropriations bills to achieve real savings of $7 billion in budget outlays by the end of the appropriations process, about one-half of the total proposed increase.

To date, we have sought $1.73 billion in reductions in the amount of proposed increases over fiscal year 1987. Regrettably, the running total is only $515.4 million, but we are thankful even for that amount of real savings.

As a matter of setting national priorities, I suggest that reducing the budget deficit should always remain at the top. Is the 100th Congress really serious about deficit reduction?

Here we have another chance to prove we mean business, not by reducing important programs which we all value, but by simply reducing the size of the increase from last year.

The overall increase in discretionary spending for this appropriations bill is 8.14 percent or $2.953 billion. We are asking for only a 4.07-percent increase to save $1.47 billion.

This amendment does not override the relative priorities set by the distinguished subcommittee on matters of health, education, and labor issues for our Nation. It does not even address the 15-percent increase of $9.7 billion in entitlement programs that are included in this bill.

Mr. Chairman, I say to the Members, if you are serious about the No. 1 priority in this Nation, you can vote yes and still increase this bill by more than the rate of inflation without cutting any program to the point where it will be ineffective in dealing with the problems facing us today.

Mr. EARLY. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, this amendment, although well intentioned, really asks to cut the sickest of the sick to pay for our deficit. I want to speak specifically to NIH. In the 1970's we funded as many as 60 percent of the approved grants in a given year. This bill, which I feel is underfunded in its present form, funds only 35 percent of the approved grants and leaves 65 percent unfunded. With this amendment it would reject another 800 basic investigator-initiated grants. These grants are the primary source of our scientific capital. They provide the basis for new knowledge and from which new diagnostic procedures, new treatments, and cures will come.

But never mind, we hear a lot about statistics. As the previous gentleman said, let us speak about who pays for these reductions. In testimony before our committee this year, Dr. Norman Sherry, representing the American Academy of Pediatrics, said to the committee, with regard to the survival rate of newborn infants, which serves as an indicator of how well society cares for its children, that indicator says that we are not doing a very good job in the United States. The United States, the number one power in the world, the United States ranks 17th in the world. That means 16 countries have more survivals, survivors in the first year of life than we do, and that in itself, in his words, is a national shame.

We do not have much money in this bill for that program. Now we are suggesting we take another 4 percent from them.

To all of the people in government who like to talk about what they do for minorities and the underprivileged, the minority survival rate, the mortality rate is 18.4 percent. We have not improved that in the last several years.

I listened, as Chairman Natcher listens every year, to Mr. Stokes, who represents everyone—minorities and nonminorities—everyone, and he cannot understand why that has not improved for minorities. This amendment wants to cut more to balance the budget, so to speak.

In the section of the report on gene mapping, which is relatively new, if people in this body that are suggesting these cuts read the report, we show, with regards to gene mapping, that researchers have already mapped many genes. They have found the approximate locations for Huntington's disease, muscular dystrophy, retinoblastoma, which is cancer of the eye in children, cystic fibrosis, Alzheimer's disease, and others. What we are going to be able to do is trace those genes and probably remove them.

What we are doing here with just this 4-percent cut, we say we are not going to cut all of the money, but what disease that we are identifying the gene and the chromosome that causes them, which one do you want to eliminate? Maybe it is cystic fibrosis? This group said let the private sector get involved. With regard to CF,

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the private sector went out and they raised $15 million for the 33,000 people that are affected with CF, from the parents and friends of these people. We had proposed cuts a couple of years ago, and that was going to cut out the program that identified the Huntington's gene.

What you are doing in this amendment is showing a lack of compassion. Who should balance the budget? Not the sickest of the sick.

What we do in this budget, my friend who offered this amendment, for whom I have great respect, said we cannot spend the money for AIDS research effectively. If my colleagues read one of the outside statements in the report, in the last paragraph, a review of the grants now pending at one Institute, the National Institute of General Medical Sciences, indicates that about 200 highly evaluated research proposals in molecular and cell biology, pharmacology and biophysics that have long range relevance to the understanding of how the AIDS virus causes the disease will go unfunded even at the level in the bill.

We have numerous clinical trials. When we talk about birth rate or in fact mortality, there are clinical trials for mortality that are not funded even in our bill—if you want to reduce even further.

Mr. Chairman, we should be responsible. The most important thing in the House of Representatives should not be getting reelected. The people that are using these across-the-board cuts on the sickest of the sick, the poorest of the poor, are totally irresponsible, in my opinion.

If my colleagues want to get where the savings are, where you can get savings is in entitlements, but no one will come in here and tell the people that you have to cut entitlements, because you have to identify one of two variables: The amount of the stipend or the number of eligibles.

I hope the amendment is defeated.

### PREFERENTIAL MOTION OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. Armey moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from Texas [Mr. Armey] is recognized for 5 minutes on his preferential motion.

Mr. CONTE. Mr. Chairman, I rise in opposition to the motion.

Mr. ARMEY. Mr. Chairman, I have finally found out the secret to why we have the deficits. We increase spending with smaller dollars than we cut spending by. When we bring a $500-million spending bill to the floor for a whole new program not previously authorized we are told it is such a little bit of money.

□ 1650

And then when we tried to cut $150 million out of an entire title covering several spending programs that leaves, for example, in the case of Job Corps, a 16.5-percent increase, we are told it is a terrible ax, it is going to cut everybody's head off, is going to shut down the program, despite the fact that they are left with a 16.5-percent increase.

Now we have had a rather curious series of parliamentary moves earlier today and what it amounted to was a series of unanimous-consent requests and then a vote that limited time on this bill and all amendments to 5 today.

Because of that time limitation, there are Members who will not be able to offer the amendments they had planned or will be constrained to offer them without debate. Mr. Natcher who made the motion told us and told us with clarity and sincerity as he does that everybody's right to offer an amendment will be protected. But in fact it is not protected.

So recognizing that we have had Members who are serious in their effort to try to reduce spending that have, by this restriction on the time, had their ability to do so eliminated or at least abridged.

Mr. ARMEY. Mr. Chairman, I ask unanimous consent that in the interest of fulfilling Mr. Natcher's pledge, we extend the time for debate of this bill and its amendments to 6 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. AuCOIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ARMEY. Mr. Chairman, what is the parliamentary procedure?

The CHAIRMAN. The gentleman from Texas [Mr. Armey] still has time on his motion and is recognized.

Mr. ARMEY. Is it all right for me to ask the people who objected to identify themselves? I would just like to know who objected because, of course, it was Mr. Natcher's promise that was objected to, in an effort to keep it, not my promise. So we should know who is objecting.

So in any event, it is clear that we have——

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Is the gentleman saying that Mr. Natcher, the subcommittee chairman, had committed to a full debate?

Mr. ARMEY. When I had abstained from objecting to an earlier request he assured us and in good faith because he is as we all know, a man of enormously good faith, he assured us that everybody's right to offer their amendment would be protected.

We had—we lost an hour as I indicated earlier by people wanting to extend the general debate by the 5-minute rule and now I am asking that we have it back in the interest of those people who have lost their opportunity by the loss of that hour.

Mr. NATCHER. Mr. Chairman, will the gentleman yield to me?

Mr. ARMEY. I yield to the gentleman from Kentucky [Mr. Natcher].

Mr. NATCHER. I thank the gentleman for yielding.

Will the gentleman inform the members of the committee as to how many other amendments, reduction amendments the gentleman has in mind? Can you tell us how many there are?

Mr. ARMEY. I would say at least six—at least five.

Mr. NATCHER. Would you tell us where the six are?

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I would be happy to yield to the gentleman from California who by my reckoning has four.

Mr. DORNAN of California. I thank the gentleman for yielding.

Mr. Chairman, this gentleman had four—had three, Mr. Natcher, but I agreed to not submit the first one based upon a colloquy between ourselves. No. 2 is on AIDS. There is no authorization bill, this is an open rule and it may be my last chance this year to discuss on the floor contact tracing. That was important to me.

No. 3 is on the RU-486 abortifacient death pill that came out of France. I want to offer that amendment because it is germane.

Mr. ARMEY. Would the gentleman clarify my understanding which is that the gentleman made these concessions knowing at the time the constraint was closing you off anyway.

Mr. DORNAN of California. Yes, I thought I was protected, I certainly did.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I will be happy to yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding, because as I understand it then there are two amendments that the gentleman from California had worked on that are germane and he had been assured he would have the opportunity to offer them. Mr. Tauke has offered a very important amendment that goes to the heart of this.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Armey] has expired.

Mr. BARTLETT. Mr. Chairman, I ask unanimous consent that the gentleman from Texas [Mr. Armey] have two additional minutes.

The CHAIRMAN. The Chair must advise the gentleman that time cannot be extended on a preferential motion.

The gentleman from Massachusetts [Mr. Conte] was seeking 5 minutes in opposition to the preferential motion, and accordingly he will be recognized at this point in the debate.

Mr. BARTLETT. Mr. Chairman, will the gentleman from Massachusetts yield briefly?

Mr. CONTE. Just briefly, I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding for a followup on what was being discussed. I will just say there are two amendments of substance, one amendment on funding which we are currently debating and an additional amendment by Mr. Penny which he would seek to offer on funding.

I would simply hope that we can prolong the debate until 6, long enough for those who wish to speak briefly on those amendments be able to speak on those amendments and offer those amendments in an orderly fashion between now and 6. Between now and 6 is not completely orderly but at least it gives some prospect for the House to consider those.

Mr. WEBER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I will yield very briefly to the gentleman so that he could get his point across. Otherwise I will not have any time left.

Mr. WEBER. I thank the gentleman for yielding. I will not take a lot of time. The gentleman from California had intended to offer an amendment to this bill on a very sensitive issue and the chairman and I will have discussed it and I would ask my colleague from Massachusetts to yield briefly to the gentleman from California.

Mr. CONTE. I yield briefly to the gentleman from California to have a colloquy with the chairman.

Mr. DORNAN of California. I thank the gentleman for yielding.

Mr. Chairman, we discussed this first amendment of mine that involves giving some guidance to Health and Human Services on hospitals across this Nation that receive Federal money that would deny nutrition to patients who are very ill, even terminal. We have a former Member of our body, this just occurred to me in discussion with one of the Members from Maryland, who is at this moment in a hospital in Maryland in a coma without a heart machine, without a lung machine, no heroic life support, but is being sustained by nutrition. I am talking of our former distinguished Member from Maryland, Gladys Spellman.

Now I do not know of anybody in this Chamber who is for denying nutrition in addition to the other heroic means that every religion agrees is the option of doctors in consultation with loved ones to not continue sustaining someone's life in that heroic manner.

However, in my amendment which you, I understand, Mr. Chairman, are going to work into the bill in an advisory capacity, this does not involve those rare cases of terminal cancer, for example, where the giving of

increases the pain significantly and even would hasten death.

Mr. CONTE. Would the gentleman please make his point.

Mr. DORNAN of California. That is it. Good.

Mr. NATCHER. Mr. Chairman, will the gentleman yield to me at this point?

Mr. CONTE. Yes, I yield to the distinguished chairman.

Mr. NATCHER. Mr. Chairman, I would like to say to the gentleman from California this is a matter that he has discussed with the committee and asked that we have hearings on.

I say to the gentleman we will take it up when the subcommittee meets, we will take it up, we will hear the witnesses and we will give it every consideration.

Mr. DORNAN of California. Again, I salute you.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I cannot. I only have about a minute left.

The CHAIRMAN. The gentleman from Massachusetts [Mr. Conte] has 2 minutes remaining.

Mr. CONTE. I hope we can get back to focusing on the Tauke amendment, which cuts 4.2 percent of discretionary programs across the board.

Mr. Chairman, I rise in opposition to this amendment. And I'll rise in opposition to any amendment—whether it's an across-the-board cut or a freeze or whatever other variation someone can dream up—which would whack the policy out of this bill and leave behind some of the dollars.

This one would take 4.2 percent out of the discretionary programs in the Department of Labor, Health and Human Services, and Education. That's $1.476 billion.

These kinds of amendments simply wipe out all of the effort that has gone into this bill since February, when we started hearings, and substitute for our policy and judgement and responsibility a cut-and-dried formula which would masquerade as responsible budgeting. In addition, it would reverse the priorities established by the budget resolution that called for substantial increases in education funding, and allowed inflation growth in other areas.

Amendments like this not only gut programs, but also gut the roles of the Appropriations Committee and its Labor HHS Education Subcommittee, which is to examine programs authorized to promote training, health, and education of our people and to recommed funding levels necessary to achieve the goals of those programs. Instead, they are backdoor attempts to deal with the failure of the budget process. I strongly agree that the budget process is a failure. But I can't agree at all that the Labor-HHS-Education programs should pay for that

If we could be sure that spending less than our 302(b) allocation would reduce the deficit—and would not be used to fatten another bill like agriculture of defense—then I might help you keep down spending education of the handicapped, or children's welfare, or research into a treatment for diabetes.

But, I know better.

Amendments like this are designed to take a shot at reducing the bill in some amount. But, with this kind of amendment, it doesn't really matter now much or where the cut is—just so long as you can make a reduction.

We all put out press releases to our district for many reasons. My press release goes to unemployed youth on the street of our towns who have dropped out of high school or are pregnant or are trying to find a job without a skill.

My press release says to these kids that their government does care and is willing to spend a little for a Job Corps center where they can learn a skill and get socialized into the world of work and responsibility. Twenty-four hundred of these kids would get that opportunity under this bill, and I'm not going to stand by and see it go out the window.

I've also got a press release for the juvenile diabetic that tells her that she has something else to look forward to besides losing a arm or a leg, or her sight, or the use of her kidneys before she dies at an early age.

I want her to know that the National Institute of Diabetes and Digestive and Kidney Diseases has just discovered that her disease is due to problems on several genes that they have begun to identify, and maybe you can benefit from a transplanted pancreas that could turn your life around. NIDDK is closer to that day with the $52.3 million increase we provide in this bill.

And, I've got a press release for the low income and educationally disadvantaged young person who gets a fair start in school through Head Start, goes on through grammar and high school with help from chapter 1, finds out about opportunity and how to pursue it through the TRIO Program, and can afford to attend college through a combination of Federal, State, and institutional student aid.

H.R. 3058 provides an additional $125.4 million for Head Start; $650.8 million additional to reach more kids with better services under chapter 1; new Outreach, tutoring, and counseling opportunities through the $38.6 million additional for TRIO; and a substantially better chance of attending a college or university without being saddled with excessive debt, through the $649 million increase in student aid programs.

I urge defeat of this amendment.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Texas [Mr. Armey].

The preferential motion was reject-

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The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. TAUKE].

The question was taken; and the Chairman announced that the noes appeared to have it.

### RECORDED VOTE

Mr. TAUKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 145, noes 280, not voting 8, as follows:

[Roll No. 304]

AYES—145

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bennett
Bereuter
Bliley
Boulter
Brown (CO)
Buechner
Bunning
Burton
Callahan
Carper
Chandler
Cheney
Coats
Coble
Combest
Cooper
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
English
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Gradison
Grandy
Gregg
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Leach (IA)
Leath (TX)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Manton
Marlenee
Martin (IL)
McCandless
McCollum
McEwen
McGrath
McMillan (NC)
Mica
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Nichols
Nielson
Olin
Oxley
Patterson
Penny
Porter
Ravenel
Rhodes
Ridge
Ritter
Roberts
Robinson
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stallings
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vucanovich
Walker
Whittaker
Wortley
Young (AK)

NOES—280

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Beilenson
Bentley
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Coughlin
Coyne
Crockett
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Madigan
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Meyers
Mfume
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Parris
Pashayan
Pease
Pelosi
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Richardson
Rinaldo
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spratt
Staggers
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)

NOT VOTING—8

Boner (TN)
Daniel
Gephardt
Latta
Livingston
Pepper
Roemer
St Germain

☐ 1705

Mr. PACKARD changed his vote from "aye" to "no."

Mr. COBLE changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

☐ 1720

### AMENDMENT OFFERED BY MR. PENNY

Mr. PENNY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. PENNY: Page 65, after line 23, insert the following new section:
>
> SEC. 512. Notwithstanding any other provision of this Act, each amount appropriated in this Act which is not required to be appropriated by law shall be reduced by 2 percent.

The CHAIRMAN. The Chair will advise Members there is no time for debate on this amendment, or any subsequent amendments.

The question is on the amendment offered by the gentleman from Minnesota [Mr. PENNY].

The question was taken; and the Chairman announced that the noes appeared to have it.

### RECORDED VOTES

Mr. PENNY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 181, noes 245, not voting 7, as follows:

[Roll No. 305]

AYES—181

Andrews
Applegate
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bennett
Bereuter
Bilirakis
Bliley
Bosco
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Carper
Chandler
Chapman
Cheney
Coats
Coble
Coleman (MO)
Combest
Cooper
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Fish
Flippo
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Gordon
Gradison
Grandy
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hefley
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Leach (IA)
Leath (TX)
Lent
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McEwen
McGrath
McMillan (NC)
Meyers
Mica
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Neal
Nichols
Nielson
Olin
Oxley
Packard
Pashayan
Patterson
Penny
Petri
Porter
Ravenel
Regula
Rhodes
Ridge
Ritter
Roberts
Robinson
Roth
Roukema
Rowland (CT)
Rowland (GA)
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weldon
Whittaker
Wolf
Wortley
Wylie

NOES—245

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Atkins
AuCoin
Beilenson
Bentley
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carr
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Coughlin
Coyne
Crockett
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Lowry (WA)
Luken, Thomas
Madigan
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Mfume
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pease
Pelosi
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ray
Richardson
Rinaldo
Rodino
Roe
Rogers
Rose
Rostenkowski
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—7

Aspin
Boner (TN)
Daniel
Gephardt
Latta
Pepper
Roemer

☐ 1730

Mr. SMITH of Florida changed his vote from "aye" to "no."

Mr. GORDON changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

### AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. WALKER: On page 62, beginning on line 3, delete all through line 7.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

The CHAIRMAN. All time having expired on the bill and amendments thereto——

Mr. DORNAN of California. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. The Clerk will report the amendment, and then the Chair will recognize the gentleman from Kentucky [Mr. NATCHER].

The Chair must ask, the gentleman has several amendments at the desk. Which amendment is the gentleman referring to?

Mr. DORNAN of California. The final and last amendment, the abortifacient death pill.

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. NATCHER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The CHAIRMAN. The Chair would indicate to the gentleman from California that the Chair believes the gentleman understands correctly that his amendment can only be in order if the motion to rise fails, so the Chair must recognize the gentleman from Kentucky to make the motion to rise, which the gentleman has done.

Therefore, the question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER] that the Committee do now rise.

The question was taken; and the Chairman announced that the ayes appeared to have it.

### RECORDED VOTE

Mr. DORNAN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 237, noes 188, not voting 8, as follows:

[Roll No. 306]

AYES—237

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Glickman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Horton
Houghton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kaptur
Kastenmeier
Kennedy
Kennelly
Kolbe
Kolter
Kostmayer
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCurdy
McDade
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Mineta
Moakley
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Nagle
Natcher
Neal
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Panetta
Patterson
Pease
Pelosi
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sisisky
Skaggs
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Stark
Stokes
Studds
Swift
Synar
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Udall
Valentine
Vento
Visclosky
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOES—188

Applegate
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilbray
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Carper
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Dyson
Edwards (OK)
Emerson
Fields
Fish
Gallegly
Gilman
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger

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Hiler
Hochbrueckner
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Kanjorski
Kasich
Kemp
Kildee
Kleczka
Konnyu
Kyl
LaFalce
Lagomarsino
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (NY)
McCloskey
McCollum
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moorhead
Murphy
Myers
Nelson
Nichols
Nielson
Nowak
Owens (UT)
Oxley
Packard
Parris
Pashayan
Penny
Petri
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rogers
Roth
Rowland (CT)
Russo
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Sikorski
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Traxler
Upton
Vander Jagt
Volkmer
Vucanovich
Walker
Weber
Weldon
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—8

Boner (TN)
Daniel
Gephardt
Gingrich
Latta
Martin (IL)
Pepper
Roemer

☐ 1745

Messrs. GILMAN, MOLLOHAN, ST GERMAIN, and TAUZIN, Mrs. SMITH of Nebraska, and Mrs. LEWIS of California changed their votes from "aye" to "no."

So the motion was agreed to.

The result of the vote was announced as above recorded.

☐ 1800

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COELHO] having assumed the chair, Mr. SHARP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3058) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1988, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device and there were—yeas 336, nays 89, not voting 8, as follows:

[Roll No. 307]

YEAS—336

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Billey
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Daub
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—89

Archer
Armey
Badham
Ballenger
Barnard
Bartlett
Barton
Boulter
Brown (CO)
Buechner
Bunning
Burton
Chandler
Cheney
Coats
Combest
Craig
Crane
Dannemeyer
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
English
Fawell
Fields
Frenzel
Gallegly
Gingrich
Gradison
Gregg
Hall (TX)
Hansen
Hefley
Herger
Hiler
Hopkins
Hunter
Inhofe
Ireland
Kemp
Konnyu
Kyl
Lagomarsino
Leach (IA)
Lewis (FL)
Lightfoot
Lott
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McCollum
McMillan (NC)
Michel
Molinari
Moorhead
Nielson
Oxley
Packard
Petri
Rhodes
Ritter
Roth
Schaefer
Schulze
Sensenbrenner
Shumway
Shuster
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stenholm
Stump
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Walker

NOT VOTING—8

Boner (TN)
Daniel
Gephardt
Gilman
Latta
Pepper
Rangel
Roemer

☐ 1815

Mr. HOLLOWAY changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

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A motion to reconsider was laid on the table.

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a detailed table showing the amounts in H.R. 3058, just passed, for each of the programs funded in the bill together with appropriate comparisons.

Mr. SPEAKER pro tempore (Mr. COELHO). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| SUMMARY | | | | | |
| Title I - Department of Labor: | | | | | |
| Federal Funds | 5,163,204,000 | 5,475,022,000 | 5,959,806,000 | +796,602,000 | +484,784,000 |
| (Unauthorized) | (536,000,000) | (326,000,000) | DEFER | DEFER | DEFER |
| Trust Funds | (2,672,664,000) | (2,612,893,000) | (2,818,966,000) | (+146,302,000) | (+206,073,000) |
| Title II - Department of Health and Human Services: | | | | | |
| Federal Funds (all years) | 87,313,697,000 | 177,930,247,000 | 99,188,886,000 | +11,875,189,000 | -78,741,361,000 |
| Current year | (74,715,632,000) | (79,385,932,000) | (85,438,886,000) | (+10,723,254,000) | (+6,052,954,000) |
| 1989 advance | (12,598,065,000) | (84,466,323,000) | (13,750,000,000) | (+1,151,935,000) | (-70,716,323,000) |
| 1990 advance | --- | (14,077,992,000) | --- | --- | (-14,077,992,000) |
| (Unauthorized) | (2,467,533,000) | (2,004,757,000) | DEFER | DEFER | DEFER |
| Trust Funds | (5,166,595,000) | (5,168,701,000) | (5,153,499,000) | (-13,096,000) | (-15,202,000) |
| (Unauthorized) | (1,050,000) | (1,050,000) | DEFER | DEFER | DEFER |
| Title III - Department of Education: | | | | | |
| Federal Funds | 19,471,503,000 | 13,983,555,000 | 20,636,613,000 | +1,165,110,000 | +6,653,058,000 |
| (Unauthorized) | (2,000,000) | (2,000,000) | DEFER | DEFER | DEFER |
| Title IV - Related Agencies: | | | | | |
| Federal Funds (all years) | 993,586,000 | 791,054,000 | 991,783,000 | -1,803,000 | +200,729,000 |
| Current year | (765,586,000) | (655,954,000) | (753,783,000) | (-11,803,000) | (+97,829,000) |
| 1989 advance | (228,000,000) | (3,100,000) | --- | (-228,000,000) | (-3,100,000) |
| 1990 advance | --- | (132,000,000) | (238,000,000) | (+238,000,000) | (+106,000,000) |
| Trust Funds | (64,230,000) | (66,196,000) | (69,626,000) | (+5,396,000) | (+3,430,000) |
| Total, all titles: | | | | | |
| Federal Funds (all years) | 112,941,990,000 | 198,179,878,000 | 126,777,068,000 | +13,835,098,000 | -71,402,790,000 |
| Current year | (100,115,925,000) | (99,500,463,000) | (112,789,088,000) | (+12,673,163,000) | (+13,288,625,000) |
| 1989 advance | (12,826,065,000) | (84,469,423,000) | (13,750,000,000) | (+923,935,000) | (-70,719,423,000) |
| 1990 advance | --- | (14,209,992,000) | (238,000,000) | (+238,000,000) | (-13,971,992,000) |
| (Unauthorized) | (3,005,533,000) | (2,332,757,000) | DEFER | DEFER | DEFER |
| Trust Funds | 7,903,489,000 | 7,847,790,000 | 8,042,091,000 | +138,602,000 | +194,301,000 |
| (Unauthorized) | (1,050,000) | (1,050,000) | DEFER | DEFER | DEFER |
| TITLE I. DEPARTMENT OF LABOR | | | | | |
| EMPLOYMENT AND TRAINING ADMINISTRATION | | | | | |
| PROGRAM ADMINISTRATION | | | | | |
| Job training programs | 7,972,000 | 8,989,000 | 8,989,000 | +1,017,000 | --- |
| Employment security | 2,631,000 | 3,686,000 | 3,491,000 | +860,000 | -195,000 |
| Trust funds | (18,944,000) | (15,034,000) | (15,534,000) | (-3,410,000) | (+500,000) |
| Financial control and management systems | 15,066,000 | 17,325,000 | 17,325,000 | +2,259,000 | --- |
| Trust funds | (8,063,000) | (9,847,000) | (10,147,000) | (+2,084,000) | (+300,000) |
| Executive direction and administration | 3,130,000 | 3,302,000 | 3,302,000 | +172,000 | --- |
| Trust funds | (2,475,000) | (2,742,000) | (2,742,000) | (+267,000) | --- |
| Regional operations | 26,064,000 | 25,974,000 | 27,418,000 | +1,354,000 | +1,444,000 |
| Trust funds | (15,281,000) | (15,708,000) | (18,559,000) | (+3,278,000) | (+2,851,000) |
| Apprenticeship services | 13,213,000 | 14,415,000 | 14,415,000 | +1,202,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -1,044,000 | -1,044,000 | -1,044,000 |
| Trust funds | --- | --- | (-557,000) | (-557,000) | (-557,000) |
| Total, Program Administration | 112,839,000 | 117,022,000 | 120,321,000 | +7,482,000 | +3,299,000 |
| Federal funds | 68,076,000 | 73,691,000 | 73,896,000 | +5,820,000 | +205,000 |
| Trust funds | (44,763,000) | (43,331,000) | (46,425,000) | (+1,662,000) | (+3,094,000) |
| TRAINING AND EMPLOYMENT SERVICES | | | | | |
| Grants to States: | | | | | |
| Block grant | 1,840,000,000 | 1,783,000,000 | 1,880,000,000 | +40,000,000 | +97,000,000 |
| Summer youth employment and training program: Summer 1988 and 1989 | 750,000,000 | 650,000,000 | 750,000,000 | --- | +100,000,000 |
| Dislocated worker assistance (program replacement pending) | (200,000,000) | --- | DEFER | DEFER | DEFER |
| Federally administered programs: | | | | | |
| Native Americans | 61,484,000 | 58,839,000 | 62,370,000 | +886,000 | +3,531,000 |
| Migrants and seasonal farmworkers | 59,621,000 | 57,056,000 | 70,480,000 | +10,859,000 | +13,424,000 |
| Job Corps | 656,350,000 | 651,684,000 | 783,500,000 | +127,150,000 | +131,816,000 |
| Veterans' employment | 10,058,000 | 10,043,000 | 10,409,000 | +351,000 | +366,000 |
| National activities: | | | | | |
| Pilots and demonstrations | 31,620,000 | 40,698,000 | 40,698,000 | +9,078,000 | --- |
| Research, demonstration and evaluation | 14,406,000 | 19,038,000 | 19,038,000 | +4,632,000 | --- |
| Other | 26,690,000 | 15,190,000 | 23,190,000 | -3,500,000 | +8,000,000 |
| Subtotal, National activities | 72,716,000 | 74,926,000 | 82,926,000 | +10,210,000 | +8,000,000 |
| Subtotal, Federal activities | 860,229,000 | 852,548,000 | 1,009,685,000 | +149,456,000 | +157,137,000 |
| Total, Job Training Partnership Act | 3,450,229,000 | 3,285,548,000 | 3,639,685,000 | +189,456,000 | +354,137,000 |
| Trade adjustment program activities | 49,900,000 | --- | 50,000,000 | +100,000 | +50,000,000 |
| Homeless job training | --- | --- | 8,000,000 | +8,000,000 | +8,000,000 |
| Total, Training and Employment Services 1/ | 3,500,129,000 | 3,285,548,000 | 3,697,685,000 | +197,556,000 | +412,137,000 |

1/ Excludes $1,130,000,000 for new retraining programs proposed for later transmittal in FY 1988 Budget.

## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS (unauthorized) | (336,000,000) | (326,000,000) | DEFER | DEFER | DEFER |
| FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES | | | | | |
| Trade adjustment assistance | 114,000,000 | 138,000,000 | 138,000,000 | +24,000,000 | --- |
| Unemployment assistance and payments under other Federal unemployment programs | 4,000,000 | 3,000,000 | 3,000,000 | -1,000,000 | --- |
| Total, FUBA | 118,000,000 | 141,000,000 | 141,000,000 | +23,000,000 | --- |
| STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS | | | | | |
| Unemployment Compensation (Trust Funds): | | | | | |
| State Operations | (1,244,132,000) | (1,285,738,000) | (1,285,738,000) | (+41,606,000) | --- |
| State integrity activities | (212,754,000) | (255,829,000) | (255,829,000) | (+43,075,000) | --- |
| National Activities | (2,272,000) | (10,185,000) | (10,185,000) | (+7,913,000) | --- |
| Contingency | (178,410,000) | (122,866,000) | (182,866,000) | (+4,456,000) | (+60,000,000) |
| Subtotal, Unemployment Compensation(trust funds) | (1,637,568,000) | (1,674,618,000) | (1,734,618,000) | (+97,050,000) | (+60,000,000) |
| Employment Service: | | | | | |
| Allotments to States: | | | | | |
| Federal funds | 22,700,000 | 22,700,000 | 22,700,000 | --- | --- |
| Trust funds | (732,500,000) | (636,273,000) | (732,500,000) | --- | (+96,227,000) |
| Subtotal | 755,200,000 | 658,973,000 | 755,200,000 | --- | +96,227,000 |
| National Activities: | | | | | |
| Federal funds | 700,000 | 700,000 | 700,000 | --- | --- |
| Trust funds | (36,833,000) | (28,894,000) | (68,894,000) | (+32,061,000) | (+40,000,000) |
| Subtotal, Employment Service | 792,733,000 | 688,567,000 | 824,794,000 | +32,061,000 | +136,227,000 |
| Federal funds | 23,400,000 | 23,400,000 | 23,400,000 | --- | --- |
| Trust funds | (769,333,000) | (665,167,000) | (801,394,000) | (+32,061,000) | (+136,227,000) |
| Total, State Unempl. Ins. and Empl. Ser. Opers. | 2,430,301,000 | 2,363,185,000 | 2,559,412,000 | +129,111,000 | +196,227,000 |
| Federal Funds | 23,400,000 | 23,400,000 | 23,400,000 | --- | --- |
| Trust Funds | (2,406,901,000) | (2,339,785,000) | (2,536,012,000) | (+129,111,000) | (+196,227,000) |
| ADVANCES TO UNEMPLOYMENT TRUST FUND AND OTHER FUNDS | --- | 30,000,000 | 30,000,000 | +30,000,000 | --- |
| Total, Employment & Training Administration | 6,161,269,000 | 5,936,755,000 | 6,548,418,000 | +387,149,000 | +611,663,000 |
| Federal funds | 3,709,605,000 | 3,553,639,000 | 3,965,981,000 | +256,376,000 | +412,342,000 |
| Trust funds | (2,451,664,000) | (2,383,116,000) | (2,582,437,000) | (+130,773,000) | (+199,321,000) |
| LABOR - MANAGEMENT SERVICES | | | | | |
| SALARIES AND EXPENSES | | | | | |
| Labor-management relations service | 4,904,000 | 5,951,000 | 5,951,000 | +1,047,000 | --- |
| Labor-management standards enforcement | 23,735,000 | 26,020,000 | 26,020,000 | +2,285,000 | --- |
| Pension and welfare benefit programs | 33,636,000 | 50,102,000 | 50,102,000 | +16,466,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -881,000 | -881,000 | -881,000 |
| Total, LMS | 62,275,000 | 82,073,000 | 81,192,000 | +18,917,000 | -881,000 |
| PENSION BENEFIT GUARANTY CORPORATION | | | | | |
| Program Administration (Trust Funds) | (36,874,000) | (40,446,000) | (40,034,000) | (+3,160,000) | (-412,000) |
| EMPLOYMENT STANDARDS ADMINISTRATION | | | | | |
| SALARIES AND EXPENSES | | | | | |
| Enforcement of wage and hour standards | 78,018,000 | 87,795,000 | 87,275,000 | +9,257,000 | -520,000 |
| Federal contractor EEO standards enforcement | 47,191,000 | 51,796,000 | 53,865,000 | +6,674,000 | +2,069,000 |
| Federal programs for workers' compensation | 53,073,000 | 65,631,000 | 64,735,000 | +11,662,000 | -896,000 |
| Trust funds | (441,000) | (488,000) | (488,000) | (+47,000) | --- |
| Executive direction and support services | 12,768,000 | 14,413,000 | 14,081,000 | +1,313,000 | -332,000 |
| Prior year unobligated balances | -8,000,000 | --- | --- | +8,000,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -2,871,000 | -2,871,000 | -2,871,000 |
| Total, salaries and expenses | 183,491,000 | 220,123,000 | 217,573,000 | +34,082,000 | -2,550,000 |
| Federal funds | 183,050,000 | 219,635,000 | 217,085,000 | +34,035,000 | -2,550,000 |
| Trust funds | (441,000) | (488,000) | (488,000) | (+47,000) | --- |
| SPECIAL BENEFITS | | | | | |
| Federal employees compensation act benefits | 259,400,000 | 170,000,000 | 253,177,000 | -6,223,000 | +83,177,000 |
| Longshore and harbor workers' benefits | 4,200,000 | 4,000,000 | 4,000,000 | -200,000 | --- |
| Total, Special Benefits | 263,600,000 | 174,000,000 | 257,177,000 | -6,423,000 | +83,177,000 |

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| BLACK LUNG DISABILILTY TRUST FUND | | | | | |
| Benefit payments and interest on advances | 186,687,000 | 594,522,000 | 594,522,000 | +407,835,000 | --- |
| Employment Standards Admin., salaries & expenses | 26,346,000 | 28,556,000 | 28,293,000 | +1,947,000 | -263,000 |
| Departmental Management, salaries and expenses | 22,095,000 | 23,851,000 | 23,521,000 | +1,426,000 | -330,000 |
| Departmental Management, inspector general | 612,000 | 515,000 | 506,000 | -106,000 | -9,000 |
| Subtotal, Black Lung Disablty. Trust Fund, apprn | 235,740,000 | 647,444,000 | 646,842,000 | +411,102,000 | -602,000 |
| Treasury administrative costs (indefinite) | 756,000 | 756,000 | 756,000 | --- | --- |
| Repayment of Advances (indefinite) | --- | 38,800,000 | 38,800,000 | +38,800,000 | --- |
| Subtotal, indefinites | 756,000 | 39,556,000 | 39,556,000 | +38,800,000 | --- |
| Total, Employment Standards Administration | 683,587,000 | 1,081,123,000 | 1,161,148,000 | +477,561,000 | +80,025,000 |
| Federal funds | 683,146,000 | 1,080,635,000 | 1,160,660,000 | +477,514,000 | +80,025,000 |
| Trust funds | (441,000) | (488,000) | (488,000) | (+47,000) | --- |
| OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION | | | | | |
| SALARIES AND EXPENSES | | | | | |
| Safety and health standards | 6,345,000 | 6,828,000 | 6,828,000 | +483,000 | --- |
| Enforcement: | | | | | |
| Federal Enforcement | 91,915,000 | 114,717,000 | 114,717,000 | +22,802,000 | --- |
| State programs | 54,921,000 | 42,327,000 | 42,327,000 | -12,594,000 | --- |
| Technical Support | 14,965,000 | 17,379,000 | 17,379,000 | +2,414,000 | --- |
| Compliance Assistance | 36,289,000 | 38,034,000 | 38,034,000 | +1,745,000 | --- |
| Safety and health statistics | 18,862,000 | 20,503,000 | 20,503,000 | +1,641,000 | --- |
| Executive direction and administration | 5,630,000 | 6,072,000 | 6,072,000 | +442,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -1,859,000 | -1,859,000 | -1,859,000 |
| Total, OSHA | 228,927,000 | 245,860,000 | 244,001,000 | +15,074,000 | -1,859,000 |
| MINE SAFETY AND HEALTH ADMINISTRATION | | | | | |
| SALARIES AND EXPENSES | | | | | |
| Enforcement: | | | | | |
| Coal | 81,084,000 | 85,343,000 | 85,343,000 | +4,259,000 | --- |
| Metal/nonmetal | 31,190,000 | 33,521,000 | 33,521,000 | +2,331,000 | --- |
| Standards development | 1,117,000 | 1,208,000 | 1,208,000 | +91,000 | --- |
| Assessments | 2,013,000 | 2,161,000 | 2,161,000 | +148,000 | --- |
| Educational policy and development | 11,808,000 | 12,199,000 | 12,199,000 | +391,000 | --- |
| Technical support | 20,411,000 | 21,300,000 | 21,300,000 | +889,000 | --- |
| Program administration | 10,798,000 | 11,556,000 | 11,556,000 | +758,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -2,414,000 | -2,414,000 | -2,414,000 |
| Total, Mine Safety and Health Administration | 158,421,000 | 167,288,000 | 164,874,000 | +6,453,000 | -2,414,000 |
| BUREAU OF LABOR STATISTICS | | | | | |
| SALARIES AND EXPENSES | | | | | |
| Employment and Unemployment Statistics | 59,769,000 | 62,986,000 | 62,986,000 | +3,217,000 | --- |
| Labor Market Information (Trust Funds) | (37,872,000) | (43,419,000) | (43,419,000) | (+5,547,000) | --- |
| Prices and cost of living | 53,341,000 | 60,225,000 | 60,225,000 | +6,884,000 | --- |
| Wages and industrial relations | 20,676,000 | 22,188,000 | 22,188,000 | +1,512,000 | --- |
| Productivity and technology | 5,065,000 | 5,487,000 | 5,487,000 | +422,000 | --- |
| Economic growth and employment projections | 3,104,000 | 3,386,000 | 3,386,000 | +282,000 | --- |
| Executive direction and staff services | 20,456,000 | 21,830,000 | 22,830,000 | +2,374,000 | +1,000,000 |
| Consumer Price Index Revision | 11,393,000 | 9,184,000 | 9,184,000 | -2,209,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -1,453,000 | -1,453,000 | -1,453,000 |
| Total, Bureau of Labor Statistics | 211,676,000 | 228,705,000 | 228,252,000 | +16,576,000 | -453,000 |
| Federal Funds | 173,804,000 | 185,286,000 | 184,833,000 | +11,029,000 | -453,000 |
| Trust Funds | (37,872,000) | (43,419,000) | (43,419,000) | (+5,547,000) | --- |
| DEPARTMENTAL MANAGEMENT | | | | | |
| SALARIES AND EXPENSES | | | | | |
| Executive direction | 13,446,000 | 15,575,000 | 15,575,000 | +2,129,000 | --- |
| Legal services | 41,405,000 | 48,364,000 | 48,364,000 | +6,959,000 | --- |
| Trust funds | (263,000) | (291,000) | (291,000) | (+28,000) | --- |
| International labor affairs | 4,523,000 | 6,231,000 | 6,231,000 | +1,708,000 | --- |
| Administration and management | 24,477,000 | 26,255,000 | 26,255,000 | +1,778,000 | --- |
| Adjudication | 12,758,000 | 12,445,000 | 12,445,000 | -313,000 | --- |
| Promoting employment of the handicapped | 2,435,000 | 2,542,000 | 2,542,000 | +107,000 | --- |
| Women's Bureau | 5,848,000 | 6,330,000 | 6,330,000 | +482,000 | --- |
| Civil Rights Activities | 3,238,000 | 3,899,000 | 3,899,000 | +661,000 | --- |
| Drugs in the workplace | 3,000,000 | --- | --- | -3,000,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -1,600,000 | -1,600,000 | -1,600,000 |
| Trust funds | --- | --- | (-5,000) | (-5,000) | (-5,000) |
| Total, Salaries and expenses | 111,393,000 | 121,932,000 | 120,327,000 | +8,934,000 | -1,605,000 |
| Federal funds | 111,130,000 | 121,641,000 | 120,041,000 | +8,911,000 | -1,600,000 |
| Trust funds | (263,000) | (291,000) | (286,000) | (+23,000) | (-5,000) |

## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| VETERANS EMPLOYMENT AND TRAINING | | | | | |
| State Administration: | | | | | |
| Disabled Veterans Outreach Program | (69,450,000) | (72,019,000) | (72,019,000) | (+2,569,000) | --- |
| Local Veterans Employment Program | (56,932,000) | (51,527,000) | (59,039,000) | (+2,107,000) | (+7,512,000) |
| Subtotal, State Administration | (126,382,000) | (123,546,000) | (131,058,000) | (+4,676,000) | (+7,512,000) |
| Federal Administration | (13,128,000) | (15,019,000) | (14,768,000) | (+1,640,000) | (-251,000) |
| Total, Trust Funds | (139,510,000) | (138,565,000) | (145,826,000) | (+6,316,000) | (+7,261,000) |
| OFFICE OF THE INSPECTOR GENERAL | | | | | |
| Audit: | | | | | |
| Federal funds | 19,650,000 | 20,680,000 | 20,680,000 | +1,030,000 | --- |
| Trust funds | (4,792,000) | (5,386,000) | (5,386,000) | (+594,000) | --- |
| Investigation: | | | | | |
| Federal funds | 5,833,000 | 6,382,000 | 6,382,000 | +549,000 | --- |
| Trust funds | (1,248,000) | (1,182,000) | (1,182,000) | (-66,000) | --- |
| Office of Labor Racketeering | 6,564,000 | 7,461,000 | 7,661,000 | +1,097,000 | +200,000 |
| Executive Direction and Administration | 3,802,000 | 4,077,000 | 4,077,000 | +275,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -576,000 | -576,000 | -576,000 |
| Trust funds | --- | --- | (-92,000) | (-92,000) | (-92,000) |
| Total, Office of the Inspector General | 41,889,000 | 45,168,000 | 44,700,000 | +2,811,000 | -468,000 |
| Federal funds | 35,849,000 | 38,600,000 | 38,224,000 | +2,375,000 | -376,000 |
| Trust funds | (6,040,000) | (6,568,000) | (6,476,000) | (+436,000) | (-92,000) |
| SPECIAL FOREIGN CURRENCY PROGRAM | 47,000 | --- | --- | -47,000 | --- |
| Total, Departmental Management | 292,839,000 | 305,665,000 | 310,853,000 | +18,014,000 | +5,188,000 |
| Federal funds | 147,026,000 | 160,241,000 | 158,265,000 | +11,239,000 | -1,976,000 |
| Trust funds | (145,813,000) | (145,424,000) | (152,588,000) | (+6,775,000) | (+7,164,000) |
| Total, Labor Department | 7,835,868,000 | 8,087,915,000 | 8,778,772,000 | +942,904,000 | +690,857,000 |
| Federal funds | 5,163,204,000 | 5,475,022,000 | 5,959,806,000 | +796,602,000 | +484,784,000 |
| (Unauthorized) | (536,000,000) | (326,000,000) | DEFER | DEFER | DEFER |
| Trust funds | (2,672,664,000) | (2,612,893,000) | (2,818,966,000) | (+146,302,000) | (+206,073,000) |
| TITLE II--DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | |
| OFFICE OF THE SECRETARY | | | | | |
| PRIORITY DISEASE CONTROL AND RESEARCH ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS) 1/ | | | | | |
| Health Resources and Services Administration | 11,900,000 | 6,600,000 | 38,500,000 | +26,600,000 | +31,900,000 |
| Public Health Emergency Fund | 30,000,000 | --- | --- | -30,000,000 | --- |
| Centers for Disease Control | 136,249,000 | 234,011,000 | 306,750,000 | +170,501,000 | +72,739,000 |
| National Institutes of Health: | | | | | |
| National Cancer Institute | 61,674,000 | 93,946,000 | 93,946,000 | +32,272,000 | --- |
| National Heart, Lung, and Blood Institute | 17,091,000 | 25,839,000 | 25,839,000 | +8,748,000 | --- |
| National Institute of Dental Research | 2,733,000 | 3,310,000 | 3,310,000 | +577,000 | --- |
| National Institute of Diabetes, Digestive, and Kidney Diseases | --- | 3,500,000 | 3,500,000 | +3,500,000 | --- |
| National Institute of Neurological and Communicative Disorders and Stroke | 2,413,000 | 12,755,000 | 12,755,000 | +10,342,000 | --- |
| National Institue of Allergy and Infectious Diseases | 145,850,000 | 223,323,000 | 223,323,000 | +77,473,000 | --- |
| National Institute of General Medical Sciences | --- | 2,500,000 | 2,500,000 | +2,500,000 | --- |
| National Institute of Child Health and Human Development | 4,186,000 | 9,928,000 | 9,928,000 | +5,742,000 | --- |
| National Eye Institute | 250,000 | 4,000,000 | 4,000,000 | +3,750,000 | --- |
| National Institute of Environmental Health Sciences | 250,000 | 4,091,000 | 4,091,000 | +3,841,000 | --- |
| National Institute on Aging | 252,000 | 377,000 | 377,000 | +125,000 | --- |
| Research Resources | 7,784,000 | 25,661,000 | 25,661,000 | +17,877,000 | --- |
| National Center for Nursing Research | --- | 533,000 | 533,000 | +533,000 | --- |
| John E. Fogarty International Center | --- | 1,200,000 | 1,200,000 | +1,200,000 | --- |
| Office of the Director | 10,000,000 | 11,465,000 | 61,465,000 | +51,465,000 | +50,000,000 |
| Subtotal, NIH | 252,483,000 | 422,428,000 | 472,428,000 | +219,945,000 | +50,000,000 |
| Alcohol, Drug Abuse & Mental Health Administration | 48,553,000 | 101,252,000 | 101,252,000 | +52,699,000 | --- |
| Office of the Secretary | --- | 2,100,000 | 5,000,000 | +5,000,000 | +2,900,000 |
| Office of Minority Health | --- | --- | 1,500,000 | +1,500,000 | +1,500,000 |
| Contingency funds | --- | --- | 20,000,000 | +20,000,000 | +20,000,000 |
| Total Priority disease control and research (AIDS) | 479,185,000 | 766,391,000 | 945,430,000 | +466,245,000 | +179,039,000 |

1/ President's budget as amended June, 1987.

## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| HEALTH RESOURCES AND SERVICES ADMINISTRATION | | | | | |
| HEALTH RESOURCES AND SERVICES 1/ | | | | | |
| Health Care Delivery and Assistance: | | | | | |
| Maternal and Child Health Block Grant | 496,750,000 | 478,000,000 | 535,000,000 | +38,250,000 | +57,000,000 |
| Native Hawaiian child health (sec. 301) | 1,000,000 | --- | --- | -1,000,000 | --- |
| Community health centers 1/ | 415,500,000 | 400,000,000 | 400,000,000 | -15,500,000 | --- |
| Health care for the homeless | 46,000,000 | --- | 30,000,000 | -16,000,000 | +30,000,000 |
| Migrant health | 45,400,000 | 45,400,000 | 45,400,000 | --- | --- |
| Black lung clinics | 3,400,000 | 3,400,000 | 3,400,000 | --- | --- |
| National Health Service Corps (unauthorized) | (44,034,000) | (43,163,000) | DEFER | DEFER | DEFER |
| (Limitation on direct loans) (unauthorized) | (1,000,000) | (1,000,000) | DEFER | DEFER | DEFER |
| Hansen's disease services (Carville) | 18,688,000 | 19,057,000 | 19,057,000 | +369,000 | --- |
| Payment to Hawaii treatment of Hansen's Disease | 3,300,000 | 3,300,000 | 3,300,000 | --- | --- |
| Rural Health Research | --- | --- | 1,500,000 | +1,500,000 | +1,500,000 |
| Total, Health Care Delivery & Assistance | 1,030,038,000 | 949,157,000 | 1,037,657,000 | +7,619,000 | +88,500,000 |
| Health Professions: | | | | | |
| Health professions student assistance: | | | | | |
| National Health Service Scholarships (unauth). | (2,300,000) | --- | DEFER | DEFER | DEFER |
| Exceptional need scholarships | 7,000,000 | --- | 7,000,000 | --- | +7,000,000 |
| Health professions institutional assistance: | | | | | |
| Financial distress | 3,800,000 | --- | --- | -3,800,000 | --- |
| Public health/health administration: | | | | | |
| Public Health capitation | 5,000,000 | --- | 5,000,000 | --- | +5,000,000 |
| Health Administration grants | 1,500,000 | --- | 1,500,000 | --- | +1,500,000 |
| Public Health traineeships | 3,000,000 | --- | 3,000,000 | --- | +3,000,000 |
| Health Administration traineeships | 500,000 | --- | 500,000 | --- | +500,000 |
| Preventive medicine residencies | 1,600,000 | --- | 1,600,000 | --- | +1,600,000 |
| Subtotal, PH/HA | 11,600,000 | --- | 11,600,000 | --- | +11,600,000 |
| Family Med/Gen Dentistry res. & trns | 35,960,000 | 21,300,000 | 38,000,000 | +2,040,000 | +16,700,000 |
| General Internal Medicine and Pediatrics | 18,500,000 | --- | 18,500,000 | --- | +18,500,000 |
| Family medicine departments | 7,000,000 | 5,000,000 | 7,000,000 | --- | +2,000,000 |
| Physician assistants | 4,800,000 | --- | 4,800,000 | --- | +4,800,000 |
| Area health education centers | 18,000,000 | --- | 18,000,000 | --- | +18,000,000 |
| Health professions data analysis | 2,000,000 | --- | 2,000,000 | --- | +2,000,000 |
| Disadvantaged Assistance | 27,250,000 | --- | 30,000,000 | +2,750,000 | +30,000,000 |
| Special Projects: (sections 788 and 301) | | | | | |
| Health professions spec ed initiatives | 2,500,000 | 4,200,000 | 2,500,000 | --- | -1,700,000 |
| Geriatric training research | 10,000,000 | --- | 12,000,000 | +2,000,000 | +12,000,000 |
| Two year medical schools | 500,000 | --- | 500,000 | --- | +500,000 |
| Subtotal, special projects | 13,000,000 | 4,200,000 | 15,000,000 | +2,000,000 | +10,800,000 |
| Pediatric emergency care | 2,000,000 | --- | --- | -2,000,000 | --- |
| Pacific Basin activities (including Medical Officer training) | 1,500,000 | --- | 1,229,000 | -271,000 | +1,229,000 |
| Nurse training: | | | | | |
| Advanced nurse training | 16,750,000 | --- | 17,500,000 | +750,000 | +17,500,000 |
| Nurse practitioner | 12,000,000 | --- | 12,000,000 | --- | +12,000,000 |
| Special projects (includes sec. 820 (d)(2)) | 11,175,000 | --- | 12,200,000 | +1,025,000 | +12,200,000 |
| Traineeships | 11,750,000 | --- | 13,000,000 | +1,250,000 | +13,000,000 |
| Nurse Anesthetists | 800,000 | --- | 800,000 | --- | +800,000 |
| Faculty fellowships | 825,000 | --- | 800,000 | -25,000 | +800,000 |
| Subtotal, Nurse training | 53,300,000 | --- | 56,300,000 | +3,000,000 | +56,300,000 |
| Total, Health professions | 205,710,000 | 30,500,000 | 209,429,000 | +3,719,000 | +178,929,000 |
| Resources Development: | | | | | |
| Organ transplants | 7,400,000 | --- | 4,000,000 | -3,400,000 | +4,000,000 |
| Outpatient health facilities construction | 5,000,000 | --- | --- | -5,000,000 | --- |
| Health teaching facilities | --- | 100,000 | 100,000 | +100,000 | --- |
| Total, Resources Development | 12,400,000 | 100,000 | 4,100,000 | -8,300,000 | +4,000,000 |
| Buildings and facilities | 750,000 | 750,000 | 750,000 | --- | --- |
| Program management/Program support, HRSA | 91,165,000 | 76,707,000 | 91,540,000 | +375,000 | +14,833,000 |
| Total, Health Resources and Services | 1,340,063,000 | 1,057,214,000 | 1,343,476,000 | +3,413,000 | +286,262,000 |
| (Unauthorized) | (46,334,000) | (43,163,000) | DEFER | DEFER | DEFER |
| MEDICAL FACILITIES GUARANTEE AND LOAN FUND | 20,000,000 | 22,000,000 | 22,000,000 | +2,000,000 | --- |
| HEAL loan guarantees (non-add) 2/ | (290,000,000) | (100,000,000) | (305,000,000) | (+15,000,000) | (+205,000,000) |

1/ Includes reprogramming of $15,500,000 from NHSC.

1/ AIDS funding considered under consolidated AIDS account, Office of the Secretary.

2/ Recommendation is authorization level not included in bill.

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| CENTERS FOR DISEASE CONTROL 1/ | | | | | |
| DISEASE CONTROL | | | | | |
| Preventive Health Services Block Grant (unauthorized). | (89,525,000) | (89,536,000) | DEFER | DEFER | DEFER |
| Prevention centers (unauthorized) | (1,500,000) | --- | DEFER | DEFER | DEFER |
| Sexually transmitted diseases: (unauthorized) | | | | | |
| Grants | (50,000,000) | (46,000,000) | DEFER | DEFER | DEFER |
| Direct operations | (10,691,000) | (11,079,000) | DEFER | DEFER | DEFER |
| Subtotal, unauthorized | (60,691,000) | (57,079,000) | DEFER | DEFER | DEFER |
| Immunization: (unauthorized) | | | | | |
| Grants | (75,000,000) | (80,924,000) | DEFER | DEFER | DEFER |
| Direct operations | (8,375,000) | (8,580,000) | DEFER | DEFER | DEFER |
| Vaccine stockpile | (4,000,000) | (4,000,000) | DEFER | DEFER | DEFER |
| Subtotal, unauthorized | (87,375,000) | (93,504,000) | DEFER | DEFER | DEFER |
| Infectious disease | 36,250,000 | 41,676,000 | 43,125,000 | +6,875,000 | +1,449,000 |
| Tuberculosis grants (unauthorized) | 7,000,000 | --- | DEFER | DEFER | DEFER |
| Chronic & environmental disease prevention | 34,001,000 | 31,932,000 | 45,272,000 | +11,271,000 | +13,340,000 |
| Occupational Safety and Health (NIOSH): | | | | | |
| Research | 60,193,000 | 59,433,000 | 62,975,000 | +2,782,000 | +3,542,000 |
| Training | 9,900,000 | 6,600,000 | 9,900,000 | --- | +3,300,000 |
| Subtotal, NIOSH | 70,093,000 | 66,033,000 | 72,875,000 | +2,782,000 | +6,842,000 |
| Epidemic services | 53,351,000 | 55,452,000 | 57,193,000 | +3,842,000 | +1,741,000 |
| Buildings and facilities | 11,800,000 | 2,000,000 | 2,000,000 | -9,800,000 | --- |
| Program management | 2,963,000 | 3,233,000 | 3,233,000 | +270,000 | --- |
| Federal Retiree Cost Savings | 1,237,000 | --- | -1,721,000 | -2,958,000 | -1,721,000 |
| Total, Disease Control | 209,695,000 | 200,326,000 | 221,977,000 | +12,282,000 | +21,651,000 |
| (Unauthorized) | (246,091,000) | (240,119,000) | DEFER | DEFER | DEFER |
| NATIONAL INSTITUTES OF HEALTH 2/ | | | | | |
| National Cancer Institute | 1,346,257,000 | 1,217,927,000 | 1,448,411,000 | +102,154,000 | +230,484,000 |
| National Heart, Lung, and Blood Institute | 913,278,000 | 801,064,000 | 990,808,000 | +77,530,000 | +189,744,000 |
| National Institute of Dental Research | 115,323,000 | 105,266,000 | 128,965,000 | +13,642,000 | +23,699,000 |
| National Institute of Diabetes, Digestive, and Kidney Diseases | 511,430,000 | 440,504,000 | 563,768,000 | +52,338,000 | +123,264,000 |
| National Institute of Neurological and Communicative Disorders and Stroke | 488,140,000 | 420,250,000 | 554,039,000 | +65,899,000 | +133,789,000 |
| National Institute of Allergy and Infectious Diseases. | 399,985,000 | 349,429,000 | 439,667,000 | +39,682,000 | +90,238,000 |
| National Institute of General Medical Sciences | 571,221,000 | 482,004,000 | 666,037,000 | +94,816,000 | +184,033,000 |
| National Institute of Child Health and Human Development | 362,811,000 | 312,604,000 | 405,673,000 | +42,862,000 | +93,069,000 |
| National Eye Institute | 216,542,000 | 184,564,000 | 234,382,000 | +17,840,000 | +49,818,000 |
| National Institute of Environmental Health Sciences | 209,201,000 | 196,856,000 | 225,724,000 | +16,523,000 | +28,868,000 |
| National Institute on Aging | 177,540,000 | 155,797,000 | 203,034,000 | +25,494,000 | +47,237,000 |
| National Institute of Arthritis and Musculoskeletal and Skin Diseases | 138,780,000 | 123,009,000 | 154,632,000 | +15,852,000 | +31,623,000 |
| Research Resources | 315,122,000 | 254,754,000 | 338,991,000 | +23,869,000 | +84,237,000 |
| National Center for Nursing Research | 20,018,000 | 15,997,000 | 24,744,000 | +4,726,000 | +8,747,000 |
| John E. Fogerty International Center | 11,429,000 | 11,166,000 | 12,128,000 | +699,000 | +962,000 |
| National Library of Medicine | 61,926,000 | 64,399,000 | 71,465,000 | +9,539,000 | +7,066,000 |
| Office of the Director | 47,312,000 | 49,819,000 | 71,389,000 | +24,077,000 | +21,570,000 |
| Buildings and facilities | 31,900,000 | 5,000,000 | 30,000,000 | -1,900,000 | +25,000,000 |
| Total, National Institutes of Health | 5,938,215,000 | 5,190,409,000 | 6,563,857,000 | +625,642,000 | +1,373,448,000 |

1/ AIDS funding considered under consolidated account, Office of the Secretary.

2/ $2,726,000,000 requested for the forward funding of research grants not considered by the Committee. $422,428,000 requested for AIDS considered under consolidated AIDS account, Office of the Secretary.

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION | | | | | |
| ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH 2/ | | | | | |
| Alcohol, Drug Abuse and Mental Health Block Grant (unauthorized) | (508,860,000) | (495,000,000) | DEFER | DEFER | DEFER |
| Office of Substance Abuse : (unauthorized) | | | | | |
| Substance Abuse Grants to States | (162,855,000) | --- | DEFER | DEFER | DEFER |
| Federal demonstration grants 1/ | (52,569,000) | (11,264,000) | DEFER | DEFER | DEFER |
| Homeless to States | 32,200,000 | --- | --- | -32,200,000 | --- |
| Mental Health: | | | | | |
| Research | 235,406,000 | 216,852,000 | 265,541,000 | +30,135,000 | +48,689,000 |
| Research training | 19,000,000 | 19,949,000 | 19,949,000 | +949,000 | --- |
| Clinical training | 15,000,000 | 5,000,000 | 17,500,000 | +2,500,000 | +12,500,000 |
| Mental Health Services Demonstrations (Gen'l CSP) | 15,000,000 | 20,000,000 | 20,000,000 | +5,000,000 | --- |
| Mental Health Services Demonstrations (Homeless) | 9,300,000 | --- | --- | -9,300,000 | --- |
| Protection and advocacy | 10,500,000 | 7,000,000 | 10,800,000 | +300,000 | +3,800,000 |
| Direct operations | 33,348,000 | 34,225,000 | 34,225,000 | +877,000 | --- |
| Subtotal, mental health | 337,554,000 | 303,026,000 | 368,015,000 | +30,461,000 | +64,989,000 |
| Drug Abuse: | | | | | |
| Research (unauthorized) | (107,000,000) | (74,881,000) | DEFER | DEFER | DEFER |
| Research training | 2,250,000 | 2,400,000 | 2,400,000 | +150,000 | --- |
| Direct operations | 12,227,000 | 12,154,000 | 12,154,000 | -73,000 | --- |
| Subtotal, drug abuse | 14,477,000 | 14,554,000 | 14,554,000 | +77,000 | --- |
| Alcoholism: | | | | | |
| Research (unauthorized) | (69,075,000) | (64,153,000) | DEFER | DEFER | DEFER |
| Alcohol services demonstration, homeless | 9,200,000 | --- | --- | -9,200,000 | --- |
| Research training | 2,500,000 | 2,651,000 | 2,651,000 | +151,000 | --- |
| Direct operations | 9,517,000 | 9,762,000 | 9,762,000 | +245,000 | --- |
| Subtotal, alcoholism | 21,217,000 | 12,413,000 | 12,413,000 | -8,804,000 | --- |
| Buildings and facilities | 600,000 | 200,000 | 200,000 | -400,000 | --- |
| Program management, ADAMHA | 10,928,000 | 7,965,000 | 7,965,000 | -2,963,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -1,365,000 | -1,365,000 | -1,365,000 |
| Total, Alcohol, Drug Abuse & Mental Health | 416,976,000 | 338,158,000 | 401,782,000 | -15,194,000 | +63,624,000 |
| (Unauthorized) | (900,359,000) | (645,298,000) | DEFER | DEFER | DEFER |
| ST. ELIZABETH'S HOSPITAL: | | | | | |
| Operating budget | 141,182,000 | 68,312,000 | 68,312,000 | -72,870,000 | --- |
| Less reimbursements | -100,401,000 | --- | --- | +100,401,000 | --- |
| Subtotal, St. Elizabeth's Hospital | 40,781,000 | 68,312,000 | 68,312,000 | +27,531,000 | --- |
| New advance, biennial budget, FY 89 | --- | 24,000,000 | --- | --- | -24,000,000 |
| Total, ADAMHA | 457,757,000 | 430,470,000 | 470,094,000 | +12,337,000 | +39,624,000 |
| OFFICE OF THE ASSISTANT SECRETARY FOR HEALTH | | | | | |
| PUBLIC HEALTH SERVICE MANAGEMENT | | | | | |
| Health Services Research and Technology Assessment (unauthorized): | | | | | |
| Research | (17,277,000) | (17,459,000) | DEFER | DEFER | DEFER |
| Trust funds | (1,050,000) | (1,050,000) | DEFER | DEFER | DEFER |
| Program support | (1,568,000) | (1,720,000) | DEFER | DEFER | DEFER |
| Subtotal, unauthorized | (18,845,000) | (19,179,000) | DEFER | DEFER | DEFER |
| Health Statistics (unauthorized): | | | | | |
| Program operations | (49,025,000) | (47,770,000) | DEFER | DEFER | DEFER |
| Program support | (3,100,000) | (3,345,000) | DEFER | DEFER | DEFER |
| Subtotal, unauthorized | (52,125,000) | (51,115,000) | DEFER | DEFER | DEFER |
| Population Affairs: | | | | | |
| Adolescent family life (unauthorized) | (14,097,000) | (10,074,000) | DEFER | DEFER | DEFER |
| Family planning 3/ (unauthorized) | (145,798,000) | (144,059,000) | DEFER | DEFER | DEFER |
| Health Initiatives : (deferred action) | | | | | |
| Disease Prevention, health promotion 4/ | (3,657,000) | (3,067,000) | DEFER | DEFER | DEFER |
| Lister Hill Health Prevention Center | (5,000,000) | --- | DEFER | DEFER | DEFER |
| Minority health | (3,000,000) | (3,000,000) | DEFER | DEFER | DEFER |
| Physical fitness and sports | (1,378,000) | (1,466,000) | DEFER | DEFER | DEFER |
| Health Service Management (deferred action) | (18,783,000) | (19,087,000) | DEFER | DEFER | DEFER |
| Total, PHS management | --- | --- | --- | --- | --- |
| (Unauthorized & deferred action) | (262,683,000) | (251,047,000) | DEFER | DEFER | DEFER |

1/ Excludes $10,395,000 transferred to VA.

2/ AIDS funding considered under consolidated account, Office of the Secretary.

3/ Proposed for transfer from HRSA.

4/ Includes Presidents's Council.

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| RETIREMENT PAY AND MED. BENEFITS FOR COMM. OFFICERS | | | | | |
| Retirement payments | 69,688,000 | 72,013,000 | 72,013,000 | +2,325,000 | --- |
| COLA | --- | 2,280,000 | 2,280,000 | +2,280,000 | --- |
| Survivors benefits | 3,837,000 | 4,077,000 | 4,077,000 | +240,000 | --- |
| Dependent's medical care | 10,243,000 | 10,806,000 | 10,806,000 | +563,000 | --- |
| Reserve Fund | --- | 5,000,000 | --- | --- | -5,000,000 |
| Total, Retirement pay and medical benefits | 83,768,000 | 94,176,000 | 89,176,000 | +5,408,000 | -5,000,000 |
| New advance related to biennial budget, FY 89. | --- | 100,350,000 | --- | --- | -100,350,000 |
| Total, Public Health Service | 8,528,683,000 | 7,861,336,000 | 9,656,010,000 | +1,127,327,000 | +1,794,674,000 |
| Current year appropriation request | 8,528,683,000 | 7,736,986,000 | 9,656,010,000 | +1,127,327,000 | +1,919,024,000 |
| New advance, biennial budget, FY 89 | --- | 124,350,000 | --- | --- | -124,350,000 |
| (Unauthorized) | (1,455,467,000) | (1,179,627,000) | DEFER | DEFER | DEFER |
| HEALTH CARE FINANCING ADMINISTRATION | | | | | |
| GRANTS TO STATES FOR MEDICAID | | | | | |
| Medicaid current law benefits | 25,267,500,000 | 26,667,812,000 | 28,593,812,000 | +3,326,312,000 | +1,926,000,000 |
| State and local administration | 1,372,500,000 | 1,452,188,000 | 1,452,188,000 | +79,688,000 | --- |
| Subtotal, medicaid program level | 26,640,000,000 | 28,120,000,000 | 30,046,000,000 | +3,406,000,000 | +1,926,000,000 |
| Less funds advanced in prior year | -6,500,000,000 | -7,100,000,000 | -7,100,000,000 | -600,000,000 | --- |
| Total appropriation, current request 1/ | 20,140,000,000 | 21,020,000,000 | 22,946,000,000 | +2,806,000,000 | +1,926,000,000 |
| New advance, biennial budget, FY 89 | 7,100,000,000 | 30,870,000,000 | 8,000,000,000 | +900,000,000 | -22,870,000,000 |
| New advance, biennial budget, FY 90 | --- | 8,500,000,000 | --- | --- | -8,500,000,000 |
| PAYMENTS TO HEALTH CARE TRUST FUNDS | | | | | |
| Supplemental medical insurance | 20,285,000,000 | 25,152,000,000 | 25,418,000,000 | +5,133,000,000 | +266,000,000 |
| Hospital insurance for uninsured | 435,000,000 | 461,000,000 | 461,000,000 | +26,000,000 | --- |
| Federal uninsured payment | 12,000,000 | 14,000,000 | 14,000,000 | +2,000,000 | --- |
| Total, Payment to Trust Funds 2/ | 20,732,000,000 | 25,627,000,000 | 25,893,000,000 | +5,161,000,000 | +266,000,000 |
| New advance related to biennial budget, FY 89. | --- | 30,306,000,000 | --- | --- | -30,306,000,000 |
| PROGRAM MANAGEMENT | | | | | |
| Research, demonstration, and evaluation: | | | | | |
| Federal funds | 10,000,000 | 17,000,000 | 10,000,000 | --- | -7,000,000 |
| Trust funds 3/ | (18,000,000) | (19,000,000) | (20,000,000) | (+2,000,000) | (+1,000,000) |
| Subtotal, Research and evaluation | 28,000,000 | 36,000,000 | 30,000,000 | +2,000,000 | -6,000,000 |
| Medicare Contractors (Trust Funds): | | | | | |
| Operating funds | (1,093,100,000) | (1,141,800,000) | (1,182,000,000) | (+88,900,000) | (+40,200,000) |
| Contingency fund | (8,900,000) | (20,000,000) | (50,000,000) | (+41,100,000) | (+30,000,000) |
| Subtotal, Contractors | (1,102,000,000) | (1,161,800,000) | (1,232,000,000) | (+130,000,000) | (+70,200,000) |
| Less P.L. 99-272 funds (COBRA) | (-105,000,000) | (-105,000,000) | (-105,000,000) | --- | --- |
| State Certification: | | | | | |
| Medicare certification, trust funds | (54,200,000) | (60,499,000) | (60,499,000) | (+6,299,000) | --- |
| General program support, federal funds | 3,525,000 | 8,290,000 | 8,290,000 | +4,765,000 | --- |
| Federal Administration: | | | | | |
| Federal funds | 84,880,000 | 86,510,000 | 90,340,000 | +5,460,000 | +3,830,000 |
| Less user fees | --- | -6,050,000 | -6,050,000 | -6,050,000 | --- |
| Trust funds | (154,333,000) | (176,281,000) | (184,079,000) | (+29,746,000) | (+7,798,000) |
| Catastrophic insurance contingency | --- | --- | (30,000,000) | (+30,000,000) | (+30,000,000) |
| Subtotal, Federal Administration | 239,213,000 | 256,741,000 | 298,369,000 | +59,156,000 | +41,628,000 |
| Total, Program management | 1,321,938,000 | 1,418,330,000 | 1,524,158,000 | +202,220,000 | +105,828,000 |
| Federal funds | 98,405,000 | 105,750,000 | 102,580,000 | +4,175,000 | -3,170,000 |
| Trust funds | (1,223,533,000) | (1,312,580,000) | (1,421,578,000) | (+198,045,000) | (+108,998,000) |
| Total, Health Care Financing Administration: | | | | | |
| Federal funds | 48,070,405,000 | 116,428,750,000 | 56,941,580,000 | +8,871,175,000 | -59,487,170,000 |
| Current year | 40,970,405,000 | 46,752,750,000 | 48,941,580,000 | +7,971,175,000 | +2,188,830,000 |
| New advance, biennial budget, FY 89 | 7,100,000,000 | 61,176,000,000 | 8,000,000,000 | +900,000,000 | -53,176,000,000 |
| New advance, biennial budget, FY 90 | --- | 8,500,000,000 | --- | --- | -8,500,000,000 |
| SOCIAL SECURITY ADMINISTRATION | | | | | |
| PAYMENTS TO SOCIAL SECURITY TRUST FUNDS 4/ | 131,638,000 | 105,298,000 | 105,298,000 | -26,340,000 | --- |
| New advance, biennial budget, FY 89 | --- | 93,291,000 | --- | --- | -93,291,000 |

1/ Budget proposes legislative savings of $1,256 million for later transmittal.

2/ Budget proposes legislative savings of $1,215 million for later transmittal.

3/ FY 1988 bill includes $2,000,000 for Patient Outcome Studies.

4/ Military credits now funded in Dept. of Defense.

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— Fiscal year 1987 comparable | House bill compared with— Fiscal year 1988 request |
|---|---|---|---|---|---|
| SPECIAL BENEFITS FOR DISABLED COAL MINERS | | | | | |
| Benefit payments 1/ | 957,000,000 | 897,416,000 | 897,416,000 | -59,584,000 | --- |
| Administration | 6,437,000 | 6,486,000 | 6,486,000 | +49,000 | --- |
| Subtotal, Black Lung, program level | 963,437,000 | 903,902,000 | 903,902,000 | -59,535,000 | --- |
| Less funds advanced in prior year | -270,000,000 | -252,450,000 | -252,450,000 | +17,550,000 | --- |
| Total, Black Lung, current request | 693,437,000 | 651,452,000 | 651,452,000 | -41,985,000 | --- |
| New advance related to biennial budget, FY 89 | 252,450,000 | 862,590,000 | 250,000,000 | -2,450,000 | -612,590,000 |
| New advance related to biennial budget, FY 90 | --- | 220,050,000 | --- | --- | -220,050,000 |
| SUPPLEMENTAL SECURITY INCOME | | | | | |
| Federal benefit payments | 9,875,770,000 | 11,210,000,000 | 11,108,000,000 | +1,232,230,000 | -102,000,000 |
| Beneficiary services | 8,200,000 | 12,474,000 | 12,474,000 | +4,274,000 | --- |
| Research demonstration | 275,000 | 275,000 | 275,000 | --- | --- |
| Administration | 979,693,000 | 1,080,184,000 | 1,080,184,000 | +100,491,000 | --- |
| FY 1986 & 1987 shortfall, federal administrative costs | --- | --- | 99,451,000 | +99,451,000 | +99,451,000 |
| Subtotal, Supplemental Security Income, program | 10,863,938,000 | 12,302,933,000 | 12,300,384,000 | +1,436,446,000 | -2,549,000 |
| Less funds advanced in prior year | -2,339,250,000 | -2,765,000,000 | -2,765,000,000 | -425,750,000 | --- |
| Total, SSI, current request | 8,524,688,000 | 9,537,933,000 | 9,535,384,000 | +1,010,696,000 | -2,549,000 |
| New advances biennial budget FY 89 | 2,765,000,000 | 12,102,224,000 | 3,000,000,000 | +235,000,000 | -9,102,224,000 |
| New advances biennial budget FY 90 | --- | 2,684,000,000 | --- | --- | -2,684,000,000 |
| LIMITATION ON ADMINISTRATIVE EXPENSES (Trust Funds) | (3,871,562,000) | (3,805,121,000) | (3,680,921,000) | (-190,641,000) | (-124,200,000) |
| Working Capital Fund Costs, federal funds | 23,987,000 | --- | --- | -23,987,000 | --- |
| Total, Social Security Administration: | | | | | |
| Federal funds | 12,391,200,000 | 26,256,838,000 | 13,542,134,000 | +1,150,934,000 | -12,714,704,000 |
| Current year | 9,373,750,000 | 10,294,683,000 | 10,292,134,000 | +918,384,000 | -2,549,000 |
| New advances biennial budget FY 89 | 3,017,450,000 | 13,058,105,000 | 3,250,000,000 | +232,550,000 | -9,808,105,000 |
| New advances biennial budget FY 90 | --- | 2,904,050,000 | --- | --- | -2,904,050,000 |
| Trust funds | (3,871,562,000) | (3,805,121,000) | (3,680,921,000) | (-190,641,000) | (-124,200,000) |
| FAMILY SUPPORT ADMINISTRATION | | | | | |
| FAMILY SUPPORT PAYMENTS TO STATES 2/ | | | | | |
| Aid to Families with Dependent Children (AFDC) | 8,940,275,000 | 8,742,800,000 | 9,624,132,000 | +683,857,000 | +881,332,000 |
| Payments to territories | 13,368,000 | 13,368,000 | 13,368,000 | --- | --- |
| Emergency assistance and repatriation | 82,900,000 | 100,000,000 | 100,000,000 | +17,100,000 | --- |
| State and local welfare administration | 1,061,200,000 | 1,045,500,000 | 1,045,500,000 | -15,700,000 | --- |
| Subtotal, Welfare payments | 1,157,468,000 | 1,158,868,000 | 1,158,868,000 | +1,400,000 | --- |
| Child Support Enforcement: | | | | | |
| State and local administration | 733,000,000 | 772,000,000 | 772,000,000 | +39,000,000 | --- |
| Federal incentive payments | 194,000,000 | 216,000,000 | 216,000,000 | +22,000,000 | --- |
| Less federal share collections | -611,000,000 | -646,000,000 | -646,000,000 | -35,000,000 | --- |
| Subtotal, Child support | 316,000,000 | 342,000,000 | 342,000,000 | +26,000,000 | --- |
| Total, payments to states | 10,413,743,000 | 10,243,668,000 | 11,125,000,000 | +711,257,000 | +881,332,000 |
| Less funds advanced in previous years | -2,364,504,000 | -2,480,615,000 | -2,480,615,000 | -116,111,000 | --- |
| Total, Payments to States, current request | 8,049,239,000 | 7,763,053,000 | 8,644,385,000 | +595,146,000 | +881,332,000 |
| New advance, biennial budget, FY 89 | 2,480,615,000 | 10,107,868,000 | 2,500,000,000 | +19,385,000 | -7,607,868,000 |
| New advance, biennial budget, FY 90 | --- | 2,673,942,000 | --- | --- | -2,673,942,000 |
| LOW INCOME HOME ENERGY ASSISTANCE | | | | | |
| Energy Assistance Block Grant | 1,822,265,000 | 1,237,000,000 | 1,822,265,000 | --- | +585,265,000 |
| REFUGEE AND ENTRANT ASSISTANCE 3/ 4/ | | | | | |
| Cash and medical assistance | 225,316,000 | 178,700,000 | 216,256,000 | -9,060,000 | +37,556,000 |
| State administration | 33,797,000 | 21,000,000 | 21,000,000 | -12,797,000 | --- |
| Social services | 68,617,000 | 45,529,000 | 45,529,000 | -23,088,000 | --- |
| Voluntary agency program | 3,828,000 | 2,000,000 | 8,000,000 | +4,172,000 | +6,000,000 |
| Preventive health | 8,039,000 | 6,100,000 | 6,100,000 | -1,939,000 | --- |
| Targeted assistance | --- | --- | 24,000,000 | +24,000,000 | +24,000,000 |
| Total, Refugee Resettlement | 339,597,000 | 253,329,000 | 320,885,000 | -18,712,000 | +67,556,000 |

1/ Includes legislative savings of $12,000,000.

2/ Consolidates Assistance Payments and Child Support Enforcement appropriations.

3/ Special education payments transferred to Dept. of Education.

4/ State legalization payment of $1 billion is a permanent appropriation.

## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— Fiscal year 1987 comparable | House bill compared with— Fiscal year 1988 request |
|---|---|---|---|---|---|
| WORK INCENTIVES | | | | | |
| Grants to States (new authorization pending) | (128,892,000) | --- | DEFER | DEFER | DEFER |
| COMMUNITY SERVICES BLOCK GRANT | | | | | |
| Grants to States (General) | 335,000,000 | 310,000,000 | 335,000,000 | --- | +25,000,000 |
| Grants for services to the homeless | 36,800,000 | --- | 35,000,000 | -1,800,000 | +35,000,000 |
| Discretionary funds | 29,736,000 | --- | 32,700,000 | +2,964,000 | +32,700,000 |
| Community Partnerships | 1,000,000 | --- | 3,000,000 | +2,000,000 | +3,000,000 |
| Community Food and Nutrition | 2,500,000 | --- | 2,500,000 | --- | +2,500,000 |
| Total, Community Services appropriation | 405,036,000 | 310,000,000 | 408,200,000 | +3,164,000 | +98,200,000 |
| PROGRAM ADMINISTRATION | | | | | |
| Federal Administration: | | | | | |
| Aid to Families with Dependent Children | 32,954,000 | --- | --- | -32,954,000 | --- |
| Child Support | 21,883,000 | --- | --- | -21,883,000 | --- |
| Energy Assistance | 2,735,000 | --- | --- | -2,735,000 | --- |
| Refugee and Entrant Assistance | 6,030,000 | --- | --- | -6,030,000 | --- |
| WIN | 7,000,000 | --- | --- | -7,000,000 | --- |
| Community Services Block Grant | 4,115,000 | --- | --- | -4,115,000 | --- |
| Working Capital Fund Costs | 4,135,000 | --- | --- | -4,135,000 | --- |
| Interstate child support enforcement 1/ | 15,000,000 | --- | --- | -15,000,000 | --- |
| Research | 3,150,000 | 2,750,000 | 2,750,000 | -400,000 | --- |
| Consolidated Request | --- | 73,046,000 | 73,046,000 | +73,046,000 | --- |
| Federal Retiree Cost Savings | --- | --- | -883,000 | -883,000 | -883,000 |
| Total, Program Administration | 97,002,000 | 75,796,000 | 74,913,000 | -22,089,000 | -883,000 |
| Total, Family Support Administration | 13,193,754,000 | 22,420,988,000 | 13,770,648,000 | +576,894,000 | -8,650,340,000 |
| Current year | 10,713,139,000 | 9,639,178,000 | 11,270,648,000 | +557,509,000 | +1,631,470,000 |
| New advance, biennial budget, FY 89 | 2,480,615,000 | 10,107,868,000 | 2,500,000,000 | +19,385,000 | -7,607,868,000 |
| New advance, biennial budget, FY 90 | --- | 2,673,942,000 | --- | --- | -2,673,942,000 |
| ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES | | | | | |
| SOCIAL SERVICES BLOCK GRANT (TITLE XX) | 2,700,000,000 | 2,700,000,000 | 2,700,000,000 | --- | --- |
| HUMAN DEVELOPMENT SERVICES | | | | | |
| Social Services Discretionary Programs | --- | 1,384,712,000 | --- | --- | -1,384,712,000 |
| (Unauthorized activities) | --- | (825,130,000) | DEFER | DEFER | DEFER |
| Programs for Children, Youth, and Families: | | | | | |
| Head start | 1,130,542,000 | --- | 1,256,000,000 | +125,458,000 | +1,256,000,000 |
| Child abuse : (unauthorized) | | | | | |
| State grants | (12,000,000) | --- | DEFER | DEFER | DEFER |
| Discretionary activities | (13,898,000) | --- | DEFER | DEFER | DEFER |
| Challenge grants | (5,000,000) | --- | DEFER | DEFER | DEFER |
| Subtotal, child abuse (unauthorized) | (30,898,000) | --- | DEFER | DEFER | DEFER |
| Child development associate scholarships | 1,000,000 | --- | 1,500,000 | +500,000 | +1,500,000 |
| Runaway youth | 23,250,000 | --- | 27,250,000 | +4,000,000 | +27,250,000 |
| Dependent Care Planning and Development | 5,000,000 | --- | 10,000,000 | +5,000,000 | +10,000,000 |
| Family violence (unauthorized) | (8,500,000) | --- | DEFER | DEFER | DEFER |
| Temporary childcare/crisis nurseries | --- | --- | 5,000,000 | +5,000,000 | +5,000,000 |
| Child welfare assistance | 222,500,000 | --- | 260,000,000 | +37,500,000 | +260,000,000 |
| Child welfare training | 3,823,000 | --- | 3,823,000 | --- | +3,823,000 |
| Adoption opportunities (unauthorized) | (5,000,000) | --- | DEFER | DEFER | DEFER |
| Child welfare research | 11,340,000 | --- | 11,340,000 | --- | +11,340,000 |
| Subtotal, Children, Youth & Families | 1,397,455,000 | 1,384,712,000 | 1,574,913,000 | +177,458,000 | +190,201,000 |
| (Unauthorized) | (44,398,000) | (825,130,000) | DEFER | DEFER | DEFER |
| Programs for the Aging: (unauthorized) | | | | | |
| Grants to States: | | | | | |
| Supportive Services and Centers | (270,000,000) | --- | DEFER | DEFER | DEFER |
| Nutrition: | | | | | |
| Congregate meals | (349,400,000) | --- | DEFER | DEFER | DEFER |
| Home-delivered meals | (74,000,000) | --- | DEFER | DEFER | DEFER |
| Grants to Indians | (7,500,000) | --- | DEFER | DEFER | DEFER |
| Research, training, and special projects | (25,000,000) | --- | DEFER | DEFER | DEFER |
| Federal Council on Aging | (200,000) | --- | DEFER | DEFER | DEFER |
| Subtotal, Aging programs, unauthorized | (726,100,000) | --- | DEFER | DEFER | DEFER |
| Developmental disabilities program: (unauthorized) | | | | | |
| State grants | (56,500,000) | --- | DEFER | DEFER | DEFER |
| Protection and advocacy | (15,500,000) | --- | DEFER | DEFER | DEFER |
| Special projects | (2,500,000) | --- | DEFER | DEFER | DEFER |
| University affiliated facilities | (9,187,000) | --- | DEFER | DEFER | DEFER |
| Subtotal, Developmental disabilities (unauth) | (83,687,000) | --- | DEFER | DEFER | DEFER |
| Native American Programs (unauthorized) | (28,989,000) | --- | DEFER | DEFER | DEFER |
| Program direction | 66,824,000 | 67,524,000 | 66,543,000 | -281,000 | -981,000 |
| Total, Human Development Services | 1,464,279,000 | 1,452,236,000 | 1,641,456,000 | +177,177,000 | +189,220,000 |
| (Unauthorized) | (883,174,000) | (825,130,000) | DEFER | DEFER | DEFER |

1/ $3,000,000 reprogrammed to federal parent locator.

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| FAMILY SOCIAL SERVICES | | | | | |
| Entitlement activities: 1/ | | | | | |
| Foster care | 764,184,000 | 585,022,000 | 703,178,000 | -61,006,000 | +118,156,000 |
| Adoption assistance | 97,947,000 | 97,018,000 | 108,000,000 | +10,053,000 | +10,982,000 |
| Total, Family Social Services | 862,131,000 | 682,040,000 | 811,178,000 | -50,953,000 | +129,138,000 |
| Total, Asst. Sec. for Human Development | 5,026,410,000 | 4,834,276,000 | 5,152,634,000 | +126,224,000 | +318,358,000 |
| DEPARTMENTAL MANAGEMENT | | | | | |
| GENERAL DEPARTMENTAL MANAGEMENT: | | | | | |
| Federal funds | 45,874,000 | 67,135,000 | 66,359,000 | +20,485,000 | -776,000 |
| Trust funds | (27,500,000) | (7,000,000) | (7,000,000) | (-20,500,000) | --- |
| Total, Departmental management | 73,374,000 | 74,135,000 | 73,359,000 | -15,000 | -776,000 |
| OFFICE OF THE INSPECTOR GENERAL: | | | | | |
| Federal funds | 32,778,000 | 38,439,000 | 37,361,000 | +4,583,000 | -1,078,000 |
| Trust funds | (40,000,000) | (40,000,000) | (40,000,000) | --- | --- |
| Total, Inspector General | 72,778,000 | 78,439,000 | 77,361,000 | +4,583,000 | -1,078,000 |
| OFFICE FOR CIVIL RIGHTS: | | | | | |
| Federal funds | 16,306,000 | 17,395,000 | 17,070,000 | +764,000 | -325,000 |
| Trust funds | (4,000,000) | (4,000,000) | (4,000,000) | --- | --- |
| Total, Civil Rights | 20,306,000 | 21,395,000 | 21,070,000 | +764,000 | -325,000 |
| POLICY RESEARCH | 8,287,000 | 5,090,000 | 5,090,000 | -3,197,000 | --- |
| Total, Departmental management: | | | | | |
| Federal funds | 103,245,000 | 128,059,000 | 125,880,000 | +22,635,000 | -2,179,000 |
| Trust funds | (71,500,000) | (51,000,000) | (51,000,000) | (-20,500,000) | --- |
| Total, Department of Health and Human Services: | | | | | |
| Federal Funds (all years) | 87,313,697,000 | 177,930,247,000 | 99,188,886,000 | +11,875,189,000 | -78,741,361,000 |
| Current year | (74,715,632,000) | (79,385,932,000) | (85,438,886,000) | (+10,723,254,000) | (+6,052,954,000) |
| New advances biennial budget FY 89 | (12,598,065,000) | (84,466,323,000) | (13,750,000,000) | (+1,151,935,000) | (-70,716,323,000) |
| New advances biennial budget FY 90 | --- | (14,077,992,000) | --- | --- | (-14,077,992,000) |
| (Unauthorized) | (2,467,533,000) | (2,004,757,000) | DEFER | DEFER | DEFER |
| Trust funds | (5,166,595,000) | (5,168,701,000) | (5,153,499,000) | (-13,096,000) | (-15,202,000) |
| (Unauthorized) | (1,050,000) | (1,050,000) | DEFER | DEFER | DEFER |
| TITLE III--DEPARTMENT OF EDUCATION | | | | | |
| COMPENSATORY EDUCATION FOR THE DISADVANTAGED 2/ | | | | | |
| Grants for the Disadvantaged (Chapter 1): | | | | | |
| Grants to local educational agencies | 3,453,500,000 | 3,636,853,000 | 4,075,000,000 | +621,500,000 | +438,147,000 |
| State agency programs: | | | | | |
| Migrants | 264,524,000 | 264,524,000 | 278,000,000 | +13,476,000 | +13,476,000 |
| Handicapped | 150,170,000 | 150,170,000 | 158,000,000 | +7,830,000 | +7,830,000 |
| Neglected and delinquent | 32,616,000 | 32,616,000 | 34,000,000 | +1,384,000 | +1,384,000 |
| State administration | 37,107,000 | 40,000,000 | 40,000,000 | +2,893,000 | --- |
| Evaluation and technical assistance | 6,246,000 | 20,000,000 | 10,000,000 | +3,754,000 | -10 000,000 |
| Total, Chapter 1 | 3,944,163,000 | 4,144,163,000 | 4,595,000,000 | +650,837,000 | +450,837,000 |
| Migrant education: | | | | | |
| High school equivalency program | 6,300,000 | --- | 6,600,000 | +300,000 | +6,600,000 |
| College assistance migrant program | 1,200,000 | --- | 1,400,000 | +200,000 | +1,400,000 |
| Total, Compensatory Education programs | 3,951,663,000 | 4,144,163,000 | 4,603,000,000 | +651,337,000 | +458,837,000 |
| IMPACT AID | | | | | |
| Maintenance and operations: | | | | | |
| Payments for "a" children | 533,000,000 | 533,000,000 | 568,000,000 | +35,000,000 | +35,000,000 |
| Payments for "b" children | 130,000,000 | --- | 145,000,000 | +15,000,000 | +145,000,000 |
| Special provisions (Section 2) | 22,000,000 | 10,000,000 | 22,000,000 | --- | +12,000,000 |
| Subtotal | 685,000,000 | 543,000,000 | 735,000,000 | +50,000,000 | +192,000,000 |
| Disaster assistance | 10,000,000 | --- | --- | -10,000,000 | --- |
| Construction | 22,500,000 | 5,000,000 | 22,500,000 | --- | +17,500,000 |
| Total | 717,500,000 | 548,000,000 | 757,500,000 | +40,000,000 | +209,500,000 |

1/ Supplemental includes transfers of $43,583,000.

2/ President's request proposed for later transmittal.

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| SPECIAL PROGRAMS | | | | | |
| Improving School Programs (Chapter 2): | | | | | |
| STATE BLOCK GRANTS | 500,000,000 | 500,000,000 | 500,000,000 | --- | --- |
| Drug free schools and communities: | | | | | |
| State grants | 161,046,000 | 82,800,000 | 161,000,000 | -46,000 | +78,200,000 |
| National programs | 38,954,000 | 17,200,000 | 39,000,000 | +46,000 | +21,800,000 |
| Secretary's discretionary fund: | | | | | |
| Inexpensive book distribution (including RIF) | 7,800,000 | 7,800,000 | 7,800,000 | --- | --- |
| Arts in education | 3,337,000 | 3,337,000 | 3,337,000 | --- | --- |
| Alcohol and drug abuse education | 3,000,000 | --- | --- | -3,000,000 | --- |
| Law related education | 3,000,000 | 3,000,000 | 3,000,000 | --- | --- |
| National Diffusion Network | 10,700,000 | --- | 10,700,000 | --- | +10,700,000 |
| Discretionary projects | 1,500,000 | 15,200,000 | 4,500,000 | +3,000,000 | -10,700,000 |
| Subtotal, Secretary's discretionary fund | 29,337,000 | 29,337,000 | 29,337,000 | --- | --- |
| Total, Chapter 2 | 729,337,000 | 629,337,000 | 729,337,000 | --- | +100,000,000 |
| Other Special Programs: | | | | | |
| Teacher training and improvement: | | | | | |
| State grants | --- | 64,000,000 | --- | --- | -64,000,000 |
| National programs | --- | 16,000,000 | --- | --- | -16,000,000 |
| Christa McAuliffe fellowships | 2,000,000 | --- | 2,000,000 | --- | +2,000,000 |
| Science and mathematics education | 80,000,000 | --- | 55,000,000 | -25,000,000 | +55,000,000 |
| Training and advisory services (Civil Rights IVA) | 24,000,000 | --- | 25,000,000 | +1,000,000 | +25,000,000 |
| Follow through | 7,176,000 | --- | 7,800,000 | +624,000 | +7,800,000 |
| Territorial teacher training assistance | 2,000,000 | --- | 2,000,000 | --- | +2,000,000 |
| General assistance for the Virgin Islands | 5,000,000 | --- | 5,000,000 | --- | +5,000,000 |
| Ellender fellowships | 1,700,000 | --- | 2,000,000 | +300,000 | +2,000,000 |
| Women's educational equity | 3,500,000 | --- | 3,500,000 | --- | +3,500,000 |
| Magnet schools | 75,000,000 | 75,000,000 | 75,000,000 | --- | --- |
| LEAD | 7,177,000 | --- | 7,177,000 | --- | +7,177,000 |
| Chicago litigation settlement (non-add) | (83,000,000) | --- | --- | (-83,000,000) | --- |
| Aid to the homeless | 4,600,000 | --- | 7,500,000 | +2,900,000 | +7,500,000 |
| Total, Special programs 1/ | 941,490,000 | 784,337,000 | 921,314,000 | -20,176,000 | +136,977,000 |
| BILINGUAL EDUCATION | | | | | |
| Bilingual programs | 99,161,000 | 99,161,000 | 105,701,250 | +6,540,250 | +6,540,250 |
| Training grants | 33,564,000 | 33,564,000 | 37,023,750 | +3,459,750 | +3,459,750 |
| Support services | 10,370,000 | 10,370,000 | 10,370,000 | --- | --- |
| Emergency immigrant education 3/ | 30,000,000 | --- | 30,000,000 | --- | +30,000,000 |
| Refugee Education grants 2/ 3/ | 15,886,000 | --- | 15,886,000 | --- | +15,886,000 |
| Total | 188,981,000 | 143,095,000 | 198,981,000 | +10,000,000 | +55,886,000 |
| EDUCATION FOR THE HANDICAPPED | | | | | |
| Education for the handicapped: | | | | | |
| State assistance: | | | | | |
| State grant program | 1,338,000,000 | 1,259,381,000 | 1,490,000,000 | +152,000,000 | +230,619,000 |
| Preschool incentive grants | 180,000,000 | 85,500,000 | 189,000,000 | +9,000,000 | +103,500,000 |
| Early intervention initiative | 50,000,000 | --- | 52,000,000 | +2,000,000 | +52,000,000 |
| Special purpose funds: | | | | | |
| Deaf-blind centers | 15,000,000 | 9,000,000 | 16,000,000 | +1,000,000 | +7,000,000 |
| Severely handicapped projects | 5,300,000 | 5,300,000 | 5,600,000 | +300,000 | +300,000 |
| Early childhood education | 24,470,000 | 17,600,000 | 25,700,000 | +1,230,000 | +8,100,000 |
| Educational technology and materials | 4,696,000 | 4,696,000 | 5,000,000 | +304,000 | +304,000 |
| Secondary and transitional services | 7,300,000 | 7,300,000 | 7,700,000 | +400,000 | +400,000 |
| Postsecondary programs | 5,900,000 | 5,900,000 | 6,200,000 | +300,000 | +300,000 |
| Innovation and development | 18,000,000 | 18,000,000 | 19,000,000 | +1,000,000 | +1,000,000 |
| Media services and captioned films | 13,804,000 | 13,804,000 | 14,500,000 | +696,000 | +696,000 |
| Regional resource centers | 6,700,000 | 6,700,000 | 7,000,000 | +300,000 | +300,000 |
| Recruitment and information | 1,200,000 | 1,200,000 | 1,300,000 | +100,000 | +100,000 |
| Special education personnel development | 67,730,000 | 50,000,000 | 71,000,000 | +3,270,000 | +21,000,000 |
| Special studies | 3,800,000 | 3,800,000 | 3,800,000 | --- | --- |
| Total, Education for the handicapped | 1,741,900,000 | 1,488,181,000 | 1,913,800,000 | +171,900,000 | +425,619,000 |

1/ FY 1988 request includes $609,337,000 proposed for later transmittal.

2/ Transferred from Dept. of Health and Human Services in FY 1987.

3/ Requested as separate account.

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## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| REHABILITATION SERVICES AND HANDICAPPED RESEARCH | | | | | |
| Rehabilitation services: | | | | | |
| Basic State grants | 1,281,000,000 | 1,228,142,000 | 1,350,000,000 | +69,000,000 | +121,858,000 |
| Supported Employment grants | 24,190,000 | --- | 25,400,000 | +1,210,000 | +25,400,000 |
| Service projects: | | | | | |
| Special demonstration programs | 24,860,000 | 27,400,000 | 26,785,000 | +1,925,000 | -615,000 |
| Transitional funding | 450,000 | --- | 475,000 | +25,000 | +475,000 |
| Recreational programs | 2,330,000 | --- | 2,470,000 | +140,000 | +2,470,000 |
| Migratory workers | 1,058,000 | 1,058,000 | 1,100,000 | +42,000 | +42,000 |
| American Indians | 1,500,000 | --- | --- | -1,500,000 | --- |
| Projects with industry | 16,070,000 | 16,070,000 | 17,000,000 | +930,000 | +930,000 |
| Subtotal, Service projects | 46,268,000 | 44,528,000 | 47,830,000 | +1,562,000 | +3,302,000 |
| Helen Keller Center | 4,600,000 | 4,600,000 | 4,800,000 | +200,000 | +200,000 |
| Client assistance | 7,100,000 | 7,100,000 | 7,500,000 | +400,000 | +400,000 |
| Independent living: | | | | | |
| Comprehensive services | 11,830,000 | 11,830,000 | 12,310,000 | +480,000 | +480,000 |
| Centers | 24,320,000 | 24,320,000 | 25,500,000 | +1,180,000 | +1,180,000 |
| Services for older blind | 5,290,000 | 5,290,000 | 5,600,000 | +310,000 | +310,000 |
| Subtotal, Independent living | 41,440,000 | 41,440,000 | 43,410,000 | +1,970,000 | +1,970,000 |
| Training | 29,550,000 | 25,838,000 | 30,000,000 | +450,000 | +4,162,000 |
| Subtotal | 1,434,148,000 | 1,351,648,000 | 1,508,940,000 | +74,792,000 | +157,292,000 |
| National Institute on Disability and Rehabilitation | 48,500,000 | 48,500,000 | 52,000,000 | +3,500,000 | +3,500,000 |
| Evaluation | 2,110,000 | 975,000 | 1,000,000 | -1,110,000 | +25,000 |
| Total | 1,484,758,000 | 1,401,123,000 | 1,561,940,000 | +77,182,000 | +160,817,000 |
| VOCATIONAL AND ADULT EDUCATION | | | | | |
| Vocational education: | | | | | |
| Basic grants | 815,000,000 | --- | 835,000,000 | +20,000,000 | +835,000,000 |
| National research & data programs | 11,000,000 | --- | 13,000,000 | +2,000,000 | +13,000,000 |
| Consumer and homemaking education | 31,633,000 | --- | 33,500,000 | +1,867,000 | +33,500,000 |
| State advisory councils | 7,500,000 | --- | 7,900,000 | +400,000 | +7,900,000 |
| Community based organizations | 6,000,000 | --- | 6,300,000 | +300,000 | +6,300,000 |
| Bilingual Vocational training | 3,686,000 | --- | 3,900,000 | +214,000 | +3,900,000 |
| Subtotal, Vocational education | 874,819,000 | --- | 899,600,000 | +24,781,000 | +899,600,000 |
| Adult education | 112,881,000 | 130,000,000 | 130,000,000 | +17,119,000 | --- |
| Total | 987,700,000 | 130,000,000 | 1,029,600,000 | +41,900,000 | +899,600,000 |
| STUDENT FINANCIAL ASSISTANCE | | | | | |
| Pell Grants: | | | | | |
| Current year | 3,862,000,000 | 2,710,000,000 | 4,450,000,000 | +588,000,000 | +1,740,000,000 |
| Prior Year shortfall | 325,000,000 | --- | --- | -325,000,000 | --- |
| Supplemental grants | 412,500,000 | --- | 425,000,000 | +12,500,000 | +425,000,000 |
| Work-study | 592,500,000 | --- | 625,000,000 | +32,500,000 | +625,000,000 |
| Perkins' direct loans: | | | | | |
| Capital | 188,000,000 | --- | 200,000,000 | +12,000,000 | +200,000,000 |
| Cancellations | 22,000,000 | 26,000,000 | 26,000,000 | +4,000,000 | --- |
| Income contingent loans (proposed legislation) | 5,000,000 | 600,000,000 | --- | -5,000,000 | -600,000,000 |
| State student incentive grants | 76,000,000 | --- | 80,000,000 | +4,000,000 | +80,000,000 |
| Total, Student Financial Assistance 3/ | 5,483,000,000 | 3,336,000,000 | 5,806,000,000 | +323,000,000 | +2,470,000,000 |
| GUARANTEED STUDENT LOANS | | | | | |
| Guaranteed student loan program 4/ | 2,717,000,000 | 1,176,574,000 | 2,425,000,000 | -292,000,000 | +1,248,426,000 |

3/ FY 1988 request reflects $2,797,000,000 of legislative savings.

4/ FY 1988 request reflects $1,333,809,000 of legislative savings and $287 million from FY 88 supplemental language not transmitted in the budget

## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| HIGHER EDUCATION | | | | | |
| Program development: | | | | | |
| Institutional development | 147,208,000 | 50,741,000 | 180,000,000 | +32,792,000 | +129,259,000 |
| Minority institutions science improvement | 5,000,000 | 5,000,000 | 5,500,000 | +500,000 | +500,000 |
| International education and foreign language studies: | | | | | |
| Domestic programs | 26,550,000 | --- | 26,550,000 | --- | +26,550,000 |
| Special projects | 1,000,000 | --- | --- | -1,000,000 | --- |
| Overseas programs | 5,500,000 | --- | 5,500,000 | --- | +5,500,000 |
| Fund for the Improvement of Postsec. Education | 12,163,000 | 7,500,000 | 12,163,000 | --- | +4,663,000 |
| Innovative community projects | 1,537,000 | --- | 1,537,000 | --- | +1,537,000 |
| Cooperative education | 14,400,000 | --- | 14,400,000 | --- | +14,400,000 |
| Subtotal, Program development | 213,358,000 | 63,241,000 | 245,650,000 | +32,292,000 | +182,409,000 |
| Special programs for the disadvantaged | 176,370,000 | 82,370,000 | 215,000,000 | +38,630,000 | +132,630,000 |
| Veterans' education outreach | 3,000,000 | --- | 3,000,000 | --- | +3,000,000 |
| Subtotal, Academic facilities and projects | 179,370,000 | 82,370,000 | 218,000,000 | +38,630,000 | +135,630,000 |
| Academic facilities and projects: | | | | | |
| Interest subsidy grants | 23,000,000 | 22,500,000 | 22,500,000 | -500,000 | --- |
| Special higher education projects | 18,000,000 | --- | 12,550,000 | -5,450,000 | +12,550,000 |
| Construction grants | --- | --- | 7,000,000 | +7,000,000 | +7,000,000 |
| Subtotal, Academic facilities and projects | 41,000,000 | 22,500,000 | 42,050,000 | +1,050,000 | +19,550,000 |
| Graduate programs: | | | | | |
| Patricia Roberts Harris Fellows: | | | | | |
| Graduate/professional opportunity fellowships | 11,750,000 | --- | 15,000,000 | +3,250,000 | +15,000,000 |
| Public service fellowships | 2,500,000 | --- | 3,000,000 | +500,000 | +3,000,000 |
| Jacob Javits Fellowships | 4,700,000 | --- | 7,000,000 | +2,300,000 | +7,000,000 |
| Legal training for disadvantaged | 1,500,000 | --- | 2,000,000 | +500,000 | +2,000,000 |
| Law school clinical experience | 1,500,000 | --- | 5,000,000 | +3,500,000 | +5,000,000 |
| National need | --- | --- | 12,000,000 | +12,000,000 | +12,000,000 |
| Minority | --- | --- | 5,000,000 | +5,000,000 | +5,000,000 |
| Subtotal, Graduate programs | 21,950,000 | --- | 49,000,000 | +27,050,000 | +49,000,000 |
| Special grants: | | | | | |
| Robert C. Byrd honors scholarships program | 8,000,000 | 8,000,000 | 8,000,000 | --- | --- |
| Assistance to Guam | 500,000 | --- | 500,000 | --- | +500,000 |
| Robert A. Taft Institute of Government | 750,000 | --- | 750,000 | --- | +750,000 |
| Congressional Teacher Scholarships | 15,500,000 | --- | 15,500,000 | --- | +15,500,000 |
| School & University Partnerships | --- | --- | 5,000,000 | +5,000,000 | +5,000,000 |
| Subtotal, Special grants | 24,750,000 | 8,000,000 | 29,750,000 | +5,000,000 | +21,750,000 |
| Total, Higher education | 480,428,000 | 176,111,000 | 584,450,000 | +104,022,000 | +408,339,000 |
| HIGHER EDUCATION FACILITIES LOANS AND INSURANCE | 19,205,000 | --- | --- | -19,205,000 | --- |
| COLLEGE CONSTRUCTION LOAN INSURANCE | --- | --- | 20,000,000 | +20,000,000 | +20,000,000 |
| COLLEGE HOUSING LOANS, LOAN LIMITATION (non-add) | (60,000,000) | --- | (90,000,000) | (+30,000,000) | (+90,000,000) |
| EDUCATION RESEARCH AND STATISTICS | | | | | |
| Education research and statistics | --- | 70,231,000 | 73,801,000 | +73,801,000 | +3,570,000 |
| National Institute of Education | 54,831,000 | --- | --- | -54,831,000 | --- |
| Center for Education Statistics | 8,747,000 | --- | --- | -8,747,000 | --- |
| Total | 63,578,000 | 70,231,000 | 73,801,000 | +10,223,000 | +3,570,000 |
| LIBRARIES | | | | | |
| Public libraries: | | | | | |
| Services | 80,000,000 | --- | 85,000,000 | +5,000,000 | +85,000,000 |
| Interlibrary cooperation | 18,000,000 | --- | 20,000,000 | +2,000,000 | +20,000,000 |
| Training and demonstrations | 1,000,000 | --- | 1,000,000 | --- | +1,000,000 |
| Research libraries | 6,000,000 | --- | 6,000,000 | --- | +6,000,000 |
| Construction | 22,500,000 | --- | 22,500,000 | --- | +22,500,000 |
| Literacy Initiative | 5,000,000 | --- | 5,000,000 | --- | +5,000,000 |
| Technology cooperation | --- | --- | 5,000,000 | +5,000,000 | +5,000,000 |
| Total | 132,500,000 | --- | 144,500,000 | +12,000,000 | +144,500,000 |
| PAYMENTS TO SPECIAL INSTITUTIONS | | | | | |
| AMERICAN PRINTING HOUSE FOR THE BLIND | 5,500,000 | 5,510,000 | 5,510,000 | +10,000 | --- |
| NATIONAL TECHNICAL INSTITUTE FOR THE DEAF | 32,000,000 | 33,000,000 | 33,000,000 | +1,000,000 | --- |
| GALLAUDET UNIVERSITY | 62,000,000 | 63,000,000 | 65,925,000 | +3,925,000 | +2,925,000 |
| HOWARD UNIVERSITY | 168,230,000 | 168,230,000 | 179,865,000 | +11,635,000 | +11,635,000 |
| Endowment contribution (unauthorized) | (2,000,000) | (2,000,000) | DEFER | DEFER | DEFER |
| Total, Payments to Special Institutions | 267,730,000 | 269,740,000 | 284,300,000 | +16,570,000 | +14,560,000 |

## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| DEPARTMENTAL MANAGEMENT | | | | | |
| SALARIES AND EXPENSES | 234,692,000 | 254,404,000 | 251,753,000 | +17,061,000 | -2,651,000 |
| OFFICE FOR CIVIL RIGHTS, SALARIES AND EXPENSES | 43,000,000 | 42,975,000 | 42,333,000 | -667,000 | -642,000 |
| OFFICE OF THE INSPECTOR GENERAL, SALARIES AND EXPENSES | 16,378,000 | 18,621,000 | 18,341,000 | +1,963,000 | -280,000 |
| Total, Departmental management | 294,070,000 | 316,000,000 | 312,427,000 | +18,357,000 | -3,573,000 |
| Total, Department of Education: | | | | | |
| Federal funds | 19,471,503,000 | 13,983,555,000 | 20,636,613,000 | +1,165,110,000 | +6,653,058,000 |
| (Unauthorized) | (2,000,000) | (2,000,000) | DEFER | DEFER | DEFER |
| TITLE IV - RELATED AGENCIES | | | | | |
| Action (Domestic Programs): | | | | | |
| Volunteers in Service to America: | | | | | |
| VISTA operations | 19,000,000 | 20,710,000 | 20,710,000 | +1,710,000 | --- |
| VISTA Literacy Corps | 2,000,000 | --- | --- | -2,000,000 | --- |
| Service learning | 1,368,000 | 1,368,000 | 1,368,000 | --- | --- |
| Subtotal | 22,368,000 | 22,078,000 | 22,078,000 | -290,000 | --- |
| Citizen Participation and Volunteer Demonstration Programs | 4,601,000 | 1,801,000 | 1,801,000 | -2,800,000 | --- |
| Older Americans Volunteer Programs: | | | | | |
| Foster Grandparents Program | 56,100,000 | 56,100,000 | 60,000,000 | +3,900,000 | +3,900,000 |
| Senior Companion Program | 18,086,000 | 18,086,000 | 20,000,000 | +1,914,000 | +1,914,000 |
| Retired Senior Volunteer Program | 29,620,000 | 29,620,000 | 32,000,000 | +2,380,000 | +2,380,000 |
| Subtotal, Older Volunteers | 103,806,000 | 103,806,000 | 112,000,000 | +8,194,000 | +8,194,000 |
| Program Support | 25,512,000 | 25,312,000 | 26,312,000 | +800,000 | +1,000,000 |
| Total, Action | 156,287,000 | 152,997,000 | 162,191,000 | +5,904,000 | +9,194,000 |
| Commission on Education of the Deaf | 750,000 | --- | --- | -750,000 | --- |
| Corporation for Public Broadcasting: 1/ | | | | | |
| FY 1989 | 228,000,000 | --- | --- | -228,000,000 | --- |
| FY 1990 (current request) 2/ | --- | 132,000,000 | 238,000,000 | +238,000,000 | +106,000,000 |
| 1/ FY 1987 approp. adv. in FY85 is $200 million.<br>FY 1988 approp. adv. in FY86 is $214 million.<br>FY 1989 approp. adv. in FY87 is $228 million. | | | | | |
| 2/ FY 1990 proposed to be derived by transfer from FY 1988 and FY 1989 funds. | | | | | |
| Federal Mediation and Conciliation Service | 23,892,000 | 24,920,000 | 25,601,000 | +1,709,000 | +681,000 |
| Federal Mine Safety and Health Review Commission | 3,785,000 | 4,139,000 | 4,080,000 | +295,000 | -59,000 |
| National Center for the Study of Afro-American History and Culture 1/ | 139,000 | --- | --- | -139,000 | --- |
| National Commission on Infant Mortality | 700,000 | --- | --- | -700,000 | --- |
| National Commission on Libraries and Information Science | 683,000 | 791,000 | 750,000 | +67,000 | -41,000 |
| National Council on the Handicapped | 860,000 | 932,000 | 932,000 | +72,000 | --- |
| National Labor Relations Board | 132,247,000 | 141,580,000 | 139,019,000 | +6,772,000 | -2,561,000 |
| National Mediation Board | 6,505,000 | 4,873,000 | 7,316,000 | +811,000 | +2,443,000 |
| Occupational Safety and Health Review Commission | 5,750,000 | 6,232,000 | 6,147,000 | +397,000 | -85,000 |
| Physician Payment Review Commission (trust funds) | (1,000,000) | (3,209,000) | (3,130,000) | (+2,130,000) | (-79,000) |
| Prospective Payment Assessment Commission (trust funds) | (3,421,000) | (3,798,000) | (3,752,000) | (+331,000) | (-46,000) |
| Railroad Retirement Board: | | | | | |
| Dual benefits payments account | 380,000,000 | 276,000,000 | 368,000,000 | -12,000,000 | +92,000,000 |
| Federal payment to the Railroad Retirement Account | 3,100,000 | 3,100,000 | 3,100,000 | --- | --- |
| New advance related to biennial budget, FY 89 | --- | 3,100,000 | --- | --- | -3,100,000 |
| (Limitation on administration, retirement) | (58,520,000) | (55,389,000) | (60,434,000) | (+1,914,000) | (+5,045,000) |
| (Limitation on administration, unemployment) (non-add) | (15,156,000) | (9,010,000) | (14,445,000) | (-711,000) | (+5,435,000) |
| (Limitation on administration, review activity) | (1,289,000) | (3,800,000) | (2,310,000) | (+1,021,000) | (-1,490,000) |
| Soldiers' and Airmen's Home (trust fund limitation): | | | | | |
| Operation and maintenance | 35,154,000 | 37,080,000 | 36,647,000 | +1,493,000 | -433,000 |
| Capital outlay | 15,109,000 | --- | --- | -15,109,000 | --- |
| United States Institute of Peace | 625,000 | 3,310,000 | --- | -625,000 | -3,310,000 |
| Total, title IV, Related Agencies: | | | | | |
| Federal Funds (all years) | 993,586,000 | 791,054,000 | 991,783,000 | -1,803,000 | +200,729,000 |
| Appropriations, 1988 | (765,586,000) | (655,954,000) | (753,783,000) | (-11,803,000) | (+97,829,000) |
| Appropriations, 1989 | (228,000,000) | (3,100,000) | --- | (-228,000,000) | (-3,100,000) |
| Appropriations, 1990 | --- | (132,000,000) | (238,000,000) | (+238,000,000) | (+106,000,000) |
| Trust funds | (64,230,000) | (66,196,000) | (69,626,000) | (+5,396,000) | (+3,430,000) |

1/ FY 87 amount reappropriation of unexpended balances

## H.R. 3058—FISCAL YEAR 1988 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION AND RELATED AGENCIES—Continued

| | Fiscal year 1987 comparable | Fiscal year 1988 budget request | House bill | House bill compared with— | |
|---|---|---|---|---|---|
| | | | | Fiscal year 1987 comparable | Fiscal year 1988 request |
| SUMMARY | | | | | |
| Title I - Department of Labor: | | | | | |
| Federal Funds | 5,163,204,000 | 5,475,022,000 | 5,959,806,000 | +796,602,000 | +484,784,000 |
| (Unauthorized) | (536,000,000) | (326,000,000) | DEFER | DEFER | DEFER |
| Trust Funds | (2,672,664,000) | (2,612,893,000) | (2,818,966,000) | (+146,302,000) | (+206,073,000) |
| Title II - Department of Health and Human Services: | | | | | |
| Federal Funds (all years) | 87,313,697,000 | 177,930,247,000 | 99,188,886,000 | +11,875,189,000 | -78,741,361,000 |
| Current year | (74,715,632,000) | (79,385,932,000) | (85,438,886,000) | (+10,723,254,000) | (+6,052,954,000) |
| 1989 advance | (12,598,065,000) | (84,466,323,000) | (13,750,000,000) | (+1,151,935,000) | (-70,716,323,000) |
| 1990 advance | --- | (14,077,992,000) | --- | --- | (-14,077,992,000) |
| (Unauthorized) | (2,467,533,000) | (2,004,757,000) | DEFER | DEFER | DEFER |
| Trust Funds | (5,166,595,000) | (5,168,701,000) | (5,153,499,000) | (-13,096,000) | (-15,202,000) |
| (Unauthorized) | (1,050,000) | (1,050,000) | DEFER | DEFER | DEFER |
| Title III - Department of Education: | | | | | |
| Federal Funds | 19,471,503,000 | 13,983,555,000 | 20,636,613,000 | +1,165,110,000 | +6,653,058,000 |
| (Unauthorized) | (2,000,000) | (2,000,000) | DEFER | DEFER | DEFER |
| Title IV - Related Agencies: | | | | | |
| Federal Funds (all years) | 993,586,000 | 791,054,000 | 991,783,000 | -1,803,000 | +200,729,000 |
| Current year | (765,586,000) | (655,954,000) | (753,783,000) | (-11,803,000) | (+97,829,000) |
| 1989 advance | (228,000,000) | (3,100,000) | --- | (-228,000,000) | (-3,100,000) |
| 1990 advance | --- | (132,000,000) | (238,000,000) | (+238,000,000) | (+106,000,000) |
| Trust Funds | (64,230,000) | (66,196,000) | (69,626,000) | (+5,396,000) | (+3,430,000) |
| Total, all titles: | | | | | |
| Federal Funds (all years) | 112,941,990,000 | 198,179,878,000 | 126,777,088,000 | +13,835,098,000 | -71,402,790,000 |
| Current year | (100,115,925,000) | (99,500,463,000) | (112,789,086,000) | (+12,673,163,000) | (+13,288,625,000) |
| 1989 advance | (12,826,065,000) | (84,469,423,000) | (13,750,000,000) | (+923,935,000) | (-70,719,423,000) |
| 1990 advance | --- | (14,209,992,000) | (238,000,000) | (+238,000,000) | (-13,971,992,000) |
| (Unauthorized) | (3,005,533,000) | (2,332,757,000) | DEFER | DEFER | DEFER |
| Trust Funds | 7,903,489,000 | 7,847,790,000 | 8,042,091,000 | +138,602,000 | +194,301,000 |
| (Unauthorized) | (1,050,000) | (1,050,000) | DEFER | DEFER | DEFER |

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mrs. Emery, one of his secretaries.

## NUCLEAR REGULATORY COMMISSION AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The SPEAKER pro tempore. Pursuant to House Resolution 237 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1315.

☐ 1820

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1315) to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes, with Mr. OBERSTAR in the chair.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, August 4, 1987, 25½ minutes of general debate were remaining. The gentleman from Arizona [Mr. UDALL] had 6 minutes remaining; the gentleman from Indiana [Mr. SHARP] had 8 minutes remaining; and the gentleman from New York [Mr. LENT] had 11½ minutes remaining.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I yield myself 30 seconds to state for the information of our colleagues the position of the managers of the bill of the two committees. There are about 25 minutes left in general debate. Following that, we would propose by unanimous consent to open the bill for amendment at any point. We will then proceed with the Markey amendment, which is the major controversial matter still left before us. We will try to get, by unanimous consent, a time limitation on the Markey amendment.

Following the Markey amendment, we have four or five relatively noncontroversial amendments which we will either accept or take a vote on after a little debate.

So I think the Members are safe in assuming there will be no rollcall votes for the next hour and a half, and with any luck, we can get out of here by 9 o'clock or perhaps a bit earlier.

Mr. LENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is my understanding that an agreement has been worked out to limit debate on the Markey amendment to 1½ hours, with the time to be equally divided, 45 minutes to the proponents and 45 minutes to the opponents. Can the gentleman from Arizona or the gentleman from Indiana confirm that understanding?

Mr. UDALL. Mr. Chairman, if the gentleman will yield, we have had some discussions over here, and I am agreeable to 1½ hours. I would like to make it an hour, and there are others who feel likewise. When we reach a point when we need unanimous consent to limit time, we will try to make it as short as possible. We have probably changed about as many minds as we are going to change, I believe.

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Mr. LENT. Mr. Chairman, I thank the gentleman.

Mr. UDALL. Mr. Chairman, I have no requests for time at this point.

Mr. SHARP. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from New York [Mr. Hochbrueckner].

Mr. HOCHBRUECKNER. Mr. Chairman, let me say to my colleagues that this is the No. 1 issue in my district on eastern Long Island in New York State. Eighty-five percent of the people in my congressional district oppose the opening of this plant, and they have sent me here as a freshman Congressman to state their claim that that plant should not open.

There are three reasons why the people of Long Island are strongly opposed to the opening of the Shoreham nuclear powerplant. Certainly the most important reason is that they strongly believe that there can be no safe evacuation plan that could work should there be a nuclear accident. I cite to the Members a Newsday article of Friday, July 18, 1986: "The day the Long Island Expressway stood still." The major east-west road that we have on Long Island for evacuating people is the Long Island Expressway, and it has received the dubious distinction of being called "the longest parking lot in the world," because people have been on it and they recognize that you cannot evacuate people using the road system that exists on Long Island.

Also if that plant were to open, the people of Long Island would be subjected to the doubling of the cost of electricity, which would give us the dubious distinction of having the highest electricity rates in the entire Nation.

Third, we have many alternative ways of meeting our energy needs. I come from an engineering background, and I have researched many alternative ways, and I am pleased to say that the Long Island Lighting Company has in fact put in place three of the four suggestions that I have made in terms of how to meet our growing electricity needs without opening the Shoreham nuclear powerplant.

We tried to tell the NRC and the AEC that you cannot evacuate Long Island, but they would not listen to us. They said, "Go away. Come back when it is time. It is time when the granting of the operating license is being considered."

This is the time, and that is why we are raising it now, We tried sooner. And the opposition is bipartisan. The Republican-dominated county legislature years ago said, "No, you can't have an evacuation plan that would work safely for Long Island." The State of New York, which is Democratically controlled, also agreed.

So this is not a partisan issue. Both Democrats and Republicans alike agree that the Shoreham nuclear powerplant should not open.

In 1980, after the Three Mile Island accident, the NRC made a rule, and that rule was that they would not issue an operating license for any nuclear powerplant that did not have a State and locally approved evacuation plan. That was a very wise move. That rule worked very well for the last 7 years. We have had 36 nuclear plants in this Nation licensed under that rule. It made a lot of sense then, and it makes a lot of sense now, especially since Chernobyl.

But now we have a situation where the Nuclear Regulatory Commission is changing its own rule. They want to open the Shoreham nuclear powerplant and the Seabrook nuclear powerplant, which has similar situations in terms of unsafe evacuation circumstances.

So we have this problem, and the purpose of the Markey amendment is to only affect those two plants. The Markey amendment says the NRC can change its regulations, but not relative to the Shoreham or Seabrook plants, that the old regulation should apply to those two plants. So the Markey amendment would in no way affect the 107 nuclear plants in existence now in the United States, nor would it affect the 15 that are in the pipeline. It would only affect the Shoreham and Seabrook plants.

So this is a local problem. It is not a national referendum on nuclear power, as some would have us believe.

Let me talk about some of the previous arguments that have been raised. We heard on the floor yesterday that passing this Markey amendment would in fact set a major precedent in the nuclear industry in the United States, and that eventually we would shutdown all the nuclear plants. Let me say that they are all going to be shutdown anyway as they get old and tired and get retired, because we are not building any new ones. We have not had a new order for a nuclear plant since 1973. So it is a passing phase in terms of how we produce our energy.

We would not create a precedent with the abandoning of the Shoreham and Seabrook plants. The fact of the matter is that 29 plants have already been abandoned during the course of construction. We would merely add 2 more plants to the 29 that have already been abandoned.

So passing the Markey-Hochbrueckner amendment, as it is now referred to, would in fact not establish a major precedent. No change would occur. We have heard that the national energy policy of this Nation would be affected if the Markey-Hochbrueckner amendment were passed.

☐ 1830

Less than 3 percent of our electricity is generated by oil, and very little of that comes from the Middle East.

I would like to point out to the Members that none of the oil being carried out of Kuwait by the tankers we reflagged, comes to us. That oil is going to Japan, Germany, and other places. That is not our oil.

We talk about jobs. I have been told, if the plants are abandoned, we will lose jobs. If those plants are abandoned, we will convert them to either coal or to natural gas or to oil, domestic hopefully.

How often do unions get an opportunity to build a plant twice and then operate it? We are not talking about losing jobs; we are adding jobs.

I have some good news for the Members. There are some major breakthroughs in desulfurization of coal. For those Members with coal in their districts, look ahead. It is looking good for coal.

We can remove the sulfur before we burn it, so I think coal is coming back.

Let me share with the Members some words from the President of the United States.

He put this in a letter to my predecessor in 1984. "* * * this Administration does not favor the imposition of Federal Government authority over the objections of State and local governments in matters regarding the adequacy of an emergency evacuation plan for a nuclear powerplant such as Shoreham."

It is signed by Ronald Reagan.

Let me remind the other side of the aisle that the President in writing has committed to, in essence, what the Markey amendment would do, so let me point out to the Members, this is not a national referendum on nuclear power.

These two plants were built in the wrong place and we need to stop them from opening.

Please support the Markey amendment.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. Johnson].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to the Markey amendment offered by the gentleman from Massachusetts.

Mr. Chairman, we have as a nation for many years thoughtfully, planfully, and rationally included nuclear amongst that energy mix on which our Nation's future was to depend.

In accordance with that national policy, I am proud to say that my State has reduced its reliance on oil for the production of electricity from

75 to 24 percent; and we did that by building safe nuclear plants which are seen today as amongst some of the finest in the Nation.

That differential, the oil that we saved, was picked up by the nuclear power that we are capable of generating. To the elderly that I represent, to the poor that I represent, to the consumers of Connecticut that I represent, that has meant a $2 billion saving; and that is very important to this Member, because if this amendment passes United Illuminating goes bankrupt, my people are going to feel it in their utility bills day in and day out. They will feel it directly and heavily.

And, Mr. Chairman, Connecticut is fast growing. Last year its demand for energy increased 5.5 percent while the Nation's demand grew only 2 percent. In the face of that new demand, there is not another plant, another source of power available or under construction, or even in the planning stages, that could support Connecticut's economic growth and provide the job opportunities my constituent's need. On the other hand, Seabrook is built, fueled, tested, ready to produce power, and we need it. It has undergone thousands of hours of inspections by the Nuclear Regulatory Commission, industry experts, and independent reviewers and has passed every review, every test. In addition, it's proposed evacuation plan would evacuate all within its 10-mile E&Z in the same time frame as the evacuation plans at all of the country's 108 licensed nuclear plants. Our nuclear plants have larger populations and worse roads than either the Seabrook or Shoreham plants, which are each sited with the assistance and concurrence of State siting councils. When operative, Shoreham will save 11.5 million barrels of oil per year, as much as is needed to fuel all the oil-heated homes in Connecticut for 14 months.

Seabrook has been sited and constructed in conformance with Federal requirements. Now it should be allowed to be operated in conformance with national standards. Parochial political interests should not be allowed to override national energy policy nor the needs of Connecticut consumers.

The CHAIRMAN. The gentleman from Arizona [Mr. Udall] has 6 minutes remaining; the gentleman from New York [Mr. Lent] has 9½ minutes remaining; and the gentleman from Indiana [Mr. Sharp] has 1 minute remaining.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Utah [Mr. Nielson], a member of the Committee on Energy and Commerce.

Mr. NIELSON of Utah. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise to address for a moment several matters which have arisen with respect to the Uranium Enrichment Program operated by the Department of Energy which may also involve the Nuclear Regulatory Commission.

Two basic inputs are required to make nuclear fuel: natural uranium and uranium enrichment. In adopting the Private Ownership Act in 1964, Congress determined that the United States must strive to maintain a viable domestic uranium industry capable of serving domestic needs, in order to assure our national security and energy independence. DOE now has the legal obligation under the Atomic Energy Act to limit enrichment of foreign source uranium for domestic end use to the extent necessary to assure the maintenance of a viable domestic uranium industry. Unfortunately, DOE for 2 consecutive years has admitted that the industry's viability is not only not assured, but that the industry is in fact nonviable. Yet the agency has done nothing to discharge its obligation. This has had tragic consequences for the Nation's domestic uranium industry. The industry in southeastern Utah, like that in western Colorado and northern New Mexico and in Wyoming has been devastated. Unemployment approaches 90 percent. Almost all new contracts for uranium for domestic end use have been for subsidized foreign uranium, sold on the U.S. market at prices far less than those commanded on other markets of the countries of origin.

On July 20 of this year, the U.S. Court of Appeals for the 10th Circuit upheld an injunction barring enrichment of foreign source uranium for domestic end use until the viability of the industry is assured. This action will assist in rekindling the industry in Utah and in other Western States, and, with DOE's cooperation, or with appropriate pressure from the courts, can result in a restoration of production within 1 or 2 years, at least in Utah. I accordingly welcome this result.

In resisting the injunction, DOE has claimed that U.S. utilities will simply go abroad from enrichment services, causing the agency to lose business without assisting the domestic uranium industry. I believe that the United States needs a vigorous enrichment enterprise just as well as a viable domestic uranium industry. I have therefore been troubled by DOE's argument. However, it is my understanding that even if U.S. utilities wished to go abroad, and even if there were sufficient capacity abroad to service their needs, there is existing authority under the Atomic Energy Act to fully protect DOE's interests while it carries out its duties under the jurisdiction. In particular, the agency has authority under sections 161b and p of the Act to issue orders or regulations to require use of its enrichment facilities, and the Nuclear Regulatory Commission can be petitioned to exercise its licensing authority over imported enriched uranium to limit the influx of such material. The Commission has advised that it can exercise such authority if there is a tie to national security and it makes the proper finding. Such should not pose difficulty here since the 10th circuit has advised that "a viable domestic uranium industry [is] vitally important to U.S. defense and security interests" and that "Congress did not want the United States to become dependent on foreign sources of supply." I am pleased that nothing in the NRC authorization bill before us is inconsistent with NRC action as appropriate to assist DOE in discharging its obligations in this area.

Mr. UDALL. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. Morella].

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to ask the gentleman from Massachusetts [Mr. Markey], the maker of the amendment, even though this is general debate, if the gentleman would engage in a brief colloquy with me and answer some questions with regard to the amendment.

I would like to ask the gentleman from Massachusetts, there has been a lot of talk about what is implied or what is brought into this amendment.

Can the gentleman tell me specifically what plants and how many plants would be affected by the gentleman's amendment?

Mr. MARKEY. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, I thank the gentlewoman for yielding.

There would be two plants, and those two plants would be the Shoreham plant in New York and the Seabrook plant in New Hampshire.

Mrs. MORELLA. No other plants would be affected by the gentleman's amendment?

Mr. MARKEY. No other plants.

Mrs. MORELLA. In the State of Maryland, we have Calvert Cliffs nuclear powerplant, which is one of the most safe and productive in the Nation.

Can the gentleman give me any assurance that the gentleman's amendment is not going to allow an elected official to be able to rescind or revoke the license that they have been granted during that biennial evaluation?

Mr. MARKEY. I appreciate the inquiry from the gentlewoman from Maryland, and I understand the gentlewoman's concerns.

My amendment will affect only two plants, the Seabrook and the Shoreham reactors.

No other plants will be affected in any way, including the Calvert Cliffs reactor. Moreover, the amendment contains explicit statutory language which states clearly that it in no way affects any biennial exercise, emergency plans for any operating reactor with a full power license.

Mr. LENT. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I thank the gentlewoman for yielding to me.

Is it not a fact that every nuclear plant's evacuation plan comes up for testing and retesting every 2 years, including Calvert Cliffs, the plant that the gentlewoman is concerned about?

Mr. MARKEY, Mr. Chairman, if the gentlewoman would continue to yield, that is correct; and the language in my amendment makes it clear that those biennial reviews would not be affected by the amendment in any manner, shape, or form.

Mrs. MORELLA. Mr. Chairman, I believe I got my answer, and I would take the gentleman at the gentleman's word.

□ 1840

Mr. UDALL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. MAVROULES].

Mr. SHARP. Mr. Chairman, I yield the 1 remaining minute that I have to the gentleman from Massachusetts [Mr. MAVROULES].

The CHAIRMAN. The gentleman from Massachusetts [Mr. MAVROULES] is recognized for a total of 3 minutes.

Mr. MAVROULES. Mr. Chairman, let me thank both my colleagues for yielding the time to me.

Mr. Chairman, before we get to the Markey amendment after this debate, I think we ought to lay all the cards out on the table. I think we should be honest with ourselves when we consider the vote on the Markey amendment after the debate.

Let me assure all of you, the reason I take a deep interest is because the Seabrook powerplant is right next door to my district and I am going to represent my constituents, and hopefully to represent them well.

This is not a pronuclear or antinuclear argument. Those who come in the well or speak to the points are attempting to make this a nuclear or antinuclear argument.

There are two locations, Seabrook and Shoreham.

My colleague, the gentleman from New York, during the debate just a moment ago mentioned the roads. Perhaps it would have been wiser for all of us to take a visit to both locations on the beautiful ocean front, with archaic roads which cannot handle traffic, whether it is summer or winter, and the devastating danger posed by a nuclear powerplant in those two locations.

But more importantly, we are talking about States rights, something we ought to pay very close attention to.

On more than one occasion in my 9 years in this Congress, I have sat in this beautiful House and I have listened to people put forth parochial arguments, things that we did not understand from the northeast corner, and I voted for them because I took their word for it.

The roads that we have at the Seabrook powerplant are back roads. To deal with an emergency at this point would be absolutely impossible.

So when we talk about the Markey amendment, we are talking about States rights, safety and evacuation, and certainly not a nuclear or antinuclear argument. That is not the argument here. We are not trying to set national policy.

Two locations, let us keep that in mind.

Mrs. JOHNSON of Connecticut. Mr. Chairman, will the gentleman yield on that point?

Mr. MAVROULES. I am pleased to yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Chairman, it is not two locations, because the plan for evacuation around Seabrook meets the same time estimates that the plans for all of the country's 108 licensed nuclear plants meet, so the plans are consistent.

Mr. MAVROULES. Mr. Chairman, may I take my time back. How can we say that? We do not have an evacuation plan.

Mrs. JOHNSON of Connecticut. But there is a plan, there is a proposed plan, and it meets the time constraints for evacuation.

Mr. MAVROULES. It is a proposed plan. We do not have an evacuation plan.

Mrs. JOHNSON of Connecticut. There is a time plan for the evacuation.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. BARTON], a member of the committee.

Mr. BARTON of Texas. Mr. Chairman, I would first rise in support of the NRC authorization bill, which is the principal reason that we are here this evening.

With respect to the amendment that is commonly called the Markey amendment, when the time comes to debate that I must be in opposition to that amendment.

The debate over the Markey amendment has been structured as a debate over the safety and the possibility of evacuation of the two powerplants in question, with the immediate issue being Seabrook and Shoreham.

I think we all agree that we must insure the absolute safety for all our nuclear powerplants, not only Seabrook and Shoreham. Let us go through some of the facts at hand regarding safety for these two powerplants.

First of all, we need to understand that the probability or the possibility of a nuclear accident that actually has fuel integrity damage; that is, some radioactivity escapes from the core, is 1 in 10,000 per plant per year. That is the same as the possibility of a major fault in one of our hydroelectric dams, 1 in 10,000 per year.

But let us assume that that happens. Let us assume that were to happen at either Seabrook or Shoreham. What do we have as safeguards against that?

This is a drawing of one of the containment structures at one of the powerplants. This one happens to be up at Seabrook in New Hampshire. This particular containment building has a double containment configuration. The one in Shoreham is just as safe, although it is not double containment.

The Seabrook plant has been designed so that if a F–111 flying at maximum power runs smack dab into the side of this building, it will not impact it at all. There is a squadron of F–111's stationed at a nearby Air Force base.

If the operators inside the plant were to decide that they wanted to create the worst accident they could, and do nothing to control it, this containment building would prevent any type of radiation from escaping for at least 18 hours, and possibly as much as 27 hours. That is if they do absolutely nothing in the worst case.

Now, if they were to fight a worst case scenario, they could have up to 200 hours, at a minimum.

In the emergency plans that have been presented for consideration at both Shoreham and Seabrook, the emergency evacuation times, according to a document that was forwarded to Congressman UDALL, the chairman of the Interior Committee, at Seabrook were between 6¼ to 9¾ hours. At Shoreham the estimate was between 5 to 6⅓ hours. That is the worst case, worst weather situation, you name it. So the containment vessel itself has the ability to allow the people time to evacuate, even if the evacuation times turn out to be twice as long, in a worst case situation.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LENT. Mr. Chairman, I yield an additional 30 seconds to the gentleman from Texas.

Mr. CHAIRMAN, will the gentleman yield to me?

Mr. BARTON of Texas. I am more than happy to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, first of all, I want to thank the gentleman for his statement.

I would point out to the gentleman that in the Nuclear Regulatory Commission latest listing of licensee performance review, awarded that plant, the Seabrook plant, the highest marks on all facets of construction quality and placed it as superior in terms of safety to for example the Calvert Cliffs plant that the gentlewoman from Maryland was concerned about.

Mr. UDALL. Mr. Chairman, I yield the remaining 2 minutes of my time to the gentleman from Massachusetts [Mr. MARKEY ].

Mr. MARKEY. Mr. Chairman, I thank the gentleman, and I will speak more extensively when my amendment comes up in another 2 or 3 minutes.

Just to clarify the record for the benefit of the gentleman from Texas, the Brookhaven Institute has done a study on the Seabrook plant. They have developed a number of scenarios that have a major accident occurring bypassing the containment area. I do not know how the gentleman's F–111 accident deals with that type of situation.

To the gentlewoman from Connecticut who said that there is in fact a plan which has the same time frame for evacuation as any other plant in America, I would just note to the gentlewoman that FEMA, [the Federal Emergency Management Agency] has rejected the proposed emergency plans from New Hampshire, much less Massachusetts, in terms of their capacity to be able to meet the requirements that have been laid down by the Federal Government for insuring that the public health and safety is adequately protected.

So I just want to get that into the record, Mr. Chairman, as we go into the debate, because I am sure we are going to hear a lot more erroneous information as we go through the process of this debate. I just wanted to deal with those as we get out of the gate.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. HALL ].

Mr. HALL of Texas. Mr. Chairman, I doubt that I can add too much, and I doubt that once we actually get on the amendment itself that anyone is going to say anything that has not already been said.

I think it should be pointed out that it is not just educational institutions and areas where the think tank guys are that have information on this. Guys without ties on, working guys, people who have worked in this area back when it was constructed, brought by my office a letter entitled "Citizens for Shoreham Electricity," and said that during the 100th Congress, as they pointed out and we already know, that three House Committees have rejected the Markey amendment and there is no compelling reason why the full House should now reverse the actions of these.

I think we can go from these working guys here to the Governor of New York, who said, and this is in contradiction to what the gentleman from New York said, their own Governor has stated that although such an amendment may be limited in application to Seabrook and Shoreham, it would have a much broader impact. I think that is the thing that should be pointed out.

Actually, the first exhibit that the gentleman from Massachusetts showed us, a beautiful beach with two miles in the background, the facility named Seabrook, I think that picture speaks very loudly. That picture shows air-conditioned and luxurious apartments that are heated in the wintertime and cooled in the summer; cars that they drive there, tires that they rode on, chemicals and floats and rafts that they enjoy at the beach, gracious living, and all of them associated with energy.

Now, it does not seem fair to me to cry "home rule" or "states rights." As a matter of fact, even the garbage raft from New York was launched by a home rule city and under a State's rights outlook, but soon it became a national problem to be solved nationally.

The good people in New York and Massachusetts and that part of the world know that they cannot have it both ways. They cannot export their garbage and import their energy. It is just not fair and I do not believe this Congress is going to go along with it.

Mr. LENT. Mr. Chairman, I yield my remaining 1 minute, the balance of my time, to the gentleman from California [Mr. PASHAYAN].

Mr. PASHAYAN. Mr. Chairman, I thank my colleague.

Mr. Chairman, I intend to participate in the upcoming debate on the Markey amendment, but let me just say that there is one issue concerning the Markey amendment and that issue is, who shall have the final decision in whether or not to license a plant? Shall it be the NRC, or shall it be a State or local government? That is the only issue here.

Whether or not the plant is adequate, or whether or not there is a proposed plan or a perfected plan and all the other considerations are by comparison secondary to a simple issue. Shall the NRC have the final authority or shall the final authority in effect be vested in the State and local government having the power to overrule the Federal agency? That is the only issue presented by the Markey amendment. It is a procedural question, not a substantive question.

The CHAIRMAN. All time has expired.

Pursuant to the rule, an amendment in the nature of a substitute consisting of the text of H.R. 3037 shall be considered as an original bill for the purpose of amendment under the 5-minute rule in lieu of the amendments now printed in the reported bill and each section is considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Nuclear Regulatory Commission Authorization Act for Fiscal Years, 1988 and 1989".

### SECTION 1. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 1988 AND 1989.

There are hereby authorized to be appropriated to the Nuclear Regulatory Commission in acordance with the provisions of section 261 of the Atomic Energy Act of 1954 (42 U.S.C. 2017) and section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875) for the fiscal years 1988 and 1989 to remain available until expended, $427,800,000 for fiscal year 1988, and $422,600,000 for fiscal year 1989.

□ 1855

Mr. UDALL. Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The text of the remainder of the bill is as follows:

### SEC. 2. ALLOCATION OF AMOUNTS AUTHORIZED.

(a) IN GENERAL.—The sums authorized to be appropriated in this Act for fiscal years 1988 and 1989 shall be allocated as follows:

(1) not more than $154,460,000 for fiscal year 1988 and $146,630,000 for fiscal year 1989, may be used for "Nuclear Reactor Regulation";

(2) not more than $46,955,000 for fiscal year 1988 and $46,385,000 for fiscal year 1989, may be used for "Nuclear Material Safety and Safeguards";

(3) not more than $132,396,000 for fiscal year 1988 and $136,591,000 for fiscal year 1989, may be used for "Nuclear Regulatory Research", of which an amount not to be exceed $2,000,000 authorized each such fiscal year to be used to continue the effort in gascooled thermal reactor safety research;

(4) not more than $52,084,000 for fiscal year 1988 and $51,720,000 for fiscal year 1989, may be used for "Program Technical Support";

(5) not more than $41,905,000 for fiscal year 1988 and $41,274,000 for fiscal year 1989, may be used for "Program Direction and Administration".

(b) LIMITATION.—The Nuclear Regulatory Commission may use not more than 1 per centum of the amounts allocated under subsection (a)(4) to exercise its authority under section 31a. of the Atomic Energy Act of 1954 (42 U.S.C. 2051(a)) to enter into grants and cooperative agreements with universities pursuant to such paragraph. Grants made by the Commission shall be made in accordance with chapter 63 of title 31, United States Code and other applicable law.

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(c) Reallocation.—Any amount allocated under any paragraph of subsection (a) for purposes of the program referred to in any such paragraph may be reallocated by the Commission for use in a program referred to in any other paragraph of such subsection, or for use in any other activity within a program, except that the amount available from appropriations for such fiscal year for use in any program or specified activity may not, as a result of reallocations made under this subsection, be increased or reduced by more than $500,000 unless a period of thirty calendar days (excluding any day in which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain or an adjournment sine die) passes after the receipt by the Committee on Energy and Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Environment and Public Works of the Senate, of notice submitted by the Commission containing a full and complete statement of the reallocation proposed to be made and the facts and circumstances relied upon in support of such proposed reallocation.

### SEC. 3. RETENTION OF CERTAIN FUNDS

Money received by the Nuclear Regulatory Commission for the cooperative nuclear safety research program, services rendered to foreign governments and international organizaitons, and the material and information access authorization programs, including criminal history checks under section 149 of the Atomic Energy Act (42 U.S.C. 2169) may be retained and used for salaries and expenses associated with those activities, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended.

### SEC. 4. TRANSFER OF CERTAIN FUNDS.

From amounts appropriated to the Nuclear Regulatory Commission pursuant to this title, the Commission may transfer to other agencies of the Federal Government sums for salaries and expenses for the performance by such agencies of activities for which such appropriations of the Commission are made. Any sums so transferred may be merged with the appropriation of the agency to which such sums are transferred.

### SEC. 5. LIMITATION.

Notwithstanding any other provisions of this Act, no authority to make payments under this Act shall be effective except to such extent or in such amounts as are provided in advance in appropriation Acts.

### SEC. 6. USER FEES.

(a) In General.—

(1)(A) The Nuclear Regulatory Commission shall annually assess and collect such fees and charges as are described in paragraphs (2) and (3) in an amount that approximates 75 percent of the budget of the Commission in the fiscal year in which such assessment is made.

(B) The first such assessment shall be made not later than September 30, 1988, and shall be based on the budget of the Commission for fiscal year 1988.

(2) Pursuant to section 9701 of title 31, United States Code, any person who receives a service or thing of value from the Commission shall pay fees to cover the Nuclear Regulatory Commission's costs in providing any such service or thing of value.

(3)(A) Any person who holds a license issued under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)), that authorizes such person to operate a utilization facility with a rated thermal capacity in excess of 50,000,000 watts shall pay, in addition to the fees set forth in paragraph (2), an annual charge. The Commission shall recover from such charge such costs of the Commission as are recoverable under paragraph (1) and not recovered under paragraph (2).

(B) The Nuclear Regulatory Commission shall, by rule, determine the amount of such annual charge for each licensee described in subparagraph (A) in a manner that ensures that the licenses who require the greatest expenditures of Nuclear Regulatory Commission resources pay the greatest annual charge.

(b) Use of Funds.—Amounts collected under this section shall be deposited in the General Fund of the Treasury to reimburse the United States for amounts appropriated for use by the Nuclear Regulatory Commission in carrying out its functions.

(c) Repeal.—Title VII of the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272) is amended by striking subtitle G. This repeal shall become effective upon promulgation of the Commission's final rule implementing this section.

Mr. UDALL. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. Markey] now be permitted to offer his amendment.

The CHAIRMAN. The gentleman from Massachusetts is entitled to offer his amendment at any time.

Mr. UDALL. Mr. Chairman, I ask unanimous consent that all debate on the Markey amendment and all amendments thereto shall close in 1½ hours.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

Mr. LENT. Mr. Chairman, we have no objection on this side.

The CHAIRMAN. Is there objection to closing debate on the Markey amendment and all amendments thereto in 1½ hours?

Mr. SHARP. Mr. Chairman, reserving the right to object, do I understand the gentleman intends to have the time divided, with 45 minutes to be controlled by the gentleman from Massachusetts [Mr. Markey] and 45 minutes to be controlled by the gentleman from New York [Mr. Lent]?

Mr. UDALL. Mr. Chairman, that is my purpose and I so request.

The CHAIRMAN. Is there objection to the division of the time as stated by the gentleman from Indiana [Mr. Sharp]?

Mr. LENT. Mr. Chairman, reserving the right to object, I do not think I will, but I was not sure whether it was understood as part of the motion that half of the 1½ hours would be allocated to the opponents of the Markey amendment?

Mr. UDALL. Mr. Chairman, the gentleman is entirely correct and, in fact, the request designated him as the member controlling the 45 minutes.

Mr. LENT. Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

### AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Markey: Page 6, after line 21, add the following new section:

SEC. 7. EMERGENCY PLANNING.

(a) In General.—

(1) Emergency regulations.—The amount authorized to be appropriated under section 1 may be used by the Nuclear Regulatory Commission to issue or change the terms of an operating license under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, or 2134(b)) for a production or utilization facility described in paragraph (2) only if such license is issued (or changed) in compliance with section 50.47 of title 10, Code of Federal Regulations and Appendix E of part 50 of such title, as in effect on June 1, 1987.

(2) Production and utilization facilities.—Paragraph (1) shall only apply to a production or utilization facility—

(A) in possession of a license to load fuel or operate at not more than 5 percent of the rated capacity of such facility on June 1, 1987; and

(B) for which a State government with jurisdiction over any area within a 10-mile radius of such facility has refused, on or before June 1, 1987, to submit emergency plans for such facility in accordance with part 350 of title 44, Code of Federal Regulations (as in effect on June 1, 1987), or to authorize submission of such plans in accordance with part 50 of title 10, Code of Federal Regulations (as in effect on June 1, 1987).

(b) Limitations.—Nothing in subsection (a) shall be construed—

(1) to change the requirements described in section IV F. of Appendix E of part 50 of title 10, Code of Federal Regualtions (as in effect on June 1, 1987) governing the Nuclear Regulatory Commission review of a biennial exercise of emergency plans for a production or utilization facility in possession of a license to operate at greater than 5 percent of the rated capacity of such facility on the date of the enactment of this Act; or

(2) to affect any production or utilization facility in possession on June 1, 1987, of a license to operate at greater than 5 percent of the rated capacity of such facility.

Mr. MARKEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts [Mr. Markey] is recognized for 45 minutes.

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there have been a number of allegations which have arisen surrounding the nature of the amendment which is pending. But at the core of those allegations is the

charge that this is a debate which boils down to whether you are pronuclear or antinuclear. And at the heart of that debate is the sense that there is a small number of antinuclear zealots who are obstinately standing in the way of the legitimate licensing of two nuclear powerplants and invoking frivolous objections at the last minute to their operation. Nothing could be further from the truth.

The issue which is to be heard this evening in this Chamber is the question of whether two and only two nuclear powerplants shall be licensed with a lower standard of safety than the other nuclear powerplants located in all other regions of America licensed under the existing Nuclear Regulatory Commission standard for emergency evacuation plans in the event of a meltdown or a major accident at a nuclear powerplant. This is what the issue is all about, two plants seeking to ensure that they will be covered by the same laws which have covered the other plants which have come before the Nuclear Regulatory Commission seeking licensing, but with an emergency plan that has been approved according to the standards established by the Nuclear Regulatory Commission, FEMA, the States, and local communities participating under existing regulation.

If any Member of this body believes that Congress or the NRC should lower the standard of public safety protection at these two plants, in the course of this debate they should say so. If any Member believes that the NRC should license these two powerplants without finding that there is reasonable assurance that adequate protective measures can and will be taken to protect the public, then please in the course of this long evening let us hear that sentiment.

The question which is being posed here is one in which we are hearing about the Ayatollah, and hearing about the energy needs of New England and the Northeast, and the great concern which people have about our interests.

Let me tell my colleagues what the choice is, and the choice is a local one. It is a local one for the State of New York, it is a local one for the people of Massachusetts and New Hampshire. For 12 years we have tried before the NRC and the courts of this country to raise the legitimate concerns we have about the adequacy of emergency evacuation plans around these two plants. We tried at every legal opportunity to raise our concerns. We were rebuffed in our attempts to do so.

In 1975 Attorney General Frank Bellotti of Massachusetts and Warren Rudman of New Hampshire sought to raise these issues at the Nuclear Regulatory Commission. That case was tossed out by the NRC saying that the likelihood of a nuclear accident at this plant was so incredible, so small, that there was no need for an emergency evacuation plan.

In 1979, after the Three Mile Island accident, we once again tried to raise the issue, the State of Massachusetts, Frank Bellotti, the intervenors once again going before the NRC and we raised the same issue and we were once again dismissed with the promise that the economic investment already made would not be used to discriminate in the event that we raised those issues again at the conclusion of the construction of the plant. The NRC dismissed us once again.

That was appealed up to the circuit court by the intervenors. There at the circuit court it was ruled that the Nuclear Regulatory Commission, having stated that economic considerations would not play a role, that the court would uphold the NRC's decision, but with the stipulation that the States would still be able to raise under existing standards their concern about emergency evacuation plans at that plant.

In dicta on that decision the court noted:

> However wise we think it would be to hold a hearing now in 1982 on the feasibility of emergency planning zone evacuation, we cannot order the Commission to hold a hearing.

Why? Because those issues will be raised at the end without prejudice because of economic investment already made.

In 1986 the State of New York and the State of Massachusetts, both having tried to comply with the emergency preparedness requirements which are placed upon the States and local communities raised these concerns once again. Many say that here are two States, here are local counties who are turning their backs, not even trying to participate. Ladies and gentlemen, nothing could be further from the truth.

Here we have four, four of dozens of completed emergency response plan attempts by the State of Mssachusetts. We have boxes of them outside all accompanying us here today, and if anyone would wish to persue them they may do so. These are plans at a cost of $800,000 to the State of Massachusetts which have been deemed to be inadequate to protect the people of our state. If the people who are listening to this debate would like, we have an equally large box full of New Hampshire plans at a cost of hundreds of thousands of dollars to the State of New Hampshire which have been ruled inadequate by the Federal Emergency Management Agency. And if anyone still suffers from insomnia, we have an equally large number of boxes of plans which have been built around the Shoreham plant on Long Island that have been deemed to be inadequate, hundreds of thousands of additional dollars by our Governors, by our county commissioners, by our mayors, by our selectmen. We have been unable to build emergency plans around these plants and FEMA in Long Island, in New Hampshire, in Massachusetts, has been unable to certify any plan which would be in fact adequate.

These beaches here on Long Island are densely populated areas. The Federal Government is not an expert on the back roads of New Hampshire and Long Island and Massachusetts. They are experts on nuclear power, nuclear energy. Onsite at the nuclear reactor they are experts, but for the 10-mile radius surrounding the communities, the bridges, the roads, the police, and fire, the local communities are the experts, the states are the experts, the civil defense people in those States are the experts. They have tried to develop plans. We have spent millions of dollars trying to prepare plans. We have been unable to do it.

Do my colleagues think that the State of Massachusetts or the State of New York wants to cancel a $5 billion nuclear powerplant? Do they think that we want to tell our residents that after 12 and 15 years of trying to construct these two facilities to generate electricity for our States that we want to cancel $5 billion in each State that very likely could go on the rate base of our citizens? Do they think we want to make that choice?

That is why we raised the questions 12 years ago about building these plants on a beach or on Long Island that requires people to drive by the plant in order to in fact evacuate the surrounding areas.

This is a heartbreaking choice for the people of New York and Massachusetts and New Hampshire. We are being forced to choose between $5 billion in investments in both States that could very well go on the rate base for electric consumers in both areas for a generation against licensing a nuclear powerplant in both States without adequate emergency evacuation plans around it to protect the health and safety of the people who live within a 10-mile radius.

What a heartbreaking choice to place on the shoulders of the people of these States. But in the end, as heartbreaking as it is, it is an easy choice. It is an easy choice because there is not a person in this hall, there is not a person listening to this anywhere in America that would ever put their families in a situation where they had to be exposed to life-threatening situations. There is not a person in this country, a right-thinking person, that would put their families in the situation where they would in fact ask them to live anywhere that would endanger the lives of their families. They would not do it.

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If the choice for us is higher electric rates, we will pay the price. If the price is that we have to spend another billion dollars or so to convert it over to coal or oil or gas, we will pay the price. Do not tell us that we have to force our citizens to live within the 10-mile radius of nuclear powerplants, and only two nuclear powerplants in this country will every be put into this situation, that do not have State approved, locally approved, county approved, citizen approved plans to evacuate the areas in the event that there is a meltdown. And God knows, nobody wants a meltdown. But if there is, these people have made a choice. It is our choice. It is the choice of the people within the 10-mile radius. Their rates are the ones that are going to go up if that is the way it has to be. It is their choice.

What has happened here? The Nuclear Regulatory Commission, unhappy with these citizen concerns, has now proposed a new rule which is under consideration. What does that rule say?

□ 1910

It says that rather than using the safety consideration which is the sole and exclusive basis upon which the Nuclear Regulatory Commission can license plants, it is now going to consider economics as the basis for licensing this plant.

In 1974, we broke off the Nuclear Regulatory Commission from the Atomic Energy Commission so that we would have a separate special agency that licensed nuclear powerplants solely and exclusively upon the basis of safety, not economics.

The Supreme Court in 1962 ruled, when asked whether or not economics could override safety in terms of licensing of nuclear power plants, that the Atomic Energy Act makes it clear that it "is absolutely denied, any authority to consider this investment when acting upon an application for a license of an operation. PRDC has been on notice long since that it proceeds with its construction at its own risk and that all its funds may go for naught."

In 1982 at the Seabrook plant the circuit court of appeals upheld the very same principle. And yesterday the circuit court of appeals once again upheld the principle that economics cannot override safety in the licensing of nuclear powerplants when they ruled on a 1985 Nuclear Regulatory Commission rule which says that in backfit cases where you are retrofitting and going in and putting in needed safety devices for nuclear powerplants where deficiencies have been identified, that the utility and the NRC cannot consider economics but only safety in terms of whether or not that retrofit has to in fact be built into the nuclear powerplant.

That decision was made yesterday by the circuit court of cppeals, Federal Circuit Court of Appeals.

John Herrington, Secretary of Energy wrote a letter today to Members of Congress. Here is his letter:

> By effectively blocking the operation of two completed nuclear facilities, the amendment would squander the investment of billions of dollars in the construction of safe nuclear powerplants.

The Nuclear Regulatory Commission is not allowed to consider economic investment in nuclear powerplants in determining whether or not they should be licensed.

I conclude on this note: I believe there is one area of life where all of us have to be especially respectful, especially deferential, and that is in cases where people are trying to protect their own families. If people want to pay the price for clean air, for their families, their children, they should be able to pay it; if they want to pay for clean water, for hazardous waste sites that will protect their children and their families from being exposed to hazardous materials, for sewage facilities. If people are willing to pay for it and they want to provide a certain level of health and safety for their families and for their children, they should have a right to do so.

Here the people of New York and Massachusetts and the large majority of people who live inside that area in New Hampshire are willing to pay the price in higher rates, in converting this plant so that their families do not have to be exposed unnecessarily to dangers which no other people in this country will have been exposed to—and that is to have to live within a 10-mile radius without an emergency evacuation plan which has been approved at the State and local level as having been effective.

I urge you, all of you who will be debating this issue to keep that issue in mind. This is not a pro- or anti-nuclear vote. This has nothing to do with the Ayatollah. This has nothing to do with anything except for the legitimate rights of people at the local level to control their own destinies where they are willing to pay the price.

All we are looking for is that opportunity. We are not looking for special treatment, we are not looking for special exemptions; we are looking for equal protection under the law, the existing law. If we are granted that, we are granted all that is our due, and that is all that we are requesting.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Massachusetts [Mr. Markey] has consumed 18 minutes.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, I think we have just witnessed a great peroration, some great oratory on the part of our friend, the gentleman from Massachusetts. But we have also witnessed a very severe distortion of this debate. This debate is about licensing powerplants and about evacuation plans; it is not about the safety of this particular plant. No one opposing the Markey amendment seeks to lower safety standards for licensing. Those standards remain whether or not Markey passes. But if you want to talk about the safety of these particular plants, then let us talk about it.

The Nuclear Regulatory Commission views these plants, Seabrook and Shoreham, as two of the best plants in terms of their safety; and that means their steel supports, their piping systems, their mechanical components, their auxiliary systems, their electrical equipment, their cables, et cetera. Mr. Chairman, contrary to what the proponents of the amendment have been saying, these are some of the safest plants in the country.

I would recommend to the gentleman from Massachusetts a letter we have all received from 16 of the top scientists in the United States of America, including 8 Nobel Prize winners which tells us that these plants are exceedingly safe. I'd like to include that letter at this point in the Record.

Scientists and Engineers
for Secure Energy,
*New York, NY, July 31, 1987.*

Hon. Jim Wright,
*Speaker of the House, House of Representatives, Washington, DC.*

Hon. Robert H. Michel,
*Minority Leader, House of Representatives, Washington, DC.*

Honorable Gentlemen: We are gravely disturbed that you may soon be asked to make a very important decision without being provided the relevant scientific and technical facts.

### THE CONGRESSIONAL ISSUE

You may be asked to vote for a Floor Amendment relating to emergency planning for nuclear power plants. You will be told that it is a "local issue" relating to "only two" plants and that it is a matter of "states' rights."

As scientists and engineers, we can't advise you whether Massachusetts has the "right" to veto New Hampshire's decision to use domestic nuclear power. Nor can we advise you whether the Supreme Court's recent decisions in First Lutheran Church and Nollan will require New York to compensate the utility for the temporary deprivation of use of Shoreham after that government authorized and approved such use. And we cannot judge whether the amendment would really affect only two plants.

However, as persons knowledgeable in the theoretical and applied sciences, we feel bound to advise you on the heart of the matter the safety of nuclear power and thc need for emergency plans including, occasionally, evacuation.

### NUCLEAR PLANT SAFETY

Nuclear plants in the U.S. have inherent safety through the incorporation of the negative power coefficient which suppresses power in the event of a loss of coolant accident. (Tragically, the Soviet RBMK dsesign has a positive power coefficient which caused an immense power surge at Chernobyl.) This fundamental stability of design is reinforced by redundancy of systems so no single failure can allow an accident. Those systems have been refined over the years both on the basis of experience, and the use probabilistic-risk analysis. As a final safety measure (absent at Chernobyl), containment has been required and, over the years, the specifications have been strengthened.

The synergism of these safety features is such that the risk of reactors of the Seabrook and Shoreham generation having an accident with a sudden large release of radioactivity is on the order of one in a billion per year, about once in the age of the earth. This is about 10,000 times safer than the hazard encountered each time you ride a commercial aircraft. Is that a level of risk which a rational person avoids?

### EMERGENCY PLANNING

Nevertheless, the NRC conservatively requires emergency plans for such an unlikely instance. And we believe those plans can and should be simple, placing little or no burden on local resources. There are basically four stages of action: first, identify the problem and try to solve it without internal damage; second, if step one doesn't succeed, contain any potential release; third, if there may be a significant release, advise the public within a ten mile radius of the reactor how to avoid possible harm—the preferred response of technical people is "sheltering" (stay indoors). This is simple and will be effective in almost all cases.

The fourth step, evacuation, would be necessary, if ever, only within one or two miles of the plant, followed perhaps by evacuation of those within a narrow strip downward of the plant at a later time. In view of the low population density required in siting plants, the last resort of evacuation is not a challenging task. An evacuation of everyone within the entire ten mile radius probably would never be advisable but, if done, it would not incur the volume or congestion which local police routinely handle after a college or pro football game.

### THE IRRATIONAL OBJECTION

The only way that fear mongers can create a threatening scenario is by (1) characterizing the one-in-a-billion accident as a realistic basis for planning, (2) insisting on a zone for evacuation 25 miles in radius instead of the NRC's 10 mile radius, and then (3) postulating a need for instantaneous evacuation of the entire zone. The second and third parts of the scenerio have no technical (or legal) justification. However, they do make a modest task much larger, as well as much more complex and hazardous.

Further perspective on this issue is gained by considering that evacuations are relatively often needed for many other industrial activities such as chemical plant and railroad accidents. However, nuclear power is the only human activity where such evacuation plans are a pre-condition to operation.

### CONCLUSION

What we need is an understanding of the immense amount of scientific scrutiny which has been given to develop safety in nuclear power plants and emergency planning to the point where the risk from a nuclear plant pales beside the risk of commercial air travel.

We also need a rational appreciation of the alternatives to nuclear energy. We do not need to further expose our economy and national security to the risks of reliance on imported oil or electricity.

We hope that the reflections presented in this letter will help you and your colleagues arrive at a considered position and assist you in avoiding the imposition, locally or nationally, of unwarranted statutory prohibitions which would proscribe otherwise very effective, useful and, by most professional reckoning, safe nuclear power.

Very truly yours,

Luis W. Alvarez, Nobel Laureate, U. Calif., Berkeley; A.M. Cormack, Nobel Laureate, Tufts, Univ.; Arno A. Penzias, Nobel Laureate, Bell Laboratories; Dixy Lee Ray; Former Chairman, USAEC, Former Governor, State of Washington; Charles H. Townes, Nobel Laureate, U. Calif., Berkeley; Hans A. Bethe, Nobel Laureate, Cornell Univ.

William W. Havens, Jr., Exec. Secretary, Amer. Physical Soc., Columbia Univ.; Thomas H. Pigford, Member, Pres. Comm. on TMI Accident, Chairman, Nucl. Engin. Dept., U. Calif., Berkeley; Glenn T. Seaborg, Nobel Laureate, L. Berkeley Laboratory; Eugene P. Wigner, Nobel Laureate, Princeton Univ.; Thomas J. Connolly, Assoc. Chairman, Mech. Engin. Dept., Stanford Univ.; John McCarthy, Prof. of Computer Science, Stanford Univ.; Norman C. Rasmussen, McAfee Prof. of Engin., Mass. Inst. of Tech.; Frederick Seitz, Past President, Nat. Acad. of Sciences, President Emer., Rock. U.; Richard Wilson, Mallinckrodt Prof. of Physics, Harvard Univ.; and Rosalyn S. Yalow, Nobel Laureate, Albert Einstein Coll. of Medicine.

Let's talk about costs. Maybe the Nuclear Regulatory Commission cannot consider economics in the licensing process but this is $10 billion worth of American energy production that the gentleman from Massachusetts would scrap while our boys are sent to the Persian Gulf to risk their lives. That's something we should consider.

You know, we talk about safety of this plant and the numbers of people to be evacuated. I would like to call the attention of my colleagues to nuclear plants at Beaver Valley, PA, which has a higher population than Shoreham and to the plant at Zion, IL, which has a higher population than Seabrook in the 10-mile radius and Three Mile Island, PA, and Millstone, CT, and Indian Point, NY, all of which have higher populations in a 10-mile radius than these two plants.

The Framers of our Constitution figured out 200 years ago that for certain areas, a central government was necessary for defense, for the security of our Nation, for trade, and for foreign policy. Let me ask my colleagues if they think the energy security of the United States is an interest to be promoted by the central Government or do they think that this is a States rights issue?

The gentleman from Massachusetts [Mr. Mavroules] talked about this as a States rights issue. Well, if it is, how come New Hampshire has supported this effort? Wouldn't we take their States rights away from them if Markey passed? These books here on my right that my colleague from Massachusetts has described constitute emergency response plans that are under review. New Hampshire has sought to participate. Not only that, for 8 to 10 years, both the Shoreham communities and the Seabrook communities participated in the development emergency plan. It is only since 1983 that local government on Long Island switched horses.

And finally let us go beyond that. Let's look at the "Shut Down Strategies," by Ralph Nader's "Public Citizen" has published an entire section, section IIIb that discusses what nuclear plants are next. I urge my colleagues to take a look at it.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Moorhead], the distinguished ranking member of the Subcommittee on Energy and Power.

Mr. MOORHEAD. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to Mr. Markey's amendment on emergency planning. Statements have been made today that this amendment responds to proven safety problems. That is not the case. While neither Mr. Markey nor I are nuclear engineers, Congress had created the Nuclear Regulatory Commission, an agency comprised of technical experts, who make safety judgments on nuclear safety issues for Congress. NRC's most recent safety reviews of the Seabrook and Shoreham plants give both plants very high marks. Seabrook received the highest ratings in all categories reviewed.

Statements have also been made today that the Shoreham and Seabrook cases represent uniquely difficult problems of emergency planning. That also is not the case. At least five other nuclear plants in this country have larger populations and worse road systems in the emergency planning zone than Seabrook and Shoreham. Most interesting in the context of Mr. Markey's amendment is the Indian Point plant which is 20 miles from New York City. In that case, New York Governor Cuomo overrode the objections of local officials who believed that emergency planning was impossible. In effect, Governor Cuomo took the position that it is easier to evacuate 200,000 people over bad roads in the shadow of New York City than it is to evacuate 135,000 people over the excellent roads on Long Island.

Regardless of the merits of these positions, it is quite clear that NRC will not license either Shoreham or Seabrook until it decides that the plants are safe and that emergency planning in the vicinity of the plants is adequate. NRC is insisting that Seabrook

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have an adequate emergency plan before being granted a low power license. At the same time, NRC is making the same requirement on Shoreham before granting a 25 percent power license. If Mr. Markey were correct and NRC intended to license Seabrook and Shoreham without regard to safety, that would have been done long ago.

Finally, I would like to respond to the statement that NRC is changing its emergency planning rules "in the middle of the game." In fact, what NRC is proposing to do is implement on a generic basis, rather than through case-by-case litigation, statutory authority granted it by Congress in 1980. At that time, Congress authorized NRC to license nuclear plants on the basis of utility emergency plans if State and local governments decline to participate in emergency planning. Of course, NRC is required to determine if utility emergency plans provide reasonable assurance that public health and safety will be protected in the event of an accident. This is the same finding NRC must make when it reviews a State or local government emergency plan prior to issuance of an operating license. Thus, Congress has recognized in the past that State and local governments must not be permitted to veto operation of completed safe nuclear plants simply through inaction or failure to participate in the emergency planning process.

I urge you to recognize that Mr. Markey's amendment is not sound national energy policy and to vote no on Mr. Markey's emergency planning amendment.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Illinois [Mrs. Collins].

Mrs. COLLINS. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague, Mr. Markey.

As a Member whose district is served by a utility with substantial investment in nuclear power, I am deeply concerned by the NRC's regulatory activities.

Clearly, the NRC's actions must be guided by one fundamental concern—public safety.

The Commission's current rulemaking on emergency preparedness, however, totally disregards this basic concern. The NRC now proposes to eliminate the requirement that State and local governments have emergency plans in place before a nuclear plant is licensed. This action is inexcusable!

If the NRC is allowed to proceed, who will provide these vital emergency services? Clearly, if State and local officials do not believe it is safe to operate a plant, and do not cooperate in this planning process, then who has the responsibility to do so? Would it fall to the utilities to provide these services? Can any utility provide essential police, fire, and health services if an accident occurs? Clearly the answer is "No."

Today, we have the opportunity to put the Commission on notice that promoting the public's safety is its primary responsibility. Without the cooperation and active involvement of State and local governments, it cannot fulfill this responsibility.

The Markey amendment simply retains current regulations that require emergency plans to be in place before any new nuclear plant under construction is licensed. It would not alter the licensing conditions for plants currently in operation, and should be agreed to.

Given the importance of this issue to the public's safety, be it in Chicago or the communities which are the focus of the dispute in the NRC rulemaking, I urge my colleagues to support the Markey amendment.

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Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. Schaefer].

Mr. SCHAEFER. Mr. Chairman, since there are such diverse opinions among Members on this amendment, I thought it might be helpful to include in the debate some notable quotations from newspaper editorials.

The New York Times states that "giving local authorities a veto power over new plants means none will be built. Removing this power would be a welcome and overdue step."

From the Wall Street Journal: "emergency planning has become little more than a stalling tactic. There's no good reason why Shoreham and Seabrook shouldn't receive permission for full-scale operation."

The New Hampshire Sunday News says that "it is clearer than ever that the Seabrook nuclear plant is a must for the State and region's power needs."

From the Worcester Telegram: "the NRC's common sense approach is in stark contrast to the Seabrook plant's opponents."

The Daily Evening item from Lynn, MA, states that "the concern for safety has been pushed to such lengths that this vital energy source is being strangled."

From the New Haven Register: "the availability of power for commercial and industrial use is critical to the economy of Connecticut and the rest of New England. If the power is limited, and costly, industry will look elsewhere to expand."

That's not all.

The Hartford Courant points out that "it is cavalier of any governor to assert a last-minute right to block a plant after years and billions of dollars have been spent in planning and construction. It is equally cavalier to refuse to plan for the health of citizens in the event of a catastrophe."

Although not in the Northeast, the Cincinnati Enquirer states that "it is insane to give a village council, a mayor or even a governor the power to require the dismantling of a multimillion-dollar nuclear power plant by the simple expedient of noncooperation in evacuation planning."

And finally, the Chicago Tribune argues that "by delaying the startup of Shoreham and Seabrook, the politicians may be gaining some votes with the anti-nuclear block, but they are penalizing the utility, its consumers and shareholders in the long run."

With those glowing endorsements, it is easy to see why the gentleman's amendment was defeated in the Energy and Commerce Committee. I urge all Members to join me in opposing this amendment and continue the string of amendments lost by our anti-nuclear colleagues.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. Barton].

Mr. BARTON of Texas. Mr. Chairman, I would point out to my colleagues that my allusion to the F-111 in my earlier comments was because of Pease Air Force Base, where a squadron of F-111's are based.

Mr. Chairman, we are going to need all of the energy we can develop in this Nation in the years ahead. We are going to need all of our oil resources, all of our gas resources, all of our coal resources, and we are going to need all of our nuclear resources. Nuclear power currently contributes 17 percent of our energy needs.

In our Northeast United States, where Shoreham and Seabrook are located, they do not have large oil deposits and they do not have large natural gas deposits. They do have some coal, but primarily they are going to get their power from nuclear and hydroelectric. They are going to need that power.

The gentleman from Massachusetts says that his amendment relates only to two nuclear powerplants, and he is technically correct. The amendment is structured that way, it is written that way, and technically he is exactly right. The reality is, though, that if his amendment passes, we open Pandor's box because we set a precedent and we cannot prevent other powerplants from being litigated in court, using the Seabrook and Shoreham plants as a precedent to stop other powerplants.

The gentleman from Massachusetts [Mr. Markey] also tells us this is not a pronuclear or an antinuclear vote, that it is a vote on two particular powerplants.

The reality again is totally different. I would point out that many of his supporters have done everything they

can to stop nuclear power. That is all well and good. That is the open democratic system, but they have grasped at this emergency planning route as an indirect means of stopping something that they cannot stop directly. We should do everything we can to defeat them.

They talk about the States' rights issue. The Atomic Energy Act in the 1950's said that nuclear power is not a States' right; it is a Federal issue. It should be a Federal issue because it affects all Americans.

Mr. Chairman, we cannot afford to let the amendment offered by the gentleman from Massachusetts [Mr. Markey] pass. We need nuclear power in this country, we need it today, and we need these two powerplants. Each of them will save 18 million barrels of oil per year immediately if they go line. We should vote "no" on Markey. We should let nuclear power live in the United States.

Mr. MARKEY. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. Downey].

Mr. DOWNEY of New York. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of the Markey amendment. Of course, there is a precedent that will be set either way, if we accept the Markey amendment or if we reject the Markey amendment, and I think it is appropriate that we try to examine some of the precedents both ways. They have been discussed ad nauseam here, and I am going to start by invoking the oft-quoted statements of the Founding Fathers of our Republic. We will recall that about 200 years ago this very day they were sitting down and trying to resolve what should be national or Federal responsibilities and they decided that they could not decide. They recognized above all things that things would change, and that there needed to be a recognition that there would be in future times varying apportionment of responsibilities.

I suspect that if they heard the debate today, they would turn collectively in their graves to think that we have decided in one area above all else that the Federal Government should have a sole priority. And it is not in a military area; it is in the area of the generation of electricity by nuclear power.

Just what is the State's responsibility when generating electricity. The States, may take action on oil-fired plants if they feel the plant is unsafe, and if they do not think it is safe, they can close the plant down. With respect to coal, they can say the same thing, or on gas or electricity possibly generated by the Sun. The States have an important role to play in determining safety. Could we imagine for a moment, if the Federal Government said, "I see you have a coal-fired plant on Long Island," or, "an oil-fired plant. We do think that the technology is such, it being so sophisticated, so completely refined and developed, that there now is no need for you to have a sprinkler system, or a fire dam system to get people out in the event of a fire."

We would sit here and say that is crazy. Anything made by man can fail. Yet today in the area of nuclear power we are saying that the Federal Government has everything to say and the rule that has been developed by the Nuclear Regulatory Commission trammels on the notion that the States or the localities have anything to say with respect to planning. That is insane. That is what we are debating today.

We are not debating all the nuclear power plants because we are prepared to give a free ride, and we are prepared to say to the States and localities, "States, you do not have a role to play anymore; localities, you do not have a role to play," and all Mr. Markey has done is say that in the one spot in New Hampshire and in the one spot in New York where there have been mistakes in the siting of the plant, we want the old rules of an evacuation plan to apply. That is the issue.

Today we have heard people who are watching this on Long Island and in New Hampshire and in Massachusetts who have been told they have nothing to fear from Congressman Ritter, from Congressman Barton, about the safety of nuclear power. Now is that not reassuring?

Mr. Chairman, I am sure that these two gentlemen would not have believed for a moment that there could have been an accident with the *Challenger* or that there could have been an accident at Chernobyl or they could have believed all the statements before that Three Mile Island could never have happened. Unfortunately, accidents occur, and all we want to say to the people of my island and in the place in New Hampshire is that we want to be prepared for the accident. We want to have a plan. We want to be able to say that if there is a problem we can get you out.

But you do not want to give us that option. The nuclear industry is so afraid, they are so afraid of this that they are prepared to stop and say, "Please, our friends in Congress, do not allow these two plants to have any sort of exemption, have a special measure of safety, because this somehow will hurt the whole industry:"

What do you have to be afraid of? You have nothing to be afraid of, my colleagues. This amendment is sensible, it is rational, it is in the public interest, and I urge my colleagues to please accept it.

Mr. LENT. Mr. Chairman, I am happy to yield 3 minutes to the gentleman from Ohio [Mr. Oxley], a member of the Committee on Energy and Commerce.

Mr. OXLEY. Mr. Chairman, the history of the Markey amendment is a history of failure. It lost in the Interior Committee. It lost in the Subcommittee on Energy Conservation and Power. It lost in the Interior Committee. It lost in the Energy and Commerce Committee. When a resolution was presented to the National Conference of State Legislators just a week or two ago in Indianapolis, it never was passed. When it was presented to the National Conference of Governors in Michigan just recently, it did not pass.

Mr. Chairman, I think the record of the Markey amendment certainly speaks for itself. It is a loser. It is recognized as a loser. It is one that should be defeated here on the floor today.

This is indeed a national energy issue, yet we have people, the same people in many cases who support the Markey amendment, who do not want to look for any more oil, who do not want to burn coal, who do not want to see us discover oil or gas off the coast, who do not want to see us even look for oil or gas in Alaska, and yet they are the same people who claim in many cases they are pronuclear, no matter whether they support this type of amendment.

I think that obviously the committee process has worked well to this point, and it certainly points out the weaknesses of this amendment. Eighteen million barrels of imported oil are displaced by each of these particular facilities. That is an awful lot of oil that we can save and not have to import into this country, and yet the same people who support Markey and oppose all the different ways we can get energy independence in this country are the same people who find some fault with this nuclear system.

What has really happened, of course, is that with the Markey amendment what we are going to do is say to certain States that they will be able to employ what I like to call the "rope-a-dope" defense. That is, you do not do anything; you allow the people who are trying to do something, who are trying to bring some energy independence to this country, to basically punch themselves out because they have not done anything, and as a result the will of the Congress and the will of the utilities who are trying to provide reasonable energy is thwarted. I do not think we ought to allow that to happen.

Mr. Chairman, I would like to quote from a Newsday article. As far as I know, Newsday is located either on Long Island or very close to Long Island. This is dated July 3, 1987, and indeed they say, speaking of the Markey amendment, that it should not pass. Referring to the health and safety requirements of individual nuclear plants, they state that the regulatory agency is created for just that purpose. That is really what this is all about.

Mr. Chairman, I ask that we defeat the Markey amendment and let us get on to pass the NRC reauthorization bill.

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Mr. MARKEY. Mr. Chairman, may I inquire of the Chair once again, what is the remaining time?

The CHAIRMAN. The gentleman from New York [Mr. Lent] has 30 minutes remaining; the gentleman from Massachusetts [Mr. Markey] has 21 minutes remaining.

Mr. MARKEY. Mr. Chairman, I would ask if the gentleman from New York might want to consume some time, so we can level out as we get near the end of the debate?

Mr. LENT. Mr. Chairman, I would be happy to accommodate the gentleman from Massachusetts on this one occasion.

Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. Hall].

Mr. HALL of Texas. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to the Markey amendment.

The gentleman from Massachusetts has characterized his amendment as the gentleman chooses, and the gentleman has that right.

The gentleman has characterized the amendment before and we heard every suggestion, every speech the gentleman from Massachusetts has made; and three committees have heard the gentleman and turned the gentleman down.

I admire the gentleman's spunk in pursuing it. It is bad legislation. It is not safe for this country. For most of the Members, we see it as a continuation of the gentleman from Massachusetts simply shaking his fist at nuclear energy.

The amendment's sponsor has characterized the intent of the amendment as only affecting the Shoreham and Seabrook plants. That is literally true; but I can assure all of the Members of this House, that the real purpose of the amendment is to lay out a path for that class of intervenor in the licensing process whose sole objective is to use the process to prevent the licensing and operation of those plants under construction, intervenors who have no interest in playing a constructive role in the licensing process.

The Markey amendment provides a simple mechanism to stop the licensing process in its tracks.

The amendment gives to State and local officials the authority to say no to the NRC, just simply say, "We won't play; we won't participate in the emergency planning process," not even a rope-a-dope defense. If the Markey amendment is adopted, that is the entire ballgame, the end of the line for the licensing process; and the investments that have been made in the plant go down the drain for all practical purposes.

It puts no burden on the public officials who make that determination to justify their reasons for their actions. Under the Markey amendment, State and local officials can block a plant, because they do not like the color of the paint on the front gate of the plant, or for even lesser reasons, for that matter. They do not have to give a reason.

The Markey amendment is the worst kind of public policy, because it removes from the process any notion of accountability, and then they talk of hundreds of thousands to be evacuated.

Where were those people when the facility went up, when it was built brick by brick, block by block, steel girder by steel girder? I'll tell you where they were! They were employed; they were working on Seabrook. It was a big employer.

Temporarily it solved their public works problem and gave them the 3-percent unemployment figure that they enjoyed.

I do not believe the good people of New York or Massachusetts or New Hampshire or others believe that it is right now to say, "Tear it down, we have got all the benefits from it we want."

We cannot do that in the oil patch. We have to have the gutted pipelines, the derricks in our front yard; but energy is so important, and this amendment does not just involve two plants.

It involves nuclear energy in general. To have a sound national evergy policy, an alternate source of energy is so important. We forced the Japanese south into Malaysia in 1941 looking for energy.

Russia and other countries were invaded by Hitler for the Ploesti oil fields, and the Sudetenland—and this country will fight for energy. We need nuclear energy to supplement oil and gas, solar, and all other pursuits.

This is a bad policy, an unfair policy, a dangerous policy. I urge the Members to vote against the amendment of the gentleman from Massachusetts [Mr. Markey].

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. Scheuer].

Mr. SCHEUER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, anybody who looks at this picture, certainly anybody who has ever spent a sunny weekend afternoon in Montauk or in the Hamptons on Long Island would know the absurdity, the bizarre absurdity of locating these nuclear plants where they have been located.

It defies imagining that they could have been put next to tens of thousands of people enjoying a beach. It defies reasoning that the Shoreham plant could have been placed way out on Long Island with that thin little artery known as the Long Island Expressway, sometimes referred to as the largest parking lot in the world; on just a plain summer weekend afternoon, imagine, if you will, the chaos, the consternation that would occur with a nuclear accident in the summer in either of these locations.

This was perfectly self-evident when the plants were first suggested.

In both cases—Shoreham and Seabrook—State and local officials have raised legitimate concerns about evacuating masses of humanity through tight highway bottlenecks in the event of a nuclear accident.

These officials attempted to voice their concern years ago—as early as 1970 in the case of Shoreham and 1974 in Seabrook's case—but they were precluded by the NRC from doing so until the operating license proceedings began.

Now that the licensing procedure is underway, the NRC wants to alter the game plan and move ahead with licensing the plants, despite the prudent concerns of local officials.

Now the NRC wants to change the rules in midcourse so as to deny States and localities a meaningful role in the licensing procedure.

As Abraham Lincoln so wisely said more than a century ago: "You don't swap horses while crossing the river."

Apparently reacting to financial concerns of the utilities that own Shoreham and Seabrook, the NRC is attempting to do just that—change the rules in the middle of the game.

But we are not dealing with a game here.

We are dealing with the health and safety of hundreds of thousands, if not millions, of residents and tourists who would be affected by an accident at either of these nuclear plants.

The Markey amendent reaffirms the status quo in terms of the public's welfare.

This amendment is further bolstered by a U.S. court of appeals decision issued yesterday which said the NRC "may not take economic costs into account in fulfilling its statutory mandate to ensure adequate protection of public health and safety."

Mr. Chairman, we cannot be fickle when it comes to this important issue—we must stay the course. We must maintain the integrity of the process.

Without process, we are left with chaos. We cannot sacrifice process on the altar of expediency.

As Martin Luther noted in the 16th century:

> The mad mob does not ask how it could be better, only that it be different. And when it then becomes worse, it must change again. Thus they get bees for flies and at last hornets for bees.

I urge my colleagues to support the amendment offered by my colleagues from New York and Massachusetts.

To do otherwise would fly in the face of common sense and the sanity of the rule of law.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. Mr. Chairman, I only have 3 minutes, I am sorry.

Mr. LENT. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. Scheuer].

Mr. SCHEUER. Mr. Chairman, I yield to the gentleman from New York [Mr. Lent].

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding to me.

Neither of these plants would be located where they are had it not been that the State public utility commission issued a siting permit. Likewise, a certificate of need was issued for both of these plants, the same as the Diablo plant in California and the San Onofre plant in California, and many other plants which are located along the oceanfronts of this Nation.

Mr. SCHEUER. Mr. Chairman, I am not talking about any of those. We have over 100 of these plants, and this amendment is only addressed to 2, the 2 that were put in place in violation of the orderly procedures of the Nuclear Regulatory Commission processes.

I think we have learned from watching the television in the last month how important this process is. Let us not sacrifice process on the altar of expediency.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. Fields], a member of the Committee on Energy and Commerce.

Mr. FIELDS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. CHAIRMAN, I rise in opposition to the Markey amendment.

Although I have a great deal of respect for my friend and colleague, Mr. Markey, I must oppose the amendment before us today.

Proponents of the Markey amendment would have us believe that the amendment is purely a local rights issue. Proponents claim that the Markey language affects only the Shoreham and Seabrook nuclear plants. However, my colleagues should understand that while the Markey amendment technically prevents only the Shoreham and Seabrook plants from being licensed, the repercussions of the Markey amendment will be felt throughout the entire nuclear industry.

After the Three Mile Island nuclear accident, Congress passed legislation requiring State and local governments within 10 miles of a nuclear plant to help develop local emergency response plans. Congress rightly decided that local cooperation in developing emergency evacuation plans would better protect area residents. But, Congress never intended for State or local governments to be granted virtual veto authority over the operation of a nuclear reactor. Yet, in two cases, the Seabrook and Shoreham plants, State and local governments have blocked the licensing of nuclear reactors by simply refusing to participate in emergency planning.

I might point out that in the Seabrook case, it is the State of Massachusetts, not New Hampshire where Seabrook is located, which is blocking the plant's operating license.

In February of this year, the Nuclear Regulatory Commission proposed new regulations which would allow a nuclear reactor to receive an operating license without State or local government participation in an emergency plan if the utility attempted to but could not obtain State or local government cooperation and, instead, submits its own emergency evacuation plan. The proposed NRC rule change is clearly in keeping with expressed congressional intent. In the 1980 Nuclear Regulatory Commission authorization bill, the conferees specifically stated that the emergency response plan may be developed by the State or local government or the utility.

Congress made a decision several decades ago that nuclear power should be regulated at the Federal level. That policy of Federal supervision has remained firmly in place. But, if Congress undermines that policy by passing the Markey amendment, what signal will be sent to the Nuclear Regulatory Commission? The Markey amendment tells the NRC that local politics—not reasoned energy policy—should govern nuclear power.

This amendment is not just a debate about Seabrook and Shoreham, it is a referendum on nuclear power in the United States. If the Markey amendment passes, the political opponents of nuclear power will waste no time in pressuring State and local in every community near a nuclear powerplant to withdraw support for existing emergency plans. Since emergency plans are recertified every 2 years, antinuclear activists will have a perfect forum to press their cause.

Nuclear power safely supplies 17 percent of the electricity in the United States. In France, nuclear power safely supplies over 75 percent of that country's electricity. Billions of dollars have been invested in nuclear reactors in America. Can we afford to let that investment be wasted by 11th hour license denials?

Antinuclear activists have failed at every step of the way to prevent these nuclear powerplants from being built. Having lost the battle, antinuclear activists are now attempting to win the war by subverting the emergency planning process.

Don't make the mistake of underestimating the significance of the Markey amendment. While we all would like to be able to defer to the wishes of some Members of Congress near the Seabrook and Shoreham plants, we must consider the public policy implications of doing so. The Markey amendment is not just local interest legislation, it is a giant first strike against nuclear power.

A well-regulated nuclear energy industry can provide a safe source of domestic energy for decades to come. The Markey amendment will undermine that potential.

I urge the defeat of the Markey amendment.

☐ 1950

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. Atkins].

Mr. ATKINS. Mr. Chairman, nuclear power is one of our newest, and most promising technologies, but it is also one of our most dangerous. We have coexisted with it for over three decades, and have continually learned from our experience.

Ten years ago, the Atomic Licensing and Safety Board discounted the possibility that there could ever—ever—be a nuclear accident serious enough to warrant evacuation. But we've learned that accidents can happen.

Emergency planning for nuclear power accidents was considered a low priority for many years, but we've learned that planning is a key component for nuclear safety.

State and local governments were not involved in the planning process prior to Three Mile Island, but we've learned that they are the most familiar with local weather and traffic patterns, and the front line in any emergency.

We have learned. Where there was no evacuation plan required before, we now have the active involvement of FEMA and State and local governments in developing plans in case of a nuclear accident. We no longer consider a nuclear accident impossible. We've learned it can happen.

The NRC rules under discussion today are not some arbitrary regulations that were issued on a whim. They are a product of our experience with Three Mile Island—with what we learned from that serious accident.

And that brings us to this amendment.

There are over 100 nuclear powerplants in this country, all of which were licensed under the existing rules.

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The existing rules were made after the 1979 accident at Three Mile Island, when the crucial role of State and local government in evacuation plans was clearly defined. And those existing rules are what we ask for Shoreham and Seabrook—not special treatment, not different rules, but equal treatment with other plants.

The Markey amendment makes no judgment on the merits of either side's argument. It merely says that Seabrook and Shoreham will be treated during the licensing process in an identical manner to every other nuclear plant in this country.

We should not move goal lines 20 yards in so that a team retroactively scored, or cut a baseball game at six innings to make one team a winner. We should not allow two nuclear plants to be licensed under different safety regulations than all the other nuclear plants in the Nation. Simply because they cannot devise an evacuation plan that local public safety officials think can work.

Not special treatment, just equal treatment. I urge the adoption of the Markey amendment.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut [Mr. Rowland], our neighbor to the north.

Mr. ROWLAND of Connecticut. Mr. Chairman, this has been a very intriguing debate over the last 2 days. We have heard a lot of emotion, some misfacts and a lot of different arguments.

I think one of the most intriguing arguments that we have heard from our friends on the other side of the aisle is that this side of the aisle is not concerned with conservation.

I simply point out that assuming a capacity of 70 percent at Seabrook, we would save approximately 7 billion kilowatt hours of electricity a year.

In my State of Connecticut, the oil saved by Seabrook would add up to enough oil to heat every single home in the State of Connecticut for well over a year.

The other contention that I find quite interesting is the one that we have talked the most about, and that is states rights. Well, Mr. Chairman, it does not really matter whether it is 1 plant or 2 plants or 3 plants or 10 plants. The fact of the matter is that we are asking Congress, the U.S. Congress, to make a determination on a case-by-case basis of whether to approve this plant.

I would also point out that the original amendment that the gentleman from Massachusetts [Mr. Markey] offered back in one of the committees would have impacted some 17 plants.

Now, knowing that it is not a States' rights issue, States do have a right and are encouraged to participate in the decisions which affect the interests of our Nation.

The Markey amendment will set a terrible precedent. By preserving a loophole, you can bet that the proponents hope to kill a good approach to safe energy.

Everyone agrees that we must have good, safe energy, but we should not dismantle years of progress by sleight of hand.

The fact of the matter is that this plant has been supported by local and State governments. We have obtained all the appropriate permits for construction and operation, that both have completed hours and hours of inspection and reviews and safety checks, and that both plants will provide needed energy to our region.

New England, as we all know, has had tremendous growth. We have had tremendous economic and electric needs.

Historically, and we were asked not to bring it up, but it is true, historically we have been dependent on imported oil. If we want to benefit from this good safe energy, we need to work together to make sure for all our environmental and economic reasons and not emotional and irresponsible reasoning.

Mr. MARKEY. Mr. Chairman, I would request that there be some equalization of the time now.

The CHAIRMAN. The Chair has been alternating back and forth, trying to equalize the time.

Mr. LENT. Mr. Chairman, I think we ought to alternate back and forth. The gentleman from Massachusetts started out and took 18 minutes in his initial remarks. It is my hope to husband some of the time for this side for closing remarks to the gentleman from New York.

Therefore, since a representative of the opposition to the Markey amendment just spoke, I think, in all fairness, the next speaker ought to be one chosen by the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, will the gentleman indicate how much time he is intending to reserve for himself at the end?

Mr. LENT. About 5 to 7 minutes.

Mr. MARKEY. Mr. Chairman, I thank the gentleman.

I yield 4 minutes to the gentleman from New York [Mr. Mrazek].

Mr. MRAZEK. Mr. Chairman, the question was asked a little earlier, what are the chances of a major nuclear accident? The response from my wide-eyed innocent young colleague from Texas was 1 in 10,000, who then suggested that Seabrook could withstand an F-111 flying into its containment vessel.

Well, I would like to tell you a little story about another major public works project we had on Long Island, in Suffolk County, sometimes known as the Dodge City of local politics in the United States. It was called the southwest sewer district. We spent a billion dollars on it, and it had hundreds of miles of reinforced concrete pipe. Before the system was even finalized, we found it was disintegrating in the ground.

Do you know what happened? We found there was an organized crime task force that went to the company that supplied the reinforced concrete, one of the largest suppliers on Long Island, and it turned out they were rigging the tests for the concrete pipe.

I submit that if there is any of the same concrete in the containment vessel, at Shoreham, it will not survive the impact of an F-111 aircraft. A tuna fish sandwich aimed properly at the containment vessel could create a substantial problem.

Then, you might ask, what are the chances that all three backup generators designed to provide backup safety in the event there was an emergency at a plant, and you had to continue to cool the plant, what do you think the chances would be if all three backup generators breaking down? Well, do you know what happened to all three backup generators at the Shoreham nuclear power facility? Each one, as it was tested, froze up, ground to a halt, with circumferential cracks down every rod. It took $30 million to repair them.

We have 1.3 million people in Suffolk County. Who are they? Are they people who think that we are going to generate our power needs on Long Island by converting cow manure into electricity? No, they are not.

The people who live on Long Island are just like the rest of the people in this country. They are mostly 9 to 5'ers. They are working people. They work at Grumman Aircraft, Airborne Instruments, Hazeltine, Unysis-Sperry. I am proud to represent what is among other things the third wealthiest congressional district in the United States of America. We have the highest educational levels in my district in the Northeast; yet when my constituents started out asking the question, Is this plant safe, they came to a simple conclusion. Because, if it could go wrong at Shoreham, it went wrong at Shoreham. Bad things happened at this plant, and we are talking about fundamental safety. We are telling you, our colleagues, in all deference and respect, that our constituents have made a difficult decision. They made a decision to protect their families.

Now, 85 percent of the people in our county have made this decision, and they fully recognize that it is going to be a difficult one, and that there are going to be even tougher decisions ahead when it comes to how we are going to provide our power needs.

But the fundamental decision they reached in Suffolk County is this. Do not force us to put a plant which may be unsafe on line in Suffolk County.

I submit that if you watched the catalog of mismanagement and abuse and fraud and mismanagement that occurred in the construction of this 1 plant, and I am not talking about the 107 other plants operating in this country, I am talking about the one plant we know about, that every elected official in Suffolk County, Republican and Democrat alike, has seen take place. They have reached a decision that maybe we are going to have to convert to coal, maybe we are going to have to import more power, yes, hydroelectric power from upstate New York or Canada; yes, there may be higher expense attached to it, but we do not want a plant to go on line that is unsafe.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. Stratton].

Mr. STRATTON. Mr. Chairman, I have had for the last 15 years the honor to chair the subcommittee in the Armed Services Committee that looks over nuclear weapons with a military aspect. The idea and the problem of nuclear energy is one that has a different approach when it comes to nuclear power stations, but with the military applications of nuclear energy, we are expanding our defenses and our credibility and also our deterrent.

I think it ought to be mentioned that we in that committee recognize the dangers of nuclear power. As a matter of fact, we have put some three generating plants in Savannah River out of action and we have also closed down the end reactor in the Northwest precisely so that we have a margin of safety in operating these plants which are vital to the defense of the country.

Let me join in the battle in this case with an editorial by a very thoughtful piece that appeared in the New York Times by a senior fellow from The Brookings Institution. Here is what he said today:

> If the vetoes of Shoreman and Seabrook would prevail, a dangerous precedent could prevent utilities from considering nuclear power as an option for future generating capacity.

He pointed out that this is not to say that the States do not have a right to participate in decisions that vitally affect them, but he pointed out that the Federal Government enjoys ultimate authority over an impressive range of activities, such as interstate commerce and national defense. What about energy policy? All of these are carried out by the agencies of the executive branch of the Government.

What the Markey amendment is trying to do is trying to bring this into a political arrangement by having Congress determine whether Shoreham is safe or not. The Nuclear Regulatory Commission is the one that has been given that authority. We ought to keep that authority in their hands.

☐ 2005

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. Traficant].

Mr. TRAFICANT. Mr. Chairman, State and local officials have spoken. They conclude that the public cannot be protected if an accident occurs.

There is only one issue before us today, and that issue is safety. If a meltdown did occur, the first to hide would be the NRC. In fact, we would be hearing from so many attorneys it would look like the National Bar Association convention down here.

What bothers me is the NRC is trying to sell us on the economics. This is not a case for economics. This is a case for safety.

The people have spoken and they want a safe evacuation plan and they want to have a say in the process. Now think about that. They are 100 percent right, and our job today is to tell the NRC they do not work for the corporations, they work for the people, and that is what our vote should be today.

Vote yes, because a dangerous precedent will be set and that is the danger that is posed to the people that live in that area, and that is the precedent we should concern ourselves with today.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Utah [Mr. Nielson], a member of the Committee on Energy and Commerce.

Mr. NIELSON of Utah. Mr. Chairman, I rise in support of H.R. 1315, the Nuclear Regulatory Commission authorization bill but against the emergency planning amendment. I would have to oppose this legislation if this amendment were added to H.R. 1315. That amendment, if enacted, would prohibit the Nuclear Regulatory Commission [NRC] from issuing a full power operating license for a nuclear powerplant that had not received such a license as of January 1, 1987 unless all States within a 10-mile radius of the plant, the Federal Emergency Management Agency, and NRC agree that the emergency plans for the plant are adequate and that, as a result, the plant can be safely operated.

Just recently, several members of the Energy and Commerce Committee sent letters to 12 utility companies asking these companies if the emergency planning amendment were implemented, what affects it would have on the industry. Mr. Chairman, the responses showed that it would adversely affect electrical service reliability, retard economic growth and, in some instances, turn flourishing local economies into depressed areas; it will diminish local governments revenues, increase residential electric rates, hurt senior citizens, and perpetuate reliance on imported oil. Further, this amendment could have these effects, not just in New Hampshire and New York, but in many other areas of the country.

In the case of Shoreham, I am informed that local officials who assessed the need for electricity recommended a nuclear rather than a coal fired utility, and they also recommended the site for the plant, approved the engineering at all phases of the construction. The local officials have become obstructionist now that the $4 billion has been spent. They not only refuse to participate in any of the suggested emergency plans but also refuse to suggest any alternatives.

The chief sponsor's attitude toward nuclear energy has been demonstrated many times—as recently as last week.

I would like to point out that in 1983, Congressman Hochbrueckner introduced a bill to the New York Legislature that would have had the State of New York buy the Shoreham plant and operate it on behalf of Long Islanders. At that time, only 4 years ago, Mr. Hochbrueckner was not concerned about safety of the Shoreham plant, as he claims he is today. He was concerned about economics, about rates—not safety.

Mr. Chairman, this amendment, if enacted, would have far-reaching, adverse, and, in some cases, devastating impacts on many Americans. I strongly urge my colleagues to follow the lead of three House committees and vote "no" on the Markey amendment.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. Gephardt].

Mr. GEPHARDT. Mr. Chairman, I rise in support of the Markey amendment to prevent the NRC from licensing the Shoreham and Seabrook plants on the basis of relaxed emergency planning standards. I urge my colleagues to do the same.

Just over a year ago, the Chernobyl accident sent a radioactive cloud across thousands of square miles of Europe. Nearly 40 people have died. Over 200 were exposed to serious levels of radiation and 135,000 were evacuated from an area 20 miles around the reactor. The city of Pripyat remains deserted. The Soviet Government continues a long, difficult clean up.

Some have said that Chernobyl cannot happen here, that our commercial reactors are different from those in the Soviet Union.

But this cannot be a reason for compliance. It cannot be a reason to belittle the importance of emergency planning.

The NRC reports that there is a significant chance of another reactor accident over the next 15 years. Former NRC Commissioner Jim Asselstine is on record saying that the containment

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on certain types of our reactors have "an 80 or 90 percent chance" of being breached in the event of a core meltdown.

The 1979 accident at Three Mile Island demonstrated clearly the need for adequate emergency planning around nuclear plants and for State involvement in that planning.

In 1980, after much deliberation in the wake of the Three Mile Island accident, the Nation implemented policies to improve nuclear plant safety. The Nuclear Regulatory Commission issued rules requiring "an applicant/licensee * * * to submit its emergency plans, as well as State and local governmental emergency plans, to the NRC."

These rules provide States an explicit and critical role in developing plans to protect the public in the event of a nuclear accident.

The NRC is now considering a rule to bypass the present emergency planning process if States do not approve emergency plans. The practical effect is that State and local governments might have to implement plans they had no hand in designing and that are inadequate to protect public safety.

The result is this: Two densely populated areas where evacuation planning is most critical, those around the Seabrook and Shoreham plants, could end up with inadequate emergency planning.

What Mr. MARKEY proposes to do is to maintain current regulations for two plants: the Shoreham and Seabrook plants. The legislation simply applies current rules to those two plants. It doesn't say that Congress will shut them. What it says is that we aren't going to let the NRC change the rules and override local concerns just so they can get two plants on line.

Whatever you think of nuclear power, whether you are for it or against it, the question today is whether you want the States to have real roles and prerogatives in protecting public safety. Will they have the leverage they feel that they need to get others to take seriously their concerns about safety?

Safety must be our paramount concern. If evacuation plans ever have to be used, we had better make sure that those plans are workable and that the States are up to the job.

This amendment will put Congress firmly on record in support of nuclear safety. I urge your support.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. PASHAYAN], a member of the Committee on Interior and Insular Affairs.

Mr. PASHAYAN. Mr. Chairman, there has been a lot of talk on this bill tonight, and let me say very cryptically what is not at issue.

Whether or not the standard is going to be lowered is not. Whether the people in the words of the gentleman from Massachusetts [Mr. MARKEY] are willing to pay the price is not. Economic investment is not. The quality of the emergency plan is not. The overall general issue is not, and certainly Chernobyl is not at issue.

There is but one issue raised by the Markey amendment: Who shall have the authority to make the decision whether or not to issue a license? That issue was really resolved in the original Atomic Energy Act passed in 1954. The Federal Government was to have the final authority, not the State government and not the local government, but the Federal Government. Why? Because this is not a violation of any tradition of State rights. It goes without saying that nuclear power did not exist 200 years ago when the Founding Fathers wrote the Constitution. But they did vest in the Federal Government the responsibility to regulate interstate commerce.

The plants at Shoreham and Seabrook and every nuclear plant in this country, all 108 of them, are under the Interstate Commerce Authority of the U.S. Government, and for us to say that it is proper for a State and local government to have the final authority in making a decision over a subject that the Constitution specifically vests in the Federal Government I think is entirely wrong.

I should like to ask a rhetorical question of the people who support this amendment. Would they have the State and local governments, would they grant them the power to overrule Federal highways, Federal airport projects, Federal seaport projects, reclamation projects? Would they go so far as to engage in the absurdity of granting the State and local governments the power to overrule welfare programs, Medicare programs, all the other programs that this Congress passes under various specific provisions of the U.S. Constitution granted the Federal Government?

I think the answer is no, and I think my friend from Massachusetts knows.

Let me address one more point. The NRC is not attempting to create some horrible new power here. They are not attempting to create in their proposed rule a new insidious authority. They are simply restoring authority that they were originally granted in the original enacting legislation many years ago, an authority that was eroded away by various actions by various States and local govenments taking the authority away for them to make the decision.

The issue here is very simple and very clear. Who shall have the final authority to make the decision to issue powerplants? I think my friend from Massachusetts knows that is the only issue. We do not even know whether or not the NRC will grant the licenses under their new rule if they shall pass this new rule, because that is not at issue.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I think we are winding down the debate on this very important amendment that has been put forth. Let me just get back to the basic issue here, and I would like to get some attention from the opposition to this.

It was mentioned here before about the $10 billion cost, Mr. Chairman, and the $10 billion cost of both plants, or even more should not be an issue. It is a nonissue in this debate on this particular amendment.

It was mentioned here also, and I thought it was kind of a low blow, and let me say it, someone mentioned that we have our young men in the Persian Gulf. This has nothing to do with the Persian Gulf, absolutely nothing.

Let me not give the impression that the Governor of the Commonwealth of Massachusetts did not try. He most absolutely did try to come up with a plan for an evacuation which was for the safety of our people. He went out and he hired technical help, and he made the statement that in good conscience he could not come up with an evacuation plan to guarantee the safety of the people from a nuclear powerplant in Seabrook, NH.

Let me remind all of my colleagues the best thing we all can do, and I am speaking parochially at this moment, is to take a ride up Route 95 through Massachusetts, New Hampshire and Maine, and if you can tell me in good conscience in the event that we have an accident at the Seabrook nuclearplant that you can guarantee the safety, when we have a death trap for a highway which is gridlocked on any given weekend, then I think your position is clear. I cannot in good conscience give that kind of a guarantee to the people who live in that area and the people who utilize that major highway.

The bottom line is that I think we have a right to determine the evacuation plan at the Seabrook and the Shoreham nuclear powerplants.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding me this time.

Just reflecting on the comments of my good friend from the State of Massachusetts, again he got up there in the well and talked about States rights, and yet he is from Massachusetts talking about a powerplant in New Hampshire. That's not his State!

I did mention that there is $10 billion worth of investment in American energy production, and it is a factor, maybe not a legislative factor, maybe not technically, but do my colleagues want to scrap $10 billion of American energy production while our boys are out fighting for oil? I do not.

I would like to point out a situation that occurred in New York State. When Governor Cuomo was faced with getting together an evacuation plan for Indian Point, they were right on target, they came up with the evacuation plan, yet Indian Point is located near population zones much denser than Shoreham, much closer to New York City. Why, because the New York City subway was at stake here; its electricity was at stake. When the necessity was there, the same Governor who now opposes Shoreham was there on Indian Point, and the logistics of evacuation were far, far more difficult.

I yield back the balance of my time to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, I am very pleased to yield 4 minutes to the gentleman from New Hampshire [Mr. SMITH], the gentleman who represents the Seabrook nuclear plant area.

Mr. SMITH of New Hampshire. Mr. Chairman, I thank the gentleman for yielding me this time and would also like to thank him for the courtesy he has extended to me as I am not a Member of the committee, but the plant is in my district, one of these plants, and also my friend from Massachusetts [Mr. MARKEY]. We have both struggled over this issue from a different perspective, and I appreciate the conversations we have had both privately and publicly.

□ 2020

It is interesting, as we look at the photographs that have been displayed here of New Hampshire beaches in the State of New Hampshire where the Seabrook nuclear powerplant is located, and when we talk about States rights, I think New Hampshire has some States rights here.

Mr. MARKEY said a little while ago that it is intolerable to place citizens of Massachusetts within a 10-mile radius without safety and evacuation plans. I agree with you. But you made that decision not to submit evacuation plans.

Your towns made that decision voluntarily, Mr. MARKEY, and they are not in the State of New Hampshire where that plant is located. This amendment would have this body say that we are unwilling, we are unwilling, this Congress, to let our own technical experts handle the licensing. I am not qualified; is anybody else here a nuclear expert who is qualified to make those kinds of decisions?

The Markey amendment simply walks away from the process, that is all it does. It walks away from the process. It is negative. It risks the safety of both New Hampshire and Massachusetts citizens because of the refusal to participate and frankly it is not in the national interest.

There is also a question of simple justice involved here. Seabrook and Shoreham did not materialize overnight, ladies and gentlemen. If the plant was to be blocked due to outright opposition to nuclear power, and that is all this amendment is, it should have happened earlier, along the regulatory trail; perhaps site selection, design stage or the beginning of construction. In Seabrook's case, Massachusetts only decided to oppose the Seabrook project in 1986 when the project was virtually complete. Where were they before that? Despite the fact that Massachusetts has participated in developing emergency plans for other nuclear powerplants within and near its borders the State is now claiming that the six towns which lie within Seabrook's 10-mile evacuation zone cannot be evacuated.

One reactor at the University of Massachusetts does not even have evacuation plans. What about that, Mr. MARKEY and Mr. Dukakis? It is my understanding that the utility has made a number of offers to address Massachusetts and New Hampshire's concerns by voluntarily agreeing to close the plant down in June, July, and August. So those signs and those posters depicting those beaches are simply not relevant.

And finally, Mr. Chairman, if you are opposed to nuclear power and no nuclear powerplant is safe enough for you under any circumstance, then the vote is "yes" on Markey. If you are opposed to nuclear power and there is no way you would support it under any circumstances, it is "yes" vote on Markey. That is the bottom line.

But with all due respect to the gentleman, my friend from Massachusetts, if you are opposed to nuclear power as we have talked about privately, do it honestly, forthrightly, develop a plan for conversion, be ready to accept the costs that are going to go along with that; decide where we are going to put the gas pipeline if that is what we are going to do, decide whether we are going to be able to be held hostage to the oil situation, decide also if we can comply with the EPA regulations to convert it to coal.

We are not doing that in this amendment. We are not talking about safety in this amendment. Let us be honest. Simply holding up a process with this amendment does not resolve any of the safety concerns which we mutually share.

Delay for the sake of delay does not decide one way or the other what happens to Seabrook or Shoreham or any other nuclear powerplant.

I submit with all due respect the best way to assure safe plants is not to pull out of the process, do not pull out and run away, stay involved with the process, get your towns involved and let us have a safe plant.

States have the opportunity to participate fully in developing these plans under these NRC rules, even if the NRC proceeds with this rule. All towns should be in the process.

If you are an advocate of nuclear power under strict safety supervision, strict safety guidance and strict safety oversight and responsible Government action then the vote is "no" on Markey.

The CHAIRMAN. There are 7½ minutes remaining for the gentleman from New York [Mr. LENT] and 8 minutes remaining for the gentleman from Massachusetts [Mr. MARKEY].

Mr. AuCOIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently, a quorum is not present.

Members will record their presence by electronic device.

This will be a regular quorum call.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 308]

ANSWERED "PRESENT"—386

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Armey
Atkins
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Bartlett
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Boggs
Borski
Bosco
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Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Campbell
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Carper
Carr
Chandler
Cheney
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Courter
Coyne
Craig
Crane
Crockett
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DeFazio
DeLay
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
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Dornan (CA)
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Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
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Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
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Flake
Flippo
Florio
Foglietta
Frenzel
Gallegly
Gallo
Gaydos
Gejdenson
Gephardt
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Gingrich
Glickman
Gonzalez
Goodling
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Hall (OH)
Hall (TX)
Hamilton

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Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
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Kildee
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Lehman (FL)
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Lipinski
Livingston
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Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
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Markey
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Martin (IL)
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Mavroules
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McCurdy
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
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Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
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Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
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Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
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Young (FL)

☐ 2035

The CHAIRMAN. Three hundred eighty-six Members have answered to their names, a quorum is present, and the Committee will resume its business.

The Chair will advise Members that the gentleman from New York [Mr. Lent] has 7½ minutes remaining, and the gentleman from Massachusetts [Mr. Markey] has 8 minutes remaining.

The Chair recognizes the gentleman from Massachusetts [Mr. Markey].

Mr. MARKEY. Mr. Chairman, I yield 1½ minutes to the gentleman from Arizona [Mr. Udall].

Mr. UDALL. Mr. Chairman, 40 years ago or so this country came into the nuclear age. We did not know that its bright promise brought with it some problems, but nuclear really meant two things for mankind. It meant cheap power for the world, we no longer even have to have meters, you could plug in without a meter. It also meant peace in our time because we were going to have a U.S. monopoly.

Mr. Chairman, neither one of these predictions has turned out, and we have learned that we face a whole raft of problems.

I think probably nuclear has some place in our energy mix. The electricity burning all over America today is about 18 percent nuclear.

I suspect that if we are not going to go nuclear, and if we are going to close down the nuclear plants, we are going to have to wrestle with burning coal and acid rain.

Mr. Chairman, I have had misgivings about the Markey amendment. It has gone through some perfection and rewriting over the last few months, but I am going to vote for it tonight because basically there is no change in the posture of the law. The provisions that are objected to in this bill were in the last authorization of last year and the year before that.

Second, this provision applies only to two plants, the Seabrook plant in New Hampshire and to the plant on Long Island, the Shoreham plant. We will be back 2 years later with nuclear waste disposal, and nuclear waste transportation legislation, I am sure, but today we deal with only one aspect of emergency planning of the whole nuclear planning scene.

So I urge support for this amendment, and I yield back the balance of my time.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. Sharp].

Mr. SHARP. Mr. Chairman, last week I opposed several of the amendments the gentleman from Massachusetts was offering on the Price-Anderson Act, this week I support him on this amendment. Mr. Chairman, this represents no new regulations or law with respect to these two plants. What it represents is an effort to block the Nuclear Regulatory Commission from changing the rules in the fourth quarter of the game for these two powerplants.

This position is one that Mr. Asseltine, an appointee of President Reagan on the Commission, took when he opposed that rules change by the NRC.

Mr. Chairman, the local officials and people in these two States raised the issue of emergency planning before investments were made, they raised them during the making of investments, they raised them again and again over the year these plants were under construction, and every time they were told by the Nuclear Regulatory Commission and the courts that they would have to wait until the final inning before they could do anything about it.

When they got to the final time to consider these plants, they were then told, no, the money has been invested, it is too late.

Mr. Chairman, we have to be fair.

Mr. MARKEY. Mr. Chairman, I yield 3½ minutes to the gentleman from New York [Mr. Hochbrueckner] in whose district this Shoreham plant is located.

Mr. HOCHBRUECKNER. Mr. Chairman, is it possible that we could have two nuclear plants that were built in the wrong place?

The answer is "Yes."

When a mayonnaise truck can overturn on the Long Island Expressway, which is the main east-west artery on Long Island, and can bring traffic to a standstill for 5 hours as illustrated by this Newsday story from last year, we do not have a safe evacuation possibility for Long Island. That is why I am here today. That is why I am in office. This is the most important issue in my district. Eighty-five percent of the people from my district, 2 million people on Long Island, have said we do not want Shoreham, we cannot safely evacuate. That is the problem. It is a local problem. This is not a problem nationally. It is my problem. The Shoreham plant is in my district. I am responsible. It is my job to stop that plant because we cannot save my family or anyone's family if there is an accident.

Mr. Chairman, I am disturbed by some people here tonight who have never been on Long Island, who have never been on our roads, who are saying how safe the plant is and how easy it is to evacuate my people and my family.

Mr. Chairman, I live within 10 miles of that plant.

Mr. Chairman, I am also displeased by people who tell me what is good for my people. They do not have the right to do that, and I am outraged especially by the nuclear industry because they have chosen to make this a referendum on nuclear power, and it is not. The issue is two nuclear powerplants that should never have been built at those locations.

Mr. Chairman, I was born on Long Island. I have lived there most of my

life. It is my territory. It is my home. Now I am being told tonight that I should subject my people to the potential of nuclear disaster, double their cost of electricity when we have good alternative ways to meet our electrical needs without Shoreham. We are doing fine, just do not tell us how to run our lives. We do not need the Shoreham plant.

Mr. Chairman, I am a freshman. I have been here for 7 months. I went to Philadelphia 3 weeks ago, and I sat in the same chair that George Washington sat in. I participated in those ceremonies with the Congress, and I believe the people can be heard in this Nation and that is one reason why America is so great. This is my problem. I am asking each and every one of you to recognize that. The nuclear fission industry in my view is a corrupt industry for putting profit ahead of safety on this issue. They are on their way out. Over 100 plants have been abandoned since the time of inception, 29 during construction. They have not had a new plant ordered since 1973, and the fact of the matter is that the Shoreham and the Seabrook plants should not open. That is the issue tonight.

Mr. Chairman, I ask my colleagues to please support the Markey-Hochbrueckner amendment. It is important to me, it is important to other Members who live near those plants, because it is our family, our people, our lives. Please vote for the Markey-Hochbrueckner amendment.

Mr. JEFFORDS. Mr. Chairman, I rise as one of several Members from New England representing ratepayers who will be directly affected by the outcome of congressional action on Seabrook. So I am not speaking purely from some ideological pro-nuclear or anti-nuclear high ground.

I have fought on the floor of the House against Federal intrusion into States rights on numerous occasions; yet I will not make a States right argument here today. I do not support veto power for the States over the operation of existing nuclear plants involved in interstate commerce. Regional power planners and power pools cannot plan for our energy future in such an uncertain atmosphere, particularly when the actions of one Governor can harm ratepayers, businesses, and industries in several other States. The national interest is served by utility interdependence.

I have also been an outspoken critic of the nuclear industry, the NRC and Federal subsidization of the Industry. Yet I take the floor today recognizing that nuclear power is playing a vital role in meeting the energy needs of this Nation—and in particular the energy-poor Northeast. We cannot ignore or wish away existing nuclear plants. We must move forward with efforts to site a repository to reduce the risk posed by onsite storage of spent fuel.

Having made these points, however, I will be supporting the Markey amendment today because I have serious concerns about the NRC's judgment in siting the Shoreham and Seabrook plants. And if we allow the NRC to change the rules now, we would jeopardize confidence in the Government institutions designed to protect our citizens.

In the case of Shoreham, the NRC ignored concerns raised by residents—before the first shovel of dirt was even turned—and with dubious rational allowed the construction of a plant that may have been a multibillion-dollar mistake. I believe my colleague from New York, Mr. Hockbrueckner, Governor Cuomo of New York, and Suffolk County officials, Republican and Democrat, when they say that timely evacuation is not possible.

Long Island residents don't want this plant. They know they will have to pay higher rates, and they still don't want the plant. Who are we in Washington to say that we know better? Congress must not allow the NRC to ram this plant down their throats.

Seabrook is a different case. Governor Sununu—who is responsible for the safety of at least 80 percent of the affected citizens—believes evacuation is possible. And for the most part, New Hampshire citizens near the plant support it. Governor Dukakis—whose citizens are further from the plant and would have less trouble evacuating the area than New Hampshire residents—does not believe evacuation is possible.

Should the Governor of one State have veto power over plants in another State? Probably not. Yet legitimate questions have been raised about summertime evacuation of the area's crowded beaches.

Is there room for compromise? I think so. Yesterday I heard the gentleman from New Hampshire [Mr. Smith] mention the possibility of idling the plant during the summer months. However, if the Markey amendment is defeated, the Public Service Co. of New Hampshire will have no incentive to sit down with Massachusetts officials and try to address their concerns. Passage of the Markey amendment could get both parties to the table.

Finally, Mr. Chairman, a word about the process. After Three Mile Island, the NRC determined that a workable evacuation plan is essential to protect public safety. Now the NRC would go back on this policy, claiming that a Federal commission knows better than State and local officials how to best evacuate the area around the plant. This is unacceptable.

This is not a vote on the future of nuclear energy. It is a vote on whether or not Americans can have faith in the process created to protect their safety. If we allow the NRC to change the process every time it is expedient, why should the American people have any faith in the institutions designed to protect them?

Please support the Markey amendment.

Mr. MURPHY. Mr. Chairman, I rise in strong opposition to the amendment. I would like to give some background on the current regulatory situation, as well as discuss some of the major flaws in the proposal pending amendment.

In March 1987, the NRC proposed to change its emergency planning rule to address the problem of "hostage" nuclear powerplants. These are plants which have received necessary State and Federal siting and safety approvals but are prevented from being licensed by the refusal of State or local governments to participate in the development of emergency plans. The rule change would allow the issuance of an operating license if the NRC determines that an emergency plan developed by the utility to compensate for the lack of State and local government participation adequately protects public health and safety.

The amendment presently before the committee would block the application of the proposed rule change to the Seabrook, NH, and Shoreham, NY, nuclear plants. Mr. Chairman, there are several major reasons why this amendment should be defeated.

This first is procedural. Efforts to block the proposed rule changes have already been rejected by two House committees. The Interior and Insular Affairs, and Energy and Commerce Committees have each voted to reject efforts to block implementation of the rule change. Although the amendments before these committees differed in scope of application, I want to stress that two House committees with jurisdiction over the NRC voted against the policy in the pending amendment.

The second reason to oppose the amendment results from the precedent it would establish. The amendment would condone a serious misuse of existing NRC emergency planning rules. The emergency planning rules were adopted to assure the active involvement of States and localities in decisions affecting public heath and safety—not as leverage to block operation of a nearly completed facility by deliberate noninvolvement. If successful, the amendment could be used as a precedent for extending such veto power to other plants which are under construction or in operation, thus creating new problem facilities.

The third reason this amendment should be rejected is fundamental fairness. The amendment would block the operation of two plants which are essentially complete, have received necessary NRC safety approvals and represent a combined investment of over $10 billion. Both the Seabrook and Shoreham projects have been in the pipeline for well over a decade and have received numerous State and local siting and construction approvals. Forcing the abandonment of these plants at this late stage would seriously threaten the financial stability and generating capacity of the participating utilities.

The fourth reason to oppose the amendment is that it reflects a shortsighted energy policy. The practical alternative to nuclear power in New England is oil. Over one-third of New England generating capacity is oil fired—almost all of it imported. Continuing tensions in the Mideast, particularly the United States decision to reflag Kuwaiti oil tankers, underscore the importance of improving United States energy security through reliance on domestic sources.

Mr. Chairman, the fifth reason why we should oppose this amendment relates to its impact on jobs and economic progress. Abandonment of planned or currently operating nuclear facilities will eliminate jobs and retard efforts to increase U.S. economic competitiveness. Up to 30,000 jobs may be directly linked to the construction, operation, and maintenance of a single nuclear plant over its lifetime. For this reason, the amendment is strongly opposed by the IBEW, the Building and Construction Trades Department, and the International Union of Operating Engineers.

Mr. Chairman, the problem of hostage plants must be resolved. The rule change proposed by the NRC is reasonable and in keeping with congressional intent. The rule change will not jeopardize public safety or eliminate State or local rights over nuclear plant siting or construction.

Efforts to block operation of the Seabrook and Shoreham plants represent a first step toward "balkanizing" national nuclear policy. This is not consistent with longstanding congressional policy, and it has been rejected in prior decisions of the Interior and Energy and Commerce Committees. These decisions were sound and should be confirmed by the full House in rejecting the amendment.

Mr. Chairman, I rise in opposition to the amendment. Over the last several months, we have spent a considerable amount of time in this Chamber debating issues of the economy, jobs, and competitiveness. Today, we have before us an opportunity to vote on an issue that will have a direct and adverse impact on our efforts on these fronts. This amendment will cost jobs, and will adversely impact the competitiveness of industry in two fast growing regions of the country.

Over 30,000 jobs may be directly linked to the construction, maintenance, and operation of a single nuclear powerplant over its lifetime. During the height of construction activity at a nuclear powerplant, up to 9,000 workers may be employed at a single site.

Mr. Chairman, passage of this amendment would send a very negative signal to those utilities which have nuclear plants under construction. These plants might be next in line. Thousands of jobs could be put in jeopardy.

For this and other reasons, the amendment is opposed by the International Brotherhood of Electrical Workers, the Building and Construction Trades Department of the AFL–CIO, and the International Union of Operating Engineers.

In addition to the adverse impact on employment associated with these specific plants, Mr. Chairman, the amendment will also impact the ability of industries served by the two utilities to remain competitive. Without assured and reliable sources of energy, it will be impossible to maintain strong economic growth in these regions.

For many of us, an occasional electric brownout is an annoyance. For an industrial or other business enterprise, it is a variable which can and must be avoided. If planned nuclear plants are abandoned as a result of the precedent established by this amendment, there is little question that we will face power shortfalls and brownouts throughout many regions of the country.

Our efforts to enhance the competitiveness of U.S. business in the global markets depends on many factors. Adequate and reliable sources of electrical power is one component of the competitiveness equation that we can affect today. In the face of unfair trade practices by many of our major trading partners, we cannot tell American business that we, as national legislators, are going to handicap them by undercutting such a basic industrial and business input as energy.

Mr. Chairman, the amendment will cost jobs, and it will frustrate our efforts to ensure that American business can become internationally competitive. It should be defeated.

Mr. OWENS of Utah. Mr. Chairman, the opponents of the Markey amendment have tried to portray it as a Northeastern, liberal amendment. I am not from the Northeast, I am from the West. I am not a liberal, I consider myself to be a moderate Democrat, and I rise today in support of the amendment of my good friend and distinguished colleague from Massachusetts.

All that the amendment does is to prohibit the NRC from using fiscal years 1988 and 1989 appropriations to license Shoreham or Seabrook unless they meet the NRC's existing emergency planning rules. That is to say, it preserves current law.

I support the Markey amendment for two reasons. First, because the State of Utah, two-thirds owned by the Federal Government, is extremely sensitive to the policy decisions made by the agencies of our Government with control over nuclear matters.

For example, it has always been the policy of the Federal Government, whether the Department of Energy or its predecessors, to test nuclear weapons in the State of Nevada only when the wind is blowing toward Utah. Since 1951, for 36 years, this has been the policy. It is a dubious honor which we would prefer to decline. That many Utahns died from fallout from the testing has been proven in Federal District Court. With numerous instances of post-test venting of radiation, Utah knows and understands the impact of misguided Federal nuclear policies.

In more recent years the Nuclear Regulatory Commission, the agency whose rule change we are considering today, has made the State of Utah No. 4 on its list of potential national radioactive waste dump sites. The process by which this decision was made is highly questionable. For example, Utah's proposed dump site is only 1½ miles outside of, and within clear sight of, Canyonlands National Park, one of the most beautiful spots in the United States, if not on the planet Earth. The fact that the NRC is now relaxing its emergency planning rules, will increase Utah's mistrust of the manner in which the NRC carries out other programs in its jurisdiction, such as the final selection of a dump site.

My State and region of the country has perhaps the deepest understanding of the fact that Federal nuclear bureaucracies, such as the DOE and NRC, often pursue their policy objectives without adequately considering the social impact of those policies. New York and Massachusetts are in essence stepping into the fray of a battle that Utah has been fighting for 20 years.

The second reason I oppose the NRC's proposed rule change is that such a change, with respect to the Seabrook and Shoreham plants, would comprise one more instance in which the foundations of our legal system are being gradually eroded. This is an argument which has been well-developed today and yesterday, and I therefore need to touch on it only briefly.

It is unjust for the NRC to change rules which resulted from the lessons of Three Mile Island, especially when such rules have been further legitimized by the lessons of Chernobyl. It is unjust for the NRC to adopt a rule change which may possibly compromise the safety of the people of Massachusetts and New York. But above all, it is unjust for the NRC to relax its own laws and emergency planning rules simply to accommodate the desires and wishes of the board of directors and stockholders of two utilities.

I urge my colleagues to support the Markey amendment.

Mr. WEISS. Mr. Chairman, I rise in strong support of the Markey amendment.

Following the serious nuclear accident at Three Mile Island, Congress mandated that emergency planning regulations for nuclear powerplants be improved. As a result, the Nuclear Regulatory Commission [NRC] issued regulations requiring State participation in emergency planning as a condition for granting an operating license for new nuclear powerplants.

Since that time, 36 powerplants have been licensed under these regulations, which were designed to ensure the safety of the people living near nuclear powerplants.

However, in February of this year, the NRC proposed that these regulations be altered to permit licensing of a nuclear powerplant without any State or local emergency plans having been submitted or considered.

This rule change was proposed with only one idea in mind: The approval of full-power operating licenses for two nuclear powerplants—Shoreham on Long Island and Seabrook in New Hampshire.

Both on Long Island and in the areas of Massachusetts that border on New Hampshire, State and local officials have long raised serious concerns about their ability to provide for a safe evacuation of the surrounding areas in the event of a serious nuclear accident. However, the utilities and the NRC chose to overlook these objections while they proceeded with construction of the plants.

Finally, after long and careful consideration, State and local officials judged that it is impossible to produce an emergency plan that will ensure the safety of the citizens who they are elected to represent. They have, therefore, refused to submit the emergency plans required for an operating license to be issued for either of these plants.

The NRC is now seeking to make an end run around its own essential safety regulations by changing the rules in the middle of the game. It wants to eliminate State and local participation as an essential part of the emergency planning process. It has chosen to ignore the lessons of Three Mile Island and Chernobyl and to take us back to a time when the economic future of the nuclear utilities counted more than the health and safety of the surrounding population.

There is no one better suited to develop emergency response plans than the State and local officials who will be called upon to respond to a serious accident. The current regulations recognize this fact by assigning these officials a key role. But the NRC would have us substitute the emergency plans of bureaucrats in Washington for the insights of local personnel uniquely qualified to address this subject.

The Markey amendment, which has been described in apocalyptic terms by its opponents, is in reality strikingly simple. It requires that the licensing of Seabrook and Shoreham be carried out in the same manner as the licensing of all other nuclear powerplants. It continues to give States a role in the emergency planning process. It does not affect the licensing of other plants, nor will it affect the status of plants that are already operating. In other words, it does nothing more than preserve the status quo.

Opponents claim that the amendment will harm our national interest by increasing our reliance on foreign oil. But the fact of the matter is that only 3 percent of our Nation's electricity is supplied by oil-fired powerplants. And only a fraction of that oil is imported from the Middle East. If Members wish to reduce America's reliance on foreign oil sources, they should support a policy that emphasizes renewable energy sources and prudent conservation measures. These steps would significantly reduce our long-term reliance on foreign energy sources without endangering the health and safety of American citizens.

Mr. Chairman, the issue is clear. The health and safety of American citizens must take precedence over the financial interests of the nuclear utilities. I urge my colleagues to join me in approving the Markey amendment.

Mr. ROBINSON. Mr. Chairman, I am opposed to this amendment because it is counterproductive and it presents an impediment to our national goal of energy independence. Today, we are being asked to approve an amendment that will single out and eliminate two completed, needed and demonstrably safe powerplants because of an alleged belief that planning for an emergency at these sites is impossible.

The Markey amendment is being championed as being necessary to prevent the NRC from cutting the State and local government role out of offsite emergency planning for nuclear powerplants. Its advocates suggest that the amendment is necessary to assure public health and safety, which somehow would otherwise be compromised. These claims are simply untrue.

The NRC's proposed rule to deal with licensing of nuclear powerplants in cases where State and/or local governments refuse to participate in offsite emergency planning is the focus of the Markey amendment. That rule, however, simply establishes meaningful technical criteria to be applied by the NRC in order to make a licensing decision in rare cases such as Shoreham and Seabrook, the only two cases for which the rule is presently needed.

First, the proposed rule does not eliminate State and local governments from offsite planning around nuclear powerplants. The NRC's emergency planning regulations, as they do now, will continue to encourage and provide for State and local government cooperation in the development and implementation of offsite emergency plans. State and local governments have substantial expertise in emergency response and their continued participation in emergency planning is valuable. There is absolutely no suggestion that emergency planning without State and local governments should become the norm. The NRC's proposed rule merely offers a viable and effective solution for those relatively few cases in which governments, at least for the time being, choose not to participate.

Second, the Markey amendment is unrelated to protecting public health and safety. Following the Three Mile Island accident, the NRC recognized the need to provide some requirement for emergency planning. In the case of that plant, there had been, effectively, no prior planning. The result was an uncoordinated response and a pattern of conflicting information provided to the authorities and to the public. The NRC therefore promulgated its emergency planning requirements as a supplement to siting requirements and requirements for engineered safety features that make offsite releases of radioactivity very low probability accidents. This supplemental layer of public protection will continue to exist without the Markey amendment.

Contrary to the common misperception, the NRC's proposed rule does not eliminate or even significantly reduce the effectiveness of offsite emergency planning to provide significant dose savings in the unlikely event of an accident. Under the rule, no emergency plan, whether prepared by a State government or a utility, can be approved by the NRC if it does not meet the existing overall standard that there be reasonable assurance that there is adequate emergency planning to protect public health and safety. Utility plans must also specifically provide effective measures to compensate for the lack of Government participation, and such measures must be "reasonable and achievable under the circumstances." The emergency planning effort will continue to represent a major investment of utility resources. In short, emergency planning on a scale unheard of at the time of the Three Mile Island accident will be provided. The purpose behind the post-TMI emergency planning requirements will be fulfilled—without the Markey amendment.

Finally, I would like to remind my colleagues what we are being asked to do today. We are being asked to approve a State veto over a Federal licensing process. We are being asked to single out two specific powerplants and effectively deny them a license even though they have met all required safety tests. We are being asked to approve an amendment that has the potential to foreclose nuclear power as an energy option in this country. We are being asked to approve an amendment that has not passed muster in our committee process.

In my book, when you get three strikes—you're out. I can quickly think of four strikes against this amendment. It is in our best interest to bench this amendment before it costs us the ballgame. I urge my colleagues to vote against this amendment.

Mr. LENT. Mr. Chairman, I yield myself the balance of my time.

Mr. CRAIG. Mr. Chairman, will the gentleman yield to me for a brief moment?

Mr. LENT. I am happy to yield to the gentleman from Idaho.

Mr. CRAIG. Mr. Chairman, I rise in opposition to the Markey amendment.

Mr. LENT. Mr. Chairman, many of us, and I would say this to my dear colleague and friend from the neighboring district of Long Island, my area will be served by the Shoreham nuclear powerplant, and that many of us in this room were elected here on the basis of running against something. Some of us ran against forced busing, some of us ran against Watergate, or against a highway or a bridge or a nuclear powerplant, but after we get here awhile we calm down a little bit and we try to become statesmen.

☐ 2050

I have here to prove my point a bill offered in the New York State Assembly sponsored by the gentleman from New York [Mr. HOCHBRUECKNER], who was just in the well, Assembly Bill A-8140, an act to amend the public authorities law in relation to the acquisition and completion of generation and transmission facilities by the Power Authority of the State of New York.

The act provides, and this is from the gentleman's bill, "the Authority is further directed to acquire the Shoreham Nuclear Power Station from the Long Island Lighting Co. and to complete such baseload generating transmission and related facilities as are deemed necessary or desirable to assist in maintaining an adequate, dependable and cost-efficient supply of electricity to the Long Island area."

I do not hold the gentleman responsible for this any more. He was a statesman then, and he is a statesman now; and we have all had enough time here to know that once in a while, we have to change our position when the political exigencies of the situation call for it.

I am probably out of whack with the constituency in my district, and the polls are there. Most of the people do favor the shutdown of the nuclear powerplant at Shoreham, and it might be easy for me to simply stand here tonight and echo some of the platitudes that have been echoed on the Markey amendment and talk about home rule and States rights, support the Markey amendment, and let it go at that; but I cannot do that.

Mr. HOCHBRUECKNER. Mr. Chairman, will the gentleman yield?

Mr. LENT. Mr. Chairman, I am going to extend the same courtesy to the gentlemen on the other side of the aisle as extended to me when not a one of the gentlemen would yield to me, so I am not going to yield at the present time.

Sometimes good local politics makes for a disastrous shortsighted policy jeopardizing the energy security of the United States.

The security of the United States, my colleagues, is what this fight is all

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about. Many of the Members in this body can recall the two energy crises of the 1970's when the OPEC oil cartel ratcheted down the oil spigots, and almost brought this Nation and other industrialized nations to their knees.

When it came time during those crises to allocate the precious supply of oil supplies to alleviate the inflation and the unemployment that was foisted upon this country as a result of that shortfall, to set up the Strategic Petroleum Oil Reserve, it was the National Government that had to bear the burden and lead this Nation out of its predicament.

We did not hear a word at that time from the supporters of this amendment talking about handling the energy problem by home rule then. Indeed, we have all followed the progress or lack of progress of the famous Long Island garbage barge, an international incident sailing all over this world looking for a safe harbor.

Here are the people who do not know how to handle their garbage that are saying, "Give us home rule, so we can run the nuclear powerplants."

Are we so shortsighted that we have forgotten the spectacle of our President, Jimmy Carter, wearing his sweater, sitting in front of the fireplace on TV? Here we have forgotten those Christmases when the Christmas trees and the monuments in this city went unlighted, when the temperature controls were fixed, the gasoline lines, the rationing coupons that were printed just down the street from this very building, never issued, but they were ready to go, and the summer that we sweltered in this very Chamber to conserve precious energy.

Do we not even remember the rhetoric of our own speeches resounding in this Chamber about energy independence and how we would never again allow our Nation to become dependent on foreign oil?

George Santayana put it best, "Those who cannot remember the past are condemned to repeat it."

The fundamental lesson that should have been learned from the experience of two oil shocks during the 1970's is that excessive reliance on oil imports from a market ultimately controlled by OPEC undermines our national security.

It is here in Washington, not in the States, here in the Congress, not up there in the county and town boards, that responsibility for this country's energy security lies.

What are the facts about Shoreham and Seabrook?

The electricity, and these are facts, the electricity generated in the area represented by the gentleman from Massachusetts is 40 percent generated by oil. Long Island is even more dependent.

Three million Long Islanders depend on oil for 80 to 100 percent of their power, so that when and if these two plants are ever placed on line, they are going to displace 20 million barrels of oil, of OPEC oil, so if the vote on the Markey amendment is going to be cast, remember it is not just for two plants. It is a very important vote because of the message it is going to send overseas, it is going to send to OPEC, and also the message it is going to send to the American people on how deeply committed we in this Congress are to energy independence; but in deciding which way to vote, keep two additional points in mind.

Do not let yourself be hoodwinked into thinking that the Markey amendment applies only to Shoreham and only to Seabrook and the 2,000 megawatts of oil-free electricity they will generate.

I would urge my colleagues to vote no on the Markey amendment, a bad amendment.

□ 2100

Mr. MARKEY. Mr. Chairman, I yield myself the final 2 minutes to conclude debate.

Mr. Chairman, we just heard a lengthy presentation describing what this debate is not about. This debate is not about whether you are pronuclear or antinuclear. This debate is not about whether you support the Ayatollah or you oppose the Ayatollah. This amendment is not about energy independence for the United States. This issue is not about those things.

This issue is about two nuclear powerplants, two nuclear powerplants that invoked their rights in the 1970's under existing laws to ensure that they would have emergency evacuation plans around their plants like every other nuclear powerplant in the United States.

Attorney General Warren Rudman for the State of New Hampshire and Frank Bellotti for the State of Massachusetts went before the NRC in 1975 to raise these issues, and they were tossed out. They were told that they cannot come back until after the plants are completed.

Well, we are back. The NRC told us that economics would have no bearing on this issue. The courts told us economics would have no bearing on this issue.

We were concerned because it is our ratepayers who will have to pay the $5 billion on Long Island and in Massachusetts and New Hampshire, our ratepayers. We did not want to be put in this position, but here we are, and now the Nuclear Regulatory Commission after all these years is in the midst of propounding a new rule for two plants, only two plants, so that we will not be given the same level of protection for our citizens around our nuclear powerplants as every other nuclear powerplant in this country.

That is wrong, Mr. Chairman. It is fundamentally a violation of procedural due process to strip away the rights of two States who invoked them properly and in proper time. It is a violation of equal protection. It is a violation of the health and safety requirements that every person should be able to offer to their families.

Mr. Chairman, I urge you all to support this fundamental protection for the people of Long Island, Massachusetts and New Hampshire. And if this amendment should not prevail, I would remind the NRC, and the citizens of Massachusetts, New Hampshire, and New York, that Congress does not thereby endorse the NRC's proposed rule change, but rather, puts that Commission on notice.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. Markey].

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MARKEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 261, not voting 12, as follows:

[Roll No. 309]

AYES—160

Ackerman
Akaka
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Biaggi
Bilbray
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brennan
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Clarke
Clay
Coelho
Collins
Conyers
Cooper
Coyne
Crockett
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Dorgan (ND)
Downey
Durbin
Dymally
Eckart
Edwards (CA)
Evans
Feighan
Fish
Flake
Florio
Foglietta
Ford (TN)
Frank
Garcia
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Hall (OH)
Hamilton
Hayes (IL)
Hertel
Hochbrueckner
Howard
Hoyer
Hughes
Jacobs
Jeffords
Johnson (SD)
Jones (TN)
Jontz
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kostmayer
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Leland
Levin (MI)
Levine (CA)
Lowry (WA)
Luken, Thomas
Manton
Markey
Mavroules
McCloskey
McGrath
McHugh
Mfume
Miller (CA)
Mineta
Moakley
Morella
Morrison (CT)
Mrazek
Nagle
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pease
Pelosi
Penny
Perkins
Price (IL)
Rangel
Ridge
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Skaggs
Skelton
Slattery
Slaughter (NY)
Snowe
Solarz
St Germain
Staggers
Stark
Stokes

Studds
Synar
Torres
Towns
Traficant
Udall
Vento
Visclosky
Walgren
Walker
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates

NOES—261

Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bosco
Boulter
Brooks
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clinger
Coats
Coble
Coleman (MO)
Coleman (TX)
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeLay
DeWine
Donnelly
Dornan (CA)
Dowdy
Dreier
Duncan
Dwyer
Dyson
Early
Edwards (OK)
Emerson
English
Erdreich
Espy
Fascell
Fawell
Fazio
Fields
Flippo
Foley
Frenzel
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gingrich
Gradison
Grandy
Grant
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hutto
Hyde
Inhofe
Ireland
Jenkins
Johnson (CT)
Jones (NC)
Kanjorski
Kasich
Kennelly
Kolbe
Kolter
Konnyu
Kyl
Lagomarsino
Lancaster
Leach (IA)
Lehman (FL)
Lent
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mazzoli
McCandless
McCollum
McCurdy
McDade
McEwen
McMillan (NC)
McMillen (MD)
Meyers
Mica
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Olin
Oxley
Packard
Parris
Pashayan
Patterson
Petri
Pickett
Pickle
Porter
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Richardson
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Sisisky
Skeen
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Spratt
Stallings
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traxler
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Watkins
Weber
Weldon
Whittaker
Whitten
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOT VOTING—12

Boner (TN)
Daniel
Dickinson
Ford (MI)
Hunter
Kemp
Latta
Pepper
Rodino
Roemer
Swift
Tauzin

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Mr. ANDREWS and Mr. VOLKMER changed their votes from "aye" to "no."

Mr. GEKAS and Mr. TORRES changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ECKART

Mr. ECKART. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Eckart: Page 6, after line 21, add the following new section:

SEC. 7. OPEN MEETINGS.

No amount authorized to be appropriated under section 1 may be used in fiscal year 1988 or 1989 to hold any Nuclear Regulatory Commission meeting in accordance with the interim rule described on pages 20889 through 20892 of volume 50, number 98, of the Federal Register on May 21, 1985.

Mr. ECKART [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ECKART. Mr. Chairman, simply put, my amendment would restore to the NRC the requirements of the Open Meeting Sunshine Act which had been repealed by rule without the benefit of public hearings to all NRC meetings and deliberations.

My amendment, which passed unanimously in the Energy and Commerce Committee with both majority and minority support, has been agreed to, at least by all parties, as I understand.

Mr. Chairman, on May 21, 1985, the Nuclear Regulatory Commission issued a rule, reinterpreting for its purposes the meaning of the word "meeting" as it is applied under the Sunshine in Government Act. The rule change, which the Commission made effective immediately, created a new category of meetings called "gatherings" which would be closed to the public.

Congressman Markey, then chairman of the Energy and Commerce Committee Subcommittee on Energy Conservation and Power, immediately called the Commissioners to appear before a hearing of the subcommittee to explain their reasons for the sudden change in policy, up till then, the NRC had been operating under the same set of Sunshine Act regulations for 8 years. The Commissioners stated the change was necessary for a couple of reasons:

First, to bring Commission practice in line with a recent Supreme Court decision, FCC versus ITT World Communications; and

Second, to promote "collegiality" and thus improve their ability to conduct the public's business.

I. THE SUPREME COURT DECISION

As I told then-NRC Chairman Palladino in a letter written at the time, it is impossible, at least for me, to believe that the public interest can in any way be protected, let alone better protected, by the NRC's secret discussions of matters affecting public safety. The public is best served when decisions affecting its interests are in fact made in public.

This is a principle of which, by now, the NRC should be well aware. In fact, it was articulated again in 1984, the year just prior to issuance of the new Sunshine rule, by a U.S. court of appeals in a case in which the NRC was a principle party. I'd like to quote briefly from that decision, Philadelphia Newspaper, Inc. versus NRC:

> A decade ago, revelations of secret abuse of official power shocked this nation and seared in our minds a lesson vital to the health of a democratic polity: government should conduct the public's business in public. In the Sunshine Act, Congress moved to ensure that those in government do not forget that they are above all accountable to the people of this nation. Nowhere is the need for accountability more acute than in the Commission's handling of the Three Mile Island controversy. Without a doubt, Congress intended that the Sunshine Act would guarantee public accountability on what is one of the most sensitive and difficult issues of our time: the safety of nuclear power.

With its 1985 "reinterpretation of its Sunshine Act regulations," the Nuclear Regulatory Commission chose to ignore the pointed advice of a judicial opinion written expressly about the activities of the NRC. Instead, the Commission said its rule change was based on a Supreme Court decision written within the confines of a specific and very different factual situation. This is not very firm ground upon which to carefully build new regulatory policy, much less to throw one together overnight, as the NRC did with this rule.

Indeed, FCC versus ITT World Communications didn't really change anything at the NRC. History shows that in 1976 the Commission was fully cognizant that its open meeting requirements—those that the Commission was to operate under for the next 8 years—went beyond the minimum legal standard. The NRC's 1976 "Notice of Proposed Rulemaking stated that the Commission intended to be more inclusive than exclusive in its definition of meetings," noting that this had been done "because of the presumption in favor of opening business to public observation established by the Sunshine Act." The Supreme Court's decision in FCC versus ITT World Communications in no way refutes this logic; even the NRC has never been able to explain how it does, or why this original rationale should now be viewed as obsolete.

II. THE "COLLEGIALITY" ARGUMENT AND THE ABA REVIEW

As to the Commissioners' contention that the rule change would foster "collegiality" and thus improve their ability to conduct the public's business, let me quote briefly from a

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recent American Bar Association review of the NRC's new Sunshine rule:

> It remains to be considered whether a broad reading of the ITT case would check the loss of collegiality * * *. It was the well nigh unanimous view of those to whom we spoke, both proponents and critics of Sunshine, that the impact of the case on collegiality is likely to be slight. It is true that to the extent it would contribute to more normal interpersonal relationships among agency members, it would have some tendency to increase collegiality; But since the line between "preliminary" or "general" discussions is likely to remain hazy, conscientious agency members are likely to feel inhibited whenever such discussions move to address agency choices. Ultimately, it is those exchanges of views which are part of the process of reaching a group decision where collegiality is most important, and those discussions are clearly meetings under the Act.

Mr. Chairman, the ABA made a number of other points about the NRC's rule change. In the summary, for example, the ABA emphasized that "it is not over purpose to urge agencies to close any discussions now open. Open meetings serve valuable functions. Furthermore, * * * we believe that * * * the exemptions in the act are sufficient to protect information for which there is a legitimate need for confidentiality." Other points made by the ABA:

> A briefing can very easily turn into a serious exchange of views, particularly if the briefing relates to a discrete issue before the agency.
>
> With respect to "the serious general 'discussion' among agency members" and "'preliminary' or 'exploratory' discussion," "Obviously, this kind of 'non-meeting' presents the hardest case; * * * the difficulties of application are intimidating."
>
> Obviously, there are problems in proceduralizing "non-meeting" meetings.

Finally, the ABA recommended that, if agencies intend to hold non-meeting meetings, such as the "gatherings" the NRC would like to convene without benefit of public scrutiny, "appropriate mechanisms, such as monitoring by general counsel or other agency representatives, should be undertaken to ensure that such discussions do not proceed to the point of becoming 'meetings.' In addition, agencies should memorialize such discussions through notes, minutes or recording as assurances to the public of compliance with the act."

Mr. Chairman, these are safeguards which, despite a written request from Chairman DINGELL, Subcommittee Chairman MARKEY, and then ranking Republican committee and subcommittee members Mr. BROYHILL and Mr. MOORHEAD at the time this rule was promulgated, the NRC has specifically declined to implement. Fortunately for the American people, the NRC has also yet to actually implement this ill-conceived rule. However, I have reason to suspect that the Commission intends to begin holding these amorphous "gatherings," without benefit of any safeguard to prevent their turning into decisionmaking meetings, in the near future.

Mr. Chairman, if a viable, safe nuclear power industry is to survive in this country, the one thing it definitely does not need is the one thing this NRC rule is bound to deliver: more public mistrust of the Nuclear Regulatory Commission's commitment to public safety. Whether you support nuclear power or not, this NRC rule is a bad mistake, and I urge all my colleagues to vote with me today to rescind it.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I am delighted to yield to my colleague, the gentleman from Indiana.

Mr. SHARP. Mr. Chairman, I believe all of the principals on both committees are in agreement. This did pass unanimously in the Energy and Commerce Committee and simply neutralizes a rule change which the gentleman has worked very hard on.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, the Interior and Insular Affairs Committee agrees with the gentleman who just spoke and we have no objection to the amendment.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I am happy to yield to my colleague, the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I would also tell the gentleman on this side we have discussed the amendment, and while we are not totally comfortable with the amendment I think because of the late hour we would accept the amendment and then we would look for ways to modify it.

Mr. ECKART. Mr. Chairman, in light of the unanimous agreement, I urge adoption of the amendment and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ECKART].

The amendment was agreed to.

### AMENDMENT OFFERED BY MR. MADIGAN

The Clerk read as follows:

Amendment offered by Mr. MADIGAN: Page 6, after line 21, add the following new section:

SEC. 7. FACILITIES IN WILL COUNTY, ILLINOIS.

Of the amounts authorized to be appropriated under section 1, the Nuclear Regulatory Commission shall use such sums as are necessary to suspend any byproduct, source, or special nuclear materials license granted in accordance with application dated June 20, 1986, to any low-level nuclear waste processing facility in Will County, Illinois, until such facility has obtained a special use permit for such facility under the I-3 zone classification laws of such county.

Mr. MADIGAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADIGAN. Mr. Chairman, the amendment I am offering on behalf of the gentleman from Illinois [Mr. DAVIS] and myself, would resolve a problem with a low-level nuclear waste processing facility in Illinois. In order to operate the facility it received a license from the Nuclear Regulatory Commission without being in compliance with a preexisting zoning requirement, and this amendment would simply suspend that license until that zoning requirement which was preexisting could be met.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Indiana.

Mr. SHARP. Mr. Chairman, we had an opportunity to examine this well in advance and are willing to accept the gentleman's amendment tonight and we hope we can move forward.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, we have looked at the amendment and we understand that there is a pending suit involved in this. In the interest of time and because we think that there is not a clear definition of this matter, we would at this time accept the amendment but would hope that we can work on it at a later time.

Mr. MADIGAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MADIGAN].

The amendment was agreed to.

### AMENDMENT OFFERED BY MR. SLATTERY

Mr. SLATTERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SLATTERY: Page 5, line 11, strike "75" and insert "100".

Page 6, line 4, strike "recoverable under paragraph (1) and".

Mr. SLATTERY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SLATTERY. Mr. Chairman, I am offering this amendment on behalf of the Energy and Commerce Committee. This amendment was adopted on a voice vote when the NRC authorization legislation came before that committee. This proposal would require the NRC to collect enough revenue in regulatory fees to offset its entire annual budget. When this legislation was considered earlier this year by the House Interior Committee, that committee approved increasing current law requirements that the NRC raise 33 percent of its budget in user fees to a level of 50 percent. The joint bill now before us would require that 75 percent of the Agency's annual appro-

priations be collected in regulatory fees.

The increased annual NRC fees would be borne by commercial nuclear reactors. Licensing fees and other special charges imposed upon university research reactors, nuclear medical facilities, and other nuclear materials users would remain the same. All fees would continue to be counted as general revenues, rather than being retained by the NRC.

Under current law, all types of NRC licensees pay fees for specific regulatory services, such as inspections and the review of license applications, which provide an identifiable benefit to an individual licensee. In addition to these fees, nuclear powerplant operators currently are required to pay a uniform annual user fee to cover the costs of other regulatory services such as research and rulemaking, which provide benefits to a number of licensees.

This legislation, if my amendment is added, will retain the current system of fees for specific regulatory services, but will change how the annual fees will be charged to nuclear powerplant operators. Under the bill, the annual fees will be calculated individually for each reactor based on the principle that those licensees requiring greater NRC regulatory expenditures should pay greater annual fees. Therefore, the annual fee will vary from plant to plant depending upon the amount of regulatory attention needed.

Mr. Chairman, imposition of regulatory fees is not a new idea, or a partisan concept. President Reagan called for increased utilization of user fees in his 1988 budget proposal. In addition, the Office of Management and Budget recently proposed to update its policy circular regarding fee assessment for Government services. Currently, several regulatory agencies and programs, including the Federal Communication Commission, the Federal Energy Regulatory Commission, the Securities and Exchange Commission, and the Pipeline Safety Program, are funded through imposition of annual regulatory charges and user fees.

Adoption of this amendment will ensure that this legislation reflects the actions recently taken by the Energy and Commerce Committee with regard to budget reconciliation. The budget resolution which was approved by both the House and Senate called upon Congress to increase the regulatory fee requirement of the NRC from 33 percent of their budget to approximately 70 percent of their budget. The reconciliation provisions being developed by that committee call upon the NRC to recover its entire appropriation through fee imposition. With all functions of the Federal budget coming under increasing pressure due to the need to reduce our Federal deficit, it is clear to me that if we do not take this fee requirement to the 100 percent level this year, we will be back here next year to finish the job. That means that the NRC staff will have to rewrite the rules in this area an additional time. If we adopt this amendment today, we will have brought this authorization bill in line with the reconciliation legislation that will be before us later this year. I urge my colleagues to join me in supporting this committee amendment.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. SLATTERY. I am happy to yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I will tell the gentleman I suppose under normal circumstances I would probably oppose this amendment because of the cost, as I see it, to the ratepayer. But I think the utility industry has sent us a message yesterday on the bill that we considered yesterday that really costs are not significant as far as the industry is concerned. As long as the industry feels that way, I suppose maybe we had better stick them with 100 percent user fee and so we on this side accept the amendment.

Mr. SLATTERY. I appreciate the gentleman's support.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. SLATTERY. I yield to the gentleman from Indiana.

Mr. SHARP. Mr. Chairman, this has passed the Energy and Commerce Committee and it is parallel to what we had for the Federal Energy Regulatory Commission. The gentleman from California [Mr. DANNEMEYER], has been involved with this approach as well, and we certainly accept the amendment tonight.

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Mr. SLATTERY. I appreciate the support of the gentleman and yield back any time I may have remaining.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. SLATTERY].

The amendment was agreed to.

### AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 7, after line 4, insert the following new title:

SEC. 7. USE OF FUNDS.

Of the amount authorized to be appropriated under section 101, the Nuclear Regulatory Commission shall use such funds as are necessary to carry out the provisions of this title.

SEC. 8. DEFINITIONS.

For the purposes of this title—

(1) the term "Agency" means the Nuclear Regulation Agency established under section 203; and

(2) the term "Director" means the Director of the Nuclear Regulation Agency appointed under section 204(a).

SEC. 9. ESTABLISHMENT OF NUCLEAR REGULATORY AGENCY.

(a) There is established as an independent regulatory agency the Nuclear Regulation Agency (hereinafter in this title referred to as the "Agency"). The Agency shall succeed the Nuclear Regulatory Commission in existence on the day before the effective date of this title.

(b) For purposes of chapter 9 of title 5 of the United States Code, the Agency is an independent regulatory agency.

(c) There shall be transferred to the Nuclear Regulation Agency all functions of the Nuclear Regulatory Commission, subject to section 204(d)(4).

SEC. 10. OFFICERS.

(a) The Agency shall be administered by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall carry out all functions transferred to the Agency by this title and shall have authority and control over all personnel, programs, and activities of the Agency.

(b) There shall be in the Agency a Deputy Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director shall perform such functions as the Director shall prescribe. The Deputy Director shall act for and perform the functions of the Director during the absence or disability of the Director, or in the event of a vacancy in the office of the Director.

(c) There shall be in the Agency no more than 3 Assistant Directors. The Assistant Directors shall perform such functions as the Director shall prescribe. The Director shall designate the order in which the Assistant Directors shall act for and perform the functions of the Director during the absence or disability of the Director or the Deputy Director, or in the event of vacancies in all of those offices.

(d) There shall be in the Agency an Inspector General and an office to be known as the Office of Inspector General of the Nuclear Regulation Agency that shall operate as follows:

(1) The Office shall be under the direction of the Inspector General of the Nuclear Regulation Agency, who shall be appointed for a term of 4 years by the President, by and with the advice and consent of the Senate, without regard to political affiliation, and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigation.

(2) The Inspector General and the Office of the Inspector General shall be governed by the provisions of the Inspector General Act of 1978, (5 U.S.C. App.) and shall be vested with the authorities, duties, and responsibilities set forth herein.

(3) For purposes of section 7324 of title 5, United States Code, the Inspector General shall not be considered to be an employee who determines policies to be pursued by the United States in the nationwide administration of Federal laws.

(4) TRANSFER OF FUNCTIONS.—There shall be transferred to the Office of Inspector General of the Nuclear Regulation Agency—

(A) the office of the Nuclear Regulatory Commission referred to as the "Office of Inspector and Auditor"; and

(B) such other offices of the Nuclear Regulatory Commission, or functions, powers, or duties of such offices, as the Director

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may determine are properly related to the functions of the Office of Inspector General and will further the purposes of this title, except that there shall not be transferred to the Office of Inspector General any program operating responsibilities.

(e) There shall be established within the Agency a Nuclear Safety Board (hereinafter referred to as the "Board"), consisting of 3 members, including a chairman, chosen by and removable by the President, and reporting to the Director:

(1) The terms of office of Members of the Board shall be for 5 years, except that of the members initially chosen, one term shall expire 6 years after the effective date of this title, one term shall expire 4 years after such effective date, and one term shall expire 2 years after such effective date.

(2) The Board may independently evaluate and report upon any abnormal occurrences reported to the Congress pursuant to section 208 of the Energy Reorganization Act of 1974 (42 U.S.C. 5848), or any other incident, event, occurrence, or circumstance referred to it by the Director.

(3) The Director shall ensure that all relevant material available to the Agency concerning an occurrence under evaluation will be made available to the Board. The Board may, from time to time, and with the concurrence of the Director, transfer employees of the Agency to its staff for the purpose of completing an evaluation. Such transfers shall not exceed 6 calendar months.

(4) The Board shall issue periodic reports of the results of its evaluations to the Director and shall report to the Congress on the final results of its evaluations of abnormal occurrences in a timely manner. The Board shall issue an annual report to the President and the Congress on October 1 of each year. Within 120 days of enactment, the Director shall publish regulations as necessary to implement the provisions of this section.

(f) Title II of the Energy Reorganization Act of 1974 (42 U.S.C. 5841 et seq.) is amended by redesignating the second section 210 as section 211.

(g)(1) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following:

"Director, Nuclear Regulation Agency".

(2) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"Inspector General, Nuclear Regulation Agency",

"Chairman, Nuclear Safety Board, Nuclear Regulation Agency",

(3) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"Members, Nuclear Safety Board, Nuclear Regulation Agency".

(h) Section 2(1) the Inspector General Act of 1978, (5 U.S.C. App.) is amended by adding "Nuclear Regulation Agency;" after "Veterans' Administration;".

### SEC. 205. ABOLITION OF NUCLEAR REGULATORY COMMISSION.

The Nuclear Regulatory Commission is hereby abolished. Sections 201, 203, 204, 205, and 209 of the Energy Reorganization Act of 1974 (42 U.S.C. 5841, 5843, 5844, 5845, and 5849) are repealed.

### SEC. 11. TRANSFER AND ALLOCATION OF APPROPRIATIONS AND PERSONNEL.

The personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available, or to be made available, in connection with the Nuclear Regulatory Commission and the functions transferred under this title, are, subject to section 1531 of title 31, United States Code, transferred to the Agency for appropriate allocation.

### SEC. 12. EFFECT ON PERSONNEL.

(a) The transfer of personnel pursuant to this title shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of such transfer.

(b) Any person who, on the day before the effective date of this title, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who without a break in service, is appointed in the Agency to a position having duties comparable to those performed immediately preceding his appointment, shall continue to be compensated in his new position at not less than the rate provided for his previous position for the duration of his service in his new position.

### SEC. 13. INCIDENTAL TRANSFERS.

(a) The Director of the Office of Management and Budget, at such time or times as the Director shall provide is authorized to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriation, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with the Nuclear Regulatory Commission and the functions transferred under this title, as may be necessary to carry out the provisions of this title. The Director of the Office of Management and Budget shall provide for such further measures and dispositions as may be necessary to effectuate the purposes of this title.

(b) After consultation with the Director of the Office of Personnel Management, the Director of the Office of Management and Budget is authorized, at such time as the Director of the Office of Management and Budget provides, to make such determination as may be necessary with regard to the transfer of positions within the Senior Executive Service in connection with the transfer of the Nuclear Regulatory Commission pursuant to this title and the transfer of functions under this title.

### SEC. 209. SAVINGS PROVISIONS.

(a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, the Nuclear Regulatory Commission, or any court of competent jurisdiction, in the performance of functions which are transferred under this title; and

(2) which are in effect at the time this title takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the President, the Director, a court of competent jurisdiction, or by operation of law.

(b)(1) The provisions of this title shall not affect any proceedings pending at the time this title takes effect before the Nuclear Regulatory Commission with respect to functions transferred under this title; but such proceedings, to the extent that they relate to functions so transferred, may be continued before the Agency. Orders may be issued in such proceedings, appeals may be taken therefrom, and payments may be made pursuant to such orders, as if this title had not been enacted; and orders issued in any such proceedings may continue in effect until modified, terminated, superseded, or repealed by the Director, by a court of competent jurisdiction, or by operation of law.

(2) The Director is authorized to promulgate regulations providing for the orderly transfer of proceedings continued under paragraph (1) of the Agency.

(c) Except as provided in subsection (e)—

(1) the provisions of this title shall not affect actions commenced prior to the date this title takes effect, and

(2) in all such actions proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this title had not been enacted.

(d) No action or other proceeding commenced by or against any officer in his official capacity as an officer of the Nuclear Regulatory Commission shall abate by reason of the enactment of this title. No cause of action by or against the Nuclear Regulatory Commission or functions transferred under this title, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this title. Causes of action and actions or other proceedings with respect to any function transferred under this title or with respect to the Nuclear Regulatory Commission, may be asserted by or against the United States or an official of the Agency, as may be appropriate, and, in an action pending when this title takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(e) If, before the date on which this title takes effect, the Nuclear Regulatory Commission, or any officer thereof in the official capacity of such officer, is a party to an action under this title, such action shall be continued with the Director or other appropriate official of the Agency, as the case may be, substituted or added as a party.

(f) Final orders and actions of the Director in the exercise of the functions transferred under this title shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Nuclear Regulatory Commission in exercising such functions immediately preceding their transfer.

### SEC. 14. REFERENCE.

With respect to any function transferred under this title and exercised after the effective date of this title, any reference in any other law, or in any rule, regulation, certificate, directive, instruction, or other official paper in force on the effective date of this title to the Nuclear Regulatory Commission shall be deemed to refer and apply to the Agency or Director.

## TITLE III. STANDARDIZED DESIGN

### SEC. 211. APPROVAL OF DESIGNS.

The Atomic Energy Act of 1954, as amended, is amended by adding a new section 194 to read as follows:

"SEC. 194. APPROVAL OF DESIGNS.

"a. The Director is authorized and directed to establish procedures permitting the approval of standardized facility designs for thermal neutron power generation facilities. The Director may also consider, in accordance with its regulations, requests under this section for the approval of the design for any major subsystem which represents a discrete element of a thermal neutron power generation facility.

"b. The Director shall within one hundred and twenty days following the effective date of this section, propose regulations establishing procedures and criteria for implementing the provisions of this Act for approval of standardized facility designs for any thermal neutron power generation facility licensed for construction or operation under this Act.

"c. After the regulations referred to in subsection b. of this section become more effective, no license, permit or approval granted under this Act for a thermal neutron power generation facility shall be modified except pursuant to such regulations."

### SEC. 212. DEFINITIONS

Section 11 of the Atomic Energy Act of 1954, as amended, is amended by adding new subsection dd. and ee. as follows:

"dd. 'Thermal neutron power generation facility' means a utilization facility which is designed to produce electrical energy and in which core power is designed to be produced primarily by thermal neutron fisson."

"ee. 'Standard design' means a design which the Director determines is sufficiently detailed and complete to support licensing of a commercial production or utilization facility or approval of a major portion of such a facility when referenced in an application for a construction permit and operating license or a design approval and which is usable for a multiple number of units and/or at a multiple number of sites without reopening or repeating the review."

### SEC. 213. GENERAL PROVISIONS.

Section 161o of the Atomic Energy Act of 1954, as amended, is amended by inserting the words "or approvals authorized by section 194" after the number "104".

### SEC. 214. EFFECTIVE DATE.

All sections of this title shall take effect as of 90 days after the date of enactment, and shall apply to all proceedings pending as of that date or commenced on or after that date, in accordance with the terms of this title.

Mr. DANNEMEYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHARP. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Indiana reserves a point of order against the amendment.

Mr. DANNEMEYER. Mr. Chairman, I do not know the exact number, but I would estimate that this Nation has produced probably 2,000 wide-bodied jets in the history of aviation, at least at the current time.

The reason I make reference to the number of wide-bodied jets we produced is to contrast how in America we are building wide-bodied jets with how we are building nuclear reactors, and to suggest to my colleagues that if we pursued the policy in building wide-bodied jets the way we build new reactors as to what would happen. If we built wide-bodied jets the same way, this is what we would do: Every time one wanted to take off we would have to file an environmental impact report before the airplane could take off.

Now how do you think the consumers of America would react to that little impediment in their travel plans? It is ridiculous to even suggest it, but that is the current policy that we are pursuing today in developing nuclear power in this country. We have so convoluted the process of building nuclear powerplants that it is amazing we have any today.

Mr. MOORHEAD. Mr. Chairman, will the gentleman from California yield to me?

Mr. DANNEMEYER. I yield to the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Chairman, I rise in support of the Dannemeyer amendment to standardize nuclear powerplants and reorganize the Nuclear Regulatory Commission.

The amendment would make significant changes in the way in which the Federal Government performs the important function of ensuring the safe operation of commercial nuclear powerplants. Each of these changes will enhance the safety of nuclear power generation by improving the efficiency, accountability and quality of the nuclear regulatory process.

Mr. Dannemeyer's amendment will require standardized designs for nuclear powerplants. There are several reasons why this requirement would promote safety. First, standardization would allow the industry to concentrate its skills and expertise on a few improved designs, rather than diffusing those skills and expertise on many different designs. Second, standardized designs result in standardized construction, quality assurance and operating experiences. Third, all of these considerations will encourage the industry to share information and thereby reinforce safety enhancement measures and avoid safety threatening ones. Finally, complete information will also be shared with the public, as the designs will be known long before construction begins. With these factors all working in the positive direction toward safer nuclear powerplant operation, public confidence in the industry will increase.

The amendment will eliminate the five-member commission and replace it with a single administrator. The five-member commission form of organization is a carryover from the predecessor to the NRC—the Atomic Energy Commission. The Atomic Energy Commission was established in 1946 and was originally responsible for the production and handling of nuclear weapons. Safety regulation of nuclear powerplants was only later added to the AEC's duties. Thus, the five-member commission format was created for an agency with a different mission than that which is performed today by the NRC.

Today, as a general rule, safety regulation is carried out under the single administrator form of organization. This type of organization centralizes decisionmaking which increases speed and efficiency and clearly focuses responsibility. A single administrator will also lead to more consistent regulation. Both the industry regulated by the NRC and the environmentalist-intervenor community support this change in organization. There is no reason why these improvements to the decisionmaking process should be denied to the regulation of commercial nuclear power. It is time, therefore, to eliminate the current anachronistic five-member commission and replace it with a single administrator.

The Dannemeyer amendment could also create two independent organizations which could work in tandem with the newly authorized single administrator. The first is an independent safety inspection board to investigate "abnormal occurrences" and other events affecting safety referred by the director. This function is now performed within the NRC. Replacement of the commission with a single administrator would make establishment of an independent safety board appropriate. It will increase public confidence in Federal regulation to formalize the safety investigation function in a separate entity that is not responsible for the day-to-day regulation of the industry and is less subject to possible political pressures than the single administrator. Further, by focusing the board's authority to investigate on "abnormal occurrences" the amendment will ensure that the board's attention and resources are focused on the most important safety questions.

Finally, the Dannemeyer amendment would also establish an Office of Inspector General to investigate waste, fraud, and abuse within the new nuclear regulation agency. These are the duties of an inspector general as defined by the Inspector General Act of 1978. This step will help boost public confidence in the regulation of nuclear power safety by ensuring that the regulators are above reproach.

In closing, I would emphasize that there are approximately 110 nuclear powerplants in operation in this country today. These plants are an integral part of our Nation's electric power supply. It is crucial that the agency responsible for overseeing the safety of these plants operate at maximum efficiency and provide consistent oversight of these operations. The Dannemeyer amendment will make several reforms in the structure of safety regulations that I believe will significantly enhance the safety of our nuclear activities by improving the efficiency and quality of decisionmaking in this vital area. I urge my colleagues to vote for the amendment.

Thank you.

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Mr. DANNEMEYER. This amendment would require the NRC to promulgate rules providing for standardized plant designs within 120 days. We would not prescribe with this amendment how it is to be done, we merely direct NRC to do it.

Standardization of nuclear plant design so that when a utility wants to build a nuclear powerplant they go to a producer of the plant and select one that has been approved by the NRC as providing for the safety requirements that all of us on all sides of this issue want to be in existence.

In other words, rather than designing each 747 as we go along we say, "If you build it by these specifications you will get approval and you don't have to go through all this nonsense." The licensing board, the appeals board, the Commission itself and then you get to the point where you get into the federal system, specifically the circuit court of appeals.

Mr. OXLEY. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Ohio [Mr. Oxley].

Mr. OXLEY. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from California for his amendment and for his forthright leadership on this issue. We have a lot of catchup to do in this country vis-a-vis other countries such as France, and the standardization process it seems to me makes a great deal of sense. I think we should commit ourselves to that kind of program and I again commend the leadership of the gentleman from California.

Mr. DANNEMEYER. I thank the gentleman.

Mr. Chairman, I want to contrast what our friends, the French, are doing today.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. My chairman, the gentleman from the State of Arizona [Mr. Udall] I yield to him at this time.

Mr. UDALL. I thank the gentleman for yielding.

The gentleman is on the right track. Mr. Chairman, I have studied this situation as subcommittee chairman for a number of years and I have come down to where the gentleman comes down. We need a single administrator, a nuclear safety board patterned on the Highway Transportation Safety Board and an inspector general. We need standardized design as the gentleman has outlined here. But the problem is I do not think that is right tonight to add this to an authorization bill. We have not held hearings, extended hearings on this problem. I want to get into it later in this Congress and I hope that I can work with the gentleman and get the reforms he is advocating in this amendment. But I find it very difficult tonight when we have not had adequate hearings and discussion to join the gentleman in the amendment.

Mr. DANNEMEYER. I thank my colleague for his comments. They are very constructive.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend from New Mexico [Mr. Lujan].

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Chairman, I agree with the gentleman from California. It is absolutely on the right track. It is correct, it is the most sensible amendment that has been offered today if we are going to fix the problems with the nuclear industry. We do not need to reinvent the wheel each time. The gentleman has said how the French do it, they move from one to the next, they move their crews to do one phase of the work and then move it on to the next one and the second crew comes on and builds onto that.

I think that is exactly the way to go. It is the recommendation of both the Department of Energy, the Nuclear Regulatory Commission that we do go to standardization. So I commend the gentleman and do support his amendment.

The CHAIRMAN. Does the gentleman from Indiana [Mr. Sharp] insist on his point of order?

Mr. SHARP. Mr. Chairman, I would rather not take the time to do that but perhaps it may be necessary. I was hoping that the gentleman from California [Mr. Dannemeyer] might withdraw his amendment and let our committees take action on it. Many of us are very sympathetic to the basic ideas the gentleman is propounding. It is a matter of working out some major details.

Does the gentleman plan to withdraw his amendment?

Mr. DANNEMEYER. Mr. Chairman, may I suggest that my colleague, the gentleman from Florida [Mr. Bilirakis] take some time to talk about the issue, and then I will address the concern the chairman has indicated about whether the House should continue this evening.

The CHAIRMAN. Does the gentleman from Indiana [Mr. Sharp] continue to insist on his point of order, or does he reserve his point of order?

Mr. SHARP. Mr. Chairman, I have an agreement from my colleague to withdraw. Mr. Chairman, I will not pursue the point of order at this time.

The CHAIRMAN. The gentleman withdraws his reservation of a point of order.

Mr. SHARP. Mr. Chairman, I withdraw my reservation of a point of order.

Mr. BILIRAKIS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as the author of the amendment has so ably explained, this amendment would both restructure the Nuclear Regulatory Commission and require new regulations regarding the standardized design of nuclear reactors.

With regard to the NRC restructuring—many arguments may be advanced in favor of establishing a single administrator in charge of an agency—rather than the current administration of the NRC by a group of commissioners.

First, a single administrator would allow for more prompt and consistent decisions on matters of nuclear safety. At present, the NRC must comply with a host of restrictions consistent with its legal character as a commission. Formal meeting requirements and other restrictions have produced nearly inevitable delays. Inordinate delays can work against safety concerns.

In addition, a single administrator has worked effectively with other agencies charged with important matters of public safety. The Environmental Protection Agency, for example, oversees a multitude of potential threats to human health. Likewise, the Federal Emergency Management Agency operates under a single director.

Finally, the amendment specifically provides for an inspector general office to review agency actions as well as a nuclear safety board consisting of three members. I believe these provisions should alleviate any concerns about having sufficient internal review mechanisms and maintaining a diversity of opinion within the agency on important safety matters.

Turning to the amendment's provisions on nuclear standardization, the amendment would require the new Nuclear Regulatory Agency Director to establish procedures for approval of standardized nuclear powerplant designs. It would also require the Director to propose these regulations within 120 days.

Mr. Chairman, in my own Subcommittee on Energy and Power and in the former Subcommittee on Energy Conservation and Power, the subject of nuclear powerplant standardization has been discussed many times.

We now rely on nuclear power for 17 percent of our electric generation—yet the building of new powerplants has come to a standstill. No utility has ordered a new reactor for many years. There are many reasons for this informal moratorium. The sheer cost of new powerplants has certainly played a key role in suspending any new construction.

However, standardized designs and, more importantly, standardized design approval by the relevant governmental agency, could aid in reviving the nuclear option. Other countries, notably France, have had great success with standardized facilities and I think it is clear that not only construction—but safety—could be promoted if we took this course.

To date, the NRC has been reluctant to pursue standardization on the basis of its present legal authority. What the amendment would do is clear up this ambiguity. The amendment would not promote any one design over another—but merely require the Nuclear Regulatory Agency to move in this direction.

I believe all Members, whatever their personal opinion on nuclear power may be, should support this course of action. The creation of standard designs and standard nuclear facilities is a rational, logical attempt to both streamline decisionmaking and ensure that any future nuclear reactors utilize thoroughly tested and reviewed technology.

Today, we custom design and license each nuclear powerplant. This is efficient and subject to repetitive challenges and litigation. Standardized designs would provide the assurance that all major elements of a nuclear powerplant were produced to exacting requirements and that these requirements had been subject to a thorough public review process.

Shortly after the turn of the century, Henry Ford taught the Nation what benefits can be realized through standardized design and production. It's time we relearned the lessons of Henry Ford and take at least a small, initial step toward nuclear standardization in this country.

The offered amendment does not go as far as I would like toward standardization, but I believe it's a good first start. In the past few years, it has been unclear whether the nuclear option could even be called an option. Let us take a first step toward a more sensible energy policy and pursue the best possible design and construction of nuclear powerplants.

I realize that—for a number of reasons—we will not be able to fully pursue this amendment today. However, I think that all Members should realize that this is an issue which will not go away. It is an issue for the future and an issue of public safety and confidence in nuclear power. The nuclear option is not dead in the United States, it is only awaiting a sensible rebirth framed on fundamental concepts like standardized design and reformation of the licensing process.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. BILIRAKIS. I yield to the gentleman from Indiana [Mr. Sharp].

Mr. SHARP. I thank the gentleman for yielding.

Mr. Chairman, our colleague from Florida is very knowledgeable, as we are learning here. We will certainly be drawing upon his expertise in our subcommittee as we consider this because most of us fundamentally believe in the goal. Our problem is working out how to get to that goal with the Nuclear Regulatory Commission. I think as the gentleman recognizes tonight we can close out and we plan to give this thorough attention and I believe our colleague from California is going to withdraw his amendment.

Mr. BILIRAKIS. I appreciate my colleague from California is going to do that, also and I appreciate the comments and look forward to working with the gentleman also.

The CHAIRMAN. The time of the gentleman from Florida [Mr. Bilirakis] has expired.

(On request of Mr. Lujan and by unanimous consent Mr. Bilirakis was allowed to proceed for 1 additional minute.)

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. BILIRAKIS. I yield to my colleague from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Chairman, I simply want to congratulate the gentleman on his words tonight because they really come to the point of this particular issue. I think that we will be well served and this country will be well served by following the example that the gentleman has pointed out and I think that we have the assurances that there will be hearings and we will continue the work in the direction that the gentleman is pointed and I congratulate him on it.

Mr. BILIRAKIS. I thank the gentleman for his remarks.

Mr. DANNEMEYER. Mr. Chairman, in response to suggestions of the distinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona [Mr. Udall], I ask unanimous consent that my amendment be withdrawn.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

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### AMENDMENT OFFERED BY MR. HASTERT

Mr. HASTERT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hastert: Page 6, insert after line 21 the following:

SEC. 7. DISPOSAL SITE.

The Nuclear Regulatory Commission may not designate a permanent disposal site for low-level nuclear wastes at Ann and Factory Streets in West Chicago, Illinois, until the Commission has studied alternative sites to determine the safest site available to store such wastes.

Mr. HASTERT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HASTERT. Mr. Chairman, this amendment concerns a recent recommendation by the Nuclear Regulatory Commission to permanently bury radioactive waste at a site in West Chicago, IL. This radioactive material is a manufacturing byproduct which was generated in the West Chicago area over a period of 41 years.

The West Chicago site represents the second largest volume of low-level radioactive waste anywhere in the country. Understandably the burial of this material within the center of the city of West Chicago presents a very real concern to the residents of this area. In fact, this storage site would be located only two blocks from the West Chicago High School.

The Nuclear Regulatory Commission has indicated that the radioactive material might well be expected to present a danger for the next thousand years. In light of this information, I am simply asking in this amendment for the NRC to review alternatives to storage of this material within the city limits of West Chicago, and to determine if a more appropriate site for the storage of this waste exists. Certainly, small communities should not be asked to gamble with the lives of their residents if better and safer solutions exist.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HASTERT. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, the gentleman from Indiana [Mr. Sharp] and I have examined the amendment, and since it calls for a study, we think it might be beneficial, and we are prepared to accept the amendment.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. HASTERT. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I think the gentleman from Illinois [Mr. Hastert] makes an excellent suggestion. Nothing should be done until alternative sites have been studied to determine the safest site available to store such waste, and I think the gentleman is on the right track.

I think this is a good amendment, and from this side of the aisle we are prepared to accept it.

Mr. HASTERT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. Hastert].

The amendment was agreed to.

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Mr. PASHAYAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from New York [Mr. STRATTON] and I had prepared an amendment requiring the NRC to promulgate its proposed rule. However, in light of the results on the Markey amendment, we do not plan to offer that amendment. We think Congress has already expressed its opinion as to what it should like to see the NRC do.

The CHAIRMAN. The question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COELHO] having assumed the chair, Mr. OBERSTAR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1315) to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes, pursuant to House Resolution 237, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

### RECORDED VOTE

Mr. BADHAM. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 389, noes 20, not voting 24, as follows:

[Roll No. 310]

### AYES—389

Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boucher
Boulter
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Frank
Frenzel
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

### NOES—20

Atkins
Boxer
Dellums
Downey
Gephardt
Gonzalez
Hayes (IL)
Hochbrueckner
Kennedy
Leland
Markey
Mavroules
McGrath
Morrison (CT)
Mrazek
Owens (NY)
Rangel
Schneider
Weiss
Wheat

### NOT VOTING—24

Ackerman
Bentley
Boner (TN)
Bonker
Clay
Conyers
Crockett
Daniel
Dickinson
Early
Ford (MI)
Ford (TN)
Garcia
Hunter
Kemp
Latta
Nowak
Panetta
Pepper
Porter
Richardson
Rodino
Roemer
Tauzin

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Mr. RANGEL and Mr. HAYES of Illinois changed their votes from "yea" to "nay."

Mr. DONALD E. LUKENS changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. SHARP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1315, the bill just passed.

The SPEAKER pro tempore (Mr. JONTZ). Is there objection to the request of the gentleman from Indiana?

There was no objection.

## FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 125. Concurrent Resolution authorizing the printing of the revised edition of the pamphlet entitled "The Constitution of the United States of America."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

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S. 1550. An act to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes.

## PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO HAVE UNTIL MIDNIGHT FRIDAY, AUGUST 7, 1987 TO FILE REPORTS ON H.R. 3051 AND H.R. 1517

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the House Committee on Public Works and Transportation have until midnight Friday, August 7, 1987, to file two reports on the two bills, H.R. 3051 and H.R. 1517, relating to airline safety.

Mr. Speaker, this matter has been cleared with the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the ranking minority member.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

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## PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO MEET TOMORROW DURING 5-MINUTE RULE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be permitted to meet tomorrow, notwithstanding the fact that the House may be under the 5-minute rule.

We have cleared this with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## PRESIDENTIAL ACTION TO BE TAKEN WITH RESPECT TO REPORT OF U.S. INTERNATIONAL TRADE COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 100-95)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, August 5, 1987.)

## ORDER OF BUSINESS

Mr. LENT. Mr. Speaker, I ask unanimous consent that on the 1-hour special order allocated to me, I be permitted to yield that hour to the gentleman from New York [Mr. DIOGUARDI].

The SPEAKER pro tempore. The Chair believes that the gentleman from New York [Mr. DIOGUARDI] already has an hour and no Member is allowed to have more than 1 hour.

Mr. LENT. I thank the Chair.

Mr. FISH. Mr. Speaker, may I be heard on this matter?

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York.

Mr. FISH. Mr. Speaker, the gentleman from New York [Mr. LENT] is backing me up on a second hour of a special order we are taking honoring the former Secretary of Commerce, so that it is rather important to the order in which we speak.

I do do not know where the hour of the gentleman from New York [Mr. DIOGUARDI] appears in the sequence. Hence we asked, because the gentleman from New York [Mr. LENT] had been on his feet participating in parliamentary debate all day, that the gentleman from New York be permitted to yield his hour.

Mr. LENT. Mr. Speaker, if I may, I would rephrase my unanimous-consent request.

Mr. Speaker, I ask unanimous consent that the 1-hour special order allocated to me for the purpose of recognizing the contribution of the late Secretary of Commerce, Mr. Baldrige, be yielded to the gentleman from New York [Mr. DIOGUARDI], and that the order of the hour of the gentleman from New York [Mr. DIOGUARDI] and my hour be reversed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## INTRODUCTORY STATEMENT ON CBI LEGISLATION

(Mr. GIBBONS asked and was given permission to address the House for 1 minute.)

Mr. GIBBONS. Mr. Speaker, in behalf of a bipartisan group of this House, I have introduced H.R. 3101, the new Caribbean Basin Initiative Act.

I ask unanimous consent that my remarks, a copy of the bill, and an explanation of the bill be placed in the RECORD at this point.

The SPEAKER pro tempore. (Mr. COELHO). Is there objection to the request of the gentleman from Florida?

Mr. SCHULZE. Mr. Speaker, reserving the right to object, and I will not object, but I take this reservation and ask the gentleman if he will give the Members a brief explanation of the action the gentleman is taking.

The SPEAKER pro tempore. The gentleman is just going to put remarks in the RECORD.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. SCHULZE. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, I thank the gentleman for yielding.

I think the gentleman from Pennsylvania understands the nature of this, and all we are trying to do is get unanimous consent to put this very important piece of legislation of which the gentleman is a cosponsor in the RECORD, so that when we get the numerous requests that we are bound to get in about this legislation, we will be able to respond intelligently.

The SPEAKER pro tempore. Without objection, the material may be supplied for the RECORD.

There was no objection.

Mr. GIBBONS. Mr. Speaker, today I am introducing an important piece of trade legislation designed to enhance the effectiveness of the Caribbean Basin Initiative or "CBI." I am very pleased that a broad bipartisan group of Members have agreed to cosponsor the bill. The legislation, entitled the "Caribbean Basin Economic Recovery Expansion Act of 1987" would expand the current duty-free treatment of exports from the region and extend the trade benefits of the CBI Program beyond the original 1995 expiration date.

As my colleagues are aware, the Caribbean Basin is a crucial region to the United States and its political and economic stability is a key component of our foreign policy. With the enactment in 1983 of the landmark Caribbean Basin Economic Recovery Act, Congress authorized certain unilateral and preferential trade and tax measures for Caribbean Basin countries and territories. Presently, 22 countries are eligible for unilateral duty-free treatment of their exports to the United States for a 12-year period. Current law exempts from duty-free treatment certain goods produced in CBI countries which are "import sensitive" in the United States. These include textile and apparel goods, footwear, handbags, workgloves, leather flat goods and apparel, certain watches and parts, petroleum and tuna. The CBI also provides benefits such as a convention tax deduction, operation of foreign sale corporations, and the availability of financing for active business investments in those countries that have signed a Tax Information Exchange Agreement.

We are concerned, however, that the program has not achieved the positive results that were intended. It appears that changing market conditions, falling commodity prices, and other factors have weakened the trade results of the program. Our purpose in introducing the legislation now is to build confidence in the region, create business certainty, and provide a long-term investment climate, thereby promoting trade and development. Our hope is that economic prosperity will ensure political stability in the region for years to come.

This legislation is the result of a year-long investigation by the Subcommittee on Oversight of the Committee on Ways and Means on the impact and effectiveness of the CBI under the leadership of its distinguished chair-

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man, and my good friend, JAKE PICKLE. The Oversight Subcommittee worked long and hard to fashion a report that would strengthen the operation of the program. Their investigation included hearings, a delegation factfinding mission to the region, and a followup report entitled "Recommendations to Improve the Impact and Effectiveness of the CBI."

The subcommittee carefully considered numerous proposed changes offered by Government officials and private sector investors in the Caribbean Basin countries and this bill incorporates the trade recommendations.

Let me briefly mention just a few key provisions in the bill.

First, the bill increases the duty-free allowance for U.S. citizens returning from a CBI beneficiary country by $200 from the present law $400 exemption to $600. Similarly, for U.S. insular possessions, the exemption for returning citizens is increased from $800 to $1,000. Second, the bill would establish a separate injury determination for CBI beneficiary countries in countervailing duty and antidumping cases. This would cumulate imports from CBI countries as a group in determining whether a unfair trade practice causes material injury to a U.S. domestic injury. The bill also provides limited duty-free treatment for articles exempt under current law as follows: First, duty-free treatment for dutiable articles not produced or in short supply in the United States based upon determinations by the President and findings by the International Trade Commission [ITC]; second, unlimited duty-free treatment for articles manufactured, assembled, or processed from 100 percent U.S. materials, components, and other products; for example, this would allow CBI garments and apparel made wholly of U.S. textiles to enter the United States both duty and quota free; and third, a "tariff-rate quota" allowing a specific volume of goods in each product category that are currently dutiable under CBI to enter duty-free.

Finally, the bill proposes to liberalize sugar import quotas for CBI beneficiaries by restoring sugar quotas to the levels existing when the CBI Program went into effect. Although I realize this is a controversial provision to many of my colleagues, I believe it is essential for the program and the region's development to compensate for the drastic reductions in traditional CBI exports such as sugar since the enactment of the program.

Mr. Speaker, in closing, I believe this is a good bill, one that seeks to strengthen economic, rather than military, ties with our neighbors in the Caribbean and Central America region. It is necessary not only for the economic development of the CBI, but also for U.S. security and economic interests in the regions. Therefore, I urge my colleagues to review this legislation and I seek your support.

A summary of the provisions of the bill is set forth below:

### SUMMARY OF CARIBBEAN BASIN INITIATIVE (CBI) LEGISLATION

### SHORT TITLE (SECTION 1)

The short title of the legislation is the "Caribbean Basin Economic Recovery Expansion Act of 1987."

### CONGRESSIONAL FINDINGS (SECTION 2)

Section 2 contains findings of the Congress that a stable political and economic climate is necessary for the development of the Caribbean Basin Initiative and for U.S. security and economic interests, and that the U.S. commitment to the development of that region should be reaffirmed and strengthened by improving the operation of the Caribbean Basin Economic Recovery Act (Caribbean Basin Initiative (CBI)).

### SPECIAL RULE-OF-ORIGIN FOR EASTERN CARIBBEAN PRODUCTS (SECTION 3)

Section 3 establishes a special rule-of-origin for the Eastern Caribbean States (Antigua and Barbuda, Anguilla, Aruba, British Virgin Islands, Cayman Islands, Dominica, Grenada, Montserrat, Netherlands-Antilles, St. Christopher-Nevis, St. Lucia, St. Vincent and the Grenadines, and Turks and Caicos Islands). This provision increases from 15 percent to 25 percent, for Eastern Caribbean States only, the value of U.S. components which may be counted toward the 35 percent minimum value-added requirement in determining eligibility for duty-free treatment under the CBI program. The existing requirement that the products must also be "substantially transformed" in such country would be maintained.

### LIMITED DUTY-FREE TREATMENT FOR EXEMPT ARTICLES (SECTIONS 4 AND 7(a))

Under the present CBI, imports of textiles and apparel; footwear, handbags, luggage, flat goods, work gloves and leather wearing apparel; canned tuna; petroleum and petroleum products; and certain watches and watch parts are exempt from duty-free treatment. Certain imports of textiles and apparel are also subject to quotas under textile agreements. Imports from the Caribbean are also dutiable if they do not meet the rule-of-origin requirements.

Sections 4 and 7(a) expand CBI benefits through limited duty-free treatment on these products:

1. Duty-free treatment for dutiable articles not produced or in short supply in the United States.

Duty-free treatment will be provided upon determinations by the President, based on findings by the International Trade Commission (ITC), that similar products are either not produced in the United States or are in short supply. Determinations to provide or remove duty-free treatment would be made upon petitions filed with the ITC.

2. Unlimited duty-free treatment for articles manufactured, assembled, or processed from 100 percent U.S. materials, components, and other products.

The effect of this provision is to eliminate the duty and any applicable import quotas on any product currently dutiable from the CBI if 100 percent of the content of that product is U.S. origin. Unlike duty-free treatment under item 807.00 (which would still apply to articles assembled in the CBI in part from U.S. components), this provision does not require that components be fabricated prior to their export from the United States. The 35 percent minimum value-added and substantial transformation rule-of-origin requirements would continue to apply for duty-free treatment by these articles.

3. A "tariff-rate quota" allowing a specific volume of goods in each product category that are currently dutiable under CBI to enter duty-free.

Imports in a product-exempt category from each Caribbean Basin country could enter duty free up to the amount entered in the preceding 12-month period plus an annual growth of 3 percent, the aggregate duty-free amount from all CBI beneficiaries not to exceed 5 percent of U.S. total imports in the category. Duty-free imports under the no production/short supply or 100 percent U.S. content provisions would not be included in the quota amount. Any amount above the specified quota would continue to be subject to duty.

### AN INCREASE IN THE DUTY-FREE ALLOWANCE FOR U.S. CITIZENS RETURNING FROM A CBI BENEFICIARY COUNTRY OR A U.S. INSULAR POSSESSION BY $200 (SECTION 7 (b))

This provision increases the duty-free allowance for persons returning to the United States from a CBI beneficiary country from $400 to $600 and from a U.S. insular possession from $800 to $1,000.

### A SEPARATE INJURY DETERMINATION FOR CBI BENEFICIARY COUNTRIES IN COUNTERVAILING DUTY AND ANTIDUMPING CASES (SECTION 8)

Currently, in countervailing duty and antidumping cases, imports from CBI beneficiary countries are aggregated together with worldwide imports of the product into the United States in determining whether the unfair trade practice causes material injury to the U.S. domestic industry. Section 8 creates a separate cumulation of imports from CBI beneficiary countries, as a group. If ITC determines that the CBI beneficiary countries injures U.S. producers, current law and sanctions would apply.

### MORE LIBERAL SUGAR IMPORT QUOTAS FOR CBI BENEFICIARIES (SECTION 10)

Restores sugar import quotas for CBI beneficiaries to the levels existing when the CBI program went into effect.

### DUTY-FREE ENTRY UNTIL DECEMBER 31, 1988, OF ETHANOL WHICH IS DEHYDRATED BY CERTAIN FACILITIES IN COSTA RICA AND JAMAICA (SECTION 9)

Section 9 provides similar tariff treatment to Caribbean facilities in Costa Rica and Jamaica as is afforded under the Tax Reform Act of 1986 to certain U.S. ethanol producers in the Caribbean Basin region. The "substantial transformation" requirement under the current country-of-origin rules and current law governing the export of ethanol would remain unchanged.

### REPORTS BY CBI BENEFICIARY COUNTRIES (SECTION 5)

Section 5 requires each CBI beneficiary country to submit a report to the President by September 1, 1988, and every three years thereafter, on its promotion and use of the CBI benefits and efforts it has undertaken to encourage investment and exports.

### EXTENSION OF THE CARIBBEAN BASIN INITIATIVE FOR TWELVE ADDITIONAL YEARS TO SEPTEMBER 30, 2007 (SECTION 6)

Section 6 extends U.S. duty-free treatment for eligible imports from CBI beneficiary countries an additional 12-year period, from September 30, 1995, to September 30, 2007.

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## H.R. —

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Caribbean Basin Economic Recovery Expansion Act of 1987".

### SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) a stable political and economic climate in the Caribbean region is necessary for the development of the countries in that region and for the security and economic interests of the United States;

(2) the Caribbean Basin Economic Recovery Act was enacted in 1983 to assist in the achievement of such a climate by stimulating the development of the export potential of the region; and

(3) the commitment of the United States to the successful development of the region, as evidenced by enactment of the Caribbean Basin Economic Recovery Act, should be reaffirmed, and further strengthened, by amending that Act to improve its operation.

### SEC. 3. UNITED STATES CONTENT OF BENEFICIARY COUNTRY PRODUCTS.

Section 213(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(1)) is amended by striking out the last sentence and inserting the following: "If the cost or value of materials produced in the customs territory of the United States (other than the Commonwealth of Puerto Rico) is included with respect to an article to which this paragraph applies, an amount not to exceed—

"(i) 25 percent, if the article is the product of an East Caribbean beneficiary country; or

"(ii) 15 percent, if the article is the product of a beneficiary country other than an East Caribbean beneficiary country;

of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (B). For purposes of the preceding sentence, each of the following, during any period when designated as a beneficiary country under this subtitle, shall be considered as an East Caribbean beneficiary country: Antigua and Barbados, Anguilla, Aruba, the British Virgin Islands, the Cayman Islands, Dominica, Grenada, Montserrat, Netherlands-Antilles, St. Christopher-Nevis, St. Lucia, St. Vincent and the Grenadines, and the Turks and Caicos Islands.".

### SEC. 4. TREATMENT OF EXEMPT ARTICLES.

(a) In General.—The Caribbean Basin Recovery Act is amended by inserting after section 213 the following new section:

### "SEC. 213A. SPECIAL CATEGORY ARTICLES.

"(a) Except as provided in subsections (c) and (d), the duty-free treatment provided under this subtitle shall not apply to—

"(1) textile and apparel articles which are subject to textile agreements;

"(2) footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

"(3) tuna, prepared or preserved in any manner, in airtight containers;

"(4) petroleum, or any product derived from petroleum, provided for in part 10 of schedule 4 of the TSUS; or

"(5) watches and watch parts (including cases, bracelets, and straps), of whatever type including, but not limited to, mechanical, quartz digital or quartz analog, if such watches or watch parts contain any material which is the product of any country with respect to which TSUS column 2 rates of duty apply.

"(b) The President shall establish such categories of the kinds of articles referred to in each of paragraphs (1) through (5) of subsection (a) as may be appropriate for purposes of administering each of subsection (c) and (d).

"(c)(1) The President shall provide duty-free treatment under this subtitle to articles within any category established under subsection (b) if the United States International Trade Commission determines that—

"(A) the articles within that category either—

"(i) are not produced in the United States, or

"(ii) are not produced in the United States in quantities sufficient to meet the domestic demand for the product; and

"(B) no directly competitive articles are produced in the United States.

"(2) The President shall withdraw the duty-free treatment provided under paragraph (1) to articles within any category if the Commission determines, after a petition for such a determination is filed under paragraph (3), that the category is no longer eligible for such treatment under subparagraph (A) and (B) of paragraph (1).

"(3) A request for a determination under paragraph (1) or (2) may be made by any interested person by filing a petition for the determination in such form as the Commission shall prescribe. The Commission shall make the determination within 120 days after the date on which the request is received. A petition for a determination under paragraph (2) with respect to any category of articles may not be filed sooner than the first anniversary of the date on which the determination under paragraph (1) extending duty-free treatment to that category was made.

"(d)(1) As used in this subsection, the term "duty-free quota' means, with respect to each category of articles established under subsection (b) and not excluded under paragraph (2), for each beneficiary country—

"(A) for calendar year 1988, a quantity equal to 103 percent of the base quantity for that category for that country; and

"(B) for each calendar year after 1988, a quantity equal to 103 percent of the duty-free quota for the immediately preceding calendar year for that category for that country.

The base quantity of any category of articles established under subsection (b) for a beneficiary country is the larger of—

"(i) the quantity of articles in that category that are a product of such country and were exported to the United States during the most recent 12-month period for which data is available; or

"(ii) the quantity of articles in that category that results from dividing—

"(I) the aggregate quantity of articles in that category that are a product of all beneficiary countries and exported to the United States during such 12-month period, by

"(II) the number of beneficiary countries.

"(2) For purposes of applying this subsection, articles that are provided duty-free treatment under subsection (c) or item 807.50 of the TSUS shall be disregarded.

"(3) Subject to paragraph (4), the President shall provide duty-free treatment under this subsection to articles of any beneficiary country that are entered during any calendar year after 1987 before the total quantity entered during the year equals or exceeds the duty-free quota for those articles for that country for that year.

"(4) The aggregate quantity of articles—

"(A) in any category to which a duty-free quota applies; and

"(B) produced in all beneficiary countries;

that may be entered duty-free during any calendar year after 1987 may not exceed an amount equal to 5 percent of the aggregate quantity of articles of that kind that are entered during that year from all beneficiary countries. If the 5 percent limitation set forth in the preceding sentence is exceeding during any calendar year, the President shall apply the excess, on an appropriate pro-rated basis, against the duty-free quotas for the following year for that category for all beneficiary countries.".

"(b) Conforming Amendment.—Section 213(b) of the Caribbean Basic Economic Recovery Act (19 U.S.C. 2703(b)) is repealed.

### SEC. 5. REPORTS BY BENEFICIARY COUNTRIES.

Section 217 of the Caribbean Basin Economic Recovery Act is amended to read as follows:

### "SEC. 217. REPORTS BY BENEFICIARY COUNTRIES.

"(a) Each beneficiary country shall prepare, and submit to the President reports setting forth, with respect to the period covered by each report—

"(1) the extent to which the government of the country has promoted and used benefits provided under this subtitle;

"(2) any change in the policies of the government for purposes of encouraging investment, and promoting exports, under this subtitle; and

"(3) the efforts by the government to enter into an exchange of information agreement under section 274(h)(6)(C) of the Internal Revenue Code of 1986, or, if such an agreement has been entered into, the extent to which the country has used the benefits under sections 274(h)(6)(C) and 936 of the Internal Revenue Code of 1986.

Each beneficiary government shall submit a report under this section not later than September 1, 1988, and a subsequent report before the close of each 3-year period occurring thereafter.

"(b) If a beneficiary country fails to comply with a reporting requirement under subsection (a), the President may suspend the provision of duty-free treatment under this title until such time as compliance occurs.".

### SEC. 6. TERMINATION OF DUTY-FREE TREATMENT.

Section 218(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2706(b)) is amended by striking out "1995" and inserting "2007".

### SEC. 7. SPECIAL TARIFF TREATMENT FOR BENEFICIARY COUNTRY PRODUCTS.

(a) Beneficiary Country Articles Wholly of United States Materials.—Subpart B of part 1 of schedule 8 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by adding the following new headnote:

"5. No quantitative import restriction provided for under any law shall apply with respect to any article provided for under item 807.50"; and

(2) by adding at the end thereof the following new item:

| | | |
|---|---|---|
| "807.50 | Articles manufactured, assembled, or otherwise produced in a country listed in general headnote 3(e)(vii)(A) in whole of materials, components, or other goods that are products of the United States. | Free". |

(b) Duty-Free Allowance for Returning Residents.—Subpart A of part 2 of schedule 8 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by inserting the following new headnote:

"4. As used in items 813.31 and 813.32, the term 'beneficiary country' means a country listed in general headnote 3(e)(vii)(A).";

(2) by striking out "item 813.30" and all that follows thereafter in the superior head-

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ing to items 813.30 and 813.31 and inserting "item 813.30, 813,31, or 813.32 within 30 days preceding his arrival, and claims exemption under only one of such items on his arrival.";

(3) by striking out "$800" in item 813.31 and inserting "$1,000";

(4) by inserting "or up to $600 of which have been acquired in one or more beneficiary countries" before the parenthetical matter in item 813.31; and

(5) by inserting after item 813.31 the following new item:

| | | | |
|---|---|---|---|
| "813.32 | Articles whether or not accompanying a person, not over $600 in aggregate fair market value in the country of acquisition, including—<br>(a) but only in the case of an individual who has attained the age of 21, not more than 1 liter of alcoholic beverages, and<br>(b) not more than 200 cigarettes, and not more than 100 cigars,<br>if such person arrives directly or indirectly from a beneficiary country, not more than $400 of which shall have been acquired elsewhere than in beneficiary countries (but this item does not permit the entry of articles not accompanying a person which were acquired elsewhere than in beneficiary countries). | Free | Free". |

(c) Effective Dates.—

(1) The amendments made by subsection (a) apply with respect to articles exported from the United States on or after the 15th day after the date of the enactment of this Act.

(2) The amendments made by subsection (b) apply with respect to residents of the United States who depart from the United States on or after the 15th day after the date of the enactment of this Act.

SEC. 8. CUMULATION INVOLVING BENEFICIARY COUNTRY PRODUCTS UNDER THE COUNTERVAILING DUTY AND ANTI-DUMPING LAWS.

Section 771(7)(C)(iv) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(C)(iv) is amended by inserting before the period the following: "; except that the volume and effect of imports from a country designated as a beneficiary country under the Caribbean Basin Economic Recovery Act may only be cumulatively assessed with respect to the imports of like products that are the product of one or more other countries designated as beneficiary countries".

SEC. 9. ETHYL ALCOHOL PRODUCED IN BENEFICIARY COUNTRIES.

Section 423(b)(1)(A) of the Tax Reform Act of 1986 is amended to read as follows:

"(A) an azeotropic distillation facility located in—

"(i) an insular possession of the United States, if that facility was established before, and in operation on, January 1, 1986, or

"(ii) a beneficiary country if that facility, was established before, and in operation on, January 1, 1987, or".

SEC. 10. SUGAR IMPORTS FROM BENEFICIARY COUNTRIES.

Notwithstanding any other provision of law, the aggregate quantity of sugar that is the product of any country designated as a beneficiary country under the Caribbean Basin Economic Recovery Act that may be entered, or withdrawn from warehouse for consumption, in the customs territory of the United States during any annual period occurring after December 31, 1987, is the aggregate quantity of sugar (expressed in short tons) that was allocated to that country for entry or withdrawal in such territory during the period beginning on September 26, 1983, and ending September 30, 1984.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. Jontz] is recognized for 5 minutes.

[Mr. JONTZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

## REPORT FROM THE CONSTITUTIONAL CONVENTION, 1787

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Gekas] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, it is now August 5, 1787. I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia.

It is the last day of the declared recess and the delegates are getting a little fidgety about the outcome of the work of the Committee of Detail which is to be presented tomorrow, the first day when they will be back from their recess.

The Committee of Detail has been made up over the last 10 days of the gentleman from South Carolina, Mr. Rutledge; the gentleman from Virginia, Mr. Randolph; the gentleman from Pennsylvania, Mr. Wilson; the gentleman from Connecticut, Mr. Ellsworth; and the gentleman from Massachusetts, Mr. Gorham. They have been working diligently to put together a draft document for the approval or disapproval of the delegates. They feel they have a great chance of success because what they have put together is a compendium of all the resolutions that were passed by the delegates thus far, as well as all those motions that did carry throughout the process of the Convention thus far.

I have asked Mr. Madison whether or not I could look at one of the drafts on which he is working, and although he is not on the Committee of Detail, he has been taking notes throughout this Convention. He said that I could look at the work thus far.

All I can tell you at this point is that it appears that this document is going to have an opening called the Preamble and then some other remarks and then will begin the structuring of the Congress of the United States.

The first six, seven, or eight articles of the Constitution, or document that is now being formulated, will be devoted to how the Congress is going to be structured and how it will work.

The remainder, of course, is going to be to carry out the balance of power arguments and debate that have prevailed for so long, so there will be articles on the executive and on the judiciary.

Then there are going to be some other provisions, it appears, we are not sure, but it appears that there will be some provisions on how amendments to this document can be offered and passed in the future, on how admission of new States is going to be permitted, and several other ancillary parts of this basic document.

Benjamin Franklin for the first time in this recess did not appear here in Independence Hall and some people were concerned because he has not been in the finest health for the last 10 years, let alone the last 10 days, so the friends and colleagues who cowork with him on the floor of the convention are a little concerned about him.

Mr. Rutledge, the chairman of the Committee of Detail, has indicated to me that he feels now he has the votes with respect to the Committee of Detail to present a solid front on what they are going to be doing once the Convention resumes tomorrow.

Mr. Speaker, I am reporting to you 200 years ago today from the floor of the Convention in Philadelphia.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Hayes] is recognized for 5 minutes.

[Mr. HAYES of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Owens] is recognized for 5 minutes.

[Mr. OWENS of New York addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

## ON-LINE SERVICE FOR PRINTING HOUSE PUBLICATIONS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, with all the demands placed on the legislative branch budget, and with everything costing more these days, it is a great pleasure to present a program which combines greater efficiency with substantial cost savings.

Working together, committee staffs, the Government Printing Office, the Clerk of the House, and House Information Systems have developed an on-line service for printing committee hearings, reports, and other publications that substantially reduces the time lag we now experience from hearing to printed document. At the same time, the system promises significant reductions in the costs of committee printing. House Information Systems staff estimates savings of up to $10 million.

In the past, immediately after a hearing, the stenographic transcript was typed and copies distributed to participants for corrections. The corrected manuscript was then carried to GPO for keyboarding, insertion of printing symbols, and production of galleys, which would then be carried back to the committee for further correction, then back to GPO for more typesetting, and so on. Finally, page proofs were prepared and approval to print given by the committee.

When our new system is fully in place, electronic connections between committees, the Clerk, and GPO will shorten the time and eliminate many steps. Hearing testimony, keyboarded by the Clerk's office, will be printed on committee's laser printer, corrections made electronically, and the proper printing symbols inserted through the Clerk's ATEX system. The file will then be transmitted to GPO, page proofs electronically returned to the committee for final corrections, and GPO can go ahead with the printing.

The HIS interface between committees, the Clerk, and GPO will permit committee computers to communicate with GPO through HIS-developed software. Personal computers or larger office systems will all be able to send copy in a format that GPO can use for printing.

Chairman G.V. (Sonny) Montgomery of the Veterans' Affairs Committee has been most helpful in arranging for his committee staff to test the system. The House is obligated to Chairman Montgomery for his enthusiastic support.

Other committees are beginning to use the system, including the Select Committee on Iran, which will rely heavily on it to produce its transcripts and reports. While use of the system will be optional for committees, we expect that the cost savings possible will be most attractive to those who elect to use it.

The system was developed with part-time participation by the Clerk's staff, HIS, and the Government Printing Office, and the total development cost did not exceed $200,000—a real bargain for the House. The staff of the Joint Committee on Printing is looking into the potential of the system for other printing, both in the House and the Senate.

Mr. Speaker, the House Administration Committee is deeply appreciative of the cooperation of so many people in developing and testing this system; Chairman Montgomery, staff director Mack Fleming and the Veterans' Committee staff; Clerk Donn Andersen and his staff; Public Printer Ralph Kennickell and the GPO staff; and staff director Richard Oleszewski and the staff of the Joint Committee on Printing. The HIS programmers who developed the software included Todd Featherstone, William Welch, and Charles Ratcliff. We are grateful to all and each of them for their cooperation and contribution.

## SUPPORT FOR OUR SAFETY NET HOSPITALS IS VITAL TO HEALTH OF ALL AMERICANS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. Stark] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today I am proud to introduce the Hospital Indigent Care Assistance Act of 1987. This is a bill to provide necessary support to hospitals burdened by the costs of uncompensated care.

As chairman of the Ways and Means Subcommittee on Health, I believe we have too long ignored those hospitals committed to the care of people unable to afford the high costs of hospitalization. These hospitals, both public and voluntary, not-for-profit, are the very backbone of the hospital industry. We must ensure their continued survival in the face of an industry torn by dramatic changes during the past decade.

Hospitals have altered their business practices to accommodate to the changing financial incentives of competition and prospective payment. It is increasingly difficult for some hospitals to cost-shift to make up uncompensated care costs. While many hospitals steadily decrease their commitment to the care of these less fortunate people, there are other hospitals that remain deeply committed despite extreme financial hardships on the institution.

The recent Robert Wood Johnson Foundation Study of Access to Care confirmed a distressing decline in access to care over the 4 years since the foundation's 1982 study. This decline in access was particularly harsh for the poor, minorities, and for the medically uninsured. For example, 13.5 million Americans reported not receiving medical care for financial reasons. Furthermore, the poor who are in fair or poor health had an 8-percent decline in physician visits between 1982 and 1986.

In 1985, U.S. hospitals provided $7.4 billion in uncompensated care. Virtually all of that care was given by public and not-for-profit hospitals. It is clear that the financial difficulties faced by many hospitals has led to a serious access problem that must be addressed by Congress.

While public hospitals have about 21 percent of all hospital beds, they provide 55 percent of all charity care. In our largest metropolitan areas these public hospitals have only 6 percent of the beds but provide 22 percent of charity care.

But it is not only the public hospitals that are stressed because of the rising costs of charity care. Slightly less than half of our 100 largest metropolitan areas have public hospitals. Voluntary, not-for-profit hospitals provide large volumes of charity care in the majority of our metropolitan areas.

I am deeply concerned that in the rush to discover ways to make our health care system more efficient and cost effective, we must also find ways to support our safety net hospitals that care for people others don't want. Without a doubt, the hospital industry is no stronger than those hospitals that care for the poor.

Mr. Speaker, I am introducing today a bill that not only will provide support to these hospitals but gives the Federal Government a demonstrable and strong presence in the arena of hospital uncompensated care.

The bill contains two basic components. The first creates the hospital indigent care assistance trust fund. The trust fund receives revenues from an excise tax paid by employers on the costs of all health insurance benefits. This 1 percent tax is paid for by all employers regardless of the type of medical plan provided to their employees. Current estimates indicate this tax will bring $500 million in 1988 to the hospital indigent care assistance trust fund for distribution to eligible hospitals.

The second part of this bill provides for the distribution of the funds to hospitals. Based on audited financial information submitted to the Secretary of Health and Human Services, a hospital must show a substantial commitment to caring for the poor and a patient care operating margin that is negative. Hospitals that fit these criteria are eligible for support based on the amount of charity care they provide.

For each eligible hospital, charity care costs are computed. If a hospital receives State or local government tax support for charity care, the computed charity care costs are adjusted to reflect that support. In addition, to recognize the commitment of States to reduce uncompensated care through a generous Medicaid program, an adjustment is made for hospitals in those States with programs providing support above the national average. Appropriate penalties are included to prevent a reduction of support of indigent patient care by State and local governments.

I have been critical of the nonprofit status of hospitals because some of these so-called nonprofit hospitals do little for their communities in return for their tax-exempt status. This is a problem that requires additional investigation and thought.

The Hospital Indigent Care Assistance Act of 1987 is carefuly tailored to identify those hospitals with a strong commitment to indigent care. Indeed, the hospitals that will receive support under this program are financially distressed in large part because of the strong commitment to their communities.

A section-by-section analysis of this bill is included at the end of this statement.

Mr. Speaker, Congress can begin to repair some of the damage done to our safety net hospitals during the past 6 years. Congress can ensure continued access to necessary medical care for people who cannot afford the high costs of hospitalization. The Hospital Indigent Care Assistance Act of 1987 will solve some of the problems currently facing the hospital industry. More importantly, it will ensure that our safety net institutions who are the backbone of the industry can continue to care for the less fortunate in our society.

### Section-by-Section Analysis—Hospital Indigent Care Assistance Act of 1987

The bill provides that the Act may be cited as the "Hospital Indigent Care Assistance Act of 1987."

TITLE I. SECTION I. EXCISE TAX ON THE COST OF PROVIDING MEDICAL BENEFITS TO EMPLOYEES

a. *Excise Tax.* The bill provides for a 1 percent excise tax on the amount paid by an employer during the calendar quarter for employee medical benefits. This tax is imposed whether the employer provides the benefit directly or through other arrangements.

b. *Welfare Benefit Funds.* The amount paid by a welfare benefit fund for medical benefits is treated as the amount paid by the employer for the medical benefits.

c. *Medical Benefits.* Employee medical benefits means any benefit which provides medical care either directly or indirectly through insurance. This definition includes (i) the benefits provided to employees, former employees, and their beneficiaries and (ii) the administrative costs associated with providing the benefits.

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d. *Self-employed Individuals.* The bill applies equally to self-employed individuals.

e. *Treatment of Certain Refunds.* Any refunds received as a result of a policy dividend or experience rating reduces the amount paid by an employer or welfare benefit fund to provide medical benefits.

### *Section 2. Hospital Indigent Care Assistance Trust Funds*

a. *Trust Fund.* The bill creates the Hospital Indigent Care Assistance Trust Fund within the Treasury. Funds are appropriated to the Trust Fund equivalent to the amounts received from the excise tax.

### TITLE II. SECTION 1. ASSISTANCE TO HOSPITALS PROVIDING INDIGENT CARE.

a. *Eligible Hospitals.* To be eligible for funds under this Act a hospital must submit to the Secretary the audited financial information required to determine uncompensated care charges, total patient charges, Medicaid inpatient days, total patient days, patient care expenses, and uncompensated care costs. A hospital is eligible for support if the following conditions are met:

(i) 10% or more of either:

(a) inpatient days are attributable to Medicaid recipients,

(b) total patient charges are uncompensated care charges.

(ii) the hospital has patient care expenses greater than patient care revenues.

a. *Uncompensated Care Costs.* For each eligible hospital, allowable uncompensated care costs are calculated from the information submitted to the Secretary and are based on Medicare allowable costs including labor and delivery services. To account for state and local government tax support of indigent care, a hospital's allowable uncompensated care costs are reduced by 50% of the dollar amount of those appropriations.

b. *Adjustment for State Medicaid Programs.* To account for states with generous Medicaid programs an adjustment to a hospital's allowable indigent care costs is provided in a state with a plan more generous than the national average.

c. *Distribution of Funds.* Each eligible hospital receives 50% of the hospital's allowable indigent care costs in 1989. In subsequent years the precentage is adjusted to reflect the funds available to the Secretary in the Trust Fund. The amount a hospital receives is capped so that the patient care operating margin does exceed zero. The total amount paid to all eligible hospitals will not exceed the Secretary's estimate of the total funds received by the Treasury under the tax provisions of this Act.

d. *Penalties for Reduction of Local Support.* If a hospital receives less state or local governmental tax support in a cost reporting period than it received in the prior year, the allowable indigent care costs are reduced by the amount of such decrease in support.

e. *Collection Policies.* An eligible hospital is required to have reasonable collection policies and procedures. To the extent these policies are deficient, the allowable uncompensated care costs are reduced by 125% of the Secretary's estimate of the additional amounts that could have been collected if such policies had been in effect.

### *Section 2. Study of Indigent Care*

The Secretary will study the extent of uncompensated care provided by hospitals, physicians, health departments, and others. A report to Congress is due by July 1, 1990.

## DEFERRAL OF SPECIAL ORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. Bentley] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, In view of the lateness of the hour, I will defer my special order until tomorrow night in order not to delay those who are here to pay tribute this evening to the late Secretary of Commerce, Malcolm Baldrige. I will join in that tribute later with our distinguished colleague, the gentleman from New York [Mr. Fish].

Thus, I yield my time to the other Members.

## AN EXTRAORDINARY GAMBLE FOR PEACE IN NICARAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. Glickman] is recognized for 60 minutes.

Mr. GLICKMAN. Mr. Speaker, the Speaker of the House, the Honorable Jim Wright, has taken an extraordinary gamble for peace by being the catalyst, I believe, along with the President of the United States, to try to reach some bipartisan consensus to end the hostilities in Central America. I believe that credit largely is due to the leader of this body for doing something which very few other people in this Nation have had the courage to do. I believe that history will show him to be the catalyst, hopefully the catalyst to a successful resolution to our problems with Nicaragua and Central America.

I think that it is useful to outline for the people of this great country of ours generally what has been discussed by the Speaker of the House and the President of the United States in working together for a peace plan, a plan that at least to date has the consensus and the agreement of the Speaker of this House and the President of the United States.

That plan provides that recognizing that the Central American presidents are soon to meet to discuss the issues involved in achieving peace in Central America, the United States desires to make known its views on certain of the basic elements that need to be included in a peace plan, and here is what has been agreed to essentially in this peace plan.

With respect to Nicaragua, the United States has three legitimate concerns for the well-being of the hemisphere.

First. That there be no Soviet, Cuban, or Communist bloc base established in Nicaragua that poses a threat to the United States and the other democratic governments in the hemisphere. I would add parenthetically that is a goal shared by the Speaker, by the President, by Republicans and by Democrats in this great country of ours.

Second. That Nicaragua pose no military threat to its neighbor countries, nor provide a staging ground for subversion or destabilization of duly elected governments in the hemisphere.

Third. That the Nicaraguan Government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan constitution and pledges made to the OAS—free speech, free press, religious liberty, and a regularly established system of free, orderly elections.

Beyond this, the peace plan points out, the United States has no right to influence or determine the identity of the political leaders of Nicaragua nor the social and economic system of the country. These are matters wholly within the right of the Nicaraguan people. The United States affirms its support for the right of the Nicaraguan people to peaceful, democratic self-determination, free from outside intervention from any source.

In order to bring an immediate end to hostilities and begin a process of reconciliation, we propose the following:

First, An immediate cease-fire in place, on terms acceptable to the parties involved subject to verification by the OAS or an international group of observers should be negotiated as soon as possible. When the cease fire is in place, the United States will immediately suspend all military aid to the Contras and simultaneously Nicaragua will stop receiving military aid from Cuba, the Soviet Union, and the Communist-bloc countries, again a simultaneous mutual cease-fire. Humanitarian aid can be supplied to both groups. The emergency law will be immediately suspended and all civil rights and liberties will be restored and an agreed, independent, multiparty electoral commission will be established to assure regular elections, and a timetable and procedures will be established within 60 days, open to free participation by all. A timetable and procedures for all elections including those to be supervised and guaranteed by an international body such as the OAS will be established within 60 days.

Second. The withdrawal of foreign military personnel and advisers from Nicaragua and its immediate neighbors that are in excess of the normal and legitimate needs of the region will be subject to negotiations among the countries of the region. The United States will suspend combat maneuvers in Honduras as a demonstration of good faith when the cease-fire is in place.

Third. After the cease-fire is in place, negotiations among the Governments of the United States, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua shall begin on reductions in standing armies in the region, withdrawal of foreign military personnel, restoration of regional military balance, security guarantees against outside support for insurgent forces, and verification and enforcement provisions. As part of this negotiating process, the United States shall enter into bilateral discussions with the governments of the region—including the Government of Nicaragua—concerning security issues. A regional agreement on security issues shall be negotiated within 60 days, unless this period is extended by mutual agreement. The OAS shall be invited to be a signatory to and guarantor of this agreement.

Fourth. A plan of national reconciliation and dialog among citizens of Nicaragua, including amnesty for former combatants and equal rights to participation in the political process. There shall be a plan of demobilization of both Sandinista and resistance forces. In accordance with the implementation of this plan, the United States simultaneously shall cease all resupply of resistance forces. Both the Government of Nicaragua and the Government of the United States shall encourage and support the reintegration of demobilized forces in Nicaraguan civil and political society on terms guaranteeing their safety. Nicaragua shall at this time become eligible for existing and prospective United States assistance programs.

Fifth. A plan of expanded trade, and long-range economic assistance for the democratic governments of Central America in which Nicaragua might participate. By the process of democratization and compliance with bilateral nonaggression agreements, Nicaragua would qualify for participation in the Caribbean basin initiative, and the United States will lift its economic embargo.

Sixth. The negotiating process shall commence immediately and be completed by September 30, 1987. If the Nicaraguan resistance, or forces under its command, should refuse to engage in this negotiating process, willfully obstruct its progress, or violate its terms, the United States shall immediately suspend all assistance to the resistance. If, because of actions taken by the Nicaraguan Government or the forces under its command, the negotiating process should not proceed; or its terms, conditions, and deadlines should not be met; the parties to these undertakings would be free to pursue such actions as they deem necessary to protect their national interest.

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I think it is important to realize that it is an incredibly important event which has taken place, that we have the framework for serious, responsible bilateral negotiations to resolve the problem in Nicaragua. It requires both the United States as well as Nicaragua to make good faith assurances that we will stop the military involvement while we try to negotiate this problem.

What has happened since this peace plan was at least initially announced by the President, again largely developed by the Speaker of the House. I quote from an Associated Press release which came out today which provides the following news story:

> President Daniel Ortega on Wednesday offered to discuss with the U.S. Government a peace plan announced in Washington that calls for a cease-fire between Sandinista troops and Contra rebels.
>
> The government of Nicaragua invites the government of the United States to immediately initiate negotiations in Washington, Managua or in a third country to have an unconditional dialogue to discuss the American initiative.

The article points out that—

> President Reagan said: Wednesday in Washington he would hold off on seeking further military aid for Contra rebels if Nicaragua's leftist government agrees to a cease fire and democratic reforms.
>
> Ortega said a refusal by the United States to meet with Nicaraguan officials would show that the proposal from Washington is only a maneuver to appease the U.S. Congress.

I would say to Mr. Ortega that I believe that the proposal hopefully is a sign from the President of the United States that he wants to join with the Congress in providing a uniform, responsible policy to end the fighting in Central America, but at the same time to accomplish long-term objectives of the United States. Whether Mr. Reagan is trying to appease the U.S. Congress or not, only time will tell. But right now I have to take the President at his word, as the Speaker of the House is doing, that we are at least going down the road of mutual conciliation to try to reach peace in Central America.

The issue now I believe, now that this plan has been proposed, is the credibility of the President of the United States as well as the credibility of the Government of Nicaragua. The President must prove that this plan is not a ploy for Contra aid, and he also I think must demonstrate that he truly wants peace..

The fact that the President and the Speaker have reached an agreement regarding these issues indicates that he is at least initially presenting his good faith, that this is not a ploy just to get the Congress to approve more Contra aid. The fact of the matter is if we perceive this as a ploy, there is no way in the world that Congress will ever approve any military aid whatsoever to provide the termination of the existing Nicaraguan Government.

That does not mean that the Congress would approve military aid to the Contras in any event, but if it is a ploy, then the Congress itself will feel that it has not been treated fairly and that it has been manipulated, and the burden is on the Sandinistas as well to recognize that the United States has legitimate concerns in promoting freedom in Central America, to ensuring that the Soviet Union and Cuba and other Communist bloc nations do not dominate Central America. We have that responsibility to protect the American citizenry from an expanded Soviet and Communist influence in that part of the world.

Mr. Ortega needs to know that while we have not supported aid for the Contras on any kind of consistent basis, and this Member has not supported aid for the Contras at all, that does not mean that we give countenance to what we consider to be his problematic concerns by the Nicaraguan Government in terms of freedom of the press, in terms of freedom of religion, in terms of their treament of the Catholic Church and a whole assortment of other things on which they are on the wrong side of human rights. And it also means that the United States, both parties, believe that the Sandinista government cannot expect to get away with repression, and Democrats as well as Republicans believe in freedom and democracy in Central America, and we will join together in a bipartisan effort to ensure that occurs.

But the Speaker's initiative which the President has now picked up and said he will not request Contra aid for 60 days pending this kind of negotiation, pending the approval of a peace plan similar to what President Arias of Costs Rica has proposed, indicates to us that there is a chance for peace in Central America. And I for one am tired of the polarization that has divided my political party, my legislative body and my country on these issues in terms of how to prevent warfare in Central America, because the people in that region of the world need peacefare, not warfare. They need humanitarian help, they need education.

At the same time, they need freedom as well, political freedom which we as Americans can probably do more to help them with than anything else. If we can end this crazy radical polarization that has occurred largely, in my judgement, because of the President's insistence in pursuing a military solution as opposed to a diplomatic solution in that part of the World, then I think there is no question that the influence of America will be much greater.

To do that requires both the United States and Nicaragua to negotiate both in good faith. The President has started this process. The Speaker of the House, as I have said before, has taken an extraordinary gamble for peace.

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The issue now is the credibility of the President to prove that he is serious in seeking peace and not using this as a ploy to get more Contra aid. If the President is serious, if the gambit works, then the President of the United States will receive justifiably kudos from us, Democrats and Republicans, as well as the American people.

If the President is not serious and really wants nothing more than to topple the Nicaraguan Government through aid to the Contras, and is using this as an excuse, then the President as well as this country will face more chaos in terms of what our future role will be in Central America.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Texas [Mr. BOULTER] is recognized for 60 more minutes.

[Mr. BOULTER addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

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## DRUG ISSUES AND THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. RANGEL] is recognized for 60 minutes.

Mr. RANGEL. Mr. Speaker, I have taken out this special order to address the problem of drug abuse and drug trafficking and the Federal response to this problem.

No problem confronting our Nation today is more serious than the uncontrolled production, traffic and abuse of illicit drugs.

Just over a year ago, then Chief Justice of the Supreme Court Warren E. Burger told me that he believed drug abuse and drug trafficking was a more serious threat to the national security of our Nation than communism.

I would certainly agree with the Chief Justice's assessment. I have yet to pick up a newpaper in the morning and read about any neighborhoods in our cities that have been taken over by Communists. But on almost any day of the week, you can read about the devastation and the toll of human lives that drug abuse and drug trafficking are exacting from our communities.

Unfortunately, there is little hope that the situation will improve in the near future.

The production of illicit narcotics abroad has been increasing steadily, and we can expect bumper crops again this year. According to the State Department's International Narcotics Control Strategy Report for 1987, worldwide production of opium, coca, and marijuana is up.

The annual report of the United Nations International Narcotics Control Board for 1986 underscores the worldwide expansion of drug abuse and drug trafficking. The report states that, "illicit production and manufacture of drugs takes place in a growing number of countries, located in many regions worldwide." In some areas, the report notes, drug trafficking is closely connected with arms trafficking and is associated with subversion and international terrorism. Drug trafficking generates vast sums which are laundered to conceal their illicit origins. The entire process, the report states, "imperils the very political stability and security of some countries."

Earlier this year, I was honored to represent the Speaker at a meeting of Andean parliamentarians in Colombia, South America. It was disheartening to see how powerful drug traffickers in Colombia have waged a war of fear and intimidation against the government, the press, and almost anyone who dares to oppose them, effectively paralyzing drug enforcement efforts.

The Select Committee on Narcotics Abuse and Control, which I chair, estimates that approximately 178 tons of cocaine, 12 tons of heroin, and 30,000 to 60,000 tons of marijuana were smuggled into the United States last year.

Our borders are like a sieve against the flood of narcotics entering our country. Despite their best efforts, Federal drug enforcement agencies intercept only an estimated 10 to 15 percent of the flow of illegal drugs destined for our shores.

Federal law enforcement officials have testified before the select committee that they cannot do a significantly better job of reducing the availability of drugs in the United States, even if their resources are doubled, as long as foreign production and domestic demand continues to grow.

As a result of the Federal Government's inability to halt expanding drug production and trafficking, illegal drugs have never been more readily available on the streets of our cities and communities. Drugs are also cheaper and purer than ever before.

Many drug law enforcement officials have become frustrated about the ability of their profession to cope with the drug problem. They say that drug enforcement is, at best, a holding action and plead for a massive educational effort to attack drug abuse.

Unfortunately, efforts to reduce the demand for drugs through treatment and prevention lag far behind the growing abuse of drugs. The facts and figures of the drug epidemic are all too familiar.

But the simple fact is that we face a drug abuse epidemic in this country today that experts tell us is unparalleled in any other industrialized nation in the world. Drug abuse has become a national tragedy in term of lives lost and ruined, families torn apart, communities destroyed.

In the face of this growing tragedy, existing treatment programs have been unable to keep up with the expanding number of people who need help. Long waiting lists for treatment are common in many cities.

Despite the clamor for extensive drug education efforts, led by administration officials from the President on down, State and local school agencies have not had the resources to mount such efforts.

And until last year, the Federal Department of Education spent only $3 million a year for drug abuse education out of a budget of nearly $18 billion.

Against the backdrop of a drug problem growing more severe and out of control, the Congress acted boldly last year to enact sweeping legislation that for the first time provides a comprehensive Federal program to attack drug trafficking and abuse.

The Anti-Drug Abuse Act of 1986 (Public Law 99-570), and the continuing resolution that funded it, provided nearly $1.7 billion in new Federal funds to attack all aspects of our Nation's drug abuse problem. This legislation significantly enhanced Federal resources for drug enforcement and interdiction, international narcotics control, drug abuse treatment and rehabilitation, and drug abuse education and prevention.

Enactment of the Anti-Drug Abuse Act of 1986, with overwhelming bipartisan support and cooperation in the Congress, was a truly historic achievement. The Anti-Drug Abuse Act makes a good start toward bringing drug abuse and drug trafficking under control. It is only a first step, however. Much more remains to be done.

Congress and the administration have not always agreed on the priority to give to drug programs in terms of Federal spending. In the Anti-Drug Abuse Act, some changes were negotiated to accommodate a number of a number of the administration's concerns about drug funding. The administration, however, did not play an active role in the shaping of this legislation. I have no doubt that Congress could have written a better bill if the administration has been willing to work with us to allocate the resources we provided in the most effective way possible.

Nonetheless, when the President signed the Act into law at an impressive White House ceremony last October 27, he embraced it fully, saying it reflected, "The total commitment of the American people and their Government to fight the evil of drugs."

The President also said, "The American people want their Government to get tough and go on the offensive and that's exactly what we intend, with more ferocity than ever before."

Standing behind the President that day as he signed the bill and handed the pen to the First Lady, I hoped he was signaling a new willingness on the part of his administration to work cooperatively with Congress in funding a vigorous and effective anti-drug program.

However, when the President's 1988 budget proposals arrived on Capitol Hill just over 2 months later, many of my congressional colleagues and I were shocked and dismayed to find that the total commitment and ferocity the President had spoken of seemed to have been forgotten.

The President's budget proposed to cut funding in a number of critical programs included by Congress in the anti-drug bill:

The State and Local Narcotics Control Assistance Program, which provides $225 million to State and local governments for enhanced drug enforcement activites, was eliminated entirely in 1988. Congress has authorized this program through 1989.

Funds for drug abuse education programs were slashed in half from $200 million in 1987 to $100 million in 1988. The 1988 request is $150 million below the amount authorized by Congress in the Anti-Drug Abuse Act. This program, too, is authorized through 1989, and the House voted earlier this year, in H.R. 5 (The School Improvement Act of 1987), to extend the program through 1993.

No additional funds were requested for drug abuse treatment in 1988. Instead, funds provided to carry out the expanded treatment initiatives authorized in the Anti-Drug Abuse Act would be spread over 2 years to support programs in both 1987 and 1988. The Alcohol, Drug Abuse and mental Health Block Grant was frozen at the 1987 level of $495 million.

A total of 1998 positions were eliminated from the Customs Service in 1987 and 1988, more than wiping out the gains Congress intended for the Customs Service in the drug law. The 1988 request of $86 million for the Customs Air Program was half of the 1987 funding level of $171 million.

At $98.8 million, the 1988 proposed funding level for international narcotics control efforts by the State Department's Bureau of International Narcotics Matters was nearly $20 million below the 1987 funding provided by Congress.

The 1988 request for Federal drug enforcement spending was also lower than the 1987 level because approximately $350 million appropriated for capital purchases in 1987 is not repeated in the 1988 budget. Now I understand that if you buy a ship or a plane in one year, you don't have to buy it again the next year. But do the President and his budget advisers really believe the additional equipment Congress authorized last year is enough to deter, let alone stop, the tons and tons of illegal drugs flooding across our borders each year? Have they no plan to share with us to enhance our border defenses against drugs?

The President's budget did propose about $70 million in increases for Federal drug law enforcement and I support those proposals. But they pale in comparison to the overall cuts.

All in all, the President's 1988 budget would have reduced Federal spending for drug abuse prevention and control by about $950 million from the 1987 level of $4 billion overall. I fail to see how cuts of this magnitude reflect a strong commitment to an effective national drug abuse strategy.

Congress felt strongly that the programs established in the Anti-Drug Abuse Act are necessary to assist State and local governments in effectively combatting drug abuse and drug traffic. The Reagan administration has been urging the American people to "Just Say No" to drugs, but their budget sounds more like "Just Say No" to drug funding.

A major concern that has emerged from hearings the select committee has held this year is that the President's proposed budget would have a chilling effect on the new drug abuse programs made possible by the Anti-Drug Abuse Act. Witness after witness has told our committee that it makes little sense for State and local governments to embark upon new and innovative drug control and prevention efforts if Federal support for those efforts is to be terminated or subtantially reduced after a year.

The administration apparently believes that the problems many of our communities are having because of drugs are local problems, not national problems. In testimony before the select committee in March of this year, OMB Director James C. Miller III defended the administration's plan to terminate funding for State and local drug law enforcement grants saying, "It is our view that programs which primarily benefit a local community should, in most cases, be paid for by that community."

To that argument, I say let the President, Attorney General Meese, and their budget advisers visit the crowded courtrooms of New York, the packed jails of Los Angeles County, and the out-gunned police of Miami and tell them that drug enforcement is not a national problem and that the drug enforcement assistance Congress authorized for 1987 is not needed in 1988.

Let the President, Secretary Bowen, and their budget advisers inspect the drug abuse treatment centers in Newark, Boston or in any other part of the country and tell those people who are on waiting lists desperately seeking help for their addictions that Congress was wrong in coming to their aid. Let them tell the innocent men, women, and children who have, or will develop, AIDS from an infected IV-drug using parent or loved one that drug abuse is a local problem.

Let the President, Secretary Bennett, and their budget advisers go into any classroom in America and tell our kids that Congress was wrong in trying to provide them with the best drug abuse education possible.

The Democratic budget, embodied in the recently passed congressional budget resolution for 1988 (H. Con. Res. 93), rejects the administration's deep cuts in Federal drug programs and generally assumes full funding of the new initiatives enacted in the Anti-Drug Abuse Act of 1986.

Funding for drug abuse agencies and programs cuts across a number of budget functions including health (drug abuse treatment, prevention and research); education (drug abuse education); administration of justice (e.g., Justice, DEA, State and local drug law enforcement grants, Customs); transportation (Coast Guard); and international affairs (international narcotics control). The budget resolution generally provides spending targets for these functions that are nearly identical to or higher than the House-passed versions of the budget resolution. The major exception is in the area of international affairs which provides $150 million less in budget authority and $100 million less in outlays than the House bill.

In addition, the spending ceilings included in the budget resolutions for the health, education and administration of justice functions are all well above the CBO current policy baseline which is the level needed to keep pace with inflation and continue current policy. The transportation function, although $500 million below current policy, is still $850 million above the House mark. International affairs spending is $1.3 billion less than current policy for budget authority and $650 million less for outlays.

The spending targets in the congressional budget resolution provide ample flexibility to sustain the antidrug initiatives begun last year. As the primary sponsor of the State and local narcotics control assistance program incorporated in last year's omnibus drug bill, I am especially pleased with the spending targets for administration of justice in the budget resolution. The resolution is $400 million above the House target and $250 million over current services. This level is more than adequate to permit all discretionary programs in 1988 to be funded at 1987 levels with increases for key priorities such as drug enforcement.

I am pleased this budget blueprint recognizes the need to give drug abuse prevention and control a top national priority, and I urge my colleagues in the House and Senate to give these efforts the high priority they deserve in the consideration of appropriations measures.

Mr. SCHEUER. Mr. Speaker, last year we passed legislation aimed at attacking our Nation's drug abuse problem on several fronts.

The Anti-Drug Abuse Act of 1986 provided ample money to fund drug enforcement, eradication, interdiction, education and treatment programs.

The new law was not heralded as a cure-all for the scourge of drug abuse that is seducing our youth in every city, town and hamlet of our Nation. But it was a comprehensive first step in the right direction.

For the first time, adequate funding was authorized to establish comprehensive drug abuse education programs in our schools.

For years, I have said that we must devote more of our resources to attacking the demand side of the drug abuse problem, rather than spending the lion's share of Federal dollars on ineffectual and frustrating efforts to halt the supply of drugs.

The last decade has shown us that efforts to halt the supply of drugs are practically futile. We never succeeded in stopping more than 10 to 15 percent or so of the drugs coming into the country—no matter how much money we spend on such efforts.

The lure of easy money fuels the drug trafficking trade and it will continue to do so unless and until we succeed in drying up the demand.

And that's where education comes in to play.

If we can succeed in educating our youth about the dangers of drugs—show them from the time they can comprehend that drugs wreck families, careers and lives—we can win the battle against illegal drugs.

Virtually everyone involved in anti-drug abuse efforts—law enforcement officials, politicians, educators, community leaders, religious leaders, and parents—now agree that we must drastically reduce the demand for drugs.

It won't be easy and it may take a decade or two, but we can and must win.

The Anti-Drug Abuse Act of 1986 set the stage for such a drug education program, providing $200 million in fiscal year 1987, and $250 million a year for fiscal years 1988 and 1989.

But the Reagan administration's fiscal year 1988 budget virtually gutted the education component of the new law, cutting it by more than 60 percent to a mere $100 million.

I can't say I was surprised or astonished by the administration move because prior to passage of the Anti-Drug Abuse Act, the Department of Education spent only $3 million of its $18 billion budget—less than one-tenth of 1 percent—on drug education.

Our Nation has gone through too much trauma from drug abuse to accept lip service from the Reagan administration.

It isn't enough for Reagan to preach "Say No to Drugs" on one hand, and then have his administration "Say no to drug education" funding with the other.

Every day, every week, every month we delay planning and funding for drug education programs will mean more devastated lives, hopes, and communities.

Mr. Speaker, I am confident that Congress will restore the funding necessary to provide our children with the knowledge they need to make the responsible decision to avoid the pressures to use illegal drugs.

But it is a tragedy that we have not had more support from the administration in this critical area.

## MAC BALDRIGE THE MAN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Fish] is recognized for 60 minutes.

**Mr. FISH.** Mr. Speaker, I begin my remarks by placing in the Record the President's eulogy at the National Cathedral on July 29, and Senator Alan Simpson's eulogy at the funeral service in Connecticut on July 30, and also the remarks of our former colleague in the House, the Honorable John V. Lindsay.

The remarks referred to follow:

### Remarks by the President at Memorial Service for Malcolm Baldrige, the National Cathedral, Washington, DC, July 29, 1987

The President. Midge, Megan, Molly, distinguished ladies and gentlemen, the day I called Mac Baldrige to ask him to join the Cabinet, I was told by Midge I would have to call back later. He was out on his horse roping and couldn't come to the phone. Right then I knew he was the kind of man I wanted.

It's a gift to be simple, we're told. If that means to hold simple, strong, and decent values, Mac had that gift.

You could see it in the way he moved around the White House. He seemed to know everyone—not just those in the public eye, but the secretaries and assistants as well. And he treated everyone with the same measure of courtesy and respect—from his driver to the President. He never judged a man or woman by rank or trappings. Despite his many remarkable successes, worldly success was not the way he measured people. No, money was not, position was not, qualities of character were. Honesty, courage, industry and humility. These were his yardsticks. And if you had these simple qualities, you'd made it in his eyes—whether you were rich or poor, famous or unknown.

Language was one way he decided if you were his kind of person. It's well known now that he insisted on simple language in memos at the Commerce Department. He banned phrases that were vague or redundant. He once said that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it.

To him, simple language did not mark a simple mind, but a strong and fearless one. It was a sign of those who didn't hide their meaning behind a cloud of ambiguous words.

Mac, of course, never hid his opinions. Even if the tide was against him, he was forceful and clear and unflinching. I always knew where he stood, and so did the country. I could always count on him for the truth as he saw it—no matter how unpleasant or unpopular. There were times the Cabinet came down on an issue 12-to-1, and he was on the short end. But I knew that if he believed something that others didn't he wouldn't reign himself in and follow the herd. He would step forward and be clear.

What I'm saying about Mac Baldrige adds up to a simple but extraordinary quality that I would call, more than anything else, "American." In his directness, in his honesty, in his independence, in his disregard for rank, in his courage, he embodied the best of the American spirit. I suppose we think of that spirit as living most of all in cowboys. And that's why I've always suspected that it was more than just roping and his place here in Washington that got Mac voted into the Cowboy Hall of Fame. He belonged there. It was in his blood. It was in his heart and soul.

Let me say a word about his many contributions to his country. These were not simple, although they were built on simple principles—principles like his reverence for the independence of the American character, for the freedom that lets independence flourish, and for the opportunities of a free society.

Mac was an architect of American international economic policy during years in which that policy moved to center stage. He also helped shape our policy towards East-West trade in a period in which that was a source of new questions and concerns. And perhaps the least recognized of his major achievements was the securing of trade ties with China. In just four years since his 1983 visit to China, trade has become a pillar of the Sino-American relationship.

To contribute so much required skill and persistence—qualities Mac had in abundance. It also required vision—vision not only for dealing with immediate issues, but for the future of the entire world and its economy, as well.

I always prized the quality of Mac's vision. He had the capacity to look up from the dust of the plains to the distant mountains. He never forgot that all the skirmishes and battles over trade policy that we have here in Washington and around the world have one final goal. We're building a world in which our children and grandchildren will live. And we who love freedom and revere the dignity of humanity, have a sacred duty to make that an open world of real hope and abundant opportunity, a world in which the spirit of freedom—yes, what you might call that part of the American spirit that lives in all of mankind—in which that spirit can ride across an open range toward the peaks beyond.

I'm told that Mac's staff had orders to interrupt him at whatever time of the day with calls from only two people. I was one. And any cowboy who rang up was the other. Well, I'm honored to have been in that company. Mac, as we know, left us while he was doing what he loved most. And now, whenever any of us wants to ring him up, we'll have to remind ourselves that he's out on a horse somewhere and we'll just have to wait. Yet in his simplicity, he has entered the company of the men and women who have shaped our nation and its destiny. And he will live in that company forever.

Yes, there is sorrow, but the sorrow is with us and for us. We must believe that door is opened that God promised and he has just gone through that door into another life where there is no more pain, no more sorrow, and we must believe that we, too, will one day go through that door and join him again.

Thank you. God bless you.

### Remarks of Senator Alan K. Simpson at Funeral Service in Connecticut, July 30, 1987

Mr. Vice President—George—Midge, Megan and Molly.

A rich honor to be here. In the Christian experience, this is the day when we gather to celebrate the life of Mac Baldrige. We really must not mourn this magnificent life lived. But that is so very hard not to do. Christianity teaches us to celebrate his life. So we celebrate this man. His marvelous mannerisms. His friendliness. His love of life and fellow man. His wisdom. His great courage. His intellect. His heart. His soul. Those attributes were part of the essence of his stewardship in his life here on earth—and we knew they were to be returned to God one unknown day.

But none of us were ready for that day. We mourn his loss in our own lives—what he was to each of us. So personal. So special. It would have been much easier to celebrate his life with him here! But he is gone—irrevocably gone.

My wife, Ann, and I have spent many marvelous moments with Mac and Midge Baldrige. I cherish the years that I have been the beneficiary of that man's wise counsel and direction. We had special and fragile and easily-remembered times together. One such occasion was a Sunday in Kenneybunkport, Maine, with Barbara and George on a beautiful Memorial Day. Mac gave the sermon. He talked about Memorial Day and about war, and about peace. He served in the Second World War—a decorated combatant of that war. Yet, what he really was—always—was a man of peace. In his face, in his actions, in his life—a man of peace. That Sunday he spoke about war—and his reluctant part in it—and about killing and about innocent victims, and I remember he choked up a bit. Only a bit, for it is not always right for a cowboy to cry. Then he went on. There wasn't a sound in that little church. All were deeply moved by the beauty of his remarks.

Then at a lovely memorial service afterwards out in the town square I remember saying, "Mac, I don't think I've ever heard you speak like that—so personal, so intimate, so powerful, so you." He said, "Well, I kind of got a little choked up there. I didn't mean to do that. I don't do that very often—but war really is hell. We must see that we never do that again." That was his love shining through. The silence. Then a sigh and a pause, and then that shy and pixie-like grin—that wouldn't be corny to call it his "aw shucks" look. It wasn't corny because that was him. It was a most real and authentic part of him.

Then let me mention another time much more recently at a small dinner in their Washington apartment. Two of the guests that night had recently been in deep personal extremity. The Washington experience can inexoriably crush, pull and tear down human beings. It has so visited itself upon those two guests and I remember Mac ambling up to the man and just saying softly—"It's been kind of a tough one hasn't it?" The guest allowed as to the fact it sure had been. Mac said, "Let me tell you about a time or two of mine in my life when I didn't know where to turn." And as I stood there, he shared a most intimate and dramatic turn of his life. Relating it slowly, softly, in his folksy, earthy, riverting and distinctly-hearable way. He revealed his own full vulnerability and his own rich humanness to that man. I saw the rigidity and pain drop a bit from the man's face and then the loosened shoulders and then a big grin.

And Mac certainly always knew what a big grin was. He was a friend to his friends. I never saw him abuse or misuse a friendship. Steady on the course. He had "no truck" with pomp or posturing. I never heard him say hateful things or speak about others in hateful ways. He was bigger than all of that.

Mac Baldrige was as comfortable with cowboys as he was with kings—maybe even more.

He loved his job and he loved his President and Vice President and he loved his country. He brought that overwhelming human dimension of his to the task. He knew exactly what he wanted to accomplish with that intellectual bouyancy and honesty and feeling. He made his mark as few before him have.

He made unmatched strides in the Department of Commerce in seven league boots—cowboy boots for sure. He loved the beauty of words and language and the classics—and then he'd get right out there and kick around in that sagebrush or in the arena with the best of the cowpokes.

He rigged those new computers over there at the Commerce Department so they would simply spit out and reject words that he just would never chamber in his own talk with fellow humans. Words like "specificity," "viable," "input," "output," "feedback" or simply any word ending in "ize!" "Finalize" and all such unrelenting garble.

He was a rainbow of life. He brought joy and love and good spirit wherever he went. He really did. Fair, tough, loving and so wise. What a huge capacity for human loving and caring he had.

My wife, Ann, said wistfully, "I wish we had seen more of Mac. He was so great a guy." Then she added quietly, "But nobody would ever see enough of a guy like Mac." For he carried a great secret of life—the ability to love and be loved. That requires real strength and grace.

His tap root reached out across this entire land. He loved the East, here in this beautiful, pastoral community and this lovely little church—and he loved the West, out there in the cathedrals of sky and mountain.

A great tree has fallen from the skyline. He leaves a very empty place here—and there.

And to Midge. Dear Midge. The lady he loved—and loved to be with. They lived, loved, laughed and danced together—and oh how Mac loved to dance!

To you, Midge, and to dear Molly and Megan, Tish, Bob, and Craig and Malcolm and Fonda—families now all drawn together in an ever tighter bond of love and caring—our love and sympathy.

Midge, yours was a remarkable union. We witnessed the bond of two very strong and very dear people. A union that you often refreshed and renewed as you drew strength and comfort from each other in a very visible way. Hard to describe—beautiful to observe.

I shall always have a vivid mental picture of Mac Baldrige. Seared here. There is his marvelous voice, the incredibly mobile face, bright, twinkling and piercing eyes—that beautiful and very kind face with that smile you could see a mile. That friendly and all encompassing presence. That cowboy hat scrunched down on his head and those old worn boots and white shirt and those levis just barely hanging on to that bony and wirey frame of his—defying gravity, indeed—and held up by an old western belt. Mac.

There really is a lore and love of the West. He often told me that it had a very special draw on him—compelling pull. He would tell me of the days as a boy—and after—when he read Zane Grey and Robert Service and Owen Wister. And from those writings of those authors who he loved comes a phrase which I guess is really about the finest thing you can ever say about a cowboy and a man. "He died with his boots on." That was Mac. Now we give him up. God, we commend him to your loving hands. Thank you for him.

### "Mac Baldrige"—Statement by the Honorable John V. Lindsay

I am very grateful to Congressman Ham Fish, an old friend and a superb Congressman, for having this Special Order as a memorial to Malcolm Baldrige. As a former Member of Congress myself for some years, I am especially privileged to be a part of this important event on the Floor of the House of Representatives. Mac Baldrige and I go back to our early days at Yale University, before World War II, when we became college classmates. We have been dear friends ever since.

I was privileged to be present in the Washington Cathedral during the memorial service for Mac Baldrige, sitting with Ham Fish and other colleagues from the Congress. The President of the United States correctly described Mac Baldrige as a great American. I underscore that, but I would like to add the word decency, for Mac has always been one of the most decent and thoughtful persons to have graced our Nation. I think of him as a wonderfully "nice guy." But more than that his competence comes through. In his unassuming way, he has competently shaped policies and guided the Department of Commerce.

Mac will be deeply missed by all who value public life in this country and by those also in private life who had the privilege of knowing Mac and his family over the years.

### GENERAL LEAVE

**Mr. FISH.** Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The **SPEAKER** pro tempore (Mr. Jontz). Is there objection to the request of the gentleman from New York?

There was no objection.

**Mr. FISH.** Mr. Speaker, this special order we dedicate to the family of Secretary Malcolm Baldrige. Midge, Megan, and Molly, you three have heard from the President, from the Vice President and from your friends, and tonight we at the other end of Pennsylvania Avenue want to express our admiration and affection for the Secretary.

Mr. Speaker, I am happy to yield to the gentlewoman from Maryland [Mrs. Bentley].

**Mrs. BENTLEY.** Mr. Speaker, I do appreciate very much the gentleman from New York taking this time to honor this great Secretary of Commerce.

Those of us who are so concerned about fair trade for the United States sorely feel the loss of Mac Baldrige at the helm of the Department of Commerce. As a former businessmen, Mr. Baldrige well recognized the importance of maintaining a strong industrial base for the Nation's security, and he worked very hard toward that end.

Others do not feel as strongly as he did about that.

One situation in particular in which I was directly involved with Mac Baldrige concerned the All American Pipeline which runs from California to Texas. Some 400,000 tons of steel pipe were involved, and somehow France managed to manipulate a contract with the American supplier whereby France would supply the entire quantity of 400,000 tons, and wanted it outside the voluntary restraint agreement. This agreement, of course, restrains or controls how much steel each country can now export into the United States.

Upon hearing of this very questionable agreement I called Mr. Baldrige. He confirmed that this was happening and that he was very disturbed about it. He pointed out that he was under particular pressure now because the entire European Community was trying to make the United States uphold that agreement that France had negotiated with the individual supplier on this end.

Following several discussions we agreed that perhaps 100,000 tons would not be unreasonable in view of the fact there was a contract and that could be questioned, and if certain things would take place that we would let this 100,000 come in for the All American Pipeline, but it would not come in under any condition outside the VRA.

So Mr. Baldrige, when he went to negotiate with the European Community, was able to take over there a bill that we had introduced on the floor that called for pressure upon the European Community and other countries exporting steel into this country, and he was able to hold that particular deal down to one-quarter of what it originally was intended to be. Mr. Baldrige said I know how important this is to the steel industry in this country, and we must have a steel industry in this country.

He also recognized and spoke again of the importance of fair trade and that all trade cannot be only in one direction. Those of us, as I said earlier, who are as concerned about fair trade as he was, sorely miss him, and as the days go on will miss him more and more.

I thank the gentleman for taking this time to pay honor to this great American.

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Mr. FISH. I thank the gentlewoman very much for her comments.

Mr. Chairman, I yield to the gentleman from New York [Mr. LaFalce].

Mr. LaFALCE. Mr. Speaker, I first met Mac Baldrige in 1981 when he was appointed Secretary of Commerce. He stood out in my mind from that very first meeting because of both his substance and his style. He was neither an ostentatious nor affected man, but rather "down to Earth"—a man who clearly understood the practical implications of any policy decision, as well as its theoretical complexities. While he was a "rough and ready" man—a man who literally "died with his boots on"—he was also an extremely gentle man. When he spoke, he spoke gently but with great strength and conviction. He reminded me of the words of the Immortal Bard: "His life was gentle, but the elements so mixed in him, that nature might stand up and say to all the world: 'this was a man'."

Mac and I developed a close working relationship over the course of the past 6½ years. Beginning with our work together on the Export Trading Company Act, which became law in 1982, we shared the common goal of increasing American competitiveness. We often engaged in discussions on the best ways to achieve this goals, and the need for free, yet fair, international trade. Mac was always easy to work with, and he was amenable to another's perspective and amenable to compromise if he was shown that another approach would be more effective in reaching the desired goal.

As a result of his great strength of character, he was widely respected as a "straight shooter." I do not know of anyone in Congress who ever felt any animosity toward him, regardless of any possible differences of opinion on the issues.

Beyond all the great contributions that he made, we shall remember what he was—an unusual and profoundly valuable person who was highly creative in imagination and always mindful of the cares and needs of others. In his company, people felt enlarged, not diminished, and they realized how much they had in common. His heart was great and warm, and now that it has stopped beating, we are all the poorer.

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Mr. FISH. I thank my colleague very much.

Mr. Speaker, I yield briefly to the gentleman from Ohio [Mr. Regula].

Mr. REGULA. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman for reserving the time today to honor the late Malcolm Baldrige.

It was with great shock and sadness that I learned of the tragic death of Secretary Baldrige. I got to know Mac quite well through my work overseeing the Commerce Department's budget in the Appropriations Committee. We also worked together with the Steel Caucus.

Mac and I shared identical philosophies about international trade. His dedication to the ideals of fair trade frequently isolated him from the rest of the administration, but I always admired his courage in taking an unpopular stand in which he so strongly believed.

Mac provided a candid, refreshing view of the solutions to the trade problem. Under his leadership, the Commerce Department emerged as a forerunner in the international trade battle. Mac was not afraid to insist on trade sanctions and remedies which were not always condoned by others in the administration. He was a man with a clear vision of the problem and a fierce devotion to its resolution.

Mac came from a place, like myself, where the trade crisis is hitting the hardest. After graduating from Yale and serving in the infantry in World War II, he took a job as a mill hand in a Cleveland foundry. He was promoted to superintendent, and was remembered there as a fair but tough boss.

He moved from the shop floor to become president of Eastern Malleable Iron Co. of Naugatuck, CT, in 1960. Two years later he joined Scovill, Inc., of Waterbury, transforming it from a financially troubled brass mill to a diversified manufacturer of consumer, housing and industrial goods with 81 plants in the United States and 22 other countries.

As Secretary of Commerce, Mac transformed the Department from an agency concerned mainly with domestic industries to one that pressed the United States global trade concerns. He often lead the fight to ease restrictions on exports, and he fought hard to insure fairness in the export/import flow.

The country will certainly miss Mac's commitment to fair trade. His background in industry hardened his resolve to fight for an even break for the American worker. His death silences a voice for those workers, and they will undoubtedly suffer from his loss.

I found a common voice in Mac Baldrige and I, too, will miss that voice. He was a man of great personal integrity and warmth, and his views on issues of critical national importance were right on the money. I will very much miss our exchanges, and I will certainly miss his consistent support for fair trade. I will also miss our shared love for horses, cattle ranching and the great outdoors.

There is no question that his loss is a deep and enduring one. I only hope that his example to fight the hard battles despite extreme opposition will prove a lasting one for my colleagues and me in this body. Mac Baldrige left us with his guidance for change, and it would serve him well to have the courage to affect that change by insisting on fair trade for America.

Thank you.

Mr. FISH. I thank the gentleman for his statement. Mr. Speaker, I yield to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. Mr. Speaker, I thank the gentleman from New York [Mr. Fish], for arranging this opportunity for us to memorialze the late Secretary Malcolm Baldrige. It is with deep regret that I join with my colleagues to pay tribute to an outstanding public servant. Our Nation was shocked and saddened by the tragic, untimely death of a good friend of so many of us, U.S. Commerce Secretary Malcolm Baldrige.

As our Nation's Secretary of Commerce, Mac Baldrige was highly regarded of his common sense and his wise counsel. During his 6-year tenure as the head of our Department of Commerce, he transformed that agency from one concerned with our domestic economy to an agency that helped guide our Nation through the complexities of international trade.

Mac Baldrige will always be remembered as the Secretary of Commerce who played a mjaor role in the economic recovery of the 1980's. And, just as Herbert Hoover is remembered for modernizing the Department of Commerce in the 1920's and making it responsive to the modern industrial state at that time, Mac Baldrige will long be remembered as the leader who brought the Department of Commerce into the world of international economics in the 1980's.

Secretary Baldrige's passing comes at a crucial time as we formulate new trade policies, designed to ensure that American industry is allowed to compete on a level playing field. Both Congress and the administration had come to depend upon his expertise. His loss leaves a void that will be extremely difficult if not impossible to fill.

We will miss Mac grealty. More than any other Cabinet member during my 15 years of service in Congress, he was always willing to sit down and discuss problems of concern to business men and women in our 22nd Congressional District. He was never reluctant to sit down with our constituents to discuss face to face what our Government might be able to do to help with their problems. Secretary Baldrige was always there with a helping hand. We will miss him greatly.

To his widow, Midge, and his daughters, Megan and Mally, and to the entire Baldrige family, we extend our deepest condolences. I hope it is of some consolation to them to know that millions share their loss—the loss

of an outstanding dedicated American leader.

Mr. FISH. I thank my colleague from New York.

Mr. Speaker, I yield to the gentleman from New York [Mr. Houghton].

Mr. HOUGHTON. Mr. Speaker, I would like to thank Representative Fish for arranging for this extraordinary tribute to an extraordinary man.

Mr. Speaker, I have known Mr. Baldrige for many years, primarilly as a businessman because he and I were associated with many different committees: the Business Council, the Business Roundtable, and we had numerous interchanges throughout the years. If you judge a man by his record, Mr. Baldrige was an extraordinary American. But even more than that, Mr. Baldrige was an extraordinary American because he was just as nice to the janitor of his company as he was to any of the officers. He had an unusual mark in industrial America and I am proud to be associated with him.

I also had the opportunity to know Mr. Baldrige coming down to Washington when I was doing quasi-governmental work on behalf of the Grace Commission. Our part of that Commission was to look at and try to apply business techniques to the Department of Commerce. But it was a very easy job because all the efficiencies and all the cost cutting and all the human concerns which we were dealing with on an everyday basis had already been practiced and already been put into place by Mac Baldrige. It was an example for all of us, not only on this particular team at the Department of Commerce, but also for all of those who worked so hard on the Grace Commission in 1982.

I have also had occasion to be associated with Mr. Baldrige working on trade legislation. I was the cochairman of a committee called the Labor Industry Coalition for International Trade, composed of, voluntarily, unions and businesses throughout this country. And the person we worked most closely with was Secretary Baldrige. He understood trade, he understood the fairness of trade and he understood that trade was evolving almost as sports had evolved. In the old days, the Olympics used to be amateur sports and then they changed because of the incursion of the Soviet system and the various eastern countries.

The same thing with trade. He understood that countries were focusing on companies and that was impossible for this type of system of ours to endure.

He was fair, he was not bigoted in any way in terms of any of the foreign people that tried to take the most precious asset we had, which is our market.

As a result, I think his voice was not only a voice of reason, but also a voice of great practicality.

I would like to say one other thing. Mac was a good friend. Some of the wags in this world will say that "a friend in need is a pest." I will say, "Wrong, a friend in need is somebody like Mac Baldrige when you needed him."

He always would do something and never ask for anything in return. He was decent, he was there, he was available. It seems to me, Mr. Speaker, that so many forces in this world try to pull us down to the lowest common denominator. Mr. Baldrige was always one of those lights who kept pushing and pushing and pushing up the standards of this society.

Mac was a great human. Could anyone ask to be more?

Thank you.

Mr. FISH. I thank my colleague from New York.

Mr. Speaker, I now yield to the gentleman from Connecticut [Mr. Rowland].

Mr. ROWLAND of Connecticut. First I want to thank our colleague from New York for taking up this special order and offering so many of us an opportunity to share our thoughts and feelings about a great human being.

Mr. Speaker, fate is not kind to some men. In the case of our friend Mac Baldrige, fate had it that he would be the victim of a freak accident and would have his life tragically cut short at the age of 64.

It is fitting, perhaps, that Mac Baldrige spent the last day of his life in the saddle. Because Mac spent his entire life challenging himself and challenging others to excel. Whether it was in the field of rodeo riding, public service or business, he rose to the challenge brilliantly. Few men have been able to live as much life as Mac Baldrige succeeded in living.

Many have paid tribute to Mac's successes as Secretary of Commerce and as the president of the Waterbury-based Scovill Corp, a foundering company he built into an industrial giant. He deserves special recognition for the influence he attained within the Reagan administration—more than any other Secretary of Commerce in history.

But what I remember most about Mac Baldrige were his truly unique personal qualities—qualities all too rarely seen among participants in public life.

My family and I had a very close, personal relationship with Mac for the past 20 years as a matter of fact. We will always remember him as a gentle, caring man, unpretentious, kind. He was someone who always had time for his friends and even young aspiring public servants. He always reached out to others despite the many demands on his time to champion important civic causes, whether it was a summer basketball camp for urban youth in Waterbury or the United Way.

But most of all, Mac was a straight shooter, candid and honest some said, to a fault. Most of his productive life was largely spent in his adopted home State of Connecticut. Born in Omaha, Mac graduated from Hotchkiss School and Yale Unversity. He received his education about the world of business from a different classroom, however, starting as a mill hand at the Eastern Malleable Iron Co. in Naugatuck. He spent 13 years at Eastern Malleable and eventually became the firm's president. He then took over as president of Scovill and led the company through its greatest period of growth and prosperity.

Throughout his business career, Mac showed employees and managers alike what it meant to work with one's hands, what it meant to produce something of value—while still being able to treat his fellow workers and subordinates with dignity.

The most recent years of Mac's life were spent as one of the most productive members of President Reagan's cabinet. As Secretary of Commerce, he eliminated confusing language. He led critical trade negotiations with Europe and Japan. He brought attention to the need for improved American competitiveness, and the need to respond to unfair foreign trade practices. Mac took these steps long before these issues became political buzzwords. Mac's legacy to millions who never met this remarkable man will be his contribution to a more prosperous America and a better standard of living in the world economy.

To me, Mac was an inspiration, balancing family needs, business, political, and life—accomplishments and attributes many of us only dream of.

I would like to read a prayer that would be appropriate here:

### A Cowboy's Prayer

Lord, help the rest of our nation in these trying times to be a nation as a rodeo cowboy is.

A nation not afraid, not afraid to take a chance, not afraid to try, not afraid to express ourselves, and, with Your help, we'll have a better world.

We also pray that You will guide us as cowboys in the arena of life.

We don't ask for special favors; We don't ask to draw around a chute-fightin' horse or never break a barrier. Nor do we ask for all daylight runs or not to draw a steer that won't lay.

Help us, Lord, to live our lives in such a manner that when we make that last inevitable ride to the country up there, where the grass grows lush, green and stirrup high, and the water runs cool, clear and deep, that You, as our last Judge, will tell us that our entry fees are paid.

Mac, you have made it a better world for all of us and we thank you.

□ 2255

Again, I would like to thank my colleague from New York [Mr. Fish] and the many people that have come at this very, very late hour to pay tribute to an outstanding person, an outstanding American and someone we will truly all miss.

Mr. FISH. Mr. Speaker, I thank my colleague.

Mr. Speaker, it is with a sense of great loss personally and for my country that I speak in honor of the late Malcolm Baldrige, who served as an extraordinary Secretary of Commerce. We have been told this evening that he was a gentlemanly, soft-spoken man. We also know he had a strong competitive spirit. One does not ride a horse and rope steers in a rodeo unless one has that spirit.

"Win some, lose some," said Mac. "But don't miss any." Baldrige didn't miss any, in the rodeo arena, in business, in Government.

As Secretary of Commerce, Mac gave definitive meaning to the oft-repeated word "competitiveness." Mac Baldrige raised the issue constantly and took steps to make America competitive again in the global economy. To be that kind of leader required experience, an uncommon degree of common sense and a vision of what America should be. Mac Baldrige had all these.

At Commerce, Mac was a tough and skilled negotiator. He believed that there came a point to stop talking, and that's just what he did in one negotiation. He trained a silent stare on his interlocutors for a good quarter hour. Finally, a young member of his delegation threatened to pierce the silence. Baldrige's well-aimed kick under the table preserved the silence, and eventually the other side relented.

Roy Denman, head of the delegation of the Commission on European Communities, said:

> Mac never raised his voice or pounded the table. He was always quiet, rational and courteous.

But Denman added: "I have never met a tougher negotiating partner."

Mac once said that he admired cowboys because, "they don't talk unless they have something to say." he made sure that he not only had something to say, but that he said it with precision, style and directness. Mac had an English degree from Yale. He programmed his computer at the Commerce Department to reject the gobbledygook that we hear all too often in bureaucratic lingo. His list of bad English ranged from the noun-cum-verb "to interface" to such redundant phrases as "serious crisis" and "important essentials."

With his love of words and his business background, you might have mistaken Mac Baldrige for simply a scholar or a corporate man—you might, that is, until you met him. He stood 6 feet 1 inch and sported a cowboy belt buckle engraved with his nickname, "Mac." His office displayed bronze cowboy statues, a coiled lasso, a hand-tooled saddle that he had won in a rodeo.

Rodeo was his passion. He had started to ride horses when he was eight. Later he spent his summer vacations earning $1 a day on a Nebraska ranch, where he honed his skills in steer roping. He once said that he found steer roping a beautiful combination of timing, rhythm and coordination. Professional Rodeo Man of the Year and National Cowboy Hall of Famer, Mac said:

> The rodeo put you in close and natural touch with the most independent and self-reliant group of people that are probably left in the USA.

Among the bureaucratese that Mac had banned at the Commerce Department was the phrase "untimely death."

"Has there ever been a timely death?" He asked. Perhaps not. But today I must violate his rule to express my feeling that Mac's was a particularly untimely death.

Mr. Speaker, at this point I am happy to yield to my colleague from Connecticut [Mrs. Johnson].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman for yielding and for arranging this special order at this late hour for a truly remarkable man, Mac Baldrige, Secretary of Commerce, CEO of Scoville, cowboy, community leader, volunteer, slinger of hash at local barbecues to raise funds for whatever his community needed.

Mr. Speaker, I do not come here tonight to eulogize Mac Baldrige, for he needs not my eulogy. I come in hopes that by reflecting on his life and service I will find the strength to do some measure better in my remaining days.

Mac lived with integrity, that is honesty, consistency, and dedication over time.

Mac lived with courage, that is, with daring and steadiness.

Mac lived with intelligence, not just a sharp mind but a deep-seated respect for the experience and opinions of others, a respect and tolerance that is as much a part of intelligence as brain power with which he was well endowed.

Integrity, courage, intelligence, Mac had, in short, character and a sense of fun, a love of politics, a deep respect and love for Government and for the Republican Party.

Mr. Speaker, Mac Baldrige was a superb Secretary of Commerce. He had business experience and a real grasp of the issues; he spoke simply but recognized the world's complexities; he always acted courteously, yet he could be tough, too. No wonder then that he built an impressive record of success at Commerce.

Mac understood, and helped us to understand, that America must insist on fair trade while resisting protectionist measures that would only harm us.

Mac chaired the Cabinet-level Trade Strike Force to uncover and eliminate unfair trade practices. He could play hardball with the Japanese, as when he argued for stiff sanctions against Japan for breaching a 1986 agreement to stop dumping computer chips on the world market. His public opposition to Fujitsu Limited's bid to gain majority interest in Fairchild Semiconductor Corp. led the Japanese firm to withdraw its bid. Most recently, following Toshiba's sale of high-technology secrets to the Soviet Union, Mac persuaded the Japanese Government to tighten its export control policy to prevent further incidents.

The Secretary was tough, but he was also fair. That is why Japanese leaders have warmly praised him. The Minister of International Trade and Industry, Hajime Tamura, said that Mac "not only was knowledgeable about Japan, but was a friend of Japan," calling Mac's death "an immeasurable loss" to United States-Japanese relations.

We will sorely miss the Secretary's pragmatism, which is perhaps best expressed in the administrative changes that he made on export controls.

Under his guidance, the department developed a comprehensive plan to address our Nation's trade deficit and competitiveness in the global economy and, in the Secretary's words, to "improve both the level of U.S. competitiveness and the level of U.S. security."

Balancing our Nation's economic and security needs, Mac was the first to understand the need for coordinated public policies and private sector action to save the critical machine tool industry, deeply wounded by targeted competition and the strong dollar. Mac effectively advocated streamlined export controls to interdict militarily critical goods and technology, while decontrolling many products that were not high technology and would not contribute significantly to the military potential of our adversaries.

Mac took the lead in opening technological trade with China. Thanks largely to his efforts, trade with China has more than doubled during Ronald Reagan's presidency. The Secretary opened the way for increased technology transfer to India as well. And he held the first Cabinet-level trade talks with the Soviet Union in 7 years.

Mac played a crucial role in the agreement last year in Uruguay to open a new round of global talks under the general agreement on tariffs and trade. He was also a key player in the new round of GATT talks in Geneva.

At the memorial service last week at the National Cathedral, President Reagan said:

> Mac was an architect of American international economic policy during years in which that policy moved to center stage.

Mac Baldrige was a great man, a great friend, a great servant of the American people and we will all miss him.

Mr. FISH. Mr. Speaker, I thank the gentlewoman for her remarks.

Mr. Speaker, I am very happy to recognize the gentleman from Minnesota [Mr. Frenzel], a close friend and colleague.

Mr. FRENZEL. Mr. Speaker, I want to congratulate the gentleman from New York [Mr. Fish] for presiding over this special order at which time a number of the Members could pay tribute to their departed friend, Mac Baldrige.

Mr. Speaker, this is not the best time for such an affair. The House has worked late tonight, our membership is scattered far and wide. We have a conference committee of more than 10 percent of the House engaged in a particularly vexing labor, and it is very hard to assemble all of the people who would like to have paid tribute to Mac Baldrige. Those of us who are here are only a few of those who would have enjoyed taking part in this special order.

Mr. Speaker, Mac Baldrige was our friend. I am told that he was the person to hold the job of Secretary of Commerce longer than any other had in history, and I suppose that is not surprising to people who knew Mac, knowing of his ability to work with people in all kinds of situations under all kinds of stresses, to be able to disagree, to be able to agree, to never be disagreeable and to retain one's sense of humor, sense of balance, and all of one's friendships through very difficult and trying times.

It has been stated here already on this floor the number of things that Mac dealt with while he was Secretary of Commerce, and his achievements are many and they have been cataloged and will continue to be cataloged far into the future. I do not want to list again for the Record some of his achievements, but only say how much I enjoyed working with the man. He was a former businessman. He conducted his affairs in a businesslike, brisk, efficient, professional way but lacked in the friendliness that was necessary to conduct business in the traditional American way.

He had to represent both sides of the trade equation, that is those industries who were anxious to be protected and those who were anxious that other not be protected in order that their markets could be opened abroad. Every industry and every company that came to Mac knew they would get a fair hearing, and if he felt they had a case, he would fight it to the end, and if he felt they did not have a case, he would show them the door.

Mr. Speaker, he invariably did what he felt was right and almost invariably made new friends with every group that came to see him despite the fact that a number of those had to be turned down.

His death occurred in a freak accident, and it was a surprise to all of us. It was premature, of course, but there was on the other hand the fact that he died doing that which he loved to do, that is, the rodeo arts.

I am going to miss working with Mac Baldrige. I have been active with him on trade matters almost from the day that he arrived. I have traveled with him. I have sat down in conferences with him. I have found him a source of wisdom, of strength, of reconciliation. I have understood that his presence in the cabinet meetings has been the same, one of balance, of being the person that others look to for real wisdom and common sense at a time of snarls.

Mr. Speaker, Mac is a person who had innumerable friends on both sides of the aisle. I shall miss him. We shall all miss him. We give our very best and our deepest sympathy to Midge Baldrige and the family. We hope that their days will be filled with consolation and with warm memories and like her, we are not going to forget Mac Baldrige.

□ 2310

Mr. FISH. Mr. Speaker, I thank the gentleman from Minnesota [Mr. Frenzel] for his remarks.

Mr. Speaker, I yield to the gentleman from New York [Mr. DioGuardi].

Mr. DioGUARDI. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I thank the gentleman for providing the Members this opportunity to honor a great man such as Malcolm Baldrige. I make my comments also on behalf of the gentleman from New York [Mr. Lent], who worked very closely with the Secretary, and shares the comments that I am going to be making.

I did not know the Secretary that long. I met Mac recently when I reached out to him to host a breakfast for me in the business community here in Washington.

Despite the huge demands on his schedule, he responded in a very positive way, and for someone that he did not know very well.

He was obviously a very generous and sensitive man, and exhibited those traits all through his life, based on the comments we heard here tonight.

Mr. Speaker, I join my colleagues today in mourning the tragic and untimely death of Malcolm Baldrige, Secretary of Commerce. Malcolm Baldrige's death mirrored his life—he died courageously and stoicly pursuing the hobby he most enjoyed, rodeo riding. His skill as a rodeo rider was widely recognized and he pursued this hobby with the same vigor and excellence that were pervasive throughout his distinguished career.

Malcolm Baldrige served as Secretary of Commerce at a difficult time when the trade deficit and heightened American protectionist sentiment made that Department the target of much controversy and criticism. Nevertheless, Secretary Baldrige's pragmatism and sincerity made him one of the most influential and respected Secretary's in the Commerce Department's history.

Malcolm Baldrige was a visicnary with his feet firmly planted on the ground. He was one of the first people to perceive the threat posed to American businesses by the high valued dollar. He pushed the administration to address this onerous issue and to bring the value of the dollar down.

I was always impressed, as were many of my colleagues, by Secretary Baldrige's adeptness in walking the tightrope between the dangers of protectionism and the impracticality of the utopian vision of pure free trade. While he took a tough stand against unfair trade practices and often emphasized the distinction between "free" and "fair" trade, Secretary Baldrige also recognized the benefits and necessity of responsible free trade.

Previous to his appointment as Secretary of Commerce in 1981, Malcolm Baldrige served as chairman and chief executive officer of the Scovill Manufacturing Co. His extraordinary rise within that company, from executive vice president in 1962 to CEO and chairman of the board in 1969, was testament to his exceptional skill as a corporate manager. Indeed, through his efforts, Scovill, Inc., was transformed from a sluggish brass-milling firm into a flourishing, multinational business with annual sales of about $1 billion.

In closing, John Wayne once remarked "talk low, talk slow, and don't say too much". Well, I know Malcolm Baldrige would have agreed with that statement and being a man of few words himself, he would have thought I had gone on entirely too long. We will miss Malcolm Baldrige and his family has my deepest sympathy.

Mr. HORTON. Mr. Speaker, it is with a great sense of loss that I join my colleagues today in paying tribute to a great American and outstanding leader, Mac Baldrige. Our country has lost a man of vision, whose ability to persuade, compromise, and move forward an agenda benefited our Nation and its economic position in an increasingly competitive and suspicious world. I worked closely with Mac on trade issues, reorganization plans, and a number of industry and company-specific issues as well. He was a friend and unequaled

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advocate for American business. As Secretary of Commerce, he guided our Nation through an explosive economic period, balancing efforts to remove trade barriers against increasing pressures for protection here in the United States. His work was unfinished, but the course he steered will, I am confident, continue.

I recognize the loss our country has suffered. But the great loss I feel is personal. Mac Baldrige was a good and trusted friend. He was one of those rare individuals whose style and personality made him appear larger than life. The country will miss his leadership. I will miss his friendship.

Mac Baldrige was a great man. For those of us fortunate enough to have been considered among his friends, his spirit will be with us always. My wife, Nancy, and I send our prayers and sympathies to Mac's wife, Midge, during this period of mourning and reflection.

Thank you, Mr. Speaker.

Mrs. MORELLA. Mr. Speaker, I want to join my fellow colleagues both in sorrow, and in admiration for a man who led his Department and the executive branch of Government in honesty, forthrightness, and leadership. Secretary Malcolm Baldrige will be sorely missed, and we have lost a good human being.

Malcolm Baldrige was an outstanding Cabinet Secretary. He had an expertise and sensitivity to all sides of an issue and then reaching a resolution. He was an inspiration for all of us as we endeavor to balance difficult positions.

We should perhaps be grateful that the Secretary died doing something that he loved the best, and that he had led a life of which both he and his family can be proud.

Mr. de la GARZA. Mr. Speaker, I have a prediction; one on which I feel many of our colleagues will agree. In years to come, the historians will talk of our U.S. Department of Commerce in terms of what happened before Malcolm Baldrige, and what happened after him. Secretary Baldrige is a watershed in the history of his Department.

He accomplished what no other Commerce Secretary could manage: He translated one of our largest Federal departments into a language that was understood by most citizens—he actually magnified the Department, revealing its important contributions to national commerce and international trade.

He did this with a quiet persistence. Secretary Baldrige combined professional management with public service in a way that exemplified the finest attributes of a leader. His high ethic and devotion to perfecting his Department's contributions to American society made him the new definition as to what a public servant is—and how a public official conducts the business of the Nation.

How strangely ironic that during this year when we celebrate the 200th anniversary of our Constitution, we should be so unfortunate to lose the one person who so purely represents the kind of character that Madison, Jefferson, Franklin, and the others believed should be leading the Nation.

This is the greatest legacy anyone can leave behind. It is a legacy which this Congressman humbly acknowledges, but I guess the most appropriate tribute I can pay him, this great man who was a cowboy during the time that was freely his own, is he should have been a Texan. He rode tall in the saddle.

To Representatives Hamilton Fish and Norman Lent, I thank you for inviting me to offer a tribute to this great man. His family has been in our prayers and we know Secretary Baldrige is with our Lord who watches over us all.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise today along with my distinguished colleagues to mark the passing of a great public servant, Secretary of Commerce Malcolm Baldrige. Before he was appointed Commerce Secretary, I had the privilege of meeting Secretary Baldrige through our mutual friend, Vice President George Bush. Over the last 6 years I have had the occasion to associate with the Secretary both on business and social matters. I was always impressed by his humble spirit and his commonsense approach to life.

As a child growing up in Nebraska, Malcolm Baldrige acquired an early interest in two areas which he would pursue vigorously throughout his life. First was his dedication to public service. He strongly believed that businessmen have a responsibility to be civically and politically active. The Red Cross, NAACP, and Easter Seals Society are just a few of the community organizations that he was involved in. The peak of his public service career began in December 1980 when President-elect Ronald Reagan chose Malcolm Baldrige to be his Secretary of Commerce. Considered to be one of the most effective Commerce Secretaries in history, Malcolm Baldrige had a keen ability to understand economic trends. In the early 1980's he was one of the first administration officials to recognize and advocate remedies to the increasing difficulties that U.S. industries faced on the international trade market.

In addition to his vigorous participation in public service he also maintained a lifelong passion for the rodeo. He started riding when he was 8 years old and it was then that he developed his admiration for the American cowboy. Like those cowboys he so much admired, he was always most at home on the range. From cowboy to Commerce Secretary, Malcolm Baldrige was truly the epitome of the American spirit. His leadership and wisdom will be sorely missed.

Mr. PORTER, Mr. Speaker, the United States and the world lost an important champion of reason and honor when Commerce Secretary Baldrige was tragically killed this past Saturday. We had grown accustomed to his logical advice and strong voice for a better and fairer world economy. As the United States continues to grapple with the complexities of the rapidly changing world economy, Mac Baldrige's voice and input will be sorely missed.

As we all know, the U.S. position in the world economy has suffered setbacks during the last few years. Our once positive balance of payments has turned into a $169 billion trade deficit. At the same time, the Government continues to spend beyond its means, accumulating over $2 trillion in debt, which continues to threaten our economy and that of the rest of the world. Third World debt, education shortfalls, industrial rigidity, and unfair trade practices have also contributed to our unacceptably high trade deficits. Malcolm Baldrige had a keen understanding of these factors, and the role they play in our economy.

Secretary Baldrige also appreciated the political nature of our trade woes and the need to temper parochial interests. While unfair trade practices must be combated, Mac Baldrige understood that their abolishment would not alone rid the United States of imbalances.

At the same time, he appreciated the delicate balance between fighting unfair trade practices and giving in to protectionism. While we believe in free and fair trade, the message had to go out to our trading partners that the United States would not allow them to break the rules with impunity. Secretary Baldrige delivered his message with balance and integrity and helped maintain a sense of order in what was often a chaotic and hostile atmosphere.

Finally, Mr. Speaker, Malcolm Baldrige brought to his job and his service to our country a sense of America that was bright, enlightening, and energetic. His love for the West and the historical fabric of our country brought realism and honesty to the bargaining tables of Europe, Japan, and the world.

As we strive to compete with the rest of the world, and as we continue to struggle to keep our own economic house in order, the loss of Malcolm Baldrige will not easily be forgotten. What we must do now is heed his words and honor his wisdom by dedicating ourselves to the ideals he so elequently espoused.

Mr. BADHAM. Mr. Speaker, today we are here to honor the life of a man whose soft-spoken style and managerial success were legendary even as he began his service as Secretary of Commerce. Malcolm Baldrige's achievements have been well documented, and one thing he frowned upon was redundancy, so I will not recite his resume.

But the way he went about achieving his goals is noteworthy and we can all learn from looking at that. His demand that the staff at the Department of Commerce write clearly is one example of his keen understanding of how to get things done. Too many in Government take refuge in ambiguous, impercise language. Mac's success at the Department of Commerce in weeding out this language should be required study for business students and government managers alike.

I met Mac when he was first appointed to President Reagan's Cabinet. Over the years, I found that we shared similar opinions about the issues confronting the Federal Government. But even those who disagreed with Mac had to respect his opinions, which were presented quietly, but forcefully, with reasoned arguments and logical conclusions.

Three times, Cowboy Mac Baldrige rode into town and showed that he deserved a white hat. At Eastern Malleable Iron, Mac went from foundry hand to company president in 13 years and his quick promotion demonstrates that he did a good job there. At Scovill, Mac changed the company from a struggling brass mill to a diversified, highly respected manufacturing company. And at the Department of Commerce, he streamlined operations, opened world markets, and was a key player in one of the longest periods of economic growth in history.

The one word that comes to mind again and again when talking about Mac Baldrige is respect. He earned that respect through his hard work and dedication to ideals. I will always have the highest respect for him. He was a great American.

Mr. SCHEUER. Mr. Speaker, I rise today to honor a man who has been called "one of the most influential Commerce Secretaries in history." I am speaking of the Honorable Malcolm Howard Baldrige, "Mac" to his friends.

In his life he played many roles, including statesman, scholar, soldier, and professional athlete, each with the intensity and devotion characteristic of a true cowboy. Unfortunately, the role he cherished most, that of a rodeo athlete, led to his death.

As Secretary of Commerce, Mr. Baldrige took innovative stances in both policy and management. The wisdom of these stances is only recently becoming apparent.

"Mac" was one of the first Cabinet members to recognize the threat to American businesses from the overvalued dollar. Other officials asserted that the appreciating value of the dollar was a sign of a strengthening of our economy. History has shown the wisdom and foresight of Mr. Baldrige in seeing this threat.

"Mac" was fond of saying that the difference between cowboys and bureaucrats was that cowboys only spoke when they had something to say. He applied this tenet to his Commerce staff by limiting the amount of "redundant bureaucratic words and phrases" they were allowed to use in their writing. The computers at Commerce were programmed to delete split infinitives, redundances, and imprecise words. I feel all of Congress could benefit from such a truly "smart computer" program.

In a time of soaring trade deficits, Mr. Baldrige maintained that free trade was best for the world economy. However, when he felt that a U.S. company was facing unfair competition from foreign firms, he would be the first one to recommend sanctions. In the dispute with Japan over computer chips, "Mac" was the driving force behind the Cabinet's recommendation that sanctions be placed on the Japanese firms involved.

Malcolm Baldrige achieved honors in nearly every activity he undertook. He graduated from Yale University with a B.A. degree in English. While he served in the 27th Infantry Division in World War II, he earned the rank of captain. In a mere 13 years, he rose from a foundary foreman to the presidency of Eastern Malleable Iron Co. He was named Professional Rodeo Man of the Year in 1980 and he is a member of the National Cowboy Hall of Fame.

Despite this large number of personal accomplishments, "Mac" always placed the credit for them on others. In 1984, upon receiving the Government Executive's Award for Exemplary Leadership, "Mac" said, "I have been saved from making a great many mistakes by the career people implicitly involved in the receipt of this award. They and I want Commerce to be the best run department in Government."

I conclude my comments by reading a quote from Mr. Reagan who said this of his friend: "An experienced businessman and respected community leader, he was a talented and dedicated public servant who thought nothing more than to make a contribution to America, and indeed he did."

Mr. CLINGER. Mr. Speaker, America today is at a crossroads in our trading relationships with other nations, and Mac Baldrige was the man who was going to navigate America through those crossroads. When a staff member of mine first broke the news to me about Mac Baldrige's tragic and untimely death, the first thing I said was, "This country is really going to miss him." He was set to take on the monumental task later this year of negotiating fair trade policies for this Nation that would help reduce the trade deficit. He was keenly aware of the need for this Nation to become more competitive. He was a strong proponent of fair trade, and fortunately for all of us, shunned protectionist measures that would involve America in a fight from which we could not win. He was a man of courage and intellect who spoke softly but was not afraid to get his message across in whatever way he had to. Yes, this Nation will really miss Mac Baldrige and our hearts go out to his wife and children who can take solace in the fact that the job he started will continue and serve as a legacy to their husband and father.

Mr. PEASE. Mr. Speaker, I would like to join my colleagues today in paying tribute to Secretary of Commerce Malcolm Baldrige.

As a member of the Subcommittee on Trade, I expend much of my legislative energy on international trade issues. Through my work in this area, I came to know and respect Secretary Baldrige. Perhaps alone among Cabinet officers, Secretary Baldrige understood the nature of the challenge confronting the American economy from abroad. He understood that support for an open trading system is not served by support for a laissez-faire trade policy. He had the integrity and clear vision to lead the Reagan administration away from its ideological approach to international economic policy.

It must have been lonely and frustrating to take this minority position within the Government for so long. Yet the Secretary stuck with his pragmatic line. It paid off for him and for the country.

In recent months, administration policy was moving swiftly toward the Secretary's position on international economic issues. Thanks largely to him, the administration was gaining credibility on Capitol Hill in trade policy at the same time that it was losing overall credibility as a result of the Iran-Contra debacle. This is shining testimony to the value of personal integrity in Government as in all walks of life. Secretary Baldrige's unimpeachable integrity will be sorely missed by his President, by those of us in Congress who were looking forward to working closely with him in the upcoming trade bill conference, and by the American people.

Mr. GUARINI. Mr. Speaker, on July 25 the world lost a great man. Malcolm Baldrige was an outstanding individual with a notable mix of pragmatism and idealism. He was a dreamer with his feet firmly on the ground.

Malcolm Baldrige was well respected on Capitol Hill. The son of a former Member of Congress, he had a special ability to relate to Congress. He realized that our system of government works best when there is cooperation rather than confrontation between the executive and legislative branches.

As Secretary of Commerce at a time when the U.S. position as a world leader in trade was deteriorating rapidly, Mac Baldrige took a tough position in dealing with our trading partners. A believer in free trade, he nevertheless stood firm in demanding that foreign markets be open to U.S. goods. He played a major role in resolving the difficult problem of technology transfer to China, opened the way for increase technology transfer to India, and gained agreement from the Soviets to provide United States firms with improved access. His businesslike approach to administration also put economy, efficiency and effectiveness back in government.

We mourn the passing of this great man. He will be sorely missed as a source of pragmatic wisdom in the Reagan administration.

Mr. MINETA. Mr. Speaker, it was with great sadness that I learned of Malcom Baldrige's tragic death. With his passing, America has suffered a great loss.

For the last 7 years, Malcolm Baldrige had served his country with honor, integrity, and an unmatched strength of purpose, standing at the helm of the Department of Commerce to guide America's business and trade policies through the shoals of a changing world economy.

History will remember Malcolm Baldrige as a man of both great political vision and an invaluable down-to-earth business practicality, a man used his Cabinet position to become a leader in the fight for a strong U.S. trade policy at a time when this was crucial to our country.

Most importantly, Malcolm Baldrige will be remembered as one of those rare individuals who was determined that, through his efforts, the world was going to be a better place. He was a man for whom I had the greatest respect and admiration, and I mourn his passing. I wish to join my colleagues in extending our deepest sympathies to his family during this time of grief.

We'll miss you, Mac.

Mr. LENT. Mr. Speaker, I join my colleagues today in mourning the tragic and untimely death of Malcolm Baldrige, Secretary of Commerce. Malcolm Baldrige's death mirrored his life—he died courageously and stoicly pursuing the hobby he most enjoyed, rodeo riding. His skill as a rodeo rider was widely recognized and he pursued this hobby with the same vigor and excellence that were pervasive throughout his distinguished career.

Malcolm Baldrige served as Secretary of Commerce at a difficult time when the trade deficit and heightened American protectionist sentiment made that Department the target of much controversy and criticism. Nevertheless, Secretary Baldrige's pragmatism and sincerity made him one of the most influential and respected Secretary's in the Commerce Department's history.

Malcolm Baldrige was a visionary with his feet firmly planted on the ground. He was one of the first people to perceive the threat posed to American businesses by the high-valued dollar. He pushed the administration to address this onerous issue and to bring the value of the dollar down.

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I was always impressed, as were many of my colleagues, by Secretary Baldrige's adeptness in walking the tightrope between the dangers of protectionism and the impracticality of the utopian vision of pure free trade. While he took a tough stand against unfair trade practices and often emphasized the distinction between "free" and "fair" trade, Secretary Baldrige also recognized the benefits and necessity of responsible free trade.

Previous to his appointment as Secretary of Commerce in 1981, Malcolm Baldrige served as chairman and chief executive officer of the Scovill Manufacturing Co. His extraordinary rise within that company, from executive vice president in 1962 to CEO and chairman of the board in 1969, was testament to his exceptional skill as a corporate manager. Indeed, through his efforts, Scovill Inc., was transformed from a sluggish brass-milling firm into a flourishing, multinational business with annual sales of about $1 billion.

In closing, John Wayne once remarked "talk low, talk slow, and don't say too much." Well, I know Malcolm Baldrige would have agreed with that statement and being a man of few words himself, he would have thought I had gone on entirely too long. We will miss Malcolm Baldrige and his family has my deepest sympathy.

Mr. FISH. Mr. Speaker, it was my personal privilege to have worked closely with the Secretary on a number of significant legislative initiatives. I would like to recall a few of them this evening.

The first one was an effort that brought about the enactment of the National Cooperative Research Act (Public Law 98-462).

The purpose of that legislation was to encourage the formation of research and development joint ventures by reducing the threat of antitrust litigation and treble damage awards against such efforts. With the enactment of this legislation, American corporations are now able to cooperate on important scientific and industrial research without the same pressing concerns of antitrust liability. Since the enactment of that law, 60 such joint venture filings have been made with the Department of Justice under the terms of the National Cooperative Research Act. In my estimation, this very important and logical refinement of the Federal antitrust laws would never have occurred but for the personal intervention and support of Mac Baldrige.

Mac Baldrige also recognized that our Federal antitrust laws needed to be updated and refined in a comprehensive fashion, persuasively arguing that their strict application had often hampered American business in the international marketplace. Indeed, when the Clayton Act was enacted in 1914, Congress was concerned about the domestic concentration in such industries as oil, steel, and railroads. In the 1980's, Congress is concerned with the need to enhance American productivity and competitiveness in the face of ever increasing foreign technological competition and inexpensive imports. One need only look at the current status of such American industries as steel, shoes, and textiles to know that Secretary Baldrige was on the right track.

The fruit of our collaborative work in the antitrust area was the "Antitrust Reform Package" which I introduced in February 1986 in response to the joint recommendation of the Department of Commerce and the Department of Justice. This five-part legislative proposal would give the antitrust enforcement agencies and the Federal courts a new and more flexible yardstick upon which to judge the legality of proposed mergers. Most importantly, that legislation would have required that those agencies and the courts consider not only the effect of a proposed merger on U.S. markets, but on global markets as well. Another bill in that same package proposed to reform the unfairness that often results from the imposition of joint and several liability in antitrust damage cases. Finally, our proposal would have allowed those companies that suffer acutely from foreign imports, limited immunity from the antitrust laws for a period of 5 years.

The Secretary also was strongly supportive of legislation to encourage the transfer of intellectual property. That bill, known as the "Intellectual Property Antitrust Protection Act" (H.R. 557), would require the courts to consider the procompetitive benefits of the sale or lease of patents or copyrights. Most importantly, this legislation would overturn the invalid legal presumption that "market power" is always present when a product has received patent or copyright protection. H.R. 557—strongly endorsed by the Department of Commerce in a Judiciary Antitrust Subcommittee hearing held on April 30 of this year—also would reduce the threat of antitrust damage awards where the sale or lease of a patent or copyright is involved.

### INTELLECTUAL PROPERTY

The Secretary also took a strong interest in making our intellectual property laws realistic in an international context. America's ability to compete in a global marketplace and reduce the trade deficit requires protection of creativity, inventions and the established reputation of its products.

Counterfeiting, or trademark copying, and piracy, or patent and copyright infringement, abroad have already been major contributors to our trade deficit. The International Trade Commission has estimated that $6 to $8 billion of total domestic and export sales by U.S. companies and 131,000 jobs were lost in 1982 as a result of foreign product counterfeiting and similar practices. The lost jobs identified as a result of that survey were representative of only five sectors hardest hit by counterfeiting—apparel, chemicals, transportation equipment, records and tapes, and sporting goods. The latest estimate for lost sales from 1984 is as high as $20 billion.

Counterfeiters and pirates of U.S. intellectual property avoid the costs associated with innovation, product development and marketing. They are having a free ride. For example, 1 percent of Taiwan's gross national income is estimated to come from piracy and counterfeiting.

Secretary Baldrige understood that we must assure the U.S. creator and inventor that the product of their ingenuity will not be permitted entry into or sale within the United States after it has been misappropriated abroad.

The process patent idea is contained in both versions of the Senate and House passed trade bills. Also contained in the trade bills is the reform of the International Trade Commission when it considers complaints dealing with intellectual property. Other issues supported by Secretary Baldrige that are moving through Congress in the trade bill are the reform of the patent misuse doctrine along with a revision of the patent concept of licensee estoppel. His legislative agenda also includes proposals for the United States to join the Berne Convention, which is the international law dealing with copyright. The Secretary testified before a House Judiciary Committee Subcommittee on this issue the Thursday before his fatal accident. His unfinished agenda in the intellectual property area also includes patent term restoration for certain agricultural and chemical products and a proposal to prohibit the importation of audio equipment that does not contain an anticopying chip. This measure was reported out of a Commerce Committee Subcommittee last week. His legacy to us is his unfinished agenda. Our highest tribute to him would be the enactment of this agenda.

### PRODUCT LIABILITY

Another area in which the Secretary and I worked closely was in favor of product liability reform. Interstate commerce has been burdened increasingly by development of 50 different product liability laws. American consumers suffer when beneficial products are removed from the market and skyrocketing liability insurance costs are passed on through higher prices. In the 99th Congress, I was the principal sponsor of the administration's Product Liability Reform Act. This legislation called for a return to a fault-based liability system and a reform of the joint and several liability concept. The bill also made it clear that manufacturers should have certain absolute defenses in such liability suits and limited the awarding of punitive damages to those instances where a reckless disregard of the public safety is proven. The Commerce Department, under the leadership of Secretary Baldrige, was deeply involved in the development and drafting of this legislation.

Mac Baldrige saw in all of these issues a common theme: to make America strong, to encourage our economic growth in face of global competition. Mac Baldrige was a man of vision, a vision perhaps best expressed in "a cowboy's prayer":

> Lord, help the rest of our Nation in these trying times to be a nation as a rodeo cowboy is. A nation not afraid, not afraid to take a chance, not afraid to try, not afraid to express ourselves, and, with your help, we'll have a better world.

Mac Baldrige made this a better world, and we all miss him.

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. Bonior] is recognized for 60 minutes.

[Mr. BONIOR of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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## BASIC ACCOUNTING PRINCIPLES FOR THE FEDERAL GOVERNMENT

The SPEAKER pro tempore (Mr. Jontz). Under a previous order of the House, the gentleman from New York [Mr. DioGuardi] is recognized for 60 minutes.

Mr. DioGUARDI. Mr. Speaker, I do not think I will be taking the entire 60 minutes, and there are many Members that would have been here to talk about this important issue of fiscal responsibility and public accountability.

I think we will also be speaking tomorrow on this subject, but I thought I would, nevertheless, take the time to at least alert the House and the American public to one of the most critical issues facing this country today, especially at a time when we are dealing again with the debt ceiling and the lack of planning, the lack of financial management that leads us every year, and sometimes as we have seen recently, every month to address the issue of $1 trillion which we are spending by just raising the debt ceiling every year as a nice way of getting around raising taxes which obviously I do not support either.

It seems to me that Congress does not realize that when we raise the debt limit, we are in effect raising taxes, because what we are doing is, we are allowing the Treasury Department to sell bonds, and what that does is mortgage the future; and therefore, taxes will have to be raised in the future, probably by our kids, to deal with the issue.

Mr. Speaker, I rise to report to the American people that if they are planning to take their summer vacation at Disneyland or Disney World, they may not find Mickey Mouse when they arrive. No, he is not sick. He is feeling fine.

In fact, Mickey is right here in Washington working his second job as he has done for as long as I can remember as a Congressman.

He is producing the financial information Congress uses each year to conduct our budget. Of course, Mickey's services do not come cheap. Mickey Mouse's financial management and accounting systems cost the American taxpayers billions each year.

If you are like me, I am sure you would rather see Mickey making children smile as opposed to making taxpayers cry.

I am introducing tomorrow legislation to relieve Mickey of his Federal duties by calling for radical changes in the Federal financial management system through the creation of a chief financial officer of the United States of America.

It is time to send Mickey Mouse back to Disneyland and take Fantasyland accounting and budgeting systems out of Washington. That is one of the problems we face today in Washington.

We have to report, he resorts to another way to demonstrate what the problem is in Washington, because it is a shame that not enough of the press is writing about an issue of this importance, that not enough of the Congressmen and their staffs that inhabit this great body or a part of it seem to understand the financial management necessities of spending a trillion dollars; but I was thinking what this means, and how it can be conveyed to the American people.

I was thinking about the credit-card mentality we seem to have here in Congress today, and I was looking at my own voting card.

Many of our citizens have not seen the card that we use to vote each day. They are used to seeing the commercials on television, "Do you know who I am?"

I guess American Express is the one that does that commerical. I would say it this way: Do you know what this is? This is the card I use to vote for you each day that I am in Congress.

We have a computerized system here in the House of Representatives. Whether you live in my district or not, I cast votes that impact your life.

My friends, take a good, hard look at this card. This is the most expensive credit card in the world. This card has no limit.

When you or your spouse gets a call from American Express, Diners Club, Master Charge, or whatever, and you have reached a $2,000 limit, or your $5,000 limit, you know as a family that economic reality has arrived.

You sit down with the family, and you look at your standard of living. You might even defer a vacation. Not with this card.

Last year we reached $1 trillion or $2 trillion, the national debt, and what do we do? We just kept raising the debt ceiling.

We say, "Pass it on to the kids."

We are now up to $2.2 trillion, and we now want to raise it even further. Pass it on to the kids. Let them pay for it.

We have a credit-card mentality here in Washington, and we have got to get rid of it, and one of the only ways I know to get rid of it is to do some pretty mundane things.

Having practiced as an accountant for 22 years, I understand the need for improved accounting systems, improved and reformed budgeting systems, and yes, financial management systems.

That is why tomorrow I am reintroducing my bill, so that we can bring a chief financial officer, an independent chief financial officer to the United States of America in the Executive Office of the President with a 10-year term.

We must take numbers away from politics. We must give the public a good count.

The public is not getting a dollar's worth of goods and services for a dollar's worth of taxes.

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We are not accountable to the American public. In fact, we continue to use a double standard here in Washington. We in Congress, through the Securities and Exchange Commission, impose on the American people, at least public corporations, because a public company could not sell a share of stock unless it used a meaningful accounting system. We call it generally accepted accounting principles, or the accrual basis of accounting.

And yet, what does Government do? Government sells tens of billions of dollars of bonds every month and you cannot get one piece of paper that gives you the financial condition of the United States of America.

Worse than that, we use what we call a cash basis. It is a Mickey Mouse cash system of accounting that we actually took New York City off in the midseventies as a price for the Federal bailout. But guess what, we still use it here in Washington in our accounting systems, in our budget systems, and if you think a trillion dollars is a lot of money that we spend each year and if you think $2.2 trillion in debt is a lot of money, that is the good news. That is what is on the books. You cannot believe what is off the books here.

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We as Congressmen do not even know the full costs of the Government programs we pass, because the only measure we have is what it is going to cost us this year? What is the cash requirement this year to get out of this year so that we deal with this year's budget. We say that whatever is the encumbrance on the future, let the kids worry about that.

I want a system that is accountable. I want a system that tells me and all other Congressmen what the actual costs of our Federal programs are.

I do not think we have to cut Federal programs. I think that if we imposed financial management systems and good accounting systems, we would identify the real waste here in Congress and we would do what Peter Grace set out to do, and unfortunately the Grace Commission with all those volumes are now hostage to politics, sitting somewhere on a shelf.

So not to belabor the point, because I will be here tomorrow with many of my colleagues to deal with the issue, we need accounting reforms. We need generally accepted accounting principles. We need a capital budget.

We do not differentiate what we pay to the toll collector on a bridge from the bridge. It is all in one big pot. We make no discretion or discretionary choices on that.

It is difficult for us to pan when we do not separate what we spend for capital items and what we spend for current consumption.

We need budget reform. We need a new concept. It is called zero base budgeting.

Why should someone be entitled to what they got last year, plus 2 or 5 percent? But that is the mentality we have here in Washington.

We have the bureaucrats saying, "Hey, I know that if I spend what I was given last year, I'm going to get that back, plus maybe an override."

We have conditioned everybody to spend here in Washington. We have got to go back to something called zero base budgeting. Go back to the first dollar. Have each agency and department justify their needs, including the military, from the first dollar up.

Let us build a house from the foundation up, not a budget process which is from the fifth floor down. It makes no sense. We have got to change that.

We need to buy a new budget. We waste too much time here talking about budgeting and after we get a budget resolution, what do you have? You have heroes the next day on the floor looking for continuing resolutions and supplemental budgets.

So why do we need a budget to begin with? I say we do need one, but do it every 2 years. Give us the chance to really examine the budget from the ground floor up and make meaningful choices, set priorities.

Finally, the third leg on the tripod, financial management systems. We need to know more about how that trillion dollars is spent, how well it is managed. We need to know about receipts. When the IRS and the Treasury Department gets its money, is it making a deposit that day?

I still hear stories from my accounting friends that sometimes it is 2 or 3 weeks before the IRS deposits a check. Is that financial management? And they want to come back to us for more money when they need it for administrative purposes?

We need it on payments. Do we take the discounts we are entitled to by making our payments on time?

On assets, do we really have the control around all the equipment that we buy, the military and other agencies? Not from position on the Government Operations Committee, not the war stories I keep hearing every time we have a meeting.

These are just some of the things that I would put forward.

So we need to do more. It is important for two basic reasons, and I will conclude on this note. Congressman must know the full costs of the legislation they are passing so that they can make meaningful choices. They do not now get that information. We cannot now make meaningful choices because we do not have a data base. There is not meaningful, timely information, given to Congressmen here as decisionmakers.

More than that, the taxpayers need to know what they are passing on to their children, because literally what we do not raise in tax revenues and we allow the Treasury to borrow, as we are going to do tomorrow when they raise that debt limit, that is encumbering future revenue. We are really raising taxes, but we are not raising taxes this year. We are forcing future generations to raise taxes, and it is not right.

My friends, King George is back. The Stamp Act is back. We have got taxation without representation, because our kids cannot vote, and yet they will have to pay for the excesses of our standards of living today.

So, Mr. Speaker, I would say that it is time to get back to common sense, to get back to the things that we in Government impose on the private sector. Let us have one standard. If through the SEC we are going to tell public corporations to use meaningful accounting systems, to have outside audits, let us do it ourselves when we sell bonds, when we go to the American public to raise the money that we seem to need to balance the budget here.

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The SPEAKER pro tempore. Under a previsous order of the House, the gentleman from Massachusetts [Mr. Frank] is recognized for 60 minutes.

[Mr. FRANK addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Lent] is recognized for 60 minutes.

[Mr. LENT addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Gaydos] is recognized for 60 minutes.

[Mr. GAYDOS addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. Burton] is recognized for 60 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Gonzalez] is recognized for 60 minutes.

[Mr. GONZALEZ addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

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## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Gallegly) to revise and extend their remarks and include extraneous material:)

Mr. DeLay, for 60 minutes, on August 6.

Mr. Gekas, for 5 minutes, today.

Mr. Boulter, for 60 minutes, on September 16.

(The following Members (at the request of Mr. Gray of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Stark, for 5 minutes, today.

Mr. Gonzalez, for 60 minutes each day, on today and August 6.

Mr. Dymally, for 60 minutes, on September 10.

Mr. Conyers, for 60 minutes on September 10.

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## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Murphy, on the Markey amendment to H.R. 1315 in the Committee of the Whole today.

Mr. Weiss, in Committee of the Whole, today, immediately prior to vote on Markey amendment.

(The following Members (at the request of Mr. Gallegly) and to include extraneous matter:)

Mr. Gilman in two instances.
Mr. Schuette.
Mr. Michel in two instances.
Mr. Sundquist.
Mr. McDade.
Mr. Dannemeyer.
Mr. Green.
Mr. Gunderson in two instances.
Mr. Saxton.
Mr. Duncan.
Mr. Hefley.
Mr. Lagomarsino in two instances.
Mr. Schulze.
Mr. Crane.
Mr. Lightfoot.
Mr. Lent.
Mr. McEwen in two instances.
Mr. Bereuter in three instances.
Mrs. Bentley.

(The following Members (at the request of Mr. Gray of Illinois) and to include extraneous matter:)

Mr. Applegate.
Mr. Donnelly.
Mr. Spratt.
Mr. Hoyer.
Mr. de Lugo.
Mr. Daniel.
Mr. Lantos in three instances.
Mr. Martinez in two instances.
Mr. Montgomery in two instances.
Mr. Rodino in two instances.
Mr. Vento.
Mr. Miller of California in two instances.
Mr. Obey.
Mr. Lipinski.
Mr. Morrison of Connecticut.
Mr. Fascell in two instances.
Mr. Tauzin.
Mr. Kolter.
Mr. Feighan.
Mr. Garcia.
Mr. Torres.
Mr. Price of Illinois.
Mr. Hamilton.
Mr. Mavroules.
Mrs. Collins of Illinois.
Mr. Scheuer.
Mr. LaFalce.
Ms. Oakar.
Mr. Rangel in two instances.
Mr. Studds.
Mr. Hubbard.

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## ADJOURNMENT

Mr. DioGUARDI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Thursday, August 6, 1987, at 10 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1903. A letter from the Administrator, Panama Canal Commission, transmitting a report of a violation of an overobligation of an expense item in the Administrator's reception and representation account, pursuant to 31 U.S.C. 1351; to the Committee on Appropriations.

1904. A letter from the Secretary of Education, transmitting a copy of final regulations for the Income Contingent Loan Program, pursuant to 20 U.S.C. 1232(d)(i); to the Committee on Education and Labor.

1905. A letter from the Secretary of Education, transmitting a copy of final regulations—Cooperative Education Program and Supplemental Funds Program for cooperative education, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1906. A letter from the Chairman, Federal Communications Commission, transmitting a report on alternative means of administering and enforcing the fairness doctrine, pursuant to Public Law 99-500; to the Committee on Energy and Commerce.

1907. A letter from the Director, Defense Security Assistance Agency, transmitting notification that as of July 10, 1987, the Department of Defense has provided the defense articles, services and training to Honduras, as listed therein, under the authority of Presidential Determination 86-8, dated March 25, 1986, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on Foreign Affairs.

1908. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions by Peter R. Sommer, of the District of Columbia, Ambassador-designate, Extraordinary and Plenipotentiary to the Republic of Malta and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1909. A letter from the Deputy Administrator, Agency for International Development, transmitting the reasons for continuing AID-funded private voluntary organization activity in Argentina, pursuant to 22 U.S.C. 2151u(e); to the Committee on Foreign Affairs.

1910. A letter from the Assistant Secretary Legislative and Intergovernmental Affairs, Department of State, transmitting the Department's semiannual report on the progress of construction in Moscow, pursuant to Public Law 99-500; to the Committee on Foreign Affairs.

1911. A letter from the Plan Administrator, Eighth Farm Credit District Employee Benefit Trust, transmitting the banks 1986 annual pension plan reports, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1912. A letter from the Plan Administrator, Farm Credit Banks of Jackson, transmitting the 1986 annual pension plan reports for the Farm and Credit and the Production Credit Associations' retirement plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1913. A letter from the Benefits Manager, Freddie Mac, transmitting the Corporation's 1986 annual report on its employees' pension plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1914. A letter from the Acting Archivist, National Archives and Records Administration, transmitting the second annual report of the Archivist for fiscal year 1986, pursuant to 44 U.S.C. 2106; to the Committee on Government Operations.

1915. A letter from the Secretary, Railroad Retirement Board, transmitting the Board's determination to use procedures other than competitive in the award of a contract, pursuant to 41 U.S.C. 253(c)(7); to the Committee on Government Operations.

1916. A letter from the Acting Chairman, Securities and Exchange Commission, transmitting the Commission's annual report on the Government in the Sunshine Act for calendar year 1986, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1917. A letter from the Assistant Secretary for Administration, Smithsonian Institution, transmitting the 1986 annual pension report for the Smithsonian Institution, the Woodrow Wilson International Center for Scholars, and Reading is Fundamental, to the Committee on Government Operations.

1918. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1919. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend the Comprehensive Crime Control Act of 1984 to provide for an orderly transition into sentencing with guidelines and for other purposes; to the Committee on the Judiciary.

1920. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend title 15, United States Code, to authorize buying power maintenance accounts within the Department of Commerce; jointly, to the Committees on Energy and Commerce and Foreign Affairs.

1921. A letter from the Assistant Secretary of Treasury, transmitting the notice required by 5 U.S.C. 8348(i)(2) and 5 U.S.C. 8438(i)(2) that in the absence of a debt limit increase by August 6, the Treasury will be unable to invest or roll over maturing investments of trust funds and other Government accounts, including the civil service retirement fund of the Federal employees' retirement system; jointly, to the Committees on Post Office and Civil Service and Ways and Means.

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## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 25. A bill to amend title 5, United States Code, to strengthen the protections available to Federal employees against prohibited personnel practices, and for other purposes; with an amendment (Rep. 100-274). Referred to the Committee of the Whole House on the State of the Union.

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## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL:

H.R. 3100. A bill to authorize international security and development assistance programs and Peace Corps programs for fiscal years 1988 and 1989, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GIBBONS (for himself, Mr. Pickle, Mr. Rangel, Mr. Ford of Tennessee, Mr. Downey of New York, Mr. Guarini, Mr. Matsui, Mr. Anthony, Mr. Vander Jagt, Mr. Crane, Mr. Frenzel, Mr. Schulze, Mr. Fascell, Mr. Bereuter, Mr. Towns, Mr. Fauntroy, Mr. Gray of Pennsylvania, Mr. de Lugo, Mr. Savage, Mr. Inhofe, Mr. Rodino, Mr. Miller of Washington, Mr. Lagomarsino, Mr. Crockett, Mr. Mfume, Mr. Pursell, and Mr. Dymally):

H.R. 3101. A bill to remove the operation of the Caribbean Basin Economic Recovery Act; to the Committee on Ways and Means.

By Mr. CONYERS:

H.R. 3102. A bill to amend the Federal Rules of Criminal Procedure with respect to the timing of the court's instructions to the jury; to the Committee on the Judiciary.

By Mr. EDWARDS of Oklahoma:

H.R. 3103. A bill providing for resolutions making continuing appropriations for a fiscal year to be delivered to the President as a series of separate resolutions; to the Committee on Rules.

H.R. 3104. A bill to require a 60-percent majority vote of the Senate and House of Representatives for passage of a resolution making continuing appropriations for a fiscal year; to the Committee on Rules.

By Mr. JONES of North Carolina (for himself, Mr. Biaggi, Mr. Anderson, Mr. Davis of Michigan, and Mr. Lent):

H.R. 3105. A bill to revise, consolidate, and enact certain laws related to maritime commercial instruments and liens and public vessels and goods as chapters 313 and 315 of title 46, United States Code, "Shipping"; to the Committee on Merchant Marine and Fisheries.

H.R. 3106. A bill to revise, consolidate, and enact certain maritime laws as subtitles I and IV-VI and chapters 106 and 125 of title 46, United States Code, "Shipping", to revise chapter 121 of title 46, and to make other necessary technical and conforming revisions; to the Committee on Merchant Marine and Fisheries.

By Mr. CALLAHAN (for himself, Mr. Nichols, and Mr. Erdreich):

H.R. 3107. A bill to provide Federal recognition of the Mowa Band of Choctow Indians of Alabama; to the Committee on Interior and Insular Affairs.

By Mr. de la GARZA:

H.R. 3108. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to extend for 1 year the term of the Scientific Advisory Panel under that act; to the Committee on Agriculture.

By Mr. DORNAN of California (for himself and Mr. Weber):

H.R. 3109. A bill to prohibit certain health care facilities from withholding from patients of such facilities food, water, nourishment, and hydration, if such withholding would cause the death of patients; to the Committee on Energy and Commerce.

By Mr. FLORIO:

H.R. 3110. A bill to amend the Clean Air Act to require the Environmental Protection Agency to establish a standard for exposure to radon in indoor environments; to the Committee on Energy and Commerce.

By Mr. GUNDERSON:

H.R. 3111. A bill to appropriate funds for the improvement project for the Kickapoo River, WI; to the Committee on Appropriations.

By Mr. MILLER of California (for himself, Mr. Ackerman, Mr. Bates, Mr. Bennett, Mr. Berman, Mr. Biaggi, Mr. Bilbray, Mrs. Boxer, Mr. Brown of California, Mr. Bustamante, Mr. Clay, Mr. Conyers, Mr. Dellums, Mr. de Lugo, Mr. Edwards of California, Mr. Evans, Mr. Fauntroy, Mr. Fazio, Mr. Florio, Mr. Ford of Michigan, Mr. Frank, Mr. Garcia, Mr. Gray of Illinois, Mr. Hall of Ohio, Mr. Henry, Mr. Howard, Mr. Kildee, Mr. Kostmayer, Mr. Lancaster, Mr. Levine of California, Mr. Lewis of Georgia, Mr. Martinez, Mr. McCloskey, Mr. Moody, Mr. Morrison of Connecticut, Ms. Oakar, Mr. Oberstar, Mr. Owens of New York, Mr. Rodino, Mr. Sikorski, Mr. Smith of New Jersey, Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Torres, Mr. Towns, Mr. Traficant, Mr. Traxler, Mr. Visclosky, Mr. Waxman, Mr. Williams, Mr. Wilson, Mr. Wolpe, Mr. Weiss, and Mr. Lipinski):

H.R. 3112. A bill to prohibit the importation into the United States of items made by child labor which is in violation of internationally recognized child labor rights; jointly, to the Committees on Ways and Means and Foreign Affairs.

By Mr. MONTGOMERY (for himself and Mr. Solomon) (both by request):

H.R. 3113. A bill to amend title 38, United States Code, to provide certain additional protection from reduction for the disability ratings of veterans with service-connected disabilities rated total for not less than 10 years; to the Committee on Veterans' Affairs.

H.R. 3114. A bill to amend title 38 of the United States Code, in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 3115. A bill to amend title 38, United States Code, to reduce from 10 years to 5 years the period of continuous total service-connected disability of a veteran immediately preceding death required for purposes of entitlement of the veteran's surviving spouse to so-called presumptive dependency and indemnity compensation; to the Committee on Veterans' Affairs.

H.R. 3116. A bill to amend title 38, United States Code, to extend from 60 days to 120 days the period between notice and effective date for certain reductions and discontinuations of Veterans' Administration monetary benefits; to the Committee on Veterans' Affairs.

H.R. 3117. A bill to amend title 38, United States Code, to extend from 1 year to 3 years the period after separation from service during which the conditions of Hodgkin's disease and leukemia occuring in a veteran shall be presumed to be service-connected; to the Committee on Veterans' Affairs.

By Mr. RICHARDSON:

H.R. 3118. A bill to designate the site of the Glorieta Battle in the Civil War as a national historic site; to the Committee on Interior and Insular Affairs.

By Mr. ROSE (for himself, Mr. Dellums, Mr. Mrazek, Mr. Dornan of California, Mr. Synar, Mrs. Schroeder, and Mrs. Boxer):

H.R. 3119. A bill to amend title 35 of the United States Code to prohibit the patenting of genetically altered or modified animals; to the Committee on the Judiciary.

By Mr. WAXMAN (for himself and Mr. Kastenmeier):

H.R. 3120. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize abbreviated new animal drug applications and to amend title 35, United States Code, to authorize the extension of the patents for animal drug products; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. ANTHONY (for himself, Mr. Andrews, Mrs. Kennelly, Mr. Downey of New York, Mr. Gradison, Mr. Guarini, Mr. Brown of Colorado, Mr. Matsui, Mr. Daub, Mr. Schulze, Mr. McGrath, Mr. Archer, Mr. Gregg, Mr. Dorgan of North Dakota, Mr. Vander Jagt, Mr. Mineta, Mr. Crane, Mr. Jacobs, Mr. Pickle, Mr. Duncan, Mr. Thomas of California, Mr. Gephardt, Mr. Flippo and Mr. Frenzel):

H.R. 3121. A bill to amend the Internal Revenue Code of 1986 with respect to the allocation of research and experimental expenditures; to the Committee on Ways and Means.

By Mr. DARDEN (for himself and Mr. Jenkins):

H.R. 3122. A bill to direct the Secretary of the Interior to convey certain lands and facilities in Whitfield County, GA, to the University of Georgia; to the Committee on Merchant Marine and Fisheries.

By Mr. ECKART:

H.R. 3123. A bill to create an independent oversight board to ensure the safety of U.S. Government nuclear facilities, to apply the provisions of OSHA to certain Department of Energy nuclear facilities, to clarify the jurisdiction and powers of Government agencies dealing with nuclear wastes, to ensure independent research on the effects of radiation on human beings, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Education and Labor.

By Mr. GEJDENSON:

H.R. 3124. a bill to amend the Energy Reorganization Act of 1974 to require Presidential appointment and Senate confirmation of the Executive Director for Operations of the Nuclear Regulatory Commission; to the Committee on Interior and Insular Affairs.

By Mr. HEFLEY:

H.R. 3125. a bill to amend title III of the Congressional Budget Act of 1974 to automatically reduce the pay of Members of Congress if, beginning with fiscal year 1992, Congress fails to adopt a concurrent resolution on the budget as required by such act, and for other purposes; jointly, to the Committees on Rules House Administration, and Post Office and Civil Service.

By Mr. McMILLEN of Maryland:

H.R. 3126. A bill to amend title 5, United States Code, with respect to the maximum rate of basic pay payable to civilian faculty members at the U.S. Naval Academy; to the Committee on Post Office and Civil Service.

By Mr. SCHULZE (for himself, Mr. Donald E. Lukens, Mr. Bevill, Mr. Davis of Illinois, and Mr. Regula):

H.R. 3127. A bill to provide authority for the negotiation of bilateral arrangements regarding imported steel products in order to implement effectively the national policy for the U.S. steel industry, and for other purposes; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 3128. A bill to amend the Internal Revenue Code of 1986 to impose an excise tax on an employer's cost of providing medical benefits to his employees and to amend the Social Security Act to provide support for hospitals in meeting indigent care costs; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DYMALLY:

H. Con. Res. 173. Concurrent resolution expressing the support of the Congress for the July 29, 1987, agreement between Sri Lanka and India, and commending the leaders of both those countries for reaching a peaceful agreement; to the Committee on Foreign Affairs.

By Mr. GINGRICH:

H. Res. 244. Resolution to direct the Committees on Standards of Official Conduct to further investigate the conduct of Representative Fernand J. St Germain; considered and not agreed to.

By Mr. LAGOMARSINO (for himself and Mr. Crockett):

H. Res. 245. Resolution expressing the sense of the House of Representatives on the occasion of the 25th anniversary of the independence of Jamaica; to the Committee on Foreign Affairs.

By Mr. RANGEL (for himself, Mr. Crockett, Mr. Mfume, Mr. Espy, Mr. Lewis of Georgia, and Mr. Hayes of Illinois):

H. Res. 246. Resolution to urge the Government of South Africa to indicate its willingness to engage in meaningful political negotiations with that country's black majority; to the Committee on Foreign Affairs.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

178. By the SPEAKER: Memorial of the Assembly of the State of California relative to handicapped children; to the Committee on Education and Labor.

179. Also, memorial of the Legislature of the State of Texas, relative to legislation to establish and fund the Medical Manhattan Project on AIDS; to the Committee on Energy and Commerce.

180. Also, memorial of the General Assembly of the State of Ohio, relative to corporations pension and insurance obligations of employees and retired employees; to the Committee on the Judiciary.

181. Also, memorial of the General Assembly of the State of Ohio, relative to funds for rehabilitating the locks and dams on the Muskingum River; to the Committee on Public Works and Transportation.

182. Also, memorial of the General Assembly of the State of Ohio, relative to the notch year retirees; to the Committee on Ways and Means.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 47: Mr. Bliley.

H.R. 74: Mr. Studds.

H.R. 378: Mr. Jontz.

H.R. 442: Mr. Anthony, Mr. Dannemeyer, Mr. Daub, Mr. Levin, of Michigan, Mr. Skaggs, Mr. Swindall, Mr. Gonzalez, and Mr. Davis of Illinois.

H.R. 622: Mr. Matsui, Mr. Flippo, and Mr. Wortley.

H.R. 639: Mr. Russo and Mr. Spratt.

H.R. 940: Mr. Wolpe, Mr. Owens of New York, and Mr. Gonzalez.

H.R. 1005: Mr. Towns, Mr. Gray of Pennsylvania, Mr. Dwyer of New Jersey, Mr. Dellums, Mr. Fauntroy, Mr. Conyers, Mr. Garcia, Mr. Wheat, Mr. Hayes of Illinois, Mr. Mfume, Mr. Bustamante, Mr. Martinez, Mr. Ackerman, Mr. Fazio, Mr. Lewis of Georgia, Mr. Solarz, Mr. Gibbons, Mr. Stark, Mr. Jenkins, Mr. Guarini, Mr. Matsui, Mr. Flippo, Mrs. Kennelly, Mr. Dorgan of North Dakota, Mr. Levin of Michigan, and Mr. Crockett.

H.R. 1313: Mr. Quillen, Mr. Lancaster, Mr. Mica, Mr. Lewis of California, Mr. McCandless, Mr. Nielson of Utah, Mrs. Collins, Mr. Grant, Mr. Emerson, Mr. Davis of Illinois, Mr. Sundquist, Mrs. Meyers of Kansas, Mr. Shumway, and Mr. Petri.

H.R. 1442: Mr. Traxler.

H.R. 1443: Mr. Sweeney.

H.R. 1546: Mr. Jontz.

H.R. 1597: Mr. Brennan.

H.R. 1604: Mr. DeLay.

H.R. 1710: Mr. Howard and Mr. Roe.

H.R. 1733: Mr. Kolter and Mr. Martinez.

H.R. 1759: Mr. Young of Alaska.

H.R. 1770: Mr. Howard.

H.R. 1885: Mr. Sensenbrenner.

H.R. 1932: Mr. Clarke.

H.R. 1940: Mr. Oberstar, Mr. Kennedy, Mr. Moody, Mr. St Germain, Mr. Fauntroy, Miss Schneider, Mr. Morrison of Connecticut, Mr. Berman, Mr. Edwards of California, Mr. Badham, Mr. Mineta, Mr. Martinez, Mr. Skelton, Mr. Cardin, Mrs. Kennelly, Mr. Kolbe, Mr. Akaka, Mr. Yates, Mr. Bliley, Mr. Johnson, of South Dakota, Mr. Garcia, Mr. Sikorski, and Mr. Solarz.

H.R. 1950: Mr. Cooper, Mr. Coyne, Mr. Dwyer of New Jersey, Mr. Eckart, Mr. Hatcher, Mr. Lipinski, Mr. McCloskey, Mr. Ortiz, Mr. Price of Illinois, Mr. Skaggs, Mr. Slattery, and Mr. Stark.

H.R. 2050: Mr. Andrews, Mrs. Boxer, Mr. Lehman of Florida, Mr. Waxman, Mr. Owens of New York, Mr. Martinez, Mr. Mrazek, Mr. Panetta, Mr. Wolpe, Mr. Gephardt, Mr. Yates, and Mr. Vander Jagt.

H.R. 2052: Mr. Bereuter.

H.R. 2063: Mr. Neal.

H.R. 2134: Mr. Foglietta, Mr. Thomas A. Luken, Mr. Martinez, Mr. Atkins, Mr. Lancaster, Mr. Markey, and Mr. Frank.

H.R. 2168: Mr. Wortley.

H.R. 2270: Mr. Brown of California.

H.R. 2532: Mr. Markey and Mr. DeFazio.

H.R. 2538: Mr. DeFazio and Mr. Dymally.

H.R. 2673: Mr. Atkins, Mr. DeWine, Mr. Feighan, Mr. Morrison of Connecticut, and Ms. Slaughter of New York.

H.R. 2692: Mr. Wolpe, Mr. Torricelli, and Mr. Manton.

H.R. 2694: Mr. Torricelli.

H.R. 2708: Mr. Boulter.

H.R. 2854: Mr. Downey of New York.

H.R. 2858: Mr. Davis of Illinois and Mr. Jontz.

H.R. 2859: Mr. Atkins.

H.R. 2911: Mr. Owens of New York.

H.R. 2989: Mr. Weiss and Mr. Towns.

H.R. 3001: Mr. Glickman.

H.R. 3023: Mr. Smith of Iowa, Ms. Pelosi, Mr. Morrison of Connecticut, Mr. Levin of Michigan, Mr. Fauntroy, Mr. Berman, and Mr. Frank.

H.R. 3071: Mr. Lewis of Georgia, Mr. Kennedy, Mr. Wheat, Mr. Gejdenson, Miss Schneider, and Ms. Oakar.

H.J. Res. 130: Mrs. Kennelly.

H.J. Res. 145: Mr. Montgomery.

H.J. Res. 152: Mr. Leland, Mr. Traxler, Mr. Conyers, Mr. DeFazio, and Mr. Roberts.

H.J. Res. 171: Mr. Schuette and Mr. DeLay.

H.J. Res. 180: Mr. Chapman, Mr. Wolpe, Mr. Grant, Mr. Spratt, Mr. Gibbons, Mr. Solarz, Ms. Slaughter of New York, Mr. Mica, Mr. Wheat, Mr. Dingell, Mr. Leland, Mr. Wilson, Mr. DeFazio Mr. Dicks, Mr. Hatcher, Mr. Bryant, Mr. Boland, Mr. Owens of Utah, and Mr. Leath of Texas.

H.J. Res. 193: Mr. Barnard, Mr. Daniel, Mr. Dowdy of Mississippi, Mr. Fascell, Mr. Ford of Tennessee, Mr. Hammerschmidt, Mr. Hughes, Mr. Latta, Mr. Lehman of Florida, Mr. McDade, and Mr. Rinaldo.

H.J. Res. 227: Mrs. Boxer, Mr. Clay, Mr. Mineta, Mr. Traxler, Mr. Lipinski, Mr. Fascell, Mr. de Lugo, Mr. Florio, Mr. Neal, Mr. Fauntroy, Mr. Howard, Mr. Coelho, and Mr. Aspin.

H.J. Res. 246: Mr. Flake, Mr. Akaka, Mr. Hefner, Mr. McGrath, Mr. Espy, Mr. Anderson, Mrs. Saiki, Mrs. Meyers of Kansas, Ms. Pelosi, Mr. Schuette, Mr. Atkins, Mr. Stokes, Mr. Erdreich, Mr. Kennedy, and Mr. de la Garza.

H.J. Res. 266: Mr. Daniel, Mr. Kolbe, Mr. Stratton, Mr. Aspin, Mr. Coats, Mr. Anderson, Mr. Frenzel, Mr. Sisisky, Mr. Fauntroy, and Mr. Studds.

H.J. Res. 268: Mr. Aspin.

H.J. Res. 276: Mr. Mfume, Mr. Savage, Mr. Flake, and Mr. Martinez.

H.J. Res. 288: Mr. Dwyer of New Jersey, Mr. Crockett, Mr. Biaggi, Mr. Atkins, Mr. Owens of New York, Mr. Evans, Mr. Conte, Mr. Lipinski, Mr. Clinger, Mr. Wolf, Mr. Erdreich, Mr. Espy, Mr. Dymally, Mr. Conyers, Mr. McDade, and Mr. de Lugo.

H.J. Res. 289: Mr. Buechner, Mr. Donnelly, Mr. Dwyer of New Jersey, Mr. Feighan, Mr. Foglietta, Mr. Garcia, Mr. Guarini, Mr. Jeffords, Mr. Murtha, Mr. Schuette, and Mr. Wortley.

H.J. Res. 297: Mr. Towns, Mr. Dymally, Mr. Emerson, Mr. Foley, Mr. Martinez, Mr. Morrison of Connecticut, Mr. Volkmer, Mr. Pickle, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Glickman, Mr. Gray of Illinois, Mr. Mazzoli, Mr. Shaw, Mr. Smith of Florida, Mr. Swindall, Mr. Synar, Mr. Howard, Mr. Montgomery, Mr. Frost, and Mr. Stark.

H.J. Res. 326: Mr. Torricelli, Mr. Montgomery, Mr. Fish, Mr. Walgren, Mr. Darden, and Mrs. Collins.

H.J. Res. 338: Mr. Ackerman, Mr. Akaka, Mr. Annunzio, Mr. Atkins, Mrs. Bentley, Mr. Berman, Mr. Bevill, Mr. Blaz, Mr. Bliley, Mr. Bonior of Michigan, Mr. Borski, Mr. Boucher, Mrs. Boxer, Mr. Broomfield, Mr. Bryant, Mr. Campbell, Mr. Carr, Mrs. Collins, Mr. Conyers, Mr. Cooper, Mr. Craig, Mr. Crockett, Mr. Daniel, Mr. Dannemeyer, Mr. Darden, Mr. Daub, Mr. Davis of Michigan, Mr. de la Garza, Mr. de Lugo, Mr. Derrick, Mr. DeWine, Mr. Dixon, Mr. Donnelly, Mr. Dornan of California, Mr. Dowdy of Missis-

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sippi, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. ESPY, Mr. FASCELL, Mr. FAZIO, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FOLEY, Mr. FORD of Michigan, Mr. FRENZEL, Mr. FROST, Mr. GARCIA, Mr. GORDON, Mr. GRANT, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. GUARINI, Mr. HANSEN, Mr. HASTERT, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HENRY, Mr. HERTEL, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUGHES, Mr. HUTTO, Mr. HYDE, Mr. JACOBS, Mrs. JOHNSON of Connecticut, Mr. KENNEDY, Mr. KILDEE, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. LEHMAN of California, Mr. LEVIN of Michigan, Mr. LEWIS of California, Mr. LEWIS of Georgia, Mr. LEWIS of Florida, Mrs. LLOYD, Mr. LUNGREN, Mr. McCLOSKEY, Mr. McDADE, Mr. McGRATH, Mr. MANTON, Mr. MARKEY, Mr. MATSUI, Mr. MFUME, Mr. MINETA, Mr. MOAKLEY, Mrs. MORELLA, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. MURPHY, Ms. OAKAR, Mr. OBERSTAR, Mr. OWENS of New York, Mrs. PATTERSON, Mr. PEPPER, Mr. PERKINS, Mr. PURSELL, Mr. RAHALL, Mr. RAVENEL, Mr. ROBINSON, Mr. RODINO, Mr. ROWLAND of Georgia, Mr. SABO, Mr. SAVAGE, Mrs. SCHROEDER, Mr. SCHUETTE, Mr. SHARP, Mr. SIKORSKI, Mr. SISISKY, Mr. SKELTON, Ms. SLAUGHTER of New York, Mr. SOLARZ, Mr. STOKES, Mr. TALLON, Mr. TAUKE, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAFICANT, Mr. TRAXLER, Mr. UPTON, Mr. VALENTINE, Mr. VANDER JAGT, Mr. WALGREN, Mr. WEISS, Mr. WELDON, Mr. WOLF, Mr. WOLPE, Mr. WORTLEY, Mr. YATES, Mr. YATRON, and Mr. YOUNG of Alaska.

H.J. Res. 346: Mrs. SAIKI.

H. Con. Res. 5: Mr. MORRISON of Connecticut, Mr. WALGREN, Mr. LEVINE of California, Mr. MOLINARI, and Mr. McCLOSKEY.

H. Con. Res. 108: Mr. LEHMAN of California and Mr. BRUCE.

H. Res. 141: Mr. FISH.

H. Res. 144: Mr. CONYERS, Mr. WHEAT, Mr. HAYES of Illinois, Mr. MFUME, Mr. FAUNTROY, Mrs. BOXER, Mr. GARCIA, Mr. OWENS of New York, Mr. ROYBAL, Mr. UDALL, Mr. MORRISON of Connecticut, Mr. MARTINEZ, Mrs. COLLINS, Mr. TOWNS, Mr. WISE, Mr. OBERSTAR, and Mr. GRAY of Pennsylvania.

H. Res. 192: Mr. BEREUTER and Mr. BILBRAY.

H. Res. 205: Mr. TORRICELLI.

## AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

### H.R. 2897

By Mrs. BYRON:

—Page 26, insert after line 8 the following:

SEC. 117. AVAILABILITY OF SPARE PARTS.

(a) AVAILABILITY STATEMENTS.—

(1) Sections 109 through 112 of the Magnuson-Moss Warranty—Federal Trade Commission Improvement Act (15 U.S.C. 2309-2312) are redesignated as sections 110 through 113, respectively, and such Act is amended by inserting after section 108 the following new section:

"AVAILABILITY OF SPARE PARTS

"SEC. 109. (a) Each manufacturer or supplier of a consumer product which provides the consumer a written warranty shall include, in accordance with rules of the Commission, with the warranty a statement of the period (if any) during which spare parts for the product will be available from the manufacturer after the expiration of the warranty.

"(b) The manufacturer or supplier of a consumer product which provides in accordance with subsection (a) a statement of the availability of spare parts for the product shall, if spare parts are not available from the manufacturer during the period specified in the statement, be liable in accordance with rules of the Commission for the replacement of the product.".

(2) Section 112(c)(2) of such Act (as so redesignated) is amended by striking out "section 109" and inserting in lieu thereof "section 110".

(b) EFFECTIVE DATE.—The amendments made subsection (a) shall apply with respect to warranties issued for consumer products after the expiration of one year from the date of the enactment of this Act.

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## REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

## REGISTRATIONS

The following registrations were submitted for the second calendar quarter 1987:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

**PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:**

**"PRELIMINARY" REPORT** ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

**"QUARTERLY" REPORT:** To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

# REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

| P | QUARTER | | | |
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| | 1st | 2d | 3d | 4th |
| | | | | |
| (Mark one square only) | | | | |

**IDENTIFICATION NUMBER**________________________

Is this an Amendment? ☐ YES ☐ NO

**NOTE on ITEM "A".**—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

## A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

**NOTE on ITEM "B".**—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

**B. EMPLOYER**—State name, address, and nature of business. If there is no employer, write "None."

**NOTE on ITEM "C".**—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

## C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."◆

STATEMENT OF VERIFICATION

[Omitted in printing]

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| Organization or Individual Filing | Employer/Client |
|---|---|
| Ablondi & Foster, P.C., 1776 K Street, NW, #606 Washington, DC 20006 | Rhone-Poulenc, Inc |
| Ad Hoc Coalition on International Electric Power Trade, 12800 Shaker Blvd. Cleveland, OH 44120-2099 | |
| Marsha Nye Adler, 1424 16th St., NW, #601 Washington, DC 20036 | People for the American Way |
| Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036 | Asamera Minerals (U.S.), Inc |
| Do | COMSAT Corp |
| Do | Pharmaceutical Manufacturers Assn |
| Do | United Illuminating Company |
| Do | Warner Lambert |
| Alcalde Henderson O'Bannon & Rousselot, 1901 N. Fort Myer Drive, #1204 Rosslyn, VA 22209 | Alliance for Responsible CFC Policy |
| Donald C. Alexander, Cadwalader Wickersham & Taft 1333 New Hampshire Ave., NW Washington, DC 20036 | Amsted Industries, Inc |
| Barbara Allen, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security & Medicare |
| Robert F. Allnut, 1100 15th St., NW, #900 Washington, DC 20005 | Pharmaceutical Manufacturers Assn |
| Christopher E. Anders, 1667 K Street, NW, #660 Washington, DC 20006 | Marlowe & Company (For:EXPEX, Inc) |
| A. Richard Anderson, Pillsbury Center, MS 3551 Minneapolis, MN 55402 | Pillsbury Company |
| Anderson Hibey Nauheim & Blair, 1708 New Hampshire Ave., NW Washington, DC 20009 | Seidman & Seidman/BDO |
| Do | TECO Transport & Trade Corp |
| Mark Andrews, 2550 M St., NW, #695 Washington, DC 20037 | Akai America, Ltd |
| Do | Association of Trial Lawyers of America |
| Do | Columbia, Inc |
| Do | CSX Corporation |
| Do | Freedom to Advertise Coalition |
| Do | Fuji Photo Film USA, Inc |
| Do | Hitachi Sales Corp of America |
| Do | Kenwood USA Corporation |
| Do | Mars, Inc |
| Do | Martin Marietta Corp |
| Do | Matsushita Electric Corp of America |
| Do | Maxell Corp of America |
| Do | Mitsubishi Electric Sales of America, Inc |
| Do | Nakamichi USA Corp |
| Do | National Gypsum Co |
| Do | NEC Electronics (USA) Inc |
| Do | Onkyo USA Corp |
| Do | Pioneer Electronics (USA), Inc |
| Do | Sansui Electronics Corp |
| Do | Sanyo Electronics, Inc |
| Do | Sharp Electronics Corp |
| Do | Sony Corp of America |
| Do | Toshiba America, Inc |
| Do | TDK USA Corp |
| Do | TEAC Corp of America |
| Do | US JVC Corporation |
| Do | Yamaha Electronics Corp |
| Andrews' Associates, Inc, 2550 M St., NW, #695 Washington, DC 20037 | Akai America, Ltd |
| Do | Association of Trial Lawyers of America |
| Do | Columbia, Inc |
| Do | CSX Corporation |
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| Do | Maxell Corp of America |
| Do | Mitsubishi Electric Sales of America, Inc |
| Do | Nakamichi USA Corp |
| Do | National Gypsum Co |
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| Do | Onkyo USA Corp |
| Do | Pioneer Electronics (USA), Inc |
| Do | Sansui Electronics Corp |
| Do | Sanyo Electronics, Inc |
| Do | Sharp Electronics Corp |
| Do | Sony Corp of America |
| Do | Toshiba America, Inc |
| Do | TDK USA Corp |
| Do | TEAC Corp of America |
| Do | US JVC Corporation |
| Do | Yamaha Electronics Corp |
| Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339 | Washington Gas Light Co |
| Aries Properties Inc, 111 South Tejon, #700 Colorado Springs, CO 80903 | |
| Carl F. Arnold, 617 Rivercrest Drive McLean, VA 22101 | Ashland Oil Co |
| Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036 | Asocolflores |
| Do | Business Roundtable |
| Do | Harris Bank Corp, Inc |
| Do | Resorts International, Inc |
| Do | Survival Technology, Inc |
| Milton F. Ashford, P.O. Box 24305 Oakland, CA 94623 | Clorox Company |
| APCO Associates, 1200 New Hampshire Ave., NW Washington, DC 20036 | Asocolflores |
| Do | Harris Trust & Savings |
| Do | Profilo Holding A.S. |
| Franklin Eugene Bailey, 1030 15th St., NW, #700 Washington, DC 20005 | National Cotton Council of America |
| Monica S. Baker, Foley and Company 206 G St., NE, #201 Washington, DC 20002 | Gray's Family Department Stores |
| Do | Polyphaser Corp |
| Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036 | Alamo Rent-A-Car, Inc |
| Do | Astroline Communications Co |
| Do | Beverly Enterprises, Inc |
| Do | Burlington Northern Railroad |
| Do | Uniden Corp of America |
| Baker & McKenzie, 815 Connecticut Ave., NW Washington, DC 20006 | Mitsubishi Electric Sales of America, Inc |
| Jacqueline Balk-Tusa, 2550 M St., NW, #695 Washington, DC 20037 | Akai America, Ltd |
| Do | Association of Trial Lawyers of America |
| Do | Columbia, Inc |
| Do | CSX Corp |
| Do | Freedom to Advertise Coalition |
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| Do | Mars Co |
| Do | Martin Marietta Corp |
| Do | Matsushita Electric Corp of America |
| Do | Maxell Corp of America |
| Do | Mitsubishi Electric Sales of America, Inc |
| Do | Nakamichi USA Corp |
| Do | National Gypsum Co |
| Do | NEC Electronics (USA) Inc |
| Do | Onkyo USA Corp |
| Do | Pioneer Electronics (USA), Inc |
| Do | Sansui Electronics Corp |
| Do | Sanyo Electronics, Inc |
| Do | Sharp Electronics Corp |
| Do | Sony Corp of America |

| Organization or Individual Filing | Employer/Client |
|---|---|
| Do | Toshiba America, Inc |
| Do | TDK USA Corp |
| Do | TEAC Corp of America |
| Do | US JVC Corporation |
| Do | Yamaha Electronics Corp |
| Charles E. Ball Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004 | National Cattlemen's Assn |
| Graeme Bannerman, 9108 Parliament Drive Burke, VA 22015 | Embassy of Lebanon |
| Barnett Sivon Schott & Shay, P.C., 1090 Vermont Ave., NW, #810 Washington, DC 20005 | Investors in Industry |
| Brenda Barnicle, 7301 Pinehurst Parkway Chevy Chase, MD 20815 | Edward Blankstein, Inc |
| Baumbach & Fisher Assoc., Inc, 1900 S. Harbor City Blvd. Melbourne, FL 32901 | Etradiction Corp of America |
| Beer Institute, 1750 K St., NW, #500 Washington, DC 20006 | |
| Peter M. Belanger, 1220 L St., NW Washington, DC 20005 | American Petroleum Institute |
| James P. Bellis, 1629 K St., NW, #1100 Washington, DC 20006 | Palumbo & Cerrell, Inc (For:Altantic Ritchfield Co) |
| Pamela M. Berkwitz, 1200 Peavey Building Minneapolis, MN 55479-1032 | Norwest Corporation |
| Berman Bergner & Boyette, 1016 16th Street, NW, #700 Washington, DC 20036 | First Boston Corp |
| Do | Galesi Group |
| Robert D. Billings, 6901 Ontario Street Springfield, VA 22152 | American Conservative Union |
| Leon G. Billings, Inc, 1660 L St., NW, #809 Washington, DC 20036 | Coalition for Scenic Beauty |
| Bishop Cook Purcell & Reynolds, 1200 17th Street, NW, #700 Washington, DC 20036 | Akhiok-Kaguyak, Inc |
| Do | Americans Against Socialized Medicine |
| Do | BATUS, Inc |
| Do | Mobil Oil Corp, et al. |
| Do | Washington Public Power Supply System |
| Gordon B. Bluechel, 9805 Avondale Rd., E214 Redmond, WA 98052 | Gordon Bluechel & Associates, Inc |
| Gordon Bluechel & Associates, Inc, T.L.P.O. Box 8006 Kirkland, WA 98034 | International Services, Inc |
| George H. Bohlinger III, 1015 18th St., NW, #400 Washington, DC 20036 | Domino's Pizza, Inc |
| Carol Bok, 1133 15th St., NW, #640 Washington, DC 20005 | American Logistics Association |
| Richard H. Bornemann, 410 First Street, SE Washington, DC 20003 | United Illuminating Co |
| John Bowers Jr., 815 16th Street, NW Washington, DC 20006 | International Longshoremen's Assn, AFL-CIO |
| Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006 | Austin Capital Metropolitan Authority |
| Do | Coalition of Funeral Directors |
| Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036 | Coin Coalition |
| Do | Doctor's Pharmacy |
| Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005 | Murry's, Inc |
| Do | Temistocles Ramirez |
| William M. Brodhead, 900 Marquette Building Detroit, MI 48226 | Murray & Scheer (for: Lightning Location & Protection, Inc) |
| Do | Murray & Scheer (for: PHP Healthcare Corp) |
| Do | Plunkett & Cooney (for: Humane Soc of the U.S.) |
| Do | Plunkett & Cooney (for: Michigan Humane Soc) |
| Robert M. Brooks, 206 G St., NE Washington, DC 20002 | Automated Business Management Systems, Inc |
| Do | Computer Dynamics & Aeronautics Corp |
| Do | DCL Industries |
| Do | Military Impacted Schools Assn |
| Cynthia L. Brown, 1110 Vermont Ave., NW, #1250 Washington, DC 20005 | Shipbuilders Council of America |
| Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005 | Universal Furniture Limited |
| Don C. Buchanan, 1750 New York Ave., NW Washington, DC 20006 | Sheet Metal Workers International Assn |
| Roy C. Buckner, 1090 Vermont Ave., NW, #1100 Washington, DC 20005 | Bell Helicopter Textron, Inc |
| Lon Burnam, 6220 Gaston Ave., #609 Dallas, TX 75214 | Sierra Club |
| Burridge Associates, 1612 K St., NW, #204 Washington, DC 20006 | FMC Corporation |
| Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036 | Epson America, Inc |
| Do | Harcourt Brace Jovanovich, Inc |
| Busby Rehm and Leonard, P.C., 1330 Connecticut Ave., NW, #200 Washington, DC 20036 | Texas Assn of Steel Importers |
| BMc Strategies, Inc, 18 Muzzey Street Lexington, MA 02173 | New Hampshire Yankee |
| Christopher G. Caine, 1801 K St., NW, #1200 Washington, DC 20006 | IBM Corp |
| James D. Calaway, 2011 Crystal Drive, #903 Arlington, VA 22202 | Space Industries, Inc |
| Karen J. Callaghan, 48 Soundview Drive Northport, NY 11768 | |
| Jeanne Campbell, Campbell-Raupe, Inc 1015 15th Street, NW, #907 Washington, DC 20005 | Air Transport Assn of America |
| Do | Securities Industry Assn |
| John G. Campbell, 9418 Wooded Glen Ave. Burke, VA 22015 | General Motors Corp |
| Do | National Civic Crusade for Panama |
| Robert P. Canavan, 1909 K St., NW Washington, DC 20049 | American Assn of Retired Persons |
| Howard W. Cannon & Associates, 499 South Capitol St., SW, #400 Washington, DC 20003 | Rockwell International Corp |
| Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002 | Saatchi & Saatchi Compton Worldwide |
| Do | Technicon Data Systems Corp |
| Do | Thompson Medical Co |
| Do | University of Arizona |
| Caplin & Drysdale, Chtd, One Thomas Circle, NW Washington, DC 20005 | Government of the Philippines |
| Maurice E. Carino Jr., 1000 16th St., NW, #800 Washington, DC 20036 | Bethleham Steel Corp |
| Robert E. Carlstrom Jr., 1627 K Street, NW, #200 Washington, DC 20006 | Fluor Corporation |
| Carroll Sain & Epstein, 55 East Monroe Chicago, IL 60603 | RAM, Inc |
| Daniel L. Casey, SA East Curtis Avenue Alexandria, VA 22301 | American Conservative Union |
| Cassidy and Associates, Inc, Metropolitan Square 655 15th St., NW, #1100 Washington, DC 20005 | J & B Management Co |
| Do | Louisiana Public Facilities Authority |
| Do | Loyola Marymount University |
| Do | Martha Graham Center of Contemporary Dance, Inc |
| Do | Medical College of Pennsylvania |
| Do | Medical University of South Carolina |
| Do | Saint Joseph's University |
| Do | University of Hawaii |
| Do | University of Utah |
| Do | Wertheim Schroder & Co, Inc |
| Do | West Virginia University |
| Do | Wojdak & Assocs, Inc for: Children's Hospital of Pittsburgh |
| Deborah M. Chalfie, 1319 F St., NW, #300 Washington, DC 20004 | Halt, Inc |
| Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006 | Coalition of State Employment Security Agencies |
| Scott Charles Clarkson, 333 Pennsylvania Ave., SE Washington, DC 20003 | Congress of American Homeowners |
| Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036 | Ministry of Finance & Public Credit of the United Mexican St |
| Coalition Against Takeover Abuse, 1800 M St., NW, #900N Washington, DC 20036 | |
| Cole & Corette, P.C., 1100 Vermont Avenue, NW, #900 Washington, DC 20005 | Ad Hoc Ski Boot Committee |
| Collier Shannon Rill & Scott, 1055 Thomas Jefferson St., NW, #308 Washington, DC 20007 | Alliance for Capital Access |
| Do | PetroJam, Ltd |
| Lori A. Comeau, 2550 M Street, NW, #640 Washington, DC 20037 | CF Industries, Inc |
| Cheryl L. Cook, 600 Maryland Ave., SW, #202W Washington, DC 20024 | Farmers' Educational & Co-operative Union of America |
| Kevin C. Cooper, 414 Ridge Road, #12 Greenbelt, MD 20770 | Edward Blankstein, Inc |
| Roger C. Courtney, 1401 New York Ave., NW, #1200 Washington, DC 20005-2187 | Franklin Diagnostics, Inc |
| Philip E. Couture, 4861 Claradale Toledo, OH 43614 | Couture Associates |
| Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044 | Brown Brothers Harriman & Co |
| Do | Facemate Corp |
| Do | Georgia-Pacific Corp |
| Do | International Paper Co |
| Do | Scott Paper Co |
| Mark D. Cowan, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Ministry of Foreign Affairs, Government of Iceland) |
| Jerry W. Cox, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Commonwealth Financial Group) |
| Do | Hill & Knowlton, Inc (For:Fleischmann's Yeast) |
| Kevin J. Coyle, 801 Pennsylvania Ave., SE, #303 Washington, DC 20003 | American Rivers |
| Bruce Craig, P.O. Box 677 Harpers Ferry, WV 25425 | National Parks & Conservation Association |
| Robin Crawford, Box M Allentown, PA 18105-5000 | Mack Trucks, Inc |
| Patricia Cregan, 1100 Connecticut Ave., NW Washington, DC 20036 | Chrysler Corporation |
| Richard E. Cristol, 1101 15th St., NW, #202 Washington, DC 20005 | National Assn of Margarine Manufacturers |
| Charles H. Cromwell, Inc, 6709 Georgia St. Chevy Chase, MD 20815 | EDO Corp |
| John M. Cross, 1015 18th St., NW, #702 Washington, DC 20036 | ISFA Corporation |
| Cushman Darby & Cushman, 1615 L St., NW, 11th Floor Washington, DC 20036 | Holland Sweetener Co |
| Ross H. Cutmore, Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Algoma Steel Corp, Ltd |

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| D'Amour & Doyle, Inc, 1156 15th St., NW. #1100 Washington, DC 20005 | New England Assn of Business, Industry & Rehabilitation, Inc |
| Susan Dahlquist, 1300 19th St., NW, #501 Washington, DC 20036 | National Committee to Preserve Social Security |
| James H. Davidson, 1250 Connecticut Ave., NW, #650 Washington, DC 20036 | American Advertising Federation |
| Do | American Assn of Advertising Agencies |
| Do | Association of National Advertisers |
| Do | National Assn of Broadcasters |
| Davis Polk & Wardwell, 1575 Eye St., NW Washington, DC 20005 | American Inst of Certified Public Accountants |
| Davis Wright & Jones, 1752 N St., NW, #800 Washington, DC 20036 | Pacific Northwest Coalition for Maritime Law Reform |
| Brenda T. Day, 655 15th St., NW, #300 Washington, DC 20005 | Armtek Corp |
| Dona M. De Carolis, 20 Black Oak Mews Newton, PA 18940 | Philadelphia Maritime Exchange |
| Philip De Marigny, 1635 North Oak St. Arlington, VA 22209 | Edward Blankstien, Inc |
| Debevoise & Plimpton, 555 13th Street, NW Washington, DC 20004 | Westpac Banking Corp |
| Robin Deck, 1155 15th St., NW, #400 Washington, DC 20005 | Hospital Corp of America |
| Willard L. Demory, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Commonwealth Financial Group) |
| Connie Denzer, 6517 City West Parkway Eden Prairie, MN 55344 | Crop Insurance Research Bureau |
| Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW Washington, DC 20006 | Arctic Alaska Seafoods, Inc |
| Do | Dolco Packaging Corp |
| Do | Health Insurance Assn of America |
| Do | Hospital Coalition |
| Do | Household International |
| Do | Mutual Life Insurance Co of New York |
| Do | Pfizer, Inc |
| Do | Potlatch Corp |
| Do | Squibb Corporation |
| Do | Tribune Broadcasting Co |
| Beth DeGrasse, 100 Maryland Ave., NE Washington, DC 20002 | Council for a Livable World |
| Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036 | United Technologies Corporation |
| Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037 | Avondale Industries, Inc |
| Do | Technomed |
| Diepenbrock Wulff Plant & Hannegan, 300 Capitol Mall, 17th Floor Sacramento, CA 95814 | St. Elizabeth Community Hospital |
| Gloria Dittus, 1111 19th St., NW Washington, DC 20036 | Edison Electric Institute |
| J. Graham Dodson, P.O. Box 21106 Shreveport, LA 71156 | Southwestern Electric Power Co |
| Margarite Donoghue, 729 8th St., SE, #200 Washington, DC 20003 | FARO-AIDS Action Council |
| Russell E. Dougherty, P.O. Box 9346, 8280 Greensboro Dr McLean, VA 22102 | Military Impacted School Districts Assn |
| Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037 | Asia North America Eastbound Rate Agreement |
| Do | Directors Guild of America |
| Do | Greece/U.S. Atlantic & Gulf Conference |
| Do | Home Shopping Network, Inc |
| Do | Israel Eastbound Conference |
| Do | Israel Westbound Conference |
| Do | Masstock (International) Ltd |
| Do | Mediterranean North Pacific Coast Freight Conference |
| Steve Doyle, 5205 Leesburg Pike, #505 Falls Church, VA 22041 | National Beer Wholesalers' Assn |
| John Dudinsky Jr., 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002 | AMSPEC |
| Do | Harris/3-M Document Products, Inc |
| Do | Lantana Boatyard, Inc |
| Duncan Allen & Mitchell, 1575 Eye Street, NW Washington, DC 20005 | Cecil Saydah Co |
| Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #300 Washington, DC 20036 | Lake Andes-Wagner Water Systems, Inc |
| Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037 | Allscrips, et al. |
| Do | ARCO Marine Co, Inc |
| William A. Edwards, 201 Massachusetts Ave., NE Washington, DC 20002 | New Hampshire Yankee |
| Electronic Industries Assn, 2001 Eye St., NW Washington, DC 20006 | |
| Mark G. Ellis, 1920 N St., NW Washington, DC 20036 | American Mining Congress |
| J. Terry Emerson, 3700 Maryland Street Alexandria, VA 22309 | China External Trade Development Council |
| Randy Eminger, 5205 West 37th Street Amarillo, TX 79109 | Southwestern Public Service Co |
| Gary D. Engebretson, 1350 New York Ave., NW, #200 Washington, DC 20005 | Contract Services Assn |
| Cheryl Anthony Epps, 13 Firstfield Road Gaithersburg, MD 20878 | International Assn of Chiefs of Police |
| Epstein Becker Borsody & Green, P.C., 1140 19th St., NW, #900 Washington, DC 20036 | American Bankers Assn |
| Frank J. Farfone, 1800 M St., NW, #700 South Washington, DC 20036 | Dow Chemical USA |
| J. Dent Farr, 2000 M St., NW, #550 Washington, DC 20036 | North American Telecommunications Assn |
| Sarah Farrell, 1730 K St., NW, #1100 Washington, DC 20006 | National Treasury Employees Union |
| Federal Land Bank Assn of Texas Stockholders Defense Fund, P.O. Box 1528 Jacksonville, TX 75766 | |
| Federation of Employees Union Local 1027, 274 Central Avenue Orange, NJ 07050 | |
| William Ferguson Jr., 1730 Rhode Island Ave., NW, #400 Washington, DC 20036 | City of Santa Ana |
| Fierce & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037 | Apex Marine Corp |
| Do | AB Hagglund & Sonar |
| Do | Bollinger Machine Shop & Shipyard |
| Do | Spar Aerospace, Ltd |
| Marshall S. Filler, 2033 M Street, NW, #700 Washington, DC 20006 | National Business Aircraft Assn |
| Finley Kumble Wagner Heine Underberg Manley Myerson & Casey, 1120 Connecticut Ave., NW, 10th Floor Washington, DC 20036 | Ashland Oil, Inc |
| Do | Asociacion de Empresas RENFE/Patentes TALGO, S.A. |
| Do | Caribbean Tubular Co, Inc |
| Do | Loyola University |
| Do | Lutheran Health Systems |
| Do | Pennington Biomedical Complex Foundation |
| Do | Southwest Organ Bank, Inc |
| Carlton W. Fish, P.O. Box 35106 Minneapolis, MN 55435 | American Collectors Assn |
| Mary Clare Fitzgerald, 1025 Thomas Jefferson St., NW, #301 Washington, DC 20007 | Secura Group (For:Chase Manhattan Bank, N.A.) |
| Do | Secura Group (For:Northeast Bancorp) |
| Do | Secura Group (For:Yankee Bank) |
| Susan G. Flack, 1320 19th St., NW, #400 Washington, DC 20036 | Flack, Inc (For:Spiegel, Inc) |
| Fleishman-Hillard, Inc, 1225 Connecticut Ave., NW, #303 Washington, DC 20036 | Home Satellite Services |
| Do | Pathology Practice Assn |
| Do | Syva Company |
| Joseph P. Foley, Foley and Company 206 G St., NE, #201 Washington, DC 20002 | Artel Communications Corp |
| Do | Dense-Pac Microsystems, Inc |
| Do | Gray's Family Department Stores |
| Do | Poly Phaser Corp |
| Do | Systems Research Corp |
| Foley & Lardner, 1775 Pennsylvania Ave., NW Washington, DC 20006-4680 | Holland Sweetener Co, VOF |
| Do | Paper Machine Cloth Group |
| Stacie Foster, 1100 15th St., NW, #700 Washington, DC 20005 | Sonat, Inc |
| Alissa T. Fox, 1709 New York Ave., NW, #303 Washington, DC 20006 | Blue Cross & Blue Shield Assn |
| Richard L. Frank, 1029 Vermont Ave., NW, #400 Washington, DC 20005 | Olsson Frank & Weeda (For:Ad Hoc Pizza Standard Rulemaking Group) |
| Sally Narey Frans, 385 Washington Street St. Paul, MN 55102 | St. Paul Fire & Marine Insurance Co |
| Susan C. Frary, 1133 19th St., NW Washington, DC 20035 | MCI Communication Corp |
| Ronna Freiberg, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Fleischmann's Yeast) |
| French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004 | International Electronics Mfgrs & Consumers of America, Inc |
| Isabella Garcia, 1201 16th St., NW, #624 Washington, DC 20036 | National Education Assn |
| Gardner Carton & Douglas, 1875 I St., NW, #1050 Washington, DC 20006 | Alamo Rent-A-Car, Inc |
| Do | BP North America, Inc |
| Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20006 | Port of Bellingham |
| Jerome C. Gatto, P.O. Box 5159 San Jose, CA 95030 | |
| Michael S. Gelacak, 12141 Holly Knoll Circle Great Falls, VA 22066 | Hill & Knowlton, Inc (For:Title Insurance Industry Coalition) |
| Gerard Byler & Associates, Inc, 1100 17th Street, NW, #1000 Washington, DC 20036 | Havasupai Tribal Council |
| Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314 | Oglethorpe Power Corp |
| Sara B. Glenn, 1100 Connecticut Ave., NW Washington, DC 20036 | Mobil Oil Corp |
| Global USA, Inc, Global House 1823 Jefferson Place, NW Washington, DC 20036 | Japan Fed of Construction Contractors, Inc |
| Do | Teco Transport & Trade Corp |
| Gold & Liebengood, Inc, The Willard Office Building 1455 Pennsylvania Avenue, NW, #350 Washington, DC 20004 | American Medical Assn |
| Do | Chemical Manufacturers Assn |
| Goldman Sachs & Co, 1825 Eye St., NW, #450 Washington, DC 20006 | |
| Law Offices of Gordon Gooch, 1100 15th St., NW, #1200 Washington, DC 20005 | Coalition to Oppose Energy Taxes |

| Organization or Individual Filing | Employer/Client |
|---|---|
| Craig G. Goodman, 1101 16th St., NW Washington, DC 20036 | Independent Petroleum Assn of America |
| John Gordley, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Fleishmann) |
| Do | Hill & Knowlton, Inc (For:Nebraska Wheat Board) |
| Emerson F. Gower Jr., 411 Fayetteville St. Mall, #1925 Raleigh, NC 27601 | Carolina Power & Light Co |
| James I. Granger, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22206 | Lear Siegler Astronics Corp |
| Micah S. Green, 1000 Vermont Ave., NW, #800 Washington, DC 20005 | Public Securities Assn |
| Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036 | Air Transport Assn of America |
| Do | American Psychological Assn |
| Do | Pharmaceutical Manufacturers Assn |
| Griffin Media Group, 44 East 29th Street New York, NY 10016 | National Bondholders Committee |
| John Grigsby, 108 N. Alfred Street Alexandria, VA 22314 | Conservative Alliance |
| Milton S. Gwirtzman, 2550 M St., NW Washington, DC 20037 | Lazare Kaplan International, Inc |
| John F. Haifley, 8111 Gatehouse Road Falls Church, VA 22047 | American Automobile Assn |
| Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006 | Air Transport Assn of America |
| David S. Hamilton, 215 Pennsylvania Ave., SE Washington, DC 20003 | U.S. Public Interest Research Group |
| Thomas A. Hammer, 1000 Potomac St., NW, #106A Washington, DC 20007 | Sweetener Users Assn |
| Steven A. Hammond, Hughes Hubbard & Reed One Wall Street New York, NY 10005 | Bureau Veritas |
| Hannaford Co, Inc, 655 15th St., NW, #200 Washington, DC 20005 | Embraer Aircraft Corp |
| Do | 3M Corporation |
| Richard L. Hanneman, 206 North Washington Street Alexandria, VA 22314 | Salt Institute |
| Mary V. Harcar, 1747 Pennsylvania Ave., NW, #704 Washington, DC 20006 | GTE Service Corp |
| Do | Manufacturers Life Insurance Co, Inc |
| Eric Hard, 2114 N St., NW, #31 Washington, DC 20037 | Public Citizen's Congress Watch |
| Jeffrey Harris, Sachs Greenbaum & Taylor 1140 Connecticut Ave., NW Washington, DC 20036 | Domino's Pizza, Inc |
| Harris & Berg, 1101 30th St., NW, #103 Washington, DC 20007 | Adidas, USA |
| Harris Merick & Orr, 999 Third Ave., #3210 Seattle, WA 98104 | SP Energy Development Co |
| Vance Hartke, 7637 Leesburg Pike Falls Church, VA 22043 | |
| Janet S. Hathaway, 1350 New York Ave., NW, #300 Washington, DC 20005 | National Resources Defense Council |
| Arnold I. Havens, 1818 N Street, NW Washington, DC 20036 | Eckert Seamans Cherin & Mellott (For:Corning Glass Works) |
| Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005 | William D. Ray |
| Bill Hecht and Associates, Inc, 499 South Capitol Street, SE, #507 Washington, DC 20003 | Freedom & Justice for Cyprus Trust |
| Do | Kansas City Southern Industries, Inc |
| Do | Multinational Business Services |
| Mark G. Heesen, 1725 K St., NW, #601 Washington, DC 20006 | Association of National Advertisers |
| Edward D. Heffernan, 1513 16th St., NW, 4th Fl. Washington, DC 20036 | Panhandle Eastern Corp |
| Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006 | E. I. du Pont de Nemours & Co |
| Dan C. Heinemeier, 2001 Eye St., NW Washington, DC 20006 | Electronic Industries Assn |
| Leonard N. Henderson, 1615 L St., NW, #1210 Washington, DC 20036 | Metropolitan Life Insurance Co |
| Kathleen Henderson-Whyte, 1625 Eye St., NW, #500 Washington, DC 20006 | Ketchum Public Relations |
| Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007 | Bramelea Pacific |
| Do | East Kentucky Power Cooperative |
| Do | GA Technologies, Inc |
| Do | International Apple Institute |
| Do | Las Vegas YMCA |
| Do | Manhattan Building Companies, Inc |
| Do | Native American Gaming, Inc |
| Do | Vermont Electric Cooperative |
| John S. Hightower, 1344 Kenilworth Parkway Baton Rouge, LA 70808 | Louisiana Pacific Corp |
| Shepard William Hill, 1745 Jefferson Davis Highway Arlington, VA 22202 | Rockwell International Corp |
| Thomas M. Hill, 1726 M St., NW, #1100 Washington, DC 20036-4502 | Pacific Gas & Electric Co |
| Grace L. Hinchman, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004 | Digital Equipment Corp |
| Beth Hochman, 10837 Childs Street Silver Spring, MD 20901 | Edward Blankstein, Inc |
| Arthur Hoffer, 14 Durham Drive Dix Hills, NY 11746 | Municipal Bond Investors Committee |
| Thomas F. Hoffman, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006 | E. I. du Pont de Nemours & Co |
| Elizabeth Hogan, 1133 19th St., NW Washington, DC 20036 | MCI Communications Corp |
| Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109 | Ontario Ministry of Industry, Trade & Technology |
| Do | Shelton Savings & Loan Assn, Inc |
| Holland & Hart, 1875 Eye St., NW, #1200 Washington, DC 20006 | Citmoco Services, Inc |
| Karen A. Hoover, 430 M St., SW, Apt. N-409 Washington, DC 20024 | American Maritime Officers Service |
| Hudson Bayless Associates, 438 New Jersey Ave., SE Washington, DC 20003 | Perot Group |
| Do | Salomon Brothers, Inc |
| Do | Trammell Crow Co |
| Ken Hughes, 330 Pennsylvania Ave., SE Washington, DC 20003 | Sierra Club |
| Jeffrey L. Hunter, 4218 Indianola Avenue Columbus, OH 43214 | Logan College of Chiropractic |
| Gary Hymel, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Colonial Williamsburg) |
| Do | Hill & Knowlton, Inc (For:Fleischmann's Yeast) |
| Do | Hill & Knowlton, Inc (For:MediVision, Inc) |
| Do | Hill & Knowlton, Inc (For:Panhandle Eastern Corp) |
| Do | Hill & Knowlton, Inc (For:Tambrands) |
| Kristine Jacobs, 1613 Harvard St., NW, #513 Washington, DC 20009 | National Save the Family Farm Coalition |
| Jeford International, Inc, 1600 Wilson Blvd., #713 Arlington, VA 22209 | Garber International Associates, Inc |
| Do | ISC Defense & Space Group |
| Do | John Deere Technologies International, Inc |
| Do | LTV Defense & Space Co |
| Do | Newport News Shipbuilding & Drydock Co |
| Do | Pratt & Whitney Group |
| Do | Raytheon Corp |
| Jellinek Schwartz Connolly & Freshman, Inc, 1350 New York Avenue, NW, #400 Washington, DC 20005 | Colorado School of Mines Foundation |
| Bruce Johnson, Law Offices of Bruce Johnson 1718 Connecticut Ave., NW, #410 Washington, DC 20009 | Kellner DiLeo & Co |
| John W. Johnson, P.O. Box 35106 Minneapolis, MN 55435 | American Collectors Assn |
| Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006 | E. I. du Pont de Nemours & Co |
| Jones Day Reavis & Pogue, 655 15th St., NW, 6th Floor Washington, DC 20005-5701 | Ameritrust Co, Nat'l Assn |
| Do | Bank Street Consultanting Group |
| Do | Geostar Corp |
| Do | Heron International, Ltd |
| Do | McKinley Federal Savings & Loan Assn |
| Do | National Assn of Independent Insurers |
| Do | North Wilkesboro Federal Savings & Loan Assn |
| Do | Peoples Bank & Trust Co |
| Do | USAA Federal Savings Bank |
| Patricia Jordan, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036 | City of Santa Ana |
| John J. Joyce, 25 Louisiana Ave., NW Washington, DC 20001 | International Brotherhood of Teamsters |
| Robert E. Juliano Associates, 2555 M Street, NW, #303 Washington, DC 20037 | ADAPSO |
| Do | Stock Information Group |
| JK Research Associates, Inc, 3408 Bonnie Road Austin, TX 78703 | Seabed Assn |
| Martin B. Kanner, 2301 M St., NW Washington, DC 20037 | American Public Power Assn |
| Robert C. Kaufmann, 1250 Connecticut Ave., NW Washington, DC 20036 | American Paper Institute, Inc |
| Kaye Scholer Fierman Hays & Handler, 1575 Eye Street, NW, #1150 Washington, DC 20005 | Alfredo J. Estrada |
| Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001 | Keefe Company (For:Yearbook Printers Assn) |
| Keene Monk & Associates, Inc, 919 Prince Street Alexandria, VA 22314 | Limited, Inc |
| Brien E. Kehoe, Hill Betts & Nash 1818 N Street, NW, #700 Washington, DC 20036 | American President Lines |
| Kelley Drye & Warren, 1330 Connecticut Ave., NW Washington, DC 20036 | Burlington Industries, Inc |
| Do | Kingdom of Tonga |
| Do | Tokyo Electric Co., Ltd |
| Joseph T. Kelliher, 410 First St., SE Washington, DC 20003 | American Nuclear Energy Council |
| John E. Kelly, 3408 Bonnie Road Austin, TX 78703 | JK Research Associates, Inc (For:Seabed Assn) |
| Richard B. Kelly, Kelly Eckhaus & Mohen 230 Park Avenue New York, NY 10169 | Resource Technical Consultant (USA), Inc |
| Jackson Kemper Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202 | Diagnostic/Retrieval Systems, Inc |
| Jonathan Kempner, 1250 Connecticut Ave., NW, #620 Washington, DC 20036 | National Multi Housing Council |
| James J. Kennedy Jr., 400 First St., NW, #804 Washington, DC 20001 | Railway Labor Executives' Assn |
| Susan Akers Kernus, 1330 Connecticut Ave., NW, #300 Washington, DC 20036 | Synthetic Organic Chemical Manufacturers Assn, Inc |
| Conrad Peter Kessler, 815 15th St., NW, #711 Washington, DC 20005 | Americans for Democratic Action |
| Thomas J. Kilcline, 201 North Washington Street Alexandria, VA 22314 | Retired Officers Assn |

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| Organization or Individual Filing | Employer/Client |
|---|---|
| Thomas N. Kindness, 1001 Prince Street Alexandria, VA 22314 | Recording Industry Assn of America, Inc |
| Lewis O. King, P.O. Box 10045 Austin, TX 78766 | National Guard Assn of Texas |
| King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006 | Emory University |
| Do | National Pharmaceutical Alliance |
| Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby-9th Fl. Washington, DC 20036 | Color Systems Technology, Inc |
| Lisa K. Kjaer, 2001 Eye St., NW Washington, DC 20006 | Electronic Industries Assn |
| Kogovsek & Associates, Inc, 3600 S. Yosemite, #830 Denver, CO 80237 | Dolores Water Conservancy District |
| Do | Rio Grande Water Conservation District |
| Do | Rocky Mountain Health Care Corp |
| Kominers Fort & Schlefer, 1401 New York Ave., NW, 12th Fl. Washington, DC 20005 | Avia Footwear, Inc |
| Kenneth B. Kramer, 111 South Tejon, #700 Colorado Springs, CO 80903 | Aries Properties Inc |
| Yong T. Kuem, 2112 S. Buchanan St. Arlington, VA 22206 | K.S. Line West America |
| Kurrus & Kirchner, P.C., 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007 | Seafarers International Union |
| Kutak Rock & Campbell, 1101 Connecticut Aven., NW, #1000 Washington, DC 20036 | State of New York Mortgage Agency |
| John R. Kyte, 201 Massachusetts Ave., NE Washington, DC 20002 | BMc Strategies, Inc |
| Virginia E. Lancaster, 1730 K St., NW, #703 Washington, DC 20006 | American Business Conference |
| Robert D. Landis, 777 14th St., NW Washington, DC 20005 | National Assn of Realtors |
| Landis Cohen Rauh & Zelenko, 1019 19th St., NW, #500 Washington, DC 20036 | National Council for Japanese American Redress |
| Lane & Edson, P.C., 2300 M Street, NW Washington, DC 20036 | Pyropower Corp |
| Lane Powell Moss & Miller, 3800 Ranier Bank Tower Seattle, WA 98101-2647 | Afognak Joint Venture |
| Lash Group, 555 13th St., NW Washington, DC 20004 | American Psychological Assn |
| Do | Caremark/Home Health Care of America |
| Do | University of Pennsylvania |
| Charles B. Lavin Jr., 180 South Washington Street Falls Church, VA 22046 | National Burglar & Fire Alarm Assn, Inc, et al. |
| Leboeuf Lamb Leiby & Macrae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036 | Maritrans Operating Partners, L.P. |
| Carlton Lee, 1012 14th St., NW, 6th Fl. Washington, DC 20013 | Human Rights Campaign Fund |
| C. Hoke Leggett, 1875 I St., NW, #800 Washington, DC 20006 | Tobacco Institute |
| Matthew R. Lehrman, 777 14th St., NW Washington, DC 20005 | National Assn of Realtors |
| Leibowitz & Spencer, 3050 Biscayne Blvd., #501 Miami, FL 33137 | Curt Gowdy Broadcasting, et al. |
| Leighton & Regnery, 1667 K Street, NW Washington, DC 20006 | Visiting Nurse Assn of America |
| Lesher and Associates, Inc, 517 C Street, NE Washington, DC 20002 | |
| Lillick McHose & Charles, 1300 M Street, NW, #250N Washington, DC 20036 | American High Seas Fisheries Assn |
| Roger Lindberg, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Colonial Williamsburg) |
| Do | Hill & Knowlton, Inc (For:Tambrands) |
| Lipsen Hamberger Whitten & Hamberger, 1725 Desales St., NW, #800 Washington, DC 20036 | Enserch Corporation |
| Do | Gray Communications Systems, Inc |
| Do | Seatrain Tankers Corp |
| Loomis Owen Fellman & Howe, 2020 K St., NW, #800 Washington, DC 20006 | First Co |
| Gary S. Lucenti, Dow Lohnes & Albertson 1255 Twenty Third St., NW Washington, DC 20037 | Algoma Steel Corp, Ltd |
| William T. Lundeen, 127 Hicks Street Brooklyn, NY 11201 | Morality in Media, Inc |
| Ann P. Lunson, Eastman Kodak Company 1919 Pennsylvania Ave., NW Washington, DC 20006 | Eastman Chemicals Division |
| Margaret Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006 | Ciba-Geigy Corp |
| Cliff Madison Government Relations, Inc, P.O. Box 7006 Northridge, CA 91327-7006 | American Assn of Airport Executives |
| Do | Quantas Airways, Ltd |
| Do | Ventura Port District |
| John Francis Mahoney, 536 Seventh St., SE Washington, DC 20003 | Mahoney & Associates (For:American Medical Assn) |
| Manatt Phelps Rothenberg & Evans, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036 | Fairfield Communities, Inc |
| Manchester Associates, Ltd, 1155 15th Street, NW, #811 Washington, DC 20005 | Nissan Motor Manufacturing Corp, USA |
| Matthew J. Marks, 1120 20th St., NW, #650 Washington, DC 20036 | UETA, Inc |
| Howard Marlowe, 1667 K St., NW, #660 Washington, DC 20006 | Marlowe & Company (For:EXPEX, Inc) |
| Do | Marlowe & Company (For:Lazare Kaplan International, Inc) |
| Marlowe & Company, 1667 K Street, NW, #660 Washington, DC 20006 | EXPEX, Inc |
| Do | Lazare Kaplan International, Inc |
| Valsin A. Marmillion, Hunt Marmillion & Associates 10880 Wilshire Blvd., #2010 Los Angeles, CA 90024 | American Bankers Assn |
| Donald F. Massey, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Colonial Williamsburg) |
| Do | Hill & Knowlton, Inc (For:Commonwealth Financial Group) |
| Do | Hill & Knowlton, Inc (For:Fleischmann's Yeast) |
| Do | Hill & Knowlton, Inc (For:Kelly Services) |
| Do | Hill & Knowlton, Inc (For:MediVision, Inc) |
| Do | Hill & Knowlton, Inc (For:Palm Oil Registration & Licensing Authority) |
| Do | Hill & Knowlton, Inc (For:Panhandle Eastern Corp) |
| Do | Hill & Knowlton, Inc (For:Societe Generale through SGS North America, Inc) |
| Do | Hill & Knowlton, Inc (For:Tambrands) |
| Noel D. Matchett, 1001 Spring St., #123 Silver Spring, MD 20910 | Information Security, Inc |
| Mary Helen Mathis, 444 North Capitol St., #711 Washington, DC 20001 | Keefe Company (For:Yearbook Printers Assn) |
| Daniel J. Mattoon, 1133 21st St., NW, #900 Washington, DC 20036 | BellSouth Corp |
| Mike Matz, 330 Pennsylvania Ave., SE Washington, DC 20003 | Sierra Club |
| Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006 | FMC Corporation |
| Wiley Mayne, P.O. Box 1557 Sioux City, IA 51102 | Monona County Land Assn |
| John H. McAllister, Dow Lohnes & Albertson 1255 Twenty Third St., NW Washington, DC 20037 | Dofasco, Inc |
| McAuliffe Kelly Furlong Aldrich & Siemens, 555 New Jersey Ave., NW, #880 Washington, DC 20001 | American Health Care Assn |
| Do | Human Rights Campaign Fund |
| Do | Joseph E. Seagram & Sons, Inc |
| Cliff G. McCreedy, 8100 Oak Street Dunn Loring, VA 22027 | National Pest Control Assn |
| Patricia McDonald, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004 | National Cattlemen's Assn |
| Stanley J. McFarland, 11718 Devilwood Drive Potomac, MD 20854 | National Assn of Federal Education Program Administrators |
| Ann McFarren, 729 8th St., SE, #200 Washington, DC 20003 | FARO AIDS Action Council, Inc |
| Gale W. McGee, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Republic of Turkey) |
| Mary Lee McGuire, 2232 N. Illinois Street Arlington, VA 22205 | Cook Inlet Regional, Inc |
| Francis X. McLaughlin, 1730 K St., NW, #1100 Washington, DC 20006 | National Treasury Employees Union |
| McNair Group, Inc, 1155 15th St., NW, S-400 Washington, DC 20005 | |
| McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005 | American Financial Services Assn |
| Do | Citmoco Services, Inc |
| Do | Michelin Tire Company |
| Do | New York State Bankers Assn |
| John P. McNerney, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America |
| Martha McSteen, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security |
| Carol Melton, 1133 21st St., NW, #400 Washington, DC 20036 | Warner Communications, Inc |
| Howard H. Menaker, 600 Maryland Ave., SW, #400 Washington, DC 20024 | National Assn of Truck Stop Operators, Inc |
| Donald H. Mensch, 2200 Mill Road Alexandria, VA 22314 | American Movers Conference |
| J. Gregory Mermelstein, 4854 MacArther Blvd., #303 Washington, DC 20007 | Edward Blankstein, Inc |
| Howard M. Messner, 1015 15th St., NW, #802 Washington, DC 20005 | American Consulting Engineers Council |
| Joyce E. Metcalf, 116 6th St., NE, #101 Washington, DC 20002 | Edward Blankstein, Inc |
| Metcalf & Eddy, Inc, 3901 National Drive, #200 Burtonsville, MD 20866 | |
| Larry O. Meyers, 412 First Street, SE Washington, DC 20003 | International Assn of Refrigerated Warehouses |
| Do | National Coalition to Defeat H.R. 281/S. 492 |
| Do | Texas A&M University |
| John L. Mica, 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002 | Harris RF Communications |
| Do | Harris/3-M Document Products, Inc |
| Do | Lantana Boatyard, Inc |
| Kyle Michel, 340 8th St., NE Washington, DC 20002 | National Save the Family Farm Coalition |
| Harris Miller & Associates, 1655 N. Fort Myer Drive #700 Arlington, VA 22209 | National Unity Fund |
| Miller & Chevalier, Chtd, Metropolitan Square 655 15th Street, NW Washington, DC 20005 | American Nuclear Energy Council |
| Do | Electronic Industries Assn |
| Miller Cassidy Larroca & Lewin, 2555 M St., NW, #500 Washington, DC 20037 | Independent Insurance Agents of America, Inc, et al. |
| Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1025 Washington, DC 20006 | Siemens Capital Corp |
| John Moehring, 2200 Mill Road Alexandria, VA 22314 | American Movers Conference |
| John V. Moller, 1155 15th Street, NW, #1010 Washington, DC 20005 | Manchester Associates, Ltd (For:Nissan Motor Manufacturing Corp, USA) |
| Susan Monteverde, 1730 Rhode Island Ave., NW Washington, DC 20036 | National Solid Waste Management Assn |
| David H. Montplaisir, Patten Boggs & Blow 2550 M St., NW Washington, DC 20037 | Association of Trial Lawyers of America |
| Mark E. Moran, 1001 Prince Street Alexandria, VA 22314 | Kindness & Moran (For:Republic of Mexico) |
| Fred Morgan, 515 Fifth Avenue Des Moines, IA 50308 | Crop Insurance Research Bureau |
| Morgan Lewis & Bockius, Suite 800 North 1800 M St., NW Washington, DC 20036 | Coalition Against Takeover Abuse |

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| Organization or Individual Filing | Employer/Client |
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| Mortgage Bankers Assn of America, 1125 15th St., NW Washington, DC 20005 | |
| George R. Moses, 2001 Eye St., NW Washington, DC 20006 | Electronic Industries Assn |
| L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006 | Thai Food Processors Assn |
| Mudge Rose Guthrie Alexander & Ferdon, 2121 K Street, NW, #700 Washington, DC 20037 | Toshiba Corp |
| Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016 | First Federal Savings & Loan Assn of Rochester |
| Do | Washington Mutual Savings Bank |
| William F. Mullin, 1615 L St., NW, #1210 Washington, DC 20036 | Metropolitan Life Insurance Co |
| James P. Murphy, 485 Lexington Ave., 25th Floor New York, NY 10017 | New York State Bankers Assn |
| Richard E. Murphy, 414 West Braddock Rd. Alexandria, VA 22302 | Generic Pharmaceutical Industry Assn |
| Daniel H. Murray, 1133 21st St., NW, #900 Washington, DC 20036 | BellSouth Corp |
| Murray & Scheer, 2715 M Street, NW, #300 Washington, DC 20007 | Lightning Location & Protection, Inc |
| Do | PHP Healthcare Corp |
| Gary M. Nateman, 1750 K St., NW, #500 Washington, DC 20006 | Beer Institute |
| National Assn for the Advancement of Justice, 5210 Banks Place, NE Washington, DC 20019 | |
| National Assn of Auto Fleet Buyers, Inc, 66 Bay 19th Street Brooklyn, NY 11214 | |
| National Assn of Federal Employees, 4101 NW 122nd, Suite D Oklahoma City, OK 73120 | |
| National Save the Family Farm Coalition, 80 F St., NW, #714 Washington, DC 20001 | |
| Neill Mullenholz & Shaw, 900 17th St., NW, #400 Washington, DC 20006 | TACA International Airlines |
| Paul Gunnar Nelson, Hamilton & Hamilton 734 15th St., NW, 11th Floor Washington, DC 20005 | Weyerhaeuser Company |
| Loretta Neumann, Foresight Science & Technology, Inc 2000 P St., NW, #305 Washington, DC 20036 | Society for American Archeology |
| Cynthia E. Newman, 400 North Washington Street Alexandria, VA 22314 | Professional Insurance Agents |
| E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036 | American Bar Assn |
| David F. Norcross, 1010 Kings Highway So., #2-C Cherry Hill, NJ 08034 | National Check Cashers Coalition |
| Graham T. Northup, 2333 Highland Avenue Falls Church, VA 22046 | Commerzbank |
| Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036 | MEBA District II, et al. |
| Terrence M. O'Connell II, 444 N. Capitol Street, NW, #711 Washington, DC 20001 | Keefe Company (For:Yearbook Printers Assn) |
| Patrick C. O'Connor, Kent & O'connor, Inc 1211 Connecticut Avenue, NW Washington, DC 20036 | Movers' Round Table |
| O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006 | Arch Communications |
| Do | China External Trade Development Council |
| Do | Minnesota Mutual Life Insurance Co |
| Do | Press Broadcasting Co |
| Do | Quantum Computer Services, Inc |
| Do | State of West Virginia |
| Do | United Illuminating Co |
| O'Melveny & Myers, 555 13th St., NW Washington, DC 20004 | American Institute for Imported Steel, Inc |
| Do | Southwestern Bell Corp |
| O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036 | National Assn of Jai-Alai Frontons, Inc |
| Richard C. Olson, 6862 Elm Street, #510 McLean, VA 22101 | Citibank, N.A. |
| Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22304 | Colorado Springs Chamber of Commerce |
| Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102 | Everett Mutual Savings Bank, et al. |
| Pagonis & Donnelly Group, 1620 I Street, NW, #603 Washington, DC 20006 | City of Pompano Beach |
| Benjamin L. Palumbo, 1629 K St., NW Washington, DC 20006 | Atlantic Richfield Co |
| Kenneth O. Parris, 2638 Rivers Road Atlanta, GA 30305 | Parris Group (For:Redi-Med, Inc) |
| Patton Boggs & Blow, 2550 M St., NW, #800 Washington, DC 20037 | Ad Hoc Group for 8(a) Reform |
| Do | BATUS, Inc |
| Do | May Department Stores Co |
| Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036 | Shell Oil Co |
| Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036 | McDonnell Douglas Corp |
| Perkins Coie, 1110 Vermont Ave., NW, #1200 Washington, DC 20005 | Cook Inlet Region, Inc |
| Kenneth W. Peterson, Kansas Petroleum Council 1414 Merchants Bank Tower Topeka, KS 66612 | American Petroleum Institute |
| Sheryl L. Peterson, 1101 14th St, NW Washington, DC 20005 | American Financial Services Assn |
| Paul Joseph Pew, 345 West 200 South Provo, UT 84601 | |
| William W. Phelps, P.O. Box 2159 Dallas, TX 75221 | American Petrofina, Inc |
| Physicians for Social Responsibility, 1601 Connecticut Avenue, NW, #800 Washington, DC 20009 | |
| Suellen Pirages, 1730 Rhode Island Ave., NW Washington, DC 20036 | National Solid Waste Management Assn |
| Pirtle Morisset Schlosser & Ayer, 1500 Seattle Trust Tower 1000 Second Avenue Seattle, WA 98104 | Ketchikan Indian Corp |
| Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004 | Hitachi Sales Corp of America |
| Do | Societe Generale de Surveillance, S.A. |
| Lowell Press, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Fleishmann) |
| Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006 | Seaboard Pacific Co |
| Do | Waste Management, Inc |
| Sheila M. Prindiville, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036 | National Solid Waste Management Assn |
| George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202 | Rockwell International Corp |
| Gerald R. Prout, 1627 K St., NW, #500 Washington, DC 20006 | FMC Corporation |
| Theresa Pugh, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703 | National Assn of Manufacturers |
| Mark J. Raabe, 1615 L St., NW, #1320 Washington, DC 20036 | Merck & Co, Inc |
| Thomas F. Railsback, Nash Railsback & Plesser 1133 15th St., NW, #1100 Washington, DC 20005 | Merck & Co, Inc |
| Do | State of Illinois |
| Elizabeth L. Raisbeck, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003 | National Audubon Society |
| Robert A. Rapoza Associates, 2001 S Street, NW, #500 Washington, DC 20009 | Policy & Management Associates |
| Craig Raupe, Campbell-Raupe, Inc 1015 15th Street, NW, #907 Washington, DC 20005 | Air Transport Assn of America |
| Do | Securities Industry Assn |
| Timothy M. Reynolds, 1001 22nd St., NW Washington, DC 20037 | Standard Oil Co (Ohio) |
| Frederick W. Rhodes, 1828 L Street, NW Washington, DC 20036 | Loral Systems Group |
| Kevin C. Richardson, 2001 Eye St., NW Washington, DC 20006 | Electronic Industries Assn |
| Riddell Holroyd & Butler, 1331 Pennsylvania Avenue, NW, #1215 Washington, DC 20004 | First Chicago Corp |
| David Ringler, One Post Street, #3275 San Fransisco, CA 94104 | McKesson Corp |
| Ivette E. Rivera, 412 First Street, SE Washington, DC 20003 | National Automobile Dealers Assn |
| Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005 | American Bakers Assn |
| Richard R. Roberts, 304 Pennsylvania Ave., SE, #300 Washington, DC 20003 | South Sea Charter Service |
| William A. Roberts, 444 North Capitol Street, #711 Washington, DC 20001 | Keefe Company (For:Coalition to Extend Safe Harbor Leasing for Mass Transit) |
| Do | Keefe Company (For:Yearbook Printers Assn) |
| Robert N. Robertson, Dow Lohnes & Albertson 1255 Twenty Third St., NW Washington, DC 20037 | Algoma Steel Corp, Ltd |
| Rogers & Wells, 1737 H Street, NW Washington, DC 20006 | Compagnie Financiere de Paribas |
| Do | Manufacturers Life Insurance Co, Inc |
| Do | National Assn of Beverage Importers |
| Do | Walker Telecommunications Corp |
| Do | Wine & Spirits Wholesalers of America, Inc |
| Joseph D. Romer, 304 N. Virginia Avenue Falls Church, VA 22046 | Brown Bridgman & Company |
| Francis P. Rooney, 888 Sixteenth St., NW Washington, DC 20006 | Biscuit & Cracker Mfgrs Assn |
| Ropes & Gray, 1001 22nd St., NW, #700 Washington, DC 20037 | Digital Equipment Corp |
| Rose Communications, Inc, 1660 L St., NW, #809 Washington, DC 20036 | Johnson Matthey Inc |
| Richard H. Rosenzweig, 1025 Connecticut Ave., NW, #700 Washington, DC 20036 | Miner Fraser & Gabriel Public Affairs, Inc (For:STRATCO, Inc) |
| Ross & Hardies, 1090 Vermont Ave., NW, #540 Washington, DC 20005 | Intertek Services International, Ltd |
| Rowan & Blewitt, Inc, 1000 Vermont Ave., NW Washington, DC 20005 | Velsicol Chemical Corp |
| Amy M. Rowen, Independence Towers #700 5755 Granger Road Independence, OH 44131 | OHIO, Inc |
| James S. Rubin, Kleinfeld Kaplan & Becker 1140 19th Street, NW Washington, DC 20036 | Pacific Western Distributing Corp |
| William Russell & Associates, Inc, 1775 Pennsylvania Ave., NW, #450 Washington, DC 20006 | Columbia Communications Corp |
| Do | Pacific Telecom, Inc |
| Saginaw County Chamber of Commerce, 901 S. Washington Avenue Saginaw, MI 48601 | |
| James C. Sanders, 1750 K St., NW, #500 Washington, DC 20006 | Beer Institute |
| Eric Sapirstein, ENS Resources, Inc 2712 Wisconsin Avenue, NW, #801 Washington, DC 20007 | City of Bakersfield |
| Do | Cure Corp |
| Do | Jellinek Schwartz Connolly & Freshman, Inc |
| Do | Las Virgenes Municipal Water District |
| Do | Victor Valley Wastewater Reclamation Authority |
| Do | Western Research Institute |
| Betty O. Sapp, 1601 Duke Street Alexandria, VA 22314 | Society of American Florists |
| Schagrin Associates, 1112 16th St., NW, #1000 Washington, DC 20036 | Committee on Pipe & Tube Imports |
| Schmeltzer Aptaker & Sheppard, 1800 Massachusetts Ave., NW Washington, DC 20036 | American Honda Motor Co, Inc |
| Carl J. Schramm, 1025 Connecticut Ave., NW Washington, DC 20036 | Health Insurance Assn of America, Inc |
| Amy J. Schultz, 317 Third St., SE, #22 Washington, DC 20003 | Robert A. Rapoza Associates (For:National Rural Health Assn) |
| Alan R. Schwartz, Nash Railsback & Plesser 1133 15th Street, NW, #1100 Washington, DC 20005 | Information Industry Assn |

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| Organization or Individual Filing | Employer/Client |
|---|---|
| Seabed Assn, 3408 Bonnie Road Austin, TX 78703 | |
| Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006 | Chicago Mercantile Exchange |
| J. Peter Segall, 1025 Connecticut Ave., NW, #700 Washington, DC 20036 | Miner Fraser & Gabriel Public Affairs, Inc (For:STRATCO, Inc) |
| M. Mark Seklecki, 50 F Street, NW Washington, DC 20001 | American Hospital Assn |
| Peter M. Seremet, 16 Munson Road Farmington, CT 06034-0338 | Heublein, Inc |
| Seyfarth Shaw Fairweather & Geraldson, 1111 19th St., NW, #500 Washington, DC 20036 | Bear Stearns & Co., Inc |
| Do | Technology for Communications International |
| Ali A. Shami, 6863 Calhoun Dearborn, MI 48126 | United Lebanese Lobby of America |
| Susan Shaw, 1533 New Hampshire Ave., NW Washington, DC 20036 | National Assn of Retired Federal Employees |
| Cheryl Y. Shelton, 236 Massachusetts Ave., NE, #409 Washington, DC 20002 | Rainbow Lobby |
| William Jeffry Shipp, 50 F St., NW, #900 Washington, DC 20001 | Farm Credit Council |
| William A. Signer, 444 North Capitol St., NW, #711 Washington, DC 20001 | Keefe Company (For:Coalition to Extend Safe Harbor Leasing for Mass Transit) |
| Do | Keefe Company (For:CIC Enterprises) |
| Do | Keefe Company (For:Pierce Kennedy & Hearth) |
| Do | Keefe Company (For:RJR Nabisco, Inc) |
| Do | Keefe Company (For:Vrain) |
| Do | Keefe Company (For:Yearbook Printers Assn) |
| Steve Silver, Robertson Monagle & Eastaugh 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007 | ARCO Marine Co, Inc |
| Do | General Communications, Inc |
| Jonathan Slade, 444 North Capitol St., #711 Washington, DC 20001 | Keefe Company (For:UNITA) |
| Do | Keefe Company (For:Yearbook Printers Assn) |
| Debbi L. Smith, 6760 Springing Step Columbia, MD 21044 | Hydrogen Research Center |
| Grant Smith, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Fleischmann's Yeast) |
| Herbert Smith, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Angus Defense Systems, Inc) |
| Do | Hill & Knowlton, Inc (For:Euromissile) |
| Kern Smith, 400 First St., NW, #710 Washington, DC 20001 | |
| Stephen Smith, 1012 14th St., NW, 6th Fl. Washington, DC 20005 | Human Rights Campaign Fund |
| Smith Dawson & Andrews, Inc, 1000 Connecticut Ave., NW, #304 Washington, DC 20036 | National Assn of Foreign Trade Zones |
| Do | S & F Warehouses, Inc |
| David F. Snyder, 1025 Connecticut Ave., NW, #415 Washington, DC | American Insurance Assn |
| Gene Snyder, 140 Chenoweth Lane Louisville, KY 40207 | Home Supply Company, Inc |
| Walter Larke Sorg, 1625 Eye St., NW, #204 Washington, DC 20006 | American Assn of Small Dredging & Marine Construction Cos |
| Do | Atkinson Dredging Co |
| Do | Cottrell Engineering Corp |
| Sparber Shevin Shapo & Heilbronner, P.A., 1455 Pennsylvania Ave., NW, #1270 Washington, DC 20004 | Emma L. Bixby Hospital |
| Do | City of Bridgeport |
| Do | Dow Corning USA |
| John D. Sparks, 1025 Connecticut Ave., NW, #700 Washington, DC 20036 | Miner Fraser & Gabriel Public Affairs, Inc (For:STRATCO, Inc) |
| Spiegel & McDiarmid, 1350 New York Ave., NW Washington, DC 20005-4798 | American Assn of Airport Executives |
| Do | Connecticut Municipal Electric Energy Cooperative |
| Do | Minneapolis/St. Paul Metropolitan Airport Commission |
| Do | State of Florida Department of Transportation |
| William M. Spodak, 1801 K St., NW Washington, DC 20006 | Westinghouse Electric Corp |
| Gillian M. Spooner, Touche Ross & Co. 1900 M Street, NW Washington, DC 20036 | Robert Rogers |
| David P. Stang, P.C., 1629 K St., NW, #601 Washington, DC 20006 | Texas Ophthalmological Assn |
| Jane Sutter Starke, 1818 N St., NW Washington, DC 20036 | Eckert Seamans Cherin & Mellott (For:Corning Glass Works) |
| H. Gerald Staub, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202 | General Dynamics |
| Randolph J. Stayin, 1620 Eye St., NW, #800 Washington, DC 20006 | Taft Stettinius & Hollister (For:National Candle Assn) |
| Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036 | Canadian Sugar Institute |
| Do | Harley-Davidson Motor Co, Inc |
| Eugene L. Stewart, 1001 Connecticut Ave., NW, #910 Washington, DC 20036 | Timken Co |
| Dena G. Stoner, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn |
| Marcy B. Stras, 1620 Eye St., NW, #800 Washington, DC 20006 | Taft Stettinius & Hollister (For:National Candle Assn) |
| Straub Brewery, Inc, 303 Sorg Street St. Mary, PA 15857 | |
| Dorothy E. Stucke, 729 15th St., NW Washington, DC 20005 | Associated Builders & Contractors, Inc |
| Arthur E. Sullivan Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202 | Diagnostic/Retrieval Systems, Inc |
| Sutherland Asbill & Brennan, 1275 Pennsylvania Ave., NW Washington, DC 20004 | American Insurance Assn |
| William R. Sweeney Jr., 536 7th Street, SE Washington, DC 20003 | China External Trade Development Council |
| Swidler & Berlin, Chtd, 3000 K Street, NW #300 Washington, DC 20007 | D.C. Hospital Energy Cooperative |
| Anthony Syrett, Crystal Gateway 3, #900 1215 Jefferson Davis Highway Arlington, VA 22202 | Marconi Electronics, Inc, et al. |
| Ronald P. Szabat, 1101 Vermont Ave., NW Washington, DC 20005 | American Medical Assn |
| William E. Tanner, 10803 Norman Ave. Fairfax, VA 22030 | American Maritime Officers Service |
| Templeton & Company, 1000 Potomac St., NW Washington, DC 20007 | Space Industries, Inc |
| Thacher Proffitt & Wood, 1140 Connecticut Ave., NW, #512 Washington, DC 20036 | Connecticut Savings Bank Life Insurance Co |
| J. David Thomas, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006 | Eastman Chemical Division |
| Marilyn A. Berry Thompson, 444 North Capitol Street, #711 Washington, DC 20001 | Keefe Company (For:Yearbook Printers Assn) |
| Thompson Mann & Hutson, 1730 Pennsylvania Ave., NW, #1250 Washington, DC 20006 | Bechtel Group, Inc |
| Do | Combustion Engineering, Inc |
| Do | M.W. Kellogg Company |
| Do | Morrison-Knudsen Co, Inc |
| Margaret A. Thomson, 655 15th St., NW, #300 Washington, DC 20005 | City of Moorhead |
| Tighe Curhan & Piliero, 1750 Pennsylvania Avenue, NW Washington, DC 20006 | Latin American Manufacturers Assn (LAMA) |
| Tripp Scott Conklin & Smith, 2000 E. Oakland Park Blvd Fort Lauderdale, FL 33306 | Alamo Rent-A-Car |
| Marvin C. Umholtz, 805 15th St., NW, #300 Washington, DC 20005 | Credit Union National Assn, Inc |
| Van Dyk Associates, Inc, 2550 M St., NW, #300 Washington, DC 20037 | U.S.F.&G. Corp |
| Van Ness Feldman Sutcliffe & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007 | Ad Hoc Coalition for Health Security |
| Do | Bumble Bee Seafoods, Inc |
| Do | Collier Company |
| Kathleen M. Vanston, 888 Sixteenth St., NW Washington, DC 20006 | Biscuit & Cracker Mfgrs Assn |
| Verner Liipfert Bernhard Mcpherson & Hand, Chtd, 1660 L Street, NW, #1000 Washington, DC 20036 | Atlantic Richfield Co |
| Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007 | Enserch Corporation |
| Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036 | Cardinal Industries, Inc |
| Do | Crisis Comm for Foreign Affairs Resources |
| Do | Distrigas Corp |
| Do | Hanson Industries |
| Do | PubCo Corp |
| Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006 | Clabir Corp |
| Do | Coalition to Preserve Group Workers' Compensation Funds |
| Do | MK-Ferguson Company |
| Do | Oppenheimer & Co, Inc |
| Do | Texas Ozone Task Force |
| R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004 | Bell Atlantic Corp |
| Do | California Federal Savings & Loan Assn |
| William C. Walsh, 215 Pennsylvania Ave., SE Washington, DC 20003 | U.S. Public Interest Research Group |
| Ann D. Warner, 1228 17th St., NW Washington, DC 20036 | Air Conditioning Contractors of America |
| Lucy R. Watkins, 236 Massachusetts Ave., NE, #504 Washington, DC 20002 | Center for Law and Education, Inc |
| James M. Webb, 801 North 11th Street St., Louis, MO 63101 | Sverdrup Corp |
| Webster Chamberlain Bean & McKevitt, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006 | Fruehauf Corporation |
| Stephen Wehrly, Route 4, Box 457 Vashon, WA 98070 | Miller Brewing Co |
| Do | Services Group of America |
| Do | United Pacific Insurance Co |
| Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036 | Chevron USA, Inc |
| Susan Weiss, 1424 16th St., NW, #604 Washington, DC 20036 | Consumer Federation of America |
| Wellford Wegman & Hoff, 1775 Pennsylvania Ave., NW, #450 Washington, DC 20006 | National Independent Energy Producer's Hydro Tax Reform Comm |
| Philip A. Wenk, Independence Tower #760 5755 Granger Road Independence, OH 44131 | OHIO, Inc |
| John C. White, 1899 L Street, NW, #500 Washington, DC 20036 | Tobacco Institute |
| Harry G. Wiles II, 1023 15th St., NW, 4th Fl Washington, DC 20005 | Wine & Spirits Wholesalers of America, Inc |
| Wiley Rein & Fielding, 1776 K St, NW, 12th Fl. Washington, DC 20006 | Chaparral Steel Co |
| Do | Georgetown Industries |
| Do | Raritan River Steel Co |
| Do | Steel Bar Mills Assn |
| Williams & Connolly, 839 17th St., NW Washington, DC 20006 | Institute for Clinical Research, Inc |
| Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036 | Alimenta (USA), Inc |

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| Organization or Individual Filing | Employer/Client |
|---|---|
| Do | Environmental Processing, Inc |
| Do | National Assn of Rehabilitation Agencies |
| Willkie Farr & Gallagher, 818 Connecticut Ave., NW, #1100 Washington, DC 20006 | Council of Institutional Investors |
| Do | Ferro Union |
| Do | LEGI-SLATE |
| Do | Westinghouse Electric Corp |
| Charlotte M. Wilmer, 1730 Rhode Island Ave., NW Washington, DC 20036 | National Solid Wastes Management Assn |
| Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420 | American Honda Motor Co, Inc |
| Do | National Assn of Broadcasters |
| Do | World Wildlife Fund |
| Patrick Wilson, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004 | National Cattlemen's Assn |
| John P. Winburn, Winburn Associates, Inc 453 New Jersey Ave., SE Washington, DC 20003 | Coalition to Preserve Group Worker's Compensation Funds |
| Do | Gray Communications Systems, Inc |
| Do | Hospital Coalition |
| Windels Marx Davies & Ives, 1701 Pennsylvania Avenue, NW Washington, DC 20006 | Onkyo USA Corp |
| Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036 | American Resort & Residential Development Assn |
| Winthrop Stimson Putnam & Roberts, 1155 Connecticut Ave., NW, #1000 Washington, DC 20036 | Defense Products Division of Kongsberg Vapenfabrikk A/A Mfg |
| Do | Fusion Systems Corp |
| Do | KV Forsvar A/S |
| Do | Patrolmen's Benevolent Assn |
| Marshall Wittmann, 1533 New Hampshire Ave., NW Washington, DC 20036 | National Assn of Retired Federal Employees |
| S.R. Wojdak and Associates, Inc, 1401 Walnut SL, #1000 Philadelphia, PA 19102 | Children's Hospital of Pittsburgh |
| Patricia Lee Woods, 865 Howe Avenue, #210 Sacramento, CA 95825 | Carling-Smith Associates, Ltd |
| Worthington Associates, 2132 Southbay Lane Reston, VA 22091 | HRM |
| David L. Wray, 20 North Wacker Drive Chicago, IL 60606 | Profit Sharing Council of America |
| Wunder & Diefenderfer, 1615 L St., NW, #650 Washington, DC 20036 | Airship Industries, Ltd |
| Do | Interlocking Directorate Reform Coalition |
| Do | Johnson-Simmons Co |
| Do | MDRX, Inc |
| Do | Shared Medical Systems (SMS) |
| Do | Solar Turbines, Inc |
| Do | Tobacco Institute |
| Yong Jin Yoon, 2112 S. Buchanan St. Arlington, VA 22206 | K.S. Line West America |
| Edward A. Yopp, 1200 Golden Key Circle, #141 El Paso, TX 79925 | West Texas Higher Education Servicing Corp |
| Thane Young, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036 | City of Santa Ana |
| Mitchell Zeller, 1501 16th Street, NW Washington, DC 20036 | Center for Science in the Public Interest |
| Carl A. Zichella, 214 N. Henry St., #203 Madison, WI 53703 | Sierra Club |

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## QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the first calendar quarter of 1987 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

**PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515**

**PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510**

**PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:**

**"PRELIMINARY" REPORT** ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

**"QUARTERLY" REPORT:** To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19..... ◆

# REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

| P | QUARTER | | | |
|---|---|---|---|---|
| | 1st | 2d | 3d | 4th |
| (Mark one square only) | | | | |

**IDENTIFICATION NUMBER**________________________________

Is this an Amendment?
☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "*Employee*".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "*Employer*".—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

## A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

**B. EMPLOYER**—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

## C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."◆

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1 ◆

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

*(b)* IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

## D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

*Receipts* (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

*Loans Received*—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............."Expense Money" and Reimbursements received this Quarter.

*Contributors of $500 or More (from Jan. 1 through this Quarter)*

13. Have there been such contributors?
Please answer "yes" or "no": ..............◆

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

| *Amount* | *Name and Address of Contributor*<br>(*"Period"* from Jan. 1 through..............................., 19.......) |
|---|---|
| $1,500.00 | John Doe, 1621 Blank Bldg., New York, N.Y. |
| $1,785.00 | The Roe Corporation, 2511 Doe Bldg., Chicago, Ill. |
| $3,285.00 | TOTAL |

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

*(b)* IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

## E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

*Expenditures* (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than Item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

*Loans Made to Others*—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*________________

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

| *Amount* | *Date or Dates—Name and Address of Recipient—Purpose* |
|---|---|
| $1,750.00 | 7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill." |
| $2,400.00 | 7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month. |
| $4,150.00 | TOTAL |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Robert J. Aagre, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 210.00 | 26.00 |
| Christian M. Abeel, 70 Pine Street, 39th Floor New York, NY 10270 | American International Group, Inc | | |
| Thomas G. Abernethy Sr., 3973 Stuart Place Jackson, MS 39211 | U.S. Cane Sugar Refiners' Assn | | |
| Ablondi & Foster, P.C., 1776 K Street, NW, #606 Washington, DC 20006 | Taiwan Textile Federation | 43,961.88 | 816.30 |
| Burt J. Abrams, Milbank Tweed Hadley & McCloy One Chase Manhattan Plaza New York, NY 10005 | Rockefeller Group, Inc | | |
| Matthew J. Abrams, CANAMCO 1828 L Street, NW, #660 Washington, DC 20036 | Dominion Marine Assn | | |
| Elaine Acevedo, 1601 Duke Street Alexandria, VA 22314 | Society of American Florists | 2,000.00 | |
| Action for Children's Television, 20 University Road Cambridge, MA 02138 | | 4,862.48 | 8.53 |
| Action, Inc, 333 Pennsylvania Ave., SE Washington, DC 20003 | American Indian Higher Education Consortium | | |
| Ad Hoc Coalition on International Electric Power Trade, 12800 Shaker Blvd. Cleveland, OH 44120-2099 | | | 1,134.08 |
| John J. Adams, 2000 Pennsylvania Ave., NW, #900 Washington, DC 20006 | Ethyl Corporation | | |
| Do | Vepco | | |
| Adams Quackenbush Herring & Stuart, P.O. Box 394 Columbia, SC 29202 | Empire of America | 718.00 | 56.36 |
| Robert O. Aders, 1750 K Street, NW Washington, DC 20006 | Food Marketing Institute | 200.00 | |
| Terrance M. Adlhock, 1111 19th St., NW, #303 Washington, DC 20036 | Southern California Edison Co | 2,000.00 | 1,500.00 |
| Aerospace Industries Assn of America, Inc, 1725 Desales St., NW Washington, DC 20036 | | 34,717.56 | 34,717.56 |
| Agendas International, 820 Second Avenue, #1302 New York, NY 10017 | Ministerio del Exterior, Republic of Nicaragua | | |
| Creigh H. Agnew, 2001 L St., NW, #304 Washington, DC 20036 | Weyerhaeuser Company | | |
| David J. Aho, 1667 K Street, NW, #710 Washington, DC 20006 | Baxter Travenol Laboratories, Inc | 2,000.00 | 280.00 |
| Robert S. Aiken, 1730 M St., NW, #607 Washington, DC 20036 | Arizona Public Service Company | 1,950.00 | 1,848.02 |
| Herbert Allen Ailsworth, 1615 L Street, NW, #420 Washington, DC 20036 | Sandoz Corp | | 70.00 |
| Air Conditioning & Refrigeration Institute, 1501 Wilson Boulevard, #600 Arlington, VA 22209 | | | |
| Air Products & Chemicals, Inc, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006 | | | 3,876.63 |
| Air Traffic Control Assn, Inc. 2020 North 14th Street, #410 Arlington, VA 22201 | | 4,622.32 | 4,622.32 |
| Air Transport Assn of America, 1709 New York Ave., NW Washington, DC 20006 | | 57,768.25 | 140,866.38 |
| Randolf H. Aires, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004 | Sears Roebuck & Co | 2,550.00 | 21.25 |
| Michael A. Aisenberg, 1331 Pennsylvania Ave., NW, #600 Washington, DC 20004 | Digital Equipment Corp | 14,950.00 | |
| Donna A. Akers, 1800 M Street, NW, #700 South Washington, DC 20036 | Dow Chemical Co | | 4,875.00 |
| Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036 | Amerada Hess Corporation | | |
| Do | American Telephone & Telegraph Co | 1,115.00 | 19.00 |
| Do | Archer Daniels Midland Company | | |
| Do | Asamera Minerals (U.S.), Inc | 550.00 | 10.00 |
| Do | Beneficial Corporation | | |
| Do | City of Philadelphia | 2,050.00 | 38.00 |
| Do | Clark Enterprises, Inc | | |
| Do | Coalition for Fair Capital Reimbursement | 5,250.00 | 95.00 |
| Do | Commercial Metals Co | 9,400.00 | 171.00 |
| Do | COMSAT Corp | 1,575.00 | 28.00 |
| Do | Dallas Area Rapid Transit | | |
| Do | Drexel Burnham Lambert, Inc | 57,750.00 | 1,100.00 |
| Do | E & J Gallo Winery | | |
| Do | Embassy of the People's Republic of China | | |
| Do | First Texas Savings & Loan | 1,550.00 | 28.00 |
| Do | Geico Corporation | | |
| Do | General Motors Corp | | |
| Do | Goldman Sachs & Co | | |
| Do | W. R. Grace & Co | 13,850.00 | 262.00 |
| Do | Guardian Industries | 100.00 | |
| Do | Gulf & Western Industries, Inc | 2,100.00 | 38.00 |
| Do | GTE Corporation | | |
| Do | Hoerchst Celanese, Inc | | |
| Do | Houston Oilers | | |
| Do | Peter Kiewit Sons', Inc | 1,000.00 | 19.00 |
| Do | Levi Strauss & Co | 4,150.00 | 76.00 |
| Do | Lone Star Steel Co | | |
| Do | Marriott Corporation | | |
| Do | Mesa Petroleum Co | 13,600.00 | 262.00 |
| Do | Metropolitan Transit Authority of Harris County | 5,125.00 | 95.00 |
| Do | Morgan Stanley & Co, Inc | 1,735.00 | 38.00 |
| Do | Motion Picture Assn of America, Inc | 8,525.00 | 152.00 |
| Do | Mutual Fairness Taxation Assn | 4,350.00 | 76.00 |
| Do | National Football League | | |
| Do | Nederlander Theatres | | |
| Do | News America | 550.00 | 10.00 |
| Do | Pharmaceutical Manufacturers Assn | 810.00 | |
| Do | Population Services International | 3,350.00 | 57.00 |
| Do | Purolator, Inc | | |
| Do | Reebok International Ltd | 150.00 | |
| Do | Research Corporation | 525.00 | 10.00 |
| Do | RJR Nabisco, Inc | 2,775.00 | 57.00 |
| Do | Sacramento Regional Transit District | | |
| Do | Southern California Edison Co | 1,000.00 | 19.00 |
| Do | St. Luke's Roosevelt Hospital Center | | |
| Do | Texas Air Corp | 950.00 | 19.00 |
| Do | United Illuminating Company | 700.00 | 19.00 |
| Do | W. B. Voss | 300.00 | |
| Do | Warner Lambert | 20,250.00 | 380.00 |
| Do | Wertheim & Co | 1,225.00 | 19.00 |
| Do | Western Governors Policy Office | | |
| Alaska Pulp Corp, P.O. Box 1050 Sitka, AK 99835 | | | 3,900.00 |
| William E. Albers, 1731 Connecticut Ave., NW Washington, DC 20009 | Albers & Company (For May Department Stores Co) | 23,300.00 | 758.41 |
| James J. Albertine, 1575 Eye Street, NW Washington, DC 20005 | American Soc of Assn Executives | 300.00 | |
| C. Eddie Aldrete, P.O. Box 9527 Austin, TX 78766 | Texas Agricultural Cooperative Council | | |
| Donald C. Alexander, Cadwalader Wickersham & Taft 1333 New Hampshire Ave., NW Washington, DC 20036 | Air Products & Chemicals, Inc | | |
| Do | Air Transport Assn of America | | |
| Do | American Financial Corp | | |
| Do | Amsted Industries, Inc | | |
| Do | ALIGNPAC | | |
| Do | Bechtel Group, Inc | | |
| Do | Disabled American Veterans | | |
| Do | Eastern Air Lines, Inc | | |
| Do | Family Life Insurance Co | 12.50 | |
| Do | Mortgage Guaranty Insurance Corp | 12.50 | |
| Do | PepsiCo, Inc | | |
| Do | Scott Paper Co | | |
| Do | Security Life of Denver | | |
| Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002 | GATX Corp | | |
| Richard F. Ali, Suite 808 1901 North Moore Street Arlington, VA 22209 | National Assn of the Remodeling Industry | 2,500.00 | |
| John D. Allan, c/o Doh Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037 | Stelco, Inc | | |
| Maxton Allcox, 400 First St., NW, Rm 801 Washington, DC 20001 | Brotherhood of Maintenance of Way Employes | | |
| Alexandra Allen, 215 Pennsylvania Avenue, SE Washington, DC 20003 | U.S. Public Interest Research Group | 3,769.22 | |
| Robert G. Allen, 511 C Street, NE Washington, DC 20002 | C.A.R.E. | | |
| Alliance for Acid Rain Control, 444 N. Capitol Street, #526 Washington, DC 20001 | | 15,000.00 | 1,913.55 |
| Alliance for Capital Access, 1919 Pennsylvania Ave., NW, #704 Washington, DC 20006 | | 512,500.00 | 104,024.85 |
| Alliance of American Insurers, 1501 Woodfield Road, #400 West Schaumburg, IL 60195 | | | 47,672.59 |
| Alliance to Save Energy, 1925 K Street, NW, #206 Washington, DC 20006 | | | 993.90 |
| Allied Acid Rain Prohibition, 11573 Embers Court Reston, VA 22091 | | | |
| Robert F. Allnut, 1100 15th St., NW, #900 Washington, DC 20005 | Pharmaceutical Manufacturers Assn | 1,000.00 | |
| Alltel Corporation, 100 Executive Parkway Hudson, OH 44236 | | | 1,130.00 |
| Harvey Alter, 1615 H Street, NW Washington, DC 20062 | U.S. Chamber of Commerce | 3,200.00 | |
| Michael J. Alber, 1000 Connecticut Avenue, NW Washington, DC 20036 | National Retail Merchants Assn | 2,310.00 | 49.10 |
| Thomas H. Altmeyer, 1130 17th St., NW Washington, DC 20036 | National Coal Assn | 5,000.00 | 402.00 |
| Ricardo R. Alvarado, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004 | Allied-Signal Inc | 2,261.43 | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW Washington, DC 20016 | | | 5,000.00 |
| Amalgamated Transit Union, Natl Cap Div. 689, 2001 9th Street, NW, #300 Washington, DC 20001 | | | |
| Robert P. Ambrose, 14615 Lone Oak Road Eden Prairie, MN 55344 | Cooperative Power Association | 4,000.00 | 1,027.95 |
| American Academy of Family Physicians, 1740 West 92nd St. Kansas City, MO 64114 | | 14,372.77 | 14,372.77 |
| American Advertising Federation, 1400 K Street, NW, #1000 Washington, DC 20005 | | | 5,455.00 |
| American Arts Alliance, 1319 F Street, NW, #307 Washington, DC 20004-1182 | | 72,350.93 | 137,187.59 |
| American Assn for Respiratory Therapy, 1720 Regal Row, #112 Dallas, TX 75235 | | 2,345.63 | 23,237.10 |
| American Assn of Blood Banks, 1117 North 19th St., #600 Arlington, VA 22209 | | 1,250.00 | 1,250.00 |
| American Assn of Equipment Lessors, 1300 North 17th St., #1010 Arlington, VA 22209 | | | |
| American Assn of Exporters & Importers, 11 West 42nd Street, 30th Fl. New York, NY 10036 | | | 2,070.00 |
| American Assn of Meat Processors, P.O. Box 269 Elizabethtown, PA 17022 | | 186.34 | 629.11 |
| American Automobile Assn, 8111 Gatehouse Rd. Falls Church, VA 22047 | | | |
| American Bankers Assn, 1120 Connecticut Avenue, NW Washington, DC 20036 | | 66,208.55 | 66,208.55 |
| American Business Conference, Inc, 1730 K Street, NW, #703 Washington, DC 20006 | | 3,062.50 | 1,654.55 |
| American Camping Association, Bradford Woods Martinsville, IN 46151 | | | |
| American Chamber of Commerce of the Dominican Republic, P.O. Box 95-2 Santo Domingo Dominican Republic | | | |
| American Council for Capital Formation, 1850 K Street, NW, #520 Washington, DC 20006 | | 8,044.00 | 3,792.00 |
| American Council of Life Insurance, Inc, 1001 Pennsylvania Avenue, NW Washington, DC 20004 | | 260,172.52 | 260,172.52 |
| American Farm Bureau Federation, 225 Touhy Ave Park Ridge, IL 60068 | | 128,899.00 | 128,899.00 |
| American Fed of Labor & Congress of Industrial Organizations, 815 16th St., NW Washington, DC 20006 | | | 152,908.15 |
| American Feed Industry Assn, 1701 N. Ft. Myer Dr. Arlington, VA 22209 | | 3,240.00 | 3,240.00 |
| American Financial Services Assn, 1101 14th St., NW Washington, DC 20005 | | | 250.00 |
| American Frozen Food Institute, 1700 Old Meadow Rd., #100 Mclean, VA 22102 | | 6,000.00 | 6,000.00 |
| American Health Care Assn, 1200 15th Street, NW Washington, DC 20005 | | 235,255.20 | 22,026.49 |
| American Hellenic Institute Public Affairs Committee, Inc, 1730 K St., NW Washington, DC 20006 | | 2,000.00 | |
| American Honey Producers Assn, P.O. Box 368 Minco, OK 73059 | | 6,355.35 | 8,763.14 |
| American Hospital Assn, 840 N. Lake Shore Dr. Chicago, IL 60611 | | 65,329.21 | 65,329.21 |
| American Hotel & Motel Assn, 888 Seventh Ave. New York, NY 10106 | | 23,125.15 | 13,459.48 |
| American Institute of Merchant Shipping, 1000 16th Street, NW, #511 Washington, DC 20036 | | | 4,935.49 |
| American Insurance Assn, 1025 Connecticut Avenue, NW Washington, DC 20036 | | 3,874.00 | 3,874.00 |
| American International Group, Inc, 70 Pine Street New York, NY 10270 | | | 51,077.70 |
| American Israel Public Affairs Comm, 500 N. Capitol St., NW, #300 Washington, DC 20001 | | 128,004.00 | 145,337.18 |
| American Land Title Assn, 1828 L St., NW, #705 Washington, DC 20036 | | | 2,625.00 |
| American League for Exports & Security Assistance, Inc, 122 C St., NW, #740 Washington, DC 20001 | | 54,250.00 | 9,307.37 |
| American Library Assn, 50 E. Huron St. Chicago, IL 60611 | | 1,634.00 | 8,501.81 |
| American Malting Barley Assn, Inc, 735 North Water Street, #908 Milwaukee, WI 53202 | | 11,641.16 | 1,671.87 |
| American Meat Institute, P.O. Box 3556 Washington, DC 20007 | | | 6,500.00 |
| American Medical Assn, 535 North Dearborn St. Chicago, IL 60610 | | | 116,468.06 |
| American Medical Care & Review Assn, 5410 Grosvenor Lane, #210 Bethesda, MD 20814 | | | |
| American Medical Peer Review Assn, 440 First Street, NW, #510 Washington, DC 20001 | | | |
| American Movers Conference, 2200 Mill Road Alexandria, VA 22314 | | | 5,518.00 |
| American Newspaper Publishers Assn, Box 17407 Dulles International Airport Washington, DC 20041 | | 20,520.56 | 20,520.56 |
| American Nurses' Assn, 2420 Pershing Rd Kansas City, MO 64108 | | 32,981.39 | 32,981.39 |
| American Paper Institute, Inc, 260 Madison Ave. New York, NY 10016 | | | 8,775.00 |
| American Petroleum Institute, 1220 L St., NW Washington, DC 20005 | | 255,935.32 | 234,209.94 |
| American Physical Therapy Assn, 1111 N. Fairfax St. Alexandria, VA 22314 | | 7,644.50 | 7,644.50 |
| American Podiatric Medical Assn, 20 Chevy Chase Circle Washington, DC 20015 | | | 64,803.91 |
| American Postal Workers Union, AFL-CIO, 1300 L Street, NW Washington, DC 20005 | | 59,572.03 | 77,459.55 |
| American Public Transit Assn, 1225 Connecticut Ave., NW Washington, DC 20036 | | 81,930.00 | 81,930.00 |
| American Pulpwood Assn, 1025 Vermont Avenue, NW Washington, DC 20005 | | | |
| American Retreaders' Assn, P.O. Box 17203 Louisville, KY 40217 | | 500.00 | 500.00 |
| American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005 | | | 14,585.00 |
| American Short Line Railroad Assn, 2000 Massachusetts Ave., NW Washington, DC 20036 | | | |
| American Soc for the Prevention of Cruelty to Animals, 441 E. 92nd Street New York, NY 10128 | | | 3,000.00 |
| American Soc of Anesthesiologists, 1111 14th Street, NW, #501 Washington, DC 20005 | | | 99,007.27 |
| American Soc of Hospital Pharmacists, 4630 Montgomery Avenue Bethesda, MD 20814 | | | 1,275.00 |
| American Soybean Association, 600 Maryland Avenue, SW, #510 Washington, DC 20024 | | 4,950.00 | 4,242.15 |
| American Textile Machinery Assn, 7297 N. Lee Hwy. Falls Church, VA 22042 | | 2,100.00 | 2,100.00 |
| American Textile Manufacturers Institute, Inc, 1101 Connecticut Avenue, NW, #300 Washington, DC 20036 | | 34,128.90 | 46,647.26 |
| American Veterans of World War II, Korea & Vietnam (AMVETS), 4647 Forbes Boulevard Lanham, MD 20706 | | 6,950.47 | 6,950.47 |
| American Veterinary Medical Assn, 1522 K Street, NW, #828 Washington, DC 20005 | | | |
| American Waterways Operators, Inc, 1600 Wilson Boulevard, #1000 Arlington, VA 22209 | | 177,161.50 | 230.28 |
| Americans for the High Frontier, 1010 Vermont Ave., NW, #1015 Washington, DC 20005 | | 78,343.48 | 61,875.50 |
| Americans for the National Voter Initiative Amendment, 3115 N St., NW Washington, DC 20007 | | | |
| Americans for Immigration Control, Inc, P.O. Box 738 Monterey, VA 24465 | | 5,643.35 | 5,643.35 |
| Americans for Nonsmokers' Rights, 2054 University Ave., #500 Berkeley, CA 94704 | | 2,600.00 | 1,981.00 |
| Americans for Tax Reform, 2300 N Street, NW Washington, DC 20037 | | | 2,349.50 |
| Ameriserv, Inc, The Paragon Center 2400 East Commercial Blvd., #500 Fort Lauderdale, Fl. 33308 | | | |
| Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001 | Coalition for American Energy Security | 4,500.00 | |
| Do | Feather & Down Assn | 5,000.00 | |
| Do | Nathan Lewin (for 47th Street Photo) | 7,500.00 | |
| Do | Northrop Corp | 3,000.00 | |
| Do | Pan American World Airways, Inc | 4,500.00 | |
| Do | Thompson Medical | 3,000.00 | |
| Jan S. Amundson, 1331 Pennsylvania Ave., #1500 N. Washington, DC 20005 | National Assn of Manufacturers | | |
| Edward Andersen, 1616 H St., NW Washington, DC 20006 | National Grange | 8,750.00 | |
| Stephen O. Andersen, 2000 L Street, NW, #802 Washington, DC 20036 | Consumer Energy Council of America | | |
| Arne Anderson, 80 F St., NW Washington, DC 20001 | American Fed of Government Employees | 10,427.83 | |
| Bette Anderson, 1020 19th Street, NW Washington, DC 20036 | Anderson Benjamin Read & Haney (For:U.S. Banknote Corp) | | |
| Byron Anderson, 777 14th St., NW Washington, DC 20005 | National Assn of Realtors | 2,500.00 | 492.19 |
| H. Kim Anderson, Virginia Petroleum Council 1001 E. Broad Street Richmond, VA 23219 | American Petroleum Institute | 600.00 | 843.59 |
| J. Lem Anderson, 4111 Franconia Rd. Alexandria, VA 22310 | Temple-Inland | | |
| James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006 | National Assn of Wholesaler-Distributors | | |
| Steven C. Anderson, 1764 Old Meadow Rd, #350 Mclean, VA 22102 | American Frozen Food Institute | 5,000.00 | |
| William C. Anderson, 1101 16th St., NW Washington, DC 20036 | Independent Petroleum Assn of America | | 97.50 |
| Anderson & Pendleton, 1000 Connecticut Avenue, NW, #707 Washington, DC 20036 | Military Mission of Chile | | |
| Mark Andrews, 2550 M St., NW, #695 Washington, DC 20037 | Aiwa America, Inc | | |
| Do | Akai America, Ltd | | |
| Do | Association of Trial Lawyers of America | | |
| Do | Columbia, Inc | | |
| Do | Freedom to Advertise Coalition | | |
| Do | Fuji Photo Film USA, Inc | | |
| Do | Hitachi Sales Corp of America | | |
| Do | Kenwood USA Corporation | | |
| Do | Matsushita Electric Corp of America | | |
| Do | Maxell Corp of America | | |
| Do | Mitsubishi Electric Sales of America, Inc | | |
| Do | Nakamichi USA Corp | | |
| Do | NEC Electronics (USA) Inc | | |
| Do | Onkyo USA Corp | | |
| Do | Pioneer Electronics (USA), Inc | | |
| Do | Sansui Electronics Corp | | |
| Do | Sanyo Electronics, Inc | | |
| Do | Sharp Electronics Corp | | |
| Do | Sony Corp of America | | |
| Do | Toshiba America, Inc | | |
| Do | TDK USA Corp | | |
| Do | TEAC Corp of America | | |
| Do | US JVC Corporation | | |
| Do | Yamaha Electronics Corp | | |
| Michael Andrews, 1455 Pennsylvania Ave., NW, #325 Washington, DC 20004 | Salomon Brothers, Inc | 875.00 | 210.20 |
| Robert B. Andrews, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036 | Mobil Oil Corp | 500.00 | |
| Andrews' Associates, Inc, 2550 M St., NW, #695 Washington, DC 20037 | Aiwa America, Inc | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Akai America, Ltd | | |
| Do | Association of Trial Lawyers of America | | |
| Do | Columbia, Inc | | |
| Do | Freedom to Advertise Coalition | | |
| Do | Fuji Photo Film USA, Inc | | |
| Do | Hitachi Sales Corp of America | | |
| Do | Kenwood USA Corp | | |
| Do | Matsushita Electric Corp of America | | |
| Do | Maxell Corp of America | | |
| Do | Mitsubishi Electric Sales of America, Inc | | |
| Do | Nakamichi USA Corp | | |
| Do | NEC Electronics (USA) Inc | | |
| Do | Onkyo USA Corp | | |
| Do | Pioneer Electronics (USA), Inc | | |
| Do | Sansui Electronics Corp | | |
| Do | Sanyo Electronics, Inc | | |
| Do | Sharp Electronics Corp | | |
| Do | Sony Corp of America | | |
| Do | Toshiba America, Inc | | |
| Do | TDK USA Corp | | |
| Do | TEAC Corp of America | | |
| Do | US JVC Corporation | | |
| Do | Yamaha Electronics Corp | | |
| Owen W. Anglum, 1667 K Street, NW, #650 Washington, DC 20006 | Armco | 2,600.00 | 588.31 |
| Animal Political Action Committee, P.O. Box 2706 Washington, DC 20013 | | | |
| J. Donald Annett, 1050 17th St., NW, #500 Washington, DC 20036 | Texaco, Inc | 500.00 | |
| Philip H. Anns, 1101 Vermont Avenue, NW, #405 Washington, DC 20005 | A. H. Robins, Inc | 2,000.00 | 414.42 |
| Apartment & Office Building Assn, 1413 K Street, NW, #600 Washington, DC 20005 | | | |
| Paul W. Arcari, 201 N. Washington Street Alexandria, VA 22314 | Retired Officers Assn | 2,585.00 | |
| John Archer, 8111 Gatehouse Rd. Falls Church, VA 22047 | American Automobile Assn | | |
| R. M. Julie Archuleta, 1747 Pennsylvania Avenue, NW, 3rd Fl. Washington, DC 20006 | Occidental Chemical Corp | 30.00 | 10.00 |
| Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339 | All Industry Television Station Music License Committee | | 81.65 |
| Do | Ameritech | 27,240.59 | 1,009.40 |
| Do | Artery Corp | 8,600.00 | 3.00 |
| Do | Breed Corporation | 7,314.95 | |
| Do | Central States SE & SW Areas Health Welfare & Pension Funds | 118,818.45 | 2,318.36 |
| Do | ConAgra | | |
| Do | Guardian Life Insurance Co of America | 97,944.06 | 370.91 |
| Do | Insurance Servicing & Information Systems Corp | | |
| Do | Motor and Equipment Manufacturers Association | | |
| Do | Real Estate Dynamics, Inc | 36,912.82 | 80.68 |
| Do | Toshiba America, Inc | 31,288.00 | 1,283.15 |
| Do | Toyota Motor Corporation | | 6.50 |
| Do | Washington Gas Light Co | 2,400.00 | 26.00 |
| Aries Properties Inc, 111 South Tejon, #700 Colorado Springs, CO 80903 | | | 18,001.29 |
| Arkansas Assn of Bank Holding Companies, 103 W. Capitol Little Rock, AR 72201 | | | |
| Olin F. Armentrout, 1448 Duke Street Alexandria, VA 22314 | National Rural Letter Carriers Assn | 13,348.00 | |
| John A. Armstrong, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Dofasco, Inc | 38.75 | |
| Carl F. Arnold, 617 Rivercrest Drive McLean, VA 22101 | American Iron & Steel Institute | 600.00 | |
| Do | Corporate Property Investors | 750.00 | |
| Do | Quintana Petroleum Corp | 1,875.00 | |
| Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036 | American Assn of Exporters & Importers | | 322.80 |
| Do | Amok, Ltd, et al | 375.00 | |
| Do | Asea AB | 260.00 | |
| Do | Business Roundtable | | |
| Do | Canadian Forest Industries Council | 2,450.00 | 13.70 |
| Do | Canadian Meat Council | 506.25 | 1.50 |
| Do | Cemai | | |
| Do | Grain & Feed Trade Assn | | |
| Do | Harris Bank Corp, Inc | | 785.14 |
| Do | International Commodities Clearing House | | |
| Do | London Commodity Exchange (1986) Limited | 15.00 | |
| Do | London International Financial Futures Exchange, Ltd | | |
| Do | Metal Market & Exchange Co, Ltd | | |
| Do | Recording Industry Assn of America, Inc | 8,002.12 | 78.25 |
| Do | Sacramento Public Utility District, et al | | |
| Do | State Farm Mutual Automobile Insurance Co | 15,480.75 | 8,978.76 |
| Do | Survival Technology, Inc | | 641.36 |
| Do | Venezolana de Cementos Ca | 4,171.25 | 232.54 |
| Nan Aron, 600 New Jersey Avenue, NW Washington, DC 20001 | Alliance for Justice | | |
| Lud Ashley, P.C., 1735 New York Avenue, NW, 6th Fl. Washington, DC 20006 | American International Group, Inc | 63,860.00 | |
| Do | Amerifirst Mortgage Corp | 5,000.00 | |
| Do | Central States of Omaha | | |
| Do | Grocery Manufacturers of America, Inc | | |
| Do | Irving Trust Co | 5,000.00 | |
| Do | ISFA Corporation | | |
| Do | Manville Corporation | 18,302.40 | |
| Do | Mineral Insulation Manufacturers Association | 40,000.00 | 207.37 |
| Do | J. C. Penney Co, Inc | 30,075.00 | |
| Do | Wells Fargo Bank, N.A | 10,000.00 | |
| Joseph Ashooh, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Nicholas J. Ashooh, 1000 Elm Street P.O. Box 330 Manchester, NH 03105 | Public Service Co of New Hampshire | 2,383.68 | 1,764.24 |
| Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippine | | | |
| Asphalt Roofing Manufacturers Association, 6288 Montrose Road Rockville, MD 20852 | | | |
| Associated Credit Bureaus, Inc, P.O. Box 218300 16211 Park 10 Place Houston, TX 77084 | | 1,500.00 | |
| Associated General Contractors of America, 1957 E St., NW Washington, DC 20006 | | | |
| Association for the Improvement of the Mississippi River, 100 S. 4th Street, #500 St. Louis, MO 63102 | | | |
| Association of American Foreign Service Women, P.O. Box 8068 Washington, DC 20024 | | 1,108.80 | |
| Association of American Publishers, 2005 Massachusetts Ave., NW Washington, DC 20036 | | 7,904.35 | 7,904.35 |
| Association of American Railroads, American Railroads Building 50 F Street, NW Washington, DC 20001 | | 100,235.58 | 100,235.58 |
| Association of American Veterinary Medical Colleges, 1522 K Street, NW, #834 Washington, DC 20005 | | | |
| Association of Government Accountants, 727 South 23rd Street, #100 Arlington, VA 22202 | | | |
| Association of Junior Leagues, Inc, 825 Third Avenue New York, NY 10022 | | 15,000.00 | 4,140.00 |
| Association of Maximum Service Telecasters, Inc, 1730 M St., NW, #713 Washington, DC 20036 | | | 430.00 |
| Association of Trial Lawyers of America, 1050 31st St., NW Washington, DC 20007 | | 11,059.00 | 11,059.00 |
| Association of Urban Universities, 1225 Connecticut Ave., NW, #300 Washington, DC 20036 | | 22,000.00 | 6,432.99 |
| George J. Aste, 1707 L St., NW, #300 Washington, DC 20036-4202 | United Airlines, Inc | 500.00 | |
| Victor Atiyeh & Co, 519 SW Park St., #208 Portland, OR 97205 | Fujitsu, Ltd | | |
| Atlantic Richfield Co, 515 South Flower Street Los Angeles, CA 90071 | | | 1,143.11 |
| John J. Auciello, P.O. Box 269 Elizabethtown, PA 17022 | American Assn of Meal Processors | | |
| Audio Recording Rights Coalition, P.O. Box 33705 1145 19th Street, NW Washington, DC 20033 | | | |
| Kenneth E. Auer, 50 F Street, NW, #900 Washington, DC 20001 | Farm Credit Council | 800.00 | |
| Claire H. Austin, 214 Massachusetts Ave, NE, #350 Washington, DC 20002 | Russell Corporation | 4,000.00 | 75.00 |
| Richard E. Austin, 2550 M Street, NW, #770 Washington, DC 20037 | RJR Nabisco, Inc | 702.00 | |
| Automotive Parts Rebuilders Assn, 6849 Old Dominion Drive Mclean, VA 22101 | | | 363.50 |
| John S. Autry, 2000 L Street, NW, #810 Washington, DC 20036 | Unisys Corp | 3,000.00 | 1,500.00 |
| William H Axtman, 950 N. Glebe Rd., Rm. 160 Arlington, VA 22203 | American Boiler Manufacturers Assn, Inc | | 2,000.00 |
| ADAPSO, 1300 North 17th Street, #300 Arlington, VA 22209 | | | 76.00 |
| Hope M. Babcock, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | 14.25 | 9.75 |
| Dale R. Babione, 1700 N. Moore St. Rosslyn, VA 22209 | Boeing Company | 1,774.50 | |
| Richard Anthony Baenen, 1735 New York Avenue, NW, #600 Washington, DC 20006 | NANA Regional Corp, Inc | | |
| Do | People's Republic of Angola | | |
| Do | Shee Atika, Inc | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| William T. Bagatelas, 1730 K Street, NW, #319 Washington, DC 20006 | American Hellenic Institute Public Affairs Committee, Inc | | |
| Joan N. Baggett, 815 15th St., NW Washington, DC 20005 | International Union of Bricklayers & Allied Craftsmen | 5,000.00 | 214.10 |
| Brent A. Baglien, 725 15th Street, NW Washington, DC 20005 | National Grain & Feed Assn | | 333.40 |
| John P. Bailey, 625 Slaters Lane, #200 Alexandria, VA 22314 | National Assn of Medical Equipment Suppliers | 7,000.00 | 664.44 |
| Paul C. Bailey Jr., 1101 17th Street, NW, #405 Washington, DC 20036 | Southern Company Services, Inc | 1,370.92 | 390.62 |
| Judith L. Baird, 1333 New Hampshire Ave., NW Washington, DC 20036 | Atlantic Richfield Co | 150.00 | |
| John Baize, Capitol Gallery Bldg., #510 600 Maryland Avenue, SW Washington, DC 20024 | American Soybean Association | 1,088.75 | 127.55 |
| Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005 | American Consulting Engineers Council | 400.00 | |
| Emil F. Baker, 1303 New Hampshire Ave., NW Washington, DC 20036 | Fleet Reserve Assn | | |
| Gerald E. Baker, 1625 Massachusetts Avenue, NW Washington, DC 20036 | Air Line Pilots Assn | 6,000.00 | 517.33 |
| James Jay Baker, 1600 Rhode Island Ave., NW Washington, DC 20036 | National Rifle Assn of America | 1,206.25 | 194.72 |
| Lisa Baker, 1730 K Street, NW, #703 Washington, DC 20006 | American Business Conference, Inc | 125.00 | 25.00 |
| Monica S. Baker, Foley and Company 206 G St., NE, #201 Washington, DC 20002 | Gray's Family Department Stores | | |
| Do | Polyphaser Corp | | |
| Quinter S. Baker, P.O. Box 24 New Geneva, PA 15467 | Friendship Hill Assn | | |
| Baker & Botts, 1701 Pennsylvania Ave., NW Washington, DC 20006 | Natural Resource Management Corp | | |
| Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036 | Astroline Communications Co | 700.00 | |
| Baker & McKenzie, 815 Connecticut Ave., NW Washington, DC 20006 | Mitsubishi Electric Sales of America, Inc | 4,089.66 | 4,089.66 |
| S. Eason Balch, P.O. Box 306 Birmingham, AL 35201 | Balch & Bingham (For:Southern Company Services, Inc) | | |
| Patricia A. Baldi, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | | |
| H. R. Balikov, 333 Thornall St. Edison, NJ 08818 | J. M. Huber Corp | | |
| Jacqueline Balk-Tusa, 2550 M St., NW, #695 Washington, DC 20037 | Aiwa America, Inc | | |
| Do | Akai America, Ltd | | |
| Do | Association of Trial Lawyers of America | | |
| Do | Columbia, Inc | | |
| Do | Freedom to Advertise Coalition | | |
| Do | Fuji Photo Film USA, Inc | | |
| Do | Hitachi Sales Corp of America | | |
| Do | Kenwood USA Corporation | | |
| Do | Matsushita Electric Corp of America | | |
| Do | Maxell Corp of America | | |
| Do | Mitsubishi Electric Sales of America, Inc | | |
| Do | Nakamichi USA Corp | | |
| Do | NEC Electronics (USA) Inc | | |
| Do | Onkyo USA Corp | | |
| Do | Pioneer Electronics (USA), Inc | | |
| Do | Sansui Electronics Corp | | |
| Do | Sanyo Electronics, Inc | | |
| Do | Sharp Electronics Corp | | |
| Do | Sony Corp of America | | |
| Do | Toshiba America, Inc | | |
| Do | TDK USA Corp | | |
| Do | TEAC Corp of America | | |
| Do | US JVC Corporation | | |
| Do | Yamaha Electronics Corp | | |
| Ballard Spahr Andrews & Ingersoll, 555 13th St., NW, #900 East Washington, DC 20004 | Arthur Andersen & Co | | |
| Do | U.S. Committee for UNICEF | | |
| Thomas M. Balmer, 888 16th Street, NW Washington, DC 20006 | Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs | | |
| Philip A. Bangert, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007 | Grocery Manufacturers of America, Inc | | |
| Charles E. Bangert, P.C., 1825 Eye Street, NW, #300 Washington, DC 20006 | Business Roundtable | 5,137.00 | |
| Bank of Boston Corporation, 100 Federal St. Boston, MA 02110 | | | |
| Bank Capital Markets Assn, National Press Building, 2nd Fl. Washington, DC 20045 | | | |
| James T. Banks, 1155 Connecticut Avenue, NW, #800 Washington, DC 20036 | Waste Management, Inc | 5,000.00 | |
| Delmar K. Banner, 50 F Street, NW, #900 Washington, DC 20001 | Farm Credit Council | | |
| Graeme Bannerman, 9108 Parliament Drive Burke, VA 22015 | Embassy of Lebanon | 2,000.00 | 540.00 |
| Robert D. Bannister, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S | 21,000.00 | 15.53 |
| Samuel J. Baptista, 1101 14th St., NW Washington, DC 20005 | American Financial Services Assn | | |
| E. W. Baragar, 1700 North Moore St., 20th Fl. Rosslyn, VA 22209 | Boeing Company | 1,634.23 | 716.50 |
| Robert O. Barker, 4000 Town Center, #540 Southfield, MI 48075-1406 | National Assn of Manufacturers | 1,500.00 | 57.00 |
| William J. Barnds, 1000 Connecticut Avenue, NW Washington, DC 20036 | Japan Economic Institute of America | 500.00 | |
| Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006 | Brown-Forman Corp | | |
| Do | Commonwealth Garment Manufacturing Co | | |
| Do | Dow Chemical Co | | |
| Do | EHA Ventilfabrik Wilhelm Fritz KG | | |
| Do | Heidelberg Eastern, Inc | 4,795.00 | 70.76 |
| Do | Heublein, Inc | | |
| Do | Hiram Walker & Sons, Inc | | |
| Do | Italy-America Chamber of Commerce, Textile & Apparel Comm | | |
| Do | Rukert Marine Corp | 1,567.50 | 67.38 |
| Do | Schieffelin & Co | | |
| Do | Joseph E. Seagram & Sons, Inc | | |
| Do | Stratton Hats, Inc | | 60.48 |
| Do | Texas Citrus and Vegetable Import Association | 2,457.50 | 88.85 |
| Do | Uniroyal Chemical Co | 1,158.25 | 275.78 |
| Larry P. Barnett, 1709 New York Ave., NW Washington, DC 20006 | Air Transport Assn of America | 11,179.36 | 13,795.95 |
| Barnett & Alagia, 250 South County Rd. Palm Beach, FL 33480 | Cuban American Freedom Coalition, Inc | | |
| Do | Dairymen, Inc | 10,780.00 | 1,197.24 |
| Barnett Sivon Schott & Shay, P.C., 1090 Vermont Ave., NW, #810 Washington, DC 20005 | Citibank, N.A | 3,360.00 | 159.00 |
| Neil D. Baron, Booth & Baron 122 East 42nd Street, #1507 New York, NY 10168 | Standard & Poor's Corporation | | |
| James C. Barr, 1840 Wilson Blvd Arlington, VA 22201 | National Milk Producers Federation | 3,300.00 | |
| Terry N. Barr, 50 F Street, NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | | |
| David M. Barrett, Barrett Hanna Daily & Gaspar 2555 M Street, NW, #100 Washington, DC 20037 | Allied Tube & Conduit Corp | | |
| Do | Energy Consumers & Producers Assn | | |
| Robert E. Barrett, 69844 Highway 111, Suite C Rancho Mirage, CA 92270 | Rockwell International Corp | | |
| Robert W. Barrie, 1331 Pennsylvania Avenue, NW Washington, DC 20004 | General Electric Co | 1,500.00 | |
| Roger V. Barth, 1735 Eye St., NW, #715 Washington, DC 20006 | American Assn for Clinical Chemistry Inc | | |
| Linda L. Bartlett, 1100 17th Street, NW, #601 Washington, DC 20036 | Kraft, Inc | 750.00 | |
| James E. Bartley, 1090 Vermont Avenue, NW, #410 Washington, DC 20005 | National Industrial Transportation League | 7,000.00 | 79.05 |
| Mark A. Bartner, 100 Maryland Avenue, NE Washington, DC 20002 | Religious Coalition for Abortion Rights, Inc | 5,875.02 | 9.25 |
| Diane Bateman, 1015 18th Street, NW Washington, DC 20036 | Fertilizer Institute | 9,000.00 | 1,557.21 |
| Robert E. Bates Jr., 1100 Connecticut Ave, NW Washington, DC 20036 | Mobil Oil Corp | 1,125.00 | |
| Catharine R. Batky, 1050 Connecticut Avenue, NW Washington, DC 20036 | Burlington Northern, Inc | 750.00 | 409.58 |
| Davis M. Batson, 1155 15th Street, NW, #611 Washington, DC 20005 | Ethyl Corporation | 500.00 | |
| Laurie C. Battle, 1709 New York Ave., NW, #801 Washington, DC 20006 | U.S. League of Savings Institutions | 2,275.00 | |
| John F. Battles, Massachusetts Petroleum Council 11 Beacon St., #515 Boston, MA 02108 | American Petroleum Institute | | |
| John L. Bauer Jr., 1667 K St., NW, #650 Washington, DC 20006 | Armco, Inc | 2,600.00 | 523.71 |
| Barbara Bauman, 1990 M Street, NW, #480 Washington, DC 20036 | Detroit Edison Company | 450.00 | 35.00 |
| Baumbach & Fisher Assoc., Inc, 1900 S. Harbor City Blvd. Melbourne, FL 32901 | Etradiction Corp of America | 1,500.00 | |
| Ann F. Bavaria, 35 North Sixth Street Reading, PA 19601 | Meridian Bancorp, Inc | | |
| James R. Baxter, 1101 15th St., NW, #1040 Washington, DC 20005 | National Construction Employers Council | | |
| Margaret E. Bayers, 1420 King Street Alexandria, VA 22314-2715 | National Society of Professional Engineers | 1,250.00 | |
| Tina Marts Beach, 1331 Pennsylvania Avenue, NW, #700 Washington, DC 20004 | General Electric Co | 372.00 | |
| Bruce A. Beam, 1667 K St., NW, #450 Washington, DC 20006 | American Electric Power Service Corp | 644.16 | 616.59 |
| Donald S. Beattie, 400 First St., NW #804 Washington, DC 20001 | Railway Labor Executives' Assn | 5,531.90 | |
| Hubert Beatty, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Orren Beaty Jr., Magruder Building 1625 M St., NW Washington, DC 20036 | Western Fuels Association, Inc | 7,315.00 | 736.08 |
| Gerald F. Beavan, 190 Highland Drive Centerville, MA 02632 | Capital Holding Corp | 17,500.00 | 15,080.89 |
| Edward A. Beck III, 1220 L Street, NW Washington, DC 20005 | American Petroleum Institute | 7,848.75 | 126.16 |
| Daniel F. Becker, 1525 New Hampshire Ave., NW Washington, DC 20036 | Environmental Action, Inc | 1,138.25 | |
| Steven M. Beckman, 1757 N Street, NW Washington, DC 20036 | Int'l Union, United Auto Aerospace & Agric Implement Workers | 7,829.15 | 16.00 |
| Howard Bedlin, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 538.46 | 246.20 |
| Jon Charles Bednerik, 11 Embarcadero West, #202 Oakland, CA 94607 | Western Independent Bankers | 500.00 | |
| Beer Drinkers of New Mexico, 8100 Mountain Road, NE Albuquerque, NM 87110 | | | 1,359.00 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Beer Institute, 1750 K St., NW, #500 Washington, DC 20006 | | | 38.00 |
| Robert M. Beers, 2101 E Street, NW Washington, DC 20037 | American Foreign Service Assn | 5,562.00 | 614.00 |
| William A. Behan, 1700 N. Moore St., #820 Rosslyn, VA 22209 | Magnavox Government & Industrial Electronics Co | 9,369.00 | 689.55 |
| Edwin L. Behrens, 801 18th Street, NW, #400 Washington, DC 20006 | Procter & Gamble Manufacturing Co | | |
| James Beizer, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| Mark Belanger, 805 Third Avenue New York, NY 10022 | Major League Baseball Players Assn | | |
| Donald K. Belch, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Stelco, Inc | 198.50 | 451.95 |
| M. Wendell Belew Jr., 499 South Capitol St., SW, #407 Washington, DC 20003 | American Electronics Laboratories, Inc | | |
| Do | Crowley Maritime Corp | | |
| Do | Long Lake Energy Corp | | |
| Do | Massachusetts Mutual Life Insurance Co | | |
| Do | National Tooling & Machining Assn | | |
| Denise Bell, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | 2,500.00 | 135.49 |
| Diane L. Bell, 2626 Pennsylvania Ave., NW Washington, DC 20037 | National Telephone Cooperative Assn | 1,875.00 | 737.57 |
| Howard H. Bell, 1400 K St., NW, #1000 Washington, DC 20035 | American Advertising Federation | | |
| Matt Langley Bell III, P.O. Box 1312 Pensacola, FL 32596 | | | |
| Stephen E. Bell, 1455 Pennsylvania Ave., NW, #325 Washington, DC 20004 | Salomon Brothers, Inc | 1,000.00 | |
| Winston Everett Bell, P.O. Box 26543 Las Vegas, NV 89126 | | | |
| Mary K. Bellamy, 1600 M St., NW Washington, DC 20036 | Investment Company Institute | | |
| James P. Bellis, 1629 K St., NW, #1100 Washington, DC 20006 | Palumbo & Cerrell, Inc (For:Atlantic Ritchfield Co) | 9,600.00 | |
| Do | Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers) | 9,600.00 | |
| Do | Palumbo & Cerrell, Inc (For:European Community) | 9,600.00 | |
| Do | Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District) | 9,600.00 | |
| Bruce Benefield, 1000 Wilson Blvd., #2600 Arlington, VA 22209 | TRW, Inc | 270.00 | |
| Beverly L. Bennett, 1001 Pennsylvania Ave., NW Washington, DC 20006 | American Council of Life Insurance, Inc | 2,500.00 | |
| David E. Bennett, 740 Hillgrove Avenue Western Springs, IL 60558 | West Central Municipal Conference | | |
| John C. Bennison, 4400 Macarthur Blvd., NW Washington, DC 20007 | American Soc of Travel Agents | 8,500.00 | |
| Frederick S. Benson III, 2001 L Street, NW, #304 Washington, DC 20036 | Weyerhaeuser Company | | |
| Tom Benson, 501 Union Street, #506 Nashville, TN 37219 | CSX Transportation | | |
| James E. Benton, N. J. Petroleum Council 150 W. State Street Trenton, NJ 08608 | American Petroleum Institute | | |
| Diana Berardocco, 1660 L Street, NW, #915 Washington, DC 20036 | Avon Products, Inc | | |
| George L. Berg Jr., 600 Maryland Avenue, SW Washington, DC 20024 | American Farm Bureau Federation | 5,813.00 | 212.67 |
| Rebecca J. Berg, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004 | Sea-Land Corporation | 450.00 | |
| Richard Scott Berg, 1250 Connecticut Avenue, NW, #210 Washington, DC 20036 | National Forest Products Assn | | |
| O. M. Berge, 12050 Woodward Ave. Detroit, MI 48203 | Brotherhood of Maintenance of Way Employes | | |
| Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 657.00 | 74.22 |
| Edwin M. Bergsmark, Three Seagate Toledo, OH 43603 | Toledo Trust Company | | |
| Paul C. Bergson, 2550 M St., NW, #770 Washington, DC 20037 | RJR Nabisco, Inc | 3,000.00 | |
| Jane W. Bergwin, 1050 17th Street, NW, #490 Washington, DC 20036 | Consumers Power Co | 3,448.00 | 1,266.00 |
| Christopher Berka, 2550 M St., NW Washington, DC 20037 | McCutchen Doyle Brown & Enersen (For:Castle & Cooke) | | 160.00 |
| Do | McCutchen Doyle Brown & Enersen (For:Rohr Industries, Inc) | | |
| Peter A. A. Berle, 950 Third Avenue New York, NY 10022 | National Audubon Society | 1,000.00 | 362.10 |
| Berliner & Maloney, 1101 17th Street, NW, #1004 Washington, DC 20036-4798 | Embassy of Belize | 2,200.00 | 81.95 |
| Do | Government of Barbados, Ministry of Finance & Planning | 14,954.00 | 724.58 |
| Carol Lee Berlinsky, 1001 Prince Street Alexandria, VA 22314 | John R. Zagame Associates, Inc (For:National Music Publishers Assn, Inc) | 6,000.00 | 47.50 |
| Debra Berlyn, 1400 K St., NW, #500 Washington, DC 20005 | Handgun Control, Inc | 8,615.39 | |
| Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036 | Consumer Energy Council of America | | |
| Jason S. Berman, 1020 19th St., NW, #200 Washington, DC 20036 | Recording Industry Assn of America, Inc | 56,250.00 | |
| Jay Harris Berman, 400 N. Washington St. Alexandria, VA 22314 | National Assn of Professional Insurance Agents | | |
| William R. Berman, 8111 Gatehouse Rd. Falls Church, VA 22047 | American Automobile Assn | | |
| Berman Bergner & Boyette, 1016 16th Street, NW, #700 Washington, DC 20036 | Blaw Knox | 2,500.00 | 1,923.17 |
| Do | China External Trade Development Council | 2,000.00 | 1,236.00 |
| Do | First Atlantic Investment Corp | 1,500.00 | 1,149.43 |
| Do | Flo-Sun Land Corp | 2,000.00 | 1,949.43 |
| Do | Home Recording Rights Coalition | 3,000.00 | 3,326.18 |
| Do | Kasnar Imports, Inc | 300.00 | 995.00 |
| Do | Malone and Hyde | | |
| Do | Natural Gas Supply Assn | 3,000.00 | 3,216.40 |
| Do | Okeelanta Corp | 1,700.00 | 3,237.52 |
| Do | Republic of Korea | 2,000.00 | 1,230.00 |
| Mary E. Bernhard, 1090 Vermont Avenue, NW, #500 Washington, DC 20005 | Flexible Packaging Association | | |
| Charles Bernhardt, 1016 16th St., NW Washington, DC 20036 | National Fed of Federal Employees | 53.52 | |
| Donald C. Berno, 1615 H St., NW Washington, DC 20062 | U.S. Chamber of Commerce | 7,500.00 | 20.00 |
| Craig A. Berrington, 1025 Connecticut Ave., NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Max N. Berry, 3213 O St., NW Washington, DC 20007 | American Importers Meat Products Group | | |
| Do | Centre National Interprofessionnel de L'Economic Laitiere | | |
| Do | Committee to Assure the Availability of Casein | 5,000.00 | 325.63 |
| Do | Federation des Exportateurs de Vins & Spiritueux de France | | |
| Willard M. Berry, 900 17th Street, NW, #514 Washington, DC 20006 | National Foreign Trade Council, Inc | 5,000.00 | 1,100.00 |
| Eve Berton, 1016 16th St., NW Washington, DC 20036 | National Fed of Federal Employees | | |
| John F. Betar, 730 15th Street, NW Washington, DC 20005 | Association of Bank Holding Cos | 1,100.00 | 115.00 |
| Better Working Environments, Inc, 3716 Scripps Way Las Vegas, NV 89103 | | | |
| Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005 | Robert Betz Associates, Inc (For:Alabama Hospital Association) | 5,250.00 | 458.81 |
| Beveridge & Diamond, P.C., 1333 New Hampshire Ave, NW Washington, DC 20036 | Metal Box America, Inc | | |
| Do | Town of Oyster Bay Industrial Development Agency | | |
| Beverly Enterprises, Inc, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209 | | | 25,289.42 |
| John C. Biechman, 655 15th St., NW, #1200 Washington, DC 20005 | Safe Building Alliance | | |
| Joan T. Bier, 1726 M Street, NW, #701 Washington, DC 20036 | International Minerals & Chemical Corp | | |
| Moe Biller, 1300 L St., NW Washington, DC 20005 | American Postal Workers Union, AFL-CIO | 12,113.07 | |
| Kevin W. Billings, 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | 2,768.94 | 1,180.46 |
| Leon G. Billings, Inc, 1660 L St., NW, #809 Washington, DC 20036 | Coalition for Scenic Beauty | 2,521.63 | |
| Hugh L. Binford, 50 Coe Road, #223 Belleair, FL 33516 | | | |
| Bingham Dana & Gould, 1724 Massachusetts Avenue, NW Washington, DC 20036 | Disabled American Veterans | 1,890.00 | 10.00 |
| Birch Horton Bittner Pestinger & Anderson, 12th Floor 1155 Connecticut Ave., NW Washington, DC 20036 | Alaska Pacific Refining, Inc | | |
| Do | Alaska Power Authority | | |
| Do | Alaska Teamsters-Employer Pension Trust | | |
| Do | Alaska Teamsters-Employer Welfare Trust | | |
| Do | Amerada Hess Corp | | |
| Do | Calista Corp | | |
| Do | City of St. George | | |
| Do | CP National Corp | | |
| Do | First Federal Bank of Alaska, S.B. | | |
| Do | North Slope Borough | | |
| Do | Old Harbor Corp | | |
| Do | Sealaska Corp | | |
| Do | St. George Tanaq Corp | | |
| Do | Tanadgusix Corporation | | |
| Do | Teamsters Local 959 | | |
| Do | Westinghouse Electric Corp | | |
| Do | Yukon Pacific Corp | | |
| Robert J. Bird, 888 16th St., NW Washington, DC 20006 | General Mills, Inc | 75.00 | |
| Do | Zachry, Inc | | |
| Charles O. Bishop Jr., 1225 Connecticut Ave., NW Washington, DC 20036 | American Public Transit Assn | 6,650.00 | 253.00 |
| Bishop Cook Purcell & Reynolds, 1200 17th Street, NW, #700 Washington, DC 20036 | Akhiok-Kaguyak, Inc | 2,600.00 | |
| Do | Americans Against Socialized Medicine | | |
| Do | BATUS, Inc | 8,033.75 | 77.50 |
| Do | Mobil Oil Corp, et al | 9,979.85 | 87.00 |
| Do | Natural Gas Pipeline Coalition | | |
| Do | Tobacco Institute | 23,837.50 | 439.32 |
| Do | Washington Public Power Supply System | 8,800.00 | |
| Dennis A. Bitz, 999 Meredith Court Sonoma, CA 95476 | Bechtel Power Corporation | | |
| Gerrie Bjornson, 1825 Eye Street, NW, #400 Washington, DC 20006 | B.F. Goodrich Co | 100.00 | |
| Black Crotty Sims Hubka Burnett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018 | Aetna Life Insurance Company | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Black Manafort Stone & Kelly, P.C., 211 North Union Street, 3rd Floor Alexandria, VA 22314 | Allied Signal Companies | 22,500.00 | 441.79 |
| Do | Bethlehem Steel Corp | 22,500.00 | 491.60 |
| Do | Chicago RTA | 9,000.00 | 242.93 |
| Do | Diamond Star Corp | 30,000.00 | 330.96 |
| Do | Johnson & Johnson | 30,000.00 | 616.01 |
| Do | Kaman Aerospace Corp | 45,000.00 | 406.90 |
| Do | Tobacco Institute | 22,500.00 | 654.07 |
| Do | Trans World Airlines, Inc | 18,000.00 | 131.00 |
| Do | U.N.I.T.A. | 75,000.00 | 1,988.25 |
| Do | Union Pacific Corp | 22,500.00 | 499.85 |
| Robert J. Blackwell, One Thomas Circle, NW, #900 Washington, DC 20005 | American Trading Transportation Co, Inc | | |
| Do | Cove Maritime Companies | | |
| Do | Crest Tankers, Inc | | |
| Do | Enserch Corporation | 3,038.00 | 2,412.93 |
| Do | Equity Carriers I, Inc | | |
| Do | Equity Carriers III, Inc | | |
| Do | Falcon Tankers, Inc | | |
| Do | Sun Transport, Inc | | |
| Do | Trinidad Corporation | | |
| Do | Victory Carriers, Inc | | |
| Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036 | Exxon Corporation | | |
| David A. Blair, 5205 Leesburg Pike, #505 Falls Church, VA 22041 | National Beer Wholesalers Assn | 2,324.00 | 118.28 |
| Neal B. Blair, Suite 1 11244 Waples Mill Rd. Fairfax, VA 22030 | Free the Eagle, et al. | 18,296.52 | |
| Stephen Blair, 2251 Wisconsin Ave., NW Washington, DC 20007 | National Assn of Trade & Technical Schools | 750.00 | |
| Richard R. Blake Jr., 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | | |
| Helen Blank, 122 C Street, NW Washington, DC 20001 | Children's Defense Fund | 2,624.01 | |
| Kenneth T. Blaylock, 80 F St., NW Washington, DC 20001 | American Fed of Government Employees | 21,850.57 | 5,967.15 |
| Beatrice K. Bleicher, 1700 K Street, NW, #1107 Washington, DC 20006 | Owens-Illinois, Inc | 2,000.00 | 100.00 |
| Jerald Blizin, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc | | |
| John R. Block, 201 Park Washington Court Falls Church, VA 22046 | National-American Wholesale Grocers' Assn | 3,000.00 | |
| L. Thomas Block, One Wall Street New York, NY 10015 | Irving Trust Co | 5,000.00 | 2,000.00 |
| Peter L. Blocklin, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 3,500.00 | |
| Douglas M. Bloomfield, 500 N. Capitol St., NW, #300 Washington, DC 20001 | American Israel Public Affairs Comm | 20,424.96 | 1,460.18 |
| Mark Bloomfield, 1850 K St., NW, #400 Washington, DC 20006 | American Council for Capital Formation | 900.00 | |
| Shirley A. Bloomfield, 2626 Pennsylvania Ave., NW Washington, DC 20037 | National Telephone Cooperative Assn | 1,875.00 | 785.07 |
| Vera Steiner Blore, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 300.00 | 5.00 |
| John B. Blount Jr., 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | 2,500.00 | 363.95 |
| Gordon B. Bluechel, 9805 Avondale Rd., E214 Redmond, WA 98052 | Gordon Bluechel & Associates, Inc | 1,410.53 | |
| Gordon Bluechel & Associates, Inc, T.L.P.O. Box 8006 Kirkland, WA 98034 | International Services, Inc | 1,875.00 | 1,437.15 |
| Robert A. Blum, 600 Montgomery Street San Francisco, CA 94111 | Orrick Herrington & Sutcliffe (For:Permanente Medical Group, Inc) | | |
| Charles R. Blumenfeld, Bogle & Gates 2100 Bank of California Center Seattle, WA 98164 | Coalition of Independent Timber Growers | | |
| Do | Pacific Seafood Processors Assn | | |
| Patti Blumer, 1667 K Street, NW, #430 Washington, DC 20007 | American Dietetic Assn | | |
| William J. Boarman, 1925 K Street, NW Washington, DC 20006 | Communications Workers of America | | |
| Boat Owners Assn of the U.S., 880 S. Pickett St. Alexandria, VA 22304 | | 60,000.00 | 60,000.00 |
| Karen Bodenhorn, 1522 K Street, NW, #1120 Washington, DC 20005 | American College of Nurse-Midwives | | |
| Seth M. Bodner, 386 Park Avenue South New York, NY 10016 | National Knitwear & Sportswear Assn | 1,312.50 | |
| Larry A. Boggs, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| Timothy A. Boggs, 1133 21st Street, NW, #400 Washington, DC 20036 | Warner Communications, Inc | 16,080.00 | 13,300.49 |
| Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005 | Alaskan Factory Trawlers Assn | 2,000.00 | |
| Do | Alliance for Fair Trade | | |
| Do | American Fair Trade Council | | |
| Do | Coalition for Clean Water | | |
| Do | Northwest Apparel & Textile Assn | 1,000.00 | |
| Do | Pacific Seafood Processors Assn | 300.00 | |
| Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036 | National Soft Drink Assn | | |
| Patricia Boinski, 1333 New Hampshire Ave., NW Washington, DC 20036 | Atlantic Richfield Co | 62.00 | |
| Bernadette Bolton, 400 First Street, NW, #800 Washington, DC 20001 | Brotherhood of Railroad Signalmen | 300.00 | |
| Sharon E. Bomer, 727 N. Washington Street Alexandria, VA 22314 | United Fresh Fruit & Vegetable Assn | 2,287.50 | 544.91 |
| Joseph C. Bonanno Jr., 4068 Keith Drive Campbell, CA 95008 | | | |
| A. Dewey Bond, P.O. Box 3556 Washington, DC 20007 | American Meat Institute | 500.00 | |
| Edward N. Bond, 1700 North Moore St. Rosslyn, VA 22209 | Boeing Company | 600.00 | |
| Bonner & Associates, Inc, 1625 K Street, NW, #300 Washington, DC 20006 | Blue Cross & Blue Shield Assn | | |
| Bonneville Associates, 200 E. South Temple, #300 Salt Lake City, UT 84111 | Western Regional Council | 560.00 | 85.18 |
| Gaylon B. Booker, 1918 N. Parkway Memphis, TN 38112 | National Cotton Council of America | | |
| W. Dan Boone, 345 Park Ave. New York, NY 10154 | Union Pacific Corp, et al. | | |
| John K. Booth, 1001 Pennsylvania Ave., NW Washington, DC 20006 | American Council of Life Insurance, Inc | 100.00 | |
| Diane Boratyn, 1230 31st St., NW, #5 Washington, DC 20007 | D Boratyn, Ltd | | |
| Richard H. Bornemann, 410 First Street, SE Washington, DC 20003 | United Illuminating Co | 2,332.00 | 1,483.94 |
| Patricia A. Borowski, 400 North Washington Street Alexandria, VA 22314 | National Assn of Professional Insurance Agents | | |
| Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005 | American Consulting Engineers Council | 900.00 | |
| G. Stewart Boswell, 2500 Wilson Blvd. #301 Arlington, VA 22201 | American Apparel Manufacturers Assn, Inc | 2,825.00 | 157.85 |
| Nancy Bothne, 2001 S Street, NW, #312 Washington, DC 20009 | Farmworker Justice Fund, Inc | | |
| Charles G. Botsford, 1730 M St., NW, #515 Washington, DC 20036 | Charles G. Botsford, et al. | 1,500.00 | 113.00 |
| John E. Bouchard, 1667 K Street, NW, #350 Washington, DC 20036 | Moller Steamship Co, Inc | | |
| James J. Boulet Jr., 1420 West Abingdon, #341 Alexandria, VA 22314 | Moral Majority | 4,615.38 | |
| Mary M. Bourdette, 122 C St., NW, 4th Fl. Washington, DC 20001 | Children's Defense Fund of the Washington Research Project | 3,200.06 | 106.89 |
| James G. Bourie, 4647 Forbes Boulevard Lanham, MD 20706 | AMVETS | 6,800.00 | 150.47 |
| Albert D. Bourland, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | | |
| Laura L. Bourne, 1750 K Street, NW Washington, DC 20006 | Food Marketing Institute | 100.00 | |
| Wayne A. Boutwell, 50 F Street, NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | 3,400.00 | |
| Bowery Savings Bank, 110 East 42nd Street New York, NY 10017 | | | |
| Doug B. Bowles, 205 Spring Hill Terrace Roswell, GA 30075 | Georgia Power Co | 9,991.50 | 8,913.54 |
| Richard P. Bowling, 1020 Princess Street Alexandria, VA 22314 | Truck Trailer Manufacturers Assn | 1,000.00 | |
| Gina M. Bowman, P.O. Box 7305, Dept. 178 Kansas City, MO 64116 | Farmland Industries, Inc | | |
| Jim D. Bowmer, P.O. Box 844 Temple, TX 76503 | Tribal Council of the Coushatta Tribe of Louisiana | | |
| Bowmer Courtney Burleson Pemberton & Normand, P.O. Box 844 Temple, TX 76503 | Tribal Council of the Coushatta Tribe of Louisiana | | 219.67 |
| Joan Costain Bowyer, 1015 15th St., NW, #909 Washington, DC 20005 | Phelps Dodge Corp | 150.00 | |
| James H. Boyd, 1233 20th St., NW, #200 Washington, DC 20036 | Newmont Mining Corp | | |
| John G. Boyd, 1801 K St., NW Washington, DC 20006 | International Business Machines Corp | 400.00 | 39.00 |
| Robert K. Boyd, 1515 Wilson Blvd. Arlington, VA 22209 | American Gas Assn | 3,000.00 | 382.10 |
| Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006 | American Gas Assn | | |
| Do | American Insurance Assn | | |
| Do | Appalachian Energy Group | | |
| Do | Austin Capital Metropolitan Authority | | |
| Do | Chemical Manufacturers Assn, Inc | 900.00 | 359.10 |
| Do | Coalition of Funeral Directors | 1,049.25 | |
| Do | Computer Dealers & Lessors Assn, Inc | | |
| Do | COMDISCO, Inc | | |
| Do | Enron Corp | 720.00 | 287.28 |
| Do | Liberty Bank & Trust of New Jersey | 720.00 | 287.28 |
| Do | Louisiana Land & Exploration Co | 540.00 | 215.46 |
| Do | Massachusetts Mutual Life Insurance | 104.93 | |
| Do | National Cable Television Assn, Inc | | |
| Do | Pennsylvania Natural Gas Associates | | |
| Do | Southdown/Pelto Oil Company | | |
| Do | Star-Kist Foods, Inc | 1,080.00 | 430.92 |
| Do | Tennessee Gas Transmission Co | 540.00 | 215.46 |
| Do | Texas Funeral Directors Assn, Inc | | |
| Do | U.S. Tuna Foundation | | |
| Do | Valero Energy Corporation | 1,440.00 | 547.56 |
| Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036 | American Southwest Financial Co | 30,000.00 | 450.00 |
| Do | Arkla, Inc | 4,000.00 | 165.00 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | City of Tucson | 7,000.00 | 185.00 |
| Do | Coin Coalition | | |
| Do | CSX Corporation | 8,000.00 | 265.00 |
| Do | Doctor's Pharmacy | 1,500.00 | 150.00 |
| Do | Energy Absorption Systems, Inc | 8,000.00 | 390.00 |
| Do | Energy Contractors Price-Anderson Group | 4,000.00 | 175.00 |
| Do | Estes Company | 3,000.00 | 155.00 |
| Do | LaserVideo, Inc | 4,000.00 | 175.00 |
| Do | Pratt & Whitney Aircraft Group | 4,000.00 | 50.00 |
| Do | Southern Arizona Water Resources Association | 2,000.00 | 180.00 |
| Robert W. Bradford, 1101 John A. Denie Road P.O. Box 34550 Memphis, TN 38184-0650 | | | |
| Frank W. Bradley, 1700 K St., NW Washington, DC 20006 | Chevron USA, Inc | 6,000.00 | |
| Wayne W. Bradley, 1101 Vermont Ave., NW Washington, DC 20005 | American Medical Assn | 750.00 | |
| Dennis M. Bradshaw, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Carren Bragg, 1901 L Street, NW, #303 Washington, DC 20036 | Colt Industries, Inc | 500.00 | |
| Charles G. Bragg, P.O. Box 12285 Memphis, TN 38182 | National Cotton Council of America | 540.00 | 8.10 |
| Raymond F. Bragg Jr., 50 F Street, NW, #1040 Washington, DC 20001 | Agrifuels Refining Corp, et al | 100.00 | |
| Do | American Independent Refiners Assn | 300.00 | |
| Sally M. Brain, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005 | General Dynamics Corp | | |
| Do | Winstead McGuire Sechrest & Minick | | |
| Robert M. Brandon, 1300 Connecticut Ave., NW, #401 Washington, DC 20036 | Citizen Action | 2,000.00 | |
| Do | Citizen/Labor Energy Coalition | | |
| William C. Brashares, Mintz Levin Cohn Ferris Glovsky & Popeo 1825 Eye St., NW, #1201 Washington, DC 20006 | Smith Barney Harris Upham & Co, Inc | | |
| Christian N. Braunlich, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703 | National Assn of Manufacturers | 125.00 | |
| Roy Braunstein, 1300 L Street, NW Washington, DC 20005 | American Postal Workers Union, AFL-CIO | 13,169.90 | |
| Harold E. Brazil, 1900 Pennsylvania Avenue, NW Washington, DC 20068 | Potomac Electric Power Co | 73.43 | |
| Noel Brazil, 1505 Prince Street, #300 Alexandria, VA 22314 | American Optometric Assn | | |
| Edward T. Breathitt, 1050 Connecticut Ave., NW Washington, DC 20036 | Norfolk Southern Corp | 1,000.00 | |
| Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005 | Air Transport Assn of America | 5,000.00 | |
| Do | American Car Rental Assn | 5,000.00 | |
| Do | American Fed of Labor & Congress of Industrial Organizations | 5,000.00 | |
| Do | Committee for Tax Equity | | |
| Do | Committee to Eliminate Equipment Giveaways | 5,000.00 | |
| Do | Murry's, Inc | 5,000.00 | |
| Do | National Car Rental System, Inc | | |
| Do | Temistocles Ramirez | 1,500.00 | |
| Do | Ryder Systems, Inc | | |
| Do | Trans World Airlines, Inc | | |
| Do | Truck Renting & Leasing Assn | 5,000.00 | |
| Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036 | General Motors Corp | 5,000.00 | 2,257.31 |
| Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006 | International Assn of Bridge Struct & Ornamental Iron Wkrs | 10,800.00 | 573.48 |
| Peter E. Brereton, 900 Euclid Avenue P.O. Box 5937 Cleveland, OH 44107 | Ameritrust Co, Nat'l Assn | 2,106.00 | 1,906.07 |
| Thomas M. Bresnahan III, 1700 K Street, NW, #1200 Washington, DC 20006 | Chevron USA, Inc | 1,500.00 | |
| Albert E. Brewster, 1000 Wilson Blvd., #2300 Arlington, VA 22209 | Northrop Corp | | 152.25 |
| Robert J. Brinkmann, 1627 K Street, NW, #400 Washington, DC 20006 | National Newspaper Assn | 5,000.00 | |
| Belva B. Brissett, 1771 N St., NW Washington, DC 20036 | National Assn of Broadcasters | 1,500.00 | 511.00 |
| Elizabeth Y. Britton, 2550 M Street, NW Washington, DC 20037 | RJR Nabisco, Inc | 119.88 | 209.32 |
| Broadhurst Brook Mangham & Hardy, 1730 Pennsylvania Ave., NW, #300 Washington, DC 20006 | CSX Corporation | | |
| Do | GNB, Inc | | |
| Do | Primark Corp | | |
| Do | Sunmar Shipping, Inc | | |
| Stephen W. Broadie, 1629 K Street, NW, #1010 Washington, DC 20006 | Alliance of American Insurers | 1,500.00 | 3.20 |
| Mary Broderick, 1625 K St., NW, 8th Fl. Washington, DC 20006 | National Legal Aid & Defender Assn | 1,500.00 | 1.60 |
| William M. Brodhead, 900 Marquette Building Detroit, MI 48226 | Plunkett & Cooney (For:Blue Cross & Blue Shield Assn) | 2,775.00 | 90.31 |
| Do | Plunkett & Cooney (For:City of Detroit, Michigan) | 7,500.00 | 145.07 |
| Do | Plunkett & Cooney (For:Detroit Educational TV Foundation) | 270.00 | |
| Do | Plunkett & Cooney (For:Michigan Consolidated Gas Co) | 10,000.00 | 526.97 |
| Do | Murray & Scheer (for: Lightning Location & Protection, Inc) | 4,000.00 | 18.60 |
| Do | Murray & Scheer (for: PHP Healthcare Corp) | 2,397.50 | 4.00 |
| Do | Plunkett & Cooney (for: Humane Soc of the U.S.) | 1,425.00 | 46.69 |
| Do | Plunkett & Cooney (for: Michigan Humane Soc) | 1,425.00 | 46.68 |
| David A. Brody, 1640 Rhode Island Ave., NW Washington, DC 20036 | Anti-Defamation League of B'nai B'rith | 4,000.00 | |
| Marcia D. Brody, 1522 K Street, NW, #828 Washington, DC 20005 | American Veterinary Medical Assn | | |
| Nancy B. Broff, 600 New Jersey Ave., NW Washington, DC 20001 | Alliance for Justice | 200.00 | |
| E. Bernard Brogan, 1850 M Street, NW, #600 Washington, DC 20036 | Toyota Motor Sales, USA, Inc | | |
| Michael D. Bromberg, 1111 19th St., NW, #402 Washington, DC 20036 | Federation of American Health Systems | 4,500.00 | |
| Brook Associates, Inc, 1620 Eye Street, NW, #706 Washington, DC 20006 | Northern Textile Assn | 7,875.00 | 7,875.00 |
| Dale E. Brooks, 1700 K St., NW Washington, DC 20006 | Chevron USA, Inc | 5,625.00 | |
| E. R. Brooks, P.O. Box 2121 Corpus Christi, TX 78403 | Central Power & Light Co | | |
| Mary E. Brooks, 1730 M Street, NW Washington, DC 20036 | League of Women Voters of the U.S. | 4,446.68 | 229.25 |
| Philip A. Brooks, 1125 15th Street, NW Washington, DC 20005 | Mortgage Bankers Assn of America | | |
| Brotherhood of Railway Airline & Steamship Clerks, 815 16th St., NW Washington, DC 20006 | | 18,100.00 | 32,410.75 |
| Donald G. Brotzman, 1400 K St., NW Washington, DC 20005 | Rubber Manufacturers Assn | 10,000.00 | |
| Bon Jarratt Brown, 325 Pennsylvania Ave., SE Washington, DC 20003 | Washington Lobby Group, Inc (For:Preston Corp) | 3,000.00 | |
| Cheryl Brown, 1667 K Street, NW, #710 Washington, DC 20006 | Baxter Travenol Laboratories, Inc | | |
| David S. J. Brown, 1101 17th St., NW, #604 Washington, DC 20036 | Monsanto Co | 700.00 | 90.20 |
| Diane R. Brown, 1515 Wilson Boulevard Arlington, VA 22209 | American Gas Assn | 3,700.00 | 1,087.33 |
| Doreen L. Brown, 1001 Connecticut Ave., NW, #800 Washington, DC 20036 | Consumers for World Trade | | |
| Ellen B. Brown, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | | |
| George L. Brown, 1000 Wilson Boulevard Arlington, VA 22209 | Grumman Corporation | 1,250.00 | 473.18 |
| Jesse P. Brown Jr., 1918 N. Parkway Memphis, TN 38112 | National Cotton Council of America | | |
| Ralph Brown, Suite 107 701 S. 22nd Street Omaha, NB 68102 | M.O.A.A.I.O.A. & Subs, Inc | | |
| S. M. Henry Brown Jr., 411 Fayetteville Street Mall, #1925 Raleigh, NC 27601 | Carolina Power & Light Co | | |
| Vincent D. Brown, Nebraska Petroleum Council P.D. Box 95063 Lincoln, NB 68509 | American Petroleum Institute | 2,500.00 | 1,936.20 |
| Virginia Brown, 15th & M streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| William E. Brown, 815 Connecticut Ave., NW Washington, DC 20006 | Ford Motor Co | 180.00 | 820.95 |
| William R. Brown, 122 C Street, NW, #200 Washington, DC 20001 | Council of State Chambers of Commerce | 307.60 | |
| William Y. Brown, 1155 Connecticut Ave., NW, #800 Washington, DC 20036 | Waste Management, Inc | 5,000.00 | |
| Brown & Finn, Chtd, 1920 N Street, NW, #510 Washington, DC 20036 | Cincinnati Microwave, Inc | | |
| Do | Regency Electronics, Inc | | |
| Do | RADAR | 1,312.50 | |
| Do | Satellite TV Viewing Rights Coalition, Inc | 1,501.50 | |
| Brown Todd & Heyburn, 1600 Citizens Plaza Louisville, KY 40202 | Brown & Williamson Tobacco Corp | | |
| Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005 | Camara de la Industria de Transformacion de Nuevo Leon | 38,634.00 | 5,590.28 |
| Do | New York City Housing Development Corp | 17,006.88 | |
| Do | New York State Mortgage Loan Enforcement & Admin Corp | 11,809.97 | |
| Do | Universal Furniture Limited | | 191.60 |
| Wolf Brueckmann, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 250.00 | 57.49 |
| Kathryne M. Bruner, 1025 Connecticut Ave., NW, #704 Washington, DC 20036 | GA Technologies, Inc | 875.00 | 147.45 |
| William K. Brunette, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 541.15 | 171.75 |
| Michael E. Brunner, 2626 Pennsylvania Avenue, NW Washington, DC 20037 | National Telephone Cooperative Assn | 1,000.00 | 3.50 |
| J. Charles Bruse, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004 | Allstate Insurance Group | 1,950.00 | 412.67 |
| Bryan Cave McPheeters & McRoberts, 1015 15th Street, NW, #1000 Washington, DC 20005 | Miller & Chevalier Chtd (for Western Savings & Loan Assn...) | | |
| Diane M. Bryden, 888 16th Street, NW Washington, DC 20006 | Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs | | |
| Judith A. Buckalew, 1667 K Street, NW, #500 Washington, DC 20006 | International Assn for Financial Planning, Inc | 16,585.00 | 4,162.03 |
| Thomas L. Buckmaster, 1225 Connecticut Avenue, NW, #303 Washington, DC 20036 | Citizens for Sensible Control of Acid Rain | 750.00 | |
| G. N. Buffington, 2230 California Street, NW Washington, DC 20008 | National Assn of Real Estate Investment Trusts, Inc | 5,847.36 | 3.82 |
| Building Owners & Managers Assn International, 1250 Eye St., NW, #200 Washington, DC 20005 | | | |
| Douglas W. Bulcao, 1101 Connecticut Ave., NW, #300 Washington, DC 20036 | American Textile Manufacturers Institute, Inc | 3,750.00 | 24.00 |
| Linda Kaell Bumbalo, 1125 15th Street, NW Washington, DC 20005 | Mortgage Bankers Assn of America | | |
| Darrel D. Bunge, Minnesota Petroleum Council 350 St. Peter Street, #1025 St. Paul, MN 55102 | American Petroleum Institute | 637.00 | |
| David A. Bunn, 1211 Connecticut Avenue, NW, #406 Washington, DC 20036 | Hearst Corporation | 1,000.00 | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Magazine Publishers Assn, Inc | 3,000.00 | |
| Do | Parcel Shippers Assn | 2,000.00 | |
| Norman D. Burch, 1101 Vermont Ave., NW, #604 Washington, DC 20005 | College of American Pathologists | 9,000.00 | 160.90 |
| Barbara G. Burchett, 1615 L Street, NW, #1220 Washington, DC 20036 | Hallmark Cards, Inc | | |
| David G. Burden, 200 E. Randolph Dr. Chicago, IL 60601 | Amoco Corporation | | |
| Paul F. Burdett, Suite 700 South 1800 M Street, NW Washington, DC 20036 | Merrell Dow Pharmaceuticals, Inc | | 84.25 |
| Robert J. Burdick, 1126 16th Street, NW Washington, DC 20036 | Oil Chemical & Atomic Workers Int'l Union | 3,057.90 | |
| Harriet Hunt Burgesss, 82 Second Street San Francisco, CA 94105 | Trust for Public Lands | 8,437.50 | 4,687.44 |
| William J. Burhop, 1709 New York Ave., NW Washington, DC 20006 | Air Transport Assn of America | 10,646.18 | 13,003.09 |
| Gerard P. Burke, 1117 Spotswood Drive Silver Spring, MD 20904 | International Air Leases, Inc | | |
| Kevin Burke, 1771 N Street, NW Washington, DC 20036 | National Assn of Broadcasters | 1,500.00 | 550.00 |
| Burley & Dark Leaf Tobacco Export Assn, 1100 17th St., NW Washington, DC 20036 | | 27,521.00 | 950.00 |
| Lon Burnam, 6220 Gaston Ave., #609 Dallas, TX 75214 | Sierra Club | 1,182.00 | 693.55 |
| Charles S. Burns, 1015 15th St., NW, #909 Washington, DC 20005 | Phelps Dodge Corp | 1,200.00 | |
| Timothy F. Burns, 2501 M St., NW Washington, DC 20037 | Chemical Manufacturers Assn, Inc | 2,000.00 | 172.75 |
| Burr & Forman, 3000 Southtrust Tower Birmingham, AL 35203 | Investment Company Institute | 3,750.00 | |
| Burr Pease & Kurtz, Inc, 810 N St. Anchorage, AK 99501-3293 | Eklutna, Inc | | |
| Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036 | Arthur Andersen & Co | 550.00 | 12.00 |
| Do | City of Philadelphia | 300.00 | 12.00 |
| Do | Clark Equipment Co | 1,400.00 | 42.00 |
| Do | COMSAT Corp | 600.00 | 12.00 |
| Do | Epson America, Inc | 500.00 | 18.00 |
| Do | Hankin Management-Arsenal Business Center Associates | 750.00 | 33.00 |
| Do | Harcourt Brace Jovanovich, Inc | 575.00 | 36.00 |
| Do | Health Policy Agenda | | |
| Do | Kansas City Southern Industries, Inc | 2,500.00 | 3,586.70 |
| Do | Medtronic, Inc | | |
| Do | Philadelphia Industrial Development Corp | 300.00 | 12.00 |
| Do | Philadelphia Port Corp | 300.00 | 24.00 |
| Do | Philip Morris, Inc | | |
| Do | Softgel Assn | | |
| Do | Temple University | 260.00 | 18.00 |
| Busby Rehm and Leonard, P.C., 1330 Connecticut Ave., NW, #200 Washington, DC 20036 | Guam Contractors Assn | 1,548.39 | |
| Do | Universal Leaf Tobacco Co, Inc | | |
| Barbara L. Bush, 1220 L St., NW Washington, DC 20005 | American Petroleum Institute | 200.00 | |
| James T. Bush, 1500 Massachusetts Avenue, NW Washington, DC 20005 | CDI Policy Institute | | |
| Nicholas J. Bush, 1730 Rhode Island Avenue, NW, #200 Washington, DC 20036 | Natural Gas Supply Assn | 3,500.00 | 2,227.93 |
| Helen C. Butler, 1630 Connecticut Avenue, NW, #202 Washington, DC 20009 | Taiwan Power Company | 4,500.00 | |
| Henry Butler, 3707 Woodview Trace Indianapolis, IN 46268 | Crop Insurance Research Bureau | 525.00 | |
| M. Caldwell Butler, P.O. Box 720 Roanoke, VA 24004 | National Conference of Bankruptcy Judges | 8,910.00 | |
| Patrick Butler, 1675 Eye Street, NW, #1110 Washington, DC 20006 | Times Mirror Co | | |
| Mrs. H. E. Butt, 3700 Ocean Drive Corpus Christi, TX 78411 | | | |
| Bruce Butterfield, 1745 Jefferson Davis Hwy, #511 Arlington, VA 22202 | Manufacturing Housing Institute | 900.00 | 100.00 |
| John Butts, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | 1,250.00 | |
| James R. Byron, 1627 K Street, NW, #200 Washington, DC 20006 | Fluor Corporation | | |
| C.A.R.E., 511 C Street, NE Washington, DC 20002 | | | |
| C. Richard Cahoon, 1120 Vermont Ave., NW, #1130 Washington, DC 20005 | Petroleum Marketers Assn of America | 4,000.00 | 95.00 |
| Roy C. Cahoon, 6100 Knollwood Dr. Falls Church, VA 22041 | National Automatic Merchandising Assn | | |
| Christopher G. Caine, 1801 K St., NW, #1200 Washington, DC 20006 | IBM Corp | 3,000.00 | 750.00 |
| Tony Calandro, 2251 Wisconsin Ave., NW Washington, DC 20007 | National Assn of Trade & Technical Schools | 1,750.00 | |
| Alan Caldwell, 2550 M Street, NW, #770 Washington, DC 20037 | RJR Nabisco, Inc | 1,200.00 | |
| James Callan, 1726 M Street, NW, #1000 Washington, DC 20036 | Electronic Funds Transfer Assn | 375.00 | |
| Peter E. Callanan, 1100 Connecticut Ave., NW Washington, DC 20036 | Honeywell, Inc | 275.00 | 600.00 |
| John C. Callihan, 299 Park Avenue New York, NY 10171 | Westvaco Corporation | | |
| Calorie Control Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342 | | | 360.00 |
| Cambridge International, Inc, 1600 Wilson Boulevard, #713 Arlington, VA 22209 | Avco Lycoming Textron | 200.00 | |
| Do | Ford Aerospace & Communications Corp | 175.00 | |
| Do | FMC Corporation | 175.00 | |
| Do | General Dynamics Land Systems | 300.00 | |
| Do | General Dynamics Valley Systems Division | 200.00 | |
| Do | Lockheed-California Co | 175.00 | |
| Do | Lockheed-Georgia Co | 150.00 | |
| Do | Norden Systems, Inc | 180.00 | |
| Arthur E. Cameron, 316 Pennsylvania Ave., SE, #402 Washington, DC 20003 | Amerace Corporation, et al | 5,498.00 | |
| Do | Hall Signs, Inc, et al | 2,499.00 | |
| Do | Safetran Systems Corporation | 8,625.00 | |
| Do | Syro Steel Co, et al | 4,200.00 | |
| Do | 3M Company | 5,962.00 | |
| Nancy Camm, 1800 K Street, NW, #900 Washington, DC 20006 | Bank of America | 161.13 | 315.74 |
| Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037 | BellSouth Corp | | |
| Do | Champlin Petroleum Company | | |
| Do | Chemical Manufacturers Assn, Inc | 4,400.00 | |
| Do | Mobil Oil Corp | | |
| Do | Natural Gas Supply Assn | | |
| Do | Occidental Petroleum Corp | | |
| Do | Pennzoil Co | | |
| Do | PPG Industries, Inc | | |
| Do | Sears Roebuck & Co | 24,958.75 | 11,925.00 |
| Do | South Central Bell | | |
| Do | Texaco, Inc | | |
| C. R. Campbell Jr., 1850 M St., NW, #1200 Washington, DC 20036 | GTE Corporation | 2,000.00 | |
| Carl C. Campbell, 1030 15th St., NW, Suite 700 Washington, DC 20005 | National Cotton Council of America | 500.00 | |
| Charles Argyll Campbell, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703 | National Assn of Manufacturers | | |
| Charles O. Campbell, 1420 King Street Alexandria, VA 22314-2715 | National Society of Professional Engineers | 2,500.00 | |
| Jeanne Campbell, Campbell-Raupe, Inc 1015 15th Street, NW, #907 Washington, DC 20005 | Algonquin Gas Transmission | | |
| Do | American Nuclear Energy Council | | |
| Do | Invest to Compete Alliance | | |
| Do | LTV Aerospace & Defense Co | | |
| Do | New England Life | | |
| Do | Pitney Bowes | | |
| Do | Riffe Petroleum Co | | |
| Do | Stone & Webster Engineering Corp | | |
| Do | Texas Air Corp | | |
| Do | Texas Utilities Services, Inc | | |
| Do | Union Pacific Corp | | |
| Do | Westinghouse Corp | | |
| Jerry L. Campbell, 1201 Chestnut St. Chattanooga, TN 37402 | Tennessee Valley Public Power Assn | | |
| John G. Campbell, 9418 Wooded Glen Ave. Burke, VA 22015 | General Motors Corp | | |
| Thomas D. Campbell & Associates, Inc, 517 Queen Street Alexandria, VA 22314 | Cyprus Minerals Co | 5,000.00 | 698.98 |
| Charles J. Campisi, 1300 19th Street, NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 11,250.00 | |
| Canadian Coalition on Acid Rain, 112 St. Clair Avenue, #401 Toronto, Ontario Canada M4V 2Y3 | | | 472.72 |
| Robert P. Canavan, 1909 K St., NW Washington, DC 20049 | National Education Assn | | |
| Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005 | Mortgage Bankers Assn of America | | |
| Candlelighters, 123 C St., SE Washington, DC 20003 | | 95.00 | |
| Anne C. Canfield, 1331 Pennsylvania Avenue, NW Washington, DC 20004 | General Electric Co | 455.00 | |
| Edward F. Canfield, 1331 Pennsylvania Avenue, NW, #524 Washington, DC 20004 | Casey Scott & Canfield, P.C. (For:Association for Regulatory Reform) | | |
| H. Spofford Canfield, 1020 16th Street, NW, Washington, DC 20036 | Enron Corp | 2,000.00 | |
| Sharon F. Canner, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703 | National Assn of Manufacturers | 186.80 | |
| W. Dean Cannon Jr, 9800 S. Sepulveda Blvd., #500 Los Angeles, CA 90045 | California League of Savings Institutions | 3,000.00 | 3,896.71 |
| David L. Cantor, 1233 20th St., NW, #400 Washington, DC 20036 | Porter Wright Morris & Arthur (For:Coalition for Environmental-Energy Balance) | 270.00 | |
| Anne Gavaghan Cantrel, 1667 K Street, NW Washington, DC 20005 | Baxter Travenol Laboratories, Inc | | |
| Gary Capistrant, 1200 15th Street, NW Washington, DC 20005 | American Health Care Assn | 3,967.44 | 169.23 |
| Capital Advocates, 1127 11th Street, #950 Sacramento, CA 95814 | Crowley Maritime Corp | 2,500.00 | 6,048.01 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002 | Citizens Comm for Medical Research & Health Education | 300.00 | |
| Do | Cystic Fibrosis Foundation | 450.00 | |
| Do | Emory University Medical School | 861.25 | |
| Do | Endocrine Society | 400.00 | |
| Do | Illinois Collaboration on Youth | 88.00 | |
| Do | Joint Council of Allergy & Immunology | 412.50 | |
| Do | National Assn of Pediatric Nurse Associates & Practitioners | 375.00 | |
| Do | National Multiple Sclerosis Society | 572.50 | |
| Do | Rehabilitation Institute of Chicago | 812.50 | |
| Caplin & Drysdale, Chtd, One Thomas Circle, NW Washington, DC 20005 | Government of the Philippines | | 57.69 |
| Do | National Council of YMCA of the USA | 1,125.00 | |
| Robert Capozzi, 1015 18th Street, NW, #702 Washington, DC 20003 | ISFA Corporation | | |
| Denise A. Cardman, 1800 M St., NW Washington, DC 20036 | American Bar Assn | 400.00 | 50.00 |
| Norval E. Carey, 1025 Connecticut Ave., NW #704 Washington, DC 20036 | Gulf Oil Corp (for GA Technologies, Inc) | 13,850.00 | 779.01 |
| Don Cargill, P.O. Box 4569 Atlanta, GA 30302 | Atlanta Gas Light Co | | |
| Robert B. Carleson, 1800 K Street, NW, #605 Washington, DC 20006 | KMG Main Hurdman (For:ICC Industries, Inc) | | |
| Do | KMG Main Hurdman (For:Mercedes Benz of North America, Inc) | | |
| Anne E. Carlson, 1620 Eye Street, NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | 720.00 | |
| Carmen & Muss, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006 | Carmen Carmen & Hugel (for CareerCom) | | |
| Carmen Carmen & Hugel, Inc, 1667 K Street, NW, #950 Washington, DC 20006 | CareerCom | | |
| Bertram W. Carp, 1724 Massachusetts Avenue, NW Washington, DC 20036 | National Cable Television Assn, Inc | 4,250.00 | |
| Chapin Carpenter Jr., 1211 Connecticut Avenue, NW, #406 Washington, DC 20036 | Magazine Publishers Assn, Inc | 4,000.00 | |
| Cy Carpenter, 10065 East Harvard Avenue Denver, CO 80251 | Farmers' Educational & Co-Operative Union of America | 12,000.00 | 560.66 |
| George D. Carpenter, 6110 Center Hill Road Cincinnati, OH 45224 | Procter & Gamble Manufacturing Co | | |
| Susan Carr, 1709 New York Avenue, NW, #801 Washington, DC 20006 | U.S. League of Savings Institutions | 1,100.00 | |
| John R. Carson, 20 Chevy Chase Circle Washington, DC 20015 | American Podiatric Medical Assn | 18,000.00 | |
| R. D. Carson Jr., P.O. Box 2021 40 Franklin Rd., SW Roanoke, VA 24022 | Appalachian Power Co | | |
| David C. Carter, 1156 15th St., NW, #1019 Washington, DC 20005 | U.S. Beet Sugar Assn | | |
| John R. Carter, 1000 Wilson Blvd., #2600 Arlington, VA 22209 | TRW, Inc | 1,294.00 | |
| Joseph L. Carter Jr., 50 F Street, NW, #1200 Washington, DC 20001-1564 | Association of American Railroads | 661.96 | 196.40 |
| Terrie M. Carter, 1667 K Street, NW, #1230 Washington, DC 20006 | Deere & Company | 125.00 | |
| James P. Carty, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703 | National Assn of Manufacturers | 500.00 | |
| Allen R. Caskie, 1850 K Street, NW Washington, DC 20006 | American Council of Life Insurance, Inc | 5,500.00 | |
| Eugene I. Casraiss Jr., 1757 N St., NW Washington, DC 20036 | United Auto Aerospace & Agricultural Implement Workers | 15,704.75 | 227.75 |
| J. Warren Cassidy, 1600 Rhode Island Avenue, NW Washington, DC 20036 | National Rifle Assn of America | 2,437.50 | |
| Lawrence J. Cassidy, 1750 New York Avenue, NW Washington, DC 20006 | Sheet Metal Workers International Assn | 13,929.00 | |
| Cassidy and Associates, Inc, Metropolitan Square 655 15th St., NW, #1100 Washington, DC 20005 | Alexander Graham Bell Assn for the Deaf | 150.00 | |
| Do | Alloy Technology | 300.00 | |
| Do | American Hospital in Shanghai Foundation | 225.00 | |
| Do | Anatolia College Board of Trustees | | |
| Do | Arizona State University | 300.00 | |
| Do | Atlanta University | 225.00 | |
| Do | Barry University | | |
| Do | Boston College | 375.00 | |
| Do | Boston University | 1,050.00 | 26.00 |
| Do | Brown University | | |
| Do | Catholic University of America | 75.00 | |
| Do | Centex Communications, Inc | | |
| Do | Children's Hospital | | |
| Do | Columbia University | 225.00 | 13.00 |
| Do | Crane Co Resistoflex | | |
| Do | Crane Company | | |
| Do | Crane Hydroaire | | |
| Do | Crane National Vendors | | |
| Do | Drexel University | 225.00 | 6.50 |
| Do | Fudan Foundation | 975.00 | 92.50 |
| Do | Global Broadcasting Group, Inc | 75.00 | |
| Do | Indiana University | | |
| Do | J & B Management Co | | |
| Do | Louisiana Public Facilities Authority | 150.00 | |
| Do | Loyola Marymount University | | |
| Do | Martha Graham Center of Contemporary Dance, Inc | | |
| Do | Medical College of Pennsylvania | 300.00 | |
| Do | Medical University of South Carolina | 450.00 | |
| Do | Medusa Cement | | |
| Do | Mount Sinai Medical Center | 150.00 | |
| Do | NeoRx | 300.00 | |
| Do | New England College of Optometry | | |
| Do | Northwestern University | | |
| Do | O'Connell Management Co | | |
| Do | Ocean Spray Cranberries, Inc | 375.00 | 3.25 |
| Do | Oceanic Institute | 300.00 | 10.00 |
| Do | Pirelli Cable Co | 675.00 | 9.75 |
| Do | Polytechnic University | 450.00 | 26.50 |
| Do | Rochester Institute of Technology | 600.00 | 22.50 |
| Do | Rocky Mountain Energy Co | | |
| Do | Saint Joseph's University | 150.00 | |
| Do | Tufts University | 150.00 | 19.50 |
| Do | United Hospitals | | |
| Do | University of Alabama in Huntsville | 450.00 | 26.00 |
| Do | University of Bridgeport | 150.00 | |
| Do | University of Hawaii | 300.00 | 16.00 |
| Do | University of Southern Mississippi | 150.00 | |
| Do | University of Utah | | |
| Do | University of Vermont | 75.00 | |
| Do | Wertheim Schroder & Co, Inc | | |
| Do | West Virginia University | | |
| Do | Wojdak & Assocs, Inc for: Children's Hospital of Pittsburgh | 600.00 | |
| Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005 | American Consulting Engineers Council | 700.00 | |
| John J. Castellani, 27th Floor 1000 Wilson Blvd. Arlington, VA 22209 | TRW, Inc | 2,100.00 | |
| G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036 | Neece Cator & Associates, Inc (For:Southeastern Lumber Manufacturers Assn) | 1,350.00 | 1,350.00 |
| Gordon Cavanaugh, 509 C Street, NE Washington, DC 20002 | Roisman Reno & Cavanaugh (For:Council of Large Public Housing Authorities) | 11,618.73 | 551.99 |
| Red Cavaney, 260 Madison Avenue New York, NY 10016 | American Paper Institute, Inc | 3,650.00 | |
| Nicholas G. Cavarocchi, 6th Floor 2010 Massachusetts Avenue, NW Washington, DC 20036 | | | |
| Cavenham Forest Industries, Inc, 1500 S.W. First Avenue Portland, OR 97201 | | | |
| Cederberg & Associates, 7100 Sussex Place Alexandria, VA 22307 | Grumman Corporation | 250.00 | |
| Do | Martin Marietta Corp | 250.00 | |
| Cellular Telecommunications Industry Assn, 1990 M St., NW, #610 Washington, DC 20036 | | | |
| Cendrowski & Selecky, P.C., 2050 N. Woodward, #310 Bloomfield Hills, MI 48013 | Taubman Company, Inc | 8,786.00 | |
| Centerior Energy Corp, P.O. Box 94661 Cleveland, OH 44101-4661 | | | 104.22 |
| David Certner, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 533.07 | 182.60 |
| Chadbourne & Parke, 1101 Vermont Ave., NW, #900 Washington, DC 20005 | Applied Energy Services, Inc | 15,452.00 | 347.25 |
| Do | ENCOA | | |
| Do | Manufacturer's Life Insurance Co | 11,435.00 | 131.36 |
| Do | Napp Chemicals, Inc | 1,000.00 | 25.00 |
| Do | Peat Products of America, Inc | 250.00 | |
| Do | Ruan Transportation Management Systems | 7,617.00 | 69.52 |
| Do | Ultrapower, Inc | 3,358.68 | 80.65 |
| Chadwell & Kayser, Ltd, 8500 Sears Tower Chicago, IL 60606-6592 | Harza Engineering Co | | |
| Henry Chajet, 1920 N St., NW Washington, DC 20036 | American Mining Congress | 150.00 | 30.00 |
| Deborah M. Chalfie, 1319 F St., NW, #300 Washington, DC 20004 | Halt, Inc | | |
| Dean S. Chalios, 1350 New York Avenue, NW, #900 Washington, DC 20005 | International Franchise Assn | | |
| Durwood Chalker, P.O. Box 660164 2121 San Jacinto Street, #2500 Dallas, TX 75266-0164 | Central & South West Corp | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Mark G. Chalpin, 1735 New York Avenue, NW Washington, DC 20006 | American Institute of Architects | 1,970.00 | |
| Terry M. Chamberlain, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Ed Chandler, 7901 Westpark Drive Mclean, VA 22102 | National Machine Tool Builders' Assn | 10,560.00 | 500.00 |
| William J. Chandler, 1511 K Street, NW, #1100 Washington, DC 20005 | Natural Resources Defense Council, Inc | 12,250.00 | 317.01 |
| Richard M. Charlton, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004 | Electronic Data Systems Corp | | |
| Robert W. Charlton, 1800 M St., NW, #700 S. Washington, DC 20036 | Dow Chemical USA | | |
| Peggy Charren, 975 Memorial Drive, #504 Cambridge, MA 02138 | Action for Children's Television | | |
| Alan C. Chase, 1025 Broad Branch Court McLean, VA 22101 | Lockheed Corporation | 7,000.00 | 6,886.11 |
| Leslie Cheek III, 1025 Connecticut Avenue, NW, #414 Washington, DC 20036 | Crum & Forster Corp | 27,750.00 | 372.00 |
| Chemical Specialties Manufacturers Assn, Inc, 1001 Connecticut Avenue, NW, #1120 Washington, DC 20036 | | | 2,026.77 |
| Joy Cherian, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance | 1,375.00 | |
| William B. Cherkasky, 1350 New York Ave., nW, #900 Washington, DC 20005 | International Franchise Assn | | |
| Chesebrough-Pond's, Inc, Nyala Farm Road Westport, CT 06881-0850 | | | 7,263.50 |
| John B. Childers, 122 C St., NW, #750 Washington, DC 20001 | National Assn of Independent Colleges & Universities | 8,102.00 | 320.00 |
| Chlorine Institute, Inc, 2001 L Street, NW, #506 Washington, DC 20036 | | | |
| J. Samuel Choate Jr., 1101 Connecticut Ave., NW, #405 Washington, DC 20036 | Choate & Nehf, P.C. (For:Association of Progressive Rental Organizations) | | |
| Joseph L. Choquette III, Vermont Petroleum Assn P.O. Box 566 Montpelier, VT 05602 | American Petroleum Institute | 1,050.00 | 1,048.90 |
| Leslie Christensen, 600 Maryland Ave., SW, #700 Washington, DC 20024 | National Fed of Independent Business | 3,189.00 | 140.00 |
| Jack E. Christy, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 617.89 | |
| James T. Christy, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006 | Air Products & Chemicals, Inc | 1,800.00 | 202.63 |
| Chugach Electric Assn, Inc, P.O. Box 196300 Anchorage, AK 99519-6300 | | | 9,190.83 |
| Donald T. Chunn, Route 2, Box 89 Columbia, TN 38401 | Title Associates, Inc | | |
| Chwat/Weigend Associates, 400 First Street, NW, #816 Washington, DC 20001 | American Home Sewing Assn, Inc | 500.00 | 500.00 |
| Do | Associated Locksmiths of America | 1,200.00 | 1,200.00 |
| Do | Coalition on Alcoholic Beverage Procurement | 3,016.95 | 3,016.95 |
| Do | National Assn of Companion Sitter Agencies & Referral Serv | 375.00 | 375.00 |
| Do | National Assn of Tobacco Distributors | 3,000.00 | 3,000.00 |
| Do | National Licensed Beverage Assn | 3,000.00 | 3,000.00 |
| Do | National Weather Service Employees Organization | 300.00 | 300.00 |
| Citizen Action, 1300 Connecticut Ave., NW, #401 Washington, DC 20036 | | 6,000.00 | 6,034.50 |
| Citizen/Labor Energy Coalition, 1300 Connecticut Ave., NW, # 401 Washington, DC 20036 | | 2,500.00 | 2,500.00 |
| Citizens for Sensible Control of Acid Rain (CSCAR), 1225 Connecticut Avenue, NW, #300 Washington, DC 20036 | | 162,000.00 | 275,970.00 |
| Citizens for Stabilizing Corporate Taxes & Foreign Policy, P.O. Box 1036 Guthrie, OK 73044-1036 | | | |
| Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032 | | | |
| Donald D. Clancy, 6507 Leeds Lane Cincinnati, OH 45215 | American Continental Corp | 4,500.00 | 760.00 |
| Do | Grocery Manufacturers of America, Inc | | |
| Gilbert Clark, 1117 N. 19th Street, NW, #600 Arlington, VA 22209 | American Assn of Blood Banks | | |
| James F. Clark, Robertson, Monagle, Eastaugh & Bradley 240 Main St., # 800, PO Box 1211 Juneau, AK 99802 | Alaska Pulp Corp | 2,200.00 | |
| James W. Clark Jr., 600 Maryland Avenue, SW, #400 Washington, DC 20024 | American Optometric Assn | | |
| Jordan Clark, 15th & M streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Julie Clark, 1625 K St., NW, #800 Washington, DC 20006 | National Legal Aid & Defenders Assn | 10,631.25 | 677.53 |
| Robert Clark, 400 Madison St., #1908 Alexandria, VA 22314 | Ryder Systems, Inc | | |
| Rudy I. Clark, 5342 Woodbury Woods Lane Fairfax, VA 22032 | Air Force Sergeants Assn, Inc | | |
| Vernon A. Clark, 1899 L St., NW, #403 Washington, DC 20036 | Outdoor Advertising Assn of America, Inc | 2,438.00 | 3,804.00 |
| Joan Claybrook, 2000 P Street, NW, #605 Washington, DC 20036 | Public Citizen, Inc | 3,000.00 | |
| Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036 | Bear Stearns & Co | | |
| Do | Crompton & Knowles Corp | 970.00 | |
| Do | Ministry of Finance & Public Credit of the United Mexican St | | |
| Do | Public Securities Assn | 400.00 | |
| Do | Synthetic Organic Chemical Manufacturers Assn, Inc | 2,000.00 | 35.10 |
| Do | Union Oil Co of California, et al. | 725.00 | 26.95 |
| Ronald D. Clements, 1111 19th St., NW, 9th Floor Washington, DC 20036 | Edison Electric Institute | 2,977.32 | 324.59 |
| Cleveland Electric Illuminating Co, 55 Public Square P.O. Box 5000 Cleveland, OH 44113 | | | 2,429.67 |
| W. M. Click, P.O. Box 719 Dallas, TX 75221 | Southland Corporation | | |
| Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006 | Australian Meat & Live-Stock Corp | 22,462.50 | 15,358.16 |
| Do | Joint Corporate Comm on Cuban Claims | 600.00 | 43.20 |
| Do | J. C. Maxtone-Mailer | 600.00 | 210.16 |
| Do | Proprietary Association | | |
| Dexanne B. Clohan, 1101 Vermont Ave., NW Washington, DC 20005 | American Medical Assn | 3,769.00 | |
| Edward T. Cloonan, 70 Pine Street, 39th Floor New York, NY 10270 | American International Group, Inc | | |
| Stephen J. Cloud, 1220 L St., NW Washington, DC 20005 | American Petroleum Institute | 300.00 | |
| Stanley A. Cmich, 1700 Gateway Boulevard, SE Canton, OH 44707 | Gibbons & Grable Co | | |
| Do | Hercules Engines | | |
| Do | Putman Properties, Inc | | |
| Do | Timken Co | | |
| Coalition for Alternatives in Nutrition & Healthcare, Inc, P.O. Box B-12 Richlandtown, PA 18955 | | 1,356.00 | 1,735.00 |
| Coalition to Keep Alaska Oil, AFL-CIO Building 815 16th Street, NW, #309 Washington, DC 20006 | | 4,999.25 | 4,999.25 |
| Coalition to Oppose Energy Taxes, 1100 15th St., NW, #1200 Washington, DC 20005 | | 40,000.00 | 5,640.00 |
| Coalition Against Takeover Abuse, 1800 M St., NW, #900N Washington, DC 20036 | | | |
| Alan J. Cobb, 1120 Vermont Avenue, NW, #1130 Washington, DC 20005 | Petroleum Marketers Assn of America | 7,500.00 | 436.00 |
| Richard B. Cobb, Petroleum Council of Ga 230 Peachtree St., NW, #1500 Atlanta, GA 30303 | American Petroleum Institute | 1,100.00 | 2,052.85 |
| Don V. Cogman, 1100 Connecticut Avenue, NW, #535 Washington, DC 20036 | MAPCO, Inc | 4,750.00 | 169.09 |
| Dan Cohen, 500 North Capitol Street, NW, #300 Washington, DC 20001 | American Israel Public Affairs Comm | 11,250.00 | 363.86 |
| Daniel L. Cohen, 1050 31st Street, NW Washington, DC 20007 | Association of Trial Lawyers of America | 2,000.00 | 100.00 |
| David Cohen, 1616 P St., NW, #320 Washington, DC 20036 | Professionals' Coalition for Nuclear Arms Control | 9,833.33 | 97.41 |
| George T. Coldeway, 8245 NW 53rd St., #200 Miami, FL 33166-4609 | South Florida Hospital Assn | | |
| E. William Cole, 1050 Connecticut Avenue, NW, #760 Washington, DC 20036 | Union Oil Co of California | 700.00 | 92.00 |
| Ken W. Cole, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004 | Allied-Signal, Inc | 750.00 | 60.00 |
| Randall L Cole, 1050 Connecticut Avenue, NW, #200 Washington, DC 20036 | Burlington Northern, Inc | 1,000.00 | 548.36 |
| Cole & Corette, P.C., 1100 Vermont Avenue, NW, #900 Washington, DC 20005 | Ad Hoc Ski Boot Committee | | 682.89 |
| Do | Chase Manhattan Bank, N.A. | | |
| Do | Government of the Netherlands Antilles | | 87.23 |
| Do | Millipore Corporation | | |
| Colette R. Coleman, 311 First Street, NW Washington, DC 20001 | National Restaurant Assn | | |
| Jessie M. Colgate, 51 Madison Avenue New York, NY 10010 | New York Life Insurance Company | | |
| Emilio G. Collado III, Collado Associates 1405 Montague Drive Vienna, VA 22180 | American Watch Assn, Inc | 1,500.00 | 6.50 |
| Collier Shannon Rill & Scott, 1055 Thomas Jefferson St., NW, #308 Washington, DC 20007 | Alliance for Capital Access | 30,000.00 | 30,000.00 |
| Do | American Couplings Coalition | 557.50 | 557.50 |
| Do | American Frozen Food Institute | | |
| Do | American Meat Institute | | |
| Do | American Textile Machinery Assn | 1,500.00 | 1,500.00 |
| Do | Crop Insurance Research Bureau | 1,875.00 | 1,875.00 |
| Do | Cylinder Manufacturers Association | | |
| Do | Ferrous Scrap Consumers Coalition | | |
| Do | Food Marketing Institute | | |
| Do | Independent Lubricant Manufacturers Assn | 230.00 | 230.00 |
| Do | Inland Steel Corp | | |
| Do | Municipal Castings Fair Trade Council | 225.00 | 225.00 |
| Do | National Assn of Convenience Stores | 5,842.50 | 5,842.50 |
| Do | National Assn of Mutual Insurance Cos | 1,500.00 | 1,500.00 |
| Do | National Broiler Council | | |
| Do | National Coalition of Fresh Potato Processors | | |
| Do | National Hairdressers & Cosmetologists Assn | | |
| Do | National Pasta Assn | 2,565.00 | 2,565.00 |
| Do | North American Phillips Corp | | |
| Do | Outdoor Power Equipment Institute | | |
| Do | Petroleos de Venezuela, S.A. | 7,877.50 | 7,877.50 |
| Do | PetroJam, Ltd | 10,000.00 | 10,000.00 |
| Do | Pittsburgh Corning Corporation | | |
| Do | Secondary Lead Smelters Assn, Inc | | |
| Do | Society of Independent Gasoline Marketers of America | 5,342.50 | 5,342.50 |
| Do | Specialty Steel Industry of the United States | 6,142.50 | 6,142.50 |
| Paul Edward Michael Collin, 1299 Seaside Ave. P.O. Box 3007 Terminal Island, CA 90731-0207 | | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Terese Colling, 2000 Pennsylvania Ave., NW, #3700 Washington, DC 20006 | Jaeckle Fleischmann & Mugel | 5,500.00 | 214.12 |
| Eileen M. Collins, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | 790.46 | 59.46 |
| Mary M. Collins, 1120 20th Street, NW, #600 South Washington, DC 20036 | Union Pacific Corp | 1,500.00 | |
| Michael A. Collins, 13106 Ivy Drive Beltsville, MD 20705 | United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry | 6,000.00 | 471.71 |
| Dominique Colon, 2000 L Street, NW Washington, DC 20036 | Medtronic, Inc | | 41.29 |
| Colorado Ski Country USA, Inc, One Civic Center Plaza 1560 Broadway, #1440 Denver, CO 80202 | | | |
| Kent W. Colton, 15th & M streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Tim Colton, P.O. Box 498 Chester, PA 19016 | Pennsylvania Shipbuilding Co | 720.00 | 51.00 |
| Committee for Do-It-Yourself Household Moving, 2011 Eye Street, NW, #500 Washington, DC 20006 | | | |
| Committee for Humane Legislation, Inc, 11 West 60th St. New York, NY 10023 | | 2,399.89 | 455.33 |
| Committee for Private Education, 1025 Michigan Avenue, NE Washington, DC 20017 | | | |
| Committee for Production Sharing, 1629 K St., NW, #801 Washington, DC 20006 | | 33,432.70 | 17,212.35 |
| Committee for Proposition Thirty, P.O. Box 915 Hartselle, AL 35640 | | | |
| Committee to Assure the Availability of Casein, 3213 O St., NW Washington, DC 20007 | | 36,250.00 | 5,804.21 |
| Common Cause, 2030 M St., NW Washington, DC 20036 | | 2,900,375.00 | 853,533.19 |
| Lance Compa, 1411 K St., NW, #410 Washington, DC 20005 | United Electrical Radio & Machine Workers of America | 6,120.50 | |
| Competitive Enterprise Institute, 611 Pennsylvania Avenue, SE Washington, DC 20003 | | 38,500.00 | |
| Computer & Communications Industry Assn, 1500 Wilson Blvd., #512 Arlington, VA 22209 | | | |
| Bert M. Concklin, 1500 Planning Research Drive Mclean, VA 22102 | Planning Research Corporation | | 1,783.22 |
| Edward C. Cone Jr., P.O. Box 1788 Forest Park, GA 30051 | Southeastern Lumber Manufacturers Assn | | |
| Congress Watch, 215 Pennsylvania Ave., SE Washington, DC 20003 | | 62,061.29 | 17,700.00 |
| Gary L. Conkling, P.O. Box 500, Y3-439 Beaverton, OR 97077 | Tektronix, Inc | 8,500.00 | 1,385.08 |
| Joanne K. Connelly, 1875 Eye St., NW, #540 Washington, DC 20006 | Champion International Corp | | |
| Robert J. Conner Jr., 1100 Connecticut Ave., NW Washington, DC 20036 | Chrysler Corporation | 500.00 | 671.05 |
| Connerton & Bernstein, 1899 L St., NW, #800 Washington, DC 20036 | National Assn of Police Organizations | | 3,808.13 |
| Catherine Connor, 1015 15th Street, NW, #802 Washington, DC 20005 | American Consulting Engineers Council | 700.00 | |
| Richard J. Connor Jr., 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004 | Joseph E. Seagram & Sons, Inc | 562.50 | |
| Jerry C. Connors, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202 | Manufactured Housing Institute | 1,000.00 | 100.00 |
| David Conover, 1600 Rhode Island Ave., NW Washington, DC 20036 | National Rifle Assn of America | 762.50 | |
| C. Judith Conrad, 1111 14th Street, NW Washington, DC 20005 | American Dental Assn | 1,000.00 | 101.60 |
| Gregory E. Conrad, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| Consolidated Edison Co of New York, Inc, 410 First St., SE Washington, DC 20003 | | | |
| Consolidated Rail Corporation, P.O. Box 23451 Washington, DC 20026 | | | 14,341.00 |
| Consumer Energy Council of America, 2000 L St., NW, #802 Washington, DC 20036 | | | |
| Consumers for World Trade, 1001 Connecticut Ave., NW Washington, DC 20036 | | 47,155.00 | 39,229.00 |
| Continental Communications Group, Inc, 12600 West Cedar Drive Denver, CO 80228 | | | |
| John J. Contney, 1250 E. Hallandale Beach Blvd. Hallandale, FL 33009 | Textile Rental Services Assn of America | | |
| Daniel J. Conway, 1819 L St., 7th Floor Washington, DC 20036 | Reinsurance Assn of America | | |
| John A. Conway, 1201 16th Street, NW Washington, DC 20036 | National Education Assn | | |
| Emery S. Conyers, P.O. Box 1706 Midland, MI 48640 | Dow Chemical USA | | |
| Peter W. Coogan, Foley Hoag & Eliot One Post Office Square Boston, MA 02109 | Mutual Savings Central Fund, Inc | | |
| Alexandra W. Cook, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004 | Electronic Data Systems Corp | 240.00 | 186.00 |
| K. Richard Cook, 1331 Pennsylvania Avenue, NW Washington, DC 20004 | General Electric Co | 450.00 | |
| Thomas M. Cook, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004 | National Cattlemen's Assn | 1,000.00 | |
| Eileen D. Cooke, 110 Maryland Ave., NE, Suite 101, Box 54 Washington, DC 20002 | American Library Assn | 2,532.00 | |
| Stoney Cooks, 433 6th Street, NE Washington, DC 20002 | South/North Development Group, Ltd | 8,250.00 | |
| Bente E. Cooney, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 1,300.00 | |
| Brian D. Cooney, 1125 15th Street, NW Washington, DC 20005 | Mortgage Bankers Assn of America | | |
| Edward Cooney, 1319 F St., NW, #500 Washington, DC 20004 | Food Research & Action Center | 2,012.00 | |
| Benjamin Y. Cooper Jr., 1730 North Lynn St. Arlington, VA 22209 | Printing Industries of America, Inc | 10,000.00 | |
| C. William Cooper, 603 Broad St. Sewickley, PA 15143 | United Distribution Companies | | |
| Jesse O. Cooper, 1860 Lincoln Street, #404 Denver, CO 80295 | Rocky Mountain Oil & Gas Assn | 3,000.00 | 27.28 |
| Mitchell J. Cooper, 1001 Connecticut Ave., NW Washington, DC 20036 | Rubber & Plastic Footwear Manufacturers Assn | 16,500.00 | 784.60 |
| Darrell Coover, 499 South Capitol St., SW, #401 Washington, DC 20003 | National Assn of Independent Insurers | 2,000.00 | 838.00 |
| Michael J. Copps, 1660 L St., NW, #1000 Washington, DC 20036 | Collins and Aikman Corp | 8,300.00 | 4,504.10 |
| John F. Corcoran, 1050 Connecticut Ave., NW, #740 Washington, DC 20036 | Norfolk Southern Corp | 1,000.00 | |
| William M. Corcoran, 1001 Pennsylvania Ave., NW, #700 Washington, DC 20004 | Allied-Signal, Inc | | |
| Alfred C. Cordon, 1920 N St., NW Washington, DC 20036 | Buffalo Broadcasting Co, Inc | | |
| Corman Law Offices, 1420 16th Street, NW Washington, DC 20036 | Alcalde Henderson O'Bannon & Rousselot | 2,000.00 | |
| Do | American Bakers Assn | | |
| Do | American Leather Goods Manufacturers Assn | 1,050.00 | |
| Do | Connell Rice & Sugar Co, Inc | | |
| Do | Grobstein Blankstein Goldman & Co | | |
| Do | GATX Corporation | | |
| Do | Institute of Electrical & Electronics Engineers, Inc | 1,300.00 | |
| Do | Investment Partnership Assn | 500.00 | |
| Do | Kelso & Company | 10,700.00 | |
| Do | MCA, Inc | 8,950.00 | |
| Do | National Structured Settlements Trade Assn | 9,300.00 | |
| Do | Petersen Publishing Co | | |
| Do | Republic National Bank of New York | | |
| Do | State of Michigan | | |
| Do | State of Washington | 21,400.00 | |
| Do | Systems Leasing Corp | | |
| Do | Texas Air Corp | 250.00 | |
| Do | U.S. League of Savings Institutions | | |
| Do | Winn Development Co | | |
| Corn Refiners Assn, Inc, 1001 Connecticut Ave., NW Washington, DC 20036 | | 4,964.00 | 2,428.00 |
| Ernest J. Corrado, 1000 16th St., NW, #511 Washington, DC 20036 | American Institute of Merchant Shipping | 4,802.49 | 133.00 |
| Mary Marcotte Corrigan, 1600 Rhode Island Ave., NW Washington, DC 20036 | National Rifle Assn of America | | |
| Richard L. Corrigan, 1201 Pennsylvania Avenue, NW, #250 Washington, DC 20004 | CH2M Hill | 2,000.00 | |
| Marty Corry, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 627.08 | 717.22 |
| Allan O. Cors, 1455 Pennsylvania Avenue, NW, #500 Washington, DC 20004 | Corning Glass Works | 2,500.00 | |
| William R. Corson, 1707 H St., NW Washington, DC 20006 | Penthouse International, Ltd | | |
| Alfred W. Cortese Jr., 655 15th Street, NW, #1200 Washington, DC 20005 | General Motors Corp | 6,970.00 | |
| Philip S. Corwin, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 1,500.00 | |
| R. H. Cory, 1005 Congress Avenue, #795 Austin, TX 78701 | Central & South West Services, Inc | 1,300.00 | 807.32 |
| Cosmetic Toiletry & Fragrance Assn, Inc, 1110 Vermont Ave., NW, #800 Washington, DC 20005 | | | |
| J. Daniel Costello, 1615 H St., NW Washington, DC 20006 | U.S. Chamber of Commerce | 2,300.00 | 310.00 |
| Michael E. Costello, 1090 Vermont Avenue, NW, #600 Washington, DC 20005 | Texas Eastern Transmission Corp | | 941.05 |
| Mary Alice Cotter, 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | | |
| Council for Languages and Other Int'l Studies, 20 F Street, NW, 4th F. Washington, DC 20001 | | 16,787.50 | 19,139.39 |
| Council for Rural Housing and Development, 2300 M St., NW Washington, DC 20036 | | 4,000.00 | 4,000.00 |
| Council of Industrial Boiler Owners, 5817 Burke Centre Parkway Burke, VA 22015 | | | |
| Council of State Chambers of Commerce, 122 C St., NW, #200 Washington, DC 20001 | | 1,442.00 | 720.79 |
| Council on Alternate Fuels, 1225 Eye St., NW, #320 Washington, DC 20005 | | | |
| Council on Non-Profit Organizations, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006 | | 3,050.00 | 3,050.00 |
| Roger C. Courtney, 1401 New York Ave., NW, #1200 Washington, DC 20005-2187 | Franklin Diagnostics, Inc | | 185.00 |
| William R. Courtney, P.O. Box 844 Temple, TX 76503 | Tribal Council of the Coushatta Tribe of Louisiana | | |
| James Cousins, 1709 New York Avenue, NW, #801 Washington, DC 20006 | U.S. League of Savings Institutions | 14,250.00 | |
| Mark J. Covall, 1319 F Street, NW, #1000 Washington, DC 20004 | National Assn of Private Psychiatric Hospitals | 500.00 | |
| John F. Cove, 918 16th St., NW, #702 Washington, DC 20006 | Cove Associates, Inc (For:Association of U.S. Night Vision Manufacturers) | | |
| Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044 | American Council on Education | | 31.50 |
| Do | American Watch Assn | 4,500.00 | |
| Do | Association of Maximum Service Telecasters, Inc | | |
| Do | Brown Brothers Harriman & Co | | 16.50 |
| Do | Coalition for Effective Tax Reform | | |
| Do | Coalition to Preserve The Integrity of American Trademarks | 90,000.00 | 8,570.00 |
| Do | Commonwealth of Puerto Rico | 3,530.00 | |
| Do | CEO Tax Group | | |
| Do | ERISA Industry Committee | | 20.00 |
| Do | Georgia-Pacific Corp | 495.00 | 0.80 |
| Do | Hallmark Cards, Inc | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | International Business Machines | 2,745.00 | 28.05 |
| Do | International Paper Co | 495.00 | 0.80 |
| Do | Investment Company Institute | 7,000.00 | 63.00 |
| Do | Marathon U.S. Realties, Inc | 11,500.00 | 222.00 |
| Do | Midwest Television, Inc | | |
| Do | National Football League | | |
| Do | Post-Newsweek Stations, Inc | 7,980.08 | |
| Do | Scott Paper Co | 1,320.00 | 6.00 |
| Do | Sun Life Assurance Co of Canada (U.S.) | 15,500.00 | 361.16 |
| Do | Wesleyan University, et al | | |
| Eugene S. Cowen, 2445 M St., NW Washington, DC 20037-1420 | Capitol Cities/ABC | 230.40 | |
| C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007 | Bering Sea Fishermen's Assn | 500.00 | 155.12 |
| Do | Municipality of Anchorage | 8,000.00 | 600.02 |
| Do | United Fishermen of Alaska | | 153.75 |
| Archibald Cox, 2030 M St., NW Washington, DC 20036 | Common Cause | 5,757.54 | 455.87 |
| C. Bryan Cox, PO Box 139 Kansas City, MO 64141 | Kansas City Life Insurance Co | | |
| C. Richard Cox, 800 Briar Creek Road Charlotte, NC 28232 | Belk Stores Services, Inc | | |
| Eric Cox, 418 7th St., SE Washington, DC 20003 | Campaign for U.N. Reform-Political Education Committee | 3,075.00 | 127.70 |
| Jeffrey T. Cox, 1420 King St. Alexandria, VA 22314 | National Society of Professional Engineers | 1,250.00 | |
| Jerry W. Cox, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Anglo American Auto Auctions, Inc) | 700.00 | |
| Do | Hill & Knowlton, Inc (For:Bell Atlantic Network Services, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Commonwealth Financial Group) | 2,887.50 | |
| Do | Hill & Knowlton, Inc (For:Fleischmann's Yeast) | | |
| Do | Hill & Knowlton (For:Societe Generale thru SGS North America, Inc) | | |
| Tamara Cox, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Nebraska Wheat Board) | | |
| W. O. Craft Jr., Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20008 | Edison Electric Institute | | |
| Donald Forsyth Craib III, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004 | Sears Roebuck & Co | 300.00 | |
| Bruce Craig, P.O. Box 677 Harpers Ferry, WV 25425 | National Parks & Conservation Association | 110.00 | 8.90 |
| William C. Cramer, 818 Connecticut Ave., NW Washington, DC 20006 | Cramer & Haber, P.C. (For:Canaveral Port Authority) | 6,750.00 | |
| Do | Cramer & Haber, P.C. (For:Dade County) | 6,666.68 | |
| Do | Cramer & Haber, P.C. (For:Dade County International Airport) | | |
| Cramer & Haber, P.C., 818 Connecticut Ave., NW Washington, DC 20036 | Canaveral Port Authority | 6,750.00 | |
| Do | Dade County | 6,666.68 | |
| Do | Dade County International Airport | | |
| Eric F. Craven, P.O. Box 2943 Fort Worth, TX 76113 | Texas-New Mexico Power Co | | |
| Richard L. Crawford, 311 First Street, NW Washington, DC 20001 | National Restaurant Assn | 17,500.00 | |
| William D. Crawford, 400 First St., NW Washington, DC 20001 | Brotherhood of Railway Carmen of the U.S. & Canada | 2,032.53 | |
| William H. Creamer III, 600 New Hampshire Ave., NW Washington, DC 20037 | New York Life Insurance Company | | |
| John P. Cregan, 220 National Press Building Washington, DC 20045 | U.S. Business & Industrial Council | 4,000.00 | |
| Patricia Cregan, 1100 Connecticut Ave., NW Washington, DC 20036 | Chrysler Corporation | 3,500.00 | 350.00 |
| Douglas P. Crew, 100 N.E. Adams Street Peoria, IL 61629 | Caterpillar Tractor Co | 500.00 | 753.09 |
| Anne Crichton Crews, 8787 Stemmons Freeway Dallas, TX 75247 | Mary Kay Cosmetics, Inc | | |
| Joseph M. Cribben, 6900 Valley Brook Dr. Falls Church, VA 22042 | United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry | 1,750.00 | |
| Mary Dent Crisp, 21 Dupont Circle, NW, #300 Washington, DC 20036 | Business Executives for National Security, Inc | | |
| P. H. Croft, 2000 Massachusetts Ave., NW Washington, DC 20036 | American Short Line Railroad Assn | | |
| Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 320.00 | |
| Charles H. Cromwell, Inc, 6709 Georgia St. Chevy Chase, MD 20815 | McDonnell Douglas Helicopters | | |
| Do | Northrop Corp | | |
| Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 85.00 | |
| Crop Insurance Research Bureau, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268 | | 2,820.00 | 2,820.00 |
| John M. Cross, 1015 18th St., NW, #702 Washington, DC 20036 | ISFA Corporation | | |
| David T. Crow, 1015 18th St., NW Washington, DC 20036 | Fertilizer Institute | 10,000.00 | 2,855.45 |
| Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505 | Asarco Inc | 1,437.50 | 10.00 |
| Do | Associated Gas Distributors | | |
| Do | Avon Products, Inc | | |
| Do | Brooklyn Union Gas Co | 150.00 | 10.00 |
| Do | Central Nebraska Public Power & Irrigation District | 300.00 | 22.50 |
| Do | City of North Miami | 1,260.00 | 35.00 |
| Do | Communications Satellite Corp | | |
| Do | Contractors Liability & Indemnification Alliance | 577.50 | |
| Do | Cook Inlet Region, Inc | | |
| Do | Eli Lilly & Company | 125.00 | 10.00 |
| Do | Emery Worldwide | | |
| Do | Meridian Minerals Co | | |
| Do | National Assn of Wholesaler-Distributors | 2,062.50 | 10.00 |
| Do | Nebraska Public Power District | 300.00 | 22.50 |
| Do | Pan American World Airways, Inc, et al | | |
| Do | Regional Airline Association | | |
| Do | Sterling Drug, Inc | | |
| Do | Tiffany & Co | | |
| Do | Trust for Public Lands | 3,948.75 | 60.00 |
| Do | United Cities Gas Co | | |
| Do | Western Governors Assn | | |
| Cuba Claims Association, P.O. Box 014004 Miami, FL 33101 | | | |
| Cuban American Freedom Coalition, Inc, 1000 Thomas Jefferson St., NW, #601 Washington, DC 20007 | | | |
| Brien F. Culhane, 5752 Drake Ct., #371 Alexandria, VA 22311 | National Parks & Conservation Assn | 50.00 | 10.00 |
| Barry M. Cullen, 1620 Eye St., NW, #700 Washington, DC 20006 | International Paper Co | | |
| Culley-Foster & Co, P.O. Box 17370 Washington, DC 20041 | | | |
| David M. Culp, 1525 New Hampshire Ave., NW Washington, DC 20036 | Environmental Action, Inc | 4,051.68 | 84.50 |
| Scott S. Cunningham, 1100 15th Street, NW Washington, DC 20005 | Union Carbide Corp | | |
| William J. Cunningham, 815 16th St., NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 17,090.03 | 1,555.32 |
| John T. Curran, 815 16th St., NW, #603 Washington, DC 20006 | Laborers' Intl Union of North America, AFL-CIO | 17,018.75 | 283.64 |
| Do | National Coordinating Comm for Multiemployer Plans | | |
| Kathleen L. Curry, 122 C St., NW, #750 Washington, DC 20001 | National Assn of Independent Colleges & Universities | 4,834.00 | 70.00 |
| Mary Beth Curry, 1050 17th Street, NW, #770 Washington, DC 20036 | American Assn of Homes for the Aging | | |
| M. Rupert Cutler, 1325 G Street, NW, #1003 Washington, DC 20005 | Population-Environment Balance | 467.00 | 4.80 |
| Everett E. Cutter, 620 SW Fifth Avenue Bldg., Suite 300 Portland, OR 97204 | Oregon Railroad Assn | | |
| CF Industries, Inc, Salem Lake Dr. Long Grove, IL 60047 | | | 1,000.00 |
| CR Associates, 2010 Massachusetts Avenue, NW Washington, DC 20036 | Alzheimer's Disease & Related Disorders Assn | | |
| D'Amour & Doyle, Inc, 1156 15th St., NW, #1100 Washington, DC 20005 | New England Assn of Business, Industry & Rehabilitation, Inc | 3,000.00 | 1,252.43 |
| Norman E. D'Amours, 1217 Evermay Court Mclean, VA 22101 | Alcalde Henderson O'Bannon & Rousselot | 24,000.00 | |
| Do | American Council of State Savings Supervisors | 12,000.00 | |
| Do | Marine Midland Banks, Inc | 12,000.00 | |
| William D. D'Onofrio, 1800 W. 8th St. Wilmington, DE 19805 | National Assn for Neighborhood Schools, Inc | | |
| William K. Dabaghi, Arter & Hadden 1919 Pennsylvania Ave., NW, #400 Washington, DC 20006 | Central Union of Agricultural Cooperatives (ZENCHU) | 750.00 | 159.97 |
| Do | Coalition for Regional Banking & Economic Development | 400.00 | 30.00 |
| Do | Houston Clearing House Assn | 5,570.00 | 527.35 |
| Susan Dahlquist, 1300 19th St., NW, #501 Washington, DC 20036 | National Committee to Preserve Social Security | 1,820.00 | |
| Stephen J. Daigler, 1601 Duke Street Alexandria, VA 22314 | Society of American Florists | | |
| William Kay Daines, 1616 H St., NW Washington, DC 20006 | American Retail Federation | 650.00 | 210.00 |
| Dairy Farmers for Responsible Dairy Policy, 517 C Street, NE Washington, DC 20002 | | 5,000.00 | 8,590.09 |
| Lewis L. Dale, 1660 L Street, NW, #401 Washington, DC 20036 | General Motors Corp | 3,000.00 | 1,825.14 |
| James G. Dalton, 1420 King St. Alexandria, VA 22314 | National Society of Professional Engineers | 2,500.00 | |
| Robert C. Daly, 1850 M Street, NW, #600 Washington, DC 20036 | Toyota Motor Sales, USA, Inc | | |
| Tracy Danese, P.O. Box 14000 Juno Beach, FL 33408 | Florida Power & Light Co | 1,123.00 | 10,361.08 |
| John E. Daniel, 1233 20th St., NW, #400 Washington, DC 20036 | Ohio Edison Co | | |
| David C. Daniels, 1608 K Street, NW Washington, DC 20006 | American Legion | 6,360.00 | 68.23 |
| David S. Danielson, 1505 Prince Street, #300 Alexandria, VA 22314 | American Optometric Assn | | |
| Charles Franklin Daoust, P.O. Box 12910 Charleston, SC 29412-0910 | Kiawah Island Co, Ltd | | |
| Colleen A. Darling, 1730 Rhode Island Avenue, NW, #204 Washington, DC 20036 | Japanese American Citizens League | 6,000.00 | 15.00 |
| Diane Davenny Darneille, 1726 M St., NW, #300 Washington, DC 20036 | Schering-Plough Corp | 3,323.00 | 6,040.15 |
| Linda Daschle, 1709 New York Ave., NW Washington, DC 20006 | Air Transport Assn of America | 12,197.21 | 15,288.83 |
| John C. Datt, 600 Maryland Ave., SW Washington, DC 20024 | American Farm Bureau Federation | 11,225.00 | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| John B. Davenport Jr., 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 135.00 | |
| Davenport & Seay, One Thomas Circle, NW, #375 Washington, DC 20005 | City of Detroit, Michigan | 38,569.10 | 15,789.64 |
| Earl F. David, 1825 K St., NW, #1107 Washington, DC 20006 | Phillips Petroleum Co | 1,000.00 | |
| James H. Davidson, 1250 Connecticut Ave., NW, #650 Washington, DC 20036 | American Advertising Federation | 4,066.10 | |
| Do | American Assn of Advertising Agencies | 4,066.10 | |
| Do | American Newspaper Publishers Assn | 19,395.56 | |
| Do | Association of National Advertisers | 4,066.10 | |
| Do | National Assn of Broadcasters | 4,066.10 | |
| John J. Davidson, 7901 Westpark Drive McLean, VA 22102 | National Machine Tool Builders' Assn | 1,200.00 | 500.00 |
| James H. Davidson & Associates, Inc, 1250 Connecticut Ave, NW, #650 Washington, DC 20036 | Magazine Publishers Assn, Inc | 14,177.38 | |
| Do | National Assn of Industrial & Office Parks | 17,175.49 | |
| Do | Rouse Company | 3,239.60 | |
| Drew M Davis, 1101 16th St., NW Washington, DC 20036 | National Soft Drink Assn | 48.56 | 20.00 |
| Edward M. Davis, 410 First St., SE Washington, DC 20003 | American Nuclear Energy Council | 6,000.00 | 720.58 |
| Fred G. Davis, 1111 19th Street, NW Washington, DC 20036 | Edison Electric Institute | 4,624.96 | 570.54 |
| Kenneth E. Davis, Suite 1210 1667 K St., NW Washington, DC 20006 | Rohm & Haas Co | 500.00 | 32.50 |
| Michael Davis, 735 North Water St., #908 Milwaukee, WI 53202-4105 | American Malting Barley Assn, Inc | 1,200.00 | 1,200.00 |
| Ovid R. Davis, P.O. Drawer 1734 Atlanta, GA 30301 | Coca-Cola Company | | |
| Robert Davis, 815 Connecticut Ave., NW Washington, DC 20006 | Ford Motor Co | 1,400.00 | 607.00 |
| Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004 | American General Life Insurance Co | 931.13 | 34.93 |
| Do | American Horse Council | 937.50 | 34.30 |
| Do | Chicago Board of Trade | 2,083.32 | 61.85 |
| Do | Committee for American Steel | 2,400.00 | 90.00 |
| Do | Committee of Annuity Insurers | 172.00 | |
| Do | CIGNA Corporation | 186.85 | 12.00 |
| Do | Florida Power & Light | 200.00 | |
| Do | Florida Sugar Cane League, Inc | | |
| Do | ICH Corporation | | |
| Do | James Graham Brown Foundation | 298.50 | 7.50 |
| Do | Lincoln Life Improved Housing, Inc | | |
| Do | Lincoln National Life Insurance Co | 312.00 | 5.00 |
| Do | National Assn of Life Companies | 250.00 | 7.00 |
| Do | National Cattlemen's Assn | 1,175.00 | |
| Do | NEOAX, Inc | 2,182.00 | 23.00 |
| Do | Property/Casualty Group | | |
| Do | Stock Information Group | 3,700.00 | 2,536.00 |
| Do | Sunrise Company | | |
| Do | U.S. Sugar Corp | 370.00 | |
| Davis Graham & Stubbs, 1001 22nd St., NW, #500 Washington, DC 20037 | Municipal Subdistrict, No. Colorado Water Conservancy Dist | 13,200.30 | 13,200.30 |
| Do | Northern Colorado Water Conservancy District | 8,588.70 | 8,588.70 |
| Davis Hockenberg Wine Brown & Koehn, 2300 Financial Center Des Moines, IA 50309 | E&J Gallo Winery | | |
| Do | Northwestern Bell (Iowa Div) | | |
| Davis Polk & Wardwell, 1575 Eye St., NW Washington, DC 20005 | Ernst & Whinney | 1,952.50 | 96.25 |
| Do | Kohlberg Kravis Roberts & Co | | |
| Do | Manville Corporation | | |
| Do | Morgan Guaranty Trust Co | 1,760.00 | 101.00 |
| Do | Norwest Corporation | | |
| Do | Occidental International Corp | 1,595.00 | 52.00 |
| Do | U.S. Trust Corp | | |
| Davis Wright & Jones, 1752 N St., NW, #800 Washington, DC 20036 | Pacific Northwest Coalition for Maritime Law Reform | 11,000.00 | |
| Do | Star-Kist Foods, Inc | 3,152.00 | |
| Donald S. Dawson, 1155 Connecticut Ave., #700 Washington, DC 20036 | Opticians Assn of America | | |
| Do | Virgin Islands Gift & Fashion Shop Assn | | |
| Do | Virgin Islands Merchants Assn | | |
| Robert M. Dawson, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | | |
| Brenda T. Day, 655 15th St., NW, #300 Washington, DC 20005 | Armtek Corp | 6,330.00 | 2,953.88 |
| Harry F. Day, 1800 K Street, NW, #1100 Washington, DC 20006 | New York Stock Exchange, Inc | | |
| Gaston De Bearn, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036 | Hoffmann-La Roche, Inc | | |
| Dona M. De Carolis, 20 Black Oak Mews Newton, PA 18940 | Guilford Transportation Industries, Inc | | |
| Do | Philadelphia Maritime Exchange | | |
| Ralph De La Cruz, 1225 Connecticut Avenue, NW Washington, DC 20036 | American Public Transit Assn | 2,960.00 | 106.00 |
| Gail De Loach, P.O. Box 8091 Falls Church, VA 22041 | Friendship Hill Assn | | |
| O. Mark De Michele, 411 North Central Avenue P.O. Box 21666 Phoenix, AZ 85014 | Arizona Public Service Company | | |
| Trevia A. Dean, Dean & Company 2550 M St., NW, #300 Washington, DC 20037 | American Insurance Assn | | |
| Do | Lottery Technology Enterprises | | |
| Do | Manatt Phelps... (for American Petrofina, Inc) | | |
| Do | National Rifle Assn of America | | |
| John Russell Deane III, 1607 New Hampshire Ave., NW Washington, DC 20009 | Auto Internacional Assn | 1,312.50 | 628.43 |
| Do | Coalition of Automotive Assns | 1,399.00 | 643.10 |
| Do | Specialty Equipment Market Assn | 3,898.00 | 1,794.51 |
| Debevoise & Plimpton, 555 13th Street, NW Washington, DC 20004 | Sony Corp of America | 1,869.00 | |
| Dechert Price & Rhoads, 1730 Pennsylvania Avenue, NW, #1100 Washington, DC 20006 | Center for Civic Education | 1,087.50 | 153.84 |
| Do | Constitutional Rights Foundation | 2,916.52 | 329.89 |
| Do | Yonkers Racing Corp | | |
| Mark O. Decker, 1101 17th Street, NW, #700 Washington, DC 20036 | National Assn of Real Estate Investment Trusts, Inc | 450.00 | |
| Do | Pension Real Estate Assn | | |
| Winston M. Decker, 1522 K St., NW, #828 Washington, DC 20005 | American Veterinary Medical Assn | | |
| Richard A. Deem, 1101 Vermont Avenue, NW Washington, DC 20005 | American Medical Assn | 25.00 | |
| Brian Deery, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| James L. Deger, 719 D St., NE, #105 Washington, DC 20002 | | 5,802.68 | 898.27 |
| John J. Degnan, Shanley & Fisher, P.C. 131 Madison Avenue Morristown, NJ 07960 | Sharp Electronics Corp | | |
| George K. Degnon Associates, Inc, 1311-A Dolley Madison Bldg., #3a Mclean, VA 22101 | Association of State & Territorial Health Officials | | 1,000.00 |
| Gene A. Del Polito, 1333 F Street, NW, #710 Washington, DC 20004-1108 | Third Class Mail Association | 600.00 | |
| Thomas J. Delaney, 1111 North 19th Street, #700 Arlington, VA 22209 | National Assn of Federal Credit Unions | 1,500.00 | 114.17 |
| Delaney & Young, Chtd, 1629 K Street, NW, #1000 Washington, DC 20006 | Harcourt Brace Jovanovich, Inc | 43,752.50 | 167.54 |
| Do | National Assn of Independent Insurers | 22,500.00 | 2,947.74 |
| Do | Transamerica Insurance Services | 15,075.00 | 152.59 |
| George B. Delta, Silverstein & Mullens 1776 K Street, NW Washington, DC 20006 | Rockefeller Group, Inc | | |
| Tania Demchuk, 499 South Capitol St., SW, #401 Washington, DC 20003 | National Assn of Independent Insurers | 100.00 | |
| Willard L. Demory, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For Bell Atlantic Management Services) | | |
| Do | Hill & Knowlton, Inc (For Commonwealth Financial Group) | | |
| Do | Hill & Knowlton, Inc (For Gurman Kurtis & Blask (for McCaw Communications)) | 625.00 | |
| Do | Hill & Knowlton, Inc (For United Airlines, Inc) | | |
| George Demougeot, 1612 K St., NW, #206 Washington, DC 20006 | Government of Haiti | 3,615.00 | 58.75 |
| Bradford T. Dempsey, Dempsey Associates, Ltd 919 Pennsylvania Avenue Harrisburg, PA 17112 | | | |
| George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016 | Cruise America Line, Inc | | |
| Do | N U S Corporation | | |
| Do | National Office Products Assn | | |
| Do | Westinghouse Electric Corp | 525.00 | |
| John H. Denman, Missouri Oil Council 428 E. Capital St., #203 Jefferson City, MO 65101 | American Petroleum Institute | | |
| Robert A. Denman, 600 Maryland Avenue, SW, #202w Washington, DC 20024 | Farmers' Educational & Co-Operative Union of America | 5,538.24 | 239.17 |
| Edward A. Dent, 3115 N St., NW Washington, DC 20007 | Americans for the National Voter Initiative Amendment | | |
| Wells Denyes, 1919 Pennsylvania Ave., NW Washington, DC 20006 | Eastman Chemicals Division | 375.00 | 21.20 |
| Connie Denzer, 6517 City West Parkway Eden Prairie, MN 55344 | Crop Insurance Research Bureau | | 314.50 |
| Department for Professional Employees, AFL-CIO, 815 16th St., NW Washington, DC 20006 | | 10,661.24 | 10,661.24 |
| Lloyd J. Derrickson, 1828 L St., NW, #906 Washington, DC 20036 | Merrill Lynch & Co, Inc | 6,500.00 | |
| Detroit Tooling Assn, P.O. Box 338 Dearborn, MI 48121 | | | 770.00 |
| Samuel L. Devine, 170 Burning Tree Drive Naples, FL 33942 | American Continental Corp | 3,900.00 | 804.50 |
| Do | Grocery Manufacturers of America, Inc | | |
| Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW Washington, DC 20006 | Amax, Inc | | |
| Do | American Stock Exchange, Inc | | |
| Do | Bear Stearns & Co, Inc | | |
| Do | Beneficial Corporation | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Browning-Ferris Industries, Inc | | |
| Do | Catholic Health Assn of the U.S. | 750.00 | |
| Do | Chase Manhattan Corp | | |
| Do | Chrysler Corporation | | |
| Do | Committee for Future Investment in America's Past | 1,500.00 | |
| Do | CIC Enterprises, Inc | 1,250.00 | |
| Do | Dee Corporation PLC | | |
| Do | Digital Equipment Corp | 2,500.00 | |
| Do | Duke Endowment | | |
| Do | Federal National Mortgage Assn | 250.00 | |
| Do | Federation of American Health Systems | 750.00 | |
| Do | General Electric Pension Trust | | |
| Do | Hanschell Inniss, Ltd | | |
| Do | Health Insurance Assn of America | | |
| Do | Hershey Foods Corp | | |
| Do | Historic Landmarks for Living | | |
| Do | Household International | | |
| Do | Integrated Resources, Inc | | |
| Do | Labor-Industry Coalition for International Trade | 1,650.00 | |
| Do | Marriott Corporation | | |
| Do | Mutual Life Insurance Co of New York | 500.00 | |
| Do | National Assn for Home Care | | |
| Do | Nynex Corporation | 250.00 | 10.00 |
| Do | Pfizer, Inc | 837.50 | |
| Do | Primerica Inc | 250.00 | |
| Do | Salomon Inc | | |
| Do | Joseph E. Seagram & Sons, Inc | 2,500.00 | |
| Do | Semiconductor Industry Association | 2,664.50 | |
| Do | Squibb Corporation | 837.50 | |
| Do | Sybedon Corporation | | |
| Do | Teachers Insurance & Annuity Assn of America | | |
| Do | Tobacco Row Associates | | |
| Do | U.S. Coalition for Fair Lumber Imports | 125.00 | |
| Doris J. Dewton, 1025 Connecticut Ave., NW, #507 Washington, DC 20036 | Ashland Oil, Inc | 2,000.00 | |
| George T. DeBakey, 1300 North 17th St., #300 Arlington, VA 22209 | ADAPSO | | |
| James U. DeFrancis, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036 | Enserch Corporation | 3,187.00 | 2,163.00 |
| Mary Elise DeGonia, 600 Maryland Avenue, SW West Wing, Suite 300 Washington, DC 20024 | 70001 Training & Employment Institute | 500.00 | 20.00 |
| Law Offices of Paul H. DeLaney, Jr., 1920 N Street, NW, #610 Washington, DC 20036 | Continental Grain Co | | |
| Do | Groth Air Services, Inc | | |
| Martin L. DePoy, 777 14th St., NW Washington, DC 20005 | National Assn of Realtors | 2,500.00 | 222.21 |
| Gregory L. DePriest, 1730 M Street, NW, #713 Washington, DC 20036 | Association of Maximum Service Telecasters, Inc | | |
| William R. DeReuter, 1828 L Street, NW, #906 Washington, DC 20036 | Merrill Lynch & Co, Inc | 2,000.00 | |
| Diamond Shamrock Corp, 717 N. Harwood Dallas, TX 75201 | | | |
| John M. Dickerman, 1015 15th St., NW, #700 Washington, DC 20005 | National Lumber & Building Material Dealers Assn | | |
| Chester T. Dickerson Jr., 1101 17th St., NW, #604 Washington, DC 20036 | Monsanto Co | | 4,600.99 |
| Elaine Dickinson, 880 S. Pickett Street Alexandria, VA 22304 | Boat Owners Assn of the U.S. | 7,000.00 | |
| Gary Alan Dickinson, 2 International Plaza Dr., #600 Nashville, TN 37217 | Anglo American Auto Auctions, Inc | | |
| Norman Dickinson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Canadian Institute of Steel Construction | | |
| Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036 | Allied Signal, Inc | 12,600.00 | |
| Do | Chicago & Northwestern Transportation | 12,900.00 | |
| Do | United Technologies Corporation | | |
| Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037 | Advance Publications | | |
| Do | American Greyhound Track Operators Assn | 12,725.00 | |
| Do | ABD Securities Corp | 3,000.00 | |
| Do | Bear Stearns & Co | 1,200.00 | |
| Do | Boundary Gas, Inc | | |
| Do | California Assn of Thrift & Loan Companies | 6,078.75 | |
| Do | Car Audio Specialists Assn (CASA) | 500.00 | |
| Do | Children's Hospital | | |
| Do | Fairchild Industries, Inc | | |
| Do | Federal National Mortgage Assn | 3,970.00 | |
| Do | Federated Cash Management Systems | 7,500.00 | |
| Do | Fiat USA | | |
| Do | Iroquois Gas, Inc | | |
| Do | Marine Engineers' Beneficial Assn | | |
| Do | Morgan Guaranty Trust Co | 15,506.25 | |
| Do | National Fed of Societies for Clinical Social Work | 4,000.00 | |
| Do | Ocean State Power | 16,835.00 | |
| Do | Paulucci Enterprises | 4,722.50 | |
| Do | Providence Hospital | | |
| Do | Saco Defense, Inc | | |
| Do | States of Arkansas, et al. | | |
| Do | Technomed | 5,100.00 | |
| Rick Diegel, 1125 15th Street, NW Washington, DC 20005 | International Brotherhood of Electrical Workers, AFL-CIO-CLC | 2,281.25 | 150.00 |
| Walter E. Diercks, Rubin Winston & Diercks 1730 M Street, NW, #412 Washington, DC 20036 | Outdoor Advertising Assn of America, Inc | | |
| George Dillard, 5128 Sauer, Suite A Houston, TX 77004 | Kaleidoscope Research & Marketing Group | | |
| Thomas A. Dine, 500 North Capitol St, NW, #300 Washington, DC 20001-1510 | American Israel Public Affairs Comm | 16,749.99 | 2,578.35 |
| James C. Dinegar, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003 | Independent Insurance Agents of America, Inc | | |
| Direct Selling Association, 1776 K Street, NW Washington, DC 20006 | | | |
| Dale P. Dirks, 400 First St., NW, #712 Washington, DC 20001 | Health & Medicine Counsel of Washington | | |
| Do | Professional Services Counsel | | |
| Disabled American Veterans, 3725 Alexandria Pike Cold Spring, KY 41076 | | 127,847.34 | 127,847.34 |
| Gloria Dittus, 1111 19th St., NW Washington, DC 20036 | Edison Electric Institute | 643.87 | 68.75 |
| Patsy B. Dix, 1201 16th St., NW Washington, DC 20036 | National Education Assn | 2,796.00 | 122.00 |
| Sharon Pratt Dixon, 1900 Pennsylvania Avenue, NW Washington, DC 20068 | Potomac Electric Power Co | 44.08 | |
| Charles J. DiBona, 1220 L St., NW Washington, DC 20005 | American Petroleum Institute | 1,875.00 | |
| Margaret R. DiPaula, 1700 K Street, NW, #1204 Washington, DC 20006 | Chevron USA, Inc | 185.00 | |
| Dobrovir & Gebhardt, 1025 Vermont Avenue, NW, #1105 Washington, DC 20005 | New York State Ophthalmological Society | 172.00 | |
| Julie Domenick Doerr, 1600 M St., NW Washington, DC 20036 | Investment Company Institute | 337.45 | |
| Eileen Marie Doherty, 1000 Connecticut Avenue, NW Washington, DC 20036 | Japan Economic Institute of America | 500.00 | |
| John T. Dolan, 108 N. Alfred St. Alexandria, VA 22314 | Conservative Alliance | | |
| Robin C. Dole, 1101 Connecticut Avenue, NW, #500 Washington, DC 20036 | Century 21 Real Estate Corp | | |
| Domestic Wildcatters Assn, 1 Post Oak Circle Houston, TX 77024 | | | |
| Brian J. Donadio, 122 C St., NW, #875 Washington, DC 20001 | American Osteopathic Assn | 3,503.00 | |
| Nancy A. Donaldson, 110 Maryland Avenue, NE, #211 Washington, DC 20002 | Women's Action for Nuclear Disarmament, Inc, et al | 1,875.00 | |
| John F. Donelan, Donelan Cleary Wood & Maser, P.c. 1275 K St., NW, #850 Washington, DC 20005 | Procompetitive Rail Steering Committee | | |
| Andrew J. Donelson, 1101 15th Street, NW Washington, DC 20005 | Minnesota Mining & Manufacturing Co | 2,500.00 | |
| Thomas E. Donley, 1615 H Street, NW, #516 Washington, DC 20062 | U.S. Chamber of Commerce | | |
| Thomas F. Donnelly, 955 L'enfant Plaza, SW, #1202 Washington, DC 20024 | National Water Resources Assn | 3,125.00 | |
| Sally S. Donner, 1710 Rhode Island Avenue, NW, #400 Washington, DC 20036 | General Foods Corporation | 1,229.25 | 117.35 |
| Margarite Donoghue, 729 8th St., SE, #200 Washington, DC 20003 | FARO-AIDS Action Council | 2,500.00 | |
| Donohue & Associates, Inc, 11445 Isaac Newton Square So. Reston, VA 22090 | | | |
| William Donovan, 1111 N. 19th St, #700 Arlington, VA 22209 | National Assn of Federal Credit Unions | 2,500.00 | 88.72 |
| Kevin L. Dorn, 1400 K Street, NW, #801 Washington, DC 20005 | General Aviation Manufacturers Assn | 5,539.00 | |
| James A. Dorsch, 1025 Connecticut Avenue, NW Washington, DC 20036 | Health Insurance Assn of America, Inc | 27.28 | |
| Dean R. Dort II, 1667 K Street, NW, #370 Washington, DC 20006 | Deere & Company | 715.00 | |
| Michael L. Dougherty, Pillsbury Center MS 3771 Minneapolis, MN 55402 | Pillsbury Co | 1,000.00 | 593.70 |
| Sally L. Douglas, 600 Maryland Ave., SW, #700 Washington, DC 20024 | National Fed of Independent Business | 4,785.50 | 200.00 |
| Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037 | Beeman and Gould | 100.00 | |
| Do | Canadian Institute of Steel Construction | | |
| Do | Dart-M.L., Ltd | | |
| Do | Government of the Republic of Panama | | |
| Do | Hapag-Lloyd, A.G. | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Harris Steel Group, Inc | 48.00 | 40.38 |
| Do | Home Shopping Network, Inc | 3,305.50 | 791.36 |
| Do | Lake Ontario Cement Limited | | |
| Do | Laurel Steel Products, Ltd | | |
| Do | Masstock (International) Ltd | | |
| Do | Mediterranean/U.S.A. Freight Conference | | |
| Do | Stanley Precision | | |
| Do | The '8900' Lines | | |
| Do | U.S. Atlantic & Gulf Ports/East Med & N. Africa Freight Conf | | |
| Do | U.S. Atlantic & Gulf/Australia-New Zealand Conference | | |
| L. Michael Dowling, Suite 320 1901 L Street, NW Washington, DC 20036 | Ogilvy and Mather Public Relations | | |
| Charles P. Downer, 7901 Westpark Drive Mclean, VA 22102 | National Machine Tool Builders' Assn | 1,113.00 | 250.00 |
| Jane Lind Downey, 2200 Mill Rd Alexandria, VA 22314 | American Movers Conference | 800.00 | |
| John A. Doyle, 1156 15th St., NW, #1100 Washington, DC 20005 | American Psychological Assn | 7,500.00 | 3,897.93 |
| John P. Doyle Jr., 8600 Boundbrook Lane Alexandria, VA 22309 | J. P. Doyle Enterprises, Inc | 1,000.00 | |
| Steve Doyle, 5205 Leesburg Pike, #505 Falls Church, VA 22041 | National Beer Wholesalers' Assn | | |
| William A. Doyle, 2346 S. Rolfe Street Arlington, VA 22202 | Harris Corporation | 3,050.00 | 1,382.75 |
| Ronald W. Drach, 807 Maine Avenue, SW Washington, DC 20024 | Disabled American Veterans | 17,300.40 | |
| David P. Drake, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006 | Ciba-Geigy Corp | 3,000.00 | |
| James E. Drake, 1101 Vermont Ave., NW Washington, DC 20005 | American Medical Assn | 5,272.00 | |
| Paul A. Drazek, 600 Maryland Avenue, SW Washington, DC 20024 | American Farm Bureau Federation | 8,063.00 | 56.30 |
| Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036 | Briggs & Stratton | 250.00 | |
| Do | General Dynamics Corp | 250.00 | |
| Do | Metropolitan Life Insurance Cos | 300.00 | |
| Do | Science Applications Int'l Corp | | |
| Joan Albert Dreux, 600 Pennsylvania Avenue, SE, #211 Washington, DC 20003 | National Assn of Casualty & Surety Agents | 3,000.00 | 1,735.03 |
| William B. Driggers, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202 | Texas Instruments, Inc | 525.00 | |
| John P. Dring, 1331 Pennsylvania Ave., NW, #565 Washington, DC 20004 | Texas Gas Transmission Corp | | |
| Kevin J. Driscoll, 1800 M St., NW Washington, DC 20036 | American Bar Assn | 400.00 | 50.00 |
| Fran Du Melle, 1101 Vermont Avenue, NW, #402 Washington, DC 20005 | American Lung Assn | 2,890.00 | 2,699.00 |
| Stan Dublinske, 10801 Rockville Pike Rockville, MD 20852 | American Speech-Language-Hearing Assn | | |
| Morgan D. Dubrow, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 90.00 | |
| Dudek Communications, 902 Pennsylvania Avenue, SE Washington, DC 20003 | Lyonnaise des Eaux Group | 12,000.00 | 5,762.00 |
| Tim Dudgeon, 1250 Eye Street, NW, #900 Washington, DC 20005 | Distilled Spirits Council of the U.S., Inc | 2,000.00 | |
| John Dudinsky Jr., 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002 | AMSPEC | 2,000.00 | 72.30 |
| Do | Lantana Boatyard, Inc | 2,000.00 | 146.45 |
| Jane McPike Dudley, 888 17th Street, NW, #901 Washington, DC 20006 | Whiteford Taylor & Preston | | |
| Ann Anderson Duff, 1331 Pennsylvania AVenue, NW Washington, DC 20004 | National Assn of Manufacturers | 1,200.00 | |
| Michael J. Duff, 1101 16th Street, NW Washington, DC 20036 | Scientific Apparatus Makers Assn | 1,400.00 | 395.00 |
| Daniel A. Duffy, 1400 K St., NW, #900 Washington, DC 20005 | Rubber Manufacturers Assn | 2,500.00 | |
| Joseph R. Dugan, 888 16th Street, NW Washington, DC 20006 | Milk Industry Foundation & International Ice Cream Assn | | |
| C. R. Duggan, 815 16th St., NW Washington, DC 20006 | Brotherhood of Railway Airline & Steamship Clerks | 3,100.00 | 3,100.00 |
| Francis J. Duggan, 50 F Street, NW, #12800 Washington, DC 20001 | Association of American Railroads | 888.96 | 296.73 |
| Dulles Access Rapid Transit Corp, 8000 Towers Crescent Dr., #801 Vienna, VA 22180 | | | 10,240.28 |
| Marvin E. Dullum, 1629 K St., NW, #204 Washington, DC 20006 | Delta Air Lines, Inc | 200.00 | 61.90 |
| Amy K. Dunbar, One Beacon Street Boston, MA 02108 | Palmer & Dodge (For:National Assn of Bond Lawyers) | | 402.16 |
| Don R. Duncan, 1825 K Street, NW, #1107 Washington, DC 20006 | Phillips Petroleum Co | 5,000.00 | 146.59 |
| Leslie Dolong Duncan, 1925 K Street, NW, #206 Washington, DC 20006 | Alliance to Save Energy | 106.51 | |
| William C. Duncan, 1050 17th Street, NW, #410 Washington, DC 20036 | Japan Automobile Manufacturers Assn | 1,800.00 | 1,023.13 |
| Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036 | Kenai Natives Assn, Inc | | |
| Do | Mid West Electric Consumers' Assn, Inc | | |
| Do | National Assn of State Energy Officials | | |
| Do | State of Nevada | | |
| Do | Western Fuels Association, Inc | | |
| Mari Lee Dunn, 1850 K St., NW, #400 Washington, DC 20006 | American Council for Capital Formation | | |
| Patrick W. Dunn, 4400 Seattle First National Bank Bldg. 1001 Fourth Ave. Plaza #4400 Seattle, WA 98154 | Riddell Williams Bullitt & Walkinshaw (For:Friends of the Columbia River Gorge) | | |
| Dunnells Duvall Bennett & Porter, 1220 19th Street, NW, #400 Washington, DC 20036 | National Assn of Aircraft & Communications Suppliers, Inc | | 839.69 |
| James A. Dupree, 815 Connecticut Ave., NW Washington, DC 20006 | Ford Motor Co | 4,312.00 | 1,821.00 |
| Joseph L. Duran, 100 Federal St. Boston, MA 02110 | First National Bank of Boston | | |
| Margaret A. Durbin, 1001 pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | 2,200.00 | |
| B. J. Durham, P.O. Box 2121 Corpus Christi, TX 78403 | Central Power & Light Company | | |
| David Durham, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | 1,250.00 | |
| Ed Durkin, 101 Constitution Avenue, NW Washington, DC 20001 | United Brotherhood of Carpenters & Joiners of America | | |
| Duryea Murphy Davenport & Van Winkle, 711 Capitol Way Olympia, WA 98501 | State of Nevada, Nuclear Waste Project Office | 4,485.00 | 1,207.83 |
| Dutko & Associates, 412 First St., SE, #40 Washington, DC 20003 | Miguel H. Agosto | 800.00 | |
| Do | American Consumer Trade Council | 10,590.00 | |
| Do | Associates of North America | | |
| Do | Colorado River Municipal Water District (CRMWD) | 48.00 | |
| Do | Communications Satellite Corp | 5,297.50 | |
| Do | D & B Wholesale Cosmetics, Inc | 62.50 | |
| Do | DSC Communications | 7,816.00 | |
| Do | William Gold | | |
| Do | Jaime Goldenberg | 62.50 | |
| Do | Granger Associates | | |
| Do | Gulf & Western Industries, Inc | 9,000.00 | |
| Do | Hart-Culp International | 22,754.00 | |
| Do | Large Scale Program Institute | | |
| Do | Lightnet | 5,211.00 | |
| Do | MedMax | | |
| Do | Model Imperial Supply Co, Inc | 25.00 | |
| Do | Oklahoma State University | 3,600.00 | |
| Do | PacifiCare Health Systems | 2,683.00 | |
| Do | Pitts Energy Group | | |
| Do | Psychemedics Corp | 4,767.50 | |
| Do | R-Max | 1,840.00 | |
| Do | Southland Corporation | | |
| Do | M. Stevens Cosmetics Co | 262.50 | |
| Do | Superconducting Super Collider | 2,160.00 | |
| Do | US Sprint | 9,309.70 | |
| Peggy L. Duxbury, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004 | National Assn of Manufacturers | 900.00 | |
| Ernest DuBester, 815 16th Street, NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 17,466.23 | 511.10 |
| Denis J. Dwyer, 700 North Fairfax St. Alexandria, VA 22314 | Railway Progress Institute | 556.25 | |
| Roderick T. Dwyer, 1920 N Street, NW Washington, DC 20036 | American Mining Congress | | |
| William J. Dyess, Wm. Dyess Associates 4444 Dexter Street, NW Washington, DC 20007 | B.V. Stevedore Co Quick Dispatch | | |
| DynCorp, 1313 Dolley Madison Blvd. Mclean, VA 22101 | | | 2,220.00 |
| Talis Dzenitis, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004 | Sears Roebuck & Co | 500.00 | |
| DGA International, Inc, 1818 N Street, NW Washington, DC 20036 | Dir Intl Aff of the Gen Del for Armements | | |
| Do | Societe Nationale D'Etude et de Const de Moteurs D'Aviation | 951.50 | 129.23 |
| Do | Sofreavia | 3,163.50 | 511.95 |
| Earle Grovatt & Assoc, Inc, 55 W. Main Street Freehold, NJ 07728 | Dickinson Business School | 3,000.00 | 979.00 |
| A. Blakeman Early, 555 13th St., NW, #500-W Washington, DC 20004 | Environmental Action, Inc | | |
| Jack D. Early, The Madison Building, #900 1155 15th Street, NW Washington, DC 20005 | National Agricultural Chemicals Assn | 750.00 | 44.00 |
| Charles H. Eaton, 1725 K St., NW, #1111 Washington, DC 20006 | Eaton Associates, Inc | | |
| Robert E. L. Eaton, 1725 K St., NW, #1111 Washington, DC 20006 | Eaton Associates, Inc | | |
| Eaton Associates, Inc, 1725 K St., NW, #1111 Washington, DC 20006 | | | |
| Robert E. Ebel, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036 | Enserch Corporation | 1,450.00 | 525.00 |
| Charles J. Eby, 8408 Queen Elizabeth Blvd. Annandale, VA 22003 | Hill & Knowlton, Inc (For:Monsanto Co) | | |
| N. Boyd Ecker, 1100 Connecticut Ave., NW Washington, DC 20036 | Mobil Oil Corp | 1,500.00 | 79.70 |
| Patricia K. Economos, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| William R. Edgar, 1620 Eye St., NW, #501 Washington, DC 20006 | Gates Learjet Corporation | | |
| Helen H. Edge, 700 N. Fairfax St. Alexandria, VA 22314 | Railway Progress Institute | 512.50 | |
| Edison Electric Institute, 9th Floor 1111 19th St., NW Washington, DC 20036 | | 26,362.74 | 62,755.17 |
| V. Anne Edlund, 1620 Eye St., NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Stephen L. Edmiston, 807 Maine Ave., SW Washington, DC 20024 | Disabled American Veterans | 15,464.80 | 354.05 |
| Ed Edmondson, 416 Court St., P.O. Box 11 Muskogee, OK 74401-0011 | Association of Oklahoma General Contractors | | |
| Christine A. Edwards, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004 | Dean Witter Financial Services Group | 662.65 | 33.50 |
| J. Rodney Edwards, 260 Madison Ave. New York, NY 10016 | American Paper Institute, Inc | | |
| Jack Edwards, 3000 First Natonal Bank Bldg. P.O. Box 123 Mobile, AL 36601 | Societe Nationale d'Etude et de Const de Moteurs d'Aviation | 510.35 | 6.50 |
| Michael D. Edwards, 1201 16th Street, NW Washington, DC 20036 | National Education Assn | 3,291.30 | 65.00 |
| William A. Edwards, 201 Massachusetts Ave., NE Washington, DC 20002 | Edison Electric Institute | 946.50 | 151.39 |
| Do | New Hampshire Yankee | 6,703.00 | 868.71 |
| Edwards & Antholis, 95 Madison Avenue Morristown, NJ 07960 | Resorts International, Inc | | 2,601.86 |
| Edwards Associates, 507 Second St., NE Washington, DC 20002 | Confederated Tribes of Warm Springs | | |
| Paul S. Egan, 1608 K St., NW Washington, DC 20006 | American Legion | 10,452.00 | 214.23 |
| Albert C. Eisenberg, 1735 New York Avenue, NW Washington, DC 20006 | American Institute of Architects | 9,000.00 | |
| Linda S. Eisnaugle, 225 W. 34th Street New York, NY 10001 | National Commercial Finance Assn | 11,500.00 | 1,290.00 |
| H. J. Elam III, 1201 Maple St. Greensboro, NC 27405 | Cone Mills Corp | 30,000.00 | 9,185.68 |
| Jane Elder, 214 N. Henry St., #203 Madison, WI 53703 | Sierra Club | 921.25 | 477.38 |
| Timothy L. Elder, 100 N.E. Adams Street Peoriagton, IL 61629-1430 | Caterpillar, Inc | 250.00 | 540.76 |
| Electronic Funds Transfer Assn, 1726 M Street, NW, #1000 Washington, DC 20036 | | | 200.00 |
| Electronic Industries Assn, 2001 Eye St., NW Washington, DC 20006 | | 2,925.00 | 16,767.33 |
| Eileen Elgin, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | 1,200.00 | |
| George K. Eliades, 7297-P Lee Highway Falls Church, VA 22042 | Society of American Wood Preservers, Inc | 3,000.00 | 1,510.00 |
| C. M. Elkins Associates, 1100 17th St., NW, #310 Washington, DC 20036 | Delaware & Hudson Railway Co | | |
| Do | Missouri Kansas Texas Railroad | | |
| Do | Pittsburgh & Lake Erie Railroad Co | | |
| J. Burton Eller Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004 | National Cattlemen's Assn | 1,000.00 | |
| Charles W. Elliott, Wisconsin Petroleum Council 25 W. Main St., #703 Madison, WI 53703 | American Petroleum Institute | | |
| Christine Elliott-Groves, 600 Maryland Avenue, SW, #700 Washington, DC 20024 | National Fed of Independent Business | 3,401.75 | 153.00 |
| John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678 | Nor-Cal Federal Coalition | | |
| Mark G. Ellis, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| Mark M. Ellison, French & Company 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004 | Hong Kong Trade Development Council | 1,000.00 | |
| Emergency Committee for American Trade, 1211 Connecticut Ave. Washington, DC 20036 | | | |
| J. Terry Emerson, 3700 Maryland Street Alexandria, VA 22309 | China External Trade Development Council | 3,000.00 | 1,519.00 |
| Emerson Electric Co, 8000 W. Florissant St. Louis, MO 63136 | | | 1,414.24 |
| Michael J. Emig, 1125 15th St., NW Washington, DC 20005 | International Brotherhood of Electrical Workers | 6,000.00 | 124.93 |
| Lowell J. Endahl, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | | |
| H. John Endean, 1730 K St., NW, #1200 Washington, DC 20006 | American Business Conference | 100.00 | 25.00 |
| Energy Consumers & Producers Assn, Box 1726 Seminole, OK 74868 | | 14,750.00 | 698.21 |
| Energy Security Policy, Inc, 750 Baker Building 706 Second Ave. South Minneapolis, MN 55402 | | 46,535.00 | 2,395.41 |
| Ralph Engel, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036 | Chemical Specialties Manufacturers Assn, Inc | 189.00 | 35.50 |
| Joseph J. English, 1010 Vermont Avenue, NW Washington, DC 20005 | Stewart-Warner Corp | 10,233.00 | 123.69 |
| Patricia A. English, 777 14th St., NW Washington, DC 20005 | National Assn of Realtors | | |
| Christopher Engquist, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Richard Engram Jr., P.O. Box 506 Merchants & Miners Bank Bldg. Welch, WV 24801 | | | |
| Clinton W. Ensign, 2600 Virginia Avenue, NW, #901 Washington, DC 20037 | Sinclair Oil Corporation | 1,000.00 | 303.44 |
| Environmental Action, 1525 New Hampshire Ave., NW Washington, DC 20036 | | 11,390.00 | 17,225.00 |
| Cheryl Anthony Epps, 13 Firstfield Road Gaithersburg, MD 20878 | International Assn of Chiefs of Police | 8,250.00 | 267.81 |
| Epstein Becker Borsody & Green, P.C., 1140 19th St., NW, #900 Washington, DC 20036 | National Cable Television Assn, Inc | 22,422.00 | |
| Do | Voluntary Hospitals of America, Inc | 15,461.48 | |
| Ingolf G. Esders, 815 16th Street, NW Washington, DC 20006 | International Longshoremen's Assn, AFL-CIO | 6,887.81 | 547.87 |
| Estate of W. W. Callan, 1509 East 31st Street Byran, TX 77801 | | | |
| European Travel Commission, 630 Fifth Avenue New York, NY 10111 | | | |
| Andreas W. Evans, 1016 16th Street, NW Washington, DC 20036 | National Fed of Federal Employees | | |
| Elaine Evans, 1133 21st Street, NW, #500 Washington, DC 20036 | National Hydropower Assn | | |
| John R. Evans, 9208 Seven Locks Road Bethesda, MD 20817 | Drexel Burnham Lambert, Inc | 7,300.00 | 5.00 |
| Joseph O. Evans, Apartment 21 4401 Lee Hwy. Arlington, VA 22207 | | | |
| Rae Forker Evans, 1615 L Street, NW, #1220 Washington, DC 20036 | Hallmark Cards, Inc | | |
| Robert B. Evans, 1101 14th Street, NW Washington, DC 20005 | American Financial Services Assn | | |
| Robert D. Evans, 1800 M St., NW Washington, DC 20036 | American Bar Assn | 400.00 | 50.00 |
| Wayne S. Ewing, Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108 | American Petroleum Institute | | |
| Robbie G. Exley, 1016 16th St., NW Washington, DC 20036 | National Fed of Federal Employees | | |
| Paul K. Eyer, 122 C Street, NW, #875 Washington, DC 20001 | American Osteopathic Assn | 1,400.00 | |
| EDS Corporation, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004 | | | 1,908.23 |
| F/P Research Associates, 1700 K St., NW, #504 Washington, DC 20006 | National Cable Television Assn, Inc | 500.00 | |
| Do | Shell Oil Co | 500.00 | |
| Robert R. Fahs, 1101 15th St., NW, #205 Washington, DC 20005 | Cargill Inc | 2,500.00 | |
| Dale W. Fallat, P.O. Box 119 Maumee, OH 43537 | Andersons | | |
| Peter M. Fannon, 1818 N Street, NW, #410 Washington, DC 20036 | National Assn of Public Television Stations | 600.00 | 150.00 |
| Frank J. Farfone, 1800 M St., NW, #700 South Washington, DC 20036 | Dow Chemical USA | | 4,875.00 |
| Thomas B. Farley II, 1220 L St., NW Washington, DC 20005 | American Petroleum Institute | 6,400.00 | 87.00 |
| Farm Credit Council, 50 F Street, NW, #900 Washington, DC 20001 | | 218,000.00 | 9,062.00 |
| David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006 | Alliance of American Insurers | 7,000.00 | 421.91 |
| Farmers' Educational & Co-Operative Union of America, 600 Maryland Ave., SW, #202w Washington, DC 20024 | | 196,649.00 | 75,315.70 |
| John W. Farquhar, 1750 K St., NW Washington, DC 20006 | Food Marketing Institute | 300.00 | |
| Dagmar T. Farr, 1750 K Street, N.w. Washington, DC 20006 | Food Marketing Institute | 450.00 | |
| J. Dent Farr, 2000 M St., NW, #550 Washington, DC 20036 | North American Telecommunications Assn | 9,615.40 | |
| Christopher G. Farrand, 1120 20th Street, NW, #720 Washington, DC 20036 | Peabody Holding Co, Inc | | 200.72 |
| Michael Farrar, 1250 Connecticut Avenue, NW Washington, DC 20036 | American Paper Institute, Inc | 200.00 | |
| Joseph A. Farrell, 1600 Wilson Boulevard, #1000 Arlington, VA 22209 | American Waterways Operators, Inc | | |
| Sarah Farrell, 1730 K St., NW, #1100 Washington, DC 20006 | National Treasury Employees Union | 7,424.00 | 127.58 |
| Marcus G. Faust, 2121 K St., NW, #880 Washington, DC 20037 | Central Utah Water Conservancy District | 10,706.26 | 1,635.36 |
| Do | Public Service Co of New Mexico | 17,821.90 | 1,739.66 |
| Do | Sierra Pacific Power Co | 15,590.93 | 1,488.33 |
| Do | Standard Oil Co (Ohio) | 11,250.00 | |
| Jane Fawcett-Hoover, 801 18th St., NW, #400 Washington, DC 20006 | Procter & Gamble Manufacturing Co | 50.00 | |
| Elizabeth Fayad, 1033 Union Church Rd. McLean, VA 22102 | National Parks & Conservation Assn | 532.04 | 45.50 |
| Federal Company, 17550 Lynnfield Road, #149 Memphis, TN 38119 | | | 15,381.73 |
| Federal Land Bank Assn of Texas Stockholders' Defense Fund, P.O. Box 1528 Jacksonville, TX 75766 | | | 2,982.85 |
| Federation of American Controlled Shipping, 50 Broadway New York, NY 10004 | | 1,601.60 | 1,601.60 |
| Federation of American Health Systems, 1111 19th St., NW, #402 Washington, DC 20036 | | 10,750.00 | 10,750.00 |
| Federation of American Scientists, 307 Massachusetts Ave., NE Washington, DC 20002 | | | 3,696.70 |
| Robert Feenstra, 13545 Euclid Avenue Ontario, CA 91761 | Milk Producers Council (For:Dairy Farmers for Responsible Dairy Policy) | | |
| Donald M. Fehr, 805 Third Ave. New York, NY 10022 | Major League Baseball Players Assn | | |
| Joel F. Feldman, 1752 N St., NW, #800 Washington, DC 20036 | National Welding Supply Assn | 5,100.00 | |
| Kenneth E. Feltman, 1660 L Street, NW, #715 Washington, DC 20036 | Employers Council on Flexible Compensation | 200.00 | |
| Randolph Fenninger, 10000 Falls Road, #300 Potomac, MD 20854 | American Assn of Colleges of Osteopathic Medicine | 3,000.00 | |
| Do | American Gastroenterological Assn | | |
| Do | American Soc for Gastrointestinal Endoscopy | 300.00 | |
| Do | American Soc of Anesthesiologists | 12,180.07 | |
| Do | American Soc of Clinical Pathologists | 6,000.00 | |
| Do | American Urological Assn/Amer Assn of Clinical Urologists | 1,200.00 | 35.00 |
| Judith W. Fensterer, 242 E. 80th Street New York, NY 10021 | Generic Pharmaceutical Industry Assn | 458.00 | 161.75 |
| Fensterwald & Alcorn, 1000 Wilson Blvd., #900 Arlington, VA 22209 | Concerned Federal Railroad Administration Employees | | |
| George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036 | American Mining Congress | 180.00 | |
| Edward T. Fergus, 100 Gold St. New York, NY 10292 | Prudential-Bache Securities, Inc | 750.00 | |
| Betsy Ferguson, 1875 Eye St., NW, #1110 Washington, DC 20006 | Times Mirror Co | | |
| Fred E. Ferguson, 122 C Street, NW, #200 Washington, DC 20001 | Council of State Chambers of Commerce | | |
| William Ferguson Jr., 1730 Rhode Island Ave., NW, #400 Washington, DC 20036 | Aries Properties, Inc | | |
| Do | Berg-Revoir Corp | | |
| Do | City of Alhambra | | |
| Do | City of Baldwin Park | | |
| Do | City of Inglewood | | |
| Do | City of Oceanside | 700.00 | 20.14 |
| Do | City of Provo | | |
| Do | City of Redondo Beach | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | City of South Salt Lake | | |
| Do | Gavin Associates | | |
| Do | Imperial Irrigation District | | |
| Do | Irvine Company | 5,500.00 | 130.76 |
| Do | Long Beach Transit | | |
| Do | Oceanside Redevelopment Agency | | |
| Do | Santa Cruz Properties, Inc | | |
| Robert J. Fersh, 1319 F St., NW, #500 Washington, DC 20004 | Food Research & Action Center | 89.00 | |
| John L. Festa, 1250 Connecticut Avenue, NW Washington, DC 20036 | American Paper Institute, Inc | | |
| Fiber Fabric & Apparel Coalition for Trade, 1101 Connecticut Ave., NW, #300 Washington, DC 20036 | | 366,022.98 | 344,503.66 |
| Fred C. Fielding, 1725 Jefferson Davis Hwy, #900 Arlington, VA 22202 | AM General Corporation | | |
| C. H. Fields, 600 Maryland Ave., SW Washington, DC 20024 | American Farm Bureau Federation | 7,187.00 | 27.30 |
| Herbert A. Fierst, 610 Ring Bldg. 1200 18th St., NW Washington, DC 20036 | Council of Forest Industries of B.C., et al. | 31,251.00 | 805.00 |
| Marshall S. Filler, 2033 M Street, NW, #700 Washington, DC 20006 | Air Transport Assn of America | | |
| Do | Eastern Airlines, Inc | | |
| Do | National Business Aircraft Assn | 6,201.00 | |
| Do | Texas Air Corp | | |
| Robert E. Finch, 2400 E. Commercial Blvd., #500 Ft. Lauderdale, FL 33308 | Ameriserv, Inc | | |
| Lawrence A. Fineran, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004 | National Assn of Manufacturers | 125.00 | |
| Matthew P. Fink, 1600 M St., NW Washington, DC 20036 | Investment Company Institute | 109.89 | 22.50 |
| Nelson L. Fink, 378 Valley Oak Court Waldorf, MD 20601 | Air Force Sergeants Assn, Inc | | |
| Finley Kumble Wagner Heine Underberg Manley Myerson & Casey, 1140 Connecticut Ave., NW, #400 Washington, DC 20036 | American College of Neuropsychopharmacology | 905.00 | |
| Do | American Protestant Health Assn | 1,614.17 | |
| Do | Ashland Oil, Inc | | |
| Do | Asociacion de Empresas RENFE/Patentes TALGO, S.A. | 800.00 | |
| Do | Association of British Insurers | | |
| Do | AVW Electronic Systems, Inc | 1,965.63 | |
| Do | Carribean Tubular Co, Inc | | 79.00 |
| Do | City of Inglewood | | |
| Do | City of Oakland | 5,271.88 | |
| Do | Committee on Problems of Drug Dependence, Inc | 730.00 | |
| Do | Golden Nugget, Inc | | |
| Do | Government of Antigua & Barbuda | 87.50 | |
| Do | Group Hospitalization & Medical Services, Inc | | |
| Do | Home Group, Inc | | |
| Do | IBM Corp | | |
| Do | Loyola University | 8,277.86 | |
| Do | Lutheran Health Systems | 850.00 | |
| Do | Mutual Protection Trust Cooperative of American Physicians | 740.00 | 213.40 |
| Do | New Orleans Cold Storage & Warehouse Co, Ltd | | |
| Do | Nordisk-USA | 150.00 | |
| Do | Norfolk Southern Corp | | |
| Do | Occidental Petroleum Corp | | |
| Do | Pennington Biomedical Complex Foundation | 970.00 | 816.65 |
| Do | Population Crisis Committee | 1,075.00 | |
| Do | Puerto Rico Department of Health | 7,000.00 | |
| Do | Puerto Rico Hospital Assn | 6,000.00 | |
| Do | PTAT System, Inc | | |
| Do | Small Business Council of America | | |
| Do | Society of Real Estate Appraisers | | |
| Do | Southwest Organ Bank, Inc | 857.50 | |
| Do | Syncor Int'l Corp/Nat'l Assn of Nuclear Pharmacies | 3,345.00 | |
| Do | TechAmerica Group, Inc | | |
| Do | Toyota Motor Manufacturing, U.S.A. | 1,652.50 | |
| Do | TRT Telecommunications Corp | | |
| Do | U.S. Telephone Assn | | |
| Thomas D. Finnigan, 1100 15th Street, NW, 12th Fl. Washington, DC 20005 | Union Carbide Corp | | |
| M. J. Fiocco, 1090 Vermont Ave., NW, #410 Washington, DC 20005 | National Industrial Transportation League | 5,000.00 | 125.00 |
| First National Bank of Boston, 100 Federal St. Boston, MA 02110 | | | 19,182.70 |
| Richard L. Fischer, 1615 M St., NW, #200 Washington, DC 20036 | Amoco Corporation | | |
| Deborah A. Fischione, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006 | Chicago Mercantile Exchange | | |
| Carlton W. Fish, P.O. Box 35106 Minneapolis, MN 55435 | American Collectors Assn | 1,000.00 | |
| Donald W. Fisher, 3814 Ivanhoe Lane Alexandria, VA 22310 | American Group Practice Assn, Inc | 3,519.00 | |
| Dwight R. Fisher, 600 Maryland Avenue, SW, #700 Washington, DC 20024 | National Fed of Independent Business | 700.00 | 100.00 |
| Janet S. Fisher, 1333 New Hampshire Avenue, NW Washington, DC 20036 | Atlantic Richfield Co | | |
| Fisher Wayland Cooper & Leader, 1255 23rd Street, NW, #800 Washington, DC 20037-1125 | International Communications Assn | | |
| Charles L. Fishman, P.C., 1717 K Street, NW, #502 Washington, DC 20036 | Carolina Power & Light Co | | |
| Do | Consolidated Edison Co of New York, Inc | | |
| Do | Stone & Webster Engineering Corp | | |
| Do | Westinghouse Electric Corp | | |
| David H. Fiske, Fiske & Associates 1776 K Street, NW, #900 Washington, DC 20006 | Software Publishers Assn | 1,888.00 | 51.00 |
| Patrick E. Fitch, 1755 Jefferson Davis Highway, #900 Arlington, VA 22202 | Gould, Inc | 115.40 | 690.62 |
| Lauri J. Fitz, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Societe Generale thru SGS North America, Inc) | | |
| Thomas H. Fitzpatrick, Connecticut Petroleum Council 410 Asylum Street Hartford, CT 06103 | American Petroleum Institute | | |
| Richard S. Fitzsimmons, 1025 Connecticut Ave., NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Alan M. Fitzwater, 3800 Continental Plaza 777 Main Street Fort Worth, TX 76102 | Burlington Northern Railroad | 22,500.00 | 3,725.08 |
| Hilliard J. Fjord, 602 Main St., #600 Cincinnati, OH 45202 | Ohio River Co | 3,000.00 | 612.64 |
| Daniel V. Flanagan Jr., 12 Third Street, NE Washington, DC 20002 | Virginia Power | | |
| James J. Flanagan, 25 Research Dr. Westborough, MA 01581 | New England Power Service Co | 1,018.50 | 152.65 |
| Fleishman-Hillard, Inc, 1225 Connecticut Ave., NW, #303 Washington, DC 20036 | Home Satellite Services | 34,240.00 | 2,373.98 |
| Do | Pathology Practice Assn | 24,000.00 | 2,928.80 |
| Do | Syva Company | 18,000.00 | 234.19 |
| Michael Fleming, 1300 17th St., #1010 Arlington, VA 22209 | American Assn of Equipment Lessors | | |
| Terry P. Fleming, Ohio Petroleum Council 88 E. Broad St., #1960 Columbus, OH 43215 | American Petroleum Institute | 2,000.00 | 986.99 |
| Florida Business Associates, 1575 Eye Street, NW, #530 Washington, DC 20005 | CSX Transportation Systems | 6,874.00 | |
| Do | ETA Systems, Inc | 21,373.47 | |
| Do | Westinghouse Electric Corp | 22,928.00 | |
| Veronica M. Floyd, 2001 S. Jeff Davis Highway, #1107 Arlington, VA 22202 | Brunswick Corp | 7,000.00 | 896.90 |
| David H. Foerster, 1201 16th St., NW Washington, DC 20036 | National Education Assn | | |
| Joseph P. Foley, Foley and Company 206 G St., NE, #201 Washington, DC 20002 | Artel Communications Corp | 4,500.00 | |
| Do | Dense-Pac Microsystems, Inc | | |
| Do | Gray's Family Department Stores | 247.00 | 97.00 |
| Do | Poly Phaser Corp | 1,800.00 | |
| Do | Systems Research Corp | | |
| Foley & Lardner, 1775 Pennsylvania Ave., NW Washington, DC 20006-4680 | City of Kenosha, Wisconsin | 840.00 | 15.88 |
| Do | Dimensions, Inc | 1,200.00 | 93.18 |
| Do | Kohlberg Kravis Roberts & Co | | |
| Do | Paper Machine Cloth Group | 9,235.00 | 273.26 |
| Gary L. Fontana, Thelen Marrin Johnson & Bridges 2 Embarcadero Center San Francisco, CA 94111 | Hawaiian Electric Co, Inc | 738.00 | 485.78 |
| Do | Thermal Power Co | 266.50 | 10.44 |
| Food & Allied Service Trades Dept, AFL-CIO, 815 16th Street, NW, #408 Washington, DC 20006 | | 14,662.00 | 14,662.00 |
| Food Marketing Institute, 1750 K St., NW Washington, DC 20006 | | | 7,389.00 |
| Mari S. Forbes, 1731 Connecticut Ave., NW Washington, DC 20009 | Albers & Company (For:May Department Stores Co) | 11,745.00 | |
| James E. Ford, 1333 New Hampshire Avenue, NW Washington, DC 20036 | Atlantic Richfield Co | | |
| Foresight Science & Technology, Inc, 2000 P St., NW, #305 Washington, DC 20036 | National Coalition for Science & Technology | 675.00 | 663.45 |
| Do | Society for American Archaeology | 2,500.00 | 2,583.64 |
| Mark A. Forman, 345 Park Ave., 31st Fl New York, NY 10154 | Union Pacific Corp | 625.00 | |
| Sallie H. Forman, 1825 K Street, NW, #807 Washington, DC 20006 | National Broadcasting Co, Inc | 1,000.00 | 50.34 |
| Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268 | National Assn of Mutual Insurance Cos | | |
| Michael A. Forscey, 1735 New York Avenue, NW Washington, DC 20006 | Metropolitan Life & Affiliated Cos | | |
| Do | Tobacco Institute | | |
| Maria Foscarinis, 1620 Eye St., NW, #300 Washington, DC 20006 | National Coalition for the Homeless | 625.00 | |
| Bruce Foster, 1111 19th Street, NW, #303 Washington, DC 20036 | Southern California Edison Co | 2,940.00 | 1,500.00 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Nancy E. Foster, 600 Maryland Ave., SW, #510 Washington, DC 20024 | American Soybean Association | 2,122.50 | 255.50 |
| Stacie Foster, 1100 15th St., NW, #700 Washington, DC 20005 | Sonat, Inc | | |
| Conrad M. Fowler, Box 71 West Point, GA 31833 | West Point Pepperell | 8,610.00 | 5,743.00 |
| Fox Group, USA Ltd, P.O. Box 1831 Charleston, SC 29402 | Camp Carmouche Barsh... (for Sears Roebuck & Co), et al. | 12,000.00 | |
| Donald Fraher, 633 E Street, NW Washington, DC 20004 | American Symphony Orchestra League | 9,831.54 | 999.39 |
| John R. Frahm, 1101 15th Street, NW Washington, DC 20005 | Minnesota Mining & Manufacturing Co | 3,000.00 | |
| David E. Franasiak, 1001 22nd Street, #600 Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Douglas L. Francisco, 1101 16th St., NW Washington, DC 20036 | Independent Petroleum Assn of America | | 81.50 |
| Peter M. Frank, 1667 K St., NW, #250 Washington, DC 20006 | Kerr-McGee Corp | 2,500.00 | 2,174.96 |
| Richard L. Frank, 1029 Vermont Ave., NW, #400 Washington, DC 20005 | Olsson Frank & Weeda (For:Ad Hoc Pizza Standard Rulemaking Group) | 5,730.00 | |
| David C. Frankil, 918 16th Street, NW, #402 Washington, DC 20006 | American Furniture Manufacturers Assn | 750.00 | 490.83 |
| Walter L. Frankland Jr., 1717 K St., NW Washington, DC 20006 | Silver Users Assn, Inc | 1,754.50 | 27.00 |
| Ellis B. Franklin, 5025 Wisconsin Ave., NW Washington, DC 20016 | Amalgamated Transit Union, AFL-CIO | | |
| James R. Franklin, 1185 Avenue of the Americas New York, NY 10036 | J. P. Stevens & Co, Inc | | 1,672.95 |
| Thomas C. Franks, 1220 L St., NW, #510 Washington, DC 20005 | American Resort & Residential Development Assn | 1,500.00 | 107.91 |
| Sally Narey Frans, 385 Washington Street St. Paul, MN 55102 | St. Paul Fire & Marine Insurance Co | 15,270.00 | 51.01 |
| John B. Franz, P.O. Box 10568 Pompano Beach, FL 33061 | | | |
| Marian C. Franz, 2121 Decatur Place, NW Washington, DC 20008 | National Campaign for a Peace Tax Fund | 825.00 | 525.00 |
| Susan C. Frary, 1133 19th St., NW Washington, DC 20036 | MCI Communication Corp | 666.00 | |
| Charles L. Frazier, 475 L'Enfant Plaza, SW, #2250 Washington, DC 20024 | National Farmers Organization | 5,416.67 | 4,211.13 |
| Fran Frazier, 1730 K Street, NW, #703 Washington, DC 20006 | American Business Conference | 95.00 | 48.83 |
| Robert M. Frederick, 1616 H St., NW Washington, DC 20006 | National Grange | 6,000.00 | |
| Ann Todd Free, 1120 Connecticut Avenue, NW Washington, DC 20036 | American Bankers Assn | 500.00 | |
| Free the Eagle, 11244 Waples Mill Rd., Suite J Fairfax, VA 22030 | | 22,052.00 | 243,371.54 |
| Joel Freedman, 1600 M St., NW, 5th Floor Washington, DC 20036 | Hartford Fire Insurance Co | 5,000.00 | |
| James O. Freeman, 50 E Street, SE Washington, DC 20003 | U.S. League of Savings Institutions | 6,250.00 | |
| Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005 | General Electric Co | 140.00 | |
| Paula D. Freer, 818 Connecticut Avenue, NW, #900 Washington, DC 20006 | Marathon Oil Co | | 64.00 |
| Ronna Freiberg, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Budd Company) | | |
| Do | Hill & Knowlton, Inc (For:Fleischmann's Yeast) | 200.00 | |
| Do | Hill & Knowlton, Inc (For:Republic of Turkey) | | |
| Do | Hill & Knowlton, Inc (For:Shaklee Corporation) | | |
| Do | Hill & Knowlton, Inc (For:Societe Generale thru SGS North America, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Stroh Brewery Co) | 1,200.00 | |
| Do | Hill & Knowlton, [illegible] Title Insurance Industry Coalition) | 400.00 | |
| Verrick O. French, French & Company 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004 | Hong Kong Trade Development Council | 4,000.00 | |
| French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004 | Artery Organization, Inc | 900.00 | |
| Do | Montgomery Ward & Co, Inc | 3,000.00 | |
| Do | Wheels, Inc | 800.00 | |
| Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016 | Federal National Mortgage Assn | 22,250.00 | 1,307.21 |
| Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004 | Doyon, Limited | | |
| Do | General Electric Co | 990.00 | 3.60 |
| Do | Lonza, Inc | 3,229.53 | 6.00 |
| Philip P. Friedlander Jr., 1250 Eye Street, NW, #400 Washington, DC 20005 | National Tire Dealers & Retreaders Assn | | |
| James M. Friedman, 1100 Citizens Bldg. Cleveland, OH 44114 | Cleveland Electric Illuminating Co | 17,519.00 | 2,247.54 |
| Do | Coalition for Environmental-Energy Balance | 18,947.00 | |
| Gay H. Friedmann, 1150 Connecticut Ave., NW, #717 Washington, DC 20036 | Southern California Gas Co | 10,250.00 | |
| Susan T. Fritschler, 1111 19th Street, NW Washington, DC 20036 | Edison Electric Institute | 1,838.04 | 351.21 |
| William D. Fritts Jr., 1025 Connecticut Ave., NW Washington, DC 20036 | Health Insurance Assn of America, Inc | | |
| Charles H. Fritzel, 499 S. Capitol St., SW, #401 Washington, DC 20003 | National Assn of Independent Insurers | 400.00 | 340.00 |
| Jeffrey Fritzien, 1120 20th Street, NW, #600-S Washington, DC 20036 | Union Pacific Corp | 2,000.00 | |
| Catherine J. Frompovich, P.O. Box B-12 Richlandtown, PA 18955 | Coalition for Alternatives in Nutrition & Healthcare, Inc | | |
| Marcy Stephens Frosh, 2030 M Street, NW Washington, DC 20036 | Common Cause | 7,469.04 | |
| Don Fuqua, 1725 DeSales Street, NW Washington, DC 20036 | Aerospace Industries Assn of America, Inc | 2,500.00 | |
| Claudia R. Fuquay, 727 North Washington Street Alexandria, VA 22314 | United Fresh Fruit & Vegetable Assn | 2,919.00 | 398.25 |
| FARO-AIDS Action Council, Inc, 729 8th Street, SE, #200 Washington, DC 20003 | | 59,199.84 | 77,657.27 |
| James E. Gaffigan, 1133 21st Street, NW Washington, DC 20036 | Travel & Tourism Government Affairs Council | 2,000.00 | |
| Norman S. Gaines, 2550 M St., NW, #770 Washington, DC 20037 | RJR Nabisco, Inc | 2,200.00 | |
| Joe H. Galis, D.C. 1, 19000 SW 377 St. Florida City, FL 33034 | | | |
| Karl Gallant, 8001 Braddock Road Springfield, VA 22160 | National Right to Work Committee | 3,300.00 | 170.65 |
| Mark Gallant, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | 1,600.00 | |
| Cheryl Gannon, 1750 New York Ave., NW Washington, DC 20006 | International Assn of Fire Fighters | 6,754.54 | |
| Nicole Gara, 1117 North 19th Street, NW, #300 Arlington, VA 22209 | American Academy of Physician Assistants | | |
| Isabella Garcia, 1201 16th St., NW, #624 Washington, DC 20036 | National Education Assn | 2,095.25 | 165.50 |
| Raymond Garcia, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202 | Rockwell International Corp | 3,000.00 | 34.23 |
| Shelley Ann Gardner, 20 Black Oak Mews Newtown, PA 18940 | Electrical Alliance | | |
| Do | Philadelphia Maritime Exchange | | |
| Sherwin Gardner, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007 | Grocery Manufacturers of America, Inc | 75.00 | |
| Gardner Carton & Douglas, 1875 I St., NW, #1050 Washington, DC 20006 | Alamo Rent-A-Car, Inc | 4,720.00 | |
| Do | BP North America, Inc | 520.00 | |
| Do | Midcon Corp | | |
| Nancy Garland, 600 Maryland Avenue, SW, #400 Washington, DC 20024 | American Optometric Assn | | |
| Mary Leslie Garmon, 1010 Massachusetts Avenue, NW Washington, DC 20001 | National Food Brokers Assn | | |
| Robin Bass Garnto, 3597 Gallberry Road Chesapeake, VA 23323 | Nansemond Indian Tribe | | |
| Garrett & Company, 1630 Connecticut Avenue, NW, #202 Washington, DC 20009 | Taiwan Power Company | 3,000.00 | 4,500.00 |
| John C. Gartland, 7575 E. Fulton Road Ada, MI 49355 | Amway Corp | | |
| Ann Lakin Garver, 1101 Connecticut Ave., NW, #300 Washington, DC 20036 | American Textile Manufacturers Institute, Inc | 30.00 | 40.00 |
| Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20006 | Space Industries, Inc | 18,947.25 | |
| Do | Totem Ocean Trailer Express, Inc | 7,100.00 | |
| Gas Appliance Manufacturers Assn, Inc, 1901 North Moore Street Arlington, VA 22209 | | | |
| Vernon Gasaway, 191 Sands Street, Apt. 5j Brooklyn, NY 11201 | | | |
| Lillian B. Gaskin, 1800 M St., NW Washington, DC 20036 | American Bar Assn | 400.00 | 50.00 |
| Frank T. Gasper, 8104 River Falls Drive Potomac, MD 20854 | Moog, Inc | | |
| Philip Gasteyer, 1709 New York Ave., NW, #801 Washington, DC 20006 | U.S. League of Savings Institutions | 8,000.00 | |
| Bruce A. Gates, 201 Park Washington Court Falls Church, VA 22046 | National-American Wholesale Grocers' Assn | 3,000.00 | |
| Fred Gebler, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004 | Electronic Data Systems Corp | 208.00 | 343.00 |
| Fred Gehringer, P.O. Box 1002 Chino, CA 91710 | | | |
| Ruthann Geib, 1156 15th Street, NW, #1020 Washington, DC 20005 | American Sugarbeet Growers Assn | | |
| Ronald L. Geigle, 1030 15th Street, NW, #1100 Washington, DC 20005 | Health Industry Manufacturers Assn | | |
| Michael S. Gelacak, 12141 Holly Knoll Circle Great Falls, VA 22066 | Hill & Knowlton, Inc (For:Republic of Turkey) | | |
| Do | Hill & Knowlton, Inc (For:Title Insurance Industry Coalition) | 1,000.00 | 2.00 |
| Robert C. Gelardi, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342 | Robert H. Kellen Co (For:Calorie Control Council) | 360.00 | |
| Do | Robert H. Kellen Company (For:Infant Formula Council) | | |
| Morton A. Geller, 100 Federal St. Boston, MA 02110 | First National Bank of Boston | | |
| Jose A. Gemeil, 1725 DeSales Street, NW, #804 Washington, DC 20036 | Samuel E. Stavisky & Associates, Inc (For:Federacion Nacional de Cafeteros de Colombia). | 500.00 | 20.00 |
| General Aviation Manufacturers Association, 1400 K Street, NW, #801 Washington, DC 20005 | | | 8,853.00 |
| General Instrument Corporation, 767 Fifth Avenue New York, NY 10153 | | 1,000.00 | 58.80 |
| Generic Pharmaceutical Industry Assn, 200 Madison Ave., #2404 New York, NY 10016 | | 8,796.75 | 8,796.75 |
| John Gentille, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Nancy Whorton George, 499 South Capitol Street, SW, #407 Washington, DC 20003 | Enron | 1,000.00 | |
| Do | Transco, Inc | 2,000.00 | |
| George W. Gephart, P.O. Box 1475 Baltimore, MD 21203 | Baltimore Gas & Electric Co | | |
| Joseph G. Gerard, 918 16th St., NW, #402 Washington, DC 20006 | American Furniture Manufacturers Assn | 1,500.00 | 915.63 |
| Louis Gerber, 1925 K St., NW Washington, DC 20006 | Communications Workers of America | 6,927.09 | 175.38 |
| Phyllis H. Gerstell, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | 1,500.00 | |
| David Troy Saxton Getty, 1857 N. Wilton Pl., #102 Los Angeles, CA 90028-5765 | | | |
| Danny Ghorbani, 10506 Cavalcade Street Great Falls, VA 22066 | Association for Regulatory Reform | 4,950.00 | 146.00 |
| William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007 | | 500.00 | |
| William T. Gibb, 1001 Pennsylvania Ave., NW9 Washington, DC 20004 | American Council of Life Insurance, Inc | 2,000.00 | |
| Wayne Gibbens, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006 | Mid-Continent Oil & Gas Assn | 16,000.00 | 274.00 |
| Anne Marie Gibbons, Third Floor 2301 M Street, NW Washington, DC 20037 | American Public Power Assn | 500.00 | |
| Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036 | Wheeling-Pittsburgh Steel Corp | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| William L. Gifford, 100 Interpace Parkway Parsippany, NJ 07054 | GPU Service Corp | | |
| Lucie Kristie Gikovich, 444 North Capitol St., #718 Washington, DC 20001 | Pacific Telesis Group | 15,450.00 | |
| Pamela Gilbert, 215 Pennsylvania Avenue, SE Washington, DC 20003 | U.S. Public Interest Research Group | 4,846.10 | |
| Richard Gilbert, 1015 15th Street, NW Washington, DC 20005 | American Public Health Assn | 1,222.00 | |
| Michael Gildea, 815 16th St., NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 17,519.03 | |
| Floyd H. Gilkey, 2111 Harbor Drive Annapolis, MD 21401 | Chesapeake Industries, Inc | | |
| Mary Ann Gilleece, 1713 Maple Hill Place Alexandria, VA 22302 | Allied Defense Industries | 200.00 | |
| Daniel F. Gilligan, 1015 15th St., NW, #1240 Washington, DC 20005 | National Manufactured Housing Federation | 1,000.00 | 55.00 |
| C. Michael Gilliland, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Maureen Gilman, 1730 K Street, NW, #1100 Washington, DC 20006 | National Treasury Employees Union | 4,000.00 | |
| Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314 | Allied-Signal, Inc | 3,000.00 | 42.75 |
| Do | American League for Exports & Security Assistance, Inc | 2,000.00 | 28.38 |
| Do | American Polygraph Assn | 7,200.00 | 106.42 |
| Do | Astroline Communications Co | 1,000.00 | 14.19 |
| Do | Gulfstream Aerospace Corp | | |
| Do | Lockheed Corporation | 1,200.00 | 21.28 |
| Do | Lockheed-Georgia Co | 5,000.00 | 78.04 |
| Do | Mechanical Technology, Inc | 8,746.00 | 127.71 |
| Do | Oglethorpe Power Corp | 2,200.00 | 35.47 |
| Do | Rockwell International Corp | 10,000.00 | 149.00 |
| Do | Texas Instruments, Inc | 4,000.00 | 56.76 |
| Do | Turner Broadcasting System, Inc | | |
| Do | U.S. Cane Sugar Refiners' Assn | 3,000.00 | 42.57 |
| Do | Watkins Associated Industries, Inc | | |
| Gerard Giovaniello, 777 14th St., NW Washington, DC 20005 | National Assn of Realtors | 2,500.00 | 403.12 |
| Brenda M. Girton, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004 | Sears Roebuck & Co | 300.00 | |
| Francis J. Gist, 1511 K Street, NW, #809 Washington, DC 20005 | | | |
| Michael J. Giuffrida, 204 E Street, NE Washington, DC 20002 | National Frozen Food Association | 2,000.00 | |
| Donna Gleason, 2000 L Street, NW, #810 Washington, DC 20036 | Unisys Corp | | |
| Law Offices of Thos Gleason, 26 Broadway, 17th Floor New York, NY 10004 | International Longshoremen's Assn, AFL-CIO | | |
| Robert E. Gleason, 815 16th Street, NW Washington, DC 20006 | International Longshoremen's Assn, AFL-CIO | 8,958.65 | 37.41 |
| Donald R. Glenn, 1627 K Street, NW, #200 Washington, DC 20006 | Energy Research Corp | | |
| Raymond A. Glennon, 1730 Pennsylvania Avenue, NW, #265 Washington, DC 20006 | Air Products & Chemicals, Inc | 1,800.00 | 74.00 |
| Global USA, Inc, Global House 1823 Jefferson Place, NW Washington, DC 20036 | All Nippon Airways Co, Ltd | | |
| Do | Fanuc Ltd | | |
| Do | Hitachi Ltd | 325.00 | |
| Do | Komatsu Ltd | 180.00 | |
| Do | Kyocera Corporation | | |
| Do | Mazak Corporation | | |
| Do | Samsung Semiconductor & Telecommunication Co | 240.00 | |
| Do | Teco Transport & Trade Corp | 196.00 | |
| Gnau & Associates, Inc, 44 E. Long Lake Rd., #100 Bloomfield Hills, MI 48013 | ICM Corp | | |
| Stephanie R. Godley, 2500 Wilson Blvd. #301 Arlington, VA 22201 | American Apparel Manufacturers Assn, Inc | 1,000.00 | 50.00 |
| James W. Godlove, 1825 K Street, NW, #1107 Washington, DC 20006 | Phillips Petroleum Co | 1,050.00 | 52.02 |
| Judith M. Goff, 375 Jackson Street St. Paul, MN 55101 | Farm Credit Services | 600.00 | 959.88 |
| Joseph Goffman, 215 Pennsylvania Avenue, SE Washington, DC 20003 | Public Citizen's Congress Watch | 5,750.00 | |
| A. James Golato, 2300 M St., NW, #800 Washington, DC 20037 | H&R Block, Inc | | |
| Harvey S. Gold, 8100 Oak Street Dunn Loring, VA 22027 | National Pest Control Assn | | |
| Gold & Liebengood, Inc, The Willard Office Building 1455 Pennsylvania Avenue, NW, #950 Washington, DC 20004 | Aerojet Ordnance Co | 1,270.00 | 1,912.00 |
| Do | American Academy of Ophthalmology | 5,092.00 | 2,058.00 |
| Do | American Medical Assn | 22,750.00 | 2,058.00 |
| Do | Camp Barsh Bates & Tate | 11,147.00 | 1,888.00 |
| Do | Chemical Manufacturers Assn | 1,443.00 | 1,886.00 |
| Do | College of American Pathologists | 5,000.00 | 2,058.00 |
| Do | Electronic Data Systems Corp | 12,500.00 | 2,058.00 |
| Do | Energy Research Corp | 16,800.00 | 2,058.00 |
| Do | Equitable Life Assurance Society of the U.S. | 25,000.00 | 2,058.00 |
| Do | Eye Bank Assn of America | 2,438.00 | 2,058.00 |
| Do | Federal Express Corp | 9,930.00 | 2,058.00 |
| Do | Federated Investors, Inc | | 2,058.00 |
| Do | Fiat, USA | 50,960.00 | 2,058.00 |
| Do | Ford Motor Co | 400.00 | 1,658.00 |
| Do | Investment Company Institute | 4,131.00 | 1,768.00 |
| Do | Martin Marietta Corp | 3,000.00 | 1,770.00 |
| Do | MCI Communications | 11,700.00 | 2,058.00 |
| Do | National Assn of Homes for Children | 3,000.00 | 1,956.00 |
| Do | National Football League | 4,090.00 | 2,058.00 |
| Do | National Restaurant Assn | 15,000.00 | 2,058.00 |
| Do | National School Transportation Assn | 7,265.00 | 2,058.00 |
| Do | Outdoor Advertising Assn of America, Inc | | 1,658.00 |
| Do | Phillips Petroleum Co | 5,000.00 | 2,001.00 |
| Do | Public Securities Assn | 3,510.00 | 2,058.00 |
| Do | Ricoh Corp | | 2,058.00 |
| Do | Texas Cattlefeeders Assn | 3,262.00 | 2,058.00 |
| Do | Ticor Title Insurance Co | 7,131.00 | 1,950.00 |
| Do | Times Mirror Co | 2,360.00 | 2,058.00 |
| Do | Tobacco Institute | 20,000.00 | 2,058.00 |
| Do | Transportation Infrastructure Advisory Group | 11,000.00 | 2,058.00 |
| Do | Washington Metropolitan Area Transit Authority | 23,625.00 | 1,658.00 |
| Goldberg & Spector, 1229 19th St., NW Washington, DC 20036 | Pan American Satellite Corp | 4,230.00 | |
| Ronald L. Goldfarb, Goldfarb & Singer 918 16th Street, NW, #503 Washington, DC 20003 | Washington Independent Writers, Inc | | |
| Patricia R. Goldman, 50 F St., NW, #1100 Washington, DC 20001 | American Hospital Assn | 4,227.94 | 291.05 |
| Goldman Sachs & Co, 1825 Eye St., NW, #450 Washington, DC 20006 | | | 520.00 |
| Robert H. Goldsborough, 5508 Lombardy Place Baltimore, MD 21210 | Americans for Immigration Control, Inc | 6,300.00 | |
| Benson S. Goldstein, 1010 North Fairfax Street Alexandria, VA 22314 | National Soc of Public Accountants | | |
| Jack Golodner, 815 16th St., N.w. Washington, DC 20006 | Department for Professional Employees, AFL-CIO | 4,381.40 | |
| Linda F. Golodner, 815 15th Street, NW, #516 Washington, DC 20005 | National Consumers League | 332.00 | 332.00 |
| John Gonella, 50 F Street, NW, Washington, DC 20001-1564 | Association of American Railroads | 939.79 | |
| David R. Goode, 8 N. Jefferson Street Roanoke, VA 24042 | Norfolk Southern Corp | | |
| Richard F. Goodstein, 1150 Connecticut Avenue, NW, #600 Washington, DC 20036 | Browning-Ferris Industries, Inc | 240.00 | 154.70 |
| Lee M. Goodwin, Wickwire Gavin & Gibbs, P.C. 1133 21st Street, NW Washington, DC 20036 | National Hydropower Assn | | |
| Robert F. Goodwin, 1850 K St., NW, Suite 275 Washington, DC 20006 | Meredith Corp | 40.00 | 14.00 |
| John Gordley, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Evans Grain Co) | | |
| Do | Hill & Knowlton, Inc (For:Fleishmann) | | |
| Do | Hill & Knowlton, Inc (For:Iowa Pork Producers Assn) | | |
| Do | Hill & Knowlton, Inc (For:Monsanto Co) | | |
| Do | Hill & Knowlton, Inc (For:National Sunflower Assn) | 1,800.00 | |
| Do | Hill & Knowlton, Inc (For:Nebraska Wheat Board) | 1,350.00 | |
| Do | Hill & Knowlton, Inc (For:Societe Generale thru SGS North America, Inc) | | |
| Randall C. Gordon, 725 15th Street, NW Washington, DC 20005 | National Grain & Feed Assn | 100.00 | 115.00 |
| William Gordon, 1515 Wilson Boulevard Arlington, VA 22209 | American Gas Assn | 3,000.00 | 832.91 |
| Brenda J. Gore, 1000 Wilson Blvd., 2600 Arlington, VA 22209 | TRW, Inc | 2,914.60 | 4,896.88 |
| David W. Gorman, 807 Maine Avenue, SW Washington, DC 20024 | Disabled American Veterans | 13,993.20 | 219.75 |
| James D. Gormley, 1400 K Street, NW, #801 Washington, DC 20005 | General Aviation Manufacturers Association | 1,800.00 | |
| Ann M. Gosier, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| Gould, Inc, 1755 Jefferson Davis Highway, #900 Arlington, VA 22202 | | | 1,202.57 |
| Government Strategies, Inc, 1518 Walnut Street, #1600 Philadelphia, PA 19102 | Lukens, Inc | 4,600.00 | 5,100.00 |
| Edmund Graber, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | 1,000.00 | 500.00 |
| Rick Grafmeyer, 1133 19th Street, NW Washington, DC 20036 | MCI Communications Corp | 2,000.00 | |
| David W. Graham, 1800 M St., NW, #700 South Washington, DC 20036 | Dow Chemical USA | | 4,824.60 |
| Elaine Z. Graham, 201 Park Washington Court Falls Church, VA 22046 | National Restaurant Assn | | |
| Lawrence T. Graham, 1401 New York Avenue, NW, #400 Washington, DC 20005 | National Food Processors Assn | 500.00 | 100.00 |
| John K. Gram, 610 S.W. Broadway, #608 Portland, OR 97205 | Public Timber Purchasers Group | 1,781.25 | 175.35 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Frances Turk Granahan, 1090 Vermont Avenue, NW, #600 Washington, DC 20005 | Texas Eastern Transmission Corp | | 113.69 |
| Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206 | | | |
| James I. Granger, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22206 | Piper Aircraft Corporation | | 225.00 |
| William W. Grant, 1150 Connecticut Ave., NW, #710 Washington, DC 20036 | Utah International, Inc | | 460.27 |
| James L. Granum, 1050 Connecticut Ave., NW Washington, DC 20036 | Norfolk Southern Corp | 1,000.00 | |
| Grassroots, Nat'l Assn of Farm Credit System Stockholders, 501 Alabama Street P.O. Box 1070 Jacksonville, TX 75766 | | 175.00 | 175.00 |
| Karla L. Graue, 1724 Massachusetts Avenue, NW Washington, DC 20036 | National Cable Television Assn, Inc | 1,000.00 | |
| David C. Gray, 3728 Kanawha Street, NW, Washington, DC 20015 | American Camping Association | 4,500.00 | 511.23 |
| Do | Portsmouth-Kittery Armed Services Committee, Inc | 4,800.00 | 1,002.02 |
| James A. Gray, 7901 Westpark Dr. Mclean, VA 22102 | National Machine Tool Builders' Assn | 960.00 | 25.00 |
| Neil A. Gray, 6811 Kenilworth Ave. Riverdale, MD 20737 | National Asphalt Pavement Assn | 1,350.00 | 47.00 |
| Robert K. Gray, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Bell Atlantic Management Services) | | |
| Do | Hill & Knowlton, Inc (For:Borg-Warner Corp) | | |
| Do | Hill & Knowlton, Inc (For:Budd Company) | | |
| Do | Hill & Knowlton, Inc | | |
| Do | Hill & Knowlton, Inc (For:HTB Corporation) | | |
| Do | Hill & Knowlton, Inc (For:Mutual of Omaha) | | |
| Do | Hill & Knowlton, Inc (For:Republic of Turkey) | 58.30 | |
| Do | Hill & Knowlton, Inc (For:Seminole Indian Tribe of Florida) | | |
| Do | Hill & Knowlton, Inc (For:Shaklee Corporation) | | |
| Do | Hill & Knowlton, Inc (For:Societe Generale thru SGS North America, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Stroh Brewery Co) | | |
| Do | Hill & Knowlton, Inc (For:Tesoro Petroleum Corp) | | |
| Do | Hill & Knowlton, Inc (For:Title Insurance Industry Coalition) | | |
| Do | Hill & Knowlton, Inc (For:Tobacco Institute) | | |
| Do | Hill & Knowlton, Inc (For:U.S. Banknote Corp) | | |
| Do | Hill & Knowlton, Inc (For:United Airlines, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Waterman Steamship Corp) | | |
| William T. Gray III, 5210 Banks Place, NE Washington, DC 20019 | | | 450.00 |
| Mary R. Grealy, 1111 19th Street, NW, #402 Washington, DC 20036 | Federation of American Health Systems | 1,500.00 | |
| Great American Reserve Insurance Co, 2020 Live Oak P.O. Box 388 Dallas, TX 75221 | | | |
| Greater Washington Board of Trade, 1129 20th St., NW Washington, DC 20036 | | | |
| Greater Washington/Maryland Service Station Assn, 9420 Annapolis Rd., #307 Lanham, MD 20706 | | 500.00 | 500.00 |
| James R. Greco, P.O. Box 3151 Houston, TX 77001 | Browning-Ferris Industries, Inc | | |
| Donald R. Greeley, 1101 17th St., NW, #307 Washington, DC 20036 | Hoechst Celanese Corp | 3,000.00 | 441.24 |
| Edward M. Green, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| George R. Green, 1750 K St., NW Washington, DC 20006 | Food Marketing Institute | 450.00 | |
| Micah S. Green, 1000 Vermont Ave., NW, #800 Washington, DC 20005 | MCI Communications Corp | | |
| Do | Public Securities Assn | 12,500.00 | 1,690.79 |
| H. Thomas Greene, 412 1st St., SE Washington, DC 20003 | National Automobile Dealers Assn | 8,000.00 | |
| Howard W. Greene, 205 E. 42nd Street New York, NY 10017 | Risk & Insurance Management Society, Inc | | |
| Sarah Massengale Gregg, 1667 K Street, NW, #710 Washington, DC 20006 | Baxter Travenol Laboratories, Inc | | |
| Saunders Gregg, PO Box 2628 Houston, TX 77252 | Entex, Inc | | |
| John D. Gregory, 1330 Lady St., #606 P.O. Box 12458 Columbia, SC 29211 | Norfolk Southern Corp | | |
| Neal Gregory, 1400 K St., NW, #750 Washington, DC 20005 | Empacadora del Norte, S.A. | 10,500.00 | 142.66 |
| William G. Greif, 1155 15th St., NW Washington, DC 20005 | Bristol-Myers Co | 25,000.00 | |
| Karen M. Greiner, 1300 North 17th Street, #300 Arlington, VA 22209 | ADAPSO, the Computer Software & Services Industry Assn | | |
| Ginny Grenham, 2501 M Street, NW Washington, DC 20037 | Chemical Manufacturers Assn, Inc | 280.00 | 369.55 |
| Ellen Griffee, 1413 K Street, NW, 10th Fl. Washington, DC 20005 | Association of Science-Technology Centers | 7,750.00 | 163.80 |
| Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036 | Air Transport Assn of America | 400.00 | 12.00 |
| Do | American Insurance Assn | 400.00 | 12.00 |
| Do | Arthur Anderson & Co | 400.00 | 12.00 |
| Do | Camp Barsh Bales & Tate | | |
| Do | Coalition to Preserve the Integrity of American Trademarks | 1,200.00 | 36.00 |
| Do | COMSAT Corp | 200.00 | 6.00 |
| Do | Health Policy Agenda (American Medical Assn) | | |
| Do | Kansas City Southern Industries, Inc | | |
| Do | Mid-Atlantic Toyota, Inc | | |
| Do | NutraSweet Co | | |
| Do | Pharmaceutical Manufacturers Assn | 800.00 | 24.00 |
| Do | Philip Morris, Inc | | |
| Mark N. Griffiths, Smith Bucklin & Associates 1101 Connecticut Ave, NW, #700 Washington, DC 20036 | National Assn of Metal Finishers | 750.00 | |
| John Grigsby, 108 N. Alfred Street Alexandria, VA 22314 | Conservative Alliance | 600.00 | |
| A. Jack Grimes, 8100 Oak Street Dunn Loring, VA 22027 | National Pest Control Assn | | |
| Norman E. Grimm Jr., 8111 Gatehouse Road Falls Church, VA 22047 | AAA Potomac | | |
| Olga Grkavac, 1300 North 17th St., #300 Arlington, VA 22209 | ADAPSO-Computer Software & Services Industry Assn | | 76.00 |
| Grocery Manufacturers of America, Inc, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007 | | | 198.82 |
| James J. Grogan, P.O. Box 19614 Irvine, CA 92714 | Lincoln Savings & Loan Assn | 10,000.00 | 1,000.00 |
| James N. Groninger, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | 2,500.00 | 642.92 |
| Groom & Nordberg, Chtd, 1775 Pennsylvania Avenue, NW, #700 Washington, DC 20006 | Aluminum Company of America | | |
| Do | American Petrofina, Inc | | |
| Do | American Petroleum Institute | | |
| Do | Bankers Life Company | | |
| Do | Baxter Travenol Laboratories, Inc | | |
| Do | Chevron Corporation | 200.00 | 10.00 |
| Do | Colorado-Ute Electric Assn, Inc | | |
| Do | Connecticut General Insurance Co | | |
| Do | Eli Lilly & Company | | |
| Do | Equitable Life Assurance Society of the U.S. | | |
| Do | Goldman Sachs & Co | | |
| Do | John Hancock Mutual Life Insurance Co | | |
| Do | Minnesota Mutual Life Insurance Company | | |
| Do | Murphy Oil USA, Inc | | |
| Do | New York City Teachers Retirement System | | |
| Do | Ocean Drilling & Exploration Co | | |
| Do | Phillips Petroleum Co | | |
| Do | Physicians Mutual Insurance Co | 200.00 | 10.00 |
| Do | Prudential Insurance Co of America | 300.00 | 20.00 |
| Do | Puerto Rico, USA Foundation | 400.00 | 3,900.00 |
| Do | R.J. Reynolds | | |
| Do | Reading & Bates Corporation | | |
| Do | Southern California Edison Co | | |
| Do | Union Texas Petroleum Corp | | |
| Do | Westinghouse Electric Corp | | |
| Ed Grosswiler, 920 SW Sixth Avenue 1400 Public Service Building Portland, OR 97204 | Pacific Power & Light Co | 2,476.00 | 221.40 |
| Walter B. Grubbs, P.O. Box 841 Abilene, TX 79604 | West Texas Utilities Co | | |
| John T. Grupenhoff, 10000 Falls Rd., #300 Potomac, MD 20854 | American Academy of Dermatology | 3,150.00 | 135.10 |
| Do | American Academy of Otolaryngology-Head & Neck Surgery | 1,020.00 | 110.00 |
| Do | American Gastroenterological Assn | | |
| Do | American Soc for Gastrointestinal Endoscopy | 1,200.00 | 126.60 |
| Do | American Soc of Clinical Oncology | 810.00 | 110.00 |
| Do | American Urological Assn/Amer Assn of Clinical Urologists | 425.00 | 110.00 |
| Do | Association of American Cancer Institutes | 1,720.00 | 110.00 |
| Do | Cooley's Anemia Foundation | 290.00 | 119.70 |
| Do | National Hemophilia Foundation | 520.00 | 110.00 |
| Geri A. Guardino, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 8,000.00 | |
| Gerald M. Guarilia, 70 North Main Street Wilkes-Barre, PA 18711 | Blue Cross of Northeastern Pennsylvania | | |
| Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006 | CSX Corp | | |
| Do | Dillon Reed & Co, Inc | | |
| Do | LF Rothschild Unterberg Towbin, Inc | 17,000.00 | |
| Do | Michigan State Housing Development Authority | 2,000.00 | |
| Do | Morris Communications | | |
| Do | O'Connor & Hannan | 23,000.00 | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
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| Do | Paine Webber Group, Inc | 13,000.00 | |
| Do | Riverton Investment Corp | 2,000.00 | |
| Do | South Carolina State Family Farm Development Authority | | |
| Clark J. Guild Jr., Guild Hagen & Clark, Ltd 102 Roff Way Reno, NV 89505 | Motion Picture Assn of America, Inc | | |
| James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419-19 Washington, DC 20036 | BASF Chemicals Corp | 2,000.00 | 80.00 |
| Do | KMS Fusion, Inc | 1,000.00 | 70.00 |
| Do | Rexnord Defense Systems, Inc | | |
| Do | Walk-Haydel & Associates, Inc | 1,000.00 | |
| Lewis Gulick, 1008 N. Randolph Street, #206 Arlington, VA 22201 | TCR Services, Inc | 5,000.00 | |
| Dan A. Gunderson, Minnesota Petroleum Council 350 St. Peter St., #1025 St. Paul, MN 55102 | American Petroleum Institute | | |
| David Gusky, 1016 16th Streeet, NW Washington, DC 20036 | National Fed of Federal Employees | 1,282.40 | |
| Paul D. Guth, 226 W. Rittenhouse Square, #3200 Philadelphia, PA 19103 | Philadelphia Stock Exchange | | |
| Do | Wire Pro, Inc | | |
| Robert F. Guthrie, 815 16th St., NW, #608 Washington, DC 20006 | Department for Professional Employees, AFL-CIO | 5,435.90 | |
| Alvin M. Guttman, 818 Connecticut Ave., NW, #300 Washington, DC 20006 | Towing & Recovery Assn of America, Inc | | |
| George Guyant, 1925 K St., NW, #206 Washington, DC 20006 | Alliance to Save Energy | | |
| Dallas E. Gwynn, Balcor Plaza 4849 Golf Road Skokie, IL 60077 | Balcor Co | 19,500.00 | 8,343.37 |
| GA Assn of Petroleum Retailers, Inc, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083 | | | |
| Jane Scherer Haake, 1667 K Street, NW, #420 Washington, DC 20006 | Mead Corporation | 200.00 | |
| Dana W. Haas, 1800 K Street, NW, #1018 Washington, DC 20006 | Kansas City Power & Light Co, et al | 3,168.75 | 7,137.74 |
| George Hacker, 1501 16th Street, NW Washington, DC 20036 | Center for Science in the Public Interest | 1,180.00 | 38.00 |
| Craig Hackler, 400 N. Capitol St., NW, #320 Washington, DC 20001 | International Chiropractic Assn | | |
| Loyd Hackler, 1616 H St., NW Washington, DC 20006 | American Retail Federation | 1,000.00 | 45.00 |
| Charles W. Hackney Jr., 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036 | Ashland Oil, Inc | 2,000.00 | |
| Anthony L. Hadley, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202 | Manufactured Housing Institute | 700.00 | 100.00 |
| Gene P. Haflich, Indiana Petroleum Council 714 Harrison Building Indianapolis, IN 46204 | American Petroleum Institute | 1,471.21 | 2,194.62 |
| Thomas M. Hagan, 1005 Congress Ave., #795 Austin, TX 78701 | Central & South West Services, Inc | 235.44 | 16.58 |
| Hagedorn-Cando, Inc, 1704 23rd St., So. Arlington, VA 22202 | Hansen Engine Corp | 7,400.00 | |
| Do | Davy McKee Corp | | |
| Do | Yankee Energy Co | | |
| Ann Hagemann, 1730 M Street, NW, #713 Washington, DC 20036 | Association of Maximum Service Telecasters, Inc | | |
| Kenneth C.O. Hagerty, 1612 K Street, NW, #1100 Washington, DC 20006 | American Electronics Assn | 2,000.00 | 4,216.02 |
| Bruce N. Hahn, 9300 Livingston Rd. FL Washington, MD 20744 | National Tooling & Machining Assn | 15,785.57 | 1,754.67 |
| Peter H. Hahn, 1100 17th St., NW, #1000 Washington, DC 20036 | Chromalloy American Corp | | |
| Thomas F. Hairston, 1050 Connecticut Ave., NW, #760 Washington, DC 20036 | Union Oil Co of California | 7,000.00 | 654.89 |
| Randolph M. Hale, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004 | National Assn of Manufacturers | | |
| Hale and Dorr, 1455 Pennsylvania Avenue, NW Washington, DC 20004 | Indian Land Claim Committee | | |
| Do | Town of Mashpee | | |
| Beverly Halem, P.O. Box 1419 Cocoa, FL 32922 | Halem Industries, Inc | | |
| Cheryl A. Haley, 50 F St., NW, #1100 Washington, DC 20001 | American Hospital Assn | 1,834.19 | 354.20 |
| George W. Haley, 1050 Connecticut Ave., #300 Washington, DC 20036 | Grocery Manufacturers of America, Inc | | |
| Martin Haley Companies, Inc, 1015 15th St., NW Washington, DC 20005 | M&M/Mars | | |
| Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006 | Air Transport Assn of America | 10,938.25 | 14,364.08 |
| Delano J. Hall, 114 Crescent Drive Williamsburg, VA 23185 | Oil Chemical Atomic Union | | |
| Edwin K. Hall, 1133 19th Street, NW Washington, DC 20036 | MCI Communications Corp | 5,000.00 | 262.23 |
| Richard F. Hall, 1700 K Street, NW, #502 Washington, DC 20006 | Pacific Resources, Inc | 500.00 | |
| William F. Hall, P.O. Box 803887 Chicago, IL 60680-3887 | Midwest Public Affairs-Management Consulting Group | | |
| Marian Hall-Crawford, 316 Pennsylvania Avenue, SE, #301 Washington, DC 20003 | San Diego Gas & Electric | 1,385.00 | 2,689.56 |
| Paul Hallisay, 1625 Massachusetts Avenue, NW Washington, DC 20036 | Air Line Pilots Assn | 6,250.00 | 388.00 |
| Maurice E. Halsey, P.O. Box 190 Aurora, IL 60507 | Northern Illinois Gas Company | 2,000.00 | |
| Paul T. Haluza, 1325 Pennsylvania Ave., NW Washington, DC 20004 | Motor and Equipment Manufacturers Association | 3,000.00 | 645.46 |
| Rhonda Lee Halverson, 1730 K St., NW, #703 Washington, DC 20006 | American Business Conference, Inc | 137.50 | 25.00 |
| Hamel & Park, 888 16th Street, NW Washington, DC 20006 | Graeper-Van Noy-Wagner, Inc | | |
| Do | Grand Trunk Corp | 1,770.00 | 28.50 |
| Do | Skylink Corporation, Inc | | |
| Do | Tandy Corporation | 2,925.00 | |
| David S. Hamilton, 215 Pennsylvania Ave., SE Washington, DC 20003 | U.S. Public Interest Research Group | 4,038.46 | |
| J. Lee Hamilton, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703 | National Assn of Manufacturers | 228.96 | |
| James L. Hamilton III, 818 Connecticut Ave., NW Washington, DC 20006 | USX Corp | 533.75 | 130.75 |
| Philip W. Hamilton, 1825 K St., NW Washington, DC 20006 | American Soc of Mechanical Engineers | | |
| Ronald P. Hamm, 1620 Eye St., NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | 2,736.00 | |
| Amy R. Hammer, 1899 L St., NW, #1100 Washington, DC 20036 | Exxon Corporation | 2,220.00 | 602.53 |
| Thomas A. Hammer, 1000 Potomac St., NW, #106A Washington, DC 20007 | Sweetener Users Assn | 7,500.00 | 75.00 |
| Timothy A. Hanan, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036 | Mobil Oil Corp | 1,500.00 | |
| Nolan W. Hancock, 1126 16th St., NW Washington, DC 20036 | Oil Chemical & Atomic Workers International Union | 5,926.37 | |
| Donald K. Hanes, 50 F St., NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | 990.00 | |
| James M. Hanley & Associates, 300 Metropolitan Square 655 15th Street, NW Washington, DC 20005 | Alliance of Non-Profit Mailers | 7,500.00 | |
| Elisabeth Hanlin, 2000 L St., NW, #810 Washington, DC 20036 | Unisys Corp | | |
| Thomas H. Hanna, 300 New Center Building Detroit, MI 48202 | Motor Vehicle Manufacturers Assn of the U.S., Inc | 375.00 | 239.12 |
| Hannaford Co, Inc, 655 15th St., NW, #200 Washington, DC 20005 | China External Trade Development Council | 3,300.00 | 1,415.02 |
| Do | Embraer Aircraft Corp | 5,866.00 | 404.01 |
| Do | Presidency of the Republic of Mexico | | |
| Do | Rockwell International Corp | | |
| Do | Royal Embassy of Saudi Arabia | | |
| Do | Trans World Airlines, Inc | | |
| Do | 3M Corporation | 3,945.60 | 220.58 |
| Richard L. Hanneman, 206 North Washington Street Alexandria, VA 22314 | Salt Institute | 250.00 | 250.00 |
| Hansell & Post, 1667 K St., NW, #500 Washington, DC 20006 | Rockwell International Corp | 6,000.00 | 5.36 |
| Do | United Family Life Insurance Co | | |
| Erling Hansen, 1129 20th Street, NW, #600 Washington, DC 20036 | Group Health Assn of America, Inc | | |
| J. E. Hansen, 400 First St., NW Washington, DC 20001 | Brotherhood of Railroad Signalmen | 350.00 | |
| Daniel J. Hanson Sr., 5600 Utah Avenue, NW Washington, DC 20015 | American Road & Transportation Builders Assn | 12,000.00 | 705.00 |
| Robert N. Harbor, P.O. Box 1492 El Paso, TX 79978 | El Paso Natural Gas Co | | |
| Eric Hard, 2114 N St., NW, #31 Washington, DC 20037 | Public Citizen's Congress Watch | 5,000.00 | |
| Ralph Harding, Suite 717 Watergate 2600 Virginia Avenue, NW Washington, DC 20037 | Sugar Regulatory Administration | 60,000.00 | 30,105.67 |
| Eugene J. Hardy, 1100 17th St., NW, #1000 Washington, DC 20036 | Gerber Products Co | 250.00 | |
| Jon Harkavy, 205 East 42nd Street New York, NY 10017 | Risk & Insurance Management Society, Inc | | |
| Dan R. Harlow, 717 N. Harwood Street Dallas, TX 75201 | Maxus Energy Corp | 1,000.00 | |
| Patricia L. Harmening, 316 Pennsylvania Ave., SE, #301 Washington, DC 20003 | San Diego Gas & Electric | 793.00 | 2,649.87 |
| Wiley C. Harrell Jr., 1211 Connecticut Ave., NW, #502 Washington, DC 20036 | Anheuser-Busch Companies, Inc | | |
| Tom Harrington, 950 L'Enfant Plaza North, SW Washington, DC 20024 | Honda North America, Inc | 200.00 | 122.73 |
| Crane B. Harris, 1735 New York Avenue, NW Washington, DC 20006 | American Institute of Architects | 1,000.00 | |
| Marilyn A. Harris, 818 Connecticut Avenue, NW Washington, DC 20006 | USX Corporation | 100.00 | 7.50 |
| Milton E. Harris, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Harris Steel Group, Inc | | |
| Richard M. Harris, 525 School St., SW Washington, DC 20024 | American Road & Transportation Builders Assn | 10,500.00 | 1,168.72 |
| Sandra Zeune Harris, 1120 20th Street, NW, #700 Washington, DC 20036 | Williams Companies | 500.00 | |
| Teena Harris, 1627 K St., NW, #400 Washington, DC 20006 | National Newspaper Assn | | |
| Harris & Berg, 1101 30th St., NW, #103 Washington, DC 20007 | Adidas, USA | | 10.00 |
| Do | Association of Food Industries, Inc | 1,000.00 | 76.00 |
| Do | Cheese Importers Assn of America, Inc | | |
| Do | Committee of Domestic Steel Wire Rope & Specialty Cable Mfrs | | |
| Do | P L Thomas & Co, Inc, et al | | |
| Jack E. Harrison, West Virginia Petroleum Council 1250 One Valley Square Charleston, WV 25301 | American Petroleum Institute | 282.00 | 793.52 |
| Jim Harrison, 1225 Connecticut Ave., NW, 306 Washington, DC 20036 | Association of Urban Universities | 3,750.00 | |
| Anne Harrison-Clark, 1725 K Street, NW, #814 Wsahington, DC 20006 | March of Dimes Birth Defects Foundation | 4,125.00 | 81.62 |
| J. William W. Harsch, 6th Floor 1722 Eye Street, NW Washington, DC 20006 | Solv-Ex Corporation | 3,636.00 | 2,700.42 |
| Do | Wormser Engineering, Inc | | |
| Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005 | American Medical Assn | 3,750.00 | |
| Lynn S. Hart, 1111 19th St., NW, #402 Washington, DC 20036 | Federation of American Health Systems | 3,000.00 | |
| Susan P. Hart, 1600 M Street, NW Washington, DC 20036 | Investment Company Institute | | |
| Hartford Fire Insurance Co, Hartford Plaza Hartford, CT 06115 | | | 35,800.00 |
| Gabriel A. Hartl, 2020 N. 14th Street, #410 Arlington, VA 22201 | Air Traffic Control Assn, Inc | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Arthur W. Hartmann, 1800 Massachusetts Avenue, NW Washington, DC 20036 | National Rural Electric Cooperative Assn | | |
| Edwin Harold Harvey, 1016 16th Street, NW Washington, DC 20036 | National Fed of Federal Employees | | |
| Clifford J. Harvison, 2200 Mill Rd. Alexandria, VA 22314 | National Tank Truck Carriers, Inc | | |
| Fanny L. Haslebacher, 1101 Vermont Ave., NW Washington, DC 20005 | American Medical Assn | 400.00 | |
| Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036 | Hershey Foods Corp | | |
| Walter A. Hasty Jr., 801 18th Street, NW, #400 Washington, DC 20006 | Procter & Gamble Manufacturing Co | 60.75 | |
| Janet S. Hathaway, 1350 New York Ave., NW, #300 Washington, DC 20005 | National Resources Defense Council | 7,671.00 | |
| Howard M. Haug, 100 East 42nd St. New York, NY 10017 | National Foreign Trade Council, Inc | 17,000.00 | 6,269.00 |
| Barbara S. Haugen, 1401 New York Ave., NW, #720 Washington, DC 20005 | National Assn of Insurance Brokers, Inc | | |
| Marilyn Beth Haugen, 1250 Connecticut Avenue, NW Washington, DC 20036 | American Paper Institute, Inc | | |
| Barbara J. Haugh, 1050 Connecticut Avenue, NW, #760 Washington, DC 20036 | Union Oil Co of California | | 1,180.19 |
| Mary W. Haught, 555 13th Street, NW, #1010 East Washington, DC 20004-1109 | Sun Co, Inc | 725.00 | 86.20 |
| Charles W. Havens III, 1333 New Hampshire Avenue, NW Washington, DC 20036 | Leboeuf Lamb Leiby & Macrae | | |
| Kathryn Joann Hawes, 8701 Georgia Ave., #701 Silver Spring, MD 20910 | International Fed of Professional & Technical Engineers | | |
| Sidney G. Hawkes, 1667 K St., NW, #420 Washington, DC 20006 | Mead Corporation | 625.00 | 40.00 |
| John H. Hawkins Jr., 600 N. 18th St. Birmingham, AL 35291 | Alabama Power Co | 17,304.00 | |
| Paul M. Hawkins, 25 Audubon Place Hilton Head, SC 29928 | Colonial Life & Accident Insurance Co | 25.00 | 101.82 |
| David J. Hayes, 815 Connecticut Ave., NW Washington, DC 20006 | American Electronics Assn | 22.59 | 41.55 |
| Do | Hogan & Hartson (For:Semiconductor Industry Association) | 13.96 | 77.34 |
| Peter M. Hayes, 214 Massachusetts Ave., NE Washington, DC 20002 | Salt River Project | 3,521.00 | 3,500.68 |
| Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005 | American Fishing Tackle Manufacturers Assn | 2,000.00 | |
| Do | Coastal Conservation Assn | 2,000.00 | |
| R. Michael Haynes, 1156 15th Street, NW, #1101 Washington, DC 20005 | National Assn of Small Business Investment Companies | 3,000.00 | |
| Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112 | Harsco Corporation | 18,375.00 | 989.51 |
| Health Insurance Assn of America, Inc, 1025 Connecticut Ave., NW Washington, DC 20036 | | 46.00 | 46.00 |
| Robert L. Healy, 1333 New Hampshire Ave., NW Washington, DC 20036 | Atlantic Richfield Co | 300.00 | |
| Keith Heard, 1030 15th St., NW, #700 Washington, DC 20005 | National Cotton Council of America | 11,287.50 | 382.50 |
| Herbert A. Hedden, 1350 New York Ave., NW, #900 Washington, DC 20005 | International Franchise Assn | | |
| Jay Hedlund, 2030 M St., NW Washington, DC 20036 | Common Cause | 11,493.78 | 1,932.83 |
| John Heftner, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Robert E. Heggestad, 1331 Pennsylvania Avenue, NW, #524 Washington, DC 20004 | Casey Scott & Canfield, P.C. (For:Association for Regulatory Reform) | | |
| John F. Heilman, 807 Maine Ave., SW Washington, DC 20024 | Disabled American Veterans | 19,110.00 | 593.55 |
| Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006 | Conoco, Inc | | |
| Do | E. I. du Pont de Nemours & Co | 176.00 | |
| Dan C. Heinemeier, 2001 Eye St., NW Washington, DC 20006 | Electronic Industries Assn | 625.00 | |
| Richard L. Hellwege, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22202 | Lear Siegler, Inc | | |
| DeWitt F. Helm Jr., 155 East 44 St. New York, NY 10017 | Association of National Advertisers, Inc | | |
| Edward A. Helme, 444 N. Capitol Street, #526 Washington, DC 20001 | Alliance for Acid Rain Control | 1,327.63 | |
| Suzanne C. Helmick, One Nationwide Plaza Columbus, OH 43216 | Nationwide Insurance Co | 600.00 | |
| Thomas M. Helscher, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Monsanto Co) | 700.00 | |
| Mike D. Helton, Kentucky Petroleum Council 305 Ann St., #403 Frankfort, KY 40601 | American Petroleum Institute | 211.54 | 73.50 |
| Carol C. Henderson, 110 Maryland Ave., NE, #101, Box 54 Washington, DC 20002 | American Library Assn | 1,545.00 | |
| Donald E. Henderson, 130 E. Washington Street Indianapolis, IN 46204 | Indiana Farm Bureau, Inc | 6,000.00 | 1,773.00 |
| Kathleen Henderson-Whyte, 1625 Eye St., NW, #500 Washington, DC 20006 | Miles Laboratories, Inc | | |
| Carol Diane Hendricks, 1805 Crystal Drive, #209 Arlington, VA 22202 | American Maritime Officers Service | | |
| Karen Hendricks, 1319 F St., NW, #604 Washington, DC 20004 | Association of Junior Leagues, Inc | 1,400.00 | 265.00 |
| C. Dayle Henington, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006 | Chicago Mercantile Exchange | | |
| Hennessy Associates, 152 Washington Avenue Albany, NY 12210 | | 2,000.00 | 600.00 |
| George F. Hennrikus Jr., 201 N. Washington St. Alexandria, VA 22314 | Retired Officers Assn | 7,404.00 | |
| LeAnn Hensche, 2550 M St., NW, #770 Washington, DC 20037 | RJR Nabisco, Inc | 205.00 | 271.90 |
| David A. Henson, 100 N.E. Adams Street Peoria, IL 61629-1460 | Caterpillar Tractor Co | 375.00 | 700.04 |
| Bruce Heppen, 1016 16th St., NW Washington, DC 20036 | National Fed of Federal Employees | | |
| George B. Herbert Sr., 6601 Southpoint Drive, #245 Jacksonville, FL 32216 | J M Family Enterprises, Inc | 411.25 | 37.20 |
| Mary Lyn Herdt, 1001 22nd Street, NW Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| William Hermelin, 1200 15th Street, NW Washington, DC 20005 | American Health Care Assn | 4,768.81 | |
| Catherine L. Heron, 1600 M St., NW Washington, DC 20036 | Investment Company Institute | 436.69 | 16.75 |
| Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007 | Aerojet General Corp | 2,877.94 | 1,545.32 |
| Do | American Grape Growers Alliance for Fair Trade | 2,778.44 | 33.44 |
| Do | American Internation Manufacturing Corp | 1,690.00 | 309.22 |
| Do | Association of Floral Importers of Florida | 64,186.43 | 499.31 |
| Do | Association of Human Resource Consultants | 10,703.80 | 1,071.35 |
| Do | ARCO | 3,750.00 | 2,357.05 |
| Do | Bay Area Rapid Transit District | | 1,462.51 |
| Do | Bechtel Civil, Inc | 683.44 | 1,887.03 |
| Do | Bell & Howell/Columbia Pictures Video Services, Inc | 2,217.05 | 0.86 |
| Do | Bramelea Pacific | 2,507.50 | 956.73 |
| Do | California Almond Growers Exchange | 7,664.19 | 1,645.18 |
| Do | California Assn of Rehabilitation Professionals | 1,663.44 | 0.86 |
| Do | California Kiwi Commission | 1,946.00 | 23.64 |
| Do | California Student Loan Finance Corp | | |
| Do | Cellular Telecommunications Industry Assn | 1,976.88 | 377.54 |
| Do | Central Contra Costa Sanitary District | | |
| Do | Central Utah Water Conservancy District | 3,912.50 | 1,199.44 |
| Do | Chicago Mercantile Exchange | 1,745.63 | 528.22 |
| Do | Credit-Rite | | 0.86 |
| Do | Desert Research Institute | 993.75 | 170.86 |
| Do | Farm Labor Alliance | 11,159.45 | 2,354.62 |
| Do | G.C. Services Corp | 2,250.00 | 171.31 |
| Do | Girling Health Care, Inc | 3,750.00 | 1,435.78 |
| Do | Granite Rock Co | 760.63 | 137.25 |
| Do | Gulf South Engineering, Inc | 1,000.00 | 460.86 |
| Do | GA Technologies, Inc | | 272.08 |
| Do | Hughes Aircraft Co | 6,085.32 | 2,331.19 |
| Do | Independent Cement Corp | 5,769.40 | 138.58 |
| Do | International Apple Institute | 1,180.00 | 0.86 |
| Do | International Gaming Managers | | |
| Do | John Hancock Mutual | 2,308.44 | 938.92 |
| Do | Manhattan Building Companies, Inc | | 598.36 |
| Do | Ralph G. Martinez & Associates | | 3.36 |
| Do | Massachusetts Maritime Academy | 2,250.00 | 733.36 |
| Do | Massport/Commonwealth of Massachusetts | 3,176.25 | 1,472.90 |
| Do | McCarren International Airport | | 3.13 |
| Do | Mid-Valley Water Authority | 2,077.82 | 928.75 |
| Do | Tom Mills | 1,250.00 | 5.86 |
| Do | National Assn of Insurance Commissioners | 8,634.38 | 504.38 |
| Do | National Council on Teacher Retirement | 4,787.19 | 162.06 |
| Do | National Medical Care | 6,034.19 | 2,606.01 |
| Do | National Potato Council | 6,488.75 | 1,499.03 |
| Do | Native American Gaming, Inc | | 245.24 |
| Do | NTEC - Northeast Texas Electric Cooperative, Inc | 19,532.19 | 356.67 |
| Do | Oceanic Institute | 3,000.00 | 788.36 |
| Do | Pacific Mutual Life Insurance Co | 1,393.13 | 773.18 |
| Do | Piedmont Aviation, Inc | 7,892.81 | 1,661.26 |
| Do | Riverside Resorts | 8,952.50 | 3,676.00 |
| Do | Sabine River Authority | 14,334.69 | 263.20 |
| Do | Safecard Services, Inc | | |
| Do | Southwestern Power Resources Assn | | 0.86 |
| Do | State Maritime Schools | 1,500.00 | 373.36 |
| Do | Sunkist Growers, Inc | 20,208.26 | 1,699.61 |
| Do | Tex-La | 111,342.00 | 2,276.77 |
| Do | U.S. Telephone Association | 3,698.75 | 203.36 |
| Do | University of California | 6,625.00 | 7,584.35 |
| Do | University of Nevada/Las Vegas | 1,892.50 | 1,118.86 |
| Do | | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | University of Nevada/Reno | 4,950.00 | 2,158.05 |
| Do | Westlands Water District | 904.69 | 329.61 |
| Jo-Ann T. Herrick, 1800 K Street, NW, #530 Washington, DC 20006 | Tesoro Petroleum Corp | 1,500.00 | |
| Barry Alexander Herring, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Laurel Steel Products, Ltd | | |
| Fred Hervey, 909 N. Mesa El Paso, TX 79902 | Reduce Our Debt Foundation | | |
| G. Brockwel Heylin, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Robert G. Hibbert, P.O. Box 3556 Washington, DC 20007 | American Meat Institute | 1,000.00 | |
| Paul T. Hicks, Rhode Island Petroleum Assn 154 Francis St. Providence, RI 02903 | American Petroleum Institute | 700.00 | 744.52 |
| J. Thomas Higginbotham, One Mellon Bank Center, #2002 Pittsburgh, PA 15258-0001 | Mellon Bank N.A., et al | 2,000.00 | 643.33 |
| Carol A. Higgins, 1600 M Street, NW Washington, DC 20036 | Investment Company Institute | 276.93 | 54.73 |
| Vern F. Highley, 1735 I Street, NW, #716 Washington, DC 20006 | Amcot, Inc | 6,000.00 | 935.00 |
| John S. Hightower, 1344 Kenilworth Parkway Baton Rouge, LA 70808 | Louisiana Pacific Corp | 7,125.00 | 2,635.00 |
| William F. Hildenbrand, Gold & Liebengood, Inc 1050 Connecticut Avenue, NW, #980 Washington, DC 20036 | Chemical Manufacturers Assn, Inc | | |
| Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036 | Ashland Oil, Inc | 2,000.00 | |
| Cynthia A. Hill, 777 14th St., NW Washington, DC 20005 | National Assn of Realtors | | |
| Gerald 'Jerry' Hill, 6 Executive Park Drive Atlanta, GA 30329 | Amoco Corporation | | |
| J. Eldred Hill Jr., 600 Maryland Ave., SW, #603 Washington, DC 20024 | UBA, Inc | 2,000.00 | |
| Patricia Hill, 1250 Connecticut Avenue, NW Washington, DC 20036 | American Paper Institute, Inc | | |
| Robert B. Hill, 2501 M Street, NW Washington, DC 20037 | Chemical Manufacturers Assn, Inc | 400.00 | 128.00 |
| Shepard William Hill, 1745 Jefferson Davis Highway Arlington, VA 22202 | Rockwell International Corp | 15,625.00 | 1,652.00 |
| Hill Betts & Nash, 1818 N St., NW, #700 Washington, DC 20036 | Hispacement, S.A. | | |
| Edward Joseph Hillings, 1020 16th Street, NW Washington, DC 20036 | Enron Corp | 7,500.00 | |
| John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132 | Sundstrand Corporation | 2,160.00 | |
| Heidi A. Hiltgen, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | 1,000.00 | 500.00 |
| John M. Himmelberg, Scott McLeod Himmelberg Matz Pires... 2501 M Street, NW, #400 Washington, DC 20037 | Florida Fruit & Vegetable Assn | 3,000.00 | |
| Do | Florida Tomato Exchange | 1,500.00 | |
| Rick Hind, 215 Pennsylvania Avenue, SE Washington, DC 20003 | U.S. Public Interest Research Group | 5,653.83 | |
| Robert A. Hirsch, 2200 Mill Road Alexandria, VA 22314 | National Private Trucking Assn | | |
| J. D. Hittle, 3137 S. 14th St. Arlington, VA 22204 | KMS Industries, Inc | 1,500.00 | |
| Do | LTV Aero-Space & Defense Co | 2,500.00 | 175.45 |
| Sheila K. Hixson, 1111 14th Street, NW, #1200 Washington, DC 20005 | American Dental Assn | 1,000.00 | 1,566.90 |
| Kenneth Hoagland, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 1,833.00 | |
| Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037 | American Public Power Assn | 2,000.00 | |
| Claude E. Hobbs, 1801 K St., NW Washington, DC 20006 | Westinghouse Electric Corp | 2,500.00 | 63.00 |
| Scott Hodes, 180 North La Salle St., #3800 Chicago, IL 60601 | Zalman C. Bernstein | | |
| Do | Investment Company Institute | 8,500.00 | |
| Glen D. Hofer, 50 F Street, NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | | |
| Irvin A. Hoff, 20 N. Live Oak Rd. Hilton Head Island, SC 29928 | U.S. Cane Sugar Refiners' Assn | | |
| Gail Hoffman, 1400 K St., NW, #500 Washington, DC 20005 | Handgun Control, Inc | 9,423.05 | |
| Thomas F. Hoffman, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006 | Consolidation Coal Co | | |
| Do | E. I. du Pont de Nemours & Co | | |
| William L. Hoffman, 516 First Street, SE Washington, DC 20003 | American University of Beirut | 11,856.00 | 1,861.01 |
| F. Nordy Hoffmann and Assoc, Inc, 400 N. Capitol St., NW, #327 Washington, DC 20001 | Archer Daniels Midland Company | | |
| Do | Coca-Cola Company | | |
| Do | Marine Engineers' Beneficial Assn | | |
| Do | Wilmorite, Inc | | |
| Elizabeth Hogan, 1133 19th St., NW Washington, DC 20036 | MCI Communications Corp | 333.00 | |
| Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109 | American Psychological Assn | 772.50 | 2.50 |
| Do | Caremark/Home Health Care of America | | 53.10 |
| Do | CH2M Hill | 200.00 | 29.75 |
| Do | GL International Trade, Inc | | |
| Do | International Comm of Passenger Lines (ICPL) | | |
| Do | May Department Stores Co | 6,446.25 | 165.12 |
| Do | Mercedes-Benz of North America, Inc | | |
| Do | Merck & Co, Inc | | |
| Do | Mutual Life Insurance Co of New York | 5,025.00 | 105.84 |
| Do | National Hospice Organization | 455.00 | 12.00 |
| Do | National Telecommunications Network | | |
| Do | Ontario Ministry of Industry, Trade & Technology | | 79.25 |
| Do | Rohm & Haas Co | | |
| Do | Shelton Savings & Loan Assn, Inc | | 8.00 |
| Do | SouthernNet, Inc | 925.00 | |
| Do | Storage Technology Corp | | 120.00 |
| Do | Timex Corporation | 425.00 | 15.00 |
| Do | Toyota Motor Sales, USA, Inc | 11,208.75 | 176.69 |
| Do | University of Pennsylvania | | 1.60 |
| Richard F. Hohlt, 1709 New York Ave., NW, #801 Washington, DC 20006 | U.S. League of Savings Institutions | 11,550.00 | 48.75 |
| Bruce E. Holbein, 111 Powdermill Rd. (b79) Maynard, MA 01754 | Digital Equipment Corp | 17,500.00 | |
| Holden Group, Inc, 11365 West Olympic Boulevard Los Angeles, CA 90064 | | | 2,887.89 |
| Philip C. Holladay, 1025 Connecticut Avenue, NW, #200 Washington, DC 20036 | Shell Oil Co | 500.00 | |
| Holland & Hart, 1875 Eye St., NW, #1200 Washington, DC 20006 | Citgo Petroleum Corp | | |
| Do | Citmoco Services, Inc | | |
| Do | Grocery Manufacturers of America, Inc | | |
| Do | Southland Corporation | 250.00 | |
| Holland & Knight, 888 17th St., NW, #400 Washington, DC 20006 | Florida Downtown Development Assn | | |
| Do | Pan American Satellite Corp | 4,500.00 | |
| Do | Sikes Corp | | |
| Do | Spanish International Communications Corp | | |
| Brigid A. Holleran, 2550 M Street, NW, #640 Washington, DC 20037 | CF Industries, Inc | 500.00 | 243.00 |
| Thomas L. Holloway, 1800 K Street, NW, #1018 Washington, DC 20006 | Union Electric Co, et al | 2,604.17 | 6,436.61 |
| Wendell M. Holloway, 815 Connecticut Ave., NW, #900 Washington, DC 20006 | Ford Motor Co | 2,490.00 | 3,208.04 |
| Diane S. Holmes, 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | 1,431.00 | 670.01 |
| Moses D. Holmes Jr., 1201 16th St., NW Washington, DC 20036 | National Education Assn | 2,948.35 | 98.00 |
| E. Y. Holt Jr., 1111 North 19th St., #700 Arlington, VA 22209 | National Assn of Federal Credit Unions | | |
| Fred H. Holt, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313 | Animal Health Institute | | |
| John W. Holt, 1850 K St., NW Washington, DC 20006 | American Council of Life Insurance | 350.00 | |
| John F. Holtz, NJ Petroleum Council 150 West State Street Trenton, NJ 08608 | American Petroleum Institute | | |
| Paul R. Holtz, 1111 14th Street, NW, #1200 Washington, DC 20005 | American Dental Assn | | |
| Home Recording Rights Coalition, P.O. Box 33576 Washington, DC 20033 | | 460,000.00 | 431,497.14 |
| Pete Homer Jr., 4905 Arroyo Chamisa, NE Albuquerque, NM 87111 | | | |
| Hoog & Associates, 1877 Broadway, #405 Boulder, CO 80302 | Denelcor, Inc | | |
| Do | National Assn of Broadcasters | | |
| Billy E. Hooper, 1522 K Street, NW, #834 Washington, DC 20005 | Association of American Veterinary Medical Colleges | | |
| Candice Shy Hooper, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036 | Enserch Corporation | 5,570.00 | 4,810.91 |
| Karen A. Hoover, 430 M St., SW, Apt. N-409 Washington, DC 20024 | American Maritime Officers Service | | |
| Mark Hopkins, 1925 K St., NW, #206 Washington, DC 20006 | Alliance to Save Energy | 200.54 | |
| Virginia E. Hopkins, 1620 Eye St., NW, #800 Washington, DC 20006 | Taft Stettinius & Hollister (For:Kings Entertainment Co) | | |
| Do | Taft Stettinius & Hollister (For:Taft Broadcasting Company) | | |
| Do | Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc) | | |
| Do | Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc) | | |
| Robert Jack Horn, 1990 M St., NW, #480 Washington, DC 20036 | Detroit Edison Company | 750.00 | 35.00 |
| Robert Horvitz, 1006 Poplar Drive Falls Church, VA 22046 | Association of North American Radio Clubs | | |
| Sanford D. Horwitt, 5935 N. 5th Road Arlington, VA 22203 | Committee for Humane Legislation, Inc | | |
| Do | Friends of Animals, Inc | | |
| William J. Hotes, 919 18th St., NW, #400 Washington, DC 20006 | Diamond Shamrock Corp | | |
| Thomas B. House, 1700 Old Meadow Rd. Mclean, VA 22102 | American Frozen Food Institute | 1,000.00 | |
| Jack W. Houston, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083 | GA Assn of Petroleum Retailers, Inc | | |
| John H. F. Hoving, The Hoving Group 910 17th Street, NW, #318 Washington, DC 20006 | Valsan Re-Engining, Inc | | 47.89 |
| Hoving Group, 910 17th St., NW, #318 Washington, DC 20006 | Eagle-Picher Industries, Inc | 24,000.00 | 194.80 |
| Do | Western-Southern Life Insurance | 10,100.00 | 305.75 |
| John Howard, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 300.00 | 5.00 |
| Robert M. Howard, 815 Connecticut Avenue, NW Washington, DC 20006 | Ford Motor Co | 1,794.90 | 1,931.93 |
| Senga Howat, 1155 15th Street, NW, #710 Washington, DC 20005 | National Small Business United | 1,846.00 | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Allynn Howe, 80 F Street, NW Washington, DC 20001 | American Fed of Government Employees | 9,032.45 | |
| Gary Howell, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202 | Texas Instruments, Inc | 1,000.00 | |
| J. William Howell, 1801 K St., NW, #1200 Washington, DC 20006 | International Business Machines Corp | 366.00 | |
| James P. Howell, 50 F Street, NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | 1,205.00 | |
| Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005 | Textron, Inc | 1,500.00 | |
| John A. Howes, 1050 17th St., NW, #490 Washington, DC 20036 | Consumers Power Co | 6,000.00 | 1,266.00 |
| Susan Howland, 20 Black Oak Mews Newtown, PA 18940 | Electrical Alliance | | |
| Do | Guilford Transportation Industries - Rail Division | | |
| Do | Philadelphia Maritime Exchange | | |
| Clifford T. Howlett Jr., 1875 Eye St., NW, #400 Washington, DC 20006 | Georgia-Pacific Corp | 2,400.00 | |
| Paul R. Huard, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703 | National Assn of Manufacturers | 3,750.00 | |
| Henry W. Hubbard, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Republic of Turkey) | | |
| Do | Hill & Knowlton, Inc (For:Vietnam Veterans of America) | | |
| Mark Huber, 718 N. Carolina Avenue, SE Washington, DC 20003 | Americans for Tax Reform | 1,300.00 | 106.40 |
| Betty Hudson, 1627 K Street, NW, #200 Washington, DC 20006 | Fluor Corporation | 15,000.00 | 413.88 |
| Margaret Renken Hudson, 600 Maryland Avenue, SW, #700 Washington, DC 20024 | National Fed of Independent Business | 3,401.75 | 385.00 |
| Hudson Bayless Associates, 438 New Jersey Ave., SE Washington, DC 20003 | Perot Group | 2,793.00 | |
| Do | Salomon Brothers, Inc | 3,388.00 | |
| Do | Trammell Crow Co | 2,982.00 | |
| Gary E. Hughes, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | | |
| Peter W. Hughes, 1300 19th Street, NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 21,750.00 | |
| Richard H. Hughes, P.O. Box 880 Valley Forge, PA 19482 | Avtex Fibers, Inc | | |
| Richard T. Hughes, 1700 K St., NW Washington, DC 20006 | Chevron USA, Inc | 934.47 | |
| Sharon M. Hughes, 1401 New York Avenue, NW, #400 Washington, DC 20005 | National Food Processors Assn | 500.00 | 52.80 |
| Vester T. Hughes Jr., Hughes & Hill 1000 Mercantile Dallas Building Dallas, TX 75201 | Mrs. H. E. Butt | | |
| Do | Estate of W. W. Callan | | |
| Do | Sammons Enterprises, Inc | 1,000.00 | 2,526.37 |
| William Hughes, 1522 K St., NW, #836 Washington, DC 20005 | National Assn of Federal Veterinarians | 39.72 | |
| Hughes Hubbard & Reed, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004 | American Institute of Certified Public Accountants | | |
| Do | Anglo American Auto Auctions, Inc | | |
| Do | Grocery Manufacturers of America, Inc | 700.00 | 4.50 |
| Do | 47th Street Photo | | |
| Edward L. Huie, Wheaton Plaza North, #415 Wheaton, MD 20902 | National Assn of Air Traffic Specialists | 6,214.38 | 676.08 |
| Thomas Humber, 499 South Capitol St., SW, #507 Washington, DC 20003 | Brown & Williamson Tobacco Corp | 2,500.00 | |
| Jean E. Hungiville, 1111 14th St., NW Washington, DC 20005 | American Dental Assn | 1,000.00 | 62.74 |
| Francis M. Hunt, 1800 M Street, NW, #700s Washington, DC 20036 | Dow Chemical Co | 500.00 | 4,880.00 |
| James C. Hunter, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006 | Cities Service Oil & Gas Corp | 388.50 | 255.99 |
| Michael M. Hunter, 1600 M St., NW Washington, DC 20036 | International Telephone & Telegraph Corporation | 1,600.00 | 63.00 |
| Milton F. Huntington, Maine Petroleum Assn 283 Water St. Augusta, ME 04330 | American Petroleum Institute | | |
| Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 P.O. Box 19230 Washington, DC 20036 | Copyright Justice Coalition | 937.50 | 71.25 |
| Do | Edison Electric Institute | 29,166.25 | 1,619.26 |
| Do | Long Island Lighting Co | | |
| Do | Richfields Assn | | |
| Adele M. Hurley, 112 St. Clair Ave., West, #504 Toronto, Ontario Canada M4V 2Y3 | Canadian Coalition on Acid Rain | 1,080.00 | 353.93 |
| Ronald A. Hurst, 5410 Grosvenor Lane, #210 Bethesda, MD 20814 | American Medical Care & Review Assn | | |
| Cathy Hurwit, 1300 Connecticut Ave., NW, #401 Washington, DC 20036 | Citizen Action | 4,000.00 | 34.50 |
| Do | Citizen/Labor Energy Coalition | 1,000.00 | |
| Geoffrey B. Hurwitz, 1667 K St., NW, #1210 Washington, DC 20006 | Rohm & Haas Co | 500.00 | |
| Michael Hussey, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | 2,500.00 | 901.05 |
| Raymond W. Hussey, 29400 Lakeland Blvd. Wickliffe, OH 44092 | Lubrizol Corporation | 700.00 | 1,661.99 |
| Philip A. Hutchinson, 490 L'enfant Plaza, #3210 Washington, DC 20024 | Volkswagen of America, Inc | 200.00 | 15.00 |
| Robert E. Hutchinson, 909 N. Mesa El Paso, TX 79902 | Reduce Our Debt Foundation | | |
| James L. Hutchison, 260 Madison Avenue New York, NY 10016 | American Paper Institute, Inc | | |
| Karen Hutchison, 1725 K Street, NW, #601 Washington, DC 20006 | Association of National Advertisers, Inc | | |
| Jean Hutter, 1730 M Street, NW Washington, DC 20036 | League of Women Voters of the U.S. | 3,880.37 | 14.75 |
| Helena C. Hutton, 1101 15th Street, NW Washington, DC 20005 | Minnesota Mining & Manufacturing Co | 2,500.00 | |
| Randy Huwa, 2030 M St., NW Washington, DC 20036 | Common Cause | 10,040.63 | 33.15 |
| B. F. Hyde, Tennessee Petroleum Council 211 7th Avenue, North, 4th Fl. Nashville, TN 37219 | American Petroleum Institute | 750.00 | 807.85 |
| Floyd H. Hyde, 815 15th Street, NW, #709 Washington, DC 20005 | Floyd H. Hyde Associates (For:Alameda, CA, et al.) | | |
| Floyd H. Hyde Associates, 815 15th St., NW, #709 Washington, DC 20005 | Alameda, California | 10,966.52 | 2,151.63 |
| Do | Fresno City, California | 23,992.63 | 5,421.82 |
| Do | Fresno County, California | 10,000.00 | |
| Do | Gary, Indiana | 13,441.53 | 1,544.67 |
| Do | San Leandro, California | 15,628.18 | 2,455.93 |
| Steven M. Hyjek, One Thomas Circle, NW, #900 Washington, DC 20005 | Sinnott & Co, Richard L. (For:Dallas/Ft. Worth International Airport) | | |
| Do | Sinnott & Co., Richard L. (For:Oakland Colliseum) | | |
| Do | Sinnot & Co., Richard L. (For:Port of Oakland) | | |
| Gary Hymel, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton (For:Borg-Warner Corp) | | |
| Do | Hill & Knowlton, Inc (For:Budd Company) | | |
| Do | Hill & Knowlton, Inc (For:Colonial Williamsburg) | | |
| Do | Hill & Knowlton, Inc (For:Fleischmann's Yeast) | 50.00 | |
| Do | Hill & Knowlton, Inc (For:Hitachi America Ltd) | | |
| Do | Hill & Knowlton, Inc (For:HTB Corporation) | | |
| Do | Hill & Knowlton, Inc (For:MediVision, Inc) | 450.00 | |
| Do | Hill & Knowlton, Inc (For:Mutual of Omaha) | | |
| Do | Hill & Knowlton, Inc (For:Republic of Korea) | | |
| Do | Hill & Knowlton, Inc (For:Republic of Turkey) | 1,775.00 | |
| Do | Hill & Knowlton, Inc (For:Shaklee Corporation) | | |
| Do | Hill & Knowlton, Inc (For:Societe Generale thru SGS North America, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Stroh Brewery Co) | 150.00 | |
| Do | Hill & Knowlton, Inc (For:Tambrands) | | |
| Do | Hill & Knowlton, Inc (For:Title Insurance Industry Coalition) | 2,625.00 | |
| Do | Hill & Knowlton, Inc (For:Tobacco Institute) | | |
| Do | Hill & Knowlton, Inc (For:U.S. Banknote Corp) | | |
| Do | Hill & Knowlton, Inc (For:United Airlines, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Waterman Steamship Corp) | | |
| Robert D. Hynes Jr., 1825 K St., NW, #807 Washington, DC 20006 | National Broadcasting Co, Inc | 1,000.00 | 2,787.79 |
| Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037 | American Pharmaceutical Assn | 500.00 | |
| Richard H. Ichord, 499 S. Capitol St., SW, #520 Washington, DC 20003 | AAI Corporation | 828.75 | 347.89 |
| Do | Emerson Electric Co | 630.00 | 170.53 |
| Do | Washington Industrial Team, Inc | 300.00 | |
| Kevin J. Igli, 1155 Connecticut Ave., NW Washington, DC 20036 | Waste Management, Inc | 1,250.00 | |
| Independent Consultants, Inc, 400 North Capitol St., NW, #320 Washington, DC 20001 | John Camp | 500.00 | 79.82 |
| Do | Tropicana Petroleum, Ltd | 1,000.00 | |
| Independent Data Communications Manufacturers Assn, c/o Squire Sanders & Dempsey 1201 Pennsylvania Ave., NW Washington, DC 20004. | | 2,646.63 | 2,646.63 |
| Independent JOA Publishers Assn, 1050 17th St., NW, #590 Washington, DC 20036 | | | |
| Independent Lubricant Manufacturers Assn, 1055 Thomas Jefferson Street, NW Washington, DC 20007 | | 230.00 | 230.00 |
| Independent Producers Group, 1120 KSB & T Building 125 N. Market Wichita, KS 67202 | | 325.00 | 3,000.00 |
| Indiana Hi-Rail Corporation, R.R. 1 Connersville, IN 47331 | | | 350.80 |
| Industrial Biotechnology Assn, 1625 K Street, NW, #1100 Washington, DC 20006 | | 154.77 | 154.77 |
| Industrial Union Department, AFL-CIO, 815 16th St., NW, #301 Washington, DC 20006 | | 25,579.42 | 25,579.42 |
| Infant Formula Council, 5775 Peachtree-Dunwoody Rd., #500-0 Atlanta, GA 30342 | | | |
| Marie Infante, 1200 15th Street, NW Washington, DC 20005 | American Health Care Assn | 2,588.13 | |
| Charles E. Ing, 1850 M Street, NW, #600 Washington, DC 20036 | Toyota Motor Sales, USA, Inc | 2,440.00 | 333.65 |
| Robert A. Ingram, 1050 17th Street, NW, #650 Washington, DC 20036 | Merck & Co, Inc | 1,000.00 | 304.18 |
| Institute of Foreign Bankers, Suite 303 East, Rm. 23 200 Park Ave. New York, NY 10017 | | | 714.45 |
| Institute of Makers of Explosives, 1120 19th St., NW, #310 Washington, DC 20036 | | | |
| Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (uaw) 8000 E. Jefferson Avenue Detroit, MI 48214. | | 142,796.15 | 142,796.15 |
| Integrated Resources, Inc, 666 Third Avenue, 4th Fl. New York, NY 10017 | | | |
| International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006 | | | 10,800.00 |
| International Brotherhood of Teamsters, 25 Louisiana Ave., NW Washington, DC 20001 | | | 81,423.59 |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| International Communications Industries Assn, 3150 Spring St. Fairfax, VA 22031 | | 27,929.00 | 4,736.08 |
| International Longshoremen's Assn, AFL-CIO, 17 Battery Place, #1500 New York, NY 10004 | | | 47,864.05 |
| International Taxicab Assn, 3849 Farragut Avenue Kensington, MD 20895 | | | |
| International Union of Bricklayers & Allied Craftsmen, 815 15th St., NW Washington, DC 20005 | | | 12,048.85 |
| Investment Company Institute, 1600 M St., NW Washington, DC 20036 | | | 29,332.96 |
| Investment Counsel Assn of America, Inc, 20 Exchange Place New York, NY 10005 | | | |
| Charles C. Irions, 2200 Mill Rd. Alexandria, VA 22314 | American Movers Conference | 3,308.00 | |
| Thomas L. Irmen, P.O. Box 119 Maumee, OH 43537 | Andersons | | |
| Iron Ore Lessors Assn, Inc, 2081 First National Bank Bldg Saint Paul, MN 55101 | | 6,146.12 | 13,297.37 |
| Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006 | American Textile Manufacturers Institute, Inc | | |
| Do | Limited, Inc | | |
| Do | Oberlin College | | |
| Do | Rochester Tax Council | | |
| Charles R. Jackson, 225 North Washington Street Alexandria, VA 22314 | Non Commissioned Officers Assn of the USA | 6,500.00 | 15,301.01 |
| Glenn Jackson, 1660 L Street, NW, #601 Washington, DC 20036 | Interstate Natural Gas Assn of America | 300.00 | |
| Kristine Jacobs, 1613 Harvard St., NW, #513 Washington, DC 20009 | National Save the Family Farm Coalition | | |
| Stephen Jacobs, 1771 N Street, NW Washington, DC 20036 | National Assn of Broadcasters | 1,500.00 | 640.00 |
| E. A. Jaenke & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005 | University of Kansas | 250.00 | |
| Daniel L. Jaffe, 1725 K Street, NW, #601 Washington, DC 20006 | Association of National Advertisers | | |
| Jaffe Snider Raitt & Heuer, P.C., 1800 First National Building Detroit, MI 48226 | | | |
| Edward L. Jaffee, 1730 Rhode Island Avenue, NW, #713 Washington, DC 20036 | PPG Industries, Inc | 84.00 | 20.00 |
| Japan Economic Institute of America, 1000 Connecticut Ave., NW Washington, DC 20036 | | 1,909.83 | 1,909.83 |
| Japanese American Citizens League, 1765 Sutter Street San Francisco, CA 94118 | | | |
| Joseph J. Jaquay, 5025 Wisconsin Ave., NW Washington, DC 20016 | Amalgamated Transit Union, AFL-CIO | | |
| Evelyn Jarvis-Ferris, 444 Market Street San Francisco, CA 94111 | Shaklee Corporation | | |
| Jerry J. Jasinowski, 1331 Pennsylvania Ave., NW, #1550N. Washington, DC 20004-1703 | National Assn of Manufacturers | 2,000.00 | |
| Sonia S. Jasso, 815 16th Street, NW, #707 Washington, DC 20006 | Labor Council for Latin American Advancement | | |
| Julie A. Javernick, 413 North Lee St. P.O. Box 1417-D49 Alexandria, VA 22313 | National Assn of Chain Drug Stores, Inc | | |
| Joseph A. Jeffrey, 1920 N St., NW, #300 Washington, DC 20036 | American Mining Congress | | |
| Jeford International, Inc, 1600 Wilson Blvd., #713 Arlington, VA 22209 | Garber International Associates, Inc | 200.00 | |
| Do | ISC Defense & Space Group | 200.00 | |
| Do | John Deere Technologies International, Inc | 300.00 | |
| Do | LTV Defense & Space Co | 200.00 | |
| Do | Newport News Shipbuilding & Drydock Co | 300.00 | |
| Do | Pratt & Whitney Group | 200.00 | |
| Do | Raytheon Corp | 200.00 | |
| Jellinek Schwartz Connolly & Freshman, Inc. 1350 New York Avenue, NW, #400 Washington, DC 20005 | Adolph Coors Co | 33,303.00 | 1,191.00 |
| Do | ASARCO, Inc | 46,641.00 | 909.00 |
| Do | California Assn of Sanitation Agencies | | |
| Do | Colorado School of Mines Foundation | 17,239.00 | 261.00 |
| Do | East Bay Municipal Utility District | 9,303.00 | 597.00 |
| Do | Los Angeles County Sanitation District | 18,645.00 | 1,275.00 |
| Do | New York Power Authority | 5,200.00 | 414.00 |
| Do | Padre Dam Municipal Water District | 1,134.00 | 31.00 |
| Do | Rhone-Poulenc, Inc | 60,369.00 | 2,323.00 |
| Joseph S. Jenckes, Suite 300 1710 Rhode Island Ave., NW Washington, DC 20036 | Abbott Laboratories | 5,000.00 | 30.00 |
| Linda Jenckes, 1025 Connecticut Avenue, NW Washington, DC 20036 | Health Insurance Assn of America, Inc | | |
| Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036 | Citicorp Capital Investors, Ltd | | |
| Do | Metropolitan Transit Authority | 4,125.00 | 68.93 |
| Do | MCI | 500.00 | |
| Do | San Francisco Public Utilities Commission | 2,946.41 | 53.59 |
| James C. Jennings, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc | | |
| Rusty L. Jesser, 1120 Connecticut Avenue, NW Washington, DC 20036 | American Bankers Assn | 3,000.00 | |
| Nancy H. Jessick, 1331 Pennsylvania Ave., NW, #720 Washington, DC 20004 | Hiram Walker & Sons, Inc | | |
| Guy E. Jester, 2150 Kienlen Ave. St. Louis, MO 63121 | Association for the Improvement of the Mississippi River | | |
| Michael E. Johns, 2033 M Street, NW, #900 Washington, DC 20036 | National Assn of Arab Americans | | |
| Ronald P. Johnsen, 1250 Eye St., NW, #703 Washington, DC 20005 | Columbia Gas System Service Corp | 175.00 | 255.47 |
| Aileen A. Johnson, 2000 P St., NW, #400 Washington, DC 20036 | Women's Legal Defense Fund | | |
| Bruce Johnson, Law Offices of Bruce Johnson 1718 Connecticut Ave., NW, #410 Washington, DC 20009 | Columbia Savings & Loan Assn | 2,000.00 | 512.00 |
| Calvin P. Johnson, 815 16th Street, NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 17,314.43 | 961.24 |
| Clifford T. Johnson, 1700 North Moore Street Rosslyn, VA 22209 | Boeing Military Airplane Company | | |
| Jess Johnson Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036 | Shell Oil Co | 500.00 | |
| Joel L. Johnson, 122 C St., NW, #740 Washington, DC 20001 | American League for Exports & Security Assistance, Inc | 4,500.00 | 346.26 |
| John B. Johnson, Alabama Petroleum Council P.O. Box 4220 Montgomery, AL 36195 | American Petroleum Institute | 1,260.00 | 1,077.60 |
| John W. Johnson, P.O. Box 35106 Minneapolis, MN 55435 | American Collectors Assn | | |
| Kenneth A. Johnson, 4524 Hillsboro Ave. North New Hope, MN 55428 | Pillsbury Company | | |
| L. Oakley Johnson, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004 | American International Group, Inc | 5,000.00 | |
| Mark R. Johnson, 1667 K Street, NW, #350 Washington, DC 20036 | Moller Steamship Co, Inc | | |
| Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006 | Conoco, Inc | | |
| Do | E. I. du Pont de Nemours & Co | 378.00 | |
| Rady A. Johnson, 200 East Randolph Drive P.O. Box 87703 Chicago, IL 60680-9978 | Amoco Corporation | | |
| Richard W. Johnson Jr., 225 N. Washington Street Alexandria, VA 22314 | Non Commissioned Officers Assn of the USA | 7,274.88 | 172.43 |
| Stanley L. Johnson, 5344 29th St., NW Washington, DC 20015 | Texaco, Inc | 50.00 | |
| Susan E. Johnson, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004 | Sears Roebuck & Co | 405.00 | 169.78 |
| Thomas G. Johnson, One Shell Plaza P.O. Box 2463 Houston, TX 77001 | Shell Oil Co | | |
| David Johnston, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Geo. Allen Johnston, 1300 19th Street, NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 17,175.00 | |
| James O. Johnston, 1660 L St., NW Washington, DC 20036 | General Motors Corp | 3,600.00 | 5,544.08 |
| Joint Task Force on Fed Financial Assist. for Law Students, 10th St. Newton Industrial Common Newton, PA 18940 | | | |
| Mary K. Jolly, 1600 Rhode Island Avenue, NW Washington, DC 20036 | National Rifle Assn of America | 950.00 | 163.02 |
| Herbert A. Jolovitz, 7531 Sebago Road Bethesda, MD 20817 | Owens-Corning Fiberglas Corporation | 1,170.00 | 54.00 |
| Charlie W. Jones, 2111 Belle Haven Road Alexandria, VA 22307 | Man-Made Fiber Producers Assn, Inc | 7,220.70 | 148.00 |
| Ernest W. Jones, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Gerald R. Jones, 2000 L St., NW, #810 Washington, DC 20036 | Unisys Corp | | |
| James E. Jones Jr., 1629 K St., NW, #1010 Washington, DC 20006 | Alliance of American Insurers | 295.00 | 140.00 |
| Randall T. Jones, 50 F Street, NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | 2,133.33 | |
| Roy C. Jones, 717 2nd St., NW, #300 Washington, DC 20002 | Moral Majority, Inc | | |
| Theodore L. Jones, 1730 Pennsylvania Ave., NW, #300B Washington, DC 20006 | City of Baton Rouge | | |
| Do | Hartford Fire Insurance Group | | |
| Do | Mall Properties, Inc | 1,500.00 | |
| Do | U.S. Cane Refiners' Assn | 2,000.00 | |
| Do | United Companies Life Insurance Co | | |
| Wiley N. Jones, 1667 K St., NW, #600 Washington, DC 20006 | Southern Pacific Transportation Co | 1,000.00 | 500.00 |
| Jones Day Reavis & Pogue, 655 15th St., NW, 6th Floor Washington, DC 20005-5701 | Ameritrust Co, Nat'l Assn | 11,568.25 | 297.28 |
| Do | Automotive Dismantlers & Recyclers Assn, Inc | | |
| Do | Bank Street Consultanting Group | 2,943.50 | |
| Do | Embassy of the People's Republic of China | 4,543.75 | 45.00 |
| Do | Heron International, Ltd | | |
| Do | Litel Telecommunications Corp | | |
| Do | Los Angeles County | 13,934.00 | 3,223.58 |
| Do | McKinley Federal Savings & Loan Assn | | |
| Do | Mississippi Chemical Corp | | |
| Do | Morgan Grenfell & Co Ltd | 5,884.75 | 404.65 |
| Do | National Assn of Independent Insurers | 210.75 | |
| Do | National Assn of State Auditors Comptrollers & Treasurers | | |
| Do | National Beer Wholesaler's Assn, Inc | | |
| Do | North Wilkesboro Federal Savings & Loan Assn | 1,970.50 | 10.29 |
| Do | Peoples Bank & Trust Co | 2,226.25 | 10.28 |
| Do | Pfizer, Inc | 3,806.00 | 236.05 |
| Do | Stakeholders in America | 17,430.00 | 4,920.80 |
| Do | SCM Corp | | |
| Do | Teleconnect Co | | |
| Do | USAA Federal Savings Bank | 675.00 | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Westinghouse Electric Corp | | |
| De Soto Jordan, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004 | EDS Corporation | 220.00 | 86.23 |
| James C. Jordan, 1785 Massachusetts Ave., NW Washington, DC 20036 | National Trust for Historic Preservation | 2,824.56 | |
| Patricia Jordan, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036 | Aries Properties, Inc | | |
| Do | Berg-Revoir Corp | | |
| Do | City of Alhambra | | |
| Do | City of Baldwin Park | | |
| Do | City of Inglewood | | |
| Do | City of Oceanside | | |
| Do | City of Provo | | |
| Do | City of Redondo Beach | 1,500.00 | 79.60 |
| Do | City of South Salt Lake | | |
| Do | Gavin Associates | | |
| Do | Imperial Irrigation District | | |
| Do | Irvine Co | | |
| Do | Long Beach Transit | 2,000.00 | 24.94 |
| Do | Oceanside Redevelopment Agency | | |
| Do | Santa Cruz Properties | | |
| David C. Jory, 1200 New Hampshire Ave., NW, #350 Washington, DC 20036 | Citibank, N.A. | 500.00 | |
| Mary Lou Joseph, 2025 M Street, NW Washington, DC 20036 | National Public Radio | 17,910.00 | 520.84 |
| John J. Joyce, 25 Louisiana Ave., NW Washington, DC 20001 | International Brotherhood of Teamsters | 3,000.00 | |
| Kathy L. Judd, 1700 K St., NW, #1204 Washington, DC 20006 | Chevron USA, Inc | 125.00 | |
| Amy Judy, 2030 M St., NW Washington, DC 20036 | Common Cause | 5,041.26 | 343.98 |
| Robert E. Juliano, 2555 M Street ,NW Washington, DC 20037 | American Express Co | 10,000.00 | |
| Do | Hotel & Restaurant Employees & Bartenders Intl Union | 24,437.52 | 1,011.67 |
| Robert E. Juliano Associates, 2555 M Street, NW, #303 Washington, DC 20037 | Aetna Life & Casualty Insurance Co | 10,000.00 | |
| Do | ADAPSO | 5,000.00 | |
| Do | International Speedway Corp | 7,500.00 | |
| Do | ICH Corp | | |
| Do | National Academies of Practice | 2,500.00 | |
| Do | Rentar Industries, Inc | 4,000.00 | |
| Do | Stock Information Group | 10,000.00 | |
| JK Research Associates, Inc, 3408 Bonnie Road Austin, TX 78703 | Seabed Assn | 4,144.50 | 4,144.50 |
| Geza Kadar Jr., 1025 Connecticut Avenue, NW Washington, DC 20036 | Health Insurance Assn of America, Inc | | |
| H. Richard Kahler, 100 N.E. Adams Street Peoria, IL 61629 | Caterpillar Tractor Co | | |
| Jim Kaitz, 1667 K Street, NW, #710 Washington, DC 20006 | Baxter Travenol Laboratories, Inc | | |
| Betty Ann Kane, 1225 19th street , n.w. suite 400 Washington, DC 20036 | Miller & Young | | |
| James L. Kane Jr., 1315 Vincent Place Mclean, VA 22101 | | | |
| Donald J. Kaniewski, 905 16th St., NW Washington, DC 20006 | Laborers' Intl Union of North America, AFL-CIO | 11,749.00 | 68.40 |
| Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109 | Humane Society of the U.S., et al. | 10,234.00 | 464.23 |
| James W. Kanouse, 1700 North Moore Street, 21st Floor Rosslyn, VA 22209 | Boeing Company | 14,500.00 | 2,657.57 |
| Nancy E. Kantola, 1401 New York Avenue, NW, #1100 Washington, DC 20005 | National Cooperative Business Assn | 2,500.00 | |
| Kaplan Russin & Vecchi, 1215 17th Street, NW Washington, DC 20036 | American Chamber of Commerce of the Dominican Republic | | |
| Emily O'Connor Karolyi, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | | |
| Eric H. Karp, 115 Broad Street Boston, MA 02110 | Edward Blankstein, Inc | | |
| Gene Karpinski, 215 Pennsylvania Avenue, SE Washington, DC 20003 | U.S. Public Interest Research Group | 6,000.00 | |
| Anthony K. Karwoski, 1745 Jefferson Davis Hwy, #511 Arlington, VA 22202 | Manufactured Housing Institute | 700.00 | 100.00 |
| Peter J. Kassander, 412 Fifth St., SE #1 Washington, DC 20003 | Seattle Organizing Committee, 1990 Goodwill Games | 2,301.89 | |
| Patricia L. Katson, 11215 Oak Leaf Drive Silver Spring, MD 20901 | Liberty Lobby, Inc | 8,250.00 | |
| Steven L. Katz, 1424 16th St., NW, #601 Washington, DC 20036 | People for the American Way | 3,207.72 | |
| Everett E. Kavanaugh, 1110 Vermont Ave., NW, #800 Washington, DC 20005 | Cosmetic Toiletry & Fragrance Assn, Inc | | |
| Bronwen A. Kaye, 1575 Eye St., NW, #200 Washington, DC 20005 | American Cyanamid Co | 451.22 | 130.74 |
| Kaye Scholer Fierman Hays & Handler, 1575 Eye Street, NW, #1150 Washington, DC 20005 | Carlon Company | 449.75 | 331.73 |
| Do | Alfredo J. Estrada | | 1,059.59 |
| Do | Goldman Sachs & Co | 9,992.83 | 3,560.67 |
| Do | Kraft, Inc | 3,000.00 | 3,017.13 |
| Do | LDX Net, Inc | | |
| Do | Morgan Guaranty Trust Co of New York | 9,481.40 | 4,373.52 |
| Do | Pioneer Systems, Inc | | |
| Do | Westwood One, Inc | | 532.82 |
| Do | Winfield Manufacturing Co | | 1,072.50 |
| Lisa E. Kazel, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703 | National Assn of Manufacturers | | |
| Richard F. Keating, 1211 Connecticut Ave., NW, #502 Washington, DC 20036 | Anheuser-Busch Companies, Inc | | |
| Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001 | Keefe Co (For:Republic of the Philippines) | | |
| Do | Keefe Company (For:UNIAO Nacional Para Independencia Total DeAngola) | | |
| Do | Keefe Company (For:Westinghouse Electric Corp) | | |
| Vicki R. Keenan, 1015 15th Street, NW, #802 Washington, DC 20005 | American Consulting Engineers Council | 700.00 | |
| Keith Keeney, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342 | Robert H. Kellen Co (For:Calorie Control Council) | | |
| Robert C. Keeney, 727 N. Washington St. Alexandria, VA 22314 | United Fresh Fruit & Vegetable Assn | 3,565.00 | 359.31 |
| Robin E. Keeney, 1828 L Street, NW Washington, DC 20036 | American Land Title Assn | 2,025.00 | |
| Brien E. Kehoe, Hill Betts & Nash 1818 N Street, NW, #700 Washington, DC 20036 | Waterman Steamship Corp | | |
| Kendell W. Keith, 725 15th Street, NW Washington, DC 20005 | National Grain & Feed Assn | | |
| Jerilyn Fay Kelle, 110 Maryland Avenue, NE, #211 Washington, DC 20002 | Women's Action for Nuclear Disarmament, Inc, et al. | 1,187.50 | |
| William D. Kelleher, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 2,500.00 | |
| Robert H. Kellen, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 20342 | Robert H. Kellen Co (For:Calorie Control Council) | | |
| Keller & Heckman, 1150 17th Street, NW, #1000 Washington, DC 20036 | Specialty Advertising Assn Int'l | 2,187.00 | 109.00 |
| Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004 | U-Haul Intl, Inc | 2,000.00 | |
| Thomas F. Kelley III, 311 First Street, NW Washington, DC 20001 | National Restaurant Assn | | |
| Kelley Drye & Warren, 1330 Connecticut Ave., NW Washington, DC 20036 | Alaska Surimi Products, Inc | | |
| Do | Burlington Industries, Inc | 962.50 | |
| Do | Business Roundtable | 867.50 | 54.26 |
| Do | ITT Consumer Financial Corp | 607.50 | 80.50 |
| Do | Kingdom of Tonga | | |
| Do | Marconi Underwater Systems Ltd | | |
| Do | J.P. Morgan & Co, Inc | 585.00 | 6.40 |
| Do | Society of the New York Hospital | 4,695.00 | 938.94 |
| Stephen G. Kellison, 1720 Eye Street, NW, 7th Floor Washington, DC 20006 | American Academy of Actuaries | | |
| Stephen S. Kellner, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036 | Chemical Specialties Manufacturers Assn, Inc | | |
| Dorothy Allen Kellogg, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | | |
| Edward L. Kelly, 1319 F Street, NW, #1000 Washington, DC 20004 | National Assn of Private Psychiatric Hospitals | 500.00 | |
| Ernest B. Kelly III, 950 L'Enfant Plaza, SW Washington, DC 20024 | Communications Satellite Corp | 1,500.00 | |
| Harold V. Kelly, 1025 Thomas Jefferson St., NW, #511 W. Washington, DC 20007 | LTV Corporation | | |
| John E. Kelly, 3408 Bonnie Road Austin, TX 78703 | JK Research Associates, Inc (For:Seabed Assn) | 1,470.00 | |
| John F. Kelly, 1828 L Street, NW # 906 Washington, DC 20036 | Merrill Lynch & Co, Inc | 2,000.00 | |
| Mark L. Kemmer, 1660 L Street, N.w. Washington, DC 20036 | General Motors Corp | 2,500.00 | 1,005.42 |
| Mary Linda Kemp, 815 15th Street, NW, #709 Washington, DC 20005 | Floyd H. Hyde Associates (For:Alameda, CA, et al.) | | |
| Coletta Kemper, 1401 New York Avenue, NW, #720 Washington, DC 20005 | National Assn of Insurance Brokers | | |
| Jackson Kemper Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202 | Diagnostic/Retrieval Systems, Inc | 8,750.00 | |
| William T. Kendall, 50 E St., SE Washington, DC 20003 | Alliance for Free Enterprise | | |
| Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003 | ALC Communications Corp | | |
| Do | Heller Ehrman White & McAuliffe | | |
| Do | Hogan & Hartson (for Timex Group, Ltd) | | |
| Do | Hogan & Hartson (for Volume Shoe Corp) | | |
| Do | Manville Corporation | 250.00 | |
| Do | Rose Communications | | |
| Do | Toyota Motor Sales, USA, Inc | 1,000.00 | |
| Do | Williams Technologies, Inc | | |
| Do | Worldwide Information Resources, Inc | | |
| Stephanie Kennan, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | | |
| Joseph W. Kennebeck, 490 L'enfant Plaza, SW, #3210 Washington, DC 20024 | Volkswagen of America, Inc | 250.00 | 20.00 |
| Art Kennedy, Box 200576 Anchorage, AK 99520 | Alaska Resource Analysts, Inc | | |
| Do | Koniag, Inc | | |
| Michael E. Kennedy, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Robert P. Kennel, 12500 Fair Lakes Circle, #260 Fairfax, VA 22033 | National Wood Energy Assn, Inc | | |
| Do | Ultrasystems, Inc | | |
| Jeremiah J. Kenney Jr., 12th Fl. 1100 15th St., NW Washington, DC 20005 | Union Carbide Corp | | |
| Brendan Kenny, 1625 Massachusetts Avenue, NW Washington, DC 20036 | Air Line Pilots Assn | 5,050.00 | 517.33 |
| J. H. Kent, Kent & O'Connor 1211 Connecticut Avenue, NW Washington, DC 20036 | American Soc of Plastic & Reconstructive Surgery | | |
| Do | American Supply Association | 7,665.02 | 2,789.47 |
| Do | American Warehousemen's Association | | |
| Do | Gould, Inc | | |
| Do | Intermedics, Inc | | |
| Do | International Assn of Airport Duty Free Stores | 3,457.50 | 1,252.42 |
| Do | National Customs Brokers & Forwarders Assn of America | 7,030.00 | 2,542.72 |
| Do | Transportation Lawyers Assn | | |
| Elizabeth Kepley, 122 C St., NW, #800 Washington, DC 20001 | Concerned Women for America | | |
| Vytautas Kerbelis, P.O. Box 44 Sea Harbor, ME 04675 | ARAS | | |
| Michael L. Kerley, 1922 F Street, NW Washington, DC 20006 | National Assn of Life Underwriters | 5,312.00 | 196.00 |
| Michael J. Kerrigan, 1925 K Street, NW, #504 Washington, DC 20006 | Smokeless Tobacco Council, Inc | | |
| Victoria M. Kessler, 1731 Connecticut Avenue, NW Washington, DC 20009 | Albers & Co (For May Department Stores Co) | 31,657.00 | 38.60 |
| Robert M. Ketchel, 1331 Pennsylvania Ave., NW, #895 Washington, DC 20004 | General Electric Co | | |
| Dorothy A. Keville, 2215 Constitution Ave, NW Washington, DC 20037 | American Pharmaceutical Assn | 1,000.00 | 6,092.00 |
| Do | Mothers Without Custody, Inc | | |
| Gilbert W. Keyes, P.O. Box 3999 (mail Stop 8c-68) Seattle, WA 98124 | Boeing Aerospace Co | 868.04 | 431.75 |
| G. Chandler Keys III, 1301 Pennsylvania Avenue, NW, #300 Washington, DC 20004 | National Cattlemen's Assn | 1,000.00 | |
| Kiawah Island Co, Ltd, P.O. Box 12910 Charleston, SC 29412-0910 | | | |
| Richard F. Kibben, 200 Park Ave., #2222 New York, NY 10166 | Business Roundtable | | |
| Brian D. Kidney, 444 N. Capitol Street, NW, #718 Washington, DC 20001 | Pacific Telesis Group | 15,450.00 | |
| William S. Kies, 1750 K St., NW Washington, DC 20006 | Food Marketing Institute | 200.00 | |
| Ingolf N. Kiland Jr., 1660 L Street, NW Washington, DC 20036 | General Motors Corp | 3,000.00 | 3,922.84 |
| Brian M. Kilbury, 815 16th St., NW, #511 Washington, DC 20006 | Brotherhood of Railway Airline & Steamship Clerks | 2,200.00 | 2,200.00 |
| Thomas J. Kilcline, 201 North Washington Street Alexandria, VA 22314 | Retired Officers Assn | 875.00 | |
| Gregory Kilgore, 1101 16th Street, NW Washington, DC 20036 | Scientific Apparatus Makers Assn | 1,100.00 | 247.05 |
| John J. Killeen, 1090 Vermont Ave., NW, #1100 Washington, DC 20005 | Textron, Inc | 600.00 | 150.00 |
| Mary K. Killorin, 1101 15th Street, NW Washington, DC 20005 | Minnesota Mining & Manufacturing Co | 1,500.00 | |
| Kilpatrick & Cody, 2501 M St., NW, #500 Washington, DC 20037 | Chemical Fuels Corp | 3,250.00 | 62.07 |
| Do | City of Atlanta | | |
| Do | Clean Water Action Project | 550.00 | |
| Do | Furniture Rental Assn of America | | |
| Do | Kootznoowoo, Inc | 1,000.00 | |
| Do | PepsiCo, Inc | 9,844.00 | 52.45 |
| Do | Sierra Club Legal Defense Fund | 1,300.00 | |
| Eon Sang Kim, 1030 15th Street, NW, #776 Washington, DC 20005 | Korean Foreign Trade Assn | 1,200.00 | 770.00 |
| Hee Jin Kim, 1030 15th Street, NW, #776 Washington, DC 20005 | Korean Foreign Trade Assn | 900.00 | 830.00 |
| Richard H. Kimberly, 1201 Pennsylvania Avenue, NW, #730 Washington, DC 20004 | Kimberly-Clark Corp | 4,956.25 | 252.50 |
| Kimberly-Clark Corp, 401 North Lake Street Neenah, WI 54956 | | | 6,008.75 |
| James L. Kimble, 1025 Connecticut Ave, NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Thomas N. Kindness, 1001 Prince Street Alexandria, VA 22314 | Recording Industry Assn of America, Inc | 6,450.00 | |
| Ann Ottoson King, 1620 Eye Street, NW, #800 Washington, DC 20006 | Taft Stettinius & Hollister (For Recordings Import Trade Committee) | | |
| Edward H. King, 200 Wilmot Rd. Deerfield, IL 60015 | Walgreen Co | | |
| Lewis D. King, P.O. Box 10045 Austin, TX 78766 | National Guard Assn of Texas | 7,000.00 | 150.00 |
| W. Russell King, 50 F St., NW, #1050 Washington, DC 20001 | Freeport McMoran, Inc | 500.00 | 139.81 |
| King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006 | Camberent Financial Group | | 269.90 |
| Do | National Assn of Bond Lawyers | | 267.49 |
| Do | National Pharmaceutical Alliance | 12,995.00 | 321.62 |
| Do | Woodruff Foundation | 2,340.00 | |
| Ruby King-Williams, 1201 16th Street, NW Washington, DC 20036 | National Education Assn | | |
| Kathleen N. Kingscott, 1801 K Street, NW, #1200 Washington, DC 20006 | IBM Corp | 5,275.00 | 1,879.17 |
| Daniel T. Kingsley, 1655 N. Ft. Myer Dr., #700 Arlington, VA 22209 | National Venture Capital Association | 51,000.00 | 2,827.58 |
| Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852 | American Speech-Language-Hearing Assn | | |
| Janie A. Kinney, 1050 17th Street, NW, #650 Washington, DC 20036 | Merck & Co, Inc | 575.00 | 175.00 |
| Do | Walt Disney Productions | | |
| Marcia Y. Kinter, 1600 Wilson Boulevard, #1000 Arlington, VA 22209 | American Waterways Operators, Inc | | |
| Cecilia Anne Kirby, 1819 L Street, NW, #500 Washington, DC 20036 | American Hotel & Motel Assn | 1,524.41 | |
| Kirby Gillick Schwartz & Tuohey, P.C., 1220 L Street, NW, #310 Washington, DC 20005 | America West Airlines, Inc | | |
| Do | Lake Ontario Cement, Ltd | | |
| Do | National Vehicle Leasing Assn | | |
| Alan G. Kirk II, 1900 Pennsylvania Ave, NW Washington, DC 20068 | Potomac Electric Power Co | | |
| John R. Kirk, Bingham, Dana & Gould 100 Federal St. Boston, MA 02110 | First National Bank of Boston | | |
| Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby-9th Fl Washington, DC 20036 | American Council of Life Insurance, Inc | | |
| Do | Investors Fiduciary Trust Co | 5,869.50 | |
| Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006 | Council of European & Japanese National Shipowners' Assn | | 529.03 |
| Robert A. Kirshner, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | 500.00 | |
| Mary Brice Kirtley, 888 17th Street, NW, #300 Washington, DC 20006 | ConAgra, Inc | 200.00 | |
| Dean Kleckner, 225 Touhy Avenue Park Ridge, IL 60068 | American Farm Bureau Federation | 3,125.00 | |
| James A. Klein, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 1,750.00 | 63.57 |
| Jerry D. Klepner, 1020 19th St., NW Washington, DC 20036 | Anderson Benjamin Read & Haney (For:Blue Cross & Blue Shield of Florida) | | |
| Do | Anderson Benjamin Read & Haney (For:Boston Company) | | |
| Kline Knopf & Wojdak, Inc. 355 N. 21st Street, #303 Camp Hill, PA 17011 | General Public Utilities Corp | | |
| Jill Klowden, 2807 Connecticut Ave., NW, #102 Washington, DC 20008 | Rainbow Lobby | 2,075.00 | |
| David M. Klucsik, 1415 Wyckoff Road Wall, NJ 07719 | New Jersey Natural Gas Co | | 238.75 |
| John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036 | American Mining Congress | 108.00 | |
| Gary D. Knight, 1111 19th Street, NW Washington, DC 20036 | Edison Electric Institute | 130.50 | 8.00 |
| Knights of Columbus, Columbus Plaza New Haven, CT 06507 | | | |
| Keith R. Knoblock, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| Albert B. Knoll, 555 13th Street, NW, #1010 East Washington, DC 20004-1109 | Sun Co, Inc | 1,750.00 | 1,042.10 |
| C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906 | | 5,000.00 | 650.00 |
| Ruth E. Kobell, 600 Maryland Ave., SW, #202 Washington, DC 20024 | Farmers' Educational & Co-Operative Union of America | 3,526.36 | 209.01 |
| Thomas G. Kobus, 1112 16th St., NW, #2000 Washington, DC 20036 | National Parking Association | 33,228.51 | |
| Bradley R. Koch, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 138.50 | |
| George W. Koch, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007 | Grocery Manufacturers of America, Inc | 62.00 | |
| Kogovsek & Associates, Inc, 3600 S. Yosemite, #830 Denver, CO 80237 | Animas-La Plata Water Conservancy District, Durango County | 3,375.00 | 2,270.54 |
| Do | City of Pueblo, Pueblo County | 4,500.00 | 1,703.00 |
| Do | Colorado State University | 3,750.00 | 1,482.71 |
| Do | Colorado-Ute Electric Assn | 4,000.00 | 2,604.00 |
| Do | Public Employees Retirement Assn of Colorado | 5,325.00 | 1,045.00 |
| Do | Southern Ute Indian Tribe | 7,500.00 | 4,076.92 |
| Do | Southwestern Water Conservation District, Durango County | 6,124.99 | 2,636.50 |
| Do | St. Mary Corwin Hospital, Pueblo County | | |
| Do | Upper Yampa Water Conservation District | | 1,048.00 |
| Do | Ute Mountain Ute Indian Tribe | 10,000.00 | |
| Gary J. Kohn, 1600 M Street, NW Washington, DC 20036 | Investment Company Institute | 1,350.00 | 402.37 |
| Michael S. Koleda, 1225 Eye St., NW, #320 Washington, DC 20005 | Council on Alternate Fuels | | |
| Diane J. Koller, 1899 L Street, NW, #403 Washington, DC 20036 | Outdoor Advertising Assn of America, Inc | 338.00 | 158.00 |
| Timothy S. Kolly, P.O. Box 9033 Charlottesville, VA 22906 | Worrell Enterprises, Inc | | |
| Nicholas Kominus, 1001 Connecticut Ave., NW Washington, DC 20036 | U.S. Cane Sugar Refiners' Assn | 806.25 | 56.55 |
| Eugene P. Kopp, Suite 600 South 1120 20th Street, NW Washington, DC 20036 | Union Pacific Corp | 1,250.00 | |
| Steven Kopperud, 1701 N. Ft. Myer Drive Arlington, VA 22209 | American Feed Industry Assn | 3,240.00 | |
| Horace R. Kornegay, 1875 I St., NW, #800 Washington, DC 20006 | Tobacco Institute | | |
| Kerrill K. Kornegay, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036 | Enserch Corporation | 1,937.00 | 1,849.16 |
| Paul A. Korody Jr., 888 17th Street, NW, #300 Washington, DC 20006 | ConAgra, Inc | 920.00 | |
| Ronald W. Kosh, 8111 Gatehouse Road Falls Church, VA 22047 | AAA Potomac | | |
| Marilyn S. Koss, 600 New Hampshire Ave., NW Washington, DC 20037 | New York Life Insurance Company | 100.00 | 50.00 |
| Gerald J. Kovach, 1133 19th Street, NW Washington, DC 20036 | MCI Communications Corp | 2,000.00 | 44,863.90 |
| Kenneth S. Kovack, 815 16th St., NW, #706 Washington, DC 20006 | United Steelworkers of America | 10,921.59 | |
| Wylie S. Kraja, 1608 K St., NW Washington, DC 20005 | American Legion | 3,750.00 | 600.79 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Joseph H. Kramer III, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Budd Company) | | |
| Do | Hill & Knowlton, Inc (For:HTB Corporation) | | |
| Kenneth B. Kramer, 111 South Tejon, #700 Colorado Springs, CO 80903 | Aries Properties Inc | | |
| Stephen W. Kraus, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | 1,000.00 | |
| Raymond R. Krause, 3771 Pillsbury Center Minneapolis, MN 55402 | Pillsbury Company | 1,500.00 | 310.00 |
| Earl R. Kreher, 1620 Eye Street, NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | | |
| Katherine Krell, 901 31st St, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Monsanto Co) | | |
| Hugh A. Krentz, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Canadian Institute of Steel Construction | | |
| Krivit & Krivit, P.C., 50 E Street, SE Washington, DC 20003 | | 1,200.00 | |
| Kroger Company, 1014 Vine St. Cincinnati, OH 45201 | | | 3,668.00 |
| Krooth & Altman, 2101 L Street, NW, #210 Washington, DC 20037 | Healthcare Financing Study Group | 7,500.00 | |
| Robin L. Kropf, 1319 F St., NW, #1000 Washington, DC 20004 | National Assn of Private Psychiatric Hospitals | | |
| Paul R. Kruse, 1155 15th St., NW Washington, DC 20005 | Pennzoil Co | 625.00 | |
| James S. Krzyminski, 50 F Street, NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | 850.00 | |
| Thomas A. Kube, 8111 Gatehouse Road Falls Church, VA 22047 | American Automobile Assn | | |
| M. J. Kuehne, P.O. Box 11346 Tacoma, WA 98411 | Northwest Independent Forest Manufacturers | 5,000.00 | 2,286.00 |
| Yong T. Kuem, 2112 S. Buchanan St. Arlington, VA 22206 | K.S. Line West America | | |
| Philip Kugler, 555 New Jersey Ave., NW Washington, DC 20001 | American Fed of Teachers | | |
| Sara E. Kuhn, 1735 New York Avenue, NW Washington, DC 20006 | American Institute of Architects | 2,000.00 | |
| Thomas R. Kuhn, 1111 19th Street, NW Washington, DC 20036 | Edison Electric Institute | 7,698.80 | 881.32 |
| Rebecca L. Kupper, 655 15th Street, NW 300 Metropolitan Square Washington, DC 20005 | American Medical International | 138.00 | 101.50 |
| Kurrus & Kirchner, P.C., 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007 | Marine Transport Lines, Inc | 7,461.25 | 221.40 |
| Valerie W. Kurylo, 1601 Duke Street Alexandria, VA 22314 | Society of American Florists | | |
| Ester Kurz, 500 North Capitol St., NW, #300 Washington, DC 20001 | American Israel Public Affairs Comm | 16,249.98 | 545.81 |
| Kutak Rock & Campbell, 1101 Connecticut Aven., NW, #1000 Washington, DC 20036 | Citicorp Investment Bank | | 278.77 |
| Do | Fidelity Management Research Co | 3,462.51 | 1,577.35 |
| Do | Financial Security Assurance Co | | 2,112.79 |
| Do | Municipal Bond Insurance Assn | 1,333.25 | 579.38 |
| Kuykendall Company, 517 3rd Street, SE Washington, DC 20003 | Alpha Environmental, Inc | | |
| Do | Alpha 21 Corporation | | |
| Do | Guardsmark, Inc | 5,000.00 | |
| Do | Gulf & Caribbean Foundation | | |
| Do | R. F. Shoup Corp | | |
| Do | SENTINAL | 3,228.00 | |
| John R. Kyte, 201 Massachusetts Ave., NE Washington, DC 20002 | BMc Strategies, Inc | 380.00 | 80.76 |
| James La Sala, 5025 Wisconsin Avenue, NW Washington, DC 20016 | Amalgamated Transit Union, AFL-CIO | | |
| Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005 | | | |
| Laborers' Intl Union of North America, AFL-CIO, 905 16th St., NW Washington, DC 20006 | | | 29,120.78 |
| Joseph L. Lach, 1625 K Street, NW, #750 Washington, DC 20006 | Manville Corp | 500.00 | |
| Marc E. Lackritz, 1000 Vermont Ave., NW, #800 Washington, DC 20005 | Public Securities Assn | 12,500.00 | 1,516.95 |
| John D. Lacopo, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004 | EDS Corporation | | |
| Bruce C. Ladd Jr., 1776 K Street, NW Washington, DC 20006 | Motorola, Inc | 16,500.00 | 89.00 |
| Robert A. Ladig, Scott Plaza Philadelphia, PA 19113 | Scott Paper Co | 1,450.00 | 534.37 |
| David F. Lambert III, 1401 New York Ave., NW, #720 Washington, DC 20005 | National Assn of Insurance Brokers, Inc | | |
| David P. Lambert, 1800 K St., NW, #1100 Washington, DC 20006 | New York Stock Exchange, Inc | | |
| David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005 | American Seed Trade Assn | 6,000.00 | |
| Stephen K. Lambright, One Busch Place St. Louis, MO 63118 | Anheuser-Busch Companies, Inc | | |
| Virginia A. Lampley, 1818 N St., NW, #600 Washington, DC 20036 | DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements) | | |
| Do | DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation) | | |
| Ray H. Lancaster, 1331 Pennsylvania Ave., NW, #565 Washington, DC 20004 | Texas Gas Transmission Corp | 3,000.00 | 189.62 |
| L. Charles Landgraf, 1333 New Hampshire Avenue, NW Washington, DC 20036 | Leboeuf Lamb Leiby & Macrae | | |
| Thomas M. Landin, P.O.Box 7029 One Franklin Plaza Philadelphia, PA 19101 | SmithKline Beckman Corp | | |
| Landis Cohen Rauh & Zelenko, 1019 19th St., NW, #500 Washington, DC 20036 | American Soc of Composers Authors & Publishers | 3,000.00 | |
| Do | NFL Players Association | 3,000.00 | |
| David W. Landsidle, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036 | Abbott Laboratories | 4,000.00 | |
| Bruce Alan Landy, 2601 Virginia Ave., NW Washington, DC 20037 | B.A.L. Co | | |
| Do | Cryogenic Vacuum Technology Co | | |
| Do | | | |
| Albert E. Lane, P.O. Box 37152 Cincinnati, OH 45222 | Media-Independence-Competition-Medcom-Mic | | |
| Do | People Opposed to Energy Lobby - Potel | | |
| Scott H. Lane, 412 First Street, SE Washington, DC 20003 | National Automobile Dealers Assn | 3,000.00 | |
| William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460 | Caterpillar, Inc | 1,125.00 | 2,087.91 |
| Lane & Edson, P.C., 2300 M Street, NW Washington, DC 20036 | City of Baltimore | 7,800.00 | |
| Do | Council for Rural Housing and Development | 4,000.00 | |
| Do | National Glass Association | 7,833.45 | |
| Lane Powell Moss & Miller, 3800 Ranier Bank Tower Seattle, WA 98101-2647 | Afognak Joint Venture | | 22,812.06 |
| Adrienne C. Lang, 1111 14th Street, NW, #501 Washington, DC 20005 | American Soc of Anesthesiologists | 3,000.00 | |
| Richard Langan, 1801 K Street, NW Washington, DC 20006 | Price Waterhouse (For:Tom's Foods) | | |
| Robin W. Lanier, 1000 Connecticut Ave., NW Washington, DC 20036 | National Retail Merchants Assn | 4,000.00 | 107.02 |
| Wayne R. Lapierre Jr., 1600 Rhode Island Ave., NW Washington, DC 20036 | National Rifle Assn of America | 2,062.50 | |
| Clifford Laplante, 1331 Pennsylvania Avenue, NW Washington, DC 20004 | General Electric Co | 1,600.00 | |
| Lillie Hoover Largent, P.O. Box 1085 Martinsburg, WV 25401 | National Peach Council | | |
| J. Stephen Larkin, 9225 Katy Freeway, #310 Houston, TX 77024 | Petroleum Equipment Suppliers Assn | 1,430.00 | 645.70 |
| William L. Larsen, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Mary Ellen Larson, 1420 King Street Alexandria, VA 22314 | National Soc of Professional Engineers | 1,250.00 | |
| Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160 | National Right to Work Committee | | |
| Lash Group, 555 13th St., NW Washington, DC 20004 | American Psychological Assn | | 5.00 |
| Do | Caremark/Home Health Care of America | | 22.00 |
| Do | University of Pennsylvania | | |
| Warren Lasko, 1125 15th Street, NW Washington, DC 20005 | Mortgage Bankers Assn of America | | |
| Theodore A. Lattanzio, 1600 Rhode Island Ave., NW Washington, DC 20036 | National Rifle Assn of America | 1,206.25 | |
| Laughter Power Group, c/o Communications Consultants P.O. Box 23378 Washington, DC 20026-3378 | | | |
| Dennis Lavallee, 180 S. Washington St., P.O. Box 6808 Falls Church, VA 22046 | National Assn of Plumbing-Heating-Cooling Contractors | 500.00 | 159.45 |
| Joan H. Lavor, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Lloyd R. Lawrence Jr., Bob Lawrence & Associates 803 Prince Street Alexandria, VA 22314 | Valmont Industries, Inc | 10,500.00 | 1,250.00 |
| Ursula Lawrence, 167 Maple Avenue Sea Cliff, NY 11579 | America's Conscience | | 8.10 |
| Elizabeth Lawson, 1730 M Street, NW Washington, DC 20036 | League of Women Voters of the U.S. | 4,057.45 | 32.10 |
| Janie L. Lawson, 1025 Connecticut Avenue, NW, #200 Washington, DC 20036 | Shell Oil Co | 500.00 | |
| Laxalt Corporation, 1455 Pennsylvania Ave., NW, #985 Washington, DC 20002 | W. R. Grace & Co | | |
| Do | Peter Kiewit Sons', Inc | | |
| Do | Mesa Petroleum Co | 1,800.00 | |
| Do | Motion Picture Assn of America, Inc | 2,000.00 | |
| Do | Purolator Courier | | |
| Do | R. T. Vanderbilt Co, Inc | | |
| Sandra L. LaFevre, 2500 Riva Road, SE Annapolis, MD 21401 | Nationwide Insurance Co | | |
| League of Rural Voters Education Project, Inc, 3255 Hennepin Avenue South, #225 Minneapolis, MN 55408 | | 58,000.00 | 3,850.00 |
| League of Rural Voters, Inc, 3255 Hennepin Avenue South, #225 Minneapolis, MN 55408 | | 2,474.80 | 7,425.79 |
| League of Women Voters of the U.S., 1730 M St., NW Washington, DC 20036 | | 52,297.78 | 52,297.78 |
| League to Save Lake Tahoe, 2197 Lake Tahoe Blvd. P.O. Box 10110 South Lake Tahoe, CA 95731 | | | 1,517.00 |
| Thomas B. Leary, Hogan & Hartson 555 13th St., NW Washington, DC 20004-1109 | Business Roundtable | 24,438.63 | |
| Richard J. Lease, 2145 Boise Drive Las Cruces, NM 88001 | | | |
| Leboeuf Lamb Leiby & Macrae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036 | General Conf of the 7th Day Adventists Church Risk Mgt Svcs | | 193.00 |
| Do | Underwriters at Lloyd's London | | |
| Carlton Lee, 1012 14th St., NW, 6th Fl. Washington, DC 20013 | Human Rights Campaign Fund | 4,759.62 | 115.75 |
| Thomas J. Lee Jr., P.O. Box 2628 Houston, TX 77252 | Entex, Inc | | |
| Young K. Lee, 2112 S. Buchanan Street Arlington, VA 22206 | Washington Lobby Group, Inc (For:Preston Corp) | 1,500.00 | |
| L. Courtland Lee, Inc, 3814 West Street Landover, MD 20785 | Minerals Exploration Coalition, Inc | 200.00 | 35.00 |
| Peter A. Lefkin, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036 | American Insurance Assn | 265.00 | 80.00 |
| C. Hoke Leggett, 1875 I St., NW, #800 Washington, DC 20006 | Tobacco Institute | | |
| C. Richard Lehmann, 15327 NW 60th Ave., #240 Miami Lakes, FL 33014 | Richard Lehmann & Associates, Inc (For:National WPPSS 4&5 Bond Holders) | | |
| Leslie A. Lehmann, 111 SW Columbia, #800 Portland, OR 97201 | Nerco, Inc | 6,765.00 | |
| Mary Nell Lehnhard, 1709 New York Ave., NW Washington, DC 20006 | Blue Cross & Blue Shield Assn | 480.76 | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Lehrfeld & Henzke, P.C., 1301 Pennsylvania Ave., NW, #1110 Washington, DC 20004 | Knights of Columbus | | |
| Leighton & Regnery, 1667 K Street, NW Washington, DC 20006 | American Dairy Products Institute | | |
| Do | ALPO Petfoods, Inc | | |
| Do | Clorox Co | | |
| Do | Correctional Services Providers Institute | | |
| Do | Express Foods Co, Inc | | |
| Do | General Instrument Corp | | |
| Do | GTE Products Corp | | |
| Do | Johnson & Johnson | | |
| Do | Leprino Foods, Inc | | |
| Do | Merrick's, Inc | | |
| Do | Visiting Nurse Assn of America | | |
| Terry L. Leitzell, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005 | American Shrimpboat Association | | |
| Do | Marine Construction & Design Co | | |
| Do | Northern Eagle Partners, L. P. | | |
| Do | Port of Seattle | | |
| Joseph L. Leitzinger, 900 4th Ave. Seattle, WA 98164 | Simpson Investment Co | 480.00 | 232.00 |
| Robert A. Lembo, 1050 31st Street, NW Washington, DC 20007 | Association of Trial Lawyers of America | 2,000.00 | 100.00 |
| Laverne Still Lemen, 1030 15th St., NW, #700 Washington, DC 20005 | National Cotton Council of America | 1,155.00 | 42.31 |
| Donna Lenhoff, 2000 P St., NW, #400 Washington, DC 20036 | Women's Legal Defense Fund | 997.43 | 289.66 |
| Betty Jane Leonard, P.O. Box 19109 Greensboro, NC 27419 | Unifi, Inc | | |
| Burleigh C. W. Leonard, 2550 M Street, NW, #770 Washington, DC 20037 | RJR Nabisco, Inc | 600.00 | 594.17 |
| Earl T. Leonard Jr., P.O. Drawer 1734 Atlanta, GA 30301 | Coca-Cola Company | 1,716.00 | 3,404.00 |
| Lloyd Leonard, 1730 M St., NW Washington, DC 20036 | League of Women Voters of the U.S. | 5,681.48 | 128.24 |
| Charles Leppert Jr., 801 18th Street, NW, #400 Washington, DC 20006 | Procter & Gamble Manufacturing Co | 80.04 | |
| Richard L. Lesher, 1615 H St., NW Washington, DC 20062 | Chamber of Commerce of the U.S. | | |
| William Gene Lesher, 517 C Street, NE Washington, DC 20002 | Lesher and Associates, Inc | | |
| Lesher and Associates, Inc, 517 C Street, NE Washington, DC 20002 | Agricultural Policy Working Group | 5,000.00 | 16,390.20 |
| Do | | | |
| Daniel Lesmez, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| William J. Lessard Jr., 1300 19th Street, NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security & Medicare | 3,312.00 | |
| Dale Lestina, 1201 16th St., NW Washington, DC 20036 | National Education Assn | 3,291.30 | 171.50 |
| Leva Hawes Mason & Martin, 1220 19th St., NW, #700 Washington, DC 20036 | Finnigan Corporation | | |
| Do | Scientific Apparatus Makers Assn | | |
| Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809 | Aeronautical Radio, Inc | 2,520.00 | 30.00 |
| Do | Pan American Satellite Corp | | |
| Morris J. Levin, 1050 17th St., NW Washington, DC 20036 | Association of American Railroads | 2,500.00 | |
| Do | Independent JOA Publishers Assn | | |
| Barbara W. Levine, 1015 15th Street, NW Washington, DC 20005 | American Public Health Assn | 634.50 | |
| Bertram J. Levine, 1667 K Street, NW, #410 Washington, DC 20006 | Johnson & Johnson | 1,000.00 | 225.00 |
| Harry Levine Jr., 1331 Pennsylvania Ave., NW Washington, DC 20004 | General Electric Co | | |
| Kenneth S. Levine, 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004 | Joseph E. Seagram & Sons, Inc | 977.50 | |
| Lawrence E. Levinson, 1875 Eye St., NW, #940 Washington, DC 20006 | Gulf & Western, Inc | 2,750.00 | 80.00 |
| Roger N. Levy, 1660 L St., NW, #1000 Washington, DC 20036 | Travelers Companies | 2,500.00 | |
| Jack W. Lewis, 5205 Leesburg Pike, #505 Falls Church, VA 22041 | National Beer Wholesalers Assn | 2,066.00 | 352.40 |
| Michael R. Lewis, 1133 15th St., NW, #640 Washington, DC 20005 | International Longshoremen's & Warehousemen's Union | 10,900.00 | 665.57 |
| Richard Lewis, 1025 Vermont Ave., NW Washington, DC 20005 | American Pulpwood Assn | | |
| Richard W. Lewis, 1700 K St., NW Washington, DC 20006 | Chevron USA, Inc | 750.00 | |
| William H. Lewis, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036 | U.S. Gypsum Co | 1,000.00 | 50.00 |
| John F. Leyden, 815 16th Street, NW, #308 Washington, DC 20006 | Public Employee Department, AFL-CIO | 4,876.44 | |
| Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099 | Westvaco Corp | | |
| Lynn H. LeMaster, 1111 19th Street, NW Washington, DC 20036 | Edison Electric Institute | 1,410.06 | 359.01 |
| James M. LeMunyon, 1612 K St., NW, #1100 Washington, DC 20006 | American Electronics Assn | 3,000.00 | |
| William J. Lhota, 215 N. Front Street Columbus, OH 43215 | Columbus and Southern Ohio Electric Co | | 267.23 |
| Judith Lichtman, 2000 P St., NW, #400 Washington, DC 20036 | Women's Legal Defense Fund | 2,862.75 | 1,148.78 |
| Richard A. Lidinsky Jr., 655 15th Street, NW, #300 Washington, DC 20005 | Sea Containers America, Inc | | |
| William C. Lienesch, 238 10th St., SE Washington, DC 20003 | National Parks & Conservation Association | 962.00 | 65.30 |
| Howard C. Liggett, 9916 Stone Meadow Rd Pensacola, FL 32514 | Escambia County Tax Collector | | |
| Ross W. Lillard, 920 Main Street Kansas City, MO 64105 | Stinson Mag & Fizzell (For:Farmland Industries, Inc) | | |
| William Lilley III, 1730 K Street, NW, #703 Washington, DC 20006 | American Business Conference | 3,125.00 | 59.00 |
| Diane Palmer Lilly, 1200 Peavey Building Minneapolis, MN 55479 | Norwest Corporation | | |
| Leanne Klyza Linck, 214 N. Henry St., #203 Madison, WI 53703 | Sierra Club | 373.75 | 277.22 |
| Lincoln Savings & Loan Assn, P.O. Box 19614 Irvine, CA 92714 | | | 30,723.24 |
| Stephen R. Lindauer, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Roger Lindberg, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Colonial Williamsburg) | 335.42 | |
| Do | Hill & Knowlton, Inc (For:MediVision) | 189.58 | |
| Do | Hill & Knowlton, Inc (For:Panhandle Eastern Corp) | | |
| Do | Hill & Knowlton, Inc (For:Seminole Tribe of Florida) | | |
| Do | Hill & Knowlton, Inc (For:Societe Generale thru SGS North America, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Tambrands) | | |
| George E. Lindow, 2 Gateway Center Pittsburg, PA 15222 | Peoples Natural Gas Co | 634.60 | 452.41 |
| Donald Lindsey, 400 First Street, NW, #819 Washington, DC 20001 | Brotherhood of Locomotive Engineers (OH) | 415.17 | 53.68 |
| Kathleen M. Linehan, 1875 Eye St., NW, #500 Washington, DC 20006 | Philip Morris, Inc | 1,250.00 | 230.00 |
| Linton Mields Reisler & Cottone, 477 H St., NW Washington, DC 20001 | Iowa Department of Transportation | 5,640.00 | 21.00 |
| Do | Madison Gas & Electric Co | 1,292.00 | |
| Do | Metropolitan Sanitary District of Greater Chicago | 7,521.00 | 38.00 |
| Do | Michigan Dept of Transportation | 4,563.00 | 30.00 |
| Do | Northern States Power Co | 2,694.00 | |
| Do | Oregon Department of Transportation | 3,750.00 | |
| Do | State of Colorado, Dept of Highways | 2,970.00 | |
| Do | State of IL, Dept of Transportation | 7,377.00 | 137.00 |
| Do | State of IL, Dept of Transportation, Div of Water Resources | 3,597.00 | |
| Do | Superior Water Light & Power Co | 350.00 | |
| Do | Wisconsin Electric Power Co | 5,477.00 | 179.00 |
| Do | Wisconsin Fuel and Light Co | 254.00 | |
| Do | Wisconsin Natural Gas Co | 965.00 | |
| Do | Wisconsin Power & Light Co | 2,960.00 | |
| Do | Wisconsin Public Service Corp | 3,812.00 | |
| Andrew D. Lipman, Pepper Hamilton & Scheetz 1777 F Street, NW Washington, DC 20006 | MCI Telecommunications Corp | | |
| Do | Norlight, Inc | | |
| Lisboa Associates, Inc, 1317 F St., NW, #400 Washington, DC 20004 | University of the Virgin Islands | 2,062.50 | |
| John M. Lison, 200 West Adams, #2015 Chicago, IL 60606 | Atcor, Inc | | |
| Barbara A. Little, 1155 15th St., NW, #611 Washington, DC 20005 | Ethyl Corporation | 1,700.00 | |
| Charles B. Little, 600 Maryland Ave., SW, #603 Washington, DC 20024 | UBA, Inc | 1,000.00 | |
| Thomas W. Little, 1750 K Street, NW Washington, DC 20006 | Food Marketing Institute | 750.00 | |
| William F. Little, 815 Connecticut Ave., NW Washington, DC 20006 | Ford Motor Co | 487.00 | 612.95 |
| Roy Littlefield, 15900 Pinecroft Lane Bowie, MD 20716 | American Retreaders' Assn | 500.00 | |
| Do | Greater Washington/Maryland Service Station Assn | 500.00 | |
| E. Geoffrey Littlehale, 1100 15th Street, NW Washington, DC 20005 | Pharmaceutical Manufacturers Assn | 4,000.00 | 117.00 |
| E. F. Livaudais Jr., 1333 New Hampshire Ave., NW Washington, DC 20036 | Atlantic Richfield Co | | 300.00 |
| Robert W. Lively, 1800 Massachusetts Avenue, NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 115.00 | |
| Livestock Marketing Association, 301 E. Armour Blvd. Kansas City, MO 64111 | | | |
| Franci Livingston, 215 Pennsylvania Avenue, SE Washington, DC 20003 | Public Citizen's Congress Watch | 5,500.00 | |
| Lobel Novins Lamont & Flug, 1275 K St., NW, #770 Washington, DC 20005 | Generic Pharmaceutical Industry Assn | 2,413.07 | 260.07 |
| Paul Locigno, 25 Louisiana Avenue, NW Washington, DC 20001 | International Brotherhood of Teamsters | 21,533.73 | |
| Robert F. Lockhart Jr., 490 L'enfant Plaza East, SW Washington, DC 20024 | Tenneco, Inc | | |
| Karen Lockwood, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | | 92.98 |
| Stephen G. Lodge, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Law Ofcs of Sheldon London, 1725 DeSales St., NW, #401 Washington, DC 20036 | American Hardware Manufacturers Assn | | |
| William E. Long, One Nationwide Plaza Columbus, OH 43216 | Nationwide Insurance Co | 600.00 | |
| John H. Lonnquist, 1625 K Street, NW, #750 Washington, DC 20006 | Manville Corporation | 1,500.00 | |
| Susan J. Loomis, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | 5,000.00 | 500.00 |
| Loomis Owen Fellman & Howe, 2020 K St., NW, #800 Washington, DC 20006 | Association of Bituminous Contractors | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Classroom Publishers Assn | | |
| Do | First Co | | |
| Do | Industrial Diamond Assn | | |
| Do | Optical Manufacturers Assn | | |
| Do | Textile Rental Services Assn of America | | |
| Gerald D. Lore, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036 | Hoffmann-La Roche, Inc | | |
| Philip J. Loree, 50 Broadway New York, NY 10004 | Federation of American Controlled Shipping | 200.00 | |
| Robert E. Losch, P.C., 1716 New Hampshire Ave., NW Washington, DC 20009 | American Dredging Co, et al | 28,000.00 | 3.132.00 |
| Timothy Lovain, 3713 Gunston Road Alexandria, VA 22302 | Denny Miller Associates | 9,360.00 | |
| James F. Lovett, 1801 K St., NW Washington, DC 20006 | Westinghouse Electric Corp | 500.00 | 200.00 |
| Paula D. Lucak, 815 16th Street, NW, #308 Washington, DC 20006 | Public Employee Department, AFL-CIO | 9,275.11 | 108.50 |
| James D. Lucas, 25 South Charles Street Baltimore, MD 21201 | First Maryland Bancorp | | |
| Mrs. Freddie H. Lucas, 1660 L St., NW Washington, DC 20036 | General Motors Corp | 3,000.00 | 809.09 |
| William L. Lucas, 2021 K Street, NW, #300 Washington, DC 20006 | Primark Corporation | 500.00 | |
| Charles Emmet Lucey, 1200 New Hampshire Avenue, NW, #200 Washington, DC 20036 | Catholic Press Assn | | |
| Do | Manatt Phelps Rothenberg & Evans | | |
| Kathy K. Luhn, 5205 Leesburg Pike, #505 Falls Church, VA 22041 | National Beer Wholesalers Assn, Inc | 2,858.00 | 300.92 |
| Sylvester Lukis, 1155 15th St., NW, #510 Washington, DC 20005 | Cassidy & Associates, Inc | 3,000.00 | |
| Do | City of Miami | 3,750.00 | |
| Do | City of Miami Beach | 2,500.00 | |
| Do | Cybernectics & Systems, Inc | 6,000.00 | |
| Do | Dade County, Florida | 4,166.66 | |
| J.C. Luman & Associates, 1030 15th Street, NW, #720 Washington, DC 20005 | National Assn of Personnel Consultants | 4,000.00 | |
| Michael L. Lunceford, 8787 Stemmons Freeway Dallas, TX 75247 | Mary Kay Cosmetics, Inc | | |
| Milton F. Lunch, 1420 King St. Alexandria, VA 22314 | National Society of Professional Engineers | 1,000.00 | |
| Lund & O'Brien, 1625 Eye St., NW Washington, DC 20006 | Federation of American Controlled Shipping | 900.00 | 8.26 |
| Do | Pennsylvania Power & Light Co | 1,500.00 | 110.71 |
| Francis M. Lunnie Jr., 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20005 | National Assn of Manufacturers | | |
| Ann P. Lunson, Eastman Kodak Company 1919 Pennsylvania Ave., NW Washington, DC 20006 | Eastman Chemicals Division | 80.00 | 24.90 |
| David C. Luttrell, 1422 W. Peachtree St., NW, #612 Atlanta, GA 30309 | National Assn of Manufacturers | | |
| W. Fletcher Lutz, 727 South 23rd St., #100 Arlington, VA 22202 | Association of Government Accountants | | |
| Howard T. Lyman, 600 Maryland Ave., SW, #202W Washington, DC 20024 | Farmers' Educational & Co-Operative Union of America | 7,500.60 | 146.88 |
| Timothy P. Lynch, 1901 N. Fort Myer Dr., #204 Arlington, VA 22209 | Roadway Express, Inc | 425.00 | 200.00 |
| John E. Lynn, 1735 New York Avenue, NW Washington, DC 20006 | American Institute of Architects | 1,600.00 | |
| Margaret Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006 | Ciba-Geigy Corp | 2,875.00 | |
| William T. Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006 | Ciba-Geigy Corp | 5,495.00 | 5,604.00 |
| M.D.A./AIOA & Subs, Inc, 701 S. 22nd, #107 Omaha, NB 68102 | | | |
| James E. Mack, 9005 Congressional Court Potomac, MD 20854 | National Assn of Mirror Manufacturers | | |
| Do | Peanut Butter & Nut Processors Assn | | |
| James H. Mack, 7901 Westpark Dr. Mclean, VA 22102 | National Machine Tool Builders' Assn | 18,975.00 | 500.00 |
| Timothy MacCarthy, 1620 I Street, NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | 2,275.00 | |
| Jack A. MacDonald, 1901 N. Fort Meyer Drive, #302 Rosslyn, VA 22209 | Beverly Enterprises, Inc | 6,250.00 | 75.00 |
| Miriam A. MacDonald, 1615 L Street, NW, #1210 Washington, DC 20036 | Metropolitan Life Insurance Cos | 1,000.00 | |
| Malcolm MacKay, 51 Madison Avenue New York, NY 10010 | New York Life Insurance Company | | |
| Cliff Madison Government Relations, Inc, P.O. Box 7006 Northridge, CA 91327-7006 | American Assn of Airport Executives | 1,000.00 | |
| Do | Burbank-Glendale-Pasadena Airport Authority | 2,000.00 | |
| Do | City of Avalon | 750.00 | |
| Do | Federal Express | 3,500.00 | |
| Do | Mark Air, Inc | 4,000.00 | |
| Do | Quantas Airways, Ltd | 5,000.00 | |
| Do | Regency Outdoor Advertising | 2,000.00 | |
| Do | Southern California Rapid Transit District | 5,000.00 | |
| Do | Ventura Port District | 3,000.00 | |
| Susan Magaw, P.O. Box 3556 Washington, DC 20007 | American Meat Institute | 2,000.00 | |
| James N. Magill, 200 Maryland Avenue, NE Washington, DC 20002 | Veterans of Foreign Wars of the U.S. | 4,500.00 | 1,094.64 |
| A. John Maguire, 1030 15th Street, NW Washington, DC 20005 | National Cotton Council of America | 20,610.00 | 1,506.91 |
| W. Terry Maguire, Box 17407 Dulles International Airport Washington, DC 20041 | American Newspaper Publishers Assn | 1,125.00 | |
| David L. Mahan, 1818 N St., NW Washington, DC 20036 | DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation) | | |
| Do | Dga International, Inc (For:Sofreavia) | 1,197.00 | 217.00 |
| Terence P. Mahony, 1825 K Street, NW, #807 Washington, DC 20006 | National Broadcasting Co, Inc | 500.00 | 130.93 |
| Steven R. Maimon, P.O. Box 7579 Washington, DC 20044 | Ibus Group, Ltd | | |
| Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022 | | | |
| K. Wayne Malbon, 1250 I Street, NW, #400 Washington, DC 20005 | National Tire Dealers & Retreaders Assn | 422.00 | |
| Daniel C. Maldonado, 10000 Falls Rd., #300 Potomac, MD 20854 | American Soc of Anesthesiologists | 34,531.00 | 23,147.74 |
| Do | Los Angeles Alliance for Equitable Customs Staffing | 100.00 | |
| Do | National Hemophilia Foundation | 320.00 | |
| Do | Research Society on Alcoholism | 600.00 | 166.56 |
| Do | Samaritan Health Services | 1,560.00 | 47.72 |
| Andrew T. Malleck, 400 First Street, NW Washington, DC 20001 | Brotherhood of Maintenance of Way Employes | 14,922.46 | |
| Conrad L. Mallett Jr., 1800 First National Bldg Detroit, MI 48226 | Jaffe Snider Raitt & Heuer | | |
| David Mallino, 815 16th Street, NW Washington, DC 20006 | Industrial Union Department, AFL-CIO | 8,177.33 | 1,083.39 |
| J. Wilson Malloy Jr., 1919 Pennsylvania Ave., NW Washington, DC 20006 | Eastman Chemicals Division | 850.00 | 136.00 |
| Lawrence R. Malone, 1211 Avenue of The Americas New York, NY 10036 | Celanese Corp | | 279.50 |
| Robert H. Maloney, 490 L'enfant Plaza East, SW Washington, DC 20024 | Tenneco, Inc | | |
| William R. Maloni, 3900 Wisconsin Avenue, NW Washington, DC 20016 | Federal National Mortgage Assn | 28,750.00 | 480.31 |
| Man-Made Fiber Producers Assn, Inc, 1150 17th St., NW, #310 Washington, DC 20036 | | 7,767.00 | 15,784.66 |
| Management & Government Resources, 1305 Mt. Holly Road Burlington, NJ 08016 | Burlington Coat Factory | 34,457.80 | 14,999.58 |
| Manatt Phelps Rothenberg & Evans, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036 | American Institute of Real Estate Appraisers | 1,732.50 | |
| Do | American Petrofina, Inc | 3,732.50 | |
| Do | Bowling Proprietors' Assn of America | 315.00 | |
| Do | Chronar Corporation | | |
| Do | Coalition to Save the Polygraph | 2,720.00 | |
| Do | Commerce Union Bank | | |
| Do | Connecticut National Bank | | |
| Do | Fairfield Communities, Inc | 210.00 | |
| Do | First Pennsylvania Bank | | |
| Do | Flying Tiger Line, Inc | | |
| Do | Government of Cyprus | 1,100.00 | |
| Do | Government of Jamaica | | |
| Do | Jamaican Broadcasting Corp | | |
| Do | Money Store | | |
| Do | Northrop Corp | | |
| Do | Philip Morris, Inc | 1,310.00 | |
| Do | Rollins Environmental Services | | |
| Do | Rollins, Inc | | |
| Do | RLC Corporation | | |
| Do | Security First Group | | |
| Do | Donald T. Sterling & Associates | | |
| Do | Superior Training Services | 450.00 | |
| Do | Traweek Investment Co, Inc | | |
| Katherine T. Mance, 1616 H Street, NW Washington, DC 20006 | American Retail Federation | 200.00 | 45.00 |
| Susan Manes, 2030 M Street, NW Washington, DC 20036 | Common Cause | 12,337.50 | 208.80 |
| Frank Mankiewicz, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Bell Atlantic Management Systems) | 150.00 | |
| Do | Hill & Knowlton, Inc (For:Borg-Warner) | | |
| Do | Hill & Knowlton, Inc (For:Republic of Turkey) | | |
| Do | Hill & Knowlton, Inc (For:Stroh Brewery Co) | | |
| Do | Hill & Knowlton, Inc (For:Title Insurance Industry Coalition) | 150.00 | |
| Do | Hill & Knowlton, Inc (For:United Air Lines) | | |
| Do | Hill & Knowlton, Inc (For:Vietnam Veterans of America) | | |
| Donald W. Mann, 210 The Plaza Teaneck, NJ 07666 | Negative Population Growth, Inc | | |
| Manufactured Housing Institute, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202 | | | 6,700.00 |
| John V. Maraney, 324 East Capitol St., NE Washington, DC 20003 | National Star Route Mail Contractors Assn | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| R. A. Marble, 2550 M St., NW, #770 Washington, DC 20037 | RJR Nabisco, Inc | 1,978.02 | |
| March for Life, Inc, P.O. Box 90300 Washington, DC 20090 | | 3,431.41 | 7,773.69 |
| R. V. Mariani, 815 16th St., NW Washington, DC 20006 | Brotherhood of Railway Airline & Steamship Clerks | 3,600.00 | 3,600.00 |
| Maritime Institute for Research & Industrial Development, 1133 15th St., NW, #600 Washington, DC 20005 | | | 20,046.00 |
| Richard Mark, 1616 P St., NW, #320 Washington, DC 20036 | Professionals' Coalition for Nuclear Arms Control | 9,791.63 | 5,605.35 |
| Patricia Markey, 1155 15th St., NW, #400 Washington, DC 20005 | United Distribution Companies | 3,040.00 | 117.00 |
| Lawrence D. Markley, P.O. Box 196300 Anchorage, AK 99519 | Chugach Electric Assn, Inc | 3,752.64 | 5,438.19 |
| Marc L. Marks, 1801 K Street, NW Washington, DC 20006 | Westinghouse Electric Corp | | |
| Ronald Anthony Marks, 10 Waterside Plaza, #2b New York, NY 10010 | | | |
| Luther A. Markwart, 1156 15th St., NW, #1019 Washington, DC 20005 | American Sugarbeet Growers Assn | | |
| Ernest Robert Marlow, 1126 16th Street, NW, #410 Washington, DC 20036-1081 | International Chemical Workers Union | 5,000.00 | |
| Howard Marlowe, 1667 K St., NW, #660 Washington, DC 20006 | Coalition to Keep Alaska Oil | 4,725.00 | 274.25 |
| Chalmers H. Marques, 3430 Blair Rd. Falls Church, VA 22041 | National Assn of Public Television Stations | 600.00 | 150.00 |
| Lori A. Marsden, 1015 15th Street, NW, #802 Washington, DC 20005 | American Consulting Engineers Council | 200.00 | |
| C. Travis Marshall, 1776 K St., NW, #300 Washington, DC 20006 | Motorola, Inc | | 81.50 |
| Scott Marshall, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 342.60 | |
| Thomas A. Martens, P.O. Box 10110 SO. Lake Tahoe, CA 95731 | League to Save Lake Tahoe | 770.84 | |
| Danea Kehoe Martin, 1922 F Street, NW Washington, DC 20006 | National Assn of Life Underwriters | 560.00 | 65.00 |
| David F. Martin, 2020 14th Street, North Arlington, VA 22201 | American Standard Inc | 750.00 | |
| Dennis G. Martin, Dow Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037 | Dofasco, Inc | | |
| Donald N. Martin, Donald N. Martin & Company, Inc 630 Fifth Ave. New York, NY 10111 | | | |
| Fred J. Martin Jr., 1800 K Street, NW Washington, DC 20006 | Bank of America | 787.63 | 192.11 |
| J. Ross Martin, Kansas Petroleum Council 1414 Merchants Nat'l Bank Bldg. 8th & Jackson Topeka, KS 66612 | American Petroleum Institute | | |
| John M. Martin Jr., 1750 K Street, NW Washington, DC 20006 | Food Marketing Institute | 100.00 | |
| Katherine E. Martin, 50 F Street, NW Washington, DC 20001 | Association of American Railroads | 463.85 | 589.54 |
| Larry K. Martin, 2500 Wilson Blvd. #301 Arlington, VA 22201 | American Apparel Manufacturers Assn, Inc | 2,600.00 | 75.00 |
| Maureen A. Martin, 23 Wall Street New York, NY 10015 | Morgan Guaranty Trust Co | 275.00 | 227.60 |
| Robert L. Martin, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 2,500.00 | 86.16 |
| Stephen L. Martin, Hartford Plaza Hartford, CT 06115 | Hartford Fire Insurance Co | | |
| Judith Marty, 85 Ridge St. North Sydney, NSW 2060 Australia | | | |
| Merrill D. Marxman, 7708 Fullerton Road Springfield, VA 22153 | Marxman & Associates, Inc | | |
| Maryland People's Counsel, 231 E. Baltimore Street, 9th Fl. Baltimore, MD 21202 | | | 1,071.26 |
| Mike M. Masaoka, Suite 520, The Farragut Bldg. 900 17th St., NW Washington, DC 20006 | American Japanese Trade Comm | | |
| Do | Japan Telescopes Manufacturers Assn | 200.00 | |
| Do | Nisei Lobby | | |
| Do | Toyota Motor Sales, USA, Inc | 750.00 | |
| Do | West Mexico Vegetable Distributors Assn | 500.00 | |
| Mark A. Maslyn, 600 Maryland Avenue, SW Washington, DC 20024 | American Farm Bureau Federation | 5,938.00 | 262.71 |
| Michael J. Mason, 1220 L St., NW Washington, DC 20005 | American Petroleum Institute | 10,600.00 | 92.96 |
| W. A. Mason, P.O. Box 21106 Shreveport, LA 71156 | Southwestern Electric Power Co | 462.48 | 251.76 |
| Ned W. Massee, 299 Park Avenue New York, NY 10171 | Westvaco Corporation | | 978.88 |
| Donald F. Massey, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Commonwealth Financial Group) | 756.25 | |
| Do | Hill & Knowlton, Inc (For:Euromissile) | | |
| Do | Hill & Knowlton, Inc (For:Fleischmann's Yeast) | | |
| Do | Hill & Knowlton, Inc (For:Hitachi America Ltd) | 275.00 | |
| Do | Hill & Knowlton, Inc (For:Mutual of Omaha) | | |
| Do | Hill & Knowlton, Inc (For:Palm Oil Registration & Licensing Authority) | 137.50 | |
| Do | Hill & Knowlton, Inc (For:Republic of Turkey) | 4,812.50 | |
| Do | Hill & Knowlton, Inc (For:Seminole Tribe of Florida) | | |
| Do | Hill & Knowlton, Inc (For:Stroh Brewery Co) | | |
| Do | Hill & Knowlton, Inc (For:Tesoro Petroleum Corp) | | |
| Do | Hill & Knowlton, Inc (For:Title Insurance Industry Coalition) | 3,300.00 | |
| Do | Hill & Knowlton, Inc (For:United Airlines, Inc) | 45.80 | |
| Do | Hill & Knowlton, Inc (For:Waterman Steamship Corp) | | |
| James D. Massie, 50 F Street, NW, #1050 Washington, DC 20001 | Freeport McMoran, Inc | 300.00 | 102.00 |
| Masson Grimm & Burgum, Ltd, 106 North Carolina Ave., SE Washington, DC 20003 | JEFCO | 1,500.00 | |
| Do | Parsons Brinkerhoff Quad & Douglas, Inc | 1,875.00 | |
| Cheryl Matheis, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 568.08 | 254.90 |
| Julie Mathews, 2030 M Street, NW Washington, DC 20036 | Common Cause | 4,522.47 | |
| Richard D. Mathias, 1660 L St., NW, #901 Washington, DC 20036 | Pan American World Airways, Inc | | |
| Dawson Mathis, 499 South Capitol St., SW, #407 Washington, DC 20036 | Dawson Mathis & Associates (For:American Electronic Laboratories, Inc) | | |
| Do | Dawson Mathis & Associates (For:Crowley Maritime Corp) | | |
| Do | Long Lake Energy Corp | | |
| Do | Dawson Mathis & Associates (For:Massachusetts Mutual Life Insurance Co) | | |
| Do | Dawson Mathis & Associates (For:National Tooling & Machining Assn) | | |
| Mary Helen Mathis, 444 North Capitol St., #711 Washington, DC 20001 | Keefe Company (For:Carteret Savings & Loan) | 135.00 | |
| Do | Keefe Company (For:New York University) | 1,620.00 | |
| Do | Keefe Company (For:University of Medicine & Dentistry of New Jersey) | 270.00 | |
| Do | Keefe Co (For:University of Miami) | 99.00 | |
| Dawson Mathis & Associates, 499 South Capitol St., SW, #407 Washington, DC 20003 | American Electronic Laboratories, Inc | | |
| Do | Crowley Maritime Corp | | |
| Do | Massachusetts Mutual Life Insurance Co | | |
| Do | National Tooling & Machining Assn | | |
| Peter Mattheis, 1050 Connecticut Avenue, NW Washington, DC 20036 | Baker & Hostetler (For:Soap & Detergent Assn) | | |
| Charles D. Matthews, 1050 17th St., NW, #700 Washington, DC 20036 | National Ocean Industries Assn | 3,250.00 | |
| Robert A. Matthews, 700 North Fairfax St. Alexandria, VA 22314 | Railway Progress Institute | 1,125.00 | |
| Suzette Matthews, 2020 North 14th Street, #410 Arlington, VA 22201 | Air Traffic Control Assn, Inc | 4,603.72 | 18.60 |
| Joseph M. Mattingly, 1901 North Moore Street Arlington, VA 22209 | Gas Appliance Manufacturers Assn, Inc | | |
| Marshall L. Matz, Scott Harrison & Mcleod 2501 M Street, NW, 4th Fl. Washington, DC 20037 | American School Food Service Assn | 9,000.00 | 1,732.27 |
| Michael Mawby, 2030 M Street, NW Washington, DC 20036 | Common Cause | 10,762.50 | 303.00 |
| Jerry C. May, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Walter R. May, 7004 Park Terrace Drive Alexandria, VA 22307 | Yellow Freight System, Inc | 13,500.00 | 2,420.00 |
| Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006 | Attorneys' Liability Assurance Society Ltd | | |
| Do | Business Roundtable | | |
| Do | Comdisco, Inc | | |
| Do | FMC Corporation | 750.00 | |
| Do | Goldman Sachs & Co | | |
| Do | GATX Corporation | | |
| Do | Hewlett-Packard Co | | |
| Do | Household Commercial Financial Services, Inc | | |
| Do | Inland Steel Corp | | |
| Do | JMB Realty Corp | | |
| Do | Lasalle Partners, Inc | | |
| Do | Merrill Lynch Capital Markets | | |
| Do | Sears Roebuck & Co | | |
| Do | Shearson Lehman Brothers, Inc | | |
| Do | Voluntary Hospital Assn | | |
| Martin Mayfield, 8001 Braddock Road Springfield, VA 22160 | National Right to Work Committee | 600.00 | 284.64 |
| Wiley Mayne, P.O. Box 1557 Sioux City, IA 51102 | Monona County Land Assn | | 4,125.04 |
| Jeffrey G. Mays, 1505 Prince Street, Suite 300 Alexandria, VA 22314 | American Optometric Assn | | |
| Michael J. McAdams, 1015 18th Street, NW Washington, DC 20036 | Fertilizer Institute | 10,000.00 | 2,038.60 |
| H. Wesley McAden, 1155 15th St., NW, #504 Washington, DC 20005 | J. G. Boswell Co | 3,000.00 | |
| Do | New York Cotton Exchange | 2,000.00 | |
| Do | Supima Association of America | 2,000.00 | |
| Douglas E. McAllister, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| John H. McAllister, Dow Lohnes & Albertson 1255 Twenty Third St., NW Washington, DC 20037 | Dofasco, Inc | | |
| McAuliffe Kelly Furlong Aldrich & Siemens, 555 New Jersey Ave., NW, #880 Washington, DC 20001 | American Health Care Assn | 600.00 | |
| Do | ADAPSO | 200.00 | |
| Do | Human Rights Campaign Fund | 600.00 | |
| Do | Joseph E. Seagram & Sons, Inc | 800.00 | |
| Do | Southern California Rapid Transit District | 1,400.00 | |
| Do | State Street Development Co of Boston | | |
| Do | Stock Information Group | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Ann McBride, 2030 M St., NW Washington, DC 20036 | Common Cause | 15,276.30 | 152.00 |
| R. G. McBride, Mississippi Petroleum Council P.O. Box 42 Jackson, MS 39205 | American Petroleum Institute | 1,150.00 | 967.10 |
| Stephen C. McCaffrey, 1828 N. Meridian Street Indianapolis, IN 46202 | United Way of Central Indiana | | |
| Julie P. McCahill, 1101 16th Street, NW Washington, DC 20036 | National Soft Drink Assn | | |
| John D. McCallum, 1900 Pennsylvania Ave., NW Washington, DC 20068 | Potomac Electric Power Co | | |
| McCamish Ingram Martin & Brown, 650 MBank Tower 221 West 6th Street Austin, TX 78701 | Federal Land Bank Defense Fund | 1,516.66 | 952.95 |
| Do | SSC Commission of the West Texas Chamber of Commerce | | |
| Do | United Services Automobile Assn | 990.00 | 782.05 |
| Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005 | American Public Health Assn | 2,566.00 | |
| Robin W. McClung, 1667 K St., NW, #1210 Washington, DC 20006 | Rohm & Haas Co | 500.00 | 22.06 |
| Frederick D. McClure, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004 | Texas Air Corp | 2,500.00 | 2,098.00 |
| McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036 | Bell & Howell (for Columbia Pictures Video Services) | | 43.95 |
| Do | Coca-Cola Company | | 114.04 |
| Do | Gulf & Western Industries, Inc | | 139.98 |
| Do | Mobil Oil Corp | 2,979.38 | 91.90 |
| Do | National Assn of Small Business Investment Cos | | |
| Do | Ross Capital Corp | | |
| Do | TSO Financial Corp | | 58.82 |
| Mark L. McConaghy, 1801 K St., NW, #700 Washington, DC 20006 | Price Waterhouse (For:Toyota Motor Kentucky, Inc) | | |
| Robert S. McConnaughey, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | | |
| Hugh T. McCormick, 520 Madison Avenue New York, NY 10022 | LeBoeuf Lamb Leiby & MacRae (For:General Conf of the 7th Day Adventists Church Risk Mgt Svcs) | | 193.00 |
| Molly McCormick, 2301 Market Street, S 13-1 Philadelphia, PA 19101 | Philadelphia Electric Company | | |
| Dennis R. McCoy, 1747 Pennsylvania Ave., NW, #300 Washington, DC 20006 | United Gas Pipe Line Co | | |
| Meredith McCoy, 11101 Connecticut Ave., NW, #500 Washington, DC 20036 | Arkansas Assn of Securities Dealers | | |
| Do | Mid-South International Trade Assn | | |
| James K. McCracken, 111 Massachusetts Avenue, NW, #200 Washington, DC 20001 | | | |
| Cliff G. McCreedy, 8100 Oak Street Dunn Loring, VA 22027 | National Pest Control Assn | | |
| John McDavitt, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 2,600.00 | |
| Albert L. McDermott, 1819 L Street, NW, #600 Washington, DC 20036 | American Hotel & Motel Assn | 2,561.98 | |
| Mark T. McDermott, Joseph, Powell, Mcdermott & Reiner, P.c. 1300 19th Street, NW, #400 Washington, DC 20036 | Civil Pilots for Regulatory Reform | | |
| E. T. McDonald, 815 16th St., NW Washington, DC 20006 | Brotherhood of Railway Airline & Steamship Clerks | 3,200.00 | 3,200.00 |
| Jack McDonald, 1489 Chain Bridge Road, #200 McLean, VA 22101 | Jack McDonald Co (For:American Express Corp) | | |
| Do | Jack McDonald Co (For:Chase Manhattan Bank, N.A.) | | |
| Do | Jack McDonald Co (For:Dow Corning Corp) | | |
| Do | Jack McDonald Co (For:Hitachi Sales Corp of America) | | 30.00 |
| Do | Jack McDonald Co (For:Jacques Borel Enterprises, Inc) | | |
| Do | Jack McDonald Co (For:Royal Zenith Corp) | | |
| Do | Jack McDonald Co (For:Societe Generale de Surveillance, S.A.) | | |
| Michael D. McDonald, Maryland Petroleum Assn 60 West St. Annapolis, MD 21401 | American Petroleum Institute | 120.00 | |
| Jack McDonald Co, 1489 Chain Bridge Road, #200 McLean, VA 22101 | American Express Corp | | |
| Do | Chase Manhattan Bank, N.A. | | |
| Do | Dow Corning Corp | | |
| Do | Hitachi Sales Corp of America | | 30.00 |
| Do | Jacques Borel Enterprises, Inc | | |
| Do | Royal Zenith Corp | | |
| Do | Societe Generale de Surveillance, S.A. | | |
| Sandra McDonough, 920 SW 6th Ave., 1400 PSB Portland, OR 97204 | Pacific Power & Light Co | 1,320.00 | 199.50 |
| Marian E. McDowell, 1111 19th Street, NW Washington, DC 20036 | Edison Electric Institute | 2,228.28 | 489.60 |
| Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037 | Hauck & Associates (For:National Assn for Child Care Management) | | |
| Rick McElheny, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:International Brotherhood of Teamsters) | | |
| Christine W. McEntee, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | | 91.28 |
| Robert H. McFadden, 1620 Eye Street, NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | | |
| Ann McFarren, 729 8th St., SE, #200 Washington, DC 20003 | FARO AIDS Action Council, Inc | 3,403.75 | |
| Terry M. McGann, 1121 L Street, #100 Sacramento, CA 95814 | California Assn for Health Services at Home (CAHSAH) | | 380.44 |
| Do | Foundation Health Corp | | |
| Do | Maxicare | | |
| Donna Lee McGee, 1726 M St., NW, #401 Washington, DC 20036 | Burlington Industries, Inc | 1,000.00 | 1,967.50 |
| Gale W. McGee, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Republic of Turkey) | 225.00 | |
| P. Anne McGhee, 1750 K St., NW Washington, DC 20006 | Food Marketing Institute | 450.00 | |
| Robert M. McGlotten, 815 16th St., NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 18,969.00 | 1,663.41 |
| McGough & Associates, Inc, 65 East State Street, #1510 Columbus, OH 43215 | Timken Co | 12,000.00 | 29,390.24 |
| Phyllis M. McGovern, 1875 Eye Street, NW, #800 Washington, DC 20006 | Tobacco Institute | | |
| Jeanne H. McGowan, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Christopher C. McGrath, New York State Petroleum Council 156 William St. New York, NY 10038 | American Petroleum Institute | 298.85 | 255.50 |
| Jerome J. McGrath, 1660 L St., NW, #601 Washington, DC 20036 | Interstate Natural Gas Assn of America | 500.00 | |
| Richard L. McGraw, 950 L'enfant Plaza, SW Washington, DC 20024 | Communications Satellite Corp | | |
| McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005 | American Polygraph Assn | | |
| Do | Borg-Warner Corp | | |
| Do | City of West Lafayette | | |
| Do | Coin Depot Corp | | |
| Do | National Manufactured Housing Assn | | |
| Do | Pony Express Courier Corp | | |
| Do | Wells Fargo Armored Service Corp | | |
| Joseph M. McGuire, 1501 Wilson Blvd. Arlington, VA 22209 | Air Conditioning & Refrigeration Institute | | |
| Peter E. McGuire, 1219 28th Street, NW Washington, DC 20007 | Hotel Employees & Restaurant Employees Int'l Union | | |
| McGuire Woods Battle & Boothe, One James Center Richmond, VA 23219 | United Co | | |
| McHenry & Staffier, P.C., 1300 19th St., NW, #408 Washington, DC 20036 | Foothills Pipe Lines (Yukon) Ltd | 277.50 | |
| Do | Nova, An Alberta Corp | | |
| Do | Novacor Chemicals, Ltd | 370.00 | |
| Do | Pan-Alberta Gas Ltd | 277.50 | |
| James E. McInerney Jr., 122 C Street, NW, #740 Washington, DC 20001 | American League for Exports & Security Assistance, Inc | 3,500.00 | 186.11 |
| Clarence M. McIntosh Jr., 400 First St., NW Washington, DC 20001 | Railway Labor Executives' Assn | 2,382.02 | |
| Jan E. McKenzie, 1111 19th St., NW, #702 Washington, DC 20036 | Edison Electric Institute | 2,703.70 | 593.53 |
| Robert T. McKernan, 1250 Connecticut Ave., NW Washington, DC 20036 | American Paper Institute, Inc | 250.00 | |
| William Colm McKeveny, Chadbourne Park Law Firm 30 Rockefeller Plaza New York, NY 10112 | American Pulpwood Assn | | |
| C. A. 'Mack' McKinney, 225 North Washington Street Alexandria, VA 22314 | Non Commissioned Officers Assn of the USA | 10,025.00 | 652.29 |
| Steven G. McKinney, P.O. Box 306 Birmingham, AL 35201 | Balch & Bingham (For:Southern Company Services, Inc) | | |
| Thomas L. McKnew Jr., 1667 K St., NW, #600 Washington, DC 20006 | Santa Fe Southern Pacific Corp | 1,500.00 | |
| Francis X. McLaughlin, 1730 K St., NW, #1100 Washington, DC 20006 | National Treasury Employees Union | 8,413.25 | 1,114.82 |
| James D. McLaughlin, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 650.00 | |
| Edward T. McMahon, 218 D Street, SE Washington, DC 20003 | Coalition for Scenic Beauty | 587.00 | 24.00 |
| William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004 | General Electric Co | 530.00 | |
| C. W. McMillan, 2021 K Street, NW, #306 Washington, DC 20006 | McMillan & Farrell Associates, Inc | 300.00 | 187.90 |
| James D. McMillan, 1899 L St., NW, #1100 Washington, DC | Exxon Corporation | 1,100.00 | 455.57 |
| Sandra H. McMullan, 122 C St., NW, #750 Washington, DC 20001 | National Assn of Independent Colleges & Universities | 4,938.00 | 208.00 |
| McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005 | Alabama Construction Contractors, et al. | 2,660.00 | 406.45 |
| Do | Alabama Power Co | 3,015.45 | 333.96 |
| Do | Allied-Signal, Inc | 53.00 | 40.27 |
| Do | Amalgamated Clothing & Textile Workers Union | 900.00 | 29.55 |
| Do | American Financial Services Assn | | 44.99 |
| Do | ADDSCO Industries, Inc | 1,600.00 | 139.79 |
| Do | Bell South Corp | 9,993.70 | 475.54 |
| Do | Beneficial Management Corp of America | | |
| Do | Bristol-Myers Co | 290.00 | 148.19 |
| Do | Business Roundtable | 1,550.00 | 674.51 |
| Do | BF Goodrich Co | 12,606.00 | 579.79 |
| Do | Carolina Urocorp | | 39.33 |
| Dc | Citmoco Services, Inc | | 15.65 |
| Do | Commercial Law League of America | | |
| Do | CBS, Inc | | |
| Do | CF&I Steel Corp | 1,002.50 | |
| Do | Food Marketing Institute | 2,039.00 | 56.73 |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Georgia-Pacific Corp | | |
| Do | GTE Corporation | | 4.39 |
| Do | Hospital Corp of America | | 33.63 |
| Do | Intergraph Corporation | | |
| Do | Kraft, Inc | | |
| Do | Louisiana Pacific Corp | | |
| Do | Marriott Corp | | |
| Do | Mesa Ltd Partnership | 442.00 | 5.12 |
| Do | Metropolitan Insurance | | |
| Do | Michelin Tire Company | | 51.94 |
| Do | Milliken Mills | | 36.71 |
| Do | Monarch Group | | |
| Do | National Assn of Realtors | | |
| Do | National Football League | | |
| Do | National Industries | 1,308.60 | 97.90 |
| Do | New York State Bankers Assn | 4,000.00 | 70.65 |
| Do | Norfolk Southern Corp | | 42.32 |
| Do | Pacific Theatres | | |
| Do | R.J. Reynolds Tobacco Co | 5,300.96 | 266.93 |
| Do | SmithKline Beckman Corp | | |
| Do | Texas Gas Transmission Corp | | |
| Do | Texas Oil & Gas Corp | | |
| Do | Times Mirror Co | | |
| Do | Union Pacific Corp | 865.48 | 28.15 |
| Do | Vulcan Materials Co | 1,867.20 | 86.80 |
| Do | Waste Management, Inc | 300.00 | 130.53 |
| Do | Westinghouse Electric Corp | | 104.35 |
| Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004 | Sears Roebuck & Co | 375.00 | 91.43 |
| Laramie Faith McNamara, 1000 Wilson Blvd., #2700 Arlington, VA 22209 | TRW, Inc | 1,000.00 | |
| Peter F. McNeish, 1156 15th Street, NW, #1101 Washington, DC 20005 | National Assn of Small Business Investment Cos | 3,000.00 | |
| Michael J. McShane, 1101 30th Street, NW, #500 Washington, DC 20007 | National Computer Systems | | |
| Martha McSteen, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 2,667.00 | |
| George G. Mead, 1908 Ednor Road Cloverly, MD 20904 | North American Van Lines, Inc | 2,500.00 | |
| Leslie S. Mead, 50 F Street, NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | | |
| Joseph F. Meadow, 7100 Baltimore Avenue College Park, MD 20740 | United Action for Animals, Inc | 1,200.00 | |
| John K. Meagher, 1025 Thomas Jefferson Street, NW Washington, DC 20007 | LTV Corporation | 3,000.00 | 975.00 |
| Francis X. Meaney, 1825 Eye Street, NW Washington, DC 20006 | Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co) | | |
| Do | Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn) | 1,500.00 | |
| Medical-Dental Diversified Services, Inc, 15600 San Pedro #107 San Antonio, TX 78232-3738 | U.A.G. Alumni Assn | | |
| Medtronic, Inc, 7000 Central Ave., NE Minneapolis, MN 55432 | | | 41.29 |
| Colise G. Medved, 1800 Diagonal Rd., #500 Alexandria, VA 22314 | Penn Central Corporation | | |
| William H. Megonnell, 1111 19th St., NW, 9th Floor Washington, DC 20036 | Edison Electric Institute | 2,447.60 | 154.00 |
| Richard A. Mehler, 1818 N Street, NW, #200 Washington, DC 20036 | Automotive Parts Rebuilders Assn | 350.00 | 13.50 |
| Larry Mehlhaff, 23 N. Scott Sheridan, WY 82801 | Sierra Club | 6,500.00 | 3,268.15 |
| Kenneth F. Melley, 1201 16th Street, NW Washington, DC 20036 | National Education Assn | | |
| Carol Melton, 1133 21st St., NW, #400 Washington, DC 20036 | Warner Communications, Inc | 9,250.00 | 294.20 |
| Howard A. Menell, 1020 19th St., NW, #600 Washington, DC 20036 | American Express Co | | |
| Edward L. Menning, 1522 K St., NW, #836 Washington, DC 20005 | National Assn of Federal Veterinarians | 70.28 | |
| Donald H. Mensch, 2200 Mill Road Alexandria, VA 22314 | American Movers Conference | 785.00 | |
| Jane Mentzinger, 2030 M Street, NW Washington, DC 20036 | Common Cause | 6,866.28 | 213.59 |
| Merit Stainless Steel, Inc, 28332 Hayes Road Roseville, MI 48066 | | | |
| Edward A. Merlis, 1724 Massachusetts Avenue, NW Washington, DC 20036 | National Cable Television Assn, Inc | 3,100.00 | |
| Edward L. Merrigan, 6000 Connecticut Ave., NW Washington, DC 20815 | Central Gulf Lines, Inc | 10,000.00 | 798.84 |
| Do | National Assn of Recycling Industries, Inc | | |
| Do | Rolls-Royce Motors, Inc | 1,912.50 | 23.50 |
| Nancy Jo Merrill, 1725 K St., NW, #814 Washington, DC 20006 | March of Dimes Birth Defects Foundation | | |
| Merrill Lynch & Co, Inc, 1828 L St., NW, #906 Washington, DC 20036 | | | 19,500.00 |
| Richard P. Merski, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004 | American International Group, Inc | 5,000.00 | 2,177.70 |
| Harold E. Mesirow, 1800 M St., NW, #250 Washington, DC 20036 | Lillick Mchose & Charles (For:Foss Launch & Tug Company, et al.) | | |
| Neil T. Messick, 1331 Pennsylvania Ave., NW Washington, DC 20004 | General Electric Co | 1,200.00 | |
| Jean L. Mestres, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006 | Cities Service Oil & Gas Corp | 1,509.48 | 122.65 |
| Jeremy Metz, 260 Madison Avenue New York, NY 10016 | American Paper Institute, Inc | | |
| M. Barry Meyer, 900 19th Street, NW Washington, DC 20006 | Aluminum Assn | 50.00 | 25.00 |
| Larry D. Meyers, 412 First Street, SE Washington, DC 20003 | American Beekeeping Federation | | |
| Do | CEPEX Pacific, Inc | 1,800.00 | |
| Do | Hucheng International Co | | |
| Do | National Agricultural Chemicals Assn | 15,000.00 | |
| Do | National Peanut Growers Group | 1,000.00 | |
| Do | Nuclear Waste Task Force | 5,000.00 | |
| Do | Rice Belt Warehouse, Inc | 4,500.00 | |
| Do | Sam Kane Packing | | |
| Do | Superconducting Super Collider | 3,600.00 | |
| Do | Texas Cotton Marketing | | |
| David R. Mica, Florida Petroleum Institute 325 John Knox Rd., #F-210 Tallahassee, FL 32303 | American Petroleum Institute | | |
| John L. Mica, 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002 | Harris RF Communications | 8,000.00 | 120.00 |
| Do | Lantana Boatyard, Inc | 2,000.00 | |
| Eileen F. Michaels, 1317 F Street, NW, #202 Washington, DC 20004 | Lisboa Associates, Inc (For:University of the Virgin Islands) | 525.00 | |
| James G. Michaux, P.O. Box 70297 Washington, DC 20088 | Federated Dept Stores, Inc | 500.00 | |
| Kyle Michel, 340 8th St., NE Washington, DC 20002 | National Save the Family Farm Coalition | | |
| Laurie L. Michel, 555 13th St., NW, #900 East Washington, DC 20004 | Ballard Spahr Andrews & Ingersoll (For:Arthur Andersen & Co) | | |
| Thomas A. Micheletti, 1111 19th Street, NW, #303 Washington, DC 20036 | Southern California Edison Co | 3,750.00 | 1,500.00 |
| Kathleen Michels, 1101 14th Street, NW, #200 Washington, DC 20005 | American Nurses' Assn | 4,415.00 | 270.54 |
| Michigan Council of Self-Insured Group Administrators, 3670 Golfside Rd. Ypsilanti, MI 48197 | | | |
| Mid-Continent Oil & Gas Assn, 711 Adams Office Bldg. Tulsa, OK 74103 | | 21,446.44 | 25,142.70 |
| Roger E. Middleton, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 2,400.00 | 17.00 |
| Paul J. Mignini Sr., 815 16th Street, NW, #310 Washington, DC 20006 | Amalgamated Clothing & Textile Workers Union | | |
| Migrant Legal Action Program, Inc, 2001 S St., NW, #310 Washington, DC 20009 | | | |
| Lisa Mihaly, 122 C Street, NW, 4th Fl. Washington, DC 20001 | Children's Defense Fund of the Washington Research Project | 1,126.40 | |
| Sharon Mihnovets, 2809 S. Joyce St. Arlington, VA 22202 | | | |
| Janice I. Milazzo, 1001 22nd Street, NW Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Milbank Tweed Hadley & McCloy, 1825 Eye St., NW Washinton, DC 20006 | Joint Task Force on Fed Financial Assist. for Law Students | | |
| Miles & Stockbridge, 1701 Pennsylvania Ave., NW, #500 Washington, DC 20006 | Black and Decker Manufacturing Company | | 125.00 |
| Do | Pepsico, Inc | | 75.00 |
| Do | Pizza Hut, Inc | | 100.00 |
| Charles R. Miller, 1155 Connecticut Ave., NW Washington, DC 20036 | Waste Management, Inc | 1,250.00 | |
| Dale Miller, 4000 Reno Road, NW Washington, DC 20008 | Texasgulf, Inc | 1,125.00 | 223.61 |
| Deborah Imle Miller, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Grant Miller, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202 | LTV Aerospace & Defense Co | 2,500.00 | 125.00 |
| Harris C. Miller, 1747 Pennsylvania Avenue, #300 Washington, DC 20006 | Occidental Chemical Corp | 1,620.00 | 235.98 |
| Jeffrey T. Miller, P.O. Box 1933 East Hanover, NJ 07936 | Nabisco Brands, Inc | | |
| Joseph E. Miller Jr., 1608 K Street, NW Washington, DC 20006 | American Legion | 7,608.00 | 45.40 |
| Lawrence E. Miller, 1522 K Street, NW, #828 Washington, DC 20005 | American Veterinary Medical Assn | | |
| Linda B. Miller, 1625 Eye St., NW, #810 Washington, DC 20006 | Volunteer Trustees of Not-For-Profit Hospitals | | |
| Marye T. Miller, 50 F St., NW, #1040 Washington, DC 20001 | Ray F. Bragg, Inc (For:American Independent Refiners Assn) | 50.00 | |
| Nicholas P. Miller, 1150 Connecticut Ave., NW, #617 Washington, DC 20036 | Miller & Young | | |
| Paul J. Miller, 8000 Sears Tower Chicago, IL 60606 | Investment Counsel Assn of America, Inc | | |
| Richard G. Miller, 1101 14th Street, NW, #200 Washington, DC 20005 | American Nurses' Assn | 3,900.00 | 931.98 |
| Robert H. Miller, 490 L'enfant Plaza East, SW, #2202 Washington, DC 20024 | Tenneco, Inc | | 28.00 |
| Robin Miller, 1925 K Street, NW Washington, DC 20006 | Alliance to Save Energy | | |
| Harris Miller & Associates, 1655 N. Fort Myer Drive #700 Arlington, VA 22209 | Agricultural Producers | | |
| Do | Florida Fruit & Vegetable Assn | | |
| Do | Home Group | 1,500.00 | 420.00 |
| Do | National Council of Agricultural Employers | 6,000.00 | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | National Unity Fund | 1,304.00 | 306.50 |
| Do | Western Range Assn | 108.00 | 825.00 |
| Miller & Chevalier, Chtd, Metropolitan Square 655 15th Street, NW Washington, DC 20005 | Electronic Industries Assn | | |
| Do | Ideal Basic Industries, Inc | 8,000.00 | |
| Do | National Assn of Temporary Services, Inc | | |
| Miller & Young, 1225 19th street, n.w. suite 400 Washington, DC 20036 | City of Sacramento, et al. | 2,098.37 | 31.75 |
| Do | Sugar Land Telephone Co | 7,198.80 | 72.05 |
| Denny Miller Associates, Inc, 400 N. Capitol St., NW, #325 Washington, DC 20001 | Boeing Company | 3,000.00 | |
| Do | Marine Engineers' Beneficial Assn | 800.00 | |
| Do | Olin Corp | 3,000.00 | |
| Do | Port of Tacoma | 945.00 | |
| Do | State of Washington, Dept of Transportation | 3,737.50 | |
| Miller Cassidy Larroca & Lewin, 2555 M St., NW, #500 Washington, DC 20037 | Independent Insurance Agents of America, Inc, et al. | 2,362.50 | |
| Do | National Assn of Life Underwriters, et al. | 2,362.50 | |
| Do | 47th Street Photo | 1,000.00 | |
| C.G. Pete Milligan, 1442 S.W. Troon Circle Palm City, FL 33490 | American Telephone & Telegraph Co | 2,800.00 | 124.36 |
| Jeanne Milliken, 2000 Pennsylvania Ave., NW, #3700 Washington, DC 20006 | Jaeckle Fleischmann & Mugel | 200.00 | 18.00 |
| John C. Milliner Jr., P.O. Box 1788 Forest Park, GA 30051 | Southeastern Lumber Manufacturers Assn | | |
| Amy J. Millman, 1875 Eye St., NW, #500 Washington, DC 20006 | Philip Morris, Inc | 700.00 | 200.00 |
| Robert G. Mills, 450 Maple Ave., East, #204 Vienna, VA 22180 | U.S. Defense Committee | 2,400.00 | |
| Mineral Insulation Manufacturers Association, 1420 King Street Alexandria, VA 22314 | | 10,250.80 | 40,207.37 |
| Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052 | Bayamon Federal Savings | 6,000.00 | 158.00 |
| Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1025 Washington, DC 20006 | Cablevision Systems Development Co | | |
| Do | Home Recording Rights Coalition | 35,500.00 | |
| Do | Houghton Mifflin Company | 1,331.26 | |
| Do | Siemens Capital Corp | 27,500.00 | |
| Do | Turner Broadcasting System, Inc | 1,000.00 | |
| Edward F. Mitchell, 1900 Pennsylvania Avenue, NW Washington, DC 20068 | Potomac Electric Power Co | 31.11 | |
| Jo Anne Mitchell, 1331 Pennsylvania Ave., NW, #550 Washington, DC 20004 | Commodity Exchange, Inc | 2,000.00 | 2,224.50 |
| Stacey J. Mobley, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006 | E. I. du Pont de Nemours & Co | | |
| Robert G. Moch, Roberts & Shefelman 800 Fifth Avenue, #4100 Seattle, WA 98104 | Justin E. Marshall | 1,100.00 | 579.10 |
| David T. Modi, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006 | E. I. du Pont de Nemours & Co | | |
| John Moehring, 2200 Mill Road Alexandria, VA 22314 | American Movers Conference | 625.00 | |
| Robert M. Moliter, 1331 Pennsylvania Ave., NW, #865 Washington, DC 20004 | General Electric Co | | |
| Robert H. Mollohan, 912 Sylvan Avenue Fairmount, WV 26554 | Airspace Technology, Inc | 300.00 | |
| Do | Austin Powder Co, Inc | 300.00 | |
| Do | Lynch Associates | 300.00 | |
| Robert A. Molofsky, 5025 Wisconsin Avenue, NW Washington, DC 20016 | Amalgamated Transit Union, AFL-CIO | 5,000.00 | 93.00 |
| C. Manly Molpus, P.O. Box 3556 Washington, DC 20007 | American Meat Institute | 1,000.00 | |
| Christopher Monek, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Elizabeth R. Monro, 1709 New York Ave., NW Washington, DC 20006 | Air Transport Assn of America | 12,807.25 | 15,348.93 |
| Michael Monroney, 1000 Wilson Blvd., #2700 Arlington, VA 22209 | TRW, Inc | 1,000.00 | |
| John H. Montgomery, 2555 M St., NW, #100 Washington, DC 20037 | National Rural Water Assn | 12,060.00 | 6,999.00 |
| Alfredo C. Montoya, 815 16th Street, NW, #707 Washington, DC 20006 | Labor Council for Latin American Advancement | | |
| David H. Montplaisir, Patton Boggs & Blow 2550 M St., NW Washington, DC 20037 | Association of Trial Lawyers of America | | |
| James P. Mooney, 1724 Massachusetts Ave., NW Washington, DC 20036 | National Cable Television Assn, Inc | 6,125.00 | |
| Alan J. Moore, 1667 K St., NW, #600 Washington, DC 20006 | Santa Fe Southern Pacific Corp | 1,000.00 | |
| Carlos Moore, 1101 Connecticut Avenue, NW, #300 Washington, DC 20036 | American Textile Manufacturers Institute, Inc | 440.00 | 46.00 |
| Francis B. Moore, 3003 Butterfield Road Oak Brook, IL 60521 | Waste Management, Inc | 5,000.00 | 2,831.75 |
| Richard L. Moore, P.O. Box 338 Dearborn, MI 48121 | Detroit Tooling Assn Worker's Compsensation Fund | 1,530.00 | 1,405.00 |
| Thomas L. Moore, 2200 Mill Road Alexandria, VA 22314 | National Private Trucking Assn | | |
| Walter K. Moore, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | | 1,636.23 |
| William D. Moore, Commerce Center 30 Exchange Terrace Providence, RI 02903 | Greater Providence Chamber of Commerce | 337.63 | 3,472.00 |
| Judith Morehouse, 1700 N. Moore Street Rosslyn, VA 22209 | Boeing Company | 4,704.00 | |
| Dudley Digges Morgan III, 4900 Baronne New Orleans, LA 70115 | Southern Forest Products Assn | 12,402.54 | |
| E. Joyce Morgan, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| Fred Morgan, 515 Fifth Avenue Des Moines, IA 50308 | Crop Insurance Research Bureau | | 105.50 |
| J. Railton Morgan, 412 First Street, SE Washington, DC 20003 | National Automobile Dealers Assn | 3,000.00 | |
| John Morgan, 1925 K St., NW Washington, DC 20006 | Communications Workers of America | | |
| Peter Denis Morgan, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | 1,750.00 | |
| Morgan Lewis & Bockius, Suite 800 North 1800 M St., NW Washington, DC 20036 | Business Roundtable | | |
| Do | Coalition Against Takeover Abuse | | |
| Do | Consolidated Natural Gas Co | | |
| Do | Scotch Whisky Assn | | |
| James A. Morrill, 1726 M St., NW, #901 Washington, DC 20036 | Scott Paper Co | 6,000.00 | 309.03 |
| Loretta C. Morris, 1725 K Street, NW, #814 Washington, DC 20006 | March of Dimes Birth Defects Foundation | 1,131.25 | 20.20 |
| Tessa Morris, 1155 Connecticut Ave., NW, #1130 Washington, DC 20036 | Security Pacific National Bank | | |
| W. Patrick Morris, 1110 Vermont Avenue, NW Washington, DC 20005 | Shipbuilders Council of America | 1,500.00 | |
| James Morrison, 21 Dupont Circle, NW, #300 Washington, DC 20036 | Business Executives for National Security | 4,015.00 | 93.00 |
| James W. Morrison Jr., 1390 Piccard Dr. Rockville, MD 20850 | CNA Insurance Co | | |
| William C. Morrison, 2001 North Adams St. Arlington, VA 22201 | Meat Importers Council of America, Inc | | |
| Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006 | City and County of San Francisco | 195.00 | 27.00 |
| Do | Consolidated Freightways | | |
| Do | Rosenberg Real Estate Equity Fund, Inc | 1,560.00 | |
| Michael L. Morton, 918 16th Street, NW, #701 Washington, DC 20006 | Godfrey Associates, Inc | | |
| George R. Moses, 2001 Eye St., NW Washington, DC 20006 | Electronic Industries Assn | 1,000.00 | 20.93 |
| Russell N. Mosher, 950 N. Glebe Rd., #160 Arlington, VA 22203 | American Boiler Manufacturers Assn, Inc | | 2,180.00 |
| Dorothy J. Moss, 1101 Vermont Avenue, NW Washington, DC 20005 | American Medical Assn | 25.00 | |
| Moss Associates, Inc, 2450 Virginia Ave., NW Washington, DC 20037 | Association of Bank Holding Cos | 900.00 | |
| Gerald J. Mossinghoff, 1100 15th Street, NW, #900 Washington, DC 20005 | Pharmaceutical Manufacturers Assn | 1,000.00 | |
| Beth Moten, 1016 16th St., NW, Washington, DC 20036 | National Fed of Federal Employees | 9,010.28 | |
| John J. Motley, 600 Maryland Ave., SW, #695 Washington, DC 20024 | National Fed of Independent Business | 9,570.00 | 717.00 |
| L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006 | Adical | 74,980.00 | 830.47 |
| Do | Seatrain Tankers Corp | 16,000.00 | |
| Do | Thai Food Processors Assn | | |
| Motor and Equipment Manufacturers Association, 1325 Pennsylvania Ave., NW Washington, DC 20004 | | | 3,645.46 |
| Motor Vehicle Manufacturers Assn of the U.S., Inc, 300 New Center Bldg. Detroit, MI 48202 | | 9,674.12 | 9,674.12 |
| Thomas O. Moulton Jr., 444 North Capitol St., NW, #718 Washington, DC 20001 | Pacific Telesis Group | 12,000.00 | |
| Susan Connolly Moya, 1615 H St., N.w. Washington, DC 20061 | U.S. Chamber of Commerce | 2,500.00 | |
| Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016 | Anchor Savings Bank, FSB | 20,000.00 | 150.20 |
| Do | Carteret Savings Bank, F.A. | 20,000.00 | 150.20 |
| Do | Empire of America, FSB | 20,000.00 | 264.55 |
| Do | Gibraltar Savings | 20,000.00 | 114.35 |
| Do | Glendale Federal Savings & Loan Assn | 20,000.00 | 150.20 |
| Do | Meritor Savings Bank | 20,000.00 | 150.20 |
| Do | Northeast Savings, F.A. | 20,000.00 | 150.20 |
| Do | Wilmington Savings Fund Society, FSB | 20,000.00 | 114.35 |
| James S. Mulhern, 1840 Wilson Boulevard Arlington, VA 22201 | National Milk Producers Federation | 3,225.00 | 593.11 |
| Albert E. Mullin Jr, 111 Powdermill Rd. (b79) Maynard, MA 01754 | Digital Equipment Corp | 15,000.00 | |
| Tracy Mullin, 1000 Connecticut Ave., NW, #700 Washington, DC 20036 | National Retail Merchants Assn | 4,000.00 | 85.50 |
| H. Edward Munnerlyn, P.O. Box 1017 Greenwood, SC 29648 | Greenwood Mills, Inc | 2,500.00 | 799.35 |
| James Brian Munroe, 1747 Pennsylvania Ave., NW, 3rd Fl. Washington, DC 20006 | Occidental Chemical Corp | 31.24 | 30.71 |
| Daniel J. Murphy, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Republic of Turkey) | | |
| Elizabeth A. Murphy, 1901 N. Fort Myer Drive, #204 Arlington, VA 22209 | Roadway Express, Inc | | |
| George F. Murphy Jr., 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | 850.00 | 467.12 |
| James P. Murphy, 485 Lexington Ave., 25th Floor New York, NY 10017 | New York State Bankers Assn | | |
| John P. Murphy, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036 | Chemical Specialties Manufacturers Assn, Inc | 1,294.00 | 508.27 |
| Lester L. Murphy Jr., 5709 W. 21st St., P.O. Box 4267 Topeka, KS 66604 | Kansas Electric Cooperatives, Inc | 490.08 | 1,219.42 |
| Gordon L. Murray, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22202 | Lear Siegler, Inc/Energy Products Div | 106.05 | 106.05 |
| James E. Murray, One Farragut Square South Washington, DC 20006 | Brown Wood Ivey Mitchell & Petty (For:National Assn of Small Business Investment Cos, et al.). | | |
| Margaret R. Murray, Scott McLeod Himmelberg Matz Pires & Price 2501 M Street, N.W. #400 Washington, DC 20037 | American Assn of Crop Insurers | 345.00 | |
| Do | Chicago Board of Trade | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | National Rural Telecom Assn | 120.00 | |
| Do | United Egg Producers | 690.00 | |
| Rosemary Griffin Murray, 1660 L St., NW, #901 Washington, DC 20036 | Pan American World Airways, Inc | | |
| Murray & Scheer, 2715 M Street, NW, #300 Washington, DC 20007 | American Cyanamid Co | 500.00 | |
| Do | Bear Stearns & Co | 500.00 | |
| Do | Cleveland Cliffs Iron Co | 250.00 | |
| Do | Connecticut Mutual Life Insurance Co | 500.00 | |
| Do | Home Life Insurance Co | 500.00 | |
| Do | Industry Council for Tangible Assets | 400.00 | |
| Do | Iron Ore Lessors Assn, Inc | 250.00 | |
| Do | LTV Corporation | 450.00 | |
| Do | National Business Aircraft Assn | 500.00 | |
| Do | National Council of Coal Lessors | 300.00 | |
| Do | New England Mutual Life Insurance Co | 500.00 | |
| Do | Pacific Mutual Life Insurance Co | 500.00 | |
| Do | Penn Mutual Life Insurance Co | 500.00 | |
| Do | Provident Mutual Life Insurance Co of Philadelphia | 500.00 | |
| Do | Shubert Organization, Inc | 400.00 | |
| Do | Swaziland Sugar Assn | 400.00 | |
| Robert J. Muth, 180 Maiden Ln. New York, NY 10038 | Asarco Inc | 750.00 | |
| Lawrence P. Mutter, 6849 Old Dominion Dr. Mclean, VA 22102 | Automotive Parts Rebuilders Assn | | |
| Fred J. Mutz, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 5,400.00 | |
| Paul J. Myer, 2445 M St., NW Washington, DC 20037-1420 | Capitol Cities/ABC, Inc | | |
| Gary D. Myers, 1015 18th Street, NW Washington, DC 20036 | Fertilizer Institute | 4,500.00 | |
| Timothy D. Naegele & Associates, 1850 K Street, NW, #1280 Washington, DC 20006 | Baybanks, Inc | | |
| Stephen M. Nagler, 20415 Nordhoff St., P.O. Box 2158 Chatsworth, CA 91311 | Patlex Corporation | | |
| John Francis Nash Jr., 214 Massachusetts Ave., NE, #420 Washington, DC 20002 | Milliken & Company | 5,000.00 | 2,800.00 |
| Nash Railsback & Plesser, 1133 15th Street, NW, #1100 Washington, DC 20005 | Direct Marketing Assn | 1,000.00 | |
| Do | Disclosure Information Group | 1,780 90 | 20.55 |
| Do | Information Industry Assn | 4,942.50 | 25.00 |
| Do | Journal of Commerce, Inc | 5,000.00 | 20.00 |
| Gary M. Nateman, 1750 K St., NW, #500 Washington, DC 20006 | Beer Institute | 50.00 | 20.00 |
| Frances E. Nathan, 455 Fifth Avenue New York, NY 10016 | New York Public Library | 5,896 23 | |
| Hardy L. Nathan, 1750 K St., NW Washington, DC 20006 | Food Marketing Institute | 750.00 | |
| National Agricultural Chemicals Assn, 1155 15th St., NW Washington, DC 20005 | | 11,101.82 | 11,101.82 |
| National Air Carrier Assn, 1730 M St., NW, #710 Washington, DC 20036 | | | |
| National Assn for the Advancement of Justice, 5210 Banks Place, NE Washington, DC 20019 | | 100 00 | |
| National Assn for Biomedical Research, 818 Connecticut Ave., NW, #303 Washington, DC 20006 | | 100,755.00 | 14,274.27 |
| National Assn for Neighborhood Schools, Inc, 335 Locust St. Pittsburgh, PA 15218 | | 847.77 | 1,244.57 |
| National Assn for Stock Car Auto Racing, Inc (NASCAR), 1801 Speedway Boulevard Daytona Beach, FL 32015 | | | 8,000.00 |
| National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151 | | 7,712.04 | 3,604 38 |
| National Assn of Air Traffic Specialists, Wheaton Plaza North, #415 Wheaton, MD 20902 | | | 8,422.37 |
| National Assn of Aircraft & Communications Suppliers, Inc, 23871 Madison Torrance, CA 90505 | | 3,820.00 | 4,079.55 |
| National Assn of Energy Service Companies, 2330 M St., NW Washington, DC 20037 | | | |
| National Assn of Federal Employees, 4101 NW 122nd, Suite D Oklahoma City, OK 73120 | | | |
| National Assn of Federal Veterinarians, 1522 K St., NW, #836 Washington, DC 20005 | | | 110.00 |
| National Assn of Independent Colleges & Universities, 122 C St., NW, #750 Washington, DC 20001 | | | 63,531.00 |
| National Assn of Insurance Brokers, Inc, 1401 New York Ave., NW, #720 Washington, DC 20005 | | | |
| National Assn of Manufacturers, 1331 Pennsylvania Ave., NW, #1500 Washington, DC 20004-1703 | | 79,150.64 | 79,150.64 |
| National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268 | | 3,782.57 | 3,782.57 |
| National Assn of Olympic Businesses, P.O. Box 3337 Idyllwild, CA 92349-3337 | | 40 00 | 30.00 |
| National Assn of Plumbing-Heating-Cooling Contractors, P.O. Box 6808 Falls Church, VA 22046 | | 6,383.85 | 6,383.85 |
| National Assn of Real Estate Investment Trusts, Inc, 1101 17th St., NW, #700 Washington, DC 20036 | | | 5,694 48 |
| National Assn of Stevedores, 2011 I Street, NW, #601 Washington, DC 20006 | | 3,250.00 | 2,580.00 |
| National Assn of Temporary Services, Inc, 119 South Saint Asaph Street Alexandria, VA 22314 | | | |
| National Assn of Trade & Technical Schools, 2251 Wisconsin Ave., NW Washington, DC 20007 | | 7,500.00 | 7,500 00 |
| National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314 | | | |
| National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002 | | 8,125.00 | 9,147.00 |
| National Beer Wholesalers of America, 6310 N. Cicero Ave. Chicago, IL 60646 | | 130,153.00 | 33,386.00 |
| National Broiler Council, 1155 15th St., NW Washington, DC 20005 | | 2,750 00 | 2,750 00 |
| National Cable Television Assn, Inc, 1724 Massachusetts Ave., NW Washington, DC 20036 | | 43,888.47 | 43,888.47 |
| National Cattlemen's Assn, 5420 S. Quebec Street P.O. Box 3496 Englewood, CO 80155 | | | 4,000.00 |
| National Coal Assn, 1130 17th Street, NW Washington, DC 20036 | | 1,262,136.00 | 20,806.97 |
| National Coalition for Fair Trade, 1718 Connecticut Avenue, NW, #310 Washington, DC 20009 | | | |
| National Coalition for Marine Conservation, Inc, P.O. Box 23298 Savannah, GA 31403 | | 9,113.00 | 12.018.58 |
| National Coalition of Fresh Potato Processors, 1764 Old Meadow Ln, #350 McClean, VA 22102 | | | |
| National Comm of Cities & States for Airline Service, Transportation Bldg., #417 St. Paul, MN 55156 | | 16,511.22 | 17 608.73 |
| National Comm to Preserve Social Security, 1300 19th Street, NW, #310 Washington, DC 20036 | | 669,335.00 | 669 335.00 |
| National Comm Against Repressive Legislation, 236 Massachusetts Avenue, NE, #406 Washington, DC 20002 | | 2,999.00 | 6 127.77 |
| National Commercial Finance Assn, 225 W. 34th St. New York, NY 10001 | | 11,500.00 | |
| National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037 | | 66,995.54 | 40.186.00 |
| National Consumers League, 815 15th Street, NW, #516 Washington, DC 20005 | | 1,029.00 | 1.029.00 |
| National Cooperative Business Assn, 1401 New York Ave., NW, #100 Washington, DC 20005 | | 27,500.00 | 7.960.00 |
| National Cotton Council of America, P.O. Box 12285 Memphis, TN 38182 | | 45,921.03 | 45 921.03 |
| National Council of Farmer Cooperatives, 1800 Massachusetts Ave., NW Washington, DC 20036 | | 28,857.00 | 11.542.00 |
| National Electrical Manufacturers Assn, 2101 L St., NW Washington, DC 20037 | | 7,515.51 | 7,515.51 |
| National Fed of Community Development Credit Unions, 29 John Street, #903 New York, NY 10038 | | | |
| National Fed of Federal Employees, 1016 16th Street, NW Washington, DC 20036 | | 24,913.74 | 24,913.74 |
| National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403 | | 50,173.25 | 50,173.25 |
| National Food Processors Assn, 1401 New York Avenue, NW, #400 Washington, DC 20005 | | 5,002.80 | 5,002.80 |
| National Grain & Feed Assn, 725 15th St., NW Washington, DC 20005 | | | 548.40 |
| National Grange, 1616 H St., NW Washington, DC 20006 | | 22,500.00 | 22,500.00 |
| National Guard Assn of the U.S., One Massachusetts Ave., NW Washington, DC 20001 | | 30,212.92 | 1,395.00 |
| National Independent Automobile Dealers Assn, 600 E. Las Colinas Blvd., #314 Irving, TX 75039 | | | |
| National Industrial Transportation League, 1090 Vermont Ave., NW, #410 Washington, DC 20005 | | 14,000.00 | 13,514.25 |
| National Knitwear & Sportswear Assn, 386 Park Avenue South New York, NY 10016 | | | 17,544.15 |
| National Milk Producers Federation, 1840 Wilson Blvd. Arlington, VA 22201 | | 13,151.65 | 13,151.65 |
| National Motorsports Comm of Accus, 1500 Skokie Boulevard, #101 Northbrook, IL 60062 | | 6,054.65 | 15,846.42 |
| National Multi Housing Council, 1250 Connecticut Ave., NW, #620 Washington, DC 20036 | | 10,557.69 | 4,116.01 |
| National Newspaper Assn, 1627 K St., NW, #400 Washington, DC 20006 | | 88,161.00 | 7,800.00 |
| National Organization for Women, 1401 New York Ave., NW, #800 Washington, DC 20005 | | | 3,167.44 |
| National Parking Association, 1112 16th St., NW, #2000 Washington, DC 20036 | | | 52,104.65 |
| National Peach Council, P.O. Box 1085 Martinsburg, WV 25401 | | | |
| National Pest Control Assn, 8100 Oak St. Dunn Loring, VA 22027 | | | |
| National Printing Equipment & Supplies Assn, Inc, 1899 Preston White Drive Reston, VA 22091 | | | |
| National Public Affairs Corp, 900 17th Street, NW Washington, DC 20006 | Westinghouse Electric Corp | 300 00 | |
| National Realty Committee, 1250 Connecticut Ave., NW, #303 Washington, DC 20036 | | 2,978.46 | 2,978.46 |
| National Retail Merchants Assn, 1000 Connecticut Avenue, NW Washington, DC 20036 | | | 16,190.15 |
| National Right to Work Committee, 8001 Braddock Rd., #600 Springfield, VA 22160 | | 7,160.74 | 7,160.74 |
| National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036 | | | 4,567.47 |
| National Rural Letter Carriers Assn, 1448 Duke St., #100 Alexandria, VA 22314 | | 22,748.00 | 17,480.00 |
| National Save the Family Farm Coalition, 80 F St., NW, #714 Washington, DC 20001 | | | 200.00 |
| National Security Traders Assn, Inc, One World Trade Center, #4511 New York, NY 10048 | | | 4,375.00 |
| National Society of Professional Engineers, 1420 King Street Alexandria, VA 22314 | | 12,500.00 | 11,350.00 |
| National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036 | | 48.56 | 129.43 |
| National Solid Wastes Management Assn, 10th Floor 1730 Rhode Island Ave., NW Washington, DC 20036 | | | |
| National Strategies & Marketing Group, 1919 Pennsylvania Ave., NW, #704 Washington, DC 20006 | Alliance for Capital Access | 26,250.00 | |
| Do | Manor Care | 3,235.00 | 51.68 |
| Do | PGA Tour, Inc | | |
| Do | U.S. Sprint | | 72.12 |
| National Telephone Cooperative Assn, 2626 Pennsylvania Ave., NW Washington, DC 20037 | | 8,080.00 | 2,689.32 |
| National Tire Dealers & Retreaders Assn. 1250 Eye Street, NW, #400 Washington, DC 20005 | | 6,297.00 | 6,297.00 |
| National Venture Capital Association, 1655 N. Fort Meyer Dr., #700 Arlington, VA 22209 | | | 8,862.08 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| National Wood Energy Assn, Inc, 1730 North Lynn Street Arlington, VA 22209-2009 | | | |
| National-American Wholesale Grocers' Assn, 201 Park Washington Court Falls Church, VA 22046 | | 9,000.00 | 9,000.00 |
| Natural Gas Supply Assn, 1730 Rhode Island Ave., NW Washington, DC 20036 | | 495,194.00 | 27,280.00 |
| Landis M. Neal, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 7,875.00 | |
| Karen J. Neale, 2501 M Street N.w. Washington, DC 20037 | Chemical Manufacturers Assn, Inc | 465.00 | 110.65 |
| Jeffrey Nedelman, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007 | Grocery Manufacturers of America, Inc | 31.23 | |
| Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036 | Neece Cator & Associates, Inc (For:Association of Small Business Development Centers). | 1,350.00 | 1,350.00 |
| Do | Neece Cator & Associates, Inc (For:National Venture Capital Association) | | |
| Neece Cator & Associates, Inc, 1050 17th Street, NW Washington, DC 20036 | Colson Investments | 1,350.00 | 1,350.00 |
| Do | National Assn of Development Companies (NADCO) | 1,350.00 | 1,350.00 |
| Do | National Venture Capital Association | | |
| Laura C. Nehl, 1101 Connecticut Avenue, NW, #405 Washington, DC 20036 | Choate & Nehl, P.C. (For:Association of Progressive Rental Organizations) | | |
| Stanley Nehmer, 1320 19th Street, NW, #600 Washington, DC 20036 | Lead-Zinc Producers Committee | 500.00 | 350.00 |
| Neighborhood Housing Services of America, 3805 Alton Place, NW Washington, DC 20016 | | | |
| Neill & Company, Inc, 900 17th St., NW, #400 Washington, DC 20006 | Arab Republic of Egypt | 180,000.00 | 21,313.96 |
| Do | Hashemite Kingdom of Jordan | 55,000.00 | 4,911.48 |
| Do | Islamic Republic of Pakistan | 60,000.00 | 2,523.41 |
| Do | Kingdom of Morocco | | 680.17 |
| Do | Republic of Gabon | | 203.53 |
| Do | Republic of Kenya | 205,000.00 | 8,018.34 |
| Neill Mullenholz & Shaw, 900 17th St., NW, #400 Washington, DC 20006 | Florida East Coast Railway Co | | |
| Do | National Council Social Security Management Assns, Inc | 5,000.00 | 225.00 |
| Do | National Farm & Power Equipment Dealers Assn | 1,500.00 | 15.00 |
| Do | PHH Group, Inc | | |
| Do | Senior Executives Assn | 5,000.00 | 350.00 |
| Do | Soo Line Corporation | 2,500.00 | |
| Do | TACA International Airlines | 1,000.00 | |
| Douglas J. Neilson, 8111 Gatehouse Road Falls Church, VA 22047 | AAA Potomac | | |
| Joshua E. Neiman, 815 16th St., NW, #408 Washington, DC 20006 | Food & Allied Service Trades Dept., AFL-CIO | 445.00 | |
| Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036 | E. I. du Pont de Nemours & Co | | |
| Lynda L. Nersesian, 1100 15th St., NW, #900 Washington, DC 20005 | Pharmaceutical Manufacturers Assn | 4,000.00 | 195.00 |
| Mark Nestlen, 1616 H Street, NW Washington, DC 20006 | National Grange | 5,000.00 | |
| Network, 806 Rhode Island Ave., NE Washington, DC 20018 | | 36,790.98 | 41,583.65 |
| E. John Neumann, 1100 Connecticut Ave., NW, #820 Washington, DC 20036 | Baltimore Gas & Electric Co | 2,066.78 | 1,029.13 |
| Loretta Neumann, Foresight Science & Technology, Inc 2000 P St., NW, #305 Washington, DC 20036 | Society for American Archeology | | |
| David B. Neumeyer, 1319 F St., NW, #500 Washington, DC 20004 | Food Research & Action Center | 505.00 | |
| New York Comm of Intl Comm of Passenger Lines, 74 Trinity Place New York, NY 10006 | | | |
| Cynthia E. Newman, 400 North Washington Street Alexandria, VA 22314 | Professional Insurance Agents | 500.00 | 200.00 |
| George S. Newman, 7915 Jones Branch Dr. McLean, VA 22102 | BDM International, Inc | | 127.37 |
| William B. Newman Jr., P.O. Box 23451 Washington, DC 20024 | Consolidated Rail Corporation | 5,000.00 | |
| Newman & Holtzinger, P.C., 1615 L St., NW, #1000 Washington, DC 20036 | Utility Nuclear Waste Management Group | | |
| James R. Nicholas, 11570 378 San Jose Blvd. Jacksonville, FL 32217 | North American Telephone | | |
| Thomas Nickels, 1101 14th Street, NW, #200 Washington, DC 20005 | American Nurses' Assn | 5,144.00 | 519.47 |
| Daniel E. Nickelson, 2000 L St., NW, #200 Washington, DC 20036 | Cleveland Clinic Foundation | | |
| Patrick J. Nilan, 1300 L Street, NW Washington, DC 20005 | American Postal Workers Union, AFL-CIO | 14,168.97 | 2,177.06 |
| Nissan Motor Corporation, U.S.A., 1919 Pennsylvania Avenue, NW, #707 Washington, DC 20006 | | | 3,200.00 |
| Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005 | American Free Trade Assn, Inc | 5,277.25 | 313.60 |
| Do | Bausch & Lomb | | |
| Barbara O. Nocera, 955 L'enfant Plaza, SW, #905 Washington, DC 20024 | Honda North America, Inc | 200.00 | |
| A. Allan Noe, 1828 L Street, NW, #710 Washington, DC 20036 | Chesebrough-Pond's, Inc | 1,500.00 | 2,742.17 |
| Robert W. Nolan, 1303 New Hampshire Ave., NW Washington, DC 20036 | Fleet Reserve Assn | 100.00 | |
| Walker F. Nolan, 1111 19th St., NW, 9th Fl. Washington, DC 20036 | Edison Electric Institute | 8,242.50 | 228.55 |
| Robert I. Nooter, 600 Maryland Avenue, SW Washington, DC 20024 | American Farm Bureau Federation | 6,000.00 | 180.37 |
| Grover G. Norquist, 718 North Carolina Ave., SE Washington, DC 20003 | Americans for Tax Reform | | 324.00 |
| Julia J. Norrell, 1850 K St., NW Washington, DC 20006 | American Council of Life Insurance, Inc | 5,325.00 | |
| North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036 | | 3,650.00 | 3,650.00 |
| Northeast Utilities Service Co, Selden St. Berlin, CT 06037 | | | 4,138.03 |
| Northern Telecom, Inc, 600 Maryland Avenue, SW, #605 Washington, DC 20024 | | | |
| Graham T. Northup, 2333 Highland Avenue Falls Church, VA 22046 | Commerzbank | 7,700.00 | 355.27 |
| Edward M. Norton Jr., 1600 L St., NW, #812 Washington, DC 20036 | Grand Canyon Trust | | |
| Mary Jane Norville, 600 Maryland Avenue, SW, #700 Washington, DC 20024 | National Fed of Independent Business | 4,875.50 | 344.00 |
| P. Michael Nugent, Suite 1300, North Tower 1331 Pennsylvania Ave., NW Washington, DC 20004 | EDS Corporation | | |
| Patrick J. Nugent, 1133 19th Street, NW Washington, DC 20036 | MCI Communications Corp | 2,000.00 | 4,206.88 |
| Silas O. Nunn, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005 | Shipbuilders Council of America | 1,500.00 | |
| Ralph D. Nurnberger, 500 North Capitol Street, NW, #300 Washington, DC 20001 | American Israel Public Affairs Comm | 12,499.98 | 1,039.72 |
| Nutter McClennen & Fish, 600 Atlantic Ave. Boston, MA 02210 | Merit Stainless Steel, Inc | | |
| C. D. Nyberg, P.O. Box 800 Austin, MN 55912 | Geo. A. Hormel & Co | | |
| Hubert K. O'Bannon, P.O. Box 23451 Washington, DC 20026 | Consolidated Rail Corporation | 2,667.00 | |
| George O'Bea Jr., 815 16th Street, NW, #701 Washington, DC 20006 | United Paperworkers International Union | | |
| Dinah K. O'Berry, 1300 19th St., NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 8,000.00 | |
| Coleman C. O'Brien, 1709 New York Ave., NW, #801 Washington, DC 20006 | U.S. League of Savings Institutions | 9,562.00 | 38.25 |
| Mary Eileen O'Brien, 1800 M St., NW, Suite 710 South Washington, DC 20036 | Dow Corning Corp | | |
| Raymond V. O'Brien, 1600 M St., NW Washington, DC 20036 | International Telephone & Telegraph Corporation | 2,200.00 | 120.00 |
| Rosemary L. O'Brien, 2550 M St., NW, #640 Washington, DC 20037 | CF Industries, Inc | 500.00 | 52.52 |
| Thomas H. O'Brien, 1201 East Abingdon Dr. #300 Alexandria, VA 22314 | Harris Corporation | 2,500.00 | 1,290.89 |
| David S. O'Bryon, 7297 Lee Highway, Unit N Falls Church, VA 22042 | American Textile Machinery Assn | 600.00 | |
| Frank J. O'Connell, 148 South Maple Avenue Kingston, PA 18101 | Pennsylvania Power & Light Co | | 23.00 |
| James J. O'Connell, 1201 Pennsylvania Avenue, NW Washington, DC 20004 | Control Data Corporation | 222.00 | 178.14 |
| Richard T. O'Connell, Richard T. O'Connell & Associates, Inc 3208 Traveler Street Fairfax, VA 22030 | Chocolate Manufacturers Assn of the USA | | 200.00 |
| Do | National Confectioners Assn of the U.S. | | 200.00 |
| Terrence M. O'Connell II, 444 N. Capitol Street, NW, #711 Washington, DC 20001 | Keele Company (For:UNIAD Nacional Para Independencia Total DeAngola) | 2,500.00 | |
| Do | Keefe Company (For:Westinghouse Electric Corp) | | |
| William B. O'Connell, 111 East Wacker Dr. Chicago, IL 60601 | U.S. League of Savings Institutions | 25,375.00 | 4,921.95 |
| K. James O'Connor Jr., 2501 M Street, NW Washington, DC 20037 | Chemical Manufacturers Assn, Inc | 400.00 | 102.55 |
| Patrick C. O'Connor, Kent & O'connor, Inc 1211 Connecticut Avenue, NW Washington, DC 20036 | American Supply Association | 7,665.02 | 3,129.98 |
| Do | American Warehousemen's Association | | |
| Do | Movers' Round Table | 5,999.25 | 2,427.47 |
| Do | National Assn of Fleet Administrators | | |
| Do | Steel Tank Institute | | |
| Do | Transportation Lawyers Assn | 2,262.50 | 936.87 |
| O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006 | Alliance for Capital Access | | |
| Do | American Bus Assn | 5,830.00 | |
| Do | American Businesses for Int'l Trade | 10,000.00 | |
| Do | American Clinical Laboratory Assn | 1,250.00 | |
| Do | American Family Life Assurance Co | | |
| Do | American Inst of Certified Public Accountants | | |
| Do | American Insurance Assn | | |
| Do | American Soc of Assn Executives | 1,894.50 | |
| Do | American Soc of Cataract & Refractive Surgery | 7,448.00 | |
| Do | American Trucking Assns, Inc | | |
| Do | California Student Loan Finance Corp | 1,521.83 | |
| Do | Center for Environmental Education, Inc | | |
| Do | Chamber of Commerce of the U.S. | | |
| Do | ChemWaste Management, Inc | 1,675.00 | |
| Do | City of Minneapolis | 600.00 | |
| Do | Coca-Cola Company | 9,300 00 | |
| Do | Connaught Laboratories, Inc | 12,073 75 | |
| Do | CNA Insurance | 2,226 75 | |
| Do | Distilled Spirits Council of the U.S., Inc | 1,000 00 | |
| Do | Drexel Burnham Lambert, Inc | | |
| Do | Eastern Michigan University | 523 52 | |
| Do | Electronic Data Systems Corp | 1,000.00 | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Embassy of Bolivia | 10,000.00 | |
| Do | Government of Netherlands Antilles | 155,900.00 | |
| Do | Health Care Financing Study Group | 1,500.00 | |
| Do | Hennepin County | 300.00 | |
| Do | Historic Landmarks for Living | | |
| Do | Independent Computer Consultants Assn | 5,041.25 | |
| Do | Insurance Assn of Connecticut | | |
| Do | International Racquet Sports Assn | 2,032.50 | |
| Do | Investment Company Institute | 7,500.00 | |
| Do | Journal Newspapers | 178.20 | |
| Do | Kawasaki Kisen Kaisha, Ltd | | |
| Do | M.A.T. | | |
| Do | Mercedes-Benz of North America, Inc | | |
| Do | Merrill Lynch & Co, Inc | | |
| Do | Mexican Cement Chamber | | |
| Do | Miller & Schroeder Financial, Inc | 1,500.00 | |
| Do | Minnesota Mutual Life Insurance Co | 3,000.00 | |
| Do | Mitchell Sweet & Associates | 2,417.60 | |
| Do | National Apartment Assn | | |
| Do | National Assn of Portable X-Ray Providers | | |
| Do | National Assn of Private Enterprise of El Salvador | 10,000.00 | |
| Do | Owens-Illinois | 6,900.00 | |
| Do | Pacific Telesis Group | 6,239.00 | |
| Do | Primark Corp | 2,250.00 | |
| Do | Prudential Insurance Co of America | 1,398.00 | |
| Do | Joseph E. Seagram & Sons, Inc | 1,116.98 | |
| Do | Securities Industry Assn | 9,980.00 | |
| Do | Small Advertisers Counsel | 8,000.00 | |
| Do | SmithKline Beckman Corp | 4,500.00 | |
| Do | U.S. Tuna Foundation | | |
| Do | United Illuminating Co | 3,000.00 | |
| Do | Westinghouse Electric Corp | 1,500.00 | |
| Paul T. O'Day, 1150 17th Street, NW Washington, DC 20036 | Man-Made Fiber Producers Assn, Inc | 2,500.00 | 105.00 |
| Thomas A. O'Day, 1629 K St., NW, #1010 Washington, DC 20006 | Alliance of American Insurers | 1,200.00 | |
| J. Daniel O'Flaherty, 1625 K St., NW, #1090 Washington, DC 20006 | National Foreign Trade Coucnil | 5,000.00 | 400.00 |
| Daniel J. O'Grady, 815 16th Street, NW, #408 Washington, DC 20006 | Food & Allied Service Trades Dept, AFL-CIO | 635.00 | |
| Jane O'Grady, 815 16th St., NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 17,519.03 | 299.64 |
| Terri O'Grady, 1600 Rhode Island Avenue, NW Washington, DC 20036 | National Rifle Assn of America | 950.00 | 231.84 |
| Barbara E. O'Hara, 4400 Macarthur Blvd., NW Washington, DC 20007 | American Soc of Travel Agents | 125.00 | |
| Kathleen O'Leary, 1250 Eye St., NW, #703 Washington, DC 20005 | Columbia Gas Distribution Companies | 4,000.00 | 147.48 |
| Michael A. O'Malley, 4647 Forbes Boulevard Lanham, MD 20706 | AMVETS | 6,800.00 | 150.47 |
| O'Melveny & Myers, 555 13th St., NW Washington, DC 20004 | Amax, Inc | | |
| Do | American Institute for Imported Steel, Inc | | 685.03 |
| Do | Dulles Access Transit Corp | 9,750.00 | 490.28 |
| Do | Holden Group, Inc (Public Employer Benefits Council) | 2,700.00 | 187.89 |
| Joseph O'Neil, 1600 M St., NW Washington, DC 20037 | ITT Corporation | 4,280.00 | 80.00 |
| Sarah E. O'Neil, 1600 M St., NW Washington, DC 20036 | Investment Company Institute | | |
| Joseph P. O'Neill, 1616 H Street, NW Washington, DC 20006 | American Retail Federation | 2,200.00 | 123.00 |
| O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036 | Allegheny County Commission | | |
| Do | Bank of New England | | |
| Do | Business Roundtable | 3,150.00 | |
| Do | BHC, Inc | | |
| Do | Chris-Craft Industries, Inc | | |
| Do | Commercial Union Insurance Cos | | |
| Do | Connecticut Bank & Trust Corp | 1,400.00 | |
| Do | Conrail Acquisition Corp, Inc | | |
| Do | Cruise America Line, Inc | | |
| Do | Glass Packing Institute | | |
| Do | Housing America Foundation | | |
| Do | Marriott Corp | | |
| Do | Massachusetts General Hospital | 900.00 | |
| Do | Milk Industry Foundation | | |
| Do | National Assn of Jai-Alai Frontons, Inc | | |
| Do | New England Deaconess Hospital | 1,600.00 | |
| Do | Northwestern Mutual Life | | |
| Do | Retail Industry Trade Action Coalition | | |
| Do | Sears Roebuck & Co | 2,800.00 | |
| Do | Texas Utilities Co | | |
| Do | USX | 1,300.00 | |
| J. Denis O'Toole, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 8,500.00 | |
| John E. O'Toole, 1899 L Street, NW Washington, DC 20036 | American Assn of Advertising Agencies | 2,500.00 | 750.00 |
| M. Diane O'Toole, 1000 Wilson Blvd., #2300 Arlington, VA 22209 | Northrop Corp | | |
| Stephen E. O'Toole, 1660 L St., NW Washington, DC 20036 | General Motors Corp | 3,000.00 | 3,084.97 |
| Jana R. Oakley, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703 | National Assn of Manufacturers | | |
| Paul C. Oakley, 50 F Street, NW Washington, DC 20001 | Association of American Railroads | 250.00 | 27.50 |
| Harry R. Obley, One Mellon Bank Center Pittsburgh, PA 15258 | Mellon Bank N.A. and Mellon National Corp | 2,000.00 | 4,676.83 |
| Kim M. Oboz, 1020 19th Street, NW, #700 Washington, DC 20036 | U S West, Inc | 600.00 | |
| Thomas J. Oden, 1840 Wilson Boulevard Arlington, VA 22201 | National Milk Producers Federation | 4,062.48 | 168.46 |
| Neil H. Offen, 1776 K Street, NW Washington, DC 20006 | Direct Selling Association | | |
| Donald G. Ogilvie, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 2,500.00 | |
| Ogilvy & Mather, 1901 L Street, NW Washington, DC 20036 | | | |
| Ohrenstein & Brown, 655 Third Avenue New York, NY 10017 | Mutual Signal Corp | | 138.00 |
| Philip M. Ola, 1919 Pennsylvania Avenue, NW, #400 Washington, DC 20006 | Steel Service Center Institute | | |
| Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 125.00 | |
| R. Teel Oliver, 1615 L Street, NW, #1320 Washington, DC 20036 | Merck & Co, Inc | 687.50 | 500.00 |
| Van R. Olsen, 1156 15th St., NW, #1019 Washington, DC 20006 | U.S. Beet Sugar Assn | | |
| Gerald L. Olson, Pillsbury Center, Ms 3771 Minneapolis, MN 55402 | Pillsbury Company | | 570.00 |
| Richard C. Olson, 6862 Elm Street, #510 McLean, VA 22101 | Citibank, N.A. | | |
| Do | Dynalectron Corporation | 1,787.00 | 55.00 |
| Roy E. Olson, 260 Madison Ave. New York, NY 10016 | American Paper Institute, Inc | | |
| Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22304 | Colorado Springs Chamber of Commerce | 100.00 | |
| Clark Onstad, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004 | Texas Air Corp, et al | 3,000.00 | 2,098.00 |
| Charles J. Orasin, 1400 K Street, NW, #500 Washington, DC 20005 | Handgun Control, Inc | 8,211.53 | |
| Abraham Orlofsky, 1016 16th Street, NW Washington, DC 20036 | National Fed of Federal Employees | 1,311.52 | |
| Elvira J. Orly, 1050 Connecticut Ave., NW, #800 Washington, DC 20036 | Allied-Signal, Inc | | |
| James L. Osborne, 4th & Davis Streets P.O. Box 808 McMinnville, OR 97128 | National Assn of Mutual Insurance Cos | | 982.57 |
| J. F. Otero, 815 16th Street, NW Washington, DC 20006 | Brotherhood of Railway Airline & Steamship Clerks | 1,000.00 | 300.00 |
| Kevin D. Ott, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703 | National Assn of Manufacturers | 450.00 | |
| Karl Ottosen, 208 G Street, NE Washington, DC 20002 | NL Industries, Inc | 7,500.00 | |
| Do | U.S. Federation of Small Businesses, Inc | | |
| Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 25.00 | |
| Gene E. Overbeck, 1101 17th Street, NW Washington, DC 20036 | American Airlines, Inc | 2,125.00 | 105.95 |
| Jack W. Owen, 50 F St., NW, #1100 Washington, DC 20001 | American Hospital Assn | | 101.56 |
| Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102 | Dollar Savings Bank, et al | 55,251.00 | 9,003.77 |
| Do | Everett Mutual Savings Bank, et al | 24,063.00 | 4,899.76 |
| William H. Owens Jr., 1111 14th St., NW, #1200 Washington, DC 20005 | American Dental Assn | 1,000.00 | 334.13 |
| William J. Owens, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202 | Manufactured Housing Institute | 900.00 | 100.00 |
| P/M Consulting, Inc, 202 E Street, NE Washington, DC 20002-4923 | Talley Corporation | 9,000.00 | |
| R. Ray Paabo, 1667 K St., NW, #600 Washington, DC 20006 | Santa Fe Southern Pacific Corp | 1,000.00 | |
| Pacific Management Dynamics Corp, 910 Floein Rd., #107 Sacramento, CA 95831 | | | |
| Allen Scott Pack, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Algoma Steel Corp, Ltd | 62.50 | 302.62 |
| Joel Packer, 1201 16th Street, NW Washington, DC 20036 | National Education Assn | 2,491.00 | 106.00 |
| Lee W. Paden, P.O. Box 201 Tulsa, OK 74102 | Public Service Co of Oklahoma | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Pagonis & Donnelly Group, 1620 I Street, NW, #603 Washington, DC 20006 | Algoma Steel Corp, Ltd, et al | | |
| Do | Brown Boveri Corp | | |
| Do | Burroughs Wellcome Co | 10,500.00 | 447.14 |
| Do | City of Pompano Beach | 3,060.00 | |
| Do | Dow Chemical USA | 2,350.00 | 119.66 |
| Do | Fox Technology, Inc | | |
| Do | Harrah's, Inc | | |
| Do | Holiday Corp | 4,296.88 | 483.01 |
| Do | Management Compensation Group | | |
| Do | National Woolgrowers Assn | 11,250.00 | 295.10 |
| Do | Nord Resources Corp | | |
| John M. Palatiello, 11445 Isaac Newton Square South Reston, VA 22090 | American Cong. on Survey. & Mapp./Amer Soc of Photogrammetry | 14,590.16 | 47.96 |
| Henry S. Palau, 201 N Washington St. Alexandria, VA 22134 | Retired Officers Assn | | |
| Cindy Grant Pallatino, 1101 Vermont Avenue, NW, #405 Washington, DC 20005 | A. H. Robins Co | 200.00 | 86.00 |
| Benjamin L. Palumbo, 1629 K St., NW Washington, DC 20006 | Atlantic Richfield Co | 20,000.00 | |
| Do | Business Executives for National Security, Inc | 4,500.00 | |
| Do | European Community | 18,600.00 | |
| Palumbo & Cerrell, Inc, 1629 K St., NW Washington, DC 20006 | American Soc of Composers Authors & Publishers | 54,000.00 | |
| Do | Contra Costa Building & Construction Trades Council | 3,200.00 | |
| Do | RJR Nabisco, Inc | 9,000.00 | |
| Do | Southern California Rapid Transit District | 15,000.00 | |
| Pan American Satellite Corp, 460 W. 42nd Street, 4th Fl. New York, NY 10036 | | | 8,990.00 |
| Gerard Paul Panaro, Webster Chamberlain & Bean 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006 | Retail Bakers Assn | | |
| Marcia Pape-Daniels, 1201 Pennsylvania Ave., NW, #250 Washington, DC 20004 | CH2M Hill | 750.00 | |
| G. Oliver Papps, N.J. Petroleum Council 170 W. State St. Trenton, NJ 08608 | American Petroleum Institute | | |
| Stephen J. Paradise, 1800 K Street, NW, #1100 Washington, DC 20006 | New York Stock Exchange, Inc | | |
| Alan A. Parker, 1050 31st Street, NW Washington, DC 20007 | Association of Trial Lawyers of America | 5,000.00 | 100.00 |
| David N. Parker, 1111 19th Street, NW Washington, DC 20036 | Edison Electric Institute | | |
| John N. Parker, 1100 Connecticut Ave., NW, #620 Washington, DC 20036 | Mobil Oil Corp | 375.00 | |
| Kimberly C. Parker, 1300 L Street, NW Washington, DC 20005 | American Postal Workers Union, AFL-CIO | 9,553.63 | 356.60 |
| Sara Lynn Parker, 1319 F St., NW, #500 Washington, DC 20004 | Food Research & Action Center | | |
| Tom V. Parker, Arkansas Petroleum Council 460 Twin City Bank Bldg. North Little Rock, AR 72114 | American Petroleum Institute | 1,625.00 | 1,298.40 |
| Benjamin G. Parks III, 1919 Pennsylvania Avenue, #300 Washington, DC 20006 | National Forest Recreation Assn | 450.00 | 99.00 |
| Do | National Inholders Assn | 6,000.00 | 870.00 |
| Carl M. Parks, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004 | Sears Roebuck & Co | 1,500.00 | 445.15 |
| Ann M. Parman, 1015 15th St., NW, #1240 Washington, DC 20005 | National Manufactured Housing Federation | 100.00 | 35.00 |
| Ken Parmelee, 1448 Duke Street, #100 Alexandria, VA 22314 | National Rural Letter Carriers Assn | 12,779.00 | 1,440.00 |
| Tom E. Paro, 1735 DeSales St., NW Washington, DC 20036 | Association of Maximum Service Telecasters, Inc | 385.00 | |
| Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002 | American Family Life Assurance Co | 1,500.00 | |
| Do | Association for the Advancement of Human Rights in Japan | 2,100.00 | |
| Do | Care Enterprises | 3,375.00 | |
| Do | Generic Pharmaceutical Industry Assn | 1,500.00 | 130.82 |
| Do | Herbalife International | 1,500.00 | |
| Do | Hotel Employees & Restaurant Employees Int'l Union | | |
| Do | International Brotherhood of Teamsters | 3,000.00 | |
| Do | Johnson & Johnson | | |
| Do | Manville Corporation | 1,000.00 | |
| Do | Motion Picture Assn of America, Inc | 3,600.00 | 237.65 |
| Do | National Beer Wholesalers of America | 2,000.00 | 293.88 |
| Do | Pharmaceutical Manufacturers Assn | | |
| Do | T.I.M.E.-DC, Inc | | |
| Do | United Food & Commercial Workers International Union | | |
| Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151 | National Assn for Uniformed Services | 2,312.49 | |
| Jack Partridge, 1014 Vine St. Cincinnati, OH 45201 | Kroger Company | 2,500.00 | 592.00 |
| John V. Parziale, 818 Connecticut Ave., NW, 9th Fl. Washington, DC 20006 | Marathon Oil Co | | 24.00 |
| Richard E. Pasco, 1015 15th St., NW, #402 Washington, DC 20005 | National Pork Producers Council | 2,000.00 | 9.00 |
| David J. Passamaneck, 4647 Forbes Boulevard Lanham, MD 20706 | AMVETS | 6,800.00 | 150.47 |
| James W. Pates, 1625 Massachusetts Ave., NW, #202 Washington, DC 20036 | Independent Bankers Assn of America | | |
| Janet K. Patten, 1090 Vermont Ave., NW, #1100 Washington, DC 20005 | Textron, Inc | 400.00 | 100.00 |
| Gary B. Patterson, Delaware Petroleum Council P.O. Box 1429 Dover, DE 19903 | American Petroleum Institute | 51.02 | 138.68 |
| Richard M. Patterson, 1800 M St., NW, #700 South Washington, DC 20036 | Dow Chemical Co | 500.00 | 5,000.00 |
| William H. Patterson, 1331 Pennsylvania Ave., NW Washington, DC 20004 | General Electric Co | 274.00 | |
| Kenton H. Pattie, 3150 Spring St. Fairfax, VA 22031 | International Communications Industries Assn | 4,069.00 | 142.08 |
| David J. Pattison, 1025 Connecticut Ave., NW Washington, DC 20036 | Health Insurance Assn of America, Inc | | |
| Patton Boggs & Blow, 2550 M St., NW, #800 Washington, DC 20037 | Ad Hoc Group for 8(a) Reform | 833.75 | |
| Do | Aiwa America, Inc | 41.60 | 0.07 |
| Do | Akai America, Ltd | 65.60 | 0.11 |
| Do | Alexander & Baldwin, Inc | 150.00 | |
| Do | American Congress on Surveying & Mapping | 362.50 | 10.00 |
| Do | American Express Co | | |
| Do | American International Automobile Dealers Assn | | |
| Do | American Maritime Assn | 940.00 | 10.00 |
| Do | Association of Professional Flight Attendants | | |
| Do | Association of Trial Lawyers of America | 1,455.00 | 80.00 |
| Do | Atacra Trustees | | |
| Do | ALTA Technology | | |
| Do | Biogen | | |
| Do | BATUS, Inc | 150.00 | 10.00 |
| Do | Cadawalader Wickersham & Taft | | |
| Do | Chelsea Property Owners | | |
| Do | Chemfix Technologies, Inc | 3,055.00 | |
| Do | Chicago Board Options Exchange | | |
| Do | Chrysler Corporation | | |
| Do | Coalition on State Use Taxes | 3,000.00 | |
| Do | Columbia, Inc | 6.60 | 0.01 |
| Do | Computerland Corporation | | |
| Do | Council of Graduate Schools | 825.00 | |
| Do | Crowley Maritime Corp | | |
| Do | Cryolife, Inc | | |
| Do | Dealer Action Association | 450.00 | |
| Do | Dredging Industry Size Standards Committee (DISSC) | 870.00 | |
| Do | Duty Free Shoppers Group, Ltd | 75.00 | 5.00 |
| Do | Fiart Cantieri Italiani, S.P.A. | 10,122.50 | 200.00 |
| Do | Fidelity Investors | 1,175.00 | |
| Do | Flint Industries | | |
| Do | Freedom to Advertise Coalition | 900.00 | |
| Do | Fuji Photo Film USA, Inc | 142.65 | 0.24 |
| Do | Hitachi Sales Corp of America | 1,900.00 | 3.25 |
| Do | Hobby Industry Assn | 540.00 | |
| Do | Hotel Dieu Hospital | | |
| Do | Institute of Scrap Iron & Steel, Inc | | |
| Do | Kaiser Aluminum & Chemical Corp | | |
| Do | Kenwood USA Corporation | 41.60 | 0.07 |
| Do | Litton Industries, Inc | | |
| Do | Loan America Financial Corp | | |
| Do | Loop, Inc | 940.00 | |
| Do | Marathon Oil Co | 2,400.00 | |
| Do | Mars, Inc | | |
| Do | Mass Mutual | 1,650.00 | |
| Do | Matson Navigation Co | | |
| Do | Matsushita Electric Corp of America | 3,352.00 | 5.75 |
| Do | Maxell Corp of America | 258.80 | 0.44 |
| Do | May Department Stores Co | 330.00 | 20.00 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Metropolitan Life | 495.00 | |
| Do | Mitsubishi Electric Sales of America, Inc | 698.10 | 1.20 |
| Do | Mocatta Metals Corp | | |
| Do | Mutual Benefit Life | | |
| Do | MCI Telecommunications, Inc | | |
| Do | Nakamichi USA Corp | 36.60 | 0.06 |
| Do | National Assn for Foreign Student Affairs | 165.00 | |
| Do | National Assn of Retail Druggists | | |
| Do | National Cable Television Assn, Inc | | |
| Do | National Gypsum Co | 29,140.00 | |
| Do | National Marine Manufacturers Assn | | |
| Do | National Soft Drink Assn | | |
| Do | Navajo Nation | | |
| Do | New Process Co | | |
| Do | New York Life Insurance Co | 165.00 | |
| Do | Northwestern Mutual Life | 165.00 | |
| Do | NEC Electronics (USA) Inc | 103.50 | 0.17 |
| Do | Onkyo USA Corp | 22.70 | 0.03 |
| Do | Options Clearing Corp | | |
| Do | OSG Bulk Ships, Inc | 2,425.00 | 10.00 |
| Do | OTASCO, Inc | | |
| Do | Paine Webber, Inc | | |
| Do | Pioneer Electronics (USA), Inc | 56.80 | 0.09 |
| Do | Reader's Digest Assn, Inc | | |
| Do | Retail Industry Trade Action Coalition | 2,625.00 | 45.00 |
| Do | Retail Tax Committee | 350.00 | |
| Do | Rice Millers' Assn | | |
| Do | Sansui Electronics Corp | 59.30 | 0.10 |
| Do | Sanyo Electronics, Inc | 1,632.50 | 2.80 |
| Do | Sharp Electronics Corp | 1,023.80 | 1.65 |
| Do | Shell Oil Co | | |
| Do | Smokeless Tobacco Council, Inc | 940.00 | |
| Do | Sony Corp of America | 1,040.00 | 1.70 |
| Do | Squibb Corporation | | |
| Do | State of LA, Dept of Conservation | | |
| Do | Sultantate of Oman | | |
| Do | Teac Corp of America | 50.50 | 0.08 |
| Do | Toshiba America, Inc | 619.85 | 1.06 |
| Do | TDK USA Corp | 320.65 | 0.55 |
| Do | U.S.A. Coalition/Fishing Vessel Reflagging | 1,650.00 | |
| Do | Union Pacific Corp | 1,900.00 | 75.00 |
| Do | Unitary Tax Campaign | | |
| Do | US JVC Corporation | 1,136.25 | 1.95 |
| Do | Yamaha Electronics Corp, USA | 15.60 | 0.02 |
| Andrew R. Paul, 1875 Eye Street, NW, #940 Washington, DC 20006 | Gulf & Western, Inc | 7,500.00 | 271.17 |
| Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036 | Associated Life Ins Group Policyholder Advisory Comm | | |
| Do | CalMat Company | | |
| Do | GAF Corporation | | |
| Do | Kawasaki Motors Corp, USA | 3,813.75 | |
| Do | Oglethorpe Power Corp | | |
| Do | Philippine Sugar Regulatory Administration | | |
| Do | Security Life of Denver | | |
| Larry E. Paulick, 2111 Eisenhower Avenue Alexandria, VA 22314 | National Spa & Pool Institute | | |
| Richard A. Paysor, 1415 Elbridge Payne Rd., #135 St. Louis, MO 63017 | First Capitol Associates - Gateway, Inc | | |
| Ronald Pearson, 422 First Street, SE, #208 Washington, DC 20003 | Embassy of South Africa | | |
| Russell H. Pearson, 1156 15th Street, NW, #1015 Washington, DC 20005 | J. C. Penney Co, Inc | | |
| Pearson and Pipkin, Inc, 422 First Street, SE, #208 Washington, DC 20003 | Embassy of South Africa | | |
| James M. Peirce Jr., 1016 16th Street, NW Washington, DC 20036 | National Fed of Federal Employees | 1,918.56 | |
| LeeAnn Pelham, 2030 M Street, NW Washington, DC 20036 | Common Cause | 5,923.86 | 245.47 |
| Humberto R. Pena, 1155 15th St., NW Washington, DC 20005 | Bristol-Myers Co | 500.00 | |
| Margaret Pena, 80 F Street, NW Washington, DC 20001 | American Fed of Government Employees | 9,870.00 | |
| James C. Pennington, 5535 Hempstead Way Springfield, VA 22151 | National Assn for Uniformed Services | | |
| Pennsylvania Power & Light Co, 2 N. 9th St. Allentown, PA 18101 | | | 1,610.71 |
| Joseph M. Penot Sr., 444 North Capitol St., NW Washington, DC 20001 | Radio Officers Union, Dist. #3, NMEBA, AFL-CIO | | |
| Gregory M. Pensabene, 1667 K St., NW, #600 Washington, DC 20006 | Santa Fe Southern Pacific Corp | 2,700.00 | |
| Pension Real Estate Assn, 1101 17th Street, NW, #700 Washington, DC 20036 | | | |
| Pepper & Corazzini, 1776 K St., NW Washington, DC 20006 | Tempo Enterprises, Inc | 3,306.25 | |
| Pepper Hamilton & Scheetz, 1777 F Street, NW Washington, DC 20006 | North American Telephone Assn | | |
| Barbara K. Pequet, 1311 Quincy St., NE Washington, DC 20017 | American Soc for The Prevention of Cruelty to Animals | 1,625.00 | 1,500.00 |
| Dell E. Perelman, 1501 Wilson Blvd., #600 Arlington, VA 22209 | Air-Conditioning & Refrigeration Institute | | |
| Victor J. Perini Jr., 1776 Massachusetts Ave., NW Washington, DC 20036 | Highway Users Federation for Safety & Mobility | | |
| James W. Perkins, 1 Beacon Street, Rm. 2200 Boston, MA 02108 | National Assn of Bond Lawyers, et al | | |
| Perkins Coie, 1110 Vermont Ave., NW, #1200 Washington, DC 20005 | Aerospace Industries Assn of America, Inc | | |
| Do | Boeing Company | | |
| Do | Burlington Northern, Inc | | |
| Do | Kootznoowoo, Inc | | |
| Do | Ormat Systems, Inc | | |
| Gary J. Perkinson, Perkinson & Associates, Inc 453 New Jersey Avenue, SE Washington, DC 20003 | Beneficial Management Corp of America | | |
| Perkinson & Associates, 453 New Jersey Ave., SE Washington, DC 20003 | Beneficial Management Corp | | |
| Ernest Michael Perley, 112 St Clair Ave., W., #504 Toronto, Ontario M4v 2y3 | Canadian Coalition on Acid Rain | | 22.00 |
| Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 2,400.00 | 147.03 |
| Kale M. Perry, 1785 Massachusetts Avenue, NW Washington, DC 20036 | National Trust for Historic Preservation | | |
| Susan Perry, 1025 Connecticut Avenue, NW Washington, DC 20036 | American Bus Assn | 2,687.50 | 75.00 |
| Mark Pertschuk, 2054 University Ave., #500 Berkeley, CA 94704 | Americans for Nonsmokers' Rights | 600.00 | |
| John J. Pesch, 3422 Stoneybrae Drive Falls Church, VA 22044 | Northrop Corp | | |
| Phillips S. Peter, 1331 Pennsylvania Avenue, NW Washington, DC 20004 | General Electric Co | 100.00 | |
| Geoffrey G. Peterson, 1250 Eye St., NW, #900 Washington, DC 20004 | Distilled Spirits Council of the U.S., Inc | 2,000.00 | |
| Kenneth W. Peterson, Kansas Petroleum Council 1414 Merchants Bank Tower Topeka, KS 66612 | American Petroleum Institute | 531.00 | 1,052.86 |
| Lars E. Peterson, 1750 K Street, NW Washington, DC 20006 | Food Marketing Institute | 450.00 | |
| Mary Jo Peterson, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | 1,000.00 | 500.00 |
| Peterson Engberg & Peterson, 1730 M St., NW, #907 Washington, DC 20036 | Federated Research Corp | 25,050.00 | 465.58 |
| Susan F. Petniunas, 1625 K Street, NW, #750 Washington, DC 20006 | Manville Corporation | 500.00 | |
| Michael J. Petrina Jr., 1110 Vermont Avenue, NW, #800 Washington, DC 20005 | Cosmetic Toiletry & Fragrance Assn, Inc | | |
| Petroleum Marketers Assn of America, 1120 Vermont Ave., NW, #1130 Washington, DC 20005 | | 200,000.00 | 19,441.22 |
| Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 234.00 | |
| Brian T. Petty, 1901 L St., NW, #702 Washington, DC 20036 | International Assn of Drilling Contractors | | |
| Annabelle Petys, Internat'l Institute of Human Asset Acc 1966 McKinley Street Clearwater, FL 33575 | | | 285.58 |
| Peyser Associates, Inc, 1000 Vermont Street, NW, #400 Washington, DC 20005 | Department of Public Property | 12,000.00 | 40.74 |
| Do | Metro | 4,300.00 | 114.56 |
| Do | Metropolitan Toledo Consortium | 5,750.00 | 413.37 |
| Do | New York State Bridge Authority | 29,500.00 | 3.72 |
| Do | Regional Transit Authority | 13,500.00 | 1,652.47 |
| Do | Southeastern Pennsylvania Transit Authority | 9,000.00 | 115.12 |
| Steven J. Pfister, 1000 Connecticut Avenue, NW Washington, DC 20036 | National Retail Merchants Assn | 2,000.00 | 118.53 |
| James R. Phalen, 1100 Connecticut Avenue, NW, #535 Washington, DC 20036 | MAPCO, Inc | 3,570.00 | |
| Pharmaceutical Manufacturers Assn, 1100 15th Street, NW Washington, DC 20005 | | 34,085.00 | 34,085.00 |
| Marshall A. Pharr, 6103 Adirondack Amarillo, TX 79106 | Southwestern Public Service Co | 4,209.75 | 250.28 |
| Dennis J. Phelan, 1401 New York Avenue, NW, #400 Washington, DC 20005 | National Food Processors Assn | 3,750.00 | 100.00 |
| Do | Pacific Seafood Processors Assn | 7,500.00 | 540.00 |
| Mary Frances Phelps, 1050 Connecticut Ave., NW, #760 Washington, DC 20036 | Union Oil Co of California | | |
| William C. Phelps, 2929 Allen Parkway Houston, TX 77019 | American General Corporation | 6,800.00 | 3,920.62 |
| William W. Phelps, P.O. Box 2159 Dallas, TX 75221 | American Petrofina, Inc | 20,000.00 | 3,106.75 |
| Michael D. Philips, 1616 P St., NW Washington, DC 20036 | Union of Concerned Scientists | 5,600.00 | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Barbara Phillips, 2000 M St., NW, #230 Washington, DC 20036 | Telocator Network of America | 12,000.00 | 42.63 |
| Deborah M. Phillips, 1155 21st Street, NW, 4th Fl. Washington, DC 20036 | General Instrument Corporation | | |
| Deirdre B. Phillips, 100 Federal Street Boston, MA 02110 | Bank of Boston Corporation | | |
| Do | First National Bank of Boston | 200.00 | 417.90 |
| Janet K. Phillips, 1724 Massachusetts Ave., NW Washington, DC 20036 | National Cable Television Assn, Inc | 1,000.00 | |
| Patricia Lynn Phillips, 12907 Melville Lane Fairfax, VA 22033 | National Assn of State Agencies for Food Distribution | 6,000.00 | |
| Susan E. Phillips, 1709 New York Ave., NW, #303 Washington, DC 20006 | Blue Cross & Blue Shield Assn | | |
| William G. Phillips, 417 Sixth Street, SE Washington, DC 20003 | Association of Univ Environmental Health Science Centers | | 585.82 |
| Do | Association of Univ Programs & Occupational Health & Safety | 11,050.00 | 1,321.41 |
| Do | Metal Trades Department, AFL-CIO | 8,275.00 | 535.27 |
| Paul J. Phoenix, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Dofasco, Inc | 412.50 | 304.82 |
| Dan Phythyon, 1771 N St., NW Washington, DC 20036 | National Assn of Broadcasters | 1,500.00 | 1,000.00 |
| Paulette C. Pidcock, 1100 Connecticut Avenue, NW, #530 Washington, DC 20036 | Baltimore Gas & Electric Co | 315.56 | 283.43 |
| Theodore M. Pierce, 1300 North 17th St., #300 Arlington, VA 22209-3899 | ADAPSO, the Computer Software & Services Industry Assn | | |
| Wayne Pierce, 101 Constitution Avenue, NW Washington, DC 20001 | United Brotherhood of Carpenters & Joiners of America | 29,575.00 | 98.95 |
| Pierson Semmes & Finley, 1054 31st Street, NW Washington, DC 20007 | Mauritius Sugar Syndicate | | 6.82 |
| Do | Oklahoma Natural Gas Company | | |
| Do | Six Flags Corporation | | |
| Susan G. Pikrallidas, 8111 Gatehouse Road Falls Church, VA 22047 | American Automobile Assn | | |
| John H. Pilcher, 1331 Pennsylvania Ave.,NW, #1500 Washington, DC 20004-1703 | National Assn of Manufacturers | 125.00 | |
| Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006 | D. L. Berger Associates, Inc | 1,130.00 | 48.00 |
| Do | Pfizer, Inc | | |
| Do | Temis Ramires de Arellano | 1,640.00 | 107.50 |
| Jane Pinsky, 1101 14th St., NW, #200 Washington, DC 20005 | American Nurses' Assn | 4,625.00 | 123.16 |
| Valerie F. Pinson, 1724 Massachusetts Avenue, NW Washington, DC 20036 | National Cable Television Assn, Inc | 1,157.00 | |
| Piper & Marbury, c/o A. Carl Kasemen, III 888 Sixteenth Street, NW Washington, DC 20006 | Consolidated Rail Corporation | | |
| Robert Pipkin Jr., Pearson & Pipkin, Inc 422 First Street, SE, #208 Washington, DC 20003 | Embassy of South Africa | | |
| Suellen Pirages, 1730 Rhode Island Ave., NW Washington, DC 20036 | National Solid Waste Management Assn | 200.00 | |
| Pirtle Morisset Schlosser & Ayer, 1500 Seattle Trust Tower 1000 Second Avenue Seattle, WA 98104 | American Indian Business Development Consortium | 1,732.50 | |
| Do | Central Council of Tlingit & Haida Tribes of Alaska | 3,255.00 | |
| Do | Colville Confederated Tribes | | |
| Do | Confederated Tribes of the Goshute Reservation | | |
| Do | Hoopa Valley Tribe | 343.40 | |
| Do | Ketchikan Indian Corp | 75.00 | |
| Do | Makah Indian Tribe | 441.00 | |
| Do | Navajo National Health Foundation, Inc | 165.00 | |
| Do | Red Lake Band of Chippewa Indians | 8,040.50 | |
| Do | Rosebud Sioux Tribe | 5,189.50 | |
| Do | Sault Ste. Marie Chippewa Tribal Council | | |
| Do | Seneca-Cayuga Tribe of Oklahoma | | |
| Do | Shoshone-Bannock Tribe-Fort Hall Reservation | | |
| Do | Tulalip Tribes of Washington | 1,389.00 | |
| Do | Ukpeagvik Inupiat Corp | | |
| Lillian M.S. Pitcaithly, 1730 K St., NW, #703 Washington, DC 20006 | American Business Conference, Inc | | |
| Virginia L. Pitcher, 2000 L St., NW, #200 Washington, DC 20036 | American College of Emergency Physicians | 2,556.00 | 159.20 |
| Plains Cotton Growers, Inc, 4510 Englewood Lubbock, TX 79414 | | | |
| Reuben C. Plantico, 111 SW Columbia, #800 Portland, OR 97201 | Nerco, Inc | 4,475.00 | 644.22 |
| Will W. Pleger, 1730 Rhode Island Ave., NW, #213 Washington, DC 20036 | Brown & Root, Inc | | |
| Ronald L. Plesser, Nash Railsback & Plesser 1133 15th St., NW, #1100 Washington, DC 20005 | Direct Marketing Assn | 1,000.00 | |
| Do | Disclosure Information Group | 1,780.90 | 20.55 |
| Do | Information Industry Assn | 4,942.50 | 25.00 |
| Do | Journal of Commerce, Inc | 5,000.00 | 20.00 |
| Martha Rachel Plotkin, 2300 M Street, NW, #910 Washington, DC 20037 | Police Executive Research Forum | 1,270.45 | 29.50 |
| John A. Poindexter, 3805 West Alabama Houston, TX 77027 | Columbia Gulf Transmission Co | | |
| Jean S. Polatsek, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | | 336.79 |
| Richard J. Pollack, 50 F Street, NW #1100 Washington, DC 20001 | American Hospital Assn | | 337.74 |
| Michele Pollak, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 529.61 | 567.52 |
| Alfred M. Pollard, 1155 Connecticut Ave., NW, #1130 Washington, DC 20036 | Security Pacific National Bank | 5,124.70 | 500.00 |
| Harlan Pomeroy, 1050 Connecticut Avenue, NW, #1100 Washington, DC 20036 | Baker & Hostetler (For:North Coast Cable, Ltd) | | |
| Population-Environment Balance, 1325 G St., NW #1003 Washington, DC 20005 | | | 9,730.28 |
| Edward T. Porcaro, 1615 L Street, NW, #1210 Washington, DC 20036 | Metropolitan Life & Affiliated Cos | 1,000.00 | |
| Port of Seattle, P.O Box 1209 Seattle, WA 98111 | | | |
| Carol Alice Porter, 1000 Connecticut Ave., NW, #1002 Washington, DC 20006 | Wildlife Legislative Fund of America | 5,056.32 | |
| Porter Wright Morris & Arthur, 41 South High Street Columbus, OH 43215 | Coalition for Environmental Energy Balance | 56,500.00 | 1,789.58 |
| Donna Potemken, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | 3,538.70 | 87.43 |
| John Michael Powderly, 815 16th St., NW, #706 Washington, DC 20006 | United Steelworkers of America | 7,145.43 | |
| Joseph L. Powell Jr., 1901 L Street, NW, #320 Washington, DC 20036 | Ogilvy & Mather Public Affairs | | |
| Robert D. Powell, 1750 K St., NW, #460 Washington, DC 20006 | National Business Aircraft Assn | | |
| Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004 | Bayley Seton Hospital | | |
| Do | Belz Investment Co | | |
| Do | Chase Manhattan Bank, N.A. | 8,369.00 | |
| Do | Coalition for Competition | | |
| Do | Council of State Housing Agencies | 144.00 | |
| Do | Federal National Mortgage Assn | | |
| Do | Massachusetts Housing Finance Agency | | |
| Do | National Investment Development Corp | | |
| Do | National Multi Housing Council | | |
| Do | Shea & Gardner | | |
| Do | Societe Generale de Surveillance, S.A. | 2,436.00 | |
| Do | Starrett Housing Corp | | |
| John J. Power, 815 16th St., NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 17,519.03 | 642.99 |
| Frederick W. Powers III, 223 Perimeter Center Parkway P.O. Box 89000 Atlanta, GA 30338 | Siemens Energy & Automation, Inc | | |
| Graydon R. Powers Jr., 1101 16th St., NW Washington, DC 20036 | Scientific Apparatus Makers Assn | | |
| Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036 | Dollar Bank, Federal Savings Bank | | 6.82 |
| David J. Pratt, 1025 Connecticut Ave., NW, #415 Washington, DC 20036 | American Insurance Assn | 500.00 | 120.00 |
| Robert L. Pratt, 101 First Ave. Waltham, MA 02254 | Thermo Electron Corporation | 2,750.00 | 1,567.00 |
| Lowell Press, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Fleishmann) | 6,930.00 | |
| Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006 | Alaska Loggers Assn | | |
| Do | American Nuclear Insurers | 1,272.00 | |
| Do | American President Lines | | |
| Do | Bay Tankers Inc | 7,642.50 | |
| Do | Bellingham Cold Storage | | |
| Do | Boeing Company | | |
| Do | Calista Corp | | |
| Do | Council of American-Flag Ship Operators | | |
| Do | Council on Research & Technology | 1,425.00 | |
| Do | COMPACT | | |
| Do | Data General Corp | 3,630.00 | |
| Do | Design Professionals Coalition | | |
| Do | Grant County Public Utility District | | |
| Do | Intelsat | 720.00 | |
| Do | Kellogg Company | 270.00 | |
| Do | Martin Marietta Corp | | |
| Do | McDonnell Douglas Corp | | |
| Do | Moore McCormack Resources, Inc | | |
| Do | Mutual Atomic Energy Liability Underwriters | | |
| Do | National Council on Compensation Insurance | 262.50 | |
| Do | Port of Seattle | | |
| Do | Professional Services Council | | |
| Do | Shonomish County Public Utility District No. 1 | | |
| Do | Sunmar Shipping, Inc | | |
| Do | Transportation Institute | | |
| Do | Tri-City Industrial Development Council | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | University of Michigan Hospitals | 135.00 | |
| Do | University of Washington | | |
| Keith A. Pretty, 1615 M Street, NW, #200 Washington, DC 20036 | Amoco Corporation | 1,500.00 | 947.74 |
| James M. Price, P.O. Box 11248 Knoxville, TN 37919 | Sierra Club | | 695.00 |
| Robert V. Price, 1150 Connecticut Avenue, NW, #600 Washington, DC 20036 | Browning-Ferris Industries, Inc | 4,500.00 | 400.16 |
| Thomas J. Price, 410 First Stret, SE Washington, DC 20003 | American Nuclear Energy Council | 5,000.00 | 662.11 |
| Patricia Pride, 1129 20th St., NW Washington, DC 20036 | Financial Accounting Foundation | 350.00 | 68.25 |
| Sheila M. Prindiville, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036 | National Solid Waste Management Assn | 200.00 | |
| Joel Pritchard, Bogle & Gates One Thomas Circle, NW, #900 Washington, DC 20005 | International Telecommunications Satellite Organization | | |
| Jerry C. Pritchett, 5410 Grosvenor Ln., #120 Bethesda, MD 20814 | Mechanical Contractors Assn of America, Inc | | |
| George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202 | Rockwell International Corp | 1,875.00 | 535.27 |
| Pro-Life CDAC 12, P.O. Box 7145 Menlo Park, CA 94025 | | | 190.53 |
| Sydney Probst, 1250 Eye Street, NW, #900 Washington, DC 20005 | Distilled Spirits Council of the U.S., Inc | 2,000.00 | |
| Stuart E. Proctor Jr., 2626 Pennsylvania Ave., NW Washington, DC 20037 | National Telephone Cooperative Assn | 1,250.00 | 649.41 |
| Professional Managers' Assn, P.O. Box 7762, Ben Franklin Station Washington, DC 20044 | | | |
| Profit Sharing Council of America, 20 N. Wacker Drive Chicago, IL 60606 | | | |
| Project Advisory Group, 1029 Vermont Ave., NW, #860 Washington, DC 20005 | | | 2,343.05 |
| Proprietary Association, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036 | | | 3,793.75 |
| Proskauer Rose Goetz & Mendelsohn, 300 Park Avenue New York, NY 10022 | Integrated Resources, Inc | | |
| Prudential-Bache Securities, Inc, 100 Gold St. New York, NY 10292 | | | 750.00 |
| James C. Pruitt, 1050 17th St., NW, #500 Washington, DC 20036 | Texaco, Inc | 250.00 | |
| Public Citizen Health Research Group, 2000 P St., NW, #700 Washington, DC 20036 | | | |
| Public Employee Department, AFL-CIO, 815 16th St., NW Washington, DC 20006 | | 57,319.73 | 21,473.68 |
| Public Timber Purchasers Group, 610 SW. Broadway, #608 Portland, OR 97205 | | 25,266.54 | 2,638.62 |
| Philip N. Pulizzi Jr., 1000 16th Street, NW, #800 Washington, DC 20036 | Bethlehem Steel Corp | 95.00 | |
| David E. Pullen, 1625 K Street, NW, #750 Washington, DC 20006 | Manville Corporation | 1,000.00 | |
| John R. Purcell, 204 E Street, NE Washington, DC 20002 | National Frozen Food Association | 500.00 | |
| Sue P. Purvis, P.O. Box 14042(d2b) St. Petersburg, FL 33733 | Florida Power Corp | 2,400.00 | 483.12 |
| Do | Florida Progress Corp | 600.00 | 65.88 |
| Earle W. Putnam, 5025 Wisconsin Avenue, NW Washington, DC 20016 | Amalgamated Transit Union, AFL-CIO | | |
| Howard Pyle III, 4930 Quebec St., NW Washington, DC 20016 | Houston Lighting & Power Company | 4,200.00 | |
| Robert N. Pyle & Associates, 1701 K St., NW, #1004 Washington, DC 20007 | Ceramatec, Inc | 3,500.00 | 86.00 |
| Do | Elkem Metals Company | 4,400.00 | 106.00 |
| Do | Independent Bakers Assn | 3,000.00 | 150.00 |
| Do | Stratcor | 6,400.00 | 135.00 |
| Do | Welch Foods, Inc | 3,600.00 | 85.00 |
| John R. Quarles Jr., Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036 | National Environmental Development Assn | | |
| William A. Quinlan, 3045 Riva Rd. Riva, MD 21140 | National Candy Wholesalers Assn, Inc | | |
| Do | Retail Bakers of America | | |
| Harold P. Quinn Jr., 1130 17th St., NW Washington, DC 20036 | National Coal Assn | 3,000.00 | |
| George Gregory Raab, 2000 L Street, NW Washington, DC 20036 | Medtronic, Inc | | |
| Theresa Rabel, 1771 N Street, NW Washington, DC 20036 | National Assn of Broadcasters | 1,500.00 | 800.00 |
| Clifford Raber, One McDonald's Plaza Oak Brook, IL 60521 | McDonald's Corp | | |
| Steve Rabin, 1901 L Street, NW, #320 Washington, DC 20036 | Ogilvy & Mather | | |
| Alex Radin, 1200 New Hampshire Ave., NW, #235 Washington, DC 20036 | Tennessee Valley Public Power Assn | 150.00 | |
| Radin & Associates, Inc, 1200 New Hampshire Ave., NW Washington, DC 20036 | Arnold & Porter | 1,468.75 | |
| W. A. Radziewicz, 400 First Street, NW Washington, DC 20001 | Brotherhood of Railroad Signalmen | 350.00 | |
| Michael Rae, 2030 M St., NW Washington, DC 20036 | Common Cause | 5,140.02 | 91.00 |
| Tess A. Rae, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | | |
| John D. Raffaelli, Law Offices of John D. Raffaelli 499 South Capitol St., SW, #407 Washington, DC 20003 | Dean Witter Realty, Inc | | |
| Do | Gulf Coast Waste Disposal Authority | | |
| Do | Lloyd's U.S. Corp | | |
| Do | National Council for Higher Education Loan Programs | | |
| Do | R. Duffy Wall & Associates, Inc (For:Taylor & Mizell) | | |
| Tanya A. Rahall, 2033 M Street, NW, #900 Washington, DC 20036 | National Assn of Arab Americans | 6,583.26 | 27.90 |
| Roderic W. Rahe Jr., 1015 15th Street, NW, #802 Washington, DC 20005 | American Consulting Engineers Council | 700.00 | |
| Richard W. Rahn, 1615 H St., NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 525.00 | 274.00 |
| Thomas F. Railsback, Nash Railsback & Plesser 1133 15th St., NW, #1100 Washington, DC 20005 | Federal Judges Association | | |
| Do | Merck & Co, Inc | | |
| Do | National Council of U.S. Magistrates | 1,045.00 | |
| Do | Walt Disney Productions | | |
| Railway Labor Executives' Assn, 400 First St., NW. #804 Washington, DC 20001 | | 115,200.00 | 197,098.66 |
| Railway Progress Institute, 700 North Fairfax St. Alexandria, VA 22314 | | | |
| Rainbow Lobby, 236 Massachusetts Avenue, NE, #409 Washington, DC 20002 | | 272,385.16 | 214,551.90 |
| Elizabeth L. Raisbeck, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003 | National Audubon Society | 3,687.50 | 320.94 |
| Donald A. Randall, P.C., 321 D Street, NE Washington, DC 20002 | Automotive Service Assn | 11,369.60 | |
| Do | National Independent Dairy-Foods Assn | 6,575.00 | |
| Randolph & Truitt, 1752 N Street, NW, #801 Washington, DC 20036 | Tanadgusix Corporation | | |
| James D. Range, 1155 Connecticut Ave., NW, #800 Washington, DC 20036 | Waste Management, Inc | 5,000.00 | |
| D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072 | Salt River Project | 1,680.00 | 6,639.59 |
| Magda Ratajsku, One Commercial Place Norfolk, VA 23510-2191 | Norfolk Southern Corp | | |
| Billye Lynn Ratliff, 1025 Connecticut Ave., NW Washington, DC 20036 | Shell Oil Co | 500.00 | |
| John W. Rauber Jr., 2501 M Street, NW Washington, DC 20037 | Chemical Manufacturers Assn | 350.00 | 2,224.34 |
| Carol L. Raulston, 1250 Connecticut Ave., NW Washington, DC 20036 | American Paper Institute, Inc | 2,075.00 | |
| Craig Raupe, Campbell-Raupe, Inc 1015 15th Street, NW, #907 Washington, DC 20005 | Algonquin Gas Transmission | | |
| Do | American Nuclear Energy Council | | |
| Do | Invest to Compete Alliance | | |
| Do | LTV Aerospace & Defense Co | | |
| Do | Pitney Bowes | | |
| Do | Riffe Petroleum Co | | |
| Do | Stone & Webster Engineering Corp | | |
| Do | Texas Air Corp | | |
| Do | Texas Utilities Services, Inc | | |
| Do | The New England | | |
| Do | Union Pacific Corp | | |
| Do | Westinghouse Electric Corp | | |
| John K. Rayburn, 1801 K Street, NW Washington, DC 20006 | Westinghouse Electric Corp | 235.00 | 30.00 |
| David A. Raymond, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036 | Enserch Corporation | 3,379.00 | 2,224.00 |
| Sharon Raymond, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 2,500.00 | |
| Richard J. Razook, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131 | Thomson Zeder Bohrer Werth & Razook (For:Burger King Corp) | 354.33 | |
| Julian O. Read, 1005 Congress Avenue, #500 Austin, TX 78701 | Central & South West Corp | | |
| Stephen F. Ready, 129 Cabrillo, #201 Costa Mesa, CA 92627 | National Bicycle Dealers Assn | | |
| Sydney C. Reagan, 10 Duncannon Ct., Glen Lakes Dallas, TX 75225 | Southwestern Peanut Shellers Assn | | |
| Linda S. Reanick, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 1,500.00 | 407.88 |
| Recon/Optical, Inc, 550 West Northwest Highway Barrington, IL 60010 | | | |
| Recording Industry Assn of America, Inc, 888 Seventh Avenue, 9th Fl. New York, NY 10106 | | 85,452.12 | 160,800.51 |
| John M. Rector, 205 Daingerfield Rd. Alexandria, VA 22314 | National Assn of Retail Druggists | 700.00 | 1,150.00 |
| Robert E Redding, 7315 Wisconsin Ave., #325 E Bethesda, MD 20814 | Shippers National Freight Claim | 148.40 | |
| Jo Reed, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 571.92 | 87.80 |
| Michael L. Reed, 1100 15th Street, NW, #900 Washington, DC 20005 | Pharmaceutical Manufacturers Assn | 4,000.00 | 111.00 |
| J. Mitchell Reese, 1700 K Street, NW, #1204 Washington, DC 20006 | Chevron USA, Inc | 400.00 | 50.00 |
| William D. Reese, P.O. Box 899 Salt Lake City, UT 84110 | Utah Power & Light Co | 2,250.00 | 1,750.00 |
| Benjamin F. Reeves, 1100 17th Street, NW Washington, DC 20036 | Burley & Dark Leaf Tobacco Export Assn | 950.00 | |
| J. Ronald Reeves, Washington National Airport Washington, DC 20001 | U.S. Air, Inc | 2,000.00 | 238.75 |
| Timothy J. Regan, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004 | Corning Glass Works | 2,500.00 | |
| John T. Reggitts Jr., 95 Booton Ave. P.O. Box 470 Boonton, NJ 07005 | | | |
| John Regner, 1025 Connecticut Ave., NW, #200 Washington, DC 20036 | Shell Oil Co | 500.00 | |
| David K. Rehr, 600 Maryland Ave., SW, #700 Washington, DC 20024 | National Fed of Independent Business | 3,401.75 | 707.00 |
| Reichler & Appelbaum, 888 17th St., NW, #1101 Washington, DC 20006 | Republic of Guatemala | | |
| Do | Republic of Nicaragua | 6,000.00 | |
| Charlotte Reid, 2466 Chatham Road Aurora, IL 60506 | Motorola, Inc | | |
| Michael Reid, 1925 K Street, NW, #206 Washington, DC 20006 | Alliance to Save Energy | | |
| Michael W. Reid, 1300 L Street, NW Washington, DC 20005 | American Postal Workers Union, AFL-CIO | 2,623.14 | 116.40 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Reid & Priest, 1111 19th St., NW, #1100 Washington, DC 20036 | Associated Natural Gas Company, et al. | | |
| Do | Committee of Corporate Telecommunications Users | | |
| Do | Edison Electric Institute | | |
| Do | Kentucky Utilities Co | | |
| Kathleen Reinburg, 2000 P Street, NW, #305 Washington, DC 20036 | Foresight Science & Technology, Inc (For:Society for American Archaeology) | 2,037.00 | |
| Nooley Reinheardt, Nooley Reinheardt & Assoc. P.O. Box 23190 Washington, DC 20024 | Rural Builders Council of California | | |
| Reinsurance Assn of America, 1819 L St., NW, 7th Floor Washington, DC 20036 | | | |
| Dale L. Reistad, 1726 M Street, NW, #1000 Washington, DC 20036 | Electronic Funds Transfer Assn | 375.00 | |
| Religious Coalition for Abortion Rights, Inc, 100 Maryland Avenue, N.e. Washington, DC 20002 | | 140,322.73 | 8,283.82 |
| Zev M. Remba, 1111 14th Street, NW Washington, DC 20005 | Academy of General Dentistry | | |
| John W. Rendon Jr., 1439 Rhode Island Ave., NW Washington, DC 20005 | Rendon Company | | |
| Rendon Company, 1439 Rhode Island Ave., NW Washington, DC 20009 | | | |
| Sarah M. Renfroe, 16805 Weld County Rd. 19 1/2 Platteville, CO 80651 | Public Service Co of Colorado | | |
| Diane Rennert, 2005 Massachusetts Avenue, NW Washington, DC 20036 | Association of American Publishers | 4,300.00 | 259.27 |
| Retired Officers Assn, 201 N. Washington St. Alexandria, VA 22314 | | 88,791.67 | 19,307.51 |
| John H. Reurs, 74 Trinity Place New York, NY 10006 | New York Comm of Intl Comm of Passenger Lines | | |
| Vincent P. Reusing, 1615 L Street, MW, #1210 Washington, DC 20036 | Metropolitan Life & Affiliated Cos | 1,000.00 | |
| Alan V. Reuther, 1757 N Street, NW Washington, DC 20036 | United Auto Aerospace & Agricultural Implement Workers | 20,129.91 | 279.85 |
| Allan R. Rexinger, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036 | Proprietary Association | 3,643.75 | 150.00 |
| Mark E. Rey, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | 1,500.00 | |
| Renee Reymond, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004 | National Assn of Manufacturers | | |
| Mary Anne Reynolds, 8111 Gatehouse Road Falls Church, VA 22047 | AAA Potomac | | |
| Timothy M. Reynolds, 1001 22nd St., NW Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Frederick W. Rhodes, 1828 L Street, NW Washington, DC 20036 | Loral Systems Group | 4,250.00 | |
| John J. Rhodes, Hunton & Williams 2000 Pennsylvania Avenue, NW Washington, DC 20006 | Central Arizona Water Conservation District | 3,600.00 | |
| Do | Rocky Mountain Energy Co | 3,000.00 | |
| Grace Ellen Rice, 600 Maryland Ave., SW Washington, DC 20024 | American Farm Bureau Federation | 7,187.00 | 188.41 |
| Lois D. Rice, 1201 Pennsylvania Avneue, NW Washington, DC 20004 | Control Data Corporation | 300.00 | 38.00 |
| James E. Rich Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036 | Shell Oil Co | 500.00 | |
| Richard Richards, Law Office of Richard Richards 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007 | Hughes Aircraft Company | | |
| Alan H. Richardson, 2301 M St., NW Washington, DC 20037 | American Public Power Assn | 500.00 | |
| Donna Richardson, 1101 14th Street, NW, #200 Washington, DC 20005 | American Nurses' Assn | 4,935.00 | 231.80 |
| K. O. Richardson, 815 16th St., NW Washington, DC 20006 | Brotherhood of Railway Airline & Steamship Clerks | 3,000.00 | 84.97 |
| Kevin C. Richardson, 2001 Eye St., NW Washington, DC 20006 | Electronic Industries Assn | 825.00 | |
| Steve Richardson, 1400 Eye Street, NW Washington, DC 20005 | Wilderness Society | 4,877.74 | 494.43 |
| Warren S. Richardson, 325 Pennsylvania Ave., SE Washington, DC 20003 | Washington Lobby Group, Inc (For:Preston Corp) | 3,000.00 | |
| Wesley S. Richardson, P.O. Box #65 Washington Grove, MD 20880 | Washington Lobby Group, Inc (For:Preston Corp) | 1,500.00 | |
| William J. Richardson Jr., 1819 H Street, NW, #1100 Washington, DC 20006 | | | |
| Lois Richerson, 1724 Massachusetts Avenue, NW Washington, DC 20036 | National Cable Television Assn, Inc | 1,142.00 | |
| Les Richter, 1801 Speedway Boulevard Daytona Beach, FL 32015 | National Assn for Stock Car Auto Racing, Inc (NASCAR) | 8,000.00 | |
| Do | National Motorsports Comm of ACCUS, FIA, Inc | | |
| Glenn Wadsworth Riddell, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Laurel Steel Products Ltd, et al. | | |
| Judy Noel Riddle, 6630 W. Broad St. Richmond, VA 23230 | Lawyers Title Insurance Co | | |
| Mary Catherine Riddle, 1700 K St., NW, #1200 Washington, DC 20006 | Chevron USA, Inc | 220.00 | 33.00 |
| Lowell J. Ridgeway, North Dakota Petroleum Council P.O. Box 1395 Bismarck, ND 58502 | American Petroleum Institute | 693.00 | 703.05 |
| E. George Riedel, 1600 M Street, NW Washington, DC 20036 | International Telephone & Telegraph Corporation | 4,280.00 | 80.00 |
| E. Philip Riggin, 1608 K St., NW Washington, DC 20006 | American Legion | 12,885.00 | 439.91 |
| P. Robert Rigney Jr., 1117 North 19th Street, #600 Arlington, VA 22209 | American Assn of Blood Banks | 1,250.00 | |
| Pat Riley, 1016 16th Street, NW Washington, DC 20036 | National Fed of Federal Employees | | |
| Susan Riley, 1250 Connecticut Ave., NW, #620 Washington, DC 20036 | National Multi Housing Council | 300.00 | |
| John F. Ring, 25 Louisiana Avenue, NW Washington, DC 20001 | International Brotherhood of Teamsters | | |
| David Ringler, One Post Street, #3275 San Fransisco, CA 94104 | McKesson Corp | 3,000.00 | 1,271.00 |
| Dale P. Riordan, 3900 Wisconsin Avenue, NW Washington, DC 20016 | Federal National Mortgage Assn | | |
| Kevin J. Riordan, 1700 K St., NW, #1204 Washington, DC 20006 | Chevron USA, Inc | 240.00 | 185.00 |
| John S. Rippey, 730 15th St., NW Washington, DC 20005 | Association of Bank Holding Cos | 1,462.50 | 35.00 |
| Riselli & Pressler, 2033 M Street, NW, #504 Washington, DC 20036 | Professional Managers' Assn | | |
| Carol A. Risher, 2005 Massachusetts Ave., NW Washington, DC 20036 | Association of American Publishers | 2,000.00 | |
| Robin Risso, 511 C Street, NE Washington, DC 20002 | Continental Assn of Resolute Employers (C.A.R.E.) | | |
| Jeanne M. Ritchie, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | | |
| James E. Ritchie & Associates, 499 S. Capitol St., SW, #400 Washington, DC 20003 | Gaming Industry Assn of Nevada, Inc | 3,200.00 | 4,759.56 |
| Do | Golden Nugget, Inc | | |
| Do | National Assn of Off-Track Betting | 1,900.00 | 5,320.73 |
| Do | National Assn of Optometrists & Opticians, Inc | | 5,939.46 |
| Do | Nevada Resort Assn | 4,800.00 | 7,139.36 |
| Valentin Riva, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Phillip W. Rivers, 1050 17th St., NW #500 Washington, DC 20036 | Texaco, Inc | 270.00 | |
| Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005 | Akin Gump... (Drexel Burnham Lambert, Inc) | 4,300.00 | 38.00 |
| Do | American Bakers Assn | | 5.00 |
| Do | American Cancer Society | 204.70 | |
| Do | ALC Communications Corp | 3,629.70 | 200.00 |
| Do | Borg-Warner Corp | 3,832.00 | 140.00 |
| Do | Business Coalition for RICO Reform | | 203.80 |
| Do | Cranston Securities, Inc | | 130.00 |
| Do | Dow Chemical Co | 4,000.00 | 50.00 |
| Do | Energy Contractors Price-Anderson Group | 17,207.61 | 1,019.28 |
| Do | Food Marketing Institute | | |
| Do | Gunnar Dana Associates | | |
| Do | Lever Brothers Co, Inc | 2,036.25 | 150.00 |
| Do | National Basketball Assn | 1,750.00 | 20.00 |
| Do | National Soft Drink Assn | 4,516.50 | 135.00 |
| Do | New Energy Corporation | 800.00 | 10.00 |
| Do | Primerica | 2,000.00 | 25.00 |
| Do | Renewable Fuels Assn | 1,625.00 | 15.00 |
| Do | Tiffany & Co | 25.00 | 30.00 |
| Carole T. Roberts, 1660 L St., NW, #1000 Washington, DC 20036 | Travelers Companies | 1,437.50 | |
| Perry A. Roberts, 8000 W. Florissant St. Louis, MO 63136 | Emerson Electric Co | | 852.14 |
| Richard R. Roberts, 304 Pennsylvania Ave., SE, #300 Washington, DC 20003 | American Council of Highway Advertisers | 1,500.00 | 2,489.10 |
| Do | South Sea Charter Service | 750.00 | 442.51 |
| Richard W. Roberts, 100 East 42nd St. New York, NY 10017 | National Foreign Trade Council, Inc | 500.00 | 50.00 |
| William A. Roberts, 444 North Capitol Street, #711 Washington, DC 20001 | TKC International Inc (For:Capitol Metropolitan Transportation Authority) | 308.26 | |
| Do | TKC International Inc (For:University of Miami) | 600.00 | |
| Do | TKC International Inc (For:UNIAO Nacional Para Independencia Total DeAngola) | 8,925.00 | 9,110.00 |
| Do | TKC International Inc (For:Westinghouse Electric Corp) | | |
| Gordon C. Robertson, 1412 16th Street, NW Washington, DC 20036 | International Assn of Fish & Wildlife Agencies | 9,411.82 | 220.01 |
| Robins Zelle Larson & Kaplan, 1627 Eye St., NW, #610 Washington, DC 20006 | Cabot Corporation | | 1,023.91 |
| Betty S. Robinson, 1757 N St., NW Washington, DC 20036 | United Auto Aerospace & Agricultural Implement Workers | 15,844.80 | 141.75 |
| Ernestine S. Robinson, 1575 Eye Street, NW Washington, DC 20005 | American Soc of Assn Executives | 300.00 | |
| Kenneth L. Robinson, 1111 N. 19th Street, #700 Arlington, VA 22209 | National Assn of Federal Credit Unions | | |
| Thomas E. Robinson, 1101 17th St., NW, #700 Washington, DC 20036 | National Assn of Real Estate Investment Trusts, Inc | 800.00 | |
| Do | Pension Real Estate Assn | | |
| Robinson Lake & Lerer, Inc, 1667 K St., NW, #900 Washington, DC 20007 | Grocery Manufacturers of America | | |
| Do | Sun-Diamond Growers of California | 5,000.00 | |
| Robison International, Inc, 2300 N St., NW, #600 Washington, DC 20037 | Euromissile | 10,500.00 | 7,676.00 |
| Do | FMC Corporation | 4,500.00 | 3,090.00 |
| Do | Kaman Sciences Corp | 7,500.00 | 5,483.00 |
| Do | McDonnell Douglas Corp | 7,500.00 | 5,483.00 |
| Do | Royal Ordnance, Inc | 12,000.00 | 8,772.00 |
| Do | Systems Planning Corp | 9,000.00 | 6,579.00 |
| James Anthony Rock, 1730 M Street, NW, #607 Washington, DC 20036 | Montana Power Co, et al. | 1,250.00 | 2,157.56 |
| Michael J. Rock, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | 3,381.99 | 224.08 |
| David W. Roderer, 3900 Wisconsin Avenue, NW Washington, DC 20016 | Federal National Mortgage Assn | | |
| Quincy Rodgers, 2033 M Street, NW, #800 Washington, DC 20036 | General Instrument Corporation | 1,000.00 | 58.80 |
| Jose Luis Rodriguez, 1000 Thomas Jefferson St., NW, #601 Washington, DC 20007 | | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Rodriquez & Associates, 1325 18th Street, NW, #103 Washington, DC 20036 | New York Foreign Freight Forwards & Brokers Assn | 2,000.00 | 237.30 |
| Arthur P. Rogers, 888 17th St., NW, #901 Washington, DC 20006 | Whiteford Taylor & Preston | | |
| Bruce N. Rogers, 1660 L St., NW Washington, DC 20036 | General Motors Corp. | 3,000.00 | 3,332.20 |
| Donald L. Rogers, 730 15th St., NW Washington, DC 20005 | Association of Bank Holding Cos | 3,025.00 | |
| Gardiner Rogers, 105 Forrest Avenue, Suite 7 Narberth, PA 19072 | Liberty Lobby | 771.00 | 395.44 |
| Nancy Rogers, 815 16th Street, NW Washington, DC 20006 | Industrial Union Department, AFL-CIO | 6,494.01 | 78.14 |
| Terrence L. Rogers, 80 F St., NW Washington, DC 20001 | American Fed of Government Employees | 12,322.45 | 12,487.90 |
| Rogers & Wells, 200 Park Avenue New York, NY 10166 | Adamar of New Jersey, Inc, et al. | | |
| Do | American Express Co | | |
| Do | Cementos Anahuac del Golfo, S.A. | | |
| Do | Liz Claiborne, Inc | | |
| Do | Compagnie Financiere de Paribas | | |
| Do | Desert Palace, Inc | | |
| Do | Dreyfus Corporation | | |
| Do | Grocery Manufacturers of America, Inc | | |
| Do | International Sleep Products Assn | | |
| Do | Internoor Trade, Inc | | |
| Do | Investment Partnership Assn | | |
| Do | Kamehameha Schools/Bernice P. Bishop Estate | | |
| Do | Liga Agricola Industrial de la Cana de Azucar | | |
| Do | Manufacturers Life Insurance Co, Inc | 500.00 | |
| Do | Merrill Lynch & Co, Inc | | |
| Do | Pan American World Airways, Inc | | |
| Do | Pan American World Services, Inc | | |
| Do | Republic National Bank | | |
| Do | Rutgers, The State University of New Jersey | | |
| Do | Teachers Insurance & Annuity Assn/College Ret. Equities Fund | | |
| Carole M. Rogin, 1255 23rd Street, NW, #850 Washington, DC 20037 | Hauck & Associates, Inc (For:Hearing Industries Assn) | | |
| Do | Hauck & Associates, Inc. (For:National Assn for Child Care Management) | | |
| Richard A. Rohrbach, 1615 M Street, NW, #570 Washington, DC 20036 | Boise Cascade Corp | 32,250.00 | 148.14 |
| Stephen F. Rohrkemper, 150 S. Washington St., #100 Falls Church, VA 22046 | International Technical Expertise Ltd | | |
| John F. Rolph III, 1200 New Hampshire Ave., NW, #350 Washington, DC 20036 | Citibank, N.A. | 1,000.00 | |
| Kenneth S. Rolston Jr, 1025 Vermont Ave., NW, #1020 Washington, DC 20005 | American Pulpwood Assn | | |
| Emil A. Romagnoli, 180 Maiden Lane New York, NY 10038 | Asarco Inc | 1,900.00 | |
| Daniel Romanko, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Canadian Steel Producers Assn | 137.50 | 859.62 |
| Joseph D. Romer, 304 N. Virginia Avenue Falls Church, VA 22046 | Brown Bridgman & Company | 682.50 | 13.25 |
| Wilfred J. Romero, 51 Madison Avenue New York, NY 10010 | New York Life Insurance Company | | |
| Michael J. Romig, 1850 K Street, NW Washington, DC 20006 | American Council of Life Insurance, Inc | 2,500.00 | |
| Francis P. Rooney, 888 Sixteenth St., NW Washington, DC 20006 | Biscuit & Cracker Mfgrs Assn | | |
| Fred B. Rooney, 1050 Connecticut Ave., NW, 12th Fl. Washington, DC 20036 | American Iron & Steel Institute | 1,850.00 | |
| Do | Association of American Railroads | 1,950.00 | |
| Do | CalMat Company | 1,750.00 | |
| Do | Crawford Fitting Co | 1,750.00 | |
| Do | Denver & Rio Grande Western Railroad Co | 1,800.00 | |
| Do | Inter-Con Security Systems, Inc | 850.00 | |
| Do | Kawasaki Motors Corp, USA | 1,450.00 | |
| Do | Lone Star Industries, Inc | 1,750.00 | |
| Do | M Life Insurance Co | 1,950.00 | |
| Do | Paul Hastings Janofsky & Walker (For:Security Life of Denver) | 1,850.00 | |
| James Roosevelt, 201 East Sand Point, #250 Santa Ana, CA 92715 | National Committee to Preserve Social Security | 15,000.00 | |
| John C. Roots, 1333 New Hampshire Ave., NW, #1001 Washington, DC 20036 | Atlantic Richfield Co | 41.48 | |
| Ropes & Gray, 1001 22nd St., NW, #700 Washington, DC 20037 | Amherst College, et al. | | |
| Rose Schmidt Hasley & DiSalle, 1825 Eye St., NW, #300 Washington, DC 20006-5486 | Cigar Assn of America, Inc | | |
| Do | Social Security Protection Bureau | 1,500.00 | |
| Lester L. Rosen, 7 Fulham Court Silver Spring, MD 20902 | Miles Laboratories, Inc | | |
| Richard Rosen, 5010 Wisconsin Ave., NW, #118 Washington, DC 20016 | | | |
| Albert B. Rosenbaum III, 2200 Mill Rd. Alexandria, VA 22314 | National Tank Truck Carriers, Inc | | |
| Richard Rosenbaum, 666 Third Ave., 4th Fl. New York, NY 10017 | Integrated Resources, Inc | | |
| Roger C. Rosenthal, 2001 S St., NW, #310 Washington, DC 20009 | Migrant Legal Action Progran, Inc | | |
| Gail E. Ross, 918 16th St., NW, #503 Washington, DC 20006 | Washington Independent Writers, Inc | | |
| Joe Ross, P.O. Box 1582 Little Rock, AR 72203-1582 | | | |
| Lawrence J. Ross, Ross & Duerk, P.C. 1700 K Street, NW, #1100 Washington, DC 20006 | | | |
| Nancy Ross, 236 Mass. Ave., NE Washington, DC 20001 | Rainbow Alliance | 4,225.00 | 300.00 |
| Phillip T. Ross, 198 Macdougal Street, #3L Brooklyn, NY 11233 | Grady O'Cummings and O'Cummings | | |
| William F. Ross, South Carolina Petroleum Council 716 Keenan Bldg. Columbia, SC 29201 | American Petroleum Institute | 657.00 | 1,099.95 |
| Richard Rosser, 122 C Street, NW, #750 Washington, DC 20001 | National Assn of Independent Colleges & Universities | 5,205.00 | |
| Barry N. Roth, 1120 20th Street, NW, #700 Washington, DC 20036 | Williams Companies | 500.00 | |
| Rhond Rudolph Roth, 813 Maryland Avenue, NE Washington, DC 20002 | Hauck & Associates, Inc | | |
| John C. Rother, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 1,211.54 | 216.05 |
| Edwin Rothschild, 1300 Connecticut Ave., NW, #401 Washington, DC 20036 | Citizen/Labor Energy Coalition | 1,500.00 | |
| Donald D. Rounds, South Dakota Petroleum Council 222 E. Capitol, #16 Pierre, SD 57501 | American Petroleum Institute | 1,100.00 | 1,151.39 |
| William C. Rountree, Suite 600 1001 22nd St., NW Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Michael O. Roush, 600 Maryland Avenue, SW. #700 Washington, DC 20024 | National Fed of Independent Business | 4,875.50 | 516.00 |
| Eugene F. Rowan, 2550 M Street, NW Washington, DC 20037 | National Assn of Chain Drug Stores, Inc | 44.00 | |
| Do | Revco D.S., Inc | 131.00 | |
| Ted Rowland, 47 W. 34th Street, #807 New York, NY 10001 | International Footwear Assn | | |
| Charles Rowton, 1899 L Street, NW, #1100 Washington, DC 20036 | Exxon Corporation | 300.00 | 35.67 |
| Roxton, Inc, 2000 S. Eads Street, #1003 Arlington, VA 22202 | Medical Identification Card | | |
| Tobi Z. Rozen, 888 16th St., NW Washington, DC 20006 | Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs | | |
| Eugene T. Ruane, 1325 G Street, NW, #1003 Washington, DC 20005 | Population-Environment Balance | 788.99 | 5.60 |
| James S. Rubin, Kleinfeld Kaplan & Becker 1140 19th Street, NW Washington, DC 20036 | Allied-Signal, Inc | 13,437.50 | |
| Do | Pacific Western Distributing Corp | 1,350.00 | |
| Joseph T. Ruble, 1300 North 17th Street, #300 Arlington, VA 22209 | ADAPSO, the Computer Software & Services Industry Assn | | |
| Eldon Rudd, Shimmel Hill Bishop & Gruender, P.C. 3700 North 24th Street Phoenix, AZ 85016 | Central Arizona Project Assn | 10,022.68 | 2,545.44 |
| Barbara A. Rudolph, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209 | Beverly Enterprises, Inc | 3,375.00 | 104.67 |
| Henry C. Ruempler, 1200 New Hampshire Avenue, NW, #350 Washington, DC 20036 | American Bankers Assn | 2,000.00 | 221.71 |
| Nicholas L. Ruggiere, 1667 K Street, NW, #410 Washington, DC 20006 | Johnson & Johnson | 1,000.00 | 225.00 |
| Ronald R. Rumbaugh, 5205 Leesburgh Pike, #505 Falls Church, VA 22041 | National Beer Wholesalers of America | 211.00 | |
| John Runyan, 1730 North Lynn St., #409 Arlington, VA 22209 | Printing Industries of America, Inc | 1,000.00 | |
| Morgan S. Ruph, 4647 Forbes Boulevard Lanham, MD 20706 | AMVETS | 6,800.00 | 150.47 |
| Domenic R. Ruscio, 6th Floor 2010 Massachusetts Avenue, NW Washington, DC 20036 | | | |
| Barry Russell, 1101 16th St., NW Washington, DC 20036 | Independent Petroleum Assn of America | | 15.00 |
| Dorothea L. Russell, 1120 Vermont Avenue, NW, #1120 Washington, DC 20005 | National Candy Wholesalers Assn, Inc | | |
| Randall M. Russell, 517 C Street, NE Washington, DC 20002-5809 | Lesher and Associates, Inc | | |
| William Russell & Associates, Inc, 1775 Pennsylvania Ave., NW, #450 Washington, DC 20006 | Columbia Communications Corp | | |
| Do | Pacific Telecom, Inc | | |
| Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 50.00 | |
| Herman Max Ruth 71990-158, P.O. Box 1000 Otisville, NY 10963 | Herman Max Ruth | | |
| J. T. Rutherford & Associates, Inc, 1301 N. Courthouse Rd., #1802 Arlington, VA 22201 | American Assn of Bioanalysts/Intl Soc of Clinical Lab Techs | | 602.50 |
| Do | American College of Radiology | | 750.30 |
| Do | American Optometric Assn | | 520.10 |
| Frank T. Ryan, 1400 K Street, NW Washington, DC 20005 | Rubber Manufacturers Assn | 2,500.00 | |
| George J. Ryan, 915 Rockefeller Building Cleveland, OH 44113 | Lake Carriers' Assn | | |
| John F. Ryan, 1600 M Street, NW Washington, DC 20036 | International Telephone & Telegraph Corporation | | |
| Joseph Ryan, 1155 21st., NW, 4th Fl Washington, DC 20036 | General Instrument Corporation | | |
| Kermit W. Ryman, 1700 K St., NW, #1200 Washington, DC 20006 | Chevron USA, Inc | 203.11 | 61.50 |
| RADAR, 4949 S 25A Tipp City, OH 45371 | | 294,249.83 | 16,812.64 |
| RBC Associates, 324 Fourth Street, NE Washington, DC 20002 | Ann Arbor Railroad | 7,500.00 | 4,926.75 |
| Do | Bangor & Aroostook Railroad | 6,750.00 | 4,978.74 |
| Do | Chicago & North Western Transportation Corp | 31,500.00 | 5,733.04 |
| Do | Delaware Otsego System | 24,000.00 | 5,357.66 |
| Do | Genesee & Wyoming Corp | 1,000.00 | 4,895.40 |
| Do | Regional Railroads of America | 14,000.00 | 4,895.40 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| RJR Nabisco, Inc, 1100 Reynolds Blvd. Winston-Salem, NC 27106 | | | 13,530.57 |
| Paul R. Sacia, Suite 202, West Wing 600 Maryland Avenue, SW Washington, DC 20024 | Farmers' Educational & Co-Operative Union of America | | |
| David J. Sadd, 2033 M Street, NW, #900 Washington, DC 20036 | National Assn of Arab Americans | 4,536.80 | |
| G. J. Thomas Sadler Jr., 3521 Valley Drive Alexandria, VA 22302 | Communications Satellite Corp | 1,500.00 | 267.46 |
| Susan L. Sadtler, 2626 Pennsylvania Avenue, NW Washington, DC 20037 | National Telephone Cooperative Assn | 1,625.00 | 540.77 |
| Anthony J. Saggese Jr., 1050 17th St., NW, #500 Washington, DC 20036 | Texaco, Inc | | |
| Saginaw County Chamber of Commerce, 901 S. Washington Avenue Saginaw, MI 48601 | | | |
| Frank Max Salinger, 1101 14th St., NW Washington, DC 20005 | American Financial Services Assn | 250.00 | |
| James H. Sammons, 535 North Dearborn Street Chicago, IL 60610 | American Medical Assn | 2,500.00 | |
| Sammons Enterprises, Inc, 403 South Akard Dallas, TX 75202 | | | 3,526.37 |
| Felix R. Sanchez, 1515 Wilson Blvd. Arlington, VA 22209 | American Gas Assn | 2,500.00 | 2,049.07 |
| James C. Sanders, 1750 K St., NW, #500 Washington, DC 20006 | Beer Institute | | |
| Sanders Schnabel & Brandenburg, P.C., 1110 Vermont Avenue, NW, #600 Washington, DC 20005 | American Soc of Assn Executives | 2,037.61 | 17.50 |
| Stephen E. Sandherr, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | 2,000.00 | 500.00 |
| Myron G. Sandifer III, 1489 Chain Bridge Road, #200 McLean, VA 22101 | Jack McDonald Co (For:Chase Manhattan Bank, N.A.) | | |
| Do | Jack McDonald Co (For:Dow Corning Corp) | | |
| Do | Jack McDonald Co (For:Hitachi Sales Corp of America) | | 30.00 |
| Do | Jack McDonald Co (For:Jacques Borel Enterprises, Inc) | | |
| Do | Jack McDonald Co (For:Royal Zenith Corp) | | |
| Do | Jack McDonald Co (For:Societe Generale de Surveillance, S.A.) | | |
| Charles E. Sandler, 1220 L Street, NW Washington, DC 20005 | American Petroleum Institute | 6,000.00 | |
| Peter G. Sandlund, 1725 Eye St., NW, #315 Washington, DC 20006 | Council of European & Japanese National Shipowners' Assn | 300.00 | |
| Eric Sapirstein, ENS Resources, Inc 2712 Wisconsin Avenue, NW, #801 Washington, DC 20007 | Cure Corp | | |
| Do | Jellinek Schwartz Connolly & Freshman, Inc | 3,000.00 | 687.58 |
| Do | Las Virgenes Municipal Water District | 150.00 | 176.62 |
| Do | Victor Valley Wastewater Reclamation Authority | | |
| Do | Western Research Institute | 1,023.75 | 1,181.77 |
| Ronald A. Sarasin, 311 First Street, NW Washington, DC 20001 | National Restaurant Assn | | |
| Klara B. Sauer, 9 Vassar Street Poughkeepsie, NY 12601 | Scenic Hudson, Inc | | |
| Albert C. Saunders, 1100 15th St., NW #900 Washington, DC 20005 | Pharmaceutical Manufacturers Assn | 4,000.00 | 18.50 |
| Mary Jane Saunders, 1300 N. 17th Street, #300 Arlington, VA 22209 | ADAPSO, the Computer Software & Services Industry Assn | | |
| Richard N. Sawaya, 1333 New Hampshire Ave., NW Washington, DC 20036 | Atlantic Richfield Co | | |
| Thomas C. Sawyer, 1825 K Street, NW Washington, DC 20006 | National Broadcasting Co, Inc | 5,000.00 | 500.11 |
| Laurie S. Schaffer, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 385.00 | |
| Harold A. Schaitberger, 1750 New York Ave., NW Washington, DC 20006 | International Assn of Fire Fighters | 13,763.94 | |
| William T. Schapaugh, 1030 15th Street, NW Washington, DC 20005 | American Seed Trade Assn | 5,000.00 | |
| C. M. Schauerte, P.O. Box 3247 Houston, TX 77253 | American General Corporation | | |
| Jay T. Scheck Jr., Rt. 202-206 North Somerville, NJ 08876 | Hoechst Celanese Corporation | | |
| Schell & Co, Inc, 1776 K Street, NW, #700 Washington, DC 20006 | Fuller Co | | |
| Do | GATX Corp | | |
| Robert J. Schenk, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| S. Jacob Scherr, 1350 New York Ave., NW, #300 Washington, DC 20005 | Natural Resources Defense Council, Inc | 262.00 | 6.00 |
| Schiff Hardin & Waite, 1101 Connecticut Avenue, NW Washington, DC 20036 | Chicago Board Options Exchange | | |
| Michael T. Schilling, 1000 Wilson Blvd. Arlington, VA 22209 | TRW, Inc | 540.00 | |
| Kenneth D. Schloman, 1600 Rhode Island Avenue, N.w. Washington, DC 20036 | National Rifle Assn of America | 981.25 | 53.52 |
| Schmeltzer Aptaker & Sheppard, 1800 Massachusetts Ave., NW Washington, DC 20036 | American Honda Motor Co, Inc | 8,962.00 | 108.60 |
| Richard M. Schmidt Jr., 1333 New Hampshire Ave., NW, #600 Washington, DC 20036 | Association of American Publishers | 500.00 | |
| Arthur C. Schmitt, 3705 S. George Mason Drive, Apt. 301 So. Falls Church, VA 22041 | Oxford Group, Limited | | |
| Schnader Harrison Segal & Lewis, Suite 1000 1111 19th St., NW Washington, DC 20036 | Savin Corporation | | |
| Do | Toyota Motor Corporation | 8,481.00 | 81.80 |
| Robert V. Schneider, 360 Herndon Parkway, #2100 Herndon, VA 22070 | ACS Systems, Inc | | |
| Theresa A. Schneider, 1120 19th Street, NW, #310 Washington, DC 20036-3605 | Institute of Makers of Explosives | | |
| Leonard Schneidman, Foley Hoag & Eliot One Post Office Square Boston, MA 02109 | Mutual Savings Central Fund, Inc | | |
| Abraham Schneier, 600 Maryland Ave., SW, #700 Washington, DC 20024 | National Fed of Independent Business | 3,401.75 | 189.00 |
| Frank Schneller, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Nancy L. Schoenig, 25 Louisiana Avenue, NW Washington, DC 20001 | International Brotherhood of Teamsters | | |
| Ann M. Schonfield, 1759 Lamont St., NW Washington, DC 20010 | Natural Resources Defense Council, Inc | 1,500.00 | 50.00 |
| Jack J. Schramm, 1155 Connecticut Ave., NW, #800 Washington, DC 20036 | Waste Management, Inc | 5,000.00 | |
| H. B. W. Schroeder, 1050 17th Street, NW, #490 Washington, DC 20036 | Consumers Power Co | 8,000.00 | 1,266.00 |
| Leah Webb Schroeder, 1030 15th Street, NW, #100 Washington, DC 20005 | Health Industry Manufacturers Assn | | |
| N. Donald Schroeder, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401 | American Petroleum Institute | 40.00 | |
| Judy Schub, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 593.66 | 820.34 |
| Jill Schuker, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Societe Generale thru SGS North America, Inc) | | |
| Amy J. Schultz, 317 Third St., SE, #22 Washington, DC 20003 | Robert A. Rapoza Associates (For:National Rural Health Assn) | 8,750.00 | |
| Mark Schultz, 1615 H St., NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 5,000.00 | 81.96 |
| Richard F. Schultz, 807 Maine Avenue, SW Washington, DC 20024 | Disabled American Veterans | 12,854.40 | 411.38 |
| Robert L. Schultz, c/o Iowa Petroleum Council 1012 Fleming Bldg. Des Moines, IA 50309 | American Petroleum Institute | 1,475.00 | 2,154.85 |
| Ralph D. Schumack, 1800 M Street, NW, #325 South Washington, DC 20036 | Dow Corning Corp | | 52.00 |
| Walter A. Schumann III, 4319 Eisenhaver Rd. San Antonio, TX 78218-2606 | Potomac Overlook Associates | | |
| James H Schuyler, 15th & M Street, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Alan R. Schwartz, Nash Railsback & Plesser 1133 15th Street, NW, #1100 Washington, DC 20005 | Disclosure Information Group | | |
| Do | Information Industry Assn | | |
| Do | Journal of Commerce, Inc | | |
| Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204 | California State Lands Commission | 13,035.00 | 2,266.27 |
| Richard Schwartz, 880 S. Pickett St. Alexandria, VA 22304 | Boat Owners Assn of the U.S. | 11,000.00 | |
| Richard S. Schweiker, 1850 K Street, NW Washington, DC 20006 | American Council of Life Insurance, Inc | 3,050.00 | |
| Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002 | National Assn of Wheat Growers | 3,500.00 | |
| Scientific Apparatus Makers Assn, 1101 16th St., NW Washington, DC 20036 | | 6,989.57 | 14,034.34 |
| Michael Sciulla, 880 S. Pickett St. Alexandria, VA 22304 | Boat Owners Assn of the U.S. | 12,000.00 | |
| Harold B. Scoggins, 1101 16th St., NW Washington, DC 20036 | Independent Petroleum Assn of America | | 13.50 |
| Ellen Scott, 1750 New York Avenue, NW Washington, DC 20006 | Sheet Metal Workers International Assn | 7,423.00 | |
| Gregory R. Scott, 1875 Eye St., NW, #500 Washington, DC 20006 | Philip Morris, Inc | 736.25 | 195.00 |
| James L. Scott, 1919 Pennsylvania Ave., NW, #703 Washington, DC 20006 | American Healthcare Institute | 10,500.00 | 208.36 |
| John N. Scott, 1825 K Street, NW, #1107 Washington, DC 20006 | Phillips Petroleum Co | 222.00 | 543.66 |
| Scribner Hall & Thompson, 1850 K St., NW, #1100 Washington, DC 20006 | Security Enterprises, Inc | | |
| Do | Security Life of Denver Insurance Co | | |
| Do | USLIFE Corporation | | |
| Timothy Scully, 25 Louisiana Avenue, NW Washington, DC 20001 | International Brotherhood of Teamsters | 10,769.61 | |
| Walter J. Sczudlo, 1129 20th Street, NW, #300 Washington, DC 20036 | Natural Gas Supply Assn | 15,000.00 | 365.91 |
| Seabed Assn, 3408 Bonnie Road Austin, TX 78703 | | 4,172.50 | 4,144.50 |
| Earl W. Sears, P.O. Box 12285 Memphis, TN 38112 | National Cotton Council of America | 1,068.75 | 13.70 |
| Pamela Sederholm, 1875 Eye St., NW, #1200 Washington, DC 20006 | Southland Corporation | | 145.00 |
| Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006 | Chicago Mercantile Exchange | 2,650.00 | |
| J. Peter Segall, 1025 Connecticut Ave., NW, #700 Washington, DC 20036 | Miner Fraser & Gabriel Public Affairs, Inc (For:STRATCO, Inc) | | |
| H. Richard Seibert Jr., 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004-1703 | National Assn of Manufacturers | 380.00 | |
| George H. Seidel Jr., Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108 | American Petroleum Institute | 150.00 | 40.53 |
| Seidman & Associates, P.C., Federal Bar Building, #1001 1815 H Street, NW Washington, DC 20006 | National Tooling & Machining Assn | 2,870.36 | 114.62 |
| M. Frank Sellers, 1615 H Street, NW Washington, DC 20062 | U.S. Chamber of Commerce (For:Business Alliance on Government Competition) | 5,000.00 | |
| Stanton P. Sender, 633 Pennsylvania Ave., NW Washington, DC 20004 | Sears Roebuck & Co | 4,100.00 | 263.72 |
| John J. Serfustini, P.O. Box 899 Salt Lake City, UT 84110 | Utah Power & Light Co | 6,250.00 | 2,500.00 |
| Terry L. Serie, 1250 Connecticut Avenue, NW Washington, DC 20036 | American Paper Institute, Inc | 2,000.00 | |
| Seven Months Session for Congress, 4210 Spicewood Road, #202 Austin, TX 78759 | | | 198.00 |
| Seward & Kissel, 818 Connecticut Avenue, NW, #800 Washington, DC 20006 | Daily Dollar Reserves, Inc | | |
| Do | Furman Selz Mager Dietz & Birney, Inc | | |
| Do | Gordon Forte Management Co | | |
| Do | GT Partners | | |
| Do | KAR Management, Inc | | |
| Do | | | |
| J. Richard Sewell, 1800 K St., NW, #1110 Washington, DC 20006 | Florida Power & Light Co | 3,000.00 | 943.27 |
| Seyfarth Shaw Fairweather & Geraldson, 1111 19th St., NW, #500 Washington, DC 20036 | Agricultural Producers | | |
| Do | American Soc of Pension Actuaries | 12,600.00 | 136.58 |
| Do | Bear Stearns & Co., Inc | 1,250.00 | |
| Do | Flxible Corp | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Technology for Communications International | 2,051.80 | |
| Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036 | Abbott Laboratories | 2,000.00 | 17.00 |
| Thomas A. Shallow, 1220 L Street, NW Washington, DC 20005 | American Petroleum Institute | 200.00 | |
| James M. Shamberger, 1619 L St., NW, 7th Floor Washington, DC 20036 | Reinsurance Assn of America | | |
| James R. Shanahan, 1801 K Street, NW, #700 Washington, DC 20006 | Price Waterhouse (For:Toyota Motor Kentucky, Inc) | | |
| Deborah L. Shannon, 1250 Connecticut Ave., NW, #620 Washington, DC 20036 | National Multi Housing Council | 1,391.25 | 45.99 |
| Bernard M. Shapiro, 1801 K Street, NW, #700 Washington, DC 20006 | Price Waterhouse (For:Investment Co Institute) | 556.00 | |
| Gary J. Shapiro, 2001 Eye Street, NW Washington, DC 20006 | Electronic Industries Assn | | 16,746.40 |
| Daniel E. Shaughnessy, 1008 N. Randolph St., #206 Arlington, VA 22201 | Western Great Lakes Maritime Assn | 3,000.00 | |
| Luther W. Shaw, 1155 15th St., NW, #900 Washington, DC 20005 | National Agricultural Chemicals Assn | 5,625.00 | 117.30 |
| Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037 | Association for the Improvement of the Mississippi River | | |
| Do | Atlas Minerals Division | | |
| Do | Committee for Private Education | | |
| Do | Emerson Electric Co | | |
| Do | Federal Company | 13,555.00 | 1,826.73 |
| Do | Institute of Foreign Bankers | | 714.45 |
| Do | Investment Company Institute | | |
| Do | Investment Counsel Assn of America, Inc | | |
| Do | Knights of Columbus | | |
| Do | National Automobile Dealers Assn | | |
| Do | Taiwan Power Company | | |
| Do | Utility Nuclear Waste Management Group | | |
| Shea & Gardner, 1800 Massachusetts Avenue, NW Washington, DC 20036 | Societe Generale de Surveillance | 2,925.00 | 1,075.00 |
| James V. Sheahan, 223 Perimeter Ctr. Pkwy. P.O. Box 89000 Atlanta, GA 30338 | Siemens Energy & Automation, Inc | | |
| John J. Sheehan, 815 16th St., NW, #706 Washington, DC 20006 | United Steelworkers of America | 12,817.84 | |
| Patricia Q. Sheehan, 1667 K Street, NW, #410 Washington, DC 20006 | Johnson & Johnson | | |
| Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005 | National Cooperative Business Assn | 2,700.00 | 200.00 |
| Shaun M. Sheehan, 1111 19th Street, NW, #1000 Washington, DC 20036 | Tribune Broadcasting Co | 3,000.00 | 960.61 |
| Kathleen Sheekey, 3rd Floor 2030 M Street, NW Washington, DC 20036 | Common Cause | 12,351.30 | 375.23 |
| Deborah A. Sheiman, 1350 New York Avenue, NW Washington, DC 20005 | Natural Resources Defense Council, Inc | 455.00 | |
| C. Douglas Shelby, Florida Petroleum Council 325 John Knox Rd., #F-210 Tallahassee, FL 32303 | American Petroleum Institute | 750.00 | 1,075.03 |
| Richard D. Shelby, 444 No. Capitol Street, NW, #711 Washington, DC 20001 | Keefe Co (For:Republic of the Philippines) | | |
| Do | Keefe Co (For:UNIAO Nacional Para Independencia Total DeAngola) | | |
| Zack H. Shelley Jr., 1331 Pennsylvania Avenue, NW Washington, DC 20004 | General Electric Co | 200.00 | |
| Robert G. Shepherd Jr., 1155 21st Street, NW Washington, DC 20036 | Federal Express Corp | | |
| Seymour Sheriff, 1126 Woodward Bldg. Washington, DC 20005 | Man-Made Fiber Producers Assn, Inc | | |
| Nancy Sherman, 1025 Connecticut Ave., NW Washington, DC 20036 | Single Service Institute, Inc | | |
| Nelson T. Shields, 1400 K St., NW Washington, DC 20015 | Handgun Control, Inc | 2,965.84 | |
| Harvey A. Shipman, 1800 Diagonal Road, #500 Alexandria, VA 22314 | Penn Central Corporation | | 50.00 |
| Shippers National Freight Claim Council, Inc, 120 Main Street Huntington, NY 11743 | | | 148.40 |
| Scott Shotwell, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | 2,475.00 | |
| A. Z. Shows, 1801 Columbia Rd., NW, #203 Washington, DC 20009 | | | |
| Sana F. Shtasel, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 1,168.46 | 100.45 |
| John Shuey, P.O. Box 3151 Houston, TX 77253 | Browning-Ferris Industries, Inc | | |
| Kathy Shulman, 1730 M St., NW Washington, DC 20036 | League of Women Voters of the U.S. | 3,628.22 | 1,145.90 |
| Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006 | Peoria Journal Star, Inc | 1,904.75 | |
| Elisa Siegel, 919 18th Street, NW, #400 Washington, DC 20006 | Diamond Shamrock Corp | | |
| Mark A. Siegel & Associates, 1030 Fifteenth Street, NW, #408 Washington, DC 20005 | Commonwealth of Puerto Rico | 54,200.00 | 3,713.21 |
| Do | Money Store | 7,500.00 | 167.21 |
| Do | Power Authority of the State of New York | 7,208.32 | 1,050.84 |
| Siegel Mandell Davidson, P.C., One Whitehall Street New York, NY 10004 | Sigallo, Ltd | 3,500.00 | 800.00 |
| James V. Siena, 1735 New York Avenue, NW Washington, DC 20006 | American Institute of Architects | 2,000.00 | |
| William A. Signer, 444 North Capitol St., NW, #711 Washington, DC 20001 | Keefe Company (For:A.P.G. Corp) | | |
| Do | Keefe Company (For:Committee for Employment Opportunities) | 200.00 | |
| Do | Keefe Company (For:Dormitory Authority) | 3,000.00 | |
| Do | Keefe Company (For:Greater New York Hospital Assn) | 1,500.00 | |
| Do | Keefe Company (For:Management Insights, Inc) | | |
| Do | Keefe Company (For:National 4&5 Bondholders) | 4,000.00 | |
| Do | Keefe Company (For:New York City Council) | 1,000.00 | |
| Do | Keefe Company (For:New York Hospital) | 1,300.00 | |
| Do | Keefe Company (For:Targeted Management Consultants) | 4,000.00 | |
| Stephan Silberfarb, 500 North Capitol St., NW, #300 Washington, DC 20001 | American Israel Public Affairs Comm | 7,998.98 | 891.44 |
| David Silver, 1600 M St., NW Washington, DC 20036 | Investment Company Institute | 315.25 | 35.00 |
| Steve Silver, Robertson Monagle & Eastaugh 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007 | Alaska Loggers Assn | | |
| Do | Alaska Pulp Corp | | |
| Do | Amselco Minerals, Inc | 287.50 | |
| Do | Bristol Bay Native Corp | 16,112.50 | |
| Do | General Communications, Inc | 2,862.50 | |
| Do | Standard Oil Co | | |
| Silver Users Assn, Inc, 1717 K St., NW Washington, DC 20006 | | | 4,283.04 |
| Leonard L. Silverstein, Silverstein & Mullens 1776 K Street, NW Washington, DC 20006 | Rockefeller Group, Inc | | |
| Silverstein & Mullens, 1776 K St., NW Washington, DC 20006 | Association for Advanced Life Underwriting | | |
| Do | Bristol-Myers Co | | |
| Do | GATX Corporation | | |
| Do | Music Corp of America, Inc | | |
| Do | National Assn of Home Builders of the U.S. | | |
| Do | Rolls-Royce Motors, Inc | | |
| M. P. Simmons, P.O. Box 860 Valley Forge, PA 19482 | Certainteed Corp | | |
| Gary D. Simms, 1720 EYE ST., NW Washington, DC 20006 | American Academy of Actuaries | | |
| Neil A. Simon, 1350 New York Ave., NW, #900 Washington, DC 20005 | International Franchise Assn | | |
| Philip Simon, 2030 M Street, NW Washington, DC 20036 | Common Cause | 4,793.04 | 111.80 |
| Stanley C. Simon, Ginsberg & Forman 820 Hartford Building Dallas, TX 75201 | Southland Corporation | 7,500.96 | 1,021.99 |
| William Douglas Simon, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Dofasco, Inc | 125.00 | |
| David C. Simonson, 1627 K St., NW, #400 Washington, DC 20006 | National Newspaper Assn | | |
| C. Kyle Simpson, 9 Greenway Plaza, #714 Houston, TX 77046 | Brown & Root, Inc | | |
| Do | Coastal Corporation | | |
| William G. Simpson, 1155 15th St., NW Washington, DC 20005 | First Mississippi Corporation | 2,000.00 | |
| Do | Mississippi Power & Light Company | 2,000.00 | |
| Do | State of Mississippi | 4,000.00 | |
| Albert M. Sims, 1935 Wilson Lane, #204 Mclean, VA 22102 | Performance Engineering, Inc | | |
| Ivan E. Sinclair, 1000 Wilson Boulevard, #2700 Arlington, VA 22209 | TRW, Inc | 1,000.00 | |
| James W. Singer III, 1100 15th Street, NW Washington, DC 20005 | Pharmaceutical Manufacturers Assn | 4,000.00 | 19.50 |
| Single Service Institute, Inc, 1025 Connecticut Ave., NW Washington, DC 20036 | | | |
| Donna L. Singletary, 1730 North Lynn Street Arlington, VA 22209 | Printing Industries of America, Inc | 500.00 | |
| Gregg P. Skall, Baker Hostetler 1050 Connecticut Ave., NW Washington, DC 20006 | Uniden Corp of America | | |
| Edmund J. Skernolis, 1155 Connecticut Ave., NW Washington, DC 20036 | Waste Management, Inc | 1,250.00 | |
| James H. Skidmore, 1156 15th St., NW, #1201 Washington, DC 20005 | NCR Corporation | | |
| William J. Skinner, 815 15th St., NW, #534 Washington, DC 20005 | U.S. Pharmacopeial Convention, Inc | 1,944.00 | 30.00 |
| Barney J. Skladany Jr., 1100 Connecticut Ave., NW, #620 Washington, DC 20036 | Mobil Oil Corp | 1,125.00 | |
| Scott Sklar, 1730 N. Lynn St., #610 Arlington, VA 22209 | Solar Energy Industries Assn | 8,350.00 | 7,558.00 |
| Steven A. Skonberg, 1111 North 19th Street, #700 Arlington, VA 22209 | National Assn of Federal Credit Unions | 1,250.00 | 93.00 |
| Paul A. Skrabut Jr., 1629 K Street, NW Washington, DC 20006 | Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers) | 16,500.00 | |
| Do | Palumbo & Cerrell, Inc (For:Business Executives for National Security) | 16,500.00 | |
| Dale D. Skupa, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268 | National Assn of Mutual Insurance Cos | 1,300.00 | |
| Jonathan Slade, 444 North Capitol St., #711 Washington, DC 20001 | Cuban-American Freedom Coalition, Inc | 4,500.00 | 750.00 |
| Do | Keefe Company (For:UNITA) | 3,000.00 | |
| F. Slatinshek & Associates, Inc, 1102 Belle Vista Dr. Alexandria, VA 20007 | Grumman Aero Corp, et al | 300.00 | |
| Robert G. Slaughter, 1615 M ST., NW, #200 Washington, DC 20036 | Amoco Corporation | | |
| Joshua J. Slavitt, 450 Maple Ave., E., #204 Vienna, VA 22180 | U.S. Defense Committee | 1,500.00 | |
| Barry S. Slevin, 1000 Potomac Street, NW Washington, DC 20007 | Seitman Semo & Slevin, P.C. (For:United Food & Commercial Workers International Union). | | |
| William T. Slider, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Ronald J. Slinn, 260 Madison Avenue New York, NY 10016 | American Paper Institute, Inc | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Deborah Sliz, 2301 M Street, NW Washington, DC 20037 | American Public Power Assn | 1,000.00 | |
| John E. Sloan Jr., Capital Gallery East, #695 600 Maryland Avenue, SW Washington, DC 20024 | National Fed of Independent Business | 1,150.00 | 200.00 |
| Small Business Council of America, Inc, P.O. Box 4299 Columbus, GA 31904 | | 12,657.39 | 27,066.14 |
| Smathers Hickey & Smathers, 1050 Connecticut Avenue, NW, #1230 Washington, DC 20036 | American Horse Council | 3,666.00 | |
| Do | Florida East Coast Railway Co | 750.00 | |
| Do | National Hockey League | 500.00 | |
| Do | Pennzoil Co | 6,000.00 | |
| Robert G. Smerko, 2001 L St., NW, #506 Washington, DC 20036 | Chlorine Institute, Inc | | |
| Donald E. Smiley, 1899 L St., NW, #1100 Washington, DC 20036 | Exxon Corporation | | |
| James R. Smircina, P.O. Box 5000 Cleveland, OH 44101 | Cleveland Electric Illuminating Co | 1,080.00 | 2,308.35 |
| Christine M.B. Smith, 1700 K Street, NW, #502 Washington, DC 20006 | Pacific Resources, Inc | 500.00 | |
| Daniel T. Smith, P.D. Box 660074 Dallas, TX 75266 | International Airline Passengers Assn, Inc | | |
| Elizabeth M. Smith, 815 16th St., NW, #310 Washington, DC 20006 | Amalgamated Clothing & Textile Workers Union | 6,356.00 | 605.69 |
| Frederick P. Smith Jr., 1120 19th Street, NW, #310 Washington, DC 20036-3605 | Institute of Makers of Explosives | | |
| Gordon L. Smith, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Florists' Transworld Delivery Assn) | 2,500.00 | |
| Do | Hill & Knowlton (For:Societe Generale thru SGS North America, Inc) | | |
| Grant Smith, 901 31st St., NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Fleischmann's Yeast) | 10.00 | |
| Herbert Smith, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Angus Defense Systems, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Euromissile) | | |
| Hugh H. Smith, 1020 19th Street, NW, #600 Washington, DC 20036 | American Express Co | | |
| Jeffrey A. Smith, 771 Corporate Dr., #800 Lexington,, KY 40503 | Toyota Motor Sales, USA, Inc | | |
| Jeffrey A. Smith, 1600 Wilson Boulevard, #1000 Arlington, VA 22209 | American Waterways Operators, Inc | | |
| Jennifer L. Smith, 900 17th Street, NW, #520 Washington, DC 20006 | West Mexico Vegetable Distributors Assn | 300.00 | |
| Julian H. Smith Jr., 600 North 18th Street Birmingham, AL 35291 | Alabama Power Co | 19,263.00 | 9,403.03 |
| Michael E. Smith, 55 Public Square, Rm. 624 P.O. Box 5000 Cleveland, OH 44113 | Cleveland Electric Illuminating Co | 105.85 | 121.32 |
| Michael P. Smith, 485 Lexington Ave. New York, NY 10017 | New York State Bankers Assn | 96,944.00 | 96,881.00 |
| Patricia Smith, 1909 K St., NW Washington, DC 20049 | American Assn of Retired Persons | 568.08 | 453.55 |
| Patrick F. Smith Jr., Suite 1101 1730 K Street, NW Washington, DC 20006 | National Treasury Employees Union | 15,900.00 | |
| Richard F. Smith, 1090 Vermont Ave., NW, #1100 Washington, DC 20005 | Textron, Inc | 600.00 | 150.00 |
| Ronald E. Smith, 2501 M Street, NW Washington, DC 20037 | Chemical Manufacturers Assn, Inc | 600.00 | 932.85 |
| Sara Hope Smith, 444 North Capitol St., NW, #718 Washington, DC 20001 | Pacific Telesis Group | 15,450.00 | |
| Shalah Smith, 1130 17th Street, NW Washington, DC 20036 | National Coal Assn | | |
| Stephen Smith, 1012 14th St., NW, 6th Fl. Washington, DC 20005 | Human Rights Campaign Fund | 3,365.38 | 48.00 |
| Susan Snyder Smith, 7900 Westpark Drive, #514 Mclean, VA 22102 | Chocolate Manufacturers Assn of the USA | 300.00 | 313.49 |
| William A. Smith, 453 New Jersey Ave., SE Washington, DC 20003 | Beneficial Management Corp | | |
| Smith Anderson Blount Dorsett Mitchell & Jernigan, P.O. Box 12807 1300 St. Mary's Street Raleigh, NC 27605 | Investment Company Institute | 6,250.02 | |
| Wayne H. Smithey, 815 Connecticut Ave., NW Washington, DC 20006 | Ford Motor Co | 2,804.00 | 642.00 |
| Smokeless Tobacco Council, Inc, 1925 K Street, NW, #504 Washington, DC 20006 | | 940.00 | 940.00 |
| Larry S. Snowhite, 1825 Eye St., NW, #1201 Washington, DC 20006 | GSX Corporation | | |
| Do | Massachusetts Education Loan Authority | | |
| Do | New England Education Loan Marketing Corp | | |
| Clair A. Snyder, 35 North Sixth Street Reading, PA 19601 | Meridian Bancorp, Inc | | |
| David F. Snyder, 1025 Connecticut Ave., NW, #415 Washington, DC | American Insurance Assn | | |
| Do | Nationwide Insurance Co | 400.00 | 9.67 |
| Gene Snyder, 140 Chenoweth Lane Louisville, KY 40207 | Cincinnati Microwave, Inc | 22,500.00 | 2,526.47 |
| Do | Home Supply Company, Inc | | |
| Do | Norfolk Southern Corp | 15,000.00 | 2,194.86 |
| Do | U.S. Air Group | 15,000.00 | 2,634.48 |
| J. R. Snyder, 400 1st St., NW, #704 Washington, DC 20001 | United Transportation Union | | 1,200.00 |
| John M. Snyder, 600 Pennsylvania Ave., S.e. Suite 205 Washington, DC 20003 | Citizens Comm for the Right to Keep & Bear Arms | 9,000.00 | |
| Wallace S. Snyder, 1400 K Street, NW, #1000 Washington, DC 20005 | American Advertising Federation | 5,312.00 | |
| Snyder Ball Kriser & Assoc, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003 | General Motors Corp | 35.00 | |
| Alan C. Sobba, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004 | National Cattlemen's Assn | 1,000.00 | |
| Society for Animal Protective Legislation, P.O. Box 3719 Georgetown Station Washington, DC 20007 | | 34,317.03 | 49,257.12 |
| Charles R. Sonnier, Sonnier & Hebert P.O. Drawer 1040 Abbeville, LA 70511 | Coushatta Tribe of Louisiana | | |
| E. Richard Soper, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Roberta Lee Sorensen, 1101 Vermont Ave., NW, #604 Washington, DC 20000 | College of American Pathologists | 7,000.00 | 68.50 |
| Walter Larke Sorg, 1625 Eye St., NW, #204 Washington, DC 20006 | American Assn of Small Dredging & Marine Construction Cos | 16,800.00 | 3,358.72 |
| South/North Development Group, Ltd, 610 Fourth Place, SW Washington, DC 20002 | Government of the People's Republic of Angola | 13,156.00 | 11,531.56 |
| Southern Forest Products Assn, P.O. Box 52468 New Orleans, LA 70152 | | 16,967.12 | 16,967.12 |
| Southwestern Peanut Shellers Assn, 10 Duncannon Ct. Dallas, TX 75225 | | | |
| Space Industries, Inc, 2011 Crystal Drive, #903 Arlington, VA 22202 | | | 32,697.25 |
| Thomas J. Spangler, 1730 K Street, NW, #1100 Washington, DC 20006 | National Treasury Employees Union | 11,250.00 | 658.72 |
| Sparber Shevin Shapo & Heilbronner, P.A., 1455 Pennsylvania Ave., NW, #1270 Washington, DC 20004 | Emma L. Bixby Hospital | 1,536.00 | |
| Do | City of Bridgeport | | |
| Do | City of East Cleveland | | |
| Do | City of Miami | | |
| Do | Dow Corning USA | 359.00 | |
| D. Dean Sparkman, 1707 L St., NW, #300 Washington, DC 20036-4202 | United Airlines, Inc | 300.00 | |
| Ian D. Spatz, 1785 Massachusetts Avenue, NW Washington, DC 20036 | National Trust for Historic Preservation | 1,045.39 | |
| John F. Speer Jr., 888 16th Street, NW Washington, DC 20006 | Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs | | |
| William C. Spence, 3805 W. Alabama Houston, TX 77027 | Columbia Gulf Transmission Co | | |
| Philip Speser, 2000 P St., NW, #305 Washington, DC 20036 | Foresight Science & Technology, Inc (For:National Coalition for Science & Technology). | | |
| Do | Foresight Science & Technology, Inc (For:Society for American Archaeology) | | |
| Larry N. Spiller, 1015 15th St., NW, #802 Washington, DC 20005 | American Consulting Engineers Council | 200.00 | |
| Peter A. Spina, 150 East 42nd Street New York, NY 10017 | Mobil Oil Corp | 900.00 | |
| Frances Spivy-Weber, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | 500.00 | 215.00 |
| Earl C. Spurrier, The Madison Building, #514 1155 15th Street, NW Washington, DC 20005 | National Agricultural Chemicals Assn | | |
| Mark G. Spurrier, 400 Kenilworth Drive Towson, MD 21204 | Baltimore County Police Department, et al | | |
| Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044 | American Chamber of Commerce in Germany | | |
| Do | American Soc of Anesthesiologists | 5,390.00 | |
| Do | Association of Data Processing Service Organizations | | |
| Do | Chemstar, Inc | | 8.50 |
| Do | Independent Data Communications Manufacturers Assn | 550.00 | 74.95 |
| Do | Microband Corp of America | | |
| Do | National Collegiate Athletic Assn | 6,938.75 | 264.02 |
| Do | Public Securities Assn | | |
| Do | Samaritan Health Services | 18,602.00 | 37.02 |
| John W. Sroka, 1957 E St., NW Washington, DC 20006 | Associated General Contractors of America | | |
| Janet G. St. Amand, 1120 Connecticut Avenue, NW Washington, DC 20036 | American Bankers Assn | 3,000.00 | |
| Connell Stafford, P.O. Drawer 1734 Atlanta, GA 30301 | Coca-Cola Company | 400.00 | 481.50 |
| Elvis J. Stahr Jr., 1815 H Street, NW, #600 Washington, DC 20006 | Cassidy & Associates, Inc | | |
| Do | National Audubon Society | | |
| Stakeholders in America, Trumble & Associates 750 Baker Building Minneapolis, MN 55402 | | 22,500.00 | 26,228.87 |
| Tyrone Stallworth, 220 North Devillers Street Pensacola, FL 32501 | | | |
| David P. Stang, P.C., 1629 K St., NW, #601 Washington, DC 20006 | American Truck Dealers | 1,072.52 | |
| Do | Employee Stock Ownership Assn | 1,117.24 | |
| Do | McDermott, Inc | 1,890.89 | |
| Do | National Assn of Royalty Owners, Inc | 487.33 | |
| Do | Small Business Council of America, Inc | 545.68 | |
| Do | Texas Ophthalmological Assn | 300.00 | |
| Joseph M. Stanton, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Melvin L. Stark, 1025 Connecticut Ave., NW, #415 Washington, DC 20036 | American Insurance Assn | 13,750.00 | 250.00 |
| Bette Anne Starkey, 1030 15th Street, NW, #1100 Washington, DC 20005 | Health Industry Manufacturers Assn | | |
| Lois Starkey, Suite 511 1745 Jefferson Davis Hwy. Arlington, VA 22202 | Manufactured Housing Institute | 900.00 | 100.00 |
| Alan J. Statman, 1050 17th St., NW, #600 Washington, DC 20036 | Tennessee Gas Transmission Co | | |
| David Michael Staton, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | | |
| James O. Staton, 320 Timberbrook Drive Waldorf, MD 20601 | Air Force Sergeants Assn, Inc | | |
| Mick Staton Associates, Inc, 8712 Gateshead Road Alexandria, VA 22309 | Delchamps, Inc | 220.00 | |
| Samuel E. Stavisky, 1725 Desales Street, NW, #804 Washington, DC 20036 | Samuel E. Stavisky & Associates, Inc (For:Broadcast Music, Inc) | | 30.00 |
| Do | Samuel E. Stavisky & Associates, Inc (For:Federacion Nacional de Cafeteros de Colombia). | 1,500.00 | 40.00 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Samuel E. Stavisky & Associates, Inc, 1725 Desales Street, NW, #804 Washington, DC 20036 | Broadcast Music, Inc | | 45.00 |
| Do | Federacion Nacional de Caleteros de Colombia | 2,000.00 | 60.00 |
| Randolph J. Stayin, 1620 Eye St., NW, #800 Washington, DC 20006 | Taft Stettinius & Hollister (For:Effective Spray Control Organization) | 5,865.00 | 120.59 |
| Do | Taft Stettinius & Hollister (For:James Graham Brown Foundation) | 37.50 | |
| Do | Taft Stettinius & Hollister (For:Machinery Dealers National Association) | | |
| Do | Taft Stettinius & Hollister (For:National Candle Assn) | | |
| Do | Taft Stettinius & Hollister (For:Special Comm for Workplace Product Liability Reform). | | |
| Do | Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc) | 622.50 | 15.60 |
| Dean E. Steel, 1655 N. Ft. Myer Drive, #1120 Arlington, VA 22209 | Varian Associates, Inc | | |
| Steele Simmons & Fornaciari, 2020 K Street, NW, #850 Washington, DC 20006 | K Mart Corp | | |
| Ramona C. Stelford, 1818 N Street, NW Washington, DC 20036 | DGA International, Inc (For:Societe Nationale O'Etude et de Const de Moteurs O'Aviation). | | |
| Charles W. Stellar, 5410 Grosvenor Lane, #210 Bethesda, MD 20814 | American Medical Care & Review Assn | | |
| Jack L. Stempler, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202 | LTV Aerospace & Defense Co | 2,500.00 | 75.00 |
| Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036 | American Express Co | 265.79 | |
| Do | Bear Stearns & Co | 2,014.08 | |
| Do | Caltex Petroleum Corp | 432.00 | 14.00 |
| Do | Canadian Sugar Institute | | |
| Do | Citizens Savings Financial Corp | | |
| Do | Co-Operative Central Bank | | |
| Do | CSO Company | 1,691.15 | |
| Do | Rule of Law Committe | 727.50 | 7.00 |
| Sterling Drug, Inc, 1615 L St., NW, #920 Washington, DC 20036 | | | |
| Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 70.00 | |
| Michael E. Steward, 7957 Revenna Lane Springfield, VA 22153 | Puget Sound Power & Light Co | 3,850.00 | 507.89 |
| Eugene L. Stewart, 1001 Connecticut Ave., NW, #910 Washington, DC 20036 | Monsanto Co | 1,875.00 | |
| Do | Roses, Inc | 1,548.33 | 10.36 |
| Do | Timken Co | 5,812.50 | |
| Robert B. Stewart, 1050 17th St., NW, #700 Washington, DC 20036 | National Ocean Industries Assn | 1,095.00 | |
| Terence P. Stewart, Stewart and Stewart 1001 Connecticut Avenue, NW, #910 Washington, DC 20036 | Cabot Corp | 2,120.67 | 275.49 |
| Do | Monsanto Co | 2,389.58 | 2.25 |
| Do | PPG Industries, Inc | 2,797.41 | 221.69 |
| Do | Smith Corona Corp | 1,630.00 | 49.13 |
| Do | Timken Co | 6,746.84 | 449.14 |
| Don Stillman, 1757 N Street, NW Washington, DC 20036 | Int'l Union, United Auto Aerospace & Agric Implement Workers | 1,868.21 | 18.00 |
| Edward W. Stimpson, Suite 801 1400 K St., NW Washington, DC 20005 | General Aviation Manufacturers Association | 1,060.00 | |
| John J. Stocker, 1110 Vermont Avenue, NW Washington, DC 20005 | Shipbuilders Council of America | 3,300.00 | |
| Stockholders of America, Inc, 1625 Eye St., N.w. # 724a Washington, DC 20006 | | 10,525.00 | 583.05 |
| Dennis C. Stolte, 600 Maryland Avenue, SW Washington, DC 20024 | American Farm Bureau Federation | 5,938.00 | 209.71 |
| Dena G. Stoner, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 750.00 | |
| Floyd E. Stoner, 1120 Connecticut Avenue, NW Washington, DC 20036 | American Bankers Assn | 3,000.00 | |
| Stephen Storch, 1800 K Street, NW, #1100 Washington, DC 20006 | New York Stock Exchange, Inc | | |
| William M. Stover, 2501 M St., NW Washington, DC 20037 | Chemical Manufacturers Assn, Inc | 1,000.00 | |
| John L. Stowell, 1800 K St., NW, #1018 Washington, DC 20006 | Public Service Co of Indiana | 2,562.50 | 6,394.27 |
| Luther J. Strange III, 1100 15th Street, NW, #700 Washington, DC 20005 | Sonat, Inc | | |
| Marcy B. Stras, 1620 Eye St., NW, #800 Washington, DC 20006 | Taft Stettinius & Hollister (For:National Candle Assn) | | |
| Raymond L. Strassburger, 1020 19th Street, NW, #700 Washington, DC 20036 | U S West, Inc | 1,250.00 | |
| Terrence O. Straub, 818 Connecticut Avenue, N.w. Washington, DC 20006 | USX Corporation | 250.00 | 100.50 |
| Roger J. Stroh, 727 N. Washington Street Alexandria, VA 22314 | United Fresh Fruit & Vegetable Assn | | |
| Albert E. Strong, Suite 1500 North 1331 Pennsylvania Avenue, NW Washington, DC 20004 | National Assn of Manufacturers | 900.00 | |
| George W. Strong, 2242 Bartlett Houston, TX 77098 | Enron | | |
| Stroock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036 | Dreyfus Corporation | 152.50 | 10.00 |
| R. Keith Stroup, Suite 500A, Box 69 100 Maryland Ave., NE Washington, DC 20002 | League of Rural Voters Education Project, Inc | | |
| Do | League of Rural Voters, Inc | 4,500.00 | |
| George Strumpf, 1150 17th St., NW, #600 Washington, DC 20036 | Health Insurance Plan of Greater New York | | 14,940.00 |
| Cory N. Strupp, 23 Wall Street New York, NY 10015 | Morgan Guaranty Trust Co | 3,975.00 | 484.41 |
| Susan Stuebing, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024 | Xerox Corp | 300.00 | |
| Eugene F. Sturgeon, 182 Crater Lane Kensington, CT 06037 | Northeast Utilities Service Co | 2,862.18 | 1,275.85 |
| Ann Sullivan, 1660 L Street, NW, #601 Washington, DC 20036 | Interstate Natural Gas Assn of America | 300.00 | |
| Arthur E. Sullivan Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202 | Diagnostic/Retrieval Systems, Inc | 3,250.00 | |
| Austin P. Sullivan Jr., P.O. Box 1113 Minneapolis, MN 55440 | General Mills, Inc | | |
| Charles S. Sullivan, 11 15th Street, NE, #6 Washington, DC 20002 | Citizens United for Rehabilitation of Errants | 3,380.00 | 2,212.75 |
| Edward L. Sullivan, 1120 20th St., NW, Suite S-720 Washington, DC 20036 | Peabody Holding Co, Inc | | |
| Gael M. Sullivan, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20005 | LTV Corporation | 2,344.00 | 755.40 |
| Harold R. Sullivan, 1750 K St., NW Washington, DC 20006 | Food Marketing Institute | 750.00 | |
| Margaret Cox Sullivan, 1625 Eye St., NW, #724a Washington, DC 20006 | Stockholders of America, Inc | | |
| Marty R. Sullivan, P.O. Box 970 Ft. Worth, TX 76101 | Texas Electric Service Co | 121.14 | 182.98 |
| Patrick J. Sullivan, 815 16th Street, NW Washington, DC 20006 | International Longshoremen's Assn, AFL-CIO | 10,094.45 | 1,132.78 |
| Pauline Sullivan, #11 15th St., NE, #6 Washington, DC 20002 | Citizens United for Rehabilitation of Errants | 300.00 | |
| Sullivan & Cromwell, 1775 Pennsylvania Ave., NW Washington, DC 20006 | American International Group, Inc | | |
| Do | BP North America, Inc | | |
| Do | Esselte Business Systems, Inc | | |
| Do | Goldman Sachs & Co | | |
| Do | Grand Met USA, Inc | | |
| Do | Kidder Peabody & Co, Inc | | |
| Do | Securities Industry Assn | | 8.00 |
| Sullivan & Worcester, 1025 Connecticut Ave., NW Washington, DC 20036 | Marion Laboratories, Inc | 16,729.94 | |
| John B. Summers, 1771 N Street, NW Washington, DC 20036 | National Assn of Broadcasters | 1,500.00 | 14.00 |
| Sutherland Asbill & Brennan, 1275 Pennsylvania Ave., NW Washington, DC 20004 | Committee Against Revising Staggers | 15,000.00 | |
| Do | Council of Industrial Boiler Owners | | |
| Do | Industrial Oil Consumers Group | | |
| Do | Process Gas Consumers Group | | |
| W. Thomas Suttle, 1755 Willard St., NW, #4 Washington, DC 20009 | Institute of Electrical & Electronics Engineers | 2,900.00 | 609.00 |
| William W. Suttle, 1025 Connecticut Ave., NW, #415 Washington, DC 20036 | American Insurance Assn | 560.00 | 18.70 |
| Douglass W. Svendson Jr., 1730 Rhode Island AVenue, NW, #417-19 Washington, DC 20036 | Hollywood Marine Service, Inc | 2,000.00 | 45.00 |
| Do | Shell Oil Co | 450.00 | 138.50 |
| David L. Swanson, Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007 | Clean Coal Technology Coalition | 14,175.00 | |
| Do | Edison Electric Institute | 13,825.00 | |
| Do | GA Technologies, Inc | 15,000.00 | |
| Irving W. Swanson, 11212 Farmland Drive Rockville, MD 20852 | Harris Corporation | 31,200.00 | 4,369.67 |
| Deborah Swartz, Economic Consulting Services, Inc 1320 19th St., NW Washington, DC 20036 | Luggage & Leather Goods Manufacturers of America, Inc | 500.00 | |
| Do | Neckwear Assn of America, Inc | 500.00 | |
| Do | Outboard Marine Corp | 2,800.00 | |
| David A. Sweeney, 25 Louisiana Ave., NW Washington, DC 20001 | International Brotherhood of Teamsters | 19,260.81 | |
| Rosemarie Sweeney, Suite 770 600 Maryland Ave., SW Washington, DC 20024 | American Academy of Family Physicians | 3,562.00 | 1,446.28 |
| William R. Sweeney Jr., 536 7th Street, SE Washington, DC 20003 | American Nuclear Energy Council | 875.00 | 12.24 |
| Do | China External Trade Development Council | 5,000.00 | |
| Do | National Investment Development Corp | 2,500.00 | |
| Robert D. Swezey Jr., 1133 19th St., NW Washington, DC 20036 | MCI Communications Corp | 250.00 | |
| Joseph C. Swidler, 1000 Thomas Jefferson St., NW Washington, DC 20007 | Swidler & Berlin (For:South Carolina Public Service Authority) | 290.00 | 8.00 |
| Swidler & Berlin, Chtd, 3000 K Street, NW #300 Washington, DC 20007 | Arco, Inc | | |
| Do | All-Industry Television Station Music Licensing Committee | 17,220.00 | |
| Do | Lucasfilm, Ltd | | |
| Do | MD People's Counsel (Natl Assn of State Util. Consumer Advo) | 75.00 | |
| Tricia L. Swift, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | 1,200.00 | |
| Richard P. Swigart, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007 | Grocery Manufacturers of America, Inc | | |
| Randall Swisher, 2301 M Street, NW Washington, DC 20037 | American Public Power Assn | 2,500.00 | |
| Ronald G. Sykes, 1660 L Street, NW Washington, DC 20036 | General Motors Corp | 2,500.00 | 5,237.62 |
| David A. Sykuta, Illinois Petroleum Council P.O. Box 12047 Springfield, IL 62791 | American Petroleum Institute | | |
| Christopher U. Sylvester, 1831 Briar Ridge Court Mclean, VA 22101 | Garrison Diversion Conservancy District | 3,000.00 | 367.96 |
| Anthony Syrett, Crystal Gateway 3, #900 1215 Jefferson Davis Highway Arlington, VA 22202 | Marconi Electronics, Inc, et al | | |
| Systematics, Inc, 4001 Rodney Parham Road Little Rock, AR 72212 | | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| T. Boone Pickens, Jr. United Shareholders Assn, 1667 K St., NW, #990 Washington, DC 20006 | | | |
| Robert Taft Jr., 1620 Eye St., NW, #800 Washington, DC 20006 | Taft Stettinius & Hollister (For:Effective Spray Control Organizatin) | | |
| Do | Taft Stettinius & Hollister (For:Grocery Manufacturers of America, Inc) | | |
| Do | Taft Stettinius & Hollister (For:James Graham Brown Foundation) | | |
| Do | Taft Stettinius & Hollister (For:Kings Entertainment Co) | 175.00 | |
| Do | Taft Stettinius & Hollister (For:Machinery Dealers National Association) | | |
| Do | Taft Stettinius & Hollister (For:Recordings Import Trade Committee) | | |
| Do | Taft Stettinius & Hollister (For:Special Comm for Workplace Product Liability Reform). | | |
| Do | Taft Stettinius & Hollister (For:Taft Broadcasting Company) | 400.00 | |
| Do | Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc) | | |
| Do | Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc) | | |
| Taggart & Associates, Inc, 1155 15th Street, NW, #1108 Washington, DC 20005 | Animal Health Institute | | |
| Do | Association of American Railroads | | |
| Do | Marion Laboratories, Inc | | |
| Do | Telephone & Data Systems, Inc | | |
| Tanaka Ritger & Middleton, 1919 Pennsylvania Ave., NW, #303 Washington, DC 20006 | Electronic Industries Assn of Japan | | |
| Do | Japan Automobile Tire Manufacturers Assn (JATMA) | | |
| Do | Koyo Corp, USA | | 42.00 |
| Susan Tannenbaum, 2030 M St., NW Washington, DC 20036 | Common Cause | 6,082.50 | 185.00 |
| William E. Tanner, 10803 Norman Ave. Fairfax, VA 22030 | American Maritime Officers Service | | |
| Do | Coalition for Environmental-Energy Balance | 9,600.00 | 2,371.73 |
| Augustine O. Tantillo, 214 Massachusetts Ave., NE, #350 Washington, DC 20002 | Russell Corporation | 7,000.00 | |
| Target, Inc, 11244 Waples Mill Road, Suite J Fairfax, VA 22030 | | | |
| John F. Tate, 450 Maple Avenue, E., #204 Vienna, VA 22180 | U.S. Defense Committee | | |
| M. Louise Tate, 450 Maple Avenue, E., #204 Vienna, VA 22180 | U.S. Defense Committee | 900.00 | |
| Thomas N. Tate, 1725 DeSales St., NW Washington, DC 20036 | Aerospace Industries Assn of America, Inc | 22,318.00 | |
| Susan Tatum, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | 1,600.00 | |
| Graca Da Silva Tavares, 17 Perkins Street West Newton, MA 02165 | | | |
| Charles A. Taylor III, 499 South Capitol St., SW, #401 Washington, DC 20003 | National Assn of Independent Insurers | 1,000.00 | |
| Elizabeth L. Taylor, 1155 15th Street, NW, #400 Washington, DC 20005 | Puerto Rico Federal Affairs Administration | 2,025.00 | |
| Jefferson D. Taylor, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | | |
| Peggy Taylor, 815 16th St., NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 18,269.02 | 525.11 |
| R. William Taylor, 1575 Eye Street, NW Washington, DC 20005 | American Soc of Assn Executives | 300.00 | |
| Robert C. Taylor, 3000 Lincoln Plaza, Lb-5 Dallas, TX 75201 | Taylor & Mizell | | |
| Taylor & Mizell, 3000 Lincoln Pl., Lb5 Dallas, TX 75201 | | | |
| Elayne L. Tempel, 1016 16th St., NW, Washington, DC 20006 | National Fed of Federal Employees | 60.58 | |
| Norman J. Temple, 155 Dresden Avenue Gardiner, ME 04345 | Central Maine Power Co, et al | 2,250.00 | 2,370.56 |
| Templeton & Company, 1000 Potomac St., NW Washington, DC 20007 | Space Industries, Inc | | |
| Tempo Enterprises, Inc, P.O. Box 702160 Tulsa, OK 74170 | | | 3,314.20 |
| Paul M. Tendler, 1090 Vermont Ave., NW Washington, DC 20005 | Paul Tendler Associates, Inc (For:American Licensed Practical Nurses Assn) | | |
| Do | Paul Tendler Associates, Inc (For:Bascom, Inc) | | |
| Do | Tendler & Biggins (For:Geodesco) | | |
| Do | Paul Tendler Associates, Inc (For:National Institute of Tenants) | | |
| Do | Paul Tendler Associates, Inc (For:Rasch Elektronik) | | |
| Do | Paul Tendler Associates, Inc (For:Schoeneman, Inc) | | |
| Do | Tendler & Biggins (For:Solargistics Corp) | | |
| Do | Paul Tendler Associates, Inc (For:Southeastern Exporters) | | |
| Tennessee Home Medical Providers Assn, Inc, P.O. Box 421 Knoxville, TN 37901 | | | |
| Betty-Grace Terpstra, 1726 M St., NW, #901 Washington, DC 20036 | Scott Paper Co | 4,000.00 | 255.08 |
| James Terrell, 600 Maryland Avenue, SW Washington, DC 20024 | American Farm Bureau Federation | 4,625.00 | 389.43 |
| Joseph L. S. Terrell, 50 F Street, NW, #900 Washington, DC 20001 | Farm Credit Council | | |
| Michelle C. Tessier, 1818 N Street, NW, #410 Washington, DC 20036 | National Assn of Public Television Stations | 600.00 | 150.00 |
| James G. Tetirick, 1156 15th Street, NW, #1015 Washington, DC 20005 | J. C. Penney Co, Inc | | |
| Textron, Inc, 40 Westminster St. Providence, RI 02903 | | 4,450.00 | 980.00 |
| Thacher Proffitt & Wood, 1140 Connecticut Ave., NW, #512 Washington, DC 20036 | American Resort & Residential Development Assn | | |
| Do | Amoskeag Savings Bank | 2,900.00 | 110.22 |
| Do | Connecticut Savings Bank Life Insurance Co | 113.57 | 81.65 |
| Do | Maine Savings Bank | 13,954.00 | 155.22 |
| Do | Massachusetts Bankers Assn | 516.00 | 79.65 |
| Do | Massachusetts Savings Bank Life Insurance Co | 113.57 | 81.65 |
| Do | Mutual Savings Central Fund, Inc | | |
| Do | New Hampshire Savings Bank | 2,900.00 | 110.22 |
| Do | Salomon Brothers, Inc | | 318.66 |
| Do | Savings Bank Life Insurance Fund | 113.57 | 81.65 |
| Mary Kay Thatcher, 600 Maryland Avenue, SW Washington, DC 20024 | American Farm Bureau Federation | 5,563.00 | 552.74 |
| Karen E. Theibert, 1750 K Street, NW Washington, DC 20006 | Food Marketing Institute | 200.00 | |
| Janelle Morris Thibau, 1828 L Street, NW, #906 Washington, DC 20036 | Merrill Lynch & Co, Inc | 1,500.00 | |
| Alan J. Thiemann, 1199 N. Fairfax Street, #801 Alexandria, VA 22314 | National Assn of Truck Stop Operators, Inc | | |
| Douglas E. Thierwechter, 818 Connecticut Avenue, NW, #900 Washington, DC 20006 | Marathon Oil Co | | 21.00 |
| Third Class Mail Association, 1333 F Street, NW, #710 Washington, DC 20004-1108 | | 600.00 | 600.00 |
| Doris I. Thomas, 15th & M Sts., NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Gordon M. Thomas, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005 | Textron, Inc | 600.00 | 150.00 |
| J. David Thomas, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006 | Eastman Chemical Division | 140.00 | 235.25 |
| James M. Thomas Jr., 2001 9th Street, NW, #300 Washington, DC 20001 | Amalgamated Transit Union, Natl Cap Local 689 | | |
| John W. Thomas, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313 | Animal Health Institute | | |
| Meshall Thomas, Suite 400 2000 P Street, NW Washington, DC 20036 | Women's Legal Defense Fund | | |
| Patricia Thomas, 1016 16th Street, NW Washington, DC 20036 | National Fed of Federal Employees | 10,852.80 | |
| Randi Parks Thomas, 1101 17th Street, NW, #603 Washington, DC 20036 | Tuna Research Foundation, Inc | 963.90 | |
| Robert L. Thomas, 1319 F St., NW, #1000 Washington, DC 20004 | National Assn of Private Psychiatric Hospitals | 500.00 | |
| Sarah M. Thomas, 1325 G Street, NW, #1003 Washington, DC 20005 | Population-Environment Balance | 4,500.00 | 32.00 |
| Virginia B. Lamp Thomas, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 2,400.00 | 154.24 |
| Sara Thomasson, 1200 15th St., NW Washington, DC 20005 | American Health Care Assn | 2,707.69 | 230.08 |
| Barbara Thompson, 1401 New York Avenue, NW, #1100 Washington, DC 20005 | National Cooperative Business Assn | 2,500.00 | 60.00 |
| Bruce E. Thompson, 1828 L Street, NW, #906 Washington, DC 20036 | Merrill Lynch & Co, Inc | 7,500.00 | |
| Frank Thompson Jr., 1020 Prince Street Alexandria, VA 22314 | Boilermakers Iron Ship Bldrs Blacksmiths Forgers & Helpers | 2,500.00 | 386.07 |
| Do | Metal Trades Department, AFL-CIO | | |
| Do | Sheet Metal Workers Int'l Assn | 3,000.00 | 210.03 |
| Kenneth W. Thompson, 2021 K Street, NW, #300 Washington, DC 20006 | Primark Corporation | 2,200.00 | |
| Marilyn A. Berry Thompson, 444 North Capitol Street, #711 Washington, DC 20001 | Keefe Company (For:Carteret Savings & Loan) | 600.00 | |
| Do | Keefe Company (For:Dormitory Authority) | 1,530.00 | |
| Do | Keefe Company (For:Mutual Benefit Insurance Co) | 7,380.00 | |
| Do | Keefe Company (For:New York University) | 8,100.00 | |
| Do | Keefe Company (For:University of Medicine & Dentistry of New Jersey) | 1,350.00 | |
| Do | Keefe Co (For:University of Miami) | 600.00 | |
| Robert L. Thompson Jr., P.O. Box 70 Fort Mill, SC 29715 | Springs Industries, Inc | | 1,209.26 |
| Roger G. Thompson, 117 Bellefonte Drive Ashland, KY 41101 | Kentucky Power Co | 7,500.00 | 1,958.43 |
| W. Reid Thompson, 1900 Pennsylvania Ave., NW Washington, DC 20068 | Potomac Electric Power Co | | |
| Thompson & Bussart, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006 | Central States SE & SW Areas Health & Welfare & Pension Fund | 5,560.00 | |
| Do | Westinghouse Electric Corp | 1,591.00 | |
| Thompson & Mitchell, 1120 Vermont Avenue, NW, #1000 Washington, DC 20005 | Cold Finished Steel Bar Institute | 3,657.50 | 62.00 |
| Thompson Hine & Flory, 1920 N St., NW, #700 Washington, DC 20036 | Alltel Corporation | 1,130.00 | |
| Thompson Mann & Hutson, 1730 Pennsylvania Ave., NW, #1250 Washington, DC 20006 | Daniel International Corp | 7,818.63 | 375.54 |
| Do | Morrison-Knudsen Co, Inc | 7,818.62 | 375.54 |
| Do | National Coalition to Defeat H.R. 281/S. 492 | | 23,840.25 |
| Margaret A. Thomson, 655 15th St., NW, #300 Washington, DC 20005 | City of Moorhead | | |
| Parker D. Thomson, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131 | Thomson Zeder Bohrer Werth Adorno & Razook (For:Burger King Corp) | | |
| Thomson Zeder Bohrer Werth Adorno & Razook, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131 | Burger King Corp | | 8,249.38 |
| John A. Thorner, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | | |
| Margo Thorning, 1850 K St., NW, #400 Washington, DC 20006 | American Council for Capital Formation | 218.00 | |
| Pamela J. Thurber, 1785 Massachusetts Ave., NW Washington, DC 20036 | National Trust for Historic Preservation | 4,565.66 | 73.60 |
| Tighe Curhan & Piliero, 1750 Pennsylvania Avenue, NW Washington, DC 20006 | Ad Hoc Comm of Mutual Fund Managers | 1,887.40 | |
| Do | Integrated Resources, Inc | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Latin American Manufacturers Assn (LAMA) | | |
| Do | Mid Atlantic Toyota Distributors, Inc | | |
| Do | Sharp Manufacturing Co of America | | |
| Do | Town of Andover, Massachusetts | 200.00 | |
| Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 151.00 | |
| Patti A. Tilson, Suite 520 900 17th Street, NW Washington, DC 20006 | Toyota Motor Sales, USA, Inc | 500.00 | |
| Gary G. Timmons, 1201 16th Street, NW Washington, DC 20036 | National Education Assn | 2,643.40 | 6.00 |
| Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006 | American Petroleum Institute | 988.12 | |
| Do | American Trucking Assns | 1,128.75 | |
| Do | Amoco Corporation | 225.00 | |
| Do | Anheuser-Busch Companies, Inc | | |
| Do | Association of Trial Lawyers of America | 262.50 | |
| Do | Boeing Company | 375.00 | |
| Do | Brown Group, Inc | | |
| Do | Capital Cities/ABC, Inc | 806.25 | |
| Do | Capital Markets Group | 2,645.00 | |
| Do | Chrysler Corporation | 1,558.75 | |
| Do | H. J. Heinz Co | 125.00 | |
| Do | Major League Baseball | 806.25 | |
| Do | Morgan Stanley & Co, Inc | 1,365.00 | |
| Do | MSU System Services, Inc | 750.00 | |
| Do | National Rifle Assn of America | 125.00 | |
| Do | Northern Telecom, Inc | 375.00 | |
| Do | Northrop Corp | 470.00 | |
| Do | NutraSweet Co | 1,312.50 | |
| Do | G. D. Searle & Co | 1,312.50 | |
| Alan R. Timothy, 601 Pennsylvania Ave., NW, #500 Washington, DC 20004 | Adolph Coors Co | 11,947.00 | 33,217.29 |
| G. Wayne Tingle, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202 | LTV Aerospace & Defense Co | 2,500.00 | 125.00 |
| William C. Tinklepaugh, 888 16th Street, NW Washington, DC 20006 | Milk Industry Foundation & Int'l Ice Cream Assn | | |
| Constance D. Tipton, 888 16th Street, NW Washington, DC 20006 | Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs | | 621.00 |
| E. Linwood Tipton, 888 16th St., NW Washington, DC 20006 | Milk Industry Foundation & Int'l Ice Cream Assn | | |
| Eben S. Tisdale, 1550 Wilson Blvd., #600 Arlington, VA 22209 | Hewlett-Packard Co | 3,500.00 | 952.79 |
| Title Associates, Inc, Rt.2, Box 89 Columbia, TN 38401 | | | |
| Francis M. Tivnan, Massachusetts Petroleum Council 11 Beacon Street Boston, MA 02108 | American Petroleum Institute | | |
| Tobacco Associates, Inc, Suite 912 1101 17th St., NW Washington, DC 20036 | | | 4,356.60 |
| James S. Todd, 535 North Dearborn Street Chicago, IL 60610 | American Medical Assn | | |
| M. Douglas Todd, Suite 2300 1000 Wilson Boulevard Arlington, VA 22209 | Northrop Corp | | 15.00 |
| David R. Toll, 2121 K Street, NW, #880 Washington, DC 20037 | Public Service Co of Colorado | | |
| Do | Western Utilities Clean Air Group | | |
| William R. Tolley Jr., PO Box 37 Melbourne, FL 32919 | Harris Corporation | | 126.15 |
| Edward Tonat, 6723 Brigadoon Drive Bethesda, MD 20817 | Robert Goff & Associates, Inc | | |
| Tonya, Inc, 1620 Eye Street, NW Washington, DC 20006 | City of Philadelphia, PA, et al. | | |
| William D. Toohey, 1899 L St., NW, #600 Washington, DC 20036 | Travel Industry Assn of America | | |
| Peter W. Tooker, 1920 N Street, NW Washington, DC 20036 | American Mining Congress | | |
| Frank V. Toti Jr., 600 Maryland Ave., SW, #700 Washington, DC 20024 | National Fed of Independent Business | 3,401.75 | 368.00 |
| Gilbert D. Tough, 70 North Main St. Wilkes-Barre, PA 18711 | Blue Cross of Northeastern Pennsylvania | | |
| Wanda Townsend, 1724 Massachusetts Ave., NW Washington, DC 20036 | National Cable Television Assn, Inc | 1,150.00 | |
| Joseph P. Trainor, 815 16th St., NW Washington, DC 20006 | Brotherhood of Railway Airline & Steamship Clerks | 2,000.00 | 825.78 |
| Jeffrey B. Trammell, 1020 19th Street, NW Washington, DC 20036 | Anderson Benjamin Read & Haney (For:Blue Cross & Blue Shield of Florida) | | |
| Do | Anderson Benjamin Read & Haney (For:U.S. Banknote Corp) | | |
| Travel & Tourism Government Affairs Policy Council, 1133 21st Street, NW Washington, DC 20036 | | 2,010.00 | 2,010.00 |
| Trilling & Kennedy, 1900 L Street, NW, #310 Washington, DC 20036 | Ace Metal Fabricators, et al. | | |
| Sally A. Triplett, 1725 Desales Street, NW, #804 Washington, DC 20036 | Samuel E. Stavisky & Associates, Inc (For:Broadcast Music, Inc) | | 15.00 |
| Tripp Scott Conklin & Smith, 2000 E. Oakland Park Blvd Fort Lauderdale, FL 33306 | Alamo Rent-A-Car | 10,000.00 | 2,000.00 |
| Michael G. Troop, 1709 New York Avenue, NW, #801 Washington, DC 20006 | U.S. League of Savings Institutions | 3,500.00 | 20.00 |
| Robert C. Troup, 730 Smith Ridge Rd. New Canaan, CT 06840 | | | |
| George G. Troutman, Suite 1100 1090 Vermont Ave., NW Washington, DC 20005 | Bell Helicopter Textron, Inc | 150.00 | |
| Alexander B. Trowbridge, 1776 F Street, NW Washington, DC 20006 | National Assn of Manufacturers | 2,125.00 | |
| Thomas L. Trueblood, 401 North Michigan Ave. Chicago, IL 60611 | Navistar International Transportation Corp | 1,000.00 | 395.20 |
| Trumble & Associates, 750 Baker Building 706 Second Ave. South Minneapolis, MN 55402 | Energy Security Policy | 1,131.25 | 1,263.25 |
| Do | Stakeholders in America | 2,063.00 | 1,793.07 |
| Trust for Public Lands, 82 Second St. San Francisco, CA 94105 | | | 20,649.72 |
| Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109 | H.N. Gorin Associates, Inc | | |
| Motoyuki Tsutsui, 919 18th Street, NW, #600 Washington, DC 20006 | Toyota Motor Sales, USA, Inc | | |
| Anh Tu, 1029 Vermont Ave., NW, #860 Washington, DC 20005 | Project Advisory Group | 880.47 | |
| Tucker & Vaught, Western Federal Savings Bldg., #1330 718 17th St. Denver, CO 80202 | Manville Corporation | | |
| Do | Regional Transportation District | 500.00 | |
| Shannon B. Tuel, 311 First Street, NW Washington, DC 20001 | National Restaurant Assn | | |
| Stephen Tull, 1925 K St., NW, #206 Washington, DC 20006 | Alliance to Save Energy | 51.15 | |
| Jon R. Turnler, 1000 Vermont Ave., NW, #800 Washington, DC 20005 | Public Securities Assn | | |
| Tuna Research Foundation, Inc, 1101 17th St., NW Washington, DC 20036 | | 885.45 | 2,265.84 |
| B. Elizabeth Tunney, 311 W 3003 Van Ness St NW Washington, DC 20008 | Retail Wholesale & Dept Store Union | | |
| Brian Turner, 815 16th Street, NW Washington, DC 20006 | Industrial Union Department, AFL-CIO | 8,446.55 | |
| Jane L. Turner, 1920 N Street, NW Washington, DC 20036 | American Mining Congress | | |
| John M. Turner, 1875 Eye St., NW, #470 Washington, DC 20006 | Georgia-Pacific Corp | 2,000.00 | |
| Richard F. Turney, 1725 K St., NW Washington, DC 20006 | Courtney McCamant & Turney | 300.00 | |
| Max Turnipseed, 1155 15th Street, NW, #611 Washington, DC 20005 | Ethyl Corporation | 1,780.00 | 67.00 |
| St. Clair J. Tweedie, Suite 220 1575 Eye Street, NW Washington, DC 20005 | American Cyanamid Co | 5,000.00 | |
| U.S. Cane Sugar Refiners' Assn, 1001 Connecticut Ave., NW Washington, DC 20036 | | 5,110.20 | 6,137.80 |
| U.S. Committee for the Oceans, Route 2, Box 91 Ararat, VA 24053 | | | |
| U.S. Defense Committee, 450 Maple Avenue, E., #204 Vienna, VA 22180 | | 8,954.81 | 8,954.81 |
| U.S. League of Savings Institutions, 111 E. Wacker Dr. Chicago, IL 60601 | | | 193,650.44 |
| U.S. Public Interest Research Group, 215 Pennsylvania Avenue Washington, DC 20003 | | 94,562.63 | 72,216.17 |
| Gilman Udell, 1750 New York Avenue, NW Washington, DC 20006 | International Assn of Fire Fighters | 4,500.00 | |
| Jerry G. Udell, 1616 H St., NW Washington, DC 20006 | American Retail Federation | 100.00 | 55.00 |
| Kenji Ueno, 1850 M Street, NW, #600 Washington, DC 20036 | Toyota Motor Sales, USA, Inc | | |
| Mark J. Ugoretz, 1726 M Street, NW, #1101 Washington, DC 20036 | Erisa Industry Committee | 2,380.00 | 36.00 |
| Robert D. Umphrey Jr., 1150 17th Street, NW Washington, DC 20036 | Man-Made Fiber Producers Assn, Inc | 5,000.00 | 810.96 |
| Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419 | | | |
| Unique Athletes, Inc, 3 Woodland Avenue Westhampton Beach, NY 11978 | | | |
| United Brotherhood of Carpenters & Joiners of America, 101 Constitution Ave., NW Washington, DC 20001 | | | 29,673.95 |
| United Fresh Fruit & Vegetable Assn, 727 N. Washington St. Alexandria, VA 22314 | | 8,771.50 | 1,302.47 |
| United Gas Pipe Line Co, PO Box 1478 Houston, TX 77001 | | | |
| United International Consultants, 1800 Diagonal Road Alexandria, VA 22314 | Republic of South Africa | 90,000.00 | 24,999.00 |
| United Services Automobile Assn, 9800 Fredericksburg Road San Antonio, TX 78288 | | | |
| United Way of Indianapolis, Community Service Council of Metro Indianapolis 1828 N. Meridian Street Indianapolis, IN 46202 | | | |
| Marian S. Urnikis, 1120 Connecticut Avenue, NW Washington, DC 20036 | American Bankers Assn | 1,050.00 | |
| Edward M. Urschel, 1424 16th St., NW, #701 Washington, DC 20036 | Federation for American Immigration Reform | | |
| Utility Nuclear Waste Management Group, c/o Edison Electric Institute 1111 19th St., NW Washington, DC 20036 | | | |
| Grayce K. Uyehara, 1730 Rhode Island Avenue, NW, #204 Washington, DC 20036 | Japanese American Citizens League Legislative Education Comm | 2,034.00 | 273.10 |
| Robert E. Vagley, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Anthony Valanzano, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | 5,000.00 | 474.52 |
| R. Thomas Van Arsdall, 50 F Street, NW, #900 Washington, DC 20001 | National Council of Farmer Cooperatives | | |
| Van Dyk Associates, Inc, 2550 M St., NW, #300 Washington, DC 20037 | American Gas Assn | 3,750.00 | |
| Do | UAL, Inc | | |
| Juliane H. Van Egmond, 1575 Eye Street, NW, #200 Washington, DC 20005 | American Cyanamid Co | 2,970.00 | 1,030.34 |
| Van Fleet Associates, Inc, 499 South Capitol St., SW, #520 Washington, DC 20003 | Cadillac Gage | 12,939.00 | |
| Do | Ford Aerospace | 1,100.00 | |
| Do | Marconi Electronics | 4,300.00 | |
| Henry B. Van Gieson, 1700 North Moore St., 2120 Arlington, VA 22209 | Boeing Company | 1,320.00 | 138.27 |
| Nick L. Van Nelson, Suite 540 1875 Eye Street, NW Washington, DC 20006 | Champion International Corp | | |
| Van Ness Feldman Sutcliffe & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007 | Ad Hoc Coalition for Health Security | 4,620.00 | 50.00 |
| Do | Ad Hoc Group for Geothermal Energy | 2,677.50 | 62.44 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Alaska Eskimo Whaling Commission | | |
| Do | American Inst of Certified Public Accountants | 570.00 | |
| Do | American President Lines | 1,710.00 | |
| Do | Arctic Slope Regional Corp | 1,197.00 | |
| Do | Bumble Bee Seafoods, Inc | 1,157.00 | |
| Do | BRAE Corporation | | |
| Do | Chugach Electric Assn, Inc | | |
| Do | Clean Coal Technology Coalition | 6,519.50 | |
| Do | Collier Enterprises | 3,523.50 | |
| Do | Consumers United for Rail Equity (C.U.R.E.) | 14,828.00 | 216.55 |
| Do | Hawaiian Electric Company, Inc | | |
| Do | LUZ International Ltd | 8,502.00 | |
| Do | Recording Industry of America | | |
| Do | Republic of Palau | | |
| Do | State of Alaska | | |
| Do | Texas Air Corp | | |
| Do | Tranquillity Irrigation District | | |
| Do | Union Carbide Corp | | |
| Norman C. VanderNoot, New Hampshire Petroleum Council 23 School Street Concord, NH 03301 | American Petroleum Institute | 110.00 | |
| Martha A. Vanier, 119 Oronoco Street P.O. Box 1417-D50 Alexandria, VA 22313 | Animal Health Institute | | |
| Kathleen M. Vanston, 888 Sixteenth St., NW Washington, DC 20006 | Biscuit & Cracker Mfgrs Assn | | |
| Robert C. Varah, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Dofasco, Inc | 375.00 | 347.39 |
| Variable Annuity Life Insurance Co, 2929 Allen Parkway Houston, TX 77019 | | | 20,707.23 |
| Theresa Varner, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | 680.19 | |
| George F. Vary, 1667 K St., NW Washington, DC 20006 | Armco, Inc | 1,100.00 | 567.26 |
| Jennifer Vasiloff, 1730 M Street, NW Washington, DC 20036 | League of Women Voters of the U.S. | 3,855.17 | 130.15 |
| Kristin Lea Vehrs, 1110 Vermont Avenue, NW, #1160 Washington, DC 20005 | American Assn of Zoological Parks & Aquariums | | |
| Do | Texas Shrimp Assn | 1,000.00 | 510.00 |
| Nicholas A. Veliotes, 2005 Massachusetts Avenue, NW Washington, DC 20036 | Association of American Publishers | | |
| Carol Verby, 1390 Piccard Drive Rockville, MD 20850 | CNA Insurance Co | | |
| Jerry T. Verkler, 1660 L Street, NW, #601 Washington, DC 20036 | Interstate Natural Gas Assn of America | 6,250.00 | 155.95 |
| Frank Verrastro, 1155 15th Street, NW, #600 Washington, DC 20005 | Pennzoil Co | 937.50 | |
| Linda Vickers, 1706 23rd St., South Arlington, VA 22202 | Communicating for Agriculture, Inc | | |
| Do | National Assn of Crop Inusrance Agents | | |
| Ralph Vinovich, 1875 Eye Street, NW, #800 Washington, DC 20006 | Tobacco Institute | 5,000.00 | 465.52 |
| Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007 | American Airlines, Inc | 1,443.75 | 65.17 |
| Do | Attorney's Liability Assurance Society Ltd | | |
| Do | Bank of America | | |
| Do | Bear Stearns & Co, Inc | | |
| Do | Chemical Bank | | |
| Do | Citicorp | | |
| Do | Continental Health Affiliates | | |
| Do | Dunigan Enterprises | | |
| Do | Enserch Corporation | | |
| Do | Federal Express Corp | 1,670.00 | 2,637.18 |
| Do | Federal Land Bank Assns of Texas Stockholders' Defense Fund | | 127.80 |
| Do | Fidelity Management & Research Co. | | |
| Do | Alfred C. Glassell Jr. | | |
| Do | Goldman Sachs & Co. | | |
| Do | International Raw Materials, Ltd | | |
| Do | John Hancock Mutual Life Insurance Co | | |
| Do | Merrill Lynch & Co, Inc | | |
| Do | Metropolitan Transit Authority | | |
| Do | Pennzoil Co | | |
| Do | Provident Life & Accident Insurance Co | | |
| Do | Public Service Co of New Mexico | 632.50 | 64.44 |
| Do | Salomon Brothers, Inc | 1,352.25 | 43.50 |
| Do | Shearson Lehman/American Express, Inc. | | |
| Do | Southern California Edison | 1,137.50 | 7.00 |
| Do | Southern Star Shipping Co, Inc | | |
| Do | Texas Commerce Bank | | |
| Do | Travelers Insurance Co. | | |
| Do | Warburg Pincus Capital Corp | | |
| Do | Warner Amex Cable Communications, Inc | | |
| Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006 | Continental Insurance Companies | 2,000.00 | |
| Do | National Fraternal Congress of America | 75.00 | |
| Virginia Association of Railway Patrons, P.O.box 867 Richmond, VA 23207 | | 600.00 | 0.78 |
| George A. Viverette Jr., 8111 Gatehouse Road Falls Church, VA 22047 | American Automobile Assn | | |
| Jesse S. Vogtle, 600 North 18th Street Birmingham, AL 35291 | Alabama Power Co | 49,000.00 | 1,386.12 |
| Nick J. Volcheff, 2509 E. San Miguel Phoenix, AZ 85016 | AT&T | | |
| Volkswagen of America, Inc, 490 L'enfant Plaza, SW, #3210 Washington, DC 20024 | | | 450.00 |
| Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006 | Paralyzed Veterans of America | 13,481.52 | |
| Ian D. Volner, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036 | National Assn of Trade & Technical Schools | 1,250.00 | |
| Volpe Boskey & Lyons, Suite 602 918 16th Street, NW Washington, DC 20006 | American Assn of Equipment Lessors | | |
| Voluntary Hospitals of America, Inc, 1150 Connecticut Ave., NW, #800 Washington, DC 20036 | | | 16,309.50 |
| Volunteer Trustees of Not-For-Profit Hospitals, 1625 Eye St., NW, #810 Washington, DC 20006 | | 59,000.00 | 10,960.00 |
| Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036 | Cabot Corporation | 1,737.50 | 207.71 |
| Do | Committee of Publicly Owned Companies | | |
| Do | Distrigas Corp | 4,372.50 | 171.24 |
| Do | Grocery Manufacturers of America, Inc | | |
| Do | Ohio Manufacturers Assn | 3,936.75 | |
| Do | Trustcorp/Toledo Trust Co | 21,600.00 | 2,589.12 |
| R. B. Wackerle, 1000 Wilson Boulevard, #2300 Arlington, VA 22209 | Northrop Corp | | |
| Sadami Wada, 9 West 57th Street New York, NY 10019 | Sony Corp of America | | |
| Kerri Wagner, 1155 15th Street, NW Washington, DC 20005 | National Broiler Council | 1,250.00 | |
| Wagner & Baroody, Inc, 1615 L St., NW, #750 Washington, DC 20036 | Alfin Fragrance | | |
| Do | Canadian General Electric | | |
| Do | Daewoo International Corp | 5,296.88 | 2,079.65 |
| Do | National Beer Wholesalers of America | 15,906.25 | 5,364.98 |
| Do | National Debt Repayment Foundation | 218.75 | 93.98 |
| Herbert R. Waite, 100 Federal St. Boston, MA 02110 | Bank of Boston Corporation | | |
| Do | First National Bank of Boston | 9,000.00 | 9,564.80 |
| John A. Waits, 50 F Street, NW, #900 Washington, DC 20001 | Farm Credit Council | 4,000.00 | |
| Susan Stephenson Walden, 1667 K St., NW, #410 Washington, DC 20006 | Johnson & Johnson | 1,000.00 | 225.00 |
| Angela S. Waldorf, N.C. Petroleum Council P.O. Box 167 Raleigh, NC 27602 | American Petroleum Institute | | |
| Robert E. Waldron, Associated Petroleum Industries of Michi 930 Michigan Natl Tower, PO Box 10070 Lansing, MI 48901 | American Petroleum Institute | 920.00 | 839.64 |
| Jean A. Walker, 122 C Street, NW, #200 Washington, DC 20001 | Council of State Chambers of Commerce | | |
| Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006 | Agrico Chemical Company, et al. | | |
| Do | Aluminum Company of America | 750.00 | |
| Do | American Telephone & Telegraph Co | 750.00 | |
| Do | Arthur Anderson & Co | | |
| Do | Anheuser-Busch Companies, Inc | 8,250.00 | |
| Do | Bank Capital Markets Assn | 5,999.99 | |
| Do | Broadcast Music, Inc | 1,875.00 | |
| Do | Champion International Corp | 750.00 | |
| Do | CBS Records Group | 3,000.00 | |
| Do | CSX Corporation | 750.00 | |
| Do | Dresser Industries, Inc | 750.00 | |
| Do | First Texas Savings & Loan | 1,000.00 | |
| Do | Ford Motor Co | 750.00 | |
| Do | Goodyear Tire & Rubber Co | 750.00 | |
| Do | Green Bay Packaging, Inc | 300.00 | |
| Do | Independent Refiners Coalition | 10,822.50 | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Leucadia National Corp | 6,666.68 | |
| Do | Lone Star Steel Co | 1,875.00 | |
| Do | MK-Ferguson Company | 541.65 | |
| Do | Northwestern Mutual Life Insurance Co | 1,875.00 | |
| Do | Owens-Illinois | | |
| Do | Quanex Corp | 250.00 | |
| Do | Southern Company Services, Inc | 5,625.00 | |
| Do | Texas Ozone Task Force | 500.00 | |
| Do | U.S. Fidelity & Guaranty Co | 4,500.00 | |
| Do | Union Carbide Corp | | |
| Do | Weil Gotshal & Manges | 4,000.00 | |
| Do | Weyerhaeuser Company | 2,000.00 | |
| Do | Wometco Broadcasting Corp | | |
| Martin A. Wall, 1025 Vermont Avenue, NW, #800 Washington, DC 20005 | American Osteopathic Hospital Assn | | |
| R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004 | Ad Hoc Comm on Coal Taxation | 1,500.00 | |
| Do | Bell Atlantic Corp | 500.00 | |
| Do | Brinks, Inc | 1,000.00 | |
| Do | California Federal Savings & Loan Assn | 1,000.00 | |
| Do | Cogentrix, Inc | 500.00 | |
| Do | Footwear Retailers of America | 1,500.00 | |
| Do | Henley Group | 500.00 | |
| Do | Hong Kong Trade Development Council | 1,500.00 | |
| Do | JMB Realty Corp | 1,000.00 | |
| Do | Life of Virginia | 1,000.00 | |
| Do | Morgan Guaranty Trust Co | 1,500.00 | |
| Do | New York State Bankers Assn | 1,500.00 | |
| Do | Pharmaceutical Manufacturers Assn | 1,500.00 | |
| Do | Securities Industry Assn | 500.00 | |
| Do | Torchmark Corporation | 1,000.00 | |
| Henry Scott Wallace, 1815 H Street, NW, #550 Washington, DC 20006 | National Assn of Criminal Defense Lawyers | 11,250.00 | 50.00 |
| Raymond C. Wallace, 5025 Wisconsin Avenue, NW Washington, DC 20016 | Amalgamated Transit Union, AFL-CIO | | |
| Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036 | Alabama Farm Bureau Federation | 1,500.00 | |
| Do | American Sugar Cane League | 3,750.00 | |
| Do | Amstar Corp | 2,500.00 | |
| Do | Cotton Warehouse Assn of America | 4,550.00 | |
| Do | Fiber Fabric & Apparel Coalition for Trade | 8,750.00 | |
| Do | Flue-Cured Tobacco Cooperative Stabilization Corp | 4,375.00 | |
| Do | Merchants Grain & Transportation, Inc | | |
| Do | Service Corporation International | 600.00 | |
| Lionel L. Wallenrod, 260 Madison Ave. New York, NY 10016 | American Paper Institute, Inc | | |
| Kristi Wallin, 1730 K St., NW, #703 Washington, DC 20006 | American Business Conference | | |
| R. Douglas Wallin Jr., 1235 Jefferson Davis Hwy. Arlington, VA 22202 | Emerson Electric Co | | 62.10 |
| Charles S. Walsh, Fleischmen & Walsh 1725 N St., NW Washington, DC 20036 | National Cable Television Assn, Inc | | |
| James P. Walsh, Davis Wright & Jones 1752 N St., NW, #800 Washington, DC 20036 | American Tunaboat Assn | 5,200.00 | |
| Susan M. Walsh, 1725 De Sales St., NW Washington, DC 20036 | Aerospace Industries Assn of America, Inc | 9,372.00 | |
| William C. Walsh, 215 Pennsylvania Ave., SE Washington, DC 20003 | U.S. Public Interest Research Group | 900.00 | |
| Frank J. Walter, 1745 Jefferson Davis Hwy, #511 Arlington, VA 22202 | Manufactured Housing Institute | 900.00 | 100.00 |
| Rita S. Walters, 1875 Eye St., NW, #800 Washington, DC 20006 | Tobacco Institute | 79.11 | 5.00 |
| Henry L. Walther, 450 Maple Avenue, E., #204 Vienna, VA 22180 | U.S. Defense Committee | 3,000.00 | |
| William C. Wampler, 412 First Street, SE Washington, DC 20003 | Sterling Drug, Inc | 7,500.00 | |
| Bonnie B. Wan, 1201 Pennsylvania Avenue, #730 Washington, DC 20004 | Kimberly-Clark Corp | | |
| John F. Wanamaker, 201 N. Washington, St. Alexandria, VA 22314 | Retired Officers Assn | 2,591.00 | |
| Alan S. Ward, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036 | Baker & Hostetler (For Soap & Detergent Assn) | | |
| Justin R. Ward, 1350 New York Avenue, NW, #300 Washington, DC 20005 | Natural Resources Defense Council, Inc | | |
| Stephen E. Ward, 1919 Pennsylvania Avenue, NW, #503 Washington, DC 20006 | Mid-Continent Oil & Gas Assn | 5,606.25 | 153.00 |
| Richard D. Warden, 1757 N St., NW Washington, DC 20036 | United Auto Aerospace & Agricultural Implement Workers | 22,541.18 | 236.00 |
| Jack Ware, 1220 L Street, NW Washington, DC 20005 | American Petroleum Institute | 8,790.00 | 148.65 |
| Michael D. Ware, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006 | Conoco, Inc | 2,250.00 | |
| Do | E. I. du Pont de Nemours & Co | | |
| Peter F. Warker, Suite 2700 1000 Wilson Boulevard Arlington, VA 22209 | TRW, Inc | 1,250.00 | |
| William H. Warner, 1201 Pennsylvania Avenue, NW Washington, DC 20004 | Control Data Corporation | | |
| Christine M. Warnke, Suite 300 1101 Connecticut Avenue, NW Washington, DC 20036 | American Textile Manufacturers Institute, Inc | 400.00 | 241.80 |
| B. Jack Warren, P.O. Box 95385 Atlanta, GA 30347 | Forest Farmers Assn | | |
| Barbara J. Washburn, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004 | Control Data Corporation | 739.50 | 139.30 |
| Washington Independent Writers, Inc, 733 15th St., NW, #220 Washington, DC 20005 | | | |
| Washington Industrial Team, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003 | Hughes Aircraft Company | 1,800.00 | 814.61 |
| Washington Lobby Group, Inc, 325 Pennsylvania Ave., SE Washington, DC 20003 | Preston Corp | 9,000.00 | |
| Koichi Watanabe, 1850 M St., NW, #600 Washington, DC 20036 | Toyota Motor Sales, USA, Inc | 50.00 | 302.50 |
| Waterbed Manufacturers Assn, 2500 Wilshire Boulevard, #603 Los Angeles, CA 90057 | | | |
| Millie Waterman, 5656 Corduroy Road Mentor, OH 44060 | National Congress of Parents & Teachers | | 1,454.96 |
| Jerry B. Waters, 777 14th Street, NW, #680 Washington, DC 20005 | Farmland Industries | 2,400.00 | |
| Clarke R. Watson, 769 Detroit Street Denver, CO 80206 | Westland Companies, Inc | | |
| John L. Watson III, One World Trade Center, #4511 New York, NY 10048 | National Security Traders Assn, Inc | 4,375.00 | |
| Leroy Watson, 1616 H Street, NW Washington, DC 20006 | National Grange | 2,750.00 | |
| Carl E. Watt Jr., 1745 Jefferson Davis Hwy, #1200 Arlington, VA 22202 | Rockwell International Corp | | 500.76 |
| Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | 50.00 | |
| Douglas R. Watts, 1724 Massachusetts Avenue, NW Washington, DC 20036 | National Cable Television Assn, Inc | 1,570.00 | |
| George B. Watts, 1155 15th St., NW Washington, DC 20005 | National Broiler Council | 1,500.00 | |
| Bruce H. Watzman, 1130 17th Street, N.w. Washington, DC 20036 | National Coal Assn | 6,660.00 | 481.62 |
| William H. Weatherspoon, North Carolina Petroleum Council PO Box 167 Raleigh, NC 27602 | American Petroleum Institute | 1,500.00 | 2,984.55 |
| James M. Webb, 801 North 11th Street St. Louis, MO 63101 | Sverdrup Corp | | |
| Andrew H. Webber, 440 First Street, NW, #510 Washington, DC 20001 | American Medical Peer Review Assn | | |
| Frederick L. Webber, 1101 16th Street, NW Washington, DC 20036 | National Soft Drink Assn | | |
| Webster & Sheffield, 1200 New Hampshire Ave., NW, #350 Washington, DC 20036 | Asarco Corporation | 675.00 | |
| Do | Colorado SSC Project | | 16.00 |
| Do | Mazda Motor Manufacturing (USA) Corp | | |
| Webster Chamberlain Bean & McKevitt, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006 | Better Working Environments, Inc | | |
| Do | Fruehauf Corporation | | |
| Do | International Taxicab Assn | | |
| Do | Kelly Assisted Living | 1,000.00 | 95.00 |
| Do | Kelly Services, Inc | | |
| Do | Miller Brewing Co | 1,500.00 | 225.00 |
| Do | National Assn of Wholesaler-Distributors | 1,000.00 | |
| Do | National Fed of Independent Business | 3,000.00 | 265.00 |
| Do | Waterbed Manufacturers Assn | | |
| Lee J. Weddig, Suite 580 2000 M St., NW Washington, DC 20036 | National Fisheries Institute | 4,000.00 | 150.00 |
| Charles W. Wegner Jr., 400 N. Washington St. Alexandria, VA 22314 | National Assn of Professional Insurance Agents | 700.00 | 13,477.00 |
| Stephen Wehrly, Route 4, Box 457 Vashon, WA 98070 | Miller Brewing Co | 500.00 | 463.83 |
| Do | Services Group of America | 625.00 | 447.69 |
| Do | United Pacific Insurance Co | 500.00 | 447.69 |
| Theodore F. Weihe, 1800 Massachusetts Avenue, NW Washington, DC 20036 | U.S. Overseas Cooperative Development Committee | 2,812.00 | |
| Steven A. Wein, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005 | Textron, Inc | 600.00 | 150.00 |
| Nancy Weinberg, 2001 L St., NW, #506 Washington, DC 20036 | Chlorine Institute, Inc | | |
| Weiner McCaffrey Brodsky & Kaplan, P.C., 1350 New York Ave., NW, #800 Washington, DC 20005 | National Manufactured Housing Finance Assn | 480.00 | 40.20 |
| Donald G. Weinert, 1420 King St. Alexandria, VA 22314 | National Society of Professional Engineers | 1,500.00 | |
| Arthur E. Weisberg, 2200 First Bank Place East Minneapolis, MN 55402 | Dorsey & Whitney | | |
| Arthur A. Weiss, 1800 First National Building Detroit, MI 48226 | Jaffe Snider Raitt & Heuer, P.C. | | |
| David Weiss, 777 14th Street, NW Washington, DC 20005 | National Assn of Realtors | 1,250.00 | 194.07 |
| Bryant L. Welch, 1200 17th St., NW Washington, DC 20036 | American Psychological Assn | 3,750.00 | 10.00 |
| Don Welch, P.O. Box 841 Abilene, TX 79604 | West Texas Utilities Co | | |
| John F. Welch, 655 15th Street, NW, #1200 Washington, DC 20005 | Safe Buildings Alliance | | |
| Kathleen Welch, 215 Pennsylvania Ave., SE Washington, DC 20003 | U.S. Public Interest Research Group | 5,115.39 | |
| Jerry Welcome, P.O. Box 3556 Washington, DC 20007 | American Meat Institute | 2,000.00 | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Paul S. Weller Jr., Agri/Washington 1629 K St., NW, #1100 Washington, DC 20006 | American Soc of Composers Authors & Publishers | 7,500.00 | |
| Wellford Wegman & Hoff, 1775 Pennsylvania Ave., NW, #450 Washington, DC 20006 | American Business Conference | 2,500.00 | |
| Do | Canadian Embassy | 5,000.00 | |
| Do | Department of Natural Resources, Province of Manitoba | 1,350.00 | |
| Do | Family Service America | | |
| Do | Grants & Contracts Projects, United Way of America | | |
| Do | J&B Management Company | 4,200.00 | |
| Do | Long Lake Energy Corp | 3,000.00 | |
| Do | Manville Corporation | | |
| Do | Ministry of the Environment | 5,000.00 | |
| Do | Mitex | 1,000.00 | |
| Do | National Corp for Housing Partnerships | 1,500.00 | |
| Do | National Hydro Assn | | |
| Do | National Independent Energy Producer's Hydro Tax Reform Comm | 1,500.00 | |
| Do | National Independent Energy Producers | 6,500.00 | |
| Do | VMS Realty | | |
| Do | YMCA of the USA | 4,000.00 | |
| L. H. Wells, Suite 200 1025 Connecticut Avenue, NW Washington, DC 20036 | Shell Oil Co | 500.00 | |
| Eleanor Wenner, 1025 Connecticut Avenue, NW Washington, DC 20036 | Health Insurance Assn of America, Inc | | |
| Thomas F. Wenning, 1825 Samuel Morse Dr. Reston, VA 22090 | National Grocers Assn | | |
| Fred Wertheimer, 2030 M St., NW Washington, DC 20036 | Common Cause | 17,272.50 | 270.00 |
| Roland Wesley, 1159 Quail Run Bolingbrook, IL 60439 | Committee for Minor. Access to Post Second. School Ownership | | |
| Charles M. West, 205 Daingerfield Road Alexandria, VA 22314 | National Assn of Retail Druggists | 1,500.00 | 300.00 |
| Ford B. West, 1015 18th Street, NW Washington, DC 20036 | Fertilizer Institute | 25,000.00 | 761.68 |
| W. P. West Jr., 1629 K Street, NW, #204 Washington, DC 20006 | Delta Air Lines, Inc | 273.00 | 192.52 |
| West Mexico Vegetable Distributors Assn, PO Box 848 Nogales, AZ 85621 | | | 1,000.00 |
| Harry H. Westbay III, 1615 H Street, NW Washington, DC 20062 | Chamber of Commerce of the U.S. | 300.00 | 100.96 |
| Western Fuels Association, Inc, 1625 M St., NW Washington, DC 20036 | | | 14,208.03 |
| John F. Wetzel Jr., 50 F St., NW Washington, DC 20001 | Association of American Railroads | 321.60 | 51.89 |
| William Wewer, 1300 19th Street, NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 26,901.00 | |
| Brian B. Whalen Jr., 401 N. Michigan Ave. Chicago, IL 60611 | Navistar International Transportation Corp | 1,250.00 | 449.44 |
| Ellan Wharton, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006 | E. I. du Pont de Nemours & Co | | |
| Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005 | American Dental Assn | | |
| June M. Whelan, Suite 600 S 1120 20th Street, NW Washington, DC 20036 | Union Pacific Corp | 1,250.00 | |
| John C. Whitaker, 2021 L Street, NW, #320 Washington, DC 20036-4909 | Union Camp Corporation | 2,165.00 | 78.85 |
| Deborah A. White, 1333 New Hampshire Ave., NW Washington, DC 20036 | Atlantic Richfield Co | 289.63 | |
| George E. White Jr., P.O. Box 61000 New Orleans, LA 70161 | MSU System Services, Inc | 2,023.54 | 447.20 |
| John C. White, 1899 L Street, NW, #500 Washington, DC 20036 | Camp Barsh Bates & Tate | 20,000.00 | |
| Do | Chicago Mercantile Exchange | 5,000.00 | |
| Do | Coastal Corp | 12,500.00 | |
| Do | Comtran, Ltd | | |
| Do | Louis Dreyfus Corp | | |
| Do | Tobacco Institute | 28,000.00 | |
| John Thomas White II, Suite 2202 490 L'Enfant Plaza East, SW Washington, DC 20024 | Tenneco, Inc | | |
| Larry White, 1909 K St., NW Washington, DC 20049 | American Assn of Retired Persons | | |
| Margita E. White, 1730 M Street, NW, #407 Washington, DC 20036 | Television Operators Caucus, Inc | | |
| Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041 | Harris Corp | 3,500.00 | 7,177.72 |
| Sam White, 412 First Street, SE Washington, DC 20003 | American Beekeeping Federation | | |
| Do | Independent Cattlemen's Assn | | |
| Do | National Agricultural Chemicals Assn | 15,000.00 | |
| Do | National Peanut Growers Group | 6,000.00 | |
| Do | Nuclear Waste Task Force | 7,500.00 | |
| Do | Sam Kane Packing | | |
| White Fine & Verville, 1156 15th St., NW, #1100 Washington, DC 20005 | United Education & Software | | |
| Do | University of Maryland | | |
| Josiah R. Whitehead, 3030 Cornwallis Road Research Triangle Park, NC 27709 | Burroughs Wellcome Co | | |
| Richard M. Whiting, 730 15th Street, NW Washington, DC 20005 | Association of Bank Holding Cos | 1,250.00 | |
| William F. Whitsitt, 1800 K St., NW Suite 820 Washington, DC 20006 | Sun Co, Inc | 1,700.00 | 730.38 |
| Pamela J. Whitted, 1700 K St., NW, #502 Washington, DC 20006 | Pacific Resources, Inc | 500.00 | |
| William E. Wickert Jr., 1000 16th Street, NW, #800 Washington, DC 20036 | Bethlehem Steel Corp | 800.00 | |
| Scott Widmeyer, 1901 L St., NW Washington, DC 20036 | Ogilvy & Mather | | |
| Mary Frances Widner, 1450 Peensylvania Ave, NW Washington, DC 20004 | American Inst of Certified Public Accountants | 500.00 | 2,129.56 |
| Phillip R. Wiedmeyer, 600 North 18th Street Birmingham, AL 35291 | Alabama Power Co | 14,352.90 | 14,678.55 |
| W. Scott Wilber, 1101 Vermont Avenue, NW Washington, DC 20005 | American Medical Assn | 3,975.00 | |
| Thomas D. Wilcox, 2011 Eye Street, NW, #601 Washington, DC 20006 | National Assn of Stevedores | 1,830.00 | 1,830.00 |
| Harry G. Wiles II, 1023 15th St., NW, 4th Fl Washington, DC 20005 | National Assn of Independent Insurers | | |
| Wiley Rein & Fielding, 1776 K St, NW, 12th Fl. Washington, DC 20006 | Chaparral Steel Co | 1,800.00 | 50.00 |
| Do | Committee of Domestic Nitrogen Producers | 3,600.00 | 25.00 |
| Do | CBS, Inc | | |
| Do | Georgetown Industries | 1,800.00 | 50.00 |
| Do | Oklahoma Steel & Wire Co | 2,400.00 | 20.00 |
| Do | Raritan River Steel Co | 1,800.00 | 30.00 |
| Do | Steel Bar Mills Assn | 1,800.00 | 50.00 |
| Guenther O. Wilhelm, Suite 1100 1899 L Street, NW Washington, DC 20036 | Exxon Corporation | | |
| Carl B. Wilkerson, 1001 Pennsylvania Ave., NW Washington, DC 20004 | American Council of Life Insurance, Inc | | |
| Dean M. Wilkinson, 1611 Connecticut Avenue, NW Washington, DC 20009 | Greenpeace, USA | 317.40 | 41.10 |
| Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006 | American Assn of Presidents of Independent Colleges & Univs | 14,511.00 | 402.32 |
| Do | Apache Corporation | 2,980.00 | 6.23 |
| Do | Bonneville International Corp | 3,916.00 | 9.00 |
| Do | Central States Health & Life Co of Omaha | | |
| Do | Empire Blue Cross & Blue Shield | 27,904.50 | 1,513.53 |
| Do | Manville Corporation | 20,561.62 | 2,121.19 |
| Do | National Assn of Independent Colleges & Universities | 1,879.50 | 163.43 |
| Do | J. C. Penney Co, Inc | 30,625.00 | 3,797.16 |
| Do | Shee Atika, Inc | | |
| Do | Tobacco Institute | | |
| Ralph E. Willham, 1750 New York Ave., NW Washington, DC 20006 | Sheet Metal Workers International Assn | 14,220.36 | |
| Annelise Williams, 1250 Connecticut Avenue, NW Washington, DC 20036 | National Forest Products Assn | 1,200.00 | |
| Faith Williams, 600 New Hampshire Ave., NW Washington, DC 20037 | New York Life Insurance Company | | |
| Floyd L. Williams, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | | |
| Lee Williams, 1616 H St., NW Washington, DC 20006 | American Retail Federation | 800.00 | |
| Leonard B. Williams, 1000 16th Street, NW, #800 Washington, DC 20036 | Bethlehem Steel Corp | 100.00 | |
| Lucinda L. Williams, 1155 15th Street, NW, #400 Washington, DC 20005 | National Medical Enterprises, Inc | 4,980.00 | |
| Peter Williams, 2030 M St., NW Washington, DC 20036 | Common Cause | 362.50 | |
| Robert E. Williams, 1825 K St., NW, #607 Washington, DC 20006 | United Airlines, Inc | 1,500.00 | |
| Thomas F. Williams, 6812 Old Kent Road Amarillo, TX 79109 | Southwestern Public Service Co | 2,800.00 | 611.45 |
| David K. Willis, 1620 Eye Street, NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | | |
| Wayne D. Willis, 1025 Connecticut Ave., NW, #704 Washington, DC 20036 | GA Technologies, Inc | 765.00 | 93.65 |
| Willkie Farr & Gallagher, 818 Connecticut Ave., NW, #1100 Washington, DC 20006 | American Trucking Assns, Inc | | |
| Do | Companhia Siderurgica Paulista (COSIPA) | 500.00 | |
| Do | Comptroller of the State of New York | 1,300.00 | 51.00 |
| Do | Council of Institutional Investors | 3,857.50 | 128.96 |
| Do | Ferro Union | 405.00 | 5.00 |
| Do | Japan Iron & Steel Exporters' Assn | 1,500.00 | 36.82 |
| Do | LEGI-SLATE | 3,000.00 | 21.00 |
| Do | Westinghouse Electric Corp | 4,000.00 | 109.36 |
| Do | Yamaha Motor Co, Ltd, et al. | 500.00 | |
| Charlotte M. Wilmer, 1730 Rhode Island Ave., NW Washington, DC 20036 | National Rural Electric Cooperative Assn | | |
| Do | National Solid Wastes Management Assn | 200.00 | |
| Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420 | American Broadcasting Co, Inc, et al | 552.50 | 84.00 |
| Do | American Cyanamid Co | 900.00 | 187.40 |
| Do | American Honda Motor Co, Inc | 675.00 | 56.10 |
| Do | American Textile Manufacturers Industries, Inc | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Apache Corporation | | |
| Do | Capital Cities/ABC, Inc | | |
| Do | Citicorp | | |
| Do | CPC International, Inc | 450.00 | |
| Do | Handgun Control, Inc | | 6.61 |
| Do | National Assn of Broadcasters | 3,342.00 | 98.41 |
| Do | People of Enewetak | 2,225.00 | 6.00 |
| Do | RMI Company | 1,230.00 | |
| Do | University Patents, Inc | 3,400.00 | 31.60 |
| Charles D. Wilson, 2021 L Street, NW, #320 Washington, DC 20036-4909 | Union Camp Corporation | | |
| Craig S. Wilson, 4500 Vestal Parkway East Binghamton, NY 13903 | New York State Electric & Gas Corp | | |
| Dena L. Wilson, Suite 1000 1600 Wilson Blvd. Arlington, VA 22209 | American Waterways Operators, Inc | 4,050.00 | 230.28 |
| Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005 | National Tire Dealers & Retreaders Assn | 1,850.00 | 25.00 |
| G. Peter Wilson, 249 Maitland Avenue P.O. Box 1119 Altamonte Springs, FL 32701 | Institute of Internal Auditors, Inc | | |
| H. Graham Wilson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Dofasco, Inc | | |
| Kerrie Bunting Wilson, 1575 Eye Street, NW, #1060 Washington, DC 20005 | American Cancer Society | 4,000.00 | 50.00 |
| Robert C. Wilson, 499 S. Capitol St., SW, #520 Washington, DC 20003 | Washington Industrial Team, Inc | 300.00 | |
| Robert Gary Wilson, 1730 Rhode Island Avenue, NW Washington, DC 20036 | PPG Industries, Inc | 40.00 | 11.75 |
| William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201 | Wisconsin Electric Power Co | 56.00 | |
| John P. Winburn, Winburn Associates, Inc 453 New Jersey Ave., SE Washington, DC 20003 | American Assn of Equipment Lessors | 9,000.00 | 1,072.51 |
| Do | American Automotive Leasing Assn | 8,000.00 | 328.34 |
| Do | American Financial Services Assn | 19,500.00 | |
| Do | Beneficial Management Corp | 30,000.00 | |
| Do | Burlington Northern, Inc | 15,000.00 | 517.42 |
| Do | Green Bay Packaging Co | | |
| Do | GEO Products | | |
| Do | Leggett & Platt | 12,000.00 | 587.37 |
| Do | McDonnell Douglas Corp | 12,000.00 | |
| Do | McLouth Steel Products Corp | | |
| Do | National Assn of ASCS County Office Employees | 2,490.00 | |
| Do | Pennzoil Co | 15,000.00 | 262.00 |
| Do | Quanex Corp | 12,500.00 | |
| Do | Rosenberg Real Estate Equity Fund, Inc | | |
| Do | Ruan Transport Corp | 27,000.00 | |
| Do | U.S. Air, Inc | | |
| Kathleen J. Winn, 1155 15th St., NW Suite 602 Washington, DC 20006 | Pennzoil Co | 475.00 | |
| Winstead Mcguire Sechrest & Minick, P.C., 1700 Mercantile Dallas Building Dallas, TX 75201 | Real Estate Council | 1,679.47 | 1,721.21 |
| David A. Winston, 1922 F Street, NW Washington, DC 20006 | National Assn of Life Underwriters | 593.75 | 64.00 |
| Winston & Strawn, 2550 M St., NW, #500 Washington, DC 20037 | American Assn of Museums | | |
| Do | Association of Seat Lift Manufacturers | | |
| Do | Beatrice Foods Co | | |
| Do | City of Tucson | | |
| Do | CNA Financial Corp | | |
| Do | Emerson Radio Corp | 600.00 | |
| Do | Gould, Inc | | |
| Do | Hanson Industries | | |
| Do | International Council of Shopping Centers | | |
| Do | Lease Management Corp | | |
| Do | National Audubon Society | | |
| Do | National Council of Health Facilities Finance Authorities | | |
| Do | Penox Technologies | | |
| Do | Queen City Home Health Care | | |
| Do | Syntex Laboratories, Inc | | |
| Do | Terson Company, Inc | | |
| Winthrop & Weinstine, 1800 Conwed Tower, 444 Cedar Street St. Paul, MN 55101 | Otto Bremer Foundation | | 454.00 |
| Claudia A. Withers, 2000 P Street, NW, #400 Washington, DC 20036 | Women's Legal Defense Fund | 56.02 | 13.74 |
| Dianne Witte, 1925 K St., NW, #206 Washington, DC 20006 | Alliance to Save Energy | | |
| Glenn P. Witte, 888 16th St., NW Washington, DC 20006 | Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs | | |
| Herman C. Witthaus, 1660 L St., NW Washington, DC 20036 | General Motors Corp | 3,000.00 | 2,448.15 |
| James Wolf, 1925 K St., NW, #206 Washington, DC 20006 | Alliance to Save Energy | 265.92 | |
| James E. Wolf, 2020 14th St., North Arlington, VA 22201 | American Standard Inc | 2,500.00 | |
| Megan McGrath Wolfe, 1726 M Street, NW, #300 Washington, DC 20036 | Schering-Plough Corp | 182.75 | 313.80 |
| Sidney M. Wolfe, 2000 P St., NW, #708 Washington, DC 20036 | Public Citizen Health Research Group | | |
| Ronald Wolsey, One North Charles St., #1520 Baltimore, MD 21201 | Amoco Corporation | | |
| Don Womack, Suite 303 1825 K St., NW Washington, DC 20006 | Texas Utilities Services, Inc | 3,175.00 | 214.61 |
| John L. Wood, 2121 San Jacinto St. P.O. Box 660164 Dallas, TX 75266 | Central & South West Corp | | |
| S. Roy Woodall Jr., 1455 Pennsylvania Ave., NW, #530 Washington, DC 20005 | National Assn of Life Companies | 1,393.75 | 250.00 |
| Perry W. Woofter, Suite 530 1800 K St. NW Washington, DC 20006 | Tesoro Petroleum Corp | 3,000.00 | |
| Howard E. Woolley, 1771 N Street, NW Washington, DC 20036 | National Assn of Broadcasters | 1,500.00 | 450.00 |
| Linda Anzalone Woolley, 1600 M St., NW Washington, DC 20036 | International Telephone & Telegraph Corporation | 94.50 | 126.00 |
| Worldwide Information Resources, Ltd, 1717 K Street, NW, #706 Washington, DC 20006 | Avon Products, Inc | | |
| Do | Equitable Life Assurance Society of the U.S. | | |
| Do | Pan American World Airways, Inc | | |
| Do | Toyota Motor Sales, USA, Inc | | |
| Do | Transportation Group, Inc | | |
| W. Robert Worley, 1736 Creek Crossing Road Vienna, VA 22180 | Southern Company Services, Inc | 1,596.00 | 1,873.39 |
| Worthington Associates, 2132 Southbay Lane Reston, VA 22091 | HRM | | |
| David L. Wray, 20 North Wacker Drive Chicago, IL 60606 | Profit Sharing Council of America | | |
| Alan O. Wright, P.O. Box 5000 Cleveland, OH 44101 | Centerior Energy Corp, et al | 2,812.40 | 104.22 |
| David L. Wright, Anderson Hill Rd. Purchase, NY 10577 | Pepsico, Inc | | 122.85 |
| Tracey C. Wright, 1819 L St., NW, 7th Floor Washington, DC 20036 | Reinsurance Assn of America | | |
| Kenneth Wu, 1755 Jefferson Davis Highway, #900 Arlington, VA 22202 | Gould, Inc | 164.00 | 230.55 |
| Wunder & Diefenderfer, 1615 L St., NW, #650 Washington, DC 20036 | Airship Industries, Ltd | 3,262.50 | 7.17 |
| Do | Alliance of American Insurers | 12,000.00 | 398.64 |
| Do | BellSouth Corp | | |
| Do | Bohemia Lumber Co | 2,970.00 | 182.10 |
| Do | Chesebrough-Pond's, Inc | | |
| Do | Colt Industries, Inc | | |
| Do | CBS, Inc | | |
| Do | Enserch Corporation | | |
| Do | Georgia-Pacific Corp | | |
| Do | Grocery Manufacturers of America, Inc | | |
| Do | Hospital Corp of America | | |
| Do | Interlocking Directorate Reform Coalition | 26,981.25 | 1,021.47 |
| Do | Marriott Corp | 6,671.51 | 698.82 |
| Do | Metropolitan Insurance Co | 5,715.00 | 201.96 |
| Do | Mortgage Guarantee Insurance Corp | 14,070.00 | 160.31 |
| Do | MDRX, Inc | 3,538.50 | |
| Do | National Cable Television Assn, Inc | 6,110.00 | 15.13 |
| Do | Northwestern Mutual Life Insurance Co | | |
| Do | Pennsylvania Higher Education Assistance Agency | 1,950.00 | 118.58 |
| Do | Shared Medical Systems (SMS) | | |
| Do | Solar Turbines, Inc | | |
| Do | Sony Corporation of America | 6,725.00 | 84.84 |
| Do | State of North Carolina | | |
| Do | Texas Oil & Gas Corp | | |
| Do | U.S. Telephone Assn | 3,532.30 | 46.74 |
| Robert Wurwarg, Milbank Tweed Hadley & McCloy One Chase Manhattan Plaza New York, NY 10005 | Rockefeller Group, Inc | | |
| Thomas L. Wylie, 1800 K Street, NW, #820 Washington, DC 20006 | Sun Co, Inc | 1,519.00 | 54.35 |
| Lucia Wyman, 1401 Elm St., #4100 Dallas, TX 75202 | Cattle Resources, Inc | | |
| Do | Swift Independent Corp | 5,000.00 | |
| Do | Valley View Energy Corp | | |
| Wyman Bautzer Christensen Ruchel & Silbert, Suite 580 500 New Hampshire Ave., NW Washington, DC 20037 | American Boiler Manufacturers Assn, Inc | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Eklutna, Inc | | |
| Marc O. Yacker, 1250 Connecticut Ave., NW Washington, DC 20036 | American Paper Institute, Inc | 600.00 | |
| T. Albert Yamada, Suite 520 900 17th St., NW Washington, DC 20006 | Toyota Motor Sales, USA, Inc | 500.00 | |
| Do | West Mexico Vegetable Distributors Assn | 500.00 | |
| Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006 | Food Marketing Institute | 200.00 | |
| Mary J. Yarrington, 1300 19th Street, NW, #501 Washington, DC 20036 | National Comm to Preserve Social Security | 2,500.00 | |
| Edward R. Yawn, 1111 19th St., NW Washington, DC 20036 | Edison Electric Institute | 457.66 | 388.14 |
| Simin Yazdgerdi, 514 2nd Street, SE Washington, DC 20003 | FAIR | | 25.00 |
| Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910 | Americans United for Separation of Church and State | 8,116.60 | 30.45 |
| Jack Yelverton, 1303 New Hampshire Ave., NW Washington, DC 20036 | Fleet Reserve Assn | | |
| Paul Yestrumskas, Gate Post Lane Southbury, CT 06488 | Timex Group Ltd | 870.00 | 778.60 |
| Mehmet Yildiz, 1559 Rockville Pike, #78 Rockville, MD 20852 | Citizens Alliance, Inc | 2,400.00 | 2,400.00 |
| Edward L. Yingling, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 6,000.00 | 35.00 |
| Larry E. Yoakam, 650 S. Front Street Columbus, OH 43206 | Grange Mutual Casualty Co | | |
| D. Scott Yohe, 1629 K St., NW, #204 Washington, DC 20006 | Delta Air Lines, Inc | 390.00 | 216.80 |
| Andrew Yood, 1220 L Street, NW Washington, DC 20005 | American Petroleum Institute | 200.00 | |
| Yong Jin Yoon, 2112 S. Buchanan St. Arlington, VA 22206 | K.S. Line West America | | |
| Edward A. Yopp, 1200 Golden Key Circle, #141 El Paso, TX 79925 | West Texas Higher Education Servicing Corp | | |
| Roberta Lynn Youmans, 509 C Street, NE Washington, DC 20002 | Roisman, Reno & Cavanaugh (For National Housing Law Project) | 2,100.00 | |
| Eugene S. Young, 955 L'Enfant Plaza, SW, #905 Washington, DC 20024 | Honda North America, Inc | 200.00 | 49.96 |
| Jay L. Young, 108 N. Alfred Street Alexandria, VA 22314 | Conservative Alliance | 2,000.00 | |
| Robert A. Young, 10113 Wood Green Way Burke, VA 22015 | Brown & Associates | 3,000.00 | 66.81 |
| Thane Young, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036 | Aries Properties, Inc | | |
| Do | Berg-Revoir Corp | | |
| Do | City of Alhambra | | |
| Do | City of Baldwin Park | | |
| Do | City of Inglewood | | |
| Do | City of Norwalk | | |
| Do | City of Oceanside | | |
| Do | City of Provo | | |
| Do | City of Redondo Beach | | |
| Do | City of South Salt Lake | | |
| Do | Gavin Associates | | |
| Do | Imperial Irrigation District | | |
| Do | Irvine Company | | |
| Do | Long Beach Transit | | |
| Do | Maritime Center at Norwalk | | |
| Do | Oceanside Redevelopment Agency | | |
| Do | Santa Cruz Properties, Inc | | |
| Thomas F. Youngblood, 1819 L Street, NW, #600 Washington, DC 20036 | American Hotel & Motel Assn | 1,803.04 | |
| Betsy Younkins, 1220 L Street, NW, #1200 Washington, DC 20005 | American Petroleum Institute | 6,000.00 | 205.83 |
| Eugene A. Yourch, 50 Broadway New York, NY 10004 | Federation of American Controlled Shipping | 200.00 | |
| David E. Yudin, 1707 H Street, NW, #500 Washington, DC 20006 | Bus Transit Caucus | 637.00 | |
| Do | Regional Transportation District | 1,584.00 | 52.50 |
| Ralph Zaayenga, 1800 K Street, NW, #820 Washington, DC 20006 | Sun Co, Inc | 400.00 | |
| Laurence E. Zabar, 11 Mystic Road Marblehead, MA 01945 | Warren H. Suss Associates | | |
| John R. Zagame Associates, Inc, 1001 Prince Street, #116 Alexandria, VA 22314 | National Music Publishers Assn, Inc | 12,000.00 | 6,388.30 |
| Lynn Zakupowsky, 1331 Pennsylvania Ave., NW Washington, DC 20004 | General Electric Co | 1,750.00 | |
| John S. Zapp, 1101 Vermont Ave., NW Washington, DC 20005 | American Medical Assn | 4,900.00 | |
| Thomas K. Zaucha, 1825 Samuel Morse Drive Reston, VA 22090 | National Grocers Assn | | |
| Leo C. Zeferetti, 9912 Fort Hamilton Parkway Brooklyn, NY 11209 | Building & Construction Trades Dept, AFL-CIO | | |
| Do | New York Telephone | | |
| Do | Pratt & Whitney | | |
| Denis R. Zegar, 201 Park Washington Court Falls Church, VA 22046 | National-American Wholesale Grocers' Assn | 3,000.00 | |
| Geoffrey Zeh, 12050 Woodward Avenue Detroit, MI 48203-3596 | Brotherhood of Maintenance of Way Employes | | |
| Philip F. Zeidman, 1401 New York Ave., NW, #900 Washington, DC 20005 | American Business Conference, Inc | | |
| Don J. Zeller, 1615 M Street, NW, #200 Washington, DC 20036 | Amoco Corporation | 1,850.00 | 560.09 |
| Carl A. Zichella, 214 N. Henry St., #203 Madison, WI 53703 | Sierra Club | 120.00 | |
| Ronald L. Ziegler, 1199 N. Fairfax Street, #801 Alexandria, VA 22314 | National Assn of Truck Stop Operators, Inc | | |
| Judith Ziewacz, 1840 Wilson Boulevard Arlington, VA 22201 | National Milk Producers Federation | 1,650.00 | 152.60 |
| Zuckert Scoutt Rasenberger & Johnson, 888 17th St., NW, #600 Washington, DC 20006-3959 | National Comm of Cities & States for Airline Service | 16,314.00 | 2,505.00 |
| Charles O. Zuver, 1120 Connecticut Ave., NW Washington, DC 20036 | American Bankers Assn | 5,000.00 | |
| Kurt D. Zwikl, 702 Hamilton Mall Allentown, PA 18101 | Merchants Bank | | |
| 23rd Congressional District Action Comm, 575 Charles St. St. Marys, PA 15857 | | | |

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## QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the second calendar quarter 1987:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

**PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:**

**"PRELIMINARY" REPORT** ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

**"QUARTERLY" REPORT:** To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

## REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

| P | QUARTER | | | |
|---|---|---|---|---|
| | 1st | 2d | 3d | 4th |
| | | | | |
| (Mark one square only) | | | | |

**IDENTIFICATION NUMBER**________________

Is this an Amendment?
☐ YES ☐ NO

**NOTE on ITEM "A".**—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

## A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

**NOTE on ITEM "B".**—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

## B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

**NOTE on ITEM "C".**—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

## C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."◆

STATEMENT OF VERIFICATION

[Omitted in printing]

**NOTE on ITEM "D."**—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

## D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

*Receipts* (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

*Loans Received*—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............“Expense Money” and Reimbursements received this Quarter.

*Contributors of $500 or More (from Jan. 1 through this Quarter)*

13. Have there been such contributors?
Please answer "yes" or "no": ..............◆

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

| *Amount* | *Name and Address of Contributor*<br>(*"Period"* from Jan. 1 through.............................., 19.......) |
|---|---|
| $1,500.00 | John Doe, 1621 Blank Bldg., New York, N.Y. |
| $1,785.00 | The Roe Corporation, 2511 Doe Bldg., Chicago, Ill. |
| $3,285.00 | TOTAL |

**NOTE on ITEM "E".**—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

*(b)* IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

## E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

*Expenditures* (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than Item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

*Loans Made to Others*—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*____________

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

| *Amount* | *Date or Dates—Name and Address of Recipient—Purpose* |
|---|---|
| $1,750.00 | 7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill." |
| $2,400.00 | 7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month. |
| $4,150.00 | TOTAL |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| A-K Associates, Inc, 1024 10th Street, #300 Sacramento, CA 95814 | American Ambulance Assn | 10,999.98 | 12,809.95 |
| Do | Director of Timber Counties Coalition | 6,187.50 | 10,706.45 |
| Do | Golden Gate Bridge Highway & Transportation District | 6,300.00 | 10,723.45 |
| Do | Hemet Valley Flying Service | | |
| Do | Tobacco Institute | 19,425.00 | 15,082.47 |
| Leanne J. Abdnor, 2000 Pennsylvania Avenue, NW, #3580 Washington, DC 20006 | Koppelman Fuel Development Corp | | |
| Samuel F. Abernethy, Four World Trade Center, 8th Fl. New York, NY 10048 | Coffee Sugar & Cocoa Exchange, Inc | | |
| Thomas G. Abernethy Sr., 3973 Stuart Place Jackson, MS 39211 | U.S. Cane Sugar Refiners' Assn | | |
| Ablondi & Foster, P.C., 1776 K Street, NW, #606 Washington, DC 20006 | Taiwan Textile Federation | | |
| Matthew J. Abrams, CANAMCO 1828 L Street, NW, #660 Washington, DC 20036 | Dominion Marine Assn | | |
| Action, Inc, 333 Pennsylvania Ave., SE Washington, DC 20003 | American Indian Higher Education Consortium | | |
| Ad Hoc Coalition on International Electric Power Trade, 12800 Shaker Blvd. Cleveland, OH 44120-2099 | | 74.29 | 74.29 |
| Kenneth R. Adams, 2211 Congress Street Portland, ME 04122 | UNUM Life Insurance Co | 500.00 | 1,009.05 |
| Adams Quackenbush Herring & Stuart, P.O. Box 394 Columbia, SC 29202 | Empire of America | | |
| Marsha Nye Adler, 1424 16th St., NW, #601 Washington, DC 20036 | People for the American Way | 1,987.57 | |
| Agency for Instructional Technology, Box A Bloomington, IN 47401 | | | |
| Aker Associates, Inc, 1350 New York Ave., NW, #700 Washington, DC 20005 | Independent Refiners Coalition | | |
| Do | Semiconductor Industry Association | | |
| William E. Albers, 1731 Connecticut Ave., NW Washington, DC 20009 | Albers & Company (For May Department Stores Co) | 24,447.50 | 349.92 |
| Nancy C. Alexander, 245 Second Street, NE Washington, DC 20002 | Friends Comm on National Legislation | 4,272.51 | |
| Robert G. Allen, 511 C Street, NE Washington, DC 20002 | C.A.R.E. | | |
| Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013 | | | |
| Allied Acid Rain Prohibition, 11573 Embers Court Reston, VA 22091 | | | |
| Jerome A. Ambro Associates, 4734 Timber Ridge Dr. Mountclair, VA 22026 | Associated Universities | 5,593.75 | 3,034.19 |
| Do | County of Suffolk, New York | 9,000.00 | 6,447.66 |
| American Amusement Machine Assn, 205 The Strand Alexandria, VA 22314 | | | |
| American Apparel Manufacturers Assn, Inc, 2500 Wilson Blvd., #301 Arlington, VA 22201 | | 92,466.29 | 92,466.29 |
| American Assn for Respiratory Therapy, 1720 Regal Row, #112 Dallas, TX 75235 | | 2,294.14 | 17,067.33 |
| American Assn of Presidents of Independent Colleges & Univs, Grove City College Grove City, PA 16124 | | | 21.25 |
| American Business Conference, Inc, 1730 K Street, NW, #703 Washington, DC 20006 | | 3,375.00 | 2,935.13 |
| American Fed of State County & Municipal Employees, 1625 L St., NW Washington, DC 20036 | | | 107,466.80 |
| American Gas Assn, 1515 Wilson Boulevard Arlington, VA 22209 | | 19,380.00 | 41,150.00 |
| American Hospital Assn, 840 N. Lake Shore Dr. Chicago, IL 60611 | | 45,376.72 | 45,376.72 |
| American International Group, Inc, 70 Pine Street New York, NY 10270 | | | 49,717.46 |
| American Medical Student Assn, 1890 Preston White Drive Reston, VA 22091 | | | 6,183.30 |
| American Nuclear Energy Council, 410 1st St., SE Washington, DC 20003 | | 6,908.61 | 48,887.49 |
| American Radio Relay League, Inc, 225 Main St. Newington, CT 06111 | | | |
| American Subcontractors Assn, 1004 Duke St. Alexandria, VA 22314 | | | 4,400.00 |
| American Trucking Assns, Inc, 2200 Mill Road Alexandria, VA 22314 | | 10,290.06 | 73,930.03 |
| American Wind Energy Assn, 1017 King St., #A Alexandria, VA 22314-2922 | | 1,541.75 | 5,152.46 |
| American Wood Preservers Institute, 1945 Gallows Road, #405 Vienna, VA 22180 | | | 45,641.81 |
| Americans for the High Frontier, 1010 Vermont Ave., NW, #1015 Washington, DC 20005 | | 9,805.00 | 827.83 |
| James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006 | National Assn of Wholesaler-Distributors | | |
| Anderson Hibey Nauheim & Blair, 1708 New Hampshire Ave., NW Washington, DC 20009 | Alamo Rent-A-Car, Inc | 16,396.28 | 984.04 |
| Do | Bay Area Rapid Transit District | | |
| Do | Communication Industries Assn of Japan | 26,637.00 | 2,266.40 |
| Do | Institute for Financial & Fiscal Studies | | |
| Do | Japan Machine Tool Builders Assn | 2,818.00 | 235.29 |
| Do | Project Orbis, Inc | 3,240.00 | 22.27 |
| Do | Riviana Foods, Inc | | |
| Do | Taylor & Mizell (for Int'l Futures Management Co) | | |
| David R. Andrews, Three Embarcadero Center San Francisco, CA 94111 | McCutchen Doyle Brown & Enersen (For Castle & Cooke, Inc) | | 1,298.50 |
| Do | McCutchen Doyle Brown & Enersen (For Rohr Industries, Inc) | | |
| Owen W. Anglum, 1667 K Street, NW, #650 Washington, DC 20006 | Armco | 1,000.00 | 564.85 |
| Eddie T. Arnold, 3620 Peartree Court, #32 Silver Spring, MD 20906 | | | |
| Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036 | American Assn of Exporters & Importers | 2,070.00 | 209.00 |
| Do | Asea AB | 227.50 | 20.81 |
| Do | Grain & Feed Trade Assn | | |
| Do | Inter-Local Pension Fund of the Graphic Communications | 297.50 | |
| Do | International Commodities Clearing House | | |
| Do | London Commodity Exchange (1986) Limited | 2,858.75 | |
| Do | London International Financial Futures Exchange, Ltd | | |
| Do | Manitoba Energy Authority | | |
| Do | Metal Market & Exchange Co, Ltd | | |
| Do | Recording Industry Assn of America, Inc | 1,198.06 | 8.00 |
| Do | Sacramento Public Utility District, et al. | 555.75 | 2.35 |
| Do | State of Israel | | |
| Do | State Farm Mutual Automobile Insurance Co | | 1,882.70 |
| Do | Venezolana de Cementos Ca | 9,185.00 | 123.43 |
| Asbill Junkin Myers & Buffone, 1607 New Hampshire Ave., NW Washington, DC 20009 | Coalition on Smoking or Health | 18,650.00 | 14,760.88 |
| Lud Ashley, P.C., 1735 New York Avenue, NW, 6th Fl. Washington, DC 20006 | American International Group, Inc | 27,722.50 | |
| Do | Central States of Omaha | | |
| Do | Federal Home Loan Mortgage Corp | | |
| Do | Grocery Manufacturers of America, Inc | | |
| Do | Irving Trust Co | | |
| Do | ISFA Corporation | | |
| Do | Manville Corporation | | |
| Do | J. C. Penney Co, Inc | 21,725.00 | |
| Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005 | | 17,500.00 | |
| Association for the Improvement of the Mississippi River, 100 S. 4th Street, #500 St. Louis, MO 63102 | | | |
| Association of American Foreign Service Women, P.O. Box 8068 Washington, DC 20024 | | 3,468.00 | |
| Association of Private Pension & Welfare Plans, Inc, 1331 Pennsylvania Ave., NW, #719 Washington, DC 20004 | | 1,031.16 | 1,031.16 |
| Association of Thrift Holding Companies, 900 17th Street, NW, #500 Washington, DC 20006 | | 4,511.00 | 4,511.00 |
| Avon Products, Inc, 9 West 57th St. New York, NY 10019 | | | |
| Michael G. Ayre, P.O. Box 130 Levis P.Q. Canada G6V 6N7 | Mil Davie Inc | | |
| Larry Ayres, 1901 L Street, NW, #303 Washington, DC 20036 | Colt Industries, Inc | 1,500.00 | 341.89 |
| Azanian Coalition, P.O. Box 76615 Washington, DC 20013-6615 | | | |
| APCO Associates, 1200 New Hampshire Ave., NW Washington, DC 20036 | Advanced Center for Technology Training | 1,375.00 | 36.46 |
| Do | Amok, Ltd, et al. | 2,391.25 | |
| Do | ASEA AB | 612.50 | |
| Do | Canadian Forest Industries Council | 1,341.25 | 216.55 |
| Do | Canadian Meat Council | 401.25 | 3.00 |
| Do | Cemai | | |
| Do | CEL Educational Resources | | |
| Do | Manitoba Energy Authority | 518.75 | 15.52 |
| Do | Outboard Marine Corp | | |
| Do | Profilo Holding A.S. | 6,311.25 | |
| Do | Recording Industry Assn of America | 2,845.00 | 2.50 |
| Do | Sacramento Municipal Utility District | 331.25 | |
| Do | Sacramento Public Utility District, et al. | | |
| Do | Tulane University | 270.00 | |
| Do | West Mexico Vegetable Distributors Assn | 57.50 | |
| Hope M. Babcock, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | 28.50 | 22.73 |
| Victor Bach, 105 East 22nd Street New York, NY 10010 | Community Service Society | | |
| Geoffrey Bacino, 1730 Rhode Island Ave., NW, #810 Washington, DC 20036 | Credit Union National Assn, Inc | 300.00 | 139.91 |
| Lisa Baker, 1730 K Street, NW, #703 Washington, DC 20006 | American Business Conference, Inc | 125.00 | 25.00 |
| Baker & McKenzie, 815 Connecticut Ave., NW Washington, DC 20006 | National Building Granite Quarries Assn | | |
| Peter Gordon Bakos, 2227 Alpine Avenue Sarasota, FL 33579 | Alpine Group, Inc | | |
| Patricia A. Baldi, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | 250.00 | 230.00 |
| Catherine A. Ball, 1000 16th Street, NW, #701 Washington, DC 20036 | Federal Managers Assn | 8,439.00 | 444.00 |
| Christian Ballantyne, 214 N. Henry Street, #203 Madison, WI 53703 | Sierra Club | 795.50 | 352.15 |
| Debra T. Ballen, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Michael Baly III, 1515 Wilson Blvd. Arlington, VA 22209 | American Gas Assn | 6,000.00 | 1,183.18 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Robert D. Bannister, 15th & M Streets, NW Washington, DC 20005 | National Assn of Home Builders of the U.S. | 19,115.39 | 217.22 |
| Baraff Koerner Olender & Hochberg, P.C., 2033 M Street, NW, #203 Washington, DC 20036 | College Football Association | | |
| Do | Major Indoor Soccer League | | |
| Do | National Assn of Collegiate Directors of Athletics | 7,115.00 | |
| Do | National Basketball Assn | 300.00 | |
| Haley R. Barbour, P.O. Box 960 Yazoo City, MS 39194 | Joint Maritime Congress | 4,500.00 | 4,519.50 |
| Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006 | American Int'l Knitters Corp | | |
| Do | Brown-Forman Corp | | |
| Do | Commonwealth Garment Manufacturing Co | | |
| Do | Dow Chemical Co | 770.00 | 150.30 |
| Do | EHA Ventilfabrik Wilhelm Fritz KG | | |
| Do | Florida Citrus Mutual | | 40.95 |
| Do | Heublein, Inc | | |
| Do | Hiram Walker & Sons, Inc | | |
| Do | Italy-America Chamber of Commerce, Textile & Apparel Comm | | |
| Do | Magid Glove & Safety Mfg Co | | 85.42 |
| Do | Schieffelin & Co | | |
| Do | Joseph E. Seagram & Sons, Inc | | |
| Do | Uniroyal Chemical Co | 4,737.09 | 134.06 |
| Robert E. Barrett, 69844 Highway 111, Suite C Rancho Mirage, CA 92270 | Rockwell International Corp | 12,333.33 | 381.72 |
| Barrett Smith Schapiro Simon & Armstrong, 1201 Pennsylvania Avenue, NW, #821 Washington, DC 20004 | Coffee Sugar & Cocoa Exchange, Inc | | |
| Do | Irving Trust Co | | 338.30 |
| Richard 'Sandy' Beach, 1730 Rhode Island Ave., NW, #810 Washington, DC 20036 | Credit Union National Assn, Inc | | |
| Bear West Company, Inc, 9 Exchange Place, #1000 Salt Lake City, UT 84111 | Rocky Mountain Energy Co | 2,750.00 | 1,031.25 |
| Barbara F. Beatty, 729 15th Street, NW Washington, DC 20005 | Associated Builders & Contractors, Inc | 2,500.00 | |
| Mark Belanger, 805 Third Avenue New York, NY 10022 | Major League Baseball Players Assn | | |
| Daniel Bennet, 729 15th Street, NW Washington, DC 20005 | Associated Builders & Contractors, Inc | 2,500.00 | |
| Jason S. Berman, 1020 19th St., NW, #200 Washington, DC 20036 | Warner Communications, Inc | | |
| George K. Bernstein, 1730 K St., NW Washington, DC 20006 | American Insurance Assn | 1,223.50 | |
| Zalman C. Bernstein, Sanford C. Bernstein & Co, Inc 767 Fifth Avenue New York, NY 10153 | | | |
| Kevin W. Billings, 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | 2,072.51 | 1,001.94 |
| Pat Billings, 1129 20th St, NW, #600 Washington, DC 20036 | Group Health Assn of America, Inc | 4,374.99 | |
| Hugh L. Binford, 50 Coe Road, #223 Belleair, FL 33516 | | | |
| Robert J. Bird, 888 16th St., NW Washington, DC 20006 | Zachry, Inc | | |
| Bishop Cook Purcell & Reynolds, 1200 17th Street, NW, #700 Washington, DC 20036 | Akhiok-Kaguyak, Inc | 2,520.00 | |
| Do | American Rice, Inc | 3,925.00 | |
| Do | Audio Recording Rights Coalition | | |
| Do | Board of Trade of Kansas City, MO, Inc | 6,249.99 | |
| Do | CNA Insurance Co of Chicago, Illinois | 2,348.00 | |
| Do | Enserch Corporation | | |
| Do | IBP, Inc | 4,000.00 | |
| Do | Nabisco Brands, Inc | 966.25 | |
| Do | Natural Gas Pipeline Coalition | | |
| Do | Pesticide Producers Assn | | |
| Do | Pioneer Corp | | |
| Do | Salomon Brothers, Inc | 4,578.75 | |
| Do | Technicon Data Systems Corp | | |
| Do | Texaco, Inc | 1,770.00 | |
| Do | Texas Gas Transmission Corp | 1,666.66 | |
| Do | Tobacco Institute | 12,862.50 | 193.23 |
| Do | U.S. Rice Producers' Legislative Group | 24,344.99 | |
| Do | Washington Public Power Supply System | 6,100.00 | |
| Do | Western Peanut Growers' Assn | | |
| Roger Blacklow, 100 Indiana Avenue, NW Washington, DC 20001 | National Assn of Letter Carriers | 7,368.01 | 70.93 |
| Brent Blackwelder, 218 D St., SE Washington, DC 20003 | Environmental Policy Institute | 275.64 | |
| Robert J. Blackwell, One Thomas Circle, NW, #900 Washington, DC 20005 | American Trading Transportation Co, Inc | | |
| Do | Cove Maritime Companies | | |
| Do | Crest Tankers, Inc | | |
| Do | Equity Carriers I, Inc | | |
| Do | Equity Carriers III, Inc | | |
| Do | Falcon Tankers, Inc | | |
| Do | Sun Transport, Inc | | |
| Do | Victory Carriers, Inc | | |
| Bryant C. Blewett, P.O. Box 24305 Oakland, CA 94623 | Clorox Company | | |
| Richard W. Bliss, 3242 Grace Street, NW Washington, DC 20007 | Amax, Inc | | |
| Do | Environmental Science & Engineering | | |
| Do | Fluor Corporation | 3,630.00 | 501.65 |
| Do | National Paint & Coatings Assn, Inc | 320.00 | 6.40 |
| Do | Pb-Kbb, Inc | 1,430.00 | 157.74 |
| Do | St. Joe Minerals Corp | | |
| Do | Varian EIMAC | 500.00 | 24.35 |
| Larry A. Boggs, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| John E. Bonitt, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004 | Allied-Signal, Inc | 275.00 | 65.00 |
| Bonneville Associates, 200 E. South Temple, #300 Salt Lake City, UT 84111 | Western Regional Council | | 72.72 |
| Richard H. Bornemann, 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | 1,900.01 | 1,378.47 |
| James J. Boulet Jr., 1420 West Abingdon, #341 Alexandria, VA 22314 | Moral Majority | 5,384.61 | |
| James J. Bowe, 4 World Trade Center New York, NY 10048 | Coffee Sugar & Cocoa Exchange, Inc | | |
| Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036 | Confederated Salish & Kootenai of the Flathead Reservation | 4,000.00 | 250.00 |
| Robert W. Bradford, 1101 John A. Denie Road P.O. Box 34550 Memphis, TN 38184-0550 | | | |
| Raymond F. Bragg Jr., 50 F Street, NW, #1040 Washington, DC 20001 | Agrifuels Refining Corp, et al. | 100.00 | |
| Do | American Independent Refiners Assn | 300.00 | |
| Do | National Hydropower Assn | | |
| Stuart J. Brahs, 1331 Pennsylvania Ave., NW, #719 Washington, DC 20004 | Association of Private Pension & Welfare Plans, Inc | 1,031.16 | |
| Christel Brellochs, 105 East 22nd Street New York, NY 10010 | Community Service Society | | |
| Broadhurst Brook Mangham & Hardy, 1730 Pennsylvania Ave., NW, #300 Washington, DC 20006 | CSX Corporation | | |
| Do | GNB, Inc | | |
| Do | Phillips Petroleum Co | | |
| Do | Primark Corp | | |
| Do | Sunmar Shipping, Inc | | |
| Ben Jarratt Brown, 325 Pennsylvania Ave., SE Washington, DC 20003 | Washington Lobby Group, Inc (For:Preston Corp) | 3,000.00 | |
| Donald K. Brown, 1121 L St., #810 Sacramento, CA 95814 | Crowley Maritime Corp | | |
| Do | Summa Corporation | | |
| Marguerite Bracy Brown, 1625 L St., NW Washington, DC 20036 | American Fed of State County & Municipal Employees | 18,090.37 | 72.75 |
| Shirle L. Brown, P.O. Box 663, GPO New York, NY 10001 | SLB Enterprises | | |
| Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005 | New York City Housing Development Corp | 20,867.23 | |
| Do | New York State Mortgage Loan Enforcement & Admin Corp | 22,876.06 | |
| David G. Burden, 200 E. Randolph Dr. Chicago, IL 60601 | Amoco Corporation | | |
| Diane B. Burke, 1625 L Street, NW Washington, DC 20036 | American Fed of State County & Municipal Employees | 9,336.78 | 147.40 |
| J. J. Burke Jr., 40 E. Broadway Butte, MT 59701 | Montana Power Co | | 302.40 |
| Michael Burns, 21 Dupont Circle, NW, #300 Washington, DC 20036 | Business Executives for National Security | 7,115.00 | 25.50 |
| Busby Rehm and Leonard, P.C., 1330 Connecticut Ave., NW, #200 Washington, DC 20036 | Automobile Importers of America, Inc | 6,800.00 | 50.00 |
| Do | European Confederation of the Footwear Industry | | |
| Do | Guam Contractors Assn | 4,975.00 | |
| Do | MacMillan Bloedel, Inc | | |
| Do | Timex Corporation | | |
| Nicholas J. Bush, 1730 Rhode Island Avenue, NW, #200 Washington, DC 20036 | Natural Gas Supply Assn | 3,500.00 | 3,799.38 |
| Helen C. Butler, 1630 Connecticut Avenue, NW, #202 Washington, DC 20009 | Taiwan Power Company | 4,500.00 | |
| M. Caldwell Butler, P.O. Box 720 Roanoke, VA 24004 | National Conference of Bankruptcy Judges | 2,160.00 | |
| C.A.R.E., 511 C Street, NE Washington, DC 20002 | | | |
| Cades Schutte Fleming & Wright, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006 | Hawaii Financial Service Assn | | |
| Do | Hawaii Sugar Planters Assn | | |
| Do | Hawaiian Electric Company, Inc | | |
| Do | U.S. Windpower, Inc | | |

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| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Roy C. Cahoon, 6100 Knollwood Dr. Falls Church, VA 22041 | National Automatic Merchandising Assn | | |
| Campaign for U.N. Reform-Political Education Committee, 418 7th St., S.E. Washington, DC 20003 | | 14,158.49 | 15,585.23 |
| Candlelighters, 123 C St., SE Washington, DC 20003 | | | |
| Edward F. Canfield, 1331 Pennsylvania Avenue, NW, #524 Washington, DC 20004 | Casey Scott & Canfield, P.C. (For:Association for Regulatory Reform) | | |
| Capital Advocates, 1127 11th Street, #950 Sacramento, CA 95814 | Crowley Maritime Corp | 1,250.00 | 9,599.92 |
| Caplin & Drysdale, Chtd, One Thomas Circle, NW Washington, DC 20005 | J. Paul Getty Trust | | |
| Denise A. Cardman, 1800 M St., NW Washington, DC 20036 | American Bar Assn | 400.00 | 50.00 |
| Edward J. Carlough, 1750 New York Avenue, NW Washington, DC 20006 | Sheet Metal Workers International Assn | 25,987.00 | |
| Robert E. Carlstrom Jr., 1627 K Street, NW, #200 Washington, DC 20006 | Fluor Corporation | 15,000.00 | 282.49 |
| Lawrence J. Cassidy, 1750 New York Avenue, NW Washington, DC 20006 | Sheet Metal Workers International Assn | 13,929.00 | |
| Cassidy and Associates, Inc, Metropolitan Square 655 15th St., NW, #1100 Washington, DC 20005 | Pyramid Companies | | |
| Rita L. Castle, 100 NE Adams Street Peoria, IL 61629 | Caterpillar, Inc | 8,500.00 | 4,063.00 |
| G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036 | Neece Cator & Associates, Inc (For:Association of Small Business Development Centers). | 1,350.00 | 1,350.00 |
| Do | Neece Cator & Associates, Inc (For:Small Business United) | 1,350.00 | 1,350.00 |
| Gordon Cavanaugh, 509 C Street, NE Washington, DC 20002 | Roisman Reno & Cavanaugh (For:Council of Large Public Housing Authorities) | 11,618.73 | 508.51 |
| Center for Law and Education, Inc, Larsen Hall, 6th Floor 14 Appian Way Cambridge, MA 02138 | | 2,807.21 | 4,594.63 |
| Henry Chajet, 1920 N St., NW Washington, DC 20036 | American Mining Congress | 120.00 | 24.00 |
| Durwood Chalker, P.O. Box 660164 2121 San Jacinto Street, #2500 Dallas, TX 75266-0164 | Central & South West Corp | | |
| Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006 | American Postal Workers Union, AFL-CIO | | |
| Do | Apache Corporation | 525.00 | |
| Do | Belk Stores Services, Inc | | |
| Do | Coalition of Publicly Traded Limited Partnerships | 400.00 | |
| Do | Coalition of State Employment Security Agencies | 5,000.00 | |
| Do | Manville Corporation | 350.00 | |
| Do | Metcalf & Eddy/KVB Group | 2,000.00 | |
| Do | National Assn of Retired Federal Employees | | |
| Do | State of Idaho, Dept of Employment | | |
| Charles Karalekas McCahill & Wilson, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036 | Independent Insurance Agents of America | 500.00 | |
| Alan C. Chase, 1025 Broad Branch Court McLean, VA 22101 | Lockheed Corporation | 7,000.00 | 1,000.57 |
| Children's Television Workshop, One Lincoln Plaza New York, NY 10023 | | | |
| Charisse Victoria Ciambrone, 2029 Griffith Avenue Las Vegas, NV 89104 | | | |
| Citizens Comm for the Right to Keep & Bear Arms, Liberty Park, 12500 NE Tenth Place Bellevue, WA 98005 | | 429,500.27 | 150,952.99 |
| Julie Clark, 1625 K St., NW, #800 Washington, DC 20006 | National Legal Aid & Defenders Assn | 10,631.25 | 353.19 |
| Robert Clark, 400 Madison St., #1908 Alexandria, VA 22314 | Ryder Systems, Inc | | |
| Scott Charles Clarkson, 333 Pennsylvania Ave., SE Washington, DC 20003 | Waste Management, Inc | | |
| Coalition for Uniform Product Liability Law, 1330 Connecticut Avenue, NW, #336 Washington, DC 20036 | | 28,250.00 | 1,121.64 |
| Coffee Sugar & Cocoa Exchange, Inc, 4 World Trade Center, 8th Fl. New York, NY 10048 | | | 11,050.88 |
| Ken W. Cole, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004 | Allied-Signal, Inc | | 1,605.00 |
| Randall I. Cole, 1050 Connecticut Avenue, NW, #200 Washington, DC 20036 | Burlington Northern, Inc | 1,000.00 | 1,464.82 |
| Robert E. Cole, 900 17th St., NW Washington, DC 20006 | Kaiser Aluminum & Chemical Corp | 375.00 | 40.00 |
| Cole & Corette, P.C., 1100 Vermont Avenue, NW, #900 Washington, DC 20005 | Government of the Netherlands Antilles | 400.00 | |
| Collier Shannon Rill & Scott, 1055 Thomas Jefferson St., NW, #308 Washington, DC 20007 | Alliance for Capital Access | | |
| Eileen M. Collins, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | 1,158.33 | 413.13 |
| Stephen J. Collins, 1620 Eye St., NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | | |
| Colorado Ski Country USA, Inc, One Civic Center Plaza 1560 Broadway, #1440 Denver, CO 80202 | | | |
| Tim Colton, P.O. Box 498 Chester, PA 19016 | Pennsylvania Shipbuilding Co | 630.00 | 35.00 |
| Committee for Humane Legislation, Inc, 11 West 60th St. New York, NY 10023 | | 55,872.50 | 2,365.07 |
| Committee for Production Sharing, 1629 K St., NW, #801 Washington, DC 20006 | | 28,945.00 | 14,594.52 |
| Committee for Reasonable Inventory Accounting Rules, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006 | | | |
| Committee to Protect the Family, 8001 Forbes Place, #102 Springfield, VA 22151 | | 710,799.35 | 836,076.55 |
| Communications Management, Inc, 1925 North Lynn Street, #1140 Arlington, VA 22209 | Citizens for Sensible Control of Acid Rain (CSCAR) | 98,747.00 | 60,443.00 |
| Do | Philip Morris USA | 77,415.00 | 27,928.00 |
| Francis J. Conners, 100 Indiana Avenue, NW Washington, DC 20001 | National Assn of Letters Carriers | 10,580.17 | |
| John J. Connolly, 499 South Capitol St., SW, #507 Washington, DC 20003 | Bill Hecht & Associates, Inc (For:Crowley Maritime Corp) | | |
| Do | Bill Hecht & Associates, Inc (For:Freedom & Justice for Cyprus Trust) | | |
| Do | Bill Hecht & Associates, Inc (For:Hong Kong Trade Development Council) | | |
| Do | Bill Hecht & Associates, Inc (For:Kansas City Southern Industries, Inc) | | |
| Do | Bill Hecht & Associates, Inc (For:Southern California Rapid Transit District) | | |
| Do | Bill Hecht & Associates, Inc (For:Western Growers Association) | | |
| Kathryn Conroy, 105 East 22nd Street New York, NY 10010 | Community Service Society | | |
| Consolidated Edison Co of New York, Inc, 410 First St., SE Washington, DC 20003 | | | |
| Consolidated Rail Corporation, P.O. Box 23451 Washington, DC 20026 | | | 14,452.00 |
| Consortium of Social Science Assns, 1625 I Street, NW, #911 Washington, DC 20006 | | 147,100.00 | 1,026.55 |
| Consumer Federation of America, 1424 16th St., NW, #604 Washington, DC 20036 | | 55,953.00 | 57,155.00 |
| Harry N. Cook, 1130 17th St., NW Washington, DC 20036 | National Waterways Conference, Inc | | |
| Edward Cooney, 1319 F St., NW, #500 Washington, DC 20004 | Food Research & Action Center | 1,142.00 | |
| Mark N. Cooper, 1424 16th St., NW, #604 Washington, DC 20036 | Consumer Federation of America | 300.00 | |
| Stephen H. Cooper, 74 North Pearl St. Albany, NY 12207 | Hospital Assn of New York State | 288.45 | 2,348.17 |
| Patrick H. Corcoran, 1725 K St., NW, #1205 Washington, DC 20006 | Association of Oil Pipelines | | |
| Corman Law Offices, 1420 16th Street, NW Washington, DC 20036 | Texas Air Corp | | |
| Bennett J. Corn, Four World Trade Center New York, NY 10048 | Coffee Sugar & Cocoa Exchange, Inc | 550.00 | |
| Alfred W. Cortese Jr., 655 15th Street, NW, #1200 Washington, DC 20005 | General Motors Corp | 2,500.00 | |
| Mary Alice Cotter, 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | | |
| Walter Coulliard, 100 Indiana Avenue, NW Washington, DC 20001 | National Assn of Letter Carriers | 6,858.74 | |
| Council for a Livable World, 20 Park Plaza, #603 Boston, MA 02116 | | | 34,371.06 |
| Council on Alternate Fuels, 1225 Eye St., NW, #320 Washington, DC 20005 | | | |
| William D. Crawford, 400 First St., NW Washington, DC 20001 | Brotherhood of Railway Carmen of the U.S. & Canada | 2,032.53 | |
| Ken A. Crerar, 1611 N. Kent Street, #900 Arlington, VA 22209 | Footwear Industries of America | 3,000.00 | 205.36 |
| Douglas P. Crew, 100 N.E. Adams Street Peoria, IL 61629 | Caterpillar Tractor Co | | |
| Mary Dent Crisp, 21 Dupont Circle, NW, #300 Washington, DC 20036 | Business Executives for National Security, Inc | | |
| Herminia L. Cubillos, 20 F Street, NW, 2nd Floor Washington, DC 20001 | National Council of La Raza | 1,250.00 | 900.00 |
| William J. Cunningham, 815 16th St., NW Washington, DC 20006 | American Fed of Labor & Congress of Industrial Organizations | 13,467.72 | 775.20 |
| Richard C. Curry, P.O. BOX 66 Mclean, VA 22101 | Fire Island Associates, Inc | | |
| Edward P. Curtis Jr., Genesee Public Affairs, Inc 36 W. Main Street Rochester, NY 14614 | Lake Ontario Cement Limited | | |
| Jay B. Cutler, 1400 K Street, NW Washington, DC 20005 | American Psychiatric Assn | 6,586.00 | 876.91 |
| CPT Corporation, 8100 Mitchell Road P.O. Box 295 Minneapolis, MN 55440 | | | |
| CRS, P.O. Box 118 Cold Spring Harbor, NY 11724-0118 | | | |
| Norman E. D'Amours, 1217 Evermay Court Mclean, VA 22101 | Alcalde Henderson O'Bannon & Rousselot | 20,000.00 | |
| Do | American Council of State Savings Supervisors | 8,000.00 | |
| Do | Credit Union National Assn, Inc | | |
| Do | Marine Midland Banks, Inc | 24,000.00 | |
| Leslie Dach, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | | |
| Tracy Danese, P.O. Box 14000 Juno Beach, FL 33408 | Florida Power & Light Co | 561.74 | 2,370.80 |
| Cynthia L. Darcy, 245 Second St., NE Washington, DC 20002 | Friends Committee on National Legislation | 2,250.00 | |
| Craig D. Dart, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Davenport & Seay, One Thomas Circle, NW, #375 Washington, DC 20005 | City of Detroit, Michigan | 37,420.17 | 17,700.21 |
| Edward M. Davis, 410 First St., SE Washington, DC 20003 | American Nuclear Energy Council | 3,000.00 | 794.72 |
| Dona M. De Carolis, 20 Black Oak Mews Newton, PA 18940 | Guilford Transportation Industries, Inc | | |
| Robin Deck, 1155 15th St., NW, #400 Washington, DC 20005 | Hospital Corp of America | 7,517.36 | |
| John J. Degnan, Shanley & Fisher, P.C. 131 Madison Avenue Morristown, NJ 07960 | Sharp Electronics Corp | | |
| Elizabeth C. Demato, 5210 Auth Way Camp Springs, MD 20746 | Seafarers International Union | 3,000.00 | 66.95 |
| Edward A. Dent, 3115 N St., NW Washington, DC 20007 | Americans for the National Voter Initiative Amendment | | |
| R. Daniel Devlin, 1825 Eye Street, NW, #350 Washington, DC 20006 | Trans World Airlines, Inc | 375.00 | |
| Doris J. Dewton, 1025 Connecticut Ave., NW, #507 Washington, DC 20036 | Ashland Oil, Inc | 2,000.00 | |
| Kendall P. Dexter, 9 Country Club Road Mobile, AL 36608 | MacMillan Bloedel, Inc | | |
| Nicholas DeBenedictis, 1346 Chestnut St., #800 Philadelphia, PA 19107 | Greater Philadelphia Chamber of Commerce | | |
| Beth DeGrasse, 100 Maryland Ave., NE Washington, DC 20002 | Council for a Livable World | 3,901.20 | |
| Diamond Shamrock Corp, 717 N. Harwood Dallas, TX 75201 | | | |
| Ann Sanders Dickey, 300 Maryland Avenue, NE Washington, DC 20002 | Federal Express Corp | 6,000.00 | |
| Walter E. Diercks, Rubin Winston & Diercks 1730 M Street, NW, #412 Washington, DC 20036 | Outdoor Advertising Assn of America, Inc | 2,000.00 | |
| Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003 | Lumbermens Mutual Casualty Co (For:Federal Kemper Life Assurance Co) | | |
| Do | Lumbermens Mutual Casualty Co (For:Kemper Financial Services, Inc) | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Lumbermens Mutual Casualty Co (For:Kemper Investors Life Insurance Co) | | |
| Do | Lumbermens Mutual Casualty Company | 2,100.00 | 137.44 |
| James C. Dinegar, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003 | Independent Insurance Agents of America, Inc | 6,173.00 | |
| Dobrovir & Gebhardt, 1025 Vermont Avenue, NW, #1105 Washington, DC 20005 | New York State Ophthalmological Society | | |
| Steven P. Doehler, 1615 L Street, NW, #1230 Washington, DC 20036 | Mortgage Insurance Companies of America | 5,000.00 | 139.65 |
| James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036 | Group Health Assn of America, Inc | 2,848.12 | |
| John D. Doherty Jr., 900 17th Street, NW, #706 Washington, DC 20006 | Chase Manhattan Bank, N.A. | 230.75 | 15.02 |
| Robin C. Dole, 1101 Connecticut Avenue, NW, #500 Washington, DC 20036 | Century 21 Real Estate Corp | | |
| Kevin J. Donnellan, 1909 K Street, NW Washington, DC 20049 | American Assn of Retired Persons | | |
| Thomas F. Donnelly, 955 L'enfant Plaza, SW, #1202 Washington, DC 20024 | National Water Resources Assn | 3,125.00 | |
| Thomas J. Donohue, 2200 Mill Road Alexandria, VA 22314 | American Trucking Assns, Inc | 11,000.00 | |
| Linda L. Doorfee, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003 | Independent Insurance Agents of America, Inc | 5,884.00 | |
| May Del Rio Dorfman, 380 Second Avenue New York, NY 10010 | Planned Parenthood of New York City, Inc | 445.21 | 316.98 |
| Charlene Dougherty, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | 8,000.00 | 2,013.50 |
| Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037 | Algoma Steel Corp, Ltd, et al | 6,277.00 | 1,033.63 |
| Do | Beeman and Gould | 17.00 | |
| Do | Canadian Institute of Steel Construction | | 194.54 |
| Do | Dart-M.L., Ltd | | |
| Do | Government of the Republic of Panama | | |
| Do | Hapag-Lloyd, A.G. | | |
| Do | Harris Steel Group, Inc | 2,418.50 | 194.62 |
| Do | Home Shopping Network, Inc | 890.00 | 15.00 |
| Do | Lake Ontario Cement Limited | | |
| Do | Laurel Steel Products, Ltd | | 432.48 |
| Do | Masstock (International) Ltd | | |
| Do | Mediterranean/U.S.A. Freight Conference | | |
| Do | The '8900' Lines | | |
| Do | U.S. Atlantic & Gulf Ports/East Med & N. Africa Freight Conf | | |
| Do | U.S. Atlantic & Gulf/Australia-New Zealand Conference | | |
| Stan Dublinske, 10801 Rockville Pike Rockville, MD 20852 | American Speech-Language-Hearing Assn | | |
| Dunnells Duvall Bennett & Porter, 1220 19th Street, NW, #400 Washington, DC 20036 | National Assn of Aircraft & Communications Suppliers, Inc | | |
| Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037 | Apex Marine Corp | 3,620.00 | 1,416.50 |
| Do | Crowley Maritime Corp | 1,000.00 | |
| Dennis J. Earhart, 1753 Euclid St, NW Washington, DC 20009 | Bear West Co, Inc (for Rocky Mountain Energy Co) | 1,031.25 | |
| Yvonne B. Eider, 400 First Street, NW, #403 Washington, DC 20001 | Friends of Animals, Inc | | |
| Jill W. Eiland, 507 Second Street, NE Washington, DC 20002 | Portland General Electric Co | | |
| C. M. Elkins Associates, 1100 17th St., NW, #310 Washington, DC 20036 | Delaware & Hudson Railway Co | | |
| Do | Missouri Kansas Texas Railroad | | |
| Do | Pittsburgh & Lake Erie Railroad Co | | |
| Dorothy A. Ellsworth, 1300 Connecticut Ave., NW Washington, DC 20036 | International Assn of Machinists & Aerospace Workers | 14,661.03 | 156.40 |
| Employee Relocation Council, 1720 N St., NW Washington, DC 20036 | | | |
| Irene R. Emsellem, 1800 M Street, NW Washington, DC 20036 | American Bar Assn | 400.00 | 50.00 |
| H. John Endean, 1730 K St., NW, #1200 Washington, DC 20006 | American Business Conference | 90.00 | 25.00 |
| John T. Engelen, 729 15th Street, NW Washington, DC 20005 | Associated Builders & Contractors, Inc | 2,500.00 | |
| Michael D. Engelhardt, P.O. Box 24305 Oakland, CA 94623 | Clorox Co | | |
| J. Barry Epperson, P.O. Box 42464 Houston, TX 77242 | Associated Wire Rope Fabricators | 250.00 | 1,869.37 |
| Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003 | Independent Insurance Agents of America, Inc | 18,462.00 | |
| Erisa Industry Committee, 1726 M Street, NW, #1101 Washington, DC 20036 | | 88,200.00 | 9,185.00 |
| Mark Esherick, 1601 Connecticut Ave, NW, #400 Washington, DC 20009 | Zero Population Growth, Inc | 1,350.00 | |
| Billy Lee Evans, 499 South Capitol St., SW, #507 Washington, DC 20003 | Bill Hecht & Associates, Inc (For:Brown & Williamson Tobacco Corp) | | |
| Do | Bill Hecht & Associates, Inc (For:Crowley Maritime Corp) | | |
| Do | Bill Hecht & Associates, Inc (For:Freedom & Justice for Cyprus Trust) | | |
| Do | Bill Hecht & Associates, Inc (For:Hong Kong Trade Development Council) | | |
| Do | Bill Hecht & Associates, Inc (For:Western Growers Association) | | |
| Brock Evans, 645 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | | |
| Donald C. Evans Jr., 655 15th St., NW, #310 Washington, DC 20005 | American Family Corp | | |
| Do | American Hoechst Corporation | | |
| Do | Stepan Corporation | | |
| Robert J. Evans, 2013 Canterbury Rd. Kingsport, TN 37660 | | | |
| Fawn K. Evenson, 1611 N. Kent St., #900 Arlington, VA 22209 | Footwear Industries of America | 7,500.00 | 182.18 |
| Ellen E. Eves, 1600 M Street, NW, #702 Washington, DC 20036 | ICI Americas, Inc | | |
| Joseph A. Farrell, 1600 Wilson Boulevard, #1000 Arlington, VA 22209 | American Waterways Operators, Inc | | |
| Frederick Fedeli, 1400 K St., NW Washington, DC 20005 | American Psychiatric Assn | 2,129.00 | 857.00 |
| Federal Express Corp, 2990 Airways #404 Memphis, TN 38116 | | | 4,000.00 |
| Federal Kemper Life Assurance Co, Kemper Bldg. D-3 Long Grove, IL 60049 | | | 153.61 |
| Federal Managers Assn, 1000 16th Street, NW Washington, DC 20036 | | 10,000.00 | 19,432.00 |
| Federation of Behavioral Psychological & Cognitive Sciences, 1200 17th Street, NW Washington, DC 20036 | | | |
| Donald M. Fehr, 805 Third Ave. New York, NY 10022 | Major League Baseball Players Assn | | |
| Claudia Feller, 1200 17th Street, NW Washington, DC 20036 | Federation of Behavioral Psychological & Cognitive Sciences | | |
| Randolph Fenninger, 10000 Falls Road, #300 Potomac, MD 20854 | American Soc of Anesthesiologists | 7,665.00 | |
| Fensterwald & Alcorn, 1000 Wilson Blvd., #900 Arlington, VA 22209 | Concerned Federal Railroad Administration Employees | | |
| George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036 | American Mining Congress | 90.00 | |
| Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002 | BellSouth D.C. | | |
| Do | Dick Fischer Development, Inc | 3,700.00 | |
| Do | Dillingham Construction Group | 8,937.50 | 860.35 |
| Do | Foss Maritime Co | 500.00 | 648.37 |
| Do | Global Marine, Inc | 185.00 | 611.87 |
| Do | Haida Corporation | | |
| Do | Northwest Alaska Natural Gas Pipeline Co | | |
| Do | Pyro Power | | |
| Do | Standard Oil/BP North America, Inc | 937.50 | |
| Do | Tacoma Boat Building Co | 1,000.00 | 630.55 |
| Do | U.S. Borax & Chemical Corp | 3,517.66 | 683.01 |
| Do | We All Need H-3 Committee | | |
| Robert J. Fersh, 1319 F St., NW, #500 Washington, DC 20004 | Food Research & Action Center | 339.00 | |
| Manuel D. Fierro, 1901 N. Fort Myer Dr., #202 Rosslyn, VA 22209 | Fond Du Lac Reservation | | |
| Do | Great Lakes Indian Fish & Wildlife Commission | | |
| Fine & Ambrogne, Exchange Place Boston, MA 02109 | Smith College | | |
| Finkelstein Thompson Levenson & Lewis, 2828 Pennsylvania Avenue, NW, #200 Washington, DC 20007 | Manivest Corporation | | |
| Finley Kumble Wagner Heine Underberg Manley Myerson & Casey, 1120 Connecticut Ave., NW, 10th Floor Washington, DC 20036. | National Limousine Assn | | |
| Mary Clare Fitzgerald, 1025 Thomas Jefferson St., NW, #301 Washington, DC 20007 | Secura Group (For:Chase Manhattan Bank, N.A.) | | 2,100.00 |
| Do | Secura Group (For:Northeast Bancorp) | | |
| Do | Secura Group (For:Yankee Bank) | | 1,496.00 |
| Barry Flamm, 1400 Eye Street, NW Washington, DC 20005 | Wilderness Society | 510.27 | |
| Ruth Flower, 245 Second Street, NE Washington, DC 20002 | Friends Committee on National Legislation | 4,450.53 | |
| David H. Foerster, 1201 16th St., NW Washington, DC 20036 | National Education Assn | | |
| Food Research & Action Center, 1319 F Street, NW, #500 Washington, DC 20004 | | 5,000.00 | 3,218.00 |
| Footwear Retailers of America, 1319 F St., NW, #700 Washington, DC 20004 | | | 1,637.50 |
| Mari S. Forbes, 1731 Connecticut Ave., NW Washington, DC 20009 | Albers & Company (For:May Department Stores Co) | 2,986.87 | |
| Foresight Science & Technology, Inc, 2000 P St., NW, #305 Washington, DC 20036 | National Coalition for Science & Technology | 675.00 | 653.93 |
| Do | Society for American Archaeology | 2,500.00 | 2,516.87 |
| John P. Fowler, 1187 National Press Building Washington, DC 20045 | Ad Hoc Comm in Defense of Life, Inc | 2,598.00 | 5,980.10 |
| Alan Fox, 1424 16th Street, NW, #604 Washington, DC 20036 | Consumer Federation of America | 6,841.00 | |
| David E. Franasiak, 1001 22nd Street, #600 Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Sally Narey Frans, 385 Washington Street St. Paul, MN 55102 | St. Paul Fire & Marine Insurance Co | | |
| Fran Frazier, 1730 K Street, NW, #703 Washington, DC 20006 | American Business Conference | 88.75 | 36.20 |
| Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005 | General Electric Co | 195.75 | 89.45 |
| G. William Frick, 1220 L Street, NW Washington, DC 20005 | American Petroleum Institute | | |
| Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004 | American Indian National Bank | | |
| Friends Committee on National Legislation, 245 2nd St., NE Washington, DC 20002 | | | 24,313.60 |
| Owen V. Frisby, 900 17th St., NW Washington, DC 20006 | Chase Manhattan Bank, N.A. | 758.16 | 33.86 |
| Charles H. Fritts, 1111 14th St., NW, #900 Washington, DC 20005 | National Apartment Assn | 10,630.00 | 34.75 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Raymond Garcia, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202 | Rockwell International Corp | 3,000.00 | 23.69 |
| Shelley Ann Gardner, 20 Black Oak Mews Newtown, PA 18940 | Electrical Alliance | | |
| Do | Philadelphia Maritime Exchange | | |
| Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20006 | Aerolift, Inc | 8,588.75 | |
| Do | Greenbriar Leasing | 12,322.00 | |
| Do | Japan Fisheries Association | | |
| Do | Northwest Marine Iron Works | 25,500.00 | |
| Do | Port of Tillamook Bay & Tillamook County | 13,824.94 | |
| Do | Totem Ocean Trailer Express, Inc | 6,700.00 | |
| Vernon Gasaway, 191 Sands Street, Apt. 5j Brooklyn, NY 11201 | | | |
| Frank T. Gasper, 8104 River Falls Drive Potomac, MD 20854 | Moog, Inc | | |
| Michael S. Gelacak, 12141 Holly Knoll Circle Great Falls, VA 22066 | Hill & Knowlton, Inc (For:Republic of Turkey) | | |
| Do | Hill & Knowlton, Inc (For:Title Insurance Industry Coalition) | 2,000.00 | |
| Gerard Byler & Associates, Inc, 1100 17th Street, NW, #1000 Washington, DC 20036 | Colville Business Council | 450.00 | |
| Do | Commissioned Officers Assn of the U.S. Public Health Service | 300.00 | |
| Do | Leech Lake Reservation Business Committee | 300.00 | |
| Do | Quechan Indian Tribe | | |
| Do | Siletz Tribal Council | | |
| Do | Tohono O'odham Nation | 908.00 | |
| Do | Tulalip Tribes | 1,835.80 | |
| Do | White Earth Tribal Council | | |
| Alvin J. Geske, 1016 16th Street, NW, 6th Floor Washington, DC 20036 | Renewable Fuels Assn | | |
| David Troy Saxton Getty, 1857 N. Wilton Pl., #102 Los Angeles, CA 90028-5765 | | | |
| Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036 | Wheeling-Pittsburgh Steel Corp | 482.40 | 40.41 |
| William L. Gifford, 100 Interpace Parkway Parsippany, NJ 07054 | GPU Service Corp | | |
| Maureen Gilman, 1730 K Street, NW, #1100 Washington, DC 20006 | National Treasury Employees Union | 11,000.00 | 191.15 |
| Horace O. Godfrey, 918 16th St., NW, #701 Washington, DC 20006 | Godfrey Associates, Inc | | |
| Godfrey Assoc, Inc, 918 16th St., NW, #701 Washington, DC 20006 | | | |
| Gold & Liebengood, Inc, The Willard Office Building 1455 Pennsylvania Avenue, NW, #950 Washington, DC 20004 | American Medical Assn | | 1,044.00 |
| Linda F. Golodner, 815 15th Street, NW, #516 Washington, DC 20005 | National Consumers League | | |
| Beth Goodrich, 1331 Pennsylvania Ave., NW, #719 Washington, DC 20004 | Association of Private Pension & Welfare Plans, Inc | | |
| Brenda J. Gore, 1000 Wilson Blvd., 2600 Arlington, VA 22209 | TRW, Inc | 1,717.90 | |
| George B. Gould III, 100 Indiana Ave., NW Washington, DC 20001 | National Assn of Letter Carriers | 13,242.97 | 2,375.70 |
| Karen Graham, 1331 Pennsylvania Ave., NW, #719 Washington, DC 20004 | Association of Private Pension & Welfare Plans, Inc | | |
| James L Granger, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22206 | Piper Aircraft Corporation | | 225.00 |
| Ruth P. Graves, 600 Maryland Ave., SW, #500 Washington, DC 20024 | Reading Is Fundamental, Inc | 255.00 | 45.05 |
| Great American Reserve Insurance Co, 2020 Live Oak P.O. Box 388 Dallas, TX 75221 | | | |
| Edward M. Green, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| Ellen F. Greenberg, 1200 17th Street, NW Washington, DC 20036 | American Psychological Assn | 2,960.00 | 132.78 |
| Phyllis Greenberger, 1400 K Street, NW Washington, DC 20005 | American Psychiatric Assn | 2,129.00 | 1,880.11 |
| Edward F. Greissing Jr., 1660 L St., NW, #205 Washington, DC 20036 | Upjohn Company | | 10,093.00 |
| Mark N. Griffiths, Smith Bucklin & Associates 1101 Connecticut Ave, NW, #700 Washington, DC 20036 | National Assn of Metal Finishers | 750.00 | |
| Jerome Grossman, 20 Park Plaza, #603 Boston, MA 02116 | Council for a Livable World | 5,497.62 | |
| Kenneth A. Guenther, One Thomas Circle, NW, #950 Washington, DC 20005 | Independent Bankers Assn of America | | |
| Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006 | Morris Communications | | |
| James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419-19 Washington, DC 20036 | Textron Marine Systems, Inc | | |
| Gun Owners of America, Inc, 8001 Forbes Place Springfield, VA 22151 | | 193,420.96 | 176,477.13 |
| Leland M. Gustafson, 1726 M St., NW, 1100 Washington, DC 20036 | Pacific Gas & Electric Co | 2,702.75 | 1,716.72 |
| Ned H. Guthrie, 209 Hayes Avenue Charleston, WV 25314 | American Fed of Musicians | 3,591.25 | 4,243.93 |
| Richard E. Gutting Jr., 2000 M St., NW, #580 Washington, DC 20036 | National Fisheries Institute | 6,000.00 | 54.33 |
| GA Assn of Petroleum Retailers, Inc, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083 | | | |
| Craig Hackler, 400 N. Capitol St., NW, #320 Washington, DC 20001 | International Chiropractic Assn | | |
| William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036 | Ashland Oil, Inc | 2,000.00 | |
| George W. Haley, 1050 Connecticut Ave., #300 Washington, DC 20036 | Grocery Manufacturers of America, Inc | | |
| Martin Haley Companies, Inc, 1015 15th St., NW Washington, DC 20005 | M&M/Mars | | |
| John F. Hall, 1945 Old Gallows Road, #405 Vienna, VA 22180 | American Wood Preservers Institute | 5,000.00 | |
| Rhonda Lee Halverson, 1730 K St., NW, #703 Washington, DC 20006 | American Business Conference, Inc | 125.00 | 25.00 |
| Jerald V. Halvorsen, 2200 Mill Road Alexandria, VA 22314 | American Trucking Assns, Inc | 15,000.00 | 326.49 |
| Martin Hamburger, 100 Maryland Ave., NE Washington, DC 20002 | Peace Political Action Committee | 4,872.00 | |
| Hamel & Park, 888 16th Street, NW Washington, DC 20006 | Beneficial Foundation | | |
| Do | Estate of Helen Wodell Halbach | | |
| Violet B. Hamilton, 4-21 Astoria Blvd., #5b Long Island City, NY 11102 | Astoria Tenants Organization | | |
| Handgun Control, Inc, 1400 K Street, NW, #500 Washington, DC 20005 | | 781,126.00 | 210,936.00 |
| Hannaford Co, Inc, 655 15th St., NW, #200 Washington, DC 20005 | China External Trade Development Council | 13,200.00 | 288.07 |
| Do | Presidency of the Republic of Mexico | | |
| Do | Rockwell International Corp | | |
| Do | Royal Embassy of Saudi Arabia | | |
| Do | Trans World Airlines, Inc | | |
| Mary V. Harcar, 1747 Pennsylvania Ave., NW, #704 Washington, DC 20006 | Manufacturers Life Insurance Co, Inc | 13,060.00 | 1,303.00 |
| Sandra K. Harding, 7981 Eastern Avenue Silver Spring, MD 20910 | National Assn of Social Workers | 4,334.00 | 1,030.80 |
| Eugene J. Hardy, 1100 17th St., NW, #1000 Washington, DC 20036 | Gerber Products Co | | |
| William G. Harley, 1235 Jefferson Davis Highway, #606 Arlington, VA 22202 | National Utility Contractors Assn | | |
| Sunny Harris, 7981 Easter Avenue, 4th Floor Silver Spring, MD 20910 | National Assn of Social Workers | 6,563.00 | 734.00 |
| J. William W. Harsch, 6th Floor 1722 Eye Street, NW Washington, DC 20006 | Solv-Ex Corporation | 4,351.50 | 2,099.62 |
| Do | Wormser Engineering, Inc | | |
| Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036 | Hershey Foods Corp | | |
| Lewis B. Hastings, 1776 K St., NW, #300 Washington, DC 20006 | Motorola, Inc | 3,000.00 | |
| Arnold L Havens, 1818 N Street, NW Washington, DC 20036 | Eckert Seamans Cherin & Mellot (For:Armstrong World Industries, Inc) | 15,000.00 | 127.18 |
| Do | Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc) | 16,417.50 | 679.63 |
| Do | Eckert Seamans Cherin & Mellott (For:CSX Corp) | 10,046.25 | 214.53 |
| Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005 | Associated Builders & Contractors, Inc | 2,500.00 | |
| R. Michael Haynes, 1156 15th Street, NW, #1101 Washington, DC 20005 | National Assn of Small Business Investment Companies | 3,000.00 | |
| Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112 | Harsco Corporation | 17,250.00 | 1,242.70 |
| Charles L. Hebner, New Murphy Road & Concord Pike Wilmington, DE 19897 | ICI Americas, Inc | | |
| Bill Hecht, 499 South Capitol St., SE, #507 Washington, DC 20003 | Bill Hecht & Associates, Inc (For:Boy Scouts of America) | | |
| Do | Brown & Williamson Tobacco Corp | | |
| Do | Bill Hecht & Associates, Inc (For:CSX Corporation) | | |
| Do | Bill Hecht & Associates, Inc (For:Freedom & Justice for Cyprus Trust) | | |
| Do | Bill Hecht & Associates, Inc (For:Hong Kong Trade Development Council) | | |
| Do | Los Angeles Raiders | | |
| Do | Southern California Rapid Transit District | | |
| Bill Hecht and Associates, Inc, 499 South Capitol Street, SE, #507 Washington, DC 20003 | Boy Scouts of America | 1,000.00 | |
| Do | Brown & Williamson Tobacco Corp | 2,000.00 | |
| Do | Church Alliance | 1,000.00 | |
| Do | Crowley Maritime Corp | 500.00 | |
| Do | CSX Corporation | 1,000.00 | |
| Do | Freedom & Justice for Cyprus Trust | 750.00 | |
| Do | Hong Kong Trade Development Council | 2,000.00 | |
| Do | Illinois Dept of Energy & Natural Resources | 1,000.00 | |
| Do | Irvine Company | | |
| Do | Kansas City Southern Industries, Inc | 1,000.00 | |
| Do | Los Angeles Raiders | | |
| Do | Multinational Business Services | 250.00 | |
| Do | Mutual Fairness Taxation Assn | 1,000.00 | |
| Do | Southern California Rapid Transit District | 2,000.00 | |
| Do | Traweek Investment Co, Inc | | |
| Do | Western Growers Association | 2,500.00 | |
| Robert E. Heggestad, 1331 Pennsylvania Avenue, NW, #524 Washington, DC 20004 | Casey Scott & Canfield, P.C. (For:Association for Regulatory Reform) | | |
| Suzanne C. Helmick, One Nationwide Plaza Columbus, OH 43216 | Nationwide Insurance Co | 600.00 | |
| Craig R. Helsing, 499 S. Capitol St., SW, #507 Washington, DC 20005 | Bill Hecht & Associates, Inc (For:Freedom & Justice for Cyprus Trust) | | |
| Do | Bill Hecht & Associates, Inc (For:Hong Kong Trade Development Council) | | |
| Do | Bill Hecht & Associates, Inc (For:Illinois Department of Energy & Natural Resources) | | |
| Do | Bill Hecht & Associates, Inc (For:Kansas City Southern Industries, Inc) | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Bill Hecht & Associates, Inc (For:Multinational Business Services) | | |
| Richard Dean Henderson, 2022 P Street, NW Washington, DC 20036 | Private Truck Council of America, Inc | | 40.00 |
| David A. Henson, 100 N.E. Adams Street Peoria, IL 61629-1460 | Caterpillar Tractor Co | 625.00 | 736.67 |
| Bruce Heppen, 1016 16th St., NW Washington, DC 20036 | National Fed of Federal Employees | | |
| Mary Lyn Herdt, 1001 22nd Street, NW Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007 | Pacific Mutual Life Insurance Co | | |
| Jo-Ann T. Herrick, 1800 K Street, NW, #530 Washington, DC 20006 | Tesoro Petroleum Corp | 1,500.00 | |
| Fred Hervey, 909 N. Mesa El Paso, TX 79902 | Reduce Our Debt Foundation | | |
| Heublein, Inc, 16 Munson Road Farmington, CT 06034-0388 | | | 20,352.00 |
| Vern F. Highley, 1735 I Street, NW, #716 Washington, DC 20006 | Amcot, Inc | 6,000.00 | |
| John S. Hightower, 1344 Kenilworth Parkway Baton Rouge, LA 70808 | Louisiana Pacific Corp | 2,375.00 | 1,281.00 |
| Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036 | Ashland Oil, Inc | 2,000.00 | |
| Maureen K. Hinkle, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | 1,696.15 | 254.35 |
| J. D. Hittle, 3137 S. 14th St. Arlington, VA 22204 | KMS Industries, Inc | 1,500.00 | |
| Do | LTV Aero-Space & Defense Co | 2,500.00 | 98.75 |
| Walter F. Hoffmann, 418 7th Street, SE Washington, DC 20003 | Campaign for U.N. Reform | 2,375.01 | |
| Philip A. Hogue, 150 S. Washington St., #100 Falls Church, VA 22046 | International Technical Expertise Ltd | | |
| William J. Holayter, 1300 Connecticut Avenue, NW Washington, DC 20036 | International Assn of Machinists & Aerospace Workers | 8,063.51 | |
| Holden Kidwell Hahn & Crapo, P.O. Box 129 Idaho Falls, ID 83402 | George Hatch, et al | | |
| Do | Blaine Larsen, et al | | |
| Diane S. Holmes, 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | 1,431.00 | 508.66 |
| Lois Holwerda-Hoyt, 600 Maryland Avenue, SW, #770 Washington, DC 20024 | American Academy of Family Physicians | 2,394.00 | 69.00 |
| Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207 | | 3,728.00 | 3,728.00 |
| Hospital Corp of America, 1300 N. 17th St., #1000 Arlington, VA 22209 | | | 22,200.23 |
| William J. Hotes, 919 18th St., NW, #400 Washington, DC 20006 | Diamond Shamrock Corp | | |
| Jack W. Houston, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083 | GA Assn of Petroleum Retailers, Inc | | |
| Susan Howland, 20 Black Oak Mews Newtown, PA 18940 | Electrical Alliance | | |
| Do | Guilford Transportation Industries - Rail Division | | |
| Do | Philadelphia Maritime Exchange | | |
| Karl T. Hoyle, 1730 Rhode Island Ave., NW, #810 Washington, DC 20036 | Credit Union National Assn, Inc | 300.00 | 68.09 |
| Betty Hudson, 1627 K Street, NW, #200 Washington, DC 20006 | Fluor Corporation | 15,000.00 | 686.51 |
| Richard H. Hughes, P.O. Box 880 Valley Forge, PA 19482 | Avtex Fibers, Inc | | |
| Thomas Humber, 499 South Capitol St., SW, #507 Washington, DC 20003 | Brown & Williamson Tobacco Corp | 2,500.00 | |
| Gregory A. Humphrey, 555 New Jersey Ave., NW Washington, DC 20001 | American Fed of Teachers | 16,000.02 | 104.00 |
| Richard M. Hunt, 1800 K St., NW, #622 Washington, DC 20006 | NL Industries, Inc | 3,500.00 | |
| Robert E. Hutchinson, 909 N. Mesa El Paso, TX 79902 | Circle K Corporation | | |
| Do | Reduce Our Debt Foundation | | |
| Independent Consultants, Inc, 400 North Capitol St., NW, #320 Washington, DC 20001 | John Camp | | |
| Do | Tropicana Petroleum, Ltd | 1,000.00 | |
| Independent Insurance Agents of America, Inc, 100 Church St., 19th Fl. New York, NY 10007 | | 31,168.00 | 31,168.00 |
| Industrial Union Department, AFL-CIO, 815 16th St., NW, #301 Washington, DC 20006 | | 41,529.18 | 41,529.18 |
| International Assn of Machinists & Aerospace Workers, 1300 Connecticut Ave., NW Washington, DC 20036 | | | 2,977.04 |
| John Isaacs, 100 Maryland Ave., NE Washington, DC 20002 | Council for a Livable World | 12,045.56 | |
| Marilyn J. Ittner, 1001 22nd Street, NW Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006 | American Textile Manufacturers Institute, Inc | | |
| Do | Committee for Reasonable Inventory Accounting Rules | | |
| Do | Employee Relocation Council | | |
| Do | Oberlin College | | |
| Do | Rochester Tax Council | | |
| Charles R. Jackson, 225 North Washington Street Alexandria, VA 22314 | Non Commissioned Officers Assn of the USA | 6,500.00 | 15,472.45 |
| William P. Jackson Jr., Jackson & Jessup, P.C. 3426 N. Washington Boulevard Arlington, VA 22201 | City of Tuscaloosa | 647.25 | 647.25 |
| Do | Osborne Truck Line, Inc, et al | 1,425.00 | 6,375.00 |
| Jellinek Schwartz Connolly & Freshman, Inc, 1350 New York Avenue, NW, #400 Washington, DC 20005 | ASARCO, Inc | 17,022.00 | 288.00 |
| Do | California Assn of Sanitation Agencies | 2,888.00 | 3,113.00 |
| Do | County Sanitation Districts of Orange County | | |
| Do | East Bay Municipal Utility District | 8,798.00 | 1,102.00 |
| Do | IBM Corp | | |
| Do | Las Virgenes Municipal Water District | | |
| Do | Los Angeles County Sanitation District | 7,320.00 | 299.00 |
| Do | New York Power Authority | 1,800.00 | 29.00 |
| Do | Padre Dam Municipal Water District | 7,919.00 | 674.00 |
| David Jenness, 1625 I Street NW, #911 Washington, DC 20006 | Consortium of Social Science Assns | | |
| Guy E. Jester, 2150 Kienlen Ave. St. Louis, MO 63121 | Association for the Improvement of the Mississippi River | | |
| Ronald P. Johnsen, 1250 Eye St., NW, #703 Washington, DC 20005 | Columbia Gas System Service Corp | 175.00 | 249.68 |
| Bruce Johnson, Law Offices of Bruce Johnson 1718 Connecticut Ave., NW, #410 Washington, DC 20009 | Ad-Hoc Asset Backed Securities Legis. & Regulatory Assn | | |
| Do | FAIC Securities, Inc | 9,000.00 | 305.03 |
| Nicholas Johnson, Box 1876 Iowa City, IA 52244 | | | |
| Allan R. Jones, 2200 Mill Rd. Alexandria, VA 22314 | American Trucking Assns, Inc | 9,000.00 | |
| Belva W. Jones, 1101 15th Street Washington, DC 20005 | National Assn of Margarine Manufacturers | | |
| Beverly E. Jones, Wickwire Gavin & Gibbs, P.C. 1133 21st Street, NW, #500 Washington, DC 20036 | American Independent Refiners Assn | | |
| Do | Consolidated Natural Gas Co | 500.00 | 20.00 |
| Do | National Hydropower Assn | | |
| Jones Day Reavis & Pogue, 655 15th St., NW, 6th Floor Washington, DC 20005-5701 | Ameritrust Co, Nat'l Assn | 4,032.25 | 60.40 |
| Do | Bank Street Consultanting Group | 884.00 | |
| Do | Heron International, Ltd | 110.00 | |
| Do | McKinley Federal Savings & Loan Assn | | |
| Do | North Wilkesboro Federal Savings & Loan Assn | | |
| Do | Peoples Bank & Trust Co | 733.00 | |
| Do | USAA Federal Savings Bank | 1,400.00 | 101.26 |
| Robert E. Juliano Associates, 2555 M Street, NW, #303 Washington, DC 20037 | ICH Corp | 3,000.00 | |
| Hans Kaehler, P.O. Box 118 Cold Spring Harbor, NY 11724 | | | |
| James L. Kane Jr., 1315 Vincent Place Mclean, VA 22101 | | | |
| David A. Karcher, 3700 Pender Drive, #108 Fairfax, VA 22030 | American Soc of Cataract & Refractive Surgery | | 4,209.00 |
| Patricia L. Katson, 11215 Oak Leaf Drive Silver Spring, MD 20901 | Liberty Lobby, Inc | 8,250.00 | |
| Steven L. Katz, 1424 16th St., NW, #601 Washington, DC 20036 | People for the American Way | 4,500.00 | 155.70 |
| David A. Keene, 919 Prince Street Alexandria, VA 22314 | Marine Engineers Beneficial Assn | 3,000.00 | |
| Do | National Tax Limitation Committee | 1,500.00 | |
| Carol A. Kelly, 1285 Avenue of the Americas New York, NY 10019 | Equitable Life Assurance Society of the U.S. | 675.00 | 15.00 |
| Richard B. Kelly, Kelly Eckhaus & Mohen 230 Park Avenue New York, NY 10169 | National Assn of Catalog Showroom Merchandisers | 3,500.00 | |
| Do | Resource Technical Consultant (USA), Inc | 6,300.00 | 1,456.82 |
| Kemper Financial Services, Inc, 120 South Lasalle Street Chicago, IL 60603 | | | |
| Kemper Investors Life Insurance Co, 120 South Lasalle Street Chicago, IL 60603 | | | 82.71 |
| Michael L. Kerley, 1922 F Street, NW Washington, DC 20006 | National Assn of Life Underwriters | 2,125.00 | 76.00 |
| Anne S. Kerman, 122 C Street, NW, #380 Washington, DC 20001 | National Family Planning & Reproductive Health Assn, Inc | 15.00 | |
| T. Michael Kerr, 1625 L St., NW Washington, DC 20036 | American Fed of State County & Municipal Employees | 11,923.56 | 159.12 |
| Victoria M. Kessler, 1731 Connecticut Avenue, NW Washington, DC 20009 | Albers & Co (For:May Department Stores Co) | 8,960.63 | 26.00 |
| Dale Rodney Ketcham, 1980 N. Atlantic Ave., #918 Cocoa Beach, FL 32931 | | | |
| Earline A. Keyser, 3022 Cedar Hill Road Falls Church, VA 22042 | Bechtel Power Corporation | | |
| Roberta D. Kimball, 729 15th Street, NW Washington, DC 20005 | Associated Builders & Contractors, Inc | 2,500.00 | |
| Gene Kimmelman, 1424 16th St., NW, #604 Washington, DC 20036 | Consumer Federation of America | 9,149.00 | |
| Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby-9th Fl. Washington, DC 20036 | American Council of Life Insurance, Inc | | |
| Do | Capitol Markets Group | 523.00 | |
| Do | Columbia Pictures Industries, Inc | 523.00 | |
| Do | Grocery Manufacturers of America, Inc | | |
| Do | Investors Fiduciary Trust Co | 1,995.00 | |
| Do | H. K. Porter Company, Inc | | |
| Do | Search Group, Inc | 6,943.00 | 171.75 |
| Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006 | Council of European & Japanese National Shipowners' Assn | 8,400.00 | 303.44 |
| William J. Kissick, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Algoma Steel Corp, Ltd | 236.25 | 651.91 |
| Ralph W. Kittle, Route 2, Box 10 Keswick, VA 22947 | International Paper Co | | |
| Do | McNair Law Firm | | |
| Jerry D. Klepner, 1020 19th St., NW Washington, DC 20036 | Anderson Benjamin Read & Haney (For:Blue Cross & Blue Shield of Florida) | | |
| Do | Anderson Benjamin Read & Haney (For:Boston Company) | 100.00 | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Glenn Knapp, 773 Dartmouth Ave. San Carlos, CA 94070 | | | |
| John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036 | American Mining Congress | 720.00 | 131.89 |
| Mark S. Knouse, 5603 Kirkside Dr. Chevy Chase, MD 20815 | Batus D.C. | | |
| Carol R. Koch, 401 Wythe Street Alexandria, VA 22314 | National Assn of Children's Hospitals & Related Institutions | 800.00 | |
| Kominers Fort & Schlefer, 1401 New York Ave., NW, 12th Fl. Washington, DC 20005 | Apex Marine Corp | | |
| Do | Avia Footwear, Inc | | |
| Do | Lykes Bros Steamship Co, Inc | | |
| Do | Marathon LeTourneau Co, et al | | |
| Do | Ocean Transportation Coalition | | |
| Do | Oregon Economic Development Dept | 8,750.00 | |
| Do | Pacific Coast Council of Freight Forwarders | 6,000.00 | 246.86 |
| Do | Riedel International | 1,000.00 | |
| Paul A. Korody Jr., 888 17th Street, NW, #300 Washington, DC 20006 | ConAgra, Inc | 1,150.00 | |
| Alan G. Kraut, 1200 17th Street, NW Washington, DC 20036 | American Psychological Assn | 2,000.00 | 65.50 |
| M. J. Kuehne, P.O. Box 11346 Tacoma, WA 98411 | Northwest Independent Forest Manufacturers | 500.00 | |
| Kuykendall Company, 517 3rd Street, SE Washington, DC 20003 | Gulf & Caribbean Foundation | | |
| Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005 | | | |
| Bruce C. Ladd Jr., 1776 K Street, NW Washington, DC 20006 | Motorola, Inc | 16,500.00 | 74.00 |
| James E. Lamble, 4000 Tunlaw Road, NW, #324 Washington, DC 20006 | Bechtel Power Corporation | | |
| Robert O. Lamson, 21 Dupont Circle, NW, #300 Washington, DC 20036 | Business Executives for National Security | | |
| Moon Landrieu, 717 Girod Street New Orleans, LA 70130 | Mainstreets Coalition | | |
| William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460 | Caterpillar, Inc | 1,250.00 | 2,224.74 |
| Lane & Edson, P.C., 2300 M Street, NW Washington, DC 20036 | National Assn of Energy Service Cos | | |
| Do | Pyropower Corp | 3,219.49 | |
| Lane & Mittendorf, 1750 K Street, NW, #1200 Washington, DC 20006 | Floating Point Systems, Inc | 246.25 | |
| Do | Nike, Inc | 1,687.50 | |
| Karl F. Lauenstein, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202 | General Dynamics Corp | 1,000.00 | 375.97 |
| Dennis Lavallee, 180 S. Washington St., P.O. Box 6808 Falls Church, VA 22046 | National Assn of Plumbing-Heating-Cooling Contractors | 500.00 | 149.22 |
| George H. Lawrence, 1515 Wilson Blvd. Arlington, VA 22209 | American Gas Assn | 3,500.00 | |
| Leadership Conference on Civil Rights, 2027 Massachusetts Ave., NW Washington, DC 20036 | | 81,269.75 | 41,332.90 |
| League of American Investors, 32123 Lindero Canyon Rd., #300 Westlake Village, CA 91361 | | | |
| Young K. Lee, 2112 S. Buchanan Street Arlington, VA 22206 | Washington Lobby Group, Inc (For Preston Corp) | 1,500.00 | |
| Leibowitz & Spencer, 3050 Biscayne Blvd., #501 Miami, FL 33137 | Curt Gowdy Broadcasting, et al | | |
| Cynthia R. Lenhart, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | 7,000.00 | 2,858.77 |
| Donna Lenhoff, 2000 P St., NW, #400 Washington, DC 20036 | Women's Legal Defense Fund | 584.90 | 251.77 |
| Lesher and Associates, Inc, 517 C Street, NE Washington, DC 20002 | Agricultural Policy Working Group | | 12,500.00 |
| Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809 | Pan American Satellite Corp | | |
| David A. Lewis, 1601 Connecticut Ave., NW, #800 Washington, DC 20009 | Physicians for Social Responsibility | 2,846.17 | 87.55 |
| James Patton LeGory, P.O. Drawer 2176 Merrifield, VA 22116-2176 | Oxford Group, Limited | | |
| James M. LeMunyon, 1612 K St., NW, #1100 Washington, DC 20006 | American Electronics Assn | 2,000.00 | |
| Robert G. Liberatore, 1100 Connecticut Avenue, NW, #930 Washington, DC 20036 | Chrysler Corporation | 2,250.00 | 350.05 |
| Judith Lichtman, 2000 P St., NW, #400 Washington, DC 20036 | Women's Legal Defense Fund | 1,290.00 | 375.00 |
| William C. Lienesch, 238 10th St., SE Washington, DC 20003 | National Parks & Conservation Association | 962.00 | 65.30 |
| William Lilley III, 1730 K Street, NW, #703 Washington, DC 20006 | American Business Conference | 3,125.00 | 130.10 |
| Linton Mields Reisler & Cottone, 477 H St., NW Washington, DC 20001 | Iowa Department of Transportation | 5,366.00 | |
| Do | Madison Gas & Electric Co | 1,632.00 | |
| Do | Metropolitan Sanitary District of Greater Chicago | 8,367.00 | 87.20 |
| Do | Michigan Dept of Transportation | 4,815.00 | 77.75 |
| Do | Northern States Power Co | 2,627.00 | |
| Do | Oregon Department of Transportation | 3,750.00 | |
| Do | State of Colorado, Dept of Highways | 2,970.00 | |
| Do | State of IL, Dept of Transportation | 7,491.00 | 63.06 |
| Do | State of IL, Dept of Transportation, Div of Water Resources | 3,507.00 | |
| Do | Superior Water Light & Power Co | 339.00 | |
| Do | Wisconsin Electric Power Co | 7,088.00 | 224.36 |
| Do | Wisconsin Fuel and Light Co | 260.00 | |
| Do | Wisconsin Natural Gas Co | 989.00 | |
| Do | Wisconsin Power & Light Co | 3,441.00 | |
| Do | Wisconsin Public Service Corp | 3,009.00 | |
| Andrew O. Lipman, Pepper Hamilton & Scheetz 1777 F Street, NW Washington, DC 20006 | MCI Telecommunications Corp | | |
| Do | Norlight, Inc | | |
| Lipsen Hamberger Whitten & Hamberger, 1725 Desales St., NW, #800 Washington, DC 20036 | Acumenics, Inc | | |
| Do | Air Transport Assn of America | | |
| Do | American Dehydrated Onion & Garlic Assn | 6,000.00 | 762.00 |
| Do | American Genealogies | | |
| Do | American Public Transit Assn | 42,000.00 | 460.00 |
| Do | Association of Scientists & Prof Engineering Personnel | 11,100.00 | 395.00 |
| Do | Calfon Construction, Inc | | |
| Do | Chellingworth & Singer, Ltd | 16,925.00 | 1,270.00 |
| Do | Computers & Information Management, Inc | | |
| Do | Council of Engineers Scientists Organizations | 7,500.00 | 211.00 |
| Do | Diagnostic Retrieval Systems, Inc | 7,500.00 | 384.00 |
| Do | Oravo Corporation | 17,170.00 | 1,607.00 |
| Do | DINAMO/ovia | 10,000.00 | 145.00 |
| Do | Federal National Mortgage Assn | | |
| Do | Joneric Products, Inc | | |
| Do | LHT Industries, Inc | | |
| Do | McKesson Corp | 10,833.33 | 485.00 |
| Do | Meridian Bancorp, Inc | 20,250.00 | 533.00 |
| Do | Moore McCormack Resources, Inc | | |
| Do | National Fed of Independent Business | 1,800.00 | 104.00 |
| Do | National Rural Letter Carriers Assn | | |
| Do | Olivetti Corp of America | | |
| Do | Pillsbury Company | 23,525.00 | 573.00 |
| Do | RJR Nabisco, Inc | 15,000.00 | 1,457.00 |
| Do | Staley Continental, Inc | 10,000.00 | 485.00 |
| Do | Tobacco Institute | 15,000.00 | 1,768.00 |
| Do | United Chem Con Corporation | 22,251.00 | 402.00 |
| Do | University of Syracuse | | |
| Do | Westfield Tannery, Inc | | |
| Do | Westinghouse Electric Corp | 7,800.00 | 1,629.12 |
| Susan Liss, 1424 16th Street, NW, #601 Washington, DC 20036 | People for the American Way | 3,187.48 | 15.50 |
| David A. Litvin, 1001 22nd St., NW, #600 Washington, DC 20037 | Standard Oil Company (Ohio) | | |
| Law Ofcs of Sheldon London, 1725 DeSales St., NW, #401 Washington, DC 20036 | American Hardware Manufacturers Assn | | |
| William E. Long, One Nationwide Plaza Columbus, OH 43216 | Nationwide Insurance Co | 600.00 | |
| Charles M. Loveless, 1625 L Street, NW Washington, DC 20036 | American Fed of State County & Municipal Employees | 11,566.74 | 314.65 |
| Charles Emmet Lucey, 1200 New Hampshire Avenue, NW, #200 Washington, DC 20036 | Manatt Phelps Rothenberg & Evans | | |
| Sylvester Lukis, 1155 15th St., NW, #510 Washington, DC 20005 | City of Miami Beach | 2,500.00 | |
| Lumbermens Mutual Casualty Company, Long Grove, IL 60049 | | | 3,812.49 |
| John Macnamara, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Algoma Steel Corp, Ltd | | |
| Cliff Madison Government Relations, Inc, P.O. Box 7006 Northridge, CA 91327-7006 | Burbank-Glendale-Pasadena Airport Authority | 2,000.00 | |
| Do | City of Avalon | 750.00 | |
| Do | County of San Bernardino | | |
| Do | Federal Express | 3,500.00 | |
| Do | Mark Air, Inc | 4,000.00 | |
| Do | Regency Outdoor Advertising | 5,000.00 | |
| Do | Southern California Rapid Transit District | 5,000.00 | |
| Mary Mahon, 380 Second Avenue New York, NY 10010 | | 42.90 | 166.97 |
| Michael C. Maibach, Intel Corporation, SC6-65 P.O. 58121 Santa Clara, CA 95052-8121 | Intel Corporation | 12,000.00 | 8,402.47 |
| Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022 | | | |
| Daniel C. Maldonado, 10000 Falls Rd., #300 Potomac, MD 20854 | Samaritan Health Services | 1,375.00 | |
| Andrew T. Malleck, 400 First Street, NW Washington, DC 20001 | Brotherhood of Maintenance of Way Employes | 14,922.46 | |
| Manchester Associates, Ltd, 1155 15th Street, NW, #811 Washington, DC 20005 | Corporacion Del Cobre (USA), Inc | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Eldorado Resources, Ltd | | |
| Do | Nissan Motor Company, Ltd | | |
| Peter T. Mangione, 1319 F Street, NW, #700 Washington, DC 20004 | Footwear Retailers of America | 137.50 | |
| Donald W. Mann, 210 The Plaza Teaneck, NJ 07666 | Negative Population Growth, Inc | | |
| Claudia Mansfield, 1801 N. Moore Street Arlington, VA 22209 | American Assn of School Administrators | | |
| Patricia Markey, 1155 15th St., NW, #400 Washington, DC 20005 | United Distribution Companies | 4,606.00 | 177.00 |
| Valsin A. Marmillion, Hunt Marmillion & Associates 10880 Wilshire Blvd., #2010 Los Angeles, CA 90024 | American Bankers Assn | 50,000.00 | 13,113.38 |
| Dan Marriott, 900 Kennecott Building Salt Lake City, UT 84133 | Guardian Life Insurance Co of America | | |
| C. Travis Marshall, 1776 K St., NW, #300 Washington, DC 20006 | Motorola, Inc | 1,500.00 | 96.96 |
| Danea Kehoe Martin, 1922 F Street, NW Washington, DC 20006 | National Assn of Life Underwriters | 560.00 | 90.00 |
| Masson Grimm & Burgum, Ltd, 106 North Carolina Ave., SE Washington, DC 20003 | Coalition for Scenic Beauty | 1,000.00 | |
| Do | Parsons Brinkerhoff Quad & Douglas, Inc | 1,875.00 | |
| Richard D. Mathias, 1660 L St., NW, #901 Washington, DC 20036 | Pan American World Airways, Inc | | |
| Mary Helen Mathis, 444 North Capitol St., #711 Washington, DC 20001 | Keefe Company (For:Carteret Savings & Loan) | 150.00 | |
| Do | Keefe Company (For:Cordish & Embry Associates) | | |
| Do | Keefe Company (For:Essex County) | | |
| Do | Keefe Company (For:New York University) | 1,800.00 | |
| Do | Keefe Co (For:University of the Sacred Heart) | | |
| Do | Keefe Company (For:University of Medicine & Dentistry of New Jersey) | 300.00 | |
| Do | Keefe Co (For:University of Miami) | 110.00 | |
| Marshall L. Matz, Scott Harrison & Mcleod 2501 M Street, NW, 4th Fl. Washington, DC 20037 | American School Food Service Assn | 9,000.00 | 1,653.95 |
| William W. Maurer, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202 | General Dynamics Corp | 1,000.00 | 1,490.86 |
| Albert E. May, 1627 K Street, NW, 1200 Washington, DC 20006 | Council of American-Flag Ship Operators | 4,500.00 | 19.20 |
| John A. McCahill, 1250 Connecticut Ave, NW Washington, DC 20036 | U.S. Olympic Committee | | |
| Margaret M. McCormick, 5000 Forbes Avenue Pittsburgh, PA 15213 | Carnegie-Mellon University | 5,208.03 | 2,578.21 |
| Molly McCormick, 2301 Market Street, S 13-1 Philadelphia, PA 19101 | Philadelphia Electric Company | | |
| Meredith McCoy, 11101 Connecticut Ave., NW, #500 Washington, DC 20036 | Arkansas Assn of Securities Dealers | | |
| Do | Mid-South International Trade Assn | | |
| Rose McCullough, 1424 K St., NW Washington, DC 20005 | National Abortion Rights Action League | 3,507.00 | |
| David F. McDermitt, 2238 Highland Avenue Falls Church, VA 22046 | National Utility Contractors Assn | 29,600.00 | 31,828.93 |
| Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005 | Greeting Card Assn | | |
| McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006 | American Dental Hygienists' Assn | 12,000.00 | |
| Do | Banks of Iowa | | |
| Do | Caterpillar Tractor Co | | |
| Do | Federal Kemper Life Assurance Co | | |
| Do | Kemper Investors Life Insurance Co | | |
| Do | Lumberman Mutual Co | | |
| Do | Public Employees Retirement Assn of Colorado | 1,247.50 | |
| Jack McDonald, 1489 Chain Bridge Road, #200 McLean, VA 22101 | Jack McDonald Co (For:Societe Generale de Surveillance, S.A.) | | |
| Jack McDonald Co, 1489 Chain Bridge Road, #200 McLean, VA 22101 | Societe Generale de Surveillance, S.A. | | |
| McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005 | National Manufactured Housing Assn | | |
| Robert T. McKernan, 1250 Connecticut Ave., NW Washington, DC 20036 | American Paper Institute, Inc | 250.00 | |
| Michael R. McLeod, Scott Mcleod Himmelberg Matz Pires Price 2501 M St., NW, #400 Washington, DC 20037 | Chicago Board of Trade | 800.00 | |
| Do | United Egg Producers | | |
| Edward T. McMahon, 218 D Street, SE Washington, DC 20003 | Coalition for Scenic Beauty | 1,175.00 | 121.00 |
| Sandra H. McMullan, 122 C St., NW, #750 Washington, DC 20001 | National Assn of Independent Colleges & Universities | 3,292.00 | 199.00 |
| McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005 | Vulcan Materials Co | | |
| Peter F. McNeish, 1156 15th Street, NW, #1101 Washington, DC 20005 | National Assn of Small Business Investment Cos | 3,000.00 | |
| Francis X. Meaney, 1825 Eye Street, NW Washington, DC 20006 | Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co) | | |
| Nanine Meiklejohn, 1625 L St., NW Washington, DC 20036 | American Fed of State County & Municipal Employees | 7,259.22 | 111.50 |
| James T. Melville, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Algoma Steel Corp, Ltd | | |
| Michigan Council of Self-Insured Group Administrators, 3670 Golfside Rd. Ypsilanti, MI 48197 | | | |
| Sharon Mihnovets, 2809 S. Joyce St. Arlington, VA 22202 | | | |
| Janice I. Milazzo, 1001 22nd Street, NW Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Miles & Stockbridge, 1701 Pennsylvania Ave., NW, #500 Washington, DC 20006 | Black and Decker Manufacturing Company | | 100.00 |
| Do | Pepsico, Inc | | 50.00 |
| Do | Pizza Hut, Inc | | 100.00 |
| David H. Miller, 900 17th Street, NW Washington, DC 20006 | Chase Manhattan Bank, N.A. | 195.75 | 15.02 |
| Jeffrey T. Miller, P.O. Box 1933 East Hanover, NJ 07936 | Nabisco Brands, Inc | | 1,025.00 |
| Marye T. Miller, 50 F St., NW, #1040 Washington, DC 20001 | Ray F. Bragg, Inc (For:American Independent Refiners Assn) | 50.00 | |
| Harris Miller & Associates, 1655 N. Fort Myer Drive #700 Arlington, VA 22209 | Agricultural Producers | | |
| Do | Florida Fruit & Vegetable Assn | | |
| Do | Home Group | 1,000.00 | 127.00 |
| Do | National Assn for Foreign Student Affairs | | |
| Do | National Council of Agricultural Employers | 6,000.00 | |
| Do | U.S. English | | |
| Do | Western Range Assn | 45.00 | 790.00 |
| Miller & Chevalier, Chtd, Metropolitan Square 655 15th Street, NW Washington, DC 20005 | American Electronics Assn | | |
| Do | Ideal Basic Industries, Inc | 7,206.67 | |
| Do | Perpetual American Bank, F.S.B. | 243.00 | |
| Do | Semiconductor Industry Association | | |
| Do | Western Savings & Loan Assn | 2,269.64 | |
| Miller Hamilton Snider & Odom, 256 State St., P.O. Box 46 Mobile, AL 36601 | Camp Carmouche Barsh... (for Sears Roebuck & Co) | | 12,613.19 |
| C.G. Pete Milligan, 1442 S.W. Troon Circle Palm City, FL 33490 | American Telephone & Telegraph Co | 2,500.00 | |
| Edward J. Milne Jr., 250 Old Country Road Mineola, NY 11501 | Long Island Light Co | 2,875.00 | 138.22 |
| John H. Miner, Room 1414-South Building, USDA Washington, DC 20250 | Organization of Professional Employees of USDA | 652.20 | |
| Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052 | Bayamon Federal Savings | 6,000.00 | |
| Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1025 Washington, DC 20006 | Home Recording Rights Coalition | 17,000.00 | |
| Do | Siemens Capital Corp | 23,850.00 | |
| Miro Miro & Weiner, P.C., 500 N. Woodward Ave., #200 P.O. Box 908 Bloomfield Hills, MI 48303-0908 | Detroit Tooling Assn | | |
| Do | Michigan Council of Self-Insured Group Administrators | 47.50 | |
| Do | Taubman Company, Inc | | |
| David T. Modi, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006 | E. I. du Pont de Nemours & Co | | |
| John V. Moller, 1155 15th Street, NW, #1010 Washington, DC 20005 | Manchester Associates (For:Corporacion Nacional del Cobre de Chile) | | |
| Do | Manchester Associates, Ltd (For:Eldorado Resources, Ltd) | | |
| Do | Manchester Associates, Ltd (For:Nissan Motor Company, Ltd) | | |
| Walter K. Moore, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | | 852.92 |
| E. Joyce Morgan, 1920 N St., NW Washington, DC 20036 | American Mining Congress | | |
| John Morgan, 1925 K St., NW Washington, DC 20006 | Communications Workers of America | | |
| Morgan Lewis & Bockius, Suite 800 North 1800 M St., NW Washington, DC 20036 | Artery Organization, Inc | 14,353.00 | 136.09 |
| Do | Zalman C. Bernstein | | |
| Do | Business Roundtable | 550.00 | |
| Do | Consolidated Natural Gas Co | | |
| Do | Wheels, Inc | | |
| Gerald O. Morris, 555 New Jersey Ave., NW Washington, DC 20001 | American Fed of Teachers, AFL-CIO | 11,041.67 | 100.00 |
| James Morrison, 21 Dupont Circle, NW, #300 Washington, DC 20036 | Business Executives for National Security | 4,007.00 | 33.00 |
| H. T. Steve Morrissey, 1533 New Hampshire Ave., NW Washington, DC 20036 | National Assn of Retired Federal Employees | 614.00 | 29.70 |
| Valerie T. Morse, 1020 19th St., NW, #600 Washington, DC 20036 | American Express Co | | |
| Michael L. Morton, 918 16th Street, NW, #701 Washington, DC 20006 | Godfrey Associates, Inc | | |
| Richard J. Muller, 1100 Connecticut Ave., NW, #930 Washington, DC 20036 | Chrysler Corporation | 2,000.00 | 105.00 |
| W. H. L. Mullins, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202 | General Dynamics Corp | 2,000.00 | 491.30 |
| Daniel J. Murphy, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Government of the Cayman Islands) | | |
| Do | Hill & Knowlton, Inc (For:Republic of Turkey) | | |
| Edward L. Murphy, 1313 L Street, NW, 2nd Floor Washington, DC 20005 | National Assn of Government Employees | 5,000.00 | |
| George F. Murphy Jr., 410 First Street, SE Washington, DC 20003 | American Nuclear Energy Council | 450.00 | 268.37 |
| Jeanne Marie Murphy, 805 15th St., NW, #300 Washington, DC 20005 | Credit Union National Assn, Inc | 300.00 | 76.41 |
| Rosemary Griffin Murray, 1660 L St., NW, #901 Washington, DC 20036 | Pan American World Airways, Inc | | |
| Murray & Scheer, 2715 M Street, NW, #300 Washington, DC 20007 | Home Life Insurance Co | 500.00 | |
| Do | Pacific Mutual Life Insurance Co | 500.00 | |
| Diane M. Nash, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003 | Independent Insurance Agents of America, Inc | 7,869.00 | |
| Nash Railsback & Plesser, 1133 15th Street, NW, #1100 Washington, DC 20005 | Animal Health Institute | | |
| Do | Disclosure Information Group | 1,443.75 | 7.50 |
| Do | Information Industry Assn | 2,925.00 | 15.00 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Do | Journal of Commerce, Inc | 1,500.00 | 7.50 |
| National Assn for Stock Car Auto Racing, Inc (NASCAR), 1801 Speedway Boulevard Daytona Beach, FL 32015 | | | 8,000.00 |
| National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151 | | | |
| National Assn of Beverage Importers, 1025 Vermont Avenue, NW, #1205 Washington, DC 20005 | | | |
| National Assn of Catalog Showroom Merchandisers, 276 Fifth Avenue New York, NY 10021 | | | 4,365.75 |
| National Assn of Energy Service Companies, 2330 M St., NW Washington, DC 20037 | | | |
| National Assn of Home Builders of the U.S., 15th & M Sts., NW Washington, DC 20005 | | 65,623.97 | 145,026.00 |
| National Assn of Letter Carriers, 100 Indiana Ave., NW Washington, DC 20001 | | 4,832,757.72 | 317,460.98 |
| National Assn of Margarine Manufacturers, 1101 15th St., NW, #202 Washington, DC 20005 | | | |
| National Assn of Plumbing-Heating-Cooling Contractors, P.O. Box 6808 Falls Church, VA 22046 | | 1,549.22 | 1,549.22 |
| National Assn of Realtors, 777 14th St., NW Washington, DC 20005 | | | 110,463.53 |
| National Assn of Retired Federal Employees, 1533 New Hampshire Ave., NW Washington, DC 20036 | | 4,399.00 | 3,576.00 |
| National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002 | | 7,900.00 | 10,376.51 |
| National Automobile Dealers Assn, 8400 Westpark Drive Mclean, VA 22102 | | | 16,825.00 |
| National Citizens Communications Lobby, P.O. Box 1876 Iowa City, IA 52244 | | | |
| National Coalition for Fair Trade, 1718 Connecticut Avenue, NW, #310 Washington, DC 20009 | | | |
| National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037 | | 163,967.19 | 40,200.00 |
| National Consumers League, 815 15th Street, NW, #516 Washington, DC 20005 | | | |
| National Council of Farmer Cooperatives, 1800 Massachusetts Ave., NW Washington, DC 20036 | | 14,231.25 | 11,462.99 |
| National Education Assn, 1201 16th St., NW Washington, DC 20036 | | 27,525.96 | 27,525.96 |
| National Family Planning & Reproductive Health Assn, Inc, 122 C St., NW, #380 Washington, DC 20001 | | 86,898.00 | 17.00 |
| National Fed of Community Development Credit Unions, 29 John Street, #903 New York, NY 10038 | | | |
| National League of Postmasters of the U.S., 1023 North Royal Street Alexandria, VA 22314 | | | 67,249.00 |
| National Lottery Association, P.O. Box 13365 Las Vegas, NV 89112 | | | |
| National Low Income Housing Coalition, 1012 14th Street, NW, #1006 Washington, DC 20005 | | 45,719.00 | 38,855.00 |
| National Motorsports Comm of Accus, 1500 Skokie Boulevard, #101 Northbrook, IL 60062 | | 4,175.49 | 10,245.12 |
| National Rifle Assn of America, 1600 Rhode Island Ave., NW Washington, DC 20036 | | 185,582.14 | 139,864.27 |
| National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508 | | 33,075.00 | 33,075.00 |
| National Turkey Federation, 11319 Sunset Hills Rd. Reston, VA 22090 | | | 1,000.00 |
| Ralph G. Nees, 2027 Massachusetts Ave., NW Washington, DC 20036 | Leadership Conference on Civil Rights | 13,500.00 | 269.75 |
| Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036 | Neece Cator & Associates, Inc (For Small Business United) | 1,350.00 | 1,350.00 |
| Neece Cator & Associates, Inc, 1050 17th Street, NW Washington, DC 20036 | Association of Small Business Development Centers | 1,350.00 | 1,350.00 |
| Do | National Assn of Development Companies (NADCO) | 1,350.00 | 1,350.00 |
| Do | Small Business United | 1,350.00 | 1,350.00 |
| Do | Southeastern Lumber Manufacturers Assn | 1,350.00 | 1,350.00 |
| Neighborhood Housing Services of America, 3805 Alton Place, NW Washington, DC 20016 | | | |
| Donald W. Nelson, 1000 16th Street, NW, #701 Washington, DC 20036 | Federal Managers Assn | 4,200.00 | 50.00 |
| E. Colette Nelson, 1004 Duke St. Alexandria, VA 22314 | American Subcontractors Assn | 3,500.00 | |
| Gaylord Nelson, 1400 Eye Street, NW Washington, DC 20005 | Wilderness Society | 212.26 | 10.00 |
| Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036 | E. I. du Pont de Nemours & Co | | |
| Frederick H. Nesbitt, 100 Indiana Avenue, NW Washington, DC 20001 | National Assn of Letter Carriers | 9,240.14 | 774.99 |
| David B. Neumeyer, 1319 F St., NW, #500 Washington, DC 20004 | Food Research & Action Center | 174.00 | |
| William B. Newman Jr., P.O. Box 23451 Washington, DC 20024 | Consolidated Rail Corporation | 5,000.00 | |
| Robert B. Nicholas, Nash, Railsback & Plesser 1133 15th Street, NW, #1100 Washington, DC 20005 | Animal Health Institute | | |
| Peter Nixon, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037 | Algoma Steel Corp, Ltd | | |
| North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036 | | 8,400.00 | 8,400.00 |
| Edward M. Norton Jr., 1600 L St., NW, #812 Washington, DC 20036 | Grand Canyon Trust | | |
| Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036 | AEtna Life & Casualty | 1,170.00 | 3,000.00 |
| Do | California Co-Compost Systems | | |
| Do | California Student Loan Finance Corp | | 3,800.00 |
| Do | Mortgage Marketing Service Co, Inc | | |
| Do | Northwestern National Life Insurance Co | 1,035.00 | 1,344.00 |
| Do | Southern California Edison | 517.50 | 1,272.00 |
| Michael Novelli, 3012 Cambridge Place, NW Washington, DC 20007 | Pacific Potomac Services | | |
| Cynthia H. Null, 1200 17th Street, NW Washington, DC 20036 | Federation of Behavioral Psychological & Cognitive Sciences | | |
| Nutter McClennen & Fish, 600 Atlantic Avenue Boston, MA 02210 | Research-Cottrell, Inc | | |
| NL Industries, Inc, 1230 Avenue of The Americas New York, NY 10020 | | | 9,161.00 |
| Hubert N. O'Bannon, P.O. Box 23451 Washington, DC 20026 | Consolidated Rail Corporation | 2,667.00 | |
| Michael P. O'Brien, 1004 Duke Street Alexandria, VA 22314 | American Subcontractors Assn | 900.00 | |
| Rindy O'Brien, 1400 Eye Street, NW Washington, DC 20005 | Wilderness Society | 3,065.81 | 3,226.87 |
| O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006 | American Insurance Assn | | |
| Do | Glass Packaging Institute | | |
| Do | Mitchell Sweet & Associates | | |
| Do | National Assn of Portable X-Ray Providers | | |
| Grady O'Cummings III, 198 MacDougal Ct. Brooklyn, NY 11233 | National Comm for Poor People | | |
| Kathleen O'Leary, 1250 Eye St., NW, #703 Washington, DC 20005 | Columbia Gas Distribution Companies | 4,000.00 | 167.56 |
| O'Melveny & Myers, 555 13th St., NW Washington, DC 20004 | Santa Fe International Corp | | |
| Law Offices of John O'Neal, P.C., 1455 Pennsylvania Ave., NW, #1200 Washington, DC 20004 | National Rural Telecom Assn | 2,187.50 | |
| Joseph O'Neil, 1600 M St., NW Washington, DC 20037 | ITT Corporation | 4,000.00 | 100.00 |
| Patricia M. O'Toole, 1201 West 5th Street Los Angeles, CA 90017 | Union Oil Co of California | | |
| Marion Browne Oglesby Jr., 499 South Capitol Street, SW, #507 Washington, DC 20003 | Bill Hecht & Associates, Inc (For Boys Scouts of America) | | |
| Do | Bill Hecht & Associates, Inc (For Brown & Williamson Tobacco Corp) | | |
| Do | Bill Hecht & Associates, Inc (For CSX Corporation) | 1,000.00 | |
| Do | Bill Hecht & Associates, Inc (For Freedom & Justice for Cyprus Trust) | | |
| Do | Bill Hecht & Associates, Inc (For Hong Kong Trade Development Council) | | |
| Do | Bill Hecht & Associates, Inc (For Illinois Department of Energy & Natural Resources) | | |
| Do | Bill Hecht & Associates, Inc (For Kansas City Southern Industries, Inc) | | |
| Do | Bill Hecht & Associates, Inc (For Multinational Business Services) | | |
| Do | Bill Hecht & Associates, Inc (For Mutual Fairness Taxation Assn) | | |
| Do | Bill Hecht & Associates, Inc (For Western Growers Association) | | |
| Michel Orban, American Express Tower World Financial Center New York, NY 10285-4705 | American Express Co | | |
| Organ. for Protection & Advancement of Small Telephone Cos, 2301 M Street, NW, #530 Washington, DC 20037 | | | |
| Organization of Professional Employees of USDA, Rm. 1414 S. Building U.S. Dept of Agriculture Washington, DC 20250 | | 2,535.88 | 1,590.62 |
| Cathy E. Overly, 1730 K Street, NW, 1100 Washington, DC 20006 | National Treasury Employees Union | 11,500.00 | 261.15 |
| Judith E. Park, 1533 New Hampshire Ave., NW Washington, DC 20036 | National Assn of Retired Federal Employees | 15,944.00 | |
| Nancy L. Parke, 729 15th Street, NW Washington, DC 20005 | Associated Builders & Contractors, Inc | 2,500.00 | |
| Sara Lynn Parker, 1319 F St., NW, #500 Washington, DC 20004 | Food Research & Action Center | | |
| Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002 | American Family Life Assurance Co | 1,500.00 | |
| Do | Association for the Advancement of Human Rights in Japan | 2,100.00 | |
| Do | Care Enterprises | 3,375.00 | |
| Do | Generic Pharmaceutical Industry Assn | 2,500.00 | 138.31 |
| Do | Herbalife International | | |
| Do | Hotel Employees & Restaurant Employees Int'l Union | 2,000.00 | |
| Do | International Brotherhood of Teamsters | 2,750.00 | |
| Do | Johnson & Johnson | 3,500.00 | |
| Do | Manville Corporation | 2,000.00 | 106.34 |
| Do | Motion Picture Assn of America, Inc | 4,800.00 | 348.14 |
| Do | National Beer Wholesalers of America | 1,500.00 | 137.33 |
| Do | Pharmaceutical Manufacturers Assn | 250.00 | |
| Do | T.I.M.E.-DC, Inc | 4,800.00 | |
| Do | TechAmerica, Inc | 4,800.00 | |
| Do | United Food & Commercial Workers International Union | | |
| Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151 | National Assn for Uniformed Services | | |
| Peace Political Action Committee, 100 Maryland Avenue, NE Washington, DC 20002 | | | 9,576.29 |
| Nicholas J. Penning, 1801 N. Moore Street Arlington, VA 22209 | American Assn of School Administrators | | |
| James C. Pennington, 5535 Hempstead Way Springfield, VA 22151 | National Assn for Uniformed Services | | |
| Joseph M. Pesot Sr., 444 North Capitol St., NW Washington, DC 20001 | Radio Officers Union, Dist. #3, NMEBA, AFL-CIO | | |
| Pension Rights Center, 918 16th St., NW, #704 Washington, DC 20006 | | | |
| People for the American Way Action Fund, 1424 16th Street, NW, #601 Washington, DC 20036 | | 1,83,146.00 | 52,365.00 |
| Pepper & Corazzini, 1776 K St., NW Washington, DC 20006 | Tempo Enterprises, Inc | | |
| Robert A. Perkins, 1100 Connecticut Avenue, NW Washington, DC 20036 | Chrysler Corporation | 15,000.00 | 450.00 |
| Esther Peterson, 2001 S St., NW, #510 Washington, DC 20009 | International Organization of Consumers Unions | | 98.00 |
| Peyser Associates, Inc, 1000 Vermont Street, NW, #400 Washington, DC 20005 | Basix Corp | | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Susan E. Phillips, 1709 New York Ave., NW, #303 Washington, DC 20006 | Blue Cross & Blue Shield Assn | | |
| Physicians for Social Responsibility, 1601 Connecticut Avenue, NW, #800 Washington, DC 20009 | | 13,166.18 | 11,816.55 |
| Joan Piccolo, 1776 K Street, NW, #300 Washington, DC 20006 | Motorola, Inc | 3,000.00 | |
| Pierson Ball & Dowd, 1200 18th St., NW, #1000 Washington, DC 20036 | American Academy of Pediatrics | 15,510.83 | |
| Do | Genentech | 7,680.97 | |
| Do | Infectious Diseases Society of America | 8,932.61 | |
| Do | National Assn for Biomedical Research | | |
| Pierson Semmes & Finley, 1054 31st Street, NW Washington, DC 20007 | Oklahoma Natural Gas Company | 315.00 | 12.10 |
| Piper & Marbury, c/o A. Carl Kasemen, III 888 Sixteenth Street, NW Washington, DC 20006 | Consolidated Rail Corporation | | |
| Pirtle Morisset Schlosser & Ayer, 1500 Seattle Trust Tower 1000 Second Avenue Seattle, WA 98104 | Colville Confederated Tribes | | |
| Do | Confederated Tribes of the Goshute Reservation | | |
| Do | Seneca-Cayuga Tribe of Oklahoma | | |
| Do | Shoshone-Bannock Tribe-Fort Hall Reservation | | |
| Lillian M.S. Pitcaithly, 1730 K St., NW, #703 Washington, DC 20006 | American Business Conference, Inc | 175.00 | |
| Ronald L. Plesser, Nash Railsback & Plesser 1133 15th St., NW, #1100 Washington, DC 20005 | Disclosure Information Group | 1,443.75 | 7.50 |
| Do | Information Industry Assn | 2,925.00 | 15.00 |
| Do | Journal of Commerce, Inc | 1,500.00 | 7.50 |
| Nancy Polikoff, 2000 P Street, NW, #400 Washington, DC 20036 | Women's Legal Defense Fund | | |
| Phillip Porte & Assocs, Inc, 1050 17th Street, NW, #840 Washington, DC 20036 | American Medical Records Assn | 3,000.00 | |
| Do | National Assn of Medical Directors of Respiratory Care | 6,000.00 | |
| Do | National Dialysis Assn | 9,000.00 | |
| Robert D. Powell, 1750 K St., NW, #460 Washington, DC 20006 | National Business Aircraft Assn | | |
| Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004 | Alliance for Medical Nutrition | 3,475.00 | 3,475.00 |
| Do | Chase Manhattan Bank, N.A. | | |
| Do | Coalition for the Advancement of Industrial Technology | | |
| Do | CORTECH | | |
| Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036 | Banker's Assn for Foreign Trade | 2,700.00 | 74.41 |
| Do | John Hancock Mutual Life Insurance Co | | 158.44 |
| Thomas J. Price, 410 First Stret, SE Washington, DC 20003 | American Nuclear Energy Council | 2,812.50 | 573.42 |
| Pro-Life Congressional District 11, P.O. Box 727 San Carlos, CA 94070 | | 25.00 | 231.67 |
| Project Cure, Inc, 2020 K Street, NW, #350 Washington, DC 20006 | | 36,401.96 | 250,639.27 |
| Thomas F. Railsback, Nash Railsback & Plesser 1133 15th St., NW, #1100 Washington, DC 20005 | Federal Judges Association | | |
| Do | National Council of U.S. Magistrates | 2,128.00 | |
| Do | Walt Disney Productions | 630.00 | |
| Kathleen Marie Ramsey, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007 | Grocery Manufacturers of America, Inc | | |
| Brian Rasmussen, 1709 New York Ave., NW, #303 Washington, DC 20006 | Blue Cross & Blue Shield Assn | | |
| G. David Ravencraft, 1025 Connecticut Ave., NW, #507 Washington, DC 20036 | Ashland Oil, Inc | 2,000.00 | |
| Reading Is Fundamental, Inc, 600 Maryland Ave., SW, #500 Washington, DC 20560 | | | 400.35 |
| Robert S. Reese Jr., 2200 Mill Road Alexandria, VA 22314 | American Trucking Assns, Inc | 9,000.00 | 361.42 |
| William D. Reese, P.O. Box 899 Salt Lake City, UT 84110 | Utah Power & Light Co | 5,200.00 | 2,796.00 |
| Reese Communications Companies, Inc, 1925 North Lynn St., #1140 Arlington, VA 22209 | Blue Cross & Blue Shield Assn | | |
| William Reffalt, 1400 Eye St., NW Washington, DC 20005 | Wilderness Society | 1,068.75 | 100.00 |
| Kathleen Reinburg, 2000 P Street, NW, #305 Washington, DC 20036 | Foresight Science & Technology, Inc (For:Society for American Archaeology) | 937.00 | |
| Nooley Reinheardt, Nooley Reinheardt & Assoc. P.O. Box 23190 Washington, DC 20024 | Rural Builders Council of California | | |
| John W. Rendon Jr., 1439 Rhode Island Ave., NW Washington, DC 20005 | Rendon Company | | |
| Rendon Company, 1439 Rhode Island Ave., NW Washington, DC 20009 | | | |
| Resource Technical Consultants (USA), Inc, D/B/A Tecna, 19th Floor 330 Seventh Avenue New York, NY 10001 | | 14,747.08 | 11,122.26 |
| Richard Richards, Law Office of Richard Richards 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007 | Aerospace Industries Assn of America | | |
| Do | Hughes Aircraft Company | | |
| Do | Sikorsky Aircraft | | |
| Do | Universidad Autonoma de Guadalajara | 600.00 | 31.48 |
| Warren S. Richardson, 325 Pennsylvania Ave., SE Washington, DC 20003 | Washington Lobby Group, Inc (For:Preston Corp) | 3,000.00 | |
| Wesley S. Richardson, P.O. Box #65 Washington Grove, MD 20880 | Washington Lobby Group, Inc (For:Preston Corp) | 1,500.00 | |
| Les Richter, 1801 Speedway Boulevard Daytona Beach, FL 32015 | National Assn for Stock Car Auto Racing, Inc (NASCAR) | 8,000.00 | |
| Do | National Motorsports Comm of ACCUS, FIA, Inc | | 2,354.59 |
| Larry D. Rickards, 1200 17th Street, NW Washington, DC 20036 | American Psychological Assn | 2,288.00 | 227.85 |
| Riddell Holroyd & Butler, 1331 Pennsylvania Avenue, NW, #1215 Washington, DC 20004 | H. F. Ahmanson & Co | 3,750.00 | |
| Do | Associates Corp of North America | 1,000.00 | |
| Do | Beneficial Corporation | | |
| Do | W. K. Kellogg Foundation | 3,750.00 | |
| Siert F. Riepma, 1101 15th St., NW, #202 Washington, DC 20005 | National Assn of Margarine Manufacturers | | |
| William A. Roberts, 444 North Capitol Street, #711 Washington, DC 20001 | TKC International Inc (For:Capitol Metropolitan Transportation Authority) | 400.00 | |
| Do | TKC International Inc (For:University of Miami) | 600.00 | |
| Do | TKC International Inc (For:UNIAO Nacional Para Independencia Total DeAngola) | 9,800.00 | |
| Do | TKC International Inc (For:Westinghouse Electric Corp) | | |
| Michelle Robinson, 100 Maryland Avenue, NE Washington, DC 20002 | Council for a Livable World | 3,649.50 | |
| Tom Robinson, 1400 Eye St., NW Washington, DC 20005 | Wilderness Society | 1,301.01 | |
| Robinson Lake & Lerer, Inc, 1667 K St., NW, #900 Washington, DC 20007 | Grocery Manufacturers of America | | |
| Do | Sun-Diamond Growers of California | 5,000.00 | |
| Michael J. Rock, 50 F Street, NW, #1100 Washington, DC 20001 | American Hospital Assn | 1,805.25 | 175.09 |
| Keith Rogers, 47 Lafayette Place, Apt. 6o Greenwich, CT 06830 | U.S. Tobacco Company | | |
| Margaret Rogers, 1275 K Street, NW, #400 Washington, DC 20005 | Society of the Plastics Industry, Inc | | |
| Terrell A. Rogers, 7 Wildwood Road Cornelia, GA 30531 | | | |
| Rogers & Wells, 1737 H Street, NW Washington, DC 20006 | Manufacturers Life Insurance Co, Inc | | |
| Stephen F. Rohrkemper, 150 S. Washington St., #100 Falls Church, VA 22046 | International Technical Expertise Ltd | | |
| Jack Rollins, 1201 16th Street, NW Washington, DC 20036 | Overseas Education Assn & National Education Assn | | |
| James Roosevelt, 201 East Sand Point, #250 Santa Ana, CA 92715 | National Committee to Preserve Social Security | 10,000.00 | |
| Michael F. Rosanio, 1620 I Street, NW, #1000 Washington, DC 20006 | Motor Vehicle Manufacturers Assn of the U.S., Inc | | |
| Lawrence J. Ross, Ross & Duerk, P.C. 1700 K Street, NW, #1100 Washington, DC 20006 | | | |
| William H. Rossi, 601 Indiana Ave., NW, #605 Washington, DC 20004 | | | |
| Joseph L. Rosso, 2200 Mill Road Alexandria, VA 22314 | American Trucking Assns, Inc | 9,000.00 | 969.83 |
| Rhond Rudolph Roth, 813 Maryland Avenue, NE Washington, DC 20002 | Hauck & Associates, Inc | | |
| William C. Rountree, Suite 600 1001 22nd St., NW Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Robert S. Royer, Royer & Shacknai 1747 Pennsylvania Ave., NW Washington, DC 20006 | Drexel Burnham Lambert, Inc | | |
| Eric M. Rubin, Rubin Winston & Diercks 1730 M St., NW, #412 Washington, DC 20036 | Outdoor Advertising Assn of America, Inc | 2,000.00 | |
| James S. Rubin, Kleinfeld Kaplan & Becker 1140 19th Street, NW Washington, DC 20036 | Allied-Signal, Inc | 4,250.00 | |
| Do | Pacific Western Distributing Corp | 450.00 | |
| Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003 | Independent Insurance Agents of America, Inc | 16,154.00 | |
| George J. Ryan, 915 Rockefeller Building Cleveland, OH 44113 | Lake Carriers' Assn | | |
| John G. Ryan, 1700 K Street, NW, #601 Washington, DC 20006 | Squibb Corporation | 1,000.00 | |
| Patricia Ryan, 1400 K Street, NW Washington, DC 20005 | American Psychiatric Assn | 1,690.00 | 988.66 |
| David W. Sanasack, 1000 16th Street, NW, #701 Washington, DC 20036 | Federal Managers Assn | 4,800.00 | 50.00 |
| Myron G. Sandifer III, 1489 Chain Bridge Road, #200 McLean, VA 22101 | Jack McDonald Co (For:Societe Generale de Surveillance, S.A.) | | |
| Eric Sapirstein, ENS Resources, Inc 2712 Wisconsin Avenue, NW, #801 Washington, DC 20007 | City of Bakersfield | | |
| Do | Jellinek Schwartz Connolly & Freshman, Inc | 3,000.00 | 46.72 |
| Do | Las Virgenes Municipal Water District | 150.00 | 41.84 |
| Do | Western Research Institute | 845.00 | 578.50 |
| Robert Wayne Sayer, 1900 M St., NW, #1029 Washington, DC 20036 | GCA Corp | | |
| Schagrin Associates, 1112 16th St., NW, #1000 Washington, DC 20036 | Committee on Pipe & Tube Imports | 31,732.51 | 212.34 |
| Schiff Hardin & Waite, 1101 Connecticut Avenue, NW Washington, DC 20036 | Chicago Board Options Exchange | | |
| James P. Schlicht, 1700 K Street, NW, #601 Washington, DC 20006 | Squibb Corporation | 1,000.00 | |
| Arthur C. Schmitt, 3705 S. George Mason Drive, Apt. 301 So. Falls Church, VA 22041 | Oxford Group, Limited | | |
| Herbert K. Schmitz, 1600 M St., NW, #702 Washington, DC 20036 | ICI Americas Inc | | |
| Mark L. Schneider, 1001 22nd Street, NW, #600 Washington, DC 20037 | Standard Oil Co (Ohio) | | |
| Leah Webb Schroeder, 1030 15th Street, NW, #100 Washington, DC 20005 | Health Industry Manufacturers Assn | | |
| William B. Schultz, Suite 700 2000 P St., NW Washington, DC 20036 | Public Citizen, Inc | | |
| Schwabe Williamson Wyatt Moore & Roberts, Suite 302 1000 Potomac St., NW Washington, DC 20007 | Investment Co Institute | 666.97 | 502.79 |
| Do | Mountain States Energy, Inc | 2,138.03 | 1,611.92 |
| Do | State of Oregon, City of Portland, Oregon Metro | 2,999.46 | 2,261.38 |
| Alan R. Schwartz, Nash Railsback & Plesser 1133 15th Street, NW, #1100 Washington, DC 20005 | Disclosure Information Group | | |
| Do | Journal of Commerce, Inc | | |
| Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002 | National Assn of Wheat Growers | 4,143.23 | |
| Schwinn Bicycle Co, 217 North Jefferson St. Chicago, IL 60606 | | | 850.00 |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
|---|---|---|---|
| Ellen Scott, 1750 New York Avenue, NW Washington, DC 20006 | Sheet Metal Workers International Assn | 6,325.00 | |
| Michael Scott, 1400 Eye St., NW, 10th Fl. Washington, DC 20005 | Wilderness Society | 2,329.68 | |
| Scrivens Goldstone & Co, 5857 S. Gessner, #287 Houston, TX 77036 | | | 267.81 |
| Walter J. Sczudlo, 1129 20th Street, NW, #300 Washington, DC 20036 | Natural Gas Supply Assn | 15,000.00 | 380.63 |
| Peter M. Seremet, 16 Munson Road Farmington, CT 06034-0338 | Heublein, Inc | 15,215.00 | 5,136.68 |
| John J. Serfustini, P.O. Box 899 Salt Lake City, UT 84110 | Utah Power & Light Co | 6,250.00 | 4,500.00 |
| Terry L. Serie, 1250 Connecticut Avenue, NW Washington, DC 20036 | American Paper Institute, Inc | 2,000.00 | |
| Ali A. Shami, 6863 Calhoun Dearborn, MI 48126 | United Lebanese Lobby of America | | |
| Norman F. Sharp, 1100 17th Street, NW, #1201 Washington, DC 20036 | Cigar Assn of America, Inc | | |
| Daniel E. Shaughnessy, 1008 N. Randolph St., #206 Arlington, VA 22201 | Western Great Lakes Maritime Assn | | |
| Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037 | Association for the Improvement of the Mississippi River | | |
| Shea & Gould, 1627 K St., NW, #1000 Washington, DC 20006 | Group Health, Inc | | |
| Shipley Smoak Henry & Holdgrewe, 910 17th Street, NW, #320 Washington, DC 20006 | Bluejay Oil Company | | |
| Do | Fort Sill Gardens, Inc | | |
| Do | Steadman Mutual Funds | | |
| Do | Steadman Security Corporation | | |
| Do | WBNO Radio and WLKM Radio | | |
| Elizabeth Shipley-Moses, 1107 Jackson Court Falls Church, VA 22046 | Society for Nutrition Education | 207.00 | |
| Craig Shirley & Assoc., Inc, 919 Prince Street Alexandria, VA 22314 | National Farmers' Federation of Australia | | |
| Elaine Shocas, 555 New Jersey Avenue, NW Washington, DC 20001 | American Fed of Teachers | 8,437.50 | 60.00 |
| Elisa Siegel, 919 18th Street, NW, #400 Washington, DC 20006 | Diamond Shamrock Corp | | |
| Sierra Club, 730 Polk Street San Francisco, CA 94109 | | 232,599.35 | 232,599.35 |
| Stephen Silbiger, 1625 L St., NW Washington, DC 20036 | American Fed of State County & Municipal Employees | 15,420.96 | 245.78 |
| Ronald G. Sills, 1148 Conroy Lane, #17 Roseville, CA 95661 | Military, Federal & State Prisoner Inmates | | |
| Howard J. Silver, 1200 17th St., NW, #520 Washington, DC 20036 | Consortium of Social Science Assns | 900.00 | 28.85 |
| Steve Silver, Robertson Monagle & Eastaugh 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007 | Apex Marine Corp | | |
| Do | Crowley Maritime Corp | | |
| Don S. Smith, The Smith Firm 1730 Pennsylvania Ave., NW, #300 Washington, DC 20006 | Kern River | | |
| Do | Northwest Pipeline Corp | 818.75 | 8.00 |
| Ellen S. Smith, 1400 K Street, NW Washington, DC 20005 | American Psychiatric Assn | 2,432.00 | 1,420.35 |
| Herbert Smith, 901 31st Street, NW Washington, DC 20007 | Hill & Knowlton, Inc (For:Angus Defense Systems, Inc) | | |
| Do | Hill & Knowlton, Inc (For:Euromissile) | | |
| Hugh H. Smith, 1020 19th Street, NW, #600 Washington, DC 20036 | American Express Co | | |
| James P. Smith, 1300 N. 17th St., #1000 Arlington, VA 22209 | Hospital Corp of America | | |
| Patrick F. Smith Jr., Suite 1101 1730 K Street, NW Washington, DC 20006 | National Treasury Employees Union | 15,900.00 | |
| Velma Smith, 218 D Street, SE Washington, DC 20003 | Environmental Policy Institute | 13.29 | |
| Smith Dawson & Andrews, Inc, 1000 Connecticut Ave., NW, #304 Washington, DC 20036 | City of Eugene, Oregon | 9,000.00 | |
| Do | Colorado Dept of Labor | 4,275.00 | |
| Do | Illinois Diversatech Corp | | |
| Do | N.Y. Metropolitan Transportation Agency | 16,500.00 | 17,575.00 |
| Do | Power Packaging, Inc | | |
| Do | San Francisco P.U.C. | 10,998.00 | |
| Wayne H. Smithey, 815 Connecticut Ave., NW Washington, DC 20006 | Ford Motor Co | 2,804.80 | 653.60 |
| Randall D. Snodgrass, 1400 Eye St., NW Washington, DC 20005 | Wilderness Society | 5,187.60 | 4,329.98 |
| Edward F. Snyder, 245 2nd St., NE Washington, DC 20002 | Friends Committee on National Legislation | 6,246.45 | |
| Society for Nutrition Education, 1736 Franklin Street, 9th Floor Oakland, CA 94612 | | 23.88 | 227.00 |
| Vincent R. Sombrotto, 100 Indiana Ave., NW Washington, DC 20001 | National Assn of Letter Carriers | 5,046.81 | |
| Terry Sopher, 1400 Eye St., NW, 10th Fl. Washington, DC 20005 | Wilderness Society | 3,297.00 | 254.97 |
| Walter Larke Sorg, 1625 Eye St., NW, #204 Washington, DC 20006 | Atkinson Dredging Co | | |
| Do | Cottrell Engineering Corp | | |
| Do | Southeastern Dredge Owners Assn Size Standard Appeal Comm | | |
| Thomas J. Spangler, 1730 K Street, NW, #1100 Washington, DC 20006 | National Treasury Employees Union | 11,250.00 | 130.20 |
| Philip Speser, 2000 P St., NW, #305 Washington, DC 20036 | Foresight Science & Technology, Inc (For:National Coalition for Science & Technology). | | |
| Do | Foresight Science & Technology, Inc (For:Society for American Archaeology) | 1,100.00 | |
| Spiegel & McDiarmid, 1350 New York Ave., NW Washington, DC 20005-4798 | Northern California Power Agency, et al | | |
| Do | Service Employees International Union, AFL-CIO | | |
| Alan P. Spielman, 1709 New York Avenue, NW, #303 Washington, DC 20006 | Blue Cross & Blue Shield Assn | | |
| Frances Spivy-Weber, 801 Pennsylvania Avenue, SE Washington, DC 20003 | National Audubon Society | 250.00 | 205.00 |
| Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044 | Chase Manhattan Bank National Assn | | |
| Do | Samaritan Health Services | | |
| Walter Stafford, 105 East 22nd Street New York, NY 10010 | Community Service Society | | |
| Melvin R. Stahl, Suite 1410 1235 Jefferson Davis Hwy. Arlington, VA 22202 | Motorcycle Industry Council, Inc | | |
| Elvis J. Stahr Jr., 1815 H Street, NW, #600 Washington, DC 20006 | Cassidy & Associates, Inc | | |
| Do | National Audubon Society | | |
| Standard Oil Co (Ohio), 1001 22nd St., NW, #600 Washington, DC 20037 | | | 35,210.59 |
| Melvin L. Stark, 1025 Connecticut Ave., NW, #415 Washington, DC 20036 | American Insurance Assn | | |
| Jane Sutter Starke, 1818 N St., NW Washington, DC 20036 | Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc) | 4,666.25 | |
| Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209 | TRW, Inc | 1,226.00 | 269.00 |
| Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036 | Alliance for Cannabis Therapeutics | | |
| Do | Association of Private Pension & Welfare Plans, Inc | | |
| Do | Cement Importers Assn | 17,775.50 | 1,844.00 |
| Do | Coalition for Uniform Product Liability Law | | |
| Robert B. Stewart, 1050 17th St., NW, #700 Washington, DC 20036 | National Ocean Industries Assn | 583.00 | |
| Kenneth F. Stinger, 2200 Mill Rd Alexandria, VA 22314 | American Trucking Assns, Inc | 9,000.00 | 222.55 |
| John J. Stirk, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202 | General Dynamics Corp | 1,000.00 | 301.84 |
| George W. Strong, 2242 Bartlett Houston, TX 77098 | Enron | | |
| Sutherland Asbill & Brennan, 1275 Pennsylvania Ave., NW Washington, DC 20004 | American Industrial Clay & Georgia Kaolin | 700.83 | 81.07 |
| Do | Anglo-American Clays Corp | 700.83 | 81.07 |
| Do | Engelhard Minerals & Chemicals Corp | 700.84 | 81.07 |
| Do | J. M. Huber Corp | 700.83 | 81.07 |
| Do | Nord Resources Corp | 700.83 | 81.07 |
| Do | Thiele Kaolin Co | 700.84 | 81.06 |
| Rosemarie Sweeney, Suite 770 600 Maryland Ave., SW Washington, DC 20024 | American Academy of Family Physicians | 3,562.00 | 1,650.61 |
| Scott R. Swirling, 122 C St., NW, #380 Washington, DC 20001 | National Family Planning & Reproductive Health Assn, Inc | | |
| Taggart & Associates, Inc, 1155 15th Street, NW, #1108 Washington, DC 20005 | Animal Health Institute | | |
| Do | Association of American Railroads | | |
| Do | Marion Laboratories, Inc | | |
| Do | Telephone & Data Systems, Inc | | |
| Charles E. Taylor, 1801 K Street, NW, #1200 Washington, DC 20006 | IBM Corp | | |
| Tempo Enterprises, Inc, P.O. Box 702160 Tulsa, OK 74170 | | | |
| Paul M. Tendler, 1090 Vermont Ave., NW Washington, DC 20005 | Paul Tendler Associates, Inc (For:American Licensed Practical Nurses Assn) | | |
| Do | Paul Tendler Associates, Inc (For:Bascom, Inc) | | |
| Do | Tendler & Biggins (For:Geodesco) | | |
| Do | Paul Tendler Associates, Inc (For:National Institute of Tenants) | | |
| Do | Paul Tendler Associates, Inc (For:Rasch Elektronik) | | |
| Do | Paul Tendler Associates, Inc (For:Schoeneman, Inc) | | |
| Do | Tendler & Biggins (For:Solargistics Corp) | | |
| Do | Paul Tendler Associates, Inc (For:Southeastern Exporters) | | |
| Thacher Proffitt & Wood, 1140 Connecticut Ave., NW, #512 Washington, DC 20036 | Connecticut Savings Bank Life Insurance Co | | |
| Do | Massachusetts Savings Bank Life Insurance Co | | |
| Do | Savings Bank Life Insurance Fund | | |
| Edw J. Thom, 919 18th Street, NW, #400 Washington, DC 20006 | Diamond Shamrock Corp | 1,000.00 | 51.69 |
| Thomas E. Thomason, 1620 Eye Street, NW, #703 Washington, DC 20006 | Bechtel Power Corporation | | |
| Marilyn A. Berry Thompson, 444 North Capitol Street, #711 Washington, DC 20001 | Keefe Company (For:American Business Coalition, Inc) | | |
| Do | Keefe Company (For:Carteret Savings & Loan) | 900.00 | |
| Do | Keefe Company (For:Cordish & Embry Associates) | | |
| Do | Keefe Company (For:Dormitory Authority) | 1,700.00 | |
| Do | Keefe Company (For:Essex Company) | | |
| Do | Keefe Company (For:Mutual Benefit Insurance Co) | 8,200.00 | |
| Do | Keefe Company (For:New York University) | 9,000.00 | |
| Do | Keefe Co (For:University of the Sacred Heart) | | |
| Do | Keefe Company (For:University of Medicine & Dentistry of New Jersey) | 1,500.00 | |

| Organization or Individual Filing | Employer/Client | Receipts | Expenditures |
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| Do | Keefe Co (For:University of Miami) | 550.00 | |
| Richard L. Thompson, 1700 K Street, NW, #601 Washington, DC 20006 | Squibb Corporation | 1,500.00 | |
| Thompson & Bussart, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006 | Central States SE & SW Areas Health & Welfare & Pension Fund | 4,900.00 | |
| Do | Westinghouse Electric Corp | | |
| Thompson Hine & Flory, 1920 N St., NW, #700 Washington, DC 20036 | National Pork Producers Council | | 408.67 |
| Margaret A. Thomson, 655 15th St., NW, #300 Washington, DC 20005 | City of Moorhead | 100.00 | |
| Pamela J. Thurber, 1785 Massachusetts Ave., NW Washington, DC 20036 | National Trust for Historic Preservation | 978.87 | 211.55 |
| Whitney C. Tilt, 801 Pennsylvania Ave., SE Washington, DC 20003 | National Audubon Society | 7,000.00 | 2,858.77 |
| Ron Tipton, 1400 Eye St., NW Washington, DC 20005 | Wilderness Society | 1,524.17 | 130.06 |
| David R. Toll, 2121 K Street, NW, #880 Washington, DC 20037 | Public Service Co of Colorado | | |
| Do | Western Utilities Clean Air Group | | |
| Jay C. Townley, 217 North Jefferson St. Chicago, IL 60606 | Schwinn Bicycle Co | | |
| Triling & Kennedy, 1900 L Street, NW, #310 Washington, DC 20036 | Ace Metal Fabricators, et al | 10,688.43 | |
| J. Terry Turner, 2200 Mill Road Alexandria, VA 22314 | Interstate Carriers Conference | 500.00 | 150.00 |
| Jane L. Turner, 1920 N Street, NW Washington, DC 20036 | American Mining Congress | | |
| Max Turnipseed, 1155 15th Street, NW, #611 Washington, DC 20005 | Ethyl Corporation | 2,475.00 | 69.00 |
| Twentieth Century Enterprises, 3615 Wisconsin Avenue, NW Washington, DC 20016 | | | |
| U.S. Committee for the Oceans, Route 2, Box 91 Araral, VA 24053 | | | |
| Mark J. Ugoretz, 1726 M Street, NW, #1101 Washington, DC 20036 | Erisa Industry Committee | 2,380.00 | |
| Steven W. Unglesbee, 729 15th Street, NW Washington, DC 20005 | Associated Builders & Contractors, Inc | 2,500.00 | |
| Unique Athletes, Inc, 3 Woodland Avenue Westhampton Beach, NY 11978 | | | |
| United Services Automobile Assn, 9800 Fredericksburg Road San Antonio, TX 78288 | | | 9,310.00 |
| Uranium Producers of America, c/o Covington & Burling 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044 | | 50,620.55 | 90,746.33 |
| Edward M. Urschel, 1424 16th St., NW, #701 Washington, DC 20036 | Federation for American Immigration Reform | | 47.05 |
| Mary Uyeda, 1200 17th Street, NW Washington, DC 20036 | American Psychological Assn | 2,675.00 | 94.00 |
| John A. Vance, 1726 M St., NW, #1100 Washington, DC 20036-4502 | Pacific Gas & Electric Co | 8,472.00 | 6,702.44 |
| Karl VanVeen, 1957 E Street, NW Washington, DC 20006 | Associated General Contractors of America | | |
| Donald R. Vaughan, P.O. Box 1288 Asheboro, NC 27204 | Stedman Corporation | | |
| Kristin Lea Vehrs, 1110 Vermont Avenue, NW, #1160 Washington, DC 20005 | American Assn of Zoological Parks & Aquariums | | |
| Do | Texas Shrimp Assn | | |
| Verner Liipfert Bernhard Mcpherson & Hand, Chtd, 1660 L Street, NW, #1000 Washington, DC 20036 | Brown & Root, Inc | 1,122.00 | |
| Do | Central Gulf | 500.00 | |
| Do | Federated Dept Stores, Inc | 1,297.00 | |
| Do | GenCorp | 4,157.00 | |
| Do | Investment Company Institute | 9,133.00 | |
| Do | John F. Kennedy Center for the Performing Arts | 300.00 | |
| Do | Mutual of America | | |
| Do | Rayburn Country Electric Cooperative, Inc | 5,115.00 | |
| Do | STV Engineers | 2,015.00 | |
| Do | Travelers Corporation | 13,866.00 | |
| Do | John Tudor | | |
| Do | TRW, Inc | 2,049.00 | |
| Melanne Verveer, 1424 16th St., NW Washington, DC 20036 | People for the American Way | 5,937.48 | 116.50 |
| Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036 | Alliance for Corporate Growth | 22,457.55 | 2,286.61 |
| Do | Cabot Corporation | 2,692.55 | 263.96 |
| Do | Committee of Publicly Owned Companies | | |
| Do | Executive Jet Aviation | | |
| Do | Ohio Deposit Guaranty Fund | | |
| Do | Ohio Manufacturers Assn | | |
| Do | Smith Corona Corp | 17,550.40 | 3,667.00 |
| Do | Trustcorp/Toledo Trust Co | 21,600.00 | 3,059.57 |
| Sadami Wada, 9 West 57th Street New York, NY 10019 | Sony Corp of America | | |
| Wagner & Baroody, Inc, 1615 L St., NW, #750 Washington, DC 20036 | Alfin Fragrance | | |
| Do | Canadian General Electric | | |
| Do | Daewoo International Corp | 3,125.00 | 2,603.00 |
| Do | National Beer Wholesalers of America | 5,681.25 | 1,844.23 |
| Do | National Debt Repayment Foundation | 875.00 | 406.73 |
| Andrew B. Waldo, 1330 Connecticut Ave., NW, #300 Washington, DC 20036-1702 | Synthetic Organic Chemical Manufacturers Assn, Inc | | |
| Kristi Wallin, 1730 K St., NW, #703 Washington, DC 20006 | American Business Conference | 55.00 | 25.00 |
| Barbara F. Warden, 1710 Broadway New York, NY 10019 | International Ladies Garment Workers Union | 7,586.51 | 205.62 |
| Washington Independent Writers, Inc, 733 15th St., NW, #220 Washington, DC 20005 | | | |
| Washington Lobby Group, Inc, 325 Pennsylvania Ave., SE Washington, DC 20003 | Preston Corp | 9,000.00 | |
| Ronald D. Waterman, 227 Massachusetts Ave., NE, #300 Washington, DC 20002 | Milwaukee County-Intergovernmental Relations | 18,375.00 | 4,733.32 |
| Lucy R. Watkins, 236 Massachusetts Ave., NE, #504 Washington, DC 20002 | Center for Law and Education, Inc | 1,553.29 | |
| Carl E. Watt Jr., 1745 Jefferson Davis Hwy. #1200 Arlington, VA 22202 | Rockwell International Corp | 9,250.00 | 489.40 |
| James D. Webb, 1400 Eye Street, NW Washington, DC 20005 | Wilderness Society | 385.72 | |
| Susan Weber, 1601 Connecticut Ave., NW, 4th Fl. Washington, DC 20009 | Zero Population Growth, Inc | 25.00 | |
| Webster & Sheffield, 1200 New Hampshire Ave., NW, #350 Washington, DC 20036 | Colorado SSC Project | | 62.00 |
| Webster Chamberlain Bean & McKevitt, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006 | Beer Industry Alliance | | |
| Do | Kelly Assisted Living | 1,000.00 | 150.00 |
| Do | Kelly Services, Inc | | |
| Do | Mesaba Aviation, Inc | | |
| Do | National Assn of Wholesaler-Distributors | 2,000.00 | |
| Do | National Fed of Independent Business | 5,000.00 | 345.00 |
| Paul Weckstein, 236 Massachusetts Ave., NE, #504 Washington, DC 20002 | Center for Law and Education, Inc | 1,532.94 | |
| Lee J. Weddig, Suite 580 2000 M St., NW Washington, DC 20036 | National Fisheries Institute | 4,000.00 | |
| Stanley A. Weiss, 21 Dupont Circle, NW, #300 Washington, DC 20036 | Business Executives for National Security | | |
| Suzanne Weiss, 1129 20th Street, NW, #400 Washington, DC 20036 | American Assn of Homes for the Aging | 225.00 | |
| William B. Welsh, 1625 L St., NW Washington, DC 20036 | American Fed of State County & Municipal Employees | 17,856.18 | 58.50 |
| Roland Wesley, 1159 Quail Run Bolingbrook, IL 60439 | Committee for Minor. Access to Post Second. School Ownership | | |
| G. Franklin West, 499 S. Capitol St., SW, #507 Washington, DC 20003 | Bill Hecht & Associates, Inc (For:Church Alliance) | | |
| Do | Bill Hecht & Associates, Inc (For:Freedom & Justice for Cyprus Trust) | | |
| Do | Bill Hecht & Associates, Inc (For:Hong Kong Trade Development Council) | | |
| Do | Bill Hecht & Associates, Inc (For:Mutual Fairness Taxation Assn) | | |
| Pamela R. West, 1200 17th Street, NW Washington, DC 20036 | American Psychological Assn | 2,250.00 | 60.00 |
| Curtis E. Whalen, 490 L'enfant Plaza, SW, #3202 Washington, DC 20024 | Transco Energy Company | 5,000.00 | 2,601.30 |
| Robert L. Whitmire, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202 | General Dynamics Corp | 1,000.00 | 495.70 |
| Steven C. Whitney, 1400 Eye Street, NW Washington, DC 20005 | Wilderness Society | 2,122.42 | 57.25 |
| Dean M. Wilkinson, 1611 Connecticut Avenue, NW Washington, DC 20009 | Greenpeace, USA | 333.27 | 44.54 |
| Ralph E. William, 1750 New York Ave., NW Washington, DC 20006 | Sheet Metal Workers International Assn | 14,220.36 | |
| Margie R. Williams, 415 2nd St., NE, #300 Washington, DC 20002 | National Assn of Wheat Growers | 1,708.28 | |
| Perry F. Williams, 225 Main St. Newington, CT 06111 | American Radio Relay League, Inc | | |
| Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036 | American Home Products | | |
| Do | American Hospital Assn | 2,967.50 | 193.86 |
| Do | American Physical Therapy Assn | 200.00 | 16.27 |
| Do | American Real Estate Committee | 172.50 | |
| Do | Association of Family Farmers | 862.50 | 33.90 |
| Do | Association of Progressive Rental Organizations | 67.50 | 8.13 |
| Do | Bato Company | | |
| Do | Century 21 Real Estate Corp | | |
| Do | Committee for Employment Opportunities | | |
| Do | Committee for Fairness in Real Estate Taxation | | |
| Do | CIGNA | 452.50 | 21.71 |
| Do | Echo Bay Mines, Ltd | | |
| Do | Estee Lauder, Inc | | |
| Do | Federation for American Immigration Reform | 475.00 | 58.29 |
| Do | Financial Security Assurance | | |
| Do | First Boston Corp | 1,525.00 | 134.21 |
| Do | First Data | 250.00 | 16.27 |
| Do | Freight Forwarders Institute | | |
| Do | General Electric Co | | |
| Do | Goldome FSB | | |
| Do | Higher Education Assistance Foundation | 125.00 | 16.27 |

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| Do | Houston Endowment, Inc | 652.50 | 16.27 |
| Do | IU International Management Corp | 125.00 | 16.27 |
| Do | Kellogg Company | | |
| Do | Kelly Appleman Hart & Hallman | 380.00 | 18.98 |
| Do | Miller and Leher | 2,505.00 | |
| Do | Mustang Fuel Corporation | | |
| Do | National Cable Television Assn, Inc | 1,450.00 | 84.06 |
| Do | Nationwide Insurance Co | | |
| Do | Norfolk Southern Corp | 2,025.00 | 126.08 |
| Do | Ken Norris | | |
| Do | Paralyzed Veterans of America | 65.00 | 8.13 |
| Do | Pharmaceutical Manufacturers Assn | | 67.78 |
| Do | Prolerize-Shiabo-Neu | | |
| Do | Recording Industry Assn of America, Inc | 4,975.00 | 169.79 |
| Do | Student Loan Marketing Assn | 375.00 | 50.17 |
| Do | Texaco, Inc | | |
| Do | Texas Air Corp | 2,100.00 | 153.03 |
| Do | U.S. Telephone Communications, Inc | | |
| Do | Universal Foods, Inc | | |
| Do | USAA Financial Service Co | 1,050.00 | 67.78 |
| Harriet O'Neill Williamson, 1775 K Street, NW Washington, DC 20006 | United Food & Commercial Workers Int'l Union | | |
| Willkie Farr & Gallagher, 818 Connecticut Ave., NW, #1100 Washington, DC 20006 | Westinghouse Electric Corp | 3,000.00 | 919.34 |
| Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420 | American Textile Manufacturers Industries, Inc | | |
| Do | Capital Cities/ABC, Inc | | |
| Do | Citicorp | 2,081.25 | 78.50 |
| Do | RMI Company | 205.00 | |
| Do | World Wildlife Fund | 87.50 | |
| David W. Wilmot, 1029 Vermont Ave., NW, #300 Washington, DC 20005 | Anheuser-Busch Companies, Inc | | |
| Craig S. Wilson, 4500 Vestal Parkway East Binghamton, NY 13903 | New York State Electric & Gas Corp | | |
| Dorothy Wilson, 4201 Cathedral Avenue, NW, #607-E Washington, DC 20016 | Coalition of Concerned Charities | | |
| Kerrie Bunting Wilson, 1575 Eye Street, NW, #1060 Washington, DC 20005 | American Cancer Society | 4,000.00 | 175.00 |
| Thomas E. Wilson, 1111 19th Street, NW Washington, DC 20036 | Seyfarth Shaw Fairweather & Geraldson (For:Independent Insurance Agents of America). | 500.00 | |
| Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036 | National Assn of the Remodeling Industry | 1,000.00 | |
| Do | National Assn of Realtors | 3,000.00 | |
| S.R. Wojdak and Associates, Inc, 1401 Walnut St., #1000 Philadelphia, PA 19102 | Children's Hospital of Pittsburgh | 5,700.00 | 458.52 |
| Do | Health America Corp | | |
| Do | Medical College of Pennsylvania | 8,775.00 | 1,529.34 |
| Do | St. Christopher's Hospital for Children | 8,625.00 | 767.55 |
| G. Kent Woodman, 1818 N Street, NW Washington, DC 20036 | Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc) | 1,787.50 | |
| Perry W. Woofter, Suite 530 1800 K St. NW Washington, DC 20006 | Tesoro Petroleum Corp | 3,000.00 | |
| Linda Anzalone Woolley, 1600 M St., NW Washington, DC 20036 | International Telephone & Telegraph Corporation | 252.00 | 114.00 |
| Wunder & Diefenderfer, 1615 L St., NW, #650 Washington, DC 20036 | Hospital Corp of America | | |
| Wyatt & Saltzstein, Suite 802 1725 Desales Street, NW Washington, DC 20036 | Association of Business Publishers | | |
| Simin Yazdgerdi, 514 2nd Street, SE Washington, DC 20003 | FAIR | | 25.00 |
| Paul Yestrumskas, Gate Post Lane Southbury, CT 06488 | Timex Group Ltd | 270.00 | 444.92 |
| Roberta Lynn Youmans, 509 C Street, NE Washington, DC 20002 | Roisman, Reno & Cavanaugh (For:National Housing Law Project) | 2,100.00 | |
| Jay L. Young, 108 N. Alfred Street Alexandria, VA 22314 | Conservative Alliance | 2,000.00 | |
| John R. Zagame, John R. Zagame Associates, Inc 1001 Prince Street Alexandria, VA 22314 | Bayley Seton Hospital | | |
| Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518 | Jack Eckerd Corp | | |
| Barnaby W. Zall, 1156 15th St., NW, #525 Washington, DC 20005-1704 | Fair Congressional Task Force, Inc | | |
| Do | Federation for American Immigration Reform | 60.00 | |
| Janice Zarro, Suite 715-16 1660 L St., NW Washington, DC 20036 | Avon Products, Inc | | |
| Sharon G. Zedd, 1945 Old Gallows Road, #405 Vienna, VA 22180 | American Wood Preservers Institute | 7,857.00 | 784.53 |
| Zero Population Growth, Inc, 1601 Connecticut Ave., NW, 4th Fl. Washington, DC 20009 | | 6,439.00 | 4,416.00 |
| Barry Zigas, 1012 14th Street, NW, #1006 Washington, DC 20005 | National Low Income Housing Coalition | 6,250.00 | 710.00 |
| Michael J. Zimmer, Wickwire Gavin & Gibs, P.C. 1133 21st Street, NW, #500 Washington, DC 20036 | Cogeneration Coalition, Inc | 2,000.00 | 60.00 |
| Do | Consolidated Natural Gas Co | 500.00 | 10.00 |
| Do | PURPA Coalition, Inc | | |

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# EXTENSIONS OF REMARKS

## GILMAN AGAIN URGES COLLEAGUES TO GRANT COMBAT MERCHANT MARINERS OF WORLD WAR II VETERANS' STATUS

### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues a recent landmark decision by U.S. District Court Judge Louis F. Oberdorfer who overturned the refusal by the Department of Defense to approve veterans status for our merchant marines.

During the 95th Congress, an act was adopted which gave the Department of Defense authority to confer veteran status on groups that participated in the war effort. Although several groups, such as the Women's Army Auxiliary Corps and the Women's Air Force Service Pilots, were granted such status, merchant marines, who had a casualty rate comparable to the Marine Corps, were denied their request on very technical grounds. After exhausting the application procedure, the merchant mariners brought their case before the courts. Judge Oberdorfer ruled that the Defense Department has failed to substantiate its ruling against them. The judge could declare World War II merchant marines active duty veterans or he could order the Pentagon to reconsider their request within explicit guidelines. Lawyers from both sides will submit further arguments in early August.

Judge Oberdorfer is to be commended for his decision. Unfortunately, this is long overdue and had to occur because Congress has neglected its duty for about 40 years. Moreover, while the judge's decision seems to have paved the way for recognizing combat merchant mariners as veterans, the issue is still not even resolved. I believe that we in Congress should send a clear message to the Department of Defense and the American people that we consider those brave merchant mariners who risked their lives in defense of our Nation to be veterans.

Accordingly, I would like to again bring to the attention of my colleague H.R. 1235, a bill introduced by my colleague from New York, Mr. BIAGGI. While this bill is not perfect, it does send a clear message to the Defense Department in support of the merchant mariners. Furthermore, should further delays occur in granting merchant mariners veterans' status, H.R. 1235 would be a viable legislative vehicle to accomplish that goal. These men simply want to be recognized for the vital contribution they made to the war effort. It is about time that our merchant marines receive this due recognition. Accordingly, I urge my colleagues who have not yet done so to cosponsor H.R. 1235.

## THE HOMEOWNERSHIP OPPORTUNITY ACT OF 1987

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. LANTOS. Mr. Speaker, having a home of one's own is—and remains—the quintessential symbol of the American dream. Nothing typifies our American way of life more than the ability of normal, working people to house themselves and their families in a decent home at a reasonable cost.

In recent years, however, it has become increasingly difficult, sometimes even impossible, for middle-class Americans to purchase a home—especially a first home. Inflation, a period of high interest rates, and demographic factors have all contributed to this situation. Nowhere is this more evident, unfortunately, than the San Francisco Peninsula which I represent. There skyrocketing costs of housing have simply priced many people out of the housing market.

As chairman of the Subcommittee on Employment and Housing of the Government Operations Committee, I recently chaired a hearing in White Plains, NY, the home of the ranking minority member of the subcommittee, my friend and colleague, Congressman JOE DIOGUARDI. There we examined whether the FHA mortgage program, which has been the backbone of the Federal effort to help middle America buy affordable housing, is effective in high-cost areas. In Westchester County, as in my own congressional district, the average cost of a home is at least twice the maximum amount available through an FHA-insured mortgage. Average home buyers, especially first-time buyers, young families, find it impossible to get started in a home, and they are falling farther behind with each passing year.

A number of policy changes can help make it possible for first-time home buyers with middle-class incomes to take part in this aspect of American life. The legislation which I am introducing today is one step in that direction.

H.R. 3076 will amend the Internal Revenue Code to make it possible for first-time buyers to transfer funds from their IRA accounts or other annuity accounts for use as a down payment on a first home, without a tax penalty which would be required if they withdraw funds for other reasons.

The legislation includes appropriate safeguards to prevent abuse: The maximum amount which may be used in this way is $10,000; and the tax basis of the house will be adjusted accordingly so that, upon sale or rollover, tax will be collected. We do not need and do not intend to provide double tax benefits, but we can help by freeing up IRA funds without tax penalty for the purpose of purchasing a first home.

Mr. Speaker, this bill does not cost the Treasury or the American taxpayers any money. We already defer taxation on these retirement funds. All this legislation does is make it possible to use these funds, without penalty, in order for more Americans to have a part of the American dream.

## LESSONS TO BE LEARNED FROM THE IRAN-CONTRA HEARINGS

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. LAGOMARSINO. Mr. Speaker, now that the public phase of the Iran-Contra hearings has ended, I think there are a number of preliminary conclusions which can be drawn.

As my colleague, DICK CHENEY, the ranking House Member on the committee, has noted, the hearings show us several things. First, as the President himself has said, mistakes were made. Selling arms to Iran was a mistake. The diversion of funds from the arms sale to the Contras was a mistake. The delay in notifying Congress was a mistake.

At the same time, there are some mitigating factors, which, while they don't justify the mistakes, do help in understanding them. For example, there is the need, still evident today, to develop better relations with moderate, or more accurately, less radical, factions in Iran. Another mitigating factor is the President's continuing concern over the fate of the American hostages. And finally, there is the fact that classified information given to Congress in confidence, often winds up becoming public knowledge.

I think it is also important to note that the President has cooperated fully and completely with the select committee. He ordered administration witnesses to cooperate fully with the committee, never claiming Executive privilege. He provided thousands of pages of documents, classified and unclassified, including even access to his own personal diary. He created the Tower Commission, cooperated with their investigation, and took their criticisms to heart. He supported the call for an independent counsel. He replaced the top staff of the National Security Council. It takes a strong leader, confident of his own actions, to willingly subject himself and his administration to thorough investigation, which he did.

Also, I think it is important to point out what these hearings did not show. There was no evidence that the President knew of the diversion of profits from the arms sale to the Contras. There was no evidence that the President tried to conceal the diversion; in fact, it

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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was his Attorney General who discovered and announced the diversion.

So what lessons can we draw from the hearings? I think there are several. First, there is the policy question. What should we do about the American hostages, and about the general situation in the Middle East? I don't know the answer to this very complex question, but I think we need to acknowledge that the problem still exists, and is liable to persist for some time. Already, the Soviets are making their moves in Iran. We need to develop a coherent policy and to mobilize the Congress and the administration behind it. We cannot continue to present a divided face to the nations in that region.

The same need applies to the situation in Nicaragua. We cannot afford to have the Congress and the administration going different ways on this issue, and especially when Congress changes its view from one year to the next and then back again. Again, we need a coherent policy in this area, and hopefully, one of the outcomes of the hearings will be to unify the Congress and the administration on this issue.

Finally, there is the question of institutional reform. The President has already undertaken reforms in the way the White House and the National Security Council operate. Further reforms may be needed. The Congress also needs to take a look at some reforms on its own. We should end the practice, for example, of legislating significant policy changes, especially foreign policy changes, in "continuing resolutions." These resolutions have become omnibuses, carrying everything from soup to nuts in one package. Members have no realistic way of differentiating between good and bad policies in voting on these resolutions, which are typically presented on a straight, up-or-down, take-it-or-leave-it basis. Nor is the President given any opportunity to separate the good from the bad. He can only sign or veto the entire package, and often the choice is between closing down the whole Government or accepting policies he does not agree with. It's a form of blackmail, and it damages the balance of powers established in the Constitution.

The other institutional problem we need to address is Congress' own inability to safeguard classified information. I believe the suggestion of my colleague from Illinois, Mr. HYDE, is appropriate. He has introduced legislation which I have cosponsored, to establish a small, joint Intelligence committee to minimize the opportunities for disclosure of secrets while still preserving congressional prerogatives.

In conclusion, Mr. Speaker, I think there are many lessons we can learn from these hearings, and I await with anticipation the final committee report.

## TRIBUTE TO GENERAL CHAPTER 64 OF THE DISABLED AMERICAN VETERANS

### HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. KOLTER. Mr. Speaker, today I rise to honor the General Chapter 64 of the Disabled American Veterans for 50 years of dedicated service. I would now like to acknowledge the 34 charter members: John Adams, Phillip Barrickman, William Breese, C.A. Brown, John Causer, E. Cummings, George Curtis, Leo Di Biccari, James Dietrick, Martin Dietrick, Roy Dipner, Robert Elder, Charles Evans, Harry Freehling, Clarence Fry, Paul Haben, James Hampton, Damuel Holland, Robert Hunter, Richard James, Clyde Keyes, C.O. King, Frank Marini, Fred Marrow, William Mechling, Howard Miller, Emil Muhla, Charles Raymond, Clarence Shook, Harry Thompson, Frank Turner, Joseph Varacallo, Ernest Walborn, and Herbert Wilson.

Over the years the chapter has contributed a wide range of services to the community. For example, they have volunteered at the Veterans' Administration Medical Center, taken flags to various cemeteries on Memorial Day, donated to hospitals, helped educate the public regarding handicapped parking problems, held bingo parties for hospitalized veterans, and participated in veterans events on Memorial Day and Veterans Day.

Since 1937 these men and all other members of the Chapter 64 of the Disabled American Veterans have worked unselfishly on behalf of their fellow veterans. Thus it is with great pride that I make their good work performance and selfless deeds known to the Congress today. I know that my colleagues will join me in wishing all of the members of the General Butler Chapter 64 of the Disabled American Veterans a happy 50th anniversary and continued success in the future.

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## THE GORBACHEV GAMBIT: A NEUTRAL GERMANY

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MICHEL. Mr. Speaker, while the West continues to go ga-ga over every new disclosure of the glasnost policy, Mr. Gorbachev is playing the west European public like a fiddle. Hypnotized by Gorbachev's rhetoric about openness, we fail to see that at the same time he rattles on about the need to be open, he is very carefully and very skillfully pursuing a policy of soft words and hard policy in West Germany. And it would appear he is succeeding.

At this point I wish to include in the RECORD, "Gorbachev is Going Over Kohl's Head To Woo New Generations of Germans," from the Wall Street Journal, Monday, August 3, 1987.

### GORBACHEV IS GOING OVER KOHL'S HEAD TO WOO NEW GENERATIONS OF GERMANS

(By Frederick Kempe)

WASHINGTON.—The Soviet Union has maneuvered West German Chancellor Helmut Kohl into a corner over 72 militarily insignificant missiles. But its real aim is to expand its influence on West German politics at Washington's expense.

A vital part of this plan is a Soviet effort to bypass Mr. Kohl and other conservative leaders and reach out to a younger generation of Germans who don't share their elders' fears of the Soviet Union or see the U.S. as a savior.

After several years of cold-shouldering Bonn, Moscow this year turned on the warmth. The Kremlin rolled out its red carpet for President Richard von Weizsacker in July, the first visit to Moscow by a West German head of state in 15 years. It followed by permitting Erich Honecker to make the first official visit by an East German party chief to Bonn; he will go there next month.

Having whetted Bonn's appetite for a new round of detente, Soviet leader Mikhail Gorbachev hopes the West German public's hunger for arms reduction will override the Bonn government's insistence that it hang on to 72 Pershing 1A missiles, weapons that have a range of 300 to 500 miles and nuclear warheads controlled by the U.S. Moscow never paid much attention to the obsolescent missiles, which weren't part of superpower talks.

But it couldn't resist using the pending Honecker visit as leverage to, among other things, sow tension in the alliance and weaken Mr. Kohl, a man who angered the Kremlin by comparing Mr. Gorbachev's public relations blitzkrieg to that of Nazi propagandist Josef Goebbels.

#### "OVER KOHL'S HEAD"

Mr. Gorbachev "is talking over Kohl's head to the West Germans, and they are listening," says John Hardt, a Library of Congress expert on the Soviet Union. "The Pershing 1As are only part of it."

Mr. Hardt says the Soviet goal isn't as limited as arms control or as ambitious as wrenching Bonn from the Western alliance. Instead, Miscow wants to breed "de facto neutralism," making Bonn a voice within the North Atlantic Treaty Organization that is more responsive to Moscow's wishes and less attached to Washington on issues ranging from conventional arms talks to allied controls on technology sales to Moscow.

Moscow's risk in making so much of the Pershing 1A issue is that Bonn will hold fast to its position and the Kremlin will back down. West German officials say Moscow wants an agreement on short-range and intermediate-range missiles too badly to lose it over weapons that will be obsolete in five to seven years, anyway. They nope the Soviets will be satisfied with a West German promise that after an arms agreement they are likely to mothball the weapons.

But some U.S. officials believe it is far more likely West Germany will give in. Mr. Kohl doesn't want to appear to be the major impediment to an arms agreement on the eve of Mr. Honecker's visit. He will be pushed toward compromise by public opinion and by his foreign minister, Hans Dietrich Genscher, who is eager to open a second phase of detente.

Moreover, most U.S. officials feel that holding onto the warheads for the German systems is a losing cause after Washington

agreed to give up all its similar warheads on this class of weapon. Some West German officials privately hope the U.S. will make the decision, taking the onus off them. But Washington doesn't want to be blamed for pulling the rug out from under Mr. Kohl.

But the problem goes beyond arms control. While President Reagan and his Republican Party might view an arms agreement as a political elixir, the Soviets see it as a tool to help construct a "European House" without U.S. influence. Moscow recognizes that its defense buildup has hurt its political ambitions, so it is trying to reduce Western Europe's defense dependence on Washington by altering the perception that the Soviet Union is a threat.

"They are initiating a situation where they are trying to restructure the security map," say Ronald Asmus, a research fellow at the Free University of Berlin. "They are preparing the next generation of Germans to think of the Soviets as a basically benign, peace-seeking, European power. Very few people here believe in the Soviet threat anymore."

Mr. Gorbachev clearly has made serious inroads in West German perceptions. When the Wickert polling institute last month asked West Germans from whom they'd perfer to buy a used car, 42% said Mr. Gorbachev and 36% said Mr. Reagan. There was an even larger gap (38% to 30%) over which leader they would invite to their house and a still larger (62% to 38%) pro-Gorbachev margin when Germans were asked who wants peace most seriously.

"It is very sad that this is happening," says Guenter Wickert, the founder of the polling group. "This phenomenon also has great political influence. Arms control questions are so complex that the average citizen must depend on other factors. Their judgments are totally emotional."

#### EMOTIONAL IMPACT

Nothing could have more emotional impact than improved relations between East and West Germany. Moscow hopes these will strengthen communist East Germany's stability by enhancing its legitimacy and make capitialist West Germany a more willing economic and political partner.

Aside from official meetings, Mr. Konecker in September will visit his birthplace in the Saarland and Karl Marx's home in Trier. Rumors also abound that East Germany will make it easier for its citizens to visit West Germany after Mr. Honecker returns home. West German officials already estimate that one million East Germans will visit the West this year, compared to just 60,000 two years ago.

But a West German official says that whatever the Soviets and East Germans give is done unilaterally—and their concessions also can be revoked unilaterally. But what carrots West Germany gives in return—credits and perhaps a commitment to scrap the Pershing 1As—are nearly impossible to get back. "They can reverse what they are doing whenever they find it necessary, and we can't," he complains.

## WHAT WELFARE CLIENTS TELL US THEY NEED TO FIND WORK

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MILLER of California. Mr. Speaker, in response to an inquiry of the Select Committee on Children, Youth, and Families, the Salt Lake City Community Action Program recently surveyed over 4,000 Utah families currently receiving AFDC benefits to ascertain what barriers they face in trying to find employment. As Congress continues to debate welfare reform, the results of this survey are particularly enlightening.

Above all, the families in this survey tell us that lack of adequate training and retraining is the major barrier to finding work. In that regard, the emphasis on training and basic education embodied in H.R. 1720, the Family Welfare Reform Act of 1987, is well placed. However, the experience in California, where over 50 percent of recent applicants to the GAIN Employment and Training Program were found to need basic remedial education, informs us that we must be serious in our commitment to comprehensive education and training if welfare reform is truly to be successful.

This survey also redirects our attention to the lack of child care as a major impediment to employment. Over one-quarter of the survey families noted a need for child care in order to obtain employment. This finding corroborates the testimony of officials from the Massachusetts Employment and Training Program [ET] who, in explaining the great success of the program in placing welfare clients in gainful employment, told the select committee that without child care, "* * * ET would not work. It is that simple."

I also bring the attention of my colleagues to the fact that less than 1 percent of the families surveyed said they were not interested in getting a job. In fact, nearly 7 percent of the respondents indicated that at least one adult in the family already had a full time job, and yet could not earn enough to stay off welfare.

What follows is a summary of results form the study:

The most significant problem respondents indicated in relation to getting a job was lack of training; 45.5 percent of those surveyed noted that this was detrimental to them.

The next most prevalent problem for clients was no transportation—25.37 percent or 1,067 respondents said this was a problem. Many wrote that they had no money to pay for gas, licensing, and repairs on vehicles they possessed. Others noted that they couldn't afford a bus pass. Still others said they had no vehicle and there was no bus service in their area.

Running neck and neck with transportation was the response of no child care—1,069 people said this was a problem. This number represents 25.42 percent of all survey respondents. These clients had among them 1,790 children under age of 6. This equates to 1.67 children under age 6 per client. Eighty-six of these respondents indicated they had only children over the age of 6 who were in need of care.

Also, 377 clients, an even 9 percent said that illness was a factor in not having a job. Some indicated that their problems were of a permanent nature. Yet others remarked that they needed services like dental work, physical therapy, and surgery.

Another 455—10.8 percent of the respondents—wrote that the reason they had a hard time getting jobs was there were no jobs available. On a per district breakdown the high was in 7A with 37.3 percent listing this reason. The low was 2T with no one giving this response.

Only three respondents, 0.07 percent indicated that they were not interested in getting a job.

In addition to their responses to survey questions, some of the families also took the opportunity to comment directly on their situation. Here are a sampling of their words:

"There isn't too many jobs available. But when some come up for hiring, they pick through the applications seeing who has the highest score on that aptitude test Job Service has you take. Therefore, people with lower scores never get hired or even a chance to try. It's discriminating against many people."

"My husband and I stagger shifts to save some on this expense (child care) but now we hardly see each other."

"Not enough money to make it on my own. You get a job and instantly you lose most of your assistance before you can get completely on your feet. Which sets you back even further."

"I can realize the point of the welfare program but I just wish they could have an in-between program that people could feel better about, having confidence to really make it on their own and not feel like they would be better off or more secure to just stay on welfare. I am trying to find a better paying job (more than $6.00/hour) than I have now with benefits but it's hard and their doesn't seem to be any out there. I hope you can see my viewpoint and maybe one day soon have a program that can help this problem."

Mr. Speaker, this Congress must respond to the basis needs for training, health care, child care, transportation, and other necessities which low-income families tell us they need in order to become self-sufficient. And we must realize that these entrenced problems will not go away with the wave of a magic wand as some recent alternatives to H.R. 1720 would have us believe.

I commend the authors of this survey for conducting this study in response to the select committee's interest in this area, and urge all my colleagues to pay close attention to its findings.

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## TRIBUTE TO RABBI HERBERT MORRIS

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. LANTOS. Mr. Speaker, I rise today to pay special tribute to my dear friend, Rabbi

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Herbert Morris—a leader who is dedicated to change but who exhibits a respect and love for tradition. Rabbi Morris is being honored for 25 years of service with Congregation Beth Israel-Judea.

Rabbi Morris has shown his firm commitment to education through his own studies. He received a bachelor of arts degree from the University of Delaware. He then received both bachelors and masters degrees in Hebrew letters from the Hebrew Union College in Cincinnati, OH, and in 1981 he received a doctorate of divinity there. He is accredited as an instructor in philosophy and religion for the California community colleges.

After his ordination in 1956, he served as a U.S. military chaplain and was stationed in East Asia. During that tour of duty, he established a program which resulted in the admission of the first Japanese student at Hebrew Union College. He was commended for his outstanding work and his efforts to help others.

Following 10 years as a military chaplain, he came to San Francisco, where he has continued his service to his fellow men. He has actively been involved in the design and construction of synagogues and activities buildings in the bay area, and he established many programs to preserve and enhance Jewish traditions, including the Tree of Life, special Hanukkah lighting ceremonies, and the unwrapping of the entire Torah scroll at the holiday of Simhat Torah. He initiated the adult Bar and Bat Mitzvah programs, helped with the merger of Congregation Beth Israel and Temple Judea, and instituted the "Shabbos Shmooz" and other special Saturday morning programs.

Mr. Speaker, I wish to join the members of Congregation Beth Israel-Judea in honoring Rabbi Morris and in honoring his wife Judith Weiss Morris and their four children—Abram, Rayna, Tamra, and Dina. Rabbi Morris is not only a great spiritual leader and a preserver of traditions, but he is also a man who cares for all women and men. He is a respected member of our community, and an extraordinary human being.

## THE SIGNIFICANCE OF THE DEPARTMENT OF EDUCATION'S "SIGNIFICANCE PANELS": CENSORSHIP, NATIONAL CURRICULUM, AND LESS LOCAL CONTROL

### HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MARTINEZ. Mr. Speaker, I would like to draw the attention of my colleagues to a proposed policy change that deserves special attention. You may have seen an article in Tuesday's Washington Post regarding the Department of Education's proposal to create "significance panels" that will determine which programs shall be included in the national diffusion network. I would like to submit the following article from the August 4 issue of Education Week which provides additional information.

A Rapublican once said, "Watch what we do, not what we say." The Department's experience with preliminary "significance panels" is troubling both for what it already has done and for what it is likely to do. For example, although a rigorous review process by the NDN's joint dissemination review panel had earlier certified "Facing History and Ourselves" an educational program focusing on the Holocaust of World War II, it received low marks from "significance" content panelists, apparently on political grounds. One panelist complained that the Nazi and the Ku Klux Klan points of view were not included in this particular program. Although it had earlier been certified as effective by an NDN panel and had been adopted by hundreds of schools, "Facing History" was denied Federal funding to aid in its dissemination. Earlier the Department had done a flip-flop on whether drug abuse prevention programs should be included in the NDN since some groups objected to teaching about the risks of drug abuse. This is an example of what can happen if a program is blackballed for ideological reasons. Extreme points of view among members of the panel could block the diffusion of useful programs.

The preliminary panel is being formed despite the fact that as part of a sweeping school improvement proposal, H.R. 5, the House voted 401 to 1 to block most of the changes in the national diffusion network that the administration had proposed. Since H.R. 5 has not yet become law, Department officials have indicated that they will go ahead. The Department has received almost 300 letters in response to the proposal, about two-thirds of them strongly against the changes. This includes a joint letter from Congressmen HAWKINS, JEFFORDS, KILDEE, GOODLING, ATKINS, and myself.

It is ironic that in an administration that talks so freely of "New Federalism" and local control that this dangerous precedent toward Federal censorship of education and this restriction on information about education options is being taken. This "significance panel" is a dangerous step toward natonal curriculum and toward undercutting the diversity and the local control in education that give our country its strength and that provide foundations for democracy.

The national diffusion network is valuable precisely because it allows our schools to build on America's diversity. The Department's action is dangerous because it reduces information about diverse programs that work to boost student achievement. I hope that Members on both sides of the aisle will examine more carefully the dangers in the Department's action, and I hope that administration will reconsider this dangerous precedent.

[From Education Week, Aug. 4, 1987]

### Diffusion Network Backers Criticize Change in Rules—Censorship Charges Leveled Against 'Significance' Panel

(By James Crawford)

Washington.—A Reagan Administration proposal to screen applicants for the National Diffusion Network on the basis of educational "appropriateness" has stirred strong opposition from teachers, school administrators, and members of the Congress.

This screening committee, one of several controversial changes in the network that the Education Department proposed on June 30, could lead to censorship and politicization of the network, critics say.

During its 13-year history, the network has disseminated information on exemplary instructional programs selected solely on the criterion of educational effectiveness.

The department proposes to create a "program significance panel" to conduct a second stage of review: whether a program "would be generally acceptable to education service providers and parents."

In a letter to Secretary of Education William J. Bennett, the bipartisan leadership of the House Education and Labor Committee warned of "the potential misuse" of such a content review. "It is hard to see how a panel could be expected to determine what over 16,000 school districts might find acceptable or unacceptable," the lawmakers said, adding that the plan "raised obvious questions of censorship."

Extreme points of view among members of such a panel could block the dissemination of useful curricula, opponents have argued, citing the results of a trial run of the plan last fall.

"Facing History and Ourselves," an educational program focusing on the Holocaust of World War II, received low marks from the content panelists, apparently on political grounds.

"The program gives no evidence of balance or objectivity," one reviewer wrote. "The Nazi point of view, however unpopular, is still a point of view, and it is not presented; nor is that of the Ku Klux Klan."

Also, the curriculum should have focused on human-rights violations not just by Germany but by "the U.S.S.R., Afghanistan, Cambodia, and Ethiopia," the reviewer said.

Although it had earlier been certified as effective by an N.D.N. panel and had been adopted by hundreds of schools, "Facing History" was denied federal funding to aid in its dissemination.

"This is an example of what can happen if a program is black-balled for ideological reasons," said Max McConkey, a spokesman for the National Dissemination Study Group, a professional association of N.D.N. members. "If a school doesn't want 'Facing History' in its curriculum, it doesn't have to adopt it. But if a local district finds that it meets their needs, [the program] should be available."

"When you get into pedagogical debates about which is the most appropriate methodology, or ethical debates, or ideological debates," Mr. McConkey added, "then issues like 'appropriateness' or 'balance' are very sticky. . . . Better to keep the federal government out of that role altogether."

#### CRITICAL COMMENTS

Although the N.D.N. has an annual budget of only $10.7 million, the programs it sponsors have been widely disseminated to school districts. In 1985–86, network projects were in use in 18,000 schools; 62,675 teachers received training; and 2.2 million students were served.

Of about 400 programs that have been certified as effective, federal funds were available to aid only 79 this year.

Department officials expressed surprise at the large number of comments on the proposed rules. More than 300 educators, public officials, and parents responded during a 10-day comment period. About two-thirds of the comments opposed one or more of the proposed changes; of 79 received from school districts, 78 were critical.

Opinions, both pro and con, focused most often on the proposed program-significance panel. A number of writers, including some identifying themselves with the Eagle Forum, an organization that promotes the conservative viewpoint on social issues, praised the idea.

"We especially favor the inclusion of parents on the P.S.P.," wrote a group calling itself Western Pennsylvania Parents to Protect Our Youth from Propaganda, Brainwashing, and Subversive Textbooks in Our Schools.

Opponents, including several organized by Mr. McConkey's group, criticized the panel as a departure from the Reagan Administration's stated preference for local control.

"I, as one educator, am incensed that my government does not believe that I or my colleagues have the good sense to [distinguish] appropriate from inappropriate materials," said the director of an N.D.N. project in Mobile, Ala.

In May, as part of a sweeping school-improvement proposal, H.R. 5, the House voted to block most of the changes in the network that the Administration had proposed.

The bill's "report language" instructs the department to retain the one-stage review process: "Selection of projects based upon their content, or 'program significance,' shall remain the decision of local schools, not the federal government."

Congressional sources last week predicted that the United States would approve similar restrictions as part of the omnibus reauthorization of elementary- and secondary-education programs, but not until next year.

Because H.R. 5 does not yet have the force of law, the department plans to proceed with the significance panel, according to Ronald P. Preston, a deputy assistant secretary in the office of educational research and improvement.

Two other changes that the House has barred—a "private-school facilitator" to increase private-school participation in the N.D.N. and "dissemination process projects" to distribute curricula by such organizations as National Geographic—will also go forward, Mr. Preston said.

But for now, the department will drop plans to limit eligibility for N.D.N. funding to six years and to use part of its budget for the Secretary's "school recognition program," he said.

#### NO 'RIGHT-WING IDEOLOGUES'

Mr. Preston denied that the Administration has any intention of censoring N.D.N. programs or imposing its own political viewpoint.

"We don't want a stilted panel of right-wing ideologues," he said. "That would be dangerous for conservatives. What goes around comes around in this town."

He argued that the federal government has an obligation to determine whether N.D.N. projects are worthwhile before approving financial support, likening the process to Food and Drug Administration procedures for determining that new drugs are both "safe and effective."

A content review is needed to ensure that programs that are racist or ethically "beyond the pale" do not receive "the federal imprimatur," he said.

Mr. Preston characterized last year's experiment with the program-significance panel—and specifically the criticism of the holocaust project as unfair to the Nazi viewpoint—as "a disaster. . . . So, it was a mistake; so, we bungled it; we were dumb."

"I don't know how [the reviewer] got on the panel," he added, "but I'm sorry [she] did. That's the best I can say. We will try to have people who are a little more a part of the mainstream. But people exercise individual judgment ultimately, and you don't know what one reviewer is going to say. The point is, there's always more than one reviewer."

He added that the content-review process has been improved—for example, soliciting nominations for the panel from a variety of sources to ensure balance. Also, he said, last year's program-significance panel was not used to make funding decisions.

But according to informed sources, the reviewer who believed that "Facing History" lacked objectivity, Christina Price, also served on the "technical review" committee whose low marks resulted in a denial of funding. She made similar comments on both panels.

Ms. Price, a political scientist at Troy State University in Alabama, last week said the department had instructed her not to comment on the specifics of any N.D.N. applicant. But she agreed to comment in general terms about the issue of historical balance.

"I'm concerned, when we use federal money, that an interest group not be used to promote one point of view," she said, noting that her objection would apply to educational programs on "the Civil War from the point of view of the South or the Spanish Inquisition from the point of view of Catholics."

Ms. Price, who said she had been a supporter of Eagle Forum since her days in "the anti-E.R.A. movement," said she had been selected for the panels by Shirley Curry, director of the department's recognition division. According to sources, Ms. Curry also has close ties to Eagle Forum and its leader, Phyllis Schlafly. Ms. Curry did not return phone calls last week.

#### PROCESS UNDER WAY

Although the department is not expected to issue final regulations until mid-August, it has already begun to assemble a program-significance panel and to screen N.D.N. applicants.

Two weeks ago, "Facing History" again received low marks in the content review. One panelist's complaints included the following: "Profoundly anti-Christian bias, inappropriate discussion of scripture in ways profoundly offensive to fundamentalists and evangelicals . . . selective use of leftist authorities, e.g., Kurt Vonnegut, A.J.P. Taylor, Tom Driver, Flora Lewis. . . . Accounts of violence should be R-rated . . . overt and consistent bias—anti-war and anti-hunting."

Other reviewers found the curriculum guide "unbalanced, simplistic," "overly emotional," and likely to "induce a guilt trip" by students.

One argued that the presentation of the Holocaust would be disturbing to junior-high-school students. Another said that "8–12 weeks is far too long to spend on this historical period."

Martot Strom, who directs the "Facing History" project, which is affiliated with the Brookline, Mass., public schools, said she was saddened by the reviewers' reactions—especially the implication that Holocaust education is a "Jewish program."

"The Jews did not create this history," she said. "You don't look at the history of victims in order to practice prevention. You find out what the victimizers were up to."

The panelists' fears that the curriculum could be traumatic for children "are exactly the reasons we have extensive teacher training," she said. "If they think this is just teaching horror, they haven't looked at our program. They've looked at something in their imagination."

## IN MEMORY OF DR. WILLIAM H. DUNBAR IV

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. LAGOMARSINO. Mr. Speaker, it is with deep sadness but with respect and a certain sense of pride that I want to comment on the passing of a man of distinction from Santa Barbara, CA, Dr. William H. Dunbar IV. Though only 45 years old, he had accomplished so much in his dedicated service to others.

Dr. Dunbar was a surgeon, scientist, inventor, U.S. Navy veteran, pilot, sportsman, family man, and a friend to many. His achievements and the lives he touched are innumerable. A chronology of his life reflects a continuing quest for knowledge, service to others, and improving the quality of life.

Born October 4, 1941, in Hershey, PA, William Dunbar graduated from Mercersberg Academy and Cornell University. While at Cornell, Dunbar was a member of a varsity lightweight rowing crew that represented the United States at the Henley Royal Regatta.

He received his medical degree from Temple University in 1968. While an intern at the Presbyterian Medical Center in Denver from 1968 to 1969, Bill married the former Janet Larson, who remained through his life as his closest friend, confidante and staunch supporter.

Dr. Dunbar served a residency in surgery at the Mayo Graduate School of Medicine, Rochester, MN, from 1969 to 1970, and another residency in orthopedics at the University of Utah in Salt Lake City from 1973 to 1978.

During the Vietnam war, Dunbar studied flight surgery at the Naval Aerospace Medical Institute in Pensacola, FL, and was a naval flight surgeon for 2 years. He served as a lieutenant commander and flew with pilots in the VX–5 Experimental/Test Squadron at China Lake, CA.

An active pilot, Dunbar served on the board of directors of the Aerostar Owners Association. As a competitive golfer, he won the Porter Tournament at the La Cumbre Country Club in 1982.

Dr. Dunbar, who began orthopedics practice in Santa Barbara in 1976, helped pioneer video surgical demonstrations for medical education programs for the Arthroscopy Association of North America. He was elected to the board of directors of the organization in March of this year.

He served on the editorial board of Arthroscopy, the Journal of Arthroscopic and Related Surgery since 1985.

Dr. Dunbar presented numerous scientific papers around the world. He served on the faculty of the Summer Institute of the American Academy of Orthopedic Surgeons and the UCLA Operative Arthroscopy Seminar.

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He recently applied for a patent for an arthroscopic drill guide system developed and made locally by surgeons to repair knee ligaments.

The recent passing of Dr. Dunbar is a great loss to the many whose lives were affected both directly and indirectly. However, he left for all an example of a patriotic American that utilized his talents to the fullest, as our free society allows, to improve the quality of life of man.

It is without doubt that the energetic, creative and selfless efforts of Dr. William H. Dunbar IV have benefited many, and will continue to assist countless others in the future.

Dr. Dunbar is survived by a family that was always supportive of his work; his wife, Janet; a son, William Dunbar; and a daughter, Jill Dunbar, all of Santa Barbara; his mother, Harriet Slegrist Silberman, of Lebanon, PA; and two sisters, Betsy Dunbar Rouse of Euphala, AL, and Anne Dunmire of Harleysville, PA.

## TRIBUTE TO JOSEPH SANNA

### HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. KOLTER. Mr. Speaker, today I rise to honor Joseph Sanna for his 22 years of dedication to the welfare of the people of western Pennsylvania. Mr. Sanna has indeed proved to be a model citizen of my Fourth Congressional District.

Mr. Sanna has served on numerous councils, committees, and commissions to help the local community. For example, he was the chairman of the board of supervisors in East Wheatfield Township, served on the Tri-County Private Industry Council, was vice chairman of the Development Committee of the American Heart Association of the Indiana Chapter, and was a member of: the Indiana County Association of Township Supervisors, the Prosper Review Committee of Indiana County, the Indiana County Economic Development Commission, the Pennsylvania Association of Township Supervisors, and the Pennsylvania Rural Economic Development Coalition. Mr. Sanna was also elected Democratic Committeeman of East Wheatfield Township.

Mr. Sanna has served on numerous union positions and has been a dedicated member of the Pennsylvania State Electrical Workers Association. He has been locally acknowledged by the community in receiving the Labor Movement and Community Award in Johnstown and was voted the Democratic Man of the Year in Indiana County, both in 1984.

It is with great pride that I honor Joseph Sanna today. I know that my colleagues will join me in thanking Mr. Sanna for his 22 years of faithful service to the community and in wishing him many prosperous years to come.

## A CENTENNIAL TRIBUTE TO MADAME MARIA JERITZA

### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. RODINO. Mr. Speaker, on October 6, 1987, Madame Maria Jeritza, one of the legendary figures in the opera world and a longtime resident of the north ward of Newark, NJ, would have been 100 years old. To celebrate this important milestone in the history of music, the North Ward Center of Newark and the New Jersey Council on the Arts will sponsor a special musical tribute later this month. The evening, organized by Fran Adubato of the North Ward Center, will feature operatic highlights by the New Jersey Opera Institute in honor of Madame Jeritza.

Maria Jeritza was born in what is now Czechoslovakia. After studying singing at the Brno Musikschule, she made her debut in 1910 at the age of 17 with the Olmutz Opera. The following year Madame Jeritza sang with the Vienna Volksoper, appearing in a special performance before the Emperor, before joining the Vienna Royal Opera. She remained a star of the Royal Opera until 1932 and achieved public acclaim singing the works of Puccini, Korngold and Richard Strauss.

Madame Jeritza's large, glowing voice, instinctive acting style and unforgettable stage presence made her the personal favorite of many composers. When an assistant complained to Richard Strauss that Jeritza was departing from the score of his "Ariadne," Strauss replied, "leave her alone, she knows what she's doing." She was most closely identified with the great composer Giacomo Puccini. Puccini considered Madame Jeritza his favorite "Tosca," a role which was her most famous, and she also appeared in his "Turandot" and "Girl of the Golden West."

Madame Jeritza's American debut was delayed by World War I. But on December 1, 1921, she created a sensation at New York's Metropolitan Opera in "Tosca." The New York World reported the next morning that "Maria Jeritza gave a performance that left a packed house alternately breathless and cheering. She gave a performance of thrilling beauty and intensity with authority and imagination." She continued to sing at the Met for the next 10 years, scoring striking successes in new roles and revivals. She pubilshed her autobiography, "Sunlight and Song," in 1924. At the height of her career, Madame Jeritza was mobbed on the streets and treated like royalty.

After Madame Jeritza retired from a full-time opera schedule, she moved to the north ward of Newark. Her home became the gathering place for the great artists of our time and she continued to sing in concert. Although hailed throughout the world, she considered her Newark residence as her only home and was much loved by her friends and neighbors. Madame Jeritza devoted her later years to charity activities and on her 90th birthday she became the first recipient of the New Jersey State Council on the Arts' Distinguished Award.

It gives me great personal pleasure to join in celebrating the centennial of the birth of Maria Jeritza. I had the distinct privilege of calling Madame Jeritza my personal friend for almost 30 years. She was the godmother to my granddaughter who bears her name. At Madame Jeritza's home in New Jersey, it was my privilege to meet many of the luminaries of the music world. Among my most valued possessions is a photograph she gave to me showing Puccini presenting her with a complete score of one of his works. I extend my warmest wishes to Fran Adubato and the North Ward Center as they host this special tribute to Maria Jeritza, a great artist and humanitarian whose work and spirit brought joy to the world.

## ADMINISTRATION POLICIES "SOAK THE POOR"

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MILLER of California. Mr. Speaker, the administration is claiming great significance in the news reports that the proportions of Americans living in poverty has dropped to the lowest level since 1980.

That is hardly a statistic to be proud of, because what it really says is that we have made no progress, as a nation, in reducing our unacceptable level of poverty in the 7 years of alleged economic revitalization under Reaganomics.

Despite a return to the pre-Reagan poverty level, nearly 14 percent of all Americans—over 32 million people—are living in poverty today. This is barely below the recent high poverty rate of 15.2 percent in 1983, during the Reagan recession, the peak of a growth in poverty which began in 1980 and continued for much of President Reagan's first term.

It is a staggering realization that despite the much touted economic strategy of this administration, despite all of the talk about revitalization and competition, despite all the emphasis on trickledown and growth, despite all the tax concessions to the wealthy and the corporations to promote business expansion—despite all those so-called initiatives, we have made no progress on reducing poverty.

In fact, the policies of this administration have made a bad situation worse. As I pointed out on the House floor last week, poverty among children rose 37 percent during the first years of this administration, and among two parent families, poverty increased more than 50 percent.

Two and a half million children have been thrown into poverty since 1979 in this country, and today, one-fifth of all children—and far more minority children—are growing up in a culture of poverty.

The fact is that actions of this administration—in slashing job training programs, reducing educational opportunities, and failing to provide adequate child care—have greatly discouraged many from seeking the jobs they would far prefer to public welfare.

But even when men and women do find employment, the evidence is that they labor

too often for poverty wages, and therefore remain impoverished.

Recent studies by the Center on Budget and Policy Priorities show that over 40 percent of all poor people—nearly 9 million Americans—were employed in 1986. While we can be pleased that these men and women are working, despite the paucity of their wages, it is clear that millions of others will be discouraged from freeing themselves from public dependency to enter the labor market if all they can look forward to is continued poverty.

The evidence indicates that the Reagan administration's economic policies have produced an odd variant on an old theme—soak the poor. The center's research also indicates that the income gap between the wealthy and the poor is at its widest point ever recorded. The income of the average poor family in 1986 was further below the poverty line—$11,200 for a family of four—than at any time since 1963, with the exception of the Reagan recession years from 1982 and 1983.

Those who are categorized as the "poorest of the poor"—with incomes less than half the poverty line—is now at the highest level in over a decade—nearly 40 percent of all the poor.

Nor are the poor the only ones feeling the effects of changes in income distribution. Middle-income Americans, according to the center, are receiving the lowest share of national family income recorded since 1947. Meanwhile, those with the highest levels of income have recorded the largest increase in income since 1979.

These findings have profound implications for a wide range of policy matters. We are all aware that most of the new jobs which have been created in recent years, and about which the President boasts, are really service sector jobs, many of which pay very low wages. As the statistics I have cited today indicate, these jobs in many cases cannot replace the higher wage manufacturing jobs, and families which fall back on service sector jobs often suffer significant loss of income and increasing dependence on Government support of one form or another.

It is evident that we must focus on more than just the unemployment rate to appreciate the impact of Reaganomics on the economic security of the American family. Creating jobs which pay a nonliving wage, and restoring the poverty level to the level at which you found it 7 years ago is hardly a record of economic achievement which is likely to improve American productivity or restore our economic predominance in the world.

## TRIBUTE TO TERRY ANDERLINI

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. LANTOS. Mr. Speaker, I wish to pay tribute today to my very dear friend and fellow Peninsulan—Terry Anderlini, the first person from San Mateo County to be elected president of the California Bar Association. This is a great honor for San Mateo County, but even more, it is a well-deserved and most appropriate distinction for Terry. He will be formally recognized later this month at a special celebration in his honor in Redwood City being hosted by Bill and Marie Addiego.

Mr. Speaker, Terry Anderlini is a person who exemplifies the qualities and virtues that are important to all Americans. Terry was born in Arizona, received his B.A. degree from Tulane University in 1965, and earned his J.D. degree from San Fransciso Law School in 1969. He has been a partner in the firm of Monaco, Anderlini, & Finkelstein in San Mateo.

Terry has been devoted to the legal profession. In 1975 he was named president of the San Mateo Barrister's Club. Two years later, he became president of the San Mateo Trial Lawyers Association. Over the intervening years, he has continued to serve as a leader in many professional organizations. He was a member of the San Mateo County Lawyers Referral Committee and the San Mateo Private Defender Committee. He has been a member of the Board of Governors of both the California Bar Association and of the California Trial Lawyers Association, and he was president of the San Mateo County Bar Association and vice president of the State bar association.

Although Mr. Anderlini has devoted much time to his profession, he has also been actively involved in serving our community in San Mateo County. He is a past director of the Poplar Center for retarded adults and children and a current member of the Service League of San Mateo County. He is a leader of the Peninsula Social Club, the Italian-American Federation, and the San Francisco Bay Knarr Sailing Association.

Mr. Speaker, Terry Anderlini is a distinguished citizen and an exemplary member of the legal profession. It is a great pleasure and an honor for me to pay tribute to him today.

## CREATING ARTIFICIAL HANDICAPS FOR HANDICAPPED AND LIMITED-ENGLISH PROFICIENT CHILDREN

### HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MARTINEZ. Mr. Speaker, President Reagan told the National Governors' Association on March 26 of this year:

> I met one young man who had graduated there in East Los Angeles from high school—top in his class. He had spent several years in a class for the mentally retarded because teachers had just decided that that is what was wrong. And then along came—God bless her—a teacher who went a little deeper and found out it was the language problem.

The President is fond of anecdotes, but in this case he seems to have succeeded in identifying a real problem. Throwing students, like this young man, into special education classes where they don't belong drains the limited resources of special education programs. The students are forced to do time in courses that are not designed to meet their needs.

Handicapped children do not all speak English. When a limited-English proficient [LEP] child has a learning disability, the child is often placed in a special education class conducted in English. In effect, a handicapped LEP child is often placed in "sink or swim" immersion course in English. A growing body of research suggests that handicapped language minority students should receive instruction in their native language in order to facilitate cognitive and academic development. Handicapped children don't need the additional artificial handicap of being thrown into courses conducted in a language that they do not understand.

Mr. Speaker, many normal American students are being misdiagnosed as "learning disabled." A minority child is far more likely to be placed in a class for the learning disabled than an Anglo student. A minority child is also less likely to be identified as gifted or talented than his Anglo counterpart. Clearly students are not receiving the services they need—whether they are misdiagnosed or handicapped. One suspects that there is something wrong in the process by which students are identified, evaluated, and classified as eligible for special education programs.

#### PROTECTION IN THE ABSTRACT

In principle, current law should already be eliminating these abuses. Mandates aimed at assuring that handicapped LEP students receive an appropriate education are embodied in policy, law, and judicial decisions. These include the Education of the Handicapped Act, the Equal Educational Opportunities Act of 1974; section 504 of the Rehabilitation Act of 1973, and title VI of the Civil Rights Act of 1964; Diana versus State Board of Education, 1970; Lau versus Nichols, 1974; and regulations written by the U.S. Department of Education. Currently, the process requires, but is not limited to—

The parents or guardian to have the opportunity to be knowledgeable participants in the identification, evaluation, and educational placement of the handicapped child. This involves taking whatever steps are necessary to ensure that the parents understand the proceedings;

The States to establish testing guidelines and utilize evaluation materials that are not racially or culturally discriminatory. The materials and procedures are to be provided and administered in the child's native language, unless it is not feasible to do so;

A process by which no single procedure shall be the sole criterion for determining educational placement or program for the child;

A free and appropriate education for every child classified, and an individual educational plan to address the student's needs; and

A comprehensive reevaluation of the child every 3 years.

#### PROBLEMS IN PRACTICE

The Devil is in the details. Despite protections in the abstract, assessment and referral techniques are frequently flawed in practice. Are the safeguards built in to the process working for LEP handicapped children? Are parents knowledgeable about the implications of the testing and classification? Are adequately trained translators being provided so that limited-English proficient students and their parents can fully participate in the process? Are educators often relying on particular IQ tests that are invalid or that have not been normed for the population being tested? Are the other utilized measures also racially unbiased? Are the students being tested in their native language? Are there enough bilingual evaluators to provide valid and reliable assessment? Do school districts administer comprehensive language assessments to LEP children? The answer to these questions seems to be "no" in far too many of our States and communities.

Available evidence is troubling. The fact that State and local school authorities are, in many cases, paying little more than lip service to the legal safeguards is reflected in the disproportionate number of Hispanic students in learning disabled classes and gifted programs. The National Coalition of Advocates for Students recently released a special report, with information gathered in 1984 by the Office for Civil Rights, U.S. Department of Education, analyzing the percent of Hispanic enrollments in 3,312 school districts selected to be representative of all the Nation's schools. The findings confirmed the disproportionate percentage of placements in educable mentally retarded [EMR] and gifted classes in the 15 States with the highest concentrations of Hispanics. In Colorado, Hispanics comprise 16 percent of the total student enrollment, yet they represent 30 percent of the EMR children and 10 percent of the gifted. In New Jersey, 9 percent of the children in schools are Hispanics, while in the EMR and gifted classes they are 18 percent and 4 percent respectively. The figures are also alarming in California, where Hispanics make up 32 percent of the EMR and 11 percent of the gifted students, while the total enrollment is 29 percent. The fact that the Freedom of Information Act had to be used to get these facts out into sunlight is also troubling. The Office of Civil Rights has been woefully neglectful in uncovering and correcting these problems.

In other evidence of the inadequate implementation of congressional intent, Salend and Fradd recently reported in the Journal of Special Education that in a study of 49 States, only 5 had established a definition for the category of bilingual handicapped and only 2 had a specific funding category for bilingual special education. None of the States reported a statewide curriculum to guide the instruction of LEP handicapped students.

Ignorance of the problems associated with learning a second language is not bliss when it comes to assessing students. Researchers in bilingual special education at the University of Texas at Austin, are playing a leading role in identifying the nature and scope of these assessment problems. Dr. Alba Ortiz of the University of Texas stated:

> The greatest concern which emerged from the data is that procedures used in diagnosing communication disorders virtually ignored students' limited-English proficient status. Studies have found that data in eligibility folders were generally insufficient to determine whether limited-English proficient students were in the process of normal second language acquisition, or whether their speech and language behaviors were symptomatic of a speech or language disorder.

National statistics presented in a GAO report indicate that approximately 30 percent of the language minority students in special education are classified as communication disordered and receive therapy for articulation, language disorders, stuttering, and/or voice impairment. The percentage of Hispanics and other minority language students is actually much higher when students who receive speech therapy as a related service are included in prevalence counts.

In one study of Spanish speaking children, the sounds that have been identified as most problematic for Spanish speakers learning English were those identified as troubled in the referral documentation. For example, a study of Texas schools reports that the majority of LEP students in the sample has at least one language-related referral reason—a ratio far higher than for native English speakers. Very few students were tested in a minority language or bilingually; only 25 percent of the eligibility folders contained evidence of current language testing. For some students significant discrepancies between intelligence and achievement—the operational definition of a learning disability—may have been an artifact of testing conducted in English.

When students are misplaced by schools, the consequences may be substantial. These students may never reach their full potential because teachers are likely to demand less from "learning disabled" students then from normal students. There is evidence that IQ scores may actually drop as a result of misplacement. For example, Wilkinson and Ortiz report in the fall 1986 issue of the Bilinqual Special Education Newsletter that limited-English proficient students' scores on WISC–R IQ tests actually declined after 3 years in a program for the learning disabled. Moreover, misplacement of normal limited-English proficient students in special education courses can have the effect of stigmatizing these students as "learning disabled" for life. This combination of lowering performance expectations, providing inappropriate course work, and stigmatizing students is particularly troubling when we recall that this is done at the cost of diluting the special education resources for the students who really do need them.

#### REFORMS ARE NEEDED

In brief, America is putting many normal students in special education classes they don't need. We are wasting millions and millions of dollars by putting minority language children in special education courses where they don't belong and stigmatizing them in the process. At the same time, these processes are consuming the resources that are badly needed by our Nation's handicapped students. There is a critical need to upgrade the procedures used to identify students with learning disabilities, and to insure that minority language handicapped students are not forced to "sink or swim" in English immersion courses. Our Nation's educational programs must work better for both minority language students and the handicapped.

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## GUY DE VRIES ON A EUROPEAN COMMON MARKET IN DEFENSE

### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. GILMAN. Mr. Speaker, I would like to bring to the attention of the House a commendable article by a member of the European Parliament, Mr. Guy M. de Vries. Elected by a Dutch constituency, Mr. De Vries has recently written a column for the International Herald Tribune on the Common Market's need for a common defense market in order to increase the effectiveness of Europe's military posture.

Mr. De Vries asserted that Europeans must take increased responsibility to adequately protect themselves. While acknowledging the political limits of increasing European defense expenditures, Mr. De Vries has offered other options which would help prepare Europe to counter the considerable conventional strength of the Warsaw Pact countries. He has called for the elimination of protective measures against many arms sales within the European Community which would increase the competitive nature of the arms industry, decrease the duplication of defense efforts, and thereby enhance the cooperative nature of ihe defense within the European Community.

A 1985 amendment to the EC's founding treaty, the Single European Act, pointed the way to removing some of the remaining trade barriers in the civilian sector of the arms industry; Mr. De Vries has emphasized the need to implement this change. A more efficient European arms industry will not only help Europe, but has the potential, if the competition is fair, for spurring a more efficient U.S. arms industry.

Mr. De Vries' article contains no anti-American overtones. On the contrary, Mr. De Vries is a leading member of the American-European Community Association who has participated in meetings between the U.S. Congress and the European Parliament. While I am not in a position to endorse the suggestions made here, I am inserting them in the RECORD so that my colleagues may have the benefit of reviewing Mr. De Vries' article of June 11, 1987:

[From the International Herald Tribune, June 11, 1987]

### IT'S TIME FOR A COMMON DEFENSE MARKET

(By Guy M. de Vries)

THE HAGUE.—The current debate on the role of nuclear weapons in protecting Western Europe has again highlighted NATO's weakness in conventional defenses.

An East-West agreement to eliminate longer-range intermediate nuclear weapons and to significantly reduce shorter-range systems will leave the West more vulnerable to the Warsaw Pact's conventional superiority. Even under a pact made conditional on Moscow accepting uneven cuts in its conventional forces, NATO would have to pay more attention to its non-nuclear needs.

But with the notable exception of France, which has just agreed on a $71 billion five-year military spending plan, European arms budgets appear to have reached political

ceilings at the same time as technological innovations are pushing up the costs of modern weaponry. With costs multiplying and budgets stagnating, the European allies risk engaging in structural disarmament. Cost cutting through multilateral production programs has been only a modest success. National military markets remain highly protected. The European market is fragmented and economies of scale are hard to achieve.

It is time the 12 nations of the European Community embarked on an ambitious program to create a common arms market. A strong case for such was made recently in a report commissioned by the Independent European Program Group, or IEPG, the forum in which NATO's European members discuss arms collaboration. It found that the manufacture of European military equipment can be made more competitive by subjecting it to normal market forces.

The report identifies critical areas of weakness in European military technology, particularly in electronics, new materials and systems engineering. Because of its fragmented market, moreover, Europe is less competitive than its technology base would suggest. Even where the United States lags in research, for example, its more market-oriented industry is able to make up the gap in the development cycle and place a piece of equipment or a system on the market before its European competitors can. To change this, several initiatives must be taken.

European public funding of military research and development now runs at about one-third of U.S. spending. The Strategic Defense Initiative program will tilt the balance further. To narrow the gap, Europe must obtain better value for its money.

There is considerable overlap between IEPG research projects and EC civilian research and development programs. Regular contacts should be established to avoid duplication.

Second, a military equivalent is needed of ESPRIT, the highly successful European Scientific Program for Research and Technology that is financed and run on a 50–50 basis by the EC and industry. An extension of IEPG's work with direct private-sector involvement, and the earmarking of military research funding for joint programs, should be feasible.

Article 223 of the Treaty of Rome exempts a long list of military and semi-military equipment from the treaty's free-trade provisions. Many of the products listed could be brought under EC public procurement rules.

Progress in removing remaining trade barriers in the civilian sector is of major importance to the European arms industry. In an important amendment to the EC's founding treaty governments agreed in 1985 to maintain the technological and industrial conditions necessary for their security. It is time to put these words into action.

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## CHONTALES PROVINCE: CONTRA HAVEN

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MICHEL. Mr. Speaker, the civil war in Nicaragua continues and one place where the democratic resistance has found a haven is in the Province of Chontales, only 2 hours drive from Managua.

At this point I wish to include in the RECORD, "Contras Find a Haven Inside Nicaragua," by Clifford Krauss, in the Wall Street Journal, Monday, August 3, 1987:

[From the Wall Street Journal, Aug. 3, 1987]

### CONTRAS FIND A HAVEN INSIDE NICARAGUA

CHONTALES PROVINCE THWARTS SANDINISTAS, AIDS REBELS

(By Clifford Krauss)

JUIGALPA, NICARAGUA.—Throughout most of Nicaragua, the U.S.-financed Contra rebels haven't won much popular backing. But less than two hours drive from Managua, in the center of the country, the Contras have won the active support of the peasantry.

The ruggedly individualistic ranchers of Chontales province willingly feed the Contras, hide them and offer them vital intelligence, Sandinista government efforts to install revolutionary programs have stumbled here more than anywhere else, making for a convenient corridor between the Contras' northern and southern fronts. Young Chontales peasants join the Contra ranks by the hundreds.

"The Sandinistas make the peasants slaves to kill and be killed," says Noel, a 25-year-old rancher from the village of Las Maravillas. "More people want to fight for the Contras." Such strong sentiments, and the will to put them into action, will make Chontales a military and political drain on the Sandinistas for a long time, whether or not the U.S. Congress approves more Contra aid this fall.

#### SANDINISTA SWEEP

The isolated hillside village of El Jicarito exemplifies the escalating civil war in Chontales. Last September, 200 Sandinista troops filed through at dawn, rustled 12 peasants out of their huts and dragged them away without explanation. Five remain in prison without a trial, without a lawyer, without being charged.

Villagers claim the arrests came as Sandinista punishment for El Jicarito's repeated refusal to form a farm cooperative. Sandinista frustration might also be explained by the collapse of the local revolutionary block committee and militia.

This year the settlement is growing bolder in its rejection of the revolution. Supplied by El Jicarito residents with food and information, 60 Contras overran a neighboring Sandinista cooperative on March 15. That night, according to the Contra commander who led the attack, the rebels hid from Sandinista units and slept in El Jicarito's grazing pastures and citrus groves with the villagers' approval.

"Chontales isn't an easy problem," grumbles Gen. Joaquin Cuadra, the Sandinista army chief of staff. "Large landowners, conservatives and politically backward people dominate. Such political conditions give the Contras an ideal base."

The situation has become so critical here for the Sandinistas that the government has been forced to reduce rations of rubber boots and batteries to the province because civilians give the footware to the rebels and use the batteries to listen to clandestine Contra broadcasts. The rationing only infuriates the population more.

#### UNDERGROUND FRONTS

Chontales is so anti-Sandinista that the Contras have been able to construct effective underground fronts in towns across the province—something they have failed to do almost everywhere else.

In the gold-mining town of Santo Domingo, Contra collaborators assembled a makeshift radio transmitter in the local cemetary. The radio, used to signal Sandinista troop positions to the Contras, was put out of action a year ago in a Sandinista roundup of 20 underground members.

The Santo Domingo ring was discovered because a member who was wounded and captured following the rocketing of a Sandinista-build school, fingered the other 19. One of the captured collaborators, Migalina Jeronina, age 36, who admits to having nursed wounded Contras, says the front still operates, though she doesn't participate. (The Sandinistas freed her because of her asthma; but she says they prevent her making a living selling puddings.)

Carefully choosing her words, Mrs. Jeronina says, "I worked for truth."

The Sandinistas are failing in efforts to militarize cattle cooperatives on either side of the Rama Road, the strategic eastwest road across Nicaragua, and a vital target of Contra attacks; peasants refuse to cooperate. Instead, ranchers are organizing private cooperatives under the aegis of Charismatic Catholics critical of the Sandinista revolutionaries.

A few weeks ago, the Contras displayed their audacity by occupying La Palma, a major town on the Rama Road, for eight hours even though two major Sandinista army bases are situated a few miles away. The Sandinistas didn't counterattack, apparently fearing an ambush.

"Most of the people appear to passively coexist with the Sandinistas and shuffle along, while quietly they support the Contras and stab the Sandinistas in the back," says a Roman Catholic priest who travels the countryside on horseback.

The 2,500 Contras based here rely on frequent Central Intelligence Agency DC-3 airdrops for military supplies; they get the rest of their needs from the local population. Interviewed in Miami, a Contra comandante known as Dumas, who operates in Chontales, says: "We can leave our wounded with people we don't even know, and they hide them and feed them. We've never been betrayed."

Fortunately for the Sandinistas, Chontales is unique. If they are ever to win, the Contras would have to do well in several more of the nation's 16 provinces. Peasants commonly complain that the Contras pillage and murder, and tens of thousands willingly arm themselves to defend their Sandinista-formed farm cooperatives. City folk grumble about Sandinista economic policies, they but rarely say the Contras are a viable alternative.

#### EFFECTIVE COUNTERMEASURES

The Contras have made advances in pockets of several provinces, but Sandinista-forced population relocations and other counterinsurgency measures have been effective. In Chontales, discontent is so rampant that nothing the Sandinistas do seems to work.

What makes Chontales so anti-Sandinista? There was hardly any fighting in the province leading to the 1979 Sandinista victory, in part because former dictator Anastasio Somoza gave land here to thousands of landless peasants. Before the revolution, large parts of Chontales were controlled by right-wing ranchers who rented small plots to peasant cattlemen. The Sandinistas ex-

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propriated those lands to form state farms and cooperatives—but they failed to supply the credit and supplies the peasants use to get from the old landowners.

Resentment grew, so the Sandinistas broke up some of the state farms into individual plots. Still, production lags.

The province's deep Catholic roots are also a factor. Before the revolution was even two-years old, the Virgin Mary was said to appear to a peasant outside the town of Cuapa to warn that the people of Nicaragua and the nation's church were about to suffer greatly. The apparition, given credence by the church hierarchy, alarmed many. A local bishop was exiled by the Sandinistas after he spoke of the right of oppressed people to bear arms.

"Communism is incompatible with Christianity," says Jesus, a 73-year-old peasant in the village of Los Mollojones, "If a priest isn't a Sandinista, they say he's a Contra. That isn't right."

## IN MEMORY OF MARCUS JOY CHRISTENSEN

### HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. BILBRAY. Mr. Speaker, I rise today to pay respectful tribute to an outstanding Nevadan and Las Vegas pioneer, Marcus J. Christensen. M.J. passed away on June 1 of this year at the age of 88 under the loving care of his family.

M.J., a patriarch in every sense of the word, is the father of four sons and two daugthers, Don, Vern, Anna, Carl, Paul, and Adele. For nearly 66 years, he has been a loving husband to Hazel Johnson Christensen. They have 36 grandchildren and 93 great-grandchildren. He is also survived by his brothers and sisters Max, Rush, Ruth, Fay, Beth, and Marco.

M.J. arrived in Las Vegas with his family in 1941, where he worked for the railroad as a watch inspector. Shortly after his arrival, M.J. built a successful jewelers business with the help of his family. It is from this platform that M.J. based his long and outstanding record of community service.

Because of his outstanding business acumen, M.J. was named president of the Las Vegas Merchant's Association, later part of the Las Vegas Chamber of Commerce. He was made a member of the board of directors of the chamber of commerce and later elected its president. M.J. was elected four times to the Nevada State Assembly, during which time he served as chairman of the ways and means committee as well as speaker pro tem. Afterward, M.J. was elected to the Nevada State Senate.

M.J. may best be remembered, however, for his extensive activities on behalf on the LDS Church in southern Nevada. His example set spiritual guidance for all in his service as a deacon, a bishop, and as a counselor as well as missions for the church. He held in great pride in being ordained patriarch of his State by Elder Hunter of the Quorum of the Twelve.

Mr. Speaker, the civic-mindedness and community leadership demonstrated by M.J. Christensen will be impossible to replicate. I ask my colleagues here today to join me in rememberance of this gifted leader, civic activist and remarkable family man.

## PROVISIONAL GOVERNMENT OF HAITI SHOULD RESPECT HUMAN RIGHTS AND HOLD FREE AND FAIR ELECTIONS

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. LANTOS. Mr. Speaker, 1 year after the ouster of former Haitian leader Jean-Claude Duvalier, the Haitian people continue to live in the clutches of a repressive government. This week with my distinguished colleague from Illinois, Mr. PORTER, I introduced legislation to show support for the human rights of the people of Haiti and support for their efforts to hold free and fair elections.

The Haitian people are committed to democracy, human rights, self determination and economic development. They have shown their support for democracy by approving a new constitution that establishes a legal framework for the return to elected civilian government.

The provisional government headed by Lt. Gen. Henri Namphy has marked its first anniversary in power with the threat of military crackdown. The provisional government appears to be hanging on to power largely by default. Supporters and opponents of the military junta agree that the Government has lost most of the backing it gained when it took control immediately after dictator Duvalier fled into exile last February.

Lieutenant General Namphy has said he will step down in February 1988, 3 months after general elections in which he has vowed not to stand for President. General Namphy has not shown trust and confidence in the people, and complaints continue that the general has failed to break with the past. Moreover, there are growing expressions of anger that little has changed materially for most of the 6 million people in this poorest country in the Western Hemisphere, and this has spurred violent uprisings.

Although General Namphy has pledged not to run for President, many observers doubt that he will keep this promise. Turmoil in the Haitian streets in the past several months have demonstrated that the people are not confident about their political and economic future.

In this context, Mr. Speaker, our resolution has been introduced to demonstrate our concern for human rights and our affirmation of democracy.

This resolution is similar one introduced in the Senate by Senator GRAHAM and cosponsored by a number of other Senators including Mr. KERRY, Mr. KENNEDY, and Mr. HELMS. Our resolution calls upon the National Council of Government to respect and abide by the decisions made by the Provisional Election Council in conducting elections called for under their new Haitian Constitution.

Furthermore, it calls upon the Government of Haiti to be mindful in improving its human rights situation while continuing its investigation of alleged human rights abuses and corruption by the Duvalier government. Our resolution expresses the sense of Congress that freedom of speech and assembly be respected and calls upon Haiti to maintain a free and independent judiciary system.

I urge my colleagues to join me and my colleague, Mr. PORTER, in support of this resolution. I am confident that this bill will contribute to fostering free elections in Haiti; furthermore, it will send an important message to the Namphy government that the U.S. Congress is committed to ensuring that the Haitian people enjoy fundamental democratic rights.

## STATEMENT OF GAYLORD NELSON, COUNSELOR OF THE WILDERNESS SOCIETY

### HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. OBEY. Mr. Speaker, Senator Gaylord Nelson who now serves as counselor for the Wilderness Society recently testified before the Water and Power Resources Subcommittee of the House Interior Committee on the coastal plain of the Arctic National Wildlife Refuge on July 21, 1987.

I would like to insert Senator Nelson's cogent and timely remarks in the RECORD and bring them to the attention of everyone in the House.

I hope that we pay attention to the important and thoughtful comments contained in his testimony.

This issue is of critical importance to one of the last great wilderness areas in this Nation, and I think that we owe it to future generations to pay careful attention to how we manage this valuable resource with regard to the long-term environmental consequences.

STATEMENT OF GAYLORD NELSON, COUNSELOR OF THE WILDERNESS SOCIETY

Everyone is familiar with the statistical speculation about the oil potential of the 1.5 million acre coastal plain of the Arctic National Wildlife Refuge. The 1002 Assessment states that there is a 19 percent chance that a commercially producible supply of oil might be found. If such discovery is made, then design models make further percentage predictions of how much oil might be produced at certain inflation rates and price assumptions. Under one scenario, if commercially producible oil is found the model predicts a 75 percent chance of finding 1.12 billion barrels of oil; a 50 percent chance of finding 2.21 billion barrels; a 25 percent chance of finding 4.24 billion barrels. None of these numbers mean very much. At best they are guesses based upon the careful weighing of a collection of imponderables. The last estimates of this kind that I recall were in the National Petroleum Reserve—Alaska report which concluded there was a 97 percent likelihood of finding producible oil. This field, located just west of Prudhoe Bay, was expected to contain three times as much oil as the current predictions for the Coastal Plain. The reality is this: 39 holes have been drilled, and each one has been dry. The oil industry is no longer bidding on leases for this field.

However interesting this numbers speculation may be it isn't particularly relevant to the critical issue Congress must decide. Whether the 1002 Coastal Plain contains some or a lot of oil the issue remains just the same. It is this. Should we, under any set of reasonable ball-park assumptions about the oil potential of 1002, compromise the integrity of this rare ecosystem in order to extract it?

Those who say yes claim the national security is at risk and it is urgent we move promptly to protect ourselves against all kinds of dire circumstances. If, indeed, the security of the nation actually turns on finding a six- or 12-month supply of oil in this Arctic Wildlife Refuge then the battle has already been lost. This, of course, is pure nonsense. Six years ago Interior Secretary Watt used that argument to justify his proposal to open designated wilderness areas for gas and oil leasing. Congress didn't buy his argument and three times passed riders on appropriations bills to prohibit leasing. This year Interior Secretary Hodel is back with Jim Watt's national security argument again.

One is entitled to wonder about this Administration's concern over energy security when it is noted that it has no long-term energy conservation plan, no long-term alternative energy policy, vigorously opposed legislation to increase the energy efficiency of appliances and rolled back the mandated automobile mileage standard from 27.5 miles to 26.

In 1985 the Department of Energy stated that energy conservation "has proven to be the most expeditious way to reduce the need for new or imported energy resources; and in fact it now contributes more to balancing our national energy ledger than does any single fuel source". Yet just two months ago when Deputy Secretary of Energy William Martin was asked by the Senate Energy and Resources Committee about the Administration's ideas on conservation and renewable energy he stated the Administration has "no specific proposals to help these sectors at this time". So much for Administration worries about national security.

For purposes of addressing the pending issue that Congress must decide, let's assume that there is a world class oil deposit of 3 billion barrels in 1002. Over the 25-year life of the oil deposit that would represent an average of about 2 percent of our current annual consumption of oil.

If Congress were to mandate, as it surely should, that the fleet average for all new household vehicles shall be 30 miles per gallon starting with 1993 production models that would save 8 billion barrels of oil by 2025, the projected life of any significant oil find in 1002. Ironically, a 27.5 mile fleet average instead of the Administration's 26 miles would save 3.2 billion barrels during the same period. If a 6 billion barrel deposit were found that would still be 2 billion barrels less than the 8 billion that could be saved by a 30-mile fleet average during the life of the oil field. And, of course, the savings would continue after the field was exhausted. A 35-mile fleet average would save several billion additional barrels.

The technology for achieving these savings in automobile consumption is already here, in place and being used. Compared to the rest of the world we are a laggard nation in automobile fuel economy.

Doing something decisive and effective about energy conservation, especially automobiles, involves some difficult political decisions but they will look easy compared to the choices we will face if we continue to procrastinate.

A policy that continues primary emphasis on digging up a little more fragile land for a little more oil is not a substitute for a sound long-range energy program and, in fact, will perpetuate our increasing dependence on foreign oil by creating the illusion that we are doing something meaningful.

Pretending to address the energy issue by drilling in the Coastal Plain of the Arctic National Wildlife Refuge would be at the same time an act of self-delusion and a tragic degradation of a unique world resource. Whatever oil may be found it will not resolve or significantly affect any perceived national security problem. It will only further deplete that dwindling supply of the planet's rarest commodity—a complete and balanced ecosystem unaltered by human activity.

Unlike the Arctic Refuge, not a single national park, national forest, wildlife refuge or designated wilderness in the lower 48 states qualifies as a complete and balanced ecosystem unaltered by human activity. They are all fragmented, compromised, incomplete ecosystems surviving as little show piece islands increasingly degraded by incompatible external and internal human activities.

Interior Secretary Hodel argues that the national interest requires that we explore and exploit all promising gas and oil potential. If we do not we may as well hang out a sign telling the Petroleum Exporting Countries: "Take advantage of us because we lack the will to take care of ourselves."

It is time we recognized that there is no end to this rationale for exploitation of any resource that is available and profitable without regard to long-term environmental consequences. Indeed, Hodel's apocalyptic rhetoric logically applies with equal force to all nationally protected conservation units—Yellowstone, Yosemite and Glacier National Parks, all designated wilderness, including the Bob Marshall, and the whole wildlife refuge system. If we are going to drill the Arctic Refuge there is no rational reason to exempt our parks or any other potential source of gas and oil. After all, there is no other conservation unit as rare or fragile or more important as a world conservation resource than the Arctic Refuge. However, if Mr. Hodel had come before Congress to propose drilling for gas and oil in our national parks and other conservation units it would have been dismissed as a bad joke. For all of the same reasons it is an equally bad joke to propose drilling in the Arctic National Wildlife Refuge.

Even the Interior Department Draft Assessment of 1002 states that "The Arctic Refuge is the only conservation system unit that protects, in an undisturbed condition, a complete spectrum of the various Arctic ecosystems in North America." It further states that this area is "the most biologically productive part of the Arctic Refuge for wildlife and is the center of wildlife activity on the Refuge".

In 1977 the U.S. Fish and Wildlife Service successfully opposed the routing of a gas pipe line across the Arctic National Wildlife Range stating that "such a crossing is clearly not compatible with the basic purpose of the Arctic Range." . . . The Fish and Wildlife Service continued saying, "we do not believe that the long-term national interest would be served by committing this unique area to development for short-term benefits when its outstanding values for wildlife and wilderness would be forever lost. To protect our public trust and to exemplify our good conscience as concerned ecologists, we must object strongly to any development which would threaten the integrity of the Arctic National Wildlife Range" . . . "such activity would destroy wilderness values and irretrievably disrupt many wildlife populations and their habitats" . . . this Arctic Range is "the last unspoiled area of its kind in the entire Northern Hemisphere".

That says it all. It is, in fact, literally the very last of its kind. Once compromised we will never again see on the planet a comparable Arctic ecosystem representing tens of thousands of years of nature's intricate evolving works unaffected by human activity.

Several years ago Joseph Wood Krutch made a telling observation pertinent to the issue before us. He said, "If people destroy something replaceable made by mankind, they are called vandals; if they destroy something irreplaceable made by God, they are called developers."

There are many landscapes, many wildlife habitats, many undisturbed natural areas far more valuable to mankind than any commodities that may be extracted from them. This Arctic Coastal Plain is such a place. If it is not, then I know of no other. If fully developed, several thousand people will live and work on the Arctic Plain. Huge amounts of gravel will be mined and roads built for heavy equipment; millions of gallons of polluted and toxic water and drilling mud will be stored in fragile ponds and washed away into bird and fish habitats. All of these activities will have serious environmental consequences that cannot be predicted or measured. To argue the proposition that these activities can go on for twenty-five years without major, permanent adverse consequences would be challenged by every ecologist I know of in this country. Indeed, the Interior Department report states: "The existence of oil facilities and activities would eliminate the opportunity for further scientific study of an undisturbed ecosystem."

The question Congress must answer is this:

Do we want to save this rare and remarkable ecosystem in its perfectly natural condition for its intrinsic, esthetic, scientific and philosophic values or do we want to compromise it for its transitory commercial values? We can't have it both ways. We have literally thousands of examples of compromised and degraded ecosystems and almost none that are not. The choice should be clear and simple.

During the past 40 years as an observer and sometime participant in the debates and conflicts over the issue of exploitation of commodities from the public lands versus the preservation of natural habitats the argument has always been the same. Those who insist that all marketplace commodities should be exploited invariably argue that the economy or national security or both require it. They have won most of the arguments in the arena of public lands and practically all of them in the private sector. The result is that very little of natural America is left. We have colonized almost every nook and every niche. Nobody argues that we need not commercially utilize any of our commodity resources. The question is: under what circumstances and guidelines should commodities be developed and under what circumstances should they not. The tragedy is that a major portion of the disastrous environmental damage done to the nation in the name of the economy or na-

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tional security has been unnecessary, economically costly to the nation and degraded the quality of our lives.

Some twenty odd years ago I was beneficiary of the good fortune to serve on the Senate Interior Committee with one of the most distinguished and influential conservationists of our time, Senator Clinton Anderson of New Mexico, then Chairman of the Interior Committee. He was the most important moving force in the Senate behind the Wilderness Act of 1964. A year before it passed he wrote an article for the July 1963 issue of American Forests. What he wrote should be read, reread and pondered by everyone concerned about our future.

Conservation is to a democratic government by free men as the roots of a tree are to its leaves. We must be willing wisely to nurture and use our resources if we are going to keep visible the inner strengths of democracy.

"For as we have and hold dear our practices of conservation, we say to the other peoples of the world that ours is not an exploitive society—solely materialistic in outlook. We take a positive position—conservation means we have faith that our way of life will go on and we are surely building for those we know will follow. . . .

"There is a spiritual value of conservation and wilderness typifies this. Wilderness is a demonstration of our people that we can put aside a portion of this which we have as a tribute to the Maker and say—this we will leave as we found it.

"Wilderness is an anchor to windward. Knowing it is there, we can also know that we are still a rich nation, tending our resources as we should—not a people in despair searching every last nook and cranny of our land for a board of lumber, a barrel of oil, a blade of grass, or a tank of water."

Senator Clinton P. Anderson of New Mexico in "American Forests," July 1983.

I suggest that it is not too late to save something rare, beautiful and irreplaceable that cannot be priced in Adam Smith's marketplace.

## RETIREMENT OF SUPERINTENDENT OF ADAMS NATIONAL HISTORIC SITE

### HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. DONNELLY. Mr. Speaker, yesterday, the Adams National Historic Site in Quincy, MA, witnessed the end of a tradition. Wilhelmina Sellars Harris—the superintendent of the site since the 1940's—retired at the age of 91. She is the longest serving superintendent and the oldest in the National Park Service, as well as the first woman to work as a Park Service superintendent.

In 1920, Mrs. Harris came to the Adams House in Quincy as Brooks Adams' private secretary. In 1946, when the home became a national historic site, it was clear that Wilhelmina Harris should take over the home's management.

Most importantly, her knowledge of the family and the home made her a logical choice. In the words of a member of the family, "she brought a knowledge and integrity absolutely unique * * * as nearly as possible, the house and its furnishings, the library, the garden and the grounds today live, as they lived and grew during the tenure of four generations of Adamses."

The day-to-day responsibilities for managing the site have gone to Marianne Potts Peak, who worked with Mrs. Harris for 26 years. She has promised to carry on the traditions of her predecessor. Mrs. Harris will be sorely missed, and I am pleased to submit for the Record a tribute to Mrs. Harris by Thomas Adams.

#### A Tribute to Wilhelmina S. Harris

(By Thomas Boylston Adams)

It was a rare, good fortune for the people of the United States, when in 1920 Wilhelmina Sellers came to the Old House in Quincy to act as Brooks Adams' private secretary and to assist in the management of his household. The health of Brooks' wife, my great aunt, was failing, her memory was faulty, and the elaborate machinery of late 19-Century life, town houses, country homes, servants, horses and the new and fearful invention of the motor car were an invitation to chaos. Miss Sellers took quiet charge for the arrangements, leaving Brooks the happy illusion that he was running everything.

There is no doubt that Brooks' remaining years were made happier, very much happier, by the presence in his household of such a capable person. The details of organization appall a modern mind. The twice yearly trip to and from Quincy to Boston, a distance of a dozen miles, required the effort of Napoleon preparing to invade Russia. Fresh eggs and milk, home-grown strawberries, and flowers were the expected comforts of life. So were perfect service at table, polished woodwork, good cooking and well-raked garden paths. This meant cooks, housemaids, gardeners, coachmen, and that most dangerous of metamorphoses—a coachman turned chauffeur. All this Miss Sellers managed.

But unless some Proust can recapture such a past, it has little interest to modern Americans. What does have interest is the history of the Old House itself, the development of the minds that made it famous and the influence of its spaces and its artifacts on those minds, and the study of these objects as reflections of the tastes of their possessors. Brooks Adams spent a great deal of thought along these lines. What he thought and what he remembered would be lost were it not for the fortunate chance that brought Miss Sellers to the Old House. With an intelligence as sharp and retentive as James Boswell, she registered in memory the character, the quirks, and the wisdom of the last family member to inhabit the place. Through her, we are linked to a living past.

After Brooks Adams died, Miss Sellers became the wife of Colonel Frank Harris and the mother of three sons. For 20 years, the old place did not know her. It struggled along, falling more and more into disrepair as the depression bit into the finances of the Adams Memorial Society. Then came the Second War, with its shortages of everything old houses need, such as caretakers, carpenters, and the materials of building. A solution was found in 1946 when the Nation accepted the responsibility for maintaining the Old House as a National Historic Site.

But it would have been a barren solution without Mrs. Harris. She returned to take charge of the site for the Government. She insisted on working closely with the family. To the preservation of the traditions of the place, she brought a knowledge and integrity absolutely unique. Under her care, nothing has been changed except as meticulous maintenance can put new life in old wood, polishing can make crystal sparkle, and leather dressing can supple old books. The arrangement of furniture in its most accustomed place as remembered by the family has been respected. Only authentic objects, as returned from time to by the family, have been added. As nearly as possible, the house and its furnishings, the library, the garden and the grounds today live, as they lived and grew during the tenure of four generations of Adamses.

Although she will remain close by as a guardian for the site, we of the Adams family will miss her. The family and the American public can be grateful that her successor Marianne Peak has pledged to follow closely the indomitable Mrs. Harris.

## H.R. 2309

### HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. de LUGO. Mr. Speaker, I am very pleased with the response that the Christopher Columbus Quincentenary Jubilee Act, H.R. 2309, received here on Monday, August 3. It passed the House almost unanimously and I thank my colleagues for their support.

H.R. 2309 will enable the National Commission, which currently operates on a staff of three and receives a relatively small amount of Federal moneys, to increase their staffing and fundraising capabilities. It will also extend the life of the Commission through December 31, 1993, to allow for the appropriate observance of Columbus' second voyage during which he landed on both St. Croix and Puerto Rico.

I wish to note that three of my colleagues, Messrs. Lagomarsino, Martinez, and Fuster, expressed interest in cosponsoring this bill. However, due to an unfortunate clerical error, these gentlemen were omitted from the list of additional sponsors. I thank them for their support and request at this time that they be associated with this legislation.

## REV. ELDRIDGE V. CULLOM: 19 YEARS OF SERVICE

### HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. DUNCAN. Mr. Speaker, on Sunday, July 26, members of the Grace Baptist Church honored retiring pastor, Rev. Eldridge V. Cullom, after 19 years of service and ministry. Reverend Cullom has served Southern Baptist churches for 38 years as a full-time minister, a calling E.V. himself readily admits he would welcome again if given the chance to relive his life.

E.V. is originally from Knoxville, TN, attended Carson Newman and subsequently Southern Seminary In Louisville, KY. Parishioners laud his ability to see the good side of any person and situation. He has always been happy to help those in need, and has led the

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church through years of consistent growth and outreach.

The special service, which I was honored to attend, poignantly highlighted E.V.'s own feelings about his ministry to God. He encouraged his congregation to be faithful and trusting in God's mercy, depending on God to provide for their needs. Those who have followed E.V. over the past 19 years will greatly miss his personal ministry and message.

Through E.V.'s efforts, the church developed and presently maintains a mission and comprehensive program of service for residents in a mobile home and trailor park located in the surrounding community.

I would like to personally commend E.V. for his many years of service and the countless good deeds he has performed over the last 19 years. The members of Grace Baptist Church will greatly miss his loving nature, and will always remember his deep faith and his ability to share it with others.

## NATIONAL STANDARD TO CONTROL EXPOSURE TO RADON

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. FLORIO. Mr. Speaker, yesterday, the Environmental Protection Agency released a survey that indicated that more than one house in five has high levels of cancer-causing radon gas. EPA has estimated that up to 20,000 Americans die each year from lung cancer caused by radon. Yet, despite this serious threat to our health, there are still no Federal regulations that would limit the exposure of humans to radon and adequately protect millions of Americans.

Radon is a naturally occurring gas which has been linked to lung cancer when it is trapped within a home or a building. As a naturally occurring substance, it is perhaps more difficult to regulate than a pesticide or a chemical contaminant. However, technology has already been achieved and demonstrated to reduce radon levels to a guideline that EPA has designated as safe.

I would like to express concern not only with the fact that there is no national standard for radon but also with the guideline that is being held as a safe level by EPA.

The EPA has set as a guideline a level equivalent to 4 Picocuries per liter (PCi/L). States are using this level as an informal standard. Homeowners are under the impression that, if they can reduce radon levels in their homes to the magic number four, they and their families will be adequately protected from the risks of radon exposure. Home builders are under the impression that, if they can build a home with enough protective measures to keep radon levels at four or below, then the homes they build are safe.

Realtors are under the impression that, if the homes they sell have levels measured at 4 PCi/l, then those homes pose no significant risk. Finally, the engineers and contractors involved with developing the technology to reduce radon levels in homes are under the impression that, if their techniques can bring radon levels down to four, their job has been completed and the health of residents of these buildings is adequately protected.

Well, the unfortunate reality is that the guideline EPA is using does not protect the public from radon risks of lung cancer. Rather, the magic number four provides such a high cancer risk that, even under EPA's best estimates, 1 person out of 100 will fall victim to lung cancer as a result of radon exposure. Estimates have also put the cancer risk as high as 1 out of 20 or 1 out of 65. There are 8 million homes which are affected by indoor radon pollution. The consequences of allowing such a high cancer risk and defining it as safe can be shattering.

EPA's safe guideline of four is equivalent to receiving 200 chest x rays per year. EPA's own testimony at various committee hearings admits that there is no safe level of radon. A radon concentraion of 1.5 PCi/l is equivalent to 300 millirems of radiation per year; this figure is much higher than the 5 millirem per year level allowed for nuclear powerplants.

EPA's allegedly safe guideline of four provides almost five times the average risk of a nonsmoker of getting lung cancer. We need to remember that the risk posed by radon is in addition to the cancer risk we face from other sources such as smoking.

It has been said that EPA's guideline is so much lower than the standards adopted by other countries—certainly the action levels in Sweden and Canada are at 20 Picocuries while England has set it at 10. I want to point out to my colleagues that, even through these countries have set these high levels as standards, their standards for construction of new homes are much lower. In England, the level for new dwellings is 3 Picocuries per liter—below EPA's guideline. Just to give you an idea of what risks we would be allowing if we were to adopt the standards of these foreign countries—the level of 20 is equivalent to smoking two packs of cigarettes a day. The level of 10 is equivalent to smoking one pack per day.

Most contaminants EPA has been regulating have provided cancer risks in the range of 1 in 10,000 or 1 in 100,000. It is irresponsible policy to be issuing a guideline that will be held as safe by the average homeowner when it means that 1 out of 65 people will be victims of lung cancer caused by radon.

My legislation calls upon EPA to set a national standard and to set a standard that will be based on health and not solely on cost and currently available technology. Recent court cases have upheld the notion that standards should be based on adequately protecting human health and not solely on the cost involved in saving lives.

I urge my colleagues to join me in sending a clear message to the EPA to set this standard and provide a firm level that can truly be called safe without misleading the public into a false sense of security.

## SOUTH ST. PAUL CENTENNIAL

### HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. VENTO. Mr. Speaker, this year marks the 100th anniversary of South St. Paul, MN. In a time when this country seems evenly divided between those who wish to turn the clock of history back and those who wish to abandon history entirely, the citizens of South St. Paul provide both a breath of fresh air and a timely reminder that the struggles of the past can provide fortitude for the future. As South St. Paul celebrates its 100th year with a vast array of festivals and community activities, one needs only examine its history to see why the city has cause to celebrate. And an inspiring history it is.

South St. Paul was founded on the sight of an old Dakota Indian village named Kaposia. Because of its unique location on the banks of the Mississippi River, the small community quickly prospered. Its early success can best be attributed to the foundry industry and the stockyard which sprung up in 1886. During its heyday, South St. Paul's stockyard was the largest of its kind in the entire United States.

Due to the enormous growth the city experienced in the developing years, the residents of South St. Paul decided to incorporate in 1887. Soon after, the city's extensive industries, most notably the meatpacking industry, lured bankers and investors to the city.

During the years from 1895 to 1960, South St. Paul enjoyed unusual distinction as a sophisticated banking and livestock trading center. Literally thousands of heads of cattle were bought and sold.

It was during World War II that South St. Paul experienced its greatest period of economic success. The Federal Government needed food to feed American soldiers. The local meatpacking industry was of vital importance in facilitating this effort. Products like the now famous Spam and other canned meats that could be efficiently shipped were crucial.

At the end of World War II, many of the young men who had left to serve their country returned to the city because of the ample supply of jobs. Indeed, by this time South St. Paul was a totally self-sufficient community, unlike many other suburban areas.

By the mid-1950's, all residential land in and immediately surrounding South St. Paul was in use. There were simply no vacant lots. And the city continued to enjoy its prosperity for the remainder of the decade.

All of this changed suddenly in the 1960's. The meatpacking Industry began to diversify and build smaller plants at dispersed locations. For the first time in its history, the city of South St. Paul experienced an unemployment crisis.

The Federal Government offered assistance to the city, providing funds for an urban renewal project. The South St. Paul Housing Authority, in conjunction with other local units of government, seized the initiative and began a major facelift on Concord Street.

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The citizens of South St. Paul also responded extraordinarily. Rather than relocating, they sought employment opportunities in other parts of the Twin Cities metro area. South St. Paul citizens chose to commute rather than abandon their community. The city has not altered its residential structure and has made determined efforts to promote economic development.

Today, the mayor and city council are engaged in a sweeping effort to diversify the tax base of the city in order to lure companies and private investment. These measures are sparking hope and if hard work is any measure success can be attained.

As the citizens of South St. Paul gather to celebrate this 100th year of their city's history, they serve as an excellent example of what can be accomplished when a community joins together and pursues a common goal. Literally thousands of people from every State in the Union and six foreign countries will descend on South St. Paul at the end of August to relive old memories and celebrate past victories. But they will also look forward to the future. A more pertinent example of a community in pursuit of the American dream is literally the heart and soul of what makes America work. Remembering their roots as they build for a better South St. Paul, State, and Nation tomorrow!

## JOHN WYDLER WILL NOT BE FORGOTTEN

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. CRANE. Mr. Speaker, it is a sad moment, indeed, to note the passing of the former distinguished Member of this House of Representatives, John Wydler of New York. John was a House veteran in his fourth term when I was first elected to this House. He was most helpful to me in those early days when as a new Member I sought to find order in this new world into which I had entered. John Wydler served with distinction on both the Science and Technology Committee and the Government Operations Committee. In the almost two decades he served in the House of Representatives he was a credit to his country, to the citizens who elected him, and to his family. Earlier, he had devoted some 3 years of his life to his country during World War Two, including a tour of unenviable duty in the China-Burma-India theater of operations. John Wydler was an outstanding Member of Congress, and I'm proud to say, a friend of mine. His friendship and service will not be forgotten.

## A CONGRESSIONAL SALUTE TO WALTER AND MARY PHILLIPS

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. ANDERSON. Mr. Speaker, it is my honor to rise today to pay tribute to Walt and Mary Phillips, who will be celebrating their 50th wedding anniversary August 19, 1987.

Mary A. McDermott and Walter H. Phillips met in 1934. Three years later, on August 19, 1937 they were married at St. Monica's Catholic Church in Santa Monica, CA. They built a home in West Los Angeles and lived there until 1973 when they moved to Harbor City, CA.

Walter worked for the United Parcel Service and Harvel Tool & Die Co. before being drafted into World War II. He served in the U.S. Navy and was stationed aboard the U.S.S. *Hydes* before his tour of duty took him all over China from 1945 to 1946. Upon returning to the United States from the war, Walter went to work for a short time in his father's plumbing business. He then spent the next 20 years working for Bob Stoltz Plumbing near Century City, CA, until his retirement in 1970.

Mary worked as a housewife and mother until 1968 when she went to work for Farmer's Insurance in the credit union. She worked there for 5 years until she and Walter moved to Harbor City.

Mary and Walter were blessed with two children, Tom and Christine, and one grandson, Patrick.

Mr. Speaker, Mary and Walter are celebrating something that is so very special. Their 50th wedding anniversary is in itself a tribute to the commitment they made to one another 50 years ago. My wife, Lee, joins me in congratulating Mary and Walter on this special occasion. We wish them and their children, Tom and Christine, and their grandson, Patrick, happiness and all the best in the years ahead.

## VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Dr. Ralph S. Goldsmith, chief of staff at the VA Medical Center in San Francisco, CA, which demonstrates how the VA employees feel about "their" medical computer system. The letter follows.

MARCH 23, 1987.

Hon. G.V. (SONNY) MONTGOMERY,
*Chairman, Committee on Veterans' Affairs,*
*House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: I have just learned of the possibility that funds for continuation and enhancement of the Veterans Administration's Decentralized Hospital Computer Program (DHCP) are at risk. As Chief of Staff at the San Francisco Veterans Administration Medical Center, I have more than a passing interest in this unwelcome development, and as a citizen I feel obligated to pass on to you my concern. I plead that this program not be dismantled or discontinued.

I can certainly appreciate, and in fact I applaud, your desire to help the Veterans Administration to have the best system at the lowest cost to meet the needs of the Medical Centers for management of information. It is only within the last few years that the VA has been able to enter the Information Age, and predictably the effect has been exceptionally salutary. Although we are still behind the private sector in some ways, we now can obtain prompt clinical and administrative data. For example, instead of depending on hand delivery of laboratory reports to each ward and to each clinic, physicians can obtain results directly from a video screen. Furthermore, they can quickly detect trends or changes from previous values because all data from each patient are displayed in a tabular format. This represents an enormous advantage for quality of care because each result is displayed on the screen as soon as the analysis is completed. In a similar fashion, the Pharmacy module permits each physician and pharmacist to see at a glance all the medications a patient may be receiving from different clinics and thus be alert for potential interactions between medications. On the administrative side, we now have the ability to schedule patients for clinic visits, to check eligibility, to manage scheduling of special tests such as X-ray procedures, and to monitor funds, personnel, and supplies. These represent only a few examples of what can be done now. All of the above may seem simple, but none could be accomplished satisfactorily before the DHCP. It would be a tragedy and a real blow to morale if our slow, but steady, advance were halted in the name of a better system to be obtained at some future date.

I urge, no matter what the long-term solution may be, that the DHCP not be terminated or prevented from progressing. I have not seen any detailed comparisons of the DHCP with other, commercially available hospital systems, but each such system must have strengths and weaknesses. While certainly far from perfect, the DHCP has been developed with the "blood, sweat, and tears" of many VA personnel. They have labored long and hard through Special Interest Users Groups to meet the expressed needs of our Medical Center staffs, have made corrections and changes as needed, and by and large they have succeeded.

I have not attempted to cover all aspects of our joy at having a DHCP, but I am sure you can gather that it has been welcomed greedily. Obviously, I hope that no change will be made unless there is a clear improvement in performance, cost, or both. If it appears that a change must occur, I hope that it will be possible to maintain and continue moderate enhancements to our existing system during the inevitably long and tortuous procurement process. In fact, it is absolutely essential that no obstruction to our current capability be imposed, or we risk both a serious morale problem and a potential impairment of our ability to provide high quality patient care. We are now dependent on the DHCP and cannot do without it until a new system is ready for full implementation. I urge that you assist the VA in these efforts.

If I may be of any service, such as by providing additional information or documentation, I shall be pleased to cooperate in any way possible.

Sincerely,

RALPH S. GOLDSMITH, M.D.

## SPRATT TO ADMINISTRATION: ALLOW REA REFINANCING

### HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. SPRATT. Mr. Speaker, last month, the Congress approved a provision in the Supplemental Appropriations Act permitting all rural electric and telephone systems to prepay high-interest Rural Electrification Administration [REA] backed loans owed to the Federal Financing Bank [FFB] by using private capital. This is the third time that the Congress has passed legislation to permit rural electric cooperative to prepay FFB loans and avoid onerous and excessive payments.

This is also the third time the administration has thwarted the clear intent of Congress by refusing to allow refinancing. On July 11, 1987, when the President signed the supplemental appropriations bill for fiscal year 1987, he instructed the Treasury Department to prevent rural cooperatives from prepaying any additional loans.

Mr. Speaker, permit me to provide some background information concerning refinancing and rural cooperatives. The REA was created to provide rural electric and telephone cooperatives with affordable electricity largely through low-interest loans. Ironically, the REA now has loans outstanding to cooperatives at rates far above the prevailing rate of interest; and the cooperatives do not enjoy the right to pre-pay, even at a premium or penalty, which almost any private utility would reserve for itself in contracting long-term debt. In the past several years, rural electric and telephone cooperatives obtained REA-backed loans from the FFB when interest rates ranged as high as 12 percent. Despite the fact that during 1986 and 1987 refinancing has occurred at unprecedented levels in all sectors of our economy, the administration has persisted in preventing rural electric refinancing. This means that the Federal Government will continue to earn substantial profits on long-term FFB loans made to rural cooperatives. This also means that millions of Americans living in rural areas will continue to be burdened with utility rates which are substantially higher than they would be if refinancing were allowed.

The right to prepay is particularly significant to me because an electric cooperative in my district, Saluda River Electric Cooperative, Inc., has been trying for 1 year without success to prepay approximately $250,000,000 in long-term REA loans. If Saluda River is allowed to prepay and refinance, its debt service would drop by approximately $6 million annually for the next 25 years. These savings would flow through to Saluda River's consumers living in the Piedmont region of South Carolina. The people who live in this area earn an average income that is only 60 percent of the national average and are still recovering from the worst drought to hit the area in a century.

Allowing prepayments helps not only rural America; it also helps our whole country. Every dollar prepaid by a rural cooperative represents a dollar in off-setting receipts, diminishing the national debt. At a time when our Government must close the Federal deficit, prepayments are a useful method to help achieve that goal.

Let me review the legislative history of this issue and the administration's refusal to follow the intent of Congress. On July 2, 1986, the President signed H.R. 4515, the Urgent Supplemental Appropriations Act for fiscal year 1986. The act included a provision permitting FFB loan payment by REA borrowers. However, the President in signing the bill issued a statement that prepayment would be approved "only to the most financially troubled borrowers." The record shows that not even one REA borrower prepaid under the provisions of this act.

Because of the decision of the administration to ignore congressional intent, it was necessary for Congress to re-address the prepayment issue. On October 20, 1986, the Omnibus Budget Reconciliation Act, H.R. 5300, was enacted with a provision which again spelled out the congressional intent that REA borrowers be permitted to prepay their FFB loans. To make absolutely sure that prepayment would be permitted, the Congress included a clear instruction that the administration be required to approve no less than $2.0175 billion in FFB prepayments during fiscal year 1987. Not long after this bill was enacted the REA issued rules which stated that no more than $2.0175 billion in prepayments would be approved. The $2.0175 billion level represents only 20 percent of the $10 billion in high interest FFB loans outstanding to REA borrowers.

This year, and for the third time the Congress has passed legislation to permit all REA borrowers to prepay. The provision added to this year's Supplemental Appropriations Act, signed on July 11, removes the ability of the REA Administrator to use a means test to deny a borrower's request for prepayment. This provision was debated at considerable length on the floor of the House of Representatives prior to passage and the legislative history is crystal clear: Congress intended to permit all systems to prepay any of their FFB loans.

Despite the clear intent of Congress, the administration continues to deny requests of borrowers to prepay loans using private capital. They are basing this objection on a technical provision of the Omnibus Budget Reconciliation Act of last year which was left untouched by this year's measure.

I am sure that before the end of this year the Congress will pass further legislation to remove any basis for an administration denial of requests to refinance high interest FFB loans. I am proud to be an original cosponsor of H.R. 2045 introduced by Congressmen DE LA GARZA and MADIGAN mandating REA to permit every rural cooperative which so wishes to prepay its FFB loan. H.R. 2045 has already been cosponsored by 119 members and I look forward to its adoption. Given the present state of affairs, such a further legislative step will undoubtedly be necessary.

However, my own view is that the U.S Government should not be run this way. I am troubled that the executive branch has flouted the clear intent of a law passed by Congress and signed by the President. This practice raises questions broader than the matter of prepayments. I urge my colleagues to respond to the administration's contempt for the intent of Congress by speedy adoption of H.R. 2045.

## REMARKS ON THE PROPOSED CENTRAL AMERICAN PEACE PLAN

### HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. ANDREWS. Mr. Speaker, like many others interested in a peaceful Central America, I am optimistic today about the new peace plan for that troubled region endorsed by the Speaker of the House, the Honorable JIM WRIGHT, and President Reagan.

While some questions remain about the specifics of the proposal, certainly the possibility of a ceasefire and the resumption of negotiations is a goal that should be pursued. I encourage my colleagues to review the outline of the proposed peace plan that follows, and urge their support of this bipartisan move toward peace:

A PEACE PLAN

Recognizing that the Central American Presidents are soon to meet to discuss the issues involved in achieving peace in Central America, the United States desires to make known its views on certain of the basic elements that need to be included in a peace plan.

With respect to Nicaragua, the United States has three legitimate concerns for the well-being of the hemisphere;

1. That there be no Soviet, Cuban or Communist block base established in Nicaragua that poses a threat to the United States and the other democratic governments in the hemisphere.

2. That Nicaragua pose no military threat to its neighbor countries nor provide a staging ground for subversion or destabilization of duly elected governments in the hemisphere.

3. That the Nicaraguan government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan constitution and pledges made to the OAS—free speech, free press, religious liberty and a regularly established system of free, orderly elections.

Beyond this, the United States has no right to influence or determine the identity of the political leaders of Nicaragua nor the social and economic system of the country. These are matters wholly within the right of the Nicaraguan people. The United States affirms its support for the right of

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the Nicaraguan people to peaceful, democratic self-determination, free from outside intervention from any source.

In order to bring an immediate end to hostilities and begin a process of reconciliation, we propose the following:

1. An immediate cease fire in place, on terms acceptable to the parties involved subject to verification by the OAS or an international group of observers should be negotiated as soon as possible. When the cease fire is in place, the U.S. will immediately suspend all military aid to the contras and simultaneously Nicaragua will stop receiving aid from Cuba, the Soviet Union, and the Communist block countries. Humanitarian aid can be supplied to both groups. The emergency law will be immediately suspended and all civil rights and liberties will be restored and an agreed, independent, multiparty electoral commission will be established to assure regular elections open to free participation by all. A timetable and procedures for all elections including those to be supervised and guaranteed by an international body such as the OAS will be established within 60 days.

2. The withdrawal of foreign military personnel and advisers from Nicaragua and its immediate neighbors that are in excess of the normal and legitimate needs of the region will be subject to negotiations among the countries of the region. The U.S. will suspend combat maneuvers in Honduras as a demonstration of good faith when the cease fire is in place.

3. After the cease fire is in place, negotiations among the governments of the United States, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua shall begin on reductions in standing armies in the region, withdrawl of foreign military personnel, restoration of regional military balance, security guarantees against outside support for insurgent forces, and verification and enforcement provisions. As part of this negotiating process, the United States shall enter into bilateral discussions with the governments of the region—including the government of Nicaragua—concerning security issues. A regional agreement on security issues shall be negotiated within 60 days, unless this period is extended by mutual agreement. The OAS shall be invited to be a signatory to and guarantor of this agreement.

4. A plan of national reconciliation and dialogue among citizens of Nicaragua, including amnesty for former combatants and equal rights to participation in the political process. There shall be a plan of demobilization of both Sandinista and Resistance forces. In accordance with the implementation of this plan, the United States simultaneously shall cease all resupply of Resistance forces. Both the government of Nicaragua and the Government of the United States shall encourage and support the reintegration of demobilized forces into Nicaraguan civil and political society on terms guaranteeing their safety. Nicaragua shall at this time become eligible for existing and prospective U.S. assistance programs.

5. A plan of expanded trade, and long-range economic assistance for the democratic governments of Central America in which Nicaragua might participate. By the process of democratization and compliance with bilateral nonaggression agreements, Nicaragua would qualify for participation in the Caribbean Basin Initiative, and the U.S. will lift its economic embargo.

6. The negotiating process shall commence immediately and be completed by September 30, 1987. If the Nicaraguan Resistance, or forces under its command, should refuse to engage in this negotiating process, willfully obstruct its progress, or violate its terms, the United States shall immediately suspend all assistance to the Resistance. If, because of actions taken by the Nicaraguan government or the forces under its command, the negotiating process should not proceed; or its terms, conditions, and deadlines should not be met; the parties to these undertakings would be free to pursue such actions as they deem necessary to protect their national interest.

## A TRIBUTE TO MR. AND MRS. LEO SANDERSON

### HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. PURSELL. Mr. Speaker, I rise today with great pride and pleasure to honor two of my constituents from Michigan's Second Congressional District—Mr. and Mrs. Leo Sanderson of Quincy, MI. On September 4, 1987, the Sandersons will be among 11 families inducted into the Michigan Farmer's Hall of Fame.

Founded in 1982, the Michigan Farmer's Hall of Fame honors farmers for their generous contributions to their community and to Michigan's proud agricultural industry.

The Sandersons farmed for 46 years before selling their 350 acres to their son in 1975. Despite being retired in name, the Sandersons still live on the farm and work nearly every day, from planting through harvest.

The demands of farm and family did not keep the Sandersons from being active in their community. Leo has been a Farm Bureau member since 1938 and also was active with the Branch County Dairy Herd Improvement Association, the Michigan Animal Breeders Association, and the Michigan Milk Producers Association. In addition he was chairman of the Branch County Social Services Board for 17 years and also was a 4–H Club leader.

Both Leo and his wife, Helen, have been active members of the Quincy Methodist Church.

Mr. Speaker, I ask my colleagues in the House of Representatives to join me in congratulating Leo and Helen Sanderson and offer them warmest wishes for continued good health and success.

## FEL-PRO, INC.

### HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. LIPINSKI. Mr. Speaker, I would like to bring to the attention of my colleagues the exemplary service and dedication of the onsite day care facility at Fel-Pro, Inc. in Skokie, IL. This past weekend, Mark Winters, a member of my staff, toured the company and its day care center. Fel-Pro has committed itself to a quality program which could serve as a model for other companies interested in day care.

The Fel-Pro center currently cares for almost 50 children. The faculty-to-child ratio is kept down and each child receives personal attention within a small group setting. The sense of community, however, was what most impressed my staff member. The children display art work in the cafeteria, perform shows, and are even served the company lunch. The children become a part of their parents life and feel proud of their mother or father's work.

Onsite day care provides the most promising solution available to many two-income families. Parents can visit their children while on breaks and feel secure that they are in a safe and healthy environment. Unfortunately, the Federal Government has done nothing in the past to foster onsite facilities. Today only 150 such centers are in operation.

I have recently introduced legislation, H.R. 3005, which would permit employers a tax credit allowable for any taxable year which shall not exceed $2,000 multiplied by the maximum number of enrollees who may be cared for in the qualified day care facility. Expenses permitted for deduction include space acquisition, construction, remodeling and expansion.

The growth of two-income families has brought the issues of work and child care to the spotlight. Onsite day care is not only a social good, but also a strong economic incentive to boost productivity and employee morale. A recent Fortune magazine study of child care found that absenteeism, tardiness, stress, and health problems were all higher for working parents. Until we face up to the reality of structural change in the family, these problems will expand further.

Our society has changed substantially in the last three decades. Unfortunately, part of that change has served to preclude many working parents from quality, affordable child care. It is my strong conviction that Government must now step in to help the business and the family help themselves. I invite all of my colleagues to join me in the effort to encourage onsite day care centers. The need for quality child care is no longer a matter of debate, but one of necessity.

## STEEL IMPORT STABILIZATION EXTENSION ACT OF 1987

### HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. SCHULZE. Mr. Speaker, today I am introducing the Steel Import Stabilization Extension Act.

Our Nation's steel industry has taken important strides over the past 3 years to become a top worldwide competitor. In return, we have implemented a national steel policy designed to offset injurious trade practices and provide stability in our market.

The bill I am introducing today will make this policy much more effective in two key respects. First, it will enable the administration to ensure that certain countries don't undermine the progress so far made. Second, it recognizes that it has taken about 3 years for this policy to be implemented and that, therefore, this policy should be extended by a commensurate period.

Our Nation's steel industry is vital to our national economic well being. Let's make sure that our steel industry is able to complete its program of modernization. I urge my colleagues to cosponsor the Steel Import Stabilization Extension Act.

## SUPPORT FOR CATHOLIC LITHUANIANS

### HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. FEIGHAN. Mr. Speaker, I rise today to talk about the plight of Catholic Lithuanians living in Soviet-occupied Lithuania. This past June, Congressman JOHN MILLER and I introduced House Resolution 192, both to commemorate the 600th anniversary of Christianity in Lithuania and to protest the denial of religious and other human rights in Lithuania still taking place.

Today, the Foreign Affairs Committee approved House Resolution 192, and our legislation is now scheduled to be brought to the floor of the House for a vote in September. I would like to take this opportunity to remind my colleagues about the types of discrimination and persecution that are taking place in Lithuania today.

As a Roman Catholic, I am perhaps most distressed by Soviet actions aimed against Catholic Lithuanian children. It is against the law, for example, for Lithuanian children under the age of 18 to attend church without their parents. Children in Lithuania may not act as "altar boys" during mass. Lithuanian children may not participate in church choirs. Religious children are ridiculed at school by other students and teachers alike. They are given lower "conduct" grades. They are not allowed to take final exams. They are denied entrance to institutions of higher learning.

Priests in Lithuania are not allowed to teach the Catholic faith to children. Nor are they allowed to organize social activities such as Christmas parties for children. Priests are not allowed to perform any religious activities outside church property such as funeral processions to cemeteries. They are fined for alleged petty offenses such as for "disturbing the peace" by ringing church bells on Sundays.

Clergy who actively pursue religious or human rights are arrested and imprisoned. For example, Father Sigitas Tamkevicius was sentenced to 6 years in a labor camp and 4 years exile beginning in 1983. One of the charges against him was organizing a Christmas party for parish youth. Bishop Julijonas Steponavicius has been in exile in a remote northern town since 1961—for the past 26 years—for refusing to prohibit priests from teaching religion to children and for refusing to allow the government to interfere with the selection of seminary students.

Only one seminary is permitted now in Lithuania. Entrance to the seminary is so strictly controlled that more priests die each year than are ordained. The Soviet Government, not the Catholic Church, makes the final decision about who is admitted to the seminary. The government tries to blackmail seminarians to inform on fellow clergy. And the government controls the appointment of faculty to the seminary.

Lithuanian churches have been seized and converted to other uses, including an art museum and a museum of atheism. Religious presses publishing prayerbooks and other religious literature are completely banned. Religious adults have been compelled to work against their will on Sundays and religious holidays, are harrassed at their workplaces, and are fired from their jobs. They have been arrested for producing religious materials such as holy cards, for circulating petitions on religious rights, and for having religious materials in their homes.

In spite of all this, Catholicism in Lithuania is thriving. Between 66 and 88 percent of all Lithuanians are Roman Catholics. Despite the house searches, the interrogations, and the arrests, a mass-based movement of Catholic Lithuanians is working hard for religious rights. It is important that we support these people—especially at this time when they are celebrating the 600th anniversary of Christianity in Lithuania. I urge my colleagues to give their full support to House Resolution 192 when it comes to the floor in September.

## REMEMBERING THE NIGHT OF THE MURDERED POETS

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. HOYER. Mr. Speaker, August 12 marks the 35th anniversary of the infamous Night of the Murdered Poets. On that night in 1952, 24 Jewish poets, writers, artists, musicians and actors were arrested and subsequently tried and falsely convicted of treason and espionage. They were then executed in Moscow's Lubyanka prison. This tragic event was symbolic of the total darkness and incomprehensibility of the Stalin reign of terror.

In remembering the Night of the Murdered Poets this year, Mr. Speaker, I would like to draw my colleagues attention to the plight of an artist who is currently suffering in Soviet prison. Alexei Magarik is a 28-year-old gifted cellist who has composed, performed, and taught Jewish music. He was once a student in a Soviet music school and knew nothing of his Jewish heritage until a friend brought him the score to Ernest Bloch's "Kol Nidre." This prompted him to drop out of music school and compose Jewish songs in Russian and Hebrew. He then began to perform with unofficial Jewish music groups, and in 1981 he won an unofficial Jewish music contest held in the Moscow woods.

Yet, Mr. Speaker, on March 14, 1986, this gifted cellist was arrested at the Tbilisi Airport, his luggage planted with hashish, and he was charged with "drug possession." On June 10, of that year, he was sentenced to 3 years at hard labor.

Concerned with the imprisonment of Alexei and other individuals in the Soviet Union, a group of congressional spouses, led by Annette Lantos and Kathryn Porter, formed the Congressional Spouses Committee of 21. My wife, Judy, is a member of the committee and adopted Alexei Magarik, who is the only remaining Jewish prisoner of conscience in the Soviet Union. She has been involved in efforts to secure the freedom of Alexei and his family, most recently while we were in the Soviet Union in April. Fortunately, at the end of April, we were informed that his sentence was reduced by half. His release is now scheduled for September 15 of this year.

Although the future holds forth the promise of Alexei's release from a labor camp, today he still languishes in prison. His father, Vladimir, a mathematician and a marathon runner who lives in Israel, has quit his job and dedicated his life to securing the freedom of his son. I have met with Vladimir Magarik on a number of occasions. He is running the race of his life right now in trying to persuade Soviet authorities to free his son from camp and permit him and his family to emigrate.

Mr. Speaker, in remembering the Night of the Murdered Poets, let us also remember Alexei Magarik and hope that his suffering soon ends and he is allowed to join his loved ones in Israel in the near future.

## HONORING THE EAST LOS ANGELES JAYCEES ON THEIR 25TH ANNIVERSARY

### HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. TORRES. Mr. Speaker, I ask my colleagues to join with me today in saluting the East Los Angeles Jaycees on the occasion of their 25th anniversary of service to their community.

On Friday, August 28, 1987, this organization will celebrate its silver Anniversary and conduct its annual installation of officers and year-end recognition of its outgoing board of directors.

It is important to note that the East Los Angeles Jaycees provide many outstanding services to the community, including the Outstanding Youth Program of east Los Angeles which recognizes local young people for their contributions to their community. They also serve as cosponsors of the famous East L.A. Christmas Parade, maintain a scholarship program for local youth and help raise funds for muscular dystrophy research. These efforts and many others provided by the East Los Angeles Jaycees help make east Los Angeles a very special community in which to live, work and raise a family.

Mr. Speaker, I also ask my colleagues to join me in congratulating the organization's outgoing president, Mr. Artemio Navarro, for a job well done, as well as Mr. Alfonso Orozco in anticipation of an equally successful year under his leadership. It gives me great pleasure to commend the East Los Angeles Jaycees for a quarter of a century of exemplifying civic leadership at its very best.

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# COMPETITION IN THE TELECOMMUNICATIONS INDUSTRY

## HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. TAUZIN. Mr. Speaker, I want to commend Chairman MARKEY for holding a series of educational hearings in the Subcommittee on Telecommunication and Finance on competition in the telecommunications industry. The Department of Justice's recommendations to change the MFJ are presently before Judge Greene. We're all waiting to see if the Judge decides there has been sufficient change in the industry since divestiture to warrant removal of the line-of-business restrictions now on the BOC's.

One thing is certain, my State has experienced changes in the last 3 years. Louisiana has gone from a State with a healthy economy to a State experiencing severe economic problems. We need, and the Nation needs, to look for opportunities that will benefit consumers and our economy. The ever-changing area of high technology, of which telecommunications is an integral part, is critical to the economic vitality of our Nation as is energy policy. These hearings are structured to deal with this important subject.

The AT&T divestiture was supposed to bring us more choices in services and products. In Louisiana, we've seen some changes but divestiture has also brought us confusion and lost jobs. I'm anxious to see what services, job opportunities, and economic advantages removing the restrictions on the BOC's will bring. The chairman of the House Energy and Commerce Committee, JOHN DINGELL, in his news release on the Department of Justice's recommendations said:

> The recommendations represent a welcome step toward enabling the Bell Operating Companies to bring the benefits of information-age technology to as many Americans as possible. Continued imposition of current restrictions would merely reward a few powerful, vested economic interests.

The MFJ line-of-business competitive restrictions are not only restricting the participants in the decree but are quite possibly restricting opportunities in Louisiana and our Nation. Changing technology is dictating changes in the way people and nations live and work.

The potential exists for even more change. Today only the largest business and governmental organizations have the resources to use this technology. Millions of potential users do not have access to the technology and services due to their great cost and limited availability.

I'm not only talking about services people want, but services people need. For example, many sick or injured people especially the elderly, could be helped while being treated or recuperating at home, avoiding the great costs of extended hospital stays, by services provided over the local telephone network. Services like emergency assistance signaling; heart and blood pressure monitoring; and electrocardiograms could be transmitted from patient's own home to their doctor's office or to a specialist in a medical center. The line-of-business restrictions do not allow the companies with facilities in almost every neighborhood to be actively involved in providing these kinds of services.

The restrictions also limit their involvement in information services in many other areas, like education. In Louisiana, we have many excellent schools and teachers, but not enough of both. The linkage of the telecommunications network with computer technology could distribute excellent, innovative teaching tools and learning opportunities to every school in our State, not just those with the most resources. This linkage and distribution could be a critical step in equipping our school children for the new high technology jobs of the future and reducing the number of our children who either drop out of school or finish without the skills needed to compete for today's and tomorrow's jobs.

Many consumers and small businesses are concerned about the availability of video text services, security systems, voice storage capabilities and a host of other services that consumers in France and Japan are already enjoying. We can't let our Nation take a second or third place in new technologies available to citizens.

While these MFJ line-of-business restrictions limit the availability of information services they also create other major concerns. The restrictions on BOC manufacturing keep some of this countries' largest and best managed companies from engaging in manufacturing while we allow foreign companies to unfairly operate in our markets, reduce job opportunities for Americans, and undermine the Nation's high-tech economy.

These Bell operating companies have no economic incentive to spend money in research and development since they are barred from manufacturing. Without that incentive it seems we will be destined to lose the technological leadership in telecommunications we enjoy today. If they are not able to develop and build new telecommunication products, they will not be producing any new jobs. There appears to be a clear link between these restrictions and the lack of jobs. We need more jobs in Louisiana and every other part of our country.

Removal of the information services and manufacturing line-of-business restrictions would surely lead to more jobs. As the telecommunications networks are modified to provide new information services, new equipment must be built and installed. This can only mean more jobs created by companies with strong ties to our local communities and the people there. Either though creation of jobs in their own companies or through joint ventures with other manufacturers, removal of these restrictions will mean greater job opportunity.

It seems clear, removal of these two restrictions will have a significant positive impact in our economy. It is not so clear the long distance restrictions should be removed. I get concerned that we need more choices for consumers, especially in rural areas, but I think we need to look at how competition develops in the long distance area. If consumers have choices at good prices we can wait, if consumers don't have choices in providers, then we need to look closer at the restriction.

Those of us in Congress need to make sure American technology and ingenuity are put to their highest and best use in strengthening this Nation's competitive posture and creating job opportunities for Americans. We also need to make sure our technology and ingenuity are available to all consumers, including residential and small business users.

I'm anxious to make sure the interests of consumers and the Nation's development of a competitive world-leading telecommunications and information services market will be maximized as restrictions are removed. As these and other hearings unfold, we must focus on what approach positions Americans and America for the brightest future.

# AIDS FEDERAL POLICY ACT OF 1987

## HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. GREEN. Mr. Speaker, I am proud to be an original sponsor of H.R. 3071, the AIDS Federal Policy Act of 1987.

On May 5, I testified before the Appropriations Subcommittee on Labor, Health and Human Services, and Education and called for increased funding for education, voluntary testing and tracing, and counseling. H.R. 3071 authorizes a program to increase the availability of testing and counseling.

Testing without counseling is counterproductive. A test result alone is unlikely to change behavior. If people test negative, they need to know that they might not truly be negative; they may have been infected too recently for the results to show. Some, who are truly negative, might be tempted to assume that they are immune to the virus. Counseling can prevent people from harboring such dangerous delusions. Those who are truly negative need to know how to stay that way.

Those who test positive need to understand how to take care of their health to lessen the chances of coming down with AIDS or at least to postpone its arrival. They also need to know how to ensure that they do not infect others.

Testing, combined with counseling, can slow the spread of AIDS, if people choose to be tested. People will avoid testing, however, if they think they might lose their jobs, health insurance, housing, or friends. That is why the confidentiality and nondiscrimination provisions of this legislation are so crucial.

This bill was crafted carefully with the involvement of key members of the medical profession and public health officials. The very delicate balance between an individual's right to privacy and society's need to know is based on public health, rather than political, considerations.

I urge my colleagues to act quickly on this worthy legislation.

# TRIBUTE TO FORMER CONGRESSMAN DOMINICK V. DANIELS

## HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1987*

Mr. DE LA GARZA. Mr. Speaker, it was with great sorrow that I learned of the death on July 17 of our former colleague, New Jersey Representative Dominick Daniels.

In this life we judge our fellow men by their achievements and by their character. Representative Daniels was one of those rare individuals whose life, measured by both standards, was truly remarkable.

Throughout his long and productive lifetime he exhibited unlimited devotion to his country and to the men and women of the Nation's work force championing their health and safety concerns. Dominick Daniels was a man guided by principles of justice and brotherhood. He was a man of knowledge, experience, kindness and integrity. For the 18 years he served the people of New Jersey in the U.S. House of Representatives he did so with complete dedication, and during these same years he earned the respect and affection of his colleagues in the Congress.

He will be remembered with great admiration and affection both by those he served and by those with whom he served, and to members of the Daniels family let me offer my most sincere sympathy in their loss and bereavement.

# FREEDOM YOUTH ACADEMY

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. BROWN of California. Mr. Speaker, I rise today to recognize and praise the accomplishments of Dr. and Mrs. Henry J. Gaskins of Washington, DC, director and executive director of the Freedom Youth Academy. This program supports the educational achievements of our children, and is dedicated to academic excellence in meeting the needs of the individual student and in giving the youth a firm grasp of basic abilities and fundamental skills.

The Freedom Youth Academy was founded in Washington, DC in the home of Henry and Mary Ann Gaskins in 1981. The academy was founded to assist the neighborhood children in their educational, social, and recreational endeavors.

The academy is an after-school and Saturday program that strives to blend goodness of character with intellectual skills for the benefit of the students in their pursuit of academic excellence by focusing on individual and indepth learning. The academy also features extensive programs for enrichment and accelerated instruction in a wide variety of courses and activities.

On May 20, 1987, President Ronald Reagan invited Dr. and Mrs. Gaskins to the White House for the presentation of the Department of Education's Report, "Schools that Work: Educating Disadvantaged Children."

At the White House ceremony President Reagan praised the Gaskins' Freedom Youth Academy for its dedication to education and the success of its after-school tutorial program. The President also said that their program should serve as a model and be duplicated in every community.

The Freedom Youth Academy is profiled in the Department of Education's Handbook, "Schools That Work: Educating Disadvantaged Children." The book profiles 23 schools that were chosen from previous Federal efforts to recognize top schools that the Department feels are providing a first-rate education to children born in poverty.

Dr. Gaskins and his wife were earlier profiled in the feature, "One Hundred Heroes of Our Time," in the summer 1986 special issue of Newsweek magazine celebrating the Statute of Liberty Centennial. The Newsweek article describes the Gaskins' decision to become involved in the education of young people, helping them with their studies and preparing them for college entrance exams.

Dr. and Mrs. Gaskins' home tutoring service also received extensive coverage in an article in the "District Weekly" section of the March 27, 1986, Washington Post. On May 18, 1986 the couple received a public service award from the Washington, DC alumnae chapter of Delta Sigma Theta Sorority. The public service sorority honored them for their "outstanding contribution to the community in the area of educational development." The Gaskins were cited in the August 18, 1986, issue of Jet magazine as the most worthy individuals recommended for praise by the Jet readers. The poll revealed the people who refused to give up the struggle for improvement and excellence in the black community. In the July 1987 issue of Essence magazine, "Keeping Our Families Strong," the article highlights the educational accomplishments of the five Gaskins children and reveals the family's devotion to education that is making the family stronger.

Henry and Mary Ann Gaskins were featured over the airwaves as the American Character by Norman Vincent Peale for "working through education to open the gateways to opportunity." They were also portrayed in Newsweek magazine as ordinary people with extraordinary values. The kind of values that make America America. They are heroes of everyday life because their deeds have made us better as a people.

# PREARGUMENT INSTRUCTIONS POSE THREAT TO FAIR TRIALS

## HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. CONYERS. Mr. Speaker, today I introduced H.R. 3102, a bill which amends rule 30 of the Federal Rules of Criminal Procedure. This legislation requires judges to instruct juries on the law after closing arguments have been completed, unless the parties have agreed, with the court's approval, that such instructions may be given before arguments, or at both times. The bill permits judges to furnish to the parties a written copy of the instructions they intend to give. It also allows judges to instruct the jury on special issues at any time they deem it appropriate during the course of a trial.

This proposal modifies the recently revised text of rule 30 which became effective on August 1, 1987. The current rule permits judges to instruct juries before or after closing arguments, or at both times. In the past, instructions were permitted only after closing arguments had been completed.

The problem created by the current rule develops if judges exercise the option to give all instructions to the juries on the law before closing arguments. If they elect to do so, the adversarial balance would then shift in favor of the prosecution which, in exercising its right under rule 29.1 to offer a rebuttal summation, would have the last word with the jury before it retires to deliberate. If the prosecutor's remarks were inflammatory or incorrectly stated the law, the defense attorney could only request a curative instruction from the court. The delivery of such an instruction would, however, be discretionary and, if given, could serve to more firmly plant the prosecutor's improper comment or conduct in the minds of the jurors.

Common experience teaches that the most recent things said remain the freshest in the minds of the listener and are most likely to be remembered. Most lawyers with experience in the trial of criminal cases can appreciate the real advantage of having the last word with the jury and would certainly attempt to exploit it. That is why the last word that the jury hears before it retires to deliberate should be that of a neutral judge.

The amendment of rule 30, which was done by order of the Supreme Court, was first proposed by the Judicial Conference Advisory Committee on the Federal Rules of Criminal Procedure in 1983. Reports of favorable experience with preargument instructions in State courts led the Advisory Committee members to believe that the practice could work in the Federal system. I believe that they erred in making this judgment by failing to fully consider the impact of the prosecutor's right to offer a rebuttal summation.

The Advisory Committee members had the opportunity to address this matter before the amendment was adopted by the Supreme Court. Public hearings were held in Washington, DC, and San Francisco on February 14, 1984, during which concern about the prosecutor abusing the opportunity to have the last word with the jury was expressed. Witnesses representing three bar organizations recommended that preargument instructions be allowed only when the parties consent.

The Subcommittee on Criminal Justice, which I chair, held a hearing to examine the Supreme Court's amendment of rule 30 on July 8, 1987. Representatives of the American Bar Association, Federal Defenders Organization, National Association of Criminal Defense Lawyers, National Legal Aid and Defenders Association, and the New York Criminal Bar Association testified against the change. Witnesses representing the Judicial Conference

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continued to support the Court's amendment, arguing that judges could be expected to add any instructions necessitated by the arguments.

While I believe that judges generally try to protect the interests of both parties during a trial, the risk that this rule creates of improper juror influence is so great that it cannot be tolerated. Therefore, I urge all of my colleagues to join me as cosponsors of H.R. 3102. The enactment of this legislation is necessary to restore the delicate adversarial balance which is essential to a criminal defendant's right a fair trial.

H.R. 3102

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Criminal Jury Instructions Act of 1987".

**SEC. 2. RULE 30 AMENDMENT.**

Rule 30 of the Federal Rules of Criminal Procedure, as amended by the order of the Supreme Court dated March 9, 1987, is amended by striking out the sentence beginning "The court may instruct the jury" and inserting in lieu thereof "The court shall instruct the jury after the arguments are completed unless the parties, with the court's approval, agree that the court instruct the jury before the arguments are completed or at both times, in which case the court shall instruct the jury at the time or times specified in the agreement of the parties. In the case of multiple defendants, such agreement shall require the consent of a majority of the defendants. In addition, the court may instruct the jury on specific issues at any time the court believes appropriate, but shall repeat any such instructions in the course of instructing the jury after arguments are completed or pursuant to such an agreement. The court may furnish to the parties at any time before instructing the jury a written copy of the instructions the court proposes to give.".

## GENERIC ANIMAL DRUG AND PATENT TERM RESTORATION ACT

### HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. WAXMAN. Mr. Speaker, I am pleased to join with my distinguished colleague from the Judiciary Committee, Mr. KASTENMEIER, in introducing today H.R. 3120, the Generic Animal Drug and Patent Term Restoration Act.

This bill has two main features. First, it would establish an expedited approval system for generic copies of off-patent brand name animal drugs. Second, it would provide for the extension of patents covering animal drugs for up to 5 years. The actual extension would be equal to a portion of the time that the animal drug was under testing by the sponsoring company and under review by the Food and Drug Administration [FDA].

These two features are vitally identical to those in the generic human drug-patent term restoration bill—the Drug Price Competition and Patent Term Restoration Act that was enacted in the 98th Congress. That 1984 human drug bill expedited the approval system for generic copies of off-patent brand name drugs, and extended drug patents for up to 5 years.

The 1984 human drug bill has proven to be a major success. Many new generic drugs are available at prices which are significantly lower than their brand name counterparts, and many new innovative drugs have received patent extensions. The bill we introduce today can provide the same benefits in the animal field. If lower priced generic animal drugs are available to farmers, the costs of producing food for consumers will be less. In addition, with patent extension providing new incentives for the development of new drugs, companies will conduct more research on innovative animal drugs that are safer for human consumption.

Mr. Speaker, Members in the House and Senate are familiar with the two basic goals of this bill because of our work on the human drug bill. When the 17-year patents expire on brand name drugs, whether they are human or animal drugs, consumers desire and deserve the aggressive price competition that is fostered by the availability of generic copies. This price competition is entirely consistent with our patent laws and free enterprise system. In addition, we can encourage higher research expenditures for new drugs by assuring longer patent terms during which the sponsoring company will have exclusive marketing rights.

This is an important bill which follows the precedent set by the 1984 human drug bill. We encourage all Members to join us in supporting it.

## CAMPAIGN FINANCE REFORM LEGISLATION SHOULD BE PASSED BY THE 100TH CONGRESS

### HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MAVROULES. Mr. Speaker, today I am pleased to join my colleagues, Congressmen COELHO, SYNAR, and LEACH in cosponsoring H.R. 2717, legislation which will modify and reform our present system of congressional campaign financing.

Spending for congressional campaigns has increased from 60.9 million in 1975–76 to more than 194 million in 1985–86. The tremendous increase in the cost of running for office should be of concern to Members on both sides of the aisle. This is particularly true in contested districts where Members are often forced into spending large amounts of their time simply raising money for the next election.

In my judgment, campaign reform is necessary if we are to achieve the ultimate goal of restoring public confidence in our electoral process. In order to do so, I believe that any campaign reform bill passed by the Congress must achieve two important objectives. First, it must increase the influence of the individual voter in each congressional district, and second, must lessen our dependence on political action committee contributions.

The Coelho-Synar-Leach bill contains two major provisions which move us toward these goals. The first would require that before receiving matching funds, a candidate must first demonstrate his or her viability by raising 10 percent of the spending limit in small contributions from within their home State. As recently as 1974, small individual contributions represented 50 percent of the total contributed to House candidates. However, by 1986 small contributions amounted to only 15 percent total contributions. This legislation will return thousands of small contributors to the electoral process.

In the past 10 years, political action committee contributions to House candidates have increased from 15 million to 84.6 million. We are moving quickly toward a time when a majority of Members will receive more than half of their contributions from PAC's. H.R. 2717 will ensure that those candidates who qualify for matching funds receive no more than $100,000 per 2-year election cycle from PAC's.

Another cornerstone of 2717 is a voluntary cap on campaign spending. Those candidates who agree to a spending limit of $400,000 become eligible for partial matching funds in the general election.

H.R. 2717 also contains other reforms dealing with independent expenditures, negative advertising, the amount of personal funds which a candidate may contribute, and other enforcement issues.

Mr. Speaker, when our Founding Fathers designed our constitutional form of government some 200 years ago, they envisioned a bicameral legislature which was accountable and responsive to the American people. The high cost of campaigns and our present method of financing them has raised serious doubts as to whether our present system is meeting those lofty goals. If we fail to seize this unique opportunity we may ultimately run the risk of losing the confidence of a vast majority of the electorate.

Most of us can well remember the circumstances surrounding passage of the Presidential Elections Campaign Act more than a decade ago. I am confident that the lessons gained from that experience will allow us to work together in a bipartisan manner to bring about a new system which is fair and open to everyone; a system not unlike the one envisioned 200 years ago.

## SMOKING AND RISKING SERIOUS DISEASE

### HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. SCHEUER. Mr. Speaker, I want to bring to the attention of my colleagues the fine work being done by Dr. Donald Prue of the American Health Foundation in New York.

He is a leading authority on smoking cessation programs and is currently principal investigator on a project funded by the National Cancer Institute [NCI] to train health professionals in smoking cessation programs.

Recently, in a study partially funded by the National Institute of Drug Abuse [NIDA], Drs. Prue and Orlandi of the American Health

Foundation, and Dr. Anne Riley of Johns Hopkins tested the efficacy of the smoking cessation program life sign.

The results were reported to the Society of Behavioral Medicine and contained impressive statistics. In one test, 26 percent of the life sign users were completely abstinent 3 months after completing the program. In a second test, 27 percent of another set of users were still completely abstinent after 9 to 12 months.

Life sign is a personalized, gradual approach to total abstinence. A hand-held computer records a smoker's habits from the first week, then displays the number of days it will take the user to quit, as well as the minutes between cigarettes. As the quit date approaches zero, the minutes between cigarettes lengthens into hours and finally, at the end, the users are completely off nicotine.

Dr. Prue is now offering New Yorkers the opportunity to quit smoking by coming to the offices of the American Health Foundation and partaking in the Life Sign Program or using it in the privacy of their homes.

With 54 million Americans still smoking and risking serious disease or even death by this habit, I commend Dr. Prue in his efforts to educate and train our citizens to rid themselves of this devastating habit.

## GASOHOL

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 5, 1987, into the CONGRESSIONAL RECORD.

GASOHOL

In recent meetings I have found Hoosier farmers pressing hard for gasohol. Once a major topic during the energy shortages of the 1970s, gasohol—a blend of 90% gasoline and 10% alcohol—is experiencing a modest revival. Both state and federal policymakers are again giving it serious attention.

The idea of using alcohol or alcohol-blends as an alternative to gasoline has a long history. Some of the earliest automobiles ran on alcohol, and during WWII the use of gasohol was widespread because of the shortage of oil. Using grain alcohol (ethanol) in cars was discussed in the years following WWII as a way of disposing of enormous corn surpluses. The oil shortages and gasoline lines of the 1970s brought renewed attention to gasohol as an alternative fuel.

In the late 1970s the federal government became heavily involved in advancing gasohol: funding research and development, providing loan guarantees for pilot plants, and granting federal excise tax breaks for alcohol fuels. These efforts, combined with incentives offered by the states, have helped promote gasohol. U.S. ethanol sales increased from 40 million gallons in 1979 to 800 million gallons last year, and gasohol now accounts for 8% of the national gasoline market. However, in recent years the federal support for gasohol has weakened. The Reagan Administration has sharply cut back federal gasohol programs and has proposed, unsuccessfully, eliminating the alcohol excise tax break. Many distilleries producing alcohol fuels have shut down, and some major gasoline retailers, citing poor sales, have stopped selling gasohol.

The major problem facing gasohol in recent years has been its cost of production. Despite extensive research and development efforts, alcohol fuels are still not price competitive to gasoline. Ethanol costs about $1.20 a gallon to produce—more than twice the wholesale price of gasoline. Even when the price of oil was high during oil shortages, the cost of making alcohol from grain still exceeded it. A major blow to gasohol was a report issued by the U.S. Department of Agriculture (USDA) last year claiming that the ethanol industry basically cannot survive without massive government subsidies.

Many question the report, saying that all the subsidies given to oil need to be considered, from generous oil depletion allowances to the costs of defending oil tankers in the Middle East. In response to criticisms, USDA is undertaking another study, due late August. Yet overall, most experts are not optimistic about the prospects of gasohol making it in the market. They believe that it would take a major breakthrough or a very sharp rise in the price of oil to make gasohol competitive. The idea being pushed in the 1970s of putting money into gasohol research and development so it could eventually make it on its own seems unlikely to be fulfilled.

So why the renewed interest in gasohol? Gasohol is being pushed for reasons other than economics. Proponents are arguing that even if gasohol remains more expensive than gasoline, we should encourage it because of its benefits for air quality, energy security, and farm policy. They argue that just as government often legislates the use of certain products or services even though they might cost more (such as requiring the use of unleaded gasoline or American-made defense equipment), so we should now legislate the use of gasohol. Congress is considering bills that would mandate that half of the total gasoline consumed in the U.S. be replaced by gasohol.

There are several arguments in favor of such a federal mandate. First, it could provide a major new market for farmers. In the last several years, the world has developed a considerable overcapacity for crop production. A full-scale U.S. ethanol fuel program could use 2–4 billion bushes of grain per year, enough to eliminate our perennial grain surpluses. That would reduce the need for many expensive federal farm programs, put idle land back into production, and reduce farmers' dependence on federal payments and uncertain export markets. Second, a strong U.S. gasohol program could help reduce our reliance on foreign oil. After declining steadily in the early 1980s, U.S. imports of foreign oil have risen sharply in recent years. That means more American dollars flowing overseas, as well as increased U.S. vulnerability to unstable foreign supplies. Third, gasohol use can help clean the air. For some areas plagued with carbon monoxide pollution, the quickest and least expensive remedy may be shifting to cleaner-burning alcohol fuels. Colorado, for example, is now requiring drivers in major cities to use gasohol during the winter months, and California is undertaking a major alcohol fuels program.

Yet when the costs of gasohol are considered, a mixed picture emerges. According to recent Library of Congress estimates, while mandated gasohol levels could reduce federal farm program costs by up to $4 billion per year, the federal government would lose $3 billion in highway trust fund revenues because of the alcohol fuels exemption. Higher market prices for corn would raise net farm income less than $1 billion per year, while increasing consumer food prices by nearly $7 billion. The higher cost of gasohol at the pump could cost consumers another $1–3 billion annually (1–3 cents per gallon). Although the U.S. would spend less on oil imports, it would also earn less from grain exports.

Proponents of gasohol face other hurdles: consumer concerns about reduced car performance, worries that too much of our crop production may be diverted to fuel production, intense oil company lobbying against mandated alcohol fuel use, and continued Reagan Administration opposition to even the current level of federal involvement in gasohol.

I view positively the renewed national attention to gasohol. Although gasohol still may not be justified on economic grounds, we need to weigh carefully its costs against its very important, long-range benefits of improved national security, cleaner air, and a stronger agriculture. The decision to embark on a major alcohol fuels program will not be made overnight, but I am pleased that the debate is going forward.

## McDONALD'S ACTS TO PROTECT THE OZONE LAYER

### HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. LENT. Mr. Speaker, I am pleased to announce today that the McDonald Corp., has taken an exemplary step toward protecting the stratospheric ozone layer by voluntarily phasing out the use of ozone-depleting chemicals in their food packaging. This move by McDonald's demonstrates the initiative American companies can take, and are taking, to protect health and the environment, even in the face of potential economic sacrifice.

Over the past 2 years, scientists have become increasingly concerned over the damaging effect of the release of ozone depleting chemicals called chlorofluorocarbons, on the Earth's fragile ozone layer. This relatively thin layer shields us from damaging ultraviolet radiation. According to the Environmental Protection Agency, its depletion could cause more than 800,000 increased skin cancer deaths over the next century and over 1 million additional cataract cases.

Mr. Speaker, rarely in the environmental area do we see such enormous public health risks. Because of the sheer magnitude of these risks and their global nature, countries from around the world have been meeting in Vienna and Geneva in an effort to develop an international protocol that would reduce the global production of these ozone-depleting chemicals. It is clear that any meaningful solution to the stratospheric ozone problem will by necessity have to involve the full participation of countries around the world.

McDonald's action today is important because it demonstrates that the American business community can be counted on to do their part toward finding a long-term solution to the stratospheric ozone problem. It is my hope that more countries and their industries will follow McDonald's initiative.

## THE FCC'S REPEAL OF THE FAIRNESS DOCTRINE

### HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mrs. COLLINS. Mr. Speaker, on Tuesday, the Federal Communications Commission took a dramatic step toward restricting the goals of the first amendment by repealing the Fairness Doctrine.

As an original cosponsor of the bill Congress approved earlier this year, reaffirming our support for the doctrine, I am outraged by the Commission's action.

I am outraged because the Commission continues to defy congressional mandates. The FCC has long since forgotten that it is a "child" of the Congress.

I also am outraged because the Commission continues to pursue the repudiated policies of its former chairman, Mark Fowler. The FCC's decision is supported by strained and tortuous logic and lacks legal and economic authority.

Because of this action, perhaps its time we "pull the plug" on the FCC. As I suggested in the Telecommunications and Finance Subcommittee, it may be time to severely cut, if not eliminate, the FCC's budget until it does the job Congress directs it to do. Indeed, the chairman of the subcommittee, Mr. MARKEY, now appears to agree with my recommendation.

Since 1959, Congress has expressed its strong support for this doctrine. And, until recently, the FCC monitored the activities of broadcasters to ensure "reasonable and good faith" compliance with the doctrine.

Today, however, that requirement is gone. It has fallen victim to the FCC's deregulation of the broadcasting industry.

Deregulation has meant one thing—the exchange of vital public information on the Nation's airwaves has been sacrificed to the "cut throat" competition among broadcasters for ad revenues.

Contrary to the Commission's views, there is a defined segment of the broadcasting spectrum to which the public is "tuned into." Unless broadcasters are required to present differing views on controversial issues, the public will be deprived of a critical exchange of information.

The Fairness Doctrine has served the public interest well. I look forward to working with my colleagues in the Energy and Commerce Committee in overturning this ill-considered decision by the FCC.

## RULE ON H.R. 1154—TEXTILE AND APPAREL TRADE ACT OF 1987

### HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. ROSTENKOWSKI. Mr. Speaker, I wish to serve notice to my colleagues that, pursuant to the rules of the Democratic caucus, I have been Instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of H.R. 1154, the Textile and Apparel Trade Act of 1987. H.R. 1154 was ordered reported by the Committee on Ways and Means on Monday, August 3, without recommendation.

## JUDGE BORK'S JUDICIAL PHILOSOPHY

### HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Ms. PELOSI. Mr. Speaker, one of the most important pieces of business facing the Members of the Senate is the confirmation of Judge Bork. Many legitimate questions have been raised about Judge Bork's judicial philosophy. His record dramatically demonstrates a commitment to the reversal of the advances in individual liberties fought for and won in the Supreme Court over the past three decades.

Judge Bork has said that the right to privacy is not in the Constitution and that the Supreme Court's previous decisions upholding an individual's rights to privacy are wrong. This Nation is founded on the primacy of individual rights. Designed to place basic freedoms beyond majority control, the Constitution gives citizens of the United States that guarantee. Through a number of rulings, both conservative and liberal Justices of the Supreme Court have included the right to privacy in our guaranteed rights.

Judge Bork, however, believes that our freedoms should be more narrowly defined. In matters of sex, procreation, and family, he would have the Court step aside and let the majority rule. Bork believes that if the Constitution does not specifically mention the use of contraceptives, our right to them is not guaranteed. I believe that Judge Bork's philosophy not only violates our constitutionally mandated rights and freedoms, but also presents a highly dangerous threat to the American way of life. Sexual, reproductive, and familial choices should be a matter of individual choice.

Great strides on civil rights have been made in this country over the past three decades. While the road to equality for all, regardless of race, ethnicity, sex or sexual preference, still has a way to go, we can feel some pride in the progress made so far. Judge Bork, however, has played no role in pursuing civil rights and equality. He opposed what became the 1964 Civil Rights Act, which guaranteed that public accommodations be open to all races. In fact, Bork is on record as opposing most of the landmark decisions protecting civil rights and individual liberties rendered by the Supreme Court for 40 years.

The debate on this nomination has focused on the powers of the Senate, as well as on the nominee's background and suitability. The Senate does not need to justify or to defend its powers. It has the powers and the obligation to reach a decision on the confirmation of Judge Bork. Approximately 25 percent of those individuals nominated for the Supreme Court have not been confirmed by the Senate.

The framers of the Constitution intended for the executive and legislative branches to jointly appoint to the judiciary. The public interest will only be served if the Senate makes full and vigorous use of its powers. I strongly urge our colleagues in the Senate to exercise their constitutionally mandated powers and to reject Judge Bork's nomination.

## FRED "DOC" SUTTLES—A SPECIAL PERSON

### HON. CHARLES HATCHER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. HATCHER. Mr. Speaker, every town or city has at least one person that everyone knows and respects. Be it the owner of a neighborhood corner store, an especially well-liked government official, a teacher that has taught everyone in the town or just a special person who has been a good friend to the community.

Albany, GA's special person is Fred "Doc" Suttles.

On August 9, the citizens of Albany will come out to honor Suttles and to recognize his 22 years with radio station WJIZ, which he joined when he first arrived in Albany.

He began his career with the station as the disc jockey of the 15-minute gospel show. Today he is general manager and vice president of the company that owns the station.

Arriving in Albany just 4 years after Dr. Martin Luther King, Jr.'s freedom train and the Albany Movement had departed, Suttles said he realized there was a "unique situation in Albany. There was no urban radio, but there was a definite need."

In 1965, the 15-minute gospel show was the station's only daily broadcast. Today the station is a 24-hour communications affiliate with a diverse and progressive program format featuring news, sports, public affairs, gospel, jazz, urban, and contemporary music.

Suttles said his 22 years with WJIZ has rewarded him a "great deal of satisfaction."

He said he is happy to be of service, by doing publicity for the local schools or "just making someones day a little better by playing gospel music."

Doc's affiliation with the radio station has made his name a household word. But it is his unselfish and continous service to the community that has made him one of the most admired and highly regarded men in Dougherty County.

Known as the "Voice of the Golden Rams," Doc donates air time for the broadcasting of Albany State College football and basketall games.

He also contributes free use of the station to local churches, citizens groups and the public school system.

Doc has worked to raise money for charities, to encourage political Involvement in the community and to promote new programs in the schools.

Dr. William Gardner, superintendent of Dougherty County Schools, said—

> Suttles has been a friend to education and to the Dougherty County School System. He contributes time and resources in support of academics and athletics.

Gardner added:

> Through the efforts of dedicated citizens such as him, we have enhanced educational opportunities for our children. We owe him a tremendous debt of gratitude.

Dr. Carl W. Gordon, an Albany physician and businessman, also speaks well of Suttles, his friend of over 20 years:

> He has been a loyal citizen to Dougherty County. He has helped in the forward progress of Dougherty County, Albany, and its citizens.

Gordon said in 1983 Suttles supported his efforts to establish the Faith Foundation Fund, which provides financial assistance to children across the country who need liver transplants.

Gordon added:

> Doc was an integral part of those fund-raising efforts. He promoted programs on the air to help raise money for the fund and he assisted me without hesitation in anything I asked of him.
>
> He is superb person, community oriented, always willing to help for the common good. I am proud to affix my name to any commendation of him. I hold him in the highest esteem.

Suttles is a native of Fairfield, AL. He was educated at Crane Junior College in Chicago and at Miles College in Birmingham. He end his wife, Minnie, have four children.

He is a member of the NAACP, the National Association of Broadcasters, the Board of Directors of the Albany Civic Center, and the Turner Job Corps Center.

## PHARMACIST OF THE YEAR

### HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. PRICE of Illinois. Mr. Speaker, last Thursday, I had the privilege of meeting Mr. James Dedera from Granite City, IL. It is with great honor that I speak of Mr. Dedera today. Mr. Dedera has been named Pharmacist of the Year for 1987.

For the past 12 years, Mr. Dedera has been active in chemical dependency education. Mr. Speaker, as you are well aware, chemical dependency among the youth of today is on the increase. If we could only have a Mr. Dedera in every city throughout the United States, we could have a drug-free society.

Mr. Dedera began his efforts in the local schools in Madison County, IL, convincing teachers of the need for accurate information about drug dependency. Mr. Dedera developed such a successful and popular curriculum dealing with drug abuse that he found himself speaking to teachers, students, and parents, not only in Illinois, but as far away as Missouri and Colorado.

Mr. Dedera is truly a dedicated individual. He devotes his free time educating people about drug abuse and he never charges or accepts compensation.

Mr. Speaker, I am glad to see that such a devoted individual is recognized by his profession for the Pharmacist of the Year. I could not think of a more deserving individual than Mr. Dedera.

## ECONOMIC WOES IN NICARAGUA PROVE LARGER THREAT THAN THE CONTRAS

### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. GARCIA. Mr. Speaker, a fascinating article by Clifford Krauss appears in this morning's Wall Street Journal which analyzes the chaotic state of the Nicaraguan economy. Crippled by an enormous foreign debt, a stagnant economy, and runaway inflation, the Sandinista Government finds itself faced with a crisis much more threatening than its ongoing civil war. As Mr. Krauss points out, the Contras actually help the Sadinistas maintain control of Nicaragua by allowing President Daniel Ortega to focus national and international attention away from his disastrous fiscal policies.

Largely ineffective as a counterrevolutionary force, the Contras have proven far more useful to President Ortega as scapegoats for Nicaragua's economic and political ills. Ortega has repeatedly blamed the Contras and the United States trade embargo for the economic dilemnas which plague his nation; however, as Mr. Krauss points out, these factors have had little effect on the Nicaraguan economy. Yet, many people in Nicaragua and around the world continue to accept President Ortega's claims. With the Contras out of the picture, the true source of Nicaragua's economic crisis would be revealed—the Sandinista's inability to manage their nation's economy whether at peace or war. Mr. Krauss asserts that "economic collapse won't come from the war, but from the government's administration and direction of the economy."

As this article clearly shows, the Contras are not the only means of opposing the Sandinista regime. The United States has other political and economic alternatives to try end bring about change in Nicaragua. I urge my colleagues to read this article and to weigh our Government's numerous options.

#### NICARAGUA IS GETTING LITTLE FOREIGN AID IN RIGHTING ECONOMIC MESS IT CREATED

(By Clifford Krauss)

MANAGUA, NICARAGUA.—When the Sandinistas wrote their 1987 economic plan, they projected a 15 percent increase in Soviet oil shipments over last year to fuel their war effort against the U.S.-supported Contras. Moscow's reply was an embarrassing "nyet."

It was one of a number of signals the Soviet bloc has sent lately to show displeasure with Sandinista economic mismanagement. The Soviets reportedly wonder why Nicaragua, a country with no oil fields and 800 percent inflation, charges only 10 cents a gallon at the pump. So Nicaraguan officials are traveling to Iran, Algeria, Libya, Mexico, Venezuela, Peru and soon to Indonesia in search of non-Soviet oil. They must go cup in hand—there isn't any foreign exchange to pay for the crude—and so far they've come up with little.

Nicaragua's economic crisis, which is the Sandinista Achilles' heel, is exacerbated by Managua's incompetence and international isolation as much as by the Contra war. Prospects, even if the Contras are defeated, are gloomy.

##### LONG-TERM PROBLEM

"Our geopolitical position will always work against us," comments Francisco Lopez, director of the Nicaraguan Institute of Economic and Social Investigations, a pro-Sandinista think tank. "Even if we resolve this war and find real peace, the economic problem will be of tremendous importance over the long term."

Nicaragua's primary ally, Cuba, has been able to manage for more than a quarter century, despite a U.S. embargo, because of massive Soviet bloc aid—but its economy is still stagnant even without an insurgency to fight.

There isn't any sign that efficiency-minded Mikhail Gorbachev is ready to make the same kind of economic commitment to Sandinista Nicaragua, where the mixed socialist-capitalist economy is tottering under the weight of counterproductive government pricing policies and an overbearing bureaucracy. Meanwhile, economic assistance to Nicaragua from Western Europe and Latin America, which spurred impressive growth in the first years of the revolution, has fallen steadily since 1982.

Publicly, Sandinista leaders blame the Contras and the U.S. trade embargo for their economic woes, which include an unpayable foreign debt (to the East and West) of about $10 billion, an import-to-export ratio of nearly 4 to 1, plummeting agricultural and industrial productivity, and a nearly valueless currency. The Sandinistas claim direct and indirect economic damage by the Contras amounts to $2.8 billion over the past five years.

The Contras have attacked farm cooperatives, electric power lines, and a variety of state projects. And the growth of the army has robbed the economy of manpower and strained the government budget.

##### CONTRA INEFFECTIVENESS

But Nicaragua gets all its weaponry for free, and the Soviet bloc even donates rice and corn to the Sandinista military. The Contras haven't touched Nicaragua's major cities, where the major markets and industrial plants lie. Contra efforts to cut road transport have been largely ineffective: For most of the past five years, the Contras have spent more time in their Honduran base camps than in Nicaragua.

And the trade embargo, so far, is a flop—though it may be made more effective if hard-liners in the Reagan administration get their way. Many U.S. corporations still do business here (International Business Machines Corp. even services Sandinista computers); they slip through the embargo by importing spare parts and other supplies from overseas subsidiaries. Western sources here estimate the embargo caused a mere $30 million in damages from its inception in May 1985 through 1986.

"If I were President Reagan," says Mario Jose Alegria, a private-sector economist, "I'd eliminate the Contras because the Sandinistas don't have the capacity to govern a country at peace." He adds: "The economic collapse won't come from the war, but from the government's administration and direction of the economy."

To be sure, better world coffee, cotton and sugar prices would help the economy. And Sandinista pragmatists led by President Daniel Ortega and Vice President Sergio Ramirez are trying to change the more irrational policies. But market absurdities remain: It costs more to import the fertilizer to grow a bushel of bananas than the price that bushel fetches in Managua. It costs less to import a Soviet tractor on credit (which Nicaragua can't pay anyway) than to fix one that is broken. A college professor can make a better living selling car parts on the black market than teaching class.

"We must be realistic. Undoubtedly, we don't have an ideal price structure," concedes Industry Minister Emilio Baltodano. The Sandinista cabinet minister adds, "We must improve relations with the U.S. The U.S. has to be our best market. That's fundamental for us to recuperate economically." That also isn't likely soon.

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## CHILD LABOR PREVENTION ACT OF 1987

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MILLER of California. Mr. Speaker, today I am introducing a bill to help stop the worldwide exploitation of child labor. My legislation would ban the importation into the United States of any item produced in violation of internationally recognized child labor rights.

According to the International Labor Organization, 88 million children between the ages of 11 and 15 are in the world's labor force. Millions more children, younger than 11, also work in dismal and dangerous conditions which threaten their health and their lives, often around dangerous equipment and materials, 24 hours a day, 7 days a week. Their employers control their lives, paying them virtually nothing and forcing them to work for weeks without rest.

These conditions exist in large part because Third World countries are racing to meet the demand for their products created by Western nations. We create the demand, but do nothing to ensure that the world's children are not sacrificed to meet it. It's time to use our economic strength to protect the children of the world rather than allow our commercial demands to underwrite their enslavement.

When concerns about international exploitation of labor are raised, we are frequently told that we cannot affect labor conditions abroad. We are told we cannot mandate remedies, or that foreign governments do not even respect their own fair labor standard laws, let alone our own standards.

Yet I note that we frequently prohibit the importation of products which are derived from endangered species, such as whales, elephants and rhinos, and in doing so, attempt to influence the policies of foreign governments. Don't the exploited and enslaved children of the world's sweatshops deserve the same level of protection that we afford to whales, elephants, and rhinos? Can't we, in effect, add "exploited children" to the list of "endangered species," so that the fruits of that exploitation and abuse are prohibited from importation to the United States? So that our commercial demands do not foster, promote and underwrite that enslavement?

We are also told that unless these children are allowed to work, they will starve. Such arguments have served to justify exploitation for centuries. Like the slaveholders who justified slavery on the basis that slaves were better off on the plantation, companies that ignore child labor laws say they offer work to 11-year-old boys out of compassion. The truth is that these companies prefer to hire children, rather than some of the millions of unemployed adults, because they can work them long and pay them little. Children are a cheap resource and they provide a good return.

By putting economic pressure on these countries, we can force them to change their child labor practices. We must not support, by importing millions of dollars of their products each year, illegal labor practices that inflict grave damage on children as well as the societies in which they live. As child labor stunts the mental and physical growth of children, it also stifles a nation's potential for development.

To ensure compliance with its provisions, my bill would allow any person to initiate legal action to prohibit the importation of items produced in violation of internationally recognized child labor rights. In addition, the Secretary of Treasury would be required to maintain a list of banned products and notify the manufacturer that its products are subject to this prohibition.

We can also help stop child labor by viewing child labor rights as we view human rights—as inviolable standards accorded to all individuals in a humane society. To evaluate respect for child labor rights abroad, my bill would require the State Department to include a full assessment of child labor conditions in its annual country-by-country report on human rights, and to identify both the countries which enforce child labor rights and the producers that fail to comply with them.

A bipartisan group of 52 Members have already joined in cosponsoring my bill. I am very pleased at the strong show of support for this effort to stop the exploitation of children in the world's work force.

The list of original cosponsors and a copy of the Child Exploitation Prevention Act of 1987 follows: Mr. ACKERMAN, Mr. ATKINS, Mr. BATES, Mr. BENNETT, Mr. BERMAN, Mr. BIAGGI, Mr. BILBRAY, Ms. BOXER, Mr. BROWN of California, Mr. BUSTAMANTE, Mr. CLAY, Mr. CONYERS, Mr. DELLUMS, Mr. DE LUGO, Mr. EDWARDS, Mr. EVANS, Mr. FAUNTROY, Mr. FAZIO, Mr. FLORIO, Mr. FORD of Michigan, Mr. FRANK, Mr. GARCIA, Mr. GRAY of Illinois, Mr. HALL, Mr. HENRY, Mr. HOWARD, Mr. KILDEE, Mr. KOSTMAYER, Mr. LANCASTER, Mr. LEVINE, Mr. LEWIS of Georgia, Mr. MARTINEZ, Mr. MCCLOSKEY, Mr. MOODY, Mr. MORRISON, Ms. OAKAR, Mr. OBERSTAR, Mr. OWENS, Mr. RODINO, Mr. SIKORSKI, Mr. SOLARZ, Mr. SMITH of New Jersey, Mr. STARK, Mr. STOKES, Mr. TORRES, Mr. TOWNS, Mr. TRAFICANT, Mr. TRAXLER, Mr. WAXMAN, Mr. WILLIAMS, Mr. WILSON, and Mr. WOLPE.

H.R. —

A bill to prohibit the importation into the United States of items made by child labor which is in violation of internationally recognized child labor rights

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION, SHORT TITLE FINDINGS**

(a) SHORT TITLE.—This Act may be cited as the "Child Labor Exploitation Prevention Act of 1987".

(b) FINDINGS.—The Congress finds that—

(1) at least 88 million children—and perhaps as many as 200 million children—between the ages of 11 and 15 currently serve in the world's workforce,

(2) child workers frequently labor under extremely hazardous conditions at virtually no pay and in excess of the hours allowed by law for adults,

(3) the use of child labor is growing in many developing countries as industries in those countries seek to meet the demand created for their products by developed nations,

(4) the exploitation of child labor does grave physical, mental, and moral harm to children and severely weakens the society's future capacity for economic growth, and

(5) there exist recognized international child labor standards, including the minimum age for admission to employment, which are intended to assure the fullest physical and mental development of young persons.

**SEC. 2. PROHIBITION.**

(a) IMPORTS.—There may not be entered, or withdrawn from warehouse for consumption, in the customs territory of the United States any item which was made by child labor which is in violation of internationally recognized child labor rights.

(b) PUBLICATION.—The Secretary of the Treasury shall maintain and revise annually a list of items which may not be imported under subsection (a). The Secretary of the Treasury shall publish a notice in the Federal Register of any item which may not be imported under subsection (a) and which is not included in the list required by this subsection.

(c) NOTIFICATION.—The Secretary of the Treasury shall notify any foreign person who is manufacturing items with child labor which is in violation of internationally recognized child labor rights that such items may not be imported into the United States.

**SEC. 3. ENFORCEMENT.**

The district courts of the United States have jurisdiction of a civil action brought by any person to enjoin the importation of an item in violation of section 1(a).

**SEC. 4. STUDY.**

The Secretary of State, in consultation with the Secretary of Labor, shall fully assess the status of internationally recognized child labor rights as part of its annual country report on human rights. The Secretary shall identify which countries identify and enforce, and which producers fails to comply with, internationally recognized child labor rights.

**SEC. 5. DEFINITION.**

For purposes of this Act, the term "internationally recognized child labor rights" refers to rights which, at a minimum—

(1) establish and enforce a minimum age for the employment of children,

(2) prohibit the employment of individuals below the age of 18 at night, in hazardous occupations, or in occupations that jeopardize the health, safety, or morals of such individuals,

(3) establish and enforce standards for minimum wages, hours of work, and occupational health and safety for such individuals, and

(4) prohibit any form of forced or compulsory employment of such individuals.

**SEC. 6. EFFECTIVE DATE.**

This Act shall take effect upon the expiration of 180 days after the date of the enactment of this Act.

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## COMMENDING LEADERS OF SRI LANKA AND INDIA FOR REACHING PEACEFUL AGREEMENT

### HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. DYMALLY. Mr. Speaker, yesterday I addressed the House on the peace agreement reached between India and Sri Lanka. At the end of my speech, I urged my colleagues to join me in commending both Sri Lanka President Jayewardene and Indian Prime Minister Rajiv Gandhi for accomplishing this historic landmark in Indo-Sri Lankan relations.

Today I am introducing a resolution that commends both leaders for reaching an accord that serves as the basis for a just and long-lasting settlement. I call on my colleagues to join me in sending a message, that we, in Congress, appreciate the courage and leadership exhibited by both leaders.

This peace agreement hopefully would be an effective assurance that the human rights of the Tamil minority, long grossly ignored, will at last be respected. It also will assure the Sinhala community which constitutes the majority of Sri Lankan society of peace and harmony for the whole country. That atmosphere of peace will bring them the economic development which their country so desperately needs.

H. CON. RES. —

Whereas the agreement signed on July 29, 1987, by Sri Lankan President Junius Jayewardene and Indian Prime Minister Rajiv Gandhi represents an historic landmark in Indo-Sri Lankan relations and in efforts to find a solution to the Sri Lankan civil war;

Whereas the July 29 agreement provides a sound basis for ending the civil war, and as the agreement provides a basis for the just treatment of both the minority and majority groups, it represents the best opportunity for a just and lasting solution to the ethnic conflict;

Whereas this peace agreement demonstrates once again Prime Minister Rajiv Gandhi's ability at conciliation and pacific settlement of seemingly intractable problems;

Whereas President Jayewardene and Prime Minister Gandhi are to be commended for their bold initiative, despite political risks, in reaching this agreement and in moving forward with its strict implementation;

Whereas Tamil leader Velupillai Prabhakaran is also to be commended for agreeing to extend his cooperation in implementing this agreement;

Whereas all other parties in Sri Lanka who support this peace accord are to be commended;

Whereas the ethnic conflict in Sri Lanka has taken more than 8,000 lives since 1983 and caused more than 200,000 Tamils to flee Sri Lanka as refugees;

Whereas the Congress and the American people have a deep commitment to the promotion of human rights;

Whereas in the course of the conflict, human rights abuses including torture, detention without trial, extra-judicial killings, and disappearances have caused serious concern in the Congress;

Whereas the July 29 agreement offers the hope of dramatic improvements in the human rights situation in Sri Lanka; and

Whereas a solution to the civil war in Sri Lanka based on the July 29 agreement is in the interest of all concerned parties and will bolster the stability of the region: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That the Congress—

(1) supports the full and strict implementation of the July 29 agreement between Sri Lanka and India, and calls on all concerned parties to promote its implementation;

(2) urges the President to express his full support for the agreement, and also urges other leaders to convey their encouragement;

(3) declares that, upon the successful implementation of the agreement, the United States should, in concert with other donor nations, consider the appropriation of additional funds for assistance for Sri Lanka;

(4) declares that, in the allocation of such supplemental and future assistance, priority should be given to—

(A) people of all communities who were most seriously affected by the civil war, and

(B) the reconstruction and development of areas most seriously affected by the civil war, namely the northern and eastern provinces;

(5) expresses the sincere hope that the July 29 agreement will mark a new era of openness in Sri Lanka;

(6) encourages the Government of Sri Lanka to reflect in its domestic policies the letter and spirit of the July 29 agreement;

(7) in order to facilitate the reunion of families, encourages the activation of the Sri Lanka central registry listing all those arrested, detained, or otherwise displaced during the civil war;

(8) calls on all parties and sections in Sri Lanka to support this peace accord and assist in its implementation; and

(9) urges the President to publicly commend both President Junius Jayewardene of Sri Lanka and Prime Minister Rajiv Gandhi for their act of statesmanship and their contribution to peace in Sri Lanka.

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## BAN ALL IMPORTS OF TOSHIBA PRODUCTS

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. BEREUTER. Mr. Speaker, H.R. 2948, which passed the House on July 27, would merely prohibit Toshiba Corp.'s products from being sold on U.S. military bases, while a Senate bill calls for a ban on all imports from Toshiba.

The recent sale of militarily significant technology to the Soviet Union by Japan's Toshiba Corp. has rightly appalled our Nation. As my colleagues know, the sale of technology that allowed Soviet submarines to operate more quietly has likely done irreparable damage to our national security; many questions whether and at what cost the Western allies will once again enjoy the security lost through this sale.

This Member believes that extremely tough sanctions must be placed against Toshiba in order to show firms in all countries that the costs of such an action are too high to bear. Without a tough stand against Toshiba, other firms may in the future believe that the financial rewards of selling secrets to the Soviets are worth the risk of getting caught. The conference committee version of the bill should resemble the Senate version, not the weaker House version.

I commend to my colleague's attention the following insightful editorial on this subject that appeared in the Omaha World-Herald on July 31, 1987:

[From the Omaha World-Herald, July 31, 1987]

SALE OF DEFENSE SECRETS MERITS U.S. IMPORT BAN

Tough penalties are a proper response to foreign companies that illegally sold secret defense technology to the Soviet Union. The covert sales were so outrageous and have such devastating effects on the national security of the United States that Congress should impose a ban on all imports from Japan's Toshiba Corp. and Norway's Kongsberg Vapenfabrikk.

A Senate bill calls for such a ban, but a House bill, which was passed Monday, merely would prohibit the companies' products from being sold on U.S. military bases. A conference committee, which will try to work out differences between the bills, should push for the tougher Senate provisions.

Toshiba sells a variety of goods in the United States, including televisions, video cassette recorders, stereos, copy machines, microwave ovens, home appliances, medical equipment, telecommunication systems, electronic components and small business computers. Kongsberg, primarily a weapons manufacturer, exports some auto parts and industrial computer equipment.

Toshiba and Kongsberg officials have apologized for the Soviet sales. Some company executives have resigned. But the damage has been done. The Soviets now have the technology to allow their submarines to operate much more quietly. In undersea warfare, the noise generated by a submarine can mean the difference between stealth and detection—and life and death.

In addition to putting U.S. submarines and their crews in greater danger, the illegal sales to the Soviets could end up costing the United States billions of dollars. In the past, the United States has operated less than half as many attack submarines as the Soviets do. The United States relied on superior submarine technology. Now that the technology gap has been reduced, the United States will probably need to increase the number of its submarines.

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Members of Congress are correct to take steps against Toshiba, Kongsberg and any other company that illegally sells defense secrets to the Soviet Union. If the United States refused to do business with Toshiba and Kongsberg for a period of time, other Japanese and Norwegian firms might hesitate before letting greed overtake their obligations to the Western alliance.

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## VIETNAM CENTER—FRONT ROW CENTER

### HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. BENNETT. Mr. Speaker, perhaps the greatest blessing we are given is friendship. One of my treasured friends, "Patches" Musgrove, recently published an excellent two-volume work, "Vietnam—Front Row Center." I recommend it as a great literary and historical work. It tells in an inspiring way of events in the Vietnam war witnessed by Patches, as she wrote as an able war correspondent. She describes war life as it really is, and she also depicts troublesome byproducts of that particular war, a corruption in high places which I helped her to fight to the best of my ability. I quote here a passage from the first volume, which shows her compassion and insight.

I heard a cry for help. "Medic, Medic."

I glanced over to my left and saw three wounded lying down in a gully. Looking further out I noticed that there were many wounded lying in the area. The Medics were rushing to give first aid.

Two more Dust-Off choppers had brought in more wounded. Two men were calling out for help as they bent over the form of a young man. I ran to their side. Taking off my steel pot I got on my knees in an effort to help the wounded soldier. His flak jacket had burned. Blood seeped through the sooty black char of the jacket.

I opened it. "Oh dear God!" I exclaimed, as I examined his shattered and exposed chest.

We elevated the young man and I held him in my arms. There was nothing I could do but wait until a medic could be free to come to him.

As I held him he opened his eyes. he gazed at me through glazed eyes. A smile crossed his lips and he whispered, "Ah Mom, I didn't know you were here!" The smile faded from his lips. He relaxed. The boy died in my arms.

I whispered to the others hovering over him. "He's gone! The boy is gone."

A Medic came running towards us. I glanced up at him through tear-filled eyes. "He's gone, Doc."

The Medic quickly checked him and confirmed it.

"What happened?" I asked.

The Medic looked at me. There was anger in his voice, "They were booby-trapped." Then he reached down and removed the soldier from my arms and asked me to go up to the tent.

* * * * *

I glanced down the hill. The boy was now wrapped in a green plastic shroud. A chopper would fly him off the hill. He would be home in time for Christmas.

The boy from Big Bear was called into the tent. The soldier with the gunshot wound still sat by my side. I handed him a cigarette.

"The poor son-of-a-bitch never knew what hit him." he said, in tones of grief, "I keep sayin' why all this blood and guts? I keep sayin' if I'm gonna get it let me get it fast, just like him."

The soldier inhaled the smoke from the cigarette and looked at me, "You wonder why God lets this mess go on. I never was one for church at home, but I sure get to thinkin' a lot about God out here. I've been scared shitless at times, and after it's over I keep thinkin, Thanks God for this 'one more day'. He continued to stare and talk, "Now why the hell did that guy have to die, Ma'am?

I made a quick petition to the 'Man Upstairs' asking for help in answering this young soldier. He was seeking an answer. I had to say something! I let the words flow from my mouth without thinking, "I've lost everyone in my family, son. I always try to look at it that the Lord has a real special task for all of us. When we've done our work we can go on to a pleasant place; no war, no illness, just peace and friends and love. Those of us left behind have to apparently get a certain task completed before we can be liberated."

The kid looked at me for several seconds and asked, "Then how do you explain a buddy of mine? He got mortared in the back. He's paralyzed. Twenty-one years old and he ain't never gonna walk again. He's gonna be paralyzed and a burden on his folks and hate himself for it. Can you give me the answer to that one, Ma'am?"

"I can only tell you what I believe. I look upon illness, stroke, paralyses, all defects as being part of God's test. This world we live in is a place of testing. You know, Son, in the Bible it tells us about Job being tested for years. Perhaps your friend will be the test for his parents, or perhaps a test to a friend, or perhaps God is testing the boy. When he's passed the test he will be rewarded."

The soldier was carefully searching my face. I calmly returned his gaze. He swallowed twice and then asked. "Do you believe in there being a Heaven and a Hell, Ma'am?"

I hesitated before fording the stream. "Again to tell you how I personally believe; every night when the first evening star comes out I silently say, "Hi Pa," and I picture my husband turning on the porch light at our house in heaven."

"A star?"

"Yes, the first star, son. That's my signal from Heaven."

He shifted his position, "You know Lady, you're number one. Now who'd have thought about a star bein' a porch light! Hell, my dad died when I was twelve. He was a good man. Yep, I sure missed my Dad a lot." He threw down his cigarette and stepped on it, "Now how about that! I can say 'hi' to my old man each night now . . . How about that?"

* * * * *

A boy had died in my arms, another believed his Dad would be turning on the porch light in Heaven for him tonight. Death was no stranger in this war. He had walked across the bridge of life and claimed many men on Hill 445. The dead went on to Peace; their weary travels over. Only the living must bear the tests of time.

God did indeed work in strange and mysterious ways . . . a boy had momentarily smiled and crossed the bridge of life, at the foot of Hill 35.

I knew I would be covering the war as long as I was needed. I suddenly recognized another piece to the pattern of my life had fallen into place. I was not in Viet Nam by chance.

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## TRIBUTE TO FORMER CONGRESSMAN BILL MOORHEAD

### HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Ms. OAKAR. Mr. Speaker, I was saddened to learn that former Congressman Bill Moorhead of Pennsylvania passed away on Monday, after a valiant struggle against cancer. I want to extend my deepest condolences to his lovely wife and four children.

I served with Bill for 4 years, both in the House and as a colleague on the Banking Committee. In fact, I now chair the Subcommittee on Economic Stabilization which Bill chaired while he served on the Banking Committee. As chair of the subcommittee, he distinguished himself with his command of difficult issues and his ability to move complex legislation through the legislative process.

While serving as chair of the Subcommittee on Economic Stabilization, Bill was instrumental in providing loan guarantees to New York City and the Chrysler Corp. that enabled each to return to economic and financial health. The record will show that, at the time, many in the House disapproved of the legislation to provide Chrysler Corp. the opportunity to recover with the assistance of Federal loan guarantees. Time has proven Bill correct. The rebirth of the Chrysler Corp. is a tribute to Bill's foresight and legislative skill.

Bill was a kind, decent, and intelligent man. He served the people of Pennsylvania with honor and distinction in the House for 22 years until his retirement in 1981. His wisdom and kindness will be missed by all who knew him.

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## REQUIREMENT FOR PRESIDENTIAL APPOINTMENT AND SENATE CONFIRMATION OF EXECUTIVE DIRECTOR OF NUCLEAR REGULATORY COMMISSION

### HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. GEJDENSON. Mr. Speaker, I am pleased to be introducing an amendment to the Energy Reorganization Act of 1974 to require Presidential appointment and Senate confirmation of the Executive Director for Operations of the Nuclear Regulatory Commission.

The Executive Director for Operations [EDO], by law and practice, has a great deal of authority to make and influence policy within the NRC. Unlike many other agencies and regulatory commissions, at the Nuclear Regulatory Commission the EDO is not limited

to administrative functions. He can and does exert considerable policymaking discretion. The position of EDO more closely resembles that of an administrator or assistant administrator at a regulatory agency than it does an administrative officer of an independent commission. It is those administrators in policymaking positions that the Congress has traditionally required be appointed by the President and confirmed by the Senate.

In recent hearings before the House Interior Subcommittee on General Oversight and Investigations, which I chair, we identified two notable instances of policy formulation by the EDO, one involving fire safety standards at nuclear powerplants, and the other involving protection against drug and alcohol abuse at nuclear plants. We cannot allow decisions of this type, which are so basic to the operation of nuclear power in this country, to be influenced and made by an individual who has not been nominated by the President and confirmed by the Senate. Critical decisions concerning the regulation of commercial nuclear power affect the safety and lives of far too many people to be made by an individual bureaucrat with no accountability.

There has recently been discussion of reorginizing the NRC to replace the Commission with a single administrator. The purpose would be to improve the decisionmaking process and increase accountability. The down side would be a loss of the open exchanges among commissioners on policy matters. By having the EDO appointed by the President and confirmed by the Senate, we would be making this chief executive officer accountable without losing the openness that we seek to maintain.

This bill will increase the confidence of the American people in the NRC, a vital step for the success of the nuclear industry in this country.

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## A SALUTE TO PHILLIP ROSS

### HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. APPLEGATE. Mr. Speaker, I rise today to commend a citizen who "just says no" to the selfishness and short-sightedness so sadly common today. Mr. Phillip Ross of Cadiz, OH, is a fundraiser extraordinaire for the Muscular Dystrophy Telethon, Easter Seals, Christmas Seals, March of Dimes, and Multiple Sclerosis.

A person of limited means himself, Ross has worked tirelessly to help those less fortunate than most of us. He walks from place to place, many times for hours on end, collecting money and delivering it to charitable organizations which are themselves extremely fond of him. Last year he was brought by ambulance to a telethon, having recently had an operation. He was too committed to helping others to sit in a hospital room, however, and showed up just like he always has. He was awarded a Citation of Merit from the Muscular Dystrophy Association, having raised over $33,000 in 14 years.

His enthusiasm lifts the spirits of those in his community. He plays Santa Claus at Christmas parties and is beloved of children. He is a committed member of the volunteer fire department and helps at local football games.

Phillip works long hours and never asks for compensation. He gives his all and expects no reward.

But, Mr. Speaker, recognition is due, and I am pleased to extend my thanks and congratulations to him for all he has done, and all he has yet to do.

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## JOSEPH A. THOMAS, SR. REMEMBERED

### HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. SUNDQUIST. Mr. Speaker, not long ago, a man I considered a friend and many regarded as a pioneer passed away. I would like, with your permission, to tell my colleagues in this House something about the life of Joseph Andrew Thomas, Sr.

Mr. Thomas truly was a leader in education. From humble beginnings in the town of Linden, TN, he worked to educate himself, first at Tennessee A&I State College, then at Fisk University and Peabody College.

He served as a principal in Savannah and then in Lawrenceburg, where he organized the first high school for blacks. His teaching career took him to Nashville, where he quickly became a leader in various black professional organizations.

In a career that spanned five decades, he served as president of the Tennessee Education Congress, and the American Teachers Association before those groups merged with their white counterparts. In the latter years of his career, he became president of Tennessee's State Vocational Teachers Association, was active in the Metropolitan Nashville Education Association, and served as a delegate to the National Education Association convention.

Even after his retirement from teaching in 1971, Joseph Thomas retained his interest in teaching and in helping young people utilize their potential. He remained active in several retirement organizations for teachers.

Joseph Thomas passed away earlier this summer at the age of 80.

It is hard to briefly describe the enormous impact he had on those who knew him well and on the thousands of young people he taught in the course of his long career.

There is no greater reward we can hope for in this life than the respect of those who know us best. Joseph Thomas had that, and from a great many people who were enriched by his influence and made poorer at his passing. He will be missed.

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## GLORIETA BATTLEFIELD NATIONAL HISTORIC SITE BILL

### HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. RICHARDSON. Mr. Speaker, I am very proud to introduce a bill to designate the Glorieta Battlefield as a national historic site. The Battle of Glorieta near Sante Fe, NM, was a pivotal battle of the Civil War in the West and this historic site truly deserves national recognition and protection.

The Battle of Glorieta, often called the Gettysburg of the West, occurred on March 28, 1862, at Glorieta Pass in northern New Mexico. Confederate Gen. Henry H. Sibley led 1,000 Texas Confederate troops against 850 Union soldiers in a pitched battle beside Glorieta Creek. Sibley hoped to take Fort Union, a major Union supply point near Las Vegas, NM. Although the Confederate forces eventually won the battle, the Union forces were successful in their attack on the Confederate supply train and the Confederates had to retreat down the Rio Grande back to Texas. The Battle of Glorieta prevented the expansion of the Confederates who were bound for the rich mining fields of Colorado and possibly California.

The significance of the Glorieta site was recently underscored by the discovery of a mass Confederate gravesite. The gravesite contains the remains of at least 34 Confederate soldiers and numerous Civil War artifacts. The director of the Museum of New Mexico described the gravesite as "extraordinarily significant and very, very important historically." This discovery will greatly increase our knowledge of this pivotal battle and facilitate a greater appreciation of the site by the general public.

My bill would designate the site of the Battle of Glorieta as a national historic site to be administered by the National Park Service as a part of the nearby Pecos National Monument. Designation as a National Park Service historic site will ensure the battlefield is protected and interpretive programs are developed so visitors can better understand the significance of the site. The bill authorizes the Park Service to acquire the necessary lands through purchase, exchange or donation. We have asked the National Park Service, the Glorieta Battle Preservation Society, and the State historic preservation officer to make a recommendation as to the proper boundaries for the site.

Mr. Speaker, this bill not only recognizes and protects the historic site of the Battle of Glorieta, but adds an important national attraction to the region. The Battle of Glorieta is well known in the Southwest and the annual reenactment of the battle continues to draw increasingly large crowds. I had the pleasure to attend the reenactment this summer along with over 4,000 spectators from 20 States. This historic site added to Pecos National Monument under this bill will give the Battle of Glorieta the national status it deserves and will increase tourism at Pecos and throughout northern New Mexico.

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Through our efforts today we can ensure that the site of the Battle of Glorieta receives the recognition and protection it deserves as the pivotal battle in the Confederate effort to expand into the Western States. I urge my colleagues in the House to review this legislation and to join our effort to recognize this significant historical site.

## THE 25TH YEAR OF THE INCARCERATION OF NELSON MANDELA

### HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. DYMALLY. Mr. Speaker, today marks the 25th year of the incarceration of Nelson Mandela. Mr. Mandela was arrested in 1962 on charges of sabotage and conspiring to overthrow the Government of South Africa. At the time of his arrest, he was the commander of Umkhonto we Sizwe, the fighting arm of the African National Congress, which had been formed after years of peaceful but futile efforts to gain freedom and equality for the majority black population. He was subsequently given a sentence of life imprisonment.

Today, Mr. Mandela is 69 years old and has spent the major portion of his adult life separated from his family and from the people of South Africa, who acknowledge him as their leader. Twenty-five years is a long time and would have tested most men. Mandela, on the contrary, has only grown in stature and integrity. When offered his freedom in 1985, but told that he must renounce the use of violence, his response was that his freedom and that of the South African people were intertwined and he could not be free until they were free. He demanded an unconditional release.

In recent years, there has been international pressure for the release of Mandela, who is seen as one of the most respected symbols of resistance against the system of apartheid.

It is an indictment of the South African Government that it refuses to release Mr. Mandela, as a crucial step toward ending the unrest and strife and negotiating an end to the apartheid system. It is clear, therefore, that Mr. Botha's government intends to continue its intransigence and its brutal repression of the South African people.

Mr. Speaker, in 1986, Congress enacted the Comprehensive Anti-Apartheid Act. One year has passed and there is no progress. Stronger measures are called for if there is to be a peaceful solution to the South African crisis.

## THE 100TH REUNION OF THE SONS AND DAUGHTERS 103D REGIMENT OF OHIO VOLUNTEER INFANTRY

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. McEWEN. Mr. Speaker, my colleagues. Allow me to take this opportunity to share with you a very special and joyful occasion—the celebration of the 100th Reunion of the Sons and Daughters of the 103d Regiment of the Ohio Volunteer Infantry formed with men from Ohio's Cuyahoga, Lorain, and Medina Counties. During the Civil War, this regiment fought with distinction and honor and immediately following the end of the war, permanently enriched a site of their own near the original encampment in a place called Sheffield Lake, OH.

In 1867, the veterans began their first annual reunion. Some 21 years later, the Sons and Daughters of the 103d Ohio Volunteer Infantry formed a company and began their yearly reunion, a tradition upheld for decades by the sons and daughters in each subsequent generation. On August 18, 1987, these fine Americans will once again meet at Sheffield Lake for the 100th time to remember their ancestors and pay tribute. It is an honor for me to bring this group of Americans spanning generations, men and women from all walks of life and corners of our country, to the attention of the 100th Congress. They deserve our attention and our tribute.

The dictionary defines a patriot as someone who loves, defends, and supports his country, makes being an American patriot entirely admirable and makes acts of patriotism something to be commended and celebrated. American patriotism is both humanitarian and humanistic and is highly moral because this country exists as a means of guaranteeing rights and protecting individuals.

Early American patriots were successful in influencing the minds of their countrymen and, thus, the minds of men everywhere. They had a cause to fight for and their determination to fight was a signal that America would battle for its independence and its ideals.

These soldiers of the Civil War were patriotic in the truest meaning of the word * * * loyal to a system that was loyal to them as human beings, a system that did not merely offer them a chance to be subservient to privileged leaders but to dignify all citizens with privileges of their own, due them as children of God.

Their devotion and their sacrifices gave them victory and gave us freedom as people. This was just the beginning of our fight for independence. It has gone ever since and the struggle will never end.

Mr. Speaker, let us take a moment today to pay tribute to the members of the 103d Regiment of the Ohio Volunteer Infantry.

Let us also take a moment today to pay tribute to the 100th anniversary of the Sons and Daughters of the 103d Ohio Volunteer Infantry. These fine Americans are today's patriots, today's loyalists, today's victors. We have done well in our quest for freedom and in our climb toward a more dignified and noble existence for all of our people. But the promise continues to be greater than the performance and we must continue to reduce the margin between what we are and what we can be as a nation * * * as a people. It is comforting to know that the Sons and Daughters of the 103d Ohio Volunteer Infantry will continue this Nation's quest for freedom.

## DARK DAYS AT FOGGY BOTTOM

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. BEREUTER. Mr. Speaker, recent testimony by Secretary of State George Shultz before the Iran Contra hearings forces Congress to focus on the troubling relationship that has existed between the Department of State and the National Security Council. This Member finds of great interest the following editorial that appeared in today's Omaha World Herald. I identify with the concluding statement: "But presidents and the country would be better served if the erosion of the State Department's authority were stopped."

Mr. Speaker, I insert the full text of the editorial in the CONGRESSIONAL RECORD:

### DARK DAYS AT FOGGY BOTTOM

The job frustrations described by Secretary of State George Shultz at the Iran-contra hearings are not new. Other secretaries have had to compete with national security advisers and members of the National Security Council for the ear of the president.

In recent years, sharp policy disagreements have developed between the State Department and the NSC. In one instance, the national security adviser, Henry Kissinger, continually upstaged Secretary of State William Rogers and more or less assumed Rogers' authority. Eventually, Rogers quit, and Kissinger became secretary of state in name as well as function.

The rise to power of the NSC and its chief is a recent phenomenon. Strong secretaries of state such as George C. Marshall and Dean Acheson were vigorous shapers of foreign policy, strong executives who acted as independent arms of the presidency.

President Eisenhower depended heavily on John Foster Dulles to create a foreign policy agenda and to manage that policy. President Kennedy chose a more pliable secretary of state in Dean Rusk with the result that Kennedy has a stronger voice in foreign policy matters. Rusk was more a servant of the president than an innovator and leader.

In recent years, the situation has continued. Cyrus Vance, who often played second fiddle to National Security Adviser Zbigniew Brzezinski, resigned from the Carter administration. Alexander Haig quit after only a year as President Reagan's secretary of state. Shultz has revealed that he tried to resign three times.

One of the problems is that both the National Security Council and the CIA have taken foreign policy initiatives. The NSC is made up of people close to the president, many of whom lack the broad, international training of career diplomats. The State Department has been given to news leaks and is notorious for its sluggish bureaucracy. To make matters worse. Congress has aggressively asserted its role in making foreign policy.

The smaller NSC staff may seem to offer a president a more secure forum for policy discussion as well as a more efficient policy-making body than the secretary's Cabinet department. But presidents and the country would be better served if the erosion of the State Department's authority were stopped.

## NELSON MANDELA FREEDOM CALL

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. RANGEL. Mr. Speaker, 25 years ago today, in South Africa, Nelson Mandela was jailed for his opposition to the unjust and immoral system of apartheid. A man who, in 1963, embodied the hopes and aspirations of a free and equal South Africa, is still being held on charges of sabotage under South Africa's security laws. On that day the anti-apartheid movement in South Africa, led by Nelson Mandela's organization the African National Congress, added yet another reason to its fight against apartheid. Since that time, the movement has spread across the oceans to include people from all nations. And, today the principles of Nelson Mandela and his movement are stronger and more viable than ever.

Mr. Speaker, today I will introduce a resolution calling for the immediate release of Nelson Mandela. I hope that all of my colleagues will join me in my efforts opposing the unreasonable and unjust detention of this great man.

From the beginning of his career as an attorney, Mandela struggled against the restrictions imposed by apartheid. His early efforts against apartheid lead him on an inevitable collision course with the leaders of the white regime. However, the principle of his fight controlled his destiny. To quote from Nelson Mandela, "* * * there comes a time, as it came in my life, when a man is denied the right to live a normal life, when he can only live the life of an outlaw because the Government has so decreed to use the law to impose a state of outlawry upon him. I was driven to this situation, * * * other people will be driven in the same way in this country."

It is this type of profound wisdom and insight of this great man that keeps him alive in the minds of black South Africans. And, it is the depth of his perception into the nature of human beings that has made the white South Africans so threatened by the possible release of Nelson Mandela.

In 1963, Nelson Mandela, knew that unless there was change in South Africa, the amount of bloodshed would be greater than any ever known to man. As we watch the conflict between the white racist regime and the anti-apartheid freedom fighters, the visions of Nelson Mandela become extremely clear. Today, the Government must deal with thousands of individuals who have the same feelings as Nelson Mandela—individuals who are willing to die for this cause.

Mr. Speaker, as a strong supporter of democracy and justice, I am completely opposed to the actions of the South African Government. I have consistently expressed this opposition in my votes in this body and in my statements on this issue around the world. Apartheid is an abhorrent and outrageous system and must be abolished. Furthermore, the denial of Nelson Mandela's right to freedom is intolerable. Nelson Mandela must be free! While we are limited to the actions we can take on this matter, I am convinced that on the moral principles and convictions of our belief in democracy, this Congress must go on record in opposition to the incarceration of Nelson Mandela. I hope all of my colleagues will join me in support of my resolution.

## HEROISM ON THE EASTERN SHORE

### HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. BATEMAN. Mr. Speaker, every now and then we learn of an example of heroism and endurance in a life-or-death crisis which renews our faith in the resilience of the human spirit.

Just such a case was brought to our attention last Friday when the media reported the story of Patrick Donahoe of Lee Mont, a small community on the eastern shore of Virginia which I am privileged to represent in the Congress.

Suffering from multiple stab wounds and left for dead in a field, Patrick Donahoe crawled for 13 hours to get help for himself and his 3-year-old son, who also had been stabbed several times. The attack on Donahoe and his child took place on the evening of July 24, and Donahoe's incredible trip to summon aid took all night. Patrick's ordeal was attended by lapses into unconsciousness as he struggled to obtain assistance for his son and to identify their assailant.

His mission was successful. When he finally reached an empty house, he was able to call his wife and summon rescuers both for himself and his son. The boy has been released from a hospital and Patrick Donahoe is in satisfactory condition at Norfolk General Hospital. A suspect in the attack has been arrested and charged.

Residents of Accomack County, where the Donahoes live, have taken up a collection for the family, who do not have health insurance, and are trying now to raise more money to aid them.

Mr. Speaker, I wish to call to the attention of my colleagues the dramatic and inspiring account of Patrick Donahoe's ordeal which was published in the Washington Post last Friday, July 31, 1987.

The article follows:

### STABBED VIRGINIA MAN CRAWLS 13 HOURS TO GET HELP FOR WOUNDED SON

(By John Lancaster)

Stabbed up to 20 times and left for dead in an Eastern Shore tomato field last Friday night, Patrick Donahoe crawled for 13 hours to summon help for himself and his wounded 3-year-old son, counting cherry trees so he could tell authorities where to find the boy, according to Donahoe's wife and law enforcement officials.

Fearing that he would die along the way, Donahoe scratched the name of Dean Edward Crowell four times in the dirt, according to Michelle Donahoe. At times he lapsed into unconsciousness, she said.

By Saturday morning, Donahoe had covered the one-mile distance to the nearest house. Finding no one at home, he cut through a screen door with a hoe, crawled inside and telephoned for an ambulance. Then he called his wife.

"I said 'Patrick?' " she recalled yesterday. "He said, 'Yeah, I'm going to the hospital.' I asked him where the baby was and he didn't want to answer me. Then he started crying and said the baby's throat had been cut."

When rescue workers arrived moments later, they found Donahoe with several stab wounds in the chest, back and head, including one wound to the left temple that partially pierced his skull, according to a doctor who later examined him.

Based on directions from Donahoe, the rescue workers found his son, Patrick Jr., lying unconscious in an isolated field a short time later. The boy had been stabbed four times in the back and twice in the chest, including one wound that pierced his lung, according to his mother.

Both father and son survived the ordeal in rural Accomack County, Va., where residents were still marveling yesterday at their remarkable escape and trying to raise money to cover their hospitals bills.

Arrested and charged with abduction, robbery, attempted murder and grand larceny was 25-year-old poultry worker Dean Edward Crowell, according to a spokeswoman for the Accomack County Sheriff's Department.

Accomack Commonwealth's Attorney Gary Agar declined to elaborate yesterday on the circumstances surrounding Crowell's arrest, saying the matter was still under investigation. But he confirmed the essential details of the account sketched by Michelle Donahoe.

The ordeal began Friday evening when Donahoe, a 25-year-old crabber and lifelong resident of the Eastern Shore, left his home in Lee Mont with his son, Michelle Donahoe said. The two were headed for a laundromat in Onancock, about 10 miles away, where Michelle Donahoe works.

Driving down U.S. 13, Donahoe spotted Crowell, whom Donahoe has known for about seven years, his wife said. Crowell was on his way to visit his girlfriend, Michelle Donahoe said, and her husband offered to go out of his way to give him a lift.

Michelle Donahoe said she has not asked her husband what prompted the attack, which, she said, occurred in a field near the girlfriend's house. "I don't know if it was in the car or not," she said.

"He saw him going for the baby and he tried to stop him but he couldn't," she said. "He told me that he just lay there and he heard the car go off and he got up and started going towards this house."

It was an all-night trip. "He said he tried to stand but he couldn't stand so he crawled most of the way," Michelle Donahoe said. Making his way through a cherry orchard, "he counted every cherry tree along the way from where the baby was so they would know where to find the baby," she said.

And he tried to leave clues for the police. "He told me that he wrote the . . . name four times in the dirt," she said.

Meanwhile, Michelle Donahoe was frantic. "I knew something was wrong because he doesn't keep the baby out all night," she said. On Saturday morning, she tried without success to get someone to fill in for her at the laundromat so she could wait at home.

She was at work when the call from her husband came. "I went hysterical," she said. "I presumed that he thought the baby was dead."

Before being taken away in an ambulance, Donahoe told the rescue workers about the cherry trees and where to find his son, his wife said. Father and son were taken to Northampton-Accomack Memorial Hospital in Nassawadox, where Donahoe was treated for collapsed lungs.

He and his son were taken to hospitals in Norfolk on Sunday. Donahoe was listed in satisfactory condition yesterday, according to a spokesman at Norfolk General Hospital.

Patrick Jr. was released from another hospital earlier this week. "He's doing great health-wise," his mother said. "But it's going to take a long time."

Accomack residents have taken up a collection for the family, which has no health insurance.

## DANVILLE, VIRGINIA

### HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. DANIEL. Mr. Speaker, this past Sunday, the Washington Post carried an article about Danville, VA, where I have lived most of my life.

Danville has been selected as one of the Nation's 100 best cities—24th—in Money magazine's most recent ranking, and it is a recognition well-deserved. Sadly, the Post writer appears to have approached his assignment with little knowledge of his subject, despite the fact that I understand he visited Danville.

Let me tell you about this town he called "stagnant". Dan River, Inc., the textile facility which for years has been the major employer, is an employee-owned corporation which survived a hostile takeover attempt of a magnitude which has put other corporations out of business. It has not been a smooth path, but all the evidence is that the corporation is stable and is looking to appreciate growth in the near future.

Likewise, the tobacco industry is far from being down for the count. Grower designations for sales on the Danville market, which will open next Tuesday, show an increase of a million pounds over last year.

I make reference to these two industries because the Post reporter chose to do this. There are a significant number of companies with national and international names who have also chosen to locate in Danville, with yet another one to begin operations in the near future. You may be sure they were drawn to the Danville area for good reason, not the least being the strong work ethic and enthusiasm of the work force.

But the quality of a town is based on things the reporter did not see and magazines cannot measure. For Danville offers to those who will accept it a way of life which is largely defined by intangibles. The friendliness of the citizens, the willingness to be neighbors in the best sense of the word are demonstrated daily. Main Street in the spring, and almost any backyard on an early summer's evening offer pleasure to the eye and to the sense of smell which cannot be put between the pages of a book. Its pace is not Washington's, but then neither are its problems.

I am told its educational system is of high standard; certainly, this is borne out by the quality of students which I have know over the years. And if some of its young people are bored, as the article states, perhaps the fault lies in a lack of imagination or of stimulation by the adults with whom they associate.

Perhaps the best assessment of a town is an examination of the people who live there. Most Danvillians are native-born; but if you check around you will find a sizeable number who have come to the city to work in one of its industries, and who have chosen to stay on when their employment was terminated. They have learned the secret which eluded the Post's reporter.

Danville truly deserves its designation as one of the country's most liveable cities, and the fact that some outsiders cannot recognize this may well be the city's advantage.

Most of us love the town, and are willing to work to see that it grows and improves without losing those qualities which attracted us in the first place.

## WE DO OUR JOB, OR WE DON'T GET PAID

### HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. HEFLEY. Mr. Speaker, today I am introducing a bill that I hope will bring home to my colleagues the immediacy and urgency of the need to balance the budget. Simply, it says that if we don't do our job and produce a balanced budget, and produce it on time, we are going to have our pay docked, our office budgets cut, and the money available to operate Congress reduced.

The secret of the short-lived success of the Gramm-Rudman-Hollings amendments was that it got Congress' attention by threatening nearly every program with cuts unless we got around to setting priorities in our spending. Everyone's program stood to lose if Congress could not reach an agreement, so everyone paid attention. I hope to do something similar with this bill.

Under my bill, if Congress fails to agree to a balanced budget by the April 1 each year, then pay for Members of Congress would be cut by 10 percent from authorized levels. If Congress has still not agreed to a balanced budget by the beginning of the fiscal year, then the bill creates a point of order enforceable in the House against consideration of any legislative branch appropriations bill that exceeds 90 percent of the funding level for the preceding fiscal year.

Simple and to the point; we do our job, or we don't get paid for it. If we can't create a responsible fiscal policy for the Government as a whole, then we are going to have to do with a little bit less here.

Maybe if that pay cut forces some of us to cancel vacation plans, we can use that time to figure out ways to make the Government run a little better. Maybe if we had to do with less staff, we'd quit coming up with even more inventive ways of wasting the taxpayers' dollars.

I know we don't make many friends cutting back on Federal spending. Every time we mention a program cut someone screams. Letters start flooding our office; our phones ring off the hook; and postcards begin piling up. Even the most ardent budget balancers have some sacred cow. It's a thankless job, but no one is going to do it if we don't. The American people want a balanced budget, but they don't know how to get there.

One of the things I have learned here is that Congress is crisis oriented. We don't focus our energies on something until we can't ignore it. The recapitalization of the Savings and Loan Insurance Corp. is a good example.

Part of that is understandable. We are busy people, with many things demanding our attention. A crisis is just the thing to bring something to the top of our agenda.

With the national debt looming over $2 trillion, what worries me is the kind of crisis it is going to take to get us to balance the budget. Interest rates through the roof? A trade deficit bankrupting our Nation? A dollar that isn't worth the paper it is printed on?

I have heard several of my colleagues complain about the Social Security trust fund's euphemistic talk of a "surplus." They point out, quite rightly, that no such surplus exists. The trust fund holds Government securities which are nothing more than claims on the income of future taxpayers if the Government as a whole does not have a surplus. We're asking American to fork over $19.3 billion in new taxes this year. What will happen when the bill on those trust funds comes due?

I can hope that we'd develop a little foresight and attack the deficit before it gets any worse, but I think I'd be disappointed. I don't want to wait for the system to collapse before we fix it.

Gramm-Rudman helped create an artificial crisis to focus our attention. My bill would do the same thing, but on a little more personal level. It also has the advantage of having none of the constitutional problems of Gramm-Rudman.

I think this is a fair proposition. I think everyone of us has heard constituents call for something along these lines. I hope it helps move us a little closer to fulfilling our responsibilities to the American people.

## A TRIBUTE TO FRANK SOLLARS

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MCEWEN. Mr. Speaker, my colleagues, on Friday, August 14, 1987, the Ohio Agricultural Council will induct four State agricultural leaders into the Ohio Agricultural Hall of Fame at the Ohio Expositions Center in Columbus. One of the inductees into the 22d Annual Agricultural Hall of Fame will be my good friend and mentor, Mr. Frank Sollars of Washington Court House, OH.

Mr. Speaker, during these difficult days in American agriculture, Ohioans have been privileged to receive the advice, counsel and support of Frank Sollars. By sharing with you, my colleagues, some of the outstanding achievements of this friend of agriculture, I am certain you, too, will join me in paying tribute.

Frank Sollars, a native of Fayette County, OH, dedicated husband and father of five, has committed his life to the Nation's agricultural industry. Mr. Sollars is a past president of the Ohio Farm Bureau Federation (1965–68) and the Ohio Federation of Soil and Water Conservation Districts. He has served on the board of the American Farm Bureau Federation, as a director of the Ohio Chamber of Commerce, past president of the Ohio Agricultural Marketing Association and is a former or present member of over 25 State and national agricultural organizations.

Frank Sollars is most well known, however, for his work in cooperative endeavors. As a board member of the National Consumer Cooperative Bank [NCCB], Frank Sollars was a prime mover in securing passage of the legislation which ultimately established the bank. Long active and prominent in cooperative endeavors, Mr. Sollars has served as a board member of the Cooperative League of the U.S.A. [CLUSA] and chaired the task force which demonstrated the need for the National Consumer Bank.

It is an honor and a privilege for me to take this opportunity to bring to the attention of this Congress the accomplishments of an outstanding friend of agriculture. I join Frank's family and friends in offering sincerest congratulations as he is inducted into the Ohio Agricultural Hall of Fame—a well deserved honor.

## INCREASING SUCCESS OF THE AFGHAN RESISTANCE

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. BEREUTER. Mr. Speaker, as my colleagues well know, the Soviet invasion of Afghanistan in 1979 and ongoing aggression that has lasted to this day was and is a tragedy for the Afghan people. This Soviet aggression has also been a sobering experience for other non-Soviet bloc nations located geographically near to the U.S.S.R.

Mr. Speaker, this Member is proud that the United States is doing its part to help the brave Afghan resistance movement and to make the invasion of Afghanistan a sobering experience for the Soviets also. After almost 8 years of aggression, the Soviets still show no sign of prevailing over the resisting Afghans; the recent introduction of United States weapons has further increased the success of the resistance.

I commend to my colleagues the following editorial which appeared in the July 21 Lincoln Journal; this article describes the increasing success of the Afghan resistance and the substantial contribution that United States weapons have made to that success.

#### New Weapons and Coordination Helping Afghans Repel Soviets

U.S. weapons, especially the shoulder-fired Stinger anti-aircraft missile, appear to have made a major difference in Afghanistan.

Late last week, the Soviet government publicly confirmed earlier unofficial reports that its aggressor occupational forces in Afghanistan—numbering about 115,000—are suffering increased casualities. A spokesman for the Foreign Ministry acknowledged that the introduction of U.S. weapons has "created additional difficulties for Afghan army and Soviet troops."

Two weeks ago, unidentified Western diplomatic sources in Pakistan were saying that mujaheddin insurgents had inflicted big losses on Soviet and Afghan forces in June, even fighting them to a standstill in a pitched battle near Kabul. Some of the fighting has been hand-to-hand.

With Stingers and British-made Blowpipes, the Islamic defenders are showing much improved combat confidence and ability. They are further helped by a reduction in rivalries between the warrior groups, leading to a more effective level of coordination.

The toll of Soviet helicopters and low-flying jets brought down by the anti-aircraft missiles is said to be averaging around one a day. Or it was until the bloodied Soviets began to change their tactics, resorting more to high-level bombing and extended artillery bombardments against guerrilla encampments.

The Soviet aggression is now going on eight years. There is no real prospect Moscow will prevail and subdue the resisting Afghans, despite horrendous losses suffered by the native population and infrastructure. And we are no more willing to let the Soviets off the hook any more than they were when U.S. forces were battling in Vietnam.

A figure of $300 million was mentioned during the Iran-Contra hearings as the current annual expenditure in arms and supplies going to Afghan fighters. Late last summer, 150 Stingers were sent, and units trained in their use. Another shipment of 600 was dispatched earlier this year.

According to the Washington Post, "The only limit being placed on the kind of weapons the United States is now willing to send the seven guerrilla factions is their suitability to the terrain and conditions of warfare." That is a policy which has not brought any drumfire of criticism from either Congress or the country at large. The mood here, consistent since 1979, is that the Soviets have no business trying to add objecting Afghanistan to their existing empire.

## CENTENNIAL OF THE BIRTH OF MARCUS GARVEY

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. RANGEL. Mr. Speaker, I am pleased to submit Jamaican Ambassador Keith Johnson's testimony in praise of Marcus Garvey's life and work for the RECORD. He gave his testimony on July 28, 1987, before the Subcommittee on Criminal Justice of the House Judiciary Committee in support of my bill, House Concurrent Resolution 84, which expresses the sense of Congress that the mail fraud charges brought against Marcus Garvey by the U.S. Federal Government were unfounded.

It is a wonderful coincidence that the year of my proposed legislation contains both the centennial of Marcus Garvey's birth and the 25th anniversary of Jamaica's independence as a nation. I cannot think of a more appropriate or heartily welcomed anniversary gift than the recognition of Marcus Garvey, Jamaica's first national hero, as the predecessor of Dr. Martin Luther King, Jr. in the movement for international racial equality.

Ambassador Keith Johnson's testimony will give you and my colleagues some insight into the positive impact that Marcus Garvey has had on the postslavery condition of African Americans and on the suffering motivation and morale of oppressed blacks all over the globe.

#### Testimony of Ambassador Keith Johnson

Mr. Chairman, Honorable Members of the Subcommittee on Criminal Justice, it is a singular honour for me to appear before you today. My name is Keith Johnson and I am privileged to represent my country, Jamaica, as Ambassador to the United States of America.

On behalf of the Government and people of Jamaica, I wish first of all, to place on record our gratitude to Congressman Charles Rangel of New York for his indefatigable efforts in bringing before the American people, through their elected representatives in this honourable House, the views shared by us that "The charges brought against Marcus Garvey by the Federal Government were not substantiated and that his conviction on those charges was unjust and unwarranted."

Mr. Chairman, my purpose today is not to make a case for Garvey's innocence. In this respect I defer to other witnesses who will later testify. They are academicians and legal experts who have pored over the trail notes, the intelligence reports of the Bureau of Investigation as well as Justice Department documents and are therefore more qualified than I am to shed light on the peculiar circumstances of Garvey's conviction and imprisonment. Rather, I appear before you today to convey the fervent desire of the Government and people of Jamaica that the good name of our First National Hero, the Right Excellent Marcus Mosiah Garvey, be cleared by the Congress. I shall also attempt to expalin what Garvey and his philosophy mean to Jamacia and indeed to black people everywhere.

Garvey's sojourn in the United States covered the years 1916 to 1927—a period which marked the high-point of his career as an international leader. The organization which he founded, the United Negro Improvement Association and African Communities League was by 1921 unquestionably the largest black organization in history with a membership running into millions and spanning three continents. Never before, nor since then has there been a mass movement such wide geographic support. UNIA branches existed in all the Caribbean countries, the States of the United States, in Panama, Costa Rica, Ecuador and Venezuela, in England, Wales, and in African countries such as Ghana, Liberia, Nigeria, Sierra Leone and South Africa.

Garvey's philosophy and work engendered much controversy as he pitted himself against the conventional attitudes that relegated people of African origin to an inferior status. He dedicated his life to reversing this negative perception. He had to fight not just the white establishment and vested

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interests, but privileged blacks and some black intellectuals who, subscribing to the integrationist approach—regarded his formula for solving this problem as anathema.

Garvey preached black pride, black self-reliance and the confraternity of African peoples. He exhorted them with the ringing words, "Up you mighty race, you can accomplish what you will." In explaining the aims of the Universal Negro Improvement Assocaition, Garvey stated: "We are organized for the absolute purpose of bettering our condition industrially, commerically, socially, religiously and politically. We are organized not to hate other men, but to lift ourselves, and to demand respect to all Humanity."

Marcus Garvey believed that the black man could achieve anything if only he believed in himself, but he would have to break the shackles of 400 years of oppression, denigration, and crippling prejudice which had created a state of "mental slavery". Garvey therefore sought to demonstrate through tangible commerical projects that black people could take charge of their own destiny. He also felt that as long as Africa was not free, black people would never gain full respect before the world. Africa redemption was thus a central part of Garvey's philosophy.

Mr. Chairman, it is worth noting that as an activist and mass leader, Garvey was perhaps unique in his scrupulous respect for the laws of the land. Wherever he went, he took great care to caution his followers to "give unto Caesar the things that are Caesar's." In his own words, "I was not disloyal to anything American, to anything British, or to any constituted government in the world. All I was interested in was the liberation of the people who look like me * * *. The world has made being black a crime * * * and instead of making it a crime I hope to make it a virtue. That was all I had in mind when I traveled from one part of America to the next."

Like all great leaders who attempt to change the social order for the betterment of their people, Garvey was subjected to persecution, chicanery, sabotage, misrepresentation and ridicule; he suffered imprisonment, escaped an assassination attempt and faced repeated betrayals by people he trusted. Yet, his determination never wavered. This unrelenting pursuit of his mission is in itself an inspiration.

Marcus Garvey had a tremendous impact, not only on the civil rights movement in the United States and on socio-political advancement in the Caribbean but also on nationalist struggles in Africa. Leader such as Jomo Kenyatta of Kenya and Kwame Nkrumar of Ghana acknowledged their debt to him for the inspiration of his lectures and writings. Garvey also helped to organize liberation movements in South Africa, one of which—the African National Congress (ANC)—is still today in the forefront of the struggle for human dignity and justice in that troubled country.

As I intimated earlier, it was chiefly in the United States that Garvey was able to put into practice the tenets of his philosophy, and experience the gratification of the spontaneous response by black people to his exhortations. His arrival on the United States scene in 1916 was propitious. He drew on, and advanced the work of distinguished black leaders before him. As such, he was merely a link, albeit a very important one, in the continuous chain of black activism—reaching through time to another great leader, Dr. Martin Luther King, Jr.

Mr. Chairman, and members of this honourable Committee, we in Jamaica honour and treasure the memory of Marcus Garvey. Black peoples throughout the world are indebted to him and thank God for his life and his talents. As we in this year celebrate the centennial of his birth, it would be a most fitting tribute if, by exoneration, the Congress would signify its recognition of this invaluable contribution to the universal advancement of human dignity. It is now sixty years since his five-year sentence was commuted by President Coolidge. With the hindsight and clearer vision of the ensuing years, a fresh look at the circumstances of Garvey's prosecution is warranted.

Mr. Chairman and Honourable Members of this Committee, House Concurrent Resolution No. 89 as introduced by Congressman Charles Rangel is in harmony with representations made by my Prime Minister, the Right Honourable Edward Seaga to the President of the United States of America, Mr. Ronald Reagan.

It is our view that history has vindicated the words and actions of Marcus Mosiah Garvey; in consequence of this, he stands not only as Jamaica's First National Hero, but his bust now stands in the Hall of Heroes at the Organization of American States here in Washington, D.C. His positive contributions are now recognized throughout Africa and other parts of the world. The acceptance of this resolution by the Congress of the United States of America would assist greatly in convincing the supporters and admirers of Marcus Garvey throughout the world, that the Constitution of the United States, whose 200th anniversary is being celebrated, does indeed guarantee justice, (even if delayed) for all, irrespective of race or religious belief.

## SOCIAL SECURITY ATTORNEY'S FEES

### HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. HUBBARD. Mr. Speaker, I recently received a letter from my longtime friend Craig Housman, an outstanding attorney and constituent from Paducah, KY, regarding Social Security attorney's fees. I believe my colleagues in the House of Representatives will agree Craig Housman's letter is timely and worthy of publication in the RECORD.

His letter follows:

JUNE 24, 1987.

Re: Social Security Attorney's Fees.
Hon. CARROLL HUBBARD,
*Rayburn House Office Building,*
*Washington, DC.*

DEAR CONGRESSMAN HUBBARD: As you know, I have devoted substantial professional effort to assisting people in Western Kentucky who have difficulty establishing entitlement to social security disability benefits. This is not a lucrative practice. I know you number many attorneys among your friends in this constituency. Ask any of them. There are no law firms waxing wealthy on social security disability claims.

It is my opinion, and I think one widely shared by people in our profession that the current administration wishes to eliminate lawyers from representing social security disability claimants. The available figures document that attorney representation makes a substantial difference. People who deserve social security disability benefits statistically are much more likely to be able to prove it with the assistance of a lawyer. The only figures I have seen reflect the results using "lawyer" as a generic term covering the experienced, the inexperienced and all shades in between. The Social Security Administration has recently sent out another of their high-handed decrees to all the administrative law judges reducing discretionary authority from $3,000 to $1,500. Additionally most administrative law judges were placed under the impression by that memorandum that there was a limit $75 per hour to be enforced; $75 per hour would represent a reasonable rate of return given the overhead items in a modern law office. However, it is not reasonable considering the contingent nature of any fee recovery, the fact that in many cases one-fourth of past due benefits amounts to much less than $75 an hour, and particularly with those of us who have been willing to help people with an SSI claim the client sometimes simply never pays us.

The bottom line is that if the secretary's latest effort at fee reductions is not remedied by Congress, we will get out of the practice altogether or refuse to help many of those categories whom we have been helping in the past. I urge you to support Representative Barney Franks bill (H.R. 2312). I also hope that the statute can be amended so as to leave the attorney fee assessment process between the lawyer and client unless the fee exceeds whatever maximum Congress thinks is appropriate or the clients objects. I would suggest $3,500. It is exceptionally rare for a client to complain and even rarer for them to have reason to complain. I am sure the Social Security Administration can come up with a few "horror stories" out of the tens of thousands of cases they review each year. I hope you perceive the hypocrisy in the Social Security Administration's concern over disability claimants welfare. Check into the number of EAJA (Equal Access to Justice Act) fees which are awarded against the Secretary of Health and Human Services. Each and every one of those constitutes a case in which the Secretary's conduct was "without reasonable justification." If the Social Security Administration would utilize the time and energy they are currently expending reviewing agreed upon attorney's fees which are subject only to occasional abuse, and redirected that energy toward rendering a better quality decision on the merits before the ALJ hearing stage (third step in the process), attorneys, claimants, and the system would be far better off.

While legislation which assists attorneys is probably not real high in the list of national priorities, I ask that you please make a serious effort to get the facts on this issue. Having done so, I hope you will realize that the system would work far better for all concerned if the Social Security Administration's fee review process were limited to cases in which the fee requested was a large one or in cases in which there was some complaint from the client. We recently experienced a delay of over eight months in obtaining fee approval. Delays of several months are common. No interest is paid. We are never paid for the substantial amount of time it takes to give the Secretary an itemized listing of the hours involved.

I would very much appreciate any assistance you can render in reversing the administration's latest drive to reduce the numbers of Social Security disability recipients

by depriving them of competent, effective counsel. Without the help of Congress I think you will find in the future even fewer attorneys who are willing to handle this type of work.

Sincerely,

WILLIAMS, HOUSMAN,
SPARKS & FRANKLIN.

## ANTARCTIC CAMPAIGN '87

### HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. Hall of Texas. Mr. Speaker, one of the many benefits of my serving as chairman of the Subcommittee on International Scientific Cooperation of the Committee on Science, Space, and Technology, is the opportunity to hear testimony from noted scientist, engineers, education, and others relating to atmospheric changes brought about by both natural and man-made chemistry changes, and how such changes appear to them.

Astronauts viewing Earth from space describe a beautiful tranquil sphere in a vast black sea. From space a global sweep of clouds dominates Earth's surface. The atmosphere is unbounded by national or State borders and appears unaffected by events above or within its circumference. Yet, as we have discovered, the Earth is indeed fragile, its atmosphere affected by a wide range of natural and human-produced events. On the integrity of this thin envelop all life depends.

Earth's atmosphere is a complex chemical structure which has evolved over several billion years. Changes in its composition are a cause for serious international concern. For several decades, as acquisition and comparison of data have vastly improved, significant changes in the atmosphere have been observed, alerting scientists worldwide to potential trends and threats.

As long ago as 1975, when it became apparent that understanding atmospheric composition, specifically the effects of natural and man-made chemisty changes and the effects of dynamical air transfer, were critically important, the Congress directed the National Aeronautics and Space Administration [NASA] to—

> develop and carry out a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere so as to provide for an understanding of and to maintain the chemical and physical integrity of the Earth's upper atmosphere.

Accordingly, NASA implemented an upper-atmosphere science research program to acquire an organized base of knowledge which would permit an assessment of change and an understanding of causes. Because changes in the upper atmosphere affect global well-being, many national and international scientific groups have implemented research programs aimed at developing comprehensive knowledge of atmospheric processes. The United Nations Environment Program Governing Council, in 1981, decided to initiate work on a Global Framework Ozone Convention which would: First, harmonize regulatory control actions on ozone-modifying substances at the international level; second, increase coordination of ozone-related research; and third, increase the exchange of information on all scientific, economic, technical, and legal issues relevant to the ozone problem. Thirty nations have signed the Convention which provides that measures taken under the Convention be based on scientific and technical considerations and that the nations collaborate on scientific assessments. Scientists in the United States and abroad have moved to collect, share, and report data. A number of congressional hearings have been held on the subject of atmospheric changes, specifically, ozone depletion and the "greenhouse" warming effect.

Ozone, a form of oxygen, occurs naturally in the upper atmosphere, 15–50 kilometers above the Earth's surface in the stratosphere, where it acts to absorb the Sun's ultraviolet radiation, effectively preventing large amounts of harmful radiation from reaching Earth's surface. Since the mid-1970's scientists have been concerned about chemical destruction, specifically by chlorofluorocarbons, of atmospheric ozone. Ground, balloon, and satellite measurements have indicated that since 1975 the ozone layer in a wide region around the South Pole—from the South Pole to 45 degrees south—has become much thinner—a 50 percent reduction within 10 years—during the Austral spring, from mid August to November, with the deepest "hole" occurring in 1985. The thinning of ozone over Antarctica is particularly disturbing because it was completely unanticipated. Scientists do not know whether it is caused by human activities or whether by natural phenomena; whether it will always be localized over Antartica due to special atmospheric conditions or whether it is a precursor of future global changes. Reductions in the ozone layer of even a few percent are a cause for serious concern: the thinning of the ozone layer would result in a greatly increased risk of melanoma and nonmelanoma cancers. The Environmental Protection Agency estimates that a 1-percent decrease in global ozone could annually cause 20,000 additional skin cancers in the United States. In addition, ultraviolet radiation can cause suppression of the immune response system, affect crop yields, disrupt the aquatic food chain, and cause climate changes. The extent of the potential effect is unknown.

Theories to explain the decrease in ozone over Antarctica essentially number three, within the framework of natural variability and human activities:

First, the chlorofluorocarbon chemical theory: destruction of ozone catalyzed principally by halogens—chlorine and bromine. Many countries, including the United States have banned the use of chlorofluorocarbons as spray-can propellants.

Second, the solar-cycle theory: production of ozone-destroying nitrogen oxides by the Sun's rays. This theory has been generally downgraded with the findings in 1986 of low amounts of nitrogen oxides in the region.

Third, the dynamical theory: changes in air circulation patterns over the South Pole.

During the Antarctic Spring—August-November—of 1986, NASA, National Oceanic and Atmospheric Administration [NOAA], National Science Foundation [NSF], and Chemical Manufacturers Association [CMA] mounted a ground-based campaign at McMurdo Bay, obtaining a great deal of valuable data which have demonstrated that the chemical composition of the Antartica atmosphere is highly perturbed. High levels of active chlorine and low levels of oxides of nitrogen were observed. These observations support the chlorofluorocarbon theory but cast significant doubt on the solar therapy. It is widely believed that a combination of the effects of theories one and three will prove the likely cause of ozone depletion. However, experiments now being readied have been designed not only to test existing theories but to provide a wide base of high-quality data in the event that none of the hypotheses proves to be adequate.

This year, beginning in mid-August, a comprehensive campaign will be mounted which will include the use of aircraft to obtain measurements in and near the "hole," as well as the use of satellite and ground-based measurements. Two NASA research aircraft, an ER–2—(for high-altitude measurements)—and a DC–8—(for measurement at middle and lower altitudes)—will serve as platforms for instruments which will measure a wide range of gases. The aircraft data will be coordinated with real-time satellite observations. Sponsored by NASA, NOAA, NSF, and CMA, the cooperative program also involves scientists from Harvard University, the University of Denver, and the University of Washington, the United Kingdom, and France, and the Governments of Chile, Argentina, and New Zealand. Panama, Peru, and Ecuador also are cooperating by allowing aircraft overflights of their countries. Chile provide the operations base for NASA aircraft at Punta Arenas Airfield.

Among the imperatives in protecting Spaceship Earth is certainly the need for international cooperation in understanding, monitoring, and controlling insofar as possible the atmosphere on which we all vitally depend. In keeping with the critical nature of the problem, and with the expectation that this comprehensive campaign will yield decisive data, the investigators have decided to report the preliminary findings on October 1. This year's Antarctic campaign will greatly increase knowledge of atmospheric processes and lead toward an assessment of potential ozone depletion trends. Let us wish the explorers setting out on Antarctic Campaign '87, "God Speed".

## DUBLIN WORLD TRADE CENTER

### HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. McDADE. Mr. Speaker, I would like to take this opportunity to bring to your attention an outstanding example of how the Irish people are striving to become important players in the international economic marketplace. I am pleased to be able to highlight the efforts of our democratic friends across the globe as they undertake badly needed domestic economic initiatives.

The Irish Government is currently embarking on the development of a world trade center in Dublin. This project would be the largest private development in Irish history,

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and would represent at least $240 million in economic development to a nation in the midst of domestic recession. Almost 11,000 new jobs would be created in a country besieged by chronic unemployment. I laud Prime Minister Haughey's efforts to address Ireland's economic problems head on, and to embark upon such a major undertaking.

The Dublin World Trade Center will focus on international financial services and will concentrate on the use of advanced telecommunications technology to provide those financial services with speed and efficiency. The center is being developed in conjunction with the World Trade Centers Association so that it will be compatible with the teleport program and will have swift and economical access to international telecommunications networks. This emphasis will link the center to publically available trade information from all over the world.

I urge the Congress to look into ways by which the U.S. Government can assist the Irish people in their efforts on this ambitious project. The Irish Government would welcome American participation in the world trade center. Congress could play a significant part merely by providing modest amounts of low-interest financing to business developers participating in the project.

Mr. Speaker, I am confident that my colleagues will be deeply interested in this important undertaking by our Irish friends, and look forward to exploring with them ways which the U.S. Congress can assist the Republic of Ireland in this vital economic development project.

## FUNDS TO COMPLETE THE KICKAPOO RIVER IMPROVEMENT PROJECT

### HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. GUNDERSON. Mr. Speaker, today I am introducing legislation to appropriate funds for the completion of the Kickapoo River Improvement project in Vernon County, WI.

This bill would appropriate a total of $56 million over 5 years, beginning in fiscal year 1989. The amounts would be spread equally—$11.2 million—over the 5 years.

Started in 1971, the Kickapoo River Improvement project was designed to end flooding in the Kickapoo River valley, increase fish and wildlife, and attract tourists to the area. Central to the river project was construction of the La Farge Dam, which would have created an 1,800-acre lake in the river valley. However, in 1975 after the project was nearly 40 percent completed, all construction on the project was halted. Reasons for the stalled project range from environmental concerns to cost-benefit shortcomings.

I am introducing this bill to renew debate on the stalled project. Recently, Vernon County has sued the Federal Government in Federal court in Madison, WI, on charges of breach of contract. This action clearly demonstrates that this issue is far from being over in Vernon County.

Given the interest in and concern over the Kickapoo River Valley Improvement project in my congressional district, I am now reopening debate on this project on the Federal level.

## DURAND, MICHIGAN CELEBRATES ITS 100TH BIRTHDAY

### HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. SCHUETTE. Mr. Speaker, I would like to take this opportunity to commend the people of Durand, MI for their successful centennial celebration.

To celebrate their 100th birthday, the city of Durand Centennial Committee chose to bury a time capsule to be opened by city inhabitants in the year 2037. This was a most creative and thoughtful way in which to share their joyous celebration of 100 years of progress with generations to come.

Buried under the gazebo in Trumble Park, I am sure the time capsule will provide Durand residents in the year 2037 with much insight into our world as it is today and what life in a small, rural community was like in 1987. I think this venture will serve to be educational in the future and demonstrates the eagerness of the people of Durand to share their experiences with those who will follow in their footsteps.

Mr. Speaker, I respectfully ask that you and our colleagues join in commending the people of Durand, MI on a most successful event, and wish them many more years of progress and success in their city.

## UNCARING FOR PEOPLE WITH AIDS

### HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. STUDDS. Mr. Speaker, AIDS is one of the most devastating diseases in history. People with AIDS in the United States not only are obstracized by society and often family, they are also confronted with insurmountable medical costs that leave many literally homeless. The fact that our Nation cannot—or will not—provide the most basic care to those who cannot pay for it themselves is unconscionable.

I would like to take this opportunity to share with my colleagues the following article from today's Wall Street Journal which outlines the desperation of many with AIDS who have been left to fend for themselves in their last months of life.

[From the Wall Street Journal, Aug. 5, 1987]

#### WIPED OUT: AIDS VICTIMS FIND THAT A DEATH SENTENCE LEADS FIRST TO POVERTY

(Even those with insurance often face bankruptcy; some die awaiting help. Insurers and genetic testing)

(By Roger Ricklefs)

NEW YORK,—"If I live longer than three more months, I am in real trouble," the young lawyer says.

Until AIDS cut his brief career short last January, the 29-year-old New Yorker earned $62,000 a year and was rising fast. These days, insurance pays all of his medical expenses. But it doesn't pay his rent. Too weak to work, he is spending the last of his $15,000 in savings. "When it is gone, I will probably go on welfare," he says.

Acquired immune deficiency syndrome has a devastating side effect: Before AIDS kills people, it often makes them paupers. And their stories show the vulnerability of many Americans to financial ruin, not only from AIDS but also from cancer, heart disease and other catastrophic illnesses.

"AIDS has exposed in a very glaring way all the problems of the system," says Richard D. Dunne, the executive director of the Gay Men's Health Crisis here, the nation's largest AIDS-service organization. Indeed, the problems are getting worse in many ways.

#### SICK AND IMPOVERISHED

Of the GMHC's 1,600 clients, only 20 percent are "doing OK financially," mostly through insurance and their own assets, Mr. Dunne says. An additional 30 percent, largely intravenous drug users and their sexual partners, were poor to begin with, he adds. But AIDS impoverishes half of GMHC's clients.

"Right now, having AIDS isn't my main worry. Getting food stamps is my main worry," says Kevin Madden, a New Yorker with AIDS. Not so long ago, he was earning $43,000 a year as a fabric designer. Now he is thinking of filing for bankruptcy. "It's a whole new world I am being thrown into," he says.

It is a world of suffering beyond the power of doctors to relieve. Each year, illness impoverishes about a million Americans. Some 700,000 are elderly, according to the House Select Committee on Aging. And only about 25 million Americans are protected by long-term disability insurance beyond that provided by Social Security.

The number of Americans without health insurance has risen to 37 million, from 29 million in 1979. And breakthroughs in genetic testing may soon make it possible for insurance companies to deny health insurance coverage to additional Americans deemed susceptible to serious diseases—much as many carriers of the AIDS virus are denied insurance today.

#### RAPID DESCENT

Disaster can hit hard and fast. Robert J. Casey, the owner of a New York electronics business, says he has many friends with AIDS who have ended up on welfare. For a travel-agent friend, the progression from golf on weekends to "ward of the state" took less than six months, Mr. Casey says. With 40 acquaintances struck with AIDS, the businessman says he has given up holding his traditional Christmas party because "it had turned into a headcount."

Financial chaos devastates relatives and lovers as well as the sick themselves. After AIDS struck 31-year-old Paul Pryor several

months ago, he became too weak to care for himself, so he moved into his older brother Peter's Brooklyn apartment. His weight eventually down to just 65 pounds, the emaciated patient lay on the living room couch day after day, staring blankly at the television set.

Before he died in late July, Paul could no longer stand up. "It took me half an hour to lift him into bed," Peter says. "He was very sensitive, and if you pulled the wrong way, he screamed." Once, when the building elevator broke down, Peter had to carry his brother up five flights of stairs. In addition, Peter says, his girlfriend's resentment of his obsession with Paul destroyed the couple's relationship of six years.

#### SIX SMALL MEALS

A former free-lance musician and carpenter, Paul depended on Medicaid to pay medical expenses. Peter earned a comfortable living as a carpenter and artist. But since his brother needed constant care, he stopped working in February. Because Paul could eat very little at a time, Peter had to be on hand to feed him six times a day. "I always hoped he would eat more, so a lot of food got wasted," he says.

Having depleted his $10,000 in savings, Peter is now $3,000 in debt. Once, when his brother was in the hospital and he was three months behind in his rent, Peter ran up to the roof of the building to avoid a marshal with an eviction notice. He had to borrow from friends to pay the rent.

A home health-care worker, requested weeks earlier, arrived four days before Paul died. "I felt angry because my life was consumed with this," Peter says. "But I saw his suffering, and that is what motivated me."

Self-employed people like the Pryor brothers are particularly vulnerable because they often lack adequate health and disability insurance. But the corporate payroll is a shrinking haven. The best health-benefit providers—companies with more than 10,000 employees—have actually cut their total employment during the 1980s.

Practically all of the net job growth in the decade has occurred in companies with fewer than 100 employees, the concerns most likely to have skimpy health plans or none. Of all Americans without health insurance, 60 percent are employed.

Joseph Bombardiere is a New Yorker with AIDS-related complex, a frequent precursor to AIDS that can itself be fatal. Until January, he managed a small bakery and delicatessen that afforded him no medical or disability insurance.

Now, while waiting for Medicaid, the federal health-care program for the poor, he has accumulated $5,000 in unpaid hospital bills. Until welfare approval comes, he depends entirely on gifts of canned goods and such from his friends and church. Not long ago, he still had $5.56 in a savings account. But then he needed the five dollars. "I actually have dreams of welfare checks coming in," he says.

#### NO COVERAGE FOR DRUGS

People lucky enough to have insurance often are less well covered than they had thought. Among GMHC clients with private health insurance, fewer than 30% have coverage for prescription drugs, says Anne Milano-Tedeschi, a GMHC financial counselor. That hurts more each year as scientists develop better—and costlier—drugs.

For instance, the new drug AZT, which has prolonged and improved the lives of many people with AIDS, costs a patient as much as $10,000 a year. Despite his AIDS, one GMHC client stayed healthy enough to continue earning $285 a week as a messenger-service dispatcher. But his company health insurance didn't cover drugs. To qualify for free AZT through Medicaid, he had to quit his job and go on welfare, Ms. Milano-Tedeschi says.

Nationally, about 40 percent of AIDS patients end up depending on Medicaid. For income, they commonly depend on federal Supplemental Security Income, Social Security Disability, food stamps and local welfare programs. Ms. Milano-Tedeschi says her typical client was earning $2,000 to $2,500 a month before AIDS struck. But the most one can get through the various support programs is a rent allowance of $485 a month plus about $200 in cash and food stamps, she adds. In many states, the benefits are lower.

Bureaucratic delays and errors often destroy even these benefits. Carl Bleiweiss, a company controller here, says the first Social Security disability check for his AIDS-stricken roommate arrived three months after the application was approved—and two months after the roommate had died.

#### DUNNED BY CREDITORS

When incomes are lost or sharply reduced, many patients also suffer the consequences of their typically American reliance on consumer debt. Assuming he would continue to earn a living for many years, a 35-year-old clothing store manager had piled up $4,000 in charges on MasterCard, Visa and other accounts. When he learned he had AIDS, he wrote to his creditors to explain that he was dying and couldn't work. He says "they wrote back saying, "We're sorry, but where is our money?" Lately, creditors have pressed him with increasingly threatening telephone calls, and he says he plans to declare bankruptcy.

Such problems enormously compound the mental anguish of AIDS. "Even the ones who start out strong get defeated by this," says GMHC's Ms. Milano-Tedeschi. "It saps their will to live."

Says Gary B. Brown, a teacher with AIDS who lived in New York until recently: "All that weighs on me is the financial worry. I deal with the disease." Mr. Brown says that he was "almost suicidal" when he was diagnosed three years ago. "I cried a lot. For two years, I waited to die, and it didn't happen," he adds. "Then I realized that what matters isn't dying: it is what you do until then." He plans to get involved in volunteer work.

But, he says, "When I went to Providence [R.I.] to visit my sister, she paid the train fare. I felt defeated."

#### SAVING THE TOKEN

Even in his weak condition, Mr. Brown had taken to walking almost everywhere he went in New York, just to save the $1 subway fare. Recently he moved in with an old friend in Wichita, Kan.—partly because he was "afraid to be alone," but largely because be could no longer afford $500 a month for a studio apartment.

"Financially, there is no way I can come back to the East to visit," he says. "There is a chance I will never see my family again."

Other large segments of the population are as financially vulnerable as people with AIDS. "I have been shocked by the parallels between the problems of people with AIDS and the elderly who are chronically ill," says Len McNally, an official of the Village Nursing Home in New York, which is starting a program for AIDS patients.

In a Gallup poll three years ago, 79 percent of the elderly surveyed thought they might need nursing-home care and believed that Medicare would pay all or part of their bills. But usually, neither Medicare nor the private "Medigap" policies that supplement it will pay anything at all.

#### THE REQUISITE POVERTY

Like those with AIDS, the elderly needing nursing-home care must "spend down" all but a few thousand dollars of their financial assets before Medicaid will pick up the bill.

Both for AIDS sufferers and other people, too, the situation seems likely to get worse. A survey by the Health Insurance Association of America shows that practically all insurers require at least some applicants for individual health policies to take a blood test for the AIDS virus. Some 91 percent of these companies say they consider a person who tests positive uninsurable under any condition, and most of the remaining companies restrict the policies issued.

Insurers say that a 34-year-old man who tests positive is about 26 times more likely to die within seven years than the average man his age. "If a company took all of its applicants, its rates would be too high to be competitive," a Health Insurance Association spokeswoman says.

Insurers say the average claim for AIDS care exceeds $36,000. And a new study for the industry by insurance risk experts finds that insurers will face $32 billion in claims by the year 2000 as a result of AIDS-related deaths of current policyholders.

Last year, the industry paid out about $200 million in AIDS claims, about 1 percent of the $19.6 billion paid in total claims in 1986. In contrast, the latest study estimates that by the year 2000, AIDs-related claims could account for more than 20 percent of total claims against some firms.

According to the study, the industry is expected to face claims totaling $14 billion involving people with life insurance who already are infected with the disease and another $18 billion in claims stemming from cases involving current policyholders who will become AIDS victims during the next few years.

#### WARY GROUP PLANS

The AIDS-virus testing currently conducted by health insurers applies mainly to applicants for individual policies, rather than for those covered by group plans. But even the large group plans are tightening access to coverage—with restrictions involving many conditions other than AIDS.

Some employers are adding to group plans or more strictly enforcing clauses that limit coverage for "pre-existing conditions," says Scott Ziemba, a consultant for Hewitt Associates, a large benefits-consulting concern. In the past, many companies have leniently enforced such clauses, which restrict coverage for such pre-existing conditions as diabetes.

In addition, Mr. Ziemba says, "half of our client companies in the last two or three years have at least expressed an interest in physical exams." Such examinations help companies to avoid hiring workers who seem likely to develop expensive illnesses. If companies weren't afraid physicals might lead to accusations of discrimination against the handicapped, "there would be a lot more action," he says.

"AIDS has increased employers' interest in the high-amount claim," Mr. Ziemba says. Companies are looking for new methods to cut health-care costs and "trying to detect future ailments is one of them," he adds.

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### PREDICTIVE TESTS

Beyond the AIDS-virus test, new tools may soon make such detection far more effective than ever before. In the past few years, scientists have discovered genetic "markers" for patterns of genes that show exceptional vulnerability to heart attacks; emphysema; cancer of the lung, breast and colon; diabetes; Alzheimer's disease and others.

The U.S. Public Health Service's Office of Disease Prevention and Control predicts that most Americans will be getting "genetic profiles" by the year 2000. These can help people avoid diseases to which they are most susceptible. But it could also make many people uninsurable.

Limited testing has already begun. Last spring, Chesapeake & Potomac Telephone Co. in Washington offered genetic testing to 1,000 employee volunteers. When the tests show susceptibility to specific diseases, counselors suggest changes in diet and other habits to minimize the risk. If the experimental testing works well, the Bell Atlantic Corp. unit "would consider" using it in pre-employment screening, a spokesman says.

Some increased protection against financial ruin from health costs may be on the way. In the past several years, 13 states have started "risk pools" that provide health insurance—at premiums between 150 and 400 percent customary rates—for people who would otherwise be uninsurable because of pre-existing medical conditions. A bill in Congress would encourage other states to establish such pools. Other bills would give the elderly greater protection against catastrophic illness, alleviate "spend-down" requirements for nursing-home care and require companies to provide health insurance. But the proposals all face political opposition.

Meanwhile, millions of individuals simply don't bother buying insurance. Often they don't see the need until it is too late. Says Peter Pryor, the New Yorker who ran into debt caring for his dying brother: "I have no heath insurance, either. That's what's scary."

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, August 6, 1987, may be found in the Daily Digest of today's RECORD.

### MEETINGS SCHEDULED

### AUGUST 7

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.
SD-192

9:30 a.m.
Joint Economic
To hold hearings to review the employment/unemployment statistics for July.
SD-628

10:00 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on a proposal to define insider trading.
SD-538

Joint Economic
To hold hearings to examine the effects of the Office of Management and Budget's proposal to reduce the number of questions on the 1990 census.
SD-628

### SEPTEMBER 10

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on proposed legislation to create an independent Federal Aviation Administration.
SR-253

### SEPTEMBER 15

9:00 a.m.
Small Business
Government Contracting and Paperwork Reduction Subcommittee
To hold hearings to examine the impact of a series of amendments to the Small Business Act as contained in the Department of Defense Authorization Act for Fiscal Year 1987 (P.L. 99-681).
SR-428A

### SEPTEMBER 17

10:00 a.m.
Small Business
To hold hearings on S. 818, to provide permanent authorization for White House conferences on small business.
SR-428A

### SEPTEMBER 18

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on product liability.
SR-253

### SEPTEMBER 22

10:00 a.m.
Small Business
To hold oversight hearings on the Small Business Administration small business development center program.
SR-428A

### SEPTEMBER 29

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study to review coastal zone management consistency provisions.
SR-253

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## SENATOR, STATE, AND CAPITOL OFFICE

(NOTE.—Suite numbers preceded by SD are in the Dirksen Senate Office Building; by SH, in the Hart Senate Office Building; and by SR, in the Russell Senate Office Building, Washington, D.C. 20510.)

[Democrats in roman (54), Republicans in italic (46)]

| | *Suite No.* |
|---|---|
| *Vice President Bush, George* (Tex.) | SD-202 |
| Adams, Brock (Wash.) | SH-513 |
| *Armstrong, William L.* (Colo.) | SH-528 |
| Baucus, Max (Mont.) | SH-706 |
| Bentsen, Lloyd (Tex.) | SH-703 |
| Biden, Joseph R., Jr. (Del.) | SR-489 |
| Bingaman, Jeff (N. Mex.) | SH-502 |
| *Bond, Christopher S.* (Mo.) | SH-321 |
| Boren, David L. (Okla.) | SR-453 |
| *Boschwitz, Rudy* (Minn.) | SH-506 |
| Bradley, Bill (N.J.) | SH-731 |
| Breaux, John B. (La.) | SD-104 |
| Bumpers, Dale (Ark.) | SD-229 |
| Burdick, Quentin N. (N. Dak.) | SH-511 |
| Byrd, Robert C. (W. Va.) | SH-311 |
| *Chafee, John H.* (R.I.) | SD-567 |
| Chiles, Lawton (Fla.) | SR-250 |
| *Cochran, Thad* (Miss.) | SR-326 |
| *Cohen, William S.* (Maine) | SH-322 |
| Conrad, Kent (N. Dak.) | SH-825A |
| Cranston, Alan (Calif.) | SH-112 |
| *D'Amato, Alfonse M.* (N.Y.) | SH-520 |
| *Danforth, John C.* (Mo.) | SR-497 |
| Daschle, Thomas A. (S. Dak.) | SH-724 |
| DeConcini, Dennis (Ariz.) | SH-328 |
| Dixon, Alan J. (Ill.) | SH-316 |
| Dodd, Christopher J. (Conn.) | SH-324 |
| *Dole, Robert* (Kans.) | SH-141 |
| *Domenici, Pete V.* (N. Mex.) | SD-434 |
| *Durenberger, David* (Minn.) | SR-154 |
| *Evans, Daniel J.* (Wash.) | SH-702 |
| Exon, J. James (Nebr.) | SH-330 |
| Ford, Wendell H. (Ky.) | SR-173A |
| Fowler, Wyche, Jr. (Ga.) | SH-320 |
| *Garn, Jake* (Utah) | SD-505 |
| Glenn, John (Ohio) | SH-503 |
| Gore, Albert, Jr. (Tenn.) | SR-393 |
| Graham, Bob (Fla.) | SH-313 |
| *Gramm, Phil* (Tex.) | SR-370 |
| *Grassley, Charles E.* (Iowa) | SH-135 |
| Harkin, Tom (Iowa) | SH-317 |
| *Hatch, Orrin G.* (Utah) | SR-135 |
| *Hatfield, Mark O.* (Oreg.) | SH-711 |
| *Hecht, Chic* (Nev.) | SH-302 |
| Heflin, Howell (Ala.) | SH-728 |
| *Heinz, John* (Pa.) | SR-277 |
| *Helms, Jesse* (N.C.) | SD-403 |
| Hollings, Ernest F. (S.C.) | SR-125 |
| *Humphrey, Gordon J.* (N.H.) | SH-531 |
| Inouye, Daniel K. (Hawaii) | SH-722 |
| Johnston, J. Bennett (La.) | SH-136 |
| *Karnes, David K.* (Nebr.) | SR-443 |
| *Kassebaum, Nancy Landon* (Kans.) | SR-302 |
| *Kasten, Robert W., Jr.* (Wis.) | SH-110 |
| Kennedy, Edward M. (Mass.) | SR-315 |
| Kerry, John F. (Mass.) | SR-362 |
| Lautenberg, Frank R. (N.J.) | SH-717 |
| Leahy, Patrick J. (Vt.) | SR-433 |
| Levin, Carl (Mich.) | SR-459 |
| *Lugar, Richard G.* (Ind.) | SH-306 |
| Matsunaga, Spark M. (Hawaii) | SH-109 |
| *McCain, John* (Ariz.) | SH-210 |
| *McClure, James A.* (Idaho) | SH-309 |
| *McConnell, Mitch* (Ky.) | SR-120 |
| Melcher, John (Mont.) | SH-730 |
| Metzenbaum, Howard M. (Ohio) | SR-140 |
| Mikulski, Barbara A. (Md.) | SR-387 |
| Mitchell, George J. (Maine) | SR-176 |
| Moynihan, Daniel Patrick (N.Y.) | SR-464 |
| *Murkowski, Frank H.* (Alaska) | SH-709 |
| *Nickles, Don* (Okla.) | SH-713 |
| Nunn, Sam (Ga.) | SD-303 |
| *Packwood, Bob* (Oreg.) | SR-259 |
| Pell, Claiborne (R.I.) | SR-335 |
| *Pressler, Larry* (S. Dak.) | SR-407A |
| Proxmire, William (Wis.) | SD-530 |
| Pryor, David (Ark.) | SR-264 |
| *Quayle, Dan* (Ind.) | SH-524 |
| Reid, Harry (Nev.) | SH-708 |
| Riegle, Donald W., Jr. (Mich.) | SD-105 |
| Rockefeller, John D., IV (W. Va.) | SD-241 |
| *Roth, William V., Jr.* (Del.) | SH-104 |
| *Rudman, Warren* (N.H.) | SH-530 |
| Sanford, Terry (N.C.) | SH-716 |
| Sarbanes, Paul S. (Md.) | SD-332 |
| Sasser, Jim (Tenn.) | SR-363 |
| Shelby, Richard C. (Ala.) | SH-516 |
| Simon, Paul (Ill.) | SD-462 |
| *Simpson, Alan K.* (Wyo.) | SD-261 |
| *Specter, Arlen* (Pa.) | SH-303 |
| *Stafford, Robert T.* (Vt.) | SH-133 |
| Stennis, John C. (Miss.) | SR-205 |
| *Stevens, Ted* (Alaska) | SH-522 |
| *Symms, Steven D.* (Idaho) | SH-509 |
| *Thurmond, Strom* (S.C.) | SR-218 |
| *Trible, Paul S., Jr.* (Va.) | SH-517 |
| *Wallop, Malcolm* (Wyo.) | SR-206 |
| *Warner, John W.* (Va.) | SR-421 |
| *Weicker, Lowell P., Jr.* (Conn.) | SR-225 |
| *Wilson, Pete* (Calif.) | SH-720 |
| Wirth, Timothy E. (Colo.) | SR-237 |

## STANDING COMMITTEES OF THE SENATE

*Committee on Agriculture, Nutrition, and Forestry*

Mr. Leahy (chairman), Mr. Melcher, Mr. Pryor, Mr. Boren, Mr. Heflin, Mr. Harkin, Mr. Conrad, Mr. Fowler, Mr. Daschle, Mr. Breaux, Mr. Lugar, Mr. Dole, Mr. Helms, Mr. Cochran, Mr. Boschwitz, Mr. McConnell, Mr. Bond, Mr. Wilson, and Mr. Karnes.

*Committee on Appropriations*

Mr. Stennis (chairman), Mr. Byrd, Mr. Proxmire, Mr. Inouye, Mr. Hollings, Mr. Chiles, Mr. Johnston, Mr. Burdick, Mr. Leahy, Mr. Sasser. Mr. DeConcini, Mr. Bumpers, Mr. Lautenberg, Mr. Harkin, Ms. Mikulski, Mr. Reid, Mr. Hatfield, Mr. Stevens, Mr. Weicker, Mr. McClure, Mr. Garn, Mr. Cochran, Mr. Kasten, Mr. D'Amato, Mr. Rudman, Mr. Specter, Mr. Domenici, Mr. Grassley, and Mr. Nickles.

*Committee on Armed Services*

Mr. Nunn (chairman), Mr. Stennis, Mr. Exon, Mr. Levin, Mr. Kennedy, Mr. Bingaman, Mr. Dixon, Mr. Glenn, Mr. Gore, Mr. Wirth, Mr. Shelby, Mr. Warner, Mr. Thurmond, Mr. Humphrey, Mr. Cohen, Mr. Quayle, Mr. Wilson, Mr. Gramm, Mr. Symms, and Mr. McCain.

*Committee on Banking, Housing, and Urban Affairs*

Mr. Proxmire (chairman), Mr. Cranston, Mr. Riegle, Mr. Sarbanes, Mr. Dodd, Mr. Dixon, Mr. Sasser, Mr. Sanford, Mr. Shelby, Mr. Graham, Mr. Wirth, Mr. Garn, Mr. Heinz, Mr. Armstrong, Mr. D'Amato, Mr. Hecht, Mr. Gramm, Mr. Bond, Mr. Chafee, and Mr. Karnes.

*Committee on the Budget*

Mr. Chiles (chairman), Mr. Hollings, Mr. Johnston, Mr. Sasser, Mr. Riegle, Mr. Exon, Mr. Lautenberg, Mr. Simon, Mr. Sanford, Mr. Wirth, Mr. Fowler, Mr. Conrad, Mr. Dodd, Mr. Domenici, Mr. Armstrong, Mrs. Kassebaum, Mr. Boschwitz, Mr. Symms, Mr. Grassley, Mr. Kasten, Mr. Quayle, Mr. Danforth, Mr. Nickles, and Mr. Rudman.

*Committee on Commerce, Science, and Transportation*

Mr. Hollings (chairman), Mr. Inouye, Mr. Ford, Mr. Riegle, Mr. Exon, Mr. Gore, Mr. Rockefeller, Mr. Bentsen, Mr. Kerry, Mr. Breaux, Mr. Adams, Mr. Danforth, Mr. Packwood, Mrs. Kassebaum, Mr. Pressler, Mr. Stevens, Mr. Kasten, Mr. Trible, Mr. Wilson, and Mr. McCain.

*Committee on Energy and Natural Resources*

Mr. Johnston (chairman), Mr. Bumpers, Mr. Ford, Mr. Metzenbaum, Mr. Melcher, Mr. Bradley, Mr. Bingaman, Mr. Wirth, Mr. Fowler, Mr. Conrad, Mr. McClure, Mr. Hatfield, Mr. Weicker, Mr. Domenici, Mr. Wallop, Mr. Murkowski, Mr. Nickles, Mr. Hecht, and Mr. Evans.

*Committee on Environment and Public Works*

Mr. Burdick (chairman), Mr. Moynihan, Mr. Mitchell, Mr. Baucus, Mr. Lautenberg, Mr. Breaux, Ms. Mikulski, Mr. Reid, Mr. Graham, Mr. Stafford, Mr. Chafee, Mr. Simpson, Mr. Symms, Mr. Durenberger, Mr. Warner, and Mr. Pressler.

*Committee on Finance*

Mr. Bentsen (chairman), Mr. Matsunaga, Mr. Moynihan, Mr. Baucus, Mr. Boren, Mr. Bradley, Mr. Mitchell, Mr. Pryor, Mr. Riegle, Mr. Rockefeller, Mr. Daschle, Mr. Packwood, Mr. Dole, Mr. Roth, Mr. Danforth, Mr. Chafee, Mr. Heinz, Mr. Wallop, Mr. Durenberger, and Mr. Armstrong.

*Committee on Foreign Relations*

Mr. Pell (chairman), Mr. Biden, Mr. Sarbanes, Mr. Cranston, Mr. Dodd, Mr. Kerry, Mr. Simon, Mr. Sanford, Mr. Adams, Mr. Moynihan, Mr. Helms, Mr. Lugar, Mrs. Kassebaum, Mr. Boschwitz, Mr. Pressler, Mr. Murkowski, Mr. Trible, Mr. Evans, and Mr. McConnell.

*Committee on Governmental Affairs*

Mr. Glenn (chairman), Mr. Chiles, Mr. Nunn, Mr. Levin, Mr. Sasser, Mr. Pryor, Mr. Mitchell, Mr. Bingaman, Mr. Roth, Mr. Stevens, Mr. Cohen, Mr. Rudman, Mr. Heinz, and Mr. Trible.

*Committee on the Judiciary*

Mr. Biden (chairman), Mr. Kennedy, Mr. Byrd, Mr. Metzenbaum, Mr. DeConcini, Mr. Leahy, Mr Heflin, Mr. Simon, Mr. Thurmond, Mr. Hatch, Mr Simpson, Mr. Grassley, Mr. Specter, and Mr. Humphrey.

*Committee on Labor and Human Resources*

Mr. Kennedy (chairman), Mr. Pell, Mr. Metzenbaum, Mr. Matsunaga, Mr. Dodd, Mr. Simon, Mr. Harkin, Mr. Adams, Ms. Mikulski, Mr. Hatch, Mr. Stafford, Mr. Quayle, Mr. Thurmond, Mr. Weicker, Mr. Cochran, and Mr. Humphrey.

*Committee on Rules and Administration*

Mr. Ford (chairman), Mr. Pell, Mr. Byrd, Mr. Inouye, Mr. DeConcini, Mr. Gore, Mr. Moynihan, Mr. Dodd, Mr. Adams, Mr. Stevens, Mr. Hatfield, Mr. McClure, Mr. Helms, Mr. Warner, Mr. Dole, and Mr. Garn.

*Committee on Small Business*

Mr. Bumpers (chairman), Mr. Nunn, Mr. Sasser, Mr. Baucus, Mr. Levin, Mr. Dixon, Mr. Boren, Mr. Harkin, Mr. Kerry, Ms. Mikulski, Mr. Weicker, Mr. Boschwitz, Mr. Rudman, Mr. D'Amato, Mr. Kasten, Mr. Pressler, Mr. Wallop, Mr. Bond, and Mr. Karnes.

*Committee on Veterans' Affairs*

Mr. Cranston (chairman), Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, Mr. Graham, Mr. Murkowski, Mr. Simpson, Mr. Thurmond, Mr. Stafford, and Mr. Specter.

### OFFICERS OF THE SENATE

President Pro Tempore—John C. Stennis.
Secretary of the Senate—Walter J. Stewart.
Sergeant at Arms of the Senate—Henry Kuualoha Giugni.
Secretary for the Majority—C. Abbott Saffold.
Secretary for the Minority—Howard O. Greene, Jr.
Chaplain of the Senate—Reverend Richard C. Halverson, L.L.D., D.D.

## UNITED STATES SUPREME COURT

Chief Justice Rehnquist, of Arizona.
Justice Brennan, of New Jersey.
Justice White, of Colorado.
Justice Marshall, of New York.
Justice Blackmun, of Minnesota.
Justice Powell, of Virginia.
Justice Stevens, of Illinois.
Justice O'Connor, of Arizona.
Justice Scalia, of Virginia.

### OFFICERS OF THE SUPREME COURT

Clerk—Joseph F. Spaniol, Jr.
Librarian—Stephen G. Margeton.
Marshal—Alfred Wong.
Reporter of Decisions—Frank Wagner.
Administrative Assistant to the Chief Justice—Noel J. Augustyn.

Public Information Officer—Toni House.

## UNITED STATES JUDICIAL CIRCUITS
## JUSTICES ASSIGNED
## TERRITORY EMBRACED

*District of Columbia judicial circuit:* Chief Justice Rehnquist.

*First judicial circuit:* Justice Brennan. Maine, Massachusetts, New Hampshire, Puerto Rico, Rhode Island.

*Second judicial circuit:* Justice Marshall. Connecticut, New York, Vermont.

*Third judicial circuit:* Justice Brennan. Delaware, New Jersey, Pennsylvania, Virgin Islands.

*Fourth judicial circuit:* Chief Justice Rehnquist. Maryland, North Carolina, South Carolina, Virginia, West Virginia.

*Fifth judicial circuit:* Justice White. Louisiana, Mississippi, Texas.

*Sixth judicial circuit:* Justice Scalia. Kentucky, Michigan, Ohio, Tennessee.

*Seventh judicial circuit:* Justice Stevens. Illinois, Indiana, Wisconsin.

*Eighth judicial circuit:* Justice Blackmun. Arkansas, Iowa, Minnesota, Missouri, Nebraska, North Dakota, South Dakota.

*Ninth judicial circuit:* Justice O'Connor. Alaska, Arizona, California, Idaho, Montana, Nevada, Oregon, Washington, Guam, Hawaii, Northern Mariana Islands.

*Tenth judicial circuit:* Justice White. Colorado, Kansas, New Mexico, Oklahoma, Utah, Wyoming.

*Eleventh judicial circuit:* Justice Powell. Alabama, Florida, Georgia.

*Federal judicial circuit:* Chief Justice Rehnquist.

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## REPRESENTATIVE, STATE, AND CAPITOL OFFICE

(As furnished by the Clerk of the House)

(NOTE.—Office numbers with 3 digits are in the Cannon House Office Building, 4 digits beginning with 1 are in the Longworth House Office Building, and 4 digits beginning with 2 are in the Rayburn House Office Building, Washington, DC 20515.)

[Democrats in roman (257), Republicans in italic (177), vacant (1), total 435]

| | *Office No.* |
|---|---|
| Ackerman, Gary L. (N.Y.) | 1725 |
| Akaka, Daniel K. (Hawaii) | 2301 |
| Alexander, Bill (Ark.) | 233 |
| Anderson, Glenn M. (Calif.) | 2329 |
| Andrews, Michael A. (Tex.) | 322 |
| Annunzio, Frank (Ill.) | 2303 |
| Anthony, Beryl, Jr. (Ark.) | 1117 |
| Applegate, Douglas (Ohio) | 2183 |
| *Archer, Bill* (Tex.) | 1135 |
| *Armey, Richard (Dick)* (Tex.) | 514 |
| Aspin, Les (Wis.) | 2336 |
| Atkins, Chester G. (Mass.) | 504 |
| AuCoin, Les (Oreg.) | 2159 |
| *Badham, Robert E.* (Calif.) | 2427 |
| *Baker, Richard H.* (La.) | 506 |
| *Ballenger, Cass* (N.C.) | 116 |
| Barnard, Doug, Jr. (Ga.) | 2227 |
| *Bartlett, Steve* (Tex.) | 1709 |
| *Barton, Joe* (Tex.) | 1225 |
| *Bateman, Herbert H.* (Va.) | 1527 |
| Bates, Jim (Calif.) | 1404 |
| Beilenson, Anthony C. (Calif.) | 1025 |
| Bennett, Charles E. (Fla.) | 2107 |
| *Bentley, Helen Delich* (Md.) | 1610 |
| *Bereuter, Doug* (Nebr.) | 2446 |
| Berman, Howard L. (Calif.) | 137 |
| Bevill, Tom (Ala.) | 2302 |
| Biaggi, Mario (N.Y.) | 2428 |
| Bilbray, James H. (Nev.) | 1431 |
| *Bilirakis, Michael* (Fla.) | 1530 |
| *Blaz, Ben* [1] (Guam) | 1130 |
| *Bliley, Thomas J., Jr.* (Va.) | 213 |
| *Boehlert, Sherwood L.* (N.Y.) | 1641 |
| Boggs, Lindy (Mrs. Hale) (La.) | 2353 |
| Boland, Edward P. (Mass.) | 2426 |
| Boner, William Hill (Tenn.) | 107 |
| Bonior, David E. (Mich.) | 2242 |
| Bonker, Don (Wash.) | 434 |
| Borski, Robert A. (Pa.) | 314 |
| Bosco, Douglas H. (Calif.) | 408 |
| Boucher, Rick (Va.) | 428 |
| *Boulter, Beau* (Tex.) | 124 |
| Boxer, Barbara (Calif.) | 307 |
| Brennan, Joseph E. (Maine) | 1428 |
| Brooks, Jack (Tex.) | 2449 |
| *Broomfield, Wm. S.* (Mich.) | 2306 |
| Brown, George E., Jr. (Calif.) | 2256 |
| *Brown, Hank* (Colo.) | 1424 |
| Bruce, Terry L. (Ill.) | 419 |
| Bryant, John (Tex.) | 412 |
| *Buechner, Jack* (Mo.) | 502 |
| *Bunning, Jim* (Ky.) | 1123 |
| *Burton, Dan* (Ind.) | 120 |
| Bustamante, Albert G. (Tex.) | 1116 |
| Byron, Beverly B. (Md.) | 2430 |
| *Callahan, H.L. "Sonny"* (Ala.) | 1232 |
| Campbell, Ben Nighthorse (Colo.) | 1724 |
| Cardin, Benjamin L. (Md.) | 507 |
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| *Chandler, Rod* (Wash.) | 223 |
| Chapman, Jim (Tex.) | 429 |
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| *Cheney, Dick* (Wyo.) | 104 |
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| Clay, William (Bill) (Mo.) | 2470 |
| *Clinger, William F., Jr.* (Pa.) | 1122 |
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| *Combest, Larry* (Tex.) | 1529 |
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| Cooper, Jim (Tenn.) | 125 |
| *Coughlin, Lawrence* (Pa.) | 2467 |
| *Courter, Jim* (N.J.) | 2422 |
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| *Craig, Larry E.* (Idaho) | 1034 |
| *Crane, Philip M.* (Ill.) | 1035 |
| Crockett, Geo. W., Jr. (Mich.) | 1531 |
| Daniel, Dan (Va.) | 2308 |
| *Dannemeyer, William E.* (Calif.) | 1214 |
| Darden, George (Buddy) (Ga.) | 1330 |
| *Daub, Hal* (Nebr.) | 1019 |
| *Davis, Jack* (Ill.) | 1234 |
| *Davis, Robert W.* (Mich.) | 2417 |
| DeFazio, Peter A. (Oreg.) | 1729 |
| de la Garza, E (Tex.) | 1401 |
| *DeLay, Tom* (Tex.) | 1039 |
| Dellums, Ronald V. (Calif.) | 2136 |
| de Lugo, Ron [2] (V.I.) | 2238 |
| Derrick, Butler (S.C.) | 201 |
| *DeWine, Michael* (Ohio) | 1705 |
| *Dickinson, William L.* (Ala.) | 2406 |
| Dicks, Norman D. (Wash.) | 2429 |
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| *DioGuardi, Joseph J.* (N.Y.) | 325 |
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| Dorgan, Byron L. (N. Dak.) | 238 |
| *Dornan, Robert K.* (Calif.) | 301 |
| Dowdy, Wayne (Miss.) | 240 |
| Downey, Thomas J. (N.Y.) | 2232 |
| *Dreier, David* (Calif.) | 410 |
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| Durbin, Richard J. (Ill.) | 417 |
| Dwyer, Bernard J. (N.J.) | 404 |
| Dymally, Mervyn M. (Calif.) | 1717 |
| Dyson, Roy (Md.) | 224 |
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| English, Glenn (Okla.) | 2235 |
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| *Frenzel, Bill* (Minn.) | 1026 |
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| *Gallegly, Elton* (Calif.) | 1020 |
| *Gallo, Dean A.* (N.J.) | 1318 |
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| Gaydos, Joseph M. (Pa.) | 2186 |
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| *Gekas, George W.* (Pa.) | 1519 |
| Gephardt, Richard A. (Mo.) | 1432 |
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| *Gilman, Benjamin A.* (N.Y.) | 2160 |
| *Gingrich, Newt* (Ga.) | 2438 |
| Glickman, Dan (Kans.) | 1212 |
| Gonzalez, Henry B. (Tex.) | 2413 |
| *Goodling, William F.* (Pa.) | 2263 |
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| *Gregg, Judd* (N.H.) | 308 |
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| *Hansen, James V.* (Utah) | 1113 |
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| Hayes, Charles A. (Ill.) | 1028 |
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| *Hopkins, Larry J.* (Ky.) | 2437 |
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| *Houghton, Amo* (N.Y.) | 1217 |
| Howard, James J. (N.J.) | 2188 |
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| *Ireland, Andy* (Fla.) | 2416 |
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| *Kemp, Jack F.* (N.Y.) | 2252 |
| Kennedy, Joseph P., II (Mass.) | 1631 |
| Kennelly, Barbara B. (Conn.) | 1230 |
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| *Konnyu, Ernest L.* (Calif.) | 511 |
| Kostmayer, Peter H. (Pa.) | 123 |
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| LaFalce, John J. (N.Y.) | 2367 |
| *Lagomarsino, Robert J.* (Calif.) | 2332 |
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| *Latta, Delbert L.* (Ohio) | 2309 |
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| Lloyd, Marilyn (Tenn.) | 2266 |
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| *Lowery, Bill* (Calif.) | 225 |
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| *Lujan, Manuel, Jr.* (N. Mex.) | 1323 |
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| *McCollum, Bill* (Fla.) | 1507 |
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| *McDade, Joseph M.* (Pa.) | 2370 |
| *McEwen, Bob* (Ohio) | 329 |
| *McGrath, Raymond J.* (N.Y.) | 205 |
| McHugh, Matthew F. (N.Y.) | 2335 |

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[1] Delegate from Guam.

[2] Delegate from the Virgin Islands.

[3] Delegate from the District of Columbia.

[4] Resident Commissioner from Puerto Rico.

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| *McKinney, Stewart B.* (Conn.) | 237 |
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| *Madigan, Edward R.* (Ill.) | 2312 |
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| *Martin, David O'B.* (N.Y.) | 442 |
| *Martin, Lynn* (Ill.) | 1208 |
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| *Miller, Clarence E.* (Ohio) | 2208 |
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| *Miller, John* (Wash.) | 1224 |
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| Ortiz, Solomon P. (Tex.) | 1524 |
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| Stratton, Samuel S. (N.Y.) | 2205 |
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| *Young, C.W. Bill* (Fla.) | 2407 |
| *Young, Don* (Alaska) | 2331 |

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[5] Delegate from American Samoa.

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Sergeant at Arms—Jack Russ.
Doorkeeper—James T. Molloy.
Postmaster—Robert V. Rota.
Chaplain—James David Ford.

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# HOUSE OF REPRESENTATIVES—*Thursday, August 6, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us, O God, to see more clearly the bonds that unite us and not only the diversions that separate us. As You have created us to be one people, so may Your love help us to see how we all share Your gifts and how we are all marked with Your image.

May we take hold of Your witness to us that we will so speak and act that we truly will be the people that we ought to be and so better follow in the paths of peace.

This we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 812. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services;

H.R. 2309. An act to amend the Christopher Columbus Quincentenary Jubilee Act; and

H.R. 2971. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3. An act to enhance the competitiveness of American industry, and for other purposes; and

H.R. 1504. An act to provide for improvements in veterans' employment and education programs.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3) entitled "An act to enhance the competitiveness of American industry, and for other purposes", and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Leahy, Mr. Melcher, Mr. Pryor, Mr. Lugar, and Mr. Cochran, from the Committee on Agriculture, Nutrition, and Forestry; Mr. Glenn, Mr. Chiles, Mr. Bingaman, Mr. Roth, and Mr. Stevens, from the Committee on Governmental Affairs; Mr. Bentsen, Mr. Matsunaga, Mr. Moynihan, Mr. Baucus, Mr. Boren, Mr. Packwood, Mr. Chafee, Mr. Roth, and Mr. Danforth, from the Committee on Finance; Mr. Proxmire, Mr. Sarbanes, Mr. Dixon, Mr. Garn, and Mr. Heinz, from the Committee on Banking, Housing, and Urban Affairs; and solely for the consideration of sections 1029-1036 of title X, Mr. Cranston and Mr. Gramm; and solely for the consideration of title XIV, Mr. Exon and Mr. Danforth; Mr. Hollings, Mr. Inouye, Mr. Exon, Mr. Riegle, Mr. Danforth, Mr. Packwood, and Mr. Pressler, from the Committee on Commerce, Science, and Transportation; Mr. Kennedy, Mr. Pell, Mr. Metzenbaum, Ms. Mikulski, Mr. Adams, Mr. Hatch, Mr. Stafford, and Mr. Quayle, from the Committee on Labor and Human Resources; Mr. Bumpers, Mr. Sasser, and Mr. Weicker, from the Committee on Small Business; Mr. DeConcini, Mr. Leahy, and Mr. Hatch, from the Committee on the Judiciary; Mr. Pell, Mr. Sarbanes, Mr. Dodd, Mr. Helms, and Mr. Lugar, from the Committee on Foreign Relations to be the conferees on the part of the Senate.

**NOTICE**

An interim issue of the daily Congressional Record will be published during the adjournment for the August recess, in order to permit Members to revise and extend remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates, (Room HT-60 or S-220 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m., through August 20. The interim issue will be dated August 20, 1987 and will be delivered on August 21.

None of the material printed in the interim issue of the Congressional Record may contain subject matter, or relate to any event, that occurred after the adjournment date.

Members of Congress desiring to purchase reprints of material submitted for inclusion in the Congressional Record during the adjournment may do so by contacting the Congressional Printing Management Division, at the Government Printing Office, on 275-2226, between the hours of 8:00 a.m. and 4:30 p.m. daily.

By order of the Joint Committee on Printing.

FRANK ANNUNZIO, *Chairman.*

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1591. An act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States;

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuse and neglect assistance;

S. 1597. An act to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study; and

S.J. Res. 175. Joint Resolution to recognize the efforts of the U.S. Soccer Federation in bringing the World Cup to the United States in 1994.

## TRIBUTE TO THE LATE GUY BILLINGTON

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, I use this time to pay tribute to a long time dear friend—the late Guy Billington, a Murray, KY, businessman and civic leader who died at age 77 last Sunday afternoon at Murray-Calloway County Hospital.

Guy Billington, who served on the Murray City Council for 12 years, and his brother Owen Billington, who served 8 years in the Kentucky House of Representatives and 4 years in the Kentucky State Senate, formed a partnership—Murray Insurance Agency—in 1944. That insurance agency is known to be one of Kentucky's most successful.

Guy Billington was the developer, leasing agent, and general manager of the huge Murray Shopping Center.

Guy Billington was past president of the Murray Rotary Club of which he had been a very active member for 41 years. He was a long time deacon and Sunday school teacher at Murray's First Baptist Church.

My wife Carol and I extend to his wife Lurline Billington, daughter Anna Ruth Harris, sons Ted and Bob Billington, brother Owen Billington and other members of the Billington family our sympathy. We share with them the loss of an outstanding Kentuckian—Guy Billington.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## END TELEPHONE PORNOGRAPHY

(Mr. BLILEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, each and every day, thousands of our Nation's children are being sexually abused through obscene and indecent telephone dial it services. Any child who knows how to use a phone can gain access to these illicit services.

Recently, Gloria Leonard, the owner of High Society magazine, made the claim that dial-a-porn numbers are only available to adults. That is patently untrue.

In June, a mailing was sent addressed to residents in Washington, DC. The envelope was marked "For Adults Only." Inside was a card which read, "Sexy Linda is what they call me. I want to make love to you," with a dial-a-porn number printed below.

In our society where many children have two working parents, teens or preteens are likely to be the first to see the mail. The envelopes aren't addressed to their parents, so they know it's not expected. Kids will open it, they will call the number, and they will hear explicit simulations of sodomy, group sex, defecation, you name it.

Mr. Speaker, telephone pornography is the sexual abuse of children in its most insidious form. It can come into any home, any time, to any child who knows how to use a phone. The question for Congress is: "Whom should we protect: the Children or the Pornographer?" I know where I stand and I urge my colleagues to stand with me in protecting our children.

## AT LAST, A TRUE BIPARTISAN FOREIGN POLICY

(Mr. MICA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICA. Mr. Speaker, for 9 years on the Committee on Foreign Affairs I have always believed in a bipartisan foreign policy and I think today, this week, with your help and with the help of the President, the first step in the long road to a consensus on foreign policy in an important area may have been taken. The President, in bipartisan concert with congressional leaders and with you, our Speaker, has made a credible and I hope good faith effort and an offer that must be explored.

This is a new creative initiative and that is good, that is important that we are trying it.

It may or may not work, but more importantly it may lead to other areas for compromise and for solutions to a very difficult problem. And just as importantly, and I think this is very important, the Congress, the new Speaker has held out an olive branch to the President; the President has held out an olive branch to the Speaker, to the Congress on a very important and essential issue. And this may bode well for the balance of this Congress, this administration and the American people and again let foreign policy be a bipartisan issue that we can all work together on.

## MR. SPEAKER, PLEASE DO NOT LEAVE, WE NEED YOU FOR THE CURTAIN CALL

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, thank you for the privilege of addressing this House and thank you, Mr. Speaker, for your part in putting forth a truly fair, honest, prudent, and workable plan for peace and freedom for the people of Central America. But, Mr. Speaker, your part in this drama is not over, it has just begun. You must remain a key player on stage. You and the President must demonstrate to the Sandinistas that the proposal is an American proposal supported by both parties and not just an administration plan which you can support or ignore as you see fit.

If the Sandinistas suspect that there is weakness in your plan and division in our ranks, the plan can never succeed and the war will go on.

If you demonstrate by your words and your deeds, Mr. Speaker, that our proposal is truly bipartisan with you and the President being actively committed to its success, it can work.

If during this process you desire a Presidential cease-fire toward Congress, reciprocity is in order. Frankly, a cessation of hostilities here would be almost as welcome as it would be in Central America.

Mr. Speaker, thank you for your efforts so far. All of us greatly and deeply appreciate them. But please, Mr. Speaker, do not leave the stage. We all pray that the final act has finally begun but we need you to be there for the curtain call.

Mr. Speaker, thank you for all that you have done for us to this point and we look forward to continuing to work with you in a bipartisan manner to complete this process.

## EXTENDING CERTAIN PROTECTIONS UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

Mr. RODINO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1577) to extend certain protections under chapter 11 of the United States Code, the Bankruptcy Code.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. FISH. Mr. Speaker, reserving the right to object, I do so only to ask the chairman of the Committee on the Judiciary if he would explain the purpose of this bill.

Mr. RODINO. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from New Jersey [Mr. Rodino].

Mr. RODINO. I thank the gentleman for yielding.

Mr. Speaker, this legislation is necessary to extend for 1 additional month the stopgap legislation that protects the health, life, and disability benefits of retired workers of companies currently in chapter 11 bankruptcy proceedings. Without this extension, this protection will expire on September 15, 1987—only 1 week after Congress returns from the August recess. This legislation will extend protection until October 15, 1987.

The additional month will provide more time to work out a bill that provides retirees with continuous benefits and still promotes successful reorganization of financially troubled companies.

Mr. FISH. Further reserving the right to object, Mr. Speaker, would the gentleman answer whether or not this measure has passed the Senate in identical form?

Mr. RODINO. This is the bill passed by the Senate in its identical form, not amended in the House.

Mr. FISH. Could the chairman tell me, in the House, for how long does this extend the current status?

Mr. RODINO. The extension will be until October 15, 1987. It will give us

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sufficient time to work on a matter that is very complex. We want to assure protection of the rights of the individual retirees as well as to assure that the company proceeds with its reorganization under chapter 11.

Mr. FISH. The gentleman does expect we will have hearings in September when we return?

Mr. RODINO. Yes, that is correct, when we return.

Mr. FISH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. FROST. Mr. Speaker, reserving the right to object, I want to commend the gentleman strongly for bringing this matter to the attention of the House.

Mr. Speaker, I want to first of all thank and commend Chairman Rodino for moving to head off the loss of life and health insurance benefits for almost 80,000 retired Americans. Unless we act favorably upon the measure offered by the chairman, these retirees could face life threatening hardship as of September 15.

On that day, LTV Corp. and several other companies that have filed for reorganization under chapter 11 of the Bankruptcy Code would no longer be required to provide the group life and health insurance coverage promised to retirees during their working years. This means that retirees with chronic illnesses requiring regular medical attention will not have the resources to obtain the care they need. Vital medical prescriptions will go unfilled. Doctor bills will go unpaid. The LTV Aerospace Division is headquartered in my district in Texas, and approximately 8,000 LTV retirees live in the Dallas/Fort Worth area alone. I know first hand that even healthy retirees will be plagued by the fear of a severe, long-term illness striking themselves or a family member.

There is nothing controversial about the bill before us. It simply extends for 30 days—until October 15—the requirement that retiree health and life insurance benefits provided by companies before reorganization be continued. This 30-day extension will allow the House Judiciary Committee time to consider legislation to amend the Bankruptcy Code and protect retirees life and health insurance benefits permanently.

It is wrong for companies to use bankruptcy procedures to abandon their retirees. We must act today to ensure that retirees—those most vulnerable to debilitating illness and least able to withstand severe financial hardship—will continue to receive the benefits they earned during their most productive working years.

I again thank the chairman for his commitment to address this matter before October 15, and I strongly urge my colleagues to support the measure before us.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1577

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Public Law 100-41 is amended by striking out "September 15, 1987" and inserting in lieu thereof "October 15, 1987".

The Senate bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

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### THE LATEST PEACE PLAN: HOPE OR SKEPTICISM?

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, how does a Democrat who abhors the Sandinistas but believes the Contras are just as bad react to the President's peace plan? With hope and with increasing skepticism; with increasing skepticism because some in the administration are already throwing unworkable conditions on the plan; with hope because remarkably the President is reaching out for bipartisan support for the first time; with hope because we seem to be ready to work with, not against, our allies in the region; with hope because true democracy offers more hope for the Nicaraguan people than the Somosista-infested Contras.

But I react with skepticism because of this administration's sorry history of deception in Central Amercia, with skepticism because even Superman could not plan and implement a cease-fire and get all the foreign forces out and compel Nicaragua to implement civil liberties and sign a completed peace plan before September 30; and with skepticism most of all because some in the administration are already insisting on face to face negotiations between the Contras and the Sandinistas to obtain a cease-fire, something it knows will not happen, something not called for in the peace plan.

□ 1015

Mr. President, by proposing this new plan you have already admitted the policies of the last 6 years have failed. If you are really sincere, you will not impose conditions you know are unworkable upon this glimmer of potential peace in war-torn Central America.

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### A PROPOSED COMMISSION ON REVIEW OF CONGRESSIONAL ETHICS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, one of the responsibilities thrust upon Congress by the Constitution is that we discipline our own membership. In recent years that has proven to be a very difficult thing to do. Therefore, it appears that what we need to have is some outside help from some people who will tell us how we indeed should manage the ethics process in the House, how we can reform it, and how we can go about assuring that a high ethical standard is required of all who serve here.

Therefore, Mr. Speaker, I am introducing today a bill to establish a Commission on Review of Congressional Ethics. This particular Commission would be a bipartisan group that would include three Members picked by the Speaker and three Members picked by the minority leader. This particular Commission would take a look at ethical practices in the House, and it would recommend reforms for our consideration. It in no way changes the present pattern of how the House deals with these matters, but it simply gives us advice much as the Tower Commission gave advice to the President on the Iran-Contra matter.

Mr. Speaker, this is a bipartisan bill that has been sponsored by 60 Members, and I would commend it to the rest of my colleagues.

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### CENTRAL AMERICA PEACE INITIATIVE GAINS SUPPORT

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, I wish to lend my support for the new Central America peace initiative announced yesterday by the President in consultation with the Speaker.

I take this position without any predisposition about supporting either side on this violatile issue.

My support is based on the fact that it is far superior to the alternative which can best be characterized as a stalemate.

It is always wiser to give diplomacy a fighting chance to succeed instead of just relying on fighting.

It is obvious that neither the Sandanistas or the Contras are an especially effective military force.

It is also obvious that given their relative equity in power—that for one side to prevail—outside help will be needed. It appears that outside help may rest with this Nation and the Soviet Union. The prospects of us be-

coming more deeply involved militarily in this conflict trouble me deeply.

The United States should use its good offices—on a bipartisan basis to further a diplomatic solution in Nicaragua.

This new peace plan should have a greater degree of flexibility especially with respect to the 60-day deadline for progress on the diplomatic front. It may take some time to put a cease-fire in effect. It may take some time to develop proposals and have them evaluated. It would seem more reasonable to use the 60 days as a floor not a ceiling with respect to time.

This initiative may have another salient feature. It will result at least in a cooling off period in the rhetorical war between the various sides on this issue. We have a unique opportunity to show a united front in support of peace in Central America. We should proceed forward in good faith and with optimism.

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### PROPOSED LEGISLATION WOULD RELEASE TRANSPORTATION TRUST FUNDS

(Mr. HOPKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOPKINS. Mr. Speaker, I rise today to introduce legislation which will help reform the Federal budget process and release the transportation trust funds after 20 years of false imprisonment.

This bill removes the transportation trust funds from the general revenue budget and adjusts the Gramm-Rudman deficit targets accordingly.

The high priests of Federal budget-making have sacrificed the health of our transportation infrastructure in an attempt to manipulate the budget deficit.

Year after year, the ritual continues—the accounts of the highway, airport and airways, and inland waterways trust funds are held hostage in the name of deficit reduction.

Some $20 billion remains unspent in these trust funds. Of that, nearly $15 billion sits collecting interest for no reason other than deficit reduction.

Incredibly, the airport and airways trust fund has $5 billion which could be better used to improve air safety and alleviate passenger delays.

This money can only be spent for transportation-related purposes. I repeat: by law this money can be spent only for one purpose—transportation.

Nevertheless, while transportation safety continues its dangerous decline, Congress continues the deceitful practice of using these funds to hide portions of the deficit.

Thus, the American people have been deceived not once, but twice.

A few years ago, Congress increased excise taxes on gasoline by 5 cents per gallon, telling the traveling public this money would go to refurbish our deteriorating roads and bridges.

Four years later, billions of dollars remain arbitrarily locked up for the sole purpose of shielding a portion of the deficit.

The American people deserve to get what they pay for. I urge my colleagues to join me in restoring the "trust" in the transportation trust funds.

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### RAIL SAFETY IS THEME OF PROPOSED BILL

(Ms. SLAUGHTER of New York asked and was given permission to address the House for 1 minute.)

Ms. SLAUGHTER of New York. Mr. Speaker, today I am introducing legislation to improve the safety of Americans who travel by rail. Tragically, the Amtrak/Conrail accident earlier this year in Chase, MD, demonstrated the need for improved safety devices on trains, especially those operating in the heavily traveled Northeast corridor which runs from Boston to Washington, DC.

The Department of Transportation has stressed the need for trains to obey signals and has stated:

> The only system now capable of ensuring that a train is operated in conformity with signal indications is the automatic train control system.

Should an engineer fail to respond to a signal to slow down or stop, automatic train control, or ATC, will automatically bring the train to a safe stop. Mr. Speaker, it is acknowledged that ATC would have prevented the Chase, MD, accident.

The bill that I am introducing today would require that all trains operating in the Northeast corridor be equipped with ATC. In addition, it would mandate a study of other rail corridors to determine whether requiring ATC on those corridors would be advisable or feasible. The bill would also require that all trains, nationwide, be equipped with operable radios capable of train-to-train and train-to-fixed station communication.

Mr. Speaker, these are commonsense steps that ought to be taken. We must put Congress firmly on record establishing rail safety as a national priority.

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### AUGUST 6, 1787—AT INDEPENDENCE HALL IN PHILADELPHIA

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, today is August 6, 1787. The Constitutional Convention delegates have just returned to the floor of the Convention. I am reporting to you from the library which is right next to the main chamber of this hall where the Committee on Detail is putting the final touches on the presentation of a draft document to the full Convention.

This draft document was produced by this committee chaired by the gentleman from South Carolina, Delegate John Rutledge. It is made up of several articles covering the new Congress of the United States and the executive and judicial branches of the proposed new government. It starts off with a Preamble, as I see, looking over the shoulder of James Madison, who is taking furious notes as to the various provisions. Mr. Rutledge has now stood on the floor and explained preliminarily what the document contains and has asked for adjournment so the delegates can recess and review the document for the debate that is to ensue tomorrow.

One of the delegates, Alexander Hamilton of New York, has just come in and is anxious to get to work after having been absent for all these months.

Mr. Speaker, I am reporting to you 200 years ago today from the floor of the convention in Independence Hall in Philadelphia.

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### IN SUPPORT OF $35 MILLION AUTHORIZATION FOR SSC IN FISCAL YEAR 1988

(Mr FAWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAWELL. Mr. Speaker, well over 100 Members of Congress, will today or tomorrow, introduce a bill to authorize $35 million for the superconducting super collider in fiscal year 1988. As one of many cosponsors of this bill, I rise in support of this important piece of legislation.

Like landing a man on the Moon, the SSC will be the next great scientific leap for mankind. For centuries men and women have asked such simple yet fundamental questions as, What is this stuff called matter? What are we made of? What can we know of the universe in which we live? Questions such as these have been the driving force in mankind's scientific, technological, and even social progress.

Today we live in a world rich with the fruits of scientific research. Supercomputers, semiconductors, and now superconductors have become household words. All of these technologies are rooted in basic, fundamental research. We would not have semiconductors today if scientists some 30 years ago had not first learned how these materials worked. We would not even be discussing the breakthroughs in superconductivity if scientists had not first discovered this property some 70 years ago. The SSC itself can be traced back to the first crude accelerators constructed almost 100 years ago.

The bill we are introducing today is very simple, yet very important. Twenty-five million dollars will be authorized for continuing R&D for the SSC in fiscal year 1988 and $10 million for preconstruction nonsite specific activities. These funds are needed to keep the SSC on schedule so that it will be ready to replace existing accelerators when they have passed their peak of scientific usefulness in 10 years time. Just as important is the positive signal we will be sending to the international scientific community. When Congress demonstrates its commitment to the SSC, the Department of Energy will be in a good position to pursue meaningful cost-sharing agreements with foreign governments.

The SSC will continue mankind's centuries-old quest to understand the universe. Science and technology are becoming vitally important to our modern society, and I urge my colleagues to cosponsor and/or to support this legislation.

## TRIBUTE TO SHIRLEY MAXINE PHELPS-CANNADY

(Mrs. COLLINS, asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS. Mr. Speaker, I rise today to express my sorrow for the death of Shirley Maxine Phelps-Cannady. Shirley, a waitress in the dining room of the National Democratic Club since 1965, died of cancer on July 31 at the Bethesda Naval Hospital. She was 51.

Shirley Phelps-Cannady was born in North Carolina. Before moving to the Washington area in 1952, Shirley lived in Forest, VA. She was a member of Mount Airy Baptist Church in Washington and worked for several restaurants before joining the National Democratic Club dining room staff 22 years ago.

As a long-time member of the NDC, I knew Shirley through dining at the club. Always warm hearted and gracious, she was more than just a waitress—Shirley was a friend and inspiration to those who knew her. I speak for myself, and I believe for my colleagues, when I say that Shirley's good-natured affection was greatly appreciated, especially after a trying day. I offer my sympathy to her family, she will be missed.

## THE ROMANIA PROBLEM

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I have a newspaper here showing President Ceausescu of Romania and Arafat, head of the PLO. The headline is: "Comrade Ceausescu Meets Comrade Yassar Arafat. A Dictator Smiles at a Laughing Terrorist."

Mr. Speaker, the Romanian Government sells arms to the PLO, they train the PLO, they have their advisers in Libya, they give arms to Syria and other terrorists, and they are a safe haven for terrorists. They have bulldozed churches, they have bulldozed synagogues, and yet, Mr. Speaker, the Reagan administration refuses to do anything about this. I am so disappointed.

Mr. Speaker, as we know, the House by an overwhelming bipartisan vote has supported suspending MFN and taking it away from the Romanian Government. The Senate in a bipartisan manner, with Senator ARMSTRONG and Senator DODD, came together and also voted to suspend. Yet this administration does nothing else.

Mr. Speaker, in closing, I want to read from a Wall Street Journal editorial which said this:

> Experience with the Soviets has shown that it's important not to let transgressions pass. On Romania there is no reason why President Reagan should continue to leave the high road on this issue to Congress. He has the right under existing law to suspend Romania's most-favored-nation status, as he had the right to act on Poland's trade status.

□ 1030

## INTRODUCTION OF IMMIGRATION REFORM LEGISLATION

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONNELLY. Mr. Speaker, today I am introducing legislation with a number of my colleagues which will bring long needed reform to our immigration laws. The goal is to open our country to a number of immigrants, groups who were shortchanged by the 1965 law. Identical legislation is being introduced in the other body by the senior Senator from my State.

Our bill would separate the existing family reunification preferences from the employment and skill-related preferences by creating a new and expanded independent category. It creates 50,000 additional visas for older sources of immigration—especially for those from Ireland, Italy, the nations of Western Europe and Canada.

There are imbalances in current immigration laws which this bill will correct, by opening our doors to those who no longer have immediate family ties in the United States. It is based directly on the recommendations of the 1981 Commission on Immigration and Refugee Policy.

The time has come for Congress to pick up where we left off last year. Passage of this bill will continue and strengthen one of the oldest and most enduring themes in our Nation's history—America's immigrant heritage.

## INTRODUCTION OF THREE-TERM MEMBERSHIP LIMITATION ON APPROPRIATIONS COMMITTEE

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, today I am introducing legislation which would require the term of service of any Member who is appointed to the Appropriations Committee starting with the next Congress be limited to three terms.

This proposed modification to the Rules of the House is, in my opinion, consistent with our other efforts, such as the passage of the Congressional Budget Act and Gramm, Rudman, Hollings, to gain greater control over fiscal spending.

Entrenchment of fabled autonomous decisionmakers with absolute authority, who divvy spending authority, publicly cry foul when "shortsheeted" and grouse at intervention, frustrates efforts to reign in spending.

Rotation of committee membership is a fundamentally sound principle which has been effectively used in the House Budget Committee.

The assignment of rotation rules would give a greater number of Members the opportunity to work in the appropriations process during some point in their careers and serve to help balance institutional power.

Intensive efforts and sacrifices are being made by all of us to bring spending under control and to reduce the deficit.

This is one more method by which this can be accomplished and I urge that it be given serious consideration by all Members.

## PEACE INITIATIVE IN NICARAGUA

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, I rise today, with a feeling of cautious, optimism, over the recent attempts, by the administration, to launch a peace initiative in Nicaragua. I am hopeful of the prospect for peace, and the reinstitution of civil liberties in Nicaragua. However, I am concerned, that any attempt at peace, may lack, genuine conviction by parties, within the administration itself.

Peace should be more than a period of cheating between two periods of fighting. If the administration is indeed serious about peace, it should

suspend all solicitation of funds for the armed conflict in Nicaragua during the 60-day period of negotiations.

War is the greatest failure of mankind. To offer peace and hope for failure, so that support will grow for the Contra forces in Nicaragua, is offensive to the ideal of democracy.

An immediate cease-fire and cessation of hostilities in Nicaragua would be most welcome, Mr. Speaker, and I congratulate you on your diplomatic resolve in dealing with the administration proposal. I only hope that administration efforts to secure peace in Central America are genuine and not a Machiavellian strategem to gain support for the Contra forces in Nicaragua.

## GI BILL REFORMS

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, earlier this year Members of the House joined in a bipartisan effort and unanimously supported the Montgomery GI bill and made the new GI bill educational assistance program permanent. The program has been enthusiastically endorsed by veteran groups and the Armed Forces alike.

Its success and popularity notwithstanding, the Montgomery GI bill is in need of some reform in order to suit the special needs of today's recruits and their families. Legislation I am introducing today to amend the Montgomery GI bill sets out to strengthen the program and make it an even more attractive and workable plan for our men and women in the Armed Forces.

The reforms embodied in the new legislation have been developed in consultation with recruits and veteran groups who have had the opportunity to participate in or to learn firsthand of the program. Under my legislation, transferability of the educational benefit to a participant's spouse or dependent would apply under certain conditions—including death of the participant. Also, the consideration period for a recruit's decision to participate in the program is extended, and a recruit is given the option to reduce his/her pay by $50/24 months rather than $100/12 months.

Under my proposal, the consideration period for participation in the program would be extended to the end of the individual's basic training period. Recruits interviewed during a Veterans' Affairs Committee field trip to recruit training centers stated that they had not been given sufficient time to consider their option to participate in the program. Extending consideration time to the end of basic training would allow the recruit time to discuss the option with their family, superiors, and peers.

Additionally, Mr. Speaker, many recruits today have outstanding financial responsibilities which make the current $100/12-month pay reduction—16.9 percent of their pay—extremely undesirable. Provisions in my proposal would enable the recruit to spread out the pay reduction over a 24-month period.

Reforms included in my new proposal have won the preliminary support of groups most closely affected by the GI bill. I urge my colleagues to join in my efforts to strengthen the GI bill by supporting this legislation.

## HISPANIC HERITAGE MONTH

(Mr. TORRES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRES. Mr. Speaker, I am honored to be introducing a bill today that will designate a specific period of time as "National Hispanic Heritage Month."

Our Nation's history is rich with the contributions that Hispanic-Americans have provided us in the arts, sciences, culture, and defense of the country. This contribution does not go unrecognized. In September 1968, Congress passed, and President Johnson signed, a joint resolution authorizing the President to proclaim annually the week including September 15 and 16 as "National Hispanic Heritage Week." Every succeeding President has annually issued a similar proclamation.

The Hispanic community comprises over 18 million people in the United States. Our culture and population is as diverse as our ancestry. Our forefathers were native Americans, missionaries, conquistadors, and immigrants from every Latin-speaking country in the world. Our past includes colorful tales of Aztec, Mayan, and Inca kings; Spanish royalty, religious piety, and struggles against despotic rulers.

We want the American people to learn of our heritage. We want the public to know that we share a legacy with the rest of the country, a legacy that includes artists, writers, Olympic champions, and leaders in business, government, cinema, and science. We want people to remember that Hispanics make up the highest number of Congressional Medal of Honor winners of any ethnic group and have fought with valor in the Revolutionary War and every subsequent armed conflict involving the United States.

For these reasons, I strongly believe that Congress should extend Hispanic Heritage week to a month. This extra time will allow our Nation to properly observe and coordinate events and activities to celebrate Hispanic culture and achievement. A month provides our schools, universities, corporations, and journalists a longer period in which to plan and commemorate Hispanic participation in our Nation's history.

Mr. Speaker, we are approaching the quincentenary of Columbus' landing in this hemisphere. This will mark 500 years of Hispanic presence in the Americas. The time has come to extend the period of commemoration from 1 week to 1 month. I urge my colleagues to join me and support "National Hispanic Heritage Month."

## TELEPHONE SOLICITATION PRIVACY PROTECTION ACT

(Mr. NIELSON of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NIELSON of Utah. Mr. Speaker, anyone who has ever been awakened in the night to receive an unsolicited phone call from a person or machine trying to sell them something has probably felt a lot of anger and frustration.

High technology is now being used to invade privacy in our own homes. While for some these phone calls provide an opportunity to purchase wanted products, for many they are a constant irritation.

Today, I am introducing legislation that would provide a needed balance between the rights of the telephone solicitors and those whose homes are being invaded.

The Telephone Solicitation Privacy Protection Act of 1987 would prohibit the making of any unsolicited phone calls to residential telephone customers between the hours of 9 p.m. and 10 a.m. It would direct the FCC to establish procedures for enforcement and filing and investigation of customer complaints. It would also direct the FCC to conduct an inquiry into the methods by which residential telephone customers may be afforded opportunities to refuse to accept or curtail the receipt of such phone calls.

FCC would be required to examine the feasibility of providing tonal or visual signals to the residential customer to indicate that an incoming call is from a solicitor as well as the feasibility of permitting customers to deny access to their phone by the telephone solicitor.

It is not the intent of this legislation to deny the telephone solicitors reasonable access to customers or to in any way prevent them from marketing their products. However, the privacy of our homes is also a very important right and my bill will provide the needed protection against undue invasion of privacy. I urge my colleagues to join with me in supporting the Telephone Solicitation Privacy Protection Act of 1987.

## DISPLACED HOMEMAKERS LEGISLATION

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. BILIRAKIS.** Mr. Speaker, Mrs. Smith is a constituent of mine as well as yours. She has two children. Her husband, who was the sole financial support of the family, died when she was 45 years old. Mrs. Smith has never handled family finances. Furthermore, she has never worked outside of the home and, thus, has few job skills. Mrs. Smith is a displaced homemaker in need of an income-producing job. However, finding employment will be difficult in view of her lack of professional job skills.

The sad part, Mr. Speaker, is that Mrs. Smith is not alone. As the Washington Post recently pointed out, a study completed by the displaced homemakers network concludes that there are as many as 11.5 million Mrs. Smiths' in our society today.

My legislation, House Joint Resolution 139, would draw national attention and concern to their plight by proclaiming October 1988 as "Displaced Homemakers Awareness Month." My second bill, H.R. 1064, the subject of which received a hearing before the Ways and Means Select Revenue Measures Subcommittee in the last Congress, would assist them in finding employment by allowing employers a tax credit for hiring displaced homemakers under the Targeted Jobs Tax Credit Program.

My displaced homemakers legislation is fully supported by the national organization espousing the needs of all such women, the displaced homemakers network, and I ask all my colleagues to cosponsor these bills and thereby do their part to help these women "stand on their own" and reduce dependency on public assistance.

□ 1040

## HOW TO IDENTIFY A WAR

(Mr. ATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. ATKINS.** Mr. Speaker, American warships, minesweepers, and helicopters are in the Persian Gulf to give safe passage to oil tankers from Kuwait. They are there ostensibly to keep the Persian Gulf open, and advance the vital interests of the United States.

However, despite the 7-year war between Iran and Iraq which is the only reason the Persian Gulf would conceivably be threatened to begin with, the Reagan administration refuses to acknowledge that the Persian Gulf is a situation where hostilities are imminent, and abide by the provisions of the War Powers Act.

Well, if it looks like a war, it smells like a war, it walks like a war, and it kills like a war, it is a war. And that is why we are filing suit in Federal court today to ask that this administration obey the law, and report to the Congress under the provisions of the War Powers Act.

## NEW HOPE FOR SECURITY AND DEMOCRACY IN CENTRAL AMERICA

(Mr. ANDREWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. ANDREWS.** Mr. Speaker, today there is new hope for security and democracy in Central America because of the bipartisan peace plan proposed this week. This important outline advances four goals for Central America:

Our Nation has a vital interest that there be no Soviet or Communist bases established on the mainland of Central America.

That Nicaragua pose no security threat to its neighbors and respect the basic human rights and political rights of its own people.

That the bloodshed end.

That our policy in Central America be broadened to address in a significant way the economic and social needs of the fragile democracies trying to grow there.

Mr. Speaker, let us go forward in good faith and with a clear resolve to negotiate a real and lasting peace for Central America.

## KIDS AND GUNS IN NICARAGUA

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. DORGAN of North Dakota.** Mr. Speaker, viewed from the hills of Nicaragua, our country is still the beacon of hope and the light of freedom. All of us who have been to Nicaragua and have been to those hills have had an opportunity to see the kids. In a Contra camp you see kids with guns who fight and who die. Then you go to Managua and see the soldiers, the kids, with guns, who are drafted and they fight and die.

There are several winners in that struggle. The winners are poverty, despair, and hunger.

It seems to me that our light of freedom illuminates our responsibility in this hemisphere to search for peace. That is why in the last several days I have been encouraged by what I have heard. An initiative toward peace in Central America makes sense. It is what our responsibilities are in this hemisphere.

It is important to understand, however, Mr. Speaker, we have got some crazies in the crankcase of the foreign policy engine downtown who would love to derail this peace initiative. The "Nightline" program last night was an example of that.

If this is a genuine search for peace and if responsible people have control of foreign policy in this administration, then they will find bipartisan support in Congress, in my judgment, for that genuine search for peace. Let us hope that is the case so that those kids in Nicaragua can stop fighting and dying for adult disputes that we ought to be able to solve.

## IS THE ADMINISTRATON TALKING OUT OF BOTH SIDES OF ITS MOUTH?

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. BONIOR of Michigan.** Mr. Speaker, yesterday a historic opportunity for peace in Central America was launched. After 6 years of waging war, the Reagan administration has committed itself to 60 days of peace.

In response to this initiative, Nicaragua has accepted the offer to negotiate. But has the administration?

Last night, on the ABC news program "Nightline," Assistant Secretary of State Elliot Abrams stated that the new peace agreement included negotiations between the Nicaraguan Government and the Contras. This is patently untrue. It has never been the intention to include the Contras in direct peace talks with the Sandinistas. To do so would kill the plan outright. Speaker Wright has been very firm on this

So the question remains, Is the administration talking out of both sides of its mouth? Does Elliot Abrams speak for the administration or George Shultz?

## THE FACES OF AIDS

(Mr. GARCIA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. GARCIA.** Mr. Speaker, this past week Newsweek magazine ran on the front cover, "The Faces of AIDS, One Year in the Epidemic."

I would like to congratulate Newsweek, because I think of all the plagues that have faced mankind, this has the potential of being without a doubt the worst of all. People are fearful.

We read not too long ago that Northwest Airlines is fearful of AIDS; their policy reflects that fear and that policy came to light last month when it denied a passenger passage back to the United States from China, where he was vacationing when his AIDS condition worsened.

This incident only confirms the immediate and crucial need for more education on AIDS.

Besides the need for education, we must remember that AIDS patients are people. They should not be ostracized from society. They are people who should not be cast aside, but if anything, more help should be given to them.

Evidence shows that the HIV virus cannot be transmitted by causal contact. People with AIDS, AIDS related condition or a positive test present no danger to those with whom they go to class, share bathrooms, eat, work, or sit. Objects touched or handled by people with AIDS are not contaminated and need not be feared; the only exceptions are needles which might be shared. There is no need for concern about the safety of swimming pools, whirlpools, saunas, or telephone booths because of AIDS.

AIDS is transmitted by intimate—sexual—contact and by exposure to contaminated blood.

Besides the need for education, we must also remember that AIDS patient's are people. They should not be ostracized from society. They are not people to be shamed and cast aside. AIDS patients are our neighbors, our brothers and sisters, they are our children and they are our coworkers and friends. As a country that prides itself on compassion and believes so strongly in the human rights of all people, we cannot allow such atrocities to exist.

## LEVEL OF FLOOD PROTECTION FOR LOCK HAVEN, PA

**Mr. HOWARD.** Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 3085) to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, PA.

The Clerk read the title of the bill.

**THE SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey?

**Mr. CLINGER.** Reserving the right to object, and I will not object, Mr. Speaker, I would like to take this opportunity to explain the purpose of the bill and the amendment which I will offer at the appropriate time.

Mr. Speaker, H.R. 3085 and an amendment that I will offer momentarily makes a technical correction to Public Law 99-662, the Water Resources Development Act of 1986, by reducing the level of protection for a flood control project now in final planning stages for Lock Haven, PA.

The Corps of Engineers has done an indepth study of the need to protect portions of Lock Haven from recurrent flooding by the Susquehanna River. In their phase II general design memorandum, the corps recommended a 200-year level of protection. Unfortunately the Water Resources Development Act, in authorizing the project, erroneously incorporated a much higher and more expensive level of protection. H.R. 3085 revises this act by reducing the scope of the project to levels consistent with the corps recommendations.

I wish to emphasize that H.R. 3085 imposes no new additional costs to the Federal Government. To the contrary, H.R. 3085 will reduce the project scope and in the long run help save the Federal Government $15 million.

Finally, I wish to emphasize to Members that the leadership of the Public Works Committee has reviewed this legislation and supports its passage.

**Mr. HOWARD.** Mr. Speaker, will the gentleman yield?

**Mr. CLINGER.** Continuing under my reservation, Mr. Speaker, I yield to the gentleman from New Jersey.

**Mr. HOWARD.** Mr. Speaker, I am pleased to speak in support of the bill H.R. 3085, modifying the project for flood control at Lock Haven, PA.

The flood control project at Lock Haven, PA, was authorized by section 401(a) of the Water Resources Development Act of 1986. The project authorization calls for a level of protection 50 percent greater than the level of flooding incurred as a result of tropical storm Agnes in 1972. The bill would reduce the project scope to a 200-year level of protection.

The reduced level of protection is recommended in the phase II general design memorandum currently being completed by the Corps of Engineers. A reduced project scope is more in line with the local interests' support for the project, and is more consistent with local financial capabilities. Further, reducing the level of protection increases the benefit cost ratio to over 1.6, and reduces the estimated Federal cost by over $12 million.

This bill has the bipartisan support of the Public Works and Transportation Committee, and I urge my colleagues to give it their unanimous support.

Mr. Speaker, I would ask if the gentleman will yield to the chairman of the Surface Transportation Subcommittee, the gentleman from New York [Mr. Nowak].

**Mr. CLINGER.** Continuing under my reservation, Mr. Speaker, I yield to the gentleman from New York.

**Mr. NOWAK.** Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, we have reviewed this matter and have no objection.

Mr. Speaker, I would add my thanks to the gentleman from Minnesota [Mr. Stangeland], who is our minority leader, and certainly the gentleman from Pennsylvania [Mr. Clinger] for bringing this matter to our attention. It is a matter that will really reduce for a change the amount of Federal dollars that will be spent on these types of projects, so we heartily endorse the project.

Mr. Speaker, the bill H.R. 3085 would amend the Water Resources Development Act of 1986, Public Law 99-662, to reduce the level of protection for the project for flood control at Lock Haven, PA.

The authorization currently provides for a level of protection 50 percent greater than the level of flooding which occurred as a result of tropical storm Agnes in 1972. The language which requires this greater level of protection would be stricken, so that the project could be constructed to provide a 200-year level of protection.

The 200-year level of protection is equal to the flood of record on the Susquehanna River and coincident flooding on Bald Eagle Creek. This level of protection is supported by local interests, and is less disruptive in terms of construction. It is also the level provided for in the phase II general design memorandum currently being completed by the Corps of Engineers. The 200-year level of protection is the national economic development plan with a benefit cost ratio over 1.6. In general terms, the scope of the project is reduced approximately 15 percent.

The reduction in the scope of the project also reduces the expected Federal cost of the project by approximately $12 million.

I urge my colleagues to support this legislation and vote for its passage.

**Mr. CLINGER.** Mr. Speaker, I thank my chairman very much and also thank him for his cooperation in the expeditious handling of this bill.

Continuing under my reservation, Mr. Speaker, I yield to the ranking member of the subcommittee, the gentleman from Minnesota [Mr. Stangeland].

**Mr. STANGELAND.** Mr. Speaker, I thank my friend for yielding.

Mr. Speaker, I rise in strong support of H.R. 3085, which amends the Lock Haven, PA, floor control project contained in the Water Resources Development Act of 1986. This small, but crucial bill will correct an error in last year's omnibus legislation so that the Lock Haven project is constructed according to plan and congressional intent.

First of all, let me thank Chairman Jim Howard of the Public Works Committee, ranking minority member John Paul Hammerschmidt, Chairman Henry Nowak of the Water Resources Subcommittee, and chief sponsor of the bill, Congressman Bill Clinger. With their strong leadership and bipartisan cooperation, we were able to recognize the problem, forge a solu-

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tion, and move the legislation through committee in a remarkably swift, yet deliberate pace. I would particularly like to commend and congratulate Congressman CLINGER who first introduced the Lock Haven flood control project in the 97th Congress and, since then, has diligently shepherded it through the legislative process.

The bill before us today amends section 401(a) of the Water Resources Development Act by striking language in the authorization for the Lock Haven project. The current authorization provides for a level of protection 50 percent greater than the level of protection from flooding incurred as a result of tropical storm Agnes in 1972. H.R. 3085 would strike the language requiring this greater level of protection so that the project could provide a 200-year—rather than a 400-year—level of protection.

This change is consistent with congressional intent, has the support of local interests, and is less disruptive in terms of construction. It also reflects the level of protection provided for in the phase II general design memorandum currently under final review by the Corps of Engineers. The changed level of protection also represents the plan which maximizes national economic development benefits with a benefit-cost ratio of over 1.6 to 1.

For all of these reasons, Mr. Speaker, I urge my colleagues to support this important technical corrections bill.

Mr. CLINGER. Mr. Speaker, I thank the gentleman very much for his comments.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3085

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the undesignated paragraph under the heading "Lock Haven, Pennsylvania" in section 401(a) of the Water Resources Development Act of 1986 is amended by striking out "The project shall be constructed to provide protection at least sufficient to prevent any future flood losses to the city of Lock Haven, Pennsylvania, from flooding equivalent to a level of flooding 50 percent greater than the level of flooding which occurred as a result of tropical storm Agnes in 1972.".

AMENDMENT OFFERED BY MR. CLINGER

Mr. CLINGER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLINGER: On the first page, strike out line 5 and all that follows through the second period on line 5 of page 2 and insert in lieu thereof the following:

sources Development Act of 1986 is amended by striking out ". The project shall be constructed to provide protection at least sufficient to prevent any future flood losses to the city of Lock Haven, Pennsylvania, from flooding equivalent to a level of flooding 50 percent greater than the level of flooding which occurred as a result of tropical storm Agnes in 1972." and inserting in lieu thereof the following: "with such modifications as are contained in the report of the District Engineer, Baltimore District, entitled 'General Design Memorandum, Phase II, Lock Haven Local Flood Protection Project, West Branch Susquehanna River and Bald Eagle Creek, Pennsylvania', dated May 1987.".

Mr. CLINGER (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CLINGER. Mr. Speaker, I will certainly not take the 5 minutes time. I have already explained what the purpose of the amendment is. It is technical in nature. It will ensure that what the bill tries to accomplish, which is to reduce the level of flood protection from 400 years to 200 years for this specific project, will be accomplished, and that is precisely what the amendment does.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. CLINGER].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## WILBUR J. COHEN FEDERAL BUILDING

Mr. HOWARD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 2655) to designate the Federal Building located at 330 Independence Avenue SW, Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. MOLINARI. Reserving the right to object, Mr. Speaker, I will not object; I do not intend to object at all, but instead seek to have an explanation by the gentleman from North Carolina [Mr. LANCASTER].

Mr. Speaker, I yield to the gentleman from North Carolina.

Mr. LANCASTER. Mr. Speaker, H.R. 2655 would designate the Federal building located at 330 Independence Avenue SW., Washington, DC, as the "Wilbur J. Cohen Federal Building." Briefly, Wilbur J. Cohen, a renowned reformer in the field of health care for 50 years, served as Secretary of the Department of Health, Education and Welfare from 1968 to 1969. Throughout his career, Secretary Cohen devoted his life to public service, building and guiding our Nation's Social Security and Medicare systems.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. MOLINARI. I am glad to yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Speaker, I rise in support of H.R. 2655, a bill to designate the Federal building at 330 Independence Avenue SW., Washington, DC, as the "Wilbur J. Cohen Federal Building."

Mr. Speaker, the Honorable Wilbur J. Cohen served with distinction as Secretary of the Department of Health, Education and Welfare from 1968 to 1969. Through his outstanding accomplishments in the field of social welfare, Secretary Cohen improved the quality of life for virtually all Americans.

In 1934, Secretary Cohen came to Washington, DC, to work on President Franklin D. Roosevelt's Cabinet Committee on Economic Security. Subsequently, he was the first employee of the Social Security Board and continued to work for the Social Security Administration, an agency he helped create, for 21 years. In 1956, President John F. Kennedy appointed him to serve as Assistant Secretary for legislation for the Department of Health, Education and Welfare. His legacy with the Department continued when in 1965, President Lyndon B. Johnson appointed him to serve as Under Secretary, and in 1968 appointed him to serve as Secretary of the Department of Health, Education and Welfare. While with the Kennedy and Johnson administrations, Secretary Cohen was instrumental in the creation and passage of 65 New Frontier and Great Society proposals, including the Social Security and Medicare systems.

After retiring from the Federal service, he continued to share his vision as dean of the school of education at the University of Michigan from 1969 to 1978. In 1979, Cohen joined the Lyndon B. Johnson School of Public Affairs and served as professor of public affairs.

In view of his remarkable contributions as a public servant it is appropriate to honor Secretary Wilbur J. Cohen and inspire others to emulate him by naming the Federal building at 330 Independence Avenue SW., Washington, where he served as Secretary of the Department of Health, Education and Welfare, as the "Wilbur J. Cohen Federal Building."

Mr. MOLINARI. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Texas [Mr. PICKLE], who has been dogged in his determination to carry through this name project and who testified, not once, but twice, before our subcommittee and the full committee.

□ 1055

Mr. PICKLE. Mr. Speaker, on May 17, 1987, Wilbur J. Cohen passed away and America lost one of her truly great native sons.

At 21 Wilbur Cohen came to Washington to join the staff of President Roosevelt's Cabinet Committee on Economic Security, which drafted the original Social Security Act. He then became the very first employee of the newly created Social Security Board, and for the next 50 years he was intimately involved with every major change in our Nation's social insurance system—Social Security, Medicaid, Medicare and disability.

I know my colleagues would agree that there is not time enough, nor is there an orator skilled enough to pay full tribute to the multitude of good works Wilbur Cohen performed. Over the past 2 months those who knew him best have gathered here on several occasions to remember and honor this former HHS Secretary. I am continually struck at the diversity of his admirers; the great and the humble, young and old, rich and poor.

It has been my honor to join with the leaders of the House from both sides of the aisle to move forward legislation to name in Wilbur Cohen's honor the Federal building in which he gave his most distinguished service.

I want to commend Chairman JAMES HOWARD and Chairman SUNIA for their leadership in this effort. I also must mention the gracious and wholehearted support of my colleagues the Honorable GUY MOLINARI and JOHN PAUL HAMMERSCHMIDT. Furthermore, I know we all appreciate the support of Speaker JIM WRIGHT in moving this legislation forward. And, of course, as in all matters concerning Social Security, I acknowledge the unfailing efforts of my colleagues, CLAUDE PEPPER and ED ROYBAL.

As a result of their leadership and support, this legislation, which has already passed the Senate without opposition is before us today. I urge my colleagues to give it favorable consideration at this time.

Mr. MOLINARI. Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from Arkansas [Mr. HAMMERSCHMIDT] the ranking Republican on the full committee.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong support of H.R. 2655, a bill to name the building at 330 Independence Avenue SW, in Washington, DC, as the "Wilbur J. Cohen Federal Building."

For over 50 years, Wilbur Cohen devoted his life to public service, particularly in the areas of Social Security and health care. In fact, he was the first employee of the Social Security Board and is known as the architect of the Medicare/Medicaid amendments of 1965. Wilbur Cohen rose through the civil service ranks and eventually served as Assistant Secretary, Under Secretary and finally Secretary of the Department of Health, Education and Welfare. The building we are naming today is the building in which he served as Secretary.

Following his retirement from Federal service, Wilbur Cohen continued to pursue improvements in such areas as Social Security, health care, unemployment, poverty, and the elderly.

Wilbur Cohen is well known and respected by many Members of Congress. I myself witnessed the commitment, caring and energy of Wilbur Cohen when he would come to the Hill to testify on matters of concern to him. I am privileged to have considered Wilbur a friend.

It is certainly most fitting that we recognize the lifelong service and contributions of this outstanding public servant by naming the building at 330 Independence Avenue in honor of Wilbur Cohen.

Mr. MOLINARI. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. DONNELLY). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2655

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. DESIGNATION OF BUILDING.

The Federal Building located at 330 Independence Avenue SW, Washington, District of Columbia, shall be known and designated as the "Wilbur J. Cohen Federal Building".

SEC. 2. LEGAL REFERENCES.

Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the "Wilbur J. Cohen Federal Building".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1371) to designate the Federal building located at 330 Independence Avenue SW, Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building," and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1371

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. DESIGNATION OF BUILDING.

The Federal Building located at 330 Independence Avenue SW, Washington, District of Columbia, shall be known and designated as the "Wilbur J. Cohen Federal Building".

SEC. 2. LEGAL REFERENCES.

Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the "Wilbur J. Cohen Federal Building".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2655) was laid on the table.

## CELEBRATION OF CITIZENSHIP CEREMONY

Mr. HOWARD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 161) authorizing a public ceremony on the west lawn of the Capitol in honor of the bicentennial of the U.S. Constitution.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. MOLINARI. Reserving the right to object, Mr. Speaker, I do not object but would yield to the gentleman from New Jersey [Mr. HOWARD], the chairman of the full committee, for an explanation of the concurrent resolution.

Mr. HOWARD. Mr. Speaker, I rise in support of House Concurrent Resolution 161 authorizing the Commission on the Bicentennial of the U.S. Constitution to conduct a ceremony, entitled "Celebration of Citizenship," on the west terraces and lawns of the U.S. Capitol on September 16, 1987.

Mr. Speaker, the Commission on the Bicentennial of the U.S. Constitution was created for the purpose of recognizing the 200th anniversary of the establishment of one of the greatest documents in the history of this world—the Constitution of the United States of America.

The Commission is composed of a group of distinguished Americans. The Commission is doing an outstanding job in bringing to the American people the meaning of the Constitution.

Look back in history. Some two centuries ago the Founding Fathers of this Nation, far-sighted statesmen indeed, brought into being a new form of government that guaranteed freedom to all. A government that fostered the democratic process and asked the best of all citizens under that government. Since those long-ago days we have seen the United States of America grow from coast to coast and from north to south to become one of the greatest countries of the world. A beacon for all who love freedom.

One of the basic foundations of that growth is the Constitution. To foster a full understanding of the Constitution's role in our history, the Congress enacted Public Law 98–101.

Public Law 98–101 directed the Commission to "plan and develop activities" which further "the important goals of scholarship and edu-

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cation;" to "encourage private organizations, and State and local governments" to develop bicentennial activities; to "coordinate generally, activities throughout all of the States;" and "to serve as a clearinghouse" for information on bicentennial plans and activities.

The Commission has announced as the commemorative theme for 1987 the writing of the Constitution; for 1988, the ratification and debate over the Constitution; and for 1989, the establishment of the Government by the First Congress. Congress has extended the life of the Commission through 1991 to add the writing and ratification of the Bill of Rights. Chairman Burger plans an additional emphasis during 1988, 1989, and 1990 on the creation, development, and needs of each of the three branches of government under the Constitution: article I, the Congress; article II, the Presidency; and article III, the Judiciary. The Commission's special recognition of the Congress in 1988 will help set the stage for Congress commemoration of its own 200th anniversary in 1989.

This broad and sweeping directive is one which the Commission is effectively meeting. At the conclusion of this work in the 1990's it is hoped and anticipated that all Americans will once again understand the importance of this major document.

For this reason, it is altogether right and fitting that one of the major beginnings of this long-range program should be a public ceremony on the west lawn of the Capitol in honor of the bicentennial of the U.S. Constitution. The audience of children and adults, with emphasis on the children, that will assemble on the west lawn for the ceremony will hear comments from distinguished leaders of the Congress and remarks of the President of the United States with a reaffirmation once again of the democratic history and foundation of the United States of America.

I urge passage of House Concurrent Resolution 161.

Mr. MOLINARI. Mr. Speaker, under my reservation of objection I yield to the gentleman from North Carolina [Mr. LANCASTER] to also explain the concurrent resolution before us today.

Mr. LANCASTER. Mr. Speaker, House Concurrent Resolution 161 authorized the Commission on the Bicentennial of the U.S. Constitution to conduct a ceremony, entitled "Celebration of Citizenship," on the west terrace and lawns of the U.S. Capitol to honor the bicentennial of the U.S. Constitution on September 16, 1987. A "Celebration of Citizenship" is designed to encourage American citizens to rededicate themselves to the principles of the Constitution and will be broadcast from the Nation's Capitol for all Americans to enjoy.

Mr. MOLINARI. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of House Concurrent Resolution 161 which would authorize a public ceremony on the west lawn of the Capitol in honor of the bicentennial of the U.S. Constitution.

This ceremony, entitled "Celebration of Citizenship," will be conducted by the Commission on the Bicentennial of the Constitution on September 16, 1987. Broadcast live, citizens across the country will participate in this salute to our Constitution. A particular emphasis has been placed on our young people with President Reagan leading our Nation's schoolchildren in reciting the Pledge of Allegiance. Other participants include Members of Congress and Chief Justice Warren Burger, who has devoted so much of his time and energy to the work of the Commission.

This year, 1987, is just the first year in a 5-year observance of the bicentennial of our Constitution. This year the focus is on the writing of this historic document. Themes in future years include the ratification and debate over the Constitution, the First Congress and the Bill of Rights.

"Celebration of Citizenship" is a worthy ceremony deserving of our support. In this way, Americans across the country may come to a deeper appreciation and understanding of the importance of the U.S. Constitution.

Mrs. BOGGS. Mr. Speaker, I would like to thank the gentleman from New Jersey [Mr. HOWARD] and the members of the Committee on Public Works and Transportation for bringing this resolution before the House today. As the gentleman from North Carolina [Mr. LANCASTER] has explained, House Concurrent Resolution 161 grants permission to the Commission on the Bicentennial of the U.S. Constitution to hold ceremonies on September 16, 1987, on the west lawn and terraces of the Capitol. These ceremonies will be part of a nationwide "Celebration of Citizenship," a prelude to the September 17 celebration of the 200th anniversary of the U.S. Constitution.

At 1 p.m. on September 16, the President of the United States, the Speaker of the House of Representatives, the majority leader of the Senate as well as other congressional leaders and the membership at-large, will join with Chief Justice Warren Burger, the Chairman of the Bicentennial Commission, and other dignataries at ceremonies on the west front of the Capitol. This ceremony will be broadcast throughout the country and will unite all citizens, students, parents, and workers in a patriotic salute to our Constitution.

An estimated 66 million students, teachers, and school administrators will participate in a day-long teach-in on the Constitution. Schools across the country and American schools abroad will design and develop unique activities to help young people celebrate the rights and responsibilities of citizenship. One hundred and ten thousand schools have been sent education curriculum kits on the Constitution.

A "Celebration of Citizenship" is more than a school program. It's a patriotic salute to all Americans wherever they are on September 16. The Bicentennial Commission is encouraging Federal, State, and local governments as well as those in the private sector to participate with their schools and communities. We hope they will develop their own special ceremonies for this historic commemoration of our Constitution, as well as tune into the broadcast program from the west front of the Capitol.

Those desiring more information on the "Celebration of Citizenship" should contact the Commission on the Bicentennial of the U.S. Constitution, 736 Jackson Place NW., Washington, DC 20503.

I support passage of the resolution.

Mr. MOLINARI. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 161

*Resolved by the House of Representatives (the Senate concurring),*

**SECTION 1. AUTHORIZATION TO CONDUCT A CEREMONY ON THE UNITED STATES CAPITOL GROUNDS.**

On September 16, 1987, the Commission on the Bicentennial of the United States Constitution may conduct a ceremony, entitled "Celebration of Citizenship", on the West Terraces and Lawns of the United States Capitol to honor the Bicentennial of the United States Constitution. For the purposes of this resolution, the Commission on the Bicentennial of the United States Constitution is authorized to erect upon the United States Capitol Grounds, subject to the approval of the Architect of the Capitol, such stands, stages, sound amplification devices, and other related structures and equipment as may be required for the conduct of the ceremony.

**SEC. 2. RESPONSIBILITY OF CAPITOL POLICE BOARD.**

The Capitol Police Board shall take such action as may be necessary to carry out section 1.

**SEC. 3 CONDITIONS RELATING TO PHYSICAL PREPARATIONS.**

The Architect of the Capitol may prescribe conditions for physical preparations for the event authorized by section 1.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the several bills and resolutions just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

## TEMPORARILY RESTRICTING ABILITY TO DOCUMENT FOREIGN-BUILT FISH PROCESSING VESSELS

Mr. STUDDS. Mr. Speaker, I ask unanimous consent to take from the

Speaker's table the Senate bill (S. 1591) to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. YOUNG of Alaska. Mr. Speaker, reserving the right to object, I do so to allow the gentleman from Massachusetts [Mr. STUDDS] to explain the bill and the amendment that he will offer.

Mr. STUDDS. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Speaker, the bill at the desk, S. 1591, was passed by the Senate yesterday as an emergency stop-gap measure and the members of the Committee on Merchant Marine and Fisheries want to move this bill before we adjourn.

Specifically, this bill freezes all applications for U.S. documentation of foreign-built fish processing vessels. Our committee is currently considering legislation that will prevent the documentation of foreign-built fish processing vessels, and require U.S. manning, ownership, and reconstruction of all fishing industry vessels in U.S. shipyards. The committee marked up H.R. 2598 on July 28 and is now drafting the report for the House.

We have received information that a number of applications have been received by the Coast Guard to document foreign-built fish processing vessels and that this could occur before a final bill is passed. While the other body is working on a companion bill to the House measure, they will not complete action prior to adjournment. Consequently, S. 1591 was introduced and passed as a temporary measure.

Mr. Speaker, the amendment which I will offer, simply shortens the life of this stop-gap measure from March 1, 1987 to October 15, 1987. Our committee fully intends to move a bill through the regular legislative process and we feel that our amendment will make it clear that we must take immediate action after adjournment. It is important that we move this bill, with an amendment, today because the other body will have to act again on it before sending the bill to the President.

We have checked with all Members who have shown an interest on both sides of the aisle and they support this request.

Mr. YOUNG of Alaska. Further reserving the right to object, Mr. Speaker, I will yield to the gentleman from Massachusetts [Mr. STUDDS] to answer the following: The Committee on Merchant Marine and Fisheries has marked up a comprehensive bill dealing with this subject. Under the terms of that bill, vessels owned by American citizens, operating under existing law, have their rights protected. This includes vessels which are of concern to those committee members from the east coast. Is it the gentleman's intent that, when we proceed with comprehensive legislation and confer with the other body, those east coast concerns will be recognized and addressed?

Mr. STUDDS. Yes, that is our intent.

Mr. YOUNG of Alaska. I thank the gentleman, and I wish to add my support for the bill we are passing today. This will resolve a problem that has occurred as our committee has tried to resolve the difficult issues involved with commercial fishing industry vessel reflagging.

I wish to point out that the amendment being added to this bill reflects concerns from the entire committee. We have worked for 8 months to pass a bill that fairly addresses problems pointed out to us through the hearing process. All members of the committee have cooperated in this effort. Unfortunately, the other body has not been as active. As a result, we are forced to pass this stop-gap measure using this unusual procedure. However, our amendment puts the other body on notice: It is time for them to act on a bill. We will not agree to another temporary bill. The other body should either pass a bill of their own when we return in September, or agree to take our committee bill.

Mr. Speaker, I urge adoption of this bill and the amendment.

Mr. BONKER, Mr. Speaker, last week the House Committee on Merchant Marine and Fisheries reported H.R. 2598, the Fishing Industry Vessel Anti-Reflagging Act of 1987.

The intent of this legislation is to prohibit the reflagging of foreign fish processing vessels operating within the U.S. exclusive economic zone. The legislation is further intended to provide maximum opportunity for U.S. interests to reap the economic benefits from harvesting, processing, and marketing our untapped fisheries resources. Clearly, the longer we wait to enforce the prohibition, the greater the chance for foreign vessels to reflag under the U.S. flag and undermine the point of this legislation.

And this, Mr. Speaker, is precisely what has happened.

Even as Congress has signaled its clear intention to prohibit reflagging of foreign fishing vessels, several vessels have filed for reflagging. During committee markup, Mr. MILLER and I added an amendment which advanced the effective date of the prohibition from the date of enactment to July 28, 1987, the date of the markup. Even this deadline was not sufficient to deter several foreign vessels who filed 11th-hour redocumentation applications.

Yesterday, the Senate approved the bill S. 1591, which would prohibit any redocumentation of foreign fishing vessels until March 1, 1988. This legislation is a positive step, for it further reinforces the clear intent of Congress to bar any reflagging of foreign processing vessels and to avoid any last-minute reflagging frenzies that would defeat the purpose of the bill.

Today, we are asking that the House act to tighten up this date to October 15, 1987, in order to send the clearest possible message to the other body. But this is only an interim measure. The quicker we pass our original bill, H.R. 2598, the better. And frankly, Mr. Speaker, there is no good reason not to pass legislation to prohibit reflagging of foreign fish processing vessels.

I appreciate the efforts of Mr. Studds and his staff who have worked diligently with the Northwest members to pass this important and timely legislation. I urge my colleagues to support this moratorium measure.

Mr. YOUNG of Alaska. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1591

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That notwithstanding chapter 121 of title 46 of the United States Code, the Secretary of the department in which the Coast Guard is operating shall not grant a certificate of documentation to any foreign-built vessel for use as a fish processing vessel. This restriction shall be effective until March 1, 1988. The Secretary may issue such regulations as the Secretary considers necessary to obtain information on the intended use of any vessel applying for a certificate of documentation in order to prevent the documentation of a foreign-built fish processing vessel.

**AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. STUDDS**

Mr. STUDDS. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. STUDDS: Strike all after the enacting clause and insert:

Notwithstanding chapter 121 of title 46 of the United States Code, the Secretary of the department in which the Coast Guard is operating may not document a foreign-built vessel for which an application for documentation was submitted after July 20, 1987, for use as a fish processing vessel as defined in section 2101(11b) of title 46, United States Code. This prohibition is effective until October 15, 1987. The Secretary may issue regulations to obtain information about the intended use of a vessel for which an application for documentation has been submitted to prevent the documentation of a foreign-built fish processing vessel.

Mr. STUDDS (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Massachusetts [Mr. Studds].

The amendment in the nature of a substitute was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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## PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AMENDMENTS OF 1987

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 241 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

### H. Res. 241

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2686) to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965 and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, and with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 3084 as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by titles instead of by sections, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instruction.

The SPEAKER pro tempore. The gentleman from Texas [Mr. Frost] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, I yield 30 seconds to the gentleman from Arkansas [Mr. Alexander.]

(By unanimous consent, Mr. Alexander was allowed to speak out of order.)

### SPEAKER JIM WRIGHT'S INITIATIVE IN CENTRAL AMERICA

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding and sought this time to publicly endorse the efforts of Speaker Wright for his peace initiatives in Central America.

It is our sincere hope that Mr. Reagan and his men and Comandante Ortega and his men will engage in good faith negotiations for a resolution of the conflict in Central America.

That there has never been a bad peace or a good war. We extend our best wishes that all the parties in the hostility; the Sandinistas, the Contras, Nicaragua, and the United States use their best efforts to give peace a chance in Central America.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. Quillen], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 241 is an open rule providing for the consideration of H.R. 2686, the Public Works and Economic Development Act and Appalachian Regional Development Act Amendments of 1987. The rule provides for 1 hour of general debate. Because the bill was jointly referred to the Committee on Public Works and Transportation and the Committee on Banking, Finance and Urban Affairs, the rule provides that 30 minutes of the debate time shall be allocated to the Committee on Public Works, to be equally divided and controlled by the Public Works Committee chairman and ranking minority member, and 30 minutes shall be allocated to the Banking Committee, to be equally divided and controlled by the Banking Committee chairman and ranking minority member.

The rule provides that it shall be in order to consider an amendment in the nature of a substitute, the text of H.R. 3084, as original text, in lieu of the amendments now printed in the bill, for the purpose of amendment when the bill is considered for amendment under the 5-minute rule. H.R. 3084, introduced jointly by the Public Works and Banking Committees on August 4, is an amendment in the nature of a substitute which incorporates the amendments adopted by both committees and was agreed upon by both committees to serve as the amendment vehicle when the bill is considered for amendment under the 5-minute rule. The rule further provides that the substitute, H.R. 3084, shall be considered by titles, instead of by sections, and that each title shall be considered as having been read.

House Resolution 241 provides that at the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and provides that any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute which is made in order as original text by this resolution. Finally, the rule provides that the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except on motion to recommit with or without instructions.

Mr. Speaker, the provisions of H.R. 2686 are substantially the same as the provisions of H.R. 10, the reauthorization of the Economic Development Act, passed by the House in the 99th Congress by a vote of 260 to 96. Title I of H.R. 2686 reauthorizes and substantially revises the programs administered by the Economic Development Administration and title II of the bill reauthorizes the highway and nonhighway programs of the Appalachian Regional Commission. As my colleagues are aware, both the programs administered by the EDA and the Appalachian Regional Commission enjoy strong bipartisan support in the House of Representatives and while authorizations for these programs have not been enacted in recent years, funding has been provided through appropriations acts to continue providing economic assistance for economically distressed localities. H.R. 2686 continues the commitment of the Congress to providing assistance to distressed communities and insures that the private sector will be actively involved in the development of long-range strategies to deal with economic problems and job creation. In addition, H.R. 2686 continues the commitment of the Congress to Appalachia by recognizing the need to provide basic services for severely distressed and underdeveloped areas as well as to encouraging regionwide investment for economic growth and job creation.

Mr. Speaker, H.R. 2686 authorizes $276 million in each of the next 3 fiscal years for the Economic Development Administration programs contained in title I and $162.4 million for each of the next 3 fiscal years for the programs administered by the Appalachian Regional Commission. Even in these times of fiscal austerity, these Federal dollars, used to encourage private sector initiative and investment, are dollars well spent. I urge my colleagues to adopt House Resolution 241 in order that the House may proceed to the consideration of this most important economic development legislation.

□ 1110

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a straightforward open rule and it is one that deserves to be passed by this House.

I have been in the Congress now for a long time and I have seen the creation of both of these programs, the Economic Development Administration and the Appalachian Regional Commission. They have done trojan jobs in bringing economic development and progress to the areas that need to be opened up for an opportunity for economic development.

This request for funds has been honed down to the point that it is a realistic proposal, one that the Congress can go with.

Mr. Speaker, these programs in my district and I know in other districts of this Nation have contributed a great deal to the progress that has come about.

The chairman has done a good job in bringing the measure to the floor of the House.

Mr. Speaker, I urge adoption of the rule.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. Donnelly). Pursuant to House Resolution 241 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2686.

□ 1113

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2686) to amend the Publc Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, with Mr. Dorgan of North Dakota in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Illinois [Mr. Savage] will be recognized for 15 minutes, the gentleman from Florida [Mr. Shaw] will be recognized for 15 minutes, the gentlewoman from Ohio [Ms. Oakar] will be recognized for 15 minutes, and the gentleman from California [Mr. Shumway] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Savage].

Mr. SAVAGE. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. Howard].

Mr. HOWARD. Mr. Chairman, I wish to express my strong support for H.R. 2686, a bill that is geared to helping our Nation's most economically distressed communities as they seek to develop their resources and move on toward economic growth and stability.

This bill has two titles. Title I, the National Development Investment Act, revises and vastly improves the programs of the Public Works and Economic Development Act by providing economic tools to local communities that need special assistance to resolve their economic problems. Title II amends the Appalachian Regional Development Act based on a modified version of policies endorsed by the Appalachian Governors.

H.R. 2686 is substantially the same as H.R. 10, the bill that passed the House 2 years ago in the 99th Congress by a bipartisan vote of 260 to 96 and the two bills which overwhelmingly passed the House in both the 98th and the 97th Congresses. Many Members of this body know from experience in their own districts the benefits that have been derived from successful economic development programs. They have seen firsthand the value of these regional and subregional programs to our overall national economy.

There is a continuing urgency to maintain a Federal role in targeting economic programs to those areas of the Nation that have been bypassed during periods of national economic expansion. A strong national economy depends on self-sufficient and productive local and regional economies. We need this economic strength now more than ever as we deal with the effects of changing world economies.

This legislation is the product of extensive legislative and oversight hearings, of indepth evaluations of existing programs. There have been many long hours of hard work over a period of several years by many people on both the Committee on Public Works and Transportation and the Committee on Banking, Finance and Urban Affairs. I especially want to commend the gentleman from Illinois, Congressman Gus Savage, chairman of our Subcommittee on Economic Development, who guided H.R. 2686 through our committee.

Thanks is also owed to former chairmen of the Economic Development Subcommittee, Congressman Jim Oberstar of Minnesota whose dedicated leadership for several years was so instrumental in bringing about this carefully constructed economic development initiative, and Congressman Henry Nowak of New York who worked so hard in the 99th Congress to garner support for this legislation.

I also want to thank Representative Clay Shaw, ranking Republican member of the subcommittee for his active cooperation in reporting out H.R. 2686, Representative John Paul Hammerschmidt of Arkansas, ranking Republican member of the full committee, and Representative Bill Clinger of Pennsylvania, former ranking member of the subcommittee whose contributions to the legislation and whose constant support and effort helped make this bill possible.

I want also to express my special thanks to the members of the Banking, Finance and Urban Affairs Committee, especially to Chairman St Germain and to Congresswoman Mary Rose Oakar, who chairs the Subcommittee on Economic Stabilization, for their fine work in amending the legislation and for their support in moving this bill forward.

The National Development Investment Act reflects a new focus not found in existing law. It emphasizes a local leadership role, greater private sector and intergovernmental cooperation and coordination, and greater leveraging of the Federal dollars. The bill authorizes grants of up to 50 percent of basic public infrastructure, for locally administered revolving loan funds to assist small business, to set up employee stock ownership organizations, for other projects that promote small business development and job creation and for planning assistance with preparation of investment strategies, and technical assistance.

It limits the eligibility based on distress criteria, targeting funds to areas of great need where there is potential for success, and eliminates the long-term designation under existing law by requiring an applicant to demonstrate distress with each application.

The amendments to the Appalachian Regional Development Act would permit continuation of construction of the region's all-important highway system. It would also allow funds to be used to provide much needed services to the region's most underdeveloped areas and to initiate development activities directed toward encouraging regionwide private investment to create and retain jobs.

The bill authorizes grants of $276 million for the National Development Investment Act, and a total of $162.4 million for the Appalachian Regional Commission programs for fiscal years 1988, 1989, and 1990. These authorizations in this bill are at levels considerably reduced from pre-1982 authorizations. That reduction reflects the committee's strong commitment to helping reduce our Federal deficit while at the same time maintaining a Federal role in regional and subregional economic development. These regional programs provide the foundation for national

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growth and serve the national economic and social purpose.

I urge passage of H.R. 2686.

Mr. SHAW. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding me the time.

Mr. Chairman, once again we have before us a bill to reauthorize the programs of the Economic Development Administration and the Appalachian Regional Commission.

The House has expressed strong support in the three previous Congresses for legislation reauthorizing these programs, and with each bill, the Public Works and Transportation Committee has worked diligently to address all legitimate concerns raised over either or both of the programs.

Before you is a bill with eligibility criteria sufficiently narrowed so that the very modest amount of Federal dollars authorized is specifically targeted to those most distressed areas of our nation and to those projects with the greatest potential for success. And this bill's authorization levels are considerably reduced from those prior to 1982, when we made the first of our three unsuccessful attempts at reauthorization.

Significant reforms are made in the EDA and ARC programs by this bill. Areas eligible for EDA assistance have been reduced from 80 percent of the Nation to roughly 40 percent. Limitations have been imposed on the grant and loan amount which can be awarded for an eligible EDA project. A Federal-share limitation of 50 percent has also been established for EDA and nonhighway ARC projects. And, the bill requires comprehensive coordinated planning between State and local officials to ensure that long-term, successful economic development is undertaken.

While one can argue over various provisions of an EDA reauthorization bill and over certain aspects of the Federal economic development program generally, there really should be no argument as to the validity of needs in distressed communities throughout our Nation. And, I submit, we cannot erase the many fine accomplishments of both the EDA and ARC. They have an outstanding track record in assisting these areas.

In fact, funds through these programs have leveraged billions of dollars in private capital and either created or retained some 3 million jobs in the all-important private sector.

National economic recovery is by no means all-encompassing. Many communities have seen their basic public facilities collapse or hover at the brink of collapse. There can be no economic growth or expansion under such circumstances.

H.R. 2686 represents an important effort toward the rebuilding of these local public facilities. It authorizes $1.3 billion over 3 years in grants that will cover 50 percent of the costs of construction, repair, rehabilitation, and improvement of those basic facilities.

That amount also includes grants of up to $1 million to create revolving loan funds to stimulate the growth of small businesses. The emphasis is on private sector involvement, because what these distressed communities need are permanent and meaningful jobs, and that is precisely what the private sector provides.

H.R. 2686 also extends the highway and nonhighway programs of the Appalachian Regional Commission, in line with the current request of the Appalachian Governors for continued economic development assistance to the region.

I commend Chairman JIM HOWARD, our Economic Development Subcommittee chairman GUS SAVAGE, and the subcommittee's ranking Republican member, CLAY SHAW, for their leadership in support of what I hope will be yet another strong vote of approval for this legislation in the House. We need to enact this legislation into law, and I hope that this will be the Congress in which we do just that.

Mr. SAVAGE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is significant for me, as chairman of the Subcommittee on Economic Development, to join with my colleagues on both the Committee on Public Works and Transportation and the Committee on Banking, Finance and Urban Affairs who have worked to bring the bill, H.R. 2686, to the House floor.

This bill has been redrafted and perfected, in terms of sharper focus and clarification, to better reflect the intent of the original legislation and to more precisely respond to our present special problems.

H.R. 2686 provides urgently needed Federal investment dollars to especially depressed areas—geographic, industrial and disadvantaged population segments—that have been bypassed during times of national economic growth.

Examples are the Midwest, the steel and auto industries, and Hispanics and blacks whose unemployment remains twice as high as that of others and whose subeconomies are falling further behind.

The bill is designed to assist those areas and industries and groups within those areas in their efforts to nurture existing resources, to promote economic growth and diversification and to create or retain permanent jobs in the private sector.

H.R. 2686 has two titles: Title I, known as the National Development Investment Act, completely revises and updates the existing programs under the Public Works and Economic Development Act and authorizes new economic development programs through fiscal year 1990. Title II extends the Appalachian Regional Development Act through fiscal year 1990 and is based on policies adopted by the Appalachian Governors in 1981 and modified in part by some of the policies adopted this year.

The National Development Investment Act itself contains three titles which provide for an economic development assistance program in title I, an investment strategy, planning and demonstration program in title II and for administration of the act in title III. It builds on the experience and capabilities gained over the years, drawing upon the positive elements of past development activities and dropping those elements of the existing programs which have been highly criticized.

This bill retains technical assistance provisions and grant programs for States, local governments, economic development districts, Indian tribes, and development organizations. Development assistance grants include those for site preparation, construction, or improvement of public facilities; for capitalizing locally administered revolving loan funds to provide loans for small business growth and to promote employee stock ownership organizations; and for commercial development organizations to reduce interest rates for small business development projects.

The Federal financial responsibility is reduced to 50 percent for public facilities grants, which can go up to 80 percent under existing law. The Federal match for the revolving loan funds is also 50 percent, and the fund for small business loans is limited to $1 million. The limit on grants to each applicant under the Economic Development Assistance Program has been increased to $4 million from the $2 million contained in the previously passed bills.

Funds are also available—up to 75 percent Federal share—for economic development planning, including preparation of development investment strategies; for universities and colleges to provide managerial and technical assistance; and for evaluations and demonstration programs.

Eligibility is determined by any one of three better focused distress criteria: First, unemployment of 1 percent above the national average for the previous 2-year period; or second, per capita income 80 percent of the national average; or third, sudden and severe economic distress due to loss of a major employer. This bill limits the eligibility criteria so that only areas with the greatest need will receive assistance.

Moreover, it does away with the long-term eligibility of existing law by requiring applicants to demonstrate distress with each new application. Under this bill, about 40 percent of the Nation's population would be eligible in contrast to existing legislation which covers about 80 percent.

In addition, each applicant is required to prepare a long-range development investment strategy which will be an important element in evaluating applications for eligibility.

It must be a realistic, action document that will analyze the economic problems involved, identify specific elements that will reflect cooperation and coordinated development efforts and mutually supporting projects in distress areas, and show active participation by the private sector and other non-Federal governmental units. Communities will prepare their own strategies, set their own priorities, and direct their own destinies.

The broader approach envisioned by the development investment strategy replaces the project-by-project approach of the existing legislation and could, in fact, include coordination with efforts of various jurisdictions. This is a major improvement which should permit the linking of several projects for a more comprehensive recovery and greater leveraging of the Federal dollar.

Annual authorizations for the National Development Investment Act for fiscal years 1988, 1989, and 1990 will be increased to $200 million for project grants, $50 million for planning, and $26 million for salaries and expenses.

Title II of H.R. 2686 extends for 3 years the Appalachian Regional Development Act. Despite the considerable economic improvements over the years as a result of development initiatives of the Appalachian Regional Commission, the region still lags behind most areas of the Nation in economic opportunity and quality of life. This is due in part to negative effects of the recession a few years ago, which was a setback to the region, and of changing national and international economies in recent years.

The amendments contained in this bill are designed to assist the Commission in its efforts to meet the new challenges of today's world economy. In addition to $2.4 million for salaries and expenses, $120 million is authorized annually through 1990 for up to 80 percent Federal share to construct additional miles in the Appalachian Highway System, which is an important catalyst for promoting and developing private sector business and industry.

For the area development programs, $40 million is authorized representing a 50-percent Federal share. Funds could be used for projects to provide basic needs in the region's most severely distressed and underdeveloped counties and areas. In addition, program funds will focus on economic and human resource development projects regionwide aimed at improving economic competitiveness, business development and community infrastructure, at providing worker training and retraining to enhance manpower skills, at encouraging industrial and enterprise development programs, and at promoting State and local government and private sector initiatives for developing and sustaining economic growth and stability.

The assistance provided by the Federal Government under this bill is not excessive. It requires substantially larger contributions by local communities than in the past. It represents an investment by the Federal Government in our Nation's depressed subregional areas and is an essential ingredient in increasing the ability of all regions of our Nation to be more productive and competitive in meeting the needs of a changing world economy.

We are hopeful that in this Congress, the other body will at last take action on this legislation. I urge my colleagues in the House to support and overwhelmingly pass H.R. 2686. In that way, we can send a strong signal to the other body that we continue to view these programs as having an important role in our national economy.

Mr. Chairman, a copy of highlights of H.R. 2686 follows my remarks:

### HIGHLIGHTS OF H.R. 2686

Title I of the bill revises and extends Public Works and Economic Development Act of 1965; provides authorizations for Fiscal Years 1988, 1989 and 1990 at $250 million each year for programs and planning and $26 million for salaries and expenses.

To qualify, applicants must meet one of three distress criteria

(1) Unemployment 1 percent above national average, previous 24 months.

(2) Per capita income 80 percent of national average (latest statistics).

(3) Significant job loss due to sudden economic dislocation.

Qualified applicants:—States, counties, cities, towns, economic development districts, Indian tribes and development organizations

Program assistance provided:

Development Investment Assistance (Title I).

Grants for new construction and improvement of public facilities—up to 50 percent Federal share.

Grants to establish revolving loan funds to stimulate small business growth—$1 million limit and 50 percent Federal match.

Grants to establish revolving loan funds to set up employee stock ownership organizations—50 percent Federal match.

Grants to commercial development organizations to help small businesses by reducing interest rates for economic development project activities.

Technical Assistance by Secretary.

$4 million limit on grants under this title to each applicant, except for grants to promote employee ownership organizations.

Strategy, Planning, Evaluation and Demonstration (Title II)

Grants for economic development and strategy planning.

Grants to colleges, universities and other groups to provide management and assistance—75 percent Federal match of costs.

Authorizes evaluations and demonstration programs. Results to be reported to Congress within 90 days of completion.

Development Investment Strategy required, to include: inventory of community resources, industries and businesses; infrastructure available and needed; workforce skills; land available; showing of non-federal matching funds; showing of private sector willingness to invest; description of industry/business to be created or expanded; demonstration of participation by representative percentage of small business concerns owned and controlled by socially and economically disadvantaged individuals.

Application Procedure:

Submit to Secretary of Commerce with Development Strategy

Certify area meets distress criteria, and performance responsibilities.

Secretary reviews for approval/rejection based on consideration of several factors including severity of distress, anticipated increase in permanent employment, extent of private sector and non-federal involvement.

Subsequent applications must demonstrate new showing of distress.

Title II of the bill amends Appalachian Regional Development Act of 1965

Provides authorizations annually for fiscal years 1988, 1989, 1990.

For Development Highway and local access roads, $120 million (up to 80 percent Federal share); for non-highway programs, $40 million (up to 50 percent Federal share); for salaries and expenses, $2.4 million.

Allows funds to be used for projects and programs to assist the most severely distressed and underdeveloped counties; for revolving loan funds for business assistance loans; for establishing business incubators; for community infrastructure projects; for on-site employee training and programs to enhance manpower skills; and for other initiatives directed toward developing and sustaining economic growth and stability.

□ 1125

Mr. SHAW. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill, the Public Works and Economic Development Act Amendments of 1987, modifies and extends many of the programs currently administered by the Economic Development Administration and the Appalachian Regional Commission.

I would first, like to commend Chairman HOWARD, our ranking minority member JOHN PAUL HAMMERSCHMIDT, Chairman SAVAGE of the Economic Development Subcommittee, with whom I serve, and the leadership and members of the House Banking Committee for your efforts and cooperation in bringing this important legislation to the floor.

As has been explained, this measure is essentially the same as legislation which has passed the House by overwhelming margins in the 97th, 98th, and 99th Congresses.

Unquestionably, there is support for these programs in the Congress as these programs have helped provide jobs, rejuvenated cities and communities, and served as a catalyst for economic development and business revitalization across the country.

Time and time again, the House has rejected attempts to delete funding for these programs despite the administration's continued objections to their continuation.

If these programs are to be continued then I think it is incumbent upon us to enact legislation into law which provides for the most efficient use of Federal economic development funds and administers these programs effectively.

Both the Public Works and Transportation and the Banking Committees have worked diligently to address the concerns, criticisms, and objections which have been raised about the EDA and ARC programs.

A major objection which has been expressed is that EDA's eligibility criteria have been far too broad, making more than 80 percent of the country eligible for a very small reservoir of Federal funds.

Let me say that this is a valid concern and one which has been addressed in the bill.

The eligibility criteria have been tightened significantly so that the areas eligible for assistance have been reduced to about 40 percent, and assistance is directed to the most distressed areas.

Also, long-term designation and the current notification practices of advising communities of this designation have been eliminated.

Communities must certify distress eligibility criteria with each application they submit for assistance.

The bill should not be construed as another giveaway program but rather as one that is intended to produce stable, long-term sustained economic growth and permanent, private sector job creation in the Nation's economically distressed areas.

Clearly stated in the bill is the fact that "the private sector remains the ultimate generator of employment and economic growth".

"It is in the national interest to develop a partnership between the public and private sectors to plan and implement development and adjustment activities to alleviate such distress."

Very briefly, the bill is composed of two parts.

Title I, known as the "National Development Investment Act", completely revises the Public Works and Economic Development Act of 1965.

This title provides for an Economic Development Assistance Program including grants for public works projects and a revolving loan fund; funds for investment strategy, planning, evaluation and demonstration programs; and provisions for the administration of the act.

The sum of $250 million is appropriated annually for 3 years for the construction, repair, rehabilitation and improvement of public facilities; for revolving loans to provide the capital necessary to assist small businesses expand, continue or purchase needed equipment; for low-interest loans to small business through commercial development corporations; and for planning at the State and local level.

Another $26 million is authorized in each of these 3 years for administration purposes.

The second part of the bill or title II, known as the Appalachian Regional Development Act Amendments of 1987, continues the highway and nonhighway programs of the Appalachian Regional Commission.

This title is consistent with the finish-up program adopted by the Appalachian Governors in 1981 and authorizes the necessary funds to complete that program.

In fiscal years 1988, 1989, and 1990, $120 million is authorized annually for the highway programs, $40 million for the non-highway programs and $2.4 million for administrative expenses.

Mr. Chairman, in conclusion, this bill is the result of extensive hearings, many hours of work and represents an effort by all those involved to significantly reform the way Federal economic development assistance is provided.

Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Clinger], who has worked long and hard with this particular act and who was the ranking member of this subcommittee before me.

Mr. CLINGER. Mr. Chairman, I want to thank the gentleman very much for yielding time to me.

I would like to make one point as strongly as I can, and that is that whether Members believe that the Economic Development Administration and the Appalachian Regional Commission are the best things since sliced bread or whether they believe the Federal Government really has no role to play in economic development—and I know there are some who feel that way—they should vote for this bill. Why? Because I would remind my colleagues that we have already appropriated the funds through this body to keep this agency in operation. We have done that in every Congress for the last three Congresses. The Congress has appropriated funds for the Economic Development Administration and the Appalachian Regional Commission, and we are using that money under the existing law, the law which has been subject to so much criticism here. The reason Members need to support this bill is that it is going to reform the agencies, and it will target the funds much more effectively than we are presently able to do. So whether Members like the Economic Development Administration and the Appalachian Regional Commission or not, they really should vote for this bill.

H.R. 3084 reauthorizes the EDA and ARC for 3 years and it reforms these programs to make them more efficient and responsive. It simplifies eligibility criteria by establishing three simple tests based on level of unemployment, per capita income, or the sudden and severe loss of jobs. Communities applying for assistance must prove eligibility with each application submitted. And the bill eliminates loan and loan guarantee programs and instead relies solely on grants.

The Economic Development Administration and the Appalachian Regional Commission are unique to our Federal Government. They are the only two agencies whose sole missions are to promote economic growth and provide technical expertise to communities who seek such help.

Yes, there are a host of other Federal programs among our departments and agencies that provide similar assistance in one form or another. But the great majority of these provide assistance on either a categorical or entitlement basis. EDA and ARC are different; they are flexible; they evaluate application requests on a competitive basis; they stimulate the use of private capital, in addition to leveraging State and local funds; and most importantly, they are in the business of preserving and creating jobs.

Critics of these programs argue that they are wasteful, outdated, and serve no legitimate purpose in today's economy. I disagree. Agency performance figures show just the opposite to be true. Federal dollars invested in local community projects have been repaid many times over in the form of payroll and income taxes from newly created or preserved jobs, from private and local investment, and through the spinoff of retail jobs and purchases in the community.

I want to commend Chairman Howard, ranking Republican John Paul Hammerschmidt, Subcommittee Chairman Savage, and subcommittee ranking Republican Clay Shaw for their hard work getting this bill to the floor. It is an improved version of bills this House has overwhelmingly supported in years past, and I am optimistic that the 100th Congress will send it to the White House.

H.R. 3084 is long overdue. The EDA and ARC still have a place in our Federal Government so long as communities and regions of our country continue to suffer.

I urge all Members to vote for this bill and support the reforms needed to make good programs better.

Ms. OAKAR. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the Com-

mittee on Banking, Finance and Urban Affairs, the gentleman from Rhode Island [Mr. St Germain].

Mr. ST GERMAIN. Mr. Chairman, I rise in support of H.R. 2686, the Public Works and Economic Development Act Amendments of 1987.

I congratulate the gentlelady from Ohio [Ms. Oakar], the distinguished chairman of the Subcommittee on Economic Stabilization, for bringing this bill to the floor of the House. Her persistence and dedication to this endeavor over the past several years is much appreciated by her colleagues who serve with her on the Banking Committee.

Mr. Chairman, the bill amends the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965.

The bill provides up to 50 percent Federal share in grants to States, economic development districts, Indian tribes, and local governments to encourage economic development, economic adjustment, and economic diversification.

It authorizes the funding for the construction, repair, rehabilitation and improvement of public facilities; establishes locally administered revolving loan funds to assist small business; and creates revolving loan funds to set up employee stock ownership programs [ESOP's].

It authorizes the funding for the basic economic development tools that were initially enacted, but places more emphasis on the leveraging of private funds and on developing long-range economic recovery programs. It maintains assistance for communities to address sudden or severe economic dislocation, including, for example, a major plant closing, or other factors resulting in subnational job loss.

Mr. Chairman, programs such as the Economic Development Administration and the Appalachian Regional Commission have demonstrated their viability and have shown that a subnational economic development policy is cost effective. There is no doubt that these programs need to be maintained and expanded, not disrupted and terminated. I strongly urge passage of this legislation and again compliment the distinguished gentlelady from Ohio, the distinguished chairman of the Public Works Committee, Mr. Howard, and Mr. Savage for their leadership in bringing this legislation to the floor.

Ms. OAKAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to take this opportunity to congratulate my chairman, the gentleman from Rhode Island [Mr. St Germain], for really scheduling a markup shortly after we got this bill through our subcommittee. I want to also thank the minority members of the subcommittee, and I thank the minority leader because, even though he does not agree with the bill, he was most cooperative in assisting us and getting us the markup. I appreciate that.

I also want to thank the chairman of the full Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. Howard], and my distinguished friend and colleague, the chairman of the subcommittee, the gentleman from Illinois [Mr. Savage], for their total cooperation. This has been, I think, really one of the nicest bills we have had, and this was one of the quickest kinds of situations we have faced. When we have good legislation and everybody cooperates, I think that is the way it ought to be.

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Mr. Chairman, I want to take this opportunity to urge my colleagues to support H.R. 2686, the Public Works and Economic Development Act Amendments of 1987. This legislation amends the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965.

Mr. Speaker, both of these programs have experienced success in stabilizing the economies of certain "pockets of poverty." They were initiated in the 1960's when, in spite of the country's rising prosperity, the Congress and the President recognized the need to correct certain regional disparities. The Economic Development Act [EDA] was created to develop long-term opportunities in areas experiencing severe unemployment and to encourage new industries to locate, and existing industry to expand, in underdeveloped rural and urban areas. It represents a cooperative effort in which the Federal Government joins with private industry and State and local governments in a maximum effort to improve and strengthen the economic climate of the affected communities. The Appalachian Regional Commission [ARC] was established based on findings that the 13-State Appalachian region, although abundant in natural resources and rich in potential, lagged behind the rest of the country in economic growth. The Commission promotes the economic, physical, and social development of the region. Since its establishment in 1965, the ARC has concentrated on community development, housing, education, the environment, health and child development, industrial development and management, tourism, and transportation.

The Economic Development Administration and the Appalachian Regional Commission have demonstrated their viability and have been cost effective. From 1965 to 1980, the EDA investment of $4.7 billion had generated 1.4 million jobs in the private sector, leveraged $9 billion in private capital, and returned $6.5 billion annually to Federal, State, and local treasuries. The ARC had generated 1.5 million jobs and brought increased prosperity and improved the well-being of a formerly isolated region. Between 1965, when the program was initiated, to 1986 ARC has had Federal investments of $5.3 billion; leveraged $1.4 billion from the private sector and $4.6 billion in matching funds from State and local governments; and has completed two-thirds of the Appalachian highway system. Furthermore, the poverty level has declined from 31 percent of the population to 14 percent, although it has been rising since 1981—the year Mr. Reagan targeted ARC for elimination.

H.R. 2686 was introduced on June 15, 1987, and was referred jointly to the Committee on Public Works and Transportation and the Committee on Banking, Finance and Urban Affairs. The bill is the product of extensive hearings held over the past 7 years and is similar to legislation passed with overwhelming and bipartisan support in the three previous Congresses.

H.R. 2686 would reauthorize the EDA and ARC programs through fiscal year 1990. It retains the basic economic development tools as initially enacted, but places more emphasis on the leveraging of private funds and on developing long-range economic recovery programs. It maintains assistance for communities to address sudden or severe economic dislocation, major plant closing, or other factors resulting in subnational job loss. It retains both the highway and nonhighway programs of the Appalachian Regional Commission.

Specifically, title I of the bill, known as the National Development Investment Act provides $200 million for grants for development investment assistance. It provides up to a 50-percent Federal share in grants to State and local governments, economic development districts, and Indian tribes to encourage economic development, economic adjustment, and economic diversification. It authorizes funding for the construction, repair, rehabilitation and improvement of public facilities; the establishment of locally administered revolving loan funds to assist small business or to retain existing business; and the establishment of revolving loan funds to create employee stock ownership programs. To be eligible for assistance, an applicant must meet one of three distress criteria—the area's unemployment level must be 1 percent above the national average for the previous 24 months, or its per capita income must be 80 percent or less of the national average, or the area must experience, or be about to experience, significant job loss due to sudden economic dislocation. Title I also provides $50 million for the devel-

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opment of an investment strategy, planning, evaluation, and demonstration programs including feasibility studies and technical assistance. Twenty-six million dollars is provided for administration of the program, including salaries and expenses.

Title II of the bill amends the Appalachian Regional Development Act of 1965. It provides a yearly authorization of $162.4 million through fiscal year 1990. It extends the focus of attention from infrastructure and human resource development to include economic diversification and competitiveness in national and world markets. It continues highway and nonhighway programs under the ARC and reduces the nonhighway maximum Federal share to 50 percent.

Mr. Speaker, I believe these programs have benefited our country tremendously. They are cost effective and have stood the test of time. The economic development administration programs have proven to be a responsible approach in stimulating economic growth and stability. The Appalachian Regional Commission has been a unique working model for an improved Federal-State partnership. The two agencies have contributed substantially to the overall economic growth of this Nation in the last two decades and have proven that the investment of seed money in communities and businesses with great potential, but located outside the economic mainstream, can strengthen the overall economy. I urge my colleagues to allow these programs to continue and to support H.R. 2686.

Mr. Chairman, I reserve the balance of my time.

The **CHAIRMAN**. The gentlewoman from Ohio [Ms. OAKAR] has 11 minutes remaining.

The Chair recognizes the gentleman from California [Mr. SHUMWAY].

Mr. **SHUMWAY**. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the ranking minority member of the Economic Stabilization Subcommittee of the House Banking Committee, it has been my pleasure to work with my distinguished colleague, Ms. OAKAR, during the consideration of this year's EDA-ARC reauthorization.

Although the majority has been very cooperative throughout the course of debate on this matter, I must nevertheless object to the reauthorization contained in H.R. 2686.

This bill authorizes a total of $1.3 billion over the course of 3 years for the operation of the Economic Development Authority and the Appalachian Regional Commission.

Since the recognition by this administration of a need to make a dramatic impact in the national budget deficit, both of these programs have been specifically targeted for elimination. Neither one has been reauthorized since 1981, but have instead been funded through subsequent fiscal years by the use of continuing resolutions.

Despite the original and laudable intentions to which these programs were originally directed, they have become classic examples of government handouts gone awry.

Currently, 78 percent of Americans qualify for the receipt of EDA funding, despite the fact that the program was originally created to address isolated "pockets of poverty" scattered throughout the Nation. Needless to say, the program has been misused and misdirected to such an extent that the program as it exists today could have never been envisioned by those who initially fashioned the legislation.

Over the years, EDA has become a popular program and many Members of this body have worked hard to channel these funds to their districts. Much of this money has undoubtedly gone to good projects, but that is not the point.

The real point is that this program is not necessary, does not serve its intended purpose, and is one of the easiest starting points toward the kind of real spending cuts which are necessary if we are to balance the budget.

Mr. Chairman, 13 of my colleagues on the House Banking Committee joined in signing the dissenting views of the report on this matter. All of these members had EDA-eligible regions in their districts, and all have to oppose the program rather than let it continue on its freespending track.

Mr. Chairman, this is not a new matter. These issues have been debated at great length in past Congresses. As a result of these deliberations, the ARC began a 5-year phaseout program back in 1981. It was the intent of the Governor at that time to wrap up the program in the best interests of the American people. Nevertheless, because of continued funding through continuing resolutions, the program remains.

My constituents want a balanced budget. They expect me to do this without increasing their taxes. They are willing to accept program cuts. So are the constituents of my colleagues who joined me in opposing this bill in committee. I urge the Members of this body to look beyond the special interests of localized politics and to vote for a responsible step toward overall economic stability.

Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. **ROTH**. I thank the gentleman for yielding me this time.

Mr. Chairman, I want to compliment the gentlewoman from Ohio [Ms. OAKAR], our subcommittee chairman, and the gentleman from California [Mr. SHUMWAY], our ranking member, and all the other members on our committee who have worked very hard on this program and on this bill.

We are often reminded here in Congress and in the national media that we are celebrating the bicentennial of our Constitution.

Many of the Members went to Philadelphia to honor that historic event. At that event, we know from reading the proceedings, that we had some sage advice.

The people that drafted our Constitution were brilliant people, and they were helped over the rough spots many times by Benjamin Franklin.

We are faced with a rough spot. We have over $200 billion worth of deficits staring us in the face, and I wish we had Benjamin Franklin here to help us over the rough spots.

Benjamin Franklin, if he were here, would quote from Poor Richard's and he says, "Little holes will sink big ships."

Here we have a little program, a little bill, a half billion dollars a year approximately; but it started in 1965 as a Great Society program. It is a failed program, a classic case of when Congress starts a program, the program will never end; and it will grow out of bounds as has been said here this morning already.

This program was started for pockets in rural areas especially. New York City, Los Angeles, many other urban areas throughout the country are now eligible. This is a congressional pork barrel.

In 1981 the President of the United States asked Congress to phase out these programs over a 5-year period.

Are we going to do that? I will wager to the Members, the Members that vote for this program today will come into the well of the House and lambaste, chastise the President for his deficits, but yet those Members will continue to vote for these programs.

If we cannot eliminate this unwarranted spending, if Congress cannot say no to this program, when is Congress going to say no to any program?

Yes, I know the argument that it is only a half a billion dollars; but I am also reminded of one of our forefathers, Benjamin Franklin, who said, "Little holes will sink a big ship."

Let us do our duty for this country. Let us vote against this boondoggle.

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Ms. **OAKAR**. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. **ALEXANDER**. Mr. Chairman, I rise in support of this bill to continue the Federal role as a partner in the efforts of State and local governments and organizations to multiply job opportunities in local communities and to help keep the jobs already existing there.

Twenty-one years ago I joined forces with other concerned citizens of the First Congressional District of Arkansas to help form a nonprofit, State-charted, federally recognized, multicounty economic planning and development district. Our goal was to make it possible for the county and municipal governments in our area to cooperate in gathering the technical assistance, expertise, and the other resources needed to bring new jobs to and save existing jobs in the communities, towns, cities, and counties of our area.

Across our whole State of Arkansas, elected leaders and other concerned citizens joined in forming multicounty economic planning and development districts. Their goal was the same as that of the group with which I was working. Keep Arkansans on payrolls in local communities. Bring in new jobs so local people needing jobs would find work in their home areas.

I am particularly pleased that the committee has taken care, in formulating its bill and its report, to recognize the importance of locally organized, locally managed, locally administered, multicounty, economic planning and development districts.

These are grassroots organizations. They provide local governments and organizations with a pool of technical knowledge and expertise they need for bringing locally identified and supported economic development projects from the planning stage to the job production stage.

Ours was then, and still is today, an economically distressed region. Unemployment was so high and job opportunities so low that thousands of people were being forced to abandon their hometowns to go to places like Memphis, Little Rock, St. Louis in search of work.

Local and State resources were so slim that even with the efforts to balance agriculture with industry we had been making, progress toward our goal was frustratingly slow.

But, in 1967 we had a new partner—the U.S. Economic Development Administration. And, we had new hope—in the form of a Federal partner willing to invest seed money in locally developed grassroots, private sector job generation projects.

Since the economic development assistance programs administered by the EDA came into being, more than 3 million American jobs have been created or saved by those seed money investments. Billions of dollars in private sector investment have been leveraged.

I listened carefully to the last two speakers. I do not question their sincerity or their opinions about this program, but my experience is different. I have followed EDA since its inception in 1965 and with closer observation since I became a Member of Congress in 1969. I have worked very closely with the Economic Development Administration, and while the performance may vary from State to State and from administration to administration, I am convinced that with good faith and good management, both are necessary, that government can help people help themselves.

With the help of the EDA in my home State of Arkansas, a foundation has been laid upon which poverty has been turned into progress; welfare has ended and jobs begun because of the Economic Development Administration. Job opportunities exist today where helpless desperation existed yesterday because of the helping hand of the Economic Development Administration in partnership with local participation.

In Arkansas, over 1,000 projects have been approved. In my district, there are 249 projects creating 78,000 jobs during the 22-year history of the Economic Development Administration.

The taxes that are generated annually by the income from the jobs created through the EDA have more than repaid the investment made by the Government time and time again. I am convinced that the Government has made money because of these investments and the people have benefited.

With good faith and good management, the EDA can extend its helping hand to other parts of our country as unemployment is rising, where desperation besets the people who hope for a government that will help them help themselves.

I supported EDA programs before I came to Congress. I have worked for EDA programs throughout my years in the Congress. And, whatever the future brings, I mean to keep these programs that bring jobs to and save jobs for the people of Arkansas. The programs are money makers, not only for the workers who hold them and the communities where they spend their paychecks, but for the Government.

During its history, EDA has benefited every county in First Congressional District. The following rollcall of 33 towns and cities includes just some of the places where Arkansans have gotten jobs because of EDA:

Ash Flat, Augusta, Batesville, Blytheville, Brinkley, Cave City, Clarendon, Corning, Cotton Plant, Earle, Forrest City, Heber Springs, Helena, Hughes, Imboden, Jonesboro, Manila, Mariana, Melborne, Mountain View, Newport, Parkin, Piggott, Pocahontas, Rector, Stuttgart, Trumann, Walnut Ridge, West Helena, Wheatley, and Wynne.

And, the .EDA economic development assistance programs I believe in and work for are still helping Arkansas' First District. In the last 4 months alone, EDA has committed more than $1 million to five projects in the congressional district I have the honor of representing. Three of them—in Newport, Batesville, and Walnut Ridge—will directly generate 447 long-term jobs. The other two will help the local governments and private sector in 11 counties carry out economic development programs that will concentrate on attracting new business and industrial development, thus opening up the potential of attracting untold numbers of additional jobs.

The foundation of job development in Arkansas is EDA.

This bill would revise and extend the economic development assistance programs that have served this Nation well, despite the efforts of the current Presidential administration—for the past 6 years—to kill the programs.

The national economy is growing isn't it? Then, why is a program that was begun in 1965, needed today?

The national economy was growing rapidly in 1965. Today, its growing, slowly. The standard of living was rising in 1965. It is dropping today. The national unemployment rate was 4.5 percent. Now it is nearly 50 percent higher. In 1965, thousands of counties, communities, and towns and some cities across the Nation were suffering from chronic economic distress, if not actual depression. Today, chronic economic distress is crippling places all across the Nation.

Throughout the 1960's, our international trade balance ran in the black because we were exporting more than we were importing. Since 1981, the trade balance has been a sea of imported red ink that has drowned the jobs of millions of American workers. Thousands have been lost in Arkansas.

Unemployment hurts. It hurts individuals, families, and communities. It is not just about numbers; it is about people. Economic development assistance programs have helped to heal those hurts.

The people of the First District in Arkansas, where unemployment in nearly every county is higher than the national average and runs to double digits in most, a Federal helping hand in economic development assistance is sorely needed.

This bill before us is directed at insuring that the Federal Government continues to be a partner in grassroots economic development projects. Even if a Member of this House has more private sector jobs in his or her district than the people need, voting against this bill does not make sense.

The U.S. economy is the sum of its parts—the economies of every county, community, village, town, and city across the Nation. When thousands of parts of the national economy are in trouble—as they certainly are today in Arkansas and virtually every other State—the whole economy is less than

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it can be. Economic development assistance programs like those I am supporting now and have supported for a quarter of a century can make it the best it can be.

This bill recognizes the Federal interest in a healthy national economy by continuing the Federal role as a partner in local economic development efforts. And, I believe wisely, the committee has recognized and made a point of stating its expectation that the administration will make full and maximum use of the excellent knowledge and expertise that has been garnered within the professional staff of the Economic Development Administration.

I urge passage of this bill.

Mr. SHAW. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. Rogers].

Ms. OAKAR. Mr. Chairman, I would just like to inform my friend, the gentleman from Florida [Mr. Shaw] that I will be happy to yield 3 minutes of my time to him if he would like to have the time.

Mr. SHAW. Mr. Chairman, I thank the gentlewoman and based on that, I yield the gentleman from Kentucky [Mr. Rogers] 3 minutes, instead of 2.

The CHAIRMAN. The gentleman from Kentucky [Mr. Rogers] is recognized for a total of 6 minutes.

Mr. ROGERS. Mr. Chairman, I thank both the gentleman from Florida and the gentlewoman from Ohio.

Mr. Chairman, I rise in support of the bill. I do so because these programs, the EDA and the ARC are helping those pockets in this country that are being left behind by the longest and best economic expansion in the country since World War II. They are being left behind because they are isolated in many cases, or for a variety of other reasons.

Needless to say, there are parts of the country and Appalachia in general that are being left behind by the economic expansion that is taking place in most of the rest of the country.

I say to you that we dare not leave behind significant portions of the country as the rest of the Nation moves onward and upward.

My district has pockets with as severe poverty as anyone. It has pockets of prosperity beginning now to break out, but the EDA and the ARC have been essential parts of those pockets of prosperity arising amid poverty.

Those programs give our communities and our local volunteers a chance to lift themselves up with a little assistance from the Federal and matching State assistance.

Let me tell you just one. In my district we have a large dropout rate in our school system. We have poor test scores, education is suffering, a low percentage of high school graduate residents in the population have to leave there seeking work. We sought out the ARC and were able to receive a $50,000 seed money grant to allow us to start an education improvement program. That was about a year ago.

Today that organization has been formed of hundreds of volunteers working in every one of the 27 counties that I represent in one form or the other, improving education, forming volunteer groups to keep kids in school, raising local moneys to help with minigrants for teachers to take those kids on educational trips in their early grades, in career counseling to help those youngsters understand what occupations are available after they graduate, working to secure the equivalent degrees for thousands of people in my district who in earlier years had dropped out of high school.

That organization, called Forward in the Fifth, has now raised $270,000 of their own with the seed money that the Appalachian Regional Commission gave to them.

This is only an annual budget. They are raising their own money. You formed an organization with your seed money that is literally lifting thousands of people with hundreds of volunteers, assisting them to better educational achievement, which means better jobs and it will help us recruit the small industries and factories into that region which will relieve your rolls for welfare and the like.

I say to you, my colleagues, this program has worked. I cannot defend every portion of it. I am sure there have been abuses of this program, as there have been abuses of every program in the history of this country or any other, but I think I can say to you with confidence that this program overall, these programs, EDA for the country and ARC especially for the Appalachian region, are working in difficult circumstances.

The problem gets compounded in the Appalachian section because we are losing the coal jobs in those mines because machinery is replacing people and they are being laid off. We are losing jobs in the textile business because imports are driving these small textile and apparel factories away.

So those conditions that led to poverty in the first place, isolation, lack of job opportunites, are not getting much better. In fact, they are getting worse and it is going to require a redoubled effort on the part of all of us to recruit the volunteers, to recruit the manpower, to recruit private industry and foundations as they are giving money to this Forward in the Fifth educational movement. It is going to require more of that type of thing of all of us in the Appalachian section.

I beg of you, do not take away the only seed money that is available to us to allow us to reach up and lift ourselves up.

Mr. SHUMWAY. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Upton].

Mr. UPTON. Mr. Chairman, I rise in strong support of this reauthorization bill.

We all know that the authorization for the EDA and the ARC expired back in September 1982. We all know that the Congress has repeatedly passed appropriation bills funding both programs in spite of stong administration opposition.

In fact, these programs have already been funded for the fiscal year 1988 on a vote earlier this year on the Commerce, Justice, State appropriations bill which passed by an overwhelming vote of 292 to 102.

I acutally joined with 145 of my colleagues to delete the EDA. The votes were not there and they are not there today, but it is time, after 6 years, to improve and streamline this reauthorization, and that is why I rise in strong support.

H.R. 2686 offers a number of improvements to the programs. It reduces program eligibility, making eligibility in essence contingent upon need. It reduces Federal cost-sharing from 80 percent to 50 percent and it places a cap on the amount that any individual or organization can receive from this program.

The bottom line is that these programs will continue regardless whether we pass or defeat this authorization bill today; but let us make the effort to improve these programs by voting yes on this bill.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. UPTON. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, I think the gentleman has made a very good point, which is that the programs are going to go on whether or not we pass this reauthorization.

The opportunity we have today is to reform and target the programs more effectively.

The other point I wanted to make is that it has been suggested here that the program has become bloated, with ever increasing appropriations; that it has become this huge porkbarrell boondoggle.

The fact is the program is working exactly the way it should. As the economy has improved in the country, funding for the EDA and the ARC have been reduced. Actually we have cut back on funding over the years in response to the fact that there are fewer areas in the country that need the kind of special assistance which the EDA and the ARC promise; so I think we have been very responsible at the Federal level in fashioning these programs to reduce the costs as the need was reduced.

Mr. UPTON. Mr. Chairman, the gentleman from Pennsylvania is right on the mark.

Let us target these dollars to the areas that really need the assistance, the few dollars that are left remaining in this program.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. Visclosky].

Mr. VISCLOSKY. Mr. Chairman, I rise in strong support of H.R. 2686. As a consponsor of this legislation, I strongly believe that the past successes of the Economic Development Administration warrant its reauthorization. I particularly wish to thank the gentleman from Illinois and the gentlelady from Ohio for their leadership on this important issue.

The development of our Nation's infrastructure is one of the most effective measures for economic development which we can implement as Federal legislators. The Economic Development Administration has fostered the development of public facilities such as road, ports, and community water and sewer systems which have positively benefited economically distressed communities. Although consistently targeted for elimination by the Reagan administration, the Economic Development Administration has proven to be a cost-effective program for job creation throughout the Nation.

I speak from local experience when I mention the good work of the EDA; the programs of this administration have been a major contributor to job creation and economic stabilization in the First District of Indiana which I represent. Northwest Indiana—a region heavily reliant upon the beleaguered steel industry—has undergone an economic transition in recent years which has challenged the very future of our community. The EDA has met this challenge with considerable success.

In the past 4 years the Economic Development Administration has invested $3.9 million in nine projects in northwest Indiana which have created 1,926 jobs. In Hammond, IN, a water and sewer extension was funded with $1.3 million in EDA funds for the development of an industrial park on abandoned industrial land. This development lead to the creation of 650 jobs. In Portage, IN, an EDA road building project will connect a new steel fabricating plant with a vital interstate highway. The project, costing $365,000 in EDA funding will lead to the creation of 325 jobs.

The cost efficiency of this program has been continually demonstrated in my district. The EDA funding necessary to create one job in northwest Indiana is only $2,000. This money is generally recouped through Federal taxes in a relatively short period of time.

The termination of Federal revenue sharing and the limited accessibility of community development block grants have made the EDA increasingly unique as a source of funding for public works projects necessary for private development. Today, local leaders throughout the Nation await the reauthorization of the program with great anticipation.

Mr. Chairman, H.R. 2686 represents an investment in the future of economically distressed communities throughout the Nation. I wholeheartedly support this investment and urge the passage of this legislation today.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. Wise].

Mr. WISE. Mr. Chairman, I rise in strong support of this bill. I would like to speak about the Appalachian Regional Commission for a minute.

In this bill, it would be reauthorized and receive $40 million of funding for each of the next 3 years for area redevelopment. It would receive $120 million for each of the next 3 years to continue construction of the vital Appalachian Regional Commission highways; corridor G, for instance, going through southern West Virginia, opening up vast areas so that we can diversify our economy, 80 miles of 4-lane highway that is so vital for our economic rebuilding.

Indeed, the Appalachian Regional Commission will make it possible, as it has already, for people who are presently for instance in one community drinking water that is pumped out of an abandoned coal mine to get some help in building a water system there, or as has happened already in the city of Charleston, to build a small business incubator, which for the first time is permitting us to diversify our economy and small businesses and to create new jobs and new economies.

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I urge overwhelming support of the Appalachian Regional Commission and the continuation of its efforts and all that it has done for the State of West Virginia.

Mr. SAVAGE. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. Rahall].

Mr. RAHALL. Mr. Chairman, I strongly support the legislation we have before us, the Public Works and Economic Development Act and Appalachian Regional Development Act Amendments of 1987. I would like to begin today by expressing my thanks to Chairman Jim Howard, Chairman Gus Savage of the Economic Development Subcommittee and ranking members Congressman Hammerschmidt and Congressman Shaw for their fine work and leadership on this much needed legislation.

H.R. 2686 is very similar to legislation passed by the House during the last three Congresses by overwhelming majorities, which, unfortunately, the Senate failed to consider. However, I remain hopeful that the other body will act and that during this Congress we will bring this legislation before the President. H.R. 2686 is the product of these earlier legislative efforts and the exhaustive hearings which were held here in Washington and throughout the country. I was extremely pleased that one of the field hearings on the Appalachian Regional Commission was held in my congressional district at Huntington, WV, back in 1982.

Many, including those in the current administration, have advocated the termination of both the Economic Development Administration and the Appalachian Regional Commission and feel that our Federal dollars could be better spent elsewhere. I cannot express strongly enough the continued need for these programs for many communities throughout this Nation. We are all in agreement that we must work toward strengthening our country in many ways; I say that the way to ensure the strength of our Nation as a whole is to ensure that its foundation is solid and strong. This means that we must take care to see that this country's truly underdeveloped and less fortunate communities are nurtured to stimulate economic growth and development which in turn will allow them to be self-sufficient and capable of contributing to this Nation. The success of this kind of approach is borne out by the fact that the Federal funds provided through the ARC and EDA have leveraged billions of dollars in private capital, created or saved millions of jobs in the private sector and returned billions of dollars in tax moneys to local, State, and Federal Governments.

The diverse character of this Nation ensures that even in times of general economic growth, not all regions or industries will share or benefit from that new wealth. My home State of West Virginia is a prime example of a region left behind, as the unemployment level remains inordinately high and the industrial base continues to erode, while many areas in the country are enjoying a period of well-being. To areas such as West Virginia, the programs in H.R. 2686 are of paramount importance. In turn, these programs are vital to the well-being of the Nation as a whole as we work to strengthen its very foundations.

Specifically, H.R. 2686 authorizes a total of $276 million each of the fiscal years 1988 through 1990 for the EDA. Included in each year's amount is $200 million for economic development purposes, $50 million for investment strategy, planning, evaluation and demonstration programs and $26 million for administration. Additionally, the bill authorizes a total of $162.4 million in

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each of the same fiscal years for the ARC. Of that total, the measure provides $40 million in each of the fiscal years for nonhighway economic development programs, $120 million in each of the 3 years for ARC highway programs and $2.4 million for administrative expenses.

The importance of the EDA to this Nation's most needy communities cannot be overemphasized. The number one goal of the EDA is the creation of jobs, which in part explains its significance to my home State in view of West Virginia's continued high levels of unemployment.

Of special importance to communities such as those in southern West Virginia is EDA's focus on small business incubators. I am actively exploring the use of the business incubator in my congressional district with local leaders and business people; currently pending before the EDA is an application by the city of Huntington for assistance with such an incubator. An incubator provides for the collective use of clerical and accounting personnel, office machinery and warehouse space by fledgling businesses with little capital. By lowering the overhead costs for such businesses, this type of program ensures that many small businesses succeed in these economically trying times.

Another invaluable program administered by the EDA provides for the creation of industrial parks. The innovative concept of sharing resources is similar to the business incubator concept. Small industries share water, sewer and electrical facilities, thereby reducing costs and increasing their chances of long-term success. This program has been extremely successful in Mercer County in my congressional district and we in the State continue to push the option for other needy areas.

In addition, I am especially pleased that H.R. 2686 extends the highway and nonhighway programs of the Appalachian Regional Commission for 3 years. In the bill, the original Appalachian Act is amended in line with policies adopted by the Appalachian Governors to address the current problems of the Region and the need for expanded development activities. I strongly support a new provision which would allow funds to be used for establishing business incubators, such as those provided for by the EDA.

I would like to take this opportunity to address further the concerns expressed by many, including President Reagan, who feel that the ARC has long out-lived its original purpose. In 1981, in response to a request from the Congress, the Appalachian Governors submitted recommendation for a 5-year finish-up program for the ARC development programs and an 8-year program for highways. While the Congress has never formally adopted the 1981 recommendation, beginning in fiscal year 1983 the Governors have abided by them and have made progress toward their goals.

Unfortunately, appropriations during this period have averaged less than one-half of the 1981 recommended amounts, thereby making impossible the orderly completion of ARC development efforts in progress by the 5-year phaseout period. At the same time, these limited appropriations have left 1,016 miles of the 3,025 miles authorized for construction as of September, 1986. Clearly, completion of these remaining miles of highway is not feasible within the 8-year phaseout schedule.

Since the mid 1960's, some of the objectives of the area development program of the ARC have been fulfilled. Funds have been used to attack the problems of poverty and the migration of the population out of the region. Programs have been developed to address infant mortality, the lack of medical care and the large number of high school dropouts. The advent of the 1980's brought many adverse national and international forces which have altered the U.S. economy and have had a serious impact on Appalachia, especially in view of its traditional reliance on basic manufacturing and mining. Unfortunately, these factors have undermined some of the early achievements of the ARC.

The high rates of unemployment in many areas within Appalachia can be attributed to the fact that the region has a large number of the industries which have experienced a steep decline in employment over the past few years. Additionally, the region has small service and trade economies, two sectors which have accounted for much of the job growth nationwide.

The Nation's huge trade deficit has wreaked havoc on Appalachian production of primary and fabricated metals, wood products, chemicals, textiles and apparel, glass and coal. New construction in the region has been stymied by high interest rates, low levels of manufacturing activity and excess plant capacity. A final blow to the region has been the recent worldwide decline in oil prices which has altered the demand for coal and has depressed coal markets.

I believe that the changed economic circumstances facing Appalachia today, coupled with Congress' failure to appropriate adequate levels of funding for the phaseout of the ARC, make it imperative that no straitjacket be imposed by the Congress now for the sunsetting of the ARC. Clearly, we cannot abandon the ARC, and thereby the people of Appalachia, when we, in fact, have yet to live up to the original expectations and intent of both the Congress and the Commission. This legislation ensures that the ARC will be funded at viable levels for the next years so that its long-set goals can begin to be met.

In conclusion, I urge the support of my colleagues for this timely and much-needed authorization measure and reiterate my strongly held conviction that, until we ensure and maintain the strength of the foundation of this Nation, we cannot begin to attain new and higher goals as a nation as a whole.

Mr. SHAW. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. Boehlert].

Mr. BOEHLERT. Mr. Chairman, what is America all about? I think we all have our definitions, but if I were to come up with one word to best describe what the United States of America is all about, that word would be opportunity.

Think about it for a minute. Our proudest claim to fame is that ours is the land of unlimited opportunity. People can go as far as their ambition and their talent and their willingness to work will carry them if they have a job, if they have that opportunity to earn their way.

What we are talking about today is the preservation of two vital agencies that have as their primary missions the preservation of existing jobs and the creation of new job opportunities.

For those of my colleagues who oppose the continued funding for these programs and point to the early 1980's and the repeated history of the budget calling for elimination of EDA and the elimination of ARC, I would suggest to them that this body, the Congress of the United States, has done this administration a favor by refusing to eliminate these programs. When the first attempt came to eliminate EDA, our Nation's rate of unemployment stood at 11.2 percent. We had more people unemployed in this Nation than ever before in our history since the days of the Great Depression.

Now that unemployment rate that we are all proud of is going down. It is no longer 11.2 percent, it is only 6 percent. Still, too many Americans are unemployed and still too many Americans need a job. That is why we need agencies like EDA and ARC.

I would suggest, Mr. Chairman, that we make a wise investment when we invest in programs that allow people to earn their way, because if we do not invest in those programs we are going to have to pay an ever-increasing welfare bill. Ladies and gentleman of the House, people do not want to be on welfare. They want to earn their way.

Support these vital programs.

Mr. SHUMWAY. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Ohio [Mr. Wylie], the ranking minority member of the

Committee on Banking, Finance and Urban Affairs.

Mr. WYLIE. Mr. Chairman, the EDA/ARC programs, although certainly well intended, miss their mark. Originally envisioned as deep pockets for the relief of a very few of the most economically disadvantaged regions of the country, these programs are now merely holding tanks for pork. For EDA funding in particular, political considerations have become much more of a factor in the receipt of program money than are statutory criteria for qualification of projects. The bill before you today contains several prime examples of what I am speaking about.

It contains special authorizations for a demonstration project on steel production.

It contains special provisions assuring that Federal funding can be used to tear down old buildings and for site preparation.

It contains language to assure that rural areas are entitled to funding, even in wealthy States like Connecticut which have little or no need for Federal funding.

And it contains a special provision which would authorize $5 million to be used for interest subsidies on commercially nonfeasible projects, without even a requirement that the area in question meet other EDA qualification requirements.

This is money from the American taxpayer's pocket which should not be channeled into programs and projects of this kind. The program should be eliminated, and the savings should be used to reduce the deficit.

These are tough choices, but they are choices that should be made. The administration has attempted to shut off funding for both EDA and ARC since 1981. But Congress has continued to spend on both programs—voting backdoor continuances through continuing resolutions each year. The choice to discontinue these programs may be difficult, but it is much easier than deciding to cut back on other, more valuable social programs.

Later today we will be addressing the issue of the debt ceiling. Each year we are forced to raise this figure, and each year we refuse to make real reductions in program spending. This bill represents a logical, practical beginning point for such reduction.

Budgetary constraint is becoming more critical to the fundamental economic strength of this country with each passing year. This program presents an ideal opportunity for the recognition of this fact, and a movement toward a constructive effort to stabilize the national economy.

The American people deserve the stability and economic prosperity which will come as a result of a reduced deficit. A vote against this bill is a vote for reduced spending, and a vote against increased taxes. It is obvious which way the vast majority of the citizens of this country would vote if given the opportunity, and I encourage my colleagues to do likewise.

Mr. SHAW. Mr. Chairman, I yield my 2 remaining minutes back to the gentlewoman from Ohio [Ms. Oakar].

The CHAIRMAN. The gentlewoman from Ohio [Ms. Oakar] who had 3 minutes remaining now has 5 minutes remaining.

Ms. OAKAR. Mr. Chairman, I thank the gentleman, and I yield 3 minutes to the gentleman from Ohio [Mr. Applegate].

Mr. APPLEGATE. Mr. Chairman, I rise along with my colleagues as a long-time cosponsor and long-time supporter of H.R. 2686, the Appalachian Regional Commission and Economic Development Act amendments.

This is one of the truly great economic programs that I see that has materialized through the Congress since I have been here. Critics, led by the Reagan administration, have sought to destroy this program for a good many years. They say that it has been abused and it is missued.

I ask my colleagues to name me a program either in the private sector or the public sector that has not had some misuse or abuse, and I will eat these notes.

They will also say that the U.S. Government is not responsible for helping the local economies. That is a lot of hogwash. What is the Government here for if it cannot help its own people?

The economic development and the quality of life has deteriorated over the years in Appalachia until the inception of the ARC and the EDA. Now we have more jobs, we have higher literacy rates, we have a better quality of life overall, better transportation, a better infrastructure, we have a better health system, we have better child nutrition, we have more sustaining people, we have more taxpayers in Appalachia, and we have more pride. That is what is so important.

So I say do not deprioritize this direction. Do not blame the deficit on the illiterate, do not blame the deficit on the poor or the sick or the elderly. Blame the deficit on yourselves.

That is what America is all about, it is not? Is that not what we are here for?

I heard the gentleman from New York [Mr. Boehlert] say something about it offers opportunities, and it does offer opportunities. It makes them available, and it has made them available to so many people, and we are not asking for the stars. We are only asking for a little piece of the earth.

This has been cut considerably over the years, and since this time there has been so much money pumped into the Caribbean, there has been so much money pumped into the economy of Central America and there has been so much pumped into Southeastern Asia and all of these other places. At least let us help the Americans first. This is so very important.

The doctor has to be in good health before he can help the patient.

I want to give a great deal of credit to my great chairman, the gentleman from Illinois, Gus Savage, of the Economic Development Subcommittee, as well as our chairman, the gentleman from New Jersey, Mr. Howard, and all of the others who have participated to bring this to the floor. It is a good piece of legislation and I ask your support.

Ms. OAKAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I simply want to counteract a few things Members have said about let us not keep spending more concerning this piece of legislation. The fact is that this legislation pays off in spades. The fact is that we get taxpayer dollars returned to the economy because people cannot afford to pay taxes if they do not have a job. This piece of legislation has generated almost 3 million jobs.

If my colleagues take EDA and ARC and combine them, out of that generation we have seen matching funds come from State and local governments, we have seen unemployment reduced and we have seen millions and millions of dollars returned to the tax base of those communities and to the Federal Government.

So how anyone could assume that this has not paid off, and that the dollars have not paid off is really an unfair criticism in my judgment. The fact is that this is one of the finest pieces of legislation. If any area needs it more, I cannot think of an area that needs it more, and I am not from that area, but the Appalachian area with the cuts that they have experienced from 1981 to 1986 has suffered severe economic distress.

We also have the problem of having the largest trade deficit in the history of this country. One of the areas that EDA addresses is targeting grants to loan assistance for economic adjustment for areas that have been unfavorably affected by the trade imbalance, by people who do not have a job.

This legislation pays back what it puts in. I hope we have a very, very resounding vote for this legislation. It affects all regions of the country, not just the States, because it targets pockets of poverty, tracks of poverty.

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So it is not just a state with high employment; it might have pockets that have severe distress and it targets those pockets. So let us give this legislation an overwhelming voice of support.

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Mr. SHUMWAY. Mr. Chairman, I recognize that it is not easy to undo a program once that program is in place and once a constituency in support of that program is developed, and certainly that is the case with these programs and this authorization bill today.

But I think at the same time all of us as Members of this body, trying to vote responsibly and do our job with reference to the fiscal crisis that has beset us, realize that we must begin somewhere.

Now just a few years ago we realized that revenue sharing which was a widely appreciated, often defended program here, revenue sharing had really run the course of providing benefits and sharing revenues that we did not have.

We wisely voted to reduce that program gradually and eventually to phase it out.

Mr. Chairman, I think that same kind of responsible view of these programs must be exercised by this body today. We must find areas in the budget where we can reduce spending. I would suggest to members that this is a typical kind of program, a very apt candidate for that kind of budgetary responsibility.

I would sincerely urge my colleagues to vote against this bill today and to demonstrate that we are going to take meaningful steps toward having a balanced budget in this country.

Mr. SAVAGE. Mr. Chairman, I yield the balance of my time to the gentleman from Minnesota [Mr. OBERSTAR].

The CHAIRMAN. The gentleman from Minnesota [Mr. OBERSTAR] is recognized for 2 minutes.

Mr. OBERSTAR. I thank the chairman and compliment him on the splendid job he has done in brining this legislation to the floor, and also Ms. OAKAR, the chair of the Economic Stabilization Subcommittee and the two ranking members who have participated in bringing this legislation once again to the House floor for consideration.

I particularly want to extend my compliments to my colleague from Pennsylvania [Mr. CLINGER], with whom I have worked diligently in establishing this legislation in its original form, H.R. 10; also the gentleman from New York [Mr. BOEHLERT], who along with me was a staff member when EDA was created some 22 years ago.

I want to address some myths about EDA. The first myth; 80 percent of the country, 80 percent of the population is covered by this program. That is not so. The program is administered in such a way that less than half of the population, less than 40 percent in fact of the population are actually receiving assistance. And if 40 percent of America, of our population lives in distressed areas that is a commentary on the economy in which we live not on the program which is designed to help the people.

The legislation we have before us is a deliberate conscious effort to reduce the scope of EDA because we recognize there were problems in the way the program was established, in the way it was being run and that the Congress so loved EDA that it set aside in the act, over a period of a year, certain distressed areas that could not be redesignated. We changed that. In this legislation we said those areas will be redesignated. We took them off the list. They do not deserve to be in the distressed category, if the economic indicators in a given area have risen to the point where the area no longer qualifies, then the area should be removed from the eligibility list.

Argument: That 42 percent of the borrowers are delinquent, $300 million of the $450 million in delinquent loans went to the steel areas.

What area in America, what economic sector has suffered more economic distress than steel? Granted, the previous administration tried to help the steel industry, used EDA which did not have adequate funds to do that kind of job, but it was pushed into the fray to try to help. That is where we got the problem of large scale delinquent loans. Of the $1.1 billion in EDA loans, only $103 million of EDA loans have been uncollectible, 9 percent, an extraordinary rate.

We have cured many of the problems of the EDA Program, we have brought you a program that can be administered within narrow limits.

Mr. GALLO. Mr. Chairman, today the House of Representatives is considering H.R. 2686, the Public Works and Economic Development Act Amendments of 1987. I would like to add my support to that of my colleagues on the Public Works Committee who have worked hard to put together a reasonable 3-year reauthorization of the Economic Development Agency [EDA] and the Appalachian Regional Commission [ARC].

Mr. Chairman, this bill authorizes $438.4 million in each of fiscal years 1988, 1989, and 1990 for national development investment assistance programs targeted to areas of economic distress by providing loans and grants to qualifying States and local communities for development projects such as road and highway construction, sanitation, water supplies, and electricity.

H.R. 2686 authorizes, under the EDA, $200 million for development investment grants, $50 million for planning and development assistance, and $26 million for administration for each of the next 3 fiscal years. Grants may be used to improve public facilities to encourage private development and establish a revolving loan fund to help eligible small businesses. Grant applicants must meet the distress requirements in the bill, certify performance of any responsibilities they agree to accept, and develop an investment strategy for the area concerned.

The bill also authorizes the appointment of an Assistant Secretary of Commerce to consult with appropriate departments and agencies and assist in administering the program.

In regard to Appalachian Regional Development, H.R. 2686 authorizes $120 million for highway projects—with an 80 percent maximum Federal share—$40 million for nonhighway projects—with a 50 percent maximum Federal share—and $2.4 million for administration in each of the 1988, 1989, and 1990 fiscal years. The bill authorizes the ARC to make grants for creating and retaining private-sector jobs; and, provide special assistance to severely distressed and underdeveloped areas to improve basic health and public services.

Mr. Chairman, the distressed areas of our country, especially the Appalachian region, need this program to develop the infrastructure which is necessary to attract private investment. I applaud the members of the Public Works Committee who worked so hard to bring this bill to the floor of the House for our consideration. I urge my colleagues to support this important economic development legislation.

Mr. NOWAK. Mr. Chairman, as the representative from Buffalo, NY, no one is more convinced that I of the necessity for EDA programs. Regardless of the status of our economy nationwide, there will always be communities that need help in the development of their resources before businesses can be established and jobs created. During this era of Reaganomics, we in the Congress have had to exert a great deal of energy to preserve worthwhile programs like EDA. Yet a strong healthy economy demands balanced economic development. I believe that local economic and regional development are essential for a healthy economy.

However, it has been my experience that, contrary to the administration's allegations, these EDA investments are not a burden to the taxpayers but serve a national purpose and have successfully stimulated job creation, leveraged billions in private sector money and returned billions of tax dollars to Federal, State, and local treasuries.

In recent years, EDA has provided assistance to the Erie County (NY) Industrial Development Agency, which has used these funds for a variety of purposes including establishing a revolving loan fund which was particularly helpful to small, growth-oriented firms lacking access to easy sources of investment capital.

The Economic Development Administration and its predecessor, the Area Redevelopment Administration, have built up over 20 years of experience in economic development. EDA was founded on the principle that local government sets the priorities, to be carried out with State and Federal support and encouragement. It has created jobs and maximized private investments which have revitalized and stimulated economic growth in communities throughout the country. This agency has demonstrated an ability to be responsible to a variety of economic problems in a diversity of situations and climates over the last two decades. The need for economic development will continue and these programs provide an ideal foundation on which to build.

For these reasons. I think it will be important to retain the Economic Development Administration to take advantage of the accomplishments, gains and expertise we have developed over the years.

Therefore, I strongly support H.R. 2686.

Mr. McDADE. Mr. Chairman, I can think of few Federal programs which have served this Nation as well as the Economic Development Administration and the Appalachian Regional Commission. Both programs have excellent records in bringing jobs, opportunity and development to distressed areas of the nation.

I am pleased to speak today in favor of legislation, the Public Works and Economic Development Act Amendments of 1987 which authorizes funds in each of the next 3 fiscal years for national development investment assistance programs administered by EDA and ARC.

This legislation authorizes needed funds for such vital projects as the development of roads, ports, community water and sewer systems, education and health facilities and grants for private economic development. The funding levels in the bill are not excessive, particularly in light of the need for EDA and ARC and the cuts absorbed in recent years by these programs.

Evidence of the effectiveness of these two programs can be found in my congressional district in northeastern Pennsylvania. During the past 6 years, the Northern Tier Regional Planning and Development Committee has prepared grant and loan applications that have resulted in $45 million in public infrastructure projects in a five-county region. Many existing sewer and water projects, nursing homes, industrial access roads, hospitals and highways would not be possible without the EDA and ARC. Another $25 million in public and private loans for job-creating business development was made possible in northeastern Pennsylvania because of these programs.

EDA assistance was instrumental in reopening a tannery in my congressional district which closed its doors in 1981 because it was unable to meet new environmental regulations. Today the tannery employs 109 people because EDA assisted in providing funds for a new sewer system and loan guarantees to reopen the plant.

The dividends from this Federal partnership with local government can be measured in jobs created and jobs retained. The program pays for itself several times over in taxes generated from jobs that are the result of an EDA investment.

EDA and ARC have earned strong support in the House because Members recognize that these programs have been effective in creating private sector employment in distressed areas and improving the quality of life in improverished regions of the country. As a member of the House Appropriations Committee, I have supported efforts to keep these programs alive and funded during the past few years when the Senate failed to act and the administration actively sought their termination. I urge my colleagues to do their part again this year in passing legislation to reauthorize EDA and ARC.

Mrs. LLOYD. Mr. Chairman, I rise in strong support of H.R. 2686, the Public Works and Economic Development Amendments of 1987, a bill to revise and reauthorize the Economic Development Administration [EDA] and the Appalachian Regional Commission [ARC] for 3 years.

I am a cosponsor of similar legislation, H.R. 10, the National Development Investment Act, and a strong proponent of its purposes and intent which are mirrored by the measure we are considering today.

The programs administered by the EDA and the ARC have been essential to the revitalization of economically distressed cities and towns throughout the Nation. These programs have made a tremendous difference to the economic vitality of my Third Congressional District of Tennessee, and, to the future survival of many small metropolitan and rural communities.

This legislation emphasizes our concern in Congress for those areas of the country which continue to face economic hardship, and will need continued assistance as they try to diversify their economies and rejoin the Nation's economic mainstream. Because EDA and ARC Programs have not been authorized since 1982 and these programs are operating under appropriations legislation, they are in danger of being eliminated unless the House passes this critical bill.

I urge my colleagues to join with me in voting for H.R. 2686 so that we can continue to demonstrate the Congress' continued, strong support for the EDA and ARC.

Mr. MOLLOHAN. Mr. Chairman, I rise in support of H.R. 2686 and request permission to revise and extend my remarks.

Mr. Chairman, the reauthorization of the Appalachian Regional Commission and the Economic Development Administration with the proposed adjustments to these programs is critical for our Nation's economic revitalization.

I have witnessed time after time the benefits of the ARC and EDA Programs to my congressional district in West Virginia, our State and the surrounding region. On many occasions, the industrial parks, water and sewer projects, computer literacy initiatives, and roadways funded by ARC and EDA would otherwise not be possible in distressed areas.

I would like to cite several projects in recent years that attest to the merits of these programs and give reason to continue them:

In Parkersburg, these programs have financed an access road at an airport which will make way for the location of additional industrial firms there as well as an expansion of an Army Air National Guard facility; the renovation of a downtown building for a Blennerhassett Museum to further promote local tourism; and two water storage tanks in the northern part of town to increase water pressure and availability for economic expansion.

In Weirton, the Mary H. Weir Library has established a successful computer literacy program with ARC moneys.

In Fairmont, ARC financed an access road which will result in the development of a new 100-room hotel by the private sector.

In rural Taylor County, ARC and Farmers Home Administration moneys helped local officials construct 20 miles of water line, build two booster stations and two water tanks.

In Ritchie County, improved water service funded by ARC and FMHA will benefit a Smithville defense contractor as well as Cairo residents.

In Marion County, septic tanks and package plants will be replaced with a new sanitary sewer system. The beneficiaries of this project are local residents and industrial firms planning to locate or expand in this area.

In Harrisville, a new water plant has been constructed with EDA "emergency jobs stimulus" dollars to serve local citizens and the city's major employer.

In St. Marys, new water storage tanks and larger water lines financed by ARC grant moneys will facilitate a new shopping center and improved firefighting capabilities.

In Ritchie County, the mid-Ohio Valley Health Department has been able to provide pre- and post-natal health services to Ritchie countians.

Revolving loan programs have been established in three regions of my district, providing low-interest financing for new and existing businesses. One of the three development corporations is seeking a grant this year to recapitalize its vibrant program.

All of these meaningful projects and programs are over and above the planning and development strategy activities being undertaken by local officials to ensure the coordination of efforts.

Through fical year 1986, ARC has provided my congressional district with over $40 million for 176 public works, health and education projects. The EDA, through fiscal year 1985, has awarded 510 grants or loans to West Virginia, totaling approximately $185 million.

One might think that is a lot of money—well it is—but there are considerable cost differences in building roads, water and sewer facilities, and schools in hilly West Virginia as opposed to other parts of the country. It costs 1½ times more to build public works projects in my home State, and I think that the Congress, EDA, ARC, and other agencies should take this fact into consideration.

The ARC and EDA programs have been a big help, but much remains to be done in my district and in my State. There is growing enthusiasm among my State, county, and municipal officials for EDA and ARC grants. That is partially because many of their other traditional government funding sources, such as the Federal revenue sharing and urban development action grant programs, have been drastically cut or eliminated altogether.

To cite this interest, there are some exciting ARC and EDA proposals from my district pending review this year:

Parkersburg Community College is seeking funds to build a job training and retraining facility for the mid-Ohio valley region's industries;

The city of Parkersburg needs money to reconstruct a street as an access road to a new hardware/lumber business;

Ritchie countians would like to expand their EDA-financed industrial park to accommodate additional tenants;

The Regional Education Service Agency would like to offer satellite teleconferencing opportunities to West Virginia students and senior citizens on education and to industrial employees on new technologies;

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A new products center is proposed for my area to develop new and innovative uses for the glass, chemical, and ceramics industries located there; and

Several plant closings demand economic adjustment attention from ARC and EDA officials.

In addition, there are significant transportation projects that will ultimately need ARC and/or EDA funding, if they are to be accomplished and bring further economic benefits to our State. There are two pressing highway projects and another promising project—the completion of U.S. route 50 at Parkersburg, further development of Appalachian corridor H in central West Virginia, and a toll road linking Fairmont and Moundsville.

As you can see, the Appalachian Regional Commission and Economic Development Administration programs are alive and well in America, and the legislation we are considering today would find-tune them for the next 3 years. I encourage my colleagues to vote for H.R. 2686 and encourage the Senate to help us enact it.

Mr. BORSKI. Mr. Chairman, I rise in support of the Economic Development Administration authorization bill. The EDA authorization helps States and local governments to invest in public infrastructure. This public investment encourages job creation and growth which more than pays for this modest program.

Infrastructure is the lifeblood of our economy. Without regular investment in roads, water and sewer systems, bridges, and other structures, our national economy would stagnate.

But with a commitment to public works, we create a climate where economic development and jobs growth can occur. The EDA helps to create that climate of growth.

The city of Philadelphia, which I represent, has been the beneficiary of EDA funds. Since 1965, Philadelphia has received about $47 million in EDA funds. These funds have made a dramatic difference in our city. The projects that EDA has supported include the American Street corridor where EDA funds paid for new sewer and water lines in an old industrial neighborhood that had hit rock bottom. Today, the American Street corridor is filled with new, growing businesses. Hundreds of new jobs have been created, and an old neighborhood has been brought back to life. That project would not have happened without EDA support.

EDA has helped us build an industrial park in Northeast Philadelphia. We've been able to rehabilitate old, dilapidated city piers. In West Philadelphia, EDA dollars has enabled us to attract a small manufacturer and 600 new jobs to West Parkside. We have used EDA planning funds for a new convention center now being developed, and for the rebirth of the waterfront at Penn's Landing. With the help of EDA, we have created thousands of new jobs in Philadelphia.

Mr. Chairman, the EDA program is money well-spent. It is especially needed in view of the loss of Federal funds for so many other programs that help people. It is an investment in jobs in areas where we need jobs desperately. And it has worked for us in Philadelphia.

I strongly support this bill, and I urge the House to approve it.

Mr. VENTO. Mr. Chairman I rise in support of H.R. 2686, the Public Works and Economic Development Act Amendments of 1987. I want to congratulate the chairman of the Public Works Committee, Mr. HOWARD, and the chairman of the Banking Committee, Mr. ST GERMAIN, as well as the chairmen of the two subcommittees which reported the bill under consideration today, Mr. SAVAGE of the Public Works Subcommittee on Economic Development, and Ms. OAKAR of the Banking Subcommittee on Ecomomic Stabilization on which I serve. They have done an outstanding job in adopting important amendments which will improve the EDA Program and moving this legislation forward to the floor today.

The EDA program has been one of the most productive investments we have made in helping to reduce some of the economic disparities in our country. It has consistently produced a high rate of return compared to what we have invested. Since its creation, the Economic Development Administration has invested $4.7 billion, which has leveraged $9 billion in private investment. The EDA projects have created or saved 1.4 million jobs in the private sector, and are responsible for $6.5 billion in annual Federal, State, and local tax receipts. This is certainly an impressive performance by any measure.

Similarly, in the 15 years since the creation of the Appalachian Regional Commission, per capita income in the 13-State, 397-country area has risen 10 percent, from 78 percent of the national average to 86 percent of that figure. More than 1.5 million new jobs have been created, and the poverty level has declined by 54 percent, from 31 percent of the population to 14 percent. While progress has been made, much more must be done. It is still unfortunately true that one-third of the Appalachian population still lives in substandard housing.

Mr. Chairman, this legislation is significant because it realizes that small business is the backbone of economic recovery. Most of the new jobs created during the 1980s have been in small businesses. Over the past 5 years, the Economic Development Administration has channeled 90 percent of its loan money and 84 percent of its loan guarantees to small businesses. This legislation recognizes the economic importance of small businesses and directs important financial resources toward this sector of our economy.

Many small businesses in the district which I represent in St. Paul and Ramsey County, MN, have benefited from EDA loans and loan guarantees. These loans become even more urgent in areas which have recently experienced plant closings and serious economic dislocations. The "distress requirements" criteria in section 105 of the bill is generally broad enough to encompass most economic dislocations. I hope that there will be greater recognition of the fact that a series of small business closings can have just as devastating an effect upon a smaller community as a single large plant closing can have on a larger community. In St. Paul and in other cities across the country, we have experienced both of these events in recent years and we continue to live with the serious problems which result from these economic dislocations.

One of the most serious impediments to economic development often occurs when a community must contend with developing a site where the cost of demolishing existing structures to make way for new buildings is often very high. It is a distinct disincentive to economic development, or redevelopment, when either a local government or a private developer must contend with extremely high demolition costs. I am pleased that an amendment which I offered to section 102 of the bill in the Subcommittee on Economic Stabilization was adopted. This amendment simply specifies that demolition of existing structures and other site preparation measures are activities which are eligible for development investment assistance under EDA.

Mr. Chairman, it is ironic that while the administration continues to proclaim the fifth year of an economic recovery, we still have over 6 percent unemployment nationally and significant underutilization of our manufacturing capacity. Many American industries are facing increasing competition from abroad and yet must contend with outdated plants and equipment. The necessary investments which must be made to insure our future economic competitiveness are not being made or are being delayed until another day. As long as we continue to have these disparities in our economy and significant regional economic disparities, there will be a continuing need for the EDA Program. I urge my colleagues to join me in voting for this legislation.

Mr. BEVILL. Mr. Chairman, I rise today in support of this legislation to authorize funding for the Appalachian Regional Commission. The ARC continues to have a major impact in terms of helping develop rural North Alabama.

This spring, a 24,000-square-foot warehouse was opened on the Tennessee-Tombigbee Waterway at Pickensville. The warehouse is being used by the Wood Products Marketing Cooperative to help local wood producers market their products to other States and overseas. This cooperative is made up of small lumber mills which would have a difficult time on their own marketing their lumber on the international market.

The cooperative was the direct result of efforts by the Appalachian Regional Commission to encourage marketing of local wood products. The ARC also has helped build a small port facility at Pickensville.

These projects are among the many ways that the ARC works to support the economic development of some of the poorest areas in our Nation. And, this is just one of the many reasons why I think we should continue to support the ARC.

The administration does not agree with my position. It has failed to provide funding for the Commission's program in every budget since 1980.

My committee has continued to fund ARC because we know first hand how this region has struggled to catch up with the rest of the Nation in such basic necessities as health care, education, sanitary facilities, roads and housing.

The administration apparently does not know that the last two recessions have caused serious setbacks in Appalachia. The administration apparently does not know that

unemployment in one-fourth of the Appalachian counties is twice the national rate of unemployment, primarily because of declining employment in coal mining and manufacturing.

The Appalachian region of our Nation still needs help. The Governors of these States know that. That's why they have repeatedly declared their support for the ARC.

Earlier this year, Republican Gov. Arch Moore of West Virginia presented my committee with a budget request for the ARC on behalf of all 13 States represented on the ARC.

This request emphasizes completion of the Appalachain Development Highway System, which has brought more jobs to the region than any other program. The budget calls for providing funds to the region's poorest counties to help provide clean drinking water and safe sewage disposal facilities.

The Governors' plan also emphasizes the creation of additional jobs—always a major ARC goal. They also support local health care projects as well as training and basic education projects which are so badly needed to upgrade the region's workforce.

I do not agree with the assertion that economic and community development programs in Appalachia—or in other disadvantaged regions—have served their purpose. The fact is that the interests of each State, region, and locality are of concern and importance to the national interest.

We do not simply write off regions that are economically underdeveloped; we invest in those areas so they will no longer be a drain on our national economic well-being.

I urge my colleagues to support this legislation.

The CHAIRMAN. All time has expired.

Pursuant to the rule, an amendment in the nature of a substitute consisting of the text of H.R. 3084 shall be considered by titles as an original bill for the purpose of amendment under the 5-minute rule in lieu of the amendments now printed in the reported bill, and each title shall be considered as having been read.

The Clerk will designate title I.

The text of title I is as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## TITLE I—NATIONAL DEVELOPMENT INVESTMENT

### SEC. 101. SHORT TITLE.

This title may be cited as the "Public Works and Economic Development Act Amendments of 1987".

### SEC. 102. AMENDMENT TO PUBLIC WORKS AND ECONOMIC ACT OF 1965.

The Public Works and Economic Development Act of 1965 is amended to read as follows:

### "SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'National Development Investment Act'.

"(b) TABLE OF CONTENTS.—

"TITLE I—DEVELOPMENT INVESTMENT ASSISTANCE

"Sec. 101. Findings and purposes.
"Sec. 102. Development investment assistance.
"Sec. 103. Qualifying applicants and limitations on locations of projects.
"Sec. 104. Application for grant.
"Sec. 105. Distress requirements.
"Sec. 106. Development investment strategy.
"Sec. 107. Limitations on revolving loan funds.
"Sec. 108. Federal share.
"Sec. 109. Limitations.
"Sec. 110. Commercial development corporations.
"Sec. 111. Obligation of funds.
"Sec. 112. Authorization of appropriations.

"TITLE II—INVESTMENT STRATEGY, PLANNING, EVALUATION, AND DEMONSTRATION

"Sec. 201. Investment strategy and planning.
"Sec. 202. Evaluation and demonstration.
"Sec. 203. Federal share.
"Sec. 204. Obligation of funds.
"Sec. 205. Authorization of appropriations.

"TITLE III—ADMINISTRATION

"Sec. 301. Definitions.
"Sec. 302. Appointment of assistant secretary.
"Sec. 303. Consultation with other persons and agencies.
"Sec. 304. Administration of assistance.
"Sec. 305. Powers of the Secretary.
"Sec. 306. Certification.
"Sec. 307. Savings provisions.
"Sec. 308. Annual report.
"Sec. 309. Prevailing rate of wage.
"Sec. 310. Record of applications.
"Sec. 311. Records and audit.
"Sec. 312. Nondiscrimination requirements.
"Sec. 313. Authorization of appropriations.

## "TITLE I—DEVELOPMENT INVESTMENT ASSISTANCE

### "SEC. 101. FINDINGS AND PURPOSES.

"(a) FINDINGS.—The Congress finds and declares the following:

"(1) Historical and structural economic patterns in national and world markets have resulted in disparate economic conditions among various areas and communities in the United States.

"(2) Some areas and communities suffer from substantial and persistent unemployment and underemployment.

"(3) Economic distress caused by structural problems, severe dislocations, or cyclical downturns adversely affects communities and areas and their residents, industry sectors, and groups within the population. Among the most severely affected in distressed areas are socially and economically disadvantaged individuals from groups which suffer the effects of past and present discriminatory practices.

"(4) The changing national and global economies over the past decade have created new problems and challenges for the Nation. Our trade deficit has increased to serious proportions while our export of manufactured goods to other nations has dropped dramatically, and our export of industrial jobs to other nations has reached an alarming level.

"(5) The private sector remains the ultimate generator of employment and economic growth, but the public sector must reverse decades of infrastructure neglect as a necessary concomitant to private business stability and expansion.

"(6) It is in the national interest to develop a partnership between the public and private sectors to plan and implement development and adjustment activities to alleviate such distress.

"(7) Delivering and coordinating Federal assistance to economically distressed areas and industries and groups within those areas is crucial to the health of the national economy and the well-being of the Nation's citizens.

"(b) PURPOSES.—The Congress declares that the purposes of this Act are—

"(1) to promote balanced national growth and economic development by providing Federal aid to distressed areas in—

"(A) planning and financing public works,

"(B) promoting business assistance and other development activities to foster additional long-term employment opportunities for the unemployed and underemployed, and

"(C) benefiting the socially and economically disadvantaged,

through the stimulation of private investment through Federal assistance;

"(2) to make the Nation's industrial and commercial resources more competitive in national and international markets; and

"(3) to build, rehabilitate, and repair public infrastructure where it is inadequate to support and encourage private investment in the area;

"(4) to recognize and rely upon improved State and local governments' capacity to direct their own destinies; and

"(5) to link public and private funds to foster coordination of resources between these sectors, in order to leverage the maximum investment in the long-term economic vitality of all areas.

### "SEC. 102. DEVELOPMENT INVESTMENT ASSISTANCE.

"(a) GRANTS.—Upon application of an applicant qualifying under section 103 and subject to the provisions of this title, the Secretary is authorized to make a grant to such applicant for one or more of the following:

"(1) CONSTRUCTING AND IMPROVING PUBLIC FACILITIES.—Construction, repair, rehabilitation, and improvement of public facilities, including demolition of existing structures and other site preparation measures, and the acquisition of land and other public works improvements to encourage and support private development.

"(2) REVOLVING LOAN FUNDS.—Establishment of revolving loan funds to promote establishment and growth of small businesses and to retain firms and entrepreneurs which contribute to the creation, retention, and expansion of private sector jobs.

"(3) EMPLOYEE STOCK OWNERSHIP PLANS.—Establishment of revolving loan funds to promote establishment of qualified employee ownership organizations which prevent economic dislocation, facilitate economic adjustment, or contribute to economic diversification and long-term economic vitality.

"(b) TECHNICAL ASSISTANCE.—Upon application of an applicant qualifying under section 103 and subject to the provisions of this title, the Secretary may provide technical assistance for improving and enhancing economic development.

### "SEC. 103. QUALIFYING APPLICANTS AND LIMITATIONS ON LOCATIONS OF PROJECTS.

"(a) APPLICANTS FOR DISTRESSED LOCAL GOVERNMENTS.—The following entities may apply for assistance under section 102 for projects and activities to be carried out in the jurisdictional area of a unit of local government which meets the requirements of section 105:

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"(1) State government.—The State in which the unit of local government is located may apply if—

"(A) such unit has a population of less than 50,000; and

"(B) such unit is located outside the boundaries of an economic development district.

"(2) Local government.—The unit of local government may apply; except that—

"(A) in any case in which the unit of local government has a population of less than 50,000 and is located outside the boundaries of an economic development district, such unit must consult the State in the preparation of the grant application; and

"(B) in any case in which the unit of local government is located within the boundaries of an economic development district, such unit must consult such district in the preparation of the grant application.

"(3) Economic development district.—The economic development district in which the unit of local government is located may apply.

"(4) Economic development organization.—A private or public nonprofit organization established for economic development purposes and representing an area within the jurisdictional area of the unit of local government may apply if—

"(A) such unit has a population of 50,000 or more;

"(B) such unit is located outside the boundaries of an economic development district; and

"(C) the grant application has been approved by such unit.

"(b) Applications for Indian Lands.—An Indian tribe may apply for assistance under section 102 for projects and activities to be carried out on lands owned by, or held in trust for, such tribe if such lands meet the requirements of section 105.

"(c) Applications for Pockets of Poverty.—The following entities may apply for assistance under section 102 for projects and activities to be carried out in an area which meets the requirements of section 105 and is located in the jurisdictional area of a unit of local government which has a population of 50,000 or more and does not meet such requirements:

"(1) Local government.—The unit of local government may apply; except that in any case in which the unit of local government is located within the boundaries of an economic development district, such unit must consult such district in the preparation of the grant application.

"(2) Development organization as applicant.—A private or public nonprofit organization established for economic development purposes and representing the area meeting the requirements of section 105 may apply if such organization consults the unit of local government in the preparation of the grant application.

### "SEC. 104. APPLICATION FOR GRANT.

"(a) Contents.—An application for assistance under this title shall include, but need not be limited to—

"(1) a certification that the area over which the applicant has jurisdiction meets the requirements of section 105; except that—

"(A) in any case in which the applicant is a State, economic development district, or an organization described in section 103(a)(4), the certification must be for the area over which the concerned unit of local government has jurisdiction;

"(B) in any case in which the applicant is an Indian tribe, the certification must be for lands owned by, or held in trust for, such Indian tribe; and

"(C) in any case in which the applicant is an organization described in section 103(c)(2), the certification must be for the area such organization represents;

"(2) a certification relative to the performance of any responsibilities which the Secretary has agreed to accept under section 306; and

"(3) a development investment strategy prepared in accordance with section 106.

"(b) Factors To Be Considered in Approval Process.—In approving applications for assistance under this title, the Secretary shall give consideration to—

"(1) the severity of distress in the area for which the grant is to be made;

"(2) the extent to which the grant will result in increased, or more stabilized, permanent employment in such area;

"(3) the ratio of private sector investments committed in such area to the amount of the grant applied for;

"(4) the extent to which the appropriate State and local governments have undertaken or agree to undertake other related actions to encourage economic development and the expansion of employment opportunities;

"(5) the effectiveness of the development investment strategy and the degree to which the proposed project contributes to its implementation (including the strategy's relationship to economic problems identified in the strategy), expands employment opportunities in the existing labor market, provides incentives to retain private businesses, expands or improves public facilities, and encourages private investment; and

"(6) the extent to which the strategy and activities are consistent with State and local goals and contribute to long-term economic growth and private sector employment opportunities and establish an overall strengthened economic and business environment which will be self-sustaining.

"(c) Limitation on Assistance Facilitating Relocations.—No assistance may be provided under this title for projects intended to facilitate the relocation of industrial or commercial plants or facilities from one area to another, unless the Secretary finds that such relocation would not significantly and adversely affect employment in, or the economic base of, the area from which the industrial or commercial plant or facility would be leaving.

### "SEC. 105. DISTRESS REQUIREMENTS.

"(a) Certification.—In order to be eligible for assistance under this title, the applicant must certify that the area which is required by section 103 to meet the requirements of this section meets one or more of the following criteria:

"(1) The area has a per capita income of 80 percent or less of the national average.

"(2) The area has an unemployment rate 1 percent above the national average percentage for the most recent 24-month period for which statistics are available.

"(3) The area has experienced or is about to experience a sudden economic dislocation resulting in job loss that is significant both in terms of the number of jobs eliminated and the effect upon the employment rate of the area.

"(b) Documentation of Distress.—Documentation of distress shall be supported by Federal data, when available, and in other cases by data available through the State government. Such documentation shall be accepted by the Secretary unless it is determined to be inaccurate. The most recent statistics available must be used.

### "SEC. 106. DEVELOPMENT INVESTMENT STRATEGY.

"(a) Preparation and Contents.—Except as provided in subsection (b), an applicant for assistance under this title shall prepare a development investment strategy for the area which is required by section 103 to meet the requirements of section 105. The development investment strategy must—

"(1) identify the economic development problems sought to be addressed by the grant;

"(2) identify past, present, and projected future economic development investments in such area and public and private participants and sources of funding for such investments;

"(3) identify the extent to which the development investment strategy takes into account—

"(A) availability of developable land and space in the area;

"(B) public works, public service, and development facilities in the area;

"(C) availability of low-cost capital;

"(D) tax policy on investments in the area;

"(E) level of skill of the labor force; and

"(F) ability of State and units of local government to provide financial assistance in the management and implementation of the strategy;

"(4) set forth a strategy for addressing the economic problems identified in paragraph (1) and discusses the manner in which the strategy will solve such problems;

"(5) provide a description of the projects necessary to implement the strategy, an estimate and analysis of the costs and anticipated benefits of implementing the strategy, and an estimate of the timetables for completion of such projects;

"(6) provide a summary of public and private resources which are expected to be available for such projects; and

"(7) provide a comprehensive plan which demonstrates participation in all phases of the development and implementation of the development investment strategy by a representative percentage of small business concerns owned and controlled by socially and economically disadvantaged individuals, as defined by section 8(d) of the Small Business Act (15 U.S.C. 637(d)) and relevant subcontracting regulations promulgated pursuant thereto.

"(b) Consultation of State or Economic Development District.—In any case in which a unit of local government is the eligible applicant under section 103(a)(2), the unit of local government shall consult the State or economic development district, respectively, in the preparation of a development investment strategy.

"(c) Approval of Development Organization's Strategy.—In any case in which a private or public nonprofit development organization within a unit of local government is the eligible applicant under section 103(c)(2), the organization must consult the unit of local government in the preparation of the organization's development investment strategy.

### "SEC. 107. LIMITATIONS ON REVOLVING LOAN FUNDS.

"(a) Purposes and Uses of Grants.—Grants under section 102(a) shall be for the purposes of stimulating small business development and promoting economic growth which contributes to an improved local tax base and the creation of permanent employment opportunities. Such grants may only

be made to establish or recapitalize a revolving loan fund which will be used only—

"(1) for making loans or guaranteeing loans to small businesses for initial or working capital, or the purchase, rehabilitation or expansion of facilities or equipment; and

"(2) for making loans or guaranteeing loans to businesses if a relatively small amount of capital is needed to complete financing necessary to retain the business in the area.

"(b) Distress Requirements.—A grant made under section 102(a)(2) shall be made on the condition that the revolving loan fund established or recapitalized pursuant to such grant shall be used only for providing assistance described in subsection (a) in areas which meet the requirements of section 105.

"(c) Limitation on Amount of Grant.—No grant for the establishment or recapitalization of a revolving loan fund under section 102(a)(2) shall be made for more than $1,000,000.

"(d) Credit Elsewhere Test.—No loan or guarantee shall be made from a revolving loan fund established or recapitalized pursuant to a grant under section 102(a)(2) unless the financial assistance applied for is not otherwise available from private lenders on terms which in the opinion of the administrator of the revolving loan fund will permit the accomplishment of the project.

"(e) Terms of Grants.—

"(1) Use assurances.—Any applicant for a grant for establishment or recapitalization of a revolving loan fund under section 102(a)(2) shall give assurances that amounts of any loan which are repaid to the fund will be available only for the purposes set forth in subsection (a).

"(2) Repayment assurances.—No loan or guarantee may be made from a revolving loan fund established or recapitalized pursuant to a grant under section 102(a)(2) unless the applicant for such loan or guarantee provides reasonable assurance of repayment of the loan.

"(3) Grantee as administrator.—The grantee of any grant for establishment or recapitalization of a revolving loan fund under section 102(a)(2) shall administer the fund.

"(f) Consideration of Past Performance.—In determining whether or not to make a grant for recapitalization of a revolving loan fund established or recapitalized pursuant to a grant under section 102(a)(2), the Secretary shall consider past performance of such fund.

### "SEC. 108. FEDERAL SHARE.

"(a) Construction and Improvement Projects.—The amount of any grant for a project described in section 102(a)(1) shall be that amount which when added to amounts available from all other sources is sufficient to complete such project, except that in no event shall the amount of any such grant exceed 50 percent of such cost of completing the project as determined at the time of the grant application. No additional funds shall be granted or otherwise made available under this Act for any project described in section 102(a)(1) for which a grant has been made under this Act.

"(b) Establishment of Revolving Loan Funds.—The amount of any grant for the establishment of a revolving loan fund under section 102(a) shall not exceed an amount which is equal to the amount of funds available from all other sources for the establishment of such revolving loan fund. The amount of any additional grant for the recapitalization of a revolving loan fund previously established with a grant under section 102(a)(2) shall not exceed an amount which is equal to ⅓ of the amount of funds available from all other sources for such recapitalization.

"(c) Indian Tribes.—In the case of a grant to an Indian tribe under section 102(a), the Secretary may reduce or waive any non-Federal share required by this section.

### "SEC. 109. LIMITATIONS.

"(a) Obligations in a State.—Except for expenditures to Indian tribes, not more than 15 percent of the appropriations made for a fiscal year pursuant to this title may be expended in any one State.

"(b) Obligations to a Person.—The Secretary shall not obligate more than $4,000,000 in any fiscal year to any person (including any State or local government or public organization) for grants under this title, other than grants for establishment of qualified employee ownership organizations.

### "SEC. 110. COMMERCIAL DEVELOPMENT CORPORATIONS.

"(a) Grants.—Notwithstanding any other provision of this Act, the Secretary may make grants to commercial development corporations which are formed by one or more banks to assist small businesses by reducing the interest rates for economic development activities to be carried out by such businesses in areas meeting the distress requirements of section 105.

"(b) Aggregate Amount.—The aggregate amount of grants under this section may not exceed $5,000,000 in any fiscal year.

### "SEC. 111. OBLIGATION OF FUNDS.

"(a) By May 31.—Not later than May 31 of each fiscal year, the Secretary shall obligate for grants under this title not less than 50 percent and not more than 60 percent of the funds appropriated for such fiscal year pursuant to this title.

"(b) By September 30.—Not later than September 30 of each fiscal year, the Secretary shall obligate for assistance under this title the remaining funds appropriated for such fiscal year pursuant to this title.

### "SEC. 112. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this title, to be available until expended, $200,000,000 per fiscal year for each of fiscal years 1988, 1989, and 1990. Not more than 25 percent of the amount appropriated pursuant to this section for any fiscal year shall be expended to carry out section 102(a)(2).

## "TITLE II—INVESTMENT STRATEGY, PLANNING, EVALUATION, AND DEMONSTRATION

### "SEC. 201. INVESTMENT STRATEGY AND PLANNING.

"(a) Grants for Economic Development Planning.—The Secretary is authorized to make grants for economic development planning, including the preparation of development investment strategies under section 106 and the payment of administrative expenses, to—

"(1) any State,

"(2) any economic development district,

"(3) any Indian tribe,

"(4) any county if the jurisdictional area of such county meets the requirements of section 105 and is located outside of the boundaries of an economic development district, and

"(5) any other unit of local government with a population of 50,000 or more if the jurisdictional area of such unit meets such requirements and is located outside of the boundaries of an economic development district.

The Secretary is also authorized to make grants for preparation of a development investment strategy under section 106 to any unit of local government with a population of 100,000 or more if the jurisdictional area of such unit meets the requirements of section 105 and, in any case in which such unit is located within the boundaries of an economic development district, such unit consults the district in the preparation of the investment strategy.

"(b) Comprehensive Planning Requirement.—Planning carried out under this section shall be a part of a comprehensive planning process and shall be a continuous process involving public officials and private citizens in analyzing local economies, defining development goals, determining project opportunities, and formulating and implementing a development program.

"(c) Preparation of State Plans.—Any State economic development plan prepared with assistance under this section shall be prepared by the State with the active participation of units of local government and economic development districts located in whole or in part within such State and shall set goals for economic development within such State.

"(d) Annual State Reports.—Each State receiving assistance under this section shall submit to the Secretary an annual report on the planning process assisted under this section.

"(e) District and Local Plans Consistent With State Plan.—Any economic development planning by an economic development district or a unit of local government for which a grant is made under this section shall be consistent with the State economic development plan for the State in which such district or unit is located.

"(f) Coordination of Resources.—Grants under this section shall be used, to the maximum extent possible, to provide coordination of investment for community facilities, economic development, manpower training, and transportation services.

"(g) Encouragement of Assistance.—Each applicant for assistance under this section is encouraged to provide project planning, financial analysis, marketing, management, feasibility studies, and other technical and financial assistance to communities and neighborhoods within its boundaries.

### "SEC. 202. EVALUATION AND DEMONSTRATION.

"(a) Evaluation of Development Investment Efforts.—The Secretary is authorized to conduct a program of evaluation of Federal, State, and local development investment efforts in order to—

"(1) assist in determining the causes of unemployment, underemployment, severe economic adjustment problems, and chronic distress in areas and regions of the United States; and

"(2) assist in formulating, implementing, or improving programs at the National, State, or local levels which are designed to increase employment in private firms, assist depressed industry sectors, or otherwise promote economic development or adjustment.

"(b) Demonstration Programs.—

"(1) In general.—The Secretary is authorized to conduct demonstration programs to test the feasibility of new ways to increase productivity and growth designed to make the steel industry and related industries more competitive, to encourage the use and development of innovative technology and research in economic development, to match the labor force with projected labor markets, to improve United States competitive-

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ness, and to encourage economic diversity and regional balance.

"(2) Reports.—Not later than 90 days after completion of each demonstration program conducted under this subsection, the Secretary shall transmit to Congress a report on the results of such program.

"(c) Administration.—Programs authorized under subsections (a) and (b) of this section may be carried out by the Secretary acting through the staff of the Department of Commerce, in cooperation with or by the provision of funding to other departments or agencies of the Federal Government, or by contract.

"(d) Grants for Management and Technical Assistance.—The Secretary is authorized to make grants to colleges, universities, and other organizations to establish and support ongoing programs which provide to businesses and units of local government management and technical assistance for the purposes of promoting productivity, economic development, and employment opportunity.

"SEC. 203. FEDERAL SHARE.

"(a) Economic Development Planning.—The amount of any grant under section 201 may not exceed 75 percent of the cost of economic development planning or of the preparation of a development investment strategy.

"(b) Management and Technical Assistance.—The amount of any grant under section 202(d) may not exceed 75 percent of the cost of establishing and supporting the ongoing management and technical assistance program.

"(c) Determination of Non-Federal Share.—In determining the amount of the non-Federal share of costs under this section, the Secretary shall give consideration to all contributions both in cash and in kind, including space, equipment, and services.

"(d) Indian Tribes.—In the case of a grant to an Indian tribe under section 201, the Secretary may reduce or waive any non-Federal share required by this section.

"SEC. 204. OBLIGATION OF FUNDS.

"Not later than December 31 of each fiscal year, the Secretary shall obligate for grants under section 201, 90 percent of the funds appropriated for such fiscal year pursuant to this title, other than those funds made available for purposes of section 202. The remainder of such funds shall be obligated during such fiscal year only for making grants under section 201 in areas meeting the criteria set forth in section 105(a)(3).

"SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

"(a) In General.—There is authorized to be appropriated to carry out this title, to be available until expended, $50,000,000 per fiscal year for each of fiscal years 1988, 1989, and 1990.

"(b) Limitation on Amount for Section 202.—Of sums authorized to be appropriated under subsection (a) of this section, not to exceed $13,000,000 in fiscal year 1988 and not to exceed $15,000,000 in each of fiscal years 1989 and 1990 shall be available for purposes of section 202.

## "TITLE III—ADMINISTRATION

"SEC. 301. DEFINITIONS.

"For purposes of this Act—

"(1) Economic development district.—The term 'economic development district' means—

"(A) an economic development district designated on or before January 1, 1987, under section 403(a)(1) of the Public Works and Economic Development Act of 1965; and

"(B) any district within a State which is designated by the Secretary, which district is of sufficient size or population and contains sufficient resources to foster economic development on a scale involving more than one county and does not contain within its boundaries any part of another economic development district designated under subparagraph (A) or under this subparagraph.

"(2) Jurisdictional area.—The term 'jurisdictional area' means the area over which a unit of local government has jurisdiction.

"(3) Indian tribe.—The term 'Indian tribe' means the governing body of an Indian tribe, an Indian authority or tribal organization or entity, an Alaska Native village, or any Indian group which is recognized as an Indian tribe by the Secretary of the Interior, except that the term 'Indian tribe' shall also include those bodies, authorities, organizations, entities, or groups not recognized by the Secretary of the Interior, if such body, authority, organization, entity, or group is recognized as a tribe or other similar appropriate entity by the State in which it is located and such State holds land in trust on behalf of such tribe or other similar appropriate entity.

"(4) Qualified employee ownership organization.—The term 'qualified employee ownership organization' includes a qualified employee trust as defined in section 3(c)(2) of the Small Business Act, except that—

"(A) such term shall not be limited to plans maintained by small business concerns or to loans guaranteed under such Act;

"(B) in the case of any form of financial assistance, the principles of section 3(c)(2)(B) of such Act shall apply under regulations prescribed by the Secretary; and

"(C) there shall be periodic reviews of the role, in the management of the concern involved, of employees to whose account stock is allocated.

"(5) Secretary.—The term 'Secretary' means the Secretary of Commerce.

"(6) Small business concern.—The term 'small business' means a business that is independently owned and operated, is not dominant in its field of operations, and meets such other criteria as the Secretary, after consultation with the Administrator of the Small Business Administration, may by regulation establish, including numbers of employees and dollar volume of business by industrial classes.

"(7) State.—The term 'State' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Marianas.

"(8) Unit of local government.—The term 'unit of local government' means any city, county, town, parish, village, or other general purpose political subdivision of a State.

"SEC. 302. APPOINTMENT OF ASSISTANT SECRETARY.

"The Secretary shall administer this Act with the assistance of an Assistant Secretary of Commerce, established by section 601 of the Public Works and Economic Development Act of 1965. Such Assistant Secretary shall perform such functions as the Secretary may prescribe.

"SEC. 303. CONSULTATION WITH OTHER PERSONS AND AGENCIES.

"The Secretary is authorized from time to time to call together and confer with any persons, including representatives of labor, management, agriculture, and government, who can assist in meeting the problems of area and regional unemployment or underemployment. The Secretary may make provisions for such consultation with interested departments and agencies as he may deem appropriate in the performance of the functions vested in him by this Act.

"SEC. 304. ADMINISTRATION OF ASSISTANCE.

"No grant shall be approved under this Act unless the Secretary is satisfied that the project for which Federal assistance is granted will be properly and efficiently administered, operated, and maintained.

"SEC. 305. POWERS OF THE SECRETARY.

"(a) List of Powers.—In performing his duties under this Act, the Secretary is authorized to do the following:

"(1) Adopt, alter, and use a seal, which shall be judicially noticed.

"(2) Hold such hearings, sit and act at such times and places, and take such testimony, as the Secretary may deem advisable.

"(3) Request directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics needed to carry out the purposes of this Act. Each department, bureau, agency, board, commission, office, establishment or instrumentality is authorized to furnish such information, suggestions, estimates, and statistics directly to the Secretary.

"(4) Acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized by this Act.

"(5) Procure by contract the temporary or intermittent services of experts and consultants or organizations therefor as authorized by section 3109(b) of title 5, United States Code, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) in accordance with section 5703 of title 5, United States Code, for persons in the Government service employed intermittently, while so employed.

"(6) Sue and be sued in any court of record of a State having general jurisdiction or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy; but no attachment, injunction, garnishment, or other similar process, mesne, or final, shall be issued against the Secretary or property of the Secretary.

"(7) Establish such rules, regulations, and procedures as the Secretary may deem appropriate in carrying out the provisions of this Act.

"(b) Limitation on Statutory Construction.—Nothing in this Act (including subsection (a)(6)) shall be construed to except the activities under this Act from the application of sections 517, 547, and 2679 of title 28, United States Code.

"SEC. 306. CERTIFICATION.

"(a) Acceptance.—The Secretary may discharge any of his responsibilities relative to a project for which a grant may be made under title I of this Act by accepting a certification by the applicant of the applicant's performance of such responsibilities.

"(b) Rescission of Acceptance.—Acceptance by the Secretary of an applicant's certification under this section may be rescinded by the Secretary at any time if, in the opinion of the Secretary, it is necessary to do so.

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"(c) Regulation.—The Secretary shall issue such guidelines and regulations as may be necessary to carry out this section.

"SEC. 307. SAVINGS PROVISIONS.

"(a) Affect on Proceedings.—No suit, action, or other proceeding lawfully commenced by or against the Secretary or Assistant Secretary or any other officer in his or her official capacity or in relation to the discharge of his or her official duties under the Public Works and Economic Development Act of 1965, shall abate by reason of the taking effect of the amendment by section 102 of the Public Works and Economic Development Act Amendments of 1987, but the court may, on a motion or supplemental petition filed at any time within 12 months after the effective date of such amendment, showing a necessity for the survival of such suit, action, or proceeding to obtain a settlement of the questions involved, allow such suit, action, or proceeding to be maintained by or against the Secretary or Assistant Secretary or such other officer of the Department of Commerce as may be appropriate.

"(b) Existing Regulations and Proceedings.—All rules, regulations, orders, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to applicable law, before the effective date of such amendment, by any agency, officer, or office pertaining to any functions, powers, and duties under the Public Works and Economic Development Act of 1965 shall continue in full force and effect after such effective date until modified or rescinded by the Secretary or such other officer of the Department of Commerce as, in accordance with applicable law, may be appropriate.

"SEC. 308. ANNUAL REPORT.

"The Secretary shall make a comprehensive and detailed annual report to Congress of operations under this Act for each fiscal year beginning after the year ending September 30, 1987. Such report shall be printed and shall be transmitted to Congress not later than February 1 of the year following the fiscal year with respect to which such report is made.

"SEC. 309. PREVAILING RATE OF WAGE.

"(a) General Rule.—All laborers and mechanics employed by contractors or subcontractors on projects assisted by the Secretary under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931, commonly known as the Davis-Bacon Act (46 Stat. 1494; 40 U.S.C. 276a-276a-5).

"(b) Assurance.—The Secretary shall not extend any financial assistance under this Act for any project without first obtaining adequate assurance that the standards required by subsection (a) will be maintained upon the construction work.

"(c) Function of Secretary of Labor.—The Secretary of Labor shall have, with respect to the standards required by subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. App.), and section 2 of the Act of June 13, 1934 (48 Stat. 948; 40 U.S.C. 276c).

"SEC. 310. RECORD OF APPLICATIONS.

"The Secretary shall maintain as a permanent part of the records of the Department of Commerce a list of each application approved for a grant under this Act, which shall be kept available for public inspection during the regular business hours of the Department of Commerce. The following information shall be posted in such list as soon as each application is approved:

"(1) The name of the applicant.

"(2) The amount and duration of the grant for which application is made.

"(3) The purposes for which the proceeds of the grant are to be used.

"SEC. 311. RECORDS AND AUDIT.

"(a) General Rules.—

"(1) Records.—Each recipient of a grant under this Act shall keep such records as the Secretary shall prescribe, including records which—

"(A) fully disclose the amount and the disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources; and

"(B) review the efficiency, economy, and effectiveness of the project carried out under this Act.

"(2) Reports to secretary.—Not later than January 11 and July 11 of each year, each recipient shall transmit a report to the Secretary containing all information prescribed under paragraph (1) which relates to all activities carried out during the preceding period relating to grants made to it under this Act. Each report submitted in January of each year shall include an audited statement of all funds spent on the project or undertaking during the preceding fiscal year prepared by an independent certified public accountant in accordance with the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the Comptroller General of the United States.

"(b) Access to Information.—For the purpose of reviewing the efficiency, economy, and effectiveness of programs carried out under the provisions of the Act, including audit and examination, the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of any recipient, subrecipient, contractor, or subcontractor that are pertinent to assistance received under this Act.

"SEC. 312. NONDISCRIMINATION REQUIREMENTS.

"In administering this Act, the Secretary may not—

"(1) discriminate in favor of or against any qualified applicant based on the fact that the area in which the project would be located is either rural or urban in character;

"(2) create separate allocations of funds to provide assistance for urban and rural areas unless such allocations are based on objective findings of relative levels of distress in areas qualified for assistance under this Act; or

"(3) deny assistance to a qualified applicant based on the fact that the project area is located in a State which has a low level of unemployment.

"SEC. 313. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated for salaries and administrative expenses to carry out the provisions of this Act $26,000,000 per fiscal year for each of fiscal years 1988, 1989, and 1990. Appropriations under this Act shall remain available until expended. Any contract entered into pursuant to this Act shall be effective only to such extent and in such amounts as may be provided in advance in an appropriation Act.".

Mr. RITTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take to the well to comment on the programs of the Economic Developemnt Administration. I wish to speak from my own experience with some of these programs. I know we are working in an atmosphere to reduce the deficit, cut the budget and I know it is important that we address each program with extreme scrutiny.

But I would like point out that there are responsibilities were government should be involved and one of those areas is the area of infrastructure. You do not have to be a genius, just go around the United States and see that so much of our road system, our sewerage systems, are falling apart.

An essential element for economic growth, whether you are a liberal or conservative is having good roads, good bridges, and good sewers. If you do not have them, you cannot bring in plants, you cannot go high technology and you cannot make these changes.

I want to tell you about changes in my district. We have gone from almost total dependence on very heavy manufacturing in steel and in cement and in trucks and industrial goods, to a mixed economy that has light manufacturing, high technology, new technology, services.

I want to just say that the Economic Development Administration has been in the middle of this transition. They have done an excellent job. Now maybe other people have different experiences with the Economic Development Administration, but this Republican who has a pretty substantial record on budget cutting has to look at the facts in his own district to see that our industrial parks—we have Lehigh Valley Industrial Park 1, Park 2, Park 3, and new Industrial Park 4. All have had a very creative relationship with the Economic Development Administration whereby the Economic Development Administration—they did not finance these parks because you are talking about hundreds of millions of dollars of private investment. But what they did was they seeded so much of what is there.

When the people got together initially to define what would be in these parks, define what the needs were, it really was not possible to get banks to support these sewerage and road improvements and the like, infrastructure which is Government's responsibility. Frankly, they fulfilled that responsibility very well.

Over the years, EDA has participated in this change in the Lehigh Valley of Pennsylvania with grants totalling about $2 million.

Now that is not so much by Washington standards, but from that investment officers of the Lehigh Valley Parks and EDA created 7,361 jobs, 136 companies, a payroll of $110 million, buildings valued at $230 million, 700 acres of development land, millions of

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dollars of real estate and payroll taxes with just greater benefits in the years ahead.

So, Mr. Chairman, I want to urge my colleagues to give careful consideration to what is important in these days of deficit reduction and budget cutting.

What are the real responsibilities of government? I say infrastructure is and I say EDA has done the job.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this legislation. I certainly commend the gentleman from Pennsylvania [Mr. RITTER] for speaking in favor of this very critical function of government which is to provide support for economic development.

I want to speak in particular about an amendment which I offered and which was adopted in the Committee on Banking during its consideration of the bill.

We all believe, I think, that in these times of deficits we have to see to it that our programs are carefully tailored to accomplish the goals that we are seeking to address. Of course, with limited resources we cannot do all we would like to do but we must see to it that we target our resources in ways that accurately reflect our priorities.

We have learned in testimony from the administrator of this program and others that EDA may have been taking some liberties with the statutory language in terms of setting priorities outside the scope of the statute and ignoring certain priorities on their own initiative rather than focusing on what the statute says.

One very real problem that has shown up particularly affects the State of Connecticut, where my district is located. The problem is that EDA has discouraged applications from communities for areas that meet the program's distress criteria, but are located in States with relatively low rates of unemployment. That approach effectively prevents Connecticut and a number of other States in New England from participating in the program, even though these States have areas that are very, very depressed economically.

I represent the city of New Haven. It has been recorded by Government statistics as the seventh poorest city in the United States among cities of 100,000 population or more.

Our capital city in Connecticut, Hartford, is the fourth poorest city in the United States. We have 2 other cities, our next 2 largest cities, which are among the top 25 in rate of poverty.

So despite the prosperity of a State like Connecticut, we have pockets of poverty that are in need of assistance to solve their economic problems.

Now just that concept, addressing pockets of poverty, is in this legislation. Yet in the administration of this program, cities and communities in Connecticut have been told, "Don't even bother applying. We are not going to allow you to be considered for eligibility because the State of Connecticut has a very low rate of unemployment."

Well, certainly that is not right and my amendment, which had the support of the gentlewoman from Ohio and became part of this legislation, would prevent that kind of discrimination.

The amendment declares that the Secretary of Commerce shall not be discriminate against areas that meet the standards of distress, just because they happen to be in a State which does not have high unemployment.

In addition, the amendment makes clear that, in making awards, the Secretary may not prefer rural communities over urban areas without regard to relative levels of distress. Finally, my amendment requires that the Secretary may not establish separate "pots" of money for rural and urban areas unless such an allocation is based on objective findings concerning relative levels of distress as defined in the bill.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I would be happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Chairman, I want to simply compliment the gentleman for the thoughtful amendment that he added in committee. I thank the distinguished Member from Illinois for having the public works committee accept that concept. The State of the gentleman, Connecticut, is a perfect example and he brought an enlightened view to the committee. We were not aware of the problems that his communities were having until he brought them to the attention of the committee.

The gentleman's State has a low unemployment rate as a State, but you have areas that are distressed.

So there was a form, in the administration, of discrimination because all they looked at was the bottom line, the unemployment level of the State.

I want to compliment the gentleman. I am sure the people in his area are very grateful for that addition, because now there is a reinforcement of the law which I think is very, very important, not only in the gentleman's area, but across the country.

I thank the gentleman for yielding.

Mr. MORRISON of Connecticut. I thank the gentlewoman for her support and assistance in making this possible. I think it will strengthen the program.

I thank the gentleman from Illinois for his cooperation, and I commend the leadership of the Committee on Public Works for bringing us this legislation.

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Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the last word.

Mr. Chairman, EDA has certainly made some mistakes. It has taken some criticism on the floor today. Over the course of its history it has certainly made some mistakes, but part of the reason it has made mistakes is because the problems it has sought to address are difficult and large problems that we were not experienced in dealing with.

For example, in my State and in my district, towns whose traditional base of employment had been bearings, machine tools, and other basic industries, over the course of a very short number of years, saw in some cases a radical and in others almost a total erosion of that traditional economic base, and indeed no one had the confidence to come into those cities that were so hard hit by the change in the structure of our economy and of our industrial producers to provide the jobs that we needed for the future of the people in those areas.

I am proud to say that in towns that I represent it was often EDA dollars and the credibility that EDA brought to the projects being proposed in those cities that enabled them to be carried through and to provide the employment and the optimism that is so important to recovery in areas of high unemployment.

Recently an EDA loan guarantee made possible the rehabilitation of the oldest amusement park in the country, which is in the town of Bristol, CT. So the oldest continuously operating amusement park in this country was restored, and the restoration of that park resulted not only in a very vital tourist attraction but provided hundreds of jobs, and many of those jobs are jobs of a seasonal nature that healthy high school kids need to have available to them.

EDA has made mistakes, but on the whole it has been a national program that has given us at the Federal level the ability to be partners in the rehabilitation and the transition of communities from relying on some forms of industrial production to relying on those that will serve us as a Nation and as a people in the future.

Mr. CLINGER. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, I think the gentlewoman has stressed something that I think deserves emphasis, and that is a portion of the EDA legislation that she has used in her district to address a very real need, and that is title IX. That addresses a situation where you have a sudden or severe rise in unemployment or a potential for a sudden and severe rise in unemployment because of changing economic conditions.

Some have argued here that the Federal Government really has no role in trying to promote economic development at the Federal level, but this particular title is addressing the sort of situation where you have a base closing, for example where the Federal Government has a military base and it closes. Does the Federal Government not have a responsibility there to provide some sort of redress for those people who are going to be suddenly thrown out of work because of a Federal action?

Mrs. JOHNSON of Connecticut. Mr. Chairman, the Federal Government certainly does have a responsibility in that situation, as the gentleman defines it, but I would go well beyond that.

Does the Federal Government have no obligation to people in the machine tool industry or the bearings industry where we see the lack of a national trade policy that could deal with targeting competition from Japan, the lack of a monetary policy that could deal with an irrational rise in the value of the dollar from abroad, and let that go on for 5 years to the great detriment of the strength of basic industry in America, and causing an enormous loss of jobs in those industries?

In many instances it is weaknesses in national policy that drive economic change in local communities. Yes, the Federal Government has a responsibility to look at job loss and job creation in the towns and villages throughout our Nation.

Mr. Chairman, I thank the gentleman for bringing to our attention the specific nature of the interplay of Federal policy in both job loss and job creation.

### AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER:

Page 19, strike out lines 3 through 13.

Page 19, line 14, strike out "111" and insert in lieu thereof "110".

Page 19, line 23, strike out "112" and insert in lieu thereof "111".

Conform the table of contents on page 2 accordingly.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, I am not a great enthusiast for the programs addressed in this bill. In fact, I must say that I, along with some others, regard EDA as one of those palaces of pork in the administration that the Congress so dearly loves but that we could do without when all is said and done. But I have to congratulate the committees involved in this because I think they did make a sincere effort to reform these programs in a way that does make them work better. I think that this bill represents a step in the right direction toward making the programs work better.

That is the reason why I was somewhat confused when I got down in the bill and I found section 110. Now, section 110 seems to me to be one of those things that even members of the committee have to be uncomfortable with. Why? Because, as you look down through here, there are some things here that have to bother you if you are trying to reform the program.

For the first thing, it looks to me as though the funds completely bypass the State and local economic development organizations and are made directly available to big bank consortiums. I would like to get a little bit of explanation about this from some of the authors of the bill.

Is that correct? I would ask one of the two leaders or some of the Members who wrote this bill: Is that correct, that under section 110 we are going to bypass State and local economic development organizations and make the money directly available to big bank consortiums?

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Yes, I am glad to yield to the gentlewoman.

Ms. OAKAR. Mr. Chairman, I think the gentleman is aware that there are many types of financial institutions. Right?

Mr. WALKER. Sure.

Ms. OAKAR. And the gentleman is certainly aware that the Federal Reserve and the Federal Home Loan Bank Board, particularly the Federal Reserve, have allowed certain larger institutions to have the subsidiaries of banks that are specifically charged with assisting community development, particularly in distressed areas.

Mr. WALKER. Mr. Chairman, if I may, I would reclaim my time.

Ms. OAKAR. Well, if I may, I would like to answer the question.

Mr. WALKER. Mr. Chairman, the gentlewoman is ignoring the fact that in section 110 it refers directly to "banks." It does not refer to "financial institutions"; it refers directly to banks. It is also banks that are involved in commercial development corporations, which, as I understand it, are bank consortiums.

Does the gentlewoman have information which is different than that?

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Certainly, I am glad to yield to the gentlewoman.

Ms. OAKAR. Mr. Chairman, the umbrella word for "banks" is "financial institutions." That could include credit unions, banks, S&L's, and so on. A bank is a financial institution, so there is no discrepancy in the language.

Mr. WALKER. No. But let me say to the gentlewoman that her bill says specifically, "banks." It does not say, "financial institutions."

Ms. OAKAR. "Banks" is fine. It is the same language.

Mr. WALKER. All right.

Ms. OAKAR. There is no discrepancy.

Mr. WALKER. No. "Financial institutions" covers a broader scope, as the gentlewoman has pointed out. This specific language says, "banks." So we are talking about big bank consortiums that are going to get this money.

Ms. OAKAR. No. Will the gentleman yield?

Mr. WALKER. Yes, I yield to the gentlewoman.

Ms. OAKAR. Mr. Chairman, I am on the Banking Committee, and I would like to provide a little bit of education here.

Mr. WALKER. Certainly.

Ms. OAKAR. You have independent banks. These are called banks, and they may be extraordinarily small. Very often they are smaller than some of the credit unions. You have banks that are large, you have banks that are middle sized, you have banks that are small, and you have the independent banks.

Mr. WALKER. Mr. Chairman, I would reclaim my time.

Ms. OAKAR. I do not think there is any discrepancy there.

Mr. WALKER. The gentlewoman certainly knows her bill better than that. We are talking about 18 bank consortiums in the country that this amendment applies to; is that not correct?

Ms. OAKAR. When you talk about the 18 institutions that this may or may not apply to, you are talking about consortiums that have subsidiaries that specifically relate to community development and poverty areas.

Mr. WALKER. No. Just a minute.

Ms. OAKAR. Let us not get the terminology mixed up here to use language that does not apply.

Mr. WALKER. I am trying to find out about the bill because I have the feeling that this is not the reform we are talking about. I understand this referes directly to commercial development corporations which are formed by one or more banks. Now, that is in fact a case where there are 18 of them

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in the country. There are 18 big bank consortiums that this money would go directly to. Is that correct or is that not correct?

**Mr. TRAFICANT.** Mr. Chairman, will the gentleman yield?

**Mr. SHAW.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I am glad to yield to the gentleman from Florida.

**Mr. SHAW.** Mr. Chairman, this amendment got into the bill in the Committee on Public Works and Transportation, and that is my understanding of it.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 5 additional minutes.)

**Mr. TRAFICANT.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I am glad to yield to the gentleman from Ohio.

**Mr. TRAFICANT.** Mr. Chairman, first of all, relative to the statements made by the gentlewoman from Ohio [Ms. OAKAR], chairman of the subcommittee, No. 1, the banks are not limited to strictly banks. There are also savings and loans, credit unions, and other financial organizations.

**Mr. WALKER.** No. Let me say to the gentleman, if he will allow me to reclaim my time, that that is not what the amendment says. The amendment says, "commercial development corporations which are formed by one or more banks * * *." It does not say, "financial institutions." It says, "banks."

So I would say to the gentleman that it is clear in the language there that we are not talking about a broad base of financial institutions.

**Mr. TRAFICANT.** Mr. Chairman, will the gentleman yield further?

**Mr. WALKER.** I yield to the gentleman from Ohio.

**Mr. TRAFICANT.** Mr. Chairman, if the gentleman would read the report, it calls for clarifying language, and on page 90 it states this in the first paragraph:

> Financial institutions involved in the formation of CDC's should not be limited to banks, but may include savings and loan institutions, credit unions, and other financial organizations.

**Mr. WALKER.** Mr. Chairman, let me reclaim my time and ask the gentleman, why does the language in the amendment not say, "financial institutions"? Why do we say, "banks," which is very specific? Why do we not say, "financial institutions" in the amendment or in the language of the bill?

**Mr. TRAFICANT.** Mr. Chairman, if the gentleman will yield further, the understanding of all the committees that had jurisdiction was that "banks" was an all-encompassing term which included those particular financial organizations.

**Mr. WALKER.** No, that is not the understanding. We have just heard from this side that that is not the understanding at all, let me say to the gentleman.

Let me say also to the gentleman that the wording in the amendment is very precise. It says, "may make grants to commercial development corporations which are formed by one or more banks * * *." It does not say, "financial institutions." It specifies "commercial development corporations," of which there are 18 in the country. So we are talking about some very specific bank corporations here. That is one little problem.

Let me ask the gentleman this: By what we are doing with this money, are we not subsidizing interest rates for those big banks?

Let me ask this first: Is the gentleman from Ohio one of the authors of this bill? I am trying to find answers from the Members who brought this bill to the floor.

**Mr. TRAFICANT.** Mr. Chairman, if the gentleman will yield, it is my amendment.

**Mr. WALKER.** All right. So this is not language that was developed by the committee; this is the gentleman's language. This is not language that came out of the hearings process of the committee?

**Mr. TRAFICANT.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I am glad to yield to the gentleman from Ohio.

**Mr. TRAFICANT.** The amendment was adopted by the committee. The amendment was offered by a member of the committee, which I am, No. 1.

**Mr. WALKER.** Were any hearings held on this amendment?

**Mr. TRAFICANT.** No, there were no hearings held.

**Mr. WALKER.** There were no hearings held on the amendment. Was this a part of any comments that have been gathered from around the country, relating to support for this amendment?

**Mr. TRAFICANT.** Mr. Chairman, if the gentleman will further yield, when I have my time, I will explain that, and the committee will as well. I appreciate the gentleman's concerns which are usually right on target.

**Mr. WALKER.** Mr. Chairman, let me understand what we are talking about. Are we talking about the gentleman's language, or are we talking about the committee's language here? I understand that no hearings were held, and that no comments have been received about this. We do not know how the agencies feel about it, and we are kind of operating in the blind.

Let me see if I am right, and let me ask a couple more questions here. Does this or does this not subsidize interest rates for these bank consortiums? Does this subsidize interest rates?

**Mr. HOWARD.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I yield to the chairman of the committee.

**Mr. HOWARD.** Mr. Chairman, we would like to hear the statement of the gentleman in support of his amendment, and then we will take our time and hope to cover the questions he asked here so we do not go on for 5 minutes, 10 minutes, and then another 5 minutes and another 5 minutes merely because questions are being asked.

**Mr. WALKER.** Mr. Chairman, do I understand that the chairman of the committee is not willing to answer this gentleman's questions?

**Mr. HOWARD.** Mr. Chairman, I will answer the gentleman's question to this extent, if the gentleman will yield.

In the report, on page 90, if the gentleman will read that, on about the fifth line it says:

> CDCs are local associations of residents and businesses organized to attack problems of unemployment and disinvestment by developing underutilized resources. Because of their resources and knowledge of local markets, banks are also uniquely qualified to participate in community development corporations.

Then, further down, about five more lines, it says this:

> Financial institutions involved in the formation of CDC's should not be limited to banks, but may include savings and loan institutions, credit unions, and other financial organizations.

Therefore, if the gentleman will yield further and let me continue, although we say, "banks" in the bill, when we explain the bill in the report, we have this additional language, and that should make it clear to anyone.

**Mr. WALKER.** Mr. Chairman, the gentleman did not answer my question. We have already established the fact that the language the gentleman is reading from is not language of the committee; it is language of one member of the committee who is making a comment. That does not have precedence, I would say to the gentleman, over the language that is in the bill. The language in the bill says, "banks." I am still seeking an answer to the question about what we are doing with this amendment.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

**Mr. WALKER.** Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

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**Mr. HOWARD.** Mr. Chairman, reserving the right to object, we do wish to have the gentleman's rights protected to discuss this, and at this time we will not object to the gentleman having an additional 5 minutes.

Mr. Chairman, I withdraw my reservation of objection.

**Mr. WALKER.** Mr. Chairman, I really sincerely appreciate that.

As far as I know, my amendment is the only amendment at the desk. It seems to me having a full discussion and understanding of what it means might be appropriate, and I would think we would not want to cut off debate of it.

It seems to me that this gentleman coming to the floor with this amendment has every right to ask questions of the people who bring this to the floor.

I am somewhat disturbed to hear people suggest that they do not want to answer any questions about this language.

I will ask my question again. Does this amendment, or does this language in the bill say that we are going to subsidize interest rates for bank consortia?

**Mr. TRAFICANT.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I yield to the gentleman from Ohio.

**Mr. TRAFICANT.** Mr. Chairman, I thank the gentleman for yielding.

It reduces interest rates when a bank creates a community development corporation that targets a distressed community and levers against private-sector money that traditionally has been redlined and blacks out these types of things.

**Mr. WALKER.** The answer to my question is yes, that this language subsidizes big-bank interest rates?

**Mr. TRAFICANT.** Only under those conditions.

**Mr. WALKER.** We have an extremely significant departure from past EDA practice. Never before have we had EDA in the business of subsidizing the interest rates of big banks, and now all of a sudden, all of a sudden, what we are going to do is come along in this bill, which is supposedly a reformed bill and begin the process of subsidizing the interest rates of big-bank consortia.

Is there any cap on the amount of this subsidizing of big-bank interest rates that we can do? Is there any cap on it?

**Mr. TRAFICANT.** Mr. Chairman, if the gentleman will continue to yield, I appreciate the gentleman asking these questions.

I would wish that the gentleman would allow an opportunity for a reasonable answer that would not be subject to such animosity, it seems.

**Mr. WALKER.** I allowed the gentleman to answer each question.

**Mr. TRAFICANT.** If the gentleman that offered the amendment would have read the bill, it says up to $5 million per year may, may be used in this capacity.

If it is not used and there are no CDC's requested that would target low-income communities, then the $5 million is available for the entire EDA project.

**Mr. WALKER.** The $5 million is a cap over the overall amount that could be made available.

There is no cap between individual projects as there is in other areas.

If the gentleman goes back to section 107 on the loans, the gentleman will find that there we cap them at $1 million. There is no such cap on the loans or on the interest-rate subsidies that are to be made available under this particular section; and so, therefore, I would tell the gentleman that there is a $5 million cap overall, but that means that one project, or one bank, could get $5 million worth of interest subsidies out of this bill the way the language is now structured, is that not correct?

**Mr. TRAFICANT.** I disagree. The language says in the beginning, the Secretary shall determine.

Is the gentleman saying that the Secretary is going to make a $5 million grant to one specific source?

**Mr. WALKER.** The gentleman has said that the gentleman drafted this language.

The gentleman evidently drafted the language, I hope, carefully. The gentleman has now told this gentleman that indeed that is right, that the gentleman does not think the Secretary would do it; but nevertheless, we do have a situation where one big bank could get a $5 million interest subsidy under this bill. That really gets by the problem.

Let me ask another question. Are there any guidelines for implementation of this particular new provision?

This is something that EDA has never done before. It is a brandnew area.

It seems to me it is an area that is fraught with an awful lot of problems. Are there any guidelines at all for the implementation of this measure?

**Mr. TRAFICANT.** I believe the guidelines are quite clear and rather simplistic.

I would say that in order to target depressed communities, banks who have traditionally redlined would have to create an official community development corporation geared to reversing economic blight, and interest rates can be used for their borrowers as an incentive to improve the lot of those economically depressed communities.

The language is straightforward. I find it difficult to understand that the gentleman does not comprehend it.

**Mr. WALKER.** Page 19, where does it say what the gentleman just said?

**Mr. TRAFICANT.** Page 19 in the bill and page 90 in the report.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

**Mr. WALKER.** Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 5 additional minutes.

**Mr. HOWARD.** Mr. Chairman, reserving the right to object, perhaps this time the gentleman would request 3 additional minutes?

**Mr. WALKER.** Mr. Chairman, will the gentleman yield?

**Mr. HOWARD.** I yield to the gentleman from Pennsylvania.

**Mr. WALKER.** Mr. Chairman, I thank the gentleman for yielding.

I have some more questions about this. We have not exhausted my questions at all on this, and I would now say to the gentleman, I am now hearing that this particular page represents the official committee views.

**Mr. HOWARD.** Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania be allowed to proceed for 3 additional minutes.

The CHAIRMAN. The gentleman from Pennsylvania requested 5 additional minutes. The gentleman from New Jersey requested that the gentleman from Pennsylvania be allowed to proceed for 3 additional minutes.

Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WALKER] will be recognized for 3 additional minutes.

**Mr. WALKER.** Mr. Chairman, we have a longstanding pattern around here that Members in the well should be allowed to have their own time.

I certainly would hope that the gentleman would allow a full discussion of this amendment, because I will tell the gentleman that I think that we have a disturbing pattern here.

I am now hearing that the views of one Member of the committee represent the committee viewpoint, is that correct?

**Mr. HOWARD.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I yield to the gentleman from New Jersey.

**Mr. HOWARD.** Mr. Chairman, I thank the gentleman for yielding.

The gentleman had the 5 minutes usually allotted to a Member who offers an amendment.

The gentleman had an additional 5 minutes allotted. The gentleman, with the unanimous consent of the entire membership of the committee, had another 5 minutes allotted to the gentleman, and has 3 minutes more now and still has the floor and a chance to get more time.

**Mr. WALKER.** Mr. Chairman, it is not unusual for a Member in the well to get that kind of time. I am still trying to get an answer to this question.

Does this page in the report represent the views of the full committee?

**Mr. TRAFICANT.** Mr. Chairman, will the gentleman yield?

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**Mr. WALKER.** I yield to the gentleman from Ohio.

**Mr. TRAFICANT.** Mr. Chairman, I thank the gentleman for yielding.

Yes, it does. It was asked and given as qualifying language.

**Mr. WALKER.** This is in fact the full committee viewpoint. Every word in this, every word in this is the full committee viewpoint with regard to this amendment?

**Mr. HOWARD.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I yield to the gentleman from New Jersey.

**Mr. HOWARD.** Mr. Chairman, I thank the gentleman for yielding.

The language of the gentleman from Ohio [Mr. Traficant] on an amendment that was adopted by the committee, I would not say necessarily by a unanimous vote of the committee, but the committee has by majority vote accepted and understood the amendment to mean what the gentleman put in the gentleman's views, and so the gentleman from Pennsylvania is correct, it is the gentleman's views.

**Mr. WALKER.** We keep referring back to this as being the guidelines that the Departments and everybody are going to work from; so, therefore, the committee has accepted what the gentleman wrote here as being the way in which we should proceed?

**Mr. HOWARD.** Yes, every member did not agree that this should not be in the bill, but should it be in the bill, every Member agrees this is what is meant by the gentleman's amendment.

**Mr. WALKER.** So we are now agreed that this sentence in fact reflects the committee viewpoints, that the board of directors of the specific CDC's would be responsible for determining the criteria based upon input and recommendations of CDC members, that the big banks themselves that are getting the money are going to be ones to determine the criteria on which they get the money.

**Mr. TRAFICANT.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** Mr. Chairman, I will yield to the gentleman in just a moment.

One reason why I have had to request additional time is because I keep yielding.

Let me make my point. We have now had the gentleman from New Jersey [Mr. Howard], the chairman of the Committee on Public Works and Transportation, tell this House that the views of the gentleman from Ohio [Mr. Traficant] are in fact the views by which we should operate.

I read down here we know that there are no criteria for these, no criteria in this bill, in the gentleman's report; and we now find out that criteria for getting the money is going to be——

**The CHAIRMAN.** The time of the gentleman from Pennsylvania [Mr. Walker] has again expired.

**Mr. WALKER.** Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 3 additional minutes.

**Mr. TRAFICANT.** Mr. Chairman, reserving the right to object, my reservation is, if the gentleman is going to ask questions, the gentleman should give an opportunity for some discourse rather than assume a posture that may not necessarily reflect the true value of the legislative initiative.

Mr. Chairman, I withdraw my reservation of objection.

**Mr. FRENZEL.** Mr. Chairman, reserving the right to object, I would advise the gentleman from Ohio that the gentleman from Pennsylvania [Mr. Walker] is going to get time one way or another, so we may as well let the gentleman get to the bottom of this.

Mr. Chairman, I withdraw my reservation of objection.

**The CHAIRMAN.** Without objection, the gentleman from Pennsylvania [Mr. Walker] is recognized for 3 additional minutes.

There was no objection.

**Mr. WALKER.** Mr. Chairman, I do want answers to the questions and have been extremely generous with the time.

To imply that I have not done that is to imply the ridiculous, but I do think I deserve a chance to make a point.

My point is that we have now been told that the views represented on page 90 of the report are in fact the official committee views of how this amendment would be implemented, and I read in those views that the criteria that are going to be used are in fact criteria to be developed by the big banks themselves.

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So what we have is a situation where the big banks are going to determine the criteria by which they get the money. I will tell you that that is a standard that is absolutely ludicrous and will result in more waste to this Federal Government than can possibly be imagined.

**Mr. TRAFICANT.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I am very glad to yield to the gentleman from Ohio.

**Mr. TRAFICANT.** Mr. Chairman, be advised that these big banks the gentleman is referring to traditionally turned their backs with their money on these areas. The gentleman is talking about a subsidiary of this big bank who makes its specific purpose to reverse the economic conditions, so the gentleman is really off base.

**Mr. WALKER.** I am simply talking about what the words are that the gentleman himself wrote. The gentleman himself has written that the criteria are to be established by the big banks themselves, so we now have a situation where we have an unlimited pool of $5 million per project, where the big banks are going to determine themselves how they get the money and where they get the money.

**Mr. HAYES of Louisiana.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I am glad to yield to the gentleman from Louisiana.

**Mr. HAYES of Louisiana.** Mr. Chairman, I thank the gentleman.

Mr. Chairman, I say to the gentleman from Pennsylvania, I have been watching this debate, and as the gentleman from Pennsylvania knows, I happen to have cooperated with him on a great many matters. I have not come down to get embroiled in any of the more personal controversies; but I think it is important if I could back up a minute and clarify a question the gentleman previously asked and was answered.

The Community Development Corporations come into being not simply under this legislation, but through the banking acts. Many years ago it was decided that there were certain forms of investment that banks by their rigid criteria and their responsibility to shareholders could not enter into. As a consequence, we, meaning the Congress of the United States, suggested that we implement means by which higher risk programs could get legitimately funded.

We make very rigid requirements. The Federal Reserve is given the authority over the bank holding companies. The FDIC, of course, holds insurance authority over the banks and through those agencies we very carefully look at any kind of Community Development Corporations in which banks are involved, in addition to which enabling legislation is usually passed by State legislatures after lengthy hearings.

The point I am trying succinctly to make is that while the bill itself may not contain all those safeguards, I assure the gentleman that for the bank to enter into the CDC: First, it is not profit motivated; second, it will not benefit the shareholders of the bank; third, it will encourage higher risk lending; and fourth, it is extraordinarily carefully supervised by a multitude of different Federal agencies, sometimes examining all levels.

**The CHAIRMAN.** The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. Walker was allowed to proceed for 2 additional minutes.)

**Mr. WALKER.** Well, Mr. Chairman, I thank the gentleman for his explanation. I am sure the gentleman is absolutely correct.

My problem is that what we are doing in this particular legislation is that we are moving out in a direction that the EDA has never gone before to

subsidize the interest rates of those particular consortiums.

**Mr. HAYES of Louisiana.** Mr. Chairman, if the gentleman will yield, the word consortium does not apply. A consortium is a group of banks. This is an entity made up of a bank participating perhaps legally through Federal requirements with other banks, but it is not a consortium, absolutely not.

**Mr. WALKER.** But let me say to the gentleman, then the gentleman from Ohio has misdrafted that language that is in the bill, because the gentleman not only refers to the CDC's that he refers to, but he also extends it by saying, "which are formed by one or more banks." So he expands this, so when you talk about one or more banks, you are in fact talking about consortiums of banks.

**Mr. HAYES of Louisiana.** No, sir, you are not. If the gentleman will yield, a consortium is not an entity and a CDC might have more than one bank participate; for example, the State of Massachusetts with great improvement of the Bank of Boston is involved in community development loans as a pioneer, but that is not a bank consortium by any stretch of the imagination.

**Mr. WALKER** . Well, I would say to the gentleman that his definition and mine may differ on that, but I will say that all I see here is that we are talking about one or more banks that are in these corporations, which to this gentleman becomes a bank consortium.

We have established that we are subsidizing the interest rates. There is no doubt about that, that there are no guidelines for implementation.

The bottom line is that the criteria are going to be set by the banks themselves, and that to me is a problem.

What I am saying, and I will sum up now, let me say that what we have got is 18 areas that are going to be given super qualification status under this particular amendment, at the expense of all other areas in the country that ought to be getting some money, too.

Five million dollars is going to be setaside for super qualification status for a consortium of big banks that are going to decide for themselves how they should get the money. I think that is terribly wrong.

I think that the 12 projects around the country, 12 average sized projects that otherwise might get this money, ought to be the ones getting the qualifications, not the big banks.

**Mr. TRAFICANT.** Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the gentleman's amendment.

**Mr. HOWARD.** Mr. Chairman, will the gentleman yield?

**Mr. TRAFICANT.** I yield to the gentleman from New Jersey.

**Mr. HOWARD.** Mr. Chairman, I thank the gentleman for yielding.

We just had a discussion with the gentleman from Pennsylvania [Mr. Walker] and the gentleman from Louisiana [Mr. Hayes] as to an interpretation of I guess some of the legal and technical aspects of the banking business. As the gentleman from Pennsylvania said, he disagreed with the interpretation of the gentleman from Louisiana.

So I would just like to ask the gentleman from Louisiana, a new member of our committee, what position he held before he came here to the Congress this year?

**Mr. HAYES of Louisiana.** Mr. Chairman, if the gentleman will yield, I was the commissioner of the financial institutions for the State of Louisiana.

**Mr. HOWARD.** Mr. Chairman, I thank the gentleman from Louisiana and I thank the gentleman from Ohio for yielding.

**Mr. TRAFICANT.** Mr. Chairman, traditionally, economically depressed communities have been known to be redlined by insurance companies and banks. I am not here today to indict insurance companies and banks.

What I am attempting to do is a new progressive step in economic development and that is leveraging the people's money in their own banks, in their own communities, to target blight and bring resources to bear where they have overlooked this needed aid.

Now, specifically in responding to certain allegations that were made, very erroneously, a Community Development Corporation is allowed under the banking laws whereby a bank would create a subsidiary that has a specific purpose. In this case, a bank would create a Community Development Corporation to reverse economic blight in a given area.

What the measure simply says is this. We encourage the banking community not to turn their back, but to become actively involved and engaged in helping these communities, No. 1.

No. 2, we are saying that as an incentive we are making available, and I want you to listen to this, $5 million that may be used by these Community Development Corporations with specific targeted goals.

Now, that particular money is used as an incentive for the borrower, where borrower Joe comes in and says, "I am going to create this plant that is going to create jobs. I want the bank to make a loan."

The EDA is saying, "Fine. We encourage that bank to make that loan in that depressed community and we further have money available to buy down the interest rate as an incentive."

Now, if this is not progressive new direction for economic development, then there is something woefully wrong in this Congress.

With the amount of money we have in the entire bill, it is not enough to blow your nose, $5 million per year for 3 years, $15 million, which may be used.

Yes, the committee wants to encourage Community Development Corporations to be chartered subsidiaries that would be directed to low income communities, not turning their backs, but facing them.

We want those banks' involvement. They understand the dollar. They understand risk. We want them in there as a participant.

Right now, Mr. Chairman, what we have is we provide economic development money for somebody with an idea. The banks are saying, "Let them get their money from Uncle Sam. Why should we get involved? They look like they are tentative. Get the money from SBA. Get the money from EDA. Go to Uncle Sam."

What we are saying, with the little bit of money that we have, let us use it as a lever and an incentive to get private sector money out there more involved in the economic plight of our country.

This is a reasonable, forthright, progressive policy statement.

Anyone who tries to denigrate the integrity of this legislation is misleading Congress.

I do not have a Community Development Corporation in my district, but in the city of Toledo they created Seagate, and Seagate was targeted toward the river front, and Toledo has enjoyed tremendous, tremendous success.

I am saying we need that innovative approach. We do not want red lines and blackouts. We want green line communications involvement, and you do that through a legislative remedy.

So I believe here also that when I was asked to offer my supplemental language, it was with the understanding that the committee leadership understood what that language was to mean.

Financial savings and loans, credit unions or other financial organizations, are actually eligible to create such CDC's. Without question, it is a step in the right direction.

I commend the new chairman of the Subcommittee on Economic Development, the gentleman from Illinois [Mr. Savage], from Chicago, and to see that he was willing to undertake progressive leadership. That is what it will take, and our chairman, the gentleman from New Jersey [Mr. Howard], who so willingly listened to the views of others and is willing to open up and use what small amount, what meager amount of money we have, to get the private sector involved, and that is what we are doing.

So that marlarkey that we are trying to take care of the big banks, it might

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fly in someone's district, but the intent of this legislation cannot be deceived or denied, and anybody who can read can find that.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(At the request of Ms. Oakar, and by unanimous consent, Mr. Traficant was allowed to proceed for 5 additional minutes.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I want to thank the gentleman.

You know, let us just say for the record that some of the other aspects of the bill in limiting the focus of the bill are new to the bill. It certainly has changed since 1965, but the thrust of it is the same.

What this gentleman is trying to do with the portion that he wrote into the bill, to the Public Works Committee, is to add to the thrust and to make it more comprehensive, and that is to eliminate some poverty from distressed areas. That is the thrust and the intent.

I just wanted to clarify some things in the questioning. Nobody is trying to reduce interest rates for the big banks. I mean, that is, frankly, simply not true.

A CDC is not a bank. It is regulated, however, by the Federal Bank Regulatory Agencies. It does not provide the provision that the gentleman has. It does not provide for an interest subsidy.

A CDC is created as a subsidiary and it combines all the kinds of moneys that it is able to get through foundations, through possibly the EDA, through perhaps even contributions from private individuals to make loans affordable for people who really need to have a low-interest loan. So, it is not just the big bank that gets a subsidy. I mean, it is just totally not true. It takes all these resources as a Community Development Corporation, and resources it can get, complemented by private foundations, and indeed sometimes grants from business communities, and complemented possibly by this small leveraging mechanism, and then it is able to make and do one thing only. The only thing it is charged to do is to make loans, but it has to make loans to those individuals or businesses that indeed need the loans the most, and indeed they are the ones distressed.

I think typical loans, for example, made through CDC's are for urban and rural revitalization, for low-cost housing to house the poor, the homeless, and that is the kind of low-interest loan that CDC's can and do give.

So let us clarify that. It really is to create and assist low-cost Community Development lending. It is a wonderful tool, and what is nice about this kind of a corporation, I think, is that all segments of the community participate in its formation.

In other words, it gets its resources very often through foundations and through private individuals, private corporations, and all the gentleman was trying to do was say that the Government might want to play a role in assisting this kind of mechanism, but they are established. They have strict guidelines.

I think there was a little bit of misrepresentation, to say the least, about what the gentleman is attempting to do, and indeed what he has done in this bill.

I think it complements and enhances the bill. We are supposed to be not just creative as Members of Congress. Sometimes you have to keep up with the times and take a look at where the needs are in this country.

□ 1315

Take a look at where the needs are in this country. We cannot just remain pre-Victorian.

So I think it is very, very important that we support the gentleman. He has done a terrific job for his area, which is one of the most distressed areas in the country. I think he has that type of situation in mind, and I thank the gentleman for yielding.

Mr. TRAFICANT. I would like to say to the Members of the House that no money is lent from this CD unless it is lent to improve an economically depressed community, and no Government funds are expended until the private sector makes a loan. It involves the private sector and it makes the private sector become more involved in areas that traditionally we have turned our backs on.

Mr. RIDGE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. RIDGE. Mr. Chairman, I stand in support of H.R. 2686, the Public Works and Economic Development Administration Amendments Act of 1987. I want to thank the leadership of the Public Works and Transportation and the Banking, Housing and Urban Affairs Committee for their hard work on this important bill. I especially want to thank my friend and colleague, Mr. Clinger, for his persistence in perfecting this program which has done so much for distressed communities in our State of Pennsylvania.

This bill does so much to foster economic growth in areas desperately looking for help. In my district, we have benefited from more than 20 projects in the past 5 years, creating hundreds of jobs in areas with unemployment far above the national average. These are communities that have not shared in the economic recovery of the 1980's and are, instead, facing the most difficult period in their history. The Economic Development Assistance Program has done much to alleviate the effects of plant closings and holds out a beacon of hope to a group of dedicated private sector and public sector leaders.

The infusion of Federal seed money often serves as the stimulus to enable a locality to assess its public and private resources, and direct new growth. This is especially true under the development investment strategy required in H.R. 2686 by forcing local governing bodies to evaluate their long-term resources and needs to develop mutually supportive projects and build sound and vital economic base. This requirement will put a stop to patchwork, Band-Aid approaches by mandating a comprehensive plan for economic development. The development investment strategy will promote economic stability and will help create regional and local economies capable of supporting investment and job creation in both urban and rural areas.

H.R. 2686 also has strict requirements on assistance from the EDA. A locality has to prove that it is economically distressed before it can receive Federal aid. The per capita income of the area cannot exceed 80 percent of the national average. Unemployment must have exceeded the national average by at least 1 percent over the last 2 years. Additionally, the assistance grant is confined to the distressed areas and cannot be used outside those areas.

The legislation also provides for Appalachian regional development. The programs of the Appalachian Regional Commission have done a great deal to promote economic development in probably the most depressed area of the United States. There is still so much to be done.

Finally, I am more than pleased to see the provision for steel demonstration projects designed to improve the competitiveness of the U.S. steel industry. While we deal with the issues of trade and investment in our manufacturing industries, I believe this is an intelligent program to see what could be done to improve competitiveness in an industry that helped build this country.

H.R. 2686 provides for a rational development strategy both for the Appalachian region and for distressed areas. There is a valid role for the Federal Government and I urge passage of this legislation today.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, just a couple of points. I have appreciated the comments of the gentlewoman from Ohio. Perhaps she would want to also comment on why the Committee on Banking, Finance and Urban Affairs struck this provision out when it went through her committee that has the expertise.

Ms. OAKAR. If the gentleman will yield on that point, we did not strike it.

Mr. WALKER. Will the gentleman let me make my point? Will the gentleman continue to yield to me?

Mr. TRAFICANT. Mr. Chairman, I reclaim my time.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Traficant] has again expired.

(By unanimous consent, Mr. Traficant was allowed to proceed for 5 additional minutes.)

Mr. TRAFICANT. Mr. Chairman, I yield to the gentlewoman from Cleveland, OH [Ms. Oakar].

Ms. OAKAR. Mr. Chairman, let me just say this never came up before the committee, and the jurisdiction of this bill is that it goes before more than one committee. We did not know. The gentleman from Ohio [Mr. Traficant] unfortunately, in my judgment, is not a member of our committee. I wish he were. He would be a welcome addition. But he is a member of the Public Works and Transportation Committee, and that is where he put it in, so we never struck it out; we just never took it up.

So I think, you know, Bob, if I might say to you——

### POINT OF ORDER

Mr. WALKER. Point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Pennsylvania will state his point of order.

Mr. WALKER. Mr. Chairman, I think it is improper to use first names.

Ms. OAKAR. Mr. Chairman, I apologize for using the gentleman's first name. If the gentleman from Pennsylvania wants to be straightforward, and I know he usually does want to be straightforward, he will just tell it like it is, and let us not try to misrepresent what took place in a committee that he was not in attendance.

I know the gentleman is not intentionally doing that, I would say to the gentleman from Pennsylvania, but the fact is, what I think is important is let us not try to discredit a section of the bill that really enhances the bill, and it is not a big portion of the bill. But it just really gives that vignette that might be very, very helpful, and that is all it is. That is all it is.

Mr. TRAFICANT. I would like to say, before I yield to the gentleman, that I particularly feel that there are Members that are just opposed to EDA. The administration wanted to throw it out. There are strong positions on certain sides here that would like just to throw all of EDA out, and I am sure they will look for something within the bill that they can make the milestone of their complete opposition to the Economic Development Agency and the proposals that we feel are very important for the country.

I would like to say I appreciate the strong support of the chairwoman, the gentlewoman from Ohio, and her committee, and I feel very strongly that if we allow this type of rating to continue because of overriding policy positions that we do ourselves a disservice.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I would simply point out again that the gentlewoman knows more about the committee deliberations than I do, but their version of the bill did not include this amendment. I think it is safe to say that.

Second, I would say that we have heard an awful lot of language about community development corporations. In fact, the gentleman from Louisiana, in defending this point, was talking about community development corporations. This language in this bill does not talk about community development corporations, it talks about commercial development corporations. That is something which does not exist in Federal law, and I would say to the gentleman that we cannot use community development corporations as a standard because the language in the bill refers to commercial development corporations. There is no such thing, and we have had no language yet today that has told us anything about commercial development corporations.

Mr. TRAFICANT. Reclaiming my time, if the gentleman is saying he would drop his amendment by unanimous consent to replace the word "commercial" with that of "community," I would be very glad to accept the gentleman's improvement of the act.

Reclaiming my time, reclaiming my time, ladies and gentlemen, if we want to split words we can do that all day. The gentleman from Pennsylvania is saying that we should let the status quo exist. The banks send them to Uncle Sam and Uncle Sam, with our meager funds, tries to improve the blight of economically depressed communities.

What I am saying and what the committee is saying, and what the subcommittee of the committee is saying, is that we think it is time that the green line occur in America, all the private sector becomes involved, and we utilize what meager funds we have to leverage against those private funds to offer incentives to get them to be key players and participants.

If the gentleman from Pennsylvania wants us to continue on by letting the Government pay for it all, he can certainly vote "yes" on his amendment. But if the gentleman, after reconsidering the facts, after quite a long debate here in the House, after reviewing the facts would want to do what is best for the country, he would vote "no" on his own amendment. I sure am going to vote "no," and I yield back the balance of my time.

Mr. SHUMWAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I realize this debate has ranged far across the field and has been at times very emotional. But I would like to make four simple points in support of the amendment which has been offered by the gentleman from Pennsylvania [Mr. Walker].

One is, and I recognize the debate I think has fairly well disclosed this, but I think that the amendment as contained in the Public Works and Transportation version of this bill has ambiguities that really need to be resolved. For example, we do not know from reading the language of section 110 whether we are referring to all commercial development corporations or for commercial development corporations. I think that kind of ambiguity somehow must be taken out of the language of this particular amendment.

Second, I would like to make the point that there have been no hearings held on the subject of the Traficant amendment. Interest subsidies, as this amendment calls for, constitute a completely new expansion of the EDA program, and I think we have talked already this morning about the fact that our emphasis in this bill and in other legislation should be on restricting the program not expanding it to any new areas and broadening the horizon as we do by putting in an interest subsidy program.

It is also important to note that the commercial feasibility of projects that are funded under this amendment is really not considered. Banks would make their loans without Government subsidy if the projects indeed were feasible upon their own.

A third point I would like to make is that funding for programs under this amendment will not go for highway or infrastructure buildings because construction of this type is already specifically provided for by statutes and regulations and other programs that are in existence. This essentially leaves commercial projects which will be funded under this amendment, and there are, Mr. Chairman, many other Government programs such as the Small Business Administration, which exists specifically for this purpose and has funds available to fund worthy programs that qualify in this area.

Finally, Mr. Chairman, I would like to make the point that the Committee on Banking, Finance and Urban Affairs, on which I serve, specifically refused to adopt this amendment, and it is significant to me that all other amendments from the Committee on Public Works and Transportation were adopted in the Committee on Banking, Finance and Urban Affairs. This one was not.

We are dealing here with banks, and I think it would be appropriate that the subject of this amendment be addressed by the Committee on Banking, Finance and Urban Affairs, it should be the subject of hearings, should be considered more fully and should not

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be the subject of a rash adoption as part of this bill today.

For these reasons, Mr. Chairman, I would urge that the amendment offered by the gentleman from Pennsylvania [Mr. Walker] be supported.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, the gentleman is the expert in these areas, and I will tell the gentleman that I am certainly not. But there is no such entity as a commercial development corporation, is that not correct?

Mr. SHUMWAY. That is my understanding.

Mr. WALKER. So in fact we have created in this section a new entity that does not now exist, and we have defined it as commercial development corporations which are formed by one or more banks, so that in fact what we are talking about is creating something altogether new, and despite the fact that there may be language that we have heard about for community development corporations, this particular amendment does not refer to community development corporations in any way; is that correct?

Mr. SHUMWAY. I think the gentleman is entirely correct, and I think should it be amended to reflect financial institutions rather than banks we are still going to be talking about these same 18 major banks that have them.

Mr. WALKER. I thank the gentleman very much.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I am happy to yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, the only thing I would like to say is let us be honest about it. I think the gentleman is opposed to the bill, and I believe he has now taken this thing 180 degrees from the intent and the merit. If there are any other questions the gentleman might have, I think it specifically is stated and the gentleman can read the amendment. The language and the intent are quite clear, and it should answer his questions. And if the gentleman is an expert on banking, he should so state.

Mr. SHUMWAY. Mr. Chairman, I just have 1 minute left so let me reclaim my time. I have spoken out against the bill, indeed, but I did not make reference in my speech to the gentleman's amendment. My opposition does not center around this amendment. There are many, many other reasons for which I oppose the bill.

But I have read the amendment. I think it does have ambiguities, it does have shortcomings, and I think they need to be addressed in a more responsible fashion.

Mr. SHAW. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would like to cover one more of the small areas that the amendment seeks to strike, and I would like to at this time focus attention on a very few words that are the lead words in that particular provision.

I do not think anyone has thought of this before, but I think it is very important, and I think the gentleman from Illinois, the chairman of the subcommittee, and I, have worked very hard to try to craft our certain provisons that apply to EDA funding.

By taking the words at the beginning of this statement which says, "Notwithstanding any other provisions of this act, the Secretary may make grants to commercial development corporations which are formed by one or more banks to assist small businesses by reducing the interest rates for economic development activities to be carried out by such businesses in areas meeting the distress requirements of section 105," what we have done is taken all of the other provisions in the act, such as the State and local planning requirement, we have taken that out. We say notwithstanding any other provison in the act, and we have given only one set of requirements, and that is economic distress.

Caps, they are eliminated from this provision. Preparation of a development investment strategy is no longer required. That was carefully crafted into the bill and that has been taken out of this section. It even exempts the applicant from having to apply to the EDA for assistance.

Think for a minute what this does and the problem here. I do not criticize the gentleman from Ohio for what he has tried to do by putting this in. But I do say that there is no provision in a bill that I have ever seen that more firmly supports the need to have hearings by various committees or hearings period. This had no hearings. This came up at full committee markup for the first time.

I would like to join with the gentleman from Ohio in exploring further this particular avenue of financing. But this has not been thought out by any of the committees responsible for this bill, it has not gone through the hearing process and it completely strips all of the other requirements that we have been putting into EDA.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I am happy to yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I really appreciate the concerns of the gentleman from Florida. I would like to advise him though that this passed on a voice vote. I did not hear one Member of the committee in the full committee markup even ask for a vote.

Let us get serious. We have been studying things around here for years and years. This is a legislative initiative that indicates we are not going to have an opportunity to exist out where banks can turn their backs on low income communities and we are going to offer incentives. I think everybody at the committee level that had concerns brought those concerns and no one asked for a vote.

Mr. SHAW. Reclaiming my time, I would remind the gentleman that I spoke against his particular provision and his amendment at the full committee markup, and I can assure the gentleman that there will be a recorded vote on this particular amendment.

This is very dangerous, and I do not criticize what the gentleman is trying to do, but I think that we have put together a very shallow, not-thought-out amendment to this particular bill. We have not sent it to the Committee on Banking, Finance and Urban Affairs, and we have absolutely stripped out all of the safeguards that are involved.

Mr. TRAFICANT. Will the gentleman yield further?

Mr. SHAW. I yield to the gentleman from Ohio.

Mr. TRAFICANT. No. 1, I brought this up at the committee level where we should have taken action, where the gentleman should have made his concerns known. The problem is we take everything to the floor. This gentleman could have brought it to the floor and I think it would have passed with the way things are going in economic development in the country. But I took it to the committee so that I would not subject this House to this, and the committee, if we are going to throw the committee system out, then why have committees?

I yield back my time.

□ 1330

Mr. SHAW. I correct the gentleman, it is my time.

I think the question is this never went to the subcommittee and the gentleman would agree with me that it has never had a hearing, the gentleman would agree with me that it was never considered by the Banking Committee. Does the gentleman agree with me that these requirements are completely pushed aside by the beginning language that says, "notwithstanding other provisions of this act"? And only applies the provision of distressed areas.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. SHAW. Yes; I will be happy to if the gentleman will answer my question.

Mr. TRAFICANT. What the bill says is if there are no CDC's that apply for the funds, there is not one dime that would even go there. It leaves open that money for the other parts of the program. It only comes into focus if banks target a blighted area and then attempt as an incentive to use some of the meager funds that have been set aside.

Mr. SHAW. Would the gentleman yield? Do they have to comply with the other provisions of the act that say there is going to be State and local planning?

Mr. TRAFICANT. They would be subject to all the laws that exist relative to CDC's.

The CHAIRMAN. The time of the gentleman from Florida [Mr. Shaw] has expired.

(By unanimous consent, Mr. Shaw was allowed to proceed for 5 additional minutes.)

Mr. SHAW. I repeat my question: Does the gentleman state that the local and State planning applies and that the words "notwithstanding other provisions of this Act" does not blot that out?

Mr. TRAFICANT. It means that in the total amount of money that is authorized under the grant, under the bill and once appropriated that these community development corporations may, may receive up to $5 million from the total amount for such purposes. And if it is not used it would be used in other parts. But the language is quite clear, notwithstanding any other sections of the act, yes.

Mr. SHAW. So the gentleman agrees that State and local planning is not considered in this particular provision, which is, by the way, the first time it has appeared in the act.

Mr. TRAFICANT. But the act specifically states that the Secretary shall determine, and that would encompass those elements of the act itself.

Mr. SHAW. Reclaiming my time, then the gentleman is saying it shall be up to the Secretary. And would the gentleman also agree that there is no preparation of development investment strategy required here?

Mr. TRAFICANT. I apologize.

Mr. SHAW. Would the gentleman agree that the provision of the bill that requires the preparation of development of investment strategy, that is also stripped aside and does not apply here when we are dealing with these 18 banks?

Mr. TRAFICANT. Certainly, the gentleman understands like any other bill, No. 1; and No. 2, by getting the banks involved certainly they are going to have that type of investment planning consistent with the law that is on record, period.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Minnesota [Mr. Oberstar].

Mr. OBERSTAR. I thank the gentleman for yielding.

Mr. Chairman, I think while the language is ambiguous it is clear that in the context of the concept of the gentleman's amendment, the gentleman from Ohio, that "notwithstanding any other provision of the Act" relates to investment, investment decisions and does not strip aside the requirement for a plan to be developed as provided in an overall development incentive strategy. I think that is very clear. But further, if I may, if the gentleman would yield further.

Mr. SHAW. I yield further.

Mr. OBERSTAR. It is discretionary authority.

Mr. SHAW. Let me comment that in my other life before coming to Congress I did practice law for almost 20 years and during that time represented as many as four banks at one time and I would certainly be delighted to enlighten anybody here as to what contract law says and what you do as far as interpreting various statutes and provisions of the Federal Code. And "notwithstanding any other provisions of the Act" simply means exactly that, you do not have to worry about anything else that is in the act except what is in this sentence.

Mr. OBERSTAR. I grant the language is imprecise, it needs clarification and the committee report also. But the central point is that this is discretionary language, the Secretary may or may not implement it at the Secretary's discretion. It does not require action.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentlewoman from Ohio [Ms. Oakar].

Ms. OAKAR. I thank the gentleman for yielding.

I just want to say I do not think it is ambiguous in terms of what community development corporations do. They have charters and if you have had a chance to read the charter you know that in fact they are charged very specifically to assist, to revitalize communities in distressed areas.

So I think that by the very nature of the corporation, it is apparent that they are charged to do. They cannot do other things. They cannot go outside certain guidelines. So I think that may answer one of your concerns.

Mr. SHAW. Reclaiming my time, I would like to point out to the lady from Ohio that the very guidelines that we are trying to work out in this legislation and that we very carefully put in place here are absolutely stripped away. Now there may be others in community development corporations but that word does not even appear in the act, it does not appear in the language. Those restrictions are not what we are really talking about when we are talking about this type of legislation.

Now we have had a great deal of bipartisan support for this bill. I intend to vote for this bill. But I think this is a paragraph that was not well thought out, did not go through the committee process as it should, it takes away many of the restrictions and it brings about the first time that the EDA is going to do this type of financing.

I think the subcommittees of both banking and public works and transportation should have hearings on this, come up with a plan, come up with new language and perhaps we can have something that is going to work.

This is very dangerous. It only applies to 18 banks. We have lists of these banks if anybody cares to see them.

Mr. HOWARD. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto end in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Chairman, I ask unanimous consent this time be distributed, half to the gentleman from Pennsylvania [Mr. Walker] and half to the gentleman from Illinois [Mr. Gray].

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey dividing the time as the gentleman from New Jersey has suggested?

The CHAIRMAN. The gentleman from Illinois [Mr. Gray] will be recognized for 5 minutes and the gentleman from Pennsylvania [Mr. Walker] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Gray].

Mr. GRAY of Illinois. Mr. Chairman when a carpenter builds a house he always brings along with him all the tools that he can possibly get. The amendment that we have been talking about here for the past 30 minutes offered in our Committee on Public Works and Transportation by the distinguished gentleman from Ohio [Mr. Traficant] is just another tool to help local communities raise up their social and economic well-being. There is nothing mysterious about it, there is nothing complicated about it. It is something we have been doing for longer than I have been in this body off and on and that is 33 years. The local communities through development corporations work with the Small Business Administration. All the gentleman from Ohio's amendment does is to allow the local banks to do what they should do anyway, that is lend money for local development and participate locally.

Now I understand my friend from Pennsylvania has concerns about the word "bank." I intend to offer, Mr. Chairman, as a perfecting amendment changing the word "banks" to "financial lending institutions." That way,

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that will take in everybody and eliminate the objection of the gentleman from Pennsylvania.

I also intend to offer a perfecting amendment changing the word to "community" instead of "commerical." That will also eliminate the objection raised by the distinguished gentleman from Pennsylvania.

Let me point out unequivocally, Mr. Chairman, that the Traficant language that we refer to here is the tool given to the administrator of the Economic Development Administration on a permissive basis, not mandatory. If you look on page 16 you will see the language says, "the administrator or the secretary may" and not "shall." That means if he does not see this as a workable program or the twiddle-dee or twiddle-dum that we have been arguing about from one side to the other is not feasible, then the Secretary will not put the program forward. It also was pointed out by the gentleman from Pennsylvania that theoretically the $5 million authorized per year could be used by one bank. Let me tell you that there are six, I repeat six EDA districts in the United States and I know from all the other programs administered under this act that the administrator tries to be fair by prorata allocations out to each one of those districts.

So that means that if you took the entire $5 million per year and allocated to each district for example such as in the Midwest where we have an office in Chicago which administers the program for six Midwestern States, would get less than $1 million per year for banks to loan. Think of that, $1 million for a whole year. Now you know that is not going to break any bank and it is certainly not going to break the Treasury.

You know, I have listened to this debate back and forth, Mr. Chairman. I ran across this little card and I think it explains explicitly how we are fiddling while Rome burns. Here we are, while we have been debating this bill the Pentagon has already spent over $60 million. They spend over $1 million a minute, $60 million an hour, $1,400,000,000 a day and on a 5-day week they spend almost $300 billion a year.

And we are debating here for the entire United States, for all American jobs, we are debating a pittance of $200 million per year.

Before we get this bill passed, we will have spent more money in the Pentagon than on this whole program for a year in the entire United States.

So I ran into this little article on a church marquee here a couple of days ago. It says, "Whose job is it?" I want you to listen to this now. We are arguing here whether banks ought to do this or EDA or the Secretary or somebody else. "Whose job is it?"

This is a story about four people, the gentleman from Pennsylvania, the gentleman from Illinois and we can name any two others here.

Let me read this:

### Whose Job is It?

> This is a story about four people, named everybody, somebody, anybody and nobody. There was an important job to be done, and everybody was asked to do it. Everybody was sure somebody would do it. Anybody could have done it, but nobody did it. Somebody got angry about that because it was everybody's job. Everybody thought anybody could do it but nobody realized that everybody wouldn't do it. It ended up that everybody blamed somebody, when nobody did what anybody could have done—cooperate with each other.

Vote down the Walker amendment and vote for this bill and provide some badly needed jobs in southern Illinois and around the country. Thank you.

**Mr. WALKER.** Mr. Chairman, anybody could have offered this amendment. It fell to me to do it. But let me say that I appreciated what the gentleman from Illinois just said because what we now learn is that we have a seriously flawed provision in front of us, because the gentleman from Illinois says that he is going to offer an amendment that will make the changes that are very much necessary in this particular provision. He indeed will get back to community development corporations which is different from what the bill says. He indeed will do something about putting financial institutions in instead of banks. Those will be good improvements.

But there still remains the question of whether or not this is a provision we want to adopt.

Let me say to the gentleman I think he is right, that there has been an attempt by EDA to try to do that which was right with regard to allocations of the money. But we do know that under severe political pressure that they do succumb and large amounts of money do go to one area that knock out other people. We know for instance that 5 percent of the entire program for 1 year has been allocated to one city in Texas and that that is an amount well over $5 million.

So it is not absurd to suggest that one big bank under the language that we now have before us might get all $5 million of subsidized interest. I would suggest that if you want to keep the big banks from coming in and taking control of the EDA funding that you will support my amendment to knock out this language. I would suggest if you want legislative craftsmanship that assures that we move a program in the direction we think it really ought to go that you will vote for my amendment. This amendment or this language in the bill is seriously flawed. It should be thrown out.

Mr. Chairman, I yield back the balance of my time.

Mr. Chairman, All time has expired.

### PERFECTING AMENDMENT OFFERED BY MR. SAVAGE

**Mr. SAVAGE.** Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

> Perfecting amendment offered by Mr. Savage: On page 19, line 7 insert "financial lending institutions" for the word "banks", and on page 19, line 5, change the word "commercial" to "community".

**Mr. CHAIRMAN.** The gentleman from Illinois [Mr. Savage] is recognized for 5 minutes.

### POINT OF ORDER

**Mr. WALKER.** Mr. Chairman, I have a point of order. A moment ago we had a time limitation, the time was up for the amendment and all amendments thereto. Do we now have a difference from the gentleman who proposed that? The time has expired.

**Mr. CHAIRMAN.** The Chair will advise the gentleman from Pennsylvania that the limitation was on the debate on the Walker amendment and all amendments thereto. The gentleman from Illinois is permitted to offer a perfecting amendment to the legislation, to this particular section on page 19, since the pending amendment is a motion to strike.

☐ 1345

### PARLIAMENTARY INQUIRY

**Mr. WALKER.** Mr. Chairman, I have a parliamentary inquiry.

**Mr. CHAIRMAN.** The gentleman will state his parliamentary inquiry.

**Mr. WALKER.** Mr. Chairman, I must have misunderstood, so let me ask this: The amendment before us is not an amendment to the Walker amendment; it is in fact an amendment to the bill?

**Mr. CHAIRMAN.** The gentleman is correct. The gentleman from Illinois [Mr. Savage] has offered a perfecting amendment to the bill.

The gentleman from Illinois [Mr. Savage] is recognized for 5 minutes in support of his perfecting amendment.

**Mr. SAVAGE.** Mr. Chairman, what this simply does, in response to what I think I have heard from the other side, which is that they have commended the bill as a whole for its better targeting and its improved focusing on areas of distress and need, is this: there were some questions that were raised regarding words, and this perfecting amendment refers to the paragraph that had been proposed to be deleted by changing the word, "commercial" in "commercial development corporations" to "community," and to make this clear, also by changing the word, "banks," to "depository institutions." It would be not "financial institutions" but "depository institutions."

So the only thing I am really doing here, as the gentleman from Illinois indicated, is that I am proposing a change that anybody could propose

but that nobody has proposed, although it is something that somebody should. So I hope that everybody will support it.

**Mr. SHAW.** Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will in just a moment offer an amendment to the amendment. I say to the gentleman that one of the provisions we have been talking about in this particular bill is the provision, "Notwithstanding any other provision of this Act,". This is very dangerous language, and this is language which should be removed from the bill.

We have had a lot of conversation about this. There has been a lot of hard work done with regard to this bill. Many Members on both sides of the aisle have done yeoman service in preparing this bill, and they have also put in very important safeguards. The purpose of this bill is to help the economy of distressed areas of this country and to save jobs.

**Mr. SAVAGE.** Mr. Chairman, will the gentleman yield?

**Mr. SHAW.** I yield to the gentleman from Illinois.

**Mr. SAVAGE.** Mr. Chairman, let me ask the gentleman from Florida this: is he proposing in effect to add to the perfecting amendment the deletion of the words, "Notwithstanding any other provision of this Act,"?

**Mr. SHAW.** The gentleman is absolutely correct. We are busy writing it now.

**Mr. SAVAGE.** Mr. Chairman, let me just say to the gentleman from Florida, if you will, that as the sponsor of the perfecting amendment, I have no objection to that addition. I find it fully acceptable.

Mr. Chairman, I ask unanimous consent that we incorporate the suggestion of the gentleman from Florida [Mr. Shaw] in the perfecting amendment.

What the gentleman is proposing is that on line 4, page 19 of the bill, we delete "Notwithstanding any other provision of this Act,". That is to be deleted, and that is acceptable to the sponsor of the perfecting amendment.

**The CHAIRMAN.** Is there objection to the unanimous-consent request of the gentleman from Illinois to modify his amendment?

There was no objection.

**The CHAIRMAN.** The amendment is so modified.

The gentleman from Florida [Mr. Shaw] continues to control the time.

### PARLIAMENTARY INQUIRY

**Mr. SHAW.** Mr. Chairman, I would ask the Chair, is the modification to the perfecting amendment now in the amendment, even though it is not sitting at the desk? Am I correct? Is that the parliamentary situation we have?

**The CHAIRMAN.** The gentleman is correct.

**Mr. WALKER.** Mr. Chairman, will the gentleman yield?

**Mr. SHAW.** I yield to the gentleman from Pennsylvania.

**Mr. WALKER.** Mr. Chairman, I am wondering if we could get one more modification here which would allow this gentleman to withdraw his amendment.

It seems to me that if the words, "community development corporations," which under the gentleman's amendment is what we would then have—you would have the words, "community development corporations"—that is then in fact a corporation which is defined by the Federal Government. There is no need then for the language, "which are formed by one or more banks," or as the gentleman's modification reads, "financial institutions."

**Mr. SAVAGE.** No, "depository institutions."

**Mr. WALKER.** Why can we not just take out that language and have it read: "* * * may make grants to commerical development corporations to assist small businesses * * *" We would just take out that language, and that would clear up a lot of the ambiguity.

**Mr. SAVAGE.** Mr. Chairman, will the gentleman yield?

**Mr. SHAW.** I yield to the gentleman from Illinois.

**Mr. SAVAGE.** Mr. Chairman, I just want to understand this from the gentleman from Pennsylvania: what are the exact words he is asking to be deleted?

**Mr. WALKER.** Mr. Chairman, if the gentleman will yield, on page 19 its says: " * * * which are formed by one or more banks * * * " and the gentleman would make the change to have it read " * * * which are formed by one or more depository institutions * * * ." If we would take out that language altogether, then the guidelines we would have would be the guidelines of the community development corporations, which would tighten the situation very substantially, it seems to this gentleman.

**Mr. SAVAGE.** Mr. Chairman, will the gentleman yield further?

**Mr. SHAW.** I am glad to yield to the gentleman from Illinois.

**Mr. SAVAGE.** Mr. Chairman, let me ask the gentleman from Pennsylvania, is it to be our understanding that this does not remove the leverage on the banking community, that is, the concept of encouraging development?

**Mr. WALKER.** Mr. Chairman, will the gentleman yield further?

**Mr. SHAW.** I am glad to yield to the gentleman from Pennsylvania.

**Mr. WALKER.** Mr. Chairman, this gentleman is not in much of a position to determine policy. This gentleman, when he looked at this language, became concerned. The committees may want to address the policy questions whenever it gets to conference or wherever it goes from here, but my amendment would not change the policy question at all then. What you would have is this: "The Secretary may make grants to community development corporations to assist small businesses * * *."

It would not change the policy particularly, but it would clear up the problem.

**Mr. SAVAGE.** Mr. Chairman, will the gentleman yield further?

**Mr. SHAW.** I am glad to yield to the gentleman from Illinois.

**Mr. SAVAGE.** Mr. Chairman, I ask unanimous consent that we include the deletion proposed by the gentleman from Pennsylvania [Mr. Walker] in the perfecting amendment that is now pending.

**The CHAIRMAN.** The gentleman from Florida [Mr. Shaw] has the time and he has yielded to the gentleman from Illinois [Mr. Savage], who has once again offered a modification to the perfecting amendment. The Chair is in doubt as to exactly where we are in this perfecting amendment.

The Chair would inquire as to exactly what the request is. The gentleman from Florida [Mr. Shaw] continues to control the time.

**Mr. SHAW.** Mr. Chairman, will the gentleman yield further?

**The CHAIRMAN.** The Chair will inform the gentleman that the time of the gentleman from Florida [Mr. Shaw] has now expired.

The Chair recognizes the gentleman from Illinois [Mr. Savage].

**Mr. SAVAGE.** Mr. Chairman, let me explain exactly where the perfecting amendment stands, if I may have the attention of the gentleman from Pennsylvania [Mr. Walker].

**The CHAIRMAN.** The gentleman from Illinois [Mr. Savage] is recognized for 5 minutes.

**Mr. SAVAGE.** Mr. Chairman, the perfecting amendment, which I understand now satisfies all concerned, reads as follows:

On line 4, on page 19, the words, "Notwithstanding any other provision of this Act." have been deleted. That phrase has been deleted.

No. 2, on line 5, the word, "commercial," has been changed to "community."

**Mr. WALKER.** Mr. Chairman, will the gentleman yield for just a moment on that point?

**Mr. SAVAGE.** Mr. Chairman, I would ask the gentleman to please let me finish this. Let me finish the explanation fully, and then I will yield to the gentleman.

Let me start over and make it clear.

On page 19, line 4, the words deleted are: "Notwithstanding any other provision of this Act.".

On line 5, also, the word, "commercial," is changed to "community."

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The words on lines 6 and 7, "which are formed by one or more banks," are deleted.

That is the perfecting amendment which we now offer.

**Mr. WALKER.** Mr. Chairman, will the gentleman yield?

**Mr. SAVAGE.** I yield to the gentleman from Pennsylvania.

**Mr. WALKER.** Mr. Chairman, it seems to me that if we are going to change the word, "commercial," on line 5, we will also want to change the word, "COMMERCIAL," to "COMMUNITY" in line 3 as it appears in the title.

**Mr. SAVAGE.** Yes, I agree. I agree with the gentleman from Pennsylvania. In the title, on line 3, the word, "COMMERCIAL" becomes "COMMUNITY."

**Mr. SHAW.** Mr. Chairman, will the gentleman yield to me?

**Mr. SAVAGE.** I yield to the gentleman from Florida.

**Mr. SHAW.** Mr. Chairman, I would also point out that the first word, "the," before "Secretary," should be capitalized. The letter, "T," should be capitalized, and that should be incorporated in the amendment.

**Mr. SAVAGE.** Mr. Chairman, by unanimous consent I ask for that correction. I ask unanimous consent that when we delete the words on lines 4 and 5, "Notwithstanding any other provision of this Act," the next word, "the," should start with a capital "T."

**The CHAIRMAN.** Is there objection to the request of the gentleman from Illinois?

There was no objection.

**The CHAIRMAN.** The amendment is further modified.

**Mr. SAVAGE.** Mr. Chairman, with that I yield back the balance of my time.

**The CHAIRMAN.** The Chair now believes that not only the Chair but other Members understand what the perfecting amendment is about. Is there further discussion on the perfecting amendment?

Does the gentleman from Pennsylvania [Mr. WALKER] withdraw his amendment?

**Mr. WALKER.** Mr. Chairman, I ask unanimous consent to withdraw my amendment.

**The CHAIRMAN.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

**The CHAIRMAN.** The amendment is withdrawn.

The text of the perfecting amendment, as modified, offered by Mr. SAVAGE is as follows:

Amendment offered by Mr. SAVAGE, as modified: On page 19, line 3 strike "commercial" and insert "community".

On page 19, line 5, strike "commercial" and insert community".

On page 19, lines 4 and 5 strike "notwithstanding any other provision of this Act, the" and insert "The".

On page 19 lines 8 and 7 strike "which are formed by one or more banks".

**The CHAIRMAN.** The question is on the perfecting amendment, as modified, offered by the gentleman from Illinois [Mr. SAVAGE].

The perfecting amendment, as modified, was agreed to.

**The CHAIRMAN.** Are there other amendments to the bill?

If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

**The CHAIRMAN.** Without objection, the action by which the amendment in the nature of a substitute was agreed to is vacated, and the Chair will continue to ask the Clerk to designate title II.

There was no objection.

The text of title II is as follows:

### TITLE II—APPALACHIAN REGIONAL DEVELOPMENT

#### SEC. 201. SHORT TITLE.

This title may be cited as the "Appalachian Regional Development Act Amendments of 1987".

#### SEC. 202. FINDINGS AND PURPOSES.

Section 2 of the Appalachian Regional Development Act of 1965 is amended—

(1) in subsection (a) by striking out the period at the end of the 6th sentence and inserting in lieu thereof "and in severely distressed and underdeveloped counties and areas lacking resources for basic services."; and

(2) by adding at the end of such section the following new subsection:

"(c) The Congress further finds and declares that, while substantial progress has been made in fulfilling many of the objectives of this Act, rapidly changing national and global economics over the past decade have created new problems and challenges for rural areas throughout the Nation and especially for the Appalachian region. Thus, the problems of the region are not only to provide the infrastructure necessary to economic and human resource development, to develop its industry, and to generate a diversified regional economy, but to make the region's industrial and commercial resources more competitive in national and world markets. It is, therefore, also the purpose of this Act to provide a framework for coordinating Federal, State, and local initiatives to respond to the economic competitive challenge through improving the skills of the region's manpower, adapting and applying new technologies for the region's businesses, and improving the access of the region's businesses to the technical and financial resources necessary to their development while continuing to address the need to provide basic services for the more disadvantaged areas of the region so as to provide a fairer opportunity for the people of the region to share the quality of life generally enjoyed by citizens across this Nation.".

#### SEC. 203. AUTHORIZATIONS FOR ADMINISTRATIVE EXPENSES.

Section 105(b) of the Appalachian Regional Development Act of 1965 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and not to exceed $2,400,000 per fiscal year for each of fiscal years 1988, 1989, and 1990. Of amounts appropriated pursuant to the preceding sentence for each of fiscal years 1988, 1989, and 1990, not to exceed $550,000 shall be available for expenses of the Federal cochairman, his alternate, and his staff.".

#### SEC. 204. EXTENSION OF LEASE TERMS.

Section 106(7) of the Appalachian Regional Development Act of 1965 is amended by striking out "1982" and inserting in lieu thereof "1990".

#### SEC. 205. HIGHWAY SYSTEM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 201(g) of the Appalachian Regional Development Act of 1965 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "; and $120,000,000 per fiscal year for each of fiscal years 1988, 1989, and 1990.".

(b) FEDERAL SHARE.—

(1) GENERAL RULE.—Section 201(h)(1) of such Act is amended by striking out "70 per centum" and inserting in lieu thereof "80 percent".

(2) APPLICABILITY.—The amendment made by paragraph (1) shall apply to projects approved after March 31, 1979.

#### SEC. 206. DEFINITIONS.

(a) UPDATING OF COVERED FEDERAL GRANT-IN-AID PROGRAMS.—The first sentence of section 214(c) of the Appalachian Regional Development Act of 1965 is amended by striking out "December 31, 1980" and inserting in lieu thereof "October 1, 1990".

(b) LIMITATION ON COVERED ROAD PROJECTS.—The second sentence of such section is amended by inserting "authorized by title 23, United States Code" after "road construction".

#### SEC. 207. PROGRAM DEVELOPMENT CRITERIA.

Section 224(a) of the Appalachian Regional Development Act of 1965 is amended by inserting before the semicolon at the end of paragraph (1) the following: "or in a severely distressed and underdeveloped county or area lacking resources for basic services".

#### SEC. 208. REMOVAL OF LIMITATION.

Section 224(b) of the Appalachian Regional Development Act of 1965 is amended—

(1) by striking out "(2) to finance" and all that follows through "(3)" and inserting in lieu thereof "(2)"; and

(2) by striking out "(4)" and inserting in lieu thereof "(3)".

#### SEC. 209. MAXIMUM FEDERAL SHARE.

Section 224 of the Appalachian Regional Development Act of 1965 is amended by adding at the end thereof the following new subsection:

"(d) MAXIMUM FEDERAL SHARE.—Notwithstanding any other provision of this Act, after October 1, 1987, grants made with funds authorized under this Act shall not exceed 50 percent of the costs of any project approved under this Act (except projects under section 201); except that, notwithstanding any limitation of any other Federal law, such grants may increase the Federal contribution to any project being carried out under such other law and eligible for financial assistance under this Act to such percentage as the Commission determines appropriate within the limitations of this Act.".

#### SEC. 210. GRANTS FOR ADMINISTRATIVE EXPENSES AND DEMONSTRATION PROJECTS.

(a) GENERAL RULE.—Section 302(a)(3) of the Appalachian Regional Development Act of 1965 is amended—

(1) by inserting after "technical assistance" the following: "(including technical assistance for business development and stabilization and application of technologies and productivity improvement)";

(2) by inserting after "training programs" the following: "(including on-site employee training and programs to upgrade employability of the region's people)"; and

(3) by inserting after "demonstration" the following: "(including demonstrations of service consolidations and other methods of increasing efficiency of local governments, the establishment and operation by States, public agencies, or nonprofit development organizations of revolving funds for business assistance loans, the establishment and operation of business incubators and the provision of industrial facilities and equipment by public agencies and nonprofit organizations on such terms (including terms of reasonable recovery of grant funds upon resale) as are approved by the Commission, and the acquisition and development of land)".

(b) LIMITATIONS ON DEMONSTRATION GRANTS.—Subsection (b)(1) of such section is amended—

(1) by striking out ", (3), or (4)," and inserting in lieu thereof "or (4),";

(2) by inserting "or economic" after "energy"; and

(3) by striking out the second sentence and inserting in lieu thereof the following: "Funds in energy enterprise development loan funds established with grants previously approved by the Commission under this section may, upon approval of the Commission pursuant to section 303, after the date of the enactment of the Appalachian Regional Development Act Amendments of 1987, be made available for the purposes authorized in subsection (a)(3).".

#### SEC. 211. AUTHORIZATION OF APPROPRIATIONS FOR GENERAL PROGRAM.

Section 401 of the Appalachian Regional Development Act of 1965 is amended by adding at the end thereof the following: "In addition to the appropriations authorized in section 105 for administrative expenses and in section 201(g) for the Appalachian development highway system and local access roads, there is authorized to be appropriated to the Commission, to be available until expended, to carry out this Act, $40,000,000 per fiscal year for each of fiscal years 1988, 1989, and 1990.".

#### SEC. 212. EXTENSION OF TERMINATION DATE.

Section 405 of the Appalachian Regional Development Act of 1965 is amended by striking out "1982" and inserting in lieu thereof "1990".

**Mr. HOWARD** (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the amendment in the nature of a substitute be open to amendment at any point, and printed in the RECORD.

**The CHAIRMAN.** Is there objection to the request of the gentleman from New Jersey?

There was no objection.

**The CHAIRMAN.** Are there other amendments to the bill?

If not, the question is now on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

**The CHAIRMAN.** Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COELHO], having assumed the chair, Mr. DORGAN of North Dakota, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2686) to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, pursuant to House Resolution No. 241, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

**The SPEAKER pro tempore.** Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole?

If not, the question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

**The SPEAKER pro tempore.** The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

**The SPEAKER pro tempore.** The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

**Mr. HOWARD.** Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

**The SPEAKER pro tempore.** Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 330, nays 89, not voting 14, as follows:

[Roll No. 311]

YEAS—330

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bateman
Bates
Bennett
Bentley
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bunning
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Inhofe
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
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Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stratton
Studds
Swift
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NAYS—89

Archer
Armey
Badham
Bartlett
Barton
Bereuter
Bilirakis
Bliley
Boulter
Brown (CO)
Buechner
Burton
Callahan
Coats
Coble
Coughlin
Craig
Crane
Dannemeyer
Daub
DeLay
DeWine
DioGuardi
Dornan (CA)
Dreier
Fawell
Fields
Gallegly
Gibbons
Goodling
Gregg
Hansen
Hefley
Herger
Hiler
Hopkins
Hunter
Hyde
Ireland
Jacobs
Kasich
Kolbe
Kyl
Lagomarsino
Leach (IA)
Lewis (CA)
Lowery (CA)
Lungren
Mack
MacKay
Marlenee
McCandless
McCollum
McMillan (NC)
Meyers
Michel
Miller (WA)

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Moorhead
Myers
Nielson
Oxley
Penny
Petri
Porter
Rhodes
Roberts
Roth
Schaefer
Schneider
Sensenbrenner
Shumway
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Vucanovich
Walker
Whittaker
Wolf
Wylie

NOT VOTING—14

Beilenson
Boner (TN)
Cheney
Daniel
Early
Gephardt
Kemp
Latta
Lukens, Donald
Roemer
Slattery
Smith (NE)
Stokes
Tauzin

□ 1410

Mr. ROBERT F. SMITH and Mr. UDALL changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on H.R. 2686, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## THE 1988 OLYMPIC COMMEMORATIVE COIN ACT

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs, be discharged from further consideration of the bill (H.R. 2741) to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic games.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. HILER. Reserving the right to object, Mr. Speaker, I wonder if the gentleman from Illinois might give us a 40-second explanation of what we are doing here.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman from Indiana yield?

Mr. HILER. I am happy to yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I appreciate the gentleman yielding.

The legislation would authorize the minting of up to 1 million gold $5 coins and 10 million $1 silver coins. These coins would be sold by the mint to the public with a surcharge on these coins. The surcharges would be given to the U.S. Olympic Committee to help train Olympic athletes to establish training centers throughout the United States.

If all the coins were sold, our Olympic athletes would receive $105 million toward their training.

The program will be run at no cost to the Government and, in fact, will result in a profit to the Government.

A similar program in 1984, as the gentleman knows, raised some $75 million to help our Olympic Program.

Mr. HILER. Mr. Speaker, I thank the gentleman for his explanation.

Mr. LOTT. Mr. Speaker, will the gentleman yield?

Mr. HILER. Further under my reservation, Mr. Speaker, I yield to the gentleman from Mississippi.

### LEGISLATIVE PROGRAM

(By unanimous consent, Mr. LOTT was allowed to proceed out of order.)

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding and I apologize for the interruption, but if the gentleman will yield, I would like to take just a moment, if I could get the attention of the distinguished majority leader.

I think one of the reasons we have so much noise as we have and we are getting a lot of requests from people about what the schedule is going to be for the balance of the day and tomorrow, if we could get that information I think it would help us to get to the business at hand here.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. HILER. Mr. Speaker, under my reservation of objection, I yield to the distinguished majority leader.

Mr. FOLEY. Mr. Speaker, I thank the distinguished gentleman for yielding.

Mr. Speaker, we will be considering commemoratives and other unanimous consent requests business for the remainder of the day. We do not anticipate any additional rollcall votes for today.

Tomorrow the House will meet at 10 a.m. and will consider the Armenian resolution. There is no other business scheduled for tomorrow. We had originally thought about the possibility of scheduling the textile legislation, but after conferring with the gentleman's side, it was thought better to schedule that for the period after the recess. That is one of the many accommodations that Members may not know are made on the schedule.

The conference on the debt ceiling is fully engaged, but has not reached a conclusion on key elements in the disagreeing views.

□ 1425

The result is that they will be meeting this afternoon and I would expect this evening in the hope to be able to bring some conference report to the floor sometime tomorrow. I would anticipate the possibility of requesting recess authority for tomorrow until such time as the conference committee's report is available. And we will have to go to the Rules Committee, of course, under the rule, for the consideration of the conference report, or it would be necessary to return next week, which I am sure most Members would not want to do.

Mr. LOTT. If I could try to clarify the situation for tomorrow and today, first of all, there is no further business or recorded votes expected today.

Mr. FOLEY. That is correct.

Mr. LOTT. With regard to tomorrow, the gentleman anticipates at this time rescheduling the Armenian genocide resolution?

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. That will be at 10 o'clock, and that is a very restricted, tight rule and, therefore, should probably take not more than an hour or an hour and a half to complete the whole process, which would put us somewhere around noon, I presume.

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. Then the gentleman would anticipate a recess subject to the call of the Chair?

Mr. FOLEY. We would entertain any unanimous consent request business, followed by a recess subject to the call of the Chair.

Mr. LOTT. Waiting to see if and when there might be some resolution of the debt ceiling conference or, in the alternative, some debt ceiling extension?

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. So we really do not know what the timeframe would be in the afternoon. It just depends on what happens?

Mr. FOLEY. The gentleman is a Member of the conference committee, and I think he knows very well that we are in a state of disagreement for the moment on some of the key elements, and no one can predict when that will be resolved. We are obviously trying to get this essential legislation before the House in order to permit the recess to take place on or near schedule. We have no desire to interfere with the recess, and we are hoping and working to see that this absolutely vital, necessary legislation is passed by the House and the Senate to permit the recess to take place. That is our policy.

I might also take the opportunity, if the gentleman will yield further, to indicate to the House that the scheduled return of the House from the recess on Wednesday, September 9, is a day which will be a voting, legislative day. There will be no grace period on Wednesday and Thursday, September 9 and 10. We intend to make that week a week in which Friday will also be a legislative day.

Mr. LOTT. The gentleman expects major legislation to be scheduled on one or both of those days?

Mr. FOLEY. We expect legislation to be scheduled on Wednesday, Thursday, and Friday. Possibilities include an appropriation bill, the textile legislation, the Farm Credit Act. We are not in a position to advise Members at this time the specific bills that will be considered that week. But I wish to heavily underline that there will be no sort of grace period at the end of the recess. We will come back Wednesday, as scheduled, for a full working and voting day, and Friday of that week the House will be in session.

Mr. LOTT. And Members can expect to get out on time, as scheduled, for the beginning of the district work period?

Mr. FOLEY. With the gentleman's help, I am sure that will be possible.

Mr. LOTT. I thank the gentleman very much.

Mr. HILER. Mr. Speaker, further reserving the right to object, I am happy to yield to the gentleman from Rhode Island [Mr. ST GERMAIN], the chairman of the Committee on Banking, Finance and Urban Affairs.

Mr. ST GERMAIN. Mr. Speaker, I thank the gentleman for yielding. I would like to state that this legislation was marked up this morning in the full committee, on the Olympic Commerative Coin Act, a measure which will provide funds for training and support of our Olympic hopefuls at no cost to the taxpayer. Through the leadership of our colleague, FRANK ANNUNZIO, chairman of the Consumer Affairs Subcommittee, similar Olympic Coin legislation provided a big boost for the 1984 Olympics in Los Angeles.

FRANK ANNUNZIO's name will soon become as well known as that of some of the world-class athletes, synonomous with the International Olympics. I think we can all take pride in the leadership of FRANK ANNUNZIO and his subcommittee in this Olympic program.

Mr. HILER. Mr. Speaker, further reserving the right to object, I thank the chairman for his kind comments and yield to the ranking minority member of the Committee on Banking, Finance, and Urban Affairs, the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I would like to applaud Mr. ANNUNZIO and his staff for the outstanding work they have done in promoting the 1988 Olympic Coin Program. Particularly commendable is Congressman ANNUNZIO's tireless commitment to ensure, as his personal slogan states, that "all the profits from the sale of coins go to the athletes."

Unlike other countries our athletes participating in the Olympic games receive no direct Government support. Athletes representing the United States spend countless hours training at great personal sacrifice and expense. The Olympic Coin Program represents one mechanism by which the Congress can assist them in their efforts.

The Olympic Coin Program reaped great rewards for U.S. athletes in the 1984 Los Angeles games. The program raised over $73 million for the training of U.S. athletes participating in the 1984 games and is expected to raise approximately $105 million to train our athletes for the upcoming Seoul games. The United States won more medals than any other country in history in the 1984 games and I hope today's legislation will provide valuable assistance so that our athletes can equal or better that record in 1988.

Mr. Speaker, I would say that the gentleman from Illinois [Mr. ANNUNZIO] put on one of the greatest shows I have ever seen during the markup on this bill last Tuesday when he had 10 Olympic gold medal winners before our committee as witnesses on this bill.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. HILER. Under my reservation of objection, Mr. Speaker, I am happy to yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I appreciate the gentleman yielding and want to express my deep appreciation to the gentleman from Ohio, CHALMERS WYLIE, and the gentleman from Indiana, JOHN HILER, for the kind words on my behalf. I want the full House to know that without the support of the gentleman from Indiana, JOHN HILER, and the gentleman from Ohio, CHALMERS WYLIE, this program that we passed 4 years ago would not have been possible and the program we are passing today would not have been possible. So I am deeply grateful for their help and support. And I want to thank the chairman of the full committee, the gentleman from Rhode Island [Mr. ST GERMAIN] for the expeditious manner in which he helped us with this legislation.

Mr. Speaker, this legislation authorizes the minting of gold and silver commemorative coins next year in commemoration of the participation of American athletes in the 1988 winter and summer Olympic games. Not only will these coins commemorate American participation, but they will also help raise badly needed funds for the training of our athletes.

Even today, across America thousands of athletes are training hard with a goal of being named to the 1988 U.S. Olympic team. Many of these athletes are making tremendous personal sacrifices in the hope of being able to represent their country in the contests at the pinnacle of sport. They are putting in thousands of hours of arduous and often lonely practice with the goal of being able to stand on the victory platform with a gold medal on their chest, while the American flag is raised, and our National Anthem is played and millions look on around the world.

In 1982, Congress authorized the minting of commemorative coins for the 1984 Los Angeles Olympic games. The sale of those coins raised $73.5 million for the U.S. Olympic Committee [USOC] and the Los Angeles Olympic Organizing Committee [LAOOC]. That money made it possible for the U.S. Olympic Committee in 1984 to distribute $6.4 million to the national governing bodies, which are the amateur sports organizations responsible for governing the conduct and promotion of particular amateur sports. That amount represented two-thirds of the amount the USOC gave to the national governing bodies in 1984. This money played no small role in enabling U.S. athletes to win more medals at the 1984 Los Angeles Olympics than any country ever won at a single Olympics.

In addition, the USOC used $31.7 million in coin money to help fund the U.S. Olympic Foundation, which it founded in 1984 to foster U.S. participation in national and international amateur sports competitions through the support of amateur sports organizations in this country. Another $10.8 million in coin money originally paid to the LAOOC was also paid into the foundation.

The Olympic coin money has been a tremendous boost to the USOC, but costs for U.S. participation in the games continue to rise at a rapid rate. This new coin program will help raise millions of badly needed dollars so that American athletes can have the types of training facilities necessary for them to fully realize their potential and perform at the peak of their abilities at the games.

The legislation authorizes the minting of 1 million gold coins and 10 million silver coins. The coins will be sold directly by the U.S. Mint to the public and will carry a surcharge that will be paid to the U.S. Olympic Committee solely to train U.S. Olympic athletes, to support local or community amateur athletic programs and to erect facilities for the training of such athletes. In addition, the legislation requires that the coins be sold at no net cost to the U.S. Government.

I am pleased to be the sponsor of this legislation, as a means of supporting our U.S. Olympic athletes.

Mr. HILER. Mr. Speaker, further reserving the right to object, I too would like to commend the chairman for his efforts in this area.

One of the most remarkable things about the show that was put on 2 days ago in our subcommittee was not just the great work that was being done on the parallel bars or the balancing beam or the wrestling exhibition that the championship wrestler had with Senator D'AMATO, but I think one of the remarkable things was the testimony of these Olympians who told about the sacrifices they make, not only sacrifices of time and sacrifices when they are away from their families, but also the sacrifices they make monetarily. They contrasted that with what happens in many of the Socialist countries where young people are chosen at age 3, 4, and 5 and they are sent off to sports camp, and that is all

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they do for the rest of their lives until they can no longer be competitive.

I do not think we want to go to that extent in our country. But certainly our Government needs to create a vehicle that allows the American people to support the Olympic movement so that our athletes can get a little bit of assistance, so that the efforts they make in time and in being away from their families, and the heart they put into it can make up for some of the loss of the monetary resources that they might get directly from their Government.

I applaud the gentleman for his recognition.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. COELHO). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2741

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "1988 Olympic Commemorative Coin Act".

**SEC. 2. COIN SPECIFICATIONS.**

(a) FIVE DOLLAR GOLD COINS.—

(1) ISSUANCE.—The Secretary of Treasury (hereinafter in this Act referred to as the "Secretary") shall issue not more than one million five dollars coins which shall weigh 8.359 grams, have a diameter of 0.850 inches, and shall contain 90 percent gold and 10 percent alloy.

(2) DESIGN.—The design of such five dollar coins shall be emblematic of the participation of American athletes in the 1988 Olympic Games. On each such coin there shall be a designation of the value of the coin, an inscription of the year "1988", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b) ONE DOLLAR SILVER COINS.—

(1) ISSUANCE.—The Secretary shall issue not more than ten million one dollar coins which shall weigh 26.73 grams, have a diameter of 1.500 inches, and shall contain 90 percent silver and 10 percent copper.

(2) DESIGN.—The design of such dollar coins shall be emblematic of the participation of American athletes in the 1988 Olympic Games. On each such coin there shall be a designation of the value of the coin, an inscription of the year "1988". and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(c) LEGAL TENDER.—The coins issued under this Act shall be legal tender as provided in section 5103 of title 31, United States Code.

**SEC. 3. SOURCES OF BULLION.**

(a) SILVER BULLION.—The Secretary shall obtain silver for the coins minted under this Act only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).

(b) GOLD BULLION.—The Secretary shall obtain gold for the coins minted under this Act pursuant to the authority of the Secretary under existing law.

**SEC. 4. SELECTION OF DESIGN.**

The design for each coin authorized by this Act shall be selected by the Secretary after consultation with the United States Olympic Committee and the Commission of Fine Arts.

**SEC. 5. SALE OF THE COINS.**

(a) SALE PRICE.—Notwithstanding any other provision of law, the coins issued under this Act shall be sold by the Secretary at a a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) BULK SALES.—The Secretary shall make bulk sales at a reasonable discount to reflect the lower costs of such sales.

(c) PREPAID ORDERS AT A DISCOUNT.—The Secretary shall accept prepaid orders for the coins prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount to reflect the benefit of prepayment.

(d) SURCHARGE REQUIRED.—All sales shall include a surcharge of $35 per coin for the five dollar coins and $7 per coin for the one dollar coins.

**SEC. 6. ISSUANCE OF THE COINS.**

(a) GOLD COINS.—The five dollar coins authorized under this Act shall be issued in uncirculated and proof qualities and shall be struck at the United States Bullion Depository at West Point.

(b) SILVER COINS.—The one dollar coins authorized under this Act may be issued in uncirculated and proof qualities, except that not more than one facility of the United States Mint may be used to strike each such quality.

(c) SUNSET PROVISION.—No coins shall be minted under this Act after December 31, 1988.

**SEC. 7. GENERAL WAIVER OF PROCUREMENT REGULATIONS.**

No provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this Act. Nothing in this section shall relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

**SEC. 8. DISTRIBUTION OF SURCHARGES.**

All surcharges which are received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the United States Olympic Committee. Such amounts shall be used by the United States Olympic Committee solely to train United States Olympic athletes, to support local or community amateur athletic programs, and to erect facilities for the training of such athletes.

**SEC. 9. AUDITS.**

The Comptroller General shall have the right to examine such books, records, documents, and other data of the United States Olympic Committee as may be related to the expenditure of amounts paid under section 8.

**SEC. 10. COINAGE PROFIT FUND.**

Notwithstanding any other provision of law—

(1) all amounts received from the sale of coins issued under this Act shall be deposited in the coinage profit fund;

(2) the Secretary shall pay the amounts authorized under this Act from the coinage profit fund; and

(3) the Secretary shall charge the coinage profit fund with all expenditures under this Act.

**SEC. 11. FINANCIAL ASSURANCES.**

(a) NO NET COST TO THE GOVERNMENT.—The Secretary shall take all actions necessary to ensure that the issuance of the coins authorized by this Act shall result in no net cost to the United States Government.

(b) ADEQUATE SECURITY FOR PAYMENT REQUIRED.—No coin shall be issued under this Act unless the Secretary has received—

(1) full payment therefor;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2741, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON FOREIGN OPERATIONS APPROPRIATIONS, 1988

Mr. OBEY. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a bill making appropriations for fiscal year 1988 for foreign operations, export financing, and related programs.

Mr. EDWARDS of Oklahoma reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1082

Mr. ROBINSON. Mr. Speaker, I ask unanimous consent that my name be withdrawn from the list of cosponsors of H.R. 1082.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

## EXPRESSING SENSE OF HOUSE OF REPRESENTATIVES ON 25TH ANNIVERSARY OF INDEPENDENCE OF JAMAICA

Mr. CROCKETT. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the resolution (H. Res. 243) expressing the sense of the House of Representatives on the occasion of the 25th anniversary of the independence of Jamaica, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. LAGOMARSINO. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Michigan [Mr. CROCKETT] to explain the resolution.

Mr. CROCKETT. Mr. Speaker, I rise to support H.R. 243 commending the 25th anniversary of the independence of Jamaica. As chairman of the Subcommittee on Western Hemisphere Affairs, I believe the people of Jamaica share with us common ideals of democracy and freedom. Jamaica has always been and will continue to be a bulwark of stability in the vitally important Caribbean region. Their democratic traditions serve as a model for those nations struggling to develop the structures and traditions of a parliamentary democracy.

Jamaica has been a strong supporter of our Caribbean basin initiative and we look to their wisdom and experience to assist us in formulating plans to strengthen that legislation.

I thank my colleague from California, Mr. LAGOMARSINO, for his leadership on this issue, and once again, I salute the nation and people of Jamaica on its 25th year of independence.

Mr. LAGOMARSINO. Further reserving the right to object, Mr. Speaker, I rise today to urge my colleagues to give their unanimous support to House Resolution 243, expressing the sense of the House on the occasion of the 25th anniversary of the independence of Jamaica.

As one of our strongest and closest allies in the Caribbean, Jamaica merits the action by this House to call attention to its historic 25th anniversary of independence celebrated on August 1, 1987.

Although this resolution does not specifically mention Prime Minister Edward Seaga, I believe it is important to emphasize his own contribution to the recent history of Jamaica. Prime Minister Seaga's commitment to the free market system and his efforts to advance social progress and economic development through preserving and strengthening democratic institutions are cornerstones for Jamaican independence.

The responsibility Jamaica shares with the United States for preserving peace and security in the Caribbean was never more evident than in October 1983 at the time of the United States mission to Grenada.

This resolution congratulates the Government and people of Jamaica on their successful establishment of an independent and sovereign nation. It declares that Jamaica's development and independence are important for the stability of the entire Caribbean region.

This resolution also expresses the sense of the House that the United States should continue to support the efforts of the Government of Jamaica to develop its national economy through the application of free market principles and increased participation by the private sector. It further emphasizes the United States should continue to further the maintenance of peace, economic development, and security in the Caribbean region through close cooperation with the Government of Jamaica.

I urge my colleagues to give their unanimous support for this resolution.

Mr. BROOMFIELD. Mr. Speaker, I support this resolution which expresses the sense of the House of Representatives on the occasion of the 25th anniversary of the independence of Jamaica.

Earlier this month, the country of Jamaica celebrated its 25th birthday. The period of Jamaican independence has been characterized by domestic progress and valuable contributions to regional stability.

Jamaica has flourished through its consistent application of free market principles in the economy. This has been matched by serious concern for social and cultural development.

Overseas, Jamaica has made substantial contributions to international security through its participation in global and regional international organizations and by cooperative measures with other states including Caribbean nations and the United States.

Jamaica's commitment to regional security and free market economic development merit the support of democratic countries everywhere. The United States in particular should support Jamaican independence through programs for social, economic, and cultural development. The greatest external contributions to continued socioeccnomic advancement in Jamaica will result from continued and expanded economic relations with the industrial democracies, especially the United States.

Mr. LAGOMARSINO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 243

Whereas August 1, 1987 marked the twenty-fifth anniversary of the independence of Jamaica;

Whereas the government and people of Jamaica share with the government and people of the United States the same ideals of liberty, democracy, economic progress and protection of human rights;

Whereas Jamaica and the United States share a concern and responsibility for the maintenance of peace and security in the Caribbean region;

Whereas Jamaica has strived to advance social progress and economic development through cultivating a free market economic system and preserving a democratic political environment; and

Whereas relations between Jamaica and the United States have been and continue to be generally excellent: Now, therefore, be it

*Resolved,* That the House of Representatives—

(1) expresses its congratulations to the government and people of Jamaica on the successful establishment of an independent and sovereign nation which for the past quarter century has remained stable, at peace, and committed to political, economic and social development through a free and democratic political process;

(2) declares that the continued pursuit of economic and social development in Jamaica under circumstances insuring peace, freedom and full national sovereignty is extremely important for the stability of the entire Caribbean region as well as the interests of the United States;

(3) expresses its sense that the United States should continue to support to the maximum extent possible the efforts of the government of Jamaica to develop its national economy through the application of free market principles and increased participation by the private sector; and

(4) expresses its sense that the United States should continue to further the maintenance of peace, economic development and security in the Caribbean region through close cooperation with the government of Jamaica.

The resolution was agreed to.

**AMENDMENT TO THE PREAMBLE OFFERED BY MR. CROCKETT**

Mr. CROCKETT. Mr. Speaker, I offer an amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble offered by Mr. CROCKETT: In the fourth paragraph of the preamble, strike out "under the leadership of Prime Minister Seaga".

The amendment to the preamble was agreed to.

A motion to reconsider was laid on the table.

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## GENERAL LEAVE

Mr. CROCKETT. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just adopted.

The SPEAKER pro tempore (Mr. COELHO). Is there objection to the request of the gentleman from Michigan?

There was no objection.

## NATIONAL REYE'S SYNDROME AWARENESS WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 335) designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week," and ask for its immediate consideration.

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The Clerk read the title of the joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

Mrs. **MORELLA**. Mr. Speaker, reserving the right to object, I do not object but would like to inform the House that the minority has no objection to this legislation.

Further reserving the right to object, I yield to the gentleman from Michigan [Mr. Schuette] who is the chief sponsor of House Joint Resolution 335 designating the week of September 13 through September 19, 1987 as "National Reye's Syndrome Awareness Week."

Mr. **SCHUETTE**. Mr. Speaker, I thank the gentlewoman from Maryland and I thank the gentleman from California for his support on this important legislation designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week." We all know this deadly and tragic disease can strike and kill young people and I think it is important that with this resolution we increase the awareness and the cooperation of the public and the private sector in trying to find a cure for this disease.

I thank the gentlewoman for yielding and I thank the gentleman from California as well.

Mrs. **MORELLA**. Mr. Speaker, I commend the gentleman from Michigan for introducing this resolution.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 335

Whereas Reye's Syndrome is a disease of unknown cause that swiftly strikes children, adolescents and adults recovering from a viral illness;

Whereas because Reye's Syndrome has no cure, over 30 percent of its victims die and another 15–25 percent are left with brain damage;

Whereas recent medical research has proven a link between the use of aspirin (salicylate) and the development of Reye's Syndrome;

Whereas the Surgeon General, the Center for Disease Control, the American Academy of Pediatrics and the National Reye's Syndrome Foundation have issued warnings against the use of aspirin for children and young adults recovering from influenza-like illnesses and chicken pox;

Whereas the symptoms of Reye's Syndrome are unfamiliar to most citizens and health professionals, and this lack of knowledge often leads to misdiagnosis and improper treatment;

Whereas the current reporting of cases does not provide a true count of the incidence of the disease since comprehensive records are not maintained throughout the United States and more cases are annually reported to the National Reye's Syndrome Foundation than to the Center for Disease Control;

Whereas the National Reye's Syndrome Foundation is a volunteer organization with affiliates established throughout the continental United States and is supported by thousands of volunteers;

Whereas the goals of the National Reye's Syndrome Foundation are to assist in the communication of information on Reye's Syndrome to the general public and the medical community, to stimulate the scientific community by sponsoring symposiums, to support research that will identify the cause, develop a cure and lead to the prevention of Reye's Syndrome, to give families experiencing the personal trauma of Reye's Syndrome support and guidance, and to encourage the Federal Government to support and sponsor Reye's Syndrome research; and

Whereas there has been a lack of urgency to resolve the mystery of Reye's Syndrome at the Federal level: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the week of September 13 through September 19, 1987, is designated as "National Reye's Syndrome Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## PAYING SPECIAL TRIBUTE TO PORTUGUESE DIPLOMAT DR. DE SOUSA MENDES

Mr. **DYMALLY**. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the resolution (H. Res. 162) paying special tribute to Portuguese diplomat Dr. de Sousa Mendes for his extraordinary acts of mercy and justice during World War II, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

Mrs. **MORELLA**. Mr. Speaker, reserving the right to object, I do not object but would like to inform this body that the minority has no objection.

Further reserving the right to object, I would like to have the House know that the gentleman from California, the Speaker pro tempore at this time, Mr. Coelho, is the chief sponsor of this very worthwhile resolution, House Resolution 162, because it does pay special tribute to the Portuguese diplomat Dr. de Sousa Mendes for his extraordinary acts of mercy and justice during World War II.

I would like to commend the Speaker on introducing this resolution. I would like at this time to yield to the chairman of our subcommittee, the gentleman from California [Mr. Dymally].

Mr. **DYMALLY**. I thank the gentlewoman for yielding.

Mr. Speaker, purely by accident I ended up in Lisbon, Portugal, last week and thought about you and thought about Dr. Mendes. I would like to commend the Speaker for his thoughtfulness and sensitivity in bringing this matter before the House and his effort to write a longstanding law.

Dr. Mendes, as a diplomat during World War II, signed hundreds of visas for Jews and others to escape through Spain and Portugal. These courageous acts were taken despite strict orders from his government not to give visas to those attempting to flee the Nazis.

Despite having saved 30,000 lives, Dr. Mendes was removed from his diplomatic office, forbidden to practice law, and forced into a life of poverty.

Recently, in a gesture of reconciliation, President Soares of Portugal presented the Order of Liberty to Dr. Mendes' children.

In further recognition of Dr. Mendes' valiant efforts, this resolution would express the sense of Congress that Dr. Mendes displayed extraordinary courage and integrity in the face of great personal risk.

In this small way, we perhaps can show Dr. Mendes' family the gratitude which was never afforded him during his lifetime.

I urge passage of this resolution.

Mrs. **MORELLA**. Mr. Speaker, further reserving my right to object, I would like to state that the gentleman from California, the chairman of the subcommittee, very eloquently stated the rationale behind his introducing this important resolution.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 162

Whereas during the early days of World War II, France became the home of European refugees from Nazi persecution;

Whereas following the collapse of the French Republic in June 1940, thousands of refugees fled south to Bordeaux, away from invading armies;

Whereas their only escape route from France was over the Pyrenees Mountains through Spain to neutral Portugal;

Whereas Portuguese diplomats were under specific orders by the government of Antonio de Oliveira Salazar not to issue visas to Jews;

Whereas the Portuguese Consul to Bordeaux, Aristides de Sousa Mendes do Amaral e Abranches, remaining faithful to the dictates of his conscience, defied government orders and issued more than 30,000 Portuguese visas to stranded refugees, at

least 10,000 of them Jews, saving them from almost certain death;

Whereas Portugal received international acclaim for its humanitarian treatment of Jews and other refugees during World War II;

Whereas Dr. de Sousa Mendes, the man responsible for saving more than 30,000 lives, was recalled to Lisbon, was dismissed from the Foreign Service, and, unable to practice law, died in poverty in 1954;

Whereas in 1967, Yad Vashem, the Martyrs and Heroes Remembrance Authority in Israel, posthumously awarded Dr. de Sousa Mendes a gold medal inscribed with the Talmudic dictum: "One who saves a human life saves, as it were, a whole world";

Whereas Israel's gratitude to Dr. de Sousa Mendes was again proclaimed in 1985 with the planting of a tree in his name in the Garden of the Righteous at Yad Vashem in Jerusalem; and

Whereas Dr. de Sousa Mendes served as Portuguese Consul to San Francisco in the 1920's, two of his children were born in California, and four of them are now residents and citizens of the United States; and

Whereas the Honorable Mario Soares, the President of Portugal, will confer posthumously on Dr. de Sousa Mendes the Ordem da Liberdade (the Order of Liberty), and will present this medal to the children of Dr. de Sousa Mendes at ceremonies at the Embassy of Portugal in the city of Washington, District of Columbia, on May 19, 1987: Now, therefore, be it

*Resolved,* That, the House of Representatives pays special tribute to Portuguese diplomat Dr. Aristides de Sousa Mendes do Amaral e Abranches for his extraordinary acts of mercy and justice during World War II.

Sec. 2. The Clerk of the House of Representatives shall transmit copies of this resolution to the President. The President is requested to transmit a copy of this resolution to the President of the Republic of Portugal and the President of the Assembly of the Republic of Portugal.

The resolution was agreed to.

### AMENDMENT TO THE PREAMBLE OFFERED BY MR. DYMALLY

Mr. **DYMALLY**. Mr. Speaker, I offer an amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble offered by Mr. Dymally: page 3, in the last clause of the preamble, strike "will confer" and insert in lieu thereof "conferred", and strike "will present" and insert in lieu thereof "presented.".

The amendment to the preamble was agreed to.

A motion to reconsider was laid on the table.

## NATIONAL ADULT DAY CARE CENTER WEEK

Mr. **DYMALLY**. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 268) designating the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

Mrs. **MORELLA**. Mr. Speaker, reserving the right to object, I do not object but would like to inform the body that the minority has no objection to this legislation.

Mr. Speaker, the gentleman from Michigan [Mr. Hertel] who is the chief sponsor of this resolution, is not here but I do commend him for introducing this resolution and as cosponsor of House Joint Resolution 268 I am pleased to rise in support of this resolution to designate the third week of September as "National Adult Day Care Center Week."

This legislation recognizes the importance of adult day care services to our elderly. According to a 1985 survey conducted by the National Council on Aging, there are at least 1,200 adult day care centers in this country. These services are vital to preventing the institutionalization of many elderly individuals.

At this time, Medicare does not provide coverage for adult day care. However, the House-passed Medicare Catastrophic Protection Act requires the Department of Health and Human Services to conduct a survey of adult day care services currently being provided in this country. Based on the findings of the study, the bill directs the department to report to Congress within 1 year on recommendations concerning appropriate standards for the coverage of adult day care services under Medicare. I supported the Medicare catastrophic legislation and I will be working with my colleagues on the Select Committee on Aging to review this study and its recommendations for providing coverages for adult day care services.

I commend the gentleman from Michigan for introducing this resolution, and I urge my colleagues to vote for its passage.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objecion.

The Clerk read the joint resolution, as follows:

H.J. Res. 268

Whereas more than 1,200 adult day care centers are in operation nationwide, providing safe and positive environments to functionally disabled adults and senior citizens who are in need of daytime assistance or supervision;

Whereas adult day care centers have comprehensive programs providing a variety of services related to health, including medical therapy, medication monitoring, counseling, and health education;

Whereas adult day care centers are operated by professional staffs which identify individual health needs and give appropriate advice;

Whereas adult day care centers assist functionally disabled adults and senior citizens in maintaining a maximum level of independence;

Whereas adult day care centers provide opportunities for social interaction to individuals who otherwise may be socially isolated; and

Whereas adult day care centers offer relief to families who otherwise must provide constant care to functionally disabled adults and senior citizens, including victims of Alzheimer's disease and other forms of dementia: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the week beginning on the third Sunday of September in 1987 and 1988 is designated as "National Adult Day Care Center Week". The President is requested to issue a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## NATIONAL FAMILY CAREGIVERS WEEK

Mr. **DYMALLY**. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 130) to designate the week beginning November 22, 1987, as "National Family Caregivers Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

Mrs. **MORELLA**. Mr. Speaker, reserving the right to object, I do not object but would like to inform the House that the minority has no objection to this legislation.

Mr. Speaker, further reserving the right to object, I would like to yield to the gentlewoman from Maine who is the chief sponsor of House Joint Resolution 130, designating the week beginning November 22, 1987, as "National Family Caregivers Week."

Ms. **SNOWE**. Mr. Speaker, I thank the gentlewoman for yielding to me.

Mr. Speaker, I would like to thank Mr. Dymally, the chairman of the Subcommittee on Census and Population, and the ranking minority member of the subcommittee, Mrs. Morella, for bringing to the floor, House Joint Resolution 130, designating the week of November 22, 1987, as "National Family Caregivers Week." This bill, which is identical to Senate Joint Resolution 46, received the support of more than half the Members of the House. I appreciate the interest and support of my colleagues in recognizing the contribution made by families in maintaining frail and disabled family members in the home.

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Last year, for the first time, Congress passed and the President signed this important bill into law. It is important because it recognizes and honors the work of families who provide a network of informal care in the community. Indeed, because it is one of the most critical factors in preventing or delaying the need for nursing home care, family care is not only humane, but also cost-effective.

Recent studies have shown that families provide between 80 percent and 90 percent of the medically related care, personal care, household maintenance, transportation, and shopping needed by older persons. Thus, while the myth has persisted that families have decreased the amount of care they provide, the reality is that the family remains committed to the care of the elderly, often at a great cost, both financially and emotionally.

Family caregiving is of particular importance to those of us who are concerned about the growing need for long-term care. Alzheimer's disease and other related disorders exemplify long-term care challenges that we will face in the future. In the management of dementia, as with other long-term illnesses, the family plays a crucial role. Generally, one or more family members assume the responsibility of providing care for the individual with the disease. In point of fact, the presence of a family caregiver is the principal reason that those who suffer from Alzheimer's and other related diseases can remain in the community as long as possible.

In 1986, when "National Family Caregivers Week" was introduced and signed into law, the outpouring of support was profuse. Excitement developed because caregivers finally were gaining national recognition for their important work. I am glad that we can, once again, reaffirm congressional support for the important work of the family in providing care to those who are frail and disabled.

If "National Family Caregivers Week" serves to help caregivers feel less alone, or if it serves to foster understanding in the general public, then it will, indeed, accomplish its goal. I hope that November 22d will begin a week of national celebration as we affirm the vital role of family caregivers and the important contribution that they make.

Again, Mr. Speaker, I thank the chairman and the ranking minority member for their support of this joint resolution and urge its adoption.

**Mrs. MORELLA.** Further reserving the right to object, Mr. Speaker, I would like to salute the gentlewoman from Maine for introducing this joint resolution.

Mr. Speaker, I rise in support of House Joint Resolution 130 designating the week beginning November 22, 1987, as "National Family Caregivers Week."

Modern medicine and health practices have given us a longer life expectancy. And, though we are blessed with family members being together for a longer time, there are many problems which accompany this phenomenon.

People, as they become older, become frail and disabled; 5.2 million of our elderly have disabilities which render them in need of basic daily care. Statistics show that between 80 and 90 percent of the families provide this care incurring additional expense and commitment in time and energy, often sacrificing personal advancement. This involvement of caregiving strengthens the family bonds and gives the younger generation an opportunity to know, respect and serve their elders.

House Joint Resolution 130 calls for greater public awareness of family care-givers and encourages support of these dedicated people. I am pleased to be a cosponsor of House Joint Resolution 130 and encourage all Members to support the bill.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 130

Whereas the number of Americans who are sixty-five or older is growing, with an unprecedented increase in the number of persons eighty-five or older;

Whereas the incidences of frailty and disability increase among persons of advanced age;

Whereas approximately 5.2 million older persons who reside in the community have disabilities that leave them in need of help with such daily tasks as food preparation, dressing, and bathing;

Whereas families provide older persons help with such tasks, in addition to between 80 and 90 percent of the medical care, household maintenance, transportation, and shopping needed by older persons;

Whereas families who give care to older persons face many additional expenses due to home modifications, equipment rental, and higher heating bills;

Whereas 80 percent of the disabled elderly receive care from family members, most of whom are wives, daughters, and daughters-in-law, who often must sacrifice employment opportunities to provide such care;

Whereas the role of the aged spouse as a principal caregiver has generally been understated;

Whereas family caregivers are often physically and emotionally exhausted from the time and stress involved in caregiving activities;

Whereas family caregivers need information about available community resources;

Whereas family caregivers need respite from the strains of their caregiving roles;

Whereas the contribution of family caregivers helps maintain strong family ties and assures support among generations; and

Whereas there is a need for greater public awareness of and support for the care that family caregivers are providing: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the week beginning November 22, 1987, is designated "National Family Caregivers Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## NATIONAL POW/MIA RECOGNITION DAY

**Mr. DYMALLY.** Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 49) to designate September 18, 1987, as "National POW/MIA Recognition Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

**Mrs. MORELLA.** Mr. Speaker, reserving the right to object, I do not object but would like to inform the House that the minority has no objection to this legislation.

Mr. Speaker, further reserving the right to object, it gives me great honor to yield time to the gentleman from California [Mr. LAGOMARSINO].

**Mr. LAGOMARSINO.** I thank the gentlewoman for yielding.

Mr. Speaker, as the chairman of the House task force on the missing-in-action, I rise in strong support of House Joint Resolution 100, "National POW/MIA Recognition Day." Designating September 18 as a National Day of Remembrance is a very important signal to the Vietnamese and the rest of the world that we do care about the fate of our missing servicemen in Indochina and that we will not let this issue die.

I am encouraged by the positive results of General Vessey's mission to Hanoi. While the Vietnamese have made pledges to cooperate on this important humanitarian issue of our POW/MIA's before and while they have ignored these past commitments, their recent reaffirmation of this pledge does give me some reason to be hopeful. The Vietnamese have long sought a meeting with a high-level emissary like General Vessey. I believe that General Vessey's ability to concentrate on solely humanitarian issues, with the POW/MIA situation being the main focus, despite Vietnamese pressures to include broader, political matters is a positive step forward. Of course positive actions by the Vietnamese on behalf of our POW/MIA's would speak much louder than words. I eagerly look forward to being briefed by General Vessey and his delegation about their timely mission. While going forward with these diplomatic initiatives, we must continue with our intelligence and other activities and stand ready to take the appropriate actions resulting from our findings.

I believe progress toward bringing our brave missing servicemen home can be made, despite the numerous obstacles we have yet to surmount, so long as we provide the same solid determination we have already demonstrated. Patience is a difficult but necessary factor when dealing with the Vietnamese. However, I believe our patience and determination is beginning to pay off. The path ahead of us is clear and there is reason to hope for progress. As Senator Jeremiah Denton told the participants of the POW/MIA Recognition Day program at the Capitol last year, the worst feeling a family endures is that of "not knowing"—not knowing if their brother, son, or father is dead or alive, in captivity or in hiding. President Reagan has taken the lead on this issue, making the resolution of these questions a top national priority. I know the House task force and I have joined the President in our commitment to these missing servicemen's proud but longing families.

Officially designating September 18 as "National POW/MIA Recognition Day" provides concerned citizens with a foundation from which to plan programs and awareness projects on behalf of America's unaccounted for servicemen in Southeast Asia. On this day, America is officially broadcasting that it will remain steadfast with our courageous POW/MIA's and their families and will keep the faith. We will use the symbol of this day of recognition to underscore our commitment and reaffirm that "we will not forget."

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**Mrs. MORELLA.** Mr. Speaker, further reserving the right to object, I would like to compliment the chairman of the task force, the gentleman from California [Mr. LAGOMARSINO], on his very eloquent and very hopeful statement.

Mr. Speaker, I yield under my reservation to the gentleman from New York [Mr. GILMAN].

**Mr. GILMAN.** Mr. Speaker, I am pleased to rise in support of this important resolution, Senate Joint Resolution 49, establishing September 18, 1987, as "National POW/MIA Recognition Day." I wish to commend our distinguished colleague from New York, the distinguished subcommittee chairman, Mr. SOLARZ, as well as the chairman of our House task force on POW/MIA's, Mr. LAGOMARSINO, for shepherding this resolution onto the floor.

Mr. Speaker, 1987 marks the 15th consecutive year that I have either introduced or cosponsored this legislation. I earnestly hope that this is the last year that it will be necessary to do so—that, by this time in 1988, we will finally have achieved a full accounting of all our missing American heroes.

Many of us in this Chamber have fought the good fight for most of those 15 years. We have endured apathetic and disinterested bureaucrats, uncaring administrations, public apathy, and unawareness of the situation.

Today, we are closer to our goal than ever before. At long last, we have an administration that has pledged a top priority to this issue. The Defense Intelligence Agency is working diligently on a 24-hour basis to resolve this issue.

Even now, as we speak, retired Gen. John W. Vessey, Jr., is concluding his mission to Hanoi, where he and his nine-member mission were sent by the President in our latest efforts to obtain a full accounting of our missing.

General Vessey called the talks "detailed, candid and constructive." Although the details of the mission will not be known until after General Vessey reports to the President, we are at least heartened to know that progress is being made.

We must recognize that any final resolution of the POW/MIA issue must be brought about through government-to-government negotiations. Any suggestions that American prisoners may be released through paramilitary means are not only ill-conceived; they are counterproductive.

The best way that Americans can expedite a full accounting of our POW's and MIA's from Southeast Asia is to demonstrate that our Nation is strongly united on this issue. Accordingly, Mr. Speaker, the adoption of House Resolution 100 is an excellent way to demonstrate the concern that we all share for our missing American heroes, and will provide an excellent vehicle for educating the American people regarding our untiring efforts and dedication to bring them all home.

Mr. Speaker, let us observe September 18 as a day of solemn determination, all to do what we can to support our Government's efforts to reunite all Americans with their families and their loved ones. For those who gave so much or can do no less.

**Mrs. MORELLA.** Mr. Speaker, further reserving the right to object, I really want to compliment the gentleman from New York [Mr. GILMAN] on his very moving and committed statement.

**Mr. DYMALLY.** Mr. Speaker, will the gentleman yield?

**Mrs. MORELLA.** I yield to the chairman of the subcommittee, the gentleman from California.

**Mr. DYMALLY.** Mr. Speaker, I rise in support of Senate Joint Resolution 49 and its House companion measure, House Joint Resolution 100, which designate September 18, 1987, as "National POW/MIA Recognition Day."

Our prisoners of war and our missing-in-action are constant reminders to us all of the price we must pay to secure our freedom and democracy. It is important that all Americans recognize and pay tribute to these fellow-citizens whose fates are now unknown because of their pledge to defend our country and its constitution.

Senate Joint Resolution 49 is also an appropriate salute to the families of our POW/MIA's, who have continued to maintain hope that their loved ones will return. It is their dedication to which we owe much of the effort undertaken by our Government to seek a resolution of this problem.

This measure also would encourage us, as policymakers, to continue seeking appropriate avenues to locate, and gain, the release of our POW/MIA's.

As a member of the House task force on POW/MIA's, I am aware of the difficulties surrounding this entire issue. It is my hope, however, that with the passage of Senate Joint Resolution 49, the celebrations and ceremonies held on this day will serve to remind us all that we must continue to do all we can to bring these soldiers home.

Mr. Speaker, I would like to commend the authors of both measures, and would particularly like to express my appreciation for the leadership taken by my good friends from New York, Mr. SOLARZ, and Mr. GILMAN, Mr. SOLOMON, and Mr. LAGOMARSINO of California, on this matter.

I urge the adoption of Senate Joint Resolution 49.

**Mr. SOLOMON.** Mr. Speaker, it has been 14 long years since the signing of the Paris peace accords. The early part of this period was regrettably characterized in many quarters by a desire to look away from our national experience in Vietnam and the questions connected with it, but I have been happy to see that, in every year since this period began, an ever-growing number of Americans has insisted that we not overlook or forget one very important question: The fate of our missing men from that war in Southeast Asia.

We again this year take that important step that ensures that the efforts to resolve this question will receive the support of all Americans. That simple yet vital step is the designation of September 18, 1987, as "National POW-MIA Recognition Day." While the struggle to discover the fate of these men continues, this national day of recognition can and does provide a focus by which all Americans can keep alive their thoughts of these men,

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and, equally important, of their families and friends.

Today, as we consider this important resolution, we can also take note of the strength of those efforts being made by President Reagan on behalf of these men and their families. I know that all of us here today have the highest hopes for General Vessey's humanitarian mission and also hold the strong determination to continue those efforts necessary to resolve this matter of highest national priority.

Mr. BROOMFIELD. Mr. Speaker, I urge my colleagues to support Senate Joint Resolution 49, a resolution establishing December 18 as a day of remembrance for American POW's and MIA's in Southeast Asia.

Last week the House supported a resolution of optimism regarding the negotiations between Gen. John Vessey, President Reagan's special POW/MIA emissary to Vietnam, and the Vietnamese Government in Hanoi.

General Vessey is the highest ranking United States official to travel to Vietnam in an effort to resolve the problem of Americans missing in Southeast Asia. President Reagan's appointment of General Vessey is another indication of the high priority this administration has placed upon accounting for the 2,413 Americans missing in action during our involvement in Southeast Asia. The Vietnamese must understand that resolution of this issue is absolutely necessary before progress in other areas of our relationship can even be considered.

It is tragic that these problems persist more than a decade after the conclusion of the Vietnam war. I strongly urge my colleagues to support General Vessey's mission, and to join the sponsors of this resolution in calling for the full cooperation of the Vietnamese Government in these talks.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. COELHO). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 49

Whereas the United States has fought in many wars;

Whereas thousands of Americans who served in such wars were captured by the enemy or are missing in action;

Whereas many American prisoners of war were subjected to brutal and inhuman treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war and many prisoners of war died from such treatment;

Whereas many Americans are still listed as missing and unaccounted for and the uncertainty surrounding their fates has caused their families to suffer acute hardship; and

Whereas the sacrifices of American prisoners of war and Americans missing in action and their families are deserving of national recognition: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That September 18, 1987, shall be designated as "National POW/MIA Recognition Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## TWENTIETH ANNIVERSARY OF ESTABLISHMENT OF THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS [ASEAN]

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged for further consideration of the concurrent resolution (H. Con. Res. 174) expressing the sense of the Congress regarding the 20th anniversary of the establishment of the Association of Southeast Asian Nations [ASEAN], and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. LAGOMARSINO. Mr. Speaker, reserving the right to object, I rise in strong support of this concurrent resolution.

I think it is extremely appropriate that we recognize this 20th anniversary of ASEAN. Most of these countries have performed an economic miracle in that part of the world. The only one that has not, the Philippines, is well on its way. Recently, the chairman of the Subcommittee on Asian and Pacific Affairs and I and several other Members visited the Philippines for the celebration of the installation of the first democratically elected congress in that nation in many years, and we heard details of how the Philippines is coming back economically. So I think, with what is happening in the Philippines, all of ASEAN is making remarkable good progress.

Further reserving the right to object, Mr. Speaker, I yield to the ranking minority member of the subcommittee, the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. Mr. Speaker, I rise in support of House Concurrent Resolution 174, which commends the nations of ASEAN—the Association of Southeast Asian Nations—on the occasion of their 20th anniversary. ASEAN's success in establishing a model for regional cooperation has contributed to peace, progress, and stability in Southeast Asia.

The resolution, expresses the sense of the Congress that the United States should continue to support economic and social development in ASEAN-member states, explore ways to promote free and fair U.S.-ASEAN trade, and support ASEAN's efforts to achieve a just, negotiated political settlement to the Cambodian conflict.

Not only are the member states of ASEAN—Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand—closely bound together by regional ties of shared history, culture, and common objectives, but they share as well an affinity of interests and concerns with the United States.

Like the United States, the ASEAN states are committed to market-oriented policies; ASEAN countries rank seventh as trading partners of the United States and the United States has been the largest source of direct investment and technology transfer to these countries in recent years.

In areas of foreign policy, ASEAN has played the lead role in efforts to resolve the conflict in Cambodia and to bring an end to Vietnamese occupation. The United States firmly supports those efforts and commends ASEAN for its leadership in addressing this threat to regional stability.

ASEAN member states have also played a constructive role in international fora, like the United Nations and multilateral trade negotiations.

ASEAN stands as a testament to the necessity and practicability of regional cooperation. Diversity has lent a richness to their association as a group, rather than undercut it. And their cooperation can serve as a model for other regions where such well-developed collective ties have not yet been developed.

Apart from arms control, the most fundamental issue of world politics is the advancement of international law and the strengthening of international institutions. No country, in this 20th century, has the capacity to go it alone. Not only have leaders from ASEAN states contributed to the building up of international institutions and international law, their efforts over the last 20 years to show how international cooperation at the regional level can work to the benefit of all its members as well as the international community at large is reflected in the model which ASEAN represents today.

In closing, I would note that Secretary of State Shultz recently traveled to the region and met with ASEAN Foreign Ministers at the annual postministerial conference of dialog partners. I commend the administration for the high level attention it directs to our relations with ASEAN and its individual member states and hope that our fruitful relations with these countries will continue to strengthen in the decades ahead.

I believe it is important for us to offer our special congratulations to ASEAN on this special occasion and urge my colleagues to lend House Concurrent Resolution 174 their unanimous support.

Mr. DYMALLY. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from California.

Mr. DYMALLY. Mr. Speaker, I, too, want to congratulate my colleagues for the bipartisan support they have given to the Subcommittee on Asian and Pacific Affairs over the years as we have seen the development of full democracy in the countries of Asia. It is very appropriate that they have joined again in this bipartisan effort to observe the 20th anniversary of the ASEAN countries.

Mr. Speaker, I thank the gentleman for yielding to me.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman from California [Mr. DYMALLY], and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Califonrnia?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 174

Whereas August 8, 1987, marks the twentieth anniversary of the establishment of the Association of Southeast Asian Nations (ASEAN);

Whereas the ASEAN nations—Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand—are bound together by ties of history and culture and have recognized the importance of mutual understanding and cooperation in the achievement of their common objectives;

Whereas during the past two decades, the ASEAN nations have endeavored to promote such cooperation in the spirit of equality and partnership for the purpose of promoting peace, progress, prosperity, and cultural development in their region;

Whereas the ASEAN nations have conducted their relations with other countries in accordance with justice, the rule of law, and the principles of the United Nations Charter;

Whereas the ASEAN nations share many common interests with the United States and have pursued a policy of dialogue and cooperation with the United States on international political and economic issues of common concern; and

Whereas ASEAN's contribution to the stability and development of Southeast Asia, and the ASEAN nations' mutually beneficial relations with the United States, have significantly contributed to United States interests: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That the Congress commends the governments and peoples of the member nations of the Association of Southeast Asia Nations (ASEAN) for their success in establishing a model for regional cooperation which has contributed to the peace, progress, and stability of Southeast Asia for the past two decades.

SEC. 2. It is the sense of Congress that—

(1) the United States should continue to support the economic and social development of the ASEAN nations, which is based on a commitment to the private enterprise system, and should continue to explore with the governments of those nations ways of promoting free and fair trade between the United States and the member nations of ASEAN; and

(2) the United States should continue to firmly support ASEAN's efforts to secure a just, negotiated political settlement of the conflict in Cambodia.

SEC. 3. The Clerk of the House of Representatives shall transmit a copy of this resolution to the President for transmission tc the Chairman of the ASEAN Standing Committee.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

## NATIONAL COMMUNITY EDUCATION DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 87) to designate November 17, 1987, as "National Community Education Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but I would like the body to know that the minority has no objection to this legislation being considered.

Mr. Speaker, further reserving the right to object, I would like to complement the gentleman from Michigan [Mr. KILDEE] who is the chief sponsor of House Joint Resolution 24, to designate November 17, 1987, as "National Community Education Day."

Mr. KILDEE. Mr. Speaker, I rise today in support of House Joint Resolution 24, which designates November 17, 1987, as "National Community Education Day."

Community education began in Flint, MI, in 1935. Its goal is to make educational resources in a community available to learners of all ages, and to encourage citizens to enrich themselves and their neighborhoods. Community education advocates a process through which citizens, schools, Government agencies, and local organizations work together to offer education, recreation, and human services. For years, Flint has served as such a model city, showing how effectively this creative process can work to promote interagency cooperation and community involvement. Success in Flint has led to the adoption of community education programs in an estimated 3,500 school districts in this country and around the world.

During the 99th Congress, a joint resolution designating November 18, 1986, as "National Community Education Day," was enacted into law. In addition, within the last 5 years, over 40 Governors have proclaimed Community Education Days in their States. These State observances have served as occasions to recognize and support strong relationship between public schools and the communities they serve. The day also provides cities and schools an opportunity to showcase collaborative programs and projects, as well as to develop new community partnerships in support of public education. Past State Community Education Day events have included school open houses, exhibits and demonstrations, school-community-business luncheons, interagency workshops and meetings, poster and essay contests, and school-community awards programs.

I urge my colleagues support for this measure.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 87

Whereas public education is a community enterprise, and everyone in the community has a stake in the mission of educating adults as well as the community's children;

Whereas local citizens have a right and a responsibility to be involved in deciding how the educational resources of the community should be used;

Whereas education reform should, in the words of A Nation at Risk, "focus on the goal of creating a Learning Society";

Whereas the goal of community education is to promote parental involvement, lifelong learning, and educational partnerships;

Whereas each community should promote the use of community resources in schools and colleges, citizens involvement in educational decisionmaking, the use of community resources to provide educational opportunities for learners of all ages and educational backgrounds, and interagency cooperation to assure effective use of limited resources; and

Whereas community education encourages the participation of all generations: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That November 17, 1987, is designated as "National Community Education Day", and the President is requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## RECOGNIZING EFFORTS OF THE U.S. SOCCER FEDERATION IN BRINGING THE WORLD CUP TO THE UNITED STATES IN 1994

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 175) to recognize the efforts of the U.S. Soccer Federation in bringing the World Cup to the United States in 1994, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

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The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. BLILEY. Mr. Speaker, reserving the right to object, I do so for the purposes of yielding to my colleague, the gentleman from Virginia [Mr. BOUCHER], for an explanation of this joint resolution.

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Mr. BOUCHER. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, Senate Joint Resolution 175 expresses congressional support for the efforts of the U.S. Soccer Federation to bring the world cup soccer matches to the United States in 1994 and directs the Secretary of Commerce to assist in that effort. It is companion legislation to a House measure which enjoys the sponsorship of 50 of our colleagues.

Soccer is flourishing at all levels in the United States. One need only drive by a public park or playground to know that soccer has experienced a remarkable increase in popularity among young people in America. Half of the 5-million athletes now playing in organized soccer leagues are under the age of 20, and the number of youngsters playing soccer has increased tenfold in the last 12 years.

Soccer has also become the fastest growing team sport in America's colleges. In fact, the number of colleges and universities which currently sponsor soccer programs exceeds the number which sponsor football programs.

The resolution affirms what millions of Americans already know: soccer is now an American sport.

Soccer is also a growing business, and the economic benefits of hosting the 1994 World Cup will be substantial. Gate receipts, advertising revenues, tourist dollars and other related expenditures add up to a tourism windfall for the cities that will host the 52 preliminary and final matches.

Mr. Speaker, Senate Joint Resolution 175, which sets out the USA's official "welcome mat" to the International Soccer Federation, is before us at a most propitious time. Next month, the U.S. Federation will make its initial presentation in the contest to host the 1994 games. By passing the resolution we can make the Congress an ally in this most worthwhile effort.

I urge my colleagues to support the resolution.

Mr. BLILEY. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I thank the gentleman for yielding.

I have the privilege of serving with the gentleman on the Committee on the District of Columbia, and with the gentleman on the Committee on Energy and Commerce.

I want the gentleman to know that not only did I yield to the gentleman because of my great respect, but because more importantly, I am a big soccer fan.

Mr. BLILEY. Mr. Speaker, I thank the gentleman, and I thank the gentleman for his indulgence.

Mr. Speaker, with that, I state the minority has reviewed this. We wholeheartedly support it.

Mr. Chairman, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. COELHO). Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 175

Whereas soccer is one of the world's most popular sports and the World Cup is the single most important event in that sport;

Whereas the 1986 World Cup games had a television audience of 12.8 billion with a live attendance of over 2.4 million;

Whereas the United States Soccer Federation is seeking to bring the World Cup games to the United States in 1994;

Whereas the United States is capable of meeting all of the requirements of a host country including financing, transportation, security, communications, and physical accommodations; and

Whereas the World Cup would serve as a tremendous impetus to national and international tourism, because the games would bring people from all nations together in friendly competition and permit these people to experience, first hand, the American way of life: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That Congress recognizes the efforts of the United States Soccer Federation to bring the World Cup to the United States in 1994, and the President of the United States is authorized and requested to designate the Secretary of Commerce as the official representative of the United States Government in any discussions with the Federation Internationale de Football Association.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### GENERAL LEAVE

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore (Mr. KENNEDY). Is there objection to the request of the gentleman from Virginia?

There was no objection.

### NATIONAL DIABETES MONTH

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 44) to designate November 1987, as "National Diabetes Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the body to know the minority has no objection to this legislation.

Further reserving the right to object, I would like to compliment the gentleman from Maryland [Mr. HOYER], who is the prime sponsor of this legislation.

Mr. HOYER. Mr. Speaker, I am extremely grateful for the expeditious consideration by the Committee on Post Office and Civil Service of Senate Joint Resolution 44, which designates November 1987 as "National Diabetes Month." On behalf of Congressman ALAN B. MOLLOHAN of West Virginia and the 217 Members of the House of Representatives who joined us in sponsoring the House version of this legislation, House Joint Resolution 254, I would like to thank Congressman MERVYN DYMALLY of California, the chairman of the Subcommittee on Census and Population, and Congresswoman CONSTANCE A. MORELLA of Maryland, the ranking minority member of the subcommittee. It should be noted that both are also among the cosponsors of House Joint Resolution 254.

This is the fifth consecutive year, I have had the privilege of working with the American Diabetes Association to promote the commemoration of "National Diabetes Month." The 100th Congress, by passing this legislation, has called public attention to the human and economic costs of diabetes. I am convinced that this public attention and awareness can only help to promote greater understanding of the challenges we face in mitigating the impact of the disease. It also provides a forum for seminars, speeches, workshops, and other educational and informational activities designed to help educate the public in diagnosing, treating, and dealing with diabetes. Finally, this commemorative underscores the urgent need for continuing to fund biomedical research.

Nearly 1 American in 20 has diabetes. However, despite the fact that this disease is the third leading cause of death in the United States, nearly half of the victims of diabetes do not even realize that they are diabetic. This year, 600,000 Americans will learn that they suffer from diabetes, and over $14 billion will be expended as a result of diabetes on health care, disability payments, and the costs associated with premature mortality. My colleagues may also be interested in knowing that diabetes is particularly prevalent among black Americans, Hispanic Americans, native Americans, and women. Indeed, women are twice as often victims as men and blacks are twice as often victims as whites.

Last year, the National Diabetes Advisory Board, which advises the Congress and the Secretary of Health and Human Services on the implementation of the long-range plan to combat diabetes, issued an annual report that was an amalgam of good and bad news. On the distressing side, the report noted:

Diabetes is the leading cause of new blindness in adults between the ages of 20 and 74 and is responsible for higher rates of cataracts and glaucoma in people with diabetes;

Diabetes accounts for 25 percent of all new cases of end-stage renal disease;

After 20 years of diabetes, 45 percent of people with the disease have peripheral vascular disease, a rate four to seven times higher than in the general population;

People with diabetes are twice as likely as the general population to die of heart disease;

The incidence of strokes is two to six times higher in people with diabetes;

The perinatal death rate in infants of diabetic mothers is two to four times higher than in nondiabetic pregnancies; and

Diabetic ketoacidosis, an acute complication of uncontrolled diabetes, contributes to 10 percent of diabetes-related deaths each year.

On a more positive note, the National Diabetes Advisory Board added:

> Despite these rather bleak statistics, the future for people with diabetes appears promising. Major advances in biomedical research have greatly expanded our understanding of the pathogenesis of diabetes. Our ability to treat the disease and to prevent or reduce the severity of some of its complications has improved markedly.

Thus, the passage of Senate Joint Resolution 44 is particularly important. This legislation contributes to a greater understanding and awareness of diabetes and encourages enhanced efforts at treating and defeating it.

Once again, Mr. Speaker, I would like to thank my colleagues in the House for cosponsoring House Joint Resolution 254. Millions of Americans who suffer from diabetes are grateful for your support.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 44

Whereas diabetes is the third leading cause of death, killing more than all other diseases except cancer and cardiovascular diseases;

Whereas diabetes afflicts 11 million Americans and over five million of these individuals are not aware of their illness;

Whereas nearly $14,000,000,000 annually are spent on health care costs, disability payments and premature mortality costs due to diabetes;

Whereas up to 85 per centum of all cases of non-insulin dependent diabetes may be preventable through greater public understanding, awareness, and education;

Whereas diabetes is particular prevalent among black, Hispanic, and Native Americans, and women;

Whereas diabetes is the number one cause of new blindness in people between the ages of twenty and seventy-four, and is a leading cause of kidney disease, heart disease, strokes, birth defects, and lower life expectancy, the severity of which all may be reduced through greater patient and public understanding, awareness, and education: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the month of November 1987 is designated as "National Diabetes Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### LUPUS AWARENESS MONTH

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 157) to designate the month of October 1987, as "Lupus Awareness Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the body to know that the minority has no objection to this legislation.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from California, the chairman of the subcommittee.

Mr. DYMALLY. Mr. Speaker, I thank the gentlewoman for yielding to me.

Mr. Speaker, this malady, lupus, first came to my attention as a member of the California Senate by my very good friend, Assemblyman Bane and his wife, Dr. Marlene Rothstein.

I had known nothing about it, but these two dedicated people have given much of their time, energy, and money to finding a cure for this disease.

They have done considerable work in the California Legislature by securing funds and doing a number of community-oriented activities to bring this problem to the attention of the Californians in particular and Americans in general.

I want to take this opportunity to say to the Members, Assemblyman Bane and Dr. Rothstein, how very grateful I am to them for bringing this whole question to the attention of this country.

I want to pay tribute to them for their past contributions toward this effort.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I am delighted that we are able to bring House Joint Resolution 346 before the Congress today, legislation which will designate October 1987, as "Lupus Awareness Month."

On behalf of the bill's 223 cosponsors, the Lupus Foundation of America, and above all, the 500,000 Americans who suffer from this debilitating disease, I wish to say that the passage of this bill will help us to address some very basic needs of lupus victims, their families and friends. First, we will increase public knowledge. Second, increased awareness will spur research for a cure. Finally, the passage of this bill will provide a new sense of hope and resolve for those who suffer from it.

Lupus is a chronic inflammatory autoimmune disease. It can afflict any part of the body, and can strike anyone, although 90 percent of its victims are young women in their childbearing years. Its effects can be devastating, as it can cause the deterioration of internal organs. Lupus' symptoms are often similar to epilepsy, arthritis, and even psychosis, making this great impersonator difficult for physicians to diagnose and to treat.

The deceptive and incurable nature of this disease makes increased research an essential priority. In addition, we need to find therapies that allow lupus victims to lead normal, productive lives.

Lupus victims suffer enormously, not only from the disease, but from the side effects which can accompany treatment. These can include osteoperosis and deformations of the face and body. In one documented case, a victim fractured all her vertebrae because her bones were so weakened by a large dose of medication.

No less a priority is increased public awareness. Even those family members and friends of lupus victims often cannot fully comprehend the agony and suffering which its victims endure if the disease goes into remission.

Moreover, those who suffer from this disease often develop pyschological problems due to the fatigue and depression that lupus causes. As a result, victims become alienated from family and friends, at a time when their need for emotional support is crucial.

Mr. Speaker, I cannot emphasize enough the need for House Joint Resolution 346. This resolution will cost the Federal Government nothing, but it will provide a new sense of hope and resolve to those stricken with a terrible and mysterious malady.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 157

Whereas Lupus Erythematosus is a disease of unknown cause that affects over five-hundred thousand people in the United States, 90 percent of whom are women in their childbearing years;

Whereas Lupus Erythematosus, though not a rare disease, is unfamiliar even to some physicians which may result in the disease being misdiagnosed or diagnosed too late;

Whereas Lupus Erythematosus in the most severe form can be fatal;

Whereas The Lupus Foundation of America, Inc., its constituent chapters, and other voluntary health organizations are established throughout the United States to serve and support victims of lupus and their families, encourage funding for research, and increase public awareness; and

Whereas the public and the Federal Government are not sufficiently aware of the incidence of Lupus Erythematosus: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the month of October 1987, is designated as "Lupus Awareness Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

## NATIONAL NEIGHBORHOOD CRIME WATCH DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 121) designating August 11, 1987, as "National Neighborhood Crime Watch Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the House to know the minority has no objection to the legislation being considered.

Mr. Speaker, further reserving the right to object, I would like to yield to the gentleman from New Jersey [Mr. Hughes], who is the chief sponsor of House Joint Resolution 299.

Mr. HUGHES. Mr. Speaker, I thank the gentlewoman for yielding to me.

I want to thank the gentlewoman from Maryland [Mrs. Morella] and the chairman of the subcommittee for reporting out this resolution so expeditiously.

Mr. Speaker, I rise in support of House Joint Resolution 299, which seeks to designate August 11, 1987, as "National Neighborhood Crime Watch Day."

This resolution is intended to promote public awareness of the growing crime prevention organizations across this country, and their increased effectiveness in fighting crime. The central event of this day will be a "national night out," when an estimated 18 million people from 6,000 communities in all 50 States across this country will participate in an anticrime demonstration by gathering in front of their homes with their neighbors between 8 p.m. and 9 p.m. in a show of solidarity against crime.

The purpose of the "national night out" and other related programs, ceremonies and activities is to promote several goals, such as: Increasing cooperation between community watch programs and their local law enforcement authorities; heightening crime prevention awareness; generating support for and participation in local anticrime programs; strengtening neighborhood spirit in the crime prevention campaign; and sending a message to the community letting them know neighborhoods are organized to combat crime.

The National Association of Town Watch which is coordinating this program is a leader in crime prevention awareness, and last year received the prestigious National Crime Prevention Award from the National Crime Prevention Coalition and the U.S. Department of Justice. Crime watch organizations such as NATW are assisted in their laudable affairs by the Justice Assistance Act of 1984. It is the type of volunteer group program that I had in mind when I sponsored the Justice Assistance Act a number of years ago. They are the focal point for local community participation which is essential for an effective crime watch program.

In my own State, the National Association of Town Watch works closely with the New Jersey Crime Prevention Officers Association to promote neighborhood crime watch organizations and activities. In fact, as a result of their collective efforts, New Jersey is one of the leaders in community participation in the national night out. Communities throughout Altantic, Gloucester and Cape May counties, in my congressional district, are helping to make the fight against crime a winning battle by their active participation.

I commend the neighborhood watch groups of this Nation for their efforts to combat crime. Their activities demonstrate the growing effectiveness of crime watch and the increased unwillingness of Americans to allow the fear of crime to rule their every day lives. It is my hope that the valuable example of these citizens will encourage others to join in the fight against crime in their communities.

Mr. Speaker, I urge my colleagues to join me in supporting this important resolution to recognize the efforts of groups like NATW and citizens all across this country. I want to thank my colleague Bill McCollum of Florida for his support and leadership in bringing this resolution to the floor of the House of Representatives.

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Mrs. MORELLA. Further reserving the right to object, Mr. Speaker, I would like to agree and salute the gentleman from New Jersey. The Neighborhood Crime Watch Program has made a difference in my State of Maryland and in the congressional district that I represent.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. Dymally]?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 121

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level;

Whereas neighborhood crime watch groups can contribute to the Nation's war on drugs by helping to prevent their communities from becoming markets for drug dealers;

Whereas citizens across America will soon take part in a "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 9 o'clock postmeridian on August 11, 1987, with their neighbors in front of their homes: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That August 11, 1987, is designated as "National Neighborhood Crime Watch Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

## NATIONAL SCHOOL YEARBOOK WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 109) to designate the week beginning October 4, 1987, as "National School Yearbook Week" and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but I would like the House to know the minority has no objection to this legislation.

Mr. Speaker, further reserving the right to object, I would like to acknowledge that the gentlemen from Texas [Mr. Bryant] is the chief sponsor of House Joint Resolution 231 to designate the week of October 4, 1987, as "National School Yearbook Week."

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 109

Whereas educating the young people of the United States is essential in ensuring that the United States continues to make economic and cultural progress;

Whereas the communication of the educational achievements of students and educational institutions in the United States has a vital impact on the people of the United States;

Whereas school yearbooks provide vivid pictorial and editorial insights into such educational achievements;

Whereas the thousands of young people who produce school yearbooks each year receive significant editorial, photographic, and business experiences;

Whereas a recent study conducted by the American College Testing Program has shown that college freshmen who worked on a yearbook staff in high school have higher ACT composite scores, perform better on standardized college writing tests, and achieve higher grade point averages during their first year of college than freshmen with no high school yearbook experience;

Whereas school yearbooks provide valuable historical documents for educational institutions; and

Whereas school yearbooks have been an important part of the culture of the United States for approximately 2 centuries: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the week beginning October 4, 1987, is designated "National School Yearbook Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## NATIONAL CHILD SUPPORT ENFORCEMENT MONTH

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 313) designating the month of August 1987 as "National Child Support Enforcement Month."

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I do not object, but would like the House to know the minority has no objection to the legislation being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from New York [Mr. Biaggi], who is the chief sponsor of this legislation.

Mr. BIAGGI. Mr. Speaker, I thank the gentlewoman for yielding. Permit me to take the opportunity to commend and thank the chairman of the committee and the gentlewoman from Maryland for their kind and expeditious treatment of this legislation. It is very much appreciated.

Mr. Speaker, it is my privilege and pleasure to present for consideration House Joint Resolution 313, which would establish August as "National Child Support Enforcement Month."

Four years ago, I was fortunate to present this same legislation for congressional consideration. I am proud that child support enforcement month in August 1983 led to the monumental "child support enforcement amendments," which received unanimous congressional approval in 1984. It is my hope that today we can renew our effort to fight the national scandal of nonpayment of child support.

Today, there are approximately 8.7 million single parent families. Only 35 percent of these families receive any child support payments. Of those awarded child support payments, only half ever receive their full payment and one-quarter receive no payment at all. The most recent data, we have, figures from 1983, show $3 billion in unpaid child support. This left 3 million children without parental support.

Many of the families currently depending on public assistance need not be if support payments were made. In this decade alone, over 220,000 families were removed from public assistance due to child support enforcement. While much has been accomplished by increased enforcement, we must not rest until every child has the benefit of support from their parents.

"National Child Support Enforcement Month" will increase public awareness of this problem and will promote public concern for finding a solution. I call upon my colleagues to vote in favor of this resolution. As the number of children living with only one parent continues to rise, it is critical that we give national attention to child support enforcement.

Mrs. MORELLA. Further reserving the right to object, Mr. Speaker, I would like to commend the gentleman from New York for introducing this legislation. I think we all agree that it is the humane and appropriate thing to do to have child support enforcement.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 313

Whereas significant progress has been made toward improving laws and regulations dealing with child support enforcement by the States;

Whereas the provisions of part D of title IV of the Social Security Act have provided a needed response in alleviating problems that exist within and among States as to legal rights and financial needs of their citizens;

Whereas the child support program's ultimate goal is to reduce financial deprivation among America's children by ensuring that the responsibility of support rests with the responsible parent, thereby diminishing the need for welfare dependency by women and children;

Whereas the dedicated service of family support enforcement personnel, the judiciary, and the legal community has contributed to increased child support collections, paternity establishments, and the location of absent parents; and

Whereas the growth and success of child support programs have resulted from and continue to rely on increased cooperation of Federal, State, and local agencies: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the month of August 1987 is designated as "National Child Support Enforcement Month", and the President is authorized and requested to issue a proclamation calling upon all government agencies and the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GERMAN-AMERICAN DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 108) to designate October 6, 1987, as "German-American Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

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Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I do not object, but would like the House to know the minority has no objection to the legislation being considered.

Mr. Speaker, further reserving the right to object, I would like to acknowledge the gentleman from Ohio Mr. THOMAS A. LUKEN, who is the chief sponsor of House Joint Resolution 180, which is comparable to Senate Joint Resolution 108, designating October 6, 1987, as "German-American Day."

Further reserving the right to object, Mr. Speaker, I am a cosponsor of this resolution.

Mr. DYMALLY. Mr. Speaker, if the gentlewoman will yield, I thank the gentlewoman from Maryland for her time and patience and consideration, her charm and eloquence, in responding to these 12 resolutions today.

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, to the chairman of the subcommittee, I would like to say from Shakespeare's "Twelfth Night," "I can no other answer make but thanks and thanks and ever thanks."

Mr. DYMALLY. Mr. Speaker, I thank the gentlewoman.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 108

Whereas the tricentennial of the arrival of the first German immigrants to the United States was celebrated on October 6, 1983;

Whereas such day was proclaimed by the President to be German-American Day in honor of the contributions made by German immigrants to the life and culture of the United States;

Whereas such contributions should be recognized and celebrated every year; and

Whereas the German-American Friendship Garden, symbolic of friendly relations between West Germany and the United States, will be dedicated in the District of Columbia in the near future: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That October 6, 1987, is designated as "German-American Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on these 12 resolutions just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## ELIMINATION OF IMPORTANT STATISTICAL DATA IN THE COMING CENSUS

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, we will proceed on our summer recess sometime on Saturday morning, during which time there will not be an adequate opportunity or forum to bring to the Members of this House an issue which I think is of great importance to all of us.

It appears 1990 is a long way off, but not really for the Census Bureau. The Census Bureau is in the process of developing the questionnaires, developing the modus operandi to take the 1990 census.

Recently, the OMB instructed the Census Bureau to eliminate a number of questions which have been used in the past to gather statistical data for housing, economic development, et cetera, et cetera.

We have received numbers of calls from affected and concerned organizations all across the country, concerned that the elimination of this statistical data will affect future planning for growth and development in this country.

Tomorrow the Joint Committee on the Economy will hold hearings on this very important subject.

The OMB, under the guise of paper reduction, is suggesting they ought not to gather these statistics. This will be the first time in the history of the census that such important data will be eliminated.

Additionally, the Census Bureau is suggesting to us that because part of their appropriation was cut in the House, they may not be able to do the trial run next year, or hopefully the adjustment; so I want to take this opportunity and this forum to bring this matter to the attention of the leadership of the House so that when we come back in September we can address this problem.

Mr. Speaker, I thank the Chair and the Members for giving me unanimous consent to address the House on this subject.

## ASSESSING RESPONSIBILITY FOR TECHNOLOGY DIVERSION

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McCURDY. Mr. Speaker, a number of bills have been introduced in recent weeks arising from the diversion of sensitive manufacturing technology to the Soviet Union by Kongsberg Vaapenfabrikk of Norway and Toshiba Machine Co. of Japan.

I share my colleagues' anger and concern that this illegal diversion will aid the Soviet Union in putting more quiet submarines to sea. These sales also emphasize the need to strengthen enforcement of Cocom regulations relating to Western trade of sensitive items with the Eastern bloc.

At the same time, Mr. Speaker, I hope we will be careful in assessing responsibility for the diversion. I believe that the Governments of both Norway and Japan now recognize that great harm has been done to their vital security interests, as well as to our own.

The Kongsberg Trade subsidiary has been dissolved, and a new company has been created devoted solely to the production of armaments in accordance with Norway's strict regulations. The Norwegian Government, an important member of NATO, has taken a number of administrative actions to curb illegal exports, and a criminal investigation is in progress.

The Japanese Government has filed charges against Toshiba Machine, and last week the cabinet approved legislation to strengthen export controls and enhance Japan's role in Cocom.

Mr. Speaker, I know we all will be following our allies' actions in this area with interest, and I include for the RECORD, recent letters on this subject from the Norwegian Minister of Defense and the Japanese Ambassador to the United States.

### THAT TECHNOLOGY DIVERSION: NORWAY REPLIES

I read with interest the editorial "They Deserved This One" [July 7], in which The Post comments on the diversion of sophisticated marine propeller milling machines and related computer technology and software by Toshiba Co. of Japan and Kongsberg Vaapenfabrik of Norway to the Soviet Union. The deplorable and unlawful diversion appears to have aided the Soviet Union in putting more quiet submarines to sea.

This is a matter of grave concern to the Norwegian people and the government of Norway. My country takes defense very seriously. It is a founding member of NATO and is one of the few countries in NATO that has delivered on the commitment to increase annual defense expenditures by 3 percent in real terms. Our defense expenditures per capita are second only to the United States in NATO.

Our strategically exposed position, bordering the Soviet Union, makes the security of Norway dependent on allied forward defense, open sea lines of communication for allied reinforcements and on early warning. Soviet submarines constitute a primary threat to all of them. The diversion of technology has thus done great harm to the vital Norwegian security interests. The Norwegian government is determined to prevent similar diversions.

The subsidiary of the Kongsberg company responsible for the illegal diversion has been dissolved and has ceased all operations. A new company has been created devoted solely to the production of armaments to OECD countries in accordance with Norway's strict regulations of arms exports.

The division of Kongsberg which forms the core of the new company has done no wrong. It has made an important and impressive contribution to Norwegian and allied defenses through participation in important cooperative projects like the F-16, the Sea Sparrow missile and most recently the highly successful Penguin missile program. It has a key role to play in the Norwegian system of military preparedness. Hitting the newly formed armaments factory would deal a serious blow to allied defenses in vital areas.

Allies cannot deal with the crimes of disloyal servants by claims for reparations. Norway proposes instead a constructive approach to common security. In response to the challenge for more quiet Soviet submarines, we have proposed that our experts on anti-submarine warfare meet their American counterparts to assess the damage caused by the diversion and to examine the requirements and options for remedial measures. Our two countries have a longstanding cooperation in this area. We should now examine ways of building on that tradition for purposes of meeting a common challenge.

Norway has taken effective action to strengthen its administrative and physical export controls. The criminal investigation into the diversion is still in progress and all aspects of the sales to the East bloc countries by the now-defunct company will be scrutinized. Those guilty will be prosecuted in accordance with the law. Naturally we have to stay within the laws of the land. The rule of law is one of the basic values we defend through our common defense effort. Our laws in some respects are too weak. They date back to 1946 and were not made to cope with illegal transfers of high technology. The Norwegian government will present an export bill to parliament as soon as it reconvenes in the fall asking for tougher penalties and extended statute of limitations. Norway will seek actively to strengthen and harmonize licensing and enforcement of the rules set by the coordinating committee of NATO countries and Japan.

Small countries depend on nations observing international rules and agreements. Norway's international record is a good one. The Norwegian government is determined to prevent another diversion by Norwegian firms.

JOHAN JOERGEN HOLST,
*Norwegian Minister of Defense.*

WASHINGTON.

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EMBASSY OF JAPAN,
2520 MASSACHUSETTS AVE., NW.,
*Washington, DC, July 31, 1987.*

Hon. DAVE MCCURDY,
*House of Representatives,*
*Washington, DC.*

DEAR CONGRESSMAN MCCURDY: I have the honor of writing to you to explain today's Japanese Cabinet decision to strengthen Japanese security export controls, by amendment of the current law. The action is my Government's response to the apparent weaknesses of our security export control regime which came to be revealed by the Toshiba Machine diversion case, and has been decided upon in accordance with our most serious recognition that our very own security is an integral part of that of the Free World.

The bill to amend the current law, to be submitted to the ongoing session of the Diet (Japanese Parliment), has the following objectives:

(a) To introduce in fully explicit form the concept of "international peace and security" and to institute two-way consultations between the Foreign Minister (in charge of security affairs) and the MITI Minister (in charge of export control);

(b) To strengthen punishment and sanctions to deter future recurrences of illegal divisions; and

(c) To greatly enhance enforcement by extending the statute of limitations and by making "attempted crime" culpable. Details are attached.

In conjunction with these, my Government is in the process of instituting a ministerial level interagency consultation mechanism to deal with security export control matters on a "multi-dimensional" basis (i.e. with all relevant ministries and agencies represented), and we are prepared to launch Japan-U.S. COCOM Consultations for coordination and exchange of information with the United States.

I expect that the above overhaul of our system, together with our enhanced role to be played in COCOM, will be instrumental in the prevention of illegal diversions, and that our cooperation with the United States now underway in enhancing anti-submarine capabilities will help in regaining the lead in that field.

Yours sincerely,

NOBUO MATSUNAGA,
*Ambassador of Japan.*

## FEDERAL PAY REFORM ACT OF 1987

(Mr. ACKERMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ACKERMAN. Mr. Speaker, today I am introducing the Federal Pay Reform Act of 1987—the first step toward restoring pay comparability between Federal jobs and similar positions in the private sector.

The pay gap between Federal and private jobs is wide, and growing. Last September, the President's pay agent reported that Federal pay lagged behind the private sector by an average of 23.79 percent. For many jobs, the gap is even worse. As a result, Federal agencies of all types are reporting extreme difficulty in attracting and keeping high-quality employees.

My bill proposes a three-part remedy: Additional tests of innovative methods of Federal compensation; reforms to guarantee that Federal workers keep pace with private sector changes in the cost of labor; and expanded authority for agencies to use special pay rates to solve acute problems in recruitment and retention.

It is often said that you get what you pay for. America deserves the best public servants, and will get them only by paying the salaries they deserve.

I invite and encourage my colleagues to join in sponsoring the Federal Pay Reform Act.

### SECTION ANALYSIS OF THE FEDERAL PAY REFORM ACT OF 1987

(Prepared by the Subcommittee on Compensation and Employee Benefits)

#### SECTION 1. SHORT TITLE: "THE FEDERAL PAY REFORM ACT OF 1987"

#### SECTION 2. STATEMENT OF PURPOSE

The purpose of this bill is to improve the management of pay systems for Federal employees; increase the efficiency of agency operations; enhance the productivity of the Federal workforce; and promote the government's efforts in recruitment and retention of qualified career employees.

### TITLE I. ALTERNATIVE COMPENSATION PROGRAMS

#### SECTION 101. DEFINITIONS

Provides definitions of terms to be used later in the bill.

#### SECTION 102. FEDERAL COMPENSATION BOARD

Section 102(a) establishes the Federal Compensation Board which shall consist of 13 members including the Directors of OMB and OPM, the Secretary of Labor, members of the Advisory Committee on Federal Pay, and representatives of Federal employee organizations. The Chairperson of the Board will be selected by the members and none of the Board members will be considered employees of the government by virtue of their service on the Board.

Section 102(b) requires the Board to establish within 12 months at least 5 but not more than 10 personnel demonstration projects covering between 15,000 and 25,000 full-time employees. One of each type of project outlined in section 103 shall be established and at least two of these projects will be similar in design to the Navy personnel demonstration projects at the Naval Ocean Systems Command in San Diego, California, and the Naval Weapons Center in China Lake, California. One of these projects shall cover government laboratories at NASA, DOE, and DOD. The minimum rates of pay for Federal employees covered by these projects will be no less than the pay to which they would otherwise be entitled. Pay for Federal employees covered by these projects shall not exceed pay for Executive Level V positions.

#### SECTION 103. ALTERNATIVE SYSTEMS

Section 103(a) describes the types of alternative compensation systems to be established by the Board. These systems shall include: a plan based on the comparison of total compensation for private sector jobs with similar jobs in the Federal government; a system of annual pay adjustments based on a survey of pay for similar private and public sector jobs within a set geographic region; a system of collective bargaining; a system of pay banding and performance incentives; and a system which combines elements of two or more of the above systems.

Section 103(b) provides that collective bargaining demonstration projects shall maintain a pay differential for supervisory employees and that only bargaining units that have been certified as exclusive representatives may participate in the demonstration projects under this act.

Section 103(c) requires the Board to prescribe any regulations necessary to carry out this act including commencement and termination of demonstration projects. This

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section also allows any agency to be excluded from, or stop participating in, a demonstration project upon request.

### SECTION 104. COMMISSION ON FEDERAL PAY MANAGEMENT

Section 104(a) establishes the Commission on Federal Pay Management which shall consist of three members who are expert in the field of personnel management. The members shall be appointed by the President on recommendations of the Speaker of the House, the President Pro Tempore of the Senate, and the Comptroller General.

Section 104(b) The Commission is required to evaluate the alternative personnel systems described in section 103(a) and to make similar evaluations on the changes made by this act to sections 5303 and 5305 of Title 5 U.S.C.

Section 104(c) Commission members shall each be paid at the daily equivalent of Executive Level V for each day they are engaged in Commission business.

Section 104(d) allows the Commission to hire consultants in accordance with section 3109 of Title 5 U.S.C.

Section 104(e) requires the Office of Personnel Management to furnish the funds for the Commission from its general operating expenses.

Section 104(f) requires the Commission to cease to exist after submitting its report.

## TITLE II. AMENDMENTS RELATING TO PAY COMPARABILITY

### SECTION 201. ADHERENCE TO PREVIOUS METHODOLOGIES

This section amends section 5305(a) of Title 5 U.S.C. to require the Bureau of Labor Statistics and the President's Pay Agent to use the 1985 methodology for determining the comparability adjustment for each year.

### SECTION 202. ALTERNATIVE PLANS

Section 202(a) amends section 5305 of Title 5 U.S.C. to require the President to report the pay comparability gap as reported by the Pay Agent.

Section 202(b) amends section 5305(c)(1) of Title 5 U.S.C. and requires that an alternative pay plan transmitted to Congress shall not take effect unless the plan is approved by Congress. Congress has 30 days of continuous session to approve the President's alternative pay plan after it is submitted. If Congress approved the alternative pay plan, it becomes effective at the beginning of the first applicable pay period on or after the plan is approved, or on or after October 1, whichever is later. If an alternative pay plan is not approved, then pay rates shall be adjusted in accordance with the recommendation of the President's Pay Agent.

Section 202(c) amends section 5305(c)(2) of Title 5 U.S.C. and requires that any alternative plan transmitted by the President shall be at least equal to the Employment Cost Index (private industry wages and salaries for white-collar workers, excluding sales) as determined by the Bureau of Labor Statistics for the quarter ending June 30 of each year.

## TITLE III. HIGHER MINIMUM RATES OF PAY, MISCELLANEOUS ALLOWANCES, AND OTHER MATTERS

### SECTION 301. MODIFICATIONS IN THE AUTHORITY TO ESTABLISH HIGHER MINIMUM RATES OF PAY TO RECTIFY RECRUITMENT AND RETENTION PROBLEMS

Section 301(a) amends section 5303 Title 5 U.S.C. to allow an agency head to establish higher minimum rates of pay for one or more occupational groups if the agency finds that it is severely handicapped in its ability to recruit and retain qualified applicants for those positions. Additionally, agency heads may make corresponding increases for all steps in a pay range and may from time to time further increase pay previously established under this section. An agency head may increase salaries up to Executive Level V. This section applies to all statutory pay systems.

The circumstances under which an agency head may institute higher minimum rates include higher pay rates in the private sector for similar jobs; remoteness of location; undesirable working conditions including exposure to toxic substances and other occupational hazards; and any other circumstances identified by the agency head as contributing to recruitment and retention problems.

Section 301(b) requires agency heads to provide 30 days written notice to the Office of Personnel Management including the date of implementation of this authority, the positions and locations where the authority is needed, and written findings demonstrating the need for the authority.

Section 301(c) allows OPM to respond within 30 days to stop the proposed pay rates if OPM can determine in writing that the proposed action will not rectify the problems of the agency. Agencies may appeal an OPM decision.

Section 301(d) makes this authority available to agency heads for 12 months at a time and it can be renewed for 12 months upon request. OPM is required to establish regulations to carry out this section.

Section 301(e) states that employees covered by this section may not be paid any less than they would be entitled to if they were not subject to this section. When the authority under this section expires employees will not have their salaries reduced.

Section 301(f) states that employees covered by this section are entitled to comparability increases, as well as, special pay rates established by this section.

Section 301(g) states that pay raises given under this section are not step increases.

Section 301(h) requires OPM to establish regulations to preserve step increases for employees whose careers are interrupted by military duty or other public service.

Section 301 also creates a new section 5303(a) of Title 5 U.S.C. that makes employees and supervisors covered by section 5303 eligible for bonus payments of up to $10,000. Section 301 also adds a new section 5522(a) that allows agencies to advance basic pay for up to 30 days.

### SECTION 302. ELIMINATION OF GS-11 THRESHOLD FOR NEW APPOINTEES TO BE PAID ABOVE MINIMUM RATES

This section amends section 5333(a) Title 5 U.S.C. to allow agencies to hire employees for jobs below GS–11 at other than step 1 of that grade. Current law requires agencies to hire at step 1 of a grade below GS–11.

### SECTION 303. REMOTE WORKSITE ALLOWANCE

Section 303(a) amends section 5942 Title 5 U.S.C. to allow agencies to pay allowances for remote worksites as the agency sees fit.

Section 303(b) amends section 5901(a) Title 5 U.S.C. and requires agencies to pay the full cost of any uniform required to be worn during the performance of official duties.

### SECTION 304. PAY FOR PREVAILING RATE EMPLOYEES

Section 304(a) amends section 5343(a) Title 5 U.S.C. and adds a new subsection (g) which freezes wage grade pay in the event that prevailing rate survey shows a decline in local wages.

Section 304(b) specifies that the effective date of this section is the same as in section 306 of the bill.

### SECTION 305. TRAVEL AND TRNSPORTATION EXPENSES FOR CERTAIN INDIVIDUALS SEPARATING FROM THE GOVERNMENT

This section adds a new section 5724(d) to Title 5 U.S.C. that requires the government to move retiring Federal employees from their last duty station to an area from which they were uprooted by the Federal government.

### SECTION 306. EFFECTIVE DATE

The act is effective on the first day of the first fiscal year beginning on or after the date of enactment.

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## PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. GILMAN] is recognized for 5 minutes.

Mr. GILMAN. Mr. Speaker, I was on the floor of the House yesterday, August 5, 1987, for a series of recorded votes which culminated in the vote of final passage of H.R. 3058, the Labor, Health and Human Services and Education appropriations bill for fiscal year 1988. I assumed my vote in favor of the bill had been duly recorded, but subsequently I have been informed by the tally clerk that this was not the case. I intended to vote "yea" on rollcall 307, on agreeing to final passage of H.R. 3058, and appreciate having this opportunity to address the House to reiterate my strong support for that measure.

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## OFF-SHORE OIL LEASING: WHERE WE HAVE BEEN AND WHERE WE ARE HEADED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I would like to take this opportunity to review the long history of my efforts—and those of numerous other Members of the House and Senate—to move the administration toward a balanced and responsible approach to off-shore oil development.

The process of determining which areas should be subjected to off-shore oil and gas development is a difficult one. It is made difficult, in part, by the governing statute—the Outer Continental Shelf Lands Act Amendments of 1978—which calls for both expedited development of offshore resources and for a balance between resource protection and exploitation.

Responding to the challenge of this statute, however, former Secretary of Interior Andrus proposed a 5-year plan in 1980 which deferred northern and central California areas from leasing and which deferred portions of southern California, as well. Unfortunately, the Andrus plan did not remain in place for very long. Upon taking office in 1981, former Secretary of Interior James Watt rejected the Andrus plan and presented a new plan which provided for leasing along the entire California coast.

### CONGRESS ENACTS CALIFORNIA OCS LEASING MORATORIA

In response to the Watt plan, Congress enacted the first moratorium on offshore leasing, covering northern and central California during fiscal year 1982. Faced with the continuing refusal of the Interior Department to consider alternative approaches to the OCS issue, Congress adopted similar moratoria in fiscal years 1983, 1984, and 1985. In fiscal year 1984 and subsequently, the moratoria also included southern California. Throughout this period, Secretary Watt and his successor, William Clark, refused even to meet with Members of the California congressional delegation.

In 1985, Clark was replaced by Donald Hodel, who agreed to meet with Members of Congress concerned with the Department's approach to leasing. In July 1985, after a series of six negotiating sessions, Secretary Hodel accepted "a preliminary agreement" on California off-shore oil and gas leasing, which was announced to the press and the public. The agreement was to cover oil and gas leasing activities of the California coast through the year 2000 and would have permitted leasing activities in only a very small percentage of available tracts. In exchange for this agreement, congressional negotiators dropped requests for a moratorium to be included in the fiscal year 1986 appropriations bill.

During August 1985, Secretary Hodel held a series of town meetings along the coast to help develop the final details of the agreement. In September, however, he abruptly announced that he was rejecting the agreement to which he had already publicly committed himself.

### CONGRESS APPOINTS SPECIAL NEGOTIATING TEAM TO WORK ON OCS ISSUE

Responding to this turnaround, Congress adopted a new approach. In December 1985, during consideration of the continuing resolution for fiscal year 1986, Congress directed the Secretary of the Interior to make every effort to resolve the OCS issue and to submit regular reports to Congress on the status of negotiations toward such a resolution. Most significantly, the legislation provided for the appointment of an 18-member negotiating team to work with the Department. The balanced team included both Republicans and Democrats, Members of both the House and Senate, representatives from California and from noncoastal States, and members of key congressional committees.

This team, which I cochaired, met regularly and worked hard to develop a responsible approach to off-shore oil leasing. Despite the efforts of the team to work with the Department to develop a responsible approach, the Department submitted a draft of the 5-year plan which proposed to offer large areas for leasing and which deferred only a few areas which were either already protected from drilling or which were in water too deep for drilling.

In an effort to persuade the Department to revise this inadequate proposal, the congressional negotiators met 16 times between January and June 1986. Although the team offered more than a dozen alternative proposals, Interior failed to offer any of its own. Indeed, Secretary Hodel failed to attend even a single negotiating session.

In June 1986, the Interior Subcommittee of the House Appropriations Committee agreed to attach another 1-year moratorium to the fiscal year 1987 appropriations bill. In an effort to head off the moratorium, the Interior Department offered to delay leasing in southern California by 1 year and in northern and central California by only a few months, in exchange for an agreement to drop the moratorium.

This proposal appeared to be intended to split the California delegation along geographic lines, thereby weakening it, and it was rejected by the negotiating team. Instead, Congress enacted a provision, which I authored, barring all leasing in offshore California until February 1989 at the earliest, and allowing advance review of the next draft of the 5-year plan by my office before it was released for public comment.

### FLAWED 5-YEAR PLAN CRITICIZED BY NEW COASTAL COALITION

Pursuant to the terms of this statute, Secretary Hodel submitted the next draft of the 5-year plan on February 2, 1987. Despite the fact that Members of Congress had negotiated with the Department for some 22 months, the Secretary ignored virtually every recommendation offered by the bi-partisan negotiating team. More troubling, perhaps, the plan was presented to Congress in the form of a threat: the Secretary indicated that the minimal protections offered in the plan would be withdrawn if the delegation did not accept the plan.

The Secretary's intransigent position prompted 27 members of the California congressional delegation to join me in asking him to revise the proposal. With the assistance of comments provided by local government, State agencies, and other interest groups, we provided detailed comments on the proposal. Specifically, we made the following points: the proposal offered 82 percent of the areas of high interest to the oil companies for leasing, as well as more than 500 tracts of only medium- or low-industry interest. The proposal ignored recommended stipulations with regard to the protection of on-shore air quality, the fishing industry, oil spill response and cleanup, protection of rural on-shore areas from industrial development, and the regulation of toxic discharges produced by exploration and development activities. It failed to protect many particularly sensitive areas and to propose subarea deferrals which would limit some adverse effects of offshore development.

The proposal had other deficiencies, including its failure to require pipeline transportation of any petroleum produced, to require demonstrated capability to respond to oil spills in prevailing ocean and weather conditions, to value the environmental resources of the California coast adequately in weighing the costs and benefits of drilling and to consider alternatives to OCS leasing, such as conservation. The plan also suggested that supplemental sales of leases off the coast of California, especially in the Santa Barbara Channel-Santa Maria Basin area, might be offered, despite the fact that the onshore facilities in the region are already utilized to the limit.

In response to the plan's proposed leasing of sensitive coastal areas off other States, 66 Members of Congress from 10 States, and 9 U.S. Senators and 5 States, joined me in forming a coastal coalition to press the Department for a revision of its ill-considered approach. The coalition members wrote to Hodel to express their dismay with the Department's failure to respond to efforts of several State delegations to negotiate reasonable safeguards to protect coastal and ocean resources.

Despite these objections, the Department finalized the 5-year plan with only minimal adjustments, and it took effect on July 2, 1987. Under its terms, five lease sales off California would take place over the life of the plan. The first three, covering northern, southern and central California, are scheduled to take place in February 1989; September 1989; and November 1990, respectively.

The timing of these lease sales—required under the legislation which I authored in 1986—ensures that no lease sales will take place during the current administration. These timetables permit the people of California to make sure that this drilling plan is never implemented, by insisting that Presidential candidates of both parties make a specific commitment to protect the California coast and to revoke the 5-year plan before the sales take place.

### OTHER IMPORTANT COASTAL ISSUES ALSO NEED ATTENTION

In the meantime, however, important issues remain to be addressed. First, I have introduced legislation to ensure the right of States to review oil and gas leasing activities for consistency with approved State coastal zone management plans. As a result of a 1984 Supreme Court decision and harsh interpretations of that decision by the administration, States have been left with little voice in evaluating oil and gas activities to ensure that they do not frustrate the achievement of important goals in the coastal zone, such as the improvement of air and water quality.

Second, I have cosponsored two bills which are designed to improve the regulation of air pollutants produced by offshore oil and gas activities. These bills would transfer responsibility for such regulation to EPA, from the Department of the Interior, and make air quality standards applicable to offshore oil and gas activities consistent with those applicable onshore.

Third, I have introduced legislation to designate Monterey Bay as a national marine sanctuary and to establish a management plan for the bay in accordance with the goals and purposes of the Marine Sanctuaries Act. Monterey Bay's unique physical and biological qualities, its economic productivity, and its national cultural and research significance clearly warrant marine sanctuary designation and protection from the threat of toxic contamination.

Finally, a number of related issues, such as improvement of oil spill liability and compensation programs, deserve action.

### CONCLUSION

As this review of the long history of the debate on OCS leasing off the California coast illustrates, the effort to develop a reasoned approach to this issue has required constant vigilance. The Department's intransigence has, unfortunately, made it necessary for those who opposed irresponsible leasing to take strong steps to stop such leasing and to force the Department to the bargaining table. Although this is not the approach which I would prefer, it has been necessary and it has, in fact, saved the coast from environmentally dangerous leasing which might have otherwise taken place.

At the same time, however, we must recognize that confrontation is not in the long-term interest of either side in this dispute. I will continue to work with the coalition of Members of the House and Senate to advance these important goals and to move the administration toward a more responsible and balanced approach to offshore oil and gas development. My hope is that a new administration, committed to protection of sensitive coastal resources, will work with Congress, the coastal communities, and the public to develop a balanced approach. If that does not occur, however, we may need to continue to press for leasing moratoria and to consider legislation to define permanently those areas which will be protected and those in which development may continue.

## OMNIBUS COURT REFORM ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, today, I am introducing a major piece of court reform legislation. This bill is the continuation of a process begun more than 10 years ago. When the Subcommittee on Courts, Civil Liberties and the Administration of Justice held hearings in 1977 on the State of the judiciary and access to justice, the picture was bleak. Federal courts were overloaded with cases and access to justice suffered from an inadequate number of judges. In the intervening years the Congress has made modest steps to ameliorate these judicial problems. We have dramatically increased the number of judges. We have authorized the use of new forms of adjunct personnel—magistrates, bankruptcy judges, and various other support personnel. We have acted to alleviate the burden of appellate courts by creating a new circuit court—the Court of Appeals for the Federal Court. Despite these actions much remains to be done. The Supreme Court remains burdened with archaic mandatory appellate jurisdiction. The Federal court rule making process is similarly out of date. Alternative forms of dispute resolution such as arbitration are not sufficiently encouraged. Finally, some minor cases are heard in Federal court while major multiparty/multistate cases are excluded.

This bill is an attempt at furthering the agenda of court reform. It is my hope that a thorough and complete examination of the issues raised by the nine titles in the bill that we will be able to pay homage to the 200th anniversary of the Federal judiciary. Set forth below is a brief summary of each title of the bill.

Title I abolishes the mandatory appellate jurisdiction of the Supreme Court and substitutes a discretionary appellate process for a large number of cases. Similar legislation has passed the House unanimously in past Congresses. This title has the support of the Supreme Court and the Administration.

Title II modifies the process by which the Federal courts promulgate rules of practice and procedure. This provision has also passed the House on two previous occasions. This title has the support of the Judicial Conference of the United States and the American Bar Association.

Title III authorizes the federal courts to conduct court-annexed arbitration programs. This title sets forth rules for the conduct of such programs. This title also modifies the appeal process for arbitration cases.

Title IV modifies Federal court jurisdiction in three important ways. First, this title expands federal court jurisdiction to allow many multi-party/multi-forum cases to be heard in Federal court. This jurisdictional authorization will be helpful in consolidating mass disaster litigation. *See* Rowe and Sibley, *Beyond Diversity: Federal Multi-party, Multi-forum Jurisdiction*, 135 U. PA. L. REV. 7 (1986). Second, this title increases the amount in controversy (to $50,000 from $10,000) required to bring a case based on the diverse citizenship of the parties. This change responds to inflation and will serve to limit the number of small tort or accident cases heard in federal court. This modification has been suggested and endorsed by the American Bar Association. Third, this title modifies the definition of citizenship for diversity cases for corporations pursuant to a suggestion from Judge Charles Joiner (E.D. Michigan).

Title V makes amendments, suggested by the Judicial Conference of the United States, to create a Federal Judicial Center Foundation and for other purposes.

Title VI abolishes the Temporary Emergency Court of Appeals and replaces its jurisdiction with reference to the regional courts of appeal.

Title VII makes various amendments to the jurisdiction of the various courts of appeal. In large part, these amendments modernize appellate jurisdiction. *See* Carrington *Toward a Federal Civil Interlocutory Appeals Act*, 47 LAW AND CONTEMPORARY PROBLEM 165 (1984).

Title VIII makes procedural reforms to the statutory charter of the State Justice Institute.

Title IX makes various miscellaneous amendments including:

(1) expansion of court interpreters services to grand jury proceedings;

(2) modernized jury selection procedures;

(3) repeal of divisional venue in civil cases;

(4) improved registration system for foreign judgments;

(5) elimination of mandatory annual circuit judicial conferences; and

(6) a reduction in civil filing fees and a requirement that the United States pay such fees.

In sum, this bill is a significant and complex undertaking. Some of the bill's provisions are the product of previous congressional deliberations whereas other provisions are offered here for the first time. It is my hope that, through this legislative consolidation, that Members will have a sense of the gravity of the task that confronts us. I also hope that those marathon runners who are committed to court reform will stay with this effort long enough to develop the kind of consensus necessary to achieve enactment of meaningful reforms. Interested parties are encouraged to submit comments to the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, 2137B Rayburn House Office Building, Washington, DC 20515 (Phone (202) 225-3926).

## THE TRADE IMBALANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, for the last 6 years I have been speaking out about the growing dependence of the United States on foreign suppliers for strategic component parts of our defense base. Just this week—and last week—there have been hearings on the numbers of counterfeit bolts in the defense-industrial base threatening among other weaponry, the performance of the Abrams tank and its guns.

My initial fear of too much dependence on our allies went back to an experience I had during the Vietnam war when, for political reasons, foreign-flag ships refused to carry cargo to the war-zone in Southeast Asia. As chairman of the Federal Maritime Commission, I joined in the scramble to find other ships—which would sail for us—and actually see that the recalcitrant ships were off-loaded and the cargo placed with more cooperative shipping lines—American-flag naturally.

It was with a feeling of deja vu that I read the reports of this week that the Governments of Great Britain, France, West Germany, the Netherlands, and Italy all refused to send mine sweepers to help us in the effort to clear the Persian Gulf so that oil can move through to fuel not our industrial base, our economies, but to fuel theirs and the Japanese.

Every effort has been made by this Congress and the Congress in 1979 to give our allies "a piece of the action" in the production of war material—both for themselves and for us—and within that effort of cooperation there has developed a growing dependence on those allies for many necessary component parts.

In our eagerness to be fair and reasonable, we overlooked many factors which impacted our own economy reaching down in the grassroots of America to take away native manufacturing plants and skilled jobs and in the long term, wealth and tax revenues from our communities and our States.

The sharing of technology necessary for these joint—ventures has also meant that we are giving away proprietary information and technology which can and will be used by other countries in competition with us for other weapons sales to other countries. Civilian applications of the technology—once the basic technology has been shared—are "up-for-grabs." We are giving away the yeast of the future of the American manufacturing base.

But, more frightening than that is that these staunch allies are not dependable. They are not staunch enough to send their mine sweepers when we need them. If there were not tankers our there operated by and for the Kuwaitis, would they be staunch enough to let their own flagships into the Persian Gulf?

I have watched the shrinking of the American merchant marine from 50 or 60 companies down to a half dozen who are struggling to stay alive. I have fought for the shipping on American-flag ships by the Department of Defense and the U.S. Government, not because I want to spend more money out of our tight budgets, but because the basic idea of defense is to always be ready. Recent actions by our allies prove the point I have been trying to make all these years—unless we have our own ships, our own weapons, our own healty on-shore defense-industrial base—we are in jeopardy.

The extent of that jeopardy grows with every new story out of Japan about yet another Japanese manufacturer being investigated for sales of strategic technology to the Soviets. But, Kazuo Kumagai, the official of the Japanese trading firm, who blew the whistle on the Toshiba sale says that "Toshiba is only the top of the iceberg." In other news stories he is quoted as saying that in his 22 years of handling Soviet trade, he had the impression that many firms, even some American firms, were involved in illegal sales to the Russians.

I hope we are investigating those allegations and I hope we can bring Mr. Kumagai to Capitol Hill to testify as to what he knows. He was courageous enough to tell what was going on and for much of the time, he was ignored.

If American firms have been involved in illegal sales, under our laws, they can be prosecuted. However, many of our allies—with whom we have shared top secret technology—upon whom we are dependent for many component items of our defense system, have no espionage laws at all.

They are beneficiaries of the trillion dollars for defense which we have spent over the last few years—they sleep under the umbrella of security provided by our sons and daughters, paid for by our people, and yet, they have no tough laws to protect our technology, our joint safety.

In other ways they also seem to be very lax. In the hearing on industrial fasteners (nuts, bolts and large screws) testimony brought forth by questioning pointed out that military-industrial sabotage is going on right now perpetuated out of many of the countries who are considered "dependable" allies. In too many instances, American importers have been involved, but our laws are taking care of them.

Beyond our reach, however, is the Japanese firm who asked which faked markings the importer of the fraudulant bolts wanted to be placed on his order. The U.S. industrial standard markings—not used in any of these exporting countries—were forged, but American manufacturers markings were also forged! These bolts, liable to disintegrate under stress, deliberately mismarked to garner a higher profit—are being used in weapons systems.

I may think in a particularly uncomplicated way, however—I see no difference between a Russian sabotaging a weapons system or a Japanese sabotaging a weapons system or an American importer sabotaging a weapons system. The results are the same! It is an act of espionage against the defense of the United States and I am urging that we re-examine our own espionage laws to mirror the true gravity of this type of damage.

The jeopardy of this kind of dependence is quite well documented. But the other dependencies which we have backed ourselves into whose effects are more subtle.

Much has been written about the amount of money we, as a nation, have borrowed from Japan. In 1986, over one-third of all U.S. Treasury bills was bought by one Japanese brokerage firm—Nomura. Estimates are that last year the Japanese were responsible for buying up at least 50 percent of the debt in the United States—from all sources.

Oh the power and the influence of the banker who owns your paper!

How tough can we get in negotiations with Japan if we need them so badly to fund the running of this country?

There are other signs of a timidity on the part of Americans to deal with the Japanese "up front."

On the story about Toshiba and the growing list of Japanese companies possibly involved in sales to the Soviets. From inside Japan—and I am getting reports two or three times a week about what is going on in the Japanese press—charges have been made that the Japanese Ministry of International Trade and Industry [MITI] was involved in the sale of the "silent submarine" technology to the Russians.

One story even reveals the name of a restaurant where MITI officials and agents of the Russian KGB allegedly met with officials of Toshiba. The Russian agents are identified. One is so notorious that he has been expelled from a European country for attempted industrial espionage.

Last week, some Japanese press were calling this MITI-gate—hinting at a coverup of the involvement of officials of the Government of Japan. Yet, there has been no allusion by the major U.S. media to this possible scandal inside Japan.

My sources say that a fierce internal battle is being waged in the Japanese Government over this and that some officials have been demanding the resignation of Mr. Tomura, who heads up MITI.

News? You bet it is! If you recall, allegations about U.S. Government officials being involved in cover-ups are frequently featured in headlines in America. But, not about the Japanese. Why?

If it is anywhere close to possible that officials of one of our major allies encouraged the sale of technology to our enemy, then—every effort must be made to see whether it is true or false.

Mr. Speaker, I was in the newspaper business for most of my adult life. I know as well as anyone in this city that the first amendment guarantee of freedom of speech protects the media from everyone but the advertisers.

If it is almost impossible to tell the banker who owns your debt "no," it is very hard for the accountants who control the media to ignore the best interests of major advertisers.

I have said it many times before, I will say it again—the basis of all freedom is economic. In the past, armies marched into territories to seize the wealth of the invaded nation and coopt its economy to work for the good of the foreign nation. The captured workers were put to work creating products and wealth for the invader. All of the wealth generated by the captive nation flowed back to the homeland increasingly draining the occupied nation of its strength and its will to fight.

Japan is reported to be spending $50 million a year in the city of Washington alone for top flight lobbyists, many of them major law firms. This does not include sums spent by other nations on lobbyists in and around Washington.

The number of foreign assembly plants which have moved inside this country is staggering and more on the way. Every one placed here to get around trade barriers which would have protected the American manufacturer and American market from being flooded by foreign products. And almost without exception, every one of them is assembling parts manufactured in their homeland—using practically none of our resources, none of our steel, none of our basic industries—sending all of the profit of the sales back offshore to build in a chronic balance of payments deficit draining off dollars, draining off U.S. capital into the future.

This does not address the profits flowing offshore from major real estate investments and U.S. taxpayers' dollars going abroad to pay off the interest on the Treaury bills and bonds.

Again, may be simplistic thought, but if we lose our independence as a nation to deal with foreign nations—if we are fearful about demanding what is fair for our people, our country, because we mustn't offend the people who lend us much needed money—are we still free? Are we still sovereign?

When the largest employers in a State are the companies representing foreign nations, how free will the elected representatives be to vote against the national interests of that country?

We also have seen foreign donations move on to our University campuses—especially in the fields where major break-throughs in technology are occurring. These "chairs" donated by foreign industrialists open up all the secrets of discovery to that foreign entity.

The same thing is happening with the prominent American "think tanks", those molders of public opinion on the op-ed pages of our major newspapers—those "experts" available for news shows and talk shows. Over the last few years, a study of their "tax-free" donations show increasing numbers of foreign donations—mainly Japanese.

I do not know how these groups work, but growing out of the University tradition, I would think that a large continuing donation is tantamount to the funding of a chair. And it is so interesting, that without exception, every one of these Washington-based "think tanks" have been the prime intellectual defenders of the notion of "free trade". Not fair trade, but free trade—which so far has only been practiced by the United States.

We are a great Nation and a diverse Nation and so far, we have been a totally open Nation. We have never controlled the flow of money in and out—or technology and ideas in and out—as long as it is kept in the Western-bloc nations or peoples in and out. But, we have done that among our allies with the understanding that they had the same priorities as we, the same goals as we do.

I think there are all kinds of signs that this may not in truth be so. I think there are all too many signs that we are "going it alone" in the job of defending the world from the Soviet threat and defending the world's oil supply from the threat of the Iranian Government in that Middle Eastern war.

And not only are we footing the bill and frequently sustaining the losses in manpower, we are so in debt that we are having to borrow the money—from them—to pay the bill not only for their defense, but for our own.

To show you the difference in priorities between two countries—Japan allows its industries to spend $24 billion on entertaining—while only $23 billion is spent on their defense budget.

Since that amount is so little—in the world of defense—they depend upon us for the rest. We borrow the money to supply the rest—frequently from them—and then we pay them interest on the loaned money for the privilege of defending them while they are out wining and dining industrial clients to take as much of our market away from us as they can.

Smart business out of Japan, Inc.

Mr. Speaker, it is late and we are all tired—physically from a long week in the Congress. But, Mr. Speaker, I am also tired—as an American—of being taken advantage of.

It is time to make our allies be dependable. It is time to challenge the "bankers" as to how much they identify the well being of this country with theirs. It is time to warn all foreign interests that we will not abide their involvement in the internal affairs of this country. And, it is time to get our own appetites for all of the "goodies" of the world in hand so that we are not out borrowing against the future of this great country just to satisfy our desires for televisions, VCR's and bright shiny autos.

If we don't, the history books may record that this country was sold and finally lost because we have been as vulnerable as any bunch of spoiled children to the lure of magic toys.

Pray God, Mr. Speaker, that the price of America is much higher than a shopping spree won on a television program—shown on a Japanese television set.

☐ 1535

Mr. **HUNTER**. Mr. Speaker, will the gentlewoman yield?

Mrs. **BENTLEY**. I yield to the gentleman from California.

Mr. **HUNTER**. Mr. Speaker, I thank the gentlewoman for yielding and want to let her know that I appreciate, along with many other Members here, her efforts that have been made to stop the flow of American technology and Western technology into the Soviet Union and the Eastern bloc.

I was particularly interested when I listened to the gentlewoman talk about the most recent case with regard to Toshiba, a corporation which has supplied to the Soviet Union the milling machines that have allowed the Soviets to quiet their submarines, and thereby have a better chance of destroying American subs and surface ships should we at some point in the future have a conflict between the United States and the Soviet Union, a very serious, very critical thing. Again, I too listened to the gentlewoman talking about the fact that if you are a lawyer in Washington and Toshiba has not hired you, you should feel upset because they apparently have hired just about everybody.

Mrs. **BENTLEY**. All the big ones.

Mr. **HUNTER**. I am upset about their attempts to blunt the controversy and the criticism of this activity by hiring lobbyists to smooth things over with Congress and go back to business as usual with the United States.

Toshiba does about 3 billion dollars' worth of work a year and sells about 3 billion dollars' worth of products a year to America. I find it incredible and inconsistent that they would ask the same American families whose young service people, children who are in the Armed Services and have been endangered by Toshiba's treachery in transferring this critical military capability to our enemies, that they would expect those same families to continue to buy their television sets and transistor radios and other electronic goods.

I have here, and I do not want to dwell on it, but we now have a written statement by one of the principals in the Toshiba case. His name is Kazuo Kumagai, and please excuse my pronunciation, but he is the former Moscow office manager for the Wako Koeki Trading Co.

Mrs. **BENTLEY**. I referred to his name and I am delighted to hear the gentleman has a statement from him. Yes, Mr. Kumagai was the key on this whole thing. It was Wako Koeki I believe that was the name of the trading company.

Mr. **HUNTER**. Yes, and he was the manager of that trading company, and he is the person who got brought to the attention of the West this transfer of critical military technology.

The scary aspect of his testimony is that this is, in his words, the tip of the iceberg, that the Soviet war machine is now relying very heavily on Japanese technology, and the Japanese corporations are accommodating the Soviets by willingly selling anything that is not nailed down.

☐ 1550

And let me just quote very briefly from page two of his statement that was taken out of a leading Japanese publication, and I quote:

> There are a little over 50 firms among our country's trading firms, which engage in trade with the Soviet Union. They range from big firms, like Mitsui and Mitsubishi, to very small firms with only two or three staff members. All kinds of trading firms take part in trade with the Soviet Union, and most of them have branch offices or resident staff members in Moscow. There is probably not a single company among them which has never violated the Japanese Government authorities' laws and ordinances pertaining to restrictions on exports. It is not that I have any definite evidence, but this is the actual feeling, close to a conviction, of a person who has been in the actual field of trade with the Soviet Union for many years. According to the US Defense Department's report, titled "Outflow of Military Technology to the Soviet Union—1985 Edition," about 5,000 items a year among the military research programs being pushed by the Soviet Union, are based on technology developed by the Western side, and this Report points out implicitly that Japan is becoming the window for the outflow of high technology, saying that the Soviet Union "is showing the tendency of gradually attaching greater importance to Asia," as the foothold for the Soviet acquisition of these technologies.
>
> It is Japanese MITI's Export Trade Control Ordinance which binds the Japanese people, engaging in trade with the Soviet Union. Under this "Trade Control Ordinance," exports to socialist nations, including the Soviet Union, must obtain the required approval and authorization. Especially in regard to manufactured products which come under the category of high technology, the prescribed application papers must be presented, in accordance with the provisions of "Item 44 of Paragraph 33 of Matters Requiring Attention in Regard to Exports," etc., of the "Outline for the Administrative Handling of Export Approval, Etc., for Strategic Goods," and obtain MITI's approval. After this, they must receive the inspection of Customs in charge. If these provisions are violated, it becomes a violation of the Foreign Exchange Law, as a matter of course.
>
> The probability is extremely small for items which are listed under the "Strategic Goods Provisions" or Items on the Attached List No. 1 of the Trade Control Ordinance (which trading firms call "Attachment 1 Items" and which correspond to the items of the so-called COCOM List), to pass the screening of MITI's International Trade Bureau Exports Division and to be given approval. There are cases where special permission is given for incorporating some restricted items into facilities, such as a continuous production facility for the production of goods for civilian use, which will not be operable unless those restricted items are used. However, even in this kind of case, an "application for special approval" in regard to these parts, must be presented to the COCOM Headquarters in France, through MITI, and its approval obtained. This screening by COCOM, which is called "transmission to Paris" in the circles concerned, takes time, and there are even cases where permission is refused, after being made to wait for as much as half a year.

Now this would tend to tell me or to show me why the Toshiba Corp. ultimately opted not even to go to Cocom. They took the heads off the milling machines and they called it a vertical lathe and they simply submitted it to MITI, never submitted it to Cocom for approval.

Mrs. **BENTLEY**. Would the gentleman like to explain what Cocom is about?

Mr. **HUNTER**. Cocom is the International—and again I think the gentlewoman is absolutely correct. We deal with these terms all the time and they are not readily appreciated by folks who do not deal with them. But Cocom is a coordinating committee for members of NATO and Japan, basically the Western Alliance, that supposedly protects high technology from going out to the Soviet Union. The problem with Cocom is that there are member nations like Japan and France which, as a matter of policy, want to sell anything to anybody, whose membership sits in the meeting, as Richard Perle says, with their industrial officials sitting next to them pushing constantly for liberalization of transport and shipment of high technology to the Eastern world, to the Warsaw Pact nations.

For that reason, Cocom has been an inadequate protection for the United States and our allies with regard to defense. In fact, I think the fact that the Soviets are engaged in 5,000 defense programs that involve American technology and Western technology, is proof positive that our shield against this transfer has in reality been a seive. It has not stopped anything. I think we are going to have to move very strongly toward barring our consumer market to companies which violate high technology transfer prohibitions especially in light of the recent report that I have received, and I am trying to confirm this right now, but I understand that the Japanese Diet has voted against establishing an espionage law in Japan. That means if the Walker sold secrets in Japan they would be told "Have a nice day, we are not going to prosecute you."

Mrs. **BENTLEY**. "Keep doing it."

Mr. **HUNTER**. I think it is absolutely incredible that the United States is proposing and in fact has completed some pacts with the Government of Japan regarding partnerships in SDI programs and that there are proposals in the Secretary of Defense's office right now regarding partnerships in submarine technology. I think if we share our technology with the Government of Japan and a country in which the KGB is making large cash payoffs to people who commit espionage and there is no punishment for espionage, we are going to see that information that right now has not been compromised, go directly to the Soviet Union through hundreds of KGB agents.

I spoke with one of the KGB agents who has come over to this side, defected, yesterday and he said in fact that the people who are in Japan operating for the KGB for the Soviet Union are extremely well-versed in technical and the political aspects of securing prohibited technology for the Soviet war machine. He said they are highly effective and they are right now carting off Western technology by the cartload so that the Russian war machine will be more able to effectively kill young Americans should we have a conflict with them.

I thank the gentlewoman for yielding.

Mrs. **BENTLEY**. Let us continue our colloquy. I think we should point out here that Toshiba did not sabotage the silent submarine by itself, that it was joined in this effort by Kongsberg of Norway and Kongsberg of Norway however does not happen to be a company that makes any consumer products. So therefore all of the focus has been on Toshiba. But there are two things about Kongsberg of Norway; namely, it did shut down its trading company altogether. It sort of regrouped and put everything under one head. However, it is a company that is solely a government concern and the Government of Norway is changing its laws, as I understand it, or has changed them so that there would be a 10-year statute of limitations should anything occur again, and that the penalties will be very severe should anybody ever engage in this again in Norway.

We have not seen that on the other side. Am I right or wrong on that?

Mr. **HUNTER**. That is true. Although I have been reading this gentleman's—and this is essentially the whistle-blower who turned in Toshiba—I am looking at that now at the paragraph "plan for using Norway." He describes how they decided to pull Norway into the picture in attempting to procure this high technology for quieting Soviet submarines.

He says this, and I quote:

> As the business talks proceeded, we came to face frontally the big problem of how to export these machines which infringed on the COCOM rules, to the Soviet Union. Again, please pardon the translation. This was translated from Japanese to English from one of the major publications in Japan.

Continuing on:

> It was at this stage that Kongsberg came into the picture. The Kongsberg Vaapenfabrikk Corp. which is located in the city of Kongsberg in Norway is a prestigious state operated munitions enterprise which adopts as its company name the Norwegian term Vaapenfabrikk which means weapons fabrication in English, or in other words, weapons manufacture. Besides weapons, it also manufactures computers, automatic designing machines, numerical control equipment, et cetera, and it had the actual record of delivering about 100 PC-150 programming centers to Elektronorgteknika, the Soviet Union's electronics technology import corporation.
>
> The exporting of metal-processing machine tools, which are capable of more than two-axis simultaneous control, to the Soviet Union is banned by the COCOM Rules, and also by our country's Trade Control Ordinance, and there was absolutely no possibility at all for the exporting of nine-axis simultaneous-control propeller milling machines being approved. Therefore, approval will be obtained as two-axis control machines, and importing numerical controls (NC's) for two-axis use from Norway, a third country, to Japan, and installing them into the machine, they will be exported to the Soviet Union. The machines naturally had nine-axis simultaneous-control capability, but even if the crates were opened at Customs, it would not be possible to assemble a machine, which weighs as much as 250 tons, and to check its performance.

In other words, by breaking down these machines which are as big as a room, they put the customs people in a position of having to put the machine together to test it as to whether

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or not it can cut on nine-axis simultaneously.

It goes on:

> On the other hand, a program for 9-axis simultaneous control will be exported to a third nation, or in other words, to Kongsberg, and it will be exported to the Soviet Union from Norway, where control is lenient, as a part of the documents for other machines.

Here is the key, this is why Kongsberg was so interested in selling out, selling the security of the Western world to the Russians: "Kongsberg was pushing business negotiations for the exporting of programming centers to the Technological Machinery Corp. and the Baltic Shipyard." In other words, Kongsberg, our ally in Norway, which is state-owned is doing big business with the Soviet Union and they wanted to keep the dollars coming in, which made it a still more desirable partner. "This programming center was for the purpose of analyzing the data of the original design of a propeller and for its input into the NC equipment of a nine-axis control propeller milling machine."

In other words, Kongsberg was helping the Soviet Union solve their problem of being able to destroy American submarines. Our allies, who are State Department people were meeting with, who were sitting around telling us how important it was for us as partners to handle the Soviet submarine threat because they see a great deal of it on a fairly regular basis, they detected these Soviet submarines, at the same time were over at the Baltic shipyard sitting down with Soviet engineers saying, "Let's figure out how we can kill these American boats should you go to war." That is the extent. I think the gentlewoman has made some strong points today in other areas about the real commitment of our American partners. Now that Mr. Carlucci is going around the world attempting to secure mine sweepers from our allies and finding doors are slammed in his face, even though most of the oil coming out of the Persian Gulf is going to them, not to us, I am reminded of this fine ally, Norway, which is in the business of selling the security of American sailors to the Soviet Union for money, even before they were approached on the Toshiba case.

I think one very interesting aspect of the Norwegian case, Kongsberg, is the fact that they found the one British national in the company and he is the guy who is getting indicted.

Mrs. BENTLEY. That is a very ironic thing. In fact, Norway really is the closest to Russia of any of the countries because in World War II it was the convoys of shipping coming from Murmansk in Russia going around the Norwegian coast that everybody was so concerned about the German submarines knocking them off. And there they are, the same country and its defense establishment is literally giving away the secrets to protect its coast.

Mr. HUNTER. Absolutely.

Mrs. BENTLEY. That is what is so difficult to understand in the whole operation.

Does Mr. Kumagai have any more interesting points that we should make known today?

Mr. HUNTER. Well, he has made one interesting point. He told one way that the Soviet Union acquires goods and acquires technology from Japan: Japan stages technology fairs in Moscow. And even if it is a banned good, you can go—even if it is banned for export by Cocom, you can go to a technology fair, if you are a Soviet KGB agent, and you can examine that particular technology at the Japanese technology fair.

The point is that the Japanese industry has attempted to circumvent Cocom regulations rather than adhere to them and they have been guided I think by the almighty yen. I believe that the only way to deter other Japanese corporations and other Western corporations whether they are Norwegian, French, or whatever, is to initiate very strong consumer action in this country. I would call it consumer action, banning their products where it is appropriate from this Nation's shelves. I think Toshiba made about $22 million on this deal. That was the total sale, in fact, with regard to the milling machines. They do $3 billion worth of domestic sales a year in the United States. We need to cut Toshiba off and never again let them sell to the American consumers whom they have endangered by their actions. That would, I think send a very strong signal to other companies, big companies like Mitsubishi who built the Zero, the Japanese Zero, incidentally, let them know if they continue to sell technology to the Soviets we are not going to allow them to bring their automobiles into this country.

□ 1605

I think in the case of Kongsberg which has no domestic market, but which has a substantial business with the Department of Defense, we should ban them from doing business with the Department of Defense. My hope is that our colleagues in the other body and our colleagues in this body are not going to allow themselves to be suckered by an army of $1,000-a-day lobbyists that Toshiba has unleashed on this city in Washington, DC.

I think if they do that, their constituents in their districts throughout the United States are going to be very, very upset.

Mrs. BENTLEY. I would hope so. Speaking of those fairs, after we revealed here in the Congress about the activities of the sales to the Russians by Toshiba and Kongsberg that the Japanese pulled out of the next scheduled fair in Moscow. I do not know how long that pullout will last, but I felt it was interesting that they felt they should not go.

Also of special note is the fact that in October there is going to be a fair over in Crystal City, VA, a few feet away from the Pentagon, and only foreign exhibitors including Kongsberg are allowed. No American defense manufacturers are going to be allowed.

Mr. Speaker, those are points I felt I should bring up since fairs were mentioned, and how people come and see what is being produced, and what they can get.

Mr. HUNTER. If the gentlewoman will yield further, since we are talking about fairs, I want to expand just a little bit on how the fairs are used because it is not just a matter of when the Japanese put on a technology fair in Moscow, it is not just a matter of letting the Moscow agents come and look at the technology. These are the words of the gentleman who was the manager of this trading company, Mr. Kazuo Kumagai. He says, "As one method for the acquisition of high technology, is the method of lending for a certain fixed period of time banned goods which were exhibited at sample fairs in Moscow to Soviet research institutes, and letting Soviet experts thoroughly dismantle and analyze them and exhaustively study the secrets of high technology is also resorted to."

What that means is if I have a computer I am not allowed to sell to Moscow, what I do is say, "Listen, I'm going to put this computer at the fair next week, and after the fair is over I want you to stop by the fair booth or our organization office at the fair, and I will give you the computer for a couple of weeks. You take it back to your university or to your laboratory in the Soviet Union's department of defense establishment, have your engineers and scientists disassemble it, photograph it, and analyze it, possibly back-engineer it if they want, and then return the computer to me at your leisure."

That is another way for the Soviet Union to acquire prohibited technology, and the Japanese Government appears to encourage that type of backdoor treachery.

Mrs. BENTLEY. Mr. Speaker, I am sure that the gentleman from California [Mr. Hunter] has visited a number of our defense plants in this country as have I, and knows how much security is placed on each of the doors when one enters one of these plants and how each of the employees there is screened beforehand and clearances must be obtained before they are employed.

We go through all of this for security, for protection, so that our technology will be secure here, and then we give it away somehow to our allies. We let them take it. There is no concern apparently whatsoever whether our allies have an espionage law, whether they have any form of security, whether there is any protection whatsoever.

How do we account for this?

Mr. HUNTER. Mr. Speaker, the gentlewoman from Maryland [Mrs. Bentley] has asked an excellent question. I think the question can best be answered by pointing out the conflict between Commerce, and other agencies of the Government, between the agencies in this Government whose job is to sell, to make money, to increase exports, vis-a-vis Defense, whose job it is to secure the safety of this country. You have many cases where people, and I am talking about some American businesses in this case, but where people are involved in selling who get carried away and do not look at the defense aspects of these sales.

The gentlewoman is absolutely right. In some cases you will have less scrutiny applied to a computer that goes out the door for transfer to some phony company, a shadow company that has been established by the KGB in France, for example, than the same computer that is on the floor at General Dynamics. That same computer, if it is on the floor at General Dynamics, in one of their weapons facilities, may have a lot of security around it. It may be in a situation where you would have to have a platoon of infantrymen to get into that particular location, but that same computer can go right out to a phony trading company and divest itself of all of its security, and I will tell the gentlewoman, there is one other very, very troubling aspect of this Toshiba case that has come to my attention.

I have been told, and I am researching it so I do not want to state it as an absolute conclusion, but I have been told that at one point before Toshiba supplied this technology to the Soviet Union, these milling machines, that the Soviet Union attempted to get them in the United States from the United States and that at one point the Department of Commerce in the United States had issued tentative approval. I am checking that out. If that is the truth, that would be an absolute disaster and absolute proof that we have an inadequate system in this country, and that we have poeple who are focusing on the wrong things. They are not focusing on national security.

We have a lot of people, we have a major industrial base in this country, and we have a lot of people who have been put out of work by foreign industry.

Mrs. BENTLEY. Our work force is shrinking, yes.

Mr. HUNTER. We have a market here, and if we want to expand American production in a certain sector, I would much rather, although I am a member of the President's party, I am a Republican, I am not necessarily a free-trader, I am for smart trade.

Mrs. BENTLEY. Smart trade and fair trade.

Mr. HUNTER. Not free trade, which I consider to be dumb trade. I think some of our free trade is very dumb.

But I would rather preserve a portion of the American market to a particular industry and exclude a foreign corporation or foreign source for certain goods than to try to beat the trade deficit by selling high technology to our enemies.

Incidentally, the trade bill, H.R. 3, as I understand, has provisions that require or that remove the Department of Defense's capability of banning sales to a number of countries which are adversaries, including two of them that are unclassified, Iraq and Libya. Somebody someplace actually got provisions in the trade bill that will help militarily critical technology to flow to our worst enemies. It is absolutely unthinkable, yet it is manifested in legislation passed on this floor, I think, by a fairly overwhelming vote.

Mrs. BENTLEY. Unfortunately, that amendment did get into the trade bill and the effort that was made by the gentleman from New York [Mr. Solomon], the honorable Congressman from New York State, to try and squelch that, he was not even allowed to get it by the Rules Committee.

Mr. HUNTER. The Democrat majority on the Rules Committee would not allow the gentleman from New York [Mr. Solomon] to offer the proposal to eliminate Libya, and Iraq their access to major military technology.

Mrs. BENTLEY. And I would add that 13 of 17 countries are very questionable in that list and the fact is that I understand the version coming back from the Senate and going into the conference, that the lifting of that export control altogether there could open the door for 1,000 Toshiba cases, which is the way it was put to me this past week, which absolutely frightens me and may make me turn away from the trade bill altogether.

If we give all of that technology away, what we have left of our industrial base in this country we can just kiss goodbye.

Mr. HUNTER. If the gentlewoman would yield briefly, I need to leave this colloquy which I have enjoyed greatly, and I think I just want to tell the gentlewoman that I thank her for her actions and for her efforts to stop the technology flow, and I hope that our colleagues in the next several weeks will allow us to have a bill on this side of the Capitol that will ban trade permanently with Toshiba, ban Toshiba exports into the United States and also ban Department of Defense contracts between the Department of Defense and Kongsberg.

I want to leave this statement by this senior trading official from Japan who operated in cooperation with the KGB in transferring technology for many years, I want to leave this with the gentlewoman from Maryland [Mrs. Bentley], and if she has other provisions she would like to refer to, that will be fine.

Mrs. BENTLEY. I am very happy for that, and I appreciate the gentleman from California [Mr. Hunter], who has devoted so much of his time to this whole project as well, and for all of his assistance and for being a leader in this cause.

What the gentleman from California [Mr. Hunter] was pointing out to me right now was a statement by Mr. Kumagai that the close relationship between Wako Koeki, which is the Japanese trading company of Toshiba, and the Technology Machinery Import Corp. of the KGB, of Russia, started 22 years ago, so actually it has been going on for much longer than just these last 4 or 5 years that we have been made aware of.

These are some of the things that we are so concerned about. We have other material which we are going to be making public in the next few weeks about two or three other companies that also have been selling out to the Soviet Union from Japan and how they tried to snare in Singapore and some of the other Far Eastern countries as a conduit, which is why these items were stopped.

I would like to summarize by pointing out that what is happening at the same time that we are having these activities going on off shore, that we are having so many foreign assembly plants moving into the United States, but they are not, and I want to emphasize this, without exception each of these are coming in and they are assembling parts manufactured in their homeland. This means again that they are not using our resources, they are not using our steel, they are not using any of the items that are important, and they are continuing in this manner to build in a chronic balance-of-payments deficit draining off the dollars and draining off U.S. capital into the future, and these are just some of the points that we felt we wanted to make known to the American public today.

Mr. Speaker, I yield back the balance of my time.

## ANNIVERSARY OF THE VOTING RIGHTS ACT OF 1965

The SPEAKER pro tempore. Under a previous order of the House, the gen-

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tleman from Georgia [Mr. Lewis] is recognized for 60 minutes.

Mr. LEWIS of Georgia. Mr. Speaker, 22 years ago today, on August 6, 1965, President Lyndon Johnson signed into law the Voting Rights Act of 1965. After the atrocities at Selma, as well as other locations throughout the South, the consciousness of the entire Nation was so moved by the injustice and brutality, which they had witnessed on their television screens, that many demanded action from their federally elected officials. The Congress exercised its authority under the 14th and 15th amendments to the Constitution to ensure the rights of minorities to register to vote, as well as protection against discriminatory election laws, such as the State and local poll taxes, and literacy tests.

As a result of this crowning achievement of the civil rights movement, the percentage of black registered voters in the South doubled between 1965 and 1980. Between 1965 and 1986, the total number of black elected officials in the South increased from less than 100 to over 4,000. These gains could not have been realized without the Voting Rights Act.

The Voting Rights Act of 1965 brought about a nonviolent revolution. Our country is a better country, a more humane country, a more caring country, as a result of the enactment of the Voting Rights Act.

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## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 51

Mr. FAUNTROY. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Maryland, Mr. Roy Dyson, be removed from the list of cosponsors of the bill, H.R. 51. His name was inadvertently listed as a cosponsor.

The SPEAKER pro tempore (Mr. Kennedy). Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

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## PEACEFUL APPROACH TO NICARAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Gonzalez] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I would like to say at the outset that I wish to salute, wish well and compliment my colleague presently serving as Speaker pro tempore, the distinguished gentleman from Massachusetts, Joseph P. Kennedy, Jr.

□ 1620

As I understand, this is the first occasion he has this heavy chore; and as can be readily seen, he does so with impressive dignity, a smiling countenance and in the great tradition of this great family that has given so much to our country.

Mr. Speaker, today the news seems to be a balloon that has been floated out of the White House and onto the Capitol, as to a stratagem that Ronald Reagan now says he is interested in and seems to be confirmed by the Secretary of State, George Shultz, that they will initiate a peaceful approach or suggestion to the Central American, specifically the Nicaraguan, situation.

Yesterday I had the privilege during our weekly Texas Democratic delegation luncheon to have given me the first mimeographed copy of an outline substantially delineating the approach.

The Speaker of the House, our great Mr. Wright, very generously provided a copy. In reading it over last night, I find that it seems too much to expect of a self-respecting sovereign nation and its duly elected leaders which, like it or not, is the case in Nicaragua today.

As a matter of fact, we ourselves give testimony worldwide that that is a fact, for we have a duly accredited plenipotentiary, our U.S. Ambassador in Managua, testifying to that fact, that he is there, received as such as a duly appointed envoy of the United States recognizing the legitimacy of that regime which we so derogatorily label the Sandinista regime, and has been rather unjustly and inaccurately labeled as a Marxist-Leninist complete takeover of the Nicaraguan Government.

I want the record to show that as of November 4, 1984 where the people in Nicaragua in a free, open election in which you had half a dozen different party candidates, including the Communists, the Socialists, the Marxist-Leninists, all vied for these national leadership positions.

I think we should know, and I think the American people are entitled to know that the combined vote garnered by the Socialists, which were a separate entity, the Marxist-Leninists and the Communists to some of us less enlightened minds, it seems like it is all one big package. I do not see much difference between a labeled National Socialist which, after all, was the name of the Hitlerian party, Adolf Hilter's party, the German National Socialist Labor Party.

Mussolini was in Italy and came up piggybacked on the workingman's shoulders and backs. In Russia we have had the United Soviet Socialist Republics.

I think the feature that is indistinguishable in all these forms is the authoritarian nature, the anti democratic nature of these regimes, the fact that you read in history about the open slogan and proclamation that the Soviet Socialist cause believed in the dictatorship of the proletariat.

Well, that in itself clearly contradicts the democratic principle. I for one resist any kind of any anti democratic exercise. Given my background, the inheritance that has enabled me more than perhaps the average American-born citizen to appreciate what we define as democracy really is, and now the word "democracy" is used very liberally and interchangeably in all of these countries.

It would hardly fit the day in and day out daily-life definition that we Americans give democracy.

Anytime, as I say, we reduce that decisionmaking power without, in the words of the Declaration of Independence, the just consent of governed, we do not have democracy.

We do not have participatory democracy. We do have representative or republican form of government. I used the word "republican" in the sense in its language-origin sense, not in the party-label identification that we are accustomed to hearing in our country, so that when we say that in a country such as Nicaragua where because of revolution, a revolution that had been ongoing before, during and after our Marines occupied that country for 9 years, when Calvin Coolidge ordered the invasion of Nicaragua in 1929, and remained there until the Somoza regime was imposed and the military force known as the Nationale Guardia, or the National Guard, was imposed in order to be able to keep the Somoza regime in.

I might say by way of addition that that invasion in 1929 had been preceded by eight others in less than 75 years on the part of the United States, as far as invading a sovereign people known as the Nicaraguans.

With this heritage of experience and background, we should keep in mind that astoundingly, even under the pressure of this vast Goliath which is our country, through the CIA attempting to kill its leaders, I myself saw fragments of explosives that had been attempted to be used to blow up public buildings in Nicaragua, and they were clearly stamped "For U.S. Army Use Only."

Through the CIA we have attempted to kill their leaders. We have perpetrated great destruction and pillaging of Nicaraguan sovereign territory and properties, while all the time we have maintained an ambassador in Managua, so that with this as the background and with the issuance of this so-called peace movement, it should be noted that what I saw as the summary of the proposal—in fact, it was rather explicit, it was not that much of a summary it was practically the full proposal.

In effect, my interpretation leads me to conclude that no self-respecting leader of a sovereign nation would accept it for the plain and simple

reason that Mr. Reagan says once again, except a little more politely, "Drop dead or I'll kill you."

This has been his approach to Nicaragua since 1981. The so-called Sandinista revolution triumphed in the summer of 1979.

At no time during the course of that civil war was the American Embassy ever attacked, unlike the revolution in El Salvador where we proclaimed victory, because according to our leaders in and out of the Congress, in and out of the White House, we have imposed a legitimate, a very acceptable leader in Jose Napoleon Duarte, but who is no more, no less in power than he was two times before when he was finally kicked out by the military, and those who have murderously through their so-called Escuadrons de Glorius, literally translated, Glory Squads, but we have learned to know as the death squad were killing off thousands of Salvadorans and continue to do so, even under Duarte with a vengeance now.

There is more freedom in Nicaragua which we look down upon and which the President consistently says is a country shorn of liberty than there is in El Salvador right now as I am speaking which a lot of my colleagues, the White House, the State Department proclaim as being a legitimate government because of the results of the elections 3 years ago but which were far more controlled.

Our money financed the Salvadoran elections. You cannot say this was true in Nicaragua. You cannot say that you had on the ballot in El Salvador the hostile elements that had been in rebellion.

There are five factions in the revolutionary core of the Salvadoran revolutionary movement; and in the ballots in Nicaragua, for instance, all that the four so-called Socialist, Marxist-Leninist Party candidates could receive was a total of 6 percent of the vote.

That clearly should indicate that the attempt made on the part of those who have consistently attempted to destabilize as our first Secretary of State under Ronald Reagan, General Haig openly said he would do, for it was he who first introduced the Argentinian troops into Honduras in order to train what we now called the contras, in order to destabilize the then Sandinista junta.

Unless we are prepared to accept the facts of history and the traditions, we will continue to be duped as a public and as a Congress by a leader such as Ronald Reagan who, as President, has violated every principle for which America stands.

He has taken our country out of the World Court of Justice, plus we were one of the sovereign nations to help initiate decades ago, because we feared the verdict of the World Court in the face of the gravamen of charges that Nicaragua had brought against us in the World Court of Justice; and sure enough, Mr. Reagan pulls out.

I though he was for law and order, but lo and behold for the first time, he has pulled us out of the World Court of Justice, but subsequent to our pulling out, the World Court of Justice rules, found us guilty, convicted us and ordered compensation for what we now call acts of terrorism, attempts to assassinate the leaders, destruction of Nicaraguan property, and so at that point because I have seen at no point in no periodical, not even a summary in any newspaper of the International Court of Justice's judgment, known as a Judgment of the Court, filed on June 27, 1986.

□ 1635

Now, this judgment has not even been mentioned, but it has influenced world opinion. There is not one country of any substance, other than the eastern Caribbean countries, that are totally dependent on our largess, who are in sympathy with the actions of our Government in the last 6 years with respect to Central America generally and Nicaragua specifically.

There is not one European nation that sympathizes with us.

Even in the Far East, there is absolutely no adherence. We have become, without the American people fully realizing it, the laughing stock of the world; but what is more shockingly arrayed as an open contradiction to everything we say we stand for as Americans.

So that as President Ronald Reagan has violated very single principle that we have always held from the beginning as meaning and symbolizing what America is all about. He has acted without consulting Congress in the most calamitous of decisions and even as Commander in Chief, he has been a faithless leader.

This is why for 14 months I took this floor to inquire of the President, "What is the military mission, Mr. President, of the marines you have detailed to Lebanon? They are under the daily shadow of death, Mr. President."

But I also knew that the Joint Chiefs of Staff had unanimously advised the President, the Commander in Chief, if you please, against that diversion of troops.

Now, everybody throughout the world knew, all one had to do was read the European press, France, West Germany, Spain, England, the South American press, and you would realize that it was incongruous, it was inconsistent with what these diplomats in those countries, these editors of newspapers in these countries, could understand was a coherent, a logical, a reasonable decision.

So we had the calamitous slaughter of 241 of our warriors, the reason being that the President, as I said and recalled St. Paul by saying, "If the trumpet giveth an uncertain sound, who then can prepare for battle."

This Ronald Reagan trumpet is still uncertain and contradictory in its sounds and tones.

Even today as we are here and we are discussing this, the Central American issue is off the headlines, but in a few weeks it will be back on because of the Persian Gulf contradictions.

Even some of his staunchest supporters back in my home State of Texas have written and said, "Well, I have supported him, but I don't understand this. It's a bad decision. How come you fellows in Congress aren't doing something?"

It has yet to result in any input on the part of the Congress.

Has the President consulted with congressional leaders? Not to my knowledge.

So here is a President who has callously failed to consult with the congressional leaders. Even President Lincoln at the height of the Civil War would never have thought of failing to do that. President Franklin Roosevelt before he would make any kind of a pronunciomento he had on a bipartisan basis, summoned forth the leaders in the Congress and advised them. Even Lyndon Johnson before he would move, even in his invasion of Santo Domingo, which I felt was questionable, but nevertheless, he made sure he had the approval of the OAS, even as he told me at one time he had to kind of pressure them a little bit, but at least he paid respect to the decent opinion of mankind. That is another phrase from our Declaration of Independence.

The President has ordered military strikes that kill civilians. He attempts to kill foreign leaders, and without constitutional authority he embarked, as I say, while he has his Ambassador in Managua, military support for the so-called Contras, what I call the immoral equivalent of our Founding Fathers, knowing full well that they have murdered and raped and pillaged their own fellow nationals in Nicaragua.

So that the so-called peace initiative now is patently hypocritical on its face. It depends imperiously. It does not say, "Hey, let us come forth and discuss it in company with other nations," which have been called the Contadora nations.

As a matter of fact, if we had wanted to follow this advice, which incidentally is the only advice I have given the privileged orders consistently since April 1, 1980, and Ronald Reagan was not President, Jimmy Carter was.

The reason I did was that it was obvious that for whatever reason, somewhere in that vast maze of governmental bureaucracy or governmental setup, at that time under Jimmy

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Carter, the State Department or whoever was responsible for those decisions was beginning to embark on a course of military, rather than other approaches.

The assassination of Archbishop Romero, the murder and rape of five American nuns, several American priests, an untold number of foreign missionaries, as well as reporters, four Scandinavians in El Salvador alone, all because the death squads were deadly effective at the time, and even such dastardly things as the murder of Archbishop Romero, not one time has General Duarte said, "Well, you know, we're going to try to do something about ascertaining responsibility."

The reason is that these great, great murderers, Duboson, the leader of the death squads, who was the one who dubbed them Esquadron Egloria, glory squads, and where over 55,000 Salvadorans have died.

One cannot in America understand the extent of our calamitous interventions, unless we are in touch with those who are themselves the reasonable minds, the moderates minds, but in countries such as these that after over 350 years of tyranny and exploitation, the worst ever that you can read about, are desperately realizing that the world does not have to be that way.

We have aided and abetted those who in the name of combating communism want to maintain in perpetuity their exploitation of these masses. They are not going to do it. We are not going to succeed. We do not have enough soldiers to succeed, and we should not.

It is calamitous to think that we have gone so far as we have in intervening in behalf and supporting and maintaining and feeding these despots, corrupt, and feeding off our largess with their secret Swiss accounts, with their beautiful jacuzzi equipped jets based in Miami. How many American tax dollars have gone to that? Well, ask Mr. Reagan. You will not get an answer, because the Congress itself has not even been so much as consulted, much less informed.

Since the Congress is a multiple body, it is very difficult to summon in quick rapid order unitary action that can countervail the unitary action of the mandatory, known as the President.

Unfortunately, as in the case of the assassination of Archbishop Romero, the CIA stationed in that area were in close contact, cheek by jowl, with the assassination of Romero.

There would never have been any problem about arresting and judging and trying the murderers and assassins, except for the fact that our country and through the CIA was in close alliance with those that in the name of anticommunism were murdering such free voices as Archbishop Romero.

We cannot stand the judgment of world opinion and certainly we are indicted by the world court of justice, much less a much higher and divine judgment.

So I introduced an impeachment resolution on March 5 last and I gave my recital of specifics, though actually they were not actually necessary to carry out a proper impeachment course on the House of Representatives level, but I did so because the acts were specific and each one an impeachable offense.

Certainly a willful flouting of our Constitution is one of the main reasons why the men who wrote that Constitution 200 years ago delved deep into the mother country's history in its struggle for freedom, to preserve in these articles and sections in our Constitution.

Impeachment, meaning if an agent of the people, appointive or elective, violates his oath of office—and what is that oath of office? The oath of office we all take is that we shall uphold, defend, and preserve the Constitution, against all enemies, both domestic as well as foreign.

When the American people saw this uniformed, but somewhat mendacious marine, Colonel North, in his military uniform, equipped with medals, bemedaled and all, and heard him say that his highest allegiance was to the Chief, he was saying the same thing all of the other lieutenants of the Nazi armies, those in the Mussolini corps, and those in these other countries were saying, because he did not take an oath to make the supreme being the Commander in Chief. His oath is the same as ours, to uphold the Constitution against all enemies, domestic as well as foreign. That means the President himself.

☐ 1650

In the trials of Nuremberg, German ex-leader after German ex-leader rationalized and explained and tried to justify his decisions by saying I was carrying out orders as a faithful and dutiful officer of the Wehrmacht.

This is what Colonel North was telling us the other day. I did not hear anybody, even on the committee say, hey, wait a while, mister, your duty is to the Constitution, and that is the oath you take. Otherwise, there is no difference between our country and what history has shown as these lesser and benighted regimes that created so much havoc and misery and pain for humanity in the 20th century.

So certainly we here in America must speak. A great French mind who died in World War I at the Battle of Marne said he who knows the truth and does not proclaim it from every rooftop is in a conspiracy with liars and cheats, and that is very true. That French mind was Charles Peguy, a great thinker, great philosopher, great literator, and a soldier who died in the field of battle in a most sad way.

Certainly the Congress above all under our Constitution cannot at any time fail to respond to its very prime constitutional purpose for which it was created in article I of the Constitution. The executive branch is article II. And the reason was, as James Madison said, and I am going to quote:

> Of all of the evils to public liberty, war is perhaps the most to be dreaded because it comprises and develops every other. War is the parent of armies. From the proceeds debts and taxes, and armies and debts and taxes are the know instruments for bringing the many under the domain of the few. In war too the discretionary power of the Executive is extended. Its influence in dealing out offices, honors and emoluments is multiplied, and all of the means of seducing the minds are added to those of subduing the force of the people. No nation could preserve its freedom in the midst of continual warfare.

So in light of this history of this regime known as the Ronald Reagan administration, should we wonder that the decisions which I have labeled for 3 years now as irreversible, that is to intervene directly in Nicaragua, are not being changed one whit, not one whit. Why do I say this?

When some of us were recommending 6 years ago that we try diplomacy first, after all, we go to war, we go to battle, we summon the military only when diplomacy has failed, and this is why our record in post-World War II—I should not say post-World War II because my contention is World War II is not over yet. There is no peace treaty. We have 300,000 of our troops in Germany alone, 45,000 in Korea, and now we do not know how many will be sailoring around in the Mediterranean. We have quite a number that nobody can ascertain for sure in what would be questionable activities on the part of our regularly constituted services south of the border. We have had over 20 of our soldiers killed in that area alone, and yet nobody identifies them as such. So I doubt that President Reagan, being of the mind his actions clearly reveal, is going to reverse an investment of $4 billion, a policy of ultimate direct intervention because in this proposal an ultimatum is given. Either you accept this or if you do not we will proceed.

What do you mean by proceed? Well, the President has said several times, if not once, that he hopes the Congress will give him all of the funds necessary and military aid to the so-called Contras in Honduras which incidentally is a fundamental violation of the international law as long as we have the fully accepted and constituted plenipotentiary in Managua testifying to the world that we recognize that regime. I

have said earlier this month and last month that the month of August, this month we are in, is the ideal month for operational activities in the area, particularly the north and in fact most of Nicaragua. It is the dry weather month, and it is only 1 month or so of duration that you can really count on this maximum operation.

I say that the die has been cast, that President Ronald Reagan is not the kind, being an ideologue, that is going to change his mind, that it is insulting to say that you are going to try a last minute ploy by seeming to accept a peace or diplomatic approach when five other nations, every one of them a sovereign independent nation, and very well respected from Mexico to Venezuela, have for 5½ years been conducting such attempts and had reached an agreement except for our undermining of that agreement. Our Government has obstructed and undermined every single attempt to find a peaceful solution by those nations among themselves. To me that is folly, it is criminal folly, because if at any time we can have the persuasive ability of some at least erstwhile friends and allies putting forth a condition that if accepted would mean that all of our so-called allegations and reasons for being hostile to this regime would be taken care of.

I have read the Contadora processes, and if I had thought I would have brought them with me and placed them in the Record because again, I have never seen them printed in any American publication. All we had to do was what Eisenhower did. President Eisenhower did not think it was demeaning to the United States in 1957. We joined the equivalent number of nations in reconciling the dispute between Honduras and Nicaragua, wide ranged for decades. And when those nations invited our Secretary of State, Eisenhower said, fine, and they made the American diplomat the leader, the chairman, and then all went to the World Court, the same one Mr. Reagan has taken us out of, and there it was settled, and it had remained settled until 1981 when Gen. Alexander Haig introduced Argentinan troops into Honduras with the determined purpose to destabilize the Sandinista junta at that time.

So what is wrong with that approach? What is wrong with finding victory by having more brains, as I was told once when I was starting out as a juvenile officer, and I heard screaming in the adjacent room while I was with the then county health official who was examining some of the young juveniles due to appear in the court next day, and the doctor known as Dr. Goodson said, for heavens sake, see what all of that banshee screaming is. So I go over and I see this woman on the floor hitting her head on the floor and screaming at the top of her lungs, and this very bewildered young female caseworker that had just been hired out of college, and a young girl. The girl was sobbing, and the woman was saying, "Oh, my daughter, my daughter." And I said, I went over and I said, "Lady, now come on, stop hitting your head on the floor, tell me what is the matter." She said, "Well, I know my daughter has been bad, but I don't think this woman has the right to call her a whore." So I said to the lady, "Well, lady you come over here and let's discuss this."

She subsided. I went to the chief and I said, hey, look, assign this case to somebody else. I came back and Dr. Goodson said, well, I can see that you have more brains than the dogs. I said what to you mean by that, doctor? He said, well, I am an oldtimer, and he was. At that time, this was 1946, he was already about 82 years old. And he said way back there we used to have a farmer out here, a rancher that wanted to train some dogs to retrieve, point and hunt and retrieve, he said, and he went to the best experts. And finally he went up to the East to look at some of these experts and consult them, and they could not train those hounds until one day this son of a slave family was called in, and they said do you think you can train them. And he said, well, give me a chance, we will see.

Well, sure enough, 2 weeks later he brought the dogs, they would point, they would run, they would retrieve, and this plantation owner or rancher said now tell me what was the secret of your success. This poor laborer scratched his head and he said, "Well, I guess the first requirement is that you have more brains than the dogs."

I believe the reason for that is that for the first time in our history we have an ideologue President, narrow in scope and breadth of vision, shallow in depth of understanding and knowledge and history, an ideologue which he revealed completely for 30 years that he served as a spokesman for the General Electric Corp. and went around the country making speeches. His utterances during the Watergate proceedings in which he clearly said I do not know what is the matter with President Nixon. He said, after all, there are times when a President must do things, and must make it perfectly all right for his aides and assistants to lie, if necessary. This is Mr. Ronald Reagan about 1974, 1975, trying to rationalize why nobody should get excited about what President Nixon was supposed to be in trouble about.

But I think that if we have, as I have painfully tried to since April 1 of 1980, and I spoke after 6 months of failing to reach some officials that would be reactive in the White House, in the State Department, and then I took to the floor because I felt as I have felt every time I have taken the floor, that that is my responsibility, for if I feel that what I say is the truth, and there is no rebuttal thereto, and being that I feel and I think my record shows that I am honest, that if I am shown to be in error I will be the first to admit it, and proclaim my error and correct either my utterances or my actions.

☐ 1705

But in the absence of that, I hold steadfastly as I have every day in the last 34½ years, that the people have given me the privilege to serve in a representative capacity, 3 years on the city council; difficult years, perhaps the most turbulent in municipal history in San Antonio in the 20th century, in which I faced everything from death threats, people shooting, from attempts to frame, to scare me off the city council.

As the city attorney then said at a bar, he said, "You wait, in the morning we are going to scare that little Mexican so bad he will wish he never heard of the city council." And all they did was insure that on this day in August I would be in this great forum in the hall of the House speaking forth under great privilege of special orders as a duly elected Member from the 20th District of Texas which I had never in my wildest fantasy dreamed I would be doing for, one, I had never planned, I never had the ambition, never though it would be possible to be immersed in politics. It took the war, and wars, as calamitous as they are and as "evils in their train are brought," nevertheless, sometimes do some things that help the cause of democracy and equality and justice.

The war did bring down some of the barriers that some people faced before the war but who, because of their patriotism and their heroism in the war clearly proved they should be and were entitled to be duly accepted into the mainstream of American life. And given the greatness and the vitality and the resiliency of our institutions up to now—and the reason I speak today is that I have been the most apprehensive in the last 3 years as to the durability, the resiliency of this constitutional form of government as ever before.

All during the time of Watergate, there was only one time I had equal apprehension and that was this month, 1965. My gosh, I cannot believe it is 22 years ago. We had a resolution calling for the 25th amendment to our Constitution. And so many, when I stood up, filibustered the race bills in my first session of the State Senate, held the floor for 30 hours, managed to kill 14 of those massive resistance bills that came out of the Confederate States, emanating from Virginia, 14 of the 16, and I would get up and I would say, "I am not here as

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a spokesman for my fellow Texan who happens to be a of black descent." And some of you who say well, what is my political mileage, I think you ought to know that in my county this great citizen does not comprise over 7½ percent of the total population.

I hope none of you think as amateurish as I am that I am that dumb a politician. But the thing that impels me, and these are the words I used, is that I am here like I would be nowhere else, even in my parents' country with all of the benefits of their affluence and richness would never have been able to offer the freedom, the chance, the opportunity, the education that we six in his family received free of charge. And for that I will fight to the bitter end to preserve. And since I have been a recipient of these privileges I will never act in such a way, I will never do such things as will diminish one iota the transmittal of this heritage to those who will follow, for it I cannot enlarge the horizon then I certainly will do nothing to diminish, for that I would consider the worst of treason. And I sincerely feel that way. That is no put on.

Even these special orders have gotten me as much condemnation as they have approval because, as in everything else, nobody is going to want to kill you because you are tall and they are short or you are short and they are tall. But if you think differently enough some people want to kill you. I have gone through that. But the beauty is that up to now I think the system is in danger more than ever because we have a dangerous personality with awesome power, and, unlike President Nixon, a charismatic personality. President Nixon, to even his strongest supporters, had some misgivings.

So when that 25th amendment or the resolution calling it forth came up, I went to the then chairman of the Committee on the Judiciary, the great jurist and expert, Manny Celler of New York and I said, "I just saw this, Mr. Chairman." At that time it was a lot easier-going. We had very few votes, very little business. I wondered why this was coming up. And he said, "Well, because first in the Senate there has been a lot of activity and this will resolve this question that we have just faced with Lyndon Johnson where he was President for a year without a Vice President, and Woodrow Wilson vegetated for about a year and a half or two." And I said, "Well, but the ship of state survived. I am troubled by this language here. For instance, section 4 here says that if the majority of the governing body," who is that? And he got real disgusted with me. He said, "Well everybody knows that is the Cabinet." I said, "But that is not constitutional language. The Cabinet is not a constitutional function. No where do you see that word." I said, "What do you mean?" He said, "Well, that is what it means." I said, "Well, but it cannot be. If a majority of the governing body decide that the President is incapable of functioning they shall declare him incapacitated and the Vice President becomes acting President?" I said, "In the United States, to our great Constitution you want to do this?" And with that he almost threw me across the aisle.

So I was one of the 26 or so that voted "no." But I was the only one that said, "Why?" But I never dreamed in my wildest nightmares that I would live to see some of those dreads become reality.

So there we had in 1974 Alexander Haig, Secretary of State Henry Kissinger coming to Mr. Nixon and saying, "If you don't quit, we are going to invoke the 25th amendment." Then you had Spiro Agnew who was proclaiming—he came right here to the Speaker's room one September day and I was here. There were just a few of us. He came to say that he was throwing himself on the mercy of the House and the Congress because something was happening over there.

Well, what was happening over there was—well, he later wrote in his book and what is the title of his book? "Go Quietly or Else."

What do you mean "or else"? That is what the gangsters do, "go quietly or else we bump you."

But that is what Mr. Spiro Agnew said; remember him? He was Vice President of the United States. That is the title of his book: "Go Quietly or Else."

And he attributes that phrase to Alexander Haig. So he did leave. Now the papers said he left because he was susceptible to some charges and what not and what not. But that is the reason they said Mr. Nixon left and obviously it was the reason why Mr. Ford gave him a pardon the moment he was sworn in as President.

But what happened, more significantly than ever in the history of our country since the first Congress and the adoption of the Constitution, we ended up with an unelected President and two unelected Vice Presidents. And that was because of the 25th amendment.

So I am asked, "Why do you want to get up there and talk? Why don't you just write and submit for the record?" Well, I have been doing this since the second week I came to the Congress, 25½ years ago. Of course, then there was no TV coverage, but then I always felt that the purpose of TV coverage was to allow the American people, who would, to view some of the proceedings, whatever was worthy of being carried. And that I would not divert from purpose and intent, the same purpose and intent I had for speaking out for some 20 years, and change that with the advent of TV coverage.

With one failure on my part as an exception, I have always addressed the colleagues which I am doing now, for the Record because my remarks, faithfully taken by these very competent reporters of debates—a Constitution word—will record and print for perusal by the Members and those who will be on the subscription list, that is who I am addressing and appealing to because I believe that, as never before, in the person of President Reagan, who as I have said and repeat, has taken every action that is inimical and contrary to every basic American principle, and yet is unchallenged. These I believe are reasons that would impel a Member charged with knowledge to formulate, as I have and I did—and it took me 6 months since last year—and finally on March 5 I introduced the resolution of impeachment. So in a manner of speaking I guess this could be called "The Impeachment of Ronald Reagan No. 9."

The fact remains that that is the impelling motive. Now the consequences. those you will always have. Back home it was brought forth the spiteful, the revengeful outbursts of those who are fanatic supporters of the President and the other party, on a partisan basis, that those who are responsible for disseminating of information and its use are in that category of dogmatic fanatic supporters of the President, it is no wonder that many citizens have requested that I furnish in greater detail either copies of House Joint Resolution 111, the impeachment resolution and whatever explanations I have given; so by xeroxing the proceedings of the House in which my special orders have been printed, I have been able to supply that request.

Mr. Speaker, what it boils down to is that the tendency, particularly during the advent of President Reagan is to label anybody who does not agree with the approach as one who is sympathetic to communism. This is so absurd.

All through my career I have had to face this dogmatic, fanatic approach, in Boulder, CO, believe it or not, of all places. On August 8, the day after tomorrow will be the 14th anniversary—it was 1973—that I was almost killed literally because I was not radical enough. Just a few years before that in Texas I was considered the leading radical integrationist labor union sympathizer in the State of Texas. And that was anathema in those days in Texas. After all, that was before Martin Luther King.

Mr. Speaker, I yield to the distinguished majority leader.

### MAKING IN ORDER ON TOMORROW OR ANY DAY THEREAFTER CONSIDERATION OF A BILL EXTENDING THE PUBLIC DEBT LIMIT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that it shall be in order on Friday, August 7, 1987, or any day thereafter for the chairman of the Committee on Ways and Means, with the concurrence of the majority and minority leaders, to call up any bill reported from the Committee on Ways and Means extending the public debt limit, and all points of order against the consideration of such bill in the House and against its provisions are hereby waived. After debate, the previous question shall be considered as ordered on the passage of the bill without intervening motion.

□ 1720

The SPEAKER pro tempore (Mr. Kennedy). Is there objection to the request of the gentleman from Washington.

Mr. MICHEL. Mr. Speaker, reserving the right to object, and I certainly shall not object, I rise only to indicate for the Record that particularly since this request is being made by the majority leader interrupting a special order, that it is in complete concurrence and agreement with the minority leader. I do not think we want to establish any kind of precedent here for making requests of this significance without total agreement between both sides of the aisle, and the distinguished majority leader is good enough to inquire of our concurrence in this matter, and certainly after some considerably discussion we have agreed upon this request at this time.

Mr. Speaker, I withdraw my reservation of objection.

Mr. FOLEY. Mr. Speaker, I would like to amend the request, and I thank the distinguished minority leader. Inadvertently, I neglected to provide in the unanimous-consent request for a motion to recommit; so, Mr. Speaker, I ask unanimous consent that it shall be in order on Friday, August 7, 1987, or any day thereafter for the chairman of the Committee on Ways and Means, with the concurrence of the majority and minority leaders, to call up a bill reported from the Committee on Ways and Means extending the public debt limit, and all points of order against the consideration of such bill in the House and against its provisions are hereby waived. After debate, the previous question shall be considered as ordered on the passage of the bill without intervening motion, except one motion to recommit if offered by the minority leader.

Mr. MICHEL. Mr. Speaker, I have no objection to the request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. Gonzalez] has expired.

## REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 234, STATUTORY PUBLIC DEBT LIMIT

Mr. PEPPER, from the the Committee on Rules, submitted a privileged report (Rept. No. 100-277) on the resolution (H. Res. 247) waiving certain points of order against consideration of the conference report and any amendments reported from conference in disagreement on the joint resolution (H.J. Res. 324) increasing the statutory limit on the public debt, which was referred to the House Calendar and ordered to be printed.

## COMMEMORATING THE 60TH ANNIVERSARY OF CENTRAL CATHOLIC HIGH SCHOOL IN PITTSBURGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Coyne] is recognized for 10 minutes.

Mr. COYNE. Mr. Speaker, this year marks the 60th anniversary of Central Catholic High School in Pittsburgh. Central Catholic was the first diocesan high school in Pittsburgh, and it is now the largest in the city.

Since the doors first opened to Central Catholic in 1927, commitment to education excellence and intellectual development have been the keystones of the educational experience it offers. This tenet has been reflected in the success of its more than 16,000 graduates in such fields as law, sports, banking, politics, theatre, religion, medicine, and education.

Each day the faculty of 63 lay and religious educators strives to challenge their students to attain their greatest potential in developing the values and skills necessary for responsible living.

Central Catholic provides its 1,115 students with a fully accredited college preparatory program of study in religion, language, social studies, mathematics, science, health, and physical education. Students are encouraged to take advantage of numerous educational and cultural programs offered by the University of Pittsburgh, Carnegie-Mellon University, Duquesne University, the Carnegie Institute, the International Poetry Forum, the World Affairs Council, and the Pittsburgh Public Theatre and Playhouse.

A wide range of extracurricular activities such as the school band and chorus, interscholastic and intramural sports, a debating team, literary and journalism publications, drama productions, and a photography club are offered to build such values as teamwork, dedication and sportsmanship.

Central Catholic's reputation, achievements and notable successes were recently recognized by the U.S. Department of Education, which named the school an "outstanding secondary school."

I congratulate Central Catholic High School on its 60-year history of providing an outstanding education experience to thousands of young men. As an alumnus I take special pride in the fact that I graduated from Central Catholic High School. In recognition of the 60th anniversary achievement, I am pleased to sponsor on behalf of my alma mater this congressional resolution designating September 11, 1987, as "Pittsburgh Central Catholic High School Day."

H.J. Res. 351

Whereas Central Catholic High School is the first and largest Catholic high school in Pittsburgh, Pennsylvania;

Whereas Central Catholic High School has over 16,000 graduates;

Whereas two bishops, over 200 priests, and almost 50 Christian Brothers are graduates of Central Catholic High School;

Whereas the Christian Brothers, a religious order that has been committed to providing a quality Catholic education in a formal academic setting for 300 years, has been associated with Central Catholic High School since its founding in 1927;

Whereas the Department of Education designated Central Catholic High School as an outstanding secondary school in 1987;

Whereas Central Catholic High School students are recipients of many local, State, and national awards for academic and extracurricular achievement;

Whereas the Pittsburgh History and Landmark Foundation designated the Central Catholic High School building as an historic landmark; and

Whereas in 1987 Central Catholic High School is celebrating the 60th anniversary of its blessing and dedication: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That September 11, 1987, the 60th anniversary of the blessing and dedication of Central Catholic High School in Pittsburgh, Pennsylvania, is designated as "Pittsburgh Central Catholic High School Day."

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. Morella) to revise and extend their remarks and include extraneous material:)

Mr. Horton, for 60 minutes, on September 15.

Mr. DioGuardi, for 60 minutes, today.

Mr. Gilman, for 5 minutes, today.

(The following Members (at the request of Mr. Gray of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Panetta, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. English, for 5 minutes, today.

Mr. Coyne, for 10 minutes, today.

Mr. Leland, for 60 minutes, on September 10.

Mr. Owens of New York, for 60 minutes, on September 10.

Mr. Hayes of Illinois, for 60 minutes, on September 10.

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Mr. STRATTON, for 60 minutes, on September 15.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MORELLA) and to include extraneous material:)

Mrs. MORELLA.
Mr. CRANE in four instances.
Mr. HOUGHTON.
Mr. FRENZEL.
Mr. McEWEN.
Mr. LENT.
Mr. SCHULZE.
Mr. BLILEY in two instances.
Mr. CONTE.
Mr. SAXTON.
Mr. LIGHTFOOT.
Mr. GUNDERSON.
Mr. SCHUETTE in two instances.
Mr. FISH.
Mrs. BENTLEY in two instances.
Mr. KEMP.
Mr. FIELDS.
Mr. GRADISON.
Mr. WORTLEY.

(The following Members (at the request of Mr. GRAY of Illinois) and to include extraneous material:)

Mr. COELHO.
Mr. PANETTA.
Mr. HAMILTON.
Mr. FASCELL in two instances.
Mr. BERMAN.
Mr. HOWARD.
Mr. GARCIA in two instances.
Mr. HOYER in three instances.
Mr. FLORIO.
Mr. MATSUI.
Mr. MONTGOMERY.
Mr. BATES.
Mr. KANJORSKI.
Mr. RAHALL.
Mr. ROYBAL.
Mr. WALGREN.
Mr. CROCKETT.
Mr. LELAND.
Mr. MANTON.

## SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1550. An act to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes; to the Committees on Public Works and Transportation and Interior and Insular Affairs.

S. 1597. To amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study; to the Committee on Agriculture.

## SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 769. An act to provide grants to support excellence in minority health professions education.

## ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 27. An act to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes;

H.R. 318. An act to provide for the restoration of the Federal trust relationship and Federal services and assistance to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes; and

H.R. 921. An act to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over national park system units.

## ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Friday, August 7, 1987, at 10 a.m.

## EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and an amended report of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the fourth quarter of calendar year 1986 and the second quarter of calendar year 1987 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1986

| Name of Member or employee | Date |  | Country | Per diem [1] |  | Transportation |  | Other purposes |  | Total |  |
|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Arrival | Departure |  | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Delegation to Italy and Switzerland, Nov. 29 to Dec. 7, 1986: |  |  |  |  |  |  |  |  |  |  |  |
| Delegation expenses |  |  | Italy |  |  |  | 43.92 |  | 571.38 |  | 615.30 |
|  |  |  | Switzerland |  |  |  | 1,266.86 |  | 294.65 |  | 1,561.51 |
| Rick Boucher, MC |  |  | Italy |  |  |  | 290.00 |  |  |  | 290.00 |
| Committee total |  |  |  |  |  |  | 1,600.78 |  | 866.03 |  | 2,466.81 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PETER RODINO, JR., Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date |  | Country | Per diem [1] |  | Transportation |  | Other purposes |  | Total |  |
|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Arrival | Departure |  | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. Bill Chappell | 4/11 | 4/15 | Korea |  | 656.00 |  |  |  |  |  | 856.00 |
|  | 4/15 | 4/17 | Thailand |  | 294.00 |  |  |  |  |  | 294.00 |
|  | 4/17 | 4/19 | Hong Kong |  | 372.00 |  |  |  |  |  | 372.00 |
| Military transportation |  |  |  |  |  |  | [3] 4,673.00 |  |  |  | 4,673.00 |
| Hon. Bill Chappell | 6/12 | 1/16 | France |  | 936.00 |  |  |  |  |  | 936.00 |
| Military transportation |  |  |  |  |  |  | [3] 3,766.00 |  |  |  | 3,766.00 |
| Hon. William Lehman | 4/10 | 4/12 | United Kingdom |  | 410.00 |  |  |  |  |  | 410.00 |
|  | 4/12 | 4/13 | West Germany |  | 183.00 |  |  |  |  |  | 183.00 |
|  | 4/13 | 4/17 | East Germany |  | 668.00 |  |  |  |  |  | 668.00 |
|  | 4/17 | 4/19 | France |  | 438.00 |  |  |  |  |  | 438.00 |
| Commercial transportation |  |  |  |  |  |  | 3,192.00 |  |  |  | 3,192.00 |

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987—Continued

| Name of Member or employee | Date |  | Country | Per diem [1] |  | Transportation |  | Other purposes |  | Total |  |
|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Arrival | Departure |  | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. Bill Lowery | 6/12 | 6/16 | France |  | 936.00 |  |  |  |  |  | 936.00 |
| Military transportation |  |  |  |  |  |  | [3] 3,766.00 |  |  |  | 3,766.00 |
| Hon Clarence Miller | 4/11 | 4/15 | Korea |  | 656.00 |  |  |  |  |  | 656.00 |
|  | 4/15 | 4/17 | Thailand |  | 294.00 |  |  |  |  |  | 294.00 |
|  | 4/17 | 4/19 | Hong Kong |  | 372.00 |  |  |  |  |  | 372.00 |
| Military transportation |  |  |  |  |  |  | [3] 4,673.00 |  |  |  | 4,673.00 |
| Hon. Robert Mrazek | 5/27 | 5/29 | Thailand |  | 294.00 |  |  |  |  |  | 294.00 |
|  | 5/29 | 5/30 | Vietnam |  | 109.00 |  |  |  |  |  | 109.00 |
|  | 5/30 | 6/4 | Thailand |  | 735.00 |  |  |  |  |  | 735.00 |
| Commercial transportation |  |  |  |  |  |  | 5,302.00 |  |  |  | 5,302.00 |
| Hon. John Murtha | 6/28 | 6/29 | Angola |  |  |  | [3] 2,473.00 |  |  |  | 2,473.00 |
| Hon. John Myers | 4/11 | 4/15 | Korea |  | 656.00 |  |  |  |  |  | 656.00 |
|  | 4/15 | 4/17 | Thailand |  | 294.00 |  |  |  |  |  | 294.00 |
|  | 4/17 | 4/19 | Hong Kong |  | 372.00 |  |  |  |  |  | 372.00 |
| Military transportation |  |  |  |  |  |  | [3] 4,673.00 |  |  |  | 4,673.00 |
| Hon. Carl Pursell | 6/4 | 6/7 | Honduras |  | 184.00 |  |  |  |  |  | 184.00 |
| Hon. Martin Sabo | 4/11 | 4/15 | Korea |  | 656.00 |  |  |  |  |  | 656.00 |
|  | 4/15 | 4/17 | Thailand |  | 294.00 |  |  |  |  |  | 294.00 |
|  | 4/17 | 4/19 | Hong Kong |  | 372.00 |  |  |  |  |  | 372 |
| Military transportation |  |  |  |  |  |  | [3] 4,673.00 |  |  |  | 4,673.00 |
| Hon. Charles Wilson | 4/19 | 4/22 | Egypt |  | 528.00 |  |  |  |  |  | 528.00 |
|  | 4/23 | 4/25 | Pakistan |  |  |  |  |  |  |  |  |
| Commercial transportation |  |  |  |  |  |  | 6,172.00 |  |  |  | 6,172.00 |
| George Allen | 4/11 | 4/15 | Korea |  | 656.00 |  |  |  |  |  | 656.00 |
|  | 4/15 | 4/17 | Hong Kong |  | 372.00 |  |  |  |  |  | 372.00 |
| Military transportation |  |  |  |  |  |  | [3] 4,673.00 |  |  |  | 4,673.00 |
| George Allen | 6/12 | 6/16 | France |  | 936.00 |  |  |  |  |  | 936.00 |
| Military transportation |  |  |  |  |  |  | [3] 3,766.00 |  |  |  | 3,766.00 |
| Del Davis | 6/12 | 6/16 | France |  | 936.00 |  |  |  |  |  | 936.00 |
| Military transportation |  |  |  |  |  |  | [3] 3,766.00 |  |  |  | 3,766.00 |
| Mark Murray | 5/27 | 5/29 | Thailand |  | 294.00 |  |  |  |  |  | 294.00 |
|  | 5/29 | 5/30 | Vietnam |  | 109.00 |  |  |  |  |  | 109.00 |
|  | 5/30 | 6/4 | Thailand |  | 735.00 |  |  |  |  |  | 735.00 |
| Commercial transportation |  |  |  |  |  |  | 5,302.00 |  |  |  | 5,302.00 |
| Terry Peel | 4/13 | 4/17 | East Germany |  | 668.00 |  |  |  | 27.00 |  | 695.00 |
|  | 4/17 | 4/18 | France |  | 219.00 |  |  |  | 26.00 |  | 245.00 |
| Commercial transportation |  |  |  |  |  |  | 3,192.00 |  |  |  | 3,192.00 |
| Donald Richbourg | 4/11 | 4/15 | Korea |  | 656.00 |  |  |  |  |  | 656.00 |
|  | 4/15 | 4/17 | Thailand |  | 294.00 |  |  |  |  |  | 294.00 |
|  | 4/17 | 4/19 | Hong Kong |  | 372.00 |  |  |  |  |  | 372.00 |
| Military transportation |  |  |  |  |  |  | [3] 4,673.00 |  |  |  | 4,673.00 |
| Committee total |  |  |  |  | 17,250.00 |  | 68,735.00 |  | 53.00 |  | 86,038.00 |
| Appropriations, surveys and investigations staffs: |  |  |  |  |  |  |  |  |  |  |  |
| Sharon A. Cekala | 3/29 | 4/3 | Italy |  | 513.00 |  | 2,502.00 |  | 41.15 |  | 3,056.15 |
|  | 4/3 | 4/8 | Germany |  | 442.00 |  |  |  |  |  | 442.00 |
|  | 4/8 | 4/9 | England |  | 235.00 |  |  |  |  |  | 235.00 |
| Richard E. Chervenak | 4/21 | 4/24 | Marshall Islands |  | 375.00 |  | 2,561.00 |  | 75.90 |  | 3,011.00 |
| Arthur J. Filippino | 4/21 | 4/24 | Marshall Islands |  | 375.00 |  | 2,561.00 |  | 19.70 |  | 2,955.70 |
| John A. Friel | 3/29 | 4/3 | Italy |  | 532.00 |  | 2,371.00 |  | 25.80 |  | 2,955.80 |
|  | 4/3 | 4/16 | Germany |  | 1,265.00 |  |  |  |  |  | 1,265.00 |
|  | 4/16 | 4/18 | England |  | 398.00 |  |  |  |  |  | 398.00 |
| Yolanda C. Garcia | 4/12 | 4/17 | Germany |  | 543.00 |  | 2,329.00 |  | 79.00 |  | 2,951.00 |
|  | 4/17 | 4/21 | England |  | 800.00 |  |  |  |  |  | 800.00 |
| William A. Hill | 4/1 | 4/8 | Germany |  | 592.00 |  | 2,525.00 |  | 30.66 |  | 3,147.66 |
|  | 4/8 | 4/11 | England |  | 394.00 |  |  |  |  |  | 394.00 |
| Terrence E. Hobbs | 3/29 | 4/3 | Italy |  | 513.00 |  | 2,371.00 |  | 17.68 |  | 2,901.68 |
|  | 4/3 | 4/16 | Germany |  | 1,265.00 |  |  |  |  |  | 1,265.00 |
|  | 4/16 | 4/18 | England |  | 398.00 |  |  |  |  |  | 398.00 |
| Robert E. Jamison | 4/12 | 4/17 | Germany |  | 670.00 |  | 1,877.00 |  | 92.44 |  | 2,639.44 |
| Henry P. McDonald, Jr | 4/12 | 4/17 | Germany |  | 543.00 |  | 2,329.00 |  | 25.05 |  | 2,897.05 |
|  | 4/17 | 4/21 | England |  | 800.00 |  |  |  |  |  | 800.00 |
| Robert J. O'Brien | 4/12 | 4/17 | Germany |  | 670.00 |  | 1,877.00 |  | 52.40 |  | 2,599.40 |
| A.M. Statham | 4/30 | 5/3 | New Zealand |  | 240.00 |  | 3,580.58 |  | 24.49 |  | 3,845.40 |
| Joseph M. Stehr III | 3/29 | 4/8 | Germany |  | 937.00 |  | 2,525.00 |  | 44.12 |  | 3,506.12 |
|  | 4/8 | 4/11 | England |  | 394.00 |  |  |  |  |  | 394.00 |
| R.W. Vandergrift, Jr | 4/30 | 5/3 | New Zealand |  | 277.00 |  | 3,003.00 |  | 111.43 |  | 3,391.43 |
| Graham W. Van Note | 3/31 | 4/4 | Korea |  | 456.00 |  | 2,111.00 |  | 44.42 |  | 2,611.42 |
| Lawrence P. Walsh | 4/30 | 5/3 | New Zealand |  | 240.00 |  | 3,580.58 |  | 39.20 |  | 3,859.78 |
| Thomas F. Ward | 3/26 | 4/8 | Korea |  | 1,370.00 |  | 2,056.96 |  | 43.70 |  | 3,470.66 |
|  | 4/20 | 5/8 | Germany |  | 1,904.00 |  | 2,175.00 |  | 27.70 |  | 4,106.70 |
| Vernon Westbrook, Jr | 3/26 | 4/8 | Korea |  | 1,370.00 |  | 2,056.96 |  | 59.30 |  | 3,486.30 |
|  | 4/20 | 5/8 | Germany |  | 1,904.00 |  | 2,175.00 |  | 40.30 |  | 4,119.30 |
| Committee total |  |  |  |  | 20,415.00 |  | 46,567.08 |  | 894.44 |  | 67,876.52 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Cost shown is comparable first class commercial rate.

JAMIE L. WHITTEN, Chairman, July 27, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date |  | Country | Per diem [1] |  | Transportation |  | Other purposes |  | Total |  |
|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Arrival | Departure |  | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Delegation to Mexico, Panama, Peru, Brazil, and Grenada, Apr. 10–20, 1987: |  |  |  |  |  |  |  |  |  |  |  |
| Hon. Bill Nichols | 4/10 | 4/13 | Mexico |  | 375.00 |  |  |  |  |  | 375.00 |
|  | 4/13 | 4/15 | Panama |  | 194.00 |  |  |  |  |  | 194.00 |
|  | 4/15 | 4/17 | Peru |  | 250.00 |  |  |  |  |  | 250.00 |
|  | 4/17 | 4/19 | Brazil |  | 314.00 |  |  |  |  |  | 314.00 |

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987—Continued

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 1,597.00 | | | | 1,597.00 |
| Hon. William L. Dickinson | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 2,093.00 | | | | 2,093.00 |
| Hon. Solomon P. Ortiz | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 1,452.00 | | | | 1,452.00 |
| Hon. Robert E. Badham | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 1,597.00 | | | | 1,597.00 |
| Hon. Larry J. Hopkins | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 1,597.00 | | | | 1,597.00 |
| Hon. David O'B. Martin | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportaton | | | | | | | 1,597.00 | | | | 1,597.00 |
| Ms. Alma B. Moore | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 1,597.00 | | | | 1,597.00 |
| Archie D. Barrett | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 1,597.00 | | | | 1,597.00 |
| Peter M. Steffes | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 1,597.00 | | | | 1,597.00 |
| Stephen K. Conver | 4/10 | 4/13 | Mexico | | 375.00 | | | | | | 375.00 |
| | 4/13 | 4/15 | Panama | | 194.00 | | | | | | 194.00 |
| | 4/15 | 4/17 | Peru | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/19 | Brazil | | 314.00 | | | | | | 314.00 |
| | 4/19 | 4/20 | Grenada | | 200.00 | | | | | | 200.00 |
| Military transportation | | | | | | | 1,597.00 | | | | 1,597.00 |
| Delegation expenses | 4/10 | 4/13 | Mexico | | | | | | | 1,259.17 | 1,259.17 |
| | 4/17 | 4/19 | Brazil | | | | | | | 450.79 | 450.79 |
| | 4/19 | 4/20 | Grenada | | | | | | | 1,306.34 | 1,306.34 |
| Visit to Thailand, Apr. 12-18, 1987: Hon. Patricia Schroeder. | 4/12 | 4/18 | Thailand | | 882.00 | | | | | | 882.00 |
| Visit to United Kingdom, Belgium, and Portugal, Apr 13-21, 1987: | | | | | | | | | | | |
| Hon. Norman Sisisky | 4/13 | 4/15 | United Kingdom | | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | Belgium | | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Portugal | | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 1,740.03 | | | | 1,740.03 |
| Visit to Panama, Costa Rica, Nicaragua, and Honduras, May 14-17, 1987 | | | | | | | | | | | |
| Hon. Owen B. Pickett | 5/14 | 5/15 | Panama | | 97.00 | | | | | | 97.00 |
| | 5/15 | 5/16 | Costa Rica | | 82.00 | | | | | | 82.00 |
| | 5/16 | 5/16 | Nicaragua | | | | | | | | |
| | 5/16 | 5/17 | Honduras | | 92.00 | | | | | | 92.00 |
| Military transportation | | | | | | | 1,490.93 | | | | 1,490.93 |
| Hon. Arthur Ravenel, Jr. | 5/14 | 5/15 | Panama | | 97.00 | | | | | | 97.00 |
| | 5/15 | 5/16 | Costa Rica | | 82.00 | | | | | | 82.00 |
| | 5/16 | 5/16 | Nicaragua | | | | | | | | |
| | 5/16 | 5/17 | Honduras | | 92.00 | | | | | | 92.00 |
| Military transportation | | | | | | | 1,490.93 | | | | 1,490.93 |
| Hon. Jack Davis | 5/14 | 5/15 | Panama | | 97.00 | | | | | | 97.00 |
| | 5/15 | 5/16 | Costa Rica | | 82.00 | | | | | | 82.00 |
| | 5/16 | 5/16 | Nicaragua | | | | | | | | |
| | 5/15 | 5/17 | Honduras | | 92.00 | | | | | | 92.00 |
| Military transportation | | | | | | | 1,490.93 | | | | 1,490.93 |
| Hon. Edward J. Holton | 5/14 | 5/15 | Panama | | 97.00 | | | | | | 97.00 |
| | 5/15 | 5/16 | Costa Rica | | 82.00 | | | | | | 82.00 |
| | 5/16 | 5/16 | Nicaragua | | | | | | | | |
| | 5/16 | 5/17 | Honduras | | 92.00 | | | | | | 92.00 |
| Military transportation | | | | | | | 1,490.93 | | | | 1,490.93 |
| Visit to Canada, May 21-25, 1987: | | | | | | | | | | | |
| Mr. Peter C. Scrivner | 5/21 | 5/25 | Canada | | 632.00 | | | | | | 632.00 |
| Military transportation | | | | | | | 106.33 | | | | 106.23 |
| Visit to United Kingdom and Italy, May 23 to June 2, 1987: | | | | | | | | | | | |
| Hon. Les Aspin | 5/23 | 5/25 | United Kingdom | | 420.00 | | | | | | 420.00 |
| | 5/25 | 6/2 | Italy | | 1,680.00 | | | | | | 1,680.00 |
| Military transportation | | | | | | | 2,215.50 | | | | 2,215.50 |
| Commercial transportation | | | | | | | 3,523.90 | | | | 3,523.90 |

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987—Continued

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Delegation to France, June 12-16, 1987: | | | | | | | | | | | |
| Hon. Melvin Price | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 1,281.59 | | | | 1,281.59 |
| Hon. Samuel S. Stratton | 6/12 | 6/16 | France | | 468.00 | | | | | | 468.00 |
| Military transportation | | | | | | | 640.80 | | | | 640.80 |
| Commercial transportation | | | | | | | 1,891.00 | | | | 1,891.00 |
| Hon. Bill Nichols | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 1,281.59 | | | | 1,281.59 |
| Hon. Robert E. Badham | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 1,281.59 | | | | 1,281.59 |
| Hon. Solomon P. Ortiz | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 1,281.59 | | | | 1,281.59 |
| Mr. Peter C. Scrivner | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 1,281.59 | | | | 1,281.59 |
| Mr. Edward J. Bauser | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 1,281.59 | | | | 1,281.59 |
| Mr. Carl T. Bayer | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 1,281.59 | | | | 1,281.59 |
| Mr. Peter C. Steffes | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 1,281.59 | | | | 1,281.59 |
| Visit to Norway, June 18-22, 1987: | | | | | | | | | | | |
| Mr. William D. Price | 6/18 | 6/22 | Norway | | 129.39 | | | | | | 129.39 |
| Commercial transportation | | | | | | | 3,479.79 | | | | 3,479.79 |
| Committee total | | | | | 10,664.00 | | 11,530.00 | | | | 22,194.00 |
| | | | | | 38,571.39 | | 57,664.69 | | | 3,016.30 | 99,252.38 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LESS ASPIN, Chairman, July 31, 1987.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. Denny Smith | 6/12 | 6/16 | France | | 936.00 | | [3] 3,766.00 | | | | 4,702.00 |
| Patricia A. Quealy | 6/12 | 6/16 | France | | 936.00 | | [4] 1,281.59 | | | | 2,217.59 |
| Peter M. Storm | 6/8 | 6/13 | Egypt | | 588.00 | | 2,760.00 | | | | 3,348.00 |
| Committee total | | | | | 2,460.00 | | 7,807.59 | | | | 10,267.59 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Transportation provided by military aircraft.

[4] Transportation provided by Department of the Air Force.

WILLIAM H. GRAY III, Chairman, July 23, 1987.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Donald M. Baker | 6/18 | 6/25 | Switzerland | | 912.00 | | 1,915.00 | | | | 2,852.77 |
| Local transportation | | | | | | 39.20 | 25.77 | | | | |
| Jefferson Fox | 6/18 | 6/25 | Switzerland | | 912.00 | | 899.00 | | | | 1,811.00 |
| Committee total | | | | | 1,824.00 | | 2,839.77 | | | | 4,633.77 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

AUGUSTUS F. HAWKINS, Chairman, July 15, 1987.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| John D. Dingell, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | | | 4,741.24 | | 4,741.24 |
| Al Swift, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| John Bryant, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |

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REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987—Continued

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [3] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Codel expense (Brazil) | | | | | | | | | 1,126.52 | | 1,126.52 |
| Jim Cooper, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.00 |
| Terry Bruce, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Norman F. Lent, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Edward R. Madigan, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Thomas J. Tauke, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 192.00 | | | | | | 192.00 |
| Military aircraft | | | | | | | 4,014.36 | | | | 4,014.36 |
| Commercial air fare (Congressman Tauke left the Codel 1 day early and returned via commercial aircraft). | | | | | | | 362.01 | | | | 362.01 |
| Howard Nielson, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Michael Bilirakis, MC | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Michael Barrett | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Sharon E. Davis | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Thomas Ryan | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Consuela Washington | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Rebecca Gould | 4/10 | 4/13 | Brazil | | 628.00 | | | | | | 628.00 |
| | 4/13 | 4/15 | Argentina | | 405.00 | | 30.00 | | | | 435.00 |
| | 4/16 | 4/17 | Netherlands Antilles | | 384.00 | | | | | | 384.00 |
| Military aircraft | | | | | | | 4,741.24 | | | | 4,741.24 |
| Gerry Sikorski, MC | 11/13 | 11/15 | Greece | | [3] 216.00 | | [3] 29.41 | | | | [3] 245.41 |
| | 11/15 | 11/17 | Bahrain | | [3] 312.00 | | [3] 167.66 | | | | [3] 479.66 |
| | 11/17 | 11/20 | India | | [3] 333.00 | | [3] 48.85 | | | | [3] 381.85 |
| | 11/20 | 11/21 | Austria | | [3] 157.00 | | | | | | [3] 157.00 |
| Codel expenses | | | | | | | | | [3] 230.03 | | [3] 230.03 |
| Military Aircraft | | | | | | | [3] 5,711.31 | | | | [3] 5,711.31 |
| Teresa Gorman | 4/28 | 5/3 | Switzerland | | 963.00 | | 108.73 | | | | 1,071.73 |
| Commercial air fare | | | | | | | 3,332.00 | | | | 3,332.00 |
| Paul C. Smith | 4/29 | 5/3 | Switzerland | | 769.00 | | 108.72 | | | | 877.72 |
| Commercial air fare | | | | | | | 3,332.00 | | | | 3,332.00 |
| Greg Wetstone | 4/26 | 4/30 | Switzerland | | 776.00 | | | | | | 776.00 |
| Commercial air fare | | | | | | | 2,668.00 | | | | 2,668.00 |
| David Finnegan | 4/28 | 5/1 | Switzerland | | 582.00 | | | | | | 582.00 |
| Commercial air fare | | | | | | | 3,415.00 | | | | 3,415.00 |
| Michael T. Woo | 6/24 | 6/25 | Canada | | 137.00 | | 13.00 | | | | 150.00 |
| Comercial air fare | 5/21 | 5/23 | | | | | 736.95 | | | | 736.95 |
| Russell Smith | 5/21 | 5/23 | Netherlands | | 351.00 | | | | | | 351.00 |
| | 5/24 | 5/27 | France | | 676.00 | | 49.00 | | | | 725.00 |
| | 5/28 | 5/30 | United Kingdom | | 480.00 | | 49.97 | | | | 529.97 |
| Commercial air fare | | | | | | | 2,200.00 | | | | 2,200.00 |
| Stephen F. Sims | 5/22 | 5/24 | Netherlands | | 234.00 | | | | | | 234.00 |
| | 5/24 | 5/28 | France | | 676.00 | | 31.66 | | | | 707.66 |
| | 5/28 | 6/2 | United Kingdom | | 640.00 | | 72.60 | | | | 712.60 |
| Interpreter (France) | | | | | | | | | 572.00 | | 572.00 |
| Commercial air fare | | | | | | | 2,203.00 | | | | 2,203.00 |
| Edward Markey, MC | 4/13 | 4/20 | U.S.S.R | | 850.00 | | | | | | 850.00 |
| Commercial air fare | | | | | | | 4,313.00 | | | | 4,313.00 |
| Jeffrey Duncan | 4/13 | 4/20 | U.S.S.R | | 850.00 | | | | | | 850.00 |
| Commercial air fare | | | | | | | 4,313.00 | | | | 4,313.00 |
| Committee total | | | | | 30,065.00 | | 104,107.59 | | 1,928.55 | | 136,101.14 |

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[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Supplemental from 1986.

JOHN D. DINGELL, Chairman, July 27, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [3] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| G. Ackerman | 4/16 | 4/19 | Romania | | 471.00 | | | | 227.10 | | 698.10 |
| Commercial transportation | | | | | | | 3,102.00 | | | | 3,102.00 |
| D. Bereuter | 4/10 | 4/13 | Spain | | 504.00 | | 31.13 | | 316.52 | | 851.65 |
| Military transportation | | | | | | | 5,298.77 | | | | 5,298.77 |
| K. Bolognese | 4/26 | 4/30 | Switzerland | | 776.00 | | | | | | 776.00 |
| Commercial transportation | | | | | | | 3,489.00 | | | | 3,489.00 |
| D. Bonker | 4/11 | 4/13 | Spain | | 336.00 | | 31.13 | | 316.52 | | 683.65 |
| Commercial transportation | | | | | | | 3,902.00 | | | | 3,902.00 |
| R.K. Boyer | 4/4 | 4/8 | Soviet Union | | 500.00 | | | | | | 500.00 |
| Commercial transportation | | | | | | | 4,497.00 | | | | 4,497.00 |
| | 5/21 | 5/24 | Austria | | 528.00 | | | | | | 528.00 |
| | 5/24 | 5/26 | Hungary | | 260.00 | | 15.00 | | | | 275.00 |
| | 5/26 | 5/27 | Romania | | 107.00 | | | | | | 107.00 |
| | 5/27 | 5/29 | United Kingdom | | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 4,448.00 | | | | 4,448.00 |
| Total | | | | | 3,902.00 | | 24,814.03 | | 860.14 | | 29,576.17 |
| T. Bruce | 4/5 | 4/8 | Soviet Union | | 500.00 | | | | | | 500.00 |
| Commercial transportation | | | | | | | 4,497.00 | | | | 4,497.00 |
| | 5/21 | 5/24 | Austria | | 528.00 | | | | | | 528.00 |
| | 5/24 | 5/26 | Hungary | | 260.00 | | 15.00 | | | | 275.00 |
| | 5/26 | 5/27 | Romania | | 107.00 | | | | | | 107.00 |
| | 5/27 | 5/29 | United Kingdom | | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 4,448.00 | | | | 4,448.00 |
| F.M. Chambers | 6/24 | 6/28 | Germany | | 752.00 | | | | | | 752.00 |
| Commercial transportation | | | | | | | 3,470.00 | | | | 3,470.00 |
| G.W. Crockett | 5/28 | 6/1 | Haiti | | [3] 370.00 | | | | | | 370.00 |
| Commercial transportation | | | | | | | 417.00 | | | | 417.00 |
| Total | | | | | 2,937.00 | | 12,847.00 | | | | 15,484.00 |
| E. Daoust | 4/9 | 4/16 | Spain | | 1,176.00 | | 31.13 | | 316.52 | | 1,523.65 |
| | 4/16 | 4/18 | United Kingdom | | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 3,175.00 | | | | 3,175.00 |
| Military transportation | | | | | | | 2,322.58 | | | | 2,322.58 |
| M. Donovan | 5/4 | 5/6 | France | | 224.00 | | | | | | 224.00 |
| Commercial transportation | | | | | | | 3,713.00 | | | | 3,713.00 |
| A. Dunn-Mouton | 4/13 | 4/18 | Mozambique | | 906.00 | | 760.00 | | | | 1,666.00 |
| Commercial transportation | | | | | | | 5,191.00 | | | | 5,191.00 |
| | 6/28 | 6,29 | Angola | | | | | | | | |
| Military transportation | | | | | | | 14,199.41 | | | | 14,199.41 |
| M.M. Dymally | 4/12 | 4/14 | Japan | | 508.00 | | 471.43 | | 205.95 | | 1,185.38 |
| | 4/14 | 4/16 | Korea | | 328.00 | | | | 13.99 | | 341.99 |
| | 4/16 | 4/17 | Taiwan | | 160.00 | | | | | | 160.00 |
| | 4/17 | 4/19 | Singapore | | 246.00 | | 12.00 | | | | 258.00 |
| | 4/19 | 4/20 | China (PRC) | | 384.00 | | | | | | 384.00 |
| Total | | | | | 4,352.00 | | 29,875.55 | | 536.46 | | 34,764.01 |
| M.M. Dymally (continued): | | | | | | | | | | | |
| Commercial transportation | | | | | | | 4,546.00 | | | | 4,546.00 |
| | 6/19 | 6/21 | France | | 468.00 | | | | | | 468.00 |
| | 6/21 | 6/23 | United Kingdom | | 288.00 | | | | | | 288.00 |
| Commercial transportation | | | | | | | 4,669.00 | | | | 4,699.00 |
| R.M. Finley | 4/26 | 4/30 | Switzerland | | [3] 518.99 | | | | | | 518.99 |
| Commercial transportation | | | | | | | 3,489.00 | | | | 3,489.00 |
| B. Gilman | 4/10 | 4/14 | Spain | | 672.00 | | 31.13 | | 316.52 | | 1,019.65 |
| | 4/14 | 4/15 | France | | 219.00 | | | | | | 219.00 |
| | 4/15 | 4/16 | Bulgaria | | 161.00 | | | | | | 161.00 |
| | 4/16 | 4/18 | Hungary | | 260.00 | | 147.00 | | | | 407.00 |
| Commercial transportation | | | | | | | 2,393.95 | | | | 2,393.95 |
| Military transportation | | | | | | | 4,165.95 | | | | 4,165.95 |
| Total | | | | | 2,586.99 | | 19,442.03 | | 316.52 | | 22,325.54 |
| R.C. Harmon | 4/12 | 4/18 | Mozambique | | 906.00 | | 760.00 | | | | 1,666.00 |
| Commercial transportation | | | | | | | 5,191.00 | | | | 5,191.00 |
| R.T. Huber | 4/15 | 4/16 | Bulgaria | | 161.00 | | | | | | 161.00 |
| | 4/16 | 4/18 | Hungary | | 260.00 | | 147.00 | | | | 407.00 |
| Commercial transportation | | | | | | | 2,393.95 | | | | 2,393.95 |
| Military transportation | | | | | | | 2,464.00 | | | | 2,464.00 |
| | 5/27 | 6/6 | Soviet Union | | 1,550.00 | | | | | | 1,550.00 |
| Commercial transportation | | | | | | | 4,367.00 | | | | 4,367.00 |
| W.B. Inglee | 5/26 | 6/6 | Soviet Union | | [3] 1,424.00 | | | | | | 1,424.00 |
| Commercial transportation | | | | | | | 4,367.00 | | | | 4,367.00 |
| D. Jackson | 4/10 | 4/16 | Spain | | 1,008.00 | | 31.13 | | 316.52 | | 1,355.65 |
| | 4/16 | 4/18 | United Kingdom | | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 4,261.00 | | | | 4,261.00 |
| Military transportation | | | | | | | 5,906.11 | | | | 5,906.11 |
| Total | | | | | 5,729.00 | | 29,888.19 | | 316.52 | | 35,933.71 |
| R.M. Jenkins | 4/5 | 4/8 | Soviet Union | | 500.00 | | | | | | 500.00 |
| Commercial transportation | | | | | | | 4,497.00 | | | | 4,497.00 |
| | 5/21 | 5/24 | Austria | | 528.00 | | | | | | 528.00 |
| | 5/24 | 5/26 | Hungary | | 260.00 | | 15.00 | | | | 275.00 |
| | 5/26 | 5/27 | Romania | | 107.00 | | | | | | 107.00 |
| Commercial transportation | | | | | | | 4,448.00 | | | | 4,448.00 |
| W.B. Jones | 5/26 | 6/1 | Haiti | | 591.00 | | | | | | 591.00 |
| Commercial transportation | | | | | | | 582.00 | | | | 582.00 |
| T. Lantos | 4/10 | 4/14 | Spain | | 672.00 | | 31.13 | | 316.52 | | 1,019.65 |
| | 4/14 | 4/15 | France | | 219.00 | | | | | | 219.00 |
| | 4/15 | 4/16 | Bulgaria | | 161.00 | | | | | | 161.00 |
| | 4/16 | 4/20 | Hungary | | 520.00 | | 147.00 | | | | 667.00 |
| Commercial transportation | | | | | | | 2,449.95 | | | | 2,449.95 |
| Military transportation | | | | | | | 1,916.88 | | | | 1,916.88 |
| Total | | | | | 3,558.00 | | 14,086.96 | | 316.52 | | 17,961.48 |
| R. McBride | 4/5 | 4/8 | Soviet Union | | 500.00 | | | | | | 500.00 |

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## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987—Continued

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Commercial transportation | | | | | | | 4,497.00 | | | | 4,497.00 |
| | 5/21 | 5/24 | Austria | | 528.00 | | | | | | 528.00 |
| | 5/24 | 5/26 | Hungary | | 260.00 | | | | | | 260.00 |
| | 5/26 | 5/27 | Romania | | 107.00 | | | | | | 107.00 |
| | 5/27 | 5/29 | United Kingdom | | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 4,448.00 | | | | 4,448.00 |
| D.A. Mica | 4/5 | 4/8 | Soviet Union | | 500.00 | | | | | | 500.00 |
| Commercial transportation | | | | | | | 4,497.00 | | | | 4,497.00 |
| S. Morrison | 4/13 | 4/19 | Mozambique | 906.00 | | | 760.00 | | | | 1,666.00 |
| Commercial transportation | | | | | | | 5,191.00 | | | | 5,191.00 |
| K.B. Moss | 4/10 | 4/16 | Spain | | 1,008.00 | | 31.13 | | 316.52 | | 1,355.65 |
| | 4/16 | 4/18 | United Kingdom | | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 4,261.00 | | | | 4,261.00 |
| Military transportation | | | | | | | 2,322.58 | | | | 2,322.58 |
| Total | | | | | 4,649.00 | | 26,007.71 | | 316.52 | | 30,973.23 |
| K.L. Peel | 4/4 | 4/8 | Soviet Union | | 500.00 | | | | | | 500.00 |
| Commercial Transportation | | | | | | | 4,497.00 | | | | 4,497.00 |
| | 5/21 | 5/24 | Austria | | 528.00 | | | | | | 528.00 |
| | 5/24 | 5/26 | Hungary | | 260.00 | | 15.00 | | | | 275.00 |
| | 5/26 | 5/27 | Romania | | 107.00 | | | | | | 107.00 |
| | 5/27 | 5/29 | United Kingdom | | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 4,448.00 | | | | 4,448.00 |
| R. Perugino | 4/9 | 4/16 | Spain | | 1,176.00 | | 31.13 | | 316.52 | | 1,523.65 |
| | 4/16 | 4/18 | United Kingdom | | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 4,261.00 | | | | 4,261.00 |
| Military transportation | | | | | | | 5,906.11 | | | | 5,906.11 |
| S. Roth | 4/15 | 4/19 | Korea | | [3] 651.00 | | | | 40.66 | | 691.66 |
| | 4/19 | 4/20 | Japan | | 254 00 | | | | 69.67 | | 323.67 |
| Commercial transportation | | | | | | | 3,859.00 | | | | 3,859.00 |
| Total | | | | | 4,316.00 | | 23,017.24 | | 426.85 | | 27,760.09 |
| C. Smith | 4/3 | 4/4 | Costa Rica | | 132.00 | | | | | | 132.00 |
| | 4/4 | 4/6 | El Salvador | | [3] 125.00 | | | | | | 125.00 |
| Commercial transportation | | | | | | | 1,214.00 | | | | 1,214.00 |
| O.J. Snowe | 4/4 | 4/8 | Soviet Union | | 500.00 | | | | | | 500.00 |
| Commercial transportation | | | | | | | 4,579.00 | | | | 4.579.00 |
| S.J. Solarz | 4/15 | 4/19 | Korea | | 656.00 | | | | 40.66 | | 696.66 |
| | 4/19 | 4/20 | Japan | | 254.00 | | | | 69.67 | | 323.67 |
| Commerical transportation | | | | | | | 3,859 00 | | | | 3,859.00 |
| M. Tavlarides | 4/3 | 4/4 | Costa Rica | | 132.00 | | | | | | 132.00 |
| | 4/4 | 4/6 | El Salvador | | [3] 125.00 | | | | | | 125.00 |
| Commercial transportation | | | | | | | 1,214.00 | | | | 1,214.00 |
| T.G. Verstanding | 4/10 | 4/14 | Spain | | 672.00 | | 31.13 | | 316.52 | | 1,019.65 |
| Commercial transportation | | | | | | | 3,938.00 | | | | 3,938.00 |
| Total | | | | | 2,596.00 | | 14,835.13 | | 426.85 | | 17,857.98 |
| H. Weinberg | 4/10 | 4/14 | Spain | | 672.00 | | 31.13 | | 316.52 | | 1,019.65 |
| | 4/14 | 4/15 | France | | 219.00 | | | | | | 219.00 |
| | 4/15 | 4/16 | Bulgaria | | 161.00 | | | | | | 161.00 |
| | 4/16 | 4/19 | Hungary | | 390.00 | | 147.00 | | | | 537.00 |
| Commercial transportation | | | | | | | 5,064.95 | | | | 5,064.95 |
| H. Wolpe | 6/28 | 6/29 | Angola | | | | | | | | |
| Military transportation | | | | | | | 14,199.41 | | | | 14,199.41 |
| Total | | | | | 1,442.00 | | 19,442.49 | | 316.52 | | 21,201.01 |
| Grand total for 2d quarter | | | | | | | | | Grand total for 2d quarter | | 253,857.22 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refunds of unused per diem.

DANTE B. FASCELL, Chairman, June 30, 1987.

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. William Clinger | 4/10 | 4/14 | Spain | 86,016 | 672.00 | | 347.65 | | | | 1,019.65 |
| | 4/14 | 4/15 | France | | 219.00 | | | | | | 219.00 |
| | 4/15 | 4/16 | Bulgaria | | 161.00 | | | | | | 161.00 |
| | 4/16 | 4/20 | Hungary | 24,600.20 | 520.00 | | 147.00 | | | | 667.00 |
| Committee total | | | | | 1,572.00 | | 494.65 | | | | 2,066.65 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

Note.—Travel performed by military aircraft with Foreign Affairs Committee.

JACK BROOKS, Chairman, July 15, 1987.

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## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hamilton Fish, Jr., MC | 4/12 | 4/14 | Nicaragua | | 50.00 | | | | | | 50.00 |
| | 4/14 | 4/16 | Honduras | | 302.00 | | | | | | 302.00 |
| | 4/16 | 4/17 | El Salvador | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/21 | Costa Rica | | 430.67 | | | | | | 430.67 |
| Commercial transportation | | | | | | | 1,268.00 | | | | 1,268.00 |
| Bill McCollum, MC | 4/12 | 4/14 | Nicaragua | | 50.00 | | | | | | 50.00 |
| | 4/14 | 4/16 | Honduras | | 302.00 | | | | | | 302.00 |
| | 4/16 | 4/18 | El Salvador | | 250.00 | | | | | | 250.00 |
| Commercial transportation | | | | | | | 780.00 | | | | 780.00 |
| Peter Regis, staff | 4/12 | 4/14 | Nicaragua | | 50.00 | | | | | | 50.00 |
| | 4/14 | 4/16 | Honduras | | 302.00 | | | | | | 302.00 |
| | 4/16 | 4/17 | El Salvador | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/21 | Costa Rica | | 430.67 | | | | | | 430.67 |
| Commercial transportation | | | | | | | 1,217.00 | | | | 1,217.00 |
| Margaret Webber, staff | 4/12 | 4/14 | Nicaragua | | 50.00 | | | | | | 50.00 |
| | 4/14 | 4/16 | Honduras | | 302.00 | | | | | | 302.00 |
| | 4/16 | 4/17 | El Salvador | | 250.00 | | | | | | 250.00 |
| | 4/17 | 4/21 | Costa Rica | | 430.67 | | | | | | 430.67 |
| Commercial transportation | | | | | | | 1,234.48 | | | | 1,234.48 |
| Committee total | | | | | 3,700.01 | | 4,499.48 | | | | 8,199.49 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PETER W. RODINO, JR., Chairman.

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. Norman Y. Mineta | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military air transportation | | | | | | | 3,766.00 | | | | 3,766.00 |
| Hon. Jim Chapman | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military air transportation | | | | | | | 3,766.00 | | | | 3,766.00 |
| Hon. William O. Lipinski | 6/12 | 6/16 | France | | 936.00 | | | | | | 936.00 |
| Military air transportation | | | | | | | 3,766.00 | | | | 3,766.00 |
| Committee total | | | | | 2,808.00 | | 11,298.00 | | | | 14,106.00 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMES J. HOWARD, Chairman, July 28, 1987.

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. F.J. Sensenbrenner | 4/10 | 4/11 | Germany | | 172.00 | | | | | | 172.00 |
| | 4/11 | 4/16 | Kenya | | 740.00 | | | | 25.16 | | 765.16 |
| | 4/16 | 4/19 | Bottswana | | 625.00 | | | | | | 625.00 |
| Commercial air | | | | | | | 5,191.00 | | | | 5,191.00 |
| Robert W. Maitlin | 4/10 | 4/11 | Germany | | 172.00 | | | | | | 172.00 |
| | 4/11 | 4/16 | Kenya | | 740.00 | | | | 25.16 | | 765.16 |
| | 4/16 | 4/19 | Bottswana | | 625.00 | | | | | | 625.00 |
| Commercial air | | | | | | | 5,191.00 | | | | 5,191.00 |
| David J. Beightol | 4/10 | 4/11 | Germany | | 172.00 | | | | | | 172.00 |
| | 4/11 | 4/16 | Kenya | | 740.00 | | | | 25.16 | | 765.16 |
| | 4/16 | 4/19 | Bottswans | | 625.00 | | | | | | 625.00 |
| Commercial air | | | | | | | 5,191.00 | | | | 5,191.00 |
| Nancy J. Jeffery | 4/10 | 4/11 | Germany | | 172.00 | | | | 25.16 | | 172.00 |
| | 4/11 | 4/16 | Kenya | | 740.00 | | | | 25.16 | | 765.16 |
| | 4/16 | 4/19 | Bottswana | | 625.00 | | | | | | 625.00 |
| Commercial air | | | | | | | 5,191.00 | | | | 5,191.00 |
| Hon. George E. Brown, Jr. | 4/10 | 4/17 | U.S.S.R. | | 850.00 | | | | | | 850.00 |
| Commercial air | | | | | | | 1,645.00 | | | | 1,645.00 |
| Hon. Claudine Schneider | 4/10 | 4/14 | U.S.S.R. | | 600.00 | | | | | | 600.00 |
| | 4/14 | 4/19 | France | | 0.00 | | | | | | 0.00 |
| Commercial air | | | | | | | 1,802.00 | | | | 1,802.00 |
| Hon. David E. Skaggs | 5/13 | 5/14 | Panama | | 97.00 | | | | | | 97.00 |
| | 5/14 | 5//15 | Costa Rica | | 70.00 | | | | | | 70.00 |
| Military air | 5/15 | 5/16 | Honduras | 184 | 92.00 | | 5,812.10 | | | 184 | 5,904.00 |
| Committee total | | | | | $7,857.00 | | 30,023.10 | | 100.64 | | 37,980.74 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROBERT A. ROE, Chairman, July 27, 1987.

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REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. Dan Rostenkowski | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | Belgium | 7,190 | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Portugal | 135,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 4,606.99 | | | | 4,606.99 |
| | 6/14 | 6/19 | Poland | 209.198 | 814.00 | | | | | | 814.00 |
| | 6/19 | 6/20 | France | 2854.80 | 468.00 | | | | | | 468.00 |
| Military transportation | | | | | | | 7,612.60 | | | | 7,612.60 |
| Hon. Barbara Kennelly | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | Belgium | 7,190 | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Portugal | 135,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 4,606.99 | | | | 4,606.99 |
| Hon. Marty Russo | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | Belgium | 7,190 | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Portugal | 136,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 4,606.99 | | | | 4,606.99 |
| Hon. William J. Coyne | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | Belgium | 7,190 | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Portugal | 136,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 4,606.99 | | | | 4,606.99 |
| Hon. Guy Vander Jagt | 4/10 | 4/16 | Spain | 129,024 | 1,008.00 | | 31.13 | | 316.52 | | 1,355.65 |
| Military transportation | | | | | | | 5,298.77 | | | | 5,298.77 |
| | 4/16 | 4/21 | Portugal | 136,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 2,151.56 | | | | 2,151.56 |
| | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | Belgium | 7,190 | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Portugal | 136,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 4,606.99 | | | | 4,606.99 |
| Hon. Don Pease | 4/10 | 4/14 | Spain | 86,106 | 672.00 | | 31.13 | | 316.52 | | 1,019.65 |
| | 4/14 | 4/16 | Switzerland | 581.30 | 388.00 | | | | | | 388.00 |
| | 4/16 | 4/18 | England | 259.64 | 420.00 | | | | | | 420.00 |
| Commercial transportation | | | | | | | 546.00 | | | | 546.00 |
| Military transportation | | | | | | | 8,882.30 | | | | 8,882.30 |
| Hon. Sam Gibbons | 4/10 | 4/16 | Spain | 129,024 | 1,008.00 | | 31.13 | | 316.52 | | 1,355.65 |
| | 4/16 | 4/18 | England | 259.64 | 420.00 | | | | | | 420.00 |
| Military transportation | | | | | | | 11,204.88 | | | | 11,204.88 |
| | 6/12 | 6/16 | France | 5616.00 | 936.00 | | | | | | 936.00 |
| Military transportation | | | | | | | 3,766.00 | | | | 3,766.00 |
| Hon. Bill Frenzel | 4/10 | 4/16 | Spain | 129,024 | 1,008.00 | | 31.13 | | 316.52 | | 1,355.65 |
| | 4/16 | 4/18 | England | 259.64 | 420.00 | | | | | | 420.00 |
| Military transportation | | | | | | | 11,204.88 | | | | 11,204.88 |
| M. Kenneth Bowler | 6/14 | 6/19 | Poland | 209.198 | 814.00 | | | | | | 814.00 |
| | 6/19 | 6/20 | France | 2854.80 | 468.00 | | | | | | 468.00 |
| Military transportation | | | | | | | 9,482.58 | | | | 9,482.58 |
| Charles Brain | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | Belgium | 7,190 | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Portugal | 136,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 4,606.99 | | | | 4,606.99 |
| Rufus Yerxa | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/17 | Belgium | 14,380 | 384.00 | | | | | | 384.00 |
| Commercial transportation | | | | | | | 406.00 | | | | 406.00 |
| Military transportation | | | | | | | 1,959.83 | | | | 1,959.83 |
| Charles Mellody | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | France | 7,190 | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Escudos | 136,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 4,606.99 | | | | 4,606.99 |
| | 6/14 | 6/19 | Poland | 209.198 | 814.00 | | | | | | 814.00 |
| | 6/19 | 6/20 | France | 2854.80 | 468.00 | | | | | | 468.00 |
| Military transportation | | | | | | | 9,482.58 | | | | 9,482.58 |
| Thomas Sneeringer | 6/14 | 6/19 | Poland | 209.198 | 814.00 | | | | | | 814.00 |
| | 6/19 | 6/20 | France | 2854.80 | 468.00 | | | | | | 468.00 |
| Military transportation | | | | | | | 9,482.58 | | | | 9,482.58 |
| Thelma Askey | 5/17 | 5/19 | Belgium | 14,131 | 384.00 | | | | | | 384.00 |
| | 5/19 | 5/23 | Switzerland | 857.85 | 582.00 | | | | | | 582.00 |
| Commercial transportation | | | | | | | 1,787.00 | | | | 1,787.00 |
| Nancy Panzke | 4/12 | 4/15 | England | 389.46 | 630.00 | | | | | | 630.00 |
| | 4/15 | 4/16 | Belgium | 7,190 | 192.00 | | | | | | 192.00 |
| | 4/16 | 4/21 | Portugal | 136,080 | 972.00 | | | | | | 972.00 |
| Military transportation | | | | | | | 4,606.99 | | | | 4,606.99 |
| Committee total | | | | | 28,712.00 | | 120,248.00 | | 1,266.08 | | 150,226.08 |

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[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, July 23, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Richard H. Giza, staff | 3/30 | 4/3 | Europe | | 607.00 | | 2,097.00 | | | | 2,704.00 |
| Bernard Raimo, Jr., staff | 4/12 | 4/15 | Central America | | 300.00 | | 455.60 | | | | 755.60 |
| Diane S. Dornan, staff | 4/12 | 4/15 | Central America | | 300.00 | | 455.60 | | | | 755.60 |
| John G. Keliher | 5/17 | 5/20 | Europe | | 1,091.00 | | 2,721.00 | | | | 3,812.00 |
| Bernard R. Toon, II, staff | 5/17 | 5/20 | Europe | | 1,091.00 | | 2,271.00 | | | | 3,812.00 |
| Martin C. Faga, staff | 6/10 | 6/14 | Central America | | 184.00 | | | | | | 184.00 |
| Military aircraft | | | | | | | 2,272.66 | | | | 2,272.66 |
| Duane P. Andrews, staff | 6/10 | 6/14 | Central America | | 184.00 | | | | | | 184.00 |
| Military aircraft | | | | | | | 2,272.66 | | | | 2,272.66 |
| Stephen D. Nelson, staff | 6/10 | 6/14 | Central America | | 184.00 | | | | | | 184.00 |
| Military aircraft | | | | | | | 2,272.66 | | | | 2,272.66 |
| Committee totals | | | | | 3,941.00 | | 15,268.18 | | | | 19,209.18 |

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[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LOUIS STOKES, Chairman, July 30, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| John W. Nields | 3/31 | 4/2 | | | 438.00 | | 791.00 | | | | 1,229.00 |
| George Van Cleve | 3/31 | 4/2 | | | 438.00 | | 791.00 | | | | 1,229.00 |
| Robert Bermingham | 3/30 | 4/3 | | | 328.00 | | | | | | 328.00 |
| | 4/3 | 4/8 | | | 454.50 | | | | | | 454.50 |
| | 4/8 | 4/10 | | | 150.00 | | 730.00 | | | | 880.00 |
| John W. Nields | 4/20 | 4/20 | | | | | 2,097.00 | | | | 2,097.00 |
| George Van Cleve | 4/20 | 4/20 | | | | | 2,097.00 | | | | 2,097.00 |
| Pamela Naughton | 4/28 | 4/29 | | | 219.64 | | 215.55 | | | | 435.19 |
| Pamela Naughton | 5/6 | 5/8 | | | 438.00 | | 791.00 | | | | 1,229.00 |
| Robert Genzman | 5/6 | 5/8 | | | 438.00 | | 791.00 | | | | 1,229.00 |
| Committee totals | | | | | 2,904.14 | | 8,303.55 | | | | 11,207.69 |

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[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LEE H. HAMILTON, Chairman, July 30, 1987.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1922. A letter from the Secretary of the Army, transmitting the annual report on U.S. Soldiers' and Airmen's Home for fiscal year 1985 and the report of the annual general inspection for fiscal year 1986, pursuant to 24 U.S.C. 59, 60; to the Committee on Armed Services.

1923. A letter from the Under Secretary of Defense for Acquisition, transmitting an extension from October 15 until January 15 as the due date for the fiscal year reports concerning a report on the progress toward entering into contracts with minority private sector entities, pursuant to Public Law 99-661, section 1207(g) (100 Stat. 3974); to the Committee on Armed Services.

1924. A letter from the Secretary of Education, transmitting a copy of the final regulations for the Jacob K. Javits Fellows Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1925. A letter from the Secretary of State transmitting a report concerning the negotiations with the Government of Mexico on establishing a United States/Mexico Intergovernmental Commission on Narcotics and Psychotropic Drug Abuse and Control, pursuant to Public Law 99-570, section 2024(c) (100 Stat. 3207-71); to the Committee on Foreign Affairs.

1926. A letter from the Director, Office of Management Analysis, Department of the Interior, transmitting the Department's notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1927. A letter from the Chairperson, Navy Resale and Services Support Office—Retirement Trust, transmitting the 1985 annual pension report for the Navy resale and services support office retirement plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1928. A letter from the Director, Office of Personnel Management, transmitting the agency's notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1929. A letter from the Assistant Secretary of State (Congressional Relations) and Assistant Secretary of the Treasury (Legislative Affairs), transmitting a report on progress in enhancing human rights through U.S. participation in international financial institutions, pursuant to 22 U.S.C. 262d(c)(1); jointly to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 2224. A bill to authorize appropriations for fiscal year 1988 for the Panama Canal Commission to operate and maintain the Panama Canal, and for other purposes; with an amendment (Rept. 100-275). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 1154. A bill to remedy injury to the U.S. textile and apparel industries caused by increased imports; with amendments (Rept. 100-276). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 247. Resolution waiving certain points of order against consideration of the conference report and any amendments reported from conference in disagreement on the joint resolution (H. J. Res. 324) increasing the statutory limit on the public debt (Rept. 100-277). Referred to the House Calendar.

Mr. RODINO: Committee on the Judiciary. H.R. 442. A bill to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians; with amendments (Rept. 100-278). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRANK: Committee on the Judiciary. H.R. 1054. A bill to amend chapter 171 of title 28, United States Code, to allow members of the Armed Forces to sue the United States for damages for certain injuries caused by improper medical care; with amendments (Rept. 100-279). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBEY: Committee on Appropriations. H.R. 3186. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-283). Referred to the Committee of the Whole House on the State of the Union.

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## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRANK: Committee on the Judiciary. H.R. 2139. A bill for the relief of John H. Teele (Rept. 100-280). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 2293. A bill for the relief of William A. Cassity (Rept. 100-281). Referred to the Committee of the Whole House.

## REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. HAWKINS: Committee on Education and Labor. H.R. 285. A bill to deny crewmember status in the case of certain strikes and lockouts; with amendments; referred to the Committee on the Judiciary for a period ending not later than October 7, 1987, for consideration of such provisions of the bill and amendments as fall within the jurisdiction of that committee pursuant to clause 1(m), rule X (Rept. 100-282, Pt. 1). Ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON of South Dakota (for himself, Mr. Penny, Mr. Miller of Washington, Mr. Solomon, Mr. Lagomarsino, Mr. Davis of Illinois, Mr. Packard, and Mr. Young of Florida):

H.R. 3129. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to require expeditious consideration by the Congress of a proposal by the President to rescind all or part of any item of budget authority if the proposal is transmitted to the Congress on the same day on which the President approves the bill or joint resolution providing such budget authority; to the Committee on Rules.

By Mr. ROYBAL (for himself, Mr. Waxman, and Mr. Stark):

H.R. 3130. A bill to improve the provision of services under the medicare and medicaid programs to individuals with Alzheimer's disease or related disorders and to amend the Public Health Service Act to provide assistance for education, research, and treatment programs relating to such disease and disorders; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. HUGHES:

H.R. 3131. A bill to amend the Airport and Airway Improvement Act of 1982, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ACKERMAN (for himself and Ms. Oakar):

H.R. 3132. A bill to provide for the testing of alternative systems of compensation for Federal employees; to modify the pay comparability system for Federal employees; to modify the manner in which the authority to increase minimum rates of pay for certain Federal employees may be exercised; and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BATES (for himself, Mr. Waxman, Mr. Sikorski, Mr. Scheuer, Mr. Miller of California, Mrs. Collins, and Mr. Wyden):

H.R. 3133. A bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BENNETT (for himself, Mr. Ridge, Mr. Dingell, Mrs. Boxer, Mr. Levine of California, Mr. Bryant, Mr. Moakley, Mr. Miller of California, Miss Schneider, Mr. Slattery, Mr. Wise, Mr. Moody, Mr. Dellums, Mr. Valentine, Mr. Wolpe, Mr. DeFazio, Mr. Johnson of South Dakota, Ms. Slaughter of New York, Mr. Towns, Mr. Martinez, Mr. Kildee, Mr. Bates, Mr. Ford of Michigan, Mrs. Collins, Mr. Murphy, Mr. Torres, Mr. Ackerman, Mr. Scheuer, Mr. Kolter, Mr. Savage, Ms. Kaptur, and Mr. Hughes):

H.R. 3134. A bill to amend title 10, United States Code, to improve accountability over profits made by large contractors under negotiated defense-related Federal contracts; to the Committee on Armed Services.

By Mr. BIAGGI (for himself, Mr. Lent, Mr. Jones of North Carolina, Mr. Davis of Michigan, and Mr. Anderson):

H.R. 3135. A bill to revise the laws pertaining to limitation of liability for maritime claims, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BONER of Tennessee:

H.R. 3136. A bill to establish certain requirements relating to the identification, treatment, and prevention of child abuse on military installations; to the Committee on Armed Services.

By Mrs. BOXER (for herself, Mr. Rangel, Mr. Russo, Ms. Pelosi, and Mr. Kennedy):

H.R. 3137. A bill to establish a grant program for AIDS prevention among intravenous substance abusers seeking professional drug counseling; to the Committee on Energy and Commerce.

By Mr. CRAIG:

H.R. 3138. A bill to amend section 504(b)(1)(C) of title 5, United States Code, to provide that a proceeding conducted under section 13(c) of the Export Administration Act of 1979 shall be an adversary adjudication with respect to which fees and other expenses may be awarded; jointly, to the Committees on the Judiciary and Foreign Affairs.

By Mr. CRANE:

H.R. 3139. A bill to extend for 3 years the existing suspension of duty on certain brussels sprouts; to the Committee on Ways and Means.

By Mr. DANIEL (for himself, Mr. Kasich, Mr. Darden, Mr. Davis of Illinois, Mr. Hansen, Mr. Hochbrueckner, Mr. Hutto, Mr. Leath of Texas, Mr. Martin of New York, Mr. Nichols, Mr. Ray, Mr. Robinson, and Mr. Rowland of Connecticut):

H.R. 3140. A bill to require the Secretary of Defense to establish standards, based on recommendations of an advisory committee established by the Secretary, for inventory accounting systems used by Department of Defense contractors, and to require defense contractors to certify compliance with such standards; to the Committee on Armed Services.

By Mr. DERRICK (for himself, Mr. Conyers, Mr. Synar, Mrs. Schroeder, Mr. Frank, Mr. Morrison of Connecticut, Mr. Berman, Mr. Cardin, Mr. Ackerman, Mr. Atkins, Mr. Chapman, Mr. Clay, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Eckart, Mr. Fazio, Mr. Frost, Mr. Garcia, Mr. Gejdenson, Mr. Kostmayer, Mr. LaFalce, Mr. Lancaster, Mr. Leland, Mr. Levin of Michigan, Mr. Lewis of Georgia, Mr. McHugh, Mr. Markey, Mr. Martinez, Mr. Mrazek, Mr. Neal, Ms. Oakar, Mr. Oberstar, Mr. Owens of New York, Mr. Scheuer, Mr. Studds, Mr. Vento, Mr. Visclosky, Mr. Weiss, and Mr. Wolpe):

H.R. 3141. A bill to amend title 1 of the United States Code to define the type of adjournment that prevents the return of a bill by the President; to the Committee on the Judiciary.

By Mr. DioGUARDI (for himself, Mr. Boulter, Mr. Annunzio, Mr. Hyde, Mr. Houghton, Mr. Frank, Mr. Coble, Mr. Donald E. Lukens, Mr. Neal, Mr. Hiler, Mr. Roth, Mr. Hunter, Mr. Dornan of California, Mr. Crane, Mr. Craig, Mr. Walker, Mr. Denny Smith, Mr. Rhodes, Mr. Blaz, Mr. Lagomarsino, Mr. Fauntroy, Mr. Dreier of California, Mr. Gingrich, Mr. Hastert, Mr. Herger, Mr. Edwards of California, Mr. Ireland, Mr. Kemp, Mr. Kasich, Mr. Mack, Mr. Parris, Mr. Shaw, Mr. Smith of New Hampshire, Mr. Solomon, Mr. Traficant, Mr. Wyden, Mr. Chandler, Mr. Ackerman, Mr. Barnard, Mr. DeLay, Mr. Gallo, Mr. Gekas, Mr. Kyl, Mr. Leland, Mr. McDade, Mr. Martinez, Mr. Mavroules, Mr. Robinson, Mr. Smith of New Jersey, Mr. Torres, Mr. Towns, Mr. Wortley, Mr. Bustamante, Mr. Clinger, Mr. Conyers, Mr. Gilman, Mr. McEwen, and Mr. Saxton):

H.R. 3142. A bill to establish the Office of the Chief Financial Officer of the United States in the Executive Office of the President to direct and coordinate Federal financial management, and to establish an Office of the Assistant Secretary for Financial Management in each executive department and an Office of the Controller in each executive agency; to the Committee on Government Operations.

By Mr. DONNELLY (for himself, Mr. Foley, Mr. Perkins, Mr. Coyne, Mr. Dwyer of New Jersey, Mr. Moakley, Mr. Kennedy, Mr. Howard, Mrs. Morella, Mr. Lowry of Washington, Mr. Hertel, Mr. Murphy, Mr. Boland, Mrs. Kennelly, Mr. Early, Mr. McGrath, Mr. Traxler, and Mr. Towns):

H.R. 3143. A bill to amend the Immigration and Nationality Act to affect changes in the numerical limitation and preference system for the admission of immigrants; to the Committee on the Judiciary.

By Mr. FIELDS:

H.R. 3144. A bill to amend the Merchant Marine Act, 1936, to repeal the requirement that the Secretary of Transportation preserve the share of certain commodities exported from Great Lake ports; to the Committee on Merchant Marine and Fisheries.

By Mr. FOGLIETTA:

H.R. 3145. A bill to provide for the inclusion of the Washington Square area within Indpendence National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FRANK (for himself, Mr. Brooks, Mr. Morrison of Connecticut, Mr. Swindall, Mrs. Vucanovich, Mr. Wortley, and Mr. Bilbray):

H.R. 3146. A bill to clarify certain restrictions on distribution of advertisements and other information concerning lotteries and similar activities; jointly, to the Committees on the Judiciary and Post Office and Civil Service.

By Mr. FRENZEL:

H.R. 3147. A bill to amend the Internal Revenue Code of 1986 to treat church self-funded death benefit plans as life insurance contracts; to the Committee on Ways and Means.

By Mr. GRADISON:

H.R. 3148. A bill to amend title IV of the Social Security Act to replace the AFDC program with a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance, benefit improvement, and mandatory extension of coverage to two-parent families, and which reflects a general emphasis on shared and reciprocal obligation, program innovation, and organization renewal; jointly, to the Committees on Ways and Means, Education and Labor, and Energy and Commerce.

By Mr. HOPKINS (for himself, Mr. Bliley, Mr. Daub, Mr. Sundquist, Mr. Shumway, Mr. Wortley, Mrs. Boxer, Mr. Henry, Mr. Badham, Mr. Shaw, and Mr. Nielson of Utah):

H.R. 3149. A bill to provide that receipts and disbursements of the Highway Trust Fund, the Airport and Airway Trust Fund, and the Inland Waterways Trust Fund will not be included in the totals of the congressional budget or the budget of the U.S. Government as submitted by the President, and to adjust the maximum deficit amounts prescribed by the Balanced Budget and Emergency Deficit Control Act of 1985 to reflect the change in budget calculation; jointly to the Committees on Public Works and Transportation, Government Operations, and Rules.

By Mr. IRELAND:

H.R. 3150. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to provide cover for Department of Defense foreign intelligence collection activities through the establishment and operation of commercial entities, and for other purposes; jointly, to the Committees on Armed Services and the Permanent Select Committee on Intelligence.

By Mr. JOHNSON of South Dakota (for himself and Mr. Dorgan of North Dakota):

H.R. 3151. A bill to amend the Consolidated Farm and Rural Development Act to provide for fairness in the Farmers Home Administration appeals process; to the Committee on Agriculture.

By Mr. KASTENMEIER:

H.R. 3152. A bill to amend title 28, United States Code, to make certain improvements with respect to the Federal judiciary, and for other purposes; to the Committee on the Judiciary.

By Mr. KOLBE:

H.R. 3153. A bill to authorize the President to award a Congressional Medal of Honor in honor of Lt. Charles B. Gatewood in recognition of the heroic service rendered by Lieutenant Gatewood in connection with the surrender of Geronimo in the fall of 1886; to the Committee on Armed Services.

By Mr. LEVINE of California:

H.R. 3154. A bill to establish a program of Federal grants to assist local educational agencies to establish and provide for a school year of not less than 240 days and to establish Federal grants to recognize achievement in education by local edcucational agencies; to the Committee on Education and Labor.

By Mr. LOWRY of Washington (for himself, Mr. Panetta, Mr. Ireland, Mr. Studds, Mr. Bonker, Mr. Hughes, Mr. Foglietta, Mr. Badham, Mr. Miller of California, Mr. Fascell, Mr. Stark, Mr. Shaw, Mr. Lowery of California, Mr. Beilenson, Mr. Lehman of California, Mr. Berman, Mr. Levine of California, Mr. Lantos, and Ms. Pelosi):

H.R. 3155. A bill to amend the Coastal Zone Management Act of 1972 regarding activities directly affecting the coastal zone; to the Committee on Merchant Marine and Fisheries.

By Mr. McGRATH:

H.R. 3156. A bill to designate the U.S. Courthouse located at the intersection of Uniondale Avenue and Hempstead Turnpike in Uniondale, NY, as the "John W. Wydler Courthouse"; to the Committee on Public Works and Transportation.

By Mr. MARLENEE:

H.R. 3157. A bill to direct the Secretary of Agriculture to formulate proposals to reduce recordkeeping and other paperwork required of agricultural producers for participation in Federal price support programs and other agriculturally related activities; to the Committee on Agriculture.

H.R. 3158. A bill to make available to consumers certain information on the performance records of air carriers operating in the United States; to the Committee on Public Works and Transportation.

By Mr. MARLENEE (for himself, Mr. Glickman, Mr. Roberts, Mr. Robert F. Smith, and Mrs. Smith of Nebraska):

H.R. 3159. A bill to provide that the determination of protein content in wheat for purposes of price support activities be determined on an "as-is" basis; to the Committee on Agriculture.

By Mr. MATSUI (for himself, Mr. Owens of Utah, Mr. Derrick, Mr. Frank, Mrs. Boxer, Mr. Martinez, Mrs. Collins, Mr. Smith of Florida, Mr. Scheuer, Mr. Mrazek, Mr. Wolpe, Mr. Sikorski, Mr. Kildee, and Mr. AuCoin):

H.R. 3160. A bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid and Food Stamp programs; to impose a temporary moratorium for the collection of penalties under such programs, and for other purposes; jointly to the Committees on Ways and Means, Energy and Commerce, and Agriculture.

By Mr. MONTGOMERY (by request):

H.R. 3161. A bill to amend title 38, United States Code, to authorize certain additional medical services for veterans with service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY (for himself and Mr. Solomon) (both by request):

H.R. 3162. A bill to amend title 38, United States Code, to authorize the Administrator of the Veterans' Administration to make direct low-interest loans to veterans eligible for specially adapted housing assistance; to the Committee on Veterans' Affairs.

H.R. 3163. A bill to amend title 38, United States Code, to provide for funeral expenses to veterans of any war who were recipients of the Purple Heart award; to the Committee on Veterans' Affairs.

H.R. 3164. A bill to amend title 38, United States Code, to extend educational assistance benefits to dependents of veterans with a service-connected disability of 80 percent or more; to the Committee on Veterans' Affairs.

H.R. 3165. A bill to amend title 38, United States Code, to provide for an increase in the amount of dependency and indemnity compensation paid to dependent parents of deceased veterans in the case of parents who are permanently housebound; to the Committee on Veterans' Affairs.

H.R. 3166. A bill to amend chapter 42 of title 38, United States Code, with respect to the definition of disabled veteran; to the Committee on Veterans' Affairs.

H.R. 3167. A bill to amend title 38, United States Code, to eliminate the delimiting date for spouses and surviving spouses eligible for benefits under chapter 35; to the Committee on Veterans' Affairs.

H.R. 3168. A bill to amend title 38, United States Code, with respect to the implementation of section 2014 of such title; to the Committee on Veterans' Affairs.

H.R. 3169. A bill to amend title 38, United States Code, to provide a presumption of service connection for the condition of non-Hodgkins Lymphoma arising in veterans who were exposed to the chemical defoliant known as Agent Orange during service in the Republic of Vietnam during the Vietnam era: to the Committee on Veterans' Affairs.

H.R. 3170. A bill to amend title 38, United States Code, to provide that recipients of the Purple Heart award be considered compensably disabled veterans for purposes of veterans' preference in Federal civil service; to the Committee on Veterans' Affairs.

By Mr. MRAZEK (for himself and Mr. Ridge):

H.R. 3171. A bill to permit the immigration of Vietnamese Amerasians to the United States; to the Committee on the Judiciary.

By Mr. NAGLE (for himself, Mr. Leach of Iowa, Mr. Evans, and Mr. Roberts):

H.R. 3172. A bill to provide for the increased use of motor fuel blended with ethanol in order to enhance the energy security of the United States and to expand markets for agricultural commodities; jointly, to the Committees on Ways and Means, Energy and Commerce, and Agriculture.

By Mr. NIELSON of Utah:

H.R. 3173. A bill to require the Federal Communications Commission to take actions to curtail the abuse of residential telephones for the making of business and charitable solicitations; to the Committee on Energy and Commerce.

By Mr. OBERSTAR:

H.R. 3174. A bill to prevent ground water contamination by pesticides; jointly, to the Committees of Agriculture, Energy and Commerce, and Public Works and Transportation.

By Mr. PEASE:

H.R. 3175. A bill to amend title 10, United States Code, in order to provide for certain cost savings related to commissaries and the closing or realignment of military installations; to the Committee on Armed Services.

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H.R. 3176: A bill to implement three user fee recommendations of the Grace Commission respecting the Departments of Agriculture and Energy, and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. SCHULZE:

H.R. 3177. A bill to establish a Caribbean Basin Regional Development Commission, and for other purposes; to the Committee on Ways and Means.

By Mr. SHAW (for himself, Mr. Hammerschmidt, Mr. Shuster, Mr. Gray of Illinois, and Mr. Clinger):

H.R. 3178. A bill to allow a speed limit of 65 miles per hour on highways not on the National System of Interstate and Defense Highways which meet the construction standards applicable to highways on the System; to the Committee on Public Works and Transportation.

By Ms. SLAUGHTER of New York (for herself, Mr. McHugh, Mr. Scheuer, Mr. Rangel, Mr. Biaggi, Mr. Hoyer, Mrs. Morella, and Mr. McMillen of Maryland):

H.R. 3179. A bill to require automatic train control capabilities on the main line of the Northeast Corridor, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SMITH of New Jersey:

H.R. 3180. A bill to amend chapter 30 of title 38, United States Code, with respect to the Montgomery GI bill; jointly, to the Committees on Armed Services and Veterans' Affairs.

By Mr. SMITH of New Hampshire:

H.R. 3181. A bill to prohibit a State from imposing a discriminatory income tax on income earned within such State by nonresidents of such State; to the Committee on the Judiciary.

By Mr. TORRES (for himself, Mr. Bustamante, Mr. Ortiz, Mr. de la Garza, Mr. Martinez, Mr. Richardson, Mr. Roybal, Mr. Dymally, Mr. Campbell, Mr. Towns, Mr. Rodino, Mr. Pepper, Ms. Oakar, Mr. Berman, Mr. Brown of California, Mr. Coleman of Texas, Mr. Dellums, Mr. Dornan of California, Mr. Fazio, Mr. Hoyer, Mr. Pashayan, Mr. Ackerman, Mr. Anderson, Mr. Crockett, Mr. Dwyer of New Jersey, Mr. Frank, Mr. Gephardt, Mr. Gray of Pennsylvania, Mr. Hunter, Mr. Lantos, Mr. Leland, Mr. Lowry of Washington, Mr. Rangel, Mr. Owens of Utah, Mr. Horton, Mr. LaFalce, Mr. Hawkins, Mr. Coelho, Mr. Lujan, Mr. Blaz, Mr. Garcia, Mr. Fascell, Mr. Foglietta, and Mr. Lehman of Florida):

H.R. 3182. A bill to amend Public Law 90-498 to provide for the designation of "National Hispanic Heritage Month"; to the Committee on Post Office and Civil Service.

By Mr. UDALL:

H.R. 3183. A bill to provide a governing constitution for the Pascua Yaqui Tribe of Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. OBEY:

H.R. 3186. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1988, and for other purposes.

By Mr. BEREUTER (for himself, Mr. Fascell, and Mr. Gejdenson):

H.J. Res. 349. Joint resolution in support of a transition to democracy in Chile; to the Committee on Foreign Affairs.

By Mrs. BOXER (for herself, Mr. Miller of California, Mr. Fazio, Mr. Lewis of California, Mr. Green, Mr. Weiss, Mr. Schumer, Ms. Pelosi, Mr. Downey of New York, Mr. de la Garza, Mr. Hamilton, Mr. Kostmayer, Mr. Dellums, Mr. Gibbons, Mr. Lowry of Washington, Mr. Frost, Mr. Gejdenson, Mr. Smith of Florida, Mr. Guarini, Mr. Mavroules, Mr. Moody, Mr. Ritter, Mr. Foglietta, Mr. Wyden, Mr. Hertel, Mr. Boucher, Mr. Bennett, Mr. Borski, Mr. Bustamante, and Mr. Hochbrueckner):

H.J. Res. 350. Joint resolution designating October 1987 as "AIDS Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. COYNE:

H.J. Res. 351. Joint resolution designating September 11, 1987, as "Pittsburgh Central Catholic High School Day"; to the Committee on Post Office and Civil Service.

By Mr. SOLARZ (for himself and Mr. Leach of Iowa);

H. Con. Res. 174. Concurrent resolution expressing the sense of the Congress regarding the twentieth anniversary of the establishment of the Association of Southeast Asian Nations [ASEAN]; to the Committee on Foreign Affairs.

By Mr. DORNAN of California:

H. Res. 248. Resolution expressing the sense of the House of Representatives in support of efforts to forge a political compromise in Fiji which preserves its traditions of parliamentary constitutional democracy and guarantees the rights of its citizens; to the Committee on Foreign Affairs.

By Mr. SENSENBRENNER:

H. Res. 249. Resolution concerning financial assistance from Japan to support United States naval forces in the Persian Gulf; to the Committee on Foreign Affairs.

By Mr. SHAW:

H. Res. 250. Resolution to amend the Rules of the House of Representatives to provide for the rotation of membership on the Committee on Appropriations; to the Committee on Rules.

H. Res. 251. Resolution expressing the sense of the House of Representatives regarding the enactment of an excise tax on sales of boats; to the Committee on Ways and Means.

By Mr. WALKER (for himself, Mr. Schaefer, Mr. Hefley, Mr. Coats, Mr. Ballenger, Mr. Coble, Mr. Gallo, Mr. Lagomarsino, Mr. Smith of New Hampshire, Mr. Dannemeyer, Mr. Mack, Mr. Gingrich, Mr. Hiler, Mr. Edwards of Oklahoma, Mr. Ireland, Mr. Barton of Texas, Mr. Hastert, Mr. Davis of Illinois, Mr. Kyl, Mr. Swindall, Mr. Brown of Colorado, Mr. Smith, of Texas, Mr. Solomon, Mr. Armey, Mr. Gekas, Mr. Frank, Mr. Kemp, Mr. DioGuardi, Mr. Weber, Mr. Stump, Mr. Moorhead, Mr. Lungren, Mr. Dornan of California, Mr. Gregg, Mr. Buechner, Mrs. Vucanovich, Mr. Shaw, Mr. Crane, Mrs. Martin of Illinois, Mr. Weldon, Mr. Sundquist, Mr. Sweeney, Mr. Stangeland, Mrs. Johnson of Connecticut, Mr. Frenzel, Mr. Denny Smith, Mr. Packard, Mr. Baker, Mr. Lujan, Mr. Ritter, Mr. Michel, Mr. Lott, Mr. Marlenee, Mr. Oxley, Mr. Roth, Mr. Herger, Mr. Gunderson, Mr. McEwen, Mr. Hunter, Mr. Wolf, and Mrs. Saiki):

H. Res. 252. Resolution to establish the Commission on Review of House Ethics; jointly, to the Committees on Standards of Official Conduct Rules, and House Administration.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAIG:

H.R. 3184. A bill for the relief of Raymond Shields Spitz; to the Committee on the Judiciary.

H.R. 3185. A bill for the relief of James P. Purvis; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. Davis of Illinois, Mr. Neal, Mr. Sawyer, and Mr. Clarke.

H.R. 21: Mr. Davis of Illiniois, Mr. Ray, Mr. Sawyer, and Mr. Clarke.

H.R. 44: Mr. Konnyu.

H.R. 303: Mr. Wolpe, Mr. Spence, Mr. Gekas, Mr. Mack, Mr. Yatron, Mr. Sundquist, Mr. Staggers, Mr. Ritter, Mr. Ravenel, Mr. Grant, Mr. Robinson, and Mr. Markey.

H.R. 382: Mr. Vento.

H.R. 387: Mr. Crockett.

H.R. 388: Mr. Davis of Illinois.

H.R. 416: Mr. Martinez.

H.R. 442: Ms. Oakar, Mr. Fascell, and Mr. Derrick.

H.R. 457: Mr. Bilbray.

H.R. 541: Mr. Jontz.

H.R. 592: Mr. Shaw.

H.R. 622: Mr. Porter, Mr. McGrath, and Mr. Schuette.

H.R. 672: Mr. Foglietta and Mr. Lantos.

H.R. 673: Mr. Foglietta and Mr. Lantos.

H.R. 674: Mr. Foglietta, Mr. Lantos, and Mr. Espy.

H.R. 675: Mr. Foglietta and Mr. Lantos.

H.R. 676: Mr. Foglietta and Mr. Lantos.

H.R. 677: Mr. Foglietta and Mr. Lantos.

H.R. 916: Mr. Bunning, Mr. Ballenger, and Mr. Lancaster.

H.R. 1038: Mr. Mack and Mr. Pursell.

H.R. 1096: Mr. Wolpe.

H.R. 1119: Ms. Pelosi.

H.R. 1201: Mr. Penny.

H.R. 1235: Mr. Towns, Mr. Lott, Mr. Lowry of Washington, Miss Schneider, Mr. Studds, and Mr. Vento.

H.R. 1347: Mr. Bevill, Mr. Bustamante, Mr. DeWine, Mr. Applegate, Mr. DeLay, Mr. Ford of Tennessee, Mr. Gilman, Mr. Gunderson, Mr. Hayes of Illinois, Mr. Herger, Mr. Hyde, and Mr. Kolbe.

H.R. 1417: Mrs. Morella, Mr. Atkins, and Mr. Borski.

H.R. 1430: Miss Schneider and Mr. Towns.

H.R. 1470: Mr. Sawyer and Mr. Price of Illinois.

H.R. 1580: Mr. Sikorski.

H.R. 1638: Mr. Martinez and Mr. Oberstar.

H.R. 1692: Mr. Gejdenson, Mr. Dyson, Mr. McMillan of North Carolina, Mr. Morrison of Washington, Mr. Yates, Mr. Flippo, Mr. Durbin, Mr. Sawyer, Mr. Pepper, Mr. Parris, Mr. Combest, Mrs. Smith of Nebraska, Mr. Kostmayer, Mr. Neal, Mrs. Lloyd, and Mr. Packard.

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H.R. 1707: Mr. Annunzio, Mr. Yatron, Mr. Dicks, Mr. Mavroules, Mr. Savage, Mr. Ackerman, Mr. Murphy, Mr. Frank, Mr. Hawkins, Mr. Matsui, Mrs. Lloyd, and Mr. Stump.

H.R. 1720: Mr. Kolter, Mr. Crockett, Mr. Gejdenson, Mr. Lehman of California, Mr. Fazio, Mr. Tallon, Mr. Bates, Mr. Lancaster, Mr. Atkins, Mr. Florio, Mr. Sikorski, Mr. Edwards of California, Mr. Sawyer, and Mr. Ackerman.

H.R. 1734: Mr. Jontz.

H.R. 1782: Mr. Rahall, Mr. Bates, Mr. McEwen, Mr. Archer, Mr. Weiss, Mr. Livingston, Mr. Sawyer, Mr. Bereuter, and Mr. Bilirakis.

H.R. 1832: Mr. Oxley.

H.R. 1885: Mr. Smith of New Jersey.

H.R. 1905: Mr. Price of North Carolina, Mr. de Lugo, Mr. MacKay, Mr. Smith of Texas, Mr. Hughes, Mr. Houghton, Mr. Feighan, Mrs. Bentley, Mr. Smith of Iowa, Mr. Lancaster, Mr. Skaggs, Mr. Bruce, and Mr. Martinez.

H.R. 2116: Mr. Bruce, Mr. Campbell, Mr. Hochbrueckner, and Mr. Stump.

H.R. 2125: Mr. Fazio.

H.R. 2181: Mr. Oxley.

H.R. 2198: Mr. de la Garza.

H.R. 2248: Mr. DeFazio.

H.R. 2345: Mr. Howard.

H.R. 2348: Mr. Smith of New Hampshire.

H.R. 2476: Mr. Weiss.

H.R. 2508: Mr. Martinez.

H.R. 2537: Mr. Daub, Mr. Neal, and Ms. Oakar.

H.R. 2545: Mr. Watkins, Mr. Edwards of Oklahoma, Mr. Kleczka, Mr. Smith of Florida, Mr. Lewis of Georgia, Mrs. Collins, Mr. Bates, Mr. Fazio, Mr. Ackerman, and Mr. Yates.

H.R. 2570: Mr. Howard.

H.R. 2622: Miss Schneider, Mr. St Germain, and Mr. Lewis of Georgia.

H.R. 2624: Mr. Packard.

H.R. 2628: Mr. Leland.

H.R. 2666: Mr. Kastenmeier, Mr. Rowland of Connecticut, Mr. Moody, Mr. Mrazek, Mr. Lantos, Mr. Solomon, Mr. Leland, Mr. Weiss, Mr. Vento, Mr. Bosco, Mr. Atkins, Mrs. Boxer, Mr. Beilenson, Ms. Pelosi, and Mr. Brown of California.

H.R. 2676: Mr. Wise.

H.R. 2680: Mr. Lancaster, Mr. Lewis of Georgia, Mr. Hochbrueckner, and Mr. Towns.

H.R. 2690: Mr. Martinez, Mr. Goodling, Mr. Huckaby, Mr. Campbell, and Mr. Mfume.

H.R. 2694: Ms. Slaughter of New York.

H.R. 2707: Mr. Slattery, Mr. Badham, Mrs. Byron, Mr. Hoyer, and Mr. Gekas.

H.R. 2727: Mr. Hawkins.

H.R. 2734: Mr. Oxley, Mr. Dannemeyer, Mr. DeLay, Mr. Inhofe, Mr. Barton of Texas, and Mr. Callahan.

H.R. 2776: Mr. Gray of Illinois, and Mr. Savage.

H.R. 2794: Mr. Panetta, Mr. Lantos, Mr. Dymally, Mr. de Lugo, Mr. Murphy, Mr. Hayes of Illinois, Mr. Rodino, Mr. Kostmayer, Mr. Lujan, Mr. Young of Alaska, Mr. Mrazek, Mr. Torres, and Mr. Savage.

H.R. 2801: Mr. Schulze.

H.R. 2908: Mr. Schuette, Mr. Nielson of Utah, and Mr. Lancaster.

H.R. 2914: Mr. Boulter, Mr. Livingston, Mr. Schuette, Mr. Gunderson, and Mr. Emerson.

H.R. 2969: Mr. McCloskey.

H.R. 2990: Mr. Hyde, Mr. Badham, Mr. Hunter, Mr. Swindall, Ms. Kaptur, Mr. Smith of New Jersey, Mr. Rinaldo, Mr. Wortley, Mr. Lagomarsino, and Mr. Courter.

H.R. 3001: Mr. Slattery and Mr. Solomon.

H.R. 3002: Mr. Savage, Mr. Clay, and Mr. Bates.

H.R. 3011: Mr. Downey of New York, Mr. Ackerman, Mr. de Lugo, Mr. Savage, Mr. Wortley, Mr. Bryant, Mr. Owens of New York, Mr. Scheuer, Mr. Lancaster, Mr. Martinez, Mr. Mfume, Mr. Daub, Mr. Carper, Mr. McMillen of Maryland, and Mr. Frost.

H.R. 3039: Mr. Bustamante and Mr. Frost.

H.R. 3053: Mr. Montgomery and Mr. Lagomarsino.

H.R. 3069: Miss Schneider, Mrs. Bentley, Mr. Penny, and Mr. Sweeney.

H.R. 3112: Mr. Schumer, Mr. Savage, Ms. Pelosi, Mr. Smith of Florida, Mr. Foglietta, Mr. Wise, Ms. Kaptur, and Ms. Slaughter of New York.

H.J. Res. 43: Mr. Bevill, Mr. Biaggi, Mr. Tallon, Mr. Mfume, Mr. Yatron, Mr. Holloway, Mr. Rowland of Connecticut, Mr. Sisisky, Mr. Foglietta, Mr. Denny Smith, Mr. Wise, Mr. Regula, Mr. Stokes, and Mr. Lungren.

H.J. Res. 140: Mr. Coughlin and Mr. Kennedy.

H.J. Res. 171: Mr. Roberts and Mr. Borski.

H.J. Res. 180: Ms. Kaptur, Mr. Espy, Mr. Levine of California, Mr. Jeffords, Mr. Bereuter, Mr. Stump, and Mr. Grandy.

H.J. Res. 199: Mr. Boucher, Mr. Fauntroy, Mr. Biaggi, Mr. Dixon, Mr. Gray of Illinois, Mr. Vento, Mr. Espy, Mr. Murphy, and Mr. Mrazek.

H.J. Res. 208: Mr. Roth, Mr. Richardson, Mr. Lehman of Florida, Mr. Bilirakis, Mr. Coleman of Missouri, Mr. Gilman, Mr. Rinaldo, Mr. Nichols, Mr. Jones of North Carolina, Mr. Wheat, Mrs. Collins, Mr. Lujan, Mr. Foglietta, Mr. Fish, and Mr. Anthony.

H.J. Res. 213: Mr. Howard.

H.J. Res. 242: Mr. Lott, Mr. Kildee, Mr. Martinez, Mr. Weiss, and Mr. Nichols.

H.J. Res. 265: Mr. Roe, Mr. Price of North Carolina, Mr. de Lugo, Mr. Towns, Mr. Horton, Mr. Morrison of Connecticut, Mr. Gordon, Mrs. Boxer, Mr. Gray of Illinois, Mr. Anderson, Mr. Valentine, Mr. Hughes, Mr. Scheuer, Mr. Levin of Michigan, Mr. Fazio, Mr. Frost, Mr. Kolter, Mr. Volkmer, Mrs. Lloyd, Mr. Atkins, Mr. Pepper, Mr. Kennedy, Mr. Chapman, Mr. Boucher, Mr. Hayes of Louisiana, Mr. Nelson of Florida, Mr. Torricelli, and Mr. Traficant.

H.J. Res. 302: Mrs. Saiki.

H.J. Res. 313: Ms. Pelosi.

H.J. Res. 331: Mr. Conyers and Mr. Martinez.

H.J. Res. 337: Mr. Hertel, Mr. Kolbe, Mr. Dingell, and Mr. Kildee.

H.J. Res. 343: Mr. Fish, Mr. Richardson, Mr. McCloskey, Mr. Solarz, Mr. Dixon, Mr. Thomas of California, Mr. Kostmayer, Mr. Neal, Mr. Mrazek, Mr. Levin of Michigan, Mr. McEwen, Mr. Badham, Mr. Smith of Florida, Mr. Hefley, Mr. Frost, and Mr. Hayes of Louisiana.

H.J. Res. 346: Ms. Snowe.

H. Con. Res. 87: Mr. Lewis of California, Mrs. Bentley, Mr. Conyers, Mr. Wolf, Mr. Young of Alaska, Mrs. Collins, Mr. Sunia, Mr. Miller of Washington, Mr. Donald E. Lukens, Mr. DeFazio, Mr. Bevill, Mr. Coats, Mr. Olin, Mr. Volkmer, Mr. Donnelly, Mr. Bunning, Mr. Weldon, Mr. Foglietta, Mr. Towns, Mr. DioGuardi, Mr. Frost, and Mr. Savage.

H. Con. Res. 126: Mr. Wilson, Mr. Savage, Mr. Foglietta, and Mr. Davis of Illinois.

H. Con. Res. 166: Mr. Beilenson and Mr. Daub.

H. Res. 19: Mr. Coats, Mr. Young of Florida, Mr. Solomon, Mr. Lott, Mr. Jeffords, Mr. Hiler, Mr. Ballenger, Mr. Fields, and Mr. Upton.

H. Res. 131: Mr. Savage, Mr. Towns, Mr. Vento, and Mr. Brown of California.

H. Res. 144: Mr. Dellums and Mr. Savage.

H. Res. 168: Mr. Inhofe, Mr. Leland, Mr. Lightfoot, and Mr. Towns.

H. Res. 188: Mr. Goodling, Mr. Donald E. Lukens, and Mr. Hiler.

H. Res. 213: Mr. Morrison of Connecticut, Mr. Walgren, Mr. Mica, Mr. Lehman of Florida, and Mrs. Bentley.

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 51: Mr. Dyson.

H.R. 1082: Mr. Robinson.

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# SENATE—*Thursday, August 6, 1987*

*(Legislative day of Wednesday, August 5, 1987)*

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Honorable Kent Conrad, a Senator from the State of North Dakota.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

*O Lord, Thou hast searched me and known me. Thou knowest my down sitting and my uprising; Thou understandest my thought afar off. Thou compassest my path and my lying down, and art acquainted with all my ways. For there is not a word in my tongue, but, lo, O Lord, Thou knowest it altogether.*—Psalm 139:1–4.

Omniscient Lord, the words of the psalmist remind us that You know all things. You know us in every detail of our lives past, present, and future. We have no secrets from You, no surprises for You. You know the struggles, the frustrations, the disappointments—You know our desires, our hopes, our dreams, our ambitions—You know each of us and all of us in the total context of our being. Mighty God, work Your will in our personal and collective lives in these final hours in ways that will satisfy and fulfill the responsibilities of the Senate in the present situation and the needs of all of us with our families. To the glory of God and the honor of Your name. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER**. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
*Washington, DC, August 6, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Kent Conrad, a Senator from the State of North Dakota, to perform the duties of the Chair.

John C. Stennis,
*President pro tempore.*

Mr. **CONRAD** thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE ACTING MAJORITY LEADER

The **ACTING PRESIDENT** pro tempore. Under the standing order the acting majority leader is recognized.

## RESERVATION OF LEADER TIME

Mr. **PROXMIRE**. Mr. President, I ask unanimous consent that the time of the majority and minority leaders both be reserved for their use later today.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

## HOW HUMAN FALLIBILITY WILL UNDERMINE SDI

Mr. **PROXMIRE**. Mr. President, when the young West German pilot flew his Cessna plane through the most heavily defensed air space in the world and landed right on target in Red Square, Moscow, he made a loud statement about the pitiful imperfection of 1987 military technology. Think about it. First, was this an isolated once in a million accident? No way. Less than a month earlier hadn't our own United States suffered an entirely different reminder of the same principle? It sure had. The attack on the U.S.S. *Stark* that killed 37 of our servicemen also reminded us of the limitations of what many regarded as red-hot, up-to-the-minute, cannot-go-wrong antimissile technology. The *Stark* was equipped to defend oil tankers that might have been miles away. We found that it couldn't even defend itself. Some may say that the Cessna that landed in Red Square just proves how inept, how antedated, how behind the technology curve is the Soviet military defense. The fact is that air defense is the one deployed and in full-effect military technology where the Soviets are far ahead of the United States. Does anyone doubt that a Cuban plane piloted by some Cuban hot-rod teenager could penetrate what we call our country's defense and land right outside this Capitol Building today. Frankly this Senator wouldn't be surprised if when I leave this building in a few minutes and walk back to the Dirksen Office Building a Castro special lands in the parking lot.

So here, Mr. President, is another reminder of the futility of the strategic defense initiative [SDI] or star wars. Just suppose we had star wars fully deployed. Conceivably it could smash into Soviet missiles that took 6 or 7 minutes to rise from their land-based, stationary launch pads at the pace of a sleepy snail, while giving off immense heat and blinding light. Maybe with many decades of improvements in lasers and particle beams, SDI could even succeed in finding and intercepting warheads in flight. The physicists, mathematicians, and engineers at the American Academy of Science don't believe this will happen. But they could be wrong. A top panel representing the American Physical Society and chaired by a Nobel Prize winning physicist tells us that the improvement required in our present technology for SDI to work will be virtually infinite. The panel also tells us that some of the future strategies on which SDI would rely may not even be based on sound scientific principles. But again they may be wrong. Maybe a marvelous new technology can someday solve all these problems. Maybe we can have a defense that can do the job. Let's assume we do. Doesn't the vulnerability of our superpower equipment on the U.S.S. *Stark* and the penetration of the world's most heavily defensed air space by a young German kid, flying a little old Cessna right through the most heavily defended air space on Earth and landing right at the very center of the Soviet's superpower government tell us something? Doesn't it tell us that no matter how many hundreds of billions we pour into a defense against nuclear attack that it can never be enough to protect us.

The ironic fact is that the more elaborate, the more complex, the more advanced and automatic the defensive military technology, the more certain it is that somewhere along the line human fallibility, some slip, some mistake in design, some error in deployment or in maintenance or in operation will make the system vulnerable. Mathias Rust, the German teenager, proved this with his Cessna gambit. The still unidentified Iraqi pilot did it with his missile. Can anyone really believe that the most complex military technology ever conceived, designed, deployed and operated by fallible, mistake-prone human beings that of course is SDI will not be subject to the same failings? Undoubtedly star wars will not be overcome by a vagrant missile or a Cessna. But the enormous variety of countermeasures open to the Soviets will certainly permit the development of an offense that can successfully penetrate SDI. Think of it the Soviets can endlessly multiply the number of nuclear warheads to penetrate SDI at a cost far below what it will take our country to deploy SDI. The Soviets can go from 10,000 strategic warheads to 100,000. They can perfect decoys. They can send up endless chaff. They can fire cruise missiles flying at tree top level from submarines 4 or 5 miles off our thousands of miles of coastline. They can fire from bombers launching their nuclear warheads from anywhere in the vast air envelope of the Earth. They can equip commandos to carry nuclear warheads ashore. They can turn the onrushing technology of lasers and particle beams to offensive nuclear purposes. All this they can do for a fraction of the cost of a fully deployed and operating SDI.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

But the final word is that SDI with all its elaborate, complex technology cannot defend against a determined attack even if it works perfectly. SDI with all its enormous complexity will face only one test: That one and only test would be an all-out preemptive nuclear attack from the Soviet Union. But isn't it clear that the kind of inevitable human fallibility so dramatically portrayed by the U.S.S. *Stark* and the West German Cessna will also undermine SDI. The answer, Mr. President, is that we cannot win a nuclear arms race with the Soviet Union. Continuation of the nuclear arms race like a nuclear war will leave only losers. The answer is not a trillion dollar SDI. It is arms control.

Mr. President, I ask unanimous consent that an article on this issue by John Ullmann a professor at Hofstra University and carried in the New York Times on June 2, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, June 2, 1987]

### The Cessna Landed in Every Capital

(By John E. Ullmann)

The flight of Mathias Rust's Cessna into Red Square is no occasion for finding comfort in the Soviet Union's discomfort. The young pilot sent a message to us about our defense system—especially about "Star Wars"—and to other nations about theirs, too.

Once again we see the dramatic failure of complex technological systems that rely at crucial points on humans. Once again, we see that the technology that is supposed to enhance national security fails, and thus diminishes it.

It is hardly news to the United States that a small plane can duck under a radar screen. Our drug enforcement agencies contend with such illicit flights every day—with limited success.

As the Cessna wended its way to Moscow, the Soviet and Finnish air-control systems demonstrated "blind spots." They received stimuli or alarms for which they were not prepared. The Soviet system was set up for military incursions by fast, high-flying objects; the Finnish one was simply run-of-the-mill.

So instead of looking at Mr. Rust's flight as a lark, let's consider it an urgent invitation to examine a whole string of similar failures—most recently, the frigate Stark's nonreaction to the Iraqi attack in the Persian Gulf.

The Stark's antimissile system also seems to have had a blind spot—like the one in a car's rear-view mirror. The ship, in a low state of alert, did not expect an attack even though it was sailing in a war zone.

Perhaps the Soviet air defense system was similarly relaxed. Why not? International tensions are at a low level.

And what about the other failures?

After the attack on Libya in May 1986, we learned that nearly one-third of our aircraft were unable to complete their missions. Furthermore, in spite of being fitted with so-called smart bombs, they failed to hit certain targets that had been carefully pinpointed by intelligence reports.

Moreover, this happened a few months after the Challenger disaster and a succession of failures of other rockets such as the Titan 34D and the Delta, and the grounding of the Atlas-Centaur rocket.

The inquiries into these events all demonstrated a common pattern—a combination of human and equipment failures. Taken together with the flight to the Kremlin, these malfunctions showed themselves independent of the political systems that produced them. In other words, it is crucial for both superpowers to recognize the limits of such systems.

There is a real danger that this lesson will not be learned. Rather, our reaction to the attack on the Stark was to escalate the Navy's role in the Gulf and to place our naval forces there on high alert.

Surely, we can expect that the defenders of Soviet airspace will also be placed on higher alert, with orders to shoot more quickly, as in the case of American ships in the Gulf.

In short, the Cessna and Stark affairs mean that trigger fingers will turn much more itchy—and that the world is placed in increased jeopardy.

Since the beginning of the machine age, the engineers' answer to human frailty has always been, "We'll automate human intervention away." They forget that machine systems are human creations and thus have limits of reliability. Their kind of "thinking" inevitably leaves life-and-death decisions to erratic computers, and encourages a propensity to take computers at their word.

Thus, in assessing the feasibility of the Strategic Defense Initiative—Star Wars—we must pay careful attention to the limits and reliability of technological systems. Predictably, proponents of Star Wars are dismissing the warning inherent in the Cessna incident.

But common sense tells us we cannot rely on their claims about the protection that Star Wars will provide. For example, the proponents of Star Wars have always excluded nonmissile delivery systems from their equations.

The bottom line of the Cessna incident is that with the ever-greater sophistication of weapons, ever-shorter reaction times and ever-increasing numbers of technology failures, the war system has come to a dead end.

Mr. **PROXMIRE**. Mr. President, I yield the floor.

## RECOGNITION OF THE REPUBLICAN LEADER

The **ACTING PRESIDENT** pro tempore. The Republican leader is recognized.

Mr. **DOLE**. Mr. President, I thank the distinguished Senator from Wisconsin for reserving the time. I will use a minute or two of it now.

## BICENTENNIAL MINUTE

### AUGUST 6, 1789:

### ESTABLISHMENT OF SENATE-HOUSE JOINT RULES

Mr. **DOLE**. Mr. President, on August 6, 1789, 198 years ago today, the Senate agreed to establish a set of joint rules with the House of Representatives. This came in response to questions of procedure that confronted both Houses from the very first day of their existence.

A special Senate committee took the lead in proposing many of the "joint rules" that were subsequently adopted. Here are several of the first joint rules:

That while bills are on their passage between the two Houses, they shall be on paper, and under the signature of the Secretary or Clerk of each House respectively.

When enacted bills are enrolled, they shall be examined by a joint committee of one from the Senate, and two from the House of Representatives, who shall carefully compare the enrollment with the engrossed bills, as passed in the two Houses, and correcting any errors that may be discovered in the enrolled bills, make their report forthwith to the respective Houses.

That when the Senate and House of Representatives shall judge it proper to make a joint address to the President, it shall be presented to him in his audience Chamber by the President of the Senate, in the presence of the Speaker and both Houses.

Over the following years, the joint rules were updated from time to time. In 1876, after questions arose concerning their legitimacy, the Senate agreed to a resolution adopting all former joint rules. Their last major revision occurred in 1884. Since 1889, there have been no further efforts to revise the joint code, and it has been replaced by statute law, by individual orders pertaining to the operation of each body, and by custom.

## ETHANOL

Mr. **DOLE**. Mr. President, a bit later on, I will be introducing a bill with reference to ethanol. There are a number of cosponsors who I think wanted to speak on this. The distinguished Senate from South Dakota, Senator Pressler, is on the floor. We have notified the distinguished Senator from Montana, Senator Melcher, and the Senator from Iowa, Senator Grassley, so there may be a number of Members

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who wish to speak on that in morning business, perhaps maybe even the Presiding Officer.

But, in any event, it is a good piece of legislation.

I reserve the balance of my time.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

## NO NATIONAL SECURITY WITHOUT ENERGY SECURITY

Mr. BYRD. Mr. President, as the situation in the Persian Gulf deteriorates and the American military involvement escalates, we are, once again, witnessing the disastrous consequences of the Reagan administration's refusal to develop an energy policy.

Once again, Iran appears to be threatening oil supply lines in the Persian Gulf. Just yesterday, Defense Secretary Weinberger told reporters that he did "not know when it—American military buildup in the Gulf—will be enough."

Once again, this great Nation, so blessed with energy producing resources is forced to rely upon our military might to secure the very lifeblood of our industrial society—energy.

This is not the first time we have done so. In May 1984, the Ayatollah Khomeini threatened to disrupt the oil supply lines at the Strait of Hormuz. To ensure that oil continued to flow from this strategic area, the United States was forced to rattle the saber.

President, Reagan declared that, "There's no way that we could allow that—Persian Gulf—channel to be closed." Accordingly, our Navy was moved into the area to insure that the much needed oil continued to flow.

How often must we be reminded that the national security of the United States rests upon our energy security? In other words, there is no national security if we do not have energy security. Why must the energy security of the United States be protected first with guns and not with brains or our homegrown natural resources?

Our Armed Forces should be a last resort, not an only option. That is a weak resort, if, indeed, we do not have the energy with which to operate our Armed Forces. Armed forces operate on energy.

At the time of that crisis 3 years ago, I called attention to the dangers of this administration's nonpolicy in energy. I warned:

> Nuclear weaponry and armed forces alone do not make a nation safe and secure. The United States must be able to sustain protracted wars, energy crises, and oil embargoes. * * * This administration is leaving us dangerously vulnerable to foreign transgressions.

At that time, 3 years ago, I pleaded for a return to a national energy policy that would put the United States on a path toward energy security.

No such policy came. Consequently, we have become even more, not less, dependent upon foreign oil.

Last year, the volume of imported oil increased 24 percent.

Last year, imported petroleum accounted for 37 percent of total U.S. demand, as compared to 31.5 percent in 1985. And more and more of that imported oil is coming from OPEC. In 1985, OPEC oil imports constituted 35 percent of total U.S. imported oil. Last year, it was 46 percent.

Furthermore, as Time magazine, March 16, 1987, has reported:

> The United States is doing little to defend itself against a revitalized [OPEC] cartel.

The once powerful American giant, the U.S. oil industry, is collapsing as U.S. production and exploration are rapidly declining. The Nation's production rate has fallen to 8.35 million barrels a day—the lowest level since 1977.

No wonder CBO, CRS, the Joint Economic Committee, the Energy Information Administration, the National Petroleum Council, and the Deputy Secretary of the Department of Energy, William F. Martin, have all said the same thing—American imports of oil could reach 50 percent of national consumption by the mid-1990's.

This situation should come as no surprise. National Security Adviser Frank Carlucci, Interior Secretary Donald Hodel, the Harvard University Energy and Environmental Policy Center, former Energy Secretary James Schlesinger, the World Resources Institute, and others have all voiced the same warning—the United States is on a one-way path toward another energy crisis as our dependency upon foreign oil grows.

Why must we continue to relive yesterday's misery? Unless the Reagan administration remembers the past—and learns from it—all Americans will be condemned to repeat it.

The drop in oil prices, while certainly a major factor, is not the sole culprit of our growing dependence on imported oil.

In response to the twin energy crisis of the 1970's, America undertook the development of an energy policy to ensure that the United States would never again be subjected to the vagaries of that highly unstable region or to international blackmail, as in 1973. Since 1973, there has been a bipartisan effort to set our sights on energy security by merging our technological genius with our abundant natural resources. The Reagan administration, however, did not stay the course.

In January 1981, the present administration took office and began dismantling those much needed policies. Uninhibited market forces, it claimed, would result in energy independence in just a matter of years. Believing that the best energy policy is no energy policy, the Reagan administration took a meat ax to America's domestic energy programs. It proceeded to take the Federal Government out of the energy picture

It emasculated the Department of Energy. It all but eliminated the Energy Department's fossil fuels and renewable energy programs.

It withdrew support for the development of alternative energy technologies, such as synthetic fuels from coal and oil shale.

It slashed spending for energy conservation programs.

It balked at filling the strategic petroleum reserve, even though an oil glut brought lower oil prices.

It vetoed legislation providing for emergency preparedness planning and establishing national appliance efficiency standards.

And it has proposed selling off federally owned energy resources and oil reserves.

The administration's continuing disinvestment in the Nation's energy future is revealed in its fiscal year 1988 budget. It reduces the budget for research and development for energy conservation by two-thirds. It drops the fill rate of the strategic reserve to 35,000 barrels per day—a full 40,000 barrels a day lower than the level mandated for this year.

The administration did produce a long-awaited, 300-page report, titled "Energy Security" in March. In excruciating detail, the study depicted the serious nature of our energy security problem. Yet it contained no recommendations as to what policy remedies we should employ. Thus, this long awaited document turned out to be just another example of this administration's failure to address one of the most vital problems of our time.

The Reagan administration's destruction of the Nation's long-term energy policies—policies that have been developed and promoted by every administration since President Nixon—is imperiling America's energy security. And, as Americans have learned from past events, when there is no energy security, National security is seriously jeopardized. The welfare and security of the United States stands in peril as long as we and our allies rely so heavily on imported oil.

Despite its massive arms buildup program, this administration has left us dangerously vulnerable to foreign transgressions.

The administration's energy shortsightedness has reduced our flexibility to respond to a threatened cutoff in

our oil supplies. I repeat, our Armed Forces should be a last resort, not an only option.

That, indeed, is not even an option if we do not have petroleum if we do not have the energy with which to operate our planes, our tanks, our submarines, and our battleships.

Mr. President, free enterprise has always been, and always will be, a key to energy development in the United States. But in today's complex and shifting energy world, the administration's laissez-faire policy toward energy is too simplistic, too unrealistic and, as we are again learning, too dangerous.

The administration's support of my Clean Coal Technology Deployment Program is an important step in reducing our dependency on foreign oil. It is to be commended for its support of this much needed effort. But this is only one step. We must have an overall policy. We need a comprehensive national energy plan that will fully develop our massive coal reserves, as well as our oil, gas, and other energy resources.

The United States has the resources and the technology to develop the energy security that would free us from the despots and uncertainties of the Middle East. What we need is the leadership and determination to put in place a long-term, comprehensive, energy policy. There can be no real national security without energy security.

Mr. President, I ask unanimous consent that the special report to which I have alluded be printed in the RECORD.

There being no objection, the special report was ordered to be printed in the RECORD, as follows:

### ENERGY INSECURITY . . . THE ADMINISTRATION IS PUTTING AMERICA OVER THE OPEC OIL BARREL, AGAIN!

Every American age 20 or over well remembers the energy crisis and Arab oil embargo of 1973. Soaring gasoline prices. The long waits in gas lines. OPEC using American dependency on foreign oil in an effort to dictate our foreign policy. Americans declaring that never again would this happen, and a string of presidents developing energy policies to insure that it would not.

Unfortunately, the United States is heading full speed into another energy crisis and its accompanying nightmares. The drop in oil prices is one factor in this developing situation, as low cost oil encourages consumption while rendering domestic production uneconomic.

But, price volatility is not the sole culprit. America is again becoming dangerously dependent upon foreign energy because the Reagan Administration has consistently sought to minimize the Federal government's role in energy security. The Administration's disinvestment in an energy-secure America has once more given the United States an energy policy dictated by OPEC pricing practices, with the looming potential for the same consequences we experienced in 1973 and 1979.

Six years ago, the Reagan Administration took office promising to reverse the energy security policies developed and promoted by every president from Nixon to Carter. To fulfill its promises, the Reagan Administration has—

emasculated the Department of Energy;[1]

cut Federal fossil fuels and renewable energy programs;

withdrawn Federal support for alternative energy technologies;

attempted to slice the energy conservation budget;

proposed stopping the filling of the Strategic Petroleum Reserve;

cut back Federal building temperature standards;

vetoed legislation providing for emergency preparedness planning and national appliance efficiency standard;

proposed selling Federally-owned energy resources, including hydroelectric assets[2] and oil reserves.[3]

This Administration's refusal to promote an energy security policy combined with its opposition to established, successful energy programs has not produced the energy self-sufficiency that Candidate Reagan and the Republican Party claimed they would in 1980. As in so many other areas, the Administration's performance in ensuring energy security has failed to match its promises.

Promise: "A Republican policy . . . will substantially reduce our dependence on imported oil."—1980 Republican Party Platform.

Performance: America's dependency upon foreign oil is increasing, not decreasing. Last year—

the volume of imported oil increased 24 percent. (Energy Department data cited in National Journal, January 17, 1987).

imported petroleum accounted for 37 percent of total U.S. demand in 1986 compared to 31.5 percent in 1985. (Independent Producers' Association of America and Joint Economic Committee, 1986 Annual Report);

At the time of the 1973 Arab oil embargo, imported oil constituted 35 percent of American oil consumption. As pointed out above, the United States passed that mark last year. "Last year, in effect, all the progress made since 1981 in reducing consumption of imported oil was canceled out," reports the Joint Economic Committee in its 1987 Annual Report.

Under this Administration's non-policy in energy, the future spells even deeper trouble: The Department of Energy, the Congressional Research Service, the National Petroleum Council, and the Congressional Budget Office have all concluded that unless present trends are changed, American dependency on foreign oil will climb to more than 50 percent in the 1990's.

Promise: "The answer to our having all we need and no more being dependent on OPEC is to turn the energy industry loose. . . ."—Candidate Reagan, New York Times April 14, 1980.

Performance: The United States is becoming more dependent on OPEC as imported OPEC oil is on the increase:

In 1986, OPEC oil constituted 46 percent of total U.S. imported oil, nearly the same level as in 1973! In 1985, it was 35 percent.

As the Joint Economic Committee points out: "U.S. oil imports from OPEC countries last year increased at an even greater rate than oil imports in general." (Joint Economic Committee 1987 Annual Report).

Imports from Arab OPEC countries increased 186 percent through October, 1986, compared to the same period in 1985. (IPAA).

Interior Secretary Donald Hodel explains: "OPEC is being placed back in the driver's seat. The U.S. is being set up for a major oil-price shock." (Quoted in Time, March 16, 1987)

Senator Lloyd Bentsen (D-Tex.) explains: "The administration's energy policy is woefully inadequate. . . . It is a fair-weather policy, unfit for the perilous energy future we face. If the policy continues, the question is not whether we face a repetition of the 1973 OPEC embargo but when." (Congressional Record, April 9, 1987)

Promise: "Republicans believe that in order to address our energy problem we must maximize our domestic energy production capability. In the short term, therefore, the nation must move forward on all fronts simultaneously, including oil and gas, coal, and nuclear."—1980 Republican Party Platform.

Performance: America was moving forward on all fronts in the late 1970's. Conservation, coal and other fuels reduced oil's share of U.S. energy consumption from 47 percent in 1979 to 43 percent in early 1987. And imported oil's share of total U.S. energy consumption shriveled by almost one-half—from 23 percent in 1977 to 14 percent in 1983. (Fortune, March 16, 1987, and Joint Economic Committee)

But these trends are being reversed. American consumption of oil increased by 670,000 barrels a day from February 1986 to February 1987—the first time that American consumption of oil grew faster than the economy. Oil's share of total U.S. energy consumption increased from 14 percent in 1983 to 16.2 percent in 1986. (Energy Department data and Fortune, March 16, 1987)

Promise: "The government must continue supporting productive research to speed the development of renewable energy technology, including solar energy, geothermal, wind, nuclear fusion, alcohol synthesis, and biomass, to provide the next generation of energy sources."—1980 Republican Party Platform.

Performance: According to the General Accounting Office (GAO), energy's share of the Federal research and development budget tripled between 1971 and 1979. "However, under the present Administration, government support for many of these activities has decreased substantially." FY 1987 funding requests for fossil energy, renewable energy, conservation, and nuclear reactor research and development "decreased by a total of 76 percent below fiscal 1981 level." (GAO, Energy R&D: Changes in Federal Funding Criteria and Industry Response, February 1987, GAO/RCED-87-26)

Promise: "We must strive to maximize conservation and the efficient use of energy."—1980 Republican Party Platform.

Performance: The Administration's budgets would have sliced funding for energy conservation by a total of $2.4 billion by the end of FY 1986. Congress, however, refused to allow the destruction of energy conservation programs. The Administration's FY 1988 budget proposes to reduce the budget for research and development for energy conservation by two-thirds. (CRS, "Energy Impacts," IB87021, updated March 3, 1987;

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[1] The Administration did request $12.0 billion for the Department of Energy in FY 1987. This was slightly more than the estimated budget authority for FY 1986. But the civilian portion of the budget would have been cut significantly (from $6.4 billion to $3.8 billion), while defense-related spending would have increased (from $7.2 billion to $8.2 billion). (CRS, "Energy Impacts")

[2] e.g., the Bonneville Power Administration.

[3] e.g., the Naval Petroleum Reserves.

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Joint Economic Committee, 1986 Annual Report).

Promise: "The free world—indeed western civilization—needs a strong United States. That strength requires a prospering economy. That economy will be secure with a vigorous domestic energy industry."—1980 Republican Party Platform.

Performance: The domestic energy industry is hardly "vigorous" under this Administration:

During the past year, crude oil production dropped from 9.2 million barrels a day in February, 1986, to 8.3 million a day in February, 1987—the lowest level since 1977. (Joint Economic Committee, 1986 Annual Report; Energy Department data in New York Times, February 17, 1987)

75 percent of all American drilling rigs are now idle. (Time, March 16, 1987)

The Chairman of the American Petroleum Institute, George Keller, explains: "A significant part of the U.S. petroleum industry is struggling to survive after the worst year in our industry's modern history." (Quoted in National Journal, January 17, 1987)

And the future spells more trouble: The Congressional Research Service projects that the current 3 billion barrels per year of domestic production will fall to about 2.5 billion barrels per year by the year 2000. This 17 percent decline will drop domestic oil production to its lowest level since 1961. (CRS, "Domestic Oil Production Projected to Year 2000," Report No. 86-177SPR, November 1986).

Promise: Initiate an energy policy that will allow our economy to grow and our standard of living to rise.—Candidate Reagan, Television Address, October 24, 1980, DCCC, The 1980 Campaign Promises of Ronald Reagan.

Performance: The failure of the Administration's non-policy in energy is retarding, not encouraging, American economic growth. Imported oil, for example, accounted for $25 billion of last year's record-breaking trade deficit. Senator J. Bennett Johnston (D-La.) points out:

"Unless we take steps to decrease imports, that four million barrels a day [of foreign oil] will quickly become five, then six, then seven million barrels per day. Our trade balance will skyrocket, no matter what type of 'competitiveness package' Congress enacts." (Statements to Energy Committee Hearings on World Oil Outlook, March 11, 1987).

Furthermore, the standard of living in America's oil producing regions is declining dangeroulsy:

Over the last year, 150,000 American oil workers lost their jobs. (Joint Economic Committee);

Last year, oil-rich Texas suffered the largest year-to-year increase in state unemployment (from 7.0 percent to 8.9 percent). (BLS);

Last year, oil-rich Louisiana, with an unemployment rate of 13.1 percent, replaced coal-rich West Virginia as the state with the highest jobless rate. (BLS);

30 percent (42) of the nation's record breaking 138 bank failures in 1986 were in two of the nation's largest oil producing states. In Texas, 26 banks failed (only 6 were agricultural banks). In Oklahoma, 16 banks failed (only 5 were agricultural banks). (FDIC).

Promise: Boost energy supplies by several hundred thousand barrels a day by eliminating energy price controls.—Candidate Reagan, Philadelphia Bulletin, May 20, 1980, DCCC, The 1980 Campaign Promises, of Ronald Reagan.

Performance: Price controls have been eliminated. Rather than increasing by "several hundred thousand barrels a day," domestic oil production:

Plummeted by 833,000 barrels a day between February and December 1986. (Energy Department data cited in New York Times, February 17, 1987).

And the future, under this Administration's non-policy in energy, is bleak: The Department of Energy projects that U.S. oil production will fall by an additional 44,000 barrels a day through 1987. (Time, March 16, 1987).

Promise: "The truth is America has an abundance of energy. But the policies of this [Carter] Administration consistently discourage its discovery and production."—Candidate Reagan, Washington Post, September 11, 1980.

Performance: As pointed out above, domestic oil production is dangerously declining. The incentives for discovery and production are also dangerously declining:

Real investment in the oil and gas industry dropped more than $10 billion in the first half of 1986, and this accounted for more than half the decline in real business fixed investment. (Economic Report of the President: 1987, p. 25-26).

Last year, firms spent an estimated $16 billion in exploration and production, In 1983, they had spent $33 billion. (Time, March 16, 1987).

Promise: "The answer obvious to anyone except those in the administration it seems is more domestic production of oil and gas."—Candidate Reagan, Announcement Speech, November 13, 1979.

Performance: In 1981, the year this Administration took office, there were 4,530 oil and gas rigs in operation. Last year, 1986, there were only 964 rotary drilling rigs looking for new oil and natural gas reserves—the lowest number since World War II. (IPAA, Senate Committee on Energy and Natural Resources, and CRS)

Energy Secretary John Herrington has stated:—"There is nothing we can do as a government to stop domestic petroleum production from declining." (Quoted in Fortune, March 16, 1987).

Promise: Every available resource we have must be used to free us from OPEC domination."—Candidate Reagan, New York Times, September 11, 1980.

Performance: with more than 150,000 unemployed oil workers in the United States last year, and 75 percent of all American drilling rigs now idle, it is obvious that every available resource is not being used to free the country from OPEC domination.

The National Petroleum Council reports that by 1990, OPEC will be producing at 80 percent of its capacity as compared to 66 percent today. According to the Council, when OPEC has reached 80 percent of its capacity—as it did in 1973 and 1979—the cartel "has been able to increase world oil prices and maintain them." (Fortune, March 16, 1987).

Promise: "The coal industry has been virtually ignored by the Carter Administration. . . . [C]oal production has increased by only 11 percent to date [since 1977] and future prospects are dim."—1980 Republican Party Platform.

Performance: During the Carter Administration, coal production increased 21 percent; under the Reagan Administration, coal production has increased only 7 percent:

| Coal production (tons millions) | Absolute | Difference (millions) | Percent | Difference |
|---|---|---|---|---|
| 1976—685 | | | | |
| 1980—829 | 1976-80 | +144 | 1976-80 | 21 |
| 1986—885 | 1980-86 | +56 | 1980-86 | 7 |

Promise: "The coal industry has been virtually ignored by the Carter Administration. . . . Today, thousands of coal miners are out of work."—1980 Republican Party Platform.

Performance: During the Carter Administration, employpyment in the American bituminous coal industry increased by 35,000; during the Reagan Administration, it has decreased by 83,000 and is currently below the level of ten years ago. (Bureau of Labor Statistics):

*Employment in bituminous mining*

| | |
|---|---|
| 1976 | 221,000 |
| 1980 | 256,000 |
| 1987 | 173,000 |

Promise: "The threat of the United States and its allies is not only a military one. . . . Our access to energy and raw material resources is challenged by civil unrest, Soviet sponsored subversion, and economic combination of restraint of free trade."

Performance: Despite the massive increase in defense spending during the past six years, this Administration is leaving this country's national security seriously vulnerable to foreign transgressions. Without energy security, national security is jeopardized.

Three years ago, when the Iran-Iraq war flared and the Ayatollah Khomeini threatened to stop oil shipments in the Persian Gulf, Senator Robert C. Byrd (D-W.VA.) warned:

"Nuclear weaponry and armed forces alone do not make a Nation safe and secure. The United States must be able to sustain protracted wars, energy crises, and oil embargoes. . . .This Administration is leaving us dangeously vulnerable to foreign transgressions." (Congressional Record, May 14, 1984).

Senator Byrd is not alone is pointing out the dangers to America's national security from dependency on foreign oil. According to a UPI Wire Story (March 4, 1987): "President Reagan's National Security Adviser, Frank Carlucci, views the rising level of imported oil as a threat to national security and will urge his boss to create a national energy policy to deal with the problem."

Promise: "We believe that it is necessary to resume rapid filling of strategic oil reserves to planned levels of 500 million barrels in the short-term and ultimately to the one-billion barrel level."—1980 Republican Party Platform.

Performance:

The Strategic Petroleum Reserve was created as a deterrent to oil supply disruptions. This large, operational reserve of crude oil is intended to help deter future oil cutoffs and discourage the of oil supply disruptions as a weapon against the U.S. By calming markets and mitigating sharp price hikes, it will protect the United States against a repetition of the economic dislocation caused by the 1973-74 oil embargo. Despite the Reserve's strategic and economic importance, for the past five years, the Reagan Administration has continuously attempted to undermine it:

On December 1, 1982, in a message to Congress, President Reagan stated: "I find it would not be in the national interest to fill the Strategic Petroleum Reserve at the rate

of 300,000 per day in 1983." At that time, the law required the President to fill the reserve at 300,000 barrels per day unless he made this finding.

On May 5, 1983, the Comptroller General of the United States determined that the Reagan Administration had illegally impounded $800 million of funds that Congress had appropriated to fill the SPR, but which the Administration refused to spend.

In its FY 1987 budget request, the Administration proposed an indefinite moratorium on further development of SPR after it reached 500 million barrels. That is 250 million barrels less than the level required by law.

In its FY 1988 budget request, the Administration proposed to drop the fill rate to 35,000 barrels per day. This is 40,000 barrels a day lower than the level mandated in the FY 1987 Omnibus Budget Reconciliation Act, thus reducing purchases for the Strategic Petroleum Reserve by more than 50 percent.

The Administration's FY 1988 budget proposed an indefinite moratorium on SPR cavern development after 580 million barrels of capacity is reached.

If the fill rate is lowered to the level requested by the Administration, the Reserve will not reach the planned 750 million barrel level until the year 2004.

Promise: "We believe that the proven American values of individual enterprise can solve our energy problems." (1980 Republican Party Platform.)

Performance: After six years of non-policy in energy, it is obvious that the Federal government must be actively involved in securing America's energy future. In regard to Administration cutbacks in Federal funding for energy research and development, GAO reports: "There is little indication that the private sector has compensated for cutbacks in DOE R&D. Among the reasons are (1) market factors (such as low prices for oil and other conventional fuels) have generally reduced the potential profitability of technology development and (2) many of the activities curtailed by DOE have involved expensive demonstrations and other large-scale activities viewed as too risky to finance without government support." (GAO, Energy R&D).

The Energy Department's recent report, Energy Security, reveals the failure of this Administration's nonpolicy in energy as page after page warns of the risks of America's growing dependency on foreign oil:

"Growing dependence on Persian Gulf suppliers has important implications for the economic, foreign policy, and national security interests of the United States."

"[T]he projected increase in reliance on relatively few oil suppliers implies certain risks for the United States and the free world."

Yet, typical of this Administration, the report made no specific, concrete recommendations for what the United States should do to adopt an energy policy that will lead to energy security. Senate Energy Committee Chairman Bennett Johnston (D-La.) justifiably complained that the report contained no "meaningful" options or new information. (Energy Daily, March 18, 1987).

Senate Majority Leader Robert C. Byrd (D-W.Va.) has explained the necessity for a national energy policy leading toward American energy security: "Free enterprise has ever been a key to energy development in the United States. But in today's complex and shifting energy world, expecting the government to maintain a totally laissez-faire policy toward energy is unrealistic." (Speech to Independent Oil and Gas Association, February 11, 1987).

### CONCLUSION

Addressing America's growing overdependence on imported oil, Senator **Bentsen** warned: "This country, indeed, faces a serious threat to its national security. All the statistics point to it. All the trends are bad, and are getting worse." (Statement at Senate Finance Committee Hearing on the Impact of Imports and Foreign Investment on National Security, March 25, 1987).

Despite the statistics and the trends, however, as Time (March 16, 1987) pointed out: "The U.S. is doing little to defend itself against a revitalized [OPEC] cartel. . . . This much is certain: the oil shocks of the 1970's came as a complete surprise. The next one will not."

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### [Epilogue]

(Check me out. And do that with everyone who tries to bring a message to you. Don't become a sucker generation. It isn't insulting or anything, just make sure always that you're being told the truth. President Reagan, Remarks to National Association of Student Councils, June 29, 1983.)

### Correcting the Facts on Who's to Blame for the Energy Mess

On May 6, 1987, the Administration issued a statement in which President Reagan asserted: I have already proposed a number of significant steps on which the Congress has failed to act. If these policies had been in place, our domestic oil industry would not be so seriously impaired today.

That statement prompted the Energy Daily on May 7, 1987 to headline: "President Blames Congress For Plight of Domestic Oil Industry."

The first part of this report shows that it is this Administration's non-policy in energy that is paving the road for the next energy crisis by wiping out successful, previously established energy programs. And Congress has prevented further deterioration of the domestic energy industry by fighting the Administration on many of its energy proposals.

The May 6 statement also contains more detailed erroneous or misleading statements that should be corrected. Those include the following:

May 6 statement: Pursuant to Section 3102 of the Consolidated Omnibus Budget Reconciliation Act of 1986 (Public Law 99-509: 100 Stat. 1889). I am transmitting my views and recommendations on the energy and national security concerns related to oil import levels.

Correction: The Administration's May 6, 1987, statement fails to comply with the requirements of that law. The President is required to identify what level of imports constitutes a threat to the nation's national security. The statement did not contain such an identification.—My Administration has done a great deal to build the Nation's foundation for long-term energy security.

Correction: As pointed out on page 2, the Reagan Administration has:

Emasculated the Department of Energy;

Withdrawn Federal support for alternative energy technologies;

Attempted to slice the energy conservation budget;

Pushed for a lower fill rate of the Strategic Petroleum Reserve;

Vetoed legislation providing for Emergency Preparedness Planning and national appliance efficiency standards;

Proposed selling Federally-owned energy resources, including hydroelectric assets and oil reserves.

May 6 statement: Price and allocation controls on oil have been eliminated.

Correction: This is accurate, but misleading. The first step toward removing controls began in 1976 with the Energy Policy and Conservation Act.

May 6 statement: [T]he Strategic Petroleum Reservce (SPR) has been increased nearly fivefold to more than 50[illegible] million barrels.

Correction: That level has been achieved over the objections of the Administration. The Administration has held the fill rate to a mere one-third of congressionally mandated levels for the past five years.

May 6 statement. I have recently forwarded to the Congress a $2.5 billion clean coal initiative.

Correction: This is accurate, and the Administration's support of this measure is welcomed. But it was an initiative developed and proposed by the Congress over the initial objections of the Administration: May 6 statement: My goal—[is to] maintain a strong domestic oil industry.

Correction: With the loss of 150,000 jobs in the oil industry over the past year, and 75 percent of all American drilling rigs now idle, the Administration is far short of this goal.

Furthermore, as pointed out in the first part of this report:

American domestic oil production dropped from 9.2 million barrels a day in February, 1986, to 8.3 million barrels a day in February, 1987—the lowest level since 1977.

Fixed investment in the oil and gas industry dropped more than $10 billion in the first half of 1986, and this accounted for more than half the decline in real business investment. (Economic Report of the President: 1987)

Under this Administration's non-energy policy, the United States will remain far short of this goal.

The Congressional Research Service projects that the current 3 billion barrels per year of domestic production will fall to about 2.5 billion barrels per year by the year 2,000. This 17 percent decline will drop domestic oil production to its lowest level since 1961. (CRS, "Domestic Oil Production Projected to Year 2000").

May 6 statement: My Administration has done a great deal. . .to strengthen the domestic oil industry.

Correction: The first part of this report shows how erroneous as well as misleading this statement is. Furthermore, it appears to be directly contradictory to the position stated by Energy Secretary John Herrington who has said—"There is nothing we can do as a government to stop domestic petroleum production from declining." (Fortune, March 16, 1987).

May 6 statement: "My goal—[is to] continue conservation."

Correction: The Administration's budgets would have sliced funding for energy conservation by $2.4 billion by the end of FY 1986. Congress, however, refused to allow this destruction of energy conservation programs. The Administration's FY 1988 budget proposes to reduce the budget for research and development for energy conservation by two-thirds.

May 6 statement: I again urge the Congress to act quickly in adopting my propos-

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als [including]—approval of the Department of the Interior five-year offshore oil and gas leasing plan.

Correction: The Administration only submitted this proposal to Congress only nine days earlier on April 27, 1987.

Mr. FOWLER. Mr. President, will the leader yield for a moment?

Mr. BYRD. I yield.

Mr. FOWLER. Mr. Leader, I rise to commend you not only for your statement but being a clear, calm voice of prophecy over many years, linking our energy security with the national security of our country.

We talk about national security a lot, but we seem to always focus on the military aspects of our country's national strength and forget the national strength of our country is made up of the ability to feed ourselves, the strongest possible agricultural policy for our country, and the ability to produce and sustain our own energy needs. Without all three of those components, we cannot be safe, we cannot be secure, and we cannot look our fellow Americans in the eye and say that we are strong and we have policies in place to attest to the continued national strength of our country.

We know how to produce energy that is not subject to the whims of ayatollahs and sheikhs in far-off lands. We have spent, Mr. President, over $4 billion of the taxpayers' money in the last 20 years in developing technologies for biothermal, for fusion, for solar, and from the ocean. We know how to be self-sustaining.

We have cut off our nose to spite our face, as the leader pointed out, and abandoned the research technology of the United States of America and are now losing to the Middle East and to other parts of the world, the most dangerous parts of the world, the leadership in energy that our country and our countrymen developed.

I thank you as one Member of the U.S. Senate for your leadership in the past and for highlighting for the American people what we often forget, that military security depends on energy security, and without that energy policy, a comprehensive policy, we cannot say to our fellow countrymen that we are safe and secure from all threats.

Mr. BYRD. Mr. President, I thank my friend, the distinguished Senator from Georgia [Mr. FOWLER]. I also thank him and congratulate him on conducting studies and hearings in committee as to this problem. I look forward to his leadership as he develops legislation that will deal with this very serious threat to our energy security and to our national security. I thank him again.

Mr. FOWLER. I thank the leader very much.

Mr. BYRD. I welcome his continued efforts.

Mr. LEVIN. Mr. President, will the leader yield for another moment?

Mr. BYRD. Yes.

Mr. LEVIN. I happened to be on the floor when the leader gave his remarks a moment ago about energy security. I would like to add my thanks and gratitude for what you are doing to highlight what is happening with the dismantlement of an energy policy in this country. When the history of the 1980's is written, this will be a sad chapter indeed, the dismantlement of aa energy-independence policy.

Mr. President, we are now taking risks in the Persian Gulf to protect oil tankers. We are risking American boys' lives to protect those tankers. I will have more to say about that later today.

The point here is that what we are unwilling to do is to reduce the risk to American lives by reducing the number of tankers that have to come out of the Persian Gulf. By increasing our reliance on Middle East oil, which is what we are doing daily, by increasing the reliance on Persian Gulf oil, which is what we are doing hourly, we are increasing the number of tankers which come out of the Persian Gulf. That means risking the lives of our boys more and more every day.

We are not willing to take steps at home to reduce the dependence on that oil which would result in the reduction of the risk directly to American lives.

So I commend and thank the leader for making the point that he has this morning. You have done a great service to the Nation.

Mr. BYRD. Mr. President, I thank the distinguished Senator. He, too, is an astute observer of the Middle East and very cognizant of our energy needs. I look forward to hearing his subsequent remarks.

Mr. President, I thank all of my colleagues for their patience and forebearance.

## MORNING BUSINESS.

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business of not to exceed 30 minutes, with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I thank the majority leader and minority leader.

## TRIBUTE TO SENATOR THURMOND

Mr. PRESSLER. Mr. President, I wish to pay tribute to Senator THURMOND, the former President pro tempore of this body.

Two nights ago, Senator THURMOND spent part of an evening visiting with the Senate pages at a reception for them that my wife and I held in our home. I was amazed that Senator THURMOND took as much time as he did. He sat down for over an hour and talked about the old days and the new days in the Senate. He captured the attention of the pages. He told them tales of the Senate. They asked him questions.

With both Senator THURMOND and I recently returning from the reenactment of the Constitutional Convention in Philadelphia, the party's discussion centered around the 200th anniversary of our Nation's Constitution. Senator THURMOND explained to the pages the importance of the "Great Compromise" where the big States and little States reached a compromise which created the two Houses of Congress—the House of Representatives based on a State's population and the Senate based on equal representation. STROM stressed that without this compromise, the States may have never been united. Furthermore, he told how Gen. George Washington gave the Convention credibility.

In addition, Senator THURMOND told the young pages what a great program they were in and that he wishes he would have had such an opportunity when he was their age. STROM was amazed how these young men and women often changed after their page experience. He further advised them that earning a law degree was helpful in many different professions, whether it be business or government.

I am told by the Senate pages that Senator THURMOND is collectively their favorite Senator because he pays attention to them and he is interested in them, perhaps because he has children of his own that age.

But it was amazing to see a man of 85 years of age relating so well to young people. It was amazing to see a man who has great responsibilities, as the ranking member on the Judiciary Committee and other committees, spend that kind of time with the Senate pages.

I wanted to pay tribute to his dedication and to the unusual relationship he has had with the Senate pages. It was a wonderful thing to see.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina.

Mr. SANFORD. I thank the Chair.

(The remarks of Mr. SANFORD appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

## EXTENSION OF MORNING BUSINESS FOR 30 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that morning business thereafter be extended to allow

for six additional speakers at 5 minutes each, for 30 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Republican leader is recognized.

Mr. DOLE. Mr. President, do I have any leadership time remaining?

The ACTING PRESIDENT pro tempore. The Republican leader has 8 minutes remaining.

Mr. DOLE. I shall not use the 8 minutes. I apologize to my colleagues waiting on the floor.

## RELYING ON ETHANOL FOR AMERICA PROGRAM

Mr. DOLE. Mr. President, since Senator MELCHER is here, I would like to introduce a bill we have both been working on, a bill which I believe is very, very important, that has also been cosponsored by Senators GRASSLEY, PRESSLER, CONRAD, and KARNES, and I hope by others. We have made contacts and phone calls with other offices, Republican and Democratic, because this is and should be bipartisan.

Mr. President, I am speaking about the bill we are calling "Relying on Ethanol for America Program," or REAP for short. There will be a companion bill introduced in the House today with a bipartisan group of sponsors, Republicans and Democrats, in the House that come from farm States, primarily corn-producing areas. There are many of us who have worked for a long time on trying to increase utilization of products we grow in rural areas.

Why ethanol? Well, there are more than a few of us in Congress and many more throughout our country who happen to believe—and some of us have believed it and worked for it for two decades or more—that using ethanol as a major fuel source is just good common sense.

One reason for a surplus is that we do not utilize the product. We have had difficulty with our exports. The result is that we have about $10 billion worth of surplus commodities, and we are paying huge storage costs every year. So we are looking for a better way to utilize the products farmers produce.

To date, there have been at least seven ethanol-related measures introduced in the Senate during the 100th Congress and there have been at least six measures introduced in the House, all geared to finding some way to increase the use of ethanol over the years. Each would, if enacted, be beneficial for the future of ethanol. Yet none of those measures goes as far as the legislation we introduce today.

Our legislation, REAP, can improve farm income by reducing our enormous grain surpluses. REAP can improve our air quality through increased use of clean-burning ethanol. REAP can make America less dependent on foreign oil imports and make us more energy secure domestically. And REAP can result in creating jobs here at home.

Not often do we have an opportunity to achieve so many worthy goals in a single act, and it is less often that we can do it with such simple logic in a measure founded in common sense.

REAP would establish an ethanol development fund making available $100 million in loan guarantees each year for 5 years to finance ethanol development projects that do not exceed 40 million gallon capacity. REAP dedicates 5 percent of that, or $25 million, in 5 years for selected research and development projects designed to develop marketable commercial or industrial crops that may be used in ethanol or food production.

These crops could be marketed internationally through a cooperative effort by the USDA and the U.S. Trade Representative.

In addition, several important provisions are included in REAP that will help promote the development of the domestic ethanol industry. One important provision is that only domestic commodities may be used in the production of ethanol under this legislation.

This legislation also would extend the 6-cent excise tax exemption for ethanol blenders until the year 2000. Some may say, "Why so long?" We need time to plan. People are going to invest their money, and they want to know that the exemption is going to be there for some time.

The combination of this provision with the other incentives REAP offers will significantly move ethanol into the reach of all citizens. It will greatly aid the efforts we are making to help those in rural America sell their abundant crops as well as help to solve the air pollution problem in our country.

REAP makes sense. It is one step we can and should take to help solve some of the problems we face both in rural America and in urban America.

I welcome the support of my colleagues and invite them to join Senators MELCHER, GRASSLEY, PRESSLER and me in cosponsoring this legislation, and I urge its prompt consideration and adoption.

Mr. President, I ask unanimous consent that the bill may remain at the desk for the remainder of the day, so that additional cosponsors may be added, and that the text of the bill may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### S. 1598

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Relying on Ethanol for America Program Act".

**SEC. 2. ETHANOL DEVELOPMENT FUND.**

(a) IN GENERAL.—

(1) ESTABLISHMENT.—The Secretary of Agriculture shall establish (within the Commodity Credit Corporation) an Ethanol Development Fund (hereinafter referred to in this section as the "Development Fund") to guarantee loans made to finance eligible ethanol related projects.

(2) ADMINISTRATION OF FUND.—The Development Fund shall be administered by the Assistant Secretary of Agriculture for Science and Education (hereinafter referred to in this section as the "Assistant Secretary").

(b) FUNDING.—Subject to section 3, and section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427), the Commodity Credit Corporation shall make available to the Development Fund not less than $100,000,000 in each of the next 5 fiscal years, in commodities at market prices, or an equivalent amount of funds, to enable the fund to finance ethanol development projects that do not exceed a 40,000,000 gallon capacity.

(c) PROJECTS.—

(1) ELIGIBLE PARTICIPANTS.—The Assistant Secretary may enter into agreements under this section with State, county, and municipal governments, and private entities to guarantee loans made to fund ethanol development projects.

(2) ELIGIBLE ACTIVITIES.—

(A) USE OF LOANS.—Loans guaranteed under this section may be used for—

(i) small business start-up costs;

(ii) construction of plants;

(iii) purchase of equipment; and

(iv) improvement of existing plants.

(B) DOMESTIC COMMODITIES.—Participants shall use only domestic commodities for the production of ethanol with funds provided under this section.

(d) COLLATERAL.—Collateral shall not be required to guarantee loans under this section in excess of ½ of the anticipated project cost.

(e) LOAN GUARANTEES.—

(1) AMOUNT OF GUARANTEE.—Subject to paragraph (2), a loan made to finance a project shall receive a 100 percent guarantee, of which—

(A) the share of a private lender shall be limited to 10 percent of the loan value;

(B) the share of a State shall be limited to 5 percent of the loan value; and

(C) the share of the Federal government shall be limited to 85 percent of the loan.

(2) DEFAULT.—If a borrower defaults on a loan—

(A) the assets of the borrower shall be utilized to pay off the loan to the extent practicable;

(B) the lender shall be liable for the next 10 percent of the value of the loan; and

(C) the State shall be liable for the next 5 percent of the value of the loan; and

(D) the Federal government shall be liable for the remainder of the loan up to 85 percent of the value of the loan.

(f) INFORMATION.—The Assistant Secretary shall issue regulations that require the private fuel industry to gather and develop existing information and data concerning ethanol research and production into a form that shall be usable by commercial ventures funded under this section.

(g) COORDINATION WITH CLEAN AIR ACT.—The Administrator of the Environmental Protection Agency shall consider projects funded by States under this section as con-

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tributing toward clean air standards prescribed for that State under the Clean Air Act (42 U.S.C. 7401 et seq.).

(h) Report.—Not later than 30 days after the end of the fiscal year after the 1st fiscal year to which this Act applies, and each fiscal year thereafter, the Assistant Secretary shall report to the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate, on—

(1) the status of the Development Fund program during the preceding fiscal year;

(2) the number and types of projects approved for loan guarantees by the Assistant Secretary during the preceding fiscal year;

(3) the amounts of collateral pledged during the preceding fiscal year; and

(4) the reasons for any shortfall in using maximum collateral during the preceding fiscal year.

### SEC. 3. GOVERNMENT SPONSORED RESEARCH AND DEVELOPMENT PROJECTS.

(a) Authorization.—The Secretary of Agriculture (hereinafter in this section referred to as the "Secretary") shall select various research and development projects that are to receive funding under this section, for purposes of research to develop and produce marketable commercial or industrial crops that may be specifically used in the production of ethanol or food for export.

(b) Appropriate Projects.—Each project shall target research on, or development of, a new crop, or modification of an existing crop or crop material, that will create a marketable commercial or industrial crop that may be used specifically in the production of ethanol or food for export.

(c) Funding.—

(1) Purpose.—Funding shall only be provided under this section to those projects that have as the principal purpose the development of marketable commercial or industrial crops that may be used specifically in the production of ethanol or food for export.

(2) Consortia.—Unless the Secretary finds it appropriate for a single research entity to conduct a project, each project shall be conducted by a project group that may include a consortium of any of the following—

(A) public and private colleges and universities;

(B) private research facilities and personnel;

(C) State agricultural experiment stations; and

(D) Federal research laboratories.

(3) Period of funding.—Funding shall cover the proposed research necessary for not less than 5 years, or until a marketable product is developed or determined to be unattainable.

(4) Allotment.—The Secretary shall reserve no more than 5 percent of the amounts made available to the development fund under section 2(b) in each fiscal year to funds the projects selected by the Secretary under this section.

(d) Contracts.—The Secretary may sign contracts that assign research responsibilities to an appropriate consortia capable of conducting the appropriate research over the applicable research period.

(e) Export Agreements.—The Secretary and the United States Trade Representative shall coordinate activities concerning any export agreements that may be reached involving products developed under this section.

(f) Review and Reporting.—A project group shall report, on the progress of the group, to the Secretary annually or as may be otherwise required by the Secretary.

### SEC. 4. EXTENSION AND MODIFICATION OF REDUCTION IN EXCISE TAXES ON ALCOHOL FUELS.

(a) 7-Year Extension.—Each of the following provisions of the Internal Revenue Code of 1986 are amended by striking out "1993" and inserting in lieu thereof "2000":

(1) Section 4041(b)(2)(C).

(2) Section 4041(k)(3).

(3) Section 4081(c)(4).

(b) Reduction Limited to Ethanol.—

(1)(A) Section 4041(b)(2)(B) of the Internal Revenue Code of 1986 (defining qualified methanol or ethanol fuel) is amended by striking out "methanol, ethanol, or other alcohol" and inserting in lieu thereof "ethanol".

(B) Section 4041(b)(2) of such Code is amended by striking out "qualified methanol and ethanol fuel" each place it appears in the text and headings thereof and inserting in lieu thereof "qualified ethanol fuel".

(2)(A) Section 4041(m)(2) of such Code is amended by striking out "methanol, ethanol, or other alcohol" and inserting in lieu thereof "ethanol".

(B) Section 4041(m) of such Code is amended by striking out "methanol or ethanol fuel" each place it appears in the text and heading thereof and inserting in lieu thereof "ethanol fuel".

(3) Section 4081(c)(3) of such Code is amended by striking out "includes methanol and ethanol but does not include alcohol" and inserting in lieu thereof "means ethanol other than ethanol".

(c) Effective Date.—The amendments made by this section shall apply to sales, uses, and removals after September 30, 1993.

Mr. MELCHER. Mr. President, will the Republican leader yield?

Mr. DOLE. I am happy to yield to my distinguished cosponsor.

Mr. MELCHER. I thank the Senator for yielding.

### BLENDED ENERGY AND AGRICULTURE POLICY

Mr. President, God helps those who help themselves.

We can help ourselves by joining U.S. agriculture's abundance with our inadequate energy supplies by continuing to develop and use ethanol.

Montana is an energy State. We are blessed with huge supplies of coal, natural gas, oil, and we have very good hydroelectric sites. All are a source of energy.

Montana is also a wheat and barley State. And that, too, contributes to our status as an energy producer.

All of the traditional fossil fuel sources are important to the economy of Montana and the Nation. Ultimately, however, they are exhaustible. Alcohol fuels, based on grain production, are renewable.

At this time, however, the economics simply are not there. When oil prices tumbled, gasohol production also tumbled.

To put this potential energy source into a perpetual state of limbo would be penny wise and pound foolish. This is not new technology. It has been around for a long time. But it needs encouragement and support if it is to be economically viable.

We have provided this support in the past and we should continue to do so.

That is why I am pleased to sponsor legislation today that would expand our commitment to ethanol development.

The bill establishes an ethanol development fund which makes available $100 million in Federal loan guarantees in commodities or cash each year for 5 years. Five percent of the yearly funding shall be used to finance selected research and development projects designed to develop marketable crops that may be used for ethanol production. All commodities used must be domestically produced.

This aspect of the bill is important not only as a stimulus to ethanol production but also as a wise and effective use of the huge surpluses of grain that we have.

The legislation also requires that the projects under the bill shall be considered by EPA as contributing toward Clean Air Act standards. Denver, a major regional center of fossil fuel activity, will likely soon require the use of 10 percent grain alcohol in fuel as a means of controlling pollution.

Finally, the 6-cent exemption to the gasoline excise tax for ethanol blenders is extended from 1993 to 2000. This is important to assure those who are making long-term investments in this technology that our commitment is also long term.

Ethanol makes sense. This bill is an important step in continuing its growth and development. It deserves consideration and enactment.

Mr. DOLE. Mr. President, I thank particularly the distinguished Senator from Montana for his continuing efforts to help the American farmer and his continuing efforts to do precisely what we hope this legislation will do. There is no one on this floor I have known over the years who has spent more time focusing on the needs of the American farmer than the distinguished Senator from Montana.

Mr. MELCHER. I thank my friend.

Mr. DOMENICI. Mr. President, will the Senator add my name as a cosponsor of the bill?

Mr. DOLE. Mr. President, I ask unanimous consent that the name of the Senator from New Mexico [Mr. Domenici] be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I am pleased to join today with the distinguished minority leader and some of my other colleagues in introducing legislation to create the Relying on Ethanol for American Program [REAP]. The importance of this bill can be seen not only in its bipartisan sponsorship in the Senate, but by the fact that a companion measure will be introduced

today by a bipartisan group of eight of our colleagues in the House of Representatives.

While the major provisions of this legislation will be explained more fully later, I would like to briefly touch upon the sections I find most compelling. The ethanol development fund established by the bill would make $100 million in Federal loan guarantees available each year for 5 years. The guarantee funds would be provided by the Commodity Credit Corporation in the form of either commodities at market price or an equivalent amount of money. The development fund would then finance ethanol development projects which do not exceed a 40-million-gallon capacity.

Loans guaranteed by this program could be used for the startup costs associated with small businesses involved in ethanol production, the construction of plants, the purchase of equipment and the improvement of existing plants. Five percent of the yearly funding would be set aside to finance selected research and development projects designed to develop marketable commercial or industrial crops that may be used for ethanol or food production.

I think it is also important to note that only domestic commodities could be used for the production of ethanol under REAP. Finally, the ethanol blenders 6-cent exemption to the gasoline excise tax is extended from its current sunset date of 1993 to the year 2000.

Mr. President, I have advocated often the expanded use of alternative fuels such as ethanol and methanol during my 12½ years in Congress. In fact, earlier this year I submitted Senate Concurrent Resolution 36 which calls upon the U.S. Departments of Agriculture, Energy, Transportation, and the Environmental Protection Agency to work in conjunction with State, metropolitan and local governments to establish the use of ethanol blended and methanol fuels to reduce both pollution and surplus grain stocks and to more effectively utilize urban wastes.

There are numerous reasons for our colleagues to join us in cosponsoring this legislation. As a member of the Senate Environment and Public Works Committee I know that ethanol blended gasoline has been found to significantly reduce harmful auto emissions. The vital importance of this fact comes to light when you realize that currently over 70 of this Nation's metropolitan areas are out of compliance with clean air standards.

While we in South Dakota are not as directly affected by this problem as those living in other parts of the country, we do have a significant interest in the development of ethanol technology. The demand for corn in ethanol production significantly increases corn prices. Studies estimate that corn prices are increased by 10 cents per bushel due to demand for ethanol production. Obviously, increased production would further stimulate demand and raise the price even further.

I might add, Mr. President, that this is good news not only for the farmers of this country, but for every taxpayer. The 10 cents per bushel increase I just mentioned resulted in a savings of $623 million in farm program costs in 1985 alone. Thus, increased ethanol production actually decreases Federal budget deficits.

Finally, increased use of ethanol, a renewable source of energy, reduces our demand for imported oil. Currently the United States is importing a higher percentage of its oil than it did in 1973 when we experienced our first energy crisis. This is more than simply an unfortunate circumstance—it cuts right to the heart of our security as a nation.

So, Mr. President, this is much more than a bill to increase the production of ethanol. This legislation is aptly named as we would indeed REAP significant environmental, energy, farm, economic and national security benefits from its enactment.

So, Mr. President, in conclusion, let me say that I strongly support this increased development of ethanol. It will help our farmers. It will help our taxpayers. It will help our city people by reducing pollution.

We are now working on a bill in the Environment and Public Works Committee which would use scrubbers to clean up some of the coal that is burned which causes acid rain. We do have a pollution problem in our cities, but much of that pollution is also caused by gasoline and diesel-burning engines. This legislation would help to solve that problem.

It would help reduce our surplus of some agricultural commodities. It would help reduct our budget deficit. I am happy to join in this legislation because I think it is something we need to do in America and, indeed, in the entire Western World.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

### ETHANOL FOR AMERICA PROGRAM ACT

Mr. KARNES. Mr. President, I rise today as an original cosponsor of the Relying on Ethanol for America Program Act. I compliment the distinguished minority leader, Senator Dole, and others for their work on this important piece of legislation.

The ethanol industry has proven successful since its very beginnings. My State of Nebraska has been a leader in ethanol legislation. For example, State vehicles must use ethanol blended fuels. This accounts for nearly 900 vehicles driven 11 or 12 million miles annually in the State of Nebraska.

The ethanol industry is also a value added industry, the type of industry we want to encourage in our country. It used a domestic renewable resource, and ethanol use lessens our dependence on foreign oil and thus improves our balance of payments.

It is estimated that increased ethanol production could benefit agriculture by raising grain prices 6 to 15 cents per bushel in localities where ethanol plants are purchasing grain.

Also it is important to producers and to ethanol manufacturers and processors to know that they will have the support through the tax consideration that this bill includes.

Mr. President, I am proud to be an original cosponsor of this legislation. I emphasize that this is indeed a vitally important piece of legislation for not only my State of Nebraska but for our country.

Mr. President, I yield the floor.

Mr. CONRAD. Mr. President, I rise in support of the Relying on Ethanol for America Program of which I am an original cosponsor. It is an unusual opportunity to be able to support a measure that can offer to increase farm income, better air quality, provide jobs and make us less dependent on foreign supplies of crude oil, all in one measure. But that is what this program can do.

I think it is important to understand the specifics of what is being offered because there are five elements to the bill that we have introduced here this morning.

First, we extend the 6-cent exemption to the gasoline excise tax from 1993 to the year 2000.

Second, we make available $100 million in Federal loan guarantees for 5 years, each year for 5 years, to finance ethanol development projects.

Third, these projects will be considered by the EPA as contributing toward clean air standards.

Fourth, 5 percent of the yearly funding shall be used to finance research and development projects to develop marketable commercial or industrial crops that may be used for ethanol or food production.

Fifth, only domestic commodities may be used for the production of this ethanol.

Those are the elements of the bill that we have offered here today. I want to add that this is the thrid measure that I have now cosponsored to develop and enhance the use of ethanol in this country. Earlier I joined with my colleague, Senator Daschle, and others to support a bill that would require the use of ethanol in nonattainment areas of the country.

We now know that the EPA is about to require the use of ethanol or methanol blends in 80 cities next year that are nonattainment areas. We believe that ought to be spread to the other

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nonattainment areas of the country so we can improve and increase the use of ethanol, but also so that we are able to bring down the air pollutants in those cities and those regions that have not met the attainment standards.

Finally, I supported a measure that will make the District of Columbia a demonstration project. We believe that when the people come to visit our Nation's Capital they ought not only to be able to see the Supreme Court of the United States, the White House, the executive office buildings, the Capitol or our country, they ought also to be able to see a blue sky above and they ought to be able to have clean and healthy air to breathe.

That is not the case as those of us know who have suffered through July and August here in the Nation's Capital. We can relieve that situation by making the District of Columbia a demonstration project. We would not only be able to improve the air quality of our Nation's Capital, we would also be able to demonstrate that we can do something for the farmers of America, a partnership of the urban areas of this country and the rural areas. We would also be able to show the economic miracle that we could bring to industry—and also at the same time enhance our national security—by making us less dependent on foreign sources of crude oil.

Mr. President, I want to thank the Chair for the time and indicate to my colleagues that we have put before the body a bill that merits their support.

I yield the floor.

## PEACE PLAN IN CENTRAL AMERICA

Mr. McCAIN. Mr. President, as we are all aware, in the last couple of days a comprehensive peace plan in Central America has been formulated in a bipartisan fashion and presented to the five Presidents who are meeting in Guatemala City as we speak, in another effort to bring about peace in that very unhappy region of the world.

I have noticed that this proposal has been greeted by both sides of the political spectrum with some derision, scorn, and a great deal of skepticism. I think it proves to a large degree that Adlai Stevenson's words were very applicable to this situation, when he said, "Making peace is harder than making war."

Mr. President, if I had written this proposal, I would have written it far differently. I think very few Members of this body agree with everything in that proposal.

I point out, however, that for the first time in the 7 years that we have been involved in this great tragic situation, we have obtained a degree of bipartisanship that we have not seen before on this issue.

I think it is an important point to be made here, as we discuss this issue, that the Speaker of the House was the person who wrote this proposal, a man who, in my opinion, showed great courage in assuming a leadership role on this issue.

It is important that we recognize that if there is any good that may have come from the Iran-Contra hearings, it is the absolute necessity for bipartisanship in the conduct of foreign policy, and we cannot conduct a consistent or legitimate policy in Central America if we have five separate foreign policies dictated by the Congress of the United States over 5 years.

I should like to address some of the criticism that has been leveled at this proposal.

One is that this is simply a ploy on the part of the President, that he will use this as a way to garner further support for aid to the Contras, and that he is not serious.

The President, of the United States, time after time, has reiterated his commitment to a peaceful settlement in the region. He has tried to make the American people aware of the threat of a Cuban-Soviet satellite in our hemisphere, but he has also reiterated his commitment to a peaceful settlement. I believe that the elements of this proposal can achieve that.

I also think it is important for us to recognize that this proposal can be a means for the five Presidents who are meeting in Guatemala City to use it as a framework. There is a question of timing. There has been criticism about the timing of this proposal. Should it have been at exactly the time the Presidents are meeting in Guatemala City, or should we have allowed them to come up with a proposal?

In my dealings with all those leaders, the one thing they have requested time after time in the last 7 years is a clear bipartisan voice on this issue. They get divided messages and different messages from Congress—from the House and the Senate—and various public figures throughout this country. For the first time, they may be receiving a proposal that has broad-based support.

My friends on the right are deeply concerned about the possibility that this will be used as a ploy to drag out negotiations while the Sandinistas continue to consolidate an oppressive government in Nicaragua.

I point out that there is a date on this proposal and it is September 30, 1987, which I think is entirely sufficient time for us to arrive at a negotiated settlement. Why is only 2 months sufficient? Every one of these issues has been discussed and rediscussed for the last 7 years. There is nothing new about the situation in Central America; and I believe that if there is seriousness on the part of the Sandinista government, that agreement can be arrived at by September 30. I believe there is a commitment on the part of Congress who support this proposal to declare that all bets are off as of September 30, 1987.

Let me also address the response that the Sandinistas have made in the last 24 hours; that they are ready to negotiate with the United States anywhere and at any time, under any circumstances.

I would say that the appropriate response to that is, yes, we will negotiate after there is a cease-fire and after there is a restoration of civil liberties which were promised to the people of Nicaragua and to the people of the United States and the Organization of American States when the Sandinista government came to power. If the Sandinistas refuse this proposal, then I think we have a very clear understanding and a very clear message.

Let us be frank: There has been great cynicism on the part of a lot of Americans as to the true intentions of this Government and this administration toward peace in Central America.

Mr. President, there is a lot more than I would like to say on this issue. But let me just close by saying there is an old song that I found rather offensive in previous years in a previous war, but I think the words of that song are as appropriate now as they have ever been and that song said "All we are saying is give peace a chance."

I would ask my colleagues to give peace a chance and give this proposal the bipartisan support that it needs if we are going to be successful and bring about peace in Central America.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

## TRANSPORTATION INFRASTRUCTURE

Mr. BURDICK. Mr. President, the building and rebuilding of our transportation infrastructure is a major national concern. It is especially critical to the well-being of rural communities. The economic future of North Dakota and other rural States depends on our efforts today to maintain and plan for a sound highway system.

Rural economies continue to be heavily dependent on agriculture, and on the efficient movement of goods from farm to market. Several factors, however, are making it more difficult than ever to keep rural roads and bridges in good shape. First, the ongoing farm crisis has had a devastating impact on the property tax base in rural areas. And that, coupled with the loss of revenue sharing, has made it nearly impossible for many small governments to finance road construction and repairs.

Second, many rural roads and bridges are nearing the end of their design life. Third, as branch rail lines are eliminated, there is an increase in truck traffic and in the size and weight of those vehicles. This has led, particularly on lower system roads, to greater pavement damage and repair costs.

So we have a rural highway system that is in poorer condition, older, and in many instances unsuited to today's transportation demands. Last year, we observed the 30th anniversary of the Interstate Highway System, the largest public works project in history.

Now, as the interstate nears completion, it is time to reassess present transportation programs and begin the planning necessary to meet needs into the 21st century. During this period of reappraisal, I want to underscore the significant role our rural road network plays nationally and even internationally. Transportation of agricultural products and natural resources benefits the entire country. There must be a strong Federal commitment to funding the rural transportation system which moves essential products such as oil, coal, and wheat to the Nation and to world markets as well.

Last year, I directed the Department of Agriculture's Office of Transportation to analyze rural transportation needs and related highway financing issues. The study is now finished, and it shows that:

First: Rural residents pay a greater per capita tax to finance roads, yet their average per capita incomes are lower; second, they consume more gasoline, drive more miles, and are much more dependent on highways for travel; third, only about 20 percent of the roads they drive on are even eligible for Federal funding; and fourth, they receive fewer local benefits from the Federal-aid highway spending that does occur. To illustrate the predicament rural States are in, let me use North Dakota as an example.

On a per capita basis, North Dakotans use 669 gallons of gas and pay $147 in gas taxes annually, compared to someone here in Washington who is taxed $74 for using 302 gallons of gas on average. In North Dakota, we have 163 miles of road for every 1,000 people, and while that is the highest in the Nation, many other rural States have a similar situation. With so many lane miles and low population densities, there is not the financial capability locally to construct and maintain a road system, especially one suitable for heavier truck traffic.

Although North Dakota receives $1.79 for every $1 paid into the highway trust fund, only 17,000 miles of the States 86,000-mile road network are on the Federal-aid system. In total, 98 percent of the States road mileage is rural, and of those roads, 90 percent are the responsibility of local governments. The letters I receive from North Dakota's mayors, county commissioners, and township representatives indicate that rural highway financing is one of their most critical problems. I share those concerns.

Last year and again this year, there was intense debate over the factors used to distribute Federal-aid highway funds. Widespread differences existed between the Senate and House highway bills in funding levels for rural States.

House Members favored formula changes that would place greater weight on population factors, but that is only one measure of need. States with large land areas and extensive road mileage must receive a fair share of funding if there is to be an interconnected, national road network.

My fellow Senate conferees and I succeeded in retaining current formulas which strike a balance between urban and rural needs. If we had not, rural States would have lost millions in Federal highway funds.

For North Dakota alone, it would have meant a loss of $25 million annually, or one-third of its entire program. Clearly, equity questions will become even more pronounced in the future, particularly as financing becomes so critical for all levels of Government and all types of roads.

As chairman of the Committee on Environment and Public Works, I will be conducting a field hearing in North Dakota later this month to examine the highway transportation needs in small communities and rural areas.

We will hear testimony from the Federal Highway Administration, the U.S. Department of Agriculture's Office of Transportation, State and local officials, and other groups concerned about the ability of States with large land areas and small populations to fund their transportation needs.

Last month, the Environment and Public Works Committee held the first of a series of hearings on the Nation's infrastructure needs. This will be another good forum for discussion of the highway needs, and public works needs overall, of rural States such as North Dakota.

I am committed to assuring an equitable balance, and Federal interest in addressing those needs. Rural America is depending on fair policies and strong initiatives to make certain its transportation needs are met. I intend to make certain they are.

Thank you, Mr. President.

The PRESIDING OFFICER (Mr. Rockefeller). The Senator from New Mexico is recognized.

## CONSTITUTIONAL BICENTENNIAL

Mr. DOMENICI. Mr. President, we all know that this is our bicentennial anniversary with reference to our basic magnificent document called the Constitution.

I would like to share a few things with the U.S. Senate today that have occurred in my State that I think are rather interesting.

As we all know our Bicentennial Commission arranged to have a national essay contest for high school students. From that national contest there would be one winner from each of the States who would come to our Nation's Capital from which one national winner would be selected.

When I found out about that, it seemed to the Senator from New Mexico that it was a pity that only one high school student, probably a senior, from my State would have a chance to visit Washington and perhaps Philadelphia, Annapolis, other places where she or he could see the living history of our Constitution's beginnings.

So I asked 15 or 20 businessmen in my State if they would join me in funding a trust fund, and they did so willingly, and from that we broadened that contest and decided that we could have 15 winners in New Mexico as best we could; 5 from each of the 3 congressional districts.

Mr. President, I ask unanimous consent that the names of the 15 winners of the scholarship competition in my State be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Winners of the Domenici Essay Contest

Lynda Olman, Sandia High School, Albuquerque.

Timothy Shead, Manzano High School, Albuquerque.

Beverly Ann Bell, Corona High School, Corona.

Wanda Miller, Corona High School, Carrizozo.

Kien Huynh, Mayfield High School, Las Cruces.

Holly Norman, Mayfield High School, Las Cruces.

Mariam Shouman, Mayfield High School, Las Cruces.

Tanya Gallegos, Grants High School, Grants.

Phillip Goforth, Grants High School, Grants.

Veronica Griego, Grants High School, Grants.

Brent Hunsberger, McCurdy High School, Santa Cruz.

Kathleen Roybal, McCurdy High School, Espanola.

Sally Salas, McCurdy High School, Fairview.

Amy Leyba, Mora High School, Chacon.

Manuel Rodriguez, Santa Fe High School, Santa Fe.

Mr. DOMENICI. Mr. President, we judged these young people on the same basis that the National Commission was judging the essay winners. I am very pleased that this has worked out such that 15 of my New Mexico high school winners are here today, thanks to 20 businessmen in my State and to some teachers who were excited

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about encouraging our young people to know something about our Constitution. I decided that, while they were here and they were then going to visit Philadelphia to see what they could see about the hall where the delegates sat and look at that history and see some of the documents, I decided that I might take a few minutes and think about the Constitution as it applies, as I see it, and why we ought to revere it and what it means to be an American and free under that document. So permit me, Mr. President, for the young people from my State who are here and for the Senate and for the Senate's record to give you a few thoughts as I view this Constitution.

Mr. President, 80 years ago, my parents in Italy were making their plans to sail to this country. You know what they called this country—America—novo mondo—the new world. A new world where any one, regardless of his race, religion, or economic background, could make it. A new world where dreams could be made to come true.

And yet this new world has the oldest constitution in the world. We are the oldest freely elected government in the world.

I think even our Founding Fathers might be surprised by the durability of the charter they forged. Remember the lady who approached Benjamin Franklin as the convention ended two centuries ago this September? "What kind of government did you give us, Dr. Franklin?" she asked. "A republic," Franklin replied, "if you can keep it."

Well, the Founding Fathers underestimated their achievement; 80 years ago as my parents were planning to immigrate here, William Gladstone, the great British Prime Minister, called "the U.S. Constitution—the noblest document ever conceived by a group of men at a given time."

Well, what is it that makes it so great? Very simply, it is the balance between liberty and order. You see, if we had total liberty, it would be anarchy. But complete and total order would require a totalitarian state.

The difference is that in the Soviet Union and other totalitarian states like Nazi Germany, the government owns the people. But in ours—the people own the government.

And General Washington gave the assembling delegates in Philadelphia in April 1787 this summons. "Let us raise a standard", he said, "to which the wise and honest can repair."

What a splendid ideal—and the founding fathers did just that.

Yet with the rights of liberty there is a load of responsibility.

When Abraham Lincoln journeyed by train to Washington from Illinois to be inaugurated in 1861, he asked that the train make a detour to Philadelphia. On Washington's birthday he made a stop to visit Independence Hall where the Constitution was drafted. Lincoln delivered some brief remarks and ended saying:

> Finally, my fellow citizens, it is not with the presidents or with politicians, but with you, remains the question—shall the freedom forged by our founding fathers be preserved for posterity—for our children's children?

Lincoln knew that a democracy unlike a dictatorship is not reliant on extraordinary leaders—but on rather ordinary people—ordinary people who go about the ordinary tasks of citizenship extraordinarily well.

Benjamin Franklin in the closing day of debate in Philadelphia in September 1787 said something similar. He said that if the charter fails, it will not be because of what he and others had just written, but because of what we the people later did.

Our Constitution with its appended bill of rights and its guaranteed freedoms is based on an ideal—and ours is the only country in history that is based on an ideal. Other countries owe the reason for their existence to race, religion, or language. But ours is based on an ideal—that all men are created equal.

Oh, I know that there are some critics who say that we have not always lived up to that ideal—that we have not always lived up to those ideals our Founding Fathers wrote—well, if that's true—isn't that because no other country ever wrote higher ideals to live up to?

This ideal—that anyone regardless of racial, religious, or economic background—can find fulfillment. That is the ideal that Jefferson wrote in 1776—that is what Washington meant in his appeal to the Delegates in 1787 or that is what Lincoln said at Gettysburg in 1863—that "government of the people, by the people, and for the people should not perish from the Earth."

Oh, I know there are some who say that the ideal that anyone despite color, class or creed can seek his own destiny, shape his own future. They say it's a dream. They are right. It is a dream. The American dream—our unfinished dream.

You see, America is much more than a geographical fact—it is a political, spiritual, and moral fact. It is the only country in the world that has institutionalized freedom, responsible government and human equality. But that fact places an inescapable burden on you—on all of us.

Theodore Roosevelt is that other President besides Washington, Jefferson, and Lincoln who has his face carved on Mount Rushmore. President Theodore Roosevelt was once asked by a citizen after a speech, "Mr. President, you just spoke on the Constitution and about our duty as citizens. But I'm just an ordinary small-town businessman. What can I do?" And Theodore Roosevelt in that high staccato voice of his replied, "Do what you can—where you are—with all your heart, but do it."

Well, we honor the Constitution when we obey the law, when we vote, when we serve on jury duty, when we pay our taxes, and when we lay a wreath on a veteran's grave.

But reverence for our Constitution, love of our country is more than a series of acts—it's an attitude. It's more than a series of observances, it's an obligation. Patriotism is not just the sentiment of 1 day—it's the commitment of a lifetime.

And don't we honor the Constitution and don't we justify the confidence our Founding Fathers placed in us when we continue to build an America on the foundation they so nobly laid. It is our duty to reforge that faith. When we as parents make our house a home—when we as workers make our job our vocation—when we as citizens make our communities a neighborhood—and when we as members of a church or synagogue make our creed our life's work—we reforge that faith. We redeem that dream.

I believe in that dream—the American dream—because I saw it come true in my life, in my own father's and mother's life, who came here, as I indicated, from a foreign country. And I believe in that Constitution because it made possible that dream—freedom in a stable and secure society to pursue a dream.

When the Convention's work was completed and the Constitution written, an enfeebled Benjamin Franklin in his 82d year negotiated his way haltingly to the front table during the signing of the Constitution, using the desks as crutches. He scrawled his name and then as he watched the others sign, he said with broken voice and tears staining that benign face:

> Mr. President, I have often noticed the design on the back of the presiding chair—a design of the sun low on the horizon. I must confess there were days during the Convention when I thought it was a picture of a setting sun. But today I know for the first time it is a rising sun—a new day for America, a new dawn for freedom.

And I know with the invocation of God's blessing and the enlistment of your help, this Constitution will most assuredly celebrate a tricentennial.

I yield the floor.

## EXECUTIVE SESSION

### TIME FOR DEBATE ON MR. RUDER'S NOMINATION

Mr. BYRD. Mr. President, I make this request with the approval of the distinguished Republican leader. I ask unanimous consent as in executive session that the time for debate on the nomination of Mr. Ruder, which will occur at the close of morning business—Mr. Ruder is to be a member of

the Securities and Exchange Commission, at least he is nominated for that position—I ask the time be limited to 1 hour equally divided between that of Mr. Proxmire and Mr. Garn.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

## THE DEBT CEILING: KEEPING DEFICIT REDUCTION ON TRACK

Mr. KARNES. Mr. President, I take the floor today to offer some observations on the actions we took last week with regard to the debt ceiling and the budget process. I would like to commend the majority of my colleagues who demonstrated bipartisan leadership and voted in the best long-term interest of the Nation by putting in place the constitutionally sufficient revisions to the Gramm-Rudman-Hollings law.

The debate centering on the debt ceiling extension was very illuminating for this Senator. Obviously, the huge Federal deficit did not appear over night and was formed long before I arrived in the Senate. The deficit gap has dramatically widened over, over the past years, in my view, due to the failure of Congress to make the difficult budget decisions that the voters expect of their elected representatives. As a relatively recent arrival in the Senate, I take some personal comfort in the fact that the huge deficit problems we now must fix did not come about during my time in office.

I wasn't here to be part of the problem, but now that I am here I hope to be part of the solution.

Many of my colleagues have fought valiantly over the years to try to control spending, the single best way to reduce the deficit. On the other hand, there are those who have resisted efforts to put in place tough, effective controls of the congressional budget process. Even worse in my view, some talk in vague but disturbing terms of the "necessity" or the "wisdom" of raising taxes in order to cut the deficit. It is curious to me how many different terms people can invent to say "taxes" without sounding like they are saying "taxes." I have heard examples here on the floor of the Senate. Terms such as "boosting revenues," "revenue enhancement," or even references like "improving receipts" have been used to describe ways of cutting the deficit. Well, Mr. President, I agree with several of my colleagues who understand that the American people want deficit reduction and they want it without Uncle Sam taking a bigger chunk out of their paychecks.

Mr. President, I think we should call a horse a horse. Those who attack the Gramm-Rudman process but announce that the budget problem can be resolved in part by increasing receipts are talking about one thing—tax increases. You can call it whatever you want, but the end result is a tax increase with the American taxpayers footing the bill for our inability to handle the power of the purse responsibly. I feel we should be absolutely clear in the terms we use to describe that situation. It is possible that, at some point down the road, the American people will say that cutting spending is not the only way to cut the deficit, and that they want a tax increase. But I do not believe they have reached that point yet. They want us to try stringent, mandatory controls on spending first. That is precisely what Gramm-Rudman attempts to do.

Clearly, Congress has shown that it is unable to use the current budget process to effectively deal with the deficit unless it has hard targets to aim for. The mandatory controls of the Gramm-Rudman-Hollings approach appear to be the only way to bring a measure of fiscal discipline to the Hill.

Just last Friday the Senate adopted a tough but manageable Gramm-Rudman-Hollings fix. The new targets contained in the amendment will bring about timely deficit reductions through an orderly process over a period of time.

Anybody who doesn't think we need budget reform to introduce real discipline in our spending system hasn't taken a hard look at our deficit and the legislative dynamics that allowed the deficit to balloon to huge proportions.

Haven't we learned over the last several years that the institution of the Congress is simply unable to make the budget cuts necessary to bring spending under control? We need this country to go on a fiscal diet—an enforced but controlled diet. You don't feed a person more food if he already eats too much. You restrict his eating. Our only alternative to Gramm-Rudman is to go on with the old game Congress has played for years, the same game that got us here in the first place. All the efforts to use smoke and mirrors last Friday to short-circuit the only mandatory spending control system that shows any promise of being effective were only that—smoke and mirrors.

Of course, the debt ceiling had to be increased. This Senator played cards with the hand he was dealt. I heard a lot of talk about acting responsibly on the floor last week. Does anyone wish to make the case that it would have been more responsible to allow the Government to shut down for several days or a week before passing the ceiling increase? Does anyone want to have the country default on its obligations for the first time in 200 years? Does anyone argue that there was any realistic possibility of not increasing the debt ceiling without causing the greatest economic calamity since the Great Depression? The situation reminds me of the individual who goes to a restaurant with his appetite bigger than his wallet. He orders the best meal on the menu. He enjoys his dinner, but, when the check is brought he argues that he can't pay because it costs too much.

I was also perplexed by the amendment introduced to give a one-time reduction of the deficit by $36 billion. I think we all knew that this was really an effort to cut short the long-term approach that the Gramm-Rudman law provides. That fact was made apparent by the party-line vote on the matter. If this amendment had passed, we would have had 1 month or so to come up with $36 billion of cuts. Mr. President, pushing the panic button is no way to bring the deficit under control. Had the amendment passed, we would be in a panic right now to come up with the cuts, keeping in mind that the August recess would make it impossible to spend even a minimal amount of time on the matter. Of course, this would have been a one-time gimmick. What about future years? We would still be facing huge deficits in years to come with no comprehensive mechanism for dealing with the problem. I think the American people will recognize the wisdom of the Senate voting this one-time reduction down and continuing to direct in earnest our efforts at deficit reduction.

The key now is to forge ahead and look to the future, and keep in place a system of graduated spending controls, that people can plan for, to bring the deficit down to zero in the early 1990's. People will accept spending cuts if they are made in a way that treats everyone fairly and equally. That is what the people want, and that is what Congress should strive to achieve.

Mr. President, I thank the majority leader, and I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

## FAMILY FARMER BANKRUPTCY LAW

Mr. GRASSLEY. Mr. President, it has been just 8 months since Congress responded to the needs of America's farmers through some very important changes that we made last year in the Federal bankruptcy laws, now referred to as the new chapter 12. This new law, which was authored by Congressman Synar of Oklahoma and myself on the part of the Senate, is designed to give family farmers a fighting chance at the restructuring of their debts. This is no less an opportunity than we have always provided big corporations, like recently LTV, Johns-Manville, A.H. Robins, and Continental Airlines. Over these 8 months since

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passage of chapter 12, I have followed very closely the evolution of the use of chapter 12. I have talked with farmers, bankers, judges, lawyers, among many others, who have given me their opinions and I have requested their views on this legislation.

On balance, I believe the evidence is that the law is working very much as we intended.

Of course, there has been some criticism of this law. Some say that it has unfairly hurt farm lenders, particularly some commercial bankers will say this. But in comparison with the hit these lenders would ultimately take even without chapter 12, the impact is very modest.

To a great extent, the write-down of debt authorized by chapter 12 only ratifies what has already occurred, the economic facts of life. Given the freefall in farmland values, secured lenders could never recover the full amount of their claims under any circumstances.

The newly restructured debt merely reflects economic reality. Chapter 12 does not guarantee anyone the right to farm. It does not guarantee any farmer profitability. And, of course, no bankruptcy law can or should do that.

What chapter 12 can do and has done is to act as an incentive to all parties to work together to reach compromise outside of the court. All sides now can avoid the legal expense and the uncertainty of litigation simply by being more cooperative.

With chapter 12, Mr. President, farmers now have some clout in these negotiations with their creditors. The resulting agreements between all parties is perhaps the greatest measure of chapter 12's success. In the end, when the American farmer rebounds to profitability, farmers can again be valued customers to their lenders.

This week, the Cedar Rapids Gazette, in my home State, published an article describing how chapter 12 is working in my State. I ask unanimous consent that a copy of this article appear in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Cedar Rapids Gazette, July 26, 1987]

### EXCELLENT BANKRUPTCY LAW SAVING FAMILY FARMS: LAWYER

### CHAPTER 12 LAW TRIES TO KEEP FARMERS FARMING

(By Vanesse Shelton)

Iowa farmers drowning in debt are grasping onto an eight-month-old bankruptcy law tailored to keep them financially afloat.

More than 282 farmers have filed in U.S. District Courts in Iowa to restructure their debts under the new law, referred to as Chapter 12 for its placement in the federal bankruptcy code.

Local authorities say the law is well suited for most of these financially troubled farmers.

Chapter 12, as opposed to other bankruptcy avenues, shields farmers in a speedy, yet simple, way from creditors wanting to repossess equipment or to sell off farmland in default actions.

"It's an excellent law," observed Cedar Rapids attorney Fred Dumbaugh, who testified to Congress about the need for special bankruptcy provisions for farmers before the law was passed.

"It works in saving the family farm," he said.

"Farming is capital intensive," he explained. "It costs a lot to operate and farmers have to borrow great sums of money. High interest rates or bad weather, both of which farmers have no control over, can kill a farmer's business."

So can the repossession of equipment or land when a farmer falls on hard times.

The new bankruptcy law allows a farmer to ride out the tide, holding on to tools needed to remain viable while revamping plans for a productive season.

Dumbaugh cautioned that not all farmers with financial difficulties can be saved by the bankruptcy law.

Good prospects for Chapter 12 resuscitation are farms with a reasonable potential for generating a profit, he said. They need the money to pay off what's left of debts after the bankruptcy judge, under the new law's guidance, reduces and reshapes them and spreading them out over longer periods.

Dumbaugh and other lawyers take inventory of a client's financial picture to determine the feasibility of a farm continuing to operate after getting help from bankruptcy court. This inventory generally is done free of charge.

He urges financially pressed farmers to take advantage of it early, before debts snowball to where there's no recourse but to liquidate and quit business.

"If I take a farmer through a (Chapter) 12, he can probably make it," Dumbaugh said.

Once the decision is made to file for Chapter 12 bankruptcy, he said, the process can last about four months compared to other bankruptcy actions with life spans measured in years.

A Chapter 12 filing can cost up to $14,000, although the average price is half that amount depending on the case, said Dumbaugh.

Since the law went into effect last November, clerks of bankruptcy courts in Iowa report 136 cases were filed in the Southern District court at Des Moines, and 148 petitioned in the Northern District court at Cedar Rapids through early July.

The number of farmers seeking relief in the Northern District peaked at 36 in February and 32 in March, according to Bankruptcy Clerk of Court Barbara Everly. As crops have progressed, the filings dwindled to eight in June.

She suggested farmers are trying to tough it out through one more season in hopes of a bountiful crop.

Dumbaugh frowns on this spirited diehard attitude because for 20 percent to 25 percent of financially distressed farmers, it meant they waited too long to get help under Chapter 12.

"Waiting ran them right down the tubes. They didn't get help soon enough," he said.

More than 250 farmers have turned to Dumbaugh's law firm in Cedar Rapids since December but bankruptcy petitions were filed for only 70 of them, who were deemed able to pull themselves up by their boot straps with the court's assistance.

An unknown number of those who did not seek court protection in reorganizing their debts, still could have used the law to work out their financial problems, Dumbaugh said.

The new law provides an incentive to businesses to work out an amicable agreement without the court's help, he pointed out. They can avoid paying attorney fees, court-related expenses and the whole array of legal entanglements.

"I think it's neat," Dumbaugh said of the law that expires in seven years. "It's designed to get us over what people say doesn't exist—the farm crisis.

"When Chapter 12 dies, I hope it can be said of it: Here lies Chapter 12. It did its job bringing the farmers and creditors together without having to file Chapter 12."

Otherwise, businesses are at the mercy of bankruptcy judges to set repayment terms in accordance with the new law, he said.

Judges under Chapter 12, for instance, can reduce the debt owed by the farmer to an amount equal in value to the collateral he put up in order to get the loan.

What that means is instead of paying a bank the $300,000 balance on a loan taken out to buy equipment, feed, seeds and fertilizer, through debt restructuring the farmer may wind up paying only $120,000 to buy back the land he put up for collateral plus a little extra to pay the banker back for use of the money.

Bankers have balked at this arrangement, since the remaining $180,000 is written off as what is called unsecured debt and will likely go unpaid.

However, Dumbaugh, while empathizing with financers, is quick to note the repayment arrangement under Chapter 12 is better than the no-win scenario between farmers and lenders under other bankruptcy laws.

Lenders come out about the same with the new law, receiving money by selling the collateral land, he said.

However, the farmer comes out in better shape now, instead of losing his land and livelihood, he's still in business. And if he rebounds to profitability, he can once again be a valued customer for the lender, Dumbaugh said.

Mr. GRASSLEY. This favorable report is not an isolated one. Last month, the Los Angeles Times published a similar article, this one focusing on the benefits to Nebraska farmers. I ask unanimous consent that this article also appear in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 23, 1987]

### FARM SAGA: CHAPTER 12 TELLS OF HOPE

(By Larry Green)

WALTHILL, NEB.—Robert and Jan Stansberry got advice—not money—when they applied for a loan to operate their farm this year. Quit farming, liquidate, line up the machinery and have a farm sale, they were told.

That was last January, when the Farmers Home Administration turned down the couple's loan application. "They said it didn't look like we could pay them back the $225,000 we owed them," Jan Stansberry recalls.

But, the Stansberrys, farmers for 16 years, did not quit. They are fighting.

They are among the first in the nation to declare "Chapter 12 bankruptcy"—using a federal law from the Depression era aimed at helping family farmers save the family farm. The law, revived and revised by Congress last year in the wake of the prolonged weakness in agriculture, generally protects farmers from creditors and from foreclosure or forced liquidation.

#### MOST FILINGS IN NEBRASKA

This spring, amid faint signs that the national farm crisis may be bottoming out, thousands of farmers still faced with massive debts are expected to turn to Chapter 12 for protection. Early figures indicate that in the Midwest, the largest number of cases have been filed here, in Nebraska.

Saving their 440-acre hog and grain farm will be a rough row to hoe for the Stansberrys, even with Chapter 12.

The couple, who have three teen-age daughters, were $289,000 in debt before going into court. They now must pay back at least $66,800.

To do that they will not rely entirely on agriculture—a slender financial reed to lean on in recent years. Instead, both Jan and Robert are holding down full-time jobs off the farm. Jan is working as a secretary. Robert is fixing sewers and waterlines for the village of Walthill. He makes $1,150 a month. Jan earns less.

#### WORKS "NIGHTS, WEEKENDS"

That leaves "nights and weekends to get the crops planted," says Robert, who has just had his first free Sunday in 10 weeks. "This spring has been more hectic than any I've ever put in."

"I feel sure the farm can support the bankruptcy and what we make in town will support us," Jan said.

Chapter 12 bankruptcy gives farm families, "a fighting chance to reorganize their debts and stay on their land—a chance that they did not have before," says Sam Gerdano, a legal aide to Iowa Republican Sen. Charles E. Grassley, a sponsor of the Chapter 12 legislation.

"This is the most useful tool available to family farmers in a long time," says lawyer Nancy L. Thompson, who specializes in agricultural law in northeast Nebraska.

Considerably less enthusiastic are bankers and insurance companies, who lobbied against the legislation because it is weighted in favor of indebted farmers and, in almost all cases, will result in lowered, renegotiated debt balances and repayments.

"It increases the risks that lenders may not be repaid," says Curt Billhymer, a spokesman for the Farm Credit Banks in St. Louis. "Anything that does that makes lenders less willing to make the flow of capital to borrowers completely free."

"Farmers are using Chapter 12 as a tool, as a weapon to put pressure on to get lenders to be more accommodating," says Ronald C. Hanser, spokesman for the Omaha District of the Farm Credit System.

But farmers who have turned to Chapter 12 see no alternatives short of losing the farm.

"I'm struggling to beat heck trying to save this homestead," says Herman H. Lauck, who was $160,000 in debt before filing for bankruptcy. The 64-year-old Bloomfield, Neb., farmer lives on food stamps now. In a few weeks he will have to farm using borrowed machinery. His own is being sold to pay of a $34,000 bank debt.

#### "GOD BLESS THIS MESS"

"It just jerked my heart from me when they told me I had to sell my machinery," says Lauck, sitting under a sign in his kitchen that says, "God bless this mess."

Not far away, as distance is measured in the rolling northeastern Nebraska countryside, Gerald Herzinger, 56, is weighing the possibility of a Chapter 12 case to save his dairy and grain farm.

"We've been threatened by creditors," he says. "So far the lawyer has been able to hold them off. The bank came to a settlement when we threatened them with bankruptcy," says Herzinger, who has $341,000 in debts and has seen several neighbors turn to the law for protection. If Herzinger does file, it is likely that he will repay about $102,000 of his debt—assuming his farming operation can generate that much income over the next three to five years.

Herzinger's debt will drop because a major provision of the law—a provision that bankers do not like—allows a farmer's debt to be adjusted to reflect the current value of his collateral rather than what that collateral was worth at the time the loan was made. For example, a $200,000 loan secured by land that was worth $200,000 in 1979 might translate into a debt of less than $100,000 today because of the sharp drop in agricultural land values.

"This is a pro-debtor piece of legislation," says Barry M. Barash, a Galesburg, Ill., attorney who has filed 40 Chapter 12 cases this year. "I tell people that if you're a farmer, Chapter 12 is the best investment you'll make in 1987."

Other features of this special federal bankruptcy law—which will expire in 1993 unless renewed by Congress—are provisions that give farmers a chance to erase unsecured debts and that leave all major decisions about how the farmer will work out of his indebtedness in the hands of the farmer and the judge. Creditors have little to say about the process—another reason the banking industry does not care for the law.

"We opposed it," says Weldon Barton, a Washington spokesman for the Independent Bankers Assn. of America. "We supported voluntary incentives that would encourage voluntary workouts [of problems] because we thought it was a more workable situation for lenders and for farmers. Most lenders would rather [Chapter 12] was not out there."

However, David Aiken, an agricultural law specialist at the University of Nebraska, said that the law may, in fact, be acting as a legal incentive to bankers to negotiate settlements with indebted farmers.

"Now lenders know that if a farmer isn't able to get a satisfactory negotiated arrangement outside of bankruptcy, the farmer can file Chapter 12 and get significant debt write-down in most cases," Aiken says. "That's made private lenders more willing to accept write-downs outside of court. It's changed the rules of the game, and it has given farmers some clout in terms of these negotiations."

Although thousands of farmers are expected to file for bankruptcy under provisions of Chapter 12, it will be 1989 or 1990 before the success of the law can be assessed. Meanwhile, farmers who might otherwise have been forced into foreclosure or involuntary liquidations this spring are getting a chance to save their farms and their dreams.

"You don't want to give it up," Jan Stansberry says. "We think farming might be a good business again, and it is too expensive to start up again once you give it up."

Speaking of Chapter 12, Robert Stansberry says: "My first thought was I didn't want to use it. When you say 'bankruptcy' people look down on you. Or at least I think they do. But if I didn't do it I'd had probably had to go to complete liquidation."

"The word bankruptcy has a stigma attached to it," Jan says. "We didn't know how people would react, but nobody has said anything except for the local banker." He said: "It's the only chance you have to remain on the farm."

"It wasn't an easy thing for us to do," she adds. "But I'm sure we're going to survive it."

Mr. GRASSLEY. Mr. President, I appreciate the assistance and work that my colleagues in the House and Senate put forth in passing this chapter 12 legislation. I know that detractors still exist, and do not hesitate to pressure my colleagues about chapter 12.

For this reason, I wanted to share the good news about the positive impact chapter 12 has had, as well as thank my colleagues for their continued support.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I ask unanimous consent that I be permitted to proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PEACE PROPOSALS IN CENTRAL AMERICA

Mr. LEVIN. Mr. President, all Americans want to see the troubled region of Central America at peace. The American people, and each of us in this Chamber, hope fervently that the current activities and proposals for peace in Central America achieve their goal of a secure and just settlement.

To the extent that the new proposal supports and helps the discussions of the Central American Presidents and Arias' proposal underway in Guatemala, I support it.

But, Mr. President, if this new proposal is viewed by our allies in the region as setting forth timetables that are unrealistic and which could not be achieved, and if its failure is used by this administration to call for continued Contra aid, I cannot support it.

While I share the hope that this is a sincere attempt to reach a negotiated settlement, I also share some skepticism. No settlement in Central America will succeed in the long run if it does not have the support, and is in the interest, of the peoples of the region. We cannot impose a peace. We should, instead, help and cooperate with those nations of the region which seek peace.

I am worried, because just a few weeks ago President Reagan's special envoy to Central America, Philip

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Habib, came to Capitol Hill to meet with Members of this body.

Mr. Habib was reported to have said that if the administration felt its views and interests were not reflected in regional agreements, it would continue to fund the Nicaraguan Contra rebels despite agreements reached by the leaders of the region. That was a disturbing comment because it could only alienate our friends and also give fuel to our enemies.

And, just 2 days ago, in response to questions about the new plan, Presidential spokesman Marlin Fitzwater said President Reagan wants to "assure the uninterrupted flow of money" to the Contras. And, it was reported the same day that an administration official said the administration envisions a congressional vote on Contra aid at the end of the negotiating period, regardless of how diplomatic efforts turn out.

I hope that a just peace can be forged in Central America. I cling to the hope that the countries of Central America prevail in their struggle to maintain their sovereign dignity, and achieve a lasting peace based on true self-determination. I share the hope—and the conviction—that such a peace is possible. I share the cautious hope of all Americans that the current proposals succeed in assisting the parties to find common ground.

But in light of the comments which have been made by Phil Habib and Marlin Fitzwater, and others currently with the administration, the word cautious and the word hope are, I am afraid, inextricably connected in this instance. Also, given the history of this administration in Central America, we must also add some skepticism to the hopes that we all hold.

## REFLAGGING OF KUWAITI OIL TANKERS

Mr. LEVIN. Mr. President, despite the urging of the Senate that the President pursue other alternatives, and despite the grave warnings of friends, and despite the lack of support from our allies, the administration has gone ahead with the reflagging of Kuwaiti oil tankers. Our Navy has escorted two such vessles into the Persian Gulf, and one such vessel safely out again, the other having struck a mine widely believed to have been laid by Iran.

In response to the mining and a variety of other Iranian threats, we are now engaged in a fairly large-scale buildup of U.S. military forces in and around the Persian Gulf. This military buildup is the inevitable result of the administration's decision to call Kuwaiti shipping American shipping, and to protect it as such. Since the day the first reflagged Kuwaiti vessel entered to the Gulf under our protection, a series of events has raised the political and military tensions in the Gulf dramatically.

Let me briefly explain why I believe the president's reflagging and escort policy has us headed straight for disaster in what is arguably the world's most dangerous political hotspot, the Persian Gulf.

Both the reflagging and the resultant military build up are based on a false premise: that the overt display and deployment of military force will deter Iranian attacks on us even though they perceive us as siding with their avowed enemy. In fact, increasing U.S. military presence in the Gulf for the purpose of escorting reflagged Kuwaiti tankers may well precipitate Iranian attacks on our forces.

The bottom line is that the administration's reflagging policy assumes the Iranians will react rationally when faced with American military forces capable of inflicting severe damage in retaliation for an attack on U.S. forces.

What evidence do we have that this is in fact the case? Very little.

What evidence do we have to the contrary? Consider these facts:

Iran absolutely refuses to dicuss an end to their war with Iraq, a war in which they have suffered hundreds of thousands of casualties and regained the territory they initially lost, plus some. They have resorted to the use of thousands of young boys in human-wave attacks in the war. The Iranian leadership has at their disposal large numbers of religious zealots, including the fanatical Revolutionary Guards who now control dangerous naval assets. Yet, the administration's policy assumes that a leadership capable of these policies and armed with political power based on radical beliefs will be deterred by the presence of American military power?

I think that is a dangerously false assumption on which to wager the lives of our young men, our position in one of the world's most strategically important regions, and our prestige.

And some of our closest allies agree with me.

British officials are reported as saying that the threat posed by Iran is not principally military, but rather one of political subversion of the fragile governments of our friends in the region. They are said to believe that overt confrontations tend to strengthen, not weaken, the Islamic fundamentalism that buoys the Ayatollah Khomeini's government, and I agree with them. The British Foreign Minister, Sir Geoffrey Howe, reportedly told our Ambassador in London that putting additional Western naval power in the gulf now would heighten the risk of a military conflict with Iran.

I think we should avoid such a conflict with Iran because I see no way in which to win, no way in which our use of military power against Iran will help us achieve our goals and protect our interests in the gulf.

On the contrary, I see a rapidly spiralling escalation of attack and counterattack that has no predictable conclusion. Such a military exchange would endanger not only our brave servicemen but the political and physical security of our friends in the region. The only sure winner from such an escalation will be the Soviet Union, the very power whose influence we seek to limit in the Persian Gulf and elsewhere.

In assessing the merit of the reflagging policy, we should not forget that not one U.S. ship was attacked by Iran prior to the reflagging of Kuwaiti vessels, even though U.S. ships were routinely escorted by our fleet in and out of the gulf.

It is when we are perceived as protecting the military vessels of Iraq's closest supporter, Kuwait, that the hornet's nest has been stirred up by Iran. Can anyone now realistically say that Iranian attacks on us—somewhere and soon—are unlikely? Can any of us now say, as President Reagan said in defense of his reflagging policy, that "I do not know how (a conflict) could possibly start."?

I am afraid not, Mr. President. I am afraid not.

## A VITAL SPEECH, INDEED

Mr. HEFLIN. Mr. President, I recently read an outstanding speech that was delivered by one of my constituents, Mr. Jerry Weaver of Gadsden, AL, who is chairman of the board of Mid-South Industries, Inc., a highly diversified, technology-oriented company with facilities located in Gadsden; Manchester, KY; and Taipei, Taiwan. Mr. Weaver was speaking before the New York Rotary Club on April 16, of this year, and the speech was published in the July 1 edition of the journal, Vital Speeches of the Day. His speech was entitled "Making American Industry Competitive Again."

There has been much discussion in the last few weeks regarding what will make American industry competitive again. I believe that Mr. Weaver's remarks provide much food for thought.

Jerry Weaver was born in Clay County, KY, graduated from Annville Institute, a mission school in Jackson County, KY, and attended Union College in Barbourville. In 1951, he moved to Dayton, OH, where he served his tool and die apprenticeship with International Tool Co. In 1957, he was transferred by that company to their Gadsden facility, the Alabama Tool Co., to train others in the tool and die trade. Five years later he left Alabama Tool to start his own business, Dixie Tool and Die. Mid-South Industries

has grown from this one man shop that Jerry Weaver founded in 1962.

Mid-South Industries and its 10 affiliated companies employs over 1,700 people and has sales in excess of $100 million. The customer base consists of many of the U.S. Fortune 500 companies, including IBM, Xerox, General Electric, Martin Marietta, Scovill, Clairol, and Sunbeam, as well as the U.S. Department of Defense. The companies are not only involved in domestic trade, but both import and export in the international market, as well.

Though Mr. Weaver has already achieved a great deal of success in the business world, he continues to seek new opportunities. His most recent creation is Weaver Diversified Industries, which is an organization that operates within the small shop concept.

Throughout his career, Jerry Weaver has been active in the associations which support the tool and die industry, and his great talents have been recognized by his colleagues. He is the past national president of the National Tooling and Machining Association [NTMA], and has served as both member and chairman of every major committee in the organization. He also played an instrumental role in organizing the Alabama Mountain Lakes Chapter of NTMA, which is the local chapter that serves the Gadsden/Huntsville area. He has also served as a United States delegate to the International Special Tooling Association, and has made trade missions to Brazil, Mexico, Germany, Switzerland, Taiwan, and the People's Republic of China.

In addition to his work in business at the national and international levels, Jerry Weaver has worked to encourage business activity in his community, as well. He is past president of the Gadsden-Etowah Chamber of Commerce, and has served as a member of the Rainbow City Planning Commission for the Alabama Technical College in Gadsden. He is also a member of the Gadsden Industrial Board, the Manufacturing Systems Engineering Graduate Program Committee for Auburn University, and the Alabama Certified Development Corp. A nonprofit State organization that assists in the financing of land, building, and equipment for small businesses.

Thus, as my colleagues can see, Jerry Weaver possesses great experience in business and trade. He has worked in almost every aspect of the business world—as the starter of a new business, the chairman of the board of a profiting business, an adviser, and a trade representative to increase trade. I believe that Mr. Weaver's remarks will be profitable for each of my colleagues, faced as we are with our Nation's trade deficit. The insight which Mr. Weaver provides will be tremendously helpful.

Mr. President, I ask unanimous consent that the attached speech be printed in the Congressional Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

[From the Vital Speeches of the Day, July 1, 1987]

### Making American Industry Competitive Again

(By Jerry Weaver)

Initially, I'll be most honest—"I don't know the mechanics of the many how's and wherefor's of this challenge." However, not being alone with this conundrum gives me little sense of agreement with many of the theories and proposals currently in vogue and as expounded by many politicians, governmental committees, analysts or other self appointed experts—few of whom are company owners or wage earners in our industrial society.

You are familiar with our need for industrial competition. Competition is the current buzzword for the media, the non-profit specialists, our Congress—and we even have a President's Commission on Industrial Competition.

Each faction of the world's economy, I'm sure, has their own accepted definition of competition—here's the one I like:

"Competition means we should be determined to balance the trade deficit without lowering the standards of living of the American people."

I must state at this point that "the Market Place" is right here, first—the Global Place must be cultivated with the facts of our local success!

At $140 billion in 1988, with our economists agreeably projecting a total trade debt of $1 trillion by the early 1990's, we have a humongous and super human challenge facing every single American at or above elementary school age.

Everyone who can understand the basic arithmetic of cost and expense versus gain or loss readily agrees that we must do better—the burning questions center around how?

I do not, for example, agree with Senator Lloyd Bentsen's viewpoint that additional protective tariffs and trade regulations will result in improved competition of American industry, nor that the "loss of 1,000,000 high paying jobs," (as he states) "were lost to Japan" because of the lack of more restrictive tariffs.

I do not agree that protectionism is the magical answer to our problems in our American market place and in my viewpoint, tariff manipulation is a political tool and should not enter into any concepts towards industrial competition factors.

How could one really believe that "globalization" of American industry would in any long lasting substantial manner meet the challenges of competition?

Again, contrarily—deindustrialization of American industry has robbed us of manufacturing expertise, of utilization of our production base, of method improvements, of modernization, and of capital investments, with perhaps of ultimate importance—the loss of employment and skill training of our people—all of which is most vital to meet the challenges to our American industry.

While economists engage in detached debate about whether the U.S. is losing its industrial base—the facts are clear that one after another are, or have, become "hollow corporations" purchasing parts, components and products "off-shore" and slapping on their own labels for domestic markets.

Personally, I challenge this do nothing approach, as it offers no incentive to improve our competition and "business as usual" will not solve our problem of imbalances in trade. Continued off-shore procurement will not rebuild our American work force for our future prosperity.

On the other hand, hopes are high that the prospering service industries will keep the U.S. economy healthy.

Again, pure hog-wash—without a healthy and prosperous manufacturing industry there will be little to service!

What the devil does all this mean?

There is a public scalding, wringing of hands and some back woodshed diplomacy, however, where is the concerted effort to put it all together towards a solution? I question our "policymakers"—Perhaps, in the end, our policymakers are really you and I! We represent the broad spectrum of our communities. Why should we not make the policy?

Between us, we have somehow failed to maintain our position as the world's leading industrial nation with a financial system once believed to be unassailably the best in the world.

Success begets responsibility and as policymakers we have failed to communicate with our governmental and industrial representatives of our many misgivings about their actions in the past period of outsourcing and deletion of our manufacturing base—in equipment, brick and mortar and in trained manpower.

Not too many years ago, the American people led the world with the most efficient and profitable industrial nation in history.

We now must come together and put that yankee know-how and determination to be the best back to work in all areas of our national life.

As one policymaker, I have firm convictions that the following actions are not only required, but are mandatory, not in the future, but immediately—or the future may find me back on the farm behind a mule. What would bother me most about that is that I'd sure hate to find out it was a Japanese mule!

Cost reduction is constantly the first item on the list of every management symposium I've ever attended. It is simple, it is easy to understand and it is easy to monitor—but it's not so easy to get it accomplished!

People become entrenched, during the "good times," and are reluctant to change methods or habits, or to give up anything they have taken for granted.

The giant ITT has sold 100 businesses, cut its workforce by 100,000 and its headquarters staff from 850 to 350. ITT Chairman Rand Araskog says "Corporate executives have to learn to do things for themselves. Pick up the telephone if it rings, Draft their own memos." Damn, I never knew I wasn't supposed to do those things!

Communications between industry, labor, government and the financial institutions of our country and the world must be greatly improved to establish basic understandings of the circumstances that affect America's successful position in the constantly changing global environment.

We have a responsibility to each other to be honest and straightforward about our problems, our analysis, our recommendations, and about our success or failure in execution of improvements.

Confusion or uncertainties will not allow us, as a nation to make long range decisions

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that may have high risk impact on the daily lives of the American people.

Policymakers, again we are failing to press for a solution to this problem. We have not forced our local and national industrial, labor and governmental representatives to unite and formulate a plan for our collective future in world trade.

Would that we could get one clear, concise and mutually understandable two page publication of instructions for our personal income taxes—let's don't even suggest clarity for our businesses!

Personally, I don't need Ted Koppel or Tom Brokaw tinkering with the facts—I'd rather perform my own analysis of the situation—even if it turns our that I'm wrong!

Research and development investments are key to long term commercial product industrial independence from DOD budgetary restrictions.

Alarmed by the snakes that were devouring many of his kind, a young frog consulted the wise old owl. "What can I do to avoid being eaten by a snake?" asked the frog. The wise old owl pondered and then advised: "Fly away." The frog was delighted with this simple solution—until he tried to flee from an approaching snake. "Sorry" said the owl as the frog disappeared down the snakes gullet. "I only deal with concepts, not reality."

To a larger degree, this is one of the major problems industry must early overcome to change the competition of our future—many wise old owls have the concept of the factory of the future, but not the reality.

Most American companies are dragging their feet, however, adequate investment incentives for long range R&D in CIM could well be a major step towards American competition. Further, product development expenditures must be increased greatly to provide the new product impetus for competition world-wide.

Business is currently reluctant to fund R&D even at minimal levels, with the prospects that the products wind up being manufactured in Singapore or Korea.

R&D investment must be allowed to be handled for long term potential product innovation and current tax programs eliminated or more appropriately modified to encourage these endeavors.

I personally have a big hang up with the huge DOD R&D money being spent on duplication of effort, rather than more emphasis being given to commercial item development work.

We could be losing our trade base effectiveness due to excesses in DOD spending on conceptual blue sky items, the need of which may be very questionable.

I'm just like the young frog—I don't want to be eaten by the snakes either?

Long term capital is vital to our reindustrialization and technical advancement of our industrial America.

Washington soaks up the bulk of private savings to finance the federal debt, whereas a realistic budget program would relieve capital for private investment, as well as reduce interest rates.

Policymakers—we need some way to set aside government tax consideration for capital availability and for encouraging innovative small businesses.

Industrial long range financial decisions currently are too often made on the basis of tax considerations rather than on business sense for future competition.

Have you and I failed to invest sufficient of our personal gain in our manufacturing base?

For example, should my swimming pool be one half its size? Or not be there at all?

Enriched by their billions of dollars from huge trade surplus, Japanese financial institutions have invested billions in U.S. businesses—estimates total at 25-30 billion dollars last year.

Our own assets should be more fully exploited instead of the enchancement of international industries by the U.S.

Of particular interest to me, obviously, is the apparent avoidance of the potentials of the resources of the South! Its people still preach and practice the desire to be independent, to provide for themselves and to be dedicated for improvements in their positions in the world.

With modern research laboratories, advanced medical centers, highly accredited universities and colleges, an eager work force operating with a broad range of industrial skills and expertise—there exists the way and the will to produce quality goods within economic control.

It would be most interesting to experience the effect of a divergence of some U.S. foreign aid money for industrial development to the Southern part of America, other than food stamps!

The history of our growth from my first small tool ship in Gadsden, Alabama to the present diversified and mutually support oriented 11 companies is directly related to the industrial growth of the Gadsden area.

Gadsden's earlier industries were the cast iron pipe and cotton mills which abused the working people with deficiencies of wages, working hours, comfort, safety, health and personal dignity and the labor population became highly unionized.

There was little concern about the educational level or skill expertise of the workers and the investment in labor improvements was nil.

Gadsden has grown from the days of the pipe and mill industries to more progressive and modernized operations requiring better tools, more precise machines, automatic equipment and a higher skilled labor force.

The increased opportunities for the design, development and manufacture of precision tooling, gauges and special machine tools became more obvious as the changes and additions to Gadsden's industrial complex took place.

I started my first tool shop with a $5,000.00 personal loan from a local bank, not with several million dollars from Uncle Sam nor with guaranteed government contracts.

Raised in Kentucky, with six years in Dayton, Ohio learning the basis of the tool and die making profession, I have made Gadsden my home since 1957 and take much exception to Rand McNally's listing us at the bottom of any list that places Pittsburgh at the top!

I knew that an educated and trained work force would be required to support the anticipated area growth requirements and I set out to promote vocational and shop training for our people.

Local and state agencies have responded extremely well to our industrial training requirements in the Gadsden area with training areas equipped with modern equipments including computer controlled machinery, and with top notch instructor personnel.

Coming from a very tiny community in Kentucky, I feel very fortunate that people took the time and interest to invest in me, to teach and train me for a start in my adult life in the business world.

I've always felt strongly that one should put something back into society and my efforts are to provide training opportunities for our youth to prepare them for their future.

One success from our attention and investment in people is that from my first tool shop, 7 other tool and die shops have been incorporated in the Gadsden area by our former employees.

One most important element of our corporate organization is our training school, known as The Academy of Precision Arts, which provides our company organizations with the educational tools needed to teach and train our employees in a broad scope of skill levels.

New employees, trainees, senior technicians, lead personnel and all levels of our management are accommodated, both by classroom and shop practice, in our own little red school house.

We have invested nearly one million dollars of our own money in building renovations, machinery and equipment, computer hardware, system programs and audio visual teaching aids as an investment in our people—one of our investments for the future!

Our people like it—so do our customers!

With Gadsden's growth through changes in community attitudes with improved labor relations being fostered by labor, local government and new industry leaders, the increased relationships from our tool industry offered additional opportunities.

I learned very early to hire technically competent people who were not afraid to make decisions—and then let them!

We have grown from a single small tool and die shop to a closely held corporation with its 11 subsidiaries providing engineering product concept design, tool and machinery expertise, manufacturing know-how, equipment leasing, plus facility design and construction for a broad diversification of customer base for both the U.S. and foreign markets.

With $107,000,000 1987 booked sales forecast, our diversified companies will be providing goods and services for U.S. and foreign military programs, commercial items for I.B.M., Xerox, G.E., Sunbeam, Hamilton Beach and Nutone, tooling and special machines for Boeing, Ford Aerospace, Arvin, Xerox, I.B.M. and Martin-Marietta and 9 mm Walther pistols for Interarms International, as well as broad based prototype and production engineering programs for military and commercial requirements.

Looking ahead, we will dedicate a new $4.5 million modern state-of-the-art equipped manufacturing facility in Jackson County, KY in early July this year.

I am an optimist and enjoy the challenges of new opportunities—fortunately, I have been blessed with competent and understanding assistants and with magnificent employee response in our many corporate activities.

I still have faith in the American way and the American dream. I have faith in our people and I am convinced that we, as policymakers, when we all decide that enough is enough, will collectively put our minds and resources to it—and we'll get the job done!

I hate to quote a Japanese source, but—as Sony Corporation's Akio Morita says, "just do what you used to do so well—invest in American enterprise."

Thank you and I appreciate your interest.

## GENERAL ABRAHAMSON'S PROMOTION

Mr. HEFLIN. Mr. President, recently, the distinguished Senator from Idaho, Senator SYMMS, made a statement in the Senate calling on the Armed Services Committee to report out the nomination of Lt. Gen. James A. Abrahamson for a promotion to general. I would like to commend the Senator from Idaho and to take a moment of the Senate's time to speak in the same regard.

Mr. President, time is running out for General Abrahamson's promotion. The meaning of that statement is simple. On December 18, 1986, the President nominated General Abrahamson for a fourth star. As I understand the situation, that nomination expires September 30 of this year. Yet, not only has the Senate Armed Services Committee not held hearings on the nomination, it has not even scheduled one.

There is no real reason for holding up or denying this nomination. General Abrahamson is an outstanding and distinguished military officer who has served his country well. His achievements and honors are well known to many of my colleagues. However, I would like to mention a few of his major accomplishments.

General Abrahamson is a 1955 graduate of the Massachusetts Institute of Technology in Cambridge. That same year, he was commissioned as a second lieutenant in the U.S. Air Force. Later, in 1961, he earned a master of science degree in aeronautical engineering through the Air Force Institute of Technology Program at the University of Oklahoma.

In August 1961, he was assigned as spacecraft project officer on the VLA Nuclear Detection Satellite Program at Los Angeles Air Force Station, and in March 1964, began F-100 upgrade training at Luke Air Force Base, AZ. From October 1964 to August 1965, while assigned to Cannon Air Force Base in New Mexico, the general served two temporary tours of duty in Southeast Asia where he flew 49 combat missions.

In July 1966, General Abrahamson graduated from the Air Command and Staff College as a distinguished graduate. He later attended the Aerospace Research Pilot School at Edwards Air Force Base. After graduation, in 1967, he was selected as an astronaut with the Air Force's Manned Orbiting Laboratory Program and served in that capacity until that program was canceled.

General Abrahamson was then selected to serve on the staff of the National Aeronautics and Space Council in the White House. In March 1971, he became director of the TV-guided, air-to-ground Maverick Missile Program. In March 1974, he was named inspector general for the Air Force Systems Command and was later assigned as the director for the F-16 Air Combat Fighter Program at Aeronautical Systems Division located at Wright-Patterson Air Force Base. I might add that the F-16 has been one of the Air Force's most successful programs. When the general directed the program, it came in under budget and ahead of schedule. This is almost unheard of today.

After a short tour of duty as the deputy chief of staff for systems at Air Force Systems Command Headquarters, he became the associate administrator for space transportation systems at NASA. In that position, he was responsible for the Space Shuttle Program and served in that capacity until 1984.

Among many other awards, the general has received the Distinguished Service Medal, Legion of Merit with oak leaf cluster, three meritorious service medals, Air Force Outstanding Unit Award ribbon, the Air Force Organizational Excellence Award ribbon, the NASA Commendation Medal, and the National Defense Medal.

As my colleagues know very well, General Abrahamson is currently the Director of the President's Strategic Defense Initiative Program. I must say that he is doing an outstanding job in this capacity. Mr. President, this is a program of awesome scope and one of which, many times here on the Senate floor, I have expressed my support. While I will not go into the merits of the SDI Program at this time, I am very concerned that because of General Abrahamson's present position as the Director of this program, his promotion is being delayed and maybe even denied. This officer should not be denied a promotion simply because he is serving his President to the best of his ability. This is the very reason we should confirm this nomination.

Mr. President, I, like the Senator from Idaho, take this opportunity to call on my distinguished colleagues who serve on the Senate Armed Services Committee to rise above politics and report out General Abrahamson's nomination to receive his fourth star, in order that this serviceman may be duly rewarded for more than 32 years of outstanding and distinguished service to seven Commanders in Chief and his country.

## A TRIBUTE TO CONSUELLO "CONNIE" J. HARPER

Mr. HEFLIN. Mr. President, I am proud to rise today to pay tribute to Connie Harper of Montgomery, AL. Mrs. Harper is one of those rare individuals who, by fulfilling her own dreams, helps others to dream themselves, and to fulfill their dreams. Mrs. Harper is the founder and the director of the Central Alabama Opportunities Industrialization Center [OIC]. As the founder and director of the Central Alabama OIC, Mrs. Harper has greatly contributed to her community, our State, and our Nation. She has touched many lives, always striving to help others to help themselves.

During the early 1960's, when Mrs. Harper was teaching school in the Macon County Public School System, she became concerned that there were children attending school who could not read or write. So, she started an early childhood development program, held after school in an old church near her home in Shorter, AL. It was not long before Mrs. Harper began to have greater dreams. She wanted to begin a program which would help high school dropouts and the underprivileged learn work skills and find employment.

Luckily for my State, Mrs. Harper's enthusiasm and determination were recognized, and she was chosen to participate in the Ford Foundation's Leadership Fellow's Program. Beginning in September 1967, Mrs. Harper took a year's leave of absence and went to Philadelphia to study with the Reverend Leon Sullivan, who had started an Opportunities Industrial Center in an abandoned jailhouse. After examining Reverend Sullivan's OIC program, she returned to Alabama and decided to locate the hub of her center in Montgomery because that is where the jobs were, she said.

In the early days, Mrs. Harper had quite a struggle. Yet, she had her dream, her determination, and the strong support of her family. At that time, she had no office, but she frequented pool halls and alleyways, talking to drunks, prostitutes, and pimps trying to convince them that there were greater opportunities available. She says that her lucky day came during a thunderstorm when the sympathetic pool hall owner allowed her to use a cluttered storage room, which she later transformed into an office. Yet, she needed more money. Knowing nowhere else to turn, Mrs. Harper decided to visit former Gov. George C. Wallace. At that time, Wallace was between terms. Mrs. Harper asked the Governor for whatever help he could provide. He explained that he could not help the OIC because he was not in office. She persisted, and the Governor dug into his own pockets and gave her $40, the last money that was in his billfold.

Since that time, Mrs. Harper has taught more than 10,000 students basic work skills and has helped to find them jobs. Over the years, the Central Alabama OIC has provided skills training in many areas including, but not limited to, commercial sewing, commercial cooking, secretarial science, clerk typing, graphic technology, welding, carpentry, rough brick masonry, electricity, plumbing, cashier/

sales, as well as many others. In addition to the skills training, it has provided prevocational training in such subjects as communication skills, computational skills, consumer education, minority history, personal hygiene, and many others. A unique feature of the instructional program has been training in job survival skills. Counseling is another unique feature of the program. It is ongoing and includes the total person.

The program has been, through the years, one of the most successful in the Nation. In 1984, the center received the Distinguished Performance Award for the training and placement of youth in the area. Their placement rate is incredible; 98 percent of the people who participate in the program find jobs.

However, Mrs. Harper has said that, while they have crossed the river, the ocean lies ahead. Her present goal is to develop a community foundation that will provide technical and financial resources which will enable them to develop human talents of young people to their greatest potential. And the OIC always devises new ventures with which to help the citizens of Alabama. Among these are an early childhood development center, a nutritional enhancement program, and other economic ventures.

Mrs. Harper has received much recognition for her great efforts in the last few months. One of the most rewarding for her must be the Consuello "Connie" J. Harper Complex, a 10,000-square-foot job training center which was dedicated in July of last year. This is a long way from the office she had in a pool hall on Lawrence Street in 1968. Mrs. Harper was also named one of the Women of Achievement for 1986 by the Montgomery Advertiser and the Alabama Journal. In early July, of this year, she was cited by Newsweek magazine as one of Alabama's unsung heroes.

Yet, I believe that perhaps the greatest recognition which Connie Harper could ever receive is the thanks and the praise of the thousands of young people she has helped to help themselves. Mrs. Harper has done great deeds for the people of Alabama. Her tireless energy and work has helped both her community, and industry of the area. I commend Mrs. Harper for her dream. I admire her for her efforts. All of Alabama and America are in her debt, for she has helped others to participate in the American dream.

Mr. President, I ask unanimous consent that the attached newspaper and magazine articles appear in the Congressional Record. They describe the outstanding achievements that Mrs. Harper has made through her work over many years. I believe that each of my colleagues will find them inspiring.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From Newsweek, July 6, 1987]

### Forty Dollars and a Cause

In 1968 a sharecropper's daughter named Consuello Harper made a visit to Gov. George Wallace. She asked his help in her crusade to preach self-help to poor Alabama blacks. Wallace fished $40 from his pocket—a gift that enabled her to move her "office" out of a ghetto pool hall. Today Harper, 57, operates a $600,000 job-training center in Montgomery, thanks to her ingenuity at wheedling funds from rightwing politicians. "If I thought I had a noble cause," she says, "I'd go to the Ku Klux Klan."

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[From the Montgomery Advertiser, July 1, 1987]

### National Magazine Dubs Connie Harper Alabama's "Hero"

(By Laurie Wood)

Although at times Connie Harper may have felt she would place last in a popularity contest, she held onto her beliefs.

In fact, making her dream of a self-help program a reality in Montgomery resulted in Harper being named Alabama's "unsung hero" in the July 6 edition of Newsweek, which went on sale Monday.

Harper, the founder and director of the Central Alabama Opportunities Industrial Center Inc. (OIC), was cited for her work in finding and operating the job training center for the unskilled and unemployed, Neil Hershberg, Newsweek's editorial communications manager, said.

The center was started in 1968 as a program to help black dropouts learn work skills and finding employment.

A teacher in the Macon County public school system in the 1960s, Harper was appalled that there were children attending school who could not read or write.

"There were children who lived on plantations, whose families were sharecroppers, and they didn't attend school until after the cotton was picked," she said.

"I didn't like that . . . Here I was, a teacher, talking about the school system. I wasn't too popular with my philosophy."

She started an early childhood development program, held after school in an old church near her home in Shorter.

Her interest in youth and the elderly led her to be selected to participate in the Ford Foundation's leadership fellows program in 1968.

The foundation was searching for individuals who possessed potential leadership qualities, but had a lack of skills, Harper said. Her fellowship allowed her to design a program and develop it.

She took a year's leave from the school system and, among other places, went to Philadelphia and visited the Rev. Leon Sullivan, who had started an Opportunities Industrial Center in an abandoned jailhouse.

Harper's dream was to found a rural OIC. She said Sullivan asked her how she could start a rural OIC.

"He said, 'You're rural and you have no industry,'" Harper said. "We have people,' she replied.

Harper broke her teaching contract and left in the middle of the school year to pursue her goal. She decided to locate the hub of her center in Montgomery because that's where the jobs were, she said.

She frequented poolhalls and alleyways, talking to drunks and pimps. Nine years later, the center is doing "fantastic" she said.

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[From the Birmingham News, July 1, 1987]

### Anti-Welfare Woman Saluted for Motivating 10,000 to Pride and Work

Montgomery.—Newsweek, in its July 6 edition, recognizes as an unsung hero a "very anti-welfare" Alabama woman who has taught more than 10,000 people a trade, motivation and pride.

The magazine is saluting one person from each state and the District of Columbia who has made significant contributions. Its choice from Alabama is Consuello "Connie" Harper, a former Macon County school teacher and wife of Macon County Commissioner Socrates Harper.

Mrs. Harper, one of 10 children of an illiterate sharecropper, has no use for welfare—a view that has put her at odds with black leaders.

"I'm very anti-welfare, and I've been threatened by civil rights groups that say you don't say these things, that the government does owe us. I don't believe this," she said in an interview Tuesday.

"I've always felt very strongly that from an economic standpoint, there would never be any civil rights unless they were based on economic stability."

Mrs. Harper said she is "really surprised" at being singled out by Newsweek. "I've enjoyed it all. You could say it was my mission."

In 1968, she started the Central Alabama Opportunities Industrialization Center in the back room of a Montgomery pool hall to teach poor blacks and farm workers in 10 counties.

Rejecting the theories of Great Society welfare, she has used state and federal funds to teach more than 10,000 people a trade. Her program's successes have been marked by a job-placement rate of 95 percent and the construction of a $900,000 training center last year across the street from a housing project in West Montgomery.

"The first day I walked into the pool hall and saw everybody high, I knew I had to do something," Mrs. Harper said. "It hasn't been easy, but I don't regret it because all these people are now making contributions."

Among her biggest supporters she counts several Republicans, including Montgomery Mayor Emory Folmar, who arranged $100,000 in city funds for her new building, and state Rep. Bob McKee of Montgomery.

"If we had more like her we'd all be better off. She has gotten thousands off welfare and the streets and turned them into taxpayers," McKee said.

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[From the Montgomery Advertiser, July 1, 1987]

### State Hero Honored

An Alabama woman who has made a career of teaching the poor how to get jobs and get off welfare is being honored by Newsweek magazine as one of America's unsung heroes.

In its July 6 edition, Newsweek will recognize one person from each State and the District of Columbia who have made significant contributions. The magazine's choice from Alabama is Consuello "Connie" Harper, a former Macon County school teacher and the wife of Macon County Commissioner Socrates Harper of Shorter.

In 1968, she started the Central Alabama Opportunities Industrialization Center in the back froom of a Montgomery pool hall to teach poor blacks and farm workers in 10 counties.

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[From the Birmingham Post-Herald, July 6, 1987]

### She Sows Seeds of Hope

(By Debbie Kloha)

Connie Harper had been a Macon County schoolteacher for 12 years when she walked out of her classroom the last time.

"I knew those young people didn't need me as much as those kids who dropped out of school," Mrs. Harper said. She then began working to persuade young pool hustlers, prostitutes and drug addicts to get off welfare and join the work force.

Mrs. Harper began the Central Alabama Opportunities Industrialization Center in the back room of a Montgomery pool hall in 1968, and today she oversees a million-dollar job training center that was built with federal, state and local funds.

Mrs. Harper's efforts were recognized this week in a Newsweek magazine article praising the unsung heroes of America. The magazine selected an unsung hero from each state and the District of Columbia based on each one's efforts to improve his or her community or to overcome personal adversity.

"It's very exciting, very humbling to get this (award)," said Mrs. Harper, 57, in a telephone interview last week.

Mrs. Harper, whose father was a sharecropper, learned the work ethic at an early age. She tries to instill this work ethic—and a disdain for welfare abuses—in the young trainees who come to her center.

"Those government benefits are for the needy, not the greedy," Mrs. Harper says.

After a few months of preaching her message of self-help from a back storage room of one of the ghetto pool halls she so despised, Mrs. Harper expanded to a larger room in the Red Bell Cafe in Montgomery.

But she wanted more. That first year she went to former Gov. George Wallace for help.

Wallace was one of the first people in 1968 to donate money. "He pulled $40 out of his pocket and I grabbed it," she said.

She went to politicians all over the state, as well as national figures, stressing the need to build a strong job program in Alabama.

The 16- to 21-year-olds in the program learn how to fill out a job application, how to conduct themselves in an interview, and how to keep a job.

"We tell them the boss may not always be right, but he's still the boss," Mrs. Harper said.

So far this year the center has placed nearly 100 percent of its graduates. Their average starting wage, Mrs. Harper says, is a little more than $4 per hour.

Mrs. Harper's next goals are to help women who want to start their own businesses and to build housing for the elderly. She has applied to HUD for 30 housing units for the elderly, and expects a response by the end of September.

But for now, Mrs. Harper leaves no doubt about what her mission is.

"We want kids who want to be helped," she said. "We are motivating (them) by changing their attitudes.

"I tell them, 'No one owes you anything but an opportunity.'"

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[From the Alabama Journal, June 30, 1987]

### Newsweek Honors Harper as 1 of Nation's 51 Unsung Heroes

(By John Jackson)

A Shorter woman who has been teaching Montgomery's poor how to get and keep jobs for almost 20 years is being honored as one of 51 unsung American heroes in the July 6 edition of Newsweek magazine.

Consuello "Connie" Harper started the Central Alabama Opportunities Industrialization Center in 1968 in the back room of a pool hall in Montgomery to teach job skills to poor blacks and farm workers in 10 counties.

Now more than 10,000 people have been trained at the center, which has such an effective placement program that almost 100 percent of the people who attend classes at the center have gotten jobs.

Newsweek's "Celebration of Heroes" honors 51 Americans, one from each state and the District of Columbia. But the magazine also salutes "countless individuals across America who are similarly trying to improve their communities or help those less fortunate than themselves," according to a Newsweek press release.

Each of the honorees was chosen for "struggling against personal hardship or adversity," for "extraordinary courage to help others" and for performing "community service at some sacrifice to themselves," according to Newsweek.

"I'm really very surprised," Harper said in an interview today. "I've enjoyed it all. You could say it was my mission."

Harper, whose father was a sharecropper, grew up in a family of 10 children.

She attended Tuskegee Institute. Her husband, Socrates Harper, is also a Tuskegee alumnus.

Both became teachers, and her husband is now retired and a Macon County Commissioner.

She taught in Macon County schools for 12 years before starting Central Alabama OIC.

When she started the program, she taught job skills to the underprivileged in a pool hall, a beauty shop and churches.

Former Gov. George Wallace was one of the first people to donate money to the center.

"The first day I walked into the pool hall and saw everybody high, I knew I had to do something," Harper said. "It hasn't been easy, but I don't regret it because all these people are now making contributions."

The center's new building on Mobile Road opened last summer.

At the center, young people ages 16 to 21 are taught job survival skills, including how to fill out a job application, how to have an effective interview and how to keep a job after they've gotten one.

Harper was one of 10 Montgomery women chosen in March for the 1986 Women of Achievement Awards, sponsored by The Montgomery Advertiser and The Alabama Journal.

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[From the Montgomery Advertiser, July 1, 1987]

### National Honor

Consuello "Connie" Harper, the Shorter woman who has been teaching job-seeking skills to Montgomery area poor people for almost two decades, is receiving national recognition for her efforts.

Mrs. Harper, who was one of 10 Montgomery women who received in March a Montgomery Advertiser Women of Achievement Award, will be honored as one of 51 unsung American heroes in Newsweek magazine's July 6 edition.

More than 10,000 people have been trained at Mrs. Harper's Opportunities Industrialization Center. The operation which she began in the back of a Montgomery pool hall in 1968 teaches how to complete job applications, interview skills and job-retention techniques.

The center now has a new building on Moblie Road in Montgomery.

Newsweek chose an honoree from each state based on each one's effort to improve communities and help those less fortunate. Harper grew up in a family of 10 headed by a sharecropper, became a teacher, and worked in Macon County schools for 12 years before she started Central Alabama Opportunities Industrialization Center.

The job placement rate for OIC's 16 to 21-year-old clients has been near 100 percent.

Mrs. Harper richly deserves the national honor. Montgomery should be proud of her work to make useful, working citizens of a generation of young people who otherwise might never have become productive residents of the city.

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### Wallace's Gift Helped Woman Start Job Program

(By Nick Lackeas)

It was drizzling rain outside as Connie Harper waited in the small corridor to see the governor.

It was a Friday afternoon, former Gov. George C. Wallace's last working day. She had come to say goodbye.

An aide appeared in the doorway, wheeling Wallace into his office. He stopped.

"Good to see you, Connie," Wallace said, smiling. He took her hand.

Harper replied: "I just wanted to holler at you, darling."

They chatted and then she watched, her eyes moist, as Wallace was wheeled away.

Wallace had given her the first $40 in donations in 1968 to start a program to help train black dropouts how to get and hold jobs. A few years later her program became the Central Alabama Opportunities Industrialization Center Inc., of which she is founder and executive director.

Other donations followed, including $35,000 Wallace gave her in the early 1970's at the national OIC conference in Atlanta, prompting her to kiss him on the cheek—a kiss that northern blacks criticized her for when the picture ran in newspapers across the country.

Harper refused to apologize. Her governor was her friend.

A decade later in 1985 she built her school on Mobile Road from donations.

The building was the dream of Harper, who was born Consuello Jenkins in Baldwin County and grew up in Loxley. Her parents, John Wesley Jenkins and Amelia Taylor Jenkins, were sharecroppers who later owned their land.

Her father arrived in the county when the century was young. He was running away from a plantation in Sugar Lock, Miss.

"That was down in the delta. The white land owners had other blacks catch you and whip you if you tried to leave. They would gang-slang you—whip you with chains. There were 10 of us children. My father told us how they beat him and threw him on a train."

He was thrown off the freight train in Baldwin County.

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"He was found in the woods by Mr. Malbis, a Greek immigrant," she said. Jason Malbis, a Greek Orthodox monk, had come to Mobile in 1906 and started the Malbis Plantation across the bay near Daphne.

"Mr. Malbis sneaked food to my father and built a little shelter in the brush for him until he got his strength back."

It was dangerous to aid a black runaway.

"I remember putting my hands on the big whelps on his back where they had whipped him with the chains. He said: 'You are never to hate people for this.' "

Her father died when she was 5, and her mother ran their farm.

In the early 1950s, Harper attended Tuskegee Institute, where she met her husband, Socrates Harper. They both became teachers. She taught third and sixth grades in Macon County for 12 years, quitting in 1968 to drive to Montgomery every day to help black dropouts.

"I started out on Monroe Street, talking to pimps, prostitutes and winos."

She talked to blacks on "the streets" until a pool hall manager let her use the back room for self-help classes. She later used other locations, such as Dexter Avenue King Memorial Baptist Church and Dorothy's Beauty Shop on Monroe Street.

That first year she went to Wallace for help.

"He was not governor then, but he had an office on Norman Bridge Road. The receptionist wouldn't let me see him, but he overheard me and said, 'I'll see her," He gave me two $20 bills. He said it was the last $40 that he had with him. That was my start."

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[From the Montgomery Advertiser and the Alabama Journal, Mar. 22, 1987]

### Ten Who Helped Shape Our Community

"Beyond the norm."

That phrase, used in letters from Montgomery Advertiser-Alabama Journal Publisher Dick Amberg when announcing the newspapers' 10 Women of Achievement for 1986, describes the single similar element among that diverse group.

The honorees are Ellen I. Brooks, Mary Ann Neeley, Nellie Weil, Alice Reynolds, Joyce Hobbs, Margaret Carpenter, Arthur Mae Norris, Connie Harper, Faye Baggiano and Anita Folmar.

While they often represent the best in their particular business or interest, they were chosen because they went "beyond the norm."

They are educators, lawyers, volunteers, public servants and businesswomen. Many of them are mothers and wives. During interviews with Montgomery Advertiser staff reporters, several themes recurred as they discussed what makes them successful. In many cases, they also explained why they are willing to work 10 and 12 hour days each day to see that the Montgomery community is all it can be.

One of the winners says, "It would be a mistake to ever be satisfied."

A second is often strained by the demands on her, but doesn't believe in "closing doors."

A third agrees that being an achieving woman is a draining task, but said the personal rewards and the benefits for the community are worth it. "Everything you do in life prepares you for something else later," she said.

Perhaps the best indicator of why the Advertiser-Journal's Women of Achievement have been winners in all facets of their lives comes in a comment from one of the 10:

"When you help your community," she said, "you help yourself."

To find out more about this year's honorees, please see pages 6G and 7G.

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[From the Montgomery Advertiser and Alabama Journal, Mar. 22, 1987]

### Connie J. Harper: Instructor in Self-Help

(By Amy Herring)

It was shortly before 9 a.m. on March 17 and Connie Harper was trying to help an unemployed, 18-year-old Lowndes County mother who couldn't depend on the luck of the Irish to find her a job.

Harper ricocheted through the Opportunities Industrialization Center and silenced an employee who was trying to explain that the woman had no transportation to Montgomery and no one to keep her baby while she went on the job interview.

"We'll just have to go and get her, and tell her she can keep her baby here," Harper said. "Call and tell them she is coming, but will be a little late. She has no visible means of support. She needs this job."

Consuello "Connie" J. Harper has changed little since 1968, when she began teaching and preaching self help to blacks from a smoke-filled pool room on the corner of Monroe Street.

"I was telling the drunks, the pimps and the winos they could be somebody—that they didn't have to be prostitutes, they didn't have to be on welfare," the 58-year-old Harper said.

In the middle of the 1969 school year, Harper's obsession with finding work for others led her to quit her Macon County teaching job.

"My husband thought I was crazy—we had two small children to feed," Harper said. "But I knew I either had to quit or get fired because the superintendent in Macon County didn't agree with my philosophy."

Harper said her lucky day came during a downpour when the sympathetic pool hall owner allowed her to use a cluttered storage room, which she later transformed into an office.

Harper then faced her second problem—money.

The year was 1969 and, in what was considered a useless if not dangerous move, Harper decided to visit former Gov. George C. Wallace. At the time, Wallace was between terms and gearing up for what would become one of the most racially divided gubernatorial races in the state's history.

Wallace saw Harper and said he understood her dilemma, but he explained that he couldn't help OIC because he wasn't in office.

Harper persisted, and the governor dug into his own pockets and gave her $40.

When Wallace returned to office in 1970, Harper made another visit.

"And from that day on I was able to get appropriations," Harper said.

Harper's dream came true last year when the Consuello "Connie" J. Harper Complex of the Central Alabama Opportunities Industrialization Center, Inc. opened its doors.

"This was my dream," Harper said as she gave a guided tour of the multipurpose center, pointing proudly to certain areas much like a grandmother showing pictures of her grandchildren.

The center, according to Harper, would not have been built without the support of local, state and federal officials.

The Alabama OIC, with or without the complex, is a success story that often goes unnoticed in a society where people would rather talk about the number of winos loitering at the pool hall than the number of kids for whom Harper and OIC have found a job.

Currently, the center's success rate stands at 98 percent, one of the highest in the nation and significantly higher than any other similar program in Alabama.

## JESSE COOKE

Mr. DOLE. Mr. President, in 1938 Congress passed the Javits-Wagner-O'Day Act to provide employment opportunities for blind, multihandicapped blind and other severely handicapped individuals throughout the United States. This program still continues and provides many individuals who either cannot work competitively or who require a transitional work environment before moving into competitive employment an opportunity to test their skills and gain some measure of self-sufficiency.

Each year the national industries for the blind, a central nonprofit agency for workshops participating in the Javits-Wagner-O'Day Program, selects one outstanding blind worker as the Peter J. Salmon National Blind Worker of the Year.

This year I am happy to announce that Mr. Jesse Cooke of Wichita, KS has won the award. Mr. Cooke presently works at Wichita Industries and Services for the Blind, Inc. where he helps assemble over 45 varieties of pens, and binds and boxes paper towels. Mr. Cooke became blind during his teenage years because of hydrocephalus. Jesse had to battle back from the results of the hydrocephalus and the subsequent surgeries. Because of his personal courage and the support of his loved ones and colleagues at the Wichita facility today he is a highly productive and motivated young man who is working his way into competitive employment.

Jesse is now married and very active in his local church where he and his wife, Diane, help when they can. They especially enjoy Saturdays and Sundays when they have a chance to babysit children whose parents are volunteers in other church activities.

While recognizing Jesse I cannot forget Linda Merrill, president of Wichita Industries and Services for the Blind, Inc., and her staff and the other employees of the facility who worked hard to help Jesse become the young man he is today. Their continuous care and concern for Jesse and all the Jesses of the Wichita area have made a difference.

## UNIVERSITY OF NEVADA SCHOOL OF MEDICINE

Mr. HECHT. Mr. President, the University of Nevada School of Medicine is a young, dynamic institution which offers diverse educational opportunities to Nevadans. The school conducts

premiere scientific investigations, contributing to the quality of health care delivery in Nevada. The Medical school works with State and private agencies to enhance the overall quality of health care delivery in Nevada and the overall quality of life of Nevada's citizens.

With a visionary look to the future, the School of Medicine had developed progressive programs in nutrition and geriatrics and has incorporated the teaching of ethical decision making into many aspects of its curriculum. On the scientific front, the school has gained a national reputation for its faculties work in smooth muscle physiology and pharmacology and in virology and immunology. The school offers the State's only program in speech pathology and audiology and has a well developed program in medical technology.

Nevada's School of Medicine is proud of its affiliations with hospitals statewide. These hospitals provide the clinical resources necessary in planning high-quality, diverse educational opportunities.

Its students are the school's greatest resource. They are capable, talented men and women who have demonstrated not only their academic talents but also their ability to relate to people as compassionate care givers. It is this releationship—the doctor/patient relationship—which the University of Nevada School of Medicine sees as tantamount in the preservation of medicine as the noblest and most exciting of all professions.

## FEDERAL TRIANGLE DEVELOPMENT ACT

(Note: In the Record of August 3, 1987 on page S11174, the name of Mr. Gramm was inadvertantly listed as cosponsor of the committee substitute for S. 1550, the Federal Triangle Development Act, in lieu of the name of Mr. Graham. The permanent Record will be corrected accordingly.)

Mr. SANFORD. Mr. President, I think the order now is to proceed with the nominations.

Mr. LEVIN. Then I think we had better put in a quorum call.

Mr. SANFORD. I have a remark or two to make while we are getting the necessary parties here.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina.

Mr. SANFORD. Mr. President, I ask unanimous consent that I be permitted to proceed as in morning business.

## THE PURSUIT OF PEACE

Mr. SANFORD. Mr. President, we have heard this week of a new Central American peace proposal put forth by the Reagan administration. It is encouraging to see the administration join the call for a negotiated settlement in Central America, and I am hopeful that their involvement will hasten the peace process already underway.

It is essential, however, that we not divert our attention and our support from the important peace initiative that the Central Americans themselves have launched and are actively pursuing. This peace process will advance tomorrow, as the five Central American Presidents hold a summit meeting in Guatemala City, Guatemala. I am firmly convinced that this initiative is our best hope for peace in the region. It deserves our complete and unwavering support.

The Arias initiative has already had its first success: it has brought the Nicaraguans to the diplomatic table. The United States spent 5 years and hundreds of millions of dollars in aid to the Contras, with the ostensible purpose of pressuring the Sandinistas to come to the negotiating table. Now they are there.

Earlier this year, President Oscar Arias of Costa Rica, came forward with a peace initiative, one that calls on his Central American neighbors to join together to seek a regional solution to their regional problems. Now, only a few months later, the Nicaraguans have come to the diplomatic table. Last week, Nicaraguan Foreign Minister Miguel d'Escoto joined his colleagues for preliminary talks, and tomorrow, President Ortega will join the other Central American Presidents in a summit meeting to discuss the Arias initiative.

Sitting down to talk is a long way from reaching an agreement, but it is an essential and much desired first step. That President Arias and the other Central American democracies were able to achieve this crucial first step is much to their credit. They have done in a matter of months what a purely military policy could not achieve in years.

This initial progress has further convinced me that the Arias plan can work, that it can succeed where other initiatives have failed. Why? First and foremost, because it is an indigenous Central American initiative. The Central Americans themselves have taken charge of their own destiny and are working to resolve their own conflicts.

Frankly, their obstacles are large. The roots of the conflicts are deep. These Central American leaders must overcome decades of armed conflicts and political struggles. They must resolve tense and difficult questions about the role of the military in society, about amnesty for former combatants, and about competing claims for land, scarce resources, and political representation.

We need to be respectful of the task facing these heads of state. We need to remember that the path to peace is long and rocky, that it requires determination and patience. We hope to see real progress from this week's summit, but we must realize that peace and democracy cannot be achieved overnight. A successful summit is one that establishes areas of agreement, makes real progress toward achieving a cease-fire, and paves the way for further productive talks.

The most important thing that we ask of the Central American Presidents is that they show a sincere commitment to a peaceful resolution of their internal and regional conflicts; that they make their best-faith efforts to achieve the objectives that they adopted in the Arias plan; and that they move forward, without, undue delay, to the next phase of the peace process.

I wish the Central American Presidents the best of luck as they undertake their negotiations. I will be watching with great hope for good news from Guatemala.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. Without objection, morning business is closed.

## EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session to proceed to the consideration of the nomination of David S. Ruder of Illinois to be a member of the Securities and Exchange Commission.

Time for debate is limited to 1 hour and is equally divided between and controlled by Senator Proxmire and Senator Garn.

## SECURITIES AND EXCHANGE COMMISSION

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk read the nomination of David S. Ruder, of Illinois, to be a member of the Securities and Exchange Commission.

Mr. PROXMIRE. I yield myself 3 minutes.

Mr. President, David Ruder was born and grew up in Wisconsin. He is in Illinois temporarily, for the present.

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But I oppose the confirmation of the nomination of David Ruder to be Chairman of the SEC, and here is why:

Mr. Ruder brings to the office no record of administration of any Government agency or any private business. He was the dean of a fine law school at Northwestern University. He has written with impressive understanding about the securities laws. He has taught securities law at the Northwestern University Law School. He is an academic and a very good one.

The SEC is the country's principle enforcement agency with respect to the Nation's securities markets. Insider trading and securities fraud plague our securities markets today more severely than any time in the past 50 years. The success of our capital markets relies squarely on the public perception of their integrity. The obvious public perception today is that fraud and deception driven by manipulative hostile takeovers and insider trading are rife. Officials of some of the country's most respective and prestigious securities firms have been led off to prison in handcuffs. We have seen those pictures on the front page of the New York Times. The evidence indicates that our capital markets are awash in securities crime.

A scholarly professor of securities law with little or no experience in the capital markets in any capacity would have trouble restoring public confidence in the market under any circumstances. But when that professor brings to the chairmanship in this year 1987 no record of any concern about securities fraud or the abuses involved in insider trading, it is impossible for this Senator to vote to confirm his nomination. What the SEC needs as Chairman is a tough, no nonsense enforcer. A law professor who had demonstrated support for vigorous enforcement would deserve consideration. But a professor who has written about the securities laws for years without expressing support for vigorous enforcement will not have this Senator's confirming vote. Indeed, Mr Ruder has criticized the SEC for being too zealous in their enforcement. This is not the kind of enforcement chief we need under the present circumstances, and I will vote to oppose the nominee.

I must say, in all fairness, that his nomination was reported by our committee with a 17-to-3 favorable vote. I was in a small minority; but, as I believe John Steward Mill once said, "One in the right is a majority." Some people say that one in the right who is wrong is, I guess, a nut. But in this case I am sure I am a majority. I will let it settle right there.

Mr. GARN. Mr. President, I support David Ruder for this very important position.

I remind the chairman that he may think he is in the majority now. But in the confirmation hearings for the new Chairman of the Federal Reserve Board, Alan Greenspan, the chairman—as he has always been—was very forthright, very direct, and very honest. In these hearings, he stated that he had voted against Mr. Greenspan to be Chairman of the Council of Economic Advisers but, by looking backward, he had made a mistake.

I have always appreciated in my friend from Wisconsin that when he makes a mistake, he is willing to admit it; and I would expect that in the future, after Mr. Ruder has performed very well, Chairman PROXMIRE will once again have to stand up and say he made a mistake.

I rise to enthusiastically support David S. Ruder, who has been nominated by the President to succeed John Shad as the Chairman of the Securities and Exchange Commission. I believe that a review of Mr. Ruder's academic and professional accomplishments recommend him to the position for which he has been nominated.

The issues confronting the SEC at this point in time are numerous and complex. The Senate Banking Committee, like the SEC, must also grapple with these issues. In the upcoming months Congress will address legislative proposals which will affect battles for corporate control, corporate governance, insider trading and a host of other less publicized issues. The SEC will similarly be faced with increasingly complex regulatory issues, and the decisions made by the Commission are vitally important to our Nation's economic well being. I hope and fully expect that Mr. Ruder will provide Congress with the input it shall need to enact carefully crafted securities legislation and will provide the SEC the leadership which it needs to ensure that the American capital markets are the safest, soundest and most liquid in the world.

We are fortunate to have an individual of Mr. Ruder's caliber make a commitment to public service. I look forward to his confirmation and to his future appearances before the Banking Committee.

Mr. President, I repeat what the chairman has said—that it was a rather overwhelming vote in the committee, certainly a bipartisan vote, 17 voting in favor of his confirmation and only 3 against. I expect that he will do an excellent job in this position, although John Shad's shoes are hard to fill. I think everybody would agree that John Shad had a remarkable record in the 6 years he was Chairman of the Securities and Exchange Commission. I expect that Mr. Ruder will do equally as well.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from North Carolina.

### IS DAVID RUDER TOUGH ENOUGH TO BE CHAIRMAN OF THE SEC?

Mr. SANFORD. Mr. President, I rise in opposition to David Ruder's nomination to be Chairman of the Securities and Exchange Commission. I have entitled my statement "Is David Ruder Tough Enough to be Chairman of the SEC?" While Mr. Ruder does have respected academic credentials and an extensive record of publications on the securities laws, he is simply not the right person for the SEC in this era of rampant hostile takeovers and constantly unfolding scandals of insider trading.

Indeed, before January 1984, there had been only 12 insider trading cases brought since our securities laws were written. But since January 1984, over 50 insider trading prosecutions have been brought, and we are told that this is only the tip of the iceberg. At a time when insider trading has become so widespread on Wall Street, we need to bring to the helm of the SEC someone with a clear record of commitment to tough enforcement of our securities laws.

But what do we find when we examine David Ruder closely? We find a man who has written numerous articles criticizing the SEC for its "zealous" use of rule 10(B)(5), the principal legal tool used to attack securities fraud. We find a man who has criticized the SEC for its use of the "misappropriation theory," which provides a cause of action based on a misappropriation of the proprietary information of a corporation. This misappropriation theory has been the key to some of the prosecutions of impermissible insider trading. We find a man who, when asked whether he would support U.S. Attorney Rudolph Giuliani's recommendation that stiffer sentences and harsher fines be imposed for insider trading, states that the current 5 year maximum sentence is "a long sentence by white collar crime standards."

Certainly, at a time when the SEC desperately needs a strong enforcer, the White House has instead put forward a man whose commitment to enforcement can only be called wanting.

And what do we find when we examine Mr. Ruder's views of the takeover mania that has been sweeping the country? We find a man who thinks it is acceptable to place corporations in so much debt that they cannot fund research and development activities or capital improvements essential to keeping our industries competitive, leaving thousands of workers out of a job, and stealing funds from their pensions. We find a man who believes that if the price per share is up, all must be right with the world. We find a man who favors virtually no change to our takeover laws, who when asked about the huge short-swing profits made by

raiders like Boone Pickens and Carl Icahn replies that they deserve to make millions, even in unsuccessful bids, for their part in identifying corporations whose stock may be undervalued in the market. That is a high fee for identifying something that any junior accountant can see.

Indeed, our prime concern must be with Mr. Ruder's philosophy. He clearly lacks a broad view of our corporate world. He appears to believe that the only rights that need to be considered are those of the shareholder. That view is no longer legally valid or realistic, if it ever was. It is quite clear that corporations and the capital markets surrounding them serve a broader purpose than enriching the shareholders. Corporations have a responsibility to a wide constituency—employees, customers, the communities in which they are located, and the competitiveness of corporate America. They serve, and are, the financial backbone of the country.

Dean Ruder is a splendid gentleman. He has an excellent reputation in the academic world. He was considered to be a very fine law school dean. I liked him very much on first meeting him, and I have great respect for him. But he is not the man for the job. We need a tough and activist SEC Chairman.

I do not expect his nomination to be rejected. I certainly have not intended to mount an all out effort to defeat his appointment, but I do hope he will reexamine his stance on insider trading and takeovers. And I would be very happy, as the ranking member of the Banking Committee suggested, to admit that I am wrong. I hope I do turn out to be wrong. I hope he does reexamine his stance. I hope he does take an up-to-date view of the corporate world.

At a time when our capital markets are damaged by ever unfolding stories of insider trading, and our corporations as a result of unwarranted takeovers are increasingly transferring equity to debt, the SEC and corporate America deserve a tougher Chairman. We need a Chairman willing to protect this Nation's businesses from the ravages insider trading and hostile takeovers have wrought.

Thank you, Mr. President.

I yield.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from Alabama.

The PRESIDING OFFICER (Mr. HARKIN). The Senator from Alabama is recognized.

Mr. SHELBY. Mr. President, I rise today to ask my colleagues to support the nomination of Mr. David Ruder as Chairman of the Securities and Exchange Commission.

Mr. Ruder, I believe, and it is unquestioned, has excellent academic credentials, and I am impressed with his theories and a lot of his writings concerning the regulation of securities trading. He is a man of unquestioned integrity. He has a brilliant academic record. As the former dean and now a professor at Northwestern Law School in Chicago, he is well respected in his field. I believe that he will bring to the Securities and Exchange Commission some new blood and some new ideas.

But, as he said in the Banking hearings when we had hearings on his confirmation before the Banking Committee that I serve on with some of my colleagues who have just spoken here, he will vigorously pursue the insider trading scandals that have crowded Wall Street in the past several years. He also said he will work vigorously with the U.S. attorney who has done a tremendous job in ferreting out a lot of these abuses here.

I believe that Mr. Ruder, although he has big shoes to fill, can fill these shoes and that he can show that you can adapt some practicality to a lot of the theories that he has been teaching.

I believe that the SEC led by its Chairman has to be the dominant force in enforcing insider trading and other securities laws.

I trust and I believe by my support of Mr. Ruder that he will bring this new dimension an added dimension to the Securities and Exchange Commission because of so many problems that are going on in the securities field.

I urge my colleagues to join me in confirming Mr. Ruder.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GARN. Mr. President, I am happly to yield 7 minutes to the distinguished Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, I thank my friend from Utah and the ranking member of the committee for yielding to me.

Mr. President, as a member of the Securities Subcommittee of the Banking Committee, I rise today in opposition to the nomination of David Ruder to be Chairman of the Securities and Exchange Commission. I believe that Mr. Ruder's nomination to be our top securities regulator is quite clearly grounded in his laissez-faire ideology.

Prior to Mr. Ruder's nomination, there was considerable discussion about other candidates. It is my view this Mr. Ruder emerged as the leading candidate and ultimately got the nomination because he was viewed as the one who was less inclined to use the regulatory authority of the Securities and Exchange Commission.

Mr. President, I believe that a man who propounds such a laissez-faire ideology is simply not right for this particular job at this time.

There are two major issues before the SEC today: They are insider trading No. 1, and No. 2, corporate takeovers. On both of these critical issues Mr. Ruder is simply off the mark.

As we all know and as the distinguished chairman of the Banking Committee has so eloquently stated here this afternoon, Wall Street is currently beset by the most massive insider trading scandal in the Nation's history. The U.S. attorney in New York, Rudolph Giuliani, who is prosecuting the insider cases, and was thought to be a candidate for the Chairmanship of the SEC, believes that the scandal is much, much more pervasive than the indictments to date indicate. He advocates a drastic increase in penalties for insider trading violations as a deterrent to future insider crimes.

As Chairman of the SEC, Mr. Ruder will have direct responsibility for the SEC's enforcement action on insider trading. Yet, Mr. Ruder has told the Banking Committee that he believes that existing penalties are sufficient and that additional deterrents simply are not necessary, to use his words. Even more disturbingly, Mr. Ruder has written in ideological opposition to the legal theory on which the SEC has based many of its recent insider trading cases. I ask my colleagues at this time in history is this man the best choice to be our Nation's top securities law enforcer? I think not.

What about the question of corporate takeovers? The most important aspect for Mr. Ruder is that as far as he is concerned corporate takeovers result in shareholders being paid a premium price for their stock.

He maintained before the Banking Committee—and I think a fair reading of the transcript will indicate this—that all that matters is profit to the shareholders because a corporation's only duty is to its shareholders.

He does not consider the devastated communities, the layoffs, the debt, and the truncated research and development programs that have become commonplace as a result of corporations to either fight off takeovers or as a result of the actual takeover, attempt to be successful.

Mr. President, I would submit that Mr. Ruder's view of corporate takeover simply does not make policy sense, nor does it make legal sense. It has long been accepted and well settled in American law that corporations have a duty to others besides their shareholders. The Supreme Court held in the 1978 case of First National Bank of Boston versus Bellotti that "Corporations * * * are created by the State as a means of furthering the public welfare." That is their reason for being.

Indeed, in a celebrated case involving Wrigley Field in Mr. Ruder's hometown of Chicago—and I dare-say, as a distinguished dean of the North-

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western Law School, he referred to this case in his courses—a court upheld a decision of the corporation that owned the Chicago Cubs baseball team not to install lights at Wrigley Field. And why was the Cubs decision upheld not to install lights at Wrigley Field, even though it was shown that the shareholders of the corporation would have benefited by the income that night games would bring to the Cubs corporation? Because the directors of the corporation thought that the neighborhood, in their view, a constituency of the Chicago Cubs Corp., would deteriorate and would be harmed if the lights were installed. The court said, in what is considered one of the leading corporate responsibility cases, that it was appropriate to consider the corporation's duty to its community.

Mr. President, I submit that Mr. Ruder would do well to heed the reasoning of such cases. National security policy, in this Senator's view, should not be driven simply by stock prices. Clearly, the rights of shareholders do matter and they matter greatly. But communities have rights also, and so do employees and so do pensioners. Indeed, the country as a whole has an interest in the health, the vitality, and the competitiveness of our corporations. Corporations in this country control the lion's share of the means of production. They determine how effectively this country is going to compete, both domestically and internationally. They determine how well our economy will function and, in the final analysis, in large measure, they determine the quality of life of our citizens.

Yet, in the last 2 years, corporations have added almost 400 billion dollars' worth of debt, largely as a result of takeovers. Over the same period, Business Week, a noted business magazine, estimates that takeovers have resulted in 500,000 jobs being lost. Indeed, Dr. Alan Greenspan, the new Chairman of the Federal Reserve Board, among other noted economists, has expressed concern about the number of well-managed companies that have been subject to takeovers and about the enormous debt that that is building in the economy.

To think that takeovers are beneficial simply because stockholders are benefited with a high price for their stock, I think, obviously ignores the other effects of takeovers—effects that courts say should be considered in the context of good corporate governance; effects that certainly should be considered in the context of prudent national policymaking. To dismiss the broader issues and hide behind the so-called deficient market theory on stock prices indicates an ideological bent, a worshiping at the altar of the free market concept, that is not in keeping with what the times demand, and certainly is not in keeping with the mandate of the Securities and Exchange Commission.

The Williams Act, the Federal securities law governing the tender offer process, has been subject to much abuse in recent years. The Senate Banking Committee currently is considering reform legislation. But Mr. Ruder testified in opposition to nearly every provision of the takeover bill that is cosponsored by 10 members of the Banking Committee.

Mr. President, we need to send a strong signal to the administration and to the Securities and Exchange Commission that we are serious about legislating a takeover bill and, after we legislate it, seeing that it is enforced.

Even more importantly, we need to send a signal that Congress is serious about the enforcement of our existing securities laws. Public confidence has been seriously shaken by both the insider trading scandals and the takeover craze that have swept the corporate world. What we need now is rigorous enforcement by the Securities and Exchange Commission and not laissez-faire, do-nothing policies.

Mr. President, it is the perception of many of my colleagues on the Banking Committee that Mr. Ruder was chosen for ideological reasons. He was nominated because he agrees with the hands-off approach of this administration to hostile takeovers.

Mr. President, there is no doubt that Mr. Ruder is a distinguished scholar, that he does have superior academic credentials, but he was nominated primarily because of his ideology that dictates that he be a laissez-faire head of the SEC. And that is precisely the reason that I feel compelled to vote against him.

Mr. President, I yield the floor and I thank the distinguished chairman of the committee and the ranking member.

Mr. D'AMATO. Mr. President. I rise to support enthusiastically David S. Ruder as a nominee to the position of Chairman of the SEC. He will come to the SEC at a time when insider trading cases are threatening public confidence in Wall Street and Congress is considering new legislation that would impede corporate takeovers. He will also be asked to provide leadership during the Commission's consideration of a myriad of complex regulatory matters including, among others, one share/one vote, the internationalization of the securities markets and the structure of our own securities and options markets.

While the Commission will face many issues during Mr. Ruder's tenure, the Commission's most important function is to maintain investor confidence and safe and sound securities markets. These twin goals can be best accomplished through vigorous enforcement of the antifraud provisions of the Federal securities laws rather than through the promulgation of new rules and regulations. The vigorous prosecution of the antifraud sections of the securities laws—especially insider trading—was the hallmark of the SEC under John Shad's stewardship. I hope Mr. Ruder will share his strong commitment to come down with hobnail boots on fraudulent activity because John Shad's boots will be hard to fill.

I stress the enforcement aspects of the SEC because, quite frankly, his detractors have been critical of him for seeming to be less than a regulatory Rambo. Incidentally, these same critics voiced the same concerns about John Shad prior to his confirmation. I think such criticisms may be unfair in light of his distinguished academic and professional careers. I believe a fair reading of his prolific legal writings would lead any reasonable reader to conclude that he will be tough on those who seek to undermine the securities markets of this country. Hopefully he will continue to promote the tough cop image of the SEC.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from Michigan.

Mr. RIEGLE. Mr. President, I rise as the chairman of the Securities Subcommittee of the Banking Committee, and so I have given this nomination considerable thought, as my colleagues who have spoken have, as well.

During the Senate Banking Committee hearings on David Ruder's nomination, three Senators—Senator Proxmire, Senator Sanford, and Senator Sasser—all expressed serious misgivings about the confirmation of Mr. Ruder as the Chairman of the SEC and voted against his being confirmed. Their concerns fall into two categories.

First, Mr. Ruder has virtually no enforcement background at a time in the Commission's history when the Commission needs a very knowledgeable and tough cop on the beat.

Second, on the subject of corporate takeovers, with both the securities industry and the corporate community each telling us that legislation is needed in this area, Mr. Ruder has taken a hard line that nothing should be done expcept to close the 10-day window period. Even the opposing sides on this issue are agreed that more than that should be done.

And I must say that personally I am concerned that when he was asked his views on Glass-Steagall and whether or not he supported allowing banks additional securities powers, he had no views whatsoever on that subject.

So I share many of the reservations that have been expressed by Senators Proxmire, Sanford, and Sasser as well as other Senators who have spoken with me about the confirmation of Mr. Ruder to be the Chairman of the SEC at this very important time in its history.

Weighing these things and other things which I will shortly mention, I, nevertheless, reached the judgment to vote for Mr. Ruder in committee. I have sought to have this nomination brought before the full Senate today before the recess and I plan to vote for him today. I do so for a number of reasons.

Most importantly, the Commission badly needs a Chairman at this time to give the agency greater direction. There are simply too many important issues before the Commission to have the SEC without a sitting Chairman.

Furthermore, Mr. Ruder is an eminently qualified, highly regarded securities law professor. People may legitimately agree or disagree with his views on certain policy issues. I find myself in disagreement with some. But I think it is fair to say that his intelligence and his integrity are well recognized and widely respected.

As chairman of the Securities Subcommittee I believe that I will be able to work well with Mr. Ruder over the next year and a half on issues which we both recognize are extremely important and may include, first, preparation for regulatory initiatives to meet problems associated with internationalization of the securities markets; second, vigorous enforcement of the tender offer laws now on the books and any new ones that might be added; third, vigorous enforcement of insider trading regulation; fourth, increased protection for broker-dealer customers; fifth, continuation of a strong and effective disclosure system, including implementation of EDGAR, and there are others that I might list.

Finally, I have introduced, together with Senator D'Amato, S. 1380, the Insider Protection Proscription Act of 1987. Tomorrow we are holding additional hearings on this subject during which the SEC will testify and submit their views officially.

The next step will be to work out and incorporate the differences between these proposals.

Mr. Ruder has written in response to a question that I submitted to him at his confirmation hearing, of his concern, and I quote, that "the reach of the law as it currently exists should not be reduced but be expanded in certain respects and that fairness considerations be used."

I share those sentiments of Mr. Ruder's, and I am confident that we can work together within the context of S. 1380 to pass meaningful legislation in this Congress on insider trading; a step that I think is badly needed.

So, for these reasons I plan to vote for Mr. Ruder, and I am glad we are acting on this nomination before the recess.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. GARN. I would be happy to yield such time as the Senator from Illinois desires.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIXON. Mr. President, I rise in support of the nomination of David Ruder, to be Chairman of the Securities and Exchange Commission. He has been a distinguished professor at Northwestern University Law School since 1973 and was dean of the school between 1977 and 1985. Mr. Ruder has a strong securities background.

He has published over 40 articles on corporate and securities issues, and he has had significant securities litigation experience. He has been a member of the Securities Law Committees of the American and the Chicago Bar Associations, Legal Advisory Committee of the New York Stock Exchange, and the group of consultants to the American Law Institute's Federal securities law project.

In short, Mr. President, David Ruder is well qualified for the position of Chairman of the Securities and Exchange Commission. He has the experience. He has the expertise. And he has the qualities of judgment that are needed to succeed in that very difficult post.

He has an excellent reputation in Illinois and in legal circles generally.

Mr. President, I can say without reservation or hesitation that everyone in Illinois I have talked to about David Ruder enthusiastically supports his nomination.

I share the view expressed by some others that he will make a first-rate Chairman, and I am delighted to be able to support him today on the floor of the U.S. Senate, and I just want to say this briefly in conclusion.

I have heard some of my friends and colleagues I greatly respect expressing concerns about how forceful he will be as Chairman of the SEC.

I want to tell all my colleagues I am satisfied that they will be delighted with the advice of this man as Chairman of the SEC. He has personally told me that he expects to move on insider trader violations with great dispatch, and I support with all the enthusiasm at my command, Mr. President, the nomination of David Ruder to be Chairman of the Securities and Exchange Commission. I yield back such additional time as might have been accorded me, and I thank my colleagues.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the distinguished Senator from Colorado.

Mr. WIRTH. I thank the Senator for yielding me 5 minutes and appreciate the opportunity to say a few words in support of Dr. Ruder. I do not think anyone in the Chamber is questioning the academic credentials or the integrity of the nominee to be head of the SEC nor does anybody question the fact that this is a gentleman who is an expert in the law. He has worked through a vast number of the securities issues and is obviously a very distinguished scholar.

What we have here is some question about the role that Mr. Ruder apparently believes that the SEC ought to take. I am convinced from my own conversations privately and from the testimony that we received from Dr. Ruder during his confirmation hearings, that this is somebody who will, as he said he would, continue the vigorous enforcement program of the Securities and Exchange Commission.

From our perspective with oversight of the SEC is very good news.

We have had a long-term partnership between the Congress and the SEC in fashioning the direction in which the SEC goes.

In 1981, when the new SEC came in following the election of President Reagan they came and told us they could do more with less. They came in to deregulate and many of us thought that they were in much too much of a rush; they were giving away too much and the Congress came back and said: "Hey, wait a minute." We had the other Commissioners in here and had a discussion of their budgets in 1981 and 1982 and got them back into what I think is a very favorable and productive balance. That is the balance we have now between the changing nature of the marketplace and the traditional commitments to various ways of enforcement at the SEC. I think that balance is serving us well now, and I believe that Dr. Ruder will continue to carry out that mandate which I believe we have given him from the Congress.

Now, the question has arisen, is Dr. Ruder too protakeover.

I think it is very clear from his statement, from his testimony and from his record, that Dr. Ruder believes that his first responsibility is to protect the shareholder. That is, after all, the first and foremost responsibility of whoever is Chairman of the Securities and Exchange Commission. That is the basis and the most important responsibility that anybody at the SEC has.

The SEC was created with the mandate of instilling investor confidence. It started out with the purpose of assuring safety and soundness of our financial institutions. Most importantly, it was started out to assure that investors would believe that the market was honest, that it was a place in which they could safely put their money and they would be given a fair shake. So I believe that is the first and foremost responsibility.

Mr. PROXMIRE. Will the distinguished Senator yield? I hesitate to in-

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terrupt the Senator. Maybe he is coming to a second or third responsibility. But would not the Senator agree this is not the only responsibility of the SEC? It has responsibility to the community, employees, customers, and so forth?

Mr. WIRTH. I appreciate the chairman bringing those up. They are responsibilities. But, in terms of the history of the SEC and the charge that we have historically given to the SEC is, first and foremost, shareholder protection.

We are now reviewing other areas where the SEC, like other Federal agencies, also has responsibilities. We are now trying to define, in the legislation which the distinguished chairman of the committee has crafted and of which I am a cosponsor, and to begin to identify what those other areas of responsibility are. It is not always clear what those responsibilities are.

Where there is agreement and where there is clearly defined law, I think Dr. Ruder meets that test and meets it very well.

The Chairman has suggested other areas of responsibility: the impact of what may happen in communities during a takeover battle and what should be the role of the SEC.

What is the SEC's responsibility toward policies of a targeted company? What is its responsibility in looking at the international markets, the changes in the structure of American industry, and how that might impact on our global competitiveness? Should the SEC look at debt structure and its impact upon our ability to compete internationally but also maintain our traditional capital markets?

Mr. President, all those areas—community impact, international marketplace, competitiveness, market structure—are all new areas for review. Mr. Ruder has said he looks forward to a discussion of that but has not made up his mind as to exactly what we ought to do. I think there are very few of us and very few other people who have dealt with this area who have a clear and explicit definition of exactly what they believe the SEC responsibility is today.

Let me make two other quick and final points. One of those relates to Dr. Ruder's reluctance, as I understood his testimony, to get us into precluding within the takeover law what ought to be done on the whole array of defense and attack possibilities. I happen to agree with him that it would be a bad idea for us to try to write each one of these into the law because it would serve to open new loopholes.

I also think we have to be very careful of writing a very specific definition of insider trading. I think it may be preferable to let case law serve as the definition.

A final note, if I might, Mr. President.

I was encouraged by Dr. Ruder's statement that he was very concerned with the Municipal Securities Act. I think he is exactly right in saying so and it indicates his concern about tough enforcement.

The Municipal Securities Act, was a major problem when the WPPS bonds went down some years ago. I believe the distinguished chairman of the committee, at that time the ranking minority member, wrote to the SEC alerting them to the kinds of problems that existed in the municipal securities market. When I was in the other body, Chairman DINGELL and I also wrote.

We have had a recent scandal that indicates a similar problem is emerging in the area of municipal securities.

I was encouraged that Dr. Ruder raised that issue, and I think that indicates that he is not, as some have suggested, a deregulator, but is somebody who aggressively forges ahead.

Mr. President, I hope he will be confirmed today. I look forward to working with him in meeting our responsibilities.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. GORE. Mr. President, I must oppose the nomination of Mr. David Ruder as Chairman of the Securities and Exchange Commission [SEC]. Mr. Ruder's appointment comes at a crucial time in the history of America's capital markets—the SEC is currently in the midst of the most extensive investigation into fraud and abuse on Wall Street ever conducted. With insider trading scandals undermining public confidence in the securities market and with Congress considering major legislation in the area of hostile corporate takeovers, the SEC needs a Chairman committed to strong and vigorous enforcement of securities laws.

Throughout his academic career, Mr. Ruder has advocated a narrow definition of insider trading and a hands-off policy toward policing the corporate takeover process. He has criticized the SEC for its ambitious efforts to prosecute insider traders and has recommended abandonment of the so-called "misappropriation theory," one of the SEC's most effective legal weapons against insider trading.

Regarding hostile takeovers, Mr. Ruder espouses the view that shareholder wealth is the only legitimate concern in evaluating the takeover process. While shareholders certainly deserve protection from abusive practices, Mr. Ruder's narrow view ignores the devastating effects hostile takeovers can have on workers and communities and neglects the long-term costs of merger mania, such as staggering corporate debt and lagging research and development.

Thus, Mr. Ruder's philosophy regarding the two most important and urgent securities issues of the 1980's—insider trading and hostile corporate takeovers—is clearly out of step with the demands of today's capital markets. Perhaps more than at any other time in American economic history, we need a person at the helm of the SEC who will take an active role in combating abuses on Wall Street and in the corporate world. While Mr. Ruder's academic credentials are impressive, I must nevertheless join my distinguished colleagues, Senators PROXMIRE, SASSER, and SANFORD of the Banking Committee in voicing my opinion that David Ruder is the wrong man for the Chairmanship of the Securities and Exchange Commission.●

Mr. PROXMIRE. Mr. President, there are no other requests for time.

Mr. GARN. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

All time having been yielded back, the question is, Will the Senate advise and consent to the nomination of David S. Ruder, of Illinois, to be a Member of the Securities and Exchange Commission? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] is necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "nay."

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] is necessarily absent.

The PRESIDING OFFICER (Mr. ADAMS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 81, nays 17, as follows:

[Rollcall Vote No. 228 Ex.]

YEAS—81

Armstrong
Bentsen
Biden
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Chafee
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Garn
Glenn
Graham
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Lautenberg
Leahy
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Roth
Rudman
Sarbanes
Shelby
Simon
Simpson

Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—17

Adams
Baucus
Bingaman
Byrd
Chiles
Ford
Fowler
Harkin
Kennedy
Kerry
Levin
Metzenbaum
Mikulski
Proxmire
Rockefeller
Sanford
Sasser

NOT VOTING—2

Gore
Hatfield

So the nomination was confirmed.

Mr. BYRD. Mr. President, I ask unanimous consent that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LEGISLATIVE BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader.

## UNANIMOUS CONSENT REQUEST—S. 328

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 132, S. 328, a bill by Mr. SASSER and others to require the Federal Government to pay interest on overdue payments. And why should it not?

The PRESIDING OFFICER. Is there objection?

The Republican leader.

Mr. DOLE. Mr. President, reserving the right to object, and I hope we do not have to object, I would just as soon take up the bill. I think there are two Senators, maybe one on this side, who might be talking, maybe one on the other side, about one amendment. The distinguished Senator from Indiana [Mr. QUAYLE] I think is working with the distinguished Senator from Michigan [Mr. LEVIN] on an amendment, and he indicated to me he does not think there has been enough time to gin up support for that particular amendment. But I have suggested that if he wishes to object that he should do so.

Would it be the intention of the majority leader if there is an objection to move to the consideration of that matter?

Mr. BYRD. It would be my intention if there is an objection, and I hope there will not be—if Senators have problems with amendments this is the place to work them out—in response to the Republican leader I would ask unanimous consent to take up the State Department authorization bill.

The PRESIDING OFFICER. Is there objection?

Mr. HEINZ. Mr. President, reserving the right to object, and I do not intend to object, I would like to ask the majority leader, there are some remarks—and I cannot characterize them totally as brief; they will run between 5 and 10 minutes—I would like to make on a subject unrelated to the bill the majority leader intends to call up, but I would like to make those remarks, if possible, before the debate on that measure begins.

Could that be accommodated?

Mr. BYRD. Yes, I think that could be accommodated. I would like, if we could first, to get something up, and then as soon as we get it up, we will try to accommodate the distinguished Senator.

Mr. HEINZ. I withdraw my objection.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, we cannot locate the Senator from Indiana right now. I do not want to frustrate the efforts of the majority leader, but I feel constrained to object at least for the moment.

It is my understanding he is conferring with Senator LEVIN, trying to get together with Senator LEVIN on one amendment. I understand every other thing has been disposed of. There is no objection on either side.

So at least for the time being, I object.

The PRESIDING OFFICER. Objection is heard.

The majority leader.

## UNANIMOUS CONSENT REQUEST—S. 1394

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 173, S. 1394. This is the State Department authorization bill.

The PRESIDING OFFICER. Is there objection to the request?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. BYRD. Mr. President, I withdraw my request for the moment while the distinguished Republican leader is making some inquiries.

In the meantime, I ask unanimous consent that the distinguished Senator from—where is the Senator from?

Mr. LEAHY. Vermont; the beautiful green hills of Vermont.

Mr. BYRD. Now, where have I heard that before?

The green hills of West Virginia.

Mr. HEINZ. Which are just adjacent to southwestern Pennsylvania; I think that it is probably the other way around.

Mr. LEAHY. Mr. President, if the Senator will let me say, we are getting on dangerous ground when we start talking about those green hills. I recall about this time a week ago, we got into a half an hour discussion about beautiful green hills.

I might tell the distinguished Senator from West Virginia, I have gotten all kinds of mail from people who tell me now their most difficult choice is whether to go to West Virginia, having heard him tell how beautiful it was there, or Vermont, having heard me tell how beautiful it was there.

Mr. HEINZ. The Senator is treading on very dangerous ground because between West Virginia and Vermont is beautiful Pennsylvania.

Mr. LEAHY. I suggest they go to all three, because the States are so beautiful.

I would ask the majority leader if he might yield to me for 7 or 8 minutes for a statement.

Mr. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Vermont may proceed for not to exceed 10 minutes and the distinguished Senator from Pennsylvania may proceed for not to exceed 10 minutes and that, in the meantime, if the distinguished Republican leader returns and is able to clear our going to the State Department authorization bill, that I may be recognized to get the Senate on track and then these gentlemen may continue and complete their remarks.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? Hearing no objection, it is so ordered.

The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I thank the distinguished majority leader for his usual courtesy and help.

## NOMINATION OF ROBERT BORK

Mr. LEAHY. Mr. President, all of us are getting inundated with mail on the nomination of Judge Robert H. Bork to be a Justice of the U.S. Supreme Court, and much will be said about it. But I wanted to make a couple of points before we leave on recess.

For when the Senate returns from its August recess, it is going to turn to one of the most important and most difficult of its constitutional responsibilities. The Senate's consideration of the nomination of Robert Bork is going to test our fidelity to the obligations that the Constitution imposes on us. The American people are going to be watching closely to see that we meet that test.

I am speaking for a limited purpose here today, Mr. President. I am not here to announce how I am going to vote on the nomination. I am not here to try to persuade other Senators on

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how they should vote. Among other reasons, I do not know how I am going to vote. I have not yet decided.

My purpose is simply to present the views of one Vermont Senator on how the Senate ought to go about performing its constitutional duty with respect to this extraordinarily important nomination.

When the Constitution was written 200 summers ago, the framers of the Constitution intended there to be two players in judicial nominations: the President and the Senate. And they intended very clearly that the roles that they were going to have would be of equal responsibility. The 100 Members of this body, just like the President, have been elected by all the people of this country and all of the people have the right to expect that each of us will approach our role with equal care and equal concern for the importance of the decision at hand.

The President has made his decision. He has played his role in the constitutional drama of selecting a new Justice of the Supreme Court. Now it is time for the U.S. Senate. Our job is neither to rubber stamp the President's choice nor to make the nomination a litmus test of our partisan relationship to the President. Our job is to make our own independent judgment about whether Robert Bork is the right person for this crucial position.

And we must look at a number of factors. Everyone agrees that his professional competence, integrity, and character are important factors. The harder question seems to be whether ones ideology is the proper subject for the Senate's consideration. I believe it is.

It makes no difference to me, as one Senator, whether Judge Bork is Democrat, Republican, liberal, or conservative, how he has voted in past elections, or how he would vote on controversial issues if he were a legislator.

And if by "ideology" we mean the judicial philosophy that Judge Bork would bring with him to the Supreme Court—his approach to the Constitution and to the role of the courts in discerning and enforcing its demands—then we are talking about an issue that goes right to the heart of the Senate's role.

Let us remind ourselves why this question of judicial philosophy is so important. The authors of our Constitution and of the Bill of Rights recognized that certain fundamental liberties cannot safely be entrusted entirely to the good intentions of the legislative and executive branches. For that reason, the drafters and ratifiers of the Constitution established an independent judiciary. They wanted it to serve, as James Madison said, as "an impenetrable bulwark against every assumption of power in the legislative or executive."

Time and again throughout our history, when the other branches of Government were unwilling and unable to protect these fundamental rights, Americans turned to the courts, and ultimately to the Supreme Court, to bring the written words of the Constitution to life.

Mr. President, that essential role of the Supreme Court is the cornerstone of our constitutional system. It has helped to liberate black Americans from the shackles of official segregation. It protects not only the right to vote, but the right to have every vote counted equally. And in cases too numerous to mention, it enforces the constitutional commands that fence Government out of aspects of our private lives in which it has no legitimate business.

The preservation and vitality of this role of the Supreme Court as the ultimate arbiter of our constitutional rights and responsibilities is the standard by which the judicial philosophy of this nominee must be measured.

The President has described Judge Bork as "an intellectually powerful advocate of judicial restraint." Those words "judicial restraint, mean a lot of different things to a lot of different people. What they mean to Judge Bork—how they are embodied in his judicial philosophy—is the issue before the Senate.

All the circumstances leading up to this nomination make it very clear that the President gave great weight to judicial philosophy when he decided to nominate Judge Bork. The President did not just nominate the best lawyer or judge he could find. He made it very clear that he nominated a skilled and experienced lawyer and judge who also happens to be a prominent and forceful advocate of a particular judicial philosophy—a philosophy that President Reagan says he shares.

I have not heard a single convincing argument that one actor in the process of advice and consent may legitimately consider a nominee's judicial philosophy but the other cannot.

The President is perfectly within his rights to consider the philosophy of a person that he nominates. But we, every one of the 100 Members of the Senate, have just as much of a right to consider that same judicial philosophy when we determine whether we are going to consent to this nomination. We are equal partners in it. And if the President wants a particular judicial philosophy in the judges he nominates, the equal partners in this process, the U.S. Senate, can also say we want a particular judicial philosophy in those people we are willing to confirm.

Now, Mr. President, there is a lot to know about Judge Bork. He has written extensively in law review articles and opinions of the court of appeals. In fact, I asked my staff, "Would you please bring me the materials that Judge Bork has written so I can read them?" The 3,000 or so pages that they presented to me changed my recess plans quite a bit. I have already called my wife and said: take that shelf full of books in our farmhouse in Vermont—you know that history of World War I that I keep saying that I am going to read—and clear them out because we have got something that takes up a lot more room and something I am going to have to read.

It is a whole series of binders which are going to be put up in a couple of boxes that will travel with me to Vermont this weekend.

I look forward to the relative quiet of the recess so I can take advantage of the solitude of my tree farm in Vermont and give this critical written record of Judge Bork's judicial philosophy the careful attention it deserves.

Because what I read there will determine to a great deal how I am going to vote on this nomination. I have heard from hundreds and hundreds of people, not only in Vermont but throughout the country. They have written me letters. They have called me on the telephone. They have come up to me in civic and social events in Vermont to offer their views.

All are deeply concerned about the outcome of this confirmation process. Many express opinions that are extraordinarily thoughtful and thought-provoking, and I appreciate their advice. They have given me much to think about that will help me as my own views take shape in the weeks ahead.

The time we choose new Justices of the Supreme Court is a moment which joins the interests of all three branches of the Government established by the people. It is a moment when the guardianship of the Constitution has to be safely conveyed. It is a moment that explains a great deal about the way the American system of government works.

At this moment in history it seems to me that our system is working exactly the way the authors of the Constitution intended.

Of course, the framers could not imagine life in 1987. They could not imagine all the changes in our life, in our laws, in science, in society. The controversy over the nomination of Robert Bork is no exception.

We all have read about the massive war chests that are being raised by both the proponents and opponents of this nomination. America's mailboxes already are filling with the computer printed copies of the call to arms. The proponents inspire their troops with the battle cry that the success of the Reagan revolution depends on the outcome of this struggle. The opponents rally their forces around a banner proclaiming that the fate of decades of expanding constitutional rights and perhaps even those rights themselves hang in the balance.

Well, of course the stakes are high. But I would say to those on one side who say that everything that the President stood for will fall if Judge Bork is not confirmed, and those on the other side who say the Constitution will fall if he is: Wait a minute. Quiet down. Watch the hearings. Listen with the rest of us.

Do what so many of us are going to do during the August recess. Study the record and then rely on the Senate's ability to rise to the occasion.

Of course the stakes are high. This is the most critical Supreme Court nomination in many years. But the Senate's ability to rise to the occasion might be better served by moderating the apocalyptic rhetoric that thus far has played an excessive role in the public debate. As the din of clashing interests reaches an uncomfortable volume, it will get harder and harder to find the space and time for the quiet reflection and searching analysis that is needed if the Senate is to give a responsible answer to the ultimate question: Will it consent to this nomination?

Those clashing interests will be heard. They will be heard in full and fair hearings by the Senate Judiciary Committee. Their advocates will be heard on this Senate floor, where I believe the fate of this nomination ultimately will be decided. But ultimately it will, I hope, be decided on the basis of whether, on all the evidence available to us, the Senate believes that Robert Bork is the right choice for this most important post.

Alexander Hamilton wrote of the constitutional process of advice and consent that "it is not easy to conceive a plan better calculated than this to promote a judicious choice of men for filling the offices of the Union." As I play my part, as 1 of 100 Senators, in the execution of this plan, I will seek to make a judicious choice. Because the post of Justice of the Supreme Court is one of the most important of the "offices of the Union," my responsibility to the Constitution demands no less.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired. The Chair recognizes the Senator from Pennsylvania.

## STEEL INDUSTRY PENSION PLANS

Mr. HEINZ. Mr. President, I rise to address an issue that only nominally affects a particular industry, but in fact affects practically every industry. I refer to a crisis that we face today with pensions in the steel industry in this country.

As most people know, the industries have recent financial woes and those financial woes have led, in turn, to serious underfunding in some steel pension plans. As a result, that underfunding is now threatening the future of the Pension Benefit Guaranty Corporation, the PBGC, as we refer to it, an authority, an agency that insures all the ERISA sanctioned pension plans in the United States.

As one measure of the threat to the PBGC, the administration has asked us to raise revenues this year in order to save the Pension Benefit Guaranty Corporation from insolvency and perhaps extinction. Since 80 percent, fully 80 percent of that agency's current deficit, and I might add much of its potential future deficit, comes solely from steel pension plans, I believe the best solution is to tackle the steel pension problems head on. As soon as the Senate reconvenes after the recess that we expect next week, I will introduce legislation that will help the steel industry keep its promises to its own retirees and even more importantly, protect the pension benefit guarantees program of benefit guarantees to other industries.

Steel's pension problems are the direct result of the industry's recent financial troubles. Domestic steel producers have been forced to cut production in response to declining demand and a flood of cheap foreign steel. In the last 6 years, steelmaking capacity has been reduced by 27 percent and steel employment has been cut in half. Over 250,000 steel workers have left the industry since 1981, many of them on early retirement. This huge, unanticipated flow of workers into early retirement has dramatically eroded funding in many of the steel pension plans. Today, more than $6.3 billion in steel pension benefits guaranteed by the Pension Benefit Guaranty Corporation [PBGC] are not funded.

This crisis came to a head last year when two of our largest steel producers—LTV and Wheeling-Pitt—filed for bankruptcy and dumped $2.8 billion in unfunded pension liability on the PBGC—tripling—in 1 year—the deficit the PBGC had been accumulating over its previous 12 years. Let me observe that this could be just the beginning for the PBGC. The steel companies that turned to chapter 11 bankruptcy to cut their costs are blazing a trail that other steel companies may be forced to follow. A bankruptcy filing by just one other steel producer would add another $2.5 billion to PBGC's deficit.

Legislation the Congress is now considering may make this problem worse. The administration has asked us to respond to PBGC's problems by raising its employer-paid premiums and tightening minimum funding standards for pensions. While the latter change may help prevent steel's problems from developing in other industries, they could make matters worse in the steel plans. The former—namely, raising premiums and doubling required pension contributions for the steel companies—could easily force the more troubled companies into bankruptcy. Merely exempting the steel plans from these tougher rules will not improve the funding of these plans. In both cases, PBGC would remain at risk, and we could be back next year trying to double the PBGC premium.

We cannot afford to merely scratch our heads over this problem—we need to tackle it head on. The remaining steel companies have to be given a chance to reduce their costs without going through chapter 11. They need to be encouraged to keep the promises they have made to their workers and retirees. And we need to avoid saddling the PBGC with $6 or $7 billion of steel pension liabilities that will be financed by all the other nonsteel employers in the United States.

The legislation I will introduce next month would provide an opportunity for steel companies to refinance their pension liabilities, meet their obligations to retirees, and stay out of chapter 11. In developing this legislation there are five principles that I have followed, and which I believe any reasonable approach to this problem should follow.

First, as I have said, companies that are going to restructure should be able to do so without having to file for bankruptcy. Bankruptcy requires companies to dump the lion's share of their total liabilities and not just reduce their costs enough to become profitable. It is an all or nothing proposition. All the obligations to retirees and creditors are dumped by companies in bankruptcy and none by others. The least efficient and most financially troubled producers are helped first. The most efficient producers then find it getting harder to compete. Assistance to the companies should be related to their costs and not to the aggressiveness of their bankruptcy lawyers.

Second, any solution should give retirees better benefit protection than they now get in chapter 11. I find the huge cutbacks in retiree benefits absolutely the worst result of a reliance on bankruptcy. Right now, retirees are paying most of the cost of a shutdown when companies go into bankruptcy. As little as one-third of steel retirement benefits may actually be insured by the Federal Government. The rest is owed to the retirees as unprotected health or supplemental pension benefits and is totally at risk when companies go into bankruptcy. A final settlement may leave retirees with only 20 cents on every dollar owed them. To the extent the Federal Government plays a role in restructuring, it should

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be to help meet these human costs. Retirees should not have to bear the burden themselves for benefits promised by the companies.

Third, any Federal role should cost the Federal Government less—preferably a lot less—than doing nothing. And I must emphasize that doing nothing is expensive. Already two steel companies have dumped over $3 billion in unfunded pension obligations on the financially troubled Pension Benefit Guaranty Corporation. Terminations by two more steel companies would more than double this amount. If more steel companies go into bankruptcy, total costs to the Federal Government could run into the tens of billions of dollars.

Fourth, companies should stand behind the commitments they have made. It is unfair to allow some companies to dump their retirement obligations on the Federal Government and retirees, while others honor their commitments and end up paying for their competitors' pension liabilities as well. Companies that return to profitability should make good on their promises to retirees and not expect someone else to do it for them.

In particular, and above all, any financial aid directly or indirectly supported or subsidized by the Federal Government used to help defray the human costs I have mentioned should be paid back when profits return in the future.

Fifth, companies should not be encouraged to make any adjustments they would not otherwise be inclined to make. Companies will need to weigh the costs and benefits of each of their operations. Federal assistance should help make it possible to restructure where needed. It should not encourage companies to take actions that would not be necessary in the absence of subsidies. The Federal Government's support may enable some companies to make changes they want to make but cannot afford. It should not become an incentive to shut down potentially profitable facilities and lay off workers.

I am now drafting legislation consistent with these principles to refinance the added pension costs that have resulted from steel capacity reduction. In general, the legislation would establish a steel retirement authority that would assume the responsibility for paying special supplemental and shutdown benefits in the steel industry and would be backed by assets, debt or equity from the steel companies. Any supplemental pension obligations created within the last 5 years or within the next 2 in connection with a reduction in capacity in the steel industry could be transferred to the authority. Participating companies would be required to continue paying their normal pension and health benefits to retirees.

Specifically, the steel pension bill would create an authority to receive liabilities for shutdown pensions from steel companies, negotiate agreements with steel companies to annually transfer assets, equity or debt instruments to the authority, create a fund and issue convertible bonds to private investors, and contract with the companies to issue shutdown benefit checks—for which the authority would annually transfer cash to the companies.

Participating companies would transfer liability to the authority equal to the present value of all future "qualified benefit payments" to retirees who began receiving "70/80" or "rule of 65" pensions after 1981 and before a date 2 years after enactment. Qualified benefit payments are: First, the early retirement subsidy portion of "70/80" or "rule of 65" pensions—for the life of the retiree—plus second, the $400 supplements paid to age 62.

The authority would assume the full liability for all future "qualified benefit payments" and would contract with the companies to issue checks to the beneficiaries. The total amount to be paid to beneficiaries would be transfered to the companies over 10 years. Companies would be required to use the money to fund their pension plans. However, companies that have fully funded plans and cannot make additional contributions would be permitted to use the funds for retirement health benefits.

Participating companies would be required to continue operating their pension and retiree health plans and to transfer annually an amount of assets, equity, or debt with sufficient value to cover the annual cash payment to the company. Remaining liabilities will be returned to the company in the event of a chapter 11 filing or the sale or transfer of assets in a shutdown facility.

The authority would annually raise funds to make the cash payments to the company—plus debt service and administrative costs—by issuing shares of a convertible bond fund to private investors. The fund will consist of stock warrants or other equity or asset from the companies and federally backed bonds issued at par but at a rate below the current Treasury rate. The bonds would be redeemed by converting them to company stock as the warrants are called. If all the equity proves valuable, the principal and interest on the bonds would be paid from the fund.

The cost of this plan would be reasonable—far less than the costs we could face from doing nothing. In the worst case—if the whole steel industry defaulted—the cost of this plan to the Federal Government would not exceed PBGC's liability from all steel plans. I estimate that if all steel companies participate, the liability for current retirees would not exceed $3.6 billion and the maximum cash payments would be $500 million a year in any year. There could be some additional cost from shutdowns in the next 2 years. I estimate that this additional liability would not exceed $1.4 billion, at an added annual cost of $200 million.

Mr. President, this is a plan that would protect workers and retirees, help make the PBGC a viable program, and discourage the potentially disastrous use of chapter 11 bankruptcy to restructure the industry. It is a plan that will make the PBGC legislation we will be considering this year workable. I urge my colleagues to seriously consider this proposal and join me in introducing this legislation in September.

## SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I call for regular order.

The PRESIDING OFFICER. The clerk will report the unfinished business.

The legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

## ORDER OF PROCEDURE

**Mr. BYRD.** Mr. President, I hope I can get consent to take up the prompt payment legislation or the State Department authorization. I would urge Senators not to postpone acting on measures at this time in the hope that these can wait until after the August break.

When the Senate returns in September, the platter is going to be full and running over. There will be the senatorial campaign finance reform bill. There will be the DOD and State authorization bills. There will be reconciliation. There will be 13 appropriations bills; 8 of them are over here from the House already. The Senate Appropriations Committee is preparing to report those bills out early in September.

Mr. President, I would urge Senators that if they really want to get action on some of these other measures that are on the calendar, now is a good time to get it done.

Also, I say to Senators that, with respect to morning business speeches, we are taking up the best part of the afternoon in morning business speeches. I am going to come in in the morning at 8 o'clock. We will have a couple of hours for morning business. We do have to get on with the other business of the Senate, and we cannot afford to spend the better part of each day on morning business.

I also should state that the conferees on the debt limit extension have been making progress. It is hoped that the Senate and the House can act on that debt limit extension conference report today or tomorrow.

I have already indicated to Senators that we may have to erode the August recess a bit in order to complete action thereon. I hope the conferees will continue with renewed effort to get the work done on the conference report so that the Senate and the House can dispose of that business before we go home for the August break.

Mr. President, within a few minutes, I shall renew my unanimous-consent request on prompt payment. I understand there is an amendment that there may be some problems on, but the way to resolve these is to get the matters up before the Senate and let resolve them here, on the floor. If we continue to wait until we work out all our differences on amendments off the floor—and sometimes that is the best way to proceed. But I call attention to the fact that this bill has been on the calendar since May 20. That is over 2½ months. If we have not been able to work out an amendment in 2½ months off the floor, we ought to just go at it and have it out on the floor. So I shall shortly renew my request on that matter.

### THE DANGEROUS CLIFF OF CAMPAIGN SPENDING

**Mr. BYRD.** Mr. President, campaign finance reform is needed in this country and needed now. There can be no genuine campaign finance reform without a limitation on spending. The Republican conference went on record sometime ago as being against any limitation on campaign spending. I do not think we are going to fool anybody if we say we passed a bill that constitutes campaign finance reform if it does not have a limitation on spending.

Last year, there was on the average of $3 million spent on each successful Senate campaign. How long does it take to raise $3 million? It takes 6 years to raise $3 million at $10,000 per week. Three million, we will say, in 6 years if a Senator is able to raise $10,000 a week. That is $10,000 a week for 52 weeks a year, times 6 years. Ten thousand dollars a week. That should reveal the immensity of the problem that confronts Senators who seeks to run for reelection. It should reveal the immensity of the appetite for money in the course of campaigns. And it is getting worse and worse and worse. Senators and House Members are both victims of the system, a system which is current and is requiring more and more money every year.

We must revise the system so as to eliminate this inordinate appetite for money, money, money and remove Senators and House Members from this money chase that we continue to have to engage in, those of us who want to continue to be active in public service. We must come to grips with the matter now. It is not going to get any better; it is not going to go away.

What we have here is the aristocracy of the moneybag, the aristocracy of the moneybag—$10,000 a week—think of it—for 312 weeks—6 years, 52 weeks a year—312 weeks, $10,000 a week. That is $3,120,000.

Think of the time that Senators, the freed-up time that Senators would have in which to attend committees, engage in debate on the floor, be with their families, attend to their office work, work for their constituents with agencies downtown. Think of the additional time that Senators would have for productive work if they could be freed from the chains that the present system places around us. If we could throw off those shackles and chains, we would have more time to study, time to work, more to show for our work.

As it is, many Senators have to begin immediately upon election or reelection to raise money—not just for the campaign that is 6 years away, but money to pay off the campaign debts of the past campaign. Senators come here in January of a new Congress and are sworn into office. They have just been elected or reelected, and they immediately have to begin raising money to pay off the debts that were run up in the course of a victorious campaign.

They have to raise money to pay off those debts and then they are into the money chase all over again looking to the next election 6 years away.

This is getting worse and worse. There is a great scandal out there waiting to happen and we are getting closer and closer—and closer—to that happening, closer to the edge of the cliff.

I am reminded of a poem by Joseph Malins titled "A Fence or an Ambulance" which is apropos of my subject:

'Twas a dangerous cliff, as they freely confessed,
Though to walk near its crest was so pleasant;
But over its terrible edge there had slipped
A duke and full many a peasant.
So the people said something would have to be done,
But their projects did not at all tally;
Some said, "Put a fence around the edge of the cliff,"
Some, "An ambulance down in the valley."

But the cry for the ambulance carried the day,
For it spread through the neighboring city;
A fence may be useful or not, it is true,
But each heart became brimful of pity
For those who slipped over that dangerous cliff;
And the dwellers in highway and alley
Gave pounds or gave pence, not to put up a fence,
But an ambulance down in the valley.

"For the cliff is all right, if you're careful," they said,
"And, if folks even slip and are dropping,
It isn't the slipping that hurts them so much,
As the shock down below when they're stopping."
So day after day, as these mishaps occurred,
Quick forth would these rescuers sally
To pick up the victims who fell off the cliff,
With their ambulance down in the valley.

Then an old sage remarked: "It's a marvel to me
That people give far more attention
To repairing results than to stopping the cause,
When they'd much better aim at prevention.
Let us stop at its source all this mischief," cried he,
"Come, neighbors and friends, let us rally;
If the cliff we will fence we might almost dispense
With the ambulance down in the valley."

"Oh, he's a fanatic," the others rejoined,
"Dispense with the ambulance? Never!
He'd dispense with all charities, too, if he could;
No! No! We'll support them forever.
Aren't we picking up folks just as fast as they fall?
And shall this man dictate to us? Shall he?
Why should people of sense stop to put up a fence,
While the ambulance works down in the valley?"

But a sensible few, who are practical too,
Will not bear with such nonsense much longer;
They believe that prevention is better than cure,
And their party will soon be the stronger.
Encourage them then, with your purse, voice, and pen,
And while other philanthropists dally,
They will scorn all pretense and put up a stout fence
On the cliff that hangs over the valley.

Better guide well the young than reclaim them when old,
For the voice of true wisdom is calling,
"To rescue the fallen is good, but 'tis best
To prevent other people from falling."
Better close up the source of temptation and crime
Than deliver from dungeon or galley;
Better put a strong fence round the top of the cliff
Than an ambulance down in the valley."

So, Mr. President, let us put a fence around the edge of that cliff. Let's change the system. We are being pushed more and more, as though by some invisible force, some unseen hand, toward the edge of the cliff. Are we going to go over it? If so, who is going to suffer? The Senate and the House of Representatives—this institution. Who else? The people from whom the consent to govern originates.

The people of America are being shortchanged by the present system; the people of this country are being shortchanged. The perception is that

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those of us who have to live under this system, who are the victims of this system, who have to go out and cry "Give me more, more, more of your money"—are beholden to our campaign benefactors. People are going to have less and less and less of faith in this institution.

We are talking about our constitutional system of representative government here. How many people out there in the country truly believe that this is a representative government? How many of them believe that they are represented fairly and evenhandedly? How many of them believe that they have an even chance with the special interests?

The perception is that we who go out and have to raise these sums of money are beholden to the special interests. It is time to put a stop to it.

Mr. President, I call on those who continue to stand against action on this measure to vote for cloture, and let us vote this measure.

I hope that the American people, during this recess, will ask Senators when they come back home: "Where do you stand? Where do you stand on the money chase? Why won't you vote for cloture, so that the Senate can act on that bill?"

Mr. President, I have been in the Senate 29 years. I will not be here 29 more. If I had not come to the Senate when I came, I would not be able to come to the Senate today. The odds would be too much against me. The average guy like ROBERT BYRD will not even dream of coming to the U.S. Senate in the future, if something is not done about the present campaign finance system. He will not even dream of it because of the prospect of having to raise and spend millions of dollars to get here.

If all those hills of West Virginia could be flattened out, West Virginia's 24,000 square miles would reach to Oklahoma, or beyond, perhaps. But it is a small State from the standpoint of population—less than 2 million people.

I had to raise about $2 million 4 years ago when I ran for reelection. That is $1 for every man, woman, boy, and girl in West Virginia. I cannot raise that kind of money in West Virginia. Mine is a State that is economically very hard hit right now. I cannot raise $2 million in the State.

The average, as I said a moment ago, last year was $3 million. What is it going to be next year when I run? Many other Senators will have to raise even more.

Four years ago, I had to go the width and breadth of this great land, "from sea to shining sea," "from the mountains to the prairies, to the oceans white with foam," with my hand out: "Give me, give me, give me." How demeaning it is.

Why should we not instead be going out to our constituents and talking about the issues? That is the way representative democracy should work. But, instead of that, we have to spend our time going hither, thither, and yon, from the Canadian border to the Gulf of Mexico and from the Atlantic to the Pacific, with our hats in our hands and our hands out saying: "Give me, give me, give me."

Those who contribute to us do so because they believe in our party. They believe in the Democratic Party. They want to see it continue in control of the Senate. But they are not my constituents. They are not the people who vote to send me here.

Senators are required to take off from this floor and live inside and outside of suitcases, running in and out of airports, catching flights to all the States of the Union, coming back at all hours of the evenings and mornings, being away from their families, going out to raise $15,000 here, $30,000 there, $50,000 somewhere else; or going in the evenings here in town, raising $10,000 tonight, $15,000 tomorrow night, $25,000 the next morning at a breakfast, in order to try to remain in public service. Some of us feel that we want to contribute more to public service and still have something to contribute.

We are trying to change the system but while we are trying to change that system we cannot ignore our own reelection. I cannot ignore my reelection. I do not expect to be like Tennyson's brook and go on and on forever. No.

The Psalms only promised us 70 years. Some of us are fortunate to reach that span.

"Man that is born of a woman is of few days and full of trouble. He cometh forth like a flower and is cut down."

So here we are. Some of us feel we have got a little fire in the boiler yet, so we cannot ignore our own reelection.

But we need to change the system. Some of our friends who continue to refuse to budge one centimeter on this legislation are the people who are going to look back one day and say, "Why did I not listen?" Let me say that in the future, there are not many Senators going to be here 30 years, because the very fact that we have to increasingly go out and raise money is intimidating, intimidating. That is why that butcher boy, that welder, or that produce salesman down there on the streets in West Virginia or in Baltimore in the shipyards is going to say. "That is not for me. You tell me you have to raise $2 million. Man, how will I ever do that? How will I ever be able to do that?" So he pushes out of mind not only the dream but also the thought that he would ever stand a chance of coming to the U.S. Senate because he has to raise millions of dollars, and he can't do it. It is demeaning and it is creating a cloud over this institution—the Senate and the House.

There sits in the Presiding Officer's chair today the distinguished Senator from Washington [Mr. ADAMS]. I have heard him tell about his election campaign for the Senate and how last fall he had to spend so much time on the telephone trying to raise money, trying to raise money, not out discussing the issues, not out finding out what the people had on their minds but having to raise money hour after hour on the telephone in order to come here, in order to serve. What a burden just to be able to get to the U.S. Senate. What an obstacle just to be able to serve in this institution. What an obstacle it is that will deprive this body of able men and women who cannot afford to be elected, who cannot afford the expensive campaigns that are required in these days to be elected to the U.S. Senate. What IQ's there may be out there working in a butcher's apron or peering through the visor of a welder's shield, but who cannot come here to serve in this body in the future.

Future Senators can only come if they have inordinate wealth or if they have the means to go out and raise millions of dollars—money hand over fist. It is enough to intimidate the most courageous soul.

Mr. President, let us get rid of this ambulance at the foot of the cliff. Oh, yes, "Are we not picking up folks just as fast as they fall? Shall this man dictate to us, shall he? Why should people of sense stop to put up a fence while the ambulance works in the valley?"

That ambulance, that rock is coming toward us. It is going to come crashing down upon us, and I plead with my colleagues, let us put a fence around the edge of that cliff—the cliff of the money chase.

I love this institution. I would have to love it because I have lived with it and in it and as a part of it for these 29 years. For almost 21 years I have been right here on this floor just about every hour of every day of every session. I have a rollcall voting record over these 29 years of 98.27 percent, over 11,000 rollcall votes I have cast in this institution during my service here.

I have given it the best part of my life and I have done it gladly. The Senate has been the best part of my life.

I do not expect to run again and again and again, but I am going to run next year, the Lord willing, but I am thinking of the institution. It is going on and on, and those who come after us are going to have to contend with this money chase unless we stop it.

As I told a young Member of this body yesterday, "You are going to be here a long time and you are going to

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have to go through this demeaning obstacle course year after year, not just every sixth year, but year after year. It is going to become more and more binding, and you are going to be ground down more and more."

"I am trying to stop that stone that is coming down so that it does not crush you and crush this Senate."

Mr. President, it is going to crush the Senate, and it is going to crush the House, likewise, because the people are not going to tolerate this forever. Now is the time they ought to be asking questions.

During this break when Senators go back home, let those who appear in the civic organizations be asked, "Why don't you vote for cloture? Is there something wrong with the bill? What are you afraid of? Offer an amendment. Why is it, Senator, why is it that you do not want to take that load off your shoulders of having to go out and raise money and be involved in the money chase?"

There may be Senators who can answer that question and who are not concerned about it.

But suppose the question comes like this: "Senator, you may not mind the money chase, but what about me? You are up there to represent me. Why don't you spend your full time representing me? That is what we elected you for. I am a coal miner. I have to work every day. I am a welder. I am a meatcutter. I am a farmer. I do not put aside my plow in the springtime. I do not put aside my scythe in the harvest. I stay on the job. I have to. Why don't you? Why are you not spending your time on the floor or in the committee or in the office? You are representing me, or do you represent me? Or do you represent those names on the list at the office of the Federal Election Commission?"

The Senator says, "Well, it is legal. I have not violated any law."

That is true. Nobody is questioning that. It is perfectly legal. This is no criticism of PAC's or people who work with PAC's or these individuals who contribute large sums. This is the system. That is what we have to live with and if we ever are to clean it up, we have to clean it up while we are living with it.

But I hope that the people ask the question:

> Why do you want to continue the aristocracy of the moneybag? Think about me a little. I'm a poor farmer. I'm a school teacher. I'm an elderly person. I have worked out my days. I am a veteran. I gave my best days to my country. I was wounded. I voted for you. I want to continue to vote for you, but I'm beginning to wonder why is it that you won't vote on this bill? Are you my Senator or do you belong to somebody else?

Mr. President, we have had five cloture votes. We have been able to get only two Senators from the Republican side of the aisle to vote for cloture. We are going to have more cloture votes in the days ahead.

I do not question the sincerity of any Senator. I know that Senators make their own judgments based on matters as they see them.

But the Republican conference decided and proclaimed that it would not vote for any legislation that had a limitation on campaign spending. Now, I think that was a mistake. I know that there are Members on the other side of the aisle who do not feel that way about it, and who truly want to vote to limit campaign spending.

I hope that, in the future, we will see more Senators vote for cloture and that we can act on this bill.

Mr. President, I yield the floor.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I listened with interest to the remarks of the distinguished majority leader, both yesterday and today, about this measure which has been circulating in the Senate for some 2 months. The majority leader has been in the Senate a long time as well, and there is no doubt that politics have changed considerably over the last 30 years.

The majority leader spoke wistfully about the good old days, when a candidate could go down to the courthouse and have a meeting where a lot of people would show up. You could go out and work a plant gate or have a town meeting, and people would be interested and attend, ask questions and shake hands.

But a lot has changed in the last 30 years, Mr. President. We have seen the advent of the television era. Perhaps more importantly, people don't have the time they used to, in order to go to old-fashioned political meetings and events.

We have such an event in Kentucky, by the way, that occurs on the first Saturday in August every year. It's called the "Fancy Farm Picnic," and is widely described as a throwback to an earlier era. It used to be a terribly significant event, perhaps the most politically important day of the election cycle. Years ago, it took place just before the primary for the Democrats and the Republicans. And, of course, on the Democratic side, the primary usually determined the election. People would come from miles around to test, analyze, and be entertained by the oratorical skills of the participants in Fancy Farm.

But in the last 30 years since the distinguished majority leader joined the Senate, much has changed; some for the better, some for the worse. But we are in the television era, and that makes for some vast differences in the way campaigns are run. It also changes the way money is spent in campaigns—and, by the way, as the distinguished majority leader knows, there has always been a lot of money in politics. The difference between money in politics today and money in politics years ago is that we now know much more about how much is being spent, where it comes from, and what it pays for, because candidates are complying with the strict disclosure laws on the books. There is a strict accounting, at least in terms of cash contributions, of what is raised, what is spent, and who it comes from, so that if the press or an opponent wants to make an issue out of it, they can.

But in those good old days back when the speakers on the courthouse steps had people show up for their speeches, when you went to the plant gate and people had questions to ask, there still was a lot of money spent on politics, but one never knew how much.

I am told—this was before I was involved in politics—that in those mountains of Kentucky, Tennessee and West Virginia, there was a lot of money floating around on election day. And a lot of liquor. And a lot of other things, all very close to the ballot boxes. Mr. President, those good old days weren't all good. There wasn't a more informed electorate; it was a less informed electorate, voting on familiarity, personality, personal favors, or much worse.

What the television age has done for politics is give people a chance to make an independent judgment about candidates, right there in their own homes. They don't have to depend on the precinct leader or the union boss or the corporate president to tell them how to cast their votes. They make their own informed, independent judgment.

The cash contributions being raised and spent in politics today all are fully reported. Only "soft money" is not reported. Soft money is the only old-fashioned remnant of those not-so-good old days, when votes were bought with a wink, a promise, and a flask of liquor.

Cash contributions, reported, limited and monitored by law, pay for campaign commercials—with the voters directly in their homes.

While the good old days may be fun to hark back to, it is the opinion of the Senator from Kentucky that the politics practiced in those days were not necessarily more enlightening, did not lead to the voter casting a more informed vote, nor did they necessarily encourage higher voter turnout.

What has marched forward in time is the communications revolution. And politicians, like everyone else in society, want to use the most effective means of communicating their ideas to the voter. That's why money is raised and spent: It is being spent on communication with the people, the average citizen back home. And if you do not like what your opponent is saying to the voters, you can communicate back.

We candidates frequently beat on each other a little bit, just like hamburger chains and rent-a-car companies. That is part of the rough and tumble of American politics. That is the same thing that went on by the courthouse steps years ago, and in Kentucky at the Fancy Farm Picnics years ago. It's politics; it's the American way: everyone trying their best to be the best, to be No. 1.

Our distinguished leader has suggested that too many people are spending too much time raising money early. But the FEC reports just do not back that up, Mr. President. Take the Senate class of 1990, of which this Senator is a member. Of 33 incumbents who may run in 1990, 17 of the thirty-three have raised less than $100,000 as of the first of the year (the June 30 report is not yet available): not exactly an aggressive effort to go out and get money early, I would say. Twenty-four of the 33 have raised less than $200,000; this is not a particularly aggressive effort. Only 9 of the 33 who might be running in 1990 have raised more than $200,000. And a good many of those, I know from my personal discussions with them, have that amount only because they carried it over from their previous election, because they had no competition and were not required to spend their money.

Our distinguished leader has talked about the need to go, as he put it, "from sea to shining sea" to raise money for his last election. I would suggest that was only because he had an opponent. He was not accustomed to that. He has been a very skillful politician over the years and an excellent leader. The people of West Virginia have sent him back to the Senate time and time again, without much of a contest. I congratulate him for that. I look forward to that someday; I hope I will have that kind of reelection one day.

But, in 1982, at least in the beginning, he may have felt that he had an opponent who was aggressive and was coming after him. It did not turn out that way; the majority leader won by his usual whopping margin, and I commend him for that. But he did what candidates have to do in tough races: when they think they are going to face stiff competition, they get to work. They revisit their constituencies, and ask for their strong support—in both votes and small contributions.

We do not own these seats. I run into Senators frequently who seem to be offended by the work it takes to keep a seat. They are offended that we have to work hard to stay here if we want to. We also have to go home a lot. We have to have town meetings. We have to work plant gates. We have to communicate with our constituents, on top of all of the legislative work that we have to attend to here. This is not an easy life.

When we choose this life, we know that we are going to be working up here during the week and working in our States on the weekends. You have to have a pretty high energy level to come in here and work until all hours of the night and get up for the breakfast meetings the next morning and keep on going.

It is not easy and nobody told us it would be, but we do not own these seats. In America, political office is not an aristocratic privilege, it is something we have to earn every day of the year.

When we have an opponent, even if we wish we didn't—we may wish that everybody out there appreciated our efforts so much that they would say: "I am just not going to run against my Senator this year, because he is so very wonderful—but often people believe they can do a better job, and that is their right. It is also the public's right to have strong competition for political office. Some people want a seat in the greatest deliberative body in the world, and they go out and compete for it.

When that happens, we have to work hard to keep it. That means using the most modern means of communication with our people. That means finding the best way to let the people know what we stand for.

Our people get most of their information from television. We may wish that they would come to the courthouse square and listen to us hold forth, but frankly they don't have a lot of time for that. They're busy people; their free time is when they get home from working hard and turn on the television, which is their right and their prerogative.

So, to send our message effectively in these days, we must use mass communication, and that requires, obviously, raising and spending some money.

As I have said frequently, and will repeat today, we do not as a Nation spend very much on politics. It is not scandalous that a lot of people are contributing to register their views, and a lot is being spent to educate and stimulate the voters. In fact, we spent less in Senate races in 1986 than the American public spent on bottled water. We spent less on Senate and House races combined than was spent advertising dog food. Remember, we are talking about the use of modern means of communication in 1986—not the fifties.

To do that we must, be aware of and familiar with the importance of television.

We invited television into this body and the distinguished majority leader advocated it. Why? Because we all knew that television was the single most effective means of communication in the modern era; because it would give people all across America a chance to watch us do the business of America, while they observe it all in their homes, on their television sets.

The reason we did that is because we know people are interested in television; they watch it; they make judgments as a result of it. That is why we ought to use television, and why we should continue to use it. You cannot put that genie back in the bottle.

I said yesterday, and repeat again today, I fully understand the frustration the leader has in trying to schedule the Senate. He is an expert on the rules of this body. Everyone pales in comparison with him when it comes to understanding this body, the rhythm of this body, and the rules by which we live.

Surely he must share my view that most of our problems here are not because Senators are going off to raise money. The Senate has scheduling problems because Senators may raise legitimate objections, because a single Senator can keep things from coming up; it has got to be maddening to the majority leader, but that is the way the greatest deliberative body in this country has operated for a long time.

That is what is slowing us down, because it is pretty clear that the class of 1990 is not out raising much money.

As the Senator from Kentucky just pointed out, 24 of the 33 have less than $200,000, not exactly an indication of any aggressive efforts to raise early money.

As this debate has unfolded, a reference was made to a couple of Members of my party who have supported the cloture. I would commend certain Members of the other party who have opposed cloture on this unfortunate measure.

There was an editorial in the Mobile Register about Alabama's fine Senators, Senators HEFLIN and SHELBY, praising their decision not to support cloture on this measure.

I would like, Mr. President, to ask unanimous consent that that editorial be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Mobile Register, June 18, 1987]

### HEFLIN, SHELBY PRAISED ON VOTE

Alabama Sens. Howell Heflin and Richard Shelby are to be highly commended for voting against their fellow Senate Democrats on an ill-conceived Democratic plan to overhaul Senate campaign finance rules.

Their votes came Tuesday when the Democratic leadership tried to end a Republican filibuster over the plan, but failed.

The legislation is sponsored by Majority Leader Robert Byrd of West Virginia and Sen. David Boren, D-Okla., and would provide partial public financing of Senate general election campaigns for candidates who agree to voluntary limits on campaign spending and contributions from political action committees.

Heflin said he opposes the public financing aspect of the Byrd-Boren proposal but would support a constitutional amendment to allow Congress to impose mandatory limits on campaign spending.

"Urgent reform of federal elections is crucial and I have voted for every campaign finance effort that has been proposed since I was elected," Heflin said. "But I do not believe that more government spending is an appropriate solution to campaign spending excesses."

We agree.

Shelby said last week that he would support a constitutional amendment to limit campaign spending but opposes taxpayer-financing of Senate elections—another good position.

It is obvious that liberal Democrats, with their traditional blocs of solid support such as organized labor, want to minimize the growing impact of campaign financial support from business-oriented political action committees. These Democrats, with the backing of such liberal lobbying organizations as Common Cause, want to maintain unfair advantages in politicking.

We are pleased that our two senators are refusing to go along with their majority leadership on this issue.

Byrd has nonetheless said he intends to keep the Senate engaged on this issue indefinitely, despite the fact that Tuesday's 49-46 vote was 11 short of the 60 needed to shut off debate—an increase of three votes for the opposition over an earlier count.

Surely the Senate has more important matters on its agenda.

Mr. McCONNELL. Some discussion yesterday was had about the distinguished Senator from Oklahoma, Senator BOREN's article in the Washington Post entitled, inappropriately, I might add, "It Is Time To Cut PAC Power." The Senator from Kentucky had a "Taking Exception" response to that editorial a week later.

I would like to ask unanimous consent that those appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 30, 1987]

### IT'S TIME TO CUT PAC POWER

(By David L. Boren)

After three weeks of passionate debate on the complex issue of campaign finance reform, the smoke has finally started to clear. We have come to understand where the battle lines are drawn. The real issue is whether candidates for the highest offices of public trust should compete on the basis of ideas, issues, and qualifications or on the basis of which candidate can raise the most money.

In the beginning rounds of debate, opposition to acting on S.2, the comprehensive campaign finance reform bill before the Senate, seemed to center around the notion that public financing was an unacceptable way to enforce a voluntary system of spending limits. It has now become more evident that a number of opponents are in fact philosophically opposed to any limit on the amount of money candidates can spend in getting elected.

Many senators engaged in the current debate may not remember that in 1974, when Congress set up the public financing system for presidential campaigns, it also set mandatory spending limits for House and Senate candidates. Even 13 years ago, when the average cost of a winning Senate campaign was in the moderate range of a half-million dollars. Congress acted to put the reins on what it saw as the growing problem of candidates' spending more time raising campaign dollars than debating the issues.

But in the 1976 landmark case of Buckley versus Valeo, the Supreme Court found that: (1) Congress cannot set mandatory spending limits, and (2) if Congress sets voluntary limits, it must provide some inducement, as the presidential system does with partial public financing, to encourage compliance with the limits.

Many of the sponsors of S.2, including myself, have had reservations about public financing of campaigns. Because of the court's decision, however, we included partial public financing only as a means to obtain voluntary spending limits. It is a reasonable price to pay to restore a system of grass-roots democracy. It would help us return to a time when a candidate solicited support from home-state contributors instead of from Washington-based PACs, spent time debating issues rather than on developing a fund-raising strategy, and stood on his record and qualifications rather than on mounds of campaign cash.

Senate Majority Leader Robert Byrd and I have sent a strong signal to opponents of S.2 that if public funding is the source of their opposition, we will meet them more than halfway. We offered a compromise amendment that would have reduced the maximum amount of public funds to not more than 24 percent of the total spending allowed for each election cycle. Now a new package has been developed that provides effective voluntary spending limits with no direct public financing. It merits strong bipartisan support.

This proposal would offer significant benefits to those party nominees who accept voluntary spending limits. These benefits would include lower mailing rates and the "lowest unit rate" for broadcast advertising. Candidates who refused such limits would not get these benefits. In addition, candidates who refused limits would be required to place a disclaimer on all their advertising and materials indicating that they decline to accept spending limits.

Protection against negative attacks financed by "independent expenditures" would be available to participants in the form of matching funds to counter such attacks. This should serve as a strong deterrent to independent groups that may consider trying to exert influence on elections through expensive media campaigns.

Participating candidates whose opponents exceeded the spending limits would be eligible for offsetting funds from the voluntary tax checkoff. There would be no public financing of the funds raised and spent by the candidates within the limits. The only time public financing would be triggered is when a nonparticipating opponent spends more than the limit in an attempt to "buy" the election. It would be used solely as a standby mechanism to maintain sufficient leverage for compliance with spending limits. Potentially no public funds would be expended.

Further, the cost of a preferred mail rate could be covered by limiting the number of newsletters sent by members of Congress and by no longer providing lower mailing rates to all political parties.

In the bicenntennial year of this country's independence, the average cost of winning a seat in the U.S. Senate was about $600,000. In this bicentennial year of our Constitution, 11 years later, that figure has grown fivefold to over $3 million. If current trends continue at the same rate, 12 years from now, when this year's graduating high school students are eligible to run for the Senate, the average cost could easily be $15 million. We must not allow this devastating projection to come true. Nor can we allow partisan bickering to keep Congress from acting in the national interest to protect the integrity of our election process.

As the debate continues on this reform proposal, I challenge its opponents to make their case that it is good for Congress to spend more and more time raising millions of campaign dollars; that it is good for challengers to be increasingly closed out of the system; that it is good for business and labor groups and their representatives to be increasingly victimized by escalating fund-raising requests; and finally, that it is good to allow even the appearance that the most important offices of public trust in our country are being placed on the auction block.

We must not settle for less than reform. The Senate has a rare opportunity to further the goal of political competition based on issues, ideas and qualifications, not on money, money and more money.

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[From the Washington Post, July 8, 1987]

### DON'T MAKE TAXPAYERS FINANCE CAMPAIGNS

(By Mitch McConnell)

The Post's headline on Sen. David Boren's op-ed piece on campaign reform [June 30] reads, "It's Time To Cut PAC Power." But in the piece itself PACs are mentioned only once, in passing.

Instead, the article focuses on spending limits and taxpayer financing of campaigns. It envisions an elaborate scheme to limit what candidates can spend communicating their ideas to the public and how much individuals can contribute to support those ideas. It says that Americans spend too much on political communication and on choosing the best candidates. Finally, it urges Congress to freeze overall political activity, and supplant individual contributions with government subsidies. Astonishingly, these measures are advanced in the name of "restoring grass-roots democracy."

Most people agree that special interests—particularly political action committees (PACs)—have too much clout. Yet the bizarre response is to cut individuals out of the process, institute government financing, and merely slap the wrists of special interests. If we don't clear away these clouds and address real problems directly, the Senate's three-week-old deadlock on campaign finance reform will only harden.

Yet Sen. Boren's latest proposal launches an all-out, unconstitutional attack on campaign spending and contributions by using the power of the federal government to punish candidates whose spending and support exceed government-set limits. In the landmark case of *Buckley* v. *Valeo*, the Supreme Court held that the "First Amendment denies government the power to determine that spending to promote one's political views is . . . excessive. In the free society ordained by our Constitution, it is not the government but the people . . . who must

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retain control over the quantity and range of debate . . . in a political campaign."

Nonetheless, *Buckley* allowed the government to provide taxpayer financing of campaigns, and to condition acceptance of such funds on adherence to spending limits. This public funding "incentive" is used to control spending in presidential races, even though taxpayer support of the program seems to be waning.

In the presidential system, however, there is no penalty on nonparticipating candidates; they just have to work harder than their government-funded opponents. The Boren proposal, on the other hand, would punish candidates who asserted their right to unlimited support and spending by requiring them to "disclose" their constitutionally protected activity in content-regulated campaign ads. Further, if the candidates exceeded the spending limit, his opponent would receive a huge check from the government. Thus, popular candidates who refused government control over their campaigns would be punished by having their popular support and vigorous spending trigger entitlements to their opponents.

This proposal seriously misconstrues the Supreme Court decision in *Buckley* v. *Valeo* and ignores the free-speech values protected in that decision. Congress can spend taxpayer money to encourage spending limits, if the public is willing to pay for it. But it is flatly unconstitutional for the government to punish candidates and citizens for exercising First Amendment rights.

Fortunately, there are ways to address the public's concerns about campaign financing without violating the Constitution or dipping into the public till. If Congress wants to eradicate special-interest influence in politics, it can pass a bill that reduces or eliminates PAC contributions to candidates and political parties, and clamps down on the "bundling" and "soft money" activities of special interests.

Cleansing the system of special interest money also would make public figures rely on people back home for support, especially small individual contributors. This change would sow new seeds of grass-roots democracy. By comparison, preempting local contributions with federal entitlements would only insulate Washington lawmakers from their constituents. As David Broder recently noted about the presidential system, "[p]ublic financing . . . has meant a virtual shutdown of local headquarters financed by small contributions. Grass-roots democracy has died."

Without special-interest money, candidates would have less to spend on campaigns. To make up the difference, Congress could cut campaign costs by providing a meaningful broadcast rate discount. From 1978 to 1986, both PAC contributions and campaign spending for television ads increased by $100 million. A worthy campaign finance compromise would cut back these two primary causes of spending increases, and leave individual contributors and taxpayers alone.

People contribute when there is strong competition between candidates and when they get interested in the issues. The vigorous spending this allows pays for heightened political activity and better voter education. The obvious result is that for voter turnout increases dramatically. In 1986 voter turnout was highest in states where the most was spent per voter, while nearly every low-spending state suffered extremely low turnout. Reviewing similar findings in 1979, the John F. Kennedy School of Government at Harvard concluded that "most campaigns spend too little money, not too much". This was after campaign spending had increased 70 percent in two years; recent increases have been far more modest.

Clearly, it's time to cut PAC power. But in doing so, let's put the people back in control, and leave the government out of it.

Mr. McCONNELL. Finally, there was an excellent article by Robert Samuelson which appeared both in Newsweek and in the Washington Post entitled "The Campaign Reform Fraud."

I want to read certain portions of that, Mr. President. Then I will ask that all of it appear in the RECORD.

In his article, under the headline "The Campaign Reform Fraud," Mr. Samuelson said:

> For starters, money doesn't determine who wins elections. Winning candidates are often outspent.

I might say, Mr. President, that was certainly the case in the 1986 Senate elections, much to the chagrin of this Senator. Many Democratic Senators were elected who did not spend the most money.

> In last year's Senate election, says political scientist Michael Malbin, six of the seven Democrats who ousted incumbent Republicans were outspent by an average of about 75 percent. There are too many other influences to make money decisive: the economy, party loyalties, personalities, issues, national mood. The 1986 election results, Brooks Jackson of The Wall Street Journal wrote later, suggested "that much . . . money was spent with little practical effect."
>
> Paradoxically, campaign reform could make it tougher for challengers to unseat incumbents. If money doesn't settle elections, serious challengers need adequate minimums to gain name recognition and project campaign themes. It's these threshold amounts that campaign reform threatens. The spending limits in the bill before the Senate are below what five of the winning Senate Democratic challengers spent. In North Carolina, Terry Sanford spent $4.17 million to beat former senator James T. Broyhill. The bill would have allowed Sanford $2.95 million.
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> No one is smart enough to set "correct" spending limits based on population or anything else. States and congressional districts differ radically in political characteristics. California races require lots of media spending. That's less true in Chicago. Spending in hotly contested races is typically higher than average. Because Congress—that is, incumbents—would control spending limits, the bias would be against challengers.

Later on in the article, Mr. President, Samuelson talks about free speech:

> About half the rise in campaign spending since 1978 reflects inflation. Much of the rest stems from the emergence of younger politicians who use expensive campaign consultants, television and direct mail. In 1984 Democratic House Speaker Thomas P. O'Neill Jr. of Massachusetts spent $213,000 winning re-election. In 1986 Democrat Joseph P. Kennedy II spent $1.8 million to win the same seat. But the expense of modern communciations makes it no less vital for free speech.
>
> That's why the Supreme Court held in 1976 that mandatory campaign-spending limits on candidates violate the First Amendment. Public financing of election spending aims to make "voluntary" limits more acceptable. But even if voluntary limits on candidates were enacted, the problem of "independent spending" remains: if I want to buy TV time to support Joe Blow, the Supreme Court says that's my right. Candidate spending limits would prompt special interests to raise independent spending. The Senate bill tries to deter this by subsidizing responses: my $10,000 praising Joe Blow would entitle his opponent to $10,000 of public money to answer me.
>
> Suppose this were judged constitutional (unlikely), what's the point? In our diverse society, one role of politics is to allow the venting of different opinions and pent-up frustrations. Groups need to feel they can express themselves and participate without colliding with obtuse rules intended to shut them out. Our politics is open and free-wheeling. Its occasion excesses are preferable to arbitrary restraints. Wertheimer's brand of reform is misconceived. The Senate would dignify the Founding Fathers by rejecting it.

Mr. President, I ask unanimous consent the entire article appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE CAMPAIGN REFORM FRAUD—MONEY IS A NECESSARY EVIL IN POLITICS, SPENDING LIMITS WOULD CREATE GREATER EVILS

(By Robert J. Samuelson)

The Founding Fathers are growling in their graves. The Senate is now debating campaign-finance "reform": a respectable-sounding idea that's a fraud. Campaign reform would cure problems that don't exist with solutions that would restrict free speech, smother elections in bureaucratic rules and hurt candidates' chances of beating incumbents. It's an odd way to celebrate the Constitution's 200th brithday.

Blame that on Fred Wertheimer of Common Cause. His crusade for reform—campaign-spending restrictions and public financing—is built on half-truths. He says that campaign contributions of "special interests" have corrupted politics. They haven't. The Founding Fathers knew that special interests were inevitable. Their government of checks and balances requires compromise; competing groups check each other. The system isn't perfect, but it curbs the undue influence of campaign contributors.

Wertheimer is a genius at obscuring this. He harps on the huge rise in congressional campaign spending—up from $195 million in 1978 to $450 million in 1986—and its simplest implication: because congressmen need more money, they're more beholden to donors. The obvious answer is to limit dependence on the donors. The logic fits popular prejudices about special interests, and most editorialists and journalists accept Common Cause's claims uncritically. They shouldn't.

For starters, money doesn't determine who wins elections. Winning candidates are often outspent. In last year's Senate election, says political scientist Michael Malbin, six of the seven Democrats who ousted incumbent Republicans were outspent by an average of about 75 percent. There are too many other influences to make money decisive: the economy, party loyalties, personalities, issues, national mood. The 1986 election results, Brooks Jackson of The Wall Street Journal wrote later, suggested "that much . . . money was spent with little practical effect."

Paradoxically, campaign reform could make it tougher for challengers to unseat incumbents. If money doesn't settle elections, serious challengers need adequate minimums to gain name recognition and project campaign themes. It's these threshold amounts that campaign reform threatens. The spending limits in the bill before the Senate are below what five of the winning Senate Democratic challengers spent. In North Carolina, Terry Sanford spent $4.17 million to beat former senator James T. Broyhill. The bill would have allowed Sanford $2.95 million.

No one is smart enough to set "correct" spending limits based on population or anything else. States and congressional districts differ radically in political characteristics. California races require lots of media spending. That's less true in Chicago. Spending in hotly contested races is typically higher than average. Because Congress—that is, incumbents—would control spending limits, the bias would be against challengers.

Likewise, Wertheimer's assertion that campaign contributions corrupt the legislative process is similarly weak. You hear lots of talk about the dangers of political-action committees (PAC's). What you don't hear is:

PAC's remain a minority of all contributions. In 1986 they were 21 percent for the Senate (up from 17 percent in 1984) and 34 percent for the House (level with 1984).

The diversity of the 4,157 PAC's dilutes their power. There are business PAC's, labor PAC's, pro-abortion PAC's, anti-abortion PAC's, importer PAC's and protectionist PAC's. Contributions are fairly evenly split between Democrats ($74.6 million in 1986) and Republicans ($57.5 million).

PAC's give heavily to senior, powerful congressmen, who are politically secure and not easily intimidated. According to Common Cause, Democratic Rep. Augustus Hawkins of California is the most dependent on PAC contributions (92 percent). First elected in 1962, he won last year with 85 percent of the vote.

Of course special interests mob Congress. That's democracy. One person's special interest is another's crusade or livelihood. To be influential, people organize. As government's powers have grown, so has lobbying by affected groups: old people, farmers, doctors, teachers. The list runs on. But PAC's are only a minor influence on voting. Political scientist Frank Sorauf of the University of Minnesota reports that in 1984 the average PAC contribution to House incumbents was less than one-third of 1 percent of the average congressman's total receipts. Congressmen vote according to their political views, constituents' interests, party wishes and—yes—their consciences. Special interests were supposed to block tax reform. They didn't.

Free speech: About half the rise in campaign spending since 1978 reflects inflation. Much of the rest stems from the emergence of younger politicians who use expensive campaign consultants, television and direct mail. In 1984 Democratic House Speaker Thomas P. O'Neill Jr. of Massachusetts spent $213,000 winning re-election. In 1986 Democrat Joseph P. Kennedy II spent $1.8 million to win the same seat. But the expense of modern communications makes it no less vital for free speech.

That's why the Supreme Court held in 1976 that mandatory campaign-spending limits on candidates violate the First Amendment. Public financing of election spending aims to make "voluntary" limits more acceptable. But even if voluntary limits on candidates were enacted, the problem of "independent spending" remains: if I want to buy TV time to support Joe Blow, the Supreme Court says that's my right. Candidate spending limits would prompt special interests to raise independent spending. The Senate bill tries to deter this by subsidizing responses: my $10,000 praising Joe Blow would entitle his opponent to $10,000 of public money to answer me.

Suppose this were judged constitutional (unlikely), what's the point? In our diverse society, one role of politics is to allow the venting of different opinions and pent-up frustrations. Groups need to feel they can express themselves and participate without colliding with obtuse rules intended to shut them out. Our politics is open and free-wheeling. Its occasional excesses are preferable to arbitrary restraints. Wertheimer's brand of reform is misconceived. The Senate would dignify the Founding Fathers by rejecting it.

Mr. McCONNELL. Mr. President, this "evil" money that we have been talking about here in politics, which has always been there, is for the first time in history totally out in the open; at least the cash contributions are. Those indirect contributions, the so-called "soft money," are still under the table, unreported, and unlimited. They buy influence on the black market, and it is time to bring a stop to this sandalous multimillion-dollar political operation.

S. 2 in its various forms does not address that issue.

But, again, making our observations just from individual cash contributions, what does all this money spent in politics get us? It gets us a real contest, real competition, heightened interest, more voters deciding they want to get involved. There is a clear correlation between the money spent in campaigns and voter turnout.

For example, the South Dakota race, which has been mentioned frequently on the floor because it involved the highest spending per capita of all Senate races in 1986, also happened to have the highest voter turnout. It was a hotly contested race, people were extremely interested in it, and there was a lot of spending. Both candidates were excellent, and they were able to raise a lot of money. As a result of that, a lot of people came out to vote. My home State of Kentucky, where about 45 cents was spent per voter, had the lowest turnout in the Nation, a mere 25 percent, compared to nearly 60 percent in South Dakota.

Was the South Dakota Senate campaign a scandal, Mr. President? Hardly; it was a triumph, a triumph in our democratic system.

You can track it, Mr. President, right on down: The less money spent, typically defined as a "no-contest race," the lower the turnout. The races in which there was good competition, two well-supported candidates, a good rough and tumble, plenty of money spent and raised, with a lot of communications, turnout was up. I do not think promoting turnout is bad for American politics; I think it should be the foundation for any system of campaign financing. It is clear that those who effectively used the modern means of communication, television and radio, were able to stimulate the electorate and generate high turnout in 1986.

It seems to me, Mr. President, that is the sort of thing we ought to be encouraging.

Having made that point, Mr. President, I think there is no question that there are some things wrong with the existing law; there are some real problems. But not the fact that some candidates are doing a very good job of raising a whole lot of money from a whole lot of little people. No one can make a big contribution to a Federal race any more, not for the last 12 years.

The only people who can make a big contribution to a race are those who have a lot of money and who contribute to their own races, through the so-called millionaire's loophole. None of the proposals emanating from the other side of the aisle would do anything about that, nor any of the proposals emanating from this side, because it cannot be solved by statute. It requires a constitutional amendment.

We ought to pass that constitutional amendment, Mr. President, and give to the House and the Senate—the Congress—an opportunity to level the playing field between millionaires and the kind of folks the distinguished majority leader was talking about, the factory workers, the meatcutters—whoever aspires to high office in America. Those people should have just as much opportunity to go out and raise money from others as anyone else.

The people who have the unfair advantage are those who have a lot of personal wealth, because one of the unfortunate aspects of Buckley versus Valeo, an essentially sound decision, was that it allowed people of great personal wealth to put all of it into a race, and that is an opportunity that regular folks do not have.

I have a constitutional amendment, Senate Joint Resolution 166, and I ask unanimous consent that it appear at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

### S.J. RES. 166

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as

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part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

"Article —

"Section 1. The Congress may enact laws regulating the amounts of expenditures a candidate may make from his personal funds or the personal funds of his immediate family or may incur with personal loans, and Congress may enact laws regulating the amounts of independent expenditures by any person, other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for Federal office.

"Section 2. The several States may enact laws regulating the amounts of expenditures a candidate may make from his personal funds or the personal funds of his immediate family or may incur with personal loans, and such States may enact laws regulating the amounts of independent expenditures by any person, other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for State and local offices.".

Mr. McCONNELL. This would give to the Congress an opportunity to level the playing field, eliminate the millionaire's loophole, put everybody on the same footing, so that the meatcutter and the coal miner and the taxicab driver, and anybody else in American society who can go out and get a lot of support from a lot of people, could still raise the money, use the television, get into the race and build the contest.

The fellow who inherited it or who is shrewd enough to go out and get it, could not use his personal money to buy political office. He would have to get the same broad-based support that the rest of us who are not millionaires must do. That is a problem we can cure immediately.

There was about $11 million spent in 1978 by candidates of great wealth on their own behalf. By 1986, this had gone up to $40 million.

The other thing we can do something about, Mr. President, is the special interest contribution. When people across America think of "campaign reform," they think of doing something about PAC contributions. They are not talking about spending limits; they are not thinking about negative ads; they are thinking about the perception, real or imagined, that special interests have too much influence on politics.

The Senator from Kentucky does not feel that that is necessarily true. PAC contributions are limited just like individual contributions. But if that is the perception out in the land, and if that is indeed what is driving the public's interest in campaign finance reform, then why do we not say goodbye to political action committees?

The Senator from Kentucky and the Senator from Oregon have introduced a bill to eliminate them altogether. PAC contributions to candidates would simply be eliminated. We would be happy to expand that to parties. We could say good-bye to the PAC's.

The PAC's, were, of course considered a progressive experiment 12 years ago. Some of them are working properly, it seems to this Senator, encouraging people to contribute, getting a broad base of support, electing a board to set standards for the PAC and then contribute to the candidates of their choice. But there are some who feel that the PAC system is not working; so let us bid adieu to the political action committees by simply eliminating them.

There is a third thing we can do that would be real campaign reform. One of the things that has driven up the cost of campaigns is the cost of television, yes, the most effective means of communication. There is clear evidence that in some markets, some that this Senator is aware of in particular, there is an effort to raise the rates as we move toward the prime time for campaigning. Television stations are required to sell us time at the lowest unit rate available to any other advertiser during that period. By simply raising the lowest unit rate charged during the relevant period, the stations can make lots of money on the candidates in the last 45 days before the primary and the last 60 days before the general election.

We could, by statute, Mr. President, do something like this: We could require stations to sell candidates time at the lowest unit rate available at any point during the previous year. That would be a meaningful discount. They would still make money off of it, but they would not be ripping us and the public off going down the homestretch.

Thus, there are three things we could do, Mr. President, that would be real reform. We could close the millionaires' loophole and level the playing field, so that the coal miner, butcher, and taxicab driver could get support from his fellow citizens and get into the game. We could eliminate special interests by zeroing out PAC contributions altogether. And we could require television stations to give us truly reasonable broadcast rates. All of those things would make the system better, without telling a candidate for the U.S. Senate how much support he could get—because, after all, that is what a spending limit is all about. It is saying to the popular candidate, "This is all the support you can have. You may not have any more, and if you get any more, under the various schemes that have been suggested on the other side, public money is triggered for your own opponent."

Now, let me say in closing that we have not talked much about taxpayer financing lately, because the various proposals have involved less and less taxpayer money. That is probably because the American people do not want an entitlement program for politicians. I will bet you that it is the very last thing anybody in America wants tax dollars spent on: our reelection campaigns. I have not seen any survey results lately, Mr. President, but I will bet that if we asked the American people, considering the fact that we have tripled the national debt in the last 10 years, whether they want us to start a new entitlement program for politicians the answer would be a resounding no, a loud no, an emphatic and certain no—keep the hand of Congress out of my pockets.

We ought not to even be thinking about spending the taxpayers' money on political campaigns, whether it is for mail subsidies or for a punitive payment that comes into a campaign only when a candidate of principle says, "I will not reach into the public till, I will work for my Senate seat," and passes the spending limit: his opponent then gets a large check from the Treasury. That is not the kind of thing the American people want this Congress to be doing.

I also humbly suggest, Mr. President, that the American public probably wonders why we have spent 14 days on an issue of such low priority to the American people. We have a number of serious issues before us. The majority leader has to deal with all of these and try to schedule them. I am very sympathetic with that problem. But it is the opinion of this Senator that we do not need to take up any more time on this issue on the floor. We could sit down off the floor of the Senate at any point—we could have done it any time over the last 2 months—and write a bipartisan campaign finance reform bill. We could write a meaningful bipartisan campaign finance reform bill and have it pass this place by a vote of 90 to 10. But that is not what has been offered us by the other side.

What has been presented, with all due respect, Mr. President, is a proposal that is extremely bad for the Republicans and very good for the Democrats. It is also anathema to our democratic system. If we are trying to rewrite the rules in a way that maximizes our advantages and punishes the other fellow's advantages, that kind of measure is not going to go through this body.

We need to sit down and write a bill to deal with some of the real problems the Senator from Kentucky has been describing, in a way that doesn't work to anybody's advantage or disadvantage, in a way that truly improves the system, rather than construct a bill that does nothing about soft money, and instead puts a limit on the small individual contributor.

It is a fact that we all know, it has been alluded to a number of times in this debate, that one of the great ironies in modern politics is it has been Republicans who have benefited from the post-Watergate reforms in terms of the base of small contributors out in America. We have done a fine job of winning middle America. These are people who contribute to us because they're busy: They are running a business or taking care of patients. They do not have time to work on a telephone bank; they do not have time to go door to door, but they have a right to participate in the process just like anybody else—the coal miner, the taxicab driver, or the butcher.

For the American businessman, who is carrying a heavy load, a way to participate in the American political process is through small contributions. They have to be small contributions because the old, big contribution is not allowed any more. It is not possible any more to make a big contribution to anybody's race but your own. We have talked about that in this debate. Busy Americans have the same right to contribute to the process as anybody else, and it is those people who have been the base of contributions to our party.

So the intention, however good it may be, of the other side has the practical effect of working a heavy hardship on the Republican Party. Thus my concluding point: Let us write a bill that is real campaign reform, that does not tilt the process in either direction. Let us write a bill that deals with the real problems—the millionaire's loophole, the influence of special interests, the cost of television, the disclosure and limitation of soft money. Let us write a real campaign finance reform bill.

If we do that, Mr. President, we can do it on a bipartisan basis, and make a contribution to the political process in America.

Mr. President, I yield the floor.

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## PROMPT PAYMENT ACT AMENDMENTS

Mr. BYRD. Mr. President, I am not taking advantage of the fact that the distinguished Republican leader is off the floor. The acting Republican leader, Mr. Hecht, is prepared and knows in advance that I am going to make this request. The distinguished Republican leader indicated that there would be someone who would stand in his stead later in the day if I sought consent to take up the prompt payment bill.

Mr. President, I have discussed this matter briefly a number of times in the last day or so and I hope that Senators will allow the Senate to get on with the measure. There is an amendment, I understand, that is being worked on by some Senators. But I call attention to the fact that this bill has been on the calendar since May 20. That means that it has been on the calendar 2½ months—more than 2½ months. That is ample time in which to resolve differences on an amendment off the floor if such differences can be resolved. If they cannot be resolved in that time, why not let us get the bill up and let us all go at it?

So, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 132, S. 328, to require the Federal Government to pay interest on overdue payments. And why should it not?

Mr. HECHT. Mr. President, we have an objection. We are in the process of clearing consent to turn to that on Thursday, September 10, following morning business; but as of today, I have to object.

Mr. BYRD. Mr. President, I thank the distinguished acting Republican leader. May I say with regard to the proposal that this bill be made the pending business—when?

Mr. HECHT. Thursday, September 10, following morning business.

Mr. BYRD. Mr. President, when the Senate returns in September, on Wednesday, September 9, the Senate is going to have other business to transact. We have our platter full and running over. Some of the measures that are on this calendar are not going to be acted on this year if they are not acted on soon. I say to the chairmen that it may be well to keep that in mind as they continue to hold hearings and report out bills: some of the bills simply are not going to be called up this year. We are not going to be able to get to them. The calendar is going to be glutted with appropriations bills down the road, plus the DOD authorization bill, reconciliation, campaign finance reform, and various and sundry other measures—Grove City for one.

So if Senators are really interested in prompt payment legislation, it seems to me this would be a good time to get it done.

I thank the distinguished acting leader.

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## SENATORIAL ELECTION CAMPAIGN ACT

The Senate continued with consideration of the bill.

Mr. BYRD. Mr. President, I simply remark briefly with regard to the comments by the distinguished junior Senator from Kentucky [Mr. McConnell], who spoke of the value of television advertising in informing the people of this country during election campaigns; he also referred to putting the Senate on TV. As the prime mover in putting the Senate on TV, I believe that the action the Senate took has gone a long way toward truly informing the American poeple on the issues. They can tune in and watch to their hearts' content. They can turn it on, they can turn it off; they can listen or they can decline to listen. If they listen, they can hear in considerable depth the arguments in respect of the various pieces of legislation that come up before the Senate and the issues of the day. It is beneficial.

It is beneficial to our constitutional form of government that we have an informed electorate. Talleyrand said that there was more wisdom in public opinion than in Napoleon, Voltaire, and all the ministers of state present and to come. An informed electorate is vital to the strength of our constitutional system and to representative democracy. But 30-second spots and slick advertising do not inform the public. They mislead the public, so often.

If we did not have these gobs of money floating around that people try to find ways to spend, there would not be so much negative advertising. The people were turned off, just the opposite of what the distinguished Senator from Kentucky would have us believe. The people were turned off by the negativism in campaign advertising last year. There were media stories about the way the people were being sickened, turned off by the negative, below-the-belt advertising.

That is not good for the American system. That is not healthy for representative democracy. That does not inform anybody. That merely misleads people. The issues are not even discussed. The voting records of Senators are distorted.

I say that we should put an end to selling candidates like soap. That is what we are doing with all this money, all this negative advertising. The people are not being informed. We are selling candidates like soap. We should put an end to that and get back to a real discussion of the issues, back to working for our constituents, back to solving the problems of this country.

I thank the distinguished Senator. I congratulate him on being here on the floor to debate this issue. I know he is very sincere about the matter. He gives his time to debating this particular bill, and I am delighted to see that there is some attention being given to the bill. I think the more attention this bill gets, the more likely it will be that cloture will be invoked in due time and that the Senate will be able to act on the bill.

Mr. President, I again thank the acting Republican leader. Even though he objected to the request, he was not objecting on his own part, I am sure. He was objecting because another Senator on the other side of the aisle objects.

I yield the floor.

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## ORDER OF PROCEDURE

Mr. HECHT. Mr. President, I ask unanimous consent to proceed out of order for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TREATMENT OF SENATOR HELMS ON NEWS PROGRAM

Mr. HECHT. Mr. President, it was with surprise and disappointment this morning that I observed, as an uninvited guest, U.S. Senator Jesse Helms, was treated in what I consider to be a rude and disrespectful manner on a morning news program.

On this particular program, Senator Helms was interviewed at length on his legislative effort to combat the abuse of diplomatic immunity. I found it to be a very insightful and professional job on the part of the interviewer, typical of the high caliber of the program's news coverage.

After the interview was over, however, another commentator chose to ridicule the Senator's assertion that the U.S. Government has the duty—and the capability—to defend our diplomats abroad against any retaliation to the Helms bill. I found these remarks to be shallow, unprofessional, and beneath the dignity to which the program has always ascribed. At the very least, if the comments had to be made, they should have been made while Senator Helms was there to respond.

Obviously, I strongly support Senator Helms' legislation. Whether it is a diplomat, his son, or a reigning monarch, no one of any nationality should be free to rape, steal, and wreak havoc on society while hiding beneath the shroud of diplomatic immunity. Beyond the merits of the issue, however—or my close relationship with Senator Helms—is the issue of respect and professionalism between the media and elected representatives of the people of the United States, which I strongly feel must be protected. A free society, Mr. President, must be an informed one.

Jesse Helms is an honorable, dedicated public servant, and I am proud to call him both my friend and my colleague. He showed this network the courtesy of appearing on their program, and I believe he deserves nothing less than having that courtesy returned.

## ORDER OF PROCEDURE

Mr. PRYOR. Mr. President, I ask unanimous consent that I may speak as in morning business, for not to exceed 12 minutes.

The PRESIDING OFFICER (Mr. Breaux). Without objection, it is so ordered.

## THE TIME FOR ACTION ON TAXPAYERS' RIGHTS HAS COME

Mr. PRYOR. Mr. President, today I want to discuss S. 604, the taxpayers' bill of rights, and the issue of taxpayers' rights in America. Once Congress returns from its August recess, I will work to include this legislation as part of the Omnibus Budget Reconciliation Act.

I will be happy to discuss the taxpayers' bill of rights with any of my colleagues in the Senate who are interested in this proposition, and I encourage my colleagues to cosponsor this very important legislation. Many recent positive signs leave me very hopeful that our reconciliation bill, in which we fight our annual war against the deficit, can also include a victory for taxpayers' rights.

I have become aware in the past week of other taxpayers' rights packages that may be in the works in response to our initiative. While I welcome these new efforts, I want to caution my colleagues that the American people will not stand for watered-down legislation that merely pays lipservice to taxpayers' rights. The taxpayers' bill of rights is strong and meaningful. It is clear. It is legislation which has been cosponsored by 34 Senators, 129 Members of the House, and enjoys overwhelming public support.

Mr. President, continuing stories of taxpayer abuse have been making their way to Congress for several years now, and for many years they have been dismissed as isolated incidents. The time has now come for Congress to recognize that taxpayer abuse is a serious and widespread problem and that something is terribly wrong with the IRS bureaucracy, which consists of 102,000 individuals. What was possibly the exception two decades ago about isolated incidents in the relationship of the IRS to the American taxpayer has now, I fear, become the rule.

Senator Levin's hearings in 1980 conclusively proved that the problem of taxpayer abuse existed and was widespread, but Congress failed to act. Several taxpayers' rights bills have been proposed over the years, and yet Congress has failed to act. And now, in this historic 100th Congress the 200th anniversary of our Constitution, we have had to reprove what should have been recognized years ago.

On February 26, 1987, Senators Reid and Grassley joined with me in introducing S. 604, the taxpayers' bill of rights. Since then I have chaired three hearings on this bill in the Senate Finance Subcommittee on Oversight of the IRS. In the first hearing on April 10, 1987, Thomas Treadway testified that the IRS ruined his business and harassed his friend Shirley Lojeski over an assessment that later proved to be incorrect. Joseph Smith, a former IRS revenue officer, testified during this hearing that during his IRS employment of many years revenue officers were promoted on the basis of the number of seizures and collections that they made. Mr. Smith also testified that the goal in collection was "to put as little space between the taxpayer's back and the wall as possible."

In a hearing on April 21, Lawrence Gibbs, Commissioner of Internal Revenue, testified on behalf of the IRS. Commissioner Gibbs admitted that day that problems do exist at the IRS, but he said that these problems could be handled internally and did not require legislation. He announced a new policy at the IRS whereby taxpayers would be treated as customers. Commissioner Gibbs also assured us that promotions are not based in IRS today on statistical indicators such as the number of seizures made by revenue officers. In fact Commissioner Gibbs cited an IRS policy that specifically forbids such a practice.

Mr. President, I ask unanimous consent that a copy of the relevant portion of Commissioner Gibbs' testimony on that day be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

> I would like to note here that enforcement personnel are not evaluated on a quota system. In fact, we have a policy statement, P-1-20, which states that tax enforcement results tabulations shall *not* be used to evaluate such personnel or to impose any production quotas or goals. I have attached a copy of that policy statement to my testimony.

Mr. President, as I said before, I have a great deal of respect for this fine man, Commissioner Gibbs of the Internal Revenue Service. The goals that he has for the IRS and the policies that he wants to implement are all well intended. But the fact is that he, Commissioner Gibbs, will only be at the IRS for a very short time.

If my figures are correct, Mr. President, I think that the average IRS Commissioner only stays at the IRS for some 2½-year period.

I have learned that there are actually also, Mr. President, two IRS's. There is a political IRS consisting of the national office here in Washington that is the one that puts out the policy, the regulation, the goals and also many of those billboards that we see today that say if you have a problem with IRS simply dial 1-800 and then the number. But there is also a real IRS, Mr. President, consisting of entrenched bureaucracy in local district and regional office that the average taxpayer comes in contact with. Commissioners come and go, but the bureaucracy stays forever. This is precisely the reason why legislation is needed to protect taxpayers' rights.

In the final hearing on June 22, five current revenue officers, all very courageous and brave people, all contradicted Commissioner Gibbs before our committee. All of them testified that revenue officers are under tremendous pressure from their managers to seize assets and close cases. In addition, all of them testified that promotions and pay raises are directly connected to the number of seizures made and the number of cases closed. Two IRS internal memorandums, one of which I introduced into evidence as exhibit 2 during the hearing recently prove that in some offices this is not merely an implied policy. In one memorandum from the IRS to a revenue officer group, the group manager set out the group's seizure performance for the past month. He then stated:

> These figures indicate one of two possibilities:
>
> Most seizures are in the hands of only a few; or
>
> Only a few are willing to effect seizure. My itenerary (sic) reflected my availability to assist you on seizures and sales. Keep in mind that you can not make errors when the boss is the assisting revenue officer!

The final paragraph of this memorandum stated:

> Our goal should continue to be to make every seizure in every inventory every month. With WPSS driving inventory levels down, now is the time for seizure action.

Another witness, Mr. President, on June 22, who was from the San Francisco IRS office stated that in their particular office in San Francisco, CA, on the bulletin board it stated in these words, "Seizure fever. Catch it."

Finally, Mr. President, I have another IRS internal memorandum that I would like to make a part of the Record at this point. I am going to read just a short part of this particular statement. It is an IRS memo dated February 17 as recently as 1987.

> To: All Group Managers, Field Branch II.
> From: Chief, Field Branch II.
> Subject: Monthly Report—January 1987.
>
> I am sure each of you has analyzed and evaluated the January monthly report for your group. Personally, for a five week period, it is a sorry report. Not one manager has come forward to explain the poor performance statistical indicators. Example: one (1) CID Referral, four groups had zero (0); seven (7) seizures for the Branch, one group with zero (0) and two groups with one (1) each; and the number of low closures.

I continue in this memo, Mr. President, in reading a portion of it. The next to the last paragraph.

> It appears the fewer cases that the revenue officers have assigned to them, the less work they do. WPSS has not helped at all in the performance or quality areas. I still see Forms 5942 from SPS with the same old findings. I realize that in January we experienced two snow storms, but the first one did not take place until January 22nd. Furthermore, field time was disasterous, some revenue officers did not even turn in travel vouchers for January because they did not have any travel.
>
> Where are you as managers? What are you doing, and is it effective? As managers, you must become actively involved by doing your follow-ups, performing timely reviews (formal and informal), reviewing Forms 795 (daily reports), making field and office visits, reviewing field time, etc. The revenue officers that are performing above a satisfactory level will be rewarded, and the ones that are not will be documented with corrective action taken.

Finally, Mr. President, the final sentence, this is once again from the field branch 2, chief IRS to his collection agents:

> Your mid-year evaluations will be prepared in approximately one and one-half months. You will be evaluated on your accomplishments or lack or accomplishments. Need I say more?

Mr. President, I ask unanimous consent that this particular IRS memorandum be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

> INTERNAL REVENUE SERVICE MEMORANDUM
>
> Date: February 17, 1987.
> To: All Group Managers Field Branch II.
> From: Chief, Field Branch II.
> Subject: Monthly Report—January 1987.
>
> I am sure each of you has analyzed and evaluated the January monthly report for your group. Personally, for a five week period, it is a sorry report. Not one manager has come forward to explain the poor performance statistical indicators. Example: one (1) CID Referral, four groups had zero (0); seven (7) seizures for the Branch, one group with zero (0) and two groups with one (1) each; and the number of low closures.
>
> It appears the fewer cases that the revenue officers have assigned to them, the less work they do. WPSS has not helped at all in the performance or quality areas. I still see Forms 5942 from SPS with the same old findings. I realize that in January we experienced two snow storms, but the first one did not take place until January 22nd. Furthermore, field time was disasterous, some revenue officers did not even turn in travel vouchers for January because they did not have any travel.
>
> Where are you as managers? What are you doing, and is it effective? As managers, you must become actively involved by doing your follow-ups, performing timely reviews (formal and informal), reviewing Forms 795 (daily reports), making field and office visits, reviewing field time, etc. The revenue officers that are performing above a satisfactory level will be rewarded, and the ones that are not will be documented with corrective action taken.
>
> Your mid-year evaluations will be prepared in approximately one and one-half months. You will be evaluated on your accomplishments or lack of accomplishments. Need I say more?
>
> WILBUR E. MCKEAN.

Mr. PRYOR. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The time is expiring as we speak.

Mr. PRYOR. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 5 minutes.

Mr. PRYOR. Mr. President, at the June 22 hearing we also addressed problems that small businessmen have in connection with employment tax assessments and collections. I find it very interesting to note that based on statistics in the 1984, 1985, and 1986 IRS annual reports, between 25 percent and 30 percent of all employment tax assessments are later withdrawn by the IRS because they are excessive, because they are made after the expiration of the statute of limitations, because they are illegally or erroneously made, or because of a clerical error.

Two small businessmen testified before our committee that the IRS has a policy of not entering into installment payment agreements with small businesses, especially in employment tax cases. These two taxpayers testified that if the IRS had entered into a reasonable payment agreement with them, they could have paid their assessments and saved their businesses. The IRS refused to work with either of these small businessmen and demanded immediate payment and one today is under chapter 11 and one is closed because the IRS auctioned off all of his property.

In the case of Alan Tucker from Denver, CO, he discovered his own error. He reported it to the IRS. The IRS, on that day, seized his bank account within a few hours of his first meeting with a revenue officer. Following President Reagan's call for the private sector to help the poor, Alan Tucker was involved in restoring slum housing in Denver, CO. IRS actions put Alan Tucker and 31 other employees out of business.

In the case of Danny Maestri, the IRS gave him only 10 days to pay his entire delinquency. He, too, was one who had found his own error. He reported that error to the IRS. Mr. Maestri was ultimately forced to put his 60-year-old family restaurant into chapter 11 bankruptcy to avoid having it taken and seized entirely by the Internal Revenue Service. Maestri's restaurant has suffered and his credit rating has been damaged, but he has managed to save his business.

I might add that the IRS does not have this money yet, because they refused to enter into a negotiated settlement.

The taxpayers' bill of rights, Mr. President, applies very specifically to the facts set out and the issues illustrated in these two particular cases. I encourage my colleagues to read the transcripts from these three previous hearings.

Further proof that taxpayer abuse is a widespread and serious problem has come from taxpayers all across the country. My office has been flooded with mail and phone calls from taxpayers wanting to tell their stories of abuse, and I am sure many of my colleagues have had a similar response. This issue has touched a nerve in the country and the people are saying, I think, very loud and clear that it is time that Congress performed its duty and passed legislation containing meaningful protections.

Yes, Mr. President, there are those in this country who are tax protesters and who simply do not want to pay any taxes. The taxpayers' bill of rights is not intended to protect those people or help them cheat the IRS. I feel very strongly that taxes are the price that we pay for a free society and that all taxes owed should be collected. The taxpayers' bill of rights simply grants basic protections to taxpayers who are willing to pay what they owe, and nothing in the bill is intended to handcuff the IRS in its collections efforts.

In summary, the American taxpayer wants meaningful taxpayers' rights legislation. In a recent letter, an Arkansas attorney told of a friend who called the IRS to ask a question about taxes. He stated:

> During the conversation he, upon receiving information from the IRS, made the statement "why, that doesn't seem fair." The IRS official responded "we don't deal in fair."

The American taxpayer wants to pay his fair share, but he wants to be dealt with fairly by the IRS. It has been proven beyond doubt that IRS abuse of taxpayers is a widespread and serious problem. It is time for us to stop merely talking about the issue and passing it on to the next Congress. It is time for this Congress, it is time for all of us to do our duty to protect the American taxpayer. And it is time for action on the taxpayers' bill of rights.

We will seek that action on the reconciliation bill come September or October or November, whenever that opportunity presents itself.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, thank you very much.

I am here today to talk about the taxpayers' bill of rights. I compliment and applaud the Senator from Arkansas for his work on this legislation. Without his leadership and guidance, as a member of the Finance Committee, this bill would not be where it is today.

Two hundred years ago in Philadelphia, in the hot, sultry summer, our Founding Fathers set forth to develop a constitution. They worked through that sultry, hot summer and into the fall to write a constitution. A short time later, of course, came the Bill of Rights.

It is unusual that, some 200 years later, with the many freedoms that have been established in this country, we would have to come forward with legislation entitled "The Taxpayers' Bill of Rights." The people who provide for the very essence of this Government—that is by paying the bills—you would think would enjoy the basic protections found in the Bill of Rights and that there would not need to be special legislation for taxpayers. But the fact of the matter is, Mr. President, that legislation is needed to give taxpayers fundamental rights.

The Senator from Arkansas spoke a great truth when he said that the American people are behind the taxpayers' bill of rights. There are those in both bodies who have understood the effect of the abusive behavior of IRS agents. It is only a small number of IRS agents, but that small number has created a bad taste in the mouths of the American public. Something has to be done to control that small number of abusive IRS agents, because the effect that these agents have had on law-abiding citizens is not good.

People have understood in this body and the other body for over a decade that something must be done. Their efforts, however, to legislate a solution to these abuses have generally been dismissed as mere demagoguery.

While in the House of Representatives, Mr. President, this Senator introduced legislation to correct what I believe to be some of the abuses. I thought at the time that it was legislation that would be effective in my home State, that would apply only to my home State.

I had the good fortune to appear on a national television program called "Night Watch" with Charlie Rose. After having appeared on that program, which airs at some time like 3 o'clock in the morning, not knowing that many people would be watching that program, I received a tremendous response. The next day my office received spates of telegrams, numerous telephone calls, and subsequently lots and lots of letters. I came to realize very quickly that it was not a problem unique to Nevada.

After coming to this body, I joined with Senator Pryor and Senator Grassley and introduced this legislation. This is a bill that, I believe, is well crafted. It has the support now of 34 Senators. It has the support of 130 House Members. This bill is on the move. It is on the legislative fast track in both Houses of Congress.

I also underline what the Senator from Arkansas said regarding the fact that we want money collected. We do not want anyone that owes money to this Government to get out of paying that money. What we want is for that money to be collected fairly and squarely. And the evidence simply is it has not.

After years of seeking relief from the highhanded tactics of the IRS, the U.S. Congress is moving to put the word "service" back into the IRS.

Lest any of my colleagues still doubt the need for this kind of legislation, I invite you to read the transcripts from the three hearings held in Senator Pryor's subcommittee. The evidence presented to that subcommittee is overwhelming. Senator Pryor has mentioned a number of things that were brought out in that subcommittee—"Seizure fever—Catch it." Can you imagine a boss having that on his window so that all the employees there could see it, indicating that it is good to seize people's property. The evidence is clear, not in one case, but in many cases.

There are many examples of small business people who simply were run out of business by the IRS. One example that comes to my mind is a business in operation 14 years. They owed taxes. They employed over 100 people. The owner said, "We will pay 60 percent of it today and we want to work out the balance with you." "No thanks replied the IRS." The result: the business was closed; 100 people out of work; and the Government collected no taxes.

If you are not interested in looking at the transcript of the hearings from that subcommittee, then I invite you to pick up a handful of your mail. You will find stories from your own constituents describing the incredible stories of abuse and discourteous behavior of the IRS that come in the mail every day. Unfortunately these stories are routine and they are real. No lobbying group composes these letters. They come from real people. Every letter I have received is handwritten. And every letter I received is composed by a person.

Letters from small business people come in as well. They all are real. They are all from people who are telling a story from the heart.

Every letter supports S. 604, the omnibus taxpayers' bill of rights.

This measure will be approved by the Senate and the House this year.

I urge my colleagues to join Senators Pryor, Grassley, myself, and 32 other Senators to cosponsor this historic measure and bring to the American public a new part of the bill of rights that should always be in existence but that will come with passage of this legislation: the taxpayers' bill of rights.

I yield the balance of my time.

## ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I ask unanimous consent that I may proceed for a period of time not to exceed 5 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

## FOUR POSSIBLE RULES CHANGES

Mr. PRYOR. Mr. President, I thank you for recognizing me.

During the course of the legislative day I will introduce on behalf of myself and on behalf of Senator Danforth, of Missouri, four possible rules changes that will be going to the Rules Committee.

Mr. President, one of these rules changes that Senator Danforth and I would present will relate to the sense-of-the-Senate resolutions, requiring 20 cosponsors, 20 cosponsors of each sense-of-the-Senate resolution.

Second, one of our proposals will be to change the motion to proceed to limit debate on the motion to proceed to 1 hour, equally divided, that time being allocated by the majority and minority leaders, up-or-down vote, and a simple majority, the Senate deciding whether or not to proceed to the legislation.

The third change, Mr. President, relates to the 15-minute rollcall vote which is now a standing order of the Senate. We will elevate it to a rule. We will also charge the Rules Committee with establishing a system in this body whereby we will be signaled at the time when the 15-minute period expires.

The fourth change, Mr. President, is the most complex. It relates to how we as Members of the Senate amend legislation. It will be an attempt to keep the majority and minority leaders, the managers of specific legislation, from standing on this floor, literally begging and pleading with Senators to bring their amendments to the floor for offering and debate. We will propose a change that we hope will be effective and we hope will be efficient, and certainly which we hope to be adopted. It will be a system whereby we have to amend a bill by section or title.

Tomorrow, given the proper opportunity, I will have the opportunity, together with Senator Danforth, to explain these four proposals in which we attempt to change the rules by which we operate in the Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator yields back his time.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nevada is recognized.

Mr. REID. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The Chair states the pending business is S. 2.

Mr. REID. Mr. President, I ask unanimous consent that I may proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I am not going to object, but I wish we would stay on the business of the Senate. We are getting into a situation here where the whole day is being spent on morning business.

Mr. REID. Mr. President, I shall be happy to speak on the matter before the Senate, S. 2.

Mr. BYRD. Is the Senator going to speak on S. 2, Mr. President?

Mr. REID. Yes, Mr. President. I shall do that rather than morning business.

Mr. BYRD. Mr. President, I am thankful.

I yield the floor.

### FEC REGULATION AMENDMENTS

Mr. REID. Mr. President, too often we, as those who exercise oversight, see only that which is wrong with the entities we review. We raise those matters which we think need correction and enact legislation to resolve the problems. We are often ready to criticize, but too rarely do we recognize efforts by an agency to resolve its own problems.

Since the introduction of S. 2 and other legislation, including a bill that I introduced, S. 780, I have spoken on this floor repreatedly about the need for campaign reform. I have testified on a number of occasions regarding the repeated and consistent delays encountered by those who seek redress before the FEC for violations of Federal election laws. I am delighted today to be able to tell my colleagues in this body that the Federal Election Commission has taken some steps to resolve its problems of delay. I also submit, Mr. President, that I believe the reason for the action of the FEC—and I respect them for doing so—is some of the conversation that has taken place on this floor, some of the criticism that has taken place on this floor, some of the talk that has taken place on this floor regarding campaign reform.

The Federal Election Commission has seen that they can do something on their own to resolve some of the problems that have caused the confusion, the extended delays in proceedings before FEC, and the problems with campaigns generally.

The Federal Election Commission today, I am happy to report, is in a position now where they are going to speed up their own process. The actions are represented in the reform that I talked about by the FEC itself, in new procedures adopted by the Commission policy on granting extensions of time in enforcement matters.

Those people that have had problems and have filed complaints or been parties to complaints or had actions that are of interest to them before the Federal Election Commission, have found that most often, nothing ever happens. It is one delay, it is another delay, it is delay after delay. They simply recognize now, the Federal Election Commission, that they must do something about it. They have adopted new procedures that relate to enforcement. They were adopted on June 4 and discussed in this month's FEC Record, a publication put out by the Federal Election Commission.

In essence, the new regulations place some restrictions on the granting of extensions at various stages of the enforcement process, and even some of those are limited to "exceptional circumstances." Discretion to grant such extensions is granted to FEC counsel, with guidance as to time and criteria provided by the regulations.

Mr. President, what the FEC has done is certainly not enough and the talk that has taken place on this floor with regard to campaign reform is still a valid judgment. But I commend the FEC for doing something. While maybe not enough, it is a step in the right direction and constitutes a recognition by the FEC that a problem in delay exists and something must be done to resolve it. I am very much a believer in the maxim that recognition of the existence of a difficulty is half the battle in finding a solution.

Now that the FEC has acknowledged the problem of delay, I hope that the Commission will focus even more attention on what has been taking place on this floor, that the delays which have taken place in proceedings before the Election Commission cannot be resolved only by a change in their internal rules. More needs to be done. S. 2 would certainly be a vast improvement, as we talked about on the Senate floor.

I also would like the Members of this body to look at legislation I have introduced which is a companion to S. 2, which will streamline the procedures of the Federal Election Commission.

I am certainly applauding today the legislation that has been introduced by Senator Boren and the majority leader, which I think rightfully has focused attention on what has taken place in the elections in the past several years in this country. I think the American public has responded. It is

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seen in the editorials in all the major newspapers, saying that there must be some election reform. The editorials have appeared not only in major newspapers but also in the hometown newspapers that come from the various congressional districts throughout the country. So I commend Senator BOREN and the majority leader for the work they have done on this issue.

I ask my colleagues on the other side of the aisle to join in this effort to reform the campaign laws of this country, to make campaigns more meaningful, so that the people of this country will be involved more in elections than they have been, so that voter registration will pick up, so that people need not be wealthy to be involved in a political campaign.

I yield back the remainder of my time.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I hope shortly to be able to take up another measure on which some problem is being resolved. For the time being, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## OLDER AMERICANS ACT AUTHORIZATION

Mr. BYRD. Mr. President, the distinguished Republican leader and I have been discussing this request.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 285, provided that, with the exception of the committee amendments from the Indian Affairs Committee and the committee substitute from the Labor Committee, only the following amendments be in order: An amendment by Mr. MATSUNAGA, an amendment by Mr. HATCH and Mr. INOUYE, three amendments on behalf of Mr. MELCHER.

I also ask unanimous consent that there be no motion to recommit, either with or without instructions, and that there be a time limitation of not to exceed 15 minutes.

The PRESIDING OFFICER. Is there objection to the request of the majority leader? The Chair hears none, and it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the agreement be in the usual form with respect to the division and control of the time.

The PRESIDING OFFICER (Mr. SANFORD). Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 887) to extend the authorization of appropriations for and to strengthen the provisions of the Older Americans Act of 1965, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

### SHORT TITLE; TABLE OF CONTENTS

*SECTION 1. This Act may be cited as the "Older Americans Act Amendments of 1987".*

### TABLE OF CONTENTS

*Sec. 1. Short title; table of contents.*

### TITLE I—AMENDMENTS TO THE OLDER AMERICANS ACT OF 1965

### PART A—OBJECTIVES AND ADMINISTRATION

*Sec. 101. Objectives.*
*Sec. 102. Establishment of Administration on Aging.*
*Sec. 103. Data collection; reports.*
*Sec. 104. Veterans' programs.*
*Sec. 105. Mental health.*
*Sec. 106. Older individuals with disabilities.*
*Sec. 107. Older Native Americans.*
*Sec. 108. Federal Council on Aging.*
*Sec. 109. Regulations.*
*Sec. 110. Publication of goals.*

### PART B—GRANTS FOR SUPPORTIVE SERVICES, NUTRITION, AND OTHER ACTIVITIES

*Sec. 121. Purpose.*
*Sec. 122. Administration of State grants program.*
*Sec. 123. Reauthorization for State and community programs on aging.*
*Sec. 124. Administrative expenses of area agencies on aging.*
*Sec. 125. Area agencies on aging as separate units.*
*Sec. 126. Area plans.*
*Sec. 127. Daycare and respite services provided by volunteers.*
*Sec. 128. Coordination of certain programs relating to older victims of Alzheimer's disease.*
*Sec. 129. Ombudsman office and program.*
*Sec. 130. Flexibility of services; legal assistance.*
*Sec. 131. Documentation regarding minority participation.*
*Sec. 132. Targeting of services.*
*Sec. 133. Coordination relating to mental health services.*
*Sec. 134. Services to older Native Americans.*
*Sec. 135. Services to individuals with disabilities.*
*Sec. 136. Confidentiality of information relating to legal assistance provided.*
*Sec. 137. Coordination of community-based services.*
*Sec. 138. Payments.*
*Sec. 139. In-home services for frail older individuals.*
*Sec. 140. State plan information regarding services to older individuals residing in rural areas.*
*Sec. 141. Health education and promotion for older Americans.*
*Sec. 142. Prevention of abuse of older individuals.*
*Sec. 143. Assistive technology services.*

### PART C—DEMONSTRATION GRANTS

*Sec. 151. Demonstration projects; purpose.*
*Sec. 152. Multidisciplinary centers.*
*Sec. 153. Volunteer opportunities.*
*Sec. 154. Special projects in comprehensive long-term care.*
*Sec. 155. Demonstration program of outreach to elderly SSI, medicaid, and food stamp eligibles.*
*Sec. 156. Demonstration grants for individuals with disabilities.*
*Sec. 157. Home-care quality assurance demonstration projects.*
*Sec. 158. Authorization of appropriations for training, research, and discretionary projects and programs.*

### PART D—COMMUNITY SERVICE EMPLOYMENT

*Sec. 161. Administrative costs of employment projects.*
*Sec. 162. Community service employment for older Indians.*
*Sec. 163. Definition of community services.*
*Sec. 164. Authorization of appropriations for community service employment for older Americans.*
*Sec. 165. Employment assistance and other programs.*

### PART E—NATIVE AMERICAN PROGRAMS

*Sec. 171. Native American programs.*

### PART F—MISCELLANEOUS AND TECHNICAL AMENDMENTS

*Sec. 181. Personal health education and training programs.*
*Sec. 182. Technical amendments.*

### TITLE II—1991 WHITE HOUSE CONFERENCE ON AGING

*Sec. 201. White House Conference authorized.*
*Sec. 202. Authorization of the Conference.*
*Sec. 203. Conference administration.*
*Sec. 204. Conference committees.*
*Sec. 205. Report of the Conference.*
*Sec. 206. Definitions.*
*Sec. 207. Authorization of appropriations.*

### TITLE III—ALZHEIMER'S DISEASE RESEARCH

*Sec. 301. Requirement for clinical trials.*
*Sec. 302. Authorization of appropriations.*

### TITLE IV—GENERAL PROVISIONS

*Sec. 401. Effective date; application of amendments.*

### TITLE I—AMENDMENTS TO THE OLDER AMERICANS ACT OF 1965

### PART A—OBJECTIVES AND ADMINISTRATION

### OBJECTIVES

*SEC. 101. Section 101 of the Older Americans Act of 1965 (42 U.S.C. 3001) (hereafter in this title referred to as "the Act") is amended—*

*(1) in the matter preceding paragraph (1)—*

*(A) by striking "United States and" and inserting "United States,", and*

*(B) by inserting ", and of Indian tribes" after "subdivisions",*

*(2) in paragraph (3)—*

*(A) by striking "Suitable" and inserting "Obtaining and maintaining suitable", and*

*(B) by inserting "and functional limitations" after "special needs",*

*(3) in paragraph (7) by striking "Pursuit of" and inserting "Participating in and contributing to", and*

*(4) in paragraph (10)—*

*(A) by striking "lives and" and inserting "lives,", and*

*(B) by inserting ", and protection against abuse, neglect, and exploitation" before the period at the end.*

### ESTABLISHMENT OF ADMINISTRATION ON AGING

*SEC. 102. Section 201(a) of the Act (42 U.S.C. 3011(a)) is amended in the third and fourth sentences by striking "the Office of".*

### DATA COLLECTION; REPORTS

*SEC. 103. (a) COLLECTION REQUIRED.—Section 202(a) of the Act (42 U.S.C. 3012(a)) is amended—*

*(1) by striking "and" in paragraph (17) at the end,*

*(2) by striking out the period at the end of paragraph (18) and inserting a semicolon, and*

*(3) by adding at the end the following:*

*"(19) collect for each fiscal year for fiscal years beginning after September 30, 1988, directly or by contract, statistical data regarding programs and activities carried out with funds provided under this Act, including—*

*"(A) with respect to each type of service provided with such funds—*

*"(i) the aggregate amount of such funds expended to provide such service;*

*"(ii) the number of individuals who received such service; and*

*"(iii) the number of units of such service provided;*

*"(B) the number of senior centers which received such funds; and*

*"(C) the extent to which each area agency on aging designated under section 305(a) satisfied the requirements of paragraphs (2) and (5)(A) of section 306(a).".*

*(b) REPORTS.—The last sentence of section 207(a) of the Act is amended to read as follows: "Such annual reports shall include—*

*"(1) statistical data reflecting services and activities provided to individuals during the preceding fiscal year;*

*"(2) statistical data collected under section 202(a)(19);*

*"(3) statistical data on legal services collected pursuant to section 202(a)(19) and an analysis of the information received under section 307(a)(15)(E) by the Commissioner; and*

*"(4) statistical data and an analysis of information regarding the effectiveness of the State agency and area agencies on aging in targeting services to older individuals with the greatest economic or social needs, with particular attention to low-income minority individuals, low-income individuals, and frail individuals (including individuals with any physical or mental functional impairment).".*

*(c) REPORT ON OMBUDSMAN PROGRAM TO CONGRESS.—Section 207 of the Act is amended by adding at the end the following:*

*"(c)(1) Not later than January 15 of each year, the Commissioner shall compile a report—*

*"(A) summarizing and analyzing the data collected under section 307(a)(12)(C) for the then most recently concluded fiscal year;*

*"(B) identifying significant problems and issues revealed by such data (with special emphasis on problems relating to quality of care and residents' rights);*

*"(C) discussing current issues concerning the long-term care ombudsman programs of the States; and*

*"(D) making recommendations regarding legislation and administrative actions to resolve such problems.*

*"(2) The Commissioner shall submit the report required by paragraph (1) to—*

*"(A) the Select Committee on Aging of the House of Representatives;*

*"(B) the Special Committee on Aging of the Senate;*

*"(C) the Committee on Education and Labor of the House of Representatives; and*

*"(D) the Committee on Labor and Human Resources of the Senate.*

*"(3) The Commissioner shall provide the report required by paragraph (1), and make the State reports required by section 307(a)(12)(I)(i) available, to—*

*"(A) the Administrator of the Health Care Finance Administration;*

*"(B) the Office of the Inspector General of the Department of Health and Human Services;*

*"(C) the Office of Civil Rights of the Department of Health and Human Services;*

*"(D) the Administrator of the Veterans' Administration; and*

*"(E) the public agencies and private organizations designated under section 307(a)(12)(A).".*

### VETERANS' PROGRAMS

*SEC. 104. (a) CONSULTATION.—Section 203(b) of the Act (42 U.S.C. 3013(b)) is amended—*

*(1) by striking "and" in paragraph (13) at the end,*

*(2) by striking the period at the end of paragraph (14) and inserting ", and", and*

*(3) by adding at the end the following:*

*"(15) parts II and III of title 38, United States Code.".*

*(b) TECHNICAL ASSISTANCE AND COOPERATION UNDER TITLE III.—Section 301(b)(2) of the Act is amended by inserting ", the Veterans' Administration," after "Office of Community Services".*

*(c) AREA PLANS.—Section 306(a)(6)(F) of the Act is amended by inserting "providers of veterans' health care (if appropriate)," after "elected officials,".*

*(d) TECHNICAL ASSISTANCE AND COOPERATION UNDER TITLE IV.—Section 402(b) of the Act is amended by inserting "the Veterans' Administration," after "National Institutes of Health,".*

### MENTAL HEALTH

*SEC. 105. (a) FUNCTIONS OF COMMISSIONER.—Section 202(a)(5) of the Act (42 U.S.C. 3012(a)(5)) is amended by inserting "(including mental health)" after "health".*

*(b) FEDERAL AGENCY CONSULTATION.—Section 203(b)(10) of the Act is amended by inserting ", including block grants under title XIX of such Act" before the comma.*

*(c) ADMINISTRATION OF TITLE III.—Section 301(b)(2) of the Act, as amended by section 104(b), is amended by inserting ", the Alcohol, Drug Abuse, and Mental Health Administration," after "Veterans' Administration,".*

*(d) ADMINISTRATION OF TITLE IV.—Section 402(b) of the Act, as amended by section 104(d), is amended by inserting "Alcohol, Drug Abuse, and Mental Health Administration," after "Veterans' Administration,".*

*(e) EDUCATION AND TRAINING.—(1) Section 411(a)(1) of the Act is amended by inserting "(including mental health)" after "health".*

*(2) The first sentence of section 412(a) of the Act is amended by inserting "(including mental health)" after "health".*

*(f) SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE.—The second sentence of section 423(a)(3) of the Act is amended by inserting "mental health services;" after "in-home services;".*

### OLDER INDIVIDUALS WITH DISABILITIES

*SEC. 106. (a) CONSULTATION FUNCTION.—Section 202(a) of the Act (42 U.S.C. 3012(a)), as amended by section 103(a), is amended—*

*(1) by striking "and" at the end of paragraph (18);*

*(2) by striking out the period at the end of paragraph (19) and inserting in lieu thereof a semicolon and the word "and"; and*

*(3) by adding at the end thereof the following new paragraph:*

*"(20) consult with national organizations representing the interests of individuals with severe disabilities (A) to develop and disseminate information on population characteristics and needs, and training of personnel; and (B) to provide technical assistance designed to assist State and area agencies to provide services in collaboration with other State agencies to older individuals with disabilities and severely impairing conditions.".*

*(b) PLANNING.—Section 202(b)(1) of the Act is amended—*

*(1) by striking "and" and inserting a comma; and*

*(2) by inserting after "Act" at the end thereof a comma and the following: "with the Alcohol, Drug Abuse, and Mental Health Administration and the Administration on Developmental Disabilities".*

*(c) AGENCY CONSULTATION.—(1) Section 203(b) of the Act, as amended by section 104(a), is amended—*

*(A) by striking out "and" at the end of paragraph (14);*

*(B) by striking out the period at the end of paragraph (15) and inserting in lieu thereof a comma; and*

*(C) by adding after paragraph (15) the following new paragraphs:*

*"(16) the Rehabilitation Act of 1973, and*

*"(17) the Developmental Disabilities and Bill of Rights Act.".*

*(2) Section 203 of the Act is amended by adding at the end thereof the following:*

*"(c) In carrying out section 341, the Commissioner shall consult with the Federal Advisory Panel on Alzheimer's Disease established under section 921 of the Alzheimer's Disease and Related Dementias Services Research Act of 1986.".*

*(d) EVALUATION.—The second sentence of section 206(c) of the Act is amended by inserting before the period the following: "and older individuals with disabilities".*

### OLDER NATIVE AMERICANS

*SEC. 107. (a) IMPROVED ADMINISTRATION FOR NATIVE AMERICAN PROGRAMS.—Section 201 of the Act (42 U.S.C. 3011) is amended by adding at the end the following:*

*"(c)(1) There is established in the Administration on Aging an Office for Native American Programs.*

*"(2) The Office shall be headed by an Associate Commissioner on Native American Aging appointed by the Commissioner.*

*"(3) The Associate Commissioner on Native American Aging shall—*

*"(A)(i) evaluate the adequacy of outreach under title III and title VI for older Native Americans and recommend to the Commissioner necessary action to improve service delivery, outreach, coordination between title III and title VI services, and particular problems faced by older Indians and Hawaiian Natives; and*

*"(ii) include a description of the results of such evaluation and recommendations in the annual report required by section 207(a) to be submitted by the Commissioner;*

*"(B) serve as the effective and visible advocate in behalf of older Native Americans within the Department of Health and Human Services and with other departments and agencies of the Federal Government regarding all Federal policies affecting older Native Americans;*

*"(C) coordinate activities between other Federal departments and agencies to assure a continuum of improved services through memoranda of agreements or through other appropriate means of coordination;*

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"(D) administer and evaluate the grants provided under this Act to Indian tribes, public agencies and nonprofit private organizations serving Hawaiian Natives;

"(E) recommend to the Commissioner policies and priorities with respect to the development and operation of programs and activities conducted under the Act relating to older Native Americans;

"(F) collect and disseminate information related to problems experienced by older Native Americans;

"(G) develop research plans, and conduct and arrange for research, in the field of American Native aging with a special emphasis on the gathering of statistics on the status of older Native Americans; and

"(H) develop and provide technical assistance and training programs to grantees under title VI.".

(b) FEDERAL COUNCIL ON AGING.—The third sentence of section 204(a)(1) of the Act (42 U.S.C. 3015(a)(1)) is amended by inserting "Indian tribes" after "minorities".

(c) CONTRACTING AUTHORITY.—Section 212 of the Act (42 U.S.C. 3020c) is amended by inserting after "State agency" the following: "(or in the case of a grantee under title VI, subject to the recommendation of the Associate Commissioner on Native American Aging and the approval of the Commissioner)".

### FEDERAL COUNCIL ON AGING

SEC. 108. (a) MEMBERSHIP.—The fourth sentence of section 204(a)(1) of the Act (42 U.S.C. 3015(a)(1)) is amended by striking out "two" and inserting in lieu thereof "three".

(b) REAUTHORIZATION.—Section 204(g) of the Act (42 U.S.C. 3015) is amended to read as follows:

"(g) There are authorized to be appropriated to carry out the provisions of this section $210,000 for the fiscal year 1988, $221,000 for the fiscal year 1989, $232,000 for the fiscal year 1990, $243,000 for the fiscal year 1991, and $255,000 for the fiscal year 1992.".

### REGULATIONS

SEC. 109. Section 205(c) of the Act (42 U.S.C. 3016(c)) is amended by striking "1984" and inserting "1987".

### PUBLICATION OF GOALS

SEC. 110. Section 205 of the Act (42 U.S.C. 3016) is amended—

(1) by redesignating subsection (d) as subsection (e), and

(2) by inserting after subsection (c) the following:

"(d) Not later than September 1 of each fiscal year, the Commissioner shall publish in the Federal Register, for the purpose of facilitating informed public comment, proposed specific goals to be achieved by implementing this Act in the first fiscal year beginning after the date of such publication.".

## PART B—GRANTS FOR SUPPORTIVE SERVICES, NUTRITION, AND OTHER ACTIVITIES

### PURPOSE

SEC. 121. Section 301(a) of the Act (42 U.S.C. 3021(a)) is amended by inserting "with Indian tribes, tribal organizations, and Hawaiian Native organizations," after "agencies," the second place it appears.

### ADMINISTRATION OF STATE GRANTS PROGRAM

SEC. 122. Section 301(b)(2) of the Act is amended—

(1) by inserting "(a)" after the paragraph designation; and

(2) by adding at the end thereof the following new subparagraph:

"(b) In carrying out the provisions of this title, the Commissioner may request technical assistance and cooperation of other agencies and units of the Department of Health and Human Services, including the National Institute on Aging, the Health Care Financing Administration, and the Social Security Administration.".

### REAUTHORIZATION FOR STATE AND COMMUNITY PROGRAMS ON AGING

SEC. 123. (a) SUPPORTIVE SERVICES AND SENIOR CENTERS.—Section 303(a) of the Act is amended to read as follows:

"(a) There are authorized to be appropriated $379,575,000 for the fiscal year 1988, $398,554,000 for the fiscal year 1989, $418,481,000 for the fiscal year 1990, $439,406,000 for the fiscal year 1991, and $461,376,000 for the fiscal year 1992 for the purpose of making grants under part B of this title (relating to supportive services and senior centers).".

(b) NUTRITION SERVICES.—Section 303(b) of the Act is amended to read as follows:

"(b)(1) There are authorized to be appropriated $414,750,000 for the fiscal year 1988, $435,488,000 for the fiscal year 1989, $457,262,000 for the fiscal year 1990, $480,125,000 for the fiscal year 1991, and $504,131,000 for the fiscal year 1992 for the purpose of making grants under subpart 1 of part C of this title (relating to congregate nutrition services).

"(2) There are authorized to be appropriated $79,380,000 for the fiscal year 1988, $83,349,000 for the fiscal year 1989, $87,516,000 for the fiscal year 1990, $91,892,000 for the fiscal year 1991, and $96,487,000 for the fiscal year 1992 for the purpose of making grants under subpart 2 of part C of this title (relating to home delivered nutrition services).".

(c) SURPLUS COMMODITIES PROGRAM.—(1) Section 311(a)(4) of the Act is amended—

(A) by striking "fiscal year 1986 and during each fiscal year thereafter" and inserting "fiscal years 1986 through 1992", and

(B) by striking the second and third sentences.

(2) The matter preceding the parenthetical in section 311(c)(1)(A)(i) of the Act is amended to read as follows:

"(c)(1)(A)(i) There are authorized to be appropriated $151,000,000 for the fiscal year 1988, $166,000,000 for the fiscal year 1989, $183,000,000 for the fiscal year 1990, $201,000,000 for the fiscal year 1991, and $221,100,000 for the fiscal year 1992 to carry out the provisions of this section.".

### ADMINISTRATIVE EXPENSES OF AREA AGENCIES ON AGING

SEC. 124. Section 304(d)(1)(A) of the Act (42 U.S.C. 3024(d)(1)(A)) is amended by striking "8.5" and inserting "10".

### AREA AGENCIES ON AGING AS SEPARATE UNITS

SEC. 125. Section 305(c) of the Act (42 U.S.C. 3025(c)) is amended—

(1) in paragraph (2) by inserting "to function only" after "designated",

(2) in paragraph (3) by inserting "only" after "act", and

(3) in paragraph (4)—

(A) by inserting ", or any separate organizational unit within such agency," after "area" the first place it appears, and

(B) by striking "engage" and inserting "and will engage only".

### AREA PLANS

SEC. 126. Section 306(a)(6)(A) of the Act (42 U.S.C. 3026(a)(6)(A)) is amended by inserting ", and public hearings on," after "evaluations of".

### DAYCARE AND RESPITE SERVICES PROVIDED BY VOLUNTEERS

SEC. 127. Section 306(a)(6)(E) of the Act (42 U.S.C. 3026(a)(6)(E)) is amended—

(1) by inserting "or adults, and respite for families," after "for children", and

(2) by inserting ", adults, and families" after "to children".

### COORDINATION OF CERTAIN PROGRAMS RELATING TO OLDER VICTIMS OF ALZHEIMER'S DISEASE

SEC. 128. Section 306(a)(6) of the Act (42 U.S.C. 3026(a)(6)) is amended—

(1) in subparagraph (J) by striking "and" at the end;

(2) in subparagraph (K) by striking out the period at the end and insert a semicolon and "and"; and

(3) by adding at the end the following:

"(L) coordinate the categories of services specified in paragraph (2) for which the area agency on aging is required to expend funds under part B, with activities of community-based organizations established for the benefit of victims of Alzheimer's disease and the families of such victims.".

### OMBUDSMAN OFFICE AND PROGRAM

SEC. 129. (a) TECHNICAL ASSISTANCE.—Section 301 of the Act (42 U.S.C. 3021) is amended by adding at the end the following:

"(c) The Commissioner shall provide technical assistance and training (by contract, grant, or otherwise) to State long-term care ombudsman programs established under section 307(a)(12), and to individuals designated under such section to be representatives of a long-term care ombudsman, in order to enable such ombudsmen and such representatives to carry out the ombudsman program effectively.".

(b) STUDY OF OMBUDSMAN PROGRAM.—(1) The Commissioner shall conduct a study concerning involvement in the ombudsman program established under section 307(a)(12) and its impact upon issues and problems affecting—

(A) residents of board and care facilities and other similar adult care homes who are older individuals (as defined in section 302(10)), including recommendations for expanding and improving ombudsman services in such facilities; and

(B) the effectiveness of recruiting, supervising and retaining volunteer ombudsmen.

(2) The Commissioner shall prepare and submit a report to the Congress on the findings and recommendations of the study described in paragraph (1) not later than December 31, 1989.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 303(a) of the Act (42 U.S.C. 3023), as amended by section 123, is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following:

"(2) There are authorized to be appropriated an additional $20,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, and 1992 for such part B to be available for section 307(a)(12).".

(d) STATE PLANS.—Section 307(a)(12) of the Act (42 U.S.C. 3027(a)(12)) is amended to read as follows:

"(12) The plan shall provide assurances, with respect to a long-term care ombudsman program, that—

"(A) the State agency will establish and operate, either directly or by contract or other arrangement with any public agency or other appropriate private nonprofit organization, other than an agency or organization which is responsible for licensing or certifying long-term care services in the State or which is an association (or an affiliate of such an association) of long-term care facilities (including any other residential facility for older individuals), an Office

of the State Long-Term Care Ombudsman (in this paragraph referred to as the 'Office') and shall carry out through the Office a long-term care ombudsman program which provides an individual who will, on a full-time basis—

"(i) investigate and resolve complaints made by or on behalf of older individuals who are residents of long-term care facilities relating to action, inaction, or decisions of providers, or their representatives, of long-term care services, of public agencies, or of social service agencies, which may adversely affect the health, safety, welfare, or rights of such residents;

"(ii) provide for training staff and volunteers and promote the development of citizen organizations to participate in the ombudsman program; and

"(iii) carry out such other activities as the Commissioner deems appropriate;

"(B) the State agency will establish procedures for appropriate access by the ombudsman to long-term care facilities and patients' records, including procedures to protect the confidentiality of such records and ensure that the identity of any complainant or resident will not be disclosed without the written consent of such complainant or resident, or upon court order;

"(C) the State agency will establish a statewide uniform reporting system to collect and analyze data relating to complaints and conditions in long-term care facilities for the purpose of identifying and resolving significant problems, with provision for submission of such data to the agency of the State responsible for licensing or certifying long-term care facilities in the State and to the Commissioner on a regular basis;

"(D) the State agency will establish procedures to assure that any files maintained by the ombudsman program shall be disclosed only at the discretion of the ombudsman having authority over the disposition of such files, except that the identity of any complainant or resident of a long-term care facility shall not be disclosed by such ombudsman unless—

"(i) such complainant or resident, or his legal representative, consents in writing to such disclosure; or

"(ii) such disclosure is required by court order;

"(E) the State agency will establish a statewide toll-free hotline to facilitate communication of complaints to the ombudsman by residents of long-term care facilities, by any person on behalf of such residents and recipients, and by any other person;

"(F) in planning and operating the ombudsman program, the State agency will consider the views of area agencies on aging, older individuals, and provider agencies;

"(G) the State agency will—

"(i) ensure that no individual involved in the designation of the long-term care ombudsman (whether by appointment or otherwise) or the designation of the head of any subdivision of the Office is subject to a conflict of interest;

"(ii) ensure that no officer, employee, or other representative of the Office is subject to a conflict of interest; and

"(iii) ensure that mechanisms are in place to identify and remedy any such or other similar conflicts;

"(H) the State agency will—

"(i) ensure that adequate legal counsel is available to the Office for advice and consultation and that legal representation is provided to any representative of the Office against whom suit or other legal action is brought in connection with the performance of such representative's official duties; and

"(ii) ensure that the Office has the ability to pursue administrative, legal, and other appropriate remedies on behalf of residents of long-term care facilities;

"(I) the State agency will require the Office to—

"(i) prepare an annual report containing data and findings regarding the types of problems experienced and complaints received by or on behalf of individuals residing in long-term care facilities, and to provide policy, regulatory, and legislative recommendations to solve such problems and resolve such complaints and improve the quality of care and life in long-term care facilities;

"(ii) analyze and monitor the development and implementation of Federal, State, and local laws, regulations, and policies with respect to long-term care facilities and services in that State, and recommend any changes in such laws, regulations, and policies deemed by the Office to be appropriate;

"(iii) provide information to public agencies, legislators, and others, as deemed necessary by the Office, regarding the problems and concerns, including recommendations related to such problems and concerns, of older individuals residing in long-term care facilities;

"(iv) provide for the training of the Office staff, including volunteers and other representatives of the Office, in—

"(I) Federal, State, and local laws, regulations, and policies with respect to long-term care facilities in the State;

"(II) investigative techniques; and

"(III) such other matters as the State deems appropriate;

"(v) coordinate ombudsman services with the protection and advocacy systems for individuals with developmental disabilities and mental illness established under part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.) and under the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (Public Law 99-319); and

"(vi) include any area or local ombudsman entity designated by the State Long-Term Care Ombudsman as a subdivision of the Office. Any representative of an entity designated in accordance with the preceding sentence (whether an employee or an unpaid volunteer) shall be treated as a representative of the Office for purposes of this paragraph;

"(J) the State will ensure that no representative of the Office will be liable under State law for the good faith performance of official duties;

"(K) the State will—

"(i) ensure that willful interference with representatives of the Office in the performance of their official duties (as defined by the Commissioner) shall be unlawful;

"(ii) prohibit retaliation and reprisals by a long-term care facility or other entity with respect to any resident or employee for having filed a complaint with, or providing information to, the Office; and

"(iii) provide for appropriate sanctions with respect to such interference, retaliation, and reprisals; and

"(iv) ensure that representatives of the Office shall have—

"(I) access to long-term care facilities and their residents; and

"(II) with the permission of a resident or resident's legal guardian, have access to review the resident's medical and social records or, if a resident is unable to consent to such review and has no legal guardian, appropriate access to the resident's medical and social records;

"(L) the State agency will prohibit any officer, employee, or other representative of the Office to investigate any complaint filed with the Office unless the individual has received such training as may be required under subparagraph (H)(iv) and has been approved by the long-term care ombudsman as qualified to investigate such complaints; and

"(M) the State agency will carry out the provisions of section 308(d);".

(e) ADMINISTRATION.—Section 308 of the Act (42 U.S.C. 2028) is amended by inserting at the end thereof the following new subsection:

"(d)(1) Each State agency shall, in any fiscal year in which amounts appropriated for part B of this title is equal to or less than the amount appropriated for such part in fiscal year 1987, carry out the requirement of sections 307(a)(12) and 307(a)(21) as in effect prior to the date of enactment of the Older Americans Act Amendments of 1987.

"(2) In any fiscal year in which the appropriations for part B of this title are greater than the appropriations for such part for fiscal year 1987, the State agency shall carry out the provisions of section 307(a)(12), as amended by the Older Americans Act Amendments of 1987. In any such fiscal year, the provisions of section 307(a)(21) shall not apply.

"(3) Amounts appropriated and available under part B of this title for ombudsman services under section 307(a)(12) may not be used to supplant State or local funds available for that purpose.".

### FLEXIBILITY OF SERVICES; LEGAL ASSISTANCE

SEC. 130. (a) AREA PLANS.—(1) Section 306(a)(2) of the Act (42 U.S.C. 3026(a)(2)) is amended to read as follows:

"(2)(A) provide assurances that adequate services associated with access to services (transportation, outreach, information, and referral) are provided in the planning and service delivery area; and

"(B) provide assurances that an adequate proportion (as described in section 307(a)(22)) of the amount allotted for part B to the planning and service area will be expended for the delivery of legal assistance for older individuals;".

(2) Section 306(b)(1) of the Act is amended to read as follows:

"(b)(1) Each State, in approving area agency plans under this section, shall waive the requirement described in clause (2)(B) of subsection (a) if the area agency has demonstrated that the legal assistance services being furnished to older individuals are sufficient to meet the need for such services after taking into account services provided by the Legal Services Corporation, the private bar or groups within the private bar furnishing services to older individuals on a pro bono and established reduced fee basis in that planning and service delivery area.".

(3) Section 306(b)(2) of the Act is amended by adding at the end the following:

"(C) Whenever the State agency proposes to grant a waiver to an area agency under this subsection, the State agency shall publish the intention to grant such a waiver together with the justification for the waiver at least 30 days prior to the effective date of the decision to grant the waiver. An individual or a service provider from the area with respect to which the proposed waiver applies is entitled to request a hearing before the State agency on the request to grant such

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waiver. If, within the 30-day period described in the first sentence of this subparagraph, an individual or service provider requests a hearing under this subparagraph, the State agency shall afford such individual or provider an opportunity for a hearing.".

(b) State Plan.—Section 307(a)(15) of the Act (42 U.S.C. 3027(a)(15)) is amended—

(1) by striking "and" at the end of subparagraph (C),

(2) by inserting "and" after the semicolon in subparagraph (D), and

(3) by adding at the end the following:

"(E) the plan contains assurances that if the State agency waives the requirement described in section 307(a)(22), the State agency will provide to the Commissioner—

"(i) a report regarding such waiver that details the demonstration made by the area agency on aging to obtain such waiver;

"(ii) a copy of the record of the public hearing conducted pursuant to section 306(b)(2)(A); and

"(iii) a copy of the record of any public hearing conducted pursuant to section 306(b)(2)(C).".

(c) Minimum Expenditure of Funds.—Section 307(a) of the Act (42 U.S.C. 3027(a)) is amended by adding at the end the following:

"(22) The plan shall specify a minimum percentage of the funds received by each area agency for part B that will be expended, in the absence of the waiver granted under section 306(b)(1), by such area agency to provide legal assistance.".

### DOCUMENTATION REGARDING MINORITY PARTICIPATION

Sec. 131. (a) Area Plans.—Section 306(a)(5) of the Act (42 U.S.C. 3026(a)(5)) is amended—

(1) by inserting "(i)" after "(5)(A)", and

(2) in subparagraph (A)(i), as so redesignated—

(A) by striking out "and" at the end, and

(B) by inserting after clause (i) the following:

"(ii) provide assurances that the area agency will include in each agreement made with a provider of any service under this title, a requirement that such provider will—

"(I) specify how the provider intends to satisfy the service needs of low-income minority individuals in the area served by the provider; and

"(II) will attempt to provide services to low-income minority individuals in at least the same proportion as the population of low-income minority older individuals bears to the population of older individuals of the area served by such provider; and

"(iii) with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

"(I) identify the number of low-income minority older individuals in the planning and service area; and

"(II) describe the methods used to satisfy the service needs of such minority older individuals; and".

(b) State Plan.—Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by section 130(c), is amended by adding at the end the following:

"(23) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

"(A) identify the number of low-income minority older individuals in the State; and

"(B) describe the methods used to satisfy the service needs of such minority older individuals.".

### TARGETING OF SERVICES

Sec. 132. (a) Organization.—(1) Section 305(a)(1)(E) of the Act (42 U.S.C. 3025(a)(1)(E)) is amended—

(A) by striking "the distribution of older individuals who have low incomes residing in such areas", and

(B) by inserting after "legal services," the following: "the distribution of older individuals who have greatest economic need (with particular attention to low-income minority individuals) residing in such areas, the distribution of older individuals who have greatest social need (with particular attention to low-income minority individuals) residing in such areas,".

(2) Section 305(a)(2) of the Act is amended—

(A) by striking "and" at the end of subparagraph (D),

(B) by striking the period in subparagraph (E) and inserting a semicolon and "and", and

(C) by inserting after subparagraph (E) the following:

"(F) assure the use of outreach efforts that will identify individuals eligible for assistance under this Act, with special emphasis on older individuals with the greatest economic or social needs (with particular attention to low-income minority individuals) and inform such individuals of the availability of such assistance.".

(b) Area Plans.—Section 306(a) of the Act (42 U.S.C. 3026(a)) is amended—

(1) by inserting after "residing in such area" in paragraph (1) the following: ", the number of older individuals who have greatest economic need (with particular attention to low-income minority individuals) residing in such area, the number of older individuals who have greatest social need (with particular attention to low-income minority individuals) residing in such area,",

(2) by inserting after "rural elderly," in paragraph (5)(B) the following: "older individuals who have greatest economic need (with particular attention to low-income minority individuals), and older individuals who have greatest social need (with particular attention to low-income minority individuals),", and

(3) by inserting before the semicolon at the end of paragraph (6)(A) the following: "and an annual evaluation of the effectiveness of outreach conducted under paragraph (5)(B)".

(c) State Plan.—Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by sections 130(c) and 131(b), is amended—

(1) by inserting before the semicolon in paragraph (8) a comma and the following: "including an evaluation of the effectiveness of the State agency in reaching older individuals with the greatest economic or social needs, with particular attention to low-income minority individuals", and

(2) by adding at the end the following:

"(24) The plan shall provide assurances that the State agency will require outreach efforts that will—

"(A) identify older individuals who are eligible for assistance under this title, with special emphasis on older individuals with greatest economic need (with particular attention to low-income minority individuals), older individuals with greatest social need (with particular attention to low-income minority individuals), and older individuals who reside in rural areas; and

"(B) inform such individuals of the availability of such assistance.".

### COORDINATION RELATING TO MENTAL HEALTH SERVICES

Sec. 133. Section 306(a)(6) of the Act (42 U.S.C. 3026(a)(6)), as amended by section 128, is amended—

(1) by striking out "and" in subparagraph (K); and

(2) by striking out the period at the end of subparagraph (L) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end the following:

"(M) coordinate any mental health services provided with funds expended by the area agency on aging for part B with the mental health services provided by community health centers and by other public agencies and nonprofit private organizations.".

### SERVICES TO OLDER NATIVE AMERICANS

Sec. 134. (a) Organization.—(1) Section 305(a)(1)(E) of the Act (42 U.S.C. 3025(a)(1)(E)), as amended by section 132(a), is amended by inserting "the distribution of older Indians residing in such areas," after "such areas," the second place it appears.

(2) Section 306(a)(1) of the Act, as amended by section 132(b), is amended by inserting ", and the number of older Indians," before "and" the last time it appears in the parenthetical.

(b) Area Plans.—Section 306(a)(6) of the Act (42 U.S.C. 2026(a)(6)), as amended by sections 128 and 133, is amended—

(1) by striking out "and" at the end of subparagraph (L);

(2) by striking out the period at the end of subparagraph (M) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end the following:

"(N) if there is a significant population of older Indians in the planning and service area of the area agency, the area agency shall conduct outreach activities to identify older Indians in such area and shall inform such older Indians of the availability of assistance under this Act.".

(c) Education and Training.—(1) Section 402 of the Act (42 U.S.C. 3030bb) is amended by adding at the end the following:

"(c) The Commissioner shall ensure that grants and contracts under this title are equitably awarded to agencies, organizations, and institutions representing minorities.".

(2) Section 410(5) of the Act is amended by inserting "(including centers of gerontology to improve, enhance, and expand minority personnel and training programs)" after "gerontology".

(3) Section 411(a) of the Act is amended by adding at the end the following:

"(4) To provide in-service training opportunities and courses of instruction on aging to Indian tribes through public and nonprofit Indian aging organizations.".

(4) The matter in parentheses in the first sentence of section 412(a) of the Act is amended by striking out "and" and inserting "and minority populations" after "services".

(5) Section 423(a) of the Act is amended by adding at the end the following:

"(4) The Commissioner shall ensure that grants and contracts under this section are equitably awarded to agencies, organizations, and institutions representing minorities.".

(6) Section 425(a) of the Act is amended—

(A) by striking "(1)" and "(2)" and inserting "(A)" and "(B)", respectively,

(B) by inserting "(1)" after "(a)", and

(C) by adding at the end the following:

"(2) The Commissioner shall carry out, directly or through grants or contracts, special

training programs and technical assistance designed to improve services to minorities.".

(d) Task Force.—(1) The Commissioner on Aging shall establish a permanent interagency task force that is representative of departments and agencies of the Federal Government with an interest in older Indians and their welfare and is designed to make recommendations with respect to facilitating the coordinations of services and the improvement of services to older Indians.

(2) The task force shall be chaired by the Associate Commissioner on Native American Aging and shall submit its findings and recommendations to the Commissioner at 6-month intervals beginning after the date of the enactment of this Act. Such findings and recommendations shall be included in the annual report required by section 207(a) to be submitted by the Commissioner.

(e) Special Report on Services for Older Indians.—(1) The Commissioner on Aging shall enter into a contract with a public agency or nonprofit private organization, to conduct a thorough study of the availability and quality of services under the Act to older Indians. The study shall include—

(A) an analysis of how many Indians now participate in programs under titles III and VI of such Act as compared to how many older Indians are eligible to participate in such programs,

(B) a description of how grants under titles III and VI of such Act are made to Indian tribes and how services are made available to older Indians, and

(C) a determination of what services are currently provided through title VI of such Act to older Indians and how well the Administration on Aging assures that supportive services under title VI of such Act to Indians are commensurate with supportive services under title III of such Act with special consideration to information and referral services, legal services, transportation services, and the ombudsman services.

(2) Not later than December 31, 1988, the Commissioner on Aging shall prepare and submit to the Congress a report on the study required by this subsection, together with such recommendations, including recommendations for legislation, as the Commissioner considers to be appropriate.

### SERVICES TO INDIVIDUALS WITH DISABILITIES

Sec. 135. (a) Definitions.—(1) Section 302(11) of the Act (42 U.S.C. 3022) is amended by inserting after "health" the following: "(including mental health)".

(2) Section 302 of the Act is amended by adding at the end thereof the following:

"(13) The term 'individual with disabilities' means an individual—

"(A) who has a disability attributable to mental or physical impairment or a combination of mental and physical impairments that result in substantial functional limitations in one or more of the following areas of major life activity: (i) self-care, (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, (vii) economic self-sufficiency, (viii) cognitive functioning, and (ix) emotional adjustment; and

"(B) who has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorders, neurological disorders (including stroke, epilepsy, Parkinson's disease, Alzheimer's disease and related dementia), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined to cause comparable substantial functional limitation.

"(14) The term 'severe disability' means a severe, chronic disability of an individual that—

"(A) is likely to continue indefinitely;

"(B) results in substantial functional limitation in three or more of the major life activities specified in paragraph (13)(A) (i) through (vii); and

"(C) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.".

(b) Organization.—Section 305(a)(2) of the Act, as amended by section 132(a)(2), is amended—

(1) by striking out "and" at the end of subparagraph (E);

(2) by striking out the period at the end of subparagraph (F) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(G) provide assurances that the State agency will consult with State and area agencies with primary responsibility for individuals with disabilities, including severe disabilities, and develop collaborative programs, where appropriate, to meet the needs of older individuals with disabilities.".

(c) Area Plans.—Section 306(a)(5)(B) of the Act, as amended by section 132(b)(2), is amended by inserting after "individuals)," the second time it appears the following: "elderly with severe disabilities,".

(d) State Plans.—(1) Section 307(a)(3)(A) of the Act is amended by inserting after "legal assistance" in the parenthetical the following: "and mental health services".

(2) Section 307(a)(13)(I) of the Act is amended by inserting before the semicolon at the end thereof a comma and the following: "and to individuals with disabilities who reside with and accompany older individuals who are eligible under this Act".

(3) Section 307(a) of the Act, as amended by sections 130(c), 131(b), and 132(c), is amended by adding after paragraph (24) the following new paragraph:

"(25) The plan shall provide, with respect to the needs of older individuals with severe disabilities, assurances that the State will—

"(A) coordinate planning, identification, assessment of needs, and service for older individuals with disabilities with particular attention to individuals with severe disabilities with the State agencies with primary responsibility for individuals with disabilities, including severe disabilities, and develop collaborative programs, where appropriate, to meet the needs of older individuals with disabilities; and

"(B) with respect to the needs of older individuals with developmental disabilities, coordinate planning with the State developmental disabilities planning council designated under section 124(a)(1) of the Developmental Disabilities Act.".

(e) Supportive Services.—(1) Section 321(a)(1) of the Act is amended by inserting after "health" the following: "(including mental health)".

(2) Section 321(a)(4)(B) of the Act is amended by striking out "suffering from physical disabilities" and inserting in lieu thereof "who have physical disabilities".

(3) Section 321 is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) The Commissioner shall encourage area agencies on aging to enter into interagency or other formal agreements with public agencies or private organizations furnishing mental health services to ensure a coordinated approach in meeting the mental health and psychosocial needs of older individuals.".

### CONFIDENTIALITY OF INFORMATION RELATING TO LEGAL ASSISTANCE PROVIDED

Sec. 136. (a) Area Agency on Aging.—Section 306 of the Act (42 U.S.C. 3026), as amended by section 130(b), is amended by adding at the end the following:

"(d) An area agency on aging may not require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.".

(b) State and State Agency.—Section 307 of the Act (42 U.S.C. 3027) is amended by adding at the end the following:

"(g) Neither a State, nor a State agency, may require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.".

### COORDINATION OF COMMUNITY-BASED SERVICES

Sec. 137. Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by sections 130(c), 131(b), 132(c), and 135(d), is amended by inserting after paragraph (25) the following:

"(26) The plan shall provide assurances that area agencies on aging will conduct efforts to facilitate the coordination of community-based, long-term care services, pursuant to section 306(a)(6)(I), for older individuals who—

"(A) reside at home and are at risk of institutionalization because of limitations on their ability to function independently;

"(B) are patients in hospitals and are at risk of prolonged institutionalization; or

"(C) are patients in long-term care facilities, but who can return to their homes if community-based services are provided to them.".

### PAYMENTS

Sec. 138. Section 309(c) of the Act (42 U.S.C. 3029(c)) is amended—

(1) by inserting "average annual" after "less than its", and

(2) by striking "preceding fiscal year" and inserting "period of 3 fiscal years preceding such year".

### IN-HOME SERVICES FOR FRAIL OLDER INDIVIDUALS

Sec. 139. (a) Authorization of Appropriations.—Section 303 of the Act (42 U.S.C. 3023), as amended by section 123, is amended by adding at the end the following:

"(d) There are authorized to be appropriated $25,000,000 for fiscal year 1988, $26,250,000 for fiscal year 1989, $27,563,000 for fiscal year 1990, $28,941,000 for fiscal year 1991, and $30,388,000 for fiscal year 1992 for the purpose of making grants under part D of this title (relating to in-home services).".

(b) Area Plans.—Section 306(a) of the Act (42 U.S.C. 3026(a)) is amended—

(1) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and "and"; and

(2) by inserting after paragraph (6) the following:

"(7) provide assurances that any amount received under part D will be expended in accordance with such part.".

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(c) State Plans.—(1) Section 307(a)(10) of the Act (42 U.S.C. 3027(a)(10)) is amended by inserting "and in-home services (as defined in section 342(1))" after "nutrition services".

(2) Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by sections 130(c), 131(b), 132(c), 135(d), and 137, is amended by inserting after paragraph (26) the following:

"(27) Each such plan shall provide assurances of consultation and coordination in planning and provision of in-home services under section 341 with State and local agencies and private nonprofit organizations which administer and provide services relating to health, social services, rehabilitation, and mental health services.".

(d) Program.—Title III of the Act is amended by adding at the end the following:

### "Part D—In-Home Services for Frail Older Individuals

#### "PROGRAM AUTHORIZED

"Sec. 341. (a) With funds appropriated to carry out this part, the Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to provide in-home services to frail older individuals, relating to the individual's environment and functional support needs, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims.

"(b) In carrying out the provisions of this part, each area agency shall coordinate with other community agencies and voluntary organizations providing counseling and training for family caregivers and support service personnel in management of care, functional and needs assessment services, assistance with locating, arranging for, and coordinating services, case management, and counseling prior to admission to nursing home to prevent premature institutionalization.

#### "DEFINITIONS

"Sec. 342. For purposes of this part—

"(1) the term 'in-home service' includes—

"(A) homemaker and home health aides;

"(B) visiting, telephone reassurance, and personal emergency response;

"(C) chore maintenance;

"(D) respite care for families, including adult day care; or

"(E) minor remodeling of homes necessary to facilitate the ability of older individuals to remain at home, and not covered by other programs; and

"(2) the term 'frail' means having a physical or mental disability, including having Alzheimer's disease or related disorders with neurological or organic brain dysfunction, that restricts the ability of an individual to perform normal daily tasks or which threatens the capacity of an individual to live independently.

#### "STATE CRITERIA

"Sec. 343. The State agency shall develop eligibility criteria for providing in-home services to frail older individuals which shall take into account—

"(1) age;

"(2) greatest economic need;

"(3) noneconomic factors contributing to the frail condition; and

"(4) noneconomic and nonhealth factors contributing to the need for such services.

#### "MAINTENANCE OF EFFORT

"Sec. 344. Funds made available under this part shall be in addition to, and may not be used to supplant, any funds that are or would otherwise be expended under any Federal, State, or local law by a State or unit of general purpose local government (including area agencies on aging which have in their planning and services areas existing services which primarily serve older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and the families of such victims).".

#### STATE PLAN INFORMATION REGARDING SERVICES TO OLDER INDIVIDUALS RESIDING IN RURAL AREAS

Sec. 140. Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by sections 130(c), 131(b), 132(c), 135(d), 137, and 139(c)(2), is amended by adding after paragraph (27) the following:

"(28) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared, describe the methods used to satisfy the service needs of older individuals who reside in rural areas.".

#### HEALTH EDUCATION AND PROMOTION FOR OLDER AMERICANS

Sec. 141. (a) Authorization of Appropriations.—Section 303 of the Act (42 U.S.C. 3023), as amended by sections 123 and 139(a), is amended by adding at the end thereof the following:

"(e) There are authorized to be appropriated $5,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, and 1992 for the purpose of making grants under part E of this title (relating to periodic preventive health, health education, and promotion services).".

(b) Area Plans.—Section 306(a) of the Act, as amended by section 139, is amended—

(1) by striking out "and" at the end of paragraph (6);

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon and "and"; and

(3) by inserting after paragraph (7) the following:

"(8) provide assurances that any amount received under part E will be expended in accordance with such part; and".

(c) Program.—Title III of the Act, as amended by section 139, is further amended by adding at the end thereof the following:

### "Part E—Preventive Health Services

#### "PROGRAM AUTHORIZED

"Sec. 351. (a) The Commissioner shall carry out a program for making grants to States under State plans approved under section 307 for periodic preventive health services to be provided at senior centers or alternative sites as appropriate.

"(b) Preventive health services under this part may not include services eligible for reimbursement under Medicare.

"(c) The Commissioner shall, to the extent possible, assure that services provided by other community organizations and agencies are used to carry out the provisions of this part.

#### "DISTRIBUTION TO AREA AGENCIES

"Sec. 352. The State agency shall give priority, in carrying out this part, to areas of the State—

"(1) which are medically underserved; and

"(2) in which there are a large number of other individuals who have the greatest economic need for such services.

#### "DEFINITIONS

"Sec. 353. For the purpose of this part and section 307 the term 'preventive health services' means—

"(1) routine health screening, which may include hypertension, glaucoma, cholesterol, cancer, vision and hearing screening;

"(2) group exercise programs;

"(3) home injury control services, including screening of high-risk home environments and educational programs on injury protection in the home environment;

"(4) nutritional counseling and educational services;

"(5) screening for the prevention of depression, coordination of community mental health services, educational activities, and referral to psychiatric and psychological services;

"(6) educational programs on the benefits and limitations of Medicare and various supplemental insurance coverage, including individual policy screening and health insurance-needs counseling; and

"(7) counseling regarding followup health services based on any of the services provided for above.".

#### PREVENTION OF ABUSE OF OLDER INDIVIDUALS

Sec. 142. (a) Definitions.—Section 302 of the Act (42 U.S.C. 3022), as amended by section 135(a), is amended by adding at the end the following:

"(15) The term 'abuse' means the willful—

"(A) infliction of injury, unreasonable confinement, intimidation, or cruel punishment with resulting physical harm or pain or mental anguish; or

"(B) deprivation by a caretaker of goods or services which are necessary to avoid physical harm, mental anguish, or mental illness.

"(16) The term 'elder abuse' means abuse of an older individual.

"(17) The term 'caretaker' means an individual who has the responsibility for the care of an older individual, either voluntarily, by contract, receipt of payment for care, as a result of family relationship, or by order of a court of competent jurisdiction.

"(18) The term 'exploitation' means the illegal or improper act or process of a caretaker using the resources of an older individual for monetary or personal benefit, profit, or gain.

"(19) The term 'neglect' means the failure to provide for oneself the goods or services which are necessary to avoid physical harm, mental anguish, or mental illness or the failure of a caretaker to provide such goods or services.

"(20) The term 'physical harm' means bodily pain, injury, impairment, or disease.".

(b) Authorization of Appropriations.—Section 303 of the Act, as amended by sections 123, 139(a), and 141(a), is amended by adding at the end the following:

"(f) There are authorized to be appropriated $5,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, and 1992 to carry out part F (relating to abuse, neglect, and exploitation of older individuals)."

(c) Area Plans.—Section 306(a) of the Act, as amended by section 139(b), is amended—

(1) by striking out "and" at the end of paragraph (6);

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon and "and", and

(3) by inserting after paragraph (7) the following:

"(8) provide assurances that any amount received under part F will be expended in accordance with such part.".

(d) State Plan.—(1) Section 307(a)(16) of the Act is amended by striking "provide" the

second time it appears and inserting ", if funds are not appropriated under section 303(f) for a fiscal year, provide that for such fiscal year".

(2) Section 307(a) of the Act, as amended by sections 130(c), 131(b), 132(c), 135(d), 137, 139(c)(2), and 140, is amended by adding at the end the following:

"(29) The plan shall provide assurances that if the State receives funds appropriated under section 303(f), the State agency and area agencies on aging will expend such funds to carry out part F.".

(e) Abuse, Neglect, and Exploitation of Older Individuals.—Title III of the Act is amended by adding at the end the following:

### "Part F—Abuse, Neglect, and Exploitation of Older Individuals

#### "PROGRAM AUTHORIZED

"Sec. 361. The Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to carry out a program with respect to the prevention of abuse, neglect, and exploitation of older individuals. The program shall—

"(1) be consistent with relevant State law and coordinated with State adult protective service activities and other State and local elder abuse prevention and protection;

"(2) provide for—

"(A) public education and outreach services to identify and prevent abuse, neglect, and exploitation of older individuals;

"(B) receipt of reports of such abuse, neglect, and exploitation;

"(C) active participation of older individuals participating in programs under this Act through outreach, conferences, and referral of such individuals to other social service agencies or sources of assistance if appropriate and with the consent of the older individuals to be referred; and

"(D) the referral of complaints and other reports of abuse, neglect, or exploitation of older individuals to law enforcement agencies, public protective service agencies, licensing and certification agencies, ombudsman programs, or protection and advocacy system if appropriate;

"(3) not permit involuntary or coerced participation in such program by alleged victims, abusers, or their households; and

"(4) require that all information gathered in the course of receiving such a complaint or report, and making such a referral, shall remain confidential unless—

"(A) all parties to such complaint or report consent in writing to the release of such information; or

"(B) the release of such information is to a law enforcement agency, public protective service agency, licensing or certification agency, ombudsman program, or protection or advocacy system.".

#### ASSISTIVE TECHNOLOGY SERVICES

Sec. 143. (a) Functions of the Commissioner.—Section 202(a)(5) of the Act (42 U.S.C. 3012(a)(5)) is amended by inserting after "supportive services" the following: "(including assistive technology services)".

(b) General Rule.—Section 302(a) of the Act, as amended by section 135 and 142, is amended by adding at the end thereof the following:

"(21) The term 'supportive services' includes assistive technology services.

"(22) The term 'assistive technology services' means services designed to apply technology, engineering methodologies, or scientific principles to meet the needs of and address the barriers confronted by individuals with functional limitations.".

### Part C—Demonstration Grants

#### DEMONSTRATION PROJECTS; PURPOSE

Sec. 151. Section 401(1) of the Act (42 U.S.C. 3030aa) is amended by inserting the following before the semicolon a comma and the following: "with special emphasis on minority individuals, low-income individuals, frail individuals, and individuals with disabilities".

#### MULTIDISCIPLINARY CENTERS

Sec. 152. Section 412(a) of the Act (42 U.S.C. 3032(a)) is amended by striking "may" and inserting "shall".

#### VOLUNTEER OPPORTUNITIES

Sec. 153. Section 422(b) of the Act (42 U.S.C. 3035a) is amended—

(1) by striking out "and" at the end of paragraph (7);

(2) by striking out the period at the end of paragraph (8) and inserting a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(9) provide expanded, innovative volunteer opportunities to older individuals which are designed to fulfill unmet community needs, while at the same time avoiding duplication of existing volunteer programs, which may include—

"(A) projects furnishing intergenerational services by older individuals addressing the needs of children, such as—

"(i) tutorial services in elementary and special schools;

"(ii) after school programs for latch key children;

"(iii) voluntary services for day care center programs; and

"(B) volunteer service credit projects operated in conjunction with ACTION, permitting elderly volunteers to earn credits for services furnished, which may later be redeemed for similar volunteer services.".

#### SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE

Sec. 154. Section 423(a)(1) of the Act (42 U.S.C. 3035b(a)(1)), as amended by section 134(c)(5), is amended by striking "may" and inserting "shall".

#### DEMONSTRATION PROGRAM OF OUTREACH TO ELDERLY SSI, MEDICAID, AND FOOD STAMP ELIGIBLES

Sec. 155. (a) Demonstration Program Authorized.—Part B of title IV of the Act is amended by adding at the end thereof the following new section:

#### "DEMONSTRATION PROGRAM OF OUTREACH TO ELDERLY SSI, MEDICAID, AND FOOD STAMP ELIGIBLES

"Sec. 427. (a) The Commissioner is authorized to make grants to, or enter into contracts with, State agencies on aging and area agencies on aging for the conduct of demonstration projects designed to demonstrate the feasibility of conducting outreach activities for older individuals who are eligible for but not receiving benefits under title XVI of the Social Security Act (or assistance under a State plan program under title XVI of that Act) relating to supplemental security income benefits, under title XVIIII of the Social Security Act, relating to medical assistance benefits, and benefits under the Food Stamp Act of 1977, in order to assist such individuals in applying for such benefits.

"(b) Grants and contracts under this section may be used for—

"(1) identifying older individuals with the greatest economic need who may be eligible for assistance described in subsection (a);

"(2) for outreach activities for planning in service in area agencies on aging for such individuals; and

"(3) for application assistance for such individuals.

"(c) No grant may be made and no contract may be entered into under this section unless an application is made to the Commissioner at such time, in such manner, and containing such information as the Commissioner may reasonably require. Each such application shall—

"(1) describe the activities for which assistance is sought;

"(2) provide for an evaluation of the activities for which assistance is sought; and

"(3) assurances that the applicant will prepare and submit to the Commissioner a report of the activities conducted with assistance under this section and the evaluation of that assistance.

"(d) In approving applications under this section, the Commissioner shall assure a geographic equitable distribution of assistance.

"(e) The Commissioner shall, as part of the annual report submitted under section 207, prepare and submit a report on the evaluations submitted under this section, together with such recommendations as the Commissioner may deem appropriate. In carrying out this section, the Commissioner shall consider—

"(1) the number of older individuals reached through outreach activities supported under this section;

"(2) the dollar amount of benefits to older individuals;

"(3) the cost of the activities in terms of the number of individuals reached and the benefit dollars involved; and

"(4) the effect on supportive services and nutrition services furnished under title III of this Act.".

(b) Authorization of Appropriations.—Section 431(a) of the Act is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by inserting "(other than section 427)" after "title"; and

(3) by adding at the end thereof the following new paragraph:

"(2) There are authorized to be appropriated $3,000,000 for the fiscal year 1988 and such sums for each of the 4 succeeding fiscal years to carry out the provisions of section 427.".

(c) Outreach and Application Assistance Functions of Administration on Aging.—Section 202(a) of the Act, as amended by sections 103(a) and 106(a), is amended—

(1) by striking out "and" at the end of paragraph (19);

(2) by striking out the period at the end of paragraph (20) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end the following:

"(21) obtain from—

"(A) the Department of Agriculture information explaining the requirements for eligibility to receive benefits under the Food Stamp Act of 1977; and

"(B) the Social Security Administration information explaining the requirements for eligibility to receive supplemental security income benefits under title XVI of the Social Security Act (or assistance under a State plan program under title XVI of that Act);

and distribute such information, in written form, to State agencies, for redistribution to area agencies on aging, to carry out outreach activities and application assistance.".

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### DEMONSTRATION GRANTS FOR INDIVIDUALS WITH DISABILITIES

SEC. 156. (a) TRAINING.—Section 411(c) of the Act (42 U.S.C. 3031(c)) is amended—

(1) by striking out "custodial and skilled care for older individuals who suffer from" and inserting in lieu thereof "services to individuals with disabilities and to individuals with", and

(2) by striking out "other neurological and organic brain disorders of the Alzheimer's type" and inserting in lieu thereof "and related disorders with neurological and organic brain dysfunction".

(b) MULTIDISCIPLINARY CENTERS.—(1) Section 412(a) of the Act, as amended by sections 105(e) and 134(c)(4), is amended by inserting before "income maintenance" the following: "disabilities (including severe disabilities),".

(2) Section 412(a) of the Act, as amended by sections 105(e) and 134(c) in paragraph (1) of this subsection is further amended by inserting after "supportive services" the following: "(including assistive technology services),".

(c) SPECIAL PROJECT.—Part A of title IV of the Act is amended by adding at the end thereof the following new section:

"SPECIAL DISABILITIES TRAINING PROJECT

"SEC. 413. The Commissioner is authorized to make grants to any public agency or private nonprofit organization and may enter into contracts with any public agency or private nonprofit organization to develop and provide training programs to service providers under title III of this Act and nursing home care providers to meet the special service needs of older individuals with disabilities and who are residing either in the community or in nursing care facilities.".

(d) DEMONSTRATION GRANTS.—(1) Section 422(b)(2)(A) of the Act is amended by inserting after "mental health services" the following: "or who have severe disabilities".

(2) Section 422(b)(2) of the Act is amended—

(A) by striking out "and" at the end of subclause (C); and

(B) by adding after subclause (D) the following new subclauses:

"(E) the identification and provision of services to elderly individuals with severe disabilities; and

"(F) the provision of rehabilitation services, and communication aids and devices to assist older individuals with severe disabilities.".

(3) Section 422(b) of the Act, as amended by section 153, is amended—

(A) by striking out the "and" at the end of paragraph (8),

(B) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and "and", and

(C) by adding after paragraph (9) the following new paragraph:

"(10) address the needs of older individuals through the use of assistive technology services by studying and demonstrating methods of increasing the awareness of, the access to, and the use of assistive technology services for older individuals designed to increase their functional independence;".

(e) LONG-TERM CARE SPECIAL PROJECTS.—Section 423(a)(3) of the Act is amended by inserting after "geriatric health maintenance organizations" a semicolon and the following: "services to older individuals with severe disabilities residing in nursing homes".

(f) ADDITIONAL SPECIAL PROJECTS.—(1) Part B of title IV of the Act, as amended by section 155, is further amended by adding at the end thereof the following:

"OMBUDSMAN AND ADVOCACY DEMONSTRATION PROJECTS

"SEC. 428. (a) The Commissioner is authorized to make grants to not less than three nor more than ten States to demonstrate and evaluate cooperative projects between the State long-term care ombudsman program and the State protection and advocacy systems for developmental disabilities and mental illness, established under part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.) and under the protection and Advocacy for Mentally Ill Individuals Act of 1986 (Public Law 99-319).

"(b) The Commissioner on Aging shall prepare and submit to the Congress after each fiscal year a report of the study and evaluation required by paragraph (1) of this section. Each such report shall contain such recommendations as the Commissioner on Aging deems appropriate.".

(2) Section 431(a) of the Act, as amended by section 154(b), is amended by—

(A) by striking out "section 427" in the parenthetical and inserting in lieu thereof "sections 427 and 428"; and

(B) by adding at the end thereof the following:

"(3) There are authorized to be appropriated $1,000,000 for each of the fiscal years 1988 and 1989 to carry out the provisions of section 428. The funds appropriated pursuant to this subsection shall remain available for expenditure for the succeeding fiscal year.".

### HOME-CARE QUALITY ASSURANCE DEMONSTRATION PROJECTS

SEC. 157. (a) DEMONSTRATION PROGRAM AUTHORIZED.—Part B of title IV of the Act, as amended by sections 155 and 156, is further amended by adding at the end thereof the following:

"HOME-CARE QUALITY ASSURANCE DEMONSTRATION PROJECTS

"SEC. 429. (a)(1) The Commissioner is authorized to make grants to not less than six nor more than ten States to demonstrate and evaluate the effectiveness of a home-care quality assurance program for in-home care services for older individuals furnished under this Act.

"(2) For the purposes of this section 'quality assurance program' includes quality assurances with respect to in-home care services and may include the availability of consumer education services, services involving the use of consumer hotlines, ombudsman services, legal assistance services, protection and advocacy services, and the use of community service agencies.

"(b) No grant may be made and no contract may be entered into under this section unless an application is made to the Commissioner at such time, in such manner, and containing such information as the Commissioner may reasonably require. Each such application shall—

"(1) describe activities for which assistance is sought;

"(2) provide for an evaluation of the activities for which assistance is sought; and

"(3) provide assurances that the applicant will prepare and submit a report to the Commissioner on the activities conducted with assistance under this section and the evaluation of that assistance.

"(c) In approving applications under this section, the Commissioner shall assure equitable geographic distribution of assistance.

"(d) The Commissioner shall, as part of the annual report submitted under section 207, prepare and submit a report on the evaluation submitted under this section together with such recommendations as the Commissioner may deem appropriate. In carrying out this section, the Commissioner shall include in the report—

"(1) a description of the demonstration projects assisted under this section;

"(2) an evaluation of the effectiveness of each such project; and

"(3) recommendations of the Commissioner with respect to the desirability and feasibility of carrying out on a nation-wide basis the home-care consumer quality assurance program.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 431(a) of the Act, as amended by sections 154(b) and 155(f)(2), is amended—

(1) by striking out "sections 427 and 428" in the parenthetical and inserting in lieu thereof "section 427, 428, and 429"; and

(2) by adding at the end thereof the following:

"(3) There are authorized to be appropriated $2,000,000 for each of the fiscal years 1989 and 1990 to carry out the provisions of section 429.".

### AUTHORIZATION OF APPROPRIATIONS FOR TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS

SEC. 158. Section 431(a)(1) of the Act, as amended by sections 154(b), 155(f)(2), and 156(b), is amended to read as follows:

"SEC. 431. (a)(1) There are authorized to be appropriated to carry out the provisions of this title $32,970,000 for the fiscal year 1988, $34,619,000 for the fiscal year 1989, $36,349,000 for the fiscal year 1990, $38,167,000 for the fiscal year 1991, and $40,075,000 for the fiscal year 1992.".

## PART D—COMMUNITY SERVICE EMPLOYMENT

### ADMINISTRATIVE COSTS OF EMPLOYMENT PROJECTS

SEC. 161. Paragraph (3) of section 502(c) of the Act (42 U.S.C. 3056(c)(3)) is amended to read as follows:

"(3) Of the amount for any project to be paid by the Secretary under this subsection, not more than 13.5 percent for fiscal year 1987 and each fiscal year thereafter shall be available for paying the costs of administration for such project, except that—

"(A) whenever the Secretary determines that it is necessary to carry out the project assisted under this title, based on information submitted by the public or private nonprofit agency or organization with which the Secretary has an agreement under subsection (b), the Secretary may increase the amount available for paying the cost of administration to an amount not more than 15 percent of the cost of such project; and

"(B) whenever the public or private nonprofit agency or organization with which the Secretary has an agreement under subsection (b) demonstrates to the Secretary that—

"(i) major administrative cost increases are being incurred in necessary program components, including liability insurance, payments for workmen's compensation, costs associated with achieving unsubsidized placement goals, and other operation requirements imposed by the Secretary;

"(ii) the number of employment positions in the project or the number of minority eligible individuals participating in the project will decline if the amount available for paying the cost of administration is not increased; or

"(iii) the size of the project is so small that the amount of administrative expenses incurred to carry out the project necessarily

exceed 13.5 percent of the amount for such project;

the Secretary shall increase the amount available for the fiscal year for paying the cost of administration to an amount not more than 15 percent of the cost of such project.".

### COMMUNITY SERVICE EMPLOYMENT FOR OLDER INDIANS

SEC. 162. (a) PROGRAM ASSURANCE.—Section 502(b)(1)(M) of the Act (42 U.S.C. 3056) is amended to read as follows:

"(M) will assure, that to the extent feasible, such project will serve the needs of minority, limited English-speaking, and Indian eligible individuals in proportion to their numbers in the State and take into consideration their rates of poverty and unemployment;".

(b) RESERVATION OF FUNDS.—Section 506(a)(1)(A) of the Act is amended by inserting after the first sentence the following: "The Secretary shall next reserve such sums as may be necessary for national grants or contracts with public or nonprofit national Indian aging organizations with the ability to provide employment services to older Indians and with national public or nonprofit Pacific/Asian organizations, but only in a fiscal year in which the amount available under this title exceeds the amount appropriated for fiscal year 1987.".

### DEFINITION OF COMMUNITY SERVICES

SEC. 163. Section 507(3) of the Act (42 U.S.C. 3056e(3)) is amended by inserting "(particularly literacy tutoring)" after "educational services".

### AUTHORIZATION OF APPROPRIATIONS FOR COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SEC. 164. Section 508(a)(1) of the Act (42 U.S.C. 3056f(a)(1)) is amended to read as follows:

"(1) $386,715,000 for the fiscal year 1988, $406,051,000 for the fiscal year 1989, $426,353,000 for the fiscal year 1990, $447,671,000 for the fiscal year 1991, and $470,055,000 for the fiscal year 1992; and".

### EMPLOYMENT ASSISTANCE AND OTHER PROGRAMS

SEC. 165. Title V of the Act (42 U.S.C. 3056–3056f) is amended by adding at the end the following:

"EMPLOYMENT ASSISTANCE AND FEDERAL HOUSING AND FOOD STAMP PROGRAMS

"SEC. 509. Funds received by eligible individuals from projects carried out under the program established in this title shall not be considered to be income of such individuals for purposes of determining the eligibility of such individuals, or of any other persons, to participate in any housing program for which Federal funds may be available or for any income determination under the Food Stamp Act of 1977.".

## PART E—NATIVE AMERICAN PROGRAMS

### NATIVE AMERICAN PROGRAMS

SEC. 171. Title VI of the Act (42 U.S.C. 3057–3057g) is amended to read as follows:

"TITLE VI—GRANTS FOR NATIVE AMERICANS

"STATEMENT OF PURPOSE

"SEC. 601. It is the purpose of this title to promote the delivery of supportive services, including nutrition services to American Indians, Alaskan Natives, and Hawaiian Natives that are comparable to services provided under title III.

"FINDINGS; SENSE OF CONGRESS

"SEC. 602. (a) The Congress finds that the older Indians of the United States—

"(1) are a rapidly increasing population;

"(2) suffer from high unemployment;

"(3) live in poverty at a rate estimated to be as high as 61 percent;

"(4) have a life expectancy between 3 and 4 years less than the general population;

"(5) lack sufficient nursing homes, other long-term care facilities, and other health care facilities;

"(6) lack sufficient Indian area agencies on aging;

"(7) frequently live in substandard and over-crowded housing;

"(8) receive less than adequate health care;

"(9) are served under this title at a rate of less than 19 percent of the total national Indian elderly population living on Indian reservations; and

"(10) are served under title III of this Act at a rate of less than 1 percent of the total participants under that title.

"(b) The Congress finds the elderly Hawaiian Natives—

"(1) have a life expectancy 10 years less than any other ethnic group in the State of Hawaii;

"(2) rank lowest on 9 of 11 standard health indicies for all ethnic groups in Hawaii;

"(3) are often unaware of social services and do not know how to go about seeking such assistance; and

"(4) live in poverty at a rate of 34 percent.

"(c) It is the sense of the Congress that older Indians, older Alaskan Natives, and older Hawaiian Natives are a vital resource entitled to all benefits and services available and that such services and benefits should be provided in a manner that preserves and restores their respective dignity, self-respect, and cultural identities.

"PART A—INDIAN PROGRAM

"ELIGIBILITY

"SEC. 611. (a) A tribal organization of an Indian tribe is eligible for assistance under this part only if—

"(1) the tribal organization represents at least 50 individuals who have attained 60 years of age or older; and

"(2) the tribal organization demonstrates the ability to deliver supportive services, including nutritional services.

"(b) For the purposes of this part the terms 'Indian tribe' and 'tribal organization' have the same meaning as in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

"GRANTS AUTHORIZED

"SEC. 612. The Commissioner may make grants to eligible tribal organizations to pay all of the costs for delivery of supportive services and nutrition services for older Indians.

"APPLICATIONS

"SEC. 613. (a) No grant may be made under this part unless the eligible tribal organization submits an application to the Commissioner which meets such criteria as the Commissioner may by regulation prescribe. Each such application shall—

"(1) provide that the eligible tribal organization will evaluate the need for supportive and nutrition services among older Indians to be represented by the tribal organization;

"(2) provide for the use of such methods of administration as are necessary for the proper and efficient administration of the program to be assisted;

"(3) provide that the tribal organization will make such reports in such form and containing such information, as the Commissioner may reasonably require, and comply with such requirements as the Commissioner may impose to assure the correctness of such reports;

"(4) provide for periodic evaluation of activities and projects carried out under the application;

"(5) establish objectives consistent with the purposes of this part toward which activities under the application will be directed, identify obstacles to the attainment of such objectives, and indicate the manner in which the tribal organization proposes to overcome such obstacles;

"(6) provide for establishing and maintaining information and referral services to assure that older Indians to be served by the assistance made available under this part will have reasonably convenient access to such services;

"(7) provide a preference for Indians aged 60 and older for full or part-time staff positions wherever feasible;

"(8) provide assurances that either directly or by way of grant or contract with appropriate entities nutrition services will be delivered to older Indians represented by the tribal organization substantially in compliance with the provisions of part C of title III, except that in any case in which the need for nutritional services for older Indians represented by the tribal organization is already met from other sources, the tribal organization may use the funds otherwise required to be expended under this clause for supportive services;

"(9) contain assurances that the provisions of sections 307(a)(14)(A) (i) and (iii), 307(a)(14)(B), and 307(a)(14)(C) will be complied with whenever the application contains provisions for the acquisition, alteration, or renovation of facilities to serve as multipurpose senior centers;

"(10) provide that any legal or ombudsman services made available to older Indians represented by the tribal organization will be substantially in compliance with the provisions of title III relating to the furnishing of similar services; and

"(11) provide satisfactory assurance that fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the tribal organization, including any funds paid by the tribal organization to a recipient of a grant or contract.

"(b) For the purpose of any application submitted under this part, the tribal organization may develop its own population statistics, with certification from the Bureau of Indian Affairs, in order to establish eligibility.

"(c) The Commission shall approve any application which complies with the provisions of subsection (a).

"(d) Whenever the Commissioner determines not to approve an application submitted under subsection (a) the Commission shall—

"(1) state objections in writing to the tribal organization within 60 days after such decision;

"(2) provide to the extent practicable technical assistance to the tribal organization to overcome such stated objections; and

"(3) provide the tribal organization with a hearing, under such rules and regulations as the Commissioner may prescribe.

"(e) Whenever the Commissioner approves an application of a tribal organization under this part, funds shall be awarded for not less than 12 months.

"SURPLUS EDUCATIONAL FACILITIES

"SEC. 614. (a) Notwithstanding any other provision of law, the Secretary of the Interior through the Bureau of Indian Affairs

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shall make available surplus Indian educational facilities to tribal organizations, and nonprofit organizations with tribal approval, for use as multipurpose senior centers. Such centers may be altered so as to provide extended care facilities, community center facilities, nutrition services, child care services, and other supportive services.

"(b) Each eligible tribal organization desiring to take advantage of such surplus facilities shall submit an application to the Secretary of the Interior at such time and in such manner, and containing or accompanied by such information, as the Secretary of the Interior determines to be necessary to carry out the provisions of this section.

### "PART B—HAWAIIAN NATIVES PROGRAM

### "ELIGIBILITY

"SEC. 621. A public or nonprofit private organization having the capacity to provide services under this part for Hawaiian Natives is eligible for assistance under this part only if—

"(1) the organization will serve at least 50 individuals who have attained 60 years of age or older; and

"(2) the organization demonstrates the ability to deliver supportive services, including nutrition services.

### "GRANTS AUTHORIZED

"SEC. 622. The Commissioner may make grants to public and nonprofit private organizations to pay all of the costs for the delivery of supportive services and nutrition services to older Hawaiian Natives.

### "APPLICATION

"SEC. 623. (a) No grant may be made under this part unless the public or nonprofit private organization submits an application to the Commissioner which meets such criteria as the Commissioner may by regulation prescribe. Each such application shall—

"(1) provide that the organization will evaluate the need for supportive and nutrition services among older Hawaiian Natives to be represented by the organization;

"(2) provide for the use of such methods of administration as are necessary for the proper and efficient administration of the program to be assisted;

"(3) provide assurances that the organization will coordinate its activities with the State agency on aging;

"(4) provide that the organization will make such reports in such form and containing such information as the Commissioner may reasonably require, and comply with such requirements as the Commissioner may impose to ensure the correctness of such reports;

"(5) provide for periodic evaluation of activities and projects carried out under the application;

"(6) establish objectives, consistent with the purpose of this title, toward which activities described in the application will be directed, identify obstacles to the attainment of such objectives, and indicate the manner in which the organization proposes to overcome such obstacles;

"(7) provide for establishing and maintaining information and referral services to assure that older Hawaiian Natives to be served by the assistance made available under this part will have reasonably convenient access to such services;

"(8) provide a preference for Hawaiian Natives age 60 and older for full or part-time staff positions wherever feasible;

"(9) provide that any legal or ombudsman services made available to older Hawaiian Natives represented by the nonprofit private organization will be substantially in compliance with the provisions of title III relating to the furnishing and similar services; and

"(10) provide satisfactory assurances that the fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the nonprofit private organization, including any funds paid by the organization to a recipient of a grant or contract.

"(b) The Commissioner shall approve any application which complies with the provisions of subsection (a).

"(c) Whenever the Commissioner determines not to approve an application submitted under subsection (a) the Commissioner shall—

"(1) state objections in writing to the nonprofit private organization within 60 days after such decision;

"(2) provide to the extent practicable technical assistance to the nonprofit private organization to overcome such stated objections; and

"(3) provide the organization with a hearing under such rules and regulations as the Commissioner may prescribe.

"(d) Whenever the Commissioner approves an application of a nonprofit private or public organization under this part funds shall be awarded for not less than 12 months.

### "DEFINITION

"SEC. 624. For the purpose of this part, the term 'Hawaiian Native' means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778.

### "PART C—GENERAL PROVISIONS

### "ADMINISTRATION

"SEC. 631. In establishing regulations for the purpose of part A the Commissioner shall consult with the Secretary of the Interior.

### "PAYMENTS

"SEC. 632. Payments may be made under this title (after necessary adjustments, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement in such installments and on such conditions, as the Commissioner may determine.

### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 633. (a) There are authorized to be appropriated $13,000,000 for the fiscal year 1988, $15,600,000 for the fiscal year 1989, $18,720,000 for the fiscal year 1990, $22,464,000 for the fiscal year 1991, and $26,956,800 for the fiscal year 1992 to carry out the provisions of this title other than section 614.

"(b) Whenever the amount appropriated for subsection (a) is equal to or more than 110 percent of the amount appropriated for this title in fiscal year 1987, not more than 10 percent of the amount appropriated for such fiscal year shall be available for part B.".

### PART F—MISCELLANEOUS AND TECHNICAL AMENDMENTS

### PERSONAL HEALTH EDUCATION AND TRAINING PROGRAMS

SEC. 181. Section 706(a) of the Act is amended to read as follows:

"(a) There are authorized to be appropriated to carry out this title, such sums as may be necessary for each of the fiscal years 1988 through 1992.".

### TECHNICAL AMENDMENTS

SEC. 182. (a) Section 102(1) of the Act (42 U.S.C. 3002(1)) is amended by striking "other than for purposes of title V" and inserting "except that for purposes of title V such term means the Secretary of Labor".

(b)(1) Section 102 of the Act (42 U.S.C. 3002) is amended—

(A) in paragraph (3)—

(i) by striking "includes" and inserting "means any of the several States,", and

(ii) by striking "Puerto Rico" and inserting "the Commonwealth of Puerto Rico", and

(B) by adding at the end the following:

"(8) The term 'Trust Territory of the Pacific Islands' includes the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.".

(2) Section 302 of the Act (42 U.S.C. 3022), as amended by section 135(a), is amended—

(A) by striking paragraph (6), and

(B) by redesignating paragraphs (7) through (20) as paragraphs (6) through (19), respectively.

(3) Section 506(a)(4)(A) of the Act (42 U.S.C. 3056d(a)(4)(A)) is amended by striking "Puerto Rico" and inserting "the Commonwealth of Puerto Rico".

(4) Section 507 of the Act (42 U.S.C. 3056e) is amended—

(A) by striking paragraph (1), and

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(c) Section 201(a) of the Act (42 U.S.C. 3011(a)) is amended by striking "his functions" and inserting "the functions of the Commissioner".

(d) Section 204(d)(3) of the Act (42 U.S.C. 3015(d)(3)) is amended by inserting "to" after "Secretary,".

(e)(1) Section 302 of the Act (42 U.S.C. 3022), as amended by subsection (b)(2) and sections 135 and 143, is amended by adding at the end the following:

"(23) The term 'greatest economic need' means the need resulting from an income level at or below the poverty levels established by the Office of Management and Budget.

"(24) The term 'greatest social need' means the need caused by noneconomic factors which include physical and mental disabilities, language barriers, and cultural, social, or geographical isolation including that caused by racial or ethnic status which restricts an individual's ability to perform normal daily tasks or which threatens such individual's capacity to live independently.".

(2) Section 305(d) of the Act (42 U.S.C. 3025(d)) is amended—

(A) by striking "(d)(1)" and inserting "(d)", and

(B) by striking paragraph (2).

(3) Section 306(a) of the Act (42 U.S.C. 3026(a)) is amended by striking the last sentence.

(f) Section 304(c) of the Act is amended to read as follows:

"(c) The provisions of section 307(d) shall apply to a State's failure to qualify under the State planning requirements of section 307.".

(g) Section 304(d)(1) of the Act (42 U.S.C. 3024(d)(1)) is amended in the matter preceding subparagraph (A) by inserting a comma after "section 308(b)".

(h) Section 305(a)(1)(E) of the Act (42 U.S.C. 3025(a)(1)(E)) is amended by striking "legal services" and inserting "legal assistance".

(i) Section 305(a)(2)(C) of the Act (42 U.S.C. 3025(a)(2)(C)) is amended by inserting "in accordance with subsection (d)" before the semicolon at the end.

(j) Section 306(a)(5)(B) of the Act (42 U.S.C. 3016(a)(5)(B)) is amended by inserting "and" at the end.

(k) Section 306(a)(6)(G) of the Act (42 U.S.C. 3026(a)(6)(G)), as amended by section 137(b), is amended by striking "and" at the end.

(l) Section 307(a) of the Act (42 U.S.C. 3027(a)) is amended—

(1) by striking "Each such plan shall—" and inserting "Each such plan shall comply with all of the following requirements:",

(2) in paragraph (1)—

(A) by inserting "The plan shall" after "(1)", and

(B) by striking the semicolon at the end and inserting a period,

(3) in paragraph (2)—

(A) by inserting "The plan shall" after "(2)", and

(B) by striking the semicolon at the end and inserting a period,

(4) in paragraph (3)—

(A) in subparagraph (A) by inserting "The plan shall" after "(3)(A)", and

(B) in subparagraph (B)—

(i) by inserting "The plan shall" after "(B)", and

(ii) by striking the semicolon at the end and inserting a period,

(5) in paragraph (4)—

(A) by inserting "The plan shall" after "(4)", and

(B) by striking the semicolon at the end and inserting a period,

(6) in paragraph (5)—

(A) by inserting "The plan shall" after "(5)", and

(B) by striking the semicolon at the end and inserting a period,

(7) in paragraph (6)—

(A) by inserting "The plan shall" after "(6)", and

(B) by striking the semicolon at the end and inserting a period,

(8) in paragraph (7)—

(A) by inserting "The plan shall" after "(7)", and

(B) by striking the semicolon at the end and inserting a period,

(9) in paragraph (8)—

(A) by inserting "The plan shall" after "(8)", and

(B) by striking the semicolon at the end and inserting a period,

(10) in paragraph (9)—

(A) by inserting "The plan shall" after "(9)", and

(B) by striking the semicolon at the end and inserting a period,

(11) in paragraph (10)—

(A) by inserting "The plan shall" after "(10)", and

(B) by striking the semicolon at the end and inserting a period,

(12) in paragraph (11)—

(A) by inserting "The plan shall" after "(11)", and

(B) by striking the semicolon at the end and inserting a period,

(13) in paragraph (13)—

(A) by inserting "The plan shall" after "(13)", and

(B) in subparagraph (I) by striking the semicolon at the end and inserting a period,

(14) in paragraph (14)—

(A) by inserting "The plan shall" after "(14)", and

(B) in subparagraph (E) by striking the semicolon at the end and inserting a period,

(15) in paragraph (15) by inserting "The plan shall" after "(15)",

(16) in paragraph (16)—

(A) by inserting "The plan shall" after "(16)", and

(B) in subparagraph (C) by striking the semicolon at the end and inserting a period,

(17) in paragraph (17)—

(A) by inserting "The plan shall" after "(17)", and

(B) by striking the semicolon at the end and inserting a period,

(18) in paragraph (18)—

(A) by inserting "The plan shall" after "(18)", and

(B) by striking the semicolon at the end and inserting a period,

(19) in paragraph (19)—

(A) by inserting "The plan shall" after "(19)", and

(B) by striking the semicolon at the end and inserting a period,

(20) in paragraph (20)—

(A) by inserting "The plan shall" after "(20)", and

(B) in subparagraph (B)(ii) by striking "; and" at the end and inserting a period, and

(21) in paragraph (21)—

(A) by inserting "The plan shall" after "(21)", and

(B) by striking "an amount equal to an amount".

(m) Section 308(b) of the Act (42 U.S.C. 3028(b)) is amended—

(1) by striking "(b)(1)(A)" and inserting "(b)(1)",

(2) in paragraph (1)—

(A) by striking "(i)" and inserting "(A)", and

(B) by striking "(ii)" the second place it appears and inserting "(B)",

(3) in paragraph (2)—

(A) by striking "(2)(A)" and inserting "(2)",

(B) by striking "(i)" and inserting "(A)", and

(C) by striking "(ii)" the second place it appears and inserting "(B)",

(4) in paragraph (3)(C) by striking "he" and inserting "the Commissioner",

(5) in subparagraphs (A) and (B) of paragraph (5) by striking "appropriated" each place it appears and inserting "allotted", and

(6) in paragraph (5)(B) beginning with the dash strike out all through the period and insert in lieu thereof: "not more than 30 percent of the funds allotted for any fiscal year.".

(n) Section 321(a)(10) of the Act is amended by inserting "for" after "advocate".

(o) Section 337 of the Act (42 U.S.C. 3030g) is amended by striking "Association of Area Agencies on Aging" and inserting "National Association of Area Agencies on Aging".

(p) Section 507(2) of the Act is amended by striking out "the Bureau of Labor Statistics" and inserting in lieu thereof "the Office of Management and Budget".

## TITLE II—1991 WHITE HOUSE CONFERENCE ON AGING

### WHITE HOUSE CONFERENCE AUTHORIZED

SEC. 201. (a) FINDINGS.—The Congress finds that—

(1) the number of individuals 55 years of age or older was approximately 51,400,000 in 1986, and will, by the year 2040, be approximately 101,700,000;

(2) more than 1 of every 6 persons age 55 or older will be hospitalized during the next year;

(3) persons 55 years of age or older have a higher average out-of-pocket medical cost burden than younger persons; approximately 17 percent of individuals age 55 to 64 experience out-of-pocket costs in excess of 20 percent of their family income and the average per capita out-of-pocket cost of persons 65 years of age or older is expected to equal 18.5 percent of income by 1991;

(4) there is a great need to ensure access and the quality of affordable health care to all older individuals;

(5) the need for a comprehensive and responsive long-term care delivery system is great;

(6) the availability and cost of suitable housing, together with suitable services needed for independent or semi-independent living, still cause concern to older individuals;

(7) the ability to lead an independent or semi-independent life is contingent, in many cases, upon the availability of a comprehensive and effective social service system for older individuals;

(8) the availability and access to opportunities for continued productivity and employment is of great importance to middle-aged and older individuals who want or need to work;

(9) the fulfillment, dignity, and satisfaction of retirees still depend on the continuing development of a consistent national retirement policy;

(10) there is a continuing need to maintain and preserve the national policy with respect to increasing, coordinating, and expediting biomedical and other appropriate research directed at determining the causes and effects of the aging process;

(11) false stereotypes about aging and the process of aging continue to be prevalent throughout the United States and policies should be nurtured to overcome such stereotypes; and

(12) the talents and experience of older individuals represent a valuable community resource which should be developed and more widely shared within the local community.

(b) POLICY.—It is the policy of the Congress that—

(1) the Federal Government should work jointly with the States and their citizens to develop recommendations and plans for action to meet the challenges and needs of older individuals, consistent with the objectives of this section; and

(2) in developing programs for the aging pursuant to this section emphasis should be directed toward individual, private, and public initiatives and resources intended to enhance the economic security and self-sufficiency of elder Americans.

### AUTHORIZATION OF THE CONFERENCE

SEC. 202. (a) AUTHORITY TO CALL CONFERENCE.—The President may call a White House Conference on Aging in 1991 in order to develop recommendations for additional research and action in the field of aging which will further the policy set forth in subsection (b).

(b) PLANNING AND DIRECTION.—The Conference shall be planned and conducted under the direction of the Secretary in cooperation with the Commissioner on Aging and the Director of the National Institute on Aging, and the heads of such other Federal departments and agencies as are appropriate. Such assistance may include the assignment of personnel.

(c) PURPOSE OF THE CONFERENCE.—The purpose of the Conference shall be—

(1) to increase the public awareness of the essential contributions of older individuals to society;

(2) to identify the problems of the older individuals;

(3) to develop recommendations for the coordination of Federal policy with State and local needs and the implementation of such recommendations;

*(4) to examine the well-being of older individuals;*

*(5) to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and improving the well-being of older individuals; and*

*(6) to review the status of recommendations adopted at previous White House Conferences on Aging.*

*(d) CONFERENCE PARTICIPANTS AND DELEGATES.—*

*(1) PARTICIPANTS.—In order to carry out the purposes of this section, the Conference shall bring together—*

*(A) representatives of Federal, State, and local governments;*

*(B) professional and lay people who are working in the field of aging; and*

*(C) representatives of the general public, particularly older individuals.*

*(2) SELECTION OF DELEGATES.—The delegates shall be selected without regard to political affiliation or past partisan activity and shall, to the best of the appointing authority's ability, be representative of the spectrum of thought in the field of aging.*

### CONFERENCE ADMINISTRATION

*SEC. 203. (a) ADMINISTRATION.—In administering this section, the Secretary shall—*

*(1) request the cooperation and assistance of the heads of such other Federal departments and agencies as may be appropriate in the carrying out of this section;*

*(2) furnish all reasonable assistance, including financial assistance, to State agencies on the aging and to area agencies on the aging, and to other appropriate organizations, to enable them to organize and conduct conferences in conjunction with the Conference;*

*(3) prepare and make available for public comment a proposed agenda for the Conference which will reflect to the greatest extent possible the major issues facing older individuals consistent with the provisions of subsection (a);*

*(4) prepare and make available background materials for the use of delegates to the Conference which the Secretary deems necessary; and*

*(5) engage such additional personnel as may be necessary to carry out the provisions of this section without regard to provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.*

*(b) DUTIES.—The Secretary shall, in carrying out the Secretary's responsibilities and functions under this section, assure that—*

*(1) the conferences under subsection (a)(2) will—*

*(A) include a conference on older Indians to identify conditions that adversely affect older Indians, to propose solutions to ameliorate such conditions, and to provide for the exchange of information relating to the delivery of services to older Indians, and*

*(B) be so conducted as to assure broad participation of older individuals;*

*(2) the proposed agenda for the Conference under subsection (a)(3) is published in the Federal Register not less than 180 days before the beginning of the Conference and the proposed agenda is open for public comment for a period of not less than 60 days;*

*(3) the final agenda for the Conference under subsection (a)(3), taking into consideration the comments received under paragraph (2), is published in the Federal Register and transmitted to the chief executive officers of the States not later than 30 days after the close of the public comment period provided for under paragraph (2);*

*(4) the personnel engaged under subsection (a)(5) shall be fairly balanced in terms of points of views represented and shall be appointed without regard to political affiliation or previous partisan activities;*

*(5) the recommendations of the Conference are not inappropriately influenced by any appointing authority or by any special interest, but will instead be the result of the independent judgment of the Conference; and*

*(6) current and adequate statistical data, including decennial census data, and other information on the well-being of older individuals in the United States are readily available, in advance of the Conference, to the delegates of the Conference, together with such information as may be necessary to evaluate Federal programs and policies relating to aging. In carrying out this subparagraph, the Secretary is authorized to make grants to, and enter into cooperative agreements with, public agencies and nonprofit private organizations.*

### CONFERENCE COMMITTEES

*SEC. 204. (a) ADVISORY COMMITTEE.—The Secretary shall establish an advisory committee to the Conference which shall include representation from the Federal Council on Aging and other public agencies and private nonprofit organizations as appropriate.*

*(b) OTHER COMMITTEES.—The Secretary may establish such other committees, including technical committees, as may be necessary to assist in the planning, conducting, and reviewing the Conference.*

*(c) COMPOSITION OF COMMITTEES.—Each such committee shall be composed of professionals and public members, and shall include individuals from low-income families and from minority groups. A majority of the public members of each such committee shall be 55 years of age or older.*

*(d) COMPENSATION.—Appointed members of any such committee (other than any officers of employees of the Federal Government), while attending conferences or meetings of the committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not to exceed the daily prescribed rate for GS-18 under section 5332 of title 5, United States Code (including travel time). While away from their homes or regular places of business, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized under section 5703 of such title for persons employed intermittently in Federal Government service.*

### REPORT OF THE CONFERENCE

*SEC. 205. (a) PROPOSED REPORT.—A proposed report of the Conference, which shall include a statement of comprehensive coherent national policy on aging together with recommendations for the implementation of the policy, shall be published and submitted to the chief executive officers of the States not later than 60 days following the date on which the Conference is adjourned. The findings and recommendations included in the published proposed report shall be immediately available to the public.*

*(b) RESPONSE TO PROPOSED REPORT.—The chief executive officers of the States, after reviewing and soliciting recommendations and comments on the report of the Conference, shall submit to the Secretary, not later than 180 days after receiving the report, their views and findings on the recommendations of the Conference.*

*(c) FINAL REPORT.—The Secretary shall, after reviewing the views and recommendations of the chief executive officers of the States, prepare a final report of the Conference, which shall include a compilation of the actions of the chief executive officers of the States and take into consideration the views and findings of such officers.*

*(d) RECOMMENDATIONS OF SECRETARY.—The Secretary shall, within 90 days after submission of the views of the chief executive officers of the States, publish and transmit to the President and to the Congress recommendations for the administrative action and the legislation necessary to implement the recommendations contained within the report.*

### DEFINITIONS

*SEC. 206. For the purposes of this title—*

*(1) the term "area agency on aging" means the agency designated under section 305(a)(2)(A) of the Act;*

*(2) the term "State agency on aging" means the State agency designated under section 305(a)(1) of the Act;*

*(3) the term "Secretary" means the Secretary of Health and Human Services;*

*(4) the term "Conference" means the White House Conference on Aging authorized in subsection (b); and*

*(5) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, or the Commonwealth of the Northern Mariana Islands.*

### AUTHORIZATION OF APPROPRIATIONS

*SEC. 207. (a) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary, for each of the fiscal years 1989, 1990, and 1991, to carry out this section. Sums appropriated under this paragraph shall remain available until the expiration of the 1-year period beginning on the date the Conference is adjourned. New spending authority or authority to enter into contracts as provided in this section shall be effective only to the extent and in such amounts as are provided in advance in appropriations Acts.*

*(b) RETURN OF UNEXPENDED FUNDS.—Any funds remaining upon the expiration of such 1-year period shall be returned to the Treasury of the United States and credited as miscellaneous receipts.*

## TITLE III—ALZHEIMER'S DISEASE RESEARCH

### REQUIREMENT FOR CLINICAL TRIALS

*SEC. 301. (a) GENERAL AUTHORITY.—(1) The Director of the National Institute on Aging shall provide for the conduct of clinical trials on the efficacy of the use of such promising therapeutic agents as have been or may be discovered and recommended for further scientific analysis by the National Institute on Aging and the Food and Drug Administration, like tetrahydroaminoacridine, to treat individuals with Alzheimer's disease, to retard the progression of symptoms of Alzheimer's disease, or to improve the functioning of individuals with such disease.*

*(2) Nothing in this title shall be construed to affect adversely any research being conducted as of the date of enactment of this Act.*

*(b) RULES FOR CONDUCT OF CLINICAL TRIALS.—The clinical trials required by subsection (a) shall be conducted for a period beginning on such date as the Director of the National Institute on Aging considers appropriate and ending on—*

*(1) September 30, 1990; or*

*(2) such date as such Director determines that such trials have provided sufficient data to determine the efficacy of the use of such drugs to treat individuals with Alzheimer's disease, to retard the progression of symptoms of Alzheimer's disease, or to improve the functioning of individuals with such disease,*

*whichever is earlier.*

### AUTHORIZATION OF APPROPRIATIONS

*SEC. 302. There are authorized to be appropriated $2,000,000 for each of the fiscal years 1988, 1989, and 1990 to carry out this title.*

## TITLE IV—GENERAL PROVISIONS

### EFFECTIVE DATE; APPLICATION OF AMENDMENTS

*SEC. 401. (a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1987.*

*(b) APPLICATION OF AMENDMENTS.—The amendments made by title I of this Act shall not apply with respect to—*

*(1) any area plan submitted under section 306(a) of the Older Americans Act of 1965, or*

*(2) any State plan submitted under section 307(a) of such Act,*

*and approved for any fiscal year beginning before the date of the enactment of this Act.*

And from the Select Committee on Indian Affairs, with amendments; as follows:

On page 9, in the table of contents, insert the following:

## TITLE V—NATIVE AMERICAN PROGRAMS

*Sec. 501. Short title.*
*Sec. 502. Review of applications for assistance.*
*Sec. 503. Procedural requirements.*
*Sec. 504. Inclusion of Native American Pacific Islanders.*
*Sec. 505. Authorization of appropriations.*
*Sec. 506. Revolving loan fund for Native Hawaiians.*
*Sec. 507. Effective date.*

At the end of the reported amendment of the Committee on Labor and Human Resources, insert the following:

## TITLE V—NATIVE AMERICAN PROGRAMS

### SHORT TITLE

*SEC. 501. This title may be cited as the "Native American Programs Amendments Act of 1987".*

### REVIEW OF APPLICATIONS FOR ASSISTANCE

*SEC. 502. The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended—*

*(1) in the first sentence of section 803(a) by inserting ", on a single year or multiyear basis," after "financial assistance",*

*(2) by redesignating sections 813 and 814 as sections 815 and 816, respectively,*

*(3) by redesignating sections 806 through 812, as sections 807 through 813, respectively, and*

*(4) by inserting after section 805 the following new section:*

### "PANEL REVIEW OF APPLICATIONS FOR ASSISTANCE

*"SEC. 806. (a)(1) The Secretary shall establish a formal panel review process for purposes of—*

*"(A) evaluating applications for financial assistance under sections 803 and 805, and*

*"(B) determining the relative merits of the projects for which such assistance is requested.*

*"(2) Members of review panels established under paragraph (1) shall be appointed by the Secretary from among individuals who are not officers or employees of the Administration for Native Americans. In making appointments to such panels, the Secretary shall give preference to American Indians, Hawaiian Natives, and Alaskan Natives.*

*"(b) Each review panel established under subsection (a)(1) that reviews any application for financial assistance shall—*

*"(1) determine the merit of each project described in such application;*

*"(2) rank such application with respect to all other applications it reviews for the fiscal year involved, according to the relative merit of all of the projects that are described in such application and for which financial assistance is requested; and*

*"(3) submit to the Secretary a list that identifies all applications reviewed by such panel and arranges such applications according to rank determined under paragraph (2).*

*"(c) Upon the request of the chairman of the Select Committee on Indian Affairs of the Senate or of the chairman of the Committee on Education and Labor of the House of Representatives made with respect to any application for financial assistance under section 803 or 805, the Secretary shall transmit to the chairman written notice—*

*"(1) containing a copy of the list submitted to the Secretary under subsection (b)(3) in which such application is ranked;*

*"(2) specifying which other applications ranked in such list have been approved by the Secretary under sections 803 and 805; and*

*"(3) if the Secretary has not approved each application superior in merit, as indicated on such list, to the application with respect to which such notice is transmitted, containing a statement of the reasons relied upon by the Secretary for—*

*"(A) approving the application with respect to which such notice is transmitted; and*

*"(B) failing to approve each pending application that is superior in merit, as indicated on such list, to the application described in subparagraph (A).".*

### PROCEDURAL REQUIREMENTS

*SEC. 503. (a) The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended by inserting after section 813, as so redesignated by section 502, the following new section:*

### "ADDITIONAL REQUIREMENTS APPLICABLE TO RULE MAKING

*"SEC. 814. (a) Notwithstanding subsection (a) of section 553 of title 5, United States Code, and except as otherwise provided in this section, such section 553 shall apply with respect to the establishment and general operation of any program that provides loans, grants, benefits, or contracts authorized by this title.*

*"(b) The exception provided in subparagraph (A) of the last sentence of section 553(b) of title 5, United States Code, shall not apply with respect to any rule (including any general statement of policy) that is—*

*"(1) proposed under this title;*

*"(2) applicable exclusively to any program, project, or activity authorized by, or carried out under, this title; or*

*"(3) applicable to the organization, procedure, or practice of an agency (as defined in section 551(1) of title 5, United States Code) and that would solely affect the administration of this title.*

*"(c) The exceptions provided by paragraphs (1) and (2) of section 553(d) of title 5, United States Code, shall not apply to any rule (or general statement of policy) that—*

*"(1) is issued to carry out this title;*

*"(2) applies exclusively to any program, project, or activity authorized by, or carried out under, this title; or*

*"(3) is applicable to the organization, procedure, or practice of an agency (as defined in section 551(1) of title 5, United States Code) and that will solely affect the administration of this title.*

*"(d) Each rule to which this section applies shall contain after each of its sections, paragraphs, or similar textual units a citation to the particular provision of statutory or other law that is the legal authority for such section, paragraph, or unit.*

*"(e) Except as provided in subsection (c), if as a result of the enactment of any law affecting the administration of this title it is necessary or appropriate for the Secretary to issue any rule, the Secretary shall issue such rule not later than 180 days after the date of the enactment of such law.*

*"(f) Whenever an agency publishes in the Federal Register a rule (including a general statement of policy) to which subsection (c) applies, such agency shall transmit a copy of such rule to the Select Committee on Indian Affairs of the Senate and to the Committee on Education and Labor of the House of Representatives.".*

*(b) Section 815 of the Native American Programs Act of 1974 (42 U.S.C. 2992c), as so redesignated by section 502, is amended—*

*(1) in paragraph (3) by striking out "and" at the end thereof,*

*(2) by redesignating paragraph (4) as paragraph (5), and*

*(3) by inserting after paragraph (3) the following new paragraph:*

*"(4) the term 'rule' has the meaning given it in section 551(4) of title 5, United States Code, as amended from time to time; and".*

### INCLUSION OF NATIVE AMERICAN PACIFIC ISLANDERS

*SEC. 504. (a) Subsection (a) of section 803 of the Native American Programs Act of 1974 (42 U.S.C. 2991b(a)) is amended by inserting the following sentence after the first sentence thereof: "The Secretary is authorized, subject to the availability of funds appropriated under the authority of section 816(c), to provide financial assistance to public and nonprofit private agencies serving Native American Pacific Islanders (including American Samoan Natives) for projects pertaining to the purposes of this Act.".*

*(b)(1) Section 802 of the Native American Programs Act of 1974 (42 U.S.C. 2991a) is amended by inserting ", Native American Pacific Islanders (including American Samoan Natives)," after "Hawaiian Natives".*

*(2) Paragraph (2) of section 806(a) of the Native American Programs Act, as added by section 502(4) of this Act, is amended by inserting "Native American Pacific Islanders (including American Samoan Natives)," after "Hawaiian Natives,".*

*(3) Section 808 of the Native American Programs Act of 1974 (42 U.S.C. 2991f), as redesignated by section 502, is amended by inserting "or Territory" after "State" each place it appears.*

### AUTHORIZATION OF APPROPRIATIONS

*SEC. 505. Section 816 of the Native American Programs Act of 1974 (42 U.S.C. 2992d(a)), as redesignated by section 502 of this Act, is amended—*

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*(1) by striking out "1979 through 1986" in subsection (a) and inserting in lieu thereof "1987, 1988, 1989, 1990, and 1991", and*

*(2) by adding at the end thereof the following new subsection:*

*"(c) There are authorized to be appropriated $500,000 for each of the fiscal years 1987, 1988, 1989, 1990, and 1991 for the purpose of providing financial assistance to Native American Pacific Islanders (including American Samoan Natives) under section 803(a).".*

### *REVOLVING LOAN FUND FOR NATIVE HAWAIIANS*

*Sec. 506. The Native American Programs Act of 1974 (42 U.S.C. 2991) is amended by inserting immediately after section 803 the following new section:*

### *"LOAN FUND; DEMONSTRATION PROJECT*

*"Sec. 803A. (a)(1) In order to provide funding that is not available from private sources, the Secretary, acting through an appropriate State agency, or a community-based Native Hawaiian organization whose purpose is economic and social self-sufficiency, shall establish and carry out, in the State of Hawaii, a 60-month demonstration project involving the establishment of a revolving loan fund—*

*"(A) from which the Secretary, acting through such agency or community-based Native Hawaiian organization, shall make loans to Native Hawaiian organizations and to individual Native Hawaiians for the purpose of promoting economic development,*

*"(B) into which all payments, interest, charges, and other amounts collected from loans made under subparagraph (A) shall, notwithstanding any other provision of law, be deposited.*

*"(2) The Secretary may make loans under paragraph (1)(A) only if the Secretary determines that—*

*"(A) the borrower is unable to obtain financing from other sources on reasonable terms and conditions, and*

*"(B) there is a reasonable prospect that the borrower will be able to repay the loan.*

*"(3)(A) Loans made under paragraph (1)(A) shall be—*

*"(i) for a term that does not exceed 5 years, and*

*"(ii) at a rate of interest determined by the Secretary of the Treasury on the basis of the market yield on municipal bonds at the time the loan is made.*

*"(B) Notwithstanding subparagraph (A)(ii), the rate of interest on loans made under paragraph (1)(A) shall not exceed the average yield on marketable obligations of the United States of comparable maturity that are outstanding at the time the loan is made.*

*"(4) The Secretary is authorized to require any borrower of a loan under paragraph (1)(A) to provide such collateral as the Secretary determines to be necessary to secure the loan.*

*"(5)(A) The Secretary may cancel, adjust, compromise, or reduce the amount of any loan made under paragraph (1)(A), or release or subordinate any collateral securing payment of such amount, if the Secretary determines that—*

*"(i) such amount is uncollectable or collectable only at an unreasonable cost, or*

*"(ii) such action would be in the best interests of the United States.*

*"(6) The Secretary, out of funds available in the revolving loan fund established under paragraph (1), shall—*

*"(A) pay expenses incurred by the Secretary in administering the revolving loan fund, and*

*"(B) provide competent management and technical assistance to borrowers for loans made under paragraph (1)(A) to assist the borrower in meeting the objectives of the loan.*

*"(7) The Secretary, in consultation with such State agency or community-based Native Hawaiian organization, shall prescribe regulations which set forth the procedures and criteria to be used in making loans under paragraph (1)(A). The Secretary is authorized to prescribe such other regulations as may be necessary to carry out the purposes of this subsection, including regulations involving reporting and auditing.*

*"(8) No loan shall be made from the fund upon the expiration of the 60-month period following the date of the enactment of this Act.*

*"(9)(A) Notwithstanding any other provision of this Act, there is authorized to be appropriated to the fund established pursuant to this section the sum of $3,000,000, to remain available until expended.*

*"(B) Moneys in the fund shall be available for expenditure by the Secretary without fiscal year limitation for the purpose of carrying out the provisions of this title.*

*"(10) All moneys in the fund following the termination of the demonstration project under this section, not otherwise needed, as determined by the Secretary, to carry out this section, shall be deposited in the Treasury of the United States as miscellaneous receipts. All amounts thereafter deposited in the fund pursuant to subsection (a)(1)(B) of this section following such termination shall be transferred to the Treasury as miscellaneous receipts.*

*"(b) On or before the expiration of the 48-month period following the date of the enactment of this section, the Secretary, in consultation with the State agency or contracting community-based Native Hawaiian organization referred to in paragraph (1) of subsection (a) of this section, shall report to the Congress concerning the administration of this section, together with the views and recommendations of the Secretary as to the effectiveness of the demonstration program, and whether it should be expanded to other groups eligible for assistance under this section, and extended.".*

### *EFFECTIVE DATE*

*Sec. 507. Notwithstanding the provisions of section 401 of this Act, the amendment made by section 506 of this Act shall take effect upon the expiration of the 90-day period following the date of the enactment of this Act.*

Mr. BYRD. Mr. President, I should announce, before Senators get away, that at the moment it appears probable that there will be a rollcall vote yet today.

The PRESIDING OFFICER. The question recurs on the first committee amendment from the Committee on Indian Affairs. Is there further debate?

Mr. BYRD. Mr. President, Senator Matsunaga, I believe, has an amendment.

The PRESIDING OFFICER. Without objection, the first committee amendment is agreed to.

Mr. BYRD. These are committee amendments from the Indian Affairs Committee, am I correct?

The PRESIDING OFFICER. Yes.

Mr. BYRD. Have we gotten down to the committee substitute for the Labor Committee?

The PRESIDING OFFICER. We have an additional committee amendment from the Committee on Indian Affairs.

The question is on the second committee amendment.

Without objection, the committee amendment is agreed to.

Mr. BYRD. Is the question on the committee substitute?

The PRESIDING OFFICER. The Senator is correct.

Mr. MATSUNAGA. Mr. President, as I understand it, the committee amendment has been agreed to?

The PRESIDING OFFICER. The Senator is correct.

### AMENDMENT NO. 661

(Purpose: To make certain technical corrections)

Mr. MATSUNAGA. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Hawaii [Mr. Matsunaga] proposes an amendment numbered 661.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, line 7, strike out "Federal" and insert in lieu thereof "National".

On page 62, line 15, strike out "section 139(b)" and insert in lieu thereof "sections 139(b) and 141(b)".

On page 62, line 17, strike out "(6)" and insert in lieu thereof "(7)".

On page 62, line 19, strike out "(7)" and insert in lieu thereof "(8)".

On page 62, line 21, strike out "(7)" and insert in lieu thereof "(8)".

On page 62, line 22, strike out "(8)" and insert in lieu thereof "(9)".

On page 75, lines 8 and 9, strike out "section 154(b)" and insert in lieu thereof "section 155(b)".

On page 78, line 3, strike out "(3)" and insert in lieu thereof "(4)".

Mr. MATSUNAGA. Mr. President, this is purely a technical amendment which corrects the numbering in the bill in two places and which corrects the title of the National Advisory Panel on Alzheimer's Disease. I ask for its adoption.

The question is on agreeing to the amendment.

The amendment (No. 661) was agreed to.

Mr. MATSUNAGA. Mr. President, I rise to urge my colleagues to give their full support to S. 887, the Older Americans Act Amendments of 1987. Mr. President, it has been said by sages of past that the greatness of any society can be accurately measured by the

degree to which it cares for its elderly citizens. I fully subscribe to this age-old maxim of wisdom.

Since 1965, the Older Americans Act has provided the bedrock for constructing a vast network of supportive services for our Nation's senior citizens. I am proud to have been involved in the development of the original bill in 1965, and I am proud to bring these amendments, which strengthen and enhance the programs and services of the Older Americans Act, to the Senate floor today.

Mr. President, in 1965, Congress enacted this landmark legislation, which created a relatively small service program but also established the framework for a national policy on aging. The original act set forth 10 national policy objectives aimed at improving the lives of older people in the areas of income, health, housing, employment, retirement, and community services. Congress also created the Administration on Aging, which was directed to stimulate more effective use of existing resources for the elderly.

As the act has evolved through successive reauthorizations and amendments, it has become the cornerstone for the development and delivery of a broad array of social services for older persons. While older individuals may receive services under a multiplicity of other Federal programs, the act is viewed as the major vehicle for the organization and delivery of services to older Americans. Major amendments in 1972 and 1973 created the national nutrition program for the elderly and the network of area agencies on aging. The 1973 amendments folded authority for the community service employment program for low-income older people under the auspices of the act, and the 1978 amendments streamlined the various service programs and added a new service program for older Indians. Subsequent amendments have expanded the authority and responsibilities of State and area agencies on aging.

During the 22 years since enactment, the act has evolved from a program of small grants to one that now supports 57 State agencies on aging and over 660 area agencies on aging.

Mr. President, we are all familiar with the demographic facts about the aging of the Nation's population. The elderly population has grown more rapidly in this century than has the remainder of the population, and the trend is predicted to continue into the 21st century. Between 1980 and the year 2020, the total population in the United States is projected to increase by slightly more than 30 percent, while the elderly population is projected to increase by more than 200 percent.

One of the more critical demographic factors which has influenced the development of these amendments is the startling pace of increase among the oldest segment of our society. Those 85 years of age and older are now the fastest growing age group. This factor has prompted the committee to include a new subpart in title III in order to provide nonmedical, in-home services which will assist frail, older persons to remain in their own homes.

The increased number of people in the oldest age group is also expected to dramatically affect demand for nursing home care. The need for the services of long-term care ombudsmen is expected to rise substantially, and the requirement for additional services will be matched by the need for additional protections for both nursing home residents and ombudsmen, as well as the need for additional training of ombudsmen. The committee has created a separate authorization for State long-term care ombudsmen programs, and has required States to guard against conflict of interest, reprisals against residents, and liability for good faith performance of duties by ombudsmen. In addition, the bill requires that all ombudsmen, whether paid staff or volunteers, be properly trained to perform their job.

Mr. President, other characteristics of the older population are important also to consider as we plan for the future of these programs. Over the last two decades, we have seen dramatic improvements in the economic status of the elderly in terms of overall poverty rates. However, there are certain groups of the elderly who are at substantially greater risk of poverty, including older minorities, older women, and the very old.

Mr. President, the committee has reaffirmed the original intent of the Older Americans Act to provide services to all older Americans, but, at the same time, we have recognized that the aging network must continue to reach out to those most in need. In particular, the committee has added language which emphasizes services to older individuals who are minorities, low-income, disabled, mentally ill, or who have debilitating diseases such as Alzheimer's. In addition, in light of the vast unmet needs of older Indians, the committee has eliminated several provisions that inhibited closer coordination of services for older Indians under title VI with services provided under title III the committee also authorized a substantial increase in funding for title VI, and, as we have done in many measures over the past 10 years, expanded the definition of native Americans to include Hawaiian natives.

The committee also has taken the steps necessary to ensure that we know who is receiving services and what types of services are being provided. In future years, this data base will provide both Congress and the administration with the information needed to make informed policy decisions.

Mr. President, I would like to particularly thank the ranking minority member of the Subcommittee on Aging, the Senator from Mississippi, Mr. Cochran, for his dedication to the success of this legislation and his fair and balanced approach to its development.

In closing, Mr. President, I strongly urge unanimous approval of S. 887, the Older Americans Act Amendments of 1987.

The PRESIDING OFFICER. Who yields time?

### AMENDMENT NO. 660

(Purpose: To amend the Public Health Service Act to establish a program for the provision of health care services in the home for individuals who are suffering from a catastrophic or chronic illness)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Senator Hatch and Senator Inouye and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas (Mr. Dole), on behalf of Mr. Hatch, Mr. Inouye, Mr. Garn, and Mr. Bradley proposes an amendment numbered 660.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 126, after line 14, add the following:

### TITLE VI—HEALTH CARE SERVICES IN THE HOME

### SHORT TITLE

Sec. 601. This title may be cited as the "Health Care Services in the Home Act of 1987".

### PROGRAM AUTHORIZED

Sec. 602. (a) In General.—Part A of title XIX of the Public Health Service Act is amended by adding at the end thereof the following:

### "Subpart 2—Health Care Services in the Home

### "AUTHORIZATIONS OF APPROPRIATIONS

"Sec. 1910C. For the purpose of allotments to States to carry out the activities described in section 1910F, there are authorized to be appropriated $100,000,000 for fiscal year 1988, $100,000,000 for fiscal year 1989, and $100,000,000 for fiscal year 1990.

### "ALLOTMENTS

"Sec. 1910D. (a)(1) Except as provided in paragraph (2), the Secretary shall allot to each State for each fiscal year from the amounts appropriated under section 1910C for such fiscal year an amount equal to the product of—

"(A) the population of the State, multiplied by

"(B) the relative per capita income of the State.

For purposes of subparagraph (B), the term 'relative per capita income' has the same

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meaning as in the last sentence of section 1913(a)(1).

"(2) Notwithstanding paragraph (1)—

"(A) the total amount of the allotment for each of the several States, the District of Columbia, and Puerto Rico for each fiscal year shall not be less than one-half of 1 percent of the total amount appropriated under section 1910C for such fiscal year;

"(B) the total amount of the allotment for each of the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands for each fiscal year shall not be less than one-fourth of 1 percent of the total amount appropriated under section 1910C for such fiscal year; and

"(C) the total amount of the allotment for each of American Samoa and the Commonwealth of the Northern Mariana Islands for each fiscal year shall not be less than one-sixteenth of 1 percent of the total amount appropriated under section 1910C for such fiscal year.

"(b) To the extent that all the funds appropriated under section 1910C for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1910G for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this subpart pursuant to section 1910G(d)),

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(c)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this subpart be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this subpart,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a) as the population of the Indian tribe or tribal organization bears to the population of the State.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

### "PAYMENTS UNDER ALLOTMENTS TO STATES

"Sec. 1910E. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1910D (other than any amount reserved under subsection (c) of such section) from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

### "USE OF ALLOTMENTS

"Sec. 1910F. (a)(1) Except as provided in subsections (b), (c), and (d), amounts paid to a State under section 1910E from its allotment under section 1910D for any fiscal year may be used to provide health care services in the home for eligible individuals. Such amounts may be used to—

"(A) pay compensation for the services of physicians, nurses, and social workers who plan, manage or provide or arrange for the provision of, health care services in the home for eligible individuals;

"(B) identify and locate eligible individuals needing the provision of health care services in the home;

"(C) develop proper standards and quality assurance mechanisms for the provision of health care services in the home for eligible individuals;

"(D) coordinate health care services provided in the home for eligible individuals under this subpart with other supportive social services provided for such individuals;

"(E) coordinate other long-term care services provided for eligible individuals by public and private institutions and voluntary organizations in order to ensure the provision of such services and to maximize the use of funds provided under this subpart and under other Federal laws; and

"(F) provide training to health professionals (other than physicians, nurses, and social workers), particularly training for health professionals who work within hospitals to educate individuals who may benefit from the provision of health care services in the home, and training in advanced discharge planning.

"(2) A State may use amounts paid to it under section 1910E to provide health care services in the home for eligible individuals through grants to health care organizations. In making such grants, a State shall give priority to home care programs, including home care programs based in hospitals. As a condition of receipt of a grant under this paragraph, a State shall require a health care organization to use amounts provided under such grant only for the provision of health care services in the home for eligible individuals.

"(b) Of the total amount paid to a State under section 1910E for a fiscal year—

"(1) at least 85 percent of such total amount shall, in the case of fiscal year 1988, be used by the State to pay compensation under subsection (a)(1)(A);

"(2) not more than 10 percent of such total amount may, in the case of fiscal year 1988, be used by the State for activities under this subpart other than the payment of compensation under subsection (a)(1)(A); and

"(3) not more than 5 percent may, in the case of a fiscal year beginning after September 30, 1988, be used by the State for activities under this subpart other than the payment of compensation under subsection (a)(1)(A).

"(c) Not more than $2,500 per year may be used by a State, with respect to any eligible individual, to pay compensation for the services of physicians, nurses, and social workers under subsection (a)(1)(A).

"(d) A State may not use amounts paid to it under section 1910E to—

"(1) provide inpatient services, except services involving advanced discharge planning;

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;

"(5) provide services under this subpart to an individual if the total cost to the Federal Government of providing such services would exceed the total cost of institutionalization of such individual;

"(6) provide reimbursement for services performed by any individual other than a physician, nurse, or social worker; or

"(7) provide supportive social services for which planning and management is conducted under subsection (a)(1)(D).

"(e) The Secretary, if requested by a State, shall provide technical assistance to the State in planning and operating activities to be carried out under this subpart.

### "APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"Sec. 1910G. (a)(1) In order to receive an allotment for a fiscal year under section 1910D, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1910D for a fiscal year shall contain assurances that the State will meet the requirements of subsection (b).

"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—

"(1) certify that the State agrees to use the funds allotted to it under section 1910D in accordance with the requirements of this subpart;

"(2) provide assurances that such chief executive officer will designate or establish a State agency to administer funds provided under this subpart;

"(3) certify that the State will coordinate the provision of health care services in the home with funds provided under this subpart with activities conducted to provide such services by voluntary, religious, and community organizations and local governments;

"(4) provide assurances that the State will make reasonable efforts to provide health care services in the home under this subpart through home care programs in the State, including home care programs based in hospitals; and

"(5) provide assurances that the State will, to the maximum extent feasible, provide health care services in the home under this subpart to individuals who are low income individuals and who are not receiving equivalent home health care services under the State's medicaid plan approved under title XIX of the Social Security Act.

"(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall

provide) with a description of the intended use of the payments the State will receive under section 1910E for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this subpart, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this subpart, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), and sections 1907, 1908, and 1909 shall apply to this subpart in the same manner as such provisions apply to subpart 1 of this part.

"(e) Each report submitted by a State to the Secretary under section 1906(a)(1) (as such section applies to this subpart pursuant to subsection (d) of this section) shall include an analysis of the cost effectiveness of providing health care services in the home for eligible individuals under this subpart.

### "EVALUATIONS

"Sec. 1910H. The Secretary shall conduct, or arrange for the conduct of, evaluations of services provided and activities carried out with payments to States under this subpart.

### "DEFINITIONS

"Sec. 1910I. For purposes of this subpart—

"(1) The term 'eligible individual' means an individual who—

"(A) resides at home and is at risk of institutionalization because of medical limitations on the ability of such individual to function independently;

"(B) is a patient in a hospital who is at risk of prolonged hospitalization, and who could be cared for in a long-term care institution or who could return to the community if health care services in the home are available; or

"(C) is a patient in a skilled nursing facility or an intermediate care facility who could return to the community if health care services in the home are available.

"(2) The terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.".

(b) Technical Amendments.—Such part is further amended—

(1) by striking out the heading of such part and inserting in lieu thereof the following:

"Part A—Preventive Health Services, Health Services, and Health Services in the Home";

(2) by inserting after the heading of such part the following:

"Subpart 1—Preventive Health and Health Services"; and

(3) by striking out "this part" and inserting in lieu thereof "this subpart" each place it appears in sections 1902(d)(1)(A), 1902(d)(1)(B), 1904(a)(1), 1904(a)(3), 1904(b), 1905(c)(1), 1905(c)(3), 1905(c)(2), 1905(c)(4), 1905(c)(6), and 1905(d).

### EFFECTIVE DATE

Sec. 603. This title and the amendments made by this title shall take effect on October 1, 1988.

On page 10, after item "Sec. 507", insert the following:

### "TITLE VI—HEALTH CARE SERVICES IN THE HOME

"Sec. 601. Short title.
"Sec. 602. Program authorized.
"Sec. 603. Effective Date.".

### HOME CARE BLOCK GRANT

Mr. BRADLEY. Mr. President, I rise as a cosponsor of the amendment offered by my colleague from Utah, Mr. Hatch, to authorize $100 million for home care services for low-income individuals who are not eligible for other Federal programs.

Mr. President, the Federal Government funds home care services through a variety of programs, including Medicare, Medicaid, the Older Americans Act, and title XX. Each of these programs has separate eligibility criteria for services. Ofttimes, elderly persons in need of services are ineligible for services and fall through the cracks. The block grant funds authorized by this amendment would be used by States to fill these gaps and meet the needs of these persons.

These funds can be used to pay for the services of physicians, nurses, and social workers who manage or provide for the provision of health care services in the home and to coordinate other long-term care services provided for eligible individuals by public and private institutions and voluntary organizations. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 660) was agreed to.

Mr. BYRD. Mr. President, I suggest the absence of a quorum and I ask that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. COCHRAN. Mr. President, will the distinguished managers yield me time for a 5-minute statement?

The PRESIDING OFFICER. The minority leader controls the time.

Mr. DOLE. Mr. President, I yield my time to the distinguished Senator from Mississippi.

Mr. COCHRAN. I thank the distinguished manager.

Mr. President, it has been a pleasure to work this year as the senior Republican member on the subcommittee on aging with my good friend and colleague from Hawaii, the chairman of the subcommittee. We began the year knowing that in September the Older Americans Act would expire and it was going to be our responsibility to recommend to the Senate any changes that ought to be made in the act and to recommend the reauthorization.

Knowing that, we had a series of hearings. We heard from witnesses from all over the country, beneficiaries of the Older Americans Act, as well as those who were involved in administering the programs. I think we got a very good view of how this program is benefiting many of our senior citizens and some changes that should be made to improve the sensitivity of the law and the programs that are administered under it.

Let me just cite a couple of examples of changes that have been made in this bill if the Senate goes along with it and approves it.

One is that the membership of the Federal Council on Aging will now be made up by a majority of those who are old enough to be served by the programs under the act. I think that is an important change. It was brought to our attention by testimony in one of the hearings by a witness from my State.

Another change is some in-home non-health-care services that will be made available through grants to the States under the Older Americans Act. This is important because of the need for respite care, homemaker services, chore services for the elderly who would like to stay in their homes and are physically able to, but they need assistance in order to do that. I think this change in the law is going to help make it possible for many of our older citizens to avoid unnecessary institutional care.

I think, by and large, Mr. President, this is a piece of legislation the Senate can be very proud of. I hope it is approved, and I am sure it will be, by the vast majority of the Senate.

There are other changes. Senators have been very helpful in suggesting changes to the act. I think it has been strengthened by reason of the bill that we are presenting to the Senate today.

I thank the chairman of the subcommittee for being cooperative with me and with Senators on this side in fashioning a bipartisan proposal that will strengthen the Older Americans Act.

I yield the floor, Mr. President.

I reserve the remainder of the time that is allocated to this side.

The PRESIDING OFFICER. Who yields time?

Mr. MATSUNAGA. Mr. President, we have a time limitation, as I under-

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stand it, of 15 minutes, equally divided; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MATSUNAGA. Before I yield to the Senator from Florida, I wish to commend the Senator from Mississippi. He has been very, very cooperative. The speed with which this bill has moved through the subcommittee hearings, the markups, in both the subcommittee and the full committee, and the floor has been largely due to the cooperation given by the Senator from Mississippi.

I wish, as chairman of the Aging Subcommittee, to thank the ranking Senator of that subcommittee.

How much time do I have remaining on this side?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. MATSUNAGA. I yield 2 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. I thank the Senator very much.

I express my appreciation to the Senator from Hawaii and the Senator from Mississippi for their outstanding work on this legislation and would like to speak to one provision that represents a new dimension for the Older Americans Act, that is the emphasis on preventive strategies and particularly the use of States as the instrument to shape appropriate community-based programs that promote optimal health in the older population.

Mr. President, most Federal Government programs for older Americans have been crisis oriented—after you are sick enough to go into the hospital, then a range of services become available. I believe that one of the new directions that this bill starts us toward is that of prevention. How do we keep people well enough so that they do not go into the hospitals, so they do not have to incur both the great personal pain and financial costs to themselves and to the Federal Government?

The preventive health services part of this bill will, for the first time, provide grants to the States to initiate a range of preventive health services. These will include routine health screening so that most of those conditions that are the most likely to mature into serious illnesses can be identified early and remediated.

The bill includes group exercise programs and a very creative program for home injury control so that people can keep themselves at the highest possible level of good health.

Many older Americans suffer an injury which eventually leads to a fundamental catastrophic change in the quality of their life because of a condition in their own home, for example, a fall as a result of an inadequately equipped bathroom or an otherwise hazardous home environment, nutritional counseling, mental health screening, and Medicare benefits education are additional programs under this new preventive health initiative of the Older Americans Act which will help redirect our Nation's efforts toward health promotion and disease prevention.

I commend the Senators from Hawaii and Mississippi for their leadership.

I am very enthusiastic as to what consequences in terms of improving the lives of many thousands of older Americans will come as a result of your work and of these new initiatives and I look forward to working with you over the years ahead to see that these initiatives fulfill their very bright promise. Thank you very much.

Mr. MATSUNAGA. I thank the Senator, if the Senator will yield, for the great interest he has shown in this bill and in matters pertaining to healthy Americans.

I commend him for it.

Mr. COCHRAN. Mr. President, does the distinguished Senator not choose to use any further time?

Mr. MATSUNAGA. I reserve the remainder of my time.

Mr. COCHRAN. I yield myself such time as I may consume.

Mr. President, let me at this time take advantage of the opportunity to thank the staff members of our subcommittee. We had a lot of witnesses, a lot of hearings, a lot of staff work that was going on in the background in the development of this bill that was very professional and reflected credit on the Senate.

I particularly would like to commend Jackie Knox and Anne Cherry of the subcommittee staff on this side of the aisle who worked very, very hard to develop suggested changes and improvements in the Older Americans Act, and to try to get the witnesses who could best help us understand the programs administered under this act to attend hearings.

I also, of course, would like to commend those who worked with Senator Matsunaga for their work. They all did an outstanding job.

I reserve the remainder of my time, Mr. President.

### AMENDMENT NO. 662

(Purpose: To require furnishing information on age discrimination prohibitions for enrollees under title V of the Act.)

Mr. BYRD. Mr. President, I offer an amendment on behalf of Mr. Melcher.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd], for Mr. Melcher, proposes an amendment numbered 662.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 80, after line 24, insert the following:

INFORMATION ON AGE DISCRIMINATION PROHIBITIONS

Sec. 163. Section 503(b) of the Act is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by inserting at the end thereof the following:

"(2) The Secretary shall distribute to grantees under this title, for distribution to program enrollees, and at no cost to grantees or enrollees, informational materials developed and supplied by the Equal Employment Opportunity Commission and other appropriate Federal agencies which the Secretary detemines are designed to help enrollees identify age discrimination and understand their rights under the Age Discrimination in Employment Act.".

On page 81, line 2, strike out "Sec. 163." and insert in lieu thereof "Sec. 164.".

On page 81, line 7, strike out "Sec. 164." and insert in lieu thereof "Sec. 165.".

On page 81, line 15, strike out "Sec. 165." and insert in lieu thereof "Sec. 166.".

Amend the table of contents accordingly.

Mr. MELCHER. Mr. President, among the most important functions of the Older Americans Act is providing unemployed, low-income older persons with community service employment opportunities. The Senior Community Service Employment Program under title V of the act has been an extremely effective and valuable tool for providing seniors with needed jobs and income.

Contractors under title V do a commendable service in finding jobs for older Americans, especially with the limited resources they have. One problem which still hinders their placement of seniors, however, is age discrimination in the workplace.

Last year, Congress amended the Age Discrimination in Employment Act to eliminate mandatory retirement for all but a few designated professions. In eliminating the age cap, we recognized that older Americans are among this country's most valuable resources. We acknowledged that age alone has nothing to do with a person's desire or ability to work. This is important to recognize at a time of such rapid growth in our country's elderly population.

While many industries are also beginning to recognize the value of the older worker, many are not. More must be done to educate people about age discrimination at a time when many industries are becoming increasingly savvy at getting around the law. While the ADEA provides recourse for those who have been discriminated against, many people still do not know what those rights are. On top of that, older employees and job seekers are often unaware that they are being discriminated against.

Today I am introducing an amendment to change that. My amendment would require the Labor Department, which administrates the overall SCSEP, to provide title V contractors with information about age discrimination. The contractors could then distribute this information to program participants so they would know what their rights are under the law.

I want to make it clear that I am not offering this amendment because of any problems with title V contractors. To the contrary, because these groups have been so effective, they will serve as an excellent vehicle for getting this information into the hands of people who need it. For age discrimination law to be effective, the people who it's intended to protect must understand how it affects them.

The amendment I'm offering today is supported by the National Council on the Aging, as well as such title V contractors as the American Association of Retired Persons, Green Thumb, the National Caucus and Center on Black Aged, and the Urban League. I urge all my colleagues to join with me and these organizations in supporting this important amendment.

Mr. MATSUNAGA. Mr. President, I rise in support of the amendment offered by the Senator from Montana [Mr. Melcher], which would require the Secretary of Labor to distribute information on individual rights with respect to age discrimination to Senior Community Service Employment Program grantees for subsequent distribution to participants. In my view, this provision will ensure that participants in Older Americans Act employment programs understand how to identify age discrimination and what to do if they believe that they have been discriminated against on the basis of age. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 662) was agreed to.

### AMENDMENT NO. 663

(Purpose: To require the Secretary of Labor to develop a consumer price index which reflects the impact of inflation on elderly Americans)

Mr. BYRD. Mr. President, I send to the desk on behalf of Mr. Melcher another amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from West Virginia [Mr. Byrd], for Mr. Melcher and Mr. Pressler, proposes an amendment numbered 663.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 101, after line 23, insert the following:

PART G—CONSUMER PRICE INDEX FOR OLDER AMERICANS

INDEX AUTHORIZED

Sec. 191. The Secretary of Labor shall, through the Bureau of Labor Statistics, develop, from existing data sources, a reweighted index of consumer prices which reflects the expenditures for consumption by retired Americans aged 62 and over. The Secretary shall furnish to the Congress the index within 180 days after the date of enactment of this Act. The Secretary shall include with the index furnished a report which explains the characteristics of the reweighted index, the research necessary to develop and measure accurately the rate of inflation affecting older Americans, and provides estimates of time and cost required for additional activities necessary to carry out the objectives of this section.

On page 9, in the table of contents, after item "Sec. 182." insert the following:

"PART G—CONSUMER PRICE INDEX FOR OLDER AMERICANS

"Sec. 191. Index authorized.".

Mr. MELCHER. Mr. President, on May 27, the full Senate expressed its will on the amendment I am offering again today by voting unanimously—95-0—to require the Department of Labor to develop a separate Consumer Price Index [CPI] for the elderly. Despite this overwhelming vote, the amendment was dropped in the joint Senate/House conference.

In 1986, the cost of prescriptions, doctors fees, hospital costs, and other medical costs increased about 8 percent. Residential phone service increased over 20 percent during the past 3 years. Public transportation and even funerals were up an estimated 6 percent in 1986. Financing a new car or house was down in 1986, but older Americans do not buy these items as much as the general population. None of these differential spending patterns of the elderly could have been reflected in the Consumer Price Index that is used for the formulation of retirees cost-of-living adjustments [COLA's] because this index—the CPI—does not even survey one retired person.

To address this situation, I believe it is essential that we develop an index which specifically focuses on what goods and services the elderly purchase. My amendment would not tie future COLA's to this new index, but would require the Department of Labor to develop an index to give Congress and older Americans a more accurate picture of the costs and inflation the elderly face.

The major reason why my amendment was deleted in the Senate/House supplemental appropriations conference appears to be due to the fact that the Department of Labor's Bureau of Labor Statistics [BLS] had raised concerns about the language within the amendment and its 90-day reporting requirement. As chairman of the Senate Special Committee on Aging, I felt it was important that BLS have the opportunity to outline their concerns with the amendment. Therefore, I held an Aging Committee hearing on June 29 to give them such an opportunity.

During the hearing and in followup discussions, BLS stated that they could not meet the 90-day reporting requirement outlined in the original amendment and indicated that it would take 180 days to complete the study mandated by the amendment. In addition, BLS informed us that they felt they needed a better working definition of the elderly population they would be studying. Last, BLS informed me that they would like to include in their report an analysis of the reweighting I am requesting, along with information regarding alternative approaches to obtaining an accurate measure of the inflation the elderly face.

The purpose of my amendment was not to give the Department of Labor an impossible or unwanted task. Rather, my main concern was to obtain information that I, and very obviously the rest of the Senate, believe is important.

In an attempt to accommodate all affected parties, I have modified my amendment to give BLS the time they need to complete this study—180 days. Further, I have tightened the definition of the elderly to be surveyed to include those "retired Americans aged 62 and over." Last, I am adding language which requires the Secretary of Labor to include with the data furnished their suggestions for alternative methods to obtain an accurate measure of inflation affecting older Americans, and to provide time and cost estimates for such alternatives.

With these modifications, BLS has informed me that I have "alleviated the major concerns raised by BLS Commissioner Janet Norwood." It is my hope that the Senate will once again give this amendment its strong endorsement, and that I also have satisfied the initial objections of the House of Representatives.

At a time when the most recent medical inflation statistics from June show that overall medical prices are nearly doubling the rise in overall consumer prices, and nonprescription drugs and prescription drugs are respectively tripling and doubling the general inflation rate, I believe it is particularly important that the Congress has a more accurate measure of the inflation older Americans face.

I urge all my colleagues to join with me once again in sending a strong message about our desire to have this essential information and I ask that this amendment be incorporated into the Older Americans Act.

Mr. MATSUNAGA. Mr. President, I rise in support of the amendment offered by the Senator from Montana,

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Mr. Melcher, which would require the Department of Labor to develop a Consumer Price Index based on the spending patterns of older Americans. It is important to note that this amendment does not require the use of a new index for cost-of-living allowances for Social Security or any other programs which specifically serve the elderly, but it will give Congress, the administration, and the elderly a better sense of how price changes are affecting their purchasing power.

Mr. President, I urge my colleagues to support this amendment.

The PRESIDING OFFICER. If there be no further debate on the amendment, the question is on agreeing to the amendment.

The amendment (No. 663) was agreed to.

### AMENDMENT NO. 664

(Purpose: To provide for participation of older persons and chronically impaired disabled persons in child care food program)

Mr. BYRD. Mr. President, I send to the desk an amendment on behalf of Mr. Melcher.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd], for Mr. Melcher, proposes an amendment numbered 664.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 114, strike out lines 1 through 14 and insert the following:

### TITLE IV—NATIONAL SCHOOL LUNCH ACT AMENDMENT

### PARTICIPATION OF OLDER PERSONS AND CHRONICALLY IMPAIRED DISABLED PERSONS IN CHILD CARE FOOD PROGRAM

Sec. 401. Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended by adding at the end the following:

"(p)(1) For purposes of this section, adult day care centers shall be considered eligible institutions for reimbursement for meals or supplements served to persons 60 years of age or older or to chronically impaired disabled persons, including victims of Alzheimer's disease or other neurological and organic brain disorders of the Alzheimer's type. Reimbursement provided to such institutions for such purposes shall supplement, not supplant, funds provided for such purposes on the effective date of this subsection, unless the quality of meals or level of services provided is improved through participation in the program.

"(2) For purposes of this subsection—

"(A) the term 'adult day care center' means any public agency or private nonprofit organization, or any proprietary title XIX or title XX center, which—

"(i) is licensed or approved by Federal, State, or local authorities to provide adult day care services to chronically impaired disabled adults or persons 60 years of age or older in a group setting outside their homes on a less than 24-hour basis; and

"(ii) provides for such care and services directly or under arrangements made by the agency or organization whereby the agency or organization maintains professional management responsibility for all such services; and

"(B) the term 'proprietary title XXIX or title XX center' means any private, for-profit center providing adult day care services for which it receives compensation from amounts granted to the States under title XIX or XX of the Social Security Act and which title XIX or title XX beneficiaries were not less than 25 per cent of enrolled eligible participants in a calendar month preceding initial application or annual reapplication for program participation.

"(3)(A) The Secretary of Agriculture, in consultation with the Commissioner on Aging, may establish separate guidelines for reimbursement of institutions described in this subsection.

"(B) The guidelines shall contain provisions designed to assure that reimbursement under this subsection shall not duplicate reimbursement under part C of title III of the Older Americans Act of 1965, for the same meal served.".

On page 126, after line 14, insert the following:

### TITLE VI—GENERAL PROVISIONS

### EFFECTIVE DATE; APPLICATION OF AMENDMENTS

Sec. 601. (a) Effective Date.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1987.

(b) Application of Amendments.—The amendments made by title I of this Act shall not apply with respect to—

(1) any area plan submitted under section 306(a) of the Older Americans Act of 1965, or

(2) any State plan submitted under section 307(a) of such Act.

and approved for any fiscal year beginning before the date of the enactment of this Act.

Amend the table of contents accordingly.

Mr. MELCHER. Mr. President, this amendment extends meal assistance under the Child Care Food Program of the School Lunch Act to eligible persons participating in adult day care programs.

This amendment would simply extend supplemental assistance on a means tested basis for two meals and a snack per day to qualified programs. It would be limited to public and private nonprofit adult day care centers or to for-profit centers only if they receive payment under Medicaid or title XX. At least 25 percent of the participants in for-profit centers must also be eligible for Medicaid or title XX benefits. Programs must also be licensed or approved by Federal, State, or local authorities to provide adult day care services to chronically impaired disabled adults or persons 60 years or older in a group setting outside their homes on a less than 24-hour basis.

Like the School Lunch Program, free meals would be available to adult day care participants with incomes below 130 percent of the poverty line—$595 per month for an individual. Reduced price meals would be available to those whose incomes ranged from 130 to 185 percent of poverty—$847 per month. As the average income of adult day care participants is below the poverty line, the need for this meal assistance is very obvious.

Many adult day care centers now get assistance under the Meals Program of the Older Americans Act. Adoption of this amendment would free up that funding to meet the increasing demand for these meals, particularly home-delivered. Many home-delivered meals programs have waiting lists, have tightened eligibility and some are struggling to raise money from other sources.

In addition, it is estimated from a recent study by the national association of nutrition and aging services programs that as many as 2,000 communities are waiting for meal sites. Also, some States estimate tens of thousands of elderly that could and should be served under the Meals Program of the Older Americans Act.

By extending child care food assistance to adult day care centers, nutritional standards would be improved through minimum requirements and greater use would be made of commodities as well.

Providing this meal assistance also wouldn't cost very much. CBO estimates are for $5 million in direct spending in 1988, $6 milion in 1989, and $7 million in 1990.

In the past few years, there has been a tremendous growth of adult day care programs throughout all 50 States and the District of Columbia. This movement has been very successful in helping our Nation's senior citizens stay in their own communities, in their own homes, and with family caregivers.

Most adult day care programs are nonprofit and provide a wide range of individualized services under medical supervision. These include health assessment and monitoring, personal care, meals, nutrition counseling and often physical, speech and/or physical therapy. Several studies have shown that adult day care services not only prevent or reduce the need for nursing home and hospital care but is very cost effective as compared to other forms of health services.

This amendment is supported by a broad intergenerational coalition including the Children's Defense Fund, the Food Research and Action Center, the Leadership Council on Aging, the National Council of Senior Citizens, and Villers Advocacy Associates.

I strongly believe that it is vital to extend this meal assistance to eligible frail elderly and disabled individuals in America's adult day care centers. I urge your support of this amendment.

Mr. President, I ask unanimous consent to have printed in the Record a letter I received from Jack Ossofsky, chairman, Leadership Council of Aging Organizations.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Leadership Council of
Aging Organizations,
*July 14, 1987.*

Hon. John Melcher,
*U.S. Senate,*
*Washington, DC.*

Dear Mr. Melcher: On behalf of the Leadership Council of Aging Organizations, I want to express our support of your proposed amendment to the Older Americans Act that would extend to adult day care participants eligibility for meals through the USDA child care food program without reducing food available to children.

Such an amendment, already included in the House version of the OAA amendments, will assist financially struggling adult day care centers to provide nutritious meals and snacks to many more older Americans and younger disabled adults and to provide additional services. Your recognition of adult day care as a viable service for functionally impaired people that warrants financial aid from various Federal sources is greatly appreciated.

Sincerely,

Jack Ossofsky, *Chair.*

Leadership Council of Aging Organizations

American Association for International Aging
American Association of Homes for the Aging
American Association of Retired Persons
AFL-CIO Department of Occupational Safety, Health and Social Security
AFSCME Retiree Program
American Society on Aging
Asociacion Nacional Pro Personas Mayores
Association for Gerontology in Higher Education
Catholic Golden Age
Gerontological Society of America
Gray Panthers
National Association of Area Agencies on Aging
National Association of Foster Grandparents Program Directors
National Association of Mature People
National Association of Meal Programs
National Association of Nutrition and Aging Services Program
National Association of Older American Volunteer Program Directors
National Association of RSVP Directors, Inc.
National Association of Retired Federal Employees
National Association of Senior Companion Project Directors
National Association of State Units on Aging
National Caucus and Center on Black Aged, Inc.
National Council of Senior Citizens
National Council on the Aging, Inc.
National Interfaith Coalitions on Aging
National Pacific/Asian Resource Center of Aging
National Senior Citizens Law Center
Older Women's League
United Auto Workers/Retired Members Department
Villers Advocacy Associates

Mr. MATSUNAGA. Mr. President, I rise in support of the amendment offered by the senior Senator from Montana, Mr. Melcher, which would extend what is currently a child care food program authorized under the National School Lunch Act to adult day care centers which serve older and disabled individuals.

Mr. President, I understand that the administration had raised some objections to a similar provision in the House bill which reauthorizes the Older Americans Act. One concern was that the provision might allow double subsidies to occur. I wish to commend Senator Melcher for accommodating this concern by adding a provision which explicitly prohibits dual subsidies.

The other objection involved the potential cost of the program, based on an assumption that many senior centers and congregate meal sites would qualify and apply for status as adult day care centers in order to receive this subsidy. I understand that the Congressional Budget Office reexamined its cost estimate in light of this concern, but ultimately decided that its original $5 million estimate is correct. I believe that this represents a rather small investment in better nutrition for the elderly, and urge my colleagues to support the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 664) was agreed to.

The PRESIDING OFFICER. The question is now on the Labor Committee substitute.

Mr. COCHRAN. Mr. President, if there is time remaining, how much time is remaining for this side?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. COCHRAN. Mr. President, let me say, in conclusion, that the changes that have been made and the reauthorization of this program, in my judgment, will help meet the changing needs and circumstances of senior citizens and older Americans throughout the country. The amendments that have been offered by Senators while we were in the markup phase of developing the bill and in final form, the amendments which have been added here on the floor of the Senate today I think are improvements in the bill and will help us meet the challenge that we face in maintaining programs that are efficiently operated, that are sensitive to these changing needs, and that all go toward the goal of improving the opportunities of senior citizens for fuller and happier lives and improve the standard of living and opportunities for our senior citizens.

I thank the distinguished leader for his indulgence and I have no requests for any time on this side.

Mr. President, I yield the remainder of our time.

Mr. MATSUNAGA. Mr. President, how much time do I have remaining on this side?

The PRESIDING OFFICER. The Senator has 45 seconds.

Mr. MATSUNAGA. I ask unanimous consent, Mr. President, that Senator Grassley of Iowa be added as a cosponsor of the measure now pending.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, today we are considering S. 887, the Older Americans Act Amendments of 1987. I am pleased to have been involved in the process of fine tuning this important piece of legislation.

I have been an active participant during the past two reauthorizations of the Older Americans Act—both as chairman of the Labor and Human Resources Committee and as a conferee. During these deliberations, we made changes in the structure of the law to give State agencies more flexibility in the management of the grants that pay for supportive services, senior citizen centers and nutrition programs.

Until the law was modified, we found that many senior centers were forced to leave money unspent in one account while other accounts had run out of money. Many centers, especially in rural States such as Utah, had to close their doors, turning away older people who needed nutritional hot meals. They had no money for the vehicle that brought the people to the centers to eat, although there was sufficient funds in other accounts. Specific language to expand the ability to transfer funds between titles was not incorporated in the bill reported out of committee, but it is my understanding that the transferability provisions in current law will remain unchanged.

Although the Older Americans Act has provided necessary social services, the demand on title III—B funds has increased dramatically as a result of number of factors including population growth.

During the past few years, the Older Americans Act and its services have automatically become targeted to the "old old" and the frail populations. In the 1970's, Federal funds primarily supported the development of community services such as senior centers, transportation and congregate meals. The elderly population aged in the last decade, and today their needs are quite different. They now require services to help them remain independent and in their own homes. The bill we are voting on today will address these needs and ensure that the Older Americans Act continues to address today's problems.

There is, however, an additional issue facing the elderly which the Older American's Act should address—the issue of health care in the home. Often, treatment at home can provide more compassionate health care and, at the same time, save money. We need to realize that there are viable al-

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ternatives to hospital based care, especially given the mounting medical costs in our Nation. Since 1978, I have been working with the citizens from my State to implement a program that will enable States to provide health care in the home.

The amendment we are offering today will provide $100 million for States to provide health care services in the home. This will reimburse a professional health care team to help in the home during an illness. Let a doctor and nurse develop the treatment plan; and let them work on providing quality health care services in a cost-effective way. I truly believe that this approach will demonstrate how to provide effective health care services within a home.

It is our intent that home and community based services established or supported under this amendment will consist of team oriented, managed care coordinated with the full spectrum of home and community based services necessary to maintain ailing individuals outside the hospital. This managed care approach will enable the team to pay for other care and treatment services deemed appropriate such as, respiratory therapy, physical therapy, and occupational therapy.

I hope this proposal will become law, because Americans want health care in the home. A recent poll asked the American public where they would like to see more health care provided. The result was a resounding majority in favor of home health care. Americans, by a margin of 9 to 1, prefer home care to any other kind of care.

I want to give special thanks to the Senator from Hawaii, Senator INOUYE, who has been a champion of home health care and a true leader in this field. In addition, much credit must go to Senator GARN and Senator BRADLEY who have worked hard to make home health care a reality. I also want to thank Senator KENNEDY and Senator MATSUNAGA for their courtesy and assistance in getting this important piece of legislation through the Senate.

Special thanks should also go to Shauna O'Neil, who is the director of the Salt Lake County Aging Services, Jan Tremmel, with the Utah Visiting Nurses Association, and Grant Howarth, president of Utah Home Care Association for their dedication and efforts on behalf of those who will benefit from home health care.

But most importantly, I want to thank Mrs. Cleo Boyer and my other friends in Utah. They know what home health care means and they know what this legislation means for them and their families. They will not have to be alone again.

Finally, I want to commend Senator MATSUNAGA, Senator COCHRAN, and the rest of the Subcommittee on Aging for taking the time to look at this amendment to the Older Americans Act. As we know, the Older Americans Act funds programs very dear to our seniors—supportive services, nutrition programs both congregate and home delivered meals, senior centers, transportation, and employment programs. Our seniors would definitely feel a void in their lives without these essential services provided by the act. By adding health care in the home to these services, we will provide the elderly with the variety of services they need and deserve. I urge my colleagues to expedite its passage through Congress.

Mr. WEICKER. Mr. President, I rise in support of S. 887, the 5-year reauthorization of the Older Americans Act. This legislation will continue to build upon the established partnership among Federal, State, and local governments to further the independence and self-sufficiency of our Nation's senior citizens.

Since 1965, the Older Americans Act has guided the Nation's efforts to respond to the changing needs and increasing diversity of a growing elderly population, and reflects our commitment to meeting the unique needs of our Nation's elderly citizens by providing quality social service programs in transportation, health care, employment, counseling, adult day care, information and referral, and nutritional services.

I am particularly pleased that this legislation incorporates several provisions to address the needs of an increasing population of elderly individuals with disabilities. Currently, of the 9 million elderly individuals in this country, approximately 4 percent, or between 200,000 and 500,000, are developmentally disabled. The initiatives that have been included will ensure that the needs of elderly persons with disabilities will not fall through the cracks of a system that fails to recognize the unique problems of this population.

In many respects, elderly individuals with disabilities are like any other elderly individual, needing adequate and appropriate housing, activities to occupy their day, a range of support services, available and accessible health care, transportation and nutritional assistance. However, older individuals with disabilities additionally face a number of difficult problems. Some of these individuals, particularly those with severe disabilities receive services from the network of developmental disability service providers. However, for the majority who are less impaired, the state-of-the-art has changed so that their needs can, and should, be met by the same service network that provides services for older persons.

Therefore several amendments have been included to the act to begin to address the needs of the elderly disabled.

First, in order to foster greater interaction between professionals in both the developmental disabilities system and the aging network, authority was added to permit one of the multidisciplinary gerontology centers to engage in research and training regarding the needs of elderly individuals with disabilities. Increasingly, gerontological educators are beginning to work with service providers to develop crossdisciplinary curricula for those in the aging network who are serving developmentally disabled persons, and those in the developmental disability service agencies whose clientele are aging.

Second, the act has been amended to establish a collaborative working relationship between two existing programs designed to assist individuals in residential facilities: the Ombudsman Program under the Older Americans Act, and the Protection and Advocacy Program for Disabled Individuals. Recognizing that clients residing in long-term care facilities comprise a diverse population of frail elderly, elderly who are mentally ill, persons who are developmentally disabled and persons with severe physical disabilities, an authorization of $1 million has been added to demonstrate and evaluate cooperative projects between State long-term care ombudsman programs and State protection and advocacy agencies in meeting the needs of this diverse population residing in long-term care facilities.

Under current law, elderly individuals who are mentally ill and persons with developmental disabilities are entitled to advocacy services under the protection and advocacy systems for these individuals. The Nursing Home Ombudsman Program provides advocacy services for the entire population residing in long-term care facilities; however, the lack of adequate resources limits the ability of all three programs to provide comprehensive, coordinated advocacy services. The Ombudsman Program, created to facilitate the resolution of complaints made by or on behalf of residents of such facilities, and the protection and advocacy agencies which exist to advocate for clients' rights and to investigate incidents of abuse and neglect, will now begin to work together to ensure that quality services are provided to those residing in long-term care facilities.

In addition, several new requirements for State and area agencies on aging to coordinate planning and activities with agencies and organizations providing services to persons with disabilities has been incorporated in order to expand coordination of activities of the aging network and the disability community.

The Reauthorization of the Older Americans Act reflects the Nation's commitment to enhancing the quality of life for our elderly citizens. I believe we have a responsibility to the elderly of this country to ensure that they are not deprived of their dignity and independence by unnecessary—and costly—reliance on institutional care. By expanding the availability of needed health, social and nutritional services, and creating a new emphasis on the needs of the disabled elderly, I believe the reauthorization before the Senate today will enhance the ability of elderly Americans to continue to live independently. Finally, I commend Senator MATSUNAGA and Senator COCHRAN for their leadership on this legislation, and I would also like to thank Senator HARKIN for his work on the provisions addressing the needs of the disabled elderly.

Mr. GRASSLEY. Mr. President, I congratulate Senators MATSUNAGA, COCHRAN, KENNEDY, and HATCH, the Senators principally responsible for this year's reauthorization of the Older Americans Act on bringing before the Senate a bill that Members will be able to support with pleasure.

The Older Americans Act, as I am sure my colleagues are well aware, is one of the major statutes authorizing programs designed to assist older Americans. Over the years since its inception, the Older Americans Act has been supported virtually unanimously by the Congress. The Older Americans Act network of State units on aging and area agenices on aging administers a popular program of meals programs, social services, and community service employment that has served well older Americans in need of those services.

The Senate bill this year begins a new program of in-home services for the frail elderly, a new program of elder abuse prevention, and strengthens the ombudsman and health promotion features of title III. The addition of a well-defined home health component to the act will be welcome throughout the network and by those who depend on services in the home to avoid institutionalization. The Older Americans Act has always provided authority to provide such home health services, but the addition of a separate subpart with a separate authorization will greatly enhance the network's already extensive involvement in the provisions of such services. I welcome this new addition to the title III family of programs.

The strengthening of the Ombudsman Program follows a period of considerable discussion, prompted by the Institute of Medicine's report on nursing home reform, about ways in which the Ombudsman Program could be strengthened. Bills to accomplish this were introduced last year, and again this year, and hence, have been available and had ample opportunity to be discussed by all interested parties. I think the changes incorporated into the bill improve the program and can be lived with by all affected parties.

In like manner, the new Elder Abuse Program follows considerable experience since the last reauthorization with this problem and programmatic activity to deal with it. When last we reauthorized the act, in 1984, I was chairman of the subcommittee of orginal jurisdiction in the Senate, and I well remember the resistance in certain quarters to incorporating stiff elder abuse provisions in the bill. We did incorporate at that time, and after lengthy negotiations, some provisions dealing with elder abuse. After passage of the act, the National Association of State Units on Aging undertook a major project on elder abuse. I think we have come some way in the 3 years since the last reauthorization with respect to this problem, and am pleased to see a specific subtitle developed on elder abuse.

Mr. President, one last word on the addition in this bill of Senator HATCH's amendment to the Public Health Service Act establishing a home and community-based Care Program for Older People at risk of institutionalization. I followed this legislation carefully during my years on the Labor Committee during the 98th and 99th Congresses. In the 98th Congress, I had problems with the bill, principally because it; at that time, was to cost around $2.5 billion over 3 years, and also because it seemed to me that there were several important design problems with the programs the bill would have established. In the last Congress, I became a cosponsor of the bill when the funding authorized was reduced to $100 million, which struck me as a more appropriate level at which to start an untested program, and when the bill was redrafted to become much tighter and focused more closely on only those elderly who were at risk of institutionalization. It seems to me that a program such as this deserves endorsement by the Senate. It is a block grant, not a categorical program; hence, States will have maximum flexibility to develop the program in a way which suits their particular circumstances. It is not an entitlement program, so the Congress will retain control over the growth, if there is growth, in the program. It is targeted on those elderly most at risk of institutionalization, so, if it works as intended, it should help forestall costly nursing home care for a significant portion of the 5 percent of the elderly who, in any year, need nursing home care.

With that, Mr. President, I urge my colleagues to support the bill.

Mr. HARKIN. Mr. President, I am proud to be a cosponsor of S. 887, the bill to reauthorize and strengthen the Older Americans Act of 1965. The Older Americans Act is highly significant legislation that serves as the cornerstone for the development and delivery of a broad array of services for older persons. The bill we are considering today will strengthen existing programs and authorize some critical new ones.

The issues of older Americans are increasingly the issues of all Americans. The elderly population has grown more rapidly in this century than has the rest of the population. The older population—persons 65 or older—numbered 28.5 million in 1985. They represented 12 percent of the U.S. population, about 1 in every 8 Americans. The number of older Americans increased by 2.8 million or 11 percent since 1980, compared to an increase of 4 percent for the under 65 population.

Older Americans constituted 12 percent of the national population in 1985. Yet in my home State, Iowa, the elderly represented more than 13 percent of the total State population. This growth in the older population is predicted to become even more pronounced in the 21st century. Between 1980 and 2020, the total population is projected to increase by more than 200 percent. American population statistics will continue to show this trend as people live longer and members of the baby boom generation reach retirement age in the coming decades. In Iowa we are likely to see an even greater impact on population statistics if the "negative out-migration" trend in the State continues. State demographers report that older Iowans migrate out of the State at a rate of 1 percent, but this is offset by a 1.5 percent migration of older people into the State.

One of the more critical demographic factors to consider is the startling pace of increase among the oldest segment of our society. Persons 85 years of age and older are now the fastest growing age group. These factors will have significant implication for continued and expanded need for services authorized and funded under the Older Americans Act and for the other services coordinated through the act.

The Older Americans Act has become the cornerstone for the development and delivery of a broad array of services for older persons. Although older persons may benefit under a multiplicity of other Federal programs, the Older Americans Act is a major vehicle for the organization and delivery of services.

This bill includes provisions of particular importance to older individuals residing in rural areas. The bill before us today would require outreach efforts to identify older individuals who are eligible for assistance with emphasis on individuals with the greatest economic and social needs and those residing in rural areas.

A new requirement would be added for State plans to include a description of methods used to satisfy the service needs of older individuals residing in rural areas. This provision requires documentation, by the Administration on Aging, of the amount of service provided to rural areas and nonrural areas. The purpose of this provision is simple. It will provide the data we need to assure that resources are allocated appropriately to guarantee an adequate level of service in rural areas as well as in urban areas.

We who know rural areas, know that because of high transportation costs and a reduced number of people for the services provided, rural areas have higher per capita costs in their programs. I would like to see increases in funding for rural areas, but the data needed to justify these increases simply are not available. These new reporting requirements will yield the needed data to help us draw conclusions about the future needs of rural and urban areas.

The bill would create new authorizations for appropriations under the Older Americans Act for in-home services, health promotion services and for ombudsman services for older Americans.

The long-term care ombudsman program has been very important in improving the quality of care for residents of long-term care facilities. This bill includes provisions to strengthen this important program by clarifying certain functions, assuring training and legal protection for ombudsmen, and improving procedures for reporting complaints of facility residents. The bill also requires a study of the impact of the ombudsman program on issues affecting residents of board and care facilities.

I am pleased that the bill includes amendments I offered with Senator WEICKER to require the State agency to coordinate ombudsman activities with the protection and advocacy systems established under the Developmental Disabilities Assistance and Bill of Rights Act and under the Protection and Advocacy for Mentally Ill Individuals Act of 1986. The coordination of these three programs will result in more effective advocacy services for the full range of residents of nursing homes and long care facilities.

The bill adds a new authorization for grants to States for nonmedical inhome services for frail older person. This will allow individuals with disabilities, including those with Alzheimer's disease or related disorders, to receive in-home services such as, homemaker services, home health aides, and minor remodeling or environmental modification of homes if necessary to enable the individual to remain at home. Also included in this part would be the provision of respite care for families, including adult day care. These and similar in-home services can greatly increase the capacity of individuals to remain in their own homes rather than enter an institution.

A new authorization for the provision of health education and promotion services for older Americans would also be provided by this bill. The program is intended to provide health screening, education and other health promotion services primarily in congregate settings. This is just plain good sense. There is a vital need for promoting good health and preventing illness or disability and the potential long-range savings in health care costs is great.

I am pleased that my suggestions and amendments were accepted by the Labor and Human Resources Committee and I am proud to have contributed to the development of these important provisions.

I am also very pleased that the bill incorporates amendments I crafted with Senator WEICKER which ensure that individuals with disabilities receive the benefits of the programs under the act, that mental health services are included and coordinated, that the long-term care ombudsman program is strengthened and is coordinated with the protection and advocacy system for individuals with disabilities, that training programs for providers of services to older individuals with disabilities will be authorized, and that multidisciplinary centers of gerontology will be supported and will include an emphasis on disability. These amendments will improve access to needed programs for older individuals with disabilities.

I am pleased that my additional amendments concerning assistive technology have also been included in the committee substitute. The inclusion of assistive technology is an extremely significant action and it is one that will surely increase the effectiveness of the programs and services with minimal or no increased spending.

Technology has been a major factor in the growth of the older population and its increased longevity. Technology can also have a significant impact on the functional ability and the vitality of older Americans and assist them to maintain their independence, maximize their options, and improve the quality of their lives. My amendments assure that assistive technology and related services be included as an integral part of the full range of services coordinated and provided under the act.

Assistive technology services is a systematic approach for enabling older individuals to obtain the products, services and information they need in order to appropriately use technology to compensate for functional limitations or disabilities. These assistive technologies can be effectively applied in such areas as employment, recreation, independent living, and other community living arrangement. Assistive technology services can make a significant contribution to the lives of older individuals through increasing independent functioning, postponing or eliminating the need for institutionalization, reducing the difficulty of care giving, and improving the quality of life.

Assistive technology services may include: information referral, assessment, evaluation, device fitting, modification of commercial equipment, design and fabrication of customized equipment, installation, usage training, repair and maintenance. It is this integration of assistive devices and related services that provides the basis of individualized and comprehensive assistive technology services.

There is a wide range in the assistive technology services any one older individual with functional limitations may need. The majority may need little beyond information on the availability of a simple assistive device. Most technological interventions are simple, and include things like: a magnifying lens for reading small print, assistive listening devices, bathroom safety grab bars, adapted gardening tools, a seat that facilitates standing up, or an access ramp. A few individuals will need more comprehensive technological support systems such as motorized wheelchairs and mechanical lifts. Increasing awareness of the availability and applicability of both simple and complex technological solutions is one of the main components of assistive technology services.

My amendments would include assistive technology services as a part of all supportive services provided or coordinated under the act, would include assistive technology services as a focus in gerontology centers funded under the act, and would give priority to demonstration projects designed to increase older individuals' awareness of and access to assistive technology services.

I strongly support S. 887 and am gratified that I was able to help to shape these provisions over the last several months.

Mr. METZENBAUM. Mr. President, I add my wholehearted support to the reauthorization of the Older Americans Act. I am pleased to be a cosponsor of the Older Americans Act Amendments of 1987.

Mr. President, my colleagues and their staffs have worked hard to strengthen and update the act. I commend the chairman, Senator MATSUNAGA, and his staff who have labored long hours to incorporate meritorious recommendations and build bipartisan consensus.

This bill adds important new provisions to the Older Americans Act. It includes special programs for elderly

persons who are developmentally disabled. It imposes greater accountability for targeting services with respect to economic and social needs, especially for low-income minority individuals. It strengthens the ombudsman program, and promotes outreach and assistance efforts, preventive health care, and programs for the prevention of elderly abuse.

I am especially pleased, Mr. President, that many of the provisions of my bill, S. 81, dealing with Alzheimer's disease victims and their families could be incorporated into the Older Americans Act reauthorization.

This addition to the act provides for adult day care and a range of in-home services and respite care for family caregivers. It requires area agency coordination with other community and voluntary agencies which provide counseling and training for support personnel and family caregivers. It authorizes counseling prior to admission to nursing homes to prevent premature institutionalization. It requires the Commissioner of Aging to consult with the national Alzheimer's disease advisory panel, as authorized and established in my bill of last year.

In addition, this committee saw fit to address another urgent concern of Alzheimer families. It included a provision for clinical trials of potentially useful drugs to be administered by the centers I and others helped to establish.

We all hope that a breakthrough is near, whether through drugs or braincell implants, preventive measures, or genetic breakthroughs. But until that time, mental health and supportive social services must be better adapted to meet the needs of dementia patients and their families who suffer now and bear so great a burden.

This legislation takes another giant step in addressing the changing needs of our elderly citizens. But there is more that Congress must do to assure those needs are met effectively. As a followup measure, Senator KENNEDY and I have requested the Office of Technology Assessment to conduct a study of how best to ensure quality home and community-based care, as well as effective strategies for locating, arranging for, and coordinating inhome and community-based services for our elderly. I hope the results of this study will assist us in meeting the needs of senior citizens more compassionately and effectively.

Mr. BINGAMAN. Mr. President, the distinguished chairman of the Subcommittee on Aging and his staff should be commended for their diligent work in completing action on the reauthorization of the Older Americans Act. The bill that has been brought to the floor not only reauthorizes this important act but it strengthens its provisions in a number of significant ways.

This Senator is pleased to have played a small role in shaping this legislation through the addition of key provisions of S. 1069, the Older American Indian Services Improvement Act.

My legislation attempts to strengthen the current Indian Grant Program under title VI and to increase coordination between title VI and other portions of the Older Americans Act. In particular, title III—State grants and title V—employment services. This would mean that old Indians would be eligible for title III services and that they would have an Indian contractor to provide employment opportunities. Title VI has been underfunded since its inception and this would allow greater access to more prominent program.

This legislation strengthens, expands, and clarifies pertinent titles of the Older Americans Act to ensure better access and delivery of services for older American Indians.

The Subcommittee on Aging during the last reauthorization of the Older Americans Act directed in report language that it join with the Special Committee on Aging to hold oversight hearings on title VI, the Indian Grant Program under the Older Americans Act. Through testimony developed at two hearings sponsored by the Special Committee on Aging, one on the health concerns of Indian elderly, and a second, on the delivery of title VI services, a substantial record has been laid to justify this legislation.

These two hearings confirm that older American Indians remain among our country's most impoverished citizens. They live at a rate of poverty between 33 percent to as high as 83 percent, varying from reservation to reservation. Inadequate and inaccessible health care, lack of transportation, dilapidated housing, and the rural environment of the majority of older reservation Indians add to an already difficult way of life.

Title VI of the Older Americans Act was added in 1978 as a way of delivering services to the American Indian population, but it did not get underway until 1980. Since that time it has grown from 85 to 124 grantees. What has become increasingly evident is the lack of coordination with other sections of the act, inattention to Indian grantees by the Office of State and Tribal Programs, and ambiguity about tribal eligibility for other titles in the Older Americans Act.

My legislation has largely been included in the Older Americans Act to address some of these issues. The committee has made certain changes to expand the scope of coverage of the tribal programs. Where my legislation was directed solely at Indian elderly, the committee bill has been expanded in several areas to provide coverage to Native Americans. Primarily the committee has sought to include Native Hawaiians within the scope of these programs to be consistent with other actions taken by the committee on similar statutes.

The major addition to title VI is the creation of an Office for Native American Programs which will administer and oversee the title VI program. Currently, that program comes under the Office of State and Tribal Programs. This legislation merely separates out an Indian office and designates an Associate Commissioner on Native American Aging—an "Indian desk," if you will. Unless such an office is established improvements to the title VI program will not take place. The Administration on Aging [AOA] has been given the opportunity to establish this office and to make corrections on their own and it has yet to do so. During the last reauthorization of the Older Americans Act, I agreed to withdraw my "Indian desk" amendment on the assurance by AOA that it would create such a position with advice and support from Indian tribes. Much to my dismay this did not happen as agreed. For this reason, I believe that Congress should designate an office to assure greater accountability from AOA to the Indian grantees.

Title VI is further amended to specify that the Associate Commissioner on Native American Aging also establish an interagency task force on older American Indians and produce a study of the availability and quality of services for older American Indians.

One of the major roadblocks for Indians in gaining access to services under the Older Americans Act is the lack of coordination between title III, State grants, and title VI, Indian grants. With the Indian population fairly evenly divided—52 percent living on the reservation and 48 percent in urban areas—service providers need to know who are eligible. Therefore, this bill deletes the condition that title VI grantees are not to serve persons eligible for title III services. I can understand the original intent of this language—to avoid "double dipping". As was brought out very clearly in a Special Committee on Aging hearing held by Senator NICKLES, and echoed at the field hearing I chaired in New Mexico on health issues facing older Indians, greater coordination needs to take place between title III and title VI. Therefore, opening up access to title III allows equity for those off the reservation who may be eligible for such services.

To further ensure increased coordination a new section is added to title III to clarify and require improved monitoring of services between these two titles. Additions include specifying that Indian elders will not be denied title III services, and that area agencies on aging with a significant Indian population shall conduct outreach ac-

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tivities to identify older American Indians living within their planning and service area. Further, the newly designated Associate Commissioner on Native American Aging shall have some oversight to recommend to the Commissioner the delivery of services and coordination between title III and title VI.

Because older ,American Indians suffer from chronic unemployment, this legislation also calls for targeting of employment services to older Native Americans under title V, Community Service Employment. A recent survey conducted by the National Indian Council on Aging shows that only 1.6 percent of the total positions available by the national contractors and State agencies on aging were filled by older Indians. Older American Indians have the lowest rate among all ethnic groups to access employment services under title V. This bill mandates that at the next available opportunity for national grants or contracts, that older American Indians be emphasized.

This legislation also amends title IV, Training and Research, to open up grants and contracts to agencies and organizations representing minorities. Adequate inservice training and instruction on the particular needs of older Americans of ethnic backgrounds remains a priority that will hopefully be addressed by a more equitable distribution of title IV funding.

The bill provides for an increase in authorization providing $13 million for fiscal year 1988. I am hopeful with this increased authorization that the quality of service will improve and that more older Indians will be served.

Mr. President, I would be remiss if I did not say I have some serious concerns about the changes made in the bill as reported with respect to the expanded coverage and the implications for title VI and Indian elderly. I agree that the special needs of the Native Hawaiian elderly should be addressed but I have serious reservations about doing so under title VI. Title VI was originally included by Congress to look at the problems facing American Indian elderly. The program developed after national meetings on the problems concluded that "Among racial and ethnic minorities in this country, Indians are unique in that the Constitution, numerous court decisions, and Federal law clearly reserve to federally recognized Indian tribes powers of self-government." Only by this recognition did Congress allow Indian tribes to obtain their own title VI grant program. The Federal policy is toward a trust relationship between Federal tribes and I believe that Native Hawaiians more appropriately come under the State which has a "trust" relationship and deserve to be a separate title. I am sorry this suggestion could not have been accommodated and I hope the issue can be addressed in conference.

Thank you, Mr. President.

Mr. DASCHLE. Mr. President, as a cosponsor of S. 887, the Older Americans Act Amendments of 1987, I strongly urge the support of my colleagues for this important legislation.

The Older Americans Act programs have grown dramatically since their enactment 22 years ago. In 1965, the Older Americans Act was established as a small program of grants for the aged. As it has evolved through 10 reauthorizations, it has become the major vehicle for delivery of social and nutrition services for the elderly. While S. 887 provides for continuation of essential services including nutrition, health care, transportation, employment, and legal assistance, it does not merely maintain the status quo. The Older Americans Act Amendments of 1987 call for further refinements and improvements in this landmark legislation.

Traditionally, the Older Americans Act has been instrumental in allowing senior citizens to maintain their independence through the services it provides. One of the most important new provisions of S. 887 is the addition of part D to title III, authorizing grants to States for nonmedical, inhome services for frail seniors, including victims of Alzheimer's disease. Through assistance with activities such as meal preparation, household chores, and personal hygiene, the elderly will be better able to remain in their own homes and avoid or delay costly nursing home care.

In order to address the needs of older Americans currently residing in institutions, the Labor and Human Resources Committee acted to improve the Long-Term Care Ombudsman Program. This program, established in the 1978 Older Americans Act Amendments, has played an increasingly vital role in identifying and addressing concerns about the quality of care received by nursing home residents. However, the Institute of Medicine's study "Improving the Quality of Care in Nursing Homes" recommended strengthening the Older American's Act ombudsman program. Many of the study's recommendations have been embodied in these amendments and will prove to be a valuable protection for long-term care facility residents.

In this same vein, a critical measure has been included to provide assistance to the 1.1 million older individuals suffering from abuse, neglect and exploitation. This long-needed provision would complement existing efforts by urging States take a more active role in the development of programs to prevent elder abuse and improve adult protection. Elder abuse is a growing national problem and I strongly believe that program is evidence of Congress' commitment to combat this disgrace.

In addition, older Native Americans are not overlooked in the 1987 reauthorization. The major addition to title VI is the creation of an Office of Tribal progams which will administer and oversee the title VI program. It also clarifies that Indians are eligible for services under both titles III and VI. By enacting this provision, Indian elderly will be placed on a level comparable with the rest of the elderly population.

In summary, a vote in favor of the Older Americans is simply the best way we can say to our senior citizens that we believe they are valuable citizens and can still make significant contributions to society.

Mr. HEINZ. Mr. President, I rise today to lend my support for passage of S. 887, the legislation reauthorizing the Older Americans Act. The programs under this act have proved their worthiness time and again and I am pleased to join as an original cosponsor of this bill.

Part of America's strength rests in the interdependence of her generations—meshing the vitality and openness of our youth with the energy and wisdom of our elderly. The committee's amendment includes a provision I requested which builds on this strength by amending the Older Americans Act to encourage intergenerational volunteer opportunities for older citizens through senior centers.

The Older Americans Act deserves special applause for a Federal program that accomplishes its goal. Since its enactment in 1965, the OAA has targeted hundreds of millions of dollars to this country's senior citizens.

Most of these dollars fuel the drive of senior citizens to participate in activities that advance the quality of life in their communities. These activities include title V jobs, the Foster Grandparents Program, and the Senior Companion Program. Participating seniors provide tutoring and guidance to youth, maintain the beauty of local and national parks, and serve their home-bound contemporaries. Dollars used to administer these programs—and to pay modest stipends to low-income participants in some cases—are dollars invested in vital services to young and old alike.

The amendment of section 422 of the act would greatly expand the ability of seniors to nurture and assist children in their area through volunteer programs in senior centers. Projects could include tutoring in schools, providing day care for the children of low-income parents, and conducting supervised activities for latchkey children. Because they will be operated through senior centers, these activities will give many more seniors the opportunity to participate in volunteer activities, as often as they choose.

Intergenerational projects like these foster mutual understanding and respect between generations. Children gain confidence and security from contact with caring, patient adults with a lifetime of experience to share. Seniors reconfirm their sense of worth and their self-esteem and recharge their health and sense of community from their contributions.

These projects could be funded from the total funds designated for demonstration projects under the Older Americans Act and would not reduce the funds available to any existing programs. This special designation reemphasizes our commitment that children and senior citizens receive the highest priorities in the Federal budget.

I would like to add that the projects funded under this bill would not take away from another important program already in existence today—the Retired Senior Volunteer Program—commonly known as RSVP. It is my intention that wherever possible, these demonstration projects be coordinated with existing RSVP programs so that we do not duplicate efforts, but expand our available pool of senior volunteers and increase the effectiveness of the contributions they make.

Many seniors are willing and able to give of themselves. By uniting senior centers with local child-serving organizations, this bill will provide our elderly with the opportunity to make a difference in a child's life. I thank the distinguished members of the Aging Subcommittee for including this very important provision.

Mr. MATSUNAGA. Mr. President, I strongly support title V of S. 887—the Older Americans Act—which would reauthorize the Native Americans Programs Act, and I want to compliment the senior Senator from Hawaii [Mr. INOUYE] and the members of the Select Committee on Indian Affairs for their expeditious action on this measure as well as for the many improvements which they made in the Native American Programs Act.

The Native American Programs Act, enacted in 1975 during the 93d Congress, is designed to promote the economic and social self-sufficiency of American Indians, Alaskan Natives and native Hawaiians, and to reduce their dependency on various forms of public assistance. Assistance in the form of grants and contracts is provided to a broad range of Indian tribes, Alaskan Native villages, and native Hawaiian organizations.

The pending legislation would authorize similar assistance to a new group of indigenous peoples—native American Pacific Islanders residing in Guam, American Samoa, and the Northern Mariana Islands. American Samoans who have emigrated to Hawaii and the continental United States also would be eligible for assistance through their nonprofit, private and public organizations. These population groups have characteristics which are very similar to those of the native Americans already covered by the Native American Programs Act, and, like other native Americans, they tend to suffer a high rate of unemployment, and lack adequate educational opportunities, employment training, and health care.

In addition, title V authorizes a new 60-month demonstration project for native Hawaiians—a revolving loan program through which native Hawaiian organizations and individuals unable to obtain credit for the establishment and expansion of business projects through conventional means could borrow funds. Native Hawaiians are not eligible to participate in the existing Bureau of Indian Affairs loan programs, which are limited to American Indians. Moreover, recent studies have shown that Hawaiians have not been very successful in obtaining loans through the traditional minority business development programs. The proposed demonstration project, funded at $3 million, seeks to determine whether or not Hawaiians would benefit from more innovative types of assistance.

In closing, Mr. President, I wish to say that the Native American Programs Act has during its relatively short existence provided some much needed aid to one of our Nation's neediest minority groups. It is a good act which should be reauthorized, and I urge my colleagues to support it.

Mr. MELCHER. Mr. President, today the Senate is considering S. 887, legislation to reauthorize the Older Americans Act, an effective and enduring piece of legislation, that has helped many of our elderly.

The Committee on Labor and Human Resources has reported many very good amendments to the Older Americans Act and I commend the managers for their efforts. I had hoped that a bill I introduced on May 12, 1987, the Volunteer Service Promotion Act of 1987 (S. 1189), would have been included as an amendment to S. 887, as reported. I was joined by Senators BOND, BURDICK, DECONCINI, and INOUYE as cosponsors of this legislation.

I do acknowledge and appreciate that an effort was made to include language in S. 887, providing for "expanded innovative, volunteer opportunities . . . which may include volunteer service credit projects operated in conjunction with action," which is a step in the right direction, but I don't believe it goes far enough.

The Volunteer Service Promotion Act represents a new and imaginative idea that could help millions of our elderly population remain self-sufficient in their own homes, where they want to be, rather than spending their final years in an institution isolated from family and friends.

Service credit projects are designed to help fulfill the unmet needs of millions of America's senior citizens, through an innovative program of volunteer service credits, which offers incentives for voluntarism, while giving seniors the opportunity and the dignity to earn credits that they may draw upon later. It also gives volunteers of any age the capability of earning credits by helping one individual and donating those same credits to others to be redeemed, thus helping twice as many people, while at the same time, promoting intergenerational cooperation.

It is estimated by the year 2000, 7.2 million elderly people will need some kind of limited assistance because of chronic ailments and the nursing home population is expected to reach over 2 million. Statistics indicate that the absence of informal support from spouse or family members is the most critical factor in the institutionalization of an older person.

For countless families, who are caring for loved ones suffering from Alzheimer's disease, just a few hours of respite care is all they need to keep their lives in perspective. That's not much, but to someone who needs it, it's the difference between just existing and living a quality life.

As public policymakers we must begin to find additional cost-effective ways of addressing the demand being made on our resources. I see volunteer service credit programs as doing just that.

In light of this impending crisis in our society, I had intended to offer the Volunteer Service Promotion Act of 1987 as an amendment during consideration of S. 887. This amendment would authorize annual grants over a 5-year period to designated States for demonstration projects testing the feasibility of volunteer service credit projects. It is not intended to serve as a substitute for other social service programs or older American volunteer services that are already in place.

However, because I am aware of the questions surrounding this concept of volunteerism, I am going to withhold offering this amendment with the understanding that the Subcommittee on Aging, at the direction of Senator MATSUNAGA, will conduct a hearing in the fall of the Volunteer Service Credit Promotion Act, where it may be given further consideration. I believe, under the circumstances, there needs to be a greater dialog and clarification of this program and an opportunity to alleviate the concerns that have been expressed.

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Mr. MATSUNAGA. Mr. President, I appreciate the sincerity of the distinguished Senator from Montana in his efforts to increase services to the elderly through a new concept in voluntarism. And I can assure the Senator that the subcommittee is committed to ensuring that older Americans and their families receive the assistance they need to live as independently as possible.

As the Senator knows, the Subcommittee on Aging explicitly considered the inclusion of S. 1189 in the Older Americans Act, but decided against including it in that form for several reasons. First, there are several demonstration programs currently underway which do precisely what S. 1189 would have proscribed. Oregon and Missouri have tried such programs with foundation grants, and the State of Florida has operated such a demonstration program with grant money from the Administration on Aging. So the concept is currently being tested.

The second reason is simply a question of feasibility. There was substantial concern among subcommittee and committee members that such a program could create entitlement situations which would disrupt the planning and operations of area agencies, and which could prove to be very cost ineffective.

Finally, there was concern that, in its broader form, the provision more properly belongs in the Domestic Volunteer Service Act, which authorizes such programs as ACTION, Retired Senior Volunteer Programs [RSVP], and Foster Grandparents, rather than the Older Americans Act. It is important that we utilize the administrative structure that can most appropriately and effectively implement the program.

As the Senator knows, the subcommittee did include a specific reference to allow the Health and Human Services Secretary to fund such demonstration programs under title IV of the act. However, I believe it is appropriate that the Subcommittee on Aging take a closer look at the results of the demonstration programs which have already been funded by the Administration on Aging and private foundations, and, as chairman of the subcommittee, I will be pleased to hold a hearing on the issue in the fall.

Mr. LAUTENBERG. Mr. President, I rise today to support the passage of this bill reauthorizing the Older Americans Act. The Older Americans Act has been a valuable resource for senior citizens all over the country. For over 20 years, older Americans have received community and social services through OAA funding. I am pleased to be a cosponsor of this legislation.

I am also very pleased that the Labor and Human Resources Committee has included in this bill provisions that were in a bill that I introduced in April. The first proposal from my bill is for in-home services for frail older individuals. In fiscal year 1988, $25 million would be authorized for grants to States to provide in-home services, such as homemaker aides, visiting and telephone reassurance, chore maintenance, or in-home respite care for families.

My second proposal authorizes periodic preventive health services, to be offered at senior centers or other convenient locations. These preventive services would be those not covered by Medicare, such as routine physical examinations, immunizations, vision and hearing screening, and counseling and referral for followup health services.

These proposals would make a start in dealing with some important unmet needs of our older constituents. We all know that people are living longer lives. Men reaching age 85 now can expect to live 15 percent longer than an 85 year old man in 1960. For women the increase is twice as much—33 percent longer.

The question to ask is whether longer lives mean better lives. Are people staying healthy and vigorous as they live longer? A Canadian study covering 1951 to 1978 found that life expectancy increased by an average of 6 years, but for almost 5 of those years a person's activity was limited.

But that does not mean an older person needs to be in a nursing home or other institution. Often people can stay in their own homes if they receive some assistance. They may have chronic conditions which threaten their independence, but not their lives. These conditions include arthritis, hypertension, heart conditions, and hearing disorders. About 41 percent of people age 65 to 74 and 53 percent of people age 75 and over had some limitation in activity due to chronic conditions. But only 15 percent of the younger group and 22 percent of the older were unable to carry on any major activity. Most of the group with a limitation could remain independent with some assistance.

In 1985, about 5.2 million senior citizens required some assistance to maintain their independence. The assistance needed falls into different categories. Less than half need assistance in some or all basic physical activities, sometimes called activities of daily living. This category includes getting in and out of bed, dressing, eating, bathing, and using the toilet.

A slightly larger group needs assistance with home management activities, also called instrumental activities of daily living. These include shopping, cooking, and cleaning.

Some activities are more difficult than others for senior citizens. Some of the activities which cause the most difficulty for older people are as follows: heavy work around the house—3.8 million people; shopping for groceries—2.9 million; going places outside—2.4 million; bathing—2.1 million; doing laundry—2.1 million; preparing meals—1.5 million; getting in or out of bed—1.3 million; managing one's own money—1.3 million.

Many of these older Americans receive assistance in their homes, primarily from family and friends. The 1984 National Health Interview Survey found that nearly one-third of the people age 65 and over who were living in the community had trouble with basic physical or home management activities. However, only about one-quarter of the over 65 population received assistance with these activities. This means that nearly 10 percent of the over-65 population needs help at home and is not receiving it.

Included in the legislation being considered today is my proposal, which is based on a recommendation of the National Governors' Association and supported by the National Council of Senior Citizens, to authorize a program of grants to provide these much needed in-home services. The services will help many older Americans to continue living in their homes or in the homes of others without having to give up their independence by going into a nursing home. The services also will assist the family and friends who already provide much of this help, giving them a deserved respite or helping hand.

Many of the health problems of senior citizens, as well as all the rest of us, can be avoided or kept in check by early detection. Preventive medicine is the most cost-effective medicine. However, many people do not have regular checkups and health screenings. There are a variety of explanations for this, including the fact that Medicare and many other health insurance plans do not pay for these routine services. Also, physicians are not readily accessible in many areas.

This bill includes an authorization of grants for preventive health services to be provided at senior centers or other sites. These services would be provided periodically, perhaps three or four times a year. Perhaps a health fair format would be used, providing informal health education as well as examinations and screening. These screenings should identify the early stages of diseases and disabling conditions so that the individual can receive timely treatment and advice from physicians. The proposal specifically excludes services which would be paid for by Medicare. Priority in services would be given to areas which are medically underserved and which have a concentration of economically needy individuals.

Mr. President, I am very gratified that the committee included my proposals in the reauthorization of the Older Americans Act. It was a great

pleasure for me to work with the distinguished chairman of the Aging Subcommittee, Mr. MATSUNAGA, as he shepherded this important bill through the legislative process. The passage of this bill is a significant landmark for our Nation's senior citizens.

Mr. PELL. Mr. President, I am extremely pleased that the Senate will today consider the reauthorization of the Older Americans Act, S. 887. For over 20 years now, the Older Americans Act has been an invaluable source of community and social support for our country's most precious resource—our senior citizens. Under the leadership of the distinguished chairman of the Subcommittee on Aging, the able Senator from Hawaii, and that of the Senator from Mississippi, the ranking minority member of that subcommittee, those vital services that the Older Americans Act provides to our elderly will not only continue, but will indeed flourish for the next 5 years.

The act has been so much improved during this reauthorization cycle that it would be to time consuming for me to mention every area of improvement. I would like to mention briefly, however, some matters that have been of special concern to me.

The new program under title III, section (d) is a major accomplishment and is welcome news for frail older individuals in need of homecare and daycare. I support it wholeheartedly. The new and improved ombudsman program is also welcome news for individuals in nursing homes. With these two major expansions of programs, this committee has demonstrated compassion and caring for the most vulnerable of our elderly.

Alzheimer's disease and related dementia is probably the most cruel of diseases threatening our elderly and their families. It is a disease that takes the minds of its victims while leaving their bodies intact. It often progresses to the point of leaving only a shell of a human being, and memories are all that is left for families and loved ones to hold.

The congressional mandate in the Older Americans Act for the National Institute of Aging to conduct clinical trials of promising new drugs for the treatment of Alzheimer's offers hope where there has been none before. Because of these clinical trials, we will have a definitive answer on whether the drug THA is as effective as early indications promise. If it is, I intend to move forward to ensure that it is available to all who need it. If it is not, we can then use our resources in another area, until we do find some hope for the millions of Americans and their families for whom Alzheimer's is a living nightmare.

Prevention is the most sadly neglected health need in our Nation. With some very few exceptions, America's system of health care is one of disease treatment, not disease prevention. I am pleased, Mr. Chairman, that this committee has taken one small step in the area of health promotion and disease prevention.

Section (e) of title III will now, when this bill becomes law, provide local communities with the means and guidance to administer health promotion activities for older Americans. These activities, such as screening for hypertension, cancer, vision problems, depression, and others, group exercise, nutritional counseling and education, home injury prevention, and so forth, will hopefully serve as model for others to follow. Prevention is the most humane, cost effective and vital of our health care needs. I believe that this committee shows great leadership with its health promotion amendment to title III. I wish to thank not only the chairman and members of the Subcommittee on Aging for working with me on this provision, but also the Senator from New Jersey, Mr. LAUTENBERG and the able Senator from Florida, Mr. GRAHAM, for the important roles they have played in drafting this amendment.

With this reauthorization of the Older Americans Act, we have made it easier for seniors employed under title V to qualify for subsidized housing and food stamps. I think that this amendment simply clarifies what Congress originally intended when it created these programs, but this amendment puts to rest any further questions of interpretation. Older Americans who receive small incomes from community-based employment should not thereby be shut out of programs designed to help them. We have brought seniors with mental health problems and developmental disabilities into the mainstream of the act. That is the way it should be.

Mr. President, I could not be more pleased that the Senate will today consider and pass this important legislation. The hard work of all involved in this bill has been exceptional and our Nation's senior citizens will be the beneficiaries of those labors.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, do we have the number of the House companion bill?

The PRESIDING OFFICER. It is H.R. 1451, but the bill is not available at the desk.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be discharged from further consideration of H.R. 1451 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that all after the enacting clause be stricken and that the text of S. 887, as amended, be inserted in lieu thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, may we proceed to third reading on that measure?

The PRESIDING OFFICER. Without objection, the bill will be deemed to have been read the third time.

Mr. BYRD. Mr. President, I ask for the yeas and nays on final passage of H.R. 1451.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, has all time been yielded back?

Mr. MATSUNAGA. Yes.

Mr. COCHRAN. All time has been yielded back on this side, I say to the distinguished majority leader.

Mr. MATSUNAGA. All time has expired.

Mr. BYRD. Mr. President, before we proceed with this rollcall vote, the distinguished Republican leader and I discussed a calling up of a nomination, it being the nomination of Mr. McPherson.

There is a request for a rollcall vote on that nomination also. I shall suggest the absence of a quorum so as to inquire of the Republican leader if we might proceed with both rollcall votes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have the approval of the distinguished Republican leader to make the following request.

I ask unanimous consent that upon the disposition of the pending matter on which a rollcall vote has been ordered the legislation having to do with the Older Americans Act, that immediately upon the disposition of that legislation the Senate go into executive session and that the Senate proceed forthwith to consider the nomination of M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury, vice Richard G. Darman, resigned; that there be no time for debate thereon; that any Senators who may wish to insert statements in the RECORD may do so; and that a vote occur immediately on the nomination of Mr. McPherson.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER FOR ROLLCALL VOTE ON MC PHERSON NOMINATION

Mr. BYRD. Mr. President, I ask unanimous consent that there be an order at this time for the yeas and nays on the nomination of Mr. McPherson.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays as in executive session.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

Mr. BYRD. Mr. President, there will be two rollcall votes back to back. This may be catching some Senators on short notice. I shall suggest the absence of a quorum shortly so as to give Senators a little further notice. There will be two rollcall votes, one in legislative session.

Let me be exact as to the bill number. That would be on H.R. 1451, which is the companion measure to S. 887, a bill to extend the authorization of appropriations for and to strengthen the provisions of the Older Americans Act of 1965.

The vote will occur on passage of that measure whereupon the Senate will then go into executive session and a rollcall vote will occur on the nomination of Mr. Peter McPherson. Following those two rollcall votes I anticipate no more rollcall votes today.

## ORDERS FOR TOMORROW

### ORDER FOR RECESS UNTIL 8 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 8 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that following the orders for the recognition of the two leaders on tomorrow morning there be a period for the transaction of morning business not to extend beyond the hour of 10 o'clock a.m. and that Senators be permitted to speak during that period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, in this way we will get the morning business speeches and introduction of bills and resolutions out of the way early tomorrow and then hopefully we can get on with other business.

Several Senators have indicated a need to speak on tomorrow. This will give them an opportunity early in the day.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

## OLDER AMERICANS ACT AUTHORIZATION

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read a third time, the question is, Shall it pass?

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—98

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NOT VOTING—2

Gore
Hatfield

So the bill (H.R. 1451), as amended, was passed, as follows:

### H.R. 1451

Strike out all after the enacting clause and insert:

### *SHORT TITLE; TABLE OF CONTENTS*

*SECTION 1. This Act may be cited as the "Older Americans Act Amendments of 1987".*

### *TABLE OF CONTENTS*

*Sec. 1. Short title; table of contents.*

### *TITLE I—AMENDMENTS TO THE OLDER AMERICANS ACT OF 1965*

### *PART A—OBJECTIVES AND ADMINISTRATION*

*Sec. 101. Objectives.*
*Sec. 102. Establishment of Administration on Aging.*
*Sec. 103. Data collection; reports.*
*Sec. 104. Veterans' programs.*
*Sec. 105. Mental health.*
*Sec. 106. Older individuals with disabilities.*
*Sec. 107. Older Native Americans.*
*Sec. 108. Federal Council on Aging.*
*Sec. 109. Regulations.*
*Sec. 110. Publication of goals.*

### *PART B—GRANTS FOR SUPPORTIVE SERVICES, NUTRITION, AND OTHER ACTIVITIES*

*Sec. 121. Purpose.*
*Sec. 122. Administration of State grants program.*
*Sec. 123. Reauthorization for State and community programs on aging.*
*Sec. 124. Administrative expenses of area agencies on aging.*
*Sec. 125. Area agencies on aging as separate units.*
*Sec. 126. Area plans.*
*Sec. 127. Daycare and respite services provided by volunteers.*
*Sec. 128. Coordination of certain programs relating to older victims of Alzheimer's disease.*
*Sec. 129. Ombudsman office and program.*
*Sec. 130. Flexibility of services; legal assistance.*
*Sec. 131. Documentation regarding minority participation.*
*Sec. 132. Targeting of services.*
*Sec. 133. Coordination relating to mental health services.*
*Sec. 134. Services to older Native Americans.*
*Sec. 135. Services to individuals with disabilities.*
*Sec. 136. Confidentiality of information relating to legal assistance provided.*
*Sec. 137. Coordination of community-based services.*
*Sec. 138. Payments.*
*Sec. 139. In-home services for frail older individuals.*
*Sec. 140. State plan information regarding services to older individuals residing in rural areas.*
*Sec. 141. Health education and promotion for older Americans.*
*Sec. 142. Prevention of abuse of older individuals.*
*Sec. 143. Assistive technology services.*

### *PART C—DEMONSTRATION GRANTS*

*Sec. 151. Demonstration projects; purpose.*
*Sec. 152. Multidisciplinary centers.*
*Sec. 153. Volunteer opportunities.*
*Sec. 154. Special projects in comprehensive long-term care.*
*Sec. 155. Demonstration program of outreach to elderly SSI, medicaid, and food stamp eligibles.*
*Sec. 156. Demonstration grants for individuals with disabilities.*
*Sec. 157. Home-care quality assurance demonstration projects.*

*Sec. 158. Authorization of appropriations for training, research, and discretionary projects and programs.*

### *PART D—COMMUNITY SERVICE EMPLOYMENT*

*Sec. 161. Administrative costs of employment projects.*
*Sec. 162. Community service employment for older Indians.*
*Sec. 163. Information on age discrimination prohibitions.*
*Sec. 164. Definition of community services.*
*Sec. 165. Authorization of appropriations for community service employment for older Americans.*
*Sec. 166. Employment assistance and other programs.*

### *PART E—NATIVE AMERICAN PROGRAMS*

*Sec. 171. Native American programs.*

### *PART F—MISCELLANEOUS AND TECHNICAL AMENDMENTS*

*Sec. 181. Personal health education and training programs.*
*Sec. 182. Technical amendments.*

### *PART G—CONSUMER PRICE INDEX FOR OLDER AMERICANS*

*Sec. 191. Index authorized.*

### *TITLE II—1991 WHITE HOUSE CONFERENCE ON AGING*

*Sec. 201. White House Conference authorized.*
*Sec. 202. Authorization of the Conference.*
*Sec. 203. Conference administration.*
*Sec. 204. Conference committees.*
*Sec. 205. Report of the Conference.*
*Sec. 206. Definitions.*
*Sec. 207. Authorization of appropriations.*

### *TITLE III—ALZHEIMER'S DISEASE RESEARCH*

*Sec. 301. Requirement for clinical trials.*
*Sec. 302. Authorization of appropriations.*

### *TITLE IV—NATIONAL SCHOOL LUNCH ACT AMENDMENT*

*Sec. 401. Participation of older persons and chronically impaired disabled persons in child care food program.*

### *TITLE V—NATIVE AMERICAN PROGRAMS*

*Sec. 501. Short title.*
*Sec. 502. Review of applications for assistance.*
*Sec. 503. Procedural requirements.*
*Sec. 504. Inclusion of Native American Pacific Islanders.*
*Sec. 505. Authorization of appropriations.*
*Sec. 506. Revolving loan fund for Native Hawaiians.*
*Sec. 507. Effective date.*

### *TITLE VI—HEALTH CARE SERVICES IN THE HOME*

*Sec. 601. Short title.*
*Sec. 602. Program authorized.*
*Sec. 603. Effective date.*

### *TITLE VII—GENERAL PROVISIONS*

*Sec. 701. Effective date; application of amendments.*

### *TITLE I—AMENDMENTS TO THE OLDER AMERICANS ACT OF 1965*

### *PART A—OBJECTIVES AND ADMINISTRATION*

### *OBJECTIVES*

*SEC. 101. Section 101 of the Older Americans Act of 1965 (42 U.S.C. 3001) (hereafter in this title referred to as "the Act") is amended—*

*(1) in the matter preceding paragraph (1)—*

*(A) by striking "United States and" and inserting "United States,", and*

*(B) by inserting ", and of Indian tribes" after "subdivisions",*

*(2) in paragraph (3)—*

*(A) by striking "Suitable" and inserting "Obtaining and maintaining suitable", and*

*(B) by inserting "and functional limitations" after "special needs",*

*(3) in paragraph (7) by striking "Pursuit of" and inserting "Participating in and contributing to", and*

*(4) in paragraph (10)—*

*(A) by striking "lives and" and inserting "lives,", and*

*(B) by inserting ", and protection against abuse, neglect, and exploitation" before the period at the end.*

### *ESTABLISHMENT OF ADMINISTRATION ON AGING*

*SEC. 102. Section 201(a) of the Act (42 U.S.C. 3011(a)) is amended in the third and fourth sentences by striking "the Office of".*

### *DATA COLLECTION; REPORTS*

*SEC. 103. (a) COLLECTION REQUIRED.—Section 202(a) of the Act (42 U.S.C. 3012(a)) is amended—*

*(1) by striking "and" in paragraph (17) at the end,*

*(2) by striking out the period at the end of paragraph (18) and inserting a semicolon, and*

*(3) by adding at the end the following:*

*"(19) collect for each fiscal year for fiscal years beginning after September 30, 1988, directly or by contract, statistical data regarding programs and activities carried out with funds provided under this Act, including—*

*"(A) with respect to each type of service provided with such funds—*

*"(i) the aggregate amount of such funds expended to provide such service;*

*"(ii) the number of individuals who received such service; and*

*"(iii) the number of units of such service provided;*

*"(B) the number of senior centers which received such funds; and*

*"(C) the extent to which each area agency on aging designated under section 305(a) satisfied the requirements of paragraphs (2) and (5)(A) of section 306(a).".*

*(b) REPORTS.—The last sentence of section 207(a) of the Act is amended to read as follows: "Such annual reports shall include—*

*"(1) statistical data reflecting services and activities provided to individuals during the preceding fiscal year;*

*"(2) statistical data collected under section 202(a)(19);*

*"(3) statistical data on legal services collected pursuant to section 202(a)(19) and an analysis of the information received under section 307(a)(15)(E) by the Commissioner; and*

*"(4) statistical data and an analysis of information regarding the effectiveness of the State agency and area agencies on aging in targeting services to older individuals with the greatest economic or social needs, with particular attention to low-income minority individuals, low-income individuals, and frail individuals (including individuals with any physical or mental functional impairment).".*

*(c) REPORT ON OMBUDSMAN PROGRAM TO CONGRESS.—Section 207 of the Act is amended by adding at the end the following:*

*"(c)(1) Not later than January 15 of each year, the Commissioner shall compile a report—*

*"(A) summarizing and analyzing the data collected under section 307(a)(12)(C) for the then most recently concluded fiscal year;*

*"(B) identifying significant problems and issues revealed by such data (with special emphasis on problems relating to quality of care and residents' rights);*

*"(C) discussing current issues concerning the long-term care ombudsman programs of the States; and*

*"(D) making recommendations regarding legislation and administrative actions to resolve such problems.*

*"(2) The Commissioner shall submit the report required by paragraph (1) to—*

*"(A) the Select Committee on Aging of the House of Representatives;*

*"(B) the Special Committee on Aging of the Senate;*

*"(C) the Committee on Education and Labor of the House of Representatives; and*

*"(D) the Committee on Labor and Human Resources of the Senate.*

*"(3) The Commissioner shall provide the report required by paragraph (1), and make the State reports required by section 307(a)(12)(I)(i) available, to—*

*"(A) the Administrator of the Health Care Finance Administration;*

*"(B) the Office of the Inspector General of the Department of Health and Human Services;*

*"(C) the Office of Civil Rights of the Department of Health and Human Services;*

*"(D) the Administrator of the Veterans' Administration; and*

*"(E) the public agencies and private organizations designated under section 307(a)(12)(A).".*

### *VETERANS' PROGRAMS*

*SEC. 104. (a) CONSULTATION.—Section 203(b) of the Act (42 U.S.C. 3013(b)) is amended—*

*(1) by striking "and" in paragraph (13) at the end,*

*(2) by striking the period at the end of paragraph (14) and inserting ", and", and*

*(3) by adding at the end the following:*

*"(15) parts II and III of title 38, United States Code.".*

*(b) TECHNICAL ASSISTANCE AND COOPERATION UNDER TITLE III.—Section 301(b)(2) of the Act is amended by inserting ", the Veterans' Administration," after "Office of Community Services".*

*(c) AREA PLANS.—Section 306(a)(6)(F) of the Act is amended by inserting "providers of veterans' health care (if appropriate)," after "elected officials,".*

*(d) TECHNICAL ASSISTANCE AND COOPERATION UNDER TITLE IV.—Section 402(b) of the Act is amended by inserting "the Veterans' Administration," after "National Institutes of Health,".*

### *MENTAL HEALTH*

*SEC. 105. (a) FUNCTIONS OF COMMISSIONER.—Section 202(a)(5) of the Act (42 U.S.C. 3012(a)(5)) is amended by inserting "(including mental health)" after "health".*

*(b) FEDERAL AGENCY CONSULTATION.—Section 203(b)(10) of the Act is amended by inserting ", including block grants under title XIX of such Act" before the comma.*

*(c) ADMINISTRATION OF TITLE III.—Section 301(b)(2) of the Act, as amended by section 104(b), is amended by inserting ", the Alcohol, Drug Abuse, and Mental Health Administration," after "Veterans' Administration,".*

*(d) ADMINISTRATION OF TITLE IV.—Section 402(b) of the Act, as amended by section 104(d), is amended by inserting "Alcohol, Drug Abuse, and Mental Health Administration," after "Veterans' Administration,".*

*(e) EDUCATION AND TRAINING.—(1) Section 411(a)(1) of the Act is amended by inserting "(including mental health)" after "health".*

(2) The first sentence of section 412(a) of the Act is amended by inserting "(including mental health)" after "health".

(f) SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE.—The second sentence of section 423(a)(3) of the Act is amended by inserting "mental health services;" after "in-home services;".

### OLDER INDIVIDUALS WITH DISABILITIES

SEC. 106. (a) CONSULTATION FUNCTION.—Section 202(a) of the Act (42 U.S.C. 3012(a)), as amended by section 103(a), is amended—

(1) by striking "and" at the end of paragraph (18);

(2) by striking out the period at the end of paragraph (19) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new paragraph:

"(20) consult with national organizations representing the interests of individuals with severe disabilities (A) to develop and disseminate information on population characteristics and needs, and training of personnel; and (B) to provide technical assistance designed to assist State and area agencies to provide services in collaboration with other State agencies to older individuals with disabilities and severely impairing conditions.".

(b) PLANNING.—Section 202(b)(1) of the Act is amended—

(1) by striking "and" and inserting a comma; and

(2) by inserting after "Act" at the end thereof a comma and the following: "with the Alcohol, Drug Abuse, and Mental Health Administration and the Administration on Developmental Disabilities".

(c) AGENCY CONSULTATION.—(1) Section 203(b) of the Act, as amended by section 104(a), is amended—

(A) by striking out "and" at the end of paragraph (14);

(B) by striking out the period at the end of paragraph (15) and inserting in lieu thereof a comma; and

(C) by adding after paragraph (15) the following new paragraphs:

"(16) the Rehabilitation Act of 1973, and

"(17) the Developmental Disabilities and Bill of Rights Act.".

(2) Section 203 of the Act is amended by adding at the end thereof the following:

"(c) In carrying out section 341, the Commissioner shall consult with the National Advisory Panel on Alzheimer's Disease established under section 921 of the Alzheimer's Disease and Related Dementias Services Research Act of 1986.".

(d) EVALUATION.—The second sentence of section 206(c) of the Act is amended by inserting before the period the following: "and older individuals with disabilities".

### OLDER NATIVE AMERICANS

SEC. 107. (a) IMPROVED ADMINISTRATION FOR NATIVE AMERICAN PROGRAMS.—Section 201 of the Act (42 U.S.C. 3011) is amended by adding at the end the following:

"(c)(1) There is established in the Administration on Aging an Office for Native American Programs.

"(2) The Office shall be headed by an Associate Commissioner on Native American Aging appointed by the Commissioner.

"(3) The Associate Commissioner on Native American Aging shall—

"(A)(i) evaluate the adequacy of outreach under title III and title VI for older Native Americans and recommend to the Commissioner necessary action to improve service delivery, outreach, coordination between title III and title VI services, and particular problems faced by older Indians and Hawaiian Natives; and

"(ii) include a description of the results of such evaluation and recommendations in the annual report required by section 207(a) to be submitted by the Commissioner;

"(B) serve as the effective and visible advocate in behalf of older Native Americans within the Department of Health and Human Services and with other departments and agencies of the Federal Government regarding all Federal policies affecting older Native Americans;

"(C) coordinate activities between other Federal departments and agencies to assure a continuum of improved services through memoranda of agreements or through other appropriate means of coordination;

"(D) administer and evaluate the grants provided under this Act to Indian tribes, public agencies and nonprofit private organizations serving Hawaiian Natives;

"(E) recommend to the Commissioner policies and priorities with respect to the development and operation of programs and activities conducted under the Act relating to older Native Americans;

"(F) collect and disseminate information related to problems experienced by older Native Americans;

"(G) develop research plans, and conduct and arrange for research, in the field of American Native aging with a special emphasis on the gathering of statistics on the status of older Native Americans; and

"(H) develop and provide technical assistance and training programs to grantees under title VI.".

(b) FEDERAL COUNCIL ON AGING.—The third sentence of section 204(a)(1) of the Act (42 U.S.C. 3015(a)(1)) is amended by inserting "Indian tribes" after "minorities".

(c) CONTRACTING AUTHORITY.—Section 212 of the Act (42 U.S.C. 3020c) is amended by inserting after "State agency" the following: "(or in the case of a grantee under title VI, subject to the recommendation of the Associate Commissioner on Native American Aging and the approval of the Commissioner)".

### FEDERAL COUNCIL ON AGING

SEC. 108. (a) MEMBERSHIP.—The fourth sentence of section 204(a)(1) of the Act (42 U.S.C. 3015(a)(1)) is amended by striking out "two" and inserting in lieu thereof "three".

(b) REAUTHORIZATION.—Section 204(g) of the Act (42 U.S.C. 3015) is amended to read as follows:

"(g) There are authorized to be appropriated to carry out the provisions of this section $210,000 for the fiscal year 1988, $221,000 for the fiscal year 1989, $232,000 for the fiscal year 1990, $243,000 for the fiscal year 1991, and $255,000 for the fiscal year 1992.".

### REGULATIONS

SEC. 109. Section 205(c) of the Act (42 U.S.C. 3016(c)) is amended by striking "1984" and inserting "1987".

### PUBLICATION OF GOALS

SEC. 110. Section 205 of the Act (42 U.S.C. 3016) is amended—

(1) by redesignating subsection (d) as subsection (e), and

(2) by inserting after subsection (c) the following:

"(d) Not later than September 1 of each fiscal year, the Commissioner shall publish in the Federal Register, for the purpose of facilitating informed public comment, proposed specific goals to be achieved by implementing this Act in the first fiscal year beginning after the date of such publication.".

## PART B—GRANTS FOR SUPPORTIVE SERVICES, NUTRITION, AND OTHER ACTIVITIES

### PURPOSE

SEC. 121. Section 301(a) of the Act (42 U.S.C. 3021(a)) is amended by inserting "with Indian tribes, tribal organizations, and Hawaiian Native organizations," after "agencies," the second place it appears.

### ADMINISTRATION OF STATE GRANTS PROGRAM

SEC. 122. Section 301(b)(2) of the Act is amended—

(1) by inserting "(a)" after the paragraph designation; and

(2) by adding at the end thereof the following new subparagraph:

"(b) In carrying out the provisions of this title, the Commissioner may request technical assistance and cooperation of other agencies and units of the Department of Health and Human Services, including the National Institute on Aging, the Health Care Financing Administration, and the Social Security Administration.".

### REAUTHORIZATION FOR STATE AND COMMUNITY PROGRAMS ON AGING

SEC. 123. (a) SUPPORTIVE SERVICES AND SENIOR CENTERS.—Section 303(a) of the Act is amended to read as follows:

"(a) There are authorized to be appropriated $379,575,000 for the fiscal year 1988, $398,554,000 for the fiscal year 1989, $418,481,000 for the fiscal year 1990, $439,406,000 for the fiscal year 1991, and $461,376,000 for the fiscal year 1992 for the purpose of making grants under part B of this title (relating to supportive services and senior centers).".

(b) NUTRITION SERVICES.—Section 303(b) of the Act is amended to read as follows:

"(b)(1) There are authorized to be appropriated $414,750,000 for the fiscal year 1988, $435,488,000 for the fiscal year 1989, $457,262,000 for the fiscal year 1990, $480,125,000 for the fiscal year 1991, and $504,131,000 for the fiscal year 1992 for the purpose of making grants under subpart 1 of part C of this title (relating to congregate nutrition services).

"(2) There are authorized to be appropriated $79,380,000 for the fiscal year 1988, $83,349,000 for the fiscal year 1989, $87,516,000 for the fiscal year 1990, $91,892,000 for the fiscal year 1991, and $96,487,000 for the fiscal year 1992 for the purpose of making grants under subpart 2 of part C of this title (relating to home delivered nutrition services).".

(c) SURPLUS COMMODITIES PROGRAM.—(1) Section 311(a)(4) of the Act is amended—

(A) by striking "fiscal year 1986 and during each fiscal year thereafter" and inserting "fiscal years 1986 through 1992", and

(B) by striking the second and third sentences.

(2) The matter preceding the parenthetical in section 311(c)(1)(A)(i) of the Act is amended to read as follows:

"(c)(1)(A)(i) There are authorized to be appropriated $151,000,000 for the fiscal year 1988, $166,000,000 for the fiscal year 1989, $183,000,000 for the fiscal year 1990, $201,000,000 for the fiscal year 1991, and $221,100,000 for the fiscal year 1992 to carry out the provisions of this section.".

### ADMINISTRATIVE EXPENSES OF AREA AGENCIES ON AGING

SEC. 124. Section 304(d)(1)(A) of the Act (42 U.S.C. 3024(d)(1)(A)) is amended by striking "8.5" and inserting "10".

### AREA AGENCIES ON AGING AS SEPARATE UNITS

SEC. 125. Section 305(c) of the Act (42 U.S.C. 3025(c)) is amended—

(1) in paragraph (2) by inserting "to function only" after "designated",

(2) in paragraph (3) by inserting "only" after "act", and

(3) in paragraph (4)—

(A) by inserting ", or any separate organizational unit within such agency," after "area" the first place it appears, and

(B) by striking "engage" and inserting "and will engage only".

### AREA PLANS

SEC. 126. Section 306(a)(6)(A) of the Act (42 U.S.C. 3026(a)(6)(A)) is amended by inserting ", and public hearings on," after "evaluations of".

### DAYCARE AND RESPITE SERVICES PROVIDED BY VOLUNTEERS

SEC. 127. Section 306(a)(6)(E) of the Act (42 U.S.C. 3026(a)(6)(E)) is amended—

(1) by inserting "or adults, and respite for families," after "for children", and

(2) by inserting ", adults, and families" after "to children".

### COORDINATION OF CERTAIN PROGRAMS RELATING TO OLDER VICTIMS OF ALZHEIMER'S DISEASE

SEC. 128. Section 306(a)(6) of the Act (42 U.S.C. 3026(a)(6)) is amended—

(1) in subparagraph (J) by striking "and" at the end;

(2) in subparagraph (K) by striking out the period at the end and insert a semicolon and "and"; and

(3) by adding at the end the following:

"(L) coordinate the categories of services specified in paragraph (2) for which the area agency on aging is required to expend funds under part B, with activities of community-based organizations established for the benefit of victims of Alzheimer's disease and the families of such victims.".

### OMBUDSMAN OFFICE AND PROGRAM

SEC. 129. (a) TECHNICAL ASSISTANCE.—Section 301 of the Act (42 U.S.C. 3021) is amended by adding at the end the following:

"(c) The Commissioner shall provide technical assistance and training (by contract, grant, or otherwise) to State long-term care ombudsman programs established under section 307(a)(12), and to individuals designated under such section to be representatives of a long-term care ombudsman, in order to enable such ombudsmen and such representatives to carry out the ombudsman program effectively.".

(b) STUDY OF OMBUDSMAN PROGRAM.—(1) The Commissioner shall conduct a study concerning involvement in the ombudsman program established under section 307(a)(12) and its impact upon issues and problems affecting—

(A) residents of board and care facilities and other similar adult care homes who are older individuals (as defined in section 302(10)), including recommendations for expanding and improving ombudsman services in such facilities; and

(B) the effectiveness of recruiting, supervising and retaining volunteer ombudsmen.

(2) The Commissioner shall prepare and submit a report to the Congress on the findings and recommendations of the study described in paragraph (1) not later than December 31, 1989.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 303(a) of the Act (42 U.S.C. 3023), as amended by section 123, is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following:

"(2) There are authorized to be appropriated an additional $20,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, and 1992 for such part B to be available for section 307(a)(12).".

(d) STATE PLANS.—Section 307(a)(12) of the Act (42 U.S.C. 3027(a)(12)) is amended to read as follows:

"(12) The plan shall provide assurances, with respect to a long-term care ombudsman program, that—

"(A) the State agency will establish and operate, either directly or by contract or other arrangement with any public agency or other appropriate private nonprofit organization, other than an agency or organization which is responsible for licensing or certifying long-term care services in the State or which is an association (or an affiliate of such an association) of long-term care facilities (including any other residential facility for older individuals), an Office of the State Long-Term Care Ombudsman (in this paragraph referred to as the 'Office') and shall carry out through the Office a long-term care ombudsman program which provides an individual who will, on a full-time basis—

"(i) investigate and resolve complaints made by or on behalf of older individuals who are residents of long-term care facilities relating to action, inaction, or decisions of providers, or their representatives, of long-term care services, of public agencies, or of social service agencies, which may adversely affect the health, safety, welfare, or rights of such residents;

"(ii) provide for training staff and volunteers and promote the development of citizen organizations to participate in the ombudsman program; and

"(iii) carry out such other activities as the Commissioner deems appropriate;

"(B) the State agency will establish procedures for appropriate access by the ombudsman to long-term care facilities and patients' records, including procedures to protect the confidentiality of such records and ensure that the identity of any complainant or resident will not be disclosed without the written consent of such complainant or resident, or upon court order;

"(C) the State agency will establish a statewide uniform reporting system to collect and analyze data relating to complaints and conditions in long-term care facilities for the purpose of identifying and resolving significant problems, with provision for submission of such data to the agency of the State responsible for licensing or certifying long-term care facilities in the State and to the Commissioner on a regular basis;

"(D) the State agency will establish procedures to assure that any files maintained by the ombudsman program shall be disclosed only at the discretion of the ombudsman having authority over the disposition of such files, except that the identity of any complainant or resident of a long-term care facility shall not be disclosed by such ombudsman unless—

"(i) such complainant or resident, or his legal representative, consents in writing to such disclosure; or

"(ii) such disclosure is required by court order;

"(E) the State agency will establish a statewide toll-free hotline to facilitate communication of complaints to the ombudsman by residents of long-term care facilities, by any person on behalf of such residents and recipients, and by any other person;

"(F) in planning and operating the ombudsman program, the State agency will consider the views of area agencies on aging, older individuals, and provider agencies;

"(G) the State agency will—

"(i) ensure that no individual involved in the designation of the long-term care ombudsman (whether by appointment or otherwise) or the designation of the head of any subdivision of the Office is subject to a conflict of interest;

"(ii) ensure that no officer, employee, or other representative of the Office is subject to a conflict of interest; and

"(iii) ensure that mechanisms are in place to identify and remedy any such or other similar conflicts;

"(H) the State agency will—

"(i) ensure that adequate legal counsel is available to the Office for advice and consultation and that legal representation is provided to any representative of the Office against whom suit or other legal action is brought in connection with the performance of such representative's official duties; and

"(ii) ensure that the Office has the ability to pursue administrative, legal, and other appropriate remedies on behalf of residents of long-term care facilities;

"(I) the State agency will require the Office to—

"(i) prepare an annual report containing data and findings regarding the types of problems experienced and complaints received by or on behalf of individuals residing in long-term care facilities, and to provide policy, regulatory, and legislative recommendations to solve such problems and resolve such complaints and improve the quality of care and life in long-term care facilities;

"(ii) analyze and monitor the development and implementation of Federal, State, and local laws, regulations, and policies with respect to long-term care facilities and services in that State, and recommend any changes in such laws, regulations, and policies deemed by the Office to be appropriate;

"(iii) provide information to public agencies, legislators, and others, as deemed necessary by the Office, regarding the problems and concerns, including recommendations related to such problems and concerns, of older individuals residing in long-term care facilities;

"(iv) provide for the training of the Office staff, including volunteers and other representatives of the Office, in—

"(I) Federal, State, and local laws, regulations, and policies with respect to long-term care facilities in the State;

"(II) investigative techniques; and

"(III) such other matters as the State deems appropriate;

"(v) coordinate ombudsman services with the protection and advocacy systems for individuals with developmental disabilities and mental illness established under part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.) and under the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (Public Law 99-319); and

"(vi) include any area or local ombudsman entity designated by the State Long-Term Care Ombudsman as a subdivision of the Office. Any representative of an entity designated in accordance with the preceding sentence (whether an employee or an unpaid volunteer) shall be treated as a representative of the Office for purposes of this paragraph;

"(J) the State will ensure that no representative of the Office will be liable under State law for the good faith performance of official duties;

"(K) the State will—

"(i) ensure that willful interference with representatives of the Office in the performance of their official duties (as defined by the Commissioner) shall be unlawful;

"(ii) prohibit retaliation and reprisals by a long-term care facility or other entity with respect to any resident or employee for having filed a complaint with, or providing information to, the Office; and

"(iii) provide for appropriate sanctions with respect to such interference, retaliation, and reprisals; and

"(iv) ensure that representatives of the Office shall have—

"(I) access to long-term care facilities and their residents; and

"(II) with the permission of a resident or resident's legal guardian, have access to review the resident's medical and social records or, if a resident is unable to consent to such review and has no legal guardian, appropriate access to the resident's medical and social records;

"(L) the State agency will prohibit any officer, employee, or other representative of the Office to investigate any complaint filed with the Office unless the individual has received such training as may be required under subparagraph (H)(iv) and has been approved by the long-term care ombudsman as qualified to investigate such complaints; and

"(M) the State agency will carry out the provisions of section 308(d);".

(e) Administration.—Section 308 of the Act (42 U.S.C. 2028) is amended by inserting at the end thereof the following new subsection:

"(d)(1) Each State agency shall, in any fiscal year in which amounts appropriated for part B of this title is equal to or less than the amount appropriated for such part in fiscal year 1987, carry out the requirement of sections 307(a)(12) and 307(a)(21) as in effect prior to the date of enactment of the Older Americans Act Amendments of 1987.

"(2) In any fiscal year in which the appropriations for part B of this title are greater than the appropriations for such part for fiscal year 1987, the State agency shall carry out the provisions of section 307(a)(12), as amended by the Older Americans Act Amendments of 1987. In any such fiscal year, the provisions of section 307(a)(21) shall not apply.

"(3) Amounts appropriated and available under part B of this title for ombudsman services under section 307(a)(12) may not be used to supplant State or local funds available for that purpose.".

### FLEXIBILITY OF SERVICES; LEGAL ASSISTANCE

Sec. 130. (a) Area Plans.—(1) Section 306(a)(2) of the Act (42 U.S.C. 3026(a)(2)) is amended to read as follows:

"(2)(A) provide assurances that adequate services associated with access to services (transportation, outreach, information, and referral) are provided in the planning and service delivery area; and

"(B) provide assurances that an adequate proportion (as described in section 307(a)(22)) of the amount allotted for part B to the planning and service area will be expended for the delivery of legal assistance for older individuals;".

(2) Section 306(b)(1) of the Act is amended to read as follows:

"(b)(1) Each State, in approving area agency plans under this section, shall waive the requirement described in clause (2)(B) of subsection (a) if the area agency has demonstrated that the legal assistance services being furnished to older individuals are sufficient to meet the need for such services after taking into account services provided by the Legal Services Corporation, the private bar or groups within the private bar furnishing services to older individuals on a pro bono and established reduced fee basis in that planning and service delivery area.".

(3) Section 306(b)(2) of the Act is amended by adding at the end the following:

"(C) Whenever the State agency proposes to grant a waiver to an area agency under this subsection, the State agency shall publish the intention to grant such a waiver together with the justification for the waiver at least 30 days prior to the effective date of the decision to grant the waiver. An individual or a service provider from the area with respect to which the proposed waiver applies is entitled to request a hearing before the State agency on the request to grant such waiver. If, within the 30-day period described in the first sentence of this subparagraph, an individual or service provider requests a hearing under this subparagraph, the State agency shall afford such individual or provider an opportunity for a hearing.".

(b) State Plan.—Section 307(a)(15) of the Act (42 U.S.C. 3027(a)(15)) is amended—

(1) by striking "and" at the end of subparagraph (C),

(2) by inserting "and" after the semicolon in subparagraph (D), and

(3) by adding at the end the following:

"(E) the plan contains assurances that if the State agency waives the requirement described in section 307(a)(22), the State agency will provide to the Commissioner—

"(i) a report regarding such waiver that details the demonstration made by the area agency on aging to obtain such waiver;

"(ii) a copy of the record of the public hearing conducted pursuant to section 306(b)(2)(A); and

"(iii) a copy of the record of any public hearing conducted pursuant to section 306(b)(2)(C).".

(c) Minimum Expenditure of Funds.—Section 307(a) of the Act (42 U.S.C. 3027(a)) is amended by adding at the end the following:

"(22) The plan shall specify a minimum percentage of the funds received by each area agency for part B that will be expended, in the absence of the waiver granted under section 306(b)(1), by such area agency to provide legal assistance.".

### DOCUMENTATION REGARDING MINORITY PARTICIPATION

Sec. 131. (a) Area Plans.—Section 306(a)(5) of the Act (42 U.S.C. 3026(a)(5)) is amended—

(1) by inserting "(i)" after "(5)(A)", and

(2) in subparagraph (A)(i), as so redesignated—

(A) by striking out "and" at the end, and

(B) by inserting after clause (i) the following:

"(ii) provide assurances that the area agency will include in each agreement made with a provider of any service under this title, a requirement that such provider will—

"(I) specify how the provider intends to satisfy the service needs of low-income minority individuals in the area served by the provider; and

"(II) will attempt to provide services to low-income minority individuals in at least the same proportion as the population of low-income minority older individuals bears to the population of older individuals of the area served by such provider; and

"(iii) with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

"(I) identify the number of low-income minority older individuals in the planning and service area; and

"(II) describe the methods used to satisfy the service needs of such minority older individuals; and".

(b) State Plan.—Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by section 130(c), is amended by adding at the end the following:

"(23) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

"(A) identify the number of low-income minority older individuals in the State; and

"(B) describe the methods used to satisfy the service needs of such minority older individuals.".

### TARGETING OF SERVICES

Sec. 132. (a) Organization.—(1) Section 305(a)(1)(E) of the Act (42 U.S.C. 3025(a)(1)(E)) is amended—

(A) by striking "the distribution of older individuals who have low incomes residing in such areas", and

(B) by inserting after "legal services," the following: "the distribution of older individuals who have greatest economic need (with particular attention to low-income minority individuals) residing in such areas, the distribution of older individuals who have greatest social need (with particular attention to low-income minority individuals) residing in such areas,".

(2) Section 305(a)(2) of the Act is amended—

(A) by striking "and" at the end of subparagraph (D),

(B) by striking the period in subparagraph (E) and inserting a semicolon and "and", and

(C) by inserting after subparagraph (E) the following:

"(F) assure the use of outreach efforts that will identify individuals eligible for assistance under this Act, with special emphasis on older individuals with the greatest economic or social needs (with particular attention to low-income minority individuals) and inform such individuals of the availability of such assistance.".

(b) Area Plans.—Section 306(a) of the Act (42 U.S.C. 3026(a)) is amended—

(1) by inserting after "residing in such area" in paragraph (1) the following: ", the number of older individuals who have greatest economic need (with particular attention to low-income minority individuals) residing in such area, the number of older individuals who have greatest social need (with particular attention to low-income minority individuals) residing in such area,",

(2) by inserting after "rural elderly," in paragraph (5)(B) the following: "older individuals who have greatest economic need (with particular attention to low-income minority individuals), and older individuals who have greatest social need (with particular attention to low-income minority individuals),", and

(3) by inserting before the semicolon at the end of paragraph (6)(A) the following: "and an annual evaluation of the effectiveness of outreach conducted under paragraph (5)(B)".

(c) State Plan.—Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by sections 130(c) and 131(b), is amended—

(1) by inserting before the semicolon in paragraph (8) a comma and the following: "including an evaluation of the effectiveness of the State agency in reaching older

individuals with the greatest economic or social needs, with particular attention to low-income minority individuals", and

(2) by adding at the end the following:

"(24) The plan shall provide assurances that the State agency will require outreach efforts that will—

"(A) identify older individuals who are eligible for assistance under this title, with special emphasis on older individuals with greatest economic need (with particular attention to low-income minority individuals), older individuals with greatest social need (with particular attention to low-income minority individuals), and older individuals who reside in rural areas; and

"(B) inform such individuals of the availability of such assistance.".

### COORDINATION RELATING TO MENTAL HEALTH SERVICES

Sec. 133. Section 306(a)(6) of the Act (42 U.S.C. 3026(a)(6)), as amended by section 128, is amended—

(1) by striking out "and" in subparagraph (K); and

(2) by striking out the period at the end of subparagraph (L) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end the following:

"(M) coordinate any mental health services provided with funds expended by the area agency on aging for part B with the mental health services provided by community health centers and by other public agencies and nonprofit private organizations.".

### SERVICES TO OLDER NATIVE AMERICANS

Sec. 134. (a) Organization.—(1) Section 305(a)(1)(E) of the Act (42 U.S.C. 3025(a)(1)(E)), as amended by section 132(a), is amended by inserting "the distribution of older Indians residing in such areas," after "such areas," the second place it appears.

(2) Section 306(a)(1) of the Act, as amended by section 132(b), is amended by inserting ", and the number of older Indians," before "and" the last time it appears in the parenthetical.

(b) Area Plans.—Section 306(a)(6) of the Act (42 U.S.C. 2026(a)(6)), as amended by sections 128 and 133, is amended—

(1) by striking out "and" at the end of subparagraph (L);

(2) by striking out the period at the end of subparagraph (M) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end the following:

"(N) if there is a significant population of older Indians in the planning and service area of the area agency, the area agency shall conduct outreach activities to identify older Indians in such area and shall inform such older Indians of the availability of assistance under this Act.".

(c) Education and Training.—(1) Section 402 of the Act (42 U.S.C. 3030bb) is amended by adding at the end the following:

"(c) The Commissioner shall ensure that grants and contracts under this title are equitably awarded to agencies, organizations, and institutions representing minorities.".

(2) Section 410(5) of the Act is amended by inserting "(including centers of gerontology to improve, enhance, and expand minority personnel and training programs)" after "gerontology".

(3) Section 411(a) of the Act is amended by adding at the end the following:

"(4) To provide in-service training opportunities and courses of instruction on aging to Indian tribes through public and nonprofit Indian aging organizations.".

(4) The matter in parentheses in the first sentence of section 412(a) of the Act is amended by striking out "and" and inserting "and minority populations" after "services".

(5) Section 423(a) of the Act is amended by adding at the end the following:

"(4) The Commissioner shall ensure that grants and contracts under this section are equitably awarded to agencies, organizations, and institutions representing minorities.".

(6) Section 425(a) of the Act is amended—

(A) by striking "(1)" and "(2)" and inserting "(A)" and "(B)", respectively,

(B) by inserting "(1)" after "(a)", and

(C) by adding at the end the following:

"(2) The Commissioner shall carry out, directly or through grants or contracts, special training programs and technical assistance designed to improve services to minorities.".

(d) Task Force.—(1) The Commissioner on Aging shall establish a permanent interagency task force that is representative of departments and agencies of the Federal Government with an interest in older Indians and their welfare and is designed to make recommendations with respect to facilitating the coordinations of services and the improvement of services to older Indians.

(2) The task force shall be chaired by the Associate Commissioner on Native American Aging and shall submit its findings and recommendations to the Commissioner at 6-month intervals beginning after the date of the enactment of this Act. Such findings and recommendations shall be included in the annual report required by section 207(a) to be submitted by the Commissioner.

(e) Special Report on Services for Older Indians.—(1) The Commissioner on Aging shall enter into a contract with a public agency or nonprofit private organization, to conduct a thorough study of the availability and quality of services under the Act to older Indians. The study shall include—

(A) an analysis of how many Indians now participate in programs under titles III and VI of such Act as compared to how many older Indians are eligible to participate in such programs,

(B) a description of how grants under titles III and VI of such Act are made to Indian tribes and how services are made available to older Indians, and

(C) a determination of what services are currently provided through title VI of such Act to older Indians and how well the Administration on Aging assures that supportive services under title VI of such Act to Indians are commensurate with supportive services under title III of such Act with special consideration to information and referral services, legal services, transportation services, and the ombudsman services.

(2) Not later than December 31, 1988, the Commissioner on Aging shall prepare and submit to the Congress a report on the study required by this subsection, together with such recommendations, including recommendations for legislation, as the Commissioner considers to be appropriate.

### SERVICES TO INDIVIDUALS WITH DISABILITIES

Sec. 135. (a) Definitions.—(1) Section 302(11) of the Act (42 U.S.C. 3022) is amended by inserting after "health" the following: "(including mental health)".

(2) Section 302 of the Act is amended by adding at the end thereof the following:

"(13) The term 'individual with disabilities' means an individual—

"(A) who has a disability attributable to mental or physical impairment or a combination of mental and physical impairments that result in substantial functional limitations in one or more of the following areas of major life activity: (i) self-care, (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, (vii) economic self-sufficiency, (viii) cognitive functioning, and (ix) emotional adjustment; and

"(B) who has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorders, neurological disorders (including stroke, epilepsy, Parkinson's disease, Alzheimer's disease and related dementia), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined to cause comparable substantial functional limitation.

"(14) The term 'severe disability' means a severe, chronic disability of an individual that—

"(A) is likely to continue indefinitely;

"(B) results in substantial functional limitation in three or more of the major life activities specified in paragraph (13)(A) (i) through (vii); and

"(C) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.".

(b) Organization.—Section 305(a)(2) of the Act, as amended by section 132(a)(2), is amended—

(1) by striking out "and" at the end of subparagraph (E);

(2) by striking out the period at the end of subparagraph (F) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(G) provide assurances that the State agency will consult with State and area agencies with primary responsibility for individuals with disabilities, including severe disabilities, and develop collaborative programs, where appropriate, to meet the needs of older individuals with disabilities.".

(c) Area Plans.—Section 306(a)(5)(B) of the Act, as amended by section 132(b)(2), is amended by inserting after "individuals)," the second time it appears the following: "elderly with severe disabilities,".

(d) State Plans.—(1) Section 307(a)(3)(A) of the Act is amended by inserting after "legal assistance" in the parenthetical the following: "and mental health services".

(2) Section 307(a)(13)(I) of the Act is amended by inserting before the semicolon at the end thereof a comma and the following: "and to individuals with disabilities who reside with and accompany older individuals who are eligible under this Act".

(3) Section 307(a) of the Act, as amended by sections 130(c), 131(b), and 132(c), is amended by adding after paragraph (24) the following new paragraph:

"(25) The plan shall provide, with respect to the needs of older individuals with severe discbilities, assurances that the State will—

"(A) coordinate planning, identification, assessment of needs, and service for older individuals with disabilities with particular attention to individuals with severe disabilities with the State agencies with primary responsibility for individuals with disabilities, including severe disabilities, and develop collaborative programs, where appropriate, to meet the needs of older individuals with disabilities; and

"(B) with respect to the needs of older individuals with developmental disabilities, coordinate planning with the State developmental disabilities planning council designated under section 124(a)(1) of the Developmental Disabilities Act.".

(e) SUPPORTIVE SERVICES.—(1) Section 321(a)(1) of the Act is amended by inserting after "health" the following: "(including mental health)".

(2) Section 321(a)(4)(B) of the Act is amended by striking out "suffering from physical disabilities" and inserting in lieu thereof "who have physical disabilities".

(3) Section 321 is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) The Commissioner shall encourage area agencies on aging to enter into interagency or other formal agreements with public agencies or private organizations furnishing mental health services to ensure a coordinated approach in meeting the mental health and psychosocial needs of older individuals.".

### CONFIDENTIALITY OF INFORMATION RELATING TO LEGAL ASSISTANCE PROVIDED

SEC. 136. (a) AREA AGENCY ON AGING.—Section 306 of the Act (42 U.S.C. 3026), as amended by section 130(b), is amended by adding at the end the following:

"(d) An area agency on aging may not require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.".

(b) STATE AND STATE AGENCY.—Section 307 of the Act (42 U.S.C. 3027) is amended by adding at the end the following:

"(g) Neither a State, nor a State agency, may require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.".

### COORDINATION OF COMMUNITY-BASED SERVICES

SEC. 137. Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by sections 130(c), 131(b), 132(c), and 135(d), is amended by inserting after paragraph (25) the following:

"(26) The plan shall provide assurances that area agencies on aging will conduct efforts to facilitate the coordination of community-based, long-term care services, pursuant to section 306(a)(6)(I), for older individuals who—

"(A) reside at home and are at risk of institutionalization because of limitations on their ability to function independently;

"(B) are patients in hospitals and are at risk of prolonged institutionalization; or

"(C) are patients in long-term care facilities, but who can return to their homes if community-based services are provided to them.".

### PAYMENTS

SEC. 138. Section 309(c) of the Act (42 U.S.C. 3029(c)) is amended—

(1) by inserting "average annual" after "less than its", and

(2) by striking "preceding fiscal year" and inserting "period of 3 fiscal years preceding such year".

### IN-HOME SERVICES FOR FRAIL OLDER INDIVIDUALS

SEC. 139. (a) AUTHORIZATION OF APPROPRIATIONS.—Section 303 of the Act (42 U.S.C. 3023), as amended by section 123, is amended by adding at the end the following:

"(d) There are authorized to be appropriated $25,000,000 for fiscal year 1988, $26,250,000 for fiscal year 1989, $27,563,000 for fiscal year 1990, $28,941,000 for fiscal year 1991, and $30,388,000 for fiscal year 1992 for the purpose of making grants under part D of this title (relating to in-home services).".

(b) AREA PLANS.—Section 306(a) of the Act (42 U.S.C. 3026(a)) is amended—

(1) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and "and"; and

(2) by inserting after paragraph (6) the following:

"(7) provide assurances that any amount received under part D will be expended in accordance with such part.".

(c) STATE PLANS.—(1) Section 307(a)(10) of the Act (42 U.S.C. 3027(a)(10)) is amended by inserting "and in-home services (as defined in section 342(1))" after "nutrition services".

(2) Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by sections 130(c), 131(b), 132(c), 135(d), and 137, is amended by inserting after paragraph (26) the following:

"(27) Each such plan shall provide assurances of consultation and coordination in planning and provision of in-home services under section 341 with State and local agencies and private nonprofit organizations which administer and provide services relating to health, social services, rehabilitation, and mental health services.".

(d) PROGRAM.—Title III of the Act is amended by adding at the end the following:

### "PART D—IN-HOME SERVICES FOR FRAIL OLDER INDIVIDUALS

### "PROGRAM AUTHORIZED

"SEC. 341. (a) With funds appropriated to carry out this part, the Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to provide in-home services to frail older individuals, relating to the individual's environment and functional support needs, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims.

"(b) In carrying out the provisions of this part, each area agency shall coordinate with other community agencies and voluntary organizations providing counseling and training for family caregivers and support service personnel in management of care, functional and needs assessment services, assistance with locating, arranging for, and coordinating services, case management, and counseling prior to admission to nursing home to prevent premature institutionalization.

### "DEFINITIONS

"SEC. 342. For purposes of this part—

"(1) the term 'in-home service' includes—

"(A) homemaker and home health aides;

"(B) visiting, telephone reassurance, and personal emergency response;

"(C) chore maintenance;

"(D) respite care for families, including adult day care; or

"(E) minor remodeling of homes necessary to facilitate the ability of older individuals to remain at home, and not covered by other programs; and

"(2) the term 'frail' means having a physical or mental disability, including having Alzheimer's disease or related disorders with neurological or organic brain dysfunction, that restricts the ability of an individual to perform normal daily tasks or which threatens the capacity of an individual to live independently.

### "STATE CRITERIA

"SEC. 343. The State agency shall develop eligibility criteria for providing in-home services to frail older individuals which shall take into account—

"(1) age;

"(2) greatest economic need;

"(3) noneconomic factors contributing to the frail condition; and

"(4) noneconomic and nonhealth factors contributing to the need for such services.

### "MAINTENANCE OF EFFORT

"SEC. 344. Funds made available under this part shall be in addition to, and may not be used to supplant, any funds that are or would otherwise be expended under any Federal, State, or local law by a State or unit of general purpose local government (including area agencies on aging which have in their planning and services areas existing services which primarily serve older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and the families of such victims).".

### STATE PLAN INFORMATION REGARDING SERVICES TO OLDER INDIVIDUALS RESIDING IN RURAL AREAS

SEC. 140. Section 307(a) of the Act (42 U.S.C. 3027(a)), as amended by sections 130(c), 131(b), 132(c), 135(d), 137, and 139(c)(2), is amended by adding after paragraph (27) the following:

"(28) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared, describe the methods used to satisfy the service needs of older individuals who reside in rural areas.".

### HEALTH EDUCATION AND PROMOTION FOR OLDER AMERICANS

SEC. 141. (a) AUTHORIZATION OF APPROPRIATIONS.—Section 303 of the Act (42 U.S.C. 3023), as amended by sections 123 and 139(a), is amended by adding at the end thereof the following:

"(e) There are authorized to be appropriated $5,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, and 1992 for the purpose of making grants under part E of this title (relating to periodic preventive health, health education, and promotion services).".

(b) AREA PLANS.—Section 306(a) of the Act, as amended by section 139, is amended—

(1) by striking out "and" at the end of paragraph (6);

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon and "and"; and

(3) by inserting after paragraph (7) the following:

"(8) provide assurances that any amount received under part E will be expended in accordance with such part; and".

(c) PROGRAM.—Title III of the Act, as amended by section 139, is further amended by adding at the end thereof the following:

### "PART E—PREVENTIVE HEALTH SERVICES

### "PROGRAM AUTHORIZED

"SEC. 351. (a) The Commissioner shall carry out a program for making grants to States under State plans approved under section 307 for periodic preventive health services to be provided at senior centers or alternative sites as appropriate.

"(b) Preventive health services under this part may not include services eligible for reimbursement under Medicare.

"(c) The Commissioner shall, to the extent possible, assure that services provided by

other community organizations and agencies are used to carry out the provisions of this part.

### "DISTRIBUTION TO AREA AGENCIES

"SEC. 352. The State agency shall give priority, in carrying out this part, to areas of the State—

"(1) which are medically underserved; and

"(2) in which there are a large number of other individuals who have the greatest economic need for such services.

### "DEFINITIONS

"SEC. 353. For the purpose of this part and section 307 the term 'preventive health services' means—

"(1) routine health screening, which may include hypertension, glaucoma, cholesterol, cancer, vision and hearing screening;

"(2) group exercise programs;

"(3) home injury control services, including screening of high-risk home environments and educational programs on injury protection in the home environment;

"(4) nutritional counseling and educational services;

"(5) screening for the prevention of depression, coordination of community mental health services, educational activities, and referral to psychiatric and psychological services;

"(6) educational programs on the benefits and limitations of Medicare and various supplemental insurance coverage, including individual policy screening and health insurance-needs counseling; and

"(7) counseling regarding followup health services based on any of the services provided for above.".

### PREVENTION OF ABUSE OF OLDER INDIVIDUALS

SEC. 142. (a) DEFINITIONS.—Section 302 of the Act (42 U.S.C. 3022), as amended by section 135(a), is amended by adding at the end the following:

"(15) The term 'abuse' means the willful—

"(A) infliction of injury, unreasonable confinement, intimidation, or cruel punishment with resulting physical harm or pain or mental anguish; or

"(B) deprivation by a caretaker of goods or services which are necessary to avoid physical harm, mental anguish, or mental illness.

"(16) The term 'elder abuse' means abuse of an older individual.

"(17) The term 'caretaker' means an individual who has the responsibility for the care of an older individual, either voluntarily, by contract, receipt of payment for care, as a result of family relationship, or by order of a court of competent jurisdiction.

"(18) The term 'exploitation' means the illegal or improper act or process of a caretaker using the resources of an older individual for monetary or personal benefit, profit, or gain.

"(19) The term 'neglect' means the failure to provide for oneself the goods or services which are necessary to avoid physical harm, mental anguish, or mental illness or the failure of a caretaker to provide such goods or services.

"(20) The term 'physical harm' means bodily pain, injury, impairment, or disease.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 303 of the Act, as amended by sections 123, 139(a), and 141(a), is amended by adding at the end the following:

"(f) There are authorized to be appropriated $5,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, and 1992 to carry out part F (relating to abuse, neglect, and exploitation of older individuals)."

(c) AREA PLANS.—Section 306(a) of the Act, as amended by section 139(b) and 141(b), is amended—

(1) by striking out "and" at the end of paragraph (7);

(2) by striking out the period at the end of paragraph (8) and inserting in lieu thereof a semicolon and "and", and

(3) by inserting after paragraph (8) the following:

"(9) provide assurances that any amount received under part F will be expended in accordance with such part.".

(d) STATE PLAN.—(1) Section 307(a)(16) of the Act is amended by striking "provide" the second time it appears and inserting ", if funds are not appropriated under section 303(f) for a fiscal year, provide that for such fiscal year".

(2) Section 307(a) of the Act, as amended by sections 130(c), 131(b), 132(c), 135(d), 137, 139(c)(2), and 140, is amended by adding at the end the following:

"(29) The plan shall provide assurances that if the State receives funds appropriated under section 303(f), the State agency and area agencies on aging will expend such funds to carry out part F.".

(e) ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.—Title III of the Act is amended by adding at the end the following:

### "PART F—ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS

### "PROGRAM AUTHORIZED

"SEC. 361. The Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to carry out a program with respect to the prevention of abuse, neglect, and exploitation of older individuals. The program shall—

"(1) be consistent with relevant State law and coordinated with State adult protective service activities and other State and local elder abuse prevention and protection;

"(2) provide for—

"(A) public education and outreach services to identify and prevent abuse, neglect, and exploitation of older individuals;

"(B) receipt of reports of such abuse, neglect, and exploitation;

"(C) active participation of older individuals participating in programs under this Act through outreach, conferences, and referral of such individuals to other social service agencies or sources of assistance if appropriate and with the consent of the older individuals to be referred; and

"(D) the referral of complaints and other reports of abuse, neglect, or exploitation of older individuals to law enforcement agencies, public protective service agencies, licensing and certification agencies, ombudsman programs, or protection and advocacy system if appropriate;

"(3) not permit involuntary or coerced participation in such program by alleged victims, abusers, or their households; and

"(4) require that all information gathered in the course of receiving such a complaint or report, and making such a referral, shall remain confidential unless—

"(A) all parties to such complaint or report consent in writing to the release of such information; or

"(B) the release of such information is to a law enforcement agency, public protective service agency, licensing or certification agency, ombudsman program, or protection or advocacy system.".

### ASSISTIVE TECHNOLOGY SERVICES

SEC. 143. (a) FUNCTIONS OF THE COMMISSIONER.—Section 202(a)(5) of the Act (42 U.S.C. 3012(a)(5)) is amended by inserting after "supportive services" the following: "(including assistive technology services)".

(b) GENERAL RULE.—Section 302(a) of the Act, as amended by section 135 and 142, is amended by adding at the end thereof the following:

"(21) The term 'supportive services' includes assistive technology services.

"(22) The term 'assistive technology services' means services designed to apply technology, engineering methodologies, or scientific principles to meet the needs of and address the barriers confronted by individuals with functional limitations.".

## PART C—DEMONSTRATION GRANTS

### DEMONSTRATION PROJECTS; PURPOSE

SEC. 151. Section 401(1) of the Act (42 U.S.C. 3030aa) is amended by inserting the following before the semicolon a comma and the following: "with special emphasis on minority individuals, low-income individuals, frail individuals, and individuals with disabilities".

### MULTIDISCIPLINARY CENTERS

SEC. 152. Section 412(a) of the Act (42 U.S.C. 3032(a)) is amended by striking "may" and inserting "shall".

### VOLUNTEER OPPORTUNITIES

SEC. 153. Section 422(b) of the Act (42 U.S.C. 3035a) is amended—

(1) by striking out "and" at the end of paragraph (7);

(2) by striking out the period at the end of paragraph (8) and inserting a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(9) provide expanded, innovative volunteer opportunities to older individuals which are designed to fulfill unmet community needs, while at the same time avoiding duplication of existing volunteer programs, which may include—

"(A) projects furnishing intergenerational services by older individuals addressing the needs of children, such as—

"(i) tutorial services in elementary and special schools;

"(ii) after school programs for latch key children;

"(iii) voluntary services for day care center programs; and

"(B) volunteer service credit projects operated in conjunction with ACTION, permitting elderly volunteers to earn credits for services furnished, which may later be redeemed for similar volunteer services.".

### SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE

SEC. 154. Section 423(a)(1) of the Act (42 U.S.C. 3035b(a)(1)), as amended by section 134(c)(5), is amended by striking "may" and inserting "shall".

### DEMONSTRATION PROGRAM OF OUTREACH TO ELDERLY SSI, MEDICAID, AND FOOD STAMP ELIGIBLES

SEC. 155. (a) DEMONSTRATION PROGRAM AUTHORIZED.—Part B of title IV of the Act is amended by adding at the end thereof the following new section:

### "DEMONSTRATION PROGRAM OF OUTREACH TO ELDERLY SSI, MEDICAID, AND FOOD STAMP ELIGIBLES

"SEC. 427. (a) The Commissioner is authorized to make grants to, or enter into contracts with, State agencies on aging and area agencies on aging for the conduct of demonstration projects designed to demonstrate the feasibility of conducting outreach activities for older individuals who are eligible for but not receiving benefits under title XVI of the Social Security Act (or as-

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sistance under a State plan program under title XVI of that Act) relating to supplemental security income benefits, under title XVIII of the Social Security Act, relating to medical assistance benefits, and benefits under the Food Stamp Act of 1977, in order to assist such individuals in applying for such benefits.

"(b) Grants and contracts under this section may be used for—

"(1) identifying older individuals with the greatest economic need who may be eligible for assistance described in subsection (a);

"(2) for outreach activities for planning in service in area agencies on aging for such individuals; and

"(3) for application assistance for such individuals.

"(c) No grant may be made and no contract may be entered into under this section unless an application is made to the Commissioner at such time, in such manner, and containing such information as the Commissioner may reasonably require. Each such application shall—

"(1) describe the activities for which assistance is sought;

"(2) provide for an evaluation of the activities for which assistance is sought; and

"(3) assurances that the applicant will prepare and submit to the Commissioner a report of the activities conducted with assistance under this section and the evaluation of that assistance.

"(d) In approving applications under this section, the Commissioner shall assure a geographic equitable distribution of assistance.

"(e) The Commissioner shall, as part of the annual report submitted under section 207, prepare and submit a report on the evaluations submitted under this section, together with such recommendations as the Commissioner may deem appropriate. In carrying out this section, the Commissioner shall consider—

"(1) the number of older individuals reached through outreach activities supported under this section;

"(2) the dollar amount of benefits to older individuals;

"(3) the cost of the activities in terms of the number of individuals reached and the benefit dollars involved; and

"(4) the effect on supportive services and nutrition services furnished under title III of this Act.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 431(a) of the Act is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by inserting "(other than section 427)" after "title"; and

(3) by adding at the end thereof the following new paragraph:

"(2) There are authorized to be appropriated $3,000,000 for the fiscal year 1988 and such sums for each of the 4 succeeding fiscal years to carry out the provisions of section 427.".

(c) OUTREACH AND APPLICATION ASSISTANCE FUNCTIONS OF ADMINISTRATION ON AGING.—Section 202(a) of the Act, as amended by sections 103(a) and 106(a), is amended—

(1) by striking out "and" at the end of paragraph (19);

(2) by striking out the period at the end of paragraph (20) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end the following:

"(21) obtain from—

"(A) the Department of Agriculture information explaining the requirements for eligibility to receive benefits under the Food Stamp Act of 1977; and

"(B) the Social Security Administration information explaining the requirements for eligibility to receive supplemental security income benefits under title XVI of the Social Security Act (or assistance under a State plan program under title XVI of that Act);

and distribute such information, in written form, to State agencies, for redistribution to area agencies on aging, to carry out outreach activities and application assistance.".

### DEMONSTRATION GRANTS FOR INDIVIDUALS WITH DISABILITIES

SEC. 156. (a) TRAINING.—Section 411(c) of the Act (42 U.S.C. 3031(c)) is amended—

(1) by striking out "custodial and skilled care for older individuals who suffer from" and inserting in lieu thereof "services to individuals with disabilities and to individuals with", and

(2) by striking out "other neurological and organic brain disorders of the Alzheimer's type" and inserting in lieu thereof "and related disorders with neurological and organic brain dysfunction".

(b) MULTIDISCIPLINARY CENTERS.—(1) Section 412(a) of the Act, as amended by sections 105(e) and 134(c)(4), is amended by inserting before "income maintenance" the following: "disabilities (including severe disabilities),".

(2) Section 412(a) of the Act, as amended by sections 105(e) and 134(c) in paragraph (1) of this subsection is further amended by inserting after "supportive services" the following: "(including assistive technology services),".

(c) SPECIAL PROJECT.—Part A of title IV of the Act is amended by adding at the end thereof the following new section:

### "SPECIAL DISABILITIES TRAINING PROJECT

"SEC. 413. The Commissioner is authorized to make grants to any public agency or private nonprofit organization and may enter into contracts with any public agency or private nonprofit organization to develop and provide training programs to service providers under title III of this Act and nursing home care providers to meet the special service needs of older individuals with disabilities and who are residing either in the community or in nursing care facilities.".

(d) DEMONSTRATION GRANTS.—(1) Section 422(b)(2)(A) of the Act is amended by inserting after "mental health services" the following: "or who have severe disabilities".

(2) Section 422(b)(2) of the Act is amended—

(A) by striking out "and" at the end of subclause (C); and

(B) by adding after subclause (D) the following new subclauses:

"(E) the identification and provision of services to elderly individuals with severe disabilities; and

"(F) the provision of rehabilitation services, and communication aids and devices to assist older individuals with severe disabilities.".

(3) Section 422(b) of the Act, as amended by section 153, is amended—

(A) by striking out the "and" at the end of paragraph (8).

(B) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and "and", and

(C) by adding after paragraph (9) the following new paragraph:

"(10) address the needs of older individuals through the use of assistive technology services by studying and demonstrating methods of increasing the awareness of, the access to, and the use of assistive technology services for older individuals designed to increase their functional independence;".

(e) LONG-TERM CARE SPECIAL PROJECTS.—Section 423(a)(3) of the Act is amended by inserting after "geriatric health maintenance organizations" a semicolon and the following: "services to older individuals with severe disabilities residing in nursing homes".

(f) ADDITIONAL SPECIAL PROJECTS.—(1) Part B of title IV of the Act, as amended by section 155, is further amended by adding at the end thereof the following:

### "OMBUDSMAN AND ADVOCACY DEMONSTRATION PROJECTS

"SEC. 428. (a) The Commissioner is authorized to make grants to not less than three nor more than ten States to demonstrate and evaluate cooperative projects between the State long-term care ombudsman program and the State protection and advocacy systems for developmental disabilities and mental illness, established under part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.) and under the protection and Advocacy for Mentally Ill Individuals Act of 1986 (Public Law 99-319).

"(b) The Commissioner on Aging shall prepare and submit to the Congress after each fiscal year a report of the study and evaluation required by paragraph (1) of this section. Each such report shall contain such recommendations as the Commissioner on Aging deems appropriate.".

(2) Section 431(a) of the Act, as amended by section 155(b), is amended by—

(A) by striking out "section 427" in the parenthetical and inserting in lieu thereof "sections 427 and 428"; and

(B) by adding at the end thereof the following:

"(3) There are authorized to be appropriated $1,000,000 for each of the fiscal years 1988 and 1989 to carry out the provisions of section 428. The funds appropriated pursuant to this subsection shall remain available for expenditure for the succeeding fiscal year.".

### HOME-CARE QUALITY ASSURANCE DEMONSTRATION PROJECTS

SEC. 157. (a) DEMONSTRATION PROGRAM AUTHORIZED.—Part B of title IV of the Act, as amended by sections 155 and 156, is further amended by adding at the end thereof the following:

### "HOME-CARE QUALITY ASSURANCE DEMONSTRATION PROJECTS

"SEC. 429. (a)(1) The Commissioner is authorized to make grants to not less than six nor more than ten States to demonstrate and evaluate the effectiveness of a home-care quality assurance program for in-home care services for older individuals furnished under this Act.

"(2) For the purposes of this section 'quality assurance program' includes quality assurances with respect to in-home care services and may include the availability of consumer education services, services involving the use of consumer hotlines, ombudsman services, legal assistance services, protection and advocacy services, and the use of community service agencies.

"(b) No grant may be made and no contract may be entered into under this section unless an application is made to the Commissioner at such time, in such manner, and containing such information as the Commissioner may reasonably require. Each such application shall—

"(1) describe activities for which assistance is sought;

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"(2) provide for an evaluation of the activities for which assistance is sought; and

"(3) provide assurances that the applicant will prepare and submit a report to the Commissioner on the activities conducted with assistance under this section and the evaluation of that assistance.

"(c) In approving applications under this section, the Commissioner shall assure equitable geographic distribution of assistance.

"(d) The Commissioner shall, as part of the annual report submitted under section 207, prepare and submit a report on the evaluation submitted under this section together with such recommendations as the Commissioner may deem appropriate. In carrying out this section, the Commissioner shall include in the report—

"(1) a description of the demonstration projects assisted under this section;

"(2) an evaluation of the effectiveness of each such project; and

"(3) recommendations of the Commissioner with respect to the desirability and feasibility of carrying out on a nation-wide basis the home-care consumer quality assurance program.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 431(a) of the Act, as amended by sections 154(b) and 155(f)(2), is amended—

(1) by striking out "sections 427 and 428" in the parenthetical and inserting in lieu thereof "section 427, 428, and 429"; and

(2) by adding at the end thereof the following:

"(4) There are authorized to be appropriated $2,000,000 for each of the fiscal years 1989 and 1990 to carry out the provisions of section 429.".

### AUTHORIZATION OF APPROPRIATIONS FOR TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS

SEC. 158. Section 431(a)(1) of the Act, as amended by sections 154(b), 155(f)(2), and 156(b), is amended to read as follows:

"SEC. 431. (a)(1) There are authorized to be appropriated to carry out the provisions of this title $32,970,000 for the fiscal year 1988, $34,619,000 for the fiscal year 1989, $36,349,000 for the fiscal year 1990, $38,167,000 for the fiscal year 1991, and $40,075,000 for the fiscal year 1992.".

## PART D—COMMUNITY SERVICE EMPLOYMENT

### ADMINISTRATIVE COSTS OF EMPLOYMENT PROJECTS

SEC. 161. Paragraph (3) of section 502(c) of the Act (42 U.S.C. 3056(c)(3)) is amended to read as follows:

"(3) Of the amount for any project to be paid by the Secretary under this subsection, not more than 13.5 percent for fiscal year 1987 and each fiscal year thereafter shall be available for paying the costs of administration for such project, except that—

"(A) whenever the Secretary determines that it is necessary to carry out the project assisted under this title, based on information submitted by the public or private nonprofit agency or organization with which the Secretary has an agreement under subsection (b), the Secretary may increase the amount available for paying the cost of administration to an amount not more than 15 percent of the cost of such project; and

"(B) whenever the public or private nonprofit agency or organization with which the Secretary has an agreement under subsection (b) demonstrates to the Secretary that—

"(i) major administrative cost increases are being incurred in necessary program components, including liability insurance, payments for workmen's compensation, costs associated with achieving unsubsidized placement goals, and other operation requirements imposed by the Secretary;

"(ii) the number of employment positions in the project or the number of minority eligible individuals participating in the project will decline if the amount available for paying the cost of administration is not increased; or

"(iii) the size of the project is so small that the amount of administrative expenses incurred to carry out the project necessarily exceed 13.5 percent of the amount for such project;

the Secretary shall increase the amount available for the fiscal year for paying the cost of administration to an amount not more than 15 percent of the cost of such project.".

### COMMUNITY SERVICE EMPLOYMENT FOR OLDER INDIANS

SEC. 162. (a) PROGRAM ASSURANCE.—Section 502(b)(1)(M) of the Act (42 U.S.C. 3056) is amended to read as follows:

"(M) will assure, that to the extent feasible, such project will serve the needs of minority, limited English-speaking, and Indian eligible individuals in proportion to their numbers in the State and take into consideration their rates of poverty and unemployment;".

(b) RESERVATION OF FUNDS.—Section 506(a)(1)(A) of the Act is amended by inserting after the first sentence the following: "The Secretary shall next reserve such sums as may be necessary for national grants or contracts with public or nonprofit national Indian aging organizations with the ability to provide employment services to older Indians and with national public or nonprofit Pacific/Asian organizations, but only in a fiscal year in which the amount available under this title exceeds the amount appropriated for fiscal year 1987.".

### INFORMATION ON AGE DISCRIMINATION PROHIBITIONS

Sec. 163. Section 503(b) of the Act is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by inserting at the end thereof the following:

"(2) The Secretary shall distribute to grantees under this title, for distribution to program enrollees, and at no cost to grantees or enrollees, informational materials developed and supplied by the Equal Employment Opportunity Commission and other appropriate Federal agencies which the Secretary determines are designed to help enrollees identify age discrimination and understand their rights under the Age Discrimination in Employment Act.".

### DEFINITION OF COMMUNITY SERVICES

SEC. 164. Section 507(3) of the Act (42 U.S.C. 3056e(3)) is amended by inserting "(particularly literacy tutoring)" after "educational services".

### AUTHORIZATION OF APPROPRIATIONS FOR COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SEC. 165. Section 508(a)(1) of the Act (42 U.S.C. 3056f(a)(1)) is amended to read as follows:

"(1) $386,715,000 for the fiscal year 1988, $406,051,000 for the fiscal year 1989, $426,353,000 for the fiscal year 1990, $447,671,000 for the fiscal year 1991, and $470,055,000 for the fiscal year 1992; and".

### EMPLOYMENT ASSISTANCE AND OTHER PROGRAMS

SEC. 166. Title V of the Act (42 U.S.C. 3056-3056f) is amended by adding at the end the following:

### "EMPLOYMENT ASSISTANCE AND FEDERAL HOUSING AND FOOD STAMP PROGRAMS

"SEC. 509. Funds received by eligible individuals from projects carried out under the program established in this title shall not be considered to be income of such individuals for purposes of determining the eligibility of such individuals, or of any other persons, to participate in any housing program for which Federal funds may be available or for any income determination under the Food Stamp Act of 1977.".

## PART E—NATIVE AMERICAN PROGRAMS

### NATIVE AMERICAN PROGRAMS

SEC. 171. Title VI of the Act (42 U.S.C. 3057-3057g) is amended to read as follows:

## "TITLE VI—GRANTS FOR NATIVE AMERICANS

### "STATEMENT OF PURPOSE

"SEC. 601. It is the purpose of this title to promote the delivery of supportive services, including nutrition services to American Indians, Alaskan Natives, and Hawaiian Natives that are comparable to services provided under title III.

### "FINDINGS; SENSE OF CONGRESS

"SEC. 602. (a) The Congress finds that the older Indians of the United States—

"(1) are a rapidly increasing population;

"(2) suffer from high unemployment;

"(3) live in poverty at a rate estimated to be as high as 61 percent;

"(4) have a life expectancy between 3 and 4 years less than the general population;

"(5) lack sufficient nursing homes, other long-term care facilities, and other health care facilities;

"(6) lack sufficient Indian area agencies on aging;

"(7) frequently live in substandard and over-crowded housing;

"(8) receive less than adequate health care;

"(9) are served under this title at a rate of less than 19 percent of the total national Indian elderly population living on Indian reservations; and

"(10) are served under title III of this Act at a rate of less than 1 percent of the total participants under that title.

"(b) The Congress finds the elderly Hawaiian Natives—

"(1) have a life expectancy 10 years less than any other ethnic group in the State of Hawaii;

"(2) rank lowest on 9 of 11 standard health indicies for all ethnic groups in Hawaii;

"(3) are often unaware of social services and do not know how to go about seeking such assistance; and

"(4) live in poverty at a rate of 34 percent.

"(c) It is the sense of the Congress that older Indians, older Alaskan Natives, and older Hawaiian Natives are a vital resource entitled to all benefits and services available and that such services and benefits should be provided in a manner that preserves and restores their respective dignity, self-respect, and cultural identities.

### "PART A—INDIAN PROGRAM

### "ELIGIBILITY

"SEC. 611. (a) A tribal organization of an Indian tribe is eligible for assistance under this part only if—

"(1) the tribal organization represents at least 50 individuals who have attained 60 years of age or older; and

"(2) the tribal organization demonstrates the ability to deliver supportive services, including nutritional services.

"(b) For the purposes of this part the terms 'Indian tribe' and 'tribal organization' have

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the same meaning as in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

### "GRANTS AUTHORIZED

"SEC. 612. The Commissioner may make grants to eligible tribal organizations to pay all of the costs for delivery of supportive services and nutrition services for older Indians.

### "APPLICATIONS

"SEC. 613. (a) No grant may be made under this part unless the eligible tribal organization submits an application to the Commissioner which meets such criteria as the Commissioner may by regulation prescribe. Each such application shall—

"(1) provide that the eligible tribal organization will evaluate the need for supportive and nutrition services among older Indians to be represented by the tribal organization;

"(2) provide for the use of such methods of administration as are necessary for the proper and efficient administration of the program to be assisted;

"(3) provide that the tribal organization will make such reports in such form and containing such information, as the Commissioner may reasonably require, and comply with such requirements as the Commissioner may impose to assure the correctness of such reports;

"(4) provide for periodic evaluation of activities and projects carried out under the application;

"(5) establish objectives consistent with the purposes of this part toward which activities under the application will be directed, identify obstacles to the attainment of such objectives, and indicate the manner in which the tribal organization proposes to overcome such obstacles;

"(6) provide for establishing and maintaining information and referral services to assure that older Indians to be served by the assistance made available under this part will have reasonably convenient access to such services;

"(7) provide a preference for Indians aged 60 and older for full or part-time staff positions wherever feasible;

"(8) provide assurances that either directly or by way of grant or contract with appropriate entities nutrition services will be delivered to older Indians represented by the tribal organization substantially in compliance with the provisions of part C of title III, except that in any case in which the need for nutritional services for older Indians represented by the tribal organization is already met from other sources, the tribal organization may use the funds otherwise required to be expended under this clause for supportive services;

"(9) contain assurances that the provisions of sections 307(a)(14)(A) (i) and (iii), 307(a)(14)(B), and 307(a)(14)(C) will be complied with whenever the application contains provisions for the acquisition, alteration, or renovation of facilities to serve as multipurpose senior centers;

"(10) provide that any legal or ombudsman services made available to older Indians represented by the tribal organization will be substantially in compliance with the provisions of title III relating to the furnishing of similar services; and

"(11) provide satisfactory assurance that fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the tribal organization, including any funds paid by the tribal organization to a recipient of a grant or contract.

"(b) For the purpose of any application submitted under this part, the tribal organization may develop its own population statistics, with certification from the Bureau of Indian Affairs, in order to establish eligibility.

"(c) The Commission shall approve any application which complies with the provisions of subsection (a).

"(d) Whenever the Commissioner determines not to approve an application submitted under subsection (a) the Commission shall—

"(1) state objections in writing to the tribal organization within 60 days after such decision;

"(2) provide to the extent practicable technical assistance to the tribal organization to overcome such stated objections; and

"(3) provide the tribal organization with a hearing, under such rules and regulations as the Commissioner may prescribe.

"(e) Whenever the Commissioner approves an application of a tribal organization under this part, funds shall be awarded for not less than 12 months.

### "SURPLUS EDUCATIONAL FACILITIES

"SEC. 614. (a) Notwithstanding any other provision of law, the Secretary of the Interior through the Bureau of Indian Affairs shall make available surplus Indian educational facilities to tribal organizations, and nonprofit organizations with tribal approval, for use as multipurpose senior centers. Such centers may be altered so as to provide extended care facilities, community center facilities, nutrition services, child care services, and other supportive services.

"(b) Each eligible tribal organization desiring to take advantage of such surplus facilities shall submit an application to the Secretary of the Interior at such time and in such manner, and containing or accompanied by such information, as the Secretary of the Interior determines to be necessary to carry out the provisions of this section.

## "PART B—HAWAIIAN NATIVES PROGRAM

### "ELIGIBILITY

"SEC. 621. A public or nonprofit private organization having the capacity to provide services under this part for Hawaiian Natives is eligible for assistance under this part only if—

"(1) the organization will serve at least 50 individuals who have attained 60 years of age or older; and

"(2) the organization demonstrates the ability to deliver supportive services, including nutrition services.

### "GRANTS AUTHORIZED

"SEC. 622. The Commissioner may make grants to public and nonprofit private organizations to pay all of the costs for the delivery of supportive services and nutrition services to older Hawaiian Natives.

### "APPLICATION

"SEC. 623. (a) No grant may be made under this part unless the public or nonprofit private organization submits an application to the Commissioner which meets such criteria as the Commissioner may by regulation prescribe. Each such application shall—

"(1) provide that the organization will evaluate the need for supportive and nutrition services among older Hawaiian Natives to be represented by the organization;

"(2) provide for the use of such methods of administration as are necessary for the proper and efficient administration of the program to be assisted;

"(3) provide assurances that the organization will coordinate its activities with the State agency on aging;

"(4) provide that the organization will make such reports in such form and containing such information as the Commissioner may reasonably require, and comply with such requirements as the Commissioner may impose to ensure the correctness of such reports;

"(5) provide for periodic evaluation of activities and projects carried out under the application;

"(6) establish objectives, consistent with the purpose of this title, toward which activities described in the application will be directed, identify obstacles to the attainment of such objectives, and indicate the manner in which the organization proposes to overcome such obstacles;

"(7) provide for establishing and maintaining information and referral services to assure that older Hawaiian Natives to be served by the assistance made available under this part will have reasonably convenient access to such services;

"(8) provide a preference for Hawaiian Natives age 60 and older for full or part-time staff positions wherever feasible;

"(9) provide that any legal or ombudsman services made available to older Hawaiian Natives represented by the nonprofit private organization will be substantially in compliance with the provisions of title III relating to the furnishing and similar services; and

"(10) provide satisfactory assurances that the fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the nonprofit private organization, including any funds paid by the organization to a recipient of a grant or contract.

"(b) The Commissioner shall approve any application which complies with the provisions of subsection (a).

"(c) Whenever the Commissioner determines not to approve an application submitted under subsection (a) the Commissioner shall—

"(1) state objections in writing to the nonprofit private organization within 60 days after such decision;

"(2) provide to the extent practicable technical assistance to the nonprofit private organization to overcome such stated objections; and

"(3) provide the organization with a hearing under such rules and regulations as the Commissioner may prescribe.

"(d) Whenever the Commissioner approves an application of a nonprofit private or public organization under this part funds shall be awarded for not less than 12 months.

### "DEFINITION

"SEC. 624. For the purpose of this part, the term 'Hawaiian Native' means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778.

## "PART C—GENERAL PROVISIONS

### "ADMINISTRATION

"SEC. 631. In establishing regulations for the purpose of part A the Commissioner shall consult with the Secretary of the Interior.

### "PAYMENTS

"SEC. 632. Payments may be made under this title (after necessary adjustments, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement in such

installments and on such conditions, as the Commissioner may determine.

### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 633. (a) There are authorized to be appropriated $13,000,000 for the fiscal year 1988, $15,600,000 for the fiscal year 1989, $18,720,000 for the fiscal year 1990, $22,464,000 for the fiscal year 1991, and $26,956,800 for the fiscal year 1992 to carry out the provisions of this title other than section 614.

"(b) Whenever the amount appropriated for subsection (a) is equal to or more than 110 percent of the amount appropriated for this title in fiscal year 1987, not more than 10 percent of the amount appropriated for such fiscal year shall be available for part B.".

## PART F—MISCELLANEOUS AND TECHNICAL AMENDMENTS

### PERSONAL HEALTH EDUCATION AND TRAINING PROGRAMS

SEC. 181. Section 706(a) of the Act is amended to read as follows:

"(a) There are authorized to be appropriated to carry out this title, such sums as may be necessary for each of the fiscal years 1988 through 1992.".

### TECHNICAL AMENDMENTS

SEC. 182. (a) Section 102(1) of the Act (42 U.S.C. 3002(1)) is amended by striking "other than for purposes of title V" and inserting "except that for purposes of title V such term means the Secretary of Labor".

(b)(1) Section 102 of the Act (42 U.S.C. 3002) is amended—

(A) in paragraph (3)—

(i) by striking "includes" and inserting "means any of the several States,", and

(ii) by striking "Puerto Rico" and inserting "the Commonwealth of Puerto Rico", and

(B) by adding at the end the following:

"(8) The term 'Trust Territory of the Pacific Islands' includes the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.".

(2) Section 302 of the Act (42 U.S.C. 3022), as amended by section 135(a), is amended—

(A) by striking paragraph (6), and

(B) by redesignating paragraphs (7) through (20) as paragraphs (6) through (19), respectively.

(3) Section 506(a)(4)(A) of the Act (42 U.S.C. 3056d(a)(4)(A)) is amended by striking "Puerto Rico" and inserting "the Commonwealth of Puerto Rico".

(4) Section 507 of the Act (42 U.S.C. 3056e) is amended—

(A) by striking paragraph (1), and

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(c) Section 201(a) of the Act (42 U.S.C. 3011(a)) is amended by striking "his functions" and inserting "the functions of the Commissioner".

(d) Section 204(d)(3) of the Act (42 U.S.C. 3015(d)(3)) is amended by inserting "to" after "Secretary,".

(e)(1) Section 302 of the Act (42 U.S.C. 3022), as amended by subsection (b)(2) and sections 135 and 143, is amended by adding at the end the following:

"(23) The term 'greatest economic need' means the need resulting from an income level at or below the poverty levels established by the Office of Management and Budget.

"(24) The term 'greatest social need' means the need caused by noneconomic factors which include physical and mental disabilities, language barriers, and cultural, social, or geographical isolation including that caused by racial or ethnic status which restricts an individual's ability to perform normal daily tasks or which threatens such individual's capacity to live independently.".

(2) Section 305(d) of the Act (42 U.S.C. 3025(d)) is amended—

(A) by striking "(d)(1)" and inserting "(d)", and

(B) by striking paragraph (2).

(3) Section 306(a) of the Act (42 U.S.C. 3026(a)) is amended by striking the last sentence.

(f) Section 304(c) of the Act is amended to read as follows:

"(c) The provisions of section 307(d) shall apply to a State's failure to qualify under the State planning requirements of section 307.".

(g) Section 304(d)(1) of the Act (42 U.S.C. 3024(d)(1)) is amended in the matter preceding subparagraph (A) by inserting a comma after "section 308(b)".

(h) Section 305(a)(1)(E) of the Act (42 U.S.C. 3025(a)(1)(E)) is amended by striking "legal services" and inserting "legal assistance".

(i) Section 305(a)(2)(C) of the Act (42 U.S.C. 3025(a)(2)(C)) is amended by inserting "in accordance with subsection (d)" before the semicolon at the end.

(j) Section 306(a)(5)(B) of the Act (42 U.S.C. 3016(a)(5)(B)) is amended by inserting "and" at the end.

(k) Section 306(a)(6)(G) of the Act (42 U.S.C. 3026(a)(6)(G)), as amended by section 137(b), is amended by striking "and" at the end.

(l) Section 307(a) of the Act (42 U.S.C. 3027(a)) is amended—

(1) by striking "Each such plan shall—" and inserting "Each such plan shall comply with all of the following requirements:",

(2) in paragraph (1)—

(A) by inserting "The plan shall" after "(1)", and

(B) by striking the semicolon at the end and inserting a period,

(3) in paragraph (2)—

(A) by inserting "The plan shall" after "(2)", and

(B) by striking the semicolon at the end and inserting a period,

(4) in paragraph (3)—

(A) in subparagraph (A) by inserting "The plan shall" after "(3)(A)", and

(B) in subparagraph (B)—

(i) by inserting "The plan shall" after "(B)", and

(ii) by striking the semicolon at the end and inserting a period,

(5) in paragraph (4)—

(A) by inserting "The plan shall" after "(4)", and

(B) by striking the semicolon at the end and inserting a period,

(6) in paragraph (5)—

(A) by inserting "The plan shall" after "(5)", and

(B) by striking the semicolon at the end and inserting a period,

(7) in paragraph (6)—

(A) by inserting "The plan shall" after "(6)", and

(B) by striking the semicolon at the end and inserting a period,

(8) in paragraph (7)—

(A) by inserting "The plan shall" after "(7)", and

(B) by striking the semicolon at the end and inserting a period,

(9) in paragraph (8)—

(A) by inserting "The plan shall" after "(8)", and

(B) by striking the semicolon at the end and inserting a period,

(10) in paragraph (9)—

(A) by inserting "The plan shall" after "(9)", and

(B) by striking the semicolon at the end and inserting a period,

(11) in paragraph (10)—

(A) by inserting "The plan shall" after "(10)", and

(B) by striking the semicolon at the end and inserting a period,

(12) in paragraph (11)—

(A) by inserting "The plan shall" after "(11)", and

(B) by striking the semicolon at the end and inserting a period,

(13) in paragraph (13)—

(A) by inserting "The plan shall" after "(13)", and

(B) in subparagraph (I) by striking the semicolon at the end and inserting a period,

(14) in paragraph (14)—

(A) by inserting "The plan shall" after "(14)", and

(B) in subparagraph (E) by striking the semicolon at the end and inserting a period,

(15) in paragraph (15) by inserting "The plan shall" after "(15)",

(16) in paragraph (16)—

(A) by inserting "The plan shall" after "(16)", and

(B) in subparagraph (C) by striking the semicolon at the end and inserting a period,

(17) in paragraph (17)—

(A) by inserting "The plan shall" after "(17)", and

(B) by striking the semicolon at the end and inserting a period,

(18) in paragraph (18)—

(A) by inserting "The plan shall" after "(18)", and

(B) by striking the semicolon at the end and inserting a period,

(19) in paragraph (19)—

(A) by inserting "The plan shall" after "(19)", and

(B) by striking the semicolon at the end and inserting a period,

(20) in paragraph (20)—

(A) by inserting "The plan shall" after "(20)", and

(B) in subparagraph (B)(ii) by striking "; and" at the end and inserting a period, and

(21) in paragraph (21)—

(A) by inserting "The plan shall" after "(21)", and

(B) by striking "an amount equal to an amount".

(m) Section 308(b) of the Act (42 U.S.C. 3028(b)) is amended—

(1) by striking "(b)(1)(A)" and inserting "(b)(1)",

(2) in paragraph (1)—

(A) by striking "(i)" and inserting "(A)", and

(B) by striking "(ii)" the second place it appears and inserting "(B)",

(3) in paragraph (2)—

(A) by striking "(2)(A)" and inserting "(2)",

(B) by striking "(i)" and inserting "(A)", and

(C) by striking "(ii)" the second place it appears and inserting "(B)",

(4) in paragraph (3)(C) by striking "he" and inserting "the Commissioner",

(5) in subparagraphs (A) and (B) of paragraph (5) by striking "appropriated" each place it appears and inserting "allotted", and

(6) in paragraph (5)(B) beginning with the dash strike out all through the period and insert in lieu thereof: "not more than 30 per-

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cent of the funds allotted for any fiscal year.".

(n) Section 321(a)(10) of the Act is amended by inserting "for" after "advocate".

(o) Section 337 of the Act (42 U.S.C. 3030g) is amended by striking "Association of Area Agencies on Aging" and inserting "National Association of Area Agencies on Aging".

(p) Section 507(2) of the Act is amended by striking out "the Bureau of Labor Statistics" and inserting in lieu thereof "the Office of Management and Budget".

## PART G—CONSUMER PRICE INDEX FOR OLDER AMERICANS

### INDEX AUTHORIZED

Sec. 191. The Secretary of Labor shall, through the Bureau of Labor Statistics, develop, from existing data sources, a reweighted index of consumer prices which reflects the expenditures for consumption by retired Americans aged 62 and over. The Secretary shall furnish to the Congress the index within 180 days after the date of enactment of this Act. The Secretary shall include with the index furnished a report which explains the characteristics of the reweighted index, the research necessary to develop and measure accurately the rate of inflation affecting older Americans, and provides estimates of time and cost required for additional activities necessary to carry out the objectives of this section.

## TITLE II—1991 WHITE HOUSE CONFERENCE ON AGING

### WHITE HOUSE CONFERENCE AUTHORIZED

Sec. 201. (a) Findings.—The Congress finds that—

(1) the number of individuals 55 years of age or older was approximately 51,400,000 in 1986, and will, by the year 2040, be approximately 101,700,000;

(2) more than 1 of every 6 persons age 55 or older will be hospitalized during the next year;

(3) persons 55 years of age or older have a higher average out-of-pocket medical cost burden than younger persons; approximately 17 percent of individuals age 55 to 64 experience out-of-pocket costs in excess of 20 percent of their family income and the average per capita out-of-pocket cost of persons 65 years of age or older is expected to equal 18.5 percent of income by 1991;

(4) there is a great need to ensure access and the quality of affordable health care to all older individuals;

(5) the need for a comprehensive and responsive long-term care delivery system is great;

(6) the availability and cost of suitable housing, together with suitable services needed for independent or semi-independent living, still cause concern to older individuals;

(7) the ability to lead an independent or semi-independent life is contingent, in many cases, upon the availability of a comprehensive and effective social service system for older individuals;

(8) the availability and access to opportunities for continued productivity and employment is of great importance to middle-aged and older individuals who want or need to work;

(9) the fulfillment, dignity, and satisfaction of retirees still depend on the continuing development of a consistent national retirement policy;

(10) there is a continuing need to maintain and preserve the national policy with respect to increasing, coordinating, and expediting biomedical and other appropriate research directed at determining the causes and effects of the aging process;

(11) false stereotypes about aging and the process of aging continue to be prevalent throughout the United States and policies should be nurtured to overcome such stereotypes; and

(12) the talents and experience of older individuals represent a valuable community resource which should be developed and more widely shared within the local community.

(b) Policy.—It is the policy of the Congress that—

(1) the Federal Government should work jointly with the States and their citizens to develop recommendations and plans for action to meet the challenges and needs of older individuals, consistent with the objectives of this section; and

(2) in developing programs for the aging pursuant to this section emphasis should be directed toward individual, private, and public initiatives and resources intended to enhance the economic security and self-sufficiency of elder Americans.

### AUTHORIZATION OF THE CONFERENCE

Sec. 202. (a) Authority to Call Conference.—The President may call a White House Conference on Aging in 1991 in order to develop recommendations for additional research and action in the field of aging which will further the policy set forth in subsection (b).

(b) Planning and Direction.—The Conference shall be planned and conducted under the direction of the Secretary in cooperation with the Commissioner on Aging and the Director of the National Institute on Aging, and the heads of such other Federal departments and agencies as are appropriate. Such assistance may include the assignment of personnel.

(c) Purpose of the Conference.—The purpose of the Conference shall be—

(1) to increase the public awareness of the essential contributions of older individuals to society;

(2) to identify the problems of the older individuals;

(3) to develop recommendations for the coordination of Federal policy with State and local needs and the implementation of such recommendations;

(4) to examine the well-being of older individuals;

(5) to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and improving the well-being of older individuals; and

(6) to review the status of recommendations adopted at previous White House Conferences on Aging.

(d) Conference Participants and Delegates.—

(1) Participants.—In order to carry out the purposes of this section, the Conference shall bring together—

(A) representatives of Federal, State, and local governments;

(B) professional and lay people who are working in the field of aging; and

(C) representatives of the general public, particularly older individuals.

(2) Selection of delegates.—The delegates shall be selected without regard to political affiliation or past partisan activity and shall, to the best of the appointing authority's ability, be representative of the spectrum of thought in the field of aging.

### CONFERENCE ADMINISTRATION

Sec. 203. (a) Administration.—In administering this section, the Secretary shall—

(1) request the cooperation and assistance of the heads of such other Federal departments and agencies as may be appropriate in the carrying out of this section;

(2) furnish all reasonable assistance, including financial assistance, to State agencies on the aging and to area agencies on the aging, and to other appropriate organizations, to enable them to organize and conduct conferences in conjunction with the Conference;

(3) prepare and make available for public comment a proposed agenda for the Conference which will reflect to the greatest extent possible the major issues facing older individuals consistent with the provisions of subsection (a);

(4) prepare and make available background materials for the use of delegates to the Conference which the Secretary deems necessary; and

(5) engage such additional personnel as may be necessary to carry out the provisions of this section without regard to provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) Duties.—The Secretary shall, in carrying out the Secretary's responsibilities and functions under this section, assure that—

(1) the conferences under subsection (a)(2) will—

(A) include a conference on older Indians to identify conditions that adversely affect older Indians, to propose solutions to ameliorate such conditions, and to provide for the exchange of information relating to the delivery of services to older Indians, and

(B) be so conducted as to assure broad participation of older individuals;

(2) the proposed agenda for the Conference under subsection (a)(3) is published in the Federal Register not less than 180 days before the beginning of the Conference and the proposed agenda is open for public comment for a period of not less than 60 days;

(3) the final agenda for the Conference under subsection (a)(3), taking into consideration the comments received under paragraph (2), is published in the Federal Register and transmitted to the chief executive officers of the States not later than 30 days after the close of the public comment period provided for under paragraph (2);

(4) the personnel engaged under subsection (a)(5) shall be fairly balanced in terms of points of views represented and shall be appointed without regard to political affiliation or previous partisan activities;

(5) the recommendations of the Conference are not inappropriately influenced by any appointing authority or by any special interest, but will instead be the result of the independent judgment of the Conference; and

(6) current and adequate statistical data, including decennial census data, and other information on the well-being of older individuals in the United States are readily available, in advance of the Conference, to the delegates of the Conference, together with such information as may be necessary to evaluate Federal programs and policies relating to aging. In carrying out this subparagraph, the Secretary is authorized to make grants to, and enter into cooperative agreements with, public agencies and nonprofit private organizations.

### CONFERENCE COMMITTEES

Sec. 204. (a) Advisory Committee.—The Secretary shall establish an advisory committee to the Conference which shall include representation from the Federal Council on Aging and other public agencies and private nonprofit organizations as appropriate.

(b) Other Committees.—The Secretary may establish such other committees, including technical committees, as may be necessary to assist in the planning, conducting, and reviewing the Conference.

(c) Composition of Committees.—Each such committee shall be composed of professionals and public members, and shall include individuals from low-income families and from minority groups. A majority of the public members of each such committee shall be 55 years of age or older.

(d) Compensation.—Appointed members of any such committee (other than any officers of employees of the Federal Government), while attending conferences or meetings of the committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not to exceed the daily prescribed rate for GS-18 under section 5332 of title 5, United States Code (including travel time). While away from their homes or regular places of business, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized under section 5703 of such title for persons employed intermittently in Federal Government service.

### REPORT OF THE CONFERENCE

Sec. 205. (a) Proposed Report.—A proposed report of the Conference, which shall include a statement of comprehensive coherent national policy on aging together with recommendations for the implementation of the policy, shall be published and submitted to the chief executive officers of the States not later than 60 days following the date on which the Conference is adjourned. The findings and recommendations included in the published proposed report shall be immediately available to the public.

(b) Response to Proposed Report.—The chief executive officers of the States, after reviewing and soliciting recommendations and comments on the report of the Conference, shall submit to the Secretary, not later than 180 days after receiving the report, their views and findings on the recommendations of the Conference.

(c) Final Report.—The Secretary shall, after reviewing the views and recommendations of the chief executive officers of the States, prepare a final report of the Conference, which shall include a compilation of the actions of the chief executive officers of the States and take into consideration the views and findings of such officers.

(d) Recommendations of Secretary.—The Secretary shall, within 90 days after submission of the views of the chief executive officers of the States, publish and transmit to the President and to the Congress recommendations for the administrative action and the legislation necessary to implement the recommendations contained within the report.

### DEFINITIONS

Sec. 206. For the purposes of this title—

(1) the term "area agency on aging" means the agency designated under section 305(a)(2)(A) of the Act;

(2) the term "State agency on aging" means the State agency designated under section 305(a)(1) of the Act;

(3) the term "Secretary" means the Secretary of Health and Human Services;

(4) the term "Conference" means the White House Conference on Aging authorized in subsection (b); and

(5) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, or the Commonwealth of the Northern Mariana Islands.

### AUTHORIZATION OF APPROPRIATIONS

Sec. 207. (a) Authorization.—There are authorized to be appropriated such sums as may be necessary, for each of the fiscal years 1989, 1990, and 1991, to carry out this section. Sums appropriated under this paragraph shall remain available until the expiration of the 1-year period beginning on the date the Conference is adjourned. New spending authority or authority to enter into contracts as provided in this section shall be effective only to the extent and in such amounts as are provided in advance in appropriations Acts.

(b) Return of Unexpended Funds.—Any funds remaining upon the expiration of such 1-year period shall be returned to the Treasury of the United States and credited as miscellaneous receipts.

## TITLE III—ALZHEIMER'S DISEASE RESEARCH

### REQUIREMENT FOR CLINICAL TRIALS

Sec. 301. (a) General Authority.—(1) The Director of the National Institute on Aging shall provide for the conduct of clinical trials on the efficacy of the use of such promising therapeutic agents as have been or may be discovered and recommended for further scientific analysis by the National Institute on Aging and the Food and Drug Administration, like tetrahydroaminoacridine, to treat individuals with Alzheimer's disease, to retard the progression of symptoms of Alzheimer's disease, or to improve the functioning of individuals with such disease.

(2) Nothing in this title shall be construed to affect adversely any research being conducted as of the date of enactment of this Act.

(b) Rules for Conduct of Clinical Trials.—The clinical trials required by subsection (a) shall be conducted for a period beginning on such date as the Director of the National Institute on Aging considers appropriate and ending on—

(1) September 30, 1990; or

(2) such date as such Director determines that such trials have provided sufficient data to determine the efficacy of the use of such drugs to treat individuals with Alzheimer's disease, to retard the progression of symptoms of Alzheimer's disease, or to improve the functioning of individuals with such disease,

whichever is earlier.

### AUTHORIZATION OF APPROPRIATIONS

Sec. 302. There are authorized to be appropriated $2,000,000 for each of the fiscal years 1988, 1989, and 1990 to carry out this title.

## TITLE IV—NATIONAL SCHOOL LUNCH ACT AMENDMENT

### PARTICIPATION OF OLDER PERSONS AND CHRONICALLY IMPAIRED DISABLED PERSONS IN CHILD CARE FOOD PROGRAM

Sec. 401. Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended by adding at the end the following:

"(p)(1) For purposes of this section, adult day care centers shall be considered eligible institutions for reimbursement for meals or supplements served to persons 60 years of age or older or to chronically impaired disabled persons, including victims of Alzheimer's disease or other neurological and organic brain disorders of the Alzheimer's type. Reimbursement provided to such institutions for such purposes shall supplement, not supplant, funds provided for such purposes on the effective date of this subsection, unless the quality of meals or level of services provided is improved through participation in the program.

"(2) For purposes of this subsection—

"(A) the term 'adult day care center' means any public agency or private nonprofit organization, or any proprietary title XIX or title XX center, which—

"(i) is licensed or approved by Federal, State, or local authorities to provide adult day care services to chronically impaired disabled adults or persons 60 years of age or older in a group setting outside their homes on a less than 24-hour basis; and

"(ii) provides for such care and services directly or under arrangements made by the agency or organization whereby the agency or organization maintains professional management responsibility for all such services; and

"(B) the term 'proprietary title XIX or title XX center' means any private, for-profit center providing adult day care services for which it receives compensation from amounts granted to the States under title XIX or XX of the Social Security Act and which title XIX or title XX beneficiaries were not less than 25 per cent of enrolled eligible participants in a calendar month preceding initial application or annual reapplication for program participation.

"(3)(A) The Secretary of Agriculture, in consultation with the Commissioner on Aging, may establish separate guidelines for reimbursement of institutions described in this subsection.

"(B) The guidelines shall contain provisions designed to assure that reimbursement under this subsection shall not duplicate reimbursement under part C of title III of the Older Americans Act of 1965, for the same meal served.".

## TITLE V—NATIVE AMERICAN PROGRAMS

### SHORT TITLE

Sec. 501. This title may be cited as the "Native American Programs Amendments Act of 1987".

### REVIEW OF APPLICATIONS FOR ASSISTANCE

Sec. 502. The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended—

(1) in the first sentence of section 803(a) by inserting ", on a single year or multiyear basis," after "financial assistance",

(2) by redesignating sections 813 and 814 as sections 815 and 816, respectively,

(3) by redesignating sections 806 through 812, as sections 807 through 813, respectively, and

(4) by inserting after section 805 the following new section:

### "PANEL REVIEW OF APPLICATIONS FOR ASSISTANCE

"Sec. 806. (a)(1) The Secretary shall establish a formal panel review process for purposes of—

"(A) evaluating applications for financial assistance under sections 803 and 805, and

"(B) determining the relative merits of the projects for which such assistance is requested.

"(2) Members of review panels established under paragraph (1) shall be appointed by the Secretary from among individuals who are not officers or employees of the Administration for Native Americans. In making appointments to such panels, the Secretary shall give preference to American Indians, Hawaiian Natives, and Alaskan Natives.

"(b) Each review panel established under subsection (a)(1) that reviews any application for financial assistance shall—

"(1) determine the merit of each project described in such application;

"(2) rank such application with respect to all other applications it reviews for the fiscal year involved, according to the relative merit of all of the projects that are described in such application and for which financial assistance is requested; and

"(3) submit to the Secretary a list that identifies all applications reviewed by such panel and arranges such applications according to rank determined under paragraph (2).

"(c) Upon the request of the chairman of the Select Committee on Indian Affairs of the Senate or of the chairman of the Committee on Education and Labor of the House of Representatives made with respect to any application for financial assistance under section 803 or 805, the Secretary shall transmit to the chairman written notice—

"(1) containing a copy of the list submitted to the Secretary under subsection (b)(3) in which such application is ranked;

"(2) specifying which other applications ranked in such list have been approved by the Secretary under sections 803 and 805; and

"(3) if the Secretary has not approved each application superior in merit, as indicated on such list, to the application with respect to which such notice is transmitted, containing a statement of the reasons relied upon by the Secretary for—

"(A) approving the application with respect to which such notice is transmitted; and

"(B) failing to approve each pending application that is superior in merit, as indicated on such list, to the application described in subparagraph (A).".

### PROCEDURAL REQUIREMENTS

SEC. 503. (a) The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended by inserting after section 813, as so redesignated by section 502, the following new section:

### "ADDITIONAL REQUIREMENTS APPLICABLE TO RULE MAKING

"SEC. 814. (a) Notwithstanding subsection (a) of section 553 of title 5, United States Code, and except as otherwise provided in this section, such section 553 shall apply with respect to the establishment and general operation of any program that provides loans, grants, benefits, or contracts authorized by this title.

"(b) The exception provided in subparagraph (A) of the last sentence of section 553(b) of title 5, United States Code, shall not apply with respect to any rule (including any general statement of policy) that is—

"(1) proposed under this title;

"(2) applicable exclusively to any program, project, or activity authorized by, or carried out under, this title; or

"(3) applicable to the organization, procedure, or practice of an agency (as defined in section 551(1) of title 5, United States Code) and that would solely affect the administration of this title.

"(c) The exceptions provided by paragraphs (1) and (2) of section 553(d) of title 5, United States Code, shall not apply to any rule (or general statement of policy) that—

"(1) is issued to carry out this title;

"(2) applies exclusively to any program, project, or activity authorized by, or carried out under, this title; or

"(3) is applicable to the organization, procedure, or practice of an agency (as defined in section 551(1) of title 5, United States Code) and that will solely affect the administration of this title.

"(d) Each rule to which this section applies shall contain after each of its sections, paragraphs, or similar textual units a citation to the particular provision of statutory or other law that is the legal authority for such section, paragraph, or unit.

"(e) Except as provided in subsection (c), if as a result of the enactment of any law affecting the administration of this title it is necessary or appropriate for the Secretary to issue any rule, the Secretary shall issue such rule not later than 180 days after the date of the enactment of such law.

"(f) Whenever an agency publishes in the Federal Register a rule (including a general statement of policy) to which subsection (c) applies, such agency shall transmit a copy of such rule to the Select Committee on Indian Affairs of the Senate and to the Committee on Education and Labor of the House of Representatives.".

(b) Section 815 of the Native American Programs Act of 1974 (42 U.S.C. 2992c), as so redesignated by section 502, is amended—

(1) in paragraph (3) by striking out "and" at the end thereof,

(2) by redesignating paragraph (4) as paragraph (5), and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) the term 'rule' has the meaning given it in section 551(4) of title 5, United States Code, as amended from time to time; and".

### INCLUSION OF NATIVE AMERICAN PACIFIC ISLANDERS

SEC. 504. (a) Subsection (a) of section 803 of the Native American Programs Act of 1974 (42 U.S.C. 2991b(a)) is amended by inserting the following sentence after the first sentence thereof: "The Secretary is authorized, subject to the availability of funds appropriated under the authority of section 816(c), to provide financial assistance to public and nonprofit private agencies serving Native American Pacific Islanders (including American Samoan Natives) for projects pertaining to the purposes of this Act.".

(b)(1) Section 802 of the Native American Programs Act of 1974 (42 U.S.C. 2991a) is amended by inserting ", Native American Pacific Islanders (including American Samoan Natives)," after "Hawaiian Natives".

(2) Paragraph (2) of section 806(a) of the Native American Programs Act, as added by section 502(4) of this Act, is amended by inserting "Native American Pacific Islanders (including American Samoan Natives)," after "Hawaiian Natives,".

(3) Section 808 of the Native American Programs Act of 1974 (42 U.S.C. 2991f), as redesignated by section 502, is amended by inserting "or Territory" after "State" each place it appears.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 505. Section 816 of the Native American Programs Act of 1974 (42 U.S.C. 2992d(a)), as redesignated by section 502 of this Act, is amended—

(1) by striking out "1979 through 1986" in subsection (a) and inserting in lieu thereof "1987, 1988, 1989, 1990, and 1991", and

(2) by adding at the end thereof the following new subsection:

"(c) There are authorized to be appropriated $500,000 for each of the fiscal years 1987, 1988, 1989, 1990, and 1991 for the purpose of providing financial assistance to Native American Pacific Islanders (including American Samoan Natives) under section 803(a).".

### REVOLVING LOAN FUND FOR NATIVE HAWAIIANS

SEC. 506. The Native American Programs Act of 1974 (42 U.S.C. 2991) is amended by inserting immediately after section 803 the following new section:

### "LOAN FUND; DEMONSTRATION PROJECT

"SEC. 803A. (a)(1) In order to provide funding that is not available from private sources, the Secretary, acting through an appropriate State agency, or a community-based Native Hawaiian organization whose purpose is economic and social self-sufficiency, shall establish and carry out, in the State of Hawaii, a 60-month demonstration project involving the establishment of a revolving loan fund—

"(A) from which the Secretary, acting through such agency or community-based Native Hawaiian organization, shall make loans to Native Hawaiian organizations and to individual Native Hawaiians for the purpose of promoting economic development,

"(B) into which all payments, interest, charges, and other amounts collected from loans made under subparagraph (A) shall, notwithstanding any other provision of law, be deposited.

"(2) The Secretary may make loans under paragraph (1)(A) only if the Secretary determines that—

"(A) the borrower is unable to obtain financing from other sources on reasonable terms and conditions, and

"(B) there is a reasonable prospect that the borrower will be able to repay the loan.

"(3)(A) Loans made under paragraph (1)(A) shall be—

"(i) for a term that does not exceed 5 years, and

"(ii) at a rate of interest determined by the Secretary of the Treasury on the basis of the market yield on municipal bonds at the time the loan is made.

"(B) Notwithstanding subparagraph (A)(ii), the rate of interest on loans made under paragraph (1)(A) shall not exceed the average yield on marketable obligations of the United States of comparable maturity that are outstanding at the time the loan is made.

"(4) The Secretary is authorized to require any borrower of a loan under paragraph (1)(A) to provide such collateral as the Secretary determines to be necessary to secure the loan.

"(5)(A) The Secretary may cancel, adjust, compromise, or reduce the amount of any loan made under paragraph (1)(A), or release or subordinate any collateral securing payment of such amount, if the Secretary determines that—

"(i) such amount is uncollectable or collectable only at an unreasonable cost, or

"(ii) such action would be in the best interests of the United States.

"(6) The Secretary, out of funds available in the revolving loan fund established under paragraph (1), shall—

"(A) pay expenses incurred by the Secretary in administering the revolving loan fund, and

"(B) provide competent management and technical assistance to borrowers for loans made under paragraph (1)(A) to assist the borrower in meeting the objectives of the loan.

"(7) The Secretary, in consultation with such State agency or community-based Native Hawaiian organization, shall prescribe regulations which set forth the procedures and criteria to be used in making loans under paragraph (1)(A). The Secretary

is authorized to prescribe such other regulations as may be necessary to carry out the purposes of this subsection, including regulations involving reporting and auditing.

"(8) No loan shall be made from the fund upon the expiration of the 60-month period following the date of the enactment of this Act.

"(9)(A) Notwithstanding any other provision of this Act, there is authorized to be appropriated to the fund established pursuant to this section the sum of $3,000,000, to remain available until expended.

"(B) Moneys in the fund shall be available for expenditure by the Secretary without fiscal year limitation for the purpose of carrying out the provisions of this title.

"(10) All moneys in the fund following the termination of the demonstration project under this section, not otherwise needed, as determined by the Secretary, to carry out this section, shall be deposited in the Treasury of the United States as miscellaneous receipts. All amounts thereafter deposited in the fund pursuant to subsection (a)(1)(B) of this section following such termination shall be transferred to the Treasury as miscellaneous receipts.

"(b) On or before the expiration of the 48-month period following the date of the enactment of this section, the Secretary, in consultation with the State agency or contracting community-based Native Hawaiian organization referred to in paragraph (1) of subsection (a) of this section, shall report to the Congress concerning the administration of this section, together with the views and recommendations of the Secretary as to the effectiveness of the demonstration program, and whether it should be expanded to other groups eligible for assistance under this section, and extended.".

### EFFECTIVE DATE

SEC. 507. Notwithstanding the provisions of section 401 of this Act, the amendment made by section 506 of this Act shall take effect upon the expiration of the 90-day period following the date of the enactment of this Act.

## TITLE VI—HEALTH CARE SERVICES IN THE HOME

### SHORT TITLE

SEC. 601. This title may be cited as the "Health Care Services in the Home Act of 1987".

### PROGRAM AUTHORIZED

SEC. 602. (a) IN GENERAL.—Part A of title XIX of the Public Health Service Act is amended by adding at the end thereof the following:

### "SUBPART 2—HEALTH CARE SERVICES IN THE HOME

### "AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 1910C. For the purpose of allotments to States to carry out the activities described in section 1910F, there are authorized to be appropriated $100,000,000 for fiscal year 1988, $100,000,000 for fiscal year 1989, and $100,000,000 for fiscal year 1990.

### "ALLOTMENTS

"SEC. 1910D. (a)(1) Except as provided in paragraph (2), the Secretary shall allot to each State for each fiscal year from the amounts appropriated under section 1910C for such fiscal year an amount equal to the product of—

"(A) the population of the State, multiplied by

"(B) the relative per capita income of the State.

For purposes of subparagraph (B), the term 'relative per capita income' has the same meaning as in the last sentence of section 1913(a)(1).

"(2) Notwithstanding paragraph (1)—

"(A) the total amount of the allotment for each of the several States, the District of Columbia, and Puerto Rico for each fiscal year shall not be less than one-half of 1 percent of the total amount appropriated under section 1910C for such fiscal year;

"(B) the total amount of the allotment for each of the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands for each fiscal year shall not be less than one-fourth of 1 percent of the total amount appropriated under section 1910C for such fiscal year; and

"(C) the total amount of the allotment for each of American Samoa and the Commonwealth of the Northern Mariana Islands for each fiscal year shall not be less than one-sixteenth of 1 percent of the total amount appropriated under section 1910C for such fiscal year.

"(b) To the extent that all the funds appropriated under section 1910C for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1910G for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this subpart pursuant to section 1910G(d)),

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(c)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this subpart be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this subpart,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a) as the population of the Indian tribe or tribal organization bears to the population of the State.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

### "PAYMENTS UNDER ALLOTMENTS TO STATES

"SEC. 1910E. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1910D (other than any amount reserved under subsection (c) of such section) from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

### "USE OF ALLOTMENTS

"SEC. 1910F. (a)(1) Except as provided in subsections (b), (c), and (d), amounts paid to a State under section 1910E from its allotment under section 1910D for any fiscal year may be used to provide health care services in the home for eligible individuals. Such amounts may be used to—

"(A) pay compensation for the services of physicians, nurses, and social workers who plan, manage or provide or arrange for the provision of, health care services in the home for eligible individuals;

"(B) identify and locate eligible individuals needing the provision of health care services in the home;

"(C) develop proper standards and quality assurance mechanisms for the provision of health care services in the home for eligible individuals;

"(D) coordinate health care services provided in the home for eligible individuals under this subpart with other supportive social services provided for such individuals;

"(E) coordinate other long-term care services provided for eligible individuals by public and private institutions and voluntary organizations in order to ensure the provision of such services and to maximize the use of funds provided under this subpart and under other Federal laws; and

"(F) provide training to health professionals (other than physicians, nurses, and social workers), particularly training for health professionals who work within hospitals to educate individuals who may benefit from the provision of health care services in the home, and training in advanced discharge planning.

"(2) A State may use amounts paid to it under section 1910E to provide health care services in the home for eligible individuals through grants to health care organizations. In making such grants, a State shall give priority to home care programs, including home care programs based in hospitals. As a condition of receipt of a grant under this paragraph, a State shall require a health care organization to use amounts provided under such grant only for the provision of health care services in the home for eligible individuals.

"(b) Of the total amount paid to a State under section 1910E for a fiscal year—

"(1) at least 85 percent of such total amount shall, in the case of fiscal year 1988, be used by the State to pay compensation under subsection (a)(1)(A);

"(2) not more than 10 percent of such total amount may, in the case of fiscal year 1988, be used by the State for activities under this subpart other than the payment of compensation under subsection (a)(1)(A); and

"(3) not more than 5 percent may, in the case of a fiscal year beginning after September 30, 1988, be used by the State for activities under this subpart other than the payment of compensation under subsection (a)(1)(A).

"(c) Not more than $2,500 per year may be used by a State, with respect to any eligible individual, to pay compensation for the *services of physicians, nurses, and social workers under subsection (a)(1)(A).*

*"(d) A State may not use amounts paid to it under section 1910E to—*

*"(1) provide inpatient services, except services involving advanced discharge planning;*

*"(2) make cash payments to intended recipients of services;*

*"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;*

*"(4) satisfy and requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;*

*"(5) provide services under this subpart to an individual if the total cost to the Federal Government of providing such services would exceed the total cost of institutionalization of such individual;*

*"(6) provide reimbursement for services performed by any individual other than a physician, nurse, or social worker; or*

*"(7) provide supportive social services for which planning and management is conducted under subsection (a)(1)(D).*

*"(e) The Secretary, if requested by a State, shall provide technical assistance to the State in planning and operating activities to be carried out under this subpart.*

*"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS*

*"SEC. 1910G. (a)(1) In order to receive an allotment for a fiscal year under section 1910D, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.*

*"(2) Each application required under paragraph (1) for an allotment under section 1910D for a fiscal year shall contain assurances that the State will meet the requirements of subsection (b).*

*"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—*

*"(1) certify that the State agrees to use the funds allotted to it under section 1910D in accordance with the requirements of this subpart;*

*"(2) provide assurances that such chief executive officer will designate or establish a State agency to administer funds provided under this subpart;*

*"(3) certify that the State will coordinate the provision of health care services in the home with funds provided under this subpart with activities conducted to provide such services by voluntary, religious, and community organizations and local governments;*

*"(4) provide assurances that the State will make reasonable efforts to provide health care services in the home under this subpart through home care programs in the State, including home care programs based in hospitals; and*

*"(5) provide assurances that the State will, to the maximum extent feasible, provide health care services in the home under this subpart to individuals who are low income individuals and who are not receiving equivalent home health care services under the State's medicaid plan approved under title XIX of the Social Security Act.*

*"(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1910E for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this subpart, and any revision shall be subject to the requirements of the preceding sentence.*

*"(d) Except where inconsistent with the provisions of this subpart, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), and sections 1907, 1908, and 1909 shall apply to this subpart in the same manner as such provisions apply to subpart 1 of this part.*

*"(e) Each report submitted by a State to the Secretary under section 1906(a)(1) (as such section applies to this subpart pursuant to subsection (d) of this section) shall include an analysis of the cost effectiveness of providing health care services in the home for eligible individuals under this subpart.*

*"EVALUATIONS*

*"SEC. 1910H. The Secretary shall conduct, or arrange for the conduct of, evaluations of services provided and activities carried out with payments to States under this subpart.*

*"DEFINITIONS*

*"SEC. 1910I. For purposes of this subpart—*

*"(1) The term 'eligible individual' means an individual who—*

*"(A) resides at home and is at risk of institutionalization because of medical limitations on the ability of such individual to function independently;*

*"(B) is a patient in a hospital who is at risk of prolonged hospitalization, and who could be cared for in a long-term care institution or who could return to the community if health care services in the home are available; or*

*"(C) is a patient in a skilled nursing facility or an intermediate care facility who could return to the community if health care services in the home are available.*

*"(2) The terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.".*

*(b) TECHNICAL AMENDMENTS.—Such part is further amended—*

*(1) by striking out the heading of such part and inserting in lieu thereof the following:*

*"PART A—PREVENTIVE HEALTH SERVICES, HEALTH SERVICES, AND HEALTH SERVICES IN THE HOME";*

*(2) by inserting after the heading of such part the following:*

*"Subpart 1—Preventive Health and Health Services"; and*

*(3) by striking out "this part" and inserting in lieu thereof "this subpart" each place it appears in sections 1902(d)(1)(A), 1902(d)(1)(B), 1904(a)(1), 1904(a)(3), 1904(b), 1905(c)(1), 1905(c)(3), 1905(c)(2), 1905(c)(4), 1905(c)(6), and 1905(d).*

*EFFECTIVE DATE*

*SEC. 603. This title and the amendments made by this title shall take effect on October 1, 1988.*

*TITLE VII—GENERAL PROVISIONS*

*EFFECTIVE DATE; APPLICATION OF AMENDMENTS*

*SEC. 701. (a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1987.*

*(b) APPLICATION OF AMENDMENTS.—The amendments made by title I of this Act shall not apply with respect to—*

*(1) any area plan submitted under section 306(a) of the Older Americans Act of 1965, or*

*(2) any State plan submitted under section 307(a) of such Act,*

*and approved for any fiscal year beginning before the date of the enactment of this Act.*

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes, if we may have order.

Mr. MATSUNAGA. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. Senators will please clear the well. The Senate will be in order.

The majority leader is recognized.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. Mr. President, there will shortly be another rollcall vote, and I am sure that some Senators who are talking right now will ask later what is going to happen later in the day and tomorrow.

May we have order, so that we might answer the question once?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. Mr. President, it is my understanding that the conferees on the debt limit extension are making progress. They are continuing to work.

As I have indicated all along, the Senate might have to be in session on Saturday. This being late Thursday, I thought we should renew that indication, so that Senators would schedule their own daily programs accordingly.

I hope we can complete action on this debt limit by Saturday. Otherwise, there will have to be another extension, or the August break will suffer an erosion.

So I would urge all conferees to proceed as they have been doing. They are working hard. But I think that other Senators ought to know that there is a fairly good prospect that action will be taken on that debt limit, if not tomorrow, then on Saturday. I have heard that the House is putting out the same word and that there is a good indication over there that House Members might have to stay around

Saturday to vote on the debt limit extension.

Does the distinguished Republican leader have anything he wishes to add?

Mr. DOLE. I inquire of the distinguished majority leader: After the vote on the McPherson nomination, is it the intention of the majority leader to wait to see if there might be some final conference action? Are there any plans for additional votes after the next vote?

Mr. BYRD. Mr. President, I have conferred with the distinguished Senator from Texas, Mr. BENTSEN. There is no indication from him that the Senate will be acting this evening on the debt limit extension. It will go back to the House first. There are still some problems to be resolved in the conference; and I think it would be well, inasmuch as there are no more rollcall votes today, to free the conferees to talk among themselves.

I thank all Senators for their patience and courtesy. I thought this might be the best opportunity, while we had a great number of Senators on the floor, to renew to them the indications that there very likely will be a Saturday session. If it requires a Saturday session to complete action on the debt limit extension, there will be a Saturday session; and if it means that we will have to be in session on Monday in order to complete it and then go out for the break, there will be a Monday session.

I hope we will be able to continue on tomorrow to do the business of the Senate and make progress. We have made considerable progress in the last day or so, perhaps to the surprise of some Senators. I think there were over 20 bills passed yesterday, and these have taken a good many hours and days on the part of our floor staffs.

The next rollcall vote will be on the nomination of Mr. McPherson, and that will be the last rollcall vote today.

The Senate will come in at 8 o'clock a.m. for morning business, and Senators who have morning business can be ready early to make their speeches and transact morning business.

## EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session to vote on the nomination of M. Peter McPherson.

The clerk will report the nomination.

## DEPARTMENT OF THE TREASURY

The assistant legislative clerk read the nomination of M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury.

Mr. BENTSEN. Mr. President, I rise in support of the nomination of Peter McPherson to be Deputy Secretary of the Treasury.

Let me report to the Senate the procedures taken by the Committee on Finance to report this nomination to the full Senate.

First, Mr. McPherson was appointed on April 22 of this year. The appointment would fill a vacancy created by the April 10 resignation of Richard Darman.

Following receipt of the nominee's answers to our standard committee questionnaire, the committee held a hearing on the nomination on May 20. Following that hearing, the nominee provided responses to written questons submitted by several committee members.

On June 16, the committee met off the Senate floor following a rollcall vote, and approved the nomination by voice vote. However, a request for unanimous consent to authorize that afternoon meeting was denied.

Accordingly, the nomination was returned to the committee for further action. In a morning session on Wednesday, August 5, the committee again approved the nomination by voice vote. This meeting took place in the morning, prior to the beginning of the Senate session; accordingly, this action of the committee is fully authorized by the rules of the Senate.

Mr. President, Secretary Baker has had to operate without a deputy for almost 4 months. Mr. McPherson is a qualified nominee with a long history of valuable public service, and I urge the Senate to confirm his nomination so that he can begin his work in this important position.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] and the Senator from Illinois [Mr. SIMON] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] is necessarily absent.

The PRESIDING OFFICER (Mr. REID). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 2, as follows:

[Rollcall Vote No. 230 Ex.]

YEAS—95

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—2

Bradley
Helms

NOT VOTING—3

Gore
Hatfield
Simon

So the nomination was confirmed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NOMINATION OF MELISSA WELLS

Mr. BYRD. Mr. President, if the Chair will indulge me momentarily.

Mr. President, while the Senate is in executive session, I have discussed with the distinguished Senator from North Carolina [Mr. HELMS] the cloture motion that I want to send to the desk on the nomination of Melissa Wells.

I do not want the vote on this cloture motion until the day the Senate returns following the holiday.

I think there may be a good chance that the Senate will still be in session Saturday on the debt limit extension. I would not want to vote on the cloture motion on Saturday. But if the Senate completes its business tomorrow on the debt limit and we go out, the Senate would then be in position to vote on the cloture motion when we return, and the distinguished Senator from North Carolina has very kindly and graciously suggested that I ask unanimous consent that the vote occur on Wednesday when the Senate comes back following the recess; if the Senate is indeed in session on this coming Saturday, that vote would not occur on this Saturday.

I thank the able Senator, Mr. HELMS, for his courtesy in that regard.

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So, Mr. President, before I send a cloture motion to the desk, I ask unanimous consent that the vote on the cloture motion occur on the first day of the return of the Senate following the recess.

Mr. President, I ask unanimous consent that even though the Senate is not presently on the nomination of Melissa Wells, I be permitted to offer the cloture motion thereon notwithstanding, and that notwithstanding the requirements of rule XXII, the vote occur on the first day of the return of the Senate following the break. It will occur on that day in the event the Senate is not in this Saturday. But if the Senate is in Saturday in any event, then rule XXII would be waived to that extent and that the Senate would not vote on the cloture motion until Wednesday, September 9.

The PRESIDING OFFICER. Is there objection to the majority leader's request?

Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from North Carolina, Mr. HELMS.

## CLOTURE MOTION

Mr. BYRD. Mr. President, I send to the desk a cloture motion.

The PRESIDING OFFICER. The clerk will report the cloture motion.

The legislative clerk read as follows:

### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of Melissa Foelsch Wells, of New York, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Mozambique.

Senators Wyche Fowler, Jr., Tom Daschle, Dennis DeConcini, David Boren, Frank Lautenberg, Jeff Bingaman, Howard M. Metzenbaum, Timothy Wirth, Wendell Ford, Christopher Dodd, Spark Matsunaga, Jim Sasser, J.J. Exon, John F. Kerry, Kent Conrad, and Claiborne Pell.

Mr. BYRD. Mr. President, again I thank the able Senator from North Carolina, Mr. HELMS.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I should ask the distinguished Republican leader if he would feel that overnight it might be possible to call upon tomorrow the prompt payment bill, the State Department authorization bill, and the catastrophic illness bill.

Mr. DOLE. If the majority leader will yield, as I understand there is one holdout on this side on prompt payment. Everything else has been resolved. As the majority leader knows, earlier there was a suggestion that that Senator would agree that it be brought upon September 10, but as you indicated quite properly there might be 10 other things they want to bring up on September 10.

There is still some discussion going on between the Senator on your side and the Senator on my side.

The reference to the State Department authorization, I guess there is still discussion between two Senators on this side, one Senator wanting to bring the bill up, trying to urge the other Senator to remove his hold.

If that were done that could be brought up for, as I understand it, two amendments. Then it would go back on the calendar—one relating to Cuba, one relating to Panama.

I think that discussion is to take place between the Senator from New York, Senator D'AMATO, and the Senator from Utah, Senator GARN.

On the catastrophic, I just have too many. We were down to one, now it is back up to three.

Mr. BYRD. Well, I thank my colleague.

Mr. DOLE. We will do what we can to find some other business if we are going to be waiting tomorrow for the conference report, hopefully. There are probably other things that may be disposed of.

I know there is at least one AIDS bill we are trying to get some agreement on.

Mr. BYRD. I thank the Republican leader for his very conscientious and sincere efforts to be helpful. He has been helpful in securing clearance of a good many bills on yesterday and today.

I think I should say in all sobriety and seriousness to Senators who may be holding up measures thinking that by waiting until after the break that they may be able to resolve an amendment here or there, they are taking a chance. They are running a risk that the legislation will not be called up at all this year because as soon as we get back I am going to talk to the Republican leader and we are going to take a good look and decide on what measures we think this Senate can dispose of. There may be one or two or three that the distinguished Republican leader and I cannot agree on, by virtue of problems on our respectives sides, in which case we may just have to go at it and try for cloture.

I hope there will not even be bills of that kind, but if there are, that is in the normal course of things. We can expect those moments to come.

But other than those, I want to see if the Republican leader and I cannot sit down and agree that there are certain measures we are going to try to pass. Appropriation bills, for example. And some others. We will go at them and we are going to try to get those done.

If it is October, mid-October, or the end of October, or mid-November, whatever it is, that is it.

When those are done, we are going out. We are going out.

So a lot of the little bills that have been on this calendar for 2 months, 2½ months or longer, have had plenty of time to be worked out. Those bills may still be on the calendar next year when we return.

Senators who are holding up these bills run the risk of bearing the onus for not having action taken on them.

Let me ask the distinguished acting Republican leader, Mr. WILSON, if the nomination of Sherman M. Funk, of Maryland, to be inspector general, Department of State, Calendar Order No. 245, page 2 of the Executive Calendar, has been cleared.

Mr WILSON. Yes, it has, Mr. President, there is no objection on the Republican side.

## DEPARTMENT OF STATE

Mr. BYRD. Mr. President, I thank the acting leader. I ask unanimous consent that the Senate proceed to the consideration of Sherman M. Funk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk read the nomination of Sherman M. Funk, of Maryland, to be inspector general, Department of State.

The Senate proceeded to consider the nomination.

The PRESIDING OFFICER. Is there further debate on the nomination? If not, the question is on the nomination.

The nomination was confirmed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I inquire of the acting leader if the following nominees have been cleared on his side of the aisle.

The following nominations under Air Force: Calendar No. 291; on page 5, Calendar Order No. 293 and Calendar Order No. 294; and on page 7, under Navy, Calendar Order No. 303; and Calendar Order No. 303 on page 8.

On page 9, under Postal Rate Commission, Calendar Order No. 315; under Fededral Labor Relations Authority, Calendar 316; under National Science Foundation, Calendar 319; under National Council on Educational Research and Improvement, page 10, Calender Order No. 320; and under National Advisory Council on Educational Research and Improvement, Calendar Order No. 321.

Mr. WILSON. Mr. President, all of the nominations read by the majority leader have been cleared on the Republican side.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. President, I ask unanimous consent that all the nominations enumerated be considered en bloc and confirmed en bloc; a motion to reconsider be laid on the table; the President to be immediately notified that all nominations have been confirmed today; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

### In the Air Force

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. Philip C. Gast, 498-34-9821FR, U.S Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

*To be lieutenant general*

Maj. Gen. Hansford T. Johnson, 251-58-7597FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be reassigned in his current grade to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

*To be lieutenant general*

Lt. Gen. Harry A. Goodall, 288-28-0199FR, U.S. Air Force.

### In the Navy

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

*To be vice admiral*

Vice Adm. James E. Service, 163-24-3700/1310, U.S. Navy.

### Postal Rate Commission

John W. Crutcher, of Kansas, to be a commissioner of the Postal Rate Commission for the term expiring October 16, 1992, reappointment.

### Federal Labor Relations Authority

Jerry Lee Calhoun, of Washington, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 29, 1992, reappointment.

### National Science Foundation

Kenneth Leon Nordtvedt, Jr., of Montana, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1990, vice Simon Ramo, resigned.

### National Council on Educational Research and Improvement

James L. Usry, of New Jersey, to be a member of the National Council on Educational Research and improvement for a term expiring September 30, 1989, vice J. Floyd Hall, term expired.

### National Advisory Council on Educational Research and Improvement

Ruth Reeve Jenson, of Arizona, to be a member of the National Advisory Council on Educational Research and Improvement for the term expiring September 30, 1989, vice Donna Helene Hearne, resigned.

## LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

## BILL INDEFINITELY POSTPONED—S. 887

Mr. BYRD. Mr. President, I ask unanimous consent that S. 887 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the acting Republican leader, have the following Calendar Order Nos. 272, 275, 277, and 282 been cleared on the Republican side?

Mr. WILSON. Mr. President, they have been cleared.

Mr. BYRD. Mr. President, I ask unanimous consent that the calendar orders which I have read be considered en bloc and that where amendments to measures or to preambles are shown they be considered and agreed to, and that the measures be agreed to en bloc, that a motion to reconsider en bloc be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SETTLEMENT OF INDIAN LAND CLAIMS IN GAY HEAD, MA

The Senate proceeded to consider the bill (H.R. 2855) to settle Indian land claims in the town of Gay Head, MA, and for other purposes.

Mr. KENNEDY. Mr. President, I rise in support of H.R. 2855, the Wampanoag Tribal Council of Gay Head, Inc., Indian Claims Settlement Act of 1987 and ask for its immediate consideration.

This bill is the culmination of nearly 15 years of negotiation between the Wampanoag Tribal Council of Gay Head, Inc., the Town of Gay Head, the Gay Head Taxpayers Association and the Commonwealth of Massachusetts.

It will extinguish a claim brought by the Wampanoag Tribal Council in 1974, against the Town of Gay Head in Federal district court seeking to recover land in this small community on Martha's Vineyard. The claim was based on the Non-Intercourse Act, which prohibits the alienation of tribal lands without congressional consent. In an effort to avoid costly, time-consuming litigation, and alleviate the financial burdens of clouded property title on Gay Head, the parties entered into extensive negotiations which resulted in the adoption of a settlement agreement in November 1983. This legislation would carry out the terms of the agreement.

Congressman GERRY STUDDS is the sponsor of this bill and it is similar to the legislation that I introduced earlier this year with my colleague Senator KERRY. The only difference between the two bills are minor, technical amendments that were added during the markup by the House Interior and Insular Affairs Committee.

There are several unique features of this bill that deserve special recognition.

Last year, the bill that I introduced made the transfer of property contingent on the recognition of the tribe. That provision is no longer necessary because on February 4, 1987, the Secretary of Interior recognized the Wampanoag Indians of Gay Head as a tribe.

Second, this bill calls for 418 acres of land to be held in trust for the benefit and use of the tribe for housing and business enterprises. Under the agreement, the Commonwealth of Massachusetts will transfer 238 acres of public land to the tribe. The authority for the transfer of the property has already been approved by the State legislature. The remaining 180 acres of land will be purchased jointly by the Federal Government and the State of Massachusetts—each will finance one-half of the $4.5 million land cost. This bill establishes a $2.25 million Gay Head Indian Claims Settlement Fund representing the Federal share of the land purchase.

The most important reason for expeditious action on this bill is the problem of escalating land prices on Martha's Vineyard. This beautiful island off the coast of Massachusetts—longtime home to the Wampanoag Gay Head Indians—is also one of the most popular vacation spots on the east coast. The availability of affordable property on Martha's Vineyard is diminishing. Through this unique arrangement, the parties to this settlement have had access to a block of land that would accommodate the Indians' needs. But the longer we delay, the price of the land increases and we potentially jeopardize subdivision of the private property by its current owners into smaller lots for sale.

This legislation recognizes that in a time of fiscal restraint it is important for Congress to ensure that Indian land claims settlements meet certain broadly applicable standards.

The Wampanoag Tribe of Gay Head Indians has persevered to meet these standards, which include: Federal recognition of the tribe, which the Gay Head Indians achieved February 4, 1987; payment by Massachusetts of 50 percent of the settlement costs; and

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documentation of the validity of the land claim, which the Gay Head Indians have produced. Furthermore, the current value of the settlement property is based on an independent appraisal.

I ask my colleagues in the Senate to act favorably and finalize this agreement which represents the final step in a long, arduous negotiation process.

It is time to conclude an issue that has finally reached an amicable resolution and allow the Wampanoag Indian Tribe of Gay Head to provide long overdue opportunities for their members.

The bill (H.R. 2855) was ordered to a third reading, read the third time, and passed.

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## CREATION OF "SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT"

The Senate proceeded to consider the bill (S. 1574) to combine the Senator's Clerk Hire Allowance Account and the Senator's Official Office Expense Account into a combined single account to be known as the Senators' Official Personnel and Office Expense Account, and for other purposes.

Mr. D'AMATO. Mr. President, would the chairman of the Senate Rules and Administration Committee respond to a question? In section 1(b)(1) of S. 1574, does expense category 3, "costs incurred in the preparation of required official reports, and the acquisition of mailing lists to be used for official purposes, and in the mailing, delivery, or transmitting of matters relating to official business," authorize a Member to be reimbursed for expenses incurred for any official Senate mailing which is in excess of authorized allocations that limit the amount of appropriated funds available in the appropriation—official mailing costs?

Mr. FORD. I would be happy to respond to my good friend from New York. The answer is yes! Expense category 3 could be used to reimburse the costs incurred for any official Senate mailing which is in excess of authorized allocations that limit the amount of appropriated funds available to the appropriations—official mailing costs. I would like to confirm with the ranking member of our committee, TED STEVENS, that my response is consistent with his understanding.

Mr. STEVENS. Yes! Absolutely! The whole point of this legislation consolidating office accounts is to allow Members more control and flexibility on how they can allocate the resources the Senate provide to meet their individual office needs so they can best respond to the residents in their States. The chairman's answer to my friend from New York's question is how I understood the new consolidated account could assist Members in their mailings. In fact, I had ventured that opinion in a private conversation with Senator D'AMATO. I commend the Senator from New York for bringing the question to the floor so the chairman could put to rest, on the record, any doubt that any other Senator may have on that point.

The bill was ordered to be engrossed for a third reading, read the third time, and passed; as follows:

### S. 1574

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a)(1) effective January 1, 1988, there shall be, within the contingent fund of the Senate, a separate appropriation account to be known as the "Senators' Official Personnel and Office Expense Account" (hereinafter in this section referred to as the "Senators' Account").

(2) The Senators' Account shall be used for the funding of all items, activities, and expenses which, immediately prior to January 1, 1988, were funded under either (A) the Senate appropriation account for "Administrative, Clerical, and Legislative Assistance Allowance to Senators" (hereinafter in this section referred to as the "Senators' Clerk Hire Allowance Account") under the headings "SENATE" and "SALARIES, OFFICERS AND EMPLOYEES", or (B) that part of the account, within the contingent fund of the Senate, for "Miscellaneous Items" (hereinafter in this section referred to as the "Senators' Official Office Expense Account") which is available for allocation to Senatorial Official Office Expense Accounts. In addition, the Senators' Account shall be used for the funding of agency contributions payable with respect to compensation payable by such account, but moneys appropriated to such account for this purpose shall not be available for any other purpose. The account, which in clause (A) of the first sentence of this paragraph is identified as the "Senators' Clerk Hire Allowance Account" and the account, which in clause (B) of such sentence is identified as the "Senators' Official Office Expense Account" shall, when referred to in other law, rule, regulation, or order (whether referred to by such name or any other) shall on and after January 1, 1988, be deemed to refer to the "Senators' Official Personnel and Office Expense Account".

(3)(A) Effective on January 1, 1988, there shall be transferred to the Senators' Account from the Senators' Clerk Hire Allowance Account all funds therein which were available for expenditure or obligation during the fiscal year ending September 30, 1988, and from the Senators' Official Office Expense Account so much of the funds therein as was available for expenditure or obligation for the period commencing January 1, 1988, and ending September 30, 1988; except that the Senators' Official Office Expense Account shall remain in being solely for the purpose of being available to pay for any authorized item, activity, or expense, for which funds therein had been obligated, but not paid, prior to such transfer.

(B) Any of the funds transferred to the Senators' Account from the Senators' Clerk Hire Allowance Account pursuant to subparagraph (A) which, prior to such transfer, had been obligated, but not expended, for any authorized item, activity, or expense, shall be available to pay for such item, activity, or expense in like manner as if such transfer had not been made.

(4) On January 1, 1988, there shall be transferred to the Senators' Account, from the appropriation account for "Agency Contributions", under the headings "SENATE" and "SALARIES, OFFICERS AND EMPLOYEES", so much of the moneys in such account as was appropriated for the purpose of making agency contributions for administrative, clerical, and legislative assistance to Senators with respect to compensation payable for the period commencing January 1, 1988, and ending September 30, 1988; and the moneys so transferred shall be available only for the payment of such agency contributions with respect to such compensation.

(5) Vouchers shall not be required for the disbursement, from the Senators' Account, of salaries of employees in the office of a Senator.

(b)(1) Effective January 1, 1988, section 506(a) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)) is amended to read as follows:

"SEC. 506. (a) The contingent fund of the Senate is made available for payment to or on behalf of each Senator, upon certification of the Senator, for the following expenses incurred by the Senator and his staff:

"(1) telecommunications equipment and services subject to such regulations as may be promulgated by the Committee on Rules and Administration of the Senate;

"(2) stationery and other office supplies procured for use for official business;

"(3) reimbursement to each Senator for costs incurred in the preparation of required official reports, and the acquisition of mailing lists to be used for official purposes, and in the mailing, delivery, or transmitting of matters relating to official business;

"(4) reimbursement to each Senator for official office expenses incurred (other than for equipment and furniture and expenses described in paragraphs (1) through (3)) for an office in his home State;

"(5) reimbursements to each Senator for expenses incurred for publications printed or recorded in any way for auditory and visual use (including subscriptions to books, newspapers, magazines, clipping, and other information services);

"(6) subject to the provisions of subsection (e) of this section, reimbursement of travel expenses incurred by the Senator and employees in his office;

"(7) reimbursement to each Senator for expenses incurred for additional office equipment and services related thereto (but not including personal services), in accordance with regulations promulgated by the Committee on Rules and Administration of the Senate;

"(8) reimbursement to each Senator for charges officially incurred for recording and photographic services and products; and

"(9) reimbursement to each Senator for such other official expenses as the Senator determines to be necessary, but only (A) in the case of expenses for the period commencing January 1, 1988, and ending with the close of September 30, 1988, to the extent that such expenses do not exceed ten percent of the total amount of expenses authorized to be paid to or on behalf of such Senator under this section (excluding any amount so authorized by subsection (b)(2)(A)(iv) of this section), and (B) in the case of expenditures for periods commencing on or after October 1, 1988, to the extent such expenses do not exceed ten percent of the total amount of expenses authorized to be paid to or on behalf of such

Senator under this section (excluding any amount so authorized by subsection (b)(3)(A)(iv) of this section for the fiscal year involved).

Reimbursement to a Senator and his employees under this section shall be made only upon presentation of itemized vouchers for expenses incurred and, in the case of expenses reimbursed under paragraphs (8) and (9), only upon presentation of detailed itemized vouchers for such expenses. Vouchers presented for payment under this section shall be accompanied by such documentation as is required under regulations promulgated by the Committee on Rules and Administration of the Senate. No reimbursement shall be made under paragraph (4) or (9) for any expense incurred for entertainment or meals.".

(2) Effective January 1, 1988, section 506(b) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(b)) is amended—

(A) in paragraph (1), by striking out "Except as otherwise provided in paragraph (2) of this subsection," and inserting in lieu thereof the following: "(A) Except as is otherwise provided in the succeeding paragraphs of this subsection and subject to subparagraph (B) of this paragraph,".

(B) by redesignating paragraph (2) as subparagraph (B) of paragraph (1), and

(C) by adding at the end thereof the following new paragraphs:

"(2)(A) In the case of the period which commences January 1, 1988, and ends September 30, 1988, the total of—

"(i) the expenses paid to or on behalf of a Senator under this section for such period, plus

"(ii) the aggregate amount of gross compensation which is paid to employees in the office of such Senator for such period (as determined for purposes of section 105(d) of the Legislative Branch Appropriation Act, 1968),

shall not exceed the aggregate of—

"(iii) subject to subparagraph (B), an amount equal to 75 percent of the amount of the authorized expenses under this section for the calendar year ending December 31, 1987, as determined in the case of a Senator, who represents the State which such Senator represents, whose term of office included all of such calendar year, plus

"(iv) the amount by which (I) the aggregate of the gross compensation which may be paid to employees in the office of such Senator for the fiscal year ending September 30, 1988, pursuant to the limitations imposed by section 105(d) of the Legislative Branch Appropriation Act, 1968 (as determined without regard to paragraph (1)(B) thereof), exceeds (II) the aggregate amount of gross compensation which is paid to employees in the office of such Senator for that part of such fiscal year which precedes January 1, 1988.

"(B) In the event that the term of office of a Senator begins after the first month of the period which commences January 1, 1988, and ends September 30, 1988, or ends (except by reason of death, resignation, or expulsion) before the last month of such period, the amount computed pursuant to subparagraph (A)(iii) of this paragraph (but before application of this subparagraph) shall be recalculated as follows: such amount, as computed under subparagraph (A)(iii) of this paragraph, shall be divided by 9, and multiplied by the number of months in such period which are included in the Senator's term of office, counting any fraction of a month as a full month.

"(3)(A) In the case of the fiscal year beginning October 1, 1988, or any fiscal year thereafter, the total of—

"(i) the expenses paid to or on behalf of a Senator under this section for such fiscal year, plus

"(ii) the aggregate amount of gross compensation which is paid to employees in the office of such Senator for such fiscal year (as determined for purposes of section 105(d) of the Legislative Branch Appropriation Act, 1968),

shall not exceed the aggregate of—

"(iii) subject to subparagraph (B), in case the Senator represents Alabama, $53,000, Alaska, $137,000, Arizona, $63,000, Arkansas, $54,000, California, $95,000, Colorado, $59,000, Connecticut, $44,000, Delaware, $36,000, Florida, $56,000, Georgia, $53,000, Hawaii, $156,000, Idaho, $62,000, Illinois, $71,000, Indiana, $53,000, Iowa, $55,000, Kansas, $55,000, Kentucky, $52,000, Louisiana, $56,000, Maine, $48,000, Maryland, $40,000, Massachusetts, $51,000, Michigan, $59,000, Minnesota, $56,000, Mississippi, $54,000, Missouri, $57,000, Montana, $62,000, Nebraska, $56,000, Nevada, $64,000, New Hampshire, $45,000, New Jersey, $48,000, New Mexico, $60,000, New York, $76,000, North Carolina, $50,000, North Dakota, $55,000, Ohio, $64,000, Oklahoma, $58,000, Oregon, $66,000, Pennsylvania, $63,000, Rhode Island, $43,000, South Carolina, $48,000, South Dakota, $56,000, Tennessee, $53,000, Texas, $79,000, Utah, $62,000, Vermont, $44,000, Virginia, $45,000, Washington, $88,000, West Virginia $44,000, Wisconsin, $55,000, Wyoming, $58,000, plus

"(iv) the aggregate of the gross compensation which may be paid to employees in the office of such Senator for such fiscal year, under the limitations imposed by section 105(d) of the Legislative Branch Appropriation Act, 1968, but without regard to the provisions of paragraph (1)(C)(iv) thereof.

"(B) In the event that the term of office of a Senator begins after the first month of any such fiscal year or ends (except by reason of death, resignation, or expulsion) before the last month of any such fiscal year, the amount referred to in subparagraph (A)(iii) shall be recalculated as follows: such amount, as computed under subparagraph (iii), shall be divided by 12, and multiplied by the number of months in such year which are included in the Senator's term of office, counting any fraction of a month as a full month.".

(3) Effective January 1, 1988, section 506(h) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(h)) is amended—

(A) by striking out paragraph (2) thereof and by striking out "(1)" where it appears immediately after "(h)"; and

(B) by striking out "(a)(5)" and inserting "(a)(4)".

(4) Effective January 1, 1988, subsection (e) of section 506 of such Act (2 U.S.C. 58e) is amended to read as follows:

"(e) Subject to and in accordance with regulations promulgated by the Committee on Rules and Administration of the Senate, a Senator and the employees in his office shall be reimbursed under this section for travel expenses incurred by the Senator or employee while traveling on official business within the United States. The term 'travel expenses' includes actual transportation expenses, essential travel-related expenses, and, where applicable, per diem expenses (but not in excess of actual expenses). A Senator or an employee of the Senator shall not be reimbursed for any travel expenses (other than actual transportation expenses) for any travel occurring during the sixty days immediately before the date of any primary or general election (whether regular, special, or runoff) in which the Senator is a candidate for public office (within the meaning of section 301(b) of the Federal Election Campaign Act of 1971), unless his candidacy in such election is uncontested. For purposes of this subsection and subsection (a)(6) of this section, an employee in the Office of the President pro tempore, Deputy President pro tempore, Majority Leader, Minority Leader, Majority Whip, Minority Whip, Secretary of the Conference of the Majority, or Secretary of the Conference of the Minority shall be considered to be an employee in the office of the Senator holding such office.".

(5) Effective January 1, 1988, the first sentence of subsection (j) of section 506 (2 U.S.C. 58(j)) of such Act is amended by striking out "(a)(8)" and inserting in lieu thereof "(a)(6)".

(c)(1) Effective January 1, 1988, section 105(d)(1) of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(d)(1)) is amended—

(A) by striking out "The" at the beginning of paragraph (1) and inserting in lieu thereof "(A) Except as is otherwise provided in subparagraphs (B) and (C), the", and

(B) by adding at the end of paragraph (1) the following new subparagraphs:

"(B) In the case of gross compensation paid to employees in the office of a Senator for the period commencing January 1, 1988, and ending September 30, 1988, the total of—

"(i) the aggregate amount of gross compensation which is paid to employees in the office of such Senator for such period, plus

"(ii) the expenses paid to or on behalf of such Senator under authority of section 506 of the Supplemental Appropriations Act, 1973 (as determined after application of subsection (b) of such section, but without regard to paragraph (2)(A)(iv) thereof),

shall not exceed the aggregate of—

"(iii) subject to the next sentence, the amount by which (I) the aggregate of the gross compensation which may be paid to employees in the office of such Senator for the fiscal year ending September 30, 1988, as determined under this subsection (but without regard to this subparagraph), exceeds (II) the aggregate amount of gross compensation which is paid to employees in the office of such Senator for that part of such fiscal year which precedes January 1, 1988, plus

"(iv) the amount described in section 506(b)(2)(A)(iii) of the Supplemental Appropriations Act, 1973.

In the event that the term of office of a Senator begins after the first month of the period which commences January 1, 1988, and ends September 30, 1988, or ends (except by reason of death, resignation, or expulsion) before the last month of such period, the amount computed pursuant to clause (iii) of this subparagraph (but before application of this sentence) shall be recalculated as follows: such amount, as so computed, shall be divided by 9, and multiplied by the number of months in such period which are included in the Senator's term of office, counting any fraction of a month as a full month.

"(C) In the case of gross compensation paid to employees in the office of a Senator for the fiscal year beginning October 1, 1988, or any fiscal year thereafter, the total of—

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"(i) the aggregate amount of gross compensation which is paid to employees in the office of such Senator for such year, plus

"(ii) the expenses paid to or on behalf of such Senator under authority of section 506 of the Supplemental Appropriations Act, 1973 (as determined after application of subsection (b) of such section, but without regard to paragraph (3)(A)(ii) and (iv) thereof),

shall not exceed the aggregate of—

"(iii) the amount determined under subparagraph (A) for such year, plus

"(iv) the amount described in section 506(b)(3) of the Supplemental Appropriations Act, 1973 (as determined without regard to subparagraph (A)(ii) and (iv) thereof).".

Sec. 2. Section 110 of the Supplemental Appropriations and Rescission Act, 1981 (Public Law 97-12; 2 U.S.C. 58b) is repealed effective January 1, 1988.

Sec. 3. Subsection (b) of section 111 of the Legislative Appropriations Act, 1978 (Public Law 95-94) is repealed, effective as of the first day of the 100th Congress.

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## CORRECTIONS TO THE MILITARY RETIREMENT REFORM ACT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 277, H.R. 2974.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2974) to amend title 10, United States Code, to make technical corrections in the provisions of law enacted by the Military Retirement Reform Act of 1986.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill.

### AMENDMENT NO. 665

(Purpose: To make a technical correction to H.R. 2974)

Mr. BYRD. Mr. President, I send an amendment to the desk on behalf of Mr. Nunn and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. Byrd), for Mr. Nunn, proposes an amendment numbered 665.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 9, strike out "1410(a)" and insert in lieu thereof "1410".

Mr. BYRD. Mr. President, this is a technical amendment. I urge that the Senate agree to the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 665) was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed for a third reading and the bill to be read a third time.

The bill (H.R. 2974) was read the third time and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WILSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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## PUBLIC HEALTH SERVICE ACT INFANT MORTALITY AMENDMENTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order 282.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1441) to reduce the incidence of infant mortality.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources with an amendment:

On page 4, line 8, after "303(g)", insert "of such Act".

The PRESIDING OFFICER. The question is on agreeing to the committee-reported amendment.

The committee-reported amendment was agreed to.

### AMENDMENT NO. 666

Mr. BYRD. Mr. President, I send an amendment on behalf of Mr. Kennedy to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd], for Mr. Kennedy, proposes an amendment numbered 666.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, line 15, insert "in areas of the Pacific Basin Region," before "and in".

On page 7, line 9, insert ", public health, or medicine" before "for the".

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 666) was agreed to.

Mr. KENNEDY. Mr. President, I rise to speak on the Public Health Service Act Infant Mortality Amendments of 1987. S. 1441 was introduced in the Senate on June 26, 1987, and reported unanimously by the Committee on Labor and Human Resources on July 1, 1987. This legislation amends titles II, VII, and VIII of the Public Health Service Act, concerning migrant and community health centers, the Area Health Education Centers Program, and training of nurse practitioners and nurse midwives, and authorizes appropriation for fiscal year 1988.

That the United States ranks 17th in the world in infant mortality, behind Singapore and Hong Kong, is an embarrassment. The very large disparities in infant mortality and the incidence of low birth weight infants among subsets of our population is shameful evidence of the need for greater health care resources. Two-thirds of all infant mortality can be attributed to low birth weight. These infants are 40 times more likely to die in the first month of life and 20 times more likely to die in the first year. The relatively high incidence of low birth weight in the United States is especially deplorable because it is largely preventable. Early prenatal care can reduce the number of low birth weight infants by two-thirds. The Institute of Medicine has estimated that $3.38 can be saved in the total cost of caring for low birth weight infants for every $1 spent for prenatal care.

Community and migrant health centers have proven to be a very successful in improving access to high quality health care for many low income families and those living in rural areas. Over the past 20 years the network of centers has grown to nearly 800, caring for nearly 6 million poor and underserved Americans in 50 States, Puerto Rico, and the District of Columbia. Of those served by the community and migrant health centers, 48 percent lack any form of health insurance, over one-third are children below the age of 14, and over one-fourth are women of child-bearing age. Effective, high quality prenatal care is provided in these centers of vital importance.

S. 1441 increases the authorization for community health centers by $35 million, and for migrant health centers by $3 million, for fiscal year 1988. These additional resources are to be directed toward improving maternal and child health services. The bill also requires that fiscal year 1988 appropriations which exceed $418 million for the Community Health Centers Program shall be utilized for grants to support special perinatal coordination projects.

The bill also increases the fiscal year 1988 authorization for the Area Health Education Centers Program by $3 million and requires that, of fiscal year 1988 appropriations, $3 million shall be utilized to support programs that will train health care personnel to offer maternal and child health services in medically underserved areas. Working with Senator Bentsen, this provision was included to utilize the existing network of AHEC programs to increase the number of health care personnel providing maternal and child health care services. Priority shall be given to programs which will train personnel for areas along the United States-Mexican border, for frontier areas and Southern States, including Florida, and for areas with disproportionately high infant mortality and incidence of low birth weight.

A new program will be established, authorized at $4 million for fiscal year 1988, to support fellowship programs to train nurse practitioners and nurse midwives. Nurse practitioners and nurse midwives have proven to provide high quality health care services, especially in the area of maternal and child health, in a cost efficient manner. Priority must be given to applicants who are employed by community or migrant health centers, or by the Indian Health Service or native Hawaiian migrant health centers.

Even during times of fiscal restraint, the investment of Federal dollars toward the health of mothers and children represents wise economic policy. I would like to thank the members of the Committee on Labor and Human Resources for their support of this legislation, and the many other cosponsors. I urge the House of Representatives to hasten their consideration of this important measure.

Mr. HATCH. Mr. President, I am pleased to join Senator Kennedy and Senator Quayle in supporting S. 1441, the Public Health Service Act Infant Mortality Amendments, in this legislation. Infant mortality continues to be a problem in this country, but it is one that can be prevented if we do a better job of coordinating and providing prenatal and perinatal care to women.

The good news is that the United States is first in the world in birth weight specific infant survival rates yet, at the same time, our Nation ranks behind other western countries in infant mortality rates. How can we explain those two conflicting facts? First, we have the best health-care system in the world. An infant has a better chance of survival if born in a hospital in this country than they would if born anywhere else in the world. Second, we also have, unfortunately, too many babies born at low birth weights. The simple fact is that a baby born at a low birth weight is not as likely to survive as one born at a normal weight.

Low birth weights can be corrected, however, by providing proper nutrition, and prenatal care and, at the same time, decreasing alcohol abuse, drug use, tobacco use, the incidence of AIDS, and the number of teenage pregnancies.

The Public Health Service Act Infant Mortality Amendments of 1987, S. 1441, addresses several of these issues. It establishes a new program to coordinate prevention efforts—prevention efforts which should reduce the number of low birth weight babies in this country.

It provides increased funding for community health centers and migrant health centers which provide prenatal and perinatal care to women. And it also increases funding for area health care and nurse, midwife, and practitioner training.

S. 1441 is especially important to my home State of Utah, which has witnessed an increase in its infant mortality rate. The legislation specifically targets resources for those States which have suffered recent increases.

In addition, the bill recognizes that some areas of our country—frontier areas—have health care problems which are different from urban or rural areas. The bill will increase the availability of health care provided through community health centers for these areas of the United States, where many health needs are being left unaddressed.

I am pleased to have worked with Senator Kennedy and Senator Quayle on this legislation and I look forward to its expeditious enactment. Infant mortality is a health problem that affects our entire Nation but it is one problem for which the cure already exists. It is my hope that S. 1441 will help us achieve an objective we all share—the healthy birth of babies in this country.

The PRESIDING OFFICER. Are there further amendments to the bill? If not, the question is on the engrossment and the third reading of the bill.

The bill (S. 1441) was ordered to be engrossed for a third reading, and to be read the third time.

The bill was read the third time and passed as follows:

### S. 1441

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Public Health Service Act Infant Mortality Amendments of 1987".

### FINDINGS

Sec. 2. The Congress finds that—

(1) the United States has made far less progress than other industrialized nations in reducing the infant mortality rate;

(2) the Surgeon General in 1980 established the 1990 Health Objectives for the Nation concerning the provision of prenatal care early in pregnancy and for reducing the incidence of low birthweight babies and infant mortality;

(3) the incidence of low birthweight, which is one leading cause of infant mortality and handicapping conditions (such as retardation, cerebral palsy, epilepsy, and autism) has been reduced only marginally;

(4) insufficient progress has been made in the reduction of the overall infant mortality rate;

(5) despite a declining infant mortality rate, black infants remain twice as likely as white infants to die in the first year of life;

(6) it now appears that the Nation will fail to meet the objectives of the Surgeon General described in paragraph (2);

(7) it is well established that appropriate and timely prenatal care and primary care for infants can reduce infant mortality and improve infant health and are essential if the Nation is to meet objectives of the Surgeon General described in paragraph (2);

(8) it is well established that inadequate prenatal care and infant mortality and disability are highest for those individuals who are poor and are without health insurance;

(9) recent statistics indicate that 1 out of every 3 poor children and 1 out of every 3 women of child bearing age does not have health insurance;

(10) community and migrant health centers were established to provide primary health care to poor individuals and individuals without health insurance;

(11) of the individuals served by such centers, 60 percent are poor, 48 percent lack any form of health insurance, over one-third are children under the age of 14, and over one-fourth are women of child bearing age; and

(12) the services of community and migrant health centers should be expanded to provide increased prenatal care and infant care, including an expansion of the number of health professionals providing such services.

### MIGRANT HEALTH CENTERS

Sec. 3. Section 329(h)(1) of the Public Health Service Act is amended by striking out "$45,400,000" the second place it appears and inserting in lieu thereof "$48,400,000".

### COMMUNITY HEALTH CENTERS

Sec. 4. (a) Section 330(g)(1) of the Public Health Service Act is amended by striking out "$400,000,000" the second place it appears and inserting in lieu thereof "$435,000,000".

(b) Section 330(c) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) In making grants under this subsection and subsection (d), the Secretary shall give special consideration to the unique needs of frontier areas.".

(c) Section 330(g) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) In any case in which the amounts appropriated under paragraph (1) for fiscal year 1988 exceed $418,000,000, the total amount of any such excess shall be available for grants under subsections (c) and (d) to community health centers to support special prenatal services to decrease infant mortality and special perinatal coordination projects to develop and coordinate referral arrangements between community health centers and other agencies, institutions, and organizations that are crucial to the successful management of pregnant women and infants. In making grants from amounts available under the preceding sentence, the Sec-

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retary shall give priority to community health centers in areas in which there is a high incidence of infant mortality or in which there is an increased incidence of infant mortality.".

### AREA HEALTH EDUCATION CENTERS

SEC. 5. (a) Section 781(a)(1) of the Public Health Service Act is amended—

(1) by inserting "(A)" before "The"; and

(2) by adding at the end thereof the following new subparagraph:

"(B) Under subparagraph (A), the Secretary shall enter into contracts to establish and support area health education center programs which include training of personnel to offer maternal health services and child health services in underserved areas. In entering into contracts under the preceding sentence, the Secretary shall give priority to programs which will train personnel to provide such services in areas along the border between the United States and Mexico, in frontier areas, in areas of the Pacific Basin Region, and in areas in which the rate of infant mortality and low birthweight are disproportionately higher than such rates for the State in which such an area is located.".

(b) Section 781(c)(1) of such Act is amended by inserting before the semicolon a comma and "except that a program described in subsection (a)(1)(B) shall only be required to provide for the active participation in such program of individuals who are associated with the administration of the school and each of the departments (or specialties if the school has no departments) of pediatrics, obstetrics and gynecology, and family medicine".

(c) Section 781(c)(2) of such Act is amended by inserting "except in the case of a program described in subsection (a)(1)(B)," before "provide".

(d) Section 781(d)(2)(C) of such Act is amended—

(1) by inserting "(i) except as provided in clause (ii)," before "provide";

(2) by inserting "or" after the semicolon; and

(3) by adding at the end thereof the following new clause:

"(ii) in the case of a program described in subsection (a)(1)(B), provide for or conduct a medical residency program in obstetrics and gynecology in which no fewer than six individuals are enrolled in first year positions in such program;".

(e) Section 781(d)(2)(F) of such Act is amended by striking out "and nurse practitioners" and inserting in lieu thereof ", nurse practitioners, and nurse midwives".

(f) Section 781(g) of such Act is amended—

(1) by striking out "$18,000,000" the last place it appears and inserting in lieu thereof "$21,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of the amounts appropriated under this subsection for fiscal year 1988, $3,000,000 shall be available for contracts under subsection (a)(1)(B).".

### FELLOWSHIPS FOR NURSE PRACTITIONERS AND NURSE MIDWIVES

SEC. 6. Part A of title VIII of the Public Health Service Act is amended by adding at the end thereof the following new section:

### "FELLOWSHIPS FOR NURSE PRACTITIONERS AND NURSE MIDWIVES

"SEC. 823. (a) The Secretary shall make grants to public or nonprofit private schools of nursing, public health, or medicine for the establishment and operation of fellowship programs for the education of nurse midwives and pediatric, family, obstetric, and gynecologic nurse practitioners. Such programs shall meet the guidelines prescribed by the Secretary under subsection (b).

"(b) After consultation with appropriate educational organizations and professional nursing and medical organizations, the Secretary shall prescribe guidelines for fellowship programs for the education of nurse midwives and pediatric, family, obstetric, and gynecologic nurse practitioners. Such guidelines shall, as a minimum, require that such a program—

"(1) extend for at least one academic year; and

"(2) consist of—

"(A) supervised clinical practice; and

"(B) at least four months (in the aggregate) of classroom instruction,

directed at preparing nurses to deliver pediatric, family, obstetrical, and gynecological services, particularly prenatal care and other services designed to reduce infant mortality.

"(c) A fellowship funded under this section shall include, for each year for which the fellowship is awarded, 100 percent of the costs of tuition, books, fees, reasonable living expenses (including stipends), reasonable moving expenses, and necessary transportation.

"(d)(1) In order to receive a fellowship funded under this section, an individual must be a registered nurse.

"(2) In awarding fellowships funded under this section, a school of nursing shall give priority to any applicant who—

"(A) is employed by a facility providing health services to medically underserved populations, such as a community health center, a migrant health center, a facility operated by the Indian Health Service, or a Native Hawaiian health center; and

"(B) has been recommended for the fellowship by the facility described in subparagraph (A).

"(e) No grant may be made for the establishment and operation of a fellowship program under this section unless this application for the grant contains assurances satisfactory to the Secretary that the program meets or will meet the guidelines which are in effect under subsection (b).

"(f) For grants under this section, there are authorized to be appropriated $4,000,000 for fiscal year 1988.".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WILSON. I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

## JOINT REFERRAL—S. 1598

Mr. WILSON. Mr. President, I ask unanimous consent that S. 1598, introduced by Senator DOLE and other Senators, be jointly referred to the Committees on Finance and Agriculture.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

### AUTHORIZATION OF TESTIMONY OF SENATE EMPLOYEES AND REPRESENTATION BY SENATE LEGAL COUNSEL IN CRIMINAL PROCEEDING

Mr. BYRD. Mr. President, on behalf of Mr. DOLE and myself, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A Senate resolution (S. Res. 272) authorizing testimony of Senate employees and representation by Senate legal counsel in criminal proceedings.

Mr. BYRD. Mr. President, three employees on Senator BUMPERS' staff have been subpoenaed to testify at a trial in a criminal proceeding currently pending in the Municipal Court, City of Little Rock, AR. The defendants were arrested and charged with disorderly conduct and obstruction of Government operations earlier this year when they refused to leave Senator BUMPERS' Little Rock office at the Federal building's closing time. The subpoenaed employees, Don Floyd, Martha Perry, and Beverly Stover, witnessed the events that led to the prosecutions.

Consistent with Senator BUMPERS' wishes and previous actions on the Senate in similar circumstances, this resolution would authorize Mr. Floyd, Ms. Perry, and Ms. Stover to testify at the trial and authorize the Senate legal counsel to represent them in connection with their testimony. Mr. President, I move adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 272) was agreed to.

The preamble was agreed to.

The resolution with its preamble, is as follows:

### S. RES. 272

Whereas, in *State of Arkansas* v. *Christopher Kupper, et al.*, Case Nos. 87-3404 through 87-3413, now pending in the Criminal Division of the Municipal Court, City of Little Rock, Arkansas, three employees of the Senate, Don Floyd, Martha Perry, and Beverly Stover, have been subpoenaed on behalf of the defendants to appear and to testify at the trial;

Whereas, the three employees have information which may be relevant to that trial;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a) (1982), the Senate may direct its counsel to represent employees of the Senate with respect to subpoenas issued to them in their official capacities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony by Senate employees in their official capacities may be needed in any forum for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

*Resolved,* That the Senate Legal Counsel is directed to represent Don Floyd, Martha Perry, and Beverly Stover in connection with their testimony in *State of Arkansas* v. *Christopher Kupper, et al.*

SEC. 2. That Don Floyd, Martha Perry, and Beverly Stover are authorized to testify at proceedings in *State of Arkansas* v. *Christopher Kupper, et al.*, except concerning matters which are privileged.

Mr. BYRD. I move to reconsider the vote by which the resolution was agreed to.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## RESTRICTIONS ON DOCUMENTATION OF FOREIGN-BUILT FISH PROCESSING VESSELS

Mr. BYRD. Mr. President, is there a message from the House on S. 1591 on the desk?

The PRESIDING OFFICER. The message is at the desk.

Mr. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1591.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

*Resolved,* That the bill from the Senate (S. 1591) entitled "An Act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States", do pass with the following amendment:

Strike out all after the enacting clause, and insert: Notwithstanding chapter 121 of title 46 of the United States Code, the Secretary of the department in which the Coast Guard is operating may not document a foreign-built vessel for which an application for documentation was submitted after July 20, 1987 for use as a fish processing vessel as defined in section 2101(11b) of title 46, United States Code. This prohibition is effective until October 15, 1987. The Secretary may issue regulations to obtain information about the intended use of a vessel for which an application for documentation has been submitted to prevent the documentation of a foreign-built fish processing vessel.

Mr. BYRD. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

Mr. BYRD. I move to reconsider the vote by which the motion was agreed to.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, yesterday the Senate passed S. 1591, legislation designed to prevent the documentation of foreign-built fish processing vessels under the laws of the United States. S. 1591 would prevent foreign control of our domestic offshore fish processing industry.

The House has made some constructive modifications to the Senate version, and S. 1591 as amended is currently pending in the Senate. I would like to stress that this legislation in no way attempts to prejudge the issues currently before the Senate Commerce Committee and the House Merchant Marine and Fisheries Committee. We are merely preserving the status quo until after the August recess, at which time we will seek to resolve the controversy.

## UNANIMOUS-CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 216

Mr. BYRD. Mr. President, I ask unanimous consent that on Calendar Order No. 287, House Joint Resolution 216, a joint resolution to support a cease-fire in the Iran-Iraq War and a negotiated solution to the conflict, there be a time limitation of not to exceed 1 hour, to be equally divided and controlled between the two leaders or their designees; that there be no amendments in order thereto; and that there be no motion to recommit, with instructions or without instructions, in relation to that resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order at any time to order the yeas and nays on passage of House Joint Resolution 216.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. So that when the two leaders are on the floor, that request will be made.

There will be a yea-and-nay vote on that measure, to occur tomorrow. When the Republican leader is on the floor, we will make a decision, after conferring with our colleagues, as to what time the vote should occur on the resolution.

As I understand it, no amendments will be in order; no motion to recommit, with or without instructions, will be in order.

The PRESIDING OFFICER. That is the order.

Mr. BYRD. Time for debate thereon will be limited to 1 hour, equally divided.

The PRESIDING OFFICER. That is the order.

Mr. BYRD. I thank the Chair.

## TOSHIBA/KONGSBERG: "A CHAIN OF CONSPIRACY"

Mr. HELMS. Mr. President, the case of treachery, known as the Toshiba/Kongsberg case, was a KGB operation from the beginning and all of the principals knew it.

That is the inescapable conclusion of a stunning Japanese magazine article which has just become available in English. Written by Mr. Hitori Kumagai for the August edition of the highly respected Japanese magazine Bungei Shunju it is entitled, "These Are the Methods for Illegal Trade With the Soviet Union, Confession of a Principal in Toshiba Machine Case, COCOM is Powerless in Face of Japanese Trading Firms' Methods, Exclusive Contribution by Professional Smuggler."

Mr. Kumagai should know his subject well. For 22 years he was in the Japan-Soviet trade field with his last 10 years as Moscow office manager for the Japanese trading firm Wako Koeki. In 1985 he tried, in vain, to warn the west of what Toshiba and the others, including his own company, were engaged but Japanese Government officials did not want to listen.

Mr. Kumagai calls this a "crime." It was a crime.

### A CHAIN OF CONSPIRACY

Mr. Kumagai argues that there was a "chain of conspiracy" involving Wako, Toshiba, C. Itoh, Kongsberg and, most importantly, the KGB. Again, his analysis is correct. At the core of this chain of conspiracy lay at least three known KGB officers, all of whom had been publicly expelled from Western countries before this operation began. No one could have been under any illusions. They knew precisely what they were doing and with whom they were dealing. As Mr. Kumagai notes, the KGB officers "can be easily detected" because of their obvious interest in obtaining forbidden Western strategic technology.

It is worth noting that the KGB has had a long, and unfortunately successful, link with Japan. Even before World War II, Stalin's agent Richard Sorge directed a net of agents who had sources and influence in the Japanese Government.

Nor was the propeller milling equipment sale a one-time error for Wako. According to Mr. Kumagai, his firm began its association with the KGB at least 22 years ago with the illegal export of a large instrument to artificially create the vacuum of deep space in laboratory conditions. He says that even today that device is still being used at a Moscow physics lab.

It is difficult to say which is the most important element of this extraordinary confession. Perhaps its most significant contribution is the description, in sickening detail, of just how easy it is to ship illegally Western strategic technology out of Japan. He explains eight methods of diversion from phoney contracts to technology transfers at the Moscow trade fairs.

The most controversial element of the piece is his assertion that the Toshiba/Kongsberg case in essence was part of the normal business practice in East-West trade. He claims this case is

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just "the tip of the iceberg" and of Japan's 50 or so firms trading with the Soviets, "There is probably not a single company among them which has never violated the Japanese Government authorities' laws and ordinances pertaining to restrictions on exports." If he is correct, he will have confirmed the suspicions a lot of us have harbored about East-West trade for years.

Mr. President, the Congress and the Japanese Government are going to have to address the challenge posed by Mr. Kumagai. His statements to the English-language press and his Japanese magazine article raise a series of questions for which answers must be sought. These questions are long and detailed, and I will state them here for the record:

### KUMAGAI QUESTIONS

First. In late 1985 Mr. Hitori Kumagai, then Moscow office manager for the Japanese firm Wako Koeki wrote a letter to Cocom warning of what Toshiba, Kongsberg, Wako, C. Itoh, and the KGB were intending. What precisely happened to that letter? Was it passed to the Japanese Ministry of International Trade and Industry [MITI]? Did MITI officials investigate? What were the results of their investigation? Which MITI officials handled that investigation? Where are they now? Have they been retained? Has MITI investigated its own handling of the Kumagai letter? If so, why have the results not been made public? If not, why not? If not, how can the United States trust MITI to keep United States strategic defense initiative technology out of Soviet hands? What new procedures has MITI instituted to respond to other unsolicited information similar to the Kumagai letter?

Second. Mr. Kumagai asserts that he and his colleagues were engaged in a "chain of conspiracy" with the KGB and he identifies at least three known KGB officers who had been previously expelled. He also claims that his firm has had an association with the KGB for 22 years. Is the Japanese National Police Agency interviewing Wako officials to see what other deals they were engaged in with the KGB? Why is the Japanese Government not treating this case as an espionage case? Does this not argue persuasively for the need for an espionage law in Japan?

Third. The United States has in place a program of education for American businessmen who wish to deal with the Soviets. Does the Japanese Government contemplate a similar program? If not, why not?

Fourth. Mr. Kumagai claims that of Japan's 50 or so trading firms which trade with the Soviets, "There is probably not a single company among them which has never violated the Japanese Government authorities' laws and ordinances pertaining to restrictions on exports." Is the Japanese Government investigating these charges? If not, why not?

Fifth. Mr. Kumagai describes the method of diversion known as "secret contracts and side letters." What changes are the Japanese Government considering to deal with this threat?

Sixth. Is the Japanese Government considering changes to its customs procedures to allow performance checks on high technology exports? Is the Japanese Customs Service being retrained to check for export control diversions?

Seventh. Mr. Kumagai charges that small and medium Japanese enterprises in the metal plate business have been "cultivated" through lucrative contracts to get them to manufacture panels for disguise. Is the Japanese Government investigating this charge? If so, when do they intend to issue their report? If not, why not?

Eighth. Mr. Kumagai states that "There is absolutely no case of the—Japanese—customs officials removing the outside cover and inspecting ali the component units inside it." Is this true? If it is even partially correct, what new procedures does the Japanese Government contemplate to deal with this problem?

Ninth. Mr. Kumagai states that Japanese Customs officials do not check hand baggage for export control violations. Does the Japanese Customs intend to remedy this defect?

Tenth. Mr. Kumagai states that on some occasions delivery of forbidden technology has been made to the Soviet Trade Representative's Office and the goods exported under diplomatic cover. What new procedures does the Japanese Government intend to take to tighten up on this practice?

Eleventh. Mr. Kumagai states that sometimes strategic goods are broken down into small parts and exported under the "pretext" of spare parts for goods which have already been shipped. What plans does MITI have to discourage this practice?

Twelfth. Mr. Kumagai states that diverters aim at local Japanese Customs offices such as Niigata. What plans does the Japanese Customs Service have to improve its training for customs officials in local ports?

Thirteenth. Mr. Kumagai states that the inspectors of air cargo are experienced at looking for certain kinds of contraband but not export control violations. What charges in procedures does the Japanese Govenment contemplate to correct this problem?

Fourteenth. Mr. Kumagai describes shipments through third countries. When does the Japanese Government intend to begin requiring delivery verification for East-West deliveries of controlled items?

Fifteenth. Mr. Kumagai charged that Switzerland, Austria, Hong Kong, and Singapore are used as transshipment points for illegal diversions. Are officials of those countries investigating this charge? If not, why not?

Sixteenth. Mr. Kumagai indicates that samples sent to trade fairs in Moscow are dismantled and analyzed. What new procedures does MITI propose to deal with this threat?

Seventeenth. Mr. Kumagai charges that the Soviets are totally dependent upon compact, high performance air conditions manufactured by Hitachi, Sanyo, Toshiba, Daikin, et cetera, to keep critical electronic warfare equipment in Soviet tanks functioning. Are these manufacturers aware of this? What do they intend to do about it?

Eighteenth. Mr. Kumagai charges that "a major Japanese manufacturer" of antirust paper knowingly exported an entire manufacturing plant for Soviet military use. Is this true? Which firm engaged in this practice? Are Japanese authorities investigating? If not, why not? Is the firm cooperating with Japanese authorities? In what other trade with the Soviets is this firm engaged? What plans does this firm have to make redress? Are the officials of this firm who knew about the sale still employed by the firm?

Ninteenth. What did officials of the Japanese trading firm C. Itoh know about this case and when did they know it? Which C. Itoh officials were assigned to C. Itoh's Moscow branch office on April 24, 1981? Are they still employed by the firm? Have they been disciplined? If not, why not? Has C. Itoh considered an outside audit of its export control procedures and history of dealing with the Soviets? If not, why not? What actions does C. Itoh plan to take to make up for this failing?

Twentieth. According to Mr. Kumagia, Toshiba Machine's export department chief, project manager, export section chief, and designing section chief were present at the Moscow signing ceremony on April 24, 1981. In its full page advertisement in American newspapers at the end of July 1987 Toshiba Corp. pledged to the American people that "We will discharge all officers and employees found to have knowingly participated in this wrongful export sale." Have the above named officials been discharged? Why not? If they have been discharged, does Toshiba intend to pay their complete pension? If so, why? What is the status of other officials who participated?

Twenty-first. According to Mr. Kumagai a number of Wako officials knew about this illegal sale. Have they been disciplined? If not, why not? Does Wako still have a Moscow office? What business is it now doing with the Soviets? What Japanese or other Western firms are customers of or suppliers to Wako? What does Wako

intend to do to make up for this failing? Is the Japanese Government investigating Wako's alleged 22 years of dealing with the KGB? If not, why not? How do Japanese firms explain their continued dealings with an alleged KGB conduit?

Twenty-second. Mr. Kumagai has charged that the Toshiba/Kongsberg case was only the "tip of the iceberg." Of what other Japanese or Western cases is he aware?

Twenty-third. Mr. Kumagai charges that "in the long history of trade with the Soviet Union, there is not a single case of a banned item being discovered through papers sent through the mail." Is this true? Even if it is only partly true, what does the Japanese Ministry of Posts and Telecommunications intend to do to close this avenue of diversion?

### CONCLUSION

Mr. President, Mr. Kumagai has asked to testify before the Congress. Based on his articles and interviews, he may be able to make a valuable contribution to our understanding of the problem of strategic technology diversion to the Soviets. Should we decide to grant his request to testify, ex-KGB Maj. Stanislav Levchenko would make an excellent cowitness to explain how strategic technology diversion works from the Soviet angle. Mr. Levchenko has been invaluable in our efforts to alert American businessmen to the dangers of trade with the Soviets.

Mr. President, I ask unanimous consent that the following materials be printed in the Record at the conclusion of my remarks: An article in the August 1987 edition of the Japanese magazine Bungei Shunju by Mr. Hitori Kumagai; a page 1 article of August 4, 1987, from the Wall Street Journal; and a page 28 article from the July 22, 1987, Christian Science Monitor.

There being no objection, the material was ordered to be printed in the Record, as follows:

## These Are the Methods for Illegal Trade With the Soviet Union, Confession of a Principal in Toshiba Machine Case, COCOM Is Powerless in Face of Japanese Trading Firm's Methods, Exclusive Contribution by Professional Smuggler

(Full Translation)

[From Bungei Shunju]

(By Hitori Kumagai)

Shibaura Pier, surrounded by huge container yards. The machine is packed in sturdy wooden boxes, which are placed on trucks and are carried into the ship, one after another. The machine which surprised me by its huge size, when I saw it close at hand, at the time of the first-hand inspection by a Soviet inspector, its dismantling and its crating, did not appear so big, when placed in the midst of the surrounding mammoth loading facilities.

The "Stariy Bolshevik," a more than 10,000-ton ro-ro [TN: phonetic] ship of Soviet registration, swallowed up the propeller milling machine, dismantled and packed into several dozen boxes, in its hold, and the loading work was over very quickly. This was how the "case of illegal exports in violation of the COCOM Rules" by Toshiba Machine, which are now causing a big public uproar, came to take shape, right in front of my eyes.

Almost two years had passed since the contract was concluded in Moscow.

The "Old Communist Party Member" (Stariy Bolshevik), the newest and best Soviet freighter, cast off its moorings as soon as the propeller milling machine was taken on board, and slipping away from the pier, it started on its long voyage to the naval port of Leningrad in the land of the midnight sun.

It was around the early spring of 1983.

When the ship left port, a "crime" had been committed.

As you know through newspaper reports, etc., it was I who brought the charge against the case this time to COCOM. Why did I come to wish to confess my own "crime"? It will probably be difficult for the people in general, who do not know Moscow, to understand.

In Japan, the "bringing of a charge" is apt to be taken as "secretly informing on others in a betrayal of trust." It tends to be taken as an act stemming from low-down motives or stemming from the person's own character. In actual fact, the persons who were arrested or were questioned are ordinary salaried workers, who were merely working for their families, following company orders. All the more for this reason, I feel deeply pained. I do not wish to give excuses about my own sentiments, pretending to be a man with a strong sense of justice.

### PERFORMANCE OF A MONSTER ROBOT

On the other hand, however, to look at the records of the case, they are too wide of the mark. They are full of mistakes, as to the motives for my turning informant, the actual substance of the "banned item trade," etc. If I do not set forth the whole picture, my informing against the case will lose meaning. What the Soviet Union is doing, and what the Soviet Union is doing in Japan, are too horrifying. After much agonizing, I made up my mind. I decided to set forth in writing, for the time being, the entire picture of the case and all its factual relations, and leave the judgment to the readers.

A propeller milling machine for the processing of large-size propellers for ship use, capable of nine-axis simultaneous control. This is the name of the machine which was exported to the Soviet Union in violation of the Foreign Exchange Control Law, in the case of Toshiba Machine's violation of the COCOM Rules.

The specifications for the propellers for ship use (screws, to use a more generally used term), which can be processed with this machine, are roughly as follows:

Maximum diameter of the propeller which it can process: 11 meters;

Maximum weight of the propeller: 130 tons;

Number of blades: Maximum of 11.

As to how big this is, its size can be understood if one brings to mind a three-room plus a dining-kitchen (3DK) apartment.

We will consider that the average size of a 3DK apartment is 11 meters by 7 meters, or a floor space of 77 square meters. The diameter of the propeller is a maximum of 11 meters. Therefore, in order to process both sides of the blades, the size will be equivalent to several 3DK apartments, in the case of an 11-blade propeller. The surface of these blades will be milled by an average of 10 millimeters and they are made into a smooth-surface propeller. A rough idea can be obtained as to how great a task this will be if carried out by human beings.

If this machine, which is capable of simultaneously controlling nine axes, is used, a propeller which has the most ideal curve, which comes infinitely close to the logical value, can be made, based on data obtained from the computer.

The size of the machine itself is about 10 meters high, and about 22 meters wide, and it weighs 250 tons. It means that a giant, which has a width of 20 meters, when it spreads out its arms, carries out a super-precise milling of screw propellers, with a maximum diameter of 11 meters, at very high speed, working with both its hands at the same time. it is exactly what one can call a monster robot. It was the power of the Japanese which gave birth to this "Frankenstein monster" in a Soviet munitions plant, and I also helped to create it.

The violation of COCOM was touched off by a cold-wave in the Soviet Union. From the end of 1978 to early 1979, the Soviet Union was visited by an unprecedented cold-wave. It was at this time that the temperature of minus 40 degrees was recorded in the suburbs of Moscow. Pravda reported that "Pear trees have cracked, and apple trees have died." This cold-wave also became the cause of a food shortage in the Soviet Union, which later became chronic. For many years after this, the Soviet Union had no choice but to import grain, and it came to suffer from a shortage of foreign currencies. Soviet imports came to be limited to items which were urgently needed and were indispensable, and in order to save foreign currencies, inquiries with Japanese enterprises, especially inquiries on machine facilities, etc., came to show a strong tendency of being limited to very limited products in limited fields. The amount of business decreased, and the scramble for the "pie" among the various firms became extremely severe, and it also resulted in spurring on the tendency to even dare the risk of exporting contraband goods.

It was exactly at such a time, when the contracts for trade concluded with the Soviet Union were steadily decreasing, that Wako Koeki secured an inquiry for propeller milling machines.

There are a little over 50 firms among our country's trading firms, which engage in trade with the Soviet Union. They range from big firms, like Mitsui and Mitsubishi, to very small firms with only two or three staff members. All kinds of trading firms take part in trade with the Soviet Union, and most of them have branch offices or resident staff members in Moscow. There is probably not a single company among them which has never violated the Japanese Government authorities' laws and ordinances pertaining to restrictions on exports. It is not that I have any definite evidence, but this is the actual feeling, close to a conviction, of a person who has been in the actual field of trade with the Soviet Union for many years. According to the U.S. Defense Department's report, titled "Outflow of Military Technology to the Soviet Union—1985 Edition," about 5,000 items a year among the military research programs being pushed by the Soviet Union, are based on technology developed by the Western side, and this Report points out implicitly that Japan is becoming the window for the outflow of high technology, saying that the

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Soviet Union "is showing the tendency of gradually attaching greater importance to Asia," as the foothold for the Soviet acquisition of these technologies.

It is Japanese MITI's Export Trade Control Ordinance which binds the Japanese people, engaging in trade with the Soviet Union. Under this "Trade Control Ordinance," exports to socialist nations, including the Soviet Union, must obtain the required approval and authorization. Especially in regard to manufactured products which come under the category of high technology, the prescribed application papers must be presented, in accordance with the provisions of "Item 44 of Paragraph 33 of Matters Requiring Attention in Regard to Exports," etc., of the "Outline for the Administrative Handling of Export Approval, Etc., for Strategic Goods," and obtain MITI's approval. After this, they must receive the inspection of Customs in charge. If these provisions are violated, it becomes a violation of the Foreign Exchange Law, as a matter of course.

The probability is extremely small for items which are listed under the "Strategic Goods Provisions" or Items on the Attached List No. 1 of the Trade Control Ordinance (which trading firms call "Attachment 1 Items" and which correspond to the items of the so-called COCOM List), to pass the screening of MITI's International Trade Bureau Exports Division and to be given approval. There are cases where special permission is given for incorporating some restricted items into facilities, such as a continuous production facility for the production of goods for civilian use, which will not be operable unless those restricted items are used. However, even in this kind of case, an "application for special approval in regard to these parts, must be presented to the COCOM Headquarters in France, through MITI, and its approval obtained. This screening by COCOM, which is called "transmission to Paris" in the circles concerned, takes time, and there are even cases where permission is refused, after being made to wait for as much as half a year.

COCOM is the Co-ordinating Committee for Export Control (to the Soviet bloc) and it is made up of 15 nations, including the NATO member nations (excepting Iceland) and Japan. The Committee Headquarters is located in the annex of the US Embassy in Paris. The list drawn up by this Committee under its secret agreement is the so-called COCOM List, and its details have not been made public. 178 items, including machines, chemicals and metals, which have the danger of being diverted to military use, besides weapons and atomic energy-related facilities and equipment, are generally known as items restricted by the COCOM List. However, they are, to the last, nothing more than a list, drawn up with the Security Export Control List, which was carried by the British Business Journal, and our country's Items on the Attached List No. 1 of the Trade Control Ordinance, as reference. Consequently, the so-called COCOM List does not officially exist.

The Attachment 1 Items List of the Trade Control Ordinance sets forth in extremely great detail provisions concerning strategic goods. The persons in charge of enterprises, engaging in trade with the Soviet Union, read these provisions very carefully and carry out thorough studies and research in advance as to what high-technology products that they wish to export to the Soviet Union infringe on the COCOM Rules in what points and in what way. Among technologies which are possible of conversion to military use and which the Soviet Union especially desires, there are semi-conductors, such as IC's and LSI's, computers and software, memory devices, sensors, fine ceramics, robots, hyper-vacuum technology, biotechnology, compound materials, aviation- and navigation-connected instruments and equipment and propulsion technology, etc. The various enterprises' staff members in charge of the Soviet Union are racking their brains as to how to export these high-technology products to the Soviet Union, and what they must do to survive in this fiercely competitive world of trade with the Soviet Union, and are contriving to work out every possible method.

### BUSINESS TALKS PROPOSED BY KGB

"We want a robot which manufactures large-size screws for ship use. Japan, which is a shipbuilding kingdom, should be making this kind of robots."

This is what Technological Machinery Import Corporation Vice President Igor Aleksandrovich Oshipov asked of a Wako Koeki leader who happened to be visiting Moscow on business at the time, and who was present at a drinking party to entertain the Soviet Corporation side. I was also present, as a matter of course.

"If an estimate can be formulated on the robot desired by the Soviet Union, we would like to start business talks quickly."

Incidentally, the name Oshipov is listed in the list, titled "Soviet citizens who are engaging in secret activities," attached to the end of "KGB," written by American writer John Baron, who has deep knowledge of the Soviet secret police.

This secret police is the KGB, which is at times called "the next-door neighbor" or simply the "Komitet," which means committee, or by the nickname "Komitechik." It is a fact well known by all the resident staff members in Moscow that KGB members are taking part in foreign trade as members of the Soviet Trade Corporation. They do not wear their KGB ID cards on their breast, but if one watches their words and actions carefully, they can easily be detected by persons who have been working for many years in Moscow. This is because the objects toward which they show interest are completely removed from those of ordinary business.

This Vice President Oshipov is also a typical example of a Komitechik, who can be detected even at a glance. To use the code word among the trading firms' resident staff members in Moscow, he was a member of the "K group."

He was one of the Vice Presidents of the Soviet Trade Corporation, which deals with enterprises of various nations of the world, and also a high-ranking official who is vested with the right to sign official papers, such as contracts. It was proper to think that this inquiry from this Vice President was business material, which had a high degree of realizability, even though mentioned orally at a drinking party.

A telex message was sent immediately to the head office in Tokyo, saying "Find screw robots."

Based on this one telex message, Toshiba Machine staff members in charge of exports came to Moscow and presenting catalog data, started concrete technical negotiations. This was in the middle of December of 1980, at a time when preparations for the winter festival, which corresponds to Christmas in West Europe, were seen on the streets of Moscow.

Through the course of technical negotiations, it gradually became clear that the model, demanded by the Soviet Union, was a nine-axis simultaneous-control milling machine, that the object to be processed by this machine would have a diameter of 11 meters, and that the purpose was the milling of large-size propellers for ship use.

From the first round of the business talks in the technical negotiations, the official in charge from the Soviet Corporation was changed to Anatoliy Petrovich Troyitsky (also a member of the KGB), and from the user side, Propeller Manufacturing Plant Manager Filskov, Chief Engineer Gusev and program engineer Suichov from the "Sergo (TN: sic) Orzhanikidze Memorial Baltic Shipyard" took part in the talks.

The "Baltic Shipyard" which bore the name of the Georgian hero Sergo Orzhanikidze, is a famous munitions plant with a long history, and it built the main naval ships which were sent to the naval Battle of the Sea of Japan; and it is one of the leading shipbuilding yards of the Soviet Union, which built the nuclear-powered ice-breakers "Arctika" and the "Sivilia," nuclear-powered crusiers and electronic trawlers for ELINT use. However, in the course of the business negotiations, they of the user side only introduced themselves as "coming from Leningrad," and they completely refrained from making known their identity or status. It was only through our later visiting Leningrad for the installment of the machines that the location of the plant, its name, the official titles of the users, etc., became known.

The business talks proceeded smoothly, and the stage of signing the contract was reached in April of the following year.

There was a reason for Wako Koeki's being unable to turn down the business proposal. In order to open a branch office or a resident staff office in Moscow for the conducting of business activities in the Soviet Union, it is necessary to obtain the approval of the Soviet Foreign Trade Ministry. Permission for the opening of an office is granted only after passing a very strict screening of documents.

It is not that major trading firms are necessarily permitted to have a large number of resident staff members. Also, the increase or the reduction of the number of personnel is all decided by the judgment of the Soviet officials concerned.

Basically, based on the principle of reciprocity, the same number as that of the staff members of the Office of the Soviet Trade Representative in Japan, is approved as resident staff members of Japanese enterprises. However, if a member of the Office of the Soviet Trade Representative in Japan is ordered out of the country by the Japanese Government "as persona non grata," there are cases where the same number of the Japanese side's resident staff members is reduced in retaliation. Also, in the case of companies which are viewed as not friendly by the Soviet side, the number of their personnel may be reduced, or in some cases, they may be notified that the approval for the opening of the branch office has been cancelled.

The losing of a branch or an office which had finally been approved after repeatedly filing applications and after waiting for three years, or at times even five years, would mean the complete withdrawal from trade with the Soviet Union. This approval system, which is called the "accreditatia," is voiceless coercion toward all companies which have branches or offices in Moscow.

The business inquiry came from the Vice President directly, and furthermore, for Wako Koeki, which had only obtained official approval for its Moscow Branch about two years before then, it was absolutely impossible to decline the business proposal at that stage, even after it became known that the machine demanded by the Soviet Union was a nine-axis simultaneous-control machine, which was a COCOM banned item. Rather, it decided to devote its entire efforts to tackling this business offer, in cooperation with the manufacturer side, as a business proposition which had the smell of huge profits.

### PLAN FOR "USING" NORWAY

As the business talks proceeded, we came face to face frontally with the big problem of how to export these machines, which infringed on the COCOM Rules, to the Soviet Union. It was at this stage that "Kongsberg" came into the picture.

The "Kongsberg Vaapenfabrikk Corporation," which is located in the city of Kongsberg in Norway, is a prestigious State-operated munitions enterprise, which adopts as its company name the Norwegian term Vaapenfabrikk, which means weapons fabrication in English (TN: sic), or in other words, weapons manufacture. Besides weapons, it also manufactures computers, automatic designing machines, numerical control equipment, etc., and it had the actual record of delivering about 100 PC150 programming centers to "Elektronorgteknika"—the Soviet Union's Electronics Technology Import Corporation.

The exporting of metal-processing machine tools, which are capable of more than two-axis simultaneous control, to the Soviet Union is banned by the COCOM Rules, and also by our country's Trade Control Ordinance, and there was absolutely no possibility at all for the exporting of nine-axis simultaneous-control propeller milling machines being approved. Therefore, approval will be obtained as two-axis control machines, and importing numerical controls (NC's) for two-axis use from Norway, a third country, to Japan, and installing them into the machine, they will be exported to the Soviet Union. The machines naturally had nine-axis simultaneous-control capability, but even if the crates were opened at Customs, it would not be possible to assemble a machine, which weighs as much as 250 tons, and to check its performance.

On the other hand, a program for nine-axis simultaneous control will be exported to a third nation, or in other words, to Kongsberg, and it will be exported to the Soviet Union from Norway, where control is lenient, as a part of the documents for other machines. Kongsberg was pushing business negotiations for the exporting of programming centers to the Technological Machinery Corporation and the Baltic Shipyard, which made it even a still more desirable partner. This programming center was for the purpose of analyzing the data of the original design of a propeller and for its input into the NC equipment of a nine-axis control propeller milling machine.

The NC equipment for two-axis use can easily be re-modelled into NC equipment for nine-axis control. The work, which consists of the changing of wiring and the number of print discs, can be completed easily in one hour. At the point of the completion of this complicated pattern of from "Japan" to "Norway" to the "Soviet Union," and from "Norway" to "Japan" to the "Soviet Union," prospects for the signing of the contract were secured.

At this point, I will touch upon the methods which trading firms resort to. There are several methods for exporting strategic goods to the COMECON nations, including the Soviet Union, evading the COCOM Rules and the Trade Control Ordinance. I will describe some typical methods which are used by trading circles engaging in trade with the Soviet Union. There are other variations, but basically, they can be classified into the following eight patterns. If the readers look at these patterns, they will be able to see how the vairous companies are endeavoring to "evade the restrictions" in various ways. The case this time is really nothing more than the tip of an iceberg.

### 1. *Secret Contracts and Side-Letters*

A contract is signed for machines and facilities, in which the specifications, the performance and capability are made far lower than those for the machines and facilities which are actually to be delivered to the Soviet side, or on a level which will not infringe on the restrictions, for the record, and a secret contract is concluded separately with the Soviet side and products with higher performance and capability are delivered. For this purpose, two contracts, that is, the ostensible contract and the secret contract, are concluded. Only the ostensible contract is shown to third parties, such as the Government offices concerned, Customs, banks, etc., and export approval is obtained and procedures are taken for customs clearance and shipment, and the receiving of payments. The seller and the purchaser each keep one original of the secret contract, and they are kept in utmost secrecy as the original to be used in the case of the arising of a difference in views between the two parties in regard to the quality of the manufactured product, etc., and in the case of joint on-the-spot inspection of the specifications, the quality, etc., of the products by the two parties concerned. This secret contract sets forth clearly and correctly the specifications and the quality of the products agreed upon.

"Secret contracts" and "side-letters" are used mainly in the case of exports of plants and large-size machines. Even if the crates are opened and the contents are checked at the time of customs clearance, there is no danger of its being discovered, as long as the customs clearance documents, such as invoices and packing lists agree with the goods themselves. It is impossible to specifically pinpoint the performance of the plant as a whole from the parts which have been dismantled and packed into several dozens or several hundred cases.

The normal practice is to pack the same kinds of parts together, such as to pack together steel frames in one case, or electric wire and cables in another case, and that is how they are set forth in the customs clearance documents, too. The biggest matter of concern for the Customs officers in charge is the formulation of customs clearance statistics, and their biggest purpose is to classify and enter the kinds and amount, and the monetary value of the export goods correctly into the statistical chart. They have their hands full with this work, and unless there is very special reason, they do not conduct a performance check. It is also physically impossible to assemble and test plants and large-size machines, first hand, at Customs.

### 2. *Masking*

The products to be exported are hidden under a cover, which does not infringe on the restrictions. In other words, the products are masked with such outside camouflage as power source panels, etc., which have no problems whatsoever, no matter how one looks at them. The camouflage panel, which has nothing to do with the actual contents, is equipped with signal lights, switches, and various meters, for example, and they are made in such a way that if the switch is turned on, they operate. For this reason, it is necessary to cultivate medium and small enterprises in the metal place business, for example, with a certain amount of knowledge of electrical apparatuses, and after becoming their good customer by purchasing small items of goods, sold on the market, at high prices, form normal times, request them to manufacture panels for disguise.

Even if the Customs official becomes suspicious, opens the crate, and checks the equipment by turning on the switch, the disguised equipment, used as a cover, will operate. There is absolutely no case of the Customs official's removing the outside cover and inspecting all the component units inside it.

This method, called masking, is used as a method for the illegal clearing of Customs for comparatively compact machinery. Facilities for experiments and tests, which are included in the banned list of strategic goods, have flowed out to the Soviet Union almost free of any checks, by this method.

### TAKEN IN AS HAND BAGGAGE

In order to avoid disclosure through the checking of documents at Customs inspections, blueprints and explanations on wiring and handling etc., are not put in the crates and they are sent separately by mail.

There have been no cases of the opening and inspection of mail sent to the Soviet Union, and even if they were to be inspected, it is not thought that the Postal Services Ministry has the technological capability to judge whether they concern strategic goods or not. At any rate, in the long history of trade with the Soviet Union, there is not a single case of a banned item being discovered through papers sent through the mail. Even so, however, in order to be doubly secure, top secret documents from which it can be seen immediately that they are high-technology products, are entrusted to staff members who go to Moscow on business, and they are hand-delivered directly to the Soviet side in Moscow.

Products which are exported in this way, include equipment for the testing of integrated circuits, facilities for the testing of magnetic materials, optical instruments, etc., and they are so numerous as to be beyond listing.

### 3. *Hand-Carrying*

This is the method of taking them out as the hand baggage of persons going to the Soviet Union.

In the case of using airplanes, Customs inspection at the airports or city terminals is almost nil, even though the security check is strict.

The taking out of small-size high-technology products from this country to other countries is simple, and a considerable number of restricted items have flowed out to the Soviet Union through this channel.

As regards electronic parts, which come under strategic goods, there are detailed provisions in the COCOM List. However, as for electronic parts, which become the objects of restrictions, there is a tendency that the higher the technology, the smaller they become in size. The smaller their size becomes, the easier it is to carry them around.

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There are all kinds of small-size electronic parts, which are placed under restriction as strategic goods, and they include semi-conductors, diodes, optic devices, condensers, opto-electronic amplifiers, image amplifiers, print bases, integrated circuits, elastic wave devices, memory devices, etc. These electronic parts are all very small, both in size and weight. Even in one case of hand-carrying, an amount which can meet a considerable amount of demand can be carried in. They differ, according to the kinds of parts, but in the case of integrated circuits, there would still remain considerable room: even several thousand units are put into an ordinary-size suitcase. In weight, too, it would be less than 20 kilograms, for which no excess baggage charge needs to be paid.

If one suitcase full of IC's which are indispensible for missile-guidance devices is carried in, they would be enough to equip all Soviet missiles with them. Furthermore, one can leave the country without any check at all, in the case of adoptng this method.

It is also possible to carry in considerably large-size machines by using this method.

First, the machine is dismantled into parts, as small as possible. Then they are divided up, and taken out as air-travel hand baggage on a number of trips. They are then kept temporarily in the Moscow office.

When the parts have been accumulated to a certain extent, they are handed over to the Soviet side. By repeating this process a number of times, the machine is delivered to the Soviet side as a finished product. The Soviet side will gladly pay the excess baggage charge.

As for the receiving of payment, consultations are held in advance with the Soviet corporation to have the price included in the payments for goods which were exported in the normal way under a separate contract, so that it will not infringe on the Exchange Control Law. The price of the machine will be added on to the payments for regular exports, and it is received formally through regular bank channels. If carried out in this way, there is hardly any possibility of its being discovered.

### *4. Delivery to Office of the Soviet Trade Representative*

The banned goods are carried into the Office of the Soviet Trade Representative in Japan, and payments for the goods are received in cash, in exchange for the goods.

The goods are exempted from customs inspection as diplomatic cargo of the Embassy, and are shipped to the Soviet Union. In this case, the form of transaction is domestic transaction, to the last. There is a possibility of the places where the goods were purchased and to whom they were sold being found out through the tracing of vouchers for the purchase of the goods, documents concerning sales, etc. There is also the problem of taxes, and this is a method which trading firms are not very happy to use.

## AIM AT LOCAL CUSTOMS

### *5. Breakdown*

The manufactured product which one aims at exporting to the Soviet Union is broken down into as small units as possible.

It is possible to break down even a plant for the manufacturing of IC's, for example, into such units as measuring instruments, valves, furnaces, conveyor belts, meters, etc., which are much more easily passed by Customs. If they are divided into several batches and are shipped by freighters, separately, a number of times, under separate contracts, approval for exports can be obtained for them, so long as the goods under each contract do not infringe on the restrictions.

In the case of this method, there may be parts, such as the central parts of the facilities, for which approval for exports will not be given, for the reason that they are strategic goods. In such a case, those parts are exported separately by the masking method explained in 2, or by resorting to the methods set forth in 3 and 4.

There is also the method of exporting the various parts, broken down into small units, by obtaining approval under the pretext of spare parts for plants which had been contracted for in the past and which have already been delivered.

The delivering of a huge amount and spare parts items (which are not spare parts but are actually the parts of banned goods, broken down into small units) by obtaining approval officially, the assembling of these parts in the Soviet Union, and delivering them to the Soviet side as manufacturing facilities and testing facilities, which are banned goods, are also being resorted to.

### *6. Clearing the Goods at Local Customs*

Avoiding such Customs as Yokohama or the Kobe Customs, the goods are taken to local Customs, such as Niigata Customs, and are cleared through them. There are shipping services between Niigata and Nakhodka, and export cargo is accepted for inspection at Niigata Customs. Inspection is comparatively simple at local Customs, and it is also easier to camouflage technical explanations. If the documents are in order on the surface, it is easy to obtain Customs clearance approval. As regards important banned goods, which must be handled with still greater care, they are vacuum-packed, and the packing method in which the packing itself will become unusable, once it is opened, is adopted. Generally speaking, there is no local Customs which will forcibly carry out inspection by opening the packed goods, when it is known that re-packing will cost a great deal of money.

If the goods are not heavy-weight goods like machine tools, they are handled as air cargo, and Customs clearance at the bonded warehouses of enterprisers handling air cargo is requested. It seems that the inspectors of air cargo have a sharp instinct for and experience in smuggling in of such goods as narcotics, pistols, rare metals, gems, etc., but that they do not have much interest in whether high-technology products will infringe on the COCOM Rules or not.

### *7. Shipment Via Third Countries*

Goods destined for the Soviet Union are shipped via non-COCOM member nations.

Suitable companies, which will not be averse to taking the risk of selling banned goods to the Soviet Union, if it is for the sake of making a profit, are sought out in advance in countries which are not members of COCOM, such as Switzerland, Austria, Hong Kong and Singapore, or a dummy company is temporarily established in these countries, in advance, and banned goods are exported from Japan to those companies.

### *8. Sample Fairs in Moscow*

As one method for the acquisition of high technology, the method of lending for a certain fixed period of time banned goods which were exhibited at sample fairs in Moscow, to Soviet research institutes and letting Soviet experts thoroughgoingly dismantle and analyze them, and exhaustively study the secrets of high technology, is also resorted to.

## AIR-CONDITIONERS ARE ALSO IMPORTED AS WEAPONS

There are cases where MITI approves the exhibiting of COCOM banned goods at sample fairs, on the condition that they will be brought back to Japan, in the name of publicizing Japan's technology. In this case, they are not exports, and therefore, claims will not be raised by COCOM.

The true purpose of the "External Technology Co-operation Corporation," which was established ostensibly for the purpose of testing and evaluating the performance of foreign products, the introducing of other countries' most sophisticated products to Soviet users, and promoting imports, lies precisely in this kind of piracy of other countries of high technology.

Toward trading firms which co-operate in the exhibiting of this kind of products at sample fairs, the Soviet side compensates them by granting them privileges, such as the Soviet side's buying up all other general products which were exhibited, without any discount in prices.

As for Toshiba Machine's exporting propellor milling machines this time, it adopted a method which skillfully combined together the "side-letter" and the "shipment via a third country" method and still another method called "docking."

Even most ordinary goods, which are not entered on the restriction list as strategic goods, can become closely linked with military use, depending on for what purpose they are used.

Several hundred units of wind-type air-conditioners are exported from Japan to the Soviet Union every year. They are the most ordinary export goods, no matter how one looks at them, and they are nothing more than household electric appliances for non-military use. These air-conditioners are high-quality products of high performance, compact in size, and with outstanding cooling capacity.

The Soviet Industrial Machinery Import Corporation imported an air-conditioner manufacturing plant from Toshiba about 10 years ago, and it is domestically manufacturing air-conditioners in Baku City in Azerbaydzhan SSR. Therefore, they are not goods which must be imported, using valuable foreign currencies. Despite this fact, the Soviet Union imports several hundred units every year. Furthermore, the number of units does not show any sharp increase or decrease, and it unfailingly places orders for and imports several hundred units. Moreover, it designates high-performance, small-size models, manufactured by Hitachi, Sanyo, Toshiba, Daikin, etc., for its purchases.

To what purpose are they put to use?

The temperature inside a tank rises, even when running at normal speed. In time of combat, the temperature becomes unbearably high. This has adverse effects, not only on the morale of the soldiers but also on the machines and instruments, which use many electronic parts and which have been highly automatized, and it greatly lessens their combat capability. For this reason, it needs high-performance air-conditioners. The air-conditioners which the Soviet Union manufactures itself are large in size and their performance is also inferior, and they cannot be used for this kind of purpose. To begin with, the Soviet Union, which is a cold country, does not have the basis of air-cooling technology, and it relies entirely on Japan for the imports of these air-conditioners.

Anti-rust paper, in which chemicals for the preventing of the rusting of metals have been soaked, are commonly sold on the market. There was a case of our exporting an "anti-rust paper manufacturing plant" to the Soviet Union, for the production of this kind of paper.

This was still a new technology in those days, and especially, the preparation of anti-rust chemicals was an enterprise secret. The price of the facilities as a whole, including the chemical know-how, was more than four million dollars, even at prices in those days.

The purpose of this plant was not the manufacturing of anti-rust paper for the wrapping of general tools and knives for household use. It was for the manufacture of anti-rust paper for the long-term storing of weapons in peace-time, protecting them from rusting.

If oil and fats, such as grease, are used to prevent the rusting of weapons, it will take time to remove the anti-rust preparation in the case of using the weapons in a time of emergency, and they are unsuited for immediate response in a time of emergency. If they are just wrapped in paper, it only requires the time to tear off the wrapping to become combat-ready.

The view of a major Japanese manufacturer's view is that "To judge from its huge production capacity, it is impossible to consider it as for civilian use. It is for military use, and it is clearly for the purpose of storing weapons."

I personally had the following experience. Soon after the invasion of Afghanistan by Soviet Forces toward the end of 1979, I received a strange inquiry from the Soviet Technology and Machinery Import Corporation.

It was an inquiry concerning "coffins for the refrigerated preservation of corpses." They were probably for shipping back the bodies of the war dead from Afghanistan to the Soviet homeland.

I sent a telex message to the head office. I found out that this kind of coffins was being manufactured in Japan, too, and that they could be exported. In Japan, however, the refrigerated preservation of dead bodies is limited to extremely special cases, and the production amount was also small. Furthermore, they were specially ordered coffins of dignified make and decoration.

However, what the Soviet Union wanted was a low-priced simple wooden box with no unnecessary decoration, but with refrigeration equipment attached to it. The Soviet side's request was that it wanted these coffins quickly in a large amount. The negotiations fell through, in the end, as agreement could not be reached on the price and the time of delivery, but these coffins can also be said to be military goods, in a certain sense. There are also many other cases of business negotiations for goods, which seem to be for civilian use, at first glance, but are actually for military use, in trade with the Soviet Union.

## INTERVENTION OF ITO-CHU

At the stage of drawing up a draft contract, with all technical problems settled, Toshiba Machine suddenly made a representation to Wako Koeki, saying that "We wish to appoint Ito-Chu as the seller's representative."

It said as follows: "Toshiba Machine has been using Ito-Chu from a long time ago as the window for exports to the Soviet Union, and if we use Wako Koeki as the window for this case alone, there will be strong complaints from Ito-Chu. Also, Ito-Chu is familiar with the obtaining of export permits, and they can be cleared by Customs in a very normal way as one of Toshiba Machine's products, several dozens of which are exported to the Soviet Union every year. If we were to carry out exports through Wako Koeki for this case alone, all of a sudden, it will draw attention needlessly, not only of the Government offices concerned, but also within Toshiba Machine itself and industrial circles, and there is the danger of various problems arising. We fully appreciate the achievements of Wako Koeki and we will also pay a fully adequate commission, and it is earnestly hoped that you will agree to it."

The participation of Ito-Chu was proposed by the Toshiba Machine side. It seems that the main purpose was to repay its debts to it over the Ataka Case. Consequently, it was not "intervention" in the strict sense of the term. However, whatever the reason, it was intervention, when viewed from the Wako Koeki side, and Wako's Soviet Department Chief made a strong protest. In the end, however, Wako decided to take the substance, and cede the title of the seller's representative to Ito-Chu.

It was also not that the Ito-Chu side snapped up this proposition immediately. It seemed to have had the awareness that there may be some special circumstances, as they were business negotiations which the "Technological Machinery Import Corporation," instead of the Machine Tool Import Corporation," which was the Soviet side's normal window for the imports of Toshiba Machine's machine tools, was pushing with Wako Koeki, which is a company specializing in trade with the Communist bloc and which is strong in the special machine sector. Its reply was that "We cannot say immediately that it is fine and that we will take it up. We will give a reply after consulting with our proper superiors. Please give us two or three days time."

Ito-Chu's conclusion was transmitted to the persons concerned the following day. It was that "It has been decided that Ito-Chu will be glad to accept the offer."

Agreement was reached among the three companies—Toshiba Machine, Wako Koeki and Ito-Chu Shoji—as to their respective roles. In other words, it was agreed that Toshiba Machine will take charge of the manufacture of the goods for the sales-purchase transaction, that Wako Koki will take charge of liaison and interpreting work with the Soviet side, and that Ito-Chu will take charge of the procedures for the export and shipment of the machines.

When the conclusion of the three Japanese companies was transmitted to the Soviet side, we immediately received a stern protest from the "Technological Machinery Import Corporation" Senior Vice President Arabertov [TN: phonetic].

"We will transmit the Corporation's views toward your decision of the Japanese side to appoint Ito-Chu as the seller's representative."

There is an independent sector as the Technological Machinery Import Corporation's special branch, called the "Commercial Department." It is strange that there is a "Commercial Branch" in a trade corporation, but this is a department which engages in the collection of information, the obtaining of samples and other work which is not directly connected with business. This Araberdov had recently been promoted to the post of Senior Vice President all of a sudden, from the post of Director of this Commercial Department.

"We pushed negotiations with Wako Koeki, with which we have been working together as a partner of this Corporation for more than 20-odd years, as the representative of the seller. However, even if you suddenly tell us that you have named Ito-Chu, which we do not know well, as the agent for the seller, it is difficult for us to agree to it easily. Ito-Chu is certainly a big all-round trading company, and we know that it has strength as an enterprise. However, it is not possible for us, the buyer, to agree to having the staff members of Ito-Chu, with whom we are not acquainted, take part in the business negotiations this time, which contain delicate problems. We request your re-consideration."

After much haggling, we finally obtained the consent of Senior Vice President Araberdov, and completed the chain of conspiracy, consisting of five organizations, that is, Toshiba Machine, Wako Koeki, Ito-Chu Shoji, the Soviet Trade Corporation's "Technological Machinery Import Corporation" and the "Kongsberg Corporation."

## ASSOCIATION WITH THE KGB FROM 22 YEARS AGO.

The close relationship between Wako Koeki and the Technological Machinery Import Corporation started 22 years ago—from 1965.

In 1969, the "Odantara Case," in which a member of the Office of the Soviet Trade Representative in Japan, who had been collecting technological information, using a student from Indonesia, studying in Japan, was expelled, was brought to light. Four years before this incident, V.A. Sedov, who was the principal in this case, approached Wako Koeki with a "special inquiry."

It was an inquiry on a "large size hyper-vacuum chamber for temperature control." This is a facility for creating a degree of vacuum and temperature which correspond to that in outer space, within a box-shaped facility, for the testing of the properties and durability of the parts and living things within the chamber by controlling it freely. It was installed in the "Physics Research Institute," which is located at a place turning left from Leningrad Boulevard, which leads to Sheremetyevo Airport in a suburb of Moscow, at the subway station of Sokor, and it is being used for research for studying the changes in properties in outer space, even today.

The persons in charge at the Technological Machinery Import Corporation at the time were Sedov of the "Odantara Case" and Anatoly Maksimov, who assumed a post in the Soviet Trade Representative's Office in Japan, as the representative of the Technological Machinery Import Corporation, as Sedov's successor.

These two persons were the sponsors for Wako Koeki in actual substance, and they "took care" of the Wako Koeki staff members in various ways, in regard to visa support for them and assisting them in their business negotiations from the side. It goes without saying that their true aim was to establish a "big pipeline" between the Soviet Union and Wako Koeki.

This relationship continued up to immediately before the starting of the business negotiations with Toshiba Machine. Toward the end of 1978, Sedov was promoted to and assumed the post of the Head of the Soviet Trade Representative's Office in East Germany. With the arising of the Iranian Revolution, just about the same time, Maksimov also left suddenly for Teheran as an agent for the carrying out of local operations. It was Vice President Oshipov and Anatoly Petrovich Troyitsky who were introduced to us

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as the succeeding persons to take charge of Wako Koeki, just before Vice President Sedov's departure for East Germany.

Almost all enterprises which have offices or branches in Moscow have these kinds of "pipelines," and it is not that Wako Koeki alone was a special case. So long as there is the Soviet "will" to seek them, it is possible to establish such pipelines. If an enterprise were to resist this, such as enterprise will graudally come to lose business opportunities and will be forced to withdraw from the Soviet market.

"20- or 30-percent discount in prices is a matter of course, and the price is reduced to less than half, depending on the goods concerned." This is a part of a song which trading firm staff members, engaging in trade with the Soviet Union, hum to themselves, partly in self-derision. From the very beginning of the business talks for propeller milling machines, the Japanese side intended to withdraw immediately, if the demand for a price discount is severe. If the Soviet side were to demand a price discount which it normally demands at business negotiations in general, it was not a business transaction which could be carried out, to consider the risk.

In transactions with the Soviet Union, the deciding of prices is carried over to the very end of the negotiations. If refuses to discuss prices until other general terms, such as technological problems, the time of delivery, the payments terms, etc., are definitely decided.

In the case of the propeller milling machines this time, the offer was 5 million dollars per machine. To calculate this price at the exchange rate at the time, which was about 200 yen to one dollar, the price was about one billion yen per machine.

After the holding of price negotiations a number of times, the Soviet side demanded a 20 percent discount in the price, saying that it will order four machines and that it will also increase its orders for spare parts. It was an almost unbelievably generous demand, as a demand for a price reduction for machinery and facilities. The Japanese side held down its impulse to break out into laughter, and rejected this demand. That was because we knew that there did not exist any company in capitalist nations which would dare to sell nine-axis-control propeller milling machines to the Soviet side.

The Soviet side would probably have brough them, even if we insisted that we will not offer even a one-dollar discount. However, honoring the face of Anatoly Troyitsky and Plant Manager Filskov, who persistently pressed for a price discount, we reached the compromise settlement of a unit price of 4.35 million dollars per machine, or the total price of 17.43 million dollars for the four machines. It was a discount of about 13 percent.

As admitted by Toshiba Machine itself later, about 3.5 billion yen for the four machines is an exhorbitant price. The Soviet Union may have been forced to make the purchase at a high price, as its vulnerability was known. However, if thought is given to the purpose and use of these machines, and also to the time and cost it would probably have had to spend for the development of this system itself, there remain doubts as to whether it was really a costly purchase or not.

For the ceremony of the concluding of the contract, all persons concerned gathered at Ito-Chu Shoji's Moscows Branch Office.

Ito-Chu Shoji's Moscows Branch Office is located in the office building of the Trade Center, in the same way as other Japanese enterprises which have offices or branches in Moscow. The concept for the construction of this grand building was proposed by President Armand Hammer of U.S. Occidental Petroleum Corporation, and which the Soviet Union built, devoting all-out efforts, in time for its completion for the Moscow Olympics. In actual fact, it is also very convenient for gathering together all foreigners at one place and keeping them under surveillance as a group.

Also, it made it possible to hold heated negotiations as much as one liked, without being chased out partway through the business negotiations, because of the limited time for talks and the schedule for the next appointment, which had been the case in the Corporation Office in Smolenskaya Square. At the same time, however, the Soviet side's Corporation-connected persons come to stay forever in the branch office and demand food and drinks.

A total of 20 persons were present at the ceremony for the signing of the contract.

From the Technological Machinery Import Corporation on the Soviet side:

Senior Vice President Araberdov, Vice President Oshipov (KGB), official in charge Troyitsky (KGB) (after the contract was signed, he was promoted to the post of Vice President of the Industrial Machinery Import Corporation), Department Chief Kotomin, administrative official in charge Jariov and Corporation Secretary Olga Mironova.

It was also attended by Foreign Trade Ministry Technical Officer Zakharov, and from the Baltic Shipyard, by Propeller Plant Manager Filskov, Chief Engineer Gusev and Computer Programmer Suichov.

As for the Japanese side, the Export Department Chief, the Project Manager, the Export Section Chief, and the Designing Section Chief from Toshiba Machine, the Moscow Branch Manager, the Moscow Branch Deputy Manager and the staff in charge from Ito-Chu Shoji, and the Vice President, the Soviet Department Chief and the Moscow Branch Manager from Wako Koeki attended.

The selling side and the buying side initialled each page of the contract, which consisted of a total of 120 pages, broken down into 33 pages of main text and 87 pages of the attached document, and the full signature at the end of the contract was signed by Vice President Araberdov and Ito-Chu's Moscow Branch Manager. From this moment, the contract went into effect. It was on April 24, 1981.

### FALSITY OF JAPAN-BASHING

Blessed with the applause of all persons present, as required by formality, the Japanese and Soviet signers shook hands with each other, and then a celebration party was held. At his point, however, no crime had yet been committed.

It is only when the actual act of implementation is taken that it becomes an infringement of laws and regulations. The contract, which was signed, did not have any nature of being illegal, so far as the documents were concerned, no matter how one looked at it.

Almost none of the people who gathered together on this occasion, at least on the part of the Japanese side's persons concerned, had any ideological bias, and they were all ordinary salaried workers, who are very interested in their work, of the type seen in any Japanese company. With their families, they were probably serious-minded and kindly fathers and husbands who could be depended on.

For what reason and in what way did these average company employees of average Japanese companies come to lend a hand in "selling to us the technology which we lack, and making it possible for us to achieve military reconstruction, which is indispensable for us to attack those persons, who offered those technologies and products to us, and for us to win victory," exactly as prophesized by Vladimir Ilich Lenin, who is revered in the Soviet Union as the Father of the Socialist Revolution? If a person reads about the case which took place in the "Baltic Shipyard," the munitions plant in the old capital of Leningrad, under the midnight sun, he will understand how greatly removed from the actual facts it is to grasp the case this time as a part of the United States' "Japan-bashing" and to doubt even the existence of the COCOM Rules, as is being done by some "men of culture," scholars and media organs.

However, I will not write about these circumstances this time. There is my position that indictment against me has been suspended. However, there are also other things which I think I must write about, eventually.

As for the purpose to which those screw milling-machines were put to use, I have doubts as to whether they were really for screws for submarines, as reported.

There is something more dreadful which is proceeding, and no one understands it correctly. Those who know just smile thinly and keep their mouths shut. I even felt at the time that a scene in an SF horror film had become a reality.

All that I can do at present is to earnestly pray that this author's apprehensions are nothing more than foolish imaginings born of fear.

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[From the Wall Street Journal, Aug. 4, 1987]

## THE TOSHIBA CASE: JAPANESE FIRMS' PUSH TO SELL TO SOVIETS LED TO SECURITY BREACHES—MANY TENDED TO IGNORE RULES AND THE NATIONAL INTEREST; AUTHORITIES SEEMED LAX—BUT ATTITUDES ARE CHANGING

(By Damon Darlin)

TOKYO.—Every business day, teams of Soviet trade officials would visit a Moscow office tower housing a lot of foreign trading firms, sometimes drinking and eating their way down, floor by floor.

"They liked the raw fish we served," recalls Kazuo Kumagai, who worked on the 18th floor as a representative for Wako Koeki Co., a Japanese company trading exclusively with Communist countries.

The Soviets liked Japanese technology even more. On most days, they presented lists of items they wanted to buy. Often mixed in with the mundane construction cranes and squid catchers on those lists were items that the Japanese businessmen suspected might be illegal to export, such as scientific testing equipment, high-tech composite fibers, even armored vehicles.

### GOING ALONG

So, one day in late autumn of 1980, when a Soviet official asked Wako Koeki to find a sophisticated robotized milling machine capable of making large ship propellers, Mr. Kumagai and his bosses didn't think it unusual. Despite their suspicions, Wako Koeki went ahead and, along with C. Itoh & Co., a giant Japanese trading house, helped Toshiba Machine Co. sell milling machines that, the U.S. believes, the Soviets used to make their submarines quieter and thus harder to track.

"Sometimes we had to break the regulations," says Mr. Kumagai, who, five years later, quit Wako Koeki in a tiff with his boss and informed authorities of the transaction. His revelations have ignited intense anger in the U.S. and gut-wrenching apologies and soul-searching in Japan. They may temporarily dry up trade with the Communist bloc but also may force Japanese companies to think twice about putting sales ahead of national security.

Although the Japanese government's laxity in policing Communist-bloc trade played a major role in the scandal, the Japanese companies' tendency to ignore security issues in the pursuit of deal-making is as much, if not more, to blame. "Japanese have considered it a taboo since World War II to think about national defense and have grown accustomed to thinking that the U.S. will defend the country," a Foreign Ministry official explains. "National security simply is never thought about by businessmen."

### WHY SOVIETS SUCCEED

Indeed, the reasons Wako Koeki pursued the sale tell a lot about why the Soviets seem to score such coups in Japan.

"It was as if they dangled a delicious fruit in front of a hungry man," says Mr. Kumagai in Russian-accent English. "My company demanded results. I have a conscience, but I also have a family on my shoulder.

"Other companies were under the same pressures. Others were doing that, too," adds the unemployed 51-year-old, who learned Russian in college and then spent almost 22 years handling Soviet trade and pinning his hopes for advancement on Soviet largesse. "Toshiba is only the tip of the iceberg."

U.S. authorities, and a growing number of Japanese investigators, suspect that Mr. Kumagai is right. The whistle-blower has told police of other incidents, although he concedes that he has little evidence because he didn't save documents. And in many cases, Japan's three-year statute of limitations has expired.

However, a U.S. official says that in the past year, the Americans have gone to Japanese authorities with as many as half a dozen cases of export violations by Japanese companies. One, the official adds, is "almost as significant as Toshiba." In Washington, rumors are circulating that five giant Japanese companies are thought to have violated the rules in the past.

The Japanese government denies that the problem is that big, but, when pushed, the Ministry of International Trade and Industry admits to cracking down on two export violations in May, after the Toshiba case broke. In addition, Japanese police have expelled Poles suspected of stealing computer software secrets and have linked Soviet trade officials with illegal sales of aircraft instrument technolgoy.

The Japanese government, which at first sent out a hodgepodge of statements waffling on the importance of the Toshiba case to national security, now is closer to speaking with one voice. It is beefing up the staff that scrutinizes export licenses, although the staff remains small by U.S. standards and still isn't expected to pursue rigorously diversions of technology to third countries. And Japan is considering proposed legislation that would increase the maximum fines and prison terms for people convicted of exporting restricted technology to the Soviet bloc.

Japanese companies also are reacting to the scandal involving Toshiba Machine, which is 50.1%-owned by Toshiba Corp. They are more cautious about exports to the Soviet Union, which in the first five months of 1986 had already dropped 67% from a year before. Matsushita Electric Trading Co. says three deals that it had been negotiating with Soviet Union have been suspended. Japan's beleaguered machine-tool makers say exports to the Communist bloc could slump as much as 70% this year.

However, the Soviets deny being worried about any trade slowdown. "I don't believe this incident will have a great effect on Soviet trade," says Yurii P. Tchegodar, the director of the economic department of the U.S.S.R. trade office. What can't be bought in Japan, "we will buy from West Germany, England, Italy or the U.S.," he says, adding, in regard to one of the deals canceled by Matsushita, "We bought it from France already."

Perhaps more worrisome to the Soviets in the long term is that company attitudes seem to be slowly changing here, toward a broader view of the world. "We Japanese who put our companies' fortunes in front of our country's are beginning to realize that the security of our nation is the security of our company," says an executive of a major machine-tool maker.

### BACKLASH FEARED

The shift apparently isn't entirely for altruistic reasons. Many fear that the backlash will hurt their business with the U.S. Toshiba faces the threat of tough sanctions prescribed by Congress with only a few dissenting votes. An amendment to the Senate trade bill would give President Reagan the option of banning imports from Toshiba or any of its subsidiaries for as long as five years if he deems such punishment suitable. The House has voted to ban the sale of all Toshiba products at U.S. military stores all over the world.

"Companies can't risk losing 100 yen for one additional yen," Mr. Kumagai says.

Japan's trade with Communist nations isn't large compared with its trade with the West. Exports to the Communist bloc, including China, totaled about $16.5 billion last year, about 7% of Japan's total exports. The outlook for growth looks pallid, although Japanese executives continue to harbor high hopes for China. The problem is that the Communist bloc is short of foreign currency, and the Soviets, especially, don't want a trade deficit with Japan; thus, trade is choked back because they have few goods that Japan needs.

The Soviets say their imports from Japan are down only 25%, mainly because they are buying less steel pipe and because two major trade agreements have lapsed and are being negotiated. The Toshiba case appears to have little bearing on the negotiations, say some parties involved.

Nor is it straining Soviet-Japanese relations, which seem to be warming up. Last January, Japanese Prime Minister Nakasone invited Mikhail Gorbachev, the Soviet leader, for a visit, and although the invitation was turned down then, talk of a visit has recently revived. Meanwhile, Soviet proposals to reduce nuclear missiles have been warmly received in Japan. The only nettlesome issues are, for the Japanese, the Soviet refusal to return several northern islands that the Soviets seized from Japan at the end of World War II and, for the Soviets, Japan's attempts to improve relations with China.

### MOSTLY DRAB GOODS

There aren't any trade disputes. That's because much of what Japan sells the Soviets is dull fare—steel pipe, drilling equipment, bulldozers and dump trucks for construction and mining. But a partial list of legal exports last year also includes scientific testing equipment, super-cooling devices and even noise-measuring gear along with the machine tools.

"There will be a lot more" crackdowns on Communist-bloc trade, says a U.S. official in Tokyo. "The Japanese now know they have been too lax."

Soviet trade officials in Tokyo, who refer to the Toshiba case as the "notorious incident," say they think that they are being made scapegoats in an economic war being waged by the U.S. to weaken Japan's economy. And they make no apologies, for seeking high technology in Japan.

Even news reporters from Communist countries keep an eye on high-tech. Whenever the Japanese government press center organizes a tour of a high-tech factory or research facility, the reserved spots are quickly snatched up by Communist-bloc reporters.

"Naturally, every country is interested in modern equipment. We don't buy machines that are no good," Mr. Tchegodar says.

### SOVIET REACTION

The Soviets scoff at Japanese and American allegations that many Soviet trade officials in Japan work for the Soviet secret police. Mr. Tchegodar says sardonically that trade officials don't know what is on the Cocom list, the agreement between Japan and several Western nations that restricts high-tech exports to Communist countries. "That is not our function. We are free to ask for everything," Mr. Tchegodar says. A. Rodionov, another Soviet official, says, shrugging, "If the Japanese companies want to send us such things. * * *

Little distinction is drawn between commercial and military applications. "I believe all machinery can be used for military use," Mr. Tchegodar explains.

Few manufacturers want to talk about their trade with Communist nations. No trading house would agree to an interview, not even the giants whose Soviet trade accounts for less than 1% of their revenues. And an organization of 150 companies that deal with the Soviet bloc refuses to disclose its membership. "There are no Japanese stupid enough to take the trouble to speak out at a time like this," says an official of the small Kurimoto Trading Co.

But some manufacturers did say it is hard to pass up Soviet orders. The National Policy Agency, Japan's Federal Bureau of Investigation, says the Soviets paid triple Toshiba's list price for the propeller-milling machine.

### OTHER LURES

Even when the Soviets aren't raising the price to get what they want, the trade looks good. The Japanese companies don't have to set up service networks, as they do in the U.S. and Europe. Sales costs are low because few companies need to have large staffs in Moscow. The Soviets know what they want and when they want it. Japanese find the 74 Soviet trade people here easy to deal with because almost all of them, unlike Americans and Europeans, are fluent in Japanese, and most know English, too. And payment is guaranteed.

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"There is a lot of profit" in Soviet sales, says Masaya Tsuchiya, an expert on Soviet-bloc trade with the Japan External Trade Organization.

So, while the high yen and trade friction are impeding trade with the West, Japanese companies, especially in declining industries such as shipbuilding, steel and machine tools, find that market appealing. Mr. Kumagai, the Wako Koeki whistle-blower, says the Soviets have exploited that by offering lucrative deals to small, weak trading concerns only if they helped them with more difficult projects.

The toughest problems are posed by legal commercial goods that the Soviets divert for military use. In such cases, the companies are supposed to police themselves. But there are a lot of diversions.

Japanese press reports say the Soviets used special ball bearings in the Toshiba-milled propellers. And Toshiba Machine has admitted that it sold two other propeller-milling units to the Soviet Union as early as 1974, but it says these didn't violate existing Cocom laws. MITI acknowledges that it is investigating the sales.

SOME OTHER CASES

In addition, Nissan Diesel Motor Co., an affiliate of Nissan Motor Co., stopped shipments of flatbed trucks to North Korea after reports that the trucks were being converted to mobile missile launchers. According to other reports, Japanese room air conditioners are being used in Soviet tanks, automobile air conditioners are going into military vehicles, and computer chips purchased in Tokyo's Akihabara electronics district are being carried to the Soviet Union.

Ishikawajima-Harima Heavy Industries Co. had a bad experience with a major diversion some years ago, and the huge shipbuilder and industrial-products company has changed its attitude toward Soviet trade. In 1978, it sold the Soviet Union a dry dock, a gigantic floating repair yard capable of lifting 80,000-ton ships out of the water. No one at the company heard anything about it for several years. Then, a U.S. spy photo spotted it repairing an aircraft carrier.

"We were shocked," says Koki Kinoshita, an IHI spokesman. "We had dealt with the Soviets for 30 years. We thought the dry dock was another routine matter."

Although IHI hadn't broken any laws, the incident touched off an internal debate on how to deal with the Soviets. The company decided to keep trading with them—it still sends them ships and other products—but every sale is considered in light of alternative uses of the product. "Anything can happen when you deal with the U.S.S.R." Mr. Kinoshita says.

And when the U.S.S.R. asked for a second dry dock, IHI politely said it was too busy. An order for computer controls for an aluminum-rolling machine in Hungary also was turned down, but IHI later learned that the Hungarians managed to get the system elsewhere.

"Our company now considers the broad principles of Cocom rather than narrow particulars" of the trade-regulating agreement. "You can be free from legal restrictions but still have moral responsibilities," Mr. Kinoshita says, adding: "Perhaps you need a bad experience, but now we think we have more self-control."

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[From the Christian Science Monitor, July 22, 1987]

### Toshisa Whistle-Blower Defends Decision To Expose Company

#### HIS MOTIVE, HE SAYS, WAS TO PROTECT SECURITY OF JAPAN AND FREE WORLD

(By Takashi Oka)

Tokyo.—The man who blew the whistle on Toshiba says he would be willing to testify before the United States Congress or the Japanese Diet (parliament).

"The US Congress seems intent on bashing Toshiba," said Kazuo Kumagai. "They may do that. But to me, what is most important is how to stop illegal sales to the Soviet Union of high technology products that endanger the security of the free world."

Punishing Toshiba, Mr. Kumagai said, puts the emphasis on retribution for what has already been done. The US, Japan, and the other principle Western countries, he says, should be getting together to see how they can prevent future Toshiba-like incidents.

Toshiba Machine and the Norwegian firm Kongsberg Vaapenfabrikk have admitted selling to Moscow a special type of milling machine and its computer controls that have enabled the Soviet Union to dramatically reduce the noise level of its submarine propellers.

Drafts of laws now before Congress would deny Norwegian and Japanese companies concerned access to the American market for specified periods of time, particularly for the giant Toshiba Corporation, the parent of Toshiba Machine.

Kumagai exposed what Toshiba and the Norwegian firm had done in a letter to Cocom, the Paris-based coordinating committee of Western allies that makes rules for what may or may not be exported to Soviet-bloc countries.

A man of craggy visage and of somewhat saturnine expression, Kumagai has the air of someone who knows he has caused controversy; and yet is at peace with himself.

"Which is the greater patriotism," Kumagai asks, "not to expose something that is harmful to Japan's prestige, or to expose it because it endangers Japan's security and that of the whole free world?"

He was responding to an accusation that a number of Japanese have made, questioning his motives.

"To expose a case like this at this time, when Japan is already being bashed by Congress for its huge trade surpluses, is clearly against the national interest," said an editorial writer of a leading newspaper here. "Why did Kumagai do it? He must have had some compelling personal reason—some huge grudge against his employer."

The comment in turn shows one aspect of Japanese society an inclination to close ranks against a perceived threat from the outside, a reluctance to break ranks and to be seen pointing accusatory fingers at each other. People like Kumagai, who break these unspoken rules, must be prepared to face social ostracism and to have any skeletons they may have in their closet pitilessly exposed.

Kumagai, in this sense, is both vulnerable and not. He is vulnerable because he himself participated in the kind of rule-breaking he exposes. He is invulnerable because he has already been through this crise de conscience and made his decision to go public, come what may.

In a Monitor interview earlier this week with Daniel Sneider, Kumagai explained the kind of work that his company Wako Koeki did in Moscow, his growing uneasiness over its flouting of Cocom rules and the consequences for Western security, and his final decision to take action.

In Tuesday's interview with this correspondent, he reiterated that what originally impelled him was anger—anger with his company that, after years of doing "dirty work" for it, he had not been promoted as he thought he deserved. This anger in turn led him to reexamine what he had already been uneasy about—the kind of life he had led and why, and what satisfaction he had obtained.

Kumagai freely admits that he was one of the culprits, but he angrily denies that he was motivated by greed or that he tried to blackmail anyone. "Can't people believe that it's possible to expose something that may harm Japan's prestige in the short run, and still be a patriot?" he said.

Kumagai also points out that Wako was far from being the only company that flouted Cocom rules. Many other companies, Japanese and Western, did the same. He says he has mentioned some names other than Toshiba in his letter to Cocom as well as in his statements to the Japanese police when they investigated him following the letter.

"In quantity it's quite correct to say that the Toshiba case was only the tip of the iceberg," he said. "In quality, it was by far the most serious case."

Now that Toshiba is out in the open, what about these other cases? "The police are investigating them," he said. He did not want to mention names because he had no proof.

In that sense, Kumagai feels, his exposure of Toshiba has been a success. In the changed climate brought about by his action, Japan is now hurrying to tighten its Cocom-related laws and procedures. Other countries may be doing the same.

"But to be effective, there must be a coordinated effort," Kumagai said. That is what he very much hopes will be the next stage in this unfolding story.

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## FUNDING FOR THE INTERAMERICAN DEVELOPMENT BANK

### APPROPRIATIONS COMMITTEE CLOSELY WATCHING ACRE PROJECT

**Mr. KASTEN.** Mr. President, yesterday, the Interamerican Development Bank informed me that it was reversing its position on the environmental performance of the Acre Construction Project.

Before yesterday, the Interamerican Development Bank (IDB) has always insisted that the environmental components of this $58.5 million loan were being complied with. Yesterday, however, the IDB decided to notify the Brazilians that a major environmental component of this loan, the demarcation of indigenous reserves, is not being adequately fufilled.

If this shortcoming is not corrected in 60 days, the IDB has indicated it will formally suspend further disbursements for this road.

Senator Inouye and I have worked very closely to see that the environmental components of this loan are implemented. We will continue this close cooperation to see that these

critical environmental provisions are implemented.

Yesterday's decision by the IDB was a good first step. We will be carefully watching progress on bringing this loan into compliance with the environmental provisions in the loan contract. We will pay special attention to the adoption of the "definitive action plan" which provides for the implementation of these environmental provisions. This plan is currently scheduled to be presented in mid-September.

The Appropriations Committee has previously indicated that environmental reform is a necessary condition for our financial support. We will closely watch the progress on the Acre Project in preparing this year's appropriation bill.

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## U.S. LEADERSHIP IN SPACE

**Mr. GLENN.** Mr. President, earlier this year Mr. Robert Anderson, chairman and chief executive officer of Rockwell International, spoke to the Harvard Business School Club of Cleveland concerning the U.S. Space Program. Mr. Anderson addressed the imperative of maintaining—and in some cases, restoring—U.S. leadership in space.

The question he endeavored to answer was why the United States should make the commitment of resources to assure its space leadership. Mr. Anderson emphasized three main points:

First, the American people strongly support the goal of U.S. leadership in space; second, our competitors are certainly prepared to overtake the United States if we fail to grasp the initiative; and third, space exploration is a major driver of new technologies critical to U.S. international competitiveness.

Mr. President, I believe the first point speaks for itself. Public opinion polls consistently demonstrate broad, bipartisan support for the U.S. Space Program. A national poll taken last summer, for example, found:

That 89 percent said the United States should resume shuttle operations while recognizing that there will always be risks associated with manned space flight; 69 percent support proceeding with the Space Station Program; and, 56 percent support significant increases in the NASA budget.

America's space program is faced with an increasingly serious challenge from both our friends and adversaries abroad. Clearly, the Soviets are solidifying their position in manned space operations with their Mir Space Station Program. In the critical area of space launch capabilities, there is a growing list of countries competing in an effort to dominate this important business market. The range of nations involved in this competition now includes France, Brazil, Japan, the PRC, and the Soviet Union. There is clearly a requirement to get the space shuttle operating again safely and to build up a fleet of unmanned expendable launch vehicles to assure our Nation's access to space and our ability to compete internationally.

Space exploration has proven to be a significant driver of new technologies. Spinoffs from the space program that have benefited the everyday lives of all Americans are numerous. Among these are: traffic control devices, highway safety systems, and smoke detectors. In addition, medical spinoffs in terms of heart pacemakers and surgical tools, for example, are also among the technological benefits deriving from the space program.

Finally, Mr. Anderson provides a clear explanation for the requirement for a balanced space program that maximizes the potential of manned and unmanned missions. He cites several specific examples of manned space flight that underscore the importance of man's ability to work with the sophisticated space machines of today. I concur with his judgment that, "man turns the unexpected into discovery, discovery into knowledge and knowledge into leadership."

Mr. President, our Nation's aerospace community is actively engaged in the work of assuring America's leadership in space. Mr. Anderson's remarks stand as a compelling reminder of why this work is so important. I would, therefore, ask unanimous consent that his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### U.S. Leadership In Space: Three Reasons Why

(Robert Anderson)

For nearly three decades, one of our country's most important sources of new technologies—new companies—new products and services to improve our standard of living—has been the space program.

Today the promise for future advances from space is greater than ever.

But their realization will depend on some very down to earth decisions to be made in Washington, DC in the name of the American people.

These decisions involve both the scope and the cost of our national space effort.

The basic decision to be made is—will the United States of America invest in its future to assure continued leadership in space?

There are those who would argue we have already lost that leadership to the Soviet Union.

Personally I don't think we are quite to that point yet—but the course we plot now and in the months just ahead will determine whether we ultimately lose it.

It was almost exactly fourteen months ago that the space program took an unexpected and tragic turn as the shuttle Challenger exploded just 73 seconds into what was to have been the space transportation system's 25th operational flight.

The seven Americans who perished aboard Challenger cannot be replaced.

But the spirit with which they faced the dangers of space can be renewed in their names and in the name of the country which they served.

After the tragedy, events at first seemed to move very slowly.

In retrospect, however, they really moved fast for an event of such magnitude.

Just over four months after the accident the President's Commission delivered its report.

It contained nine recommendations for changes in NASA management and flight operations and concluded with the following words:

"The commission urges that NASA continue to receive the support of the Administration and the nation. The agency constitutes a national resource that plays a critical role in space exploration and development.

"It also provides a symbol of national pride and technological leadership. . . .

"The findings and recommendations of this report are intended to contribute to the future NASA successes that the nation both expects and requires as the 21st century approaches."

On August 15th the President approved building a fifth shuttle orbiter, to bring the fleet back up to four operational vehicles, and shortly thereafter NASA set February, 1988, as the target month for the next launch.

From the events of 1986 I believe the nation has learned some important lessons.

The first lesson is simply that space flight is inherently hazardous and probably always will be.

In space, routine is not a synonym for relaxed.

The second lesson brought strongly home by the events of 1986 is that this country needs a mixed fleet of launch vehicles.

As the result of the Challenger tragedy and several unrelated accidents with expendable launchers, for about four months last year every one of our large launch systems was grounded.

Even more serious is the backup and rescheduling that is underway as a result of losing at least two years out of what was an accelerating shuttle launch schedule.

This is affecting virtually every aspect of our usage of space—scientific experiments like the space telescope, bold new advances like the NAVSTAR global positioning system, many classified projects and a number of civilian communications satellites for United States owners and nations around the world.

Closely tied to our current situation is the third big lesson, which is the need to push on with development of new launch vehicles to support our long-range space goals.

The experience curve in space development has trended toward larger and larger satellites and other payloads. This trend will be extended as construction of the space station begins.

Just as with airplanes, ships or trucks, the more you can carry on each trip, or the simpler your operations are, the lower your costs per pound or ton will be.

Two approaches to this are now being studied: the heavy lift vehicle for the 1990's and the National Aerospace Plane for the 21st century.

The former would be a huge expendable launch vehicle capable of boosting payloads of 50 to 75 tons into orbit.

This compares roughly with the five-ton payloads of current U.S. rockets, 21 tons for the Soviet Proton and 32 tons for the shuttle.

The National Aerospace Plane is what President Reagan has called the "Orient Express," emphasizing its terrestrial role as an ultra fast intercontinental transport plane.

But, there is a potentially larger role for this craft, as a space transport capable of taking off from conventional type runways, attaining escape velocity and transporting people and cargo into orbit.

Its return to earth would reverse the process.

The aerospace plane offers the potential for much simpler space launch operations.

The final lesson learned from the events of 1986 is the critical need for this nation to get its act together with regard to supporting our space policy and plans.

Orderly development of space will be the work of decades, ultimately even generations.

It is an undertaking which requires a national commitment and a national will.

If the program cannot be structured to transcend the two-, four- and six-year cycles of American politics it is doomed to mediocrity.

Such a structure does not have to require unlimited access to the public till.

It does require a plan and a willingness to commit a percentage of our gross national product, at a predictable level, year in and year out no matter which way the political winds may blow.

For me, a person who has spent close to two decades managing businesses on the forefront of technology, the national need to maintain space leadership is obvious.

Why should we strive for leadership in space?

I see three good reasons.

And the first is simply that the American people want to.

Opinion polls show that national support for the space program is at an all-time high, even higher than during the years America was putting men on the Moon.

One recent poll showed that 9 out of every 10 Americans think we should resume flying the shuttle, even at some risk, and 8 out of 10 support the space station.

But not only do Americans support national space programs, they also perceive the threat to our leadership—which brings me to my second reason for keeping our space leadership.

If we don't stay in front, others will pass us.

That same opinion poll I just cited revealed that 7 out of 10 Americans believe it is important to stay ahead of the Soviet Union in space technology, and 6 out of 10 are even willing for our government to spend whatever it takes to keep our leadership position.

The Soviets are clearly the front runners among other nations in space activity, but they are not alone.

Europe's Ariane satellite launcher has a backlog of 59 launch contracts, the Europeans are developing their own shuttle-type vehicle and the British have a concept for an unmanned aerospace plane.

Both Japan and China have unmanned launch capability and the Chinese reportedly have a contract to launch the Westar 6S communications satellite next year with plans for launching two more Westars and a Swedish satellite over the next few years.

Our international competitors in high technology products recognize the tremendous contributions space programs make to their efforts to maintain global competitiveness.

But it remains the Soviet Union that is our major competitor in space.

Cosmonauts have flown in space more than twice the hours of U.S. astronauts.

The Soviets operate three cosmodromes and launch 100 rockets a year on average, five times what we do, and they, too, are now offering to provide commercial launch services.

The depth of their national commitment involves an estimated 600,000 people, compared with under 200,000 in the U.S., and expenditures estimated at 22 to 34 billion U.S. dollars.

This is two to three times our civilian space expenditures and represents perhaps twice as much of their gross national product.

This very minute, while U.S. astronauts are grounded for close to another year at best, Soviets are orbiting the earth in what is in fact a space station.

Modest, by our intentions for the future, but still a space station.

They have achieved mankind's first space station crew rotation and regularly resupply their orbiting cosmonauts using unmanned vehicles.

Their heaviest operational booster already outlifts our Titan 34D, and reported to be in advanced development is one that will approach the capacity of Saturn V which lifted Americans to the Moon.

The first Soviet shuttle may well fly this year. Some experts believe that by 1994 they could have five active space stations and 35 to 40 people in orbit.

That's the year NASA has targeted to have our station operational with a crew of only 5 to 8.

There can be no doubt that the Soviets are already more spacewise than we.

Yet our technical edge remains sharper—so far.

But that brings me to my third reason for maintaining space leadership—space exploration is a driver of new technologies.

NASA can identify tens of thousands of spin-offs from its research that enhance the everyday lives of most Americans.

These include traffic control devices, highway safety systems and smoke detectors.

Many additional spinoffs are found in medicine.

An estimated 12,000 life-saving and health enhancing devices and processes have sprung from aerospace research including programmable heart pacemakers, implants that dispense medication or control blood pressure, and surgical tools.

Yet, bear in mind that these advances are only those derived from the process of just getting men and machines into space for relatively short periods of time.

Our next step must be to prolong the length of that stay and provide the environment and equipment which will launch truly space-based research.

The space station is the foundation of that next step.

And any discussion of the space station should start with the question of manned versus unmanned space exploration.

Obviously unmanned spacecraft offer one major cost and weight advantage—there is no need to protect and nurture that fragile living organism called a human being.

Unmanned craft can perform many tasks, gather information, even conduct experiments.

With coming advances in computers and artificial intelligence, factories and laboratories operating for long periods untended will be possible.

But our experience to date clearly shows the need and effectiveness of men working with machines.

Let me give you three examples.

In April of 1984 U.S. astronauts operating from the Space Shuttle flew to the nonoperating scientific satellite of the so-called Solar Maximum Mission, retrieved it, repaired it and put it back into orbit to continue its mission.

In November, that same year, the shuttle retrieved and returned to earth two satellites, PALAPA-B2 and WESTAR 6, which had been launched earlier but failed to go into their correct orbits.

During that mission an A-frame device designed to secure one of the satellites could not be attached to the spinning satellite.

Undaunted, Astronaut Dr. Joseph Allen mounted the shuttle arm and grappled the satellite by hand, eventually bringing it into the orbiter's cargo bay.

My final example took place in 1985, but this time it was a Soviet accomplishment.

The Salyut 7 space station, while orbiting unmanned, had lost all electrical power and was tumbling through space in a decaying orbit.

Two cosmonauts flew a Soyuz spacecraft to the station, manually docked with it as it tumbled, entered and restored power.

Thus the Soviets salvaged through human effort what would otherwise have been a major loss because of machine failure.

Humans, then, have a material role to play in space.

Man turns the unexpected into discovery, discovery into knowledge and knowledge into leadership.

But once there how should we house them and how should they spend their time?

Although the Soviets are orbiting in space stations already, their approach and ours differs markedly.

They have opted so far for stations which are little more advanced than our Skylab of the 1970s.

At NASA planners are seeking a far more elegant solution.

The NASA station will include linked modules for living and work, capable of being expanded for decades—ports for docking shuttles and future launch vehicles—and advanced large power systems—all linked by a latticework of trusses.

It might be said that the Russian stations are oriented toward the present, while ours, built with our partners in Europe, Canada and Japan, will be oriented toward the future.

President Reagan has termed the space station our "gateway to the universe" and Dr. James Fletcher, the NASA administrator, has described it as the central focus of all our efforts to expand commerce, industry and science in space through the end of the 21st century and beyond.

It will evolve into far more than a place for a few men and women to conduct experiments and grow crystals.

From the station unmanned orbital transfer vehicles will place commercial and scientific spacecraft in higher orbits.

Nearby orbital construction and service stations will be capable of building, launching, maintaining and refueling a variety of manned and unmanned craft; craft to be used in exploring and developing the moon, the asteroids and Mars, or for probing deep into our solar system and beyond.

Meanwhile orbiting factories will be developed, and scientists will continue to expand

their knowledge of our own planet, the planets near us and the universe itself.

And for the majority of us who will never make that high journey there will be very direct and tangible benefits.

Two such potentials come right back here to this room, to Cleveland.

As we have progressed in developing the concept and specifications for the space station it has become clear that a high level of artificial intelligence will be needed.

To keep the station running smoothly—in the correct orbit and in contact with Earth—using crew members alone would require so much of their time that little would be left for their primary work.

So the station itself will be required to do much of this.

The systems developed for these purposes will pave the way for major strides forward at companies which are building products to make industry more productive.

Indeed it may be said a few years hence that our factories of the future were born in space.

As I mentioned, the U.S. station will probably utilize advanced large scale systems to generate electricity from the sun.

One system will be an array of solar cells five times as powerful as the traditional systems which now power most orbiting spacecraft. As you probably know these cells are composed of a material which turns sunlight into electric power.

But NASA has asked its contractors to look also at what is called solar dynamic power. In this approach a reflector focuses the sunlight on a heat exchanger which turns the resulting heat into energy to run a alternator.

Some of this heat also is stored and continues to produce electricity when the station is in the earth's shadow.

For the station, solar dynamic offers the potential of higher efficiency with reduced drag, lower hardware costs and longer useful life.

For mankind generally, it offers the promise of relatively small sunpowered electric stations that could be set up in any remote area with enough sunlight.

So just within the scope of what we have discussed today, there are two readily identifiable benefits which will most likely result from space station development and construction.

Expanding out into other systems, materials, software programs, computer development, the need for food storage and preparation, just to name a few, station spin offs seems sure to begin soon and continue indefinitely.

For me, obviously, there is no question about the need to maintain U.S. space leadership.

But for those who doubt, I hope that I have offered strong and compelling arguments.

It would seem to be difficult to justify not making the investment if the American people are willing to make it.

I would hope that few Americans really care so little about their country and their way of life that they could accept the idea of living cooped up under a sky dominated by any foreign nation, but especially the Soviet Union.

And we already are feeling the hot breath of technology competition across both oceans.

How can we fail to fuel one of the two primary drivers of advanced technology, space, especially at a time when there is growing restraint on funding the other one, national defense?

Although it seems difficult to realize in the heart of downtown Cleveland, this pleasant land of the Western Reserve was once a frontier.

A frontier that was subsequently settled and folded into the fabric of a nation.

Space, too, has been termed a frontier.

Some have called it the "The Endless Frontier" and others the "Final Frontier."

My own view is that mankind does not yet know enough about the universe to term space either "endless" or "final."

But it is clearly the "Next Frontier."

I hope you will agree with me that there are solid, pragmatic reasons to commit both the national will, and a portion of our national treasure, to developing that frontier.

And ultimately folding it also into the scientific and economic fabric, not just of this nation, but of all nations.

Thank you.

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## SHAKESPEARE IN THE PARK

Mr. WIRTH. Mr. President, I would like to draw the attention of my colleagues to Murray Ross of Colorado Springs, CO, and his efforts to bring Shakespeare's plays to Coloradans. Murray has directed and produced the Colorado Springs Shakespeare-in-the-Park festivities since its beginning 4 years ago.

In that short period of time, the troupe has grown in size and expertise so that it now creates first-rate performances for the people of Colorado Springs. Thanks to Murray's vision and dedication, Colorado Springs can now claim to be the home of one of the finest Shakespeare-in-the-Park productions in the State.

Murray, his wife Betty, and son Orion have succeeded in presenting superb theater to Coloradans free of charge. The troupe's unique interpretations of William Shakespeare's work, coupled with his innovative approaches to set design and production, have captured the imagination of scores of audiences in the past 4 years.

I am enclosing a recent article from the Colorado Springs Gazette-Telegraph, which I hope will help inspire other communities across the Nation to follow the example of Murray Ross and his family.

[From The Colorado Springs (CO) Gazette-Telegraph, Aug. 4, 1987]

### SHAKESPEARE MOVES INSIDE—PPC TO HOST PARK PRODUCTION

(By Deborah Belgum)

It had become a tradition to stage the annual Shakespeare in the Park productions in a large tent in Monument Valley Park.

But, as Shakespeare aptly stated: "All the world's a stage." Shakespeare in the Park organizers have taken that statement to heart by moving the outdoor theater indoors.

Rain and hail, along with noisy trains, have forced the troupe to move to the Pikes Peak Center this summer, where a theater-in-the-round will be formed right on stage. The production this year is "Twelfth Night," sponsored in part by the Gazette-Telegraph.

"While the park has its charms, it also has its limitations," says artistic director Murray Ross. "I don't think it matters very much in a play like 'Taming of the Shrew,' last year's production, which is a robust, knockabout farce. But I do think it matters in a play that is a little more delicate and a little more sophisticated, like 'Twelfth Night.' "

In keeping with the spirit of theater in the park, however, the city and county have declared that the center stage of the Pikes Peak Center will be the park during the play's Aug. 7–22 run.

"I want people to understand that we're not using the Pikes Peak Center in a way that it has never been used before," Ross says. "One of the things that really concerned us was to keep a lot of the qualities that we value in Shakespeare in the Park and to make sure that they successfully survived the migration to the Pikes Peak Center.

"And among those we count intimacy and informality and a sense of a magical place. . . . So what we are going to do is take the stage towers that are three tiers and try to circle those around the stage three-quarters of the way, so we will have an approximation of Shakespeare's own Globe Theatre."

"Twelfth Night" is one of Shakespeare's most popular comedies. It takes place in the seaport city of Illyria.

Duke Orsino falls in love with the wealthy Lady Olivia, who is in love with a young man named Cesario. But Cesario is actually a young woman named Viola disguised as a young man. Disguised as Cesario, Viola works for Duke Orsino, with whom she falls in love. The duke, of course, doesn't know she is a young lady.

Shakespeare untangles his amorous mess as the play draws to a close.

The most famous character in the play, however, is Malvolio. He is a servant in Olivia's household, and through a cruel trick is made to believe that Olivia is madly in love with him. This idea appeals to Malvolio, a pompous social climber eager to elevate his social status.

This year's cast is a mixture of area residents and out-of-state actors.

Duke Orsino will be played by Harry Blackman of New York, Lady Olivia will be played by Claudette Buelow, also of New York. Myra Platt of Colorado Springs has the part of Viola.

Malvolio will be played by English actor Gregory de Polnay, who is in town for six weeks through a grant from the University of Colorado at Colorado Springs.

The Park is able to bring together the geographically disparate group of actors largely because of a hefty budget increase, from $35,000 last year to $55,000 this year. The money comes from the city, county, UCCS and several corporations.

Shakespeare in the Park is known not only for its unusual settings but for performing Shakespeare with a difference. The difference in this year's production will be that the Da Vinci String Quartet, from Colorado Springs, will be on stage with the actors, playing music not normally associated with string quartets.

In the four years that Shakespeare in the Park has been around, it has grown in sophistication and popularity—a fact not lost on director Murray Ross, who started the troupe.

His aspirations were to present Shakespeare to the people of Colorado Springs at no cost. But his aspirations have grown.

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"Our goal is to be the best small Shakespeare that we can possibly be," he said. "Not just in Colorado Springs but in the region and in the West. We think we are ready to rumble with Boulder's Shakespeare Festival and with the big kids up the road."

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## MESSAGES FROM THE HOUSE

At 12:07 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1418. An act for the relief of Rick Hangartner, Russell Stewart and David Walden.

### ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 769. An act to provide grants to support excellence in minority health professions education;

H.R. 318. An act to provide for the restoration of the Federal trust relationship and Federal services and assistance to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes; and

H.R. 921. An act to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over national park system units.

The enrolled bills were subsequently signed by the President pro tempore [Mr. STENNIS].

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At 3:50 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 1371. An act to designate the Federal building located at 330 Independence Avenue SW., Washington, District of Columbia, as the Wilbur J. Cohen Federal Building"; and

S. 1577. An act to extend certain protections under title 11 of the United States Code, the Bankruptcy Code.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 161. Concurrent resolution authorizing a public ceremony on the West Lawn of the Capitol in honor of the Bicentennial of the United States Constitution.

At 4:52 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 44. Joint resolution to designate November 1987, as "National Diabetes Month";

S.J. Res. 49. Joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day";

S.J. Res. 87. Joint resolution to designate November 17, 1987, as "National Community Education Day"; and

S.J. Res. 175. Joint resolution to recognize the efforts of the United States Soccer Federation in bringing the World Cup to the United States in 1994.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3058. An act making appropriations for the Department of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1988, and for other purposes.

At 5:32 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 108. Joint resolution to designate October 6, 1987, as "German-American Day";

S.J. Res. 109. Joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week";

S.J. Res. 121. Joint resolution to designate August 11, 1987, as "National Neighborhood Crime Watch Day"; and

S.J. Res. 157. Joint resolution to designate the month of October 1987, as "Lupus Awareness Month".

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 1591. An act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States.

### ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 27. An act to regulate nonbank banks, impose a moritorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. STENNIS].

At 5:50 p.m., a message from the House of Representatives, delivered, by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3085. An act to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, Pennsylvania.

## MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1418. An act for the relief of Rick Hangartner, Russell Stewart, and David Walden; to the Committee on the Judiciary.

H.R. 3058. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1988, and for other purposes; to the Committee on Appropriations.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1706. A communication from the Administrator of the Panama Canal Commission, transmitting, pursuant to law, a report on a violation of law relating to an overobligation of an expense item subject to congressional limitation; to the Committee on Appropriations.

EC-1707. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Budget Issues—the use of Spending Authority and Permanent Appropriations Is Widespread"; to the Committee on the Budget.

EC-1708. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Budget Issues—Inventory of Accounts With Spending Authority and Permanent Appropriations, 1987"; to the Committee on the Budget.

EC-1709. A communication from the Administrator of the National Oceanic and Atmospheric Administration, transmitting, pursuant to law, the fiscal year 1986 report on Ocean Thermal Energy Conversion; to the Committee on Commerce, Science, and Transportation.

EC-1710. A communication from the Vice President (Adult Learning and Elementary/Secondary Services) of the Public Broadcasting System, transmitting, pursuant to law, a report on the first 5 years of the Adult Learning Service; to the Committee on Commerce, Science, and Transportation.

EC-1711. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Second Supplemental Appropriation Act, 1961, relating to the lease of certain lands from the Isleta Indian Tribe for a seismological laboratory; to the Committee on Energy and Natural Resources.

EC-1712. A communication from the Assistant Secretary of Energy (Conservation

and Renewable Energy), transmitting, pursuant to law, notice of a delay in the submission of an update of the Comprehensive Ocean Thermal Technology Application and Market Development Plan; to the Committee on Energy and Natural Resources.

EC-1713. A communication from the Secretary of Transportation, transmitting, pursuant to law, reports on "Methane Conversion for Highway Use"; to the Committee on Energy and Natural Resources.

EC-1714. A communication from the presiding officer of the National Ocean Pollution Board, National Oceanic and Atmospheric Administration, transmitting, pursuant to law, a review of the fiscal year 1988 Agency Requests for Appropriations to Support Marine Pollution Research, Development, and Monitoring; to the Committee on Environment and Public Works.

EC-1715. A communication from the Assistant Secretary of the Treasury, transmitting, pursuant to law, notice that in the absence of a debt limit increase the Treasury will be uanble to invest or roll over maturing investments of trust funds and other Government accounts; to the Committee on Finance.

EC-1716. A communication from the President of the Overseas Private Investment Corporation, transmitting, pursuant to law, a copy of the development report of the Corporation for fiscal year 1986; to the Committee on Foreign Relations.

EC-1717. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, notification of the provision of emergency military assistance to Honduras; to the Committee on Foreign Relations.

EC-1718. A communication from the Plan Administrator of the Eighth Farm Credit District Employee Trust Fund, transmitting, pursuant to law, the annual reports for the Eighth Farm Credit District Pension Plans for calendar year 1986; to the Committee on Governmental Affairs.

EC-1719. A communication from the Director of the Administrative Office of the United States Courts, transmitting a draft of proposed legislation to amend the Comprehensive Crime Control Act of 1984 to provide for an orderly transition into sentencing with guidelines and for other purposes; to the Committee on the Judiciary.

EC-1720 A communication from the Secretary to the Railroad Retirement Board, transmitting, pursuant to law, notice of the award of contracts to the two low responsive and responsible bidders for certain services; to the Committee on Labor and Human Resources.

EC-1721. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Assistance for School Construction in Areas Affected by Federal Activities Program; to the Committee on Labor and Human Resources.

EC-1722. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of the Lupus Erythematosus Coordinating Committee; to the Committee on Labor and Human Resources.

EC-1723. A communication from the Secretary of Education, transmitting, pursuant to law, notice of Final Annual Funding Priority—Educational Media Research, Production, Distribution, and Training Program; to the Committee on Labor and Human Resources.

EC-1724. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, a report on the advisability and feasibility of implementing section 921 of Public Laws 99-591 and 99-661; to the Committee on Small Business.

EC-1725. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report concerning the new emergency service provisions that Medicare participating hospitals which have emergency departments must meet; to the Committee on Finance.

## PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-287. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Agriculture, Nutrition, and Forestry.

### HOUSE CONCURRENT RESOLUTION No. 221

"Whereas, food stamps were designed and implemented to offer aid to citizens whose economic situation is such that they need additional financial assistance to feed their families; and

"Whereas, the reality of the economic condition of the American farmer has changed radically in recent years due to many factors, particularly the industrial and technological advancements of the twentieth century, and this has had a dramatic effect on the ability of individual farmers to continue to own and operate their farms and to meet the needs of their families; and

"Whereas, many other unemployed Americans also need jobs to provide the financial ability to feed and clothe their families; and

"Whereas, the adoption of policies to encourage the purchase of American products rather than foreign products would result in a stronger national economy and would improve our balance of payments with foreign nations, which would also tend to improve the nation's economic condition; and

"Whereas, a national policy to restrict the use of food stamps for the purchase of American products only would, therefore, benefit the farmer, the unemployed, others needing financial assistance to purchase food, and the overall economy.

"Therefore, Be it Resolved, that the Legislature of Louisiana does hereby memorialize the Congress of the United States, and in particular the members of the Louisiana congressional delegation, to limit the use of food stamps, in the case of the purchase of American agricultural products which face competition from foreign products, to the purchase of American products; and

Be it Further Resolved, That certified copies of this Resolution shall be forwarded to the secretary of the Senate and the clerk of the House of Representatives of the Congress of the United States, and to each member of the Louisiana congressional delegation."

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POM-288. A resolution adopted by the Senate of the State of Alaska; to the Committee on Energy and Natural Resources:

### "SENATE RESOLUTION No. 18

"Be it resolved by the Senate:

"Whereas the development of the state's mineral resources is important to the future of the state; and

"Whereas it is critical that the development be planned and carried out in a manner that minimizes the effects on the environment; and

"Whereas it is equally critical that the development be planned and carried out in a manner that maximizes the economic benefits and minimizes the socioeconomic disadvantages; and

"Whereas the Quartz Hill molybdenum deposit near Ketchikan, Alaska, contains over 10 percent of the world's supply of molybdenum; and

"Whereas the U.S. Borax and Chemical Corporation has invested over $100,000,000 in the project since the ore deposit was discovered in 1974 without asking for financial support or guarantees from the state; and

"Whereas development of the Quartz Hill mine would stabilize the economy of Southeast Alaska by providing thousands of construction, development, and production jobs for an estimated 70 years while creating an additional tax base for the entire state;

"*Be it Resolved* That the Senate encourages the development of environmentally responsible mineral resource projects to ensure sound and secure sources of employment and state revenue; and be it

"*Further Resolved*, That the Senate supports cost-effective and environmentally responsible construction, development, and operation of the Quartz Hill molybdenum project.

"Copies of this resolution shall be sent to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; the Honorable Jim Wright, Speaker of the U.S. House of Representatives; the Honorable Lee M. Thomas, Administrator of the U.S. Environmental Protection Agency; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

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POM-289. A resolution adopted by the House of Representatives of the State of Michigan; to the Committee on Energy and Natural Resources:

### HOUSE RESOLUTION No. 318

"Whereas, The amount of low level radioactive waste projected to be generated in 1990 will be approximately one-third of the amount generated in 1980; and

"Whereas, Serious questions have been raised regarding the Low Level Radioactive Waste Policy Act (42 USC 2021b et seq.) This statute places no limit on the number of low level waste disposal sites or compacts that can be created under the act, and as many as thirteen facilities are currently under consideration by compacts and "go-it-alone" states. In addition, differing safe construction costs from one region of the country to another may create substantial economic inequities in utility costs and rates; and

"Whereas, There are also serious liability questions regarding these sites. The act makes no provision for liability coverage for sites constructed under the act, and private liability coverage is not currently available; and

"Whereas, The law also does not address the complex issue of the disposal of mixed wastes, and the Nuclear Regulatory Commission and the Environmental Protection Agency have been unable to reconcile their regulatory schemes; and

"Whereas, The act actually discourages source and volume reduction of low level radioactive wastes by generators; and

"Whereas, The act provides no funding mechanism for the construction of low level waste sites nor for the long-term care or

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maintenance of the sites, thus placing host state taxpayers at substantial economic risk; and

"Whereas, In light of these many concerns, it would be in the public interest to make a thorough review of this law and recommend appropriate changes. Moreover, until this review is completed and acted on, it would be inappropriate to proceed with the low level radioactive waste site selection process due to current deficiencies in the federal law; now, therefore, be it

"Resolved by the House of Representatives, That we hereby memorialize the United States Congress to review the Low Level Radioactive Waste Policy Act of 1980; and be it further

"Resolved, That the members of his legislative body request that an immediate and total moratorium be established on the low level radioactive waste site selection process until this review is completed and current deficiencies corrected; and be it further

"Resolved, That the United States Congress be urged to:

"(1) Consider the inclusion of the environmental impact of a low level radioactive waste facility as a critical factor in its siting.

"(2) Review the liability problems and the availability of liability insurance coverage.

"(3) Address the issue of the disposal of mixed wastes.

"(4) Consider providing a funding mechanism for the construction and long-term maintenance of low level radioactive waste facilities. and be it further

"Resolved, That a copy of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the Michigan congressional delegation.

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POM-290. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Finance:

"House Joint Resolution No. 1031

"WHEREAS, The Congress of the United States is presently considering an increase in the federal motor fuel tax as a means to reduce the federal deficit; and

"WHEREAS, Revenue raised by such an increase would be diverted from the Highway Trust Fund and would instead be used for deficit reduction purposes; and

"WHEREAS, The creation of the Highway Trust Fund in 1956 established the relationship between fees collected from highway users and the dedication of these revenues to meet state transportation construction, rehabilitation, and maintenance needs; and

"WHEREAS, Recent delays and reductions in the apportionment of federal funds to the states have seriously impaired state highway construction and maintenance efforts; and

"WHEREAS, Any increase in the federal excise tax will constrain state efforts to raise revenue for state transportation programs and will impair the ability of states to match the federal share in federal-aid highway programs; now, therefore,

"Be It Resolved By the House of Representatives of the Fifty-sixth General Assembly of the State of Colorado, the Senate concurring herein:

"That the General Assembly hereby urges the Congress of the United States to refrain from consideration of increased federal fuel taxes as a means to reduce the federal deficit, and to preserve the historic relationship between highway user frees and the Highway Trust Fund.

"Be It Further Resolved, That copies of this Resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Colorado delegation to the Congress of the United States."

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POM-291. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Governmental Affairs:

"House Concurrent Resolution No. 40

"Whereas, this nation is a government of the people, by the people, and for the people; and

"Whereas, this government is founded upon the principle of participatory democracy; and

"Whereas, this principle is fully realized in every qualified citizen's paramount right to vote; and

"Whereas, the deprivation of this right without just cause shown can and should not be tolerated by any person in this country; and

"Whereas, it is the ministerial duty of the registrars of voters to preserve and maintain the most current records possible, especially as they relate to the registration of voters; and

"Whereas, such records cannot be kept current without the cooperation of many others, including the voters themselves and the United States Postal Service.

"Therefore, be it resolved, That the Legislature of Louisiana does hereby memorialize the Congress of the United States to direct the United States Postal Service to cooperate to the fullest extent with the registrars of voters in the updating of voters' addresses.

"Be it further Resolved, That a copy of this Resolution be forwarded to the secretary of the Senate and the clerk of the House of Representatives of the Congress of the United States and to each member of the Louisiana congressional delegation."

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POM-292. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources:

"Assembly Joint Resolution No. 16

"Whereas, Congress, in 1986, enacted and the President signed Public Law 99-457, which authorizes an early intervention program under the Education of the Handicapped Act for handicapped infants and toddlers and their families, and for handicapped preschoolers; and

"Whereas, Congressional testimony and research indicate that early intervention and preschool services help enhance intelligence in children; produce substantial gains in physical development, cognitive development, language, and speech development, psychosocial development and self-help skills; prevent the development of secondary handicapping conditions; reduce family stress; reduce societal dependency and institutionalization; reduce the need for special class placement in special education programs once the children reach school age; and save society and our nation's schools substantial costs; and

"Whereas, Congress has made findings that there are urgent and substantial needs '(1) to enhance the development of handicapped infants and toddlers and to minimize their potential for developmental delay, (2) to reduce the educational costs to our society, including our nation's schools, by minimizing the need for special education and related services after handicapped infants and toddlers reach school age, (3) to minimize the likelihood of institutionalization of handicapped individuals and maximize the potential for their independent living in society, and (4) to enhance the capacity of families to meet the special needs of their infants and toddlers with handicaps,' and that an overwhelming case exists for expanding and improving the provision of early intervention and preschool programs for these young individuals with exceptional needs; and

"Whereas, The Federal Department of Education in its Seventh Annual Report to the Congress has found that studies of the effectiveness of preschool education for the handicapped have demonstrated beyond doubt the economic and educational benefits of programs for young handicapped children, and the studies have also shown that the earlier intervention is started, the greater is the ultimate dollar savings and the higher the rate of educational attainment by these handicapped children; and

"Whereas, It is the policy of the United States to provide financial assistance to states to develop and implement a statewide, comprehensive, coordinated, multidisciplinary, interagency program of early intervention services for all handicapped infants and toddlers and their families; and provide a preschool grant program with enhanced incentives for states to serve all three- to five-year-old handicapped children by school year 1990-91 or 1991-92, depending on the level of funds appropriated under the preschool program by Congress; and

"Whereas, The California Legislature is concerned that Congress, since 1979, has not given states the full amount of financial assistance necessary to achieve its goal of ensuring handicapped pupils, under Public Law 94-142, equal protection of the laws; and that in 1986, the federal government's share of the cost of special education was only 9 percent of the average per pupil expenditure, although the law authorizes a 40 percent federal share; and

"Whereas, California currently has a partial mandate to make early educational opportunities available to all children younger than three years of age who require intensive special education and services and their parents, and a mandate to serve all handicapped children between the ages of three and four years and nine months who require intensive special education and services; and

"Whereas, California is exploring the feasibility of implementing the infant and toddler, and preschool provisions of Public Law 99-457; now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to provide funding for the new federal programs for handicapped infants, toddlers, and preschoolers to the maximum amount authorized under Titles I and II of Public Law 99-457, in the 1988 federal budget, and in each subsequent budget year, so that states participating in these critical programs will not have to eliminate funding from other vital state and local programs to fund underfunded federal financial commitments; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader

of the Senate, to the Chair of the Senate Budget Committee, and the Chair of the House Committee on the Budget, and to each Senator and Representative from California in the Congress of the United States."

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POM-293. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Labor and Human Resources:

"House Concurrent Resolution No. 10

"Whereas, The recent 13th annual seven-nation economic summit of industrialized nations meeting in Venice, Italy, made it first policy statement on a public health issue by unanimously declaring acquired immune deficiency syndrome to the "one of the biggest potential health problems in the world" and agreeing to fully cooperate in seeking a cure for AIDS; and

"Whereas, No other industrialized nation has been as vulnerable to or as threatened by the disease AIDS as the United States of America, as evidenced by the fact that Americans account for three-fourths of the total AIDS cases reported in the seven industrialized nations that participated in the 1987 Venice economic summit; and

"Whereas, Conservative estimates place the number of Americans who would test antibody positive for the human immunodeficiency virus today at roughly 1.5 million people; and

"Whereas, The State of Texas has the fourth-largest AIDS population in the nation; and

"Whereas, Local government costs for treating AIDS will soon exceed local government's ability to tax citizens to raise necessary revenue for treatment, as evidenced by Harris County's projected cost increases for drug treatments for Texans with AIDS from $117,000 last year to $1.5 million this year; and

"Whereas, the total economic cost of AIDS to our nation has more than doubled in the last two years to an estimated $10 billion in 1987; and

"Whereas, the total economic cost of AIDS to Americans is conservatively estimated at nearly $56 billion annually in 1991; and

"Whereas, A new Rand Corporation study estimates that the total number of medically diagnosed AIDS cases in America will reach 400,000 by 1991, and such an estimate, if accurate, would increase our nation's annual total economic loss from AIDS to $84 billion in 1991; and

"Whereas, the health-care-related costs alone of treating Americans with AIDS between 1986 and 1991 will skyrocket to between $37 billion and $112 billion, according to the Rand Corporation; and

"Whereas, More than 270 community-based AIDS programs and 21,000 volunteers in AIDS-related service organizations will soon be stretched to the limits of their economic, social, and physical resources; and

"Whereas, The AIDS crisis threatens to overwhelm, cripple, or bankrupt the American health care delivery system, the American mental health care delivery system, the American life insurance industry, the American health insurance industry, the federal Social Security system, federal and state Medicaid programs, federal, state, and local indigent health care programs and services, and private, nonprofit, and voluntary social and support services for persons with AIDS and ARC, as well as the American tax system itself; and

"Whereas, Worsening of the AIDS crisis threatens the very social fabric of our nation, while depressing our national productivity and wealth; and

"Whereas, Such catastrophic projections can only be averted through astute leadership that will focus and prioritize the resources of our nation into accelerating efforts to find a vaccine against the human immunodeficiency virus and a cure for the millions of Americans who have been exposed to this deadly virus; now, therefore, be it

"Resolved, That the 70th Legislature of the State of Texas hereby request the Congress of the United States to enact legislation to establish and fund the Medical Manhattan Project on AIDS; and, be it further

"Resolved, That the 70th Legislature of the State of Texas further request the congress to include provisions in such legislation to establish a national goal and timetable for finding a vaccine against the human immunodeficiency virus and a cure for acquired immune deficiency syndrome; and, be it further

"Resolved, That the 70th Legislature of the State of Texas further request the Congress of the United States to enact accompanying legislation to allow Americans with medically diagnosed terminal diseases access to experimental and nonapproved drugs, medications, and therapies; and, be it further

"Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the 100th Congress of the United States, and to each member of the Texas delegation to the 100th Congress of the United States, with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America."

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 1397: A bill to recognize the organization known as the Non Commissioned Officers Association of the United States of America.

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 155: Joint resolution to designate the period commencing on September 13, 1987, and ending on September 19, 1987, as "National Reye's Syndrome Week."

By Mr. STENNIS, from the Committee on Appropriations:

Special Report of the Committee on Appropriations on Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1988 (with minority views) (Rept. No. 100-144).

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

John Daniel Tinder, of Indiana, to be U.S. district judge for the Southern District of Indiana; and

Philip N. Hogen, of South Dakota, to be U.S. attorney for the District of South Dakota for the term of 4 years.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOLE (for himself, Mr. Melcher, Mr. Grassley, Mr. Pressler, Mr. Conrad, Mr. Karnes, Mr. Durenberger, Mr. Domenici, Mr. Exon, Mr. Simon, Mr. Harkin, and Mr. Daschle):

S. 1598. A bill to provide for the increased use of motor fuel blended with ethanol in order to enhance the energy security of the United States and to expand markets for agricultural commodities; to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance, jointly by unanimous consent.

By Mr. LEVIN:

S. 1599. A bill to recognize the organization known as the American Philatelic Society; to the Committee on the Judiciary.

By Mr. FORD (for himself, Mrs. Kassebaum, Mr. Byrd, and Mr. Lautenberg):

S. 1600. A bill to enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. McCAIN (for himself and Mr. Bumpers):

S. 1601. A bill to permit the immigration of Vietnamese Amerasians to the United States; to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 1602. A bill to declare that certain lands are held in trust for Potawatomi Indian communities in Wisconsin and Michigan; to the Committee on Energy and Natural Resources.

By Mr. QUAYLE:

S. 1603. A bill to require the Secretary of Housing and Urban Development to develop regulations that would provide transitional relief from the application of the rent formula under the United States Housing Act of 1937; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SANFORD (for himself, Mr. Adams, Mr. Conrad, Mr. Simon, and Mr. Fowler):

S. 1604. A bill to require the President to submit to the Congress a study on the reduction of the public debt of the United States; to the Committee on Finance.

By Mr. HATFIELD:

S. 1605. A bill to establish a reservation for the Confederated Tribes of the Grand Ronde Community of Oregon, and for other purposes; to the Select Committee on Indian Affairs.

S. 1606. A bill to establish a reservation for the Confederated Tribes of the Grand Ronde Community of Oregon, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. ROTH (for himself and Ms. Mikulski):

S. 1607. A bill to prohibit the burning and dumping of toxic and hazardous waste in certain areas off the coast of Delaware, Maryland, and Virginia; to the Committee on Environment and Public Works.

By Mr. THURMOND:

S. 1608. A bill to amend title 28 of the United States Code as it pertains to the structure of the United States Claims Court; to the Committee on the Judiciary.

By Mr. McCLURE (for himself, Mr. Symms, Mr. Evans, and Mr. Adams):

S. 1609. A bill for the relief of James P. Purvis; to the Committee on the Judiciary.

By Mr. PRYOR (for himself and Mr. Heinz):

S. 1610. A bill to amend the Internal Revenue Code of 1954 to eliminate the retroactive certification of employees for purposes of the work incentive jobs credit; to the Committee on Finance.

By Mr. KENNEDY (for himself and Mr. Moynihan):

S. 1611. A bill to amend the Immigration and Nationality Act to effect changes in the numerical limitation and preference system for the admission of immigrants; to the Committee on the Judiciary.

By Mr. HATCH:

S. 1612. A bill to provide for the disposition of unclaimed property in the custody of the United States; to the Committee on Governmental Affairs.

By Mr. HATFIELD:

S. 1613. A bill to authorize the Secretary of the Interior to construct, operate and maintain the Umatilla Basin Project, Oregon, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO (for himself, Mr. Helms, Mr. Cranston, Mr. Kerry, Mr. Durenberger, Mr. Murkowski, Mr. Symms, Mr. DeConcini, Mr. Kennedy, Mr. McCain, and Mr. Wilson):

S. 1614. A bill to restrict United States assistance for Panama; to the Committee on Foreign Relations.

By Mr. BURDICK (for himself and Mr. Conrad):

S. 1615. A bill to authorize the establishment of the Fort Totten National Historic Site; to the Committee on Energy and Natural Resources.

By Mr. SIMON:

S. 1616. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to provide long-term home care benefits under the medicare program for chronically ill individuals and children, to provide quality assurance for home care services, and for other purposes; to the Committee on Finance.

By Mr. WALLOP (for himself, Mr. Baucus, Mr. Danforth, Mr. Moynihan, Mr. Chafee, Mr. Roth, Mr. Pryor, Mr. Boren, Mr. Heinz, Mr. Durenberger, Mr. Armstrong, Mr. Riegle, Mr. Rockefeller, Mr. Symms, Mr. Cochran, Mr. McCain, Mr. Wilson, Mr. Grassley, Mr. Adams, and Mr. Glenn):

S. 1617. A bill to amend the Internal Revenue Code of 1986 with respect to the allocation of research and experimental expenditures; to the Committee on Finance.

By Mr. LAUTENBERG:

S. 1618. A bill to amend the Airport and Airway Improvement Act of 1982, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY (for himself and Mr. Kasten):

S. 1619. A bill to amend the copyright law to secure the rights of authors of pictorial, graphic, or sculptural works to prevent the distortion, mutilation, or other alteration of such works, to provide for resale royalties, and for other purposes; to the Committee on the Judiciary.

By Mr. PELL (for himself, Mr. Exon, Ms. Mikulski, Mr. Hatch, Mr. Daschle, and Mr. Pressler) (by request):

S. 1620. A bill to reauthorize and revise the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) relating to Federal impact aid, and for other purposes; to the Committee on Labor and Human Resources.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LAUTENBERG (for himself and Mr. Pell):

S. Res. 270. A resolution paying special tribute to Portuguese diplomat Dr. de Sousa Mendes for his extraordinary acts of mercy and justice during World War II; to the Committee on Foreign Relations.

By Mr. KASTEN (for himself, Mr. Dole, Mr. Helms, Mr. Bingaman, Mr. Wilson, and Mr. Heinz):

S. Res. 271. A resolution expressing the sense of the Senate with respect to Japanese trade with the Socialist Republic of Vietnam; to the Committee on Foreign Relations.

By Mr. Byrd (for himself and Mr. Dole):

S. Res. 272. A resolution authorizing testimony of Senate employees and representation by Senate Legal Counsel in criminal proceeding; considered and agreed to.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE (for himself, Mr. Melcher, Mr. Grassley, Mr. Pressler, Mr. Conrad, Mr. Karnes, Mr. Durenberger, Mr. Domenici, Mr. Exon, Mr. Simon, Mr. Harkin, and Mr. Daschle):

S. 1598. A bill to provide for the increased use of motor fuel blended with ethanol in order to enhance the energy security of the United States and to expand markets for agricultural commodities; by unanimous consent, referred jointly to the Committee on Finance and the Committee on Agriculture, Nutrition, and Foresty.

(The remarks of Senators on this legislation and the text of the bill appear earlier in today's Record.)

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By Mr. LEVIN:

S. 1599. A bill to rcognize the organization known as the American Philatelic Society; to the Committee on the Judiciary.

### FEDERAL CHARTER FOR THE AMERICAN PHILATELIC SOCIETY

● Mr. LEVIN. Mr. President, I am introducing legislation today to grant a Federal charter to the American Philatelic Society, a nonprofit corporation headquarted in State College, PA. An identical bill, H.R. 2796, has been introduced by Representative Sid Morrison.

The American Philatelic Society observed its 100th anniversary last year. It is the largest organization of stamp collectors in the United States, with 53,000 members. Philatelic Society members collect postage and revenue stamps, first day covers, and participate in other philatelic activities. The Philatelic Society supports educational efforts to spread awareness about stamp collecting in the United States and abroad, and encourages communication between stamp collectors, dealers, postal authorities and the general public.

As a stamp collector, I am pleased to be able to sponsor this legislation, and I urge my colleagues to support granting this well-deserved Federal charter.

Mr. President, I ask unanimous consent that a copy of this legislation be inserted in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1599

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### CHARTER

Section 1. The American Philatelic Society, a nonprofit corporation organized under the laws of the State of Pennsylvania, hereby is recognized as such and is granted a Federal charter.

### POWERS

Sec. 2. The corporation shall have only the powers granted to it through its articles of incorporation and bylaws filed in the States in which it is incorporated and subject to the laws of such States.

### PURPOSES

Sec. 3. The purposes of the corporation are those provided in its articles of incorporation and shall include—

(1) advancing and supporting philatelic education and awareness of the collecting of stamps and postal material in the United States and abroad;

(2) encouraging and supporting communication among philatelists, stamp dealers, postal authorities, and the general public;

(3) establishing and fostering ethical standards of philately;

(4) aiding in the establishment of international philatelic communications and recognition of American philatelists in the international community; and

(5) providing, operating, and publishing such communications as may be useful, necessary, or of interest to philatelists, stamp dealers, collectors, and the general public.

### SERVICE OF PROCESS

Sec. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and the States in which it carries on its activities in furtherance of its corporate purposes.

### MEMBERSHIP

Sec. 5. Eligibility for membership in the corporation, and the rights and privileges of such membership, shall be as provided in the articles of incorporation and bylaws of the corporation.

### BOARD OF DIRECTORS

Sec. 6. The composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation and bylaws of

the corporation and shall be in conformity with the laws of the States in which it is incorporated.

### OFFICERS

Sec. 7. The officers of the corporation and the election of such officers shall be as provided in the articles of incorporation and bylaws of the corporation and shall be in conformity with the laws of the States in which it is incorporated.

### RESTRICTIONS

Sec. 8. (a) No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection may be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual and necessary expenses in amounts approved by the board of directors.

(b) The corporation may not make any loan to any officer, director, or employee of the corporation.

(c) The corporation, and any officer or director of the corporation acting as such officer or director, may not contribute to, support, or otherwise participate in any political activity or attempt in any manner to influence legislation.

(d) The corporation may not issue any share of stock or declare or pay any dividend.

(e) The corporation may not claim the approval of the Congress or the authorization of the Federal Government for any of its activities.

### LIABILITY

Sec. 9. The corporation shall be liable for the acts of its officers, directors, employees, and agents whenever such officers, directors, employees, and agents have acted within the scope of their authority.

### BOOKS AND RECORDS; INSPECTION

Sec. 10. The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of the corporation may be inspected by any member having the right to vote in any proceeding of the corporation, or by any agent or attorney of such member, for any proper purpose and at any reasonable time. Nothing in this section may be construed to contravene any applicable State law.

### AUDIT OF FINANCIAL TRANSACTIONS

Sec. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(68) American Philatelic Society.".

### ANNUAL REPORT

Sec. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted on the same date as the report of the audit of the corporation required by reason of the amendment made in section 11. Such annual report may not be printed as a public document.

### RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

Sec. 13. The right to amend or repeal this Act is expressly reserved to the Congress.

### DEFINITIONS

Sec. 14. For purposes of this Act—

(1) the term "corporation" means the American Philatelic Society; and

(2) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

### TAX-EXEMPT STATUS

Sec. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986.

### TERMINATION

Sec. 16. If the corporation fails to comply with any of the provisions of this Act, the charter granted in this Act shall expire.●

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By Mr. FORD (for himself, Mrs. Kassebaum, Mr. Byrd, and Mr. Lautenberg):

S. 1600. A bill to enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

### FEDERAL AVIATION ADMINISTRATION INDEPENDENT ESTABLISHMENT ACT

Mr. FORD. Mr. President, I am introducing legislation today which I believe provides the starting point for coming to terms with our current "crisis in confidence" in air transportation. In taking this first step, I am also putting out a call to all facets of the aviation industry, the executive branch, and the public at large to work with the Congress in adding further definition to this legislation so as to better assure its efficacy well into the next century.

It is my intention over the coming months to hold a series of hearings before the Aviation Subcommittee to more fully understand the problems confronting the Federal Aviation Administration and its ability to ensure aviation safety. Out of these hearings, it is my intention to bring forth a bill significantly more developed than the one which I am introducing today, and one which will reflect the combined best efforts of the aviation community and those associated with it. Even more importantly, I expect that the final bill will result in an FAA better equipped to identify those areas in need of aviation safety enhancements—and more importantly, an agency better equipped to address them.

Before I explain in more detail what this bill will do, as well as chart the course of the subcommittee's hearings, it is important that I make clear my absolute commitment to moving forward to resolve what I referred to earlier as the "crisis in confidence." This crisis, of course, has its origins in the dominant public perception that our air transportation system is not functioning at an optimum level of safety and efficiency. This perception relates to the intolerable level of airline service and air traffic control deficiencies we are currently witness to. We must stem this lack of confidence in the system by getting at the root causes of these deficiencies. In this manner we will, most importantly, enhance the margin of safety in the system and, as an added benefit, restore public confidence in the system.

While we have learned through economic deregulation of the airline industry that there is a tremendous reservoir of public demand for air service, it is increasingly clear that we have not designed a fully dynamic system capable of responding to that demand. On the one hand, we have an extremely fluid situation insofar as the aviation industry is concerned. For example, the airlines operating in a competitive environment are forced by necessity to move quickly to capitalize on advantage or cut losses. On the other hand, we have a very static FAA—an organization that has changed little since being moved into the Department of Transportation in 1966.

I would emphasize at this time that we still have the luxury of dealing with this so-called crisis through a period of thoughtful and careful study. The timeframe with which we have to work, however, is not without limitation. The Federal Aviation Act of 1958, which led to the creation of the FAA as an independent agency, was in large measure, driven by a series of air disasters which created an atmosphere of urgency in the legislative process. I sincerely hope and pray that it does not require a similar set of circumstances to serve as a catalyst for new legislation. The time for us to deal with this matter is now, when we have the symptoms of a system in need of repair—not when those systems have been permitted to grow into a true disaster.

The bill which I am introducing today would take the first step in this process. It would remove the FAA from the Department of Transportation and reestablish it as an independent governmental agency. I propose to do this because it is absolutely and fundamentally clear to me that this Nation must have a revitalized and responsible FAA—attributes which are currently lacking. The FAA needs strong, consistent, and high quality leadership for the long term. The debilitating pattern of frequent changes needs to be corrected. Within the framework of an independent FAA, we must also see that the Administrator is given greater independence and assured tenure. Probably the best example of how this can work is at the FBI,

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where the Director serves a term that provides the needed insulation from the whimsical changes of the political process.

The current relationship of having the FAA under the Secretary of Transportation has, over the past 21 years, proven unworkable. Particularly in the recent past, every important decision—and indeed some seemingly less important decisions, made by the Administrator of the FAA—have been run through the political sieve by the Secretary and the departmental staff. This has gone on, unfortunately, not as the result of any regard for the wisdom or merit of the decision, but simply to test its political benefit or detriment. The results have been decisions characteristically mushy, lacking in clear direction and always delayed.

By this comment, I do not mean to suggest that under my proposal, the FAA should be or would be removed from the political and budgetary process. Obviously, it will continue to require macrolevel, policy oversight from both the Congress and the White House. What has proven intolerable, and what can be eliminated only through the action I am proposing, is the misguided effort by the Department to manage and approve what are really operating decisions by the FAA. If the FAA is to function effectively in the extraordinarily fast moving world of air transportation, it must be equipped exclusively with the power to make its own decisions, as well as the responsibility for those decisions. The absence of this fundamental attribute from the current FAA arrangement has contributed immeasurably to its inability to respond to fast changing demands of our current environment.

My effort is to cement the fact that aviation is the primary responsibility for an independent FAA. This bill would remove the requirement that the agency be responsible for promoting the development of the civil aviation industry, leaving that to the Secretary of Transportation. Years ago, when the Federal Aviation Act was enacted, the fledgling civil aviation industry needed the support of Federal regulators to ensure its survival. Today, however, this billion dollar industry represents one of the largest segments of our economy and hardly needs the FAA to act as its cheerleader. More importantly, by removing this apparent contradiction, I strongly believe the FAA will be better situated to devote all of its energies to aviation safety, which is and must remain our No. 1 priority.

Mr. President, in introducing this bill to establish an independent FAA, I am assuming that there are a significant number of ways in which the safety of the flying public would benefit. One that comes immediately to mind is the system for funding desperately needed airport expansion projects and air traffic control facilities and equipment improvements. We must find a way to guarantee a continuous stream of necessary funding more consistent with congressionally approved authorizations in order to correct a historic deficiency. There are a variety of alternative proposals currently under scrutiny which attempt to address this issue. These run the gamut from simply removing the airport and airway trust fund from the budget process—which I endorse—to full privatization of the air traffic control system. In this series of hearings, I intend to explore these and other concepts for funding the FAA, and again, I call upon all parties to consider the available alternatives and make appropriate recommendations.

On a related subject, it is also my intention to focus our hearings on the procedures followed by the FAA in determining current and future system requirements—and in acting to fulfill those requirements. The past instability of the funding process has rendered the procurement of badly needed new updated air traffic control equipment extraordinarily difficult. Equally important is the process through which new acquisitions are made. It is vital that we simplify the procurement process and related procedures. Traditional practices are cumbersome and ill-suited to meet present needs. Through these hearings, I intend to explore the possibility of adapting the current procurement process to the highly specialized needs of the FAA so that it can better fulfil its mission of ensuring safety in a dynamically changing technological aviation environment.

Yet another matter demanding attention is the state of FAA personnel issues. In hearings earlier this year, I learned that with the current civil service structure, the FAA is limited in its ability to meet air traffic controller staffing needs at many of the busiest, and often, least desirable facilities. Without increased incentives to place people where the demand exists, the FAA will continue to be unable to adequately ensure aviation safety or allow continued growth in the capacity of the air traffic control system.

Mr. President, I have briefly outlined some of the areas in which I expect to solicit testimony at these hearings. There are, no doubt, considerably more issues which I have not mentioned that need our review. In the coming months, I intend to ensure that the Aviation Subcommittee explores each of them—doing our best to find answers. And in this regard, I look forward to working with other groups also searching for long-term solutions to our current aviation situation—the newly formed professional users group and, more importantly, the Byrd Aviation Safety Commission.

In conclusion, the bill I am introducing today is intended to simply provide a frame work upon which we will build solutions to our air transportation problems. They are long-term solutions—ones badly needed to carry us into the 21st century.

Answers to these issues will not come easily. But I am committed to finding them. And with the hard work of dedicated professionals from all interested sectors, we will succeed in ensuring continued air safety for the traveling public.

Mr. President, I urge my colleagues to join me in supporting this measure, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1600

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Federal Aviation Administration Independent Establishment Act of 1987."

#### FINDINGS

SEC. 2. The Congress finds that—

(1) the civil aviation industry in the United States has, over the past decade, experienced an unprecedented period of rapid development and expansion;

(2) during this period of development and expansion, the Federal Aviation Administration, the administration within the Department of Transportation charged by Congress with the responsibility for overseeing the safe operation of this essential segment of the national economy, has performed its responsibilities in a professional and competent manner, albeit under an organizational structure which substantially predates this period of rapid development and expansion;

(3) the Federal Aviation Administration can perform more effectively within a more streamlined and consistent organizational structure, possessed of the essential management tools necessary to fulfill its mission of ensuring improved and enhanced safety of civil air operations;

(4) if the Federal Aviation Administration is provided with greater managerial autonomy and consistent leadership, the Federal Aviation Administration can be expected to exercise vigorously its prerogatives under the ongoing oversight of the Congress and with the assistance and guidance of the President.

#### DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "Administrator" means the Federal Aviation Administration established under section 4; and

(2) the term "Administration" means the Administrator of the Federal Aviation Administration appointed under section 5(a).

#### ESTABLISHMENT

SEC. 4. There is established as an independent establishment of the Government the Federal Aviation Administration. The Administration shall succeed the Federal Aviation Administration of the Department of Transportation in existence on the day before the effective date of this Act.

#### OFFICERS

SEC. 5. (a) The Administration shall be administered by an Administrator, who shall be appointed by the President to a seven-year term of office, by and with the advice and consent of the Senate. The Administrator shall carry out all functions transferred to the Administrator by this Act and shall have authority and control over all personnel, programs, and activities of the Administration. The Administrator shall be compensated at the rate prescribed for level II of the Executive Schedule Pay Rates.

(b) There shall be in the Administration a Deputy Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Administrator shall perform such functions, duties and powers as the Administrator shall prescribe. The Deputy Administrator shall act for and perform the functions of the Administrator when the Administrator is absent or unable to serve, or when the office of the Administrator is vacant. The Deputy Administrator shall be compensated at the rate prescribed for level III of the Executive Schedule Pay Rates.

(c) There shall be in the Administration seven Associate Administrators, who shall be appointed by the Administrator. The Associate Administrators shall perform such functions as the Administrator shall prescribe. The Administrator shall designate the order in which the Associate Administrators shall act and perform the functions of the Administrator when the Administrator, or in the Administrator's place the Deputy Administrator, is absent or unable to serve, or when either the office of the Administrator or the office of the Deputy Administrator is vacant. An Associate Administrator shall be compensated at the rate prescribed for level IV in the Executive Scheule Pay Rates.

(d) There shall be in the Administration a Chief Counsel, who shall be appointed by the Administrator. The Chief Counsel shall be the chief legal officer for all legal matters arising from the conduct of the functions of the Administration. The Chief Counsel shall be compensated at the rate prescribed for level IV of the Executive Schedule Pay Rates.

(e)(1) Each of the officers referred to in this section must be a citizen of the United States; must be a civilian; and must have experience in a field directly related to aviation.

(2) Such officers may not have a pecuniary interest in, or own stock in or bonds of, an aeronautical enterprise, or engage in another business, vocation, or employment.

#### POWERS

SEC. 6. (a) The Administrator shall be responsible for the exercise of all powers and the discharge of all duties of the Administration.

(b) In carrying out the functions of the Administration under this Act, the Administrator shall be governed by all applicable statutes, including the policy standards set forth in the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.).

(c) Decisions of, the Administrator made pursuant to the exercise of the functions enumerated in the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.) shall be administratively final, and appeals as currently authorized by law shall be taken directly to the National Transportation Safety Board or to any court of competent jurisdiction, as appropriate.

(d) The Administrator shall not submit decisions for the approval of, nor be bound by the decisions or recommendations of any committee, board, or other organization created by executive order.

#### TRANSFERS AND INCIDENTAL PROVISIONS

SEC. 7. (a) The following are transferred to the Federal Aviation Administration, the independent agency:

(1) All functions vested by law in the Federal Aviation Administration in the Department of Transportation or its Administrator, and all functions vested by law in the Secretary of Transportation or the Department of Transportation which are administered through the Federal Aviation Administration or are related to the Federal Aviation Administration, including those exercised under the following laws and provisions of law:

(A) the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.), except for those functions exercised under section 305 of that Act relative to fostering the development of civil aeronautics and air commerce, exercised by the Secretary of Transportation under Title IV of that Act as successor to the Civil Aeronautics Board, and exercised by the Secretary under titles XI or XII of that Act relative to international air commerce;

(B) section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)) along with all functions, duties, and powers which at any time has been vested in the Administrator of the Federal Aviation Administration prior to the revision of Title 49, United States Code by Public Law 97-449 (96 Stat. 2413);

(C) the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2201 et seq.);

(D) the Hazardous Materials Transportation Act (49 U.S.C. App. 1801 et seq.), to the extent that such Act pertains to the transportation of hazardous materials by air;

(E) the Independent Safety Board Act of 1974 (49 App. 1901 et seq.) insofar as it relates to transportation by air; and

(F) the Aviation Safety and Noise Abatement Act of 1979 (49 App. U.S.C. 2101 et seq.).

(2) The functions of the Department of Transportation or the Federal Aviation Administration in the Department of Transportation incidental to, helpful to, or necessary for, the performance of the functions transferred by subsection (a)(1) or which relate primarily to those functions.

(3) So much of the personnel, property, records, funds, accounts, and unexpended balances of appropriations, allocations, and other moneys of the Department of Transportation as are employed, used, held, available, or to be made available in connection with the functions transferred by subsections (a)(1) and (a)(2).

(b) The personnel transferred under this section shall be so transferred without reduction in classification or compensation, except that after such transfer, such personnel shall be subject to changes in classification or compensation in the same manner, to the same extent, and according to the same procedure, as provided by law.

(c) The Administrator of the Federal Aviation Administration, an independent agency, shall exercise all functions transferred by subsection (a) of this section or any other function vested in the Federal Aviation Administration or the Administrator of the Federal Aviation Administration by any law subsequent to enactment of this Act. The Administrator may from time to time make such provisions as the Administrator shall deem appropriate authorizing the performance by any other officer, employee, or office of the Federal Aviation Administration of such functions.

#### RULES; REGULATIONS

SEC. 8. In the performance of the functions of the Administrator and the Administration, the Administrator is authorized to make, promulgate, issue, rescind, and amend rules and regualtions. The promulgation of such rules and regulations shall be governed by the provisions of chapter 5 of title 5, United States Code.

#### DELEGATION

SEC. 9. Except as otherwise provided in this Act, the Administrator may delegate any function to such officers and employees of the Administration as the Administrator may designate, and may authorize such successive redelegations of such functions in the Administration as may be necessary or appropriate. No delegation of functions by the Administrator under this section or under any other provision of this Act shall relieve the Administrator of responsibility for the administration of such functions.

#### PERSONNEL AND SERVICES

SEC. 10. (a) In the performance of the functions of the Administrator and in addition to the officers provided for by section 5, the Administrator is authorized to appoint, transfer, and fix the compensation of such officers and employees, including attorneys, as may be necessary to carry out the functions of the Administrator and the Administration. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and compensated in accordance with title 5, United States Code.

(b) The Administrator is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(c) The Administrator is authorized to pay transportation expenses, and per diem in lieu of subsistence expenses, in accordance with chapter 57 of title 5, United States Code.

(d) The Administrator is authorized to utilize, on a reimbursable basis, the services of personnel of any Federal agency.

(e)(1)(A) The Administrator is authorized to accept voluntary and uncompensated services without regard to the provisions of section 1342 of title 31, United States Code, if such services will not be used to displace Federal employees employed on a full-time, part-time, or seasonal basis.

(B) The Administrator is authorized to accept volunteer service in accordance with the provisions of section 3111 of title 5, United States Code.

(2) The Administrator is authorized to provide for incidental expenses, including transportation, lodging, and subsistence for such volunteers.

(3) An individual who provides voluntary services under subsection (e)(1)(A) shall not be considered a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code, relating to compensation for work injuries, and chapter 171 of title 28, United States Code, relating to tort claims.

#### CONTRACTS

SEC. 11. The Administrator is authorized, without regard to the provisions of section 3324 of title 31, United States Code, to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to carry out the functions of the Administrator and the Administration. The Administrator may enter into

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such contracts, leases, agreements, and transactions with any Federal agency or any instrumentality of the United States, or with any State, territory, or possession, or with any political subdivision thereof, or with any person, firm, association, corporation, or educational institution, on such terms and conditions as the Administrator may consider appropriate. The authority of the Administrator to enter into contracts and leases under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

### USE OF FACILITIES

Sec. 12. With their consent, the Administrator may, with or without reimbursement, use the services, equipment, personnel, and facilities of Federal agencies and other public and private agencies, and may cooperate with other public and private agencies and instrumentalities in the use of services, equipment, personnel, and facilities. The head of each Federal agency shall cooperate fully with the Administrator in making the services, equipment, personnel, and facilities of the Federal agency available to the Administrator. The head of a Federal agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Administration, without reimbursement, supplies and equipment other than administrative supplies or equipment.

### ACQUISITION AND MAINTENANCE OF PROPERTY

Sec. 13. (a) The Administrator is authorized—

(1) to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain—

(A) air traffic control facilities and equipment;

(B) research and testing sites and facilities; and

(C) such other real and personal property (including office space and patents), or any interest therein within and outside the continental United States,

as the Administrator considers necessary;

(2) to lease to others such real and personal property; and

(3) to provide by contract or otherwise for eating facilities and other necessary facilities for the welfare of employees of the Administration at its installations and to purchase and maintain equipment for such facilities.

(b) Title to any property or interest therein acquired pursuant to this section shall be in the United States.

(c) The authority granted by subsection (a) shall be available only with respect to facilities of a special purpose nature that cannot readily be reassigned from similar Federal activities and are not otherwise available for assignment to the Administration by the Administrator of General Services.

(d) The authority of the Administrator to enter into contracts and leases under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

### FACILITIES AT REMOTE LOCATIONS

Sec. 14. (a) The Administrator is authorized to provide, construct, or maintain for employees and their dependents stationed at remote locations as necessary and when not otherwise available at such remote locations—

(1) emergency medical services and supplies;

(2) food and other subsistence supplies;

(3) meeting facilities;

(4) audiovisual equipment, accessories, and supplies for recreation and training;

(5) reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons;

(6) living and working quarters and facilities; and

(7) transportation for school-age dependents of employees to the nearest appropriate educational facilities.

(b) The furnishing of medical treatment under subsection (a)(1) and the furnishing of services and supplies under subsection (a)(2) shall be at prices reflecting reasonable value as determined by the Administrator.

(c) Proceeds derived from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Administrator to pay directly the cost of work or services provided under this section, to repay or make advances to appropriations of funds which do or will bear all or a part of such cost, or to refund excess sums when necessary, except that such payments may be credited to a service or working capital fund otherwise established by law, and used under the law governing such funds if the fund is available for use by the Administrator for performing the work or services for which payment is received.

### TRANSFERS OF FUNDS FROM OTHER FEDERAL AGENCIES

Sec. 15. The Administrator is authorized to accept transfers from other Federal agencies to funds which are available to carry out functions transferred by this Act to the Administrator or functions assigned by law to the Administrator after the date of enactment of this Act.

### SEAL OF ADMINISTRATION

Sec. 16. The Administrator shall cause a seal of office to be made for the Administration of such design as the Administrator shall approve. Judicial notice shall be taken of such seal.

### STATUS OF ADMINISTRATION UNDER CERTAIN LAWS

Sec. 17. For purposes of section 551 of title 5, United States Code, the Administration is an agency. For purposes of chapter 9 of such title, the Administration is an independent regulatory agency.

### SAVINGS PROVISIONS

Sec. 18. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in regard to functions which are transferred under this Act to the Administration on or after the date of enactment of this Act, and

(2) which are in effect at the time this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Administrator or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending at the time this Act takes effect; and such proceedings and applications, to the extent that they relate to function so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c)(1) The provisions of this Act shall not affect suits commenced prior to the date this Act takes effect.

(2) In all such suits, proceedings shall be had, appeals taken, and judgment rendered in the same manner and effect as if this Act had not been enacted.

(d) In any case involving one or more officers required by this Act to be appointed by and with the advice and consent of the Senate who shall not have entered upon office on the effective date of this Act, the President may designate any officer whose appointment was required to be made by and with the advice and consent of the Senate, and who was such an officer immediately prior to the effective date of this Act, to act in such office until the office is filled as provided in this Act. While so acting, any such person shall receive compensation at the rates provided by this Act of the respective office in which he or she acts.

### AUTHORIZATION OF APPROPRIATIONS

Sec. 19. There are authorized to be appropriated such sums as are necessary to carry out the purposes and provisions of this Act. Notwithstanding any other provision of law, there are authorized to be appropriated, for any fiscal year beginning after September 30, 1987, for use of the Administration, such sums as are specifically authorized to be appropriated as of the date of enactment of this Act.

### LAWS AND REGULATIONS

Sec. 20. Except to the extent otherwise provided in this Act, all laws, rules, and regulations in effect and applicable to the Federal Aviation Administration of the Department of Transportation and to the Administrator of such Administration on the date immediately preceding the effective date of this Act shall, on and after such effective date, be applicable to the Federal Aviation Administration and the Administrator established by this Act, until such law, rule, or regulation is repealed or otherwise modified or amended.

### REPEALS

Sec. 21. Section 106 of title 49, United States Code, is repealed.

### EFFECTIVE DATE

Sec. 22. The provisions of this Act shall take effect upon the expiration of the 180-day period following the date of enactment of this Act.

● Mr. LAUTENBERG. Mr. President, I rise today to join in introducing legislation that cuts to the heart of one of most serious issues facing this body—the state of our national aviation system.

I'm pleased to join Senator Ford, chairman of the Commerce Committee's Aviation Subcommittee, and Senator Kassebaum, ranking minority member of the Aviation Subcommittee. As chairman of the Transportation and Related Agencies Appropriations Subcommittee, I look forward to working closely with my distinguished colleagues to address the problems facing our aviation system today. The Federal Aviation Administration Independent Establishment Act would take a major step in that direction.

The problems in our air traffic system are numerous. We don't have enough controllers manning the towers and centers. Inspection and maintenance forces have been inadequate. The multibillion dollar, multiyear national airspace system plan is years behind schedule and billions of dollars over budget. We're still reacting to potentially threatening air congestion problems, rather than being able to predict and avoid them.

There's a common thread that runs through the problems we're facing. That problem is one of management. And that is what this legislation would address.

The FAA is charged with a tremendous task—ensuring the safe passage of the approximately 450 million air passengers using our skies each year. Unfortunately, the FAA's job has been complicated by the political pressures that exist within the Department of Transportation. Making the FAA an independent entity would help to depoliticize the FAA, and allow the professionals at the agency to do their job correctly.

Designing and operating a national air traffic system is a unique challenge. To effectively manage such a system, there must be long-range planning and budgeting. What we've seen over the last 6 years is short-sighted, closed-minded policy guiding the FAA. That has to change. Today, our air traffic system is being stretched to the limits. The margin of safety is being reduced to an unacceptable level.

There has been a revolving door in the Office of the FAA Administrator. We're now on our third Administrator since the beginning of the Reagan administration. That in itself has been part of the problem. The FAA is a vast agency. There are over 15,000 people in the air traffic control work force alone. Mr. President, I came to this body from the private sector, where I headed a corporation of over 15,000 employees. From firsthand experience, I know what it takes to make a group that size run. Without consistent, stable management at the top, no entity, be it a corporation or a Government agency, can function over the long run.

The FAA Administrator should have a long-term appointment, not subject to changes in the political winds at the White House. I also believe that we should look at the possibility of a commission or board to direct the agency. I hope to see this need addressed in this legislation as it proceeds through the committee process.

This bill is a starting point. It's the frame upon which more comprehensive legislation will be built. The distinguished Aviation Subcommittee chairman, Senator Ford, will hold hearings on the bill in the coming months. I intend to play an active role in the development of this bill, and look forward to participating in those hearings. In addition, the Aviation Safety Commission is looking into the idea of an independent FAA. I look forward to hearing the Commission's views on the matter.

I would also note that it is not the intention of this Senator to use this bill as a means of privatizing the air traffic control system, or any part of it. The aviation system is a public concern, using public resources. While changes can be made to improve the system, taking it from the public domain is not, at this point, the way to do it.

Mr. President, those of us who have had a chance to look closely at the air traffic system have come to appreciate how complex and cumbersome it is. We know that there are a number of proposals to improve the system. Allowing the FAA to operate free of the daily political pressures at DOT should be a priority among those proposals. Our skies are already crowded. There's no room for politics.

Mr. President, I commend Senator Ford for his work in developing this legislation, and look forward to continuing to work with him in efforts to enhance our Nation's aviation system.●

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By Mr. McCAIN (for himself and Mr. Bumpers):

S. 1601. A bill to permit the immigration of Vietnamese Amerasians to the United States; to the Committee on the Judiciary.

### IMMIGRATION OF VIETNAMESE AMERASIANS

● Mr. BUMPERS. Mr. President, I rise today to introduce legislation along with my distinguished colleague, Senator McCain, entitled the "Amerasian Homecoming Act of 1987." Passage of this legislation will allow the remaining children fathered by United States soldiers during the Vietnam war, termed "Amerasians," to come to the United States. Companion legislation is being introduced in the House of Representatives today by Representatives Mrazek and Ridge.

Vietnamese "Amerasian" children are defined by the bill we introduce today as those living in Vietnam who were fathered by United States servicemen between 1962 to 1976. There is no question that these children have ties to the United States. They are a lingering legacy of the longest war in our history. Because of their prominent physical features in an extremely homogeneous society, these children are often harshly ostracized. Their families, especially the mothers, face severe discrimination and shame. Mothers often respond by disassociating themselves with the children and casting them out on the street to fight for survival or perish.

Congressman Mrazek recently returned from a trip to Vietnam during which he was given assurances by the Vietnamese Foreign Minister, Nguen Co Thach, that they are ready and willing to resolve this outstanding issue. Congressman Mrazek made the journey to rescue from the streets of Ho Chi Mihn city—formerly Saigon—a young 15-year-old Amerasian boy, Le Van Mihn. Mihn, who suffers from polio, was forced to live a life of desperate survival after his mother cast him out on his own at age 11. There are other children like Le Van Mihn that need to be rescued from their miserable plight.

While Congress passed the Amerasian Act—Public Law 97-359—in 1982 to address this issue, that legislation has proved unworkable with respect to Vietnamese Amerasians. That law was designed to facilitate the immigration to the United States of the thousands of offspring of U.S. servicemen living throughout Asia. In sum, the act worked relatively well for Amerasians living in some Asian countries, such as South Korea and the Philippines, but the strict requirements of the act have virtually prevented its use for those in Vietnam.

Some progress on this issue has been made in recent years, but has unfortunately stalled. Since 1982, some 9,000 Vietnamese Amerasians and their family members have come to the United States through the auspices of the Orderly Departure Program [ODP] administered by the United Nations High Commissioner on Refugees [UNHCR]. However, in January 1986, the Vietnamese Government effectively suspended the ODP program, leaving the fate of Amerasians in question. While the breakdown of the ODP had little to do with the specific question of Amerasians, it has had a prohibitive effect on their emigration from Vietnam.

Several problems prevented further inclusion of Vietnamese Amerasian children in the ODP. The suspension of onsite interviews by ODP officials has meant that only a trickle of Amerasians has been able to leave Vietnam since the end of 1985. The Vietnamese have never been pleased with using the ODP process for the emigration of Amerasians. Because the ODP designates these children as refugees, which is the United States point of view, the Vietnamese reject this term because it implies official persecution in Vietnam. Also, the ODP addresses the question through the United Na-

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tions, when it is in fact a bilateral issue. Third, the ODP lumps the Amerasian children with the thousands of other refugees who seek to emigrate from Vietnam, which traps them in the slow, cumbersome bureaucracy and offers them little hope of immediate freedom.

Persistent diplomatic efforts, including Congressman MRAZEK's recent mission, have hopefully resolved the dispute on this issue between our country and Vietnam. Most recently, Gen. John Vessey is returning at this moment from a mission on behalf of President Reagan to Vietnam to discuss a number of pressing humanitarian issues such as the continuing question of possible United States prisoners of war and missing in action in Vietnam, and the Amerasian issue.

Both Houses of Congress passed resolutions of support on July 28 for General Vessey's mission. The short joint communique issued at the end of his trip suggests that the time is ripe for the resolution of the latter issue this bill addresses. The process of determining which children of U.S. soldiers wish to come to the United States has been preliminarily agreed to by both countries, as well as the conditions for their departure.

Accord between the United States and Vietnam has been reached on several issues: First, the issue must be resolved bilaterally; second, the Amerasians must be given nonrefugee status; third, the Amerasians must be eligible for the benefits normally afforded to refugees; fourth, the Vietnamese must allow Americans to conduct preliminary face-to-face interviews; fifth, family unity must be preserved; and sixth, the issue must be resolved quickly.

According to the Department of State, temporary statutory authority for the final resolution of this problem should now be enacted by Congress. The legislation Senator McCAIN and I introduce today provide the necessary legal authority for the program to go forward. In sum, our legislation calls for a waiver of numerical limitation of immigrant admissions under the Immigration and Nationality Act and waives other grounds for exclusion for Vietnamese Amerasians for 2 years. It allows immigrant status as required by the Vietnamese, but authorizes all of the language training and assimilation assistance provided refugees under chapter 2 of title IV of the Immigration and Nationality Act. It requires face-to-face interviews in Vietnam. It defines Amerasians in the Vietnamese context. It provides for family unity. And it requires the State Department to report to Congress every year for 3 years on the program.

Congress should not delay on the passage of the Amerasian Homecoming Act. Thousands of destitute children, many of them outcasts in the land of their birth, are waiting on our action. I ask my colleagues to lend their support for this humanitarian effort, and urge that hearings be held as early as possible. Mr. President, I urge adoption of this legislation at the first possible opportunity, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1601

*Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Amerasian Homecoming Act".

SEC. 2. ADMISSION OF VIETNAMESE AMERASIANS AND CLOSE FAMILY MEMBERS.

(a) IN GENERAL.—

(1) WAIVER OF NUMERICAL LIMITATIONS.—Notwithstanding any numerical limitations specified in the Immigration and Nationality Act, the Attorney General may admit aliens described in subsection (b) to the United States as immigrants if—

(As) they are admissible (except as otherwise provided in paragraph (2)) as immigrants, and

(B) they are issued an immigrant visa and depart from Vietnam during the 2-year period beginning 90 days after the date of the enactment of this Act.

(2) WAIVER OF CERTAIN GROUNDS FOR EXCLUSION.—The provisions of paragraphs (14), (15), (20), (21), (25), and (32) of section 212(a) of the Immigration and Nationality Act shall not be applicable to any alien seeking admission to the United States under this section, and the Attorney General on the recommendation of a consular officer may waive any other provision of such section (other than paragraph (27), (29), or (33) and other than so much of paragraph (23) as relates to trafficking in narcotics) with respect to such an alien for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest. Any such waiver by the Attorney General shall be in writing and shall be granted only on an individual basis following an investigation by a counsular officer.

(3) PERIOD OF VALIDITY OF VISAS.—Notwithstanding section 221(c) of the Immigration and Nationality Act, immigrant visas issued to aliens under this section shall be valid for a period of 8 months.

(b) ALIENS COVERED.—

(1) IN GENERAL.—An alien described in this subsection is an alien who, as of the date of the enactment of this Act, is residing in Vietnam and who establishes to the satisfaction of a consular officer after a face-to-face interview, that the alien—

(A)(i) was born in Vietnam after January 1, 1962, and before January 1, 1976, and (ii) was fathered by a citizen of the United States (such an alien in this subsection referred to as a "principal alien");

(B) is the spouse or child of a principal alien and is accompanying, or following to join, the principal alien; or

(C) subject to paragraph (2), either (i) is the principal alien's natural mother (or is the spouse or child of such mother), or (ii) has acted in effect as the principal alien's mother, father, or next-of-kin (or is the spouse or child of such an alien), and is accompanying, or following to join, the principal alien.

(2) LIMITATIONS ON APPROVAL FOR CERTAIN ALIENS.—An immigrant visa may not be issued to an alien under paragraph (1)(C) unless the principal alien involved is unmarried and the consular officer has determined, in the officer's discretion, that (A) such an alien has a bona fide relationship with the principal alien similar to that which exists between close family members and (B) the admission of such an alien is necessary for humanitarian purposes or to assure family unity. If an alien described in paragraph (3)(A)(ii) is admitted to the United States, the natural mother of the principal alien involved shall not, thereafter, be accorded any right, privilege, or status under the Immigration and Nationality Act by virture of such parentage.

(3) CHILD DEFINED.—For purposes of this subsection, the term "child" has the meaning given such term in section 101(b)(1) (A), (B), (C), (D), and (E) of the Immigration and Nationality Act.

(c) ASSISTANCE FOR IMMIGRANTS.—Any alien admitted (or awaiting admission) to the United States under this section shall be eligible for benefits under chapter 2 of title IV of the Immigration and Nationality Act to the same extent as individuals admitted (or awaiting admission to) the United States under section 207 of such Act are eligible for benefits under such chapter.

(d) REPORTS.—The Attorney General, in cooperation with the Secretary of State, shall report to Congress 1 year, 2 years, and 3 years, after the date of the enactment of this Act on the implementation of this section. Each such report shall include the number of aliens who are issued immigrant visas and who are admitted to the United States under this Act and number of waivers granted under subsection (a)(2) and the reasons for granting such waivers.

(e) APPLICATION OF IMMIGRATION AND NATIONALITY ACT PROVISIONS.—Except as otherwise specifically provided in this section, the definitions contained in the Immigration and Nationality Act shall apply in the administration of this section and nothing contained in this section shall be held to repeal, amend, alter, modify, effect, or restrict the powers, duties, functions, or authority of the Attorney General in the administration and enforcement of such Act or any other law relating to immigration, nationality, or naturalization. The fact that an alien may be eligible to be granted the status of having been lawfully admitted for permanent residence under this section shall not preclude the alien from seeking such status under any other provisions of law for which the alien may be eligible.●

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By Mr. PROXMIRE:

S. 1602. A bill to declare that certain lands are held in trust for the Potawatomi communities in Wisconsin and Michigan; to the Committee on Energy and Natural Resources.

### LANDS OF THE FOREST COUNTY POTAWATOMI COMMUNITY

Mr. PROXMIRE. Mr. President, today I introduce a bill to correct an administrative error which placed the title of the lands owned by the members of the Forest County Potawatomi Community, residing in the States of Wisconsin and Michigan, in trust in the name of the United States only. Technically, the lands should be in the tribe's name and held in trust by the U.S. Government.

Historical record supports the Potawatomic Tribe's position. The Department of the Interior agrees that the deed was recorded in error.

This bill does not change or alter existing law but corrects that oversight in the deed.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1602

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. (a) All rights, title, and interests of the United States in the surface and mineral estate of approximately 11,300 acres of land located in Forest County and Oconto County, Wisconsin that was acquired by the United States by reason of section 24 of the Act of June 30, 1913 (38 Stat. 102), including any improvements on such land, are hereby declared to be held by the United States in trust for the benefit and use of the Forest County Potawatomi Community of Wisconsin and such land is hereby declared to be the reservation of the Forest County Potawatomi Community of Wisconsin.

(b) All rights, title, and interests of the United States in the surface and mineral estates of approximately 3,359 acres of land located in Menominee County, Michigan, that was acquired by the United States by reason of section 24 of the Act of June 30, 1913 (38 Stat. 102), including any improvements on such lands, are hereby declared to be held by the United States in trust for the benefit and use of the Hannahville Indian Community of Michigan, and such land is hereby declared to be the reservation of the Hannahville Indian Community of Michigan.

SEC. 2. The Secretary of the Interior shall publish in the Federal Register a detailed description of the lands referred to in section 1.

SEC. 3. Nothing in this Act shall deprive any person (other than the United States) of any lease, right-of-way, mining claim, grazing permit, water right, or other right or interest which such person may have in the surface or mineral estate of any land referred to in section 1 on the day before the date of enactment of this Act.

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By Mr. QUAYLE:

S. 1603. A bill to require the Secretary of Housing and Urban Development to develop regulations that would provide transitional relief from the application of the rent formula under the U.S. Housing Act of 1937; to the Committee on Banking, Housing, and Urban Affairs.

### TRAINING PROGRAM RENT RELIEF ACT

● Mr. QUAYLE. Mr. President, a lot of attention has been paid this year to the idea of welfare reform. Legislation is being prepared and debated in the House and in the Senate based on the principle that we should do more to help welfare recipients who want to help themselves. This is an idea whose time has come, and I think that the ongoing debate is an extremely important one.

There is general agreement that job training must be a key element of welfare reform. Welfare recipients must have the opportunity to learn skills that will help them get meaningful jobs and increase their earning power. A two-pronged approach is necessary to achieve this objective: we must provide incentives to State job training agencies to focus their efforts on long-term welfare recipients, and we must provide incentives to welfare recipients to seek training. As the former chairman of the Labor and Human Resources Subcommittee on Employment and Productivity, and coauthor of the Job Training Partnership Act [JTPA] in 1982, I have taken a special interest in this element of welfare reform.

To address the first of these objectives, on April 2, the Senate unanimously approved S. 514, the Jobs for Employable Dependent Individuals Act [JEDI]. I offered several key amendments to the JEDI bill during markup in the Labor and Human Resources Committee to bolster JTPA's title II-B summer youth employment and training program for teenagers living in welfare households.

JEDI, which was introduced by the chairman of the Labor Committee, the distinguished Senator from Massachusetts, is designed to target JTPA services to dependents in welfare households. It would pay bonuses to State job-training agencies that successfully train long-term welfare recipients and place them in jobs, removing them from the welfare rolls. The bonuses paid to the States would be a percentage of the Federal welfare expenditures saved in the process.

In addition to strengthening the foundations of the State bonus program, my amendments would give States the flexibility to convert their JTPA summer youth employment programs into year-round remedial skill training programs targeted at youths aged 14 to 21 living in welfare households. Under the revamped program, local private industry councils [PIC's] could provide disadvantaged teenagers with year-round remedial education, summer jobs, or a combination of both, as determined by local needs. While the initial provisions of the JEDI would achieve their worthy objectives at a fairly low cost to the Government, the Congressional Budget Office has estimated that my amendments would yield savings of up to $50 million per year in aid to families with dependent children [AFDC] outlays over a 3-year period by helping to remove people from the welfare rolls.

I believe that early remedial education and skills training is crucial to breaking the chain of welfare dependency for young adults. JEDI, with my amendments, would give States the tools and flexibility they need to help young adults find good jobs and increase their earning power throughout their lives. I hope the House of Representatives will act this session to approve this legislation.

To complement the JEDI bill, I am today introducing the Training Program Rent Relief Act of 1987. This bill is designed to meet our second objective of providing welfare recipients with incentives to enter job training programs and find employment. Specifically, this bill directs the Secretary of Housing and Urban Development [HUD] to study alternatives to HUD's current rules for assessing public housing rents that often deter tenants from seeking employment opportunities. The Secretary would be required to present a proposal to Congress for a program of phased-in rent increases for tenants who find better paying jobs or enter training programs that supply new sources of income.

HUD's formula for determining fair monthly rents paid by public housing residents is based on the premise that tenants should contribute a fair portion of their income to rent. As their finances improve, residents are required to pay more in rent for their unit. This is a sound premise.

Under HUD's current formula, a tenant's monthly income is annualized. Then $480 is deducted for each dependent living in the household. One-third of this adjusted yearly income must be paid in rent. This amount is divided by 12 to determine the monthly payments.

The problem with this formula is that a tenant who achieves a higher level of income faces an immediate rent increase that is often of dramatic proportions. This is true even though the tenant is confronted with new employment-related expenses such as transportation or child care, and will only receive a first paycheck after a 2- to 3-week delay. In addition, newly employed individuals often face the loss of other welfare benefits and have previously incurred debts to pay. The cash flow problems created by these large rent increases and other factors in the first few months of employment create a tremendous obstacle to seeking new employment.

A public housing tenant who finds a better paying job and cannot cope with the numerous new bills that must be paid is faced with a real Hobbesian dilemma: Either quit the job that caused the budget crunch in the first place, or leave the family home so that the new income does not cause a rent increase. This is a choice that no one should be forced to make, least of all a welfare recipient struggling to get on his or her feet financially. The Federal Government should not be in the business of breaking up families or dis-

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couraging people from finding good jobs.

I recently asked the Indianapolis Housing Authority in my home State to provide me with a sample of cases in which rental increases were incurred due to increased income. The information I received provides a clear illustration of this problem. In eight randomly selected households in which a higher level of income was achieved, the average rental increase in the first month was 663 percent. In one case, the rent increased a staggering 1,063 percent. While some of these families survived the difficult first several months, others did not, and still others were doubtlessly discouraged from even trying.

One case in point: A man aged 25, his 22-year-old wife and their 3-year-old daughter lived in $126-a-month two bedroom apartment. Both parents found jobs, the husband's paying $13,500, the wife's, $9,858. Their new combined income of $23,358 caused their rent to be recalculated to $546—a 330-percent increase. While $23,358 is not a fortune for a family of three, it is enough to live on. Unfortunately, because of the dramatic jump in rent, the husband was forced to move out of the household so that his wife and daughter could stay.

I ask unanimous consent to insert in the RECORD a table of vital statistics provided by the Indianapolis Housing Authority on the eight randomly selected families whose rent increased due to increased earnings. This table demonstrates how dramatic and sudden these rent increases can be.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

| Family | Age | Sex | Relationship | Source/income | Annual amount | Total amount | Apartment size |
|---|---|---|---|---|---|---|---|
| No. 1 [1] | 25 | Male | Head | Wages | $13,500.00 | | 2 bedroom. |
| | 22 | Female | Spouse | Wages | $9,858.00 | $23,358.00 | |
| | 3 | Female | Daughter | | | | |
| No. 2 [2] | 48 | Male | Head | Wages | $27,913.00 | | 4 bedroom. |
| | 20 | Male | Son | SS | 1,728.00 | | |
| | 16 | Female | Daughter | SS | 1,728.00 | | |
| | 11 | Male | Son | SS | 1,728.00 | 33,097.60 | |
| No. 3 [3] | 72 | Female | Head | SS | 4,068 00 | | 5 bedroom |
| | 23 | Male | Grandson | Wages | 7,592.00 | 24,972.00 | |
| | 20 | Male | Grandson | Wages | 13,312.00 | | |
| No. 4 [4] | 40 | Female | Head | Wages | 6,630.00 | | 5 bedroom. |
| | | | | Support | 5,214 00 | | |
| | 21 | Male | Son | Wages | 15,891.00 | 27,735.00 | |
| | 19 | Female | Daughter | | | | |
| | 18 | Female | Daughter | | | | |
| | 16 | Female | Daughter | | | | |
| | 15 | Male | Son | | | | |
| | 14 | Male | Son | | | | |
| | 12 | Female | Daughter | | | | |
| | 11 | Female | Daughter | | | | |
| | 9 | Male | Son | | | | |
| | 8 | Male | Son | | | | |
| | 2 mo | Female | Granddaughter | | | | |
| No. 5 [5] | 40 | Male | Head | Wages | 17,222 | 17,222.00 | 3 bedroom. |
| | 43 | Female | Spouse | | | | |
| | 4 | Female | Granddaughter | | | | |
| | 3 | Male | Grandson | | | | |
| No. 6 [6] | 50 | Female | Head | Wages | 14,701 | 14,701.00 | 3 bedroom. |
| | 12 | Male | Son | | | | |
| No. 7 [7] | 51 | Female | Head | SS | 4,032.00 | | 4 bedroom. |
| | | | | SSI | 288 | | |
| | 26 | Male | Son | | | | |
| | 25 | Female | Daughter | AFDC | 1,140.00 | | |
| | 23 | Male | Son | Wages | 13,520.00 | 18,980.00 | |
| No. 8 [8] | 55 | Female | Head | | | | 4 bedroom. |
| | 23 | Female | Daughter | Wages | 12,300 00 | 12,300.00 | |
| | 23 | Male | Son | | | | |
| | 18 | Male | Son | | | | |

[1] The rent increased from $126 per month to $546 per month, a 330-percent increase. Husband moved out.

[2] The rent increased from $68 per month to $791 per month, a 1,063-percent increase. They moved.

[3] The rent increased from $58 per month to $614 per month, a 959-percent increase. Grandson moved out.

[4] The rent increased from $91 per month to $597 per month, a 556-percent increase. They moved.

[5] The rent increased from $63 per month to $407 per month, a 546-percent increase. Still renting the unit.

[6] The rent increased from $48 per month to $356 per month, a 642-percent increase. Still renting unit.

[7] The rent increased from $100 per month to $452 per month, a 352-percent increase. Still renting unit.

[8] The rent increased from $32 per month to $307 per month, a 859-percent increase. Still renting the unit.

Mr. QUAYLE. Mr. President, there are numerous social and economic factors that tend to reinforce the negative self-image of public housing tenants and discourage them from seeking to improve their lot in life. It is essential that the rules established by HUD not add to these negative influences. Our housing policies must act to promote the efforts of individuals and families to become self-supporting. At present, they do not.

A rent-relief program would have the double blessing of being both responsive to the needs of welfare recipients and fiscally prudent. By making it possible for welfare recipients to get job training or accept a job offer, we would be assisting people who want to work get off the welfare rolls. By enabling public housing residents to increase their earning power, we would be helping families get out of public housing and making room for other families on waiting lists.

Enactment of this pair of legislative initiatives—JEDI and the Training Program Rent Relief Act—would increase the utilization of JTPA programs and enhance their efficiency. JEDI would help focus the efforts of State job-training agencies on welfare recipients, while the Training Program Rent Relief Act would improve the incentives for public housing tenants to seek participation in job training programs. By approaching this problem from both angles, I believe these bills will help increase job opportunities for welfare recipients and lower costs to the Federal Government.

Mr. President, I ask unanimous consent that the full text of the Training Program Rent Relief Act be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1603

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") shall develop a proposed regulation to provide a phased-in rental increase for public housing tenants whose incomes increase substantially as a result of their participation in job training programs.

(b) In developing the regulation under this section, the Secretary shall consider past experience in training programs and the response of public housing tenants to sudden and substantial increases in rent as a result of training income. The Secretary shall utilize data from a statistically significant number of public housing agencies in developing the regulation under this section.

(c) The Secretary shall make an estimate of the cost of such a regulation. If the Secretary finds that a majority of public housing tenants move out of public housing or forgo participation in training programs in order to avoid rent increases, the Secretary shall consider that finding in determining the cost estimate of the regulation developed under this section. If the Secretary finds that rent increases have no impact on a public housing tenant's decision whether to participate in a job training program or to remain in occupancy in a public housing unit, then the cost estimate shall reflect that finding.

(d) Not later than ————, 1988, the Secretary shall transmit to the Congress a report containing the findings and the Secretary's recommendation regarding the regulation developed under this section.●

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By Mr. SANFORD (for himself, Mr. ADAMS, Mr. CONRAD, Mr. SIMON, and Mr. FOWLER):

S. 1604. A bill to require the President to submit to the Congress a study on the reduction of the public debt of the United States; to the Committee on Finance.

### REQUIREMENT FOR A STUDY ON REDUCTION OF THE FEDERAL DEBT

Mr. SANFORD. Mr. President, I am today introducing a measure to require the President to submit to the Congress a plan to rid the United States of its enormous national debt.

Mr. President, the joint resolution scheduled to be voted on by the Senate before we recess tomorrow focuses our attention once again on the most serious economic problem our Nation has ever faced.

For the second time in as many weeks we are going to vote to raise the statutory debt limit and, in so doing, will grant our tacit approval to this administration's continuing failure to curb its voracious appetite for borrowing.

Our national debt has mushroomed, as in atomic mushroom—out of sight—since this administration has taken office, at a rate unparalleled in history. Publicly held Federal debt has more than doubled since this President has taken office, and has risen substantially as a share of GNP—from 26.8 percent in 1980 to 41.9 percent of GNP in 1986. And interest rates, although they have declined, remain high relative to today's low rate of inflation.

This madness has got to stop.

We cannot turn our debt problem around tomorrow. We probably can't even do it in the next several years. But until we agree to begin looking seriously at this problem, studying it carefully, we will just end up returning here to this Chamber, 1 year after the next, and voting again to raise the limit without giving any consideration to the problem we are creating for our Nation's long-term economic future.

For this reason, I am proposing that this President, who in his term alone has done more to add to our Nation's debt problems than all of his predecessors combined, be charged with coming up with a plan for putting us back on a path to fiscal responsibility. It would require the President to devise a strategy for leaving the Nation's economy for the next generation in at least as good a shape as it was in ours.

This legislation gives the President 90 days after its enactment to report to Congress on a method of reducing the national debt by fiscal year 2000 to the same level as a percentage of the gross national product as it was in fiscal year 1980, which was approximately 27 percent. This would require approximately a 1-percent drop annually in the percentage amount the debt represents as a share of the gross national product.

This measure would also require the plan to disclose whatever changes in fiscal policy the President would propose adopting in order to reduce our Federal debt and to provide the economic assumptions upon which these proposed changes would be based. This will give the President the chance, which he already has, to be specific in what he thinks Congress can do to help him return to fiscal responsibility.

Finally, the President would be required in this report to describe those historical events that have caused unanticipated increases in the Federal debt during his two terms in office and the prospects of their reoccurring anytime during the remainder of his Presidency.

Mr. President, we can't simply go on raising the debt limit without having some idea of how or when we're going to get our national debt problem under control. We've got to stop and take stock of where we are—and of more importance, of where we are headed. We simply must have a plan. I believe it only fair that this President, having had so much to do with getting us into the mess we're in right now, have first crack at figuring out how we get ourselves out.

It is time that we reestablish fiscal responsibility as a national policy.

Thank you, Mr. President, and I ask unanimous consent that the bill be printed following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1604

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That within 90 days after the date of enactment of this Act, the President shall prepare and transmit to the Congress a plan to reduce by fiscal year 2000 the total public debt of the United States such that the percentage determined by dividing the amount of such public debt for such fiscal year by the amount of the gross national product of the United States for such fiscal year does not exceed the percentage determined by dividing the amount of the total public debt of the United States in fiscal year 1980 by the amount of the gross national product of the United States in fiscal year 1980.

(b) The plan required by subsection (a) shall include—

(1) recommendations for changes in fiscal policy to achieve the reduction required by subsection (a);

(2) an analysis of current and projected economic conditions; and

(3) a description of historical events since January 20, 1981, which have caused unanticipated increases in the deficit and a projection of the likelihood of the reoccurrence of such events prior to January 20, 1989.

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By Mr. HATFIELD:

S. 1605. A bill to establish a reservation for the Confederated Tribes of the Grand Ronde Community of Oregon, and for other purposes; to the Select Committee on Indian Affairs.

S. 1606. A bill to establish a reservation for the Confederated Tribes of the Grand Ronde Community of Oregon, and for other purposes; to the Select Committee on Indian Affairs.

### GRAND RONDE INDIAN RESERVATION

● Mr. HATFIELD. Mr. President, today I am introducing two bills which would establish a reservation for the Confederated Tribes of the Grand Ronde Community of Oregon. These bills are identical except for the amount of acreage set aside for the reservation. The different versions are intended to spur public discussion on the proposal in an effort to assist Congress in crafting legislation that takes into consideration the needs of the tribe as well as those of the affected communities.

In accordance with Public Law 98-165, the Grand Ronde Indians have submitted to Congress a proposal for a reservation and have completed the requirements for such a request as established by the Department of the Interior. The tribe has submitted a lengthy report which examines in detail the history and socioeconomic status of the tribe as well as the planning objectives and the impacts of establishing a reservation. The report delves into these subjects through scrupulous questioning of tribal members, public viewpoint, and dialog with public officials in the area. In the weeks ahead, Congressman LES AUCOIN, coauthor of companion measures in the House of Representatives, and I will be reviewing the tribe's report and soliciting comments from interested constituents and affected community leaders. In addition, a public hearing on these bills will be chaired by Congressman AUCOIN on August 10, 1987, in Oregon.

The information gathered in these efforts will assist us and our colleagues in the Congress as we consider legislation to establish a reservation for the Grand Ronde Indians.●

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By Mr. ROTH (for himself and Ms. Mikulski):

S. 1607. A bill to prohibit the burning and dumping of toxic and hazardous waste in certain areas off the coast of Delaware, Maryland, and Virginia; to the Committee on Environment and Public Works.

### DELAWARE BAY AND CHESAPEAKE BAY SANCTUARY ACT

● Mr. ROTH. Mr. President, I rise today to introduce legislation with my distinguished colleague from Maryland, Ms. Mikulski, that would designate the Delaware Bay, the Delaware and Chesapeake Canal and the Chesapeake Bay as sanctuaries. We must do all we can to protect these beautiful and valuable waterways.

I have always been a strong proponent of a healthy environment and this bill reinforces my strong posture on the environmental issues that confront us. Of immediate concern is how we should proceed with the disposal of our hazardous wastes. One method that has been proposed is to burn certain types of wastes at specially designated sites in our oceans.

And now the ports of Wilmington, DE, Philadelphia, PA, and Baltimore, MD, are all considered to be candidates for a waste transfer, collection and/or storage facility by the ocean incineration industry to ferry the wastes to the burn site.

Mr. President, this activity is regulated by the Environmental Protection Agency, and I find it hard to believe that the Federal agency so involved in the restoration of the Delaware and Chesapeake Bays would even consider jeopardizing these beautiful pristine environments. I feel the EPA was ill-advised to pursue this waste management option, as do most Delawareans. Delaware's coastal zone, wetlands, and natural resources are one part of Delaware's environment that makes it such a pleasant and unique place to live and visit. They must be protected.

In my view we must not pursue this out of mind out of sight activity. Our bill gives us a chance to prevent possible catastrophies, pursue alternatives, and thus help keep the oceans off limits to unnecessary, unwarranted, and irresponsible intrusions. We must keep those unique qualities intact that warrant the special protection we bestow on our oceans and which they so richly deserve.

Specifically our legislation would prohibit ocean incineration and the dumping of hazardous wastes in the bays, it would bar any Federal agency from licensing onshore facilities that exist to facilitate ocean incineration or ocean dumping, and it would prohibit travel through the sanctuaries of vessels en route to or from ocean incineration sites.

Mr. President, I would like to ask unanimous consent that a brief chronology of events and my involvement in the Environmental Protection Agency's attempts to promulgate ocean incineration regulations be included in the Record in its entirety. I also ask unanimous consent that the bill be printed in the Record in its entirety.

There being no objection, the material was ordered to be printed in the Record, as follows:

### S. 1607

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION. 1. SHORT TITLE.**

This Act may be cited as the "Delaware Bay and Chesapeake Bay Sanctuary Act of 1987".

**SEC. 2. FINDINGS.**

The Congress finds that—

(1) the Delaware Bay and Chesapeake Bay possess unique historical, ecological, educational, recreational, and other research values and resources which are appropriate under Federal law; and

(2) there is an existing and mounting threat to this sensitive national treasure in the form of burning and dumping of toxic and hazardous wastes, which could result in irreparable damage to these coastal resources.

**SEC. 3. DESIGNATION.**

The areas comprising the Delaware Bay, the Chesapeake Bay, and the Chesapeake and Delaware Canal are designated as the Delaware Bay-Chesapeake Bay Sanctuary (hereinafter in this Act referred to as the "Sanctuary").

**SEC. 4. RESTRICTIONS.**

(a) Notwithstanding any other provision of Federal law, no Federal agency shall issue a lease, permit, or license—

(1) for ocean incineration or dumping of toxic or hazardous waste within the Sanctuary; or

(2) for an onshore facility which exits to facilitate ocean incineration or ocean dumping of toxic or hazardous waste within the Sanctuary.

Notwithstanding any other provision of Federal law, a vessel may not travel within the Sanctuary while en route to or from ocean incineration.

### CHRONOLOGY

Mr. ROTH. Mr. President, first, in November 1983 the largest public hearing in EPA history—6,400 people—was held in Brownsville, TX, to consider EPA's proposal to issue two special permits and one research permit to Chemical Waste Management, Inc., to incinerate hazardous wastes in the Gulf of Mexico.

Second, in May 1984 EPA denied the permits and stated that it would not issue any more operating permits until specific regulations had been promulgated, and the scientific research had been completed.

Third, by February 1985 the Agency issued a final research strategy which included the possibility of conducting a research burn at sea. Draft ocean incineration regulations were also issued for public comment and review.

Fourth, in April 1985 EPA's Science Advisory Board issued a report on the current knowledge about ocean incineration. The report indicates that much more research is needed on several technical questions, such as incinerator capacity, capability to measure destruction efficiency, and emission characteristics. In addition, the report questions the effects on human health and marine environment.

Fifth, in July 1985 I submitted my comments to the EPA, and questioned: the protection it afforded the citizens of Delaware and the Nation; the transportation risks; the need for this technology as required by the London Dumping Convention and the Marine Protection Research and Sanctuary Act; the scientific risks associated with this technology; past performance of the operator of the incinerator vessel.

Sixth, in December 1985 the EPA made a decision to issue a research burn permit to Chemical Waste Management, Inc. Wastes would be loaded onto the vessel in Philadelphia, PA, shipped down the Delaware Bay out to a burn site in the North Atlantic Ocean and incinerated.

Seventh, after several—five—more public hearings, one of which took place in Wilmington, DE, on May 1, 1986, the EPA hearing officer issued his report. On the basis of that report, the EPA denied the research burn permit, and announced it would not issue any ocean incineration permits until specific ocean incineration regulations had been promulgated.

Eighth, on December 5, 1986, Chemical Waste Management, Inc., filed suit in Federal district court against the EPA. The suit relates to EPA's decision on May 1986 to defer considering applications for ocean incineration until final regulations had been promulgated. The suit claims that the EPA violated its mandatory duty under the Marine Protection Research and Sanctuary Act to consider applications for ocean dumping and ocean incinerations activities. Chem Waste seeks an order that the EPA abandon the decision it made in May 1986, and consider ocean incineration permits under existing regulations, or, that the EPA be ordered to finalize ocean incineration regulations within 30 days from the day of judgment. The court has not ruled on this suit, and a decision is expected shortly.●

● Ms. MIKULSKI. Mr. President, today I am pleased to join with my colleague from Delaware, Senator Roth, in introducing the Delaware Bay and Chesapeake Bay Sanctuary Act of 1987.

Both Maryland and Delaware enjoy the benefits of two of the Nation's great estuaries—the Delaware and Chesapeake Bays. Both bodies of water offer many ecological, recreational, and economic opportunities, and both have played an important role in the history and well-being of the two States.

Because of the unique resources of the two estuaries, and because people from all over the country enjoy their benefits, I believe it appropriate to provide them with Federal protection.

This legislation therefore designates the areas comprising the Delaware Bay, the Chesapeake Bay, and the Chesapeake-Delaware Canal as the Delaware Bay-Chesapeake Bay Sanctuary.

This designation will restrict Federal agencies from issuing a lease, permit, or license for ocean incineration or dumping toxic or hazardous waste within the sancturary, or for any onshore facility which exists to facilitate ocean incineration or dumping of toxic or hazardous waste within the sanctuary. In addition, vessels may not travel within the sanctuary. In addition, vessels may not travel within the sanctuary while en route to or from ocean incineration.

I believe that this legislation compliments other actions taken by the Federal Government and both States to protect and preserve these estuaries, as well as the Maryland and Delaware ocean shoreline.●

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By Mr. THURMOND:

S. 1608. A bill to amend title 28 of the United States Code as it pertains to the structure of the U.S. Claims Court; to the Committee on the Judiciary.

### U.S. CLAIMS COURT IMPROVEMENT ACT

Mr. THURMOND. Mr. President, today, by request, I am introducing the U.S. Claims Court Improvement Act of 1987. The purpose of this legislation is to remove the existing article I Claims Court from the authority of the Administrative Office of the U.S. Courts and to establish the Claims Court in the executive branch of the Federal Government. The effect of the legislation would be to make the Claims Court similar to the Tax Court in operational and administrative aspects as well as the benefits and salaries of the judges.

This proposal is a comprehensive response to the problems the Claims Court has experienced since its reorganization under the Federal Courts Improvement Act of 1982, Public Law 97–164. As my colleagues will recall, the main focus of that act was to improve the adjudication of complex issues by combining the appellate functions of the former Court of Claims with the complex intellectual property cases formerly considered by the Federal Courts of Appeals. The remaining Court of Claims jurisdiction was set aside for the Claims Court. Although the Claims Court has a proud history dating back to 1855, the impact of the 1982 law upon it was not the primary consideration of the Congress in creating that law, and many key issues were not addressed by the Congress at that time.

The recent experiences of the Claims Court should now be a priority for congressional review. Issues such as—why this article I court, which is not represented on the Judicial Conference, is nonetheless administered and bound by the policy decisions of that distinguished body, and why there is such disparity in the salaries and other benefits of the various groups of judges—are deserving of our prompt and careful attention.

I believe we need a review of the entire judicial structure. Such a comprehensive review could enable us to establish one set of guidelines to assist our consideration of these requests relating to administration, salaries, and benefits. We would then have one consistent approach that would result in a more equitable rationale for any differing treatment we might adopt. I would be pleased if the U.S. Claims Court Improvement Act of 1987 could be the basis for not only the needed review of the recent Claims Court structure and concerns, but also as a focal point for the review of the entire panoply of judicial administration issues and requests.

Mr. President, because the U.S. Claims Court Improvement Act of 1987 is a lengthy and comprehensive bill, I ask unanimous consent to insert into the Record at this time a copy of the bill. I urge my colleagues to carefully consider this legislation.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1608

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "United States Claims Court Improvement Act of 1987".

Sec. 2. Section 172 of title 28, United States Code, is amended to read as follows:

**"§ 172. Tenure and salaries of judges**

"(a) Each judge of the United States Claims Court shall be appointed for a term of 15 years. Any such judge so appointed may be reappointed for a term of 15 years and if reappointed shall continue in office until reappointed or until a successor has been appointed and taken office. If a judge is not reappointed, such judge shall continue in office until a successor has been appointed and taken office.

"(b) Each such judge shall receive a salary at the rate of pay received by judges of the United States Tax Court.".

Sec. 3. Section 173 of title 28, United States Code, is amended by inserting "at the National Courts Building" after "Columbia".

Sec. 4. Section 176 of title 28, United States Code, is amended to read as follows:

**"§ 176. Removal from office**

"The provisions regarding the manner of and causes for removal of judges of the United States Tax Court shall apply to judges of the United States Claims Court.".

Sec. 5. Section 376 of title 28, United States Code, is amended—

(1) in subparagraph (a)(1)(B) by—

(A) striking "or"; and

(B) inserting before the semicolon at the end thereof the following: ", or a judge of the United States Claims Court who files an election under section 797 of this title";

(2) in subsection (a)(1) by—

(A) striking out "; or" in the last clause and inserting in lieu thereof ", or"; and

(B) adding before the semicolon at the end thereof the following: ", or in the case of a judge of the United States Claims Court, who so notifies the Director on or before the date of an election to retire under section 797 of this title"; and

(3) in subsection (a)(2)(B) by—

(A) striking out "title or" and inserting in lieu thereof "title,"; and

(B) inserting before the semicolon at the end thereof the following: "or in the case of a judge of the United States Claims Court, an annuity paid under section 797 of this title".

Sec. 6. Section 460 of title 28, United States Code, is amended—

(1) in subsection (a) by striking out "to the United States Claims Court,"

(2) by redesignating subsection "(b)" as subsection "(c)"; and

(3) by adding a new subsection (b) to read as follows:

"(b) Sections 452 through 455, and sections 458, 459, and 463 shall also apply to the United States Claims Court.".

Sec. 7. Section 520(a) of title 28, United States Code, is amended by inserting "or complaint" after "petition".

Sec. 8. Section 610 of title 28, United States Code, is amended by striking out "the United States Claims Court".

Sec. 9. Section 791 of title 28, United States Code, is amended—

(1) in subsection (a) by striking out "Director of the Administrative Office of the United States Courts" and inserting in lieu thereof "court"; and

(2) in subsection (b) by striking out the second sentence.

Sec. 10. (a) Chapter 51 of title 28, United States Code, is amended by inserting between section 791 and section 794 the following new sections:

**"§ 792. Retirement; employee benefits**

"The clerk, court executive, and all employees of the United States Claims Court shall be deemed to be officers and employees of the judicial branch of the United States Government within the meaning of subchapter III of chapter 83 and chapter 84 (relating to civil service retirement), chapter 87 (relating to Federal employees' life insurance program), and chapter 89 (relating to Federal employees' health insurance) of title 5. The grade and salary of such employees, where appropriate, shall be that generally applicable to like employees in the judicial branch.

**"§ 793. Court executive**

"The chief judge of the United States Claims Court, with the approval of the court, may appoint a court executive who shall be subject to removal by the court.".

(b) The table of sections for chapter 51 of title 28, United States Code, is amended by inserting between the item relating to section 791 and the item relating to section 794 the following new items:

"792. Retirement; employee benefits.
"793. Court executive.".

Sec. 11. Section 794 of title 28, United States Code, is amended to read as follows:

**"§ 794. Law clerks and secretaries**

"The judges of the United States Claims Court may appoint necessary law clerks and

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secretaries in such numbers as needed, subject to the availability of appropriated funds.".

Sec. 12. Section 795 of title 28, United States Code, is amended to read as follows:

**"§ 795. Other employees**

"The chief judge, with the approval of the court, may appoint such other employees as may be necessary to execute efficiently the functions vested in the court. Each such employee shall be subject to removal by the chief judge, with the approval of the court.".

Sec. 13. Section 796 of title 28, United States Code, is amended to read as follows:

**"§ 796. Authority to contract and make expenditures**

"(a) The United States Claims Court is authorized to contract for the reporting of all proceedings had in open court, and in such contract to fix the terms and conditions under which such reporting services shall be performed, including the terms and conditions under which transcripts shall be supplied by the contractor to the court and to other persons, departments and agencies.

"(b) The court shall have the authority to obtain by contract, purchase or otherwise, such support services, supplies, equipment, and furnishings from any private organization or governmental agency, as it finds appropriate to carry out its functions.

"(c) Personnel of the court shall be deemed to be personnel of the judicial branch for the purposes of section 620(b)(3) of this title.

"(d) The court shall have the authority to accept and utilize voluntary and uncompensated services, including services authorized by section 3102(b) of title 5, and to accept, hold, administer, and utilize gifts and bequests of personal property for the purpose of aiding or facilitating the work of the court, but gifts or bequests of money shall be remitted to the Treasury of the United States.

"(e) The court is authorized to make such expenditures (including expenditures for personal services and rent at the seat of Government and elsewhere, and for law books, books of reference, and periodicals), as may be necessary to execute efficiently the functions vested in the court. Except as otherwise provided, all expenditures of the court shall be allowed and paid, out of any moneys appropriated for purposes of the court, upon presentation of itemized vouchers therefor signed by the certifying officer designated by the chief judge.".

Sec. 14. Section 797 of title 28, United States Code, is amended to read as follows:

**"§ 797. Retirement and recall of judges**

"(a) The provisions regarding the eligibility of judges of the United States Tax Court, as judges of such Tax Court, for retirement, retired pay and recall shall apply to judges of the Claims Court, as judges of such court in the same manner and under the same provisions as they apply to judges of the United States Tax Court. To carry out the purposes of this section, when the provisions which govern the retirement, retired pay, and recall of judges of the Tax Court are applied to judges of the Claims Court—

"(1) the term "Tax Court" shall be deemed to mean the Claims Court;

"(2) the term "judge" shall be deemed to mean a judge or chief judge of the Claims Court;

"(3) the term "chief judge" shall be deemed to mean the chief judge of the Claims Court;

"(4) in any determination of length of service as a judge there shall be included all periods (whether or not consecutive) during which an individual served as judge of the United States Claims Court, or as a commissioner (trial judge) of the United States Court of Claims; and

"(5) the non-government services performed such as to cause a permanent forfeiture of retired pay shall consist of legal services in a claim against the United States within the jurisdiction of the United States Claims Court.

"(b) In addition to retirement and recall as provided in subsection (a), any judge or former judge of the United States Claims Court not in active service who is receiving an annuity, or who will upon reaching the required age be entitled to receive an annuity, under subchapter III of chapter 83, or chapter 84, of title 5, shall be eligible for recall to perform judicial duties. When so recalled such judge shall be known and designated as a senior judge.

"(c) The chief judge of the Claims Court, whenever he deems it advisable, may recall any person eligible to serve as a senior judge, with the consent of such person, to perform such duties as a senior judge and for such period of time as the chief judge may specify.

"(d) Any senior judge performing duties pursuant to this section, shall not be counted as a judge for purposes of the number of judgeships authorized by section 171 of this title.

"(e) Any senior judge, while performing duties pursuant to this section, shall receive the same pay, allowances for travel and other expenses as a judge in active service. Such senior judge if receiving an annuity pursuant to subchapter III of chapter 83, or chapter 84, of title 5 shall receive supplemental pay in an amount sufficient, when added to the amount of such annuity, to equal the salary of a judge in active service for the same period or periods of time. Such pay or supplemental pay shall be paid in the same manner as the salary of a judge in active service.".

Sec. 15. Section 798(a) of title 28, United States Code, is amended to read as follows:

"(a) The United States Claims Court is hereby authorized to utilize facilities and hold court in Washington, District of Columbia, and throughout the United States as is necessary for compliance with sections 173 and 2503(c) of this title. The facilities of the Federal courts, as well as other appropriate facilities which are administered by the General Services Administration, shall be made available for trials outside of the District of Columbia.".

Sec. 16. Title 28, United States Code, is amended by adding at the end thereof a new section 799 to read as follows:

**"§ 799. Expenses for travel and subsistence**

"(a) Judges of the United States Claims Court shall receive necessary travel expenses and actual expenses for subsistence while traveling on duty away from their designated station, subject to the same limitations in amount as apply to the judges of the United States Tax Courts.

"(b) The employees of the court shall receive necessary travel expenses and actual expenses for subsistence while traveling on duty away from their designated station in an amount equivalent to that provided for comparable employees in the judicial branch.".

Sec. 17. (a) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of chapter 51 of title 28, United States Code, as amended by this Act. Estimates thereof shall be approved by the United States Claims Court before presentation to the Office of Management and Budget;

(b) Until such time as there is a separate appropriation for the United States Claims Court, funds appropriated and designated for the "Courts of Appeals, District Courts, and other Judicial Services" shall be made available, in the required amount, for the operation of the United States Claims Court. Such amounts shall be determined by the Director of the Administrative Office of United States Courts and the chief judge of the Claims Court.

Sec. 18. The table of sections for chapter 51 of title 28 is amended by striking out the items relating to sections 795 through 798 and inserting in lieu thereof the following:

"795. Other employees.
"796. Authority to contract and make expenditures.
"797. Retirement and recall of judges.
"798. Places of holding court; appointment of special masters.
"799. Expenses for travel and subsistence.".

Sec. 19. (a) Section 963 of title 28, United States Code, is amended by inserting ", United States Claims Court, except for purposes of section 961," after "States".

(b) Section 961 of title 28, United States Code, is amended by inserting ", except any clerk of the United States Claims Court," after "court".

Sec. 20. Chapter 123 of title 28, United States Code, is amended—

(1) by repealing section 1926; and

(2) in the table of sections by striking out the item relating to section 1926.

Sec. 21. Section 2503 of title 28, United States Code, is amended by adding at the end thereof the following:

"(d) The Claims Court shall be deemed to be a court of the United States for the purposes of sections 1252, 1821, 1915, 1920 and 1927 of this title.

"(e) The records of the Claims Court shall be kept at its principal office, the National Courts Building, Washington, District of Columbia. Records which have become obsolete and are no longer necessary or useful may be disposed of, with the approval of the court, in the manner provided in chapter 33 of title 44.".

Sec. 22. Section 2520 of title 28, United States Code, is amended by—

(1) striking out "$60" and inserting in lieu thereof "$120"; and

(2) striking out "petition" and inserting in lieu thereof "complaint, and shall prescribe from time to time such other fees to be charged and collected".

Sec. 23. (a) Section 2521 of title 28, United States Code, is amended by—

(1) amending the title to read as follows:

**"§ 2521. Subpoenas and incidental powers"**;

(2) inserting "(a)" before "Subpoenas requiring"; and

(3) adding at the end thereof the following:

"(b) The United States Claims Court shall have the same incidental powers as are provided to the Tax Court.".

(b) The table of sections for chapter 165 of title 28, United States Code is amended by amending the item relating to section 2521 to read as follows:

"2521. Subpoenas and incidental powers.".

Sec. 24. Section 308(9) of title 28, appendix II, United States Code, is amended by

striking out "Court of Claims" and inserting in lieu thereof "Claims Court".

Sec. 25. (a) Any provisions relating to the United States Claims Court not amended by this Act shall remain in effect.

(b) Nothing in this Act shall be construed to change or affect the jurisdiction of the United States Claims Court.

Sec. 26. This Act and the amendments made by this Act shall take effect 60 days after the date of enactment.

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By Mr. McCLURE (for himself, Mr. Symms, Mr. Evans, and Mr. Adams):

S. 1609. A bill for the relief of James P. Purvis; to the Committee on the Judiciary.

### RELIEF OF JAMES P. PURVIS

● Mr. McCLURE. Mr. President, I am today introducing legislation for the relief of James P. Purvis of Coeur d'Alene, ID. Senators Symms, Evans, and Adams join me in cosponsoring this bill, which has become necessary to correct a gross miscarriage of justice suffered by Mr. Purvis at the hands of the Federal Government. Let me explain.

James P. Purvis was a successful building contractor in the State of Washington for many years. In 1961, Purvis Construction Co., was awarded a contract by the General Services Administration to construct six buildings for the 1962 Seattle World's Fair.

Because of internal GSA funding problems and the lack of experience of the agency's contracting officer, the Government stopped construction work on numerous occasions to belatedly correct Government design errors. The GSA not only refused to compensate Purvis for the extra costs resulting from these work stoppages, but compounded his difficulties by withholding portions of his contract earnings that were due. When the case eventually came to trial, the U.S. Court of Claims characterized the GSA's actions as "a veritable breakdown in the administration of this contract."

As a result of GSA's unreasonable and unjustified actions, Purvis was forced to initiate litigation against the Government. Due to the continued intransigence of the General Services Adminstration and the Justice Department, this litigation lasted nearly two decades, an outrageous period of time by anyone's reckoning. Although Purvis was at all times willing to settle the case, the Government kept him in court from 1963 to 1981. The cost of that litigation and the delay in payment of his claim were the financial ruin of his construction firm, and he was consequently forced out of business.

Mr. Purvis finally prevailed before the Claims Court in 1981 and was awarded $390,248. Unfortunately, the court could not adjust the award to account for interest and the effects of inflation during the intervening years. The court recognized that this was grossly unfair, but was legally unable to take those factors into consideration, and suggested that Purvis turn to Congress for relief, which he did.

During the 98th Congress, the late Senator Henry Jackson introduced S. 413 for the relief of Mr. Purvis. On April 25, 1984, the Senate passed Senate Resolution 48, which referred the bill to the U.S. Claims Court under the so-called congressional reference procedures of 28 U.S.C. 1492. Under the terms of Senate Resolution 48, the court was asked to determine "the amount, if any, legally or equitably due from the United States to James P. Purvis."

On January 30, 1986, Judge Philip R. Miller, the hearing officer for the Claims Court, filed his report on this matter which states that:

> . . . Claimant (Purvis) has an equitable claim against the United States in the sum of $700,000 representing interest on the judgment . . . as well as reasonable attorney's fees.

The three-judge Claims Court review panel reviewed Judge Miller's report, and in their own report filed March 7, 1986, adopted the findings, opinions, and conclusions of the hearing officer. Subsequently, this report and the bill were sent to the Senate. Unfortunately, the bill was not valid because it had been sent to the court during the 98th Congress and returned during the 99th Congress, and a new private relief bill could not be introduced and approved before the 99th Congress adjourned sine die.

To ensure that the legislative process initiated by Senator Jackson is now concluded as rapidly as possible, all four of the Senators from Idaho and Washington have joined together in sponsoring this bill.

Mr. President, to say that the job of a U.S. Senator is multifaceted is, of course, an understatement. Every day of every week we are called upon to do a multitude of things some of which are very momentous and some of which are quite mundane. However, in my 14 years in the Senate I have always felt that one of the most important things we do is keeping faith with the citizens of our respective States and the Nation as a whole. This legislation is an attempt to restore the faith of one citizen who answered the call of his Government to help out with an important task and received as a reward for his efforts over 20 years of shameful mistreatment. Hopefully, enactment of this legislation will—at long last—make James Purvis whole and, perhaps, begin to restore his faith in our system of government.

Mr. President, I ask unanimous consent that the bill, the reports from the U.S. Court of Claims in this case and an article and editorial from the Spokesman Review from Spokane, WA, be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1609

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* that

#### SECTION 1. SATISFACTION OF CLAIM AGAINST THE UNITED STATES

Pursuant to the report of the United States Claim Court in Congressional Reference No. 1-84 (filed on March 7, 1986), the Secretary of Treasury shall pay, out of any money in the Treasury not otherwise appropriated, the sum of $700,000 to James P. Purvis of Coeur d'Alene, Idaho. The payment of this sum shall be full satisfaction of any claim of such person, and of Purvis Construction Company, against the United States arising out of a contract between Purvis Construction Company and the United States for construction of the Federal Exhibit Buildings for the Century 21 Exposition at the World's Fair in Seattle, Washington, in 1962.

#### SEC. 2. LIMITATION ON ATTORNEYS' AND AGENTS' FEES.

It shall be unlawful for more than 33.3 percent of the sum appropriated in Section 1 to be paid to or received by any agent or attorney for any service rendered in connection with enactment of this Act. Any person who violates this Section shall be fined not more than $1,000.

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### James P. Purvis, Plaintiff, v. the United States, Defendant

(This Report will not be published in the U.S. Claims Court Reporter, because it does not add significantly to the body of law and is not of widespread interest.)

Patrick A. Sullivan, Spokane, Washington, attorney of record, for plaintiff. Winston U. Cashatt, Spokane, Washington, Paul L. Waldron and Hudson, Creyke, Koehler & Tacke, Washington, D.C. of counsel.

Charles R. Gross, Washington, D.C. with whom was Assistant Attorney General Richard K. Willard, for defendant. David M. Cohen, Director, and Sandra P. Spooner, Assistant Director, of counsel.

#### REPORT OF THE REVIEW PANEL

Before Yannello, Presiding Judge, and Mayer and Tidwell, Judges.

On January 30, 1986, Judge Miller, the hearing officer, filed findings, an opinion, and conclusions of law in the above-entitled matter. Both parties to this action have filed Notices of Acceptance of the hearing officer's Report.

The hearing officer has found that plaintiff has preserved an equitable claim as a result of a settlement previously entered into in connection with an award made to him by the United States Court of Claims in *Purvis* v. *United States,* 216 Ct. Cl. 398 (1978). Hearings before that court and the General Services Administration Board of Contract Appeals resulted in a delay of 18 years from the date of the filing of his claims until the date of payment. The hearing officer recommended that plaintiff in this Congressional Reference case receive the sum of $700,000 representing interest on the judgment ($390,248), as well as reasonable attorney fees, based on the stipulations of the parties. The hearing officer and the parties offer no opinion as to the tax year or years over which this sum should be apportioned. No further amount is legally or equitably due from the defendant to the plaintiff.

The Review Panel, having considered the record and the report of the hearing officer, adopts the findings, opinion, and conclusion of the hearing officer.

This report is filed with the Clerk of the Court pursuant to RUSCC App. D, paragraph 10.

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### JAMES P. PURVIS, PLAINTIFF, V. THE UNITED STATES, DEFENDANT

(This Report will not be published in the U.S. Claims Court Reporter because it does not add significantly to the body of law and is not of widespread interest.)

*Patrick A. Sullivan*, Spokane, Washington, attorney of record, for plaintiff. *Winston U. Cashatt*, Spokane, Washington, *Paul L. Waldron* and *Hudson, Creyke, Koehler & Tacke*, Washington, D.C., of counsel.

*Charles R. Gross*, Washington, D.C., with whom was *Assistant Attorney General Richard K. Willard*, for defendant. *David M. Cohen, Director*, and *Sandra P. Spooner, Assistant Director*, of counsel.

#### REPORT OF HEARING OFFICER

MILLER, *Judge:*

On April 25, 1984, Sen. Res. No. 48, 98th Cong. 2d Sess., referred Senate bill S. 413, 98th Cong. 1st Sess., to the Chief Judge of the United States Claims Court and requested the Chief Judge to proceed with the same in accordance with the provisions of 28 U.S.C. §§ 1492 and 2509, notwithstanding the bar of any statute of limitations, laches or sovereign immunity, and report thereon to the Senate at the earliest practicable date, giving such findings of fact and conclusions thereof as shall be sufficient to inform the Congress of the nature and character of the demand of the claim, legal or equitable, against the United States, or a gratuity, and the amount, if any, legally or equitably due from the United States to James P. Purvis.

S. 413, the bill which is the subject of this referral is entitled "A Bill for the Relief of James P. Purvis." It proposes that the Secretary of the Treasury be authorized and directed to pay to Mr. Purvis of Spokane, Washington, out of any money in the Treasury not otherwise appropriated, a sum of money, in an amount to be substantiated, representing the amount to which James P. Purvis equitably is entitled in order to make him whole, for any damage, loss, cost, and expense not otherwise recoverable at law, sustained by Mr. Purvis as president and sole owner of Purvis Construction Company on account of the construction of the federal exhibit buuilding of the Century 21 Exposition, the 1962 Seattle World's Fair, and the litigation of claims resulting therefrom. The payment of said sum is to be in full satisfaction of any claims that James P. Purvis or Purvis Construction Company may have against the United States with respect to the losses described in this bill.

Mr. Purvis filed his complaint with the clerk of the United States Claims Court on May 23, 1984, and the United States filed its answer to the complaint on August 22, 1984. The complaint was then assigned by the Chief Judge to the undersigned. Thereafter, pursuant to court order, the parties filed pretrial submissions and engaged in extensive negotiations to arrive at a stipulation of the pertinent facts and an amicable disposition of the controversy.

Such a stipulation was filed on January 17, 1986. The stipulation recites in pertinent part that:

1. Jurisdiction is vested in this court under 28 U.S.C. §§ 1492 and 2509.

2. Purvis does not have any legal claim against the government but has preserved an equitable claim as a result of a settlement previously entered into in connection with an award made to Purvis by the United States Court of Claims in *Purvis v. United States*, 218 Ct. Cl. 398 (1978). That settlement provided that it compensated plaintiff only to the extent permitted by law and was not intended to prejudice or affect plaintiff's application for or receipt of private relief.

3. Purvis' claims underwent five hearings by the General Services Administration Board of Contracts Appeals and six hearings at the Court of Claims, resulting in a delay of 18 years from the date of filing of his claims until the date of payment.

4. Pursuant to the Congressional reference, Purvis submitted six counts to this Court, alternatively alleging it was entitled to recovery based upon losses at the result of increase in the Consumer Price Index and costs of borrowing; loss of interest on the judgment of $390,248, compounded annually, in the amount of $1,409,197 in interest; attorney fees of $206,707; loss from the sale of real estate and other assets in the amount of $579,335; and reasonable attorney fees and expert witness costs in the prosecution of this action for Congressional relief.

5. In view of the fact that in 1978 the Court of Claims determined that Mr. Purvis was entitled to recover the sum of $390,248, Mr. Purvis lost the use of that money and the United States government had the benefit and use thereof for the period 1962 through January 1981, when said sum was finally paid.

6. Predicated upon the foregoing, Mr. Purvis, in order to be made whole, is entitled to receive the sum of $700,000. This sum represents simple interest on the judgment amount, $390,248, from the time Mr. Purvis' claim was submitted until payment was received, as well as reasonable attorney fees. However, the government offers no opinion here as to the tax year or years over which this sum should be apportioned.

7. The parties recommend to the United States Claims Court that it adopt the stipulation of the parties as to such amount in its report to the Senate.

The hearing officer accepts and approves the stipulation of the parties as his findings of fact in this matter; and in accordance therewith the concludes that:

(a) claimant has no legal claim against the United States;

(b) claimant has an equitable claim against the United States in the sum of $700,000, representing interest on the judgment in its favor entered by the Court of Claims in the sum of $390,248, from the time Mr. Purvis' claim was submitted until payment was received as well as reasonable attorney fees. However, the hearing officer offers no opinion as to the tax year or years over which this sum should be apportioned; and

(c) no further amount is legal or equitably due from the United States to the claimant.

PHILIP R. MILLER,
*Hearing Officer.*

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[From the Spokane (WA) Spokesman-Review, July 26, 1987]

### LOSING IT ALL WHEN INJUSTICE SOURS SUCCESS

#### WORLD'S FAIR BUILDER DRAGGED DOWN BY GOVERNMENT'S ABUSE

(By Michael Murphy)

Pat Purvis figures it would all be worth about $50 million today—the land, the hotels, the buildings, the company.

Somehow, he's managed not to become a bitter man.

Still, during the grueling hours on the road at age 69, hauling suitcases full of clothing samples to retailers in four states, he admits he can't help but think now and again of what might have been.

"I know I think about it," said Dorothy, his wife of 26 years. She got in on just a couple of years of the good life before the bureaucrats started dismantling everything.

"I think about it," she said, "every time I bend over to pick up one of these suitcases."

In Seattle this year, they're making a big deal about the 25th anniversary of the 1962 World's Fair.

The celebration is deserved. The fair gave Seattle and the Northwest a national identity. It revitalized the city's present and shaped its future no less significantly than Expo '74 did for Spokane a decade later.

Among the fair's physical legacies, the Space Needle may have become the symbol of the city. But the Pacific Science Center—still startling in its architectural beauty after a quarter century—remains the popular centerpiece of the fair. It continues as a symbolic showcase of science, technology, and regional prosperity.

But the man who built the science center hasn't done so well.

The Pacific Science Center cost James P. "Pat" Purvis everything.

His story is an almost unbelievable litany of injustice imposed by the U.S. government on one of its citizens. Every court Purvis has appeared before over the past 25 years has agreed. The courts have ordered that Purvis be compensated for the huge losses he suffered.

But he's still waiting.

"A lot of people have told me that most men in my situation would have killed themselves," Purvis said last week in the living room of his modest home in Coeur D'Alene. "But I never even thought of that. I always figured that I could come back."

Purvis was 42 in 1960. He was in the process of amassing the kind of wealth and success that puts a person in the position to profoundly influence the world around him.

Certainly, he was putting his mark on Spokane.

Socially and politically he was at the heart of the community. His civic involvement was extensive. His picture was frequently in newspapers and trade journals. He loved the pace and the attention.

He had taken a pride in workmanship instilled by his father, a consuming drive and gambler's fearless instincts and parlayed them into a personal worth close to $3 million "back when that was real money."

I owned so much property, you see," Purvis explained. "I owned the Davenport property on 8th Avenue where they built Sacred Heart Hospital. I owned Bing Crosby's house at Hayden Lake. I owned the Sillman Hotel. I owned half-interest at the Avondale Golf Course at Avondale and Hayden."

He was on the boards of other country clubs. He was on the Spokane County Fair

Board. He was president of the local chapter of the Association of General Contractors and on the organization's national board.

He was a confidant of local politicians. There were trips to Europe and elegant homes. He raised quarter horses. He raced boats. He collected antique buggies and automobiles. He was even a local boxing promoter.

It wasn't bad for the son of a laborer who came of age in the teeth of the Great Depression.

Purvis' father was a craftsman, an ornamental plaster, who came to Spokane from the Midwest in the first decade of the century work on the ornate plaster ceilings in the Davenport Hotel.

Here, he met Purvis' mother, an Irish immigrant, and they married in 1909.

Purvis began learning his father's trade at the age of 12, just before the Depression forced the family to separate. Purvis and a brother were left alone to work the family dairy farm near Cheney when Purvis was 13. His parents moved to Medical Lake to work.

When he finished high school Purvis went to work with his father and brother. World War II took him to the Navy. After the war, he tried his hand at tending bar, selling cars, and selling real estate.

In 1948, he built and sold a couple of houses, put together a little capital and made a bid to build Medical Lake High School.

"We won that bid by $117," he said, smiling at the recollection. "From there on, we were landing jobs left and right."

He built numerous buildings at Gonzaga University, including the Crosby Library. He built the first addition to Deaconess Hospital. He remodeled a thousand homes at Fairchild Air Force Base. He built the Cathedral of the Rockies in Boise, a major defense department installation in Wyoming and the State of Washington Archives Building in Olympia.

He built Connell High School, Sprague High School, Moses Lake High School, West Valley High School, Cusick High School. He built apartments, grocery stores and government buildings in six states.

At one time, according to news accounts, his company employed 700 people on construction jobs scattered throughout the West. And Purvis was in the middle of them all. His company pilot flew him from job to job in Purvis' new twin-engine Aero Commander.

"I took a lot of pride in what we did," Purvis said. "We had a reputation for doing good work and we were very successful. In 13 years before the World's Fair project, we never had a single job that didn't pay a profit."

In his early 40s, with enough money to make him comfortable for the rest of his life, there was never a thought of slowing down.

"No, I pushed all the time," Purvis said. "I expanded my company. I took a lot of chances. I loved the work. I just ate it up."

The bid for the United States Science Pavilion at the World's Fair was something Purvis craved. He saw in the project professional prestige and a chance to display his country to the world.

Purvis won with a bid of $3 million, and began work on the complicated five-building complex in early 1961. The fair was scheduled to open May 1, 1962.

Problems with the project were immediate. A Seattle World's Fair had been on the drawing board for years before federal funding came through and the plans for the pavilion had actually been drawn in 1948.

Building technology changed dramatically in the ensuing decade, but the U.S. General Services Administration, which was in charge of the project, hadn't up-dated the plans.

Before Purvis could even begin, the government issues a stop-work order so that the plans could be altered. Over the course of the project, there were a half-dozen stop work orders and 59 changes orders, each causing a delay.

In a normal government contract, the delays would extend the time Purvis had to complete the job. But the pavilion had to be furnished by opening day.

Crews were doubled and tripled. Overtime drove up labor costs. With each change order, Purvis went to the GSA and warned of the costs. GSA officials ordered Purvis to continue, and said price adjustments would be determined later.

Records show it cost Purvis $600,000 of his own money to pay the increased labor costs and keep the job on schedule.

"The negotiations went back and forth to the point I'd say we couldn't continue unless we got paid, and the contracting officer threatening me with taking the job away," Purvis said.

"But I never would have walked away from it. No one else could have come in and gotten it done on time. I wanted to finish it because I knew they needed it for the fair.

"Besides, I thought I'd have my money 90 days after we finished."

When the job was finally done—in time for the opening—Dorothy Purvis commented to the GSA contracting officer, "Thank God Pat's problems are finally over."

The contracting officer, whom Purvis had frequently battled, replied, "Pat's problems are just beginning."

After considering the cost overruns, GSA officials told Purvis they would pay for the equipment and hardware required by the change ordered. But, they said, there was no provision in the contract allowing for increased labor payments.

They refused to pay the $600,000. Purvis appealed to the GSA's Board of Contract Appeals. That began a process of delays and entanglements that continue today.

While Purvis apparently had no legal authority to make the government pay him, the law clearly required him to pay his subcontractors. In 1963, the subcontractors began suing him.

During the pavilion project and beyond, Purvis' company had other jobs going throughout the West. The loss of the $600,000 devastated his working capital, forcing him to borrow to finance his other jobs. Interest payments ate up his profits and left him with no cash.

So his bonding company agreed to give him a $1.8 million loan to pay the subcontractors, with his property as collateral. As long as the loan was outstanding, though, Purvis could not be bonded. That meant he could not take on new construction projects.

He had three years to pay back the loan, but it was the end of 1964 before the GSA appeals board even heard the case. After hearing upon hearing, the appeals board finally ruled that GSA owed Purvis nothing.

In the meantime, Purvis finished the projects in progress, honoring all his contracts. He completed Deaconess Hospital in Great Falls in 1966. It was the last construction job he would ever work.

He was broke, and the three years on his loan from the bonding company was up. He deeded all his property to the bonding company, which sold it at auction for a fraction of its market value.

Purvis succeeded in taking his appeal to the U.S. Court of Claims, and in 1972 the court held that he was entitled to payment. The case was sent back to the GSA appeals board to determine the amount. The board ruled Purvis was entitled to $62,500.

After more lengthy arguments, an angry claims court finally said it would determine the amount because GSA had not acted fairly. One June 30, 1980, the court ruled that GSA owed Purvis $390,000.

"We are wholly unable to defend the system this case exemplifies," the court said in its ruling.

The case had dragged on so long, that by 1980, even GSA officials agreed that their predecessors had treated Purvis shamefully.

"We submit that the Purvis litigation well may constitute the classic situation where justice delayed resulted in justice denied," GSA officially commented for the court record.

Even though the court had awarded the money, Congress still had to pass a bill authorizing payment. Purvis enlisted the help of Sen. Henry Jackson and Congress produced a check for $390,000.

But Purvis never saw a dime.

In taking his property, the bonding company had assumed the obligation of legal fees in the Purvis case. The entire $390,000 went to pay it back.

When Purvis originally signed the contract in 1961, federal law didn't allow government contractors to recover interest or legal fees on awards resulting from contract disputes.

The law, however, was changed in 1968. And because the Court of Claims believed the government's handling of the Purvis case was so unfair, it made a rare ruling reserving the right for Purvis to pursue additional claims.

That took another round of congressional approval, so Purvis and his attorneys called on Jackson again. In 1983, Congress passed a bill authorizing further payment to Purvis, with the Court of Claims to determine the amount.

Patrick Sullivan, Purvis' attorney, sought to recover compound interest on the $390,000 that the government had held for more than 20 years. Given the difference between the value of 1962 and 1983 dollars and interest compounded annually, the figure was $2.5 million.

In 1986, the Justice Department said it would settle if Purvis would agree to accept simple interest on the $390,000. That came to $700,000.

"We could have gone through the trial process which would take five or 10 years," Sullivan said, "and we probably could have won. But Pat is 69, and I just don't know if he has 10 more years to wait. I want him to get this money in his lifetime."

The settlement was agreed on, but again it took a bill from Congress to authorize payment—and Jackson, Purvis's best advocate in Congress, had died in 1983.

Purvis and Sullivan turned to Sen. Slade Gorton for help. Gorton introduced a bill, but it lost all momentum when he was defeated for re-election by Brock Adams.

Last week, Sullivan got an agreement with Adams. Sen. Dan Evans, Sen. James McClure, Rep. Tom Foley and Rep. Larry Craig to introduce or support bills in the Senate and House this year to pay Purvis his $700,000. But congressional assistants are not optimistic that such a bill will succeed.

An aide to Foley said private relief bills seldom pass, and only two such bills in the $700,000-range have passed in the entire history of the House.

Stephanie Sollen, legislative assistant to Adams said: "We are very sympathetic to the problems Mr. Purvis has incurred in trying to get fair reimbursement from the federal government, and we are willing to work on it. We feel it's still going to be uphill, though.

"Clearly the courts have ruled in favor of Mr. Purvis, but there are a number of private relief bills before Congress, and this is a very large amount of money.

After losing everything, Purvis worked for a couple of other companies before settling into his clothing sales business 15 years ago. He has 600 customers in four states. He and his wife travel together on the road three or four days each week.

While he loved construction, the clothing business is "a living. A comfortable living," he granted. "But you can't get rich at it. Your savings account sure doesn't grow."

Incredibly, he's spent little energy on anger and a lot on optimism.

"I wasn't bitter because I always anticipated getting my money out of the government," Purvis said. "If not this month, then next month. I knew we could stay alive, and I figured I could always start over again any time the money came through."

And when did he give up on that expectation?

"Never," he said. "I still expect it today. I'm going to get my money. I have it coming."

Dorothy Purvis says it hasn't been quite as simple as her husband suggests.

"There have been times when it really got him down," she confided. "But not for long. Such faith in a human being I have never seen."

If—make that when, Purvis says—he gets the money: "I'll probably stop carrying these suitcases, that's for sure. And I'd like to get back into building. Home development or selling real estate."

There's no plan to retire, though, not if he could get his hands back on a construction operation.

"I still think I can start over," he said with a grin. "I never filed bankruptcy. I paid all the debts. I have good credit."

But he could have been a multimillionaire. He could have been right in the middle of everything, making things happen. He could have been the epitome of the American dream.

While seated at his basement desk for photographs to accompany this story, Purvis was asked by the photographer to do some paperwork—"Pretend you're writing to someone. Pretend you're writing to Tom Foley."

Purvis wrote:

Dear Congressman Foley, having all these pictures taken is good for my morale. It's just like the old days.

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[From the Spokane (WA) Spokesman-Review, July 29, 1987]

### After 25 Years, Will Justice Finally Prevail?

Century 21, theme of the 1962 Seattle world's fair, shimmered like a distant dream during the heady days of the exposition that transformed Washington's largest city.

Fair-goers marveled at the House of Tomorrow, floated past visions of the future in the Bubbleator and dreamed about flights to the moon on warm summer nights beneath the soaring arches of the U.S. Science Pavilion.

Today, as Seattle celebrates the 25th anniversary of the fair, we enjoy a clearer vision of the good things the 21st century may bring. Technology, the focus of the fair, has indeed bettered our lot and promises further benefits yet unimagined. But the nuclear arms race, a space-shuttle crash and environmental pollution have tempered our enthusiasm for technology and have reminded us of other equally important goals for the 21st century—justice, for example.

We Americans have learned much of justice since 1962. Only a year after the fair, the Rev. Martin Luther King Jr. enunciated his dream of brotherhood and touched off a social revolution. Like the technological dreams that thrilled fair-goers 25 years ago, dreams of justice remain partly unfulfilled—and remain at the top of the agenda for century 21.

But Pat Purvis, whose construction firm built those famous arches that still inspire visitors to the science center, would rather not wait until the 21st century for the justice that has been denied him for the 25 years since the world's fair opened.

Purvis was one of the unsung heroes who made the world's fair a success. A quarter century ago, he was flying high, the owner of a Spokane-based construction firm deploying hundreds of workers at dozens of major projects throughout the West.

The U.S. General Services Administration awarded him the contract to build the fair's science pavilion, partly on the strength of his well-earned reputation as a can-do contractor whose savvy catapulted him from building houses to building high schools, hospitals, libraries, grocery stores, a cathedral and major government buildings.

The General Services Administration took this all-American success story and singlehandedly destroyed it.

The GSA repeatedly altered plans for the science pavilion, issuing a half-dozen stop-work orders and 59 change-orders. Each delay made the project more costly and made it more difficult for Purvis to complete the pavilion in time for the fair's opening day.

Purvis spent $600,000 of his own money on overtime labor and other costs caused by the GSA's vacillation and tinkering. He got the job done on time, and the fair proceeded. But GSA refused to pay Purvis the $600,000; Purvis appealed, and appealed, and appealed again, hacking his way through dense jungles of governmental red tape, procrastination, rebuffs, delays, arrogance and inefficiency.

Twenty-five years later, despite court rulings that say he is entitled to compensation, despite an admission by the GSA itself that Purvis was mistreated, despite two acts of Congress calling for Purvis to be compensated, he still has not received one cent.

GSA's refusal to pay—and its delaying action in the face of rulings that it should pay—forced Purvis out of business. That $600,000 he took out of his own pocket for the sake of presenting the world's fair with a finished science pavilion drained his working capital, left him without cash to pay subcontractors and ultimately led to the auctioning of his company.

Now, at age 69, this man who would have been a multimillionaire, a pillar of his community and a major employer lives in a modest home in Coeur d'Alene and works as a traveling clothing salesman.

Several members of the Northwest congressional delegation hope to win approval for yet another bill that would give Purvis an agreed-upon $700,000 settlement from the government that ruined him. But they are not sure Congress will agree to spend so much on what might seem to be a small case.

Justice, however, is a large principle.

If the government can abuse even one citizen in the manner Purvis was abused—and get away with it—is anyone safe? How can anyone celebrate the hope and the progressive spirit embodied in Seattle's fair without seeing to it that this old wrong finally is righted?●

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By Mr. PRYOR (for himself and Mr. Heinz):

S. 1610. A bill to amend the Internal Revenue Code of 1954 to eliminate the retroactive certification of employees for purposes of the work incentive jobs credit; to the Committee on Finance.

### ELIMINATION OF RETROACTIVE CERTIFICATION FOR WORK INCENTIVE JOBS CREDIT

● Mr. PRYOR. Mr. President, today I am introducing a bill to eliminate prospectively the ability of employers to claim a tax credit for hiring certain employees if the employer did not certify those workers as eligible employees when such individuals began to work for the employer. An identical bill (H.R. 2111) was introduced in the other body on April 22, 1987 by the Chairman of the Ways and Means Committee, Dan Rostenkowski.

As I understand the problem, which was brought to my attention by a submission for the record on the technical corrections legislation, before 1982 a tax credit (WIN credit) was available to an employer who hired a member of a family receiving assistance under aid to families with dependent children [AFDC], or an individual placed in employment under the Work Incentive Program [WIN]. To obtain the WIN credit, the employer was required to request certification by the Secretary of Labor or the appropriate State or local government agency that the employee was an eligible employee. The special credit for WIN and AFDC employees was terminated for years after December 31, 1981. The Economic Recovery Tax Act of 1981 [ERTA] provided that, for years beginning on or after January 1, 1982, eligible work incentive employees were included in the list of targeted groups for whom an employer may claim a targeted jobs tax credit [TJTC]. ERTA provided that, generally, the TJTC may not be claimed for an individual unless the employer has requested or obtained certification on or before the date the individual begins to work for the employer.

On February 26, 1987, the Internal Revenue Service issued General Counsel Memorandum [GCM] 39604 providing that employers may not claim a credit for eligible AFDC and WIN recipients hired before 1982 unless the employer certified those employees on or before the date the employees commenced service for the employer. However, the public was not put on notice regarding GCM 39604 until it was first published on March 11, 1987.

The bill I am introducing today upholds the position of the Internal Revenue Service taken in GCM 39604. For WIN credits first claimed after March 11, 1987, the credit is not available for an individual for whom the employer did not request or obtain certification on or before the date the individual commenced work for the employer. In the case of WIN credits claimed on or before March 11, 1987, the employer is not required to have obtained or requested certification on or before the date the individual commenced work for the employer.

The requirement that certification be requested on or before the date the employee commenced work with the employer is applied only to credits first claimed after March 11, 1987, because the position of the Internal Revenue Service was not publicly known until the publication of GCM 39604 on that date. Taxpayers who claimed the credit on or before March 11, 1987, were acting in reliance on the availability of the credit for workers for whom certification was requested at a later time. Taxpayers who first claimed the credit after March 11, 1987, were put on notice by publication of the GCM, and cannot claim to have acted in such reliance.

The bill I am introducing today upholds the principle that retroactive certification is an inefficient use of a tax credit, yet in fairness to taxpayers who acted in reliance on the availability of the WIN credit, applies this principle only to those taxpayers who have received adequate notice of its application.●

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By Mr. KENNEDY (for himself and Mr. Moynihan):

S. 1611. A bill to amend the Immigration and Nationality Act to effect changes in the numerical limitation and preference system for the admission of immigrants; to the Committee on the Judiciary.

### IMMIGRATION ACT

Mr. KENNEDY. Mr. President, today I am joining with Senator Moynihan in introducing the Immigration Act of 1987. Identical legislation is being introduced in the House of Representatives by Congressman Brian Donnelly.

This bill will bring long needed reform to our existing system of admitting immigrants to the United States. Our goal is to make the system more flexible and generous, and to open it up to a fairer number of immigrants from nations shortchanged by current law.

We accomplish these goals without curtailing the traditional priority given to family reunification, and without departing from the principles of equity and fairness established in the 1965 reforms. Our proposals also reflects the 1981 recommendations of the Select Commission on Immigration and Refugee Policy, on which I served.

Unfortunately, in recent years, needed reforms of our legal immigration system have taken a back seat to proposals to deal with illegal migration. Now, after last year's resolution of that controversial issue, there is no justification for further delay.

This is particularly so given the growing evidence that our immigration laws are out of balance. In redressing years of discriminatory immigration policy, the 1965 law has inadevertently created a pattern of reverse discrimination.

The 1965 act was a fundamental reform—a major step toward a fair and nondiscriminatory immigration policy that we must not abandon. But its details were not to be frozen in stone.

For example, it was anticipated at that time that a further assessment of the reforms was to be guaranteed by the creation of the Western Hemisphere Commission. But that Commission met, filed its report, and nothing happened.

As the recent history of immigration legislation makes clear, Congress deals with the issue only rarely, and then only after extraordinary pressure and intense debate.

However, with the creation of the select commission and its report in 1981, and with the work which Senator Simpson, Congressman Rodino and the Senate and House Judiciary Committees have done over the past 6 years, we are now at a point where we can make progress on reforming the system of admitting legal immigrants.

The bill we are introducing today accomplishes this reform by separating the existing family reunification preference system from the employment and skill-related category with 50,000 additional visas for older sources of immigration—especially the traditional ethnic flows from Ireland, Italy, other nations of Western Europe, Canada, and other countries. At the same time, we protect the newer sources of immigrants who have rightly benefited from the reforms enacted in 1965.

By redressing some of the imbalances in immigration which have developed in recent years, we will open our doors again to those who no longer have immediate family ties in the United States, and are, therefore, unable to use the annual ceiling of 20,000 visas theoretically available for their country. we estimate, for example, that some nations which use only a few hundred of their current places might be able to eventually reach the maximum number of visas possible under this reform.

Although our bill follows the structure and substance of similar legislation adopted twice by the Senate, in 1982 and 1983, we have added some important new features. Attached is a detailed summary of the bill, but the key provisions are:

The family reunification system is reformed along the lines of the select commission's recommendations, to give higher priority to certain categories, such as spouses and children of permanent resident aliens;

An entirely separate new independent category is created, combining the current third and sixth preferences and adding 50,000 additional visas;

Part of the numbers in the independent category will be apportioned according to a new point system, similar to the systems currently used in other nations;

The point system gives an advantage to countries adversely affected by the 1965 reforms and to the skills needed for immigrants to work and contribute to U.S. society;

The individual labor certification procedure under current law is eliminated for the 50,000 additional visas, but points are given for needed skills and jobs; and

A sunset provision is included to assure that Congress will review these reforms after 5 years and take whatever corrective action may be needed.

The time has come for Congress to pick up where we left off last year and address the unfinished agenda of immigration—to reform our system of welcoming immigrants to our shores.

Our bill is balanced; it protects the principle of family reunification; it stimulates immigration from the older sources of immigration that have contributed so much to America in the past; and it promotes the entry of those who can contribute their skills and talents to the future development of our country. In doing so, we will be continuing and strengthening one of the oldest and most enduring themes in our Nation's history—America's immigrant heritage.

Mr. President, I ask that a summary of the bill's provisions be printed in the Record as well as the text of the bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1611

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) Short Title.—This Act may be cited as the "Immigration Act of 1987".

(b) Amendments to Immigration and Nationality Act.—Whenever in this Act an amendment or repeal is expressed as an amendment to, or repeal of, a provision, the reference shall be deemed to be made to the Immigration and Nationality Act.

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### SEC. 2. NUMERICAL LIMITATIONS.

Subsection (a) of section 201 (8 U.S.C. 1151) is amended to read as follows:

"(a) Exclusive of special immigrants defined in section 101(a)(27), immigrants born to permanent resident aliens during a temporary visit abroad, immediate relatives specified in subsection (b) of this section, immigrants admitted under section 211(a) on the basis of a prior issuance of a visa to their accompanying parent who is such an immediate relative, aliens who are admitted or granted asylum under section 207 or 208, aliens provided records of permanent residence under section 214(d), and aliens whose status is adjusted to permanent resident status under section 245A, aliens born in a foreign state or dependent area who may be issued immigrant visas or who may otherwise acquire the status of an alien lawfully admitted to the United States for permanent residence are limited to—

"(1) family reunification immigrants described in section 203(a) and immigrants admitted under section 211(a) on the basis of a prior issuance of a visa to their accompanying parent under section 203(a), in a number not to exceed in any fiscal year the number equal to (A) 216,000, plus (B) the difference (if any) between the maximum number of visas which may be issued under paragraph (2) during the prior fiscal year and the number of visas issued under that paragraph during that year, and not to exceed in any of the first three quarters of any fiscal year 27 per centum of the numerical limitation for all of such fiscal year, and

"(2) independent immigrants described in section 203(b) and immigrants admitted under section 211(a) on the basis of a prior issuance of a visa to their accompanying parent under section 203(b), in a number not to exceed in any fiscal year the number equal to (A) 104,000, plus (B) the difference (if any) between the maximum number of visas which may be issued under paragraph (1) during the prior fiscal year and the number of visas issued under that paragraph during that year, and not to exceed in any of the first three quarters of any fiscal year 27 per centum of the numerical limitation for all of such fiscal year.".

### SEC. 3. REVIEW AND REVISION OF NUMERICAL LIMITATIONS.

Section 201 of the Immigration and Nationality Act (8 U.S.C. 1151) is amended by adding at the end thereof the following:

"(c)(1) Beginning two years after the effective date of the Immigration Act of 1987, and at intervals of five years thereafter, the Secretary of State, the Attorney General, the Secretary of Labor, and the Secretary of Health and Human Services, shall jointly prepare and transmit to the President and to the Judiciary Committees of the Congress a report discussing the need to revise the numerical limitations contained in subsection (a). In preparing such report, the Secretary of State, the Attorney General, the Secretary of Labor, and the Secretary of Health and Human Services shall consider—

"(A) the family reunification requirements of citizens of the United States and of aliens admitted for permanent residence in the United States;

"(B) the impact of immigration on employment and other economic and domestic conditions in the United States;

"(C) the impact of immigration with respect to demographic and fertility rates and resources and environmental factors; and

"(D) the foreign policy and national security interests of the United States.

"(2) Not later than 60 days after receipt of such report, the President shall transmit to the Congress a certification on whether the numerical limitations contained in paragraphs (1) and (2) of subsection (a) should be changed, and if so, what the new numerical limitations should be. Before transmittal of such certification, the President shall, to the maximum extent practicable, solicit the views of individuals from the private sector and from appropriate Members of Congress.

"(3) Notwithstanding the provisions of subsection (a), unless the Congress within 30 calendar days after receiving such certification enacts a joint resolution prohibiting the numerical limitations contained in such certification from taking effect, any reference in this Act to the numerical limitations contained in subsection (a)(1) or subsection (a)(2) for a period of five consecutive fiscal years beginning with the first fiscal year after the close of such 30-day period shall be deemed to refer to numerical limitations contained in such certification with respect to reunification immigrants or independent immigrants, respectively. Any such joint resolution shall be considered in the Senate in accordance with subsection (e).

"(d) For the purpose of expediting the consideration and adoption of joint resolutions under subsection (c)(3), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(e)(1) For purposes of subsection (c)(3), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

"(2) Paragraphs (3) and (4) of this subsection are enacted—

"(A) as an exercise of the rulemaking power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of joint resolutions referred to in subsection (c)(3), and supersede other rules of the Senate only to the extent that such paragraphs are inconsistent therewith; and

"(B) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

"(3)(A) If the committee of the Senate to which has been referred a joint resolution relating to a certification has not reported such resolution at the end of ten calendar days after its introduction, not counting any day which is excluded under paragraph (1) of this subsection, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other joint resolution introduced with respect to the same certification which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same certification.

"(B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.".

### SEC. 4. PREFERENCE AND NONPREFERENCE ALLOCATION SYSTEMS.

(a) In General.—(1) Section 203 (8 U.S.C. 1153) is amended—

(A) by redesignating subsections (b) through (e) as subsections (e) through (h), respectively, and

(B) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Preference Allocation for Family Reunification Immigrants.—Aliens subject to the numerical limitation specified in section 201(a)(1) for family reunification immigrants shall be allotted visas as follows:

"(1) Unmarried sons and daughters of citizens.—Qualified immigrants who are the unmarried sons or daughters of citizens of the United States shall be allocated visas in a number not to exceed 15 percent of such numerical limitation, plus any visas not required for the class specified in paragraph (4).

"(2) Spouses and children of permanent resident aliens.—Qualified immigrants who are the spouses or children of an alien lawfully admitted for permanent residence or who—

"(A) as of the date of enactment of the Immigration Act of 1987, had a petition filed on their behalf for preference status by reason of the relationship described in this paragraph as in effect on such date and such petition was subsequently approved, and

"(B) continue to qualify under the terms of the Act as in effect on such date,

shall be allocated visas in a number not to exceed 65 percent of such numerical limitation, plus any visas not required for the class specified in paragraph (1).

"(3) Married sons and daughters of citizens.—Qualified immigrants who are the

married sons or married daughters of citizens of the United States shall be allocated visas in a number not to exceed 10 percent of such numerical limitation, plus any visas not required for the classes specified in paragraphs (1) and (2).

"(4) Unmarried brothers and sisters of citizens and previous fifth preference.—

"(A) qualified immigrants who are the unmarried brothers or sisters of citizens of the United States, if such citizens are at least 21 years of age, and

"(B) qualified immigrants who—

"(i) as of the date of enactment of the Immigration Act of 1987 had a petition filed on their behalf for preference status by reason of the relationship described in paragraph (5) of section 203(a) of this Act as in effect on the day before such date and such petition was subsequently approved, and

"(ii) continue to qualify under the terms of this Act as in effect on the day before such date,

shall be allocated visas in a number not to exceed 10 percent of such numerical limitation, plus any visas not required for the classes specified in paragraphs (1) through (3).".

"(b) Preference and Nonpreference Allocation for Independent Immigrants.—Aliens subject to the numerical limitation specified in section 201(a)(2) for independent immigrants shall be allocated visas as follows:

"(1) Aliens who are members of the professions holding doctoral degrees or aliens of exceptional ability.—Qualified immigrants who are members of the professions holding doctoral degrees (or the equivalent degree) or who because of their exceptional ability in the sciences, arts, or business, will substantially benefit prospectively the national economy, cultural or educational interests, or welfare of the United States, and whose services in the sciences, arts, professions, or business are sought by an employer in the United States, shall be allocated visas, except that not more than 27,000 visas in a fiscal year may be allocated under this paragraph. The Attorney General may, when he deems it to be in the national interest, waive the requirement of the preceding sentence that an alien's services in the sciences, arts, professions, or business be sought by an employer in the United States. In determining under this paragraph whether an immigrant has exceptional ability, the possession of a degree, diploma, certificate, or similar award from a college, university, school, or other institution of learning or a license to practice or certification for a particular profession or occupation shall not by itself be considered sufficient evidence of such exceptional ability.

"(2) Skilled workers.—Qualified immigrants who are capable of performing skilled labor, not of a temporary or seasonal nature, for which qualified workers are not available in the United States, shall be allocated in any fiscal year not more than 27,000 visas.

"(3) Nonpreference aliens.—(A)(i) Visas authorized in any fiscal year under section 201(a)(2), less those required for issuance to the classes specified in paragraphs (1) and (2), shall be made available to other qualified immigrants selected at random by the Secretary of State from among aliens at least 18 years of age who qualify to be registered for a visa under subparagraph (C).

"(ii) The Secretary of State shall prescribe such regulations as may be necessary to provide a means for the selection of the qualified immigrants under this paragraph.

"(B) Beginning with the effective date of the Immigration Act of 1987, each alien applying for a visa under this paragraph shall be accorded units of assessment based on eligibility criteria as follows:

"(i) for aliens coming from any country adversely affected by the enactment of Public Law 89-236, as determined by the Secretary of State, 30 units of assessment;

"(ii) for aliens whose employment in the United States has already been arranged, 20 units;

"(iii) for aliens having successfully completed grade school through high school or its educational equivalent, 12 units;

"(iv) for aliens who were awarded bachelors' degrees or their equivalent, 10 units;

"(v) for aliens who were awarded graduate degrees, a number of units up to 5 units to be determined by the Secretary of Education based on the level of the degree;

"(vi) to the extent that the aliens have vocational preparation, the number of units for such preparation to be determined by the Secretary of Labor up to 10 units;

"(vii) for aliens not less than 18 years of age or more than 40 years of age, 10 units, except that 2 units shall be deducted for every year in excess of 40;

"(viii) to the extent that the aliens have skills determined by the Secretary of Labor to be needed in the United States, up to 20 units;

"(ix) to the extent the aliens have work experience relating to the skills described in clause (viii), the number of units to be determined by the Secretary of Labor up to 10 units;

"(x) for aliens who are the married brothers or sisters of citizens of the United States, if such citizens are at least twenty-one years of age, 10 units; and

"(xi) aliens speaking and reading the English language, 10 units.

"(C) No alien shall be qualified to be registered for a visa under this paragraph unless such alien has been accorded at least 70 units of assessment under subparagraph (B).

An immigrant visa shall not be issued to an immigrant under paragraph (1) or (2) until the consular officer is in receipt of a determination made by the Secretary of Labor pursuant to the provisions of section 212(a)(14). The provisions of sections 212(d)(11) shall apply with respect to any alien petitioning to be classified as a preference immigrant under paragraph (1).

"(c) Guide for Allocation Between Preference Systems.—Where it is determined that the maximum number of visas will be made available under section 202(a)(2) to natives of any single foreign state (defined in section 202(b)) or any dependent area (defined in section 202(c)) in any fiscal year, in determining whether to provide for visas to such natives under the preference system described in subsection (a) or that described in subsection (b), visa numbers with respect to natives of that state shall be allocated (to the extent practicable and otherwise consistent with this section) in a manner so that the ratio of—

"(1) the sum of (A) the number of family reunification immigrants described in subsection (a), and (B) the number of immigrants born to permanent residents during a temporary visit abroad, immigrants admitted under section 211(a) on the basis of a prior issuance of a visa to their accompanying parent who is such an immediate relative or under section 203(a), and aliens provided records of permanent residence under section 214(d), who are natives of such state and who are issued immigrant visas or otherwise acquire the status of aliens lawfully admitted to the United States for permanent residence in that fiscal year, to

"(2) the sum of (A) the number of independent immigrants described in subsection (b), and (B) the number of special immigrants defined in section 101(a)(27) (other than those described in subparagraph (A) thereof) and immigrants admitted under section 211(a) on the basis of a prior issuance of a visa to their accompanying parent under section 203(b), who are natives of such state and who are issued immigrant visas or otherwise acquire the status of aliens lawfully admitted to the United States for permanent residence in that fiscal year,

is equal to 4 to 1.

"(d)(1) A spouse or child as defined in subparagraph (A), (B), (C), (D), or (E) of section 101(b)(1) shall, if not otherwise entitled to an immigrant status and the immediate issuance of a visa under subsection (a) or (b), be entitled to the same status, and the same order of consideration provided in the respective subsection, if accompanying or following to join, his spouse or parent.

"(2) Waiting lists of applicants for visas under this section shall be maintained in accordance with regulations prescribed by the Secretary of State.".

(2) Subsection (e) of such section, as so redesignated, is amended—

(A) by inserting "or under subsection (b)" after "subsection (a)" the first place it appears, and

(B) by striking out "subsection (a)" the second place it appears and inserting in lieu thereof "the respective subsection".

(b) Eliminating Intra-country Preference System.—Section 202 (8 U.S.C. 1152) is amended by striking out subsection (e), section 204 (8 U.S.C. 1154) is amended by striking out subsection (f), and section 245(b) (8 U.S.C. 1255(b)) is amended by striking out "202(e) or".

(c) Conforming Amendments.—(1)(A) Subsection (f) of section 203 (8 U.S.C. 1153), as redesignated by subsection (a)(1), is amended by striking out "paragraphs (1) through (6) of subsection (a)" and inserting in lieu thereof "subsection (a) or pursuant to paragraphs (1) through (3) of subsection (b)".

(B) Subsection (g) of such section, as so redesignated, is amended by striking out "paragraphs (1) through (6) of subsection (a)" and inserting in lieu thereof "subsection (a) or paragraphs (1) through (3) of subsection (b)" each place it appears.

(2)(A) Subsection (a) of section 204 (8 U.S.C. 1154) is amended—

(i) by striking out "paragraph (1), (4), or (5) of section 203(a)" and inserting in lieu thereof "paragraph (1), (3), or (4) of section 203(a)",

(ii) by striking out section 203(a)(3)" and inserting in lieu thereof "paragraph (1), of section 203(b)", and

(iii) by striking out "203(a)(6)" and inserting in lieu thereof "203(b)(2) or 203(b)(3)".

(B) Subsection (b) of such section is amended by striking out "section 203(a) (3) or (6)" and inserting in lieu thereof "paragraph (1), (2), or (3) of section 203(b)".

### SEC. 5. LABOR CERTIFICATION.

(a) Change in Determination.—Paragraph (14) of section 212(a) (8 U.S.C. 1182(a)) is amended by striking out "(A)" and all that follows through the end and inserting in lieu thereof the following: "(A) there are not sufficient qualified workers (or equally qualified workers in the case of

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aliens (i) who are members of the teaching profession or who have exceptional ability in the sciences or arts) available in the United States in the occupations in which the aliens will be employed; and (B) the employment of aliens in such occupations will not adversely affect the wages and working conditions of workers in the United States who are similarly employed. In making such determinations the Secretary of Labor may use labor market information without reference to the specific job opportunity for which certification is requested. Except as provided in subsection (d)(11), an alien on behalf of whom a certification is sought must have an offer of employment from an employer in the United States. The exclusion of aliens under this paragraph shall only apply to preference immigrants described in section 203(b) (1) and (2). Decisions of the Secretary of Labor made pursuant to this paragraph, including the issuance and content of regulations and the use of labor market information under this paragraph, shall be reviewable by an appropriate district court of the United States, but the court shall not set aside such a decision unless there is compelling evidence that the Secretary made such decision in an arbitrary and capricious manner;".

(b) WAIVER OF OFFER OF EMPLOYMENT REQUIREMENT.—Section 212(d) (8 U.S.C. 1181(d)) is amended by adding at the end the following new paragraph:

"(11) The requirement in paragraph (14) of subsection (a) relating to an offer of employment from an employer in the United States may be waived with respect to any alien seeking to enter the United States as an immigrant under section 203(b)(1), if the Attorney General deems it to be in the national interest.".

(c) STUDY.—The Secretary of Labor shall conduct a study to determine the means by which the process for obtaining a labor certification under section 212(a)(14) of the Immigration and Nationality Act may be streamlined.

(d) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary of Labor shall prepare and transmit to the Congress a report setting forth the findings of the study required by subsection (c), together with recommendations for carrying out such findings.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of State such sums as may be necessary in order to implement section 203(b)(3) of the Immigration and Nationality Act, as amended by this Act.

SEC. 7. EFFECTIVE DATES AND TRANSITION.

(a) EFFECTIVE DATE.—The amendments made by this Act shall apply to the admission of aliens to the United States on and after the first day of the first fiscal year beginning at least 180 days after the date of enactment of this Act (hereafter in this Act referred to as the "effective date").

(b) TRANSITION.—(1) In the case of a petition filed under section 204(a) of the Immigration and Nationality Act before the effective date, such petition shall be deemed, as of such date, to be a petition for the new corresponding preference or nonpreference status (as defined in paragraph (2)), and the priority date for such petition shall remain in effect.

(2) For purposes of paragraph (1), the term "new corresponding preference or nonpreference status" means, in the case of a petition for a—

(A) preference status described in section 203(a)(1) of the Immigration and Nationality Act (as in effect on the day before the effective date), the preference status described in such section as in effect after such date;

(B) preference status described in section 203(a)(2) of such Act (as in effect on the day before the effective date), the preference status described in such section as in effect after such date;

(C) preference status described in section 203(a)(3) of such Act (as in effect on the day before the effective date), the preference status described in paragraph (1) of section 203(b) of such Act as in effect after such date;

(D) preference status described in section 203(a)(4) of such Act (as in effect on the day before the effective date), the preference status described in section 203(a)(3) of such Act as in effect after such date;

(E) preference status described in section 203(a)(5) of such Act (as in effect on the day before the effective date), the preference status described in section 203(a)(4) of such Act as in effect after such date;

(F) preference status described in section 203(a)(6) of such Act (as in effect on the day before the effective date), the preference status described in section 203(b)(2), in the case of skilled labor, or the nonpreference status described in section 203(b)(3), in the case of unskilled labor, of such Act as in effect after such date; and

(G) nonpreference status described in section 203(a)(7) of such Act (as in effect on the day before the effective date), the nonpreference status described in section 203(b)(3) of such Act (as in effect after such date).

(c) ADMISSIBILITY STANDARD.—When an immigrant, in possession of an unexpired immigrant visa issued before the effective date, makes application for admission, his admissibility under paragraphs (20) and (21) of section 212(a) shall be determined under the provisions of law in effect on the date of the issuance of such visa.

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### SUMMARY OF KENNEDY/DONNELLY "IMMIGRATION ACT OF 1987"

#### GENERAL

Raises the annual ceiling on numerically limited immigration from 270,000 to 320,000 (Immediate Relatives of U.S. citizens—parents, spouses and minor children—remain outside this ceiling).

The 50,000 new numbers are assigned to a new "independent" category separate from the family reunification system. (Currently the family reunification and employment-related preferences are combined, and the percentages assigned to each preference compete with one another. Under the bill there will be two, separate preference systems.) The 50,000 additional numbers under the "independence" category will be apportioned through a newly established point system.

Reforms the current family reunification preferences to give higher priority to more immediate family members of permanent residents.

#### I. FAMILY REUNIFICATION

Maintains current number of family preference visas (216,000 a year).

Allocates a higher percentage of these visa numbers to spouses and children of legal permanent residents (65 percent compared to 26 percent today); this will deal with the heavy backlog that exists today in 2nd preference—which, in some countries is 7 to 9 years.

Eliminates the portion of the current second preference for adult sons and daughters of legal permanent residents.

The fifth preference for brothers and sisters of U.S. citizens is retained, but limited to unmarried brothers and sisters; pending claims under the current system are grandfathered in.

The above changes were all recommended by the Select Commission on Immigration and Refugee Policy.

#### II. INDEPENDENT IMMIGRANTS

The existing 3rd (professional) and 6th (skilled/unskilled) preferences, with 54,000 places, are combined with the new 50,000 nonpreference numbers to create an "independent" system of 104,000 visas annually.

The additional 50,000 visas are for applicants who qualify on the basis of a new point system and, once qualified, will be selected by whatever means are most equitable for the registrants and most easily administered, probably by random computer selection. Individual labor certification will not be required for this new nonpreference category.

#### ADVANTAGES OF THE BILL

More visa numbers become available to "independent" immigrants who do not have the immediate family ties to the U.S. necessary to qualify for the current family preferences.

Registration for the new nonpreference visas is world-wide, but the point system gives an advantage to applicants from the 36 countries adversely affected by the Immigration Act of 1965. The annual ceiling of 20,000 visas per country under current law is retained; countries may use their limitation for family reunification or for the independent category, or both.

The 50,000 new visa numbers of the "independent" category do not require individual labor certification, which has been a major obstacle to "independent" immigrations until now.

The bill reorganizes family reunification classes to make more visas available to spouses and children of legal permanent residents, in order to reduce the huge backlogs for these immediate relatives of persons living in the U.S.

A modified "sunset" provision is included to assure all those affected by these changes that Congress must review their implementation after five years. The review would study future family reunification requirements, the impact of immigration on employment and domestic conditions in the U.S., and other relevant concerns. If changes are needed, under the modified "sunset" provisions, Congress can act constructively and swiftly.

COMPARISON OF VISA NUMBERS UNDER CURRENT LAW AND KENNEDY/DONNELLY BILL

| | Current law | Kennedy/Donnelly | Changes in definition of category |
|---|---|---|---|
| I. FAMILY PREFERENCES | | | |
| Immediate relatives (spouses and minor children; outside preference system). | (1) | (1) | Same. |
| 1st Pref. (unmarried adult sons and daughters of U.S. citizens). | 54,000 | 32,400 | Same. |
| 2nd Pref. (spouses and unmarried sons and daughters of residents). | 70,200 | 140,400 | Limited to spouses and unmarried children under 21. |
| 4th Pref. (married sons and daughters of U.S. citizens). | 27,000 | 21,600 | Same. |
| 5th Pref. (brothers and sisters of adult U.S. citizens). | 64,800 | 21,600 | Limited to unmarried siblings and pending 5th pref. |
| Total family preferences. | 216,000 | 216,000 | |
| II. INDEPENDENT | | | |
| 3rd Pref. (professions and exceptional ability). | 27,000 | 27,000 | Same. |
| 6th Pref. (skilled and unskilled). | 27,000 | 27,000 | Limited to skilled. |
| Nonpreference | 0 | 50,000 | Adds 50,000 administered according to new point system. |
| Total independent | 54,000 | 104,000 | |

[1] No limit.

*Point system for nonpreference visas*

| | *Maximum points* |
|---|---|
| Age | 10 |
| Education | 12 |
| Higher education | 15 |
| Vocational preparation | 10 |
| Desired skill | 20 |
| Experience in desired skill | 10 |
| Arranged employment | 20 |
| Adversely affected country | 30 |
| U.S. citizen sibling | 10 |
| Speak and read English | 10 |
| Total | 147 |
| Needed to apply | 70 |

CRITERIA

Age: Minimum age is 18. Ten points for persons ages 18-40; deduction of 2 pts. for every year over 40.

Education: One point for each year of grade school through high school or equivalent.

Higher education: 10 points for college or equivalent; up to 5 additional points for post-graduate education.

Vocational preparation: The points needed for a particular job or skill would be determined by the administration, up to 10 points.

Desired skill: The administration would determine areas of shortages in skilled workers.

Experience: Up to 10 points for work experience in desired skill.

Arranged employment: Not subject to labor certification.

Adversely affected country: Determined by Department of State (36 countries are on the current list).

U.S. citizen sibling: Brother or sister of adult U.S. citizen.

**Mr. MOYNIHAN.** Mr. President, I rise today to join Senator KENNEDY in introducing a bill to correct inequities in our immigration laws which have existed since 1965. This bill, the Immigration Act of 1987, would change the numerical limitation and preference system for the admission of immigrants to this country.

Fairness is at issue here. One need only look at a country such as Ireland with strong historical roots in America to see how the Immigration and Nationality Act Amendments of 1965 radically changed the balance of immigration. The 1965 act established a limit of 270,000 new visas per year to be issued under a preference system that strongly favors individuals that have close relatives who recently emigrated to the United States.

The system works to the disadvantage of individuals in countries like Ireland, which sent the first waves of immigrants to America. The countries which sent our grandparents and great-grandparents to America are penalized because citizens of those countries who want to emigrate to the United States do not have close enough relatives here to qualify under the 1965 preference categories.

I am most personally familiar with immigration from Ireland. One hundred and one years ago, my grandfather Jack Moynihan left County Kerry in search of opportunity and a new life—a search which led him to Jamestown, NY. Yet, under our current immigration laws, my grandfather would not have been so fortunate. Permit me to explain why. In his book, "The Irish Americans," Andrew M. Greeley states that about one quarter of the Irish in America are descendants of families who migrated before 1870, another two-fifths are descendants of those who came between 1870 and 1900, and another quarter are descendants of those who came between 1900 and 1925. Only 7 percent of Irish Americans are descendants of immigrants who came after 1925. Seventy-one percent of Irish Catholics in America are third or fourth generation. As a result of this situation, of 270,152 preference visas issued worldwide in 1986, only 730 were issued to Irish citizens. This is directly attributable to the advantage given to visa applicants with immediate family in the United States.

Economic conditions have scarcely improved since the days when my grandfather Jack lived in Ireland. In fact, the unemployment rate is over 30 percent for young people. Yet, it is doubtful that today my grandfather would be eligible to enter this country under our existing laws. Our present immigration policy functions at the expense of countries, like Ireland, which sent our earliest settlers—the forefathers of many Americans today.

From the travels and discoveries of St. Brendan—another native of County Kerry—in the fifth century to the early explorers of the Colonies, the tales of these first pioneers are fascinating indeed. Michael J. O'Brien, historiographer of the American Irish Historical Society at the turn of this century, in his collection of 132 articles, lists no fewer than 25,000 17th and 18th century Irish pioneers and settlers—even before the "green wave" of Irish immigration hit our shores during the 19th century. O'Brien chronicled the early expeditions to the New World stating that, "It seems that in all of the early voyages of the English to the American Continent, the adventurous Irishman was present."

This included Sir Walter Raleigh's first and subsequent voyages to this country. In his article entitled "A Glance at Some Pioneer Irish in the South," (1907) O'Brien writes, "In the charter which Raleigh received from the English Crown on March 27, 1585, empowering him to hold the lands which he had colonized in America and apportion them among the colonists, reference is made to persons from England and Ireland, thus showing that Irishmen were among the first white settlers of the Western World."

The O'Brien article also tells the tale of Capt. John White, believed to be a native of County Kerry, and his return journey from Virginia in 1587. "One of his vessels encountered a great storm. The crew and passengers were in sore straits on account of the lack of food and water, expecting to perish by famine at sea. When they had almost given up in despair, they sighted land which proved to be the coast of Kerry. The whole company was brought ashore, where the sick sailors and passengers were taken care of by the local doctor. They stayed there for nearly 2 weeks."

The significance of this tale is even greater than at first glance, for according to O'Brien, "Captain White distributed some potato plants among the people, the first ever seen in Europe. It is generally supposed that it was Raleigh who first brought the potato plant to Europe, but according to White's account, it was he who introduced it, and that it was the inhabitants of County Kerry who were the first Europeans to taste the esculent tuber."

While many of us may not be familiar with the story of the introduction of potatoes to Ireland, most schoolchildren can recite the tale of devastation and famine in that country when the potato crop failed. The mass waves of Irish immigration to this country during the 1800's are directly linked to the potato famines of that time. In "Beyond the Melting Pot," (1963) I wrote that "the basis of Irish hegemony in New York City was the famine emigration of 1846–50. By 1890, a full quarter of the city's population were Irish."

And indeed, this country has prospered because of the unique qualities and contributions of the Irish. As President Kennedy said during his historic address to the Parliament of the Republic of Ireland on June 28, 1963, "It is the quality of the Irish, the remarkable combination of hope, confidence, and imagination that is needed now more than ever today * * *. We need men who can dream of things that never were, and ask why not."

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But now, because the Irish presence in country began so long ago, the citizens of this and other similarly situated countries are finding the once welcoming shores of America closed to them. In the interest of fairness, something must be done. That is why I join Senator KENNEDY in introducing the Immigration Act of 1987. In brief, this bill would increase the number of nonpreference visas, which would be available on a point system, which among other things, would allow additional points for being from a country which was adversely affected by the 1965 Immigration Act.

The purpose is simple, that is, to rectify the legal inequity which keeps the ancestors of the early voyagers and immigrants to this country from being accorded equal treatment under our immigration laws. The solution is simple, and I urge my colleagues to support this essential proposal.

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By Mr. HATCH:

S. 1612. A bill to provide for the disposition of unclaimed property in the custody of the United States; to the Committee on Governmental Affairs.

### UNCLAIMED PROPERTY ACT

● Mr. HATCH. Mr. President, I rise to introduce the Unclaimed Property Act of 1987. The bill relates to the matter of escheat, the succession of abandoned property of the State. It results from the failure of a person legally entitled to the property to make a valid claim against the holder of the property within a prescribed period of time. Property is also escheated from the estate of a person dying intestate or partially intestate without any known or discoverable heirs.

The principal of escheat originated in the elaborate feudal landholding system which existed in England during the Middle Ages. The basic premise was that property which remained without an owner or upon failure to make claim by a descedent's heirs, reverted to the sovereign from whom all property rights were derived. This concept was brought to the American Colonies by the English settlers and was included in the instrument by which the lords proprietors governed the Colonies.

The bill that I am submitting actually applies to either escheat or unclaimed property depending upon the specific law within the State. There is a distinction that needs to be made between the terms escheat and unclaimed property. Escheat refers to money that actually belongs to the government, which they can keep after a specified amount of time. Whereas, unclaimed property is money that the State is holding in its custody; however, an owner or legal heir may come back at any time to reclaim it.

The majority of the States have enacted uniform unclaimed property statutes which empower the States to collect and hold abandoned property, pending the submission of claims by the owners or their heirs to recover this property. Before a State executes its power of escheat, each State must establish a mechanism for locating lost owners through newspaper advertising and letters. A number of States have staff members whose sole duty is to track down lost owners. The last known address of the owner would be in the State receiving possession of the funds. The success rate in various States varies, but some claim having returned 50 percent of the funds initially reported by the holders. With the Unclaimed Property Act of 1987, the States would only begin their search after the Federal agencies have ceased to look. Thus, after the Federal agency has declared itself unable to locate the lost owner, they would turn over the funds to the States rather than the U.S. Treasury.

The States have formed the National Uniform Law Commission, which is a national group composed of all the individual State agencies whose job it is to find the owners of this unclaimed property. In 1954, they held their first meeting at which they prepared the initial unclaimed property law. Many States subsequently adopted this legislation. It has been reviewed and altered twice since this time, once in 1966 and most recently in 1981. The majority of all States have adopted the current law, in most instances with respect to unclaimed property rather than escheat.

For nearly 50 years, the States have been involved in an ongoing controversy with agencies of the Federal Government with regards to the right of escheat. Historically, the right of escheat was considered a State prerogative. Congress, however, has passed escheat laws which increasingly supersede this right. I am submitting this legislation in order to restore the right to escheat to the States.

There have been too many instances in which the Federal Government has refused to comply with State agencies when they have asked for various types of unclaimed property. California is now holding more than $1 million in U.S. bonds which the U.S. Treasury will not cash. I am compelled to conclude the Federal agencies will insist on continuing to hold such funds and will refuse to turn them over to the States so that the rightful owners can be sought and will neither negotiate nor moderate their stand without compelling legislation, such as the present bill.

Among the various types of property involved in this controversy are: the cashing of U.S. savings bonds turned over to States as unclaimed or escheated property through bank safe deposit boxes, savings bonds purchased and never delivered to owners, uncashed U.S. tax refund checks, unclaimed wages collected by the Department of Labor, uncashed postal money orders, uncashed unemployment compensation checks, unclaimed Federal retirement contributions including pension and military checks, unclaimed funds held by HUD, for a variety of examples.

I urge my colleagues to join me in restoring this traditional right to the State government. I ask unanimous consent that the text of the proposed bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1612

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Unclaimed Property Act of 1987".

### DECLARATION OF POLICY

SEC. 2. It is the policy of Congress that—

(1) notwithstanding any other provision of law, States may escheat or otherwise take possession of unclaimed property in the custody of Federal agencies whenever the provisions of this Act have been complied with;

(2) if a State escheats or otherwise takes possession of unclaimed property pursuant to this Act, a Federal agency may not assert an interest in the unclaimed property by reason of any delay in the presentation of claims or demands for payment or delivery by or on behalf of the owners;

(3) nothing in this Act shall apply to any claim filed with a State pursuant to State law for any property paid or delivered to a State pursuant to this Act; and

(4) the United States shall assist the States in discovering and recovering such property.

### DEFINITIONS

SEC. 3. As used in this Act:

(1) The term "Administrator" means the Administrator of General Services of the United States.

(2) The term "authorized officer" means a State officer or employee who is expressly authorized under State law to escheat or otherwise take possession of unclaimed property on behalf of the State.

(3) The term "Comptroller General" means the Comptroller General of the United States of America.

(4) The term "Federal agency" means—

(A) any executive or military department, agency, or independent establishment in the executive branch of the United States;

(B) any corporation wholly-owned by any entity referred to in subparagraph (A); and

(C) any establishment in the legislative or judicial branch of the Government (except the Senate, the House of Representatives, the Architect of the Capitol, and any activities under the direction of the Architect of the Capitol).

(5) The term "owner" means any person who has a legal or equitable interest in unclaimed property. For the purposes of this Act, the owner shall be conclusively presumed to be the person to whom unclaimed property is payable or returnable according to the records of the Federal agency which delivers the property to the Administrator pursuant to this Act. If two or more persons are interested in the property, and the extent of the respective interests of each is unknown, it shall be presumed that the interests of such persons in such property are equal.

(6) The term "person" means any individual, partnership, corporation, unincorporated association, or other legal entity.

(7) The term "State" means any State of the United States, including the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and any other territory or possession of the United States.

(8) The term "unclaimed property" means any intangible personal property, including, but not limited to, money, liquidated obligations, choses in action, accounts, entrusted funds, deposits, evidences of debt or instruments held by any Federal agency, officer or employee thereof (except bonuses, gratuities, and sums held by the Social Security Administration), which has remained unclaimed by the owner or the heirs, successors, or assigns of the owner for five years—

(A) from the date of maturity or call for payment, if arising from a transaction under the public debt;

(B) after the last transaction concerning principal or interest, if deposits are in the postal savings system; or

(C) after the property first became payable, demandable, or returnable, if arising from any other transaction.

### DISCOVERY OF UNCLAIMED PROPERTY

SEC. 4. (a) The Comptroller General shall conduct annually an examination of all records in possession of or relating to the accounts of each Federal agency concerning unclaimed property in the custody of such agency. From such records, the Comptroller General shall determine and record, with respect to all such property—

(1) the name and, if available, last known address of each owner;

(2) the dates essential to determine, under section 3(a) of this Act, when the property became unclaimed property;

(3) the monetary value of the property; and

(4) the nature of the transaction in which the Federal agency obtained custody of the property.

(b) Except as otherwise provided in section 2575 of title 10, United States Code, all unclaimed property in the custody of any Federal agency shall be transferred, under such regulations as the Comptroller General shall prescribe, to the custody of the Administrator, who shall retain custody thereof pending disposition pursuant to the provisions of this Act.

### REPORTS TO STATES

SEC. 5. (a)(1) The authorized officer shall—

(A) certify in writing that such officer is authorized under State law to escheat or otherwise acquire unclaimed property on behalf of a State; and

(B) request in writing that the Comptroller General provide a report of all unclaimed property to which the State may be entitled to recover pursuant to section 6.

(2) A request under paragraph (1)(B) shall remain in effect until terminated in writing by the authorized officer.

(3) The Comptroller General shall annually report to the authorized officer of each State all information obtained pursuant to section 4(a) concerning all unclaimed property to which the State may be entitled to recover pursuant to section 6.

(b) The Comptroller General shall annually report to the authorized officer of each State the aggregate monetary value of all unclaimed property identified pursuant to section 4(a) for which no address of any owner is available according to records of the Federal agency that delivers the property to the Administrator pursuant to this Act.

### RECOVERY OF UNCLAIMED PROPERTY BY STATES

SEC. 6. (a) The authorized officer shall—

(1) file a written demand for the property with the Administrator identifying the owner, the last known address of the owner as disclosed in the report of the Comptroller General, and the value or description of the unclaimed property; and

(2) certify in writing that the State shall relieve from liability the United States and any Federal agency, official and employee thereof from any claim arising from the delivery of any property to the State pursuant to this Act.

(b) The Administrator shall deliver unclaimed property for which only one owner is identified by the Comptroller General to the State in which the last known address of the owner is located.

(c) The Administrator shall deliver any unclaimed property for which two or more owners are identified by the Comptroller General in the following manner:

(1) If the last known address of all owners are located in one State, such State shall be entitled to claim the property.

(2) If the last known address of the owners are located in two or more States, each State shall be entitled to claim a proportion of the total value of the unclaimed property equal to the ratio between—

(A) the number of owners with a last known address in a State; and

(B) the total number of owners.

(3) If the address of any owner is unknown and the last known address of all other owners are located in one State, such State shall be entitled to claim the total value of the property.

(4) If the address of any owner is unknown and the last known address of the other owners are located in two or more States, each State shall be entitled to claim a proportion of the total value of the unclaimed property equal to the ratio between—

(A) the number of owners with a last known address in a State; and

(B) the total number of owners with last known address.

(d) The Administrator shall deliver to the authorized officer of each State a proportion of the aggregate monetary value of all unclaimed property reported pursuant to section 5(b) equal to the ratio between the population of each State and the total population of all States combined, as determined by the most recent census, if—

(1) the authorized officer of a State files a written demand for the proportionate monetary value of property to which the State is entitled under this subsection; and

(2) the authorized officer certifies in writing that the State shall relieve from liability the United States and any Federal agency, official and employee thereof from any claim arising from the delivery of any property to the State pursuant to this Act.

(e) Notwithstanding any other provision in this section, the Administrator shall deliver unclaimed property to the heirs, successors or assigns, or a legal representative of the owner upon receipt of a certified copy of an order or judgment of a State court of competent jurisdiction declaring the right of the party requesting delivery to obtain possession of the unclaimed property.

(f) The expiration of any period of time specified by Federal or State statute, court order, or contract, during which an action or proceeding may be commenced or enforced to obtain payment of a claim for funds or recovery of property shall not affect the right of a State to escheat, acquire custody, or obtain possession of unclaimed property in accordance with the provisions of this Act.

(g) For the purposes of this Act, the last known address of an owner shall be conclusively presumed to be the last known address of such owner according to the records of the Federal agency which delivers the unclaimed property to the Administrator pursuant to this Act.

### RULES AND REGULATIONS

SEC. 7. The Comptroller General may delay implementation of sections 5 and 6 of this Act within one year after enactment, if the Comptroller General determines that such a delay is necessary in order to permit Federal agencies to comply with this Act. The Comptroller General shall give notice of any such delay in the Federal Register.

### AUTHORIZATION OF APPROPRIATION

SEC. 8. There is authorized to be appropriated to the Comptroller General and to the General Services Administration, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this Act.

### EFFECTIVE DATE

SEC. 9. This Act shall take effect ninety days after the date of enactment and shall apply to any unclaimed property which matured or was called, or regarding which the last transaction concerning interest or principal occurred, or which otherwise became payable, demandable or returnable as provided in section 3(8), at any time during the five years immediately preceding the effective date of this Act.●

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By Mr. HATFIELD:

S. 1613. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Umatilla Basin Project, Oregon, and for other purposes; to the Committee on Energy and Natural Resources.

### UMATILLA BASIN PROJECT

● Mr. HATFIELD. Mr. President, today I am introducing legislation authorizing the Umatilla Basin project in my home State. This bill is similar to one I introduced during the 99th Congress, S. 2931, and represents a solution to a longtime water distribution conflict between the agricultural community in the Umatilla River Basin and the Confederated Tribes of the Umatilla Indian Reservation.

This dispute stems from conflicting commitments made by the Federal Government over the last 132 years. In 1855, the U.S. Government, in exchange for vast areas of the Umatilla Indians' tribal land, promised to protect Indian hunting and fishing rights within the reservation and at the "usual and accustomed" places outside the reservation. However, at the turn of the century, the Department of the Interior's Reclamation Service, now the Bureau of Reclamation, began an irrigation project in the Umatilla

Basin which strained the water resources of the area and reduced severely the salmon and steelhead runs which were guaranteed to the Umatilla Indians by the Federal Government.

This legislation embodies years of effort by the Confederated Tribes and the broader nontribal community of northeastern Oregon to develop a pragmatic, least-cost approach to meeting the Federal Government's treaty obligations in the Umatilla Basin without devastating the area's valuable agricultural economy. In addition, the project would provide badly needed tribal economic development, stimulate and diversify the local nontribal economy, and annually contribute millions of dollars in catches of anadromous fish to marine and freshwater in Alaska, Washington, and Oregon. In effect, the Umatilla Basin Project presents the Federal Government with a rare opportunity to meet its treaty obligations in a way which will turn a substantial economic profit to the local area, the region and the Nation.

The bill I am introducing today essentially is a consensus product of negotiations conducted by local, State, Federal, and tribal water interests in the Umatilla Basin. While it may be necessary to amend portions of this bill, I believe it represents a good starting point for discussion on this subject.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

## S. 1613

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Umatilla Basin Project Act."

### SEC. 2. AUTHORIZATION OF PROJECT.

(a) For purposes of mitigating losses to anadromous fishery resources and continuing water service to the Hermiston, West Extension, Westland, and Stanfield Irrigation Districts, or any other entity which participates in the project water exchange, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (Act of June 17, 1902, and Acts amendatory thereof and supplementary thereto), is authorized to construct, operate, and maintain the Umatilla Basin Project, Oregon, substantially in accordance with the report of the Secretary. The principal works of the project shall consist of:

(1) Pumping plants and related diversion, conveyance, and distribution features;

(2) Works incidental to the rehabilitation or modification of existing irrigation systems necessary to accomplish a water exchange;

(3) Fish passage and protective facilities and other necessary mitigation measures;

(4) A program to monitor and regulate project operations; and

(5) A program to evaluate fishery resource mitigation measures.

### SEC. 3. INTEGRATION AND OPERATION OF PROJECT.

Project facilities and features authorized by this Act shall be integrated and coordinated, from an operational standpoint, into other features of the Umatilla Project, and shall be operated in a manner consistent with Federal reclamation laws and water rights established pursuant to State law including the contract rights of water users. Prior to the initiation of project construction, the Secretary shall secure the necessary State and local permits and other authorities for the operation of project facilities, and through the conclusion of appropriate agreements with the State of Oregon, the relevant irrigation districts, and the Confederated Tribes of the Umatilla Indian Reservation provide for the monitoring and regulation of project related water supplies for the purposes herein identified.

### SEC. 4. POWER FOR PROJECT PUMPING.

The Administrator of the Bonneville Power Administration, in accordance with provisions of the Columbia River Basin Fish and Wildlife Program established pursuant to the Pacific Northwest Electric Power Planning and Conservation Act (94 Stat. 2697), shall provide for project power needed to effect the water exchange with irrigation districts for purposes of mitigating anadromous fishery resources. The cost of power shall be credited to fishery restoration goals of the Columbia River Basin Fish and Wildlife Program.

### SEC. 5. RATE FOR CONSTRUCTION CHARGES.

The rate used for computing interest during construction, and where appropriate, interest on the unpaid balance of the reimbursable costs of the project shall be determined by the Secretary of the Treasury as of the beginning of the fiscal year in which funds for construction of the project are first disbursed, taking into consideration the computed average market yields on outstanding marketable obligations of the United States which are neither due nor callable for 15 years from date of issue.

### SEC. 6. FISHERY RESOURCE FACILITIES.

Facilities and any other project features which furnish fishery resource benefits in connection with the project shall be constructed, operated, and maintained in accordance with the Federal Water Project Recreation Act (Public Law 89-72, 79 Stat. 213), as amended, except that costs allocated to the mitigation of anadromous fish species shall be nonreimbursable.

### SEC. 7. NON-FEDERAL OBLIGATIONS.

The Secretary shall negotiate and enter into agreements which specify appropriate non-Federal obligations of the operation and maintenance of project facilities authorized in this Act. The Federal responsibility for operation and maintenance shall be limited to those costs in excess of non-Federal obligations as established by such agreements.

### SEC. 8. INTERIM FLOW AUGMENTATION.

Until the facilities authorized in this Act are constructed and in operation, and as an interim measure to provide flow augmentation in the Umatilla River for anadromous fishery resources, funds are authorized to be appropriated to the Secretary to provide for interim operation and maintenance of existing pumps or other facilities for the purpose of providing flow augmentation for anadromous fish, except that pumping power shall be provided in accordance with section 4 of this Act.

### SEC. 9. NON-FEDERAL COSTS.

(a) Credit For Non-Federal Fishery Resource Improvements.—The Umatilla Basin Project authorized by this Act is a Federal action to improve streamflow and fish passage conditions and shall be considered part of a comprehensive program to restore the Umatilla River basin anadromous fishery resource. Related fishery resource improvement facilities which utilize funding sources under the Pacific Northwest Electric Power Planning and Conservation Act of 1980 (94 Stat. 2697) and programs of the State of Oregon and other entities shall be consolidated in any final calculation of required cost sharing.

(b) Treatment of Non-Federal Costs Incurred in Implementing Project Features Before Appropriations.—Where a public or private entity shares in the cost of or constructs any feature of the project or portion thereof prior to the appropriation of funds for construction of such feature, the costs incurred shall be credited to the total amount of any cost sharing required for the project. The Secretary is authorized to accept title to facilities appropriate to the project without compensation and thereafter to operate and maintain such facilities.

### SEC. 10. CONJUNCTIVE USE OF PUMPING FACILITIES.

When project pumping capacity is available in excess of that needed for fishery resource benefits, such capacity shall be available to lands eligible for service from the irrigation districts that participate in the project authorized in this Act, provided that such use shall be considered as secondary to the purpose of providing water for fishery resource purposes. Pumping power for this purpose shall be provided from the Federal Columbia River Power System at charges applicable to the Federal Reclamation projects in the Pacific Northwest, and the cost of power for such pumping shall be borne by irrigation districts receiving the benefit of such water, and the districts shall also bear that portion of the cost of transmitting power from the Federal Columbia River Power System to the Project pumping facilities allocated to this use.

### SEC. 11. REHABILITATION AND BETTERMENT AUTHORIZATION.

For purposes of encouraging water conservation and improvements to water supply systems of the irrigation districts participating in the project authorized by this Act, such districts shall be eligible to receive financial assistance, as deemed appropriate by the Secretary, under provisions of the Rehabilitation and Betterment Act of October 7, 1949 (73 Stat. 724), as amended.

### SEC. 12. LEASE AND PURCHASE OF WATER

The Secretary is authorized to acquire from willing parties land, water rights or interests therein for benefit of fishery resources consistent with the purposes of this Act; provided that acquisition of water rights shall be in accordance with applicable State law. There is hereby authorized to be appropriated such sums as required to accomplish the purposes of this section.

### SEC. 13. AUTHORIZATION OF APPROPRIATIONS.

(a) There is hereby authorized to be appropriated for construction of the Umatilla Basin Project the sum of $42,200,000 (April 1987 prices), plus or minus such amounts as may be required by reasons of changes in the cost of construction work of the types involved therein as shown by applicable engineering cost indexes and exclusive of facilities indicated in Section 13(b) of this Act. There are also authorized to be appropriated such sums as may be required for the operation and maintenance of the project, including the monitoring and evaluation of project accomplishments.

(b) Related fish passage and protective facilities that are features of the Columbia River Fish and Wildlife Program established pursuant to the Pacific Northwest Electric Power Planning and Conservation Act (94 Stat. 2697) shall be consolidated into calculations of project costs and benefits; provided that the Secretary shall not request an appropriation of funds to construct any facilities which are approved to be or are constructed as part of the Columbia River Basin Fish and Wildlife Program.●

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By Mr. D'AMATO (for himself, Mr. Helms, Mr. Cranston, Mr. Kerry, Mr. Durenberger, Mr. Murkowski, Mr. Symms, Mr. DeConcini, Mr. Kennedy, Mr. McCain, and Mr. Wilson):

S. 1614. A bill to restrict United States assistance to Panama; to the Committee on Foreign Relations.

### RESTRICTIONS ON UNITED STATES ASSISTANCE TO PANAMA

Mr. D'AMATO. Mr. President, I rise today with the support of Senators Helms, Cranston, Kerry, Murkowski, Kennedy, DeConcini, Wilson, and McCain to introduce legislation to assure those Panamanians risking their lives and livelihoods for true democracy, that the United States still stands with them.

Mr. President, for nearly 2 months the brave people of Panama have been demonstrating to the world that General Noriega must leave. To date this body and our Government have been instrumental in supporting the people of Panama. We must, if anything, strengthen our resolve, and speak clearly so as to leave no doubt where we stand.

This legislation prohibits further economic and military aid to Panama. To lift these restrictions, four conditions must be met:

First. The Government of Panama must demonstrate substantial progress in the effort to assure civilian control of the military and remove the Panama Defense Forces and its leaders from nonmilitary activities and institutions;

Second. The Government of Panama must commence an independent investigation into allegations of illegal actions by members of the Panama Defense Forces;

Third. A nonmilitary transitional government must be in power; and

Fourth. Freedom of the press and all other constitutional guarantees to the Panamanian people must be restored.

Mr. President, I commend Senators Dodd and Lugar and others who recently wrote Secretary of State Shultz urging him to continue the suspension of aid to Panama. The legislation introduced today would continue this suspension indefinitely.

Notably, this bill exempts from the prohibition humanitarian assistance and nongovernmental development aid. It also does not affect our obligations under the Panama Canal Treaty.

For fiscal year 1987, Panama was scheduled to receive over $19 million in developmental assistance and over $6 million in military assistance. For fiscal year 1988, Panama is scheduled to receive $19 million in developmental assistance, $10 million in cash transfers, and $3.5 million in military assistance.

Of the amount of aid remaining for fiscal year 1987, $10.1 million would be suspended under this legislation. Of the amount requested for fiscal year 1988, at least $13.5 million would be suspended by this legislation.

We must ensure that no aid goes to Panama unless a democratic civilian government, free from military control, is in power in Panama. Admittedly, Mr. President, our bilateral aid program is more symbolic than vital. Frankly, the aid we give the Government of Panama is pocket change for Noriega. But resumption of aid to Panama while Noriega remains in power can only be viewed as a sign of support, or acquiescence, in his desperate—and, I believe, doomed—struggle to continue as Panama's dictator.

Remember with whom we are dealing with in Panama. On Tuesday, Mr. President, it was reported in the Baltimore Sun and the Miami Herald that General Noriega is under investigation by a Federal grand jury in Miami for providing protection to cocaine trafficking and money-laundering operations in return for lucrative payoffs. The articles tell of a sordid operation where Noriega allegedly received a 1.5-percent cut of all transactions. With estimations that up to $200 million a month is laundered through Noriega's banks, the personal profits he reaps are tremendous.

I ask unanimous consent that these articles be included into the Record at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Baltimore Sun, Aug. 4, 1987]

### PANAMANIAN STRONG MAN TIED TO DRUG TRADE

Washington.—Panamanian strong man Manuel Antonio Noriega is the focus of a major federal drug-conspiracy investigation and is suspected of providing protection to cocaine trafficking and money-laundering operations in return for hefty payoffs, federal law enforcement sources said yesterday.

The probe by a federal grand jury in Miami is being pursued despite a split within the Reagan administration about whether to press for General Noriega's ouster, with CIA and Pentagon officials reportedly maintaining that the fall of the Panamanian defense chief could endanger U.S. military bases in Panama.

Investigators charge that General Noriega allegedly has been skimming as much as 1.5 percent of the value of drug shipments and drug-related money transfers passing through Panama for several years. They say that attempts by General Noriega to increase his percentage prompted people with knowledge of the scheme to come to U.S. authorities and contribute to the case being built by Drug Enforcement Administration agents.

One law enforcement source familiar with the matter said the evidence gathered so far was "very strong," but acknowledged that there were problems in corroborating some details provided by single sources. Another official, also close to the investigation, said "don't hold your breath," when asked whether an indictment was imminent.

Officials who refused to be identified by name or agency said the investigation almost certainly would cause further strain to the United States' increasingly tense relations with the Noriega regime. There have been widespread demonstrations against the military chief, and the State Department has called for new elections and a return to civilian rule in Panama.

While the officials conceded that there was little possibility that Panama would agree to extradite General Noriega to face federal charges in Florida, where much of the cocaine allegedly entered this country, they said that allegations formally returned by a grand jury could intensify pressures inside and outside Panama to reduce corruption and the flourishing drug trade there.

Two sources familiar with a congressional investigation of narcotics in Latin America said that several witnesses had directly implicated General Noriega in money-laundering and drug-protection schemes.

The chief witness, Ramon Milian-Rodriguez, told a Senate subcommittee in private testimony last month that General Noriega had negotiated a commission of up to 1.5 percent on all money transfers by a major Colombia cocaine cartel through banks in Panama, the sources said.

Milian-Rodriguez, a Cuban-American who allegedly helped manage the Colombian drug cartel's finances and who is now serving a 35-year sentence on a federal racketeering conviction, testified under oath that he personally had negotiated the commission arrangement with General Noriega in 1979, they said.

Milian-Rodriguez said that the Colombia traffickers had moved as much as $200 million a month through Panamanian banks—all subject to General Noriega's commission, the sources said.

According to Milian-Rodriguez's account of the deal, General Noriega offered government protection for the trafficker's money laundering and for cocaine-processing plants in Panama in exchange for commissions on both operations, the sources said.

In 1983, Milian-Rodriguez reportedly testified General Noriega began pressing the Colombians to increase his commission on money-laundering transactions to 3 percent, the sources said. It was not clear whether the payments to General Noriega were increased that steeply, they said.

Last year, General Noriega, commander of the Panama Defense Forces, the nation's sole military and police organization, contended that U.S. press reports linking him to drug trafficking were part of a "dirty war" to prevent his country from taking over the Panama Canal in the year 2000 as scheduled.

The congressional investigation is being conducted by the Senate Foreign Relations subcommittee on terrorism and narcotics, chaired by Sen. John F. Kerry, D-Mass.

In an unusual political alliance, the liberal Kerry has teamed up with conservative Sen.

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Jesse A. Helms, R-N.C., to press the congressional investigation of General Noriega and other Latin American officials suspected of involvement in drug trafficking.

The disclosure that General Noriega, is the target of a federal drug-conspiracy investigation comes only two months after Attorney General Edwin W. Meese III and other Justice Department officials praised Panamanian law enforcement officials for seizing millions of dollars of drug profits deposited in Panama banks by major Colombian drug traffickers.

"When Meese talks about the cooperation he's gotten from Panama, it's basically busting the Colombian cartel's competitors," a source familiar with the Senate investigation said.

The Colombian cartel allegedly linked to General Noriega is run by drug kingpins Jorge Ochoa and Pablo Escobar and is suspected of supplying as much as 75 percent of the cocaine sold in the United States.

Milian-Rodriguez, who was convicted of racketeering and sentenced to 35 years in prison in 1985, told the Senate panel that the cartel owns majority interests in seven banks in Panama, the sources said.

Senate sources said that General Noriega has neither State Department nor National Security Council support and little Justice Department support, but is still backed by the Pentagon and CIA.

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[From the Miami Herald, Aug. 4, 1987]

### MIAMI JURY PROBES NORIEGA DRUG LINK

(By Ronald J. Ostrow and Doyle McManus)

WASHINGTON.—Panamanian strongman Gen. Manuel Antonio Noriega is the focus of a major federal drug conspiracy investigation based on testimony he provided protection to Colombia's cocaine trafficking cartel and money laundering operations in return for hefty payoffs, federal law enforcement sources said Monday.

The probe by a federal grand jury in Miami is being pursued despite a split within the Reagan administration about whether to press for Noriega's ouster, with CIA and Pentagon officials reportedly maintaining that the fall of the Panamanian defense chief could endanger U.S. military bases in Panama.

"The State Department has abandoned Noriega, and so has the National Security Council," a Senate source said. "But the Pentagon and the CIA believe we have more important interests in Panama than fostering democracy and cutting off the drug traffic," referring to concerns that a new regime might evict U.S. military forces stationed in the country.

Investigators charge that Noriega has been skimming as much as 1.5 percent of the value of drug shipments and drug-related money transfers passing through Panama for several years. They say that attempts by Noriega to increase his percentage prompted people to go to Drug Enforcement Administration agents.

Officials who refused to be identified said that while the investigation may not lead to an indictment, it almost certainly would cause further strain to the United States' increasingly tense relations with Noriega's regime.

Officials also said the investigation could intensify pressures inside and outside Panama to reduce corruption and the flourishing drug trade there.

Two sources familiar with a congressional investigation of narcotics in Latin America said that several witnesses have directly implicated Noriega.

The chief witness, Ramon Milian-Rodriguez, told a Senate subcommittee in private testimony last month that Noriega negotiated a commission of up to 1.5 percent of all money transfers by the Colombian cartel through banks in Panama, the sources said.

Milian-Rodriguez, a Cuban-American who allegedly helped manage the cartel's finances and who is now serving 35 years for racketeering, testified under oath that he negotiated the commission arrangement with Noriega in 1979, they said.

Milian-Rodriguez, arrested in Fort Lauderdale in 1983, said that the Colombian traffickers have moved as much as $200 million a month through Panamanian banks—all subject to Noriega's commission, the sources said.

According to Milian-Rodriguez, Noriega offered government protection for the trafficker's money laundering and for cocaine-processing plants in Panama in exchange for commissions.

In 1983, Milian-Rodriguez reportedly testifed, Noriega began pressing the Colombians to increase his commission on money laundering transactions to 3 percent, the sources said. It was not clear whether the payments to Noriega were increased that steeply, they said.

Last year, Noriega, commander of the Panama Defense Forces, the nation's sole military and police organization, contended that U.S. press reports linking him to drug trafficking were part of a "dirty war" to prevent his country from taking over the Panama Canal in the year 2000 as scheduled.

Disclosure that Noriega is the target of the investigation comes only two months after Attorney General Edwin Meese III and other Justice Department officials praised Panamanian law enforcement officials for seizing millions of dollars of drug profits deposited in Panama banks by major Colombian drug traffickers.

The Senate passed a resolution of disapproval earlier this year against the administration's certification that Panama was making good faith efforts to halt drug traffic. Such certification is a step in the release of U.S. foreign aid funds to countries with a history of drug trafficking.

The Colombian cartel allegedly linked to Noriega is run by drug kingpins Jorge Ochoa and Pablo Escobar, and is suspected of supplying up to 75 percent of the cocaine sold in the U.S.

Last month, when a former deputy chief of staff accused Noriega of corruption, election fraud and complicity in a political assassination, demonstrations broke out across Panama.

Noriega later arrested former deputy, Col. Roberto Diaz Herrera. The government released a deposition Monday in which Diaz Herrera retracted his charges while under detention. His attorney, Alvin Weeden, later said the statement was made under duress.

**Mr. D'AMATO.** Mr. President, General Noriega's activities go well beyond drug trafficking. He has developed an elaborate process of selling Panamanian visas for huge personal gains. He has also been implicated in fixing election results and is accused of beheading Dr. Spadafora, an opposition leader. Most recently, Noriega raided the house of Colonel Diaz and arrested him; imposed censorship on radio and television stations; shut down three opposition newspapers; and, on Tuesday, Noriega's agents raided the headquarters of his opposition, the National Civic Crusade, and has ordered six opposition leaders arrested.

Despite this blatant attempts at intimidation, the opposition in Panama are expecting one of their biggest anti-Noriega rallies today.

The protests in Panama have been remarkably peaceful; only one student has died so far. Yet, reprisals have been severe. The human rights situation is rapidly deteriorating. Jails in Panama City are brimming over. The Panamanian Defense Forces are working overtime to intimidate, detain, and torture.

Regrettably, Noriega's tactics will only become more brutal.

No tactic too vile, no scheme too unscrupulous, and no reprisal is too severe for Noriega and his henchmen. By any standard, Noriega is a ruthless despot. The United States of America cannot be associated with him in any manner.

There is nothing Noriega and his henchmen can do about the eroding popular confidence in Panama's Government. It is the rapid decline of Panama's economy that, with a 14-percent unemployment rate and one of the highest per capita debts in the world, will dictate the downfall of military rule in Panama. Panama's banks are experiencing a run on their deposits. Noriega can use brutal force to keep the people in line, but he is powerless against the forces of economics.

Mr. President, this legislation is both timely and important. The Panamanian people closely watch the actions of our Government. By making aid to that nation conditional on true democracy, then we send a clear and unmistakable signal to all Panamanians that we stand with them, and with the cause of democracy.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1614

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) unless the President certifies to Congress that—

(1) the Government of Panama has demonstrated substantial progress in the effort to assure civilian control of the armed forces and that the Panama Defense Forces and its leaders have been removed from nonmilitary activities and institutions;

(2) the Government of Panama has established an independent investigation into allegations of illegal actions by members of the Panama Defense Forces;

(3) a nonmilitary transitional government is in power; and

(4) freedom of the press and all other constitutional guarantees to the Panamanian people are restored;

then—

(A) no funds appropriated for United States assistance for fiscal year 1987 may be obligated, and no United States assistance may be furnished in any fiscal year thereafter, for Panama, and

(B) for purposes of subsection (a), the term "United States assistance" means assistance of any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government to any foreign country, including—

(1) assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of part I of such Act);

(2) sales, credits, and guaranties under the Arms Export Control Act;

(3) sales under title I or III and donations under title II of the Agricultural Trade Development and Assistance Act of 1954 of nonfood commodities;

(4) other financing programs of the Commodity Credit Corporation for export sales of nonfood commodities;

(5) financing under the Export-Import Bank of 1954; and

(6) assistance provided by the Central Intelligence Agency or assistance provided by any other entity or component of the United States Government. If such assistance is carried out in connection with, or for purposes of conducting, intelligence or intelligence-related activities;

except that the term "United States assistance" does not include (A) assistance under chapter 1 of part I of the Foreign Assistance Act of 1961 insofar as such assistance is provided through private and voluntary organizations or other nongovernmental agencies, (B) assistance which involves the donations of food or medicine, (C) disaster relief assistance (including any assistance under chapter 9 of part N of the Foreign Assistance Act of 1961) (D) assistance for refugees, (E) assistance under the Inter-American Foundation Act, or (F) assistance necessary for the continued financing of education for Panamanians in the United States.

**Mr. CRANSTON.** Mr. President, I am pleased today to introduce, together with Senators D'AMATO, KENNEDY, HELMS, and KERRY, legislation to cut off all United States assistance to Panama until the Government of Panama is in the hands of a nonmilitary transitional authority. Under our bill, all United States aid would be barred until the President can certify that civil liberties have been restored in Panama, solid progress toward democracy is evident, and an independent investigation into allegations of illegal actions by members of the Panama Defense Forces is undertaken. I am also introducing legislation I have authored—which is also cosponsored by Senators D'AMATO, KENNEDY, and HELMS—which would suspend Panama's sugar quota until the same certification conditions are met.

The people of Panama are prepared to make sacrifices for democracy. They have demonstrated their determination, and I believe they want concrete evidence from Washington that the American people support their efforts.

This bill is a clear, unmistakable message of support to the Panamanian people. And it should be a clear signal to the venal, corrupt leadership of Panama's Defense Forces that we in the United States Congress will act against the oppression and the abuse of the Panamanian people. It is a message that we are siding with the Panamanian people and their right to free expression and free elections.

The legislation will not affect United States obligations under the Panama Canal treaties, despite General Noriega's attempts to convince the Panamanian people that we are trying to undermine the treaties and retain total control over the canal. As one of the leaders in the effort to get the Senate to ratify the Panama Canal treaties in 1978, I can assure the Panamanian people and the American people that that is simply not true.

For weeks now, the people of Panama have shown us that they want democracy despite General Noriega's ham-handed efforts to repress and discredit his opposition. In reaction to the strikes and demonstrations and the general unrest that have taken place in Panama, General Noriega has arrested members of the opposition, shut down La Prensa and two other opposition papers and imposed de factor censorship on radio and television news programs. He has sent his thugs against his opponents, against his fellow officers, against the Chamber of Commerce, against the American Embassy. The time has come to say "enough."

Mr. President, the current dictator in Panama is something right out of Conrad's "Heart of Darkness." Panamanians know this. White House and Congress agree on it. As evidenced by the extraordinary cosponsorship on these measures, liberals and conservatives in the Senate agree on it. Panamanians deserve democracy. They want it. They are ready for it. It is not for the United States to intervene. But we do want to send a strong signal. And the best signal is no business as usual with a truly vile dictator. Thus we in the Senate will get a vote as soon as possible to secure suspension of all aid, including even development assistance in the pipeline. We don't want Noriega's forces—who control these U.S. taxpayer dollars—to be able to exploit these funds in the weeks ahead.

I am also introducing legislation today which I intend to offer at an appropriate time as an amendment to the aid cut-off legislation. This measure would suspend all imports of sugar from Panama. At present, the Panamanian sugar quota is used to enrich the corrupt few who sit astride the Panamanian Government. We in the United States Senate want to make sure that these individuals understand that there will be no business as usual so long as Panama is ruled by a ruthless dictator.

Mr. President, I want to also indicate that the attempts by General Noriega's thugs to intimidate American diplomats in our embassy—especially personnel like Ambassador Davis and Deputy Chief of Mission Maisto—will not be tolerated. We are watching developments in Panama very closely. And we are prepared to take even stronger measures if the current despotism in Panama City continues.

**Mr. HELMS.** Mr. President, it is especially meaningful to me to join with Senator D'AMATO and others in introducing legislation on behalf of the people of Panama. I say that without any hesitation whatsoever because that is what it is. This proposal, as Senator D'AMATO has emphasized, would cut off military and economic aid to Panama until the President certifies the following: that there is civilian control over the Panama Defense Forces; that the Government of Panama has established an independent commission to investigate drug-related crimes by senior members of the military; that the Government of Panama has restored constitutional guarantees to its people, and that a nonmilitary transitional government is in power in Panama.

These are things, Mr. President, that the President must certify before military and economic aid to Panama can even be considered.

It is noteworthy that this proposal has attracted wide bipartisan support. At last count, in addition to Senator D'AMATO and this Senator from North Carolina, cosponsors included Senators CRANSTON, KERRY, DURENBERGER, MURKOWSKI, SYMMS, DECONCINI, KENNEDY, MCCAIN, and WILSON. There may be others, and I hope there will be.

I share the opinion expressed by the distinguished Senator from New York that it is regrettable that the Senate cannot vote on this matter today and thereby send an immediate message to Mr. Noriega in Panama.

I said at the outset, Mr. President, that this legislation is especially meaningful to me because for 10 years I have been pointing out as best I could the activities of members of the Panama Defense Forces that can be described only as criminal.

As early as February 1978, I stood in this Chamber and identified a list of names of high-ranking officials of the Panamanian Government who were then implicated in illegal dealings, primarily related to narcotics trafficking.

At the time we were debating the Panama Canal Treaty. I got out a copy of the CONGRESSIONAL RECORD of that time and I shall quote myself—I said:

> The American people will be justifiably angered if it turns out that the Panamanian Government is controlled by international gangsters.

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Of course, I meant the gangsters in the Panamanian military.

In that statement on this floor in 1978, I presented evidence, including sworn statements and indictments, that the Panama Defense Forces were aiding, abetting and protecting the drug traffic in Panama.

Then, Mr. President, in October of 1979 in this Chamber, I advocated a prohibition on assistance to Panama. I recall saying that it was unthinkable to ask the American taxpayers to fund the "gangster leaders of Panama—men who have not held a free election in 15 years, men who have engaged in dope peddling, gunrunning, prostitution, and the skimming of profits from gambling enterprises for all that time."

Then almost 8 years later, to this day, I believe even more strongly than ever that the United States cannot and should not support, with either military or economic aid, that gang of thugs in Panama who have seized control from the Panamanian people. I have been long convinced that we must have strong solidarity with the people of Panama in this time of crisis.

Just this week, Mr. President, the Los Angeles Times revealed that Gen. Manuel Antonio Noriega, commander-in-chief of the Panama defense forces, is the focus of a major Federal drug conspiracy investigation.

I wish I could go into some of the classified information that has been made available to me in a series of hearings on Panama and on narcotics, but I cannot and will not. In any case, the revelation by the Los Angeles paper should not come as a great surprise to those of us who have watched Panama closely for a dozen years or more.

Unfortunately, drug trafficking is not the only problem confronting the Panamanian people. For more than 2 months now, the people of Panama have been fighting actively to overthrow General Noriega and his cronies. The people of Panama are accusing Noriega and other members of the Panama defense forces of complicity in murder—such as the Hugo Spadafora case in which a distinguished citizen was beheaded and his body dumped over the border; complicity in election fraud, complicity in money laundering, complicity in illegal business deals, and complicity in repressive measures against the people of Panama. Not surprisingly, the people of Panama have had enough of this corrupt dictatorship.

It is obvious, Mr. President, that the situation in Panama is deteriorating daily. Just yesterday the Government issued a warrant for the arrest of the six major leaders of the opposition Civic Crusade. All six have had to go underground. Of course, this is an obvious attempt to intimidate General Noriega's opposition on the eve of a well-organized rally, at which time protests against General Noriega and his cronies would have been emphasized once more.

The government, that is to say, the Noriega regime, restated that a decree was still in effect banning all rallies and all gatherings of people.

Nevertheless, the pro-Noriega forces, meanwhile, are holding rallies virtually every day promoting General Noriega and his regime.

There is no official state of siege in effect in Panama, but all the elements of such a state of siege are in place. All opposition newspapers and radio stations are closed. Even the Noriega-controlled television stations are under strict censorship regulations.

Col. Diaz Herrera, Noriega's former second in command, was arrested violently and jailed for speaking out against General Noriega. Nobody knows what fate awaits Col. Dave Herrera.

Mr. President, I am in regular contact with Panamanians from almost every sector, as has been the case for a long time. The Panamanian people are aware, I believe and certainly hope, that I am their friend. They are pleading, often through me, for the United States to help them by making it clear that the United States will not support General Noriega in any way. This Senator certainly will not share responsibility for propping up General Noriega's brutal dictatorship, nor will I share the responsibility for delaying an expression by the U.S. Senate in this regard. It is time for the Senate to go on record and say to those Panamanians who yearn for freedom that we stand with them.

I do hope, Mr. President, that, somehow, the legislation sponsored by Senator D'Amato and me and others can be voted on tomorrow, if not this evening. However, I am convinced that the United States must cut off all aid to Panama until a civilian and democratic transitional government is in power.

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By Mr. SIMON:

S. 1616. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to provide long-term home care benefits under the Medicare Program for chronically ill individuals and children, to provide quality assurance for home care services, and for other purposes; to the Committee on Finance.

### MEDICARE LONG-TERM HOME CARE FAMILY PROTECTION ACT

● Mr. SIMON. Mr. President, I rise today to introduce legislation sponsored by our distinguished colleague and respected advocate of the Nation's elderly and their families, Representative Claude Pepper.

This legislation addresses what we believe is one of the true catastrophic needs facing our Nation's families—long-term care.

A common misconception is that large numbers of older Americans live in nursing homes. In fact, 1.3 million Americans—fewer than 5 percent of those over age 65—live there. Among the 95 percent who do not, 1 in 5 needs help performing at least one daily activity—dressing, bathing, walking, shopping. After age 85, at least 1 in 3 Americans needs help with the basic tasks of daily living.

Older Americans and their families spent $3.5 billion in 1984 for visiting aides, therapists and housekeepers—more than twice the $1.7 billion spent in personal outlays for hospital care. Eighty percent of catastrophic health care expenses are for long-term care provided outside of hospitals. More than 85 percent of Americans are uninsured or under-insured for long-term care.

Although most Americans do not realize it, Medicare has extremely limited coverage for long-term care. Not only are the benefits themselves limited, but recent trends indicate a tremendous denial rate for benefits. Before Medicaid can help, individuals or couples must exhaust their own resources, becoming poor enough to qualify by spending down their income, savings and other assets. Long-term care usually saps the life savings of even the thriftiest middle and lower income families with brutal speed and forces countless seniors to close out their lives as paupers.

Harvard Law School researchers, studying the issue of long-term care in nursing homes, found in 1985 that nursing home costs would bankrupt 46 percent of a sample of single 75-year-olds in Massachusetts in just 13 weeks. By the end of a year in a nursing home, 72 percent would have nothing left.

Of married Alzheimer's patients getting care at home, 47 percent are impoverished within the first year. And millions of seniors with crippling arthritis or other chronic conditions requiring long-term care at home get no protection. Simply stated, the costs of long-term care at home are beyond the reach of the typical working or retired household.

In a typical case, a Jackson, MS couple went through $49,000 in savings during the husband's 7 years of illness, including seven strokes and a heart attack. He died 5 weeks after entering a nursing home and his wife was left penniless. She had to sell his gardening tools and a small tractor to pay for his $1,600 funeral. Caring for chronically ill or disabled working age adults or children presents similarly impossible burdens on countless families.

Let us be honest with the American people about the catastrophic legislation pending Senate action. It is a much needed and necessary step. But it simply will not provide the services most needed. We must continue our efforts in this area.

The Long-Term Home Care Family Protection Act tackles this huge unmet need by offering a new, self-financing, "Long-Term Home Care" benefit under part A of the Medicare Program to aid chronically ill seniors and disabled adults and children, while also relieving severe financial burdens on their families.

The Long-Term Home Care Family Protection Act defends families against the catastrophic costs of chronic illness for seniors, working-age Americans and children needing home care. The plan recognizes that long-term catastrophic home care costs are not simply a problem for the elderly but also for millions of young families crushed by debt in caring for parents or other family members. Home care assistance would be available under the act only when prescribed as essential by a physician and would be closely monitored and managed to assure efficiency and cost effectiveness. Such care could include:

Nursing care; homemaker/home health aide services; personal therapy/rehabilitation; physical therapy/rehabilitation; speech therapy/rehabilitation; respiratory therapy/rehabilitation; medical social services; personal care services; patient and family education and training; medical supplies and durable medical equipment.

Help would also be available to chronically ill seniors, disabled persons and children who have been certified by a doctor to require significant assistance with normal activities (eating, bathing, dressing, home mobility and toileting). Children dependent upon medical equipment would also be eligible for long-term home care.

Many of those eligible would need costly nursing home or hospital care in the absence of proper home health care. Examples of individuals who should benefit: Frail elderly persons with advanced Alzheimer's disease or Parkinson's disease, children born with chronic lung ailments, stroke victims, working-age Americans left paralyzed by accident, injury or disease, children and older Americans with long-term, debilitating cancer.

The strong quality assurance components of the Long-Term Home Care Family Protection Act include mandatory training and regular review of caregivers, a home care consumer bill of rights, community review boards and effective enforcement mechanisms to ensure compliance with quality of care standards.

Costs would be tightly controlled by holding monthly payments to 75 percent of the monthly Medicaid rate for skilled nursing facility services. Payments for children needing medical technology could not exceed the cost of providing similar services in a hospital or nursing home. Numerous national and State studies have shown the value of providing case-managed home and community-based care services that cost a fraction of the cost of institutional care.

The Long-Term Home Care Family Protection Act is fully self-financed. The new home care benefit would be completely financed by eliminating the cap ($45,000 in 1988) on income subject to the Medicare payroll tax of 1.45 percent. This change would affect only those 5 percent of workers who earn more than $45,000 in individual income (not family income). The change would generate approximately $6 billion each year over 5 years. The bill specifically prohibits use of any general revenue funds or other Medicare trust fund moneys to pay for long-term home care.

This legislation is a start toward a health care system that recognizes functional impairment, not just medical illness. It is a bill that recognizes the mental and social well-being of the person, as well as the family.

I am proud to be a part of it and I urge the support of my colleagues in this positive endeavor.●

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By Mr. WALLOP (for himself, Mr. Baucus, Mr. Danforth, Mr. Moynihan, Mr. Chafee, Mr. Roth, Mr. Pryor, Mr. Boren, Mr. Heinz, Mr. Durenberger, Mr. Armstrong, Mr. Riegle, Mr. Rockefeller, Mr. Symms, Mr. Cochran, Mr. McCain, Mr. Wilson, Mr. Grassley, Mr. Adams, and Mr. Glenn):

S. 1617. A bill to amend the Internal Revenue Code of 1986 with respect to the allocation of research and experimental expenditures; to the Committee on Finance.

### ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES

● Mr. WALLOP. Mr. President, to achieve greater economic competitiveness we must foster, not impede, U.S. investment in research and development. We must expand, not export, our technological base. With these goals in mind, Mr. Baucus, Mr. Danforth, and I are introducing legislation today which we are confident will permanently resolve the longstanding controversy surrounding suspended Treasury regulation section 1.861-8, which requires U.S. companies with foreign operations to allocate a percentage of their domestic research and development expenses to income earned abroad.

We are joined in this effort by a majority of our Finance Committee colleagues: Mr. Moynihan, Mr. Chafee, Mr. Roth, Mr. Pryor, Mr. Boren, Mr. Heinz, Mr. Durenberger, Mr. Armstrong, Mr. Riegle, and Mr. Rockefeller. We are also pleased to have Mr. Symms, Mr. Cochran, Mr. McCain, Mr. Wilson, Mr. Grassley, Mr. Adams, and Mr. Glenn join us as original cosponsors of this bill.

Mr. President, I have argued for many years that this regulation acts as a penalty on U.S. firms conducting research and development activities in the United States by effectively denying them a full deduction for domestic R&D expenses. No other industrialized nation imposes this penalty on R&D. On the contrary, other nations offer significant incentives for R&D. Section 1.861-8 provides firms with an incentive to move R&D overseas at a time when our drive for increased competitiveness demands that we do all we can to encourage domestic R&D initiatives.

Congress has long recognized the potentially harmful effect of section 1.861-8 on the economy. Until now, however, we have been unable to reach a consensus on the best long-term solution to the problem. As a result, we have repeatedly imposed temporary moratoria on implementation of the regulation. Most recently, a partial moratorium was included in the Tax Reform Act of 1986. That measure expired on July 31, 1987, and so we must once again take action on this issue.

Personally, I favor total elimination of the regulation. Together with Mr. Baucus and Mr. Danforth, I introduced legislation in March of this year which would do exactly that. In the interest of reaching a permanent solution to this difficult issue, and in recognition of severe fiscal constraints, we entered into compromise discussions with the Treasury Department beginning in late March of this year.

The bill I am introducing today embodies the agreement we reached through extensive negotiations with Treasury Department officials and other interested Members of Congress. I believe the agreement strikes an appropriate balance between our urgent need to maintain and expand our R&D infrastructure and the revenue constraints we are facing.

This compromise agreement is similar to the partial moratorium agreed to during tax reform. There are, however, several differences. First, the amount of U.S. R&D expenses companies may allocate exclusively to U.S. income has been increased from 50 to 67 percent. Second, companies will be forced to report on a consolidated basis rather than a company-by-company basis. This restricts the ability of companies to avoid the impact of the regulation through tax planning. The most significant aspect of the agreement, however, is that it is permanent. The stop-gap measures we have relied on until now have made it difficult for U.S. firms to implement long-range R&D plans.

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Mr. President, this compromise enjoys bipartisan support in this Chamber, as reflected by the list of my Senate colleagues that are cosponsors of this legislation. The compromise also has the backing of the administration and strong support in the House, where similar legislation will be introduced by Mr. ANTHONY and Mr. FRENZEL.

I am, of course, delighted that so many of my colleagues have helped us reach this compromise. Unfortunately, reaching the compromise is only the beginning. We now must redouble our efforts to see that the compromise is enacted into law. I therefore urge my colleagues to work for passage of this legislation, and to thereby send a strong message to American firms that they may now rely upon stable and supportive public policy in the R&D field.

I wish to commend the Treasury Department officials involved in this issue for their cooperation in reaching this responsible and effective compromise agreement. I look forward to continuing to work with them to see that our agreement is properly enacted into law.

I now ask unanimous consent that the text of this legislation be printed in the RECORD.

I also ask unanimous consent that the statement of Senator BAUCUS appear in the RECORD immediately following the text of the bill.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1617

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES.

(a) RULES FOR ALLOCATING RESEARCH AND EXPERIMENTAL EXPENDITURES.—Section 864 of the Internal Revenue Code of 1986 is amended by inserting at the end thereof the following new subsection:

"(f) ALLOCATION OF QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—

"(1) IN GENERAL.—For purposes of sections 861(b), 862(b), and 863(b)—

"(A) 67 percent of qualified research and experimental expenditures (other than expenditures to which paragraph (2) applies) shall be allocated and apportioned to income from sources within the United States and deducted from such income in determining the amount of taxable income from sources within the United States; and

"(B) the remaining portion of such qualified research and experimental expenditures shall be apportioned, at the annual election of the taxpayer, on the basis of gross sales or gross income.

For purposes of subparagraph (B), no limitation related to apportionment on the basis of gross sales (or otherwise) shall be imposed on apportionment on the basis of gross income.

"(2) SPECIAL RULE FOR CERTAIN EXPENDITURES REQUIRED BY GOVERNMENTAL ENTITY.—

"(A) IN GENERAL.—In the case of any qualified research and experimental expenditures which—

"(i) are paid or incurred solely to meet legal requirements imposed by a governmental entity within or without the United States with respect to the improvement or marketing of specific products or processes, and

"(ii) are not reasonably expected to generate income (other than de minimis amounts) outside the jurisdiction of such governmental entity,

paragraph (1) shall not apply and such expenditures shall be apportioned to income from sources within or without the United States on the basis of where such governmental entity is located.

"(B) GOVERNMENTAL ENTITY.—For purposes of this paragraph, the term 'governmental entity' means—

"(i) the government of the United States, any State, or any foreign government, or political subdivision thereof, or

"(ii) any instrumentality of an entity described in clause (i).

"(3) AFFILIATED GROUP.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), in determining the taxable income of each member of an affiliated group (as defined in subsection (e)(5)) from sources within and without the United States, qualified research and experimental expenditures shall be allocated and apportioned under paragraph (1) as if all members of such group were a single corporation.

"(B) SPECIAL RULES FOR TREATMENT OF INCOME FROM POSSESSIONS.—

"(i) IN GENERAL.—For purposes of the allocation and apportionment required by paragraph (1), there shall not be taken into account—

"(I) sales by an electing corporation (within the meaning of section 936(h)(5)(E)) (or gross income attributable thereto) from products produced in whole or in part in a possession and with respect to which an election is in effect under section 936(h)(5)(F); and

"(II) dividends from an electing corporation attributable to sales described in subclause (I).

"(ii) EXPENDITURES USED FOR COMPUTING COST-SHARING AMOUNT.—The qualified research and experimental expenditures taken into account for purposes of paragraph (1) shall be adjusted to reflect the amount of such expenditures included in computing the cost-sharing amount (determined under section 936(h)(5)(C)(i)(I)).

"(iii) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary to carry out the purposes of this subparagraph, including regulations providing for the source of gross income and the allocation and apportionment of deductions to take into account the adjustments required by clause (ii).

"(4) QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—For purposes of this section, the term 'qualified research and experimental expenditures' means amounts—

"(A) which are research and experimental expenditures within the meaning of section 174, and

"(B) which are attributable to activities conducted in the United States.

For purposes of this paragraph, rules similar to the rules of subsection (c) of section 174 shall apply."

(b) CONFORMING AMENDMENTS.—

(1) Sections 861 and 863 of the Internal Revenue Code of 1986 are each amended by adding at the end thereof the following new subsection:

"(f) CROSS REFERENCE.—

**"For the allocation and apportionment of qualified research and experimental expenditures, see section 864(f)."**

(2) Section 862(c) of such Code is amended by inserting "(1)" before "For" and by adding at the end thereof the following new paragraph:

"(2) For the allocation and apportionment of qualified research and experimental expenditures, see section 864(f)."

(3) Section 864(e)(6) of such Code is amended by inserting "and qualified research and experimental expenditures (within the meaning of subsection (f)(4))" after "interest".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after August 1, 1987.●

● Mr. BAUCUS. Mr. President, I am pleased to join with Senator WALLOP in introducing legislation which will finally resolve the longstanding controversy over the proper allocation of domestic research and development expenses under section 1.861–8 of the Tax Code.

The bill we are introducing today is the product of extensive negotiations between interested Members of Congress and Treasury Department officials. It represents strong efforts by those on both sides of the issue to reach a responsible compromise agreement which recognizes the need to enhance our economic competitiveness while remaining within legitimate fiscal constraints.

The controversial tax provision which this legislation seeks to modify requires U.S. companies with foreign operations to allocate a portion of their domestic R&D expenses to their foreign income. While the technical details of this provision are somewhat complex, the practical impact of its application is simple: Companies would be penalized for conducting research here in the United States, providing them with an incentive to move their R&D overseas.

Section 1.861–8 therefore does exactly the opposite of what we need to be doing to maintain our technological leadership in the international marketplace, and threatens to offset whatever advances we made in improving our economic competitiveness.

Rather than removing the provisions entirely, which would be an ideal solution, the compromise legislation we are introducing establishes a formula which will significantly reduce the impact of the regulation on the R&D operations of American companies, by requiring them to allocate a smaller percentage of their domestic R&D expenses to foreign source income than would be required under the original regulation.

This compromise is similar in many ways to the temporary compromise which took effect with the Tax Reform Act of 1986, but which expired on August 1 of this year. The most significant difference is that the compromise we are proposing would be permanent. Our bill would put an end to the unacceptable pattern that has developed of dealing with this issue on a year-by-year basis.

The year-by-year approach not only consumes an inordinate amount of time in Congress, but also sends the wrong message to the R&D community. If we are to encourage R&D planners to make the long-term commitment of resources which is so essential to successful research, we must be willing to provide the stable and supportive tax treatment of R&D expenses which is critical to R&D planning.

Mr. President, I see passage of this compromise legislation as a first step in providing coherent and stable public policy in the R&D field. Moreover, I believe boosting research and development is one of the most crucial tasks we must undertake to improve our competitive position among the industrialized nations. Therefore, although enacting this permanent solution to the section 1.861–8 controversy is but one of the many steps we must take to realize our goals, it is a very important step.

This legislation enjoys widespread support in this Chamber, in the House, and in the administration. I urge my colleagues to take advantage of the momentum that the compromise has generated and to work with us for quick passage of this bill.

I would like to commend Senator WALLOP, in particular, for his consistent leadership on this issue. I look forward to working with him to see that the compromise is enacted into law, and thereby providing a permanent research allocation rule that promotes America's international competitiveness.●

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By Mr. LAUTENBERG:

S. 1618. A bill to amend the Airport and Airway Improvement Act of 1982, and for other purposes; to the Committee on Commerce, Science, and Transportation.

### AIRPORT AND AIRWAY IMPROVEMENT ACT AMENDMENTS

● Mr. LAUTENBERG. Mr. President, I rise today to introduce a bill of great importance to southern New Jersey.

This legislation, which would amend the Airport and Airway Improvement Act of 1982, would break a political stalemate in south Jersey, and set the region on a path to significant economic growth. I am pleased to note that my distinguished and able colleague from New Jersey, Congressman BILL HUGHES, is today introducing the House companion to this bill.

The intent of this legislation is simple: To get the long process of planning, designing and constructing an enhanced, expanded regional airport in south Jersey off the ground.

Currently, the Atlantic City International Airport is an underutilized facility, located on 5,000 acres in an area of untapped potential. For some time now, there have been discussions and tentative plans to expand the airport into a modern facility capable of supporting significant commercial service. Those plans, however, have been stalemated while the city of Atlantic City and Atlantic County have been unable to work out a plan for managing the airport.

This legislation would break that stalemate. It would withhold fiscal year 1988 Federal funds, except those which are safety related, from the airport until such time as a regional authority is created to manage the airport. The pubic authority would have representation from Atlantic City, Atlantic County, the municipalities impacted by the airport, and other appropriate parties.

A developed airport will be a regional facility. It should be governed by the regional authority. This legislation would ensure that this takes place.

Mr. President, there is considerable basis for Federal action at this point. The majority of the property to be used is federally owned. The airport is on the grounds of the FAA's technical center, the Nations premiere aviation research facility. The Federal Government has a major stake in the future of the airport, and has a right to see that an authority is in place that will manage the airport, and manage the millions of dollars of Federal funds that are likely to flow to the facility in the years to come.

Mr. President, this morning Congressman HUGHES and I were in south Jersey, and flew over the airport. What we saw there was tremendous potential, waiting to be tapped. Adoption of this legislation would lay the groundwork to see this potential realized. I urge my colleagues to support the measure.

Mr. President, I ask unanimous consent that the text of this bill be included in the RECORD. I also ask unanimous consent that the text of editorials supporting a regional authority be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1618

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Airport and Airway Improvement Act of 1982 (Title V of Public 97-248, 96 Stat. 677), as amended, is amended by adding at the end thereof the following new section:

"Sec. 530. Atlantic City Airport.

"(a) LIMITATION ON FUNDING OR TRANSFER OF PROPERTY.—

"Notwithstanding any other provision of law, with regard to the Atlantic City Airport, at Pomona, New Jersey, the Federal Aviation Administration shall not convey any interest in property (pursuant to section 516 of this title) to any municipality or any other entity operating such airport, nor shall any funds authorized by this Act be available to such municipality or entity for any planning, study, design, engineering, or construction of a runway extension, new runway, new passenger terminal, or improvements to or expansion of the existing passenger terminal at such Airport, until such time as:

"(1) the Master Plan Update for Atlantic City Airport and Bader Field, prepared pursuant to Federal Aviation Administration Contract FA-EA-2656, is completed and released; and

"(2) the Administrator of the Federal Aviation Administration finds that a public entity has been created to operate and manage the Atlantic City Airport, which entity has the following characteristics:

"(A) the authority to enter into contracts and other agreements, including contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States;

"(B) the standing to sue and be sued in its own name;

"(C) the authority to hire and dismiss officers and employees;

"(D) the power to adopt, amend and repeal bylaws, rules, regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised;

"(E) the authority to acquire, in its own name, an interest in such real or personal property as is necessary or appropriate for the operation and maintenance of the Airport;

"(F) the power to acquire property by the exercise of the right of eminent domain;

"(G) the power to borrow money by issuing marketable obligations, or such other means as is permissible for public authorities under the laws of the State of New Jersey;

"(H) adequate financial resources to carry out all activities which are ordinarily necessary and appropriate to operate and maintain an Airport;

"(I) a governing board which includes (but need not be limited to) voting representatives of the City of Atlantic City, the County of Atlantic, and the municipalities which are adjacent to or are directly impacted by the Airport;

"(J) a charter which includes (i) a requirement that members of the governing board have expertise in transportation, finance, law, public administration, aviation, or such other qualifications as would be appropriate to oversee the management, planning and operation of an airport; and (ii) procedures which protect the research and development mission of the Federal Aviation Technical Center at Pomona, New Jersey, and the defense functions of the Air National Guard; and

"(K) the authority to carry out comprehensive transportation planning to minimize traffic congestion and facilitate access to and from the Airport.

"(b) SAFETY FUNDS NOT SUBJECT TO LIMITATION.—

"The limitation on funds set forth in subsection (a) shall not apply to any expenditure which the Administrator of the Federal Aviation Administration determines is needed for safety purposes.

"(c) EFFECTIVE DATE.—

"The restriction set forth in subsection (a) shall be applicable only to funds which are authorized for the fiscal year beginning October 1, 1987, Notwithstanding any other provision of law, the funds restricted under subsection (a) shall become available at such time as the conditions set forth in subsection (a) are satisfied."

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[From the Philadelphia Inquirer, July 20, 1987]

### Get Airport Off the Ground

Until recently, Newark International Airport led the nation in the number of delays incurred by commercial aircraft. (A federally imposed schedule reorganization has alleviated the problem for the time being.) Philadelphia International Airport also ranks high on the list of the nation's overloaded air terminals, and delays there are frequent as well.

Late planes are not the only problem caused by the crowded conditions, however. The potential for major accidents increases as well.

Expansion of the Philadelphia and Newark airports is next to impossible. They don't have the land needed to grow. Unless there is some relief, however, delays will rise dramatically by the mid-1990s, according to the Federal Aviation Administration. The region needs another major airport. But where? Ideally, it should be located in an area accessible to large populations. Realistically, it can't be too near neighborhoods because of the noise and traffic. Pragmatically, it would have to be on a large tract of land, preferably one already used as an airport to keep costs under control.

South Jersey officials believe they've got the spot right in their backyard. The Atlantic City International Airport, located 12 miles west of the city in Egg Harbor Township, boasts the following: Spacious runways, including one long enough to handle a landing by the Concorde or the spaceshuttle; a 5,000-acre tract of undeveloped land surrounding the runways; easy access to highways; a location only an hour from Philadelphia.

At present, Atlantic City owns 83 acres there as well as the present terminal, which serves charter and freight flights. The FAA owns the remainder of the land and the runways, which it uses for flight testing. Those activities wouldn't be affected by major commercial development at the site, according to the agency. Atlantic County officials and others want the jetport there, believing it would boost casino business—most of which now arrives by car or bus—and help attract other business.

Atlantic City officials, however, have been unwilling to relinquish control over the airport, maintaining that the city can operate an expanded facility just as well or better than a regional authority. A recent report, prepared by the New Jersey Department of Transportation for Gov. Kean, finds differently. It recommends that the state operate the airport until a regional authority can take over.

The city's position is not a realistic one. It has done a poor job of providing adequate services within its own borders and has compiled a less than impressive management record. The new airport would serve the region, and therefore it ought to be managed by a regional agency.

Gov. Kean, who to-date has kept out of this jurisdictional dispute, ought to step in and help resolve it promptly. Delay now only ensures many more delays in the future.

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[From the Atlantic City Press, May 13, 1987]

### The Time and Place

Atlantic City's municipal politicians have made themselves obsolete. That's the message in a four-part series by associate editorial page editor Michael Pollock on the changing power structure in Atlantic County.

By refusing to tackle tough problems, either from fear that some voters might be alienated or from sheer incompetence, local politicians forfeited the right to solve those problems. The tough tasks in Atlantic City—redevelopment, housing, transportation, convention facilities—are being solved by capable technocrats on independent authorities.

It is a welcome trend. Authorities have drawbacks, but they do attack problems, with money and expertise. The solutions probably won't please everyone, but there will at least be solutions.

Properly created, authorities are effective vehicles of change. They are goal-oriented, with a limited agenda. Success in achieving goals is measurable.

Local politicians have lost the initiative and the power to implement solutions to many of the problems facing the resort. But they haven't lost the ability to block the solutions being advanced by various authorities.

The powers left to Atlantic City government are primarily negative powers, the power to insert vetoes or delays over proposals. And there is, among most politicians, fear of success by others. They have an interest in making sure no one succeeds where they have failed. But exercising their veto powers out of such petty spitefulness may be a quick way to commit political suicide; who needs a government structure that exists only to stop other agencies from solving problems?

The trend to use authorities to solve specific problems is a welcome one, and one that should continue. The next specific problem is the city's airport in Pomona, which is going nowhere under the city's auspices. City officials, in fact, have a plan for building a new terminal that calls for "waiting" until 1998 or 1999.

Once again, the city isn't interested in solving a problem. An authority should now get the job. Once again, city politicians will watch as an authority goes around them and leaves them choking on the dust of their ineffectiveness.

There is a time and a place for authorities. Clearly, Atlantic City is the place and this is the time.

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[From the Atlantic City Press, June 14, 1987]

### Airport Deserves a United Effort

Atlantic City isn't the easiest place to get to. Sure, 30 million people make it every year, almost all of them coming by bus or car. But what's missing is regular airline service aside from limited commuter flights.

Ever since the first casino opened in 1978, the city administrations of Mayors Joseph Lazarow, Michael Matthews and James Usry have talked about bringing regularly scheduled service into Atlantic City International Airport in Egg Harbor Township. Their efforts have been futile, but Usry and his administration still resist any attempt to take control of the airport away from the city.

An air traveler from anywhere outside the nation's Northeast corridor still has to come by way of Philadelphia, Newark or Washington.

Everyone involved acknowledges that good airline service is a must if Atlantic City is to continue its economic health. Yet, like virtually everything else, politics and fighting over turf have dominated the issue and blocked progress.

Every hint of progress seems like a major step, and one emerged last week. The Press learned that the New Jersey Department of Transportation will recommend to Gov. Thomas H. Kean that state government take over development of the airport. That puts Kean in a tough spot politically. He is close to both Usry and state Sen. William Gormley, who has pushed for control by the state or a regional authority.

Yet, considering the city's failure to move ahead, the governor's choice should be obvious.

Kean recognizes the importance of the airport to the entire state and has discussed development of it in recent months with both Gormley and Usry. He said in an Atlantic City appearance more than a year ago that development of the airport "is not moving the way I'd like to see it move." There's certainly been nothing since then to make him happy about the situation.

A $200,000 study to develop an airport master plan has been under way for months under joint sponsorship of Atlantic City, Atlantic County and the Federal Aviation Administration. There's a possibility that it will recommend continued control by the city, but the arguments against it appear overwhelmingly strong.

Usry's major objection to giving up control is that the city would lose a revenue producer. It's questionable whether the airport itself would make money for the city, no matter how it's run. But the city would gain revenue from an increase in visitors, not just those going to casinos but those attending conventions that now shy away from the city because of difficult air travel

The economic impact of the airport goes beyond Atlantic City, and its future should not be hindered by parochial viewpoints such as those now being expressed in City Hall.

If the state does take over the airport, as the Department of Transportation has recommended, it should not be looked upon as either a defeat for Usry or a victory for Gormley. It would be an attempt to get moving on a vital ingredient in Atlantic City's rebirth after nearly a decade of inaction.●

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By Mr. KENNEDY (for himself and Mr. Kasten):

S. 1619. A bill to amend the copyright law to secure the rights of authors of pictorial, graphic, or sculptural works to prevent the distortion, mutilation, or other alteration of such works, to provide for resale royalties, and for other purposes; to the Committee on the Judiciary.

### VISUAL ARTISTS RIGHTS ACT

Mr. KENNEDY. Mr. President, today I am pleased to reintroduce the visual artists rights amendment. I first sponsored this legislation to improve copyright protections for visual artists last fall. In November the Subcommittee on Copyrights, Patents, and Trademarks held a field hearing in New York City to receive testimony on the bill.

Witnesses at that hearing offered compelling testimony substantiating the need for this legislation. We heard from artists, art historians, art lawyers, art dealers as well as service organizations representing thousands of

visual artists, including the AFL–CIO, Artists Equity, New York Artists Equity, New York Volunteers for the Arts, Graphic Artists Guild, Society of Illustrators and the Society of Magazine Photographers.

The issues addressed in the visual arts legislation are not new. Artists have waited too long for the Congress to respond to their legitimate aesthetic and economic needs and interests.

The visual arts bill addresses three major sources of concern for artists: copyright notice, moral rights and resale royalties.

The bill provides full copyright protection to all works of fine art without any requirement that a copyright notice be affixed to the work. Elimination of the notice requirement will guarantee artists the copyright protection they need; it will deter violators; and it will encourage artists to register their works more frequently.

The second component of the legislation recognizes the so-called moral rights of artists which include the right to be recognized as the creator of a work of art, and the right to prevent unauthorized alteration, destruction on mutilation of the art at the hand of future owners. Those who take such actions against works of art would be subject to full civil penalties available under copyright laws.

The bill also addresses the economic exploitation of art and permits artists to share in the commercial value of their work; other artists in the performing and literary arts benefit from such increasing value. The bill would provide visual artists with a royalty payment when their works are resold.

Although many other countries around the world guarantee these basic rights, the United States has been slow to embrace them. It is time for Congress to begin this debate and acknowledge America's responsibility to its creative artists.

In our country, as in every other country and civilization, artists are the recorders, and preservers of the national spirit. The creative arts are an expression of the character of the Nation—they mirror its accomplishments, warn of its failings, and anticipate its future.

This legislation will be a test of the value we as a nation place on the arts. With its passage, our laws will more faithfully reflect our commitment to the creative arts as an essential part of our heritage.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1619

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Visual Artists Rights Act of 1987".

Sec. 2. Section 101 of title 17, United States Code, is amended by—

(1) inserting between the paragraph defining "pictorial works" and the paragraph defining "pseudonymous work", the following:

" 'Price' as used herein, is the aggregate of all installments paid in cash or in-kind for a work.";

(2) inserting between the paragraph defining "publicly" and the paragraph defining "sound recordings", the following:

" 'Sale' and 'resale' as used herein, shall include transactions essentially equivalent to a sale including long-term lease, lease-purchase arrangements, and the like."; and

(3) inserting between the paragraph defining "widow" and "widower" and the paragraph defining "work of the United States Government", the following:

"A 'work of fine art' is a pictorial, graphic or sculptural work of recognized stature. In determining whether a work is of recognized stature, a court or other trier of fact may take into account the opinions of artists, art dealers, collectors of fine art, curators of art museums, restorers and conservators of fine art, and other persons involved with the creation, appreciation, history, or marketing of fine art. Evidence of commercial exploitation of a work as a whole or of particular copies, does not preclude a finding that the work is a work of fine art.".

Sec. 3. Section 106 of title 17, United States Code, is amended by adding "(a)" before "Subject" at the beginning of the section and adding at the end thereof the following:

"(b)(1) Independent of the copyright owner's exclusive right provided in subsection (a), the author of a pictorial, graphic, or sculptural work of fine art, whether or not he is the copyright owner, shall have the right during his life to claim authorship of any of his works which are publicly displayed or to disclaim authorship of any of his works which are publicly displayed because of any distortion, mutilation, or other alteration thereof.

"(2) Upon the death of an author, his estate shall have the exclusive right, up to 50 years after his death, to exercise the rights granted to the author in paragraph (1) of this subsection.

"(c)(1) Subject to the limitation in section 113(d), the significant or substantial distortion, mutilation, or other alteration to a pictorial, graphic, or sculptural work, which is publicly displayed, caused by an intentional act or by gross negligence is a violation of the exclusive rights of the copyright owner where the author of the work is the copyright owner. Where the author is not the copyright owner, he shall still have the exclusive right during his lifetime, and the estate of such author shall have the exclusive right for up to 50 years after the death of such author, to assert infringement of the copyright, as described in this subsection.

"(2) Subject to the limitations in section 113(d), the destruction, by an intentional act or gross negligence, of a work of fine art is a violation of the exclusive rights of the author of the work. Where the author is not the copyright owner he shall still have the exclusive right during his lifetime, and the estate of such author shall have the exclusive right for up to 50 years after the death of such author, to assert infringement of the copyright, as described in this subsection.

"(d)(1) Whenever a pictorial, graphic, or sculptural work is sold, the seller shall pay a royalty to the author. Where the author is deceased at the time of the sale, and the sale occurs within fifty years after the death of the author, such royalty shall be paid to the estate of the author. Such royalty shall be equal to 7 percent of the difference between the seller's purchase price and the amount the seller receives in exchange for the work. The right of the author to receive this royalty may not be waived. An author may assign the right to collect this royalty payment, provided however, such assignment shall not have the effect of creating a waiver prohibited by this subsection. Failure of a seller to pay the author a royalty due under this section shall constitute an infringement of the copyright.

"(2) Paragraph (1) shall not apply to the following:

"(A) The resale of a work for a gross sales price of less than $1,000, or in exchange for property with a fair market value of less than $1,000.

"(B) The resale of a work where the seller receives less than 150 percent of the purchase price paid by the purchaser.

"(C) Any author who has not registered as an author with the Copyright Office prior to that resale.

"(e) The Register of Copyrights is directed to establish registration procedures, for subsection (d)(2)(C), by regulation.

"(f) All sales or other transfers of pictorial, graphic, or sculptural works by registered authors for which a royalty is due must be registered by the seller or transferor with the Copyright Office. The Register of Copyrights is directed to establish such registration procedures by regulation. Such registration may be limited to the name of the artist, the title of the work, name and address of the seller, the date of sale, and the fair market value of any property received in exchange for the work.

"(g) Failure of a transferor or a seller of a pictorial, graphic, or sculptural work by a registered author to register such transfer or sale with the Copyright Office within 90 days shall constitute an infringement of copyright and shall subject the seller to a penalty equal to treble the amount of the royalty owed.".

Sec. 4. Section 113 of title 17, United States Code, is amended by adding at the end thereof the following:

"(d)(1) If a pictorial, graphic, or sculptural work of fine art cannot be removed from a building without distortion, mutilation, or other alteration of such work, the author's rights under subsections (b) and (c) of section 106, unless expressly reserved by an instrument in writing signed by the owner of such building and the author of the work of fine art and properly recorded, in the applicable State real property registry for such building, prior to the installation of such work, shall be deemed waived. Such instrument, if recorded, shall be binding on subsequent owners of such building.

"(2) If the owner of a building wishes to remove a pictorial, graphic, or sculptural work of fine art which is a part of such building but which can be removed from the building without substantial harm to such work, the author's rights under subsections (b) and (c) of section 106 shall apply unless the owner has diligently attempted without success to notify the author, or, if the author is deceased, his heir, legatee, or personal representative, in writing of his intended action affecting the work of fine art, or unless he did provide notice and that

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person failed within ninety days either to remove the work or to pay for its removal. If such work is removed at the expense of the author, his heir, legatee, or personal representative, title to such work shall be deemed to be in such person.".

Sec. 5. Section 401 of title 17, United States Code, is amended by adding at the end thereof the following:

"(d) The provisions of this section shall not apply to pictorial, graphic, or sculptural works.".

Sec. 6. The criminal penalties provided by section 506 of title 17, United States Code, shall not apply to infringement of the rights created in section 106 (b), (c), and (d) of such title.

Sec. 7. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

Sec. 8. Nothing in this Act, or the amendments made by this Act, shall be construed to apply to a work made for hire as defined in section 101 of title 17, United States Code.

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By Mr. PELL (by request) (for himself, Mr. Exon, Ms. Mikulski, Mr. Hatch, Mr. Daschle, and Mr. Pressler):

S. 1620. A bill to reauthorize and revise the act of September 30, 1950 (Public Law 874, Eighty-first Congress) relating to Federal impact aid, and for other purposes; to the Committee on Labor and Human Resources.

### IMPACT AID REAUTHORIZATION ACT

● Mr. PELL. Mr. President, the measure Senators Exon, Mikulski, Hatch, Daschle, Pressler and I are introducing today would make important changes in the impact aid law. This bill was developed by the National Association of Federally Impacted Schools and I introduce it at their request. The association represents a broad cross-section of those who receive funds under this program. They should be commended for their efforts to forge a consensus proposal on how best to distribute the limited resources available through impact aid.

Impact aid provides important assistance to school districts that assume unusual financial burdens because of activities by the Federal Government in their area. For example, in my home State of Rhode Island, nearly 6,000 students from federally connected families are educated in our classrooms. These students' parents either live or work on Federal land, thus reducing the local property tax revenues available to the schools.

If enacted, this proposal would greatly simplify the categories of students served under impact aid. It would also establish a payment schedule for the program when it is funded below entitlement levels.

Mr. President, a hearing on this important proposal has already been held by the Subcommittee on Education, Arts, and Humanities. I am hopeful that we will be able to act favorably on major elements of this proposal when we reauthorize the impact aid law, which I anticipate we will do as part of the Elementary and Secondary Education Act reauthorization on which we are now working.

I ask unanimous consent that the full text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1620

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

Section 1. This Act may be cited as the "Impact Aid Reauthorization Act of 1987".

### ADMINISTRATIVE AMENDMENTS

Sec. 2. (a) The first section of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) (hereafter referred to in this Act as the "Act") is amended by striking out "assistance" and inserting in lieu thereof "reimbursement".

(b) The heading of title I of the Act is amended by striking "ASSISTANCE", and inserting in lieu thereof "REIMBURSEMENT".

(c) The Act is further amended by striking out "the Commissioner" each time it appears and inserting in lieu thereof "the Secretary".

### REAUTHORIZATION

Sec. 3. (a) The Act is amended by striking out "October 1, 1988" each place it appears in sections 2(a), 3(b), 4(a), and 7(a)(1) and inserting in lieu thereof "October 1, 1993".

(b) Section 3(d)(2)(E) of such Act is amended by striking out "1983 through 1983" and inserting in lieu thereof "1989 through 1993".

(c) There are authorized to be appropriated $760,000,000 for fiscal year 1989, $800,000,000 for fiscal year 1990, $840,000,000 for fiscal year 1991, $880,000,000 for fiscal year 1992, and $925,000,000 for fiscal year 1993, to carry out the provisions of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress).

### PAYMENTS

Sec. 4. (a) Section 3(d)(1)(A) of the Act is amended to read as follows:

"(A) in the case of any local educational agency with respect to which the number of children is determined under subsection (a) an amount equal to 100 per centum of the local contribution rate multiplied by the number of children determined under such subsection plus the product obtained with respect to such agency under subparagraph (B); and".

(b) Section 3(d)(1)(B) of the Act is amended to read as follows:

"(B) in any other case, an amount equal to the sum of the product obtained by multiplying 25 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under subsection (b).".

(c)(1) Section 3(d)(2)(B)(i) of the Act is amended to read as follows:

"(i) the amount of payment resulting from paragraph (1), as is otherwise provided in this subsection with respect to any local educational agency for any fiscal year, together with the funds available including capital outlay funds, determined in accordance with subparagraph (E), to such agency from State and local sources and from other sections of this title, is less than the amount necessary to enable such agency to provide a level of education equivalent to the State average or to that maintained in three or more of the school districts of the State which are generally comparable to the school district of such agency, whichever is higher;".

(2) Section 3(d)(2)(B) of the Act is amended by inserting after the first sentence the following new sentences: "The increase computed under this subparagraph shall be sufficient to allow the school district of the local educational agency to have an operating cost (calculated in accordance with subparagraph (F)) no greater than the average of comparable school districts in the State, or if there are no comparable school districts, the State average operational cost. For the purpose of clause (ii), the Secretary shall determine that a reasonable tax effort has been made if the tax effort of the agency in the year for which the determination is made is an amount that is at least equal to 80 percent of the average taxes levied for operational purposes by not more than 3 comparable school districts for that year. Payments made to an agency under this subparagraph in any fiscal year shall be reduced by the percentage that the average operational tax rate of the comparable school districts, or, if none, the State average operational tax rate exceeds the actual tax levied by the school district of the agency.".

(3) Section 3(d)(2)(E) of the Act is amended to read as follows:

"(E) For the purpose of subparagraph (B)(i) of this paragraph, capital outlay funds qualify if such funds are accounted for separately in State payments to local educational agencies, but such funds may not include any cash balance at the end of a year allowed under State law, or, whenever no State law governing cash balance exists, may not include 30 percent of the local educational agency's operating costs.".

(4) Section 3(d)(2) of the Act is amended by adding at the end thereof the following:

"(F) For the purpose of the second sentence of this paragraph, the Secretary shall calculate the operating cost using the most recent data available at the time of calculation, adjusted for appropriate economic factors.".

(d) Section 3(h) of the Act is amended by adding at the end the following sentence: "For the fiscal year beginning October 1, 1987, and for each year thereafter, the local contribution rate for such coterminous agencies shall be not less than 70 per centum of the average per pupil expenditure in all States during the second preceding year prior to the fiscal year for which the determination is made.".

(e) Section 3 of the Act is amended by adding at the end the following new subsection:

"(i) Any local educational agency which is eligible under section 3(d)(2)(B) shall receive 100 per centum of the amount to which such agency is entitled under subsections (a) and (b).".

### METHOD OF PAYMENT

Sec. 5. (a) The first sentence of section 5(b) of the Act is amended by inserting after "agency" a comma and the following: "rounded to the nearest whole dollar,".

(b) Section 5(c)(1) of the Act is amended to read as follows:

"(1)(A) The Secretary shall first allocate to each local educational agency which is entitled to a payment under section 2 an amount equal to 100 per centum of the amount to which it is entitled as computed under that section for such fiscal year.

"(B) The Secretary shall reserve from the remainder of the sums appropriated for this Act (other than amounts needed for section 7) for such fiscal year—

"(i) 80 per centum for the purpose of allocating sums under paragraph (2) for entitlements made under section 3(a); and

"(ii) 20 per centum for the purpose of allocating sums under paragraph (3) for entitlements made under section 3(b).".

(c)(1) Section 5(c)(2) of the Act is amended to read as follows:

"(2)(A) For the purpose of allocating that part of such sums which remain after the allocation required by paragraph (1) and any allocation required by sections 5(e) and 3(h) for any fiscal year, and available for section 3(a) for such fiscal year, the Secretary shall determine the category to which a local educational agency belongs as follows:

"(i) Each local educational agency in which the number of children determined under section 3(a) amounts to at least 20 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (i).

"(ii) Each local educational agency in which the number of children determined under section 3(a) amounts to at least 15 per centum, but less than 20 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (ii).

"(iii) Each local educational agency in which the number of children determined under section 3(a) amounts to less than 15 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (iii).

"(B) The Secretary shall allocate the amounts described in subparagraph (A) according to the following schedule:

"(i) A first allocation shall be made as follows:

"(I) 80 per centum of entitlement to local educational agencies described in category (i);

"(II) 60 per centum of entitlement to local educational agencies described in category (ii); and

"(III) 40 per centum of entitlement to local educational agencies described in category (iii).

"(ii) Any sums remaining after the allocation pursuant to clause (i) shall be allocated as follows:

"(I) 20 per centum of entitlement to local educational agencies described in category (i);

"(II) 15 per centum of entitlement to local educational agencies described in category (ii); and

"(III) 10 per centum of entitlement to local educational agencies described in category (iii).

"(iii) Any sums remaining after the allocation pursuant to clause (ii) shall be allocated as follows:

"(I) 25 per centum of entitlement to local educational agencies described in category (ii); and

"(II) 50 per centum of entitlement to local educational agencies described in category (iii).

"(3)(A) For the purpose of allocating that part of such sums which remain after the allocation required by paragraph (1) for any fiscal year, and available for section 3(b), the Secretary shall determine the category to which a local educational agency belongs as follows:

"(i) Each local educational agency in which the number of children determined under section 3(b) amounts to at least 20 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (i).

"(ii) Each local educational agency in which the number of children determined under section 3(b) amounts to less than 20 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (ii).

"(B) The Secretary shall allocate the amounts described in subparagraph (A) according to the following schedule:

"(i) A first allocation shall be made as follows:

"(I) 20 per centum of entitlement to local educational agencies described in category (i); and

"(II) 10 per centum of entitlement to local educational agencies described in category (ii).

"(ii) Any sums remaining after the allocation pursuant to clause (i) shall be allocated as follows:

"(I) 30 per centum of entitlement to local educational agencies described in category (i); and

"(II) 5 per centum of entitlement to local educational agencies described in category (ii).

"(iii) Any sums remaining after the allocation pursuant to clause (ii) shall be allocated as follows:

"(I) 50 per centum of entitlement to local educational agencies described in category (i); and

"(II) 85 per centum of entitlement to local educational agencies described in category (ii).

"(4)(A) Whenever the additional amounts described in paragraphs (2)(A) and (3)(A) in each fiscal year are insufficient to provide the required percent of entitlement under clause (ii) or (iii) of paragraph (2)(B), or clause (ii) or (iii) of paragraph (3)(B), respectively, the Secretary shall allocate such additional amounts according to the following schedule for each such clause:

"(i) 72 per centum under clause (ii)(I) of paragraph (2)(B), 3 per centum under clause (ii)(II) of paragraph (2)(B), and 25 per centum under clause (ii)(III) of paragraph (2)(B), of the amount which the Secretary determines is available for clause (ii) of paragraph (2)(B);

"(ii) 75 per centum under clause (iii)(I) of paragraph (2)(B), and 25 per centum under clause (iii)(II) of paragraph (2)(B) of the amount which the Secretary determines is available for clause (iii) of paragraph (2)(B);

"(iii) 75 per centum under clause (ii)(I) of paragraph (3)(B), and 25 per centum under clause (ii)(II) of paragraph (3)(B) of the amount which the Secretary determines is available for clause (ii) of paragraph (3)(B); and

"(iv) 75 per centum under clause (iii)(II) of paragraph (3)(B), and 25 per centum under clause (iii)(II) of paragraph (3)(B) of the amount which the Secretary determines is available for clause (iii) of paragraph (3)(B).

"(B) For the purpose of subparagraph (A), the amount available in each fiscal year for each clause is the amount which bears the same ratio to the amount available in that fiscal year for subparagraph (A) for paragraph (2)(B) or paragraph (3)(B), as the case may be, as the full entitlement for each such clause bears to the full entitlement under paragraph (2) or (3), as the case may be.

"(C) Whenever the additional amounts allocated under subparagraph (A) are insufficient to meet the required per centum of entitlement under any clause in paragraph (2)(B) or (3)(B), the Secretary shall allocate the amount available in the manner prescribed under subparagraph (A).".

(2)(A) Section 5(c)(3) of the Act is repealed.

(B) The last sentence of section 5(c) of the Act is repealed.

(d)(1) Section 5(d)(2)(A)(ii) of the Act is amended by inserting before the period at the end a comma and the following: "and only if the formula used by the State ensures that the local educational agency will have sufficient funds available to that agency to equal or exceed the average per pupil expenditure for the State or the average per pupil expenditure for comparable districts, whichever is greater.".

(2) Section 5(d)(2)(A) of the Act is amended by inserting after the first sentence the following flush sentence: "The amount received under section 2, and the increase in payments described in sections 3(d)(2)(B), 3(d)(2)(C), 3(d)(2)(D), and 3(d)(3)(B)(ii) shall not be taken into consideration by the State for the purpose of this subparagraph.".

(e)(1) The first sentence of section 5(e)(1) of the Act is amended to read as follows: "For any fiscal year after September 30, 1987, the Secretary shall allocate to any local educational agency which received a payment under section 3(a) in fiscal year 1987, an amount which is not less than the product of 100 per centum of the per pupil amount paid to such agency in fiscal year 1987 and the number of children in average daily attendance for the fiscal year for which the determination is made under such subsection.".

(2) Section 5(e) of the Act is amended—

(A) by striking out "(1)" after the subsection designation; and

(B) by striking out paragraph (2).

### CHILDREN FOR WHOM LOCAL AGENCY IS UNABLE TO PROVIDE EDUCATION

Sec. 6. Section 6 of the Act is amended by adding at the end thereof the following new subsection:

"(i) Notwithstanding any other provision of law, a local educational agency receiving funds under section 3 may also receive funds under section 6.".

### REGULATION REVIEW PANELS

Sec. 7. The Act is amended by adding at the end thereof the following:

### "REGULATION REVIEW PANELS

"Sec. 8. (a) The Secretary shall, before publication of proposed regulations for this Act in the Federal Register, establish regional panels to review the proposed regulations. Each regional panel required by this section shall be composed of Federal, State, and local education administrators, parents of elementary and secondary students, elementary and secondary teachers, and members of local educational agencies involved with implementing programs under this Act.

"(b) Whenever the Secretary needs to issue regulations in an emergency situation within a very limited time to assist State and local educational agencies with the operation of the program under this Act, the Secretary may issue a regulation without complying with subsection (a), but the Secretary shall immediately thereafter convene regional panels to review the emergency regulation prior to issuing such regulation in final form.".●

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## ADDITIONAL COSPONSORS

### S. 303

At the request of Mr. Bradley, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 303, a bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities, and for other purposes.

### S. 437

At the request of Mr. Metzenbaum, the names of the Senator from North Dakota [Mr. Conrad], and the Senator from South Dakota [Mr. Pressler] were added as cosponsors of S. 437, a bill to amend the Small Business Investment Act of 1958 to permit prepayment of loans made to State and local development companies.

### S. 450

At the request of Mr. Armstrong, the name of the Senator from New York [Mr. D'Amato] was added as a cosponsor of S. 450, a bill to recognize the organization known as the National Mining Hall of Fame and Museum.

### S. 466

At the request of Mr. Metzenbaum, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 466, a bill to provide for a waiting period before the sale, delivery, or transfer of a handgun.

### S. 566

At the request of Mr. Karnes, his name was added as a cosponsor of S. 566, a bill to amend the Tax Reform Act of 1984 to provide a special rule for mutual life insurance companies and to amend the Internal Revenue Code of 1986 to provide depositors in insolvent financial institutions the option of a one-time ordinary loss deduction.

### S. 604

At the request of Mr. Pryor, the name of the Senator from Kentucky [Mr. Ford] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

### S. 840

At the request of Mr. Thurmond, the names of the Senator from Delaware [Mr. Biden], the Senator from Rhode Island [Mr. Chafee], and the Senator from Arizona [Mr. McCain] were added as cosponsors of S. 840, a bill to recognize the organization known as the 82nd Airborne Division Association, Incorporated.

### S. 887

At the request of Mr. Moynihan, his name was added as a cosponsor of S. 887, a bill to extend the authorization of appropriations for and to strengthen the provisions of the Older Americans Act of 1965, and for other purposes.

At the request of Mr. Karnes, his name was added as a cosponsor of S. 887, supra.

At the request of Mr. Matsunaga, the names of the Senator from New Mexico [Mr. Domenici], the Senator from New Jersey [Mr. Bradley], and the Senator from Iowa [Mr. Grassley] were added as cosponsors of S. 887, supra.

### S. 1085

At the request of Mr. Glenn, the name of the Senator from Delaware [Mr. Roth] was added as a cosponsor of S. 1085, a bill to create an independent oversight board to ensure the safety of U.S. Government nuclear facilities, to apply the provisions of OSHA to certain Department of Energy nuclear facilities, to clarify the jurisdiction and powers of Government agencies dealing with nuclear wastes, to ensure independent research on the effects of radiation on human beings, and for other purposes.

### S. 1159

At the request of Mr. Inouye, the name of the Senator from New Hampshire [Mr. Humphrey] was added as a cosponsor of S. 1159, a bill to establish the National Aviation Authority as an independent user-fee supported government corporation to operate, maintain and enhance an efficient and responsive national system for airways management and air traffic control, and for other purposes.

### S. 1181

At the request of Mr. Pryor, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1181, a bill to amend the Federal Salary Act of 1967 and title 5 of the United States Code to provide that the authority to determine levels of pay for administrative law judges be transferred to the Commissions on Executive, Legislative, and Judicial Salaries.

### S. 1203

At the request of Mr. Grassley, the name of the Senator from Louisiana [Mr. Breaux] was added as a cosponsor of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

### S. 1220

At the request of Mr. Kennedy, the names of the Senator from Michigan [Mr. Riegle], and the Senator from Texas [Mr. Bentsen] were added as cosponsors of S. 1220, a bill to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome.

### S. 1239

At the request of Mr. Karnes, his name was added as a cosponsor of S. 1239, a bill to amend the International Revenue Code of 1986 with respect to the treatment of certain short-term loans.

### S. 1346

At the request of Mr. Matsunaga, the name of the Senator from Nevada [Mr. Reid] was added as a cosponsor of S. 1346, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

### S. 1368

At the request of Mr. Heflin, the name of the Senator from Alabama [Mr. Shelby] was added as a cosponsor of S. 1368, a bill for the relief of Meenakshiben P. Patel.

### S. 1397

At the request of Mr. Cranston, the name of the Senator from Nebraska [Mr. Karnes] was added as a cosponsor of S. 1397, a bill to recognize the organization known as the Non Commissioned Officers Association of the United States of America.

### S. 1440

At the request of Mr. Evans, the names of the Senator from Minnesota [Mr. Durenberger], the Senator from Nebraska [Mr. Exon], and the Senator from Georgia [Mr. Fowler] were added as cosponsors of S. 1440, a bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid and Food Stamp programs; to impose a temporary moratorium for the collection of penalties under such programs, and for other purposes.

### S. 1464

At the request of Mr. Cranston, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of S. 1464, a bill to amend title 38, United States Code, to provide eligibility to certain individuals for beneficiary travel payments in connection with travel to and from Veterans' Administration facilities.

### S. 1479

At the request of Mr. Boschwitz, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1479, a bill to provide funds and assistance to Farm Credit System institutions, to protect borrower stock, and for other purposes.

### S. 1485

At the request of Mr. Ford, the names of the Senator from New Mexico [Mr. Bingaman], and the Senator from Nebraska [Mr. Exon] were added as cosponsors of S. 1485, a bill to amend the Federal Aviation Act of 1958 to provide various protections for passengers traveling by aircraft, and for other purposes.

### S. 1501

At the request of Mr. Cranston, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of S. 1501, a bill to amend title 38, United States Code, to eliminate the requirement that the Administrator of Veterans' Affairs carry out a transition under which community-based Vet Centers would be moved to Veterans' Administration medical facilities and to provide standards and procedures governing any closures or moves of Vet Centers, and for other purposes.

### S. 1511

At the request of Mr. Moynihan, the names of the Senator from North Dakota [Mr. Burdick], the Senator from Arizona [Mr. DeConcini], the Senator from New Jersey [Mr. Lautenberg], the Senator from Ohio [Mr. Glenn], and the Senator from Louisiana [Mr. Breaux] were added as cosponsors of S. 1511, a bill to amend title IV of the Social Security Act to replace the AFDC program with a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance, benefits improvements, and mandatory extension of coverage to two-parent families, and which reflects a general emphasis on shared and reciprocal obligation, program innovation, and organizational renewal.

### S. 1518

At the request of Mr. Rockefeller, the names of the Senator from Michigan [Mr. Riegle], the Senator from Arkansas [Mr. Bumpers], the Senator from North Dakota [Mr. Conrad], and the Senator from Texas [Mr. Bentsen] were added as cosponsors of S. 1518, a bill to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol and ethanol, and for other purposes.

### S. 1519

At the request of Mr. Lautenberg, the names of the Senator from New Mexico [Mr. Bingaman], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of S. 1519, a bill to authorize the President of the United States to award congressional gold medals to Lawrence Doby and posthumously to Jack Roosevelt Robinson in recognition of their accomplishments in sport and in the advancement of civil rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

### S. 1520

At the request of Mr. Karnes, his name was added as a cosponsor of S. 1520, a bill to amend the Internal Revenue Code of 1986 to allow certain entities to elect not to make changes in their taxable years required by the Tax Reform Act of 1986, and for other purposes.

### S. 1554

At the request of Mr. Fowler, the names of the Senator from West Virginia [Mr. Byrd], the Senator from Massachusetts [Mr. Kennedy], and the Senator from Massachusetts [Mr. Kerry] were added as cosponsors of S. 1554, a bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy conservation, and for other purposes.

### SENATE JOINT RESOLUTION 11

At the request of Mr. Thurmond, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of Senate Joint Resolution 11, a joint resolution proposing an amendment to the Constitution relating to Federal balanced budget.

### SENATE JOINT RESOLUTION 59

At the request of Mr. Thurmond, the name of the Senator from Oregon [Mr. Packwood] was added as a cosponsor of Senate Joint Resolution 59, a joint resolution to designate the month of May 1987 as "National Foster Care Month".

### SENATE JOINT RESOLUTION 108

At the request of Mr. Bingaman, the names of the Senator from New Jersey [Mr. Lautenberg], the Senator from Virginia [Mr. Warner], the Senator from Maine [Mr. Cohen], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 106, a joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

At the request of Mr. D'Amato, his name was added as a cosponsor of Senate Joint Resolution 106, supra.

### SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November, 1987, and November 1988, as "National Hospice Month".

### SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from North Dakota [Mr. Burdick], the Senator from Rhode Island [Mr. Chafee], the Senator from Missouri [Mr. Danforth], the Senator from Connecticut [Mr. Dodd], the Senator from Massachusetts [Mr. Kerry], the Senator from Hawaii [Mr. Matsunaga], the Senator from Rhode Island [Mr. Pell], and the Senator from California [Mr. Wilson] were added as cosponsors of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week".

### SENATE JOINT RESOLUTION 172

At the request of Mr. Bradley, the names of the Senator from Hawaii [Mr. Inouye] and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of Senate Joint Resolution 172, a joint resolution to designate the period commencing February 21, 1988, and ending February 27, 1988, as "National Visiting Nurse Association Week".

### SENATE JOINT RESOLUTION 173

At the request of Mr. Reid, the names of the Senator from Oklahoma [Mr. Boren] and the Senator from Florida [Mr. Graham] were added as cosponsors of Senate Joint Resolution 173, a joint resolution to commemorate the 200th anniversary of the signing of the United States Constitution.

### SENATE JOINT RESOLUTION 181

At the request of Mr. Wilson, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of Senate Joint Resolution 181, a joint resolution designating the week beginning February 1, 1988, as "National VITA Week".

### SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the names of the Senator from Michigan [Mr. Riegle], and the Senator from Georgia [Mr. Fowler] were added as cosponsors of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

### AMENDMENT NO. 591

At the request of Mr. Danforth, the names of the Senator from Illinois [Mr. Dixon], the Senator from Vermont [Mr. Leahy], the Senator from Texas [Mr. Bentsen], the Senator from Kansas [Mr. Dole], the Senator from Idaho [Mr. Symms], and the Senator from Minnesota [Mr. Durenberger] were added as cosponsors of amendment No. 591 intended to be proposed to S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

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## SENATE RESOLUTION 270—PAYING SPECIAL TRIBUTE TO PORTUGUESE DIPLOMAT DR. DE SOUSA MENDES

Mr. LAUTENBERG (for himself and Mr. Pell) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 270

Whereas during the early days of World War II, France became the home of European refugees from Nazi persecution;

Whereas following the collapse of the French Republic in June 1940, thousands of refugees fled south to Bordeaux, away from invading armies;

Whereas their only escape route from France was over the Pyrenees Mountains through Spain to neutral Portugal;

Whereas Portuguese diplomats were under specific orders by the government of Antonio de Oliveria Salazar not to issue visas to Jews;

Whereas the Portuguese Consul to Bordeaux, Aristides de Sousa Mendes do Amaral e Abranches, remaining faithful to the dictates of his conscience, defied government orders and issued more than 30,000 Portuguese visas to stranded refugees, at least 10,000 of them Jews, saving them from almost certain death;

Whereas Portugal received international acclaim for its humanitarian treatment of Jews and other refugees during World War II;

Whereas Dr. de Sousa Mendes, the man responsible for saving more than 30,000 lives, was recalled to Lisbon, was dismissed from the Foreign Service, and unable to practice law, died in poverty in 1954.

Whereas in 1967, Yad Vashem, the Martyrs and Heroes Remembrance Authority in Israel, posthumously awarded Dr. de Sousa Mendes a gold medal inscribed with the Talmudic dictum: "One who saves a human life saves, as it were, a whole world";

Whereas Israel's gratitude to Dr. de Sousa Mendes was again proclaimed in 1985 with the planting of a tree in his name in the Garden of the Righteous at Yad Vashem in Jerusalem; and

Whereas Dr. de Sousa Mendes served as Portuguese Counsul to San Francisco in the 1920's, two of his children were born in California, and four of them are now residents and citizens of the United States; and

Whereas the Honorable Mario Soares, the President of Portugal, conferred posthumously on Dr. de Sousa Mendes the Ordem da Liberdade (the Order of Liberty), and presented this medal to the children of Dr. de Sousa Mendes at ceremonies at the Embassy of Portugal in the city of Washington, District of Columbia, on May 19, 1987: Now, therefore, be it

*Resolved*, That, the Senate pays special tribute to Portuguese diplomat Dr. Aristides de Sousa Mendes do Amaral e Abranches for his extraordinary acts of mercy and justice during World War II.

Sec. 2. The Clerk of the Senate shall transmit copies of this resolution to the President. The President is requested to transmit a copy of this resolution to the President of the Republic of Portugal and the President of the Assembly of the Republic of Portugal.

● Mr. LAUTENBERG. Mr. President, today, Senator Pell and I are submitting a resolution to pay special tribute to Portuguese diplomat Dr. Aristides de Sousa Mendes do Amaral e Abranches for his extraordinary acts of mercy and justice during World War II. I greatly appreciate the support of the chairman of the Senate Foreign Relations Committee in joining me in introducing this resolution.

This resolution would honor Dr. de Sousa Mendes for his service to humanity during the war, and it would request the President of the United States to transmit a copy of the resolution to the President of the Republic of Portugal and the President of the Assembly of the Republic of Portugal. It is similar to a resolution introduced in the House of Representatives, House Resolution 162, by Representative Tony Coelho.

Dr. de Sousa Mendes was the Portuguese Consul General in Bordeaux, France between 1938 and 1940 when the German armies were conquering Europe. At that time, France became the home of European refugees fleeing Nazi persecution. When the French Republic collapsed in June 1940, thousands of refugess fled invading armies by going south to Bordeaux. Many of those refugees were Jews. The only escape route for these individuals was over the Pyrenees Mountains through Spain to neutral Portugal.

As a Portuguese diplomat, Dr. de Sousa Mendes was given specific orders by the government of Antonio de Oliveira Salazar not to issue visas to refugees. But in defiance of his government's orders, Dr. de Sousa Mendes issued more than 30,000 Portuguese visas to stranded refugees. At least 10,000 of these refugees were Jews who were saved from almost certain death by Dr. de Sousa Mendes' humanitarian gesture.

Although Portugal later received international praise for its humanitarian treatment of Jewish and other refugees during World War II, Dr. de Sousa Mendes suffered for his acts of kindness and graciousness. For issuing these visas, he was recalled to Lisbon and was dismissed from the Foreign Service. Unable to practice law and barred from diplomatic service, he died in poverty in 1954.

Dr. de Sousa Mendes was a man of rare courage. Recognizing that the lives of thousands of desperate refugees were in his hands, he dared to help. At great personal risk and sacrifice, he followed his conscience and issued visas for these stranded individuals. He is one of the few righteous who stands out in that dark period in world history as a hero. A hero who stood for humanity, dignity, and respect.

Mr. President, in 1967, Yad Vashem, the Martyrs and Heroes Remembrance Authority in Israel awarded Dr. de Sousa Mendes a gold medal inscribed with a phrase from the Talmud: "One who saves a human life saves, as it were, a whole world." Israel again expressed its gratitude to Dr. de Sousa Mendes in 1985 by planting a tree in his name in the Garden of the Righteous at Yad Vashem.

The President of Portugal, the Honorable Mario Soares, has also honored Dr. de Sousa Mendes. President Soares awarded Dr. de Sousa Mendes with the Portuguese Ordem da Liberdade, the Order of Liberty, in recognition of his bold efforts to save thousands of lives during the war. On May 19 of this year, that award was presented to Dr. de Sousa Mendes' children at the Embassy of Portugal in Washington, DC.

The Senate should also join in honoring Dr. de Sousa Mendes for his courage and service to humanity. I urge my colleagues to join me in cosponsoring this resolution to honor Dr. de Sousa Mendes.●

● Mr. PELL. Mr. President, I am very pleased to join Senator Lautenberg in introducing this legislation paying tribute to Dr. de Sousa Mendes for his extraordinary efforts during World War II to help refugees escape Nazi persecution. Following the collapse of the French Republic in June 1940, thousands of European refugees fled south to Bordeaux to escape the Nazi armies. From there they tried to make their way over the Pyrenees Mountains through Spain to neutral Portugal.

At that time, Dr. de Sousa Mendes was the Portuguese consul in Bordeaux and found himself under strict orders from the Salazar government not to issue visas to escaping refugees, particularly Jews. He defied those orders and issued more than 30,000 visas to stranded refugees, including at least 10,000 visas to Jewish refugees. When the Salazar government learned that de Sousa Mendes had followed the dictates of his conscience rather than the demands of the regime, it closed Portugal's borders to anyone carrying a visa issued in Bordeaux. De Sousa Mendes then personally guided 500 refugees through a Portuguese border post that had not yet learned of the ban on visas issued in Bordeaux.

Ordered home by the Salazar government, Dr. de Sousa Mendes was dismissed from the Foreign Service and stripped of his right to practice law. He died in poverty in 1954.

Dr. de Sousa Mendes' extraordinary acts of courage and mercy have already been recognized by the Martyrs and Heroes Remembrance Authority in Israel and by the planting of a tree in his name in the Garden of the Righteous at Yad Vashem in Jerusalem. And on his recent trip to the United States, Portuguese President Mario Soares posthumously awarded de Sousa Mendes the Ordem da Liberdade—the Order of Liberty—and presented the medal to de Sousa Mendes' children during ceremonies at the Portuguese Embassy.

The time has come for the U.S. Congress to pay special tribute to Dr. de Sousa Mendes for the tens of thousands of lives which he saved during World War II. Representative Coelho has introduced companion legislation on the House side and I hope that the Congress will adopt this resolution in a timely manner.●

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## SENATE RESOLUTION 271—SENSE OF THE SENATE WITH RESPECT TO JAPANESE TRADE WITH VIETNAM

Mr. KASTEN (for himself, Mr. Dole, Mr. Helms, Mr. Bingaman, Mr. Wilson, and Mr. Heinz) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 271

Whereas 140,000 Vietnamese troops invaded Cambodia in early 1978;

Whereas for the past 9 years, the vast majority of Western powers have pledged to maintain embargoes on developmental aid to Vietnam until these troops are removed;

Whereas Japan initially participated in this embargo, freezing some $135,000,000 in grants and concessionary loans, and reducing trade levels from $220,000,000 in 1978 to $120,000,000 the following year;

Whereas despite the fact that 140,000 Vietnamese troops continue to occupy Cambodia, Japan's economic ties with Vietnam have grown steadily since 1982, reaching a present day trade level of $230,000,000, and this includes developmental trade;

Whereas the Japanese government has consistently refused to take any action against its private business sector which initiates this trade;

Whereas the Honda Motor Company plans to build motorcycles in Vietnam and such motorcycles may enhance the mobility of the Vietnamese army; and

Whereas Vietnam's 65 million people are a tempting lure for investors seeking low wages and for traders seeking new markets: Now, therefore, be it

*Resolved*, That the Senate hereby—

(1) renews its condemnation of the continued Vietnamese occupation of the sovereign state of Cambodia, an activity which violates all standards of conduct befitting a responsible nation and contravenes all recognized principles of international law,

(2) condemns the trading policies of the Japanese government which—

(A) allow its private business sector to engage in developmental trade with the Socialist Republic of Vietnam, and

(B) previously granted a similar allowance enabling Japanese corporations to trade with the Republic of Cuba, and

(3) condemns specific Japanese trading practices with Vietnam which provide long-term credits and developmental equipment, including equipment for—

(A) oil and exploration development,

(B) forestry and fishery production,

(C) development of commodities for light industries, and

(D) the upgrading of production capacities for export purposes.

Mr. KASTEN. Mr. President, I rise today to submit a resolution on behalf of myself and Senators Dole, Helms, Bingaman, Wilson, and Heinz, which condemns certain trading policies of the Japanese Government.

Nine years ago, 140,000 Vietnamese soldiers invaded Cambodia. In response, Japan immediately joined in a Western embargo of Vietnam, and froze all official economic aid to that country.

Similarly, Japanese exports to Vietnam fell from $220 million in 1978 to $120 million in 1979. Like its Western allies, Japan vowed to retain this embargo until Vietnamese troops left Cambodia.

Although these efforts to pressure a Vietnamese withdrawal from Cambodia have continued for 9 years, those troops still remain. Yet, in direct violation of their previously stated intent, Japan's exports levels to Vietnam have recently risen to a level of $230 million, while Japanese business ties with Hanoi have grown substantially.

The Japanese have become Vietnam's largest non-Communist trading partner. Japan provides developmental equipment and long-term credits. The areas of development include:

First, oil exploration and development;

Second, forestry and fishery production;

Third, development of commodities for light industries, and

Fourth, upgrading of production capacities for export purposes.

A prime example of Japanese corporate investment in Vietnam is the Honda Motor Co. plan to manufacture motorcycles there. A Vietnamese cooperative will receive from Japan all the necessary parts and assembly equipment for producing the motorcycles.

Not only will this provide jobs for Vietnamese citizens and capital for Vietnam's economy, but it will also involve the production of vehicles that will increase the mobility of the Vietnamese Army.

The Japanese Government disclaims reports that it supports these activities—yet Japanese foreign ministry officials have repeatedly visited Vietnam. In fact, a consortium representing 90 Japanese business firms has announced that it will build a trading center in Hanoi.

Reports of Japanese violations of trading agreements are not new to the Senate. Recent disclosures on the sale of sophisticated milling machines from a Japanese business firm to the Soviet military led to the ban of Toshiba imports into the United States.

Yet, it has become clear that these trading violations are not restricted to a specific firm, but in fact reflect the current mentality of many Japanese business firms.

Some of my colleagues have been reluctant to support this legislation because of concern that the Senate is overly engaged in "Japan bashing." However, Mr. President, the fact of the matter is that the Japanese are breaking a mutual agreement made with their Western allies.

Vietnam's 65 million people are a tempting lure for investors seeking low wages and for traders seeking new markets. Yet, while Japanese firms reap the benefits of an economy prime for the taking, such efforts break the embargoes we are trying to foster against Vietnam.

This resolution does not include sanctions against Japan—there are already existing legislative efforts to apply such sanctions. However, it sends a strong message to Japan, that they still have much to do in getting their house in order regarding trade.

I support free trade. I do not support a government which irresponsibly vies for untapped markets at the expense of its allies.

I ask my colleagues to join me in cosponsoring in this sense of the Senate resolution.

I ask unanimous consent that an article from the Journal of Commerce be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Journal of Commerce, June 16, 1987]

### Vietnam To Make Honda Motorcycles

Tokyo.—Honda Motor Co., Japan's major motorcycle maker, said Monday it has signed a contract with an enterprise cooperative in Vietnam to produce small-sized motorcycles on a knock down basis there.

Honda spokesman Toru Nakauchi said the contract was recently signed between a Japanese trading company representing Honda Motor and a group of bicycle and motorcycle makers in Ho Chi Minh City formerly Saigon.

Under the contract, the Vietnamese cooperative will produce 2,000 Honda Super Cub models 50cc and 70cc, Mr. Nakauchi said. He said the date of motorcycle production and its future production target have yet to be fixed.

The Vietnamese cooperative will receive supplies of all necessary parts and assembly equipment for producing motorcycles in the first knock down production of motorcycles in Vietnam, Mr. Nakauchi said. Honda's latest move was taken to "reduce its export cost" of motorcycles to Vietnam because of the yen's appreciaton against the dollar, he said.

Mr. Nakauchi said Honda exported 12,410 small motorcycles to Vietnam on a spot-contract basis last year compared to 5,882 motorcycles shipped to Vietnam in 1985. In Vietnam, some home electrical appliance products, including television sets, are being assembled in cooperation with Japanese and South Korean companies, according to a local news report.

Last month, officials from the United States and the six-member Association of Southeast Asian Nations protested Japan's increasing trade with Vietnam. The United States said it feared an improved Vietnamese economy could hamper efforts to settle the question of U.S. servicemen still missing as a result of the Vietnam war.

## SENATE RESOLUTION 272—AUTHORIZING TESTIMONY BY CERTAIN SENATE EMPLOYEES AND REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 272

Whereas in State of Arkansas v. Christoper Kupper, et al., Case Nos. 87-3404 through 87-3413, now pending in the Criminal Division of the Municipal Court, City of Little Rock, Arkansas, three employees of the Senate, Don Floyd, Martha Perry, and Beverly Stover, have been supoenaed on behalf of the defendants to appear and to testify at the trial;

Whereas the three employees have information which may be relevant to that trial;

Whereas pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a) (1982), the Senate may direct its counsel to represent employees of the Senate with respect to subpoenas issued to them in their official capacities;

Whereas by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas when it appears that testimony by Senate employees in their official capacities may be needed in any forum for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

*Resolved*, That the Senate Legal Counsel is directed to represent Don Floyd, Martha Perry, and Beverly Stover in connection with their testimony in State of Arkansas v. Christopher Kupper, et al.

Sec. 2. That Don Floyd, Martha Perry, and Beverly Stover are authorized to testify at proceedings in State of Arkansas v. Christopher Kupper, et al., except concerning matters which are privileged.

## AMENDMENTS SUBMITTED

## OLDER AMERICANS ACT AUTHORIZATION

## HATCH (AND OTHERS) AMENDMENT NO. 660

Mr. DOLE (for Mr. Hatch, for himself, Mr. Inouye, Mr. Garn, and Mr. Bradley) proposed an amendment to the bill (S. 887) to extend the authorization of appropriations for and to strengthen the provisions of the Older Americans Act of 1965, and for other purposes; as follows:

On page 126, after line 14, add the following:

### TITLE VI—HEALTH CARE SERVICES IN THE HOME

#### SHORT TITLE

Sec. 601. This title may be cited as the "Health Care Services in the Home Act of 1987".

#### PROGRAM AUTHORIZED

Sec. 602. (a) In General.—Part A of title XIX of the Public Health Service Act is amended by adding at the end thereof the following:

"Subpart 2—Health Care Services in the Home

"AUTHORIZATIONS OF APPROPRIATIONS

"Sec. 1910C. For the purpose of allotments to States to carry out the activities described in section 1910F, there are authorized to be appropriated $100,000,000 for fiscal year 1988, $100,000,000 for fiscal year 1989, and $100,000,000 for fiscal year 1990.

"ALLOTMENTS

"Sec. 1910D. (a)(1) Except as provided in paragraph (2), the Secretary shall allot to each State for each fiscal year from the amounts appropriated under section 1910C for such fiscal year an amount equal to the product of—

"(A) the population of the State, multiplied by

"(B) the relative per capita income of the State.

For purposes of subparagraph (B), the term 'relative per capita income' has the same meaning as in the last sentence of section 1913(a)(1).

"(2) Notwithstanding paragraph (1)—

"(A) the total amount of the allotment for each of the several States, the District of Columbia, and Puerto Rico for each fiscal year shall not be less than one-half of 1 percent of the total amount appropriated under section 1910C for such fiscal year;

"(B) the total amount of the allotment for each of the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands for each fiscal year shall not be less than one-fourth of 1 percent of the total amount appropriated under section 1910C for such fiscal year; and

"(C) the total amount of the allotment for each of American Samoa and the Commonwealth of the Northern Mariana Islands for each fiscal year shall not be less than one-sixteenth of 1 percent of the total amount appropriated under section 1910C for such fiscal year.

"(b) To the extent that all the funds appropriated under section 1910C for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1910G for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this subpart pursuant to section 1910G(d)),

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(c)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this subpart be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this subpart,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a) as the population of the Indian tribe or tribal organization bears to the population of the State.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"PAYMENTS UNDER ALLOTMENTS TO STATES

"Sec. 1910E. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1910D (other than any amount reserved under subsection (c) of such section) from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"USE OF ALLOTMENTS

"Sec. 1910F. (a)(1) Except as provided in subsections (b), (c), and (d), amounts paid to a State under section 1910E from its allotment under section 1910D for any fiscal year may be used to provide health care services in the home for eligible individuals. Such amounts may be used to—

"(A) pay compensation for the services of physicians, nurses, and social workers who plan, manage or provide or arrange for the provision of, health care services in the home for eligible individuals;

"(B) identify and locate eligible individuals needing the provision of health care services in the home;

"(C) develop proper standards and quality assurance mechanisms for the provision of health care services in the home for eligible individuals;

"(D) coordinate health care services provided in the home for eligible individuals under this subpart with other supportive social services provided for such individuals;

"(E) coordinate other long-term care services provided for eligible individuals by public and private institutions and voluntary organizations in order to ensure the provision of such services and to maximize the use of funds provided under this subpart and under other Federal laws; and

"(F) provide training to health professionals (other than physicians, nurses, and social workers), particularly training for health professionals who work within hospitals to educate individuals who may benefit from the provision of health care services in the home, and training in advanced discharge planning.

"(2) A State may use amounts paid to it under section 1910E to provide health care services in the home for eligible individuals through grants to health care organizations. In making such grants, a State shall give priority to home care programs, including home care programs based in hospitals. As a condition of receipt of a grant under this paragraph, a State shall require a health care organization to use amounts provided under such grant only for the provision of health care services in the home for eligible individuals.

"(b) Of the total amount paid to a State under section 1910E for a fiscal year—

"(1) at least 85 percent of such total amount shall, in the case of fiscal year 1988, be used by the State to pay compensation under subsection (a)(1)(A);

"(2) not more than 10 percent of such total amount may, in the case of fiscal year 1988, be used by the State for activities under this subpart other than the payment of compensation under subsection (a)(1)(A); and

"(3) not more than 5 percent may, in the case of a fiscal year beginning after September 30, 1988, be used by the State for activities under this subpart other than the payment of compensation under subsection (a)(1)(A).

"(c) Not more than $2,500 per year may be used by a State, with respect to any eligible individual, to pay compensation for the services of physicians, nurses, and social workers under subsection (a)(1)(A).

"(d) A State may not use amounts paid to it under section 1910E to—

"(1) provide inpatient services, except services involving advanced discharge planning;

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;

"(5) provide services under this subpart to an individual if the total cost to the Federal Government of providing such services would exceed the total cost of institutionalization of such individual;

"(6) provide reimbursement for services performed by any individual other than a physician, nurse, or social worker; or

"(7) provide supportive social services for which planning and management is conducted under subsection (a)(1)(D).

"(e) The Secretary, if requested by a State, shall provide technical assistance to the State in planning and operating activities to be carried out under this subpart.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"Sec. 1910G. (a)(1) In order to receive an allotment for a fiscal year under section 1910D, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1910D for a fiscal year shall contain assurances that the State will meet the requirements of subsection (b).

"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—

"(1) certify that the State agrees to use the funds allotted to it under section 1910D in accordance with the requirements of this subpart;

"(2) provide assurances that such chief executive officer will designate or establish a State agency to administer funds provided under this subpart;

"(3) certify that the State will coordinate the provision of health care services in the home with funds provided under this subpart with activities conducted to provide such services by voluntary, religious, and community organizations and local governments;

"(4) provide assurances that the State will make reasonable efforts to provide health care services in the home under this subpart through home care programs in the State, including home care programs based in hospitals; and

"(5) provide assurances that the State will, to the maximum extent feasible, provide health care services in the home under this subpart to individuals who are low income individuals and who are not receiving equivalent home health care services under the State's medicaid plan approved under title XIX of the Social Security Act.

"(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1910E for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this subpart, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this subpart, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), and sections 1907, 1908, and 1909 shall apply to this subpart in the same manner as such provisions apply to subpart 1 of this part.

"(e) Each report submitted by a State to the Secretary under section 1906(a)(1) (as such section applies to this subpart pursuant to subsection (d) of this section) shall include an analysis of the cost effectiveness of providing health care services in the home for eligible individuals under this subpart.

"EVALUATIONS

"Sec. 1910H. The Secretary shall conduct, or arrange for the conduct of, evaluations of services provided and activities carried out with payments to States under this subpart.

"DEFINITIONS

"Sec. 1910I. For purposes of this subpart—

"(1) The term 'eligible individual' means an individual who—

"(A) resides at home and is at risk of institutionalization because of medical limitations on the ability of such individual to function independently;

"(B) is a patient in a hospital who is at risk of prolonged hospitalization, and who could be cared for in a long-term care institution or who could return to the community if health care services in the home are available; or

"(C) is a patient in a skilled nursing facility or an intermediate care facility who could return to the community if health care services in the home are available.

"(2) The terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.".

(b) Technical Amendments.—Such part is further amended—

(1) by striking out the heading of such part and inserting in lieu thereof the following:

"Part A—Preventive Health Services, Health Services, and Health Services in the Home";

(2) by inserting after the heading of such part the following:

"Subpart 1—Preventive Health and Health Services"; and

(3) by striking out "this part" and inserting in lieu thereof "this subpart" each place it appears in sections 1902(d)(1)(A), 1902(d)(1)(B), 1904(a)(1), 1904(a)(3), 1904(b), 1905(c)(1), 1905(c)(2), 1905(c)(3), 1905(c)(4), 1905(c)(6), and 1905(d).

#### EFFECTIVE DATE

Sec. 603. This title and the amendments made by this title shall take effect on October 1, 1988.

On page 10, after item "Sec. 507", insert the following:

"TITLE VI—HEALTH CARE SERVICES IN THE HOME

"Sec. 601. Short title.
"Sec. 602. Program authorized.
"Sec. 603. Effective Date.".

## MATSUNAGA AMENDMENT NO. 661

Mr. MATSUNAGA proposed an amendment to the bill S. 887, supra; as follows:

On page 18, line 7, strike out "Federal" and insert in lieu thereof "National".

On page 62, line 15, strike out "section 139(b)" and insert in lieu thereof "section 139(b) and 141(b)".

On page 62, line 17, strike out "(6)" and insert in lieu thereof "(7)".

On page 62, line 19, strike out "(7)" and insert in lieu thereof "(8)".

On page 62, line 21, strike out "(7)" and insert in lieu thereof "(8)".

On page 62, line 22, strike out "(8)" and insert in lieu thereof "(9)".

On page 75, lines 8 and 9, strike out "section 154(b)" and insert in lieu thereof "section 155(b)".

On page 78, line 3, strike out "(3)" and insert in lieu thereof "(4)".

## MELCHER AMENDMENT NO. 662

Mr. BYRD (for Mr. Melcher) proposed an amendment to the bill S. 887, supra; as follows:

On page 80, after line 24, insert the following:

#### INFORMATION ON AGE DISCRIMINATION PROHIBITIONS

Sec. 163. Section 503(b) of the Act is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by inserting at the end thereof the following:

"(2) The Secretary shall distribute to grantees under this title, for distribution to program enrollees, and at no cost to grantees or enrollees, infomational materials developed and supplied by the Equal Employment Opportunity Commission and other appropriate Federal agencies which the Secretary determines are designed to help enrollees identify age discrimination and understand their rights under the Age Discrimination in Employment Act.".

On page 81, line 2, strike out "Sec. 163." and insert in lieu thereof "Sec. 164.".

On page 81, line 7, strike out "Sec. 164." and insert in lieu thereof "Sec. 165.".

On page 81, line 15, strike out "Sec. 165." and insert in lieu thereof "Sec. 166.".

Amend the table of contents accordingly.

## MELCHER (AND PRESSLER) AMENDMENT NO. 663

Mr. BYRD (for Mr. Melcher, for himself and Mr. Pressler) proposed an amendment to the bill S. 887, supra; as follows:

On page 101, after line 23, insert the following:

Part G—Consumer Price Index for Older Americans

index authorized

Sec. 191. The Secretary of Labor shall, through the Bureau of Labor Statistics, develop, from existing data sources, a reweighted index of consumer prices which reflects the expenditures for consumption by retired Americans aged 62 and over. The Secretary shall furnish to the Congress the index within 180 days after the date of enactment of this Act. The Secretary shall include with the index furnished a report which explains the characteristics of the reweighted index, the research necessary to develop and measure accurately the rate of inflation affecting older Americans, and provides estimates of time and cost required for additional activities necessary to carry out the objective of this section.

On page 9, in the table of contents, after item "Sec. 182." insert the following:

"Part G—Consumer Price Index for Older Americans

"Sec. 191. Index authorized.".

## MELCHER AMENDMENT NO. 664

Mr. BYRD (for Mr. Melcher) proposed an amendment to the bill S. 887, supra; as follows:

On page 114, strike out lines 1 through 14 and insert the following:

TITLE IV—NATIONAL SCHOOL LUNCH ACT AMENDMENT

participation of older persons and chronically impaired disabled persons in child care food program

Sec. 401. Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended by adding at the end the following:

"(p)(1) For purposes of this section, adult day care centers shall be considered eligible institutions for reimbursement for meals or supplements served to persons 60 years of age or older or to chronically impaired disabled persons, including victims of Alzheimer's disease or other neurological and organic brain disorders of the Alzheimer's type. Reimbursement provided to such institutions for such purposes shall supplement, not supplant, funds provided for such purposes on the effective date of this subsection, unless the quality of meals or level of services provided is improved through participation in the program.

"(2) For purposes of this subsection—

"(A) the term 'adult day care center' means any public agency or private nonprofit organization, or any proprietary title XIX or title XX center, which—

"(i) is licensed or approved by Federal, State, or local authorities to provide adult day care services to chronically impaired disabled adults or persons 60 years of age or older in a group setting outside their homes on a less than 24-hour basis; and

"(ii) provides for such care and services directly or under arrangements made by the agency or organization whereby the agency or organization maintains professional management responsibility for all such services; and

"(B) the term 'proprietary title XIX or title XX center' means any private, forprofit center providing adult day care services for which it receives compensation from amounts granted to the States under title XIX or XX of the Social Security Act and which title XIX or title XX beneficiaries were not less than 25 per cent of enrolled eligible participants in a calendar month preceding initial application or annual reapplication for program participation.

"(3)(A) The Secretary of Agriculture, in consultation with the Commissioner on Aging, may establish separate guidelines for reimbursement of institutions described in this subsection.

"(B) The guidelines shall contain provisions designed to assure that reimbursement under this subsection shall not duplicate reimbursement under C of title III of the Older Americans Act of 1965, for the same meal served.".

On page 126, after line 14, insert the following:

TITLE VI—GENERAL PROVISIONS

effective date; application of amendments

Sec. 601. (a) Effective Date.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1987.

(b) Application of Amendments.—The amendments made by title I of this Act shall not apply with respect to—

(1) any area plan submitted under section 306(a) of the Older Americans Act of 1965, or

(2) any State plan submitted under section 307(a) of such Act,

and approved for any fiscal year beginning before the date of the enactment of this Act.

Amend the table of contents accordingly.

## MILITARY RETIREMENT REFORM ACT AMENDMENTS

## NUNN AMENDMENT NO. 665

Mr. BYRD (for Mr. Nunn) proposed an amendment to the bill (H.R. 2974) to amend title 10, United States Code, to make technical corrections in the provisions of law enacted by the Military Retirement Reform Act of 1986; as follows:

On page 3, line 9, strike out "1410(a)" and insert in lieu thereof "1410".

## PUBLIC HEALTH SERVICE ACT

## INFANT MORTALITY AMENDMENTS

## KENNEDY AMENDMENT NO. 666

Mr. BYRD (for Mr. Kennedy) proposed an amendment to the bill (S. 1441) to reduce the incidence of infant mortality; as follows:

On page 5, line 15, insert "in areas of the Pacific Basin Region," before "and in".

On page 7, line 9, insert ", public health, or medicine" before "for the".

## NOTICES OF HEARING

### SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. MELCHER. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources on Friday, September 18, 1987, at 10 a.m. in room 366 of the Dirksen Senate Office Building. The purpose of the oversight hearing is to discuss the National Coal Council's Reserve Data Base Report and the state of information relating to the quality and recoverability of U.S. coal reserves.

Those wishing to submit written testimony should address it to the Committee on Energy and Natural Resources, room 364, Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact Patricia Beneke at (202) 224-2383.

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources on Thursday, September 10, 1987, at 9:30 a.m. in room 366 of the Dirksen Senate Office Building. The purpose of the hearing is to consider S. 801, the Coal Distribution and Utilization Act of 1987.

Those wishing to submit written testimony should address it to the Committee on Energy and Natural Resources, room 364, Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact Patricia Beneke at (202) 224-2383.

### SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a field hearing before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources.

The subcommittee would welcome testimony from State and local officials, as well as interested citizens regarding ground water resources and related management and regulatory activities in the State of New Jersey. The hearing will be held on September 14, 1987, in the vicinity of Camden, NJ. The time and exact location have yet to be determined but will be announced as soon as possible for the information of the Senate.

For further information regarding the hearing, you may wish to contact Russell R. Brown of the subcommittee staff at 224-2366. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Subcommittee on Water and Power, Room SD-364, Dirksen Senate Office Building, Washington, DC 20510.

### SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Senate Subcommittee on Energy Research and Development.

The purpose of this hearing is to receive testimony concerning S. 1480, the "Department of Energy National Laboratory Cooperative Research Initiatives Act."

The hearing will take place on Tuesday, September 15, 1987, at 2 p.m. and Thursday, September 17, at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to submit written statements should write to the Committee on Energy and Natural Resources, Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC 20510.

If you have any questions concerning this hearing, please contact Teri Curtin on 224-7569.

## AUTHORITY FOR COMMITTEES TO MEET

### SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs, be authorized to meet during the session of the Senate on Thursday, August 6, 1987, to hold a hearing on S. 1475, a bill to establish an effective clinical staff recruitment and retention program, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, August 6, 1987, at 4:00 p.m. to hold a hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resource be authorized to meet during the session of the Senate on Thursday, August 6, 1987, to receive testimony concerning S. 1320, the Solar Development Initiative Act of 1987; and S. 1554, the Renewable Energy and Energy Conservation Technology Competitiveness Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on August 6, 1987, to hold a hearing on judicial nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Thursday, August 6, 1987, to conduct hearings on the nomination of Deborah Gore Dean to be an Assistant Secretary of Housing and Urban Development.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## THE 100TH ANNIVERSARY OF JAMESBURG

● Mr. BRADLEY. Mr. President, I am pleased to offer my congratulations to the Borough of Jamesburg as it celebrates its 100th anniversary.

Jamesburg was incorporated in 1887 by James Buckelew, a major landowner in the area, and during the early 1900's, it was a prosperous railroad town, with more than half of the men employed by the railroad. Although Jamesburg is only 1 square mile in size, it served as a major crossroads between the north, south, east, and west rail lines. Today, Jamesburg remains a hub in southern Middlesex County, offering its 7,000 residents easy access to the New Jersey Turnpike and other major routes in the State. Jamesburg continues to share in the tremendous growth that has enveloped Middlesex County in the last few years, bringing many valuable services to the town.

Jamesburg will be celebrating its 100th anniversary on August 15 with a series of special events. I join the residents of Jamesburg in celebrating 100 years of progress, and I extend my best wishes to them for continued success in the future.●

## RETIREMENT OF THEODORE J. SAENGER

● Mr. WILSON. Mr. President, on September 1, 1987, Theodore J. Saenger will retire as president and chief executive officer of Pacific Bell, and vice chairman of the Bell Operating Cos., of the Pacific Telesis Group, after a distinguished 25-year career.

Mr. Saenger, a native Californian, was born in Pomona in 1928, and received his bachelor of science degree in business from the University of California at Berkeley in 1951.

Mr. Saenger's career at Pacific Bell has been marked by a series of increasingly responsible management positions. Joining the company in 1953, Mr. Saenger rose from various line and staff positions until his election as vice president in 1974. He became president and chief operating officer in 1977, and assumed the vice chairmanship in 1984.

In addition to his stellar professional career, Mr. Saenger has been active in educational and community activities. He serves on the board of trustees of both Occidental College and the University of California at Berkeley Business School, as well as the Charles R. Drew Medical School Foundation, the San Francisco Theology Seminary, the California Economic Development Corp., and the United Way of the Bay Area.

Through his innovation, imagination, and steady leadership, Mr. Saenger successfully guided Pacific Bell through the aftermath of the AT&T divestiture. His stewardship has allowed Pacific Bell to thrive in the waters of increased competition while maintaining the company's tradition of efficiency and dependability. His diligence, integrity, and durability has helped set high standards of professionalism in the communications industry. His career has been exemplary, and one that has demonstrated the opportunities provided by the free market for those bright enough to capitalize on it. In addition, he is astute enough to have encouraged his son, Jeff, to be an intern in my Washington, DC office this summer.

I want to express my personal thanks to him for a job well done. I know that my colleagues join me in wishing Mr. Saenger well as he retires from Pacific Bell.●

## THE BICENTENNIAL ADMISSION CEREMONY

● Mr. BRADLEY. Mr. President, in this year of the bicentennial anniversary of the Constitution of the United States and as the historical date of September 17, 1987, approaches, governmental, business, civic, and community entities are embarking on initiatives commemorating this special event.

In this regard, I would like to share with you, and extend congratulations to members of the legal profession from across the Nation who participated in a bicentennial admission ceremony sponsored by the National Conference of Women's Bar Associations at the Supreme Court of the United States in Washington, DC, on Monday, May 18, 1987. This special event was highlighted by a personal appearance and greetings from the Honorable William J. Brennan, Jr., Associate Justice of the Supreme Court, who served in a presiding capacity on May 18, in the absence of Supreme Court Chief Justice William H. Rehnquist. The more than 100 attorneys also received personal greetings from Associate Justice Sandra Day O'Connor.

The Honorable Marilyn Loftus, judge in the Superior Court of New Jersey and chair of the New Jersey Supreme Court Task Force on Women in the Courts, a first in the Nation, had the distinction of sponsoring 37 bar candidates in open court. Participants represented the judiciary, governmental, business and private sectors of the legal profession and included male colleagues. Admitted to the bar of the Supreme Court of the United States were the following candidates, and their respective States:

Linda Susann Perry of Alabama; Diane Jeanne Dykema, Christina Bemko Littlefield, Nancy Wallace Page and Barbara J. Paulson of California; Linda Ellen Christenson of Colorado; Barbara David Solomon of the District of Columbia; Patricia Ann Ash, Susan Clasrk Durré, Theresa Bland Edwards, Hon. Lynn Tepper and Teresa Cooper Ward of Florida; Emily Arnow Alman, Grissele Camacho-Pagan, Virginia Class-Matthews, Colette A. Coolbaugh, Hon. Sheryl A. DeSantis, Margarita Echevarria, Susan Lynne Goldring, Bonnie Blume Goldsamt, James A. Key, Jr., Beth Toni Kruvant, Patricia K. Nagle, Janice Marie Newman, Judith Maureen Donnelly-O'Leary, E. Joan Oliver, Ruth Rabstien, Danielle Ellen Reid, Phoebe Williams Seham, Pamela Ann Spinelli, Stafford Wington Thompson, and Joyce Madeline Usiskin of New Jersey; Eve Baer of New York; Mary Godfrey Nash of Ohio; Maryda Swanstrom Colowick of Tennessee and Lisa C. Germano and Judy Raye Moats of Virginia. Other candidates who responded to this bar admission initiative, but did not appear in open court included an associated justice of a State Supreme Court and candidates from the States of Louisiana and Massachusetts. In short, over 50 candidates responded to this initiative.

Welcoming the candidates and their guests to this auspicious occasion in Washington, DC, were Dolores Pegram Wilson, Esquire, president of the National Conference of Women's Bar Associations, from the firm of Lomurro and Eastman in Freehold, NJ, and ceremony chairpersons Carol Rabenhorst and Susan Ellis Wild, esquires, from the firm of Sachs, Greenebaum and Tayler in Washington, DC. Also present to extend greetings to the candidates were Irene Redstone, president of the National Association of Women Lawyers, and one of its former presidents, Hon. Mattie Belle Davis (retired), both from the State of Florida.●

## THE AGRICULTURAL NITROGEN MANAGEMENT ACT OF 1987

● Mr. **KARNES**. Mr. President, I rise today to state my intention to introduce legislation immediately after the Senate reconvenes in September regarding agricultural nitrogen in our Nations water supplies.

The title of this bill will be "The Agricultural Nitrogen Management Act of 1987." This is a companion bill to H.R. 3069 which was introduced in the House by Congressman STANGELAND on July 30, 1987.

Mr. President, this bill will require the U.S. Department of Agriculture to establish an Agricultural Nitrogen Best Management Practices Task Force. This task force will be composed of various agency heads—Agricultural Research Service, Soil Conservation Service, Extension Service, Environmental Protection Agency, Tennessee Valley Authority, and so forth—and a farmer representative to: First, identify best management production and conservation practices which maximize agricultural nitrogen utilization and minimize leaching and runoff; second, develop educational and training materials outlining use of these practices; and third, disseminate these educational materials to producers through county soil conservation service and extension service field offices.

The thrust of this effort is to work toward assuring future supplies of safe water by preventing nitrates from entering ground and surface water through informed producers using the most efficient, effective nitrogen application techniques combined with the best soil and water conservation practices to minimize nitrogen leaching and runoff into ground water supplies.

It is our intention to not have this bill embroiled in the FIFRA debate. This bill is designed to be a voluntary, preventive measure, and not a regulatory measure. The central theme of this bill could be most clearly labeled "technology transfer." This legislation requires the development of technology and the transfer of this technology to producers.

I believe this to be a very constructive, reasoned approach to one aspect of assuring future supplies of safe water. While the Senate is in recess, I will be working with many of you to explain and develop a broad base of support for this legislation. I look forward to introducing this legislation and to working with my colleagues toward successful passage of this most important legislative initiative.●

## CUMBERLAND, MD, CELEBRATES ITS BICENTENNIAL

● Mr. **SARBANES**. Mr. President, it is a great pleasure to bring to the attention of my colleagues in the U.S. Senate the celebration of the 200th anniversary of the city of Cumberland, MD, particularly during "Cumberland 'Gateway to the Promised Land' Week" as proclaimed by Maryland's Governor Schaefer. A picturesque mountain town of some 25,000 people situated on the upper reaches of the Potomac River in Allegany County, Cumberland has a history important to that of our Nation and today remains the economic center for its entire area.

For 200 years the city of Cumberland has served as a remarkable example of a community working together for the common good. Cumberland has not only created an outstanding environment in which hardworking citizens raise their families, but also a pleasant quality of life. American Demographics magazine recently listed Cumberland as the best place to live in the country. A recent poll of 226 readers by Money magazine, ranked Cumberland 15th among 300 U.S. cities on the basis of livability. These surveys pay well-deserved tribute to its many impressive attributes.

Although Cumberland was chartered in 1787, its history goes back even further. While George Washington was at Fort Cumberland, a frontier outpost during the French and Indian War, he wrote in 1755 to Governor Sharpe:

> * * * to the right of our camp * * * is a wondrous site for a city and as I muse by the campfire, I imagine that here will be the metropolis of His Excellency's Lord Baltimore's Colony.

Thomas Beall purchased and cleared the land, and in 1785 laid out the village he called Washington Town. Settlers purchased the lots and in 1787, 35 heads of family petitioned for incorporation. On January 20, 1787, the Maryland Legislature passed "an act for erecting a town at or near the mouth of Will's Creek." The town was to be called Cumberland.

In the 1800's Cumberland prospered greatly as a major transportation center, so much that it was second only to Baltimore as the largest city in Maryland. The home of the western Maryland railroad station, Cumberland played an instrumental role in our Nation's railroad industry. The "Narrows", a natural 1,000 foot breach in Will's Mountain near Cumberland, began as a trader's trail, was converted to a military wagon road in 1806, and became the national road, the first federally financed highway in the United States. Later, in the mid-19th century, the Narrows became the passage for America's first east-west railroad. This transportation route,

known as the "Gateway to the West", has played a major role in the development of the area west of Allegany County. Although replaced by modern freeways, this spectacular break in the Allegheny Mountains remains one of the most picturesque sites in our State.

Cumberland played another significant role as the terminus for the C&O Canal, in operation from 1850 to 1924 and reaching from western Maryland to the tidewater at Georgetown. The canal, which is designated a national historical park, was an important part of the country's transportation system in the last half of the 19th century. This delightful park is today a national treasure enjoyed by thousands of visitors to the Cumberland area.

Mr. President, Cumberland not only enjoys natural scenic beauty, but a rich architectural heritage made possible through the wise stewardship of the city's citizens, local government, and private industry. The beginnings of Cumberland's Washington Street Historic District can be traced back to the construction of Fort Cumberland, with the stockade encompassing the eastern end of what is now Washington Street and Prospect Square. Washington Street was named in 1973 to the National Register of Historic Places and boasts building styles spanning American architectural history from the Federal style through Georgian revival. Cumberland has successfully revitalized the downtown area where city residents enjoy beautiful fountains, open mall areas, and parks while shopping or strolling. George Washington's cabin in Fort Cumberland has been made accessible to the public through preservation efforts of the city and Daughters of the American Revolution. The old western Maryland railroad station is being restored to its original place of prominence in the community and will function as a transportation museum, a cultural resource center, and a visitor's center for the C&O Canal National Historical Park. The community is warmly welcoming steam railroading which will return to Allegany County, operating from Cumberland along the old western Maryland main line to its end in Frostburg. These are only a few examples of how Cumberland's citizens work together in the name of history to keep alive symbols of their city's important past.

I am confident that the next 200 years will prove to be years of further great achievement for the city of Cumberland. Mr. President, I ask my colleagues to join in saluting this great city during its bicentennial year as its citizens celebrate this significant milestone in their town's history.●

## THE NEED FOR FEDERAL TAKEOVER LEGISLATION

● Mr. **BOSCHWITZ**. Mr. President, when the 100th Congress convened at the beginning of this year, "competitiveness" seemed to be the catchword of the day and for the future. The emphasis was going to be on making American business more competitive in a global economy. Certainly that is a worthwhile goal, which I very much support. In fact, "competitiveness" is like mom and apple pie—it's not something you can easily be against.

Unfortunately, 7 months into the 100th Congress, the goal may still be competitiveness but the practice has become protectionism. Both Houses of Congress have passed protectionist trade legislation. Under the guise of protecting some workers the Senate has enacted plant closing legislation which will hurt American competitiveness and cost jobs. On the horizon looms minimum wage and mandated benefits legislation which will protect relatively few workers at the expense of many jobs, and, American competitiveness.

Mr. President, I have spoken against such protectionist measures in the past, and will continue to do so. Today, I would like to talk about protectionism of a different kind which occurs at a different level of government—State legislation designed to protect in-State corporations from unwanted takeover bids.

The issue involved here is not whether mergers and acquisitions are good or bad. That is an entirely different debate. My own view is that mergers and acquisitions are generally good for the economy. The available evidence seems to indicate that such transactions, even when hostile, can improve efficiency, transfer scarce resources to more productive uses and help stimulate effective corporate management. It is obviously better to restructure inefficient operations through mergers than through bankruptcy.

But again, that is not the debate. The issue I am addressing is the increasing tendency of State legislatures to protect in-State corporations from unwanted takeovers.

My own State of Minnesota presents the classic example. Earlier this summer when the Dayton Hudson Corp. was under an unwelcome attack a special session of the legislation was quickly called and in no time—I believe there was only 1 day of hearing—a harsh antitakeover law which will help protect Dayton Hudson and other Minnesota businesses from unwanted takeovers was pushed through. The same thing is happening in other States. Everyone wants to protect local industry. I can understand the motivation of Minnesota legislators as Daytons is such a well managed company and active community participant.

At the current pace we will soon have 50 different antitakeover laws to contend with. Conflict and confusion will be the order of the day. Investors will not only have to study the income statement and balance sheet of the corporation, but the takeover laws of its State of incorporation and the States in which it does business as well.

Mr. President, the States have a conflict of interest in passing antitakeover legislation. They want to protect jobs and preserve tax dollars, even if it means protecting bad management or is otherwise not in the best interests of national economic growth.

Because the States cannot always be objective in this area, it is time for the Federal Government to get involved and preempt State laws. In that way only will there be consistency and fairness which will address abuses but yet not disrupt markets and national economic growth.

Mr. President, I am aware that there are several proposals now pending before the Banking Committee which touch on this issue. I am also trying to develop a reasonable solution to the problem. I understand and do not want to disrupt the current system of allowing each State to set its own rules of corporate governance. But in this area, where the States have a conflict of interest, the Federal Government does need to step in to protect American competitiveness and the American economy.●

## NAUM MEIMAN

● Mr. **SIMON**. Mr. President, once again, I would like to speak out on behalf of the many Soviet refuseniks wishing to emigrate from the Soviet Union. Repeatedly, their hopes are raised upon application for exit visas, but then quickly lowered with yet another denial from the Soviet Government.

These talented and worthwhile lives are being wasted as they wait, in vain, for permission to leave. These Soviet Jews have committed no crime, yet they are continually subjected to political harassment and religious persecution. These people are forced to endure severe injustice simply because they have chosen to live elsewhere.

Naum Meiman is a Soviet refusenik. He has been subjected to extreme emotional hardship for the past 11 years. He is an elderly man with one wish left—to emigrate to Israel. Naum poses no threat to the Soviet Government, yet his requests for an exit visa are denied repeatedly and only vague reasons for his refusal are provided.

The Soviet Government speaks of improved relations between our two countries and promises of glasnost, but we have seen no evidence of this. The emigration rates today are lower than ever.

Something must be done to increase these low emigration levels. I strongly urge the Soviet Union to take action and allow Naum Meiman and other refuseniks to emigrate. These human rights violations must not be allowed to continue.●

## FARMERS AND THE CIVIL RIGHTS ACT

● Mr. KARNES. Mr. President, I take the floor today to send a warning signal to farmers across the country. I fear that the Senate may be preparing to pass legislation that could, perhaps unwittingly, establish new regulations affecting the day-to-day operations of most farms in America.

The Senate soon may turn to consideration of S. 557, the Civil Rights Restoration Act of 1987. A number of questions have been raised about the effects of this legislation. There is widespread belief that it will expand the scope of coverage beyond that which existed before the Grove City decision—to the fields and farmsteads of the Nation.

Of particular concern to me is the possibility that individual farmers would be brought under the broad civil rights laws simply because they participate in Federal farm programs. The Department of Agriculture administers a number of programs involving Federal payments or other aid to farmers and ranchers, such as loan guarantees, commodity loans, deficiency payments, disaster payments, price supports, and so forth. Significant questions have been raised as to what the effect of the legislation would be on the recipients of these benefits.

Section 7 of the bill states that none of its amendments shall be construed to extend the application of the civil rights laws to ultimate beneficiaries of Federal financial assistance excluded from coverage before enactment. It does not, however, make clear which ultimate beneficiaries are now excluded, nor does it address the issue of exclusion of those persons receiving benefits from programs that may be enacted in the future. Comments in the committee report are not adequate to address these concerns because the bill substantially rewrites the statutes and adds a new definition of programs and activities covered by the statutes.

What that means to me is that there is no guarantee that S. 557 might not ultimately have a dramatic impact on farming.

Mr. President, what sort of effect could the new legislation have on the operations of a farmer? We have no way of knowing all the impacts, but if we pause a moment to think about it, the possibilities are varied and quite disturbing. A recent court decision found that persons with infectious diseases are handicapped. Therefore, farmers might have to attempt to accommodate persons with TB or AIDS as employees. Under existing regulations, they might have to restructure jobs, modify or install equipment to make it usable by handicapped persons, modify work schedules, provide readers or interpreters, and similar actions. New buildings or additions to existing structures would have to comply with physical accessibility standards.

Many farmers are also employers who exceed the definition of "small providers"—entities with fewer than 15 employees. It is entirely possible that these farmers would have to comply with a whole new set of demands that they never dreamed of. Their operations could be subject to requirements such as making structural alterations to facilities, like installing ramps or widening doors, or any number of other physical changes that seem bizarre in a farm setting.

What about the possibility of requiring farmers to establish grievance procedures that incorporate appropriate due process standards? Would a farmer have to give an employee notice and a hearing before letting a worker go if he simply doesn't do the job? Mr. President, as somebody who has personal experience with farming, I can tell you that things just don't work that way on a farm. Requiring a farmer to implement formal grievance procedures is as ridiculous to him as standing out in the rain—it isn't necessary and it just doesn't make sense.

How about the concept of a farmer hiring an interpreter? I wouldn't want to be the one who had to explain to a farmer that he has to hire an interpreter to accommodate his employees.

Even small operations could be subject to increased Federal paperwork requirements, random onsite compliance reviews, and numerous other regulatory burdens. Mr. President, the last thing farmers need is more regulation and more paperwork to take them away from their principal activity—farming. It is getting to the point where farmers will need to spend money on secretaries and Xerox machines instead of tractors.

What all this means is that we really don't know for certain what impact S. 557 could have on farmers. Until someone can tell this Senator otherwise, I have to assume the possibility exists that passage of this bill could make farming a whole new ballgame, a game that I know Nebraska farmers do not want to play. The impact that these provisions could have on the average farm operation border on the bizarre when you consider the current customs and practices on farms.

It is not enough just to say that the bill does not alter or affect who is a recipient of Federal financial assistance. The language must be modified to erase all doubts. The belief that the bill expands civil rights coverage is so widespread that it should not be ignored.

It would be a mistake to believe that those who are opposed to this bill are opposed to civil rights or want to turn back the clock to the times and the events that necessitated the enactment of these laws. Such is not the case. However, if these predictions prove to be true, it would be disastrous for agriculture. The goal of the 1985 farm bill was to reduce Government involvement in the life of the American farmer. An unnecessary expansion of the civil rights requirements would be in direct contravention of that goal. Farmers are experiencing the most devastating farm crisis in history. They are already overburdened with low commodity prices, excess surplus stocks, and the lack of affordable financing. To be faced with additional statutory and regulatory requirements could jeopardize their continued existence as economic entities.

Mr. President, I think we should think long and hard before bringing this bill to the floor in its present form.●

## HIROSHIMA DAY

● Mr. SIMON. Mr. President, today is the 42d anniversary of the atomic destruction of Hiroshima. Three days later, on August 9, 1945, Nagasaki was destroyed by the second nuclear weapon and the world was forever changed.

The anniversary of Hiroshima is an important symbolic reminder of the overwhelming power and destructiveness of a single nuclear weapon. Today, in the United States and Soviet arsenals, the average nuclear weapon is 30 times more powerful than the one bomb dropped from the *Enola Gay* that leveled the entire city of Hiroshima. Hasn't the time come to stop the arms race and give the human race a chance to survive?

On this day we ought to rededicate ourselves to securing peace. It is our responsibility to make sure we don't get into a situation where we contemplate using these horrible weapons. To this end we must negotiate a verifiable end to nuclear weapons testing for all time. We have to greatly reduce the huge numbers of nuclear weapons in the world's arsenals.

We also have to get serious about the spread of nuclear weapons, and here the first step is to acknowledge the proliferation problem as an urgent threat to our national security. And we have to lay the basis for genuine peace by improving the United States-Soviet relationship wherever it makes sense to do so. If we do these things, America will become a much stronger nation and commemorating Hiroshima Day will not be in vain.●

## AGRICULTURAL PRODUCER AND FARM CREDIT SYSTEM BORROWER ACT OF 1987

● Mr. KARNES. Mr. President, I have joined as an original cosponsor of S. 1486, the Agricultural Producer and Farm Credit System Borrower Act of 1987, which was introduced on July 10, 1987. This legislation would create a mechanism for providing Federal assistance to the Farm Credit System and would establish a secondary market for agricultural mortgages.

The comprehensive approach taken in this bill is designed to provide assistance to System institutions within existing Federal budget realities.

One of the issues of great concern to farmers who borrow from the System is the safety of the stock they own in System associations. The bill would provide a guaranty of existing borrower stock, to be paid out in 5 years. This should relieve much of the concern that has contributed to farmers leaving the System. In addition, the bill would assure that those farmers holding stock in associations which were recently put into liquidation would receive full value on their stock. In my State, this would mean that farmers of production credit associations in Valentine and O'Neill, NE, would not suffer approximately $6 million of losses which would otherwise result on their stock as a result of the liquidation of those associations.

The bill addresses the issue of financial assistance through the establishment of a reserve fund, as a vehicle to channel and target assistance to System institutions. The reserve fund would operate under the direction of a Reserve Fund Board, which would have broad authority to administer assistance, and to oversee recovery plans for System institutions. The members of the Board would be the Secretary of the Treasury, the Secretary of Agriculture, the Chairman of the Federal Reserve Board and two public members appointed by the President of the United States. The fund would replace the existing Farm Credit System Capital Corporation, and would be capitalized with assets of the Capital Corporation.

Additional resources for providing assistance to System institutions would come from several sources. The Reserve Fund would be authorized to issue bonds backed by the guaranty of the United States. The Fund would also have the authority to issue guaranteed bonds backed by a pool of real estate transferred to the Fund from the Farmers Home Administration. Those bonds could include provisions which would let investors participate in any appreciation realized on the disposition of the real estate. The bill would also provide a way to deal with the most pressing problem facing the System—the ability of banks to continue to collateralize their own bond obligations. The Reserve Fund would have access to $2 billion of CCC-owned commodities which could be used to issue net worth certificates to any under collateralized bank.

An important role of the Reserve Fund Board would be to oversee loan restructurings by institutions. The legislation would require that institutions prepare plans for restructuring problem loans. It sets standards on which restructurings would be done. It provides a method for assuring the necessary expertise for restructuring would be available at the district level. And the Reserve Fund Board would have authority to assure that restructuring programs are carried out in businesslike manner. The restructuring of loans would serve to return assets to performing status and thus strengthen the condition of System institutions.

This legislation would also create a Farm Credit System Insurance Corporation to insure the obligations of System banks and credit enhancement provided for mortgage backed securities by a new Federal Agricultural Insurance Corporation. The Insurance Corporation would be modeled after the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation. It would have broad powers to deal with defaults on obligations and credit enhancements, and to liquidate and assist defaulting institutions.

Title V of the bill would create a secondary market in agricultural mortgages through the chartering of the Federal Agricultural Mortgage Corporation. The Mortgage Corporation, which would be an insured institution within the System, would be authorized to provide credit enhancement to pools of qualified agricultural mortgages. The Mortgage Corporation would have a board of directors comprised of representatives of commercial banks, insurance companies, loan originators, Farm Credit System institutions, and the public. The board would be balanced to assure that no group of lenders dominate. A secondary market for agricultural mortgages can provide many benefits to farmers and bring to the agricultural sector many of the innovative financing approaches that have benefited residential housing in our Nation.

Mr. Chairman, I commend Senator Richard Lugar for his leadership in putting this legislation together. He has taken the initiative in dealing with the need for financial assistance to the System, but to do so with a clear vision of existing budget realities. I have been using my experience in private business, at the Federal Home Loan Bank System and at the Federal Home Loan Bank Board to contribute in efforts to resolve the issues Congress faces in connection with the System. I have been privileged to work with Senator Lugar in these efforts and I will continue to work to bring this legislation to enactment.

It is important to the farmers of Nebraska, and farmers across our Nation, that they continue to have access to credit at market terms from competitive sources. This legislation will further that objective in a number of significant ways.●

## TOO MANY WHITE HOUSE ADVISERS

● Mr. ADAMS. Mr. President, as we conclude the public phase of the Iran-Contra hearings, people are busy "drawing conclusions from" and "learning the lessons of" this tragic affair. Clearly one conclusion and one lesson relate to the power assumed by the President's staff, particularly the staff of the National Security Council and the National Security Adviser. As the Iran-Contra Committees develop their final report, I assume that they may make some suggestions designed to curb the power of staff.

In that context, I would call to their attention, and the attention of my colleagues, a recent op-ed piece written by James W. Symington. As a former member of the House, Jim has a sense of the role that staff should—and should not—play; and as a long time "insider" in Washington, he certainly has a sense of how power can be used and abused in this city. My personal experience convinces me that his assessment of the tension between staff and Cabinet is correct. I ask that the text of his article appear in the Record at this point so that my colleagues may review it.

The article follows:

[From the St. Louis Post-Dispatch, Feb. 12, 1987]

### A Trimmer, Better White House—Too Many Advisers With Too Much Power Hurt President And Country

(By James W. Symington)

President Abraham Lincoln had two private secretaries, John G. Nicolay and John Hay. Nearly two decades later President-elect James Garfield asked Hay to serve as secretary to the president. He declined, observing that no man takes the same job twice.

Garfield offered to upgrade the title to assistant to the president with policy implications. Hay respectfully declined again, noting that in such a capacity he might get between the president and members of his Cabinet, creating uncertainty and antagonism. Hay concluded, "There are some problems you must face alone."

In subsequent years the reluctance of presidents to face problems alone or in the company of their Senate-confirmed Cabinet officers has caused them to bring into the White House confidants of one kind or another with or without portfolio. The portfolios in general ascendance over the past few presidencies have been those of chief of staff and national security adviser. Each has expanded from an individual to a well-staffed office.

Whatever the advantages and disadvantages of such arrangements, they have certainly become fixtures of presidential governance. And inasmuch as "executive privilege," the cloak of presidential immunity from testifying before Congress, extends (unless he removes it) over the entire apparatus, the opportunities for concealment of executive initiatives are grealty multiplied.

That some people, especially persons of imagination and daring, might take advantage of such opportunities is understandable in the light of their several determinations to bring success to the broadly defined goals of the president they serve. Nor are their interrelationships structured or predictable. Not long after the president's men have gotten to know one another they develop an instinct for selective information sharing based on the capacity for trust they perceive in each colleague. Thus, the impulse of a single presidential mind—such as could cause Lincoln to wake Hay in the small hours of the morning to share an idea, grief or a joke—is multiplied by the number of surrogate "presidents," who are less inclined to share misgivings.

Each is, in fact, secure in his allocated portion of the presidential conscience to manage his allocated portion of presidential policy without disturbing the sleep of the president. A comforting anonymity stimulates the spirit of adventurism.

Of course, the power they have derives explicitly as well as inferentially from the president himself. The key to the manner in which they use that power might be discoverable in their private conversations with the president as they embark on their duties. This would include the parameters of accountability he outlines, the cross-checking among colleagues and the personal updating he requires.

Like other mysteries, these will not be revealed to us in this life. But at long last we've come out from under the illusion that great matters of state and of peace and war are always the exclusive province—on the executive side—of the president. Yet we do hold our president responsible for such matters. How can we then satisfy ourselves that the responsibility is met?

The power to review the presidential state of mind—what he knows, when he knew it, what he thought—resides nowhere on this side of the veil. Were he only the head of government we might get some of it. But he is also head of state, and the pain of inquiry we inflict on him comes back to us. Preempted then by law and awe from formally interrogating the president, we join the rest of mankind on the edge of our chairs when the president meets the press.

We have traded the illusion of the take-charge president for the wistful hope that his office arrangements, plus his own inclinations and requirements, will enable him to know the kind of things he ought to know, in time to prevent gross error. If the hope is modest, the expectation surely is.

There is absolutely no way to determine if the growing stable of presidential horses is in check. Nor is there any constitutional limit on the presidential prerogative to select and maintain advisers outside the loop of Senate-confirmed departmental officers.

Congress routinely approves appointments for presidential staff as a matter of comity. Nor are such private advisers subject, unless voluntarily, to formal congressional inquiry. Those who are so subject—Cabinet and subcabinet officials—cannot bring to congressional hearings understandings and initiatives of which they know nothing.

An informed citizenry is the first requirement of any democracy. And as confidence in our own government is rooted in our perception of being properly informed, it remains very sensitive to that perception. The arrangements stemming from the Constitution's confirmation process—the continuing accountability to Congress of the resulting appointees—have been our way of assuring ourselves that we had the information necessary to make sound political and other relevant judgments.

It was presumed that a close congresssional watch over the operations of their administrations would hold presidents to a satisfactory degree of accountability. Their tendency then to circumvent that original framework by assigning equivalent tasks to individuals, and now entire offices with no such obligation to report to Congress has inevitably resulted in a diminution of the public's perception of being kept informed.

Lt. Col. Oliver North's escapades are not the first of their kind, but they provide the opportunity to review the problem, not from a constitutional perspective exactly but a political one with the Constitution in mind.

Much has been said of the duty to support and defend the Constitution. We might welcome a candidate for president who proposes to do just that by elevating his Cabinet secretaries to their former and intended status as keepers of his conscience in the departments they run and as a corollary, reducing the White House staff in both authority and numbers.

I do not think government would suffer by more frequent and intimate contact between the president and his Cabinet, individually, as well as collectively. Nor do I think the public would feel deprived by any such arrangement.

The president does need someone to help him with the traffic, a private secretary, with an office and sufficient staff. He will always need political confidants, friends and advisers both in and out of office whom he can see whenever he wishes. But to set any one or more of them up as persons of such power and authority that a visit with them is tantamount to a visit with him is a mistake Lincoln seldom, if ever, made.●

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## TOWARD DEMOCRACY ON TAIWAN

● Mr. PELL. Mr. President, the lifting of martial law on Taiwan on July 14 removed the most prominent symbol of repression and represented an important step toward greater democratization. We must now do what we can to encourage continued progress toward democracy in Taiwan.

Further progress will require the enactment of political reforms which ensure that the people of Taiwan can freely and fairly choose their representatives. At present, the President of Taiwan is chosen by the National Assembly, a thoroughly undemocratic institution where only 9 percent of the members are periodically elected. The people of Taiwan have never had any say in choosing the remaining 91 percent of the members of that body and therefore have never had an opportunity to freely choose their own President.

There are several different ways the existing system might be changed to ensure a democratic outcome in Taiwan. One approach would be to ensure that the members of the National Assembly, who ultimately elect the President, are themselves freely and fairly elected. Another approach would be a system of direct Presidential elections. Either of these approaches could bring representative democracy to Taiwan.

In a recent article in the Christian Science Monitor, Dr. Trong Chai, a professor of political science at the City University of New York, outlines the defects in the existing structure of the National Assembly and proposes a system of direct Presidential elections. Without supporting one particular approach to political reform over another, I ask that a copy of that article appear in the Record.

The article follows:

[From the Christian Science Monitor, July 23, 1987]

### Taiwan Needs Direct Presidential Elections, Too

(By Trong R. Chai)

Last year, Taiwan's southern neighbor, the Philippines, overthrew dicator Ferdinand Marcos through a popular presidential election. On July 1 of this year, Taiwan's northern neighbor, South Korea—after three weeks of fierce street fights between riot police and students in major cities—finally decided to let its people directly elect their next president. In light of these new developments in the Pacific region, it is time to call for direct presidential elections in Taiwan.

Since its retreat from China in 1949, the Kuomintang (KMT), the ruling party in Taiwan, has continued to proclaim itself the sole legitimate government of China; its fundamental policy is the recovery of the Chinese mainland. Thus, political institutions established in China in 1947 are all maintained in Taiwan. Members of the National Assembly, whose major function is to elect the president of Taiwan once every six years, were elected by the people on the Chinese mainland four decades ago and still remain in office in Taiwan today.

According to the Constitution, there are 3,136 members of the National Assembly. Because of the civil war between Chinese Nationalists and Communists, only 2,841 members were actually elected in November 1947. Two years after the election, the KMT was defeated by the Communists and 1,576 members came to Taiwan, while the rest either remained on the Chinese mainland or went abroad. Through a 1954 interpretation of the Constitution by Taiwan's rubber-stamp supreme court, these members have lifetime tenure.

At present, because of natural deaths, the number of Assembly members has decreased to 984. Nine hundred of them (or 91 percent), including those who replaced the deceased members, have a life term. Only 84 members (or 9 percent) are periodically elected by the people on Taiwan through a complicated, inequitable system of occupational, gender, and areas representations.

The argument often made by the KMT to justify the methods employed to retain and select Assembly members is not tenable, for the following elements:

Original representatives (498 in number, or 51 percent). It is false to argue that these original members still represent the Chinese people on the mainland. The people who elected them 40 years ago are now at least 60 years old and constitute less than 5 percent of the present-day Chinese population. In addition, since 1949 the KMT has cut off communication with the Chinese mainland, so these legislators could hardly know the wishes of their "constituents" on the other side of the Taiwan Strait. Moreover, most members are more than 80 years old and in poor health. It is physically difficult, if not impossible, for them to assume legislative responsibilities.

Replacing representatives (402 in number, or 41 percent). When an original member dies, the candidate from his district who lost the election in 1947 is selected to replace the deceased member with lifetime tenure. The number of votes a replacement received was so low that he does not even represent the small percentage of mainlanders his predecessor claimed to represent. For example, Mao Song-nien, the former ambassador from Taiwan to Tokyo, lost his election to Wang Chu-wan by receiving only 2,500 votes, but last year, when Wang died, Mao replaced him as an Assembly member.

Occupational representation (16 in number, or 1.6 percent). Today, no major democratic government uses this system, by which members of various occupational groups elect their own congressmen. The KMT chose this electoral system largely because it tightly controls occupational associations and can thus send more representatives to the Assembly.

This system, however, violates the one-man, one-vote rule. One and a half million members of occupational groups elect 16 representatives, while 10 million citizens of Taiwan who do not belong to any occupational association elect only 61 members. The ratio between voters and representatives for occupational groups is twice as high as that for the people not belonging to any occupational group. Such an unequal representation was declared unconstitutional in the United States when, in 1964, the Supreme Court ruled that "as nearly as possible" congressional districts must be so drawn that district populations are approximately equal.

Gender representatives (7 in number, or 0.7 percent). The Chinese Women's Association, founded by Mme. Chiang Kai-shek, is highly supportive of the KMT. With a membership of a quarter million, it elects seven representatives—a ratio twice as high as the disproportional occupational ratio. This again violates the one-man, one-vote rule.

Area representatives (61 in number, or 6 percent). Area representation in Taiwan's elections is closer to the democratic principle than any previously discussed approach. Unfortunately, the election law prevents candidates from launching effective campaigns. For example, the use of mass media is prohibited, and the candidate is allowed to campaign for only 15 days in a district with a population of several million—a far cry from the free and fair campaign characterizing congressional elections in the US.

From the above analysis, it is clear that the National Assembly is now atrophied and unrepresentative. Both its members and the president they elect represent neither China nor Taiwan. Unless the existing system of indirect elections of the president by the Assembly is changed to direct elections by the people on Taiwan, there will be no democracy and representative government on the island.●

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## PARK OVERFLIGHT LEGISLATION

● Mr. DeCONCINI. Mr. President, the House of Representatives recently sent to the White House H.R. 921, legislation to require a study of the effects of aircraft flights over certain of our national parks. Included in that legislation is a separate section which requires the implementation of an aircraft management plan for flights over the Grand Canyon National Park. I support the legislation as passed by the Congress and believe we need to set in motion a plan for the management of aircraft over the Grand Canyon.

The longstanding conflict over aircraft use and environmental concerns must be resolved. While I do not and would not support any legislation requiring an outright prohibition on aircraft flights over the Grand Canyon, I am convinced that there are legitimate concerns over the safety risks and the environmental experience due to these flights. The emotions and feelings of those who treasure the magnificent canyon should not be spoiled by the noise of helicopters and fixed wing aircraft. At the same time, those who choose to view the Canyon from aircraft should be afforded the opportunity to do so.

One of the major concerns expressed throughout the consideration of this legislation was the need to ensure the appropriate role of the National Park Service and the Federal Aviation Administration with respect to the formulation of a plan for aircraft management. The bill, as passed by the Senate, would require the Secretary of the Interior to develop recommendations for inclusion in an aircraft management plan. Those recommendations would include a plan for the restoration of substantial quiet within the canyon, prohibit the flight of aircraft below the rim of the canyon, and require the establishment of flight-free zones. The Federal Aviation Administration would define the rim of the canyon and then implement the Park Service recommendations unless it found that the Park Service recommendations would have an adverse impact on aviation safety. Mr. President, this is the proper role for both of these Federal agencies. The Park Service should not be in the business of regulating airspace—that is the responsibility of the FAA. And, the FAA should not be expected to develop a plan which responds to the environmental consequences of overflights in our national parks.

With H.R. 921, we now have a framework for the agencies to develop a management plan which addresses safety and environmental concerns, for all types of aircraft. Once enacted, it will allow all interests to have input into the Park Service recommendations. Mr. President, I would have preferred to see both the Department of the Interior and the Department of Transportation work out a responsible solution to overflights. Unfortunately, this has not been possible and the need for the legislation has become critical to resolving the continuing use conflicts.

H.R. 921 is a responsible approach to the overflight issue. It is my hope that the President will sign H.R. 921 at the earliest possible date.●

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## LONG-TERM REFUSENIKS IN THE SOVIET UNION

● Mr. DeCONCINI. Mr. President, during my 11 years as a U.S. Senator, I have spoken many times in this Chamber about the plight of thousands of Soviet citizens who are struggling to exercise their right to basic human freedoms. For some of these thousands, freedom means an end to unfounded and unjust incarceration in the inhumane underworld of the Gulag. For others, it means freedom of expression without fear of cruel reprisals such as being abused by a sadistic use of "psychiatric treatment." Today I am going to speak about those who ask nothing more than to be reunited with their families.

Earlier this week I was visited by the families of four refuseniks who have been given the sad label of "Families of long-term refuseniks". A long-term refusenik is a Soviet citizen who has been denied permission to emigrate for more than 10 years. These cases are unfortunately not new to me. I have met personally in Moscow with two of the people whom I speak of today.

I would like to review the specific cases of these four to illustrate the type of mindless persecution which the Soviet Union is still engaging in despite Mr. Gorbachev's much publicized glasnost.

Grigory and Natalia Rozenshtein were refused an exit visa in 1974 based on Grigory's alleged access to "state secrets" in 1965—9 years earlier. It is now 22 years later and the Rozenshteins are still being denied the right to emigrate. Grigory's so-called sensitive work was the use of computer applications in his research on the structure of the human brain. His work, however, has been allowed to be published in scientific journals in both the Soviet Union and the West.

The Rozenshteins are two of Moscow's leading Jewish activists and, over the years, despite never-ending harassment have continued to raise their children as Orthodox Jews. I met Grigory in Moscow in 1983 and came away from our meeting with tremendous admiration for his spirit and refusal to compromise his beliefs.

Kim Fridman has been denied permission to leave since 1973. On what grounds? Alleged classified work in the Kiev Radio Plant which was conducted almost 15 years ago. Kim has been arrested several times and harrassed by the authorities for teaching Hebrew and the history of Russian Jews.

I first met Vladimir Prestin in 1978 in Moscow and again in 1985 and his extraordinary courage had not diminished in spite of the fact that he and his wife have been consistently denied permission to emigrate because Vladimir worked on computers.

Computers which became obsolete in 1969. The information to which he had access was also published in 1975. This Alice in Wonderland logic would be laughable if it were not being applied in real life to real people by a major world power. One has to question the superpower status of a country that considers technologies which are 10, 20 and even 30 years old so advanced that they still need protecting.

Vladimir Prestin is also a Jew and he speaks of the psychological effects of being a long-term Jewish refusenik:

> * * * There are several levels in this isolation: first of all, we do not believe we are free; the main feeling of every Jew is fear. It is an illness, a serious sickness * * * we suffer from phobias and paranoias and it destroys our minds.

This attempt to destroy the human spirit has perhaps reached the ultimate in cynicism in the case of Ilya Vaitsblit. Mr. Vaitsblit retired from his job as a radio engineer in 1973 because of declining health due to multiple sclerosis. He and his family applied for an exit visa but were refused because of his access to "classified" material. This is now 1987 and Mr. Vaitsblit's disease has rendered him deaf, dumb, blind and completely paralyzed and yet he cannot leave because he is considered a security risk. What kind of a government would deny Ilya Vaitsblit and his wife the only source of strength and love left to them, the right to be with their son in Israel?

Twelve years ago the Soviet Union along with the United States and 33 other countries signed an agreement known as the Helsinki Final Act. By doing so it pledged to resolve humanitarian problems and respect human rights and fundamental freedoms. For several months now delegates from the 35 signatory nations have been engaged in multilateral talks in Vienna to review the implementation record of the participating states in relation to these principles. In September they will begin drafting a document aimed at reinforcing and strengthening the Helsinki Final Act.

As Cochairman of the Helsinki Commission which was established by Congress to monitor compliance with the Helsinki Accords, I have been following the Vienna meeting very closely. Our Ambassador to the talks, Warren Zimmerman, has repeatedly challenged the Soviets to honor its Helsinki commitments. I second this challenge and pledge to make every effort to see that before a concluding document is signed in Vienna, sustained measureable progress is evident in the Soviet Union's human rights performance. In particular, there must be a significant resolution of outstanding emigration cases, a release of all prisioners of conscience and a reunification of divided families.

The Soviet Union would like to bypass these issues and place greater emphasis on the military security aspects of the Helsinki accords. But we must not accept any negotiation which permits security issues to overshadow the foundation of the Helsinki accords, human rights and fundamental freedoms. I intend to monitor this next critical phase in the Vienna talks carefully to ensure that the promotion of these freedoms which constitute the heart of the Helsinki process is not sacrificed for any reason. We must remain committed to our central focus on human rights until I no longer have a reason to stand in this Chamber and relate tales of suffering and oppression as I have today.●

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## RECOGNIZING DONALD AND DUDLEY WEBB

● Mr. **McCONNELL**. Mr. President, I rise today to recognize two outstanding Kentucky business leaders—Donald and Dudley Webb of Lexington, KY. The Wall Street Journal recently ran an article describing the real estate activities of these two brothers.

Donald and Dudley direct the Webb Companies, which, according to the Journal article, is the Nation's third largest diversified real estate development firm. It is certainly an honor for Kentucky that the Webb Companies are located in our Commonwealth.

The success of Donald and Dudley demonstrates that vision, dedication, and determination can have positive results. They come from a small community in eastern Kentucky and attended Georgetown College and the University of Kentucky Law School, where I was fortunate to have first met them. Both worked during college to help finance their education. Their record of accomplishment epitomizes the rewards of hard work in our free enterprise system.

Mr. President, I hope my colleagues share my sentiments in congratulating and recognizing Donald and Dudley Webb for their business and civic leadership. I ask that the Wall Street Journal article to which I have referred be printed in the RECORD for the benefit of my colleagues.

The article follows:

[From the Wall Street Journal, July 15, 1987]

### TWO KENTUCKY BROTHERS MINE REAL ESTATE

(By Dana Canedy)

LEXINGTON, Ky.—Dudley Webb pushes a button and the boardroom curtains close. A huge screen appears from behind mahogany and brass walls. It's time for the slide show.

With the excitement of someone showing scenes from last summer's vacation, the 44-year-old Mr. Webb flips through slide after slide of real estate projects his firm has completed or begun. "This is like a big toy," he says as he operates the slide projector.

The large stack of slides explains why Webb Cos., run by Dudley and his 48-year-old brother Donald, has emerged in the past decade as the nation's third largest diversified real estate developer, according to the ranking of an industry magazine. Last year, Webb had projects under way valued at $908.3 million.

Because major U.S. markets are overbuilt, an increasing number of developers like the Webbs have been concentrating on midsized metropolitan markets. The Webb empire is in markets such as Winston-Salem, N.C.; Toledo, Ohio; Springfield, Mass.; Riverside, Calif.; and Raleigh, N.C.

The profits can be impressive, but so can the problems. The Webbs currently are negotiating to sell half of their real estate interests for an estimated $100 million to a pension management firm. But as bulldozers edge more and more into farmland and residential areas, such developers find themselves spending more time facing angry groups at public meetings.

To make the way smoother, the Webbs try to link up with local partners who know particular markets, says Dudley. These "second-tier markets are still good ol' boy networks" where local contacts "are very important," he adds.

In Toledo, for example, the Webbs linked up with SeaGate Community Development Corp. on a $32 million office and retail complex. In Charleston, W.Va., when the city's largest law firm needed new offices and wanted to own a portion of the space it occupied, the Webbs leveraged the firm's lease into a bigger building, established a development company, and sought out deals. The result: the $35 million Laidley Towers, the largest office building in town.

The Webbs, says Dudley, a high-spirited, soft-spoken bachelor, are themselves "good ol' boys" who grew up in Hot Spot, Ky., a coal mining camp (population 200) in the mountains of eastern Kentucky that was owned by the company that employed their father as office manager. "I had a shoeshine box when I was six," recalls Donald, whose first taste of currency was coal-mine company script. Donald is married and has one son.

Their parents scrimped to send the brothers to college. Both attended Georgetown College in Georgetown, Ky., and both later graduated from law school at the University of Kentucky. To pay for law school, Donald took a job in state government, while Dudley worked in the tire department of Montgomery Ward & Co. and also made extra money on weekends as a little league football referee.

### A $3,000 LOAN

After working separately as lawyers for a few years, they began their real estate pursuits. It was a modest beginning: with a $3,000 loan and a mortgage from the owners, they bought a $32,000 single-family house and sold it for $37,000 four months later. They soon graduated from purchasing small houses to building duplexes, warehouses and eventually office buildings.

"When we paid the first $3,000 loan back, we showed the lender we would do what we said, and the next time they gave us a $10,000 loan, and the next a $100,000 loan." says Donald.

The Webbs moved into the industry's big leagues when they developed the Radisson Hotel and Vine Center in this city of 220,000.

Their fervent support of the University of Kentucky basketball team helped spark that project. In 1980, before the National Collegiate Athletic Association selection committee arrived here to review the city as a possible site for the 1985 NCAA basketball finals, the brothers moved to dispel any doubts that the city couldn't provide enough hotel rooms. "We accelerated our schedule a little bit, rented a bulldozer, put up a sign that said, 'Coming Soon, 400-Room Radisson' and started pushing dirt around," says Dudley.

### CITY LANDS NCAA FINALS

Lexington landed the NCAA finals, and the Webbs soon seemed to land every pending development project in the city. Their slogan—"Building Tomorrow's Landmarks"—became familiar. In 1980, Dudley also decided to expand outside Lexington because, he says, "you start to step on your own toes in a small town."

Dudley became the firm's national partner, arranging projects throughout the country, while Donald focused his attention on further development in Kentucky. Their projects are now in 64 cities.

The Webbs' operations hub is the top floors of the new 30-story, $60 million Lexington Financial Center that they developed—plush quarters that include a winding brass staircase and brass elevators with viewing screens that display the date, day of the week, time, latest stock market report, weather, and the top news stories.

While few take issue with the Webbs' contribution to a once-lackluster downtown Lexington, some residents say the brothers are building too much too fast. They worry that development will begin to adversely affect the region's renowned thoroughbred horse farms. At a recent public hearing, residents protested the proposed location of a Webb shopping center project on a largely residential road where horses still graze.

"We're just running out of good farm land," asserts Alice Hadley Chandler, who along with her husband, owns Mill Ridge Farm. "One of our great tourist attractions is horses, and 20 years from now I wonder if we're going to have any place to put them." William Thomason Jr., Mill Ridge's financial officer, contends Lexington doesn't fit typical development trends and says the Webbs had better take note of that.

In response, Dudley says, "You're always going to have your doubting Thomases, but obviously the market speaks for itself. If there weren't demand for the projects, we wouldn't do them."

Some residents also say the Webbs have forgotten their humble roots. They cite a letter Donald Webb wrote to the Salvation Army responding to its request for advice on expanding their downtown facility for the homeless. The local newspaper later printed the letter in which Donald advised, "move them out to a rural site where they can raise vegetables and get fresh air."

Dudley says that having to account publicly for business decisions "isn't desirable" and that the Webbs intend to stay privately owned.

"I have enough accountability problems to my brother without taking on the world at large," he says.●

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## MONEY SAYS NASHUA IN NEW HAMPSHIRE IS BEST

● Mr. **HUMPHREY**. Mr. President, I was very pleased to see the August issue of Money. The financial magazine had been conducting a survey of metropolitan areas in order to determine which were the "most livable." Not surprisingly, at least to this Senator, the No. 1 area is located in the State of New Hampshire. The winner? Nashua, NH.

Money states that Nashua came out on top primarily because of the area's strong economy, first-rate schools, and proximity to both Boston and the bountiful recreation spots in New Hampshire's White Mountains.

Mr. President, the strength of the New Hampshire economy can be seen in the unemployment rate. At 2.5 percent, New Hampshire has had the lowest unemployment rate in the entire Nation for the past several months. The quality of education in my State is testament to local control over our schools. In fact, again in 1986, New Hampshire students ranked No. 1 in the Nation in overall SAT scores. Our quality of life is enhanced by the White Mountain National Forest, just one of the many jewels among New Hampshire's natural resource treasures.

Mr. President, in addition to Nashua coming out on top, southeastern New Hampshire was ranked No. 27 out of the 300 areas surveyed. I congratulate the Nashua area and the Southeastern Triangle, and I am certain that the areas will remain among the top of the "most livable metropolitan areas."

Mr. President, I ask that the article from Money detailing the results of its study, entitled "The Best Places to Live in America," appear in the RECORD.

The article follows:

[From Money, August 1987]

### THE BEST PLACES TO LIVE IN AMERICA

(By Richard Eisenberg and Debra Wishik Englander)

If you could live anywhere in the U.S., where would it be? San Francisco? New York City? Plains, Ga.? Various surveys, such as Rand McNally's Places Rated Almanac, have attempted to identify the most livable metropolitan areas. But those previous lists have a serious flaw: they do not give extra weight to the key characteristics—such as safety, the weather, the local economy—that are most important to the public. Instead, they assume everyone cares equally about all factors.

In reality, of course, different factors do matter more to different people. With that in mind, Money's editors set out to determine what characteristics our readers prize. We then ranked 300 metropolitan areas by their preferences. Specifically, Money's poll asked a representative sample of 226 readers (median age: 42; median household income: $56,000) to score each of 60 variables on a scale of 1 to 10. Their three most important variables: safety of property, personal safety and the likelihood that houses will appreciate in value. The three least important: proximity to an Amtrak station, availability of household help and closeness to a bus terminal.

We then gathered data about the largest Metropolitan Statistical Areas, as the Census Bureau calls them, using both government and private sources. Working closely with Bert Sperling, a Portland, Ore. researcher who designed a computer software package called Places, U.S.A., we awarded the appropriate amount of points to each area.

The winner was Nashua, N.H. and its neighboring towns, primarily because of the area's strong economy, first-rate schools, and proximity to both Boston and the bountiful recreation spots in New Hampshire's White Mountains. Only one criterion required a subjective judgment: the definition of good weather. We decided the ideal was in San Diego, where the sun shines about 270 days a year, and it never snows. Undoubtedly, this choice helped boost two California areas into our top 10 list: Oxnard/Ventura and Anaheim/Santa Ana.

A strong local economy mattered enormously to our respondents. Therefore, it was no surprise that seven of our best 10 places are in the booming Northeast, in or near large metropolitan areas. Unemployment is 3% to 4% in many northeastern cities. And house prices appreciated 10% to 25% in 1986 in most of the area, compared with 7.4% nationwide.

Our two top 10 surprises are Wheeling, W.Va. and Scranton, Pa., where the local economies are sluggish at best. Both areas, however, boast low crime rates (fewer than three murders per 100,000 residents annually) and inexpensive houses ($20,000 to $80,000 for typical three-bedroom units).

### NO. 1—NASHUA, NH

Attractions: growth economy, proximity to Boston and the White Mountains, no state income or sales taxes, high house-price appreciation, safety from crime.

Detractions: cold weather, lack of arts, high house prices.

Typical three-bedroom house: $100,000 to $250,000.

Paradise for Dennis and Nancy Daly and their three children is this New England family community, located just over the Massachusetts border, that 10 years ago people just drove through to get somewhere else. In 1979, when Mazda Motors Corp, transferred Dennis, a district manager, the Dalys had the choice of moving from Middletown, NY to Maine, New Hampshire or Vermont. "We wanted New Hampshire because of its central location," says Dennis, 43. "We quizzed people in New Hampshire hotels where we stayed, Mazda dealerships and real estate offices, and began hearing a lot about the well-regarded youth programs in Merrimack." That town is eight miles west of Nashua. Sports buffs, the Dalys became hooked after they realized that the area was an hour from Boston Garden, home of the basketball Celtics and hockey Bruins.

"I'd never move back to New York. I'm here to stay," says Nancy, 38, a teacher's aide for learning-disabled students. Or at least she is until Mazda calls Dennis for his next regional assignment.

Many people associate New Hampshire with great skiing and rustic charm. Nashua (pop. 75,000) and its neighboring towns offer that—and a great deal more.

Practically anyone who wants a well-paying job can have one. The unemployment rate is a mere 3% and has been among the nation's lowest consistently since 1980, through salaries are 5% below those of comparable jobs in Boston, 35 miles away.

Nashua is the second largest city in the only U.S. state without an income tax or a sales tax. Now that sales taxes are no longer deductible on federal income tax returns, New Hampshire is that much more attractive. Nashua's new million-square-foot Pheasant Lane Mall, the state's biggest, acts as a magnet to Massachusetts shoppers escaping their state's 5% sales tax. The mall's parking lot is in Massachusetts but its 150 stores are safely over the line.

Nashua is only an hour's drive from White Mountain skiing and outlet-store shopping to the north and Boston and Atlantic Ocean resorts to the east.

Area house prices have doubled since 1982 and are expected to increase another 12% this year, says Jim Drivick, who runs two local ERA real estate offices. The priciest houses—typically $200,000 to $250,000 for three bedrooms—are in the outlying rural towns of Amherst and Hollis. Condominiums generally sell for $75,000 to $150,000.

Nashua is the 20th safest metropolitan area in the country, according to the U.S. Justice Department. Residents cheer the lack of crime. Nancy Daly says, "I'll leave my pocketbook overnight in my unlocked car in the driveway and never think of anything happening."

The cost of living is low. A pay-phone call still costs a dime, and you can lunch on, say, a plate of scallops in a downtown restaurant for $6. A yearlong war for market share by two grocery chains is keeping food prices down. The average daily charge for a semiprivate room in the 188-bed Nashua Memorial Hospital is $166, roughly 10% below the national average, according to the American Chamber of Commerce Researchers Association.

And few areas can compete for sheer beauty and outdoor activities. Says martha Oxner, 36 a credit-card representative who skis and hikes near her family's mountain cabin two hours from their Merrimack home: "There is everything but surfboarding."

A former textile-mill town that all but shut down in the late 1940s, Nashua has been on a slow, steady comeback ever since. Technology companies, aided in large measure by President Reagan's defense buildup, now propel the local economy. Today, 40% of local jobs are in high-tech.

The region's job stability was further enhanced last year when Lockheed, the enormous defense contractor, bought Sanders Associates, the biggest employer in Nashua and the state. Sanders, based in Nashua, has 7,600 workers. Says Roger Brown, vice president of human resources at Sanders: "We doubled or tripled our career opportunities for employees the day we became a member of the Lockheed family." Other big regional employers include Digital Equipment, Kollsman and the Nashua Corp.

Electronics firms also dot Routes 495 and 128 in nearby Massachusetts, giving area residents various job choices. For example, Sue Will, 28, left her position as a program administrator at Sanders in January to become a manager at Sof-Tech, an MIT spin-off computer software company in Waltham, Mass. A 10 percent raise lifted her annual salary to about $38,000. Sue's husband, Eric, 29, is a Sanders electrical engineer earning roughly $45,000 a year.

No place is perfect, of course. Property taxes eat up about 5.6 percent of personal income compared with a 3.5 percent take nationwide. Arts enthusiasts will find no galleries in Nashua, and the two movie theaters rarely show anything but the latest stuff aimed at local teenagers. Local mass transit does not exist, unless you count the mass of cars on Route 101A that can turn a 20-minute trip into a 50-minute drag during rush hour. Low annual starting salaries of $13,000 three years ago deterred some teachers from moving in. But a new contract that raised starting pay to $18,000 this year has begun attracting teachers.

Nature sometimes gets revenge too. The ground is blanketed by three or four snowstorms annually (about 15 inches per winter month), and winter temperatures often stay in the teens and 20s for days. A toxic-waste dump near the Nashua River is the first Superfund site—part of the federally established hazardous-waste cleanup program. Fortunately, Nashua's drinking water is considered safe from the small, contained toxic site.

Summing up the Nashua area, parents there say it's a spectacular place to raise a family. Says Nancy Daly: "I don't think my kids would have all the options for skiing, swimming and playing other sports without crowds if we lived in a bigger area. We've got a lot of space to enjoy ourselves."

### NO. 2: NORWALK, CT

Attractions: growth economy, health care, waterfront, no state income tax, community spirit, abundant arts, proximity to New York City.

Detractions: high house prices, property taxes, cost of living.

Three-bedroom house: $250,000 to $400,000.

For years, snooty neighbors called Norwalk (pop. 78,000) "the hole in the doughnut" because it lacked the cachet of the tony southern Connecticut towns that surrounded it—Greenwich, Darien and Westport. But seldom is heard a disparaging word about Norwalk these days. The local economy is humming, and a new tourist attraction called the Maritime Center, with an aquarium, a museum and restaurants on Long Island Sound, will open next spring. Roughly 10 percent of residents brave the 58-minute one-way train commute to New York City's Grand Central Terminal.

The future looks promising. Sales and Marketing Management magazine forecasts that in 1990 the average household income in Norwalk, Danbury and nearby Fairfield County cities will reach $71,628, the highest in the U.S. and a 41 percent increase from the 1985 figure. The latest company considering moving its headquarters to the area from New York City: the national accounting firm Deloitte Haskins & Sells.

Another strength is community spirit. City planners, residents and local business owners are converting a rundown former South Norwalk slum into a chic, artsy neighborhood dubbed SoNo. Last August, the 10th annual SoNo Art Celebration, featuring 135 local and national artists, attracted 30,000 people, many from the New York City metropolitan area and eastern Connecticut. In addition, some 45 local companies, including Pepperidge Farm and Richardson-Vicks, actively urge employees to join Norwalk's Adopt-a-School program and teach classes in the public schools.

The lack of affordable housing is the biggest drawback in Norwalk and the nearby ritzy three W's—Wilton, Weston and Westport. Even one-bedroom condos, the typical starter homes, usually go for $175,000. Shrewd investors snapped up the first SoNo studio condos in 1982 for about $80,000; prices since have more than doubled.

### NO. 3: WHEELING, WV

Attractions: safety, diverse leisure activities, low house prices

Detractions: chronic unemployment, deteriorated downtown

Three-bedroom house: $20,000 to $80,000

Wheeling is still feeling the slowdowns at Wheeling-Pittsburgh and Weirton Steel companies along with diminished production in local coal mines. Unemployment remains at 9.5%, about three percentage points higher than the national average. So how does it rank third on Money's survey? There is no safer place to live in the U.S., and safety was the most important factor among the readers we polled. Wheeling (pop. 43,000) has topped the Justice Department's list of safe cities for the past two years. The low crime rate is primarily because of effective community watch programs, says police chief Edward Weith, Jr. Weith adds that the criminals are often young, out-of-work repeat offenders, who are well known to local police.

Wheeling's appeal is enhanced by its magnificent parks. Some 3 million tourists and locals a year visit the 1,500-acre Oglebay Park, about a 10-minute drive from downtown. Its lush rolling acres offer vistas and accommodations few other public parks can rival. For minimal fees as low as 50¢, you can picnic, hike, play tennis, or golf. In addition, other leisuretime offerings include: Wheeling Park, the other city park; Jamboree USA, a country-and-western show held at Capitol Music Hall every Saturday night; and Wheeling Downs, a popular dog-racing track.

Hoping to capitalize on its many Victorian homes, Wheeling has petitioned the state historic preservation office to declare certain additional sections of the city as historic districts. This would let the city get federal and matching state funds. Such support, along with private investments, would be used to redevelop the downtown Ohio River waterfront and—some residents hope—eventually turn the city into another Williamsburg.

Local business leaders are working to boost the economy in other ways too. Patrick Lyle, marketing director of the Ohio Valley Industrial & Business Development Corp., a group trying to attract industry, says, "Our future growth lies in light manufacturing, distribution, service industries and tourism." Two first steps: a joint project between Wheeling-Pittsburgh Steel and the Nisshim Steel Co. of Japan is expected to provide some 100 assembly-line and office jobs next year; and HessCo Industries, a La Habra, Calif. bathtub and shower manufacturer, expects to expand to an abandoned steel factory within a year, creating 400 jobs over three years. It will take five to 10 years to see if Wheeling's strides continue and produce a boomtown. Meantime, patient real estate investors could be

richly rewarded. Some downtown Victorian homes are for sale for as little as $10,000.

### NO. 4: BEAVER COUNTY, PA

Attractions: safety, low house prices, proximity to Pittsburgh

Detraction: chronic unemployment

Three-bedroom house: $30,000 to $100,000

Even people who hate sports know that Joe Namath hails from Beaver Falls, a town in an area so football crazy that it closes down for Friday night high school games. What else happens in Beaver County (pop. 190,300)? Not much. But the Ohio River area, with its charming small towns and farmland, is evolving into nearby Pittsburgh's back bedroom. The city and all it offers—the Pirates, Steelers, symphony, universities, museums, large shopping centers and jobs—is a one-hour highway drive away.

Ultimately, Beaver County would like to lure away some of the 640 high-tech companies that have helped revitalize Steeltown, U.S.A. since 1981. Several economic organizations have been spawned to find service and manufacturing companies as well. The Southwest Pennsylvania Economic Development District created a new-business incubator in Vanport Township two years ago.

Unemployment has fallen to about 9%. "It's very difficut to lose a major industry like steel," says Clair Searfoss, president of the Beaver County Corp. for Economic Development. The hope for the future is the expanding Pittsburgh International Airport, the 15th busiest in the country. Beaver County is building several industrial parks within 15 minutes of the airport to attract major new employers keen on buying land some 20% cheaper than at the airport or in Pittsburgh.

The slow times have kept house prices about 25% lower than those in nearby Allegheny County. For less than $100,000, you can get a five-bedroom Spanish-style house or a remodeled farmhouse with 10 acres.

### NO. 5: DANBURY, CT

Attractions: strong economy, scenic beauty, public schools, no state income tax, health care.

Detractions: high house prices, property taxes, cost of living, long commute to New York City.

Three-bedroom house: $175,000 to $400,000.

For the past five years, corporate executives and managers have been migrating to the rolling hills surrounding Danbury, 25 miles north of Norwalk and a two-hour car and train trip to Manhattan. The flight to Danbury (pop. 67,000) began when Union Carbide moved its 3,000-person headquarters there from New York. As the starched-shirt crowd has settled into the nearby towns, a mix of Chinese, Cambodians, and South and Central Americans have moved into downtown Danbury and filled jobs largely at small businesses.

The population growth has produced a vibrant local economy. "If you drive down the street and don't see a help-wanted sign, you need glasses," said local real estate agent Fred Koontz. Continued low unemployment of around 4% and high job growth of 2.5% a year appear likely. Even the local hangout is a cafe called Rosy Tomorrows.

House price appreciation has been phenomenal—25% a year, on average, in 1985 and 1986—before cooling to the national average of 7% to 10% this year. You can still get a small three-bedroom colonial for $200,000, roughly $30,000 more than a comparable home 10 miles west in high-tax New York's Putnam County.

Area school systems and medical care are exceptional. The public schools are especially noteworthy in the Danbury suburbs of Ridgefield, New Fairfield and Bethel. The 450-bed Danbury Hospital is pioneering for a medical center its size. For example, it is one of only three in Connecticut allowed by the Food and Drug Administration to give heart-attack patients Genentech's experimental pain-killer called t-PA, designed to stop damage to heart tissue.

Leisure activities feature beauty and the beast. The 11-mile Candlewood Lake delights families who swim, sail and fish in the summer and skate and ice-fish in winter. Fans of jazz, country and other American music need not travel to New York City to tap their toes. Danbury's three-year-old, 39-acre, outdoor Charles Ives Center for the Arts has booked Ray Charles, jazz greats Miles Davis and Chick Corea and Broadway star Barbara Cook.

### NO. 6: LONG ISLAND, NY

Attractions: well-regarded schools and colleges, health care, waterfront, strong economy, proximity to New York City.

Detractions: high house prices, cost of living, commute to New York City, taxes.

Three-bedroom house: $140,000 to $250,000.

The world's biggest suburb—the 120-mile stretch east of New York City, comprising Nassau and Suffolk counties—appears routinely in surveys of great places to live. For example, American Demographics magazine recently chose Long Island as the best metropolitan area for blacks, largely because of Long Island's high median black income ($18,826) and home ownership rate (61%).

Many towns on the island remain as affluent as Jay Gatsby's East Egg. Three of the 10 wealthiest U.S. locales (medium income: about $70,000) are on Long Island's North Shore—Great Neck, Roslyn and Manhasset. The price of affluence is steep. House prices rose an average of 15% to 30% last year. The owner of a $200,000 house might have to pay $3,000 a year in property taxes. Long Island's auto insurance rates are among the nation's highest, averaging about $650 a year. And the 38 hospitals, including some noteworthy ones, charge nosebleed rates: a semiprivate room at Nassau County Medical Center in East Meadow costs $345 a day.

The quality of life depends mostly on whether residents work on the island or commute to New York City. Long Island, which has no central city, houses more residents (2.6 million) than 21 other states, and nearly 80% of them work in Nassau and Suffolk counties, many at 1,000-odd high-tech companies. The unlucky 20% who commute to New York suffer endless aggravation. Some drive in on the Long Island Expressway, often called "the world's largest parking lot." Other take the Long Island Railroad, usually a 1½-hour trip door to door at 30 miles an hour each way.

Education gets high marks. Since 1984, the U.S. Department of Education has cited six Long Island public elementary and secondary schools for excellence; most are on the North Shore. Long Island also has 19 colleges, including intimate Adelphia and striving Hofstra.

Long Island is fun suburb to New York's fun city. The island's 1,600 miles of shoreline, featuring the Hamptons, Fire Island and other beach communities earned Long Island its designation as the 21st best vacation spot in the U.S., according to *Vacation Places Rated* (Rand McNally, $12.95). Other entertainment includes Belmont racetrack and the Nassau Coliseum, home of the New York Islanders hockey team. Newsday, considered one of the nation's best newspapers, is the local paper.

### NO. 7: OXNARD/VENTURA, CA

Attractions: sunny weather, diverse leisure activities, proximity to Los Angeles.

Detractions: high house prices, cost of living.

Three-bedroom house: $120,000 to $200,000.

Who would like to enjoy prosperity on the Pacific coast, in sunny 70° weather, about an hour's drive north of Los Angeles? Some 639,000 residents do now, and the Southern California Association of Governments predicts that the Oxnard/Ventura population will grow by 70% to hit 1 million in 20 years as people move from cities south of the area.

The economy seems strong enough to withstand the growth. The Woods & Poole economics firm says the metropolitan region is only one of 16 in the country that has not suffered a recession since 1969. Tourism is the big business. The Channel Islands National Park, along with the other beaches, parks and boating facilities, generate enough visitors to fill nearly 196,000 rooms each year. In addition, two naval facilities, Port Hueneme Naval Construction Battalion and the Pacific Missile Test Center at Point Magu, employ more than 18,000. Several downtown industrial sites are being developed for offices and malls.

Growth is so rapid that the largely rural residents are worrying about urbanization and its byproducts, traffic jams and air pollution. Oxnard officials rejected a business park near the city airport recently that would have added traffic, despite the fact that all new developers must already pay a tax based on estimates of increased road use.

Still, many area leaders keep plugging away for growth. The cities of Oxnard, Ventura and Port Hueneme have asked the America's Cup Defense Committee to consider the area to host the America's Cup Yacht Race in 1990. Jack Stewart, director of economic development for Oxnard, says: "We want to be the Fremantle of the future. We have the winds, the hotels and the boat slips." And the booster spirit.

### NO 8: BOSTON'S NORTH SHORE

Attractions: scenic beauty, safety, waterfront, proximity to Boston.

Detractions: high house prices, property taxes.

Three-bedroom house: $150,000 to $200,000.

Few places in America combine waterfront charm and an easy train commute to a great city as well as the surprisingly unheralded 20 miles of coastline north of Boston. The towns from Salem to a few knots beyond Gloucester, once primarily fishing villages, now largely attract Back Bay defectors and retirees. Most outsiders know Salem (pop. 38,000) only for its witch trials and Gloucester (pop. 28,000) as home of the Gorton's sea captain with his familiar yellow slicker.

Prices of the area's handsome 18th- and 19th-century clapboard houses are expensive and getting pricier. Massachusetts Bay waterfront homes in Marblehead, Manchester and Gloucester generally start at $400,000. Average appreciation last year was 20% to 25%; another 10% to 15% increase is expected this year.

Proximity to Boston gives North Shore residents access to some of the country's finest medical care. Best known of Boston's 27 hospitals is Massachusetts General, the largest hospital in New England and a pioneer in treating heart patients as well as burn and stroke victims. Well-regarded specialty medical centers include the Joslin Diabetes Clinic, the Massachusetts Eye and Ear Infirmary and the Dana Farber Cancer Institute.

Leisure activities shine. Rockport's artist colony is world renowned, and Cape Ann offers some of the country's best whale watching. Museums celebrate Salem's maritime history and witch lore, as well as native author Nathaniel Hawthorne. Seafood lovers feast on what may be the best fresh lobster in the U.S., netted off Gloucester's shore.

### NO. 9: SCRANTON/WILKES-BARRE, PA

Attractions: safety, low house prices, short commute to jobs, cost of living, many nearby colleges.

Detractions: high unemployment, far from big cities.

Three-bedroom house: $35,000 to $80,000.

These two quiet northeastern Pennsylvania cities, 20 miles apart, in the heart of the coal region are truly underrated treasures. This region—and Wheeling, W.Va.—boasts the lowest crime rate in the country. Housing prices, though slowly rising, are still a steal; they are about 65% less than in Philadelphia and 75% less than in New York City. The average commute to work is less than 20 minutes. And the lush Pocono mountains and lakes are only 45 minutes away.

Northeastern city dwellers eager for a slower pace are starting to discover the area. One former Philadelphia resident said, in amazement: "Being stuck in traffic here for 10 minutes is considered a big deal." And Francois Ysambart, who opened Le Paris, a French restaurant, in the town of Kingston about a year ago, says he is willing to work hard to make his business go because "I want my children raised in the fresh air."

The drawback: unemployment is about 7% in Scranton (pop. 82,000) and Wilkes-Barre (pop. 50,000), though that's down from around 13% four years ago. New employers are gradually compensating for the loss of the old coal producers. For instance, Martin Holdrich, an economist with the forecasting firm Woods & Poole, says: "The area's service industry, helped by the boom in recreational facilities, has grown from 12% in 1970 to 19% in 1983."

Tourist developments remain strong. Montage, a three-year-old $14 million ski center and office park that is just five minutes from downtown Scranton, offers year-round recreation for tourists as well as quick lunchtime runs down its slopes for the local office workers. The abandoned Erie Lackawanna Railroad Station was converted into a $13 million Hilton in 1983. Steamtown USA, a historic park, features train rides to the Poconos, as well as a railroad museum.

A dozen nearby colleges, led by the University of Scranton and Wilkes College, offer undergraduate, graduate and technical degrees. And Wilkes-Barre, once considered devoid of culture, got a boost in 1986 when community leaders raised $3 million to create the F.M. Kirby Center for the Performing Arts, a restored 1930s movie house that now features Broadway road companies, orchestras and dance companies such as the Ballet Gran Folklorico de Mexico.

### NO. 10: ANAHEIM/SANTA ANA, CA

Attractions: sunny weather, diverse leisure activities, booming economy.

Detractions: high house prices, congestion, health-care costs.

Three-bedroom house: $100,000 to $200,000.

Sunny weather and Mickey Mouse mean jobs. This region (pop. 2,317,800) will have the third largest increase in employment, behind Los Angeles and Washington, DC., by the year 2010, according to the National Planning Association. Anaheim's major attractions remain Disneyland and Anaheim Stadium, home of the California Angels and Los Angeles Rams. In addition, last year, 10% of California's entrepreneurs, mainly in high-tech and light manufacturing, opened businesses or announced plans to do so in Orange County.

Some 800 acres of industrial area near Anaheim Stadium are being converted to office space. Development in Santa Ana's ethnically diverse downtown (44% Hispanic) is booming: half a dozen major projects are under way, including Main-Place, a $400 million 100-store mall, hotel and office complex; and MacArthur Place, a $600 million urban village of homes, hotels, offices and public areas.

Orange County offers terrific weather, though its annual average rainfall of 12 inches tops San Diego's by three inches. (By contrast, Seattle's annual rainfall is 39 inches.)

It's increasingly difficult to find affordable housing. In some areas such as posh Newport Beach, three-bedroom homes can cost as much as $500,000. And the roads are often jammed. The area, known as the Golden Triangle, is surrounded by Interstate 5 and Freeways 57 and 91, all suffer chronic congestion. Accidents happen. The average annual auto insurance rate of $663 is one of the highest nationwide.

One other worry: some experts say there is a 50% chance of a major earthquake within the next 30 years.

### THE BOTTOM 10

These places, dominated by five in Michigan, scored worst in Money's survey of 300 areas, largely due to their high crime rates, weak economies and relatively few arts and leisure activities.

300. Flint, Mich.
299. Muskegon, Mich.
298. Benton Harbor, Mich.
297. Atlantic City
296. Rockford, Ill.
295. Odessa, Texas
294. Jackson, Mich.
293. Wilmington, N.C.
292. Saginaw, Mich.
291. Mansfield, Ohio

### THE TOP 100 PLACES TO LIVE

1. Nashua, N.H.
2. Norwalk, Conn.
3. Wheeling, W.Va.
4. Beaver County, Pa.
5. Danbury, Conn.
6. Long Island, N.Y.
7. Oxnard/Ventura, Calif.
8. Boston's North Shore, Mass.
9. Scranton/Wilkes-Barre, Pa.
10. Anaheim/Santa Ana, Calif.
11. Houma/Thibodaux, La.
12. San Francisco.
13. Central New Jersey.
14. Rochester, Minn.
15. Cumberland, Md.
16. Johnstown, Pa.
17. Los Angeles.
18. Burlington, Vt.
19. Johnson City/Kingsport, Tenn.
20. Binghamton, N.Y.
21. San Jose.
22. San Diego.
23. Monmouth/Ocean counties, N.J.
24. Danville, Va.
25. Stamford, Conn.
26. Lancaster, Pa.
27. Southeastern New Hampshire.
28. Fargo, N.D.
29. Riverside/San Bernardino, Calif.
30. St. Cloud, Minn.
31. Altoona, Pa.
32. Wausau, Wis.
33. Santa Cruz, Calif.
34. Utica-Rome, N.Y.
35. Manchester, N.H.
36. Bismarck, N.D.
37. Bridgeport/Milford, Conn.
38. Orange County, N.Y.
39. Bergen/Passaic counties, N.J.
40. Eau Claire, Wis.
41. York, Pa.
42. Lafayette, Ind.
43. Pittsburgh.
44. Santa Rosa/Petaluma, Calif.
45. Boston.
46. Oakland, Calif.
47. Duluth, Minn.
48. Chicago.
49. Parkersburg, W.Va.
50. Sioux Falls, S.D.
51. Green Bay
52. Vallejo/Fairfield/Napa, Calif.
53. Appleton/Oshkosh, Wis.
54. Williamsport, Pa.
55. Philadelphia.
56. Steubenville, Ohio.
57. Bangor, Maine.
58. Honolulu.
59. Provo/Orem, Utah.
60. Seattle.
61. Fort Walton Beach, Fla.
62. Florence, Ala.
63. Minneapolis/St. Paul.
64. La Crosse, Wis.
65. Harrisburg, Pa.
66. Fayetteville, Ark.
67. Olympia, Wash.
68. Newark, N.J.
69. Milwaukee.
70. Washington, D.C.
71. Asheville, N.C.
72. Lowell, Mass.
73. Allentown/Bethlehem, Pa.
74. Knoxville, Tenn.
75. Reading, Pa.
76. Lorain/Elyria, Ohio.
77. Madison, Wis.
78. Kenosha, Wis.
79. State College, Pa.
80. Albany/Schenectady, N.Y.
81. Dallas.
82. New York City.
83. Cleveland.
84. Ann Arbor.
85. Lake County, Ill.
86. Raleigh/Durham, N.C.
87. Bremerton, Wash.
88. Lawrence, Mass.
89. Charlottsville, Va.
90. Worcester, Mass.
91. Jersey City, N.J.
92. Gary/Hammond, Ind.
93. Aurora/Elgin, Ill.
94. Santa Barbara.
95. New Orleans.
96. Buffalo.
97. Fort Meyers, Fla.
98. Atlanta.
99. Lafayette, La.
100. Wilmington.●

## AIR TRANSPORTATION

● Mr. BURDICK. Mr. President, I rise today to bring my colleagues' attention to some very informative material

recently released by the Air Transport Association.

We all know that there has been tremendous growth in air transportation over the past decade. Unfortunately, spending for improved air traffic handling capabilities has not kept pace with this growth, even though the aviation trust fund has an uncommitted surplus of almost $6 billion.

As frequent travelers, we are well aware of problems associated with airline service. Certainly, the airlines need to take prompt action to improve consumer service. But, that is only part of the problem. The airlines do not own or operate the country's airports or airways. To obtain improvements in these areas, Congress should see to it that the aviation trust fund revenue is spent for its intended purpose.

I ask that the attached materials be printed in the RECORD.

The materials follow:

[Charts not reproducible for the RECORD.]

### CHART 1

From 1976 to 1986 the number of passengers increased from 223 million to 418 million—an 87% increase in demand.

This increase in passenger demand was accommodated with a 30% increase in the number of aircraft departures.

Departures increased from 4.8 million in 1976 to 6.4 million in 1986.

The airlines also purchased larger aircraft to satisfy demand. The average aircraft in the 1986 fleet is now 18% larger than those in service in 1976.

U.S. air carriers have placed firm orders for over 400 additional aircraft and have options on 500 more. This commitment to capital investment will cost the airlines more than $30 billion.

In addition, the number of filled seats increased from 55.4% in 1976 to 60.4% in 1986.

There were economic recessions in 1980, 1981, and 1982. Passenger demand and the number of aircraft operations declined during this period. It was not until 1984 that the number of passengers and departures increased to above the record levels established in 1979.

### CHART 2

During the '81–'82 pause in growth of the number of passengers and aircraft departures, the FAA began to rebuild the air traffice control system following the 1981 controllers strike.

The number of controllers, however, remains 12 percent below 1976 levels even though the number of aircraft departures has increased 30 percent.

At the end of 1986 there were 14,800 controllers. Of these, about 10,000 were fully qualified and the remaining were at various stages of training. By May, 1987, the number of controllers had grown to 15,100.

The growth in the number of controllers since the strike has not kept pace with the growth in the number of departures since that time. Since 1982 the number of controllers has increased 18 percent and the number of departures increased 29 percent.

### CHART 3

In addition to shortfalls in air traffic control manpower, capital spending has not been adequate.

Aviation Trust Fund committed funds have grown slowly to the $4 billion level while payments to the fund from passengers and shippers continued to grow.

The uncommitted trust fund balance is expected to stand at nearly $6 billion by the end of FY87.

Since FY83, National Airspace System (NAS) appropriations have fallen nearly $2 billion short of authorized funding of over $7 billion.

### CHART 4

An 87 percent growth in passenger demand was met efficiently and productively by a 30 percent increase in the number of flights.

However, funding for airports and airways facilities and operations have not kept pace with the growth in the system.

The result has been a disappointing increase in the number of air traffic control delays.

ATC delays in 1986 averaged 1,144 per day, an increase of 154 percent over the level estimated for 1976.

The level of delays in 1986 was only slightly less than the peak level established in 1981, the year of the controllers strike.

It has been estimated that these delays cost the airlines over $1 billion per year in direct operating expenses and, in addition, cost travellers and shippers $1 billion per year.

### CHART 5

Passenger complaints, although increasing, are still considerably below levels established when the airlines were regualted.

Complaints per 100,000 passengers have been slowly increasing since 1983, but are still less than half the 1976–1979 levels.

Complaints in the first half of 1987 continued to rise. However, it is felt that, as in 1979, this was due in part to a heightened awareness of the DOT's complaint services.

During the past year, almost 70 percent of the industry was involved in mergers or acquisitions. Such action appears to have resulted in at least a temporary increase in service problems and a steady rise in consumer complaints during this transition period.

In 1986, four airlines accounted for 46 percent of the complaints.

In the first half of 1987, four airlines accounted for 66 percent of the complaints received.●

## NATIONAL MINING HALL OF FAME CHARTER

● Mr. D'AMATO. Mr. President, I rise today in support of legislation to grant a Federal charter to the National Mining Hall of Fame and Museum, Inc. This Nation owes a great deal to the mining industry and I thank my colleague from Colorado, Mr. ARMSTRONG, for introducing S. 450.

Mining is one of the earliest and most basic industries in the United States. We are, and have always been, dependent on the raw materials derived from the earth. Minerals are the foundation of all manufacturing and they are the materials on which all modern technology is based. Mining is an important part of our American heritage as well as an important part of America's future.

The National Mining Hall of Fame and Museum, Inc., is an organization which has as its chief objective the education of the American public to the historical role that mining has played in the development of our country and its importance today in maintaining a healthy and secure economy in the United States.

The National Mining Hall of Fame and Museum, Inc., is organized exclusively for charitable, educational, and scientific purposes. It will promote and encourage a better understanding of the origins and growth of mining in the United States, it will offer a comprehensive library on the mining industry, and it will honor the memory of the men and women who participated actively in the founding and development of the American mining industry.

Granting a Federal charter for the National Mining Hall of Fame and Museum, Inc., will codify the importance of the organization and its goals. Furthermore, a Federal charter will enable it to be a site specific tourist attraction which is noted on road maps and tourist information. This will give the National Mining Hall of Fame and Museum, Inc., the exposure necessary to make it the foremost showcase and literary center for the mining world.

The headquarters for the National Mining Hall of Fame and Museum, Inc., will be in Leadville, CO. Leadville is known throughout the Nation as one of the richest mining camps ever developed. The facility will be accessible for use by the general public, scholars, and mining professionals.

The National Mining Hall of Fame and Museum, Inc., is an organization worthy of recognition. I am pleased to support this legislation. I encourage my colleagues to take note of the significance of the National Mining Hall of Fame and Museum, Inc., and to join me in supporting S. 450.●

## POLISH REFUGEES IN CONNECTICUT

● Mr. DODD. Mr. President, about 2 weeks ago, I joined several of my colleagues in cosponsoring S. 1424, the Polish Permanent Resident Adjustment Act of 1987. In my statement made on that occasion I mentioned the fact that approximately 300 of the Polish refugees who got stranded in our country as martial law was declared in Poland reside in my State, Connecticut. I also paid tribute to the rich contributions of the Polish-American community of Connecticut to the economic, cultural, and social life of our State.

In response, yesterday I received a heartwarming thank you letter from the president of the Connecticut district of the Polish American Congress, Mr. Stanley Zebzda. I ask that Mr. Zebzda's letter be printed in the RECORD following my remarks.

The letter follows:

AUGUST 4, 1987.

Hon. CHRISTOPHER J. DODD,
*U.S. Senator, Senate Office Building, Washington, DC.*

DEAR SENATOR DODD: As the Statue of Liberty came into view, tear-welled eyes and tingled sensations were inspired within the refugees who fled to the United States from communist-dominated Poland before and during the period of Martial Law in Poland.

Characteristic of their Polish religiosity, the refugees silently recited divine thanksgiving for their arrival in America.

This typifies the experience of about 7,000 Polish refugees who found new hope; job opportunities; and untrammeled liberties. They became solid residents.

The indecision of their status in the United States has been a deep concern to them. The possibility of their new lives and new freedom being shattered by deportation back to oppression always uppermost in their minds.

The Polish American Congress, District of Connecticut, commends you, Senator Dodd, for co-sponsoring S. 1424, the Polish Permanent Resident Adjustment Act of 1987.

As you so eloquently stated in your remarks in the United States Senate on July 21, 1987, the legislation "will provide an orderly way for this group to become permanent residents and eventually U.S. citizens if they so desire."

Please accept our appreciation for your concern and active support of this humanitarian legislation. Be assured of our continued interest and support.

Respectfully,

STANLEY ZEBZDA,
*State President,*
*Polish American Congress,*
*District of Connecticut, Inc.*●

## DAV VIETNAM VETERANS NATIONAL MEMORIAL

● Mr. DOMENICI. Mr. President, I would like to take this opportunity to commemorate the Disabled American Veterans Vietnam Veterans National Memorial in Angel Fire, NM. This breathtaking memorial was the subject of a cover article entitled "Where Eagles Soar" in the August issue of the Retired Officer.

This monument was constructed by Dr. and Mrs. Victor Westphall and their younger son, Douglas, following the tragic death of their first born son and brother, 1st Lt. David Westphall, in the Southeast Asian conflict. Construction was begun in 1968, and the chapel was opened in 1971 as a memorial to all Vietnam veterans: the living, the dead, and the maimed in body and spirit.

It consists of a chapel and a visitor's center which stand at the base of the Sangre de Cristo Mountains in the Moreno Valley of northern New Mexico. Architecturally inspiring and beautiful, and with a silhouette that points dramatically skyward, the DAV Vietnam Veterans Memorial's design and its serene location evoke internal reflection and an unmistakable feeling of pride.

While the view from the chapel overlooks the fertile Moreno Valley, the chapel interior provides a quiet, uncomplicated atmosphere where thousands have come to pause for a time and remember. Next to the chapel is a visitor's center containing photographs, maps, murals, poems, and banners which represent the different units that fought in the Vietnam war.

There can be no more fitting tribute to the fallen men and women and the brave survivors of the war in Southeast Asia. All who have visited the memorial join together in the feeling of awe and compassion for what this memorial represents. We in Congress may not each have the opportunity to visit the DAV National Vietnam Veterans National Memorial, but we owe it to the thousands of veterans of this Nation and we owe it to ourselves to take a moment and contemplate the meaning behind such a magnificent monument.

Mr. President, I ask that the article be printed in the RECORD.

### WHERE EAGLES SOAR

By Shanti K. Khalsa

The sound of chopper blades beat the air in a familiar cadence of "whappa whappa whappa." The two men in green camouflaged uniforms abruptly stopped their conversation and cringed slightly.

"Man, that brings it all back, doesn't it?" His friend smiled at him and shook his head, "Way it was, my friend, way it was."

We all looked skyward as three medical evacuation helicopters did a flyover for the Memorial Day ceremonies at the Disabled American Veterans Vietnam Veterans National Memorial in Eagles Nest, N.M. With inspired architectural lines that rise 50 feet to a double peak, the memorial chapel a newly constructed visitor's center form a special sanctuary set in an environment of unparalleled beauty. At the base of the monument lies the Moreno Valley, a green band of fields running off to the mountains on the horizon. Behind it rises the Sangre de Cristo Mountains, capped with snow and shrouded with clouds. But what makes this truly a sanctuary is not only the physical beauty that surrounds it but the spirit that flows through it. It is not simply a memorial to the fallen but a tribute to all the soldiers of Southeast Asia. It is a quiet and deep symbol of honor and respect to the soldier of Vietnam—the living, the dead and the maimed in body and spirit.

#### DESIGN EVOKES REFLECTION

The chapel is architecturally beautiful in its sweeping lines and commanding nature. Inside, the walls curve inward to form a triangular shape, enclosing the chapel itself. At its tip is a narrow window extending from floor to ceiling looking out across the valley. Although devoid of any traditional religious symbols, its simplicity and serenity evokes internal reflection; there is no question why this memorial building is called a chapel.

In front of the window is a simple array of flowers and candles. The special memory held deep inside of a lost loved one comes floating into mind here, bidden or unbidden. After that first aching emotion of loss passes comes the knowledge of how empty life would be without that remembering.

Outside the chapel to the left is the visitor's center. It is thoughtfully designed and skillfully constructed. When you enter this subterranean building, you come upon a map of Vietnam and a brief written history on an artistic latex display. Directly below is a small table with an enormous collection of photographs filed alphabetically of young soldiers who died in the war. Not just names carved on a black marble wall, these pictures speak of hope, promise and brave youth cut short. These are boys loved by the families who brought the pictures to the center, and it is difficult to keep a dry eye as you scan through them.

To the left is a gallery full of pictures. Large murals on the four walls depict the war, the life of the soldier, Vietnam and its people. Suspended from the ceiling are banners of the different units that fought in the war, more photographs and poems about the Vietnam experience. Amidst the banners and pictures are seats where you can sit and become absorbed by the emotions that the room evokes. Surrounded by friends of a common experience and philosophy, there is a special combination of brotherhood, serenity and shared grief.

Vietnam was a war that brave soldiers fought and died in, but it was also a war that equally brave soldiers fought and came home from. Home to a country that didn't understand their sacrifice and didn't share their pride. As I sat in the visitor's center, I could feel the powerful sentiments of the veterans, their families and friends as they moved through the pictures, the banners, the poems. "Here in this room I can show my family with pride what I did in Vietnam. . . . Here I can see pictures of the life of my son whom I will never see again. . . . Here I can show my child the war his dad died in and make his memory really come to life. . . . Here I can share with my friends the memory of the good times and the bad times."

#### ONE FAMILY'S EFFORTS

Part of what makes the memorial so special is that it was not built by an organization, a government committee or a city council. The chapel was constructed single-handedly by the efforts of Victor Westphall, his wife and younger son, Douglas, after their first-born son and brother, David, was killed in an enemy ambush in Con Thien, South Vietnam, on May 22, 1968. Lt David Westphall was the rifle platoon commander, Bravo Company, 1st Battalion, 4th Marines. At the end of the last day of a sweep around the Con Thien area, Lieutenant Westphall's platoon was walking point through waist-high grass. The terrain was broken by rolling ridges and patches of heavy brush and hedgerow. After a few of David's men crossed over a long low rise, an L-shaped ambush was unleashed under them followed by an assault of more than 100 North Vietnamese Army soldiers. Bravo Company opened fire and aggressively moved up into position. The officers and non-commissioned officers quickly formed a firing line to break the momentum of the assault. Exposed to the enemy fire, the line was cut to pieces but effectively bought precious time for the company, saving it from heavier losses. The engagement was quickly terminated, but in those 10 long minutes, 27 were wounded and 13 were killed, including David.

With the proceeds from David's military life insurance policy, the Westphall family was determined to build a structure to honor his spirit and that of the 12 others killed in the ambush. "If those who died can, in any measure, become a symbol that

will arouse all mankind and bring about a rejection of the principles that defile, debase and destroy the youth of this world, perhaps they will not have died in vain," David's father said. Knowing that it would take much more money than they had in their personal resources, the Westphalls sought grants and government support but were shut out at every turn. Vietnam memorials were not a popular cause in 1968, so they struck out on their own. Ted Luna, a talented architect from Santa Fe, N.M., skillfully designed the building. In the summer of 1968, the family completed the walls and added the roof the following year. The project was completed in 1971 and named the Vietnam Veterans Peace and Brotherhood Chapel. On the wall were the pictures of David and his 12 brothers in arms, but its message reached out clearly to honor all soldiers.

Because of the tremendous financial burden the memorial had placed on the Westphall family, there came the time that they simply could not go it alone with the meager contributions received from the public. In 1982, the DAV formed a separate non-profit organization, the DAV Vietnam Veterans National Memorial Inc., which assumed full ownership and financial responsibility for maintaining the memorial as a national landmark. Since that time, they have added a guest house, visitor's center and handicapped access to the buildings. People in growing numbers visit the memorial from all parts of the country.

#### CEREMONY UNITES VISITORS

May 26, 1986, marked the dedication of the visitor's center and a Vietnam vets reunion as part of Memorial Day services. More than 1,000 people from throughout the United States came to share in the reunion. They came to renew acquaintances not only with the living but also with the dead. They came to share with their families this symbolic place of pride in the midst of a public that still doesn't realize the sacrifice that was made. "As I look out, I see wives, girlfriends, children and vets. We are friends of the heart, the mind and the soul. . . . [This chapel] is a focal point of all that is good. It belongs to anyone who ever has said to a Vietnam vet, 'my life is your life,'" said Dennis Joyner, president of the DAV Vietnam Veterans National Memorial Inc.

During the service, the smiling support of new friends and the deep affection of old ones wove a tight fabric of proud strength through those who attended. As Diane Evans, a Vietnam vet and a coordinator for the Vietnam Women's Memorial Project, put it, "You were the boys on my ward who would not stay in bed with your wounds but hobbled around helping your buddies who could not help themselves. You were the kids who pleaded with me not to let you die there. . . . I am the one who cried when my first boy died but thereafter held my tears. . . . We feel this common bond, and we all draw strength from it."

For all who still hold a strong view on the war in Vietnam, here is a place to make a statement and actively show support. There is still a lot to do before the memorial is complete and that, like all things, takes money. Through this beautiful shrine, a symbol of one father's love for his fallen son," perhaps our country will come to a fuller understanding of who its Vietnam veterans are . . . why they fought and why so many died . . . that these men and women are heroes, just as truly as the veterans of all America's wars."

Tax-deductible contributions may be sent to: DAV Vietnam Veterans National Memorial Inc., 3725 Alexandria Pike, Cold Spring, KY 41076. For information about visiting the shrine, write: DAV Vietnam Veterans National Memorial, P.O. Box 608, Angel Fire, NM 87710.

And for all touched by the Vietnam War in any way, don't miss this opportunity to spend some time "where eagles soar" and share in the proud brotherhood of the Vietnam vet.●

## DIGITAL AUDIO TAPE

● Mr. KERRY. Mr. President, I rise to alert my colleagues to an issue that must receive our high-priority attention when we return from recess: the Digital Audio Tape problem. DAT technology presents a grave threat to American music, and all who rely on it for employment and entertainment because DAT recorders are capable of cloning prerecorded music. That displaces sales, and undermines the whole foundation of compensation and incentives upon which the American music industry is built.

The DAT manufacturers' insistence upon introducing their machines into the United States without effective protection for copyrighted American music makes the problem an urgent one. We must act promptly upon our return on S. 506, a bill that would require DAT machines sold in the United States to contain circuitry that would provide for our music the protection from unauthorized copying to which it is entitled under U.S. law.

Our colleagues in the House recently reported out of subcommittee H.R. 1384, which is S. 506's companion bill. As noted in a recent Wall Street Journal article "House Panel Approves Measure to Block Sale of Digital Audio Tape Recorders", August 4, 1987, the Members were spurred to action in part by the manufacturers' refusal to comply with the subcommittee's request that they delay marketing their machines in the United States pending completion of a technical study by the National Bureau of Standards. The NBS study is expected to be completed by the end of the year, so the subcommittee was asking for a delay of only a few weeks.

In the face of this glaring evidence that the manufacturers share no interest in working toward a solution, the subcommittee decided it was time to act. I agree with that judgment, and I will be quick off the blocks when we return to urge swift action on S. 506.

I might add that I intend, when I go home to Massachusetts, to talk with my constituents about this issue. The DAT manufacturers claim to be consumer spokesmen, but I think it's fairly apparent that it is their own economic interests that they truly represent. This is, above all, an issue of fairness. It's about the right of women and men who make music for a living to receive compensation for their efforts. I would urge my colleagues to keep in mind the deep equities that run with this issue.●

## S. 1438, MEDICARE RURAL HOSPITAL PAYMENT EQUITY ACT OF 1987

Mr. DOMENICI. Mr. President, I am pleased to cosponsor S. 1438, the Medicare Hospital Payment Equity Act of 1987. It will help prevent the financial decline of many hospitals in rural America. I applaud Senator DURENBERGER'S fine work and leadership in this area.

Many of the 2,700 rural hospitals in this country are in severe financial distress; some to the point of anticipated closure. The problem is most severe among small hospitals with less than 50 beds. These facilities serve nearly 95 million people. About 345 of them are their communities' sole source of health care.

New Mexico is representative of this situation. Nearly 40 percent of the hospitals in the State have been identified as their communities' only source of health care. Half of them are located in "frontier" areas with populations of less than 6 persons per square mile. If one of these facilities were to close, the residents would be greatly disadvantaged in their access to needed health services.

There are various reasons for the plight of rural hospitals. One is the continued economic recession in rural America and the effect that it has had on indigent care and lost tax revenue. Another is the decline in the demand for inpatient hospital services and the shift to outpatient care. Still another is the tough, competitive challenges that rural hospitals face from urban and multihospital systems.

I have been quite concerned about this issue. That's why I became a member of the Senate rural health caucus. Over the past several years Congress, through budget reconciliation, has tried to correct the situation. Those attempts, which I supported, have helped but have not totally eliminated the problem.

A few months ago I met with members of the hospital community in my home State. They informed me that one of their goals for this year was to help rural hospitals who are experiencing severe financial distress. They later sent me a list of recommended congressional actions. Many of their suggestions are contained in this bill.

Senator DURENBERGER'S bill attempts to correct the inequitable Medicare payment policies which hurt rural hospitals. These facilities depend on Medicare revenues to successfully operate. Some of the important changes are: Providing a higher Medicare payment increase for rural hospitals in 1988; putting urban and rural hospitals on the same payment plan by 1991; improving the Medicare area wage index to rectify situations where rural hospitals compete with urban hospitals in similar labor market areas but are reimbursed at lower labor rates; and expanding the eligibility criteria for sole community hospitals and improving Medicare outlier expenditures.

S. 1438 is an important first step to improve the rural hospital payment situation and to help these struggling facilities survive. As an original member of the Senate rural health caucus, I am pleased to support it.

## IMPLEMENTATION OF THE EQUAL ACCESS TO JUSTICE ACT

● **Mr. DOMENICI.** Mr. President, in the 95th Congress, I introduced the Equal Access to Justice Act to ensure that individuals and small businesses that challenge arbitrary and capricious Government action and win can recover their legal fees from the Government. This bill was enacted into law with a sunset provision in 1980. When the act was reauthorized and made a permanent part of our Federal statutes in 1985, it was extended to cover actions by the IRS.

A recent story in the Wall Street Journal highlights the wisdom of Congress in including the IRS under the Equal Access to Justice Act. It tells about a case where the Equal Access to Justice Act was used successfully by four farmers to recover their legal costs after they beat the IRS in court.

We live in the age of Federal regulation, and there are very few elements of life, commercial or otherwise, where the Federal Government does not play some role. Sometimes, this Government action is arbitrary and capricious. Prior to the Equal Access to Justice Act, a large number of individuals and small businesses who were faced with unreasonable Government actions could not afford to go to court to challenge the Government's actions. It is no wonder, therefore, that they just gave up right away and didn't challenge the Government action, because the cost of proving that they were right was more than they could afford.

The purpose of the Equal Access to Justice Act is to reimburse individual Americans who successfully litigate against the Federal bureaucracy. This forces Government agencies to be responsible for their conduct and provides those with modest means with access to the courthouse door.

The Equal Access to Justice Act ensures that individuals and small business will not be deterred from challenging unjustified Governmental action because of the expense involved. It reduces the disparity in resources between individuals and small business with limited resources and the Federal Government. Under the act, the Government is liable to a prevailing party for attorney's fees and certain other adjudication costs unless the position of the Government is substantially justified or unless special circumstances would make an award unjust.

Mr. President, they say that "You can't fight city hall," but the Equal Access to Justice Act is working to reverse that. Thanks to the Equal Access to Justice Act, individuals and small businesses faced with unreasonable Government action can fight back and win, even against the IRS.

Mr. President, I ask that the Wall Street Journal article to which I referred be printed in the RECORD immediately following my remarks.

The article follows:

[From the Wall Street Journal, July 29, 1987]

> These dairy farmers may cash in and carry on, the Tax Court says.
>
> Farmers may use either cash or accrual accounting, if they are consistent. The IRS audited Roy C. Kennedy Sr. and three other dairy farmers who consistently used the cash method. It said they should use the accrual method and billed them for $260,000 in taxes. After the farmers appealed to the Tax Court, the IRS dropped nearly all its claims. Having prevailed, the farmers asked the court for legal costs.
>
> The IRS objected. It argued that the farmers hadn't exhausted the administrative process before going to court and hadn't proved that its litigation stand was unreasonable. Now Judge Williams has awarded the farmers the maximum $25,000 (treating the combined cases as one): Their refusal to accept a second extension of the statute of limitations wasn't a failure to exhaust administrative remedies.
>
> More notably, the farmers used cash accounting properly; the IRS's attempt to change their method was without support and unreasonable.—Scott R. Schmedel.●

## POTASH UPDATE

● **Mr. DOMENICI.** Mr. President, by the time the Congress reconvenes in September, the Commerce Department will have made its preliminary determination on whether Canadian industry has been selling potash in the United States at "less than fair value."

This is the second step in a dumping case filed in February 1987 by two potash companies from New Mexico. It is a proceeding that has gathered interest and support from nearly every citizen of Eddy County, which is in southeastern New Mexico.

Eddy County, Mr. President, is potash country. Potash is the lifeblood of Eddy County.

Earlier this year, the International Trade Commission ruled unanimously that the potash workers and companies at Carlsbad in Eddy County had been injured by the Canadian competitors.

Potash Corporation of Saskatchewan [PCS] has pursued policies that not only have devastated the Carlsbad producers, but we now find has also caused severe financial distress to the Canadian company and to the provincial government, which owns it.

Let me describe some of the current problems these misguided Canadian policies have produced:

The PCS has shaken up its management. This resulted in the dismissal of the six most senior executives.

The PCS reported a loss of 103.4 million Canadian dollars during 1986. It is interesting that the company postponed disclosing this fact as long as legally possible for fear that its credit rating would plummet. This loss dwarfs last year's loss of $68.7 million (Canadian).

Widely circulated reports say that the provincial government will sell off all or part of the potash company, selling the individual mines, the entire operation, or publicly traded company shares to obtain a cash infusion.

About 175 employees have already been laid off, and Canadian newspapers report that up to 70 percent of the corporation's 400 nonunionized employees—plant managers, supervisors, and head office staff—will be laid off. Earlier, the company announced that about a third of its 1,000 unionized workers would be laid off.

The Finance Minister of Saskatchewan announced that the government would soon undertake a major "initiative" with respect to PCS, perhaps "privatizing" it.

The provincial government of Saskatchewan has "written off" the $810 million (Canadian) debt that PCS has incurred. Much of this deficit was long-term loans the provincial government made to the company.

Think about that last item.

That is almost a billion-dollar first-aid package that the provincial government prescribed for PCS; well over half a billion U.S. dollars. I wish the provincial government of Saskatchewan would pay off the debts that its lousy policies inflicted on our Carlsbad companies during the same period.

Eight hundred and ten million dollars (Canadian) worth of government aid is a lot of subsidy. To put it in perspective, our Federal Government subsidizes Amtrak at about the same annual rate.

It is close to the amount our Federal Government spends on vocational and adult education; it is more than we spend on the Bureau of Reclamation's annual construction program.

It is more than we spend on the Mineral Management Service. It is more than we spend on the Bureau of Mines and the Geological Service combined. It is about the same amount of money as we spend operating our National Park Service.

Even with all of this Government support, Potash Corporation of Saskatchewan may not survive. And in the process, the misguided Canadian policies came close to having a similar impact on the mines in Carlsbad.

Fortunately, the new management at PCS has charted a revised course. Prices this quarter are up 10 to 15 percent. This is good news for Carlsbad because it means that potash will be priced at a level where everyone can make a little money.

Historically business decisions at PCS had to be made within the political constraints imposed on management by the ruling provincial party. Part of the corporation's mandate was to protect employment in the province, a social consideration that prevented layoffs when the previous management team proposed them.

According to a May 4, 1987, report in a trade journal, Green Markets:

> There are indications that price strengthening will be a priority and that sales will be foregone if prices do not cover costs. In the U.S., market pricing programs will be simplified and special deals will fall by the wayside.

The article concluded:

> Disciplined, consistent pricing policies will only work if production is cut back when sales or prices sag, and the leaner PCS is expected to look long and hard at cutback options. . . . Production adjustments are likely to be evaluated in the coming months.

I welcome these changes in the management and pricing policies. It is my hope—and the hope of the people of Eddy County—that this means PCS and the other Canadian companies will now compete fairly.

If the province's initiative provides a reasonable basis to believe that the fair pricing practices will hold, perhaps the dumping case can be settled, and the industry, on both sides of the border, can get on with the business of selling potash. It seems so unfortunate that our companies had to file a dumping case to get the Canadians to realize the terrible mistake they were making.

The situation of government subsidized excess capacity prompted me to offer an amendment to the trade bill to make such actions a basis for a section 301 unfair practices case. I was pleased when the Senate voted 71 to 28 to adopt this amendment. I hope my remarks further reinforce the importance of this amendment and the problem that it is designed to address.

I am now going to give you the background in a history I compiled earlier this year. It tells how the potash industry arrived at this state of affairs.

### THE POTASH STORY

The Potash industry story is about Carlsbad, NM, and Canada. It is the story of neighborly competition that has turned into a struggle for survival by several small Carlsbad companies, as a result of unconscionable mismanagement and massive unfair trade practices of government-owned Canadian companies

To understand the potash story, one needs only to look at the story of the Canadian industry as told by those running it. It has been pieced together from newspaper reports, trade periodicals and testimony given in a dumping case filed in Washington, DC. The outcome of the case and the future of the industry in Carlsbad will be decided by the Commerce Department and the International Trade Commission sometime this year.

The first major decision in the case was handed down on March 26, 1987, when the International Trade Commission voted unanimously in favor of the Carlsbad, NM producers. Other deadlines will rapidly follow on a strict statutory timeline.

Cross-border ties between operations in Canada and Carlsbad, and common origins of the major North American potash producers gave way to a feud when a significant proportion of the Canadian industry was "nationalized" by the Government of Saskatchewan beginning in 1976.

The Canadian legislature authorized the takeover through the expropriation and through the purchase of private potash mines. The entity used to bring about this "nationalization" or more appropriately, "provincialization" was the creation of a Canadian Crown Corp., the Potash Corp. of Saskatchewan [PCS].

As the private Canadian companies will tell you, a Crown Corp. enjoys the distinct advantage of being exempt from Federal income taxes. This is a significant advantage at least, when the Crown Corp. is profitable.

PCS, which now accounts for over 40 percent of Canadian production and clearly sets the standard for Canadian pricing policies, was born of this forced sale of private companies to the government, and it continues substantially to reflect government's management policies.

The industry's nationalization in 1976 manifested the government's policy toward "democratic" socialism. The party in power, the New Democratic Party ["NDP"] had three goals: First, to expand productive capacity; second, to maintain for the industry a substantial share of what it predicted would be an expanding world market and third, to guarantee for the government a generous flow of revenue.

The New Democratic Party also wanted to insure maximum employment for the people in the province. At that time the privately owned companies stood in the party's way. The companies recognized the realities of the market, and the companies objected to the party's effort to expand the province's revenue base by raising taxes. The companies challenged the tax rates in court alleging that they were so high that they were confiscatory. Rather than fight it out in court the provincial government responded by taking over the property.

From the beginning, the government made clear that its control of the industry was necessary to insure the implementation of its vision of socialism. As Premier Blankeney stated, "If a province can't find revenue on the basis of regulation taxation, if that basis for revenue can be successfully attacked in our federal system as confiscatory, then our provinces are going to have to look for another basis. And that basis will turn out to be ownership."

The government further stressed the social benefits it saw resulting from government ownership of the mines. Premier Blankeney predicted that "control of the potash industry through the government-owned PCS will minimize the possibility of layoffs and other uncertainties and will move hundreds of highly paid and highly skilled managerial research and engineering jobs to Saskatchewan." The NDP's ideology demanded that the government wrest control of the industry from large companies not headquartered in Saskatchewan.

As stated by one of the Premier's colleagues: "The era of concentration of all wealth and power in the hands of an unscrupulous few is almost over."[1]

As soon as the government took over several private mines, and in keeping with the government's policies, PCS lead an aggressive expansion of the Canadian industry. Most dramatically, PCS announced in 1980 a $2.5-billion expansion program, with the goal of producing over 11 million tons of potash by the 1990's.

The program commenced with a nearly 1-million-ton-a-year expansion at Rocanville mine in 1981. This was followed soon thereafter by construction of a 3.5-million-ton-a-year facility at Bradenberry.

PCS set its specific objectives as having production of 4.2 million short tons of potash as of July 1, 1981; 5.3 million short tons by July 1, 1985 and 8.3 million short tons by July 1, 1990.

Nor was PCS alone in its expansion plans. The governments of Manitoba and New Brunswick also entered the sweepstakes. In 1985, Manitoba announced its intention to spend $2 to $5 million (Canadian dollars) exploring for potash near the Russell mines. In the January 26, 1987, issue of Green Markets, it is reported that work may begin on the mine early in 1988.

Three new mines alone opened in Canada in 1985.

In 1986, it was reported that Saskatchewan producers intended to increase their capacity to 10.5 million tons equivalent by 1990.

Even Canadians recognized the consequences of this wildly expansionist program. In 1981, Douglas Carnover, vice president of corporate development at PCS, stated: "At some point there will be overcapacity. But everybody has to keep an eye on it." In Carlsbad, we wish that he had.

Peter Jack, vice president of Potash Corporation of America, stated: "One should approach the question of Saskatchewan production with some caution. It's not going to be unlimited."

Indeed, when the inevitable downturn in demand occurred in 1982, the increasing supply had dramatic and adverse effects on the industry. Since the most recent peak demand year of 1984, prices have plummeted by virtue of the unrestrained growth in Canadian productive facilities which began pouring product into the United States market.

PCS and the provincial government that runs it seem to be oblivious to the realities of that market. The expansion plans of Saskatchewan and other provinces have continued untamed, notwithstanding the huge losses recently incurred by the companies and the expansion of facilities elsewhere in the world, such as Israel, Jordan, and Brazil.

PCS alone reported losses of $68.7 million (Canadian dollars) for 1985.

In its 1985 annual report, the President of PCS stated: "We believe that the huge supply and demand imbalance existing in our industry could keep prices depressed for the next 5 years. The oversupply, to which our Lanigan expansion will be a contributor in 1986, was brought about by optimistic forecasts in the 1980s. The growth in demand foreseen at that time has not occurred. As a result, producers worldwide are fighting to maintain market share in a stagnant and, in some cases, declining market."

A recent IMC annual report summarizes the disastrous consequences of this expansionistic policy. "From a near-sold-out position in 1980–81, fertilizer shipments expressed as a share of production potential declined severely in 1981–82 and 1982–83, recovered partially in 1983–84 and 1984–85, and fell sharply again last fiscal year. Currently competitive pressures are extreme and margins very low or negative. The North American industry is operating at a loss."

Although the political party in power has changed in Saskatchewan, the politics of potash apparently have not. In 1986, it was reported that faced with a provincial election, the conservative government of Premier Devine ruled out proposals to close one of PCS's mines or to layoff any more of the company's employees.

Only recently have the government officials in Saskatchewan become aware that there is a relationship between their legacy of socialism and the cold reality of the marketplace.

As a result of the avalanche of losses suffered the past 2 years by PCS, the government seems to be considering getting out of the business. But as Mr. Ekita, president of Canpotex, recently stated: "There is a serious oversupply problem worldwide and business is going to be tough for 5 years at a minimum."

Focusing on the United States, the numbers tell a devastating story. U.S. potash production has decreased nearly 50 percent since 1981. Production decreased nearly 50 percent in 1985 from 1984 alone. All indications are that capacity utilization fell again in 1986.

In 1981, nearly 3,300 people were potash workers in Carlsbad. Employment now stands at about 2,100. The situation is actually worse than the numbers suggest. Many of those still employed in the industry wonder from day to day if, and when, the mine will be shut down. Some mines have been closed for months at a time. For example, the Lundberg mine recently reopened after being shut from November through February. Those workers still employed in the Potash industry often work less than full time due to the shutdowns.

It is sometimes argued by the Canadians that the potash industry in New Mexico is a sunset industry. This is simply not true.

The inefficiently operated producers selling in the United States market are not the mines run by the United States industry in Carlsbad, but those operated in Canada. A large amount of the capacity in Canada is new, and there have been widely published reports of significant problems in some mines with water damage running up costs and closing down production.

The capital investment and fixed cost of of those new Canadian mines, are far higher than that now represented by the United States industry. Transportation costs to a reasonable market area for the Carlsbad producers appear to be competitive with Canadian costs. In short, while the Carlsbad producers cannot supply U.S. demand for potash, they clearly remain capable of serving some segment of that market.

The potash market in the United States has long been characterized by unfair competition and government-influenced pricing policies involving imports. Canadian producers were subject to antidumping orders throughout the 1970's, and if all goes well, the Canadians will come under a dumping order again.

The Carlsbad companies in this case are alleging that the Canadians have been selling potash at less than fair value. That is to say that they are selling it at less than their cost of production.

If successful, a tax in the form of a tariff could be imposed on Canadian potash of up to 43 percent of the value on those shipments coming in at less than their cost of production.

The case is divided into two parts and two main issues. The International Trade Commission determines first, in a preliminary ruling, and later as a final ruling whether the United States industry has been injured because of Canada violating our trade laws. The Commerce Department undertakes to determine if, and which, Canadian companies have been selling potash in the United States at less than fair value.

Likewise, they issue preliminary findings and final determinations. The preliminary findings should be made by the end of June, and the tax could begin at that time.

It has taken a long time to get to this point. In February 1979 Senator DOMENICI met with potash industry manager and union members in Carlsbad to discuss the problem. In 1983 the Ad Hoc Potash Group was established with members from the community, labor, and the potash companies as well as the mayor and city and county commissioners. In 1986, Senator DOMENICI introduced legislation to enforce the assurances against dumping, given by the Canadians in the 1970's, and hosted the ad hoc group in Washington, DC, to review ways of addressing the Canadian dumping problem.

Others have worked diligently to resolve this problem. The mayor of Carlsbad, Bob Forrest, has headed local efforts to help the potash industry. Other leaders including former Mayor Gerrells, Bill Hunt, Jack Skinner, Eddie Lyons, Stan Doyle, Tom Lundberg, J.R. Tomblin, John Bumpers, Nivan Morgan, Lloyd Harerow, Paul Jolly, and many others.●

## THE DISABLED AMERICAN VETERANS VIETNAM VETERANS NATIONAL MEMORIAL

● Mr. D'AMATO. Mr. President, I rise today to add my wholehearted support to Senate Joint Resolution 106, legislation to recognize the Disabled American Veterans Vietnam Veterans National Memorial at Angel Fire, NM, as a memorial of national significance.

The memorial chapel was begun in 1968 by the Westphall family in tribute to their son and brother, David, who was killed in Vietnam. The Westphall's had dedicated all of their available funds to the project, but ran out of money to complete the memorial. In 1977, after hearing of the plight of the Westphall family, the Disabled American Veterans began supplying the necessary funds to complete the project.

The memorial chapel rises nearly 50 feet above a hill in Angel Fire overlooking the Moreno Valley in northern New Mexico. It has been recognized

for its architectural uniqueness and was declared a State memorial before being rededicated on Memorial Day, 1983, as the DAV Vietnam Veterans' Memorial.

The chapel offers veterans, family members, and others a serene place to come to grips with the emotional complexities of the Vietnam war. Those who visit are invited to pray, meditate, or simply enjoy the peacefulness of the surroundings.

David Westphall fought and died for the beliefs of peace and freedom. I feel that the memorial and its surroundings exemplify the beliefs of our country—beliefs defended by David and thousands of his comrades—and deserves to be designated a national memorial. I am pleased and proud to join my friend from New Mexico, Senator BINGAMAN, in cosponsoring this legislation, and I urge my colleagues to support and pass this resolution.●

## FAIRNESS DOCTRINE

● Mr. HOLLINGS. Mr. President, yesterday the Federal Communications Commission told the American people, if you have the money, your views can be heard on television and radio. With the FCC's repeal of the 38-year-old fairness doctrine, we are now presented with the specter that freedom of speech on the airwaves is available at a price, and an expensive one at that.

The fairness doctrine simply states: "* * * a broadcast licensee shall afford reasonable opportunity for the discussion of conflicting views on issues of public importance."

In a democratic society, one has a difficult time finding the controversy in this. The fairness doctrine, very simply, protects and preserves freedom of speech by providing the only means for many to be heard.

The FCC claims the doctrine has had a chilling effect on broadcasters, inhibiting coverage of controversial issues. On its face, the argument is invisible. And in light of the greater concentration of media ownership, the argument is ridiculous.

In the coming months, those of us who find diversity of ideas and public opinion essential to our form of government, will seek to reverse the FCC's wrongheaded decision. For now, I would like to call the attention of my colleagues to an article in this morning's Washington Post written by Tom Shales, "The FCC, on the Attack Against Fairness."

Mr. Shales is a master of writ and wit, whose articles, though confined to the Post's "Style" section, often require our front-page attention. His writing here, as always, is delightful, but most importantly, insightful.

Mr. President, I ask to have Mr. Shales' article printed in the RECORD.

The article follows:

### THE FCC, ON THE ATTACK AGAINST FAIRNESS

(By Tom Shales)

Yesterday the Federal Communications Commission (FCC) proved it does know something about obscenity after all. It committed one. The Fairness Doctrine, which has operated to the salutary and statutory benefit of American broadcasting and its audience for 38 years, was thrown out by the commission in a gesture of colossally arrogant gall.

Four commissioners, as if beset by some exotic ideological influenza, decided the doctrine was "unconstitutional" even though the Supreme Court has previously ruled otherwise and a majority of the Congress has expressed its support for the doctrine. The rule requires TV and radio stations to give balanced treatment to controversial issues; the FCC says that is simply too great a burden for broadcasters to bear.

"I knew those lickspittles down there would do something like this," said Rep. John Dingell (D-Mich.), chairman of the House Energy and Commerce Committee. "Where this FCC is concerned, I am never surprised as to substance, procedure or timing." Dingell and Ernest Hollings (D-S.C.), chairman of the Senate Commerce Committee, are expected to attempt to get the doctrine reinstated by attaching it to legislation President Reagan can't veto when they return in September from their upcoming recess.

Dingell said the FCC is acting "at very substantial peril" and termed the decision, among other things, "a plain and simple outrage" and "a craven attempt to curry favor with a group that doesn't need help over an issue that doesn't exist."

With its repeal of the doctrine, the FCC abdicates another of its mandates to safeguard the public interest. This decision is not a free speech decision. It is a bought-and-paid-for speech decision. It aims to protect broadcasting companies still further from the public they are supposed to serve.

"They did the dirty deed," lamented consumer activist Ralph Nader yesterday after returning from the FCC's briefing. "The ghost of Goebbels would be chuckling. They totally ignored the First Amendment rights of the audience who owns the airwaves, airwaves that are only leased by broadcasters.

"Broadcasters already had an exclusive license. Now they have the exclusive power to shut out the audience altogether," Nader said. He called the commissioners "a bunch of lightweights like I've never seen before."

Nader said rules relating to the Fairness Doctrine—like the personal attack rule that gives the victim of a broadcast broadside the right to respond, and the equal time provision, which requires stations to treat candidates in an election equitably—are also doomed if the commission continues on its present nutty course.

On Capitol Hill, legislators were furious at what was seen as a foolhardy attempt at an "end run" around Congress, which earlier this summer attempted to codify the Fairness Doctrine. The effort was shot down by presidential veto. The FCC was created as an independent agency that reports to Congress, but now it is clearly acting as an agent of the White House.

Of all the potential calamities visited on the republic by the Reagan administration, the fumblings and bumblings of its FCC—first under Chairman Mark Fowler and now under the equally misguided Dennis Patrick—will get special chapters in history books.

Why trash the Fairness Doctrine now? The FCC claims the doctrine was initiated when there was a scarcity of broadcast outlets and that this no longer exists. That's gibberish; scarcity still exists, and the record selling prices for TV stations prove it. The concentration of media ownership is greater than at any time in American history, so the larger number of TV and radio stations is offset by the relatively smaller number of owners.

There is also the specious claim by supporters of the repeal that the doctrine has had a "chilling effect" on broadcasters, inhibiting them from tackling controversial issues. No such effect has ever been proven. The issue is bogus. Nader finds it laughable.

"A chilling effect? Well then," he says, "the next few months should see an absolute explosion of Athenian creativity and daring on radio and television—now that the yoke of Fairness Doctrine has been lifted by the 20th-century Minutemen of Ronald Reagan."

The chilling effect is the deregulators' Big Lie. Joseph Sitta, who has been in broadcast journalism for 21 years—the last six months as news director of WTTG-TV here—was asked yesterday if he has ever in his career felt any constraint from the Fairness Doctrine. "No, not that I can recall," he said. "I can't think of an instance where it's impacted negatively."

Lawrence K. Grossman, president of NBC News, was asked the same question. While Grossman feels the Fairness Doctrine to be "a bad doctrine in theory" he had to concede, "The answer, as far as I am concerned, is no, not really. The direct and honest answer to the question is no."

Andrew Jay Schwartzman, director of the Media Access project, says the Reagan FCC's problem is that "they just will not recognize who's serving whom" and that "they just don't care" about "the public interest, convenience and necessity" that the commission was established to oversee.

"This decision is the embodiment of the FCC turning the asylum over to the lunatics," Schwartzman said.

Legislators and their staffs are so incensed about what they see as a "double-cross" by the FCC, that there is talk of immediate retaliation, like, perhaps, eliminating the commission's travel budget.

"I say, let them keep the travel budget. Just insist that all tickets be one-way," said Schwartzman. He was cheered by a vision of an FCC commissioner being stranded in Las Vegas after journeying there to make a speech for throngs of grateful broadcasters.

Somewhere along the line, the FCC completely reversed the roles of broadcaster and public so that the public is now deemed the servant of the broadcaster. The FCC has taken us through the looking glass. We have entered the flip-flop world on the other side. "Orwellian" is an overused adjective, but when dealing with the FCC, there is no way to avoid it.

## PROMPT PAYMENT ACT AMENDMENTS

● Mr. DANFORTH. Mr. President, I understand that the Senate will not turn to S. 328, the Prompt Payment Act Amendments of 1987, until we return from recess in September. I would like to take this opportunity to reiterate that Senators PRYOR, BUMPERS, and I intend to offer an amendment that would require penalty interest on late payments to farmers and farm-related businesses that participate in CCC programs. The following Senators have announced their intention to cosponsor the amendment: Senators EXON, KARNES, BOND, HEFLIN, CONRAD, NICKLES, GRASSLEY, DASCHLE, HARKIN, MATSUNAGA, DIXON, LEAHY, BENTSEN, DOLE, SYMMS, and DURENBERGER.●

## TRIBUTE TO COL. GEORGE G. JACUNSKI, USA, FOR HIS SERVICE AS DIRECTOR OF SENATE AFFAIRS IN THE OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE FOR LEGISLATIVE AFFAIRS

● Mr. NUNN. Mr. President, recently Col. George G. Jacunski of the U.S. Army completed a tour of duty as Director of Senate Affairs in the Office of the Assistant Secretary of Defense for Legislative Affairs.

On behalf of the Committee on Armed Services, I want to publicly express our sincere appreciation for the outstanding assistance that Colonel Jacunski has provided the committee while serving in this capacity. When duties are performed as professionally as was the case with Colonel Jacunski, special recognition and commendation are highly deserved.

Throughout his service as Director of Senator Affairs, Colonel Jacunski worked hard and effectively to ensure a meaningful dialog between the committee and the Department of Defense. He ensured that the views of the Department were fully understood and that all relevant information was brought to the committee's attention.

Congressional oversight and review of the national defense program, Mr. President, have become exceedingly complex and demanding. Successful performance of this constitutional responsibility increasingly requires professional assistance and wise counsel. Colonel Jacunski provided both. All of us who have benefited from Colonel Jacunski's work salute his dedicated efforts.

Colonel Jacunski has assumed new responsibilities as the senior Army legal officer for the Western Command in Hawaii. We wish him every success in his assignment.●

## LONDONDERRY, NH, MARKS THE BICENTENNIAL OF THE CONSTITUTION

● Mr. HUMPHREY. Mr. President, this year, as we celebrate the bicentennial of the U.S. Constitution, we are reminded of the values and traditions which, set in writing 200 years ago, have transcended time. To survive as a nation of free people, we must adhere to these values: honor, dignity, respect for one's family and others, pride in one's self, and belief in something greater than one's self.

Members of the Londonderry, New Hampshire, United States Constitution Committee have composed a resolution which the Parent Teacher Association [PTA] has endorsed calling for public emphasis on the values contained in the Constitution and recognizing the institution of the family as the tie that binds together the people of this Nation. I fully endorse this resolution and encourage my colleagues to join me in voicing their support of these sentiments.

Mr. President, I ask that the text of this resolution be inserted into the RECORD.

The text follows:

### BICENTENNIAL OF THE CONSTITUTION

Whereas, the PTA believes "that all children and youth should understand that the privilege of American citizenship demands the acceptance of its responsibilities" and

Whereas, PTA principles state "that individual freedom, individual rights, individual responsibility and individual dignity are indispensable components of a democracy" and

Whereas, the Bicentennial of the Constitution of the United States of America will be celebrated on September 17, 1987 and

Whereas, the celebration of the Bicentennial of the Constitution is an ideal opportunity to assure that the youth of America understand and appreciate the basic morals, ethics and values upon which this country was founded, therefore, be it

*Resolved*, that local PTA units be encouraged to support programs that emphasize and promote traditional values; and be it further

*Resolved*, That the N.H. Congress of Parents and Teachers offer their support and assistance to the N.H. Bicentennial of the Constitution Committee; and be it further

*Resolved*, That the National PTA be encouraged to develop planning guides to assist local units with the celebration of the Bicentennial of the Constitution.●

## INFORMED CONSENT: IDAHO

● Mr. HUMPHREY. Mr. President, this letter from a woman in Idaho poignantly points to the need for discussion of fetal development when a woman is considering aborting the prenatal child she is carrying. I urge my colleagues to read this letter carefully and to consider cosponsoring my informed consent legislation, S. 272 and S. 273.

I ask unanimous consent that the text of the letter be inserted in the CONGRESSIONAL RECORD.

The letter follows:

*August* 5, 1987.

DEAR SENATOR HUMPHREY: I am writing in support of an informed consent bill because I have experienced myself the harm that can be done by withholding vital information from a woman contemplating abortion.

In 1978, at the age 17, I became pregnant. The pregnancy ended three months later at a local clinic by means of a suction abortion. A nurse explained the abortion procedure to a group of five or six of us, that is, what method and instruments would be used. She didn't tell us anything about our babies, about how big they were or how developed. She didn't explain how a suction abortion killed the baby. I knew absolutely nothing about fetal development. When she told us how small the tube was that was used for the abortion I remember being a little surprised and relieved that the "product of conception" was still tiny enough to fit through that narrow tube. It didn't seem like anything that small could really be human. I didn't realize that the baby was actually quite large already and the reason it could fit through the tiny tube was because the powerful suction tore it to pieces.

No one discussed any potential risks and complications before the procedure; afterward, however, each of us was given a list of danger signals: "Call the doctor immediately if you experience any of the following . . ."

After the abortion I tried to put the whole thing out of my mind and forget about it. I was fairly successful most of the time until the spring of 1981 when I became pregnant again under very different circumstances. This time I was married and delighted to be pregnant. I was anxious to learn as much as possible about the tiny person growing within me, so I began reading everything I could find about fetal development. I discovered that the victim of my abortion years before was not just a little blob of cells, he was already a small boy, about three inches long, weighing about one ounce. I learned that his heart had already been beating for two months before he died. He already had perfectly formed hands and feet, right down to the nails and fingerprints. I learned that my baby had already been able to move and swim within my womb, that his or her sex was already evident, and that he was sensitive to touch. I learned that my baby had been developed enough to experience pain since my sixth week of pregnancy. I also learned he had been torn to pieces.

The memory of that first aborted baby clouded my joy as I awaited the birth of my son. After Steven was born, the remorse really hit me. I was overwhelmed with love for my son, and consumed by a desire to protect him from every possible danger. The thought of anyone harming him sickened me, but the thought of me, his own mother, hurting him, let alone killing him, was unbearable. And I had to face the fact that this was my second child—I had had the first one killed. It was an awful thought, but it kept coming back again and again to haunt me during those first few weeks, bringing sadness and depression at a time when there should have been only joy. I still feel a great sorrow, regret for a terrible mistake which can never be undone.

Certainly an unmarried pregnant woman faces a difficult decision. But the only way she has a chance of making the best possible decision is if she is given all the facts. Women considering a serious, irreversible procedure like abortion should have a right to be informed of exactly what the long range effects might be. I am convinced it is best to have everything out in the open at the time the decision is being made, instead of withholding information, leaving the woman to discover the truth for herself when it's too late, as I did.

I will never know for sure whether I would have chosen differently had there been an informed consent law in effect when I was faced with unwed motherhood years ago, but I am convinced that making this information available to all women considering abortion will save many a lifetime of regret.

Thank you for your attention,

PAT HARDER,
*Boise, Idaho.*●

## PROGRAM

Mr. BYRD. Mr. President, on tomorrow, following the recognition of the two leaders under the standing order, there will be morning business until 10 o'clock, and Senators may speak therein, under the order previously entered.

## RECESS UNTIL 8 A.M. TOMORROW

Mr. BYRD. Mr. President, does the able acting Republican leader have any further business he would like to have transacted today, or does he have any further statement to make?

Mr. WILSON. Mr. President, I thank the majority leader. I have not.

Mr. BYRD. I thank the Senator.

Mr. President, seeing no other Senator seeking recognition, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 8 o'clock tomorrow morning.

The motion was agreed to, and at 7:40 p.m. the Senate recessed until tomorrow, Friday, August 7, 1987, at 8 a.m.

## NOMINATIONS

Executive nominations received by the Senate August 6, 1987:

### DEPARTMENT OF LABOR

David M. Walker, of Virginia, to be an assistant secretary of labor, vice Dennis Miles Kass, resigned.

### EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Joy Cherian, of Maryland, to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1988, vice Fred William Alvarez, resigned.

### DEPARTMENT OF JUSTICE

Daniel F. Lopez Romo, of Puerto Rico, to be U.S. attorney for the district of Puerto Rico for the term of 4 years, reappointment.

William D. Breese, of Georgia, to be U.S. Marshal for the middle district of Georgia for the term of 4 years, vice John W. Stokes, Jr., resigned.

### IN THE NAVY

The following-named U.S. Naval Reserve officer, to be appointed permanent captain in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

#### U.S. NAVAL RESERVE, LINE, CAPTAIN

Abbot, James Lloyd III.

The following-named U.S. Naval Reserve officer, to be appointed permanent commander in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

#### U.S NAVAL RESERVE, LINE, COMMANDER

DuBois, William G.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commande- in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

#### U.S NAVAL RESERVE, LINE, LIEUTENANT COMMANDER

Corser, Jack
Gallaher, Robert David
Miller, Robert K.
Northam, Donald R.
Pegler, Randall E.
Poole, Russell John
Sarao, John F.
Short, Gerald Sheffield
Wayman, Harold Austin, Jr.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Ackerson, Judith L. Cromwell
Aiello, Lawrence Stephen
Allison, John Michael
Ammons, Dan Lee
Andersen, Roy Louis
Anglin, William Duane
Armstrong, James Joseph, III
Axelson, Paul Edwin
Bailey, Bradley A.
Bannon, Christopher Terrence
Baron, Timothy Rosso
Bartch, Dianne Elizabeth
Baxter, Harry T.
Beaumont, Frederick James
Bergin, David Joseph
Berley, Fred Victor
Berryman, Paul
Birklund, Gilmore Nunn
Blalock, Homer G., III
Blevins, William Joseph
Bodamer, Ronald W.
Bouffard, Mary E.
Boursier, Michel Rene
Bowman, Keith Paul
Bradfield, Cedric Antonio
Brady, William Michael
Bridges, Clennon W.
Bridgewater, William Lloyd
Brown, Vern Arthur
Brundage, Donald Joseph, Jr.
Buchy, Vicki Sue
Bumgarner, James Lowel
Burker, Kenneth James
Butler, Peter Beloat
Cahill, Steven Charles
Call, Steven Verdell
Cameron, William Howard
Campbell, Michael Carlos
Campbell, Stephen Scott
Caps, John C.
Carlos, Elizabeth Anne
Carter, Nancy Joann
Cassano, Curtis Andrian
Castleberry, Jerry T.
Caulfield, Catherine Leslie
Cavazos, Odilon V., Jr.
Cease, Katherine Leann
Cerutti, William James
Cimellaro, John A.
Clark, David J.
Clifford, Mary Beth
Coleman, Michael Thomas, Sr.
Colon, Luis Alberto
Connor, Michael Joseph
Cook, Herman Charles, III
Correa, Hector Luis
Corso, Bruce John
Cortes, Lourdes Maria
Crafton, Thomas S.
Crago, Pamala Marline
Crain, Paul Daniel
Cristiani, Ralph Dean
Cullen, William Patrick
Dagnall, Barry Francis
Daill, Kurt Franklin
Daly, Regina Miriam
Dean, Robert Eric
Decker, Nancy Ann
Decrescentis, Dominic Anthon
Degennaro, Eugene Steven
Doll, Dennis Allen
Douglas, Frederick Michael
Dubberly, Rickey Lynn
Duffy, Gerard
Dunne, Paul Alfred, II
Earl, Martin S.
Egan, Richard Thomas
Ekelund, Kenneth Oscar, III
Engle, Peter Lawrence
Ewigleben, Robert Steven
Faley, Tim Paul
Fanelty, Steven Michael
Fellows, Joel Dean
Field, Robert Marshall
Fields, William Alexander
Flanders, Alice Anoel Randal
Ford, Jennifer Porter
Freeman, George Kirby, III
Frye, Charles Robert
Fuller, Robert B.
Gabiou, Paul A.
Gaduette, Charles McAlister
Gilbride, Timothy James
Gile, Richard Charles
Gillette, Karl Lee
Gillis, Larry Matthew
Glasgow, Fred Blaire
Gordon, Algernon Pope, Jr.
Grambling, Mark Steven
Gray, Daniel Raymond
Green, Benny Goldman
Green, William Fearl
Greife, Carolyn Louise
Gridley, Stanley Thomas
Grossman, Robert E., Jr.
Gruber, Anthony Mark
Guerin, Lewis Sage
Haberthur, Michael Troy
Halferty, James Patrick
Hall, Larry D.
Hamilton, Stephanie Ward
Hamm, Jerry Wayne
Harned, Robert Lachlan
Harten, Thomas Francis
Hastings, Scott Albert
Hattery, David Wilber
Hayes, Kenneth Frederick
Haynes, Larry J.
Henry, George Wayne, Jr.
Hensel, Bruce W.
Hertz, Eli E.
Herzog, Andrew S.
Hess, Murray Alan
Hills, Thomas Walter
Holtzman, Joshua P.
Hughes, Richard Cannon, III
Hunt, Robert Alfriend
Hurry, Francis Donelin
Idle, James Patrick
Imle, William F.
Jacobs, William Howard
James, Joseph Phillip
James, Steven David
Johnson, Eric H.
Johnson, Gordon Anthony
Jones, Jeffrey Scott
Jongens, Herman Peter
Karolides, Paul Phillip
Keas, Isaac Franklin, Jr.
King, Nancy Stanmore
Kingery, Michael Edward
Kirk, Robert Michael
Kirkland, Walter Paul, III
Klemstine, Bradford Michael
Knight, Lendall S.
Knowles, Douglas Keith
Koerner, Dennis Kurt
Koromhas, Mark Stephen
Krise, James Anderson
Kruse, James Henry
Kunimura, Hollis Heide
Labarre, John David
Lally, Robert Arthur

Lauff, Jeffrey Joseph
Lauria, Frank A.
Laurie, Craig M.
Lee, David Alan
Leppla, Robert Bradford
Linardos, John Nickolas
Livingston, Charles Michael
Long, James D.
Lyddon, Peter
Lyle, Deborah Ann
Mabie, Kevin Ted
MacDonald, Guy Allan
Mahony, Michael James
Manley, Dolores Ruth
Manning, John Kenneth
Markam, Stephanie Ann
Markiewicz, Pamela Ann
Marks, Lee Fergus
Marnane, Janet Kathleen
Martens, James Mark
Mathers, David B.
Mathis, John Richard
McChesney, Robert Newman, Jr.
McClintock, Lowell V.
McDaniel, Mark Alden
McLeod, Michael R.
Melesky, James Michael
Miller, Janis Rae
Miller, Mark Steven
Mills, William J., Jr.
Moody, Deborah Jane
Moore, Arthur Robert, Jr.
Moran, Michael Louis
Moser, Jeffrey A.
Muha, Barry Ryan
Munger, Daniel Vanausdal
Nance, Marlin Gene, Jr.
Nelson, Lloyd H.
Neuberger, Jerry Van
Nicholls, Jonathon Robert
Nichols, Bruce Walter
Noble, Christopher David
Nobles, Joseph A.
Norris, Gregory Swift
Odonnell, John Robert
Ourand, William Carl
Overs, Michael Edward, III
Overstreet, Virginia
Parmenter, Tighe Stedman
Pautsch, David Scott
Payne, Richard Harvey
Peppe, Patrick Kevin
Phillips, David Taylor
Pierce, Charles James, Jr.
Pilkington, Robb Louis
Plasse, James Robert
Porter, Connie Mae
Powell, Danny Ray
Powers, David Gary
Proctor, Daniel William
Ramos, Jude Nelson Datu
Real, Christopher Scott
Reilly, Kevin Dunham
Reinhart, Gary Steven
Renfro, Dennis Dana
Riehl, Robert Francis
Rippee, Robert Homer
Robertson, Sue Frances
Rodgers, David Scott
Rogero, Philip F.
Rojek, Fredric Walter
Rooker, Brian Mitchell
Roots, Mary Beth
Rosandich, Steven P.
Rush, Peter Blake
Rutherford, Theodore Allen J.
Sachleben, John Paul
Sanderson, Joseph Thompson J.
Schaede, Franklin Lamar
Schetky, Luann Dorothy
Schiffer, Michael John
Schoch, John Jacob, II
Schorr, George Graeber, Jr.
Schuman, Walter E.
Scott, Holly
Seeland, Eric David Luke
Seeley, Larry Franklin, Jr.
Sellers, Clay William
Shaar, Gary Barth
Shanks, James W.
Sharp, Susan Barbara
Sicz, Jeffrey Mark
Siegal, Paul Vivian
Simmons, John Ballard
Simpson, Virginia Renee
Smallwood, Donald Everett, Jr.
Smith, Danny Joe
Smith, Gary Wayne
Smith, Jack Erwin
Smith, Paul Christopher
Smith, Royce Emerson
Smoot, Melissa Cannon
Sorensen, Sean Douglas
Spagnuolo, John Michael
Spencer, Edith Ann
Steckel, James P.
Steigerwald, James Edward
Stemrich, Patrick John
Stewart, David Creston
Stinson, Nora Kathleen
Sutyak, Keith Michael
Tener, Richard D.
Thill, Adlin Sanchez
Thomas, William Franklin
Thompson, Douglas Alan
Tierney, John James, Jr.
Tierney, Thomas William
Tochterman, Christopher M.
Todd, David W.
Toth, Bruce Jeffrey
Transue, William Edward
Treadway, William David
Tyson, Stephen C
Upchurch, Robert Burton
Vanalstine, Dayle Kevin
Vanderpoll, Andrew
Viera, Gilbert R.
Walker, Michael Scott
Ward, William Earnest
Waterford, Cheri Denise
Watson, Nancy Herriman
Wehrwein, Robert William
West, Wilk Otis, III
Wheatley, Richard Tudor
Whitehead, Ray Lynn
Williams, Cathy Mae
Williams, Stephen Gary
Wilson, Richard R.
Yelton, Harold Mitchell, Jr.
Zamesnik, Michael Eugene
Zimmerman, David Oakley

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Ainsworth, William Thomas
Allbrandt, Benjamin Leroy
Araya, Pablo
Armstrong, Steven Lloyd
Baker, Sharrill Diane
Ball, Ronald Clark
Barnesgray, Diane Arline
Barrett, Sharon Leigh
Benjamin, Shari Lynn
Bifoss, John Walter, Jr.
Bizzell, Diane Therese
Bodenstedt, Debra Ann
Bolduc, Steven James
Botonis, Julie Shaine
Bradberry, Joel Pressley
Braymer, Theresa Mary
Butler, Richard Wallace
Campitelli, Kenneth Ralph
Carling, Leo Joseph, IV
Chapin, Thomas Henry
Chartier, Dennis Wayne
Clark, William Isaac
Cole, Daniel Garth
Comerford, Barry Michael
Conant, Thomas Lee, Jr.
Cutchen, Bryan Porter
Dallman, Cheryl Rene
Darrigo, Christine Mary
Devault, Richard H.
Doherty, Ruth
Dukes, Gary Louis
Dunham, Sandra Lee
Dyer, Michael Allen
Edens, Jim Ben, III
Edwards, Laurie Ann
Evans, Michael Eugene
Exner, Eric Douglas
Feter, Linda Ann
Ford, Jimmie Barlow
Foster, Douglas Frederick
Foy, Brian O'Neill
Freese, Gerald Stanley
Frink, Ron L.
Gaiser, Alfred Otto
Gardner, Robbie Lee
Gilmore, James Douglas
Gomez, Julio Alejandro
Green, John A.
Greer, Susan Nancy
Haemer, Robert Budd
Hagstrom, Anne Katherine
Henderson, Donald Ray
Herrmann, Mark David
Higginson, Robert Joseph
Howes, Randall Stephen
Jackson, Mark Allen
John, Michael
Jordan, Michael Wayne
Kearns, William Anselm, III
Kendrick, Jacqueline Ann
Kenlon, Edward George, III
Kern, Jeffrey William
Killingsworth, Thomas A.
King, Jeffrey David
Knapp, James Errol, Jr.
Kochman, Steven George
Kondzella, Stephen Tobias
Kreft, Gerald Paul
Lee, Hugo Clyde
Lesh, Mary Susan
Lewellyn, Sherie Lee
Liggett, Linda Lorane
Logsdon, Mary Jones
Lones, John Rudge, Jr.
Lugar, Michael Dewayne
Lull, Scott Martin
MacDonald, Robert Duncan
MacDougall, Karen Marie
MacKay, Melissa J.
Magee, Blane Michael
Marinacci, Louis Gene
Martin, Cynthia Anne
Mayfield, Terry Edward
McCabe, Patrick Orvin
McGowin, Barbara Shaneyfelt
McVey, Ann Elizabeth
Miller, Robert Warren
Mills, Candace Marie
Mitchell, Stephen Raymond
Morrison, Mark Edward
Murphy, Mary Catherine
Nashold, Andrea Gale
Neighbors, Mark Douglas
Nelson, David Andrew
Newbill, Michelle Lynn
Nilsson, Ingrid Susanne
Oakes, Kevin William
O'Brien, Kenneth Gerard
Olivarez, Victor Rene
Ondeck, John Louis
Owens, Vicky Jean
Perry, Cynthia Lavin Rodgers
Pringle, Mathew James
Purdy, Alan Wynn
Rand, Alice Louise
Rawson, Scott Sherard

Reed, Sheena Lopino
Richards, Paul Randall
Rivette, Clarence Michael
Robelen, Aldona Inge
Robertson, William John
Robinson, Teresia Ann
Roesch, Patric Karl
Rowlands, James Edwin
Sanford, John Merritt
Sanford, Reid Matthew
Scheibner, Stephen Paul
Scott, Raymond Gerald
Seaton, George David
Sewell, Rose Marie
Sherer, Catharine Marie
Shoen, Stephen Christopher
Simone, Donna Bambina
Snodgrass, Gary Louis
Snow, Jeannine Elizabeth
Spanier, Jerome Lyle
Springer, Jeffrey Mark
Sullivan, Patrick Thomas
Thomas, Ross Baker
Toombs, Matthew Alan
Tulip, Steven Craig
Ulander, Brett Nelson
Vanover, Kenneth Charles
Waldron, Jack L.
Warwick Jerry Leroy
Wasko, Kathleen Ann
Wasson, Ann C.
Webber, Diane Elizabeth H.
Weiss, Robin Jane
Whitney, Mark Richardson
Wilcox, Paul Cyril, Jr.
Williams, James Edward
Williams, Mark Hardee
Worlein, Cheryl Kay
Yeabower, Virginia Beatrice
Young, Eugenia Ann
Zalamea, Ulysses Oca

The following-named U.S. Naval Reserve officers, to be appointed permanent ensign in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Adamski, Michael A.
Antonelli, John N.
Bashor, John F.
Bell, Jeffrey C.
Bentley, William J.
Birosh, Dale A.
Blackmore, Brian S.
Blythe, Mark G.
Bolkcom, Thomas W.
Brown, Michael S.
Bucy, Derrick R.
Buffington, James E., Jr.
Burkeen, Frank E.
Capshaw, Stephen D.
Carnagey, Walter J.
Carr, Franklin E., Jr.
Carson, Scott D.
Cermak, John D.
Clarke, Brent R.
Cockrell, Jerry W., Jr.
Cohen, Adam B.
Collar, Craig W.
Crandall, Edward T.
Drake, Bruce F.
Dunnington, Scott T.
Duwell, Ronald A., II
Elder, Chris D.
Faerman, Edwin M.
Featherston, Matthew W.
Gayer, Kenneth S.
Gemmell, Scott L.
Giaquinto, Joseph M.
Hagemann, Jon A.
Halsne, Eric G.
Hartung, Philip R.
Herbst, Brian G.
Herold, John P.
Herrmann, Hans W.
Hines, J. Wesley
Holbrook, Mark C.
Horn, John A.
Iwanski, Joseph S.
Jackson, Aubrey L.
Jackson, Donald E.
James, Robert W.
Jermusyk, Matthew
Johnson, William C.
Kamalu, Darren K.
Kean, F. Patrick, Jr.
Kelly, Sean T.
Kemege, Vance E.
Kingg, Jesse B.
Kiziah, Todd E.
Kleinmeyer, James R., Jr.
Klos James J.
Kraske, Richard J.
Kruse, Robert M.
Kunkel, Norman E.
Lackner, Steven M.
Langlois, Kenneth J.
Larm, Arthur W.
Larsen, Paul J.
Larson, David M.
Lee Kyle E.
Lieb, Raymond A.
Lineberger, Jeffrey G.
Mackovjak, David P.
Malmquist, Kenneth A.
Manthy, Robert S.
Manz, Julius N.
Martin Nathan J.
Moody, John D.
Nelson, Jeffrey M.
Neubert, Donald E., Jr.
Newman, Aaron W.
O'Connor, Patrick G.
Ogg, Daniel G.
Ott, Gregory M.
Parsons, Philip D.
Pascual, Christopher C.
Perry, Martin J.
Powell, Alwilliadenise
Rhea, William G., III
Roushdy, Rafik A.
Sanford, Walter T.
Schunk, Michael J.
Semones, Donald A.
Sena, Peter P.
Smith, Mark P.
Spaugh, David D.
Stanley, Thomas P.
States, David C.
Switzer, Christopher C.
Taylor, Mitchell W.
Terry, Kevin B.
Thompson, Gary A.
Tollefson, Scott R.
Trice, Kelly D.
Trimble, Richard D.
Trussler, Jeffrey E.
Walker, Kenneth H.
Ward, Jason K.
Wenck, Thomas E., Jr.
White, Joseph E.
Wilder, Andrew E.
Wilharm, Michael W.
Wincheski, Richard A.
Wong, Monty M.
Wronka, Thomas J.
Yeo, Douglas F.

The following-named U.S. Naval Reserve officers, to be appointed permanent commander in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Morales, Judith
Robinson, Donald B.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Clemons, Peter Michael
Ricciardi, Michael T.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Baxley, Michael Neal
Canning, Douglas A.
Cox, Gerard R.
Croasdale, Terry Lee
Curtin, Timothy Joseph
Dalton, Warren Rich
Fetter, John Edgar
Floyd, Randall Calvin
Heil, John Randall
Hudak, Gary Russell
Keating, Richard Michael
Koffman, Robert Lewis
Mondschein, Joseph Fran
Posnak, Edward Joseph
Thomas, Hugh Wesley
Trezza, Scott A.
Triana, Mark

The following-named regular officers to be reappointed permanent lieutenant to the supply corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582(b):

Reynolds, Timothy Allen
Scolpino, Anthony James

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the supply corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Austin, Tab Erie
Avcalade, Christopher John A.
Grey, Dennis Tharon
Hertig, Donald Lewis
Hixon, Raymond Lex
Houglan, Gary Douglas
Jackson, Michele Renee Dalla
Joy, Elizabeth Ann
Morelli, Joseph Anthony
Neumiller, Michael John
Romano, Steven James
Stephens, Roy Glynn, Jr.
Underkoffler, James Milton

The following-named regular officer, to be reappointed permanent lieutenant (junior grade) in the supply corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582(b):

Brannon, Troy Eugene

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the supply corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Adams, John Michael
Armstrong, Alden David
Brooker, Charles Edward
Cain, Steven Martin
Cantu, Jesus Vasquez
Cash, David Willis
Chase, Thomas Daniel
Chenier, Robert Wayne
Couture, Jeffrey William
Cox, Jeffrey James, Sr.
Cruz, Leslie Donovan
Davis, Randall Lloyd
Dennis, Ricky Carl
Desjarlais, Georgia Kathrine
Domenech, Jose Pedro
Donaldson, Cynthia Rasch
Ehrhard, Keith William
Elauria, Reynaldo Paner
Fabish, Michael Keith
Flaherty, Joseph Kevin
Fullen, Guy David
Gardnerbrown, Matthew Tacon
Gorgone, Russell Salvatore
Green, Frederick
Greene, Timothy Michael
Gross, Paul Bryan

Guerra, Julio Cesar, III
Hayden, Kenneth Edward
Hicks, David Michael
Horrigan, William Christopher
Hughes, Arthur David
Jackson, Jonathan Andrew
Jones, William Richard
Keller, Joseph Allan
Kostecke, Joseph Anthony
Kubiak, Joseph Charles, Jr.
Laird, Terry Wayne
Lamm, Carl Hans
Lentz, James Michael
Lepp, Richard Alan
Lynn, John Francis
Marler, James Erwin, Jr.
Marsh, Michael Robert
Martin, Leslie Dean
Miedzinski, Robert Francis
Perrett, John William, Jr.
Persinger, Ben Paul
Pirmann, John Charles
Schergen, Thomas Samuel
Smith, Brian Joseph
Smith, Daniel Joseph
Stmoritz, Mark Elbert
Wallner, Michael Hafer
Wenger, Brian Lee
Yohnka, Scott Leslie
Yudiski, Joseph Bernard, Jr.

The following-named U.S. Naval Reserve officer, to be appointed permanent lieutenant in the chaplain corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Quiles, Rafael Joseph

The following-named regular officers, to be reappointed permanent lieutenant in the civil engineer corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582(B):

Bensinger, William Harry
Smith, Charles Scott

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the civil engineer corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Arn, Peter Morris
Crebbin, Cory John
Doyle, Michael P.
Ham, Philip Floyd
Pondelick, R. Martin
Punsalan, Romeleo Nonato
Racanelli, Vincent
Simonson, Roy A.
Smith, Gregory Douglas
Souba, James Reynold
Teahan, James Edward, III

The following-named regular officers to be reappointed permanent lieutenant (junior grade) in the civil engineer corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582(b):

Babchyck, Bruce Courtney
Gibbs, Robert John
Morgan, Roger Philip
Openshaw, Mark Falge
Preble, Terence Gordon
Thomas, Lynn Anne
Washington, Julius Calvin

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the civil engineer corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Amidon, Bruce Douglas
Beebe, Matthew Richard
Bell, Stephen Spencer
Brewer, Scott Alan
Crum, Mason
Foust, Thomas Jones
Hamilton, Shawn Keith
Hodges, Gary Lee
Johnson, Brian David
Lasater, Darin Von
Puntenney, Michael Craig
Shirk, William Henry
Siegfried, Robert William
Vandevoorde, James Rene

The following-named regular officers, to be reappointed permanent ensign in the civil engineer corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582(b):

Carey, Jacquelyn Beth
Robinson, Robert R.

The following-named U.S. Naval Reserve officers, to be appointed permanent commander in the dental corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Dembinski, Thomas H., III
Johnson, James D.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the dental corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Pringle, Robert S.
Serkies, Stephen Francis

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the dental corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Babinec, Rocco Michael
Baransky, Thomas Michael
Bishop, David Scott
Brenyo, Michael Roderic
Brosy, Paul Robert
Cade, Thomas Alan
Cohen, David Andrew
Crawford, Brian Robert
Debry, Philip Henry
Dickinson, James
Edwards, Charles L.
Foss, Robert Douglas
Fucini, Stephen Enrico
Garrett, Michael Creed
Hanks, Roger Edward
Hernandez, Arthur Joel
Hunter, Kenneth
Jensen, Scott Albert
Kenney, Robert Lee
Loeffler, Paul Mark
Lundgren, John Paul
Madden, Paul Michael
Metzler, David Grant
Moos, Heidi Lee
Mowrey, Blaine Earl
O'Brien, David Allan
Parreira, Francis Rober
Pastuovic, Milan Nichol
Ragain, James Carlton J.
Rearden, Cathy Lynn
Routier, Donald Delroy
Short, Kenneth Dewayne
Smith, Paul Russell
St. Germain, Michael Roch
Sutton, David Frederick
Tilson, Thomas Frederic
Waskewicz, Gregory Alan

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the medical service corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Anderson, Thomas J.
Annis, Barry Alan
Arrants, Celia Ann
Baker, Florence Marie
Baker, Richard Lee
Barber, William Brent
Berg, Steven Allen
Boenecke, Clayton A.
Broad, Janis Debby
Brown, John Anthony, III
Burr, Donald Harry
Burton, Lyndle Rieke
Butler, Ronald Patrick
Carlson, Erin Hope
Case, Samuel Perry, Jr.
Dunn, David Jerod
Ferrara, Jean Marie
Francis, Joseph Paul
Fulcher, Larry Matthews
Hammond, William Jeffer
Hartmann, Kathleen Gail
Helton, Milford Roy, Jr.
Henderson, William Mich
Howze, Charles Edward
Jacocks, Henry Morgan, I
Jones, Norma Gray
Lewis, Robert Boyd, IV
Lucas, Jeannette
McKeon, Joseph Thomas
McNees, Glenn Elmer
Medina, Steven Robert
Moe, Mickey Alan
Nace, Heidi Ann
Neri, David Francis
O'Donnell, Mary Yvonne
Pasley, Robin Fessler
Patten, Thomas Gerald
Perry, William Courtnay
Queen, Joan Renee
Rockford, Richard Gerar
Rouillier, Leon H.
Savoy, Richard Steven
Smith, Michael Jacoby
Stover, William Reish
Stratton, David Bentley
Swindall, Victor Arthur
Trudel, Stephen Joseph
Ward, Patrick Clair
Watson, Larry Dale
Werking, Rex Dean
Whitmeyer, Antionette A.
Zubritzky, Desider Paul

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the medical service corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Hoff, Melinda Jean
Hoover, Diane Lynn
Ponak, Dana Lynn
Powell, Kenneth Victor
Riahi, Sandy Jo
Sawyer, Thomas Joseph
Schauer, David Alan
Smith, Melvin Dennis

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the nurse corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Barlett, Alica Kelly
Baudler, Alan J.
Beaver, Krista Lou Wint
Boundy, Jo Ann Marie
Bovington, Mary Martha
Connell, Brenda Kay
Connelly, Kathleen Mari
DeCrescenzo, Diane Jose
Eishenhardt, Anne Lucill
Goins, Brenda Cheryl
Hackley, Sally Jane
Higgins, Sheila Ann
Howard, Christina Lynn
Kalinowski, Barbara Lyn
Kelmeckis, Carolyn Ann
Kerbs, Nancy Elaine Has
McEncroe, Virginia Mari
McGloon, Elizabeth Brad
Murphy, Mary Margaret
Parker, Kaye Eileen
Porter, Sarah Jane Broo
Premo, Nina Marie
Rael, Edna Ann
Runzel, Albert Richard

Samson, Mark Warren
Simpson, Peggy Faye
Topping, Kelli Ann
Vandrossem, Anne Elizabe
Wiley, Kristiane Mae

The following-named U.S. Naval Reserve Officers, to be appointed permanently lieutenant (junior grade) in the nurse corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Andrusisian, Beth Ann
Baker, James Duane
Brennan, Kristi Brown
Burkes, Patricia Ann
Cuff, Susan Elizabeth
Fields, Bonnie Lwyn
Haddock, Allen Houston
Haugen, Mary Beth Hudki
Hoeger, Lynn Ann
Hutchinson, Sonia Elain
Johnson, Deborah McCart
Knievel, Eric Stephen
Long, Robert Paul
Mauro, Loretta Ann
Mclarnon, Colleen Ohara
Mouwdy, Curtis Darrel
Procuniar, Charles Euge
Ralph, Mary Kathryn
Reynolds, Paula Mary
Sarratt, Richard Seaman
Stacy, Michael Dewain
Tysor, Patrick William
Wehling, Timothy Stewar

The following-named U.S. Naval Reserve Officer, to be appointed permanent ensign in the Nurse Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Sanders, Susanne Marie

The following-named limited duty officers to be reappointed permanent lieutenant as regular officers in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589(e):

Blake, Michael Jerome
Troyer, Daane Lee
Waits, John David
Worthington, Michael Allen

The following-named limited duty officers, to be reappointed permanent lieutenant as regular officers in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589(e):

Barton, David Bruce
Chambers, Danny Alvin
Edmondson, Paul Ernest

The following-named limited duty officer, to be reappointed permanent lieutenant in the supply corps of the U.S. Navy, pursuant to United States Code, section 5589(e):

Tumaliuan, Anniano T.

The following-named limited duty officers, to be reappointed permanent lieutenant (junior grade) as regular officers in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589(e):

Collins, Alfred
Hill, Daniel Lee
Huotari, Brad Matthew
Robinson, Andrew William
Strickland, Cary James
Tolle, Joel Kregg

The following-named temporary limited duty officers, to be appointed permanent lieutenant (junior grade) in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

Mugrage, David Jose
Pappas, Troy Cecil

The following-named permanent limited duty officer, to be reappointed permanent lieutenant as a limited duty officer in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

McCall, Michael W.

The following-named temporary limited duty officers, to be appointed permanent lieutenant as limited duty officers in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589(a):

Brannan, Charles E.
Brown, Daniel G.
Gutshall, Redgie L.
Harris, Lemaul R.
Huffman, Robert J.
Jones, Lloyd L.
Kelch, David W.
Leonard, Jay A., Jr.
Loonam, Barry M.
Medders, Gerald D.
Neary, James P
Rowen, James D.
Santos, Dioscoro C.
Sauer, Arthur R.
Tees, Raymond W.
Williamson, Paul D.

## CONFIRMATION

Executive nomination confirmed by the Senate August 6, 1987:

### SECURITIES AND EXCHANGE COMMISSION

David S. Ruder, of Illinois, to be a member of the Securities and Exchange Commission for the term of 5 years expiring June 5, 1991.

### DEPARTMENT OF THE TREASURY

Mr. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury.

### DEPARTMENT OF STATE

Sherman M. Funk, of Maryland, to be inspector general, Department of State.

### POSTAL RATE COMMISSION

John W. Crutcher, of Kansas, to be a commissioner of the Postal Rate Commission for the term expiring October 16, 1992.

### FEDERAL LABOR RELATIONS AUTHORITY

Jerry Lee Calhoun, of Washington, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 29, 1992.

### NATIONAL SCIENCE FOUNDATION

Kenneth Leon Nordtvedt, Jr., of Montana, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1990.

### NATIONAL COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

James L. Usry, of New Jersey, to be a member of the National Council on Education Research and Improvement for a term expiring September 30, 1989.

### NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

Ruth Reeve Jenson, of Arizona, to be a member of the National Advisory Council on Educational Research and Improvement for the term expiring September 30, 1989.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

### IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370;

Lt. Gen. Philip C. Gast, 498-34-9821FR, United States Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

*To be lieutenant general*

Maj. Gen. Hansford T. Johnson, 251-58-7597FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned in his current grade to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

*To be lieutenant general*

Lt. Gen. Harry A. Goodall, 288-28-0199FR, U.S. Air Force.

### IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

*To be vice admiral*

Vice Adm. James E. Service, 163-24-3700/1310, U.S. Navy.

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# EXTENSIONS OF REMARKS

## INTRODUCTION OF ALZHEIMER'S "CARE" LEGISLATIVE PACKAGE

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### HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. ROYBAL. Mr. Speaker, I, along with my esteemed colleagues, Mr. WAXMAN and Mr. STARK, are today introducing a major new Alzheimer's legislative initiative, the CARE [Comprehensive Alzheimer's Assistance, Research, and Education Act] legislative package.

As a major step toward overcoming the terrible tragedy faced by as many as 6 million victims of Alzheimer's disease and related disorders, I urgently call upon the American people to join me in a major new Alzheimer's initiative. Today I join with the Alzheimer's Disease and Related Disorders Association in pressing for a new Alzheimer's initiative—the CARE package, the Comprehensive Alzheimer's Assistance, Research, and Education Act.

Today, we also hail a potential step forward in the war against Alzheimer's and for the millions of Alzheimer's victims and their families. With the newly available National Institute on Aging research funds, which I and the Alzheimer's Disease and Related Disorders Association helped shepherd through the Appropriations Committee, we will for the first time know whether or not the drug THA can benefit millions of Alzheimer's victims. However, this is at best a small first step.

No longer can we settle for tens of millions of dollars for Alzheimer's research and support when hundreds of millions of dollars are needed to eliminate the ominous burden of Alzheimer's from millions of Americans. With as many as 6 million Alzheimer's victims at an annual economic cost of $48 billion and with dramatic breakthroughs in genetic and drug research, we must move immediately to enact a new and ambitious Alzheimer's initiative such as the CARE legislative package.

The Comprehensive Alzheimer's Assistance, Research, and Education Act, my CARE package of bills, will greatly expand Alzheimer's research and demonstration projects and will create new Alzheimer's supportive services and education programs for victims and their families. This major Alzheimer's CARE initiative, developed in close partnership with and strongly endorsed by the Alzheimer's Disease and Related Disorders Association, takes the following major steps:

Provides $175 million to triple Alzheimer's related biomedical research funding, including funding for THA drug and genetic research;

Adds five new federally financed Alzheimer's Disease Research Centers;

Adds $80 million to create new State Alzheimer's programs with matching grants for diagnosis, treatment, care management, legal counseling, education, and respite care—including home health, day, and companion care;

Expands family support and service delivery research and demonstration projects;

Expands Medicare and Medicaid research and demonstration projects on how to provide better financial assistance to victims in the form of community based and in home care, alternative methods of health care delivery, and improved nursing home care; and

Expands training of health care professionals and paraprofessionals to improve the diagnosis, treatment, and management of Alzheimer's and related diseases.

Alzheimer's disease and related disorders are special diseases which deserve special handling. Even in these times of tight budgets, victims and their families and caregivers must be assured that they can count on the support of the entire Nation to combat the catastrophe of Alzheimer's disease and to help the nearly 6 million Alzheimer's victims.

Finally, I want to extend my special appreciation to the Alzheimer's Disease and Related Disorders Association for its diligent and caring efforts on behalf of millions of Alzheimer's disease victims and their families. I also want to extend my deep appreciation to the National Institute on Aging and the National Institute on Mental Health for their dedication in leading the research war against this dreaded disease.

Mr. Speaker, I ask that a summary of the CARE bill be introduced into the RECORD.

### SUMMARY OF H.R. 3130: COMPREHENSIVE ALZHEIMER'S ASSISTANCE, RESEARCH, AND EDUCATION ACT (CARE)

#### PURPOSE

To provide improved care and assistance for Alzheimer's and related disorders victims and their families.

#### SUMMARY

Alzheimer's disease is one of a number of degenerative neurological disorders that affect over 3 million middle age and elderly individuals. The symptoms of Alzheimer's disease and these related disorders (AD) are primarily psychological in nature. They include debilitating changes in personality, memory deterioration, disorientation, and impaired impulse control and judgment. As the disease progresses, changes in intellectual functioning take place with even more severe changes. Victims may wander, develop erratic moods, become difficult to manage and become incontinent. The disease eventually renders its victims helpless.

Although Congress has directed much research toward Alzheimer's Disease and related disorders, inadequate dissemination of information to the medical community and the public has resulted in misdiagnosis and lack of access to treatment management options for many patients. In addition, the nature of these disorders has left families with an extreme psychological, physical and economic burden that warrants a systematic examination of models of care and reimbursement policies. Moreover, recent critical research breakthroughs relative to causes of and treatment for Alzheimer's Disease and related disorders make it apparent that the research, treatment and management of these disorders have reached a point where a coordinated effort, including the states, the federal government and private groups, is warranted.

Responding to the overwhelming need to assist the victims of Alzheimer's disease and related disorders, the CARE legislative package, developed in partnership with the Alzheimer's Disease and Related Disorder Association (ADRDA) and on behalf of its more than 120 Chapters nationwide, proposes the following initiatives:

Provides $175 million to triple Alzheimer's related biomedical research funding, including funding for THA drug and genetic research.

Adds 5 new AD research centers and provides full funding for all centers.

Funds research on services to promote the health and well-being of AD victims and their families by encouraging care in the home and reducing the stress on the families.

Establishes a National Alzheimer's Education Program.

Creates state programs with education and supportive services, including respite care, for AD victims. Adds new funding of up to $80 million/year.

Modifies Medicare and Medicaid to better support AD victims and families.

Funds Medicare and Medicaid research to examine potential changes in eligibility, benefits and reimbursement.

Increases training of health care providers for AD victims and families.

Modifies ADAMHA Block Grant to better support AD victims and families.

#### PROVISIONS

*Biomedical research on Alzheimer's Disease and related disorders and family support and service delivery research and demonstration projects*

Requires that the Department of Health and Human Services develop a plan of AD related research and implement it through the National Institutes of Health (including the National Institute on Aging) and the National Institute of Mental Health.

Expands NIH and NIMH biomedical research programs by funding basic research related to AD at a combined level of $175 million per year with increments for inflation. Of the total biomedical research funding, 80 percent goes to NIH, 10 percent goes to NIMH, and 10 percent is to be distributed between NIH and NIMH according to priorities developed by the DHHS Secretary.

Extends the current Centers program by allowing for an increase in the number of Alzheimer's Centers to 15 and setting an initial funding level of $20 million per year with increments for inflation. The Centers are to be administered by the National Institute on Aging in collaboration with NIMH, NINCDS and NIAID. Responsibilities of the Centers include: Conducting research into cause, prevention, diagnosis, treatment and management of AD; training health care personnel; disseminating clinical information; conducting community education on AD; and coordinating with other Centers and related public/private facilities.

Provides for coordination and dissemination of research both within DHHS and to other relevant agencies.

Establishes research and demonstration programs to develop methods of service delivery that will promote the health and well-being of AD victims and their families by encouraging care in the home and reducing the stress on the families of AD patients.

NIMH Family Support and Stress Research: $25 million per year with increments for inflation to support joint research and demonstration projects with public and private organizations.

NIA Long Term Care Research: $12 million per year with increments for inflation to support long term care research on Alzheimer's Disease and related disorders and on the coordination of long term care.

NCHSR Model Delivery Systems Research: $5 million per year with increments for inflation to conduct research on models for improving the delivery of supportive services to AD patients and their families, with particular attention to ethnic and cultural groups.

AoA Family Support Demonstrations: $12 million per year with increments for inflation to support joint demonstration projects with public and private organizations examining innovative family support and service delivery approaches with special emphasis on stress inducing disorders such as AD.

*National Alzheimer's Education Program*

Establishes a national program (similar to the successful National High Blood Pressure Education Program) that creates a national focus on the problem of AD and the care of its victims.

Brings together public and private organizations to develop better ways to provide care to AD patients and assist their families.

Provides technical assistance to public and private organizations delivering services to AD patients and providing information (including the rights of and sources of assistance for AD victims and their families) to the public and health care providers.

Incorporates the Clearinghouse on Alzheimer's Disease which collects information from research and treatment programs and makes this information available to victims of AD and their families, to health care professionals and to the general public.

Fosters and coordinates research, training, and education programs relating to AD cause, treatment and diagnosis.

Funding is set at $1 million in the first year, $1.5 million in the second year, and $2 million in the third year.

*State Alzheimer's programs*

Establishes a joint federal and state effort to develop services and policies to assist victims of AD and their families. All 50 States and territories may receive grants to create State Alzheimer's Programs.

Develops diagnostic, treatment, care management, legal counseling, and educational services for care providers, victims, and their families.

Makes available respite care services (including, but not limited to, home health, day care, companion, short term stay in health facilities) for the AD patient. (Between 25% and 50% of the grant is to be used for this purpose.)

Reviews state policies on the financing and reimbursement of the costs of health care for patients with AD and identifies other policy changes that would improve the care of patients with AD.

Disseminates information to victims, their families, health care providers, organizations established for patients with AD and to the general public on services available to AD victims as well as on rights of and sources of assistance for AD victims and their families.

Makes initial grants available for 3 years with funding at a minimum of $250,000 per year and subject to an annual evaluation by the Department of Health and Human Services.

Total program funding is set at $30 million in the first year, $50 million in the second year, and $80 million in the third year.

States are required to provide matching funds at a 50-50 rate.

*Medicare and Medicaid Program Modifications and Research and Demonstration Projects*

Improves Medicare and Medicaid access, quality and reimbursement with respect to Medicare and Medicaid covered AD victims.

Directs HCFA to modify the Medicare and Medicaid programs to: review and, as needed, modify reimbursement for home health services, extended care services and inpatient hospital services to reflect more accurately the cost of caring for advanced stages of AD; upgrade quality of care and utilization reviews for heavy care patients such as AD patients; and ensure that access to nursing home and health care for AD victims is not being limited by the practices of nursing home and home health agencies.

Mandates that the Department of Health and Human Services conduct AD related research, demonstrations, and waiver projects in order for Medicare and Medicaid to better assist AD victims. Projects include at least the following:

Provision of community-based care (including day care) and in-home care, as well as improved nursing home and home health staffing and training.

Provision of alternative methods of health care delivery systems for AD patients, including services designed to maintain patients in the home.

Alternative methods of payment for long term care (including home health care and nursing facility services) for AD and other heavy care patients.

Coverage of nursing home care without regard to prior hospitalization or the need for skilled nursing care. (Current reimbursement policy precludes reimbursement by Medicare until medical management of the condition is warranted and unless nursing home and home health care are skilled. It precludes reimbursement by Medicaid until the victim's resources are depleted.)

Funding is set at $5.0 million in the first year, $6.0 million in the second year, and $7.0 million in the third year.

*Improve access to community mental health centers*

Improves access to Community Mental Health Centers by the elderly and by AD victims and their families.

Directs ADAMHA to require that Community Mental Health Centers (CMHCs) receiving ADAMHA Block Grant funds increase their efforts to reach the elderly and to reach AD victims and their families. Authorized $50 million per year with increments for inflation. CMHCs provide increased services and outreach to the elderly and to AD victims and their families. CMHs report annually to ADAMHA on their services and outreach for the elderly and for AD victims and their families.

*Training of health professionals and research on manpower*

Increases training of health care professionals and paraprofessionals to improve the diagnosis, treatment and management of AD.

Provides NIA Grants to medical, psychology, nursing, social work, gerontology, and health administration schools, to training programs for home health, homemaker, and other home care providers, and to AD research centers for training and continuing education on health and long term care using AD as an illustrative case. Authorizes $10 million/year with increments for inflation. Grantees shall coordinate their programs with AD research centers. Grantees shall make training and education programs available to family caregivers as well as to health care professionals and paraprofessionals. Grants shall be awarded so as to ensure appropriate geographic coverage.

Provides NIA Grants to AD Research Centers to assist schools in developing curricula for training and continuing education and to ensure transfer of the most up-to-date research information. Authorizes $2 million per year with increments for inflation.

Requires that HRSA conduct a manpower study to determine the adequacy of health manpower for meeting the ongoing care needs of AD and other long term care patients as well as the adequacy of training, of geographic distribution by discipline, and of minority and ethnic personnel and to determine mechanisms for coordinating its manpower efforts with those of other relevant federal agencies. Authorizes $200,000 per year.

NOTE.—While the CARE legislative package addresses the Alzheimer's problem directly, Congressman Roybal has introduced several other bills which also address the needs of Alzheimer's victims and their families. The "U.S. Health Program Act" (H.R. 200) is a broad health care reform package which would provide long term care protection for all Alzheimer's victims. The "Medicare and Medicaid Catastrophic and Acute Transitional Care Act" (H.R. 1930) would better protect the income and assets of spouses of Alzheimer's victims in the Medicaid program and would provide limited respite care. The Home Care Quality Assurance Act" (H.R. 1700) would better protect the quality of home care services provided to Alzheimer's victims under certain federal programs.

SUMMARY OF AUTHORIZED SPENDING UNDER COMPREHENSIVE ALZHEIMER'S ASSISTANCE, RESEARCH, AND EDUCATION ACT (CARE)

[In millions of dollars]

| | Fiscal year— | | |
|---|---|---|---|
| | 1988 | 1989 | 1990 |
| Biomedical research on Alzheimer's disease and related disorders and family support and service delivery research/demonstrations: | | | |
| NIH and NIMH biomedical research [1] | 175.0 | 182.5 | 190.4 |
| Alzheimer's centers | 20.0 | 20.9 | 21.8 |
| Total biomedical research on Alzheimer's disease | 195.0 | 203.4 | 212.2 |
| NIMH family support and stress research | 25.0 | 26.1 | 27.2 |
| NIA long term care research | 12.0 | 12.5 | 13.1 |
| NCHSR model delivery system research | 5.0 | 5.2 | 5.4 |
| ADA family support demonstrations | 12.0 | 12.5 | 13.1 |
| Total family support and service delivery R/D | 54.0 | 56.3 | 58.7 |
| National Alzheimer's Education Program | 1.0 | 1.5 | 2.0 |

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

SUMMARY OF AUTHORIZED SPENDING UNDER COMPREHENSIVE ALZHEIMER'S ASSISTANCE, RESEARCH, AND EDUCATION ACT (CARE)—Continued

[In millions of dollars]

| | Fiscal year— | | |
|---|---|---|---|
| | 1988 | 1989 | 1990 |
| State Alzheimer's programs | 30.0 | 50.0 | 80.0 |
| Medicare and Medicaid Program: | | | |
| Modifications | (²) | (²) | (²) |
| Research and demonstrations | 5.0 | 6.0 | 7.0 |
| Improved CMHC access | 50.0 | 52.2 | 54.4 |
| Training of health care professionals: | | | |
| NIA Health and Long Term Care Grants | 10.0 | 10.4 | 10.9 |
| NIA Curriculum Development Grants | 2.0 | 2.1 | 2.2 |
| HRSA Manpower Studies | 0.2 | 0.2 | 0.2 |
| Total training of health care professionals | 12.2 | 12.7 | 13.3 |
| Total "CARE" authorization | 347.2 | 382.2 | 427.6 |

[1] Triples existing funding and provides specific AD authorization.

[2] Existing funding sufficient for "CARE" provisions.

## THE JURISDICTION OF THE ABORTION ISSUES

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. CRANE. Mr. Speaker, I have introduced H.R. 104, to restrict the jurisdiction of the U.S. Supreme Court on the abortion issue.

H.R. 104 would correct the problem of the Supreme Court overstepping its constitutional powers. Moral issues, such as abortion, are better handled at the State level. The job of the Supreme Court is to interpret law, not to mandate national policy. In 1973 the Supreme Court rendered the Roe versus Wade decision, which essentially legalized abortion in the United States. This decision touched off a continuing series of national debates on the right to life and the usurpation of States' rights by the Supreme Court.

The Supreme Court exceeded its judicial authority in its finding of a previously unrecognized right to abortion. The framers of the U.S. Constitution and the 14th amendment did not intend to create a right to abortion. Prior to Roe versus Wade, abortion laws differed from State to State. However, the Court concluded that prenatal life was and is beyond the power of States to protect.

While we celebrate the bicentennial of the Constitution this year, we should consider the original purpose of the Constitution. The framers purposely omitted sensitive moral issues from the jurisdiction of the Federal Government. They realized that moral issues should be handled by State and local governments, who better know the wants of the people. Furthermore, the framers gave each branch of Government limited responsibilities and powers. In recent years, however, the Court has virtually ignored the Constitution. The Court has interpreted its power much too broadly by continually abusing its power of judicial review. By overstepping its powers, the Supreme Court has eroded the deliberative process of Congress. The Supreme Court is no longer allowing Congress to make legislative decisions, but handing down rulings that essentially change the laws of our country. This responsibility belongs to Congress, not the Supreme Court. Thus, the system of checks and balances has been impaired. Why is the Supreme Court abusing the document for whose protection they are responsibile?

If H.R. 104 were to become law, the Supreme Court's interpretation of the Constitution would no longer mandate a single national policy. The abortion issue would rightfully be returned to the jurisdiction of the States. Thus, States would be free to deal with the abortion issue as they see fit.

Obviously, abortion laws would vary from State to State, as they did before the Roe versus Wade decision. Variances in State law are often beneficial because they allow States to experiment with different approaches and solutions to the same problems. Furthermore, as State legislatures deliberate on the abortion issue, they can look at and learn from experiences of other States. This process ensures respect for community consensus and the virtue of diversity, which have been a vital aspect of the strength of our Federal system.

States already have jurisdiction to rule on a myriad of important moral and ethical issues that the Federal Government has not yet usurped. These include such controversial issues as mandatory seat-belt laws, legal drinking ages, blue laws, gambling, compulsory education laws, and many others. Furthermore States, through ballot referendum and initiatives, are able to execute the true wants of their citizens. The Federal Government is not able to do the same.

Thus, States might choose to have no policy restricting abortion or might substantially restrict it. It is common knowledge that whenever the National Government decides on a moral issue, it sets a precedent for future decisions at lower court levels. On the other hand, when a State makes a decision, we have the choice to move to another State or attempt to change the law through a new referendum or initiative if we disagree. However, we have little recourse but to take up arms or flee the country if the Federal Government becomes tyrannical.

In conclusion, the Supreme Court should return the right to decide on the abortion issue to the States, where it rightfully belongs. Only the States can know the true wants of the people. When States are allowed to determine basic issues, they may arrive at different conclusions. This diversity and community consensus should be respected since the examination of varied alternatives in practice leads to more effective decisions over time.

It is for these reasons that I urge my colleagues to cosponsor H.R. 104 and join me in my attempt to remove the abortion issue from the jurisdiction of the Supreme Court.

## CHURCH OF ST. ANN'S CELEBRATES 125TH ANNIVERSARY

### HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. KANJORSKI. Mr. Speaker, it is my pleasure to bring to your attention the 125th anniversary of the Church of St. Ann in Freeland, PA. I am proud to join in the celebration of this important milestone and I am glad to have the opportunity to share this event with my colleagues in the House of Representatives.

St. Ann's Parish was established in 1862 in the coal-mining town of Eckley in Luzerne County, PA, to serve the needs of the Irish Catholic immigrants who came to northeastern Pennsylvania to work in the coal fields. Rev. Patrick Mullen founded the parish under the name Immaculate Conception, built a wood-frame church, and served as pastor from 1862 to 1868. Rev. Michael A. Falihee was the next pastor, serving until his death in 1917. During Father Falihee's pastorate, the parish was renamed St. Ann's and moved from Eckley to the Woodside section of Drifton. A convent and school were opened in 1886, staffed by the Religious Sisters of Mercy.

The parish continued to grow, and in 1922 the bishop of the Scranton diocese, Most Rev. Michael Hoban, suggested that land be purchased in the borough of Freeland for the home of a new church. On November 24, 1924, the new church was dedicated and served the parish until 1966.

In 1966 Rev. John C. Gilloegly was appointed pastor and immediately began construction of a new church, which was dedicated by Most Rev. J. Carroll McCormick on October 15, 1967. The church was recently renovated to bring it into conformity with the decrees of the Second Vatican Council by the present pastor, Rev. E. Francis Kelly, who has been pastor since September 9, 1982.

Religious faith has played an important role in the development of our Nation, and the 125-year-old history of St. Ann's Church is testament to the continuing importance religion has in the lives of Americans. Mr. Speaker, I am honored to commemorate the distinguished history of the Church of St. Ann before my colleagues in the House of Representatives.

## TRIBUTE TO VINCENT ARTUSO—THE AMERICAN DREAM IN ACTION

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. BIAGGI. Mr. Speaker, today, I rise to pay tribute to a very dear friend of mine, and a true example of the American dream—Vincent Artuso. Vincent passed away recently, but he left behind a legacy for his children and all Americans.

I called him "the philosopher." He had a philosophy for humanity, a love of humanity in its truest and simplest sense. Vincent was surrounded by an aura of kindness. His special qualities enriched the lives of those he met. Although our paths didn't cross so frequently, the memory of each meeting was an experience of unending duration.

His presence on Earth enhanced the world of all who had the good fortune to know him. The memory of Vincent will endure beyond our own days.

Vincent Artuso was born in 1919, in Calabria, Italy. By the age of 12, his father had saved enough money to send Vincent, with his mother, two sisters and brother to the United States. They settled in the Belmont community of the Bronx, where they were later joined by Vincent's father. At the age of 16, Vincent began working in a bakery located on East 187th in the Bronx—a job that would change his future.

He worked in this bakery until 1941, when he joined our Army Forces serving in World War II. Five years later Vincent returned to the Bronx and purchased the bakery he had worked in prior to entering the Army.

Under his ownership, the Artuso bakery grew from a small retail bakery to a major national wholesale bakery, with four branches. However, this was not an easy task. Ten years after he purchased the store, Vincent had saved enough money to begin the renovations he needed to enlarge the bakery. Three years after the renovations were complete, the store caught fire and was completely destroyed. Vincent had to start from scratch, completely rebuilding the store.

The Artuso bakery was the first bakery to wholesale Italian pastries on a major scale. Vincent has left to his family a bakery which has customers nationwide and four branches—the original Bronx branch, and one in Yonkers, Mount Vernon, and Harrison, NY.

His wife Betty and four sons, Anthony, Joseph, John, and Vincent, now manage the business, with assistance from Joanne, Linda, and Arlene, his daughter-in-law.

Vincent Artuso is a model of the American dream. A native Italian, arrived in this country and started working in a business at a very young age. After serving in the U.S. Army, he was able to buy that business and has watched it grow from a small Bronx bakery to a National business. However, the original bakery still has the atmosphere of a small business—fresh pastries, good and courteous service and family employees.

I will miss Vincent and I send my condolences to his wife and children and grandchildren: Anthony, Theresa, Concetta, Michelle, Joseph, Phyllis, and John.

I call upon my colleagues to join with me in recognizing a great citizen and a great foreign-born American. May he shine as an example for others in pursuit of the American dream.

## MICHIGAN FARMER'S HALL OF FAME HONORS BASIL McKENZIE

### HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. SCHUETTE. Mr. Speaker, I wish to take this opportunity to congratulate one of my constituents for being inducted into the Michigan Farmer's Hall of Fame. Mr. Basil McKenzie, of Breckenridge, MI, will be inducted into the Hall of Fame on September 4 of this year.

Founded in 1982, the Michigan Farmer's Hall of Fame honors farmers for their contributions to their community and to Michigan's agriculture industry. Eleven families will be inducted next month, and I am pleased to learn that Basil, a Gratiot County farmer, will be included on this prestigious list.

Basil was an active farmer for 30 years before retiring from hybrid corn and certified seed production. Basil finished his education at Michigan State College and began working as a vocational agriculture teacher and eventually became superintendent of schools and a vocational agriculture teacher at the Hartland Consolidated School. After 7 years at the school, Basil left to become a full-time farmer with his father.

Basil's list of achievements and awards from the agriculture community is most impressive. Between 1968 and 1969, he served as chairman of the Michigan Bean Commission; was a member of a bean seminar trip to Europe in 1969, and served as president of the Michigan Agriculture Conference in 1974. In addition to his commitment to the agriculture industry, Basil was an active member of his community, serving as a past president of the Breckenridge Rotary Club, a member of the Mason Lodge of Breckenridge, and a recipient of the Gratiot County Minuteman award.

While a most talented and dedicated farmer, Basil has never taken his successes for granted, nor disregarded the help he has received from others. On his questionnaire submitted to the Hall of Fame, Basil credits his success to "hard work, good soil, great ancestors, and a good wife."

Mr. Speaker, I hope you and our colleagues will join me in commending and congratulating Basil McKenzie upon his induction into the Michigan Farmer's Hall of Fame. As our State's third largest industry, agriculture plays a significant role in the economy and social structure of our communities, and this recognition is a most prestigious honor and one that Basil and his family should always be proud to hold.

## MARYLAND'S MEMORIAL TO ITS VIETNAM VETERANS

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. HOYER. Mr. Speaker, I would like to commend the Maryland Vietnam Veterans Memorial Fund, Inc., which has launched a drive to raise the remaining funds needed to pay for a memorial to Marylanders who died or who are still missing in Southeast Asia. This memorial will be located on Federal Hill in Baltimore, a site overlooking the Inner Harbor and the downtown of Maryland's largest city.

It is entirely fitting that this memorial will also overlook Fort McHenry. There has been criticism from some quarters that the national memorial to Vietnam's dead, in Washington, DC, is somehow lacking in patriotism. However, no one can doubt that a memorial can be anything less than patriotic and noble when it sits high above the garrison that in the face of an assault by British warships in 1814 continued to fly defiantly and proudly the Star-Spangled Banner immortalized by Francis Scott Key.

Of course, this memorial is not to war, but to the costs and sacrifices of war. In the course of the conflict in Southeast Asia, some 158,000 men and women from Maryland served. Some volunteered and some were drafted. Maryland lost 1,010 dead and 68 who are still missing in action.

Beginning on August 10, eight Vietnam veterans will walk 200 miles through St. Mary's, Calvert, Charles, Prince Georges, Montgomery, and Anne Arundel counties. They are attempting, through pledges and donations, to raise the funds necessary to construct a lasting and fitting tribute to the men and women of Maryland who served in Vietnam.

I salute the participants of "Last Patrol II." These men are truly dedicated and committed. Every resident of Maryland should be quite proud of them.

In addition, I would like to note that William Donald Schaefer, the Governor of Maryland, has added greatly to this effort by creating the "Maryland Memorial Platoon." This is a group of 125 volunteer fundraisers committed to building the memorial.

In closing, Mr. Speaker, I commend all the members of the Maryland Vietnam Veterans Memorial Fund, Inc., in their efforts to recognize the many Marylanders who made the ultimate sacrifice in serving our Nation during the Vietnam war.

## SCARING THE PUBLIC

### HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. BLILEY. Mr. Speaker, on July 7 the Wall Street Journal ran an editorial entitled "Scaring the Public." That editorial properly noted that "[h]orror stories make bad public policy." I wholeheartedly agree.

The Environmental Protection Agency [EPA] is currently in the process of deciding what regulatory action should be taken with regard to formaldehyde. I hope EPA will take the time to obtain a sensible analysis of formaldehyde risk before acting in haste. I commend the editorial to my colleagues and the EPA. I trust we can all agree with the final sentence of the editorial: "Most people have enough to worry about without EPA discovering new scares."

#### SCARING THE PUBLIC

Horror stories make bad public policy. Take formaldehyde, a too common example of how federal bureaucrats misjudge public health risks. Staffers at the Environmental Protection Agency are calling this widely used medical and industrial chemical a "probable human carcinogen," supposedly endangering the health of thousands of Americans. Some EPA officials are therefore urging strict federal regulations on formaldehyde.

To support this claim, the EPA recently produced some seemingly shocking—and highly publicized—statistics on the alleged cancer risks from formaldehyde exposure. The agency purports that three out of every 10,000 garment workers exposed to formaldehyde fumes risk getting cancer. For mobile-home dwellers exposed to formaldehyde-treated pressed wood, the cancer risk over 10 years is said to be two in 10,000. And for residents of conventional homes, the perceived risk is one in 10,000. Given the

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current widespread fear of cancer, these numbers were certain to scare many people.

Before this horrifying scenario goes too far, however, EPA might explain why more effort wasn't made to place these numbers in more perspective. For example, these risk assessments are based on what EPA calls the statistical "upper bound"—the most extreme scenario. But the agency has another, more reasonable standard of cancer risk known as the "maximum likelihood estimate." A look at these figures tells a much less frightening tale.

EPA's "likely estimate" for cancer risks from formaldehyde exposure among garment workers is actually 4 in 1 billion. Similarly, for mobile-home dwellers the "likely" estimate is 2 in 10 billion, and for conventional-home residents 6 in 100 billion.

The agency's exaggerated claims are primarily based on laboratory experiments on rats exposed to extreme doses of formaldehyde. These test animals inhale concentrations of formaldehyde up to 15 parts per million (ppm) for long durations throughout their confined lifetimes. In some cases, these test rats have contracted nasal cancer. Thus EPA worries that humans, too, may develop cancer due to formaldehyde exposure.

But that extreme assessment doesn't square with EPA's own report on formaldehyde. It admits that humans won't tolerate the noxious chemical fumes above 3 ppm for "more than short periods" because of eye, nose and throat irritation. It adds that "these acute effects are usually reversible." The EPA report goes on to say that its evidence of cancer risk is "limited," meaning that "a causal interpretation is credible, but that alternative explanations, such as [statistical] chance, bias or confounding, could not adequately be excluded."

A recent Harvard School of Public Health analysis criticized harshly the federal government's handling of formaldehyde risk assessment. It said that "the true extent of uncertainty about the magnitude of estimated cancer risk is not conveyed to policy makers." As a result, it concluded, "policy guidelines are substituted for scientific judgment in the governmental risk-assessment process."

Yet EPA continues to frighten the public. It has pushed its standard of cancer risk to such an extreme that even ambient air in rural regions of the U.S. would have to be classified as carcinogenic due to the natural presence of formaldehyde. Do we need "Don't Breathe Deeply" signs in Yellowstone National Park?

The EPA's administrator, Lee Thomas, will soon make a decision on proposed formaldehyde regulations. Before any regulatory action is taken, we'd suggest that Mr. Thomas get a sensible review of formaldehyde risk. Most people have enough to worry about without EPA discovering new scares.

## TRIBUTE TO BRIAN J. HESSLER

### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mrs. MORELLA. Mr. Speaker, on June 29, Brian J. Hessler of Potomac, MD, died suddenly in Baltimore after suffering a stroke. He was 60 years of age.

After his retirement from a long and distinguished career in public service, Brian devoted many hours working to provide a life of dignity and worth for the mentally retarded.

In 1981, he was elected to the board of directors of the Montgomery County Association of Retarded Citizens [MCARC]. He served from 1981 to 1984 as treasurer, and from 1984 to 1986 as president. He also served on the board of the A.R. Bancroft Development Corp., an organization that helps provide housing for the retarded. At the time of his death, Brian was vice president of Bancroft.

Brian actively sought high-quality residential and vocational placement for those with mental retardation. He was deeply concerned about making a commitment to these special people.

Mr. Speaker, it has been said that "if we do not lay out ourselves in the service of mankind, whom should we serve?" Through Brian's selfless efforts, hundreds of mentally retarded citizens were able to live as productive members of the community.

On behalf of the Congress of the United States, I would like to extend our heartfelt gratitude to Brian's wife, Lois, and to his children, Kevin and Tracey, for all that he did for his community and fellow man.

## A CONGRESSIONAL SALUTE TO VERLY AND LOUISE BRANN WOSEPKA

### HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. JOHNSON of South Dakota. Mr. Speaker, it brings me great pleasure to be joined by my colleagues in saluting the 50th wedding anniversary of two of my constituents.

I am honored to pay tribute to Verly and Louise Brann Wosepka on this wonderful occasion in their lives. Through their 50 years of life and love together, they have become well known in their community for dedication to civic activity and unselfish contribution to their hometown of Pierre, SD.

I am proud and pleased to congratulate Verly and Louise Brann Wosepka and their family, Col. Jim and Nora Wosepka.

## CONGRESS SUPPORTS THE SECOND AMENDMENT RIGHT

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. CRANE. Mr. Speaker, I have sponsored legislation, House Concurrent Resolution 6, to reaffirm that it is the sense of Congress to support the second amendment right to the Constitution of the United States. Because this is the 200th Bicentennial of our Constitution, I feel it is imperative that we reaffirm our belief in the rights that all Americans are entitled to through the Constitution. The purpose of House Concurrent Resolution 6 is to ensure that our Founding Fathers' intentions on the second amendment remain intact.

The second amendment states: "A well regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms, shall not be infringed."

It would be a grave injustice to compromise or surrender the rights for which our Founding Fathers fought so hard. There are few issues in this country that are more emotional or less understood than an individual's right to keep and bear arms, and it is disheartening to see any erosion of these rights when the framers of our Constitution clearly intended to guarantee an individual's freedom to protect himself. Our criminal justice system has far higher priority pursuits, especially given the excessive Federal budget deficit, than to spend its time and money depriving people of the right to use a gun for hunting, target shooting, and lawfully protecting themselves against trespass.

We must reject any attempts to restrict American citizens from defending themselves and their property. This is a severe threat to one of our basic freedoms as citizens of the United States. Currently police protection is reactive and is only guaranteed in broad terms. There is nothing in the law that guarantees personal protection to any particular person. Since the U.S. criminal justice system has obviously not demonstrated the ability to provide adequate public safety, we simply cannot in all good conscience prevent individuals from protecting themselves.

Gun control advocates believe that taking away everybody's guns will reduce crime. If everybody's guns were confiscated, crime might go down, just as it might if all knives were confiscated. However, it would be an impossible task to get "everybody" to turn in his gun. Why would a criminal, who breaks the law by using a gun on someone else, comply with this law, especially if he wants to use the gun again. If we deny anyone his second amendment rights, we will only be creating a bigger black market. Furthermore, if people cannot protect themselves, there will be an increase rather than a decrease in crime. Take away from the law-abiding citizen his right to that protection and the criminals will have a field day. Moreover, our law-enforcement agencies would be so busy checking up on guns they would have little time to do much about it.

Let's face the facts. Guns do not kill people, people kill people. An inanimate object should not be blamed for the crime of a human. After all, do we blame the automobile or the driver in a hit-and-run accident?

Criminals will have access to guns no matter what we legislate. The innocent, law-abiding citizen gets hurt the most with gun control for he would become easy prey. Criminals, in turn, should be given harsher mandatory sentences when committing a crime with a gun. I suggest that States implement "Use a gun, go to prison" and other similar legislation to punish those who abuse their second amendment rights by committing crimes with a gun.

In this the year of the bicentennial of our Constitution, it is very important that we reaffirm our Nation's belief in the second amendment right to keep and bear arms. I welcome my colleagues cosponsoring my legislation.

## THE FUTURE OF NATO

### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. GARCIA. Mr. Speaker, I would like to draw the attention of my colleagues to a series of articles by Elizabeth Pond which appeared recently in the Christian Science Monitor examining the future of the NATO Alliance.

The current arms negotiations between the United States and the Soviet Union hold ramifications far beyond the immediate concerns of these superpowers. Landmark proposals for the complete elimination of nuclear missiles from Europe have raised questions about the future strategic policy of NATO. Speculation about a reduced United States nuclear and conventional presence on the continent have prompted the Europeans to explore alternative means of defending themselves.

As chairman of the Civilian Affairs Committee of the North Atlantic Assembly, I have come to realize the vital importance of our longstanding commitment to our European allies. Our contribution to NATO is crucial to the security of the free world. Europe remains the focal point of East-West relations, thus, the ongoing arms negotiations must consider not only the interests of the United States and the Soviet Union, but those of the European nations as well.

I am submitting the first two installments of this series for my colleague's perusal:

#### EUROPE QUESTIONS AMERICA'S PROMISE

(By Elizabeth Pond)

LONDON.—Western Europe has now enjoyed, for two generations, its longest period of peace in this century. By next year it will have surpassed even the 1871-1914 hiatus between wars and enjoyed its longest peace in history. And this in a nuclear era that as never before threatens to make mankind extinct.

This unprecedented peace, European governments believe, is no paradox of the nuclear age. It is instead a direct result of the unprecedented destructiveness of the atom bomb.

The very threat of nuclear war—and the risk that a conventional war might escalate uncontrollably into nuclear conflict—is so terrible that war as a whole is seen as suicidal and no longer a rational means of executing policy in those regions that are most vital to the superpowers.

Hence the advent of what has become known as nuclear "deterrence," or prevention even of conventional war in Europe. This is the one spot on earth where Western policy calls for first use of nuclear weapons, should NATO forces face defeat by the Soviet block's superior conventional forces.

Yet now the American nuclear guarantee of Europe's security—and with it the robustness of deterrence of war—is being called into question in Europe. This is so for three reasons. First is a perceived trend toward "denuclearization" of Europe as Euromissile arms control begins a possible slide down the slippery slope of doing away with more nuclear weapons. Second and third are political and financial pressures in America to withdraw its GIs from Europe and reduce United States engagement there so as to cut costs, free America's hand for unilateral interventions elsewhere in the world—and, for some American politicians, teach European ingrates to pay for their own defense instead of freeloading off the US.

In Bonn, the conservatives' deputy parliamentary leader, Volker Rühe, terms this the end of one strategic era and the beginning of another.

The profound uncertainty that this transition arouses is perhaps the major stimulus to today's resurrection of the moribund idea of joint European security.

The shock that Europeans felt in the wake of the superpower summit in Iceland last October and that they now feel from the Euromissile arms control deal that is in view is helping to some extent to drive West Germany, France, and Britain into more cooperative defense. The principle is the same one that drove the squabbling American states together 200 years ago: If you don't hang together, you are apt to hang separately.

This series, based on some two dozen interviews with senior diplomats, military officers, politicians, and academics in London, Paris, Bonn, and Brussels, explores the causes and prospects of the present jerky efforts to hang together.

Europe's nuclear predicament is a result of a number of factors like geography, the total vulnerability of all nations in the nuclear age, and the widely perceived insanity of any conceivable use of nuclear weapons. It also comes from the Soviet acquisition of nuclear superiority in the European theater in the early 1980s on top of Moscow's strategic parity of the '70s—and Soviet leader Mikhail Gorbachev's flexibility and his acknowledgment of the failure of the destructive potential of nuclear weapons to translate into specific political influence.

In raw military terms, once the Soviets attained nuclear superiorty in the European theater, NATO lost "escalation dominance," or the ability to control the course of and limits on nuclear escalation.

This made irrational NATO's two-decade-old policy of "flexible response" to any Soviet attack by either conventional or nuclear weapons; both common sense and computer projections suggest that any NATO resort to nuclear weapons at this stage would only make things worse for the West, at a more destructive level.

That's all in the context of "war-fighting," though. Aiming at deterring war (as distinct from actually fighting and winning it), NATO continued its policy of flexible response without change in the 1980s. And however much this might violate conventional logic, it made sense in the topsy-turvy nuclear world.

As David Abshire, former US ambassador to NATO explains it, deterrence by "uncertainty"—if no longer by assured retaliation—is still very much alive. So long as the Soviets fear that in the passion and fog of war the West might commit the irrational act of nuclear escalation, this effectively deters any conventional attack, or even any attempt to convert Soviet conventional superiority into political intimidation.

The Europeans subscribed to this reasoning—until the Iceland summit and the Euromissile arms control deal now being negotiated by the superpowers revived European fears of Soviet-American condominium at the possible expense of Europe. The summit alarmed Europeans because of President Reagan's willingness, with no prior consultation with European allies, to contemplate scrapping all nuclear ballistic missiles, the very weapons that the Europeans regard as the most reliable guardians of their peace. Although British Prime Minister Margaret Thatcher helped get Mr. Reagan to bury the suggestion shortly after the summit, the fact that an American president could even float such an idea shocked the Europeans especially the conservative bulwark of pro-American politicians there.

Suddenly the American Strategic Defense Initiative ("star wars") no longer looked to its initial supporters in Europe like the welcome protection that would stiffen American backbone to risk Chicago in order to save Hamburg. It looked instead like the unwelcome protection that would turn the two superpowers into sanctuaries and leave Europe, and especially Germany, as the "limited" but razed nuclear battlefield.

Suddenly the Pentagon hard-liners no longer appeared to West German hardliners as fellow crusaders against Soviet empire in Europe. Rather, they appeared to be unilateralists, who wanted to write off an encumbering Europe.

And suddenly the complaint of a Georgetown University strategist, Edward Luttwak, that the American lack of will to use nuclear weapons has already created a "postnuclear" world took on the aura of reality.

If the current Euromissile deal is clinched, NATO will rely more heavily on land-based nuclear missiles in the under-500-kilometer (under 300 miles) category. This projected shift to dependence on weapons that would devastate only Germany has fanned in Bonn the beginnings of a reluctance ever to use nuclear weapons. Within a surprisingly short time it became a common assumption in the West German center right that the Euromissile deal would "decouple" the US from Europe and invalidate flexible response.

Dismissing European fears, Washington contends that only a tiny part of the spectrum of nuclear weapons would be removed in any Euromissile arms control, and that this would not erode the still quite sturdy nuclear deterrence of conventional war in Europe.

French President François Mitterand reasons along the same lines. So does Sir James Eberle, NATO's former commander in chief of the English Channel and present director of the Royal Institute of International Affairs in London. Admiral Eberle says he regards present arsenals as excessive in any case and views the "complex theory of deterrence" that has been "woven" around them as unnecessarily complicated. He challenges this view, saying:

"I have always entirely accepted [ex-Defense Secretary] Harold Brown's [thesis] that the likely result of limited nuclear exchange would be unlimited nuclear exchange." This, he suggests, scares the Russians as much as it scares the West.

But the notion that uncertainty is enough to deter hardly reassures governments that perceive the US as moving away from the deterrent threat of first use of nuclear weapons in Europe. West German parliamentarian Rühe comments: "I think the trend in the US is—and that is very serious—that nuclear weapons in the future will only be used to deter nuclear use. That would be the end of NATO 'first use' strategy. I think that is at the doorstep of [both] American parties."

It's a "historical trend, . . . this philosophy to render nuclear weapons obsolete."

John Roper, a former Labour member of Parliament in Britain and now a senior research fellow at the Royal Institute of International Affairs, concurs: "Reduced emphasis on nuclear weapons is now the conventional wisdom in the United States."

And even a serving official as circumspect as the British foreign secretary, Sir Geoffrey Howe, bluntly told the Belgian Institute of International Relations this spring: "A distaste for reliance on nuclear weapons is not a new phenomenon in America. . . . Some have long questioned whether the US would ever be prepared to use nuclear weapons in response to a Warsaw Pact conventional attack in Europe."

Yet Europeans with a memory of Adolf Hitler's blitzkrieg attacks with inferior numbers of tanks in World War II fear that, without significant nuclear deterrence, even an unattainable conventional balance would be fragile and inadequate to ensure prevention of war. "No one can conceive of conventional deterrence alone," asserts Mr. Rühe.

Nor does the standard American assurance in recent weeks that US linkage to Europe rests not on groundbased missiles, but on its 326,000 troops committed to Europe, provide much comfort when Europeans see go-it-alone political and financial pressures building in the US. Former national-security advisers Henry Kissinger and Zbigniew Brzezinski have been leading the chorus to reduce American troops in Europe for some time, and American colunnist William Safire's comments on European "parochialism," miserliness in defense, and reluctance to help the US in Central America are familiar reading in Europe.

Rühe warns, "If there were a withdrawal of [US] troops on top of [the perceived trend toward denuclearization], it would really be disastrous and give the wrong signals."

Roper adds, "One of the things that is worrying is what may well be [US-European] strains in all three dimensions simultaneously," political and economic as well as military.

The former British parliamentarian also speaks of America's difficulties with the huge budget and trade deficits and the problem of both the trend to denuclearization [and] deemphasis on nuclear weapons in European defense, at a time in which anyone looking from now till the end of the century who predicts that there will be the same numbers of US troops in Europe [then] must be either a fool or a knave."

All this requires some very fundamental rethinking within the alliance about what actually constitutes deterrence.

The questions include which mix of moral and strategic contradictions in nuclear policy is the least worst; what the conventional imbalance in Europe really requires in nuclear offset against a cautious Soviet evaluator of risks who is currently preoccupied with domestic affairs; and how support for Western nuclear policy can be maintained in a public that perceives a dwindling Soviet threat.

This period requires as well some fundamental rethinking about how the Europeans can maximize their contributions to defense in order to maintain stability and manage the pending reduction of American troops in Europe—without offering targets of opportunity to Moscow.

For a growing number of West German, French, and even British officials, part of the answer lies in renewing the quest for the kind of European defense cooperation that France so unceremoniously vetoed in the '50s by killing off the European Defense Community.

This doesn't come easily. But the urgency of Europe's present nuclear dilemma is certainly giving it fresh impetus.

One American diplomat notes the irony "that we could be forcing the Europeans to take some of the tough decisions" they would otherwise avoid.

In London, King's College Professor of war studies Lawrence Freedman, agrees that, unintentionally, the Reagan administration has been giving a boost to European cooperation by the anxieties it arouses. He does not expect dramatic steps forward.

But he concludes: "I think it will be much more a process of drift and changes over time, so you suddenly realize 10 years on that it's all quite different. But if you ask when it happened, you can't quite figure it.

"I think this [evolution toward European cooperation] is happening, slowly. There is a greater readiness to recognize that you can't assume the security system of the last 20 or 30 years will continue" this way forever.

## FRANCE AND GERMANY: EUROPE'S ODD COUPLE

(By Elizabeth Pond)

PARIS.—There are "irreducible differences" between the French and American commitment to European defense, says Dominique David, secretary-general of the Foundation for National Defense Studies in Paris.

"France takes risks at home. The US takes risks in Europe—in its own interest, but not on its own territory." The United States can therefore decide to opt out, he concludes; France cannot.

Going on to describe the French-West German cooperation that Paris cannot opt out of, he says, "The majority of French public opinion today thinks that French arms should help Germany if it is attacked. . . . I think we made a lot of progress since '80, '81, '82—progress more political than military. Today it is possible in France to say things about Germany and the alliance which could not have been said 20 years ago [when Paris withdrew from NATO's integrated military command]. There has been an important evolution in the political class and public opinion, and in Germany too there has been an evolution."

Karl Kaiser, director of studies at the German Society for Foreign Policy (DGAP) in Bonn and co-publisher of a new book on French-West German security coordination, would not disagree with this assessment. But he stresses the limitations and sees the bilateral relationship as "a case of unrequited love—on both sides."

Both views are valid. Once again the odd couple of France and West Germany are being pushed together, by their fears of American disengagement from Europe. Once again they are encountering some "irreducible differences" of their own. But however troubled, the security partnership between two nations that for a century and a half were arch enemies is already one of the great achievements of the 20th century.

That partnership, as Mr. David suggests, is as much psychological as military. That makes it especially tricky for observers to sort out substance from image—and also makes it deceptively easy to belittle the substance that the deliberate image itself creates. An American diplomat describes the approach of President Francois Mitterrand thus: "The thing that is important is not the military reality, but the political symbol. That becomes reality."

The latest bilateral flurry is a case in point. Alfred Dregger is chairman of the West German conservative parliamentary group, a longtime supporter of the US, and, until recently, a fan of President Reagan's Strategic Defense Initiative ("star wars"). Last month Mr. Dregger recoiled from US pressures on Bonn to endorse superpower arms control by calling for a security union between Paris and Bonn, with French nuclear weapons pledged to defend West Germany.

Three years ago ex-Chancellor Helmut Schmidt had similarly proposed integrating the French and West German armed forces under a French commander, but in 1984 the time was not yet ripe. By this year, however, it was an idea whose time had almost come. Former Prime Minister Laurent Fabius declared himself in favor of a "type of German-French confederation" in which Bonn would take the lead in economics and Paris would take the lead in defense and foreign policy—and might actually extend that sacrosanct nuclear protection to West Germany.

Chancellor Helmut Kohl, in what some Bonn observers regarded as a splashy initiative to undercut Dregger's radical proposal, immediately broached the more modest idea of forming a joint French-West German brigade. President Mitterrand in turn immediately suggested that such a unit could form the "embryo of a European conventional defense."

The military technocrats grumbled about the problems of issuing orders in English, but started groping for ingenious ways to build a single unit whose German soldiers would be subject to NATO command and whose French members most emphatically would not.

What the technocrats missed was the enormous symbolic value of combining forces of the two largest European countries, nations whose mutual suspicions lingered long after their last war ended in 1945. It looks as though the brigade will come into being, and its promoters stress that the key tactical operational concepts of the French and West German Armies are quite compatible.

A bilateral brigade may not commit French ports and airfields to receive essential American reinforcements in time of war. It may not guarantee the crucial depth of field to the front-line country that is a perilously narrow 150 miles wide. It surely will not build up the numbers of soldiers declining from sheer demography in West Germany and from the diversion of conventional budgets to nuclear programs in France. But it will send a powerful signal of enhanced French commitment to defend West Germany to the one audience that matters most, in the Kremlin.

Certainly the movement in bilateral relations is striking. Back in the 1960s the much-heralded French-West German rapprochement actually led to a standoff as President Charles de Gaulle pressed Chancellor Konrad Adenauer to choose between America and France, and Adenauer, not surprisingly, chose superpower America.

There things stood until the early 80s, when controversy over new Euro-missile deployments broke out in West Germany and a cultural upheaval in Paris led the intelligentsia there to abandon its fasination with Marxism and turn to belated abhorrence of the Soviet gulag and repressions in Poland and Afghanistan.

The shift in France coincided in West Germany with the rise of a popular antinuclear movement, a recoiling from the hardline rhetoric in the early Reagan White House, fresh realization by West Germans that they were living in the land with the world's highest concentration of nuclear

weapons per capita—and Social Democratic skittishness about adding new American Pershing and cruise missiles to this arsenal.

This divergence between the two countries aroused French concern that the Soviet Union might dangle reunification before the Germans and tempt them into neutralism—and thus remove the glacis, or military buffer zone between France and the potential aggressor of the Soviet Union, Paris therefore strove for closer security cooperation with Bonn that would dampen West German enthusiasm for detente, "anchor" West Germany in Europe, and avoid its "drift" to the East, thus minimizing the dangers of the "German uncertainties" and lack of full national identity.

Ironically, the French alarm was expressed by the Socialists, who had finally come into office and toned down their out-of-power radicalism—and chided their West German comrades not, as in the 1970s, for being too bourgeois and anticommunist, but for being too radical and gullible toward Moscow.

President Mitterrand, having recently brought the French Socialists to love the French bomb, now lectured the Bundestag and the West German Social Democrats that they should love the new NATO missiles.

Dominique Moisi, deputy director of the French Institute of International Relations (IFRI), DGAP's sister organization in Paris, terms the French fears "fantasies" about what was actually a "German return to adopt a normal attitude to national identity."

But however exaggerated they may have been, they impelled Paris to abandon old taboos and act in ways that would have been unthinkable only a few years ago. On the one hand, Paris still sought to some extent to win Bonn over to "Eurogaullism" against the US—but on the other hand it let West Germany draw France closer to unannounced pragmatic cooperation with the NATO military command.

With considerable fanfare, the proviso for security cooperation in the 1963 Elysee Treaty of reconciliation was dusted off in the early '80s. The two countries' foreign and defense ministers began meeting several times a year and organized exchanges and joint training for young officers.

France saw to it that the remaining restrictions on West German conventional armament under the soporific Western European (defense) Union were lifted by 1984 (though West Germany wanted to and did remain bound to nonpossession of atomic, biological, and chemical weapons).

Various French officials and ex-officials floated trial balloons suggesting that France's "vital interests" could not be confined to soil west of the Rhine (the French-West German border) but really began at the Elbe (the East-West German border), and talked about Western Europe as a common "defense theater" that must be embedded in NATO. The biggest bilateral exercises ever staged since France left the NATO military alliance brought 150,000 troops together in West Germany last year, with even larger maneuvers planned for this coming fall.

What Bonn wants out of the relationship at this point is to restore as much automaticity as possible to France's commitment to help defend West Germany in case of Soviet attack; that automatically vanished when France left NATO's military wing in Gaullist independence in 1967.

Concretely, Bonn wants Paris to discipline its nuclear dreams, return to the drudgery of Europe's urgent conventional requirements, and provide early in any war the operational reserves for counterattack that NATO's thin front line would need. Bonn would especially like to see a strengthening of the French Second Army Corps and First French Army in West Germany, and replacement of their antiquated or nonexistent tanks, fighting vehicles, artillery, and logistical support.

By contrast, what Paris wants to do is to shield its glacis of West Germany from even the temptation to go neutralist, while still guarding France's nuclear independence and reserving its decision even on common conventional defense until the last minute.

Further, Paris wants to hold open the option of leaping from France's "splendid isolation" today to French leadership in an integrated Europe tomorrow. That feat would require the support of the West Germans, the most powerful Western Europeans, but ones who are themselves barred from leadership because of the remaining memory of Adolf Hitler.

Moreover, in 1986 France promised publicly to consult with West Germany (time permitting) before firing any of its "pre-strategic" nuclear weapons that would land only in Germany. And following last fall's superpower summit in Iceland, one French presidential adviser even told an IFRI conference, according to an astonished fellow participant, that while ambiguity must be maintained in nuclear weapons, in the conventional area the time has come to take big steps toward an integrated command with West Germany along the lines proposed by Mr. Schmidt.

A French officer comments, "De Gaulle was good for France in 1960. Now I think it's another position that we have to take."

For the moment the impetus to further French-German rapprochement is there in the German elite's sense of crisis about the American guarantee and the French elite's sense of crisis about potential German neutralism. But is this double urgency enough to make Europe's heartland "hang together"?

"The dialogue on the political level has become more active than ever before," says Bruno Racine, a foreign policy adviser in the office of French Prime Minister Jacques Chirac.

"Relations between both armies have also reached a degree [of closeness] never attained in the past. We have built the basis for further progress."

But Ingo Kolboom, West German coeditor of the DGAP-IFRI study of German-French relations, says it's a "delicate tightrope walk between French autonomy and German integration."

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# MARYLAND'S MEMORIAL TO ITS VIETNAM VETERANS

## HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. HOYER. Mr. Speaker, I would like to commend the Maryland Vietnam Veterans Memorial Fund, Inc., which has launched a drive to raise the remaining funds needed to pay for a memorial to Marylanders who died or who are still missing in Southeast Asia. This memorial will be located on Federal Hill in Baltimore, a site overlooking the Inner Harbor and the downtown of Maryland's largest city.

It is entirely fitting that this memorial will also overlook Fort McHenry. There has been criticism from some quarters that the national memorial to Vietnam's dead, in Washington, DC, is somehow lacking in patriotism. However, no one can doubt that a memorial can be anything less than patriotic and noble when it sits high above the garrison that in the face of an assault by British warships in 1814 continued to fly defiantly and proudly the "Star-Spangled Banner" immortalized by Francis Scott Key.

Of course, this memorial is not to war, but to the costs and sacrifices of war. In the course of the conflict in Southeast Asia, some 158,000 men and women from Maryland served. Some volunteered and some were drafted. Maryland lost 1,010 dead and 68 who are still missing in action.

Beginning on August 10, eight Vietnam veterans will walk 200 miles through St. Mary's, Calvert, Charles, Prince Georges, Montgomery, and Anne Arundel counties. They are attempting, through pledges and donations, to raise the funds necessary to construct a lasting and fitting tribute to the men and women of Maryland who served in Vietnam.

I salute the participants of "Last Patrol II." These men are truly dedicated and committed. Every resident of Maryland should be quite proud of them.

In addition, I would like to note that William Donald Schaefer, the Governor of Maryland, has added greatly to this effort by creating the "Maryland Memorial Platoon." This is a group of 125 volunteer fundraisers committed to building the memorial.

In closing, Mr. Speaker, I commend all the members of the Maryland Vietnam Veterans Memorial Fund, Inc. in their efforts to recognize the many Marylanders who made the ultimate sacrifice in serving our Nation during the Vietnam war.

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# BALANCED BUDGET CONSTITUTIONAL AMENDMENT

## HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. BLILEY. Mr. Speaker, without a doubt, the greatest challenge facing our Nation today is the Federal budget deficit. The simple fact is that we cannot continue to pile deficit on deficit on deficit.

Today, our national debt stands well over $2 trillion. That's a hard number to comprehend, but to put it in perspective, $2 trillion represents a stack of $100 bills over 126 miles high. Make no mistake, it isn't simply the size of the national debt that threatens our Nation's fiscal and economic stability, the interest charges to carry that debt are astronomical. This year alone, we will spend more than $190 billion to pay the interest on the national debt. We are spending as much in interest on the national debt as the entire Federal Government spent in 1972. Mr. Speaker, if it were not for those interest payments we are making on the congressional excesses of the past, we would have a balanced budget today.

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It is our duty as Members of Congress to make the difficult choices necessary to put our fiscal House in order. It is not merely enough to decide what programs are important—we must decide which are most important. Just like any American family determines its priorities in spending its hard-earned wages, we must determine our priorities in spending the taxpayers' dollars.

. I want to make it clear that controlling spending is the only effective way to balance the budget. Simply and plainly, Mr. Speaker, raising taxes is not the answer. The American people are already forced to pay too much of their hard-earned paychecks to support an overgrown and wasteful Federal bureaucracy. It is our duty to do everything in our power to protect the hard-earned paychecks of our constituents from the pickpockets in this Congress who want to raise taxes.

A balanced budget/tax limitation amendment is essential to balancing the Federal budget—and keeping it in balance. Experience has clearly demonstrated that unless Congress is forced to exercise its responsibility in this area, it will not do so. I am proud to be a cosponsor of House Joint Resolution 321 with more than 230 of my colleagues from both sides of the aisle. Mr. Speaker, this is not a partisan issue. The American people overwhelmingly support a balanced budget amendment to our Constitution. We owe it to our children and grandchildren to put our fiscal House in order. Let's listen to the voices back home and submit this amendment to the States for ratification.

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## POSSIBLE CONTRA DRUG SMUGGLING AND U.S. AGENCY ACQUIESCENCE

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. RANGEL. Mr. Speaker, recent articles in the press inaccurately reported that the House Select Committee on Narcotics Abuse and Control, which I chair, has concluded that there is no evidence linking the Nicaraguan Contras to drug smuggling. A Washington Post headline of July 22, 1987, read, "Hill Panel Finds No Evidence Linking Contras to Drug Smuggling," referring to a closed briefing our committee held on this subject.

On July 21, 1987, the Select Committee on Narcotics conducted a closed briefing on alleged links between the Nicaraguan Contras and drug smuggling. We heard from individuals and organizations who have spent a tremendous amount of time and effort researching these charges. The purpose of the briefing was to review allegations that elements of the Contras may have knowingly used drug money and cooperated with drug traffickers, as well as allegations that those involved in Contra support and resupply activities smuggled drugs into the United States with at least the knowledge, if not the acquiescence, of Federal agencies.

These charges are very troublesome. Our efforts to control the smuggling of illicit drugs into the United States are seriously undermined if political groups our Government supports, and those the Government recruits to assist them, are involved in drug trafficking with the acquiescence of Federal agencies.

The Post article wrongly conveys the impression that the select committee found no evidence of Contra involvement in drug smuggling and that this finding was based on "reams of testimony from hundreds of witnesses." In fact, on the basis of information available to the committee, we reached a very different conclusion.

In order to clarify the committee's involvement in this issue, I am inserting into the RECORD at this point a letter I wrote to the Washington Post correcting the Post's story.

HOUSE OF REPRESENTATIVES,  
SELECT COMMITTEE ON NARCOTICS  
ABUSE AND CONTROL,  
*Washington, DC., July 22, 1987.*

EDITOR,  
*The Washington Post,*  
*Washington, DC.*

TO THE EDITOR: Four aspects of your story of July 22 regarding our Committee's July 21 briefing on possible Contra-drug smuggling relationships concern me because they wrongly convey the impression that the Committee reached the conclusion that no evidence exists linking the Contras to drug smuggling.

First, your headline "Hill Panel Finds No Evidence Linking Contras to Drug Smuggling," is misleading because it says we drew one conclusion, while in fact we reached quite a different one. It is true, as you quote me, that we did not receive "any evidence that would show the Contra leadership was involved in drug smuggling." However, we did not conclude that there was no evidence of Contra involvement in drug smuggling. Rather, based on the information presented, the Committee agreed that there was a strong need for further congressional investigation into the allegations made. The Committee agreed to turn over all the material we have gathered to the House Judiciary Subcommittee on Crime, which has jurisdiction and has been conducting an extensive investigation of these charges. The Members agreed to cooperate in any way possible to further the Crime Subcommittee's inquiry.

Second, the opening paragraph of the story says we have been investigating allegations that the Contra leaders were involved in drug smuggling. Like the headline, this, too, is inaccurate, but here by omission. We have been investigating whether any elements of the Contras, not just the leadership, have been involved in drug smuggling. Equally important, we have been investigating the possibility of U.S. federal agencies' acquiescence in or knowledge of Contra drug smuggling links and the use of any proceeds of drug trafficking to support the Contra cause.

Third, the article inaccurately says we have received "reams of testimony from hundreds of witnesses." The Committee has received a great deal of information from various sources, and we have received hundreds of phone calls and letters, some with substantial information and others simply urging us to investigate the issue. However, the Committee has held no formal hearings, and the only "witnesses" to appear before the Committee were those individuals who briefed us on July 21 and May 28.

My fourth concern follows from the third. Our meeting was a "briefing," as our Committee announcement stated in advance, not a formal "hearing" which the Post article asserted. We purposely had a closed briefing rather than a hearing because we were concerned that if the names of some individuals who have made allegations on Contra-drug smuggling links became known, their safety, or even their lives could be in jeopardy.

I request that you print these clarifications of the Committee's involvement in this issue.

Sincerely,

CHARLES B. RANGEL,  
*Chairman.*

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## TO HONOR SISTER CITIES: PINNEBERG, FEDERAL REPUBLIC OF GERMANY, AND ROCKVILLE, MD

### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mrs. MORELLA. Mr. Speaker, 1987 marks the 30th anniversary of the Rockville, MD sister city relationship with Pinneberg, Federal Republic of Germany. Citizens from both these cities have participated in mutually enriching exchanges. Aeschylus wrote, "What is pleasanter than the tie of host and guest?" A major part of the sister city program is the youth exchanges which have given these cities the opportunity to serve as both host and quest. Rockville welcomed groups of students from Pinneberg on three recent occasions and the first group of Rockville students visited Pinneberg this July. In addition, Gunther Tierch, a Pinneberg artist, has exhibited his paintings in Rockville. Rockville held its first Oktoberfest and has a Pinneberg Room in the civic center mansion.

Both these cities are local centers of government and both have extended themselves to strengthen cultural, educational, and commercial ties across the Atlantic. Pinneberg, whose roots date to the 14th century, is the district town in the State of Schleswig-Holstein and 19th century Rockville is the county seat of Montgomery County, MD. Citizens in each city think that time and effort are well spent in getting to know the customs and culture of the other. It is my pleasant duty today to congratulate both Rockville, MD, and Pinneberg in the Federal Republic of Germany and to wish them well in their joint venture in the years ahead.

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## LIMITING SUPREME COURT JURISDICTION OVER SCHOOL PRAYER

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. CRANE. Mr. Speaker, I have introduced legislation, H.R. 103, to restrict the jurisdiction of the U.S. Supreme Court and the Federal district courts in the school prayer issue.

Passage of H.R. 103 would correct the pressing problem of judicial intervention. The Supreme Court has been overstepping its

bounds and consequently dealing with issues that would be better dealt with at State levels. The structure of our judicial system distributes powers to the various judicial levels. Unfortunately, the Supreme Court has impeded the natural process when considering issues such as school prayer.

There is a need to break the school prayer issue away from the politics of the Federal Government. Our Founding Fathers had the foresight to leave such sensitive moral questions to local governments. As they conceived it, the Court was given limited responsibilities and powers. However, in recent years, the Court has interpreted its role far too broadly by continually abusing its power of judicial review. This excess has eroded the deliberative process of Congress. The Supreme Court is no longer allowing Congress to make legislative decisions, but handing down rulings that essentially change the laws of our country. This responsibility belongs to Congress, not the Supreme Court. Thus, the system of checks and balances has been impaired.

If H.R. 103 is enacted into law, the Supreme Court's interpretation of the Constitution would no longer mandate a single national policy. States would be free to deal with the school prayer issue as they see fit. Voluntary school prayer would be among the many subjects not specifically delegated to the Federal Government by the Constitution and thus left to the States and the people themselves. School prayer would be restored to its proper place with other subjects regulated by the powers reserved to the States.

It is likely that policies would vary from State to State. However, these variances are often beneficial because it allows the States to experiment with different approaches to a legal problem. Thus, as the State legislatures deliberate, a consensus will form around the best solution to the problem. Respect for community consensus and the virtues of diversity have been a vital aspect of the strength of our Federal system.

Under H.R. 103, States would have plenary power to legislate with respect to school prayer. In their best judgment, the States might choose to have no policy restricting prayer or might substantially restrict it. It is common knowledge that whenever the National Government decides on a religious or moral issue, it sets a precedent for future decisions that inevitably affects lower court actions. When a State, on the other hand, makes a decision, we at least have the choice to move to another State if we disagree. We have little recourse but to take up arms or flee the country if our Federal Government becomes tyrannical.

To reiterate, each community and locality should be free to practice its own values. When States are allowed to determine these basic issues, they may arrive at different conclusions. This diversity and community consensus should be respected since the examination of varied alternatives in practice leads to more effective decisions over time.

It is for these reasons that I urge my colleagues to cosponsor and support H.R. 103 and join me in this effort to remove the school prayer issue from the jurisdiction of the Supreme and Federal Courts.

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## LINE-ITEM RESCISSION ACT OF 1987

### HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. JOHNSON of South Dakota. Mr. Speaker, today I am joined by a bipartisan group of our concerned colleagues in introducing the Line-Item Rescission Act of 1987. This bill would give the President a modified version of a line-item veto without having to amend the Constitution, and without imposing on Congress a two-thirds vote obligation in order to override the rescission.

In the past, traditional line-item veto proposals have had a difficult time acquiring needed congressional support, in large part out of concern that the difficult burdens of producing a two-thirds majority to override the veto would result in an imbalance of power between the executive and legislative branches of Government. Nonetheless, many Members of Congress recognize that there should be a process by which individual budget lines may be considered on their own merits. Further, with enactment of the Line-Item Rescission Act, the President could play a more direct role in determining the contents of appropriations bills and share in the credit, or blame, for their contents.

Our bill would give the President the ability to determine which projects and programs included in an appropriation bill, a supplemental appropriation bill, or a continuing resolution, should receive individual scrutiny by the Congress and the American public. Under our bill, the President could issue a rescission notice to the Congress on the day he signs the appropriation bill into law. Each rescission notice would be accompanied by a draft bill or joint resolution that would, if enacted, effectuate the proposed rescission. If the bill or joint resolution is not approved by a majority of Congress, the rescission would not take effect. Our bill would also require that these rescission bills be automatically discharged after a certain period of time for the full House or Senate's consideration.

Finally, our bill requires expedited action on all rescissions so that we have a prompt answer as to whether the project or program will be rescinded or remain in place.

It is time we stopped talking about balanced budgets and begin doing something. This proposal is a step in that direction and I urge quick action on this measure.

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## RUDOLPH VANDERWAL INDUCTED INTO MICHIGAN FARMERS HALL OF FAME

### HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. SCHUETTE. Mr. Speaker, I would like to take this opportunity to congratulate one of my constituent's, Rudolph Vanderwal, for his acceptance into the Michigan Farmer's Hall of Fame. Rudy will be inducted into this prestigious organization on September 4 of this year along with 11 other Michigan farmers who have demonstrated their commitment to the agriculture community of their State.

Established in 1982, the Michigan Farmer's Hall of Fame honors farmers for their contributions to their community and to the agriculture industry of the State. Being inducted into the Hall of Fame is a high honor and Rudy has evidently demonstrated his talents and commitment to be worthy of acclamation.

Rudy is a resident of Lake City, MI, and was an active farmer for 50 years before retiring. During his career, Rudy owned nearly 600 acres, and consistently farmed between 160 and 1,000 acres.

Raised on a farm, Rudy finished his eighth grade education in 1930 and worked with his father on their 220-acre farm until his father's death in 1942. Rudy took over the farm until 1945 when it was sold. The following year, Rudy married Betty Hunsberger and moved into their home on what was then his newly purchased 160-acre farm at Star City, MI.

Rudy's list of honors and achievements is impressive and includes an award as Farm Manager of the Year in 1966 from Michigan State University. He also received the Missaukee Area Farm Bureau's "Good Neighbor Award" in 1975. In addition to his achievements in the agriculture industry, Rudy has also been a very active community member, serving on the local school board for 13 years, the church consistory for 30 years, and a county commissioner for 1 year.

I ask you, Mr. Speaker, and our colleagues in the House to join me in congratulating Rudy Vanderwal upon his induction into the Michigan Farmer's Hall of Fame next month. Agriculture is a vital industry in our State and to be recognized as a leader in the agriculture community, by your peers, and your community is a high honor. Please join me in offering our congratulations and best wishes to Rudy Vanderwal and his family on this joyous occasion.

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## GENTLEMAN JOE McDADE

### HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. KANJORSKI. Mr. Speaker, I am pleased to call to the attention of my colleagues the major feature article in today's Washington Post recognizing the great contribution that the dean of the Pennsylvania delegation, JOE MCDADE, has made to the Congress, the country as a whole, and most particularly to northeastern Pennsylvania.

It is a tribute to JOE MCDADE'S mastery of the legislative process that after a quarter of a century in the Congress he has no enemies, and many friends. The bipartisan esteem in which he is held by his colleagues was demonstrated last month when the Pennsylvania Congressional delegation unanimously chose JOE to represent them in Philadelphia at the ceremonies honoring the 200th anniversary of our Constitution.

One of the things I have enjoyed most about my 2½ years service in the U.S. Con-

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gress has been working with Joe McDade. Although we belong to different parties, we share a common border, have similar constituencies, and agree far more often than we disagree. Above all, we share a common love for the natural beauty of northeastern Pennsylvania, a common faith in the resources and abilities of the people of northeastern Pennsylvania, and a common determination to help the area reach its full potential.

Today's Post article, although quite lengthy, only touches on a few of the many contributions Joe McDade has made to his State and Nation. Those contributions continue today, both as ranking member of the Defense Appropriations Subcommittee and the Small Business Committee, and in the economic development of northeastern Pennsylvania. Just recently Joe McDade's tireless efforts succeeded in bringing together the developers of downtown Scranton and the developers of Steamtown in a creative effort to revitalize the center city and all of northeastern Pennsylvania.

Throughout his 25 years of service in the Congress Joe McDade has been a quintessential "work horse" and not a "show horse." I'm pleased that the Washington Post has recognized his unsung contributions and I join my colleagues in the House in congratulating Joe McDade for a job well done.

[From the Washington Post, Aug. 6, 1987]

### The Consensus of Representative Joe McDade

#### A 13-TERM REPUBLICAN, QUIETLY WORKING THE SYSTEM—AND WINNING SOLID REVIEWS

(By Jim Naughton)

The town of Nelson, Pa., sat right in the flood plain. Or what was about to become the flood plain.

"The town was like a corner grocery store and a gas pump or two, a Civil War burial spot and some magnificent houses," Rep. Joe McDade remembers. "And here comes the [Army] Corps [of Engineers] and they say, 'well, we're sorry, but the water is going to back up and we're going to have to move these people out of here.'"

The people of Nelson didn't much care for this plan. When they found out that most of the available housing was across the state line in New York, the people of Nelson called their congressman.

"Ila Wiley," McDade says, enjoying the musicality of the name. "She was the mayor of the town. Ila. Isn't that wonderful? She's a marvelous lady."

McDade brought the marvelous lady to Washington where, together, they persuaded the House Public Works Committee that Nelson deserved to endure.

So, in July of 1979, the United States Congress moved the tiny town lock, stock and cemetery, to the top of a nearby hill. "The New Nelson," McDade says. "They've got their original buildings and they're thrilled."

The congressman leans back a bit in the chair behind his desk in his third-floor office in the Rayburn Building. He is beaming and he wants you to beam, too. The story has been told in response to a question about the greatest accomplishment in his 25-year congressional career.

Imagine that Mr. Smith came to Washington—and stayed. That's Joe McDade. He is a short, almost stocky man with a cherubic face, a wave of receding white hair and a soothing voice. Given to "gosh" and "golly," he seems altogether too sunny to be taken seriously by his peers. But the 13-term Republican representative from northeastern Pennsylvania has, with scarcely a whisper, become one of the most popular and most efficient members of the House.

"He is one of those guys who is very effective by learning the ropes and being a nice guy," says Rep. Morris Udall (D-Ariz.). "I don't know anybody who doesn't like him."

One of those guys. For every celebrity congressman who sees the House as a chance to campaign for higher office or ideological sainthood, there are a score, like McDade, who go unnoticed by all but their colleagues and constituents. They don't Face the Nation. They never Meet the Press. You won't find them sitting in the Crossfire. As a result they are all but invisible on major national issues.

"I don't get satisfaction or jollies out of being on the network or the evening news or Page 1," says McDade, who initially refused to be interviewed for this story. "I don't ever remember passing out a press release in the press gallery in the 25 years that I've been here."

McDade is a model casework congressman, the kind who sometimes seems to function as little more than an ambassador for his district. His low profile leads people to underestimate him.

"They are important guys on committees," says James Lengle, associate professor of political science at Georgetown University. "Because they are nonideological, they can be swayed. They are the guys who form the consensus."

In describing McDade's tenure, "Politics in America" notes that he spent "years as an inconspicuous Appropriations 'specialist' . . . lobbying for money to help the coal industry . . . Outside the energy field McDade's only consistent specialty has been small business . . . [he] has played no real political role within his party."

Yet his career represents a triumph for humble-pie politics. As older members retire and others pursue more glamorous positions, he remains one of the few minority party members who can make the cantankerous, compromise-oriented subcommittee system work.

Now, after dwelling for years in the dark forest of anonymity, McDade has ventured into the tall grass of obscurity. He is in his third year as the ranking member on the House Appropriations subcommittee on defense, a post he says "draws you inevitably into national affairs."

Americans, the saying goes, hate Congress and love their congressmen. A representative is expected to serve the national interest, but he is also expected to be a procurement officer for his district. Everyone is in favor of fiscal responsibility, but everyone wants his slice of the pie. Joe McDade, the model casework congressman, works at the difficult trick of serving two masters.

And at 55, with one of the safest seats in the country, he will have the levers of power within his grasp for at least another decade.

#### CONSENSUS AND CONSISTENCY

When the coal was gone there wasn't much left and what was left was ugly. Sections of Scranton stank from the sulfurous fumes that drifted off burning piles of a coal byproduct known as culm. Merchants were evacuating the downtown. The river was gray and inhospitable to fish.

"I hate to even go back into it," Joe McDade says. "When I first came here, we had burning culm dumps, we had mine subsidences all over the place. We had a very high rate of unemployment and we had an awful lot of people who were suffering. Literal economic suffering. And I think that has shaped everything I've tried to do since I got here."

McDade, the city's solicitor, first sought office in 1962 as soon-to-be-governor William Scranton's hand-picked congressional successor. His Irish Catholic background played well in Scranton, while his Republican principles appealed to a large rural population. He was elected with relative ease.

In Washington, McDade set about doing what he could to pump life, and federal funds, into his corner of Pennsylvania. He was aided and overshadowed in this endeavor by Dan Flood, the powerful and flamboyant Democrat who represented neighboring Wilkes-Barre. The years of living invisibly had begun.

"Down here [in Harrisburg, the state capital] they still think Dan Flood is my congressman and he's been out of office for six years," says Robert Mellow, a Democratic state senator from Lackawanna County.

McDade's beatitudes then, as now, began with: Blessed are the consensus builders. A moderate Republican in a predominantly Democratic district, he dispensed early with ideology. The conservative Americans for Constitutional Action like about half his votes, while the liberal Americans for Democratic Action have given him about a 40 percent approval rate. His highest marks, roughly 66 percent, come from organized labor, but he scores almost as well with the Chamber of Commerce.

"I'm not the kind of person who cannot see two sides of an issue," he says. "That's what I try to do. Not try to take a side of an issue and say, 'Well, hey, that's it,' and go proselytize it, put out a press release, go make speeches."

A publicity-free style masked his growing influence with colleagues. Until he left the Appropriations subcommittee on the interior subcommittee three years ago, he and subcommittee Chairman Sidney Yates (D-Ill.) were regarded as one of the best legislative teams in recent House history. "I don't think we ever lost a floor amendment that we worked together on," McDade says.

"He has the ability to put together packages that are acceptable to every man," says Rep. Don Young (R-Alaska).

But McDade has not shunned confrontations with the powerful. Jordan Clark, a former chief aide, remembers the early years of the Reagan administration as particularly combative. "[Former budget director David] Stockman would sit on the couch and tell him why he was going to get rid of Economic Development and the Appalachian Regional Commission and the Small Business Administration and Joe would get exercised and frankly tell him he wasn't going to do it," Clark says.

The programs were saved, but their funding was slashed. Supporters in Pennsylvania's 10th congressional district count the budget battle as one of McDade's victories. They also credit him with securing federal funds to clean up the environment in the aftermath of the collapse of the coal industry, luring developers into Scranton's downtown and coaxing a variety of businesses to locate in the district.

McDade's effectiveness, his relationship with William Scranton and his knack for winning easy reelection made him an attractive candidate for higher office. The governorship bored him, but the Senate didn't. "I had my shots," he says. But he never made the run.

Some friends say he didn't want to sacrifice his seniority in the House. Others say he didn't want to give up a quiet family life for an arduous statewide campaign. Critics suggest he lacked ambition.

"The key thing was the money," he says somewhat wistfully. "I can remember sitting in a room when they were trying to get Governor Scranton to run for governor and I know it was always in his mind that some of the pols were going to try to roll him because he was a wealthy guy. And there was a guy named Tom McCabe who was a Republican National Committee man.

"He was the chairman of the board of Scott Paper. Wonderful, beautiful man and his antenna could sense that issue with Governor Scranton and so he said to him, 'Look, Bill, you are a substantial citizen, we would expect you and your wife to make a substantial contribution, but we're not going to ask you to finance the campaign. I'll raise the money.'

"Now that was a beautiful thing for him to do. I didn't have a similar experience, so that was the end of my Senate aspirations."

He says it didn't sting so much. Or that he didn't remember it stinging.

#### THE WORLD AND THE DISTRICT

In the House of Representatives, good things come to those who wait. What came to McDade in 1985 was the role of ranking Republican on the Appropriations defense subcommittee.

"I had to manage the bill on nonlethal aid [to the contras]," he says. "I had to manage the bill on the MX missile. You are inevitably thrust into world-shaking issues. I don't have as much time to be on the phone to the agencies arguing for a grant for my constituents. There's no question about that."

But with increased responsibility came increased influence. As Jordan Clark points out, "There are few districts in the country that don't have some kind of defense activity."

Now, instead of two masters, McDade serves three: a Congress that wants to trim the defense budget, an administration that doesn't and a district that wants a piece of the military-industrial complex to call its own.

"There are those who feel explicitly that I am a mail carrier, or a courier, if you will, for whatever they [the Reagan administration] want done," he says. "I'm not, nor will I be and I make that clear to them. Gosh, last year there was no question that I had a lot of people at the Pentagon angry over the defense appropriations bill."

Making enemies doesn't worry McDade. Making decisions on a project as mysteriously technical as the Strategic Defense Initiative does.

"You can have the scientific community come in one day and say, 'Yes, the United States can do this and they can do it in a cost-effective way.' And the following day you can have eminent scientists come in who disagree," he says.

"And increasingly in my experience around here, that's the world today in Washington, where you get the experts on both sides and you find disagreement among people where you think there might be commonality of opinion. Increasingly there are judgmental calls on complex scientific questions that certainly very few members, if any, can deal with themselves."

After a few weeks lost in space, there is a certain appeal to something as basic as a little legislative muscle-flexing on behalf of the folks at home.

Last October—over the objections of the Reagan administration, the National Park Service and most experts in the field—McDade secured a $25 million authorization to build a railroad museum out of a struggling theme park in Scranton's sagging downtown.

His maneuvering meant the site did not have to undergo a lengthy Park Service study that usually precedes any designation. As a result Steamtown, a railroad memorabilia collection of dubious worth, will soon be counted as a National Historical Site, a category that includes Lincoln's birthplace and Martin Luther King Jr's, grave.

President Reagan proposed that the initial $7.9 million scheduled to be appropriated in 1988 be withheld until the "historical character" is established, but Congress took no action on the proposal.

"On the basis of place in American history, no competent historian in my opinion would [choose] the Scranton and the Steamtown collection as, in effect, the national railroad museum," wrote John C. White, transportation curator and senior historian at the Smithsonian Institution in a letter to Interior Secretary Donald Hodel.

Said John Roberts, who runs the prestigious St. Louis Museum of Transport: "Of all the collections they could have picked out, this was the weakest."

In many ways, the Steamtown vote was the crowning achievement of McDade's career to date. As Don Young puts it: "He was able to come up to me and say, 'Don, this is very important to me and important to my district and what can you do?" That couldn't have happened if he hadn't develdoped that relationship over the years."

Park Service officials estimate privately that Steamtown will cost $70 million to rehabilitate and $5 million a year to operate.

"That was a tough push," McDade says. "Not everybody in the world was in favor of us having Steamtown in Scranton, Pennsylvania."

The people of northeastern Pennsylvania know this and they are grateful. They have bestowed on their congressman every accolade they know. There is a McDade Park and there is a McDade Homes, a middle-income housing development. Every two years there are McDade Opponents, lambs who go gently to the electoral sacrifice after attracting about 30 percent of the vote. McDade's seat is so safe that he doesn't get home much anymore. He and his wife Mary have raised four children and live near Arlington.

It's hard to find anyone who doesn't have something nice to say about Joe McDade, except maybe that he hasn't cut quite the figure that he could have.

"He has not, for sure, exercised the kind of leadership a guy could exercise with that kind of experience in Congress," says James Haggerty , secretary of the Commonwealth of Pennsylvania. Haggerty nearly unseated McDade in 1964, the congressmen's only close race.

"Forget national exposure," says Robert Mellow, who is occasionally mentioned as a prospective opponent. "He doesn't have state exposure. I think it would be healthy for our area if he exerted the kind of national influence he could have."

McDade has heard this before, from critics and from students of Congress. "I remember one time picking up a journal of politics and I was reading about myself," he says. "I was kind of upset that a lot of the things that I thought were national issues were not getting any attention by the people who were writing the report . . . as they critiqued 25 years of my life."

This hits him where he lives, this idea that he's been effective, but not on anything that matters much. It is not an opinion his colleagues share.

"There is a misconception," says Rep. Jack Murtha (D.-Pa.). "With his position on Appropriations, unless he were to run for the executive branch, it would be difficult to have much more influence."

The portrait of Joe McDade is a variation on the portrait of Dorian Gray. The fruits of his success are visible on the landscape of the district, not in the perception of the man. By enhancing his limitations he has, on occasions, transcended them.

"I . . . spend a huge amount of my time on kind of trying to do what I can to preach about the area," he says. "Preach about its people, preach about what it has to offer. That for me is the full banquet the full platter."

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## CARLETON GRANVILLE BEALL

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. HOYER. Mr. Speaker, on Monday, July 17, my county lost one of its most distinguished citizens with the death of Carleton G. Beall.

Those of us who are Members of this House know more than most, that the backbone of public service in our country is the thousands of people who actually make Government run. One of the most capable of these individuals in my own area over the past 40 years has been Carleton G. Beall.

Mr. Beall was a ninth generation member of one of Prince Georges County's most well-known and civic-minded families.

Following in his father's footsteps, Carleton Beall became a member of the Prince Georges Republican Central Committee in 1947. He was elected our county's sheriff in 1950, and with his typical integrity and thorough style, he set about cleaning up gambling and corruption.

Carleton Beall's ability did not go unnoticed, and in 1954, President Dwight Eisenhower, whom he had supported at the 1952 Republican Convention, appointed him to be Chief U.S. Marshal for the District of Columbia. Again, Mr. Beall brought professionalism to his office, clearing up a years-old 3,000-case backlog in a matter of months.

President Eisenhower continued to show his respect for Mr. Beall's ability by appointing him in 1958 to be Postmaster of Washington, DC. As we know, the population of this area increased over the next decade more than it ever had in history. Mr. Beall handled the resulting increased burden on the Postal Service with ability and aplomb. When, in 1971, the U.S. Postal Service was created, he became the manager of the Washington District. In 1976, he retired from the Postal Service.

Although two of his bids for elective office, for Prince Georges County Executive and Maryland Governor, did not meet with suc-

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cess, Mr. Beall has always been a popular and respected figure in our county. It is no wonder, for he has embodied all that we expect from our most outstanding citizens who grace us with their public service.

Mr. Speaker, I ask you and our colleagues to join me in sending condolences to Mr. Beall's wife Jeanne Traband Beall, and to the rest of his family.

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## WHAT FREEZING THE 1987 TAX RATES MEANS

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. CRANE. Mr. Speaker, the Tax Reform Act of 1986 [TRA–86] was the most comprehensive piece of tax reform legislation to pass Congress in decades. It was a promise to the American people of new tax rates which were equitable and long overdue. But with Speaker WRIGHT's recent suggestion of freezing the 1987 rate structure, this much needed reform would be postponed another year. Consequently, 1988, not 1987, would be the transitional year when the top rate would be 38.5 percent with the new preferential rates of 15 percent and 28 percent—3 percent with the 5 percent surcharge added on certain income brackets—going into effect in 1989. The following table is the Joint Committee on Taxation's preliminary analysis of what a tax freeze means to individual income brackets. It clearly shows that more than just the "wealthy" are affected.

DISTRIBUTIONAL EFFECTS RESULTING FROM APPLYING 1987 TAX RATES IN TAX YEAR 1988

| Income class (Thousands of 1986 dollars) | Change in average income tax liability (dollars) | Percentage change in average income tax liability |
|---|---|---|
| 0 to $10 | −42 | −51.2 |
| 10 to 20 | −71 | −8.9 |
| 20 to 30 | −86 | −4.1 |
| 30 to 40 | −80 | −2.4 |
| 40 to 50 | 10 | 0.2 |
| 50 to 75 | 194 | 2.3 |
| 75 to 100 | 974 | 6.7 |
| 100 to 200 | 2,264 | 8.3 |
| $200 + $ | 17,953 | 13.2 |
| Total | 149 | 3.5 |

Speaker WRIGHT and his colleagues suggest this delay as a means to raise revenue from the "wealthy" in order to reduce the deficit. However, this delay is, in reality, a tax increase—not the tax decrease we promised the American people. The CBO, in an optimistic projection, estimates that $16.8 billion will be raised from this tax freeze. However, the JCT foresees a tax increase for taxpayers with incomes over $40,000.

The only option available to us as the representatives of millions of taxpayers is to deliver what we promised and not completely discredit our august body by agreeing to freeze the tax rates, thereby victimizing the American people.

The following article by Robert C. Brown, president of the Tax Foundation, emphasizes the importance of following through on our promise to cut taxes and not allow a tax increase of any sort in any form whatsoever.

A BACKDOOR TAX HIKE

(By Robert C. Brown, President, Tax Foundation)

It is a commonplace of constitutional law that no U.S. Congress can bind another. Before the 100th Congress even left the starting blocks, this became apparent once more, as part of the congressional leadership floated the idea of reneging on the rate cuts written into the Tax Reform Act of 1986 (TRA-86) by the 99th Congress.

Under TRA-86 the top individual rate is scheduled to drop to 38.5 percent in 1987 and 28 percent in 1988. Congress is manifestly incapable of reaching the 1988 Gramm-Rudman-Hollings deficit reduction target of $108 billion. So part of the leadership wants to lock in the 1987 top rate "temporarily" to reduce the deficit.

Freezing the top rate at 1987 levels, we are told, affects only "the wealthiest people of our country." Apparently, $54,000 of taxable income now ranks an unmarried American worker among the "wealthiest." In fact, if the 35 percent rate were kept, too, this group would include those with incomes as low as $27,000. To make a real dent in the deficit, Congress would have to extend both the 38.5 percent and the 35 percent rates. There is also a lot of vagueness about how long this "moratorium" will last.

There are many sound reasons for opposing this fiscal shell game, no matter how many taxpayers at whatever income levels are affected:

TRA-86 cancelled an enormous number of tax preferences in the name of simplification and in exchange for rate reductions. Freezing the rates at 1987 levels would be a *de facto* tax hike that betrays that compact.

Withholding the rate cuts is the crassest king of bait and switch tactic. It would seriously erode what little credibility the U.S. Congress has.

TRA-86 survived the legislative grist mill largely because lower rates were perceived as compensating for the loss of tax preferences, making the bill revenue neutral. Locking in the '87 rates will destroy any pretentions TRA-86 may have to neutrality.

Tax uncertainty has been a millstone around the neck of the U.S. economy for a decade. Such a quick about-face on a bill that was supposed to see us at least through the end of this decade will only aggravate uncertainty. If the moratorium is in fact a moratorium, how long will it last? What will be the final rate? Who will believe Congress, no matter what answer it gives?

The U.S. Congress has no monopoly on bad ideas. However, proposing to hold back the rate cuts of what Congress has been vaunting as the greatest piece of tax reform legislation of this generation almost before the ink was dry on the President's signature on TRA-86 has to rank as a world-class blunder.

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## OPPOSITION TO THE PROPOSED HUD TAKEOVER OF THE CHICAGO HOUSING AUTHORITY

### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. GARCIA. Mr. Speaker, today I rise in opposition to the proposed takeover of the Chicago Housing Authority by the U.S. Department of Housing and Urban Development. The city of Chicago—the city council, the congressional delegation, the CHA, and the tenants—is unified in its opposition to the intended HUD takeover. As past experience has shown, local entities are far better equipped to address the needs and concerns of tenants in housing matters.

The Chicago Housing Authority has undeniably fallen on troubled times. Over the past few years, chronic budget deficits and organizational mismanagement have crippled the CHA, and have made it increasingly difficult for it to provide for the housing needs of the community. Although concerns for the furture of the CHA are justified, the city, under the leadership of Mayor Harold Washington, has responded to these concerns by appointing a new and highly respected board and management team from the private sector. To aid in the effort to put the CHA back on its feet, the Chicago City Council recently pledged $25 million in loans as well as an additional grant of $5.6 million. These are among the most important changes which Mayor Washington has instituted, and his progress continues to be very encouraging.

What is needed at this juncture is assistance and cooperation by HUD in addressing the housing needs of Chicago's tenants, not an unwanted and undesirable assumption of control. The Federal Government must recognize and respect the local control of public housing authorities.

The city of Chicago has made great strides in its efforts to effectively focus on the heart of the problem. This crisis can only be overcome through cooperation not confrontation. HUD should work to assist the city of Chicago's admirable good-faith efforts to tackle the problems which plague the housing authority. A solid program designed to aid the CHA while continuing to recognize and respect its autonomy will go far to assure that the only "winners" will be the people of Chicago.

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## ROLE PLAYED BY MARONITES IN LEBANON

### HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. RAHALL. Mr. Speaker, from time to time, I have shared many articles, pamphlets, and so forth with my colleagues on the Middle East issue. I have done so because I think it is very important for them, and the American people, to be exposed to all sides and players of this conflict. I have always maintained that there are more sides to this conflict than there are on a Rubik's Cube, and I know that it can be very confusing at times.

I would like to take this opportunity to bring to the attention of my colleagues a commentary on the pamphlet, "The Maronites, Lebanon and the United States: Issues and Answers." Authored by Chor-Bishop Seely Beggiani, chairman of the Diocese of Saint Maron—U.S.A., the pamphlet offers an insight into the role played by the Maronites in Lebanon. I feel it will be very helpful reading and I would like to insert it at this point into the RECORD:

COMMENTARY

The pamphlet, The Maronites, Lebanon, and the United States: Issues and Answers, has been prepared by the Commission for Lebanon of the Diocese of St. Maron, which has jurisdiction over American Maronite Catholics living in all fifty states. It attempts to provide information and to discuss some of the significant issues facing Lebanon and its people. It hopes to counteract the distorted impression that many people have of this tiny democracy, and to highlight what is at stake in Lebanon. While written from a Christian point of view, it strives to be positive and constructive.

The pamphlet begins with an exposition of Lebanon's national identity. It affirms that the Lebanese people and nation have their own identity and basis for autonomy. Throughout its history, Lebanon has never been considered a part of its neighbors. In contrast to the recency of its neighbors, it has had a distinct political and administrative status for five centuries.

Lebanon's autonomy under Ottoman rule was achieved because there was a common desire among all Lebanese to have a nation where all religious communities could live together side by side. The pamphlet points out that in the establishment of modern Lebanon, the consensus of the leaders of all communities was that Lebanon would be a pluralistic nation and that the religious freedom of all was to be vigorously defended and advanced.

The internal problems facing Lebanon are recognized. The competition within and among the communities, within and among political generations, within and among geographic regions—all these have played a role in the country throughout history. The decisive element today that changes everything and that physically prevents resolution of Lebanese differences is the occupation and domination of Lebanon by foreign forces supremely indifferent to the fate of Lebanon and the Lebanese.

The question of reform and national reconciliation is addressed. It has long been evident that reform of the national political, economic, and social institutions is necessary. It is evident to all that the benefits of society must be more equitably distributed. However, rather than being a purely sectarian question, it is more a regional one. The Christians of the south of Lebanon, for example, have been just as systematically neglected by the government as the Shi'as or Druze.

The problem remains that Lebanon is an occupied country unable to explore freely and fully the means to resolve disputed issues among the Lebanese. Whenever progress has been made toward the resolution of conflicts among the Lebanese and without foreign pressure, foreign governments have intervened to block or overturn the resulting agreements.

The pamphlet goes on to say that the continued presence of foreign forces in Lebanon is not only a violation of international law but also quite counterproductive. The security of Israel was far greater when only Lebanese armed forces ensured security in Lebanon. The chances of an Israeli attack against Syria were far less when no Syrian troops were occupying the country.

Regarding terrorism in Lebanon, it is noted that no one accuses the Lebanese government of abetting terrorism, and no one doubts that the Lebanese people are the victims rather than the supporters of terrorism.

The bond between Lebanon and the United States has traditionally been very strong. Politically, Lebanon has been an ally of the United States. The people and state of Lebanon are bound to the ideals of freedom, democracy, and human rights as a way of life.

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THE MARONITES, LEBANON, AND THE UNITED STATES: ISSUES AND ANSWERS

(Diocese of Saint Maron-U.S.A. Commission for Lebanon March, 1987)

PREFACE

Today, the name "Lebanon" evokes images of terrorism, war, hostages, hunger, ruin, invasion, occupation. After all of this, do we need to hear more to understand Lebanon? Yes, we do, because we must always seek the Truth.

For twelve years Lebanon has been the victim of terrorism and all those terrible afflictions we mentioned above. However, Lebanon has been and wants to be the Land of the Bible, that is, a land of beauty; of brotherhood; a society of freedom, tolerance, peace, culture, and openness; a refuge for the persecuted; a friend of the United States and the West, where many of her children now live.

This is the land we want you to know about, so that you, in your own way and according to your own means, might work for peace, freedom and democracy in Lebanon. We must disentangle Lebanon from all the regional and international forces which have created so many factions in this small country, each fighting for foreign interests.

This booklet, "The Maronites, Lebanon and the United States: Issues and Answers" is prepared by the Lebanon Commission of the Diocese of Saint Maron. My sincere thanks and commendation goes to Chor-Bishop Seely Beggiani and all who have contributed to the preparation of this informative work.—(Archbishop Francis M. Zayer, Bishop of Saint Marion-USA)

I. LEBANON'S NATIONAL IDENTITY

The Lebanese people and nation have their own identity and basis for autonomy. Throughout history, while they have been ruled often by foreign powers, and have seen portions of their land placed under various jurisdictions, the nation of Lebanon has never been considered a part of any of its neighbors.

Lebanon has never been a part of Syria. From 1516 until 1918, the Ottomans ruled the territory of present-day Syria, Iraq, Israel, Jordan, and Lebanon. They administered the area by establishing "Walis" in the larger cities, namely, officials who represented and reported directly to the Sultan in Istanbul; and through other political accommodations. The political entity today referred to as "Syria" never enjoyed a separate political existence prior to the end of World War I. Israel, of course, was not created until after World War II.

By contrast with the recency of Israel and Syria, Lebanon has had a distinct political or administrative status for five centuries. Mount Lebanon constituted an exception to the Ottoman administrative establishment. This autonomous region was governed by a Lebanese Emir who had sole responsibility for the area. The Emir Fakhreddin II ruled all of present-day Lebanon and Damascus as well. After the massacres of the Christians in the 1840's and 1860, the major powers (Britain, France, Turkey, Austria, Russia, Prussia, and Italy) intervened and established an autonomous Muttasarifiah in 1861.

After World War I, Lebanon was included under French mandate. The Maronite Patriarch Elias Hoyek took part in the discussions of Versailles which resulted in an enlarged Lebanon under French protection in 1920. Lebanon became a constitutional republic on May 23, 1926. The country became fully independent in 1943, and was a founding member of the United Nations in 1945.

II. LEBANON'S IMPORTANCE TO THE CHRISTIANS

Christianity was of course born in the Middle East twenty centuries ago and predates the beginning of Islam by over six centuries. The Christian presence in Lebanon can be traced to Jesus Christ himself. The Bible tells us that Jesus journeyed to Tyre and Sidon. When the wave of Islamic conquest moved through the Middle East the continued existence of Christianity was threatened, but the faith survived. Lebanon has long been a haven for Christianity, and yet the essence of Christian teachings in Lebanon has always been tolerance of religious diversity and the respect of individual rights to practice one's faith, whatever that faith.

Throughout the time of Ottoman rule, the Maronites and other Christians were active participants in the building of an autonomous Lebanese nation. They worked to establish the economic, educational, and cultural character of what became known as Mt. Lebanon. Lebanon's autonomy under Ottoman rule was achieved because there was a common desire among all Lebanese to have a nation where all religious communities could live together side by side.

The establishment of Lebanon in its current boundaries by the French after World War I created new problems for the Lebanese Christian community which had been demographically predominant in Mt. Lebanon. Now, Muslims roughly equal in number to the Christians were included in the newly expanded boundaries. From the outset it was understood, however, that Muslim, Christian, and Druze might all benefit from the union as long as religious tolerance was practiced. Lebanon championed "pluralism," that is, free diversity, and all benefited.

Prior to the independence of Lebanon, the leaders of all communities exchanged views about the nature of the future commonwealth in which they wished to live. Again, they agreed that Lebanon must be and remain a land in which religious freedom was vigorously defended and advanced. As mentioned above, a foremost defender of Lebanon's freedoms was Maronite Patriarch Hoyek. Recognizing the concern of the Christian community about the size of the surrounding Muslim world, and about some of the doctrines of Islam impeding the sort of religous freedom they sought, political agreements were reached to reassure the Christians that they would not be swamped by a Muslim political tidal wave in the future. The form of these assurances was to produce a unique set of government institutions guaranteeing each major community a specific set of positions that could constitute its first line of defense against attack by other communities.

These institutions worked very well for many years. Lebanon came to be the principal symbol of the continuity and vitality of Christianity in the Middle East, a home, so to speak, for Christians and Christian values, but a home made even more vital by the vigorous practice of religious divesity both within the Christian community and by the other religious in Lebanon. Indeed, it can be said that this diversity was itself one of the highlights of the Christian contribution to the region.

### III. THE GOVERNMENT OF LEBANON IS NOT CHRISTIAN-DOMINATED

A favorite claim of those who have sought to undermine the Lebanese government has been that it is "Christian-dominated". The implicit or explicit accusation is that Christians, and particularly the Maronites, have established a government in which they hold all key positions and have systematically excluded members of other religions from real power. The accusation is a cynical attempt to exploit the nature of the Lebanese constitutional system—which was established as a compromise to protect the rights and interests of all groups in Lebanon—for narrow political purposes.

Lebanon is a pluralist democracy. The president, who is Maronite, is elected by a chamber of deputies (parliament) representing all Lebanese. The current president, like his predecessors, was elected by Sunnis, Druze, Shi'as, Maronites, Orthodox, Melkites, and other communities, all of whom are represented in parliament.

The prime minister, who is the head of government, is a Sunni Muslim. His support for and commitment to any decision his government takes is absolutely necessary. Recent events have shown as well how key a role the speaker of the parliament plays in Lebanese politics; this position is filled by a Shi'a Muslim. The chief of staff of the army, without whose support no army strategy or initiative may be taken, is a Druze.

Since the creation of the Republic of Lebanon in 1926, each and every cabinet has had an equal number of Muslims (Sunni, Shi'a and Druze) and Christians (Maronite, Melkite, Orthodox, and Armenian). The present cabinet continues that tradition.

### IV. CONFLICT IN LEBANON IS NOT A CIVIL WAR

There is no doubt that the Lebanese are divided. Their political system did not accommodate the demographic changes that were taking place inside Lebanon or the increasingly conflictual region in which Lebanon existed. Lebanon's economic success, and its image of religious, political, and personal freedom and tolerance undoubtedly produced a complacency and a tendency to "avoid rocking the boat." As long as the system seemed to be working, very few felt any need to alter it significantly. Those who did call for changes usually did so in the context of such controversial or divisive principles, dangerous proposals, and extremist ideas and philosophies that constructive dialog was in any case out of the question.

The inability of the Lebanese system to adapt to internal and regional changes was not the fault of the Lebanese alone, however. It is impossible to prove that they would have resolved the challenges of change, left to their own devices; but it is just as impossible to prove that they would not have. The influx of Palestinian refugees certainly altered the domestic situation, and unquestionably produced heavy strains on the system that was not sufficiently flexible in the first place. There is not one Arab country in the Middle East more affected than Lebanon by the unforeseen and rapid entry of Palestinians in 1948, for among other problems the confessional balance of residents of newly independent Lebanon, which was the essence of its political system, was utterly changed, even though the refugees were not Lebanese citizens. Nevertheless, no country's citizens (regardless of denomination) did more for the homeless Palestinians than those of Lebanon, the Palestinian refugees in Lebanon led a freer and physically more comfortable existence than in any other country in the Arab world.

Yet, by the late 1960's foreign elements were arming many Palestinian groups, which had begun to launch raids against Israel through and even from Lebanese territory. For the first time, Lebanon was dragged into the Middle East conflict against the will of its citizens, against any realistic assessment of its interest, and in utter disregard of its sovereignty. From this period to the present, the dominant fact of Lebanon is not its domestic divisions—which certainly exist—but the cynical and deadly manipulation of Lebanese groups, often small, by foreign governments and movements.

The Lebanese are far more horrified by what has happended to their country than anyone else. There are no truly new Lebanese problems. The competition within and among the communities, within and among political generations, within and among geographic regions—all these have played a role in the country throughout history. The decisive element that changes everything and that physically prevents resolution of Lebanese differences is the occupation and domination of Lebanon by foreign forces supremely indifferent to the fate of Lebanon and the Lebanese.

### V. REFORM AND NATIONAL RECONCILIATION

No one denies the necessity for reform in Lebanon. That reform of national political, economic, and social institutions is necessary has been evident for years. It is abundantly evident to all, and denied by none, that the benefits of society must be more equitably distributed. This is not really a sectarian question; it is more regional. The Christians of the south, for example, have been just as systematically neglected by government as the Shi'as or Druze. Reflecting the dominant laissez-faire philosophy of Lebanon prior to the 1970's, that government which governed least was believed to govern best. Certainiy, there is widespread consensus today that is no longer an adequate approach to governance.

In the political realm, too, there is accord on the need for reform. It is widely believed that major demographic changes have taken place and that the Shi'a, in particular, are underrepresented in access to political power. To a great extent, while this has been presented in the media as a Christian-muslim conflict it is really an intra-Muslim conflict, because the most powerful impetus for change has been the fear that a redistribution of power would produce an increase in Shi'a leverage at the expense of the Sunni community.

It should be kept in mind that the essence of the Lebanese National Pact was not a recognition of Christian numerical superiority, but was a guarantee to the Christian community that its identity and autonomy would not be endangered by Lebanese independence or Lebanese associations with the rest of the Arab world. These were assurances to the Lebanese Christians, no more nor less.

The recognition that reform is in order is a recognition that the formulas of 1943 are no longer adequate; that they no longer permit the country sufficient flexibility to adapt to the challenges Lebanon faces. The issue is not whether reform and reconciliation are necessary, nor certainly whether they are desirable; it is how they can be achieved.

The problem remains that Lebanon is an occupied country unable to explore freely and full the means to resolve disputed issues among the Lebanese. Whenever progress has been made toward the resolution of conflicts among the Lebanese and without foreign pressure, foreign governments have intervened to block or overturn the resulting agreements.

Outside observers have called for the abolition of the Lebanese system of confessionalism and secularism in Lebanon. These observers frequently call on the Christians to abandon their "intransigent attachment to confessionalism". Ironically, it is not the Christians who defend confessionalism, but rather those who rhetorically ask for the most sweeping changes in the Lebanese system. All the Christians ask is that if the system is going to be secular, it must be secular, if confessional, then confessional. It is unreasonable to ask any community, Christian or Muslim, to abandon all its interests and protections while reinforcing the protections of another community and providing it all the benefits. Indeed, Christians have for over a decade said that they favor a secular system in Lebanon, but a truly secular system, not one that removes only Christian protections.

The absence of cohesive leadership within the Shi'a community and the fear on the part of the Sunnis that any reform will automatically reduce Sunni prerogatives, which are out of all proportion with Sunni power or population in Lebanon today, have prevented these communities from grappling productively with these important problems and from coming to any conclusion as to alternatives that would safeguard each community's vital security interests while at the same time providing all the people of Lebanon with a system that will be more responsible to their needs.

### VI. ILLEGITIMACY OF THE PRESENCE OF FOREIGN FORCES

Lebanon is a sovereign state. Its sovereignty is nowhere in question. Yet, Lebanon has been occupied by PLO, Israeli, Syrian, and Iranian fighters for periods of up to and over fifteen years. All of these forces have been asked to leave.

One of the problems Lebanon has faced, and one of the reasons it sought for so long to remain outside the Arab-Israeli conflict is the relationship of the various forces to each other. Israel states that it has a security interest in southern Lebanon to prevent PLO incursions. Syria insists that it has a security interest in Lebanon because of the Israeli role in the south and because Lebanon's position make it a natural Israeli path to attack Syria.

Israel and Syria are enemies. Israel and the PLO are enemies. (Indeed, even the PLO and Syria are hardly friends.) It is true everywhere in the world that one country's security is affected by what transpires in and around its neighbors. However, it is totally unacceptable that Israel or Syria demand to have a say, and occupy or control Lebanon to ensure themselves a say, inside Lebanon.

The means developed by the international community to provide the most reasonable safeguards to the security interests of all countries has been rigid respect of the territorial integrity and political sovereignty of each state. Unfortunately, neither Israel nor Syria sincerely accepts the application of the doctrine of sovereignty in Lebanon.

### VII. FOREIGN FORCES' PRESENCE COUNTERPRODUCTIVE

The continued presence of foreign forces in Lebanon is not merely a violation of international law and morality; it is also quite counterproductive. The violation of Lebanese sovereignty by Israel, Syria, and the PLO has not bought any one of them more security or a fuller realization of its objectives; on the contrary, it has dminished real and psychological security, materially increased the chance of potential war, contributed to the outbreak of actual hostilities, and undermined the achievement of the principal goals of all of them.

Lebanon could be what it was—a buffer between two hostile states. In better times, it might even serve to bridge the way toward a settlement, but this is a hope, not a reality, and certainly not on the horizon. The security of Israel was far greater when only Lebanese armed forces ensured security in Lebanon. The chances of an Israeli attack against Syria were far less when no Syrian troops were occupying the country.

In fact, the proximity of Israeli and Syrian forces and the tension between the two governments has made Lebanon, where both armies play active roles, one of the world's leading powderkegs. A major enhancement of the security of all parties would result from the withdrawal of Syrian and Israeli forces from Lebanon, and the disarmament of PLO and Iranian militias and groups.

### VIII. LEBANON AND THE UNITED STATES

The bond between Lebanon and the United States has traditionally been very strong. Lebanon throughout its history, has maintained a close relationship with the United States, which, for its part, figured prominently in the Lebanese struggle for independence.

Politically, Lebanon has been an ally of the United States; and U.S. policy has always favored a united, sovereign, and independent Lebanon. The American University of Beirut and other U.S. schools in Lebanon have served to strengthen the existing educational and cultural ties between the two countries. These institutions have reflected, and have helped spread an understanding, of the special role and unique value to all the region of the pluralist traditions and tolerance of Lebanon.

The presence of over two million Americans of Lebanese descent in the United States has also influenced and strengthened the bond between the two countries. American-Lebanese play a prominent role in American life, contributing significantly to the fields of science, business, literature, entertainment, and government.

The people and state of Lebanon are intrinsically bound to the ideals of freedom, democracy, and human rights as a way of life, the same ideals that have made the United States a vibrant democratic republic for over 200 years.

### IX. CHRISTIAN FACTIONALISM IN LEBANON

One of the most difficult issues for non-Lebanese to understand and for Christians to accept is the factionalism within the Christian community of Lebanon. If the threat to Christian survival in Lebanon is so great, how then can we explain the struggle among Christians?

As long as Lebanon is occupied, foreign forces will continue to try to acquire support in all communities. Sometimes this support is produced through threats, or impled threats, to families or loved ones. In other cases, the threat is even more direct. And certainly, venality is not unknown among Christians any more than it is among other groups. But it is not only, not even primarily, a question of Christians who act as agents for foreign powers. A major reason for factionalism among Christians in Lebanon is simply the tradition of freedom that the country has known. The Lebanese, and particularly the Christians among them, have prided themselves on their openness, the liberty to express and defend different views.

### X. LEBANON AND TERRORISM

As another result of the occupation of Lebanon, extremist and terrorist groups have free rein in several areas. In some cases, it is quite clear that these groups work on behalf of foreign governments. In other cases, they represent movements that are not Lebanese, but are in Lebanon because the occupying forces refuse to permit the central government to extend its authority to the whole of the country. The resulting vacuum the occupiers cannot fill, but still they do not let the Lebanese government fill it either.

The international community has recognized the tragedy and danger posed by terrorism, but has been unable to come to agreement on effective, concerted actions to bring it to an end. Unfortunately, even though Lebanon has been more victimized by terrorism than any other country, some governments have chosen to satisfy the domestic political pressures for "action against terrorism" by acting instead against Lebanon . . . and calling it "action against terrorism." The Lebanese government has been consistently in the forefront of those warning about the dangers of terrorism and urging the international community to develop practicable steps to control and eliminate it. No one accuses the Lebanese government of abetting terrorism, and no one doubts that the Lebanese people are the victims rather than the supporters of terrorism.

The marriage of terrorist tactics with Muslim fundamentalism creates a singularly potent and dangerous form of political violence in Lebanon. The campaign of attacks against the West reflect quite clearly the determination of some groups to eradicate both Christian religious and Western cultural influence in the region.

### XI. THE CATHOLIC CHURCH IN THE UNITED STATES AND LEBANON

The Catholic Church in the United States as represented by its Bishops has spoken out strongly regarding Lebanon. Its position is that Lebanon's autonomy, freedom, and pluralistic character must be preserved. The Catholic bishops have declared that Christians in Lebanon must continue to exercise freedom of worship and all other civil rights. American Catholics are also aware that what happens to Christians in Lebanon has an effect on Christians in all the countries of the Middle East. The Catholic seminaries in Lebanon educate many of the priests who serve in the Middle East. Many of the liturgical and catechetical books used by Catholics in the Middle East where Christianity and Islam have been able to encounter each other on an equal footing.

On November 12, 1986 the National Conference of Catholic Bishops unanimously adopted the following resolution which had been drafted by Archbishop Francis Zayek of the Diocese of St. Maron—U.S.A.;

After eleven years of war, the people of Lebanon are tired of death and destruction. They yearn for peace. The persistence of the conflict and its complexity have combined to produce in the wider international community a sense of frustration and a pattern of neglect. It is to resist this trend that we speak again about Lebanon.

The Lebanese are the first to acknowledge that they must be the architects of their destiny; they must find the solution to their conflict. But they cannot do it alone. Without the interest and assistance of the international community—moral, humanitarian and diplomatic interest—the Lebanese cannot move beyond the present tragic impasse.

As Catholic Bishops in the United States, we have the double interest in and relationship to the Lebanese question. First, we share bonds of faith with the Christian communities in Lebanon; these create specific responsibilities and obligations for us. Second, we are concerned for the welfare of Lebanon as a whole—all of its people and its future status as a free sovereign state in the community of nations. We know the policy of the United States can be decisive for Lebanon; this fact also creates obligations for us as bishops in this country.

To respond to both these responsibilities, we speak again about Lebanon and our concern for it. The fate and future of Lebanon is at stake. In a particular way the survival and welfare of the Christian community in Lebanon is at stake. The Christians of Lebanon hold a special significance for all the Christians of the Middle East. As bishops, we must stand in defense and speak for their legitimate interests.

We intend by this resolution to call the attention of the international community to the fragile status of Lebanon and its need for help. We intend to speak to the Christians of Lebanon: we will advocate their rights to remain a free Christian community independent of Islamic law, to worship freely, educate their own and participate fully in the life of the Lebanese Society.

We encourage the continuing dialogue and the peaceful coexistence of all Lebanese and we reject violence against innocent people. We look for the day that people of all religious persuasions will again be able to live in harmony and freedom in accord with the great religious heritage of Lebanon.

Finally, we call upon the United States government to shape a policy which will assist all the Lebanese to guarantee the freedom, territorial integrity and sovereignty of their nation.

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# LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION APPROPRIATIONS BILL, FISCAL YEAR 1988

## HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. GUNDERSON. Mr. Speaker, yesterday, the House of Representatives adopted H.R. 3058, the labor, health and human services, and education appropriations bill for fiscal year 1988. I would like to commend the efforts of Chairman NATCHER, Vice Chairman CONTE and members of the Labor/HHS/Education Subcommittee in formulating an appropriations bill that carefully balances our Nation's educational, health care, employment

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and training needs with our Federal budget constraints.

Joining 335 Members of the House of Representatives in support of final passage of this appropriations bill, I would also like to address my support of the amendment offered by the gentleman from Minnesota [Mr. PENNY]. This amendment would have reduced by 2 percent the $2.95 billion increase in discretionary spending for programs included in this bill. The increase in discretionary spending from fiscal year 1987—$33.3 billion—to the fiscal year 1988 level—$36.2 billion—recommended in this bill reflects an overall increase of 8.8 percent. In an effort to get a handle on our Federal budget, I believe a 2-percent reduction was reasonable.

As a member of the Education and Labor Committee, I believe H.R. 3058 responds to priorities of this House in the areas of competitiveness, employment, educational access and quality. It is a sound investment in America's human capital.

This appropriations bill adds new funding in the areas of chapter 1 for disadvantaged youngsters, vocational and adult education with special attention focused on literacy, Pell grants, college-work study, SEOG, and Perkins loans—providing access to our higher education institutions.

I proudly serve with our distinguished colleague from Michigan [Mr. BONIOR] as a congressional member of the board of trustees for Gallaudet University. Therefore, I am pleased that this special institution, which offers educational programs for hearing impaired individuals, is provided a $3,925,000 increase over the fiscal year 1987 level. A majority of this appropriation will assist in providing competitive compensation for the faculty and staff of Gallaudet University. The remaining $1 million is for Gallaudet's annual matching endowment grant program. This funding increase clearly represents our commitment to quality education for our Nation's hearing impaired individuals.

While reviewing this bill, however, I noted with concern that the committee chose not to fund title I, postsecondary programs for nontraditional students, of the Higher Education Act [P.L. 99–498]. My interest in title I is twofold.

First, as a coauthor of title I, I want to point out that this is the only section of the act that can provide direct Federal support to our colleges and universities to assist them in serving displaced workers, rural Americans, and older working adults who seek educational opportunities enabling them to adapt successfully to new and changing economic conditions.

Second, our higher education community and Congress must address the educational and retraining needs of our aging society. Title I responds to the educational needs of today—needs that will continue as the makeup of our higher education student population changes. Statistics indicate that part-time, nontraditional student enrollments are increasing faster than those of full-time, traditional students, and consist of nearly half of our higher education student population.

Currently, the private sector recognizes the importance of investing in continuing education for their employees. Annually, business and industry invests over $50 billion in employee education, training, and retraining. The Federal Government should invest in our colleges and universities to help them respond to the needs of nontraditional students. It is time for us to move beyond our traditional focus for postsecondary education programs.

Investment in programs for nontraditional students by the Federal Government will indicate our commitment to our higher education system by allowing them to respond to the changing student population, and our need to enhance a competitive work force. I will continue to work for funding of title I in future fiscal years.

This brings me to the Labor Department provisions in the bill. There are a couple of items I would like to highlight. Under the Job Training Partnership Act [JTPA], the committee bill provides a $40 million increase in the basic grant program serving economically disadvantaged adults and youth. This is 2.17 percent over the fiscal year 1987 figure. Funding for the Summer Youth Employment Program funding has been maintained at the fiscal year 1987 level of $750 million. It is assumed that this funding level will continue to meet the needs of this program and its participants.

The committee, in this bill, has deferred funding for title III, the Dislocated Workers Program. I understand that this action was taken in anticipation of the enactment of the new Worker Readjustment Assistance Program—initially proposed by the administration and included in both the House of Representative's and Senate's trade legislation. Therefore, I urge the committee and Congress to act promptly in providing funds for this new program upon its enactment.

One other program on which the committee deferred action was the Work Incentive Program [WIN]. Again, I understand the committee's action in this case is in anticipation of enactment of welfare reform legislation, which will significantly restructure the work component of welfare. If for some reason a welfare reform package does not become reality this year, let me urge the committee and Congress to stand ready to quickly provide proper funding for the WIN Program through fiscal year 1988.

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# DEFENSE INTELLIGENCE COMMERCIAL ENTITIES ACT

## HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. IRELAND. Mr. Speaker, I have introduced the Defense Intelligence Commercial Entities Act to provide for improvements in cover for the foreign intelligence collection activities of the Department of Defense. The legislation is substantially similar to H.R. 3963 of the 99th Congress, which was introduced by our former colleague Bill Whitehurst of Virginia.

For the past 3 years, the Secretary of Defense and the Director of Central Intelligence have requested legislation to permit the Department of Defense to establish commercial entities to provide cover for defense foreign intelligence collection activities, particularly for use in those areas of the world in which other types of cover are either not available or not effective.

The legislation I have introduced provides the authority requested by the executive branch, with addition of appropriate safeguards to ensure effective and proper use of the authority and effective oversight of its use.

The section-by-section explanation of the legislation follows:

### DEFENSE INTELLIGENCE COMMERCIAL ENTITIES ACT—SECTION-BY-SECTION EXPLANATION

The bill consists of two sections. Section 1 provides that the short title of the Act is the "Defense Intelligence Commercial Entities Act." Section 2(a) enacts a new subchapter II in chapter 21 of Title 10 of the United States Code to provide cover for Department of Defense foreign intelligence collection activities through the establishment and operation of commercial entities. Section 2(b) provides that amendments to Title 10 made by the legislation take effect ninety days after enactment of the legislation, except for the provision for implementing regulations, which takes effect upon enactment.

The provisions of subchapter II of chapter 21 of Title 10 of the United States Code (consisting of Sections 431 through 439) enacted by Section 2(a) of the bill are explained below.

### SECTION 431

Section 431(a)(1) grants to the Secretary of Defense the authority to establish and operate commercial entities to provide cover for foreign intelligence collection activities of the Department of Defense (DOD) in accordance with the provisions of the subchapter. Such commercial entities will conceal foreign intelligence collection activities under cover of the overt function of the commercial entity. The legislation refers to such a DOD entity as an "intelligence commercial entity."

The legislation authorizes establishment of intelligence commercial entities only to provide cover for and to engage in DOD foreign intelligence activities, and does not authorize establishment of such entities to provide cover for or to engage in any intelligence activities other than foreign intelligence collection activities. Thus, for example, DOD may not establish such entities to provide cover for or to engage in counterintelligence operations (as distinguished from the collection of counterintelligence information) or covert action, or to provide cover for or to engage in non-intelligence DOD activities.

Section 431(a)(2) provides that the Secretary of Defense may initially authorize the establishment and operation of an intelligence commercial entity for any period not to exceed two years. At the expiration of a previously authorized period for operation of such an entity, the Secretary may renew the authority to operate the entity for an additional period not to exceed two years. The number of successive periods for which the Secretary may authorize operation of such an entity is not limited.

Section 431(b) provides that the Secretary may not authorize establishment and operation of an intelligence commercial entity, or renew authority to operate such an entity, unless the Attorney General and the Director of Central Intelligence concur and the Secretary certifies in writing that operation of the entity is essential to the conduct of an authorized foreign intelligence

collection activity of the Department of Defense.

The requirement for the concurrence of the Attorney General ensures an independent high-level legal review of plans for establishment and operation of an intelligence commercial entity, and ensures the harmony of the plans with the intelligence, counterintelligence, and law enforcement functions of components of the Department of Justice. The requirement for the concurrence of the Director of Central Intelligence ensures that the plans will be consistent with national intelligence needs and ensures the harmony of the plans with the intelligence, counterintelligence, and special activities of other elements of the U.S. intelligence community.

To authorize establishment and operation of an intelligence commercial entity, or to renew authority to operate such an entity, the Secretary of Defense must certify in writing that operation of the entity is essential to the conduct of an authorized foreign intelligence collection activity of the Department of Defense. Thus, the Secretary may authorize establishment and operation of an entity, or renew authority to operate an entity, only when no reasonable and effective alternative method exists for carrying out an authorized DOD foreign intelligence collection activity.

Section 431(c) provides that the Secretary of Defense may terminate an intelligence commercial entity at any time. The Secretary's authority to terminate an entity is not conditioned upon any concurrence or certification.

The grant of authority to the Secretary of Defense to establish intelligence commercial entities to provide cover for DOD foreign intelligence collection activities does not affect any authority for the Department of Defense to obtain cover or other support for its foreign intelligence collection activities from other Federal agencies.

### SECTION 432

Section 432 grants to the Secretary of Defense authority to acquire, use, and dispose of property and services needed in the establishment, operation, and termination of intelligence commercial entities. The broad authority granted ensures that the Secretary can provide the necessary administrative support for such entities.

In addition to requiring administrative support common to any government instrumentality, such as workspace, equipment, and personal services, an intelligence commercial entity will require special administrative support due to its commercial function and appearance. Thus, for example, such an entity may require private legal services, commercial and occupational licenses, private liability insurance, and private banking services. Section 432 ensures that the Secretary can meet the full range of administrative support needs of an intelligence commercial entity, including its unusual needs that stem from its ostensibly commercial status.

The authority granted by Section 432 is independent of, and in addition to, any other acquisition, use, or disposal authority available to the Secretary of Defense.

### SECTION 433

Section 433 ensures that the handling and use of funds in connection with intelligence commercial entities will be consistent with the ostensible commercial status of those entities.

Section 433(a) permits the Secretary of Defense to establish and maintain commercial banking accounts in the establishment, operation, and termination of intelligence commercial entities. The authority to use commercial banking services applies both with respect to appropriated funds used in connection with an intelligence commercial entity and with respect to funds generated by the commercial activities of that entity.

Section 433(b) permits use of funds generated by the commercial activities of an intelligence commercial entity to offset the necessary and reasonable expenses incurred by that entity. The funds generated by a particular entity may only be used to offset the expenses of that particular entity.

Section 433(c)(1) provides that funds generated by an intelligence commercial entity that are no longer needed for the conduct of the intelligence or commercial activities of that entity shall be remitted to the Treasury as miscellaneous receipts.

Section 433(c)(2) provides for the disposition of the proceeds which result from the termination of an intelligence commercial entity. After all outstanding obligations of the entity are met, the remaining proceeds shall be deposited in the Treasury as miscellaneous receipts.

Section 433 displaces several limitations contained in Section 3302 of Title 31 of the United States Code on governmental use of funds. Observance of those limitations would be inconsistent with the ostensible commercial status of intelligence commercial entities.

### SECTION 434

Section 434(a) provides that establishment, operation, and termination of an intelligence commercial entity; acquisition, use, or disposition of property and services with respect to such an entity; and deposit, withdrawal, and use of funds with respect to an entity shall be carried out in accordance with prevailing commercial practices, consistent with the protection of intelligence sources, methods, and activities from unauthorized disclosure.

To maintain its usefulness as a cover for foreign intelligence collection activities, an intelligence commercial entity must maintain commercial credibility. The entity must appear to anyone who scrutinizes it to be a bona fide commercial entity, rather than an instrumentality of the United States Government. Accordingly, the entity must conduct its commercial activities in the same manner as would a private sector commercial entity. Circumstances may arise, however, in which observing prevailing commercial practices would not be consistent with the protection of intelligence sources, methods, and activities from unauthorized disclosure, and in such cases prevailing commercial practices would not be observed, because the protection of intelligence sources, methods, and activities is of paramount importance.

Section 434(b) provides that establishment, operation, and termination of an intelligence commercial entity; acquisition, use, or disposition of property and services with respect to such an entity; and deposit, withdrawal or use of funds with respect to such an entity, may be carried out without regard to certain requirements of Federal statutes to the extent necessary to protect intelligence sources, methods, and activities from unauthorized disclosure. The provision grants to the Secretary of Defense extraordinary authority to waive the applicability to an intelligence commercial entity of requirements in a broad spectrum of Federal statutes to the extent necessary to protect intelligence sources, methods, and activities from unauthorized disclosure. Without the waiver authority, an intelligence commercial entity would be obliged to observe Federal statutes that normally apply to U.S. Government instrumentalities but do not apply to a bona fide commercial entity. Such inconsistency between the conduct of an entity and its ostensible private commercial status might reveal to an interested observer, such as an intelligence or security service of a foreign power, that the entity is not what it claims to be, risking the compromise of commercial cover and of the foreign intelligence collection activities of the entity.

Section 434(c) enumerates the categories of statutes subject to the waiver authority, which are those related to Federal appropriations, Federal receipt and use of funds other than appropriated funds, Federal acquisitions, Federal property management, Federal services management, Federal information management, Federal tort claims, Federal employment, or Federal government corporations. A statute within those categories ceases to apply if, and to the extent that, the Secretary of Defense certifies that compliance with the statute would be inconsistent with the protection of intelligence sources, methods, or activities from unauthorized disclosure. A statute is waived only to the extent that compliance would be inconsistent with such protection. Thus, the Secretary's authority extends not to blanket waiver of the applicability of the statute, but only to waiver of the applicability of the particular requirements of that statute which would be inconsistent with the protection of intelligence sources, methods, or activities from unauthorized disclosure (which may, in some cases, amount to waiver of the applicability of the entire statute).

Section 434 makes clear that the Secretary's waiver authority does not apply with respect to the subchapter enacted by this legislation (subchapter II of chapter 21 of Title 10 of the United States Code), with respect to Title V of the National Security Act of 1947 (which relates to congressional oversight of intelligence activities), or with respect to the War Powers Resolution. Nothing in the legislation in any way limits the role in the Congress in oversight of intelligence activities and military activities.

### SECTION 435

Section 435(a) makes clear that the subchapter enacted by the legislation (subchapter II of chapter 21 of Title 10 of the United States Code) does not constitute authority for the conduct of intelligence activities other than those expressly authorized by the subchapter. Thus, the subchapter provides authority for establishment and use of intelligence commercial entities to provide cover for DOD foreign intelligence collection activities, but does not provide the authority for those underlying foreign intelligence collection activities.

Section 435(b) establishes clear limitations on the activities of intelligence commercial entities and their personnel within the United States. They may engage within the United States only in training, administration, and recruitment of non-U.S. persons to serve subsequently outside the United States in foreign intelligence collection activities as sources of intelligence information or of operational assistance. Administration which intelligence commercial entities may conduct within the United States includes the full range of support activities necessary to establish, operate, and termi-

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nate a commercial entity, such as finance, logistics, and procurement. The limitation of domestic activity to training, administration, and recruitment of sources for service abroad ensures that intelligence commercial entities within the United States will have strictly a foreign focus and will not engage in domestic intelligence activities.

Section 435(c) provides that no intelligence commercial entity may have as its overt activity communications media activity, religious activity, munitions production or marketing, or security-related services.

The prohibition against the overt activity of an intelligence commercial entity being communications media activity protects against the possibility of media activity by an entity having an accidental or intentional effect on U.S. domestic political processes. The prohibition prevents establishment of intelligence commercial entities to engage in commercial radio or television broadcasting; newspaper, book or magazine publishing; or wire services. The prohibition does not prevent incidental commercial use of comunications media by an entity if prevailing commercial practices so require. Thus, for example, if an entity is engaged in a cover business of a type in which one would normally place commercial advertisements or solicitations in a local newpaper, the entity may do so.

The prohibition against the overt activity of an intelligence commercial entity being religious activity protects the integrity of religious freedom and religious institutions.

The prohibitions against the overt activity of an intelligence commercial entity being production or marketing of munitions, or being security-related services, prevent the possibility of use of such an entity to circumvent United States arms transfer policies or to implement those policies. The Arms Export Control Act, the Foreign Assistance Act, and the statutory mechanisms for covert arms transfers govern the transfer of defense articles and services. The prohibitions do not in any way prohibit the personnel of an intelligence commercial entity fropm defending themselves.

Section 435(d) requires that every U.S. person employed by, or assigned or detailed to, an intelligence commercial entity be informed prior to employment, assignment, or detail that the entity is an instrumentality of the United States engaged in foreign intelligence collection activities. The provision thus prohibits unwitting employment, assignment, or detail of United States persons.

Section 435(e) defines U.S. persons for purposes of Section 435 as U.S. citizens and aliens admitted to permanent residence in the United States.

### SECTION 436

Section 436(a) requires the Secretary of Defense, after consultation with the Attorney General and the Director of Central Intelligence, to prescribe regulations to implement the legislation and specifies a number of requirements which those regulations must satisfy.

The Secretary's regulations must provide for effective centralized oversight by the Office of the Secretary of Defense of the use of the authority for intelligence commercial entities granted by the legislation. The requirement for centralization of the internal oversight role promotes consistency among DOD components in establishing policies and practices concerning intelligence commercial entities and facilitates effective oversight of intelligence commercial entities by appropriate non-DOD entities, such as the Congress. The requirement that the internal oversight role occur at the departmental level, rather than at the lower level of the individual military departments, defense agencies, or other components which may use intelligence commercial entities, ensures appropriate high-level attention within the Department of Defense to any problems which may come to light in the course of internal oversight activities.

The Secretary's regulations must provide management, operational, security, legal, and accounting controls for all matters relating to intelligence commercial entities. The Secretary's careful design and establishment of strict controls will be of critical importance, especially given that such controls often may replace statutory controls which the legislation authorizes the Secretary to waive in certain circumstances.

The Secretary's regulations must provide for appropriate coordination of the activities of intelligence commercial entities with the Department of State, the Federal Bureau of Investigation, and the Central Intelligence Agency, which have primary responsibility for foreign policy, counterintelligence and law enforcement within the United States, and intelligence and counterintelligence outside the United States, respectively.

The Secretary's regulations must ensure compliance with the subchapter enacted by the legislation (subchapter II of chapter 21 of Title 10 of the United States Code), with Title V of the National Security Act of 1947 (relating to Congressional oversight of intelligence activities), and with the War Powers Resolution.

Section 436(b) requires the Inspector General of the Department of Defense to conduct, at least annually, a review of activities undertaken under the subchapter enacted by the legislation (subchapter II of chapter 21 of Title 10 of the United States Code). Each such review must include, but is not limited to, the programs and operations of intelligence commercial entities and a financial audit of the activities of such entities. The Inspector General must report on the reviews to the Secretary of Defense and the intelligence committees of the Congress.

### SECTION 437

Section 437(a) provides that intelligence commercial entities are instrumentalities of the United States. As such, they enjoy within the constitutional scheme the same immunities and privileges enjoyed by other Federal instrumentalities. Thus, for example, they share in the sovereign immunity to suit of the United States Government to the same extent as other Federal instrumentalities.

Section 437(b)(1) explicitly preempts the applicability of State laws to, and the jurisdiction of State courts over, intelligence commercial entities. Thus, intelligence commercial entities will be subject exclusively to Federal law and court jurisdiction.

Section 437(b)(2) provides that, although intelligence commercial entities are not subject to State law and State court jurisdiction, they may engage in conduct which appears to comply with State laws and State court jurisdiction, if the Secretary of Defense certifies that doing so is necessary to protect intelligence sources, methods, or activities from unauthorized disclosure or is necessary in the interests of justice.

Under the authority, with the appropriate certification, an intelligence commercial entity may engage in conduct which appears to comply with State laws in the same manner as would a bona fide commercial entity. Thus, for example, if the Secretary certifies that protection of intelligence sources, methods, or activities requires doing so, an intelligence commercial entity could incorporate in a State in the same manner as a bona fide commercial entity, even though that State's incorporation laws do not actually apply to the entity and even though those laws do not provide for incorporation by Federal instrumentalities. Similarly, even though Federal instrumentalities are not subject to State taxation, if the Secretary makes the appropriate certification, an intelligence commercial entity may file State tax returns and remit State taxes.

With the appropriate certification, an intelligence commercial entity may engage in conduct which appears to submit to State court jurisdiction in the same manner as would a bona fide commercial entity. Thus, for example, if the Secretary certifies that protection of intelligence sources, methods, or activities, or the interests of justice, require doing so, an intelligence commercial entity might participate in a lawsuit in State court based on breach of a commercial contract in the same manner as would a bona fide commercial entity.

The Department of Defense may well make substantial use of the authority for intelligence commercial entities to engage in conduct appearing to comply with State commercial laws, since it may become the Department's practice to establish such entities by incorporation or registration under the laws of the several States. In contrast, the Department should only rarely need to use the authority for intelligence commercial entities to engage in conduct appearing to submit to the jurisdiction of a State court, because the authorized activities of such entities within the United States are quite restricted, and thus are not likely to give rise to many situations in which appearing to submit to State court jurisdiction would be appropriate.

Section 437(c) provides that, for the purposes of Section 437, the term "State" means any State, the District of Columbia, and any territory, commonwealth, or possession of the United States.

### SECTION 438

Section 438 provides that the Secretary of Defense may delegate his authority, functions, and duties under sections 431(a), 434(b), 436(a), and 437(b) of Title 10 of the United States Code, as enacted by the legislation, only to the Deputy Secretary of Defense. By requiring that only the Secretary or the Deputy Secretary of Defense may exercise the authority, functions, and duties set forth in these subsections, the legislation ensures high-level attention to particularly sensitive decisions involving intelligence commercial entities.

Under Section 438, the Secretary may delegate only to the Deputy Secretary the authority to authorize establishment and operation of an intelligence commercial entity, or to renew authorization for operation of such an entity (Sec. 431(a)); the authority to waive the applicability of certain Federal statutes based upon the requisite certification (Sec. 434(b)); the authority to issue implementing regulations (Sec. 436(a)); and the authority to permit intelligence commercial entities to appear to comply with State laws and to appear to submit to State court jurisdiction (Sec. 437(b)). Authorities, duties, and functions provided in the legislation, other than those specifically cited in Section 438, are subject to delegation in accordance with Section 113(d) of Title 10 of the United States Code.

The limitation on delegation of certain specified authorities, duties, and functions will not place an inordinate administrative burden on the Secretary and the Deputy Secretary. Exercise of the authority establishment and operation of an intelligence commercial entity will occur only once for each entity, and subsequent renewals of authority to operate such entities will occur only when the previously authorized period of operation expires. Exercise of the authority to waive various Federal statutory requirements applicable to an entity, to authorize apparent compliance with State laws, and to authorize apparent submission to State court jurisdiction, will often accompany the authorization to establish and operate the entity, although changes with respect to an entity may be necessary from time to time. Exercise of the authority to issue implementing regulations should occur only once, with changes to such regulations thereafter occurring only occasionally, as experience demands. The greatest administrative burden upon the Secretary and the Deputy Secretary will thus occur at the time of creation of an intelligence commercial entity, when the nature and the scope of its activities and the legal regime governing it are established. Cabinet-level involvement in decisions of such sensitivity at that time is appropriate.

### SECTION 439

Section 439 defines the terms "commercial entity," "foreign intelligence collection activities," and "intelligence activities" as used in subchapter II of chapter 21 of Title 10 of the United States Code, as enacted by the legislation.

The definition of "commercial entity" comprehends all forms of legal entities, whether within or outside the United States, that are non-governmental in appearance. The term is used in Section 431.

The definition of "foreign intelligence collection activities" comprehends only collection by Department of Defense components, such as the military departments or defense agencies, of foreign intelligence or counterintelligence information, and related support activities. It does not include any other types of intelligence activities, such as counterintelligence operations or covert action. The legislation authorizes establishment and authorization of intelligence commercial entities only to provide cover for foreign intelligence collection activities. The term is used in Sections 431 and 435.

The definition of "intelligence activities" comprehends all intelligence and intelligence-related activities of the United States Government. The term is used in Section 435.

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## CHICK DONOHUE GOES TO HARVARD

## HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. MANTON. Mr. Speaker, we are all familiar with the 19th century mythical character, Horatio Alger. Alger became an image for generations of Americans as he successfully climbed the economic ladder in American society. Now, in the latter half of the 20th century, many sociologists claim Horatio Alger is dead. These pundits point out that the American success story of local boy or girl making good does not happen very often any more. They claim those born of modest means are destined to remain that way, while those of the privileged class continue to perpetuate themselves.

Mr. Speaker, I am here today to tell my colleagues the professors and polltakers are wrong. Horatio Alger is alive and well, and his name is Chick Donohue.

Chick Donohue was born in Manhattan of Irish immigrant parents. He attended Rice High School, run by the Christian Bros. at 124th Street and Lenox Avenue in Harlem, but dropped out to join the Marine Corps. After leaving the service, Chick worked as a merchant seaman. For the past 10 years he has worked as a sandhog. Sandhogs such as Chick are tunnelworkers who are currently building the third water tunnel between Manhattan and Long Island.

The sandhogs are hardworking, honest but unassuming guys. Chick is no exception. Now, however, Chick is about to embark on a new career which is far removed from the water tunnel: Chick Donohue is going to Harvard to get a masters in public administration at the Kennedy School of Government.

How does a high school dropout make it to Harvard? Chick, in addition to his tunnelwork duties, also serves as the union's political director. During the past decade he has come to know a lot of influential people in New York and Washington. Many of them know that although Chick has no high school or college degree he is a very smart man. They were happy to serve as references and Harvard was wise to listen to Chick's references rather than to look soley at his academic record.

Mr. Speaker, anyone who knows Chick understands that Chick will more than hold his own with the young intellectuals in his class. In fact, we all know that Chick's education in the real world will permit him to teach those youngsters a thing or two about life outside the Ivory Tower.

Mr. Speaker, Dennis Duggan, who writes the New York diary column in the New York Daily News, devoted his Sunday column to Chick's departure from the tunnel to Harvard Yard. The column catches a small glimpse of my good friend Chick Donohue's wit and wisdom. I strongly recommend my colleagues take a moment to read about one of America's true success stories. Horatio Alger would be proud.

Mr. Speaker, I include the article in the RECORD at this point:

### CAMBRIDGE WILL NEVER BE THE SAME AGAIN

It doesn't surprise the 24th Precinct's Lt. Richard Duggan, who grew up in the Inwood section of Manhattan with sandhog Chickie Donohue, that Chickie is going to Harvard University starting tomorrow morning.

Nothing he does could ever surprise me," says Duggan, who still talks about how Donohue showed up at his foxhole in the jungles of the Quang Tri province in Vietnam in 1968 with a six pack of beer.

"What in the hell are you doing here?" Duggan, who was with the First Cavalry, asked Donohue, who had begun his long journey after a night at an Irish bar in Inwood. Someone had said there ought to be a way of showing support for Duggan and some other neighborhood men who were fighting in Vietnam.

"I'll do it!" shouted Donohue, who was then a merchant marine.

The next night everyone kept asking Donohue when he was leaving. It was then he realized that to save face he had to at least make an attempt.

He boarded a munitions ship, the S.S. Victory in Leonard, N.J., and 30 days later arrived in Vietnam. The story gets involved, but Donohue hitching rides on helicopters and mail planes from incredulous officers and pilots, finally made it to Duggan's unit.

"I thought I was in the twilight zone when I saw Chickie," says Duggan. "When I asked him what he was doing in the middle of the jungle, he said, 'I was in the neighborhood and I thought I'd drop in.' "

Later, after he had been given a 45-cal. pistol and he realized he was going to have to sleep in a foxhole for a few days, Donohue said to himself, "Chickie, this was a dumb thing to do."

Donohue lives now in the Woodlawn section of the Bronx with his wife. Theresa, and their two children. He dropped out of Rice High School, run by the Christian Brothers at 124th Street and Lenox Avenue in Harlem, to join the U.S. Marine Corps, and has been a sandhog in the third water tunnel for the past 10 years.

But work in the tunnel has been slow lately and when Chickie heard about Harvard's mid-career degree program for a master's in public administration he decided that's what he wanted to do.

He knew that the competition would be fierce and that an Irish high school dropout wasn't perhaps high on the school's list. But Donohue began calling friends and politicians he had met as head of the sandhog union's political action arm for help.

"I thought, why the hell should I let some unknown at Harvard decide my fate," said Donohue at a party last week celebrating his admission to the Ivy League school.

"I called in all my chits." said Donohue at the party at Rumm's on East 46th Street, where priests, politicians, sandhogs, actors, bartenders and cops ate and drank and told Chickie Donohue stories.

"He'll be the only guy up there without some sort of a degree," said Tommy Kelly, 25, a sandhog and a protege of Donohue's, who is already studying at Harvard and who will be Chickie's roommate for the next year.

Kelly, who worked nights as a "hog" and went to Fordham where he graduated last year, is studying for a master's degree at the Kennedy School of Government at Harvard. He says of Donohue, whom he met several years ago, "He's one the smartest guys I've ever met.

Paul Delaney, a cousin says, "Chickie is the kind of guy who after you meet him you'd find you're working for him.

"It's not that he uses people," says Delaney, "it's just that he makes you use yourself."

The people at Harvard must have wondered who the hell Chickie Donohue was when letters of recommendation began pouring in from Sen. Daniel Moynihan, former Represenative Geraldine Ferraro, and George A. Fox, president of the board of trustees at Cooper University and also president of the Grow Tunneling Corp., for whom Chickie worked.

"In my opinion John Donohue is an ideal candidate for admission" to Harvard, wrote Fox, who described Donohue as "likable and personable." His admission to Harvard, Fox wrote, "will greatly enhance his ability for

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effective leadership in the labor movement and to the community of New York City."

His wife, Theresa, formerly O'Neill, had a flier printed last week that read "Chickie Donohue Goes to Harvard," inviting his friends to come to Chickie's going-away party.

He had been accepted into the one-year program which includes a four-week transitional course starting tomorrow. The letter noted that competition is "extremely rigorous," and that "your selection by the Admissions Committee attests to our confidence in your outstanding ability and potential for leadership in public service."

The Rev. Keith Fennesay, now with the Sacred Heart Church in Suffern, said of his longtime friend Chickie that "If I had to predict that anyone from the old neighborhood would go to Harvard I would have said Chickie Donohue. There are a lot of plastic people in the labor movement and in politics, but Chickie is the real thing."

"He's a pistol," said Bronx City Councilman June Eisland. "He's got street smarts and he has a conscience."

Chickie's friends have been kidding him, and writing notes addressed to "Professor Donohue" But Chickie has had to take out a second mortgage on his home to pay for the $14,000 tuition and expenses; friends like Wall street broker William Mutrow say they plan a fund raising party to help him defray expenses.

"My wife and I and the kids see this as an opportunity and a statement to the kids that they can go to Harvard, too," says Chickie, who often cites how a plumber from the Bronx named George Meany became president of the American Federation of Labor.

"Hey," asks Chickie, "if he could do it why can't Chickie Donohue?"

## TRAGEDY STRIKES TWO YOUTHS

### HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mrs. BENTLEY. Mr. Speaker, America is a country of bountiful resources, yet no resource is as precious as its young people. They will be tomorrow's legislators, tomorrow's work force, and tomorrow's decisionmakers. Whether or not America survives to see the tricentennial of its Constitution is a burden which rests largely upon their shoulders.

Yet no resource is unlimited; 1985 statistics indicate that over 19,000 people between the ages of 15 and 24 die as a result of accidents, with 14,000 deaths being the result of accidents involving automobiles. A number of tragedies in my district have made me keenly aware of the fact that America is losing its most precious resource, one which can never be replaced.

I would like to introduce you to two of these people. Both had bright minds and promising futures, and both left impressions on the minds of those they loved that will never die. The great promise they displayed makes them worthy of our remembrance. Their immense potential makes them deserving of a classification more than that of a "victim" or "statistic." These were two of my people, and I feel that it is right that their story be told here.

Ceres Millicent Horn was the type of girl about whom the word "brilliant" seemed to have been created. She breezed through McDonough School in 3 years, leaving behind a transcript showing nothing but "A's." At the age of 16 she was a freshman at Princeton University majoring in astrophysics. She had dreams of becoming an astronaut, a dream which I am sure would have come true if the Amtrak train on which she had been riding back to school after the holidays had not collided with a Conrail locomotive.

Ceres was indeed something special. Her wit, intellect, and energy illuminated the lives of all her teachers, schoolmates and friends. She combined her intellectual gifts with a sincere desire to get involved with her school through such extracurricular activities as theater and sports. Her true and sincere concern for her family, however, is probably her greatest legacy.

On her high school senior yearbook page she wrote to her sister Corinne, "I hope you'll never forget how much I love you. I'll always be there for you." Unfortunately Ceres can't be there for her sister anymore, yet the memory of the love she had for her and for the rest of her family endures. In her short life Ceres was able to reach out to others and make known her feelings to them. Though she was taken away abruptly Ceres' life was not an empty one, for the person who is able to show the love and concern that they have for others has lived a rich life indeed.

Kimberlee Joy Abbott is another young lady whose full and promising life came tragically to an end in an auto accident. She was an honor student at Franklin Senior High School, and she, too, left behind a loving family and many loving friends whose lives she enriched immeasurably.

The story of Kim's life is one of leadership and voluntarism. She was a longtime member of her school's student council throughout both junior and senior high school. Her abilities were recognized, and she moved up to the Baltimore County Student Council, where she served on the executive board. She was appointed to the Maryland Association of Student Councils, where she served as State membership cochairperson. In addition, Kim was named Franklin High School's 1986 Ambassador to the Hugh O'Brian Youth Foundation Program. In each case Kim worked to encourage support and involvement among her peers. Her input and activities were always positive, and she demonstrated that, in her youth, she had the makings of a true leader.

Kim also reached out to her community through her volunteer activities. She was Baltimore County's youngest volunteer worker in 1984. She did extensive work with Pets on Wheels, a program in which she traveled to nursing homes with her cat Butterscotch and became a friend to the friendless. She and her cat spent over 350 hours sharing photos, playing games, and chatting with senior citizens whose lives were brightened by her youthful energy and her genuine concern. She also volunteered her time as a Junior Naturalist at Piney Run Park's Nature Center.

Kim Abbott accomplished many different things in her 17 years, and her willingness to give her time and effort to help others is what really made her special. The legion of memorial tributes and awards that have been established in her memory reflect the extreme sense of loss felt by all who were close to her. Her passing has indeed left a void which shall forever remain unfilled.

Accidents take the lives of more young people than any disease, and Ceres and Kim are but two examples of the massive losses that are incurred each year. The truly sad thing is that some of these accidents may very well have been avoided if more attention were paid to safety.

The old saying "An ounce of prevention is worth a pound of cure" still rings true, for once a life is lost it can never be regained. The only hope for the future is if there are young people—our greatest resource—who will work to improve America's future.

To all of those who Ceres and Kim loved I would like to say this: Remember the times that you did have with them, and let this serve as your own personal tribute. Carry on in your life strengthened by the memories of the love and caring that they felt. As long as you keep this in mind, all that they stood for while they lived shall never die.

## INTRODUCTION OF THE FAMILY SECURITY ACT OF 1987

### HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. GRADISON. Mr. Speaker, today I am introducing a major welfare reform bill, the Family Security Act of 1987. The identical bill was recently introduced as S. 1511 by Senator MOYNIHAN of New York. No one in Congress is more respected and well known for his scholarship and work in the area of welfare over the years than Senator MOYNIHAN. It was after many months of analysis and hard work that Senator MOYNIHAN introduced this act and I am pleased to introduce it today for consideration by the House.

For the past two decades, we have worked to develop effective strategies for providing assistance to needy families. The sentiment underlying the majority of these strategies has been that Americans who are able to work should work rather than remain indefinitely on the welfare rolls. Under the present welfare system, we only provide low-income persons with cash benefits and health care; very little is done to enable welfare recipients to support themselves and leave poverty behind.

The Family Security Act addresses the problems of the present system head on without incurring excessive expense. The purpose of this bill is to replace the Aid to Families with Dependent Children (AFDC) Program with a national system of child support, the Child Support Supplement (CSS) Program. By concentrating on helping needy children without weakening parental responsibility and by focusing on education and job training, the Family Security Act addresses the recent changes in the structure of the American family along with the current economic realities of American life.

For perhaps the first time in approximately 50 years of welfare debate, all parties appear to be prepared to work toward a compromise on reforming the welfare system. I regret that, in the past, the House has been highly polarized on the issue of welfare reform. For example, during the Carter administration, I was a member of the Special Committee on Welfare Reform chaired by Representative Jim Corman, unfortunately nothing ever came of our efforts.

Today it appears that a consensus may be possible. President Reagan, in his February State of the Union Address, expressed support for "a new national welfare strategy." Senator MOYNIHAN and his Family Security Act has attracted significant bipartisan support in the Senate. This support may help establish a framework by which the various sides can be brought together to reach a consensus on the very important issue of welfare reform. I offer the Family Security Act today as a realistic approach to improving upon the inherent problems associated with the current AFDC Program, to encourage further debate on the complex problems associated with welfare reform, and as a vehicle to "test the waters" on another approach to welfare reform that may be capable of generating significant bipartisan support and to finally resolve the impasse that has developed in the welfare reform debate.

The Family Security Act stresses family responsibility and obligation, and to this end, places primarily responsibility for children where it rightly belongs: on parents. Under this bill, absent parents, who are required to pay court-ordered child support after this provision takes effect, will have this support automatically deducted from their paychecks by their employers. Employers will be informed how much the absent parent owes and will send that amount to the appropriate State agency who will then forward it to the family. Parents, who can agree on an alternative arrangement, may have the automatic deduction waived.

Child support payments are difficult to collect without knowing the identity of an absent parent. To deal with this, the Family Security Act would create a system of establishing paternity. States will need to meet new performance standards for establishing paternity or risk a reduction of Federal funding. To aid States, the Federal Government will pay 90 percent of the costs of performing laboratory tests to determine paternity. And to further enhance establishing paternity, States will be required to develop computerized tracking systems, to collect social security numbers from both parents at the birth of child, and to improve interstate cooperation in the collection of child support payments. Federal financial assistance will be made available for the development of computerized tracking systems.

One of the major goals of any welfare reform effort should be to provide opportunities and incentives for welfare recipients, especially potentially long-term recipients, to finish their education and locate gainful employment. The Family Security Act addresses these goals through the development of a Job Opportunities and Basic Skills (JOBS) Program.

The JOBS Program will require States to create and operate education, training and employment programs for CSS recipients. States will work closely with the private sector in JOBS planning and program design in order to best prepare recipients for private sector employment. JOBS Programs would be required of all recipients, with the exception of certain groups including parents with children under the age of 3, or at State option, under the age of 1. Parents 21 years of age or under who have not completed high school will be required to attend high school or participate in equivalency training.

The Family Security Act allows States great flexibility in designing their JOBS Programs. To assure targeting of high priority recipients, however, States are required to direct 60 percent of JOBS funds to priority recipients. Priority recipients include those who have received welfare payments for more than 2½ years; those who have received welfare for any 30 of the last 60 months; and those recipients 21 or under who lack a high school degree. States cannot require recipients to accept positions in which there will be a net loss of income to the family, including the value of food stamps and health insurance benefits, unless the State provides the family with a supplemental cash payment.

In the past, a major deterrent to accepting employment under the current welfare system has been the recipients' fear that accepting employment means loss of health care benefits. The Family Security Act responds to this issue through the provision for extended eligibility for medical assistance. Families that lose CSS eligibility due to increased earnings will remain eligible for medical assistance for at least 4, but not more than 9, months. To qualify for this assistance, the family must have received CSS payments for at least 3 of the 6 months preceding the month when eligibility was lost. Families can only receive such assistance for a total of 9 months in any 36-month period.

A second major deterrent to accepting employment in the past has been the difficulty of obtaining childcare. As with transitional medical assistance, families losing CSS eligibility due to increased earnings will, under the Family Security Act, receive 9 months of transitional childcare assistance, provided the State determines childcare is necessary to assure continuing employment.

Mr. Speaker, the issue of how to best reform America's deplorable welfare system is plagued by complex problems and a long history of failed attempts at reform. These obstacles should not, however, keep us from making diligent efforts to improve the present system which has so clearly proven itself incapable of meeting America's current welfare needs.

These obstacles also should not keep us from forgetting the most vulnerable members of our society, children born into poverty. Recent statistics indicate that the proportion of American children born into poverty now exceeds 20 percent; nearly half of all black children are born into poverty. Children who spend their entire lives in poverty cannot be expected adequately to prepare themselves for the future; those who spend their entire childhood without an employed role model cannot be expected to pursue education and employment as they grow up. In this respect, the Family Security Act addresses more than the current problems of America's welfare system, it also addresses the shap of America's future.

## DEFENSE CONTRACTOR PROFITS REVIEW ACT

### HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. BENNETT. Mr. Speaker, I am today introducing the Defense Contractor Profits Review Act, along with Mr. RIDGE, Mr. DINGELL, Mrs. BOXER, Mr. LEVINE, Mr. BRYANT, Mr. MOAKLEY, Mr. MILLER of California, Miss SCHNEIDER, Mr. SLATTERY, Mr. WISE, Mr. MOODY, Mr. DELLUMS, Mr. VALENTINE, Mr. WOLPE, Mr. DEFAZIO, Mr. JOHNSON of South Dakota, Ms. SLAUGHTER of New York, Mr. TOWNS, Mr. MARTINEZ, Mr. KILDEE, Mr. BATES, Mr. FORD of Michigan, Mrs. COLLINS, Mr. MURPHY, Mr. TORRES, Mr. ACKERMAN, Mr. SCHEUER, Mr. KOLTER, Mr. SAVAGE, Ms. KAPTUR, and Mr. HUGHES.

This legislation, drafted by myself and Congressman TOM RIDGE as cochairman of the military reform caucus, is in my opinion a significant bill. The General Accounting Office reported last year that profits on defense contracts had been 120 percent higher than profits on comparable commercial work. These findings were supported by a recent Navy profits study, which also found significant variations between defense and commercial profits. These data indicate the urgent need for this legislation.

This bill is greatly needed because I believe it can be a vital first step toward increasing accountability over defense profits, and in restoring public confidence in the defense budget. As someone who has supported higher defense spending ever since World War II, it pains me that many Americans believe big defense contractors are making unconscionable profits by ripping off the Government. This moderate and reasonable bill is intended to: First, find out if there really is a problem; and second, give the defense agencies the specific authority and direction to do something about it. The bill is even more modest in its aims than the bill proposed by the GAO. However, I am pleased that it has already received broad and bipartisan support, and hope that such support will continue to grow after the bill has been examined in further detail by the proper committees.

The bill would require about 100 big contractors with more than $100 million annually in negotiated contracts with the Department of Defense [DOD], NASA, and the Coast Guard to report their profits annually to the Defense Contract Audit Agency [DCAA] at DOD. This profit-reporting provision is similar to legislation proposed by the U.S. General Accounting Office.

The bill also contains a provision that I have crafted that would authorize the heads of the three covered agencies to determine whether individual contractor's profits are excessive relative to those on comparable commercial work. If agency heads find excessive profits, they would then recommend actions to be taken in negotiations on future contracts with that contractor in order to prevent continued excessive profits.

A summary of the bill's provisions follows:

### Defense Profits Review and Reporting Act—Summary of Major Provisions

Policy.—Contractors should receive a reasonable profit, and such procurement should be economical and efficient. When the government negotiates contracts in the absence of adequate price competition, it is necessary that it be informed of the level of profits actually made. The bill's purpose is to give procuring agencies information on profits necessary to develop profit policies, and to negotiate profit levels that encourage investment and that are reasonable.

Coverage.—The bill would apply only to contractors with more than $100 million in negotiated contracts with the DOD, NASA and/or the Coast Guard. Advertised-bid, competitive-type contracts would not count for purposes of determining which firms meet the $100 million threshold. There are approximately 100 firms that do meet this threshold, and they receive more than 60 percent of defense procurement dollars. Obviously, small businesses and medium-sized businesses would not be covered.

Reporting.—Negotiated contracts with the covered agencies would require that covered contractors comply with this bill. Covered contractors would submit an annual profits information report to the Defense Contract Audit Agency (DCAA), which would develop a uniform reporting system. The DCAA would analyze the profits reports to see whether any segment of the contractor has made excessive profits.

Profits information to be reported.—Balance sheet and income statement information reflecting the financial position and operations of each segment of the contractor which contributes to revenues received under negotiated defense-related contracts. Segments are defined in the same manner as for Cost Accounting Standards purposes. Information would be submitted in a manner that distinguishes between the contractor's negotiated government contracts and the contractor's other business. The information reported would include a reconciliation with the contractor's regular SEC report. An independent CPA must certify the reliability of the profits report.

Profits review by agency head.—The head of the agency (this would be the Under Secretary of Defense for Acquisition in the case of DOD, Army, Navy and Air Force) would review the profits reports compiled by the DCAA in order to determine whether a segment of a contractor has made excessive profits on past contracts. If the head of the agency proposes to make such a determination, he would notify the contractor and give it a reasonable chance to respond. If the head of the agency determines that a contractor segment has made excessive profits, he would (1) notify in writing the agency's principal contracting activities; and (2) recommend actions to be taken in future dealings with that contractor in order to prevent the recurrence of excessive profits by that contractor on future negotiated contracts.

Definition of excessive profits.—The bill defines excessive profits as profits that are unjustified, in light of: returns on assets made by companies in the private sector on similar and comparable goods and services; the efficiency; risk and investment of the contractor; the character of the business; and other factors. The agency head would set forth detailed definitions in regulations.

Comprehensive profit policy studies.—In addition to the reviews of profits of individual contractors, the head of the agency would conduct at least once every three years a study of profits made by covered defense contractors. This study would be used in formulating agency-wide profit policies.

Access to information.—The head of the agency would have access to all papers of the covered contractor and its independent accountant relating to the profits reports. The Comptroller would have access to all papers of the contractor, its independent accountant and the DCAA used in providing the profits information reports.

Confidentiality.—An officer or employee of the government who discloses any information provided under this bill would be subject to the usual penalties under section 1905 of title 18.

Reports to Congress.—The agency head shall report annually to the President, Congress and the GAO on the findings of any profit studies and on any actions taken.

The complete text of the bill as introduced follows:

H.R. —

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Defense Contractor Profits Review Act".

SEC. 2. DECLARATION OF PURPOSE.

(a) Policy.—It is the policy of Congress that firms contracting with the Federal Government to provide goods and services for the national defense should receive a reasonable profit, and that such goods and services should be procured in an economical, efficient, and effective manner. When the Government negotiates contracts with major contractors, in the absence of adequate price competition this policy can be fulfilled only if the Congress and the appropriate executive agencies are informed of the level of profits actually made.

(b) Purpose.—The purpose of this Act is to provide the Federal Government with the information needed to develop profit policies, and to assist procuring agencies in negotiating contracts, which (1) provide profits that encourage related capital investment to increase efficiency and decrease total costs; and (2) are reasonable in light of (among other factors) the profits contractors earn on other Government business and similar private sector business.

SEC. 3. CONTRACTOR PROFITS REVIEW.

(a) In General.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2313 the following new section:

**"§2313a. Major defense contractors: review of profits**

"(a) Review of Profits to Ascertain Excessive Profits.—(1) If, based upon information in profits information reports under subsection (b) and analyses under subsection (c) (and on whatever other information and analyses may be available), the head of an agency named in section 2303(a) of this title determines that a segment of a covered defense contractor, during the period covered by such profits information report, made excessive profits (as defined in subsection (k)(3)) from contracts subject to section 2306a of this title, the head of the agency—

"(A) shall notify in writing principal contracting activities and officers of the agency of that determination; and

"(B) shall recommend actions to be taken in future dealings with that contractor or segment in order to prevent the recurrence of excessive profits by that contractor or segment on contracts with that agency subject to section 2306a of this title.

"(2) If the head of an agency proposes to make a determination under paragraph (1), the head of the agency, before making such determination, shall notify the contractor concerned that the head of the agency proposes to make such a determination and shall give the contractor an opportunity to respond within 45 days.

"(b) Reporting by Covered Contractors.—(1) Each business concern that is a covered defense contractor shall submit to the Defense Contract Audit Agency, not later than 120 days after the end of the contractor's annual financial reporting period, a profits information report.

"(2) For purposes of this section, a profits information report is a report showing balance sheet and income statement information reflecting the financial position and operations of each segment of the contractor which contributes to the revenues the contractor received during the preceding year from contracts and contract modifications subject to section 2306a of this title. Such report shall include such accompanying information as may be required by the head of the agency, including information concerning investment data and labor expenses.

"(3) Information submitted in a profits information report shall be submitted for each segment of the contractor in a manner that distinguishes between—

"(A) the information related to the contractor's Government contracts that are subject to a requirement to submit cost or pricing data; and

"(B) the information related to all of the contractor's other business.

"(4) The information submitted in the report shall include a reconciliation with the most recent annual financial statement the contractor filed with the Securities and Exchange Commission and such information as may be necessary to explain the reconciliation.

"(5) A contractor required to submit a profits information report shall have an independent certified public accountant submit to the contractor a report on the reliability of the information furnished under paragraph (1). The contractor shall include with the report required by paragraph (1) a copy of the report by the independent certified public accountant.

"(c) Responsibilities of DCAA.—(1) The Defense Contract Audit Agency (hereinafter in this section referred to as 'DCAA') shall review each report under subsection (b) and shall analyze the financial status of each segment of the defense contractor submitting the report in order to determine if any such segment has made excessive profits.

"(2) The DCAA shall develop a uniform reporting system to govern the submission of information by defense contractors under this section.

"(d) Access to Information.—The head of the agency and the DCAA shall have access to all papers, documents, and records of a covered contractor and its independent certified public accountant relating to the information furnished under subsection (b) (including the report furnished under paragraph (5) of that subsection). The covered contractor and its independent certified public accountant shall permit the DCAA to make and retain copies of such papers, documents, and records and shall make available such officers and employees as the DCAA requests.

"(e) Confidentiality.—An officer, employee, or contractor of the United States who publishes or otherwise discloses any information provided by a covered defense contractor under this section shall be subject to section 1905 of title 18.

"(f) Review by Comptroller General.—The Comptroller General shall have access to all papers, documents, and records of the contractor and of its certified public accountant used in providing the information required under subsection (b) (including the report furnished under paragraph (5) of that subsection). The DCAA, covered defense contractor, and independent certified public accountant shall permit the Comptroller General to make and retain copies of such papers, documents, and records and shall make available such officers and employees as the Comptroller General requests.

"(g) Required Contract Provisions.—The head of each agency named in section 2303 of this title shall require that compliance with this section is a condition of each contract with the agency subject to section 2306a of this title.

"(h) Profit Study Requirements.—(1) The head of the agency shall conduct at least once every three years a study of profits made by covered defense contractors under contracts and contract modifications subject to section 2306a of this title.

"(2) Based on an aggregation of the information provided under subsection (b), each such study shall include a determination of the profitability of segments of covered defense contractors providing the United States with goods and services under contracts and contract modifications subject to 2306a of this title. Profitability shall be determined by calculating the return on assets of such segments and by such other measures of profitability as the head of the agency determines to be appropriate to achieve the purposes of this section.

"(3) Each such study shall provide a comparison of the profitability of the segments, as determined under paragraph (2), with—

"(A) the profitability of such segments under all of their other business; and

"(B) the general profitability, as reported in publicly available documents (filed with the Securities and Exchange Commission), of other companies in the private sector for similar and comparable goods and services.

"(4) Each such study shall include an analysis of—

"(A) whether variations between the levels of profitability are reasonable under the circumstances;

"(B) capital investment and the relative investment between the Government business and the commercial business of the covered defense contractors;

"(C) the use of pricing to motivate cost efficiency and the relative efficiency between the Government business and the commercial business of the covered defense contractors;

"(D) the relationship of payment policy and contract pricing; and

"(E) any other information useful to understanding the comparisons required by paragraph (3).

"(5) In addition to the information provided under subsection (b), a covered defense contractor shall provide to the head of the agency any additional information the head of the agency determines is necessary to make the determinations and perform the analysis required by this section.

"(i) Profit Study Reporting.—No later than December 31 of each year, the head of the agency shall transmit a report to the President, the Congress, and the Comptroller General of the United States. The report shall identify any studies conducted in the preceding fiscal year, the relationship of the findings resulting from such studies to existing profit policies, and any actions taken or to be taken relating to the responsibilities of the head of the agency under this section.

"(j) Regulations.—The head of the agency shall prescribe regulations to carry out this section. Such regulations shall include—

"(1) standards for the determination of what constitutes excessive profits; and

"(2) standards and procedures for submission of the profits information reports required by subsections (b).

"(k) Definitions.—In this section:

"(1) The term 'head of the agency', with respect to any contracting activity of the Department of Defense (including the military departments), means the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition.

"(2) The term 'covered defense contractor' means a contractor which is awarded contracts and contract modifications subject to section 2306a of this title, or which receives payments from the United States under such contracts, in a total amount of at least $100,000,000 in any 12-month period.

"(3) The term 'excessive profits', with respect to a contractor or segment of a contractor, means profits that are unjustified, giving due consideration to—

"(A) returns on assets made by companies in the private sector on similar and comparable goods and services;

"(B) the efficiency of the contractor or segment;

"(C) its ability to meet contract requirements in terms of quantity and quality;

"(D) its economy in the use of materials, facilities, and manpower;

"(E) the amount of assets and capital required;

"(F) the extent of the risk assumed;

"(G) the character of the business; and

"(H) other relevant factors.

"(4) The term 'segment', with respect to a covered defense contractor, means a division, product department, plant, or other subdivision of the contractor—

"(A) that is usually identified with responsibility for profit or with producing a product or service; and

"(B) that reports directly to an office of the contractor which (i) is responsible for directing or managing two or more such divisions, product departments, plants, or subdivisions, and (ii) typically provides policy and guidance to such divisions, product departments, plants, and subdivisions in their operations.

A covered defense contractor which does not have such a division, product department, plant, or other subdivision shall for purposes of this section be treated as a single segment.".

(2) The table of sections at the beginning of chapter 137 of such title is amended by inserting after section 2313 the following new item:

"2313a. Major defense contractors: review of profits.".

(b) Deadline for Regulations.—Regulations under section 2313a of title 10, United States Code, as added by subsection (a), shall be prescribed not later than the end of the 120-day period beginning on the date of the enactment of this Act.

(c) Applicability to New Contracts and Contract Modifications.—Subsection (f) of such section shall apply with respect to contracts entered into under solicitations issued after the end of such 120-day period and to modifications entered into after that date with respect to existing contracts.

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## UNITED STATES-SOVIET GENEVA TALKS: HEADWAY AND STANDSTILL

### HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FASCELL. Mr. Speaker, the Foreign Affairs Committee, under my chairmanship, has monitored the United States-Soviet Geneva Arms Control Talks since they began in March 1985. Periodically, I have inserted in the Congressional Record updates on the status of the talks with accompaning charts that describe United States and Soviet positions in the three areas of discussion: Strategic, INF [intermediate-range nuclear forces] and defense and space. The last update appeared on page 15107 of the Congressional Record of June 9, 1987. My remarks today will be followed by two background papers based on published sources that describe "Areas of Agreement at the Geneva Arms Control Talks" and "Unresolved Issues at the Geneva Arms Control Talks."

Headway has been made recently at the United States-Soviet Geneva Arms Control Talks with United States and Soviet agreement on the "global double zero" approach, for example, global elimination of long-range intermediate nuclear forces [LRINF] and global elimination of short-range intermediate nuclear forces—SRINF, and United States and Soviet agreement on a meeting between Secretary of State Shultz and Soviet Foreign Minister Shevardnadze in mid-September.

The United States removed a stumbling block to an INF agreement when it recently agreed to a Soviet position that all missiles and launchers to be eliminated under an INF agreement be destroyed. Previously, the United States has wanted to retain the option to convert these missiles to systems of shorter range or to a different basing mode.

Obstacles, however, do remain to the conclusion of an INF agreement. Primary among these at this point is West Germany's 72 Pershing IA missiles. The Soviets contend that these missiles must be eliminated under a global double zero agreement. The United States, on the other hand, considers its cooperative arrangements with its allies as out of the bounds of bilateral United States-Soviet agreements in Geneva. In addition, an adequate verification regime consistent with a global double zero agreement must be developed in Geneva.

While the prospect of an INF agreement is welcome, I share the administration's view, that of the three areas under discussion at the Geneva Arms Control Talks, an INF agreement is of least importance to us in terms of United States national security. Reductions in the strategic nuclear arsenals of both superpowers resulting in greater stability and resolution of differences in the defense and space area are of far greater importance.

The United States had been waiting for the Soviets to respond to the United States proposal for strategic reductions tabled in Geneva in May. Last week, on July 31, the Soviets responded by tabling a draft treaty on strategic reductions. It resembles the previous Soviet position in that that there are no provisions for warhead sublimits. However, this new proposal is reported to call for a ceiling of 400 on sea-launched cruise missiles [SLCM's] that each side could deploy with a range of more than 400 miles. The United States has not addressed the SLCM issue in detail, but has a proposal on the table to discuss limits on SLCM's separately.

The defense and space talks remain at a standstill given Soviet insistence on linking agreement in strategic reductions to agreement in the defense and space area, and given United States refusal to discuss in specific terms limitations on space testing and what is permitted and prohibited by the ABM Treaty.

The Soviets tabled their latest proposal in this area on July 29 which retains much of what they had previously tabled. It is reported, however, to contain an important new element: a comprehensive list of weapons to be barred from space testing. Given this new element of the Soviet proposal, it remains to be seen whether or not our negotiators will be given the flexibility to discuss limitations on space testing as they relate to the ABM Treaty. Without such a development, we will be standing still, not negotiating toward a strategic arms control agreement.

The Subcommittee on Arms Control, International Security and Science held a hearing last week on an "Overview of U.S. Arms Control Policy." The point was made by several of our witnesses, including John Steinbruner, of the Brookings Institution, that unless our negotiators are given the flexibility to examine in detail what is permitted and prohibited by the ABM Treaty and what is meant by the traditional interpretation of the treaty, the deadlock in this area of the talks cannot be broken. On this point, Major General Burns, Deputy Assistant Secretary for Arms Control, Bureau of Politico-Military Affairs, at the Department of State, testified before the subcommittee that,

> The administration at the present time has stated publicly that it is prepared to stay within the narrow interpretation of the Treaty. The administration believes that is has every right at the time and place of its own choosing to move toward a broader interpretation. Our negotiating strategy in Geneva is based on not only the current administration position, but on the specific narrow interpretation.

On the one hand it is reassuring that the administration has again confirmed the traditional interpretation of the treaty as current U.S. policy. It is disturbing, however, to hear the administration continue to promote the broad interpretation, which in the view of past negotiators to the treaty, former Secretaries of State and Defense, and a bipartisan majority in Congress, including myself, remains devoid of legal justification and common sense.

As chairman of the Foreign Affairs Committee and its Subcommittee on Arms Control, International Security and Science, I will continue to work with this administration to achieve a verifiable agreement in the one area where we have made headway, INF, and to encourage movement in those areas where we remain at a standstill, the strategic and defense and space areas.

At this point, I am inserting in the RECORD two background papers based on public sources that describe "Areas on Agreement at the Geneva Arms Control Talks" and "Unresolved Issues at the Geneva Arms Control Talks."

### AREAS OF AGREEMENT AT THE GENEVA ARMS CONTROL TALKS

#### STRATEGIC

*General Approach.*—50 percent reduction in strategic offensive forces.

*Strategic Nuclear Delivery Vehicles.*—1,600 ceiling on the number of SNDVs which includes ICBMs, SLBMs and heavy bombers.

*Warheads.*—6,000 warhead ceiling to include ICBM warheads, SLBM warheads, and ALCMs (air-launched cruise missiles), with each heavy bomber equipped for gravity bombs and SRAMS (short-range attack missiles), counting as one warhead.

*Heavy Bombers.*—Each heavy bomber counts as one SNDV. All bombs and SRAMs on one bomber count as one warhead under the 6,000 ceiling, and each ALCM would count as one warhead in the 6,000 ceiling.

#### INF

Global elimination of U.S. and Soviet LRINF (Long-Range Intermediate Nuclear Forces) and SRINF (Short-Range Intermediate Nuclear Forces).

Destruction of missiles and launchers which are eliminated.

No conversion of missiles and launchers to other types of weapons systems.

LRINF warheads in Europe reduced to zero for each side by the end of 1991 (4 to 5 years).

Agreement on INF reduction is not contingent upon resolution of other issues outside the INF negotiations. General Secretary Gorbachev agreed to this at the November 1985 Geneva summit.

#### DEFENSE AND SPACE

While both sides propose a different formula and duration for adherence to the ABM Treaty, both sides make a Defense and Space agreement contingent upon agreement in the Strategic area.

For the U.S., a Defense and Space agreement is contingent upon implementation of 50 percent reductions to 1,600 SNDVs/6,000 warheads in strategic offensive arms over 7 years from entry into force of a Strategic agreement. For the Soviets, a Defense and Space agreement is a precondition for strategic offensive force reductions.

(Based on administration and Congressional Research Service sources—August 1987.)

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### UNRESOLVED ISSUES AT THE GENEVA ARMS CONTROL TALKS

#### STRATEGIC

#### *General Approach*

United States.—50 percent reduction in strategic offensive arms to equal levels carried out in a phased manner over 7 years from the date the treaty comes into force. A second phase for elimination of all offensive ballistic missiles has been deemphasized.

Soviet Union.—50 percent reduction in strategic offensive arms within 5 years, with subsequent negotiations for additional reductions. If the United States wants, all strategic nuclear weapons or all offensive ballistic missiles to be eliminated in second five years.

#### *Linkage*

United States.—Agreement not contingent upon the resolution of Defense and Space issues. General Secretary Gorbachev agreed to this at the November 1985 Geneva Summit.

Soviet Union.—Agreement contingent upon (1) agreement of Defense and Space issues and (2) commencement of negotiations on a comprehensive test ban (CTB).

#### *Warhead Sublimits*

United States.—Sublimits of 4800 ballistic missile warheads; 3300 of the 4800 total can be ICBM warheads. Of the 3300, no more than half (1650 warheads) can be on ICBMs that are not silo-based (i.e. mobile), or are heavy, or which possess more than 6 warheads (this would include the Soviet SS-18 and SS-24 and the U.S. MX).

Soviet Union.—No subceilings and the Soviets have withdrawn their earlier proposals for sublimits of 80-85% of warheads on ballistic missiles and 60% of warheads on one leg of the triad.

#### *Heavy ICBMs*

United States.—There must be substantial reductions in heavy ICBMs. Heavy ICBMs would be included in the 1650 sublimit.

Soviet Union.—The Soviets have agreed to a 50% reduction in the warheads on the SS-18 from 3080 to 1540.

#### *SLCMs (Sea-Launched Cruise Missiles)*

United States.—Limits on SLCMs to be negotiated separately.

Soviet Union.—Ceiling of 400 on SLCMs that each side could deploy with a range of more than 600 kilometers, or about 400 miles.

#### *Mobile ICBMs and New Systems*

United States.—Mobile ICBMs banned unless agreement on verification can be reached. Ban on new or modernized heavy missiles.

Soviet Union.—Mobile ICBMs permitted. Ban on new types of strategic delivery systems.

#### *Verification of Compliance*

United States.—Exchange of data both before and after the reductions take place, on-site inspection to verify data exchange and to observe elimination of weapons, and an effective on-site monitoring arrangement for facilities following the elimination of weapons. Use of and non-interference with national technical means of verification.

Negotiations on the details of verification should take place in parallel with negotiations on reductions of weapons.

Soviet Union.—Agreement in principle to many aspects of the U.S. proposal for verification of compliance, but the Soviets appear to be more restrictive in terms of access for on-site inspection.

Defer negotiating details.

#### INF

#### *LRINF (Long-Range Intermediate Nuclear Forces)*

*Verification:* (The following verification information may be modified to reflect the potentially less stringent verification requirements of a global double zero LRINF and SRINF agreement.)

United States—The U.S. has three basic verification objectives for an INF agreement; (1) to ensure confidence in the agreement; (2) to deter violations by increasing the risk of detection; and (3) to permit quick and unambiguous detection of any violations, thereby providing timely warning of a potential or actual threat to allied security.

The U.S. has proposed 6 elements of a verification regime to achieve these objectives:

(1) No interference with NTM. Broadcast of engineering measurements on missile flights, a ban on encryption and a ban on concealment measures that impede verification.

(2) Specification of areas and facilities where treaty-limited systems may be located (called Designated Deployment Areas and declared facilities), and prohibitions on their presence elsewhere unless in authorized transit.

(3) Reciprocal exchange of a specified, comprehensive set of baseline data related to treaty-limited systems and their support facilities and equipment.

(4) Reciprocal updating of these data.

(5) Specialized procedures for destruction, dismantlement and conversion of LRINF systems, including on-site inspection. On-site inspection will be required at the specified destruction sites to confirm the elimination of missiles, launchers, and specified launch-related support equipment.

(6) On-site inspection/monitoring initially to verify baseline data and subsequently to ensure continuing compliance with the treaty limitations. This element is supported by four types of on-site inspection plus monitoring provisions included in the U.S. draft treaty:

(a) an initial comprehensive inspection to confirm the baseline data;

(b) inspections to verify the elimination of systems reduced under the provisions of the Treaty;

(c) short-notice inspections at U.S. and Soviet "declared" facilities; and

(d) short-notice inspections at other U.S. and Soviet facilities and continuous presence to monitor the permitted residual levels of treaty-limited systems. This last set of measures includes continuous monitoring of certain critical U.S. and Soviet facilities for the production, final assembly, repair and storage of treaty-limited systems.

The administration makes the point that no verification regime can provide complete assurance that the permitted residual missile inventory is not exceeded. However, supplementing our National Technical Means of verification with a comprehensive verification regime with clearly delineated, stringent verification obligations would help make it more difficult for the Soviets to have an illegal inventory.

Soviet Union.—The Soviet Union has agreed in general terms on strict and intrusive inspection, including:

(1) Exchange of date before and after reductions of missiles.

(2) On-site monitoring of destruction of missiles.

(3) On-site inspections of remaining weapon systems and associated facilities.

#### *SRINF (Short-Range Intermediate Nuclear Forces)*

United States.—Prohibition of development and deployment of missiles in the 1000-1800 kilometer range. There are no U.S. or Soviet missiles in this range band at this time.

These negotiations are bilateral and it is inappropriate to include third country systems or to affect U.S. patterns of cooperation with its allies, i.e. the 72 West German Pershing 1A's would not be included. (The Pershing 1A warheads are controlled by the U.S.)

Soviet Union.—U.S. warheads on West German Pershing 1A missiles would have to be eliminated.

*Verification of Compliance:*

United States.—Exchange of data both before and after the reductions take place.

On-site inspection to verify data exchange and to observe elimination of weapons.

Effective on-site monitoring arrangement for facilities following the elimination of weapons.

Use of, and non-interference with, NTM.

Negotiations on the details of verification should take place in parallel with negotiations on reduction of weapons.

Soviet Union.—Agreement in principle to many aspects of the U.S. proposal for verification of compliance, including exchange of data and on-site inspection to confirm elimination of systems and residual levels. There is no provision for on-site inspection of undeclared or suspect sites.

Earlier the Soviets wanted negotiation on verification details to be deferred. Now the Soviets have begun to discuss their verification approach.

#### DEFENSE AND SPACE

#### *Strategic Defenses and the ABM Treaty*

United States.—Mutual commitment through 1994 (7 years) not to withdraw from the ABM Treaty for the purpose of deploying strategic defenses not permitted by the ABM Treaty.

During that period, strictly observe all ABM Treaty provisions while continuing research, development and testing, which are permitted by the ABM Treaty. (U.S. Negotiators are not authorized to discuss limitations on space testing, or what is permitted and prohibited by the ABM Treaty.)

Soviet Union.—Mutual commitment not to withdraw from the ABM Treaty for 10 years from entry into force of this agreement.

During that period, strictly observe all of the Treaty's provisions. Space-related ABM research permitted only at ground-based laboratories, ABM test ranges and factories.

Both sides would agree on a list of space-based devices which would not be allowed to be put into space in the course of strategic defense research.

The Soviets included in their July 29 Defense and Space proposal a comprehensive list of weapons to be barred from space testing.

#### *Agreement Contingency*

United States.—This commitment would be contingent upon implementation of 50 percent reductions to 1600 SNDVs/6000 warheads in strategic offensive arms over 7 years from entry into force of a Strategic agreement.

Soviet Union.—Agreement in Defense and Space is a precondition for strategic offensive force reductions.

#### *Deployment of Strategic Defenses*

United States.—Acknowledgement that either side shall be free to deploy advanced strategic defenses after 1994 if it so chooses, unless the parties agreed otherwise.

Soviet Union.—Before the end of the 10-year commitment of non-withdrawal, the sides would begin negotiations to reach a mutually acceptable decision on how to proceed further.

The Soviet position does not provide for the right to deploy in the absence of an agreement.

#### *Exchange of Data and Observation of Testing*

To enhance predictability in the area of strategic defenses, the United States proposed an annual exchange of data on planned strategic defense activities, reciprocal briefings on respective strategic defense efforts, visits to associated research facilities, and establishment of procedures for reciprocal observation of strategic defense testing.

#### *Previous U.S. Positions that Remain on the Table*

(1) At Reykjavik, the President proposed a mutual commitment, through 1996 not to withdraw from the ABM Treaty. This commitment would be contingent upon 50% reductions in strategic offensive arms by the end of 1991 and the total elimination of all remaining U.S. and Soviet offensive ballistic missiles by the end of 1996. Either side would be free to deploy advanced strategic defenses after 1996 if it so chooses, unless the parties agreed otherwise; or

(2) In his July 25, 1986 letter to General Secretary Gorbachev, President Reagan proposed that the sides agree not to deploy advanced strategic defenses for a period through 1991. Thereafter, if either side wished to deploy such defense, it would present a plan for sharing the benefits of strategic defense and eliminating ballistic missiles. The plan would be subject to negotiation for two years. If, at the end of two years, the sides were unable to reach agreement, either side would be free to deploy defenses after giving 6 months notice.

(Based on administration and Congressional Research Service sources—August 1987.)

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## A TRIBUTE TO THOMAS W. GLEASON: A LIFETIME OF ACCOMPLISHMENT AND DEDICATION WORKING FOR THE DIGNITY OF WORKERS EVERYWHERE

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. KEMP. Mr. Speaker, a man's work is a monument to his life. Teddy Gleason's lifework is the International Longshoreman's Association, and the ILA is a monument to the inalienable rights of economic justice and equal opportunity for all Americans.

This year, Teddy Gleason is stepping down as president of the International Longshoreman's Association. He has been a loyal, lifetime member of the ILA, a leader and a legend in this union going on 68 years. His grandfather was a dockworker. His father was a dockworker. He began working on the docks of New York's West Side when he was still a boy.

Now, in this twilight year of service, he stands a giant of American labor—I am proud to salute Teddy Gleason and honored to call him my friend. Today, along with my colleagues Representatives HELEN BENTLEY and JACK FIELDS, I am asking that the tribute to

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Thomas Gleason "24 Years of Progress," be reprinted in three separate parts.

Godspeed Teddy Gleason to you and your dear family from all your friends.

### The Gleason Era: 24 Years of Inspired Leadership—A Tribute

The International Longshoremen's Association, AFL-CIO has enjoyed a number of landmark occasions but none probably more so than Monday, July 18, 1983.

It was the opening session of the 46th ILA Quadrennial Convention and it proved to be one of the most historic days in the 91-year-old union's history.

Ronald W. Reagan, the President of the United States, at the personal request of ILA President Thomas W. "Teddy" Gleason, came to address the convention. It marked the first time a U.S. President attended an ILA Convention.

"It's a pleasure to be here at this gathering of the International Longshoremen's Association, and it's always a pleasure to be with Teddy Gleason," President Reagan said at the opening of his remarks. "I'll tell you what I've always liked about Teddy. He sticks by his union, he sticks by his friends and he sticks by his country; the kind of integrity and loyalty that is hard to come by today.

"And one reason I wanted to come here was to thank Teddy and you members of the ILA for your generous support and encouragement," President Reagan continued. "Having the support of union members like yourselves has meant a great deal to me. I hope I've returned that support."

President Reagan's gracious remarks to Teddy Gleason and the ILA are clearly a reflection of what so many other Americans have come to know over nine decades. The ILA remains one of the most influential unions in the country and Teddy Gleason has carved out a very large place in the history of the American Trade Union Movement as one of its most powerful and dynamic leaders.

When Thomas W. "Teddy" Gleason, Sr., steps down as President of the International Longshoremen's Association, AFL-CIO, in July 1987, it will mark the conclusion of a remarkable era in the history of the ILA, as well as of all organized labor in the United States. Over the course of the preceding 24 years under Gleason's baton, the ILA attained unprecedented heights of financial and organizational stability, of respectability as a determined and forthright labor union, in the working conditions of its members, in protecting its members' work jurisdiction and in servicing their needs on national as well as local bases. Under his capable direction, and with the assistance of dedicated fellow officers and a supportive rank and file, Teddy Gleason projected the ILA onto the international scene, whether as an ambassador of American labor or as a leader on fundamental issues of trade unionism and human rights that touched upon the welfare of working men and their spokesmen around the globe.

President Gleason's crown of accomplishments on behalf of his members is studded with the farsighted wisdom and major victories for which he is now a legend. They are visible in the landmark wage and benefit packages that Gleason-led teams have won at the bargaining table, advances that have been the envy of labor everywhere. They were the hard-sought, imaginative answer to the types of problems and dilemmas faced by workingmen throughout our nation in the second half of this century. The very survival of whole industries employing organized workers have succumbed to automation, foreign competition, recessions and anti-union basis.

Teddy's response to the ravages of automation upon the job opportunities of his members was the Guaranteed Annual Income ("GAI") program. It is timing, scope and magnitude made it more than a simple innovation. It effectively prevented the wholesale gutting of the longshore workforce; it forestalled the dismemberment of long-established units and of family structures tied to waterfront employment. While creating a cushion for the beleaguered longshoremen's income, it also served—and still served—to remind management: "your employees, upon whose backs this industry has grown and prospered, most not be taken for granted. They will not be left to bear alone the costs of increased productivity or progress from which you most handsomely profit".

Rivaling GAI in prominence among President Gleason's many feats in securing his member's job were the embodiment of work preservation provisions, known as "The Rules on Containers," in industry collective bargaining agreements, and the landmark judicial decisions which upheld the Rules in their entirety. These were the culmination of forceful and determined struggles by Teddy and his teammates throughout four successive administrations to oppose the syphoning-away of the vestiges of cargo-handling activity retained by the ILA as containerized cargo surpassed and superseded break-bulk shipments through U.S. ports. The ILA pursued the unrelenting fight for thirteen long and difficult years, buffeting stormy arguments and smokescreens put up by truckers and off-pier consolidators before administrative agencies and through the courts, until the sun finally shone through. Though the fires still are smoldering, the point nevertheless has been made that ILA deepsea longshoremen have the *right* to preserve their traditional work of handling ocean cargo.

Teddy Gleason followed through with this recurring theme that dominated his presidency when he seized the opportunity between contracts to propose a "Job Security Program (JSP) to protect his members' fringe benefit funds from shortfalls at a time when they were barred from enforcing the Rules. The resulting losses of work compounded the impact of galloping containerization on the man-hours used to gauge employer contributions to the funds. The idea that the carriers, who caused as well as benefitted from these developments, should be accountable for their effects by not just making, but also by backing up, their supplemental commitments, was a creative and fitting accompaniment to GAI. During the suspension of the Rules. JSP served a very important role, which unions in this and other industries undoubtedly can turn to when the situation is appropriate.

A further illustrious triumph achieved by President Gleason, and a high point of his ongoing legislative programs, are in 1972 amendments to the Longshoremen's and Harborworkers' Compensation Act. After close to four decades of financial inequities to longshoreman who were injured in what has been termed the second most accident-prone industry in the nation, were finally given compensation in line with vastly changed economic realities. The federal statue that resulted far outstripped grossly deficient, widely varying state compensation laws, which bore no resemblance to the effects on the livelihoods of injured longshoremen and their families from accidents in their line-of-work. Moreover, longshoremen, whose shoreside worksite had greatly expanded over the years, were covered virtually wherever they worked.

President Gleason again rallied his forces when these amendments came under attack in 1983-84, in order to prevent their disembowelment. When the final chapter was rewritten, not only was the hemorrhaging stopped; ambiguities in coverage were clarified and the longshoremen's protections and benefits were reasserted and shored-up.

Despite the enormity of all of these accomplishments, the resignation that normally would follow such victories were not to be savored by the ILA's leadership. To the contrary! Challenges by longshore employers who traditionally bargained with the ILA and confrontations with those who sought to wrest work away from its members, have raged with increasing tempo and boldness. Once again, Teddy Gleason's mettle was tested and not found wanting.

Together with John Bowers, his trusted second-in-command, and their associates, Gleason never wavered or gave any quarter. He again marshalled his Executive Council to face and repel the onslaughts from every direction.

True to his upbringing and reputation, the feisty, eternal dockworker has always known where he was going and whom he was leading. His name had become synonymous with boundless energy, integrity and achievement. His legacies to his flock are the products of his life's work. In his eyes, his rewards are in seeing them stand tall and enjoying the rightful fruits of their labor. He revels not only in their contributions to the domestic and worldwide transportation industries but also to the communities in which they live and work.

A man of Teddy's stature and drive might be perceived as too busy or above-it-all to be concerned with the everyday problems of rank-and-file members. Teddy Gleason's ways contradict this traditional image! The door to his office has always been wide open to whoever has sought his counsel or help, and whether or not they agreed with him. Members'—even strangers'—questions and letters have always been timely answered, and politely, too. For Teddy, all men are created in God's image; he sees and deals with them not only as workers but as human beings with human strengths and frailties. Rarely, if ever, were they disappointed.

Teddy's good works and missions as a vibrant, frontranking official of the AFL-CIO and of the International Transport Workers Federation ("ITF") have brought him personal renown while reflecting great credit upon the ILA. They reverberate in the hearts of downtrodden laborers in South Africa, Chile, Poland, Nicaragua, occupied Northern Ireland and from wherever else the cry is heard. They are harbored in the consciousness of persecuted Afghans and of depressed seamen, whose causes he has championed.

Equally, if even not more pronounced, is his celebrated devotion to his country, as the standard-bearer of the "I Love America" Union. He has always set the example for his men of patriotism over self-concern, principle over gain, characteristics that President Reagan so eloquently expressed at the 1983 ILA Convention.

These, then, are the measures of this great worker, leader, and human being, to whom we bid farewell after a record 24

years in the highest office that could be bestowed by his brethren. But it is only a pause for him. Still more greatness is expected from him in the years ahead, as the respected dean of America's organized labor movement. It is anticipated that he will assume other unique tasks within and beyond the longshore and transportation industries, both at home and abroad. This little giant of a man is owed a huge debt of gratitude as he is wished Godspeed and good health for the future.

#### THE FIRST ADMINISTRATION (1963-1967)

When Teddy Gleason assumed the ILA's Presidency at the 40th ILA convention in July 1963, the union was still in the process of recovery and consolidation. The struggle to keep its identity during the years while it was ousted from the AFL-CIO left it with major debts; automation was already over the horizon; the organization's administration needed a thorough face-lifting. With his new team, consisting of John Bowers as Executive Vice President, Fred Field, Jr. as General Organizer and Harry Hasselgren as Secretary-Treasurer, the new ILA team brought a fresh, almost surgical approach to the problems at hand.

Their first step towards placing the union's house in order was to change the house. It moved to 17 Battery Place, a prestigious location facing the harbor, where its members made their living. The staff was beefed up in order to serve the members properly. Debts were eliminated and financial resources were rebuilt by raising the *per capita* tax, extending the check-off, and businesslike fiscal planning and budgeting. A Washington office was opened as a direct line of communication with the country's nerve center, where legislation and policies affecting the union's members could be initiated and monitored. Communications between the leadership and the rank and file were vastly improved. Teddy and the International's officers personally visited ILA ports to study local issues and problems and to get to know the men better. An ILA newspaper was created to keep the membership informed on what was going on in New York and elsewhere throughout the Union's jurisdiction. The Union once again became a dynamic, cohesive force, of which every member could be proud.

The effects become evident in the 1964-1965 negotiations. Experience, insight and intuition sparked the ILA leaders to insist upon a major innovation in American labor practices. They grasped the severe implications of containization and other forms of automation upon the jobs of their members. The solution, following eleven months of negotiations and a difficult two-month strike, was the Guaranteed Annual Income, an annuity-type program that brought security and stability to working men who faced job extinction at the cost of "progress."

In one great move, the now unified longshoremen reversed their fate and took control of their future. Every dockworker in the port of New York who worked over seven hundred hours in the previous year was guaranteed up to 1600 hours of work or pay after April, 1966. Though members in other ports received somewhat lower guarantees, they all saw their wages and fringe benefits rise steadily. The employers' strategy of attempting to placate northern members at the expense of their southern brethren also was foiled. Southern gang sizes were increased and other differences between longshoremen working in the south and in the north were substantially reduced.

Gleason forged this program and led the fight for its adoption. Bowers, equally able, persuasive and pragmatic, presented it to the membership for their acceptance. All in all, it symbolized a momentous turnaround in the ILA's effectiveness and image. It opened the way to eliminating wage disparities throughout the Union's jurisdiction.

The ILA's leaders also were called upon to take a more active part in international, just as in local and national, affairs. Teddy Gleason and other ILA officers played important roles: Vietnam, Nigeria, and other spots around the globe, whether helping out the military to clear port bottlenecks or to survey port facilities in friendly countries. In 1967, President Gleason was elected to the General Council of the International Transport Worker's Federation (ITF), an active worldwide organization in all areas of cargo and passenger movements. During this period, Gleason also demonstrated his commitment to maintaining a strong, self-sufficient American merchant marine. In the first of many such episodes through the course of his Presidency, Gleason took an early stand to enforce the Congressional policy of carrying American cargo (grain) in American bottoms by locking arms with other unions in the maritime industry. The initial effort succeeded, confirming Gleason's characteristic attitude that where there is a will there is a way. The great need for that will was not long in coming.

#### THE SECOND ADMINISTRATION (1967-1971)

By the time that the 41st ILS convention rolled around in July 1967, the handwriting on the wall was becoming increasingly clear to President Gleason and his colleagues. Neither GAI nor container royalties could compensate for millions of manhours lost to waterfront employment due to containerization. Gigantic sophisticated vessels were being constructed to haul containers. Gleason and Bowers railed at the vessel owners, who were moving the container consolidation and deconsolidation work to off-pier stations and warehouses, by all manner of subterfuge. The ILA raised the clarion call for industrywide bargaining and tighter, more effective policing of container movements in order to protect and preserve their members' work. Their worst fears were being realized and they knew that something drastic had to be done if the tide of disappearing jobs was to be stemmed.

When the 1968 negotiations arrived, they threw down the gauntlet. With the membership solidly behind them, the union stood firm in demanding that the employers give written recognition to their rights to handle certain cargo moving in less-than-container loads or nonconsolidated full container loads within a reasonable distance of any ILA port. It was a first, but necessary and difficult step, that only came about after a long and bitter strike and Presidential intervention.

These provisions, known as the "Rules on Containers," eventually came to represent a most important feature of industry collective bargaining and of the longshore employers' commitments to its workforce. Capped with a non-arbitration clause, the Rules provided the testing ground for the viability of that relationship in the face of repeated violations, governmental attacks and close to a decade and a half of widespread, yet intensive, litigation that has not yet fully subsided.

Incorporation of the Rules was a highlight in the history of ILA bargaining, but it was far from the only victory in those negotiations. Wages and benefits rose to unprecedented highs, while GAI was increased to a maximum of 52 weeks a year, or 2080 hours in the Port of New York. Other port areas similarly saw increases in benefits. Pension benefits were substantially increased and eligibility liberalized in all ports as part of the renewed emphasis on the importance of these features in longshore compensation. Annual ILA-Employer Conferences were inaugurated to educate fund administrators, trustees and others to the changing and expanding laws that pertained to these programs. Meanwhile, membrers' vacations and holidays were also increased in 1969 and 1970, including the Atlantic Coast District honoring Martin Luther King by celebrating his birthday as a recognized holiday.

Numerous other improvements in the well-being of longshoremen and their families marked President Gleason's second administration. A "Joint Safety Committee" developed the first comprehensive safety code in the industry for both conventional and containerized operations. It served as a model for adoption in many ports throughout the ILA's jurisdiction. Medical centers were established in some ports and expanded into others to give a full range of coverage to meet the members' and their dependents' needs. A wide range of insurance policies was introduced to protect them from financial disasters in times of illness, accidents and death, giving members greater peace of mind.

It was also a time of phenomenal growth and vigor. The 12,500 licensed deck officers of the International Organization of Master Mates & Pilots joined the ILA as its International Marine Division, raising the union's membership to close to 130,000 workers. The ILA thus expanded its role as a credible spokesman for all sectors of the American maritime industry that was rapidly deteriorating. At the same time, the outreach program in organizing successfully encompassed a wide range of related industries and occupations, including warehousemen, packers and refinery workers. Cooperation between the Districts, Locals and the International reached unknown heights during this period.

President Gleason's great leadership abilities and his Union's unrivaled successes did not go unnoticed. The ILA obtained representation on the AFL-CIO's Executive Council when Teddy Gleason was elected as a Vice President. This paralleled Gleason's many travels as an AFL-CIO and ITF representative to congresses and to countries around the globe in a continuing crusade to improve the economic and social conditions of less fortunate and oppressed workers who were organized labor's and Teddy's special concern. His designation to the AFL-CIO's African-American Labor Center and to the Executive Council of the Interamerican Regional Organization of Workers, his inspection tour of Mexico, his constructive suggestions respecting African port facilities, all of which occurred during this administration, set the pattern for the broad range of interests and problem-solving in which Gleason and the ILA engaged—not only then but in the years that followed. This extended to concern and involvement by the ILA and its members in disputes involving sister unions both within and outside of the ILA's fold. No cause was too small or problem too large to tackle.

The ILA led the way in prompting passage of the Merchant Marine Act of 1970 that fostered subsidies for the construction and operation of the U.S. merchant marine. It campaigned for a strong maritime program

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to restore our nation's leadership at sea and in international commerce. It was a time when the ILA's officers and rank and file turned their attention to participating in ever greater numbers in national, community and charitable programs and institutions, where they served with great honor that reflected upon the ILA's good name and credit. The ILA's scholarship funds blossomed and increased in size and participation. Teddy and his team could be proud of what they had achieved over such a relatively short span of time in office.

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# A TRIBUTE TO THOMAS W. GLEASON—THE LONGSHOREMAN OF ALL TIME

## HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mrs. BENTLEY. Mr. Speaker, it has been one of my fortunes to have known on a professional basis for some 25 years the man who will go down in history as the one holding an all-time record both as a union member and union official.

As a newspaper editor for the Baltimore Sun, I became acquainted with Teddy Gleason at the 1953 Convention of the International Longshoremen's Association in Philadelphia. Our paths crossed many times in succeeding years—usually on a friendly basis, but there were times when I was Chairman of the Federal Maritime Commission that we almost were tossing swords—not sharp ones—at each other.

I feel grateful that I was able to learn so much at the feet of the man who proudly turned the initials of his union to say "I Love America." This remarkable 88-year-old leader is indeed an outstanding American. I am proud to join with my colleagues JACK KEMP and JACK FIELDS in honoring him.

### THE GLEASON ERA: 24 YEARS OF INSPIRED LEADERSHIP—A TRIBUTE

### THE THIRD ADMINISTRATION (1971–1975)

Teddy Gleason's third term of office found him and the ILA pitted against very sinister forces within and without the industry. These sought to undo their hard-won agreements to preserve and protect their work jurisdiction. Investigators, as well as lawsuits, exposed carriers in the Puerto Rican and other trades which bypassed their agreements by giving containers to off-pier consolidators and warehousemen for stuffing and stripping. These practices were camouflaged by false and misleading documentation, which permitted the empty and loaded containers to move over the piers without detection by the Union or control by the container committees set up by the Rules.

A new agreement was negotiated in an atmosphere of tension and distrust. Essentially, it continued the pattern of upward improvements in wages and benefits and included an additional container royalty for fringe benefit purposes other than cash supplemental benefits. However, greatest attention was paid to the details of longshore employment. The Container Rules were expanded to encompass LASH vessels; a 30-day cancellation clause was incorporated; and the container committees were given more authority to police violations. However, violations persisted to the point where, in January, 1983, the parties met in Dublin, Ireland to negotiate implementing provision known as the "Dublin Rules." Among other things, they prohibited carriers from giving containers to off-pier consolidators and distributors who operate off-pier facilities in violation of the Rules.

Teddy and his associates appeared relieved that the solution that they so diligently pursued finally appeared at hand. Unfortunately, they hardly had time to toast their achievement before it was challenged by two New Jersey consolidators who sought to strike down the Dublin Rules by using the National Labor Relations Board as their vehicle. In the summer of 1973, the Board obtained an injunction against enforcement of the Rules. An administrative law judge thereafter found that the ILA was using them not to engage in a "secondary boycott," but as valid work preservation provisions. The case was immediately appealed to the Board where it lingered for close to a year.

It was a time for closing ranks. Under the sword of a pending Board decision, the ILA and management concluded their first agreement without a strike. This feat was a master stroke for Teddy Gleason, but not at the expense of rank and file. Wages were increased $2.72 an hour over a three-year period, pensions rose as well. The Dublin Rules were included and reaffirmed in the agreement. And Teddy's dream of a nationwide agreement came closer to realization.

Characteristically, President Gleason could not be overwhelmed or lulled into complacency by all that the ILA had achieved to that time through litigation and negotiations, Mindful of what was over his shoulder and where he stood, his thoughts were always to the future. His words were not of smug, self satisfaction and applause; they were warnings and prophecies of the growing menace of "mini-bridge" and "landbridge" being used by the major operators to bypass East Coast ports and longshore handling via the West Coast by rail. He foresaw the losses of further millions of manhours and of industry dollars. He rallied his troops to be prepared for further adversity.

Gleason's concerns and activities did not stop at the shoreline. He was elected as one of three Vice Presidents of the ITF, representing more than six million transport workers in 78 countries of the free world. He participated in White House conferences on serious economic problems; was part of an AFL-CIO mission to Israel during a crisis; and gave comfort and support to trade unionists in South American and other countries. He visited countries far and wide to protest repressions and restrictions of trade unionists and to plead on their behalf. He pledged the ILA's humanitarian assistance wherever and whenever natural disasters occurred around the globe.

Gleason's and the ILA's voices were now being heard not just from New York but also from Washington and around the world wherever its interests lay. It was ready to undertake still greater roles and commitments as the consistency of longshore labor. This consciousness came to full fruition over the course of the years that followed, as Gleason and Bowers led the ILA in waging major battles of principle and conscience, not just for the ILA and its members' interests, but of great importance to all labor in this country and to suppressed laborers and their kin thousands of miles away and for maritime interests throughout the free world.

### THE FOURTH ADMINISTRATION (1975–1979)

In December, 1975, the National Labor Relations Board set off an avalanche of litigation when it issued a legally erroneous opinion which overruled its astute Judge and declared the Rules invalid. In a series of wrongful rulings, unfortunately upheld by the courts, the Board ruled that the ILA could not enforce on-pier stripping and stuffing, or the 30-day warehousing provision or prohibit the off-pier "shortstopping" of full-shipper-load containers. In the rulings' wake followed lawsuits brought by the supposedly affected parties in the millions of dollars against the ILA and the carriers under antitrust, secondary boycott and other federal laws. Meanwhile, the Federal Maritime Commission struck down the Rules under the Shipping Act and required collective bargaining agreements to be filed for its approval.

The ILA did not sit idly by. It put the pressure where it belonged, namely, upon the automated carriers whose container-handling processes prompted and encouraged the litigation.

In April 1977, the ILA cancelled the Rules and conducted a selective strike against the carriers. Renegotiation of the contract resulted, requiring an additional royalty payment and agreement from the carriers and the Department of Labor to support the ILA's effort before the NLRB and the FMC. As the contract neared its end, the ILA officials become increasing concerned that the turn of events, which meant severely reduced cargo tonnage and reduced manhours for ILA longshoremen, would jeopardize the solvency of the waterfront workers' fringe benefit funds. Teddy Gleason declared a selective strike against the carriers. It proved to be a bold and very successful move.

At the ILA leaders' insistence, the carriers adopted a new, innovative concept called the Job Security Program ("JSP") between the International and signatory carriers to insure that the fringe benefit funds in 34 ports from Maine to Texas would be protected. JSP provided guarantees for local funds negotiated in each of the ports and would be triggered in the event of a shortfall of funds. JSP assured the payment of local benefits negotiated by the employers with the ILA and its affiliates.

JSP was the highlight of a historical agreement that, by virtue of its inclusion and the terms of the Master Agreement, effectively become the first coast-wide contract between Management and the ILA. To their great credit, this long-sought goal by the ILA's leadership-and by Teddy in particular-came about under the most difficult conditions and outside pressures. It was all the more admirable in view of the 32 percent wage/benefit package, including the largest wage increases ever negotiated between the parties. ILA members soon earned $10.40 an hour, with welfare contributions of $1.50 and pension of $2.25 per hour. This brought the ILA to new heights in job security benefits and prominence in the entire labor movement.

These accomplishments alone would more than satisfy most labor unions, even those in more advantageous circumstances. However, the accomplishments of this ILA administration exceeded all expectations.

Longshoremen everywhere in the nation were now benefitting from the ILA's fight in 1972 to amend the scope of coverage and compensation for injured longshoremen and others under the Longshoremen's & Harborworkers' Compensation Act. Longshoremen no longer had to be concerned with precisely where on ship or shore they were injured in order to discover whether they were covered by the vastly improved federal rates or by the antiquated provisions of state statutes. At the same time, Joseph Leonard, the ILA's renowned Safety Director and National Safety Council Honoree, was moving on many fronts. He prompted OSHA, the Department of Labor, and industry officials to take effective measures to ensure the safe handling of hazardous cargo and the replacement of damaged containers, introduced and oversaw safety and instruction programs, and took measures to prevent further disasters involving grain elevators. Leonard had the full backing of President Gleason and the ILA's Executive Council in carrying out his programs.

ILA members also took the initiative in challenging the Soviet Union's freewheeling, injurious inroads into free world shipping that threatened the U.S.'s and our allies' merchant marines. ILA members boycotted Russian grain ships in Baltimore, Houston and elsewhere in 1976 and refused to discharge buses from a Soviet vessel in 1978, that contravened federal policies designed to encourage the use of U.S. bottoms. In 1979, the ILA-Employers Educational Foundation, Inc. convened a major conference in London and Ireland to discuss the containment of Soviet practices at sea. Participants also looked into the effects of automation in countries around the globe and other topics of concern to industry representatives of this and other countries.

Russia was not the only target of the ILA members' protests. In 1977—and again in 1978—Gleason and other AFL-CIO representatives interceded with the President of Chile to put a halt to the harassment, imprisonment and restriction upon trade unionists in that country. When urgings did not succeed, the ILA rallied labor unions in this country to refuse to handle Chilean-bound military cargo and to refuse to handle other cargo destined for that country. As a result, the Chilean government lifted the restrictions and other repressive measures. Pressure was brought upon the Nicaraguan government with similar effect.

As stated earlier, Gleason and his fellow officers were very conscious of the ILA's fiscal stability as a modern, active labor union. They foresaw that the extensive litigation, legislative programs, negotiations and services to the membership had to be funded on a viable, realistic basis, accounting for inflation and vastly expanded responsibilities. Accordingly, in November 1976, Gleason called a Special Convention, which approved an increase in the *per capita* dues (1% per man-hour for each hour paid for, at the regular straight-time rate of pay), in line with the vastly improved financial benefits which the members were enjoying. This assured the union's continued solvency and prepared it for the great challenges that lay ahead.

During this period, the ILA's ranks grew even wider with the addition of the United Marine Division and its Local 333 (Tugboat Workers). The Uniformed Court Officers of the Supreme Court of the State of New York, a public employee group, also recognized the benefits of joining forces with the ILA to promote its legislative and other programs. Meanwhile, the ILA organized warehouses in Virginia, new locals on the Great Lakes, and opposed incursions on the jurisdiction of its affiliates by other unions, always in recognition of the principles of representation involved, rather than on the basis of the size of the locals or work units. This further enhanced the ILA's reputation as a steadfast, conscionable and loyal organization to be reckoned with.

### THE FIFTH ADMINISTRATION (1979–1983)

Shortly after President Gleason and Executive Vice President Bowers were sworn in for their fifth successive term of office, the ILA achieved a tremendous break in the litigation over the Rules on Containers. An appellate court ruled that the Board committed a serious legal error in striking down the Rules. It found that the Rules represented a "reasoned response to the difficult problem of technological innovation" to be worked out through the collective bargaining process. As the case moved on to the Supreme Court for review, the parties proceeded to their second, now coast-wide, Master Contract without any interruption in work. It reaffirmed the Rules and the Containerization Agreement, and extended the JSP Program which was proving so successful in protecting the fringe benefits funds from shortfalls. ILA wages were pegged to reach a peak of $14.00 an hour (by October 1982) and substantial increases were made in the pension and welfare programs as well as in other benefits for retired members. Capping this agreement and in gratitude and acknowledgement of their leader's accomplishments on their behalf, the rank and file chose to celebrate Teddy Gleason's birthday as a new industry holiday.

This roll of upward movement and good fortune was topped by the June 1980, Supreme Court decision which denounced the NLRB's erroneous ruling and returned the case to the Board for further deliberation. The issue, as newly-framed by the High Court, was whether the stuffing and stripping work reserved by the Rules was equivalent to the longshoremen's former work of handling breakbulk cargo at the piers and controlled by their employers, or whether that work had been completely eliminated.

As a result, the ILA and the carriers entered into a new phase of litigation before the Board. Additional legal skirmishes ensued and the case was put before an administrative law judge in April 1981. In September, the administrative law judge issued a decision essentially upholding the Rules with respect to off-pier stuffing and stripping, over which he found that the ILA employers exercise a "right of control." The decision however, permitted the continued shortstopping of full-shipper-load containers and struck the warehousing rules, in direct contravention of the letter as well as the spirit of the ILA agreements.

In March 1983, the Board accepted its judge's conclusions. The ILA lawyers, as well as those for the truckers and consolidators, immediately appealed. Nevertheless, the Board decision set the stage for an unprecedented early settlement of the ILA Master Contract, which was due to expire in September 1983. In April of that year, Teddy Gleason led the union in arriving at a contract with the seven major waterfront employer groups who signed a Master Contract after only four days of negotiations and five and a half months before the deadline. This complete turnabout from the strike of earlier times, in achieving still further gains in wages, pension, welfare and other benefits, was hailed throughout the country as a model of effective bargaining and astute leadership. It further enabled the ILA's officers to attend to other momentous developments on the national and international scenes.

As earlier noted, President Gleason was the spokesman for the ILA's opposition to the Soviet Union's ongoing attempts to monopolize world shipping and international commerce. These sentiments were heightened when, in the summer of 1979, Russia violated its borders with Afghanistan, a peaceful neighboring country which it proceeded to overrun, ravage and lay desolate. The ILA's members refused to service Russian ships and cargo and pressed their International's executive officers to boycott the Russians. Ironically, this instinctive reaction was opposed by the President of the United States, who had initiated such activities. He unleashed his Department of Justice and the NLRB, which entertained secondary boycott charges by various entitles doing business with and for the Soviets.

Patriotism, defense of the oppressed, and grass-roots outrage notwithstanding, in 1982 the U.S. Supreme Court and the Labor Board sympathized with the morality of the ILA's actions, but nevertheless found them to be beyond permissible political activity for unions. Like the battle to uphold the doctrine of work preservation exemplified by the Rules on Containers—a right that would benefit all labor unions in this country if it were to succeed—the ILA and its leaders had the fortitude and patience to carry on a solitary struggle to vindicate principles beyond its immediate concerns, because it appeared to be the right thing to do or that had to be done. It is this sort of courage and integrity that has characterized the Gleason administrations and which will be recorded in the annals of American labor history.

The reluctance of the government and the courts—even of other unions—to follow the ILA's lead, did not stop its members from further supporting their repressed and imprisoned brethren in Poland, when called upon to demonstrate their solidarity. Nor, for that matter, did it intimidate the ILA from engaging in other political activity where it could benefit its members and those who were the objects of its concern. Indeed, it had the opposite effect.

The ILA launched a vigorous lobbying effort to counteract a major onslaught by certain legislators against the historical coverages and benefits achieved by the ILA a decade earlier under the 1972 Amendments to the Longshoremen's and Harborworkers' Compensation Act. Elements in the longshore and insurance industries spurred on reactionary legislators to introduce bills reducing compensation and coverage, and thus turn back the clock in one of the most sensitive areas for the ILA and its members. Working through its New York and Washington offices, the ILA launched a careful, coordinated campaign to neutralize these attacks. In the end, the most ominous and serious threats were removed through negotiation and compromise. The result was a watered-down series of amendments that eliminated imbalances but preserved—and in certain respects even improved upon—the prime achievements in the 1972 legislation.

In addition, the ILA's efforts also succeeded in withdrawing the FMC's right to its prior approval of collective bargaining agreements. President Gleason and Executive Vice President Bowers also stepped up their visibility and voices in opposing protectionist legislation which would have the effect of undermining longshore employment, in supporting bills to regulate and control the diversion of cargo from U.S. to non-U.S. ports, to require the use of properly labeled and constructed containers in

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international commerce, and in giving the ILA's position on proposed laws affecting maritime movements and protection for the U.S. Merchant Marine.

As ever before, Gleason, Bowers, and the other officers in this forward-looking union determined to move with the times and the trends. As labor came under attack from the Administration and Congress and with the downturn in the U.S. economy, they recognized that efforts would have to be expanded on the legislative front where the action was taking place. The time had come for them to approach the membership to obtain the necessary financial and moral support, so that the union's political efforts on behalf of its constituency and that of labor as a whole could be sustained in the years ahead. They therefore called a Special Convention in March 1982, where the delegates authorized an amendment to the ILA's Constitution. It provided for the voluntary designation of $\frac{1}{10}$ per cent of hourly per capita dues to be set aside for the activities of a Committee on Political Education, to be known as ILA-COPE. It would be the ILA's answer to the political action committees established by corporate and other interests that opposed ILA's and labor's goals. It provided the wherewithal to monitor and advance favorable legislation and to oppose legislative measures that threatened to put longshoremen and other laborers at a disadvantage.

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## A TRIBUTE TO THOMAS W. GLEASON: 24 YEARS OF PROGRESS

### HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FIELDS. Mr. Speaker, it is a great pleasure and honor to join with my colleagues Congressman JACK KEMP and Congresswoman HELEN BENTLEY in paying tribute to Mr. Thomas W. (Teddy) Gleason.

Teddy Gleason is a truly remarkable man who has dedicated himself for nearly three-quarters of a century to the goal of improving the quality of life for the thousands of men and women who have proudly joined the International Longshoremen's Association.

Since coming to Congress in 1981, I have had many opportunities to work closely with the ILA and I have received the benefit of the invaluable counsel of President Gleason.

I remember in particular his efforts, which I strongly supported, to defeat "domestic content" legislation which would have required car manufacturers to use more parts produced here in the United States in their automobiles. The goal of "domestic content" was to protect the jobs of domestic auto workers by encouraging foreign automakers to locate their plants in, and use parts manufactured in, the United States. But in protecting the jobs of Detroit auto workers, the legislation, and the protectionist principle on which it is based, would have threatened other jobs in Houston and other ports throughout this Nation.

During the debate on that legislation, President Gleason so accurately noted that "if this bill actually came to pass, we foresee extensive loss of international cargo which our members handled, to be followed by raised tariffs, cuts in foreign shipments of American products, and other retaliatory measures. These will further erode whatever work remains in the already hard-pressed longshore and shipping industries."

Fortunately, because of Teddy's efforts and those of others, this ill-conceived and dangerous piece of protectionist legislation did not become law.

While Teddy Gleason may have retired as president of the 116,000-member International Longshoremen's Association, I am confident that we will continue to receive the benefit of his wisdom and guidance for many years to come.

Mr. Speaker, Teddy Gleason is one of the truly great labor leaders in our Nation's history and I am proud to participate in this effort to pay tribute to him.

The text of this document follows:

### THE GLEASON ERA: 24 YEARS OF INSPIRED LEADERSHIP—A TRIBUTE

### THE SIXTH AND FINAL ADMINISTRATION (1983-1987)

The firm footing and solid gains achieved by President Gleason and his colleagues over the preceding two decades—financially, administratively, legally, legislatively contractually and in all other respects—enabled the ILA to confidently face, withstand and react to the almost inevitable adversities that befell the country, the industry, and unions generally over the next four years. Though buffeted by the winds of change in cargo patterns, industry fortunes, carrier bankruptcies, jurisdictional disputes, adverse judgments, and difficult negotiations, the ILA's leaders refused to succumb to any of these in a decidedly "anti-organized-labor" atmosphere.

To the contrary! Their strategy was to reverse and contain all actual and foreseeable threats to ILA jurisdiction and their members' livelihoods and gains over the past twenty years, to the fullest possible extent. At the same time, they moved forward in many important directions in exploiting their gains and preparing for the future.

Teddy Gleason's final term began on a great, upbeat note. President Ronald Reagan was the honored guest at the International's Convention, where he praised Teddy Gleason and the ILA, stating:

"[Teddy] sticks by his union. He sticks by his friends. And he sticks by his country, the kind of integrity and loyalty that is hard to come by today."

Referring to the ILA, the President declared:

"I don't think America has a more patriotic union than this one. This union is great for the same reason America is great—because so many different groups are working together, pulling together toward a common goal. The cultural diversity of this union and this country made us both strong and free."

Shortly thereafter the ILA scored a series of successful victories in its litigation. It first prevented the FMC from obtaining an injunction against domestic carriers applying the Rules on Containers. In May of 1984, the United States Court of Appeals for the Fourth Circuit determined that the Rules on Containers in their entirety were valid work preservation provisions under the Federal labor laws. It reversed the portion of the Board's ruling regarding "shortstopping" and warehouse practices, and held that the Rules could be lawfully applied. As a result, Management and the ILA agreed to once again implement the Rules, effective July 1, 1984, to the full extent permitted by law, and issued guidelines for that purpose. The ILA then moved with the New York Shipping Association to bar the NLRB from initiating any further litigation against the Rules on Containers when an appeal by the NLRB to the entire Court of Appeals failed.

Next, in February 1985, a Federal Maritime Commission administrative law judge ruled that the Rules on Containers did not violate the Shipping Acts of 1916 or of 1984. He recommended that the FMC dismiss its legal proceeding challenging the Rules.

Subsequently, in July 1985, the ILA's long struggle before the NLRB finally came to an end. The U.S. Supreme Court, in a second, six to three ruling, declared that all of the Rules on Containers are valid work preservation provisions and can be enforced. This was a personal triumph as well for Teddy Gleason, John Bowers and Walter Sullivan, who had doggedly pursued this difficult and often discouraging battle to protect their members' job. Justice Brennan, who wrote the majority opinion, noted that at the time that the Rules were first negotiated in the late 1960's, the ILA relinquished 80% of containerized cargo work. In turn, the ILA retained the stuffing and stripping of consolidated containers and could apply the Rules to warehousing and shortstopping of consolidated containers and could apply the Rules to warehousing and shortstopping as well.

While litigation over the Rules was still in progress, other threats to the ILA's contracts appeared on the horizon.

In January 1984, in negotiations with the employers, agreement was arrived at with the carriers, not only on the Master Agreement covering the 36 ILA ports on the North Atlantic, South Atlantic and Gulf Coasts of the United States, but also on local agreements to which some had not yet subscribed. This was immediately followed by a move by Delta Steamship Lines to renege on its collective bargaining agreements with the ILA. Delta then engaged in a wholesale abandonment of ILA facilities with the connivance of the Seafarers International Union and the Teamsters in Philadelphia, Florida and Texas ports. The ILA filed grievances before the Management-ILA Emergency Hearing Panel and proceeded in court to confirm awards in excess of $6 million. Meanwhile, President Gleason filed charges against the SIU before the AFL-CIO in support of the ILA's historic jurisdiction. When the Federation failed to act, Teddy pledged to continue the fight in the courts and wherever else ILS's jurisdiction would be challenged.

Ultimately, the Federal District Court in Manhattan upheld the ILA's Complaint and confirmed the awards. It held that Delta, like other carriers, is an employer of ILA longshoremen and must meet their obligations under their agreements. As of this writing, this matter is under appeal by Delta to the Federal appellate court in New York and challenges to the ILA's jurisdiction continue from other quarters as well. Thus, in 1986, an affiliated company filed charged before the National Labor Relations Board in Philadelphia challenging its status as an industry employer. Again, Teddy and his team authorized ILA's General Counsel to go to the full limit in upholding their right to apply and enforce ILA agreements and to leave no stone unturned in the effort.

The foregoing triumphs were somewhat tempered by the outcome of the Russian cargo litigation, in which ILA members were asked to pay a price for their patriotism, humanitarianism, and conscience. The point remains that under Teddy Gleason, the ILA acted on what it believed to be its members' rights, and obligations. Thus, time and again during this final administration, Gleason, Bowers and the other executive officers have authorized organizing efforts and litigation to expand and protect the ILA's jurisdiction under the most trying circumstances and no matter how long it would take. This included undersea divers in the south, bus drivers in New Jersey, driver-owners who haul containers, liquor salesman, and whoever else knocked at the ILA's door for assistance in obtaining fair and firm representation in dealing with their employers. When ILA locals and their members came under attack from other unions, such as seamen aboard tug boats, MM&P members, or Philadelphia longshoremen whose work was given away, Teddy pursued their cause before the AFL-CIO and at the bargaining table.

However, the most difficult problem that arose during this period, already exemplified by the Delta situation, was the diversion of ILA work to non-union and other union companies and workers, principally in southern and Gulf ports. Such efforts by non-union employers that sprung up, particularly following the upholding of the Rules on Containers, were frontally opposed by Gleason before the Labor Board, in the courts and through contract enforcement.

President Gleason also followd an aggressive legislative program, supported by ILA-COPE. Thus, in 1983, President Gleason led a vigorous lobbying effort with the support of the U.S. Departments of Labor and Transportation which caused the Department of Agriculture to agree to uphold the cargo preference laws in a multimillion-dollar sale of wheat to Egypt. He has continuously been in the forefront in supporting legislation affecting U.S. flag vessels for construction, subsidies and uses. The ILA, along with other maritime unions, successfully blocked proposals by the two carriers to terminate their operational differential subsidies, with the encouragement and connivance of the Maritime Administration, in what President Gleason called "the Great American Maritime Windfall."

President Gleason successfully opposed an auto parts bill that would have drastically curtailed the import of automobile parts to the United States through ILA ports. He supported the legislation which established Martin Luther King National Holiday and the Shipping Act of 1984, which encouraged the development of an economically sound U.S. merchant marine, responsive to international shipping practices. He collaborated with other AFL-CIO unions in the enactment of legislation to overturn a damaging Supreme Court case. Employers filing for bankruptcy must now request the permission of the court before rejecting their labor contracts. Gleason moved to stymie proposed tariffs against Canadian lumber and other foreign products that would have invited retaliatory measures and strifle international trade.

Gleason, Bowers and others testified on bills affecting port development and maintenance, on Canadian cargo diversion, and on other bills impacting on the movement of cargo and the U.S. maritime industry. They kept the Washington office on its toes: monitoring and screening legislation and along with ILA lobbyists elsewhere, touching base with legislators wherever they might act on member or labor interests. ILA-COPE expanded its influence to numerous states in which ILA members are employed.

Gleason and the ILA continued to support their foreign brethren, especially those who suffer under the communist yoke. It joined forces with several Congressmen in a lawsuit before the U.S. Court of International Trade to prohibit the importing of goods produced in the Soviet Union by convict and forced labor. When Chile was struck by an earthquake in March 1985, ILA donated its members services in loading and unloading all manner of cargo to allay the suffering. When famine struck the Sudan, ILA longshoremen on the Great Lakes similarly supported the effort to move shipments of food and supplies to the starving victims of drought.

Time and again Teddy Gleason and the ILA were commended for servicing vessels with military cargo during work stoppages and on other occasions when time was of the essence. This is the type of cooperation that Teddy and his administration have always encouraged by word and by example, which has served to enhance the ILA's image at home and throughout the world. Teddy's reputation on account of his own work and that of his members undoubtedly led to his appointment in 1983 by President Lane Kirkland as chairman of the AFL-CIO's Committee on International Affairs. It also certainly stood him in good stead in being chosen as the Grand Marshal of the St. Patrick's Day Parade in New York City, in March 1984, when ILA contingents proudly marched behind their leader. Teddy led a quarter of a million fellow marchers up Fifth Avenue.

In March 1985, Teddy Gleason led a delegation of ILA officials in sharing their expertise with their brethren to the south. At the First Inter-American Conference of Maritime and Port Unions, held in Buenos Aires, Argentina, the ILA officials addressed maritime and longshore representatives from seven South American countries on containerization, fringe benefit programs and other aspects of longshore employment. At the conclusion, the participants resolved to continue their communications on a regular basis and to provide mutual help and assistance. This landmark achievement was followed by an alliance with Caribbean maritime unions in the Spring of 1986, in an effort to assist Caribbean dock workers who are first experiencing the effects of automation and containerization in their industry and who need ILA's experience and counsel. Meanwhile, at the urging of President Gleason and other maritime unions, the ITF appointed nine inspectors for the purpose of organizing flag-of-convenience crews, with the ILA acting as the program's coordinator.

This panorama of initiative, action and results inaugurated, encouraged, or participated in by President Gleason will leave indelible marks on the ILA's and on maritime labor's future. They constitute a pattern of conduct for others to follow and emulate.

Ironically, the extraordinary circumstances surrounding the negotiation of the 1986-1989 collective bargaining agreements served to emphasize, rather than detract from, the unifying character that Teddy Gleason has exerted over the union. They are something that more likely than not will occur in times of threats and stress from without the industry, as well as from within. In the end it was a job well done.

The employers sought to take advantage of the competition brought on by non-ILA stevedores, many of which had newly risen in Southern and Gulf ports. Carriers were also under extreme pressures, brought on by overcapacity of their vessels in international trades, to cut their costs, including labor expenses. Many of them sought to make their own deals with non-ILA as well as ILA employers, by dealing directly with local ILA affiliates. These practices portended rifts and divisions within the ILA's ranks. The pessimists thought this would threaten the ILA's unity at negotiations, as carrier associations disbanded and employers sought to withdraw their bargaining authorizations.

Teddy remained undaunted. He knew his people well, and that when push came to shove, they would pull together. Despite the most difficult negotiations in over a decade, the numerous "give back" demands of employers from Maine to Texas and whiplash-type tactics by management negotiators, the ILA stood firm. Following a brief, three-day strike, the parties came to terms on contracts that put to rest the fears and concerns of both union and management. Though they may not have repeated the immense gains of past years, in their own ways these contracts were great successes.

The final product, consisting of a series of agreements in the most complex negotiations in many a longshoremen's memory, conferred on the parties a livable, manageable state of affairs while the industry continues its belated recovery from local and worldwide adverse economic conditions. It is a tribute to the realism, pragmatism and negotiating skills which only labor leaders like Gleason, Bowers and their brother negotiations could bring to bear on what many had seen as the impossible. It is a testament to their talents, tenacity and credibility in dealing with their astute counterparts across the table. Moreover, the very fact that the membership recognized and accepted the final pacts for what they were should serve as ample evidence that the negotiators acted wisely in understanding the needs of their members and the limits of the employers. It stands as one of Teddy Gleason's final and finer works as the ILA's leader.

### EPILOGUE

The ILA that Teddy Gleason leaves as President at the end of a near quarter century of productive work is far different from the one he started with. Its challenges are no longer those that result from impoverishment, dishevelment and disrepute. Instead, they are the kinds that, in a changing world, stem from breakthrough successes at the bargaining table; breakthrough in automation and other forms of innovation: financial and organization stability; respect as a vibrant, patriotic and homogeneous group of workers, at home and abroad; bold activism and leadership of free-world trade unions; and a well-earned reputation for pursuing all avenues—in the courts, in the legislatures and in labor's own houses—to defend and project its members interests and needs.

This is President Gleason's legacy—the fruits of his realized and still-to-be-completed visions as a master at his trade and of his consummate skills as the standard bearer, as the one who urges his followers to march forward through the momentum of his inspiration and with his sage views on future challenges as a beacon for guidance.

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## TOXIC WASTES FROM MUNICIPAL INCINERATORS

### HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. SAXTON. Mr. Speaker, I wish to bring to the attention of our colleagues in Congress a problem of national proportions—toxic wastes from municipal incinerators. Across the country, communities are struggling with the necessity of disposing of solid wastes at the same time that they must deal with the health risks posed by disposal.

As our communities grow, our waste disposal problem grows as well. Today, 150 million tons of municipal solid wastes are created each year. By the year 2000, our wastes will increase substantially. With that increase, we will need more and better methods to dispose of those wastes.

But what happens when the land available for disposal no longer exists? New Jersey will have filled up all its landfill capacity in 2 years. And New Jersey is not alone in this shortage of places to put the solid wastes. Within the next 10 years, most States will have nowhere to put their wastes.

An example of what happens to this surplus waste is Mobro garbage barge, recently plying up and down the east coast in search of a place to unload its cargo. The fate of our Nation's wastes should not be the same as that of the garbage barge.

In response to the amount of solid wastes, the incineration of wastes is on the increase. By the turn of the century, one-third of our solid wastes will go to incinerators. And in the process of incineration, toxic emissions are produced.

There are no communities that will go unaffected by this demand for disposal. Within the next 10 years, the number of incinerators in our communities will quadruple.

Now is the time to set standards for those incinerators. Legislation, of which I am an original cosponsor, has been introduced to require the Environmental Protection Agency to set and enforce standards for about two dozen pollutants. The legislation, H.R. 2787 and H.R. 2517, requires the EPA to set standards for emmissions and for the treatment of ash generated by incineration.

These pollutants, generated by process incineration are well known for their toxic and carcinogenic effects. A partial list includes lead and PBC's.

The same communities that are now growing toward the 21st century are also calling for standards that will protect them from the wastes that our society generates. I am including a recent editorial from the Burlington County Times of New Jersey which addresses this important issue.

Industry and prosperity generate wastes. By setting standards now, we are protecting our futures.

INCINERATORS—NATIONAL STANDARDS ARE NEEDED

Solve one problem, create another.

Congressman Jim Florio, who represents three towns in Burlington County, is hoping to avoid that dilemma with two new bills designed to impose controls on emission and ash generated by municipal incinerators, trash-to-steam plants and the like.

Florio has more than a passing interest. People in his First Congressional District are involved in a dispute over a proposed incinerator at the Pennsauken (Camden County) landfill. Residents of Cinnaminson, Palmyra and Riverton are protesting the facility. They are concerned about its proximity to these dense residential areas, downwind from the site.

And Florio is, too. According to the congressman, the federal government provides no regulation of emissions and ash generated by municipal incinerators. "There are literally no national standards," he said.

Currently, about 4 percent of the nation's trash and garbage finds its way into incinerators, but by the year 2000 the EPA estimates about one-third of the nation's refuse will be burned. The reason is simple. Landfills are full, and they are dangerous. Burying trash and toxic waste is not an intelligent or a safe option.

Recently, the Environmental Defense Fund notified 100 of the nation's municipal solid waste incinerator operators that ash generated by incineration was found to have high levels of toxic metals. Of particular concern, said EDF, is the level of lead being found in incinerator ash. "Incinerator ash is as dangerous as lead-based paint, the same paint banned in the U.S. in 1973," said an EDF spokesman.

Incineration as a mode of trash disposal will become more and more prevalent. But because regulation of emissions and ash is now so lax, the hazards of incineration could easily outstrip efforts to protect the public health.

One of Florio's bills would amend the Clean Air Act to regulate more than two dozen pollutants not now controlled under the law. The second would amend the Resource Conservation and Recovery Act (RCRA) to provide for ash management, testing and treatment of its pollutants. Under the legislation, new facilities would have to meet new standards and existing operations would be given a period of time in which to comply.

Florio's legislation should be passed by Congress, not only because residents in his district are worried about the incinerator in their "backyard," but because people in many thousands more backyards across the nation could be at risk if incinerator regulation is allowed to sift through the fine screen of congressional inertia.

## TRIBUTE TO STARS AND STRIPES, STAR OF DAVID

### HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FISH. Mr. Speaker, I would like to share with my colleagues the following article written by Rabbi Barry L. Schwartz, a native of my district from Westchester County, that appeared in the Jewish Week, Inc, July 3, 1987. It is a very sensitive and patriotic article, which I am sure you will enjoy.

[From the Jewish Week, Inc., July 3, 1987]

TRIBUTE TO STARS AND STRIPES, STAR OF DAVID

(By Barry L. Schwartz)

HAIFA—Today, about a year shy of my 30th birthday, married and the father of two small children, I received a draft notice. I am a fourth-generation American, born and raised in New York. My draft notice is for induction in the Israeli army.

I belong to a rather sparse breed of Americans known as dual nationals. Quite legally, I am an American and an Israeli. I intend to keep it that way. If moving to Israel had meant giving up American citizenship, I never would have done it. If serving in the Israeli army was grounds for revoking my special status, I'd be packing my bags. Since I am being involuntarily drafted into a foreign army, my U.S. citizenship is secure. Not so my dual identity. Certain dormant questions have broken through the surface of my coolly rational veneer starkly put: What kind of American am I, about to fight for a foreign army? What kind of an Israeli am I, clinging to foreign citizenship? By chance, both my countries are friends. What if they weren't?

A dual citizen like myself is not an expatriate. I did not leave America for any negative reason. Quite the contrary. My years away have taught me that most Americans take for granted. America is the greatest country in the world. Nowhere are its two most precious gifts as evident and abundant: liberty and opportunity. Sometimes one must step outside to appreciate fully what is inside. My great-grandmother framed her American citizenship papers and put them on the wall. Now I understand why.

Voltaire once remarked that every man has two homelands: his country of origin and France. I subscribe to a similar chauvinism in a different context. Every Jew has two homelands: his country of origin and Israel. Judaism, as exclusively a religion, transcends nationalism. Judaism as a civilization implies rootedness in a land. The modern Jewish state, embodiment of the ancestral, had been tugging at my heart since my first visit as an adolescent. In the words of one Israeli poet, to plan anew "and reap the harvest of ancient seed."

Two hundred years ago, a group of men conceived the boldest experiment in democratic government in human history. Forty years ago, a group of men established the boldest experiment in Jewish history. Privileged to have been nurtured in the former, how could I not take part in the latter? The more I live here in Israel, the more I see it in need of America's fundamental values.

Unlike the rest of my family, my second child was not born in the United States. As a child of two American citizens, she was automatically entitled to American citizenship, but we had to go through a complicated registration procedure. We insisted on completing the procedure as soon as possible. Entering the American embassy in Tel Aviv was a bit strange but not uncomfortable or alien. It was our first time in an embassy. I was proud of the American marine on duty.

I share the same outrage as my fellow citizens when an American hostage is taken or an American institution attacked. That is not the case with my other fellow citizens. They are America's close allies and abhor terror, but my conversations with Israelis reveal that they don't feel the way I do. Nor should they, I suppose. When the Challenger went up in flames, I cried alone.

In fact, when in Israel, I always feel American. A dark complexion does nothing to hide an American accent, even though my Hebrew is fluent. Politically, I am liberal enough to arouse suspicion as an outsider (although there are a few native liberals as well). The same goes for religion. The fact that I am neither religious nor secular means I must be Western, probably one of those Reform types (which I am). Such is the sorry state of liberalism in Israel today that it is looked upon as an imported item.

When in America, on the other hand, I feel most Israeli. Not because of my accent—my speech gives me away only as a New Yorker—but because of my perspective, in subtle ways different than it once was. First of all, size. Everything is bigger than it once was. Cars, houses, parks and basketball players. Second, my fellow Americans. Of course, I was always aware that the vast majority are not Jewish. Now I am even more aware of it. Living in a Jewish state filled with Jews soon becomes something taken for granted. In other words, my culture shock now runs East to West, rather than West to East.

Most American Jews read about Israel with keen interest. On my visits back to America, I open the paper every morning and automatically search for any news about my home. I mentioned that Israelis can't really understand what I feel toward America and Americans. The converse is also true.

To leave Israel, I must secure permission from the army, like every other Israeli male. To enter the United States, I need not produce a visa, unlike every other Israeli male. Yet I no longer have a permanent address in America other than my parents' residence. The four of us in my family travel with eight passports. Sometimes we forget which document to present at which side. This is, in a sense, symbolic of the confusion, or flux, of a dual citizen.

By some ironic twist of fate, my draft notice came the same day that an American Jew was sentenced to life imprisonment for spying on behalf of Israel. The Pollard affair has really torn people like myself apart. As an American, I am ashamed of what he did. His punishment is justified. Moreover, as an American Jew, I am especially angry. He and his handlers have damaged our hard-won status as loyal Americans. In one fell swoop, the ugly head of dual loyalty has reared again. And, as an American, I feel that Israel's handling of the affair is plain insulting.

As an Israeli, I am not so much ashamed of what he did, but what we did—spying on a friend, our best one at that, running an American Jew and, worst of all, botching the operation. Like my fellow citizens here, I have learned to cover my mouth when it comes to criticizing national security issues (although I arouse the consternation of congregants by giving an occasional sermon on the matter).

Isn't the Pollard affair proof that American and Israeli interests are not always in concert? As much as America supports its ally, there are secrets between friends. As close as Israel is to its benefactor, some decisions must be unilateral. On what side, then, does the dual citizen fall?

Neither side, I stubbornly maintain. Is it trite or wrong to respond by asking if one must choose between one's mother and father? I love them both, even when they disagree. Whether I side with one or the other depends on the specific issue at hand. In no circumstance would I support one in such a way that the other is ashamed or compromised. In almost every instance, there should be a common good and a common goal. An apparent conflict of interest may, upon reflection, only be a symptom of misunderstanding or faulty communication. So, in reading the secretary of defense's comment on the Pollard affair that a too-strong Israel upsets the balance of power in the Middle East, as an American and as an Israeli, I beg to differ.

When these ruminations are published, I will already be in uniform. The call to bear arms is perhaps a citizen's highest expression of patriotic duty, I will salute the Star of David. I would likewise salute the Stars and Stripes. I pray for the peace of both.

## SPENDING CUTS ARE MEMBER'S TOP PRIORITY

### HON. ERNEST L. KONNYU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. KONNYU. Mr. Speaker, as you know there is a great deal of debate over how or where or even if Federal spending can be cut. As one of those Members of Congress who believes we must cut the Federal budget deficit, I noted an article printed on August 1 in the Congressional Quarterly which discussed the attempts by some Members to implement Federal spending cuts. For the information of the taxpayers, who are forced to pay for the bills that we pass in Congress, I would like to request that the Congressional Quarterly article be made a part of the RECORD:

Bill Frenzel wishes some Republicans would act more like, ah, Republicans.

So do Vin Weber, Ernie Konnyu and 30 or more other GOP House members, mostly from that chamber's junior ranks. Their beef is with the senior Republicans on the House Appropriations Committee. They say the Republican barons are more loyal to the committee than to their party.

Specifically, they want ranking Republicans on Appropriations to stop fighting floor amendments, from a bipartisan coalition of younger members, to cut spending from this year's crop of money bills.

But for the season for individual appropriations is nearly done, and the GOP appropriators show no inclination to change their ways.

The criticisms are part of a broad attack on the independence of House Appropriations. Already, House Democratic leaders, a faction of Democrats within Appropriations and the bipartisan coalition of budget-cutters have pressured committee members into reluctant compliance with budget limits they would prefer to ignore. (Weekly Report p. 1572)

In return, the Democratic leaders promised to help defeat floor amendments offered by the bipartisan group to cut more than the 1988 budget resolution requires.

WHOSE SIDE ARE YOU ON?

Members exasperated with deficits and with this year's budget resolution seized on the appropriations bills to make their point. That galls appropriators, who say they are besieged with requests, from members of both parties, for funding and that they broker the most thrifty of compromises within committee.

Then, however, they unite fiercely to beat back outsiders' amendments. It is the Republicans' role in that defense that angers Konnyu, a blunt first-termer from California, Frenzel, the dean of the Minnesota delegation, and Weber, another Minnesotan who is serving his first term on Appropriations. "It really is the club," Weber marvels. "You're expected to operate by consensus."

The clash among Republicans erupted into bitter public exchanges during House debate on the 1988 Energy and Water (HR 2700) and Interior (HR 2712) appropriations bills. (Weekly Report pp. 1378, 1374)

House GOP Whip Trent Lott of Mississippi tried to soothe the roiled Republicans, telling appropriators, "We love you . . . you are nice guys, and we appreciate the heck out of you. . . . We know it is a tough job."

But, Lott wondered, "can we not do a little bit" of cutting?

Republicans then met privately July 1 but reached no conclusion on how to proceed.

THREATS, WORRIES

For their challenges to Appropriations, Konnyu and Weber expect some grief. Appropriators prize loyalty, perhaps beyond all other virtues. Periodically, rumors of retaliation shadow those who cross the committee.

"One of the guys said to me, 'Ernie, you are gonna be on dog committees as long as you're here,'" Konnyu says. "Well, if that's the price of glory. . . ."

This year, John T. Myers, R-Ind., ranking Republican on the energy and water subcommittee, is said to have threatened the massive Central Arizona Project (CAP) if two of that state's freshman GOP representatives supported spending cuts in the Energy and Water bill on June 24.

Konnyu says rumors of the threat shot through his freshman class, provoked much of the unpleasantness during debate on the Interior bill and led to the July 1 session.

One of Myers' reported targets, Jon Kyl, prefers not to discuss the subject, according to an aide. The second, John J. Rhodes, says firmly that he and Myers "had a disagreement, which is resolved."

But Konnyu says the meeting ended with GOP appropriators still wedded to "unholy alliances" with committee Democrats.

The peppery Myers says he spoke to Kyl and Rhodes about the Arizona water project. "I didn't scare them. I just warned them that the Senate takes all our projects out of [appropriations] bills and puts theirs in."

When the final version is written in conference, Myers continued, House members would find it very difficult to restore projects of colleagues who voted against the bill. "It isn't a threat. It's just a fact of life."

Rhodes says rumors of threats against CAP projects miss the mark. He says that he voted against a spending-cut amendment to the Energy and Water bill because the measure included an important compromise that canceled a dam project environmentalists opposed in return for their dropping a lawsuit challenging the legal underpinnings of key parts of the huge Arizona water project.

HAVING PORK, AND EATING IT

According to Frenzel, members of the GOP Committee on Committees, on which Frenzel sits, told Weber that they "have been nervous about the ways that Republicans cooperate, rather than resist" on Appropriations.

And Weber reports that just before the first appropriations bill came to the floor

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this year, the committee "nicely let me know that they didn't think I'd get co-opted—too soon."

Weber concedes that Republicans are in a difficult spot. They want to burnish their budget credentials but not risk home district projects—or items such as the CAP compromise.

The way the GOP appropriators see it, the Republican upstarts want to have their pork and eat it too.

With compelling decision, appropriations bills record what members of both parties want most for their constituent. Frenzel scoffs that the GOP members win no more than "crumbs" in these bills. They "defend Republican boondoggles. But at the same time, they're defending useless Democratic projects."

Others say Republicans make out well, with concessions at least in proportion to their numbers.

Bill Green of New York, the senior Republican on the housing subcommittee, told the House June 25 that Republicans ask him to add things to his subcommittee bill, not subtract. When his panel thought it might make ends meet by not funding the Urban Development Action Grant program, "I did not have lots of people rushing up to me and saying, 'Isn't that a marvelous idea!' "

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FIRST SESSION

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of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 100th CONGRESS, FIRST SESSION

## HOUSE OF REPRESENTATIVES—*Friday, August 7, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, O gracious God, a sense of community, where people realize their common heritage, where they appreciate their shared hopes, where they care for one another. May Your blessing be upon this place that every person, respecting the special background and responsibility of others, will keep the focus on the mutual goals of our community, of justice and peace and respect for one another. This we pray. Amen.

### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1340. An act to improve the distribution procedures for agricultural commodities and their products donated for the purposes of assistance through the Department of Agriculture, and for other purposes.

The message also announced that the Senate has passed bills of the following titles, in which the concurrence of the House is requested:

S. 945. An act to require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite homes and other assistance for infants abandoned in hospitals, and for other purposes;

S. 1194. An act to transfer jurisdiction over certain lands in Bernalillo County, NM, from the General Services Administration to the Veterans' Administration;

S. 1196. An act to provide for the enhanced understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the National Sea Grant College Program and by initiating a Strategic Coastal Research Program, and for other purposes;

S. 1402. An act to amend title VIII of the Public Health Service Act to establish programs to reduce the shortage of professional nurses; and

S. 1532. An act relating to the payment for telecommunications equipment and certain services furnished by the Sergeant at Arms and Doorkeeper of the Senate.

### MINESWEEPING OPERATIONS IN THE PERSIAN GULF: WILL ACCOUNTABILITY BE SACRIFICED AGAIN?

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, the recent tragedy in the Persian Gulf that cost the lives of 37 Americans seemed to many a replay of the earlier tragedy in Beirut at the U.S. Marine barracks that took 241 lives.

Yet as John Chancellor noted in a recent commentary, the Pentagon stopped courts-martial in both cases. Mr. Chancellor draws a disturbing conclusion:

> What this does, of course, is to keep the story of what happened to the *Stark* out of the headlines. A court-martial might have dragged on for weeks with embarrassing details in the news every day.

Today we face a new question. Why were not minesweeping operations included immediately in the initial plans for the convoy operations in the Persian Gulf?

Will accountability be sacrificed again, and that question forced aside in the interest of pushing another headline off the front page?

### MOTION TO INSTRUCT CONFEREES ON THE TRADE BILL, H.R. 3

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, this morning you are going to be asked to appoint conferees to H.R. 3, the trade bill. At that time I would like to alert the membership that I will be attempting to offer a motion to instruct those conferees to accept the Senate language that bars Toshiba products from being imported into this country.

We all know that Toshiba's actions are blatant disregard of our own national security and are going to cost this country and the taxpayers of this Nation billions of dollars to catch up because of what Toshiba has done just to gain the almighty dollar and to disregard the national security of the free world.

So I hope those Members that are interested in this motion to instruct will come over and will assist me in trying to get the House to vote for this motion to instruct.

### CONGRATULATIONS TO THE FELTSMAN FAMILY

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, it was with a great deal of joy yesterday that I learned Vladimir Feltsman and his family have been allowed to leave the Soviet Union. With this move, not only has a family found freedom but the world will now rediscover one of the great musical talents of our time.

More than a year ago Congressman **Kemp** of New York joined my efforts in leading a drive in this House to contact and urge Soviet leader Mikhail Gorbachev to allow the Feltsman family to emigrate. Many in this body joined our efforts—efforts that surely helped to free this family. I'm sure Congressman **Kemp** joins me in expressing thanks to our colleagues. But our efforts cannot stop with the happy news of yesterday. There are many, many more in the Soviet Union who are having their basic human rights denied by not being allowed to emigrate. But, unlike Vladimir Feltsman, these people are not world-renowned musicians; they are merchants, educators, laborers, students, they are the every day people who

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

have one thing in common—they seek freedom.

I know that many of you have sent letters to Mr. Gorbachev urging that others in the Soviet Union be allowed to emigrate. I know that those efforts have surely had some effect. I hope you will continue your efforts. I know I'll be continuing my efforts to see that those who want freedom, find it.

### IRS AND PIT BULLS HAVE SEIZURE FEVER

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, the IRS and pit bulls have a lot in common. Both are violent, vicious creatures who prey on the unfortunate. But in the case of the IRS, the unfortunate are taxpayers.

The IRS now rewards its agents who seize taxpayer property. Signs in some regional offices read "Seizure Fever; Get It." Promotions are enhanced by the number of seizures the agent succeeds in. Property in many cases they seize is the property of the helpless and even the retired are not immune. This seizure fever must be muzzled. A couple weeks ago the IRS seized the assets of a 12-year-old boy—the IRS actually sunk their teeth into a kids' entire $10.35 in savings—and like a pit bull, had to be threatened to release its grip.

The taxpayers' bill of rights is a good first step toward leashing the IRS. I urge all my colleagues to cosponsor, support, and vote for the taxpayers's bill of rights. Let's end the IRS' reign of terror and slap a collar on the most abusive agency in the Federal Government.

### ADMINISTRATION SHOULD CONSULT WITH CONGRESS PRIOR TO FUTURE ARMS SALES

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, there are growing indications that this administration plans to resubmit a Saudi arms package when Congress reconvenes in September. As on past occasions, administration intentions on this matter have reached the Hill, not through meaningful consultations but through hints and pronouncements.

It is not my intention, Mr. Speaker, to prejudge the merits or the outcome of any such proposal. I do want to suggest, however, that the administration might consider the fact that many Members will remain skeptical of a package which includes items that Congress has already opposed this year, such as F-15's and Mavericks.

If we wish to pursue constructive policies in the Mideast and if we wish to fashion policies that serve American interests and the real needs of the region, I would hope that this administration would reconsider submitting this package at least in the absence of meaningful consultations.

Rather than renew past battles on issues that already have been fought earlier this year, would it not make more sense for the administration to work with Congress to fashion a policy which commands a broader base of support?

In conclusion, Mr. Speaker, before an arms package is proposed I would hope that the administration would first engage with Congress in the kind of meaningful consultations they have thus far avoided. Only then will there be a solid process for all parties to determine whether all or part of a proposed sale has merit and should proceed.

### LET US JOIN TO HELP THOSE UNFORTUNATE MAIMED CHILDREN FROM EL SALVADOR

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, this is a picture of a young 7-year-old girl from El Salvador named Angela Agustina Bonilla, who stepped on a land mine that had been planted by the guerrillas.

Mr. Speaker, in El Salvador, guerrilla land mines are maiming hundreds of innocent children each year. The mines, which are placed in coffee and mango fields and along heavily traveled paths, are designed not to kill, but instead to injure. As a result, hundreds of children are losing limbs and suffering other injuries.

Working with Project HOPE, the Knights of Malta, AID, and U.S. Ambassador to El Salvador Edwin Corr, we have developed a program to bring the most severely injured children to the United States to receive treatment for their injuries.

Last week, Jaimie Hernandez and Jose Mejano, two 13-year-old Salvadoran children, were accompanied to Arlington in my congressional district in northern Virginia by Salvadoran First Lady Inez Duarte. They became the first two El Salvadoran children to receive specialized treatment under the plan.

Eastern, Pan American, and TACA airlines have agreed to transport children to the United States each month at no cost.

Our need now, Mr. Speaker, is to identify hospitals across the country to care for these children. Arlington Hospital in my congressional district is currently caring for two children.

If every major hospital across the country were to care for just one child, our problem would be solved.

I urge my colleagues to become involved in this program and identify hospitals in their congressioanl districts to care for these children.

Mr. Speaker, to whom much is given, much is expected. We have so much in this country. We have an opportunity to help those who are the least of these.

### REVAMPING THE FARM CREDIT SYSTEM, CONSENSUS LEGISLATION

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I would like to inform you that the Committee on Agriculture has approved a bill revamping the Farm Credit System. The bill passed 40 to 2 and it is consensus legislation. We hope that it might be able to be brought to the floor the first week after we return from the August recess. I assure you that the diligent work of all of the members of the committee, the input from all sectors of agriculture was received by the committee and this is the best legislation that we can bring you at this time.

I assure all of my colleagues that this year you will have no better bill that will give you a better return for the investment than this revamping of the Farm Credit System and I urge you to look at it during the recess and be prepared to work with us to finalize the action as we bring it to the floor in September.

### SUPERCONDUCTING SUPER COLLIDER AUTHORIZATION FOR 1988

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, today, the gentleman from New Jersey [Mr. ROE], the distinguished chairman of the Science, Space, and Technology Committee, the gentleman from New Mexico [Mr. LUJAN], the distinguished vice chairman of the Science, Space, and Technology Committee, and the gentleman from New Jersey [Mr. TORRICELLI], are introducing legislation to authorize fiscal year 1988 funding of $35 million for the superconducting super collider.

I applaud the efforts of these gentlemen to ensure that this essential first year funding for the development and construction of this incredibly promising research facility is made a reality. More than 200 original cosponsors, of which I am proud to be included, have

joined the sponsors of this legislation in demonstrating to Congress the overwhelming support that this bill, and SSC itself, has received.

Fermilab, the Nation's largest existing cyclotron, and essentially a smaller version of the SSC, is located within my congressional district at Batavia, IL. I have had the opportunity to witness first hand the tremendous advances in high energy physics that have come about through research at this facility. Consequently, I urge all Members of this body to strongly support this new vision for our Nation's future.

### DAVID BURR WILL BE LONG REMEMBERED

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, almost everyone who had enjoyed success can point to someone in their life who has had a critical impact. Someone who took a little extra time to make a personal investment in your future, someone who cared more than the others and was there when you needed advice or friendship.

I have been blessed with a number of these special people to whom I am forever indebted. This week, the State of Oklahoma, the University of Oklahoma and hundreds—maybe thousands—of people who were touched by his life, lost a great friend.

David A. Burr, vice president of the University of Oklahoma, died Thursday leaving his wonderful wife Carol and their three children.

David Burr dedicated his life and career to the University of Oklahoma, its faculty, staff and more importantly, the students in whom he took such an individual interest. He was always there to give a helping hand. As a student, when I didn't quite know where that next tuition payment was going to come from; he gave me a job and offered to personally cosign a loan—a risky precedent for a university official.

Our Nation is a better place because of David Burr. He believed that our most important investment was an excellent university and the young people it serves.

I join so many of his friends throughout Oklahoma and this country who mourn our mutual loss but rejoice in his lasting contribution.

### EVENING NEWS OF AUGUST 7, 1787

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, I am reporting to you from the floor of the convention in Independence Hall, Philadelphia. The 10-day recess that the delegates had taken in order to allow the Committee of Detail to work out the final draft of the final document has ended and the delegates are back on the floor.

There is a debate raging at this very moment on one aspect of the duties and responsibilities of the Congress of the United States, the first great number of articles that are going to appear in this document.

□ 1015

The basic argument now is on a small detail, yet one that is important, on whether or not to imbed in this document the starting date of each session of Congress, whether it should be in December of the year before starting the session or during the month of January when the session begins. What they have decided, it seems to me, although they have not put the finishing touches on it, is that they are going to allow Congress by law to determine the starting date of each term.

Gouverneur Morris of Pennsylvania is now beginning a separate argument on whether or not the ownership of property should have anything to do with the qualifications of electors, and later as to whether or not that should be a qualification as to whether or not one can be a Member of Congress.

I am reporting to you from the floor of the convention. It seems that everyone has a great deal of optimism during this hot summer in Philadelphia.

### VETERANS' ADMINISTRATION RESEARCH ON THE CUTTING EDGE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, at least twice in recent days there have been news reports of medical breakthroughs by Veterans' Administration physicians. Many times I have come before my colleagues to mention the virtues of the VA's excellent research program, which has produced two Nobel Prize recipients. I am pleased to share with you these latest successes.

Researchers led by Dr. Robert Owen, a VA physician in San Francisco, have discovered that a hard-to-detect parasite may be causing the severe wasting experienced by AIDS patients. Only the National Institutes of Health and the Centers for Disease Control conduct more AIDS research than the VA. We firmly believe that the VA will play a major role in the search for answers in this health crisis.

Also, researchers at the Yale School of Medicine and the VA hospital in West Haven, CT, have identified a calcium-regulating hormone they believe may help in detecting and treating cancer.

Mr. Speaker, these are two more fine examples of the outstanding research being conducted within the VA in an effort to improve our quality of life. Funding for VA research is money well spent.

### NEW HAMPSHIRE UTILITY CHALLENGES THE CONSTITUTION

(Mr. GREGG asked and was given permission to address the House for 1 minute.)

Mr. GREGG. Mr. Speaker, the Public Service Co. of New Hampshire has stated that it intends to request a 15-percent rate hike and move to overrule on constitutional grounds the banning of construction work in progress in the State of New Hampshire. This, in my opinion, is not only inappropriate, it is outrageous.

The people of New Hampshire have spoken very clearly and said that they do not wish construction work in progress. They have made it very clear that they do not expect to be billed for something which is not functioning. It is totally inappropriate of the Public Service Co. to seek this way around what is obviously the will of the people of New Hampshire.

For that reason, Mr. Speaker, I would strongly urge the Public Service Co. to reconsider its position and to not proceed down the route of challenging constitutionally the construction works in process bill.

### IN SUPPORT OF CBI LEGISLATION

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LUGO. Mr. Speaker, I rise to support new legislation that is crucial to the well-being of our neighbors in the Caribbean, as well as beneficial to the United States. I'm speaking of the Caribbean Basin Economic Recovery Expansion Act, introduced by the gentleman from Florida [Mr. GIBBONS] on Wednesday of this week.

When Congress passed the Caribbean Basin Initiative in 1983 we thought it would improve trade between the Caribbean islands and United States. But it has failed. Exports from the Caribbean to the United States actually have dropped since 1983. Now this new legislation is needed to correct that imbalance.

This bill benefits the United States at the same time as it helps the Caribbean. The stability of the Caribbean, with its open shipping lanes for our oil and other products, is vital to our national interest. We have to promote economic development in these islands if we want to assure their stability and continued friendliness.

I want to commend the sponsors of this bill, who have looked beyond their own districts to think about the broader interests of the Caribbean and the United States:

Sam Gibbons, who put his Subcommittee on Trade to work on this issue.

Jake Pickle, who had his Subcommittee on Oversight hold hearings and thoroughly study the subject for a year.

Plus Frank Guarini, as chairman of the Friends of the Caribbean, Charlie Rangel, Bill Frenzel, and Dick Schulze.

They all deserve our gratitude and their legislation deserves our support.

## LET'S CELEBRATE THE NEWEST SHIP OF THE LINE: THE U.S.S. "FORT McHENRY"

(Mrs. BENTLEY asked and was given permission to address the House for one minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, on Saturday, August 8, I will be in Seattle at the Lockheed Shipyard to commission the U.S.S. *Fort McHenry.* A Whidbey Island class LSD, it seems fitting that this ship, used as a durable dock, should be named for a battle site whose famous victory was won by citizen soldiers who took on the pride of the British Army—soldiers trained in the fields of Europe against Napoleon—and licked them.

It was "in the dawn's early light" over Fort McHenry that the "Star Spangled Banner" was seen by Francis Scott Key, who was being held on a British ship in Baltimore Harbor as that battle was waged. The dawn brought not only victory, Fort McHenry held, but it also brought a conviction to the British that they must sue for peace. On that night—"The nest of pirates" as the Baltimore ships' captains and the citizens of Baltimore and North Point had been labeled by the London Press destroyed the British will.

Fort McHenry was the last battle of the War of 1812. The Treaty of Paris, ending the war, was signed before the Battle of New Orleans occurred.

We won it at Baltimore—"pirates" and farmers, merchants, and ships chandlers. And we are so proud to have this wonderful new ship to celebrate anew the American spirit of that victorious dawn in Baltimore Harbor.

Help us wish her crew Godspeed.

## MEMBERS SEEK ANSWERS IN FEDERAL COURT ON WAR POWERS ACT

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI: Mr. Speaker, under our constitutional system the President of the United States has great and vast powers in foreign policy and in conducting the affairs of our military, but they are not unlimited powers. The War Powers Act provides specifically that this Congress will be notified when American forces are placed in imminent threat of hostilities.

Today, Mr. Speaker, the largest fleet to gather in a generation is taking form in the Persian Gulf. American lives have been lost. Clear and dangerous threats have been made by a hostile government in Tehran. It is simply not plausible to argue that an imminent threat of hostilities does not face our forces, and that the threshold of the War Powers Act has not been reached.

Over 100 of our colleagues have now joined in petitioning the Federal district court to enforce the law and have the President comply. I urge my colleagues to join. The result of our success will be one American policy, a message to Tehran that the laws are being followed and that the Congress and the President stand together in reassurance to the American people that whatever sacrifice may be had, whatever lives may be lost, planning is being done, this Congress is being informed, we are meeting our responsibilities, and that whatever we may face together in the future, we will do it together.

## ODILE DODGE STEWART

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, it is with deep sympathy and great sadness that I rise to acknowledge the recent passing of a dedicated American, Odile Dodge Stewart, mother of well-known public servant Phyllis Schlafly.

Mrs. Stewart enjoyed a well-respected reputation not only in the State of Missouri but across the Nation as a patron of the arts. Her great love for the arts took her to the St. Louis Museum of Art where from 1937 through 1962 the caliber of her contributions were far beyond the call of duty. It was always her goal to keep art alive and to spread the joy of art among many.

Mrs. Stewart's selfless efforts extended to other causes as well. She was an original member of the Missouri Historical Society and a member of the Missouri chapter of the National Society of Colonial Dames of America.

Mrs. Stewart passed on July 31, 1987, at the age of 91. Her passion for achievement; her strength; and her independence can be seen in her daughters Phyllis Schlafly and Losi Dodge Pfiefer, eight grandchildren and five great-grandchildren. On behalf of her many friends and admirers I extend our deepest condolences.

Odile Dodge Stewart's efforts and accomplishments will always be with us.

## THE SPEAKER AND THE PRESIDENT COMMENDED FOR PEACE OVERTURES IN NICARAGUA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I rise today to commend the President—yes, commend the President—for his recent decision concerning a possible peace effort for Nicaragua. It is refreshing to see that both our Speaker and the President are attempting a joint effort to solve the crisis in that region.

Even though I am concerned, as are many others, that a 60-day time limit is very restrictive, it is also refreshing to hear that the President would be willing to extend that deadline if peace efforts seem to progress. And that is our goal. This policy makes sense.

The leadership of our Speaker is the cornerstone and foundation of this initiative. What also is refreshing is that evidently in the last year and a half of this administration Congress and the White House will attempt to work out a mutual agreement by which we can lead America safely in the future. Americans want to hear that.

So I think it is important in the House that we stand behind our Speaker, who has taken a bold step, one for peace in Central America, and the second for peace with the White House. I commend our Speaker, and we should stand behind him.

## INFLATION IN EDUCATION

(Mr. GRANDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRANDY. Mr. Speaker, the college board recently released the results of a survey measuring the skyrocketing higher education inflation rate which is an average of 5 to 8 percent. The board also reported average increases in tuition and fees among private 4-year colleges to be 6 percent since the 1977–78 year. Increases at

public institutions has been as much as 20 percent annually.

Mr. Speaker, the crisis in higher education has become headline news. Just today, the Washington Post reported on its front page that "College Costs Reach as High as $75,000." Likewise, the headline in today's USA Today read "College Costs Climb 8%; No End in Sight." The Mason City Globe-Gazette in my district reported today that "Tuition Goes Up, Up, Up."

Its time to put an end to this economic disaster for our young people whose future is dependent on a solid college education.

Mr. Speaker, today I am introducing a bill, along with my friend and colleague, Mr. Daub, which offers hope to our Nation's youth. Many of today's young people desiring to attend college suddenly find their dreams shattered. College costs are rising at a time when many families, who at one time may have been eligible for Federal assistance, are no longer able to tap into the resources once provided by the Federal Government. By taking action now, we can help many of our young people avoid such a tragedy.

The bill we are introducing today would offer families the incentives they need to begin building a college savings account which their children can depend on to help finance college expenses. Our bill would encourage the creation of college savings accounts, the contributions of which would be tax exempt. In order to encourage lower and middle-income families to save, accruals by those whose income is below $35,000 would be indexed when calculating eligibility for Federal aid. Without this kind of indexing method, those families most in need of resources would have little incentive to create such an account. Under this bill, all lower and middle-income families have reason to save.

This bill also guards against the withdrawal of funds from the account for purposes other than education. Thus, funds cannot be used strictly for tax-shelter purposes.

States are already addressing the growing need for college savings accounts and it is time for Congress to provide for a savings instrument which can be used across State lines.

I urge my colleagues to join us in sponsoring this legislation and to work toward enactment so that thousands of young Americans will have the opportunity to continue their education.

□ 1030

## AUTHORIZING THE SPEAKER TO DECLARE RECESSES TODAY

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that it be in order for the Speaker to declare recesses on this legislative day subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. WALKER. Mr. Speaker, reserving the right to object, can we assume that this means that we can anticipate that we will not be moving toward recess probably today?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I thank the gentleman for yielding.

I will tell the gentleman, we are dealing today with a limited legislative program, as the gentleman knows. The committee in conference has not yet reached agreement, so that it is necessary to make this request.

Mr. WALKER. Mr. Speaker, reserving the right to object, do we have any agreement as to how much notice Members will have before we reconvene the House, so that Members can feel somewhat free to leave the Hill?

Mr. FOLEY. I think we would suggest 1 hour's notice before reconvening.

Mr. WALKER. Put out by the whip systems?

Mr. FOLEY. By the whip systems on each side.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for yielding.

May I inquire, since all the Members would like to know a little bit of the schedule with regards to any kind of recess, what is the intention now as we proceed this morning with the program?

Mr. FOLEY. Mr. Speaker, if the gentleman will yield further, the program is the Armenian resolution, and that is the extent of the program today except for usual unanimous-consent requests and special orders.

Mr. MICHEL. When will we have the appointment of conferees on the trade bill?

The SPEAKER. We are waiting momentarily for reports from 2 of the 12 committee Chairs, and it is the intention of the Chair to make those appointments as soon as the motion is agreed to and go to conference.

We would probably be able to take that up before the time that we take up the Armenian resolution.

Mr. WALKER. Mr. Speaker, further reserving the right to object, I do understand that there is a bill out here from the Committee on Agriculture in addition to the Armenian resolution.

Are there any more bills anticipated to be brought to the floor today?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I thank the gentleman for yielding.

I have just been advised by the chairman of the Committee on Agriculture, the gentleman does have a resolution the gentleman would like to have considered.

It is a sense of Congress resolution, and the chairman of the committee shall attempt to call it up by unanimous consent.

Mr. WALKER. I understand that.

Further reserving the right to object, do we have any other bills that we are going to have under that kind of process?

Mr. FOLEY. Only unanimous-consent requests that have been cleared by the minority side would be brought up.

I would like to tell the gentleman that there is standing authority by unanimous consent to consider any legislation extending the debt ceiling which was reported by the Committee on Ways and Means, and is brought up with the consent of the leadership.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Further reserving the right to object, I would simply point out that these periods before recess tend to be times when we get an awful lot of legislation being brought to the floor that is somewhat troublesome.

I would hope that we are going to scrupulously——

Mr. FOLEY. with the exception of legislation dealing with the extension of the public debt, we have no intention of bringing major legislative matters before the House not scheduled and announced.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. GEKAS. Mr. Speaker, reserving the right to object for one amplification, if I could question the majority leader.

Is the majority leader saying in explicit or implicit terms that we will be in session tomorrow and/or Sunday?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I thank the gentleman for yielding.

I am not able to tell the gentleman that at this time. We will not have legislative business to carry us beyond around noon today, and we will not have a report from the Committee on Ways and Means or the conference committee at that time in my judgment, so we are requesting recess authority.

It may be the House will be in session tomorrow, but I cannot tell the gentleman at this time.

Mr. **GEKAS**. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Washington?

There was no objection.

## ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER**. The Chair will advise Members that at the conclusion of the 1-minute speeches, it would be the intention of the Chair to recognize the gentleman from Illinois [Mr. ROSTENKOWSKI] for a motion to go to conference on the trade bill.

## NICARAGUA: THE ROAD TO PEACE?

(Mr. WHEAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHEAT. Mr. Speaker, after trying to force-feed the Congress with military solutions to the situation in Nicaragua, President Reagan has stunned many of us with his new 11th-hour enthusiasm for the art of diplomacy. Is it really possible that the same administration that for 7 years spurned negotiated Central American peace plans, now expects to sign one in 60 days? The President assures us that he is sincere in his purpose—to bring stability, security, and peace to Central America, to put an end to the senseless violence that has raped the spirit of the Nicaraguan people.

I want to believe the President, and I want these negotiations to succeed. But my own enthusiasm is tempered by past experience. Historians like to say that "you don't know where you're going till you know where you've been." We've met the President at the crossroads of peace before—we've left those crossroads feeling disappointed and betrayed. Nonetheless, I applaud the President's initiative, for there could be no more welcome traveler on the road to peace.

## SENDING MICKEY MOUSE HOME TO DISNEYLAND

(Mr. DIOGUARDI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIOGUARDI. Mr. Speaker, I rise this morning to report to the American people that, if they are planning to take their summer vacation at Disneyland or Disney World, they may not find Mickey Mouse when they arrive. No, he isn't sick, he's feeling fine. In fact, Mickey is right here in Washington working his second job as he has done for as long as any of us can remember: He is producing the financial information Congress uses every year to concoct our budget.

Of course, Mickey's services don't come cheap. Mickey Mouse financial management budget and accounting systems are costing the American taxpayer billions each year.

If you are like me, I'm sure you would rather see Mickey Mouse making children smile instead of making taxpayers cry. Yesterday, I introduced legislation to relieve Mickey of his Federal duties by calling for radical changes in Federal financial managment systems through the creation of an independent Chief Financial Officer for the United States.

Mr. Speaker, it's time to send Mickey Mouse back to Disneyland and take fantasyland accounting and budgeting systems out of Washington.

## IN SUPPORT OF SUPERCONDUCTING SUPER COLLIDER AUTHORIZATION BILL

(Mr. BRUCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRUCE. Mr. Speaker, today Chairman BOB ROE and MANNY LUJAN, ranking minority member of the Science, Space, and Technology Committee, will join with our colleague BOB TORRICELLI to introduce a bill authorizing $35 million for the superconducting super collider for fiscal year 1988. As a member of the Science Committee and as an original cosponsor of this important legislation, I rise in strong support of this bill.

With the introduction of this bill, Congress possesses the considerable responsibility of deciding whether the United States should move ahead with the world's largest and most advanced scientific project. I am pleased to note that since the President's endorsement of the SSC last February, there has been a steady increase in congressional support for the project: Over 40 House Members went on record in support of the SSC in two special orders I hosted in March; the super collider attracted further congressional attention and support in April, when the House Science Committee held 3 days of well-publicized hearings on the SSC; last month, over 65 of my colleagues signed a letter that I sent to the House Appropriations Committee endorsing a full $35 million appropriation for the project; and today, we have over 200 Members cosponsoring this SSC authorization bill.

Passage of this legislation would represent a tremendous leap forward for American science and technology: The SSC will enable scientists here to continue their quest for a single theory describing all the interactions of matter and energy. In addition, the use and development of the most advanced technologies for the SSC can be expected to lead to spinoffs in the areas of electronics, nuclear medicine, and superconductivity. If the United States does not move forward on the SSC, others will. Europe and the Soviet Union have already embarked upon powerful new accelerators and Japan has expressed interest in a similar project.

Mr. Speaker, the SSC is a bold and innovative project that is ready to go. Initial construction funds in fiscal year 1988 mean that industrial participation can be expanded and that formal negotiations for international participation and cost-sharing can proceed. I urge my colleagues to support this bill.

## OBSTRUCTION OF JUSTICE

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, instead of deciding whether President Reagan's Supreme Court nominee, Robert Bork, is right for the job, the Senate Judiciary Committee has decided to spend valuable time interpreting their role of advise and consent. One side says the debate is philosophy, the other says the issue should be candidate credentials. The real issue is politics.

The Senate has scheduled hearings for September 15, a full 2½ months after Bork was nominated. If it takes the committee 75 days to set up the hearing, how fast should we expect them to make a decision? The committee chairman has promised a vote in committee by October 1. But Senate procedures allow floor delay, and it is highly probable that the Court will assemble on October 1 with only 8 members, making 4 to 4 splits likely.

This would truly be an obstruction of justice, Mr. Speaker. I urge the Senate to fulfill their responsibility and give the American people what they deserve—a complete Supreme Court. The Senate should hear Robert Bork now and decide if he is the man for the job—listen to his credentials and his philosophy of the law—but turn a deaf ear to political maneuvering.

□ 1040

## WALL STREET JOURNAL REPORT ON MALE AND FEMALE UNEMPLOYMENT RATES

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, last week the Wall Street Journal reported that for the first time since records have been collected,

unemployment rates for women equal those of men. Yet, equality in unemployment rates does not mean equality of treatment under laws governing unemployment. The unemployment insurance system, set up to increase economic security for American workers, in practice, increases the economic vulnerability of women. In February 1987, over two-thirds of people claiming unemployment benefits were men while women constituted less than one-third of unemployment insurance claimants. And only 3 percent of women receive the maximum unemployment benefit compared to 22 percent of unemployed men.

The unemployment system protects "regular" workers—usually men—while it punishes less than full-time workers—usually women. Two-thirds of all part-time workers are women, yet in every State save six, regulations automatically disqualify applicants for unemployment compensation who limit their availability to part-time work.

The dual responsibilities of working women as mothers and wage earners are also not recognized in unemployment insurance laws. Theoretically, either a man or woman can leave employment to raise a child or deal with a family crisis yet 99 percent of "domestic" quits are by women. Six States expressly forbid unemployment insurance for domestic quits while 28 others restrict compensation for domestic or voluntary quits to those persons who leave jobs to follow a spouse.

Sexual harassment, reported to affect 42 percent of women in the Federal work force alone, often leads to job termination. However, many States do not consider quitting a job to escape sexual harassment a just cause for qualifying for unemployment insurance.

Mr. Speaker, as women continue to take an equal place beside men in the office, the factory and the unemployment line, we in Congress must guarantee that the laws we pass to protect workers protect every worker.

## APPOINTMENT OF CONFEREES ON H.R. 3, TRADE AND INTERNATIONAL ECONOMIC POLICY REFORM ACT OF 1987

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3) to enhance the competitiveness of American industry, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The **SPEAKER**. Is there obejction to the request of the gentleman from Illinois?

Mr. SOLOMON. Reserving the right to object, Mr. Speaker, I have at the desk a motion to instruct the conferees to accept the Senate language. It deals with the ban on finished Toshiba products from coming into the United States over the next 2 to 5 years.

Mr. DUNCAN. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Tennessee.

Mr. DUNCAN. Mr. Speaker, I also have a motion, a privileged motion to instruct.

Mr. SOLOMON. Continuing my reservation, Mr. Speaker, I had hoped that the gentleman from Tennessee [Mr. DUNCAN], the ranking Republican member, would yield to me for the purpose of offering my motion to instruct; however, I do understand there are problems. I do not want to hold up the actions of this House; but the truth is that we have been denied on a number of occasions through the Rules Committee and other areas from dealing with this terribly important subject.

I would just ask the gentleman, instead of my offering this motion, what his intentions are with the conferees when they do meet.

Mr. DUNCAN. Well, I would say in terms of my chairman, that will be a top priority of consideration. In fact, my motion now has in it that the national defense will not be jeopardized, my motion to instruct. I am sure it is going to be one of the top subjects of the conference.

Mr. SOLOMON. Continuing my reservation of objection, Mr. Speaker, I would just say that langauge certainly generically deals with exactly what I am talking about. If the Members of this House live up to that instruction, certainly I would hope to keep that Senate language in the bill.

Mr. Speaker, the motion which I wanted to offer to H.R. 3 would instruct the House conferees to accept the Senate language prohibiting the sale of Toshiba products in this country for 2 to 5 years. This will be the first opportunity for the House to get on record, in any meaningful way, in support of the Toshiba import sanctions.

The Toshiba motion to instruct will help stem the flow of militarily critical technology to the Soviet Union, without unnecessarily restricting exports.

Since the Senate's 92-to-5 vote approving sanctions against Toshiba and Kongsberg we have had the opportunity to carefully review the damage done to the national security, and it is even worst than we thought!

DOD estimates the impact of the sale has allowed the Soviet Union to acquire the ability to produce quieter propellers for its submarine fleet reliably, repeatedly and in large numbers. The five milling machines and software produce "silent propeller" submarines able to penetrate the outer ring of U.S. coastal defenses. The equipment allows the Soviet subs to run so quietly that the United States advantage in detecting and tracking their fleet has been eliminated. According to Fred Ikle, Under Secretary of Defense for Policy, it was a breach which will cost us billions to counter.

Clearly, the sale of this sophisticated milling equipment by Toshiba was one of the most damaging diversions in history.

Toshiba officials have apologized for making these sales to the Soviet Union and the Government of Japan has spent thousands of dollars to run full page ads in United States newspapers to say they are sorry. Yet, the American taxpayers are out tens of billions of dollars, and the very security of the NATO alliance has been placed in jeopardy. And now they say they are sorry. Well that's like getting hit by a Mack truck and the driver stopping just long enough to give you a Band-Aid.

Mr. Speaker, because the ranking Republican, Mr. DUNCAN, included language in his motion to require House conferees to support all positions that would protect our national defense interests, I am satisfied that the Senate language dealing with Toshiba will be maintained; therefore I will not offer my motion and I withdraw my reservation.

Mr. DUNCAN. Mr. Speaker, I thank the gentleman.

Mr. SOLOMON. Mr. Speaker, I withdraw my reservation of objection and I withdraw my motion to instruct.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

### MOTION TO INSTRUCT OFFERED BY MR. DUNCAN

Mr. DUNCAN. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. DUNCAN moves that the managers on the part of the House at the conference on the disagreeing votes between the two Houses on H.R. 3 are instructed to maintain strong support of the House position on all provisions that:

(1) Advance the competitive position of U.S. industries and insure that unfairly traded goods and services do not either undermine America's industrial base and services industries or threaten American jobs;

(2) Support enhanced negotiating authority for the U.S. Trade Representative so that he may pursue aggressively U.S. interests in the Uruguay round;

(3) Provide improvements in our trade laws ensuring that U.S. industries and workers will not have to suffer adverse effects of unfair trading practices and the national defense will not be jeopardized; and

(4) Result in legislation that can be broadly supported by all interests.

The **SPEAKER**. The gentleman from Tennessee [Mr. DUNCAN] is recognized for 1 hour.

Mr. DUNCAN. Mr. Speaker, I think my motion to instruct is self-explanatory. Essentially, it directs the managers on the part of the House to work hard for the interests on this Chamber in their negotiations with managers for the other body.

Also, it directs House managers to keep in mind the interests and concerns of all of our citizens who have a big stake in this legislation. As far as I know, my colleagues on both sides of the aisle should agree with the principles set forth in the motion.

I urge my colleagues to support it.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN. Mr. Speaker, for purposes of debate only, I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, I urge support of the motion as well, but I want to take this time to talk for a moment about the comments of the gentleman from New York [Mr. Solomon].

At least three committees of this House, and perhaps more, have begun some kind of hearing or internal discussion on the problem of Toshiba. It is a very important one to our Ways and Means Committee, I would tell the House and the gentleman.

We have had one long hearing, and probably will have some others, and are trying to work the problem out as carefully as we can.

We have solicited the help of Messrs. Wilson, Hunter, and Rowland, and others who have introduced bills in their own right, to help in putting ours together. At least for my part, I take the matter very seriously.

I think the problem extends beyond Toshiba, and therefor the solution must do so also. But, certainly that company and its transgression does require some kind of punishment, so that we may show the world that we intend our Cocom regulations and our treaties of all kinds to be observed, fully by both us and by our trading partner companies.

So I hope that will be the understanding of this motion with respect to that element.

Mr. Speaker, I thank the gentleman for yielding.

Mr. DUNCAN. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER. The question is on the motion to instruct offered by the gentleman from Tennessee [Mr. Duncan].

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees from the committees designated and, without objection, reserves the authority to make additional appointments of conferees and to specify particular portions of the House bill and Senate amendment as the subjects of the various appointments.

From the Committee on Ways and Means: Messrs. Rostenkowski, Gibbons, and Duncan;

From the Committee on Agriculture: Messrs. de la Garza, Brown of California, and Roberts;

From the Committee on Banking, Finance, and Urban Affairs: Messrs. St Germain, Fauntroy, and Wylie;

From the Committee on Foreign Affairs: Messrs. Fascell, Bonker, and Broomfield;

From the Committee on Energy and Commerce: Messrs. Dingell, Florio, and Lent;

From the Committee on Education and Labor: Messrs. Hawkins, Ford of Michigan, and Jeffords;

From the Committee on the Judiciary: Messrs. Rodino, Kastenmeier, and Fish;

From the Committee on Government Operations: Messrs. Brooks, Conyers, and Horton;

From the Committee on Merchant Marine and Fisheries: Messrs. Jones of North Carolina, Biaggi, and Davis of Michigan;

From the Committee on Public Works and Transportation: Messrs. Mineta, Oberstar, and Hammerschmidt;

From the Committee on Small Business: Messrs. LaFalce, Smith of Iowa, and McDade;

From the Committee on Science, Space, and Technology: Messrs. Roe, Walgren, and Lujan; and

As an additional conferee: Mr. Gephardt.

There was no objection.

## ANNOUNCEMENT OF ORGANIZATIONAL SESSION OF TRADE CONFERENCE TODAY AND OF MEETING OF CONFEREES ON DEBT CEILING

Mr. ROSTENKOWSKI. Mr. Speaker, let me announce that there will be an organizational session of the trade conference today at 2 p.m. in the Cannon Caucus Room.

Mr. Speaker, let me also announce that the conferees on the debt ceiling will convene in room 1100, Longworth Building, immediately.

## FEDERAL TRIANGLE DEVELOPMENT ACT

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation and the Committee on Interior and Insular Affairs be discharged from further consideration of the Senate bill (S. 1550) to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. MOLINARI. Reserving the right to object, Mr. Speaker, I do not intend to object, but I yield to the gentleman from New Jersey [Mr. Howard] chairman of the Public Works and Transportation Committee, for an explanation of the bill.

Mr. HOWARD. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, S. 1550, entitled "The Federal Triangle Development Act," authorizes completion of the Federal Triangle by providing for the construction of a Federal office complex and international cultural and trade center on the federally owned site at 14th Street between Constitution and Pennsylvania Avenues, Washington, DC. This exciting proposal will mark the completion of the 25-year program for the redevelopment and reconstruction of Pennsylvania Avenue, commonly referred to as "The Avenue of the Presidents." The building will be built on a lease-to-own plan, whereby the Federal Government's lease payments over a 30-year lease term will pay for the cost of constructing the building. At the end of the 30 years, the Federal Government will own the building in fee simple. Title will revert to the Government and no additional rental payments will be necessary. This method of financing is estimated to save the Federal Government approximately $271 million over the 30-year lease term.

Mr. Speaker, the primary agencies involved in planning and building this Federal complex will be the General Services Administration, the Pennsylvania Avenue Development Corporation, and a Presidential Commission, the International Cultural and Trade Center Commission. The Department of State, National Capital Planning Commission and Commission of Fine Arts will have advisory roles. Safeguards are built in throughout the legislation to ensure that the complex will be the best contemporary design and will be in harmony with other structures located on Pennsylvania Avenue. This site is the missing tooth in the smile of Pennsylvania Avenue which is being undertaken by Pennsylvania Avenue Development Corporation.

According to GSA's estimates the building will provide approximately 1.9 million occupiable square feet; 1.4 million square feet for Federal use and 500,000 square feet for the International Cultural and Trade Center.

Mr. Speaker, in the 1960's the Federal Government stopped constructing Federal buildings due primarily to the large drain on the Federal budget in one particular year. Instead the Gov-

ernment turned to leasing, whereby only the annual lease payments are reflected in the budget. However at the end of the lease term the taxpayers of this Nation are left with nothing but a handful of rent receipts. Further, the Government becomes a "captive tenant" of rental space since the Government has no federally owned space to relocate into. Rents in the Nation's Capital have increased by 30 percent over the last 2 years and the annual Federal Government's rental bill is about $1.4 billion currently, up from approximately $400 million in 1980. It is projected the annual rental bill will escalate to $2 billion by 1992, unless Congress gives further direction to the administration to discontinue leasing, thus, the concept embodied in this legislation is most worthy.

Mr. Speaker, passage of this legislation will save the taxpayers of this Nation $271 million of a 30-year period—allow the Government to hold title to the building at the end of 30 years, it will enhance opportunities for American trade, commerce, and cultural exchange—provide for the completion of redevelopment of Pennsylvania Avenue and provide for the consolidation of agencies thereby avoiding substantial duplicative costs.

Mr. Speaker, the Committee on Interior and Insular Affairs has an interest in this legislation to the extent that the Pennsylvania Avenue Development Corporation is involved. Thanks to the cooperation of the leadership of that committee, we are able to present this matter to the House at this time.

One of the concerns expressed by the members of the Interior Committee involves the provisions in the bill for congressional review of the plan. I want to assure my colleagues that the Interior Committee will be consulted when the development proposal is submitted and that a copy of the proposal will be provided to the committee in a timely manner so that it may contribute to the furtherance of this worthwhile project.

Mr. Speaker, I urge enactment of S. 1550.

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Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. MOLINARI. Under my reservation of objection, I am glad to yield to the gentleman from Arkansas [Mr. Hammerschmidt], the ranking Republican.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of S. 1550, legislation to construct a building for Federal office space and an International Cultural and Trade Center on the Federal Triangle.

S. 1550 would provide for this facility to be constructed on Federal land at 14th Street and Pennsylvania Avenue now being used as a parking lot. The building, which the Federal Government would own following lease payments over a 30-year lease term based on construction costs, would enable the Government to release approximately 15 leases which will be expiring in the next several years—leases that would have to be negotiated at a much higher cost. GSA estimates that annual lease payments for this building will be significantly lower than market rates and that a savings of $281 million over 30 years will be realized.

This facility will enable the Departments of Justice, Treasury, and State to consolidate their office from numerous locations around the area, thereby allowing more efficient operations and administrative cost savings. As a result of this building and other actions, the Department of the Treasury, currently in 38 locations in Washington, will be reduced to 4. Justice, now in 26 locations, will be in 3 locations. The Department of State, which is in 16 different locations, will be reduced to 3.

The International Cultural and Trade Center portion of the facility is an exciting venture which would promote trade and cultural opportunities and would be instrumental in encouraging, through diplomatic reciprocity, similar treatment for the United States abroad.

For several years, we have been faced with ever increasing leasing costs for the Federal Government and there is no end in sight unless we begin to consider innovative proposals such as that which we are considering today. It is clear that the limited resources of the Federal building funds do not allow outright Federal construction and our leasing expenses will continue to grow in the future. This lease-to-own proposal is a creative approach which will allow us to make annual lease payments leading to Federal ownership.

Mr. Speaker, the Public Works and Transportation Committee has worked closely with the Senate on developing this legislation. I would urge my colleagues to join me in supporting this bill today.

Mr. MOLINARI. Continuing under my reservation, Mr. Speaker, I rise in strong support of S. 1550, a bill to complete the Federal Triangle in the District of Columbia through the construction of a public building to provide Federal office space and space for an International Cultural and Trade Center. The Subcommittee on Public Buildings and Grounds held a lengthy hearing on July 22 regarding this project on the last remaining site on the Federal Triangle at 14th Street and Pennsylvania Avenue.

The Public Works and Transportation Committee worked closely and most cooperatively with the Senate in developing this proposal. While the legislation may be designated as a Senate bill, it can truly be considered a joint House/Senate bill.

S. 1550 provides for a building not to exceed 3.1 million gross square feet, which would be constructed on a lease-to-own basis. That is, the Federal Government's lease payments over 30 years would pay for the cost of construction. At the end of that time, title to the building would revert to the Federal Government.

GSA estimates that the rental costs paid to the developer will be substantially less than the market rate for similar space. Savings of $281 million will be realized over the 30-year lease. And, of course, the Federal Government would own the building at the end of the 30 years. This is particularly important as the Government's annual rental bills continue to grow dramatically—up from $400 million in 1970 to over $1 billion currently. Approximately 50 percent of our Federal workers are in leased space. In the Washington area alone, the Government controls 65 million square feet of space and over 30 million square feet of that is leased space.

The building would provide 1.4 million occupyable square feet of office space to house several Federal agencies now located in leased space—primarily Justice, State, and Treasury. An International Cultural and Trade Center to be operated by a 15-member Federal commission would occupy up to 500,000 occupyable square feet. Underground parking facilities account for the remainder of the space.

The Pennsylvania Avenue Development Corporation, which has done an outstanding job on the rehabilitation of Pennsylvania Avenue, would have primary responsibility for the development proposal, design competition and construction of the facility. The Corporation would work closely with GSA and the Commission in carrying out its duties.

GSA would have a master lease with the developer for the entire facility and sublease space for the International Cultural and Trade Center to the Commission. Should demand not match current expectations, GSA could reenter that space and utilize it as additional Federal office space.

It is envisioned that the center will house foreign missions; international, State, and local agencies involved in international trade; Government-sponsored organizations supporting cultural exchanges and contain exhibit space. The State Department has been extremely involved in this project and sees it as a means to provide attractive space to foreign missions which provide us high quality space in their countries, and as a tool to secure similar space for Americans abroad. The center will enhance opportunities for American trade, commerce, and cultural exchange.

Mr. Speaker, this project has the support of the administration, GSA, the Departments of State, Commerce, Treasury, and Justice, the Office of the Trade Representative, the U.S. Information Agency, and OMB. It is an important step in moving away from the continued high cost of leasing space for the Federal Government. In addition, the development of this Federal property, along with other actions, will lead to major consolidations of Treasury, Justice, and State. With such consolidations, greater efficiency will be realized.

There are many benefits to gain from passage of S. 1550 and the development of an underutilized prime piece of Federal real estate. As was stated by the Pennsylvania Avenue Development Corporation at our subcommittee hearing last month, in reference to the great transformation of Pennsylvania Avenue over the past several years: "But the parking lot on the south side of 14th Street and Pennsylvania Avenue is like the missing tooth in a beautiful smile."

Mr. Speaker, we have an opportunity to remedy that situation and I would urge passage of S. 1550 by this House today.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. MOLINARI. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Florida.

Mr. SHAW. Mr. Speaker, the Subcommittee on Public Buildings and Grounds and the Committee on Public Works and Transportation, the chairman and ranking members thereto should be congratulated for this landmark piece of legislation.

It is not only a landmark piece of legislation from the standpoint of the building and the square footage that is involved in this particular project, but it is also because of the unique financing method that is being used. This method was used once before in the city of Miami, which is a project that I was associated with that is presently underway and moving forward. It gives the Federal Government an opportunity to expand its ownership of federally occupied building space.

The gentleman from New York [Mr. Molinari] stated to the committee the tremendous amount of space that is occupied as leased space by the Federal Government. This I believe is truly a turning point, and I commend the gentleman from New York, the chairman of the subcommittee, the gentleman from American Samoa, and also the chairman of the full Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. Howard], and the ranking member, the gentleman from Arkansas [Mr. Hammerschmidt], for bringing this legislation to the floor. I urge its adoption.

Mr. Speaker, I rise in strong support of this legislation which would authorize the construction of a Federal office building and an International Cultural and Trade Center on the Government-owned, Federal Triangle property in downtown Washington, DC.

I would like to commend all of those who have been involved with this important and landmark legislation.

This bill is a result of countless hours of work and represents a truly cooperative effort between the House, Senate, the administration and the Washington business community.

S. 1550 would provide for the construction of a 3.2 million square foot building complex to help complete the redevelopment of the Pennsylvania Avenue corridor.

The construction, occupancy and use of this complex represents a new approach in our Federal buildings program.

The facility will be designed and constructed using a competitive design competition, conducted by the Pennsylvania Avenue Development Corporation.

The building is to be financed over a 30-year term with the Government making annual payments to amortize construction and development costs.

At the end of the 30-year period, the building would become part of GSA's Government-owned inventory.

This is a new approach to the acquisition of space for Federal use which has been utilized on one other occasion in Miami, FL; which was a project with which I was pleased to be associated and one which I think will work out quite well from the Government's and the city's perspective.

I urge my colleagues to support this legislation which starts a new beginning for the Federal building program.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. MOLINARI. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I rise in support of S. 1550, a bill to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an International Cultural and Trade Center. For many decades, plans have been discussed to use this prime parcel more constructively than for the parking lot it now is. This bill would make possible the construction of the International Cultural and Trade Center, and use this land so centrally located more appropriately. I want to commend subcommittee Chairman Sunia and the ranking member of the Public Works Committee as well as the Chairman Howard.

This International Trade and Cultural Center building would complete the revitalization of Pennsylvania Avenue, and consolidate various Federal functions now dispersed. Key to the development of this site is the transfer of the property and the responsibility for its development to the Pennsylvania Avenue Development Corporation. The site's planning, design, competitions, and construction management of the building would be under the Pennsylvania Avenue Development Corporation. The property would revert to the General Services Administration upon completion of the building.

Mr. Golden, the Administrator for the GSA, has been in contact with me and pointed out the logical extension of the PADC for this development and indeed I concur.

The Pennsylvania Avenue Development Corporation has been involved in similar projects since 1978 on the north side of Pennsylvania Avenue—buying property, acquiring rights of way, holding design competitions, and working with developers. This building is proposed to be completed within a 4-year cycle before being turned over to the General Services Administration who will manage the property after that.

Given the accomplishments of the Pennsylvania Avenue Development Corporation in the past few years, giving them this additional responsibility will serve the needs of this city and the Federal Government. I want to emphasize that any and all construction in this site must be compatible with the existing buildings, and serve to enhance them. Designs must be compatible with the dignity of this core area. The Federal Triangle is recognized for its present design and its significance. Respect must be given to the existing buildings by any future one. Finally, Mr. Speaker, I look forward to being part of this process and in working to ensure that our Nation's Capital reflects our Nation's pride and carefully reviewing the reports that will be submitted to both committees of jurisdiction concerning the Pennsylvania Avenue Development Corporation actions concerning this project, the Interior and Insular Affairs Committee and the Public Works Committee.

Mr. MOLINARI. Mr. Speaker, I think this is an exciting proposal.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. Kildee). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1550

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Triangle Development Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds and declares that—

(1) it is in the national interest to build a Federal building complex and establish an international cultural and trade center on the Federal Triangle property in the District of Columbia;

(2) development of such a Federal building complex will permit consolidation of a number of Federal agencies which are currently housed in numerous, scattered locations and will enable more economical and efficient use of building space and environs;

(3) inclusion of an international cultural and trade center within the Federal building complex will create and enhance opportunities for American trade, commerce, communications, and cultural exchanges with

other nations and complement the work of Federal, State, and local agencies in the areas of international trade and cultural exchange; and

(4) the appropriate development, maintenance, and use of the Federal Triangle property should be a joint development effort of the General Services Administration, the Pennsylvania Avenue Development Corporation, and the International Cultural and Trade Center Commission.

(b) Purposes.—The purposes of this Act are as follows:

(1) To transfer the Federal Triangle property from the Administrator of General Services to the Pennsylvania Avenue Development Corporation.

(2) To grant to the Corporation the power of eminent domain to acquire certain properties and rights-of-way adjacent to the Federal Triangle site and to authorize the Corporation to exercise such power as may be necessary to further the public interest.

(3) To authorize the Corporation, after consultation with the Secretary of State, the Administrator, and the Commission, to prepare plans for development of such property.

(4) To establish a process for review and selection of such plans and, after completion of such review process, to authorize the Corporation to enter into an agreement with a private developer selected for the development of such property.

(5) To ensure that the design and construction of the Federal building complex on such property will insofar as practicable be in accordance with the guiding principles for Federal architecture recommended by the Committee on Federal Office Space in 1962 which require among other things that facilities to be used by Federal agencies be efficient and economical and that public buildings provide visual testimony to the dignity, enterprise, vigor, and stability of the Federal Government.

(6) To provide for establishment, operation, and maintenance of a self-sustaining international cultural and trade center in such complex.

SEC. 3. FEDERAL TRIANGLE PROPERTY.

(a) Transfer to PADC.—

(1) General rule.—Subject to such terms and conditions as the Administrator and the Corporation may establish, the Administrator shall transfer, without compensation, to the Corporation title to the Federal Triangle property for development under this Act.

(2) Duration of transfer.—Title to the Federal Triangle property shall revert to the Administrator at such time as the Administrator and the Corporation agree but not later than the date on which ownership of the building to be constructed on such property under section 5 vests in the United States. On and after such date, title to such building shall be in the Administrator.

(3) Legal description.—The exact acreage and legal description of the Federal Triangle property shall be based upon surveys which are satisfactory to the Administrator and the Corporation.

(b) Adjoining Property and Rights-of-Way.—

(1) Acquisition.—The Corporation may acquire by purchase, exchange, condemnation, or otherwise such additional property or improvements or interest therein (including any portion of any street, roadway, highway, alley, or right-of-way and any easements to and air rights on or above any public lands or rights-of-way) as are necessary for development of the Federal Triangle property.

(2) Transfer to GSA.—At the time title to the Federal Triangle property reverts to the Administrator under subsection (a), the Corporation shall transfer to the Administrator, without compensation, title to any property or interest therein acquired under this subsection and improvements thereon.

SEC. 4. DEVELOPMENT PROPOSAL.

(a) Preparation and Contents.—The Corporation shall prepare a written proposal for development of the Federal Triangle property which shall include, but not be limited to, the following:

(1) A narrative description of the building to be constructed on the Federal Triangle property, including a description of the types of uses both public and private to be permitted in the building.

(2) A comprehensive plan prepared by the Administrator for providing space for Federal officers and employees in the building.

(3) A plan for inclusion of an international cultural and trade center comprising not to exceed 500,000 occupiable square feet, including a leasing plan prepared by the Commission for occupancy of such center and a plan for permitting conversion of space not used for such center to office space.

(4) A comprehensive plan for providing security for the building and its occupants and contents.

(5) A comprehensive plan for providing parking for motor vehicles of occupants of and visitors to the building and for providing access to the building by delivery and service vehicles.

(6) A statement prepared by the Administrator of rents and other housing costs currently being paid by the United States for Federal agencies to be housed in the building.

(7) Design criteria for the building.

(8) An estimate of the cost of construction of the building and of the annual cost to the United States of leasing the building under section 6.

(9) Environmental impact documentation for development of the Federal Triangle property under Federal laws and regulations.

(10) An analysis of the economic impact in the metropolitan area which includes the District of Columbia of development of the Federal Triangle property.

(11) terms and conditions approved by the Administrator for inclusion in the lease agreement under section 6.

(b) Limitations.—

(1) Size of building.—The building (including parking facilities) to be constructed on the Federal Triangle property may not exceed 3,100,000 gross square feet in size.

(2) Height of building.—The height of the building shall be compatible with the height of surrounding Government buildings.

(3) Design.—The building shall be designed in harmony with historical and Government buildings in the vicinity, shall reflect the symbolic importance and historic character of Pennsylvania Avenue and the Nation's Capital, and shall represent the dignity and stability of the Federal Government.

(c) Consultation Requirement.—In preparing the development proposal under subsection (a), the Corporation shall consult the Secretary of State, the Administrator, and the Commission.

(d) Duties of the Administrator and Commission.—

(1) Administrator.—The Administrator shall prepare and submit to the Corporation for inclusion in the development proposal under subsection (a)—

(A) a comprehensive plan for providing space for Federal officers and employees in the building to be constructed on the Federal Triangle property;

(B) a statement of rents and other housing costs currently being paid by the United States for Federal agencies to be housed in the building; and

(C) a list of terms and conditions which the Administrator has approved for inclusion in the lease agreement to be entered into under section 6.

(2) Commission.—The Commission shall prepare and submit to the Corporation for inclusion in the development proposal under subsection (a) a leasing plan for occupancy of the international cultural and trade center under section 8.

(e) Review and Approval of Development Proposal by GSA and Others.—

(1) Submission for review.—As soon as practicable but not later than 365 days after the date of the enactment of this Act, the Corporation shall submit the development proposal prepared under subsection (a) to the General Services Administration, the Commission, the National Capital Planning Commission, and the Commission of Fine Arts.

(2) Approval or recommended modifications.—Not later than 60 days after the date of submission of the development proposal under paragraph (1), each governmental entity referred to in paragraph (1) shall notify the Corporation of approval or recommended modifications of the development proposal. If such governmental entity does not notify the Corporation of its approval or recommended modifications of the proposal within such 60-day period, such governmental entity shall be deemed to have approved the proposal.

(3) Consultation.—In the event a governmental entity referred to in paragraph (1) submits recommended modifications of the development proposal within the 60-day period described in paragraph (2), the Corporation shall consult such entity regarding such modifications and may modify such proposal to take into account one or more of such recommended modifications.

(f) Submission for Congressional Review.—Not later than 150 days after the date of submission of the development proposal to governmental entities under subsection (e)(1), the Corporation shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives for review and approval the development proposal with any modifications made under subsection (e)(3), a statement of the areas of difference between such proposal and the recommended modifications of each such governmental entity, and the views of the Corporation with respect to such differences.

(g) Funding.—Not later than 60 days after the date of the enactment of this Act, the Administrator shall transfer from amounts appropriated to the Administrator $800,000 to the Corporation for carrying out this section.

SEC. 5. CONSTRUCTION OF BUILDING.

(a) Selection Process.—

(1) General rule.—Upon approval of the development proposal submitted under section 4(f) by resolutions adopted by the Committee on Environment and Public Works of

the Senate and the Committee on Public Works of the House of Representatives, the Corporation in accordance with its policies and procedures for a development competition, shall select a person to develop the Federal Triangle property.

(2) Consultation requirement.—In selecting a person to develop the Federal Triangle property, the Corporation shall consult the Administrator and the Commission.

(3) Competition.—The Corporation shall conduct a competition for selection of a person to develop the Federal Triangle property. Such competition shall be conducted in accordance with the existing policies and procedures of the Corporation for a development competition.

(4) Prohibition on payments for bids and designs.—The Corporation may not make any payment to any person for any bid or design proposal under the competition conducted under this subsection.

(b) Development Agreement.—

(1) Authority to enter.—The Corporation may enter into an agreement for the development of the Federal Triangle property in accordance with the development proposal approved under subsection (a) with the person selected to develop the Federal Triangle property.

(2) Contents.—The development agreement under paragraph (1) shall at a minimum provide for the following:

(A) The construction of a building on the Federal Triangle property in accordance with the architectural plans and specifications selected under the development competition.

(B) Ownership of such property and building will be by the United States; except that the person selected under subsection (a) may own such building for a term not to exceed 35 years beginning on the date on which construction of such building commences.

(C) The Administrator to lease such building from such person for the term determined under subparagraph (B).

(D) Inspection of such building during construction by the Administrator and the Corporation.

The agreement shall include a copy of the lease agreement and technical directives and specifications prepared by the Administrator and entered into by the Administrator and such person under section 6.

(c) Connection With Rail System.—The building to be constructed under this section may be connected with the rapid rail system operated by the Washington Metropolitan Area Transit Authority via a station located on the Federal Triangle property. The construction cost of making such connection shall be the responsibility of the person selected to develop the Federal Triangle property. The Washington Metropolitan Transit Authority may not charge any fee or other amount for the connection of such building to such rail system.

(d) Construction Standards and Inspection.—The building constructed under this section shall meet all standards applicable to construction of a Federal building. During construction, the Administrator and the Corporation shall conduct periodic inspections of such building for the purpose of assuring that such standards are being met.

(e) Treatment of PADC.—For purposes of any State or local law (including laws relating to taxation and building permits and inspections), the Corporation with respect to development of the Federal Triangle property shall be treated as the General Services Administration is treated with respect to acquisition and construction of a Federal building.

(f) Applicability of Certain Laws.—Any person who enters into an agreement with the Corporation under subsection (b) for development of the Federal Triangle property shall not, with respect to such development, be subject to any State or local law relating to building permits and building inspection. Such property and any improvements to such property shall not be subject to real and personal property taxation, or special assessments.

(g) Treatment of Federal Triangle Development Area.—For purposes of the Pennsylvania Avenue Development Corporation Act of 1972 (other than section 5), the Federal Triangle development area shall be treated as being a part of the development area described in section 2(f) of such Act (40 U.S.C. 871(f)). The Corporation shall have the same authority with respect to the Federal Triangle development area as it has with respect to the development area described in such section 2(f).

(h) Powers of the Corporation.—The Corporation shall have with respect to its duties under this Act any powers which the Corporation has under section 6 (other than paragraph (9) and (10)) of the Pennsylvania Avenue Development Corporation Act of 1972 (40 U.S.C. 875) with respect to its duties under such Act. The Corporation may enter into agreements with any Federal agency or the Commission with respect to this Act, or as permitted or authorized by 31 U.S.C. 1535.

(i) Authorization of Appropriation.—There is authorized to be appropriated, from the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), to the Administrator for transfer to the Corporation for carrying out this section and section 4 $3,700,000 for fiscal year 1988. Such sums shall remain available until expended.

### SEC. 6. LEASE OF BUILDING BY GSA.

(a) Entry Into Agreement.—Before the development agreement is entered into under section 5, the Administrator shall enter into with the person selected to construct the building under section 5 an agreement for the lease of such building for Federal office space and the international cultural and trade center space.

(b) Terms of Agreement.—The agreement entered into under this section shall include at a minimum the following terms:

(1) The Administrator will lease the building for the term that the person selected to construct the building owns the building.

(2) The rental rate per square foot of occupiable space for all space in the building will be in the best interest of the United States and carry out the objectives of this Act, but in no case may the aggregate rental rate for all space in the building produce an amount less than the amount necessary to amortize the cost of development of the Federal Triangle property over the term of the lease.

(3) Obligations of funds from the Federal Building Fund shall only be made on an annual basis to meet lease payments.

(4) The Administrator will be permitted to sublease to the Commission for establishment, operation, and management of the international cultural and trade center under section 8.

(c) Accounting System.—The Administrator shall maintain an accounting system for operation and maintenance of the building to be constructed under section 5 which will permit accurate projections of the dates and the costs of major repairs, improvements, reconstructions, and replacements of such building and other capital expenditures on such building. The Administrator shall take such action as may be necessary to assure that funds are available to cover such projected costs and expenditures.

(d) Obligation of Funds.—Obligation of funds to make lease payments under this section may only be made on an annual basis and from amounts in the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)).

### SEC. 7. INTERNATIONAL CULTURAL AND TRADE CENTER COMMISSION.

(a) Establishment.—There is established a commission to be known as the International Cultural and Trade Center Commission.

(b) Duties of Commission.—The duties of the Commission are as follows:

(1) To participate in accordance with section 4 in the planning of the building to be constructed under section 5.

(2) To enter into an agreement with the Administrator under section 8 for the lease of space in the building constructed under section 5 for establishment, operation, and maintenance of an international cultural and trade center.

(3) To operate and manage any space leased under section 8 in accordance with the objectives of this Act.

(4) To prepare under section 8 an annual report on the operation and management of such space.

(c) Membership.—

(1) Number and appointment.—The Commission shall be composed of 15 members as follows:

(A) The Secretary of State or his delegate.

(B) The Secretary of Commerce or his delegate.

(C) The Secretary of Agriculture or his delegate.

(D) The United States Trade Representative or his delegate.

(E) The Administrator or his delegate.

(F) The Director of the United States Information Agency or his delegate.

(G) The Chairman of the Corporation or his delegate.

(H) The Mayor of the District of Columbia or his delegate.

(I) The Chairman of the National Endowment for the Arts or his delegate.

(J) 6 individuals appointed by the President one of whom shall be a resident and registered voter of the District of Columbia and all of whom shall be specially qualified to serve on the Commission by virtue of their education, training, or experience in international trade, commerce, cultural exchange, finance, business, or management of facilities similar to the international cultural and trade center described in section 8.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(2) Terms.—

(A) General rule.—Except as provided in subparagraph (B), the terms of office of the private sector Members first taking office shall begin on the date of the enactment of this Act and shall expire as designated at the time of appointment, two at the end of two years, two at the end of four years, and two at the end of six years.

(B) Filling a vacancy.—Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term

for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

(3) Pay.—Members of the Commission shall serve without pay; except that any member of the Commission appointed under paragraph (1)(J) shall while attending meetings of and attending hearings held by the Commission be entitled to travel or transportation expenses in accordance with section 5703 of title 5, United States Code.

(4) Quorum.—8 members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(5) Designation of chairman.—The Chairman and Vice Chairman of the Commission shall be designated by the President; except that the Chairman may only be designated from individuals appointed under paragraph (1)(J).

(6) Meetings.—The Commission shall meet at the call of the Chairman but no less often than every 4 months.

(d) Staff of Commission.—

(1) General rule.—The Commission shall have a staff, including an executive director. Such staff shall be composed of individuals who may either be appointed under paragraph (2) or detailed under paragraph (3); except that the staff of the Commission may not at any time be composed of more than 15 individuals.

(2) Authority to appoint.—The Commission may appoint and fix the pay of not to exceed 10 individuals, including an individual to serve as the executive director of the Commission. Staff appointed under this paragraph shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; except that—

(A) the individual appointed to serve as the executive director and one other individual appointed to the staff of the Commission may be appointed and compensated without regard to such provisions; and

(B) the pay of any individual (other than the 2 individuals referred to subparagraph (A)) appointed under this paragraph shall be at a rate not to exceed the maximum rate of basic pay payable for GS-17 of the General Schedule.

(3) Detail.—Subject to paragraph (1), upon request of the Commission, the Secretary of State, the Secretary of Commerce, the Secretary of Agriculture, the Special Trade Representative, the Administrator, and the Director of the United States Information Agency may detail, on a reimbursable basis, such of the personnel of the department or agency such person heads as may be necessary to assist the Commission in carrying out its duties under this Act.

(e) Office Space and Supplies.—Upon request of the Commission, the Secretary of State, the Secretary of Commerce, the Secretary of Agriculture, the Special Trade Representative, the Administrator, and the Director of the United States Information Agency may provide, on a reimbursable basis, such office space, supplies, equipment, and other support services as may be necessary for the Commission to carry out its duties under this Act.

(f) Powers of Commission.—

(1) Hearings and sessions.—The Commission may, for the purpose of carrying out its duties under this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) Powers of members and agents.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this subsection.

(3) Obtaining official data.—The Commission may obtain from any department or agency of the United States information necessary to enable it to carry out its duties under this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(4) Gifts.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(5) Mails.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) Authority to contract out.—Subject to applicable provisions of law, the Commission may enter into such contracts or agreements as the Commission considers appropriate to carry out any of its duties under this Act.

(7) Experts and consultants.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code.

(g) Limitation on Expenses.—

(1) Maximum amount.—The maximum amount of expenses (including salaries, travel expenses, expenses for temporary and intermittent services, expenses under contracts or agreements entered into under subsection (f)(7), and supply expenses) which the Commission may incur in any fiscal year may not exceed $1,000,000 in any fiscal year.

(2) Adjustment for inflation.—Any dollar amount referred to in this subsection, subsection (h)(3), and section 8(d) may be adjusted by the Commission annually to reflect a percentage increase or decrease in the Consumer Price Index for All Urban Consumers for the preceding calendar year, as determined by the United States Department of Labor, Bureau of Labor Statistics.

(h) Funding.—

(1) Requests for transfers.—If the Commission incurs any expenses in carrying out its duties under this Act, the Commission may request the Secretary of State, the Administrator, or any other Federal official referred to in subsection (c)(1) to transfer to the Commission an amount equal to such expenses from funds appropriated to such official.

(2) Authority for transfers.—Subject to paragraphs (3) and (5), any official referred to in paragraph (1) may transfer such amounts from funds appropriated to such official as may be necessary to enable the Commission to carry out its duties under this Act.

(3) Maximum amount of requests and transfers.—The aggregate amount of requests for transfers, and the aggregate amount of transfers, under this subsection may not exceed $1,000,000 in any fiscal year.

(4) Deposit of receipts.—The Commission shall deposit all amounts it receives under this subsection into the account established by section 8(d).

(5) Limitation on effect.—This subsection shall not be effective with respect to any fiscal year beginning after the last day of the 2-year period beginning on the first day the Commission deposits under section 8(c) funds into the account established by section 8(d).

### SEC. 8. OPERATION AND MANAGEMENT OF INTERNATIONAL CULTURAL AND TRADE CENTER.

(a) Lease of Space.—

(1) Agreement.—The Administrator and the Commission shall enter into an agreement for the Commission to lease from the Administrator not to exceed 500,000 square feet of occupiable space in the building to be constructed under section 5 to serve as an international cultural and trade center.

(2) Size.—The Commission shall determine the amount of space necessary for operation of the international cultural and trade center based upon demand, except that such space may not exceed 500,000 square feet of occupiable space. Upon certification of such demand by the Commission, the Administrator shall lease such amount of space to the Commission.

(3) Terms.—The agreement entered into under this subsection shall include at a maximum the following terms:

(A) The Commission will be permitted to sublease its space in such building to foreign missions, commercial establishments sponsored by foreign governments, and international cultural and trade organizations, including domestic organizations and State and local governments.

(B) All space leased by the Commission from the Administrator will be at such rate as the Administrator and the Commission may agree but not less than the rate established under section 6(b)(2) plus such amount as the Administrator determines is necessary to pay on an annual basis for the costs of administering such building (including operation, maintenance, and rehabilitation costs) which are attributable to such space.

(C) Such terms relating to default and nonperformance as the Administrator considers appropriate to protect the interests of the United States.

(b) Establishment of Center.—

(1) By commission.—The Commission shall establish, operate, and maintain an international cultural and trade center in the space leased from the Administrator under subsection (a).

(2) Contents.—The international cultural and trade center may include the following:

(A) Office space for foreign missions and domestic and international organizations involved in international trade or cultural activities.

(B) A world exhibition center providing space for exhibits from foreign nations.

(C) An international bazaar providing space for commercial establishments sponsored by foreign governments.

(D) An international center providing a centralized foreign trade reference facility, conference and meeting facilities, and audio-visual facilities for translating foreign languages.

(E) Such other facilities as are consistent with the objectives of this section.

(3) Subleasing of space.—

(A) Agreements.—The Commission may enter into agreements with foreign missions and international cultural and trade organizations (including domestic organizations and State and local governments) to sublease any or all of the space it leased from the Administrator under subsection (a). Space subleased to such missions and organizations may only be used for establishment of trade centers and exhibitions, offices, and commercial establishments described in paragraph (2) and such other facilities as the Commission determines are consistent with an international cultural and trade center.

(B) Terms and conditions.—An agreement entered into under this subsection shall be subject to such terms and conditions as the Commission determines are appropriate to carry out the objectives of this Act. The rental rate per square foot of occupiable space for space subleased under this subsection shall be determined in accordance with subsection (c); except that the Commission may adjust such rate with respect to any space subleased to a foreign mission in accordance with the recommendations of the Secretary of State acting in accordance with section 204(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4304(b)). The Secretary of State may reimburse the Commission for any expenses which are incurred by the Commission as a result of making adjustments in the rental rate for space under this subparagraph.

(4) Reference facility and cultural events.—The Commission may establish in a portion of the space leased from the Administrator under this section a centralized foreign trade reference facility and conference and meeting facilities and audio-visual facilities for translating foreign languages. The Commission may permit cultural events and other activities to be held in a portion of such space. The Commission shall establish in accordance with subsection (c) fees and charges for—

(A) the use of such facilities and auditorium, and

(B) the holding of such events and activities.

(c) Rents and Fees.—

(1) Establishment of amount.—The Commission shall establish the amounts of fees under subsection (b)(4), and establish a rental rate for space subleased under subsection (b)(3), taking into account the objectives of this section and the best interests of the United States. In any fiscal year beginning after the last day of the 2-year period beginning on the first day the Commission deposits under this subsection funds into the account established under subsection (d), the aggregate amount of such fees and rent shall not be less than the cost to the Commission of subleasing space from the Administrator under subsection (a) in such fiscal year plus the expenses (including salaries, travel expenses, expenses for termporary and intermittent services, expenses under contracts or agreements entered into under subsection 7(f)(7), supply expenses and any reimbursable expenses) incurred by the Commission in carrying out its duties under this Act in such fiscal year.

(2) Collection.—The Commission shall collect—

(A) rent for space subleased under subsection (b); and

(B) fees and charges under subsection (b).

(3) Deposit.—The Commission shall deposit all amounts collected under this subsection and all amounts transferred by the Secretary of State to the Commission under subsection (b)(3)(B) into the account established under subsection (d).

(d) Separate Account.—

(1) Establishment.—There is established in the Treasury of the United States a separate account.

(2) Contents.—The account shall include all amounts deposited by the Commission under subsection (c) and section 7(h).

(3) Availability.—Amounts in the account established under this subsection shall be available to the Commission to pay—

(A) all rents owed to the Administrator for lease of space under subsection (a); and

(B) all expenses (including salaries, travel expenses, expenses for temporary and intermittent services, expenses under contracts or agreements entered into under section 7(f)(7), and supply expenses) incurred by the Commission in carrying out its duties under this Act but not exceeding $1,000,000 in any fiscal year.

(4) Payments.—The Commission shall pay, from amounts in the account established by this subsection—

(A) for lease of space under subsection (a) on an annual basis amounts owed to the Administrator for deposit into the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)); and

(B) all expenses incurred by it in carrying out its duties under this Act but not exceeding $1,000,000 in any fiscal year.

(5) Transfer of excess funds.—Periodically, but not less often than once per fiscal year, funds which the Commission determines are in excess of those needed to make the payments described in paragraph (4) shall be transferred by the Commission from the account established under this subsection to the fund established under section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)).

(h) Annual Report and Budget.—The Commission shall prepare and transmit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives (1) an annual report in January of each calendar year on the operation and management of the space leased by the Commission under subsection (a) and the international cultural and trade center, and (2) a budget for such fiscal year for operation, maintenance, and alteration of such center, including amounts received and projected to be received by the Commission in such fiscal year and expenses incurred and projected to be incurred by the Commission in such fiscal year.

SEC. 9. DESIGNATION OF DEPARTMENTAL AUDITORIUM.

(a) The Departmental Auditorium, located on the Federal Triangle between the Custom Service building and Interstate Commerce Commission building on Constitution Avenue, shall hereafter be known and designated as the "Andrew W. Mellon Auditorium".

(b) Any reference in any law, regulation, document, record, map or other paper of the United States to the auditorium referred to in subsection (a) is deemed to be a reference to the "Andrew W. Mellon Auditorium".

SEC. 10. DEFINITIONS.

As used in this Act—

(1) Administrator.—The term "Administrator" means the Administrator of General Services.

(2) Commission.—The term "Commission" means the International Cultural and Trade Center Commission established by section 7.

(3) Corporation.—The term "Corporation" means the Pennsylvania Avenue Development Corporation.

(4) Federal triangle development area.—The term "Federal Triangle development area" means the area which begins at a point on the southwest corner of the intersection of Fourteenth Street and Pennsylvania Avenue (formerly E Street), Northwest; thence southerly along the west side of Fourteenth Street to the northwest corner of the intersection of Fourteenth Street and Constitution Avenue, Northwest; thence easterly along the north side of Constitution Avenue to the northeast corner of the intersection of Twelfth Street and Constitution Avenue, Northwest; thence northerly along the east side of Twelfth Street and Constitution Avenue, Northwest; thence northerly along the east side of Twelfth Street to the southeast corner of the intersection of Twelfth Street and Pennsylvania Avenue, Northwest; thence westerly along the south side of Pennsylvania Avenue to the point of beginning being the southwest corner of the intersection of Fourteenth Street and Pennsylvania Avenue (formerly E Street), Northwest.

(5) Federal triangle property.—The term "Federal Triangle property" means—

(A) the property owned by the United States in the District of Columbia, known as the "Great Plaza" site, which consists of squares 256, 257, 258, parts of squares 259 and 260, and adjacent closed rights-of-way as shown on plate IV of the King Plats of 1803 located in the Office of the Surveyor of the District of Columbia; and

(B) any property acquired by the Corporation under section 3(b);

except that for purposes of section 3 such term does not include any property referred to in subparagraph (B).

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

## OPTIONAL ACREAGE DIVERSION ACT OF 1987

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of the bill (H.R. 3093) to expand and improve the optional acreage diversion program for the 1988 crop of wheat, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

Mr. MARLENEE. Mr. Speaker, reserving the right to object, I yield to the gentleman from Kansas [Mr. Glickman].

Mr. GLICKMAN. I thank the gentleman for yielding.

Mr. Speaker, this bill amends the existing 50-92 provision in the 1985 farm bill and will permit a producer to receive as much as 92 percent of his expected deficiency payment for his 1988 wheat crop, even if he does not harvest the crop. The bill stipulates payment rates. If the producer selects this

option he will be guaranteed that the rate per bushel will be not less than the expected deficiency payment for the 1988 wheat crop.

The bill makes a variety of requirements for the Secretary to carry out this program, including he must promulgate regulations to ensure that producers who select the 0-92 for their crops will not have their base or yield history affected by the crop.

I would just say in addition this bill saves dollars. The program, according to the Department, for the crop will save anywhere between $115 million to $500 million because it is less advantageous for many producers to go this route. But this is an optional diversion program and it allows some people to participate in it. The Department does not oppose this bill.

We had a 0-92 program for wheat in the 1987 crop year. This is 0-92 for 1988 for wheat and feed grains. This is a money saver.

Why are we doing this now? Two reasons.

One is we thought maybe we could get it into a reconciliation package, but we are not going to have a reconciliation package until September, and the wheat producers need to know very, very quickly if they will have this option available to them so that they will not have to unnecessarily make planting decisions that are expensive knowing this program is available.

We thought if we sent this over to the Senate today there is a chance that they might buy it, and if not they might buy it early enough in September so as to give those producers that particular option.

We have also been advised that the Congressional Budget Office will agree that this is a money saver and will count toward our reconciliation goals.

On balance, we are doing this now because we are trying to get an early start to make sure our wheat producers in this country are well aware of this particular option in trying to get it enacted. And also to take advantage of the savings that we will accrue from this bill in reconciliation.

The gentleman from Illinois [Mr. Madigan] amended this bill in committee to include feed grains as well as wheat. So we think we have a bill that is roughly comparable to the kind of program we tried last year on an optional basis.

It saves a lot of money over a period of years, it gives producers an option that they do not already have, and it provides some help for reconciliation purposes.

So for these reasons I think it is advisable that the bill be passed today. The bill was passed out of the Agriculture Committee on Wednesday with the help of our chairman, the gentleman from Texas, Mr. de la Garza.

Mr. MARLENEE. Further reserving the right to object, I thank the chairman of the Subcommittee on Wheat and Feed Grains for his explanation.

Mr. de la GARZA. Mr. Speaker, will the gentleman yield?

Mr. MARLENEE. Further reserving the right to object, I yield to the gentleman from Texas.

Mr. de la GARZA. Mr. Speaker, I urge the House to approve H.R. 3093, with the committee amendment. The bill must be acted on now to accommodate the producers of the 1988 crop of winter wheat. These farmers, in some areas of the country, will begin planting their 1988 crop in September. And, their planting decisions would be effected by this legislation.

The bill has been cleared on both sides and should be noncontroversial. It will extend the so-called 0-92 program for wheat and feed grain, begun for the 1987 crops, to the 1988 crops.

The 0-92 program does not make any substantive changes in the 1985 farm bill; it just expands the 50-92 program to encompass larger set-sides.

The 0-92 program and 50-92 program are designed to give producers of these commodities, which are now in surplus supply, a chance to scale down production. Producers will be able to participate in the 1988 farm programs by putting their wheat or feed grain land into conserving uses in 1988.

Given current surpluses, it makes good sense to try to reduce supplies. By doing so, we will reduce Federal farm program costs. In fact, the USDA estimates that this bill will reduce farm program costs by up to $500 million over the next crop year.

I encourage the House to adopt this measure.

Mr. MARLENEE. Further reserving the right to object, again I thank the chairman for his explanation of the bill. This is somewhat of an unusual procedure, but it is my understanding that time was of the essence, that planning is imminent, and we must proceed with this in the most expeditious manner.

I would further ask the chairman, under my reservation of objection, to confirm that this bill contains provisions which would protect rural agrobusiness or service businesses against any adverse impacts by directing the Secretary of Agriculture specifically to implement this program in such a manner as to avoid such adverse impacts on agriculturally related businesses.

In other words, if the Secretary sees that too much cropland in a particular area or county would be taken out of production, and thus because small businesses which provide supplies and services to farmers and ranchers would suffer, that he has the authority to limit to some extent the total acreages of wheat or feed grains which would be allowed to participate in the 0-92 program. Is that correct?

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. MARLENEE. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Speaker, the gentleman is correct. The gentleman is restating his amendment which was offered in the committee, which was accepted by the committee.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. MARLENEE. Further reserving the right to object, I yield to the gentleman from Minnesota.

Mr. WEBER. Mr. Speaker, I wanted to raise that question myself. I wonder if one of the gentlemen can explain that just a little bit more for those of us who are not on the committee, because that is an important provision in my part of the country where we have large participation in the conservation program.

Mr. MARLENEE. Further reserving the right to object, I assure my colleague from Minnesota that we attempted in the committee, in the full committee, and did put an amendment in there. It was the committee's intention that the Secretary of Agriculture would consider all programs that took land out of production, the conservation reserve program, the set-asides, the 0-92, examine the impacts of those on agrobusiness, and if there were adverse impacts that he would consider limiting participation in one or more of the programs.

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That was the intent of the subcommittee.

Mr. Speaker, further reserving the right to object, I would yield to my colleague from Oklahoma [Mr. English].

Mr. ENGLISH. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 3093—a bill to expand and improve the optional acreage diversion program known as 0-92 which I initiated earlier this year in response to the natural disasters suffered by many of the wheat producers in my part of the country last fall.

I am one of the three original sponsors of this bill and I want to briefly explain to my colleagues why this bill makes good sense not only for American farmers but also for American taxpayers.

This bill will allow wheat and feed grain producers to idle all or any part of their permitted acreage and still qualify for 92 percent of their Government deficiency payments which are provided under the 1985 farm bill. It should be made clear that this measure will not create any new program benefits, but in reality will extend the authority these producers already have under current law to idle up to 50 percent of their permitted acreage while receiving income support payments.

The 0-92 voluntary acreage diversion is simply one more tool producers will have at their disposal for improving farm income without impacting on the Federal budget deficit, and in fact, will result in savings in our farm programs.

The incentives we will give farmers in this bill to take land out of production in the next crop year will help boost market prices by reducing the surplus stocks that already overhang the marketplace. At the same time this provision will provide Federal budget savings through reduced loan forfeitures and storage costs that would otherwise occur if producers were to continue planting to the fullest extent possible under the Federal farm programs.

The U.S. Department of Agriculture has estimated that anywhere from $100 million to more than $500 million in Federal cost savings could be achieved if this program were to be enacted for the new crop year. It was certainly the intention of this Member to support this 0-92 provision as part of the House Agriculture Committee's budget reconciliation efforts to find the necessary budget savings in farm programs specified under the fiscal year 1988 budget resolution.

And I believe that the committee will continue to pursue this effort when we return from the August recess, but if we don't pass this measure today it will very possibly be too late for the producers in my area of the country which are beginning now to plant their 1988 winter wheat crop to consider this as a viable alternative to the current farm programs. Without this authority, these producers will not be able to voluntarily, and I emphasize voluntarily, choose to idle their land and help achieve these vitally important budget savings.

One final issue I would like to address concerns the potential impact this provision might have on agri-industries. I would point out to my colleagues that this bill now includes an important provision that will require the Secretary of Agriculture to implement the 0-92 program in such a manner as to minimize any adverse impact on agribusiness and other agriculturally related economic interests within any given county, State, and/or region of the country. This bill also directs the Secretary to report back to the Congress on the estimated economic losses or gains which may accrue to these agricultural support industries as a result of the implementation of this bill.

Mr. Speaker, this bill requires the immediate attention of this body if we are to be successful in providing this flexible and budget-saving tool for our farmers in the 1988 crop year. I urge my colleagues to support H.R. 3093.

**Mr. MARLENEE.** Further reserving the right to object, I yield to the gentleman from Missouri [Mr. VOLKMER].

**Mr. VOLKMER.** Mr. Speaker, I rise in support of the legislation and wish to commend the chairman of the subcommittee, the gentleman from Kansas [Mr. GLICKMAN], the gentleman from Montana [Mr. MARLENEE], the gentleman from Kansas [Mr. ROBERTS], and the gentleman from Oklahoma [Mr. ENGLISH], and the chairman of the full committee, the gentleman from Texas [Mr. DE LA GARZA], for giving our farmers another tool with which to face another year in agriculture. I think it is an important tool.

Mr. Speaker, I wish to request the other body, the Senate to take prompt action on this bill so that our farmers who are preparing for their wheat plantings will be able to make use of this tool in making that decision.

**Mr. MARLENEE.** Further reserving the right to object, I would yield to my colleague from Minnesota.

**Mr. WEBER.** Mr. Speaker, I also rise in support of the 0-92 program. I wonder if the gentleman from Montana can explain to us a little bit about the restrictions that may exist under the program for the planting of nonprogram crops on 0-92 acres.

Mr. Speaker, I rise in support of this legislation, which will give farmers another option in their production decisions and take a step toward a more effective farm policy.

The 0-92 provision is good for farmers. It allows those farmers who are carrying a high variable cost of production to not plant their corn or wheat base and receive 92 percent of their deficiency payment. For many farmers, it will give them the chance to get off the treadmill, reduce some of their debt, and take some of their marginal land out of production.

This bill includes provisions to ensure that this measure does not hurt agribusinesses or producers of nonprogram crops. The Secretary may not allow farmers to plant alternative crops if that increased planting would cause a surplus. In addition, the Secretary has the power to limit participation in 0-92 in areas where high enrollment in this program and the Conservation Reserve Program threaten local agribusinesses.

This legislation is also good for the Government. The 0-92 provision will result in Government savings of anywhere from $300 million to $400 million in the wheat and corn programs. Ironically, we could save even more money if we had designed this program to be 0-100. If we encourage more farmers to enter the program, by providing them a full deficiency payment, the cost of the added deficiency payment would be swamped by the extra savings from reduced crop loans.

In the future, I would like to see further consideration by the Congress of a 0-100 provision. Besides the additional savings to the Government, it would make a farmer's planting decision less affected by the Government program.

This bill is a step in the right direction. We have given farmers an added choice, provided balance that will protect other sectors of the farm economy, and produced a measure that will cut Government costs. I urge my colleagues to approve this legislation.

**Mr. MARLENEE.** Mr. Speaker, I would be happy to yield to my colleague, the chairman of the subcommittee, the gentleman from Kansas [Mr. GLICKMAN].

**Mr. GLICKMAN.** This is the exact same as in the current 50-92 program.

**Mr. WEBER.** So there is no change.

**Mr. GLICKMAN.** None, none.

**Mr. WEBER.** I thank the gentleman for yielding and I commend the committee for their action.

**Mr. MARLENEE.** Further reserving my right to object, Mr. Speaker, I yield to the gentleman from Michigan [Mr. SCHUETTE].

**Mr. SCHUETTE.** I thank the gentleman for yielding.

Mr. Speaker, I commend the gentleman from Kansas [Mr. GLICKMAN] and the gentleman from Montana [Mr. MARLENEE] for their work in this effort.

Mr. Speaker, I wish to thank you for this opportunity to speak in support of the measure before us, H.R. 3093, the Optional Acreage Diversion Act of 1987. This legislation will preserve farm income while addressing the problem of surplus grain stocks. Furthermore, the Optional Acreage Diversion Act of 1987 provides an additional alternative to those faced with the most difficult task of finding more than $2.1 billion in reductions of the Government's agriculture budget for fiscal year 1988.

This is one of very few options offered that would yield a portion of the savings that may be required in budget reconciliation, while not reducing the income of our already financially strapped farmers. I think it is very important that we remember as we consider this bill that we are going to be asked to make very difficult decisions, very soon, regarding the financial assistance farmers receive from the Federal Government. We would be wise to have as many options available to us as possible, when we begin the budget reconciliation process.

The 0/92 option for wheat and feed grains will not only give us the opportunity to reduce expenditures by up to $200 million in fiscal year 1988, but it also contains potential savings of over $900 million through the year 1990. This means 0/92 could provide over 16 percent of the budgetary savings necessary at this time to bring the Federal budget under control.

**Mr. MARLENEE.** Mr. Speaker, further reserving the right to object, we considered an amendment in the full committee regarding the basis upon which the Department of Agriculture would test and would adjust protein levels in wheat. It seems that they have changed the method, that it is costing our farmers a considerable amount of money. There does not seem to be a good basis for changing this. Instead of an "as is" basis which is tested on a very scientific and accurate measure and basis, they are basing it on moisture content. We withdrew that amendment.

Mr. Speaker, I had a discussion with the chairman of the subcommittee and we have introduced a bill and I would yield to the chairman for that purpose.

**Mr. GLICKMAN.** Mr. Speaker, if the gentleman will yield, the gentleman is totally on target in terms of his concern about the arbitrariness in the reduction in the price that the producer receives because of the determination of protein content.

I have told the gentleman and I will cooperate with him in trying to get the matter resolved administratively. If we cannot, I have committed to the gentleman that we would move legislation as soon as we come back in September to deal with this matter legislatively.

**Mr. MARLENEE.** Further reserving the right to object, Mr. Speaker, I want to commend the chairman of the subcommittee and the chairman of the full committee and the gentleman from Kansas [Mr. ROBERTS], who has done an excellent job and is one of the cosponsors of the bill.

Mr. ROBERT F. SMITH. Mr. Speaker, I rise in support of H.R. 3093. This legislation is a first step toward reducing the costs of the 1988 Agriculture budget, as well as giving wheat growers a valuable alternative to crop production. As a member of the Republican Task Force on Budget Reconciliation, I am very concerned about the proposed reduction in the 1988 Agriculture budget of $1.2 billion. The effects of these cuts could be disastrous if not implemented in a logical manner aimed at protecting the intent of the 1985 farm bill. Changing the current 50-92 program to 0-92 will save $10 to $20 million in 1988 and a total of $40 to $50 million by 1990.

I was seriously concerned about the haying and grazing provisions contained in this legislation. My concern was that Congress has created huge surpluses in program crops through a subsidy program and we do not want that to spill over to nonsubsidized crops. The 1985 farm bill is subsidizing people to take their land out of production. I believe it is unfair to allow them to compete with those who grow hay or grass for a living. Thus placing them in competition with those who are paid by the Government not to produce under the new 0-92 provision. I believe it is philosophically wrong to permit these farmers and ranchers to take what amounts to two bites from the same Government apple.

My amendment, offered during committee markup and passed by unanimous consent, will help correct this inequity. It will prohibit haying and grazing on lands enrolled in the 0-92 program. The Secretary of Agriculture will have the authority to allow haying and grazing only in cases of disasters and only if it will not impact related businesses including machinery, seed, fertilizer, and the cattle industry.

**Mr. MARLENEE.** Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3093

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Optional Acreage Diversion Act of 1987".

SEC. 2. Effective only for the 1988 crop of wheat, section 107D(c)(1)(C) of the Agricultural Act of 1949 is amended by—

(1) in clause (i)—

(A) inserting ", or all such permitted acreage," after "permitted wheat acreage of the farm for the crop";

(B) in subclause (I) thereof, inserting "(or all)" after "such portion", and

(C) adding at the end thereof the following: "Notwithstanding any other provision of this section, any producer who elects to devote all or a portion in excess of 50 per centum of the 1988 permitted wheat acreage of the farm to conservation uses (or other uses as provided in subparagaph (K)) under this subparagraph shall receive deficiency payments on the acreage that is considered to be planted to wheat and eligible for payments under this subparagraph for such crop at a per-bushel rate established by the Secretary, except that such rate may not be established at less than the projected deficiency payment rate for the crop, as determined by the Secretary. Such payment rate for the 1988 crop shall be announced by the Secretary prior to the period during which wheat producers may agree to participate in the program for such crop.";

(2) striking out "To be" in clause (ii) and inserting in lieu thereof "Effective for the 1986, 1989, and 1990 crops, to be";

(3) in clause (iii), striking out "If" in the first sentence and inserting in lieu thereof "Effective for the 1986, 1989, and 1990 crops, if"; and

(4) in clause (iv)—

(A) inserting "(or all)" after "such portion"; and

(B) inserting "under this subparagraph" after "subparagraph (K))".

SEC. 3. Not later than thirty days after the date of enactment of this Act, the Secretary of Agriculture shall issue regulations implementing the amendments made to section 107D(c)(1)(C) of the Agricultural Act of 1949 by section 2.

(A) Such regulations shall include provisions that ensure that the wheat crop acreage base and farm program payment yield for any farm will not be reduced if the producers on the farm set aside from production all, or a portion, of the producer's 1988 permitted acreage under the acreage diversion program under section 107D(c)(1)(C) as so amended.

(B) Such regulations shall ensure, to the maximum extent practicable, that the program authorized by this Act will not adversely affect the relationships between landlords and tenants, regarding any crop acreage base entered into the program authorized by this Act, in existence at the date of enactment of this Act.

### AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GLICKMAN

**Mr. GLICKMAN.** Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Glickman: Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Operational Acreage Diverson Act of 1987".

SEC. 2. Effective only for the 1988 crop of wheat, section 107D(c)(1) of the Agricultural Act of 1949 is amended by—

(1) in subparagraph (C)—

(A) in clause (i)—

(i) inserting ", or all such permitted acreage," after "permitted wheat acreage of the farm for the crop";

(ii) in subclause (I) thereof, inserting "(or all)" after "such portion"; and

(iii) adding at the end thereof the following: "Notwithstanding any other provision of this section, any producer who elects to devote all or a portion in excess of 50 per centum of the 1988 permitted wheat acreage of the farm to conservation uses (or other uses as provided in subparagraph (K)) under this subparagraph shall receive deficiency payments on the acreage that is considered to be planted to wheat and eligible for payments under this subparagraph for such crop at a per-bushel rate established by the Secretary, except that such rate may not be established at less than the projected deficiency payment rate for the crop, as determined by the Secretary. Such projected payment rate for the 1988 crop shall be announced by the Secretary prior to the period during which wheat producers may agree to participate in the program for such crop.";

(B) striking out "To be" in clause (ii) and inserting in lieu thereof "Effective for the 1986, 1989, and 1990 crops, to be";

(C) in clause (iii), striking out "If" in the first sentence and inserting in lieu thereof "Effective for the 1986, 1989, and 1990 crops, if"; and

(D) in clauses (iv)—

(i) inserting "(or all)" after "such portion"; and

(ii) inserting "under this subparagraph" after "subparagraph (K)) "; and

(2) in subparagraph (K)—

(A) in clause (ii)(I), striking out "subclause (II)" and inserting in lieu thereof "subclauses (II) and (III)"; and

(B) adding at the end thereof the following:

"(III) Haying and grazing shall not be permitted for the 1988 crop on a farm under subclause (I) on more than 50 per centum of the permitted wheat acreage of the farm.".

SEC. 3. Effective only for the 1988 crop of feed grains, section 105C(c)(1) of the Agricultural Act of 1949 is amended by—

(1) in subparagraph (B)—

(A) in clause (1)—

(i) inserting ", or all of such permitted acreage," after "permitted feed grain acreage of the farm for the crop";

(ii) in subclause (I) thereof, inserting "(or all)" after "such portion"; and

**(iii) adding at the end thereof the following: "Notwithstanding any other provision of this section, any producer who elects to devote all or a portion in excess of 50 per centum of the 1988 permitted feed grain acreage of the farm to conservation uses (or other uses as provided in subparagraph (I)) under this subparagraph shall receive deficiency payments on the acreage that is considered to be planted to feed grains and eligible for payments under this subparagraph for such crop at a per-bushel rate established by the Secretary, except that such rate may not be established at less than the projected deficiency payment rate for the crop, as determined by the Secretary. Such projected payment rate for the 1988 crop shall be announced by the Secretary prior to the period during which feed grain producers may agree to participate in the program for such crop.";**

**(B) striking out "To be" in clause (ii) and inserting in lieu thereof "Effective for the 1986, 1989, and 1990 crops, to be";**

**(C) in clause (iii), striking out "If" in the first sentence and inserting in lieu thereof "Effective for the 1986, 1989, and 1990 crops, if"; and**

**(D) in clause (iv)—**

**(A) inserting "(or all)" after "such portion"; and**

**(B) inserting "under this subparagraph" after "subparagraph (I))"; and**

**(2) in subparagraph (I)—**

**(A) in clause (ii)(I), striking out "subclause (II)" and inserting in lieu thereof "subclauses (II) and (III)"; and**

**(B) adding at the end thereof the following:**

**"(III) Haying and grazing shall not be permitted for the 1988 crop on a farm under subclause (I) on more than 50 per centum of the permitted feed grain acreage for the farm.".**

**Sec. 4. Not later than thirty days after the date of enactment of this Act, the Secretary of Agriculture shall issue regulations implementing the amendments made to sections 107D(c)(1) and 105C(c)(1) of the Agricultural act of 1949 by sections 2 and 3, respectively.**

**(A) such regulations shall include provisions that ensure that the wheat or feed grain crop acreage base and farm program payment yield for any farm will not be reduced if the producers on the farm set aside from production all, or a portion, of the producer's 1988 permitted acreage under the acreage diversion program under section 107D(c)(1)(C) or 105C(c)(1)(B), respectively, as amended under this Act.**

**(B) Such regulations shall ensure, to the maximum extent practicable, that the programs authorized under this Act will not adversely affect the relationships between landlords and tenants, regarding any crop acreage base entered into such programs, in existence at the date of enactment of this Act.**

**Sec. 5. The Secretary of Agriculture shall implement the programs authorized under this Act in such a manner as to minimize any adverse effect on agribusiness and other agriculturally related economic interests within any county, State, or region by restricting the total amount of wheat or feed grain acreage that may be taken out of production under the programs, taking into consideration the total amount of wheat or feed grain acreage that has or will be removed from production under other price support, production adjustment, or conservation program activities.**

Mr. GLICKMAN (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GLICKMAN. Mr. Speaker, this amendment reflects the action of the committee.

Mr. MARLENEE. Mr. Speaker, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding. Mr. Speaker, will the gentleman explain the amendment?

Mr. GLICKMAN. Mr. Speaker, the amendment reflects the action of the Committee on Agriculture that we took, including the amendment of the gentleman on the limitation of the use of 0-92 and everything else. It reflects all the actions we took to amend the bill in committee.

Mr. MARLENEE. If the gentleman would yield further, I would urge passage of the 0-92 legislation and the amendment we just heard.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Kansas [Mr. GLICKMAN].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The gentleman from Kansas [Mr. GLICKMAN] is recognized for 1 hour.

Mr. GLICKMAN. Mr. Speaker, I yield such time as he may consume to the very distinguished member of the committee, the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. I thank the gentleman for yielding and for giving me a chance to make some comments on his amendment and his bill.

Mr. Speaker, I regret to say that I am rising in opposition to the bill. I really feel that it is not appropriate to bring this kind of a change in farm policy to the floor in the first place under suspension, particularly with the unanimous-consent request at this late date.

I think the bill needs to be discussed somewhat. I am going to discuss it not for a great length of time, but for enough.

This bill would establish for 1 year the policy of paying farmers not to plant corn, wheat, feed grains, those particular commodities. It represents an extension and change in the basic farm policy of this country. The 1985 farm bill, as we all know, laid out a program of trying to get agriculture focused on the market. We specified in that program that we would put a ceiling on the increase of target prices, we would look forward in the 4th and 5th years of that program to bring target prices down. We decided to lower loan rates, to encourage the farmers to think more of the economics of their operations and try to get themselves in a position where they could sell profitably to the market without extensive Government subsidies. This amendment and the bill of the gentleman would pay the farmers 92 percent of the regular deficiency payment for crops not planted, wheat, corn, and feed grains.

The authorization in this bill is only for 1 year, but I do not really believe that it would end there. I think this would stand a very good chance of becoming a permanent portion of our farm policy.

In that respect, I just have a strong philosophical disagreement with it.

I felt that one of the big dangers we have had in our farm policy is excessive price supports, excessive incentives to produce. Now we are talking about something that might become permanent where we are not going to pay farmers a rather healthy level to produce, but we are going to start paying them for not producing. I think we are moving backward in this respect, I think we are going away from the primary purpose of the 1985 farm bill.

I think it is in the wrong direction. I just do not believe you are ever going to get the budget balanced. This bill is for the purpose of trying to lower the Government cost. But everybody knows that over the last 10 years we have succeeded in raising the Government cost of these programs from around $5 billion to $25 billion. And as we added more and more Government programs that has been the result.

In addition, this particular bill is very unfair to people in the livestock business. It would permit more land to be made available for haying and grazing, not 100 percent of the land involved, but half of the land involved. It would put farmers who previously had been raising wheat and corn, and feed grains in the position of going into the livestock business with a Government subsidy. I think that is a very, very bad policy. It is also quite contrary to the intent of the farm bill with regard to allowing a reasonably long period of time for agriculture to readjust itself to the market. This would accelerate the reduction of acreage, it would be very unfair to agribusinesses. I think, Mr. Speaker, it is unwise to bring the bill up. I am opposed to the bill. I would hope that Members of the House will react against the bill and not make this change.

I thank the gentleman for allowing me the time to speak.

Mr. GLICKMAN. I appreciate the remarks of the gentleman.

Mr. Speaker, I just want to make a couple of quick remarks before I yield back the balance of my time.

This bill does save over a period of years several hundred million dollars, it removes the incentive to overproduce at least with respect to those people who decide to participate.

Finally, there is no change in the current law in terms of the livestock provision. So it should have no other negative impact beyond what is currently existing law.

I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the bill.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill to expand and improve the optional acreage diversion program for the 1988 crops of wheat and feed grains."

A motion to reconsider was laid on the table.

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## URGING THE PRESIDENT TO MAKE DEVELOPMENT OF AGRICULTURAL MARKETS IN DEVELOPING COUNTRIES A HIGH PRIORITY

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture and the Committee on Foreign Affairs be discharged from further consideration of the concurrent resolution (H. Con. Res. 151) urging the President to make the development of agricultural markets in developing countries a high priority of the foreign economic policy of the Nation, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. MARLENEE. Mr. Speaker, reserving the right to object, I do so in order to yield to my colleague from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I rise in strong support of this legislation, I commend Chairman DE LA GARZA and members of the Committee on Agriculture for bringing it to us today. This legislation is fully consistent with one of the primary recommendations of the National Commission on Agricultural Trade and Export Policy of which I was an active member as was Chairman DE LA GARZA and several other Members of the House and of the other body. I think it is extremely important that the sentiment contained in this resolution be expressed by the Congress, that it become an important part of our foreign economic policy for the country to promote agricultural markets in developing countries. Likewise I believe that the committee's suggestion regarding a specific country by country strategy within that national framework and strategy is also very important.

So as a member of the Trade Subcommittee of the Committee on Foreign Affairs where we also shared jurisdiction in the area of agricultural exports, I want to speak out strongly in support of the resolution.

I thank the gentleman for yielding.

Mr. MARLENEE. Further reserving the right to object, if the chairman of the subcommittee would answer a question, I note the last paragraph that says:

> In doing so to make more effective use of food aid and agricultural export development tools provided in the Food Security Act of 1985 and other laws by developing on a country by country basis a broad comprehensive and integrated program of food aid and economic development, assistance to build future foreign commercial markets for United States agricultural products.

This goes along with the intent and direction of the 1985 farm bill as the chairman so well knows. Does it not?

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. MARLENEE. Under my reservation, I yield to the chairman.

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Speaker, the gentleman is correct.

Mr. MARLENEE. I think this is an excellent piece of legislation. This is what we need to do. We need to recognize that we are in an international world of competition. This kind of resolution urging the administration to take the kind of actions that we intended in 1985 in the farm bill is essential and I would urge its passage.

Mr. EMERSON. Mr. Speaker, I rise in strong support of this legislation, and I urge my colleagues to support it as well.

It is not often we can adopt farm legislation that both saves money and protects producer income. This bill does that. It will provide a mechanism to reduce commodity surpluses, thereby reducing storage costs, while maintaining producer income.

I do share the concern of my colleague from Montana, that we also take into consideration the interest of agribusiness, and make certain that we balance their needs in this program. On whole, however, I believe this is a good bill, and I urge my colleagues to support it.

Mr. MARLENEE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the concurrent resolution, as follows:

### H. CON. RES. 151

Whereas the producers of food and fiber in the United States have the capacity to produce 40 percent more than is consumed in the domestic market;

Whereas economic prosperity of the United States farmer and rural America are unalterably linked to strong agricultural exports and export growth:

Whereas agricultural exports have declined for the past 6 years and the farm and rural economic sector of the United States continues of suffer;

Whereas the recommendations of the National Commission on Agricultural Trade and Export Policy, and the preponderance of the research of the Economic Research Service of the Department of Agriculture, private foundations, land grant colleges, and other institutions, support the use of a coordinated program of food aid and economic development assistance to build future foreign commercial markets for United States agricultural products; and

Whereas the food aid and agricultural export development tools provided in the Food Security Act of 1985 have not been used to the fullest extent possible: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That Congress urges the President—

(1) to make development of agricultural markets in developing countries a high priority of the foreign economic policy of the Nation; and

(2) in doing so, to make more effective use of the food aid and agricultural export development tools provided in the Food Security Act of 1985 and other laws, by developing, on a country by country basis, a broad, comprehensive, and integrated program of food aid and economic development assistance to build future foreign commercial markets for United States agricultural products.

The concurrent resolution was agreed to.

### AMENDMENT TO THE PREAMBLE OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Speaker, I offer an amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble offered by Mr. DE LA GARZA: Strike out the preamble and insert the following in lieu thereof:

Whereas the producers of food and fiber in the United States have the capacity to produce 40 percent more than is consumed in the domestic market;

Whereas economic prosperity of the United States farmer and rural America are unalterably linked to strong agricultural exports and export growth;

Whereas agricultural exports have declined for the past 6 years and the farm and rural economic sector of the United States continues to suffer;

Whereas the potential for an increase in demand for U.S. agricultural exports to developing countries can be enhanced through extension of economic assistance and other measures to promote economic growth in those countries;

Whereas the recommendations of the National Commission on Agricultural Trade and Export Policy, and the preponderance of the research of the Economic Research Service of the Department of Agriculture, private foundations, land grant colleges, and other institutions, support the use of a coordinated program of food aid and economic development assistance to build future foreign commercial markets for United States agricultural products; and

Whereas the food aid and agricultural export development tools provided in the Food Security Act of 1985 have not been used to the fullest extent possible: Now, therefore, be it

Mr. de la GARZA [during the reading]. Mr. Speaker, I ask unanimous consent that the amendment to the preamble be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The amendment to the preamble was agreed to.

A motion to reconsider was laid on the table.

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## GENERAL LEAVE

Mr. de la GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3093, the bill previously passed, and on House Concurrent Resolution 151, the concurrent resolution just adopted.

The SPEAKER pro tempore (Mr. Kildee). Is there objection to the request of the gentleman from Texas?

There was no objection.

## EXTENDING THE REPORTING DATE FOR THE ETHANOL COST EFFECTIVENESS STUDY

Mr. de la GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of the Senate bill (S. 1597) to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. ROBERTS. Mr. Speaker, reserving the right to object, I would like to tell my colleagues that we have the support of our minority leader, the gentleman from Illinois [Mr. Michel] and of the gentleman from Illinois [Mr. Madigan], who is the ranking member of the Committee on Agriculture.

Under my reservation, I would simply like to thank the committee chairman for expediting this process to extend the life of the ethanol panel from 90 to 180 days so we can have some very valuable work from that panel and so we can make the appointments which have been held up.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1597

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. ETHANOL COST-EFFECTIVENESS STUDY.

(a) In General.—Section 13(d) of the Farm Disaster Assistance Act of 1987 (Public Law 100-45; 101 Stat. 324) is amended by striking out "90 days" and inserting in lieu thereof "180 days".

(b) Effective Date.—The amendment made by subsection (a) shall become effective on May 27, 1987.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 132, NATIONAL DAY OF REMEMBRANCE OF THE ARMENIAN GENOCIDE OF 1915-1923

Mr. BONIOR of Michigan. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 238 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 238

*Resolved,* That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the joint resoluton (H.J. Res. 132) designating April 24, 1987, as "National Day of Remembrance of the Armenian Genocide of 1915-1923" and the first reading of the joint resolution shall be dispensed with. After general debate, which shall be confined to the joint resolution and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the joint resolution shall be considered for amendment under the five-minute rule. In lieu of the amendment now printed in the joint resolution, it shall be in order to consider, any rule of the House to the contrary notwithstanding, the text following the resolving clause and the preamble printed in the report of the Committee on Rules accompaning this resolution as original text for the purpose of amendment. Amendments in the House and in the Committee of the Whole to the text following the resolving clause, including amendments in the nature of a substitute, must be germane to that text and amendments to the preamble must be germane to the preamble. Consideration of all amendments to the text following the resolving clause and to the preamble made in order by this resolution shall not exceed two hours. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the joint resolution or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. Glickman). The gentleman from Michigan [Mr. Bonior] is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri [Mr. Taylor], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 238 provides for the consideration of House Joint Resolution 132 designating April 24, 1988, as "National Day of Remembrance of the Armenian Genocide of 1915-1923."

The rule provides 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service.

The rule makes in order the text of House Joint Resolution 132 plus a preamble, printed in the report of the Committee on Rules, any rule of the House to the contrary notwithstanding, as original text for the purposes of amendment.

The rule further provides that all amendments, including amendments in the nature of a substitute, to the text following the resolving clause must be germane to that clause and that amendments to the preamble must be germane to the preamble.

Mr. Speaker, the rule limits the consideration of all amendments to the text following the resolving clause or to the preamble to 2 hours. The rule also provides for one motion to recommit.

Mr. Speaker, if I could, I would like to take a minute to talk a bit about this legislation and the rule we are currently considering. There are Members who feel that House Joint Resolution 132, despite many sincere efforts to soften it, is still too hard on the current Turkish Government. In a further effort to make this legislation less offensive to the Republic of Turkey, the sponsors added the preamble which seeks to broaden the resolution to show the Turkish Government that we do not intend to single them out or to isolate them in this resolution.

By referencing acts of genocide and other instances of man's inhumanity to man, such as the Jewish Holocaust, Cambodian genocide and the destruction of native populations throughout the Americas, the sponsors sought to show that they did not intend to point the finger or isolate any government or people in the resolution.

The sponsors wanted to attach the preamble to the resolving clause so it would come to the floor as one single legislative vehicle—not just a resolution and an amendment. They go together and the sponsors wanted to

present them together. For this reason, the rule provides for the consideration of the preamble and the resolving clause as one amendment in the nature of a substitute as original text for the purposes of amendment.

The rule specifies that this new vehicle be considered under the same procedures which are in order for any other joint resolution. That is—the text of the resolving clause be considered for amendment first and that amendments be germane to that clause. When all amendments to the resolving clause are completed, it is in order to consider germane amendments to the preamble.

Mr. Speaker, the rule limits debate on amendments to the resolving clause and the preamble to 2 hours in an effort to honor the leadership request to preserve the limited floor time we have before we recess. In addition, Mr. Speaker, resolutions similar to this one have been fully debated on the House floor in the past. The issues have not changed and should be familiar to Members.

This is an open rule in the sense that Members have the opportunity to amend the resolving clause and the preamble with germane amendments, to the extent that time allows. Mr. Speaker, in light of the fact that no Member other than Mr. Lehman indicated to the Rules Committee they were interested in offering amendments, and because Chairman Ford indicated that he was not aware of any Members who wanted to offer amendments, the Rules Committee does not believe this time limit is restrictive.

Mr. Speaker, House Resolution 238 is a very fair rule under which to consider House Joint Resolution 132 and I urge its adoption.

Mr. Speaker, the murder of 1.5 million Armenians beginning in 1915 has been called the first genocide of the 20th century. Mr. Speaker, the world community cannot let genocide and inhumanity go unacknowledged and unmourned, for by doing so, we make it more likely to reoccur. It was, after all, Adolf Hitler who not long after the Armenian genocide, masterminded the genocide of over 6 million Jews and is quoted as having said: "Who still talks nowadays about the extermination of the Armenians?"

House Joint Resolution 132, asks the President to designate April 24, 1988, as a day when all Americans, especially those of Armenian ancestry, can remember the Armenian experience, can remember the victims, and can pray in their hearts that such horrors can be stopped in the future.

Mr. Speaker, I received a letter from the Secretary of State yesterday implying that considering this joint resolution on the floor of the House could jeopardize Turkey's ratification of the defense economic cooperation agreement [DECA].

Every time a joint resolution like House Joint Resolution 132 is scheduled for consideration the Turkish Government comes up with some reason why it is a bad time.

In April 1984, when the resolution was introduced, the administration claimed it would compromise negotiations with Turkey over the air bases.

In September 1984, the administration again argued against Senate passage of the House-passed resolution.

In May 1985 the resolution was scheduled for consideration in the Rules Committee, the administration had it postponed saying it would interfere with strategic negotiations with Turkey.

In January 1985, when Congressman Coelho wanted to introduce the resolution, he was told that Turkish Prime Minister Ozal was going to visit Washington then and if the resolution were introduced, he would cancel the trip. It was postponed.

In April 1987, the resolution was scheduled in committee. The Secretary of State personally called Chairman Ford to say that committee consideration of the resolution would make Turkey's President Evren cancel his scheduled trip to Washington. Chairman Ford postponed consideration. President Evren's Washington trip was postponed for other reasons, and Chairman Ford, I believe to this day cannot find out when he plans to reschedule his trip.

Today, Mr. Speaker, very predictably, the administration, or the Turkish Government, is coming up with yet another excuse why we should not consider this commemorative resolution.

This resolution sets aside a day of commemoration within the United States, not in Turkey or any other country in the world. Over the last several years, great care has been taken to make sure the resolution does not blame the current Government in Turkey for the deeds of long past regimes.

Mr. Speaker, we no more hold the current Turkish Government responsible for the actions of the Ottoman Empire than we hold West Germany responsible for the actions of the Third Reich. But we do not hesitate for a moment to acknowledge the Jewish Holocaust and mourn for the victims of that terrible human tragedy. And, Mr. Speaker, we should not hesitate here to acknowledge the Armenian genocide and mourn for the victims of that terrible human tragedy!

And to my colleagues in the Congress, and in the administration, who now cast doubt on whether there actually was an Armenian genocide at all, I say they are dead wrong.

This very House on two occasions has acknowledged the Armenian Genocide. On April 8, 1975, a resolution very similar to House Joint Resolution 132, introduced by Congressman Helstoski and Congressman Thomas P. O'Neill, was passed under suspension of the rules by a vote of 332 to 55. That resolution clearly acknowledged the Armenian genocide stating that a day of remembrance was needed for victims of genocide, and I quote: "* * * especially those of Armenian ancestry who succumbed to the genocide perpetrated in 1915."

Mr. Speaker, on September 10, 1984, a nearly indentical resolution was passed in the House under suspension of the rules on a voice vote!

In April of 1981, President Ronald Reagan eloquently acknowledged the Armenian genocide. He said:

> Like the genocide of the Armenians before it, and the genocide of the Cambodians which followed it—and like too many other such persecutions of too many other peoples—the lessons of the holocaust must never be forgotten.

But, in 1982, in a note at the conclusion of a State Department report, it was concluded that—

> Because the historical record of the 1915 events in Asia Minor is ambiguous, the Department of State does not endorse allegations that the Turkish Government committed a genocide against the Armenian people.

Well, I don't know which record was being examined, because there are over 24,000 documents compiled from the U.S. National Archives of State Department records from 1910 to 1929 detailing the extermination of the Armenians. The Archives of the United States, Great Britain, France, Germany, Austria, and Italy are open to scholars and amply document the Armenian genocide.

Mr. Speaker, I think it is significant that Raphael Lemkin, the man who coined the term genocide to describe the deliberate destruction of a people, repeatedly used the Armenian genocide and the Jewish Holocaust as prototypes of the term genocide.

I think it is significant that the U.S. Holocaust Memorial Council has approved the inclusion of the Armenian genocide in their exhibits as an example of a planned extermination.

Ataturk, the founder of the modern Turkish nation and widely regarded as the George Washington of Turkey, acknowledged the Armenian genocide under the Ottoman Empire and thought other Turks ought to acknowledge it as well so the healing process could begin.

Mr. Speaker, I would like to conclude my remarks with two quotations—the first is from Ambassador Morganthau, the United States Ambassador to the Ottoman Empire during this time, referring to the Armenians said:

> When the Turkish authorities gave the orders for these deportations, they were merely giving the death warrant to a whole race; they understood this well, and, in their

conversations with me, they made no particular attempt to conceal the fact.

The second quote is from the noted English historian, Arnold Toynbee:

> The atrociousness of the two great twentieth century wars was aggravated by "genocide" (i.e. the wholesale extermination of civilian populations). In the First World War the Turks committed genocide against the Armenians; in the Second World War, the Germans committed genocide against the Jews.

Mr. Speaker, the genocide occurred!

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Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 238 should be defeated outright.

This rule would bring up a resolution that will mean nothing but trouble for the United States interests in a very strategic corner of the world.

The resolution made in order by this rule, House Joint Resolution 132 designates April 24 as a day of remembrance of events that occurred over 70 years ago in Asia Minor.

The joint resolution is offensive to the people of Turkey, it is offensive to the Government of Turkey. It is not a constructive way for Congress to honor the ancestors of American Armenians.

Mr. Speaker, consideration of this resolution is guaranteed to strain our bilateral and treaty relationships with the Republic of Turkey. Its passage might well lead to an outright rupture of diplomatic ties.

The Republic of Turkey is one of our most valuable allies in the cause of peace and freedom, and is one of the most important members of the North American Treaty Organization.

As one who is concerned about the future security interests in the Middle East, I can see no good reason for us to even consider the resolution. The best way for the House to deal with this offensive measure is to take it off the floor program, and the way to do that is to defeat this rule.

The rule is procedurally unfair. The rule limits time for amendments to 2 hours, and it tramples on the minority's right to offer a motion to recommit with instructions.

Mr. Speaker, when this resolution was last considered, the legislative process was stalled by its sponsors.

In December 1985, the House refused to adopt an amendment and the majority managers offered a motion to rise the Committee of the Whole, rather than allow the House to proceed further.

Pending when the Committee rose was an amendment in the nature of a substitute. In case the substitute failed, I was prepared as the ranking minority member of the committee, to offer a motion to recommit with instructions.

Mr. Speaker, we never got to that point in 1985. Under this rule we won't be able to get there again. Two rules of the House, clause 4 of rule XVI and clause 1 of rule XVII, protect and guarantee the right to offer a motion to recommit.

This rule throws the Rules of House by the wayside. The Members opposed to the resolution are treated in an unfair and high-handed manner by this rule.

Mr. Speaker, the wording of the resolution purports to describe historical events. However, there are implications in the way these events are described. The wording of the resolution casts aspersions upon our faithful ally, Turkey.

House Joint Resolution 132 does nothing at all to heal the differences that have grown over the years between the people of Armenian ancestry and the people of Turkey ancestry.

The sponsors of the resolution place the House in a position of ratifying some history in such a way as to favor one point of view over another, and I do not think we should do that.

It is absolutely senseless for us to commemorate this history when the words themselves are enough to cause mindless terrorism against a nation's citizens and diplomats.

Mr. Speaker, I am not a world historian. As the ranking Republican member of the Committee on Post Office and Civil Service, where this and similar resolutions have been considered, I have learned a great deal about the history and the controversy involved here.

There were inhumane events that occurred during the war between the Russian Empire and the Ottoman Empire in the area then known as Anatolia. The war victimized hundreds of thousands of people. There were Christian victims, there were Muslim victims. There were Armenian victims, as well as Turkish victims. Most of the inhumane events occurred in 1915 and 1916.

The ravages of war took a terrible toll, there is no doubt about that. Both the Ottoman Empire and the Russian Empire were ruthless in that war, but the Ottoman Empire was ended by the Turkish revolution in 1922. And the present Republic of Turkey was formed in 1923.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from California [Mrs. Boxer].

Mrs. BOXER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this rule, and urge my colleagues to do the same, so we can settle this business once and for all. Today, let us pass the rule and we must answer two questions. Did the Armenian genocide occur, and if so, should we commemorate the genocide? The answer is an absolute, unequivocal, yes. During the period 1915-23, the Ottoman Empire undertook the incomprehensible task of erasing any trace of the Armenian people, and committed an atrocity which opened the door for the Jewish genocide but one generation later. History tragically records the reports of the survivors, and reveals indisputably that the Ottoman Turks succeeded all too well in their attempted task.

The fact is that the Armenian genocide is very well documented, and I find it extremely distressing and mindboggling all to bear references to the genocide as "alleged," "claimed," "charged," or "disputed." The late U.S. Ambassador to Turkey Henry Morgenthau, who was in Turkey from 1913-16, affirmed in his memoirs that the Ottoman Government clearly understood it was "giving the death warrant to a whole race; they understood this well, and, in their conversations with me, they made no particular attempt to conceal this fact."

We have access to literally thousands of pages of testimony by survivors describing the endless raping, murder, mutilation, and enforced starvation. Without getting into the gory details, let me just relate to you what one German eyewitness, a missionary and teacher in Aleppo, described. After reporting the various horrors, the hacking off of hands, the piles of convulsive bodies, the slitting of throats, he concludes that "the object of the deportation is the extermination of the whole Armenian nation."

I have heard the argument from those opposed to this resolution, that the passage of this resolution will put a thorn in the side of our NATO ally, Turkey.

I feel very strongly that to let issues of political expediency enter into this debate is to desecrate the memory of the 1.5 million Armenians who were wiped from the face of the Earth between 1915 and 1923, and erases the lesson we might draw from their tragedy. Two years ago, upon receiving the Congressional Gold Medal of Achievement, Elie Wiesel remarked that the issue of the genocide of millions "transcends politics and diplomacy. The issue here is not politics, but good and evil." Mr. Wiesel is right, and I urge my colleagues to vote yes on this rule and the resolution and in doing so state for all the world to see that genocide must not take a back seat to geopolitics. We must stand on our principles and make a statement that will say clearly that the United States of America remembers the slaughter of Armenians, respects the memory of the victims, and is vigilant to ensure that genocide does not happen again.

Let me add that remembrance of the more recent Jewish Holocaust perpetrated by the German Government of

the time has not and does not adversely affect our relations with present-day Germany. I do not condemn the Turks of today, far from it, and this must be clearly understood. As Elie Wiesel said about the Jewish tragedy one generation later, "I do not believe in collective guilt nor in collective responsibility. Only the killers were guilty, their sons and daughters are not."

So why should we commemorate the Armenian genocide? H.G. Wells once remarked that "Human history becomes more and more a race between education and catastrophe." That is a race we must win. Education is our only weapon against catastrophe. We must learn from the past, we cannot just close our eyes to it because it makes us uncomfortable.

We commemorate the Armenian genocide not just for its victims, but with an eye to the future. In 1939, with his own extermination program underway, Adolf Hitler remarked, "Who still talks nowadays of the extermination of the Armenians?" Seventy-two years after the Ottoman Turkish Empire began a system of genocide against the Armenian population that left 1.5 million dead, we respond to Adolf Hitler, We do! We remember! I implore my colleagues to remember the tragedy of the Armenian genocide, so that we can truly make the claim, never again.

Mr. TAYLOR. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Mississippi [Mr. Lott], the distinguished minority whip, and a member of the Committee on Rules.

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, just as some things are better left unsaid, some bills are better left unconsidered. This is one such instance in which the measure involved should not have been reported from the authorizing committee, should not have been granted a rule from the Rules Committee, and should not be taken up on this floor today.

This is one case in which, even if you should agree with the terms of the rule itself, which I don't, you would be justified in voting against the rule on grounds that the measure it makes in order has no business even being considered by this House. Why? Because this measure, House Joint Resolution 132, has profound, adverse foreign policy implications for our relations with one of our staunchest NATO allies. And, as much as the proponents might protest that this is not aimed at the current government, the fact remains that the government and people of that country do perceive this as a direct affront. And, when it comes to foreign relations, perceptions are everything.

Mr. Speaker, our Secretary of State, in a letter sent just yesterday to our ranking Republican on the Rules Committee [Mr. Quillen], urged against even granting a rule in the Rules Committee on grounds that the joint resolution could do serious harm to our relations with the Government of Turkey—a country which he terms "an important ally of the United States, a partner in the NATO and the Atlantic Alliance, and a key player in the Middle East and Europe." The Secretary goes on to remind us that a similar resolution in 1985, and I quote, "provoked a public outcry in Turkey and prompted the Turkish Parliament to review relations with the United States."

I, therefore, appeal to my colleagues on foreign policy grounds alone to vote against this rule so that we do not unnecessarily embarrass our own Government and jeopardize our continuing good relations with such an important ally.

Mr. Speaker, the rule itself is further embarrassment and insult to the membership of this House, on both sides of the aisle. Once again we have a restrictive rule.

This one places a 2-hour limit on the amendment process and denies the minority its usual prerogative to offer instructions in a motion to recommit. Ironically, while the chairman of the authorizing committee had originally asked for a reasonable time limit on amendments in his letter of request for a rule, he withdrew that request in his testimony Monday and indicated that a time limit would not be necessary because there was no attempt to filibuster this by amendment. Nevertheless, the Rules Committee decided to give him the time limit anyway. I tried to remove the 2-hour amendment limit from the rule, but was defeated on a party-line vote.

The same thing happened when I tried to restore the minority's right to offer instructions in a motion to recommit. A lame excuse was offered that this was denied in the rule for fear we could somehow broaden the scope of the resolution in the motion to recommit. But, in checking with the Parliamentarian afterwards my staff learned this was not possible given language elsewhere in the rule. In other words, there are no sound grounds for preventing instructions. This is a purely partisan slap.

Mr. Speaker, I realize the majority party sets the agenda around here and often dictates the procedural terms under which that agenda will be considered. And the minority quite often disagrees with that agenda, or at least the specific terms of bills reported by majority-controlled committees. And, we quite often disagree with the procedures which deny us the full opportunity we think we should have to present our alternatives. That's the nature of the legislative process.

But, for that process to succeed over the long haul, there must be a certain degree of comity and fairness—of bipartisan cooperation and mutual respect. When that begins to break down, when the minority is repeatedly given the back hand and the empty hand, this institution is in trouble. And that is especially the case with a bill like this that has potentially serious foreign policy implications. Here, of all places, we should be giving the President greater deference as our chief foreign policy architect and spokesman, and we should be proceeding with greater bipartisanship in the Congress. Let's vote down this rule and avoid further embarrassment to ourselves and our country.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1½ minutes to the gentleman from Illinois [Mr. Annunzio].

Mr. ANNUNZIO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of the rule on House Joint Resolution 132 to designate a "National Day of Remembrance of the Armenian Genocide of 1915-1923."

This year marks the 72d anniversary of the genocide of the Armenian people by the Government of the Ottoman Empire before the establishment of the Republic of Turkey. But to this day Turkey's Government and people deny that the genocide ever happened. Turkey is denying reality. Turkey is denying the truth. And apparently Turkey wants to deny the truth forever.

Self-deception may be good enough for Turkey, but it should not be good enough for America. Can we honestly ignore the existence of documented records in our own State Department which give eye witness accounts of the Armenian genocide? And what about the respected New York Times? Can we honestly ignore over 194 articles which appeared from 1913 through 1922 outlining the hideous manner in which Armenians died in Turkey?

The facts are there. The truth is there for all to see. The only question on this floor is whether or not we, as Representatives of the people of the United States, have the courage to acknowledge a simple historical truth.

Unfortunately, the current administration appears to be buckling under foreign pressure. Fortunately, however, the Members of this Congress have the opportunity right now to show the world we are not afraid of the truth.

I urge my colleagues to join me in voting "yes" on the rule and "yes" on this resolution. Let us pass House Joint Resolution 132 overwhelmingly, and let us get this matter behind us once and for all.

□ 1150

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Horton], my colleague on the Post Office and Civil Service Committee.

Mr. HORTON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong opposition to the rule, and to the resolution. The rule itself is restrictive; it unduly limits the type and range of amendments that can be offered, it is not an open rule in that debate on amendments is limited to 2 hours, and a motion to recommit cannot be offered with instructions. Further, the procedure of even granting a rule for a commemorative resolution is unique to House Joint Resolution 132 and an earlier version of this measure.

Let's look at the procedure. I am a member of the House Post Office and Civil Service Committee. We require, except where the chairman and a majority of committee members agree, 218 cosponsors to report a resolution. Proponents of House Joint Resolution 132 could not secure 218 cosponsors. The resolution needed and received an exception to our committee rule. Commemorative resolutions, once reported from our committee, are always considered on either the Unanimous Consent or Suspension Calendars.

Not this commemorative. This resolution, accusing the Ottoman Empire—today Turkey—of genocide against the Armenians in the early part of this century, is the only commemorative of which I am aware to ever be granted a rule. A rule allowing for a simple majority vote on a commemorative resolution is highly unusual.

But this is no ordinary commemorative resolution, contrary to what you might hear. It is very controversial and has far-reaching foreign policy implications, as has been explained by Secretary of State Shultz in a letter each of us has received. No hearings have been held to air and discuss these issues.

Putting aside the procedure, Turkey is our friend and a critically important ally. Look at the map. Turkey is bordered by Iran, Iraq, Syria, and the Soviet Union. We don't have too many friends in that part of the world. Does it make sense, then, to offend an ally which shares the largest border with the Soviet Union—300 miles—of any ally, which has the largest U.S. Air Force base between Europe and the Philippine Islands, and which is the site for critical NATO and United States-Soviet monitoring facilities?

On the merits of the resolution, history doesn't support a genocide. Tragically, hundreds of thousands of Armenians living in eastern Turkey, where the Ottoman Turks battled their Russian enemy, were killed; they were a people caught in the midst and emotion of a raging war. There were atrocities. However, hundreds of thousands of Armenians living in western Turkey, far from the eastern front, were unaffected. This belies the definition of genocide—an intentional, systematic policy to exterminate a people.

You will hear that some midlevel State Department bureaucrat in 1981 wrote a memo that changed our Nation's longstanding support of a recognition of an Armenian genocide. Our policy was wrong. It should have been changed. It was no midlevel bureaucrat, however, that prompted our reexamination of what we had previously considered another in a long list of commemoratives. Our examination of this as an issue started in 1976 with the murder of Turkish diplomats by Armenian extremist and terrorist groups. Since 1976, more than 70 Turkish diplomats and innocent bystanders, including 4 Americans, have been assassinated. These extremist groups publicly state their objectives, which are threefold; first, recognition that a genocide occurred; second, reparations by the Turkish Government; and third, establishment of an Armenian state on Turkish soil.

Finally, regardless of how inconsequential we consider this or most commemoratives, House Joint Resolution 132 is the No. 1 public and media issue in Turkey. It is important to the Turkish people and their elected representatives. It is offensive to them. The Turkish people are justifiably proud of their record of religious and cultural toleration. In World War II, for example, as in the Inquisition before it, Turkey was a haven to literally tens of thousands of Jews who were fleeing barbarism, tyranny, terror, and certain death. With respect to World War II, even the doors to our Nation were closed to Jewish immigrants. It is easy to understand why the Turkish people object to a resolution accusing the Ottoman Empire, to which they trace their roots, of the most heinous crime against humanity.

I urge that my colleagues join me in defeating this rule.

The Secretary of State,
*Washington, DC, August 4, 1987.*

Hon. Frank Horton,
*House of Representatives.*

Dear Mr. Horton: I am writing to you personally to express the Administration's strong opposition to H.J. Res. 132 the so-called "Armenian Resolution" and to urge you to vote against it.

We are seriously concerned that passage of this bill would significantly damage our relations with Turkey, a NATO ally and friend of the United States. We have major national security interests in preserving and strengthening our relations with Turkey whose government and people are offended by this Resolution. I understand the motives of the sponsors of this resolution; however, I am seriously concerned not only at the damage the Resolution will do to our relationship with Turkey, but also that it will be used by Armenian terrorists, who have murdered 45 Turkish diplomats since 1975, to justify their past acts and future actions. I know that we are all determined to defeat international terrorism.

Because of these compelling reasons, I ask that you vote against H.J. Res. 132.

Sincerely yours,

George P. Shultz.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2½ minutes to the honorable gentleman from Massachusetts [Mr. Kennedy].

Mr. KENNEDY. Mr. Speaker, I rise in support of the resolution to recognize April 24 as a day to remember the Armenian genocide.

The State Department would like us to vote against this resolution because Turkey is an important ally where we have many military installations. Mr. Speaker, I submit that this is not an issue of allies and military strategy. Turkey is not going to run out of NATO and into the arms of Russia, or Iran, or anyone else just because we pass this resolution. Let us stop kowtowing to the Ottoman regime of a bygone era. Should we not recognize what the British have been doing to the Irish in order to keep our missiles in England? Let us stop pretending a terrible wrong never occurred. Recognizing an event that took place 80 years ago should not be the type of issue to rearrange strong political friendships and change areas of mutual interest.

This is not a question of military bases. It is a gut instinct about right and wrong. America is a melting pot, and we have to react to the legitimate concerns of people in our own country. A wrong was committed against the Armenian people. A tragedy occurred, and we in the U.S. Congress should be responsible enough to acknowledge it.

Now we've been presented with a group of revisionist scholars who say this tragedy never happened, and our own State Department sides with those denials. But some of the greatest thinkers and leaders of the 20th century, including Theodore Roosevelt, Winston Churchill, and Arnold Toynbee, all referred to the massacres as genocide against the Armenian Christian minority. Major newspapers in the United States and around the world reported the wholesale slaughter of Armenians. U.S. Ambassador Henry Morgenthau and many American missionaries gave eyewitness accounts of the massace of Armenian Christians. Even Kemal Ataturk, the father of modern-day Turkey deplored the killing of Armenians by his Ottoman predecessors.

History tells us it is easy to forget atrocities. When Adolf Hitler was planning the invasion of Poland, he told his generals that the killing of the Armenians had already been forgotten. Such forgetfulness can be dangerous for humanity.

In recognizing the suffering of Armenians, we also recognize the important contributions of a large group of American citizens. Armenians came to America because it has always been a place where persecuted people can make a home. They came here to freely practice the Christian religion, but they also worked hard to maintain their unique culture and language. Today there is no independent Armenian nation, but there are Armenian churches and schools and newspapers wherever Armenian Americans live. The freedom to keep that culture alive is what makes America a great nation.

April 24 is the day Armenian Americans call Martyr's Day. In that day, members of the Armenian community in my district close their shops, schools, and markets and go to church. By recognizing their day, we commemorate not only their suffering, but their achievement as American citizens. We will simply acknowledge the sorrows of Armenians everywhere, and tell them Americans remember.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. Solarz], a member of the Post Office and Civil Service Committee and of the Foreign Affairs Committee.

Mr. SOLARZ. Mr. Speaker, no one here denies that hundreds of thousands of Armenians and maybe more lost their lives, often in a cruel and barbarous fashion, in the second decade of the 20th century in eastern Antalya. There is no Member of this House, on either side of the aisle, who is indifferent to the sorrow and the suffering of the Armenian people.

Nevertheless, it seems to me that the adoption of this resolution would be a serious mistake.

It would be a mistake, first of all, because it would place in jeopardy our relationship to one of our most important NATO allies. I recognize it is very difficult for Members of the House to believe that a nonbinding resolution like this, dozens of which we pass every year without thinking twice about them, could possibly be taken seriously by a foreign country, and yet anyone who has been to Turkey, anyone who is knowledgeable about Turkey, knows that this would have very serious consequences for our relationship with that country.

A few weeks ago, the President of Turkey, following the adoption of a similar resolution by the European Parliament, said that if the Congress adopts this resolution, Turkey would have to consider leaving NATO. I do not believe, even if the resolution is adopted, that the Turks will leave NATO, but the very fact that the President of Turkey could say that they would consider leaving the alliance should suggest that the adoption of this resolution will, indeed, have negative consequences for our relationship with one of our most important NATO allies, which we cannot afford.

We have to consider the consequences of what we do. This resolution will do nothing to resuscitate the dead, but it could jeopardize our capacity to defend the living.

Its adoption would also be a mistake because the fundamental factual premise upon which the resolution is premised; namely, that what happened to the Armenian people was a genocide, is itself a matter of significant historic dispute and debate. We have heard how Arnold Toynbee and Rafael Lempkin and Ambassador Morganthau and others all asserted that what happened to the Armenians was a genocide; but 2 years ago every Member of this House received a cable signed by the overwhelming majority of the leading historians of the Ottoman Empire, the Turkish Republic, and the Middle East in our country, urging us to vote against the resolution on the grounds that it is by no means clear that what happened to the Armenians was an example of genocide.

Here is what such preeminent American scholars on the region, such as Bernard Lewis of Princeton and J.C. Hurewitz of Columbia, said about this resolution:

> As for the charge of "genocide:" No signatory of this statement wishes to minimize the scope of Armenian suffering. We are likewise cognizant that it cannot be viewed as separate from the suffering experienced by the Muslim inhabitants of the region. The weight of evidence so far uncovered points in the direction of serious inter-communal warfare (perpetrated by Muslim and Christian irregular forces), complicated by disease, famine, suffering and massacres in Anatolia and adjoining areas during the First World War. Indeed, throughout the years in question, the region was the scene of more or less continuous warfare, not unlike the tragedy which has gone on in Lebanon for the past decade. The resulting death toll among both Muslim and Christian communities of the region was immense. But much more remains to be discovered before historians will be able to sort out precisely responsibility between warring and innocent, and to identify the causes for the events which resulted in the death or removal of large numbers of the eastern Anatolian population, Christian and Muslim alike.
>
> As the above comments illustrate, the history of the Ottoman-Armenians is much debated among scholars, many of who do not agree with the historical assumptions embodied in the wording of H.J. Res. 192. By passing the resolution Congress will be attempting to determine by legislation which side of a historial question is correct. Such a resolution, based on historically questionable assumptions, can only damage this cause of honest historical enquiry, and damage the credibility of the American legislative process.

There is a distinction between massacres and a genocide. Nobody denies that hundreds of thousands of Armenians lost their lives. We bemoan their fate, but whether or not it constituted a systematic effort to exterminate an entire race is apparently open to dispute.

I think it would, therefore, be a mistake for us to insert ourselves into the midst of this raging historic debate.

My friends, I think that in view of the consequences of the adoption of this resolution for our relationship with Turkey, in view of the dispute over whether or not what happened to the Armenian people was a genocide, it would be both reckless and wrong to adopt this resolution, and I therefore urge the defeat of the rule and the rejection of the resolution if the rule should be approved.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from California [Mr. Lungren].

Mr. LUNGREN. Mr. Speaker, I rise in support of this rule and the resolution in front of us.

Some have said we ought not to support the resolution because it has a time factor, but if you do not support the rule, we will never get to the resolution.

One thing we in the United States seem to have an abundance of, not a lack of, is an abundance of a loss of a sense of history.

□ 1205

We do not understand history oftentimes, and unfortunately we oftentimes deny history.

I think one of the real problems in this debate is that because of political circumstances there is an effort to deny history because we are fearful if we admit history some others may take political action against us.

I do not think that is in the best interest of the United States ultimately. I recall when Ronald Reagan, before he was President, was addressing this issue. He spoke out eloquently on behalf of a recognition of the losses suffered by Armenians who are now dispersed around the country.

It just seems to me that we owe it to the citizens of this country to recognize history and to hopefully learn from history, and to say that the Ottoman Empire was responsible for this is not a criticism of the present Turkish Government. It should not be seen as such, and I think we ought to step forward and recognize this for what it is, a statement of history, an acknowledgment for what has occurred and a lesson for the future.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Speaker, despite my long friendship with the gentleman from California, the author of House Joint Resolution 132, I oppose the rule because even the consideration of this resolution will do serious mischief to U.S. foreign policy and at the same time do nothing to settle the longstanding hostilities between the Turks and the Armenians.

There is no difference of opinion in this Chamber over genocide. There are not some people for it and others against. We all deeply abhor the hatred that leads to atrocities—whether it be the deaths of thousands of Armenians or the assassination of dozens of Turkish diplomats and several Americans.

But Congress should understand that there is, sadly, no middle ground between the Turks and the Armenians. There is no magic wand, least of all this resolution, that we can wave to lessen the hatred, settle hotly contested historical facts, or end the terrorism that still goes on.

While we can't make the situation better, we can make it worse. We can ignore the strongest pleas of our Secretary of State, George Shultz, and greatly compromise vital United States interests in modern-day Turkey. We can subject the present Turkish Government which of course had nothing to do with the events of 1915—to deep humiliation just as they are taking more and more steps to align themselves with the United States.

Mr. Speaker, recently a "Dear Colleague" letter complimented the European Parliament for passing a resolution similar to the one proposed to be debated by Congress. The "Dear Colleague" said we should follow suit. What the letter did not say is that only the most radical and liberal elements of the European Parliament even considered this resolution—the vast majority of members boycotted it. Of some 518 members, only 144 voted for the resolution, and all but 18 were Communists, Socialists, and Greens. Great Britain and West Germany, among others, repudiated the move.

Just as our friends in the European Parliament boycotted this resolution, so should we. It is truly a wolf in sheep's clothing, and even the consideration of it can do no good and cause much harm.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Kentucky [Mr. Hubbard].

Mr. TAYLOR. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. Hubbard].

Mr. HUBBARD. Mr. Speaker, today could be the final day the U.S. House of Representatives will meet until Wednesday, September 9.

This being the situation, what are we debating on the House side of the U.S. Capitol today? Is it the omnibus trade bill? No. Are we debating rescue legislation for the faltering Farm Credit System? No.

Are we debating welfare system reforms (H.R. 1720)? No.

Are we debating tax changes? No.

Indeed, it is incredible that we are into the annual ritual of rehashing the tragic Armenian genocide of 1915–23.

I asked my constituents recently in western Kentucky which one country in the world is the target of an annual resolution attempting to embarrass it in the U.S. House of Representatives. Some guessed it is the Soviet Union. Others guessed it is Iran. A few guessed Cuba.

Those constituents who assumed the country that receives the annual bashing on our House floor is Russia or Iran or Cuba were wrong.

Yes; it is incredible that our NATO ally and good friend Turkey is the victim, even again today.

Yes: Turkey, our friend which borders the Soviet Union, Iran, Iraq, and Syria, is being attacked on the House floor again today.

As a Democrat and an opponent of House Joint Resolution 132, I read again the letter of our Secretary of State George P. Shultz, regarding this resolution. Earlier today my Republican friend and colleague, Hon. Frank Horton, read this same letter from Mr. Shultz. It is certainly worthy of repeating now.

The letter to each of us House Members reads as follows:

The Secretary of State,
*Washington, August 4, 1987.*

Hon. Carroll Hubbard, Jr.,
*House of Representatives.*

Dear Mr. Hubbard: I am writing to you personally to express the Administration's strong opposition to H.J. Res. 132, the so-called "Armenian Resolution" and to urge you to vote against it.

We are seriously concerned that passage of this resolution would significantly damage our relations with Turkey, a NATO ally and friend of the United States. We have major national security interests in preserving and strengthening our relations with Turkey whose government and people are offended by this Resolution. I understand the motives of the sponsors of this resolution; however, I am seriously concerned not only at the damage the Resolution will do to our relationship with Turkey, but also that it will be used by Armenian terrorists, who have murdered 45 Turkish diplomats since 1975, to justify their past acts and future actions. I know that we are all determined to defeat international terrorism.

Because of these compelling reasons, I ask that you vote against H.J. Res. 132.

Sincerely yours,

George P. Shultz.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Leath].

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. LEATH of Texas. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Speaker, I want to go on record in firm opposition to the rule.

Mr. Speaker, once again, we are forced to debate the issue of the alleged genocide of the Armenian people that took place more than 70 years ago. Not only did this body debate, and soundly defeat this legislation on two separate occasions in the 99th Congress; but 69 American historians, all specializing in Turkish, Ottoman, and Middle Eastern studies, have publicly denounced the misrepresentations and misleading intent of this resolution (H.J. Res. 132).

There are three major points as to why the U.S. Congress should not even consider this issue, let alone approve a resolution to commemorate its existence.

The first point, which I have already raised, is the historical justification of the Armenian genocide which is undocumented and unfounded. The Ottoman Empire was experiencing a civil war between 1915 and 1923, and many important questions still remain unanswered, including the affect of disease, famine, and the First World War.

Second, this resolution would add fuel to the fire for Armenian terrorists avenging the so-called genocide of their ancestors. At this time, more than 270 deaths in 250 incidents worldwide, including the lives of 30 Turkish diplomats, have resulted from these malicious and unwarranted acts of terrorism. Yesterday, Secretary of State George Shultz sent a letter to Members of Congress, urging them to reject this measure as there are compelling national interest matters at stake.

And finally, and probaly most importantly, is the fact that by approving this resolution, we would deeply offend the people of Turkey, and jeopardize our relationship with our most staunch and important ally in the NATO Alliance. Turkey's troop size of 569,000 is second only to the United States among the NATO forces.

In light of the volatile situation in the Persian Gulf, the Iran/Iraq conflict and the Soviet invasion of Afghanistan, the last thing we need is to strain our relationship with Turkey.

The Republic of Turkey is a vital contributor to Western security, and has been a terrific help in the stability of the Middle East due to their growing economic and diplomatic strength. Turkey also serves as a strategic stalwart in the Soviet's ability of becoming a key player in the Arab world.

Turkey's major military installations contribute significantly to NATO, including: basing for United States tactical fighter-bombers (F–4's); electromagnetic monitoring; radio investigation; storage of war reserve materials, ammunition, and fuel; and radar warning and space monitoring.

Through numerous secondary facilities, 25 percent of NATO's intelligence information is gathered from Turkey, including:

Monitoring Soviet strategic nuclear activities;

Military systems development; and

Force and readiness movement.

As you can see, Turkey plays an intricate and key role in the United States/NATO strategic posture in the Middle East, as well as serving as a deterrent to further Soviet aggression.

Turkey is not only a military friend to the United States, but is also a valued trading partner. In 1986, total United States exports to Turkey amounted to $1.1 billion, with United

States imports from Turkey amounting to $0.7 billion. That's a U.S. trade surplus of almost a half billion dollars.

Among those products that we export to Turkey are: coal (increasing steadily since 1984), shredded steel and iron, aircraft parts, wheat, fertilizers, truck and equipment parts, sugar, cotton, and rice.

The EC Parliament recently approved a similar resolution to commemorate the so-called Armenian genocide, and are now experiencing an adverse trade climate with Turkey. France recently lost a very lucrative contract with Turkey for a radar system.

Currently, there are several major Turkish contracts available for United States bids worth several billion dollars that include: armored personnel carriers and several coal plants.

I think we should carefully examine all of the ramifications that could result from the passage of such a resolution, and take a hard look at what Turkey means to the United States, in light of the highly sensitive and totally uncorroborated issue of Armenian genocide.

Mr. Speaker, I urge all of my colleagues to defeat this resolution; the administration is adamantly opposed to it, it disputes fact, promotes and encourages terrorism, and threatens our relationship with a strong and important ally.

Mr. McCURDY. Mr. Speaker, will the gentlman yield?

Mr. LEATH of Texas. I yield to the gentleman from Oklahoma.

Mr. McCURDY. I, too, rise in firm opposition to the resolution.

Mr. LEATH of Texas. Mr. Speaker, this is a no-win situation. We are going to hear a great many good people, good Members of Congress and good Americans that are going to come to this well today and tell us how innocent this is and tell us how important this is. I do not think anybody in this Chamber disagrees with that feeling, and I think we all understand our friends who are emotionally involved in this issue, and we understand why.

But, Mr. Speaker, ladies and gentlemen, there is one bottom line. That bottom line is will this harm the security interests of the United States, and the answer is "yes." We may not understand that, we may say why do the Turks get upset about something like this.

That is beside the point. The point is the President, the Secretary of State, our Ambassador to Turkey have certified that.

I was in Turkey 2 years ago when this resolution came up the first time to discuss NATO and the importance of NATO. They did not want to talk about that. The Turkish media wanted to talk about this.

I do not think there is anybody in this Chamber that wants to harm the security interests of the United States. It does not have anything to do with genocide, it does not have anything to do with our feelings against what happened to the Armenians.

The bottom line is that everyone, the Ambassador to this country from Turkey, the President of Turkey, the Turkish people, say if you do this you hurt your security interests.

Mr. Speaker, we do not need to do that.

Mr. WISE. Mr. Speaker, will the gentleman yield?

Mr. LEATH of Texas. I yield to the gentleman from West Virginia.

Mr. WISE. Mr. Speaker, I appreciate the gentleman yielding. I would like to say as one who voted for this resolution a couple of years ago, who has done a lot of thinking on it and is now opposed to it, I hope every Member before he comes to vote for the rule will look at a map of Turkey and see what countries border Turkey. Iran, the Soviet Union, Iraq, Syria, and Turkey is our listening post to all of those areas, and this is a disastrous resolution. I hope we reject it.

Mr. LEATH of Texas. I thank the gentleman. Just remember the bottom line. Have great respect for our friends involved in and have great understanding for the Armenian people, have great understanding for the reverence of this occasion, but let us not harm the security interests of this Nation.

Mr. MOAKLEY. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. Glickman). The gentleman from Missouri [Mr. Taylor] has 10 minutes remaining and the gentleman from Massachusetts [Mr. Moakley] has 10¾ minutes remaining.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from California [Mr. Moorhead].

Mr. MOORHEAD. Mr. Speaker, as a cosponsor of House Joint Resolution 132, I rise in support of this rule and of this resolution.

This is a resolution which is extremely important to many of us in this Chamber and to many Americans around the country. I have many Armenian friends back in my hometown of Glendale, CA, and I have personally heard horrible stories of how the genocide affected them and their families. They are not pretty stories. So, I know how much this resolution means to them and their families. I know how important passage is to the memories of their loved ones who perished in the slaughter.

The purpose of this resolution is to set the historical record straight and to commemorate the victims of Armenian descent who were killed by the Ottoman Empire. The killings of Armenians began in the later part of the 19th century and culminated in the great massacre of 1915 through 1923 in which an additional 1.5 million Armenians died. Many of those who survived were exiled from their homelands. Needless to say, their losses and sufferings have been tremendous.

We have debated this issue before on the floor of this House. We have commemorated the genocide with special orders each April. In fact, in 1975 and 1984 the House passed commemorative resolutions similar to House Joint Resolution 132.

Many of us have been working for a long time to get this resolution passed by the whole Congress. We have reminded our colleagues each year of the historical facts which were recorded by eyewitness accounts, press reports, and numerous official U.S. Government documents since 1915. Yet we are still engaged in a debate over whether or not these events of history should be recognized and remembered.

This is not a resolution condemning anyone or any government today for the actions that occurred many years ago. I stress this and I think we all recognize this. No one holds the Turkish people or the present Government of Turkey responsible for acts committed by a past government. I would like to think we all know in our hearts what is right and what we should do on this resolution.

No one can dispute that we have a moral obligation to recall and recognize the horrible nature of such a crime against humanity. We cannot ignore history or let others rewrite it by ignoring or omitting what has happened. The efforts of those who wish to defeat this resolution offend all victims of genocide. I hope that all Members in this House will reflect deeply on what we have been talking about and vote in favor of this resolution.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes and 30 seconds to the gentleman from Wisconsin [Mr. Moody].

Mr. OXLEY. Mr. Speaker, will the gentleman yield?

Mr. MOODY. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Speaker, I rise in opposition to the rule and to the resolution.

Mr. MOODY. Mr. Speaker, I have a great deal of respect for the authors of this resolution and for its supporters. Rick Lehman is a very good friend of mine and Dave Bonior and all of the others who support it are top Members of this House, and I am very fond of them and I agree with them about 98 percent of the time. I have a great deal of respect for the Armenian people. I lived and worked for 5 years in that region of the world, not in Turkey, but in the countries surrounding Turkey, and I had Armenians work with me, and they are wonderful people and I love them.

And I am a strong human rights advocate. I do not buy the argument we need this just for military reasons.

But from my personal experience of 5 years in that region of the world, and from visiting Turkey, even though I once was a coauthor of this resolution, I am now opposed to it, as painful as it is.

It puts this Congress, it puts the stamp of this Congress on a particular interpretation of history which is highly disputed. Despite the previous comments, this is a highly disputed interpretation of history.

There were massacres; yes. There was unspeakable killing and atrocities; yes. But was it genocide?

Genocide is the most dastardly charge one can level against anyone because it implies a systematic, premeditated murder of a whole group of people. That is not what was happening in Turkey. As bad as what was happening is, it was not genocide.

What was the context? The context was a civil war within a world war. The Armenian minority in the Anatolian section of Turkey rose up in this period of chaos. There was no effective government at all, much less a context to carry out premeditated murder. They rose up, declared independence, and they were being armed by the Russian-Armenian factions. There was fighting going on behind the lines of the Turkish troops protecting Turkey against an invasion by the Soviet Union, and in that context they attempted to deport the Armenian population in that area, very much the way we attempted to deport the Japanese-Americans from our country.

In that context there was no effective control. Armenians were killing one another, villages were killing one another and 4 to 5 million civilians, that is non-Armenian Turkish citizens, were killed. There was chaos, there was killing all around, there was starvation. People were moved without adequate provisions for health care or food. It was wintertime and people died of exposure. No one doubts the suffering, and almost no one has suffered more than the Armenians.

But the term genocide is just far too strong to apply. Sixty eminent scholars in America, not revisionist historians, as someone put it, but 60 eminent scholars from Chicago, IL, from Wisconsin, from California, have said that this is not genocide, as bad as it was.

The archives of the relevant countries have not been opened, as the gentleman from Michigan [Mr. BONIOR] said. They are still closed, and the Balkan countries have not opened their archives to settle this matter.

The problem is putting our stamp of approval will validate the rationale used by Armenian terrorists to assassinate, in cold blood, Turkish diplomats around the world. It will deeply offend the people of Turkey who have had a long history of, whatever problems one may have with them, protecting minorities. In fact, Turkey was the only country in the region who began to take in Jews in World War II during the Holocaust. When every other country in the world, including the United States, would not accept them, they were a sanctuary for Jewish citizens. Turkey took them, and they have a long and enviable record of protection of minorities, and we are defaming this country with this resolution.

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Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 30 seconds to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I rise in strong support of the resolution designating April 24 a national day of remembrance to reflect on the brutal inhumanity of the Turkish massacre of 1.5 million Armenians from 1915 to 1923. The Armenian people deserve official recognition by the United States that they were the object of genocide by the Ottoman Turks during World War I.

The blood spilled during the Turkish pogrom against the Armenians is a stain on the history of mankind that we must acknowledge. It is an ugly reminder of the kind of inhumanity humans are capable of. A day of remembrance would serve as an important reminder that we must always remain on guard against such acts of brutality.

The United States is a nation which demands the recognition of human rights—by its own Government and the Governments of other nations. If we in this House are to be true to that principle we must stand in support of this resolution—a resolution calling for a day to remember what can happen when disregard of human rights reaches the extreme.

I ask the House to give official recognition that the Armenian genocide was an act which must be condemned. Passage of this resolution will show the world that we will not forget one of history's most brutal episodes.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. BATEMAN], a member of the Committee on Armed Services.

Mr. BATEMAN. Mr. Speaker, in this precious little bit of time, let me try and make my point by reference to a provision in "Roberts Rules of Order" which allows to a member of a body the right to interpose an objection to the consideration of a question. This is done in order to allow a Member "who believes it would be strongly undesirable for the motion even to come before the assembly."

If we were governed today by Roberts rules, I would interpose such an objection and I would do so because I have yet to hear of any substantial positive meritorious good that will come from the adoption of this resolution were it to be adopted.

I have heard, however, incontrovertible evidence, I know from my discussions with representatives of the Turkish Government in Turkey, and in our Government, how obnoxious this proposition is to them, how unstabilizing, and what turbulence it creates in our relationship with a very strong, staunch, and vital ally.

Balancing the mischief being done by the resolution against the slight positive good that could come from its adoption, I would object to the consideration again and again and again in this body of this resolution.

I cannot object to its consideration, but I can urge my colleagues and do urge my colleagues to defeat this rule, which is the alternative to us of motion objecting to the consideration.

We would do nothing by the enactment of this resolution except to legislatively direct an interpretation of history which is indeed disputed. Why should we spend our time and effort in such an exercise with all of the heavy constitutional requirements imposed upon us to discharge our responsibility to our constituents and to this Nation?

I urge you to defeat this rule. Should it not be defeated, please defeat this mischievous resolution.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield such time as he may consume to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, I rise in support of the resolution and I hope it passes so that we can debate it.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 30 seconds to the chairman of the committee, the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. I thank the gentleman for yielding.

Mr. Speaker, it is my responsibility as chairman of the committee to bring this resolution up if the rule is adopted. It passed our committee overwhelmingly. I simply would like to impress upon the Members that if you have been listening to those speaking for it and those speaking against it, you can understand that people feel very strongly about it. It is not in the finest tradition of this House not to consider something because it develops controversy between the Members. It is my feeling that if this comes to a vote, however it turns out—and I will abide by whatever happens, whether it is passed or not passed—that we can get this matter behind us in this Congress and that we can get onto the other business which the gentleman mentioned. So I ask you to vote for the rule so that both sides who feel very strongly about this may muster their arguments, speak for and against it and then we will see how the vote comes out and everybody will have to abide by that.

But please do not deny the people who feel so strongly about this the opportunity to have this issue considered by the House of Representatives.

Mr. Speaker, House Joint Resolution 132 would designate April 24, 1988, as a "National Day of Remembrance of the Armenian Genocide of 1915–23."

That is the date that people of Armenian ancestry commemorate the death of some 1.5 million victims of genocide at the hands of the governments of the Ottoman Empire.

Mr. Speaker, I want to emphasize very strongly right at the outset that this measure in no way reflects upon the present Government of Turkey, with which our country enjoys excellent relations.

The resolution specifically and emphatically refers only to the governments of the Ottoman Empire prior to the establishment of the Republic of Turkey.

One would really have to stretch one's imagination to find anything here that legitimately would offend the present Turkish Government.

This resolution was reported by the Committee on Post Office and Civil Service, which I have the honor of chairing, last April. We worked extremely hard to ensure that nothing in it could be interpreted as an accusation against the current Government of Turkey. And I am completely satisfied that we have succeeded.

There have been attempts by revisionists to rewrite history and say that this genocide that wiped out 1½ million Armenians simply never happened. But to entertain this specious argument, one would have to ignore the works of such eminent historians as Arnold Toynbee and Winston Churchill.

Mr. Speaker, the horrible slaughter did take place. And as the beacon of democracy it is our solemn duty to do what we can to guarantee that such atrocities are not allowed to happen in the future.

And I think that this resolution will help achieve that noble goal.

President Roosevelt said, "The Armenian Massacre was the great single crime of (World War I)." The U.S. Ambassador to the Ottoman Empire in 1915 wired the Secretary of State: "Deportation of and excesses against peaceful Armenians is increasing and from harrowing reports of eye witnesses it appears that a campaign of race extermination is in progress under a pretext of reprisal against rebellion."

And on April 22, 1981, President Ronald Reagan, whose State Department has sought to block these resolutions, had this to say:

> Like the genocide of the Armenians before it, and the genocide of the Cambodians which followed it—and like too many other such persecutions of too many other peoples—the lessons of the Holocaust must never be forgotten.

In fact 10 Presidents of the United States have referred to the persecution of the Armenians. I ask my colleagues to refer to page H6983 of Monday's CONGRESSIONAL RECORD. I have quoted these distinguished leaders on this subject.

Based on the overwhelming evidence to the contrary, I am at a loss to understand how reasonable people could conclude that what happened all those many years ago was anything but a genocide.

This resolution is very important to the thousands of Armenian Americans who have contributed and continue to contribute much to our Nation.

For my part I do not want to have to tell them that the House, which has passed holocaust-type resolutions in the past, refused to recognize the terrible atrocity that occurred from 1915 to 1923.

Memorializing this genocide is no more anti-Turkey than was memorializing victims of the Holocaust anti-West Germany.

The resolution before us contains language to guarantee that it does not refer to the present Government of Turkey.

The SPEAKER pro tempore (Mr. GLICKMAN). The Chair would advise that the gentleman from Missouri [Mr. TAYLOR] has 4½ minutes remaining and the gentleman from Massachusetts [Mr. MOAKLEY] has 8¾ minutes remaining.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. I thank the gentleman for yielding.

Mr. Speaker, I have never been to Turkey. I have been in that general area, but I have had a lot of Turkish parliamentarians come to my office.

Now I have to say this: This issue, and the sponsors of this issue did everything they could to narrow the resolution so it would be more acceptable to the Turkish Government. But it is unacceptable.

Our perception is that we have a resolution which is innocuous. It is not innocuous to one of our most important allies and to one of the most difficult areas of this world.

What we are doing here if we defeat the rule is to not have an issue come before us. In other words, if we say, "no" to the rule, we are saying the issue should not even come before the House. I think that is an important point.

We are not then deciding on whether the genocide was good or bad, we are not making a decision on what happened, on which scholars disagree completely. We are saying that this issue should not come before the House.

There is one other important point. They are having an election in Turkey in the near future. The United States Ambassador to Turkey said to us, "You can't do this because it will effect the outcome of their election."

We have a very friendly government, a government that tries to be a bastion against the Russian border and what are we doing? We are going out and passing a resolution which they perceive to be condemning them.

So in my estimation, we make a serious mistake if we pass a rule at this point. And I know people are saying, "Well, I have got a lot of Armenians, I have very few Turks in my district." But let me tell you this, those Turks who sit out there next to the Russian border, they do not vote but they stand as a bastion of freedom and in support as an ally of the United States. And they perceive that we are passing a resolution that is condemning their Government.

I would urge Members of this House to vote against this rule so it does not come before the House, so the decision does not have to be faced and we are not faced with condemning an ally which is so important to the defense of the United States.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, as a cosponsor of this resolution designating April 24 of next year as a "National Day of Remembrance of the Armenian Genocide," I believe it is vital that all Americans learn about the genocide that was directed against the Armenians during the Ottoman Empire, 1915–23.

The sufferings of those people are a powerful reminder of the injustices which we all deplore. Only by learning about the past can we hope to avoid equally terrible sins against mankind in the future.

By supporting this resolution, we recognize genocide as an evil against human beings everywhere.

The massacres of the Armenians in the early years of this century were well documented by both American and foreign sources.

Some tell of how civilian Armenians were transported in boxcars to the salt desert. Those who did not perish from thirst and hunger were executed.

Other sources tell of the wholesale massacres of entire Armenian towns. The American Ambassador to Turkey at that time also reported those terrible incidents.

By any standard, that attempted elimination of the Armenian people was clearly genocide.

Those tragic events were truly a holocaust for the 1½ million Armenians who perished; that genocide was a classic case of man's inhumanity to man.

I commend the House for taking a firm stand on the issue of Armenian genocide and join my colleagues in hoping that such brutality against fellow human beings will never happen again.

Mr. Speaker, I urge passage of the rule.

Mr. TAYLOR. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. I thank the gentleman for yielding.

Mr. Speaker, there are those who have already announced their intention to misunderstand that which we do here today, as an affront to sovereignty, as an insult to an alliance or a military or diplomatic question.

Indeed what we do here today is none of those things. What we do is make a statement of justice, for the Armenian people will not rest, the relatives of the dead will not understand, until history is corrected. That is what we debate here today. Those who threaten us, those who would intimidate us do not understand us. We will not be influenced by such statements.

I urge the adoption of this resolution and more. I urge that Turkey understand that it will be a better nation for this statement, for certainly as our country had to come to terms with our treatment of the Indians, Germany with the Jews, and the Soviets or Cambodians one day with their own people, history demands an accounting, for that is the only guarantee that it will not be repeated.

Turkey is a great nation but it will be a greater nation for correcting misunderstandings of its own past. Turkey will be the better for separating itself from the abuses of another time, of a different government. It will be the better. And just as certainly as America was befriended by those who taught us of our misdeeds in Vietnam or in Central America or as we try to instruct our friends in Britain over their misdeeds in Northern Ireland, what America does here today is an act of friendship.

A Turkey that comes to terms with itself, to the errors in its own history is a Turkey that will be without terrorism, a Turkey that will be at peace with itself, a Turkey that will be ready to face the future and to finally stop debating the past.

I congratulate the gentleman from Massachusetts and I urge adoption of this resolution for our sake, the sake of the Armenian people and indeed for Turkey itself.

Mr. TAYLOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. Bereuter].

Mr. BEREUTER. Mr. Speaker, I rise in opposition to the rule and to House Joint Resolution 132.

Mr. Speaker, I ask my colleagues if this resolution merits consideration today.

No matter how well intentioned are the sponsors of the resolution, and how real and massive the Armenian tragedy, this resolution will not change the past but will only create greater difficulties in the present and future. This resolution is, to be generous, I suppose, an improvement over previous versions. My strong opposition to this resolution arises not from the language but the resolution's unintended message. This Member knows full well that it is not the intent of the resolution's designers to alienate and rebuke the moderate democratic government now in power in Turkey. Further, it is surely not the intent of the sponsors to offer any encouragement to a small group of Armenians which espouse terrorism and violence.

But actions such as passage of this resolution can and certainly will be misunderstood or misconstrued. The key point we must consider in the House today is, "What are the unintended acts and messages which could be stimulated by passage of the resolution?"

Emotions surrounding this resolution run higher—far higher, than should be the case. While it certainly is appropriate to designate a day of remembrance of man's inhumanity to man, I do not believe that we should single out one or even several ethnic groups to remember and for whom to grieve, and one nation to accuse. The tragedy which befell the Armenians occurred at a moment of great historical turmoil. A major problem is that House Joint Resolution 132 asks the Congress to endorse, in effect, a specific historical version of tragic events that occurred between 1915 and 1923 in one region of the old Ottoman Empire.

Certainly, genocide of any people, nation, or ethnic group should be remembered. We must preserve the memory of such horrible deeds to help prevent any such reoccurrence. Unfortunately, however, contemporary terrorists seeking to redress history have murdered more than 45 Turkish diplomats since 1975 as part of a campaign aimed, at least part, to destabilize the modern day country of Turkey. Do we really want to inadvertently abet this process? Especially at the expense of a strong NATO ally and friend? This, of course, is not the intent of the resolution, but serious observers believe it would appear to support terrorist claims and would thus do needless damage to United States-Turkey relations.

I would like to bring to my colleagues' attention a portion of a letter to Members of Congress from Secretary of State, George Shultz, that underscores the importance of what we do here today. The letter reads in part:

> We are seriously concerned that passage of this bill would significantly damage our relations with Turkey, a NATO ally and friend of the United States. We have major national security interests in preserving and strengthening our relations with Turkey whose government and people are offended by this Resolution. I understand the motives of the sponsors of this resolution; however, I am seriously concerned not only at the damage the Resolution will do to our relationship with Turkey, but also that it will be used by Armenian terrorists * * * to justify their past acts and future actions. I know that we are all determined to defeat international terrorism.

I urge rejection of the rule, and if considered, the resolution, House Joint Resolution 132.

Mr. TAYLOR. Mr. Speaker, I yield 30 seconds to the gentleman from Ohio [Mr. Kasich].

Mr. KASICH. I thank the gentleman for yielding.

A lot of things that have been very accurate by Messrs. Moody and Murtha and Horton and Bosco and Leath, but there is one thing that we forget now. We have been bashing our allies and justifiably so for not helping us in the Persian Gulf or anywhere else in the world.

Turkey is the poorest nation in NATO and they do more than West Germany, Holland, and Belgium to help themselves and to help us and to help the alliance.

To bash somebody who is carrying their share of the burden, more than their share of the burden, is absolutely the wrong message to send at a point in time when so many of our allies do not want to do anything to help themselves or to help us.

Let us vote "no" on this resolution.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only I yield 3 minutes to the gentleman from California [Mr. Lehman].

Mr. LEHMAN of California. I thank the gentleman for yielding time to me.

Mr. Speaker, I should hope to have the time to refute the historical record as articulated here by Mr. Moody and Mr. Solarz if we are given the time by passing this rule.

Mr. Speaker, there are several relevant questions to which Members deserve concise and direct answers before voting on the rule.

I would like to address them.

Question No. 1: Was there really a genocide?

The facts are on the table and always have been. The word "genocide" was coined by Raphael Lemkin to describe what had happened to the Armenians. We are not taking an event and fitting it to the term "genocide." Rather, the term "genocide" was invented to describe this specific atrocity. How can it not apply?

The best case for the authenticity of the genocide and the need to commemorate it does not come from an Armenian organization. It comes from our own U.S. Holocaust Memorial Council which stated:

> There was unanimous approval of the fact that the Armenian genocide should be included in the Holocaust Museum Memorial. It was deeply felt that this was part of the entire process that led ultimately to the Holocaust * * *.

Question No. 2: Didn't that happen a long time ago? Why bring it up now?

Like the Jewish Holocaust, the survivors are still alive today. They live in the United States, thousands of them.

Every day the pain of this event is ingrained in their being. There are those who survived at the bottom of sand pits protected by other bodies, and those who had to make the difficult choices like which child to keep and which to leave in the desert because they didn't have enough food or water or the strength to carry them.

I fear that if we begin to forget now in 30 to 50 years there will be people in Germany who question the authenticity of the Holocaust saying their ancestors could never have done a thing like that. Besides, there was a war going on wasn't there?

I hope that our relationship with Germany won't preclude us from obtaining a rule to discuss that issue.

Question No. 3: Won't this damage our relationship with Turkey and harm our alliance?

Nonsense! It has been acknowledged by several Presidents, including this one, and not harmed anything. It has passed the House before and not harmed anything.

But more importantly, it can't harm anything! It says specifically that Turkey didn't do it.

It says clearly and plainly that these events occurred in the Ottoman Empire before the establishment of the Republic of Turkey.

It even mentions other events, including the Jewish Holocaust, the Cambodian genocide, and the destruction of native populations in the Americas.

In other words, we're not pointing any fingers at the Turk's ancestors that we are not willing to point at our own.

Ata Turk, the great Turkish leader, the founder of modern Turkey, acknowledged the events we seek to commemorate. He said in his own writing:

> The Young Turk Party should have been made to account for the lives of millions of our Christian subjects who were ruthlessly driven from their homes and massacred.

Ata Turk threw these thugs out. Modern Turkey was founded from the ashes of this catastrophe. He didn't think acknowledging it damaged Turkey. Neither should we and neither should the great Turkish Republic.

The final answer to this question, however, is a decision we must each make as to what kind of relationships we want with other countries.

Should we let another State tell us which genocides to remember and which ones to forget?

Should we recompose our history text each time we change our allies? Should we be more concerned about upsetting the Turkish Ambassador than about the sensitivities of 200,000 Americans which will be shaken if we do not take this small, almost token step in their behalf?

By rejecting this rule we say "We don't even want to discuss your feelings. They are not important."

Question No. 4: Will passage of this resolution justify terrorism?

I couldn't characterize in a manner acceptable for print in the Record how I feel about the merits of that charge.

The fact is the opposite is true. Extremists are freer to commit their disgusting acts when there are no institutional outlets for frustration. It is at least just as likely that not acknowledging the genocide will be used by these sick individuals to justify their crimes.

In any event we all agree, I am sure, that we should not be influenced in any manner by the actions of terrorists. We should reject the implication that an exception be made in this instance.

Finally—

Question No. 5: Why are we in this position now? Why do we need this commemorative resolution?

Frankly, we shouldn't have to be doing this. For 60 years this Nation recognized what happened to the Armenian people. Turkey didn't grow farther from us politically, it got closer. This resolution passed without fanfare in 1975.

Then, in 1983, our own State Department declared suddenly that it did not support the Armenian historical position.

Needless to say, the Armenian community was outraged. The State Department dug in, the Turkish Government, which now had an official position to defend, dug in, and the Armenian American community come here to this room.

They didn't throw bombs or break windows. They didn't even demonstrate. They merely asked their elected Representatives in the Congress to mitigate what was to them a grievous and shameful injustice—genocide compounded by denial.

And so we have before us, not a statement condemning the Turkish State or the Turkish people, but a proclamation for a day of remembrance for the dead. It doesn't even change the State Department's position.

If we pass this resolution, it will be behind us and behind Turkey. If we don't, we know that this issue will be back on this floor again and again and again.

Let's vote for the rule, have our hour of debate, and then cast our votes on the issue.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of House Resolution 238, the rule to provide for consideration of a resolution to designate April 24, 1988, as National Day of Rememberence o; the Armenian Genocide of 1915–1923." In fact I prefer this resolution to those we have considered in the past because in this one we come straight out and identify what we must accomplish on this date. First we must publicly acknowledge that the Armenian massacre of 1915–23 was in fact an act of genocide. The second is we must use this date to commit ourselves never to have such a horror repeated by any nation or people against any other people.

It is astounding to me how difficult it has been over the years to get this resolution passed by the Congress. We all know the reason. The absolute obstinance of the Turkish Government to accept the fact that the actions of an earlier regime in fact was genocide. Yet history is replete with the recognition that this event was genocide. Consider that the U.S. Holocaust Memorial Council in a 1981 statement said there was unanimous approval of the fact that the Armenian genocide should be included in the Holocaust Museum/Memorial. Most recently in June of this year, the European Parliament adopted a resolution which preconditions Turkey's acceptance into the European Economic Community on its recognition of the Armenian genocide.

There are those who argue that passage of this resolution will harm our relations with the Government of Turkey. I am very familiar with this argument. This same argument was used to try and limit congressional support for legislation to suspend aid to Turkey when they illegally invaded Cyprus 13 years ago. The measure passed, its important message was delivered and relations while affected were by no means permanently affected. I have heard this same argument used by those who do not want us to be critical of Northern Ireland because of its impact on relations with Great Britain. Yet the fact is—we have been critical—we have been critical in a constructive fashion and in the past 10 years we have seen this criticism lead to progress. Today after this time the British have recognized that the solution there needs to be a political one and since they are making progress toward that goal, we are now investing in the future of Northern Ireland, with first time economic aid. The point is through criticism there was progress.

Here the situation is far more remote in nature as it affects the present Turkish Government. The Ottoman Empire deemed responsible for the Armenian genocide long preceded the existing government in Turkey. Is Turkey suggesting that there should continue to be denial in perpetuity for the genocide. Denying it will not make it go away. The memories are too strong for the Armenian people and their commitment to right history is too strong.

I believe it is time to end this episode in what I might refer as "thin skinned" diplomacy. It is time for this Congress, this Nation, and the world to set the record straight on the events of 1915–23 in Turkey. It is time that we recognized that our position as the champions of human rights around the world will continue to be a mockery if we engage in selective morality in those issues, past and present, that we take stands on.

It is argued by those in opposition to this resolution that Turkey has a proud history or cultural and religious toleration. It is a proud democratic friend of the United States. My response is they could prove this by simply accepting the passage of this resolution today and stop working to defeat it.

Finally let me add one point. If this resolution should fail, I would hope the effort would not be abandoned, I would also fervently hope that those in Armenia who are seeking to have this injustice corrected will not resort to further violence. It will not hasten the outcome and in fact may hinder it.

We realize that over the course of history, President Reagan and former President Carter had many disagreements. One issue they did not disagree on was the fact that the events of 1915–23 in Turkey constituted genocide against millions of Armenians. Let us in a bipartisan fashion adopt this resolution today, make this important recognition in history and pledge as we have done with respect to the Holocaust "never again."

Mr. STRATTON. Mr. Speaker, I rise in support of the rule on House Joint Resolution 132, the National Day of Remembrance of Armenian Genocide.

What we are commemorating here is one more example of man's inhumanity to man; and as such, it is in my judgment as appropriate for those of us—the living—to remind ourselves that such tragedies shall never again take place on the face of this Earth—the monstrous tragedy of the Holocaust, the ruthless slaughter of the Cambodian people, and the deliberate starvation of the people of the Ukraine under the reign of Josef Stalin.

Such events are not, of course, pleasant to contemplate. But if we are to prevent these events, we need to recognize them; and, by remembering, we make it easier for us to insure that we will make certain that such deeds shall never again take place.

I can remember as a grade school pupil in Schenectady in the early 1920's being taken with our classmates to a movie in a downtown theater which photographed some of the suffering of the Armenian people at the hands of the Ottoman Empire. This was what was referred to as Near East Relief; and even as a child, I remember our modest efforts as schoolchildren to contribute as we have done for UNICEF and other worthy causes.

There is no doubt that the iniquities that were forced upon the Armenian people deserve to be remembered—as this resolution was designed to do. Nothing can assuage the hearts of those who lost family and friends in that tragedy, as we remember those who lived through this period of terror, of killing.

For many people this story is not known. For many, it is not even believed to be factual. But it did happen, and as I have said as I saw in those early film documentaries from the Near East Relief Organization.

There is a rumor that Members who do not understand the impact of this resolution will try to vote against the rule, which means once again that the House will not be able to debate and consider this resolution as it should properly be done.

Mr. Speaker, I am very proud to have in my congressional district in the capital area of the Empire State—in Troy, Albany, Watervliet—a very large number of people of Armenian descent. They are leaders in the community. They are hard-working people in the Watervliet Arsensal, one of the major military installations in our Nation. They are church-going people. Their contributions to the community are many and great over the years.

One of the things that they have brought to my attention is their deep desire that the American people will make it possible for the generations of Armenians who have come after the tragedies of the Near East genocide to be able to honor those who lost their lives in an earlier time. For these Armenians are firmly proud of their heritage—as all Americans are. And they certainly deserve to be.

As a matter of fact, one of the most notable leaders of the Armenian people, the Governor of California—Governor Deukmejian, was born and lived and was educated in my congressional district. I know that the Governor will be joining with his friends and relatives in hoping that this 1987 resolution will be overwhelming passed and not just brushed aside.

Ms. PELOSI. Mr. Speaker, I rise in support of House Joint Resolution 132, a bill to designate April 24, 1988, as "National Day of Remembrance of the Armenian Genocide of 1915–1923." The intention of this legislation is to commemorate the loss of nearly 1.5 million Armenian victims of genocide perpetrated by the governments of the Ottoman Empire over an 8-year period.

Armenian Americans observe the devastating loss of their ancestors on April 24. As a nation, we should share in their sorrow by publicly acknowledging the circumstances under which it occurred.

Genocide is a tragic blot on the record of human history. If we, as a people, are determined to ensure that new incidents of genocide are not allowed to occur, it is vital that we remember the victims of the past. There is, unfortunately, a movement of historical revisionism which is attempting to deny this particular act of genocide. House Joint Resolution 132 would prevent this occurrence, by protecting the validity of official State Department records, which chronicled the genocide.

This bill is not intended to offend the present Government of the Republic of Turkey, which is an important NATO ally. Despite the importance of Turkey as an ally, we cannot allow history to be rewritten just as an act of mollification. The principles of liberty and respect for human rights, upon which this country is based, are too important to be violated for political purposes. The facts are clear. One and a half million Armenians were killed through a systematic program of persecution and genocide by the Ottoman Empire. Their ancestors deserve public recognition and our sympathy. I strongly urge my colleagues to vote yes on this resolution.

Mr. MORRISON of Connecticut. Mr. Speaker, I rise today in support of House Joint Resolution 132, which designates April 24, 1988, as a National Day of Remembrance of the Armenian Genocide. I am shocked that the House has refused to even take up this important legislation.

This past April I took part in ceremonies in Hartford, CT, commemorating the Armenian genocide. These ceremonies, sponsored by the Connecticut branch of the Armenian National Committee, served as a vivid and touching reminder of one of the most tragic episodes in the history of mankind.

On April 24, 1915, over 200 Armenian religious, political and intellectual leaders were arrested in Constantinople and in Armenian centers throughout the Ottoman Empire by its rulers. These pillars of the Armenian community were then either deported or murdered, leaving the Armenian people leaderless.

In May 1915, the deportation of all Armenians was ordered. The resulting death march, consisting mostly of women, children, and the elderly, wound its way across Asia Minor and Turkish Armenia into the Syrian desert. Countless gruesome atrocities were inflicted upon the defenseless Armenians, including rapes and torture. The road was strewn with Armenian bodies. Able bodied Armenian men serving in the Ottoman Empire's armed forces were segregated into labor battalions, disarmed and either killed outright or worked to death.

Henry Morgenthau, the U.S. Ambassador to Turkey during 1913–16, had no question that the treatment of the Armenians was part of a calculated plan to exterminate them. In 1918 he wrote:

> When the authorities gave the orders for these deportations, they were merely giving the death warrant to a whole race. They understood this well, and, in their conversations with me, they made no particular attempt to conceal the fact.

Morgenthau, who tried desperately to stop the horrible slaughter, asserted that these events "surpass the most beastly and diabolical cruelties ever before perpetrated or imagined in the history of the world."

During the years between 1915 and 1923, 1.5 million Armenians were systematically massacred, and another 500,000 deported by the Ottoman Empire. Successive Turkish governments, in an attempt to rewrite history, have tried to cover up these events by denying their very occurrence. Where this has failed, they have warned of damage to Turkish-American relations should the United States persist in reminding the world of this terrible tragedy.

House Joint Resolution 132 is not an indictment of the Turkish people or their leaders, past or present. It serves as a reminder of one of the saddest chapters in man's history, as an example of man's capacity for evil. We must learn from such examples if we are to avoid repeating them. And to learn we must not forget.

Mr. Speaker, I have cosponsored this resolution each year since first coming to Congress, because I believe that we have a responsibility to remember such events as examples of the cruelty that humans are capable of inflicting on each other. I urge those of my colleagues who have opposed consideration of this legislation to reconsider so that the House may have the opportunity to vote on it.

Mr. GREEN. Mr. Speaker, I think it is critical that the House pass the rule allowing for consideration of House Resolution 132. Passage of this resolution, designating April 24, 1988, as a national day of remembrance for the Armenian genocide of 1915–23, is long overdue.

In December 1985 this House bowed to the pressure of the Turkish Government and defeated a friendly amendment to a similar resolution, 213 to 206. It was not one of the prouder moments of the House and our inability to right this wrong today would only add to our shame.

Let me tell you first what this resolution, which the Government of Turkey has set as a litmus test of our support, does not do. First, it does not seek to attack and deride our ally Turkey. I stand second to none in this House in recognizing the valuable role Turkey plays in the NATO alliance. This resolution does not accuse Turkey; in fact, it explicitly states that this was a genocide which occurred under the Ottoman Empire, prior to the establishment of the Republic of Turkey.

Second, it does not devalue the term "genocide." I have the privilege of being a member of the U.S. Holocaust Memorial Council, which has decided to include the details of the Armenian genocide in its planned Holocaust Memorial.

What this resolution does do is give some comfort to those Armenians whose loved ones were among the 1.5 million Armenians massacred as they watched and who still write me today begging that we not murder them a second time by revising history.

Perhaps the single most important point that can be made in favor of this resolution is Hitler's own words in a 1931 interview as he described his plan for the "final solution":

> . . . And remember the extermination of the Armenians. One eventually reaches the conclusion that masses of men are mere biological plasticine.

And if we defeat this rule and this resolution again today, we might add to that "whose fate can be rewritten for political expediency."

Mr. BOSCO. Mr. Speaker, I rise today in opposition to House Joint Resolution 132, designating April 24, 1988, as "National Day of Remembrance of the Armenian Genocide 1915–1923." This resolution is clearly a well-intentioned piece of legislation, Mr. Speaker, but it would drop a bombshell of bad will upon the country of Turkey, this Nation's critical ally on NATO's southern flank, and cause severe and needless damage to American interests in southern Europe.

At the outset, Mr. Speaker, I would like to make it clear that I do not wish to dispute the claims of immense suffering presented by the Armenian people. I deplore the crimes they have described, and I believe that it is our duty as elected officials to be especially sensitive to the needs of those Armenians who came to this land seeking refuge from foreign calamities and wars.

However, I do not believe that it is appropriate for this body to debate what does and what does not constitute the horrible crime of genocide, and I refuse to engage in such a debate. Mr. Speaker, the U.S. Congress is a political body, not an historical academy. The U.S. Congress can and must be trusted to enact laws that conform to the will of the people of the land, and it can be trusted to respond to political pressure, but it cannot be trusted to discriminate accurately between subtle and confusing renditions of faraway historical events.

But, Mr. Speaker, even more important than the historical debate in this instance are the national security ramifications of this resolution. Many of my colleagues believe that House Joint Resolution 132 carries with it no unfortunate consequences; let me explain why it unfortunately does.

Mr. Speaker, Turkey is a nation truly on the front lines, yet its security relationships with the United States and NATO are currently on the rocks. I submit that the United States and NATO could not invent a more strategically situated ally—Turkey controls the Soviet fleet's access to the Mediterranean—nor could we ever question Turkey's commitment to our common defense—she contributes the second largest number of troops to NATO of any nation in the alliance.

Moreover, Turkey's less visible contributions to alliance security are even more consequential. In particular, she offers the United States crucial intelligence-gathering positions from which we can observe Soviet strategic force developments and verify Soviet compliance with arms control agreements.

Frankly, Mr. Speaker, you would think that a country that borders the Soviet Union, Iran, Iraq, Syria, and Bulgaria would be seen for what it is—vital and absolutely irreplaceable—and that we in Congress would exercise the little influence that is ours to clear away the stumbling blocks between the United States and Turkey, and to ease Turkish fears of the Soviet military and of rising Islamic fundamentalism.

And yet this resolution, however insignificant and benign it might appear to us, when taken in the context of other Western policies by Turkey's leaders, jeopardizes all of these benefits, and consequently jeopardizes the security of the United States. Turkey is an Islamic nation within which there exists a delicate domestic political balance, and although Turkey is constitutionally secular, Islamic fundamentalism poses a constant threat. We should encourage, rather embarrass and undermine, those Turks who place great emphasis and value on continued and expanded cooperation with the West.

Many of my colleagues believe that House Joint Resolution 132 comes on the heels of an identical and similarly well-intentioned resolution passed in June by the European Parliament. Mr. Speaker, the sponsors of House Joint Resolution 132 in fact point to the European Parliament's action as one that should be respected and emulated by this body. They are in grave error.

Mr. Speaker, the resolution in question in effect holds the present Government of Turkey directly responsible for crimes perpetrated during the Ottoman Empire, classifies these crimes unequivocally as "genocide," and recommends that Turkey be denied entry into the Common Market until it accepts these deeds as its own. And what is particularly egregious about this decision?

Mr. Speaker, of the 518 members of the European Parliament, about 145 voted for final passage of this resolution. In other words, all of 28 percent of the European Parliament stood behind what the sponsors of House Joint Resolution 132 term "a historic resolution" for which "the members of the European Parliament are to be commended."

Even more damning is exactly who these parliamentarians were. The group supporting the resolution included primarily Communists, leftwing members of European Socialist parties, Greeks, and the entire Greek delegation. In other words, all of the members of the European Parliament with a clear and established interest in damaging Turkey's economic well-being and diplomatic status, and all of the members interested in undermining the unity and effectiveness of NATO and the Common Market, stood together in supporting this resolution. It is hard to imagine why this distinguished body should emulate such a vote.

Mr. Speaker, three center-right political groups, comprising roughly one-half of the European Parliament, refused to participate in this vote on the grounds that it was not appropriate for the European Parliament to make historical judgments. Further, the British and West German governments, recognizing the severe antialliance sentiment that this resolution expressed, immediately disassociated themselves from the vote.

Mr. Speaker, I am appalled by the possibility that my colleagues may unwittingly aid fringe groups who are consistently and stridently opposed to the NATO alliance. If we pass House Joint Resolution 132 on the heels of a disastrously onesided and vindictive resolution in Europe, and if we proclaim this resolution as our inspiration today, then it is small wonder that our relations with Turkey will suffer.

Mr. Speaker, I call upon my colleagues to join me today in opposition to House Joint Resolution 132, not out of disrespect for the worthy claims presented by Armenian Americans, but out of respect for the reasoned and responsible conduct of America's foreign relations.

Mrs. ROUKEMA. It is with genuine respect for the memory of those Armenians who have suffered persecution that I rise today in support of this resolution. Over 70 years ago, American did everything they could to stop and alleviate the suffering of Armenians. Surely today the least we can do is remember that tragedy, and pledge that it will never happen again.

I support this legislation of a sincere sympathy for the Armenian victims of genocide and because of my sincere belief that the best way to prevent future genocide is by condemning past genocide. There should be no question where the United States stands on this critical human rights issue.

No one should doubt the nature or extent of the suffering that was inflicted on the Armenian people during the last years of the Ottoman Empire. The memoirs of Herbert Hoover vividly recall the atrocities, as well as American efforts to assist the Armenian people. The archives of the U.S. Department of State also record the anguish of our own diplomats as they attempted to deal with the tragedy.

House Joint Resolution 132 will simply commemorate a tragedy that we have acknowledged for decades. It does not seek to blame current governments nor create strain with our allies. It only asks that we remember past suffering, so that we can work to prevent future suffering. Certainly we should not attempt to rewrite history, omitting the inconvenient parts.

For these reasons, I urge my colleagues to support this resolution.

Mrs. MORELLA. Mr. Speaker, in August 1939, before World War II, before the Holocaust, Adolf Hitler asked his generals: "Who still talks nowadays of the extermination of the Armenians?"

We are here today, on the floor of the U.S. Congress, to talk about that very same extermination of the Armenians.

We are here in part, I think, because Hitler taught us the price of forgetting. As Santayana so eloquently put it, "Those who cannot remember the past are condemned to repeat it."

But the danger of repetition is not the only price of forgetting; another victim of the absence of memory is truth. There are those who today would like us to believe that the Armenian genocide never happened.

It is interesting to note that there were no such doubts at the time.

Henry Morgenthau, U.S. Ambassador to the Ottoman Empire at the time of the genocide, wrote in 1918 that:

> The Turkish authorities gave . . . the death warrant to a whole race; they understood this well, and, in their conversations with me, they made no particular attempt to conceal the fact.

Ambassador Wangenheim of Germany, the Ottoman's close ally, writing in 1915, noted that, "the government is indeed pursuing its goal of exterminating the Armenian race in the Ottoman Empire."

The founder of modern Turkey, Kemal Ataturk, declared that the regime which preceded his "should have been made to account for the lives of millions of our Christian subjects who were ruthlessly driven en masse from their homes and massacred."

It is difficult to comprehend how the present rulers of Turkey, who see Ataturk as their forefather, could deny the genocide which he so rightly condemned.

Let us not join them in their amnesia. Veiled and not-so-veiled threats have been made regarding Turkey's relations with the United States if this resolution should pass.

But this resolution is neither about dismembering the Turkish state nor about supporting Armenian terrorists. This resolution is about truth and memory.

It is not too late to heed Santayana and to answer Hitler by showing that we do remember the Armenian genocide. Let us today vote to designate April 24, 1988, as "National Day of Remembrance of the Armenian Genocide."

Mr. COELHO. Mr. Speaker, I would like to take this opportunity to share with you my support for House Joint Resolution 132, which would designate April 24, 1988, as "National Day of Remembrance for the Armenian Genocide of 1915–23.

Once again, Congress is about to consider this legislation which would honor the victims as well as the survivors of this tragedy which took place earlier this century. I feel it is most important that this legislation be passed by this body, not only for people of Armenian descent but for all Americans. What took place under the Ottoman Empire was indeed a tragedy, but we do not attempt to commemorate this day today in an effort to denigrate the present day government of Turkey. Rather, we honor this day to remind us of the injustices which can take place in modern society and to confirm for history that which the facts have already confirmed—that there was a genocide. We should not be swayed by the officials of the Reagan administration nor by the Turkish officials into believing that there was no effort to eliminate the Armenian people. Clearly there was.

Perhaps I feel it is saddest that they are willing to deny the history in hopes that it will be forgotten. Well, it won't. The suffering which the Armenian people have had to withstand has been too much, and for those who seek to continue to deny it do further injustice. The Armenian people are people of pride and dignity. Let us restore their pride and dignity by voting in support of this resolution today.

Mr. INHOFE. Mr. Speaker, today the House of Representatives will consider the rule on House Joint Resolution 132, to designate April 24, 1988, as "National Day of Remembrance of the Armenian Genocide of 1915–23." I will oppose this rule for three reasons.

First there is a question about the factual accuracy of the resolution. A majority of the leading United States academic specialists on Turkey, the Ottoman Empire and the Middle East have challenged the accuracy of resolution's version of events during the period of time in question. Although it is a fact that a great many Armenians were killed in cruel and barbarous ways, it is also a fact that a great many Muslims were killed in terrible ways. It was a cruel and tragic civil war with a great deal of suffering on both sides. But it is not the role of the U.S. Congress to determine which historical view of those events is correct.

Second, Armenian terrorists have murdered more than 50 Turkish diplomats and two American citizens as part of an effort to destabilize modern Turkey. They are seeking an independent Armenia, just as Armenians in 1915 were, and they use the "Armenian genocide" to justify their actions. To recognize an "Armenian genocide" despite historical discrepancies would be taken as a sign that we condone these terrorists' goals and actions. The pain and suffering of Armenians and Muslims from 1915 to 1923 should not be exploited in this way.

Third, this resolution would have serious consequences for our relations with Turkey, one of our staunchest allies and a strategically vital member of NATO. These consequences might be acceptable if we were absolutely sure about the historical accuracy of the resolution, but the consequences are too great to risk on an uncertain and disputed set of facts. This is in no way meant to deny or minimize the very great pain and loss suffered by both Armenians and Muslims from 1915 to 1923.

For all of the above reasons, I must oppose the rule on House Joint Resolution 132. I urge my colleagues to consider these points when deciding how to vote on this measure.

Mr. MCEWEN. Mr. Speaker, the House will today consider, again, a resolution which seeks to designate April 24, 1988 as a "National Day of Remembrance of the Armenian Genocide of 1915–23." In the 99th Congress, this ill advised resolution was to recognize "Man's Inhumanity to Man."

The horrifying and outrageous death tolls during the 8 years of the Ottoman Empire must not be forgotten nor can they be forgiven. The detainment, torture and murder of these Armenian leaders by the empire will live in our hearts and minds for eternity.

The United States has not and will not be silent in our remembrance of these victims of the Armenian tragedy:

The U.S. Holocaust Memorial Council will include this time in Turkish history in its museum and educational programs.

President Reagan in an April 1981 proclamation recognized, on behalf of all Americans, that these Armenian cruelties should never be forgotten.

Today, however, the arguments in favor of this resolution remain erroneous and dangerous. After 4 hours of debate, this resolution was defeated in the 99th Congress.

A year later, the arguments in favor of defeating this resolution are even stronger:

As the Secretary of State, George Shultz, so eloquently detailed in his August 4, letter:

> This Resolution . . . will have a severely negative impact on our country's relations with a major ally and friend, modern-day Turkey. If passed, the Resolution would seriously damage the NATO Alliance.

The Ambassador of the Turkish Republic further states:

> Clearly this resolution should not be seen merely as a symbolic gesture of empathy toward one group of American's forebears regarding a long ago tragedy in a faraway land. Today, in 1987, human lives and crucial alliance relations are at stake. Passage of this resolution will constitute and undeserved blow to a steadfast NATO ally and will severely damage the crucial interests our two countries share.

I share in the grief my colleagues express for the horrific course of this time in Armenian history, 1915–23. No vote by this body will ever erase this tragic event from history, nor from the Armenian people's, or our, minds. This is assured. I urge my colleagues, in no uncertain terms, to oppose House Joint Resolution 132.

Mr. MORRISON of Washington. Mr. Speaker, I am opposed to House Joint Resolution 132, the Day of Remembrance of Armenian Genocide because I believe it harms our relations with and offends the present Turkish Government without serving any worthwhile purpose. Turkey is a major NATO ally, and is the site of the largest American airbase between Italy and the Philippines. All large, tragic losses of life do not meet the definition of genocide—"an attempt to eliminate a national, ethnic, racial, or religious group." Genocide is the highest crime against humanity of which a nation may be accused, and the charge of genocide must only be made based on the clearest historical record. In this case the record is not clear. Although there is no question that hundreds of thousands of Armenians died during the collapse of the Ottoman Empire between 1915 and 1923 (at a time when hundreds of thousands of Moslems also died), whether the circumstances of these deaths meet the specific definition of genocide remains a matter of controversy.

Mr. RAHALL. Mr. Speaker, yet again I speak in opposition to the rule on House Joint Resolution 132, which would designate a "National Day of Remembrance of the Armenian Genocide of 1915–1932."

Many commentators have argued that, whatever the consequences for our relations with the Republic of Turkey, or for our policy of fighting terrorism, we should pass this resolution on purely moral grounds. I am sympathetic to this argument. How could we morally defend ignoring or covering up a crime as heinous as that of genocide? But how, also, is it moral to levy such a grave charge when the historical assumptions on which it rests are so clearly open to historical dispute?

Note the fact that over 60 of our country's most distinguished scholars of Turkish, Ottoman and Middle Eastern studies have consistently argued that the nature of the events which occurred in Eastern Anatolia during the period cited by this resolution is still a matter of historical debate.

Armenians argue passionately that the tragedy which befell their people in Turkey was the result of a deliberate Ottoman government policy to destory their race. This is the view adopted by the resolution. Turks argue just as passionately that hundreds of thousands of Muslims met the same fate in that time and place, and that these horrors were the result of war and the disease and famine which accompanied it. They deny vehemently that there was a deliberate policy to exterminate the Armenian people. Let us not forget that the tens of thousands of Armenians living in Istanbul—the Ottoman capital—were largely left alone and continue to live there presently.

The historians point out that congressional endorsement of a resolution based on the views held by only one side of this debate will limit historical inquiry and damage the credibility of the legislative process. Be that as it may, lending the authority of this body to a statement on which a large number of scholars is unable to agree will debase the value of this House and unnecessarily harm our relations with Turkey, which has proven to be a good friend and an important ally.

I urge my colleagues to leave resolution of this historical point dispute to scholars equipped to do so, and to oppose passage of this resolution.

Mr. LAGOMARSINO. Mr. Speaker, I rise in opposition to House Joint Resolution 132 and to the rule because it is not the simple comemorative resolution some have billed it to be. Rather, it is a very controversial bill that could create serious problems with the national security of NATO and in our relations with our close and trusted friend, the nation of Turkey.

History does not support the accusation that in 1915 the Ottoman Empire, to which modern Turkey traces its roots, systematically tried to exterminate all Armenians. Sixty-nine of our Nation's top scholars specializing in the Ottoman Empire and Near East history from recognized institutions like University of California-Berkely, Princeton, Columbia, UCLA, University of Pennsylvania, John Hopkins, and others publicly oppose this resolution.

House Joint Resolution 132 asserts that the Armenians were victims of genocide. However, many experts question whether genocide is the proper term for what transpired in the years after 1915. Genocide, an intentional, systematic policy to eliminate a people, is one of the worst crimes against humanity. I share the anguish of the Armenian people and recognize that countless numbers were killed in cruel and brutal ways. However, I also recognize that the period of time covered in this resolution includes World War I and the collapse of the Ottoman Empire. The area where many of the Armenians lived was the scene of bloody fighting between the Russians and the Ottomans. Countless numbers of Moslems and other ethnics were brutally killed along with the Armenians. I have reservations about using the term "genocide" because I understand that hundreds of thousands of Armenians in western Turkey and other parts of the Ottoman Empire—far from the eastern front—were not affected. Compare this to the real genocide of the Jewish people by the Nazis. Jews from all Nazi-occupied territories were hunted and persecuted. Turkey, Indicentally, was a safe haven for many thousands of European Jews fleeing the Holocaust. While this resolution names the Ottoman Empire, it is clearly aimed at Turkey and the Turks. Yet, many of the soldiers and armed militia in the Ottoman armies, those accused or murdering the innocent Armenians, were not Turks. They were from other parts of the empire.

I am also concerned that members are ignoring the injustices committed against the Armenian people by the Russians and the Soviets. Half of the region of Armenia was seized by the Soviets and through today they suffer under communism as a second-class non-Russian citizens. Clearly, many Armenians perished at the brutal hands of the Russians and Soviets during the period covered in this resolution. Many tens of thousands of others were killed during Stalin's regime.

Targeting the Turks could have serious consequences for our relations with Turkey and could endanger some of our most vital security interests in the Mediterranean. Turkey is the strategic cornerstone of NATO's southern flank. Its control of the chokepoints of the Bosphorus and the Dardanelles contains the Soviets in the Black Sea and controls their access to the Mediterranean. The Turkish Army is the second largest in the alliance—only ours is larger. The Turks make a significant contribution to the conventional balance of power in Europe.

Turkey is a strong, democratic friend of the United States. Its 1,000-mile border with the Soviet Union is one of the longest in NATO. It has the largest U.S. Air Force base between Europe and the Philippines, is the home to many vital listening posts and pays a proportionally large share of NATO's defense costs. I know that the Turkish people and the Government in Ankara will take great offense at this resolution. This resolution, if adopted, coupled with the provision critical of Turkey in other committee bills and the reduction of our aid to this base-rights country could be a very serious blow to Turkish-American friendship and cooperation.

I know some of my colleagues will cite the European Parliament vote in support of House Joint Resolution 132. It is important to note that less than 25 percent of the delegates were present and of them, 80 percent were Communist and Socialist. Great Britain and Germany have officially disassociated themselves with this voice-vote resolution. Following this vote, Turkish President Evren publicly indicated that a similar resolution adopted by the United States could result in Turkey leaving NATO. The mere suggestion of such a drastic action by a loyal NATO member signals the seriousness of this matter.

I am also very concerned that the passage of House Joint Resolution 132 could give Armenian extremist groups incentive to increase their indiscriminate terrorist activities. Already, these terrorists are responsible for the deaths of more than 70 Turkish diplomats and other innocent bystanders including 4 Americans. I know of these bloody attacks well—the Turkish Consul in Los Angeles was gunned down in my district at the Baltimore Hotel in Santa Barbara, CA. With all of our concern about terrorism, I do not think it wise for Congress to pass a measure that could promote terrorist attacks.

The Armenians were subject to mass killings and suffered greatly. The unwarranted, barbarous attacks on innocent Armenian villages must be condemned. However, if we are going to adopt a resolution which would jeopardize our relations with an important ally and put at risk vital American national security interests, we need to be absolutely convinced of the textual accuracy of this resolution. I am not.

Mr. Speaker, I urge my colleagues to vote against this resolution.

Mr. BOLAND, Mr. Speaker, I would like to associate myself as one who supports House Joint Resolution 132, which would designate April 22, 1988, as "National Day of Remembrance of the Armenian Genocide of 1915-1923."

That it has taken this body over 70 years to make a full recognition of the acts perpetrated by the Ottoman Turks against the Armenians is reason enough for this action. Clearly there is no excuse for not addressing this historical tragedy. We must follow the lead of our allies. The European Parliament has made a formal recognition of Armenian genocide, and has, in fact, pressured the present Government of Turkey to recognize the atrocities of the Ottomans as a prerequisite to admittance to the European Economic Community.

The United States' recognition of Armenian genocide through a designated day would be a little more than a token to the descendants of the victims. It would be an important token, however. The significance of the greatest democracy finally coming to grips with an event which brought death to 1½ million Armenians and permanent displacement from their homeland to over 500,000 more cannot be overestimated. Moreover, to deny even this minute, belated observance of Armenian genocide would be to turn a deaf ear to a persecuted people and to turn our backs to the grievous lessons borne of that persecution.

Mr. Speaker, I urge my colleagues not to let this opportunity escape the Congress. This action is exclusively symbolic in nature. But to deny the facts surrounding Armenian genocide by not allowing for this day of observance would not only prolong the suffering of its victims and the descendants of those victims, but would also abet the future of genocide by failing to raise public consciousness to its reality. I commend the intent of this legislation and urge its immediate passage.

Miss SCHNEIDER. Mr. Speaker, today the House takes note of a period when acts of unbelievable violence were carried out against the Armenian people. We do this because it is fitting that each generation should be reminded of the potential for violence that exists in the world. The massacre of hundreds of thousands of Armenians occurred in a time of war and turmoil. The tragedy that befell the Armenian people must take its place along side the tragedies that befell the victims of Stalin, Hitler, and Pol Pot. It is correct for Congress to take time to remember those who died.

The debate over the exact motivation, the circumstances, and the political decisions that occurred over 75 years ago in present-day Turkey will continue. Congress cannot affix blame on the prepetrators who actively carried out atrocities against the Armenians. Congress cannot extract concessions nor demand reparations from those who allowed or encouraged wide-scale death and displacement. Congress cannot sort out the incidental victims of a period of tumult from who were victims of a deliberate violence directed at the Armenian minority. What Congress can do is to take note of the circumstances under which the oppression of a minority people leads to rampant killing and displacement and to work to ensure that such circumstances are never repeated.

Mr. Speaker, the Armenian community in my own State of Rhode Island is an example of the strength and resiliency of this pround people. In remembering their sorrows, we should not overlook their triumphs. While we commemorate today the suffering and tragedy that befell their friends and relatives over 75 years ago, we can also celebrate their contributions to industry, education, culture, and government. I join my colleagues in remembering the victims of this massacre and dispersion, and I salute the survivors and their accomplishments.

Mr. INHOFE. Mr. Speaker, today the House will consider House Joint Resolution 132, to designate April 24, 1988, as "National Day of Remembrance of the Armenian Genocide of 1915–1923." I will oppose this resolution for three reasons.

First, there is a question about the factual accuracy of the resolution. A majority of the leading United States academic specialists on Turkey, the Ottoman Empire and the Middle East have challenged the accuracy of the resolution's version of events during the period of time in question. Although it is a fact that a great many Armenians were killed in cruel and barbarous ways, it is also a fact that a great many Muslims were killed in terrible ways. It was a cruel and tragic civil war with a great deal of suffering on both sides. But it is not the role of the U.S. Congress to determine which historical view of those events is correct.

Second, Armenian terrorists have murdered more than 50 Turkish diplomats and 2 American citizens as part of an effort to destabilize modern Turkey. They are seeking an independent Armenia, just as Armenians in 1915 were, and they use the "Armenian genocide" to justify their actions. To recognize an Armenian genocide despite historical discrepancies would be taken as a sign that we condone these terrorists' goals and actions. The pain and suffering of Armenians and Muslims from 1915 to 1923 should not be exploited in this way.

Third, this resolution would have serious consequences for our relations with Turkey, one of our staunchest allies and a strategically vital member of NATO. These consequences might be acceptable if we were absolutely sure about the historical accuracy of the resolution, but the consequences are too great to risk on an uncertain and disputed set of facts. This is in no way meant to deny or minimize the very great pain and loss suffered by both Armenians and Muslims from 1915 to 1923.

For all of the above reasons, I must oppose House Joint Resolution 132. I urge my colleagues to consider these points in deciding how to vote on this measure.

Mr. MARTINEZ. Mr. Speaker, some critics claim that we are wasting our time today, discussing events which took place in the Middle East in the early 1900's. These critics claim that there is nothing to be gained by rehashing this subject, and that we have far more important matters to attend to.

To these critics, I respond with an emphatic appeal to remember what America truly represents.

In America, we revere the need to stand up in the face of oppression, to recognize deplorable discrimination and stop at nothing to break down the wall, and to vehemently oppose any future oppression targeted at a people, whether it be against you, me, or anyone else. The Armenians' plight in the Ottoman Empire from 1915 to 1923 is a perfect example of why these national values of ours are vital. It is as much an American issues as it would be if it took place in the United States, due partly to our large Armenian-American citizenry, and perhaps even more importantly because, as Rev. Martin Luther King, Jr., proclaimed, injustice against anyone is injustice against everyone. Our great American principles know no boundaries. We must speak out against persecution irrespective of where the offense occurs. Furthermore, in response to the critics, we are not "rehashing" since we have not yet officially recognized the atrocities of that period, there is much to be gained by this acknowledgment because recognition hinders repetition, and what could be more important than taking a solid stand against an incidence of extreme ethnic discrimination? It is never too late to right a wrong: Today, the United States of America must lend its voice to the triumph of justice and the vindication of a people.

The historical record of the Ottoman Empire from 1915 to 1923 unequivocally reflects what we today would denounce as gross violations of human rights, en masse. Large numbers of Armenians were forcibly rounded up, deprived of their basic rights as citizens, sometimes exiled, and often exterminated. Although the record would by no means have been improved by implementing this policy against all persons in the empire, the invidious application of this policy to persons of Armenian heritage exacerbates these offenses to the level of crimes against humanity. It is true that it is uncertain whether there was an official policy of extermination; but the acts spoke for themselves. Some few public officials at the time had the courage to express outrage over the events. In 1915, U.S. Ambassador Henry Morgenthau expressed his dismay to the U.S. Secretary of State over the activities by assessing that,

> * * * it appears that a campaign of race extermination is in progress under the pretext of reprisal against rebellion.

He resigned his post in 1916 in protest of such offenses, choosing instead to spread the word about the atrocities. Since that time, Theodore Roosevelt, Woodrow Wilson, Jimmy Carter, and Ronald Reagan have all publicly recognized the truth of Morgenthau's assessment.

But recognizing these past offenses are by no means an indictment against our present-day friends in Turkey. The offenders and the offenses are long past, Turkey has proven itself to be a trusted and invaluable ally, and the Turkish Government has proven itself to be a responsible government which in no way engages in such deplorable activities. Even Kemal Ataturk himself, the founder of the Turkish Republic, acknowledged that,

> These left-overs from the former Young Turkey Party . . . should have been made to account for the lives of millions of our Christian subjects who were ruthlessly driven en masse from their homes and massacred.

As Ataturk distanced himself from the perpetrators of those crimes, so too has Turkey distanced itself from the reproachable conduct of its predecessors in power.

But the historical facts must be acknowledged. America has expressed limitless outrage concerning the Nazi genocide of the Jews. America has been fomenting opposition to the ethnic hypocrisy in South Africa. America has very recently taken a strong position in support of the Hungarian minority in Romania that is being subjected to assorted governmental prejudice. America is beginning to assert itself against the tyrannical totalitarianism and human rights abuses of Pinochet's regime in Chile. And the Armenian genocide of 1915–23 defies distinction from these incidents. If we let the travails of millions of Armenians elude our sympathy, then we become politically motivated hypocrites. If we forget their struggle, then we are liable to turn a blind eye toward other infernos. If we tell the worldwide Armenian community that we do not believe they were tormented, then we plead ignorance to the world. Not a day more may be allowed to pass without the United States proclaiming its soliditary to the principles of human rights. We must be effusive in our opposition—in word and in action—to any occurrence of crimes against humanity, wherever they occur, whether perpetrated by friend or foe. The United States has too great a national integrity than to let it swerve from the foundation on which it is based.

Recognition of the genocide of Armenians from 1915–23 cannot reverse the damage done. But it can reaffirm the United States' inexorable values and tell the descendants of those Armenians that, "We are with you."

Mr. FLORIO. Mr. Speaker, on April 24, 1988, we are called upon by our consciences to remember a tragic event that devastated the foundations of humanity and scarred a culture and a peoples. Next year on April 24, we are called upon to remember the tragedy that took away the lives of 1½ million Armenians.

History records this event. There is no denying the evidence and the number of people who perished at the hands of the soldiers of the Ottoman Empire between the years 1915 and 1923.

Before 1915, the Armenians had faced the persistent hostility of a ruling empire. Segregated and separated, the Armenians were often subjected to cruelty and to death.

Starting on May 17, 1915, with the edict of deportation issued from the office of the Ottoman Emperor, the Armenians were systematically herded and driven out of the country under the guard of special organization officers recruited from the ranks of the prison population.

Driven across the desert to Syria, 1½ million Armenians perished en route. Some fell to disease, some fell to starvation. Many fell victim to the hatred that culminated in the massacre of a peoples.

Over half a million other Armenians wound their way out of the empire, and the Armenian presence in the empire came to an end.

We are marking together the plight of the Armenians during these 8 long years of persecution and death.

This is a call to conscience. We are asked to remember this holocaust of men, women, and children.

A national day of remembrance is a memorial to the lives that were lost during these years under the Ottoman Empire.

This remembrance is not an offense to the Turkish Republic. For many years, the United States and Turkey have shared a common desire for peace and democracy in the Near East. In that tradition, we are called upon to remember and to remind ourselves that the tragedy of the Armenian peoples should never be repeated.

Mustapha Kemal, the founder of modern Turkey, recognized the massacre of all the Armenians.

Our Nation has recognized before the need to commemorate the tragic loss of life. Even the U.S. Holocaust Memorial Council has recognized the suffering of the Armenians and intends to incorporate the suffering of those peoples in the memorial to be built here in the Nation's Capital.

April 24, 1988, is a single day to remember the suffering that man has often brought upon his fellow man. It is a single day when we will hopefully join together and remember not only the Armenians of history but the need for human rights forever.

Mr. DOWNEY of New York. Mr. Speaker, I rise today in support of House Joint Resolution 132 designating a national commemoration of the Armenian genocide. As my colleagues know, we have discussed this issue many times in the past few years. I am amazed at the controversy this resolution has caused.

Today, more than ever, we need to reaffirm our resolve that genocide is a crime which can never be tolerated, which can never be ignored. I am distressed by the argument that we cannot really be sure that genocide occurred. I am, quite frankly, even more distressed by the argument that even if genocide did occur, we still should not remind people of it for fear of offending our allies.

Today, there are those who would deny the fact that Nazi Germany killed 6 million Jews. We do not accept that argument. We know full well that the Holocaust happened. In fact, we recognize it as one of the most critical events of all history. There is little doubt that 1½ million Armenians were slaughtered by the Ottoman government between 1915 and 1923. What then stops us from commemorating that horrific event? Strategic considerations? We are, in effect, begin told that if we pass this resolution the Turkish Government will be a less reliable NATO ally. It is also hinted that U.S. defense manufacturers could lose valuable procurement contracts. Must we really carry out a cost-benefit analysis on this resolution? If we must, then pray tell me what is the peculiar calculus that we will use to weigh the loss of contracts against the loss of our moral stature if we give in to this veiled threat?

I urge my colleagues to vote for House Joint Resolution 132. How can we turn a deaf ear to the cries of the Armenians whose tragic deaths foreshadowed later events in Europe, Cambodia, and South Africa?

Mr. GALLO. Mr. Speaker, today I rise in support of House Joint Resolution 132, a bill to designate April 24, 1988, as a "National Day of Remembrance for the Armenian Genocide of 1915–1923." April 24 is an important day for Armenian-Americans. On this day in 1915, scores of Armenian political, religious, educational, and intellectural leaders were arrested and deported to Anatolia.

Many of those taken from their homes were murdered by the Ottomans. Those who were not were driven out of the war zones and ordered to walk across the deserts of Syria and Mesopotamia to relocation centers. These forced marches caused countless Armenians to die en route.

Henry Morganthau, U.S. Ambassador to the Ottoman Empire at the time of the genocide, wrote to the U.S. Government detailing the atrocities taking place against the Armenians. Morganthau wrote, at the time:

> Deportation of and excesses against peaceful Armenians is increasing and from harrowing reports of eyewitnesses it appears that a compaign of race extermination is in progress under a pretext of reprisal against rebellion.

Winston Churchill, a Member of Parliament at the time chronicled his eyewitness account and wrote:

> In 1915 the Turkish Government began the infamous deportation of Armenians to Asia Minor. Three or four hundred thousand men, women, and children escaped into Russian territory; but the clearance of the race from Asia Minor was about as complete as such an act, on a scale so great, could be.

April 24, 1915, marked the day the genocide against the Armenian people, culture, and homeland began. Americans of Armenian descent across this country and around the world remember their relatives who were its victims. For them House Joint Resolution 132, if adopted, will pay tribute to their ancestors who died in the "forgotten genocide." They have not forgotten their history and their heritage, nor should we.

It is for these reasons, Mr. Speaker, that I support this resolution that calls upon the President to issue a proclamation calling on the people of the United States to observe this date as a day of remembrance for the 1.5 million people of Armenian ancestry who were victims of the genocide perpetrated by the governments of the Ottoman Empire from 1915 to 1923, which, I want to emphasize, is prior to the establishment of the Republic of Turkey. In their memory this date is commemorated by all Armenians and their friends throughout the world.

Mr. HOYER. Mr. Speaker, I rise today in support of House Joint Resolution 132 designating April 24, 1988, as "National Day of Remembrance of the Armenian Genocide of 1915–1923."

For we must rekindle the world's memory of the Armenian genocide. It ushered in an era of unprecedented cruelty, of crimes against humanity which were of such magnitude that one could not believe that such crimes could occur much less be repeated. For surely the world would not permit such to reoccur. Yet the Armenians' tragedy was forgotten all too quickly. And crimes against humanity on an even larger scale occurred years later.

The world lives with a terrible, open wound; 1.5 million of its own perished in 1915 and 1916 alone in forced marches and outright massacres. Some of today's Armenian community were witness to the deportations and massacres of their families and friends in the Ottoman Empire. Others have only read or heard about these atrocities. All of them live with the knowledge that their people's very survival was in jeopardy in the Ottoman Empire.

We must never forget the senseless deaths of 1.5 million Armenians. We must continue to fight to ensure that such atrocities—which have taken place all too often, and to which the world has often turned its back—never take place again anywhere in the world. We must never allow the world community to fall to such depths of complacency in the face of man's inhumanity to man.

This is the goal of House Joint Resolution 132: To brand indelibly upon the world's memory the imprint of a tragedy which must never be forgotten. The magnitude of the Armenian genocide is too great. Our responsibility to remember that tragedy, to learn its lessons, is too pressing.

Mr. WAXMAN. Mr. Speaker, I should like to share with you and my colleagues some thoughts on the continuing unwillingness of the Turkish Government to recognize the tragedy of the Armenian genocide of 1915. It is true, as the Turkish Government insists, that the atrocities suffered by the Armenians were prepetrated by the Ottoman Turkish Empire and not by the current Turkish Republic. Still, I deeply feel that the continuity of culture, population and geography create a moral imperative for the current Turkish Government to address itself accurately and honestly to the Armenian genocide. After all, the Federal Republic of Germany is surely an altogether different government from the regime of Hitler's Third Reich. Yet the West German Government has assumed vast moral responsibility for recording the history of the Holocaust and making reparation payments to its survivors.

The United States can and should maintain friendly and constructive relations with both Armenians and Turks. However, such relations must be rooted in our commitment to historical truths and to the universal principles of human rights. Surely the truth about the Armenian martyrs should not be denied or forgotten.

I am both very well aware of and very proud of the fact that I represent a large and politically vibrant Armenian community. I share with Armenians around the world an intense interest in Middle Eastern affairs. I am especially concerned with the role the United States plays in that region.

As you all know there is a great deal of tension between the United States and Turkey.

This tension derives from two sources. Though I want to mention both of them, I am going to confine the rest of my remarks to the second problem.

First, Turkey used American military equipment in the invasion of Cyprus. That equipment was given to Turkey with the explicit understanding that it would be used only for defensive purposess. It was given to Turkey so that Turkey could play its proper role as a member of the NATO alliance.

I and many other Members of Congress have been unwilling to support Turkish arms requests in view of the outrageous misuse to which American arms were put during the war on Cyprus. I will continue to view such requests with a high degree of suspicion.

The second strain between the United States and Turkey comes from Turkey's past and present human rights record. Naturally, today I have uppermost in mind the monstrous treatment of Armenians in this century. I do, however, want to note that other minorities including Greeks, Jews, and Christians have suffered at the hands of the Turkish Muslim majority.

True, the Turks of today did not commit the genocide of 65 years ago that wiped out half of the world's Armenian population. However, the Turks of today and their government have shown no remorse, no sense of decency or compassion. They have not paid a cent in reparations to the survivors of the holocaust nor have they permitted Armenians to return to historic areas of settlement in Eastern Turkey.

I believe the dead, the victims of the Armenian holocaust, are being denied their human rights. We do not usually think of dead people as having human rights. Yet I believe they do.

The most elementary human rights of the Armenian martyrs were irretrivably taken from them at the time they were murdered. They were denied the right to a decent burial. They were denied the right to a final resting place to which their kin could come to pay respects. Like the victims of the Nazi genocide against the Jews the martyrs disappeared into unmarked mass graves.

There is one right of the dead which the martyrs have been denied but which can still be restored: That is the right to have the world hear and learn the truth about the circumstances of their death.

I cannot find language strong enough to express my outrage at the fact that the Turkish government, the Turkish educational and cultural establishments, Turkish historians and journalists, almost without exception, have lied about the mass murders of one and half million Armenians in 1915.

The Turkish myth, like the agitprop of George Orwell's 1984 simply ignores all the facts of the period. The Turks have calmly insisted that "Of course Armenians died during the difficult years of World War I, so did many other people. There were shortages of food and deaths due to starvation. Health care services were disrupted throughout the country resulting in deaths which might have been prevented. But this is not murder, this is merely the unfortunate correlates of war and poverty."

This lie must be exposed in and out of Turkey. Writers, artists, filmmakers and educators, both from within and outside the Armenian community must invent vehicles for delivering the truth about the Armenian genocide. Right here in Los Angeles there are still large numbers of survivors with clear and vivid memories of the death marches of 1915. I know when the older Armenians saw how the Khmer Rouge drove the population out of Phnom Penh and to their deaths from starvation dehydration, disease, and machine gun bullets, they could not help remembering their own experiences at the hands of the Turks.

I must inject here a note of caution. Naturally, not every Turk was a murderer nor does every Turk harbor hatred today against Greeks and Armenians. Yet, we cannot let our tolerance cloud our vision of the role of the Turkish government in the events we are discussing. Certainly, if the people and government of West Germany could be brought to acknowledge—to some degree—their role in the crimes of the Nazis, no less should be expected of the people and government of Turkey.

Those of us who know the history of the Armenian genocide must not underestimate the ignorance of others. The vast majority of Americans do not know about this genocide. Even those who do know about it are generally unaware of the scope and even more unaware of its world historical significance.

The Armenian historian Marjorie Hagopian relates a little known anecdote in the life of Adolph Hitler. At one of the Fuhrer's earliest meetings about the Jewish problem, Hitler outlined his plans for the total extermination of the entire Jewish populations of Germany and German-occupied countries. One of the men at the meeting asked with astonishment how such a plan could be carried out. "Would not world opinion prevent us from doing such a thing?" Hitler laughed. "World opinion! A joke! Who ever cared about the Armenians?"

Each genocide provides a foundation for subsequent horrors. Each historical misrepresentation of efforts to exterminate a particular ethnic group increases the likelihood that such efforts will be undertaken again in another time and place.

The United States has leverage in dealing with Turkey on human rights questions. The Turkish Republic is heavily dependent on us economically, diplomatically and militarily. It cannot afford to ignore serious concerns of the American Government.

I want to conclude by expressing my total disagreement with those in the State Department and the White House who feel the events of the past 2 years have made the United States far more dependent on Turkey than Turkey is on us.

They reason that the United States desperately needs an alliance with Turkey because we have lost our listening posts and other surveillance capabilities we enjoyed before the Iranian revolution. They reason that the outright conquest of Afghanistan by the Soviet Union has further weakened the United States in that critical region along the Soviet border. Their conclusion is that the United States must humbly and gratefully accept Turkish military cooperation and must, at the same time, refrain from troubling the Turkish authorities with idealistic talk of human rights.

I reason the opposite. I reason that Turkey has been weakened by the fall of Afghanisan. It seems obvious to me that Turkey is in more need of American defense assistance than ever now that she has an Iranian neighbor that is literally without a government. Certainly it is not in Turkey's interest for Iran to be under the rule of chaos fanaticism and xenophobia.

We have both a moral and a political obligation to press to the outermost limits our influence in Turkey. American indifference to human rights in any country with whom we are closely allied deprives us of any claim to leadership of the free world.

As your representative in Congress, I will continue to fight for a strong human rights program. I will continue to work for vigorous American efforts on behalf of Armenians seeking just redress from Turkey. Finally, I will do all in my power to see that the history of the Armenian Holocaust is told widely, truthfully and in full.

Mr. FRENZEL. Mr. Speaker, I rise in opposition to the rule on House Joint Resolution 132, and the resolution itself which commemorates the genocide of Armenians in the Ottoman Empire early in this century.

That resolution has been offered in Congress for several years, and has attracted strong opposition from the State Department and the Republic of Turkey. They have believed that the resolution, despite recent improving amendments, casts aspersions on Turkey; that it may encourage anti-Turk terrorist acts by Armenian radicals; and that its use of the term "genocide" may be inappropriate, given scholarly debate over whether the killings of Armenians were aimed at eradicating a population, or were the result of a bloody civil war.

I am sensitive to the undeniable suffering of hundreds of thousands of Armenians. Nevertheless, in my judgment this resolution could damage our relations with Turkey and have other adverse consequences which out weigh any advantage that might be gained by its passage.

This House should stop belaboring its allies to no good purpose. The proponents of this resolution have carried it well past the time of good effect. Its now time to lay it to rest. We should defeat the rule, or the resolution.

Mr. BLILEY. Mr. Speaker, today we will be told that passage of this resolution will cause an increase in terrorism. But are we to believe that a group of terrorists, who have already shown their contempt for laws and civilization by resorting to violence, are greatly affected by action of the U.S. Congress? I think not.

Others will tell us that if this resolution passes that relations with the Republic of Turkey will be severely damaged and that our strategic NATO bases in that country will be threatened. But are we to believe that our recognition of a barbarous act by the long defunct Ottoman Empire will cause the Republic of Turkey to forgo hundreds of millions of dollars in financial aid? That Turkey will pull out of an alliance against a common threat. I think not.

For while we have had decades of conflict with Russia, Turkey has had centuries of war with Russia. The geopolitics that have made this a satisfying relationship for both countries will not be changed. Besides, it is possible to

differ publicly yet retain a strong relationship with an ally. Turkey has demonstrated this by voting against the United States 62 percent of the time in the 40th United Nations General Assembly.

Finally, we will be told that we do not possess enough documentation to properly label the attempted extermination of the Armenians as a genocide. But are we to validate this argument because the Ottoman Turks were not as systematic and efficient as the Nazis? Because the Ottoman Turks' form of ovens and gas chambers was the Syrian desert? I think not.

The U.S. National Archives holds innumerable reports by consuls and ambassadors detailing the process by which the Armenian population of the Ottoman Empire was decimated. The New York Times headlines of the time read: "Armenians Sent to Desert to Perish" (August 18, 1915), "Extinction Menaces Armenia (September 25, 1915), and "Death of the Armenian People" (October 2, 1915). Even the leader of the Ottoman Turks, Talaat Pasha, told U.S. Ambassador Henry Morgenthau that, "we have already disposed of three quarters of the Armenians * * * we have got to finish with them."

Mr. Speaker, civilization has witnessed the near destruction of the Armenian people in part because the world turned the other way. Today, I urge all of my colleagues to look truth straight in the eye and support this resolution. Lets us give solace to the still grieving Armenian people and give mankind a better understanding of genocide in order to prevent future atrocities.

Mr. ATKINS. I rise in strong support of House Joint Resolution 132, the bill for a Day of Remembrance of the Armenian Genocide.

Over the course of 8 long years, the Armenian people were systematically reduced from a proud nation of nearly 2 million people, living on land that had belonged to them for nearly 2,000 years to less than a million living in exile. But the world granted little sympathy to the victims. The atrocity that gave birth to the term "Genocide" was hushed up and soon forgotten. It is only now, 70 years later, that we consider granting the small dignity of a remembrance day.

Someday, historians will label the 20th century as the time of the triumph of science. We have invented technical wonders as diverse as spacecraft and microwave ovens, super colliders and VCR's. We can feed more people, prevent epidemics, and examine our world in detail from outer space. We see ourselves as more enlightened and civilized than the people of previous centuries.

Yet, more than three times this century, governments have attempted the most terrifying of feats—the annihilation of an entire people. Other governments have stood by and not acted to stop the genocides. Our claims to civilization are undermined by our inability to prevent such atrocities.

It is no longer possible to say, "It cannot happen today." That is what we said as Nazi Germany carried out a barbaric Holocaust, 20 years after the Armenian genocide. That is what we said 40 years later as Pol Pot led the extermination of millions of Cambodians. Perhaps, if the Armenian genocide had not been hushed up, covered up to prevent insult, it might have served as an example to be avoided. Perhaps it would have been the last genocide.

It is within the power of the human community to say "never again" and mean it. We must establish a policy of prevention. Two steps are essential to this policy: pursuing the perpetrators and bringing them to justice, and remembering, discussing, and learning from our past.

In the case of Nazi Germany, we brought many of the perpetrators to trial at Nuremberg. Some are still being brought to justice today. We have studied the event and sought to learn its causes, and often held days of remembrance and memorial ceremonies. In the case of Cambodia, we have held remembrances, but must still act to bring Pol Pot and his cabal to trail.

In the case of Armenia, it is impossible to bring the perpetrators to justice. The current Turkish Government obviously cannot be held accountable for the events of 70 years ago. But we can try to remember, to discuss and study the Armenian genocide. A day of remembrance is a small but crucial step in our battle to forestall future artocities.

Future historians will see it as a mark of our humanity and our civilization that we are willing to acknowledge, not deny, the darker side of our past. I urge my colleagues to vote for the bill.

Mr. LEVINE of California. Mr. Speaker, I rise in support of House Resolution 238, the rule providing for consideration of House Joint Resolution 132, the Day of Remembrance of Armenian Genocide, which I also support.

There is one primary reason I am supporting this resolution, and it can be found in the title itself: "remembrance." It is often said that those who forget the past are condemned to repeat it. This is not merely a clever turn of a phrase. It is a warning which history tells us we ignore at our own peril.

Forty-two years ago marked the end of a conflagration in which the majority of Europe's Jewish population perished in the fiery furnaces of the Nazi death camps. The principal reason? Simply that they were Jewish, and thus marked for extermination by a perversely racist ideology.

But there is another, equally insidious, reason that the Holocaust was allowed to happen. To paraphrase the infamous query of Hitler, "Who remembers the Armenians?" Had the Western world not suffered collective moral amnesia about the slaughter of the Armenians two decades earlier, it is quite possible that the Jews of Europe might have been spared.

To this day, therefore, we remember the victims of the Holocaust so as never again to allow such unspeakable atrocities to occur. But there is still little recognition of the tragic fate that befell the Armenians of the Ottoman empire. It is time that this unconscionable oversight be rectified.

April 24 is a day of great importance to American-Armenians, many of whose ancestors perished beginning on that day in 1915. It was then that scores of Armenian religious, political, educational, and intellectual leaders in Constantinople were arrested and deported to Anatolia. Many were taken from their homes and murdered. Many more died during forced marches and deportations. Over an 8-year period, there were upward of a million Armenian casualties. It is in the memory of all these victims that proponents—properly—seek passage of this resolution.

Critics of House Joint Resolution 132 claim that this resolution will have a significantly negative impact on our relations with Turkey. I see no reason why it should.

I do not accept that this resolution applies in any way to the Turkey of 1987. Indeed, the resolution specifically indicates that this event took place ". . . in the Ottoman empire prior to the establishment of the Republic of Turkey." Put another way, I would never want to jeopardize relations with our Turkish friends; and I don't think this resolution does—or should—do that.

Turkey is a close friend and ally of the United States. It plays a key role in NATO and the defense of the West. Turkey rightfully deserves recognition for its role as a haven for the oppressed over the centuries. None of these important realities are either compromised or diminished by this resolution.

In conclusion, Mr. Speaker, the imperative is remembrance and recognition, for all the reasons mentioned above. That is why this resolution is so important.

I urge my colleagues to support the rule and the resolution.

Mr. OXLEY. Mr. Speaker, I rise in opposition to both House Joint Resolution 132 and its corresponding rule. Many of us know, this resolution is driven in part, by partisan politics here at home. Numerous Armenian special interest groups which are powerful supporters of this resolution are ever-present elements in our own domestic politics. It should be duly noted that these organizations contribute healthy amounts of money to promote their principles through means other than legislation.

Nevertheless, House Joint Resolution 132 is not merely a symbolic gesture on behalf of a particular American ethnic group as some would like us to believe. It is in fact a very controversial piece of legislation with long-term foreign policy implications for the United States and the Western alliance. Furthermore, this legislation could ultimately result in an erosion of the Turkish democracy.

I am seriously concerned that passage or even consideration of this measure would significantly damage our relations with Turkey, a NATO ally and friend of the United States. We have major national security interest in preserving and strengthening our relations with Turkey, whose government and people are deeply offended by this resolution. I certainly do not wish to see the second largest army in NATO disenfranchised because of an American resolution concerning ethnic disturbance that occurred during a turbulent period of history some 70 years ago.

The resolution before us today asserts that the Armenians were victims of genocide. But in fact, many experts question whether "genocide" is the proper term for what transpired in the years after 1915. It is important to note that the majority of the leading United States academic specialists on Turkey, the Ottoman Empire, and the Middle East have written to every Member of Congress concerning this resolution. Their correspondence, when Congress considered this issue in 1985, challenged the factual accuracy of this resolution. It is my belief, that this Congress should not attempt to clarify historical events through legislation.

Furthermore, this bill would simply add fuel to the fires of international terrorism. Armenian terrorists have murdered more than 70 people around the world, including 40 Turkish diplomats. The events of 1915–23 are used to justify these heinous crimes. Consequently, the Turkish public justifiably believes that passage of this resolution will be interpreted by these terrorists not only as a legitimization and vindication of their crimes by our Congress, but also as an encouragement for continuing their series of international acts of terrorism. This stamp of approval will not help deter terrorism, which is one of our common goals.

Let me conclude by saying that my opposition to the House Joint Resolution 132 and its corresponding rule in no way represents indifference to the suffering of the Armenian people nor to their desire to achieve recognition of a tragic series of events. In the long history of man's inhumanity to man this is but one of many instances which we need to recall in order to sensitize ourselves and prevent further such episodes. Nevertheless, we cannot redress the various ills of events of 70 years ago by legislating a particular version of history. No matter how eloquently worded, justice cannot be served by the consideration and adoption of House Joint Resolution 132.

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The SPEAKER pro tempore (Mr. GLICKMAN). The gentleman from Missouri [Mr. TAYLOR] has 2 minutes remaining.

Mr. TAYLOR. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the resolution is extremely dangerous to the cause of peace because it distracts us from cooperation with our NATO ally, Turkey.

It presents a situation where the actions of this House will be cited and used against Turkey by the forces of reaction and terrorism, who seek revenge not recognition.

The sponsors of the resolution want to thrust this House headlong into a 70-year-old controversy, and we simply are not going to settle it. We can't settle it, we ought not make it worse.

About the only purpose served by this resolution is to reopen old wounds. It presents a negative mark on history that is 70 years old. There is no concern for the future.

Mr. Speaker, the House should be concerned about the future.

We should look for positive steps that might heal the wounds and quiet the differences between the modern day descendants of the Christian and Muslim people of Armenian and Turkish ancestory.

House Joint Resolution 132 does not do that.

In the strongest terms possible, I urge defeat of this rule.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] has 2 minutes and 45 seconds remaining.

Mr. MOAKLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I simply want the record to show that I strongly favor the passage of this resolution and the adoption of this rule today.

Mr. MOAKLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina [Mr. VALENTINE.]

Mr. VALENTINE. Mr. Speaker, I rise to express my strong opposiiton both the the rule and to the joint resolution and to associate myself with the wise remarks made by the gentleman from Kentucky [Mr. HUBBARD.]

Mr. MOAKLEY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, again I would like to stress that the purpose of House Joint Resolution 132 is certainly not to embarrass the current Turkish Government. Indeed, Mr. Speaker, the resolution includes language specifically stating that the genocide occurred long before the current Turkish Government existed.

The resolution has two purposes. It seeks to commemorate the suffering of the Armenians, the parents and grandparents of many of our neighbors here in the United States, whose families fled from oppression.

However, Mr. Speaker, what the resolution very specifically seeks to do is to make clear that the Armenian genocide is a definite historical fact. One might have hoped that the graves of a million and a half victims—marked and many more unmarked—would serve as the unimpeachable proof.

Certainly, in a contemporary period, the facts were established beyond doubt. The events were particularly acknowledged, and forcefully condemned, by the great Turkish Patriot Ataturk.

As late as 1948, the drafters of the United Nation's genocide convention, had the events of 1915 through 1923 specifically in mind as one of the two great genocides of this century.

But, in more recent years, there has been an attempt, in some academic circles, to split some very narrow hairs and to rewrite history. Today the House has an opportunity to reject this revisionism.

Mr. Speaker, House Joint Resolution 132 sets aside one day, April 24, 1988, to acknowledge the pain and suffering of the men, women, and children who died for no other reason than the fact that they were Armenians. We owe it to the survivors—and particularly to those who are our neighbors in America—as well as to the memory of a million and a half dead, to remember this tragedy and to learn from it.

On that day, Armenians throughout the world, including the United States, will mark this day—as they do every year—to memorialize and mourn the dead, in church services, reunions, rallies and marches. This resolution will make the events of 1988 particularly significant. The resolution will enable this Congress to participate in support, in a particularly meaningful way.

Mr. Speaker, the House has an opportunity today to begin the healing process for the survivors and the families of victims who were killed during this tragic time in world history. By voting for the resolution Congress is saying that this genocide did indeed occur and we must take steps to ensure that it never happen again.

I urge my colleagues to vote for the rule, and to pass House Joint Resolution 132. The time to begin the healing is now.

Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TAYLOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 189, nays 201, answered "present" 1, not voting 42, as follows:

[Roll No. 312]

YEAS—189

Ackerman
Akaka
Anderson
Andrews
Annunzio
Applegate
Atkins
Bates
Bentley
Berman
Biaggi
Bilbray
Bilirakis
Bliley
Boggs
Bonior (MI)
Borski
Boxer
Brennan
Broomfield
Brown (CA)
Bruce
Bryant
Cardin
Carr
Clay
Coats
Coelho
Coleman (TX)
Conte
Conyers
Courter
Dannemeyer
DeFazio
Dellums
Derrick
Dingell
Dixon
Donnelly
Dornan (CA)
Downey
Dreier
Durbin
Dymally
Dyson
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Ford (MI)
Frank
Gallegly
Gallo
Gejdenson
Gekas
Gilman
Gingrich
Gonzalez
Gordon
Grant
Gray (IL)
Green
Gregg
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hawkins
Hayes (IL)
Henry
Hertel
Hochbrueckner
Howard
Hoyer
Hughes
Hunter
Jacobs
Jeffords
Johnson (CT)
Jones (TN)
Jontz
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Konnyu
Leach (IA)

Lehman (CA)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Lujan
Lungren
Manton
Markey
Martin (NY)
Martinez
Matsui
McCloskey
McHugh
McMillen (MD)
Mfume
Miller (CA)
Mineta
Moakley
Moorhead
Morella
Morrison (CT)
Mrazek
Nelson
Nowak
Oakar
Oberstar
Obey
Owens (NY)
Owens (UT)
Packard
Panetta
Pashayan
Pelosi
Penny
Pepper
Perkins
Porter
Price (IL)
Richardson
Rinaldo
Ritter
Rodino
Roe
Rose
Rostenkowski
Roth
Roukema
Roybal
Russo
Saxton
Scheuer
Schneider
Schumer
Sharp
Sikorski
Skaggs
Smith (FL)
Smith (NJ)
Smith, Robert (NH)
Snowe
Solomon
Spence
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Swindall
Synar
Thomas (CA)
Torres
Torricelli
Traficant
Vento
Visclosky
Vucanovich
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Williams
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Spratt
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Tallon
Tauke
Taylor
Thomas (GA)
Upton
Valentine
Vander Jagt
Volkmer
Walker
Weber
Whittaker
Whitten
Wilson
Wise
Wylie
Young (FL)

NAYS—201

Anthony
Archer
Armey
AuCoin
Ballenger
Barnard
Bartlett
Barton
Bateman
Bennett
Bereuter
Bevill
Boehlert
Bonker
Bosco
Boucher
Boulter
Brooks
Brown (CO)
Buechner
Bunning
Burton
Byron
Carper
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coble
Coleman (MO)
Combest
Cooper
Coughlin
Coyne
Craig
Crane
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeLay
DeWine
Dickinson
Dicks
DioGuardi
Dorgan (ND)
Duncan
Dwyer
Edwards (OK)
Emerson
English
Erdreich
Fields
Fish
Flake
Foglietta
Frenzel
Frost
Garcia
Gibbons
Glickman
Goodling
Gradison
Grandy
Gunderson
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Hefner
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hutto
Hyde
Inhofe
Ireland
Jenkins
Johnson (SD)
Kanjorski
Kasich
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leath (TX)
Lent
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Mazzoli
McCandless
McCollum
McCurdy
McDade
McEwen
McMillan (NC)
Meyers
Mica
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moody
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nichols
Nielson
Olin
Ortiz
Oxley
Patterson
Pease
Petri
Pickett
Pickle
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Ridge
Roberts
Robinson
Rogers
Rowland (CT)
Rowland (GA)
Sabo
Saiki
Sawyer
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Solarz

ANSWERED "PRESENT"—1

Collins

NOT VOTING—42

Alexander
Aspin
Badham
Baker
Beilenson
Boland
Boner (TN)
Bustamante
Callahan
Campbell
Crockett
Daniel
Dowdy
Early
Flippo
Florio
Foley
Ford (TN)
Gaydos
Gephardt
Gray (PA)
Hatcher
Hayes (LA)
Jones (NC)
Kemp
Latta
Lehman (FL)
Lloyd
Luken, Thomas
Lukens, Donald
Mavroules
McGrath
Morrison (WA)
Parris
Roemer
Savage
Schroeder
Smith (NE)
Tauzin
Towns
Traxler
Udall

□ 1250

Mr. BROOKS changed his vote from "yea" to "nay."

Mrs. KENNELLY, Mr. HAYES of Illinois, and Mr. SOLOMON changed their votes from "nay" to "yea."

So the resolution was not agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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□ 1300

## PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL 6 P.M. FRIDAY, AUGUST 28, 1987, TO FILE REPORT ON H.R. 3030, AGRICULTURAL CREDIT ACT OF 1987

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until 6 p.m., Friday, August 28, 1987, to file a report on H.R. 3030, the Agricultural Credit Act of 1987.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

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## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1327, PUBLIC HEALTH SERVICE ACT, NATIONAL HEALTH SERVICE CORPS AMENDMENTS ACT OF 1987

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100–248) on the resolution (H. Res. 253) providing for the consideration of the bill (H.R. 1327) to amend the Public Health Service Act to establish a National Health Service Corps Loan Repayment Program and to othewise revise and extend the program for the National Health Service Corps, which was referred to the House Calendar and ordered to be printed.

## LEGISLATIVE SCHEDULE

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I have asked for this time for the purpose of learning what the schedule will be for the balance of the day and when we might be able to go on our district work period.

Mr. Speaker, if my colleagues would be interested in the schedule, when they might go home, if any of you have any interest in that, I would be glad to yield to the distinguished majority whip, the gentleman from California, for information on the schedule.

Mr. Speaker, I yield to the distinguished gentleman from California.

Mr. COELHO. Mr. Speaker, I thank the majority whip.

The schedule for the rest of the afternoon is that we will be happy to take unanimous-consent requests or anything else, until 3 o'clock. If there are no requests, we will recess until 3 o'clock, and at 3 o'clock we will pass the debt limit extension, a debt limit extension until September 23.

Mr. LOTT. Mr. Speaker, if the gentleman will allow me to reclaim my time, we will take some unanimous-consent requests and then we are going to recess until 3 o'clock?

Mr. COELHO. Until 3 o'clock.

Mr. LOTT. At which time there will be a vote, and the gentleman is very sure we will pass it?

Mr. COELHO. We will have debate.

Mr. LOTT. Debate and a vote on a short-term extension of the debt ceiling until September 23?

Mr. COELHO. If there are problems, we will notify the membership.

Mr. LOTT. By problems, the gentleman means with the other body?

Mr. COELHO. With the other body, and if something comes up that we are delayed a half hour or so, we will notify the membership prior to 3 o'clock so they will know.

Mr. LOTT. I presume on the short-term extension, we are talking about 1 hour of debate?

Mr. COELHO. One hour.

Mr. LOTT. So we could expect a vote sometime after 3, maybe around 4, is that correct?

Mr. COELHO. Depending on the level of debate and the amount of debate; it might be sooner.

Mr. LOTT. As the gentleman was saying, of course, we would need to see what the Senate does on that extension when it goes over there. Although I would like to say that whatever we do on those terms, I would like to do it and send it to them and that is their problem.

Mr. COELHO. The gentleman from Mississippi knows my attitude.

**Mr. LOTT.** Now, we do have to pass a recess resolution at some point, is that right?

**Mr. COELHO.** Yes. It is important that while we might want to make some comments about the other body, they have to pass a recess resolution so we can get out of here, so it is important that we do both things. Hopefully we can.

**Mr. LOTT.** Mr. Speaker, I thank the gentleman.

## PHYSICIAN CERTIFICATION CAN ASSURE QUALITY OF MEDICAL CARE FOR OUR MEDICARE BENEFICIARIES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today I am pleased to introduce the Medicare Physician Competency Certification Act of 1987. Through this bill our Medicare beneficiaries can be assured of the quality of medical care they receive from their doctors.

The Medicare Program annually spends more than $80 billion to meet the health care needs of our elderly citizens. What assurances do these very vulnerable people have, what assurance does the Congress have, that the care given is quality medical care? Unfortunately, there is little assurance that physicians providing care to our elderly are competent and practice using up-to-date knowledge.

Quality assurance in the Medicare Program is delegated to the Professional Review Organizations under contract with the Department of Health and Human Services. With few exceptions, most notably the California Medical Review, the PRO's activities focus solely on the appropriateness of hospitalization. Last year as part of an effort to show an interest in quality assurance, the Department released Medicare mortality figures for each hospital in the Nation. The cacaphony of complaints from hospitals virtually paralyzed further efforts to study and evaluate quality of care in the Medicare Program.

Recently the Department has renewed its interest in determining the quality of care provided to Medicare beneficiaries, both in the hospital and in the office setting. However, this interest in quality of care came about only after congressional pressures and the initiation of a study by the Government Accounting Office last year.

The GAO study is titled, "Medicare: Preliminary Strategies for Assessing Quality of Care." In that study GAO notes that "(w)ithin HCFA, there is no formally designated responsibility or organizational capacity for integrating the results of the separate review activities or assessing the overall quality of medical care." For the billions of dollars the Federal Government spends each year meeting the health care needs of our elderly citizens, there are not enough mechanisms to assure us of the quality of the care rendered, particularly by doctors.

All hospitals that participate in the Medicare Program must have quality assurance programs, the majority of which are periodically reviewed by the Joint Commission on the Accreditation of Hospitals. The adequacy of a hospital's quality assurance program is probably the single most important component in the accreditation process. Medical practices can likewise become accredited voluntarily through a similar process.

The extent of quality review of a physician's practice is limited to hospitalized patients, a very small percentage of any practice. Why do we avoid the task of promoting quality standards for physicians? Do we know what quality is? Do we have the tools to measure quality?

Quality is the most elusive will-o'-the-wisp in medical practice. Ask any doctor to describe it. After a harangue about the process and outcome of care, there is usually a statement such as "Quality is hard to describe, but I know it when I see it."

Decades of study in this country and around the world have failed to produce universally acceptable, easily performed measures of quality. However, because we lack the perfect or ideal methodology to assess quality of care must not prevent us from initiating programs that use the best tools currently available.

Every licensed physician in this country has passed a rigorous licensing examination. Unfortunately, at no time during his or her career is the physician required to again document competence or capability to practice medicine, despite a doubling of medical knowledge every 7 to 10 years.

Every physician designated as a specialist by one of the major specialty associations has passed an additional series of examinations. There are approximately 337,000 certified medical specialists in the United States.

By 1986, 12 of the 24 major medical specialty associations limited the specialty certification to a specified number of years from the initial designation. However, only four specialty certificates were time-limited prior to 1985: Family Practice (1969), Emergency Medicine (1980), Surgery (1976), and Thoracic Surgery (1976). The certifications for the other specialty associations take effect between 1985 and 1992.

Internal medicine, the largest of all the specialties with more than 60,000 diplomats, have yet to adopt a time-limited certification process.

Whether periodic testing of a physician's knowledge is an ideal measure of the quality of care he or she renders should not preclude the use of this method as one part of a comprehensive, coordinated effort to assure quality performance by a doctor.

Let us more fully use the tools we have available to us. We may be in the stone age of quality assurance. But as crude, bulky, and inadequate as our tools may be, we can do more with them than is the current practice.

The Medicare Physician Competency Certification Act of 1987 uses the tools available to us for assuring quality of care in the Medicare Program. It builds on the testing procedures licensing boards and specialty societies presently use.

This bill requires time-limited certification for all physicians who participate in the Medicare Program. The Secretary of Health and Human Services would be required to establish criteria for certification in collaboration with representatives of organizations currently responsible for licensing physicians and for the designation of medical specialists. Medical specialty societies and State medical boards may apply and be qualified to certify physicians who participate in the Medicare Program.

The Secretary would also provide for the certification of physicians who do not participate in a qualified program. Physicians licensed by a State medical board prior to enactment would have 7 full years to successfully become certified by a recognized program.

Only after failure of the examination can a physician be barred from participation in the Medicare Program. When the physician successfully completes the certification process, participation in Medicare is reinstated.

In addition to these provisions the Secretary of Health and Human Services is required to develop additional indicators of quality performance.

A section-by-section analysis of this bill is included at the end of this statement.

Mr. Speaker, Congress can assure the quality of medical care received by Medicare beneficiaries. The Medicare Physician Competency Certification Act of 1987 is a bold initiative that can protect our Nation's elderly.

### SECTION-BY-SECTION ANALYSIS—MEDICARE PHYSICIAN COMPETENCY CERTIFICATION ACT OF 1987

The bill provides that the Act may be cited as the "Medicare Physician Competency Certification Act of 1987" and adds a new section to Part B of Title XVIII.

### SECTION 1. PHYSICIAN COMPETENCY CERTIFICATION PROGRAM

a. Requirement for Competency Certification.—To receive payment for services under Part B of Medicare a physician must take and pass a written examination. This examination may be taken at any time during the previous 7 years.

b. Examination Standards.—The Secretary, in consultation with organizations that license and certify physicians, shall establish examination standards that assess the knowledge necessary for the practice of medicine by a competent physician.

c. Written Examinations.—Medical specialty societies or state medical boards may be recognized by the Secretary as qualified programs. A program is qualified if the Secretary determines that the examinations given by an organization meets the established standards. The examinations must be offered at least annually. The Secretary is also required to provide for an approved examination for physicians who do not participate in a qualified program. Written examinations offered by organizations prior to the date the standards are established may be recognized by the Secretary as an approved examination.

d. Enforcement.—Except in the case of emergencies, an uncertified physician must inform Medicare beneficiaries in advance that no Medicare payment will be made for services provided by the physician. Furthermore, the physician may not charge for the service unless the beneficiary agrees in advance and in writing to pay for the service and the physician must refund any money collected for services rendered during the time the physician was not certified. Violations are subject to civil penalties.

e. Effective Dates.—The examination standards must be established within one year of enactment. Specialty societies and state medical boards may apply for recognition as qualified programs within 18 months of enactment. The examination provided by the Secretary must be available by January 1st of the third year after enactment.

### SECTION 2. STUDY OF OTHER INDICATORS

The Secretary is to study and report to Congress other valid indicators of quality of care furnished by physicians.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 5 minutes.

Mr. LAFALCE. Mr. Speaker, I would like to call attention to the American automotive industry and the continuing pressure of foreign competition that threatens the future of that industry with its millions of good American jobs.

In the new world of international competition, attention is shifting from the location of final assembly to the more important issue of who made the individual components placed under the hood of a car, under the plastic cover of a computer, or behind the television casing.

The chilling fact is that the American automobile market, a few years ago only infiltrated by foreign imports, is now about to be dominated by imports. Record profits for the Big Three U.S. auto companies over the past 2 years have obscured the harsh reality that by 1990, a majority of the components in automobiles sold in the United States will not be "made in America." The math is simple and alarming:

Currently, Japan exports 2.3 million cars annually to the United States, and European and other countries provide 870,000 cars to our market. In addition, foreign car exports for sale under American name plates, such as the Dodge Colt or Chevrolet Spectrum, contributed another 260,000 in so-called captive imports. Therefore, imports of one kind or another currently total almost 3.5 million cars, or 31 percent of the U.S. market of 11 million.

By 1990, American companies plan to double the number of captive imports to over 500,000, while new entrants into the United States market—from Korea, Taiwan, Yugoslavia, and Spain—expect to increase their exports. Therefore, U.S. imports will reach an estimated 4 million cars in 1990.

But that is only part of the story. Increasingly we must take into account foreign auto components that are assembled into new cars in the United States. In 1986, approximately 465,000 cars were produced by three transplant Japanese assembly plants in the United States, using 80 percent Japanese components. Transplant operations in the United States will have the capacity to assemble 1.7 million vehicles by 1990. The value of the imported components in these units will represent more than 1 million additional imported vehicles.

In order to complete the story we must also include what has been termed the invisible import. Hidden under the hoods of the all American car is a growing percentage of parts sourced by foreign-owned suppliers. General Motors imported 800,000 engines in 1986, while the company's domestic engine production dropped from 6.6 million in 1985 to 5.7 million last year. By 1990 these imports are expected to rise to 20 percent or more of each domestic car, effectively making one of every five cars an invisible import. Adding the import content of Japanese transplants to visible and invisible imports, the imported value of the United States car market by 1990 will be more than 60 percent.

In sum, the profile for 1990 new car sales in America will probably look something like the following:

| | *Millions* |
|---|---|
| Imported finished vehicles: | |
| Japanese | 2.3 |
| Non-Japanese | 1.2 |
| "Captive" imports | .5 |
| Vehicle Equivalent of Imported Components: | |
| In transplant operations | 1.2 |
| In Big 3 domestic production | 1.6 |
| Import content of U.S. market | 6.8 |
| Projected total sales in 1990 | 11.3 |

Note.—Import percentage of U.S. Market—60.2 percent.

The 2-million-car excess capacity in the domestic auto market will almost inevitably result in a new round of plant closings and job displacement. Under these conditions, it is not surprising that the major concern of the United Auto Workers union in current negotiations with General Motors and Ford is job security. In fact, I believe their real concern is the continued vitality of auto production in America, since it appears that the strategy of the Big Three is to increase profits while reducing domestic production and employment.

Mr. Speaker, unless we fashion an industrial strategy to preserve a healthy domestic auto industry, including parts production, we face the wholesale export of our industry earnings, jobs and technology not only to Japan and Germany, but also to Korea, Taiwan, Brazil, Mexico, and other countries. It has been estimated that by 1990 restructuring of the auto industry could cost an additional 400,000 American auto making and supplier jobs.

How did we get into this crisis situation, and what policies will help us get out of it?

### GETTING INTO TROUBLE

For most of this century, automobile production has been the quintessential American industry. From the time of the Model T through World War II and into the late 1960s, GM, Ford, and Chrysler dominated the American market, and set the standard for the world.

Or so we thought. In retrospect, we were actually involved in an era of effortless superiority, particularly after World War II when our competitors were busy trying to get back on their feet. Meanwhile, we let our productivity, innovation and quality standards slip. When foreign competition first started with small cars such as the Volkswagen Bug, nobody paid much attention. When the Japanese started exporting to the United States, there still was little concern. Then came the oil embargo, and the American gas guzzler was in deep trouble.

Very quickly, American consumers came to appreciate the features of foreign car imports other than fuel economy; and very quickly it became apparent that the American automobile industry was not prepared to compete.

When Japanese imports reached 2 million vehicles in 1980, political pressure began to mount, and a voluntary restraint agreement [VRA] was imposed to limit Japanese imports to 1.7 million vehicles a year. By 1985, the formal VRA was removed but the Japanese have continued to restrict their exports to the United States because the cartelization of the American market suited their purposes.

In fact, American car makers—particularly General Motors—were happy to see the VRA die because this allowed for a substantial increase in captive imports, made for hire by companies in which U.S. car firms bought substantial equity holdings, to be sold under American nameplates. Over the past 3 years, the Big Three have moved on to South Korea, Mexico, Taiwan, Brazil and elsewhere with similar arrangements.

### AUTO PARTS TRANSPLANTS

As Detroit developed its new survival strategy, based on reducing American capacity and increasing outsourcing, the Japanese moved to the next phase of their plan—to transplant Japanese vehicle assembly operations onto U.S. soil. This second phase was designed to skirt the political thicket of quotas and the perennial domestic content debate. Nearly every Japanese carmaker—Toyota, Nissan, Honda, Mazda, Mitsubishi, Subaru, Isuzu and Suzuki—has joined the list of those transplanting some assembly to the United States.

On the face of it, this should be good news for U.S. parts suppliers. In theory, the transplants should replace some Japanese car imports and provide more business for American component producers. But in most cases Japanese assemblers are encouraging their domestic suppliers to follow them into the United States instead of shopping for United States products. Eighty percent of the value of Japanese assembled cars in the United States still is composed of foreign-made parts. In fact, what we apparently have is the cozy keiretsu relationship, with tight assembler-supplier vertical integration transplanted to the United States.

Matsushita, Nihon Radiator, Sumitomo Electric, Mitsubishi Belting, Yorozu Motor, and Tokai Rubber have in the past year joined the growing list of Japanese auto parts firms setting up plants or joint ventures in the United States. What began as a trickle threatens to become a flood which could replace a large part of our existing domestic auto parts industry. According to the United States Embassy in Tokyo, up to 300 Japanese parts companies are planning to form American subsidiaries.

When this process is complete, these Japanese suppliers will compete with U.S. parts makers for the U.S. aftermarket, while expanding their already extensive supply of components to the Big Three. The only positive feature of this plan is that American workers will presumably produce the parts that now are imported from Japan. But, we will see.

### FOREIGN TRADE ZONES

The crisis in our auto industry is compounded by increasing use of Foreign Trade Zone status by Japanese vehicle assemblers in the United States. Foreign Trade Zones were created in 1934 by an Act of Congress to "encourage and revive the foreign trade of the United States." Opposition to FTZ's was based primarily on arguments that they would promote imports to the detriment of American manufactureres. Step by step, the original intent of FTZ's has been whittled away, from one of export promotion to import penetration.

Today, a company with FTZ status can import a good, manufacture it into a finished product, and sell the product in the domestic market while paving a substantially lower duty than if the product had been imported directly. In addition, duties are not paid on the good until it leaves the zone. Even though Foreign Trade Zones were intended to create employment and exports, at present over 80 percent of goods being imported into FTZ's are used in domestic commerce. Virtually every auto assembly plant owned by GM, Ford, and Chrysler has been designated a Foreign Trade Zone in the past 4 years. Auto parts accounted for three-quarters of the more than $7 billion in parts that flowed through the zones last year.

While the effect of existing zone practice is to provide economic benefits to zone manufacturers and the local area—and in some industries to provide jobs that otherwise would not exist—the net effect of such practices is a loss of tariff protection to domestic suppliers. Through the misuse of the trade zone principles, the various tariff acts of Congress are effectively repealed. Review and reform of the operation of Foreign Trade Zones should be a high priority.

### MAQUILADORA MADNESS

One aspect of the increase in outsourcing of components by American auto companies has been a particular concern of mine. According to a recent newspaper report, General Motors is expected to open 12 new maquiladoras, or twin-plants, in Mexico in 1987, making a total of 29 GM twin-plants in that country. This investment in Mexico, where the average wage is less than $1 an hour, will occur while GM closes 11 of its plants in the Midwest and lays off 29,000 American workers.

I am especially concerned about the relocation of automotive facilities to Mexico because a major employer in my district, Trico Products Corp., the auto industry's largest domestic supplier of original windshield wiper assemblies, has begun to transfer half of its manufacturing operations to Matamoros, Mexico. I have been told that this decision will cost 1,200 jobs at the Buffalo plant, over $31 million in direct wages, and an estimated $95 million in indirect employment next year alone. This is not the kind of future we want for our manufacturing workers or our economy. It is not the kind of future we want for their communities which will feel the consequences of their loss of income.

### URGENT NEED FOR AN AMERICAN AUTO POLICY

Mr. Speaker, without a healthy domestic auto parts industry, the auto industry is merely a hollow shell lacking an essential building block of industrial dynamism. Every other auto producing country in the world realizes this fact and thus restricts auto imports through content laws, restraint agreements, and other nontariff barriers. I do not like that situation, but it is an unfortunate and inescapable fact of life that we must acknowledge and deal with.

While we are pursuing an essentially open door policy in the automotive industry, every major European country limits Japanese auto imports. England and Germany both impose a 10.8-percent tariff, and have restraint agreements limiting Japanese imports to between 10 and 12 percent of their markets. Italy imposes an 11-percent tariff and restricts Japanese autos to 2,200 annually, which is less than 1 percent of their market. France imposes a 10.8-percent tariff and restricts Japanese autos to less than 3 percent of the market.

I have long been concerned by the disparity between the policies of other auto-producing countries toward auto imports and those of our own country. It is a situation that seems to guarantee that the United States will be the target for autos produced all over the world. If foreign car producers cannot sell their cars in Europe, or Asia, or Latin America, where else will they try to sell them but in the wide open American market?

I believe there is an alternative strategy. There is plenty of evidence that high quality, affordable vehicles can be built in the United States using U.S. design, labor, and parts. GM's own Cavalier, Pontiac 6000 and Ford's new Taurus/Sable line prove that U.S. firms can not only manufacture, but also design a vehicle that captures the interest of the American car buyer.

Therefore, I intend to address the problems of our automotive industry from two directions. Today I will introduce legislation which will provide incentives to keep existing U.S. producers from buying more original equipment from abroad and to keep outsourcing to a minimum. This bill would require 80 percent of the value-added in vehicles assembled in this country to be of U.S. origin in order to enjoy Foreign Trade Zone tariff benefits. Foreign transplant vehicles assembled in a Foreign Trade Zone would be included in any voluntary restraint quota on car imports into the United States.

Because of my concern for continued plant closings and oursourcing of manufacturing production to Mexico, I am also introducing two bills concerning Mexico's twin-plant program. The first would repeal the tax break which encourages American firms to relocate in low-wage countries. Item 807 of the Tariff Code allows American companies to export components or parts of products abroad for assembly and to reimport the finished product duty-free except for foreign value-added. When this provision was codified in 1963, Congress was told that the purpose was to assure U.S. production and to maintain U.S. jobs, as expanded trade would build the United States and world markets. but U.S. exports have not been aided by item 807, because there are no real exports under this provision.

In actual practice, item 807 has worked in two ways to eliminate U.S. jobs. In the first step, U.S.-made components are shipped to low-wage countries where the product is assembled and the value-added is the low labor cost. In these instances there is a high job loss to America. The second step in the 807 evolution is for companies to follow up assembly abroad by the step-by-step transfer of parts production abroad. The result is the U.S. component input diminshes, often to zero. In these instances, job losses have been massive. The continued operation of item 807 would simply bolster the job losses—at taxpayer expense—that continue to help industry flee the country and erode the Nation's industrial base.

The second bill concerning offshore assembly would place an immediate and permanent prohibition on the use of Federal Government funds for supporting projects and publishing materials designed to attract American firms to relocate outside the United States. I am concerned that the trade conference sponsored in Mexico last year by the Department of Commerce—Expo Maquila 1986—is but one example of such a project, and we have no business using taxpayer money to lure American firms abroad.

If American companies continue to pursue their current course of outsourcing and reduced commitment to U.S. production and if our government fails to enact rational trade policies, many more dislocations are to come. Yet there is ample evidence that U.S. companies can manufacture high quality products in existing vehicle and parts plants using American labor. There is also evidence from the trade policies of our competitors that a country can manage its trade in a way which encourages the growth and vitality of its key industries without causing massive, uncontrolled dislocation for workers and communities.

For the past 5 years I have urged the Reagan administration to adopt policies which would assist our manufacturing industries to compete in the new global marketplace. However, the administration has been unresponsive to the deindustrialization of America. Until we are willing and able to fashion a comprehensive industrial strategy for America's strategic industries, we must preserve the domestic jobs and productive capacity which now exist.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. SLATTERY] is recognized for 5 minutes.

[Mr. SLATTERY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

[Mr. BONIOR of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

[Mrs. BENTLEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

[Mr. FRANK addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. DIOGUARDI] is recognized for 60 minutes.

[Mr. DIOGUARDI addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

## METRO COMPACT AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BOUCHER] is recognized for 10 minutes.

Mr. BOUCHER. Mr. Speaker, I am introducing today on behalf of myself and Representatives CARDIN, WOLF, HOYER, PARRIS, MCMILLEN, MORELLA, SISISKY, and FAUNTROY legislation to implement amendments to the Washington Metropolitan Area Transit Authority's [WMATA] interstate compact. These amendments, which have been approved by Virginia, Maryland, and the District of Columbia, represent a regional consensus on modifications that should be made to WMATA's Interstate Compact in order to allow the Transit Authority to conduct its everyday activities in a more efficient, safe, and cost-effective manner.

The bill implements four amendments to the WMATA compact concerning public hearing requirements for minor, experimental and emergency service changes, improvements in public safety, WMATA's financial investment flexibility, and Metro's procurement requirements.

With respect to public hearing requirements, the amendment permits WMATA to make minor or experimental service changes and to provide for emergency situations without first holding a public hearing. With this change, Metro can begin to provide service on an experimental basis as soon as demand for new service is identified without waiting for the entire public hearing process to be completed. This modification will enable Metro to more efficiently sample and serve new transit markets. In all cases, a public hearing would be held prior to instituting a permanent service change. In addition, WMATA would be required to hold a public hearing at the request of a local jurisdiction.

The public safety amendment expands the Metro Transit Police's jurisdiction to include Metrobus stops. Currently, the Metro police jurisdiction is limited to property owned by WMATA. The Transit Police have no official authority to interfere with criminal acts at its bus stops, and therefore cannot adequately protect patrons and Metro employees. A uniformed Metro police officer who may witness a crime near a bus stop does not have the authority to act. The local police departments in Maryland, Virginia, and the District of Columbia all support giving the Metro Transit Police jurisdiction at its bus stops.

With the advent of banking deregulation, WMATA also needs the flexibility to invest in a broader range of financial instruments and to deposit funds in a branch or subsidiary of any bank which has operations in the transit zone. Presently, WMATA's funds may only be deposited in State or national banks located in the transit zone. WMATA's investments are limited to bonds or other obligations of the United States, Maryland, Virginia, or their subdivisions. This amendment enables WMATA to engage in more efficient cash management practices.

Finally, the procurement amendment would increase the dollar threshold for advertising of contracts from $2,500 to $10,000 for the purchase of supplies and equipment, and from $10,000 to $25,000 for construction, reconstruction, or improvement of any facility. The current dollar limits were established in 1966 prior to the decade of high inflation, which dramatically changed the bidding climate. The Federal Government long ago recognized this situation and raised its limits requiring advertising to contracts above $25,000. The higher thresholds will bring WMATA more in line with not only the Federal Government, but also with other transit agencies and many local governments in the region. Raising the thresholds will increase WMATA procurement efficiency and reduce administrative staff time and costs.

Mr. Speaker, these amendments address routine, daily administrative and management activities of the Transit Authority. Once enacted, the new compact provisions will enable Metro to enhance the safety and efficiency of Metrorail and Metrobus operations and improve service to its ridership in Virginia, Maryland, the District of Columbia, and all who visit the National Capital Region.

The resolution and a summary of the resolution follow:

### H.J. RES. 352

Joint resolution granting the consent and approval of Congress for the State of Maryland, the Commonwealth of Virginia, and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact

Whereas the State of Maryland, the Commonwealth of Virginia and the District of Columbia have adopted amendments to the Washington Metropolitan Area Transit Regulation Compact relating to public hearing requirements, investment flexibility, procurement and public safety; and

Whereas the Congress has reviewed such amendments and is willing to consent to such amendments: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That consent of Congress is hereby given to the amendments of the State of Maryland (Chapters 674 and 675, 1984 Acts of the Maryland General Assembly), the amendments of the Commonwealth of Virginia (Chapter 610, 1984 Acts of Assembly of Virginia and Chapter 112, 1987 Acts of Assembly of Virginia) and the amendments of the District of Columbia (D.C. Law 5-122) to sections 62(a), 69(a), 69(b), 73 and 76(a) of the Washington Metropolitan Area Transit Regulation Compact. Such amendments are as follows:

"62(a) The Board shall not make or change any fare or rate, nor establish or abandon any service except after holding a public hearing with respect thereto, except for service changes required by an emergency; minor service changes as defined by regulations promulgated by the Board; experimental service established to test the effect of such service, and in effect for not more than six months; and fare and service changes established for special events.

"69(a) The Board may provide for the creation and administration of such funds as may be required. The funds shall be disbursed in accordance with rules established by the Board and all payments from any fund shall be reported to the Board. Moneys in such funds and other moneys of the Authority shall be deposited, as directed by the Board, in any branch or subsidiary of any state or national bank which has operations within the Zone, and having a total paid-in capital of at least one million dollars ($1,000,000). The trust department of any such state or national bank may be designated as a depositary to receive any securities acquired or owned by the Authority. The restriction with respect to paid-in capital may be waived for any such bank which agrees to pledge federal securities to protect the funds and securities of the Authority in such amounts and pursuant to such arrangements as may be acceptable to the Board.

"69(b) Any moneys of the Authority may, in the discretion of the Board and subject to any agreement or covenant between the Authority and the holders of any of its obligations limiting or restricting classes of investments, be invested in:

"(1) Direct obligations of or obligations guaranteed by the United States of America;

"(2) Bonds, debentures, notes or other evidences of indebtedness issued by agencies of the United States of America, including but not limited to the following: Bank for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Federal National Mortgage Association; Student Loan Marketing Association; Government National Mortgage Association; Tennessee Valley Authority; or United States Postal Service;

"(3) Securities that qualify as lawful investments and may be accepted as security for fiduciary, trust and public funds under the control of the United States or any officer or officers thereof, or securities eligible as collateral for deposits of moneys of the United States, including United States Treasury tax and loan accounts;

"(4) Domestic and Eurodollar certificates of deposit; and

"(5) Bonds, debentures, notes or other evidences of indebtedness issued by a domestic corporation, such as a corporation organized under the laws of one of the States of the United States, provided that such obligations are nonconvertible and at the time of their purchase are rated in the highest rating categories by a nationally recognized bond rating agency.

"73 Contracts for the construction, reconstruction or improvement of any facility when the expenditure required exceeds twenty-five thousand dollars ($25,000) and contracts for the purchase of supplies, equipment and materials when the expenditure required exceeds ten thousand dollars ($10,000) shall be advertised and let upon sealed bids to the lowest responsible bidder. Notice requesting such bids shall be published in a manner reasonably likely to attract prospective bidders, which publication shall be made at least ten days before bids are received and in at least two newspapers of general circulation in the Zone. The Board may reject any and all bids and readvertise in its discretion. If after rejecting bids the Board determines and resolves that, in its opinion, the supplies, equipment and materials may be purchased at a lower price in the open market, the Board may give each responsible bidder an opportunity to negotiate a price and may proceed to purchase the supplies, equipment and materials in the open market at a negotiated price which is lower than the lowest rejected bid of a responsible bidder, without further observance of the provisions requiring bids or notice. The Board shall adopt rules and regulations to provide for purchasing from the lowest responsible bidder when sealed bids, notice and publication are not required by this section. The Board may suspend and waive the provisions of this section requiring competitive bids whenever:

"(a) the purchase is to be made from or the contract is to be made with the federal or any State government or any agency or political subdivision thereof or pursuant to any open-end bulk-purchase contract of any of them;

"(b) the public exigency requires the immediate delivery of the articles;

"(c) only one source of supply is available; or

"(d) the equipment to be purchased is of a technical nature and the procurement thereof without advertising is necessary in order to assure standardization of equipment and interchangeability of parts in the public interest.

"76 (a) The Authority is authorized to establish and maintain a regular police force, to be known as the Metro Transit Police, to provide protection for its patrons, personnel, and transit facilities. The Metro Transit Police shall have the powers and duties and shall be subject to the limitations set forth in this section. It shall be composed of both uniformed and plainclothes personnel and shall be charged with the duty of enforcing the laws of the signatories, and the laws, ordinances and regulations of the political subdivisions thereof in the Transit Zone, and the rules and regulations of the Authority. The jurisdiction of the Metro Transit Police shall be limited to all the transit facilities (including bus stops) owned, controlled or operated by the Authority, but this restriction shall not limit the power of the Metro Transit Police to make arrests in the Transit Zone for violations committed upon, to or against such transit facilities committed from within or outside such transit facilities, while in hot or close pursuit or to execute traffic citations and criminal process in accordance with subsection (c) below. The members of the Metro Transit Police shall have concurrent jurisdiction in the performance of their duties with the duly constituted law enforcement agencies of the signatories and of the political subdivisions thereof in which any transit facility of the Authority is located or in which the Authority operates any transit service. Nothing contained in this section shall either relieve any signatory or political subdivision or agency thereof from its duty to provide police, fire and other public safety service and protection, or limit, restrict or interfere with the jurisdiction of or the performance of duties by the existing police, fire and other public safety agencies. For purposes of this section, "bus stop" means that area within 150 feet of a metrobus bus stop sign, excluding the interior of any building not owned, controlled, or operated by the Washington Metropolitan Area Transit Authority.".

Sec. 2. The right of Congress to alter, amend, or repeal this joint resolution is hereby expressly reserved.

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### WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY COMPACT TECHNICAL AMENDMENTS FACT SHEET

#### PUBLIC HEARINGS

Section 62(a)—This amendment provides that minor service changes, experimental service and emergency situations do not require a public hearing. The amendment clarifies current language, negates any potential challenges to current practices and reflects UMTA public hearing requirements.

#### PUBLIC SAFETY

Section 76(a)—This amendment gives Metro police jurisdiction at Metrobus bus stops. Currently, local police have jurisdiction at bus stops. This change allows Metro police to provide protection for transit patrons at bus stops, thus increasing patron protection and safety.

#### INVESTMENT FLEXIBILITY

Section 69(a)—This amendment allows WMATA to deposit funds in a branch or subsidiary of any bank which has operations within the Transit Zone. The change permits WMATA to take advantage of the greater flexibility in the banking industry as a result of deregulation.

Section 69(b)—This amendment permits WMATA to invest in a broader range of investments of the U.S. Government and its agencies and to invest in non-convertable instruments of a domestic corporation that carries the highest rating by an established bond rating agency. The amendment allows WMATA to gain a higher rate of return on investments and reduce payments for capital items and bond repayment. The expanded range of investments involves no greater risk than that assumed by the jurisdictions on their own investments.

#### PROCUREMENT

Section 73—This amendment raises the threshold for advertising contracts for supplies and equipment from $2,500 to $10,000 and for construction and reconstruction from $10,000 to $25,000. Updating the thresholds will increase procurement efficiency and reduce staff time and associated costs. The new thresholds will also make WMATA procurement policies more consistent with the Federal government, other transit properties and many local governments.

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## FARM PROGRAM PROMPT PAYMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. ENGLISH] is recognized for 60 minutes.

Mr. ENGLISH. Mr. Speaker, today I am introducing the Farm Program Prompt Payment Act. The purpose of this bill is to give this Nation's food and fiber producers the same protection against slow payment enjoyed by other persons who sign contracts with the Government. In the past, the Department of Agriculture has been free to make payments and commodity loans at its own discretion.

These payments and loans are made through the Commodity Credit Corporation, a wholly owned Government corporation chartered by the Congress to finance farm programs assigned by law to the Department of Agriculture. CCC has authority to borrow up to $25 billion from the U.S. Treasury, and the Congress appropriates sums to repay the Treasury for losses in the CCC operation. In the past 2 years, CCC has reached its borrowing limit and shut down operations until appropriations bills have been enacted.

This year, CCC shut down on May 1 and resumed operations on July 13. During that 2½ months, wheat harvest began and possibly half the crop became eligible for loans. Farmers were faced with a no-win choice: They could wait and stall their creditors or they could sell their grain on a depressed market sometimes as much as 30 cents a bushel below the loan level in my home State.

When farmers complained that they had to pay interest to the Government if they were late in paying taxes, the Department of Agriculture claimed that it did not bear any responsibility because it had no money. Some farmers were told that the blame rested with the Congress because the appropriations bill was not enacted. The House of Representatives could claim that the blame lay with the Senate because the House had acted in a timely manner but the Senate had not.

But farmers rightly complained that their contract was with the U.S. Government, and payment should be made in a timely manner or interest should accrue.

The bill I am introducing today amends the Prompt Payment Act to correct that situation for the future. It recognizes that the binding contract between farmers and the Government creates an obligation by the Government to pay promptly or else include interest on the money due the farmer when payment is finally made.

The dates when farmers become eligible for program benefits are often dependent on the date of harvest of a crop, thus the binding contracts they sign do not include a specific date when payments and loans are due. This bill establishes those due dates, taking into consideration the varying harvest times across the Nation. The dates established by the bill allow ample time for the Department of Agriculture to make timely payments during normal operating periods. The Government would have to make interest payments only when it had not acted to keep CCC in operation or when bureaucratic snarls held payments up.

This bill gives prompt payment protection to the producers who make us the best fed nation in the world. I urge its favorable consideration by the House.

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## NATIONAL QUALITY IMPROVEMENT ACT OF 1987

Mr. ROE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 812) to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Malcolm Baldrige National Quality Improvement Act of 1987".

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—The Congress finds and declares that—

(1) the leadership of the United States in product and process quality has been challenged strongly (and sometimes successfully) by foreign competition, and our Nation's productivity growth has improved less than our competitors over the last two decades;

(2) American business and industry are beginning to understand that poor quality costs companies as much as 20 percent of sales revenues nationally, and that improved quality of goods and services goes hand in hand with improved productivity, lower costs, and increased profitability;

(3) strategic planning for quality and quality improvement programs, through a commitment to excellence in manufacturing and services, are becoming more and more essential to the well-being of our Nation's economy and our ability to compete effectively in the global marketplace;

(4) improved management understanding of the factory floor, worker involvement in quality, and greater emphasis on statistical process control can lead to dramatic improvements in the cost and quality of manufactured products;

(5) the concept of quality improvement is directly applicable to small companies as well as large, to service industries as well as manufacturing, and to the public sector as well as private enterprise;

(6) in order to be successful, quality improvement programs must be management-led and customer-oriented and this may require fundamental changes in the way companies and agencies do business;

(7) several major industrial nations have successfully coupled rigorous private sector quality audits with national awards giving special recognition to those enterprises the audits identify as the very best; and

(8) a national quality award program of this kind in the United States would help improve quality and productivity by—

(A) helping to stimulate American companies to improve quality and productivity for the pride of recognition while obtaining a competitive edge through increased profits,

(B) recognizing the achievements of those companies which improve the quality of their goods and services and providing an example in others,

(C) establishing guidelines and criteria that can be used by business, industrial, governmental, and other organizations in evaluating their own quality improvement efforts, and

(D) providing specific guidance for other American organizations that wish to learn how to manage for high quality by making available detailed information on how winning organizations were able to change their cultures and achieve eminence.

(b) PURPOSE.—It is the purpose of this Act to provide for the establishment and conduct of a national quality improvement program under which (1) awards are given to selected companies and other organizations in the United States that practice effective quality management and as a result make significant improvements in the quality of their goods and services, and (2) information is disseminated about the successful strategies and programs.

**SEC. 3. ESTABLISHMENT OF THE MALCOLM BALDRIGE NATIONAL QUALITY AWARD PROGRAM.**

(a) IN GENERAL.—The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended by redesignating sections 16, 17, and 18 as sections 17, 18, and 19, respectively, and by inserting after section 15 the following new section:

**"SEC. 16. MALCOLM BALDRIGE NATIONAL QUALITY AWARD.**

"(a) ESTABLISHMENT.—There is hereby established the Malcolm Baldrige National Quality Award, which shall be evidenced by a medal bearing the inscriptions 'Malcolm Baldrige National Quality Award' and 'The Quest for Excellence'. The medal shall be of such design and materials and bear such additional inscriptions as the Secretary may prescribe.

"(b) MAKING AND PRESENTATION OF AWARD.—(1) The President (on the basis of recommendations received from the Secretary), or the Secretary, shall periodically make the award to companies and other organizations which in the judgment of the President or the Secretary have substantially benefited the economic or social well-being of the United States through improvements in the quality of their goods or services resulting from the effective practice of quality management, and which as a consequence are deserving of special recognition.

"(2) The presentation of the award shall be made by the President or the Secretary with such ceremonies as the President or the Secretary may deem proper.

"(3) An organization to which an award is made under this section, and which agrees to help other American organizations improve their quality management, may publicize its receipt of such award and use the award in its advertising, but it shall be ineligible to receive another such award in the same category for a period of 5 years.

"(c) CATEGORIES IN WHICH AWARD MAY BE GIVEN.—(1) Subject to paragraph (2), separate awards shall be made to qualifying organizations in each of the following categories—

"(A) Small businesses.

"(B) Companies or their subsidiaries.

"(C) Companies which primarily provide services.

"(2) The Secretary may at any time expand, subdivide, or otherwise modify the list of categories within which awards may be made as initially in effect under paragraph (1), and may establish separate awards for other organizations including units of government, upon a determination that the objectives of this section would be better served thereby; except that any such expansion, subdivision, modification, or establishment shall not be effective unless and until the Secretary has submitted a detailed description thereof to the Congress and a period of 30 days has elapsed since that submission.

"(3) Not more than two awards may be made within any subcategory in any year (and no award shall be made within any category or subcategory if there are no qualifying enterprises in that category or subcategory).

"(d) CRITERIA FOR QUALIFICATION.—(1) An organization may qualify for an award under this section only if it—

"(A) applies to the Director of the National Bureau of Standards in writing, for the award,

"(B) permits a rigorous evaluation of the way in which its business and other operations have contributed to improvements in the quality of goods and services, and

"(C) meets such requirements and specifications as the Secretary, after receiving recommendations from the Board of Overseers established under paragraph (2)(B) and the Director of the National Bureau of Standards, determines to be appropriate to achieve the objectives of this section.

In applying the provisions of subparagraph (C) with respect to any organization, the Director of the National Bureau of Standards shall rely upon an intensive evaluation by a competent board of examiners which shall review the evidence submitted by the organization and, through a site visit, verify the accuracy of the quality improvements claimed. The examination should encompass all aspects of the organization's current practice of quality management, as well as the organization's provision for quality management in its future goals. The award shall be given only to organizations which have made outstanding improvements in the quality of their goods or services (or both) and which demonstrate effective quality management through the training and involvement of all levels of personnel in quality improvement.

"(2)(A) The Director of the National Bureau of Standards shall, under appropriate contractual arrangements, carry out the Director's responsibilities under subparagraphs (A) and (B) of paragraph (1) through one or more broadbased nonprofit entities which are leaders in the field of quality management and which have a history of service to society.

"(B) The Secretary shall appoint a board of overseers for the award, consisting of at least five persons selected for their preeminence in the field of quality management. This board shall meet annually to review the work of the contractor or contractors and make such suggestions for the improvement of the award process as they deem necessary. The board shall report the results of the award activities to the Director of the National Bureau of Standards each year, along with its recommendations for improvement of the process.

"(e) Information and Technology Transfer Program.—The Director of the National Bureau of Standards shall ensure that all program participants receive the complete results of their audits as well as detailed explanations of all suggestions for improvements. The Director shall also provide information about the awards and the successful quality improvement strategies and programs of the awardwinning participants to all participants and other appropriate groups.

"(f) Funding.—The Secretary is authorized to seek and accept gifts from public and private sources to carry out the program under this section. If additional sums are needed to cover the full cost of the program, the Secretary shall impose fees upon the organizations applying for the award in amounts sufficient to provide such additional sums.

"(g) Report.—The Secretary shall prepare and submit to the President and the Congress, within 3 years after the date of the enactment of this setion, a report on the progress, findings, and conclusions of activities conducted pursuant to this section along with recommendations for possible modifications thereof.".

(b) Conforming Amendment.—Section 9(d) of such Act (15 U.S.C. 3708(d)) is amended by striking "or 16" and inserting in lieu thereof "16, or 17".

Amend the title so as to read: "An Act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish the Malcolm Baldrige National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services.".

Mr. ROE (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the Record.

The SPEAKER pro tempore (Mr. Gray of Illinois). Is there objection to the request of the gentleman from New Jersey?

Mr. LUJAN. Mr. Speaker, reserving the right to object, I yield to the gentleman from New Jersey [Mr. Roe].

Mr. ROE. Mr. Speaker, I rise in support of H.R. 812, the Malcolm Baldrige National Quality Improvement Act of 1987. H.R. 812 passed the House on June 8, 1987, as the National Quality Improvement Act of 1987. The Senate then amended it by renaming the bill the Malcolm Baldrige National Quality Improvement Act to pay homage to the late Secretary of Commerce. This bill establishes a National Quality Award in Secretary Baldrige's name to recognize and reward high quality in the goods and services of American business.

Malcolm Baldrige knew from firsthand experience that the strength of American manufacturing depended on maintaining both high performance and high quality on the factory floor. He began his career in manufacturing in 1947 as a foundry hand at the Eastern Malleable Iron Co. in Naugatuck, CT, rising to president of the company by 1960. His own career in industry symbolizes the very essence of the award being established in his name.

The award that H.R. 812 creates is modeled after the Japanese Deming Prize which is granted to companies, by specific category, which have attained highest quality management and best adherence to the principles of statistical quality control.

The Baldrige award will consist of a medal inscribed with the words "Malcolm Baldrige National Quality Award" and "The Quest for Excellence." It will be bestowed by the President or the Secretary of Commerce to selected companies in recognition of improved quality. To qualify for the award applicants must prevail in an extensive review and examination of the way in which they operate as a business. The review process will be conducted by a panel of our Nation's best quality experts. Those companies receiving the award then are permitted to use the commendation in their advertisements. This mechanism appears to be highly successful for recipients of the Deming Prize in Japan.

The National Bureau of Standards is tasked with recruiting the private sector quality experts who will audit the program. We believe the Bureau to be uniquely suited for the responsibility of providing the independent and unbiased expertise necessary for judging product and performance quality.

The entire award program outlined in H.R. 812, including administrative costs, would be funded by private contributions, or by a fee charged to award applicants. Thus, there are no appropriated Federal funds involved here.

Mr. Speaker, the bill language is designed to provide the President or the Secretary of Commerce with flexibility in bestowing the award by substituting the term periodically for the term annually, although it is generally presumed that awards will be made every year. It is possible that there may be some years when no candidates will measure up to the award's criteria and therefore a dictate to make annual awards needs to be avoided in the provisions.

Similarly, the provision that no more than two awards be granted in any one category should be understood to have flexibility at the Secretary's discretion. If the Secretary finds that there are more than two entries in a category that clearly warrant the award, then he has the authority to expand, subdivide or modify a category accordingly. We do not expect this to be a frequent occurrence, however only the experience gained by conducting the awards program will make us knowledgeable of how many categories are needed and whether or not other statutory revisions are necessary.

Mr. Speaker, America's products are facing their toughest competition even in today's global marketplace. The pack of industrial nations continues to grow both in commitment and competence to capture markets that were once our Nation's exclusive domain. We as a nation not only need to make every effort to encourage meeting the highest standards of quality, but we need to rebuild the confidence that America can redefine and elevate the meaning of quality by its own new standards for product and performance.

Mr. Speaker, H.R. 812 had solid bipartisan support among the Members when it passed the House in June, and recently in the Senate. Not only is it a bill that furnishes incentive for American industry to establish the highest standards of quality, but it is a fitting tribute to a man whose career was devoted to the pursuit of excellence. I urge my colleagues to support this legislation.

### TRIBUTE TO JACK WYDLER

Mr. Speaker, it is with a sad heart that I rise to pay tribute to a former colleague and good friend who passed away last Tuesday. Jack Wydler and I served together on the Science, Space, and Technology Committee from 1969 until his retirement in 1980. Jack was an indefatigable worker and a dedicated representative of his constituency. He served as the ranking Republican member of the committee. In this position of leadership he made a major contribution to the legislative accomplishments of the committee. Of particular significance was the legislation that bears his name, the Stevenson-Wydler Act. This visionary legislation recognized very early the need of this Nation to deal systematically and imaginatively with the problem of international technological competitiveness. The Stevenson-Wydler legislation will undergird our present thrust to deal with this program.

On a personal basis, we will all miss his hearty good fellowship. His friendship and cooperation will not be forgotten. I know that all the members of the Committee on Science, Space, and Technology join me in offering sincere sympathy to Brenda and the whole Wydler family in their bereavement.

Mr. LUJAN. Mr. Speaker, further reserving the right to object, I rise in strong support of H.R. 812, as amended by the Senate, and urge my colleagues to do likewise.

H.R. 812 was introduced in the House on May 18, 1987, as the National Quality Improvement Act of 1987.

In honor of Secretary Malcolm Baldrige and in recognition of his contribution to Government service, it is fitting that this award be named in his honor. The Senate amendment to H.R. 812 does just that.

Malcolm Baldrige will be remembered for his focus on a sound U.S. trade policy, for his strong management style and for recognizing the value of technology transfer not only domestically but also internationally.

The House Committee on Science, Space, and Technology is indebted to Secretary Baldrige. He was instrumental not only in the movement of this legislation but on several other issues of great importance to the committee.

H.R. 812 amends the Stevenson-Wydler Act of 1980 and, as the ranking Republican member of the Science Committee, I would like to pay tribute to former Congressman Jack Wydler, who passed away 2 days ago. Jack served on the Science Committee from 1964 until his retirement from Congress in 1981. During the 95th and 96th Congress, he served as the ranking Republican on the committee. He was a friend and a colleague and will be remembered always. On behalf of the committee, I extend condolences to his wife and three children.

I urge passage of H.R. 812 as amended.

Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. Walgren].

Mr. WALGREN. Mr. Speaker, I thank the gentleman for yielding. I rise to urge support for final passage of H.R. 812, the Malcolm Baldrige Quality Improvement Act of 1987 as it has been amended by the Senate. This act was essentially amended by the Senate to rename the bill in honor of Malcolm Baldrige, the late Secretary of Commerce. Certainly his life and the contributions he made to our National Government in these several years are important indeed, and his memory is certainly appropriate for what we try to do in this bill.

The purpose of the bill is to encourage American businesses to improve the quality of their goods and services. We all know that in the future economic world we will find ourselves in that quality is what counts, and that it is going to take improvements in quality to market our production both here and abroad.

As Secretary of Commerce, Malcolm Baldrige was in the forefront of the fight to regain America's preeminence as the world leader in trade and commerce, certainly it is fitting that this National Award for Excellence be established in his name.

If the gentleman will continue to yield, I would like to quote from a letter that we received from Secretary Baldrige when we as a committee worked on this bill. He described this program as—

> Another step in encouraging American businesses to improve the quality of their goods and services.

And noted that it does so without—

> Throwing a lot of dollars around indiscriminately at programs of unproven worth.

Secretary Baldrige said:

> We have to encourage American executives to get out of their boardrooms and onto the factory floor to learn how their products are made and how they can be made better.

Certainly we know that in the pursuit of this award process that is exactly what those executives will have to do, and certainly their production processes will be the beneficiaries.

I also would like to mention in passing that this is an area that has been governed by the umbrella act of Stevenson-Wydler, named for Jack Wydler who served on our Committee on Science, Space, and Technology for a number of years before he retired several years ago, and of course Congressman Wydler died several days ago. So it is certainly appropriate that we remember his lasting imprint in this area. This act, by amending Stevenson-Wydler, would pay tribute to him as well.

I want to say again how much we all hope that we will see the return of the days when "made in the U.S.A." was synonymous with the best that money or anyone could buy anywhere in any form. I urge my colleagues to support this important legislation and thank the gentleman for yielding.

Mr. Speaker, I urge final passage of H.R. 812, the Malcolm Baldrige National Quality Improvement Act of 1987, as amended and passed by the Senate on August 5, 1987. H.R. 812 passed the House on June 8, 1987, as the National Quality Improvement Act of 1987. It was amended in the Senate by renaming the bill the Malcolm Baldrige National Quality Improvement Act of 1987 in honor of the late Secretary of Commerce.

The purpose of the bill is to encourage American businesses to improve the quality of their goods and services. Through sponsorship of the Malcolm Baldrige National Quality Award, to be given to the most meticulous of our companies, recognition is being given to the importance of quality to this country's economic well-being.

As Secretary of Commerce, Malcolm Baldrige was in the forefront of the fight to regain America's preeminence as the world leader in trade and commerce. I think it is most fitting that this national award for excellence be established in his name.

I would like to quote from a letter that I received from Secretary Baldrige when H.R. 812 was being considered by the Science, Space, and Technology Committee:

> H.R. 812 takes yet another step in encouraging American businesses to improve the quality of their goods and services, and does so without throwing a lot of dollars around indiscriminately at programs of unproven worth. We have to encourage American executives to get out of their boardrooms and onto the factory floor to learn how their products are made and how they can be made better.

H.R. 812 will do exactly this for applicants for the Baldrige Quality Award by means of its extensive quality audits and by singling out America's best companies for praise and emulation.

I would also like to remind my colleagues that this bill is an amendment to the Stevenson-Wydler Act, named after our distinguished former colleague from New York, Jack Wydler, who passed away this Tuesday. Therefore, this act pays tribute to the Science Committee's former Republican leader as well as to Secretary Baldrige.

Mr. Speaker, I want to see a return to the days when "made in the U.S.A." is synonymous with "the best that money can buy." I urge my colleagues to support final passage of this important legislation.

Mr. LUJAN. Mr. Speaker, further reserving the right to object, I yield to the gentleman from New York [Mr. Boehlert].

Mr. BOEHLERT. Mr. Speaker, I want to join my colleagues in offering strong support for this fitting tribute to Secretary Baldrige.

In a letter to our committee in March, Secretary Baldrige endorsed H.R. 812 as—

> Another step in encouraging American businesses to improve the quality of their goods and services.

He continued:

> We have to encourage American executives to get out of their boardrooms and onto the factory floor to learn how their products are made and how they can be made better.

That was the heart of Malcolm Baldrige's philosophy—active, personal involvement to improve every aspect of any operation he headed. He put that philosophy to work both in business and at the Commerce Department, where he revitalized an immense bureaucracy that had been virtually ignored for years.

I can think of no more appropriate memorial to Secretary Baldrige than the creation of the "National Quality Award"—a medal that would lead more executives to follow in his very active footsteps.

In closing, Mr. Speaker, would also like to join with my colleagues in paying tribute to a former very distinguished member of our committee, the late Jack Wydler.

Mr. LUJAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from New Jersey?

There was no objection.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate amendments just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Gonzalez] is recognized for 60 minutes.

[Mr. GONZALEZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

## RECESS

The **SPEAKER** pro tempore. Pursuant to a previous order of the House, the Chair declares the House in recess until 3 p.m. today.

The Chair will notify Members 15 minutes prior to reconvening.

Accordingly (at 1 o'clock and 28 minutes p.m.), the House stood in recess until 3 p.m.

□ 1530

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 23 minutes p.m.

## FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2855. An act to settle Indian land claims in the town of Gay Head, MA, and for other purposes.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2974. An Act to amend title 10, United States Code, to make technical corrections in provisions of law enacted by the Military Retirement Reform Act of 1986.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mrs. Emery, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the following titles:

On July 21, 1987:

H.J. Res. 122. Joint resolution to designate the week beginning July 16, 1987, as "Snow White Week."

On July 22, 1987:

H.R. 558. An act to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children.

On July 30, 1987:

H.R. 3022. An act to provide for a temporary extension of the public debt limit.

## REPEAL BUDGET ACT AND GRAMM-RUDMAN-HOLLINGS

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **CONTE.** Mr. Speaker, after the August recess I will introduce a bill to repeal the Budget Act and Gramm-Rudman-Hollings.

I know that many Members are reluctant to give up the deadlines in the Budget Act. But in 11 fiscal years under the Budget Act we have met the deadline for adopting the first budget resolution once, in 1977.

Look at how long it has taken to adopt the budget resolution in the last 5 fiscal years: 1988, June 24, 70 days late; 1987, June 27, 73 days late; 1986, August 1, 78 days late; 1984, October 1, 139 days late; and 1983, June 23, 39 days late.

During these 5 years, out of a total of 65 appropriation bills, only 9 were signed before the start of the fiscal year, 18 were signed after the start of the fiscal year, and 38 bills were carried for the full year in a CR.

The last time we enacted all of the appropriation bills before the start of the fiscal year was 1954.

In fiscal 1986 and 1987 not a single appropriation bill was enacted before the start of the fiscal year. In fiscal 1987 not a single bill was enacted. All 13 were carried in the CR.

The budget process virtually guarantees that we will not be able to act on appropriations, and that there will be a big CR.

Repeal the Budget Act. Repeal Gramm-Rudman-Hollings. Send Mickey Mouse back to Disneyland. Then the President will propose, and the Congress will dispose, and the responsibility for deficits and CR's will be absolutely clear.

Of course, maybe that's what we're afraid of.

## FORTY-SECOND ANNIVERSARY OF DROPPING OF ATOMIC BOMB ON HIROSHIMA

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **WEISS.** Mr. Speaker, yesterday the world commemorated the 42d anniversary of the dropping of an atomic bomb on Hiroshima.

We, meaning all humanity, have been fortunate for the last 42 years in that there has not been, except for the second bomb dropped on Nagasaki a few days later, a repetition of that event.

We have no guarantee that we will always be as lucky. It only takes one accident, one dropping of a bomb anyplace, for it to trigger an all-out nuclear war.

I had occasion as a young member of the U.S. Armed Forces to visit Hiroshima in the summer of 1947, barely 2 years after the bomb was dropped. Hiroshima had not at all been rebuilt. There were some wooden structures that had been put up as temporary shelters. The observatory, which has become the symbol of the atomic bomb attack, was there as it is now as a reminder.

I have had occasion since then to revisit Hiroshima. The city has been totally rebuilt, but the people of that city are understandably obsessed with what happened on August 6, 1945. They look forward and they look backward.

They know, as we all should know, that Hiroshima serves as a constant object lesson to all of humanity. We had better get on with the business of reining in the nuclear arms race before it means the destruction of all of us.

## U.S. WHEAT GLUTEN INDUSTRY VICTIMIZED BY EEC SUBSIDIES

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **SLATTERY.** Mr. Speaker, fair trade is taking another beating at the hands of the European Economic Community.

The U.S. wheat gluten industry is about to become the latest victim of EEC predatory pricing practices.

Wheat gluten is a protein derivative of wheat flour that is used in products ranging from breakfast cereals to pasta to whole grain breads.

EEC wheat gluten producers are selling to U.S. customers at prices that undercut U.S. manufacturers by 20 percent—prices made possible by export subsidies that are clearly in violation of the GATT.

The EEC is now poised to dramatically expand subsidized wheat gluten exports. According to industry estimates, the surplus from the European producers could soon supply the entire U.S. market.

Today, I am introducing a resolution urging that the U.S. Trade Representative immediately institute proceedings under section 301 to respond to these unfair trade subsidies. If consultation with the European Community fails to result in the complete elimination of wheat gluten subsidies, the U.S. Trade Representative should recommend to the President relief that would completely offset the effect of those subsidies on the U.S. wheat gluten industry.

Mr. Speaker, the U.S. Trade Representative must act now.

The U.S. wheat gluten industry is small. It is comprised of only three firms nationwide. Moreover, these

firms are not a part of larger companies which could absorb losses while lengthy trade negotiations take place.

Matching the subsidized price of EEC wheat gluten would cost domestic manufacturers $20 million per year—a loss they could not sustain for even 1 year.

These subsidies aren't even hidden. In fact, the level of export subsidies is published monthly by the EEC. According to the June 1 report, firms exporting wheat gluten are refunded 14.8 cents per pound, assuming the July 17 exchange rates.

The EEC now produces a surplus of 70 million pounds of wheat gluten each year. The completion of additional facilities now under construction will increase surplus production to 100 million pounds.

The total U.S. market for wheat gluten is only 130 million pounds. In the very near future, the EEC will be able to supply that market from its surplus production alone.

Concern over the subsidized production and export of wheat gluten is by no means confined to the wheat gluten industry. It is an issue for agricultural producers as well.

This problem began with EEC-subsidized production of starch from low-protein European wheat. Wheat gluten is a coproduct of that process, and is now being produced in quantities that far exceed EEC needs. From 1980 to 1985, the EEC share of world wheat gluten production jumped from 23 to 38 percent.

The production of wheat starch has allowed the EEC to dramatically cut imports of U.S. corn, while the gluten byproduct has served as a protein supplement, allowing the EEC to sharply reduce imports of high-protein U.S. wheat.

Furthermore, if we allow EEC wheat gluten to replace our domestic production it will further reduce the utilization of U.S. wheat by 10 million bushels annually. It would be the functional equivalent of importing 10 million bushels of wheat each year.

To protect its domestic industry, the EEC also restricts imports of wheat gluten through a 90-percent import duty—11 times higher than the duty imposed on U.S. wheat gluten imports. As other wheat gluten producers are shut out of the EEC market, the risk grows that the United States will become a dumping ground for the world's excess.

Mr. Speaker, all my resolution asks for is a level playing field. I do not support or condone protectionism. But we must demand that our trading partners follow the same accepted standards of international fair trade that we do.

Unfortunately, trade rights are not self-enforcing. We must stand up and defend our rights in the international marketplace or we will lose those rights.

The EEC has consistently taken a hardball approach to international trade. And it's time we get in the game. The tools to combat these unfair and predatory trade practices are available under current law. But we must have the backbone to use them.

No amount of moral suasion is going to solve this problem. The EEC will attempt to take advantage of us at every opportunity and they will get by with it any time we allow them.

We have the option of sitting on the sidelines while American industry and workers take one beating after another. Or we can get in the game and help defend U.S. firms against international economic attack. The sooner we decide to go to bat for American industry and workers the better.

## GENERAL LEAVE

Mr. **BONIOR** of Michigan. Mr. Speaker, earlier today the House rejected the rule on House Joint Resolution 132, and as a result general debate was not available to Members of the House to express themselves on the joint resolution.

Therefore, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the rule, House Resolution 238, and that Members be permitted to address the subject matter of the joint resolution to which the rule pertains under this general leave.

The **SPEAKER.** Is there objection to the request of the gentleman from Michigan?

There was no objection.

## EXTENDING GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN UNITED STATES AND SOVIET UNION (H. DOC. NO. 100-96)

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries, and orderd to be printed.

(For message, see proceedings of the Senate of today, Friday, August 7, 1987.)

## RECESS

The **SPEAKER.** The Chair declares the House in recess until 4:30 p.m.

Accordingly (at 3 o'clock and 34 minutes p.m.), the House stood in recess until 4:30 p.m.

□ 1706

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. Frost] at 5 o'clock and 6 minutes p.m.

## LEGISLATIVE PROGRAM

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. **FOLEY.** Mr. Speaker, I would yield to the distinguished chairman of the Committee on Ways and Means, Mr. Rostenkowski, and ask him to report to the House on the proceeding of the Committee on Conference.

Mr. **ROSTENKOWSKI.** Mr. Speaker, will the gentleman yield?

Mr. **FOLEY.** I yield to the gentleman from Illinois [Mr. Rostenkowski].

Mr. **ROSTENKOWSKI.** I thank the gentleman for yielding.

Mr. Speaker, the House has just received a counteroffer from the Senate to the offer made by the House and it is the intention of the chairman of the House conferees to have the House conferees meet at 5:30 in room 1100, Longworth Building, to further consider the Senate counteroffer.

The offer is one that I think certainly shows progress and I think that the House conferees should sit in conference and make a judgment about it.

I would like to go further, Mr. Majority Leader, and suggest that it is my intention to offer a motion with respect to a short-term extension. However, the conference that is presently considering the long-term extension has not concluded and should not in any way be interpreted as concluded. It is my judgment, Mr. Speaker, that if we pass the short-term extension that the conference will continue to meet with the possibilities of sending a counteroffer to the Senate, should this offer by the Senate not be agreed to.

It is my judgment that this is a valid undertaking with every intention of concluding a successful conference and if it is at all possible, I would like to see that done.

If, Mr. Speaker, that is not possible it does not mean that the conference is going to report back in disagreement; there is a possibility that we could come back in September and further consider what the conference has before it.

Mr. **LOTT.** Mr. Speaker, will the gentleman yield?

Mr. **FOLEY.** I yield to the gentleman.

Mr. **LOTT.** I thank the gentleman for yielding.

Mr. Speaker, could the gentleman translate that?

**Mr. ROSTENKOWSKI.** Was the gentleman not listening?

**Mr. LOTT.** I was listening but I would like to put it in layman's language as to what that means for the Members as far as what they are going to be expected to do in the next hour and what that means for them tonight or tomorrow.

**Mr. ROSTENKOWSKI.** Well, the conferees that were so eager to serve on this conference will meet at 5:30.

**Mr. LOTT.** Are we fixing to have a motion now and a vote on a short-term extension?

**Mr. ROSTENKOWSKI.** It is the intention of the chairman of the Committee on Ways and Means to offer that as a motion so that other Members if they feel that they have to leave can leave. But I do not see us coming to any——

**Mr. LOTT.** And that would take us 45 days, short-term? What is the short-term?

**Mr. ROSTENKOWSKI.** September 23.

**Mr. LOTT.** September 23. And if I could ask the distinguished majority leader, would we then plan to bring up the adjournment resolution?

**Mr. FOLEY.** Yes, it would be our intention to bring up the adjournment resolution, again with the understanding that the members of the conference committee would continue to seek to reach agreement.

**Mr. LOTT.** So the hope is to keep the conferees here but the other Members, assuming that the short-term should pass, and be accepted by the Senate, then the other Members would not be expected to be here tomorrow, for instance, is that correct?

**Mr. FOLEY.** The gentleman is correct.

**Mr. LOTT.** The gentleman from Illinois, if I could address a question to him, if the gentleman from Washington would yield so that I could ask a question: Does the gentleman have any idea how long the conference might work tonight? I mean, we could go through these offers and counteroffers for a good long while.

**Mr. ROSTENKOWSKI.** Well, it is very unfair for me to make a judgment as to how long it will meet. All things being favorably considered, the gentleman from Illinois would like to see a counteroffer offered to the Senate and maybe a negotiation, the possibility of agreeing to a conference report, the possibility of conferees signing it but not taking it up until such time as we return from our recess.

**Mr. LOTT.** Let me ask you this then: Just assume that there should be some second birth here of this thing and you could get an agreement at midnight tonight, I take it that the long-term extension with this agreement would not be brought back to the House until September.

**Mr. ROSTENKOWSKI.** I am sure that the leadership would make those arrangements so that the Members will not have to return.

**Mr. LOTT.** I thank the gentleman.

## TEMPORARY PUBLIC DEBT LIMIT INCREASE

**Mr. ROSTENKOWSKI.** Mr. Speaker, pursuant to the unanimous-consent agreement of August 6, 1987, and with the consent of the majority and the minority leaders, I call up the bill (H.R. 3190), to provide for a temporary increase in the public debt limit.

The Clerk read the bill, as follows:

H.R. 3190

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That during the period beginning on the date of the enactment of this Act and ending on September 23, 1987, the public debt limit set forth in subsection (b) of section 3101 of title 31, United States Code, shall be equal to $2,352,000,000,000.

The **SPEAKER** pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 1 hour.

**Mr. ROSTENKOWSKI.** Mr. Speaker, the debt ceiling extension which is what we have just discussed carries us through September 23. It is at the level of $2,352,000,000,000 through September 23.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The **SPEAKER** pro tempore. Pursuant to the order of the House on Thursday, August 6, 1987, the previous question is ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

## ANNOUNCEMENT BY THE CHAIRMAN OF THE COMMITTEE ON WAYS AND MEANS

**Mr. ROSTENKOWSKI.** Mr. Speaker, I wish to announce to the Members that the House conferees on the budget are meeting at 5:30 in 1100 Longworth House Office Building.

□ 1715

## AN UPDATE ON THE CURRENT STATUS OF FSLIC

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. PARRIS.** Mr. Speaker, my colleagues will recall that I have taken the floor of this House on a number of occasions in the recent past to discuss the FSLIC bill. We have now passed the bill. I supported it, and it was necessary to do so.

Subject to the passage of that bill, we have undertaken to calculate the premium income for 1987 based on the average savings and loan deposits during the year 1987. That figure is $894 billion. If you take the projection based on the deposit growth for the first 5 months of 1987, with the regular premium of one-twelfth of 1 percent, $745 million, the special assessment on that amount of money, one-eighth of 1 percent, is $1,118 million on total gross premium income of $1,863 million, less 20 percent, as authorized under the bill, with the recovery of the secondary reserve $165 million, the net premium income to FSLIC in 1987 would be $1,698 million. The annual interest payments on the recap bonds authorized by the bill, assuming 10 percent rates, which is 1.25 percent or 125 basis points higher than the current yield on long-term Treasury bonds, the annual interest cost to FSLIC on the full amount of the $10.824 billion in bonds at 10 percent obviously is $1,082,400,000. This is the amount of interest that will be charged on these bonds each and every year for the 25 or 30 years.

The key facts regarding the debt service burden are these, Mr. Speaker: The annual interest on the $10.82 billion will exceed FSLIC's current regular premium income, as indicated earlier in these remarks, at $745 million, by approximately $337 million annually.

Let me just summarize my comments, Mr. Speaker. I will do so very quickly. The point of all this is that FSLIC's current regular premium income of $745 million will be in fact exceeded by the cost of the bonds to be issued in full amount by $337 million annually. If the savings and loan deposits level off, if the debt service on the bonds through the years, 1990 through 1992, will consume two-thirds of FSLIC's total premium income, if you believe in and adhere to the 20-percent annual amortization of the secondary reserve and if the special assessment is not phased out.

Therefore, the debt service on the recap plan bonds will consume 60 percent of FSLIC's current premium income, assuming the special assessment continues indefinitely, and it would certainly appear from these numbers, Mr. Speaker, that we have no alternative but to do so.

## PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM FRIDAY, AUGUST 7, 1987, OR SATURDAY, AUGUST 8, 1987, TO WEDNESDAY, SEPTEMBER 9, 1987

**Mr. FOLEY.** Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 175) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 175

*Resolved by the House of Representatives (the Senate concurring),* That when the House adjourns on Friday, August 7, 1987, or Saturday, August 8, 1987, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Wednesday, September 9, 1987, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution,

SEC. 2. The Speaker of the House and the majority leader of the Senate, acting jointly after consultation with the minority leader of the House and the minority leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

## AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES NOTWITHSTANDING ADJOURNMENT

**Mr. FOLEY.** Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Wednesday, September 9, 1987, the Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

The **SPEAKER** pro tempore (Mr. FROST). Is there objection to the request of the gentleman from Washington?

There was no objection.

## DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 9, 1987

**Mr. FOLEY.** Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Calendar Wednesday, September 9, 1987.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

## EXTENDING TO MEMBERS PRIVILEGE TO REVISE AND EXTEND REMARKS IN THE CONGRESSIONAL RECORD NOTWITHSTANDING ADJOURNMENT

**Mr. FOLEY.** Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Wednesday, September 9, 1987, all Members of the House shall have the privilege to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extensions of remarks; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the said adjournment.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

## INTRODUCTION OF THE MISSISSIPPI RIVER NATIONAL HERITAGE CORRIDOR ACT

(Mr. ESPY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

**Mr. ESPY.** Mr. Speaker, today I am joined by 43 of my colleagues in introducing legislation that would create the Mississippi River National Heritage Corridor. I am proud to be the chief sponsor of this bill and honored to have my friends and colleagues join me. We are joined in our efforts by the federally recognized Mississippi River Parkway Commission which is headquartered in St. Paul, MN.

The mighty Mississippi River stretches 2,470 miles from north central Minnesota to the Gulf of Mexico and runs the entire western length of my district, more than 300 miles along its banks. The identity of 10 States are intimately linked to the river; Arkansas, Illinois, Iowa, Kentucky, Louisiana, Minnesota, Mississippi, Missouri, Tennessee, and Wisconsin are touched by the Mississippi River in more than one way.

The Mississippi River is a national treasure, unique for the abundance of commerce, folklore, culture, and history, and a special way of life for millions of Americans for more than two centuries. This river is known throughout the world and its reputation as the great river goes beyond the fact that it is a massive body of water.

The Mississippi River means trade, commerce, and jobs, and with the creation of the National Heritage Corridor, we will provide a means and a stimulus for coordination for the preservation, protection, enhancement, enjoyment, and continuing utilization of the resources of the Mississippi River.

Mr. Speaker, because there is no single source to collect or disseminate information on the multiuses and opportunities in the river valley, the commission formed by this legislation will serve a valuable role as a clearinghouse for a variety of information about the Mississippi River. The commission will be charged with the completion of a multifaceted study and assessment of the resources and economic opportunities in the corridor. I feel that a balanced approach in the uses of the river will help preserve its beauty, its health, and its reputation as a living, working river.

The creation of the Mississippi River National Heritage Corridor is long overdue and important to the overall development of the river valley. Through the enactment of this legislative proposal, I believe we can insure the greatest possible use of the river with a balanced concern for its heritage, historical landmarks, wildlife preservation, and economic growth for generations.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 925

**Mr. BILBRAY.** Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 925.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Nevada?

There was no objection.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3142

**Mr. MARTINEZ.** Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 3142.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1122

**Mr. STENHOLM.** Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 1122. My name was added erroneously.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

## PARLIAMENTARY INQUIRY

**Mr. FRENZEL.** Mr. Speaker, I have a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman will state it.

**Mr. FRENZEL.** Mr. Speaker, on the assumption that the House is going to recess again, can the Chair inform the Members as to how long the notice will be for the Members when we return to session?

The **SPEAKER** pro tempore. The bells will be rung 15 minutes before the House goes back into session.

**Mr. FRENZEL.** We will be on 15 minutes' notice only?

The **SPEAKER** pro tempore. The gentleman is correct. And the cloakrooms will be notified.

## RECESS

The **SPEAKER** pro tempore. The Chair declares a recess subject to the call of the Chair.

Accordingly (at 5 o'clock and 29 minutes p.m.), the House stood in recess subject to the call of the Chair.

☐ 2155

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 10 o'clock and 5 minutes p.m.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and joint resolution of the House of the following titles:

H.R. 3190. An act to provide for a temporary increase in the public debt limit; and

H.J. Res. 216. Joint resolution to support a ceasefire in the Iran-Iraq war and a negotiated solution to the conflict.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 175. Concurrent resolution providing for an adjournment of the Congress until September 9, 1987.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 1591) entitled "An act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1441. An act to reduce the incidence of infant mortality;

S. 1574. An act to combine the Senators' Clerk Hire Allowance Account and the Senators' Official Office Expense Account into a combined single account to be known as the "Senators' Official Personnel and Office Expense Account", and for other purposes; and

S. 1642. An act to designate the U.S. Courthouse located at the intersection of Uniondale Avenue and Hempstead Turnpike in Uniondale, NY, as the "John W. Wydler United States Courthouse."

## MESSAGE FROM THE SENATE

The SPEAKER. The Chair lays before the House the following message from the Senate:

The Clerk read as follows:

H. Con. Res. 175

*Resolved*, That the concurrent resolution from the House of Representatives (H. Con. Res. 175) entitled "Concurrent resolution providing for an adjournment of the Congress until September 9, 1987", do pass with the following amendment:

The Clerk read the Senate amendment, as follows:

Strike out all after the resolving clause and insert: That when the Senate adjourns on Friday, August 7, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand adjourned until 10:00 o'clock a.m. on Wednesday, September 9, 1987, or until 12:00 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first, and that when the House of Representatives adjourns on Friday, August 7, 1987, or Saturday, August 8, 1987, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand adjourned until 12:00 o'clock meridian on Wednesday, September 9, 1987, or until 12:00 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

Sec. 2. The Speaker of the House and the majority leader of the Senate, acting jointly after consultation with the minority leader of the House and the minority leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER. The question is on the Senate amendment.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Kostmayer (at the request of Mr. Foley), after 4:30 p.m. today, on account of official business.

Mr. Rahall (at the request of Mr. Foley), after 4:30 p.m. today, on account of official business.

Mr. Alexander (at the request of Mr. Foley), for today.

Mr. Craig (at the request of Mr. Michel), after 4:30 p.m. today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Upton) to revise and extend his remarks and include extraneous material:)

Mr. DioGuardi, for 60 minutes, today.

(The following Members (at the request of Mr. Hertel) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.
Mr. Stark, for 5 minutes, today.
Mr. Fazio, for 5 minutes, today.
Mr. Slattery, for 5 minutes, today.
Mr. Boucher, for 10 minutes, today.
Mr. English, for 60 minutes, today.
Mr. Gonzalez, for 60 minutes, today.
Mr. Gonzalez, for 60 minutes, on September 9.

(The following Member (at the request of Mr. Foley) to revise and extend his remarks and include extraneous material:)

Mr. Fazio, for 60 minutes, on September 9.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Stratton, on House Resolution 238 in the House, today.

Mr. Biaggi, on House Resolution 238 in the House, today.

Mr. Panetta, and to include extraneous matter, notwithstanding the fact that it exceeds two pages and is estimated by the Public Printer to cost $2,455.

Mr. Conyers, and to include extraneous matter, notwithstanding the fact that it exceeds two pages and is estimated by the Public Printer to cost $6,383.

(The following Members (at the request of Mr. Upton) and to include extraneous matter:)

Mr. Gilman.
Mr. Gunderson in two instances.
Mr. Solomon.
Mr. Broomfield.
Mr. Morrison of Washington.
Mr. Dornan of California.
Mr. Gallo.
Mr. Kemp in two instances.
Mr. Daub.
Mr. Crane in four instances.
Mr. Bliley.
Mr. Hefley in five instances.
Mr. Pursell.
Mr. Fawell in two instances.
Mr. McEwen in five instances.

(The following Members (at the request of Mr. Hertel) and to include extraneous matter:)

Mr. Traficant.
Mr. LaFalce.
Mr. Stark in three instances.
Mr. Lehman of Florida.
Mr. Montgomery.
Mr. Rodino.
Mr. AuCoin.
Mr. Sharp.
Mr. Scheuer.
Mr. Feighan.
Mr. Ray.
Mr. Martinez.
Mr. Smith of Florida in two instances.
Mr. Waxman.
Mr. Morrison of Connecticut.
Mr. Edwards of California in two instances.
Mr. Wheat.
Mr. Williams.
Mr. Mazzoli in two instances.
Mr. Hoyer.
Mr. Boland.
Mrs. Boggs.
Mr. Hertel.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 945. An act to require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite homes and other assistance for infants abandoned in hospitals, and for other purposes; to the Committees on Education and Labor and Energy and Commerce.

S. 1194. An act to transfer jurisdiction over certain lands in Bernalillo County, NM, from the General Services Administration to the Veterans' Administration; to the Committee on Government Operations.

S. 1402. An act to amend title VIII of the Public Health Service Act to establish programs to reduce the shortage of professional nurses; to the Committee on Energy and Commerce.

S. 1441. An act to reduce the incidence of infant mortality; to the Committee on Energy and Commerce.

S. 1532. An act relating to the payment for telecommunications equipment and certain services furnished by the Sergeant at Arms and Doorkeeper of the Senate; to the Committee on House Administration.

S. 1574. An act to combine the Senators' Clerk Hire Allowance Account and the Senators' Official Office Expense Account into a combined single account to be known as the "Senators' Official Personnel and Office Expense Account", and for other purposes; to the Committee on House Administration.

S. 1642. An act to designate the U.S. Courthouse located at the intersection of Uniondale Avenue and Hempstead Turnpike in Uniondale, NY, as the "John W. Wydler United States Courthouse"; to the Committee on Public Works and Transportation.

## ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2309. An act to amend the Christopher Columbus Quincentenary Jubilee Act;

H.R. 2971. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services, and for other purposes; and

H.R. 2855. An act to settle Indian Land claims in the town of Gay Head, MA, and for other purposes.

## SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 1371. An act to designate the Federal building located at 330 Independence Avenue, SW, Washington, DC, as the "Wilbur J. Cohen Federal Building";

S. 1577. An act to extend certain protections under title 11 of the United States Code, the Bankruptcy Code;

S.J Res. 44. Joint resolution to designate November 1987, as "National Diabetes Month";

S.J. Res. 49. Joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day";

S.J. Res. 87. Joint resolution to designate November 17, 1987, as "National Community Education Day";

S.J. Res. 108. Joint resolution to designate October 6, 1987, as "German-American Day";

S.J. Res. 109. Joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week";

S.J. Res. 121. Joint resolution to designate August 11, 1987, as "National Neighborhood Crime Watch Day";

S.J. Res. 157. Joint resolution to designate the month of October 1987, as "Lupus Awareness Month"; and

S.J. Res. 175. Joint resolution to recognize the efforts of the U.S. Soccer Federation in bringing the World Cup to the United States in 1994.

## BILLS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 348. An act to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive service;

H.R. 1403. An act to designate the U.S. Post Office Building located in St. Charles, II, as the "John E. Grotberg Post Office Building";

H.R. 1444. An act to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs;

H.R. 921. An act to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over national park system units;

H.R. 318. An act to provide for the restoration of the Federal trust relationship and Federal services and assistance to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes; and

H.R. 27. An act to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes.

## DESIGNATION OF HON. THOMAS S. FOLEY TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL SEPTEMBER 9, 1987

The SPEAKER laid before the House the following communication:

Washington, DC,
*August 7, 1987.*

I hereby designate the Honorable Thomas S. Foley to act as Speaker pro tempore to sign enrolled bills and joint resolutions until Wednesday, September 9, 1987.

Jim Wright,
*Speaker of the House of Representatives.*

The SPEAKER. Without objection, the designation is agreed to.

There was no objection.

## ADJOURNMENT TO WEDNESDAY, SEPTEMBER 9, 1987

Mr. FOLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 175 of the 100th Congress, the House stands adjourned until 12 o'clock meridian, Wednesday, September 9, 1987.

Thereupon (at 10 o'clock and 8 minutes p.m.), pursuant to House Concurrent Resolution 175, the House adjourned until Wednesday, September 9, 1987, at 12 noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1930. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to reduce the cost and improve the administration of the Food Stamp Program and for other purposes; to the Committee on Agriculture.

1931. A communication from the President of the United States, transmitting requests for supplemental appropriations for the Veterans' Administration for fiscal year 1987, pursuant to 31 U.S.C. 1107 (H. Doc. No. 100-97); to the Committee on Appropriations and ordered to be printed.

1932. A letter from the Deputy Assistant Secretary of Defense, transmitting the Navy's Determination and Findings indicating the necessity to exclude the clause from a proposed contract with Moser Processing Ltd., Corseaux, Switzerland, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

1933. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend title V of the Motor Vehicle Information and Cost Savings Act, "Improving Automotive Efficiency," to repeal the corporate average fuel economy [CAFE] standards, and for other purposes; to the Committee on Energy and Commerce.

1934. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of intent to provide a course of instruction in "Anti-Terrorist Urban Patrol Techniques" for El Salvador under the Anti-Terrorism Assistance Program, pursuant to 22 U.S.C. 2349aa-3(a)(i); to the Committee on Foreign Affairs.

1935. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions by Max L.

Friedersdorf, of Florida, Ambassador designate, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1936. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on recent events in El Salvador concerning the possibility of the "resurgence of death squad activities" in that country; to the Committee on Foreign Affairs.

1937. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of a resolution adopted by the Honduran Congress congratulating the U.S. Congress on the 200th anniversary of the Constitution of the United States; to the Committee on Foreign Affairs.

1938. A letter from the Assistant Comptroller-Insurance, Departments of the Army and the Air Force, transmitting the Departments two actuary's reports for the year ended December 31, 1986, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1939. A letter from the Administrator, Panama Canal Commission, transmitting the Commission's notice of nine new Federal records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1940. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

1941. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the Commission's report on abnormal occurrences at licensed nuclear facilities for the fourth calendar quarter of 1986, pursuant to 42 U.S.C. 5848; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on Education and Labor. H.R. 1720. A bill to replace the existing AFDC program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives; with amendments (Rept. 100-159, Pt. 2). Ordered to be printed.

Mr. WHEAT: Committee on Rules. House Resolution 253. Resolution providing for the consideration of H.R. 1327 a bill to amend the Public Health Service Act to establish a National Health Service Corps Loan Repayment Program and to otherwise revise and extend the program for the National Health Service Corps (Rept. 100-284). Referred to the House Calendar.

Mr. HAWKINS: Committee on Education and Labor. H.R. 1122. A bill to implement the recommendations of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation, and for other purposes; with an amendment (Rept. 100-285). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 1517. A bill to amend the Federal Aviation Act of 1958 to require the installation and use of collision avoidance systems in aircraft, to require the Federal Aviation Administration to complete research on and development of the TCAS-III collision avoidance system as soon as possible, and for other purposes; with an amendment (Report No. 100-286, Pt. 1). Ordered to be printed.

Mr. HAWKINS: Committee on Education and Labor. Report of the Committee on Education and Labor pursuant to section 302(b) of the Congressional Budget Act of 1974, as amended (Rept. 100-292). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 3051. A bill to amend the Federal Aviation Act of 1958 to establish minimum standards relating to air carrier passenger services, and for other purposes; with an amendment (Rept. 100-293). Referred to the Committee of the Whole House on the State of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRANK: Committee on the Judiciary. H.R. 1578. A bill for the relief of Ray A. Bonney (Rept. 100-287). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1579. A bill for the relief of Richard W. Ireland; (Rept. 100-288). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1539. A bill for the relief of Meals on Wheels of the Monterey Peninsula, Incorporated; (Rept. 100-289). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1490. A bill for the relief of Jean DeYoung; (Rept. 100-290). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1388. A bill for the relief of David Butler, Aldo Cirone, Richard Denisi, Warren Fallon, Charles Hotton, Harold Johnson, Jean Lavoie, Vincent Maloney, Austin Mortensen, and Kurt Olofsson; with an amendment (Rept. 100-291). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WAXMAN (for himself, Mr. Leland, Mr. Miller of California, and Mr. Nagle):

H.R. 3187. A bill to amend the Public Health Service Act to revise and extend the authority of the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, including revising and extending the program of block grants for the provision of services with respect to mental health and substance abuse; to the Committee on Energy and Commerce.

By Mr. WAXMAN:

H.R. 3188. A bill to amend part B of title XVIII and XIX of the Social Security Act to provide for budget reconciliation with respect to part B of the Medicare Program and with respect to the Medicaid Program for fiscal year 1988; jointly, to the Committees on Energy and Commerce and Ways and Means.

H.R. 3189. A bill to amend the Public Health Service Act to revise and extend the program for the National Center for Health Services Research and Health Care Technology Assessment and the National Center for Health Statistics; to the Committee on Energy and Commerce.

By Mr. ROSTENKOWSKI:

H.R. 3190. A bill to provide for a temporary increase in the public debt limit; to the Committee on Ways and Means.

By Mr. BLAZ:

H.R. 3191. A bill to establish a Commission on War Reparations for Guam; to the Committee on the Judiciary.

By Mr. BOSCO:

H.R. 3192. A bill to direct the Secretary of the Interior to renegotiate the schedules of payment, and to waive certain interest requirements, on certain loans to the Redwood Valley County Water District; to the Committee on Interior and Insular Affairs.

By Mr. CONYERS:

H.R. 3193. A bill to provide for the acquisition and publication of data about crimes that manifest prejudice based on race, religion, sexual orientation, or ethnicity; to the Committee on the Judiciary.

By Mr. DAVIS of Michigan (for himself, Mr. Dingell, Mr. Kildee, Mr. Conyers, Mr. Wolpe, Mr. Upton, Mr. Traxler, Mr. Schuette, Mr. Crockett, and Mr. Levin of Michigan):

H.R. 3194. A bill to grant Federal recognition to the Lac Vieux Desert Band of Lake Superior Chippewa Indians as a distinct Indian tribe, to clarify the status of members of the band, to provide trust lands to the band, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DINGELL:

H.R. 3195. A bill to provide for a General Accounting Office investigation and report on conditions of displaced Polish nationals, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Polish nationals, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. DINGELL (for himself, Mr. Thomas A. Luken, Mr. Bruce, Mr. Madigan, Mr. Kildee, Mr. Bryant, Mr. Ford of Michigan, Mr. Hall of Texas, Mr. Schuette, Mr. Carr, Mr. Pursell, Mr. Slattery, Mr. Huckaby, Mr. Towns, Mr. Oxley, and Mr. Coats):

H.R. 3196. A bill to amend the Clean Air Act to ensure the safety of consumers in issuing regulations concerning mobile sources; to the Committee on Energy and Commerce.

By Mr. DORGAN of North Dakota (for himself and Mr. Moody):

H.R. 3197. A bill to promote and protect taxpayer rights, and for other purposes; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 3198. A bill to amend title 5, United States Code, with respect to the definition

of the term "law enforcement officer" under the Federal employees' retirement system; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Oklahoma (for himself, Mr. Michel, Mr. Lott, Mr. Cheney, Mr. Lewis of California, Mr. Kemp, Mrs. Martin of Illinois, Mr. Madigan, Mrs. Johnson of Connecticut, Mr. Herger, Mr. Hunter, Mr. Bartlett, Mr. Boulter, Mr. Gingrich, Mr. Mack, Mr. Weldon, Mr. Lungren, Mr. Solomon, Mr. Skeen, Mr. Buechner, Mr. Stump, Mr. Hopkins, Mr. Davis of Illinois, Mr. Tauke, Mr. Armey, Mr. Weber, Mr. Walker, Mr. Porter, Mr. Parris, Mr. Lowery of California, Mr. McCandless, Mr. Thomas of California, Mr. Ritter, Mr. Brown of Colorado, Mr. Hefley, Mr. Slaughter of Virginia, Mr. Wortley, Mr. Schaefer, Mr. Lagomarsino, Mr. Frenzel, Mr. Nielson of Utah, Mr. Pashayan, Mr. Young of Florida, Mr. Rowland of Connecticut, Mr. Taylor, Mr. Wolf, Mr. Roth, Mr. Denny Smith, Mr. Bliley, Mr. Coble, Mr. Pursell, Mr. Upton, Mr. Inhofe, Mr. Kolbe, Mr. Livingston, Ms. Snowe, Mrs. Saiki, Mr. Davis of Michigan, Mr. Coleman of Missouri, Mr. Lightfoot, Mr. Bereuter, Mr. Smith of New Hampshire, Mr. Saxton, Mr. Goodling, Mr. Robert F. Smith, Mrs. Vucanovich, Mr. Bilirakis, Mr. Callahan, Mr. Craig, Mr. DeWine, Mr. Dornan of California, Mr. Kyl, Mr. Sundquist, Mr. Henry, Mr. Gallo, Mr. Bateman, Mr. Gregg, Mr. Schuette, Mr. Gradison, Mr. Ireland, Mr. Rogers, Mr. Dreier of California, Mr. Lujan, Mr. Duncan, Mr. Crane, Mr. Miller of Ohio, and Mr. McDade):

H.R. 3199. A bill providing for any bill or joint resolution making continuing appropriations that is agreed to by both Houses of Congress in the same form to be enrolled as a series of separate bills or resolutions for presentation to the President; to the Committee on Rules.

By Mr. MICHEL (for himself, Mr. Brown of Colorado, Mr. Badham, Mr. Baker, Mr. Ballenger, Mr. Bartlett, Mr. Bateman, Mrs. Bentley, Mr. Bereuter, Mr. Bliley, Mr. Boulter, Mr. Broomfield, Mr. Buechner, Mr. Bunning, Mr. Burton of Indiana, Mr. Chandler, Mr. Cheney, Mr. Coats, Mr. Coble, Mr. Combest, Mr. Courter, Mr. Craig, Mr. Daub, Mr. Davis of Illinois, Mr. DeLay, Mr. DeWine, Mr. Dickinson, Mr. DioGuardi, Mr. Dreier of California, Mr. Duncan, Mr. Edwards of Oklahoma, Mr. Fish, Mr. Frenzel, Mr. Gallo, Mr. Gekas, Mr. Gilman, Mr. Gingrich, Mr. Gradison, Mr. Green, Mr. Gregg, Mr. Gunderson, Mr. Hansen, Mr. Hefley, Mr. Herger, Mr. Hiler, Mr. Hopkins, Mr. Houghton, Mr. Hyde, Mr. Inhofe, Mrs. Johnson of Connecticut, Mr. Konnyu, Mr. Kyl, Mr. Lagomarsino, Mr. Latta, Mr. Lewis of California, Mr. Lott, Mr. Lowery of California, Mr. Donald E. Lukens, Mr. Madigan, Mr. Martin of New York, Mrs. Martin of Illinois, Mr. McEwen, Mr. McGrath, Mr. McMillan of North Carolina, Mr. Miller of Ohio, Mr. Miller of Washington, Mr. Molinari, Mr. Moorhead, Mr. Morrison of Washington, Mr. Nielson of Utah, Mr. Oxley, Mr. Packard, Mr. Parris, Mr. Pashayan, Mr. Penny, Mr. Quillen, Mr. Ravenel, Mr. Regula, Mr. Rhodes, Mr. Rogers, Mr. Roth, Mrs. Roukema, Mr. Rowland of Connecticut, Mr. Schaefer, Mr. Schuette, Mr. Shumway, Mr. Skeen, Mr. Denny Smith, Mr. Smith of New Hampshire, Mrs. Smith of Nebraska, Mr. Solomon, Mr. Spence, Mr. Stenholm, Mr. Sundquist, Mr. Swindall, Mr. Taylor, Mr. Thomas of California, Mr. Upton, Mrs. Vucanovich, Mr. Walker, Mr. Whittaker, Mr. Wortley, Mr. Wylie, and Mr. Young of Alaska):

H.R. 3200. A bill to amend title IV of the Social Security Act to improve the program of aid to families with dependent children by establishing a two-tier system for AFDC families, to require each State to establish a comprehensive work program with an organized intake and registration process for such families, to make necessary improvements in the child support enforcement program, and for other purposes; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. EDWARDS of Oklahoma (for himself, Mr. Michel, Mr. Lott, Mr. Cheney, Mr. Lewis of California, Mr. Kemp, Mrs. Martin of Illinois, Mr. Madigan, Mrs. Johnson of Connecticut, Mr. Herger, Mr. Hunter, Mr. Bartlett, Mr. Boulter, Mr. Gingrich, Mr. Mack, Mr. Weldon, Mr. Lungren, Mr. Solomon, Mr. Skeen, Mr. Buechner, Mr. Stump, Mr. Hopkins, Mr. Davis of Illinois, Mr. Tauke, Mr. Armey, Mr. Weber, Mr. Walker, Mr. Porter, Mr. Parris, Mr. Fawell, Mr. Schulze, Mr. McCandless, Mr. Thomas of California, Mr. Ritter, Mr. Brown of Colorado, Mr. Hefley, Mr. Myers of Indiana, Mr. Wortley, Mr. Schaefer, Mr. Lagomarsino, Mr. Frenzel, Mr. Nielson of Utah, Mr. Pashayan, Mr. Young of Florida, Mr. Rowland of Connecticut, Mr. Taylor, Mr. Wolf, Mr. Roth, Mr. Denny Smith, Mr. Bliley, Mr. Coble, Mr. Pursell, Mr. Upton, Mr. Inhofe, Mr. Kolbe, Mr. Livingston, Ms. Snowe, Mrs. Saiki, Mr. Davis of Michigan, Mr. Coleman of Missouri, Mr. Lightfoot, Mr. Bereuter, Mr. Smith of New Hampshire, Mr. Saxton, Mr. Goodling, Mr. Robert F. Smith, Mrs. Vucanovich, Mr. Bilirakis, Mr. Callahan, Mr. Craig, Mr. DeWine, Mr. Dornan of California, Mr. Kyl, Mr. Sundquist, Mr. Henry, Mr. Gallo, Mr. Bateman, Mr. Gregg, Mr. Schuette, Mr. Gradison, Mr. Ireland, Mr. Rogers, Mr. Dreier of California, Mr. Lujan, Mr. Duncan, Mr. Crane, Mr. Miller of Ohio and Mr. McDade):

H.R. 3201. A bill to require a 60-percent majority vote of both Houses of Congress for passage of any bill or joint resolution making continuing appropriations; to the Committee on Rules.

By Mr. PANETTA (for himself, Mr. Ireland, Mr. Lowry of Washington, Mr. Studds, Mr. Bonker, Mr. Hughes, Mr. Foglietta, Mr. Badham, Mr. Miller of California, Mr. Fascell, Mr. Stark, Mr. Lowery of California, Mr. Beilenson, Mr. Lehman of California, Mr. Berman, Mr. Levine of California, Mr. Shaw, Mr. Lantos, Ms. Pelosi, and Mrs. Boxer):

H.R. 3202. A bill to amend the Coastal Zone Management Act of 1972 regarding activities directly affecting the coastal zone; to the Committee on Merchant Marine and Fisheries.

By Mr. ENGLISH (for himself, Mr. Bereuter, Mr. Dorgan of North Dakota, Mr. Johnson of South Dakota, Mr. Jontz, and Mr. Weber):

H.R. 3203. A bill to amend chapter 39 of title 31, United States Code, to require the Commodity Credit Corporation to pay an interest penalty on overdue payments, and for other purposes; jointly, to the Committees on Agriculture and Government Operations.

By Mr. ESPY (for himself, Mr. Dowdy of Mississippi, Mr. Whitten, Mr. Montgomery, Mr. Lott, Mr. Anthony, Mr. Atkins, Mr. Baker, Mr. Bevill, Mr. Boner of Tennessee, Mrs. Boxer, Mr. Beuchner, Mr. Clarke, Mr. Clay, Mrs. Collins, Mr. Ford of Tennessee, Mr. Frenzel, Mr. Frost, Mr. Gordon, Mr. Gray of Illinois, Mr. Gunderson, Mr. Hammerschmidt, Mr. Hayes of Illinois, Mr. Hayes of Louisiana, Mr. Jones of Tennessee, Mr. Kleczka, Mr. Lancaster, Mr. Leach of Iowa, Mr. Lewis of Georgia, Mr. Martinez, Mr. Owens of New York, Mr. Owens of Utah, Mr. Penny, Mr. Price of North Carolina, Mr. Rangel, Mr. Russo, Mr. Sikorski, Mr. Solarz, Mr. Tauke, Mr. Towns, Mr. Volkmer, Mr. Weber, Mr. Wheat, and Mr. Wolpe):

H.R. 3204. A bill to establish the Mississippi River National Heritage Corridor; to the Committee on Interior and Insular Affairs.

By Mr. GRANDY (for himself and Mr. Daub):

H.R. 3205. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to education savings accounts, and for other purposes; to the Committee on Ways and Means.

By Mr. GUNDERSON:

H.R. 3206. A bill to extend deadlines for the redemption of commodity payment-in-kind certificates issued by the Commodity Credit Corporation; to the Committee on Agriculture.

By Mr. JEFFORDS (for himself and Mr. Boehlert):

H.R. 3207. A bill to amend the Dairy Production Stabilization Act of 1983 by reforming and revising the dairy promotion and research program; to the Committee on Agriculture.

By Mr. JONTZ:

H.R. 3208. A bill to amend chapter 30 of title 38; United States Code, with respect to the Montgomery GI bill; jointly, to the Committees on Veterans' Affairs and Armed Services.

By Mr. LaFALCE:

H.R. 3209. A bill to establish a system for regulating depository institutions to be known as consumer services banks, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 3210. A bill to prohibit the Department of Commerce from certain activities which feature or convey the advantages of relocating U.S. businesses in a foreign country; to the Committee on Energy and Commerce.

H.R. 3211. A bill to amend the Tariff Schedules of the United States; to the Committee on Ways and Means.

H.R. 3212. A bill relating to the customs treatment of motor vehicles fabricated in foreign trade zones with foreign-made parts; to the Committee on Ways and Means.

By Mr. LEVIN of Michigan (for himself, Mr. Pease, and Mr. Ford of Michigan):

H.R. 3213. A bill to provide for integrated service delivery and other demonstration projects to test methods of reemploying dislocated unemployment insurance recipients; jointly to the Committees on Education and labor and Ways and Means.

By Mr. LEVINE of California (for himself, Mr. Smith of Florida, Mr. Gilman, Mr. Green, and Mr. Gejdenson):

H.R. 3214. A bill to restrict United States assistance for Panama; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. LUNGREN:

H.R. 3215. A bill to designate the Federal building being constructed at the northwest corner of Ocean Boulevard and Magnolia Avenue in Long Beach, CA, as the "Craig Hosmer Federal Building"; to the Committee on Public Works and Transportation.

By Mr. LUNGREN (for himself, Mr. Lagomarsino, Mr. Oxley, Mrs. Boxer, and Mr. Savage):

H.R. 3216. A bill to amend the Controlled Substances Act to make the anabolic steroid methandrosterolone a Schedule I controlled substance; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. McCURDY (for himself, Mr. Brown of California, and Miss Schneider):

H.R. 3217. A bill to establish a national Federal program effort in close collaboration with the private sector to develop as rapidly as possible the applications of superconductivity to enhance the Nation's economic competitiveness and strategic well-being, and for other purposes; jointly, to the Committees on Science, Space, and Technology and Armed Services.

By Mr. McGRATH:

H.R. 3218. A bill to exempt from the 10 percent additional tax on early distributions from qualified retirement plans certain amounts received as termination pay by New York City uniformed public safety officers, firefighters, and sanitation workers; to the Committee on Ways and Means.

H.R. 3219. A bill to repeal the provision of the Tax Reform Act of 1986 which eliminates the deduction for State and local sales taxes; to the Committee on Ways and Means.

H.R. 3220. A bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to allow the recognition of certain income to be deferred by New York City uniformed public safety officers who contribute to a deferred compensation plan which requires that all plan assets be restricted to providing benefits under the plan; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. MARKEY:

H.R. 3221. A bill to amend the copyright law to secure the rights of authors of pictorial, graphic, or sculptural works to prevent the distortion, mutilation, or other alteration of such works, to provide for resale royalties, and for other purposes; to the Committee on the Judiciary.

By Mr. MONTGOMERY:

H.R. 3222. A bill to amend title 10, United States Code, to require that retired Army and Air Force Reserve enlisted personnel be advanced in grade after 30 years of service to the highest grade satisfactorily held while on active duty; to the Committee on Armed Services.

By Mr. PASHAYAN (for himself, Mr. Thomas of California, Mr. Lewis of Florida, and Mr. Badham):

H.R. 3223. A bill to strengthen the enforcement of plant and animal quarantine laws by authorizing the inspection of certain mail parcels, excluding letters, in order to prevent the introduction of destructive plant and animal diseases and pests and noxious weeds; jointly, to the Committees on Agriculture and Post Office and Civil Service.

By Mr. PICKLE (for himself, Mr. Jenkins, Mr. Matsui, Mr. Archer, Mr. Wolpe, Mr. Andrews, Mr. Daub, Mr. Brown of Colorado, and Mr. Ford of Tennessee):

H.R. 3224. A bill to amend the Internal Revenue Code of 1986 to provide that the passive loss limitation shall not apply to deductions allowable for cash out-of-pocket expenses for taxes, interest, and trade or business expenses in connection with rental real estate activities in which the taxpayer actively or materially participates; to the Committee on Ways and Means.

By Mr. PURSELL:

H.R. 3225. A bill to amend the Public Health Service Act to provide for the development of academic expertise in geriatrics through the establishment of centers of excellence in geriatric research and training; to the Committee on Energy and Commerce.

By Mr. RODINO:

H.R. 3226. A bill to amend the Anti-Drug Abuse Act of 1986 to permit certain participants in the White House Conference for a Drug Free America to be allowed travel expenses, and for other purposes; to the Committee on the Judiciary.

H.R. 3227. A bill to establish a Federal Courts Study Commission on Judicial Administration; to the Committee on the Judiciary.

By Mr. ROE (for himself, Mr. Lujan, Mr. Torricelli, Mr. Fawell, Mr. Fazio, Mr. Barton of Texas, Mr. Boulter, Mr. Bruce, Mr. Durbin, Mr. Hastert, Mr. Lewis of Florida, Mr. Martin of New York, Mr. Murtha, Mr. Pursell, Mr. Skaggs, Mrs. Vucanovich, Mr. Wolf, Mr. Ackerman, Mr. Anderson, Mr. Andrews, Mr. Annunzio, Mr. Armey, Mr. Applegate, Mr. Atkins, Mr. Badham, Mr. Baker, Mrs. Bentley, Mr. Berman, Mr. Biaggi, Mr. Bliley, Mr. Boehlert, Mr. Bonker, Mr. Bosco, Mrs. Boxer, Mr. Broomfield, Mr. Brown of Colorado, Mr. Bryant, Mr. Buechner, Mr. Burton of Indiana, Mr. Bustamante, Mr. Callahan, Mr. Campbell, Mr. Chapman, Mr. Cheney, Mr. Coats, Mr. Coleman of Texas, Mrs. Collins, Mr. Combest, Mr. Coughlin, Mr. Craig, Mr. Crane, Mr. Dannemeyer, Mr. Davis of Illinois, Mr. Davis of Michigan, Mr. de la Garza, Mr. de Lugo, Mr. DeLay, Mr. Dellums, Mr. DeWine, Mr. Dicks, Mr. Dingell, Mr. Dixon, Mr. Dornan of California, Mr. Dreier of California, Mr. Duncan, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Edwards of California, Mr. Edwards of Oklahoma, Mr. English, Mr. Evans, Mr. Feighan, Mr. Fields, Mr. Fish, Mr. Ford of Michigan, Mr. Frost, Mr. Gallegly, Mr. Gallo, Mr. Garcia, Mr. Gilman, Mr. Gonzalez, Mr. Grandy, Mr. Gray of Illinois, Mr. Hall of Texas, Mr. Hammerschmidt, Mr. Hansen, Mr. Hawkins, Mr. Hayes of Illinois Mr. Henry, Mr. Herger, Mr. Hiler, Mr. Holloway, Mr. Hopkins, Mr. Horton, Mr. Houghton, Mr. Hughes, Mr. Hunter, Mr. Hyde, Mr. Johnson of South Dakota, Ms. Kaptur, Mr. Kasich, Mr. Kastenmeier, Mrs. Kennelly, Mr. Kolbe, Mr. Konnyu, Mr. Kyl, Mr. Lagomarsino, Mr. Lantos, Mr. Leach of Iowa, Mr. Leath of Texas, Mr. Leland, Mr. Lent, Mr. Lewis of California, Mr. Lipinski, Mr. Lott, Mr. Lowery of California, Mr. Thomas A. Luken, Mr. Donald E. Lukens, Mr. Lungren, Mr. McCandless, Mr. McCloskey, Mr. McCollum, Mr. McDade, Mr. McEwen, Mr. McGrath, Mr. McHugh, Mr. Mack, Mr. Madigan, Mr. Manton, Mr. Marlenee, Mrs. Martin of Illinois, Mr. Martinez, Mrs. Meyers of Kansas, Mr. Mica, Mr. Michel, Mr. Miller of Ohio, Mr. Miller of Washington, Mr. Mineta, Ms. Pelosi, Mr. Molinari, Mr. Moorhead, Mrs. Morella, Mr. Morrison of Washington, Mr. Mrazek, Mr. Nielson of Utah, Mr. Nowak, Ms. Oakar, Mr. Oberstar, Mr. Ortiz, Mr. Owens of Utah, Mr. Oxley, Mr. Packard, Mr. Pashayan, Mr. Pease, Mr. Perkins, Mr. Pickle, Mr. Porter, Mr. Price of Illinois, Mr. Quillen, Mr. Ravenel, Mr. Regula, Mr. Rhodes, Mr. Richardson, Mr. Rinaldo, Mr. Rogers, Mr. Rostenkowski, Mr. Russo, Mrs. Saiki, Mr. Savage, Mr. Sawyer, Mr. Schaefer, Mr. Scheuer, Mr. Schuette, Mr. Schumer, Mr. Sensenbrenner, Mr. Shumway, Mr. Skeen, Mr. Slaughter of Virginia, Mr. Denny Smith, Mr. Smith of New Hampshire, Mr. Smith of Texas, Ms. Snowe, Mr. Solomon, Mr. Stallings, Mr. Stenholm, Mr. Stokes, Mr. Stump, Mr. Sundquist, Mr. Sweeney, Mr. Swift, Mr. Thomas of California, Mr. Traficant, Mr. Udall, Mr. Upton, Mr. Volkmer, Mr. Weber, Mr. Whittaker, Mr. Wortley, Mr. Wilson, Mr. Wylie, Mr. Young of Alaska, Mr. Young of Florida, Mr. Beilenson, Mr. Bereuter, Mr. Blaz, Mr. Brooks, Mr. Chandler, Mr. Coelho, Mr. Courter, Mr. Flake, Mr. Foley, Mr. Grant, Mr. Huckaby, Mr. Hutto, Mr. Inhofe, Mr. Ireland, Mr. Lowry of Washington, Mr. Matsui, Mr. Owens of New York, Mr. Panetta, Mr. Roybal, Mr. Shaw, Mr. Solarz, Mr. Stark, Mr. Stratton, Mr. Tauke, Mr. Taylor, Mr. Torres, Mr. Towns, Mr. Vander Jagt, and Mr. Yates):

H.R. 3228. A bill to authorize appropriations to the Secretary of Energy for the Superconducting Super Collider Program; to the Committee on Science, Space, and Technology.

By Mr. SHAW:

H.R. 3229. A bill to amend the Rehabilitation Act of 1973 to provide that a drug abuser shall not be considered a handicapped individual for purpose of that Act, and for other purposes; jointly, to the Committees on Education and Labor and Post Office and Civil Service.

By Mr. STARK:

H.R. 3230. A bill to combat nuclear proliferation through the imposition of trade and other sanctions; jointly, to the Committees on Foreign Affairs; Ways and Means; and Banking, Finance and Urban Affairs.

H.R. 3231. A bill to amend title XVIII of the Social Security Act to require periodic competency certification of physicians as a condition of participation under the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. STENHOLM (for himself, Mr. Jeffords, Mr. Ackerman, Mrs. Bentley, Mr. Boehlert, Mr. Bonior of Michigan, Mrs. Byron, Mr. Aspin, Mr. Carr, Mr. Chapman, Mr. Clinger, Mr. Dyson, Mr. Dorgan of North Dakota, Mr. Espy, Mr. Fish, Mr. Gejdenson, Mr. Gekas, Mr. Gilman, Mr. Goodling, Mr. Grandy, Mr. Gunderson, Mr. Harris, Mr. Hochbrueckner, Mr. Horton, Mr. Houghton, Mr. Hoyer, Mr. Huckaby, Mr. Johnson of South Dakota, Mr. Kastenmeier, Mr. Kleczka, Mr. Kostmayer, Mr. Lewis of Florida, Mr. Martin of New York, Mr. McDade, Mr. McHugh, Mr. Moody, Mr. Murphy, Mr. Nagle, Mr. Oberstar, Mr. Obey, Mr. Penny, Mr. Rangel, Mr. Ridge, Mr. Rose, Mr. Roth, Mr. Sabo, Mr. Schuette, Ms. Slaughter of New York, Mr. Swift, Ms. Snowe, Mr. Solomon, Mr. Stangeland, Mr. Tallon, Mr. Thomas of Georgia, Mr. Towns, Mr. Traxler, Mr. Volkmer, Mr. Walker, Mr. Watkins, Mr. Wortley, Mr. Yatron, Mr. Campbell, Mr. Carper, Mr. Davis of Michigan, Mrs. Kennelly, Mr. Hughes, Mr. Hopkins, and Mr. Stallings):

H.R. 3232. A bill to amend the Federal Meat Inspection Act to require pizza products containing imitation cheese and meat to be labeled to reflect the fact that imitation cheese is contained therein; to the Committee on Agriculture.

By Mr. TOWNS (for himself, Mr. Ackerman, Mr. Anderson, Mr. Atkins, Mr. Conyers, Mr. Dornan of California, Mr. Fauntroy, Mr. Hayes of Illinois, Mr. Jacobs, Ms. Kaptur, Mr. Kostmayer, Mr. Lantos, Mr. Mrazek, Mr. Owens of New York, Mrs. Schroeder, Mr. Stokes, and Mr. Wilson):

H.R. 3233. A bill to amend the Animal Welfare Act to protect farm animals used in nonagricultural research and to prohibit the unnecessary surgery or alteration of animals; to the Committee on Agriculture.

By Mrs. VUCANOVICH:

H.R. 3234. A bill entitled, "The Battle Mountain Pasture Restoration Act of 1987"; to the Committee on Interior and Insular Affairs.

By Mr. WAXMAN:

H.R. 3235. A bill to amend the Public Health Service Act to revise the program of assistance for health maintenance organizations; to the Committee on Energy and Commerce.

By Mr. WILLIAMS:

H.R. 3236. A bill to amend title 38, United States Code, to eliminate the requirement that the Administrator of Veterans' Affairs carry out a transition under which community-based vet centers would be moved to Veterans' Administration medical facilities and to provide standards and procedures governing any closures or moves of vet centers, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WILSON:

H.R. 3237. A bill to increase the size of the Big Thicket National Preserve in the State of Texas by adding the Village Creek Corridor unit, the Big Sandy Corridor unit, and the Canyonlands unit; to the Committee on Interior and Insular Affairs.

By Mr. BOUCHER (for himself, Mr. Cardin, Mr. Wolf, Mr. Hoyer, Mr. Parris, Mr. McMillen of Maryland, Mrs. Morella, Mr. Fauntroy, and Mr. Sisisky):

H.J. Res. 352. Joint resolution granting the consent and approval of Congress for the State of Maryland, the Commonwealth of Virginia, and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact; to the Committee on the Judiciary.

By Mr. CHAPPELL (for himself, Mr. Wortley, Mr. Frost, Mr. Ritter, Mr. Ireland, Mr. Hefner, Mr. Natcher, Mr. Gray of Illinois, Mr. Daniel, Mr. Jones of North Carolina, Mr. Lewis of Florida, Mr. de Lugo, Mr. McDade, Mr. Barnard, Mr. Fields, Mr. Kostmayer, Mr. Denny Smith, Mr. Volkmer, Mr. Fazio, Ms. Oakar, Mr. Rhodes, Mr. Coelho, Mr. Bennett, Mr. Udall, Mr. Leland, Mr. Wolf, Mr. Richardson, Mr. Levin of Michigan, Mr. Bartlett, Mr. Bunning, Mr. Rahall, Mr. Bevill, Mr. Walgren, Mr. Stenholm, Mr. Erdreich, Mr. Lipinski, Mr. Dwyer of New Jersey, Mrs. Boxer, Mr. Smith of Florida, Mr. Young of Florida, Mr. Hayes of Illinois, Mrs. Patterson, Mr. Valentine, Ms. Kaptur, Mr. Wilson, Mr. Horton, Mr. Hughes, Mr. Bustamante, Mr. Tauke, Mr. Lancaster, Mr. Lagomarsino, Mr. Garcia, Mr. Lewis of Georgia, Mr. Stump, Mr. Leach of Iowa, Mr. Savage, Mr. Daub, Mr. Hatcher, Mr. Bryant, Mr. Towns, Mr. Markey, Mr. Nichols, Mr. Conyers, Mr. LaFalce, Mr. Panetta, Mrs. Bentley, Mr. Sundquist, Mr. Matsui, Mr. Weiss, Mr. de la Garza, Mr. Neal, Mr. Dymally, Mr. Kasich, Mr. McEwen, Mr. Dyson, and Mr. Skelton):

H.J. Res. 353. Joint resolution to designate the week beginning April 10, 1988, as "National Telecommunicators Week"; to the Committee on Post Office and Civil Service.

By Mr. DORNAN of California:

H.J. Res. 354. Joint resolution to designate January 14, 1988, as "'Steamboat Willie' Recognition Day"; to the Committee on Post Office and Civil Service.

By Mr. GILMAN (for himself, Mr. Leland, Mr. Taylor, Mr. Montgomery, Mr. Solomon, Mr. Solarz, Mr. Horton, Mr. Garcia, and Mrs. Morella):

H.J. Res. 355. Joint resolution designating September 27, 1987, as "Gold Star Mothers Day"; to the Committee on Post Office and Civil Service.

By Mr. LUNGREN (for himself, Mr. Akaka, Mr. Anderson, Mr. Atkins, Mr. Badham, Mr. Bennett, Mrs. Bentley, Mr. Biaggi, Mr. Bilbray, Mr. Bilirakis, Mr. Blaz, Mr. Boner of Tennessee, Mrs. Boxer, Mr. Brown of California, Mr. Bryant, Mr. Buechner, Mr. Burton of Indiana, Mr. Clinger, Mr. Coelho, Mr. Conyers, Mr. Coughlin, Mr. Coyne, Mr. Craig, Mr. Crockett, Mr. Daniel, Mr. Dannemeyer, Mr. Darden, Mr. Davis of Illinois, Mr. Daub, Mr. Dellums, Mr. de Lugo, Mr. DeWine, Mr. Dornan of California, Mr. Dreier of California, Mr. Edwards of Oklahoma, Mr. Fazio, Mr. Fields, Mr. Feighan, Mr. Flippo, Mr. Foglietta, Mr. Frenzel, Mr. Frost, Mr. Fuster, Mr. Gray of Illinois, Mr. Grant, Mr. Guarini, Mr. Hastert, Mr. Hatcher, Mr. Hayes of Illinois, Mr. Henry, Mr. Hefner, Mr. Holloway, Mr. Horton, Mr. Hyde, Mr. Jenkins, Mr. Jones of North Carolina, Mr. Kemp, Mr. Kennedy, Mr. LaFalce, Mr. Lagomarsino, Mr. Lightfoot, Mr. Levin of Michigan, Mr. Levine of California, Mr. Livingston, Mr. McCollum, Mr. McDade, Mr. McEwen, Mr. McGrath, Mr. McMillen of Maryland, Mr. Madigan, Mr. Martinez, Mr. Mazzoli, Mr. Mfume, Mr. Mrazek, Mr. Murphy, Mr. Neal, Mr. Nielson of Utah, Mr. Owens of New York, Mr. Owens of Utah, Mr. Packard, Mr. Pepper, Mr. Rahall, Mr. Ravenel, Mr. Regula, Mr. Ritter, Mr. Rodino, Mr. Roe, Mrs. Saiki, Mr. Savage, Mr. Saxton, Mr. Schuette, Mr. Smith of New Hampshire, Mr. Smith of New Jersey, Mr. Denny Smith, Mr. Smith of Florida, Mr. Sunia, Mr. Traficant, Mr. Towns, Mr. Valentine, Mr. Weldon, Mr. Wolf, Mr. Wortley, Mr. Young of Florida, Mr. Yatron, and Mr. Bliley):

H.J. Res. 356. A joint resolution designating October 31, 1987, as "National Child Identification and Safety Information Day"; to the Committee on Post Office and Civil Service.

By Mr. SOLOMON:

H.J. Res. 357. Joint resolution to provide for the establishment of a Joint Committee on Intelligence; to the Committee on Rules.

By Mr. FOLEY:

H. Con. Res. 175. Concurrent resolution providing for an adjournment of the Congress until September 9, 1987; considered and agreed to.

By Mr. ATKINS (for himself, Mr. Solarz, Mr. Leach of Iowa, and Mr. Lagomarsino):

H. Con. Res. 176. Concurrent resolution expressing the support of the Congress for the July 29, 1987, accord to resolve the ethnic conflict in Sri Lanka, and commending those who have contributed to the success of this effort; to the Committee on Foreign Affairs.

By Mrs. BOGGS (for herself, Mr. Shuster, Mr. Sharp, Mr. Gingrich, Mr. Foglietta, and Mr. Henry):

H. Con. Res. 177. Concurrent resolution authorizing the printing of the compilation of materials entitled "Guide to Records of the U.S. House of Representatives at the National Archives, 1789-1989; Bicentennial Edition"; to the Committee on House Administration.

By Mr. KONNYU (for himself, Mrs. Schroeder, Mr. Lujan, and Mr. Traficant):

H. Con. Res. 178. Concurrent resolution to express the sense of the Congress concerning the equitable distribution among members of the Western Alliance of the defense burden in the Persian Gulf; to the Committee on Foreign Affairs.

By Mr. LEVINE of California (for himself, Mr. Ireland, Mr. Panetta, Mr. Fascell, Mr. Bennett, Mr.

Lowry of Washington, Mr. Studds, Mr. Lantos, Mr. Bonker, Mr. AuCoin, Mrs. Boxer, and Miss Schneider):

H. Con. Res. 179. Concurrent resolution expressing the sense of the Congress with respect to the long-range energy planning of the United States; to the Committee on Energy and Commerce.

By Mr. MICA (for himself, Mr. Fascell, Mr. Nelson of Florida, Mr. Pepper, and Mr. Smith of Florida):

H. Con. Res. 180. Concurrent resolution entitled: "TV Marti, An Open Window of Liberty"; to the Committee on Foreign Affairs.

By Mr. OWENS of New York:

H. Con. Res. 181. Concurrent resolution expressing the sense of Congress with respect to violations of human rights by the provisional National Governing Council of Haiti; to the Committee on Foreign Affairs.

By Mr. SLATTERY (for himself, Mr. Roberts, Mr. Glickman, Mr. Frenzel, Mr. Whittaker, and Mr. Michel):

H. Con. Res. 182. Concurrent resolution to express the sense of the Congress concerning wheat gluten export subsidies of the European Economic Community; to the Committee on Ways and Means.

By Mr. DORGAN of North Dakota (for himself, Mr. Durbin, Mr. Johnson of South Dakota, Mr. Penny, Mr. Stallings, and Mr. Leach of Iowa):

H. Res. 254. Resolution expressing the sense of the House regarding the critical need to include the use of oxygenated fuels such as ethanol, produced from our abundant stocks of surplus grain, and methanol, which can be produced from our vast coal reserves, in air pollution control strategies required by the Federal Environmental Protection Agency for carbon monoxide and ozone nonattainment; to the Committee on Energy and Commerce.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

183. By the SPEAKER: Memorial of the House of Representatives of the State of Illinois, relative to inspection of chicken; to the Committee on Agriculture.

184. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to employee welfare benefit plans; to the Committee on Education and Labor.

185. Also, memorial of the General Assembly of the State of Illinois, relative to coal production; to the Committee on Energy and Commerce.

186. Also, memorial of the General Assembly of the State of Illinois, relative to the U.S. Nuclear Regulatory Commission's emergency evacuation planning regulations; to the Committee on Interior and Insular Affairs.

187. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to Metropolitan Area Transit Regulation Compact; to the Committee on the Judiciary.

188. Also, memorial of the General Assembly of the State of Illinois, relative to Sidney Hillman; to the Committee on Post Office and Civil Service.

189. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to the one hundred and ninety-fifth anniversary of the birth of George Peabody; to the Committee on Post Office and Civil Service.

190. Also, memorial of the House of Representatives of the State of Illinois, relative to locating the Superconducting Super Collider [SSC] in Illinois; to the Committee on Science, Space, and Technology.

191. Also, memorial of the House of Representatives of the State of Illinois, relative to the term "veteran"; to the Committee on Veterans' Affairs.

192. Also, memorial of the House of Representatives of the State of Illinois, relative to not to use Social Security funds to balance the budget; to the Committee on Ways and Means.

193. Also, memorial of the House of Representatives of the State of Illinois, relative to the Social Security system; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUNNING:

H.R. 3238. A bill for the relief of Maria Linda Sy Gonzalez; to the Committee on the Judiciary.

By Mr. MURPHY:

H.R. 3239. A bill for the relief of Laurie Dennison; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 7: Mr. Kolter.

H.R. 9: Mr. Kolter.

H.R. 74: Mr. Chapman.

H.R. 136: Mr. Neal.

H.R. 340: Mr. Badham, Mr. DeLay, Mr. Dornan of California, Mr. Lagomarsino, Mr. Smith of New Hampshire, and Mr. Swindall.

H.R. 341: Mrs. Bentley, Mr. DeLay, Mr. Dornan of California, Mr. Kasich, Mr. Donald E. Lukens, Mr. Smith of New Hampshire, Mr. Upton, Mr. Barton of Texas, and Mr. Coble.

H.R. 343: Mr. Crane.

H.R. 432: Mr. Frost.

H.R. 457: Mr. Johnson of South Dakota.

H.R. 544: Mr. Moorhead and Mr. Skeen.

H.R. 555: Mr. Owens of Utah.

H.R. 567: Mr. Packard.

H.R. 585: Mr. Owens of Utah.

H.R. 622: Mr. McEwen and Mrs. Bentley.

H.R. 639: Mr. Yates.

H.R. 692: Mr. Schuette.

H.R. 732: Mr. Tallon, Mr. de la Garza, Mr. Gonzalez, Mr. Hansen, Mr. Solomon, Mr. Atkins, Mr. Brown of Colorado, Mr. Donald E. Lukens, Mr. Chappell, Mr. Hefner, Mr. Sundquist, Mr. Espy, Mr. Ravenel, Mr. Dornan of California, Mr. Brennan, Mr. Panetta, Mr. Lewis of California, Mr. Wolf, Mr. Emerson, Mr. Holloway, Mr. Rose, and Mr. McHugh.

H.R. 792: Mr. Mineta and Mrs. Martin of Illinois.

H.R. 817: Mr. Ritter.

H.R. 820: Mr. Hopkins.

H.R. 933: Mr. Lewis of Georgia.

H.R. 939: Mr. Visclosky and Mr. Myers of Indiana.

H.R. 956: Ms. Pelosi.

H.R. 1008: Mr. Edwards of Oklahoma.

H.R. 1140: Mr. Grandy.

H.R. 1231: Mr. Wise and Mr. Hefner.

H.R. 1244: Mr. Swift.

H.R. 1260: Mr. Hughes.

H.R. 1293: Mrs. Collins.

H.R. 1336: Mr. Kolter and Mr. Visclosky.

H.R. 1352: Mr. Owens of Utah.

H.R. 1384: Mr. Dixon, Mr. McDade, Mr. Gordon, and Mr. Martinez.

H.R. 1395: Mr. Hyde, Mr. Roe, Mr. LaFalce, Mrs. Boxer, and Mr. Kasich.

H.R. 1516: Mr. Johnson of South Dakota, Mr. McMillan of North Carolina, Mr. Donald E. Lukens, Mr. Coughlin, Mr. Waxman, Mrs. Schroeder, Mr. Ridge, Mr. Cooper, Mr. Traxler, Mr. Evans, Ms. Slaughter of New York, Mr. Sabo, Mr. McCloskey, Mr. Dwyer of New Jersey, Mr. Lehman of California, Mr. Dorgan of North Dakota, Mr. Jontz, Mr. Kennedy, Mr. Mavroules, Mr. Bosco, Mr. Brennan, Mr. McHugh, and Mr. Hoyer.

H.R. 1517: Mr. Valentine, Mr. McMillan of North Carolina, Mr. Hughes, Mr. Kennedy, Mrs. Collins, Ms. Slaughter of New York, Mr. Kostmayer, Mr. Boehlert, Mr. Shuster, Mr. Petri, Mr. Lightfoot, Mr. Kolter, Mr. Chapman, Mr. Inhofe, Mr. DeFazio, Mr. Cardin, Mr. Bosco, Mr. Alexander, and Mr. Borski.

H.R. 1546: Mr. Stallings.

H.R. 1583: Mr. Inhofe, Mr. Schuette, and Mrs. Bentley.

H.R. 1707: Mr. Hall of Ohio, Mr. Pashayan, Mr. Rose, Mr. Owens of Utah, Mr. Kildee, Mr. Kanjorski, Mr. Shaw, Mr. Dowdy of Mississippi, Mr. Kostmayer, and Mrs. Vucanovich.

H.R. 1737: Mr. Fish, Ms. Kaptur, Mr. Gunderson, Mr. Martinez, and Mr. Holloway.

H.R. 1742: Mrs. Byron.

H.R. 1766: Mr. Tauzin.

H.R. 1782: Mr. Weber and Mr. Gordon.

H.R. 1794: Mr. Bevill.

H.R. 1807: Mr. Price of North Carolina.

H.R. 1832: Mr. Latta.

H.R. 1836: Mr. Jeffords.

H.R. 1873: Mr. Dyson.

H.R. 1874: Mr. Dyson.

H.R. 1883: Mr. Crockett and Mr. Garcia.

H.R. 1907: Mr. Pursell, Mr. Crockett, Mr. Martinez, and Mr. Jeffords.

H.R. 1908: Mr. Pursell, Mr. Crockett, Mr. Martinez, and Mr. Jeffords.

H.R. 1909: Mr. Pursell, Mr. Crockett, Mr. Martinez, and Mr. Jeffords.

H.R. 1910: Mr. Pursell, Mr. Crockett, and Mr. Martinez.

H.R. 1911: Mr. Pursell, Mr. Crockett, Mr. Martinez, and Mr. Jeffords.

H.R. 1938: Mr. Sikorski, Mr. Borski, Mr. Boehlert, and Mr. Darden.

H.R. 1957: Mr. Dannemeyer, Mr. Johnson of South Dakota, Mr. Porter, Mr. Kolbe, Mr. Bruce, Mr. Vento, Mr. Valentine, Mr. Swift, Mr. Brown of Colorado, and Mr. Kasich.

H.R. 2018: Mr. Kolbe, Mr. Kolter, Mr. Clinger, Mr. Garcia, Mr. Hochbrueckner, Mr. Crockett, Mr. Dwyer of New Jersey, Mr. Martinez, Mr. Owens of New York, Mr. McCollum, and Mr. Smith of New Hampshire.

H.R. 2019: Mr. McCollum, Mr. Kolter, Mr. Clinger, Mr. Garcia, Mr. Hochbrueckner, Mr. Crockett, Mr. Dwyer of New Jersey, Mr. Martinez, Mr. Owens of New York, and Mr. Smith of New Hampshire.

H.R. 2036: Mr. Fish.

H.R. 2045: Mr. Jenkins.

H.R. 2056: Mr. Guarini.

H.R. 2131: Mr. Erdreich, Mr. Roe, Mr. Crockett, Mr. Miller of Washington. Mrs. Martin of Illinois, Mr. Mfume, and Mr. Bonker.

H.R. 2138: Mr. Dyson and Mr. Martinez.

H.R. 2148: Mr. Spence.

H.R. 2229: Mr. Swindall, Mr. Bonker, Mr. Feighan, Mr. Bryant, Mr. Applegate, Mr. Jontz, Mr. Price of Illinois, and Mr. Jacobs.

H.R. 2237: Mr. Kolter, Mrs. Meyers of Kansas, Mr. Neal, Mr. Jontz, Mr. Shumway, Mr. Espy, Mr. Martinez, Mr. Nielson of Utah, and Mr. Hefley.

H.R. 2238: Mr. Marlenee, Mrs. Vucanovich, Mr. Shumway, Mr. Gray of Illinois, Mr. Hansen, Mr. Wortley, Mr. Young of Alaska, Mr. Savage, Mr. Donald E. Lukens, Mr. Dornan of California, Mr. Gallegly, Mr. Roe, Mr. Fascell, Mr. Skeen, and Mr. Wolf.

H.R. 2248: Mr. Flippo, Mr. Leland, Mr. Espy, and Mr. Annunzio.

H.R. 2260: Mr. Flippo, Mr. Leath of Texas, Mr. DeFazio, Mr. Boner of Tennessee, Mr. Hughes, Mr. Kemp, Mr. Weber, Mr. Morrison of Connecticut, Mr. Roemer, Mr. Cooper, and Mr. Hastert.

H.R. 2278: Mr. Porter.

H.R. 2328: Mr. Neal and Mr. Smith of Texas.

H.R. 2384: Mr. Perkins, Mr. Boucher, Mr. Martinez, Mr. Wolpe, Mr. Penny, Mr. Towns, Mr. Robinson, Mr. Levine of California, Mr. Foley, Mr. Kolter, Ms. Snowe, Mr. Mavroules, Mr. Chapman, Mr. Edwards of California, Mr. Hughes, Mr. Fazio, Mr. Harris, Mr. Hammerschmidt, Mr. Solarz, Mr. Akaka, Mr. DeWine, Mr. English, Ms. Kaptur, Mrs. Collins, Mr. Markey, Mr. Clay, Mr. Roe, Mr. Foglietta, Mr. Daub, Mr. Kildee, Mr. Gordon, Mr. Conyers, Mr. Williams, Mr. Brown of California, Mr. Hatcher, Mr. Bonker, Mr. Biaggi, Mr. Bilbray, Mr. Savage, Mr. Pepper, Mr. Frost, and Mr. Mineta.

H.R. 2404: Mr. Miller of California, Mr. Foglietta, Mr. Wilson, Mr. Schulze, Mr. Chapman, Mr. Lagomarsino, Ms. Slaughter of New York, Mr. Lancaster, Mr. Solarz, Mr. DeWine, Mr. Feighan, Mr. Panetta, Mrs. Collins, Mr. Garcia, Mr. Stokes, and Mr. Towns.

H.R. 2517: Mr. Owens of Utah and Mr. Ridge.

H.R. 2522: Mr. Leland, Ms. Slaughter of New York, Mr. Vento, Mr. Brown of California, Mr. Jeffords, and Ms. Pelosi.

H.R. 2532: Mr. Gilman.

H.R. 2538: Mrs. Bentley, Mr. Emerson, and Mr. Price of North Carolina.

H.R. 2647: Mrs. Boxer, Mr. Martinez, Mr. Moody, Mr. Towns, Mr. Solarz, Mr. Bennett, Mr. Clay, Mr. Savage, Mr. Frost, Ms. Oakar, and Mr. Weldon.

H.R. 2666: Mr. Fascell, Mr. Morrison of Connecticut, Mr. Sabo, Ms. Slaughter of New York, Mrs. Roukema, and Mr. Gunderson.

H.R. 2670: Mr. Clinger, Mr. Hopkins, and Mr. Owens of Utah.

H.R. 2707: Mr. Roe, Mr. Mollohan, Mr. Bonior of Michigan, Mr. Hayes of Louisiana, Mr. Spratt, Mr. Mfume, Mr. Rinaldo, Mr. Price of North Carolina, Mr. Lehman of California, Mr. McMillen of Maryland, and Mr. Markey.

H.R. 2750: Mr. Oberstar, Mr. Atkins, Mr. Fish, Mr. Dixon, and Mr. Jontz.

H.R. 2787: Mr. Owens of Utah and Mr. Ridge.

H.R. 2792: Mr. Campbell.

H.R. 2800: Mr. Vento, Mr. Guarini, Mr. Donnelly, Mr. Frank, Mr. Schumer, Mr. St Germain, Mr. Lowry of Washington, Mr. Akaka, Mr. Saxton, Mr. Regula, Mr. Stokes, Ms. Oakar, Mr. Rangel, Mr. Tauzin, Mr. Owens of Utah, Mr. Broomfield, Mr. Vander Jagt, Mr. Downey of New York, Mr. Glickman, Mr. McHugh, Mr. Dymally, Mr. Lewis of California, Mr. Mrazek, Mr. Obey, Mr. Roemer, Mr. Hawkins, Mr. Evans, Mr. Walgren, Mr. Murtha, Mr. Rinaldo, and Mr. Livingston.

H.R. 2801: Mr. Donald E. Lukens.

H.R. 2844: Mr. Dwyer of New Jersey.

H.R. 2858: Mr. Savage, Mr. Kastenmeier, Mr. Kleczka, Mr. Yates, Mr. Frank, Mr. Durbin, Mr. Hansen, Mr. Hughes, Mr. Tauke, Mr. Michel, and Mr. Obey.

H.R. 2862: Mr. Robert F. Smith, Mr. Wilson, Mr. Rose, Mr. Roemer, Mr. Stallings, Mrs. Collins, Mr. Holloway, Mr. Kolbe, Mr. Scheuer, Mr. Valentine, Mr. de la Garza, Mrs. Boxer, Mr. Upton, and Mr. Carr.

H.R. 2879: Mr. Owens of Utah.

H.R. 2883: Mr. Miller of California, Mr. Weiss, Mr. Rodino, Mr. Vento, and Mr. Moody.

H.R. 2884: Mr. Slaughter of Virginia.

H.R. 2934: Mr. de Lugo, Mr. Ackerman, Mr. Rose, Mr. Foglietta, Mr. Frost, and Mr. Boehlert.

H.R. 2965: Mr. Lagomarsino, Mr. Oxley, Mr. Rhodes, Mr. Coats, Mrs. Martin of Illinois, Mr. Swindall, Mr. Emerson, Mr. Schaefer, Mr. Fawell, Mr. Goodling, Mr. Holloway, and Mr. Porter.

H.R. 2969: Mr. Hughes, Mr. Vento, Mr. Dwyer of New Jersey, and Mr. Kastenmeier.

H.R. 2977: Mr. Neal, Mr. Smith of Florida, Mr. Darden, Mr. Fazio, Mr. Lightfoot, Mr. Clinger, Mr. English, Mr. Kanjorski, Mr. Whittaker, Mr. Owens of Utah, Mrs. Bentley, Mr. Weber, Mrs. Saiki, Mr. Harris, Mr. Gingrich, Mr. Ford of Tennessee, Mr. Hughes, Mr. Nichols, Mr. Gibbons, Mr. Gradison, Mrs. Smith of Nebraska, Mr. Jenkins, Mr. Callahan, Mr. Penny, Mr. Swift, Mr. Jontz, Mr. Guarini, Mr. McMillan of North Carolina, Mr. Wolf, Mr. Mazzoli, Mr. Lewis of Florida, Mr. Skeen, Mr. Martin of New York, Mr. Morrison of Washington, Mr. Hubbard, Mr. Upton, and Mr. Thomas of California.

H.R. 2979: Ms. Kaptur, Mrs. Collins, Mr. Espy, Mr. Lehman of Florida, Mr. Lagomarsino, Mrs. Saiki, and Mr. Upton.

H.R. 2982: Mr. Lightfoot.

H.R. 2985: Mr. Scheuer, Mr. Montgomery, Mr. Lagomarsino, Mr. Horton, Mr. Weiss, Mr. Owens of Utah, Mr. Rinaldo, Mr. Roe, Mr. Hughes, and Mr. Kolter.

H.R. 2992: Mr. Atkins, Mrs. Boxer, Mr. Carr, Mr. Dwyer of New Jersey, Mr. Fazio, Mr. Ford of Michigan, Mr. Hoyer, Mr. Hughes, Mr. Kolter, Mr. Neal, Mr. Oberstar, Ms. Pelosi, Mr. Pepper, Mr. Price of North Carolina, Mr. Swift, and Mr. Traficant.

H.R. 3005: Mr. Lagomarsino, Mr. Mrazek, Mr. Davis of Illinois, Mr. Gilman, and Mr. Savage.

H.R. 3013: Mr. Boucher, Mr. Denny Smith, Mr. Rahall, Mr. Fauntroy, Mr. Watkins, Mr. Lewis of Georgia, and Mr. Savage.

H.R. 3047: Mr. Burton of Indiana, Mr. Lewis of Georgia, Mr. Davis of Illinois, Mr. Neal, Mr. Lagomarsino, Mrs. Bentley, Mr. Porter, Mr. Badham, and Mr. Smith of Florida.

H.R. 3049: Mr. Ford of Michigan, Mr. Studds, Mr. Bates, Mr. Howard, Mrs. Boxer, Mr. Towns, Mr. Mrazek, Mr. Wolpe, Mr. Savage, Mr. Eckart, and Mr. Morrison of Connecticut.

H.R. 3051: Mr. Howard, Mr. Hammerschmidt, Mr. Anderson, Mr. Shuster, Mr. Roe, Mr. Clinger, Mr. Oberstar, Mr. Molinari, Mr. Nowak, Mr. Shaw, Mr. Rahall, Mr. McEwen, Mr. Applegate, Mr. Sundquist, Mr. de Lugo, Mr. Packard, Mr. Savage, Mr. Boehlert, Mr. Sunia, Mr. Gallo, Mr. Bosco, Mr. Hastert, Mr. Borski, Mr. Upton, Mr. Kolter, Mr. Valentine, Mr. Towns, Mr. Lipinski, Mr. Rowland of Georgia, Mr. Wise, Mr. Gray of Illinois, Mr. Visclosky, Mr. Traficant, Mr. Chapman, Mr. Lancaster, Ms. Slaughter of New York, Mr. Lewis of Georgia, Mr. DeFazio, Mr. Cardin, Mr. Skaggs, Mr. Hayes of Louisiana, Mr. Perkins, Mr. Kastenmeier, Mr. Bustamante, and Mr. MacKay.

H.R. 3054: Mr. Davis of Illinois and Mr. Savage.

H.R. 3057: Mr. Kolter, Mr. Savage, Mr. Boucher, Mr. Foglietta, and Mr. Traficant.

H.R. 3064: Mr. Lagomarsino, Mr. Ackerman, Mr. Savage, Mr. Staggers, and Mr. Penny.

H.R. 3069: Mr. Henry.

H.R. 3071: Mr. Levin of Michigan, Mr. Lantos, Mr. Kastenmeier, and Mr. Morrison of Connecticut.

H.R. 3075: Mr. Hansen, Mr. Dymally, Mr. Myers of Indiana, Mr. Schaefer, Mr. Davis of Illinois, Mr. Lagomarsino, and Mr. Pashayan.

H.R. 3078: Mrs. Vucanovich and Mr. DeFazio.

H.R. 3134: Mr. Grant, Mr. Gibbons, and Mr. Dwyer of New Jersey.

H.R. 3180: Ms. Kaptur.

H.J. Res. 8: Mr. Gallegly.

H.J. Res. 112: Mr. Bates.

H.J. Res. 206: Mr. Daub, Mr. Miller of Washington, and Mr. Bliley.

H.J. Res. 224: Mr. Gejdenson, Mr. Whittaker, Mr. Rowland of Connecticut, Mr. DeFazio, Mr. Wheat, Mr. Gilman, Mr. Neal, Mr. Lowry of Washington, Mr. Henry, Mr. Badham, Mr. Crockett, Mr. Wylie, Mr. Skeen, Mr. Lewis of Georgia, Mr. Foglietta, Mr. Foley, Mr. Blaz, Mr. Biaggi, Mr. Rodino, Mr. Wyden, Mr. Slaughter of Virginia, Mr. Hertel, Mr. Perkins, Mr. Markey, Mr. Fauntroy, and Mr. Montgomery.

H.J. Res. 227: Mr. Bustamante, Mr. Roe, Mr. Berman, Mr. Morrison of Connecticut, Mr. Coleman of Missouri, Mr. Torricelli, and Mr. Shaw.

H.J. Res. 228: Mr. Goodling, Mr. Emerson, Mr. Hertel, Mr. Clinger, Mr. Hawkins, Mr. Bustamante, Mr. Mfume, Mr. Gekas, Mr. Solarz, and Mr. Sundquist.

H.J. Res. 243: Mr. Daniel, Mr. Feighan, Mr. Leland, Mr. Gephardt, Mr. LaFalce, Ms. Pelosi, Mr. Price of Illinois, Mr. Oberstar, Mr. Kildee, Mr. Bryant, Mr. Florio, and Mr. Donnelly.

H.J. Res. 255: Mr. Bliley, Mr. Clinger, Mr. Fascell, Mr. Gephardt, Mr. Gregg, Mr. Lott, Mr. Packard, Mr. Weldon, Mr. Carr, and Mr. Florio.

H.J. Res. 257: Mr. Harris, Mr. Tauke, Mrs. Bentley, Mr. Lewis of Florida, Mr. Lehman of Florida, Mr. Flippo, Mr. Savage, Mr. Wolf, Mr. Boner of Tennessee, Mr. Garcia, Mr. Richardson, Mr. Huckaby, Mr. Leland, Mr. Lagomarsino, Mr. Gordon, Mr. Manton, Mr. Lancaster, Mr. Roe, Mr. Gray of Illinois, Mr. McDade, Mr. Davis of Michigan, Mr. Biaggi, Mr. Dorgan of North Dakota, Mr. Scheuer, Mr. Fazio, Mr. Yatron, Mr. Horton, Mr. Hatcher, Mr. Thomas of Georgia, Mr. Bevill, Mr. Levin of Michigan, Mr. Hughes, Mr. Martinez, Mr. Hefner, Mr. Frost, Mr. Johnson of

South Dakota, Ms. Slaughter of New York, Mr. Smith of Florida, Mrs. Patterson, Mr. Chapman, Mr. Erdreich, Mr. Carper, Mr. McEwen, Mr. Bilbray, Mr. Lungren, Mrs. Boxer, Mr. Crockett, Mr. Stenholm, Mr. Kolter, Mr. Wilson, Mrs. Meyers of Kansas, Mr. Valentine, Mr. Weiss, Mr. Hall of Texas, Mr. Gallo, Mr. Synar, Mr. Fields, Mr. Cardin, Mr. Kasich, Mr. Ballenger, Mr. Rangel, Mrs. Kennelly, Mr. Smith of New Hampshire, Mr. Saxton, Mr. Dwyer of New Jersey, Mr. Gonzalez, Mr. Goodling, Mr. St Germain, Ms. Kaptur, Mr. Ray, Mr. Lipinski, Mr. Fish, Mr. Staggers, Mr. Darden, Mr. Flake, Mr. Chappell, Mr. LaFalce, Mr. Neal, Mr. Owens of New York, Mr. Swindall, Mr. Stark, Mr. Bustamante, Mr. Ackerman, Mr. Akaka, Mr. Atkins, Mr. Baker, Mr. Gejdenson, Mr. Gilman, Mr. Gingrich, Mr. Nowak, Mr. Roemer, Mr. Shaw, Mr. Sunia, and Mr. Tauzin.

H.J. Res. 266: Mr. McEwen, Mr. Gaydos, Mr. Kastenmeier, Mr. Moakley, Mr. Perkins, Mr. Synar, Mr. Courter, Mr. Andrews, Mr. Bennett, Mr. Bosco, Mr. Boucher, Mr. Bruce, Mr. Coleman of Texas, Mr. Durbin, Mr. Dyson, Mr. Evans, Mr. Fascell, Mr. Frank, Mr. Gekas, Mr. Hawkins, Mr. Kasich, Mr. Lehman of California, Mr. Levine of California, Mr. Lantos, Mr. McCollum, Mr. MacKay, Mr. Matsui, Mr. Mineta, Mr. Moody, Mr. Oberstar, Mr. Olin, Mr. Ortiz, Mr. Panetta, Mr. Pursell, Mr. Richardson, Mr. Rowland of Georgia, Mr. Skelton, Mr. Tallon, Mr. Visclosky, Mr. Wheat, Mr. Wolpe, Mr. DeFazio, Mr. Flake, Mr. Ritter, Mr. Torres, Mr. Bateman, Mr. Bilirakis, Mr. Crane, Mr. Leland, Mr. Lowry of Washington, Mr. Mavroules, Mr. Packard, Mr. Saxton, Mr. Madigan, Mr. Rahall, Mr. Bates, Mr. Ackerman, Mr. Chandler, Mr. Gejdenson, Mr. Brown of California, Mr. Emerson, and Mr. Thomas A. Luken.

H.J. Res. 287: Mr. Weiss.

H.J. Res. 297: Mr. Stenholm, Mr. Madigan, Mr. Marlenee, Mr. Jones of Tennessee, Mr. Panetta, Mr. Stangeland, Mr. Thomas of Georgia, Mr. Brown of California, Mr. Lantos, Mr. Lagomarsino, and Mr. Watkins.

H.J. Res. 300: Mr. Hansen, Mr. Hayes of Louisiana, Mr. Hefner, Mr. Holloway, Mr. Howard, Mr. Hoyer, Mr. Hutto, Mr. Jones of North Carolina, Mr. Lagomarsino, Mr. Lantos, Mr. Lewis of California, Mr. Lewis of Florida, Mr. Kanjorski, Mr. Lungren, Mr. McCloskey, Mr. McEwen, Mr. Martin of New York, Mr. Moorhead, Mr. Murphy, Mr. Nichols, Mr. Packard, Mr. Panetta, Mr. Pashayan, Mr. Porter, Mr. Pursell, Mr. Robinson, Mr. Russo, Mr. Saxton, Mr. Schumer, Mr. Stokes, Mr. Sunia, Mr. Tallon, Mr. Tauke, Mr. Thomas of Georgia, Mr. Torricelli, Mr. Traficant, Mr. Valentine, Mr. Vander Jagt, Mr. Yates, and Mr. Young of Alaska.

H.J. Res. 318: Mr. Owens of New York, Mr. Dwyer of New Jersey, Mr. Frost, Mr. Rahall, Mr. Murphy, Mr. Neal, Mr. de la Garza, Mr. Biaggi, Mr. Staggers, Mr. Matsui, Mrs. Collins, Mr. Bateman, and Mr. Oxley.

H.J. Res. 328: Mr. Atkins, Mr. Cardin, Mr. Mfume, and Mrs. Bentley.

H.J. Res. 329: Mr. Weiss.

H.J. Res. 332: Mr. Atkins, Mr. Bartlett, Mrs. Bentley, Mrs. Boxer, Mr. Borski, Mr. Bryant, Mr. Bruce, Mr. Clay, Mr. Clinger, Mr. Coats, Mr. Coelho, Mr. Coleman of Missouri, Mr. Conyers, Mr. Daub, Mr. Dwyer of New Jersey, Mr. Erdreich, Mr. Fascell, Mr. Fauntroy, Mr. Florio, Mr. Frost, Mr. Hall of Texas, Mr. Hamilton, Mr. Hatcher, Mr. Horton, Mr. Hughes, Mr. Kostmayer, Mr. Lagomarsino, Mr. Lantos, Mr. Lehman of California, Mr. Lewis of Florida, Mr. Lungren, Mr. McCloskey, Mr. Matsui, Mr. Mrazek, Mr. Neal, Mr. Skaggs, Mr. Smith of Florida, Mr. Synar, Mr. Towns, Mr. Wheat, and Mr. Wolpe.

H.J. Res. 336: Mrs. Meyers of Kansas, Mr. Johnson of South Dakota, Mr. Weldon, Mrs. Morella, Mr. Weiss, Mr. Fields, and Mr. Sunia.

H.J. Res. 338: Mr. Stangeland, Mr. Gingrich, Mr. Clinger, Mr. McEwen, Mr. Sundquist, Mr. Gallo, Mr. Thomas of Georgia, Mr. Inhofe, Mr. Young of Florida, Mr. Denny Smith, Mr. Molinari, Mr. Packard, Mr. Bilbray, Mr. Carper, Mr. Clarke, Mr. Clay, Mr. Coelho, Mr. Dorgan of North Dakota, Mr. Flake, Mr. McMillen of Maryland, Mr. Miller of California, Mr. Montgomery, Mr. Owens of Utah, Mr. Pashayan, Mr. Regula, Mr. Richardson, Mr. Ritter, Mr. St Germain, Mr. Scheuer, Mr. Slattery, Mr. Spratt, Mr. Stallings, Mr. Gephardt, Mr. Bateman, and Mrs. Saiki.

H.J. Res. 342: Mr. Conyers, Mr. Bryant, Mr. Bustamante, Mr. Lehman of California, Mr. Horton, Mr. Fazio, and Mr. Lagomarsino.

H.J. Res. 349: Mr. Edwards of Oklahoma, Mr. Wolpe, Mr. Swindall, Mrs. Roukema, Mr. Torres, Mr. Miller of Washington, Mr. Yatron, Mr. Studds, Mr. Lantos, Mr. Gilman, Mr. Garcia, Mr. Broomfield, Mr. Kennedy, Mrs. Saiki, Mr. Fuster, Mr. Dornan of California, Mr. Fauntroy, Mr. Gonzalez, Mr. Weiss, Mr. Solomon, and Mr. Morrison of Connecticut.

H. Con. Res. 6: Mr. DeLay.

H. Con. Res. 41: Mr. DeWine and Mr. Smith of New Hampshire.

H. Con. Res. 97: Mr. Kemp and Mr. Gregg.

H. Con. Res. 126: Mr. Wolf, Mr. Bliley, and Mr. de Lugo.

H. Con. Res. 133: Mr. Pepper, Mr. Synar, Mr. Garcia, Mr. Duncan, Mr. Evans, and Mr. Clarke.

H. Con. Res. 136: Mr. Guarini and Mr. Jeffords.

H. Con. Res. 157: Mr. Akaka, Mr. AuCoin, Mr. Badham, Mr. Bilbray, Mr. Bilirakis, Mr. Bliley, Mr. Bonior of Michigan, Mr. Bonker, Mr. Bosco, Mr. Brennan, Mr. Bustamante, Mr. Cardin, Mr. Clarke, Mr. Coble, Mr. Conte, Mr. Courter, Mr. Daniel, Mr. DeFazio, Mr. Fascell, Mr. Flake, Mr. Gallegly, Mr. Gray of Pennsylvania, Mr. Hall of Ohio, Mr. Hayes of Louisiana, Mr. Houghton, Mr. Hughes, Mr. Hutto, Mr. Jontz, Mr. Konnyu, Mr. Lehman of California, Mr. Levin of Michigan, Mr. Lewis of California, Mr. Livingston, Mrs. Lloyd, Mr. Lowery of California, Mr. Lowry of Washington, Mr. Thomas A. Luken, Mr. Donald E. Lukens, Mr. McMillen of Maryland, Mr. Martinez, Mr. Mfume, Mr. Miller of Washington, Mr. Moody, Mr. Nagle, Mr. Parris, Mr. Pepper, Mr. Price of North Carolina, Mr. Ridge, Mr. Roe, Mr. Rogers, Mr. Rose, Mr. Sawyer, Mr. Schuette, Mr. Shaw, Mr. Shumway, Mr. Sikorski, Mr. Skaggs, Mr. Slaughter of Virginia, Mr. Stangeland, Mr. Studds, Mr. Swift, Mr. Tauzin, Mr. Visclosky, Mr. Weldon, Mr. Williams, and Mr. Wise.

H. Con. Res. 173: Mr. Dellums, Mr. Stokes, Mr. Markey, Mr. Crockett, Mr. Miller of Washington, and Mr. Fauntroy.

H. Res 114: Mr. Hyde and Mr. Whitten.

H. Res 131. Mr. Dixon, Mr. Crockett, Mr. Dellums, Mr. Rangel, Mr. Owens of New York, Mr. Conyers, and Mr. Espy.

H. Res. 168: Mr. Hopkins.

H. Res. 169: Mr. Dymally, Mr. Owens of New York, and Mr. Foglietta.

H. Res. 210: Mr. Ridge, Mr. McMillian of North Carolina, and Mr. DeLay.

H. Res. 225: Mr. Bliley, Mr. Callahan, Mr. Gilman, Mr. Holloway, Mr. Hopkins, Mr. Lott, and Mr. Petri.

H. Res. 252: Mr. Dreier of California, Mr. Daub, and Mr. Courter

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 925: Mr. Bilbray.

H.R. 3142: Mr. Martinez.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

59. By the SPEAKER: Petition of Republican National Committee, Puerto Rico, relative to colonial status; to the Committee on Interior and Insular Affairs.

60. Also, petition of Texas Association of Counties, Austin, TX, relative to the Superconducting Super Collider; to the Committee on Science, Space and Technology.

61. Also, petition of Louisiana Clerks of Court, relative to Medicare, Social Security, and related programs for State and local public employees; to the Committee on Ways and Means.

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# SENATE—*Friday, August 7, 1987*

*(Legislative day of Wednesday, August 5, 1987)*

The Senate met at 8 a.m., on the expiration of the recess and was called to order by Timothy E. Wirth, a Senator from the State of Colorado.

### PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*I will sing of mercy and judgment: unto thee, O Lord, will I sing. I will behave myself wisely in a perfect way. When wilt thou come unto me? I will walk within my house with a perfect heart.*—Psalm 101: 1-2.

*Except the Lord build the house they labor in vain that build it* * * *.—Psalm 127: 1.

Gracious Father of us all, despite the demands upon public servants during recess, grant the Senators grace and the will to give priority to home and family in these next weeks. Satisfy the loneliness of wives—the desires of children and youths for their fathers. Fill their homes and hearts with Your love and peace and joy. Make it a rich time in reconciliation, edification, recreation, and family strength.

"The Lord bless you and keep you. The Lord make His face to shine upon you and be gracious unto you. The Lord lift up His countenance upon you and give you His peace." Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
*Washington, DC, August 7, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Timothy E. Wirth, a Senator from the State of Colorado, to perform the duties of the Chair.

John C. Stennis,
*President pro tempore.*

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

## RESERVATION OF LEADER TIME

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the majority leader and the minority leader be reserved for their use later today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## IS ARMS CONTROL ESSENTIAL TO OUR NATIONAL SECURITY?

Mr. PROXMIRE. Mr. President, make no mistake about it. The most constructive and effective action the Congress can take to protect our national security and maintain superpower peace is to advance arms control. Arms control should be absolutely front and center in any armed service appropriations bill worthy of the name. It is true this has not always been the case in the past. But, oh how it should be. There is no way this Government can preserve the peace by winning a nuclear arms race. We know that and yet that's been the prime focus of our so-called defense efforts in the past. In considering our defense policies in the past we have paid far less attention to arms control than we have to our military buildup and especially to military procurement. We were wrong in this and we were wrong for many reasons.

First, arms control provides a much more likely path to peace than building a bigger military arsenal. Certainly in the world we live in at the present time we need both military strength and arms control agreements and plenty of both. Military strength represents a powerful deterrent to any prospective aggressor. But with the advent of nuclear weapons we live in a world in which a superpower war will leave only losers. We know we can't build to win. President Reagan himself has said that no one can win a nuclear war. We know doomsday weapons will destroy civilization if not mankind. As both superpowers rush to match and surpass each other in infinitely destructive hair trigger weapons we move toward an increasingly dangerous confrontation. Somewhere, some time, someone is likely to make the fatal accident that will trigger a terrible catastrophe. Arms control represents our best effort to bring these weapons under control and reduce the danger of rushing faster and faster toward war.

Second, the military buildup that has throughout the years represented the overwhelming content of our armed services authorization bills has become the major burden of our Federal Government. It has played a lead role in pushing our deficit and our national debt to levels that seriously jeopardize our economy. And our economy represents the bedrock basis of our military strength. How do we keep this immense military buildup under control without losing military strength compared to our great adversary? We can't do this unilaterally. If we reduce our military strength when the Soviet Union is building its strength, we lessen our deterrence. We invite an attack on the free world by superior Communist forces. But we can, with arms control, negotiate a verifiable limit on the arms race that will maintain the credibility of our deterrent, assure the strength of our military forces relative to our adversary. We can do this and at the same time free resources to strengthen our economy.

Third, the armed services authorization bills is exactly where arms control belongs. The Armed Services Committee consists of Senators who have through the years built their expertise with respect to our military forces. They understand the potentiality and limitations of our weapons systems because they have studied and debated and heard our military experts for weeks and months and literally many years. Arms control agreements should not be separated from the kind of expert competence our Armed Services Committee can bring to them. The Senate urgently needs the recommendations of the Senators who know what they're talking about when it comes to agreements that would limit or reduce or eliminate our military weapons. We need to know their views on the consequences of arms control agreements on our defense position. Mr. President, this Senator wants to know Sam Nunn's and John Warner's expert opinions on arms control proposals. Will the proposals strengthen or weaken our national defense? What is their precise relationship to national defense? Those judgments belong in the armed services legislation that comes before this body.

For these reasons it is eminently necessary that the Nunn-Levin language passed by the Armed Services Committee and declaring our national policy on the interpretation of the ABM arms control treaty be included

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● **This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.**

in the armed services authorization bill.

It is also essential that the Senate have a chance to act on the mandate included in the House version of the fiscal year 1988 defense authorization bill that the administration comply with the SALT II Treaty as long as the Soviets continue to do so.

It is critical that the decision of the House incorporated into the fiscal year 1988 DOD authorization bill to continue the moratorium on antisatellite testing be considered by the Senate.

These measures in aggregate will determine whether this country has an effective arms control policy that will keep the peace and strengthen our national security or not. They are every bit as vital to our national defense as the strength of our Armed Forces. The Senate should have a chance to debate them and include them in the bill or reject them.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein.

The Senator from South Dakota.

Mr. DASCHLE. Thank you, Mr. President.

## DOD AUTHORIZATIONS AND ARMS CONTROL

Mr. DASCHLE. Mr. President, I commend the leadership for their willingness to extend morning business a little bit longer this morning to give us an opportunity to discuss something of great importance to many. I did not expect that the hour would be such, but I am glad that it is and I am glad that we have the opportunity to do what many of us wanted to do for some time and that is discuss an issue of great import not only to Members on the floor here this morning but to so many people who watch with great interest the deliberations of this body, the decisions made here with regard to arms control, defense policy and long-range international relationships with our adversaries as well as our allies.

Tomorrow may be the beginning of the August recess. I suppose if one is going to analyze or find some analogy to the August recess it is a little bit like an all-star break. It is an opportunity for everyone to assess how far we have come, the record as it looks halfway through the season, an opportunity to assess the players, the agenda, the record, and take some stock as to how far we've come and how willing we have been to address some of the more controversial and substantive issues of the day.

I have watched all of what I have seen over the last 7 months with great interest. Finally, I have been frustrated at times. I have been fascinated at times. I watched with enthusiasm, I suppose, like when a carpenter comes on to the worksite for the first day all decked out with new equipment, new tools, a new uniform ready to go to work, but frustrated, frankly, by those contractors who are still trying to decide the shape and the size of the rooms.

And so we see a Senate with enthusiastic workers, with people willing to work and address and confront the issues that are so important to so many of us and yet thwarted each and every time many of these issues come before the body.

I have immense admiration for our majority leader and, frankly, for the leadership on both sides as we try to work out the many differences that exist. The majority leader has done an admirable job, an incredible job, as we have tried to take the differences, heartfelt, emotional differences at times, bring them to the floor, and work out the many parliamentary and procedural obstacles that exist on a day-to-day basis. It is a contest of wits, frankly, between those who would like to see the will of the majority ultimately have its day and those who do not.

It seems to me, as I sit on the floor and watch with the enthusiasm I hold for this body, that it is a match of wits. The question is: Can you still pass legislation after you put every imaginable roadblock in the path of the legislative process? As I watch, I become even more convinced that ultimately if something does pass the U.S. Senate it has passed very conceivable test of practicality and ingenuity and ultimately determination. Frankly, maybe that is a fair test.

Some would take great comfort in knowing this, in watching what I have watched for the last 7 months.

With all of those obstacles, and with all of the many difficulties, we have established a record of some import here—the Federal savings and loan bill, the highway bill, the Clean Water Act, trade legislation, supplemental appropriations, and scores of other bills that have great significance to people all over the country.

But as we take stock on this, perhaps the last day before the August recess, there is much that has not passed that frustrates this Senator. And to the dismay of some and perhaps the relief of others, perhaps at the very top of the list would be campaign finance reform and the appropriations bills. And while I can understand why on each of these pieces of legislation we ultimately have not met those difficult criteria by which one judges the feasibility and ultimately the success of the legislative process as we address those bills, perhaps most inexplicably of all is the defense authorization bill this year.

What does it say about a process when a bill directly related to the military security of this Nation is being undermined not because of its authorized level of spending, not because of some new weapons system, not because of the size, shape, or future direction of the bill itself, but simply for one—one—provision? And that provison simply says: Look, if you are going to change the ABM Treaty, if you are going to change the scope and the direction that we take in something that we sign with another country, and if you are going to spend money related directly to the change of that scope, come to Congress and ask us. Talk to us. That is all we ask.

That one provision is what keeps us this morning, as it has for months, from taking up one of the most important bills of all this year. That bill directly related to the military security of this Nation.

It does not say, by doing so, that we have taken any position on the treaty itself. It does not say, by doing so, that for some reason we are going to thwart what the President wants to do. It takes the position that Congress has the right to consider, as we have the right to consider any piece of legislation dealing with money, the opportunity here to discuss and debate openly whether or not spending the money that way is a good idea or not.

Of all the issues not being debated this year, I must say this is the most inexplicable of all.

What would be said if the roles had been reversed? What would we have heard from those organizations and those Members who hold the view that we cannot take the defense authorization bill here to the Senate to decide the things that we are supposed to decide and in due process? What would have been their cry had we, those of us discussing this issue today, failed to bring that bill to the floor; if it were us who held up the authorization of all new defense systems; if it had been us who were holding up pay raises for military personnel; if it were us who were stopping the authorization of military construction?

Ironically, I understand all of this obstruction is being done in the name of arms control. That is what is amazing. For the sake of the talks currently underway with INF, we cannot say anything about ABM or anything else at this point; that we have to be mum with regard to discussions that may in some obscure way undermine the President's ability to negotiate.

Well, let us hope, let us hope sincerely this morning, that the INF agreement can be reached sometime very soon, that we see an agreement to

limit or eliminate intermediate-range nuclear weapons very soon.

But let us remember what the Senator from Arkansas, [Mr. Bumpers], said just last week, that as we discuss these issues, that while we have negotiated for the last 6 years to reach an agreement which will cause us to eliminate 316 INF warheads, we are producing 316 new strategic warheads every 10 weeks.

While this administration seeks to eliminate, as it should, 316 warheads, during the last 10 weeks alone we have actually constructed 316 new ones. While this administration seeks its first arms control agreement in 7 years to eliminate those, we have now built more than 12,000. Not only that, but we have had a net increase of more than 1,770 new strategic warheads alone.

In fact, during this 3-hour colloquy, we could call it the $3 million colloquy because that is what we will spend on warheads alone—$3 million; $1 million an hour. In the meantime, the House has been told that, as we authorize the expenditure of these funds, we do not have the money for the nuts and bolts and the conventional equipment that needs to be provided to ensure the viability of those forces around the world that maintain the peace and security of this country.

The country is told that we do not have the minesweeping equipment to take to the Persian Gulf to assure the security of our ships. We are told the National Guard does not have the funds necessary to modernize its equipment that we know it should have.

This August break is now nearly upon us, and as we consider all of this, this Chamber again will go quiet for 30 days and we will assess what we have done for the last 7 months. Perhaps it is needed. Perhaps a break of this kind will allow us to take stock and to reexamine and reconsider. During that 30-day period we will have spent another $600 million on warheads. We will have built another 128 strategic warheads. I daresay not one of us will be better off.

Frankly, as one who is just starting his career in this body, I am very honored and privileged to be here. I am not as concerned about what we take stock in in the August break. What I am concerned about is how we take stock in the August breaks of years to come. Whether or not in defense authorization, whether or not in the construction of nuclear weapons, whether or not on the broad range of issues that imperil our future when it comes to nuclear security, whether or not we have come to grips with that issue; and whether or not in this deliberative body we have found the wherewithal to resolve our differences and come to the solution that we all seek: An end to the nuclear war buildup, an end to the incredible destructibility, an end to the misprioritization as it exists today.

Let us hope in the near future that this body, with all the impediments, with all of the obstacles that exist in parliamentary procedure, has the ability to say: now is the time, before the end of this administration, before the end of the 100th Congress—time to do some good, time to take stock of what is right in this country and how we want the next generation to take hold.

Mr. President, I yield the floor.

Mr. STEVENS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, I welcome this dialog this morning. I have served now in defense appropriations activities for the Senate for 17 years and as the chairman of the Senate Defense Appropriations Committee for 6 years. Let me first point out to the Senate, in 5 of the last 7 years there has been no Defense authorization bill before we marked up a defense appropriation bill, primarily because the Members of the Senate on the other side of the aisle did not want the authorization bill to move.

Again this year, the bill has not moved. It has not moved because of extraneous matters that are in this bill or contemplated for this bill. Those extraneous matters are, in fact, the provision regarding the ABM Treaty, and the issues of SALT II compliance, Asat's, and nuclear testing.

The great problem is that those of us who want this authorization bill, to eliminate the uncertainty as to where the moneys will be allocated in the appropriations process, have been frustrated.

I share the frustrations expressed by Members of this body on the other side of the aisle—that we have not been able to get the authorization bill up yet this year. But I want the Senate to know, and the public to know, that I personally have approached many Members on the other side of the aisle on at least three different occasions with proposals that would bring these issues that they want to debate to the floor, and which would let us go ahead with Defense authorization bills and appropriations bills, and not hold them hostage to these extraneous issues.

The Department of Defense does not negotiate ABM treaties or Asat treaties or SALT II treaties. That is the State Department's job.

We said: Put these extraneous matters on the State Department authorization bill and we will debate them. If you insist on passing them, let the President veto them and we will debate them again and see whether you want to override the President's veto. But do not hold the money for our defense hostage.

The answer was: No, they have got to go in the Defense authorization bill.

So, we said, put them on a separate bill, an independent bill. Let us bring them up and have them stand alone and we will debate them on their merits. We will give you a time agreement, whatever you want, but let us go ahead with these issues, have the debate behind us, and then let us talk about Defense authorization.

There are many problems about Defense authorization this year, Mr. President. The budget resolution which passed this Senate, which I voted against, will reduce the President's budget request for defense by $21 billion. That limit is too low to make the payments on existing equipment coming through open lines at the minimum rate of production and pay the people who are in the military today; let alone pay the increases in the retirement that we have committed to, now, for a period of 3 years and the pay increases for those in the uniformed services today. We know the number for defense is too low. Tough decisions will have to be made. They ought to be made here on the floor without being held up over the issue of ABM.

The ABM Treaty is a 1972 treaty. This is the first year that this issue has been brought up for debate in the Senate—the first year.

It is not the first year SALT II was brought up. I opposed SALT II from the very first time we were briefed in the classified room of the Senate and we were told what SALT II meant. It meant that, once again, the negotiators of a treaty for the United States looked from the western Soviet Union to the eastern part of the United States. Never once did they realize we had a western shore in the United States.

ICBM's were discussed on the basis of a missile that could travel from Murmansk to Maine. No one ever thought how far is it from Kamchatka to Alaska, or to Seattle.

That SALT II Treaty excluded the Backfire bomber, which now stands ready on its pads in the Russian bases across the Bering Strait from my State—said it was not a device of intercontinental range.

It eliminated the SS-20. It was not an intercontinental device; despite the fact that both are in western Siberia and the Soviet far east and both could strike my State and the western part of Canada and the west coast of the United States.

I want to tell the Senate that the last drop of my blood will go out of my body before I will see SALT II go before this body. It was a bad agreement when it was negotiated; the Senate never approved it for ratification, the President never ratified it, and it has not been adhered to by the

Soviets—it is not something we should adhere to.

I hear so many people talk on this floor about us adhering to limits. Why do they not look at the record and see what the Soviets have adhered to? What about telemetry encryption? What about a prohibited second new type ICBM. And, in terms of the ABM, what about Krasnoyarsk?

We are trying our very best to negotiate a treaty at the present time. For the Senate to pass language in a defense bill with a gun held at our head, either pass this bill with these restrictions or let the defense of the United States go downhill; to put the President in the position where he must take these restrictions in ABM or go without any money to run the Defense Department—I hope he stays by his guns and never accepts that threat—but to put him in that position at a time when we are negotiating with the Soviets is absolutely wrong.

My good friend has just mentioned that we would eliminate 316 warheads in the INF negotiation. That is true. But the negotiation would eliminate over 1,300 Soviet INF warheads. That is what it takes to bring the present imbalance down to equality. We are prepared to eliminate whatever is necessary to get us down to a balance between these two superpowers, to eliminate intermediate nuclear weapons from the world. The zero-zero option has now been agreed to by the Soviets.

When we first announced it, and I was one of the first to support it, Mr. President, everybody said that is foolish. The President could never attain that; this is simply a propaganda ploy.

I wish I had had notice that these comments would come up this morning because I would have gone back and gotten out some of those articles, where Members of this Senate said zero-zero can never be achieved. Why does the President announce a goal that cannot be achieved? Such an offer shows that we are insincere in negotiating an INF treaty.

Mr. President, I think the President has to have freedom in negotiations. I have gone to Geneva, as much or more than any Member of the Senate, to observe what is going on in Geneva, and I have the utmost confidence in Ambassadors Kampelman, Glitman, and Lehman. Each one of them has asked me to do my utmost to keep these provisions out of this bill this year.

Why limit our negotiators at a critical time in negotiating an INF treaty. The ABM language would inhibit the negotiations, not simply of an agreement in the defense and space arena, but in the START and INF negotiations as well. We actually have three negotiations going on at the same time in Geneva, and such limitations sends the wrong message to the Soviet negotiators.

Mr. President, only this week in Appropriations Committee, when we got down to allocating money under the budget resolution, the members of the majority cut another $600 million from Defense. On top of what was cut in the budget resolution which I voted against, another $600 million is cut. That means there is certainly not enough money to pay the military, to pay the COLA's, and to pay the military retirees, maintain our commitments abroad, and continue our defense modernization.

Something has to be cut. We need to make those hard decisions.

So if my friends on the other side of the aisle want to stand up and debate whether those cuts should be made, I would welcome the opportunity. But let us put aside the ABM. What does the ABM treaty have to do with the Defense Department to begin with? It is a State Department concept. It is an interpretation, as a matter of fact, of the current adviser to the President, Judge Sofaer, which has led to this debate. He said we have the opportunity to stay within the treaty and interpret it as the original negotiators for the Soviets interpret it.

I say to the Senate that the interpretation of Agreed Statement D of the ABM is an important debate. I would welcome that debate, as I welcome this one, because I have read every one of those documents. They are available to any Member of the Senate. I urge anyone who wants to debate them to read them to make sure we know what we are talking about when we enter that debate.

But that debate should not occur on the authorization bill for Defense. This authorization bill we are talking about is needed primarily to guide those who allocate the money, not only here in the Congress but in the Department of Defense. How much money for naval aircraft; how much money for tanks; how much money for strategic defense initiative; how many people are we going to maintain in the standing Army, Air Force, Navy, and Marine Corps? Are we going to assist the Coast Guard in its modernization program?

The issues, Mr. President, by my last count, number 30,000—30,000 separate items that could be increased or reduced. Why should those items not be debated? They are not to be debated because someone now wants us to adhere to an interpretation of the ABM Treaty that the Soviets never agreed to, because someone wants us to adhere to SALT II, a treaty that was obsolete before it was presented to the President. Some people want us to say we cannot ever interpret the ABM Treaty as the Russian negotiators did in 1972 because to do so might accelerate the strategic defense initiative. Others say we should not have an Asat until we can prove that the Soviets have not gone further in perfecting their Asat.

There is no denying that the Soviets have an antisatellite capability in orbit today. But we are not to increase our capability? The argument is made that we should have a moratorium on Asat systems because if we caught up with them, it is likely to stimulate them to get further ahead of us.

That is the kind of debate I would love to have.

Again, I want to say I will be here the rest of the morning and I will be happy to have a dialog with anyone who wants to discuss these issues. No one wants the authorization bill to come up more than the Senator from Alaska. We want the defense authorization bill passed. Those of us who served on the Appropriations Committee for so many years know how many fights we get into here on the floor of the Senate when we do not have an authorization bill. Even after the authorization bill is passed, the people who serve on the Armed Services Committee write to the Secretary of Defense and say, "We never authorized the moneys in that appropriations bill and, therefore, you cannot spend it."

It is a position that those who try to maintain the defense of this country should not have to endure. I beg the Senate, let us take up the authorization bill. Let us pass it. But let us not try to use it as a level to move the President from the position he has already stated. Let us not use the Defense authorization bill as blackmail, to get the administration to accept provisions it would not otherwise accept.

If my friends on the other side of the aisle are serious about this, I will work up a time agreement today and we will pass a defense authorization bill before we leave today, if you just agree to leave ABM off, leave SALT II off, and Asat off. They have nothing to do with the authorization for 1988 expenditures by the Department of Defense. They could be considered in an independent bill. They could be considered in the State Department authorization bill. They could be considered in a number of other bills that come before us. But the reason they are being considered now is they are used as a justification for those who want to vote against the defense expenditures this year—those who want to reduce them further.

At the present level of defense authorization under the Budget Act, as reduced by the Appropriations Committee this week, we will come out with a maximum expenditure for defense at a level 5-percent less than last year's rate without regard for inflation. It goes considerably into the meat of our modernization program—and that is the ceiling.

To argue about SALT II, ABM, and Asat being included in the defense authorization bill will take us to the point where once again, Mr. President, the defense authorization bill and the defense appropriations bill will be put into the continuing resolution sometime after the 1st of October. The total amounts of money for defense will once again suffer. There will be more uncertainty in term of defense procurement, stretching out the programs and increasing the cost. When we finally end up by putting in less money than is required to maintain the minimum rate of efficient production on any defense production line, it increases the ultimate cost. We might save a little money for 1988 but I can guarantee you if the line keeps going in 1989 and 1990 we will have to pay the piper.

That is what has happened this year. That is what will continue to happen. I would welcome anything the other Senators here this morning do to bring up the defense authorization bill. But I say to them it will not come up so long as it contains ABM restrictions.

Mr. HARKIN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. DASCHLE. Will the Senator yield for 30 seconds?

Mr. HARKIN. I am delighted to yield.

Mr. DASCHLE. I want to make a response without taking too much time of the Senator.

The Senator from Alaska knows very well that this bill does not include language directly dealing with SALT II or Asat. They may be amendments that could be offered but the bill, itself, does not do that. I think it would be a major infraction in the record as well as a gross misunderstanding of the scope of the bill to say that it does.

I thank the Senator for yielding.

Mr. HARKIN. I thank the Senator from South Dakota.

I was about to address that issue. I listened with great attention and interest to what the distinguished Senator from Alaska had to say. However, I would just echo what my colleague from South Dakota has said, that we all know that there is nothing in this bill that pertains to SALT II. There is nothing in the bill that pertains to Asat testing. There is something in the bill that pertains to the ABM Treaty.

Mr. STEVENS. If the Senator will yield, it is in the House bill.

(Mr. DASCHLE assumed the chair.)

Mr. HARKIN. We are not debating the House bill. We are debating the bill passed out of the Senate Armed Services Committee. We are not debating the House bill, but the bill that came out of our own committee. To say that we have to restrict ourselves to what is in the House bill and that we cannot bring up our own bill for debate, misses the mark as badly as an unaimed gun on a worthless tank.

Mr. STEVENS. I personally offered a time agreement that said no ABM, no SALT II, and no Asat, because we were told those amendments were coming. They are in the House bill along with one other provision that is noxious to us. But we were notified that only two would be brought up before the Senate. Tell me if I am incorrect in talking about what debate will take place on the floor of the Senate when the authorization bill comes up. I think the Senator ought to take a look again at that offer. Again I make the offer today. If you want to debate authorization without these extraneous riders, we will do it today.

Mr. HARKIN. Mr. President, I enjoy this colloquy. I do not intend to cut the Senator off again. I enjoy the colloquy and I want it to continue. That is what we have been doing here.

Mr. President, let us make clear that the Senator from Alaska is asking that we bring up the defense authorization bill as passed out of the Senate authorizing committee, strip it of one provision that the authorizing committee put in. We are still talking about the ABM Treaty interpretation provision. They debated this provision in committee and they voted on it. It was put in there, or the amendment was offered, if I am not mistaken, at the initiative of the distinguished chairman of the Armed Services Committee, Senator Nunn of Georgia, along with Senator Levin of Michigan.

My point is that it was debated and voted on in committee. It is part of the authorizing legislation.

The Senator from Alaska says, "strip it out, take it out of the bill."

Has this Senate ever insisted that something, duly debated and authorized by an authorizing committee, be stripped out before we let the bill come to the floor? I have never heard of such a thing.

Mr. President, that brings up another point. For a long time, we on this side of the aisle, we Democrats, have been painted by the Republicans as being soft on defense. We hear it when every campaign year rolls around, that somehow, Democrats are soft on defense. Not to my memory and not anywhere that I can find in the legislative history of this body, have the Democrats ever filibustered and prevented a defense authorization bill from coming to the floor. Even though we may have been opposed to certain parts, even though we may have at times thought the spending was too high, even though at times we thought the spending was misdirected toward Star Wars or whatever else, never have the Democrats taken the extreme position that is now being taken by the Republicans of filibustering the very motion to bring it up on the floor and debate it.

So, Mr. President, I ask, who is soft on defense? Certainly not the Democrats. We want to bring it up. We want to debate these issues and let the votes fall where they will. All we are asking for is an open system here, not to be handcuffed as the Senator from Alaska would want us to be, to somehow give up our constitutional rights, to give up what the people who elected us invested us with—that is, the charge to debate, to discuss, and to vote on these issues that are so important to our Nation.

The Senator from Alaska termed it an "extraneous" matter to the defense bill. He named the three things he has been talking about—ABM Treaty, SALT II, and Asat testing. Again, I point out that only the ABM provision is now in the bill. How can it be extraneous? If the authorizing committee put it in the bill, how can it possibly be extraneous?

Second, the Senator mentioned SALT II. SALT II, as the Senator from South Dakota said, is not in the bill. But I would argue with the Senator from Alaska that it is not extraneous to the debate surrounding the defense authorization bill. After all, Mr. President, the SALT II Treaty is inextricably involved in how much we spend and how we spend our defense dollars. The Defense Department, in deciding how much to request for the defense of this country, bases those requests on the perceived threat to this country. It outlines that threat and it says to meet that threat, we need so many armaments, and to purchase and sustain those armaments, we need so much money from Congress.

SALT II is the only constraint we have right now on Soviet strategic nuclear forces. So, Mr. President, without the SALT II limits, there is no limit, no limit on how much the Soviet strategic nuclear forces can grow. So to say that SALT II is somehow extraneous, is separate and apart from the debate on the defense authorization bill, I think, is totally illogical because the SALT II constraints help define the threat. SALT II limits the threat, thereby limiting how we have to respond to that threat. Without SALT II, the threat can grow. Our response to that threat also must grow. I am one who says that without SALT II, we are going to have to respond to that threat. So SALT II limits define how much we spend and how we spend our defense dollars.

I do not know how anyone can argue that somehow, SALT II is separate and apart from the debate on the defense authorization bill, that somehow, it ought to be in the State Department bill. Obviously, it is the State Department, as the Senator from Alaska so correctly said, that is involved in the negotiations of treaties, such as SALT II. Again, I say whether or not we adhere to SALT II limits defines the threat and defines how we respond to that threat. That, in turn, defines how much we spend, and that is what the defense authorization bill is all about—how much we spend and how we spend it.

Third, the Senator from Alaska mentioned Asat, the moratorium on testing of antisatellite weapons. Again, the Defense Department, in its request to us for taxpayer money, outlines the threat that is arrayed against us. In order to meet that threat, it says we need so much money. If we have a moratorium on antisatellite testing—as long as the Soviets do not test, we will not test—that keeps our satellites safe. That too would put limits on the threat that we face. Therefore, it defines how we spend our defense dollars.

So, Mr. President, for the life of me, I cannot understand how anyone can argue that those three issues—ABM, SALT II, and Asat—are somehow totally separate and apart from the debate on the defense authorization bill.

Mr. President, the last time we discussed this matter, that is, the Republican filibuster on the motion to proceed, was on July 24. That was when the distinguished majority leader asked unanimous consent to proceed, and it was objected to by the Republican side.

We have had, according to my count, three cloture votes and one unanimous-consent request to bring up the defense authorization bill, but the Republicans have been blocking all attempts to proceed. We have not been able to get the votes to overcome their filibuster, and as I said, on July 24 the Republicans objected to the unanimous-consent request to bring it up.

We have heard a lot of talk from this administration about the priority of national defense over other issues. The President reminds us that defense is the prime responsibility of the Federal Government. It is the first order of national business. It is the function without which all other functions are irrelevant. Translated by the White House, this imperative has come to mean large increases in defense spending, even if money must be borrowed from foreigners and charged against our children, or transferred from the needy to the greedy in our society, even if our best scientists and engineers must be pulled away from helping to protect our environment and redirected to the weaponization of space.

I have been very critical in the past about how narrowly administration supporters define the national security of this country, but at least I thought I understood their line of reasoning: Radical measures were required by the perceived urgency of the need to defend this country. After all, with "Ivan at the gates," there was not a moment to spare. We had to be ready. We had to get our defenses out there; we could not delay.

Now, I must confess that I am a little surprised. Last May, the Republicans began a filibuster against the motion to proceed to debate on the defense authorization bill.

I was even more surprised to learn recently that the Republican minority was not just making a point, but was quite content, apparently, to sabotage the congressional process by sacrificing defense authorization entirely. Because of this filibuster, the Senate will not use the appropriate means of debating and deciding on issues of defense policy. It will not be able to consider these issues on their merits alone. The Senate will not be able to receive maximum benefit from the expertise and hard work of the Senate Armed Services Committee.

Mr. President, perhaps what the Republicans are telling us is that we ought to get rid of authorizing committees: do not have any at all. Why go through the process of having hearings in the authorizing committee, of debating in the committee, of voting in the committee, of reporting out an authorization bill, if all we are going to do at the end of the year is wrap it into a continuing resolution?

As a member of the Appropriations Committee, perhaps in some sense I would have a lot to gain from that: My power would go up; we would be able to define within the Appropriations Committee what the proper levels are; and perhaps through ingenious report language or through limiting how much money can be spent, we can even define how the money is to be spent, let alone how much is to be spent.

However, even though those of us who serve on the Appropriations Committee might gain in some parliamentary sense, I think we all lose if we go down this path. We lose because we lose the time-honored and time-tested and time-proven ability of authorizing committees to fully and thoroughly investigate, debate, and decide how and how much we will spend on these programs. I am not just talking about defense, but about other programs, too.

So, because of this filibuster, we have the unique situation in which the Armed Services Committee has fully and faithfully discharged its responsibility to this body, and yet is not allowed to bring up the bill on the floor.

It is obvious that the Republicans do not want the ABM Treaty interpretation considered on its merits, even though all their current substantive arguments would be available to them once the debate has begun. They can argue it on the floor. No one is trying to argue that if we bring up the defense bill, they cannot have adequate time to debate these things.

The distinguished Senator from Alaska said he wants to have a time agreement on the defense authorization bill and no debate on ABM, Asat, or SALT II.

Well, as I said, Mr. President, the Senate will find a way to address these important and contentious issues and will probably do so on the continuing resolution. But that will be at the end of the year, in the rush to close, without full, fair, and open debate on these issues. It is not a responsible way for this body to operate. In fact, it is totally irresponsible to operate this way. Not only is it irresponsible; I also believe it will leave Congress and the Nation's defenses in a weaker condition than would otherwise be the case.

The distinguished Senator from Alaska made comments about different cuts in the defense bill. That is all to be debated. But for those of us who perceive more of a conventional threat to our interests in Europe and other places, and who believe there should be more of a conventional response on the part of our national defense forces instead of a Star Wars response, for example, we see in this authorization more money than the administration asked for—for things like the Abrams main battle tank or the Apache attack helicopter.

This is the first time we have had this 2-year authorization. I think it is important to note that the authorizing committee has put a lot of stock in moving to the front our readiness and sustainability, especially in the conventional forces—in those critical areas that I think are more important to us than the money we are throwing down the rat hole on Star Wars.

There are many critical areas of readiness and sustainability that the Armed Services Committee addressed. I will note one that is important not only to me but also to other Members of the Senate.

The committee was able to increase funding for Army depot maintenance in fiscal year 1988, a critical readiness area of the fiscal year 1988 budget that was seriously underfunded.

Well, I think that argues against those who say that somehow we are soft on defense and that all we want to do is cut defense. No. I can only speak for this Senator. I am ready to cut Star Wars funding, and we will have a vote on that on the floor. But in these other critical areas, I am not ready to cut, because I see a very real threat in terms of conventional forces and readiness and sustainability. I believe all those are being eroded because of our rush to throw money at weapons in space.

Mr. President, I know that others want to engage in this colloquy. All I will say in closing is that there is still time for the Republicans to participate in the defense issues before the Senate, and there is still an opportunity for a constructive conference. Therefore, I urge my colleagues on the other side of the aisle to really consider the defense needs of this Nation, to consider also whether or not they want to begin the process of destroying the authorizing committee structure of the U.S. Senate.

I say to my colleagues on the other side: Do not go down in history as those who deprived our Armed Forces of authorizing legislation for the first time in three decades. For the first time in 30 years, we may not have a chance to bring up the authorization bill for the Armed Forces of the United States.

So I ask my colleagues on the other side to reconsider. When we come back from our August recess, and when we have a vote on cloture to bring this to the floor for debate, I hope that my colleagues on the other side will reconsider and let the measure come before us. Let us debate these issues, let the Senate work its will, and provide for the adequate defense of our country.

I yield the floor.

Mr. WIRTH. Thank you very much, Mr. President.

I, like the Presiding Officer this morning, arrived in the Senate in January, full of anticipation and watching with great care the deliberations and anticipating that I would be involved in a lot of extraordinary important issues, and I, like the distinguished Presiding Officer, have had my frustrations over the last 8 months as well, feeling a little bit often like the guests who come to the Senate and look down at this institution and sort of wonder what is going on. It is difficult to try to grasp that even after being here for 8 months much less to expect people to come in on their tour of Washington and see immediately what is happening here, why is there not more action, or people who are watching our deliberations on television who see a great number of quorum calls and recesses, and so on, that we are not, as I think was so correctly suggested, we are not doing what we were sent here to do which is to debate and engage the great issues of our time, and certainly one of those great issues is the Defense authorization bill and the various pieces of that including the ABM Treaty and including other amendments that Members of the Senate fulfilling their constitutional obligations are offering.

Where we are in is the simple situation of having a piece of legislation which we, under the rules of the Senate, are required to bring up which is an authorization bill coming out of the Armed Services Committee, and I am a member of that committee.

That authorization bill was crafted after a great deal of work under the leadership of Senator NUNN, probably one of the most respected if not the most respected defense analysts in the Congress or in the Senate or in the House of Representatives, his first year at the helm of that committee, and starting out with a very, very careful examination of our overall strategy and approach, what we were trying to do, where were we going, not micromanagement, but the broad picture, narrowing that down into a bill that was reported out of the committee, I think by only one or two people voting "no" on legislation, a remarkable consensus on both sides, to try to bring that bill to the floor so that all 100 Members of the Senate could participate in the debate over what our Armed Forces ought to be and what our overall strategy ought to be, and where we ought to be going. We anticipated, of course, we would have the opportunity to come to the floor.

But we have not had that opportunity because the minority party, the Republican Party, has systematically engaged in a filibuster to stop the debate, to stop the consideration, to stop the Defense authorization bill.

We have a systematic, apparently party policy of the Republicans with the White House saying we are going to stop this particular piece of legislation. That is what this is all about for those who are curious why we are here this morning and what the problem is. The problem is we have a bill that we want to bring to the floor, the Defense authorization bill, the Republicans and the White House object to one provision in that bill, the provision related to the ABM Treaty. They object to that and so they are filibustering the whole bill and not bringing it up.

Now I gather, Mr. President, that the history of the institution makes very clear that the filibuster is a very legitimate tool. The filibuster is a tool that is there under the compromise that was developed 200 years ago in the development of this Constitution, in which we set up a system which protects the interests of the minority and protects the interests of small States. The filibuster allows a small State or allows a minority interest or somebody who feels very strongly about a particular issue to get up and stop consideration until people really look very carefully at that issue. That is why we have the filibuster. It is there. It is wonderful kind of check in many ways to stop and slow people down and say, "Hey, there are things that I believe or my State believes or my region believes that are enormously important. We may be getting trammeled by the majority or trammeled by big States, so we are going to stop."

That has been used over history very well. People who felt very strongly about civil rights made statements on civil rights; people who felt very strongly about voting rights made statements on voting rights.

Recently we had a very colorful filibuster 2 or 3 years ago on natural gas pricing. And other individuals and States will do it.

But I have not seen a time in the history where a whole party position in concert with the White House systematically said: We are going to stop the movement of the Senate until they go along with dropping out, as the Senator from Iowa so clearly said, dropping out a provision which was clearly put in the legislation by the committee, the provision on the ABM Treaty. Is that appropriate? I do not think so.

Also, Mr. President, I do not remember that the Democratic Party, when it was in the minority in the 1980's, that 6-year period of time, filibustered provisions as a party that we did not agree with. I did not agree with the Kemp-Roth tax cut. You remember that was a major part of what was going on in terms of the President's new philosophy of economics: You can cut taxes and we will all have more money, and it will go back in the economy; we are going to build a better tomorrow in that fashion.

I think most rational economists did not agree with that. We did not filibuster. We lost fair and square on votes. We lost fair and square. It became the law of the land. We did not sit down and filibuster. We said have a fair and square debate.

That is what we ought to have on the ABM Treaty.

The argument is made this morning that not only the filibuster is a legitimate weapon but the filibuster is there, as pointed out, for the purposes of making sure that we not only do not address the ABM Treaty, issues so enormously important, but do not address either other provisions in the legislation, the SALT II provision and the Asat provision.

The Senator from South Dakota, the distinguished Presiding Officer, and the Senator form Iowa, pointed out neither the SALT II Treaty provision nor the Asat Treaty provision is in the bill.

These may be amendments offered, but I think, that any Member of the Senate can offer amendments and I believe that, as I understand it, Senator BUMPERS is considering raising the SALT II amendment and Senator KERRY is interested in raising the Asat amendment.

I do not know what rule there is or what history there is that individuals are precluded from offering those amendments. Those are important issues.

The argument is made that those issues are extraneous. I find it remarkable to think that provisions related to the ABM Treaty and the potential of expenditure of enormous amounts of money are extraneous, or debate related to SALT II, the overall level of warheads and nuclear weapons we ought to have, is extraneous, or debate related to the Asat Treaty is extraneous, Asat weapons, antisatellite weapons is extraneous. What is extraneous?

The ABM Treaty goes directly to the point of what we are going to do in terms of the strategic defense initiative which, as the President has said and as the Defense Department has said, has the potential expenditure of well over $1 trillion. One trillion dollars, Mr. President, is not extraneous. How much is $1 trillion? I mean none of us can even fathom how much money it was. The only way one can say $1 trillion is extraneous is because you cannot imagine how much $1 trillion dollars is so, therefore, it must be extraneous.

I did the numbers while I was sitting here this morning. One trillion dollars, Mr. President, if you spent $1 million a day every day since the birth of Jesus Christ of Nazareth you still would not have spent $1 trillion today. If you spent $1 million a day since the birth of Jesus of Nazareth, do the numbers, and you still would not have spent $1 trillion today.

Now, nearly $1 trillion and a potential of $1 trillion expenditure cannot be described as being extraneous.

Nor can we, when we look at the recent studies, just the early deployment of SDI, if we were to do an early deployment is in my opinion premature, but were we to do an early deployment of the strategic defense initiative system, that would cost, according to studies published just this week, over $1 trillion, early deployment alone, more than $1 trillion. Certainly, the ABM Treaty and all that it reflects and all that it suggests and all that it might lead up to in terms of the strategic defense initiative and deployment is not extraneous.

It was claimed also this morning that this is the first time that the ABM Treaty has been brought up in this kind of a fashion. Of course, it is. I think this is the first time, Mr. President, that the administration has attempted unilaterally to change the treaty.

Is SALT II extraneous? Hardly. The number of warheads? How many warheads should we have? Where should we be going? We are spending approximately $40 billion a year on nuclear warheads, nuclear delivery systems, and the support mechanism—about $40 billion a year. That is not extraneous. That is an enormous amount of money.

Is ASAT extraneous? Does that suggest any kind of new weapons breakthroughs is extraneous? That is like arguing the militarization of space is extraneous, like arguing, as we did in the past, going to intercontinental bombers, a whole new breakthrough, is extraneous, or going to MIRV'ing is extraneous, digital electronics is extraneous. Is any new breakthrough extraneous? Hardly. We ought to be debating and looking at all of those.

What does that have to do with defense? The ABM Treaty has everything to do with defense. It tells us how much are we going to spend on various strategic systems, how much we are going to balance off between conventional and strategic, what are we going to do in terms of spare parts and readiness and balance that against the enormous commitments to SDI. What impact are these investments going to have on our defense industrial base? Enormously important.

What spinoffs can we expect from SDI, if any? I think we would probably benefit from any basic research we did. Those are important issues to be debated. Hardly extraneous.

It was said this morning: "We want the defense authorization bill to come up." Well, let us bring it up. It was said this morning: "We would love to debate these issues." Well, let us do it.

For nearly 2 months now, the Senate has been forced to delay action on the fiscal 1988 national defense authorization bill—the legislation providing for our security.

Now, I join my colleagues in regretting that the bill has been stalled by Members on the other side of the aisle. That is especially regrettable because eight minority members of the Armed Services Committee called this bill a "remarkable achievement" in the committee report. To my knowledge, those who have resisted acting on this bill single out but one objection to further consideration: the Levin-Nunn amendment to require congressional approval of any SDI tests which would violate the restrictive interpretation of the ABM Treaty.

My Republican colleagues who oppose this amendment do so on the grounds that it usurps Presidential power to set overall U.S. defense policy and to interpret treaties affecting that policy. Mr. President, I reject that assertion without any hesitation at all.

Congress does indeed have a role in considering—and acting upon—fundamental national security issues. The Armed Services Committee stressed Congress' prerogative in its report language accompanying the ABM amendment. I think that language bears repeating in the Record at this point:

> The decision to authorize expenditure of funds for the armed forces is one of the most significant constitutional responsibilities assigned to the Congress. The strategic defense initiative is one of the most controversial and costly programs ever to be presented to the Congress.
>
> Without prejudging the wisdom and desirability of undertaking testing, development, and deployment of mobile/space-based ABM's using exotic technologies, it is imperative that Congress in general—and this committee in particular—examine in detail any proposed expenditures that would involve a substantial change in policy.

Some argue that Congress—especially the Senate—should not meddle in the interpretation of the ABM Treaty, in what testing is permissible under the accord as negotiated. But this proposition would make a mockery of the constitutional requirement that the President make treaties "by and with the advice and consent of the Senate."

The Senate will be doing a disservice to the Constitution if we stand idly by while the President radically reinterprets an existing treaty.

The administration's new broad interpretation of the ABM Treaty is tantamount to the President unilaterally amending a treaty. Under the Constitution, the President must seek the advice and consent of the Senate in order to amend a treaty. If the Senate does not insist on upholding its constitutional prerogatives to advise and consent, I fear the Senate's role in the treaty making process will be severely damaged.

For example, how could a Senator vote on a future treaty without complete assurance that the meaning placed before the Senate during the ratification process is in fact what the treaty will mean at a later time? How could a Senator support a treaty if he or she knows that, at some unspecified time, the executive branch can change the basic meaning of that treaty—without the advice and consent of the Senate?

One other argument has been advanced: That Congress should not adopt binding legislation concerning programs covered by international treaties. Yet the Constitution empowers Congress to appropriate or withhold funds to provide and maintain America's Armed Forces. This power obviously includes the right to place limits on the appropriation of such funds, including limits on the testing and development of SDI. Regardless of one's position on the ABM Treaty or SDI, no one can dispute the power of Congress to legislate in this area.

Mr. President, in my remarks, I have stressed the importance of Congress' central role in setting U.S. defense policy. That is the overriding issue we face in the administration's attempted "reinterpretation" of the ABM Treaty. But in discussing the accord, we should not lose sight of its intrinsic importance to our defense; the ABM Treaty is the bedrock of superpower arms control efforts and makes a critical contribution to U.S. national security.

For 15 years, the treaty's principal obligation—not to deploy a nationwide defense or provide the base for such a defense—has lent order to the strategic competition between the United States and the Soviet Union.

The ABM Treaty codifies a mutual recognition by the superpowers that neither country would agree to limit or reduce its strategic offensive arms if its adversary could build strategic defenses that would negate the ability to retaliate. The deep reductions in nuclear weapons that we all seek can only occur if strategic defenses are strictly limited.

Six former Secretaries of Defense—three Republicans and three Democrats—recently reaffirmed this stark reality. They said the ABM Treaty "makes possible the negotiation of substantial reductions in strategic offensive forces."

The solemn obligation of both the United States and the Soviet Union not to deploy nationwide defenses or provide the base for such a defense is sustainable only under the restrictive—or traditional—interpretation. Both parties to the 1972 accord understood that space-based and mobile ABM systems have an inherent nationwide capability and thus had to be tightly constrained in order to achieve the treaty's objective.

Article V explicitly supports this objective by prohibiting the development, testing and deployment of space-based and other mobile ABM systems and components. This provision was clearly intended to apply to all technologies, future as well as current, in a treaty of unlimited duration.

If this were not the case, the parties could circumvent this critical prohibition through "exotic" technologies. If such systems were allowed to be developed and tested, the parties would be able to provide the base for a nationwide defense and thereby undermine the main purpose of the treaty. I hasten to add that the six Secretaries of Defense to whom I referred earlier have also urged both the United States and the Soviet Union to uphold this traditional interpretation of the ABM Treaty.

The White House has decided, wrongly in my view, to challenge this well-documented interpretation, substantiated in full by the leading military and civilian officials—including the treaty negotiators—in the Nixon administration. But what the White House cannot challenge is the legislative branch's essential role in assessing any change in our country's existing treaty obligations.

That role is at the heart of our constitutional process. It is a fundamental element of our system of checks and balances. It is the process upon which the integrity and consistency of our international commitments rest.

If the administration is allowed to alter unilaterally our obligations under the ABM Treaty, U.S. credibility in the international arena will certainly be severely undermined. Our friends and allies will question our commitment to other critical international obligations. Arbitrary actions like the "reinterpretation" fly in the face of our national commitment to the rule of law—here and abroad.

The Senate Armed Services Committee has acted, I believe, with foresight in restraining the administration's effort to stretch the ABM Treaty beyond recognition—without consulting Congress. The committee has acted prudently—and without prejudice toward the strategic defense initiative—to bring the administration back within the constitutional guidelines that have served this country so well for two centuries.

That is why I am puzzled by my Republican colleagues' concern about the Levin-Nunn amendment and their filibuster of the entire defense authorization bill. Are they asking the U.S. Senate to choose either an abdication of the Senate's constitutional responsibilities or a sound defense bill? That strikes me as a "lose-lose" proposition.

Mr. President, we have on the calendar a carefully crafted defense bill, which committee Republicans themselves describe as, "a proper balance * * * between our national security objectives and the need to balance the Federal budget." It is time we brought this well-done legislation to the Senate floor.

I urge our colleagues to vote an end to the Republican filibuster of this bill, which authorizes America's defense program and is so important to our national security. By doing so, I hope that Members of the Senate, irrespective of their position on SDI and the ABM Treaty, will join with us on the Armed Services Committee in upholding our responsibility in the Congress and our prerogative to advise and consent in the making of our international obligations.

Let me close by quoting from the debate earlier this morning. It is the other side:

"We want the defense authorization bill to come up." Well, again I would say: Let us bring it up.

The other side: "We would love to debate these issues." Well, let us go to it.

Thank you very much, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from California.

### THE COSTS OF THE FILIBUSTER OF THE DOD AUTHORIZATION BILL

Mr. CRANSTON. Mr. President, the filibuster of the DOD bill has crippled the authorization of funds for the national defense—stifling debate and stalling action on vitally important military matters.

This can weaken our military strength and our national defense posture.

It has also prevented the U.S. Senate from considering and coming to grips with the most crucial issue facing us today: arms control and the prevention of nuclear war. An inflexible Republican majority has blocked any action on the defense budget in order to prevent a public vote on vital issues like compliance with the SALT II ceilings, SDI funding, and nuclear testing. Rather than risk an honest, straightforward vote on these measures, these Senators—not all Republicans, but most Republicans—have chosen to undermine the entire authorization process, and to obstruct any debate on priorities for the defense of the United States.

Meanwhile by the end of this year, the United States will have deployed 300 warheads—cruise missiles on B-52's—in excess of the numerical subceilings of the SALT II agreement.

The Reagan administration is working on the prospective INF Treaty. I expect to work hard for that treaty. I expect to help lead an effort to break any fililbuster launched against that treaty—some Republicans may try to block it with a filibuster. I expect to be in President Reagan's corner on that one.

But it is bitterly ironic that while the United States would destroy 316 warheads over 5 years under the INF Treaty, the administration—through its Strategic Modernization Program—is deploying 316 more warheads every 10 weeks. This unilateral abrogation of treaty ceilings by the Reagan administration has gone forward without the Senate ever being permitted to vote on the matter.

At the same time the Reagan administration is squandering billions of dollars in a rush to deploy a provocative but ineffective strategic defense system. The administration is also hard at work developing specious arguments to convince us that SDI testing is allowed under the ABM Treaty. While tortuous arguments continue on Capitol Hill about new and revised interpretations and legally correct definitions for various articles of this treaty, the administration is moving full steam ahead to develop weapons tests that would clearly violate the ABM Treaty restrictions.

Many Senators don't buy the reinterpreted version of the ABM Treaty. Obstructionist Senators, rather than confront the issue head on, are trying to muzzle this body, to keep us silent, to prevent votes not only on arms control, but on the entire defense budget. Certain Senators are unwilling to deal with the defense budget of the United States of America. Clearly, they are concerned that the Senate is likely to vote to uphold the traditional, narrow interpretation of the ABM Treaty. Clearly they are concerned that the Senate may well vote to bring the United States back into compliance with those SALT II limitations which are still being observed by the Soviet Union.

I believe it is a disservice to this body to hold hostage our national defense bill because some Senators want to duck an up-or-down vote on these arms control issues. Worse, it's a disservice to our Nation, and its people. Let's debate these issues in our open forum. Then let's make the tough choices we were sent here to make. Let's proceed with votes on SALT ceilings, on ABM restrictions, and on nuclear testing—and defense issues. And let us not allow the Senate—the world's greatest deliberative body—to become the silent Chamber on vitally important arms control and defense legislation.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. LEAHY. Mr. President, I have listened to what the distinguished Presiding Officer has said, the distinguished deputy majority leader, and I want to echo their comments. I think what they have said and others have said on this subject has been extremely important. They are matters that the whole country should listen to.

Mr. President, the Senate is facing an unprecedented situation. A determined minority of Senators are preventing action on the defense authorization bill.

No one questions the patriotism of these Senators. They are not against a strong defense of this country. Indeed, some of them are for spending even more for defense than the defense authorization bill would provide. None of them would do anything to undermine our Armed Forces. Yet they have repeatedly prevented the distinguished majority leader and the distinguished chairman of the Armed Services Committee from bringing the defense authorization bill to the Senate floor. Three times they have blocked a cloture motion to bring their filibuster to a halt.

Why on Earth do we have this amazing spectacle of strong, prodefense Senators filibustering the bill intended to authorize every activity and weapon under the purview of the Department of Defense? Why have they refused to let the Senate act on this bill for over 2 months?

Mr. President, the answer is simple. They do not want to allow the Senate to vote on arms control. The bill contains a provision authored by the distinguished chairman of the committee, the Senator from Georgia [Mr. Nunn], and my friend the able Senator from Michigan [Mr. Levin] which would prevent the administration from destroying the ABM Treaty in its relentless pursuit of the pie-in-the-sky star wars program.

Star wars, or the strategic defense initiative, has become the touchstone of loyalty to the administration. Its proponents are willing to frustrate the will of the Senate and kill the defense bill if that is what it takes to prevent the Nunn-Levin provision from becoming law. They know there is a decided majority in the Senate in support of the Nunn-Levin language to save the ABM Treaty from being gutted, and they dare not let it come to a vote.

There is another issue, Mr. President, that frightens those who refuse to let the defense bill come up on the Senate floor. That is the Bumpers-Leahy-Chafee-Heinz amendment to put the United States back into observance of the three main weapons ceilings of the unratified SALT II Treaty. We have repeatedly declared our firm intention of offering this amendment, together with our 46 cosponsors, on the defense authorization bill. Fifty Senators have said they believe it is in the national security interests of the United States to maintain the ceilings on Soviet multiple warhead missiles and cruise missile carrying bombers. Those key ceilings strongly favor the United States, and are all that stands between the world and a wide open, totally unconstrained race in strategic missiles and bombers.

Now, why is it that 50 Senators, Republicans and Democrats, support Bumpers-Leahy-Chafee-Heinz, when a decided majority of the Senators support Nunn-Levin, why is it that we cannot vote on this? Why is it that we cannot express the will of our constituents and the will of the majority this way?

The Senate is designed so that the rights of a minority are protected. They may insist on delay and careful consideration of a measure they oppose. But, even in the Senate, there comes a time when the majority must be able to exercise its rights, too. We have waited patiently for the minority who oppose these arms control provisions to state their objections and concern, and then to allow us to make our case in support of our amendments. Yet, they will not allow us this right.

If they oppose our amendments, let us bring them up, let us debate them, let us vote them up or down.

If they want to offer different amendments, then let us do that. Let us vote them up or down. But I think most people in this country know where they stand on arms control issues.

They would probably like to see the U.S. Senate, the body that should be the conscience of the Nation, the pulse of it, vote on the issue of arms control.

Mr. President, this delay threatens to kill the defense bill altogether. But, I say to my friends who are filibustering the defense authorization that they can duck the arms control issues only so long. Congress cannot adjourn this year without passing an appropriation for the Defense Department, either in a separate appropriations bill or in a continuing resolution. It would be better for the Senate and for the Defense Department if we could address these policy issues on a policy bill such as the defense authorization bill, instead of a continuing resolution.

It would be better for the Senate, actually it would be better for the Department of Defense, if we could address these policy issues on a policy bill such as the defense authorization bill instead of on a continuing resolution.

But, if the minority, those opposed to arms control, continues to frustrate the will of the Senate, we will be left with no other choice but to act on the defense appropriations bill or the continuing resolution. We will at last get a vote which will make the Senate show where it stands on preserving the integrity of the ABM Treaty and the SALT II interim restraints in the Bumpers-Leahy-Chafee-Heinz amendment.

Really, here is what we are facing: Is the majority of the U.S. Senate in favor of arms control or are they not? The majority of the people in this country are in favor of arms control. Certainly, when you consider the global states, I would suggest that the majority of the people throughout the world are in favor of arms control.

We are the conscience of the country, we are the conscience of the Nation, in the U.S. Senate. At some point we ought to be allowed to vote and say we are in favor, each one of us. Each 100 of the men and women in this body ought to be able to stand up and say they are in favor of arms control or they are not.

I know I am, and I am eager to have that vote. I want to cast my vote in favor of arms control as do the majority of the Members of this body, as do a lot of Democrats and a lot of Republicans in this body. That is all we are asking, for a chance to do that.

That is why I urge those who are filibustering this bill to stop and allow the distinguished majority leader and allow the distinguished chairman of the Armed Services Committee to bring up the defense authorization bill, debate the issues involved, and vote them up or vote them down.

I thank the Chair.

Mr. NUNN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. NUNN. Mr. President, I thank my colleagues for bringing this matter to the attention of the Senate this morning. I share their desire to get the defense authorization bill called up. We have been very frustrated in the last couple of months when we have been precluded from having that opportunity.

Mr. President, on Friday, July 21 the distinguished majority leader sought unanimous consent to bring before the Senate the national defense authorization bill for fiscal years 1988 and 1989. This bill—which is vital to the security of our Nation—has been the subject of a filibuster which has precluded Senate consideration since last May.

The filibuster is over a spending limitation in our bill, one which seeks to ensure that the substantial increases we provided for SDI—an authorization of $4.5 billion—are expended in a manner consistent with DOD's testimony about the SDI Program. The amendment became necessary when we received information that the executive branch believed that the funds could be used for any type of test or development program, regardless of whether it had been presented to Congress.

In other words, the administration came up and presented a program to the Senate committee and said, "This is what we are going to do this year. Please give us the money for this."

We gave them the money and the administration spokesman said:

> We reserve the right to go to another testing program that would basically be a departure from what we presented to the Senate, one that would go with a different interpretation of the ABM Treaty, and we can do that at any time. Of course, we will consult with the Congress before we do it.

Consultation, as we all know, can be anything from a letter, to a phone call, to a 20-minute presentation, to a statement that they are going to do something the next morning. So consultation is not enough for those of us who have been here for awhile.

Despite the generous funding of SDI by the Senate Armed Services Committee—a full $1.4 billion more than the House bill—and more than many people think is going to come out of our own Appropriations Committee—there has been objection to taking up our committee's bill. I find such objections particularly perplexing and puzzling in light of a recent letter on the defense bill signed by Secretary of Defense Weinberger, which our committee received on July 28.

Most of this submission is unclassified. Part of it is classified, and I will discuss only the unclassified portion this morning.

According to Secretary Weinberger, this letter constitutes "the Defense views on the House and Senate authorization bills." This document is commonly known in the inner circle as the heartburn letter because it expresses the position of the Pentagon's leadership on the legislative matters of greatest concern.

This year's letter is one of the longest and most detailed in memory. The basic letter consists of 16 single-spaced pages, addressing 31 specific issues. Enclosure 1 includes 6 pages of language appeals, discussing 12 legislative matters. Enclosure 2 has 19 pages with 46 additional items of concern.

Secretary Weinberger's letter discusses 89 issues, ranging from the nuclear testing limitation in the House bill to the House's reduction in funding for the academic and library facility at Fort McNair. It is indeed, a comprehensive list, and provides great insight into what we are told are the Secretary's priorities.

I find it noteworthy, therefore, and I am sure my colleagues will, that this massive document does not make mention of the SDI testing limitation in the Senate bill.

Here we are, after 2 months of filibustering on that major provision, and the Secretary of Defense never even mentions it.

Indeed, Secretary Weinberger's discussion of the SDI Program focuses on the vast differences in funding between the House and Senate versions, and he concludes: "I strongly support the Senate provision."

I emphasize that is on the funding provision. That is not on the limitation provision.

The Secretary's heartburn letter identifies only two provisions as constituting an effort to legislate treaties, both of which appear in the House bill: the nuclear testing limitation and the Salt II limitations on strategic forces.

Secretary Weinberger solicits support for the Senate Armed Services Committee's bill because it does not contain the arms control provisions which he finds offensive: "The inclusion of these provisions in the final conference report could, depending on their form, force the President to veto that legislation."

It is interesting that although these are strong words, they leave open the possibility of compromise on the final form of the legislation.

The predominant theme in Secretary Weinberger's letter is support for the Senate bill. On 26 out of the 31 major items addressed in his letter, he has recommended adoption of the provisions in the bill drafted by the Senate Armed Services Committee. Of the 58 language and additional issues, he recommends adoption of the Senate Armed Services Committee position on 46 items.

It is apparent that while the House bill gives the Secretary heartburn, the Senate bill does not even give rise to a mild case of indigestion, according to his submission.

I wonder whether the Department of Defense has overlooked this provision that has been the subject of filibuster for 2 months, or whether they do not consider it significant. In either event, it seems that the people who have been filibustering would want to pick up the phone and call over to the Department of Defense and say, "Mr. Secretary, we want you to take a look at this provision because we have been filibustering it for 2 months and you never mentioned it in your reclama letter."

Secretary Weinberger's letter reflects the fact that the administration's best hope for a strong defense bill rests with the Senate Armed Services Committee. Their best hope for a substantial increase in SDI funding also rests with this committee. But if this committee is precluded by the Senate from playing a central role in the defense debate, this committee will be in no position to provide the help that Secretary Weinberger is seeking.

Mr. President, the Senator from Massachusetts has already been very generous. If I may take 1 more minute and conclude, I shall yield back to him. I am grateful to him for being so generous in yielding to me.

How did we get to this position? Perhaps there is a clue in the remarks of July 21 by the distinguished Senator from California [Mr. Wilson] as to why he opposed consideration of the defense bill:

> We should have had this fight out last year, Mr. President, in the conference on the defense authorization bill when the House of Representatives, in two or three provisions relating to arms control treaties, sought to impose upon the President of the United States, and the people of the United States, observance of an unratified treaty.
>
> That is wrong. And we started to have that fight, Mr. President, but did not conclude it. Why? Because the House Democrats, members of that conference committee, those conferees, did not wish to undermine the President on his way to Reykjavik and it was on the eve of Reykjavik that, in fact, they decided to withdraw from that engagement and withdrew those amendments.

Mr. President, I appreciate the fact that the Senator from California wanted to teach the House a lesson last year, and that he is frustrated that he was unable to do so. Yet he should recall that the House Members simply did not walk away from their arms control issues last year. With all due modesty, I would remind my good friend that the House was unable in conference to convince this Senator and our colleagues on the Senate side of the conference to accept the views of the House. By using the defense bill as a vehicle for debating these issues, we were able to ensure that a reasonable bill emerged from conference.

This year, we again face arms control issues from the House. If not on the Defense authorization bill, they will appear on an appropriations bill or continuing resolution. We also face severe cuts in SDI funding from the House. If we do not enact our Defense authorization bill, there is a considerable likelihood that the final cuts will be steep.

Mr. President, I appreciate the good-faith efforts undertaken by the minority leader and the ranking member of our committee to bring the bill to the floor. They know that the best posture for the President's defense program is to have the Senate Armed Services Committee leading the way. I regret that they have not been able to persuade their colleagues to take up the bill. But if they are truly interested in the President's defense program, it is time for them to put aside the rhetoric of their colleagues about arms control amendments so we can bring the defense bill to the floor.

There are no arms control amendments in our bill. Let there be no doubt that the Armed Services Committee is capable of drafting an arms control amendment should it see the need for such an amendment. We are capable of drafting an amendment that enshrines the traditional interpretation of the ABM Treaty as the official permanent position of the United States, but we have not done so. We did not do that, although the way some of our colleagues are taking it, we might as well have done that and perhaps we will before this is over.

Our provision does not preclude the administration from testing mobile/space-based ABM's during the next 2 years if they determine that there is a need to do so; rather than leaving this matter to the normal legislative process and type of delays that have plagued this bill, we even provided an expedited procedure to ensure prompt consideration of a Presidential request.

It is clear that neither the authority of the President nor the SDI Program are put in jeopardy. The committee's report accompanying the bill does not assert that section 233 embodies a conclusive interpretation of the ABM Treaty. On the contrary, the report notes that section 233 is based upon the most recent testimony—of whom?—of the Reagan administration as to what it intends to do in the 2 fiscal years covered by this bill:

> The administration has stated that its research and development program for the Strategic Defense Initiative complies with the prohibition against testing and development of mobile/space-based ABMs using exotics. The administration has not requested any funding for fiscal years 1988 or 1989 to test or develop mobile/space-based ABMs using exotics.

Section 233 was added, as noted in the report, because of the administration's insistence that it reserved the right, acting without congressional approval, to initiate such testing and development. In other words, the administration would like to have a $4.5 billion blank check from the Congress.

That is what they are asking for now, that is what the battle is about. It is not whether we have a permanent broad or narrow interpretation of the ABM Treaty. The question is whether the Senate and the House of Representatives are going to have a say-so as to how the money is spent. Are they going to reserve the right to change in the middle of the year after they have been given the money and go to another testing program? That is what this is all about. I think anybody who has any interest in this institution, whether they are for or against a narrow or broad interpretation of the ABM Treaty, would want to take that into account. I think our colleagues need to reexamine this position and allow this to come forward. I am grateful for my colleagues' bringing that to our attention before we recess.

The committee's report makes it clear that the limitation in section 233 was made without prejudice to the President's ability to request statutory authority to use funds provided by Congress for such tests:

> The decision to authorize expenditure of funds for the armed forces is one of the most significant constitutional responsibilities assigned to the Congress. The Strategic Defense Initiative is one of the most controversial and costly programs ever to be presented to the Congress. Without prejudging the wisdom and desirability of undertaking testing, development, and deployment of mobile/space-based ABMs using exotic technologies, it is imperative that Congress in general—and this committee in particular—examine in detail any proposed expenditures that would involve such a substantial change in policy.

The Committee on Armed Services is well aware of the studies going on within the administration as to the meaning of the ABM Treaty. It is not our purpose in this bill to reach a conclusive determination as to what the treaty means—that is a separate matter. But it is important to recognize that a determination as to what the treaty means is only the first step in deciding what our acquisition policy should be.

Even if it is determined that testing and development of mobile/space-based ABM's should be undertaken, that does not mean that every scheme dreamed up by the Pentagon will be wise, efficient, or cost-effective. The decision as to whether funds provided by Congress should be expended on any specific development or testing program must be made by the Congress after careful consideration by the Committees on Armed Services in both Houses of Congress. Section 233 simply ensures that Congress participates in that decision.

In recognition of the importance that the President has placed on this program, we even included a provision guaranteeing that if the President proposes to test mobile/space-based ABM's, he will get a clear vote in Congress within 60 days without any of the delaying tactics that have been displayed in connection with this bill.

Section 233 is consistent with both traditional and current policies of the United States, including those articulated by the administration.

It reflects the implications of the ABM Treaty for weapons systems testing and development, as presented by the Nixon administration to the Senate Armed Services Committee during treaty ratification proceedings in 1972.

It embodies the views of the executive branch, including the Reagan administration, in the arms control impact statements submitted through fiscal year 1985.

It sets forth the views of the Strategic Defense Initiative Organization in its 1985 report.

Although the administration has now asserted that the ABM Treaty should be reinterpreted to permit such tests, the administration has repeatedly stated that its present SDI Program has been structured in a manner that is consistent with the traditional interpretation of the treaty.

In short, section 233 ensures adequate congressional participation in a major military funding decision. While consistent with traditional U.S. policy on the ABM Treaty, it does not mandate a particular interpretation of the treaty and provides a means of dealing with changes in U.S. policy on that treaty, without giving the Pentagon a $4.5 billion blank check to test and develop weapons systems without a presentation to the Congress.

Mr. President, those who really care about the SDI Program know that the best opportunity for adequate funding this year rests with the Senate Armed Services Committee's bill.

Mr. President, I thank my colleague from Massachusetts again for yielding me the time to go forward with this presentation.

Mr. KERRY. Mr. President, I thank the Senator from Georgia, the chairman of the Armed Services Committee. No one in this institution speaks with more authority, more knowledge, and, I think, with more concern about the national security interests of this country than the chairman of the Armed Services Committee. I think his comments were most important.

Mr. President, this filibuster by the Republicans is a filibuster which cannot and should not be taken in isolation. The letters, GOP, which used to stand for the Grand Old Party, are coming to stand, I think, for the Grand Obstructionist Party, because it seems that the strategy of our colleagues across the aisle, on issue after issue in this 100th Congress, is to obstruct, to delay, not to talk but to balk on every single issue that comes before us.

They did not participate in the budget process. We all know that it took the Democrats to put the budget through. We have seen a filibuster not only on this issue but on another issue of major concern before the American people. That is the issue of campaign finance reform. And now, on the defense authorization bill, slowed up for

months because of a decision, once again, to obstruct.

I think all of us are very familiar with the term "the misery index," by which we used to measure inflation, and the effects of those disastrous consequences in our economy. I think we ought to start a new index, call it the obstruction index, and begin to measure the approach of the Republican Party to important issues before this country.

Mr. President, this body has now been prevented for months—for months—from considering one of the most important pieces of legislation before the country and before the U.S. Congress, the defense authorization bill. Senators who ordinarily consider themselves to be strong defenders of America's security have said that they would rather see no bill whatsoever—no authorization, no process by which, Senator for Senator and State for State, the U.S. Congress will carry out its obligations in order to pass on important questions of national security—than have a defense bill which includes any provision limiting the President's ability unilaterally to repudiate the ABM Treaty by conducting tests which violate that treaty.

The Republicans have said that so long as the Nunn-Levin language stays on the defense bill, they will continue their filibuster. Indeed, some have said that so long as any arms control provisions limit Presidential freedom to move forward with the arms race, they will continue their filibuster. They do not have the votes to win on the merits, so they are going to try to prevent and they will continue to prevent, as part of their obstructionist strategy, the U.S. Senate from voting at all.

Mr. President, I think we should stop and think for a few moments about what it is that motivates Senator NUNN and Senator LEVIN to create this language in the first place. The chairman of the Senate Armed Services Committee, a man considered, I think, by most people in this country to be as tough as anyone on military matters, decided that the issue over the ABM Treaty was of sufficient gravity that it had to have such language. Why did Senator CARL LEVIN work with Senator NUNN in drafting this language and in securing its passage by a majority vote in the Senate Armed Services Committee?

The reason, Mr. President, is known to all of us. The reason is very simple: it is because Senators in this institution have come to understand that we simply cannot trust the President of the United States on this issue not to proceed forward unilaterally to abrogate the ABM Treaty.

The reason that we cannot trust him is the history of negotiations, not only on this matter but on other defense-related matters. After 14 years of living with a treaty that was passed during President Nixon's administration, promoted by President Nixon and by the Republican Secretary of Defense and others, and voted on by a vote of 88 to 2 by the U.S. Senate—after 14 years of living with that treaty, this administration has come forward and tried to tell us that, no, the treaty does not mean what everybody believed it meant when it was signed and ratified; it somehow means something new, something mysterious, something pulled out of secret documents and negotiations which were never part of the deliberations which the U.S. Senate went through when it passed the treaty in the first place.

They have come up with an interpretation which is 180 degrees contrary to the way the treaty was interpreted by the negotiators, by the Nixon administration witnesses who testified, and by individual Senators who asked questions during the hearings and who spoke on the floor of the Senate during the debate.

This filibuster, Mr. President, is taking place because the Armed Services Committee voted to uphold the traditional prerogatives of the U.S. Senate to make sure that the President of the United States does not unilaterally, on his own, abrogate a treaty of the United States, approved by the Senate, which is the law of the land.

The Nunn-Levin language does not even say that the President is wrong in his reinterpretation. There is no judgment whatsoever in the language put forward by Senator NUNN and Senator LEVIN, even though a majority of the U.S. Senate does believe it is wrong. That is not part of the Nunn-Levin language. All the Nunn-Levin language does is say that the President cannot conduct tests prohibited by the original understanding of the treaty without us, Congress, agreeing to those tests. That is all it says.

The Nunn-Levin language is an attempt to reassert the traditional congressional prerogatives, the right of the Senate to approve treaties and to see that they are lived up to by our Government, and that we will exercise our power of the purse, which is the right to decide what initiatives are worthy of being funded and what initiatives are not worthy of being funded.

The controversy over the interpretation of the ABM Treaty raises a number of important issues which the Nunn-Levin amendment would make certain would be debated prior to any test of an exotic star wars component.

I ask my colleagues: Is it too much to ask that the U.S. Senate should have the opportunity to guarantee that a treaty that we ratified be upheld according to the interpretation that we had when we ratified it?

Mr. QUAYLE. Mr. President, will the Senator yield?

Mr. KERRY. The Senator will yield for an answer to his question at the end of my comments.

Mr. QUAYLE. At that point?

Mr. KERRY. At the end of my comments, I will be happy to yield to the Senator from Indiana, and we can have a colloquy.

Mr. President, the controversy over the interpretation of the ABM Treaty, I think, raises a number of important issues which the Nunn-Levin amendment, itself, would make certain would be debated prior to moving into that exotic test situation.

The administration's back-door attempt to rewrite history in advancing the so-called broad interpretation of the ABM Treaty implicitly repudiates the process of lawmaking in the United States. It repudiates the role of Congress in approving treaties, and it repudiates arms control itself.

The Nunn-Levin language provides Congress with an opportunity to consider carefully whether that kind of repudiation is a good idea or not.

Mr. President, an administration that can come to believe that trading guns for hostages is a neat idea is an administration that is also capable of coming quicker to believe that trading arms control for star wars is also a neat idea—and they have made it abundantly clear that they do believe that is a neat idea.

The Nunn-Levin language, it appears to this Senator, is one way to make certain that star wars does not become the arms control equivalent of the Iran scandal, a neat idea with disastrous consequences in practice.

The Nunn-Levin language is one way for the Senate to stop the cynical interpretation of the treaty by the administration, which prefers to change the meaning of the treaty rather than take the political heat for deciding to get out of the treaty altogether, which is certainly one of its alternatives.

Mr. President, the international community has come a long way over the past century in creating a broadening framework for extending laws through treaties, in improving our relations with other countries by establishing a protocol of international rule of law. The ABM Treaty debate has begun to take place as not merely a debate about whether Congress and the executive are going to agree or disagree to uphold the law, but a debate as to whether the United States will continue to promote the rule of law internationally.

The Nunn-Levin language says that when it comes to the ABM Treaty, the United States is determined to adhere to the standards of international rule of law.

Some in this institution may try to insist that the ABM Treaty is somehow like the Boland amendment, a restriction of controversial legislation passed by slim majority over the protest of the President, but that is not what happened. That is not the case with this treaty.

As I have said, this was a treaty promoted by and signed by President Nixon, approved by this body by a vote of 82 to 2; and in reinterpreting the ABM Treaty to permit what that treaty always prohibited, the administration is doing far more than it has ever done in claiming that something like the Boland amendment inadvertently restricted it.

This interpretation that the administration puts forward undermines the treaty process itself. It undermines arms control, and I would think that Senators would care that it undermines the prerogatives of the U.S. Senate.

Mr. President, if one is permitted to sign into law and ratify a treaty of this country by a vote of 88 to 2 and every aspect of that debate says this treaty means X, and 14 years later a President of the United States can simply say, "No, no, wait a minute; that is not what the treaty means; here is what the treaty means," and pull out documents and information which was never in front of one of those Senators when they voted—even Senator Buckley, of New York, said that the reason he was voting against it was that it did not allow him to do the very things that President Reagan says it did allow them to do secretly—if one is allowed to do that, then you do not need a U.S. Senate ever to ratify any treaty. Then any President could at any time come forward and merely say, "Sorry, folks, we had secret negotiations over here. This is what the treaty really means," and push forward the secret interpretation and try to say to people, "This is what we meant all along. The U.S. Senate interpretation is irrelevant."

Mr. President, that is a constitutional issue. The Constitution of the United States says that you cannot have a law of the land without the Senate's ratification. What the Senate interpreted it as and ratified it as is critical to what that law of the land is. We all know that this President has not cared too much about that. We have seen instance after instance of willingness to reinterpret the law, to have executive fiat, to determine what we will do. The most recent instance of that is this process by which we saw the Iran scandal unfold.

I believe that what we are talking about here is not just the power of the purse, not just the question of a treaty, not just the question of whether the Republicans are going to obstruct everything that comes forward, but is really the prerogative of the U.S. Senate and the question of whether we will uphold the law of the land.

Mr. President, I will try to wind up quickly, because other Senators are waiting.

There is one other argument made by some of my colleagues. They say that they will not allow the consideration of any bill which is allowed to have language which does not let us undercut the SALT II Treaty. Mr. President, time after time, the Secretary of Defense, Caspar Weinberger, has warned us that without increases in defense spending, the United States could not stop "the Soviet attempt to achieve a position of global military superiority."

Yet in deciding to abandon the SALT II Treaty, the administration did the one thing that will permit the Soviets to in fact achieve a position of numerical superiority no matter how much money the Congress were to appropriate.

Every military expert who has testified before the Congress has agreed that the Soviets can flood their country with new nuclear weapons once the United States abandoned the treaty, at a far faster rate than we can provide that kind of nuclear weaponry and they can double their nuclear stockpiles by the early 1990's.

Gen. Bennie Davis, Commander in Chief of the Strategic Air Command, told the Senate in March 1985—

> The Soviet Union, due to its production base, has an enormous capability to field systems. If they were to break out of the treaty limits of SALT II, the disparity between the number of warheads held by the Soviet Union and the United States would be significant.

Now, there have been some issues of compliance with the SALT II Treaty, and they have been raised by both sides appropriately through the process of consultation. But, Mr. President, there has been no question that the Soviets have scrupulously kept to the numerical limits of that treaty. In order to comply with the treaty, the Soviet Union from 1972 until 1985 removed more than 1,000 land-based and 233 submarine-based ballistic missiles as new weapons have entered the force. Without the limits of SALT II, the Soviets did not have to dismantle one of those weapons. In the same period, the United States has dismantled 320 land-based missiles and 544 submarine-based missiles.

So, Mr. President, left in place those SALT limits become more important than ever before, and I think it is particularly important that we do not abandon those limits but, certainly, Mr. President, we ought to have the right to vote on the issue. We ought to have the right to vote on the issue.

Mr. President, more than 30 years ago, President Dwight Eisenhower, having seen the beginning of the nuclear arms race, issued the following warning:

> * * * the true security problem of the day * * * is not merely man against man or nation against nation, it is man against war. * * * When we get to the point, as one day we will, that both sides know that in any outbreak of hostilities, regardless of the element of surprise, destruction will be both reciprocal and complete, possibly we will have sense enough to meet at the conference table with the understanding that the era of armaments has ended and the human race must conform its notion to this truth or die.

George Kennan has said:

> We have gone on piling weapon upon weapon, missile upon missile, new levels of destructiveness upon old ones, helplessly, almost involuntarily, like victims of some sort of hypnotism, like men in a dream, like lemmings headed for the sea.

This arms control filibuster is irresponsible, Mr. President, because it denies the American people the opportunity to have these issues debated on the floor of the Senate and denies the American people the opportunity to vote on these issues.

I hope our colleagues on the other side of the aisle will permit the U.S. Senate to work its business and cease their policy of obstructionism on issue after issue after issue.

I yield my time.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. CONRAD). Let me indicate that the time for morning business has now expired.

The majority leader.

Mr. BYRD. Mr. President, the time has more than expired by 3 minutes. I ask the Chair to enforce the order.

Mr. President, there are obviously others who want to speak in morning business.

### EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended and that Senators may speak for not to exceed 10 minutes each and that should be the end of morning business for today. We then go on to the next matter which will require a rollcall vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

Mr. THURMOND. Mr. President, I have listened to this colloquy with great interest this morning and feel obliged to remind my colleagues why Senators on this side, including Senators who serve on the Armed Services Committee, have been unwilling to take up the Defense authorization bill.

Mr. President, the reason is entirely related to the inclusion of the provision known as the Levin-Nunn amendment, which I believe is detrimental to our national security interests.

It is not in our national security interests to require by statute that the President follow the more restrictive of two plausible interpretations of the ABM Treaty, when the Soviet Union is

seeking an even more restrictive interpretation at the negotiating table. The Levin--Nunn amendment would have that effect.

It is not in our national security interests to seek to bind the United States to an interpretation under the ABM Treaty to which the Soviet Union is not bound. The Levin-Nunn amendment would have that effect.

It is not in the national security interests to grant statutorily to the House of Representatives the unilateral ability to compel the United States to follow for the next 2 years a particular foreign policy regarding our relations with the Soviet Union. The Levin/Nunn amendment would have that effect.

In short, Mr. President, at a time when the United States and the Soviet Union are engaged in negotiations involving the very matter addressed by the amendment, and at a time when we are very close to agreement on not merely limiting but actually reducing nuclear weapons, the Levin-Nunn amendment jeopardizes the prospects for reaching the best possible outcome for our long term national security.

Mr. President, there have been no less than three attempts by the distinguished ranking member of the Senate Armed Services Committee Senator WARNER, to propose a means by which we could proceed with consideration of the defense authorization bill and still protect fully the rights and options of the original authors of the Levin-Nunn amendment. My distinguished colleague from Alaska noted this morning his efforts to devise a means to get on with consideration of the bill. There has been no lack of options proposed by this side to consider fully the provisions of the Levin-Nunn amendment without holding the defense authorization bill hostage.

Mr. President. No Member of this body has a greater respect for the defense authorization process than this Senator. But I remind my colleagues that providing for the national security is what that process is all about. Including the Levin-Nunn provision in the bill would, in my opinion, be contrary to that central objective of providing what is best for our national security.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, I did not expect to come to the floor this morning for this purpose. But I have been treated to an interesting little drama over the past hour or so.

For those who are perhaps watching for the first time, this same little drama—I do not mean to rob it of its dramatic value—but I am compelled to tell them that it is a summer rerun. We have had this little debate at least three or four times earlier this year. That is why, Mr. President, it is a totally phony issue to say that what we are doing here is arguing about whether or not we should have a vote and a debate on the Levin-Nunn amendment. Indeed, we have had extensive debate on the Levin-Nunn amendment. The Levin-Nunn amendment is all about interpretation over the AMB Treaty. We have had all kinds of debate on whether we should adhere to the broad or the narrow interpretation of that antiballistic missile treaty.

This is a summer rerun, but I note with interest that there is a cast of new characters. I do not know where they were when we had these earlier debates but those who I have heard pleading for the opportunity to debate this issue and to cast a vote on the defense authorization bill somehow were not very interested earlier when the chairman of the Senate Armed Services Committee, Senator NUNN, took a great deal of time in a special order to argue the case for the narrow interpretation and when I took a special order and spent a good deal of time putting into the RECORD the argument for the broad interpretation.

Mr. President, what is at stake here is very simple. It is an amendment that was attached at the last moment in the deliberations in the Senate Armed Services Committee, which transformed what would otherwise have been a bill going to the floor with uananimous approval into a bill that, because of that amendment which was added to the authorization bill on an almost straight party-line vote, it transformed the bill into one that came to the floor with a straight party-line vote.

And that is worth nothing, Mr. President, because it is a departure from the bipartisan tradition of that committee. For all the years that I have served on it, it is the first time that we have encountered that kind of partisan division. And why? Well, because it is an important amendment, one that has no business being on the defense authorization bill, as the Senator from Alaska earlier stated.

Now those who want an opportunity to vote on it will have an opportunity to add that as an amendment to the State authorization bill that authorizes the spending for the operations of the Department of State, where it may properly belong, if it belongs anywhere.

But as a matter of jurisdiction, it belongs on that bill and not on this one. And the reason that it is attached to this one is because, under the quaint rules of this body, what we try to do in any number of instances through partisan jockeying is attach amendments to those bills that we think which for other reasons the President will not veto. And that is what is going on here. That is what this game is all about.

This amendment could be offered as a freestanding piece of legislation or it could be offered as an amendment to a bill where it rightfully belongs, the Department of State authorization. Why has it been offered to the defense authorization bill? It is to jam down the throat of the President of the United States a measure that he cannot sign. But they have attached it to one that he wants very much to sign because it is essential that we fund the appropriations of the armed services.

So let no one be deluded by what is going on here. We have had the debate three or four times and, of course, we will have it again, because in about 6 months' time we are going to actually be compelled to consider the question as to whether or not the United States should continue with the ABM Treaty. Believe me, we will have the opportunity to discuss it.

But this amendment compels all funding for the Strategic Defense Initiative to be conditioned upon the narrow interpretation, an interpretation rejected by the Soviet Union as is clear from the negotiating record of the ABM Treaty. And we will differ on that. We have. That is what Senator NUNN and I differed on at such great length early this spring, when those who have spoken this morning apparently were not sufficiently interested to participate in the debate.

Mr. President, this amendment substantively is in fact an arms control amendment. And indeed I think the junior Senator from Massachusetts made that quite clear in his lengthy discussion this morning. It is an arms control provision that has no business being on the defense authorization bill. It would first, by operation of the narrow interpretation, stretch out the SDI Program. It would cost us billions; it would cost us years. So substantively it has great importance.

Beyond that, the junior Senator from Massachusetts was concerned with the prerogatives of the Senate. He was intensely concerned with the prerogatives of the committee. Well, as a member of the committee, and he is not, I suppose I should be grateful to him for that concern. I will tell him there are more important things than the prerogatives of that committee. The welfare of this country is infinitely more important.

The kind of thing that we would be doing to SDI with this amendment is simply unacceptable. And the President of the United States, if this bill ever got to his desk, would indeed veto it. That is no secret. He has said so. There are enough signatures on a letter to the President indicating that Senators would sustain that veto so there is no doubt about the outcome of the issue. This provision will not become law during this Presidency. So let there be no suspense about that.

Let me also say, this is the same President, whom so many have spent time bashing this morning as being anti-arms control, who has brought the United States to the threshold of an INF agreement. And these Senators who are so busy bashing him this morning, whether they intend it or not, have the effect of seeking to undercut his position and that of his negotiators, the U.S. negotiators, in Geneva at the very moment when we are engaged in critical negotiations to see whether or not intermediate-range nuclear missiles can be removed from Europe.

Mr. President, the only reason to have this amendment on this bill is to compel the President either to veto the entire thing or to swallow something that is unacceptable. The Constitution of the United States assigns the exclusive authority for the negotiation of treaties and for their interpretation to the executive branch, not to the Senate. The Senate has a very important role and it is a clear role. It is ratification. We can take reservations. We can add qualifications during that process. But it is not the function of this body, 14 years later, to tell the executive what the interpretation was at the time that it was signed.

Mr. President, there are too many on this floor who would be Secretary of State, too many who would be President. Let them run for President. This one did. He was elected to represent all the people of the United States, not once but twice and by overwhelming majorities in both elections. And they are seeking by this effort—in which they ask, "Why can't we vote on the defense bill?"—to embarrass this President, who is seeking an arms control agreement, at the very time that he is very near to it.

Mr. President, let me just say that if they want a vote on the defense authorization bill, they can have one very simply. Remove the Levin-Nunn amendment and they will then have left that bill that would have gone to the floor from the committee with unanimous bipartisan approval. And it will probably receive that kind of a vote on the floor without that amendment. With that amendment, whenever it comes, on whatever piece of legislation to which it is appended, is going to again stir the same kind of debate that it has this morning. I hope it will be better debate than there has been this morning.

We should not, I think, take advantage of the procedures——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WILSON. Then I will conclude, Mr. President, by saying we should not take advantage of the procedures of the Senate to compel an unwise action on the part of the Senate to force the President to veto a defense authorization bill, a bill, without this amendment, that he is eager to sign.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I thank the distinguished Chair.

Mr. President, the Senator from California said: "Those who want to be President should run. The current one did and he was elected."

This Senator from South Carolina did, too, but it turned into a covert activity.

Let me say this: I have supported the leader in bringing this bill up, but I will not stand any longer hearing again and again this morning the Senator from Massachusetts talking about repudiating the treaty. If there is repudiation, it is on the part of the Senator from Georgia and Michigan and Massachusetts. We will get to that one day. The Senator from Georgia had 3 days on the floor to tell his story and I never have been given that time or the circumstances because we could not get into the bill. I support Senator BYRD's effort to bring it up.

But if there is repudiation, it lies with the Levin-Nunn interpretation of a broad or narrow view of the treaty. Everyone should read this treaty. You could have been a Senator when we ratified it in 1972 and you could know in a second that there is only one interpretation, and that is the legal interpretation—and it is the interpretation advanced by President Reagan.

I wish we had a court test where the Supreme Court would look at the treaty and its negotiating record and give its interpretation in 10 minutes and say, "That is nonsense about the ratification."

Let us begin knowing that the U.S. delegation was instructed to restrict the testing and developing of future systems in space, and they tried repeatedly to accomplish that goal.

I was in the tent, as they called it, when negotiations were occurring in Helsinki, in August 1971. Let me read the statements of General Allison—the JCS representative to the Arms negotiations—and those of several other key individuals involved in ABM negotiations. Lt. Royal Allison stated on June 21, 1972, in a letter to the Chairman of the JCS—the following as it relates to future ABM systems:

> Constraints in the treaty apply to deployments only. Research and development are not constrained.
>
> The U.S. delegation, under instructions, sought a clear-cut ban on deployment of future ABM systems, but the Soviets would not agree. Hence they finally agreed and initialled interpretative statements (quoting Agreed Statement D) * * * we should say that there is an obligation not to deploy such systems without taking certain specified and agreed steps; i.e., in the event such systems are created in the future, specific limitations on them would be subject to discussion and agreement.

Mr. President, look at the treaty itself and you will quickly see that ABM systems are described in article II. The words are the language of precision. Raymond Garthoff, another negotiator, time and time again said, "We want it to be precise." Look at Gerard Smith, our chief negotiator. In his book "Doubletalk" he said the treaty was drawn by lawyers with very precise language in five pages, and it took a year and they haggled over each word.

Article II, describing the parameters of ABM systems, states unequivocally that they are all current. You will see the "current" in the article "Currently consisting of" I quote and then, by words of specificity, in subsection 2 of article II it is stated, "To include those operational, under construction, undergoing tests, undergoing overhaul, mothballed." All refer to current technology—that is the technology of 1972.

So the restriction in article V as to deploying future mobile systems, whether in space or elsewhere, refers to the ABM systems described in article II. Any lawyer will tell you that.

These negotiators, if you just go to the next article, article VI, used the word "future." So you do not have to worry about implicit or explicit meanings or whatever the Senator from Georgia says. The negotiators knew the word future and used it.

Read the Nunn documents and you will see through the smoke. He keeps filling up the record with "implicit" in the ratification. There was not anything implicit. Everything was precise. And our negotiators, failing to get a Soviet agreement to ban future systems, came up with agreed statement D. Again, they used precise language. Let me read it: "In order to ensure fulfillment of the obligation not to deploy." Note, they did not say anything about testing. They did not say anything about research. Agreed statement D states, "In order to ensure fulfillment of our obligation not to deploy ABM systems and their components, except as provided in article III of the treaty, the parties agree that in the event ABM systems based on other physical principles, and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars, are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with article XIII and agreement in accordance with article XIV of the treaty."

Precisely this language does not limit research, testing, and development.

That came out again in recent Senate testimony by Ambassador Nitze. Referring again to Ambassador Smith, I quote his language from testimony in 1972. Ambassador Smith:

> One of the agreed understandings says that if ABM technology is created based on different physical principles . . . development work, research, is not prohibited, but deployment of systems using those new principles . . . would not be permitted unless both parties agree by amending the treaty.

So, he referred to agreed statement D. There is no broad and narrow interpretation. We know. Let the treaty speak for itself. Negotiator Smith responded to a question from Senator Goldwater, as follows:

This is Senator Barry Goldwater.

> Are we and the Soviets precluded from the development of the laser as an ABM?

Mr. Smith replied, tersely:

> No, sir.

Let me quote Gen. Bruce Palmer, testifying before the Senate Armed Services Committee:

> There is no limit on R&D in the futuristic systems.

I will try to finish my statement quickly. We must allow the treaty to speak for itself. Everyone talked about precise language and now we start running into trickery.

You know, we forget the trickery in the Iran-Contra affair. The Congress and the Senate played for years with that Boland amendment, saying: Yes, you could give humanitarian aid but you could not give military assistance.

No, you could not have intelligence agencies, whether for DOD or the CIA, doing anything, and we place it on a mammoth continuing resolution. The White House signs it and says, We'll keep on going because the National Security Council is not restricted.

The last Boland amendment says, Get a tin cup and go out and beg. It rather suggested that to keep the Contras going it was necessary to solicit help of Third World countries. Now you have the same trickery and game going on with the ABM Treaty over the SDI.

The Senators from Michigan and Georgia teamed up to talk about a narrow interpretation and that we are restricted by treaty or by law. It is absolute nonsense.

The treaty speaks for itself as the one general, legal interpretation. The opponents of SDI often use Senator Scoop Jackson to backup their cause. It's bunk. Scoop Jackson never referred to the ABM Treaty during the debate of it on the Senate floor. You ought to read that record. He refers to the SALT I; in fact, all of the Senators were talking generally about SALT I at that particular time.

Look at that record and you will see Senator Mansfield standing down in the well saying, "Look how we are twiddling our thumbs." Pleading for Members to come to the floor. Please, period! There was not any dissension. We went on as a group, realizing thankfully that we had finally gotten an ABM Treaty that did not restrict the testing, the research, and the development. It restricted the deployment. And thankful for that, we got into the SALT I ratification and we were talking about restrictions there.

I appreciate the time given me on this subject. Very briefly, let me say this: Let us quit talking about the broad and narrow interpretation or the commonly accepted interpretation. Let us stop having Senators come to the floor and talk about repudiating a treaty that I happened to vote for—that they are not familiar with and have probably not read. We have lived by this particular interpretation for 15 years and now we come up with the trickery on the defense authorization bill.

But the trickery and the nonsense now of repudiation? The truth is, the legal interpretation allows research and testing. The Senators from Georgia and Michigan know it. If they want to restrict SDI they have got hundreds of restrictions in that particular bill. Tell them to spell it out. But do not give us this pontifical nonsense about the aura of a treaty and that we are bound not to test and we are bound not to develop.

That is absolutely false. The treaty allows it. Our negotiators failed to achieve such limitations and we now see an effort 15 years later to do it by unconstitutional legislative mandate. The Soviets are testing and deploying in violation of the treaty. We should at least do what the treaty allows and proceed with SDI research and testing. Thank you very much.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, let me try to put in perspective where we are and how we got here.

Very late in the Armed Services Committee markup, this Levin-Nunn amendment was attached. It was attached to the Armed Services Committee markup. There was vehement objection, there was discussion, and it was voted through.

I presume the reason it was attached in the Armed Services Committee, rather than bringing it to the floor where it should have been, because I believe it is nongermane to the defense authorization bill, is because they knew they would have problems getting 60 votes because they would face a filibuster on the floor.

Worried about a filibuster on the floor, they decided, for tactical reasons, to put it in the defense authorization bill and thereby force the opponents of that particular amendment to have to block it not with 40 votes, or 41 votes, but 51 votes.

I understand their tactical move. But I think everybody understands what the rules of the Senate are.

The rules of the Senate: There are some protections still left for the minority and one of the protections left to the minority is extended debate. Therefore, it is perfectly within the right of those that object to what I believe is a nongermane amendment that should not be on this bill to proceed to filibuster against the bill on a motion to proceed.

If the majority cannot get 60 votes, then it is their responsibility to figure out what to do if they want the bill to go forward.

They can keep bringing it up and forcing vote after vote, like we have done on campaign financing. They can figure out an alternative way to proceed on this. We have offered, this side, three different alternatives to move the defense authorization bill. Everyone knows what the rules of the Senate are. So let us not get into who is obstructing what on the defense authorization bill. The votes have been taken and the votes are not there to proceed.

When the votes are not there to proceed, if the majority wants a bill, and I presume they do, which I would like to see, then it is their responsibility to come forth with some sort of alternative. Otherwise there is not going to be any bill. That is where we are today. We are debating this as we go out.

But let us not forget that this has very important national security implications. It is not a debate on whether you are for a certain level of funding in the defense authorization budget. It is not a debate on SDI or MX. It is not a debate on what the mix is between strategic and tactical weapons. It is not a debate on what the pay or readiness capability of the men and women in uniform should be.

This debate goes to a very fundamental national security issue of who, in fact, is going to negotiate for the United States of America with the Soviet Union to produce an arms control accord.

This administration is adamantly opposed to the Levin-Nunn amendment. The Secretary of Defense is adamantly opposed to this and is supporting our filibuster and our right to delay this bill until we can get some sort of accommodation.

Believe me, this goes to a very fundamental point between the executive branch and the Congress: Who is going to negotiate? Furthermore, as the Senator from South Carolina and the Senator from California have pointed out, it goes to the question of whose constitutional responsibility is it to interpret treaties and to implement treaties.

I would suggest, and I do not believe I would have a dissent—if there is, I would like to hear it—that the constitutional authority is vested in the executive branch, in the President, to interpret and to implement treaties. This Congress has the authority, and this Senate specifically has the constitutional responsibility, to approve treaties, not to interpret and implement. Just to approve.

Certainly, the Congress of the United States has the power of the purse and can cut off appropriations of funds for certain recommendations that the administration has made. If, in fact, the administration comes forward and says they want to have a test on the legal interpretation of the ABM Treaties, which I hope they do sometime, at that time the Congress is certainly within its right to deny the funds for that.

I have heard it suggested today that 15 years ago, "Boy, we sure interpreted that treaty to what is called the narrow interpretation."

But the Senator from South Carolina was here and talked about it in 1972. He said, "We did not focus on that. Do not give me that nonsense that we talked about what the correct interpretation was on what exotic systems and other physical principles were in the agreement. The majority leader had to call people to the floor just to get them to talk about the treaty itself. Do not tell us, then, that there was a lot of focus on that treaty on that particular point 15 years ago. It is simply not the case."

So, where are we now? We are now in a situation where we are not going to have progress as of this day on a defense authorization bill. The reason we are not is because there is a fundamental dispute. I have heard Senators saying today, "I am for arms control; I am for peace; I am for a strong defense; all the good things in the world."

But for those who are talking about how they want to see the arms control process go forward, this particular amendment and other amendments like it are not going to help our negotiators. Ask the people who sit down and eyeball the Soviet negotiators on a day-to-day basis, Mr. President, and see what they think about this amendment. Ask the people who are on the firing line, who have to sit down and work with these people to try to get an agreement, what they think about Congress trying to unilaterally impose their interpretation of the ABM Treaty.

I can tell you what they said because they have told me. They do not like it. They wish Congress would knock it off. So do I.

If Congress does not want to back off, we will debate the issue, probably not in the authorization bill. If not on that, on the appropriations. We will debate that this year and it will be a good, solid debate and I will welcome that debate. I hope people will go back and look at the record.

I know the Senator from Georgia and the Senator from Michigan and others have done an exhaustive study on what our interpretation of the ABM Treaty ought to be. We will get to discuss the technicalities, the ambiguities, and what we think the interpretation ought to be.

Let me say one thing in conclusion, Mr. President. This is a dispute between who is going to interpret and implement treaties. That is not the constitutional responsibility of this Senate. That is the constitutional responsibility of the President. Furthermore, make no doubt about it that this bill will be vetoed. So, we probably will go through an exercise of having a bill and sending it down, having it vetoed and then being back to square one.

If we want a defense authorization bill, we have to come to an agreement, to an understanding.

The majority has lost the votes to bring it up. The minority has been able to sustain the filibuster. When you lose, you lose. When you win, you win.

But I would say if, in fact, you want to move forward, there are options. There are options that can be considered and I hope that we can, in fact, find some options to consider. We have made three specific recommendations on how we can move this bill. None of them have been accepted. All of them have been rejected. I say yes, we should move on, but we are not going to move ahead if we put the President in the position of having to come and negotiate more with the Congress than he has to negotiate with the Soviet counter parts in Geneva or elsewhere.

I yield the floor.

**Mr. BUMPERS.** Mr. President, there were numerous statements made on this floor this morning regarding arms control. I was not here, but I do want to point out two or three things.

First, as you know, Mr. President, it is hard to follow arms control. I pick up the Post one morning that says Shevardnadze is optimistic. The next day I pick up the Post and George Shultz says, "We are very pessimistic." The next day, Shevardnadze is pessimistic and George Shultz is optimistic.

We are down to the point where those intermediate-range missiles in Western Europe, this so-called INF Treaty to eliminate all the missiles in Europe in the intermediate range—and that is roughly 1,500- to 3,500-mile range—that is what this treaty is all about.

I think it is an excellent treaty for us. I can tell you almost categorically I would vote for it if it ever got here. Why would not everybody in this place jump up and unanimously approve a treaty where we dismantle 316 warheads and the Soviets dismantle 1,400? They are going to dismantle four times more warheads under this treaty than we will. I promise somebody will find flaws in that, figure that is a Soviet plot of some kind.

They say, "Well, how are you going to verify it?" We suggested onsite verification and, after a little consideration, the Soviets said, "OK, onsite verification is OK with us." And some of the defense contractors in this country told the President, "You must be out of your mind; we are not going to let them come tromping through our plants." So we had to back off on our proposal.

The thing I want to point out, and I have said this on the floor before but it does not seem to make an impact; I have never seen it printed in the press. I think it is really relevant. I think it is a phenomenon of sorts that nobody ever picks up on this. I am all for this treaty. Anything that reduces one warhead, in my opinion, will make civilization a little safer. But as I pointed out, we are going to dismantle 316 warheads and we have been negotiating with the Soviets now for almost a year on this treaty, all over our 316 and their 1,400.

Last November, President Reagan said, "We are not going to comply with the SALT Treaty anymore." That was the one that limited both sides to 1,320 MIRV'd launchers—submarine, land-based, ICBM's, and bombers. He said, "We are not going to constrain ourselves any longer and we are not going to comply with that 1,320 limit. We are going to bust out of that."

Here we had been debating about a year about dismantling 316 warheads. And, Mr. President, ever since the President made that decision not to comply with the SALT Treaty anymore, we have been adding 316 warheads every 10 weeks.

So, while I am for the INF Treaty and can hardly wait for it to get here to vote for it, I really do not understand all the folderol about it and everybody getting so rhapsodic and saying, "Wouldn't this be wonderful?" I believe it would be wonderful to get rid of virtually all nuclear weapons on European soil. But while they have been negotiating, we have already added over a thousand warheads. Instead of having 12,500, we are now up to about 13,500 during the time we have been negotiating over 316 warheads.

So, do not anybody be deceived about the nuclear arms race. It is going on apace and we are adding a number of warheads to our arsenal, just as the Soviet Union is. It would take about 100 warheads on each side to decimate the planet, and we add that many about every 3 weeks. And everybody says, "Maybe we can get to 25,000 warheads and we will really be safe then."

On SDI, Paul Nitze, one of the best arms controllers this administration has ever had—the best, in my opinion, a pretty sensible guy—says he is for SDI if it meets two criteria. No. 1, it has to be cost effective; No. 2, it has to be survivable.

When he says it has to be cost effective, what it means is that it will have to cost the enemy more to overpower it or defeat it than it would cost us to deploy.

In my opinion, it will fail on that ground. It would take me 30 seconds to explain that, so I will not get into it, except to say that, in my opinion, the Soviets, with decoys and other methods, can defeat SDI. When it comes to cost effectiveness, it fails. When it comes to survivability, if the Soviets built an SDI, then our SDI is subject to being destroyed by theirs, just as theirs will be subject to being destroyed by ours.

So then it will depend on whether Ronald Reagan or Mikhail Gorbachev hits the red button first. If we hit it first, we destroy his SDI. If he hits the red button first, he destroys our SDI.

If we suddenly realized that our SDI had been destroyed in space, what do you think we would do? We would launch, because we would certainly assume that the Soviets were getting ready to launch. And vice versa.

How long does the President have to make a decision, assuming that we have an SDI in space and the Soviets do not? If they decide to launch a first strike against the United States, do you know how long the President has to make a decision? Somewhere between 40 and 90 seconds. I hope he is not out on the tennis court.

I wrote a letter to General Abramson saying that I would never vote for anything that does not have a man in the loop. I am not going to vote for SDI and stop the end of civilization by a malfunctioning computer chip.

I said: "General, how are you going to activate this system? If the President is asleep or out on the tennis court and you only have 40 to 90 seconds to make this decision, who is going to make it? I want a man in the loop, not a computer chip."

He wrote back and said, "I couldn't agree with you more," but he did not say how that is going to happen. Maybe they are going to put Ollie North down in the basement of the Pentagon and let him decide.

I guess when they say, "We favor a man in the loop," that does not necessarily mean the President. But I do not want some lieutenant colonel. I am a Marine. I am sympathetic to Marine lieutenant colonels. But I am not sure I want one to decide whether the war is going to start or not—the war to end all wars.

World War I and World War II were both designed to be the war that ended all wars. I am here to tell you that I am talking about the war that really is going to end all wars. We "ain't" joking this time.

On SDI, here is General Chain, commander of all our SAC forces, and he is quoted in the August issue of Air Force magazine. Listen to this. He is talking about SDI, if we have SDI up there and the Soviets have SDI up there:

> As a result, General Chain predicted that unless mutual "caps" can be negotiated, "the day we end up with an SDI system on both sides" the US will have to up its strategic bomber force to between 1,000 and 2,000 aircraft with a corresponding increase in advanced cruise missiles. "If the Soviets build an SDI, that means that [SAC] will have to have a larger bomber force with greater standoff capability because the bomber will have to be the penetrator. So the [Advanced Technology] 'Stealth' bomber, rather than [being acquired in the limited] numbers that we are looking at right now, will have to go to very high numbers."

If you do not understand what he is talking about, I will explain it.

SDI is not effective against bombers. So we are going to build an SDI system out in space at the cost of $1 trillion, minimum. The Soviets are going to build one of their own—$1 trillion. And it is not even effective against bombers, not effective against cruise missiles, not effective against depressed trajectory missiles.

So, what you have is this gigantic Maginot line in the sky. And what do we start doing? We are going to do what General Chain said: We are going to build 2,000 penetrating bombers that will penetrate the Soviet Union, or we will fire cruise missiles from outside the Soviet Union.

I guess the Soviets, so the rationale goes, will sit back and watch us do that and say, "Isn't this terrible?" Of course, the Soviet Union is not going to do that. They are going to build 2,000 bombers, loaded with cruise missiles.

So, what do you get for your trillion dollars? You get a worthless system up there that does nothing to preserve civilization. There is only one way to preserve civilization, and that is for the United States and the Soviet Union to sit down and do one thing—talk commonsense.

Mr. President, I yield the floor.

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## NUCLEAR TESTING LIMITS

**Mr. KENNEDY.** Mr. President, when the Government of the United States signed the Limited Test Ban Treaty of 1963, the Nonproliferation Treaty of 1968, and the Threshold Test Ban Treaty of 1974, this Nation gave its solemn pledge to continue negotiations toward a comprehensive ban on all nuclear explosions, including underground tests.

This administration's policy with respect to nuclear test ban negotiations has placed this Nation in a deplorable position of noncompliance with our treaty obligations. The administration argues that a test ban must be delayed until that golden age "when we do not need to depend on nuclear deterrence to ensure international security and stability." How many years or decades of an escalating arms race are likely to transpire in the meantime?

And if someday we manage to satisfy the administration's condition of eliminating our dependence on nuclear weapons to ensure international stability, why, at that late date, would we even need a test ban? What purpose would it serve?

Other nations, especially nonweapon states that have signed the Nonproliferation Treaty, are wondering why the United States Government is apparently willing to cooperate with the U.S.S.R. in the installation of the highly intrusive CORRTEX yield estimation equipment to verify continued testing at high levels of explosive power, but not in the installation of less intrusive seismic methods that, unlike CORRTEX, would be useful for restricting tests to dramatically reduced yields.

Has the President shown good faith in his dealings with the Congress on the nuclear testing issue? He has not. Consider the terms of the White House—congressional compromise on nuclear testing in October of last year, and what has transpired since Reykjavik:

First, the President committed himself to prompt ratification of the TTBT/PNE Treaties with or without prior Soviet assent to a package of enhanced verification measures, and then reversed himself a few months later when he submitted these treaties with the unprecedented requirement that they be ratified a second time, after Soviet assent to CORRTEX monitoring had been obtained;

Second, following ratification and United States-Soviet agreement on improved verification measures, he promised immediate parallel negotiations to limit nuclear tests;

Third, the President stated his support for the ultimate attainment of a total ban, and his determination "to take practical steps in the near future toward this goal", and

Fourth, he stated that his own position was consistent with the broad congressional desire to limit nuclear tests.

Moreover, he placed the above commitments squarely in the context of a resolution of the House-Senate deadlock on the fiscal year 1987 defense authorization bill. The choice at that time was between the House position of an immediate 1 kiloton threshold ban and the Senate position of swift ratification of the TTBT/PNE Treaties followed by testing negotiations. The path subsequently pursued by administration—continued unrestrained testing at 150 kilotons—is outside the boundaries of any potential compromise between these two positions, and thus represents an obvious breach of faith, no matter what side of the nuclear testing issue you happen to be on.

It is against this background of complete administration intransigence on the negotiation of further nuclear test limitations that Senator HATFIELD and I, joined by 31 additional Senators, are cosponsoring binding legislation of limited duration that could provide the basis of a meaningful test-ban option for our national security policy.

The Underground Nuclear Explosions Control Act of 1987, which we intend to offer as an amendment to the defense authorization bill, is not a comprehensive ban. Instead, it is intended to create the opportunity for reducing the explosive power of United States and Soviet nuclear tests to the lowest level consistent with effective verification and maintenance of a reliable nuclear deterrent. Our legislation expresses an expert technical and political consensus on these matters outside the administration which we feel the majority of the Senate could endorse.

The limitations contained in our proposed amendment would slow the pace of innovation in nuclear weaponry, reduce mutually perceived requirements for new strategic weapons arising from mutual fears of future vulnerabilities in nuclear deterrent forces, and strengthen the moral and political basis of our nonproliferation policy by signaling reduced superpower reliance on nuclear weaponry to ensure security.

In drafting this legislation, we have sought to satisfy frequently expressed concerns regarding effective verification and continued confidence in the reliability of the nuclear deterrent in order to afford Senators an opportunity for an up or down vote on the critical question: "Is it in the interest of national and international security to slow down the nuclear weapons technology race with the U.S.S.R.?"

The 33 cosponsors of this legislation believe it is, and we ask our colleagues to join us in cosponsoring the Underground Nuclear Explosions Control Act of 1987 and voting for it when it is offered as an amendment to pending legislation in the weeks ahead.

Sixty national church, labor, environmental, professional, and arms control organizations representing millions of Americans have endorsed the Hatfield-Kennedy Nuclear Explosions Control Act. At its annual meeting in June of this year, the United States Conference of Mayors endorsed an immediate suspension of United States nuclear testing, contingent on a similar Soviet suspension of nuclear testing. Mr. President, the American people, like the rest of the world's citizens, are demanding a nuclear test ban.

My colleagues and I have received a number of letters and memoranda from experts concerning nuclear test verification and other nuclear weapons issues, and I ask that these be inserted in the RECORD along with a descriptive summary of the proposed nuclear testing legislation and additional supporting material.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### S. 1106

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Underground Nuclear Explosions Control Act of 1987".

#### SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The national interest of the United States would be served by the achievement of mutual, verifiable nuclear arms reductions with the Soviet Union and by mutual, verifiable limits on the number and yield of future underground nuclear explosions conducted by both nations.

(2) A two-year, mutual moratorium by the United States and the Soviet Union on virtually all underground nuclear explosions above a verifiable low-yield threshold would be a crucial first step by both nations toward achieving the goals described in paragraph (1).

(3) A two-year, mutual moratorium on underground nuclear explosions above a verifiable low-yield threshold would constitute a good faith step toward fulfilling the obligations of the United States and the Soviet Union under article VI of the Nonproliferation Treaty to pursue "effective measures relating to the cessation of the nuclear arms race at an early date" and under article I of the Limited Test Ban Treaty to seek "the permanent banning of all nuclear test explosions, including all such explosions underground."

(4) A level of weapon reliability sufficient to deter the use of nuclear stockpiles can be maintained at a greatly reduced rate and yield for underground nuclear test explosions.

(5) The task of monitoring the yields of explosions for compliance with a low-threshold moratorium can be made considerably easier by limiting test explosions to one small test area composed of strong-coupling rock, thereby allowing detection-identification of any off-site nuclear explosion, regardless of yield, to serve as sufficient evidence of violation of the moratorium.

(6) A two-year moratorium on any underground nuclear test which has an explosive power greater than one kiloton could be verified with a high degree of confidence if the current external seismic monitoring network were supplemented by three in-country networks, each composed of four stations, deployed in the vicinity of each nation's primary test site and in regions where peaceful nuclear explosions may have created suitable decoupling cavities in thick salt deposits.

(7) A joint research project between the United States and the Soviet Union to determine the number, type, and locations of additional in-country seismic monitoring stations necessary to verify long-term compliance with the limitations of a low-threshold test ban treaty would contribute significantly to the prospect of concluding such a treaty in the future.

#### SEC. 3. LIMITATIONS ON NUCLEAR TESTING.

(a) IN GENERAL.—Subject to subsection (b), during the two-year period beginning one hundred and eighty days after the date of the enactment of this Act, funds may not be obligated or expended by any department or agency to conduct an underground nuclear explosion—

(1) with a yield greater than one kiloton, except for two designated test explosions, each with a yield not exceeding fifteen kilotons;

(2) at a location that is not part of a single designated test area; and

(3) unless a public announcement of a proposed explosion has been made at least thirty days before the date of the explosion.

(b) TERMINATION OF RESTRICTION.—The restriction in subsection (a) shall cease to apply if, after the restriction becomes effective—

(1) the President certifies to Congress that the Soviet Union—

(A) has conducted an underground nuclear explosion having a joint seismic yield estimate which indicates a yield greater than one kiloton, except for two designated explosions with a joint seismic yield estimate indicating a yield not greater than fifteen kilotons; or

(B) has conducted an underground nuclear explosion at a location that is not part of a single designated test area; or

(2) the President certifies to Congress that the Soviet Union—

(A) has refused to implement reciprocal, in-country monitoring arrangements; and

(B) Congress has enacted a joint resolution approving such certification.

#### SEC. 4. TERMINATION FOR CERTAIN NEW AGREEMENTS.

The restrictions on testing contained in section 3 shall cease to apply if supplanted by an agreement, accord, or treaty between the United States and the Soviet Union which makes reductions in the number or yield of underground nuclear explosions permitted under treaties between the United States and the Soviet Union signed before January 1, 1987.

#### SEC. 5. DEFINITIONS.

For purposes of this Act:

(1) The term "designated test area" means an area not exceeding two hundred and fifty-nine square kilometers within the Soviet Union or the United States, as the case may be, which—

(A) is located within the boundaries of a single existing nuclear weapons testing site in each country;

(B) is composed of competent or water-saturated strong-coupling rock that does not contain closely spaced underground tunnels or a cavity with a radius greater than twenty meters; and

(C) has been the site, before the effective date of the testing restrictions specified in this Act, of five nuclear calibration explosions of independently determined yield, conducted for the primary purpose of improving the accuracy of seismic monitoring techniques, without the use of diagnostic equipment, except equipment for a Continuous Reflectometry for Radius versus Time Experiment (CORRTEX), or any other method of ascertaining the yield of explosions which is mutually agreeable to the United States and the Soviet Union.

(2) The term "joint seismic yield estimate" means a composite estimate at a high confidence level which—

(A) is based on the concurrent employment of several independent methods for calculating yields of explosions at designated test sites using different seismic waves from an underground nuclear explosion; and

(B) has been the subject of a technical report, provided in both classified and unclassified form to the Committees on Armed Services and on Foreign Affairs of the House of Representatives, the Permanent Select Committee on Intelligence of the House of Representatives, the Committee on Armed Services and on Foreign Relations of the Senate, and the Select Committee on Intelligence of the Senate, conducted by a scientific review panel convened under the auspices of the National Academy of Sciences and comprised of ten highly qualified seismologists designated as follows:

(i) one by the Chairman of the Select Committee on Intelligence of the Senate;

(ii) one by the Chairman of the Permanent Select Committee on Intelligence of the House of Representatives;

(iii) one by the head of the Air Force Technical Applications Center;

(iv) one by the Director of the Defense Intelligence Agency;

(v) one by the Director of Central Intelligence;

(vi) one by the head of the Defense Advanced Research Projects Agency;

(vii) one jointly by the directors of the national weapons laboratories;

(viii) one by the Director of the Geological Survey;

(ix) one by the Director of the Office of Technology Assessment; and

(x) one by the President of the National Academy of Sciences.

(3) The term "reciprocal, in-country monitoring arrangements" means arrangements between the United States and the Soviet Union to supplement national technical means of verification through—

(A) the conduct by either country of up to six on-site inspections on the national territory of the other, each of which shall be allowed to commence within ten days after the day on which either nation has presented to the other a formal request demonstrating the need for additional information to identify a specific ambiguous event or activity related to apparent violations of the restrictions specified in section 3(a);

(B) designation by each country, not later than thirty days after the date of enactment of this Act, of a candidate designated test area, followed by an independent inspection by the monitoring country, beginning not later than sixty days after the date of enactment of this Act and ending not later than sixty days thereafter, of:

(i) the geologic and material properties within each candidate designated test area, including the presence and disposition of any underground tunnels and cavities; and

(ii) complete drill cores and logs from three holes of appropriate depth within each candidate designated test area, the drilling of which has been observed and the locations of which have been selected by the side monitoring that area;

(C) the provision of at least thirty days advance notice of—

(i) the scheduled date, time, and coordinates for each nuclear test explosion of one kiloton or less;

(ii) the scheduled date, time, and coordinates for not more than two explosions, each with a planned yield in excess of one kiloton, but not exceeding fifteen kilotons; and

(iii) the coordinates, dates, times, and yields of industrial explosions larger than twenty tons of high explosive to be conducted within the nuclear test-capable areas defined in clause (D);

(D) the emplacement by each country, on the national territory of the other, of twelve high performance seismic stations (four bore-hole instrument packages around the periphery of each designated test area and eight additional seismic stations in regions where peaceful nuclear explosions may have created suitable decoupling cavities in thick salt deposits) such that the combined internal and external seismic monitoring network of each nation will be capable of detecting and identifying all nuclear explosions with yields exceeding one kiloton—

(i) at known nuclear weapons tests sites of the other country; and

(ii) at sites in the other country having a current capability to accommodate a decoupled nuclear explosion with a yield exceeding one kiloton; and

(E) the conduct of a joint verification study conducted by experts on nuclear test verification techniques from both the United States and the Soviet Union for the purpose of determining the number and locations in both countries of additional in-country seismic monitoring stations needed to monitor long-term compliance with the terms of a low-yield threshold test ban treaty.

#### SEC. 6. SPECIAL PROCEDURES FOR CONSIDERING LEGISLATION APPROVING PRESIDENTIAL CERTIFICATION.

(a) IN GENERAL.—For the purpose of expediting the consideration of a joint resolution referred to in section 3(b)(2)(B), the procedures specified in subsection (b) shall apply.

(b) SPECIAL PROCEDURES.—(1) For the purposes of section 3(b)(2)(B), "joint resolution" means only a joint resolution introduced after the date on which a certification by the President under such subsection is received by Congress the matter after the resolving clause of which is as follows: "That Congress approves the certification made by the President, dated          , with respect to the refusal of the Soviet Union to implement reciprocal, in-country monitoring arrangements in connection with underground nuclear testing.", the blank space therein being filled with the appropriate date.

(2) A resolution described in paragraph (1) introduced in the House of Representatives shall be referred to the Committee on Armed Services of the House of Representatives. A resolution described in paragraph (1) introduced in the Senate shall be referred to the Committee on Armed Services of the Senate. Such a resolution may not be reported before the 8th day after its introduction.

(3) If the committee to which is referred a resolution described in paragraph (1) has not reported such resolution (or an identical resolution) at the end of fifteen calendar days after its introduction, such committee shall be deemed to be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

(4)(A) When the committee to which a resolution is referred has reported, or has been deemed to be discharged (under paragraph (3)) from further consideration of, a resolution described in paragraph (1), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(B) Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(C) Immediately following the conclusion of the debate on a resolution described in paragraph (1), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(D) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (1) shall be decided without debate.

(5) If, before the passage by one House of a resolution of that House described in paragraph (1), that House receives from the other House a resolution described in paragraph (1), then the following procedures shall apply:

(A) The resolution of the other House shall not be referred to a committee.

(B) With respect to a resolution described in paragraph (1) of the House receiving the resolution—

(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(ii) the vote on final passage shall be on the resolution of the other House.

(6) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

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## THE HATFIELD-KENNEDY NUCLEAR TESTING BILL

### COSPONSORS—(S. 1106)

Senators Baucus, Burdick, Conrad, Cranston, Danforth, Daschle, DeConcini, Fowler,

**Harkin, Hatfield, Kennedy, Kerry, Lautenberg, Leahy, Levin, Matsunaga, Melcher, Metzenbaum, Mikulski, Mitchell, Pell, Proxmire, Riegle, Sanford, Sarbanes, Simon, Specter, Stafford, Wirth, Weicker, Bumpers, Adams, and Inouye.**

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### UNDERGROUND NUCLEAR EXPLOSIONS CONTROL ACT SUMMARY OF PROVISIONS

Two-year verifiable moratorium on nuclear explosions above one kiloton yield.

Beginning 180 days after enactment, a reduction in the yield threshold for underground nuclear tests to one kiloton, provided that the USSR has agreed to reciprocal installation of temporary moratorium monitoring networks.

Short term monitoring network composed of four bore-hole seismic stations around each nation's designated testing area, and eight other stations deployed in regions where peaceful nuclear explosions have created potential seismic decoupling cavities in thick salt deposits.

Permitted testing confined to one designated test area of 100 square miles (259 square kilometers).

Independent determination by each side of the yields—using CORRTEX or another mutually acceptable method of equivalent accuracy—of at least five underground nuclear explosions conducted at each side's designated testing area within six months of enactment of the moratorium for the purpose of improving the accuracy of seismic yield estimation techniques.

Six on-site inspections over a two year period.

Exception for two tests with yields up to fifteen kilotons for the primary purpose of maintaining confidence in the reliability of the existing nuclear stockpile.

Continued testing at or below one kiloton to assess nuclear weapons effects on the survivability of military systems, maintain weapon safety and security, and maintain laboratory competence.

Termination of the testing restrictions if the President certifies that the USSR:

(1) has conducted an underground nuclear explosion with a yield greater than one kiloton, except for two designated explosions with yields not exceeding 15 kilotons;

(2) has conducted a test outside a "designated test area" as defined in the act;

(3) has refused to implement "reciprocal in-country monitoring arrangements," as defined in the act, including prior notification of all tests and six on-site inspections, and Congress approves the President's certification.

Automatic termination of the testing restrictions if the United States and the Soviet Union conclude a new agreement making significant reductions in the yield or number of underground nuclear explosions.

Mandatory review by a special National Academy of Sciences panel of the technical basis for any seismic yield estimate used to support certification to Congress of Soviet violation of the testing restricitons.

Formation of a joint Soviet-American verification research project to identify the number and locations of additional seismic monitoring stations in both countries needed to verify long-term compliance with a low threshold test ban treaty.

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DEAR SENATOR: We, the undersigned organizations, strongly urge you to support the Hartfield-Kennedy Nuclear Explosions Control Act calling for a mutual and verifiable two-year limitation on underground nuclear explosions above one kiloton.

A top priority of our organizations' combined membership is a verifiable halt to all but the smallest US and Soviet nuclear tests as a first step toward a comprehensive test ban. With the exception of this administration, every President since Dwight Eisenhower has sought a CTB. In May, the House of Representatives passed, by a large margin, the Schroeder-Gephardt amendment that prohibits spending for nuclear warhead tests with a yield in excess of one kiloton, provided the Soviets refrain from testing. Clearly, broad public and bipartisan Congressional support exists for such measures.

Please vote for the Hatfield-Kennedy amendment when it comes to the Senate floor. The National Coalition for a CTB urges you to give this effort your full support and immediate attention.

American Association of University Women.
American Baptist Churches, USA.
American Federation of State, County and Municipal Employees.
American Friends Service Committee.
American Medical Student Association.
American Public Health Association.
Americans for Democratic Action.
Catholic Peace Fellowship.
Center for Concern, Washington Office.
Citzens Against Nuclear War.
Church of the Brethren.
Church Women United.
Coalition for a New Foreign Policy.
Committee for National Security.
Council for a Livable World.
Council on Economic Priorities.
Environmental Action.
Environmental Policy Institute.
Federation of American Scientists.
Friends Committee on National Legislation.
Friends of the Earth.
Health and Energy Institute.
International Association of Machinists and Aerospace Workers.
Jesuit Social Ministries, National Office.
Jewish Peace Fellowship.
Lawyers Alliance for Nuclear Arms Control.
Maryknoll Fathers and Brothers, Office of Justice and Peace.
National Education Association.
National Organization of Women.
National Union of Hospital and Health Care Employees.
National Wildlife Federation.
National Womens' Health Network.
Natural Resources Defense Council.
New Jewish Agenda.
Nuclear Information Resource Service.
Nuclear Weapons Freeze Campaign.
Pax Christi, USA.
Physicians for Social Responsibility.
Presbyterian Church (USA), Washington Office.
Professionals Coalition for Nuclear Arms Control.
Project Vote.
Psychologists for Social Responsibility.
SANE.
Sierra Club.
The Mission Education Center Staff, Sisters of Notre Dame de Namur.
Union of American Hebrew Congregations.
Unitarian Universalist Association of Churches in North America.
United Campuses to Prevent Nuclear War.
United Church of Christ, Office for Church in Society.
United Electric, Radio, and Machine Workers of America.
United Food and Commercial Workers International Union.
United States Student Association.
Washington Peace Center.
Women Strike for Peace.
Womens' Action for Nuclear Disarmament.
Womens' International League for Peace and Freedom.
World Federalist Association.
World Peacemakers.
YWCA of the USA, National Board.

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### U.S. CONFERENCE OF MAYORS—RESOLUTION ON THE SUSPENSION OF NUCLEAR TESTING

(Approved at its annual meeting in Nashville, TN, June 17, 1987)

Whereas, a nuclear war would result in death, injury and disease on a scale unprecedented in human history;

Whereas, spending for the arms race demands enormous amounts of money while programs providing essential assistance to our cities are being cut back;

Whereas, a ban on nuclear testing would promote the security of the United States by constraining new developments in the U.S.-Soviet arms competition and by strengthening efforts to prevent the spread of nuclear weapons to non-nuclear countries;

Whereas, radiation vented from nuclear tests creates a potential health hazard for the people of our country;

Whereas, a ban on nuclear testing would be a concrete and easily achievable first step towards reversing the arms race;

Whereas, the issue of nuclear testing deeply affects the domestic lives of our citizens and must legitimately be placed high on our agenda;

Whereas, a ban on nuclear testing can be verified with high confidence by a worldwide network of seismic monitors, satellites, in-country reciprocal monitoring arrangements, and other verification technology operated by the United States and other nations;

Now, therefore, be it resolved that the U.S. Conference of Mayors calls upon the President to immediately announce a U.S. suspension of nuclear testing, contingent on a similar Soviet suspension of nuclear testing, and to resume negotiations with the Soviets leading to a Comprehensive Test Ban as a first step towards reversing the arms race and reducing the risk of nuclear war.

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### QUESTIONS AND ANSWERS CONCERNING THE UNDERGROUND NUCLEAR EXPLOSION CONTROL ACT OF 1987 (UNECA)

Question: How would UNECA restrict the U.S. and Soviet nuclear test programs?

Answer: UNECA would establish a mutual two-year verifiable moratorium on all but two underground nuclear explosions which release more energy than one kiloton (one thousand tons) of chemical high explosive (TNT). These two exceptions to the one kiloton threshold would be limited to 15 kilotons.

Question: How would these restrictions be verified?

Answer: UNECA requires that any permitted tests be conducted at a single "designated test area" of 100 sq. miles in each country, and the bill carefully defines a set of "reciprocal in-country monitoring arrangements" to guarantee adequate verification of tests conducted at this site. The definition of these arrangements includes a quota of six on-site inspections over a two-year period and independent determination of

the yields of five nuclear calibration explosions at each designated test area prior to the effective date of the test restrictions, for the purpose of ensuring the accuracy of seismic monitoring techniques.

Question: Could the President terminate the moratorium in the event the USSR failed to exercise comparable restraint or blocked the implementation of adequate verification arrangements?

Answer: Yes. For example, the President could terminate the moratorium if he certified that the USSR had conducted an explosion above one kiloton that had not been designated 30 days in advance as one of two permitted tests above the threshold.

He could also terminate the moratorium if he certifies that the USSR has conducted a test outside a "designated test area," or has failed to implement "reciprocal in-country monitoring arrangements," as defined in the act. The latter certification, which is necessarily more subjective and political in character, would require Congressional concurrence under expedited procedures in order to take effect.

In light of the extended controversy over U.S. official allegations of Soviet violations of the current Threshold Test Ban Treaty, UNECA requires that the technical basis for any certification of Soviet violation based on a seismic yield estimate be reviewed by a government-wide panel of experts, convened under the auspices of the National Academy of Sciences.

Question: Will the monitoring arrangements required by UNECA be effective in ensuring Soviet compliance?

Answer: Yes. The provision limiting permitted test explosions to one small area composed of "strong-coupling" (hard or water-saturated) rock means that detection-identification of any off-site nuclear explosion, regardless of yield, would constitute evidence of a violation. The current U.S. and allied external network can detect and identify nuclear explosions in the Soviet Union down to less than 1 kiloton in hard rock. The in-country network required by this legislation would extend this detection-identification capability down to a 1 kiloton explosion in a "decoupling" cavity designed to muffle the seismic signals from the explosion—the seismic equivalent of a 5 ton explosion in hard rock.

The in-country stations would be placed in regions of thick salt deposits which are thought to have a current capacity to accommodate such decoupled explosions, and around each nation's primary test site.

This means that for either side to cheat on the proposed moratorium, it would have to find an area which it believed was not adequately covered by seismic sensors, and then excavate and instrument a new cavity without detection by surveillance satellite. This scenario would require more than the two year duration of this bill to carry out. Moreover, given a practical engineering limit of 10 kilotons on the size of the explosion for which a decoupling cavity might be constructed, and the ability of both sides to legally conduct two tests up to 15 kilotons, the motivation for launching such an evasion attempt seems difficult to discern.

Question: Would the seismic monitoring network of 12 in-country stations required by UNECA be sufficient, in conjunction with the current U.S. global network outside the USSR, to monitor a permanent very low threshold test ban.

Answer: Probably not, but no one can be sure of the actual operating capabilities of such a network in the USSR until it is up and running. It might require expansion to roughly twice its size to monitor compliance with a long term treaty. UNECA requires the formation of a joint Soviet-American verification research project to identify the number and locations of additional seismic monitoring stations in both countries that might be needed to verify long-term compliance with a low threshold test ban treaty.

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APRIL 22, 1987.

Dear Senators KENNEDY, HATFIELD and DECONCINI: It has come to our attention that you are considering the introduction of legislation establishing a reciprocal two-year restriction on the number of Soviet and American underground nuclear explosions above a verifiable low-yield threshold. We believe such a restriction is both desirable in its own right and a logical first step in the direction of an eventual Comprehensive Test Ban Treaty, should national leaders choose to pursue that option in the future.

We believe that a deep mutual reduction in the number and yield of U.S. and Soviet nuclear tests conducted above a monitoring threshold of one kiloton would slow the pace of innovation in nuclear weaponry, lessen reciprocal threats to strategic stability, reduce mutually perceived political requirements for new strategic weapons, and diminish mutual fears of preemptive nuclear attack strategies.

Some of us have long supported the goal of a comprehensive ban on nuclear test explosions, and are in accord with the conclusions reached by Drs. Garwin, Bethe, and Mark in the attached letter that a CTB could be implemented today with a net benefit to our national security. All of us recognize, however, that longstanding strategic and technical disputes over the desirability of a CTB remain unresolved at the highest levels of government. These differences regarding the wisdom of a comprehensive ban should not be allowed, however, to obscure the latent consensus in favor of further restraints on the number and yield of underground nuclear tests.

The present administration argues that keeping U.S. nuclear weapons "safe, secure, reliable, and effective . . . " The level of testing [i.e. yield and frequency] required to satisfy each of these objectives is reviewed in the attached memorandum by Prof. Frank von Hippel of Princeton University.

We endorse this memorandum's conclusion that weapon safety and security could be improved, and that efforts to harden U.S. military equipment against nuclear weapons effects would not be significantly impaired, even if the present 150-kiloton limit on the yield of underground nuclear explosions were reduced to one kiloton.

Experience with nuclear weapons reliability problems since 1958 strongly supports the conclusion that confidence in the stockpile can be maintained by continuing the current primary dependence on a program of careful disassembly, inspection, and refurbishment, supplemented by an average of less than one nuclear test per year in the 5–15 kiloton range.

Regarding the requirement for nuclear explosive tests above one kiloton to improve nuclear weapon "effectiveness" against, for example, hardened underground or mobile targets, we note that continuing such tests at current levels would also allow the Soviet Union to improve its own capabilities in these areas. We believe that the heightened deterrent effect sought by military planners on both sides from such developments would be outweighed by the destabilizing effects of increased mutual fears of preemptive nuclear strikes.

American political leaders have the responsibility of reminding those who develop and operate nuclear weapons systems that their ultimate purpose in fielding a nuclear arsenal is not to ensure prompt destruction of Soviet military targets—the military definition of "effectiveness"—but rather to help prevent the occurrence of nuclear war.

We concur with the conclusion of the attached memorandum that, "from a technical perspective, nuclear testing to improve the nominal "effectiveness" of U.S. nuclear weapons against Soviet military targets is not required to field a nuclear arsenal that is both a reliable and survivable deterrent force."

With respect to the verification of a restriction on tests above one kiloton, it is our view that a capability to confidently monitor Soviet compliance with a one kiloton threshold could be obtained by supplementing the current U.S. and allied seismic detection network around the Soviet Union with an in-country network equipped with high performance seismometers. This network should have an initial capability to verify the yields of permitted tests at a single designated test site, and to detect nuclear explosions in areas presently containing large underground cavities suitable for muffling the seismic signal from an explosion. Of course, the U.S. would have to permit the Soviet government to set up a counterpart seismic monitoring network in the United States.

Depending on the capabilities of the combined internal and external monitoring networks, as determined by actual operating experience during an interim two-year restriction, a joint Soviet-American seismic survey could develop the data needed to identify the number, type, and locations of any additional in-country stations that may be needed to increase confidence in the detection of long-term evasion programs under a permanent low-threshold test ban.

We hope these observations may be of some use to you and your colleagues in clarifying the real nature of the choices available to the Congress as it considers restrictions on underground nuclear test explosions.

Sincerely,

Richard L. Garwin (IBM Thomas J. Watson Research Center, and Cornell, Columbia, and Harvard Universities).

J. Carson Mark (retired, Director of Theoretical Physics Division, Los Alamos Scientific Laboratory, 1947–1973).

Hans A. Bethe (Laboratory for Nuclear Studies, Cornell University Director, Theoretical Physics Division, Los Alamos Scientific Laboratory, 1943–46; Nobel prize for physics, 1967).

Norris E. Bradbury (Director, Los Alamos Scientific Laboratory, 1945–1970).

Glenn T. Seaborg (Lawrence Berkeley Laboratory, University of California Chairman, U.S. Atomic Energy Commission, 1961–71; Nobel prize for Chemistry, 1951).

Lynn R. Sykes (Lamont-Doherty Geological Observatory, Columbia University Member, Threshold Test Ban Delegation, 1974).

Theodore B. Taylor (NOVA Corporation, Damascus, MD; formerly Deputy Director for Science, Defense Atomic Support Agency, 1964–67).

Charles B. Archambeau (University of Colorado, Boulder; Chairman, Seismic Monitoring Advisory Committee, Natural Resources Defense Council).

Jack F. Evernden (U.S. Geological Survey, Menlo Park, CA 94025).

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### MEMORANDUM

To: United States Senators and Staff.
From: Frank N. von Hippel.[1]
Subject: Low-threshold nuclear test restrictions.

The present Administration argues that keeping U.S. nuclear weapons "safe, secure, reliable, and effective * * * demands some level of underground nuclear testing * * * ." The appropriate "level" of testing [i.e. yield and frequency] required to satisfy each of these objectives is reviewed below.

#### EFFECTIVENESS

The principal rationale for nuclear weapons tests, and therefore the principal objection to a test ban, is the alleged need to develop more militarily "effective" nuclear weapons. From a technical perspective, however, nuclear tests designed to improve the nominal "effectiveness" of U.S. nuclear weapons against the Soviet military target base are not required to field a nuclear arsenal that is both a reliable and survivable deterrent force.

Assessments of nuclear weapon "effectiveness" depend on subjective perceptions of the deterrent benefits to be gained from improved U.S. and Soviet nuclear warfighting capabilities relative to their crisis-destabilizing effects and costs. The background reality for such assessments is that despite the ability of U.S. and Soviet nuclear arsenals to inflict great damage on each other, neither side can strike first without fear of devastating retaliation. The development of improved second-generation or new third-generation nuclear weapons will not change this situation.

The remainder of the objections which have been raised against a comprehensive ban on nuclear test explosions do not apply to a low-threshold/quota test ban.

#### RELIABILITY

While the need for any nuclear explosive tests to maintain stockpile reliability remains a matter of intense dispute within the expert community, almost everyone agrees that the number and yields of tests needed for this purpose are small. According to a recent joint DOE/DOD testimony on April 29, 1986, "since 1970, eight tests [an average of one every two years] have been conducted to correct defects in stockpiled weapons." If a comparable number of tests were carried out to determine the seriousness of problems detected during routine disassembly and inspection, there would have been a total of about one test per year during this period whose primary purpose was related to concerns about reliability.

According to another Department of Energy statement, since 1958, 14 out of 41 weapons designs in the U.S. nuclear stockpile required post-development nuclear tests to resolve problems. If one assumes that each of these cases resulted in an average of two nuclear explosive tests above 1 kiloton to determine the extent of the problem and certify the required "fix," the resulting average requirement for tests of this kind over the past three decades would again be about one per year. ("Certification" tests of pilot production weapons prior to quantity production are not properly classified as "reliability tests" of stockpiled weapons, as some government officials have suggested, but rather as the final step in the development cycle of a new weapon.)

Virtually all the reliability problems have occurred in the primary stages of two-stage thermonuclear devices. These "primaries" typically have yields between about five and fifteen kilotons.

A quota of about one test per year in the five-to-fifteen kiloton range, would therefore allow continuation at their previous rate of tests designed to maintain confidence in the reliability of the existing stockpile. Of course, one would not expect new problems to crop up indefinitely at this rate in a fixed set of weapons.

It is therefore quite possible that, over a longer period, this quota for reliability tests above the verification threshold could be phased out. Even today, in the view of some experts (including R.L. Garwin, H. Bethe, and C. Mark) a quota averaging one nuclear explosive test per year represents an unnecessary hedge against the appearance of novel flaws in thoroughly-tested stockpile weapons.

#### HARDENING AGAINST NUCLEAR WEAPONS EFFECTS

Another frequently cited argument against a CTB is the need for additional data regarding the effects of nuclear explosions on nuclear weapons systems and other types of military equipment. Our ability to gain further knowledge in this area is already significantly constrained, however, by the Limited Test Ban Treaty (LTBT) of 1963, which bans explosions which might be conducted, for example, in near space to gauge the effects of electromagnetic pulse, or on the earth's surface to measure cratering effects.

Testing at or below one kiloton can provide most of the knowledge of nuclear effects obtainable from underground tests. For example, approximately the same radiation intensities can be achieved 40 meters away from a 1-kt explosion as 500 meters from a 150-kt explosion.

For this reason most weapons-effects tests are already carried out with low-yield explosions. The permitted annual "stockpile confidence" tests with a yield in the five-to-fifteen kiloton range could also be used to assess nuclear effects.

#### SAFETY

With regard to safety, U.S. nuclear weapons are already constructed in such a fashion that they are "one-point safe"—meaning that they will not explode with a significant nuclear yield, even if a segment of the chemical explosive in the fission trigger is detonated by accident. Current safety improvements are thus focused on the less serious problem of reducing dispersal of plutonium if the chemical high explosive detonates or burns.

This potential problem is being remedied by the use in new nuclear weapons of "insensitive high explosive" (IHE) which is much less prone to accidental detonation. The introduction of IHE into the U.S. arsenal is motivated primarily by the need to reduce the risks associated with the movements of air-delivered and land-mobile weapons. In these areas, the introduction of IHE is now in an advanced stage.

Most warheads and bombs produced since 1980, such as the B61 and B83 bombs, W85 Pershing II warhead, W87 MX warhead, and W80 and W84 cruise missile warheads, incorporate IHE. The W-87 could also be used as the warhead for the planned Midgetman ICBM, obviating the need for further tests in connection with the deployment of this system.

In some cases, new warheads have been developed without incorporating IHE even when there has been the opportunity to do so. The Navy, for example, has elected not to use IHE in the W-88 warhead for its new TRIDENT II ballistic missile because IHE packs less explosive power per unit volume than normal high explosives, making warheads containing IHE heavier than warheads of comparable yield designed with conventional high explosive.

Use of IHE in SLBM warheads would therefore reduce either the range or the number of warheads that could be delivered by the missile. If the Navy were willing to pay this penalty in return for improved safety, the Trident II could be fitted with the same W-87 warhead as the MX, or a modified version of the W-88 incorporating IHE. Clearly, nuclear testing limitations should not be faulted for depriving military planners of potential safety improvements which they have elected not to pursue even in the absence of a test ban regime.

In the case of artillery shells, the limitations on IHE use arise from technical rather than military considerations: since a larger volume of IHE is required to release a given amount of energy, the small diameter of artillery shells makes them difficult to convert to IHE.

Finally, when one considers that replacement warheads are not being produced for some tactical weapons (such as Atomic Demolition Munitions and nuclear air defense missiles) that are being phased out in favor of precision guided weapons, the future requirement for tests to certify new designs incorporating IHE is far less imposing than might be suggested by the Department of Energy's statement that only one-third of currently stockpiled weapons incorporate IHE.

Virtually all other safety improvements are focused on the mechanical and electrical designs of the triggering systems, and can be adequately tested without producing a significant nuclear yield, using flash X-ray machines and imbedded sensors to monitor the progress of the implosion shock wave. The production of neutrons from test weapons containing reduced amounts of fissile material in so-called "zero-yield" tests of the fission trigger also provides a sensitive measure of the degree of compression that has been achieved by the chemical implosion. All such tests could still be carried out under a threshold restricting the yields of underground tests to below one kiloton.

#### SECURITY

With regard to the postulated need for explosions at full yield to test further innovations designed to secure U.S. nuclear weapons from unauthorized use, it should be noted that the permissive action links (PALs) which perform this task have already gone through several generations of improvements.

Moreover, not all improvements need intrude into the "physics package" of the primary, prompting redesign and a need for additional nuclear explosive tests.

The primary issue of nuclear security today is not further technical refinement, but rather the fact that many weapons in the U.S. stockpile still lack PALs of any type.

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[1] Frank N. von Hippel, a physicist, is Professor of Public and International Affairs, Princeton University. Address: Center for Energy and Environmental Studies, Engineering Quadrangle, Princeton, N.J. 08544. (609) 452-4695. This memorandum is based on information and analyses available in the unclassified literature, and on discussions with experts in the different areas surveyed.

In summary, therefore, a test ban with a threshold of about one kiloton would satisfy the concerns that have been raised regarding the effects of a comprehensive test ban (CTB) on nuclear weapons safety and security and on our ability to collect information about nuclear weapons effects. The addition of a quota averaging about one test per year with a yield between five and fifteen kilotons would permit continuation of stockpile confidence tests at their previous rate.

Such a regime would severely limit the development of new types of nuclear weapons with yields greater than three to five kilotons. It would also limit new nuclear weapon delivery systems to those which could be equipped with already existing or conservatively modified warheads.

#### VERIFICATION OF A TWO-YEAR LOW-THRESHOLD TESTING MORATORIUM

In-country monitoring is needed primarily to guard against the possibility that the seismic signal of a low-yield underground nuclear explosion could be "decoupled" (muffled) in large artificial cavities or in soft geologic media, such as dry, loose alluvial deposits. The possibility of complete or partial decoupling complicates the task of establishing confidence in our ability to detect and identify nuclear explosions inside the Soviet Union with yields of about one kiloton, and to verify that yields of permitted tests do not exceed the specified thresholds.

The task of monitoring the yields of explosions for compliance with a one-kiloton threshold can be eased considerably by limiting permitted tests to one small test area composed of strong-coupling rock. This would simplify yield estimation of permitted tests and make detection-identification of any off-site nuclear explosion—regardless of yield—sufficient evidence of violation.

Decoupled explosions at the designated testing areas could be precluded by prior knowledge of test site geology and overhead surveillance. Residual ambiguities could be resolved through on-site inspections.

Under these circumstances, a regional seismic monitoring system comprised of four high-performance seismic stations around the one permitted test site in each nation could provide yield estimates with a factor of uncertainty of two or less—especially if the site had been previously "calibrated" with nuclear explosions of known yield. A factor of two uncertainty surrounding the seismic yield measurement in this case means that an explosion with a seismic signal corresponding to one kiloton would have only a 2.5 percent chance of exceeding 2 kilotons, a marginal level of risk which most observers would consider acceptable.

Concerns that the other side might conceal nuclear explosions in the few-kiloton range by decoupling could be allayed during a 2-year moratorium by adding to the regional seismic network around the test site additional regional networks in regions where mining or peaceful nuclear explosions may have already created suitable decoupling cavities in thick salt deposits.

Two such areas have been pointed out in the Soviet Union—one in the southwestern portion of the country north of the Caspian Sea, and one in central Siberia north of Lake Baikal.

In the longer term, if it were decided to convert the two-year moratorium into a permanent low-threshold test ban, concerns might emerge about possible clandestine creation of new large underground caverns in other areas.

Under these circumstances, the regional seismic networks installed to monitor the moratorium could serve as the skeleton for a more extensive network with a country-wide detection/identification capability down to one kiloton fully-decoupled.

During the term of the temporary moratorium, a joint research project involving Soviet and American seismologists could be conducted to develop the data required to determine the number, type, and locations of the additional in-country seismic monitoring stations required to verify compliance with the limitations of a permanent low-threshold test ban.

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FEBRUARY 3, 1987.

Dr. JEREMY J. STONE,
*Director, Federation of American Scientists,*
*Washington, DC.*

DEAR JEREMY, in view of claims and counterclaims about the need for the United States to continue nuclear explosion testing, we want to summarize our views:

1. Nuclear explosion testing is not needed to ensure the reliability of weapons in stockpile which have been tested in their production version. It is not needed to detect degradation nor to remedy degradation. Non-nuclear testing is used for detection, and remanufacture to original specifications is an adequate remedy. In testimony, April 8, 1986, to the Senate Armed Services Committee, the Director of the Livermore Laboratory agreed that, "given enough time and money, replication could be achieved."

2. The U.S. could not have confidence in the performance of nuclear weapons put into stockpile without testing, and we recognize that a comprehensive ban on nuclear tests, or one which bans all detectable tests, would prevent the acquisition of warheads of new nuclear design. Nevertheless, the Midgetman missile could perfectly well use the warhead which has been designed and tested for the MX missile—the W-87. It might need shock-alleviation mounting for a mobile Midgetman subject to nuclear attack, but the demand for a new warhead is analogous to requiring that one redesign an astronaut before launching him or her into space. Careful attention to packaging will do.

3. Although modern security devices for nuclear weapons could be so closely integrated with the nuclear components that these particular systems could not be added to existing weapons, comparable function can be achieved by a system designed to be suitable for retrofit to existing weapons without testing. Insensitive high explosive (IHE) cannot be incorporated into existing weapons which lack them without nuclear testing, but existing weapons are already proof against accidental nuclear explosion, and we believe the incorporation of IHE is not of highest importance. Concern on this point is primarily a matter of peacetime comfort than of wartime need. Since in the absence of any limit on numbers of tests only some 40 percent of U.S. weapons now have IHE, we must not be alone in this view.

4. As for verifiability of a CTBT, some 25 unmanned seismic detection systems on the territory of the Soviet Union are probably adequate to provide high confidence of detection, location, and identification of nuclear explosions of yield of one kiloton or more. But a treaty should provide for the installation of as many as are required in areas of poor seismic propagation, even 100 stations if necessary. No seismic system can detect the stations if necessary. No seismic system can detect the smallest "nuclear explosion." We could readily design a reliable nuclear explosion of yield one-thousandth of a kiloton, simply to demonstrate that it could not be detected by a particular seismic system. So a comprehensive test ban is inherently not verifiable by seismic means. Yet some of the important benefits of a test ban would be lost if low-yield underground nuclear testing were permitted to the nuclear nations. The solution might be to have an initial ban on all nuclear explosions above 1 kiloton yield, a small initial quota of underground nuclear explosions below that yield, and a requirement to pre-announce all nuclear explosions of any yield above one ton, and to provide measurement of their yield by an approved method. The detection of violations would be aided by non-seismic and non-cooperative means, and potential violations of marginal detectability would not represent militarily important advances.

5. The benefits to the U.S. of a test ban arise from denying the Soviet Union the progress in nuclear weaponry which can be made only by nuclear explosive testing. For instance, the Secretary of Energy expresses concern about possible Soviet progress on the nuclear-weapon-powered X-ray laser. That would cease under an appropriate test ban. Even if the U.S. were first to achieve a new military capability by nuclear testing, our security might be impaired, on balance, if the Soviets then acquired the same capability; MIRV is generally regarded as a case in point. We believe that an important benefit of a test ban would derive from the much firmer base it would provide for our leadership of a world-wide effort to eliminate the spread of nuclear weapons the additional hands—an effort in which technical measures reinforced by strict sanctions would serve U.S. security interests.

6. It would be imprudent to believe that all parties would permanently abide by a test ban. So it would be necessary for the U.S. to maintain facilities, skills, and a program of research and design to ensure that we recognize the potential advances which might be achieved and are in a position to pursue them if the Soviet Union should renounce the test ban. Readiness to test need not be on a scale of days or weeks, since a year or more is required for a new weapon concept to affect military capability. Our skills should be honed by analysis, simulation, competitive design teams, and by the confrontation of simulation results with explosive-driven assemblies without nuclear yield.

7. We believe that it is in the U.S. interest to see an early end to the testing of nuclear weapons.

Sincerely yours,

RICHARD L. GARWIN,
*(IBM Thomas J. Watson Research Center, and Cornell, Columbia, and Harvard Universities).*
HANS A. BETHE,
*(Cornell University).*
CARSON MARK,
*(retired, Former Head of Theoretical Division, Los Alamos Scientific Laboratory, 1947–73).*

APRIL 22, 1987.

Senator EDWARD M. KENNEDY,
Senator MARK O. HATFIELD,
Senator DENNIS DECONCINI,
*United States Senate, Washington, DC.*

DEAR SENATORS KENNEDY, HATFIELD, AND DECONCINI: As scientists who have participated for many years in U.S. government and privately sponsored research on underground nuclear test detection-identification, we feel that it is appropriate that we comment on your proposed bill entitled: "Underground Nuclear Explosion Control Act of 1987". After careful review of the bill and all its provisions we wish to express our strong support for its passage.

In regard to the technical considerations implicit in this act, we feel that it might be useful to offer an informed assessment of verification capabilities to be realized under its provisions. In particular, (1) whether yield estimates at the designated test sites, in the range near 1 kt and near 15 kt., can be made with acceptable accuracy and confidence and (2) whether detection—identification of conceivable clandestine tests could be expected with high probability under the provisions of the act. The following is a summary of the more lengthy evaluation contained in an earlier letter sent to you by Charles Archambeau.

As the provisions of the bill affect the accuracy and confidence of yield estimates near 1 and 15 kt; we conclude the following:

We believe that yield estimates at the designated test sites can probably be made within a factor of two uncertainty (at the 95 percent confidence level) in the range near 1 kt. That is, approximately 95 percent of all seismically estimated yields of a 1 kt explosion will fall between 2 kt and .5 kt. At the higher range, near 15 kt, we would expect a lower uncertainty, with a value near 50 percent being most likely. In this case, it is about three times more likely that a seismically observed value of 2 kt is due to an actual 2 kt test than it is to a 1 kt test. Therefore, assuming the provisions of the bill are enacted as stated, there would a low probability of successfully carrying out a very low number of tests, or even one, in the range above 2 kt without being discovered. This would suggest that it would be highly unlikely that any tests in violation of the agreement would ever be tried at designated test sites.

The strategy for yield verification and detection of possible violations should be so strongly established as to insure near certain compliance without the necessity of many on-site inspections to maintain confidence. In this regard, it would not be desirable to initiate inspections, or charges of violations, for estimated yields that appeared only marginally larger than 1 kt, since it is also important to minimize the number of false alarms and the possible unresolvable controversies that could ensue. Therefore, it is necessary to use a "trigger value" for calling an inspection which is sufficiently above the threshold of 1 kt to avoid frequent false alarms, yet not so high as to encourage testing within the "grey-zone" between the 1 kt threshold limit and the value used to trigger the inspections.

A 2 kt "trigger value" for a 1 kt threshold is certainly high enough to avoid many false alarms and provides a rather high degree of confidence that an estimated test yield at or above this value is probably due to a test above 1 kt. However, its use as a fixed "trigger value" could create a wider "grey-zone" than might be desirable. To avoid establishing the perception of such a "zone of immunity", one could simply adopt the strategy of calling for occasional on-site inspections for tests with estimated yields falling anywhere within the "grey-zone" range. In addition, since the basic uncertainty in yield estimates can be expected to decrease with time, in a manner unknown to the tester, the monitor could reduce the "trigger value" over time and thereby not only narrow the gap without increasing the false alarm rate, but also could do so in an unpredictably way producing high levels of tester uncertainy and effectively denying accessibility to this zone.

We consider yield verification capability, for the two possible tests near 15 kt, to be quite sufficient to discourage any considered attempt to test above the limit. Should a tester, nevertheless, conduct a test above this limit by any significant amount (for example, at about 20 kt.), then we would expect that such a test would be seismically identified as a probable violation.

In order to preclude partial or full "cavity decoupling" possibilities, it is important that the bill retain the flexibility for rather complete inspection of the designated test site, along with the drilling and material sampling opportunities prescribed by the bill. Further, the possibility of rejection of a proposed site on grounds of probable decoupling capability is essential.

In regard to detection and identification of possible clandestine tests in areas off the designated test sites; the following observations and conclusions are considered relevant:

If any clandestine tests were conducted in a high to intermediate coupling medium, then the seismic magnitudes of such tests, anywhere within the two countries, would be sufficiently large to allow the events to be detected and identified by national technical means; that is, by monitoring seismic stations outside the countries involved. Therefore, the only testing opportunities of concern to a monitor would be those that could be conducted in very low coupling media and/or in large decoupling cavities.

Since the moratorium is limited to a two year period, it would be very difficult and risky to rapidly construct test facilities and large underground decoupling cavities required for clandestine testing at a totally new test site within a time frame that could impact the moratorium. Aside from the possibility of discovery by satellite observation methods, even a successful development might very well be rendered useless when, at the end of the moratorium, additional seismic stations having capabilities to detect even small decoupled tests throughout the country could be installed.

It is clear that the only reasonable off-site testing possibilities that exist under conditions of a short term moratorium are at sites where either very thick low coupling geologic formations exist or where large underground cavities already exist, or may exist. Such "test-capable" sites are very limited in both the U.S. and U.S.S.R. For the U.S.S.R., such sites are appropriately monitored by external seismic stations supplemented by the in-country seismic stations specified by the bill.

The probability of successful discrimination of earthquakes and fully or partially decoupled explosions above 1 kt. is high for the "test-capable" areas and it is doubtful that even one such small decoupled test, in the areas in question, could be conducted without being identified as a probable explosion. Further, since none of the areas are regions of high natural seismicity, then the necessity of detailed analysis of large numbers of events will not arise. Finally, since the bill specifies that chemical explosions above 20 tons in the "test-capable" areas be announced beforehand to the monitor, then false-alarms from numerous large scale mining explosions will not be a problem either. Consequently, we would expect that very few on-site inspections would be required, and these probably only as confidence-building measures.

Therefore, in conclusion, the combined verification capability represented by the available highly sensitive seismic and satellite monitoring plus on-site inspections of suspect events, as provided for in the bill, should be an extreme deterrent to a tester who realistically considers the risks of clandestine testing and, conversely, should provide the monitor with a high degree of confidence in his ability to identify any violations, should they occur.

Sincerely yours,

DR. CHARLES B. ARCHAMBEAU,
*Professor of Geophysics, University of Colorado, Boulder, CO.*
DR. JACK F. EVERNDEN,
*Geophysicist, Davenport, CA.*
DR. LYNN SYKES,
*Professor of Seismology, Lamont-Doherty Geological Observatory, Columbia University.*

## NEW SOVIET SALT SUBLIMITS VIOLATIONS

Mr. HELMS. Mr. President, the claim has been made by various Senators that the last shreds of the unratified SALT II Treaty—the so-called sublimits—can somehow form the basis of strategic arms restraint. An erroneous assertion has in fact been made to the effect that the Soviets have not yet violated the three numerical sublimits of SALT II. Therefore, these Senators contend, the United States should adhere to these sublimits. They want to transform these sublimit restraints into a kind of strategic arms treaty all by itself.

I do not doubt the sincerity of the able Senators—but the facts prove them to be sincerely wrong.

Now, Mr. President, they want to go beyond merely advocating these sublimits. They make the preposterous claim that the Soviets are observing these restraints, and that the United States should therefore be required to observe these restraints. Their specious reasoning is that if both superpowers are mutually, and unilaterally, observing these restraints, then we will have a de facto arms control treaty. The problem with the Senators' position is that they are dead wrong when they suggest that the Soviets are "observing these restraints."

Moreover, there is a fundamental policy question here: Are these restraints in the national interest?

So, Mr. President, the vital question is: Since the Soviets are not in compliance, how can it possibly be in the United States interest to shackle our own defense posture?

Even more disturbing is the fact that the Senators propose to lock this administration into the sublimits policy by simple legislation—in other words, amend a treaty in an unconstitutional way. They propose to achieve the effect of a treaty without abiding by the constitutional requirements of ratifying a treaty. They propose to hamstring the United States without the debate and two-thirds consensus that is a basic fact of the treaty process. That is why the President has said that he will veto any legislation that includes these pseudo-treaty elements. The President is right on target.

Even worse is that the facts the Senators allege simply are not so. The Soviets are not complying with the sublimits. Those who have carefully studied this matter know for certain that the Soviet Union has already exceeded two of the three numerical sublimits—and the Soviets are desperately trying to hide these violations through camouflage and deception.

Obviously, Mr. President, when we begin discussing this matter, we enter upon a field where much information is highly classified. But we don't have to go into classified matter to demonstrate that the Soviets are not observing the sublimits. I will demonstrate these violations at length from open sources. But to be certain, I have conferred with key intelligence, defense, and national security authorities in the administration, and they have confirmed that the following statement is both correct and unclassified:

> The Soviets exceeded the SALT II sublimit of 1,200 permitted MIRV'd ICBM's and MIRV'd SLBM's when the 5th Typhoon submarine recently began sea-trials.
>
> Moreover, some SS-X-24 MIRV'd ICBM railmobile launchers should now be accountable under the SALT II sublimit on MIRV'd ICBM's. It appears to me that the Soviets have not yet compensated for any of the SALT II-accountable SS-X-24 launchers. Therefore, the Soviets may also be exceeding the SALT II sublimit of 820 MIRV'd ICBM launchers.

Mr. President, this statement, confirmed by the sources I have mentioned, clearly and conclusively shows that the Soviets have now violated the 1,200 MIRV'd missile sublimits; and it also confirms when we know previously that the Soviets are already violating the 820 MIRV'd ICBM sublimit.

Moreover, Mr. President, it should also be emphasized that we must assume that the Soviets are also violating the third SALT II sublimit. The third sublimit limits MIRV'd missiles and bombers equipped with long range ALCM's to the number of 1,320. The experts have already said that if the Soviets elect to break out of the SALT II restraints, the most likely final step would be to put long range air-launched cruise missiles on the Backfire bomber. Since the Soviets have violated everything else, it would be prudent for the United States to assume that they have gone to this final step.

Mr. President, that is the essence of my statement today. However, those in the arms control field will want to follow the more detailed arguments which support these conclusions. These arguments follows.

Mr. President, let me now focus on the main sublimit of the SALT II Treaty, the limit of 820 MIRV'd ICBM's. First, here is a summary of the strong evidence confirming that the Soviets are already violating this most important SALT II sublimit:

Soviet leader Gorbachev himself admitted at the last United States-Soviet summit meeting that the Soviets have deployed at least two railmobile MIRV'd ICBM launchers for the SS-24. This would put the Soviets right on the 820 MIRV'd ICBM sublimit. But according to several press reports, U.S. intelligence has detected deployment of at least five SS-24 railmobile MIRV'd ICBM launchers. These five SS-24 railmobile launchers would put the Soviets at 823 MIRVed ICBM launchers. These SS-24 railmobile launchers are also reportedly heavily camouflaged and concealed, so the number of five detected must be considered a minimum number. Third, the Soviets probably have deployed more than five SS-24's that the United States has reportedly detected.

In fact, President Reagan officially warned Congress recently that there is a strong probability that the Soviets would try to covertly deploy many more railmobile SS-24's. This warning by the President has turned out to be accurate. The Soviets have not compensated for this deployment by dismantling other MIRV'd ICBM launchers.

In sum, Mr. President, the Soviets therefore now have at least 823 MIRV'd ICBM launchers deployed, and the SALT II sublimit on MIRV'd ICBM launchers is 820.

Thus the Soviets have clearly violated the main SALT II sublimit.

Mr. President, United States intelligence has already given Congress important unclassified testimony that Soviet factories for the mass production of the SS-24 missile and its railmobile launchers are already built. According further to this testimony, the SS-24 missile and its railmobile launcher are both now in mass production. And since January, 1987, when deployment of at least five SS-24's was reportedly first detected, the SS-24 deployment program has progressed even further to now confirmed deployment.

Mr. President, I would reemphasize that these five SS-24 railmobile MIRV'd ICBM launchers detected are heavily camouflaged and concealed. The Soviets are even going so far as to deny the United States previously reported open source information on the total number of railroad cars they are producing, another important sign of clandestine SS-24 railmobile deployment. The Soviets have also tried to deceive the United States into believing that their acknowledged SS-24 deployment was consistent with SALT II, when it was not.

To repeat, I want to emphasize that President Reagan has officially warned Congress that the Soviets would try to deploy even more railmobile SS-24 launchers even more covertly than we have so far been aware. Many more concealed railmobile SS-24 ICBM launchers are probably even now covertly deployed, without the United States having yet detected them.

The CIA has estimated, according again to unclassified testimony, that the Soviets will deploy more than 200 railmobile SS-24 MIRV'd ICBM launchers, carrying over 2,000 MIRV'd first strike warheads. There are reportedly over 1,000 Soviet railroad tunnels along the extensive 160,000 kilometer main Soviet railroad network directly supporting missile complexes, where SS-24's can be concealed and remain survivable. Moreover, each SS-24 launcher has a rapid reload and refire capability for several more missiles, doubling or tripling the SS-24 force.

Mr. President, I would point out to my distinguished colleagues that President Reagan will be fully justified in vetoing any bill attempting to selectively and unconstitutionally legislate parts of the SALT II Treaty, such as the sublimits. The President recently reported to Congress that:

> A number of [Soviet] activities involving SALT II constituted violations of the core or central provisions of the Treaty frequently cited by the proponents of SALT II as the primary reason for supporting the agreement.

Thus in conclusion, Mr. President, the Soviets have already violated the three SALT II sublimits, which are among "the core or central provisions" of the SALT II Treaty. To sum up, the Soviets have clearly violated all three of the three overall numerical SALT II limits, all three of the three sublimits, and they have also violated all of the main SALT II qualitative limits. While the Soviets have gutted the SALT II Treaty, starting their SALT II violations even before the ink was dry on the treaty document on June 18, 1979, some of our distinguished colleagues are trying to legislate United States compliance with selective parts of the treaty. Ironically, even these selective parts of the treaty—the three sublimits—are themselves already being violated.

Efforts to legislate U.S. compliance with an unratified SALT II Treaty are not only unconstitutional, but they constitute efforts aimed at American unilateral disarmament. The American people, however, have repeatedly rejected American unilateral disarmament, as the 1980 and 1984 national elections clearly indicated.

### ANNEX: SOVIETS VIOLATE MAIN SALT II SUBLIMIT

Mr. President, I will now make the Senate aware of the details of a new United States verification judgment, now reinforced, showing that the Soviets violated the most important SALT II sublimit as of early October 1986.

I would reemphasize that this Soviet SALT II sublimit violation first occurred as of early October 1986, over a month before the United States exceeded a SALT II sublimit on November 28, 1986.

Our distinguished colleague, Senator Jim McClure, accurately predicted this. In his Senate floor speech of October 17, 1986, Senator McClure stated that at least three railmobile MIRV'd SS-24 ICBM launchers were probably deployed. The new evidence indicates that he was right on target and correct. This new violation focuses upon the large-scale deployment of the Soviet SS-X-24 ICBM, and upon the number deployed.

### SOVIETS ANNOUNCE INTENTION TO EXCEED ALL SALT II SUBLIMITS

The Soviets reportedly told United States START negotiators in Geneva in late 1983 that they intended to exceed all three of the SALT II sublimits on MIRV'd missiles and bombers equipped with long range ALCM's. Mr. President, the Soviets have actually carried out their intention.

The Soviets have been violating the main SALT II sublimit since early October 1986. The first Soviet SALT II sublimit violation occurred well before the October 28, 1986 United States deployment of the 131st United States B-52 deployment equipped with long-range ALCM's. Moreover, the Soviets have already launched their fifth Typhoon submarine and their fourth Delta IV submarine. Now that these submarines have gone on sea trials, the Soviets have gone over the Salt II sublimit of 1,200 MIRV'd ICBM and MIRV'd SLBM launchers.

Finally, Soviet covert break out deployment of AS-15 long range ALCM's on each of their 300 intercontinental Backfire bombers would put the Soviets over the third SALT II sublimit of 1,320 MIRV'd missiles and bombers equipped with long range ALCM's. The CIA believes that the Soviets would covertly deploy long-range ALCM's on the intercontinental Backfire bomber if they decided to break out of SALT II. Mr. President, it is clear that the 22 confirmed Soviet SALT II violations constitute this Soviet break out. But we shall consider these two Soviet sublimit violations in more detail later.

I will concentrate first on the details of the Soviet violation of the most important SALT II sublimit, the sublimit of 820 on MIRV'd ICBM launchers.

MIRV'd ICBM's are the most dangerous weapons in the world, because they can destroy any target in the world in 30 minutes. The 820 sublimit is therefore the main SALT II sublimit. The Soviet SS-X-24, a MIRV'd railmobile ICBM, is the focus of this violation.

### SS-X-24 DEPLOYMENT IMPENDING THROUGHOUT 1988

Mr. President, in March, 1986, the Defense Department stated:

> The SS-X-24 deployment in a railmobile mode could begin as early as late 1986. Early preparations for the deployment of the SS-X-24 are already underway.

At that time, President Reagan also officially informed Congress of his concern about the effects of the Soviets camouflage, concealment, and deception program upon United States ability to detect Soviet deployment of the SS-X-24. He said that given the extensive concealment associated with the SS-X-24 ICBM Program, and that inherent mobility of this ICBM, there is a strong probability that the Soviets will try to deploy additional SS-24 ICBM launchers more covertly than we are aware of today. They thereby could avoid compensatory SALT II dismantlement of other MIRV'd ICBM's. The President was wise to predict more covert deployment of the railmobile SS-X-24 ICBM. President Reagan's official prediction has turned out to be very accurate indeed.

The CIA and the Arms Control and Disarmament Agency stated in August, 1986, that:

> We can not exclude the possibility, in the context of the SALT II Treaty, that several launchers for the SS-X-24, a railmobile MIRV'd ICBM, may have left their place of final assembly and may therefore be accountable under SALT II.

Mr. President, the likelihood of SS-X-24 deployment has steadily increased since last August, 1986. By early October, 1986, it would soon be time for the United States to remove the "X" from its designator, standing for "experimental." The possibility that the SS-24 has been operational since early October, 1986, is quite strong.

The Defense Department's Soviet Military Power edition for 1987 stated in March, 1987, that:

> An extensive network of rail support facilities continues to take shape in preparation for the imminent deployment of the railmobile SS-X-24 ICBM . . . deployment of the railmobile SS-X-24 is expected soon . . . The SS-X-24 is well along in its flight-test program. The SS-X-24 deployment in a railmobile mode is expected to begin in 1987 . . . Substantial increases in ICBM production are expected by the end of the decade as the SS-X-24 enters series production.

Mr. President, over half of the year 1987 has gone by and we are already at the end of the decade, so the SS-X-24 must be in series production and must be deployed by now, by the Defense Department's own best estimate.

### GORBACHEV ANNOUNCES 1986 SS-X-24 DEPLOYMENT AT REYKJAVIK

On October 11, 1986, Soviet Leader Gorbachev stated formally at the Iceland Summit to President Reagan that the Soviet Union had deployed 820 MIRV'd ICBM launchers.

Mr. President, the most reasonable interpretation of this Gorbachev statement is that the Soviets were acknowledging at the highest level that at least 2 railmobile SS-X-24 MIRV'd ICBM launchers were operational, were deployed, and therefore, had entered the Soviet SALT II-accountable inventory. This was evidence that the Soviets themselves believed that the "X" in the SS-X-24's designator could be removed.

Mr. President, why do we conclude that at least two SS-24 railmobile MIRV'd ICBM launchers were deployed? Because the United States, using its national technical means of SALT verification, could at that time confirm only 818 Soviet MIRV'd ICBM launchers as deployed, and all of them were silo launchers. Moreover, the Soviets themselves have previously acknowledged having 818 MIRVed ICBM silo launchers in their required SALT II data exchanges.

Thus, the Soviets had deployed two new nonsilo based MIRV'd ICBM launchers. These had to be mobile MIRV'd ICBM launchers. Further, these had to be railmobile SS-24's, because the SS-24 was the only Soviet ICBM known to have recently completed its flight test program, was a MIRV'd ICBM, and had in fact repeatedly been tested from railmobile launchers.

Mr. President, deployment of at least two railmobile MIRV'd SS-24 ICBM launchers, was therefore, the only explanation for Gorbachev's statement that the Soviets had deployed 820 MIRV'd ICBM launchers, because such deployment was the only explanation which fit all the known facts.

Thus, Gorbachev had admitted deployment of at least two SS-24 railmobile MIRV'd ICBM launchers, and this admission had come from the very highest level of the Soviet Government.

### NEW REAGAN ADMINISTRATION VERIFICATION JUDGMENT—THREE SS-24 RAILMOBILE LAUNCHERS DEPLOYED

The only Reagan administration official legally responsible for verification, Dr. Manfred Eimer, Assistant Director of the Arms Control and Disarmament Agency for Verification and Intelligence, stated the following new verification judgment on January 31, 1987:

> On two occasions, first at Reykjavik on October 11, 1986, and again on January 21, 1987, in the newspaper Moscow News Today, the Soviets provided a listing of their strategic offensive arms as of October 11, 1986. These lists included a count of 820 for the category "Launchers of ICBMs equipped with MIRV's." That count of 820 is greater than the U.S. can confirm, unless several railmobile MIRV'd SS-X-24 ICBM launchers are assumed to have been added to the Soviet inventory.
>
> In a recent TASS article dated January 28, 1987, written in English and therefore intended for a Western audience, a Soviet military commentator in discussing Soviet strategic programs, stated: "In deploying missiles of a single new class (SS-24) which is allowed under the SALT II Treaty, the Soviet Union phased out a corresponding number of old missiles."
>
> That statement also strongly implies that several SS-X-24s have entered the Soviet inventory.

Since this ACDA judgment was made on January 31, 1987, the SS-24 program has advanced even further. Moreover, the Soviets have officially provided the U.S. their 820 number yet again, and in a context in which they deliberately understated the numbers of other Soviet strategic systems. Thus the Soviets are clearly deliberately sending the U.S. an important signal when they claim to have 820 MIRVd ICBM launchers in their SALT-II accountable inventory.

### RECENT SOVIET ADMISSIONS—BEST EVIDENCE THAT THREE SS-24'S ARE DEPLOYED

Mr. President, we must dissect and closely analyze the Soviet admissions and the ACDA judgment. We need to answer the following questions:

Do the Soviets regard their SS-24 to be operationally deployed, and if so, how many are deployed?

It is extremely important to note that in the TASS statement, the Soviets themselves have removed the "X" for "experimental" from the designation for the SS-24.

This is a clear and unprecedented sign that the Soviets themselves regard the SS-24 as having left its place of final assembly, as operational, as deployed, and therefore part of the Soviet inventory and accountable under the expired SALT II Treaty.

We know that the Soviets are extremely careful in their use of designators for their missiles, and only they have perfect knowledge of the status of their SS-24. Thus removal of the "X" from the SS-24's designator by the Soviet military commentator, who would have definitive knowledge, should be regarded as confirming our interpretation of Gorbachev's Reykjavik Summit statement.

Dr. Eimer also stated that he assumed that "several" SS-24's were deployed. According to Webster's Dictionary, "several" means "more than two," and more than two is at least three.

Moreover, the Soviet TASS statement itself also suggests how many SS-24's are part of the Soviet inventory and are SALT II-accountable, because it acknowledges that with the SS-24 deployment explicitly described, compensatory dismantling would be required for the Soviets to stay below the SALT II sublimit of 820 MIRV'd ICBM launchers. The Soviets would not have to dismantle in compensation for SS-24 deployment unless they deployed more than 2, because the U.S. can confirm only 818 Soviet silo-based MIRV'd ICBM launchers.

Mr. President, thus the Soviet military commentator writing in TASS clearly meant that at least 3 or more SS-24 railmobile MIRV'd ICBM launchers had been deployed. The Soviet military commentator was thus taunting the U.S. with relentlessly growing Soviet strategic superiority.

The Soviets have therefore deployed at least 3 railmobile MIRV'd SS-24 ICBM launchers, by their own admission. But more than 3 have reportedly been detected by U.S. National Technical Means of verification, as I shall soon point out.

### NO SOVIET COMPENSATORY MIRV DISMANTLEMENT—THE SOVIETS ARE OVER 820

The fact is that compensatory dismantlement has not been accomplished by the Soviets. The Defense Department's Soviet Military Power 1987 released in March, 1987, and the January 1987 Joint Chiefs of Staff FY 1988 Military Posture Statement both state that all 818 Soviet MIRV'd ICBM silos are operational and SALT II-accountable as MIRV'd ICBM launchers. Thus with deployment of 3 SS-24's, the Soviets are over the 820 SALT II sublimit.

### U.S. INTELLIGENCE HAS DETECTED AT LEAST FIVE SS-24'S DEPLOYED

Recent press reports citing intelligence sources indicate that at least 5 SS-24 railmobile MIRV'd ICBM launchers have been detected by U.S. National Technical Means of verification as having left their place of final assembly, as operational, and therefore as deployed and part of the Soviet SALT II-accountable ICBM inventory. Given President Reagan's recent prediction that many more SS-24's would be deployed even more covertly than we were then aware, many more than 5 SS-24's may indeed have already been deployed, but are not yet detected and may never be detected, due to ever increasing Soviet camouflage, concealment, and deception.

### DEPLOYMENT OF 5 OR MORE SS-24'S VIOLATES SALT II 820 SUBLIMIT

In sum, Mr. President, the Soviets are admitting deployment of at least 3 SS-24's, but the United States has detected at least 5 SS-24's deployed, and because there has not been any Soviet ICBM MIRV silo dismantling in compensation, the Soviets have clearly exceeded the SALT II sublimit of 820 MIRV'd ICBM launchers. Moreover, many more SS-24's will soon be deployed. As I have already pointed out, Soviet Military Power 1987 states that: "Substantial increases in Soviet ICBM production are expected by the end of the decade of the 1980's as the SS-X-24 enters series production."

### SOVIET CONCEALMENT AND DECEPTION MAKES DETECTION OF SS-24 DIFFICULT

The Soviets are engaging in extensive camouflage, concealment, and deception to hide the precise number of SS-24's deployed and their location from the United States. Thus President Reagan was correct to officially warn Congress recently that the Soviets would deploy the SS-24 even more covertly than we are aware. The American national security departments and agencies should be alarmed by now, because increased Soviet camouflage, concealment, and deception has probably caused the United States to fail to detect many more SS-24's which are even more covertly deployed.

It is significant that for the first time the Soviets are not revealing their production figures for railroad rolling stock. We will surely be looking closely at Soviet railroad car plants, in order to account for their railcar production. This unprecedented Soviet reticence on railcar production is probably related to their program of concealed and deceptive deployment of the railmobile SS-24.

Why did Soviet Leader Gorbachev admit SS-24 deployment, if the Soviets are deploying it clandestinely? The Soviets are probably admitting SS-24 deployment in order to try to impress and even scare the United States with a further increased Soviet ICBM threat. Indeed, the main purpose of Soviet strategic weapons is intimidation. But consistent with their extensive camouflage, concealment, and deception program for the SS-24, the Soviets are falsely claiming that this deployment is consistent with SALT II. They were probably hoping that the United States would not be able to detect more than 2, and that the United States would therefore believe their deception plan to announce SS-24 deployment as consistent with SALT II. But the CIA has estimated that the Soviets will probably deploy about 200 railmobile SS-24's over the next several years. There are over 1,000 tunnels on the extensive Soviet rail network, so the Soviets could deploy these SS-24's in the tunnels where they would be concealed and survivable.

### TWO OTHER SALT II SUBLIMITS VIOLATED

The Soviets have also violated the other two SALT II sublimits. The CIA believes that the Soviets would covertly deploy AS-15 long range ALCM's on their intercontinental Backfire bombers in the event that they were to break out of the SALT II Treaty. The 22 confirmed Soviet SALT II violations indicate that the Soviets have broken out of SALT II. Thus Soviet covert, break out deployment of AS-15 long range ALCM's on each of 300 intercontinental Backfire bombers puts the Soviets at 1,511 MIRV'd missiles and bombers equipped with long range ALCM's, exceeding the SALT II sublimit of 1,320 on MIRV'd missiles and bombers equipped with long range ALCM's. Alternatively, Soviet deployment of long range (650 kilometers) AS-3 ALCM's on 100 Bear A/B/C bombers, plus 60 Bear H bombers with AS-15 long range ALCM's and 8 Blackjack bombers with AS-15's, would put the Soviets at 1,379, also exceeding the SALT II sublimit of 1,320.

The Soviets are already violating the third SALT II sublimit. The Soviets have already begun the sea trials of the 4th Delta IV SSBN submarine and the 5th Typhoon SSBM submarine. This puts the Soviets at 1,211 MIRV'd ICBMs and MIRV'd SLBM's. This exceeds the SALT II sublimit of 1,200 on MIRV'd ICBM's/SLBM's.

In conclusion, Mr. President, the Soviets are violating the most important SALT II sublimit, and are also violating the second and the third.

In sum, the new Soviet violation of the 1,200 MIRV'd missile sublimit is conclusive, and the previously asserted Soviet violation of the 820 MIRV'd ICBM sublimit is strongly supported and confirmed. The Soviets are also violating the third SALT II numerical sublimit of 1,320 MIRV'd missiles and ALCM-equipped bombers. In fact, the Soviets are already violating all three SALT II sublimits.

We must keep in mind that the 22 Presidentially confirmed Soviet SALT II violations altogether indicate a Soviet decision to "break out" of the SALT II Treaty. The evidence of the expanding pattern of Soviet SALT II violations indicates quite clearly that Soviet break out has already occurred. In fact, Soviet break out from SALT II began even as Soviet Leader Brezhnev signed the treaty on June 18, 1987. The conclusive Soviet violation of the 1,200 sublimit and the strong evidence confirming Soviet violation of the 820 sublimit are further evidence of Soviet SALT II break out. Second, the CIA has warned that, in the event that Soviet SALT II break out could be confirmed, the United States should consider that the Soviets are also violating the third SALT II sublimit. Thus, because the Soviets are indeed confirmed to have broken out of SALT II with now 24 violations, they must be considered to be violating the third SALT II sublimit.

Therefore, the Soviets are violating all three of the SALT II sublimits.

But the Soviet Ambassador to the United States, Yuri Dubinin, wrote on March 1, 1987 in the U.S. Parade magazine, that: "We [the Soviets] are staying within the limits of the SALT I and SALT II agreements."

Unfortunately, this statement is false, but it is a good example of the strong Soviet tradition of disinformation and deception. This kind of Soviet deception is exactly what the United States must be on its guard against in negotiating a new INF treaty.

## THE PROBLEM OF HIGH-LEVEL RADIOACTIVE WASTE

Mr. REID. Mr. President, with the exception of my distinguished colleagues from Georgia and South Carolina, I doubt that many Members of the Senate know that stretching along the border of those two great States is the Department of Energy's Savannah River Nuclear Plant. One would think that it would be difficult to keep a facility that encompasses some 192,000 acres or 300 square miles, employs over 15,000 workers and has an annual budget of over $1 billion, largely out of view of the public eye but that is the case.

This incredible industrial complex, operated by Du Pont, is a key installation for the production and research of nuclear materials for national defense and peacetime applications. Its primary purpose is to produce the basic materials used in the fabrication of nuclear weapons, primarily plutonium-239 and tritium.

The reason I bring this to your attention is that an unfortunate and lethal biproduct of this production is high-level radioactive waste. While we spend much of the Senate's time discussing the potential holocaust that could result from the use of nuclear weapons, we tend to lose sight of the present and future dangers that can be caused by the side products of their production.

High-level radioactive waste is, of course, the ultimate garbage of our civilization. For over 30 years the liquid wastes from this program have been stored at the site in tanks that can hold 1.3 million gallons each. In total, 33 million gallons of high-level radioactive waste is stored at this complex. Some of the older tanks have developed leaks, just as they have at another DOE site in Hanford, WA. In 1973, DOE began research, development, and testing of new state-of-the-art process for permanent disposal of this high level radioactive waste. Because the leaking waste threatens the ground water at Savannah River, it has been selected to host the first production-scale facility to accomplish this. This facility, which was begun in 1983, is to be completed and operational by 1989.

As I have been advised, the process begins with in-tank evaporation whereby the liquid high-level radioactive waste is reduced by two-thirds and is concentrated in two forms—sludge and salt. The salt's appearance and chemical composition is similar to that of fertilizer. After radioactive cesium is removed while the salt is in the storage tank, the salt is mixed with a specially formulated cement and is poured into a permanent disposal site at Savannah River. The sludge is a thick, brown substance that contains most of the radioactivity that must be isolated from the environment for long periods of time. This sludge is what will be processed in the defense waste processing facility and will be encapsulated and ultimately disposed of in a permanent high-level radioactive waste repository.

This sludge will be washed and pumped to the facility where radioactivity from the salt decontamination process will be added along with fine particles of glass. The mixture will be placed in an electronic furnance at 2,100 degrees Fahrenheit where it will become a special form of molten glass with the sludge dissolved within it. The furnace will be able to make about 230 pounds of this glass per hour. Any radioactive gas produced will be vaporized and reintroduced to the system. The molten glass containing the sludge is then poured into a stainless steel canister 2 feet in diameter, 10 feet tall and weighing about 2 tons.

Once the glass waste has cooled and solidified, the outside of the canister is sandblasted to remove any radioactivity deposited on the canister during the glass-pouring operation. The glass and water residue from the sandblast process is reintroduced to the process. The canister is then permanently sealed with a stainless steel plug. Finally, the canister is moved by a special vehicle to a temporary storage site that holds 2,300 canisters. They are meant to last until a permanent waste repository is built. This, then, is the current method by which the Department of Energy intends to neutralize high-level radioactive waste generated by the Nation's defense program.

Mr. President, the main point that I want to make to my colleagues today is that this nuclear waste storage process is brand new. It replaces a storage process that has failed because the steel tanks that were originally used to hold the nuclear waste products at this facility are deteriorating and that there is a real danger of nuclear contamination of the ground water in the areas surrounding the facility.

I am sure that the original technology that was developed to store this nuclear waste was thought to be state of the art almost 40 years ago when it was developed. Now we find that an entirely new and expensive process—costing $1 billion—is needed to replace the failing tanks—and this is only considered to be an interim solution to the final disposal of this toxic waste.

It would be catastrophic to find, 30 to 40 years from now, that the technology that the Department of Energy tells us today will permit the safe storage of high-level nuclear waste, possibly in my home State of Nevada, also fails. That is my deepest concern and the reason that I will oppose the rush to begin dumping nuclear garbage in Nevada, or any place else.

The Energy Committee recently reported out legislation aimed at speeding up the process for the selection of a permanent nuclear dump site and also tilted that search—for primarily political reasons—in the direction of Nevada. While I can understand the desire on the part of many in Government and the nuclear industry to get the decision on a nuclear waste site behind them, I do not intend to sacrifice the safety of Nevadans and their children and their children's children for political expediency.

I also want to alert my colleagues that I intend to spend many hours over the next few months educating them on the inherent dangers and shortcoming of rushing to a political judgment on a question as important as who will have to live with the Nation's nuclear garbage for generations to come. They will also be hearing a lot more about the lack of experience we have in dealing with the problems inherent in long-term waste storage and disposal. Finally, I will be offering what I consider to be sound alternative proposals more in keeping with the seriousness of this problem than the one reported by the Energy Committee dealing with the nuclear waste repository siting question.

Mr. President, I urge my colleagues to follow this debate closely and not rush to judgment on this issue. It should be likened to the debate that is taking place and will continue to take place in their own States as these States choose sites and technologies for the disposal of low-level radioactive waste. Quite simply, this question is vital to our future and deserves the kind of close scrutiny and detailed debate for which this body is famous.

Mr. STEVENS. Mr. President, I know that the Senators who have been participating in the colloquy this morning concerning the defense bill still have statements to make. I had intended to make a comment on extraneous subjects, and I ask my good friend from West Virginia whether it is the intention of the leadership to extend this morning business time beyond 11 o'clock.

Mr. BYRD. Yes.

Mr. President, how much time would the distinguished Senator need?

Mr. STEVENS. About 10 minutes. But I see my good friend on the floor. He started it this morning, and I believe he wants to wind it up, and I will be glad to yield for that purpose and then make my statement. I am in no rush.

Mr. BYRD. Mr. President, how much time does the Senator desire?

Mr. DASCHLE. About 10 minutes.

Mr. BYRD. Mr. President, I ask unanimous consent that the morning business period be extended 40 minutes and that the three Senators and Mr. METZENBAUM each be permitted to speak for not to exceed 10 minutes.

The PRESIDING OFFICER. The four Senators being the Senator from Alaska, the Senator from South Dakota, the Senator from Montana, and the Senator from Ohio.

Mr. BYRD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair and I thank the Senator from Alaska.

The PRESIDING OFFICER. The Senator from South Dakota.

## DOD AUTHORIZATIONS AND ARMS CONTROL

Mr. DASCHLE. Mr. President, I thank my distinguished colleague from Alaska for his willingness to allow me to close this debate.

I also thank the distinguished majority leader for his willingness to accommodate all of us this morning. He has indicated an interest in this issue and has allowed us great latitude as we have discussed it in great length this morning.

I believe it has been a good debate and certainly one that adds to the discussion and ultimately the understanding of all Members toward this controversial and very substantive issue.

If we judge the debate by the decibel level, perhaps the other side might win. But I would hope that rather than decibels, we really judge the issue on the basis of logic.

The Senator from Indiana is not on the floor, and I wish he were, because I would like to address a couple of points he made very demonstrably this morning with regard to his interpretation of the situation as he sees it legislatively.

It was the argument of the Senator from Indiana that the role of the Senate is not to interpret a treaty, that the role of the Senate is simply to approve a treaty, that he really did not think it was our prerogative to question whether or not the treaty as it existed for 15 years ought to be changed in any way as it was interpreted back in 1972.

I wonder whether he meant that, whether he meant to say that we, as a Senate, ought not interpret a treaty. I would have asked, had I had the opportunity, whether we, as a Senate, can approve anything if we first do not interpret it, whether we do not interpret every bill, every piece of legislation. Every matter that comes before this body must, by its very nature, be interpreted, by definition, before it is voted upon.

If it is not the role of the Senate to interpet, how in the world can it be the role of the Senate to approve? How would you approve any treaty? How do we pass upon anything if we do not first interpret?

For 15 years the ABM Treaty was interpreted by seven Congresses and by three administrations as we have had it. How is it now that we can delegate that responsibility solely to this administration, without the ability to reconsider, without the ability for any of us to question whether or not the sole interpretation of that President is correct?

He is right about one thing and that is that this is a constitutional issue, perhaps not in the same manner within which he determines or decides or questions that constitutional issue.

But this is a constitutional question. It is a constitutional question because the question here is not whether or not we have the right to interpret, whether or not we as a Congress have the right to ultimately approve those treaties and whether on the basis of our approval that treaty will be implemented and, second, whether or not we have the right to appropriate funds in accordance with that treaty or anything else.

Those are the two fundamental constitutional questions. Does the Senate have the right to approve by, first, interpretation and, second, do we have the right to appropriate?

The answer unequivocally is "yes." We retain the right to approve treaties. We retain the right to appropriate funds and we must as we consider this issue and every other one uphold that right within this body. Democrats and Republicans believe in the prerogative of the Senate to carry out its functions constitutionally and that is what we are talking about here.

There are those who have said that the consideration of this fundamental constitutional question has no business on the defense bill, that it belongs on the State Department bill. But I would ask anyone whether or not the State Department funds SDI, whether or not the State Department has any prerogative with regard to funding of any weapon, SDI or anything else.

The opponents say they will give us an opportunity to bring this bill up in some other form. But they have not agreed to take up the Levin-Nunn amendment in conjunction with that issue with which it is directly associated and that is SDI funding. Give us that opportunity to bring up Levin-Nunn in association with SDI and perhaps we have a deal, but until that time, let us consider this legislation. Let us consider this constitutional issue. Let us consider the Levin-Nunn amendment on that particular bill with which it is directly associated and that is the defense authorization bill.

So let me say again, Mr. President, I think this has been very good debate, a substantive debate, one that will allow us further consideration of this issue and ultimately let us hope that in this debate and in this disclosure we have seen fit again this morning that we can resolve these differences, that in some way we can bring together both sides, that we can resolve the constitutional question before us and ultimately that we can put the defense authorization bill before this body to do the things we must, so that we avoid doing something that we have not done in more than 30 years, failed to pass a DOD authorization bill in one session of Congress.

I thank all of the participants for their willingness to discuss this issue, to debate the issue as we have this morning, and I thank the President, and I yield the floor.

## THE WAR POWERS ACT

Mr. ADAMS. Mr. President, I rise to discuss the War Powers Act. As we prepare to leave on the August break, we leave with some satisfaction that we have addressed a number of major issues. But there is one major issue before us today that we have left totally unresolved. Over 5 months ago, the administration unilaterally committed this Nation to an escalating involvement in the Persian Gulf by agreeing to have Kuwaiti tankers fly the American flag and provide American naval protection for those vessels.

I rise today, Mr. President, to discuss a lawsuit which a number of us filed yesterday which I will discuss in a short period of time and will at a later time discuss further. We have filed a suit to have the War Powers Act carried out by the administration and the Congress.

Mr. President, after the President of the United States made a decision without involving the Congress, without actually anyone really knowing about it, to reflag Kuwaiti tankers, he made a commitment to that country. We have seen 37 American servicemen aboard the U.S.S. *Stark* killed by a missile fired by one of the belligerents in the Persian Gulf war. We have lost men in a helicopter, attempting to land on one of our vessels which had to move without careful planning into that gulf area.

We could have lost a great many more of our personnel to a mine if it had instead hit the escorting vessel.

Now, Mr. President, the President of the United States and the Secretary of Defense indicate that they are prepared to indefinitely increase our military presence in the gulf region, but we have not seen, during all this period, meaningful consultation with the Congress. We have not seen a full-scale congressional debate. And what we have not seen is the Congress accept its role and responsibility under the Constitution and under the War Powers Act enacted in 1973, to authorize—it is required—our servicemen to be placed into a situation where imminent involvement in hostilities is clearly indicated.

Mr. President, if we have not seen clearly indicated imminent involvement in hostilities with what has happened in the last 3 weeks, I do not know what imminent hostilities could possibly be.

We have the situation in existence right now that requires cooperation of the Congress under the War Powers Act. It requires the President to send notice to the Congress. It requires Congress to respond and authorize or not authorize within 60 days. This is part of the war-making power of the Congress. It is a power that has been granted and signed into law in 1973 in order to prevent the President of the United States using the Commander in Chief powers and the foreign policy powers to involve the United States in a war, which clearly is the power of the Congress.

This act was created after the Vietnam war to prevent a continual escalation of activity by the United States using the Commander in Chief powers to really go into war without the Nation being mobilized, without the Congress being mobilized, without everyone understanding what that policy is.

Last week, we had an example of the President reaching out, apparently, or Congress reaching out, but at least a reaching out to establish a bipartisan policy in Central America. I am not fully persuaded that policy is right, but I do accept the wisdom of having congressional involvement. In that particular case, we do not have American servicemen—thank God—at this point involved in that conflict. In the Persian Gulf, we have American service personnel directly involved in a situation where we have a military action going on full scale between two major powers and we are in the process, through this reflagging system, of aiding an ally to one of those belligerents in that gulf.

Mr. President, I do not suggest that the administration's escalating the Persian Gulf war by reflagging these vessels was a short-term policy. I am saying, instead, that we have vital interests in the Persian Gulf. We will have to be there a long time. And being there a long time, we should not take precipitate actions. We should have the Congress of the United States utilizing the War Powers Act, taking part, as it should, in defending our vital interests.

I am not sure reflagging is our vital interest. That should be debated. We have not had the opportunity to vote on that.

We are preparing to repeat the mistakes of the past. The President of the United States has not been involved in consulting with Congress. When we debated amendments designed to delay reflagging, we were told there was no need for legislative action. There was, "After all, the Congress had been informed." Mr. President, there is a big difference between consulting and informing. The fact that long after the President made a commitment and we were told about it does not mean we were consulted. And even if we had been consulted, there is a big difference between consultation and the constitutional powers under the War Powers Act and ultimately the power of whether or not to declare war.

We put the test up of whether or not American servicemen are subject to imminent hostilities. Mr. President, that is occurring.

There are a number of different proposals. I do not care which one we use. I am sad that we had to resort yesterday to a lawsuit to force the use of the War Power Act. We did twice before during these last 3 months. First, Senators BUMPERS, HATFIELD, and I joined in introducing S. 1343, legislation that would require the President to report to us, Congress, under 4(a)1 of the War Power Act. That legislation had been considered by the Foreign Relations Committee, was voted on, voted out, reported to the Senate, and sits on the calendar before the President of the Senate right now as order No. 225. It has not been brought up on the floor and it should be.

We have tried that. We have tried desperately to do that. We have gone to other bills. We have obtained votes and those votes indicated a majority of the Senate have grave doubts and wanted to reexamine the vote on the reflagging system. It was not a question of whether or not we stayed in the Persian Gulf, it was not cut and run, it was not a question of the military. It is a question, is this a confrontation of policy? If it is a confrontation of policy, did we want to do that? And above all, are we prepared, militarily or psychologically, for the impacts that will come before us?

Have we overextended our military? Many have stood on this floor and said we are overextended. You cannot put those aluminum frigates up in the gulf. We have talked about the fact of mines. We have talked about air cover, we have talked about the fact that every one of our allies has pulled back away from us.

Second, we joined with Senator MURKOWSKI, a Republican Senator from Alaska, in introducing legislation when we could not get this passed to say, let us sunset this reflagging, let us end it after 6 months and consider whether we should do something else. Let us look at what we are doing in this long-term policy. I hope that legislation will come up. I think it is essential that it does.

Third, Mr. President, the reason I am taking this time this morning is we are blocked on every one of these and we are going into a congressional recess and I am concerned about attacks on our allies, attacks such as occurred at Mecca, attacks on our ships, the difficulties we have. I want the country united.

We could not get it through before the recess, so yesterday, along with Senators SIMON and MATSUNAGA and over 100 Members of the House, I joined as a plaintiff in a suit to seek judicial relief and enforcement of the requirements of the War Powers Act, saying it was triggered by this reflagging of vessels. In addition, that suit says that if that reflagging, which was based on national security interests, is not halted, then the reflagging of those ships, which was based on national security powers, was illegal and that reflagging should not occur.

There are clearly different points of emphasis in this situation, Mr. President, as to which of the three should be used. Those of us who have attempted again and again to get this legislation up want to say we know we have failed and that some would prevent timely action—against either our forces in the gulf or our interests and those of our friends and allies—as they took action in Mecca last week.

We have an obligation, Mr. President, to address this issue—to forge a national policy to sustain our long-term interests in the region. I have consistently indicated that I would not have taken the action that the President has, I would not have reflagged those Kuwaiti vessels or promised protection to them; but the President has done this and our Nation has made a commitment. The question now is how we can protect our overextended military presence and whether we ought to expand or contract our total activity in the gulf.

Mr. President, the only way we are going to answer those questions, the only way we are going to generate public support for whatever policy we adopt, is to air the issue thoroughly, debate it fully and then vote on it.

If, in the next few weeks, there is an escalation of action either in the gulf or against American interests elsewhere, some of us could say "I told you so." But, Mr. President, that is not what we want to say.

What we want to say to our constituents is that we knew what the risks were and we debated them and are prepared to respond. We cannot say that today. The President has taken an administrative action, not a national action under the War Powers Resolution, and as a result we are creating a great risk without a clear view of the United States plan of action.

We want to require the President to accept his obligation to consult with the Congress; we want to require the Congress to accept its obligation to address this issue; we want to use a mechanism specifically created to unify the country behind a well conceived, carefully implemented policy.

Mr. President, we should use the War Powers Act to develop a rational and clearly defined set of goals and mechanisms which will help the United States protect our vital interests in this region and throughout the world.

Mr. President, I ask unanimous consent that an article from the Washington Post of this date commenting on the lawsuit and on the delays in the escort of tankers be printed immediately following my statement.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### U.S. DELAYS NEXT ESCORT OF TANKERS

#### PENTAGON WANTS TO STRENGTHEN NAVAL FORCES IN THE GULF

(By Molly Moore and Edward Walsh)

U.S. military officials have delayed for up to a week the escort of three more reflagged Kuwaiti oil tankers, until sophisticated minesweeping and other protective forces arrive in the Persian Gulf, Defense Department sources said yesterday.

The forces are being sent following the mine damage to a reflagged tanker during the first convoy and because Iran has raised new threats of retaliation against the United States. Within the next several weeks there will be about 24 U.S. Navy warships and support vessels and more than 15,000 U.S. military personnel in and around the gulf, the largest deployment since a naval task force challenged Libya's "line of death" in the Gulf of Sidra early last year.

Meanwhile, more than 100 Democratic members of Congress are asking the U.S. District Court here to force President Reagan to invoke the War Powers Resolution and allow Congress to decide whether U.S. warships should continue to escort Kuwaiti tankers that now fly the U.S. flag. The Persian Gulf has served as a major battleground in the 7-year-old war between Iran and Iraq.

"This is exactly the sort of situation the War Powers Resolution was designed to deal with," said Rep. Mike Lowry (D-Wash.), one of the lawmakers behind the suit. "It is indisputable that American forces in the Persian Gulf face imminent hostility and the situation is becoming more dangerous every day."

The legal maneuver by the members of Congress follows a week of reports that new U.S. military forces are being sent to the Persian Gulf provide additional support to the controversial escorting operation.

The second convoy of tankers and their American warship escorts originally had been sheduled to set out late this week. But the helicopter carrier that will transport eight Sea Stallion mine-hunting and sweeping helicopters to the gulf is not expected to leave the island of Diego Garcia in the Indian Ocean for its three- to four-day voyage to the gulf until today, Pentagon sources said.

The sources said the Joint Chiefs of Staff decided formally on Wednesday to postpone the operation "to let equipment arrive" in the gulf.

Adm. William J. Crowe Jr., chairman of the Joint Chiefs, and Defense Secretary Caspar W. Weinberger spent an hour with top congressional leaders yesterday in a closed-door Pentagon meeting to discuss the gulf operations.

House Armed Services Committee Chairman Les Aspin (D-Wis.), who has criticized the military as being short-sighted in the face of threats such as mines, said he left yesterday's session "feeling a little better."

"The military is at least beginning to think in terms of what's the unusual," Aspin said. "I don't know if it's going to work."

Secretary of State George P. Shultz denied reports yesterday that the reflagging of the three tankers was postponed because a high-level Iranian delegation was in Kuwait trying to persuade that country to abandon the operation. The report of the alleged diplomatic negotiations was published in the London Independent newspaper yesterday.

"I saw that report, and as far as I know, there's nothing to it," Shultz told reporters. "As far as our reflagging operation is concerned, it proceeds according to our schedule, and there hasn't been any particular delay in it."

The newspaper said the Iranians had offered to stop attacking Kuwaiti shipping interests if the Kuwaitis would cancel the escorting arrangements with the United States. Kuwait has been allied with Iran's opponent, Iraq.

The suit being filed today by 104 Democratic House members and three senators is aimed at forcing an end to the escorting operation unless Congress specifically authorizes its continuation or declares war on Iran. Officials participating in the suit conceded, however, that the administration was certain to appeal an adverse ruling by the district court, a process that could take months.

Lowry, chairman of the Democratic Study Group, a research organization of mostly liberal House Democrats that coordinated preparation of the lawsuit, said those bringing the suit were "again hoping that this moves the administration to change the policy" in the Persian Gulf.

Under the War Powers Resolution, the president is required to notify Congress when he has introduced U.S. forces into combat or situations where "imminent involvement in hostilities" is likely. The law requires the president to terminate such operations within 60 days of reporting to Congress unless Congress declares war, authorizes the operation or extends the 60-day deadline.

If the court should rule that the War Powers Resolution does not apply to the Persian Gulf situation, the lawsuit asks that the reflagging of the Kuwaiti tankers be declared illegal. The suit charges that in reflagging the tankers the Reagan administration waived certain safety and inspection provisions of U.S. maritime law that were meant to be bypassed only in conditions "amounting to a military emergency or a state of war."

At the same time, the House Armed Service subcommittee on military personnel and compensation held its hearing on a bill that would force the Defense Department to pay bonuses to U.S. personnel who have served in the gulf since May 1.

"To not pass this bill is to pretend like the Persian Gulf is more like Lake Michigan than it is a very troubled and dangerous international waters," said Rep. Patricia Schroeder (D-Colo.), who introduced the measure. "Danger pay is only $110 a month. It hardly compensates our brave sailors for the dangers they face patrolling the gulf."

Pentagon officials told the subcommittee current law provides that field commanders decide whether their troops are in enough danger to warrant the special pay. Officials said that only the captain of the USS Stark, which suffered a missile attack by an Iraqi pilot May 17 that left 37 sailors dead, has ordered bonus compensation for his crew and officers in the Persian Gulf.

When Shultz was asked by reporters yesterday whether the reflagging could lead the United States deeper into the threat of war, he said, "I don't think there's any prospect at all that we'll be drawn into a shooting war. . . . Our presence in the gulf is not provocative. We are there to deter acts of aggression against perfectly legitimate shipping by countries that are neutral. . . . Obviously if we are attacked, we will have to see what actions we'll take."

Assistant Secretary of State Richard W. Murphy said that Iranian-instigated terrorist attacks as a result of the Persian Gulf operations are a possibility and that the West should be "very much on the alert." Murphy made the remark in a television interview broadcast in Europe and Israel yesterday.

Pentagon sources said yesterday that at least four U.S. warships would be involved in the second escorting operation. Sources also said the Bridgeton, damaged when it hit a mine during the first escort July 24, is scheduled to be escorted out of the gulf after the convoy of the three newly reflagged ships is completed.

Administration officials have said they are considering stronger restrictions on commercial trade with Iran. Total U.S. export to Iran was about $13 million in the first five months of this year.

The PRESIDING OFFICER (Mr. Sanford). The Senator from Alaska.

## CENTENNIAL OF THE FOUNDING OF THE METLAKATLA INDIAN COMMUNITY

Mr. STEVENS. Mr. President, today marks a very special day in the history of Alaska as well as the history of Alaska Natives. Exactly 100 years ago the Metlakatla Indian community was founded in southeastern Alaska.

This is a very interesting story of our own national heritage.

On August 7, 1887, a group of Tsimpshean families landed on the Annette Islands in southeastern Alaska. They migrated to Alaska from British Columbia, Canada, to seek religious freedom and a land base for their community. With the encouragement of the U.S. Government, the Tsimpsheans built a sawmill, a cannery, and a community of homes, schools, and churches. In the midst of unsurpassed natural beauty, these pioneers carved a village out of the Alaska wilderness.

On March 3, 1891, the U.S. Congress set apart the Annette Islands as a Federal Indian reservation for the Metlakatla Indians. We had adopted them as American citizens. President Woodrow Wilson recognized the importance of the salmon industry to Metlakatla's economic livelihood, and in 1918 declared the water surrounding the Annette Islands part of the reservation. The community continues to expand the fishing and timber industries which have been the basis of their thriving economy for decades.

Today the Metlakatla Indian community consists of members of many different Alaska Native groups, including the Tsimpshean, Haida, Tlingit, Athabascans, Aleuts, Yup'iks, and Inupiat Natives. This rich cultural mix is invaluable to Alaska's social and educational heritage. Metlakatla is known and respected throughout Alaska for its progressive attitude, yet here is a community that does not ignore its traditional heritage—youth are still taught the languages, carvings, dance, and craftsmanship of their elders.

The Metlakatla Indian community is a great source of pride for me and for all Alaskans. In this bicentennial year of the U.S. Constitution, recognition of their contribution to our diverse cultural heritage is especially appropriate. The pioneers of the Annette Islands are reminders of our Constitution's great history—their ingenuity and perseverance is a tribute to the American spirit.

On July 8, 1923, shortly before his death, President Warren G. Harding visited the Metlakatla Indian community in the first stop of his tour of the territory of Alaska. In his speech to the community be said:

> It is a very great pleasure to greet you; it is a joy to hear your band and to hear you sing, and it is an inspiration to look into your faces. I am glad that we have such an island under the American flag; I am glad that you are part of this republic or ours and doing your share to develop it and make it better. To you as pioneers in this section I pay my tribute for bringing about such a softening and elevating influence in this great Northwest.

Mr. President, I invite the people of Alaska and all citizens of the United States to join the community of Metlakatla in the celebration of their 100-year anniversary, as we initiate the celebration of the 200th anniversary of our Constitution.

Mr. President, I ask unanimous consent to have printed in the Record the letter President Reagan has sent to the citizens of Metlakatla, AK.

There being no objection, the letter was ordered to be printed in the Record as follows:

The White House,
*Washington, DC, June 23, 1987.*

Hon. Harris L. Atkinson,
*Mayor of Metlakatla,*
*Metlakatla, AK.*

To the Citizens of Metlakatla, Alaska: I am pleased to send warm greetings for the centennial of Metlakatla.

Each city and town of our great country is unique, but all are bound together in the love of these United States. We are fortunate to live in a nation of strong and proud communities where everyone has a chance for success and the blessings of liberty and freedom can be enjoyed by all, regardless of background.

As you commemorate this anniversary, you have a splendid opportunity to renew your commitment to preserve the spirit which has forged America into a land of wonder. I am proud to join you in making such a commitment on this historic occasion for the people of Metlakatla.

With hearty congratulations and best wishes for continued milestones,

Ronald Reagan.

## ALASKA OIL

Mr. STEVENS. Mr. President, I have in the past said that the North Slope of Alaska is America's "Persian Gulf." Recent events in the Persian Gulf require that I clarify that remark.

The North Slope is America's Persian Gulf in that it has the potential for discovery of many more super giant oil fields like Prudhoe Bay. Unlike the Persian Gulf, however, we do not have to risk the lives of our sailors to safeguard the flow of oil from the North Slope. Maintaining the flow of this domestic oil requires congressional, rather than military, support.

The huge potential of the North Slope of Alaska and the Coastal Plain of ANWR merits and deserves, as a matter of national policy, the same attention that events in the Persian Gulf are now receiving. For the long term, the North Slope and the Coastal Plain are more vital to America's direct interests than reflagging Kuwaiti tankers.

Mr. President, in my view, it is time to reflag Prudhoe Bay's declining crude oil reserves by adding new discoveries from the Coastal Plain of ANWR, the Arctic National Wildlife Refuge. The national need for these new reserves has been fully demonstrated. There are no significant issues of technology, environment or wildlife in exploration and production in the Coastal Plain. Twenty years of safe, clean, compatible operating experience on the North Slope speaks for itself.

Mr. President, I want to share with the Senate an article by Mr. Tim Bradner from the July 2, 1987, issue of the Energy Daily. In particular, I would direct the attention of Members who will be visiting the North Slope and the Coastal Plain during the August recess to Mr. Bradner's article. This article concerns the oil and gas

resources of the Coastal Plain study area of the Arctic National Wildlife Refuge.

The article features the views of a prominent petroleum geologist, Mr. Tom Marshall, on the oil and gas potential of the 1.5 million acre Coastal Plain. Mr. Marshall served as the State petroleum geologist for the State of Alaska in the early 1960's. As State geologist, he played an instrumental role in advising the State of Alaska to select, as part of its statehood entitlement, the public lands on which Prudhoe Bay's 10 billion barrel oil reserves were subsequently discovered by ARCO in late 1967.

Mr. Marshall makes a number of points in "The Energy Daily" article which I would like to call to the attention of my colleagues:

> The natural gas potential of the Coastal Plain could double the amount of recoverable gas previously discovered on the North Slope;
>
> In the early 1960's, the Prudhoe Bay area was initially accorded a low priority because it was a "stratigraphic trap" that did not appear as interesting to geologists as other structures shown on seismic surveys;
>
> There are many stratigraphic trap structures in the small 1.5 million acre Coastal Plain area as large or larger than Prudhoe Bay;
>
> Some of the Coastal Plain prospects identified in the Coastal Plain have the geologic potential to contain many times the reserves of Prudhoe Bay.

I would like to read a few excerpts out of Mr. Bradner's article about Mr. Marshall, a highly respected, independent geologist, and his views of the magnitude of the oil and gas potential of the Coastal Plain of ANWR:

> Marshall is now an Anchorage-based geology consultant. He was retrained last spring by the National Wildlife Federation to analyze the Interior Department's Section 1002 geologic assessment of the Arctic refuge. Congress is now considering whether to open the 1.5 million-acre Coastal Plain in the far northern part of the refuge to oil exploration.
>
> "The sheer density of prospects per square mile make this [coastal plain] area one with the greatest potential for major discoveries in the country." Marshall says. The region has more and larger potential structures than any other part of the North Slope, including the Prudhoe Bay area, he feels.
>
> Marshall thinks the gas potential of ANWR could almost double the amount of recoverable gas known on the North Slope, when combined with reserves already discovered at Prudhoe Bay and Point Thompson.
>
> "Although I commend the authors of the (1002 report assessment) for their cautious approach," Marshall says, "the fact remains that most of the oil on the North Slopes lies in traps which are located where they are because of truncations, pinch-outs or other stratigraphic mechanisms and I believe this should carry weight in the economic considerations."
>
> For example, Prudhoe Bay itself is partly a stratigraphic trap and for that reason was given a lower priority in the early days of North Slope exploration than other structural formations because these showed up better on seismic surveys. It was only after drilling—and reinterpretation of the seismic with the benefit of regional drilling data—that oil companies decided to drill at Prudhoe Bay, he says. This is one reason why it's so important to drill in ANWR, Marshall argues.
>
> The largest prospect is identified as No. 18, covering 226,822 acres, an area 27 by 15 miles. The second largest is Prospect No. 19, which is located just to the southeast of No. 18. This covers 129,587 acres and measures 22 by 13 miles. By comparison, the Prudhoe Bay oil field is 13 by 26 miles.
>
> What is also significant about Prospects 18 and 19, Marshall says, is their huge vertical closure, or the distance from the top of the geologic anticline to the bottom. In the case of Prospect 18, this closure is 10,000 feet; with Prospect 19, it is 7,000 feet. By comparison, the main Prudhoe Bay Sadlerochit formation has a 1,000-foot vertical closure. When combined with the extent of these formations, an indication of the potential huge size of the geological trapping mechanisms emerge. If it all contained oil, it could be larger than Prudhoe. This isn't likely to be the case, Marshall says, since these are only indications of geological trends.

Mr. President, I ask unanimous consent that Mr. Bradner's article be printed in the Record. I also ask unanimous consent that Mr. Marshall's independent consulting geologist report prepared for the National Wildlife Federation on the Coastal Plain's geology be printed in the Record following Mr. Bradner's article.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Energy Daily, July 2, 1987]

### A Veteran's Critique of ANWR—Geologist Suggests ANWR's Gas Potential Is Double That of the North Slope

(By Tim Bradner in Alaska)

Anchorage, AK.—The petroleum geologist who prodded the young state of Alaska into selecting federal lands where the 10-billion-barrel Prudhoe Bay oilfield was eventually discovered now feels the Interior Department's assessment of the oil potential in the Arctic National Wildlife Refuge (ANWR) will prove very conservative.

Thomas Marshall was Alaska's state land selection officer, and later State Petroleum Geologist, in the early 1960s when he coordinated the state's selection of unexplored coastal acreage on Alaska's North Slope. Prudhoe Bay, Kuparuk, Lisburne, Endicott and the Milne Points fields—almost 11.7 billion barrels of recoverable reserves—were eventually discovered on the acreage Marshall selected for Alaska.

Marshall is now an Anchorage-based geology consultant. He was retained last spring by the National Wildlife Federation to analyze the Interior Department's Section 1002 geologic assessment of the Arctic refuge. Congress is now considering whether to open the 1.5 million-acre coastal plain in the far northern part of the refuge to oil exploration.

Marshall's critique, which may be the only independent assessment of the U.S. Geological Survey's ANWR report, focused on three aspects of Interior's analysis: that gas was not considered in the department's assessment of recoverable reserves; that the likely presence of stratigraphic traps, in addition to structural formations, was not considered; and that potential of only the deeper Ellesmerian-age rocks, and not the detached younger Mesozoic and Tertiary rocks, were considered by USGS.

Marshall points out that many oil and gas fields have been found in similar Mesozoic and Tertiary geology in the Rocky Mountain over-thrust belt. He also says that exploration on the North Slope has so far been unsuccessful in rocks of these ages, which is probably one reason for caution on the part of USGS authors when making their Section 1002 assessment. There have been oil shows—although not commercial—in rocks of that age group at Point Thompson just across ANWR's western boundary. Perhaps another reason for USGS's conservative approach was the highly complex nature of the Mesozoic and Tertiary rocks in ANWR, which made it difficult for the seismic work conducted in the refuge to spot potential traps.

"The sheer density of prospects per square mile make this [coastal plain] area one with the greatest potential for major discoveries in the country," Marshall says. The region has more and larger potential structures than any other part of the North Slope, including the Prudhoe Bay area, he feels.

Marshall thinks the gas potential of ANWR could almost double the amount of recoverable gas known on the North Slope, when combined with reserves already discovered at Prudhoe Bay and Point Thompson. Interior did not include gas in calculating ANWR's recoverable petroleum reserves because North Slope gas is uneconomical under current market conditions. But things may be different by the late 1990s when any ANWR discoveries would be developed, Marshall believes.

"There's a good possibility that higher oil prices expected by the end of this century will result in a chance that large quantities of gas which may be found in the 1002 area could be marketed," he says.

Interior did include gas in its estimate of in-place reserves. To derive an estimate of recoverable gas, Marshall took Interior's published estimate of 31.3 trillion cubic feet in-place reserves and applied a 75 percent recovery factor (which he says is standard for gas) to arrive at an estimate of 23 trillion cubic feet of recoverable gas in the ANWR 1002 study area. This is "nearly as much as the reserves of 25 trillion cubic feet at Prudhoe Bay," Marshall exclaims. "Together with 5 trillion cubic feet of gas reserves at Point Thompson, North Slope gas reserves could exceed 50 trillion cubic feet."

Marshall thinks stratigraphic traps should be given some consideration in ANWR geologic assessments, but he recognizes that USGS took a cautious approach and based its estimates only on structural prospects that could be clearly identified on the seismic work that has been done. Stratigraphic-type traps are much more difficult to define, given the limited amount of seismic work done in ANWR, says the veteran geologist.

"Although I commend the authors of the (1002 report assessment) for their cautious approach," Marshall says, "the fact remains that most of the oil on the North Slope lies in traps which are located where they are because of truncations, pinch-outs or other stratigraphic mechanisms and I believe this should carry weight in the economic considerations."

For example, Prudhoe Bay itself is partly a stratigraphic trap and for that reason was given a lower priority in the early days of North Slope exploration than other structural formations because these showed up better on seismic surveys. It was only after drilling—and reinterpretation of the seismic with the benefit of regional drilling data—that oil companies decided to drill at Prudhoe Bay, he says. This is one reason why it's so important to drill in ANWR, Marshall argues.

The USGS geologic assessments, conducted as part of the 1002 study, have identified seven major geologic "plays" in different parts of the refuge's coastal plain. Within these, there are 26 major prospects, each a major target for drilling. Seismic and geologic studies have identified two very large structures which could contain oil in quantities similar to Prudhoe Bay in the northeastern part of the coastal plain, east of the Inupiat Eskimo village of Kaktovik.

The largest prospect is identified as No. 18, covering 226,822 acres, an area 27 by 15 miles. It extends out of the 1002 study area into lands now owned by Arctic Slope Regional Corporation (the native development corporation headquartered in the city of Barrow) and offshore into submerged lands owned by the state of Alaska. The second largest is Prospect No. 19, which is located just to the southeast of No. 18. This covers 129,587 acres and measures 22 by 13 miles. By comparison, the Prudhoe Bay oilfield is 13 by 26 miles.

What is also significant about Prospects 18 and 19, Marshall says, is their huge vertical closure, or the distance from the top of the geologic anticline to the bottom. In the case of Prospect 18, this closure is 10,000 feet; with Prospect 19, it is 7,000 feet. By comparison, the main Prudhoe Bay Sadlerochit formation has a 1,000-foot vertical closure. When combined with the extent of these formations, an indication of the potential huge size of the geologic trapping mechanisms emerge. If it all contained oil, it could be larger than Prudhoe. That isn't likely to be the case, Marshall says, since these are only indications of geological trends.

Marshall stresses that the uncertainties in ANWR are many: "the key question is whether these two huge prospects contain Ellesmerian reservoir rocks which are so prolific at Prudhoe Bay." A close reading of Interior's published report raises a question about the presence of Ellesmerian rocks at one point, but in another seems to suggest a seismic interpretation "indicating a significant part of this thick sequence may be present."

The next two largest prospects in ANWR could rival the East Texas field in size if they contain oil, Interior's 1002 report indicates. East Texas, with five billion barrels, was the largest North American discovery until Prudhoe. The better of these two prospects lies in the southeast part of the coastal plain, in the area used intensively by the Porcupine caribou herd for calving. These are also judged by Interior to have Ellesmerian rocks, Marshall points out.

Another prospect is along the Beaufort Sea coast, in the north/central part of the 1002 study area. Yet another is further west near the Marsh Creek anticline, a major geologic formation in ANWR that has intrigued geologists for years.

Generally, 88 percent of the estimated recoverable reserves are in the eastern part of the coastal plain, mainly because of the presence of several very large structures. Seismic studies indicate many smaller structures in the western part of the study area. If a pipeline were built to connect the trans-Alaska pipeline at Prudhoe Bay with potential super-giants in eastern regions of ANWR's coastal plain, the pipeline would traverse these areas, making smaller discoveries economic.

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## REPORT FOR NATIONAL WILDLIFE FEDERATION ON 1002 AREA GEOLOGY

(By Thomas R. Marshall, Jr.)

### A. INTRODUCTION

This is an evaluation of the geological aspects of the draft report of the Department of Interior's "Arctic National Wildlife Refuge, Alaska, Coastal Plain Resource Assessment" dated November 1986. Hereinafter this report will be referred to as the draft. It covers the so-called 1002 area of ANWR which consists of 1.55 million acres or about three-fourths of the total coastal plain of the refuge. Also included are requested comments on economic matters covered in the draft which are closely related to geology and petroleum exploration.

Some constraints on my report should be mentioned at the outset. The most pertinent reference to the geological evaluation of the draft will not be available until August 1987. When published as Bulletin 1778, it will contain 23 individual papers on the geological evaluation of the coastal plain area including three papers on reservoir petrography and three or four papers on seismic methodology and interpretation used in the draft. It will be the Technical Appendix to the final report when it is sent to Congress. This bulletin is referenced as Griscom, S.B., on page 73 of the draft; however, the editor is now changed to Bird, K.J. and Magoon, L.B. Without this comprehensive publication my evaluation becomes very dependent on the summary geological and geophysical information in Chapter III of the draft report. In the 1002 area the Department of the Interior controls all the releasable geological data gained from the government's five year data gathering program. The only deep stratigraphic test well in the 1002 area is Chevron USA Inc. KIC drilled to a depth of 15,161 feet near the village of Kaktovik in the north eastern part of the 1002 area. This well was completed on April 15, 1986 and all data except the location, total depth and completion date are protected by the State of Alaska's confidentiality statute. Most of the Chapter III references, regional geology, released well data from wells on the western margin of the 1002 area and older (1980) U.S.G.S. publications which include some reconnaissance gravity surveys have been obtained. An unpublished BLM report on economics of oil and gas production from ANWR was also obtained.

### B. COMMENTS ON CHAPTER III OF THE DRAFT

1. *Natural gas was not included in the calculation of economically recoverable resources.*

The draft states on page 50 that "Gas resources are unlikely to be economic at any point in the time period being considered."

I believe that if commercial oil and gas reserves are found in the 1002 area they will not be depleted before the year 2030, perhaps considerably longer if heavy oil or tar deposits are found. The principal reference on ANWR economics (Young, J.S., 1986, p. 11) quotes the American Gas Association as expecting Alaska gas exports to the lower 48 states of .7 to 1.2 TCF/yr by the year 2000 and Chevron expects exports by early in the next century. A recent Oil and Gas Journal article of January 5, 1986, p. 22, by the President of Occidental Petroleum, Ray R. Irani, predicts $60.00/bbl oil by the year 2000. The significance of the oil price to the price of gas is that high oil prices elevate gas prices and vice-versa because of the mutual market substitution. Serious studies by the Arctic Gas Pipeline Consortium were undertaken in the 70's with oil prices in the teens. $60 oil would certainly elevate gas prices in the year 2000, perhaps to 300% of today's prices. Using the conditional mean estimate in the draft of 31.3 TCF of gas in place in the 1002 area and a conservative 75% gas recovery factor, the gas reserves could be over 23 TCF, nearly as much as the reserves of 25 TCF at Prudhoe Bay. Together with 5 TCF of gas reserves at Pt. Thompson, North Slope gas reserves would exceed 50 TCF.

Just after the draft was completed, Yukon Pacific Corporation finalized its environmental impact statement permit for the proposed 800-mile gas line from the North Slope to Valdez, Alaska, where a liquefication plant would be built. Yukon Pacific expects a Pacific Rim "market window" to open in the early 1990's, about the time their project would be completed.

In my opinion there is a good possibility that the higher oil prices expected by the end of this century will result in a moderate chance that large quantities of gas which may be found in the 1002 area could be marketed at a profit.

2. *Stratigraphic Traps not considered as prospects.* See page 51, paragraph 4.

Although the draft considers oil and gas contained in stratigraphic and structural traps in the "in place" estimates, only structural prospects were considered in the estimation of recoverable resources. Strangely, Fig. 111-2 on page 50 of the draft-directly compares the conditional recoverable oil resources of the eight largest 1002 area prospects (all structural) with the original reserves of five U.S. oil fields. Of the three largest fields, two are combination stratigraphic-structure traps and one (East Texas) is purely a stratigraphic trap.

Although I commend the authors of the draft for their cautious approach the fact remains that most of the oil on the North Slope lies in traps which are located where they are because of truncations, pinch-outs or other stratigraphic mechanisms and I believe this should carry weight in the economic considerations.

3. *No prospects defined in detached Mesozoic and Tertiary Rocks.* See Page 58, last paragraph.

No prospects were adequately resolved within the detached (by fault planes) and highly deformed Mesozoic and Tertiary rocks because of the difficulties of mapping them with existing seismic data. Nonetheless in areas of comparable structural geology, many oil, gas, and gas condensate fields have been found in Rocky Mountain area overthrust belts as a result of sub-surface information gained from the drilling of wells combined with detailed seismic surveys. In fairness to the authors of the draft it must be noted that oil and gas exploration results in a similar regional structure area of the North Slope have not been successful.

### C. OTHER REQUESTS

1. Compare geological favorability of the three localities having typical prospect characteristics shown on page 7 of the draft.

These three localities contain all the defined structures except No. 15 which is very deep (22,500 feet), has limited vertical closure, and lies mostly (75%) outside the 1002 area. Individual prospect numbers are shown on page 61 and the area they represent is shown on page 49.

Prospect locality No. 1. (Marsh Creek area including 16 defined prospects). Well expressed in surface rocks, the Marsh Creek anticline has been known for many years and with its subsurface extensions it may be 40 miles long. Oil stained sandstone in the Canning Formation is found on the Katakturuk River on the north flank of this huge anticline. Significant amounts of gas have been tested from Ellesmerian rocks at the Kavik well lying outside the 1002 area to the southwest of Marsh Creek anticline.

With direct evidence of both gas and oil nearby, both surface and seismic closure are excellent exposures of the Ellesmerian rocks in the Sadlerochit Mountains immediately to the south, all defined prospects in locality 1 are good with prospect number 5 probably being the best.

Prospect locality No. 2 (Upper Jago River area). This area lies on the Beaufort Sea in the northeastern part of the 1002 area and includes defined prospects 18, 19, 23, and 26. This prospect locality is distinguished by the two largest prospects both from the standpoint of area and vertical structural closure. For comparison, the area of the Prudhoe Bay oil field, the continent's largest, is 13 x 26 miles. Prospect No. 18 is 15 x 27 miles and prospect No. 19 is 13 x 22 miles. Vertical structural closure in the main producing formation of Prudhoe Bay is approximately 1000 feet. Vertical closure at prospect No. 18, is greater than 10,000 feet and No. 19 is greater than 7000 feet. Of course we are comparing hard subsurface data at Prudhoe Bay with speculative seismic interpretations on prospect 18 and 19. However prospect 18 received the greatest number of seismic traverses (16) and prospect 19 was tied for the second largest number (10).

An oil seep at Manning Point lies within the limits of prospect No. 18 and another seep at Angun Point lies about five miles east of prospect 19. An anticline expressed in the surface rocks adds interest to the possibility of heavy oil deposits at shallow depths. The key question here is whether or not these two huge prospects contain the Ellesmerian reservoir rocks which are so prolific at Prudhoe Bay. Fig. 111-6 indicates the questionable presence of Ellesmerian rocks but a statement on Page 54 suggests that a seismic interpretation indicates a significant part of this thick sequence may be present in the eastern part of the 1002 area, i.e., in prospect locality #2.

The draft report authors consider defined prospect No. 19 to contain Ellesmerian rocks but no correlation can be made with prospect #20 because only one east-west seismic line in this area is provided.

Because of the great distances to well control good information on the maturity of possible source rocks in the lower part of the sedimentary section is very speculative. The surface oil seeps may be from very much younger, near surface sources.

Prospect locality No. 3 (lower Jago River area). This area lies in the extreme southeastern part of the 1002 area and includes defined prospects 20, 21, 22 and 24. This locality is more remote from the Beaufort Sea coast. It contains two large prospects, both of which are considered to contain Ellesmerian sediments. Defined prospect 20 is somewhat larger than prospect 21 but a small east-west anticline is expressed in the Brookian surface rocks which may help localize heavy oil deposits if they exist.

2. *Comments on additional oil and gas exploration.*

Although the seismic work done in the 1002 area is of a reconnaissance nature and certainly much more would be done to locate a well seeking oil and gas production, still the information on regional structional wildlife refuge has been enhanced significantly by the seismic program. The real deficiency in information is the amount and quality of reservoir rocks and source rocks present.

Chevron USA Inc. and partners have drilled a deep stratigraphic test on the coast of the Beaufort Sea about 16 miles east of Kaktovik on the extreme eastern end of the KIC lands. This well was drilled to a true vertical depth of 15,161 feet. It was located in Sec. 1, T 8N—R.36E, U.P.M. It was spudded on 2/17/85 and completed on 4/15/86. This well was in an excellent spot to test defined prospect No. 18, the largest structure found in the 1002 area. The data on this well is highly confidential since it was drilled by a private company on lands leased from a Native corporation.

A stratigraphic test hole drilled between defined prospects No. 20 and 21 in the south Jago River area would provide critical reservoir and source rock data in prospect locality No. 3. A test hole drilled north of defined prospect No. 5 in the Marsh creek area would give the data on locality No. 1. Four locations are mentioned in the draft on page 92. Of these, I believe that test hole No. 1 in the northwest area would be of the least importance because there is some well control near the northwest margin and the geology is uncomplicated compared to the rest of the 1002 area. One at these suggested locations (No. 3) is basically where the Chevron KIC strat hole was drilled. It is my understanding that shallow test holes were drilled with very portable equipment in several areas. This information is not presently available but will be included in the Technical Appendix to the draft when it is sent to Congress. This shallow data is probably intended to gain source rock information in the many areas covered by thin surficial sediments of recent age.

There are many areas where information from deep stratigraphic test holes would be very valuable. It is very expensive to move a large drilling rig to remote sites and drill a deep well. Off-structure tests would provide less information than a well drilled for oil and gas. The latter would provide the most critical information of all—whether or not the suspected trap is effective in containing the hydrocarbons and whether the migration of hydrocarbons from source rocks took place before or after the trap was formed.

### CONCLUSION

The geological work done in the 1002 area summarized in the draft and available references meets high scientific standards. The overall tenor of Chapter III is, in my opinion, conservative in regard to the oil and gas exploration possibilities. However, the track record of essentially the same geological team was excellent when the realities of development in NPR-A are compared to their initial work before development.

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Mr. STEVENS. Mr. President, I am indebted to the Chair for his indulgence and to the majority leader for extending the time so I may make these remarks.

I yield the floor.

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## THE ADMINISTRATION'S AGRICULTURAL PROPOSAL I

Mr. BAUCUS. Mr. President, the Reagan administration has recently presented a bold proposal in the new round of GATT talks.

The proposal envisions sweeping reforms in agriculture!

It calls for the elimination of all agricultural export subsidies, production subsidies, and import barriers worldwide.

It calls for all of these barriers to be phased out over the next 10 years by all GATT members. The only form of farm support permissible would be direct income supports not linked to production.

The proposal, if fully implemented, would establish a free market in agriculture—now the most heavily protected sector of the world economy.

Free trade is an admirable goal; we all agree about that. And the opportunity exists for reaching a significant international agreement on wheat, feed grains, soybeans, and perhaps a few other commodities during the current round of GATT negotiations.

But I think the administration is shooting too high, and as a result will fall far short of a satisfactory agreement on agricultural trade.

I fear that by shooting for the moon, the administration may never get off the ground.

The emerging consensus for reform will be shattered if we try to push too far, too fast. We must take a more pragmatic approach to liberalizing agricultural trade.

I will make two statements this week that outline my position on this proposal and urge the administration to take a more pragmatic approach to the agricultural trade talks.

Today, I will focus on the reasons why the administration proposal is not practical.

An agricultural trade agreement effects many groups, consumers and taxpayers alike. However, the success of any agreement depends on what it does for farmers.

For farmers in various countries around the world and particularly in our country, the administration's proposal is a mixed bag.

Farmers in Australia, Argentina, and many developing nations would be able to take advantage of their low production costs to greatly increase ther export sales.

On the other hand, farmers from European Economic Community member nations and Japan would face a more difficult situation. They depend much more on government supports. If these supports were eliminated, most farmers from these countries would probably be driven out of business. EEC dairy, sugar, and beef producers would be particularly hard hit.

The EEC could very rapidly lose 30 to 50 percent of its agricultural sector under the administration proposal. This could leave as many as 3 million jobless farmers and farm workers in the EEC.

Japan could actually lose almost its entire agricultural sector!

None of the three major agricultural commodities produced in Japan—rice, beef, and citrus fruits—is competitive in world markets today.

Further, if government farm price supports are removed, the value of Japanese farmland will plummet. Land-hungry Japanese city dwellers would quickly step in and develop the farmland for living space.

In America farmers will face mixed prospects under the administration plan.

Farmers that produce wheat, feed grains, or soybeans are likely to benefit. U.S. farmers are able to produce these commodities at a relatively low cost.

New markets will be opened for these commodities around the world, and some of the major competitors will be removed.

More than likely, exports of these commodities will increase considerably.

Since these three commodities are responsible for about 50 percent of U.S. agricultural exports and 67 percent of the cost of the U.S. farm program, this would be a very positive feature of the administration proposal from the U.S. perspective.

Yet farmers that produce, rice, cotton, and cattle will face an uncertain future.

The United States is now a major exporter of rice and cotton, but production of these commodities is highly subsidized through a marketing loan program. In a complete free market, U.S. rice and cotton producers would face stiff competition from developing nations.

United States cattlemen face the prospect of increasing beef exports to markets like Japan under the administration proposal. Unfortunately, they also face increased competition from imports of lower quality beef from Australia and New Zealand.

U.S. sugar and dairy producers are almost certain to be harmed under the administration proposal. Both of these commodities are heavily subsidized and heavily protected.

The U.S. price for sugar, for instance, is today approximately four times the world market price.

It is unlikely that there would be many independent dairymen or sugar producers if the administration proposal became reality.

Finally, the administration's proposal has frightened many farmers and citizens of rural areas by defining certain vital rural programs—such as the Agricultural Extension Service and the Farm Credit System—as subsidies.

These programs have no measurable impact upon world trade; none of our trading partners has ever complained about them. Yet, they do provide vital services to rural areas and to farmers.

It would make no sense to negotiate an end to these important programs.

As I said at the outset, all major exporting nations have an economic interest in ending the subsidy war on wheat, feed grains, soybeans, and perhaps a few other commodities.

But many nations, including the United States, would face severe economic disruptions as many farmers are thrown out of work if other agricultural commodities and all agricultural programs are included in the scope of the agreement.

The proposal could have such tremendous negative effect upon many rural areas that many groups who would otherwise be natural supporters of such a free trade agreement are being radicalized against it.

The reaction of the U.S. farm community is typical. Not a single major farm group has yet endorsed the administration proposal.

One major farm group ran a headline on its monthly publication that read "U.S. Farmers Sold Out in the GATT."

I understand that the reaction of farmers in Canada has been quite similar.

In order to conclude a successful agreement, we need to incorporate these farm groups in the negotiating process. They must be included.

By proposing a radical agreement that threatens to have a severe negative inpact on rural areas, the administration is frightening off the very groups that could form a strong political basis of support for an international trade agreement.

Later on, I plan to outline a proposal that I believe has a greater potential for forming the basis of an international agreement on agriculture.

## JAPANESE SQUID FLEETS

Mr. STEVENS. Mr. President, I would like to bring to the attention of the Senate a series of egregious violations of the regulations governing the interception of North American-origin salmon on the high seas.

The International Convention for the High Seas Fisheries of the North Pacific Ocean sets forth time and area restrictions on the high seas fishing fleets of the member nations. Japan, Canada, and the United States are members of the convention, but only the Japanese fish in those international waters.

The Japanese land-based squid and other driftnet fleets include over 1,500 vessels. These vessels set close to 1 million miles of net annually. The nets are capable of entangling any species of fish, marine mammals, or sea birds which come into contact with them. The convention regulations attempt to minimize the impact on North American-origin salmon, and also serve to provide some protection for sea birds and marine mammals as well. The domestic laws of Japan also nominally prohibit certain fishing activity in conjunction with the convention restrictions. The problem is that those restrictions are not enforced. Our fishermen and the salmon stocks suffer the consequences.

For the last decade, we have had countless reports of violations of the convention regulations by the Japanese fleets. The most recent sightings occurred between July 20 and July 28. Coast Guard surveillance aircraft spotted a total of 18 Japanese vessels fishing in prohibited areas known to contain salmon. Some of these vessels had their official registration numbers concealed to avoid identification.

These repeated violations have shaken my faith in the ability of the Government of Japan to enforce both domestic and international law against its fishermen. The salmon fishery is too important to the State of Alaska and the Pacific Northwest to ignore these blatant violations of the law. I am serving notice that the interception of salmon will become an issue in every legislative initiative before the Senate which relates to Japan.

## NINETEENTH ANNIVERSARY OF SOVIET INVASION OF CZECHOSLOVAKIA

Mr. METZENBAUM. Mr. President, this coming August 21 will mark the 19th anniversary of the Soviet invasion of Czechoslovakia. I wanted to take a few minutes to reflect upon that event and its aftermath.

When I was growing up, I always thought of Czechoslovakia as being a nation of democratic ideals. It was one of the finest nations in Europe, with the greatest leaders, such as Thomas Masaryk and Dr. Edward Benes. I respected those leaders, and I held Czechoslovakia in the highest esteem. The Russian invasion changed all that.

In August 1968, approximately 500,000 Soviet and Warsaw Pact troops rolled into Prague as the Czechoslovak troops were ordered to stand aside. Although there were few casualties, the results of the invasion were tragic nonetheless.

When the Soviets invaded and took control, they exerted extreme political pressures and excluded tens of thousands of people from daily life in Czechoslovakia. The Czechoslovakia people were denied their basic human rights, and their cultural, political, and other freedoms were suppressed.

In effect, the invasion put Czechoslovakia under the rigid, oppressive rule of the Soviet Government.

Since then, approximately 145,000 Czechoslovaks have left their homeland, with about 25,000 of them settling in the United States. They fled repression in their native Czechoslovakia in order to find a safer and more secure life elsewhere. Those who have stayed in Czechoslovakia now face some 80,000 Soviet troops, permanently stationed there, imposing the politicies of the Soviet controlled government.

I want to express my solidarity with all Czechoslovaks who want to be free. I join with Americans of Czechoslovak descent—1.9 million of them and at least 120,000 in the State of Ohio—who want to be reunited with their brothers, sisters, parents, and cousins in Czechoslovakia. I pledge my support to them in their efforts, and I rededicate myself to the cause of helping any and all Czechoslovaks who seek freedom. I hope that one day Czechoslovakia will become a truly representative democracy, and I will do whatever I can to make that dream come true.

## ECONOMIC DEVELOPMENT: THE ULTIMATE CENTRAL AMERICA SOLUTION

Mr. SANFORD. Mr. President, we all can hope that President Reagan's proposals for negotiated settlement in Central America will be the beginning of peaceful solutions in that troubled area.

Peace should be our first objective.

But an end to hostilities is only a first step.

Economic conditions are the root of the problem. Whether or not the administration's new proposals are accepted, they will not eliminate Central America's poverty, poor health, unemployment, and despair. These are the distortions that have enticed the region into conflict. They should be the long-range targets of United States' efforts.

We have the ability to improve those conditions and it is a moral and strategic imperative that we commit ourselves to get on with the best possible development program.

There have been repeated attempts at development in the past, dating all the way back to Franklin Roosevelt's "Good Neighbor" policy. All these plans, however well intended, have had one major flaw. They have not taken into account fully the aspirations of the Central Americans themselves. Without their participation, our efforts at development have smacked of paternalism. Who better knows what is desirable and what is possible than the people who live in the area?

A major new effort is already underway to produce precisely the kind of blueprint that is needed. Extraordinary talent from Central America, the United States and other countries is being enlisted to take part.

Fifteen to 20 leading citizens from the five Central American countries will soon be announced as members of the program's International Commission for the Development of Central America. Eight U.S. citizens have already agreed to serve. They are Lawrence Eagleburger, former Deputy Under Secretary of State; Arthur Levitt, Jr., chairman and chief executive officer of the American Stock Exchange; Viron Vaky, former Assistant Secretary of State; Richard Feinberg, vice president of Overseas Development Council; Albert Fishlow, professor, Department of Economics of the University of California in Berkeley; Sol Linowitz, former ambassador to the U.S. Mission to the Organization of American States; William M. Dyal, Jr., president of St. John's College; and John T. Joyce, president of Bricklayers and Trowel International Pension Fund.

The program is unique in several respects. No government funding is required. Support will be provided by foundations in this and other countries. All contemporary techniques of economic planning will be employed in the most objective manner. Efforts of the past will be examined to determine what has worked and what has not and why.

I have great confidence in this bold new economic initiative. It will give us and the Central American nations a perspective that has not existed. And it will provide a new vision of Central America's future.

Whether or not the administration's new proposals for peace succeed, we will have to have a national commitment to help Central America find its way into the productive and proud regions of the world. That is the only way to prevent future conflict but it is more than that. Democracy is spreading in Central America. Four of the region's countries are governed by democratic regimes, some of them fragile. So the opportunity exists for us to offer encouragement to open and economically healthy societies, of their own making, and that should be the primary objective in our relationship.

## JEWEL OF THE OLD WEST

Mr. DASCHLE. Mr. President, in the heart of the Old West, in Rapid City, SD, there stands the Alex Johnson, an 11-story hotel that has captured the hearts of tourists and townspeople alike. The hotel was built 60 years ago under the supervision of its initial owner, Alex Carlton Johnson. Artist Carlos De Lopez oversaw the interior design and construction of this landmark hotel. Edward Oldefest, a Chicago architect, was employed to add a European look to the hotel.

The interior of the hotel projects the image of the Old West. The busts of eight Indian chiefs adorn the pillars of the lobby. Buffalo headmounts, carved railings, ceiling murals, and a large fieldstone fireplace provide a rustic, yet cultured, environment.

Over the years there have been several owners. Each one has been careful to preserve the historic beauty of the hotel.

Tom Didier is the current caretaker of the Alex Johnson. Tom does not feel that he owns the hotel, but rather that he is one of the many devoted caretakers that have been charmed by the Alex Johnson's charisma.

The Alex Johnson has enjoyed the company of many famous people, including Calvin Coolidge, Franklin Roosevelt, Dwight Eisenhower, Gerald Ford, Ronald Reagan, Clark Gable, and Cary Grant. Even one of our legendary "singing cowboys," Gene Autry, has enjoyed the hospitality of the Alex Johnson.

When I am in the "Black Hills," the Alex Johnson is often my home. This establishment is a tribute to the pioneer spirit and South Dakota hospitality. It is everything that Mr. Johnson envisioned, and more.

South Dakota magazine recently published a wonderful article about the Alex Johnson. I ask unanimous consent that this article be printed in the RECORD so that my colleagues may appreciate the historic value of South Dakota's most famous hotel.

I invite my colleagues and all Americans to come to South Dakota and discover the Alex Johnson along with the many other attractions of our beautiful State.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### A LADY CALLED ALEX

(By Bernie Hunhoff)

Tom Didier fooled around and fell in love. With a hotel. And not just any hotel. The object of this undivided attention is the Alex Johnson, an 11-story dame that was built 60 years ago in the heart of Rapid City.

Forgive her for that masculine name. It comes from the man who dreamed her up, Alex Carlton Johnson. Didier knows that the hotel has had many men in her life before him. He simply looked on the old girl as an investment. But as he came to know the hotel and her history, a romance developed. Now he is "head over heels" involved and in love with the place and he couldn't be happier.

Didier was raised in Rapid City. His father owned the Tip Top Motel and as a boy, he remembers coming down to "the Alex" to "bother" the long time cook, Julio Ramos. "We didn't pay much attention to the hotel, it was just an old place downtown that we'd hang around."

How times changed.

Today "the Alex" is Didier's obsession. Single and just 31 years of age, he laments that it would be best, perhaps, if he had more time for a personal life. "But the hotel has a way of making you fall in love with it. Initially I was just investing in brick and mortar. The plan was to get in and get out quickly. But I fooled around and fell in love."

He appreciates the historical ambiance of the hotel. "You become driven to give the old place life. It really does become quite a passion."

"In a real sense, I don't feel I own this building, I feel all I am is a caretaker and the building will be here long after I'm gone. Maybe it will be my son's or daughter's, if I ever have a son or daughter. But I feel a responsibility to downtown Rapid City and to western South Dakota and to the whole state to pass it on to the next generation in good condition."

"I have a great deal of admiration for those who kept it before me," Didier noted. Despite a sometimes troubled financial history, the Alex has never had to endure the disrepair and disgrace of some other historic hotels in South Dakota.

Perhaps that stroke of good fortune is due to the fact that there has almost always been a man around who loved her dearly—beginning with her namesake, Alex Carlton Johnson. He was a Chicago and Northwestern Railroad official, nearing retirement age, when he fell in love with the Black Hills and its Indian and pioneer heritage. He felt the region cried for a grand hotel that would be a shrine to the Sioux Indian Nation and the West. It is uncertain what part Johnson played in developing the hotel. Some historical accounts say he persuaded the railroad and local investors to take on the challenge. Others believe the railroad was not an active stockholder, however the C&NW did have a ticket office in the Alex in its early years.

Regardless, those who put up the money must have been impressed enough by Johnson's participation that they named the showplace after him. He reportedly commissioned a nationally famous artist, Carlos De Lopez, to oversee the interior design and construction. Edward Oldefest, a Chicago architect, was enlisted to add a European loot to the exterior. His handiwork, which remains unchanged today, is the hotel's Alpine cap, reflecting Dakota's Germanic immigration.

De Lopez' interior also is largely intact. The main feature is a gigantic fieldstone fireplace in the lobby. Eight carved busts of Indian chiefs uphold beams crossing the two-story tall ceiling. A hugh chandelier is formed of war lances and glazed tiles resembling Sioux designs and beadwork. Buffalo headmounts, carved railings along the balcony, ceiling murals, and a warm, inviting wood front desk provide a rugged, Old West charm that couldn't be duplicated today.

Alex Johnson, the hotel's first suitor, retired from the C&NW in 1929 and lived at "the Alex" for most of the 1930s before moving to California, where he died in 1938.

The hotel continued under local ownership until 1947, when it was sold to the Eppley Hotel Company. In 1956, it was sold to Sheraton Corporation and the name temporarily became Sheraton-Johnson. William Baron bought it from Sheraton in 1965 and changed the name back to Alex Johnson.

John T. Vucurevich, a Black Hills banker, owned the hotel in the early 1970s and oversaw extensive remodeling and refurbishing. But as with all the owners, the basic architecture and art of the old gal was not harmed. A group of Kansas and Colorado businessmen bought the hotel from Vucurevich in April of 1973.

There was an embarrassing period in 1977 when the hotel was put up for auction at a Pennington County sheriff's sale because of debts totalling $1,674,085. Drover's National Bank of Chicago, the creditor, had the only bid.

In 1979, a major, multi-million dollar renovation probably saved Alex from becoming just one more rundown, downtown hotel with a past. Claire Wieseler became involved at that time, and he guided extensive restoration and renovation of the old girl for six years. In 1985, Didier and several fellow investors bought the hotel. Didier took over sole ownership last year.

Didier credits Wieseler for "a vision of what the old hotel could become again, and the wherewithal to make it happen."

With much of the needed remodeling behind him, Didier has turned his attention to what he calls his main commodity. Service. "We have a totally people-oriented business. All we sell here is service. Because of that, the most important part of the hotel is our people."

Didier is spending $50,000 with a local Dale Carnegie team to coach virtually all of the hotel's 110 employees on being as service-oriented as humanly possible. From the uniformed bellman who greets most guests on the sidewalk outside the lobby, to the maids who clean the rooms, Didier wants friendly service. He's happy with what he sees.

"We all care about this hotel and about each other," he said of the staff. "This is the only union hotel in the Dakotas, but the union has been no problem. Unions aren't necessary when management is fair."

The Alex has a step up on the competition, not only because of its 60-year history, but also because of its downtown location. It is a popular gathering spot for local business men and women, who come to eat in the fine Landmark Restaurant or have cocktails in the newly-opened pub, Paddy O'Neill's.

Rotarians and Kiwanians meet weekly in the hotel. An old ballroom called Yesterday's is now used for meetings, conventions and an occasional dance band.

The hotel was a cornerstone to Rapid City's downtown development when it was built 60 years ago. With the ground breaking came a two-year construction boom that brought over $3 million in new buildings to the city.

The Alex is still the hub of the downtown. And with a $1 million annual payroll, it's a sizable industry, aside from its historical importance. Didier says concerned citizens can rest assured that the hotel is on its way back from those difficult years. "It is at the point where we have broken even cashwise with it, and this year with some good fortune we hope to generate some cash for non-essential improvements."

He believes the key to future financial success lies with his staff's ability to market the uniqueness and nostalgic environment of the hotel. Rapid City is not an easy town for motel operators these days. There has been a 25 percent increase in the number of hotel rooms in the last five years without a corresponding increase in the number of visitors, says Didier. That creates competition, and it accounts for The Alex's reasonable rates—$45 for a single room and $50 for double occupancy (slightly higher in the summer) and $210 for suites that have housed such notables as Calvin Coolidge, FDR, Dwight Eisenhower, Gerald Ford, Ronald Reagan, Clark Gable, The Osmonds, Cary Grant, Gene Autry, Neil Sedaka and many others.

Guests at The Alex Johnson may walk through the downtown area and see a number of historic commercial buildings. However, few of the structures have retained the historical integrity of the old hotel. "We are seeing some successes on buildings in Rapid City, and still other buildings should be restored," said Didier. "The tough part of historic renovation is that it takes a dollar commitment to upgrade and restore a building and often there is not an economic reward."

Didier hopes to see more attention paid to historic buildings, not just in Rapid City but throughout the Black Hills and the entire state. "Partly, that's because I'm a history buff. But also, historic buildings are important because of tradition. There is nobody in town who can build a building and say President Coolidge slept there. It is important to preserve and respect that link with our past.

"Another reason is the beauty of the buildings," he said. "You're not going to build a building today and put hand-carved wooden Indians in the lobby anymore. The grandeur, the excellence of workmanship, can't be matched today."

Other historic hotels in South Dakota have received some overdue attention in recent years. The Charles Gurney in Yankton, the St. Charles in Pierre, and the Evans in Hot Springs have been updated and converted largely into apartments and office space. Several others continue to serve as full service hotels, including the Franklin in Deadwood, the Ward in Aberdeen and the St. Vincent in Flandreau.

Historic hotels are, at least economically, like a beautiful woman, says Didier, "You devote massive amounts of time and attention to them and you put lots of financial resources into your love . . . and in the end, probably your greatest reward is that you were able to love them and experience them."

## OLDER AMERICANS ACT

Mr. HATCH. Mr. President, yesterday we passed the Older Americans Act, H.R. 1451. That legislation included an amendment of mine which will provide health care in the home for Americans. My statement was included in the RECORD, but some additional information describing the amendment was inadvertantly not included. I ask unanimous consent that a hearing statement from Philip W. Brickner, M.D., and my description of the legislation be included in the RECORD as part of the legislative history.

Dr. Brickner recently testified before the Senate Labor and Human Resources Committee on a home health program he has been working on. This legislation is in part based on his excellent work.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### TESTIMONY ON CATASTROPHIC ILLNESS EXPENSES LEGISLATION BY PHILIP W. BRICKNER, M.D.

Older persons in the United States particularly need protection against the costs of catastrophic illness. This legislation is significant and important in its design to insure against the catastrophic expenses of those under treatment in acute care hospital beds for prolonged periods. The legislation is also significant because it uses the Medicare program as the mechanism through which coverage will be provided. Medicare is an empirically proven, trusted and reliable insurance program, in the views of most older persons in our country. However, in recent years the failure of Medicare regulations to allow payment for the costs of chronic disability has come under scrutiny, and the present legislation is perhaps the first to focus on chronicity of disease as a matter of concern.

Unfortunately, this legislation does not take the next necessary major step. Its benefits will accrue only to those persons, small in number, who must stay in hospitals for lengthy periods of time. The bill will not provide help for the majority of older disabled individuals who face the much more common financial catastrophe of long term chronic disease. The bill fails to respond to the demographic imperative of the aging in this country, that fact that over the next several decades the numbers of those over 65 years will double from the present figure, and those over age 85 will quadruple. A significant proportion of these older persons will be disabled, and will need help. Without further Medicare amendment, they will not get the help they need.

The frail and disabled aged have few acceptable options for care today. Pressure to leave a hospital bed is inevitable, once the acute phase of illness or injury has passed. Where next? Nursing homes are crowded and expensive; and placement in such institutions will be increasingly limited to the most disabled and helpless of the aged, those that demonstrably must receive twenty-four hour a day care. The vast proportion of frail older persons, then, will need, and will usually wish to receive, services at home. At Saint Vincent's Hospital in New York City we have been caring for homebound aged persons in the community with hospital-based doctor-nurse-social worker teams since 1973. We have made more than 18,000 home visits in this fourteen-year period, and have cared for about 1500 individuals. Two-thirds are women. Two-thirds live alone. The common, strongly-expressed desire of our patients, whose average age is 83 years, is summed up by the remark of one woman as our team arrived for its first home visit: "Thank God you're here. If only you'll keep me out of a nursing home."

If we fail to act, we may well repeat the catastrophe of the deinstitutionalization movement of the chronic mentally ill. In the early 1960's the civil rights activists of that era combined with leadership in state governments to discharge from state mental hospitals, the asylums, many patients with long-term emotional illness. In theory, new community-based programs such as clinics and half-way houses were to serve instead, when combined with the benefits new drugs such as chlorpromazine. However, as a walk through any major city will show, many mentally ill persons are struggling without shelter, without asylum, on the streets, in the parks, on riverbanks, under viaducts, in train and bus stations. The major distinction between the chronic mentally ill and many of the frail elderly is that the latter will suffer out of sight, in their own rooms, apartments or homes, without adequate help.

I urge that the present bill be passed. Then, we should move on to the next task: amendment of Medicare to insure against the catastrophic costs of chronic disease, to wean it from its sole focus on acute illness. Arbitrary regulations now bar persons entitled to Medicare from long term services through devices such as the skilled nursing and the intermittent care requirements. It is as though those with prolonged illness cannot need skilled care, and that the costs of care should be covered only if the disease requires attention intermittently. This makes no sense. We should recognize that the catastrophic health care problems of the elderly, such as those caused by the dementias, stroke, chronic heart and lung disease, arthritis, fractures of the leg and hip, demand skilled care over the long term.

Prompt consideration should be given to funding for a spectrum of non-institutional services for the frail aged. Medicare amendment is a priority. In addition, new forms of insurance, innovative uses of personal assets such as home equity loans, and various types of personal housing should be considered. The "Home and Community Based Services Act of 1987", sponsored by Senator Orrin Hatch, is a significant opportunity. It allows grant funds to be used across the country for innovative home health care programs. Passage of Senator Hatch's bill is one of many actions that will be needed to deal in a prompt, temperate, logical, orderly and humane manner with the catastrophe of chronic disability among the growing numbers of frail and disabled older persons in this country.

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### HEALTH CARE SERVICES IN THE HOME ACT

This measure would authorize $100 million a year for fiscal years 1988 through 1990 for allotments to states to provide health care services to individuals with catastrophic or chronic illness who can be cared for in their own homes.

From the total amount appropriated for this program in any year, each state would receive an allotment based on the relative per capita income of the state multiplied by the state's population. Minimum amounts as a percentage of the total appropriation are established for the states and the various territories. Provisions are included to authorize allotments to qualified Indian tribes to carry out the purposes of the program.

Use of Allotments: States could use their allotments to:

(1) pay compensation for the services of physicians, nurses, and social workers who plan, manage, or provide home health care services for eligible persons;

(2) identify and locate eligible persons needing home health care services;

(3) develop proper standards and quality assurance mechanisms for the provision of home health care services;

(4) coordinate home health care services for persons with other supportive social services;

(5) coordinate other long term care services provided by public and private institutions and voluntary organizations to ensure provision of these services and to maximize the use of funds provided under this bill and other federal laws; and

(6) provide training to health professionals other than physicians, nurses, and social workers, particularly training for health professionals who work within hospitals, to educate individuals who may benefit from the provision of health care services in the home and training in advanced discharge planning.

States could use amounts allotted to them through grants to health care organizations. In making these grants, states would give priority to home care programs including hospital-based home care programs. For a health care organization to receive such a grant, it would have to agree to use grant amounts only for the provision of health care services in the home for eligible individuals.

Allotment use Conditions: At least 85 percent of the total amount allotted to a state in fiscal year 1988 would have to be used to pay compensation for the services of physicians, nurses, and social workers as outlined above.

In fiscal year 1988 no more than 10 percent of the allotted amount could be used for activities other than the payment of compensation. For later years not more than 5 percent could be used for activities other than the payment of compensation. The legislation stipulates that no more than $2,500 per year could be used by a state with respect to any eligible individual to pay compensation for the services of physicians, nurses, and social workers.

States could not use allotments to (1) provide inpatient services except services involving advanced discharge planning; (2) make cash payments to intended recipients of services; (3) purchase or improve land or any building or facility or purchase major medical equipment; (4) satisfy any requirement for the expenditure of nonfederal funds as a condition for the receipt of federal funds; (5) provide services to an individual if the total cost to the federal government of providing those services would exceed the total cost of institutionalization of the individual; (6) provide reimbursement for services performed by any individual other than a physician, nurse, or social worker; or (7) provide supportive social services for which planning and management is conducted under authority of this legislation.

The Secretary, if requested by the state, would provide technical assistance to the state in planning and operating activities to be carried out under this bill.

Application Requirements: Each application for an allotment under this program would have to contain assurances that the state will meet the following requirements: (1) it will certify that the state agrees to use the allotted funds in accordance with requirements of this legislation; (2) it will provide assurances that the chief executive officer will designate or establish a state agency to administer funds provided under this legislation; (3) it will certify that the state will coordinate the provision of health care services in the home with funds provided under this authority with activities conducted to provide those services by voluntary, religious, and community organizations and local governments; (4) it will provide assurances that the state will make reasonable efforts to provide health care services in the home through home care programs in the state including home care programs based in hospitals; and (5) it will provide assurances that the state will, to the maximum extent feasible, provide health care services in the home to individuals who are low-income individuals and who are not receiving equivalent home care services under the state's Medicaid program.

The chief executive officer would have to prepare a description of the intended use of these allotments, including information on the programs and activities to be supported and the services to be provided. This description would be made public within the state to allow comment from any interested person during development of the description and after its transmittal.

Evaluation: The Secretary would conduct or arrange for the conduct of evaluations of services provided and activities carried out with allotments to the states under this authority.

Definitions: The legislation defines the term eligible individual to mean any individual who (1) resides at home and is at risk of institutionalization because of medical limitations on the ability of the individual to function independently; (2) is a patient in a hospital who is at risk of prolonged hospitalization and who could be cared for in a long term care institution or could return to the community if health care services in the home are available; or (3) is a patient in a skilled nursing facility or an intermediate care facility who could return to the community if health care services in the home are available.

## TRIBUTE TO FRANK BROOKS YIELDING, JR.

Mr. HEFLIN. Mr. President, it is my honor to rise, today, to pay tribute to Frank Brooks Yielding, Jr., of Birmingham, AL, who has recently announced that he will step down in January 1988 as chairman of Jefferson Federal Savings and Loan Association. However, I know that everyone at the association is pleased that he will continue to serve as a member of the board of directors, and as chairman emeritus.

For many, many years, Mr. Yielding has been a business and civic leader both in Birmingham, and in my home State of Alabama. Throughout his career, he has worked to advance the standing of Alabama and of America. I believe that he should be commended for his great efforts through the years. He has helped his community and our State to accomplish great things, and all should be thankful for his tireless labor.

The Yielding family has long played an important role in the history of Birmingham, our State and our Nation. Mr. Yielding's great grandfather, Francis Yielding, lived in Blount County, AL and served in the War of 1812. His grandfather, William Berry Yielding, lost his life while serving the Confederacy during the War Between the States. Mr. Yielding's father, Francis Bee Yielding, moved to Birmingham at the age of 17 in 1876, only 4 years after it was founded, to begin a career as a merchant. Since that year, the name Yielding has been associated with retail merchandising in Birmingham, and today it identifies one of the city's leading department stores, still in family ownership after more than a century of operation.

Frank Yielding was born in Birmingham just after the turn of the century. He entered the business world at an early age, and by the time he was 15 he was self-sufficient, earning his spending money and clothing allowance by driving a truck for the Birmingham News. In 1921, he enrolled in my alma mater, the Birmingham-Southern College, and paid his college expenses by driving a truck for Yielding Bro. department Store.

After Mr. Yielding graduated from Birmingham-Southern in 1925, he joined the staff of Jefferson Federal Savings and Loan Association, which was then known as Jefferson County Building and Loan Association. He was made secretary, and at that time Jefferson Federal was a $3½ million association. The next 4 years were profitable ones, and by the time he was made secretary-treasurer in 1929 its assets had grown by $1 million. At that time, however, the Great Depression hit and financial institutions throughout the Nation were forced to close. Yet, Jefferson Federal weathered the storm of these years in an outstanding manner. In 1936, when it converted to a Federal charter, the balance sheet read $1½ million.

In the years since that time, under the steady guidance that Frank Yielding has provided, the association has prospered. Mr. Yielding was made president of Jefferson Federal in 1949 when assets were just over $4 million. Today, the Jefferson Federal Savings and Loan Association is a $500-million institution, of which Mr. Yielding has been chairman of the board and chief executive officer since 1976.

Mr. Yielding has been active in many other business ventures throughout the years. He has served as either director or president, or both, of nine different companies. He has provided tremendous leadership to many of the professional organizations of the savings and loan business, as well, having served as president of the U.S. Savings and Loan League, the first southerner and the only Alabamian to serve in this office, the Alabama Savings and Loan League, and the Southeastern Group Conference, among many others. And for his great experience and expertise, he is known by his peers as "the Dean of the Savings and Loan Business."

As I have mentioned, Frank Yielding has also provided outstanding leadership to Birmingham and to Alabama in civic and community affairs. During World War II, he was head of the Jefferson County War Price and Rationing Board. Under his leadership, the board was nationally recognized for its efficiency and fairness, and was used as a model in setting up boards in many other cities. Because it was so effective at distributing in a fair manner what limited supplies our soldiers could spare, there was not even the slightest indication of black market activity. Throughout the years, he has also been active and has provided leadership to many organizations, including the Birmingham Chamber of Commerce; the Birmingham Better Business Bureau; the Birmingham United Appeal; the Freedom Foundation; and the Birmingham Historical Society. Additionally, he served as the president of the Birmingham Kiwanis Club, the fourth largest Kiwanis Club in the world.

Mr. Yielding's efforts have been recognized and they have been rewarded. For his work for his college, he received the Birmingham-Southern College Distinguished Alumni Award in 1967, and in 1983, he was awarded an honorary LLD. Furthermore, a scholarship at Birmingham-Southern bears his name. Also in 1983, he was recognized by the State of Alabama by being elected to the Academy of Honor.

Frank Yielding has, indeed, provided great service to the State of Alabama. Yet, I know that he was a devoted husband to his wife of 67 years, the late Augusta Smith Yielding, and he is a loving father. His son, Frank Brooks Yielding III, has followed in his father's footsteps and now serves as president, and as a member of the board of Jefferson Federal.

Throughout his life, Frank Yielding has dedicated himself to his community and to our State. His efforts have resulted in many of the benefits that countless citizens now enjoy. With care and devotion, he has played an instrumental role in helping the city of Birmingham to realize its potential, and to become the great place it now is. On behalf of the citizens of Alabama, I wish to thank him for his great service.

## TRIBUTE TO BISHOP JOSEPH G. VATH

Mr. HEFLIN. Mr. President, I was saddened to learn of the untimely death of Bishop Joseph G. Vath, who served as bishop of the Roman Catholic diocese of Birmingham since it was created in 1969. Throughout his life, Bishop Vath was dedicated to helping others, and to improving the lives of people in the communities of our State and Nation. He was a man whose actions were dictated by his conscience, and whose conscience was molded by his belief and faith in God. His efforts benefited not just those who shared his religion or who resided in his community. Rather, his efforts benefited all people. And I know that his death is mourned by many.

Bishop Vath was ordained a priest in 1941 and was appointed assistant pastor of Ascension Church in Donaldsonville, LA, where he served until 1946. He served in several other

churches in Louisiana before he was consecrated a bishop in 1966. When the Birmingham-Mobile diocese was separated in 1969, Bishop Vath was chosen as the first bishop of the Birmingham diocese. From the time he first came to Birmingham it was apparent that he cared deeply for all people. He was enlisted in many causes to help people, and it was clear that he devoted all of his energy and attention to each of these causes. When a meeting was held to discuss an issue or matter of concern to the community, Bishop Vath always attended in person, rather than to merely send a representative of the diocese, so that every cause would gain from the stature of his office. He embraced, and worked to promote every idea, and each goal that held even the slightest promise of helping even one individual. When he recognized a problem, he worked to find a solution, and then worked even harder to see that solution implemented and the problem solved. And he recognized and worked to solve many, many problems, indeed.

Perhaps his greatest concern was helping the poor and underprivileged, those who often are the least able to care for themselves. Yet, he worked in so many other ways, as well. He worked to improve relations between blacks and whites, believing that all men and women are viewed by God without regard for race or gender—they should be viewed on Earth in the same manner. He recognized that many of the underprivileged elderly had no place to live and then worked to provide them with a home where they could receive the care they needed.

And Bishop Vath's dreams and efforts were rewarded. He witnessed the development of many programs that help to care for those who are unable to provide for themselves. In the last 20 years, he was able to see much of the bitter conflict between blacks and whites end, and turn into joint efforts to help our communities. And perhaps most recently, in June he saw the groundbreaking ceremony for the $2.4 million Villa Maria Manor Housing for the low-income elderly at the St. Thomas Catholic Life Center in East Lake, AL.

I had the pleasure of working with him in many causes and efforts. He conceived the idea that the court system of Alabama should have a "Red Mass." Annually, on the first day of each new court term, a "Red Mass" is attended by the supreme court justices of Alabama, as well as by many other appellate and trial judges, who come to Montgomery for this religious service dedicated toward the improvement of justice. I worked with him on a number of issues in our Nation, as well, such as efforts to prevent abortions.

Throughout his life, Bishop Vath struggled to serve God, and by serving God, serve his fellow man in this world. His actions on behalf of others were sometimes controversial—but his conscience was always clear. He always knew that the action he took was just. Bishop Vath will be greatly missed, just as he is now greatly mourned. Yet, his actions, his efforts, and his example are evident. He demonstrated the path all men and women—whether Catholic or Protestant, Christian or Jew—should follow in this world. His life showed the good that will come from service for others.

Mr. President, I ask unanimous consent that the attached newspaper articles be printed in the CONGRESSIONAL RECORD. They describe the life and the service Bishop Vath provided to his community, my State, and our Nation.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Birmingham Post-Herald, July 16, 1987]

### BISHOP JOSEPH G. VATH

Bishop Joseph G. Vath's unexpected death has taken from this community a man who devoted his life to bettering the human condition.

Vath was more than the spiritual leader of Roman Catholics in the Birmingham diocese, which encompasses the northern part of Alabama. He worked long and hard to help the less fortunate members of society, regardless of their religious beliefs. He was a believer in ecumenical efforts, working with individuals and organizations from a variety of denominations on projects that helped individuals who had few places to turn.

Vath's deeply held faith and beliefs did not allow him to build a wall between religious and secular activities. The church, for him, had to be an active participant in this world as it kept open the bridge to the next. One must live one's faith.

This sometimes led him into taking controversial, even momentarily unpopular, stands on issues. But anybody who took the time to consider his views had to be convinced of his unselfish motives. He may have risen in the hierarchy of his church, but he always considered himself a servant—a servant of God and a servant of his fellow man.

The servant has now gone on to his reward. But his legacy remains. In his 18 years as bishop in Birmingham, Joseph G. Vath did much to improve this community and the lives of its members. Catholic and non-Catholic alike have many reasons to be thankful for his time among us.

### HEART ATTACK KILLS CATHOLIC BISHOP VATH

(By Emmett Weaver and Bruce Milligan)

Bishop Joseph G. Vath, leader of the Roman Catholic Diocese of Birmingham, died last night in University Hospital of an apparent heart attack.

He was 69.

Vath, whose sometimes controversial stands on public issues earned him statewide recognition, has been a bishop in Alabama 21 years.

Victor Clark, abbot of St. Bernard's Abbey in Cullman, said he and Vath were driving to Montgomery on Sunday when he complained of chest pains. They were on their way to a parole hearing for Edward Markley, imprisoned for offenses connected to his anti-abortion activities.

Clark said Vath checked himself, into St. Vincent's Hospital in Birmingham. He was later transferred to University Hospital where he died at 7:49 p.m., a hospital spokesman said.

Rev. Brian Egan, director of development for the diocese, said he saw Vath at St. Vincent's Hospital yesterday. He said Vath was in "wonderful spirits, and was looking forward to going home in a few days.

Egan said the bishop was transferred to University Hospital when he developed fluid in the lungs. He said Vath's family had a history of heart trouble.

At University Hospital, a blockage was discovered in the blood vessels around the heart.

"They apparently intended to perform surgery, but didn't have time. He died peacefully," the priest said.

Egan said the bishop was "a kind, warm, personable person who was loved by everyone. He was especially concerned for the poor and the underprivileged."

Egan said Vath's dream was to build a home for retired elderly people living on a fixed income. Ground was broken June 29 for such a home at the St. Thomas-on-the-Hill facility in East Lake.

Clark, who ordered the bells rung at the Cullman abbey after the bishop died, called Vath a very kind and gentle man.

"We will surely miss him," Clark said.

Prioress Sister Virginia of the Sacred Heart Convent in Gadsden said everyone there was very saddened by Vath's death.

"Many of the sisters here had contact with him in many areas, including peace and justice, and education. He has just been a friend to the whole community. It will be a real loss," she said.

Rev. Michael Sexton of St. Francis Xavier Church, who is also vicar of the diocese, said Vath was a champion of the poor and "a strong advocate for peace and justice."

Sexton also praised the bishop for his active part in community affairs. "He also was a strong ecumenical leader who reached out to all churches and denominations."

Jefferson County Commissioner John Katopodis worked with Vath on the church's Campaign for Human Development, a reach-out social program sponsored by the church.

"No one was more committed to the poor than he was," Katopodis said.

Katopodis also praised Vath's efforts to promote positive race relations in Birmingham. "He was a great leader, one who exerted his energies toward making this a progressive community."

Vath was ordained a priest in 1941 and was appointed assistant pastor of Ascension Church in Donaldsonville, La., where he served from 1941–46. He served in several churches in Louisiana before he was consecrated a bishop in 1966.

He became bishop of the Birmingham-based diocese in 1969.

Vath achieved statewide prominence for his stands on social and moral issues.

He was criticized for asking church members to donate money for the legal defense of Tommy Lee Hines, a mentally retarded black man accused in 1978 of raping three white women.

In Vath's letter read to church members, the bishop said the church was "concerned that no person should be denied his or her human right to appeal due to lack of finance."

Vath spoke out against the 1983 execution of convicted murderer John Louis Evans, expressing "unconditional opposition" to the death penalty.

When Markley was arrested in 1984 for attacks on abortion clinics in Birmingham and Huntsville, Vath praised the priest for acting out the designs of his conscience. But Vath said he did not condone violence—even to achieve a desirable end.

Church officials last night said funeral arrangements have not been made.

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[From The Birmingham News, July 16, 1987]

### Bishop Vath

This community lost a caring and deeply involved leader when the Most Rev. Joseph G. Vath, bishop of the Catholic Diocese of Birmingham, died Tuesday.

While other church leaders might often send their associates to ecumenical meetings over such issues as assisting the poor, Bishop Vath always came himself. He "wanted to give the stature of his office to the things we were trying to do," said Dr. David Huffines, a former Presbyterian executive who had worked with him since Bishop Vath was appointed the first bishop of the Birmingham diocese Dec. 9, 1969.

That was the kind of leader Bishop Vath was. He lived among the people, worked for the people and loved the people of the community.

For example, he had hoped and prayed and worked for housing for the elderly. He saw that dream come true just last month with the ground-breaking ceremony for the $2.4 million Villa Maria Manor housing project for low-income elderly at the St. Thomas Catholic Life Center in East Lake.

Intense involvement has been the hallmark of Bishop Vath's tenure, including such controversial actions as promoting integration of Catholic schools in Alabama and preventing them from being used as a refuge from public school integration.

His concern was not just for his own denomination, but for all the people, especially the poor and underprivileged.

Bishop Vath's death at age 69 is a loss for all of us. Birmingham was richer for his life and service here. He will be missed.

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## TRIBUTE TO DEAN CHARLES GAMBLE

Mr. **HEFLIN**. Mr. President, I am honored to rise, today, to pay tribute to Charles W. Gamble, who stepped down this past spring as the dean of the Alabama School of Law. During his tenure as dean, Charles Gamble greatly strengthened our law school. He enhanced its regional reputation and provided it with a force of national impact. He has provided the law school with a great stability and a renewed sense of purpose. Because of his efforts and successes, Dean Gamble deserves the appreciation of all Alabamians, for by his service he has strengthened the law in Alabama.

Throughout his life, he dedicated himself to academics and to scholarship. After an outstanding record at Jacksonville State University, where he received B.S. degrees in English with honors and in history in 1965, he enrolled in the Alabama School of Law. While at the Law School, he served as a member of the Alabama Law Review, was a research assistant to a law professor, and was on the Student Bar Executive Council. He was also honored as a member of the Order of the Coif, the Farrah Order of Jurisprudence, and the Bench and Bar Legal Honor Society. He received his J.D. degree from the law school in 1968, and then received an LL.M. from Harvard Law School in 1971.

Dean Gamble began teaching as an associate professor in business at Jacksonville State University in 1968, immediately after he received his law degree from the Alabama School of Law. In 1972, he became an assistant professor at the Cumberland School of Law, Samford University, was made an associate professor in 1973, and became a professor in 1975. He remained at Cumberland until 1982, where he taught evidence, advanced evidence, commercial transactions, contracts, torts, restitution, and bankruptcy. During is tenure at Cumberland he was twice voted "Outstanding Professor" by the student body. Dean Gamble returned to the Alabama School of Law in the summer of 1982 as a visiting professor, and in the fall he joined the permanent faculty, and was named acting dean. Throughout his tenure as dean, Charles Gamble has continued teaching and is considered by both colleagues and students to be among the best professors at the law school.

Throughout his teaching career, Dean Gamble wrote and published many articles. He wrote a third edition of "McElroy's Alabama Evidence," and together with the late Donald E. Corley, dean of the Cumberland School of Law, authored a manual of damages entitled "Alabama Law of Damages."

It is clear that the first loves of Charles Gamble are teaching and scholarship. Thus, it is equally clear that it was with some reluctance that Charles Gamble accepted the deanship of the Alabama School of Law in 1982. I believe that he would have preferred to continue teaching and publishing. Indeed, only days after he had been named acting dean, he outlined his primary goal in an address to the Alabama Law School Alumni. "So if any of you wonder what my ambition is over the next two years," he said, "it is to do the greatest good for the development of my law school and thereupon to promptly return to the classroom."

I believe that I can speak for all of Alabama when I say that in his 5 years as dean, Charles Gamble has contributed tremendously to the development of our law school. He has attracted wonderful professors who share his enthusiasm for teaching, and for scholarship. He has worked to increase alumni support for the law school, both through financial contributions, and, perhaps more importantly, through contributions of their time, experience, and knowledge. Dean Gamble's efforts have resulted in a strong, bright, and unified student body, and is a strong, caring, and active faculty. And he accomplished the crucial task of generating the confidence and the optimism with which the students, faculty, and alumni must view their law school.

But perhaps the greatest goal Dean Gamble has accomplished is, as he stated, himself in 1982, "to remind all concerned that outstanding teaching, research and service are basic to any great law school." He has reminded everyone that no recruiting program, no amount of funding, and no enormous facility could replace the basic goals of outstanding teaching, research and service. Dean Gamble kept the Alabama School of Law back on the right path with emphasis on scholarship, research and excellent teaching. He was able to do this in an outstanding capacity because he has devoted himself throughout his life to these same pursuits.

Moreover, I believe that by encouraging these goals, he has demonstrated the principles by which all attorneys should live and work. They should strive to teach what they have learned. They should endeavor to complete the necessary research by which a difficult case in won. And they should labor to provide service to their communities, their States, and their law school. More importantly, however, they should serve justice by serving the law. The goals Dean Gamble has identified apply at every level of the law, and in every capacity of life.

Dean Charles Gamble has left a deep mark on the Alabama School of Law. He has improved its facilities, and its capabilities. He has strengthened its faculty, and its student body. He has enhanced its reputation. Yet, I believe that his greatest accomplishment is the direction he has provided to all attorneys, who are responsible for protecting and defending the rights and the liberties of the citizens of my State and our Nation. I am delighted that Charles Gamble will remain as a professor at the Alabama School of Law. He is a strong asset to the law school. I am sure that he will continue as he has in the past—dedicating himself to teaching, research, and service. And I hope that he will be fully content with his position, and will remain for many, many years to come, unless he changes his mind and returns to the deanship.

Thank you, Mr. President.

## RECOGNIZING TIM BAKER

Mr. **McCONNELL**. Mr. President, I rise today to recognize and commend a truly outstanding student, Tim Baker, of Cundiff, KY. A senior at Adair County High School, Tim was recently honored with the highest Future Farmers of America award in the Commonwealth—the FFA Star Farmer Award for Kentucky, the Adair Progress recently reported.

This award is given each year to the student displaying the most outstanding farm program, leadership abilities, and accomplishment in Future Farmers of America. Tim oversees a 75-acre farm and beef cattle operation, the Adair Progress explains in a feature article on this high school student. His success represents a new era of student accomplishment in agriculture, an integral part of the Kentucky economy and vitally important to the nation's livelihood. This prestigious recognition serves as a valuable model for all high school students.

Mr. President, I hope my colleagues share my sentiments in recognizing Tim Baker for his exemplary accomplishment. The FFA Star Farmer of Kentucky certainly warrants the attention of Congress.

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## ADMINISTRATION AGRICULTURAL PROPOSAL II

Mr. **BAUCUS**. Mr. President, yesterday, I outlined the reason that I thought the administration's approach to agriculture in the new GATT round was not practical.

Today, I want to suggest a better, more focused plan.

### THE BAUCUS PROPOSAL

I believe the major players in the world agricultural market could benefit from an agreement that contained the following elements:

An international concensus to end or sharply decrease production and export subsidies on major crops, such as wheat, feed grains, and soybeans.

Agreement from major importers, like Japan, to gradually open their agricultural markets.

Continuation of effective farm support programs that have at best a miniscule effect on trade patterns. Such programs include the U.S. Agricultural Extension Service and Farm Credit System or similar programs in foreign countries.

An understanding that Government programs which attempt to stabilize market prices without significantly distorting world markets are useful. A basic commodity loan, provided that it is not set so high as to encourage production, falls into this category.

A narrow, defined focus. Clearly, there are some commodities that are highly protected in many markets. Including these commodities in a global agreement will only doom the prospects for reaching a final solution.

### WHY IS THIS BETTER?

In the case of certain major commodities, including wheat, feed grains, and soybeans, all parties would benefit from an international agreement along the lines that I have just described.

The major producers of these commodities—the United States, the EEC, Australia, Argentina, Canada—are caught up in a costly subsidy war in which all producers subsidize their exports of these commodities in order to hold their market share.

Ending this subsidy war is in the best interest of everyone.

Australia and Argentina have generally low farm supports and low costs of production. These nations would likely increase exports if production and export subsidies on major commodities were eliminated.

The United States and Canada have generally low costs of production, but fairly high farm supports. If an international agreement to cut subsidies were reached, they would be in the enviable position of both increasing exports and decreasing Government costs. Right now, these three commodities alone account for 67 percent of the cost of the U.S. farm program.

The EEC would be the most difficult party in which to reach an agreement on production and export subsidies for wheat, feed grains, and soybeans.

But if highly sensitive commodities, like beef, sugar, and dairy, are not on the agenda, the EEC may view an international agreement as the only way to hold down sky-rocketing farm costs. The common agricultural policy is now absorbing 70 percent of the EEC's annual budget, and placing a heavy burden on EEC consumers.

The EEC may also see the many political benefits to decreasing trade frictions with the United States.

Some of the major export markets for grains, like Japan and South Korea, may also be convinced to lower their import barriers against wheat, feed grains, and soybeans.

Increasing imports of these commodities may be a way for Japan and South Korea to simultaneously decrease trade tensions with the West and lower their consumer food costs, while retaining some of the most politically important parts of their farm program.

All in all, there is a significant commonality of interests in reaching an agreement like the one just outlined—everyone has something to gain.

However, if we attempt to pursue a still broader agreement that covers all commodities and all programs the common interest disappears.

Even nations such as Australia and Argentina, who have a great deal to gain from an international agreement, may find it difficult to eliminate certain farm programs that extend credit and other services to farmers.

As the reaction of our own farmers indicates, nations like the United States and Canada would have a great deal of difficulty dropping supports on certain heavily protected commodities, such as sugar and dairy.

The United States Congress would have great difficulty terminating vital rural programs, like that Agricultural Extension Service and the Farm Credit System. These programs have never been a source of trade frictions and provide vital services to rural America.

Most agricultural exporters have similar programs which should not be part of an international agreement.

In the case of the EEC, a sweeping agreement is likely to be impossible, It is unlikely that the EEC could muster the political will to drop subsidies on heavily protected items like dairy, sugar, and beef.

Finally, major importing nations, like Japan, may be able to give significant concessions in trade talks. But it is unlikely that Japan could completely dismantle its agricultural sector to achieve an agreement.

From a free market perspective, phasing out all support for all agricultural commodities may sound appealing, but it is just not practical.

The administration may agree with most of what I have just said, but still contend that it is better negotiating strategy to start high and work backwards.

That sounds like sound horse trading, but it ignores the political ramifications of making a more sweeping proposal in this situation.

As I pointed out yesterday, I believe that the major farm constituencies, both at home and abroad, have been galvanized against an international agreement by the political shockwaves created by the administration's initial proposal.

In order to achieve an agreement, we need to cultivate the support of these groups and involve them in negotiations, not alienate them.

An agreement is possible now. But only if we set our sights on realistic goals.

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## THE JOHN W. WYDLER U.S. COURTHOUSE

Mr. **WILSON**. Mr. President, I send a bill to the desk, and I ask unanimous consent that the Senate proceed to its immediate consideration, and I offer it on behalf of Mr. D'Amato and Mr. Moynihan.

The **PRESIDING OFFICER**. The bill will be stated by title.

The legislative clerk read as follows:

> A bill (S. 1642) to designate the U.S. courthouse located at the intersection of Uniondale Avenue and Hempstead Turnpike in Uniondale, NY, as the "John W. Wydler U.S. Courthouse".

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. D'AMATO. Mr. President, I rise to introduce legislation designating the U.S. courthouse in Uniondale, NY, as the "John W. Wydler U.S. Courthouse."

Senator MOYNIHAN joins me in introducing this bill, and asking that it be held at the desk and pass by unanimous consent.

If there was one man responsible for making the courthouse in Uniondale, Long Island a reality, it was Congressman John Wydler.

Mr. President, those of us who knew and loved Jack Wydler received very sad news earlier this week. The Congressman, who retired in 1981 after serving 18 years in the House died on Tuesday.

Senator MOYNIHAN and I seek the passage of this bill today in the hope that the Congressman's surviving family and friends, and the entire Long Island Community, can know by the time of his funeral tomorrow that the courthouse he created will be named after him.

John Wydler served his country with honor and distinction all his life. During World War II he was a sergeant in the Army Air Corps in the China-Burma-India Theater. He was a brilliant student and practitioner of the law, and an extraordinary public servant.

He graduated Phi Beta Kappa from Brown University, and received his law degree from Harvard Law School.

From 1953 to 1959, John Wydler was an assistant U.S. attorney in New York. He was also a member of the New York State commission investigating school construction irregularities.

In 1962, he was elected to the 88th Congress. He became a leading Member of the House, particularly on the Science and Technology Committee.

Truly, there can be no more fitting and appropriate name for us to give the Uniondale Courthouse than that of John W. Wydler, the man who made it possible.

Thank you, Mr. President.

Mr. MOYNIHAN. Mr. President, in these closing moments before adjournment, I wish to pause and ask for the Senate's consideration of a bill Senator D'AMATO and I join together in introducing, namely, legislation honoring John W. Wydler.

On Tuesday past Jack Wydler died suddenly in Washington. A former colleague and fellow New Yorker, Jack served both his State and the Congress with distinction. We have today the opportunity to remember him and remind his friends in Garden City, Long Island of his outstanding service as senior member of the New York Congressional delegation serving 18 years in the U.S. House of Representatives before retiring in 1980. The U.S. courthouse in Uniondale, NY stands ready as a tribute to Jack. I ask that the Senate today adopt this bill designating the U.S. courthouse at Uniondale and Hempstead Avenues, for which Jack was most directly responsible, the "John W. Wydler Courthouse."

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and was passed as follows:

S. 1642

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. DESIGNATION OF BUILDING.

The United States Courthouse located at the intersection of Uniondale Avenue and Hempstead Turnpike in Uniondale, New York, shall be known and designated as the "John W. Wydier United States Courthouse".

SEC. 2. LEGAL REFERENCES.

Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the "John W. Wydler United States Courthouse".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WILSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I believe my time has been reserved, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DOLE. I thank the distinguished Presiding Officer.

## BRINGING THE BORK NOMINATION TO A VOTE

Mr. DOLE. Mr. President, I was pleased to hear yesterday that Senator BIDEN has no intention of bottling the Bork nomination up in committee. But the delay that has already occurred will cause problems.

I will not dwell on the point raised by others—that the Bork nomination will have been delayed in committee longer than any other in the past 25 years—but I will point out that the schedule proposed by Senator BIDEN seems almost certain to cause the Supreme Court to open its term on October 5 with one justice missing.

Under even the best of circumstances, an eight-person Court creates the potential for great confusion in the law. A tie vote on a matter of enough importance to merit the Supreme Court's attention is never satisfactory.

More significantly, however, the delay here will force the Court to proceed short-handed at perhaps the most critical point in its term. On the first Monday in October, the Court announces its decisions, reached the week before, on hundreds of cases that "ripened" over the summer. Last year, for example, the Court opened its term on October 6 by disposing of 941 separate cases. Most of these decisions involved the crucial question of whether the Court was going to hear the cases at all.

In addition, the Court will immediately begin to hear argument, and decide some of the term's most important cases. Among the issues the Court will face during the first 2 weeks of its term are the constitutionality of New Jersey's "moment of silence;" the applicability of the first amendment to school newspapers; the scope of the "government contractor's" defense to tort liability; and the permissibility of denying entry visas to members of the Communist Party.

Under even the most optimistic projections, the Supreme Court will now have to confront those issues shorthanded.

Adding to this problem is, of course, the prospect of a filibuster. I have heard some talk that Judge Bork's opponents will try to postpone an "up-or-down" vote on the nomination indefinitely. I certainly hope that talk is wrong.

Since the adoption of the closure rule in 1917, there has been only one successful filibuster of a Supreme Court nominee. That, of course, was the nomination of Abe Fortas to be Chief Justice in 1968, a precedent that has been thrown up frequently by Judge Bork's opponents as justifying, in their minds, just about anything.

The Fortas filibuster did not, however, leave the Court short handed. Chief Justice Earl Warren submitted his resignation to President Johnson "effective at your pleasure," and remained on the Court throughout the debate over Justice Fortas' elevation. Indeed, Chief Justice Warren did not actually retire from the Court until June 23, 1969, well into the Nixon administration.

Here, unlike the Fortas case, we are faced with the prospect of an eight-Justice Court unless, and until, this body decides upon the Bork nomination. This should be reason alone to complete debate promptly, and to vote yea or nay on the nomination itself.

In other words, after considerable debate, lengthy debate, whatever, there ought to be an up-or-down vote. Just as I recall there was an up-or-down vote in the Haynsworth nomination and Haynsworth was rejected. To my mind that was a mistake. Just as there was an up-or-down vote on the Carswell nomination several years ago. I voted for the confirmation of that nominee. I think in that case I was mistaken. But in any event, there ought to be an up-or-down vote.

In the period before this body had a cloture rule, there were cases where the Senate simply refused to act on a Supreme Court nomination. During the Presidency of John Tyler, five nominations were submitted to this body between January 1844 and February 1845; one was rejected, one was postponed, two were withdrawn, and one was simply not acted upon.

President Millard Fillmore had a similar experience in 1852-53, when one nomination was postponed and two were not acted upon.

The Senate refused to act on one nomination of President Andrew Johnson; it rejected one of President Grant's; and he withdrew two others. President Rutherford B. Hayes had one nomination that was not acted upon.

What the country expects, however, is not that the Senate will emulate these sorry 19th-century squabbles, but rather that we will live up to our responsibility under the Constitution to consider and vote upon the President's nomination to bring the Supreme Court up to full strength.

I propose that we prepare ourselves to do this with dispatch once the nomination emerges from Senator BIDEN's committee. In my opinion, the American people will not tolerate a filibuster that leaves the Court short handed and justice ill served.

Mr. President, I reserve the balance of my time.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that there be a 2-minute time limitation on the resolution which I send to the desk; and the distinguished Republican leader is here with me.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ESTABLISHMENT OF A SENATE CENTRAL AMERICAN NEGOTIATIONS OBSERVER

Mr. BYRD. Mr. President, I ask that the Senate proceed to the immediate consideration of a resolution, which I now send to the desk on behalf of myself and Senator DOLE.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 273) to establish a Senate Central American negotiations observer group.

Without objection, the Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, this resolution is based largely on the observer group resolution that we passed some several months ago dealing with the Geneva negotiations. It would be bipartisan, be equally staffed, and would be made up of three Members on each side for the Senate.

This would provide the funding necessary.

The PRESIDING OFFICER. Is there further debate on the resolution?

Mr. DOLE. Mr. President, I would only say this. This is a matter that in my view involves the two leaders. I want to commend the distinguished majority leader. It was his idea. I think it is a very good one, and I am prepared to act on the resolution.

The PRESIDING OFFICER. Is all time yielded back?

Mr. BYRD. I yield back any time I may have.

The PRESIDING OFFICER. There being no further debate, the question is on agreeing to the resolution.

The resolution (S. Res 273) was agreed to, as follows:

S. RES. 273

Resolved,

### SHORT TITLE

SECTION 1. This resolution may be referred to as the "Central American Negotiations Observer Group Resolution".

### ESTABLISHMENT

SEC. 2. (a) There is established a bipartisan group of Senators to be known as the Senate Central American Negotiations Observer Group (hereafter in this resolution referred to as the "Observer Group"), which shall consist of eight Senators as follows:

(1) the Majority Leader and Minority Leader of the Senate, each serving ex officio; and

(2) six Senators appointed by the President pro tempore of the Senate as follows:

(A) Three Senators appointed upon the written recommendation of the Majority Leader from among Members of the majority party.

(B) Three Senators appointed upon the written recommendation of the Minority Leader from among the Members of the minority party.

(b)(1) The Chairman of the Observer Group shall be designated by the Majority Leader from among the individuals recommended for appointment under subsection (a)(2)(A).

(2) The Co-Chairman of the Observer Group shall be designated by the Minority Leader from among the individuals recommended for appointment under subsection (a)(2)(B).

(c) Any vacancy occurring in the membership of the Observer Group shall be filled in the same manner in which the original appointment was made.

### DUTIES

SEC. 3. The duty of the Observer Group shall be to act as a group of official observers as part of the United States delegation to any and all negotiations with the governments of the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua to which the United States is a party and to any multilateral negotiations or discussions dealing with the question of peace in Central America to which the governments of such countries are invited to participate.

### STAFF; TRAVEL

SEC. 4. (a) The Observer Group is authorized, from funds made available under section 6, to employ such staff (including consultants at a daily rate of pay) in the manner and at a rate not to exceed that allowed for employees of a standing committee of the Senate under paragraph (3) of section 105(e) of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(e)), and to incur such expenses as may be necessary or appropriate to carry out its duties and functions.

(b) The Chairman and Co-Chairman shall jointly appoint appropriate staff personnel to serve the Observer Group, including clerical staff as deemed necessary. The staff appointments shall be made in writing to the Secretary of the Senate.

(c) The Majority Leader and the Minority Leader may each designate one staff member as liaison to serve the Observer Group, and such personnel may be referred to as leadership staff. Funds necessary to compensate leadership staff shall be transferred from the funds made available under section 6(b) of this resolution to the respective account from which such designated staff member is paid.

(d) All foreign travel of the Observer Group shall be authorized solely by the Majority and Minority Leaders, upon the recommendation of both the Chairman and Co-Chairman. Participation by staff members in authorized foreign travel by the Observer Group, access to all official activities and functions by the Observer Group during such travel, and access to all classified briefings and information made available to the Observer Group during such travel, shall be limited exclusively to delegation members with appropriate clearances. No travel or other funding shall be authorized by any committee of the Senate for the use of staff, other than delegation staff, in regard to the activities described in this subsection, without the written authorization of the Majority and the Minority Leader to the chairman of such committee.

(e) Of the Members of the Senate, only Senators appointed as members of the Observer Group may participate in official travel and activities of the Observer Group. In the event that either the Majority Leader or the Minority Leader does not travel on an official trip of the Observer Group, he may designate one other Senator not a member of the Group to travel and participate in the activities of the Observer Group in his stead.

### ACCESS TO AND STORAGE OF DOCUMENTS

Sec. 5. (a) The Observer Group should make arrangements with the Executive Branch to provide, on a confidential basis, access to the record of any dialogue or negotiations that may take place relating to peace in Central America.

(b) Classified and other sensitive materials associated with this Observer Group shall be stored under the administration of the Secretary of the Senate in the Office of Senate Security.

### FUNDS

Sec. 6. (a) Such sums as are necessary from the contingent fund of the Senate, out of the Account of Miscellaneous Items, shall be made available to pay the expenses of the Observer Group, upon vouchers approved jointly by the Chairman and Co-Chairman (except that vouchers shall not be required for the disbursement of salaries of employees who are paid at an annual rate).

(b) In addition, such sums as are necessary from the contingent fund of the Senate, out of the Account of Miscellaneous Items, shall be made available for the salaries and expenses of leadership staff designated in section 4(c) (except for expenses incurred for foreign travel).

(c)(1) Such sums as are necessary may be expended by the Observer Group, with the prior approval of the Committee on Rules and Administration, to procure the temporary services (not in excess of one year) or intermittent services, including related and necessary expenses, of individual consultants, or organizations thereof, to make studies or advise the Observer Group.

(2) Such services in the cases of individuals or organization may be procured by contract as independent contractors or, in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent to the highest gross rate of compensation which may be paid to a regular employee of a standing committee of the Senate. Such contracts shall not be subject to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provisions of law requiring advertising.

(3) The Observer Group shall submit to the Committee on Rules and Administration information bearing on the qualifications of each consultant whose services are procured pursuant to this subsection, including organizations, and such information shall be retained by the Observer Group and shall be made available for public inspection upon request.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. I thank the distinguished Republican leader.

This will allow both parties in the Senate to have the advice and counsel of independent observers, made up from Members of the two parties; observers who will give us their independent analysis based on their observations. They will not be expected, of course, to negotiate. But they will be observers and the two leaders and two parties will expect to be advised by independent observers as to the good faith of the negotiations and as to the state of play, and the success, and the progress of the negotiations.

I think our experience under the Geneva-observer approach has been a good experience and the administration has been laudatory of their efforts.

Secretary of State Shultz has been commendatory of the efforts of our observers. Senator Stevens, Senator Nunn, Senator Pell, the other Senators on both sides have been very diligent and devoted to their work and have, I think, been most helpful. Not only to Senators on both sides in having an understanding of what is going on over there but also have been helpful to our negotiators.

Mr. DOLE. Mr. President, if the majority leader will yield?

Mr. BYRD. Yes; I yield.

Mr. DOLE. It is also consistent with what I believe is certainly an appropriate bipartisan effort on the so-called peace initiative; the effort to see if there is not some way to negotiate a settlement, not just in Nicaragua but all of the countries in Central America. I think it is timely and the majority leader will recall he did raise it to the President and Secretary of State. I think Secretary Shultz, who had probably some reservations early on about observers in Geneva, has come to recognize it has been very productive and very helpful to, not only his efforts, but the efforts of the administration.

Mr. BYRD. Yes; that was my observation, Mr. President.

In this resolution as in that resolution the two leaders will be ex officio members and in the event either leader cannot attend a meeting then that leader is authorized by the resolution to appoint a Senator to go in his, the leader's, stead.

That would be the only authority given, however, to substitute Senators for those that are identified in the resolution.

Mr. President, I have not utilized my time under the standing order. It was reserved for me. I yield to the Senator from Ohio.

The PRESIDING OFFICER (Mr. Breaux). The Senator from Ohio is recognized.

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## THE BORK NOMINATION

Mr. METZENBAUM. Mr. President, I rise today to follow some of those speaking about the Department of Defense authorization bill and the inability to bring it to the floor. But that is not the only measure we cannot move on in the Senate—campaign election reform is not moving, Grove City is not moving, reauthorization of the independent counsel statute is not moving, State Department authorization is not moving, catastrophic health care legislation is not moving, two Persian Gulf resolutions are not moving. For some reason that I cannot quite define, our colleagues on the opposite side of the aisle are not prepared to permit the majority to move on these other important pieces of legislation as well.

Let me say that I do not rise to make a major issue of that fact but, rather, to mention it in conjunction with the comments which have been made on the pace of the Bork nomination.

There has been a considerable amount of discussion about whether we are moving rapidly enough with respect to the Bork nomination.

Some argue we are moving too slowly. Frankly, I find that rather absurd. This is the most important nomination that this body will deal with this session, maybe many sessions before or after. It will have an impact upon our children and our grandchildren. It could literally change the course of the Constitution's interpretation for years to come.

So when some say we are really moving too slowly, let me say that I think just the opposite may be true. We need time to dig into the facts, the background, the history, the statements of this nominee. He has spoken at great length on many important, constitutional issues; he has been a prolific writer; he was involved in the Saturday Night Massacre. He has not been one to hold his tongue, and I do not criticize him for that. But those of us who sit on the committee which must pass judgment on this nomination have a tremendous responsibility to review Judge Bork's voluminous record with fairness and with care. And, frankly, that takes time.

As a matter of fact this Senator has actually taken issue with the chairman of our committee on when the committee hearings would begin. I wanted the hearings to start 1 day later, but, no, the chairman had given a commitment to the ranking minority member to begin on a particular day and said he felt obliged to keep that commitment regardless of what inconvenience it might cause some of us who are on the committee.

Then I wanted to avoid a hearing on a Monday when the Senate would not be in session. But, no, the chairman said, "I am not willing to do that either."

This Senator thinks that there is sort of a push, a drive, a determination that I see with respect to the Bork nomination, that I do not see with respect to passing legislation here on the floor of the Senate. The people who are talking about moving the Bork nomination are the very same people who are not permitting the legislative calendar to move forward rapidly enough.

With respect to the Bork nomination, history shows us that there were many cases where the Court has had less than full membership for several months or longer.

Some express a concern that he may not be on the Court on the first day of the fall term. I consider that concern to be rather inconsequential in light of the complexity and importance of the confirmation process in this particular instance.

Another false issue is that the Senate cannot take the nominee's views on the Constitution into account, that we cannot take into account what he has said, what he has written, about the Constitution.

I find it rather unbelievable that the President would make such an argument. His own chief of staff, Howard Baker, argued just the opposite when he was a Member of this body and opposed the nomination of Abe Fortas to be Chief Justice. When the present White House chief of staff was in the Senate, and a well-respected Member of this body, he said, regarding the Fortas nomination:

> If the Senate believes, for whatever reason, that it is not desirable that the appointments be confirmed, then it has the constitutional responsibility to reject them. For the Senate to do otherwise would be an abdication of its constitutional responsibility to advise and consent, a responsibility that was intended to be real and not nominal.

I agree with what Senator Baker said at that time, and I would hope he would make that same speech to the President of the United States so that the President may acknowledge the responsibilities of those of us in the Senate in connection with the Bork nomination.

It is obvious that Judge Bork was picked for his views. That is the President's right. But the President's argument that the Senate is playing politics if it then considers those views is the pot calling the kettle black. It is also, I might say, a misreading of the Senate's constitutional role and history with respect to Supreme Court nominations.

The framers intended that the Members of the Senate have a full role in judicial appointments. As a matter of fact, one draft of the Constitution provided that the Senate alone would have the power to appoint judges.

The final provision was a compromise dictating that the President and the Senate should share this power equally.

Many distinguished Senators on the other side of the aisle, including the very distinguished ranking Republican member of the Judiciary Committee, have in the past recognized that the Senate can and must consider the views of the appointee. My good friend Senator Thurmond said, in setting out his reasons for opposing Abe Fortas' nomination:

> It is my contention that the power of the Senate to advise and consent to this appointment should be exercised fully * * *.
>
> To contend that we must merely satisfy ourselves that Justice Fortas is a good lawyer and a man of good character is to hold a very narrow view of the role of the Senate, a view which neither the Constitution itself nor history and precedent have prescribed.

Senator Thurmond was correct when he said that then; those views are equally correct today.

It is important to make clear that the issue is not disagreement on Judge Bork's personal philosophy or on policy questions. The issue is how Judge Bork approaches the Constitution, how he interprets the Bill of Rights.

What would Americans think if the Senate totally ignored how a prospective Supreme Court Justice felt about the Bill of Rights, or about the 14th amendment?

Frankly, I am prepared to say that I have not taken a final position on this nomination. But I find some of Judge Bork's views, statements, and decisions deeply troubling.

For instance, how does Judge Bork stand on the right of privacy? From what he has said, he appears to reject any constitutional right to privacy.

He has criticized Supreme Court decisions recognizing the right to privacy as unconstitutional.

He was recently asked by Time magazine if he found a right to privacy anywhere in the Constitution. His unequivocal reply was, "I do not."

Do these views mean he would allow the Government unlimited power to regulate the most private aspects of our personal and family lives, aspects that do not harm and are of no legitimate interest to anyone else?

Judge Bork also has expressed a very narrow view of protected speech. At one point, he said "only explicitly political speech is protected."

Does that mean literature unrelated to politics or government is unprotected? That James Joyce's "Ulysses" is unprotected?

That Hemingway's novels are unprotected? That Melville's "Moby Dick" is unprotected? What about paintings? What about poetry? Where does Judge Bork stand on whether these very important forms of speech are protected by the first amendment?

I am also concerned with Judge Bork's views on protection of minorities. At one time or another, he has opposed public accommodation laws. He has objected to a court decision striking down a poll tax. He has criticized the Supreme Court decision guaranteeing one man, one vote. He has even objected to decisions upholding the Voting Rights Act.

And what about the very much talked about area of original intent? This concept is frequently tossed around by those who advocate judicial restraint. But what does it mean?

Does it mean that your own constitutional views are consistent with those of the framers, but views of your opponents are not? Is it a principled theory of constitutional jurisprudence, or is it an expedient device for interpreting the Constitution the way you want to interpret it to maximize the power of the majority and minimize the freedon of the individual?

Does Judge Bork really believe we can go back 200 years and look into the heads of the framers of the Constitution and determine precisely how they would have expected their views to apply to the problems of today's living? Is that really what original intent is all about?

Unfortunately original intent often seems to be used as a smokescreen for political and ideological agendas. When used in that way, it sheds more heat than light on the issue; it becomes a convenient tool for attacking any decisions you do not like. Those who use original intent to attack a decision they do not like say, well, the framers would not have thought about that, they would not have liked that; therefore, the decision is inconsistent with their intent; therefore the decision is unconstitutional.

Come now. Can anyone really make that claim?

Judge Bork claims he is faithful to original intent; but in the case of statutory interpretation, his statements often directly contradict the intent of Congress. Is the original intent of Congress not important or relevant to him?

In the field of antitrust, Judge Bork provides one of the clearest examples. He says the antitrust laws are only concerned with economic efficiency, not with transfer of wealth from consumers to monopolists or price fixers.

No one can read the legislative history of those laws and come fairly to that conclusion.

Our antitrust laws are stated in very general terms in the statute, and the Supreme Court has had the principal role in interpreting them. Would a Judge Bork, as Justice Bork, reinterpret the antitrust laws in a way that the Congress which passed them would not recognize? Would he reinterpret them in a way that would do great harm to consumers and to our economy?

We also have to look at Judge Bork's conduct in connection with the "Saturday night massacre." Why would the Attorney General and the Deputy Attorney General refuse to fire Special Prosecutor Archibald Cox, but Mr. Bork would agree to do the job?

Judge Bork says he made no promise not to fire Cox and that he was holding the Department of Justice together to prevent massive resignations; but the fact is that the Court found his firing of Archibald Cox to be illegal. It is troubling that he was willing to ignore the law when the President asked him to.

Finally, I want to ask today, what are the real views of the nominee? Frankly, I find some shifting of those views, and that is disturbing to me. The record shows that at one time, he holds one controversial view and later, he recants, or softens, or fails to take responsibility for that view. Everyone is entitled to change his mind, but there is still a legitimate question as to why one does so.

In 1983, Judge Bork wrote an article opposing the Public Accommodations Act. He found the principle that Congress could require hotels and restaurants to serve blacks to be one of "unsurpassed ugliness"—unsurpassed ugliness. He recanted that view when he was up for confirmation to be Solicitor General in 1973. He said then he no longer agreed with his prior view.

He wrote in 1971 that the first amendment "does not cover scientific, educational, commercial, or literary expressions * * * . A novel may have impact upon attitudes that affect politics, but it would not for that reason receive judicial protection". But when he came up for appointment to be Solicitor General and later to the court of appeals in 1982, he failed to take responsibility for this statement. Judge Bork said that at the time he was merely "engaged in academic exercise," in "theoretical argument, which I think is what professors are expected to do."

Now, on the eve of Senate consideration of him for Supreme Court, Judge Bork, viewed as one of the most conservative jurists in America, says, "I don't consider myself to be a conservative." And the administration, which is behind him would try to package him as a centrist.

Is this an honest evolution of Judge Bork's views, or is it merely a convenient way for him to accommodate to the times to the Senate confirmation process?

I hope that the real Robert Bork will stand up before the Senate and tell us who he is, what he is, what he has said, then, each of us in this body will be able to decide whether or not his views comport with what we think are the proper views of a nominee to the Supreme Court of the United States.

In the final analysis, each of us is guided by our conscience, by what is best for the country, by our own conception of the Constitution. Each of us owes the people of this country an independent decision on the suitability of Judge Bork for the Supreme Court. I want to know how he views the Constitution's guarantee of liberty and equality for all Americans.

And I want to know how he views the Court's traditional role in preserving those guarantees for all the people of America.

I look forward to exploring these questions at the hearings and to an independent decision by the Senate on this important, potentially historic, nomination.

Mr. President, I want to publicly express my appreciation to the majority leader for according me sufficient time to conclude my remarks.

Mr. BYRD. I thank the Senator.

## SENATE SCHEDULE

Mr. BYRD. Mr. President, I have been listening to what has been said during the period for morning business, which has lasted now almost 4 hours. I have listened with regard to the statements anent the Department of Justice authorization bill and the remarks concerning the Bork nomination.

### THE BORK NOMINATION

With respect to the Bork nomination, I stand in the same place and in the same mood and I am of the same opinion, still, as I was when I last spoke briefly on that subject.

I have not made any determination one way or the other as to how I will vote on the Bork nomination. I will take my time and I will carefully, very carefully, study this nomination: the Bork rulings, opinions, and statements; the correspondence from my constituents—mail, telegrams, phone calls; personal contacts. I am going to give this nomination fair, careful, and due consideration. Between myself and God, I do not know at this moment how I will vote.

So the early polls and the early nose-counts, while they are to be expected—and I can see nothing wrong with that—should put me down as a question mark as one Senator; because within my own mind, my own conscience, and my own heart, I am a question mark at this point.

I think that the ultimate question, in my judgment, is going to be is he good or bad for America? Is he good or bad for our constitutional system of tripartite Government? Is he good or bad for our system of checks and balances? What is his view as to stare decisis? What is his view as to the role the Supreme Court should play? Should the Court be a traveling constitutional convention? Should it be a lawmaking body? Or should it only interpret the laws and the Constitution, the laws to be written by the Congress of the United States? How does he view the proper role of the Court to be?

So there are various questions I will want to resolve. I want to hear him answer as to where he stands on these questions.

Now, as to the timing, let me say that if I understood the distinguished chairman of the Judiciary Committee correctly, the hearings are to begin on September 15, and I believe that the chairman, Mr. BIDEN, has also indicated that his target is to vote in committee by October 1. I have heard both sides and some complaints from both sides of the question. Some say that is too soon, some say that is too slow.

Mr. President, I do not think that is too much of a delay, nor do I think it is speeding up too much. It seems to me that is about right, considering all the circumstances. The nomination was sent up to Congress 1 month ago today, as I understand it, on July 7.

We have an August break that is supposed to begin at the conclusion of business today, and that will depend upon what progress the conferees make and continue to make on the debt limit extension.

This August break is by law. It can be repealed and waived by law, of course.

The chairman has scheduled the Bork hearings to start on September 15, and this means that when the Senate returns on Wednesday, the 9th, the hearings will begin the following Tuesday, September 15.

Mr. President, in light of all the circumstances, that is not an inordinate delay.

I would suggest that those Senators who are most interested in expediting the work on the nomination should also be interested in expediting the work of the Senate on legislation. There are some very major pieces of legislation that yet have to be disposed of, and I have iterated and reiterated a litany of legislation, time and time again, as to what those pieces of business are.

The Department of Defense authorization is still going to have to be disposed of. I have no intention of calling up the DOD appropriation bill until the DOD authorization bill is disposed of.

The campaign financing reform bill is a very important piece of legislation. It goes to the heart of this institution, the legislative branch of Government. It goes to the heart of faith in the legislative branch. It is important, and we are going to have some more cloture votes on that.

The reconciliation measure is something that cannot be avoided.

I am going to make an effort to call up the Grove City legislation.

Mr. President, we also have 13 appropriation bills. There are eight appropriation bills that have come over from the House of Representatives already. We all know that, customarily, appropriation bills originate in the House—not by the Constitution but by custom. I note, in looking at the calendar, that actually nine appropriation bills have now come over from the House—one, the Labor-HHS-Education appropriation bill, having been received in the Senate only yesterday.

So there are nine appropriations bills already here, and hearings have been conducted in the Senate subcommittees on these. But it will take a little time for them to be marked up in committee and reported out to the floor.

We will have a busy time down the road in dealing with these several appropriations bills.

It is my intention and hope that the Senate can indeed send to the President's desk these bills rather than send to his desk one mammoth continuing resolution.

So, we have these and many other important pieces of legislation, including catastrophic illness.

Therefore, those who wish to expedite action on the Bork nomination should help the leadership to expedite action on these bills.

Now, the House has no part in the Bork nomination. That is a matter for the Senate only under the Constitution. The role of advice and consent is given by the Constitution only to this House, the Senate, and it seems to me the logical approach should be that we dispose of the legislation as much as we can before we go to the Bork nomination because legislation when disposed of here in so many instances has to go back to the House, there have to be conferences thereon, and the House has to stay around to dispose of that legislation.

Now, it would be, I think, not very reasonable to come back here and, before we dispose of these major pieces of legislation, we start to debate the Bork nomination. That may take quite a while. I hear that there may be a filibuster and I see nose counts around as to cloture votes, and all that. I am not signing on either way on that yet.

But what I am saying is, it does not seem to be a very reasonable approach to have that nomination come up and take 2 or 3 weeks of the Senate's time, while we delay legislation on which the House has a role under the Constitution. The House has no role in the advice and consent process.

So it is important that we dispose of the legislation first as much as we can do so.

I urge Senators to help the leadership to move the legislation forward. Let us clear the decks so that when we get to the Bork nomination we can have a debate that is meaningful, that is informative, informative not only to the people but also to ourselves as to the qualifications of this nominee and as to the merits or demerits of confirmation of the nominee.

I implore those who have their feet in cement and who are stiff-jawed about the DOD authorization bill, campaign finance reform, catastrophic illness, and other measures, to let the Senate get on with debate and action on these measures. Let us clear the decks and then we can have the kind of debate that the country should observe and that the Senate is entitled to engage in on the Bork nomination.

I do not think calumny should be heaped on the chairman of the Judiciary Committee, Mr. BIDEN, by those who maintain that there is an inordinant delay here and that it is a calculated delay.

It seems to me, as I say, the Judiciary chairman has moved about right. He is not going too fast and he is not going too slow. At the rate we are getting legislation passed here—I am talking about the major legislation—at the slow pace we are seeing on major legislation that has to be disposed of before we go out sine die this year, if the slow pace continues, the Bork nomination is going to be delayed. Once the committee reports it out, if the committee votes on October 1 and reports that out, the Senate is not going to be ready for it. Why? Because the Senate will not have disposed of the measures I have been talking about one way or the other: The DOD authorization bill; let us get it up. Those who have amendments, offer them. Campaign financing reform bill; let us get cloture on it. Let us get it up. Those who have amendments, offer them.

This delay strategy, in holding back these bills, is pushing them back, back, back into September and then October.

The House is going to see no reason why it should stay around here while the Senate debates the Bork nomination.

I urge, I implore, I beseech, I importune Senators who are holding back and who will not let the Senate work its will on these measures to let the Senate go ahead with these measures so that the Senate, indeed, will be ready at a reasonably early time to take up the Bork nomination and have the kind of debate that it is entitled to.

I want to see this Senate, the full Senate, make the decision on Mr. Bork. Mr. Bork is entitled to a decision by the full Senate, and if anyone is under the impression that there is a strategy here of delaying this nomination and pushing it over into the next year, there is no such plan, and would have no appeal to this Senator whatsoever. It is entirely alien to my thinking. This Senate in this session should debate and dispose of that nomination one way or the other.

I compliment the chairman, Senator BIDEN. Those who would criticize him should stop and think. I hope they will read my remarks and weigh them. I feel that my remarks represent a reasonable even-handed approach both to the legislation and to the nomination.

And I hope that those who continue to delay will come to their senses, sober up a little bit, and come to an understanding that the thing that may delay the Bork nomination is the very action that they themselves now may be engaging in by delaying action on legislation, delaying action on DOD, delaying action on the catastrophic illness bill, delaying action on the campaign financing reform bill, on prompt payment legislation, and on the State Department legislation.

I hope that, Mr. President, my remarks will be interpreted as positive and helpful on all sides.

Mr. President, what is the situation now as to morning business?

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. GRAHAM). The time for morning business has expired.

Mr. BYRD. Mr. President, I believe I have the leader's time reserved to me; do I not?

The PRESIDING OFFICER. The leader has reserved his time.

Mr. BYRD. Mr. President, I thank the Chair. I now claim that time.

## ARMS TO THE AYATOLLAH

Mr. BYRD. Mr. President, the select committee investigating the Iran-Contra affair has now completed 3 months of public hearings, during which the committee acquitted itself in a distinguished manner. These historic hearings refreshed our country's tradition of open Government and demonstrated that the best way to get to the bottom of controversial activities is to air the facts fully, dispassionately, and carefully—and to let the chips fall where they may.

As the closing statements of the distinguished Senators on the panel indicated, the story which unfolded under the rigorous prodding and hard work of the committee, is a disappointing one, a disturbing one, a disquieting one. It is a story of arrogance, contempt for the law, disdain for the functions and structure of our Government, and of circumvention of the checks and balances which are the tried and true test of our constitutional system.

From the outset it was clear from the testimony of General Secord, and particularly the testimony of the operational figures who pursued the arming of the Ayatollah, that the principal strategy of these men was to avoid informing the Congress.

It is clear to me that laws were circumvented and loopholes vigorously pursued. It is not possible to legislate integrity, good faith, comity, among the branches of Government. It is not possible to legislate high character. No one can write mutual trust into a statute. Trust has to be earned through integrity.

And trust, like man's soul, once gone, never returns.

I believe that the hearings have revealed that certain fundamental corrections should be made in the laws governing covert operations.

I am sure that the Committee on Intelligence will give its very close attention to these matters in a way that, wherever the laws need to be changed, such changes will be recommended.

It seems to me that the National Security Council and, indeed, any Government entity involved in such operations under the statute governing those operations should be included. And I am talking about the laws governing covert operations.

As I say, I think the National Security Council and any Government entity involved in such operations should be included under the statute and should be required the relevant congressional committees. It is also clear that the manner and timeliness of notification to the Congress of covert operations must be more explicit and that the use of third countries and private resources to circumvent U.S. law must be prohibited.

The need for these corrections is clear from recent reports of the drafting of Executive orders in the White House to accomplish these goals. This is, of course, an admission of the need to tighten up the law. But, Mr. President, Executive orders are not good enough because they are obeyed only at the discretion and desire of the administration. And we have seen in this administration a determination to circumvent, to run around, to outflank, to overturn, to avoid, to ignore the requirements of the law. In other words, if the law does not permit us to do what we do, find a way around it—wink at it, smile at it, give it a nod. By all means, avoid telling the Congress. Do not let the people's representatives know.

An administration adept at circumventing the laws and driving freight trains through perceived loopholes cannot be expected to police itself. After the fox has eaten the chicken for years on the matter of arming the Ayatollah, exchanging arms for hostages, it is a brazen fox, indeed, which now expects the Senate to agree that the fox be deputized to guard the chicken coop. And so I am pleased that the Iran/Contra Committee is now vigorously pursuing its mandate in Senate Resolution 23, which created the committee, to identify legislative recommendations for the consideration of the intelligence committee, and other relevant Senate committees.

The Secretary of State was a refreshing relief in the parade of difficult witnesses hiding behind belligerent, aggressive attorneys, who, themselves, should be held in contempt. The Secretary of State indicated clearly that the National Security staff had been out of control, was too large, and had usurped many of the functions of the State and Defense Departments. Indeed, this view was reinforced by Secretary Weinberger. Clearly there is something that needs to be done about the size and activities of the NSC staff to return it to its original function as a coordinating body, the purpose of which is to bring the full range of policy options on important matters to the President. We do not need any more renegade cowboy heroes, operating in secret, with bizarre views of what is patriotic and right, and somehow able to command resources from the rest of the executive branch.

Mr. President, the committee has worked hard at unravelling this sad tale of misjudgment and intrigue at the highest levels of our Government. The investigation has also had the salutory effect of stimulating other important lines of inquiry on these matters. Many questions are still not fully answered, and may never be answered. The story still is unfolding. Of particular note is a column by Flora Lewis of the New York Times, which indicates that the secret policy of arming the Ayatollah may even have begun early in the 1980's, and that this bribery and ransom strategy was on the minds of the inner circle of presidential advisors even before his administration took office. What other explanation is there for the allegation Flora Lewis notes, of a meeting between Mr. Allen, the first security adviser to the President, and a campaign official, who apparently met with Iranian officials during that Presidential campaign, and who may have been linked to Israeli shipments of weapons to the Ayatollah in the early 1980's. This opens up disturbing questions about the longevity of this illconceived arms for hostages strategy. It needs further investigation, in my judgment.

I again commend the select committee for its strenuous labors and look forward to its recommendations and report and to any additional investigation it deems appropriate on these matters during the next several months.

Mr. President, I ask unanimous consent that the article by Flora Lewis in the New York Times on August 3, 1987, and an article from the Washington Times, dated August 4, 1987, be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Aug. 3, 1987]

### The Wiles of Teheran

(By Flora Lewis)

Paris.—Hashemi Rafsanjani, the Iranian strongman, has now provoked a scandal in France with charges that Prime Minister Jacques Chirac urged Teheran not to release French hostages before the March 18, 1988, elections, which he won.

Mr. Chirac vehemently denies the charge. He did launch an attempt to "normalize" relations once he took office and made several concessions, though not enough to satisfy Teheran. Four hostages were released after he came to power, but another was taken.

It was Mr. Rafsanjani who revealed details of the U.S. arms-for-hostages deal last year. He has hinted he has more such political ammunition. Abolhassan Bani-Sadr, former President of Iran, knows something about it and believes he knows the motives.

Mr. Bani-Sadr, now exiled near Paris, told me Saturday that after Iraq's invasion in September 1980, he was desperate to restore relations with the U.S. so as to buy military spare parts. "We only had 5 to 10 days' supplies," he said. That meant negotiating release of U.S. hostages taken before he became president in January 1980. What he considered a good start was made with the Carter Administration.

"But in October, everything suddenly stopped. My aides found out it was because the group in charge of hostage policy, Rafsanjani, Mohammed Beheshti and Khomeini's son, did not want Carter to win the election. There was a meeting in Paris between a representative of Beheshti and a representative of the Reagan campaign."

Mr. Bani-Sadr did not know their names, nor did he learn until later about an October meeting in Washington of an Iranian envoy with three Reagan workers, Richard V. Allen and Robert McFarlane, who later became national security advisers, and Laurence Silberman.

However, Mr. Bani-Sadr says that these and subsequent events confirm for him persistent rumors that the Reagan campaign offered arms if the hostages were not released until after the 1980 election. In effect, they were released at the same time as Mr. Reagan was inaugurated.

There is no reason to believe that Mr. Bani-Sadr is more dedicated to full candor than American witnesses at Congressional hearings. He offers no firm proof of the charge.

However, arms did start going to Iran from Israel in the first half of 1981, including spare parts for Iran's crippled American fighter planes. This came to light in the last week of July 1981, when a chartered Argentine plane crashed on Soviet territory, apparently off course on its flight from Israel to Iran over Turkey. Mr. Bani-Sadr says the Argentine load of weapons was "the second or third shipment." He was ousted in a coup in July 1981, and has no direct information of what happened later.

The C.I.A. knew about the shipments, Bobby Ray Inman, then deputy director, told me a year or so afterward. It is not clear whether Israel acted with U.S. approval or in apparent violation of its pledge not to transfer U.S. weapons without Washington's permission.

Mr. Bani-Sadr said that when hostage negotiations broke down with the Carter Administration, he warned Ayatollah Khomeini that relations would not improve with Mr. Reagan in power, "they will blame Iran for everything." He said the Ayatollah replied, "So much the better, that will bring a crisis." As what he calls an excuse to stall until the U.S. elections, Iran demanded a $24 billion guarantee from the U.S., dropped soon afterward.

Now, he points out, Mr. Rafsanjani, who has control of the Iranian war effort, is going for total political power, domestically as well. This was indicated in the same July 23 interview with the Teheran paper Etelaat in which Mr. Rafsanjani made his charges against Prime Minister Chirac. He told the interviewer that it was necessary to unite responsibility for domestic affairs just as for the war.

To achieve his aim, Mr. Bani-Sadr says, Mr. Rafsanjani needs external crises, and he suggests the massacres in Mecca was deliberately provoked to bring a crisis with Saudia Arabia as well as with the U.S. and France. "He is like Hitler, he needs new fronts," he said.

"But I don't understand why Reagan, Chirac, King Fahd play his game. They are actually helping him. It takes two to make a crisis. That's what kidnapping and terrorism is used for, otherwise there would be no point."

Of course, Mr. Bani-Sadr, who claims there was no Iranian-sponsored hostage-taking or terrorism during his 18 months as president, is self-serving. But he does know a lot about the mentality and inner workings of the Iranian regime, and how shrewdly it is able to play on divisions within and among Western states. If Western politicians and governments cooperated honestly, it wouldn't be possible. We do help Teheran to outsmart us.

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[From The Washington Times, Aug. 4, 1987]

### New Rules on Covert Activities Draw Fire

(By Tom Diaz and Bill Gertz)

Senior members of the U.S. intelligence community are upset by a draft presidential executive order on covert operations they say is being "rammed through" the White House by the National Security Council staff.

Opponents say the order, which is nearly completed, will effectively gut the country's ability to carry out all but routine intelligence gathering.

"This order would do [to covert operations] what the old Church committee and the Carter administration tried to do," said one administration source. "It is a 'charter' mentality. You don't ban these operations, but you so restrict them with written rules that they in effect, can't be done."

The new draft is said to still be the subject of argument within the administration, but has the support of National Security Adviser Frank Carlucci and D. Barry Kelly, the NSC intelligence director who has come under fire from critics who say he has retreated from past intelligence policies. Paul S. Stevens, the new NSC legal adviser, also was said to have taken part in drafting the new order.

Some critics charge the White House staff is trying to push the order through for political purposes, aiming at a public relations blitz on "intelligence reform" just before Congress goes into recess.

One senior intelligence official condemned the proposal as "preposterous" and said the restrictions could lead to unauthorized operations of the type organized by Marine Lt. Col. Oliver North, who along with retired Maj. Gen. Richard Secord, supported the Nicaraguan resistance forces.

"This is precisely the kind of thing that creates more freelancing," the official said. "When the legitimate guys can't do anything, they will turn to extra-legal means."

According to a source who has seen the document—titled "Approval, Review and Notification of Special Activities"—it sets out strict requirements governing all intelligence activities other than "straight collection" of data.

But a White House source said discussions between the White House and Congress on the new covert action guidelines were in the final stages. The new rules could be released as a "rewrite" of Executive Order 12333, which outlines permissible intelligence activities.

"The only issue outstanding is the timing of notification," the source said.

Another White House official opposed to the new intelligence order said the proposal sends the wrong signal to the public in the wake of the Iran-Contra affair. Proper covert action procedures were not followed by Col. North in the Iran arms and Nicaraguan rebel resupply efforts, the official said.

"The president ought to be asserting his powers when he's under the gun, not furthering the erroneous public perception that something was done that was less than constitutional," the official said.

As of last weekend, the document was unclassified, and its supporters intend to issue it as a public document, a plan that also is criticized by some members of the intelligence community.

"Why lay out all of our internal ground rules for the world to see?" said one source. "Can you imagine the Kremlin doing that?"

The source who has read the document said it contains the following major points with which some key members of the intelligence community take exception:

All activity other than intelligence collection will be considered "special" activity, subject to the requirement for a presidential "finding" authorizing the activity. In addition to making counterintelligence a "special" activity subject to such a finding, it also apparently would require presidential findings for very delicate intelligence-gathering operations outside of normal channels.

"Some of these are one-time intelligence coups presented by a special circumstance," said a source familiar with them. "If you have to run these things through the White House bureaucracy, they'll never happen."

The president will be required to sign every finding every year, in effect recertifying the need for the activity. Critics fear the staff time and paper work inevitably required by such a rule will lead to bureaucratic inertia.

"It will become a lot easier to say, 'Heck, they'll never approve that.'" said one source.

The president will be required to notify Congress within 48 hours of every finding, without exception. A congressional source said current language calls for notification within "two working days."

Critics say this would make some operations—such as the 1980 rescue of American hostages hiding in the Canadian Embassy in Tehran—impossible to mount.

Stansfield Turner, CIA director during the Carter administration, told the House Intelligence Committee in April that he opposed such strict reporting procedures since a requirement for advanced notification or a maximum 48-hour delay would have scuttled a covert rescue mission of U.S. hostages in Iran on the drawing board.

Under the 1980 Intelligence Oversight Act, all presidentially approved covert operations must be revealed to select members of Congress "in a timely fashion." The wording was left ambiguous in order to strike a balance between executive and legislative authority.

State Department and CIA officials testified in June against two House bills that would amend covert action reporting procedures in the 1980 Intelligence Oversight Act. One bill requires advanced notice of all covert action programs, and a second measure would allow for a maximum 48-hour delay.

CIA General Counsel David P. Doherty told the House Intelligence Committee the bills "impermissibly intrude on the president's authority in foreign affairs."

The Iran arms transfers, he said, "stand as an exception to this administration's practices."

All findings will be required to certify that the proposed activity not only conforms to U.S. law, but also to "international law." Critics say the question of what is and is not permitted in the area of covert operations under international law is a subject of intense debate.

"The order doesn't say so, but you know who will make the decision on what international law permits: the State Department," said one source. He implied that the State Department's hostility to covert operations would ensure that few if any covert operations would be found to meet the proposed order's test.

Other less controversial points said to be included in the draft order are:

Requiring presidential findings when special activities are carried out, regardless of the agency involved. This would close the so-called "Department of Agriculture" loophole, under which in the past it has been at least theoretically possible to assign a covert mission to an agency other than the Central Intelligence Agency, thereby avoiding the need for a presidential finding authorizing it.

Banning any retroactively effective findings, such as was involved in one of the arms sales to Iran.

Sen. Chic Hecht, Nevada Republican and a member of the Intelligence Committee, said in an interview yesterday the proposed covert action guidelines appear to be an "overreaction" by the NSC staff to the Iran-Contra hearings.

"I was against the Iran-Contra hearings because I said at the start that they would jeopardize our worldwide intelligence apparatus," Mr. Hecht said. "My worst fears have been realized."

Intelligence activities, such as covert action, require professionals to carry them out," said Mr. Hecht, who was once a covert operative.

"We must not tie the hands of those individuals that are seeking to maintain the security of America," Mr. Hecht said. "I hope we don't get to the point where every intelligence agent will have to have a law degree to interpret his job."

The most recent version of Executive Order 12333 was issued by President Reagan in 1981.

It contains a one-paragraph explanation of the role of "Special activities"—the term for covert action programs—that officials say leaves the president with more flexibility than the proposed order.

The order states that the CIA director "shall be responsible to the president and the NSC and shall . . . conduct special activities approved by the President. No agency except the CIA [and the military in time of declared war] may conduct any special activity unless the president determines that another agency is more likely to achieve a particular objective."

A congressional official said the covert action guidelines are an attempt to head off legislation that could be more restrictive.

"This [a new executive order] is something that can be lived with because it would not be irrevocable," the official said. "The president would retain his constitutional rights."

## ORDER OF PROCEDURE

**Mr. BYRD.** Mr. President, the next order of business, I believe, will be in connection with the Iran-Iraq resolution, Senate Resolution 216, to support a cease-fire in the Iran-Iraq war and a negotiated solution to the conflict.

Is there not a time agreement of 1 hour on this resolution?

The **PRESIDING OFFICER.** The Senator is correct.

**Mr. BYRD.** And is that matter to be laid before the Senate upon the conclusion of my remarks?

The **PRESIDING OFFICER.** There is no order to that effect.

**Mr. BYRD.** Mr. President, I have not inquired of the Republican leader as to whether or not he would be agreeable to the Senate's going to this resolution at this time, but I am making that inquiry at the moment. In which case, if the Senate were to proceed to the resolution with the 1-hour time limitation, a rollcall vote having already—or has a rollcall vote been ordered on this?

The **PRESIDING OFFICER.** The yeas and nays have been ordered.

**Mr. BYRD.** A rollcall vote having been ordered, the vote would occur around 1 o'clock or 1:15.

Mr. President, I am told that Mr. Dole approves of proceeding to the resolution at this time. Therefore, I yield the floor and I ask that the Senate proceed to the consideration of the joint resolution at this moment.

## IRAN-IRAQ CEASE-FIRE

The **PRESIDING OFFICER.** The clerk will report the resolution.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 216) to support a cease-fire in the Iran-Iraq war and a negotiated solution to the conflict.

The Senate proceeded to consider the joint resolution.

**Mr. BYRD.** Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time not be charged to either side.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The absence of a quorum having been suggested, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

**Mr. PELL.** Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

### PERSIAN GULF POLICY: THE MINING OF U.S. CREDIBILITY

**Mr. PELL.** Mr. President, I support the resolution now under consideration. It should be clear to all of us that a cease-fire and a negotiated solution to the Iran-Iraq war is in the interests of both parties to the conflict and to the international community.

The perils are quite high in the gulf now. An urgent priority should be given to finding a way to peace rather than allowing further dangerous deterioration of the situation.

Mr. President, concerning United States policy in the Persian Gulf, one clear image is etched in the public's mind, that of the supertanker *Bridgeton*—the first of the 11 Kuwaiti tankers to be reflagged—lurching toward port after striking a mine on July 24, and being followed in a neat row by the three United States naval vessels assigned to protect her. Our naval vessels were following the *Bridgeton* for her to protect them, because they were even more vulnerable to serious damage from mines.

This reversal of roles is the most dramatic illustration thus far of the failure of a policy that is designed ostensibly to restore U.S. credibility in the Persian Gulf region—a region in which our stature has suffered the effects of the now discredited secret deals to sell sophisticated arms to Iran. What was mined along with the *Bridgeton* that fateful morning was U.S. credibility.

When I introduced S. 1327 to prohibit the reflagging of the Kuwaiti tankers, I described the administration's policy as "dangerous and poorly conceived." Sadly, unfolding events have only served to validate that judgment.

The risks of our Persian Gulf policy are even clearer today than when the debate on the reflagging decision was first joined. And make no mistake: It is the decision to place United States flags on Kuwaiti ships that is central to this issue.

In addition to the mining incident with the *Bridgeton*, we now learn that there are in the entire United States Navy only three minesweepers available for duty, all of them Korean War vintage ships, and all of them docked in Norfolk, VA. As if the lack of preparedness was not humiliating enough, Great Britain has turned down our request to provide minesweepers to assist our naval convoys. Margaret Thatcher's refusal represented more than a British desire to stay clear of the gulf conflict, it also signals a profound discomfort among our allies with the course of United States policy in that region.

More ominous, Iran has in the past 2 weeks demonstrated its proclivity to engage in violence to further its ends. In the holy city of Mecca, Iranian pilgrims provoked riots which have claimed over 400 lives. Cynically, but also as a direct response to the reflagging, Iran has sought to blame the United States for the Mecca riot. Frenzied mobs are calling for American blood in the streets of Tehran.

As if to underscore their intentions, Iranian revolutionary guards have launched naval maneuvers with small attack speedboats in the gulf, code named "Martyrdom." There are published reports of evidence that the Iranians are preparing terrorist attacks on American installations at home as well as abroad, in retaliation for what Iran regards as a United States tilt toward Iraq after years of careful neutrality. Since the start of the Iran-Iraq war, Kuwait has made no secret of its support for Iraq and has served as Iraq's major supplier.

It is worth reflecting that the Iranian leadership now demanding murderous attacks on Americans is the same leadership the Reagan administration once described as moderates. It is the same leadership to whom we sold weapons that now may be used against us.

Our reflagging policy is not only dangerous, it also reflects astonishingly poor planning. United States warships have been sent to the Persian Gulf to protect Kuwait shipping without the essential support to do the job. No country in the region is willing to provide logistical support or access. Kuwait itself has shrugged off responsibility, asserting "They are your ships now," and refusing to provide a landing and refueling base for Sea Stallion minesweeping helicopters being introduced to protect Kuwaiti ships from Iranian mines.

Mr. President, the United States finds itself isolated from its friends and vulnerable to its enemies in the Persian Gulf because we are pursuing a policy hastily conceived, ill considered, and lacking in essential public support.

Clearly, the United States does have an interest in the Persian Gulf, one which we should assert and defend if necessary. There are, in my judgment, far preferable means of doing so than by reflagging Kuwaiti oil tankers and escorting them with United States naval vessels which are themselves more vulnerable to attack than the ships they are assigned to protect.

We need a "get well" plan for U.S. policy in the region—one that will preserve and protect vital U.S. interests and promote peace in the region.

The first policy that should be pursued vigorously is the one in which we have already had some success, namely action by the United Nations. The Security Council resolution adopted last month was the first step in what should be a two-step process. It should be followed up as soon as possible by internationally imposed sanctions. This would not only contribute to a reduction of tensions in the gulf, it also contains the seed of a chance for a peaceful solution to the Iran-Iraq War.

The second policy that should be pursued, again, in the framework of the United Nations, is the creation of a United Nations peacekeeping force that will use the United Nations flag as an emblem of protection for peaceful shipping in the Persian Gulf. United Nations peacekeeping has been tried on the ground. It should now be made to work at sea.

In this regard former Secretary Vance and Ambassador Elliot Richardson have suggested that a United Nations flag be used on the ships in the gulf rather than the United States flag, thus making the whole operation more a United Nations one. This second policy is one, I think, we should follow.

Despite the administration's failure thus far to enlist the cooperation of our allies, including the concerned Arab States, we should try again, this time through private diplomacy rather than the publicized encounters that have invited rejection, to develop an agreed plan to ease tensions in the gulf region and to adopt practical measures to secure the safety of shipping.

There are other steps that should be taken as part of a get-well plan—actions that would contribute to a reduction of tensions and the security of shipping in the gulf. What the administration has tried so far has made the situation worse, at risk of damage and injury to our naval forces, and without apparent improvement in the safety of shipping. It is time to concentrate on practical, responsible alternatives that will enable us to extricate ourselves from this necessary risk, with our prestige in the region intact and our ability to contribute to a constructive solution restored.

**Mr. BYRD.** I have cleared this request with the Republican leader. I ask unanimous consent that the vote on the resolution occur today at 1:30 p.m.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

**Mr. BYRD.** Mr. President, that will be a rollcall vote. The yeas and nays have been permitted. The yeas and nays have not yet been ordered but they will be.

I thank the Senator.

**Mr. PELL.** Mr. President, I suggest the absence of a quorum.

**Mr. BUMPERS.** Mr. President, will the Senator withhold?

**Mr. PELL.** I withhold.

**Mr. BUMPERS.** What is the parliamentary situation, Mr. President?

The **PRESIDING OFFICER.** The parliamentary situation is that we have before us House Joint Resolution 216 with a 1-hour time limitation equally divided. There have been 10 minutes used thus far. The vote has been ordered for 1:30.

**Mr. BUMPERS.** Will the Senator from Rhode Island yield for a question?

**Mr. PELL.** Certainly.

**Mr. BUMPERS.** I wanted to speak as though in morning business, but if we are on a time agreement on the resolution, I am reluctant to speak. If the Senators do not want to speak, I will ask unanimous consent that I be permitted to speak without the time being charged against the resolution.

**Mr. BYRD.** What is the request?

The **PRESIDING OFFICER.** The request is that the Senator from Arkansas be allowed to speak as in morning business without the time charged against the 1 hour to be equally divided under House Joint Resolution 216.

**Mr. BYRD.** Mr. President, the time of the vote is 1:30. That leaves ample time for the Senator from Arkansas. I understand 20 minutes have already been utilized.

The **PRESIDING OFFICER.** Ten minutes have been utilized and 20 minutes remain under the control of the Senator from Rhode Island.

**Mr. BYRD.** I ask unanimous consent that the time the distinguished Senator wishes to use not be charged against either side on the joint resolution.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

## THE PERSIAN GULF SITUATION

**Mr. BUMPERS.** Mr. President, I will be brief.

No. 1, I want to say that we are getting ready to go out on a 1-month-long recess and our warships are heavily engaged in the Persian Gulf and our reflagging of Kuwaiti tankers proceeds almost apace, though I noted in the Washington Post today that there has been some delay in reflagging the next three Kuwaiti tankers.

Mr. President, this is a very difficult time, in my opinion, for the Senate to be out of session, because it is my firm belief that something very untoward may very well happen in the Persian Gulf while we are gone.

I am not issuing a dire warning. As you know, I have tried to take the lead in this body opposing the President's policy of reflagging for all the reasons I will not repeat.

I feel very apprehensive in light of all the threats coming out of Iran and their mode of exercises in the Strait of Hormuz and the Persian Gulf.

I simply want to point out to my colleagues that I think it is tragic that the President has not invoked the War Powers Act. If there ever was a case where we are involved in a situation where hostilities are imminent, it is in the Persian Gulf.

The other evening, I was on a talk show and one of the questioners said, "Why is it you people always want to run out?"

You know, one of the ways you get into a position of not having to run out is to think out a policy before you get in. Now that we are committed, the argument is that the President's name is on the line, the prestige of the United States is on the line with the moderate Arab States, and the little nations in the Persian Gulf. The argument is that now we are in a lose-lose situation. We lose prestige if we cut and run, and we lose if we stay.

The only way to avoid being put into those kind of lose-lose situations is to think the policy through before you get involved in it.

Mr. President, I make this final point: The reason I wanted this body to act to get us out of the Persian Gulf before we went home is because I can tell you exactly how it is going to develop. We are going to lose American sailors in the Persian Gulf. To me, if we stay there long enough, that is as certain as the Sun coming up in the morning. And whether Iran's fingerprints are on it or not, or whether you can tie the loss of those lives directly to Iran or not will be highly problematical.

I can tell you one thing: We get nothing out of it. We are going to be asking American servicemen to die for Kuwait, who will not even let us land so much as a helicopter on their soil.

Mrs. Thatcher was in this country 2 years ago saying, "The President's policy in the Persian Gulf is eminently correct. It is courageous; it is correct; it is well thought out."

Well, Mrs. Thatcher, how about you helping out by sending a few minesweepers to the Persian Gulf? We only have three and we cannot get them there for months.

"No, no thanks. Thanks, but no thanks."

How about Italy, France, Germany, the Netherlands? Italy makes the best minesweeper in the world. How about all you good friends in NATO sending some minesweepers to the Persian Gulf?

"Thanks, but no thanks."

And to all the nations around there who generally applaud this policy, how about you allowing us to land our helicopters and planes on your soil?

"No, we might offend Iran. We want you there. We want you taking the side of Iraq in this war, but we do not want to offend Iran."

I want you too tell me where is the commonsense of a policy like that? What on Earth is going on here?

As I was about to say a moment ago, we are going to lose American lives, and then the pressure to bomb Teheran is going to become almost inexorable.

That is the reason I am here today saying something that I had rather not say. But I can tell you, anybody who opposes this policy is going to be in a position to say, "I told you so."

Mr. PELL. Will the Senator yield?

Mr. BUMPERS. I am happy to yield.

Mr. PELL. Mr. President, how much time remains?

The PRESIDING OFFICER. Twenty minutes.

Mr. BUMPERS. I only need about 5 additional minutes.

Mr. PELL. The Senator can have as much time as he wishes. I will yield that to him.

Mr. BUMPERS. I thank the Senator.

Mr. MURKOWSKI. Is the time equally divided?

The PRESIDING OFFICER. Yes, we are under a 1-hour time agreement on House Joint Resolution 216 relative to a cease-fire in Iran-Iraq. Of the time under the control of the Senator from Rhode Island, there are 20 minutes and 18 seconds remaining. The full 30 minutes remain on the side of the Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, let me also say that this is an executive decision. Congress did not get so much as a by-your-leave from the President before we agreed to reflag those Kuwaiti tankers. Some of us, when we realized they were serious—and I must say it took me a long time to believe that the President was really serious about putting our flag up as though it were some kind of a target in a shooting gallery for every lunatic in the area to take potshots at, but it turned out that was indeed the policy.

But to Congress' eternal credit and what I consider archaic rules of the U.S. Senate, we could not stop it, even though a significant majority of the House and the Senate voted not to do this.

As you know, Mr. President, when I offered a resolution in this body not to go forward with the reflagging of Kuwaiti tankers, a filibuster began on that side of the aisle.

You also know that, even though there are 100 Senators here, 40 Senators can bring this place to a halt anytime they want to. In order to get a vote on my reflagging proposal, I had to move to table my own amendment just to get everybody on the record. Happily, my motion to table my amendment was defeated by a very substantial 56 to 42 vote. In effect, the Senate voted 56 to 42 against this whole operation in the Persian Gulf.

I applaud my colleagues for their thoughtfulness and their courage in doing that.

The House just the day before had voted by about 244 to 184, or 242 to 184, not to go forward with the reflagging.

So, the President is doing this even though a good, substantial majority of both Houses have said, "Don't do it."

Right now, along with the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oregon [Mr. HATFIELD], and the Senator from Washington [Mr. ADAMS], I have a bill pending that says that unless the President can tell us that we need to stay there because of our national security interests and both Houses of Congress approve that proposal, we have to get out of there in 6 months.

I think that does not look as though we are cutting and running or does not jeopardize the President's credibility or his word or anything else. Why should we worry about protocol when everybody in the area says, "We think it is wonderful, but we will not help you and we will not even let you land your planes on our soil"?

I tell you something, Mr. President: I do not have anybody in the service. I have two sons who are military age. Neither of them is in the service. But I tell you I would hate to have to explain to either of those youngsters of mine why they have to die in the Persian Gulf.

Mr. President, did you read Mark Shields' column in the Washington Post the other day? Do you know why so many people are anxious to send soldiers, marines, airmen, and sailors all over the world, It is because their sons are not there. It is not their sons who will go. As long as somebody else's sons are doing the dying, it is an entirely different thing around here.

In Vietnam, they were poor and they were black. If you had enough money to go to college, you avoided the draft. Now, in this day of what we call professional services, professional Army, professional Navy and Air Force, people say, "Well, they are professionals; they are drawing big salaries." Somehow or other we feel around here that they do not really belong to anybody, that their mothers and fathers are not going to grieve if they die, just as those 37 died on the *Stark*.

Let me tell you something, Mr. President. If our national security interest were at stake or there were any kind of rationale for this policy, I promise you, I would escort my two sons down to the recruiting office. But I am not going to escort them to join up and put a uniform on for a policy that they might have to die for that means nothing to this country—nothing.

So, Mr. President, I hope and pray to God that during the 30-day period we are out of session, I am proved as wrong as anybody can ever be proved wrong. But we are not dealing with rational people when we are dealing in an area where the Iranians are holding forth.

Mr. MURKOWSKI addressed the Chair.

Mr. PELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes and 18 seconds.

Mr. PELL. I yield the time to the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, what is the remaining time on the resolution?

The PRESIDING OFFICER. Thirty minutes.

Mr. MURKOWSKI. I appreciate the time yielded by my colleague from Rhode Island. It is my intention to take a portion of the time remaining, of the 30 minutes, unless there is an objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, I have heard a good deal of the discussion that has taken place here by the Senator from Rhode Island and the Senator from Arkansas, expressing concern over the status of our presence in the Persian Gulf.

It is indeed an extraordinary set of circumstances that has occurred. While one can relate back to the issues as they developed, I am sure that had we an opportunity to start again, we would have done things quite differently.

We have seen the return of the U.S.S. *Stark* 11 weeks after the missile attack that killed 37 sailors and triggered the crisis in the Persian Gulf.

As indicated in the Boston Globe editorial of August 6, "America's military capability in the Persian Gulf has become an object of ridicule to our allies, not just to our enemies."

We have seen the *Bridgeton* incident. It has been outlined by my colleagues in the debate. The *Bridgeton* was formerly a ship in the Kuwaiti fleet called the *Al-rekkah*, the largest of the tankers that had been hauling crude oil from Kuwait, 401,000 deadweight tons.

It is interesting to reflect, Mr. President, the logic behind reflagging that particular ship. It was one of economics. This was the largest carrier and as a consequence of that it made sense to move the oil in the largest vessel that could move it the cheapest.

Now, if one looks at the Persian Gulf, one finds that there are in the Strait of Hormuz and other areas specific channels where these large ships have to operate. And the reason they do is because they draw substantial draft, somewhere in the area of 74 feet of water. It does not take a genius to recognize the potential danger that mines pose to such large vessels. It is much easier to place mines if there is a designated channel where vessels must go because of their draft. In the case of the *Bridgeton*, that is just what occurred. The *Bridgeton* did hit a mine; the damage was quite severe, limiting the ability of the vessel to operate efficiently.

After surveying the damage, the Coast Guard gave the *Bridgeton* a permit to proceed under the condition that it carry no more than 230,000 metric tons of oil down from its original 401,000.

(Ms. MIKULSKI assumed the Chair.)

Mr. MURKOWSKI. Madam President, four tanks were damaged, two major, two minor. The two major must be sounded periodically while the vessel is underway. No oil may be stored in the four damaged tanks, or the tanks contiguous to them. The vessel must travel at reduced speed and after offloading the oil in Khar Fakkar, it must go to drydock and will be out of commission for 1 month.

Now the justification for using this ship was, it would take two smaller vessels to do the same job. I am going to go at some length here on the merits of utilizing U.S.-flag vessels to move some of this oil.

We have two vessels currently in our reserve fleet on the west coast, that have capacities roughly equal to the *Bridgeton*. They are the *Atlantic* and the *Pacific* with tonnage of 404,531 deadweight tons each.

According to the Transportation Institute, both these vessels could easily take the place of the *Bridgeton*.

So here we have seen our first effort, Madam President, to take the *Alrekkah*, put an American flag on it, and rename it the *Bridgeton*. And what happens? It is the first vessel to hit a mine because the mines are set in the deep channels where the draft of these larger vessels dictates they must travel.

The mine did not just blow a hole in the *Bridgeton*. I think it blew a hole in U.S. military prestige because it highlighted the lack of indepth planning associated with evaluation the tactic of convoying—especially with regard to the risk factor. The elements of risk are apparent with regard to mining, but we did not seem to take that into consideration.

It is evident to all that we were ill prepared insofar as having minesweepers. We have seen article after article appear that the U.S. minesweeper program is running at full ahead slow. We have seen indications that our Navy currently does not have the resources necessary to move in and address the threat that is posed by the mines that have been placed in the channel or those that are yet to be placed.

The fact that the *Bridgeton*, when hit, suddenly became the minesweeper is evidenced by the fact that the three U.S. ships immediately pulled behind it for safety.

I wonder, Madam President, if the United States learns very well from past mistakes, if we really try to find out what went wrong and what are we doing about it. We are still arguing about whether or not we are going to reflag additional ships.

Basically, we got ourselves in a position, Madam President, where we lack options and we lack them as a consequence of ill and inadequate planning.

There are many in this body, including myself, Senator PELL, and the Senator from Arkansas, who sought to delay reflagging so we could develop other options.

Well, we could not effectively achieve this delay. The administration was committed to go ahead. Now we have seen the results of a reflagged tanker being hit by an Iranian mine and the scramble for options continues.

We really committed ourselves to this venture without being mindful of the consequences. It reminds me of being in Alaska in a barroom brawl without knowing where the exits are. You have to know where you are going to go if this happens or that happens. We did not.

Of course, the Navy did not anticipate the mining situation when the *Bridgeton* hit the mine. The threat should have been removed by conventional minesweepers. They have been around for years and years. Ironically, the protectors became the ones who needed protection in this case. We did not have these minesweepers available. We have had to divert our LPH helicopter carriers to provide a base for minesweeping helicopters because the Kuwaits, the nation directly benefiting from the decision to reflag and assure the delivery of their oil to market, will not let us in. We have seen our friends in Great Britain and the Netherlands, both of which are recipients of substantial crude oil from the Mideast, unwilling to help us. If I am not mistaken, we actually provided the Netherlands with minesweepers some years ago.

What is the Navy doing about this? Obviously they are agonizing just like we are on the floor of the Senate.

Are there solutions, Madam President? I think there are. If we want to continue to put the emphasis on utilizing the very, very large ships, then we are going to have to be concerned with the fact that those channels probably will be mined by Iran. It would seem logical to spread the risk by using smaller ships that do not draw as much water, that can move outside these channels to reduce the risks posed by concentrated mining which we know will continue to occur.

Madam President, it just makes sense to consider the utilization of U.S. merchant ships.

I have already indicated in previous conversations that the Soviets have declined to allow their flag on Kuwaiti ships. They simply responded by leasing at least three vessels, initially under long-term charter, to Kuwait. The British did the same thing, refusing to reflag and instead initiating agreements to charter British merchant vessels.

Madam President, we have idle vessels in the United States that were built with U.S. construction subsidies. They could serve in this carriage. There are currently 57 vessels identified in the U.S. fleet that range in tonnage from 404,000, greater I might add then one *Bridgeton*, to roughly 40,000.

One wonders why the State Department, why the administration, why the White House is not encouraging participation by U.S. shipping firms to enter this trade.

You know what we have done, Madam President, is made a sham of the reflagging process for a reflagged U.S. vessel to Coast Guard regulations require that on foreign voyages, it must carry a U.S. master and radio operator until such time as the ship goes into a U.S. port. Then it must pick up a U.S. crew. The sham is an obvious one, Madam President, these reflagged ships were never designed never to dock into a U.S. port. So it is a matter of convenience. It is a matter of putting our flag up, you might say, for rent. And certainly the American flag is not a piece of cloth to be treated as a flag of convenience for the commercial interest of Kuwait.

You know we have our Navy over there. Why do we not have our U.S. ships participate? Why make a charade of it? We want to keep the Persian Gulf open. But it is interesting to reflect on who are the recipients. We get about 6 percent of our crude oil from the Persian Gulf. Western Europe gets about 35 percent. The rest goes to Japan.

What is the cost of maintaining our Navy in the Persian Gulf? Who are the beneficiaries?

Some have said, well, if we put American merchant vessels over there we are going to be endangering our crews. Let me tell you, Madam President, I am going to ask for the introduction of a letter that was printed in the New York Times August 2, by Frank Drozak, president of the Seafarers International Union.

In his letter, he makes a specific reference to U.S. crews manning U.S.-flagged vessels in the Persian Gulf. And I quote:

> Undeniably, this span would put more American seamen (28 as against 1 per ship) at some risk. But American crews are already voluntarily taking that risk in the Persian Gulf. The additional numbers would be small, particularly compared with the numbers of Navy personnel now being put at substantially greater risk.
>
> The use of genuine United States-flag tankers would cost slightly more than using multinational reflagged hybrids. But the expense is insignificant and, after all, renting the United States Navy should not be free.

I think he is right on target.

Madam President, I ask unanimous consent that the letter from Mr. Drozak be printed in the Record, because I think it highlights the attitude of the American merchant marine, who stand ready to go to work. There are about 350 jobs at stake if all of the 11 tankers were U.S.-flag vessels. The ships are available, Madam President. There are 57 in the reserve fleet.

There being no objection, the letter was ordered to be printed in the Record, as follows:

### Let Them Rent Whole Tankers, Not Just Flags

To the Editor:

President Reagan's decision to reflag Kuwaiti tankers is founded on three legitimate policy objectives: (1) to preserve freedom of navigation in the Persian Gulf; (2) to avoid a vacuum that the Russians could fill, thus furthering their long-time objective in the region, and (3) to stop the tanker war, thereby limiting the Iraq-Iran conflict.

These are laudable goals. But the policy undeniably tilts toward Kuwait and Iraq, and thus risks making the United States belligerent.

If Iran retaliates against the reflagged tankers, United States Navy forces or some other target, what will be the next American step in escalation? Iran is no military match for the United States, but a military confrontation between the two countries only play into the hands of the Soviet Union, which has long coveted the role of Iran's "protector." It also thwarts a strategic objective of our last two Presidents: to normalize relations with a post-Khomeini regime and prevent Soviet hegemony.

Little in the Administration's history of inconsistent lurchings and tiltings in the Iraq-Iran conflict gives anyone confidence that these issues have been carefully considered in the reflagging policy. That it was initiated without a formal intelligence assessment—and that, in the name of freedom of navigation, it tilts against Iran, which has been responsible for only about half as many tanker attacks as Iraq—simply compounds its deficiencies regarding the three United States objectives.

Congress is caught between two unacceptable choices. It can allow the reflagging policy to proceed despite its flaws and dangers. Alternatively, if it stops the reflagging, it risks undermining the President, by creating an impression of withdrawal from the Persian Gulf, which would provide a major opportunity for the Russians. What can be done to make the best of a bad situation?

There is another option that accomplishes all three objectives, while avoiding the tilt toward Kuwait and Iraq, thereby reducing the risk of provoking Iran and making the United States a belligerent. That is to offer to charter genuine United States-flag tankers with United States crews, of which there are an ample number available, to both Kuwait and Iran, to Iraq and to any other country in the region.

This would be an evenhanded policy. The United States tankers and United States Navy protecting them would be strictly neutral. This option would guarantee freedom of navigation in the Persian Gulf, leave no vacuum for the Russians and help stop the tanker war, thus containing the Iraq-Iran conflict.

Even if Iran did not accept the offer, a policy that made our intentions and objectives clear would reduce the risk of attack on our ships and the need for subsequent United States escalation. That United States-flag commercial vessels have been operating in the area throughout the war without serious incident makes it likely that American lives would be far less at risk in this scenario.

The provocation is not the presence of United States ships. American ships have served the region more than 40 years. Rather, the provocation is the thinly veiled reflagging scam that rents our protection to one side at the expense of the other. Doubts about whether the United States will in the end really respond to an attack on the reflagged vessels as if they were genuine American ships only heightens the prospects for confusion, miscalculation and escalating hostilities.

Undeniably, this plan would put more American seamen (28 as against 1 per ship) at some risk. But American crews are already voluntarily taking that risk in the Persian Gulf. The additional numbers would be small, particularly compared with the numbers of Navy personnel now being put at substantially greater risk.

The use of genuine United States-flag tankers would cost slightly more than using multinational reflagged hybrids. But the expense is insignificant and, after all, renting the United States Navy should not be free.

This is probably the best alternative in a bad situation. It could be the most constructive thing the United States has done in the seven-year history of the war.

Frank Drozak,
*President, Seafarers International Union of North America.*

Mr. MURKOWSKI. Madam President, it is important to note that there have been discussions, commercial discussions through the State Department and perhaps through the White House, concerning the merits of utilizing some United States-flagged vessel in the movement of Kuwaiti oil. The tempo of those discussions, Madam President, are directly related to pressure on the Kuwaiti Government by the Congress and the American public on this issue.

I have had communications in my office concerning the utilization of the two larger ships. And it comes and goes. The pressures, obviously, have been inconsistent because there has been no voice from the administration indicating that it is in U.S. interests that we utilize some U.S. ships in this carriage.

As I have indicated, the two larger ships, the *Atlantic* and *Pacific*, could be at sea ready to go within 45 to 60 days. They would require drydocking there on the west coast. There is another ship that could be in the gulf within 60 days. It is called the *Williamsburg*. It is 225,000 tons. There have been efforts to communicate with the Kuwaiti Government concerning the chartering of these ships.

But make no mistake about it, Madam President, the Kuwaits have the best of both worlds. They have the free use of our Navy, they have their own ships being reflagged under the U.S. flag, and they continue to generate the revenue from moving the oil on to the markets of the world. An extraordinary set of circumstances in view of the situation that we have with the Iran-Iraq conflict and the continued escalation of that.

One wonders why this administration—which I happen to be supportive of in most instances, but in this case I think they have failed to follow the basic premise that our own best interests must come first. As we used to say once in a while, "Charity begins at home." We have the ships laid up. They were built with U.S. construction subsidies. We have had available U.S.-operating subsidies for these ships. We have crews that will man them. And there is an opportunity for them to serve without a subterfuge in a carriage in the Persian Gulf. And the administration is not saying to Kuwait, "This is a condition. We will help you out. You use some of our American ships. You get some of our American maritime people active on these ships and provide jobs for them."

That is all that the administration has to do. What do you think the Kuwaits are going to do? They are going to say, "OK, because they have no other choice."

I find it incredible that the Government does not understand the basic principle of leverage, but they certainly do not. They are oftentimes up on a diplomatic plane and it is very difficult to get them down to the practical side.

But this is good for the United States. This provides jobs. Let us be realistic. Our Navy is already over there. Let us let our Navy do what it was built to do, to protect U.S. ships. Let U.S. sailors who are taking those risks know that our policy is a straightforward one, an honest one, not a subterfuge to get around some of the sabotage laws regarding how ships are reflagged.

I think we should keep in mind the symbol of our flag as the freest and long-lived democracy in history. It should not be available for rent at the convenience of a situation that arises once in awhile where there are other alternatives. We should be chartering our U.S. ships, not simply sidestepping, if you will, the issue by reflagging.

These are dubious transfers of title that leave U.S. warships protecting the United States flag and Kuwaiti owners. I feel very strongly that the Navy would much prefer to be protecting our own ships moving oil about the world.

So as I have indicated, Madam President, it just makes sense that the administration reconsider their position. I think that the exposure associated with a vacillation of policy is a grave one, as expressed by the Senator from Arkansas. We are going on recess. We have found ourselves currently in the declining days prior to recess of a

great concern over the crisis of debt in our country. It is somewhat paralyzing our Congress. It is constraining our ability to act on many important issues confronting us.

We talk about the origin of the debt. We spend more than we generate in revenues. Are we going to make the cuts? Are we going to increase taxes? The desire for consumption is increasing. We are unwilling to make the hard decisions.

But we have a commitment, obviously, to maintain a strong national defense. It is a situation I support. It is vital and it is necessary.

But it is kind of interesting to reflect that the responsibility of the defense of the free world should be a team effort. We have vital interests, strategic, economic, and political. We are certainly not alone. But, Madam President, today we are alone in the Persian Gulf. We are a team of one in the Persian Gulf.

Where are the Western European minesweepers? I have already discussed that. They are not there. Our friends, the British, are not there. The Dutch are not there. We have got a couple of them that are active if we can find them and get them over there.

Where are the ports for landing our helicopters in the Arab area? They are not there. Where are the Japanese over there? They are not there. Nobody is in the Persian Gulf. The Russians are there hauling oil in commercial tankers. The British are there hauling oil in commercial tankers. The French have sent an aircraft carrier. But basically we are carrying the load again.

We are carrying it, Madam President, as U.S. taxpayers and U.S. naval personnel, carrying it alone in the Persian Gulf.

Madam President, as ranking member of the Veterans Committee, those men and women in the Persian Gulf in the Navy are going to be the veterans of tomorrow. They are observing this process, the frustration. I am sure they have some ideas on how they would suggest that we maintain shipping in the Persian Gulf.

I would like to reflect on another issue that is relevant and that is to the beneficiary.

You know, as we look at the first tanker to basically leave Kuwait, it was not a tanker, it was a gas ship. It was an LPG ship called the *Gas Prince*. It used to be called the *Almagosh*. It was surrounded by U.S. warships, manned by U.S. sailors on those warships and had a U.S. captain and a U.S. radio operator. It was not crewed by U.S. sailors.

At a time when U.S. merchant seamen were drawing unemployment, waiting for a job, when half a dozen LPG carriers built with Government subsidies were out of service. Where was this ship going? It was going to Japan, Madam President. Furnishing energy that drives the Japanese economy.

Make no mistake about it, I am not criticizing the Japanese economy or the Japanese Government. It is the most important bilateral relationship we have in the world. But it is also a competitor, in many ways. And the question is: What is the equity of contribution in the Persian Gulf? The Japanese economy has developed rapidly. It continues to develop in the free world. It is competitive.

It is so competitive, Madam President, it spends 1 percent of its GNP on defense. What do we spend? Obviously five to six times that much.

This is an economy, in Japan, that can buy the most up-to-date fishing fleet processors, catchers—these are huge ships operating the waters of the world but they cannot send a destroyer or a minesweeper to the Persian Gulf. Yet they are the largest recipients, some 65 percent, of the crude oil. And who is over there? Good old America: The U.S. Navy.

It just seems to me that in fairness, equity, Japan ought to come in and say: What can we do to help you? And they are not doing it. It is incredible to me.

Why are not we asking them? Is it above us? Is it diplomatically uncomfortable to do so?

Again, I am not criticizing our relationship, I am just pointing out the inequity that should be obvious to us all.

We are going to see veterans coming out of whatever develops in the next 30 days, 60 days, 6 months or however long. These veterans are going to observe the process that is occurring here in the Congress of the United States as we debate the merits of reflagging; of the administration that makes the policy decisions; of the admirals that address the responsibility of whether, indeed, there was a risk of mining that should have been addressed prior to moving those ships out; that, indeed, the *Stark* was not properly outfitted for the risk.

You know, it is kind of interesting to reflect on the *Stark*.

The captain of the *Stark* was allowed to resign. Several were surprised that the policy decision that allowed that to occur basically terminated there. The investigation, perhaps, did not go high enough.

Well, hindsight is cheap, Madam President. I am not going to belabor the point. But we are becoming immersed in the mud of the Persian Gulf without a clear-cut policy, without a decision if, indeed, a Silkworm missile that is placed along the Iranian shore comes in, whether we are going to take it out, where we are going to go ashore and take it out, what is the extent of our commitment there?

It just appears, Madam President, that we are not on a level playing field. Here we are, committed to a strong defense. You will never have enough defense if you need it. It is a major reason we stand here today, raising the limit of our multitrillion dollar debt.

The tilt means the sailors on the *Stark* and the other ships in the gulf will come home and be on leave and participate, if you will, in the impasse that we have reached with regard to what our policy is.

I just cannot understand, Madam President, why we do not attempt to regroup, get control of this. Here is the country with the largest defense capability, the largest navy—no minesweepers.

The Soviets have all kinds of minesweepers. I just cannot understand why the Navy missed the boat, if you will, on this one. I still have not seen a reasonable explanation on this one from the Navy, and I think the American public and the Congress of the United States, without undue criticism of the Navy, is entitled to a reasonable explanation on why the mining threat was not assessed earlier and, if there was a threat such as there appears to have been, there could not have been an appropriate response to it.

Madam President, I would urge my colleagues, as we reflect on the resolution before us, to consider the plight of the American merchant marine and the fact that the Kuwaiti Government will only respond to the leasing of United States-flagged vessels if there is enough pressure brought on them by this body, by the White House, by the State Department.

I would urge those that will read the Record or are viewing this and feel strongly, and the maritime unions, to address the issue. You want to make the effort to get these ships back sailing again; to make the American merchant marine what it is capable of being; to utilize those ships that were built with construction and operating subsidies.

The opportunity is now, Madam President. The ships are there. The crews are willing. I guess the question is: Do we have the tenacity to regroup on our policy and say: This is going to be an all-American policy. The United States is going to meet the obligation of keeping the Persian Gulf open. Only we are going to do it with American ships and proudly fly the American flag where it belongs. This is not only going to be in the best mercantile interest of this country, it is going to be in the best interests of the U.S. taxpayer, administration, the U.S. Navy, and the Congress as well.

Madam President, I ask unanimous consent that an article from the Boston Globe entitled "U.S. Military

Credibility at Stake" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Boston Globe, Aug. 6, 1987]

U.S. Military Credibility at Stake

As the USS Stark returns home, 11 weeks after the missile attack that killed 37 sailors and triggered the crisis in the Persian Gulf, America's military capability has become an object of ridicule—not just to enemies, but to allies.

The Bridgeton incident—in which three naval escort ships took protection behind the tanker after it was struck by a mine—has become fair game for cartoonists.

British papers over the past week have vied with each other in ridiculing the American military: "US Navy's catalogue of incompetence" (Times); "Gulf mine blows hole in US military prestige" (Guardian), and "US attempts to recover from convoy fiasco" (Independent).

The off-the-record comments of British and French leaders suggest strongly that they have not volunteered to assist the United States in the gulf because they fear getting involved in yet another botched operation.

A persistent theme running through European reaction to the Persian Gulf operations is a concern that the US has failed to learn from past mistakes—or has even tried to find out why things went wrong.

A London Sunday Times analysis is typical. Referring to the Desert One hostage-rescue mission, the car-bomb attack on the Marine barracks in Beirut, the Grenada invasion (a success only in comic-opera terms), the attack on the Stark, and finally, the Bridgeton incident, the Times commented that "in most of these cases, there has been no thorough investigation to see what lessons can be learned, and senior commanders have never been court-martialed or forced to resign."

Even the captain of the Stark, who was allowed to resign, was surprised that the Navy was so quick to gloss over the incident and the policy decisions that allowed it to occur. "The investigation didn't go high enough," said Capt. Glenn Brindel. "I'm very disappointed."

Those policy makers who bore the ultimate responsibility for the Stark disaster do not, of course, share Brindel's disappointment. Nor do those who bear the responsibility for not having ensured that there were mine-sweeping forces in the Persian Gulf before the first convoy was sent through.

The desire to see these incidents ivestigated does not stem from a wish to see someone disgraced or punished. It is possible that nobody will be prosecuted for his role in the Iran-contra affair. But as a result of the three investigations—by the Tower Commission, the congressional committees and the special prosecutor—some lessons will be learned. It can be expected, or at least hoped, that both the American people and their political leaders will not make the same mistakes again.

The loss of life and the damage to American credibility from the events in the Persian Gulf, and elsewhere, are fit subjects for investigations as public and as thorough as those into the Iran-contra affair. If no one else will undertake them, Congress should.

Mr. MURKOWSKI. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Madam President, I ask for the yeas and nays on the joint resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

The joint resolution was read the third time.

The PRESIDING OFFICER. The question is on agreeing to the joint resolution. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] and the Senator from Tennessee [Mr. Gore] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. Gore] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. Hatfield] and the Senator from Minnesota [Mr. Durenberger] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. Hatfield] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 231 Leg.]

YEAS—96

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NOT VOTING—4

Biden
Durenberger
Gore
Hatfield

So the joint resolution (H.J. Res. 216) was passed.

Mr. BYRD. Madam President, I move to reconsider the vote by which the joint resolution was passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Reid). Without objection, it is so ordered.

## EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Nicholas Platt.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

## DEPARTMENT OF STATE

The PRESIDING OFFICER. The clerk will report the nomination.

The assistant legislative clerk read the nomination of Nicholas Platt, of the District of Columbia, to be Ambassador Extraordinary Plenipotentiary of the United States of America to the Republic of the Philippines.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## RECESS FOR 15 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 15 minutes.

There being no objection, the Senate, at 2:12 p.m., recessed until 2:27 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Reid].

## ORDER OF PROCEDURE

Mr. SPECTER. Mr: President, I ask unanimous consent that I be permitted to speak for 5 minutes as in legislative session.

The PRESIDING OFFICER. Without objection, that is the order.

Mr. SPECTER. I thank the Chair.

Mr. President, I would like to speak briefly this afternoon on the subject of the ABM Treaty. I had hoped to join the floor debate this morning, but could not do so because of hearings by the Foreign Operations Subcommittee.

There was some considerable discussion about the failure to proceed with consideration of the Department of Defense authorization bill, Mr. President. The point which I would like to make, briefly, is that we have not proceeded with the Department of Defense authorization bill because, at least in the opinion of this Senator, we are not ready to proceed.

There is a provision in the committee bill which, in effect, decides the controversy on the narrow versus the broad interpretation of the ABM Treaty. The President would have to come to the Congress for authorization to have expenditures outside the scope of the narrow interpretation and that is, in effect, a decision, at least preliminary, on narrow versus broad, on the ABM Treaty.

Mr. President, I submit that we are not ready to decide that issue at this time because the studies are not complete and the hearings are incomplete.

There have been hearings before the joint Judiciary-Foreign Relations Committees and more hearings are yet to be held on that very important subject.

Mr. President, if the ABM Treaty binds the United States to a narrow interpretation, so be it. I believe that the ABM Treaty ought to be maintained, notwithstanding our ability to abrogate it on 6 months' notice. I believe it is a valuable treaty and ought to be complied with.

But if the ABM Treaty does not require the United States to be bound by the narrower interpretation, then we ought not impose that limit upon ourselves. We ought to proceed in a way with our legal obligations, but if we may test in a broader way which would be less expensive, that ought to be done. We ought not spend a dime more than necessary. We may test in a way which would expedite the determination of whether or not the strategic defense initiative is realistic, and I think it is worth exploring to make that determination. We ought to do so without imposing any constraints on our own practices.

Mr. President, the issue on subsequent practices of the parties is perhaps the most important determination as to what the ABM Treaty means. There has been extensive consideration of the negotiating record and there is substantial evidence in the negotiating record going both ways. There has been extensive consideration of the ratification record, and that candidly tilts in favor of the narrow interpretation. But, Mr. President, it is not a matter of what the Senate knew; it is a matter of what the United States and the Soviet Union agreed to. On that subject, it has been conceded by most that the subsequent practices of the parties are really determinative.

There is much in that record, Mr. President, that this Senator has had the opportunity to observe which is strongly supportive of the broad interpretation of the ABM Treaty.

So, Mr. President, until we are in the position to complete the study on subsequent practices of the parties, until we are in a position to complete hearings before the Judiciary and Foreign Relations Committees sitting jointly—and I am the ranking member of the Judiciary Committee's Subcommittee on the Constitution and the issue of the ABM Treaty ratification touches on the constitutional function—until those studies have been completed, Mr. President, I think we ought not proceed with the consideration of the Department of Defense authorization bill. Once those studies have been completed and we are ready for that debate, then I think in a timely fashion the DOD authorization bill should be taken up unless the authors are willing to delete the provision which makes that preliminary determination on narrow versus broad. I thank the majority leader for arranging this time.

I yield the floor.

## DEPARTMENT OF STATE

The Senate continued with the consideration of the nomination of Nicholas Platt.

Mr. BYRD. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The business before the Senate is the nomination of Nicholas Platt.

Mr. BYRD. I thank the Chair.

Mr. PELL. Mr. President, I am glad indeed to rise in support of the nomination of Nicholas Platt, a well-qualified and competent foreign service officer. He has been in the service a good many years.

He knows that part of the world, the Far East, and I think would make an excellent ambassador. We have not had an ambassador there for a good many months now, and it is time we got one there as quickly as we can.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair.

Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. President, the State Department has often stressed the nonpartisan professionalism of the career foreign service. We have heard that over and over and over again over the years. The State Department has repeatedly insisted that such professionals can serve loyally any President of the United States, whether of a differing party or of different political views.

Fine. Let us see about that.

The nomination of Nicholas Platt offers a case study of the manner in which a State Department career official can subvert such professional standards of diplomacy in order to undercut the expressed policy of the President of the United States.

In the judgment of this Senator, Mr. President, Mr. Platt's activities cast grave doubt on his ability or willingness to represent the President abroad when the President's views are different from Mr. Platt's. I will call to the attention of Senators a State Department routing sheet on page 7 of my additional views in the committee report on Mr. Platt.

I had made for this occasion, Mr. President, an enlargement and I have it here on the floor. I would ask Senators to notice what is encircled, saying "Platt does not want this memo to go to Amb. Kirkpatrick."

That jotting, I think, tells the whole story. It tells the story of Mr. Platt's duplicity, and no other word fits, in attempting to undermine the expressed policy of President Reagan and Ambassador Kirkpatrick, a policy against the terrorism and the PLO in particular.

It tells the story of how Mr. Platt successfully made an end run around the President and around the President's Cabinet-level appointee, Mrs. Kirkpatrick, the then Ambassador to the United Nations—an end run to wrench policy back to the State Department policy line.

I would hope all Senators would consider this sentence before they vote for Mr. Platt. Let me repeat it. This is a State Department document which has been enlarged. It is a distribution list, "S/S 8204956."

Incidently, I had difficulty getting it from the State Department. It reads, "Platt does not want this memo to go to Ambassador Kirkpatrick."

You may ask, what are you getting at?

On February 25, 1982, Mr. Platt was the Acting—Acting—Assistant Secretary of State for International Organization Affairs. It is important to note, as I just emphasized, the word "acting." He had never been nominated to this position and he had never been confirmed by the U.S. Senate. He was only, therefore, a bureaucrat temporarily filling a spot until a Presidential nomination would be made. Yet on that date, February 25, 1982, Mr. Platt took steps to undercut U.N. Ambassador Jeane Kirkpatrick's recommendation that President Reagan's policy against the PLO and other terrorists be upheld. Undercut him but do not even let Jeane Kirkpatrick know that you are in the process of disagreeing with him.

Despite the fact that the PLO was on a terrorist march at that very time, Mr. Platt set in motion a bureaucratic mechanism for full funding of the PLO at the United Nations using, in part, the taxpayers' money from the United States.

Mr. President, obviously, Mr. Platt's action was not only contrary to policy, but contrary to common sense. The manner in which he did it is a classic example of the way the bureaucrats throughout this Government—no matter what the Department; the State Department is not alone; all of the bureaucracies—can undercut their superiors all the way up to the President of the United States by distorting and limiting the options available for policy decisions.

On February 25, 1982, Ambassador Kirkpatrick sent an urgent cable from New York to the Secretary of State, who was then Al Haig, asking that the policy of denying American taxpayers' money to the PLO by withholding a proportionate amount of our United Nations dues be continued. She wanted that policy to be continued. Mr. Platt did not.

The denial of funds to the PLO had been established by statute for the previous year, but had been omitted from the law by oversight in the 1982 legislation.

Had it not been for the oversight, the State Department would have no option. But it was omitted by oversight.

Nevertheless, Ambassador Kirkpatrick, who was engaged in a campaign against terrorism at the United Nations, argued that the no-PLO-funding rule be continued as policy. She questioned whether the Reagan administration, and I will quote Ambassador Kirkpatrick, whether the Reagan administration "wanted to be in the position of restoring U.S. funding for programs benefiting these groups," these groups being terrorists.

Ambassador Kirkpatrick further stressed that the decision was "very politically sensitive."

Mr. Platt did not think the anti-PLO rule should be continued. So what did he do? When the cable arrived at the Secretary's office on the morning of February 25, it was forwarded to Mr. Platt's bureau. And even though he was acting only in the capacity of a bureaucrat without political authority, he immediately prepared a distorted and erroneous memorandum intended to conceal a momentous policy change by presenting it as a minor fiscal action.

The historical context of this action favoring the PLO must be recalled. At this time, the PLO was increasing terrorism around the world; the PLO was seeking wider diplomatic recognition, and the PLO was putting the military pressure on South Lebanon and Northern Israel that brought on the Israeli incursion into Lebanon only a few weeks later.

Mr. President, that was the context, that was the framework.

On August 29, 1981, the PLO bombed a synagogue in Vienna, with 2 dead and 20 injured. On October 20, 1981, the PLO bombed an Antwerp synagogue with 2 dead, and 100 injured. This terrorism seemed to enhance the PLO diplomatic campaign. On October 23, 1981, the PLO managed to get Greece to recognize its de facto Embassy in Athens. In December 1981, the PLO got diplomatic recognition from France for its Embassy in Paris. And on February 10, only 15 days before Mr. Platt wrote the memo reporting that there was no political advantage to suspending funding of the PLO—funds provided by the taxpayers' of the United States—the headline in the New York Times said: "Israel Is Said to Weigh an Invasion of Lebanon if PLO Goes On."

Perhaps this is the reason that Mr. Platt's colleagues wrote the following on the distribution list of those to get copies of the memo: "Platt does not want this memo to go to Ambassador Kirkpatrick."

In preparation for the hearing, the committee staff made a careful study of the contents and preparation of this memo, and interviewed as many members of Mr. Platt's former staff at the International Organization Bureau that the State Department permitted them to interview. We were not able to get to some. The State Department refused to permit interviews of two key employees involved in the preparation of Mr. Platt's memo, the memo that Mr. Platt did not want Jeane Kirkpatrick to see.

Mr. Platt's lack of professional integrity—and no other face can be put on it—directly resulted in a major policy error. It not only bears on his competence and his loyalty, but has a direct impact upon the post to which he has been nominated as U.S. Ambassador to the Philippines. The Communist terrorists in the Philippines are aided by a radical Muslim group supported by—guess who? That is right—the PLO.

That is why I am here this afternoon. I do not know Mr. Platt personally beyond being a participant in the hearings. I have nothing personally against him. Nevertheless, just as a matter of principle, I think it would be sheer folly to send the signal to the Philippine people that the man supposedly representing President Reagan in the midst of the Philippine people had previously foiled President Reagan's antiterrorist policy at a critical moment.

Mr. Platt's conduct with regard to U.S. taxpayers' funds financing the PLO will make it difficult for him to function in a country where such terrorism is a major problem facing the Government of the Philippines.

It is an open invitation to Mr. Platt to subvert Mr. Reagan's policy again. If Mr. Platt is confirmed, the people of the Philippines may well wonder why such a man is sent as the United States representative to their country, but they will no doubt be watching Mr. Platt's actions very carefully.

It should also be noted that Mr. Platt played a unique role in the State Department Secretariat during the period of transition from the Marcos administration to the Aquino administration.

Mr. President, I ask unanimous consent that the Platt memorandum and the accompanying documents be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1)

Mr. HELMS. Mr. President, I also submitted 14 questions to Mr. Platt covering issues in that transition, which he has answered in writing, and I ask unanimous consent that those questions and answers be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
*Washington, DC, July 27, 1987.*

Hon. CLAIBORNE PELL,
*Chairman, Committee on Foreign Relations, U.S. Senate.*

DEAR MR. CHAIRMAN: Following the July 24 nomination hearing of Nicholas Platt, to be Ambassador to the Republic of the Philippines, Senator Helms submitted additional questions to be answered for the record.

Please find enclosed the answers to those questions.

Sincerely,

J. EDWARD FOX.
*Assistant Secretary,*
*Legislative and Intergovernmental Affairs.*

Enclosures: As stated.

1. What was the chain of command involved in the Philippine transition effort, and what was your position within the chain of command?

The chain of command for the Department of State was from the President to the Secretary of State or the Undersecretary of State for Political Affairs acting on his behalf, through the Assistant Secretary of State for East Asian and Pacific Affairs to the Ambassador. As Executive Secretary of the Department and Special Assistant to the Secretary of State, I managed channels of communication and staff coordination for the Secretary, but had no position in the chain of command.

2. Were any interagency groups established to coordinate the transition effort? Which agencies were involved?

Secretary of State Shultz convened an interagency meeting at his residence on Sunday morning, February 23, 1986, to provide coordination for handling the crisis in the Philippines. The meeting was attended by the Secretary of Defense and Assistant Secretary of Defense Armitage; General P.X. Kelley representing the Chairman of the Joint Chiefs; Admiral Poindexter, the President's National Security Adviser; Robert Gates, Deputy Director of the CIA; Phillip Habib, the President's Special Representative; and State Department officers, including Deputy Secretary John Whitehead, Undersecretary for Political Affairs Michael Armacost, and Assistant Secretary Paul Wolfowitz.

The President called a meeting of the National Security Policy Group on Sunday afternoon February 23 to review the situation in the Philippines and to discuss policy recommendations. The President, the Secretary of State, the Secretary of Defense, the Director of the CIA, the National Security Advisor, the Chairman of the JCS (or General Kelley), Mr. Habib, and Mr. Armacost were among those who attended.

The agencies involved were the White House (NSC staff), State, Defense, the JCS, and the CIA.

Meanwhile, on Saturday, February 22, a Task Force with interagency representation chaired by State was established round-the-clock in the Operations Center to monitor the crisis and facilitate coordination.

3. Who were the key participants in formulating U.S. policy in the transition period?

The President, the Secretary of State, the Secretary of Defense, the Chairman of the JCS, the Director of the CIA, and the National Security Advisor. These men and their representatives were in constant touch during the crisis.

4. It has been reported that President Ferdinand Marcos won the so-called "snap" elections of February 1986 by approximately 1.5 million votes. Was there at the time, or has there since emerged, any evidence which would demonstrate that President Marcos did not win the election? Was there at the time, or has there since emerged, any evidence which would demonstrate that Mrs. Aquino won the election?

Overwhelming evidence emerged at the time that the level of fraud and manipulation on behalf of the Marcos candidacy was of such a magnitude that President Marcos' alleged victory could not be considered the expressed will of the people.

On February 15, 1986 President Reagan stated that "the elections (in the Philippines) were marred by widespread fraud and violence perpetrated largely by the ruling party." On February 19, the U.S. Senate approved a resolution by a vote of 85 to 9 "expressing the sense of the Senate that the recent presidential elections in the Philippines were marked by such widespread fraud that they cannot be considered a fair reflection of the will of the people of the Philippines."

These conclusions were based significantly on the reports of on-the-scene independent election observers. These most prominently included the 20-member United States Presidential Observer Delegation co-chaired by Senator Lugar and Congressman Murtha, which was sent at the invitation of President Marcos and the Philippine parliament; and the 40-member International Observer Delegation representing nineteen nations which was co-sponsored by the National Republican Institute for International Affairs and the National Democratic Institute for International Affairs. These conclusions were also confirmed by an intensive nationwide observer effort fielded by the United States Embassy, and by the very large contingent of foreign press which was scattered throughout the Philippines during the election period. Independent observers confirmed theft of ballot boxes, stuffing of boxes, fraudulent vote counts, disenfranchisement of voters, denial of the right of accredited opposition and election officials to carry out their functions and physical intimidation—all on a vast scale, perpetrated by the ruling party. In contrast, the level of fraud perpetrated by supporters of Mrs. Aquino was insignificant.

In the final analysis, it was for the Filipinos to judge the outcome of the election, and they have. They regard Corazon Aquino as their president. In a plebiscite on February 2, 1987, the Philippine electorate voted overwhelmingly to adopt a new constitution that was regarded by Aquino opponents and supporters alike as a "referendum" on President Aquino; in Section V of Article XVII it expressly extends the term of the incumbent President and Vice President until June 30, 1992.

5. The Philippine legislature, the "Batasan Pambansa," according to normal election procedure proclaimed Mr. Marcos as President on February 25th. Additionally, according to normal constitutional procedure, Mr. Marcos was sworn as President by the Chief Justice of the Supreme Court at Malacanang Palace on February 25th. Is it your view that Mr. Marcos was the constitutional President of the Philippines after these procedures had been observed? If not, what exact status did Mr. Marcos have at this point?

On February 25, 1986, Mr. Marcos and Mrs. Aquino each took an oath of office as President of the Philippines in separate ceremonies in Manila. On the same day, the United States extended recognition to the Government headed by President Aquino. (A copy of the statement of the Secretary of State extending recognition to the Aquino Government, issued at the White House is attached.) This action effectively resolved any questions regarding the United States' position with respect to Mr. Marcos's status.

### SECRETARY'S STATEMENT, FEB. 25, 1986

The President is pleased with the peaceful transition to a new Government of the Philippines. The United States extends recognition to this new government headed by President Aquino. We pay special tribute to her for her commitment to nonviolence which has earned her the respect of all Americans.

The new government has been produced by one of the most stirring and courageous examples of the democratic process in modern history. We honor the Filipino people. The United States stands ready as always to cooperate and assist the Philippines as the government of President Aquino engages the problems of economic development and national security.

We praise the decision of President Marcos. Reason and compassion have prevailed in ways that best serve the Filipino nation and people. In his long term as President, Ferdinand Marcos showed himself to be a staunch friend of the United States. We are gratified that his departure from office has come peacefully, characterized by the dignity and strength that have marked his many years of leadership.

It is the Filipino people, of course, who are the true heroes today. They have high expectations for their country and for democracy, and they have resolved this issue nonviolently in a way that does them honor.

6. On February 24, 1986, Minister Blas Ople, the personal representative of President Marcos, met with Secretary Shultz and Mr. Armacost. What was the position of the U.S. Government conveyed to Minister Ople? Was there a copy of a telegram from President Reagan to President Marcos conveyed to Mr. Ople?

Mr. Ople did meet with Secretary Shultz and Mr. Armacost on February 24, 1986. He was not provided with a telegram. He was provided with talking points which had been prepared and authorized for use by Ambassador Bosworth for his conversation with President Marcos, and sent separately by telegram to Embassy Manila. The text of the paper that was provided to Mr. Ople follows:

Begin text:

The President has asked me to come to you immediately with this message.

The current situation has presented us with a new set of conditions.

The election events, the confrontation, and the violence have deeply affected the American public and government.

If violence is employed against elements of the Philippine Armed Forces, we will not be able to continue military assistance. In addition, there will be strong—perhaps irresistible—pressures from Congress to suspend economic aid as well.

We want to help, but you must recognize it does not now matter how strongly you feel about having won the election, but the perception of your people and the American people is that the election was badly flawed.

The President is deeply concerned and wants to know what scenario you envision for a transition to a new government that will defuse the violent situation now evident.

He wishes to help you make this transition so the government and the people of the Philippines can face the severe problems in the economy and the threat of communist exploitation of this situation.

Our help as a good faith interlocutor with the various elements in confrontation can only be effective if you have reached the same conclusions as we have.

In this regard, he is genuinely concerned that you understand we are ready to facilitate the safety and medical care of you, your immediate family and close associates in the United States.

7. Following the election results, a climate of violence developed in the Philippines. Apparently for four days Philippine Air Force helicopters attacked the Malacanang Palace threatening the lives of President Marcos and his family. Were any of these helicopters refueled at Clark Air Force Base? Did any of these helicopters take ordnance, including rockets, of U.S. manufacture at Clark Air Force Base to be used in the attack against the Palace?

At no time were either helicopters or fixed wing aircraft of the Philippine Air Force rearmed with any type of ordnance at Clark Air Force Base during the crisis.

On Monday, February 24, several Philippine helicopters and fixed wing aircraft did land at Clark Air Base and request fuel and ordnance. They were refueled. During the evening of February 24 (Manila time), instructions were received by Clark Air Base to refuel two of the helicopters without ordnance so that they could be used if necessary by General Ramos for humanitarian air lift if the military situation deteriorated. This was the only instance of any logistical assistance to Philippine Air Force (PAF) units during this time. The Filipino pilots were not night qualified and the helicopters could not fly from Clark until after daylight on February 25. On that day, numerous PAF aircraft landed at Clark Air Base but requested no assistance. Their pilots and commanders were simply taking their aircraft out of the fray.

We are aware of only a single instance in which any type of aircraft attacked Malacanang Palace and that was on Monday morning, February 24. Obviously, therefore, the two helicopters refueled later that night for humanitarian purposes were not subsequently involved in any hostilities against the Palace.

8. What was the chain of command with respect to the actions of the U.S. military during the transition period? Precisely who was involved in the chain of command at the Pentagon? How was this coordinated with the State Department? How was this coordinated with the National Security Council? Who was involved in this coordination effort?

The Secretary of Defense and the Chairman of the Joint Chiefs of Staff were directly involved in the formulation and implementation of United States policy in this regard. Department of Defense personnel coordinated with the State Department, as appropriate, from the Cabinet-level policy formulation to operational decisions by personnel in the field.

The President's National Security Advisor, Admiral Poindexter, was also directly involved in policy formulation throughout this period. He and his staff coordinated with the State Department at many levels, including the Secretary, Undersecretary Armacost, Assistant Secretary Wolfowitz, and Department officers on the desk level.

9. Who instructed General Allen of the JUSMAG to negotiate a departure from the Palace? What was the chain of command involved in this process? How was this coordinated in Washington? Who was involved?

President Reagan invited Mr. Marcos, his immediate family, and close associates to come to the United States. This message was conveyed to President Marcos by Ambassador Bosworth in a telephone conversation on February 24. Talking points for that conversation are set out in the answer to Question 6. Senator Laxalt advised President Marcos at about this time to "cut and cut clean."

In accordance with the President's invitation, United States personnel in the Philippines were directed to prepare for the evacuation of Mr. Marcos, his family, and associates. These instructions were conveyed to Ambassador Bosworth by secure telephone through State Department channels. Confirmatory instructions through State Department channels. Confirmatory instructions were sent through military channels to Clark AB and Subic Naval Base. Specific arrangements were left to U.S. officers on the scene. Ambassador Bosworth was in charge of planning the evacuation and consulted closely with military commanders at Clark and Subic to that end.

10. Is it true that General Allen was instructed to give the impression that the United States would provide for transportation of the President and his family to his home in the province of Ilocos Norte. Precisely what were General Allen's instructions? Who gave General Allen these instructions? What was the chain of command?

General Allen was instructed to evacuate the Marcos party to Clark AB. It was anticipated that Mr. Marcos would make a decision on his final destination after the Marcoses had had an opportunity to rest for the night at Clark. President Marcos indicated before leaving Malacanang that he would prefer to go from Clark to Ilocos Norte, and that General Allen indicated that this was a possibility. As discussed more fully in the answer to Question 12, this situation changed during the night.

As indicated in the answer to Question 9, General Allen was under the direction of Ambassador Bosworth, who was receiving instructions from Washington through State Department channels.

11. At what time was President Marcos and his party airlifted to Clark Air Force Base? Where was the party taken on arrival at Clark Air Force Base?

Two Air Force helicopters under the command of Generals Allen and Williams landed at the Palace at approximately 8:30 p.m., February 25. These helicopters left the Palace at approximately 9:00 p.m. and arrived at Clark at approximately 9:35 p.m. The Marcoses and their party were provided with refreshments and then lodged in Air Force billeting facilities on the base.

12. At what time of the evening was the Marcos Party awakened and informed that they were being taken to Guam? Who informed them of their travel schedule? What was the role of General Williams in this transfer? Did President Marcos object to being flown to Guam? Did he protest this transfer? Was President Marcos threatened in any way? Who gave General Williams his orders to fly the Marcos Party to Guam? What was the chain of command?

During the night the security situation at Clark deteriorated seriously, and General Allen, after consulting with Admiral Crowe by telephone, concluded that it would be advisable for security reasons to remove the party to Guam.

At approximately 3:00 a.m., February 26, the Marcos party was awakened. General Allen advised Mr. Marcos' son, Ferdinand E. Marcos, Jr., Mr. Manotoc, General Ver, and Eduardo Cojuangco of the security threat to the Marcos party, and of the judgment of U.S. military authorities that their safety could be better assured on Guam. Once on Guam they could decide their ultimate destination, and the United States would transport them to that destination. Mr. Marcos' son, Manotoc, Ver, and Cojuangco went into Marcos' personal quarters and returned shorthly thereafter indicating that the party agreed to go to Guam. At the time of the aircraft's departure, Mr. Marcos was fully aware that his destination was Guam. He did not protest in any way and was not threatened in any way. He would not, in any event, have been taken against his will. Upon arrival in Guam Mr. Marcos expressed his pleasure at being on United States' soil.

General Williams was the commander of Clark AB and worked closely with General Allen and Ambassador Bosworth throughout the evacuation. The implementing order to fly President Marcos to Guam was consistent with the President's invitation to come to the United States and Marcos' wishes. The Department's records do not indicate whether General Williams received any further orders through military channels.

13. Would you characterize the transfer of President Marcos as one which took place against his will? Would you characterize this transfer as a kidnapping? Precisely how do you characterize this transfer of a head of state?

As indicated in the answer to Question 12, Mr. Marcos was fully aware of and had agreed to his destination when he left the Philippines. No threats or force were employed to make him leave, and he would not have been taken against his will. Under these circumstances Mr. Marcos' departure from the Philippines cannot be characterized as a "kidnapping." The United States assisted a former head of state to leave his country safely, in accordance with the President's invitation and his own wishes.

14. What is the precise immigration status of President Marcos and his family? What type of visa status do they have? What, if any, are the restrictions placed upon their status here? Can President Marcos freely come and go from the United States? Can Mrs. Marcos freely come and go from the United States? Has President Marcos been informed that he will not be permitted to return to the Philippines? Has President Marcos been informed that he will be forcibly restrained from returning to the Philippines?

This is primarily a legal question. The following answers are from the Department's legal office.

President Marcos and his family were admitted to the United States under the parole authority of the Attorney General. They have no visa status. One daughter (Imee) and her husband (Tommy Manotoc) and their children have left the United States.

On July 6, 1967, the Immigration and Naturalization Service served Mr. Marcos with a departure control order and a modification of the terms of his parole. Those documents provide, in effect, that Mr. Marcos may not leave the island of Oahu without the permission of the United States Government.

Mr. and Mrs. Marcos are also restrained by a February 11, 1987 order of the U.S. District Court for the Eastern District of Virginia, which stayed their commitment for contempt of court, pending appeal, on condition that they not depart the United States.

Mr. Marcos has been informed that he may not now return to the Philippines because the Philippine Government is not willing to consent to his return. Mr. Marcos has been informed that an attempt by him to return to the Philippines would be regarded as a violation of the departure control order and that he would be prevented from departing.

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U.S. DEPARTMENT OF JUSTICE,
IMMIGRATION AND
NATURALIZATION SERVICE,
*Honolulu, HI, July 6, 1987.*

MR. FERDINAND MARCOS,
*Makiki Heights Drive,*
*Honolulu, HI.*

DEAR MR. MARCOS: The provisions of 8 U.S.C., Section 1185(a)(1) make it unlawful for any alien to depart the United States unless such departure is in conformity with the rules and regulations issued under that section. I now have reason to believe that you intend to depart from the United States, in a manner which would be prejudicial to the interests of the United States. I further have reason to believe that your departure from the United States would fall within 8 C.F.R., Section 215.3, a copy of which is attached, and is therefore prohibited. Consequently, in accordance with the authority vested in me under 8 C.F.R., Section 215.2(a), a copy of which is attached, you are hereby ordered that you shall not depart the United States until such time as this order is revoked.

In conformity with 8 C.F.R., Section 215.4, you have a right to a hearing before a special inquiry officer (immigration judge) regarding this order. A copy of the regulations describing the hearing process and your entitlement to representation during that process is attached.

Any such request for a hearing must be received by the undersigned at: 595 Ala Moana Boulevard, Honolulu, Hawaii 96813. If you do not make a timely request for such a hearing, this order shall become final fifteen (15) days from the date of service upon you.

Sincerely,

WILLIAM W. CRAIG,
*District Director.*

§ 215.2 Authority of departure-control officer to prevent alien's departure from the United States

(a) No alien shall depart, or attempt to depart, from the United States if his departure would be prejudicial to the interests of the United States under the provision of § 215.3. Any departure-control officer who knows or has reason to believe that the case of an alien in the United States comes within the provisions of § 215.3 shall temporarily prevent the departure of such alien from the United States and shall serve him with a written temporary order directing him not to depart, or attempt to depart, from the United States until notified of the revocation of the order.

(b) The written order temporarily preventing an alien, other than an enemy alien, from departing from the United States shall become final 15 days after the date of service thereof upon the alien, unless prior thereto the alien requests a hearing as hereinafter provided. At such time as the alien is served with an order temporarily preventing his departure from the United States, he shall be notified in writing concerning the provisions of this paragraph, and shall be advised of his right to request a hearing if entitled thereto under § 215.4. In the case of an enemy alien, the written order preventing departure shall become final on the date of its service upon the alien.

(c) Any alien who seeks to depart from the United States may be required, in the discretion of the departure-control officer, to be examined under oath and to submit for official inspection all documents, articles, and other property in his possession which are being removed from the United States upon, or in connection with, the alien's departure. The departure-control officer may permit certain other persons, including officials of the Department of State and interpreters, to participate in such examination or inspection and may exclude from presence at such examination or inspection any person whose presence would not further the objectives of such examination or inspection. The departure-control officer shall temporarily prevent the departure of any alien who refuses to submit to such examination or inspection, and may, if necessary to the enforcement of this requirement, take possession of the alien's passport or other travel document.

**§ 215.3 Aliens whose departure is deemed prejudicial to the interests of the United States.**

The departure from the United States of any alien within one or more of the following categories shall be deemed prejudicial to the interests of the United States.

(a) Any alien who is in possession of, and who is believed likely to disclose to unauthorized persons, information concerning the plans, preparation, equipment, or establishments for the national defense and security of the United States.

(b) Any alien who seeks to depart from the United States to engage in, or who is likely to engage in, activities of any kind designed to obstruct, impede, retard, delay or counteract the effectiveness of the national defense of the United States or the measures adopted by the United States or the United Nations for the defense of any other country.

(c) Any alien who seeks to depart from the United States to engage in, or who is likely to engage in, activities which would obstruct, impede, retard, delay or counteract the effectiveness of any plans made or action taken by any country cooperating with the United States in measures adopted to promote the peace, defense, or safety of the United States or such other country.

(d) Any alien who seeks to depart from the United States for the purpose of organizing, directing, or participating in any rebellion, insurrection, or violent uprising in or against the United States or a country allied with the United States, or of waging a war against the United States or its allies, or of destroying, or depriving the United States of sources of supplies or materials vital to the national defense of the United States, or to the effectiveness of the measures adopted by the United States for its defense, or for the defense of any other country allied with the United States.

(e) Any alien who is subject to registration for training and service in the Armed Forces of the United States and who fails to present a Registration Certificate (SSS Form No. 2) showing that he has complied with this obligation to register under the Universal Military Training and Service Act, as amended.

(f) Any alien who is a fugitive from justice on account of an offense punishable in the United States.

(g) Any alien who is needed in the United States as a witness in, or as a party to, any criminal case under investigation or pending in a court in the United States: *Provided*, That any alien who is a witness in, or a party to, any criminal case pending in any criminal court proceeding may be permitted to depart from the United States with the consent of the appropriate prosecuting authority, unless such alien is otherwise prohibited from departing under the provisions of this part.

(h) Any alien who is needed in the United States in connection with any investigation or proceeding being, or soon to be, conducted by any official executive, legislative, or judicial agency in the United States or by any governmental committee, board, bureau, commission, or body in the United States, whether national, state, or local.

(i) Any alien whose technical or scientific training and knowledge might be utilized by an enemy or a potential enemy of the United States to undermine and defeat the military and defensive operations of the United States or of any nation cooperating with the United States in the interests of collective security.

(j) Any alien, where doubt exists whether such alien is departing or seeking to depart from the United States voluntarily except an alien who is departing or seeking to depart subject to an order issued in extradition, exclusion, or deportation proceedings.

(k) Any alien whose case does not fall within any of the categories described in paragraphs (a) to (j) inclusive, of this section, but which involves circumstances of a similar character rendering the alien's departure prejudical to the interests of the United States.

§ 215.4 Procedure in case of alien prevented from departing from the United States. (a) Any alien, other than an enemy alien, whose departure has been temporarily prevented under the provisions of § 215.2 may, within 15 days of service upon him of the written order temporarily preventing his departure, request a hearing before a special inquiry officer. The alien's request for a hearing shall be made in writing and shall be addressed to the district director having administrative jurisdiction over the alien's place of residence. If the alien's request for a hearing is timely made, the district director shall schedule a hearing before a special inquiry officer, and notice of such hearing shall be given to the alien. The notice of hearing shall, as specifically as security considerations permit, inform the alien of the nature of the case against him, shall fix the time and place of the hearing, and shall inform the alien of his right to be represented, at no expense to the Government, by counsel of his own choosing.

(b) Every alien for whom a hearing has been scheduled under paragraph (a) of this section shall be entitled (1) to appear in person before the special inquiry officer, (2) to be represented by counsel of his own choice, (3) to have the opportunity to be heard and to present evidence, (4) to cross-examine the witnesses who appear at the hearing, except that if, in the course of the examination, it appears that further examination may divulge information of a confidential or security nature, the special inquiry officer may, in his discretion, preclude further examination of the witness with respect to such matters, (5) to examine any evidence in possession of the Government which is to be considered in the disposition of the case, provided that such evidence is not of a confidential or security nature the disclosure of which would be prejudicial to the interests of the United States, (6) to have the time and opportunity to produce evidence and witnesses on his own behalf, and (7) to reasonable continuances, upon request, for good cause shown.

(c) Any special inquiry officer who is assigned to conduct the hearing provided for in this section shall have the authority to: (1) administer oaths and affirmations, (2) present and receive evidence, (3) interrogate, examine, and cross-examine under oath or affirmation both the alien and witnesses, (4) rule upon all objections to the introduction of evidence or motions made during the course of the hearing, (5) take or cause despositions to be taken, (6) issue subpoenas, and (7) take any further action consistent with applicable provisions of law, Executive orders, proclamations, and regulations.

§ 215.5 Hearing procedure before special inquiry officer. (a) The hearing before the special inquiry officer shall be conducted in accordance with the following procedure:

(1) The special inquiry officer shall advise the alien of the rights and privileges accorded him under the provisions of § 215.4.

(2) The special inquiry officer shall enter of record (i) a copy of the order served upon the alien temporarily preventing his departure from the United States, and (ii) a copy of the notice of hearing furnished the alien.

(3) The alien shall be interrogated by the special inquiry officer as to the matters considered pertinent to the proceeding, with opportunity reserved to the alien to testify

thereafter in his own behalf, if he so chooses.

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TEXT OF THE MODIFICATION OF THE TERMS OF MR. MARCOS' PAROLE, SIGNED COPY DELIVERED TO MR. MARCOS JULY 1987

Mr. FERDINAND MARCOS,
*2338 Makiki Heights Drive,*
*Honolulu, HI.*

DEAR MR. MARCOS: Pursuant to the authority vested in me as District Director of the Hawaii District Office of the Immigration and Naturalization Service, this is to notify you of the following additional conditions of your parole into the United States:

"You must obtain from the District Director in Honolulu written permission to leave the Island of Oahu by any means. In this regard you must submit a written request to the District Director at least forty-eight (48) hours in advance of your proposed departure. This written request must include your purpose of travel, your itinerary, all means of transportation from your Makiki Heights residence, including the person or entity from whom the craft is obtained, its registration numbers, the crew's identities, and the number and identity of your traveling party. You may be required to furnish additional information."

These conditions are imposed upon you by the authority vested in me as District Director by 8 U.S.C. 1182(d)(5) and 8 C.F.R. 212.5.

I will give any request you may make my utmost consideration.

Sincerely,

WILLIAM CRAIG,
*District Director.*

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IN THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA, ALEXANDRIA DIVISION, GRAND JURY 86–2

IN RE GRAND JURY SUBPOENAS TO FERDINAND AND IMELDA MARCOS (JOHN DOE 700)

*Order*

This matter came before the Court this 11th day of February, 1987, on the government's motion for a grant of immunity and an order requiring the above named witnesses to produce documents before the grand jury, motions to quash subpoenas to the witnesses, and a motion to hold them in contempt for refusing to provide the documents to the grand jury on the basis of former head-of-state immunity and various alleged privileges against self-incrimination. Counsel agreed that all motions be heard in the same hearing.

After hearing argument and for the reasons stated from the bench, it is hereby Ordered:

That the government's motion for a grant of immunity and requiring the production of documents before the grand jury is Granted.

That the witness's motion to quash subpoenas is Denied.

That, pursuant to 28 U.S.C. § 1826(a), the witnesses are in *contempt of this Court's Order and Ferdinand Marcos and Imelda Marcos are committed to the custody of the Attorney General* or *his duly authorized representative until such time as they purge themselves of contempt* or *for the life of this grand jury.*

That the *commitment of Ferdinand Marcos and Imelda Marcos is stayed for a period of thirty (30) days, to permit an appeal of the Court's decision on the condition that they do not leave or travel outside the United States.* If the Court of Appeals does not rule within the thirty (30) days, this commitment will be stayed until the Court of Appeals rules on the appeal from this Order.

CLAUDE M. HILTON,
*U.S. district judge.*

Date: Feb. 11, 1987.

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QUESTIONS FOR AMBASSADOR PLATT

1. What was the chain of command involved in the Philippine transition effort and what was your position within this chain of command?

2. Were any inter-agency groups established to coordinate the transition effort? Which agencies were involved?

3. Who were the key participants in formulating U.S. policy in the transition effort?

4. It has been reported that President Ferdinand Marcos won the so-called "snap" elections of February 1986 by approximately 1.5 million votes. Was there at the time, or has there since emerged, any evidence which would demonstrate that President Marcos did not win the election? Was there at the time, or has there since emerged, any evidence which would demonstrate that Mrs. Aquino won the election?

5. The Philippine legislature, the "Batasan Pambasa," according to normal election procedure proclaimed Mr. Marcos as President on February 25th. Additionally, according to normal constitutional procedure, Mr. Marcos was sworn in as President by the Chief Justice of the Supreme Court at Malacanang Palace on February 25th. Is it your view that Mr. Marcos was the constitutional President of the Philippines after these procedures had been observed? If not, what exact status did Mr. Marcos have at this point?

6. On February 24, 1986, Minister Blas Ople, the personal representative of President Marcos, met with Secretary Shultz and Mr. Armacost. What was the position of the U.S. government conveyed to Minister Ople? Was there a copy of a telegram from President Reagan to President Marcos conveyed to Mr. Ople? If so, please attach a copy of the telegram.

7. Following the election results, a climate of violence developed in the Philippines. Apparently for four days Philippine Air Force helicopters attacked the Malacanang Palace threatening the lives of President Marcos and his family. Were any of these helicopters refueled at Clark Air Force Base? Did any of these helicopters take on ordnance, including rockets, of U.S. manufacture at Clark Air Force Base to be used in the attack against the Palace?

8. What was the chain of command with respect to the actions of the U.S. military during the transition period? Precisely who was involved in the chain of command at the Pentagon? How was this coordinated with the State Department?

How was this coordinated with the National Security Council? Who was involved in this coordination effort?

9. Who instructed General Allen of the JUSMAG to negotiate a departure from the Palace? What was the chain of command involved in this process? How was this coordinated in Washington? Who was involved?

10. Is it true that General Allen was instructed to give the impression that the United States would provide for transportation of the President and his family to his home province of Illocos Norte? Precisely what were General Allens instructions? Who gave General Allen these instructions? What was the chain of command?

11. At what time was President Marcos and his party airlifted to Clark Air Force Base? Where was the party taken on arrival at Clark Air Force Base?

12. At what time of the evening was the Marcos party awakened and informed that they were being taken to Guam? Who informed them of their travel schedule? What was the role of General Williams in this transfer? Did President Marcos object to being flown to Guam? Did he protest this transfer? Was President Marcos threatened in any way? Who gave General Williams his orders to fly the Marcos party to Guam? What was the chain of command?

13. Would you characterize the transfer of President Marcos as one which took place against his will? Would you characterize this transfer as a kidnapping? Precisely how do you characterize this transfer of a head of state?

14. What is the precise immigration status of President Marcos and his family? What type of visa status do they have? What, if any, are the restrictions placed upon their status here? Can President Marcos freely come and go from the United States? Can Mrs. Marcos freely come and go from the United States? Has President Marcos been informed that he will not be permitted to return to the Philippines? Has President Marcos been informed that he will be forcibly restrained from returning to the Philippines?

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EXHIBIT 1

DEPARTMENT OF STATE ACTION MEMORANDUM

To: The Secretary.
*From: IO—Nicholas Platt, Acting.*
*Subject: Response to Ambassador Kirkpatrick on Proportionate Reductions in FY 1982 UN Voluntary Contributions.*

SUMMARY

Ambassador Kirkpatrick has suggested making proportionate reductions in our voluntary contributions to UN assistance programs included in the International Organizations and Programs (IO and P) account for FY 1982. This proposal would require rescission of appropriated funds and will not improve program policies of affected international organizations. We recommend that you oppose any effort to reinstate restrictions on this account.

ANALYSIS OF ISSUES

The FY 1981 continuing resolutions provided that none of the funds for the IO and P account finance the U.S. proportionate share for any programs for the Palestine Liberation Organization (PLO), the South West African People's Organization (SWAPO), the Zimbabwe African National's Union (ZANU), the Zimbabwe African People's Union (ZAPU), and Cuba. Pursuant to the law, we reduced our FY 1981 contributions to UNDP ($297,722) UNICEF ($27,316), World Food Program ($6,822), UNEP ($19,000), and IAEA ($130,321). The total reduction ($481,181) amounted to 0.2 percent of the account.

The FY 1982 foreign aid authorization and appropriations bills do not contain proportionate share reductions on U.S. voluntary contributions from IO and P. Congress did retain similar restrictive language on assessed contributions. Since the amount for UNDP, UNICEF and UNEP are specifically earmarked in the FY 1982 legislation, we could reduce our payments to them only through the Congressional rescission process.

EVALUATION OF OPTIONS

If we support restrictions to these organizations, we will undermine our traditional

opposition to restrictions in the World Bank and other multilateral agencies.

Last year we argued against these restrictions on this account. Congress chose not to impose reductions on our voluntary contributions while retaining them on assessed payments. From this, we conclude that Congress intended to do precisely what it did. It believes, therefore, that there is no political advantage to reinstituting these restrictions at this time.

U.S. contributions go into a general fund. They cannot be earmarked to prevent the organizations from using them in a particular country or program offensive to us.

The effect of reducing U.S. contributions would be minimal. Our 0.2 percent reduction in FY 1981 did not prohibit the programs for named NLMS and Cuba from transpiring; it only forced affected agencies to allocate the shortfall among all recipients. Thus, the impact of future reductions would no more change events in these voluntary agencies than has the Soviet withholding of funds affected UN peacekeeping operations and UN bond repayments.

Activities of the International Atomic Energy Agency directly advance U.S. strategic interests. A reduction to this organization, which conducted a program in Cuba in FY 1981, would only diminish support for the safeguards program which is vital to the goals for nuclear non-proliferation which we seek.

RECOMMENDATION

That you sign the attached letter opposing reductions in the IO and P account to Ambassador Kirkpatrick and seek Bill Clark's concurrence on this matter.

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THE SECRETARY OF STATE,
*Washington, DC, March 4, 1982.*

Hon. JEANE J. KIRKPATRICK,
*U.S. Representative, to the United Nations, New York.*

DEAR JEANE: I agree with your memorandum of February 24 that the issue of restrictions of U.S. voluntary contributions to UN assistance programs is politically very sensitive. It is not true, however, that the Department interprets the absence of restrictive provisions in the FY-82 appropriations bill as permission to ignore UN funding for objectionable organizations.

As you know, we have made strong efforts to oppose such activities by UN programs, both in their governing councils and in private consultations with Secretariat officials. Thanks to these efforts, and effective work by your Mission, we were successful last year in limiting UNDP and World Food Program projects in Vietnam, for example.

The question posed by your message is whether the Administration can decide for itself to continue these restrictions in the absence of Congressional direction. The answer is that it cannot. We would need to obtain a formal budget rescission approved by both Houses of Congress covering appropriations for the affected programs. This is a cumbersome procedure which could complicate our relations with Congress on other vital budget issues.

Frankly, I am not sure it would be worth the trouble. As youk now, U.S. contributions to the voluntary programs go into a general fund and cannot be effectively earmarked to prevent use of them in a particular country or activity offensive to us.

If Congress imposes sanctions on the 1983 appropriation, we will of course comply, as we did for the 1981 appropriation. We must in the meantime continue to oppose vigorously activities by UN voluntary programs in support of countries or organizations we find repugnant.

Sincerely,

ALEXANDER M. HAIG, JR.

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From: Ambassador Kirkpatrick (FR/New York 244).
To: Alexander M. Haig, Jr., Secretary of State, William P. Clark, National Security Adviser to the President.
From: Jeane J. Kirkpatrick.
Subject: By '82 voluntary contributions to the specialized agencies of the United Nations.

It has come to my attention that the FY '82 U.S. voluntary contributions to the specialized agencies of the United Nations (UNICEF, UNDP, UNFPA, etc.) contain no mandatory restrictions on the utilization of those funds for programs dealing with the PLO, SWAPO, or in Cuba. The previous authorization and appropriations bills had required that we reduce our contributions by an amount equivalent to the contributions to support these activities. The State Department has interpreted the absence of a congressional restriction as permission to ignore U.S. funding of programs for these organizations.

Obviously, this is a very politically sensitive decision. Frankly, I wonder if the administration desires to be in the position of restoring U.S. funding for programs benefiting these groups. Congress' action would not prevent the administration from deciding itself to continue the restrictions, would it? In any case, the decision is politically sensitive enough that we will forward no checks to the organizations concerned until I hear from you.

Mr. HELMS. Mr. President, I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, this nomination was examined in some detail and with care in the committee. We had, not only one hearing but two hearings on it. The main point of the examination was the famous Platt memorandum which, as presented by the Senator from North Carolina, is accurate. It provided the traditional State Department views on the question of withholding funds from United Nations agencies.

In fact, the State Department had advocated that position in congressional testimony. Mr. Platt provided Secretary Haig with his memorandum and also provided the Kirkpatrick cable in which she outlined her views, so that Mr. Haig had the option of a choice between the two views. The Secretary then weighed the two views in the Platt cable and the Kirkpatrick memorandum and decided to stick with the traditional State view, the view that had been advocated by Mr. Platt.

I note that Mr. Platt, as Assistant Secretary of State, is responsible to the Secretary of State, not to the Ambassador to the U.N. As such, he has no obligation to have the U.N. Ambassador sign off on his memoranda to the Secretary of State. After a pretty detailed examination of the issues involved, our committee determined that, regardless of whether the State Department position of withholding was good or bad policy, it was not in any way improper for Ambassador Platt to make the recommendation he did to Secretary Haig.

Ambassador Platt provided Secretary Haig with the cable from Ambassador Kirkpatrick, his memorandum and a proposed response to the Kirkpatrick cable. In so doing, Ambassador Platt provided Secretary Haig with everything he needed to make an informed decision.

The committee found that Ambassador Platt has conducted himself in a professional manner throughout his career in the Foreign Service and is well qualified to be our next Ambassador to the Republic of the Philippines. That was shown by the vote in our committee. It was a vote of 18 to 1 in recommending his nomination to the Senate.

Mr. President, I yield the floor.

Mr. HELMS. Mr. President, the distinguished Senator from Rhode Island, who is my friend—and he knows of my admiration and affection for him—has just made my point. He said that Ambassador Platt was following usual State Department procedure. But the point is that the State Department policy in this matter was a contradiction of the position of Ambassador Kirkpatrick and the President of the United States. Had that not been so, Mr. Platt would have been delighted for a copy of the memo to have gone to Ambassador Kirkpatrick.

So I thank my friend, the chairman of the Foreign Relations Committee, for making my point for me.

I am ready to vote.

The PRESIDING OFFICER. Is there further debate on the nomination?

Mr. PELL. Mr. President, I think one point should be borne in mind, and that is that Platt was a subordinate of Secretary Haig, not a subordinate of Ambassador Kirkpatrick, and his obligation was to respect the policy of the Department in which he worked and his boss. If he did not, I think he would have been liable to very serious censure.

I am prepared to vote.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Nicholas Platt, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], the Senator from North

Carolina [Mr. Sanford], and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Minnesota [Mr. Durenberger], and the Senator from Oregon [Mr. Hatfield] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. Hatfield] would vote "yea."

The PRESIDING OFFICER (Mr. Shelby). Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 88, nays 5, as follows:

[Rollcall Vote No. 232 Ex.]

YEAS—88

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stevens
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—5

Helms
Humphrey
Kasten
McClure
Symms

NOT VOTING—7

Biden
Boschwitz
Durenberger
Gore
Hatfield
Sanford
Stennis

So the nomination was confirmed.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I ask the President be immediately notified of the confirmation of the nominee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. BYRD. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to and, at 3:23 p.m., the Senate recessed, subject to the call of the Chair; whereupon, the Senate reassembled at 3:28 p.m., when called to order by the Presiding Officer [Mr. Shelby].

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, the Senate is in executive session, I believe?

The PRESIDING OFFICER. The Senate was in recess, Mr. Leader. The Senate now remains in executive session.

Mr. BYRD. I thank the Chair.

### ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I understand that Senator Pryor wishes to speak as in legislative session. I have no objection to that, if he wishes to put a self-limitation as to time on his remarks.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I do seek unanimous consent to speak as if in legislative session. I ask unanimous consent that I may proceed not to extend beyond 12 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arkansas.

## AMENDMENTS TO STANDING RULES OF THE SENATE

Mr. PRYOR. Mr. President, today, with Senator Danforth, I am introducing four amendments to the Standing Rules of the Senate. These changes do not greatly affect the current prerogatives of individual Senators; however, they would greatly improve the ability of the Senate to get its work done in a timely and efficient manner.

Mr. President, the Senate is a fine institution made up of dedicated and knowledgable individuals. We have developed a rich history of rules and traditions that we hold as trustees for future generations. I believe it is incumbent upon us to ask ourselves if we are doing the best we can to insure that the Senate continues to operate at top form.

Unfortunately, it seems undeniable that the Senate is approaching procedural "gridlock." Over the past 20 years there appears to have crept in a decided inability to successfully complete the business of the Senate. This is a problem which must be addressed by all Senators. While the public and the press can discuss our shortcomings as they perceive them, this is a uniquely in-house problem that must be the focus of our thoughtful discussion and deliberation. No one can solve these problems but us.

Let me take a moment to illustrate the morass we have slipped into.

At the request of the Rules Committee, the Congressional Research Service recently reviewed the Senate cloture rule and the history of filibusters in the Senate. The study showed that from 1841 through 1968 there were 62 outstanding filibusters. Since 1968, there have been 80 filibusters. Mr. President, that means the Senate has endured more filibusters in the last 19 years than it did in the preceding 127. Today, even the threat of filibuster is as lethal as the filibuster itself.

Everyone knows about the filibuster problem, but we also need to look at the overall efficiency of the Senate. One measure of the quality of our work is a comparison of the number of hours spent in session with the actual amount of work performed. The results of such analysis are telling. In the 99th Congress, the Senate spent 2,531 hours in session and responded to 740 rollcall votes. In the 93d Congress, we spent 500 fewer hours in session but worked our way through 400 more votes.

In short, we are now churning out 35 percent less work product while lengthening the amount of time in session by 20 percent.

What has caused this slippage?

I believe there are a variety of factors that have eroded our ability to deal with pressing issues. Today I am offering four Senate rules changes that address several of these factors and will streamline our work. These changes will not be the solution to many of our problems, but they will be a step.

The first change targets the proliferation of often frivolous amendments that express the sense of the Senate or the sense of the Congress. The change would prohibit any such amendments that do not have 20 consponsors. Over the past 5 years, there have been an annual average of 51 sense-of-the-Senate and sense-of-the-Congress resolutions offered as amendments. Rarely were there more than eight cosponsors of these amendments. It is my belief that a 20 cosponsor rule would reduce the number of time-consuming, but often nonessential, amendments that delay bill consideration.

The second change addresses the growing problem associated with the motion to proceed. This change would limit the debate on any motion to proceed to the consideration of any matter—other than an amendment to the Standing Rules of the Senate—to 1 hour equally divided between the majority and minority leaders. At the conclusion of the 1 hour of debate, the Senate would vote on the motion. A simple majority of those Senators voting would then move us to the bill.

The problem is illustrated by the following: In the 99th Congress, there were 12 instances of the motion to proceed being used to delay consideration of legislation. In five cases, the motion to proceed was withdrawn. In five of the remaining seven cases, cloture petitions were filed and the motion to proceed was eventually agreed to, after a delay of at least 2 days. Already this year seven cloture petitions have been filed on two motions to proceed. Neither bill has yet been debated by the full Senate.

The third change would address the growing laxity regarding rollcall votes. My amendment would strictly limit votes to 15 minutes. Over the past years, the time spent on each rollcall vote has skyrocketed to 30 minutes or more. Time spent waiting to complete votes could almost certainly be better used on other Senate business. I estimate that we have wasted more than 40 hours this year in elongated voting patterns. There alone is a wasted week of work we have frittered away, wasted, and we will never be able to reclaim.

The fourth change would address the mayhem that attends many bills when they are amended on the floor. This change is somewhat complex. This change would require that amendments are offered in the order of the section or the title of the measure being amended. Should a Senator desire to revisit a particular section that has been closed out, unanimous consent would be necessary.

These are changes that will not reduce the Senate's ability to function as the deliberative body it was intended to be. In fact, these amendments will allow the Senate to resume that role and spend time discussing the issues rather than bogging down in procedures, and waiting and waiting.

I am certain that some might argue that this particular amendment, the section-by-section concept, is an attempt to make the Senate conform to House procedures. Mr. President, this is clearly not the case nor is it the intent of this particular provision. However, we must in this institution recognize a very major difference between the House and the Senate and how we conduct our respective processes. In the House, each Member of that body accommodates his or her own individual schedule to the rule of the House. In the Senate, the rules and practices of the Senate accommodate each individual Senator's schedule. One hundred years ago maybe that process worked. Today, Mr. President, it does not.

Our modest proposals today offered by Senator Danforth and myself for these four changes in the rules of the Senate are merely intended to be a first step in the long march to bring the U.S. Senate into the 20th and hopefully into the 21st century.

(The text of the resolutions are printed later in the Record under morning business.)

Mr. BYRD. Will the distinguished Senator yield?

Mr. PRYOR. I yield.

Mr. BYRD. I compliment the Senator. We have heard the Senator take the floor before and speak on the subject of proposed rules changes. It is obvious in listening to what he has said today that he has spent much time and given much thought to the need for improving our procedures in this body.

I am particularly interested in at least two of the Senator's proposals, one being the proposal to provide for 1 hour of debate on a motion to proceed. I have been somewhat of an advocate of this approach for some time. This year I have had occasion on several bills to wish that such a motion were provided for now. If it were provided for, we already would have had catastrophic illness before the Senate; we would have had the Department of Defense authorization bill before the Senate; we would have had the issue of prompt payment before the Senate.

Mr. Stevens and I have discussed this matter on several occasions. Mr. Stevens is the ranking member of the Senate Committee on Rules and Administration. He and I do have a resolution. We have been intending to introduce such a resolution for several weeks. It would provide for 2 hours on a motion to proceed. Either way would be satisfactory with me.

The other proposal I want to address briefly is the one with regard to 15-minute rollcall votes.

There is an order which has been entered by the Senate that provides for 15-minute rollcall votes and it is breached almost always.

Mr. PRYOR. Mr. President, would the Senate be in order? I am having difficulty hearing the majority leader.

The PRESIDING OFFICER. The Senate will be in order.

The majority leader.

Mr. BYRD. Mr. President, on the last rollcall vote, the time that was taken was 27 minutes. So the time ran 12 minutes over the time under the standing order. A call for the regular order normally would cause the Chair to ask the clerk to complete the tabulation and submit it to the Chair with respect to the vote count. The clerks, of course, are inhibited from doing so because the majority leader tells the clerk not to do that but to hold up the vote, and the clerk has no alternative but to follow the request of the majority leader.

The majority leader is under a great deal of pressure, because I have Members on my side who do not make it here by the time the 15 minutes are up and I try to check on them. I hear they are on the subway, they have left the office and they will be here, should be coming in the door any moment. So we wait.

Then we hesitate to close the vote because of the feeling that 30 seconds after the vote is announced by the Chair, in will come the Senator, huffing and puffing and breaking out in a sweat. He will be angry because he got so close and missed the vote.

Then there are occasions when the distinguished Republican leader will say to me, "We have such-and-such a Senator still out." I want to accommodate the Republican leader. After all, if we allow it for ourselves on this side, we are not justified in closing it out in 15 minutes on our Republican friends. It is an order that is almost impossible to execute.

There are times when the majority leader, whether it be a Republican or a Democrat, is forced to hold up the vote because he is in the well trying to change the outcome. The majority leader is going to try to win on those votes in which his party is deeply involved and deeply interested. So he is going to try to win, and he is going to hold up the vote to do so. He may have to hold it up 15 minutes, 30 minutes, 45 minutes. When the Republicans are in, as I saw they were for 6 years, I recognized what the majority leader then, Mr. Dole, was doing. I did not press for a vote with regard to bringing it to a close. I knew the majority leader would not tell the clerk to proceed, and I do not want particularly to engage in futile actions of that kind. So I was resigned to the fact that the majority leader was up there trying to win that vote. If he felt he could win it by delaying the vote for an additional 15, 20, 30 minutes, he certainly had the power to do it.

I knew if I were in his stead, I would be doing the same thing. So, it is an order that is virtually impossible, under the circumstances, to execute.

The real problem here, Mr. President, and what frustrates the Senator from Arkansas and what frustrates this Senator and, I am sure, other Senators from time to time is the fact that there are times when Senators could get here within that 15-minute time period if they would try. There is no point in this Capitol complex on the Senate side, in any of the Senate buildings, and of the Senate offices, that a Senator cannot get to this floor within that 15-minute period if he will start when the bells sound. Once in a while, the elevators may break down, and in those instances we know that we have to hold up the vote; no way to avoid that.

There is one Senator who perhaps would have to take a little longer than 15 minutes in getting to the floor. But I daresay he is not a Senator who holds up the Senate. He starts or he is here before the rollcall vote starts, usually. He is sitting right at this post of duty and it is not he who holds these votes up. Other Senators, I know, can do better.

It is very inconsiderate on the part of a Senator to hold up a vote. He knows he can get here, but he also knows that the leaders will hold up the vote for him. He ought to have a little consideration for his colleagues because when he holds up the Senate, has it wait until he can get here to vote, after that 15 minutes under the order have expired and another 5 minutes go by and so on and he continues—I think some Senators wait, I really do, until the 15 minutes are up before they start. They think, "Oh, they will wait; they will hold the vote up for me." And we will. But it is inconsiderate of other Senators, because while that Senator may feel like it is all right for him to take his time in getting here and he is going to make the rollcall and his constituents will be happy because he makes the rollcall he is keeping other Senators from doing their work. Because if we have to wait a minute to take up another matter, other Senators are kept waiting, and time after time we have stood here and sat here, and waited 5 minutes, 10 minutes, 15 minutes over the time for the vote to have been counted and announced by the Chair.

Senators will come in the door nonchalantly, just as though it is in the normal course of things. Everything worked our for them. It is one of the privileges of a Senator. He can take his time. He can sit there in his office until the 7½ minute, midway warning bell sounds. His staff will remind him, and he will say, "Oh, that will be all right, tell them to hold it up, tell them to wait, tell them I am on my way."

We hear that so much. "He is on his way, he is on his way, the Senator is on his way."

Well, from where? From which direction did he start? In which direction is he going? On his way from where? Out West?

Mr. PRYOR. China.

Mr. BYRD. Mr. President, it really places an unreasonable burden on the leaders because I want to protect Senators; Senator Dole wants to protect the Senators on his side. It places an unreasonable burden on him. But forget us for a moment. It places an unreasonable burden on our colleagues because everybody else has to wait. There are other Senators around here who have to get back to their office. There are other Senators around here who have to get things done. There are other Senators here who have to catch airplanes. And the longer we wait on each vote, the farther we push late votes in the day back, and the more it runs the risk of making other Senators have to catch planes and miss votes later in the day.

It is really unreasonable, it is inconsiderate on the part of a Senator to take advantage of his colleagues like that. That is not the case, of course, every time a Senator comes to the floor late. He can be delayed beyond any reasons of his own making, and perhaps it was impossible for him to get here.

There are times when Senators are on the way from the airport and cannot get here. The planes have arrived late; there has been a storm; there has been a buildup in the landing pattern, and the Senator cannot get here on time.

But Mr. President, I have been around here long enough and I have watched this place long enough to know that there are Senators who do not make the effort to get to the Senate within that 15-minute time period. "They will wait," they say. "Call them up over there and tell them I'm on my way. Tell them to hold the vote for me."

On the other hand, I know there are hearings like the Iran-Contra hearings. Senators on the committee had to travel a long way to get here, and there were witnesses before the committee. This happens in many committees. There are witnesses who come long distances and the committee needs to finish with a particular witness and let him go. These are understandably good reasons why Senators may be delayed in reaching the floor for votes.

These are matters over which Senators do not have control. But I am talking about the times when Senators just take their good, old time getting here because they think the vote is going to be held up for them. They ought to have a little twinge of conscience about it. What are they doing to other Senators? It seems to me that that ought to be a consideration.

I think sometimes it is just too much. But that is our problem. It is frustrating. The Senate wastes its time. Senators ought to take on a little more responsibility themselves and shape up and think of the discomfort and discommodiousness they are bringing upon their colleagues when they deliberately take their good, old time.

Sometimes rollcall votes come up, as the last one did, all of a sudden, without prior notice. No one could be put on notice that that was going to happen, and I can understand how some Senators might have had difficulty with that one. Most times, however, they are alerted in advance and they ought to observe the 15-minute limitation.

I can say, "Let's have a vote tomorrow morning at 10:30," and yet we will still have to hold that vote for 30 minutes tomorrow morning. We all ought to do better than that.

So if it becomes a rule, and it is in order now—it will be almost impossible to enforce.

I appeal to the good sense and the goodwill of Senators to please, in the future, try to do a little better and think of their colleagues.

I thank the good Senator for his efforts.

Mr. PELL. Mr. President, will the Senator yield for a comment?

Mr. PRYOR. I am glad to yield. I thank the majority leader for his comments.

Mr. PELL. Mr. President, I congratulate the majority leader on his thoughts and his condemnation of the unconscionable practice now existing.

I have not been here as long as the majority leader, but I have been here better than 27 years, and, to the best of my recollection, I have never asked to have a vote delayed. You do not have to do that. I have missed several votes by not asking.

I think the simplest practice would be if the majority leader, who does have a lovely, soft heart on occasion, in this case had a hard heart, and we just started in doing 15-minute votes—period, end. As one who has not asked for 27 years, I would welcome that practice.

Mr. BYRD. Mr. President, will the Senator yield, so that I may reply?

Mr. PRYOR. I yield.

Mr. BYRD. The Senator from Rhode Island is a paragon of rectitude, honesty, integrity, straightforwardness, and complete candor, and he is exactly right. He never asks this majority leader any favors such as we have been discussing here. He will come and say, "I am planning to leave at such a time. I would like to be here to make a vote." Earlier today, we asked him about a nomination and whether we could proceed with it. He said: "I would like to be there; but if you have to go ahead, go ahead. Don't hold it up for me."

I say to the Senator from Rhode Island that many of us ought to try to emulate him in that regard.

It is very discourteous to our colleagues when we knowingly and intentionally—of course, not with malicious aforethought—say, "They will hold it up for me. Let me get this done." It is discourteous to one's colleagues.

Far be it from me to try to teach a course in courtesy or good manners or anything else. But I have been around here long enough to watch what is going on. I can observe many times when Senators who are diligent in their duty and who do get here and who do vote and who want to get on with other business cannot do it because of some laggard who takes his good old time and expects the Senate to wait patiently while he gets here at a snail's pace.

Mr. PRYOR. Mr. President, I thank the distinguished majority leader, the Senator from West Virginia, who probably knows more about the operation of this great body and this institution than any leader who has ever occupied that position.

Mr. President, I should like to come before the bar of justice today and plead guilty, and I will gladly plead guilty. On several occasions in the last 5 or 6 years of my service, I had my very fine secretary call the cloakroom and say: "Senator Pryor is on his way. He is going to be a little longer, but please don't close the vote until Senator Pryor gets there." I plead guilty before the bar of justice. I have done that.

The Senator from Rhode Island never had done that. I will add one accolade to the accolades the majority leader extended to the Senator from Rhode Island, and that is class. He is a class act; he is a class person.

The cloakroom should have told my secretary: "You tell Senator Pryor we will be glad to hold the vote open, but in 15 minutes the buzzer or the gong or the bell is going to sound; and the Presiding Officer is going to look out into the Chamber and is going to ask, "Are there any other Senators in the Chamber desiring to vote? If not, the vote is over." That is exactly the amendment to the rules that Senator Danforth and I propose.

Mr. President, I also wish to say a word or two in response to the comments of the distinguished majority leader about matters before the Senate. I just checked from 1986 back to 1981.

Mr. President, over the past 5 years we have lost, wasted, frittered away an average of 42 legislative days on just a motion to proceed.

For example, in 1986 we lost an average of 8 legislative days' we lost a week. In 1985, we lost an average of 5 legislative days. Just on the motion to proceed—not the bill itself, not the issue itself, not the substance of the matter, but whether or not we proceed.

Senator Danforth and I feel very strongly that the motion to proceed should not be filibusterable, that it should be a motion that will consume no more than an hour, evenly divided; an up-or-down vote immediately; a simple majority of this body deciding whether or not we should succeed.

Also, I know that no one has the affection for this body compared with that of the Senator from West Virginia [Mr. Byrd], but I should like to relate a personal story about the very first time I set my foot in the Senate Chamber.

It was a long time ago. I was a pageboy in the other body just for a summer. And I remember reporting to work to my page overseer. I walked in; I was scared to death. I bought a new pair of black shoes and they were tight and my feet already had blisters on them. They had just gone away from using knickers. Fortunately, I did not have to dress up in knickers.

I walked into the House of Representatives in awe, and the page overseer said, "Are You Pryor?" And I said, "Yes, sir."

He said, "There is a shortage today of Democratic pages on the Senate floor, and you've got to go down to the Senate and you have to work there today."

I said, "Where is the U.S. Senate?"

He said, "Just walk out that door and straight down the hall, and you can't miss it."

Mr. President, I walked through those two doors right there, green as a gourd and young and idealistic, and I looked down on the Senate floor and there had been an all-night filibuster. Joseph R. McCarthy, of Wisconsin, had been filibustering all night long. He saw me come through the door, and I never forgot it. He snapped his fingers and pointed at me. I said, "Me?"

"Yes, come here son."

I went to Senator McCarthy's desk. He handed me a $5 bill. He said, "Here's my address. You take this $5 bill, son, and go out that door and get in a taxicab and go out to my house and get my bedroom shoes and bring them back to me."

Mr. President, that was my introduction to the U.S. Senate. I am not saying that was the best of all introductions, but at least it was mine as a 17-year-old young man from Camden, AR.

I have loved this body since then, and I know that a lot of people think, Mr. President, that probably I am an old fuddy-duddy. I have gotten to be kind of cantankerous and kind of fuddy-duddyish about some of these things.

Together with Senator Danforth and others of our colleagues, 2 years ago we formed something. I am going to blame this on Senator Danforth. I think he called it the quality of life. That was never what it was about. It is about the quality of work, and it is the quality of work that we have in this institution.

I think we can make it better. I think that we can prove ourselves to be an institution, yes, an institution that our forefathers envisioned as one to cool the passions of the moment. That is what we are here for. But it was never, Mr. President, intended to be an institution to rock the souls of Members, and that is what is happening today.

(Mr. FOWLER assumed the chair.)

Mr. PRYOR. Mr. President, we are sitting and sitting and sitting. We are staying in session longer. We are voting less. We are consuming more hours. But we are not producing more, and the quality of our work effort has gone down.

I know that the Parliamentarian is here, and I know that people who understand the rules much better than this Senator from Arkansas are going to look at these changes, "Oh, my goodness, what are you going to do if so and so does this or what are you going to do if so and so does this or what is going to happen if so and so wants to abuse the amendment thing and write in a certain section, a new section?"

Mr. President, there are 350 versions of how a scenario could be planned out that could make some of these things workable, and I am not saying they are perfect.

But Senator Danforth and I want to get these rules changes in. We want to put them out on the floor. We want to send them to the Rules Committee and we want to see if our colleagues have a response to them, if they want to improve them, or if they really do not want to do anything.

I hope that we will try something. In fact, I would like to see us try something September 15, maybe try these changes the remainder of this year, just try them. If they do not work, Mr President, we will undo them in January.

But whatever we do, I think we have to try something. I think we have to try something different, and I think we have to try something, Mr. President, to bring this body into the 20th century and hopefully into the 21st century.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr President, it is so characteristic of the Senator from Arkansas to again take the initiative in attempting to make work in the Senate more doable and make life in the Senate more livable.

Back in 1985 Senator Pryor was the instigator of an effort, a bipartisan effort, to get a group of Senators together for breakfast. I think that started out with 3 or 4 or 5 Senators and it grew to maybe 10 or 12.

We met one day with the then majority leader, Senator Dole, and the then Democratic leader, Senator Byrd, for breakfast and talked about some possible changes that did not require amendments to the rules of the Senate but did require changes in practices. One of those practices, incidentally, at least one of them is still in existence in an expanded form.

One morning for breakfast we met with Senator Dole and with Senator Byrd and talked about the various problems in the Senate and one of the proposed reforms at that time has been carried out in really an expanded form. At that time it was agreed that there would be no vote on Monday night. At least that would be one night that would be predictable.

Now, of course, Senator Byrd since he has been the majority leader has put in practice at least so far an effort to try to not have votes on Monday which allows predictability for Senators to go back to their States to work there to do other things that we have to do that might take us away from the floor of the Senate.

Senator Pryor was leader of that effort, and again he has called our attention to something that is obviously wrong. Something is obviously wrong, Mr. President. Everybody who serves in the Senate and everyone who observes the Senate recognizes that.

The possibilities of delay around here are enormous. The possibilities of dragging almost anything out for unbelievable lengths of time are enormous.

Senator Pryor told me yesterday that the average time for a vote on a rollcall vote is 30 minutes. It is supposed to be 15 minutes. It is 30 minutes.

We now have the possibility of filibustering motions to proceed, then filibustering bills and then conducting postcloture filibusters and then filibustering conference reports.

I agree with the old saying that the Senate should be the saucer of our Republic and that this is a cooling off place but cooling off, Mr. President, should not mean that we congeal or that we freeze. It should mean that we continue to do the business of Government in some orderly way and it is very difficult to do that.

I think all of us come to the Senate with the idea that we want to do some good work with our lives. We want to participate in something that is meaningful, to get things done, and everything that goes on around here is really geared to preventing things from being done.

Now, I do not have any view that the rules changes that have been unveiled today by the Senator from Arkansas are perfect. I am sure they are not perfect. But one thing that Senator Pryor has done is to initiate the debate, to raise the issue again as he did 2 years ago. Maybe the Rules Committee will find fault with these four proposals. Undoubtedly the Rules Committee will do so. Maybe, however, the Rules Committee will come back with counteroffers. Maybe the Rules Committee focusing on these four changes will come back with different ideas for truly streamlining the operation of the Senate.

I have just one further comment about the efforts of Senator Pryor and that is that both in 1985 and now in 1987 he has attempted to form some sort of bipartisan arrangement for looking at the problems that we face as a body.

I think that that hallmark of his effort in 1985 and again in 1987 is absolutely essential.

Mr. President, we are all politicians, all 100 of us. We are partisan politicians. The aim of the Republicans is to defeat Democrats and the aim of Democrats is to defeat Republicans.

But surely, even as politicians, some degree of comity is required for the common good of this country. And some further degree of communication is essential for the common good of this country.

We have become, for example, totally bogged down in the question of the budget, totally bogged down in trying to figure out what to do about the deficit in the Federal budget which everyone I think recognizes as a terrible problem for America.

Well, there has been a breakdown, total breakdown, as far as I can see, in communication between the executive branch of Government and the Congress, and an almost total mistrust between Democrats and Republicans in Congress.

Republicans have been burned before in suggesting even temporary adjustments to the cost-of-living formulas. Democrats have been burned repeatedly in suggesting anything with respect to revenues. That is the way things are done. That is the political reality of the situation.

And yet I think that it should become increasingly apparent to all of us that our common stake in the economic welfare of this country is going to require at least some further communications between the two parties so that every possible solution is not seen from its outset as either a partisan political bonanza or a partisan political suicide mission. And maybe the kind of bipartisan approach to rules problems that we experience in the Senate will be something that spreads, that expands in our common life together, so that perhaps a greater sense of comity, compromise, and communication becomes the rule rather than the exception around here.

Again, I thank the Senator from Arkansas for this characteristic leadership in this effort and I look forward to renewing our efforts of 1985.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I would be happy to yield to the Senator from Arkansas.

Mr. PRYOR. Let me just say to my friend from Nevada that I was just going to thank the very distinguished Senator from Missouri, my good friend, Senator Danforth, for his kind remarks. I do look forward to working with him and his colleagues and our colleagues in the weeks to come on bringing about these very necessary improvements.

Mr. REID. Mr. President, prior to getting into my delivery regarding S. 2, I wanted to tell the Senator from Arkansas that I think he is right on line. I think his remarks are timely. Those of us who have just come from the House, as the Senator knows, we support that position. We look forward to the expeditious time in which we cast our votes, and we certainly look forward to being able to proceed expeditiously on substantive matters.

Mr. REID. Mr. President, we are proceeding in the legislative business agenda; is that right?

The PRESIDING OFFICER. The Chair must advise the Senator from Nevada that it does not require unanimous consent to speak.

Mr. REID. I ask unanimous consent that we proceed as if in legislative business.

Mr. BYRD. Mr. President, for how long would the Senator wish.

Mr. REID. About 6 or 7 minutes.

Mr. BYRD. Mr. President, that is not an unusual request. I have no objection.

The PRESIDING OFFICER. The Chair hears no objection and the Senator is recognized for 6 to 7 minutes.

## SENATORIAL ELECTION CAMPAIGN ACT

Mr. REID. Mr. President, the process by which Americans elect their government has been in continuous flux since the ratification of the Constitution first set it in motion. As problems with the system became apparent, the Congress, and ultimately the people, have developed solutions. Those changes in our system have been as fundamental as the extension of voting rights to the minorities and women, as radical as the direct election of Senators by the people, and as complex as the system of laws which now controls all Federal elections.

Simple or complex, however, through each of those changes runs a common thread. Each was a response to a perception by the public and the Government that the system was not properly functioning.

The last major reform involved the manner by which we elect our President. From the middle of this century forward, it became increasingly apparent that money was having too much impact on Presidential elections. In the early 1970's a system was created by which compaigns for the Presidency were in large part paid for by voluntary check-offs on income tax returns.

The concept was to create a level playing field in which all legitimate candidates would have a reasonable shot at the funds necessary to put across their ideas in this television age. In large part, it has worked and worked well.

With the solution to that problem, however, interest has focused increasingly on the horrendous amount of money raised and spent in campaigns for the U.S. Senate. As it functions today, the system by which Senators are elected can only be described as bloated and, yes, Mr. President, obscene. Many from both sides of the aisle have spoken to that issue; most, I believe would agree with that characterization.

Having just come through an arduous and expensive race, I can speak from experience when I say that the Senate candidate can only succeed if he or she is obsessed with money. Every free waking moment is spent contacting contributors, calling potential donors, asking for more from those who have not contributed the maximum amount. It is a vicious system, for it prevents the candidate from getting across a deeper message, and encourages some candidates to skate on extremely thin legal ice in the never-ending search for money, more money to the campaign.

The underlining cause is that each candidate can spend an unlimited amount on television, radio, and newspaper advertising and advertising designed not to get across an in-depth message, but rather, especially with television, to compress within a few seconds, now down to 30 seconds, the ideas and ideals developed over a lifetime. Those ads must, in the literal blink of an eye, demonstrate the difference between a candidate and his opponent, and tell the public why one is superior to the other. The task is impossible, and the answer has always been the same; money, money and more money.

There is a better way. The answer lies in limits on the ever-spiraling expenditures in Senate campaigns. Those limits, I think most of my colleagues would agree, should be based on a formula taking into account a States population, and providing that an amount necessary for a reasonable campaign may be spent.

There is, however, as there always is, a catch. The U.S. Supreme Court, in striking down Presidential campaign spending limits stated that such limitations could not exist without public financing of campaigns. Thus, we as the Congress can not simply pass limitations on spending in Senate campaigns; we must provide some type of public financing.

For many, including myself, asking the public to pay for Senate campaigns was an unpleasant prospect at best, but a necessary evil if we were to obtain spending limits. Over the past several months we have worked in the Senate around a means to resolve that conflict. At this point, that vehicle is unquestionably Senate bill 2, as it presently is constituted before the U.S. Senate.

S. 2 has undergone a number of revisions and wholesale changes as its sponsors, Senators Byrd and Boren, have worked assiduously to accommodate objections to public financing, while still falling within the limitations imposed by the Supreme Court. Originally, the bill called for public funds to match those raised by a Senate candidate. Later the percentage of matching funds was reduced.

As the bill now stands, I believe the Senate has achieved the best of all possible worlds. A candidate who agrees to abide by spending limits would receive certain benefits in the form of lower mail and television broadcast rates. Only if his opponent refused to accept those limitations, and collected funds in excess of the limitations, would matching funds be provided to enable the candidate to keep up.

The system is fair and workable. it meets the objection of those who don't want a check-off system to routinely pay for Senate races. It meets the Supreme Court requirement that a benefit be given to permit spending limitations. It discourages the ugly spending spiral by which we have seen campaigns for the upper House of the Federal legislature degenerate into the moral equivalent of a nuclear arms race.

At present, a number of Senators from the other party are filibustering against S. 2. I fully expect that when it becomes apparent as it should now appear, that we have reduced public financing to the bare bones necessary to pass Supreme Court muster, opposition to the bill will evaporate. We have spent the past several months, both sides of the aisle, calling for compromise. The honorable junior Senator from Oregon and the junior Senator from Nevada spoke months ago on this floor on the value of reaching a compromise which limited public financing. I believe that the work of Senators Byrd and Boren has taken us to that point. Now, the time has come for our friends on the other side to extend a hand to reach that which grasps for compromise.

The situation calls for reforms, and the solution requires both sides meeting on middle ground. That we will do, and in the final analysis, that is how the system works, and it is why, for the past 200 years, we have weathered every crisis and will continue to do so.

I yield the floor.

## LEGISLATIVE SESSION

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent the Senators may speak on any subject notwithstanding the fact that no business is before the Senate and that they may speak at such a period for such speeches not to extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, may I inquire how much time remains in the period allotted by the distinguished majority leader?

The PRESIDING OFFICER. There are approximately 19 minutes remaining.

Mr. HELMS. Mr. President, I shall proceed with the understanding that if another Senator comes to the floor desiring time, I shall yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

## SUPPORT FOR THE NICARAGUAN RESISTANCE

Mr. HELMS. Mr. President, I have prepared an amendment which I intend to send to the desk at the appropriate time, if the appropriate time occurs.

The amendment proposes $300 million for the Nicaraguan resistance, the freedom fighters, to be available after September 30, 1987, provided that the President certifies to Congress that the peace negotiations have failed.

The parliamentary situation here is we have no legislative business pending at the moment. All Senators, I imagine, are hopeful that some movement will occur on the debt ceiling bill. However, I do not intend to offer this amendment to the debt ceiling bill. But I intend to offer the amendment on any other amendable legislation that becomes the pending business.

I might add that both distinguished Senators from Alabama [Mr. Heflin and Mr. Shelby] are cosponsors of the amendment, as is the able Senator from South Carolina [Mr. Thurmond], the able Senator from Colorado [Mr. Armstrong], the able Senator from California [Mr. Wilson], the able Senator from Idaho [Mr. Symms], and the able and distinguished Senator from Nevada [Mr. Hecht].

A number of Senators have said, "Why are you proposing this amendment?"

That answer is quite simple. I do not want to see the freedom fighters in Nicaragua die on the vine while some illusory proposal goes on to delay the mechanism which has been going on for 8 or 9 years. I remember very well when the Communists in Nicaragua came to Washington and they came to this Hill and to this Senate, and—shall we say it?—they bamboozled an enormous number of Senators into giving something like $75 million to get the Communists in power in Nicaragua. That was seed money for all of the festering revolutionary activities that now have beset our hemisphere.

A lot of people tried to put this thing aside and said, "Well, we must not get involved."

Well, we are involved. It is just a matter of whether we want to protect freedom in this hemisphere and prevent an influx of fleeing Central Americans who want to escape the bondage of communism.

The Soviet Union is our real adversary in Central America. I do not give a fig about Mr. Ortega. He is just the front man. He is the wooden Indian standing out in front of the cigar store. The Soviet Union is the perpetrator, the orchestrator, of what is going on in Central America.

We have spent millions and millions of dollars upon armaments and other forms of aid to the Communist Sandinistas whom this Senate and the House of Representatives put in business 8 or 10 years ago by giving them somewhere between $75 and $100 million. The exact figure escapes me at the moment.

The purpose of the amendment, if I can find the appropriate vehicle this afternoon or this evening, is to get an expression of where Senators stand on this issue. Which side are they on? Are they on the side of the freedom fighters or are they on the side of the Communists?

The President has put forward a peace plan which involves, to say the least, a dramatic diplomatic initiative ending on September 30. It is an attempt to show that he is willing to go the last mile to achieve peace through negotiations.

I happen to think that will not occur. But that is a matter of judgment. He is the President. I have not talked to him about what I am doing. I do not know whether he favors it or not. But I think Senators ought to take a stand against communism in Central America or not against communism in Central America.

But if the negotiations fail on that peace proposal announced this week, the Nicaraguan resistance, the freedom fighters, must, it seems to me, be reassured that they will have the means to carry on the fight for freedom. They have not asked for a single U.S. soldier, sailor, or marine to come down there and help them. Yet we must give them something to hope for and something to support their efforts to rid themselves of the scourge of communism.

But while we are letting the freedom fighters know that they will have the means to carry out the fight, I certainly want the Communist Sandinista government in Managua to know that the battle will go on if they do not straighten up and come to terms. If the Communists get the idea that the U.S. Congress is throwing in the towel, what motivation will they have to negotiate in good faith?

They have never negotiated in good faith for anything. They lied, they deceived, they came to Congress in the 1970's and said "Oh, we are going to have free elections." When did those elections happen, Mr. President? They have not happened.

What they have done is they have lined up with the Soviet Union as the orchestrator, the manipulator. And using Fidel Castro and Cuba, the Marxist Sandinistas are exporting revolution throughout Central America and even into South America.

I do not think we need to be a bunch of nervous Nellies about taking a position on this subject. I think we ought to go on record and let the people know back home where we stand. Sure it is controversial. I have people in North Carolina who would like to shrink from any responsibility in this matter, and they write me ugly letters every now and then. But I think we should go on record that we are ready to support freedom in Nicaragua.

I am not going to put it as bluntly as one of my colleagues put it. He said this amendment will make it clear who is voting for the Contras and who is voting for the Communists. But I think the freedom fighters are entitled to know where we stand, where each one of us stands. They deserve to know who are their friends. They deserve to know who will support them in their courageous fight. So this will be a test vote if it occurs.

I reiterate for the purpose of emphasis that I have cleared this with nobody in the administration. I have not talked with the President about it. I have not talked with the President, period, since the meeting the other day about the so-called peace proposals, at which time I expressed my concerns and apprehensions about it. This amendment if, as, and when I am able to call it up this afternoon or this evening, will be simply a test vote. It will be an opportunity to stand before the people and reaffirm that we believe that those courageous individuals in Nicaragua who are fighting for the right to vote, the right to speak freely, the right to practice religion without hinderance, the right to have human dignity. We should be saying to them, "Hold on, boys, we are going to send you some help."

This amendment is fully in accord with the President's proposal. Everybody has read it, I presume. The amendment calls for almost 60 days of intensive diplomatic activity to bring about a cease-fire and amnesty and free elections and reasonable security arrangements allowing the withdrawal of foreign troops. But if this is not accomplished by September 30, it is our duty to allow the Contras to resume their battle for freedom.

The amendment as drafted calls for $300 million to be appropriated, available on September 30 if the President certifies to Congress that the conditions laid down in the bipartisan peace plan have not been met. Those conditions I have outlined here as follows:

First. That there be no Soviet, Cuban, or Communist bloc bases established in Nicaragua that pose a threat to the United States and other democratic governments in the hemisphere.

Second. That Nicaragua pose no military threat to its neighbor countries nor provide a staging ground for subversion or destabilization of duly elected governments in the hemisphere.

Third. That the Nicaraguan Government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan Constitution and pledges made to the OAS—free speech, free press, religious liberty, and a regularly established system of free, orderly elections.

Mr. President, these are the goals of our diplomatic initiative. They will not be achieved if the Communists in Nicaragua believe that the freedom fighters will be disarmed. It is necessary for Nicaragua to believe that Congress has the will to bring not only peace but freedom to Central America. That's why we need to go on record now for support to the Nicaraguan resistance.

Mr. HECHT. Mr. President, will the Senator yield?

Mr. HELMS. I shall be delighted to yield to my friend from Nevada.

Mr. HECHT. I thank the distinguished Senator form North Carolina.

Mr. President, I rise in support of Senator Helms' amendment, and hope we can get it up as soon as possible which I view as a vital effort to restore some continuity to the peace process in Central America. I have only one problem with this legislation, however; I do not feel it goes far enough.

This amendment would give the administration's peace initiative for Nicaragua some teeth, by ensuring that if the peace plan fails, those inside Nicaragua who are fighting and dying for freedom will not be completely abandoned. But Mr. President, the amendment only calls for $300 million in aid, and only prescribes the aid during fiscal year 1988.

Mr. President, this Senator is tired of going from year to year, from appropriations bill to appropriations bill, never knowing whether or not this country is going to support democracy in this hemisphere during the current fiscal year. I'm sure the people in Nicaragua are also tired of waiting and wondering.

I want this Congress to have the courage to say, once and for all, whether it cares about freedom and democracy—or whether what passes for foreign policy in the Congress is just so much political posturing.

The United States is in a foreign policy crisis, Mr. President: A crisis of consistency and credibility. No one—friend or foe, ally or enemy—knows exactly how far to trust the word of the U.S. Government. We have a Congress that finds it impossible to make a firm commitment on any foreign policy issue. How many different versions did we have of the much-vaunted Boland amendment? How many times has aid to the Nicaraguan freedom fighters gone through the "on again—off again" cycle?

We also have a Government with a reputation abroad for "cutting and running." Mr. President, I suggest you ask our friends in Hungary, Czechoslovakia, East Berlin, Cuba, or Vietnam how much faith they'd put in the support of the United States Government.

We should have the courage and the firmness to tell both the Sandinistas and the freedom fighters that if the Nicaraguan peace process breaks down, the United States Government will come down on the side of freedom and democracy with sufficient aid to see it through to the end. We owe it to the men and women who are shedding their blood for freedom in Central America, and we owe it to our foreign policy credibility.

But most of all, Mr. President, we owe it to our children, because Central America is the last domino in the chain. The cause of freedom, and the cost of failure, are just too great.

Mr. President, I thank the distinguished Senator from North Carolina for yielding the floor. I yield back to him.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. HECHT. I yield the floor.

Mr. HELMS. I simply want to commend the able and distinguished Senator from Nevada. He has put his finger on the very point.

As for the amount of military assistance, that could be negotiated. I just want the freedom fighters in Nicaragua to have enough to assure the restoration of liberty in Nicaragua, and I am sure the Senator feels the same way.

Mr. HECHT. I thank the distinguished Senator from North Carolina.

It is important for the Record to show that we want to continue this down to the end, that we will never allow communism to be present in Central America, a communism that threatens our way of life and that of Honduras, Costa Rica, and of course Mexico and Panama and all of South America. We must not allow that communism cancer to start.

Mr. HELMS. I thank the Senator.

I yield the floor.

## EXECUTIVE SESSION

(During the foregoing colloquy the following occurred:)

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session, that Senators may speak or give morning business speeches while in executive session, and that the speeches appear in the Record at a point where legislative business is conducted or morning business, and that nothing that I am saying disturb this colloquy here.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

Mr. BYRD. Mr. President, we are going into executive session, is that correct?

The PRESIDING OFFICER. We are in legislative session. If there is no objection, we are going into executive session.

There being no objection, the Senate proceeded to the consideration of executive business.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. BYRD. Mr. President, will the Senator yield to me briefly?

Mr. DIXON. I yield.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate continue in executive session for not to exceed 30 minutes, that the Senate not go to any item on the Executive Calendar, and that Senators may be permitted to speak as in legislative business during that period.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois [Mr. Dixon] is recognized.

(The remarks of Mr. Dixon are printed later in the Record under Statements on Introduced Bills and Joint Resolutions.)

## NICARAGUAN PEACE PLAN

Mr. SYMMS. Mr. President, I take the floor this afternoon to speak on my observations of this so-called peace plan that is bantered around this town. I think all people have hope that it will work but, after giving it serious consideration and looking at it very carefully, I am very pessimistic about it.

Overall, Mr. President, I should say that I wholeheartedly support seeking peaceful solutions to the current conflict being waged in Nicaragua.

I would much rather see the Central American government sit down and negotiate at the table and resolve this war, rather than to continue the bloodshed and constant abuse of human rights. However, I object to what is being portrayed here as a peace plan for a number of reasons.

First, I wish I could say, Mr. President, go ahead and make my day. I hope it will work. But I do not see that it is going to happen this way. If the President, House Speaker, Wright and the crowd down at the State Department have drafted a peace plan that will do all the things that they say it is going to do, then I will stand up and lead the applause team. And, if the Sandinistas will agree to the peace plan and abide by their agreement, I will be the first to commend President Reagan, Speaker Wright and all others that participate. But, this will be the first time that there has been any sign of honesty and integrity that the world has ever seen before from the Communists in Nicaragua. This will be a first, as a matter of fact, for Communist governments anywhere in the world. Because they do not have a track record of honesty. There are no examples of them not using treaties and agreements for methods to regroup, restructure, reorganize, and be prepared for the next wave of the war.

As I have said time and time again on this floor, the Soviets knew in 1945, when the Nazis were defeated in Europe, that they were starting World War III to go on with their goal of world domination. They have never hesitated or equivocated about it. It has taken the United States nearly 50 years to wake up to the fact that we are still engaged in a war of freedom versus tyranny. And that has not changed.

Now, if the President can pull this off, then he should go down in history as truly the greatest communicator and negotiator of our time. It will be up there in the halls of history with the first time that you have ever been able to get the Communists to sit down and sign a truce when there was not, as the saying always was, "hot lead and cold steel" to convince them of what it is that they had to do. Otherwise, they have a record of constantly probing and probing with the bayonet until they find something soft and then they push it and thrust it forward and make an advancement. But, if they find something hard they will back up.

However, I want everyone to remember how far negotiating with the Communist Sandinistas has gotten us since 1979—it has gotten us absolutely nowhere. Let me briefly outline what the United States has done in the form of negotiating with the Sandinistas.

Since the Sandinista Communist Dictatorship took over in Nicaragua, the United States has attempted repeatedly to negotiate with them. High level emissaries were sent to Nicaragua in 1981 and 1982. We engaged in quiet diplomacy through our Embassy in Managua. And, in 1984 alone, the United States held nine rounds of talks with the Sandinistas; Nicaragua consistently refused to consider proposals for national reconciliation and a United States proposal of bilateral security guarantees. But, the United States maintains a standing offer to talk on four principal concerns.

It has never changed. They have been there constantly for 7 years, Mr. President.

First, is the issue of Soviet and Cuban presence. Second, the military buildup. That is astronomical. I will not go into it now, but we all know that they have more military war machine-making capabilities, personnel, et cetera, than all the surrounding countries combined in Central America.

In fact, during the period of time while the United States Senate and House conducted the Iran hearings, to find out who said what to whom, about who was trying to fight and stop communism, the Soviets pumped 300 million dollars' worth of aid into Nicaragua because they know what side they are on. They are on the side of tyranny and expansionism of their empire since the Sandinistas took over.

Third, support for subversion; and, fourth, internal reconciliation.

However, the Sandinistas continue to avoid real dialog within the Contadora process or with the United States and the Nicaraguan opposition to their regime. The Sandinistas participation in Contadora has been sporadic at best. What makes us think they have had a change of heart?

Mr. President, I ask unanimous consent that a copy of the chronology of key events outlining the efforts the United States has taken to negotiate with the Sandinistas, be printed in the RECORD, following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. SYMMS. Mr. President, this is several pages long. It is 9 pages of a chronology of efforts on the part of the United States to negotiate with the Sandinistas and there has been up to this point no cooperation, no effort.

I believe we should remember whom we have been negotiating with, and what ideology they adhere to. I would like to refresh my colleagues' memories of some rather disturbing quotes of two of the leaders in the Sandinista regime.

Interior Minister Tomas Borge stated in June of 1985:

> We will negotiate with the Contras on the day the right wing parties and COSEP (the Superior Council of Private Enterprise) count all the grains of sand in the sea and all the stars in the sky. When they finish we will ask them to count them all again.

In 1980, while recognizing his heroes, Borge said:

> We say to our brother (Yasir) Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas.

and,

> Our friendship with Libya is eternal * * * Libya is a people which, in accord with our experience, has developed solidarity without frontiers.

That is Tomas Borge. That is the people we are suggesting somehow by this peace proposal that they are going to come to the table and agree with the United States.

And, in May 1984, Commandante Bayardo Arce stated:

> Imperialism asks three things of us: To abandon interventionism to abandon our strategic ties with the Soviet Union and the socialist community, and to be democratic. We cannot cease being internationalists unless we cease being revolutionaries. We cannot discontinue strategic relationships unless we cease being revolutionaries. It is impossible even to consider this.

That is Commandante Bayardo Arce's statement in 1984.

Does this sound like the people who are willing to negotiate a peaceful solution to the Nicaraguan conflict? Does this sound like the people willing to relinquish some of their power by expanding Nicaraguan citizen's constitutional rights? Not to me. Not to this Senator.

I am absolutely perplexed to imagine where this scheme came from. What do we do? Shut the history books when we come up with ideas like this, Mr. President? I hope and pray that it works, and I will give the benefit of the doubt to it. But I cannot believe that President Reagan and Speaker WRIGHT and other leaders can be naive enough to think, unless the Communists have had a spiritual rebirth and a complete change in their ideology, that they are going to change their opinion on these things overnight. They never have in the history of the Communist movement.

They have continually operated under the thesis to use force and tyranny and deprive people of freedom. As a matter of fact, the Soviet Union on the average had to kill about 500 people a day to keep their government in power.

So, I cannot for the life of me understand what makes us think that they are going to do anything any different this time except stall for time, try to starve out the freedom fighters, and then move forward with their dictatorship and start moving it on into the countries to the north so eventually they will be engaged in Mexico.

The late Senator Jackson said it so well. He said it is not El Salvador; it is not Nicaragua. That is not their target. What they want is Mexico. They want to get a revolution going in Mexico so they will be at the soft underbelly of the United States of America and to divert our attention from there so they will have a free field in Europe and the Persian Gulf and Africa to expand their evil empire.

But the most important questions remain. First, when we go to the negotiating table, who will truly benefit? In my view, it will not be the Contras and freedom-loving citizens of Nicaragua. Under the peace plan, all the Sandinistas will have to do is lift the state-of-siege to comply with the proposal, leaving much of the repression in the private sector unrecognized and unchanged.

The plan does not mention the Sandinista Defense Committees [CDS]. These neighborhood or block committees are not technically a part of the government, but the FSLN has delegated to them a number of quasi-governmental responsibilities. As Tomas Borge stated, the CDS are the "eyes and ears of the revolution." The CDS are responsible for the issuance of ration cards needed for the purchase of many basic food items. Anyone not in good standing with the CDS and the Sandinista regime is denied ration cards. In the poor neighborhoods, people depend on these ration cards for survival. Thus, the CDS maintains powerful leverage over the people and are a demoralizing tool used to aid the government to control Nicaraguan citizens.

There will still be the inability of citizens to relocate or change jobs. Only under the consent of the state and the Sandinista labor unions can a person relocate. Moreover, the decrees of property confiscation will remain.

Mr. President, if we are successful in our negotiations, many of these repressions will go unnoticed for several months. And by the time we are aware of the abuses, I fear many innocent lives will be lost.

Next, Mr. President—what happens if we fail to reach the objectives sought in the peace plan? Where would we go from there? Under the plan, the United States will stop all military aid to the Contras during the negotiations. All the Sandinistas have to do is stall the negotiations as long as possible, draining the Contras of their funds and weapon supply and eliminating anything the Contras have accomplished so far. If the negotiations fail, do we resume aid to the Contras, or do we simply write off the hope of achieving freedom and democracy in Nicaragua.

For that reason, I am pleased to join my friend and colleague, Senator HELMS, in cosponsoring legislation to provide $300 million for the Contras for fiscal year 1988. The peace plan makes no mention of resuming assistance to the Nicaraguan resistance forces; however, that inequity would be corrected if Congress approves this or similar legislation.

In other words, if they do not negotiate on the drop-dead date, we are going to have $300 million of aid there. This will enhance the Sandinistas to come to the negotiating table. The way it is now, it is a typical deal. What is ours is theirs and what is theirs is theirs—typical State Department deal. They have been making these kind of deals for the United States as long as we have had the Department. They have always failed to have one group of people in mind and that is the United States of America.

I believe if the negotiations fail, Congress must pass immediately a four-point agenda relating to Nicaragua. The President should do it without Congress passing it. If he does not do it, we should. We ought to cut off all relations with the Sandinista government. We should have done it 7 years ago, but since we did not have guts enough to do it then, we should do it now. It is never too late to preserve freedom.

We ought to recognize the government in exile, the Nicaraguan Resistance. We should recognize them as a legitimate government and provide them with weapons parity. And we should prohibit future negotiations with the Sandinistas.

If the United States cannot successfully overthrow a Communist dictatorship in Nicaragua—and so close to home, then what do we think we are doing in the Persian Gulf, that is 12,000 miles from here.

If we implement that agenda, we would be successful and it would enhance our credibility worldwide to see the Reagan doctrine actually work. We would break the myth that the Brezhnev doctrine is inevitable and it is going to work.

It is time to take decisive action regarding Nicaragua. If the new plan does not work, then let that be the end of negotiations. The United States should stop pussyfooting around with the Communists. If we are going to combat the Red tide of communism, then the United States should give full support to the freedom fighters, not just support that will keep them afloat for a little while longer.

As I said earlier, I support negotiations. But when we have tried and tried again to negotiate to no avail, what do we have left but to negotiate with the only tool Communists recognize: military force.

This newest peace proposal is simply window dressing and is an unequivocal, transparent sellout of the Nicaraguan resistance.

The only way you are going to force the people who adhere to the Marxist-Leninist doctrine to the negotiating table is to run them out of the country. They will not negotiate.

As I said earlier, I support negotiations, but when we have tried and tried again to negotiate to no avail, what do we have left to do but to negotiate with the only tool Communists recognize, and that is military force. Mao Tse-tung himself said that political power comes out of the barrel of a gun. That is the way they view the world.

In my view, this newest peace proposal is simply window dressing, and a transparent sellout of the Nicaraguan resistance.

I want to say again, Mr. President, I hope it does not fail, but in closing, if it does fail, we should immediately break diplomatic relations with the Communist Government of Nicaragua, recognize the freedom fighters as the legitimate government, give them the full support of the people of the United States of America and the surrounding countries, and see that they achieve a victory so freedom will prevail in Central America and we will not end up in 4 or 5 years from now going down to fight in the southern tip of Mexico when the Red tide gets that advanced.

Then the American people will want to stop this and we will be asking young American citizens to shed their blood. It can be avoided now if we take a bold and decisive action.

I just thank my colleagues for their indulgence and I pray that this negotiation plan will work, but I am totally pessimistic. If one has ever looked at history, there is no record of the Communists ever negotiating. When they did negotiate, it was for the sole purpose of stalling off the resistance, when you look at Vietnam, Korea, or wherever. They want to stall off the resistance so they can regroup, consolidate their forces, ensconce their tyrannical governments, deprive people of freedom, and get into such a power position that freedom does not prevail.

I think that is a tragic mistake. Today, American boys are dying, trying to get freedom in Nicaragua. They are not U.S. citizens, but they are young Americans dying in Nicaragua for their freedom and ultimately for our freedom, Mr. President. We should not abandon them in this hour when they are doing so much.

I yield the floor.

### EXHIBIT 1

### CENTRAL AMERICA—CHRONOLOGY OF KEY EVENTS

#### 1979

February 8: U.S. formally terminates military aid to Somoza regime (already suspended for several months).

July 12: Provisional Junta of the Government of National Reconstruction (GRN) sends telex to Secretary General of the OAS enclosing its program and promising free elections.

July 19: GRN assumes power.

July 21: Salvadoran guerrilla leaders and Sandinista leaders meet in Managua to discuss FSLN support for Salvadoran insurgent organizations.

July 27: U.S. announces airlift of food and medical supplies.

November 9: President Carter asks Congress to provide an emergency $75 million of assistance for Nicaragua.

#### 1980

May 31: President Carter signs legislation providing $75 million in assistance to Nicaragua, requiring certification that Nicaragua is not supporting terrorism.

August 23: Sandinista Defense Minister Humberto Ortega announces postponement of elections until 1985.

September 25-26; U.S. warns privately that continued Sandinista support for Salvadoran guerrillas jeopardizes U.S. aid. Nicaragua responds that its government is not involved.

October-November: FSLN begins airlift of supplies for Salvadoran guerrillas.

December 15: Radio Liberacion, Salvadoran guerrilla clandestine radio, begins transmissions for Nicaragua.

#### 1981

January 14: U.S. warns Nicaragua that continued support for Salvadoran guerrillas could result in termination of aid programs and possible demand for repayment of loans.

April 1: U.S. announces suspension of economic assistance to Nicaragua but does "not rule out" its "eventual resumption."

August-October: U.S. initiates diplomatic exchanges with Nicaragua. U.S. offers bilateral nonaggression agreement and renewed economic assistance if Nicaragua stops aid to Salvadoran guerrillas and limits its military buildup. Nicaragua labels U.S. offer "sterile."

#### 1982

March 15: Honduras proposes Central American peace plan in the Organization of American States to reduce arms and foreign military advisers; to respect non-intervention and to provide for international verification of commitments.

October 4: At San Jose conference the United States, Colombia, Costa Rica, El Salvador, Honduras, Belize and Jamaica issue Declaration of San Jose outlining principles for a regional peace settlement. Nicaragua subsequently refuses to receive Costa Rican Foreign Minister Volio as emissary of group.

#### 1983

January 8-9: Foreign Ministers of Colombia, Mexico, Venezuela and Panama meet on Contadora Island, issue declaration commending dialogue and negotiation as instruments for peaceful settlement.

January-April: Nicaragua resists meeting in multilateral setting, opposes idea of comprehensive agreement dealing with all interrelated issues.

April 20-21: Nine Foreign Ministers of Central America and Contadora Group meet for first time in Panama.

July 17: Declaration of Cancun of the Presidents of the Contadora Group, meeting in Mexico, calls for renewed efforts to continue peace process. Declaration sent to President Reagan, Central American Chiefs of State and Fidel Castro.

July 19: Sandinistas issue six-point plan, calling for cessation of all outside assistance to "the two sides" in El Salvador; cessation of all external support to paramilitary forces in region; prohibition on foreign military bases and exercises; Nicaraguan/Honduran non-aggression pact; non-interference in internal affairs; and end to economic discrimination.

Comment: Proposal accepted multilateral talks but did not address such key issues as foreign advisers, arms limitations and reductions, or democratization and national reconciliation. Plan equated Salvadoran government with guerrillas and, if implemented, would have cut off all U.S. military assistance to El Salvador.

July 21: Foreign ministers of Guatemala, Costa Rica, Honduras and El Salvador propose eight-point peace plan drawing on Honduran plan of March, 1982 and emphasizing contribution that democratization could make to restoration of peace and stability.

July 23: President Reagan expresses support for Contadora objectives in letter to Contadora Group Presidents.

September 9: Document of Objectives adopted by Foreign Ministers of the nine Contadora participating governments. Document includes strong formulation of objectives relating to democratization and national reconciliation.

October 20: Nicaragua proposes series of bilateral and multilateral treaties addressing some but not all goals of Document of Objectives.

October-December: Attempts to translate Document of Objectives directly into treaty falter.

1984

January 8: "Norms of Implementation" declaration adopted in Panama by nine Contadora Foreign Ministers establishes three working commissions in security, political and social-economic matters to recommend by April 30 specific measures to implement Document of Objectives.

April 30: Five Central American foreign ministers request Contadora Group to integrate recommendations into single negotiating text.

June 2: Secretary of State Shultz visits Managua to launch bilateral talks in support of reaching a comprehensive Contadora agreement.

June 8-9: Contadora Group presents "Contadora Act for Peace and Cooperation in Central America" to Central American governments, request comments by mid-July.

June 25-26: First of nine rounds of bilateral talks between U.S. and Nicaragua held at Manzanillo, Mexico. U.S. throughout seeks informal understandings to facilitate Contadora agreement. Nicaragua seeks formal bilateral accords in lieu of Contadora; excludes discussion of democratization and national reconciliation.

August 25-27: Technical Group (vice-ministerial level) of Contadora process meets in Panama to consider oral and written comments on the June 8 draft Act. Nicaragua refuses to accept any feature of the Contadora June draft to which it had not previously agreed.

September 7: Contadora Group submits revised draft Contadora agreement for Central American comment by mid-October.

Comment: The draft agreement achieved Nicaragua's two principal objectives (cessation of support to democratic resistance and prohibition of maneuvers) upon signature while leaving arms reductions and withdrawal of advisers for later negotiation. Verification provisions were weak.

September 21: Nicaragua states it is willing to sign the September 7 draft provided that it is not changed; calls on United States to sign and ratify its Additional Protocol.

Comment: Portrayed by the Sandinistas as a step toward peace, Nicaragua's acceptance was in our view an attempt to freeze the negotiating process at a moment of advantage.

September 25-26: At sixth round of Manzanillo talks, Nicaragua adopts Contadora draft agreement as its negotiating position. U.S. suggests the two sides focus on text of draft agreement but Nicaragua rejects any discussion of possibly modifying the draft.

September 29: EC-Central American Foreign Ministers meeting in Costa Rica call draft agreement "fundamental stage in negotiating process," but refrain from endorsing any text not agreed upon by all participating governments.

October 15: Comments submitted to the Contadora Group by Costa Rica, El Salvador and Honduras identify verification and need for simultaneous implementation of commitments as areas for modification.

October 19-20: Honduras, Guatemala, El Salvador and Costa Rica (Nicaragua was invited but did not attend) meet in Tegucigalpa to consider the September 7 draft agreement and draft proposed modifications. Honduras, El Salvador and Costa Rica endorse modifications and forward to the Contadora Group and Nicaragua.

November 12-16: Extensive private consultations among the Contadora participants are held on the margins of the Organization of American States General Assembly in Brasilia.

December 10-11: Ninth round of Manzanillo talks. Nicaragua definitively rejects U.S. approach to reach agreement on basis of September draft; reverts to initial position of bilateral accords in lieu of Contadora.

1985

January 18: U.S. informs Nicaragua that it is not scheduling further meetings at Manzanillo pending further evolution of the Contadora process.

February 14: Contadora meeting cancelled over asylum dispute between Nicaragua and Costa Rica.

April 11-12: Contadora meeting of plenipotentiaries reaches agreement in principle on revised verification procedures.

May 14-16: Second meeting of Contadora plenipotentiaries, with inconclusive discussion of security issues.

May 31: Sandinista border incursions into Costa Rica kill two Costa Rican Civil Guardsmen.

June 7: OAS Permanent Council appoints investigative commission consisting of Contadora Group and OAS Secretary General to report on May 31 and related border incidents.

June 17-19: Nicaragua's refusal to discuss agreed agenda results in abortion of Contadora meeting or plenipotentiaries, four-month hiatus in Contadora negotiations.

June 24-28: Ambassador Shlaudeman visits Guatemala, El Salvador, Costa Rica, Colombia, and Venezuela for consultations on Contadora; reviews conditions under which the United States might resume bilateral talks with Nicaragua.

June 30-July 2: Ambassador Shlaudeman continues consultations in visit to Mexico and Panama.

July 17: Ambassador Shlaudeman concludes consultations in visit to Honduras.

July 22: Contadora Group governments publicly call on the United States to resume bilateral talks with Nicaragua. Communique also announces intentions to hold bilateral meetings with the individual Central American governments in lieu of resuming talks.

July 26: In Mexico City, Secretary Shultz states willingness of United States to resume bilateral talks if that would promote a Church-mediated dialogue in Nicaragua, and reaffirms strong U.S. support for the Contadora process.

July 28: Following consultations with the Contadora Group, the governments of Argentina, Brazil, Peru, and Uruguay form the "Contadora Support Group."

August 1: Costa Rica, Honduras, and El Salvador in joint statement welcome the visit of Contadora ministers but propose resumption of Contadora negotiations.

August 3-8: Contadora Group Vice Ministers visit the five Central American states to consult on outstanding Contadora issues.

August 23-25: The Contadora Group and Support Group, meeting in Caratagena, Colombia, issue communique stating intent to consult regularly on Contadora matters.

August 26: U.S. welcomes formation of Support Group.

September 4: Costa Rica, Honduras, and El Salvador formally reiterate proposal to resume Contadora negotiations.

September 9-13: Ambassador Shlaudeman consults with Support Group governments in visits to Argentina, Uruguay, Brazil and Peru. He explains U.S. view that Support Group could help by working toward a Sandinista dialogue with armed resistance (United Nicaraguan Opposition) and urges Support Group to consult with all the Central American states.

September 8: Costa Rica, Honduras, and El Salvador jointly request a meeting with the Support Group governments on the margins of the September 12-13 meeting of Contadora process foreign ministers in Panama. The request is declined on the grounds that it might interfere with the scheduled meeting.

September 12-13: The Contadora Group tables a third draft of a Contadora agreement. The Central American foreign ministers agree to convene multilateral negotiations on October 7, with the aim of reaching final agreement within 45 days. The agenda for these negotiations is defined narrowly. It is also agreed that events and developments within the region will not interfere with Contadora talks.

October 7-11: The first round of talks are held on Contadora Island, Panama. Costa Rica states it is willing to sign the September 12 draft. El Salvador and Honduras express general support while identifying issues that require further negotiation. Guatemala maintains neutrality on content of draft while pointing to constitutional difficulty of current government to commit Guatemala in view of upcoming elections. Nicaragua states it is not ready to declare its view.

October 17-19: Second round of plenipotentiary negotiations held on Contadora Island. Nicaragua presents extensive objections to September 12 draft.

October 24: President Reagan addresses the UN General Assembly, presenting an initiative on regional conflicts. President states that U.S. support of struggling democratic forces "must and shall continue" until there is progress in negotiatings between the parties to internal conflicts.

October 29-31: Ambassador Shlaudeman and Nicaraguan Ambassador Tunnermann meet in Washington. Shlaudeman says U.S. will resume bilateral talks if Sandinistas accept March 1985 proposal of the Nicaraguan resistance for Church-mediated dialogue, cease-fire, and suspension of the State of Emergency. Tunnermann reports Nicaraguan Government rejection of this offer.

November 11-12: Foreign ministers of the nine Central American and Contadora Group governments meet with the foreign ministers of the EC-10, Spain, and Portugal, in Luxembourg. EC-Central American economic agreement is signed; political communique supports Contadora and stresses democratic pluralism and civil liberties.

November 11: Nicaragua publishes letter to Contadora Group and Support Group presidents detailing objections to the Contadora Group's September 12, 1985 draft of a

final agreement. Nicaragua's position, in essence, is to insist on an accommodation with the United States prior to a Contadora agreement.

November 19-21: Third round of negotiations among Contadora "plenipotentiaries" held in Panama. Some progress on verification and related issues is achieved. All delegations recommend extending 45-day deadline for final agreement.

November 22: U.S. Permanent Representative to the United Nations, Walters, addresses the General Assembly on continued U.S. support of the Contadora process.

December 1: Nicaragua announces that it will not take part in the Contadora meetings to be held on the margins of the OAS General Assembly meeting in Cartagena, Colombia, December 2-5.

December 2: Secretary of State Shultz meets with Contadora Group foreign ministers at the OAS General Assembly in Cartagena.

December 3: Nicaragua submits formal request for suspension of Contadora peace negotiations until May, 1986.

December 6: Contadora Group submits report to OAS Secretary General expressing hope that negotiations will continue.

December 7: Nicaragua reiterates its request for suspension of Contadora talks at a SELA (Latin American Economic System) meeting in Caracas, Venezuela.

December 11: OAS General Assembly Resolution, opposed by Nicaragua only, urges continuation of Contadora talks.

December 10: Venezuelan officials publicly oppose suspension of talks.

December 17-18: Contadora Group governments consult informally in Montevideo.

1986

January 8: Nicaragua publishes letter from President Ortega to the presidents of the Contadora Group and the Support Group proposing a scaled-down treaty of general principles (in lieu of a comprehensive Contadora treaty) and a series of bilateral talks, including U.S.-Nicaraguan talks.

January 11-12: Eight foreign ministers of the Contadora Group and Support Group governments, meeting in Caraballeda, Venezuela, issue the "Message of Caraballeda." It reiterates basic Contadora principles; urges actions to create climate for negotiations, including resumption of Contadora talks; and offers Contadora good offices to "promote new steps of national reconciliation" and renewal of U.S.-Nicaraguan bilateral talks.

January 14: Vice President Bush leads United States delegation to inauguration of Guatemalan President Vinicio Cerezo.

January 15: Foreign ministers of the five Central American states sign the "Declaration of Guatemala" endorsing the "Caraballeda Communique."

January 15: Central American presidents agree to hold summit in Esquipulas, Guatemala, in May.

January 16: Central American presidents issue statement expressing satisfaction that their foreign ministers have endorsed the Message of Caraballeda.

January 16: Nicaragua publicly reaffirms its position on Contadora, as set forth in its November 11 statement, and describes actions called for in the Caraballeda Message as prerequisites to Contadora talks.

January 16: Secretary Shultz receives the Caraballeda Message from Washington ambassadors of the Contadora Group and Support Group governments and promises to give it careful study.

January 17: U.S. statement on Caraballeda announces visit of Ambassador Shlaudeman to Central American and Contadora Group countries to explore possibilities in the Caraballeda Message.

January 17: President-elect Jose Azcona of Honduras visits Washington for consultations. At National Press Club, Azcona opposes resumption of U.S.-Nicaraguan bilateral talks as detracting from Contadora.

January 19-23: Ambassador Shlaudeman visits Panama, Costa Rica, El Salvador, Colombia and Venezuela.

January 25: Secretary of State Shultz invites foreign ministers of the Contadora Group and Support Group governments to Washington for February 10 consultations.

February 4: Daniel Ortega leads FSLN delegation to Third Congress of the Cuban Communist Party in Havana; gives speech to the Congress.

February 6: Nicaraguan foreign minister D'Escoto writes open letter to Contadora Group and Support Group foreign ministers calling on ministers to press for renewal of U.S.-Nicaraguan talks but cautioning that the U.S. would have to abandon the idea that such talks could be used as an "instrument to force Nicaragua into an immoral dialogue with terrorist forces."

February 7: Six Nicaraguan opposition parties propose cease-fire, effective amnesty, agreement on a new national electoral process and lifting of the State of Emergency. UNO leaders endorse proposal.

February 10: Secretary meets with eight Contadora foreign ministers in Washington. He offers simultaneous U.S.-GON/GON-UNO talks and policy adjustments in response to Nicaraguan movement on our four areas of concern.

February 14-15: Meeting of Contadora/Central American negotiators in Panama. Nicaragua refuses to negotiate on a Contadora treaty.

February 18-26: Ambassador Shlaudeman meets with presidents of Mexico, Panama, Colombia, Uruguay, Argentina, Peru, Costa Rica, Guatemala, Honduras, El Salvador. Conveys U.S. support for six-party proposal of February 7.

February 27-28: Contadora Group and Support Group ministers meet at Punta del Este, Uruguay.

March 7: President Reagan appoints Ambassador Philip Habib as Special Envoy for Central America.

## EXTENSION OF EXECUTIVE SESSION FOR 20 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed in executive session for an additional 20 minutes, that no item on the Executive Calendar be placed before the Senate and the Senators may speak as if in legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, it is my understanding that the House has passed the short-term debt-limit extension. When that resolution comes to the Senate, the Senators should be aware that the Senate will proceed to take action on it.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I understand my colleague from Connecticut has a brief message on the same issue. I would like to briefly yield to him.

Mr. DODD. I thank my colleague. I will be very brief, Mr. President.

## PEACE IN CENTRAL AMERICA?

Mr. DODD. The news out of Central America today is startling; peace may have broken out down there. I know that comes as a great shock to some people but, nonetheless, it appears to be happening. I think all of us want to take a moment to hope that this process that has been initialed or signed by the five Central American Presidents might succeed. We ought to be taking some time, regardless of one's position today, to applaud what appeared only a few days ago to be an impossibility. Now we have a start. Just maybe we can resolve these differences which have plagued this region for decades; not just the last decade.

Secretary Shultz pointed out that there could be no answer ultimately in Central America except an answer provided by Central Americans. I agree with him. That has begun today. Central Americans—not ourselves, the Soviets, Cubans, Mexicans, Panamanians, Colombians, or anyone else—have decided what the future of Central American ought to be. Central Americans have decided.

Also, I want to take a moment, Mr. President, to congratulate our President. I have been suspicious of the motives behind this negotiating plan that surfaced earlier this week. I have not endorsed that plan. I could not endorse that plan, but I did endorse that effort. It indicated to me a change in spirit. That is my judgment. It is hard to tell at this early hour. But I think the fact that the administration appeared to be for the first time in 6 or 7 years committed to a negotiated diplomatic solution, not a military one, had to have a positive impact on these five Central American Presidents. To that extent, he deserves to be applauded. My hope is now that the administration, those of us in Congress and others, will play a supportive role of this effort. That is our job now, to be supportive; to offer constructive suggestions and try and make this process work.

Today, Mr. President, for the first time in 7 years that I have been involved in this issue, I am delighted to stand before this Chamber and to tell my colleagues that we may, just may, have seen a possibility for real peace in Central America.

Mr. President, I again thank my colleague from New York.

The PRESIDING OFFICER. The Senator from New York.

## PANAMA

Mr. D'AMATO. Mr. President, yesterday several of my colleagues and I introduced legislation to suspend United States aid to Panama unless there is true democratic civilian control of government. I rise to share with my colleagues information I have received concerning General Noriega's secret master plan, a plan which we have had come into our possession to ensure that democratic civilian control does not come about.

This document which was apparently supplied to the opposition, a high-level member of the Panama Defense Force, is significant for two important reasons. Initially, it suggests there are members of the defense forces that do not have confidence in General Noriega. Many members of the Panama Defense Force are decent men who want only to ensure the national security of Panama, instead of their current role as enforcers of a despot's whims.

I am confident that the number of these men who are willing to step forward will increase as the excesses of General Noriega grow.

More importantly, however, Mr. President, these documents demonstrate the desperation of General Noriega and the draconian plans he plans to implement to continue his hold and power.

These documents spell out in detail the precise plans the government has for the national civic crusade, the business groups, the economic sector, the church, the media, and Col. Diaz Herrera recently kidnapped by General Noriega.

Many of the steps have already been followed.

In respect to Colonel Diaz, the plan calls for obtaining from Diaz a signed statement declaring his previous accusations to be false.

Mr. President, we have already seen this take place.

This document states that a health certificate showing Diaz' mental instability should be published.

Mr. President, we have seen this take place, also.

With regard to the civil crusade, the plan calls for the threat of exile, arrest, and assassination of the crusade's leaders and the prohibition of gatherings and demonstrations. Mr. President, we have seen these things take place, also.

The plan calls for the cancellation of tax exemptions and government contracts for those businesses owned by the opposition. Mr. President, this, too, has taken place.

With regard to the economic sector, the plan calls for convincing the Pentagon, without the knowledge of the State Department, that there is imminent danger that the Communists will take over the government or the civilian movement unless both military and economic aid are renewed.

Mr. President, I hope our friends at the Pentagon are listening. I hope our friends at the CIA are listening. It is incredible and rather ironic that Noriega is attempting to use the Red scare tactic when most of the Communist leaders in Panama are in this government.

I have here an interesting and clever example of Noriega's desperate campaign to neutralize and crush the opposition. The plan calls for the creation of similar and parallel organizations of the opposition. Yesterday, prominent press organizations around the country received this newspaper. It is, Mr. President, an attempt to paint the leaders of the opposition, particularly Arnulfo Arias, the former President of Panama and a prominent opposition leader, as a Nazi.

The newspaper was cleverly put together and mailed out from the organization, the so-called National Civic Crusade for Democracy." Notice "the National Civic Crusade for Democracy in Panama," the extra words, which should not be confused with the National Civic Crusade for Panama. So it is a clever use of putting two extra words in to make it seem that one of the organizations that is leading the drive against Noriega will be circulating against one of the opposition leaders. This is an incredible attempt to besmirch one of their leaders and associate him with a Nazi.

Clearly, this is an attempt to discredit the National Civic Crusade for Panama.

I ask unanimous consent that a translation of this document be printed in the Record at this time.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Summary of the Work Meeting of the High Command With the Socio-Political Action Teams of the Government and the Halcon Command

Problem: The growing loss of control over economic, political and social confidence and tranquility.

#### DESCRIPTION OF THE PROBLEM

After evaluating results of the activities of both the opposition and the government, the High Command has deemed it of utmost necessity to design a plan of action that would, in the fastest possible time, rescue national control over the confidence of the most important sectors of the population: (a) the popular masses, (b) the economic sector, (c) the international socio-political and economic environment.

It is a logical conclusion, once the above-mentioned sectors are controlled, peace should return to the national scene which would allow whatever corrections are deemed necessary in the political as well as in the economic sectors, without the multiple pressures which have the effect of multiplying subversive information.

#### OBSERVED SITUATION

The public accusations and declarations made by Roberto Diaz Herrera gave backing to and started the wave of popular protests demanding structural changes in the government, starting with the retirement of Gen. Noriega.

The formation of the Civic Crusade by civic, professional and business groups, creates a new organization which channels and organizes popular demonstrations, taking advantage of spearate and spontaneous activities, thereby reaching national dimension and making the Crusade a launching platform of new opposition leaders.

The intense and biased publications by the local as well as international media, has obtained support from friendly nations which today withhold economic aid that the plans of the government require.

In the face of these pressures, the U.S. Government and the Pentagon, have not only suspended agreed economic aid, but are also publicly requesting that the opposition's demands be met.

The financial center and the banking community have not been able to prevent their workers from participating in the demonstrations, and as a result of the disciplinary measures taken by the military forces, have fallen into the apparently irreversible stage of having plywood covering their windows, thereby showing tremendous insecurity to their depositors, resulting in large scale withdrawals, as we explained in our report of the meetings of July 16 and 17.

Opposition demonstrations are obtaining increasing support from popular sectors which have been previously politically indifferent to similar situations.

The Catholic Church continues to show support to the opposition sectors by means of their expressed positions in their various communiques.

#### RECOMMENDED STEPS: DIAZ HERRERA

Obtain a signed statement from Robert Diaz Herrera (RDH) declaring that all his previous accusations were false, the product of this imagination and made for the purpose of vengeance.

Local and international widespread distribution of these statements, especially in the U.S.

Issue and publish health certificates showing that RDH is mentally unstable.

Keep RDH away from contact with the local and international press.

#### CIVIC CRUSADE

In order to show an improved image to the country and especially to the U.S., try to arrange dialogs with leaders of the Crusade.

Step up campaigns to discredit the leaders of the Crusade through controlled channels of communication, as well as leaflets and paid foreign media.

Divide the (opposition) movement by means of individual meetings of members of the armed forces and politicians of UNADE (pro-government coalition) with members of the Crusade in order to create confusion and suspicion.

Attack the Crusade through politicians of the ADO (Alianza Democratica de Oposicion) with whom we maintain contact, opening the way to a major role (for them) in the leadership of the movement.

Do not permit gatherings, caravans or demonstrations by maintaining the physical presence and actions of the military forces in order to increase fear and clear the streets.

Spread rumors about imminent exile, arrest, and plots to assassinate leaders of the Crusade, of the political opposition and of the business sector.

Reinforce para-military groups in order to increase the effectiveness of the plans for intimidation previously set forth.

#### BUSINESS GROUPS

Maintain pressure (on them), by means of official investigations of the businesses of participants in the Crusade.

Continue to carry out the implementation of popular actions that affect the interest of the business community (reduction of prices, eliminate withholding payments for private debts of government employees, consumer protection measures, etc.) at the same time, negotiate to force them not to participate in protest activities in order to weaken the Crusade.

Divide the members of CONEP (Chamber of Commerce, Manufacturing Association, etc.) by creating similar and parallel organizations with no involvement in political problems.

Review and cancellation of tax exemptions and government contracts held by opposition businessmen.

Exert personal pressure on the most important foreign businessmen with the aim of making them aware that if they continue their support for the protests they will be persecuted mercilessly.

#### ECONOMIC SECTOR

Overcome, at all cost, the economic sanctions imposed by the U.S. through the politicians in Washington.

Convince the Pentagon, without the knowledge of the Department of State, of the imminent danger that the communists here will take over this government or the civic movement unless both military and economic aid are renewed.

Continue efforts to obtain soft loans or national debt refinancing with USSR, Japan, France and Israel.

Reinforce the government's lobbying effort in Washington.

Increase the pressure on the banking sector so as to have them exercise pressure on the Crusade for an immediate suspension of all activities that endanger the financial sector.

Continue the talks recommended in the summary of the economic team meeting of July 16 and 17.

#### POPULAR SECTOR

Postpone compliance with SAL 2 (of IMF-World Bank) regarding public labor force reduction, in order to continue receiving government workers support.

Press the notion that we are dealing with a plan led by the United States against Panama and that Noriega is fighting against interventionism and against bad Panamanian oligarchs and "rabiblancos" who are against the poor and blacks.

Given major importance to unionized groups of the people and local leftist who are politically organized by giving them more official participation, including public jobs.

Insist that the U.S. does not wish to honor the Torrijos-Carter Treaties.

Reiterate to public employees that Noriega's fall would mean the loss of their jobs.

Convince the members of the Defence Forces that all attacks and demonstrations are against their Institution which the opposition wants to dismantle and not against Noriega, who must be defended.

#### CHURCH

Weaken ecclesiastical authority giving greater importance to the arguments of the military chaplains and establishing the opportunity to separate the interests of the State from those of the Church for the benefit of the faithful.

#### THE MEDIA

Reinforce controls over the opposition media at the request of grass roots organizations. Open shut-down media only with strong restrictions that would allow them to be closed again immediately for non-compliance with the law.

Exercise better control over journalists and over news coverage on national television stations.

Verify the contents of news material sent abroad in order to avoid bad impressions. This should be done before transmissions via satellite.

Maintain vigilance over the activities of foreign correspondants, and gain their trust and goodwill.

#### POLITICAL PARTIES

Special mention should be given to this sector, because even though they have been unable to take advantage and direct the actions of the protests begun by the Civic Crusade, they have submitted themselves to the Crusade achieving a certain degree of sympathy.

After reconvening the sessions of the National Assembly, it will be necessary to discuss issues which force the attendance of opposition legislators and thus demonstrate to the world a working democratic parliament.

It is equally useful to help the membership drives of disqualified parties (Panamenista, PNP, Pueblo, FRAMPO), in order to obtain greater political support.

Mr. D'AMATO. Mr. President, there is a possibility that this document could be disinformation. I doubt it. We have considered this very carefully. This document contains too many examples of recommendations that have already been implemented against Noriega's opposition. I urge my colleagues to look closely at this plan. I believe this document clearly reveals the calculating and dangerous character of General Noriega's dictatorship. This document confirms for this Senator that we must redouble our efforts to support the Democratic movement in Panama and support those brave citizens who have risked their lives in the fight for democracy.

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## CENTRAL AMERICA

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, about an hour ago, the five Central American presidents meeting in Guatemala City signed their names to what I believe is going to go down in history as the beginning of the end of strife in Central America and the beginning of a peace process which I sincerely hope will lead to peace throughout the entire region. It is indeed a historic document that was signed today in Guatemala City.

Earlier today, Mr. President, Secretary Shultz appeared before the Foreign Relations Committee, of which this Senator is a member, testifying about the administration's and Speaker Jim Wright's Central American peace proposal. I told the Secretary this morning that while I might have had at first reservations about the plan and had been somewhat skeptical in the beginning, I stated to Secretary Shultz that I supported the plan. Despite my doubts, I believe that the stakes in the region are so high and the need to end the regional conflict so great that this proposal for peace should be given a chance.

At today's hearings, Secretary Shultz once again outlined the provisions of the proposal and addressed President's Ortega's call for the resumption of the bilateral discussions with Nicaragua.

On this point, Secretary Shultz said, again paraphrasing, that we are prepared to talk about peace with everyone in the region. But he said it has to be a regional approach; there is no way the United States will want to sit down with Nicaragua and decide what is right for Central America.

I am pleased with that statement by Secretary Shultz. It appears that the Central Americans have done precisely that. According to the Speaker of the House this afternoon, these five Central American Presidents have signed on to an agreement that could really bring peace to the region.

I say could, if it is given a chance. Under the agreement, within 90 days, the group will bring about a simultaneous cease-fire, an agreement by all five countries to halt aid to any group working to bring about the overthrow of the government in any country in the region. I hope that the President and Secretary Shultz, who took this courageous action, will embrace the Central American proposal. Likewise, I hope that Secretary Shultz, who made a commitment to abide by the decisions of all Central American governments rather than just the United States and Nicaraguans alone, will support this plan. Although there are differences over timing, the peace proposal now signed in Guatemala City shares the basic thrust of the plan put forward by Speaker Wright and Mr. Reagan.

I only quote what the Speaker said:

> While the timetable differs from the peace proposal, I believe that the United States should get behind the agreement by the five Presidents.

Again, quoting from a wire service report, the Speaker said:

> I cannot conceive of the United States being in a position of upsetting this timetable of doing anything but rejoicing and cooperating.

Mr. President, we all rejoice at what has taken place in the last several days. With this agreement signed this afternoon, this is truly a historic occasion. Peace may really be at hand in Central America, thanks to the courage and foresight of Speaker Wright, President Reagan, our majority leader, Mr. Byrd, and Secretary Shultz.

Mr. President, I hope this does not give anyone a heart attack and I suppose there are a lot of people who wonder that this Senator, who has been so opposed to President Reagan's policy in Central America, especially his policy dealing with the contras, would stand here in the U.S. Senate and congratulate the President of the United States on his courage and his foresight and also that of his Secretary of State, George Shultz. It is not often that I have praised this particular President, with whom I have had so many policy differences. On this occasion, I believe the President exhibited courage and foresight in promoting this peace plan.

I hope that all of my colleagues from both sides of the aisle will join the Central Americans in support of this plan once it is signed by the Central Americans, which has just been done.

We are now on the brink of peace in Central America. For 6 years, the Central Americans have been waging war. It is now time they they began waging peace. Peace in Central America appears to be within our grasp. I hope that all, regardless of party affiliation, will support the President, will support Secretary Shultz, and all of us together, Republicans and Democrats alike, will support the proposal signed by the five Central American Presidents this afternoon. This truly could bring and end to the suffering and the bloodshed there and bring about a peaceful resolution of that conflict in Central America.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I ask unanimous consent that the time for executive session be extended, with the same limitations and restrictions as heretofore, for 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LONG-TERM HEALTH CARE

Mr. WILSON. Mr. President, it is time for Congress and the administration to address the long-term health care needs of older Americans. When we return from the August recess, I intend to introduce legislation that will provide Federal employees the opportunity to purchase optional insurance to cover the costs of nursing home and long-term home health care. It is my hope and purpose not only to provide needed coverage to Federal employees but thereby to provide a model which will stimulate many group insurance carriers to enter the market for long-term health care coverage.

Mr. President, the experience of 20 years has taught us that Medicare, as originally drafted, failed to answer many of the diverse health care needs of older Americans including the need for long-term care. One of the most heartening developments of recent years has been the widespread development of experimental programs, community-based or corporate-sponsored, which have brought new approaches to long-term care and, above all, preventive medicine.

Yet, despite all these efforts, too many older Americans find themselves growing older without adequate health care coverage. They suffer the debilitating doubt and anxiety that inevitably accompany growing older without having any clear idea of how they will be able to obtain care or pay for it, should they be confronted by catastrophic illness or the need for long-term care, in thier own homes or in a nursing home.

We are all aware of the need to address the problem of catastrophic illness, which can wipe out the savings of a family literally in a matter of days. Both the administration and the Congress are at work to provide a solution that will avoid such tragedies.

But of even greater concern to most older Americans, as they foresee the probability of declining health, is their need for long-term nursing home care or home-health care, and what seems to them to be the impossibility of providing themselves such sustained and costly care. It is understandably a virtual obsession of many low to moderate income older Americans, and it demands the attention of those of us who must in conscience share their concern.

Is there a solution, Mr. President, one which does not impose impossible and unrealistic new expenditures upon the Federal Government?

There may well be, Mr. President, in a sound old idea to which a new twist is to be applied. The old idea is simply that of spreading risk over a large group so as to be able to offer individual members of the group insurance at affordable rates.

The most familiar application of this idea is life insurance by which a young bread-winner seeks to provide for the financial needs of the young family which survives him or her. But when, happily, most members of the insured group survive to a time when their children are grown and independent, they are confronted by new needs accompanying the onset of old age and its infirmities—and the specter of draining health care costs.

The new twist is simply to permit those insured under group life insurance to convert a portion of the face value of their policy to coverage of their need for health care as they grow older.

Last January, that is exactly what the Federal Office of Personnel Management proposed. And I propose now to introduce legislation when we return from recess, to implement OPM's imaginative and overdue public-private partnership. Basically, all federal employees would be eligible to buy nursing home and long-term home health care insurance. Assuming 10 years or more membership in existing Federal group life insurance programs, they would have an opportunity to convert up to $25,000 of the face value of their life insurance—to coverage providing long-term care. Workers would pay a biweekly premium of up to $11, depending on the number of participants and public employer contributions. In exchange they would receive $40 a day coverage for up to 3 years of nursing home care.

Alternatively, they could be insured for one $20 home visit per day to an incapacitated elderly person for up to 3 years. Federal workers who opted to join such a system could still purchase extra life insurance if they wanted to leave their heirs a cash-death benefit.

The Government would continue to pay its share of the total amount of basic insurance that would have been in force without the long-term care option. There would be no additional cost to the taxpayer.

Currently, there are 3.1 million active Federal workers. Add retirees and the total grows to 4.6 million, offering a tempting market for insurance carriers to offer such group long-term care coverage. By taking the lead to provide a market in this area, the Federal Government can create a sort of long-term care domino effect: More insurance carriers will enter the market; existing insurance programs will expand to offer additional services, prices will fall and consumer choices will multiply as a result of a competition which does not yet exist. The competition will be among private sector insurance carriers serving group business. The sole Federal role is to create the market by offering the first such group customer for this needed service.

No one pretends that it will be easy to develop a long-term care system that is both comprehensive and affordable. But let us begin on what is already an urgent problem. This legislation is a first response to a clear and fast-growing national need. No amount of emphasis on preventive medicine will eliminate the sad but undeniable fact that millions of people will still fall ill, many of them cut off from family and friends, many reliant upon nursing homes and the care they provide.

It is an old and regrettable axiom that as we get older, we find ourselves giving up things. But there should be no need to give up either one's self respect or one's dignity when long-term care becomes necessary. Instead we must search for realistic and practical ways of providing and paying for such long-term care. This approach will

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permit us to do so, and to remove perhaps the major cause of anxiety of the elderly, and of those of us who worry about them.

## NEED TO PROTECT RIGHTS OF U.S. MUSIC INDUSTRY

Mr. WILSON. Mr. President, I rise to call to the attention of my colleagues a matter that deserves our attention upon our return from the August recess.

The manufacturers of digital audio tape recorders [DAT's] are now poised to begin selling their machines in the United States. As my colleagues know, DAT is a technology capable of cloning copyrighted American music and wreaking havoc on the U.S. music community. The imminent introduction of these machines makes it imperative that we act swiftly on S. 506, which I have cosponsored with the Senator from Tennessee, [Mr. Gore]. Our bill would require DAT recorders sold in the United States to contain circuitry to control unauthorized taping of copyrighted music.

Members of both Houses of Congress have encouraged the DAT manufacturers to be reasonable, but to no avail. In the face of direct congressional requests that they postpone introduction of DAT's into the U.S. market pending a technical report by the National Bureau of Standards—the work on the report having already begun—the manufacturers have refused to comply. Instead, at least one company has announced plans to begin marketing its machines in November of this year.

Mr. President, in view of the manufacturers' disinterest in cooperating to find a solution to the grave threat that DAT poses for American music, and their rush to penetrate the U.S. market with these devices, the Subcommittee on Commerce, Consumer Protection and Competitiveness of the House Committee on Energy and Commerce decided that it was time to act. On Monday of this week, the subcommittee met to mark up H.R. 1384, the companion bill to S. 506. I am pleased to report that the measure was reported out of the subcommittee by a large margin, with an amendment that I believe is a reasonable accommodation to the need, created by the manufacturers, to act before completion of the NBS study. That amendment allows the legislation to go forward, but suspends its effect if it is subsequently determined that the copyright-protection technology, known as the copy-code scanner system, degrades the sound quality of prerecorded music or is too easily circumvented. The legislation is also suspended, by the terms of the amendment, if the DAT manufacturers implement a technology that is as effective or more effective than the copy-code scanner system, or if they agree to other measures that adequately protect copyrighted music from unauthorized duplication.

I applaud the House subcommittee's quick response to the DAT manufacturers' attempts to rush the gate. When we return from the August recess, I will be doing all I can to have the Senate take complementary action.

## ORDER OF PROCEDURE

Mr. WILSON. Mr. President, I thank the majority leader for his gracious extension of time for morning business.

Mr. BYRD. I thank the distinguished Senator.

Mr. President, how much time remains under the order?

The PRESIDING OFFICER. Six and a half minutes remain.

Mr. BYRD. I thank the Chair.

## CENTRAL AMERICAN PEACE PROCESS

Mr. BYRD. Mr. President, the meeting of Central American Presidents in Guatemala City, to consider a plan for regional peace offered by President Oscar Arias of Costa Rica has just now concluded. The Presidents have agreed on a plan and a specific agenda for implementation endorsing the general thrust of the Arias proposal and have invigorated the search for peace in the region. The plan itself is a complicated document, but the following are the essential features, according to the "schedule of execution of the the accord":

First. Within 15 days after the document of agreement is signed—today—the Foreign Ministers will meet as an executive commission to further the implementation of the accords contained in the basic document.

Second. 90 days after the signing, the Foreign Ministers will meet to arrange the following events:

Amnesty; cease fire; and democratization

Third. In complying with the procedures the parties agree:

To urge the governments inside and outside the region to suspend aid to irregular forces and insurrection forces.

To use the international mechanisms to impede the use of national territories for insurrection movements against other states.

To impede the traffic in arms and military assistance to persons, organizations, or groups which are intent on destabilizing the Central American States.

Fourth. 120 days after the agreement is signed, the OAS international Commission of Verification will analyze the progress in complying with the accords of the document.

Fifth. 150 days after the signing of the document, the five Central American Presidents will meet to receive the report of the International Commission of Verification.

There are many elements in common between the agreement reached in Guatemala City and the ideas offered by the distinguished Speaker of the House Jim Wright earlier this week. He is to be commended for his leadership in helping galvanize the peace process in Central America.

It is also encouraging that the administration has moved in the direction of endorsing a diplomatic solution in the region. As part of the solution, as President Napoleon Duarte of El Salvador said in a press conference yesterday at the meetings in Guatemala City, it is important for the administration to engage the Nicaraguan Government in a bilateral dialog on security matters. That can only be resolved through direct negotiations between the Nicaraguan Government and the Reagan administration. Such a dialog would serve as a complement to the multilateral peace process now given renewed impetus and life by the five Central American Presidents. For this complicated process to succeed, a good faith supportive effort by the administration is a key ingredient.

The Central American Presidents themselves are to be congratulated for their energy and leadership in consummating this agreement. President Cerezo of Guatemala hosted the meetings and served as an indispensable conciliator in the process. President Arias of Costa Rica is to be commended for pursuing his vision to reach this milestone. And the five Presidents as a group have now demonstrated that they have a positive initiative underway for their peoples and nations. They are now in charge of a political dynamic which I am sure all my colleagues join me in supporting and encouraging. The new Senate observer group that the distinguished Republican leader and I created today will be ready to serve as a mechanism to monitor and encourage this initiative by the five Presidents in Central America.

## REACTION TO SABATO OP-ED

Mr. BYRD. Mr. President, this morning, August 7, the op-ed page of the Washington Post carried a guest editorial by Larry Sabato, an associate professor of government at the University of Virginia, titled "The Attack on PAC's: It's a Smoke Screen that Obscures the Real Corruption." In it, the author presents a case that the campaign financing reform legislation proposed by the distinguished senior Senator from Oklahoma [Mr. Boren]—S. 2—of which I am a proud and active cosponsor, does not confront the most serious problems pertaining to campaign finance. The author goes on to suggest his own ideas for confronting them.

I found the article interesting, Mr. President, but was amazed to read some of the observations about S. 2 which it contained, and some of the alternative remedies it suggested.

Mr. Sabato suggests that the "4,211 PAC's [are] an extremely diverse lot that work at cross purposes and check each other," and that "All PAC's together provide only a third of all money raised by House candidates and just a fifth of the war chests of Senate contenders." He states his belief that "a strong defense of the legitimacy of PAC and interest-group campaign activity can easily be made." and attempts to do that by noting that "[v]igorously competing interests of great variety, after all, are one significant indicator of a thriving democracy."

These points about PAC's are interesting, and to a degree, even accurate in my view, Mr. President. But they miss some crucial points.

First, with respect to their effect on the overall political process, it may often be correct that competing PAC's cancel the effect of each other. But that quite often is not true with respect to contributions to individual candidates for the Senate and the House. It is more often the rule than the exception that major contributions to a candidate are made by PAC's on one side rather than both sides of an issue or set of related issues. At least as relevant, even if not based on empirical evidence, Mr. President, is the fact that the public perceives the influence wielded over elected officials by PAC's who contributed to them as undue. That is eroding confidence in our political process and our representative system of democracy, Mr. President, and we are myopic indeed if we fail to recognize and then address this reality.

Second, Mr. Sabato is correct, I believe, Mr. President, in what I interpret to be his fundamental premise: that vigorous competition of interests—in all aspects of electoral democracy, including election campaigns—is healthy, and that PAC's and special interest group activity is legitimate and not cancerous per se. It is for that precise reason that S. 2—as originally introduced, as reported by committee, and in the form of the latest amendment introduced by Senator Boren on July 1—does not outlaw PAC contributions to candidates. The committee reported version, and Senator Boren's July 1 amendment, do not reduce the amounts a PAC may contribute to an individual candidate at all. That amount in current law is $5,000 per candidate per election, and it is unchanged in these versions of S. 2.

The problem with PAC's is not that PAC's are involved in the political and campaign processes, Mr. President. They have a right to pursue their interests and objectives. The solution is not to ban PAC's. That is not fair and, more importantly, would not solve the real problems we have with PAC's. The real problem with PAC's is one of balance and proportion—both of which are crucially important to the human concept of propriety.

I do not find it one bit surprising that the citizens of this great Nation are troubled when they see campaign contributions from any source—but particularly a source with a specific vested interest in the outcome of legislation before the Congress—reach a point where they compose an inordinate proportion of the campaign funds of any candidate for office. The American people are not stupid, Mr. President, and it is we who are the fools if we take them for fools. They know that organizations chiefly interested in the economic well-being of their members are not making multithousand-dollar contributions to Senate and House campaigns solely because of their commitment to the democratic process.

S. 2 seeks to restore a sense of proportion not by prohibiting PAC contributions, which is an overreaction that is just as extreme in the opposite direction as a suggestion that we should ignore this problem. S. 2 simply says to those running for the Senate that they may not accept more contributions from all PAC's together than an amount equal to 30 percent of the voluntary primary election spending limit established in S. 2.

It is simple, Mr. President. We simply provide by law that no candidate for the Senate or the House will receive a disproportionately large share of campaign contributions from special interest PAC's.

I might note, Mr. President, that it is the proposal of the leading Republican opponents of S. 2, Senators McConnell and Packwood—not S. 2—that eliminates the ability of PAC's to contribute directly to Senate campaigns. Another Republican proposal, by the distinguished senior Senator from Alaska, my friend Mr. Stevens, reduces the amount any PAC can contribute to a candidate to $2,500 per election.

There is another distressing problem involving some but by no means all PAC's, which has come to be known by the colloquial term "bundling." I referred earlier to the current law's $5,000 limit on the amount any one PAC may contribute on behalf of its member contributors to any candidate for any election. That was a limit placed in the law in earlier years to seek the same objective I have just described; namely, perceived propriety based on a sense of balance and proportion. But a number of PAC's have discovered and exploited a loophole in the law where they collect personal checks from their members, made out to specific candidates rather than to the PAC, and deliver those checks in bundles to the PAC's favored candidates. The effect is just as pronounced as if the PAC itself contributed the funds. The difference is that some PAC's have amassed contributions to single candidates upward of $200,000 in one election.

This bundling is the way to get around the $5,000 limitation that is on PAC's.

If this does not obliterate a sense of propriety, based on proportion and balance, I do not know what would. S. 2, in all its forms, prohibits this practice of "bundling." I should note that the proposals of the Republican opponents of S. 2, while making great claims of virtue by prohibiting direct contributions by PAC's themselves, or reducing the permissible amounts of such contributions, leave this loophole wide open. Were those proposals to be enacted, while direct PAC contributions would disappear, PAC's—by "bundling"—would become an even more potent force in campaign financing and further erode the sense of balance so important to perceived propriety.

Mr. Sabato goes on to say that "additional reforms are needed to tackle the authentic deficiencies identified by Byrd and Boren. Campaign outlays," he continues, "are in fact staggerling high * * *." But then Mr. Sabato objects to the voluntary campaign spending limits established by S. 2 and advocates, instead, requiring broadcasters to provide free air time for political advertisements, permitting, according to Mr. Sabato's calculations, "[campaign] costs [to be] slashed by one-third or more."

In theory, Mr. President, this idea may be well worth consideration. But I learned one lesson a long time ago: Politics and, in particular, the business of passing legislation in the Congress, is the art of the possible.

And I also learned a long time ago, Mr. President, in political science classes which I attended—and my grades were "A," by the way—that what I learned in those classes is a long way from what we learn in the actual legislative forum and in the legislative arena. There is a great gap that separates theory from practicality. In theory, we may see things one way. I have had interns who have come here and worked in my office, who were political science majors, and who have said:

> It is a lot different seeing the real thing from what we are taught in political science classes.

The greatest idea in the history of mankind will not help anyone if it cannot attract enough votes to pass both Houses of the Congress. I do not believe Mr. Sabato has counted his votes on this proposal. Perhaps a critical mass of support can be assembled for a proposal such as this some day. But I do not expect a serious challenge to a statement that that day is not today.

I and the other supporters of S. 2 want to do something real—now—about our campaign financing problems. We are not in this exercise just for the mental challenge it poses. It is my firm belief that S. 2—in the form of the amendment proposed by Senator Boren on July 1—can be passed this year, and we are committed to accomplishing this. While it is not a solution to every problem or deficiency of our campaign financing system, and neither could, nor tries to suggest that it does, remove every potential cause of the corruption or the perception of corruption to which Mr. Sabato refers in his editorial, it does make real, immediate, and very significant progress in that direction.

Undoubtedly, once S. 2 is enacted, as beneficial as it will be—and as much faith in our political process as I believe it will restore—there will be other steps the Congress should take. S. 2 will not take us to a state of perfection, if that need be said. But such is true, Mr. President, of any legislation. We never will enact a state of Nirvana.

Mr. Sabato made another major proposal that merits comment. He suggests that 100-percent tax credits up to $50 to parties and candidates are the best means of encouraging the strengthening of the political parties and the participation of more average citizens in the electoral process. The Congress just repealed a not dissimilar provision—a 50-percent credit for contributions up to $100—when we enacted the Tax Reform Act of 1986. So this is not a new concept, Mr. President, I, among a number of others, have taken a look at it. Before considering its substantive problems, however, it is instructive to look just at its cost. The Joint Committee on Taxation, in June of this year in response to my request, tentatively estimated the cost of a 100-percent tax credit on contributions of up to $100. The committee's tentative cost estimate for that proposal is $1.5 billion in fiscal year 1989; that is billion with a B. While the cost is likely to be more than half as much for Sabato's proposal which would apply the credit to contributions up to $50 rather than those up to $100, the sum of $750 million a year in the current climate is a daunting one.

Mr. President, that is 15 times the cost of the version of S. 2 reported by the Rules Committee which contained provision for public financing of approximately 80 percent of the general election costs of all Senate candidates. It is 90 times the likely cost of the July 1 Boren amendment if most candidates agree to abide by its voluntary spending limits. Further, enacting a tax credit proposal would do absolutely nothing to remedy many of the current problems that have led to the eroded public confidence in our political process. It would do absolutely nothing to put a stop to the frightening, continuing escalation of costs for Senate campaigns. It would do absolutely nothing to reduce the requirements on candidates for the Senate—incumbents and challengers alike—to spend huge amounts of their time in fundraising. In a perfect world, Mr. President, with unlimited resources available to us, it might well be worth considering. But then, in a perfect world, we would not be spending time on this topic.

So, Mr. President, I will thank Mr. Sabato for providing additional proof that the subject of campaign financing reform is of interest and concern to Americans beyond the confines of the four walls of this Chamber. But I believe a number of his suggestions either are impractical or fail to address directly the most serious problems that confront us. I know that it is difficult to fully understand the problems of our election process unless one has hands-on experience in the political arena. And one does not find that in political science textbooks.

While I am on the subject, Mr. President, I noted that some of the Republican opponents of S. 2, in debate during the past several days, have commented on the so-called millionaire's loophole. They have given the impression, perhaps unintentionally, that S. 2 does not address the problem of Senate candidates who spend large amounts of their own funds for their campaigns. That is not true, Mr. President.

S. 2 does recognize that the Supreme Court has equated campaign expenditures in many cases with free speech, and has said that a person cannot be prohibited from spending his own resources to seek election. So S. 2 establishes a carrot and stick set of incentives to encourage candidates to limit spending of their own resources. The amendment submitted by Senator Boren on July 1 provides that any candidate who spends more than $250,000 of his or her family's funds must report that fact, as well as all additional personal or family expenditures in $10,000 increments. That will permit his opponent, if he wishes to do so, to make the wealthy candidate's expenditures a campaign issue. Further, when and if the candidate spending heavily of his own resources exceeds the State's spending limit in the general election, the opposing candidate, if he is qualified and participating in the voluntary spending limits program established by S. 2, will receive public funds to counter the excessive spending of the wealthy candidate.

So, in the Boren amendment those public funds which come from the tax checkoff and which are the results of the voluntary actions on the part of citizens when they file their income taxes, those public financing funds would be utilized only as an enforcing mechanism.

What does the proposal of the Republican critics provide: only that those whose opponents spend more than $250,000 of their own funds may accept contributions from individuals up to $10,000 each instead of the current law limit of $1,000. In effect, they are permitting one form of excessive spending, already determined by the Congress and the Supreme Court to be prone to corruption, in exchange for a second form of activity which is objectionable. That is no solution, Mr. President. That is moving backward.

All of this discussion leads inexorably, Mr. President, to one conclusion: it is long past time for the Senate to get down to business on campaign financing reform, determine the form of the bill it wants to pass, and send a bill to the House for its action. That can only occur when the Republican filibuster ends or is broken. As I have said previously, there will be other cloture votes if necessary, as it appears it will be, to try to move this legislation forward, so that we can get seriously into the amendment and perfecting process and pass a bill.

I hope that all Senators will consider this carefully over the recess, and come back in September prepared to move forward on S. 2, and, if necessary, prepared to vote for cloture.

I ask unanimous consent that this editorial by Mr. Sabato be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### The Attack on PACs—It's a Smoke Screen That Obscures the Real Corruption

(By Larry Sabato)

Sens. Robert Byrd and David Boren, the new champions of reform in campaign financing, are absolutely right to be concerned about rising campaign costs, about a system that is weighted heavily against challengers and about the appearance of corruption in the political system. But they are absolutely wrong about the cause of these problems and the best solutions for them. Their opposition to political action committees is wrongheaded and futile, and their obsession with PACs draws attention away from some deeply troubling aspects of political money. Far more valuable remedies than theirs are available.

The current Byrd-Boren proposal seeks to cure the ills of campaign finance by curtailing PAC contributions and attempting to place a strict lid on spending in Senate races (by offering various incentives to candidates who accept spending limits). In this, the sponsors have failed to make the vital distinction between real corruption and pseudo corruption.

The pseudo corruption is PAC money. First, the power of PACs has been greatly exaggerated. Not only are the 4,211 PACs an extremely diverse lot that work at cross-purposes and check each other, but all PACs together provide only a third of all money raised by House candidates and just a fifth of the war chests of Senate contenders. Most of the solid academic studies of the relationship between congressional decision-making and PAC contributions have reached the same basic conclusion: PAC money usually has little influence on the legislative votes cast by congressmen. The members' party affiliations, ideological orientations and, most of all, the wishes of their constituencies are far more important in determining their votes than the PAC gifts they have received.

Moreover, a strong defense of the legitimacy of PAC and interest-group campaign activity can easily be made. Vigorously competing interests of great variety, after all, are one significant indicator of a thriving democracy. And if nothing else PACs are a useful vehicle for disclosure of the interest-group money which has always reached campaigns—and which always will find a political outlet in a free society.

A limitation on what candidates can accept from PACs won't do any good: PAC largess, which is not going to just disappear, will flow into less accountable channels such as independent expenditure. And suppression of PACs will only result in the money's being given in less discernible ways, as illustrated by Boren himself. He virtuously refuses all PAC donations but accepts the very same kind of special-interest gift from individuals. According to a "Campaign Practices Reports" study, at least a quarter of the million-dollar war chest he raised in 1983 and 1984 came from executives and employees of the energy and banking industries—individuals whose interests were not always easy to identify in the Federal Election Committee records. This included women related to the executive contributors but listed only as "homemaker."

The reformers' "big PAC attack," an increasingly popular campaign sport, serves as a smoke screen that obscures the real corruption, such as:

Honoraria of millions of dollars each year that go directly into the pockets of congressmen for their personal use. By contrast, campaign contributions are expended for a worthy public enterprise.

Free trips for congressmen that are often lengthy and lavish sojourns to resorts, which have sometimes included family members and are paid in full by the special interests.

A singularly seedy loophole in election law that permits the 221 current representatives who were in office on Jan. 8, 1980, to convert all remaining campaign funds to personal use after their retirement. These often-massive supplementary pensions are obtained under false pretenses for a reelection bid that never occurs.

Phony fund raising by many independent political groups and committees that rivals PTL's. This fraud, perpetrated mainly by direct mail, raises money by means of extravagant, never-fulfilled promises to contribute to certain causes and candidates dear to the hearts of naive donors on targeted lists.

A constructive agenda of campaign changes would highlight the real scandals, not PACs. Reformers should be spending their energies demanding the abolition of honoraria (perhaps in exchange for salary increases), severe limits on junketing when interest groups pick up the tab, repeal of the congressional "golden parachute" clause, mandatory disclosure of all direct-mail solicitations for groups that file with the FEC, and full disclosure in each solicitation of the proportion of the organization's funds spent on administrative costs (just as charities must do in many states).

Additional reforms are needed to tackle the authentic deficiencies identified by Byrd and Boren. Campaign outlays are in fact staggeringly high, but a limitation on the total amount candidates can spend would reduce competition by hurting some challengers in key marginal races where the incumbent is threatened. (We often forget that a challenger must somehow compensate for the hundreds of thousands, possibly millions, of dollars the incumbent already spent in previous elections and for taxpayer-funded constituency services.)

Instead of attempting to lower expenditures artificially, let's subtract from actual campaign costs. In most districts and states, costs can be slashed by one-third or more simply by reclaiming a few paltry advertising hours of the public's airwaves from broadcasters. The time can be apportioned in 30-second, 60-second and 5-minute slots to all major-party general election congressional candidates. In large media markets, where the crush of candidates would be too great, the parties should have the power to allocate available spots to their strongest challengers and most endangered incumbents. The broadcasters can certainly afford the lost revenue. As one television executive recently put it, "Having a license to operate a commercial TV station in this country is like receiving the government's permission to print money." And rather than wasting their outrage on PACs, reformers ought to be furious that broadcasters are lining their pockets selling our air time for the most important ritual of democracy.

Finally, we ought to be encouraging the strengthening of the political parties and the participation of more average citizens in the electoral process. One-hundred-percent tax credits for gifts up to $50 to parties and candidates are the best means. In this fashion, PACs are limited indirectly; that is, as party money and small individual gifts are proportionately expanded, PAC contributions will have even less influence than they do now. Tax credits for small gifts also produce money that will flow to starved challengers, not just well-heeled incumbents. Along with free broadcasting time, this could make our politics somewhat more competitive. And if politicians such as Byrd are really concerned about unfair incumbent advantages, they can bring under control the flagrant and expensive abuses of the free frank that currently exist. Most congressional newsletters are little more than taxpayer-subsidized reelection-literature.

The reformers have done a great disservice by focusing narrowly on pseudo corruption and slap-dash remedies for both genuine and imagined ills. Not only have they diverted attention from real corruption and more useful ideas, they have also increased cynicism about politics by playing to the public's natural suspicion of any mix of money and politicians. Granted, many of my alternative proposals can be labeled political "untouchables," but so was tax reform. If the determination to cure the malady is as great as the reformers suggest, then it is not too late to engineer a set of changes that will create a more wholesome and productive electoral system, rather than another jerry-built rig of good intentions and unintended consequences.

*(The writer is an associate professor of government at the University of Virginia.)*

## UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate takes up the short-term debt limit extension proposal later today, there be a time limitation thereon of not to exceed 1 hour conditioned on the approval of Mr. PACKWOOD, whom we cannot find at the moment; that that time be divided equally and controlled by Mr. PACKWOOD and Mr. BENTSEN; that no amendments thereto be in order; that condition also be subject to his approval, but if that receives disapproval, then everybody has the same right to offer amendments; and that no motions to commit to any committee be in order.

The PRESIDING OFFICER. Is there objection to the majority leader's request?

Mr. DOLE. Reserving the right to object—and I shall not object, I need to protect Senator PACKWOOD, I just cannot locate him. I do not believe he has any objection although he has been one of the conferees who have been pushing for a resolution of this before the recess. As I understand the request, if Senator PACKWOOD came to the floor and said: I object to the agreement, then it would be——

Mr. BYRD. It would fall.

Mr. DOLE. It would fall.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Hearing none, it is so ordered.

Mr. DOLE. I have just been informed Mr. PACKWOOD is fine.

Mr. BYRD. So, Mr. President, as I understand it from the distinguished Republican leader, now there is no conditioning limit to the order at all?

The PRESIDING OFFICER. Without objection, the unanimous-consent request as proposed by the majority leader is agreed to.

Mr. BYRD. I ask unanimous consent it be in order at this time to order the yeas and nays on the adoption of the debt limit extension.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, as soon as that message is received from the House, or very shortly thereafter—I understand it is before the Senate. Senators will now come to the floor. I

am about to yield the floor and call up the resolution.

## TEMPORARY EXTENSION OF PUBLIC DEBT LIMIT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the debt limitation extension measure.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3190) to provide for temporary increase in the public debt limit.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, we have been in conference on a permanent debt limit increase with the House and with the chairman of the Ways and Means Committee. The conferees have taken some action this afternoon. But, it is nearly the end of this particular part of our session. We are about to start a recess. We are faced with the fact that last night, time ran out on the last temporary extension of the debt limit. We are looking at the fact that the Government would be in a real cash crunch, which would be a serious problem for the financial structures of the country. We have reached the point that we can not issue securities, and the Treasury would run out of cash by at least the 17th of August and perhaps 2 or 3 days before that time.

We have made, I think, some progress on the permanent extension of the debt. We have seen some compromise on both sides. I do not think we are too far apart, but I am not sure that we will achieve a final concurrence and agreement on that measure tonight. That bill includes a number of budget restrictions to assure us finally getting back to a balanced budget.

With that in mind—that we have not reached that consensus yet, and might not be able to enact it prior to going out—I strongly urge that we accept and adopt the action that has just been taken by the House for an extension of the debt on a temporary basis to September 23.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, it is with some reluctance that I agree with my colleague from Texas, the chairman of the Finance Committee. Last year at this time, we were working on the tax reform bill and by carrying the conference into Friday, Saturday, and Saturday night, even though the recess had started, we were able to finish the conference. I think had we not carried the conference on, we would not have gotten the tax bill, had we carried the conference over the recess.

I feel the same about the conference on the debt ceiling and Gramm-Rudman-Hollings. I think if we could confer for another day or two, we would have an agreement with the House that the House could accept and the President could accept. But the problem is it is attached to the debt ceiling. Whereas last year, we could finish the conference on the tax bill and go home and come back in September and pass it, here we have not only to finish the conference, but then we would have to come back and pass an extension of the debt ceiling. We would be calling our Members back from Missoula, from Moscow, and everyplace else, for a vote.

I would like to state that I think if we could stay we would complete our work on the Gramm-Rudman-Hollings. It is with some reluctance that I think we should extend the debt ceiling and hope when we come back in September we can conclude our work on Gramm-Rudman-Hollings.

Mr. BENTSEN. Will my distinguished friend yield for a moment of my time?

Mr. PACKWOOD. I am happy to.

Mr. BENTSEN. I could not agree with the Senator more and I have so advised the House.

As chairman of that conference committee, I stand quite ready to meet, and you have advised me of the same thing. I do not know of any conference members who have not said they were ready to stay and continue to negotiate to see if we could do something on the long-term extension.

We have not yet heard back from the House but my understanding is that a meeting over there is now going on amongst the House conferees. There is a likelihood that they might send us back a counteroffer. If there is any light of day there, any encouragement at all, I am happy to stay here tomorrow, next week, whatever it takes.

Mr. PACKWOOD. I agree with the chairman. I think we can finish. I will cancel any plans I have if we can finish this.

Mr. President, I yield 5 minutes to the Senator from New Hampshire.

Mr. RUDMAN. I thank my friend.

Mr. President, I rise somewhat reluctantly to oppose the recommendation of my distinguished colleagues from Texas and Oregon. I do so for precisely the reasons that they have both stated and I think firmly believe. I know that everybody would like to leave this town tonight. Nobody would like to leave this town tonight any more than I would like to leave this town tonight. I think we have all had a difficult time for the last 6 months, some more difficult than others.

It seems to me that we have a benchmark here and the benchmark that today marks well might be the only time that we have the kind of pressure operating that will allow us to do what we have to do this year.

I want to point out that when we come back we will be on the verge of a sequestration order based on a $108 billion deficit target which everybody recognizes as unrealistic.

Last year, the House, faced with the fallback mechanism, just did not vote. We did, as the Senators who have been running this conference will remember. But the House did not vote.

Not only will we not pass a reconciliation bill, in my mind, but in my view we will have a good chance we will not pass any appropriations bills. We will be in the last September-early October syndrome and the chance of getting this thing fixed, the pressure that the Senator from Oregon talks about, will be gone, in my view.

I just want to make a couple of points.

I said this is a benchmark. I hope I am wrong. There are no better negotiators in the Senate than the Senators from Texas and Oregon and the Senator from New Mexico, the ranking member of the Budget Committee, or my friend from Texas, Senator GRAMM. But I believe that it will take something that does not even exist in this Chamber with all the competence that we have to get this thing fixed in the midst of a time when a sequestration order is coming down, when continuing resolutions are being considered, and all the other dynamics that will be in this Chamber will be gone. I think we will simply let the deficit slide.

I hope I am wrong. But if I am not, I want to say something on this floor tonight which I think is important to say.

The Senator from Oregon and I had a conversation 2 weeks ago. What we talked about was his view, which I respect, as to what would happen if we could get this thing fixed now or later.

His view is a view that I agree with. We will have declining interest rates; we will have more employment and less unemployment; we will have inflation stabilized, and the trade deficit will come down dramatically.

Those are the stakes that we are talking about.

I see on the floor my friend from North Dakota. I will say unequivocally, if you think that the Farm Belt has had problems in the last 2 years, you wait and see what the problems will be in the agricultural sector of this economy if this Congress walks away from deficit reduction in this year. It will be devastating. It will be true in the Energy Belt. It will be true in my own New England.

What we are gambling with tonight, in my view, is high unemployment, a return to high interest rates, increased inflation, more unemployment, and a higher trade deficit. That is what turns on this issue.

For those kinds of stakes, Mr. President, frankly, although the airports around Washington this evening will probably look a little like the airports in England in 1944 when we were launching bombing raids on Germany with planes taking off in all directions, I say call them back. I would far prefer the mountains of New Hampshire to the swamps of Washington during the month of August, but I think the stakes are very high.

I believe we ought to vote against this, cause all the consternation that is going to be caused by that, and then grudgingly but surely people will come back. I believe with that kind of pressure, the Senators from Texas, both of them, the Senator from Oregon and the Senator from New Mexico can sit with those House conferees and work out a solution that will be good for America. Because if we do not and we do not do it in September, it will not make much difference if the Republicans blame the Democrats or the Democrats blame the Republicans or the President blames us or we blame the President, because the American people will not care. They will blame us all and they have a right to do that.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. CONRAD addressed the Chair.

Mr. BENTSEN. How much time does the Senator wish?

Mr. CONRAD. Five minutes.

Mr. BENTSEN. Mr. President, I yield 5 minutes to the Senator from North Dakota.

Mr. CONRAD. Mr. President, let me say I agree with the distinguished Senator from New Hampshire on the outcome if we do not take deficit reduction very seriously this year. As the Senator from New Hampshire knows, I have tried to participate in a Gramm-Rudman fix, have tried to propose an across-the-board spending cut, have tried to propose, along with the Senator from Louisiana and the Senator from Colorado, a reduction in the deficit targets for this year, because I am convinced that we must have year-to-year deficit reduction.

I am not certain that the Senator from New Hampshire is correct that we must defeat this measure tonight in order to succeed, but he may well be right. There are those of us who are absolutely committed to year-to-year deficit reduction, because we believe as the Senator from New Hampshire does, that if we do not do that, the consequences will be precisely as he describes. That is, we will have greater trade deficit. We will have more unemployment, we will have higher interest rates, and my part of the country, the heartland—the productive area for agriculture and energy—will suffer even more.

So I am going to be listening very carefully in the hour to come on what we do with the prospect we are faced with immediately; that is, whether to approve a temporary limit or to try to call those back who have left. I am advised that our fellow legislators on the other side, in the other Chamber, have already adjourned and many of them have left town. That presents us with a fait accompli to some extent, but it gives us the opportunity obviously to dramatize this issue by calling them back if we defeat a temporary extension. I am not averse to doing that if I become convinced over the next hour that that is the only way we have an assurance of getting deficit reduction this year and in the 4 years to come.

Mr. President, I yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I yield 10 minutes to the Senator from Texas [Mr. GRAMM].

Mr. GRAMM. Mr. President, I thank the distinguished Senator from Oregon.

I would like to begin by thanking the chairman of the conference committee for his help in trying to negotiate a solution to this problem. I do not think there's anybody here that is more disappointed than I am, after a long month of working to put the teeth back into the Gramm-Rudman-Hollings law and put us back on a path toward a balanced budget, to find ourselves here.

I remember vividly in 1985, when we passed this balanced budget law and trumpeted throughout the country that we had changed the way Congress is going to do business, that we were going to change the economy; immediately, interest rates started to decline, the economy started to move ahead more confidently, and the deficit began to decline. In fact, the deficit fell from $233 billion to $160 billion. The plain truth is that most of the deficit reduction was not done by us.

By setting out a 5-year program of mandated deficit reduction, we were able to convince the financial markets of the country that something had changed, that a 10-year pattern of runaway Government spending and inflation and high interest rates was ending. As a result, long-term interest rates declined. The largest creditor in the world, the U.S. Government, was the largest beneficiary in the world of declining interest rates.

We were able to prevent a new spending program here and there. We displayed some spending constraint. We did nothing overwhelming; in fact, there is some disappointment that we did not have a fundamental reordering of spending priorities. But I remind my colleagues that the deficit fell from $233 billion to $160 billion.

What has happened in the last 5 months? All of a sudden, the current services deficit has escalated. A portion of the increase is a result of the unevenness in the tax reform package, but a lot of the increase occurs because suddenly in January, February, and March, the financial markets discovered what most of us already knew. That is that the Gramm-Rudman-Hollings law had stopped constraining Congress and a new spending spree was underway. In fact, the deficit has been unabated since that time. As a result, all the help we received 1½ years ago from improved expectations in the financial markets is now working against us.

I am disappointed that we are here. I am not going to make an impassioned plea about defeating the bill to raise the debt ceiling. I am going to vote against the bill. I would never counsel people to allow the U.S. Government to default, but we are not going to be in a position to default until August 16th or 17th, and today is only the 7th.

I believe that we should stay here, but I am a realist. Odysseus may have found a way to escape the siren's song long ago on his way back from the Trojan War, but there is no siren's song like momma in the pickup and the little children waving the fishing pole, saying, "When is pop going to get off work?" We all know that that lure is why we are here to vote on a short-term debt ceiling increase.

If we adopt this temporary debt ceiling increase, as I am relatively confident we will, we will lose our best opportunity to fix the Gramm-Rudman-Hollings law. It is not our only opportunity, but it is our best one. I am an optimist and in a sense I sort of feel like a salesman. Are you going to pay me now or pay me later? Later it is going to be a lot more expensive; not for us, because we are going to be protected, but for the people out there in the country doing the work, paying the taxes, pulling the wagon. They are the ones who are going to suffer the economic hardship that is totally unnecessary because we are not doing our job of producing a system that can gain control of the deficit.

I remember when I first came to Congress 9 years ago, right out of the chute, the first vote I had to cast was on raising the debt ceiling. I voted against it and I remember that the then majority leader, now Speaker, stood and gave a talk, in essence saying, you have to pay your bills. If someone goes out and spends a lot of

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money, they cannot refuse to pay the bills. I stood and said, "That is right, but there is one difference between that and the real world. When the bill collector comes to the door, you pay the bill collector. But then the family sits down around the kitchen table and gets out the credit card, cuts it up, writes out a budget, makes resolutions, and everybody starts out anew."

We are not making any resolutions here tonight. We are not making any commitment to deal with this problem, and this problem will not be dealt with without those commitments. So I intend to vote "No" on this debt ceiling increase.

When we come back in September, we are only going to have 13 legislative days if we are not in session on Monday. That is only 13 days to pass a continuing resolution; that is only 13 days to pass a reconciliation bill; that is only 13 days to fix Gramm-Rudman-Hollings in such a way that we can then meet the deficit targets. That is some heavy lifting for an athlete who has not run a race in this case for over a year and a half, and I am speaking of the U.S. Congress. Maybe it can be done. I am committed to that objective. But I want to make two points about the fix.

First, those who want to say, "Let us fix it for 3 years and then forget it," that is not going to happen. If we are going to have a fix—and I am committed to a fix—it has to be a fix all the way to balancing the Federal budget.

Second, if we are going to balance the budget, we need fixed targets to assure that we are taking into account outyear spending; to assure that if you terminate a program—may God grant that some day we will do that again—you get credit in the outyears for it.

We need fixed targets. We need a commitment to see this through to a successful conclusion, to balance the Federal budget. That is what I support.

The great Nation we live in will survive financial irresponsibility. It has done so for many years. The Nation will continue to grow and, in relative terms, prosper, and people will be happier here than anywhere else. But the great tragedy is that they can be even happier: We can have more opportunities and more growth and more freedom for our people.

We are not going to achieve that tonight, because we are going to pass this temporary increase in the debt ceiling. We are going to put it off until after the recess. After we come back, the mountain will be a little higher, but I hope we can increase our resolve to climb it. I have that resolve, and I am sure others do as well.

Mr. BENTSEN. Mr. President, I yield 5 minutes to the distinguished Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me say at the outset that the distinguished Senator from Texas and the distinguished Senator from Oregon have done an outstanding job. I think the gentleman from Illinois [Mr. ROSTENKOWSKI] on the House side, has also done an outstanding job.

So my vote tonight against this temporary extension is to register my personal persistence and consistency in trying my dead-level best to attain the very same objective sought by the Senator from Texas [Mr. GRAMM]. We have been working side by side, but I am afraid that we have been somewhat unrealistic in some of the negotiations. I do not want to go into details because we are still in negotiations. The conference committee will continue its deliberations despite the fact that we have a temporary extension of the debt limit.

My point is that my counterpart, Senator GRAMM, says he wants and will only vote for a plan that ensures, lockstep, categorical reduction of the deficit until the Government is back in the black. Indeed, that is the whole intent of the Gramm-Rudman-Hollings initiative.

However, Mr. President, regrettably, there are a lot of conscientious objectors in this war against the deficit. We do not have all the troops on this side of the aisle, and we do not have all the troops on the other side. Likewise, there are noncombatants among our colleagues in the House. Accordingly, it is incumbent upon the more gung-ho among us to be more realistic in our expectations.

I think the Senator from Texas makes an excellent point: We cannot bind the current President to a trigger but say that the next President will be free of that constraint.

Mr. President, as a practical matter, if we had the trigger for only the first 2 years, in subsequent years we would be locked into increased taxes, but without the trigger there would be little reduction in expenditures. This, of course, would give rise to the claim: "Look, you folks got the tax increase, and now you don't have any pressure to push for spending reductions." This would lend credence to the charge that this body stands for tax and tax, spend and spend.

We have a good bipartisan recommendation from our House colleagues to keep the trigger in place for 3 years. This gives the current President some 15 months controlled by the trigger, and the incoming President, in January 1989, some 21 months. So you could not say that the new President in January 1989 was not covered.

Speaking of incoming Presidents, I harken back to what we said about President Reagan when he took office in 1981. We called his economic program a riverboat gamble. That is how the Republican majority leader described it. The Republican Vice President was less tactful in calling it voodoo. There were all kinds of colorful descriptions. Nonetheless, we adopted it by an overwhelming vote. There were only 11 or 12 votes on this side of the aisle and the Senator from Maryland on that side of the aisle against it. I fought that particular program.

My point is that any incoming President, be he Democrat or Republican, should be granted, by virtue of his election by the people of the United States, every opportunity to institute his own economic program. We can have triggers in place through 1992, but if a President takes office in 1989 and says, "I disagree," then we will be obliged to repeal that.

Mr. President, we must not delude ourselves into thinking and acting like we are etching a program in granite. The Senator from Texas and I would prefer that. We have all worked to achieve it. But I am for getting the job done, and I do not want to lose any more troops in this war against the deficit.

So my vote against this temporary debt limit without the fix is intended as a vote of confidence for continued negotiations, for persistence. Let us proceed with realism. Let us realize that we are gathering steam politically, but it will not be easy to hold together the troops in the battle that lies ahead.

I thank the distinguished chairman of the Finance Committee for yielding me time.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. PACKWOOD. Mr. President, I yield 5 minutes to the Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I am grateful to the distinguished Republican manager for yielding me a few minutes.

I cannot help recalling someone who wrote about the end of the world, that it will end not with a bang but with a whimper. I have forgotten who wrote it, or maybe I am too tired to recall it at the moment because, like most Members of this body, I am about as fatigued as I can ever recall being.

In fact, as I look around the room, it appears to me that virtually every Member of the Senate is red-eyed and has that ghastly pallor you get when you work 15 or 18 hours a day for several days as the session draws to a close. But this is drawing to a close with a whimper and on really a very sad note because we came about that close to actually drafting a conference that would make permanent the Gramm-Rudman-Hollings budget reforms.

I am really convinced, and I must admit I was skeptical when I went into the conference, that our brothers in the House tried to meet us halfway and tried to put together something with the Senate conferees that would reestablish automatic sequester process and reestablish the kind of targets that would bring us on a glidepath to a balanced budget within the next 5 or 6 years.

Somehow we did not quite have the staying power to get it done.

The thing I regret the most of it is, I think, even now we are within 6 hours or 12 hours or 24 hours of being able to do it, but at some point, we just ran out of energy and so because we are tired and because we want to take a month off, we are giving up and saying well, we will be able to do better in September, and maybe that is true.

But, I remind my colleagues of what happens every year in the fall. Every year in the fall Charlie Brown is coaxed out onto the playing field by the mischievous Lucy. You remember, she holds the football and every year she promises she is not going to jerk it away as he comes thundering toward the middle of the field to give it a swift kick. Every year he says, "You are not going to do it again and make a fool of me?" And every year she says, "No, I won't do this and I have done it the last time." Every year he comes down the field and the ball is jerked away from him and again he is humiliated.

Mr. President, I again am getting sick and tired of seeing the Congress humiliated over this issue. We are doing it to ourselves wildly.

The wisest course of action would not be to go on recess. It would be just to recess just for the night, come back tomorrow morning on Saturday and start over on this process and insist that our brothers from the House do the same, and I know some of them are already headed home and on their way for well-deserved periods of recreation, time with their families, vacations, and periods at home with their constituents, all of which are necessary and important, but there is not any problem facing this country in my opinion that is more urgent or more timely or closer to solution than is this Gramm-Rudman-Hollings fix.

We could do it even this weekend or maybe Monday or Tuesday of next week if we were just willing to stay and do it.

I believe if we were giving prizes tonight for who is the most tired, I think I would be a contender. I think I am about as tired as anybody around here.

But I say to my colleagues, let me appeal to them. It is worth it. If we just hang in there, if we just were to turn down this extension of the debt limit, there then would not be any other course of action but to stay tomorrow, Sunday, and Monday until we could reach a compromise.

I just want to report as one conferee that I think we are pretty close. I think even now, there is a good spirit among the conferees, even though they are weary and kind of frustrated, and I think we could do it.

I am not sure we can summon that same spirit again in September. Maybe we can. But I guess somehow being at a deadline, being backed up against the looming recess, facing imminent crisis, those are all the ingredients of the solution, and I guess unless we have that kind of pressure it is impossible to get everybody around one table and make a deal, and we are at that point right now.

So while I respect the opinion of the chairman and ranking member of the Finance Committee who I understand intends to vote for the extension of the debt limit, for my own part I am going to vote against it, feeling that if we were to defeat the extension at this time the result would be to force us back to the bargaining table and I believe in relatively short order to a better solution than is now in prospect.

Mr. PACKWOOD. Mr. President, let me say for the benefit of the Members, and I am trying to help as much as I can, there is a wedding tonight of former Senator Jackson's daughter and a good many of our Members are going to the wedding at 7:30.

I would hope we would not take too much time and vote soon.

I yield 5 minutes to the Senator.

Mr. DOMENICI. I just need 1 minute.

Mr. PACKWOOD. I yield 1 minute to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I agree with just about everything that has been said, but I have reached the opposite conclusion. I believe we ought to go ahead and vote out this bill.

When you look at the episode that we have been through, actually the U.S. House has passed no bill on one of the most complex and profound pieces of legislation that Congress has ever considered, and we have gotten as far as has been described here today.

I believe the time has come to go ahead and extend the debt limit a short period of time. What has been said here tonight ought to bode well for getting the job done and perhaps that can get done. I hope so.

But I do not believe it will get done by us turning the debt limit down tonight.

I do not think that enhances the chances of getting the Gramm-Rudman-Hollings permanent fix one bit.

There will not be any way we will get it done in 1 or 2 days. I disagree with those who have said that. It will take a while, a little thinking, and I actually believe a little more time here might lead us to a solution that we can indeed come up with, have broad support, and pass in both Houses.

I hope we vote "aye" on this debt limit bill and give us a chance to vote in conference again.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Texas.

Mr. BENTSEN. Mr. President, let me state the conferees have worked long and hard on this and made a sincere effort. They went long in the night and missed meals, and the rest of it. It was a dedicated effort and they did it in an amicable manner most of the time.

I am convinced that if we go into recess we will come back recharged and renewed and that we will have not lost ground but will be able to bring this to a successful culmination.

Now I would like to recognize the distinguished Senator from Florida for whatever time is left of the time allotted that he desires to use.

Mr. CHILES. Thank you, Mr. President. How much time does the Senator from Florida have remaining?

The PRESIDING OFFICER. The Senator from Florida has 18 minutes.

Mr. CHILES. Thank you, Mr. President, I will try to confine myself to that period of time.

Mr. President, I feel a little bit like the Ancient Mariner. I do not know when I caught that albatross but he sure has been around my neck for awhile and I think a lot of us feel that way, and we know that it is starting to smell, and we thought we were going to have a chance to maybe get rid of him this week.

I am disappointed, I think, as anybody here that we see that chance slipping away from us.

Again, we always seem to be a day late and a dollar short. I think we were very, very close, and I think the tragedy of it is that we did not go ahead and get a vote to really see where we were on this thing. I think had we been able to get the last offer back from the House, we could have had a vote in here. I would like to think it would have passed but if it would not it would at least have given us a better indication of where we are.

We have been wrestling with this thing so long and now we see it put off again.

I sincerely hope that we will be able to pick up and build on what we have had, that it will not all be lost, that we will not be starting over again, and that we will be able to finish this time sometime in the near future.

Now, I would like to go back and review, if I might, where I think we find ourselves.

Mr. President, I am not going to do that. I am disappointed. I wish we could have a chance to have a vote. I know that people do want to have a vote on this, and I yield the floor.

Mr. BENTSEN. Mr. President, let me state no one worked harder than the chairman of the Budget Committee. He did an extraordinary job, and I am proud of the participation he gave.

I yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

The question is on the third reading of the bill.

The bill was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Montana [Mr. MELCHER], the Senator from North Carolina [Mr. SANFORD] and the Senator from Illinois [Mr. SIMON] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 39, as follows:

[Rollcall Vote No. 233 Leg.]

YEAS—51

Adams
Baucus
Bentsen
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Byrd
Chafee
Chiles
Cochran
Cranston
D'Amato
Danforth
Daschle
Dixon
Dodd
Dole
Domenici
Ford
Fowler
Graham
Heinz
Inouye
Johnston
Kassebaum
Kerry
Lautenberg
Leahy
Lugar
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Sarbanes
Stafford
Stennis
Stevens
Thurmond
Weicker

NAYS—39

Armstrong
Bingaman
Burdick
Cohen
Conrad
DeConcini
Evans
Exon
Glenn
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Helms
Hollings
Humphrey
Karnes
Kasten
Levin
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Proxmire
Rudman
Sasser
Shelby
Simpson
Specter
Symms
Trible
Wallop
Warner
Wilson
Wirth

NOT VOTING—10

Biden
Durenberger
Garn
Gore
Hatfield
Kennedy
Matsunaga
Melcher
Sanford
Simon

So the bill (H.R. 3190) was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table is agreed to.

The PRESIDING OFFICER. The majority leader.

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## SENATORIAL ELECTION CAMPAIGN ACT

Mr. BYRD. Mr. President, I call for regular order.

The PRESIDING OFFICER. The clerk will report the unfinished business.

The legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate continued with the consideration of the bill.

Mr. FORD. Mr. President, as chairman of the Rules Committee, authorized by the Senate Members, I send a modification to the committee amendment to the desk.

The PRESIDING OFFICER. The chairman of the committee, as authorized by the committee, has the right to modify the committee amendment. The amendment is so modified.

The amendment as modified is as follows:

Strike all after the enacting clause, and insert in lieu thereof the following:

That this Act may be cited as the "Senatorial Election Campaign Act of 1987".

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

"TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) unless otherwise provided in this title the definitions set forth in section 301 of this Act, except the provisions of section 301(9)(B)(vi), apply to this title;

"(2) the term 'authorized committee' means, with respect to any candidate for election to the office of United States Senator, any political committee which is authorized in writing by such candidate to accept contributions or make expenditures on behalf of such candidate to further the election of such candidate;

"(3) the term 'candidate' means an individual who is seeking nomination for election, or election to the office of United States Senator and such individual shall be deemed to seek nomination for election, or election, if such individual meets the requirements of subparagraph (A) or (B) of section 301(2);

"(4) the term 'election cycle' means—

"(A) in the case of a candidate or the authorized committee of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next election;

"(5) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive benefits under this title;

"(6) the term 'general election' means any election which will directly result in the election of a person to the office of United States Senator, but does not include an open primary election;

"(7) the term 'general election period' means the period beginning on the day after the date of the primary or runoff election, whichever is later, and ending on the date of such general election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first;

"(8) the term 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate, and the spouse of any such person, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate's spouse and the spouse of any such person.

"(9) the term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, the Presidential Election Campaign Fund Act, provided that a candidate in a general election held by a State to elect a Senator subsequent to an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, shall be treated as a candidate of a major party for purposes of this title;

"(10) the term 'primary election' means any election which may result in the selection of a candidate for the ballot of the general election;

"(11) the term 'primary election period' means the period beginning on the day following the date of the last Senate election for the same Senate office and ending on the date of the first primary election for such office following such last Senate election for such office, or the date on which the candidate withdraws from the election or otherwise ceases actively to seek election, whichever occurs first;

"(12) the term 'runoff election' means the election held after a primary election, and prescribed by applicable State law as the means for deciding which candidate(s) should be certified as nominee(s) for the Federal office sought;

"(13) the term 'runoff election period' means the period beginning on the day following the date of the last primary election for such office and ending on the date of the runoff election for such office;

"(14) the term 'Senate Fund' means the Senate Election Campaign Fund maintained pursuant to section 506 by the Secretary of the Treasury in the Presidential Campaign Fund established by section 9006(a) of the Internal Revenue Code of 1986; and

"(15) the term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"ELIGIBILITY TO RECEIVE BENEFITS

"SEC. 502. (a) To be eligible to receive benefits under this title, in addition to the requirements of subsection (d), a candidate shall, within 7 days after qualifying for the general election ballot under the law of the

State involved or, if such candidate is a candidate in a State which has a primary election to qualify for such ballot after September 1, within 7 days after the date such candidate wins in such primary, whichever occurs first—

"(1) certify to the Commission under penalty of perjury that during the period beginning on January 1 of the calendar year preceding the year of the general election involved, or in the case of a special election for the office of United States Senator, during the period beginning on the day on which the vacancy occurs in that office, and ending on the day of such certification, such candidate and the authorized committees of such candidate have received contributions in an amount at least equal to 10 cents multiplied by the voting age population of such State or $150,000, whichever is greater, up to an amount that does not exceed $650,000;

"(2) certify to the Commission under penalty of perjury that all contributions received for purposes of paragraph (1) have come from individuals and that no contribution from such individual, when added to all contributions to or for the benefit of such candidate from such individual, was taken into account to the extent such amount exceeds $250;

"(3) certify to the Commission under penalty of perjury that such candidate and the authorized committees of such candidate have not expended for the primary election, more than the amount equal to 67 percent of the general election spending limit applicable to such candidate pursuant to section 503(b), or more than $2,750,000, whichever amount is less;

"(4) certify to the Commission under penalty of perjury that such candidate and the authorized committees of such candidate have not expended for any runoff election, more than an amount equal to 20 percent of the general election spending limit applicable to such candidate pursuant to section 503(b);

"(5) certify to the Commission under penalty of perjury that 75 per centum of the aggregate amount of contributions received for purposes of paragraph (1) have come from individuals residing in such candidate's State;

"(6) certify to the Commission under penalty of perjury that at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(7) agree in writing that such candidate and the authorized committees of such candidate—

"(A) have not made and will not make expenditures which exceed the limitations established in section 503, except as otherwise provided in this title;

"(B) will not accept any contributions in violation of section 315;

"(C) will not accept any contribution for the general election involved except to the extent that such contribution is necessary to defray expenditures for such election that in the aggregate do not exceed the amount of the limitation on expenditures established in section 503(b), unless otherwise provided in this Act;

"(D) will deposit all payments received under this section in an account insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(E) will furnish campaign records, evidence of contributions and other appropriate information to the Commission; and

"(F) will cooperate in the case of any audit and examination by the Commission under section 507; and

"(8) notify the Commission of their intention to make use of the benefits provided for in section 504.

"(b) For the purposes of subsection (a)(1) and paragraph (2)(B) of section 504(a), in determining the amount of contributions received by a candidate and the candidate's authorized committees—

"(1) no contribution other than a gift of money made by a written instrument which identifies the person making the contribution shall be taken into account;

"(2) no contribution made through an intermediary or conduit referred to in section 315(a)(8) shall be taken into account;

"(3) no contribution received from any person other than an individual shall be taken into account, and no contribution received from an individual shall be taken into account to the extent such contribution exceeds $250 when added to the total amount of all other contributions made by such individual to or for the benefit of such candidate beginning on the applicable date specified in paragraph (4) of this subsection; and

"(4) no contribution received prior to January 1 of the calendar year preceding the year in which the general election involved or received after the date on which the general election involved is held shall be taken into account, and in the case of a special election, no contribution received prior to the date on which the vacancy occurs in that office or received after the date on which the general election involved is held shall be taken into account.

"(c) The threshold amounts in subsection (a)(1) shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase, the term 'base period', as used in such section shall mean the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1967.

"(d) In addition to the requirements of subsection (a), to be eligible to receive benefits under this title a candidate shall, on the day such candidate files as a candidate for the primary election—file with the Commission a declaration whether or not—

"(1) such candidate and the authorized committees of such candidate intend to make expenditures, for the primary election, more than an amount equal to 67 percent of the general election spending limit applicable to such candidate pursuant to section 503(b), or more than $2,750,000, whichever amount is less;

"(2) such candidate and the authorized committees of such candidate intend to make expenditures, for any runoff election, more than an amount equal to 20 percent of the general election spending limit applicable to such candidate pursuant to section 503(b); and

"(3) such candidate and the authorized committees of such candidate intend to make expenditures, for the general election, more than an amount equal to the general election spending limit applicable to such candidate pursuant to section 503(b).

### "LIMITATIONS ON EXPENDITURES

"Sec. 503. (a) No candidate who is entitled to a benefit in a general election under this title shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, or incur personal loans in connection with such candidate's campaign for the Senate, aggregating in excess of $20,000, during the election cycle.

"(b)(1) Except as otherwise provided in this Act, no candidate who is entitled to a benefit for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed $400,000, plus—

"(A) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(B) in States having a voting age population over 4 million, 30 cents multiplied by 4 million, plus 25 cents multiplied by the voting age population over 4 million;

except that the amount of the limitation under this subsection, in the case of any candidate, shall not be less than $950,000, nor more than $5,500,000.

"(2) Notwithstanding the provisions of paragraph (1), in any State with no more than one transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, no candidate in such State who receives a benefit for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed the higher of—

"(A) $950,000; or

"(B) $400,000 plus 45 cents multiplied by the voting age population of 4 million or less, plus 40 cents multiplied by the voting age population over 4 million, up to an amount not exceeding $5,500,000.

"(c) The limitations on expenditures in subsections (b), (d), and (e) shall be subject to the provisions of subsections (b) and (c) of section 504.

"(d) No candidate who is otherwise eligible to receive benefits for a general election under this title may receive any such benefits if such candidate spends for the primary election, more than the amount equal to 67 percent of the limitation on expenditures for the general election as determined under subsection (b), or more than $2,750,000, whichever amount is less.

"(e) No candidate who is otherwise eligible to receive benefits for a general election under this title may receive any such benefits if such candidate spends for a runoff election, if any, more than an amount which in the aggregate exceeds 20 percent of the maximum amount of the limitation applicable to such candidate as determined under subsection (b).

"(f)(1) For purposes of this section, the amounts set forth in subsections (b), (d), and (e) of this section shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase, the term 'base period', as used in section 315(c), means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987.

"(2) The limitation set forth in subsection (b) shall not apply to expenditures by a candidate or a candidate's authorized committees from a compliance fund established to defray the costs of legal and accounting services provided solely to insure compliance with this Act; provided however that—

"(A) such fund contains only contributions (including contributions received in excess of any amount necessary to defray qualified campaign expenditures pursuant to section 313) received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate total amount of contributions to, and expenditures from, such fund do not exceed 10 percent of the limitation on expenditures for the general election as determined under subsection (b); and

"(C) no transfers may be made from such fund to any other accounts of the candidate's authorized committees, except that the fund may receive transfers from such other accounts at any time.

In the event that, subsequent to any general election, a candidate determines that the costs of necessary and continuing legal and accounting services require contributions to and expenditures from the fund in excess of the limitations of this paragraph, the candidate may petition the Commission for a waiver of such limitations up to any additional amounts as the Commission may authorize in connection with such waiver. Any waiver, or denial of a waiver, by the Commission under this paragraph shall be subject to judicial review under section 508. Any money remaining in such fund when the candidate decides to terminate or dissolve such fund, shall be—

"(i) contributed to the United States Treasury to reduce the budget deficit, or

"(ii) transferred to a fund of a subsequent campaign of that candidate.

"(g) If, during the primary and runoff period portion of the two-year election cycle preceding the candidate's general election, independent expenditures by any person or persons aggregating an amount in excess of $10,000 are made, or are obligated to be made, in opposition to a candidate or for the opponent of such candidate, the limitations provided in subsections (d) and (e), as they apply to such candidate, shall be increased for that primary or runoff election in an amount equal to the amount of such expenditures made during the period covered by such election.

### "ENTITLEMENT OF ELIGIBLE CANDIDATES TO BENEFITS

"Sec. 504. (a) Except as otherwise provided in section 506(c)—

"(1) all eligible candidates shall be entitled to—

"(A) the broadcast media rates provided under section 315(b)(3) of the Communications Act of 1934;

"(B) mailing rates provided in section 3629 of title 39 of the United States Code; and

"(C) payments under section 506 equal to the aggregate total amount of independent expenditures made or obligated to be made, in the general election involved, by any person in opposition to, or on behalf of an opponent of such eligible candidate, as such expenditures are reported by such person or determined by the Commission under subsection (f) of section 304;

"(2) if any candidate in the same general election not eligible to receive funds under this title either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election—

"(A) an eligible candidate who is a major party candidate shall be entitled to receive a payment under section 506 in an amount equal to—

"(i) two-thirds of the amount of the limitation determined under section 503(b) with regard to such candidate when a candidate in the same election not eligible to receive funds under this title either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed 100 percent of such limitation determined under section 503(b); and

"(ii) one-third of the amount of the limitation determined under section 503(b) with regard to such candidate when a candidate in the same election not eligible to receive funds under this title either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed 133⅓ percent of such limitation determined under section 503(b); or

"(B) an eligible candidate who is not a major party candidate shall be entitled to matching payments under section 506, equal to the amount of each contribution received by such eligible candidate and the candidate's authorized committees, provided that in determining the amount of each such contribution—

"(i) the provisions of section 502(b) shall apply; and

"(ii) contributions required to be raised under section 502(a)(1) shall not be eligible to be matched; and

the total amount of payments to which a candidate is entitled under this subparagraph shall not exceed 50 percent of the amount of the limitation determined under section 503(b) applicable to such candidate.

"(b) A candidate who receives payments under paragraph (1)(C) or (2) of subsection (a) may spend such funds to defray expenditures in the general election without regard to the provisions of section 503(b).

"(c)(1) A candidate who receives benefits under this section may make expenditures for the general election without regard to the provisions of subparagraph (A) of section 502(a)(7) or subsection (a) or (b) of section 503 if and when any candidate in the same general election not eligible to receive payments under this section either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed the amount of 133⅓ percent of the expenditure limit applicable to such candidate under section 503(b) for such election.

"(2) A candidate who receives benefits under this section may receive contributions for the general election without regard to the provisions of subparagraph (C) of section 502(a)(7) if any major party candidate in the same general election is not eligible to receive benefits under this section, or if and when any other candidate in the same general election who is not eligible to receive benefits under this section raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed 75 percent of the amount of the expenditure limit applicable to such candidate under section 503(b) for such election.

"(d) Benefits received by a candidate under this section shall be used to defray expenditures incurred with respect to the general election period for such candidate. Such benefits shall not be used (1) to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate, (2) to make any expenditure other than expenditures to further the general election of such candidate, (3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made, or (4) to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

### "CERTIFICATION BY COMMISSION

"Sec. 505. (a) No later than 48 hours after an eligible candidate files a request with the Commission to receive benefits under section 506 the Commission shall certify such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled, unless the provisions of section 506(c) apply. The request referred to in the preceding sentence shall contain—

"(1) such information and be made in accordance with such procedures, as the Commission may provide by regulation; and

"(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) Certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 508.

### "ESTABLISHMENT OF FUND; PAYMENTS TO ELIGIBLE CANDIDATES

"Sec. 506. (a)(1) The Secretary shall maintain in the Presidential Election Campaign Fund (hereafter referred to as the 'Fund') established by section 9006(a) of the Internal Revenue Code of 1986, in addition to any other accounts maintained under such section, a separate account to be known as the 'Senate Fund'. The Secretary shall deposit into the Senate Fund, for use by candidates eligible to receive payments under this title, the amounts available after the Secretary determines that the amounts in the Fund, plus the amounts of revenue the Secretary projects will accrue to the Fund during the remainder of the period ending on December 31 of the year of the next Presidential election, equal 110 percent of the amount the Secretary projects will be necessary for payments under subtitle H of the Internal Revenue Code of 1986 during such remainder of such period. The monies designated for the Senate Fund shall remain available without fiscal year limitation.

"(2) On May 15 of each year following the year during which a regularly scheduled biennial Senate election has occurred, the Secretary shall determine the total amount in the Senate Fund, and evaluate if such amount, plus the amount of revenue it projects will accrue to the Senate Fund (based on the computation made by the Secretary with respect to the Fund, as provided in paragraph (1)) during the period beginning on such date and ending on December 31 of the year of the next regularly scheduled biennial election, exceeds 110 percent of the total estimated expenditures of the Senate Fund during such period. If the Secretary determines that an excess amount exists, the Secretary shall transfer such excess to the general fund of the Treasury of the United States.

"(b) Upon receipt of a certification from the Commission under section 505, the Secretary shall promptly pay to the candidate involved in the certification, out of the Senate Fund, the amount certified by the Commission.

"(c)(1) If at the time of a certification by the Commission under section 505 for payment to an eligible candidate, the Secretary determines that the monies in the Senate Fund are not, or may not be, sufficient to satisfy the full entitlement of all such eligible candidates, the Secretary shall withhold from such payment such amount as he determines to be necessary to assure that an eligible candidate will receive a pro rata share of such candidate's full entitlement. Amounts so withheld shall be paid when the Secretary determines that there are sufficient monies in the Senate Fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient monies in the Senate Fund to satisfy the full entitlement of an eligible candidate, the amounts so withheld shall be paid in such manner that each eligible candidate receives his or her pro rata share of his or her full entitlement. The Secretary shall notify the Commission and each eligible candidate by registered mail of the reduction in the amount to which that candidate is entitled under section 505.

"(2) If the provisions of this subsection result in a reduction in the amount to which an eligible candidate is entitled under section 505 and payments have been made under this section in excess of the amount to which such candidate is entitled, such candidate is liable for repayment to the Fund of the excess under procedures the Commission shall prescribe by regulation.

### "EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 507. (a)(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 per centum of the eligible candidates of each major party and 10 per centum of all other eligible candidates, as designated by the Commission through the use of an appropriate statistical method of random selection to determine, among other things, whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements of this title.

"(2) After each special election, the Commission shall conduct an examination and audit of the campaign accounts of each eligible candidate in such election to determine whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements under this title.

"(3) The Commission may conduct an examination and audit of the campaign accounts of any eligible candidate in a general election if the Commission, by an affirmative vote of four members, determines that there exists reason to believe that such candidate has violated any provision of this title.

"(b) If the Commission determines that any portion of the payments made to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(c) If the Commission determines that any amount of any benefit made to a candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to 200 per centum of the amount of such benefit.

"(d) If the Commission determines that any candidate who has received benefits under this title has made expenditures which in the aggregate exceed by 5 per centum or less the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the excess expenditure.

"(e) If the Commission determines that any candidate who has received benefits under this title has made expenditures which in the aggregate exceed by more than 5 per centum the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay the Secretary an amount equal to three times the amount of the excess expenditure.

"(f) Any amount received by an eligible candidate under this title may be retained for a period not exceeding sixty days after the date of the general election for the liquidation of all obligations to pay general election campaign expenses incurred during this general election period. At the end of such sixty-day period any unexpended funds received under this title shall be promptly repaid to the Secretary.

"(g) No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"(h) All payments received under this section shall be deposited in the Senate Fund.

### "CRIMINAL PENALTIES

"SEC. 507A. (a) No candidate shall knowingly or willfully accept benefits under this title in excess of the aggregate benefits to which such candidate is entitled or knowingly or willfully use such benefits for any purpose not provided for in this title or knowingly or willfully make expenditures from his personal funds, or the personal funds of his immediate family, in excess of the limitation provided in this title.

"(b) Any person who violates the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(c)(1) It is unlawful for any person who receives any benefit under this title, or to whom any portion of any such benefit is transferred, knowingly and willfully to use, or authorize the use of, such benefit or such portion except as provided in section 504(d).

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d)(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information (including any certification, verification, notice, or report), to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title, or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(e)(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any benefits received by any candidate, or the authorized committees of such candidate, who receives benefits under this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal benefit in connection with any benefits received by any candidate pursuant to the provisions of this title, or received by the authorized committees of such candidate, shall pay to the Secretary for deposit in the Fund, an amount equal to 125 percent of the kickback or benefit received.

### "JUDICIAL REVIEW

"SEC. 508. (a) Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

### "PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 509. (a) The Commission is authorized to appear in and defend against any action instituted under this section and under section 506 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission is authorized through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under section 507 to be payable to the Secretary.

"(c) The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears, pursuant to the authority provided in this section.

### "REPORTS TO CONGRESS; REGULATIONS

"SEC. 510. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 for payment to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507, and the reasons for each payment required; and

"(4) the balance in the Presidential Election Campaign Fund, and the balance in the Senate Fund and any other account maintained in the Fund.

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Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to prescribe such rules and regulations in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated to the Commission for the purpose of carrying out functions under this title, such sums as may be necessary.".

### SENATE FUND

SEC. 3. Section 6096(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking out "$1" each place it appears in that subsection and inserting in lieu thereof "$2"; and

(2) by striking out "$2" each place it appears in that subsection and inserting in lieu thereof "$4".

### BROADCAST RATES

SEC. 4. Section 315(b)(1) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)) is amended by striking the semicolon and inserting in lieu thereof the following: ": *Provided*, That in the case of candidates for United States Senator in a general election, as such term is defined in section 501(6) of the Federal Election Campaign Act of 1971, this provision shall apply only if such candidate has been certified by the Federal Election Commission as eligible to receive benefits under title V of such Act and such candidate is identified or identifiable during 50 percent of the time of any broadcast of a political announcement or advertisement by such candidate;".

### REPORTING REQUIREMENTS

SEC. 5. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsections:

"(d)(1) Not later than the day after the date on which a candidate for the United States Senate qualifies for the ballot for a general election, as such term is defined in section 501(6), or, if such candidate is a candidate in a State which has a primary election to qualify for such ballot after September 1, within 7 days after the date such candidate wins in such primary, whichever occurs first, each such candidate in such election shall file with the Commission a declaration of whether or not such candidate intends to make expenditures in excess of the amount of the limitation on expenditures for such election, as determined under section 503(b).

"(2) Any declaration filed pursuant to paragraph (1) may be amended or changed at any time within 7 days after the filing of such declaration. Such amended declaration may not be amended or changed further.

"(e)(1) Any candidate for the United States Senate who qualifies for the ballot for a general election, as such term is defined in section 501(6)—

"(A) who is not eligible to receive benefits under section 502, and

"(B) who either raises aggregate contributions or makes or obligates to make aggregate expenditures for such election which exceed 75 percent of the amount of the limitation determined under section 503(b) for such Senate election,

shall file a report with the Commission within 24 hours after such contributions have been raised or such expenditures have been made or obligated to be made, or within 24 hours after the date of qualification for the general election ballot, whichever is later, setting forth the candidate's total contributions and total expenditures for such election, and thereafter shall file additional reports with the Commission within 24 hours after each time additional contributions are raised or expenditures are made, or are obligated to be made which aggregate an additional 5 percent of such limit. Such reports shall continue to be filed pursuant to the provisions of this section until such candidate has raised aggregate contributions or made or has obligated to make aggregate expenditures equal to 133⅓ percent of the limit provided for such State pursuant to section 503(b).

"(2) The Commission, within 24 hours after each such report has been filed, shall notify each candidate in the election involved who is eligible to receive benefits pursuant to the provisions of this title under section 504, about such report, and after an opposing candidate has raised aggregate contributions or made or has obligated to make aggregate expenditures in excess of the limit provided for such State pursuant to section 503(b), the Commission shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of any amount to which such eligible candidate is entitled.

"(3) Notwithstanding the reporting requirement established in this subsection, the Commission may make its own determination that a candidate in a general election, as such term is defined in section 501(6), who is not eligible to receive benefits under section 504, has raised aggregate contributions or made or has obligated to make aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election. The Commission, within 24 hours after making such determination, shall notify each candidate in the general election involved who is eligible to receive benefits under section 504 about such determination, and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of any amount to which such candidate is entitled.

"(f)(1) All independent expenditures, if any, (including those described in subsection (b)(6)(B)(iii)) made by any person after the date of the last Federal election with regard to a general election, as such term is defined in section 501(6), and all obligations to make such expenditures incurred by any person during such period, if any, shall be reported by such person to the Commission as provided in paragraph (2), if such expenditure or obligation is described in such paragraph.

"(2) Independent expenditures by any person as referred to in paragraph (1) shall be reported within 24 hours after the aggregate amount of such expenditures incurred or obligated first exceeds $10,000. Thereafter, independent expenditures referred to in such paragraph, made by the same person in the same election, shall be reported within 24 hours after each time the aggregate amount of such expenditures incurred or obligated, not yet reported under this subparagraph, exceeds $5,000.

"(3) Each report under this subsection shall be filed with the Commission and the Secretary of State for the State of the election involved and shall contain (A) the information required by subsection (b)(6)(B)(iii) of this section, and (B) a statement filed under penalty of perjury by the person making the independent expenditures, or by the person incurring the obligation to make such expenditures, as the case may be, that identifies the candidate whom the independent expenditures are actually intended to help elect or defeat. The Commission shall, within 24 hours after such report is made, notify each candidate in the election involved who is eligible to receive benefits pursuant to section 504(a)(1)(C) of this Act, about each such report, and shall certify such eligibility to the Secretary of the Treasury for payment in full of any amount to which such candidate is entitled.

"(4)(A) Notwithstanding the reporting requirements established in this subsection, the Commission may make its own determination that a person has made independent expenditures, or has incurred an obligation to make such expenditures, as the case may be, with regard to a general election, as defined in section 501(6), that in the aggregate total more than the applicable amount specified in paragraph (2).

"(B) The Commission shall, within 24 hours after such determination is made, notify each candidate in the election involved who is eligible to receive benefits under section 504(a)(1)(C) about each determination under subparagraph (A), and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment in full of any amount to which such candidate is entitled.

"(g)(1) When two or more persons make an expenditure or expenditures in coordination, consultation, or concert (as described in paragraph (2) or otherwise) for the purpose of promoting the election or defeat of a clearly identified candidate, each such person shall report to the Commission, under subsection (f), the amount of such expenditure or expenditures made by such person in coordination, consultation, or concert with such other person or persons when the total amount of all expenditures made by such persons in coordination, consultation, or concert with each other exceeds the applicable amount provided in such subsection.

"(2) An expenditure by one person shall constitute an expenditure in coordination, consultation, or concert with another person where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between such persons making the expenditures, including any officer, director, employee or agent of such person;

"(B) in the same two-year election cycle, one of the persons making the expenditures (including any officer, director, employee or agent of such person) is or has been, with respect to such expenditures—

"(i) authorized by such other person to raise or expend funds on behalf of such other person; or

"(ii) receiving any form of compensation or reimbursement from such other person or an agent of such other person;

"(C) one of the persons making expenditures (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled such other person in connection with such expenditure; or

"(D) one of the persons making expenditures and such other person making expenditures each retain the professional services of the same individual or person in connection with such expenditures.

"(h)(1) Every political committee, as defined in section 301(4), active in non-Federal elections and maintaining separate accounts for this purpose shall file with the Commission reports of funds received into and disbursements made from such accounts for activities which may influence an election to any Federal office. For purposes of this section, activities which may influence an election to any Federal office include, but are not limited to—

"(A) voter registration and get-out-the-vote drives directed to the general public in connection with any election in which Federal candidates appear on the ballot;

"(B) general public political advertising which includes references, however incidental, to clearly identified Federal as well as non-Federal candidates for public office; or which does not clearly identify Federal candidates but urges support for or opposition to all the candidates of a political party or other candidates in a classification or context which includes Federal candidates; and

"(C) any other activities which require an allocation of costs between a political committee's Federal and non-Federal accounts reflecting the impact on Federal elections in accordance with regulations prescribed or Advisory Opinions rendered by the Commission.

"(2) Reports required to be filed by this subsection shall be filed for the same time-periods required for political committees under section 304(a), and shall include:

"(A) a separate statement, for each of the activities in connection with which a report is required under paragraph (1), of the aggregate total of disbursements from the non-Federal accounts; and

"(B) supporting schedules, providing an identification of each donor together with the amount and date of each donation with regard to those receipts of the non-Federal account which comprise disbursements reported under subparagraph (A), provided, however, that such schedules are required only for donations from any one source aggregating in excess of $200 in any calendar year.

"(3) Reports required to be filed by this subsection need not include donations made to or on behalf of non-Federal candidates or political organizations in accordance with the financing and reporting requirements of State laws, or other disbursements from the non-Federal accounts in support of exclusively non-Federal election activities, provided that such donations or disbursements are governed solely by such State laws and not subject to paragraph (1) of this subsection.

"(i) The certification required by this section shall be made by the Commission on the basis of reports filed with such Commission in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination, notwithstanding the provisions of section 505(a).

"(j) Within 15 days after a candidate for the Senate qualifies for the primary ballot under applicable State law, such candidate shall file with the Commission, a declaration stating whether or not such candidate intends to expend from his personal funds, and the funds of his immediate family, and incur personal loans, in connection with his campaign for such office, in the aggregate of $250,000 or more, for the election cycle.

"(k)(1) Any candidate for the United States Senate who expends from his personal funds and the funds of his immediate family, and incurs personal loans, in connection with his campaign for such office, in the aggregate of $250,000 or more, for the election cycle, shall file a report with the Commission within 24 hours after such expenditures have been made or loans incurred. Thereafter the expenditures referred to in this paragraph shall be reported within 24 hours after each time the aggregate of such expenditures or loans exceeds $10,000.

"(2) The Commission within 24 hours after a report has been filed under paragraph (1) shall notify each candidate in the election involved who is eligible to receive payments pursuant to the provisions of this title under section 504 about each such report.

"(3) Notwithstanding the reporting requirements in this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures from the personal funds of such candidate or the funds of any member of the immediately family of such candidate or incurred personal loans in connection with his campaign aggregating in excess of $250,000, or thereafter in increments of $10,000 during the election cycle. The Commission within 24 hours after making such determination shall notify each candidate in the general election involved who is eligible to receive benefits under section 504 about each such determination.".

(b) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended by—

(1) inserting "except for purposes of reporting and disclosing, pursuant to section 304, such amounts in excess of $200," at the beginning of subparagraphs (v), (viii), (x), and (xii); and

(2) inserting at the end thereof the following:

"(C) The exclusions provided in subparagraphs (v), (viii), (x), and (xii) of paragraph (B) shall not be exclusions from the definition of contributions for purposes of reporting contributions as required by section 304, and all such contributions shall be reported.".

(c) Section 301(4) of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"For purposes of this section, the receipt of contributions or the making of, or obligating to make expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office, as defined in paragraph (2) of this section, or of any political party, in general public political advertising; and the proximity to any primary, run-off, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election.".

(d) Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)) is amended by—

(1) inserting "except for purposes of reporting and disclosing, pursuant to section 304, such amounts in excess of $200," at the beginning of subparagraphs (iv), (vi), (viii), and (ix); and

(2) inserting at the end thereof the following:

"(C) The exclusions provided in subparagraphs (iv), (vi), (viii), and (ix) of paragraph (B) shall not be exclusions from the definition of expenditures for purposes of reporting expenditures as required by this Act, and all such expenditures shall be reported.".

(e) Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next election.".

(f) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(g)(1) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(2) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(A) in subparagraph (A), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,";

(B) in subparagraph (F), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,"; and

(C) in subparagraph (G), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(3) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(4) Section 304(b)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(6)(A)) is amended by striking out "calendar year" and inserting in lieu thereof "election cycle".

(h) Section 301(13) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(13)) is amended by striking out "mailing address" and inserting in lieu thereof "permanent residence address".

(i) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end thereof the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons who provide goods or services to the candidate or his authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

### LIMITS ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES AND SEPARATE SEGREGATED FUNDS

Sec. 6. (a) Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended by—

(1) striking out "or" at the end of subparagraph (B);

(2) striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(3) adding at the end the following new subparagraphs:

"(D) to any candidate for the office of Member of, or Delegate or Resident Commissioner to, the House of Representatives and the authorized political committees of such candidate with respect to—

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $100,000 ($125,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election), when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $25,000 when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election;

"(E) to any candidate for the office of Senator and the authorized political committees of such candidate with respect to—

"(i) a general or special election for such office (including any primary election, convention, or caucus relating to such general or special election) which, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election) exceeds an amount equal to 30 percent of the amount provided in section 315(i); or

"(ii) a runoff election for the office of United States Senator which exceeds, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election, an amount equal to 30 percent of the limitation on expenditures provided in section 315(j), for runoff elections; or

"(F) to any State committee of a political party, including any subordinate committee of a State committee, which, when added to the total of contributions previously made by multi-candidate political committees and separate segregated funds, other than multi-candidate committees of a political party, to such State committee exceeds an amount equal to—

"(i) 2 cents multiplied by the voting age population of the State of such State committee, or

"(ii) $25,000,

whichever is greater. The limitation of this subparagraph shall apply separately with respect to each two-year Federal election cycle, covering a period from the day following the date of the last Federal general election held in that State through the date of the next regularly scheduled Federal general election.".

(b)(1) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i) For purposes of subsection (a)(2)(E)(i), such limitation shall be an amount equal to 67 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.

"(j) For purposes of subsection (a)(2)(E)(ii), such limitation shall be an amount equal to 20 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.".

(2) Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by—

(A) striking out "subsection (b) and subsection (d)" in paragraph (1) and inserting in lieu thereof "subsections (b), (d), (i), and (j)"; and

(B) inserting "for subsections (b) and (d) and the term 'base period' means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987, for subsections (i) and (j)" before the period at the end of paragraph (2)(B).

(c) Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking out "(2) and (3)" and inserting in lieu thereof "(2), (3), (4), and (5)";

(2) by adding at the end thereof the following:

"(4) No congressional campaign committee may accept, during any two-year election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed 30 percent of the total expenditures which may be made during such election cycle by that campaign committee on behalf of candidates for Senator, Representative, Delegate, or Resident Commissioner pursuant to the provisions of paragraph (3).

"(5) No national committee of a political party may accept contributions from multicandidate political committees and separate segregated funds, during any two-year election cycle, which, in the aggregate, equal an amount in excess of an amount equal to 2 cents multiplied by the voting age population of the United States.

"(6) The limitations contained in paragraphs (2) and (3) shall apply to any expenditure through general public political advertising, whenever made, which clearly identifies by name an individual who is, or is seeking nomination to be, a candidate in the general election for Federal office of President, Senator or Representative; provided that this paragraph shall not apply to direct mail communications designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.".

### INTERMEDIARY OR CONDUIT

Sec. 7. (a) Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For purposes of this subsection—

"(A) contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate;

"(B) contributions made by a person either directly or indirectly, to or on behalf of a particular candidate, through an intermediary or conduit, including all contributions delivered or arranged to be delivered by such intermediary or conduit, shall also be treated as contributions from the intermediary or conduit, if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the conduit or intermediary rather than the intended recipient; or

"(ii) the conduit or intermediary is a political committee, other than an authorized committee of a candidate, within the meaning of section 301(4), or an officer, employee or other agent of such a political committee, or an officer, employee or other agent of a connected organization, within the meaning of section 301(7), acting in its behalf; and

"(C) the limitations imposed by this paragraph shall not apply to—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other event in accordance with rules and regulations prescribed by the Commission by (I) two or more candidates, (II) two or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf, or (III) a special committee formed by (a) two or more candidates or (b) one or more candidates and one or more national, State, or local committees of a political party acting on their own behalf;

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"(ii) fundraising efforts for the benefit of a candidate which are conducted by another candidate within the meaning of section 301(2).

In all cases where contributions are made by a person either directly or indirectly to or on behalf of a particular candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.".

### INDEPENDENT EXPENDITURES

SEC. 8. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 (17)) is amended by adding at the end thereof the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

### INDEPENDENT EXPENDITURE BROADCAST DISCLOSURE

SEC. 9. Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)(3)) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any television station, the broadcast communication shall include a statement clearly readable to the viewer that appears continuously during the entire length of such communication setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.".

### PERSONAL LOANS

SEC. 10. Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)), as amended by section 7 of this Act, is further amended by adding at the end thereof the following paragraph:

"(9) For purposes of the limitations imposed by this section, no contributions may be received by a candidate or the candidate's authorized committees for the purpose of repaying any loan by the candidate to the candidate or to the candidate's authorized committees.".

### REFERRAL TO THE DEPARTMENT OF JUSTICE

SEC. 11. Section 309(a)(5)(C) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)(C)) is amended by striking out "may refer" and inserting in lieu thereof "shall refer".

### EXTENSION OF CREDIT

SEC. 12. Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended by—

(1) striking out "or" at the end of clause (i);

(2) striking out the period at the end of clause (ii) and inserting in lieu thereof "; or"; and

(3) adding at the end thereof the following:

"(iii) with respect to a candidate for the office of United States Senator and his authorized political committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, by direct mail (including direct mail fund solicitations) or other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period of more than 60 days after the date on which such goods or services are furnished, which date in the case of advertising by direct mail (including a direct mail solicitation) shall be the date of the mailing.".

### PREFERENTIAL RATES FOR MAIL

SEC. 13. (a) Subchapter II of chapter 36 of title 39, United States Code, is amended by adding at the end the following:

**"§ 3629. Reduced rates for certain Senate candidates**

"The rates of postage for matter mailed with respect to a campaign by an eligible candidate (as defined in section 501 of the Federal Election Campaign Act of 1971) shall be—

"(1) in the case of first-class mail matter, one-fourth of the rate currently in effect; and

"(2) in the case of third-class mail matter, 2 cents per piece less than mail matter mailed pursuant to paragraph (1),

provided that the total paid by such candidate for all mail matter at the rates provided by paragraphs (1) and (2) shall not exceed 5 percent of the amount which is applicable to such candidate pursuant to section 503(b) of the Federal Election Campaign Act of 1971.".

(b) The table of sections for chapter 36 of title 39, United States Code, is amended by inserting after the item relating to section 3628 the following new item:

"3629. Reduced rates for certain Senate candidates.".

### BROADCASTING ACCESS PROVISIONS

SEC. 14. (a) Section 312(a) of the Communications Act of 1934 (47 U.S.C. 312(a)) is amended by—

(1) striking out "or" at the end of paragraph (6);

(2) striking out the period at the end of paragraph (7) and inserting in lieu thereof "; or"; and

(3) adding at the end thereof the following:

"(8) for willful or repeated discrimination against such a candidate in the amount, class or period of time made available to such candidate on behalf of his candidacy.".

(b) Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended by adding at the end the following:

"(e) In providing access to use of a broadcasting station with respect to a campaign, a licensee shall give priority to legally qualified candidates for public office in connection with their campaigns.".

### DISCLOSURE

SEC. 15. Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended by—

(1) striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(2) adding at the end thereof the following:

"(4) if paid for or authorized by a general election candidate for the Senate, or the authorized committee of such candidate who has not agreed to abide by the expenditure limits in section 503, such advertisement or announcement shall contain the following sentence: 'This candidate has not agreed to abide by the spending limits for this Senate election campaign set forth in the Federal Election Campaign Act.'.".

### POLITICAL COMMITTEE POSTAL RATES

SEC. 16. Subsection (e) of section 3626 of title 39, United States Code, is hereby repealed.

### CONSTITUTIONAL AMENDMENT

SEC. 17. (a) The amendments made by section 2 of this Act shall cease to be effective, as provided in subsection (b), if an amendment to the Constitution of the United States permitting the Congress to establish spending limits for Congressional election campaigns is ratified as part of the Constitution.

(b) The amendments made by section 2 of this Act shall be repealed and cease to be effective for any Federal election held after such Constitutional amendment is ratified as part of the Constitution, or 22 months after such ratification, whichever is later.

(c) Upon repeal of such section 2, the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"SEC. 324. (a) No candidate in a general election for the United States Senate shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, or incur personal loans in connection with such candidate's campaign for the Senate, aggregating in excess of $20,000, during the election cycle.

"(b)(1) Except as otherwise provided in this Act, no candidate in a general election for the United States Senate shall make expenditures for such general election which in the aggregate exceed $400,000, plus—

"(A) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(B) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that the amount of the limitation under this subsection, in the case of any candidate, shall not be less than $950,000, nor more than $5,500,000.

"(2) Notwithstanding the provisions of paragraph (1), in any State with no more than one transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, no candidate in such State who receives a benefit for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed the higher of—

"(A) $950,000; or

"(B) $400,000 plus 45 cents multiplied by the voting age population up to a population of 4 million, plus 40 cents multiplied by the voting age population over 4 million, up to an amount not exceeding $5,500,000.

"(c) No candidate in a general election for the United States Senate shall make expenditures for the primary election, which in the aggregate exceed an amount equal to 67 percent of the limitation on expenditures for the general election determined under subsection (b), or more than $2,750,000, whichever amount is less.

"(d) No candidate in a general election for the United States Senate shall make expenditures for a runoff election, if any, in an amount which in the aggregate exceeds 20 percent of the maximum amount of the limitation applicable to such candidate as determined under subsection (b).

"(e) For purposes of this section, the amounts set forth in subsections (b), (c), and (d) of this section shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase the term 'base period', as used in section 315(c), means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987.

"SEC. 325. (a) In the absence of a constitutional statutory limitation on the amount of independent expenditures that may be made in a Senate election, notwithstanding the provisions of section 17(b) of the Senatorial Election Campaign Act of 1987, the provisions of section 2 of such Act which provide conditions for the eligibility for matching payments to be made to a candidate in the case of independent expenditures made by any person in opposition to, or on behalf of the opponent of, such an eligible candidate, and which provide for matching payments to be made to such eligible candidates, shall remain in effect.

"(b)(1) The Secretary shall maintain in the Presidential Election Campaign Fund (hereafter referred to as the 'Fund') established by section 9006(a) of the Internal Revenue Code of 1986, in addition to any other accounts maintained under such section, a separate account to be known as the 'Senate Fund'. The Secretary shall deposit into the Senate Fund, for use by candidates eligible to receive payments under this title, the amounts available after the Secretary determines that the amounts in the Fund, plus the amounts of revenue the Secretary projects will accrue to the Fund during the remainder of the period ending on December 31 of the year of the next Presidential election, equal to 110 percent of the amount the Secretary projects will be necessary for payments under subtitle H of the Internal Revenue Code of 1986 during such remainder of such period. The monies designated for the Senate Fund shall remain available without fiscal year limitation.

"(2) On May 15 of each year following the year during which a regularly scheduled biennial Senate election has occurred, the Secretary shall determine the total amount in the Senate Fund, and evaluate if such amount, plus the amount of revenue it projects will accrue to the Senate Fund (based on the computation made by the Secretary with respect to the Fund, as provided in paragraph (1)) during the period beginning on such date and ending on December 31 of the year of the next regularly scheduled biennial election, exceeds 110 percent of the total estimated expenditures of the Senate Fund during such period. If the Secretary determines that an excess amount exists, the Secretary shall transfer such excess to the general fund of the Treasury of the United States.".

### SEVERABILITY

SEC. 18. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby.

### EFFECTIVE DATE

SEC. 19. (a) Except as provided in subsection (b), this Act and the amendments made by this Act shall become effective for any election held in 1990 or thereafter.

(b) The amendments made by section 3, section 7, section 8, and section 9 shall become effective on the date of enactment of this Act.

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## CLOTURE MOTION

Mr. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will state the cloture motion.

The legislative clerk read as follows:

### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute, as modified, to S. 2, a bill to amend the Fedral Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multi-candidate political committees, and for other purposes.

Senators David Boren, John F. Kerry, Brock Adams, Jeff Bingaman, J. James Exon, John C. Stennis, Harry Reid, Alan Cranston, Barbara Mikulski, Terry Sanford, Robert C. Byrd, Dennis DeConcini, Wyche Fowler, Jr., Wendell Ford, John Melcher, Bob Graham, and Daniel K. Inouye.

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## AUTHORIZATION TO CONDUCT A CEREMONY ON THE UNITED STATES CAPITOL GROUNDS

Mr. BYRD. Mr. President, there is a House concurrent resolution at the desk, House Concurrent Resolution 161. I ask unanimous consent that the Senate proceed to the consideration of that resolution.

The PRESIDING OFFICER. The resolution will be stated by title.

The bill clerk read as follows:

House concurrent resolution (H. Con. Res. 161) authorizing a public ceremony on the West Lawn of the Capitol in honor of the Bicentennial of the United States Constitution.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to the consideration of the resolution.

Mr. DECONCINI. Mr. President, this year marks a very special occasion in our Nation's history. On September 17, 1987 we will celebrate the 200th anniversary of the signing of our Constitution. I would like to place particular emphasis on the word "our", for as we know, the Constitution is a document meant for all.

In honor of this milestone a special event is planned to mark the beginning of this historical occurrence. "A Celebration of Citizenship" will be held on September 16, 1987, on the West Lawn of the Capitol.

The program will commence with a reciting of the Pledge of Allegiance by our Nation's leaders accompanied by America's youth. Across the country, approximately 66 million students, teachers, and administrators will participate in a day long "teach-in" on the Constitution. Over 110,000 schools nationwide are expected to take part, clearly illustrating the union of our Nation's present with the future. Chief Justice Warren Burger will then lead the reading of the Preamble to the Constitution via a live broadcast from the West Lawn to the Nation.

I believe it is important for all Americans to join in the celebration, and it is anticipated that over 100,000 will be present at the Capitol ceremony alone. Additionally, I urge my colleagues to take part in this great event illustrating the very foundations on which our Nation is built—a government of the people, by the people, and for the people. With united support, this will truly be a "Celebration of Citizenship."

**Mr. STEVENS.** Mr. President, the resolution before us will authorize the use of the West Front of the Capitol for what may be the greatest ceremony of the celebration of our Constitution's bicentennial.

On September 16, at 1 p.m., a live, nationwide broadcast will originate from the western steps of the Capitol. This program, "A Celebration of Citizenship," will be an opportunity for every American citizen to rededicate themselves to the principles of our Constitution.

Leading the way will be America's schoolchildren. At least 60 million students in 110,000 schools are expected to take part in a day-long "teach-in" focusing on the rights and responsbilities of citizenship. The highlight will be the program broadcast nationally on radio and television. We will join with the Nation's youth in reciting the Pledge of Allegiance to our flag, as part of this commemoration of the Constitution's bicentennial.

During the next 1½ months every effort will be made to reach out to all parts of our Nation and encourage people to take part in this "Celebration of Citizenship." Mailings to the Nation's schools have already gone out. Public service announcements should begin to appear in August. On August 20, the Commission on the Bicentennial of the Constitution, along with the American Newspaper Publishers Association, the National Association of Broadcasters, and 12 education organizations, with two corporation sponsors, will be holding a press conference to focus attention of the program.

There are many more details of the program which we will all have a chance to familiarize ourselves with as the date draws nearer. However, for this program to take place, we must authorize the use of the West Front, and we must do so before leaving for the August recess. That is why we have this resolution before us.

There is little doubt in my mind that the Senate will unanimously approve this resolution, just as the House did. To have the entire Nation participate in an event of this kind is, I believe, unprecedented. Armed Services Radio and USIA's radio works will also be carrying it—allowing people all over the world to take part. I understand that many of our embassies plan to get up in the middle of the night to join in. I would note to my colleagues, by the way, that I was especially pleased by the timing of this ceremony—Alaskans can take part without losing any sleep.

A little over a year ago, New York was the focus of attention as the Statue of Liberty was relit. The accompanying fanfare was quite spectacular. "A Celebration of Citizenship" will be different. There will be no Elvis impersonators on the West Front. What we will have is a reaffirmation of the faith of this Nation in our Constitution.

September 17, 1987, will be the 200th anniversary of the signing of the Constitution by the delegates to the Constitutional Convention. I believe this program was originally scheduled for September 16 because we had hoped to make the 17th a national holiday. That, simply, is not to be. The timing of this program, however, could not be better. On September 16, we will try to touch the hearts of all of America's citizens. I cannot imagine joining in with everyone in the United States in the "Pledge of Allegiance" without feeling my heart beat more quickly under my hand.

When the fanfare has faded, however, the people of America will begin to think. On the next day—on the bicentennial of the signing of our Constitution—Americans will carry out their normal routine. And, as they go through their normal day, each one will realize, "It is our Constitution which lets me do what I am doing today." If we can instill that thought in the minds of our citizens, then the celebration of this bicentennial will have been a success.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 161) was agreed to.

**Mr. BYRD.** I move to reconsider the vote by which the concurrent resolution was agreed to.

**Mr. DOLE.** I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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## ADJOURNMENT RESOLUTION

**Mr. BYRD.** Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 175, the adjournment resolution.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The bill clerk read as follows:

A House concurrent resolution (H. Con. Res. 175) providing for an adjournment of the Congress until September 9, 1987.

H. CON. RES. 175

*Resolved by the House of Representatives (the Senate concurring),* That when the House adjourns on Friday, August 7, 1987, or Saturday, August 8, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Wednesday, September 9, 1987, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

AMENDMENT NO. 674

(Purpose: Providing for a conditional adjournment of the Congress for the August nonlegislative period)

**Mr. BYRD.** Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 674.

Strike all after the resolving clause and insert in lieu thereof the following:

"That when the Senate adjourns on Friday, August 7, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 10 o'clock a.m. on Wednesday, September 9, 1987, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first, and that when the House of Representatives adjourns on Friday, August 7, 1987, or Saturday, August 8, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Wednesday, September 9, 1987, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.".

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 674), as modified, was agreed to.

The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution, as amended, was agreed to.

**Mr. BYRD.** Mr. President, I yield the floor.

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## FIRST SWIM BETWEEN ALASKA AND SOVIET UNION

**Mr. MURKOWSKI.** Mr. President, I should like to call to the attention of my colleagues a truly extraordinary event. Certainly, all Alaskans and other Americans share in congratulating a young American by the name of

Lynne Cox, who is a world-class marathon swimmer from California. Moments ago, she completed a swim across the Bering Strait, from Alaska to the Soviet Union, from the Island of Little Diomede, which is in the United States, to the Soviet Island of Big Diomede.

This is the first known swimmer to swim from the United States to the Soviet Union. Lynne, who has many world records to her credit, completed this extraordinary event, a 2.7 mile swim, in 35 to 37 degree waters. She was met at the International Date Line by Soviet ships and was escorted the final miles to Big Diomede.

She undertook this effort as a gesture of peace and cooperation with the Soviet Union and as a scientific research project on the effects of hypothermia and extreme temperatures on the human body.

It is interesting to note, for those who follow swimming, that she was not greased and she was not in a wet suit. She was in the water nearly 2 hours.

We worked with Lynne to secure Soviet cooperation, which was extraordinary in this effort.

We congratulate her on her swim, on behalf of my senior colleague, Senator STEVENS; Representative DON YOUNG; and the Senators from California, PETE WILSON and ALAN CRANSTON. It was a job well done. I thank Jessica Gavora, of my staff, who worked hard on this.

I think we have an extraordinary event here, in which an American has achieved another record.

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## USSR TRIP REPORT

**Mr. HEINZ.** Mr. President, today I would like to share with my colleagues my impressions from a trip I made this past Memorial Day to the Soviet Union. My primary purpose was to assess the status of human rights in the Soviet Union, especially in light of Mikhail Gorbachev's reform efforts in the political and economic sphere.

I had just 4 days in Moscow, but in that time I met with a number and diversity of human rights activists that would have been impossible even a few months earlier. This in itself says something about the conditions of human rights in the U.S.S.R., although unfortunately the picture is still very grim.

I met with Jewish refuseniks. I met with Pentecostalist refuseniks. I met with Russian Orthodox believers and writers who are publishing their own human rights journal. I discussed these issues with officials of the Foreign Ministry, the Communist Party Central Committee, an official of the Orthodox Church, and a member of Mikhail Gorbachev's brain trust.

It is impossible to convey all the impressions and thoughts that came out of these meetings in a short statement. Following this statement I will have printed a copy of my trip report, which describes the results of these meetings in greater detail. A slightly edited version of this report will also be printed as a report of the Committee on Banking, Housing, and Urban Affairs, which sponsored the trip. Let me take a moment to summarize some key points.

First, there is certainly a serious effort underway to shake up Soviet life. This is confirmed by both official and private Soviets. There is a recognition that unrealistic economic principles must be modified or abandoned to achieve results. There is an effort to restore accountability for economic results, through press attention and some experimentation with democratic choice in the factories.

Second, there have also been some real but very limited improvements in some human rights areas. Arrests of religious activists and others have stopped for the moment. A number of political prisoners, around 200, have been released. The numbers of Jews allowed to emigrate has risen above levels of the past 8 years, although these numbers are still disappointingly modest.

Third, together with these modest improvements, the infrastructure of persecution is intact. Restrictions on religious activity have not changed very much. It is unclear whether the Kremlin will allow unofficial writers to publish. They have still not acknowledged, much less changed, the policy of imprisoning political dissidents in mental institutions. Emigration is still arbitrarily denied to thousands of Jews, Pentecostals, and others.

In sum, the picture is at best mixed and at worst a disappointment. It is impossible to say whether Gorbachev's reform program will ever improve the status of basic human rights any more than is minimally needed to complement the drive to revitalize the Soviet economy. There are enough positive developments taking place in the Soviet Union to warrant a continuing close examination. There is also enough injustice and persecution continuing to justify our perseverance in pressing the Soviets to live up to both their international legal commitments and basic notions of justice and human rights. It is my intention to continue to do both.

One concluding word about "glasnost." We westerners have consistently translated this word as "openness." According to a particularly knowledgeable diplomat and scholar of Soviet history, this is a misleading and inaccurate approximation. According to this expert, "glasnost" translates far more accurately as "publicity." If he is correct, and I believe he may be, the west would be well advised not to fall for what may be purely and simply a new and better public relations campaign by the U.S.S.R.'s new and more effective leadership.

I ask unanimous consent that a report on my trip to the Soviet Union be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### OVERVIEW OF VISIT

Senator John Heinz led a delegation on an official visit to the Soviet Union from May 22 to May 26, 1987. The delegation consisted of Senator Heinz and one staff assistant. The purpose of the visit was to investigate the following issues:

The condition of human rights under the government of Soviet Communist Party General Secretary Mikhail Gorbachev;

The prospects for significant improvement in the area of human rights which could significantly affect bilateral relations and the atmosphere for increased US-Soviet trade activity; and

The "democratization" and economic reform initiatives undertaken by the Soviet Government under General Secretary Gorbachev.

In order to gain insights into these issues, the delegation met with a wide array of private Soviet citizens, and Soviet officials dyring a four-day visit to Moscow. A maximum effort was made to exploit the opportunities for meetings with private Soviet human rights activists created by the limited releases of Soviet political prisoners in 1987.

The delegation arrived in Moscow on the evening of Friday, May 22, and was met by staff of the U.S. Embassy.

On the morning of May 23, the Embassy staff provided a briefing on various prominent issues in US-Soviet relations, including bilateral discussions of human rights issues. Following the briefing, the delegation met with Metropolitan Philaret of Minsk, head of the External Relations Department of the Russian Orthodox Church, to discuss religious freedom and the condition of the Orthodox Church in the Soviet Union.

Following this meeting, the delegation met with a group of Russian Orthodox clergy and lay people to discuss the status of religious freedom in the Soviet Union. The group included Father Gleb Yakunin, Father Zelinsky, Alexander Ogorodnoikov, Vladimir Popov, and Alexander Bessmertniy. The meeting was held in the Popovs' apartment.

On Saturday evening, the delegation met with a group of Soviet Jewish refuseniks, people who have been denied permission to emigrate from the Soviet Union for a long period. The meeting included Vladimir and Maria Slepak of Moscow, Boris and Galina Kalendariov of Leningrad, Yuli Kosharovsky of Moscow, and Lev Elbert of Kiev. The meeting took place over dinner at the Slepaks' apartment.

On Sunday, May 24, the delegation met with a group of released political prisoners who are organizing an unofficial journal on human rights in the Soviet Union. The Soviet dissidents at this meeting included Sergei Gigoryants, Lev Timofeyev, Yuri Kronopolou, and Nikolai Lyushin. The meeting took place at Mr. Grigoryants' apartment.

On Monday, May 25, the delegation held a series of official meetings. In the morning, there was a meeting in the office of Alexander Bovin, international political commentator for the Soviet government newspaper Izvestiya. The discussion centered on the new Soviet policy of openness in the media.

Following the meeting with Bovin, the delegation met with Fyodor Burlatsky in his offices at the headquarters of the newspaper Literaturnaya Gazyeta, the organ of the Soviet writer's union, to discuss human rights, democratization, legal reform, and other aspects of current Soviet political change. Mr. Burlatsky's formal duties include serving as political commentator for Literaturnaya Gazyeta and chief of the philosophy department of the Communist Party Central Committee's Social Science Institute. Additionally, Mr. Burlatsky is believed to serve as an adviser to the Politburo on matters of political reform.

On Tuesday, May 26, the delegation held a round of meetings with various Soviet officials. The first meeting was with Roald Sagdeyev, Director of the Institute of Space Research of the Academy of Sciences. The discussion there focused on current US-Soviet arms control talks and the subject of space-based strategic defenses.

The next meeting was with Deputy Foreign Minister Alexander Bessmertnykh at the Soviet Foreign Ministry. This discussion covered the full array of US-Soviet bilateral issues, with an emphasis on human rights matters that have historically affected trade and political relations. A broader discussion of the prospects for fundamental political and economic change under Mikhail Gorbachev also took place.

The final meeting of the visit was with Dmitri Lisovolik, chief of the American Section at the Communist Party Central Committee International Department. The meeting with Lisovolik was developed to Soviet human rights issues of interest to the United States.

The delegation departed Moscow on May 26 shortly after the final meeting at the Central Committee offices.

### THE CURRENT STATE OF HUMAN RIGHTS IN THE SOVIET UNION

Four days in Moscow did not afford sufficient contact with Soviet society or individuals to confidently assess the exact condition of all human rights in all parts of the Soviet Union. However, the experiences and leadership positions of the private citizens involved in the meetings brought a breadth of knowledge and perspective which added greatly to the value of the insights gained while in Moscow.

Following is an assessment, based on discussions with Soviet officials and private citizens, of the current status of certain human rights practices in the Soviet Union.

### EMIGRATION

Of the various Soviet human rights practices which receive significant attention in the West, the one which figures specifically in United States law affecting trade between the U.S. and the Soviet Union is the right of free emigration. The most important such legal restriction is the Jackson-Vanik amendment, which conditions the granting of Most Favored Nation status to the Soviet Union on the achievement higher levels of Jewish emigration from the USSR.

During the Moscow visit, the issue of free emigration figured prominently in both private and official meetings. The delegation met with two groups of Soviet citizens who have applied for permission to leave the Soviet Union.

The first group consisted of long-term Jewish refuseniks, who gathered at the Moscow apartment of Vladimir and Maria Slepak. Each of the Soviets present was able to tell stories that are familiar to those who follow the plight of refuseniks—loss of appropriate employment, police harassment, imprisonment, the pain of separation from family members.

If there were a consensus among the members of this group, it was that long-term refuseniks had noted an improvement in tone but not substance on the part of the Soviet government. They agreed that government officials who normally would talk with them or even refuse them entry to their offices had generally displayed a much less hostile, more business-like attitude when accepting documents and discussing specific emigration cases.

The long-term refusenik community is of course keenly aware of the rise in the Soviet Jewish monthly emigration figures in the first half of 1987. But this rise in exit visas has not, in the view of the group that met the delegation, changed the basic approach of the Soviet government to the emigration question. They characterized that approach as one which views Jews and others who wish to emigrate as commodities to be traded for Western good will.

The diversity of backgrounds of the group which met the delegation demonstrated a key feature of Soviet emigration policy: arbitrariness. While most of those present had been refused on grounds of state secrecy, that was clearly an implausible reason to deny them exit visas. But applying the standard of state security on a random basis does serve the purpose of confirming the state's unlimited power, and denying the refusenik community any basis for forming expectations about their cases.

One member of the group, Yuli Kosharovsky, illustrated that arbitrariness and inconsistency are not limited to the exit visa process. Mr. Kosharovsky, who has been imprisoned for organizing Hebrew instruction and is a long-term refusenik, nonetheless holds one of the few private enterprise permits in Moscow. Under General Secretary Gorbachev's new economic initiatives, Soviet citizens can purchase a private enterprise permit that allows them to operate a private business. Mr. Kosharovsky repairs foreign-made consumer electronic equipment, a business that appears to have great potential in Moscow. This activity is allowed despite the fact that Kosharovsky has not been allowed to work at an appropriate level in his field since he applied to emigrate in 1971.

Two major developments concerning Soviet emigration have been the promulgation of a new decree on emigration and the establishment of a special review board to which refuseniks can appeal. The second development is surrounded by uncertainty and unconfirmed reporting. One of the refuseniks who met the delegation, Lev Elbert of Kiev, has spent considerable time attempting to identify the make-up and functions of the review commission.

According to Elbert's investigations, the commission is an ad-hoc interagency body with representatives from the Ministry of Foreign Affairs, the KGB, and other unidentified domestic government agencies, and operates under the aegis of the Supreme Soviet, the Soviet legislative branch. But these and all other facts about the commission, even its actual existence, remain purely speculative. So far as is known to the Moscow refusenik community, no cases reviewed by the commission have led to the release of long-term refuseniks.

A Soviet community whose emigration efforts have received relatively scant attention is the Pentecostalist Christians. Members of various ethnic groups from throughout the Soviet Union, the Pentecostals lack the common national or ethnic heritage that has so far allowed some Jews, Volga Germans, and Armenians to emigrate from the U.S.S.R.

The delegation met with a group of Pentecostalists who have been attempting to emigrate for 10 years or more. Vasiliy Barats, his wife Galina, and their host Ivan Lupachev discussed the Pentecostalists' emigration problems with the delegation at Mr. Lupachev's apartment on May 24. The meeting was the only one during the four days in Moscow in which the surveillance of the KGB was overt.

Mr. Barats first applied to emigrate in 1977. His conflict with Soviet authorities had begun before this, owing to the status of Pentecostals in the Soviet Union, a subject discussed below under the rubric of religious freedom. Barats and other Pentecostals petitioned Politburo members, the Supreme Soviet, and the 26th Congress of the Soviet Communist Party asking permission to emigrate. One such petition listed approximately 500 names from 50 families.

Many Pentecostalists have been promised exit visas serveral, times, but only a few were actually let out of the Soviet Union, during the 1970s. Activists such as Barats have been imprisoned for their pursuit of emigration rights. Barats was released from prison camp about a month before meeting the delegation. He was jailed in 1981 along with seven other Pentecostals who formed the Committee for Emigration Rights in the U.S.S.R.

In discussions with Deputy Foreign Minister Bessmertnykh and Central Committee official Mr. Lisovolik, the delegation did not receive any information or assurances that would justify expectations of an improvement in Soviet emigration practices. Both officials stressed that they had improved various human rights practices, and intended to do more, in order to correct past mistakes and build a better society, and not in response to Western pressure.

Consistent with the reported pattern in the last year, the Soviet officials accepted the delegation's lists of emigration cases and other human rights cases without the resistance or acrimonious exchanges that formerly characterized Soviet responses to such lists.

Although Senator Heinz presented the specific cases in detail in each meeting, the only assurances received was that the officials promised to provide the Senator with an "update" of the status of each refusenik.

Nothing heard by the delegation while in Moscow indicates that a fundamental change is underway in Soviet emigration policies. Permission to leave the Soviet Union is still treated as a guarded privilege, not as an inherent human right, and those desiring to leave are still considered pawns in a game with the West over trade and international image-making. Officials claimed that many fundamental legal reforms would be accomplished within the current reform campaign, but the delegation thinks it is very unlikely that total—and arbitrary—state control over emigration will be weakened in the years ahead.

### FREEDOM OF RELIGION

An important measure of the Soviet government's seriousness in significantly changing its human rights practices is its

policy on freedom of conscience, most clearly expressed by its treatment of religion. The delegation met with Jews, Pentecostals, and Russian Orthodox Christians to discuss the current official policy towards religion in the Soviet Union.

Judging from the experiences of the religious believers who met with the delegation, the difficulties suffered by different religious groups in the Soviet Union vary more in degree than in kind. One thing stressed by both the Orthodox and Pentecostalist believers is that treatment of believers varies from place to place, and little is known of conditions in vast areas of the Soviet Union. It is generally believed that repression of religion and persecution of believers can be far harsher in the more remote parts of the country.

All religions suffer from a legal code that severely restricts religious education and association, while condoning atheist and anti-religious activity and propaganda. The key restrictions are contained in a 1929 decree and several articles of the RSFSR criminal code. Believers have been jailed under both political and religious articles.

To get the perspective of the official Russian Orthodox church, the delegation met with the Metropolitan Philaret of Minsk, head of the External Relations Department of the Moscow Patriarchate, at the Danilovskiy Monastery, recently restored to Church control and currently under renovation. Most observers interpret this transfer as one of the official actions designed to enhance the image of the religious tolerance in the Soviet Union in anticipation of the celebration of 1,000 years of Russian Christianity in 1988.

When queried about such things as the adequacy of religious training for clergy, availability of Bibles, and general status of religion, Metropolitan Philaret responded with bland assurances that everything was fine. Overall, the image of the official church presented by Philaret corresponded closely to the characterization offered by foreign observers and other Russian Orthodox believers—compromised, weak, and materially well cared for.

Following the meeting with Philaret, the delegation met with a group of Russian Orthodox believers and clergy. Present were two prominent activists, Father Gleb Yakunin and Alexander Ogorodnikov. The group stressed that Gorbachev's reform program, known as glasnost (publicity) in relation to openess in the media and peryestroyka (restructuring) with reference to economic and political change, had yet to touch religion. While known arrests of believers have virtually stopped, many believers remain in prison, the laws inhibiting religious activities remain on the books, and in general believers still live like second-class citizens.

The major problems facing religious believers in the Soviet Union, according to the group of Orthodox believers, are severe shortages of religious literature and Bibles, prohibitions on religious instruction of children, confinement of all religious activities to registered places, and tight restrictions on social association between believers.

The shortage of Bibles and religious literatures was of particular concern to the Orthodox believers, and also was a problem for others, such as Jews and Pentecostals, who met the delegation. The Orthodox cited black market prices of 30-100 rubles for Bibles as evidence of a severe shortage. In addition, they claimed there was a total lack of children's Bibles, save for a few copies printed abroad and smuggled into the Soviet Union. The Orthodox cited instances in which Bibles or other religious materials were seized by police during harassment of believers.

A certain number of Bibles in Russian and other languages of the Soviet Union are imported into the USSR. According to Metropolitan Philaret, there is no shortage of Bibles in the USSR. He claimed that the fifith Bible printing since the Russian Revolution, now underway, would produce 150,000 Russian-language Bibles. While it is not possible to confirm this number or details of the Bibles' distribution, it is clearly an inadequate printing in a country thought to have tens of millions of Christian believers.

Under the 1929 decree on religious cults and articles of the current criminal code, religious believers of all faiths are forbidden to instruct any but their own children on religious matters. This effectively inhibits religious education, and added to the social pressures faced by children to avoid religious beliefs, makes propagation of religious faith very difficult.

The degree of pressure faced by believers is illustrated by an assertion by the Orthodox who met the delegation that the ban on religious association outside registered places would make a sewing circule among women believers an illegal activity subject to police disruption. The requirement that all group activities by believers take place within a registered church building assists in the state's surveillance of religion, as KGB agents or citizens responsive to KGB pressures are infiltrated throughout registered religious organizations.

The compromised state of the official Orthodox Church is of great concern to Father Yakunin and other Orthodox believers. Yakunin sees the current period as one of historic opportunity for the Church to improve its status within society. Yakunin and others are convinced that Gorbachev has made overtures to the Church to join in the peryestroyka program to revitalize Soviet society. Yakunin cited several incidents in which Communist Party leaders inquired of Church leaders as to their plans for contributing to restructuring, only to be disappointed by timid and irrelevant responses from the Church hierarchy. Yakunin and some other Orthodox fear that an historic opportunity to improve religious life in the Soviet Union may be missed if Gorbachev's reform program is not extended to the religious sphere.

Another concern of the Orthodox believers is that the upcoming millennium celebration of Russian Christianity in 1988 will serve as a show-piece for foreign visitors to convince them that the Church is vigorous and unfettered in the Soviet Union. Believers appear to be divided on the question of whether foreign religious leaders should visit the U.S.S.R. for the millennium.

This division also applies to efforts to improve religious life under Gorbachev. Father Yakunin and his followers represent the moderate school, which believes there is room within Gorbachev's reform initiatives for liberalization of religious policy, if it is worked right. More radical activists such as Alexander Ogorodnikov believe that the Soviet Communist Party's fundamental hostility toward religion has not changed, and must be confronted with uncompromising positions based on principle. Ogorodnikov reportedly refused to remove a gold cross he wore around his neck, even after torture from prison guards, an indication of the determination of some religious activists.

To a great extent, this division among religious activists is mirrored in other parts of the dissident community, where there is disagreement over how much dissidents should cooperate with officials in attempting to increase the scope for expression of religious, political, and other rights.

The delegation's meeting with Vasiliy Barats provided graphic confirmation of the problems described by the Russian Orthodox believers. The Pentecostals suffer severe difficulties because of their location in the more remote areas of the Soviet Union, the absence of any link to specific national, ethnic, or regional traditions, and frequently hostile popular reactions to their fundamentalist practices. In addition, Soviet Pentecostals have sought emigration, which has put them even further outside the bounds of normal Soviet society and made them the target of harsh KGB harassment and imprisonment. An overriding concern of Barats and other Pentecostals is that they, unlike members of other religious faiths in the U.S.S.R., lack a network of foreign supporters to keep their plight before the eyes of world opinion. Given the large and vigorous evangelical community in the West and the United States in particular, Barats found this absence of support very disturbing.

Other smaller sects such as the Hare Krishnas are known to suffer severe persecution in the Soviet Union, but detailed information about their condition is difficult to obtain. Believers who met with the delegation pointed to the treatment of Hare Krishnas as an example of how harsh Soviet policy can become toward small, geographically isolated groups who lack foreign interest or support.

Based on the delegation's discussions with Orthodox Pentecostal, and Jewish religious believers, it seemed clear that the reform program now underway has yet to lighten the burden of repression on religious life. When these issues were raised with Soviet Officials, they repeated their claims that efforts were underway to improve Soviet society generally by correcting mistakes made in the past. However, they were unable to offer any assurances that the legal basis for persecution of religious believers would be removed, or that Communist Party policy towards religion would improve. The prospects for increased freedom of conscience in the Soviet Union would have to be rated as very uncertain.

### FREEDOM OF EXPRESSION

The delegation met with a group of writers, many of them recently released from prison or camp, who intend to publish a journal covering human rights in the Soviet Union. The group, led by Sergei Grigoryants, met with the delegation in Grigoryants' apartment. Also present were Lev Timofeyev, Yuri Kronopolou, and Nikolai Lyushin.

The group has announced its intention to publish its journal, entitled Glasnost, with or without official permission. However, they said they intend to first seek official sanction for the publication. This approach, bold for the Soviet context, reflects one approach by the dissident community to Gorbachev. This approach takes Gorbachev at his word and attempts to exploit the political opening created by Gorbachev's announced reform program to advance the human rights agenda.

The delegation was shown a copy of the first edition of Glasnost. Its contents seemed very explosive—articles on the abuse of psychiatric hospitals against political prisoners, the plight of Jewish refuseniks, the need for independent publishing in the USSR, an interview on human rights with Andrei Sakharov.

As with other groups of dissidents that met the delegation, the Glasnost group has divided on many issues relating to Gorbachev's reform campaign. Grigoryants displayed some enthusiasm about the opportunities presented by Gorbachev's initiatives, while Timofeyev seemed more cautious and skeptical about proposals to "democratize" Soviet political life. Notwithstanding differences on specific issues, however, all the writers seemed to agree that Gorbachev's initiative had changed the atmosphere in the Soviet Union in their favor.

For example, Grigoryants asserted that dissident writers no longer felt like victims, but like a part of a national process of revitalization. Gorbachev's emphasis on change, and his derisive approach to those who defend the inertia of Soviet economic and political life, have given dissidents a morale boost that is leading to such innovative steps as the journal Glasnost. The group agreed, however, that the Soviet Communist Party, including Gorbachev's circle, may not be ready for many of the things they have called for in public speeches.

For this group of writers, one way of showing seriousness about changing human rights policies would be for the government to repeal Articles 70 and 190 of the RSFSR Criminal Code, which deal with anti-Soviet agitation and slander. These are the articles under which most political activists are jailed in the Soviet Union. Another key move would be to release more political prisoners. Roughly 160 of an announced total of 280 political cases under review had led to prisoner releases by the time of the visit to Moscow. The number of political prisoners still incarcerated is unknown, but the writers expressed the opinion that many of the over 600 well-documented prisoners of conscience would have to be released to establish the serious intentions of the Gorbachev government.

While the group viewed political inertia as an enormous obstacle to real change in the USSR, they seemed to recognize Gorbachev's dependence on urban intellectuals in generating pressure for reform. They hoped that the government would realize the need for independent, creative political thought such as that which will be published in the journal Glasnost, which they view as contributing to Gorbachev's campaign for reform.

The writers planned to seek a meeting with Alexander Yakovlev, Central Committee secretary in charge of propaganda and an architect of the glasnost policy, to ask official sanction for their publishing venture. While such approval seemed unlikely, the attempt did reflect the enthusiasm and unbowed determination of the writers to pursue independent political expression despite their experiences of imprisonment and persecution. The group planned to proceed with publication with or without official sanction.

The delegation discussed the policy of glasnost with several official Soviets, including Izvestiya commentator Alexander Bovin and Central Committee analyst Fyodor Burlatskiy. Bovin asserted that he had long favored the more objective, candid approach to reporting which was now showing up in Soviet media. He acknowledged that coverage of foreign topics still suffers from a propagandistic approach, but predicted that this coverage will become more objective "very soon." Consistent with this view, Bovin said he had long favored an end to jamming of all foreign radio broadcasting. While the delegation was in Moscow, an end to jamming of the Voice of America was announced, following an end to jamming of the BBC. Jamming of Radio Free Europe/Radio Liberty was to continue.

Bovin cited "telebridges," in which American and Soviet television audiences participated in live broadcasts, were a good example of how glasnost can promote US-Soviet relations. He denounced such shows as "Amerika," for inflaming anti-Soviet feelings. Finally, Bovin noted that glasnost had many opponents in the Soviet bureaucracy and in Soviet society, and that implementing the policy will be a struggle.

Burlatskiy called glasnost the most important current component of the reform program, because it was helping to create new ways of thinking and new political interest groups and institutions. Burlatskiy told the delegation that the Soviet people had to be able to read about the economic achievements of the West, of Japan, even of some developing countries like Brazil, in order to develop a more sophisticated basis for action in their own society. Soviets also need glasnost, according to Burlatskiy, to learn to live with diversity and debate, from which they have been shielded by 70 years of stilted, propagandistic journalism.

Asked about limits to glasnost, both Bovin nor Burlatskiy said there were no rules per se, just a system of experimentation and trial and error. Burlatskiy predicted that there would be a new press law attempting to institutionalize more objective journalism.

When Senator Heinz pressed Burlatskiy on the issue of the use of psychiatry to commit dissidents to mental hospitals, Burlatskiy indicated that we knew of neither evidence or even accusations about such practices but would investigate. Senator Heinz delivered substantial documentation to Burlatskiy the next day, but as yet no reply or follow-up has been received.

While there are still limits, albeit undefined, to glasnost, the current openness and candor of the Soviet media clearly have imparted new energy and interest to Soviet political life. So far, it is not clear that Gorbachev sees glasnost as anything more than an adjunct to his economic reform campaign, intended to shake up inefficient sectors and unmask corruption and incompetence. While this is welcome from the point of view of freedom of expression, the delegation left with serious doubts that glasnost would soon extend to the discussion of sensitive political matters like political prisoners or government infringement on the legally-guaranteed rights of Soviet citizens.

### DEMOCRATIZATION AND ECONOMIC REFORM

The delegation heard varying assessments of the nature and prospects of political and economic reform under Gorbachev. As noted above, many in the dissident community are divided over what the reform initiatives may mean for human rights practices. They are also divided over the proper response of the activist sector: should they continue to make maximal demands, or should they try to use the opening created by Gorbachev to push a human rights agenda?

Among officials with whom the delegation met, there seemed to be a uniformly positive approach to democratization and peryestroyka, the term generally applied to economic reform.

Fyodor Burlatskiy, who once served as an adviser to Khrushchev and is now among Gorbachev's brain trust, offered useful insights into all aspects of the current restructuring program. He set the stage for his analysis by contrasting the cautious, consistent approach of Gorbachev with the more spontaneous, disorganized reform efforts of Nikita Khrushchev. In Burlatskiy's view (one shared by Deputy Foreign Minister Bessmertnykh), Khrushchev lacked a well thought-through program, and his experimentation aroused concern while failing to exploit widespread perceptions of a need for change.

Burlatskiy and Bessmertnykh agreed that Gorbachev's efforts were based on a recognition that the Soviet Union had reached a crisis stage because it continued to manage its society on a "war communism" model, adopted in the early years after the Revolution. Meanwhile, inescapable laws of economics that called for reliance on decentralization and individual initiative were ignored, and stagnation finally reached the point where something had to be done. Burlatskiy asserted that the struggle between the "war communism" model and the more liberal outlines of the New Economic Policy adopted in Lenin's last years continues, and will continue for the foreseeable future.

According to Burlatskiy, Gorbachev's reform program blends political and economic change in order to maintain a balance between the two. He cited Poland as an example where political reform had outstripped economic change, and China as an example of the opposite problem.

One of Burlatskiy's most interesting points was his assertion that Soviet political culture presents the major obstacle to real change. Burlatskiy asserted that years of centralized rule and cult of personality had destroyed Soviet society's ability to cope with choice and diversity, and had also led to an atrophy of political institutions which should represent independent sources of ideas and opinion.

Burlatskiy lamented the fact that the political opening under Gorbachev had already led to communal strife among groups not accustomed to a less controlled environment. For example, groups of urban youth who resent foreign influences (named "lyuberi," after the Moscow suburb where they originated) have clashed with youth imitating Western punk rock lifestyles, and a group known as "Pamyat" (memory) has started promoting xenophobic and chauvinistic Russian values in the name of cultural preservation. In the absence of well-defined rules, Burlatskiy fears, such "political hooliganism" may increase.

The lack of rules for the new atmosphere is evident in the area of "democratization," the term applied to efforts to increase choice and diversity in the selection of political and managerial personnel. Burlatskiy noted that experiments with multiple candidate elections, in which there were more choices on the ballot than positions to be filled, and had spawned unworkable situations in which too many candidates were nominated and voters were faced with confusing situations.

Overall, Burlatskiy said, there was great excitement about the prospects for multiple-candidate elections, but very little understanding of how to run such a system smoothly or efficiently. The delegation inquired about limits on terms of service for elected officials, and the power of superiors or outsiders to fire incompetent managers elected to positions in economic enterprises.

Burlatskiy recalled that he had once drafted a law for Khrushchev that would have limited the terms of Politburo members, but that it had gone nowhere.

Another element of democratization more directly linked to Western concepts of human rights is reform of the Soviet legal system. Burlatskiy noted that their proposals for such reform being drafted, and that they would address the rights of defendants in Soviet courts. Burlatskiy noted that he had seen one draft, and that it left much to be desired. He was not able to discuss in detail what such reform might entail. It was difficult for the delegation to imagine significant reform in this area, as it would directly challenge the power of the Communist Party and government in relation to Soviet citizens. Nonetheless, in Burlatskiy's mind the legal reform was part and parcel of the reform program which aimed at reducing corruption and abuse of government power.

While Burlatskiy evidenced a sincere enthusiasm for significant reform in the Soviet economic and political system, there were clearly limits to even his openness. When asked about the continuing incarceration of Soviet political prisoners in psychiatric hospitals, Burlatskiy professed ignorance of the situation. This was a question which met with a similar response from all officials queried by the delegation. While Burlatskiy said there were no known limits to glasnost, it appears the delegation was able to discover at least one such limit.

One common observation backed up by Burlatskiy is the idea that Gorbachev needs a success in negotiating an agreement on the removal of U.S. and Soviet intermediate-range nuclear missiles in Europe to provide him political momentum to carry out his domestic program.

### PROSPECTS FOR CHANGE

There is little doubt that there are many high-level Soviet officials who seek major changes in Soviet economic and political life. They are armed with a strong, stable and attractive leader who is cautious in implementing a reform program that seeks to address the fundamental sources of stagnation in the Soviet Union. After so many years of stagnation on so many levels, it will clearly take time for the Soviets to implement major changes, and to elaborate new rules of behavior. And the depth and diversity of opposition to change cannot be underestimated.

With respect to human rights, the current Soviet record is mixed, with a continuation of many of the most objectionable policies directed against Soviet citizens who seek to exercise freedom of conscience, expression, or emigration.

To the extent that emigration represents a direct threat to the ultimate authority of the state, the prospects for fundamental change in emigration policy seem dim. The current upsurge in Jewish emigration is to be welcomed, but given the concurrent difficulties of the Pentecostals and other Soviets seeking emigration, it appears that recognition of emigration as an inherent right is not in prospect. So far there is no evidence to show that the new Soviet decree on emigration heralds a basic shift in the treatment of Soviet would-be emigres as pawns for use in dealings with the West. If this proves correct, the need for a strong campaign of pressure on the emigration issue will continue.

The bright spot in current Soviet human rights practices would appear to be attitudes towards open candid expression. While its implicit limits are still far short of those common in Western societies, the glasnost policy does represent progress in the Soviet context. Whether such flexibility extends to unofficial bodies such as the glasnost writers group remains to be seen. One important measure of the progress of this openness policy is whether more candid journalism will be allowed to contribute to the improvement of other human rights practices through exposure and publicity.

As a measure of fundamental intentions, Soviet practice on freedom of conscience is most revealing. And in this area, aside from the limited release of some political prisoners, there is as yet no important progress. The legal and bureaucratic basis for the persecution of religious believers is intact. Despite some informal signals of conciliation to the hierarchy of the Russian Orthodox Church, there is no evidence that the fundamental hostility to religion inherited from previous regimes has changed. The coming years will test the theory that Gorbachev needs the moral support of religion in his drive to reinvigorate Soviet society. In the meantime, continuing persecution of religion indicates the most fundamental human right, freedom of thought, is not yet on the agenda of reform.

In summary, the human rights changes under Mikhail Gorbachev have been real and significant, but have been of a partial, and not fundamental, nature. Based on the four-day visit to Moscow, the delegation could not predict with confidence that improvements in official Soviet human rights practices will go beyond those minimally necessary to assist General Secretary Gorbachev's primary objective of economic revitalization. As such, these practices will continue to shape Western perceptions of the Soviet Union and United States policies towards that country.

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## THE LEVIN-NUNN AMENDMENT TO THE DEFENSE BILL

Mr. DOLE. Mr. President, earlier today the Senate devoted three hours of morning business to a discussion of the defense authorization bill. As we prepare to depart for the August recess, the point which many of our colleagues appeared eager to make was that they would have liked to have considered the defense bill by now. So would we.

Under the best of circumstances, the DOD authorization bill usually takes about a week of floor action, so it is hard to know what the real point of this morning's debate was. The Senator from Alaska [Mr. STEVENS], clearly pointed out that there has been ample opportunity to move to the defense bill. Indeed, he and the ranking Republican on the Armed Services Committee, Mr. WARNER, made several attempts to break the impasse.

The problem is the so-called Levin-Nunn amendment which—if it belongs anywhere—belongs on the State Department authorization bill. It could have been added to that bill with the assent of the ranking Republican of the Foreign Relations Committee, Mr. HELMS. Another alternative was immediate consideration as a free-standing resolution as offered by the ranking Republican on Armed Services, Mr. WARNER. Both these offers were rejected.

The clear intent of Levin-Nunn backers is to hold SDI funding hostage. Thus Levin-Nunn remains on the defense bill and the bill remains on the Calendar.

In the meantime, we will have to take advantage of debates in morning business to remind our colleagues of the issues surrounding Levin-Nunn. The Senator from South Carolina [Mr. HOLLINGS], recalled the basics: American ABM Treaty negotiators tried, but the Soviets repeatedly refused, to ban development and testing of ABM systems based on other physical principles.

The obligations of the United States under the treaty cannot be other than what was mutually agreed between the two parties. And the ultimate arbiter of U.S. obligations cannot be other than the President of the United States.

President Reagan has exhaustively studied all relevant information and concluded that the ABM Treaty permits testing and development of systems based on other physical principles.

Nevertheless, Levin-Nunn would bind us to the so-called narrow interpretation of the ABM Treaty unless a move to the broad is approved by both Houses of Congress. Thus, not only is the Senate inserting itself into treaty interpretation, the House of Representatives—which clearly has no role in treaty-making—must also approve the President's interpretation. This is simply unacceptable.

It is also stunning that this issue persists at such a delicate time in the Geneva negotiations. This morning the Senator from California [Mr. WILSON], eloquently pointed out that for all the talk about Ronald Reagan's hostility to arms control, it is indeed Ronald Reagan who has brought us to the brink of an agreement. Interestingly, the area in which he has had the most success is precisely that area in which the Congress has not insisted in micromanaging negotiations policy, and has provided the weapons systems which got the Soviets to bargain seriously.

I think the August recess ought to give us an opportunity to step back and consider how we—the United States—should proceed on defense and arms control. I believe we should let the President get down to the all-important last details of the INF agreement, and continue to press the Soviets for a properly structured 50-percent reduction in strategic weapons. While he does that, we in the Senate should turn to the defense bill without the burden of the Levin-Nunn amendment which undercuts his every effort.

## REPUBLICAN MEMBERS OF CENTRAL AMERICA OBSERVER GROUP

### OBSERVER GROUP FORMED

Mr. DOLE. Mr. President, earlier today, the Senate passed a resolution establishing a Senate observer group to monitor any negotiations in Central America which grow out of the President's recently announced diplomatic initiative.

In accord with that resolution, I am pleased to announce the selection of three outstanding Republicans as my appointees to the group.

### COCHAIRMAN: MC CAIN

As cochairman of the group, I have designated John McCain of Arizona. Senator McCain has been one of the most active, thoughtful and articulate Senators on this side of the aisle on the issues relating to Central America. He is a member of the Armed Services Committee, and will bring that expertise to the group's examination of the security and military issues of the region, which are going to be central to any cease-fire and settlement.

Senator McCain came to the Senate with a rich experience in the House on foreign affairs. And I think we all know of his distinguished background as a military officer and his heroic service in Vietnam. He's paid his dues.

And he will do an outstanding job as cochairman of the group.

The other two Senators that will be named later this evening to the group are equally outstanding.

### MEMBERS: COCHRAN, SYMMS

From Mississippi, I am designating Senator Thad Cochran. Despite his relative youth, he is a member of our Republican leadership, reflecting his great talent, independent thought and the respect he enjoys from Republicans across our ideological spectrum.

When we on this side are looking for a truly "solid citizen" to pull tough duty; to do hard work; to make tough decisions, Thad Cochran is one of those that always comes to mind.

Finally, I am also naming Senator Steve Symms of Idaho, another one of the bright lights among younger Republicans in the Senate.

Steve is another member of the Armed Services Committee. And he has been a major spokesman of conservative Republican thought on many, many national security issues. I think Steve made clear, in his comments on the Senate floor today, that he is going to take a very tough and careful look at any negotiations that may transpire. And he will give the Senate a straight-from-the-shoulder report on what he sees.

### CENTRAL AMERICAN PRESIDENTS' DOCUMENT

Mr. President, setting up this group has been a remarkably timely effort. Not only do we have the new negotiating initiative, but I understand the five Central American presidents have initialed their own document today.

We are now awaiting the text of that document—I understand it will be available this evening. So far, reports are too sketchy to make any comment on it. But I will certainly be looking at it myself and asking those Senators I have just designated to take their own careful look in the days ahead.

With the caliber of Senators that I will name—and I know the Democratic leader will also be making outstanding choices—I am even more confident the group will serve the Senate, and the country, in outstanding fashion.

I again commend the distinguished majority leader for his initiative in this area. It parallels the observer group in Geneva with reference to arms control.

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## BICENTENNIAL MINUTE

### AUGUST 7, 1789: PRESIDENT WASHINGTON SCOLDS THE SENATE

Mr. DOLE. Mr. President, 198 years ago today, on August 7, 1789, the Senate received a bitter message from President George Washington. Only 4 months into the first session of the First Congress, the President and the Senate clashed over what would become a perennial question: should senatorial confirmation be based only on the competence of the nominee, or should political ideology also be a factor.

President Washington appointed Benjamin Fishbourn to the position of naval officer of the Port of Savannah. In the first instance of what would later be called senatorial courtesy, the Senate rejected that nomination because the two Georgia Senators, William Few and James Gunn, favored another candidate, Lachlan McIntosh, a member of their own faction in Georgia politics.

Washington yielded, and nominated McIntosh to the office, but not without these polite, but scolding words to the upper House: "Whatever may have been the reasons which induced your dissent, I am persuaded they were such as you deemed sufficient. Permit me to submit to your consideration whether on occasions where the propriety of nominations appear questionable to you, it would not be expedient to * * * avail yourselves of the information which led me to make them."

After expounding upon Fishbourn's military and political qualifications for the post, Washington concluded his message abruptly: "It appeared therefore to me, that Mr. Fishbourn must have enjoyed the confidence of the militia officers, in order to have been elevated to a military rank; the confidence of the freemen, to have been elected to the assembly; the confidence of the assembly to have been selected for the council; and the confidence of the council, to have been appointed collector of the Port of Savannah."

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## ALAN GREENSPAN

Mr. SIMPSON. Mr. President, just a few days ago this body approved the nomination of Alan Greenspan, one of the Nation's top economists and reknowned inflation fighters, to be the new Chairman of the Federal Reserve—the Board in charge of monetary policy for the entire Nation.

I would just like to say a few words about the new Chairman. He was confirmed by an overwhelming majority (91 to 2). This is but one indication of the confidence and respect the Senate has for Mr. Greenspan. I have come to know him since I have been here. I have found him to be a most extraordinary person. As head of a bipartisan commission to study the Social Security system, he made recommendations that laid the foundation for the Social Security Reform Act of 1983. That law helped to improve the solvency of the Nation's largest retirement system and ensure that benefits would continue to be available to all persons later participating in the Social Security system. In other capacities—both in the public and private section—he has shown his tremendous intelligence, talent, common sense and experience.

The pragmatic, steady, thoughtful approach to the economy and inflation that is held by Alan Greenspan will serve our country well and continue the sound economic strategy of his predecessor, Paul Volcker. Those are big shoes to fill—I know, because Paul and I are both over 6 foot 7 inches tall with pretty good underpinning! I was deeply impressed with the former Fed Chairman. He did some heavy work and left us a superb record of accomplishment—bringing inflation under control, restoring confidence to the Federal Reserve, and putting the economy back on a road to recovery.

The Fed Chairman has such a very difficult job—defending the dollar in world markets and keeping the economy at home on a steady course, especially in the pressure of the difficult financial times we face. With his fine background and great experience, I know Alan will do us a fine job too. So, I do look forward to the new Chairman to continue those inflation fighting policies which halted the double-digit inflation of recent years and to help prod the economy along. We in Congress must try to do our very best to restrain Government fiscal excess and work closely with Alan Greenspan in order that all Americans may benefit from the full prosperity that this Nation is capable of giving us.

## CATASTROPHIC HEALTH CARE PROTECTION

Mr. SHELBY. Mr. President, I rise today to speak on an issue that currently waits in the wings for its moment of scrutiny by this body—I am speaking of legislation to help older Americans address catastrophic health care costs. Many of us hope that this important matter will have its day on the Senate floor soon. But in the meantime, I feel it incumbent upon me to share my thoughts on a subject that has become nearer and more personally significant to me in recent weeks.

This past week I returned from Alabama where my wife has been in the hospital. I am thankful that she is on the road to recovery and will hopefully be well again soon. Being in a hospital setting gave me the opportunity to think at length about the potential devastation associated with a serious illness. As I walked through the hospital corridors I saw many senior citizens, husbands and wives, children, and parents each, in their own way, coping with illness, life and death.

I know that for a long time now, we have all been aware of the special needs of our senior citizens. Many of us have the opportunity to sit on committees that have jurisdiction over the Medicare Program or like myself, are members of the Aging Committee. This gives us a somewhat special perspective on this issue.

In April of this year, through the forum of an Aging Committee field hearing, I had the opportunity to bring to the State of Alabama for discussion this very critical issue. We entitled that field hearing "The Catastrophic State of Catastrophic Health Care Coverage." It strikes me again and again how appropriate and representative that title was then and continues to be.

I cannot forget the cries for assistance I heard on that day in April from all sectors of the health care community and perhaps more importantly, from victims of the indiscriminate battle against illness and cost. The truth is that regardless of what many of our elderly think, Medicare does not cover the tremendous cost of nursing home care, outpatient prescription drugs, routine physical exams, hearing aids, and many optical procedures.

So what then, exactly, does the legislation that the House has passed and that we are soon to consider actually do for the elderly? Both H.R. 2470 and S. 1127 are designed to expand Medicare coverage for acute care. Essentially, the bills are made up of several similar provisions, including:

All hospital coinsurance and the limit on the number of covered days in the hospital are eliminated.

Coverage of days in a skilled nursing facility is increased from 100 to 150 days per year, with no prior hospitalization required.

Daily home health care coverage is increased from 21 to 45 days in the Senate version and up to 35 days in the House-passed bill.

The limit of hospice care is lifted completely based on certification of a physician.

Both bills have an approximate out-of-pocket expenses cap of $1,750—an amount that would rise each year with inflation.

Perhaps the most glaring difference between the House and Senate versions is the absence of outpatient prescription drug benefits in S. 1127.

Essentially, as the Senate version stands, it will not free our elderly from the reigns of exorbitant medical costs. While both bills address some of the very real health-care needs of the elderly, both versions also shy away from the coverage gap this legislation continues to foster.

Recent statistics released by the Department of Health and Human Services indicate that life expectancy after birth has reached a new high of 74.7 years. In addition, the Alabama State data center projects that from 1987 to 1995 the percentage of the over age 85 population will rise 50 percent, from approximately 33,000 to just over 50,000 people. Not only is the number of people in the over age 65 population growing, but longevity is also on the rise. Surely, these statistics have incredible implications for our public health policy.

Mr. President, there are 1.5 million Americans currently in nursing homes. This figure is expected to rise to 2.2 million by the year 2000, and 4.5 million people by the year 2040. Keep these statistics in mind as we consider that 81.2 percent of the out-of-pocket expenses of the elderly go to nursing home care and the approximate cost of a year in a nursing home is $20,000.

Mr. President, I suggest that if we think that things are bad now, we need only look down the road toward a coverage problem of "catastrophic proportions."

The controversy in my mind, centers around whether or not we are going to continue to expand acute-care benefits when it is the long-term care needs of the elderly that we must address. This idea of "lack of long-term care coverage" in the bills currently before the Congress is also expressed in a report prepared for Senator John Melcher, and released today by the General Accounting Office.

The report also revealed and I quote, that, "historically 91 percent of the Medicare beneficiaries have had copayment expenses totaling less than $1,000 for services covered by Medicare. This means that under the proposed legislation, 91 percent of the enrollees who apply for benefits would not exceed the $1,043 cap—if past trends were to continue—and, therefore, would not be eligible for benefits."

While I believe the expansion of benefits as detailed in both H.R. 2470 and S. 1127 is certainly warranted, I do believe that we need to go that next step and truly make the Senate version live up to it's title of "catastrophic protection."

I feel confident that when we do take up this important legislation, we will work together and pass legislation that will be closer to meeting the special needs of this population group.

There is no question in my mind that our work on this legislation will be difficult. We have some very tough questions to answer on funding, coverage, and expansion. However, to me, this issue is and should be one of the highest priorities for this Congress.

We are not just legislating for today, tomorrow, or even next year. We are legislating for the protection of generations to come. Our task is not to facilitate a "quick fix"—it is to approve a solid, comprehensive measure that will grow and accommodate the graying of our Nation.

Let us not leave our elderly hoping that Medicare will cover all expenses, hoping for a quick recovery to ease the financial strain they are feeling, or hoping that the dreaded last resort, "spending down" for Medicaid eligibility, does not become a reality.

We cannot allow a catastrophic illness to penalize the elderly for a lifetime of hard work and saving. We should not take away the financial and psychological independence of any couple or family, when one member becomes seriously ill. We should not allow a catastrophic illness to dictate poverty to any American.

Mr. President, I look forward to upcoming debate on this issue.

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## SENATORIAL ELECTION REFORM

Mr. PRESSLER. Mr. President, last weekend I had the privilege to travel to Colorado Springs, CO, to attend the U.S. Air Force Academy Board of Visitors meeting. One of the highlights of this meeting was having the opportunity to visit with our distinguished former colleague, Senator Barry Goldwater of Arizona.

During my visit with Senator Goldwater we discussed the campaign reform legislation presently being considered by the full Senate. In previous debate on this issue in this Congress, there was some confusion about Senator Goldwater's support of S. 2. Following up on our visit, I received a letter from Senator Goldwater stating his position on this proposal. Senator Goldwater states in his letter that he cannot go along with Federal Government financing in part, or all, of campaigns. He asked that I put his position into the Record so that there can be no question about where he stands.

I ask unanimous consent that Senator Goldwater's letter to me dated August 4, 1987, be placed into the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Scottsdale, AZ,
*August 4, 1987.*

Hon. Larry Pressler,
*U.S. Senate,*
*Washington, DC.*

Dear Larry: At the Air Force Academy, this last weekend you told me you had not received a letter from me relative to my position on what was once the Boren-Goldwater Bill.

This letter will explain my position. I was very happy to cosponsor Senator Boren's Legislation, but when he introduced federal support, at any level, or any amount, I just could not go along with it. One of the surest ways that I know of to raise havoc with our election system, federal or local, would be to have the federal government finance part, or all, of campaigns.

I would appreciate your putting my position in the Record, so that my friends, who think I still support the Boren-Byrd approach, can be properly informed, and act accordingly.

It was great seeing you at the meeting the other day. That was a good turnout, and I think we did a lot of good.

With best wishes,

Barry Goldwater.

## INDEPENDENT FEDERAL AVIATION ACT OF 1987

Mrs. KASSEBAUM. Mr. President—I am pleased to join my good friend and colleague Senator Ford in introducing legislation which, in our view, is essential to the long-term resolution of problems currently confronting our national air transportation system. This bill, the Independent Federal Aviation Act of 1987, takes the all-important step of reestablishing the Federal Aviation Administration as an entity clearly charged with the authority to respond to the demands we place upon the system.

Over the past several years, it has become increasingly obvious that, as a nation, we cannot afford to see the demand for improved airway and airport capacity held hostage to other political goals and agendas. There are hard decisions which must be made about the future course of Federal aviation policy. Such decisions should be made on the basis of a thorough analysis of current conditions and future goals. We must get on with that process, and we need an aviation entity solely dedicated to aviation objectives—a role the FAA can not currently fill. Only an independent FAA will be capable of independent, factual analysis.

The existing relationship between the Department of Transportation and the FAA is a relationship of shared authority. This relationship has not been conducive to either clear accountability or effective leadership. This bill would correct that structural defect and, as an added benefit, provide a clear mandate to revitalize the FAA.

Among the most serious of structural defects I hope this legislation will help resolve is the perennial conflict between the promise of the airport and airway trust fund and the reality of the budget and appropriations process. I am personally convinced that if a clear linkage is established between system demand and the money actually made available to fund and manage the system, we will have taken an important step in fixing a systemic problem. An independent FAA would be critical to establishing that linkage.

There are, of course, other important issues which will require resolution. Prominently mentioned problem areas include procurement and personnel regulations which, in many instances, present obstacles to the FAA's efforts to improve system capacity. We will welcome comments and suggestions on these and other matters during the hearing process later this year. As the legislative process goes forward, Senator Ford and I have every confidence that significant progress can be made in meeting the aviation needs of the nation through this measure.

The FAA has a clear mandate to assure safe and efficient air transportation is the norm for the traveling public. I believe this bill is an important step in freeing the hands of the FAA to carry out that mandate. It is a positive initiative calculated to help assure that, as a nation, we have the best system of air transportation possible.

## COMPLEXITY OF TELECOMMUNICATIONS

Mr. LEVIN. Mr. President, telecommunications issues are among the most complicated issues that I've been exposed to in my tenure as a U.S. Senator. Because of their complexity, I have great admiration for those who are well versed in the intricacies of those issues. My approach is to look to general trends that are emerging from these underlying complexities.

I do not intend to debate the modified final judgment [MFJ], the agreement that currently governs the operation of most of the telecommunications industry, or the impact that it has had on our Nation's telephone network. I will leave those debates to those more involved than I am.

I do want to speak briefly about what I believe to be a central issue in telecommunications policy: maintenance of the local service network. Providing affordable, universally available local telephone service has long been a goal of our telecommunications policy. This goal should continue to be pursued. One of the reasons that we have been successful in providing affordable, universally available local telephone service has been the revenue from a number of sources that, in effect, subsidized local telephone service. In other words, excess revenue from low-cost services was used to reduce the expense of higher cost services. This system worked for many years because there were largely no alternative services that could be substituted for that provided by AT&T.

Technology and litigation changed the picture, and alternatives became available. Those who wanted to avoid higher charges that resulted from the subsidies began to use these alternatives. Some even constructed systems allowing them to completely avoid the local telephone network.

What did this mean? Quite simply, fewer customers were contributing to the subsidization of local telephone service. With the reductions in the subsidies costs rose.

One possibility for providing an infusion of revenue to help maintain affordable, universally available local telephone service would be to allow the Regional Bell Operating Cos. [RBOC's] to provide what are known as information services through the local telephone network. Greater use of the local telephone network would generate greater revenue which could be put toward its maintenance.

It is likely that there would be a great demand for these services. In Japan, for example, ealier this year the national telephone company, Nippon Telephone and Telegraph Co. [NTT] began offering a service very similar to that provided by answering machines. This service allows telephone messages to be stored and retrieved in the company's computers. The demand for this service has outstripped NTT's ability to accommodate it.

It is ironic that in 1986 approximately 4.6 million answering machines were purchased by U.S. consumers, very few of which were produced in the United States, and our telephone companies are prevented from providing a similar service by the MFJ. The demand for this type of service exists. Furthermore, if there was an alternative to purchasing answering machines, like an answering machine-type service provided by local telephone companies, it is likely that the number of machines purchased could be reduced. Any reduction in the number of machines purchased would have a beneficial impact on our trade deficit.

We could therefore, reap two benefits from this example of information services; greater revenue for the maintenance of the local telephone network and a reduction in our trade deficit. While I am no expert in this area,

it sure seems reasonable to encourage a thorough consideration of the possibility of allowing the RBOC's to provide information services.

## THE IMPORTANCE OF FARM CREDIT REFORM AND MODERNIZATION

Mr. CONRAD. Mr. President, I am very pleased today to join with Senator Melcher of Montana and Senator Boren of Oklahoma to introduce the Farm Credit Act of 1987. This bill is a major step in stabilizing and modernizing the Farm Credit System—a farmer cooperative which provides 25 to 30 percent of the credit necessary to produce the food to feed America. This bill also provides for the modernization and reform of the Farmers Home Administration of the U.S. Department of Agriculture. The Farmers Home Administration provides an additional 25 percent of the credit of all farmers.

These two institutions—a farmer cooperative and a Federal agency—together with small community banks throughout the rural areas of this country provide the bulk of credit available to farmers. All of these institutions are under severe stress because of the recession in agriculture. While most of the press has moved on to other stories, the economy of rural America, particularly the grain producing States of the Midwest and Great Plains remains very depressed.

Let me give you just a few examples of severity of the problems we face and remind my colleagues that these problems not only affect the farmer, small businesses, and financial institutions in rural areas, but have the potential to seriously affect financial institutions and interest rates throughout the economy.

During the 1980's, American farmers have faced the most difficult farm economy since the Great Depression. Adjusted for inflation, net farm income has been lower in the 1980's than in any period since the 1929 through 1932 years. We have many fewer farmers today than in the 1930's, but that does not reduce the effects of the sharp drop in farm income. The average net income of family farmers—those with sales of $50,000 to $250,000 per year—has dropped from $41,000 per year in the 1970's to $12,500 in the 1980's—a 70-percent decline.

Let me give a few more facts. The USDA predicts that the value of our grain and oilseed exports this year will be only one-third of the 1981 level. As a consequence, farmers have lost two-thirds of their grain export income. But that is not all. In the domestic market, the farmers share of the consumer food dollar has dropped by 50 percent in 6 years. The spread between what the farmer receives and what the consumer pays—the farm to market spread—has increased 7 fold in 6 years.

The effects of busting the farmers' income is to bust the banks and financial institutions which serve him. That is why we are here today to introduce the Farm Credit Act of 1987.

The legislation will accomplish two goals. First, it will stabilize the Farm Credit System. This is essential to the rebuilding of our rural economy. Second, it will force the Farm Credit System and the Farmers Home Administration to write down the loans of farmers if writing down the loans is less costly to the Farm Credit System or the Farmers Home Administration than foreclosure. This is essential to keeping our family farm system of agriculture and to getting young farmers back in business. Most commercial banks and some Farm Credit System banks are already writing down loans when it will improve their bottom line. The Farm Credit System and Farmers Home Administration need to follow their example in order to help farmers and to reduce Government expenditures.

Some of my urban colleagues and many Americans in our cities may not understand why this legislation is so important. For me, it means that we in rural areas can begin to work our way out of the disastrous farm recession of the 1980's; that we can begin to rebuild our rural communities; and that we can begin to get our young people back into farming.

For urban Americans the stakes are just as high. The failure of one Farm Credit System cooperative bank to meet its bond repayment commitments will affect the interest rates which we all pay on home mortgages and student loans. The bonds of the Farm Credit System, Sallie Mae and Fannie Mae all benefit from an implied Federal guarantee. The failure of the Farm Credit System to meet one payment on its bonds will have repercussions throughout the economy. It will raise interest rates for home mortgages and student loans because if the Federal guarantee is no good on Farm Credit System bonds, it is no good on Fannie Mae bonds.

We are not willing to let that happen. I would like to assure my colleagues and the many farmers that legislation will pass this year.

I want to commend the hard work of Senators Melcher and Boren and their staffs on the excellent work on this bill.

## NOMINATION OF DR. KENNETH C. ROGERS TO THE NUCLEAR REGULATORY COMMISSION

Mr. SIMPSON. Mr. President, as the ranking minority member of the Subcommittee on Nuclear Regulation of the Committee on Environment and Public Works, I do wish to commend this nominee to the full Senate. Dr. Rogers has been nominated for a 5-year term as a member of the Nuclear Regulatory Commission—perhaps one of the more difficult jobs in Washington. This is an especially important nomination, Mr. President, particularly in view of the fact that the position to which Dr. Rogers has been nominated has been vacant since July 1—leaving the Commission currently with only four sitting members.

I have had the opportunity—as many of my colleagues have—to meet personally with Dr. Rogers in order to discuss with him his interest in this position and to review his qualifications and background. He and I have had a fruitful discussion about the role and responsibility of the Commission in regulating the commercial nuclear power industry, as he has shared with me the perspective and expertise that he would bring to bear as one of five members of this collegial body.

Dr. Rogers has been nominated to serve at a time of great challenge for both the Nuclear Regulatory Commission and the industry that it regulates and for all indications, Mr. President, he is well equipped to serve in that capacity. It is a difficult—and sometimes thankless—job. But as I say this is perhaps one of the more important and certainly more difficult jobs in town, and I am pleased to see that people of Dr. Rogers' caliber are willing to perform the task and serve our Nation. I thank you, Mr. President, and I urge my colleagues to support this nominee.

## NASA'S SHUTTLE DERIVED VEHICLE STUDY

Mr. HEFLIN. Mr. President, NASA announced that it woud initiate a study of an unmanned heavy-lift launch vehicle that will utilize the engines, solid rocket boosters, the external fuel tank, and launch facilities of the space shuttle. It would be a complimentary vehicle to the shuttle and not a competitive vehicle. The main purpose of the study is to determine whether the vehicle, now known as shuttle-C for cargo, would be cost effective in assembling and operating the space station. However, most agree that the vehicle can be used to meet a vast array of space launch needs and space activities.

Mr. President, this is something that I have advocated for quite some time and I commend NASA for taking this initiative.

Before I go any further, let me dispel any queries relative to this vehicle and its relationship to the Advanced Launch System [ALS] for which funds for a study were provided in the fiscal year 1987 supplemental appropriations bill. NASA must and will play a major role in the ALS Program. The ALS is jointly being studied by the Air Force and NASA and is considering only advanced rocket technologies. While the SDV, or shuttle-C, will support ALS, it will be a near-term vehicle and is expected to solve a problem which NASA will encounter in the early 1990's. More specifically, in the 1992-93 timeframe. If we build the ALS, which, in my judgment we must, it will not come on line until the late 1990's or just after the year 2000. In addition, the SDV is expected to be a low-flight rate vehicle, most likely used only four to eight times per year, whereas the ALS could fly several more times a year.

These two programs are not totally separate. They will support each other. Elements of the modular ALS also will be considered as alternatives for aiding space station assembly and/or operations. A joint DOD/NASA steering group will monitor the progress of the studies. The NASA-lead shuttle-C study will include Air Force participation and concentrate on minimum modification of existing systems and facilities. The results of the shuttle-C efforts will be integrated with other ALS studies and enable the steering group to formulate a national heavy-lift vehicle strategy that may best accommodate both near-term requirements, such as space station assembly and longer term objectives for reduced space transportation costs.

Mr. President, it is clear that the Nation will need an unmanned launched vehicle in the near-term with the capabilities to lift 100,000 to 200,000 pounds of payload into low Earth orbit. A common sense approach to meeting the Nation's near-term and future launch needs will be to build upon and take full advantage of the investments that the Nation has already made and are still very well in place. These exist in the form of shuttle propulsion elements, the outstanding test facilities and teams of people that have gained many years of experience in development of these and other propulsion systems.

As a result of conscious national decisions, launch vehicle development for U.S. needs over the past 20 years have been met by NASA. NASA has shown that they have the foundation and proven expertise in the management and development of propulsion systems.

The shuttle-C will provide NASA the support for space station assembly and logistics, it could be used as a new and greater vehicle launch capabilities for more major science and planetary programs, serve as an unmanned test bed for new shuttle boosters such as the advanced solid rocket motor, and provide operational options to relieve the shuttle manifest. In that regard, the shuttle may be reserved for missions which specifically require man's presence in space.

The SDV not only satisfies the early need but provides an option for graceful evolution to the next generation vehicles at the turn of the century. In the near-term, expendability may be the appropriate choice for engines and avionics, both considered to represent high recurring costs. However, the SDV design may readily and easily utilize a reusable propulsion/avionic module that would lower the recurring cost below other expendable launch vehicle options.

A simple path of vehicle configuration and program evolution may begin by removing the orbiter from the shuttle system and replacing it with a payload carries. This approach would attempt to utilize the external tank and solid rocket boosters as configured, retain the thrust structure, plumbing, and main engines as the payload carrier propulsion system and develop the structure for accommodating the payload. The approach intentionally constrains the shuttle-derived-vehicle concept to conserve early development funds. Because this approach wants to utilize as much of the existing launch processing and launch facilities as possible, the payload carrier must be almost orbiter size. Since the program elements are the same in this evolutionary approach as in the inline evolution approach, the real value inherent in the program continuity is the same. The flight planning, preparation, and launch processing options for all SDV concepts are simplified versions of the corresponding shuttle operations. These benefit from the body of shuttle experience, trained personnel, software, and computer resources now in place. Where SDV operations add to the burden of existing operations, the thrust is one of straightforward expansion of capabilities rather than development and implementation of new and radically different operational processes and facilities. Where new systems are introduced as part of the SDV evolution, such as a flyback booster or an inline vehicle, the changes are incremental and retain the benefits of proven operations until the new systems are matured.

NASA and industry teams for hardware design, production, and testing; for launch site facility and equipment design and construction; and for launch and flight operations' definition and execution embody the expertise to adapt the present systems to the needs of the shuttle-C and to accomplish its evolution to the launch systems of the future.

The shuttle-derived-vehicle, in my judgment, appears to be the most cost effective alternative to the various near-term unmanned, and Mr. President, I stress unmanned, launch vehicles that have been under consideration. The SDV development program can be accomplished at minimal cost, schedule and risk because the vehicle makes use of existing shuttle propulsion, structural, tankage, and avionic elements. Initial estimates indicate, depending upon configuration, that the shuttle-C can be operational in less than 5 years for $1 to $1.5 billion in development cost. Existing shuttle launch propulsion facilities require modifications to accommodate the shuttle-C with very nominal cost for shuttle size payloads and may approach 10 to 15 percent of development cost for the very large payload carriers.

Distinct from the savings due to sharing fixed cost between the shuttle and SDV, there are further economies associated with direct labor learning that would be experienced if shuttle-C flights were added to an existing base of shuttle flights. The shuttle-C would gain the benefits of previous shuttle experience and would thus get the immediate cost advantage of buying lower on the learning curve. Also, the additional cumulative experience of propulsion and operational manpower teams would decrease unit costs more rapidly if the total activity level were higher due to complimentary shuttle-C flights.

Mr. President, study after study has determined that NASA will need a heavy lift capability as part of a badly needed expendable launch vehicle fleet. In my judgment, the SDV/shuttle-C is a vitally important project for the future of our Nation's space program. The SDV is a natural compliment to the shuttle system and shuttle facilities. Once again, I commend NASA on initiating the shuttle-C study, and I look forward to the results.

## THE GUNS OF GLASNOST

Mr. HELMS. Mr. President, the major news media of the United States and other Western countries have been pounding away throughout the Free World with a constant repetition of the Russian word "Glasnost" in conjunction with vague allusions to new "openness" in the Soviet dictatorship.

We have seen similar Russian peace offensives in the past, with similar aid and comfort from the Western press. Usually these activities precede an event like the invasion of Afghanistan or the conclusion of an arms treaty in favor of—and, I should add, violated by—the Soviet military.

One of the few journalists to recognize that "Glasnost" is just a new name for the same old lies is Edgar Ulsamer of Air Force Magazine.

I commend to the Senate his article, entitled "The Guns of Glasnost," which appeared in the June 1987 issue

of Air Force Magazine, and I ask unanimous consent that the article be printed in the RECORD at the conclusion of these remarks.

I hope that this article will be read by all Senators as well as by their staffs. It is instructive and—for Americans who love their homeland—compelling.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE GUNS OF GLASNOST

The central conclusion of the just-released 1987 edition of *Soviet Military Power*—the US government's comprehensive annual assessment of the USSR's defense activities—is that Soviet leader Mikhail Gorbachev's "peace offensive" over the past two years is controverted by the USSR's accelerating one-sided arms race. *Glasnost* notwithstanding, Soviet arms spending in 1986 grew more rapidly than in prior years and in the aggregate, accelerated at an annual rate of three percent over the past few years, even though US defense spending declined by about seven percent over the past two years. Possibly the single most telling statistic unearthed by the new US assessment is that the USSR devotes between fifteen and seventeen percent of its GNP (gross national product) to defense compared to about six percent for the US.

*Soviet Military Power 1987* enumerates a host of facts about the Soviet arms buildup, including evidence of operational laser devices that have been used to temporarily blind aircrews from countries that the Pentagon declined to identify as well as of new hard-target-killcapable SLBMs and new generations of advanced ICBMs. Defense Secretary Caspar W. Weinberger, in the document's preface, provides a quick numerical overview to make the point that in the arms sector the Soviet Union continues to live up to the Leninist dictum that quantity has a quality all its own: "For the decade 1977-86, the USSR built 3,000 ICBMs and SLBMs, the US 850; the USSR 140,000 surface-to-air missiles, the US 16,200; the USSR 24,400 tanks, the US 7,100; the USSR ninety submarines, the US forty-three; the USSR 28,200 artillery pieces, the US 2,750.

In the past, the West has been able to rely on superior technology to counteract the Soviet advantage in numbers of troops and weapons, but of late "our technological lead is being increasingly challenged." Secretary Weinberger explained that each year, "we confront a more technologically advanced Soviet Union," partly as a result of purloined Western technology but due also to that country's steadily growing and maturing technological and scientific base.

#### NO SYSTEMIC CHANGES IN SOVIET SYSTEM

Neither the new US document nor the series of briefings involving Secretary Weinberger and other senior experts associated with its issuance recorded evidence of fundamental change in Soviet military policy or geopolitical objectives. While the "winds of change" are indeed blowing in the USSR, they involve changes in form, not substance, as one senior official pointed out. Furthermore, these changes implemented by Gorbachev clearly carry with them the cachet of the Soviet military, for they enhance the productivity of the Soviet Union and thereby the industrial and technological infrastructure of the defense sector. Gorbachev's commitment to revitalizing the country's economic base—the locomotive of future military modernization—has been evident ever since he became General Secretary.

Over the past two years, he has scored impressive gains: The Soviet GNP last year grew by more than four percent, with industry—the focus of Gorbachev's modernization efforts—recording its best growth in a decade. But as a joint CIA-DIA assessment pointed out, whether that growth rate can be maintained for long is problematic for, massive rhetoric notwithstanding, none of Gorbachev's reform measures will "greatly change the system of economic incentives that has discouraged management innovation and technological change." At any rate, the winds of change affect not only the work ethic and discipline of Soviet labor but tangibly provide for enhanced quality control.

Possibly most significant is the relatively rapid replacement of aging machinery and facilities with equipment embodying a higher level of technology to meet what Soviet planners refer to as "world standards." In combination, these reforms are meant to upgrade the country's technological base to put the Soviet Union on a higher, self-sustaining growth level. Gorbachev's goal is to sustain an annual GNP growth rate of four percent for the remainder of the current Five-Year Plan—which ends in 1990—and to seek a five percent average annual growth rate during the 1991-2000 period.

But the economic reforms launched by the new Soviet regime stand in stark contrast with its rigid adherence to the global power policies decreed by Marxist-Leninist ideology. As Secretary Weinberger put it in summarizing the conclusions of the new document, "The Soviets do not change military policy. They can have different kinds of General Secretaries, younger ones, healthier ones, better dressed ones, but the policy remains the same . . . If a General Secretary came in and tried to change that policy, I don't believe he would be General Secretary very long."

#### THE AFGHAN SCAM

While Soviet ideology and the resultant military policy are treated as sacrosanct dogma by the Kremlin, the portrayal of these commandments to the outside world can shift freely and cynically, the U.S. document points out. The charade of a gradual withdrawal of Soviet forces from Afghanistan is a case in point cited by *Soviet Military Power*. Following General Secretary Gorbachev's televised announcement in Vladivostok last summer that he intended to withdraw a "limited number" of Soviet forces from Afghanistan, beginning with the pullout of six regiments by the end of 1986, the Soviets employed massive and ingenious deception to "document" realization of this hollow pledge. For one, "the Soviets brought in two infantry units from Central Asia expressly for the purpose of being able to remove them."

The Soviets also beefed up understrength units already earmarked for rotation with reinforcements and new equipment from the USSR or from other units stationed in Afghanistan to showcase their withdrawal. After the PR hype, the US document pointed out, most of the equipment and reinforcements were reassigned to units that remain in Afghanistan. Lastly, about half of the units withdrawn as part of this media circus involved air defense forces. Since the mujahedeen (the Afghan resistance fighters) have no air force, the US report points out, "the three antiair regiments scheduled to be pulled out were of marginal value to the Soviet military effort."

#### BROAD ARRAY OF NEW WEAPONS

In hardware terms, the new US intelligence document stresses that the USSR is building new generations of offensive strategic and theater nuclear forces as well as modern conventional land, sea, and air forces and strategic defense forces, going "far beyond legitimate requirements for defense." Among the most noteworthy developments last year cited by *Soviet Military Power* were the following:

The USSR's newest class of strategic ballistic missile submarine (SSBN), the Delta IV, is entering operational service carrying sixteen SS-N-23 SLBMs. This SLBM, the newest weapon of its type, carries ten warheads. This extremely accurate weapon, US intelligence experts find, will have hard-target kill capability when operated in concert with Glonass, the Soviet equivalent to the US Navstar global positioning system (GPS).

The USSR's first fifth-generation ICBM, the roadmobile SS-25, now numbers more than 100 launchers, with additional deployments of this Minuteman-size weapon pending. At the same time, an extensive network of rail support facilities continues to take shape in preparation for the deployment of the rail-mobile MX-size SS-X-24 later this year. Some of these new missiles that carry ten warheads will also be deployed in silos.

The hardness levels of Soviet ICBM has been increased to about four times that of the best operational US designs, or about 12,000 psi (pounds of overpressure per square inch). The SS-25 and SS-X-24 are members of the so-called "fifth generation" of Soviet ICBMs. The bulk of all currently deployed Soviet ICBMs represents the fourth generation, consisting of the SS-17s, SS-18s, and SS-19s that were first fielded eight years ago.

By way of a benchmark, the US intelligence assessment points out that the 308 SS-18 Mod 4 ICBMs, by themselves, are capable of destroying between sixty-five percent and eighty percent of all US ICBM silos, while retaining more than 1,000 SS-18 warheads for restrike. In the same vein, the lead in deployed MIRVs that results from the relentless modernization of the Soviet ICBM forces is widening dramatically. Over the past ten years, the number of MIRVs carried by the Soviet ICBM force shot up from about 1,200 warheads to about 6,500 while the US MIRV level remained constant at about 2,200 ICBM warheads. Overall, the operational Soviet ICBM force consists of more than 1,400 silo-based and mobile launchers, which, of and by itself, constitutes a breach of the SALT II agreement that the Soviets—unlike the US—claim to consider binding.

In addition to the fourth- and fifth-generation ICBMs, the Soviets have started flight-testing a follow-on to the SS-18 Mod 4, bearing the NATO code name Satan. This ICBM will probably have more throw-weight, carry at least ten warheads, and have better accuracy than its predecessor. These attributes suggest unsurpassed effectiveness as a prompt hard-target killer. There is evidence also, according to the latest edition of *Soviet Military Power*, of plans for follow-on systems to both the SS-25 and SS-X-24.

Not satisfied with an already burgeoning arsenal of SS-20 long-range theater weapons—at least 441 of which are known to have been fielded—the USSR is "vigorously pursuing test-firings" of a still more accurate intermediate-range ballistic missile that is likely to become operational this year. At the same time, deployment of a new generation of shorter-range theater ballistic missiles, the SS-21 and SS-23, continues.

In terms of air-breathing strategic weapons, strategic aviation is "making a strong comeback in the Soviet Union," according to the new US threat assessment. At least seven Blackjacks, a larger and faster Soviet counterpart to the B-1B, are in advanced flight test. At least fifty-five new Bear-H bombers are operational and can carry the 3,000-kilometer-range, nuclear-armed AS-15 air-launched cruise missiles. Some of these Bears, *Soviet Military Power* points out, routinely fly training missions against North America, at times coming within fifty miles of US airspace. The combination of Bear-H and Blackjack bombers will eventually enable the Soviets to launch hundreds of difficult-to-detect, hard-target-kill-capable AS-15 cruise missiles.

Along with the operational deployment of air-launched cruise missiles, the USSR is flight-testing SSC-X-4 nuclear-capable, ground-launched cruise missiles as well as nuclear-capable SS-NX-21 sea-launched cruise missiles from submarines.

Operational deployment of a sophisticated new generation of mobile surface-to-air missiles, the SA-12, has started. One variant, the "Gladiator," or "A" model, is being fielded, while the SA-X-12B/Giant is still under development. The latter type, the U.S. intelligence assessment reports, is deemed broadly effective not only against aircraft and cruise missiles at any altitude but also against tactical ballistic missiles as well as some categories of strategic ballistic missiles. The advent of the SS-12—and its possible deployment by Soviet surrogate forces—could drastically affect the utility of the US SR-71, which heretofore has been largely beyond the reach of hostile surface-to-air weapons.

### UPGRADED STRATEGIC DEFENSES

During the past decade, the Soviets allocated resources equivalent to approximately $400 billion to strategic programs, of which about half went to defensive weapons. As a result, the Soviets continue to lead the US in deployed strategic defensive systems by a wide margin, *Soviet Military Power* reports. Key here is the fully operational ABM system ringing Moscow. This system is being expanded to a two-layer network composed of silo-based, long-range, modified and reloadable Galosh interceptors; silo-based, probably nuclear-armed Gazelle high-acceleration interceptors that engage reentry vehicles within the atmosphere; and associated engagement radar systems, including the new Pill Box large, phased-array radar at Pushkino north of Moscow. This modernized two-tiered system is expected to reach operations status within two or three years.

Pacing the ABM defenses is a space-based early warning system resembling the US DSP (Defense Support Program) system, but consisting of ten (rather than three) satellites. The Soviet early warning system provides thirty minutes' tactical warning and can determine the general origin of a given missile. Additionally, two over-the-horizon radars that are directed at US ICBM fields also can give about thirty minutes' warning. The next layer of the Soviet detection and tracking network consists of eleven large Hen House ballistic missile early warning radars situated on the periphery of the USSR. These sensors corroborate the warning information from the satellite and OTH radar systems, determine the size of the attack, and provide target-tracking data in support of antiballistic missile forces.

Backing up these capabilities by providing ballistic warning and tracking are nine LPARs (large phased-array radars), including one at Krasnoyarsk—which, because of its inland location, violates the ABM treaty—and three that were completed last year. These systems and the demonstrated capability of the SA-10 and SA-X-12B/Giant air defense systems to perform ABM functions, the US report charges, create an infrastructure that permits the relatively rapid deployment of a nationwide ABM system.

The Soviet Union also maintains a multifaceted operational strategic air defense system that dwarfs that of the US as well as a wide-ranging research and development program in both traditional and advanced defenses. The operational Soviet ASAT system, which plays a significant strategic role, consists of fifteen interceptors that can be launched at a rate of five a day. Moreover, the Soviets' passive defense program includes deeply buried shelters—some 800 feet below the surface and protected by solid rock—to protect key elements of the Soviet leadership.

The strategic defense forces are designed to complement the effectiveness and credibility of the strategic offensive forces in two ways. One is to intercept and destroy whatever hostile strategic weapons—be they missiles or aircraft—that might survive the preemptive strikes of the Soviet offensive forces before they can reach their targets on Soviet soil. The other key function assigned to the defensive forces is protection of the Party, state, military, and industrial infrastructures along with key components of the labor force to permit the eventual recovery of the USSR from a nuclear war ahead of any adversary.

Conversely, the job of Sovet offensive strategic forces in the case of nuclear attack is to destroy or neutralize as much of the enemy's strategic forces—regardless of basing mode—before they can be launched. Another mission of the offensive forces is to destroy or disrupt the enemy's command control and communications apparatus. The tools for achieving these tasks are more than 10,000 deployed missiles warheads and bombs carried by ICBMs, SLBMs, and bombers with intercontinental range. The most troublesome recent development in the strategic offensive sector, a senior defense official pointed out, is the Soviet commitment to mobile ICBMs, because it is "very, very difficult to . . . find those mobile targets [that] operate as far as 100 miles out of garrison."

### SOVIET GAINS IN SPACE

Support of terrestrial military operations continues to be a top Soviet priority, especially in terms of C$^3$I, according to *Soviet Military Power.* The USSR operates the world's only military radar and electronic-intelligence ocean reconnaissance satellites. These sensors are eminently capable of detecting and tracking hostile naval forces. The Soviets launch satellites of this type routinely for tests during Soviet and NATO naval exercises.

Robust and versatile launch capabilities are a driving force behind the steady growth in Soviet military space operations. About every third day, the Soviets orbit a military payload, using one of eight types of operational spacelaunch vehicles. The pending deployment of the medium-lift Titan IIIC-Class SL-X-16 and of a heavy-lift launcher—comparable to the Apollo program's Saturn V and designated as SL-W—will increase Soviet spacelaunch capabilities even further. The SL-W booster, *Soviet Military Power* points out, will do double duty by serving as the launcher of the Soviet space shuttle orbiter as well as of other heavy payloads weighing around 100,000 kilograms.

The SL-X-16, capable of placing a payload of more than 15,000 kilograms into low earth orbit, will probably serve as the primary launch vehicle for the Soviet space plane, which has been flight-tested by means of a subscale version. This small, manned spacecraft could be used for quick-reaction, real-time reconnaissance missions, satellite repair and maintenance, crew transport, space station defense, satellite inspection, and, if necessary, space combat, according to the new US analysis.

With the SL-X-16 and SL-W, the Soviets will have ten types of expendable launch vehicles, four of which support manned spaceflight, and three different manned space vehicles: Soyuz-TM (an improved crew-ferry vehicle), the Shuttle (whose first launch could come this year or in 1988), and the space plane. The combination of these systems will give the Soviets even greater versatility and redundancy to conduct and augment military operations in space.

Soviet interest in manned military space operations, the US intelligence community believes, impels the USSR's large space-complex program. This large, modular facility—whose construction is expected to get under way within a few years—is to accommodate as many as 100 cosmonauts. Experiments carried out aboard the much smaller Salyut space stations suggest that the Soviets are evaluating the ability of military cosmonauts to locate, identify, and track targets from space as the first step toward "designing a space weapons platform for use against targets in space and on earth." Such a platform, *Soviet Military Power* contends, could be used for ASAT and ballistic missile defense operations as well as space station defense.

### CONVENTIONAL FORCES KEEP GROWING

Concurrent with the expansion of its strategic nuclear forces, Moscow is stepping up modernization and expansion of its conventional warfare forces and capabilities. The Soviet ground forces, the new US report points out, have been boosted to 211 active and five inactive mobilization-base divisions. One of the most significant developments in ground-forces technology brought out by the new US report is Soviet emphasis on reactive armor technology that helps neutralize antiarmor weapons, a concept pioneered by the Israelis. The widespread application of this technology to new Soviet tanks as well as retrofitting it to existing equipment "threatens to shift fundamentally the conventional force balance," according to *Soviet Military Balance.* The basic idea of reactive armor is to dissipate the force of incoming antiarmor rounds by exploding reactive charges.

In the air warfare arena, the new US assessment points out that the Soviet military aircraft industry is "in the midst of a technological revolution." Most of the new military aircraft incorporate much more complex and sophisticated electronic subsystems than did their predecessors. There is evidence that the Soviets have made progress in developing aircraft with low-observable radar signatures. At least one completely new fighter is in development, and

several variants of existing, relatively new fighters can be expected to enter production over the next several years.

At the same time, a new airborne warning and control system (AWACS), the Mainstay, is entering the operational inventory in quantity. Primarily meant to handle early warning and air combat command and control, the modified Il-76TD has a true overland look-down capability. There are indications also that in addition to incorporating a new identification friend or foe (IFF) system, this aircraft may have a comprehensive electronic countermeasures complement.

Two new Soviet attack helicopters, the Havoc and the Hokum, are undergoing prototype testing. Armed with either a 23- or 30-mm cannon and as many as sixteen antitank guided missiles, the Havoc's primary quarry will be tanks as well as antitank helicopters. The Hokum, by contrast, is a unique special-purpose helicopter tailored to the air-to-air role. Featuring a coaxial rotor system, retractable landing gear, and a streamlined, jet-aircraft-like fuselage, the Hokum's speed probably ranges around 350 kmh (kilometers per hour). This new helicopter probably will employ air-to-air missiles and a rapid-fire cannon in day, night, and adverse weather conditions in its role as a low-level tactical counterair system.

### A CORNUCOPIA OF NEW NAVAL WEAPONS

The proliferation of new weapon systems, *Soviet Military Power* points out, is evident also in the naval warfare arena. In addition to continuing the production of nine classes of submarines and eight classes of major surface warships during the past year, the USSR also unveiled and began sea trials of a revolutionary new class of amphibious air-cushion vehicles. This landing craft, identified as the Pomornik class, is the largest military air-cushion vehicle ever built. The vehicle is fifty-seven meters long, displaces 350 tons, and is capable of high operating speeds. This craft, which went from building ways to sea trials in less than a year, demonstrates the Soviet Navy's determination to introduce new designs into the fleet.

Another startling new Soviet effort involves WIG (wing-in-ground) amphibious vehicles that cruise efficiently and rapidly at altitudes of less than fifty feet, riding on a cushion of air formed between the wing and the ground during low-altitude flight. Hybrid vehicles of this type can carry heavy loads long distances, especially over water, with great fuel efficiency. One of the Soviet WIG designs under development incorporates six missile launch tubes and is evidently meant to perform antiship missions, according to the US intelligence report.

### ORGANIZATIONAL CHANGES AND OUTLOOK

While the USSR's military leaders continue to be consulted by the Communist Party's leadership on strategic decisions, *Soviet Military Power* finds that "the standing of the military within the overall Soviet leadership has been somewhat reduced in recent years." This assessment rests, in part, on the fact that Marshal of the Soviet Union Sergei Sokolov, the USSR's Defense Minister, has not yet been made a full member of the Politburo, but remains at the lower status of candidate member. There is evidence that Marshal Sokolov has been passed over for full membership on several occasions, which suggests "a reduction in the status of the armed forces within Soviet decision-making circles," according to the US government assessment.

The ultimate control over all military decisions continues to rest with the Defense Council, which is composed primarily of Party leaders and is chaired by Gorbachev. This body, *Soviet Military Power* asserts, controls "all aspects of national security policy [and] conveys the Party's wishes on all defense, budgetary, organizational, and senior personnel matters." Marshal Sokolov is its only military member.

Linked closely to national security policy is the Soviet Union's foreign policy, which under Gorbachev is taking on a new dynamic dimension: "To energize Soviet foreign policy and to overcome the impression that the influence of the USSR abroad is based solely on its military prowess, Gorbachev has restructured the upper echelons of the country's foreign-affairs apparatus. Eight of eleven first deputy and deputy foreign ministers, in addition to Foreign Minister Eduard Shevardnadze, are Gorbachev appointees."

In addition, more than thirty ambassadors have been replaced, including those in most major Western and Asian capitals. The new appointees, *Soviet Military Power* finds, "are sophisticated men with backgrounds in Party work and international relations as well as knowledge of or experience in dealing with the news media [well versed in] stressing global interdependence and the flexible, pragmatic nature of Soviet foreign policy."

Central to these changes is the emergency of arms-control policy as the Kremlin's major tool for dealing with the West: "The Soviets are trying to wrest concessions from the US through superficially tempting but one-sided offers [and to] weaken Alliance resolve through protracted negotiations and well-targeted propaganda [aimed at complicating] the funding of US defense programs." Although Moscow's style and rhetoric have changed, the US analysts conclude, the "ultimate goals have not. Expansion of influence and consolidation of gains remain the basic goals of the Soviet Union's activities worldwide."

## THE HUNTWORK-JEJNA-WOLF RESOLUTION

Mr. WILSON. Mr. President, the American Bar Association is now holding its annual convention in San Francisco, and the ABA board of governors will vote on Monday on whether to terminate a declaration of cooperation between the ABA and the Association of Soviet Lawyers.

In 1985, the ABA and the ASL jointly adopted this declaration to "advance the rule of law in the world" and discuss "legal initiatives for peace and human rights."

Mr. President, the tragic and bitter irony is that the Association of Soviet Lawyers has consistently undermined the rule of law and even minimum observance of human rights, much less what is required by decency.

The ASL is a government-sponsored and controlled organization that has served as a mouthpiece for the Soviet Government's antireligious propaganda. Two years ago, along with the anti-Zionist committee of the Soviet public, the ASL published the infamous white book, which slandered the Jewish people and religion as well as promoted the idea that Zionism and racism were moral equivalents.

In 1982, a former vice-president of the ASL wrote a book entitled "The Anatomy of a Lie," which characterized Andrei Sakharov as a "spreader of disinformation" and accused Anatoly Sharansky of treason.

And last year, congressional members of the Helsinki Commission wrote that the ASL had "played an active role in Soviet repression of human rights activity, including the virulent anti-semitic campaign now raging in the U.S.S.R."

Yet ASL spokesmen such as Samuel Zivs have repeatedly denied the existence of a "Jewish problem" in the U.S.S.R. and maintained that strict standards of law and human rights governed the decisions of the Communist party.

What do American attorneys and social activists think of the ASL? Harvard Law School professor Alan Dershowitz has called it "the most reprehensible organization on the face of the Earth" and Federal Judge Frank Kaufman once compared the ASL to Hitler's Third Reich. Perhaps it was Morris B. Abram, himself a lawyer and Jewish leader, who gave the most accurate professional judgment of the ASL by declaring, "these are not lawyers."

Mr. President, the Senate has relied for decades on the ABA's evaluations of the men and women whose nominations to the Federal bench we are asked to confirm. I find it sadly ironic that this great organization of lawyers and scholars did not apply the same rigor to examining the fitness and decency of the ASL as they have to judicial nominees. Indeed, in the area of human rights, the ASL could not achieve even a rating of "minimally qualified."

Mr. President, with the greatest respect as a lawyer for the principles and purposes of the ABA, I strongly urge the members of ABA to recognize the Association of Soviet Lawers for what it is—an organ of Soviet disinformation and repression whose true activities constitute a vile repudiation of the noble principles and purposes of the ABA. I respectfully submit that to cooperate with such an organization is to allow the ABA to be used to confer apparent legitimacy upon practices which the American tradition of law and justice should rightly condemn as illegal and unjust.

## ARCTIC NATIONAL WILDLIFE REFUGE

Mr. ROTH. Mr. President, my father used to tell me that nothing worthwhile is ever easy. And, today, as we concern ourselves with the issues and challenges of good government—a very worthwhile cause—I understand only too well what my father meant. Convictions and emotions run high on both sides of many issues as the lines of distinction between what is good, better, and best for the American people are blurred.

An example of this is an issue that Congress is considering in this session—a proposal to develop the coastal plain of the Arctic National Wildlife Refuge. There's nothing wrong with this consideration, as we have done it before. In 1979 and 1980, as a Republican leader in the debate on this issue, I worked with then Massachusetts Senator Paul Tsongas to steer most of the park, refuges, and wilderness areas of Alaska through the Senate. Then and now, those who advocate the development are doing what they believe is in the best interest of the American people. We live in an energy-intensive environment, we depend on readily available resources. And the American people—the people we serve—deserve to have their resources used for their necessities and comforts, especially when these resources are conveniently located in our own States and territories.

However, the question whether or not to develop the coastal plain of the Arctic National Wildlife Refuge is more complex than what it appears. On this issue, our responsibility to the American people goes far beyond the realm of convenient resources and into the realm of ecological management—the management of the precious, but limited, resources we enjoy on this fragile globe. In a case such as the one we face now, the short-term gains are over shadowed by the long-term consequences.

The area of the Arctic coast—so important to our sense of natural responsibility—is one of the world's most extraordinary natural frontiers. As a nation, we take pride that it's ours, and that we have the responsibility for its management and care. To paint a poetic picture of the area's grandeure, we'd have to begin with the magnificent Brooks Range, where the plain runs north to the sparkling ice packs of the Arctic Ocean. The rolling tundra is braided by crystal blue rivers and, in season, is splashed with a kaleidoscope of wildflowers. In the world there is no other wilderness quite like it. It's the land of the polar bear, the land of the caribou. It's the home of the snow goose and the muskox—that shaggy survivor of the ice age. It's that part of America that causes our children to dream and our grownups to boast. It's the last of a great frontier.

From a scientific perspective, the coastal plain is described as the "most biologically productive" part of the wilderness refuge. The Department of Interior has long seen the area as critical to endangered species that make the area so powerfully beautiful and productive to our world's ecosystem. The amount of research and scientific studies that have been carried out in this region—research and studies that benefit wilderness and wildlife everywhere—can only be guessed. In the discipline of science alone, the region is priceless.

Unfortunately, Mr. President, if we open the coastal plain to the oil industry, the frontier will be in danger. Laced with 380 miles of roads, 100 miles of main pipeline, and collector lines, the refuge will be lost. There would be seven large production facilities, four smaller ones, two ports with salt water treatment facilities, and four airfields. In addition, there are concerns about adequate water supplies, where the gravel will come from—and communities of several thousand people.

Contrast the mental image of the Arctic National Wildlife Refuge that I drew earlier to the image of Prudhoe Bay. Among others, here is a land where an estimated 74,000 tons of nitrogen oxides are spewed into the air annually—almost half the amount produced by New York City. Here is a land spotted with gas flares and plumes of black smoke.

Mr. President, we can see the difficult decision faced by Congress. It might even be considered a conundrum, but we're expected to find the answer. And I believe we can. I believe that the 1-to-5 odds of finding oil, and the added fact that the oil found would not be enough to last more than a few months, demonstrate that we must leave the beauty and the natural resources of the frontier to the wildlife and to future generations.

To meet our Nation's energy requirements, we must continue to proceed on two fronts. We must continue to reduce the demand for energy through conservation. And we must increase domestic supplies of energy through efforts that will result in long-term solutions. Recent advances in automotive technology have provided remarkable results. Superconductivity is another area that represents the most exciting scientific advancement of the decade—maybe even of the century. What it will do for mankind cannot yet be imagined.

Mr. President, my message today is clear. Congress must resist being hurried into a decision to develop the coastal plain. Instead, it must reaffirm its decision to save this area and declare it a wilderness. Because this pristine untouched ecosystem spreads out over two countries, I would like to suggest that the area be protected on both sides of the border through an international park designation. There are a number of ways to do this, and I would like the Secretary of the Department of Interior to undertake an expeditious review of this suggestion and report back to the Congress as soon as possible.

Mr. President, for the information of my colleague, the Canadian Government has proceeded to designate the Yukon North Slope region for a special conservation refuge and set aside a 3-million-acre Northern Yukon National Park within this refuge. This land is part of the same ecosystem and provides the opportunity for the United States and Canada to protect and preserve the last pristine world-class ecosystem on the North American Continent.

To this end, Mr. President, I feel it is only natural that I step forward today and announce at this time that I will introduce legislation when we return from the August recess that will designate the coastal plain of the Arctic refuge as a wilderness area. It is my hope that a bipartisan group will cosponsor this legislation at that time.

## ST. MARY'S COUNTY, MARYLAND CELEBRATES ITS 350TH ANNIVERSARY

**Mr. SARBANES.** Mr. President, it is a great pleasure to bring to the attention of my colleagues in the U.S. Senate the celebration of the 350th anniversary of St. Mary's County, the Mother County of Maryland and the birthplace of religious freedom. I am particularly pleased to do so as county residents prepare for festivities on August 15, culminating commemorative events commencing on Maryland Day earlier this year. This anniversary is significant because our State's oldest county is 3½ centuries old, and because this milestone coincides with another important event in our Nation's history, the Bicentennial of the Constitution.

St. Mary's County, the fifth oldest in the Nation, is truly the "Mother County of Maryland." It was here that Leonard Calvert, Maryland's first Governor, and his brother George Calvert entered the Potomac River on March 5, 1634 and made their official landing on St. Clement's Island on March 25, 1634. At the request of Second Lord Baltimore Cecelius Calvert, Leonard and George's brother in England, they, Father Andrew White S.J. and about 300 other adventurers sailed from Cowes, England in the passenger ship named the *Ark*, accompanied by a pinnace of smaller size, the *Dove*, to settle the Province of Maryland. Although Cecelius Calvert had issued instructions that all Roman Catholic acts of worship were to be done privately, Father Andrew White, S.J., celebrated Mass in thanksgiving for the colony on this day, Annunciation Day.

On March 27, 1634, Leonard Calvert and Captain Henry Fleet, a fur trader who acted as interpreter for the Indians, landed at the Indian village of Yeocomico on the St. Mary's River. They purchased Yeocomico and 30 miles of land from the Indians and christened the village Saint Maries. This served as Maryland's capital from 1676 through 1693 when the capital moved to Annapolis. The 30 mile tract, first named as Augusta Carolina, soon became Saint Mary's. Although the local records of St. Mary's County have been destroyed by fire, it is certain that on January 24, 1637 St. Mary's is referred to specifically as a county in the proceedings of the Council of Maryland in commissioning John Lewger as "Conservator of the Peace within the County of St. Maries". Thus St. Mary's County officially came into existence.

Mr. President, the citizens of St. Mary's County take great pride in their rich heritage which is at the very foundation of the State of Maryland. This heritage began with the Charter of Maryland as conceived by First Lord Baltimore, George Calvert, when he established the idea of founding a haven of all who suffered persecution. The charter espoused "Freedom of Conscience" and "Separation of Church and State"—dangerous ideas for 1632 England where English Catholics were persecuted for their beliefs.

Cecelius Calvert, who received the Maryland Charter from King Charles I, continued his father's work in establishing this haven, achieved in the colony's first decade the establishment of a prosperous settlement not endangered by religious animosities. His goal was to use government to protect, not persecute, the free expression of individual conscience. The successful founding and enlightened early governance of Maryland between 1633 and 1645 represented the truly creative, liberal, and significant milestone in American religious history. Maryland became the first English colony in North America where Protestants and Catholics worshipped, labored, and legislated side by side in peace.

By 1650, Puritans exiled from Virginia and Anglicans expelled from Massachusetts had found tolerance in St. Mary's. Unfortunately, a Puritan-dominated assembly revoked the toleration act of 1649 and from 1689 until the American Revolution religious liberty was drastically restricted. The early noble experiment, though interrupted, helped pave the way for modern beliefs whereby Cecelius Calvert's principle of liberty of conscience assumed a broader significance that we all appreciate today.

St. Mary's County survived the loss of State government in 1693. Many large and prosperous estates rose and St. Mary's continued as an agricultural economy, with tobacco as the principle crop. Ports of entry were very active in world trade with tobacco, grain, nuts, fruit, and cured hams exported to many parts of the world. The prosperity continued until the Revolutionary War, when St. Mary's was generous with manpower, ships, and money. Later the Civil War brought about a transformation whereby large plantations were divided into small family farms. During this period of transition the seafood industry became the livelihood of about one-half of the population and soon oystering assumed greatest importance. With the advance of power equipment in the 20th century, tobacco again became king. Changes continued to take place in the county, with a budding tourism industry, and the establishment by the Federal Government of Patuxent Naval Air Station which has brought many new residents and economic prosperity to the county.

Mr. President, I believe the slogan for this year's celebration indeed expresses how the people of St. Mary's County feel about their home: "A Way of Life Worth Preserving." St. Mary's has witnessed many changes over the last three and a half centuries, yet today it can still boast clean air and beautiful water, with 400 miles of shoreline. Its land, bordered by the Potomac River, the Patuxent River, and the Chesapeake Bay, boasts countryside with approximately 40 percent in agriculture and 50 percent in forests. St. Mary's County lives harmoniously with its past—the horse and buggy of the Amish community coexist with the automobile; oystermen still hand tong for oysters while superjets roar overhead.

More than living with its past, many citizens and organizations are involved in preserving the rich architectural heritage of St. Mary's County. Thanks to the efforts of organizations such as the St. Mary's City Commission, the St. Mary's Committee of the Maryland Historical Trust, the St. Mary's County Historic District Society, and the St. Mary's County Historical Commission, much has been accomplished in exploring, recording, and preserving the county's cultural and architectural history and resources. It is difficult to go anywhere in St. Mary's County and not see something of historical significance.

"St. Maries City", the third oldest permanent English settlement on the continent, is now an unspoiled 800 acre outdoor museum dedicated to resurrecting the vanished community in a way that will honor it's significant achievement. It is recognized as the best preserved 17th Century townsite in the United States and is made very accessible to visitors through excellent interpretive 17th Century exhibits. The St. Clement's Island-Potomac River Museum in Colton's Point is a small, regional museum which successfully interprets the history, heritage, and culture of the immediate area. Point Lookout State Park at the very tip of the peninsula of southern Maryland offers countless visitors, many families, a pleasant environment to examine a wealth of history as it was once the site for the largest Union prison for Confederate POW's. 17th Century Sotterly Plantation, one of several fine historic houses in the county, is the only such structure open to the public on a regular basis. Leonardtown, originally laid out in 1708 and renamed from "Seymour Town" in 1728, is believed to be the oldest incorporated municipality in Maryland. The government of St. Mary's County has remained in this pleasant town continuously to present day. Tudor Hall, an 18th Century Manor House in Leonardtown purchased by the County Historical Society, will play an important role in the 350th anniversary celebrations.

The attributes and attractions of this beautiful, historic county are too numerous to list. The natural beauty provides countless opportunities for outdoor recreation. Local restaurants abound with southern Maryland style stuffed country ham and crabcakes. Over 600 small businesses contribute to the marketplace. Fine institutions serve the community including many churches; St. Mary's College, a four year liberal arts college in St. Mary's City; The Seafarers Harry Lundeberg School of Seamanship; St. Mary's Hospital; Cedar Lane Apartments for the elderly; St. Mary's Nursing Home, and Charlotte Hall Veterans Home. Several military installations and related contractors boost the local economy including Naval Air Station; Naval Air Test Center; Naval Electronics Systems Engineering Activity; and Naval Aviation Logistic Command.

Mr. President, above all the best resource in St. Mary's County is its people—natives whose descendents came over on the *Ark* and *Dove* and newcomers who bring new ideas to the area. It is evident they love their county and take delight in sharing it with others. I wish to commend all the organizations which have contributed to keeping this wonderful heritage alive and especially the St. Mary's County Celebration Committee for focusing our attention on this significant moment in the history of "The Mother County."

## TRIBUTE TO THE GARDEN CLUB OF AMERICA

**Mr. SARBANES.** Mr. President, I want to join with all Americans in saluting the members of the Garden Club of America.

For the past several years, this group has involved itself with many programs and projects directed toward ensuring our lands and resources for future generations. Members of the

Garden Club actively lobbied for several measures which went on to become laws. Efforts of the club members are presently aimed at bringing back a few acts which didn't get passed last session.

The Saint George's Club of Maryland, one of the member clubs of the Club of America, helped with the contribution of more than 65,000 slides of American gardens and parks donated to the Smithsonian Institution's Office of Horticulture earlier this year.

Included in the collection were more than 2,500 rare, hand-painted slides from the 1920's and 1930's which were assembled through the efforts of members nationwide. There are images of the oldest surviving landscaped gardens in the United States, the Gilded Age gardens, as well as gardens of celebrities and famous people.

The donation of these slides will preserve both the vanishing and flourishing gardens of America in addition to improving our ability to understand the land and to learn our social history. The slides will be available on videodisc to the public sometime within the next 3 to 5 years.

It is clubs like these which really do improve our quality of life, and so Mr. President, I ask my colleagues to join with me in honoring and thanking the members of the Garden Club of America and the Saint George's Club of Maryland for their outstanding work.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE SOVIET UNION—MESSAGE FROM THE PRESIDENT—PM 61

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to 16 U.S.C. 1832(b), was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

*To the Congress of the United States:*

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), I transmit herewith an agreement effected by exchange of notes of June 29 and July 24, 1987, extending for the period of one year from December 31, 1987, until December 31 1988, the Governing International Fishery Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics, signed at Washington on November 26, 1976. The exchange of notes, together with the present Agreement, constitutes a Governing International Fishery Agreement within the requirements of Section 201(c) of the Act.

This Agreement is one of a series negotiated in accordance with the Act and has been extended for periods of between one year and 18 months since July 1982. The extension of the Agreement would ensure the continuation of mutually beneficial joint ventures between the U.S. and Soviet fishing industries in the U.S. exclusive economic zone. Unless the Agreement is extended, these operations will cease, causing significant financial hardship to U.S. fishermen.

I recommend that the Congress give favorable consideration to this extension at an early date.

RONALD REAGAN.

THE WHITE HOUSE, *August 7, 1987.*

## PRESIDENTIAL APPROVALS

A message from the President of the United States announced that on August 4, 1987, he had approved and signed the following enrolled bill and joint resolution:

S. 1020. An act to confer the honorary status of Librarian of Congress Emeritus on Daniel J. Boorstin; and

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day."

## MESSAGES FROM THE HOUSE

### ENROLLED BILL SIGNED

At 11:10 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 1577. An act to extend certain protections under title 11 of the United States Code, the Bankruptcy Code.

The enrolled bill was subsequently signed by the President pro tempore [Mr. STENNIS].

At 2:10 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3) to enhance the competitiveness of American industry, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Ways and Means: Mr. ROSTENKOWSKI, Mr. GIBBONS, and Mr. DUNCAN.

From the Committee on Agriculture: Mr. DE LA GARZA, Mr. BROWN of California, and Mr. ROBERTS.

From the Committee on Banking, Finance and Urban Affairs: Mr. ST GERMAIN, Mr. FAUNTROY, and Mr. WYLIE.

From the Committee on Foreign Affairs: Mr. FASCELL, Mr. BONKER, and Mr. BROOMFIELD.

From the Committee on Energy and Commerce: Mr. DINGELL, Mr. FLORIO, and Mr. LENT.

From the Committee on Education and Labor: Mr. HAWKINS, Mr. FORD of Michigan, and Mr. JEFFORDS.

From the Committee on the Judiciary: Mr. RODINO, Mr. KASTENMEIER, and Mr. FISH.

From the Committee on Government Operations: Mr. BROOKS, Mr. CONYERS, and Mr. HORTON.

From the Committee on Merchant Marine and Fisheries: Mr. JONES of North Carolina, Mr. BIAGGI, and Mr. DAVIS of Michigan.

From the Committee on Public Works and Transportation: Mr. MINETA, Mr. OBERSTAR, and Mr. HAMMERSCHMIDT.

From the Committee on Small Business: Mr. LAFALCE, Mr. SMITH of Iowa, and Mr. MCDADE.

From the Committee on Science, Space, and Technology: Mr. ROE, Mr. WALGREN, and Mr. LUJAN.

Appointed as an additional conferee: Mr. GEPHARDT.

The message also announced that the House has passed the following bills, without amendment:

S. 1550. An act to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes; and

S. 1597. An act to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study.

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 2741. An act to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic Games;

H.R. 1315. An act to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes;

H.J. Res. 130. Joint resolution to designate the week beginning November 22, 1987, as "National Family Caregivers Week";

H.J. Res. 268. Joint resolution designating the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week";

H.J. Res. 313. Joint resolution designating the month of August 1987 as "National Child Support Enforcement Month"; and

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H.J. Res. 335. Joint resolution designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week".

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 174. Concurrent resolution expressing the sense of the Congress regarding the twentieth anniversary of the establishment of the Association of Southeast Asian Nations [ASEAN].

At 5:23 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 812) to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2686. An act to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965.

### ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker has signed the following enrolled bills and joint resolutions:

S. 1371. An act to designate the Federal building located at 330 Independence Avenue SW., Washington, District of Columbia, as the Wilbur J. Cohen Federal Building";

H.R. 2309. An act to amend the Christopher Columbus Quincentenary Jubilee Act;

H.R. 2971. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services, and for other purposes;

S.J. Res. 44. Joint resolution to designate November 1987, as "National Diabetes Month";

S.J. Res. 49. Joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day";

S.J. Res. 87. Joint resolution to designate November 17, 1987, as "National Community Education Day"; and

S.J. Res. 108. Joint resolution to designate October 6, 1987, as "German-American Day";

S.J. Res. 109. Joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week";

S.J. Res. 121. Joint resolution to designate August 11, 1987, as "National Neighborhood Crime Watch Day"; and

S.J. Res. 157. Joint resolution to designate the month of October 1987, as "Lupus Awareness Month"; and

S.J. Res. 175. Joint resolution to recognize the efforts of the United States Soccer Federation in bringing the World Cup to the United States in 1994.

The enrolled bills and joint resolutions were subsequently signed by the President pro tempore [Mr. STENNIS].

At 6:07 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3190. An act to provide for a temporary increase in the public debt limit.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 151. Concurrent resolution urging the President to make the development of agricultural markets in developing countries a high priority of the foreign economic policy of the Nation; and

H. Con. Res. 175. Concurrent resolution providing for an adjournment of the Congress until September 9, 1987.

## MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1315. An act to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989, and for other purposes; to the Committee on Environment and Public Works.

H.R. 2688. An act to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965; to the Committee on Environment and Public Works.

H.R. 2741. An act to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic Games; to the Committee on Banking, Housing, and Urban Affairs.

H.J. Res. 130. Joint resolution to designate the week beginning November 22, 1987, as "National Family Caregivers Week"; to the Committee on the Judiciary.

H.J. Res. 268. Joint resolution designating the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week"; to the Committee on the Judiciary.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 174. A concurrent resolution expressing the sense of the Congress regarding the 20th anniversary of the establishment of the Association of Southeast Asian Nations [ASEAN]; to the Committee on Foreign Relations.

## ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 7, 1987, he had presented to the President of the United States the following enrolled bills:

S. 769. An act to provide grants to support excellence in minority health professions education; and

S. 1577. An act to extend certain provisions under title 11 of the United States Code, the Bankruptcy Code.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FORD, from the Committee on Rules and Administration: Special report, pursuant to Public Law 99-87, entitled "Printing Pictures of Missing Children on Senate Mail" (Rept. No. 100-145).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

H.R. 1163: A bill to amend chapter 101 of title 18, United States Code, to impose criminal penalties for offenses relating to certain aviation reports and records (Rept. No. 100-146).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation without amendment:

S. 1628: An original bill to extend the Aviation Insurance Program for 5 years (Rept. No. 100-147)

By Mr. HELMS, from the Committee on Labor and Human Resources, without amendment:

S. 1632: An original bill to authorize appropriations for the National Science Foundation for fiscal years 1988 through 1992 (Rept. No. 100-148).

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1360: A bill to amend the Indian Financing Act of 1974, and for other purposes (Rept. No. 100-149).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 908: A bill to amend the Inspector General Act of 1978 (Rept. No. 100-150).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HUMPHREY (for himself, Mr. NICKLES, Mr. HELMS, Mr. HECHT, Mr. ARMSTRONG, Mr. THURMOND, and Mr. GRAMM):

S. 1621. A bill to amend the Davis-Bacon Act to modify the provisions of such act prescribing the minimum wages to be paid laborers, mechanics, and helpers employed on public construction projects, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DASCHLE (for himself and Mr. CONRAD):

S. 1622. A bill to amend the Internal Revenue Code of 1986 to treat rural electric or telephone cooperatives in the same manner as other cooperatives for purposes of the book income preference under the minimum tax; to the Committee on Finance.

S. 1623. A bill to amend the Internal Revenue Code of 1986 to permit rural telephone cooperatives to have qualified cash or deferred arrangements, and for other purposes; to the Committee on Finance.

By Mr. DASCHLE:

S. 1624. A bill to provide for a demonstration program in which a limited number of States would be permitted to provide unemployment compensation to individuals for the purpose of funding self-employment; to the Committee on Labor and Human Resources.

By Mr. SANFORD:

S. 1625. A bill to enhance the effectiveness and independence of the United States Court of Military Appeals; to the Committee on the Judiciary.

By Mr. DeCONCINI (for himself and Mr. Heflin):

S. 1626. A bill to keep secure the rights of intellectual property licensors and licensees which come under the protection of title 11 of the United States Code, the Bankruptcy Code; to the Committee on the Judiciary.

By Mr. McCONNELL:

S. 1627. A bill to provide incentive grants to an elementary and secondary school for excellence in each congressional district, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

S. 1628. An original bill to extend the Aviation Insurance Program for 5 years; placed on the calendar.

By Mr. MITCHELL (for himself, Mr. Chafee, Mr. Durenberger, Mr. Baucus, Ms. Mikulski, Mr. Stafford, and Mr. Lautenberg):

S. 1629. A bill to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors; to the Committee on Environment and Public Works.

By Mr. HEFLIN (for himself, Mr. Grassley, and Mr. DeConcini):

S. 1630. A bill to provide for retirement and survivors' annuities for bankruptcy judges and magistrates, and for other purposes; to the Committee on the Judiciary.

By Mrs. KASSEBAUM:

S. 1631. A bill to assure additional protection in connection with the transportation of radioactive materials; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

S. 1632. An original bill to authorize appropriations for the National Science Foundation for fiscal years 1988 through 1992; placed on the calendar.

By Mr. BYRD (for Mr. Gore):

S. 1633. A bill to amend the Public Health Service Act to revise and extend the program of assistance to organ procurement organizations, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER (for himself and Mr. Quayle):

S. 1634. A bill to provide allotments to States to support the development of qualified risk pools to provide health insurance for medically uninsurable individuals; to the Committee on Labor and Human Resources.

By Mr. PRYOR (for himself and Mr. Melcher):

S. 1635. A bill to amend title XVI of the Social Security Act to increase the effectiveness and improve the administration of the SSI program, and for other purposes; to the Committee on Finance.

By Mr. GRAMM:

S. 1636. A bill to authorize the acceptance of a donation of land for addition to Big Bend National Park, in the State of Texas; to the Committee on Energy and Natural Resources.

By Mr. STEVENS:

S. 1637. A bill for the relief of Romeo Manabat and his wife Grace Manabat; to the Committee on the Judiciary.

S. 1638. A bill for the relief of Elmer Clint Mauthe; to the Committee on the Judiciary.

By Mr. DIXON:

S. 1639. A bill to prohibit the export of defense or defense-related goods by persons using the services of trading companies that have violated export controls promulgated by the Coordinating Committee; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BAUCUS (for himself and Mr. Daschle):

S. 1640. A bill to amend the Internal Revenue Code of 1986 to allow reserve for bad debts to production credit associations and banks for cooperatives; to the Committee on Finance.

By Mr. STEVENS:

S. 1641. A bill for the relief of Barry W. Jackson of Fairbanks, Alaska; and Thomas Fenton of Fairbanks, Alaska; to the Committee on the Judiciary.

By Mr. WILSON (for Mr. D'Amato (for himself and Mr. Moynihan)):

S. 1642. A bill to designate the United States Courthouse located at the intersection of Uniondale Avenue and Hempstead Turnpike in Uniondale, New York, as the "John W. Wydler United States Courthouse"; considered and passed.

By Mr. SIMON (for himself, Mr. Stennis, Mr. Bond, Mr. Breaux, Mr. Bumpers, Mr. Cochran, Mr. Danforth, Mr. Dixon, Mr. Durenberger, Mr. Ford, Mr. Gore, Mr. Grassley, Mr. Harkin, Mr. Johnston, Mr. Kasten and Mr. Sasser):

S. 1643. A bill to establish the Mississippi River National Heritage Corridor; to the Committee on Energy and Natural Resources.

By Mr. PELL:

S. 1644. A bill to extend the temporary suspension of duty on a certain chemical; to the Committee on Finance.

By Mr. DeCONCINI (for himself, Mr. Inouye, Mr. Evans, Mr. Daschle, Mr. Burdick, Mr. McCain and Mr. Murkowski):

S. 1645. A bill to reauthorize certain Indian educational programs, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. MURKOWSKI (for himself and Mr. Karnes):

S. 1646. A bill to amend title 38, United States Code, to provide eligibility to certain individuals for beneficiary travel payments in connection with travel to and from Veterans' Administration facilities; to improve the review of quality assurance programs in the Veterans' Administration; and to extend the transition period for the veteran's readjustment counseling program; to the Committee on Veteran's Affairs.

By Mr. CHILES (for himself, Mr. Pryor, Mrs. Kassebaum, Mr. Proxmire, Mr. Exon, Mr. Nickles, Mr. Cohen, Mr. Mitchell, Mr. Sanford, Mr. Adams and Mr. Conrad):

S. 1647. A bill to reform the laws relating to former Presidents; to the Committee on Governmental Affairs.

By Mr. MITCHELL (for himself and Mr. Durenberger):

S. 1648. A bill to amend titles XI and XVIII of the Social Security Act to improve the efficiency and fairness of the system of peer review of the utilization and quality of health care services, and for other purposes; to the Committee on Finance.

By Mr. DASCHLE (for himself and Mr. Conrad):

S. 1649. A bill to provide for the reduction of carbon monoxide emissions from gasoline powered motor vehicles through the use of oxygenated fuels in the District of Columbia; to the Committee on Environment and Public Works.

By Mr. CRANSTON (for himself, Mr. D'Amato, Mr. Kennedy, Mr. Helms, Mr. Dodd; Mr. Inouye, Mr. Matsunaga, Mr. Johnston and Mr. Breaux):

S. 1650. A bill entitled the "Democracy in Panama Act of 1987"; to the Committee on Finance.

By Mr. DASCHLE:

S. 1651. A bill to freeze the basic price support loan rates for the 1987-1990 crops of corn at the 1986 level, and for the 1988-90 crops of wheat at the 1987 level; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BENTSEN:

S. 1652. A bill to authorize the establishment by the Secretary of Agriculture of plant stress and water conservation research laboratory and program at Lubbock, TX; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DOMENICI:

S. 1653. A bill to limit the amount of "junk" securities that can be held by federally insured institutions and to amend the Securities Exchange Act of 1934 to provide that debt securities issued by shell corporations are subject to the margin restrictions regulations; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. NICKLES:

S. 1654. A bill to amend title V of the Motor Vehicle Information and Cost Savings Act, "Improving Automotive Efficiency," to repeal the corporate average fuel economy [CAFE] standard, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DOLE (for himself and Mr. D'Amato):

S. 1655. A bill to amend title IV of the Social Security Act to improve the program of aid to families with dependent children by establishing a two-tier system for AFDC families, to require each State to establish a comprehensive work program with an organized intake and registration process for such families, to make necessary improvements in the child support enforcement program, and for other purposes; to the Commitee on Finance.

By Mr. HELMS:

S. 1656. A bill to restrict foreign military sales and military assistance to certain countries which are not members of COCOM or which are not complying with export controls under COCOM; to the Committee on Foreign Relations.

S. 1657. A bill to make it unlawful to expel from United States diplomatic missions or consulates in Communist countries persons seeking political asylum without review of their claims; to the Committee on Foreign Relations.

S. 1658. A bill to repeal South African sanctions; to the Committee on Foreign Relations.

By Mr. DOLE (for himself, Mr. Chafee, Mr. Danforth, Mr. Durenberger, Mr. Heinz and Mr. Wallop):

S. 1659. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of, and credit for contributions to, education savings accounts; to the Committee on Finance.

S. 1660. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of educational savings accounts the earnings on which will not be taxed; to the Committee on Finance.

S. 1661. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of, and a credit for contributions to, education savings accounts but to provide that the earnings of such accounts will be taxable; to the Committee on Finance.

S. 1662. A bill to provide for the issuance of educational savings bonds a portion of

the interest on which is exempt from taxation, and for other purposes; to the Committee on Finance.

By Mr. DODD (for himself, Mr. Thurmond, Mr. Harkin, Mr. Matsunaga, Mr. Simon, Mr. Pell, and Mr. Durenberger):

S. 1663. A bill to reauthorize the Child Abuse Prevention and Treatment Act and other related Acts dealing with adoption opportunities and family violence; to the Committee on Labor and Human Resources.

By Mr. THURMOND:

S. 1664. A bill to extend authorizations of appropriations for programs under the Child Abuse Prevention and Treatment Act and the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MELCHER (for himself, Mr. Boren, Mr. Conrad, Mr. Burdick, Mr. Pryor, and Mr. Harkin):

S. 1665. A bill to amend the Farm Credit Act of 1971 to ensure the continuation of the Farm Credit System as a source of agricultural credit at fair and competitive rates; to increase farmer and rancher participation in the farm credit system; to restore the impairment of borrower stock in farm credit system institutions; to reform the lending practices on the farm credit system; to require forbearance on and restructuring of certain high-risk and nonaccrual loans; and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DOLE (for Mr. Stevens (for himself, Mr. Pryor, and Mr. Inouye)):

S. 1666. A bill to amend title 5, United States Code, to provide for the extension of physicians comparability allowances and to amend title 37, United States Code, to provide for special pay for psychologists in the commissioned corps of the Public Health Service.

By Mr. RIEGLE (for himself, Mr. Danforth and Mr. Levin):

S.J. Res. 184. Joint resolution designating October 15, 1987, as "National Safety Belt Use Day"; to the Committee on the Judiciary.

By Mr. DeCONCINI (for himself, Mr. Durenberger, Mr. Baucus, Mr. Bentsen, Mr. Bradley, Mr. Breaux, Mr. Bumpers, Mr. Conrad, Mr. Cranston, Mr. Daschle, Mr. Dodd, Mr. Ford, Mr. Glenn, Mr. Gore, Mr. Graham, Mr. Johnston, Mr. Levin, Mr. Matsunaga, Mr. Mitchell, Mr. Moynihan, Mr. Nunn, Mr. Pell, Mr. Pryor, Mr. Reid, Mr. Sanford, Mr. Sasser, Mr. Simon, Mr. Sarbanes, Mr. Stennis, Mr. Wirth, Mr. Kerry, Mr. Boschwitz, Mr. Chafee, Mr. Domenici, Mr. Garn, Mr. Hatch, Mr. Humphrey, Mr. Karnes, Mr. Kasten, Mr. McCain, Mr. McClure, Mr. Evans, Mr. Hecht, Mr. Nickles, Mr. Simpson, Mr. Stafford, Mr. Warner, Mr. Wilson, Mr. Grassley, Mr. Heinz, Mrs. Kassebaum, Mr. Pressler, Mr. Roth, Mr. Stevens, and Mr. Symms):

S.J. Res. 185. Joint resolution to designate the period commencing on May 2, 1988, and ending on May 8, 1988, as "National Drinking Water Week"; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. D'Amato):

S.J. Res. 186. Joint resolution to provide for the extension of certain programs relating to housing and community development, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 273. A resolution to establish a Senate Central American Negotiation Observer Group; considered and agreed to.

By Mr. PRYOR (for himself and Mr. Danforth):

S. Res. 274. A resolution to amend the Standing Rules of the Senate to limit sense of the Senate or Congress amendments; to the Committee on Rules and Administration.

S. Res. 275. A resolution to limit time on the motion to proceed; to the Committee on Rules and Administration.

S. Res. 276. A resolution to amend the Standing Rules of the Senate to impose a strict 15 minute limit on votes in the Senate; to the Committee on Rules and Administration.

S. Res. 277. A resolution to amend the Standing Rules of the Senate to require that amendments must be offered to a bill, resolution, or other measure in the order of the sections of that bill, resolution, or other measure; to the Committee on Rules and Administration.

By Mr. STEVENS:

S. Res. 278. A resolution referring the bill for the relief of Barry W. Jackson and Thomas Fenton to the Chief Judge of the United States Claims Court; to the Committee on the Judiciary.

By Mr. KERRY (for himself, Mr. Boschwitz, Mr. Byrd, and Mr. Dole):

S. Res. 279. A resolution expressing the sense of the Senate regarding ethical conduct expected of Senate political committees.

By Mr. KERRY (for himself and Mr. Pell):

S. Con. Res. 68. A concurrent resolution expressing the sense of the Congress regarding the agreement to end the ethnic conflict in Sri Lanka; to the Committee on Foreign Relations.

By Mr. BREAUX (for himself, Mr. Hollings, Mr. Inouye, Mr. Adams, Mr. Trible, Mr. Ford, Mr. Kerry, Mr. Gore, Mr. Exon, Mr. Riegle, Mr. Kasten, Mr. Byrd, Mr. Shelby, Mr. Durenberger, Mr. Sarbanes, Mr. Melcher, Mr. Pell, Ms. Mikulski, Mr. Simon, Mr. Levin, Mr. Dodd, Mr. Burdick, Mr. D'Amato, Mr. Cranston, Mr. Matsunaga, Mr. DeConcini, Mr. Glenn, Mr. Warner, Mr. Dixon, Mr. Cohen, Mr. Chiles, Mr. McConnell, Mr. Specter, Mr. Heflin, Mr. Metzenbaum, Mr. Reid, Mr. Johnston, Mr. Lautenberg, Mr. Murkowski, Mr. Mitchell, Mr. Sasser, Mr. Stennis, Mr. Biden, Mr. Karnes, Mr. Kennedy, Mr. Cochran, Mr. Harkin, Mr. Daschle, Mr. Sanford, Mr. Hecht, Mr. Leahy, Mr. Thurmond, Mr. Pryor, Mr. Wirth, Mr. Rockefeller, and Mr. Bumpers):

S. Con. Res. 69. A concurrent resolution to reaffirm support for the maritime policy of the United States and the laws implementing it, as set forth in the Merchant Marine Act, 1936, and related laws; and to urge that any consideration of changes in that policy or laws be removed from the agenda of the United States-Canadian free trade negotiations; to the Committee on Finance.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUMPHREY (for himself, Mr. Nickles, Mr. Helms, Mr. Hecht, Mr. Armstrong, Mr. Thurmond, and Mr. Gramm):

S. 1621. A bill to amend the Davis-Bacon Act to modify the provisions of such act prescribing the minimum wages to be paid laborers, mechanics, and helpers employed on public construction projects, and for other purposes; to the Committee on Labor and Human Resources.

### DAVIS-BACON ACT REFORM

● Mr. HUMPHREY. Mr. President, today, along with Senators Nickles, Helms, Hecht, Armstrong, Thurmond, and Gramm, I am introducing legislation to reform the Davis-Bacon Act.

More than 50 years old, this statute is inconsistent in its implementation and inflationary in its effect. It sorely needs revision. Specifically, this legislation will amend the Davis-Bacon Act to:

First, codify the regulatory definition of "prevailing wage." Prevailing wage determinations would be based on the wages paid to 50 percent of more of the surveyed workers in a particular job classification. The statute is presently silent on what constitutes a prevailing wage.

Second, require that wage determinations be established within local rural or urban civil subdivisions. This change effectively bans wage determinations that "import" high determinations from urban areas into rural areas. Current administrative procedure also does away with importation.

Third, require wage surveys to take only private sector construction projects into account for wage determination purposes. This change codifies current practice and is in keeping with the underlying intentions of the statute.

Fourth, permit the Labor Department to issue wage determinations for "helper" job classifications in those localities where the use of helpers is a prevailing practice. This change tracks a proposed regulation. Although the Supreme Court has upheld the Secretary's right to allow for helpers and limit their use through a ratio requirement, the regulation has not yet been finalized.

Fifth, increase the statutory $2,000 threshold to $100,000 for all construction contracts except those let by the Department of Defense, which shall have a $1 million threshold. The $2,000 threshold has been in effect since 1935.

Since 1979, the Senate has debated Davis-Bacon seven times. On one occasion, the Senate passed a similar reform measure only to see it die in conference. The 100th Congress should act to update this antiquated statute. The reforms proposed by this bill are modest. Essentially, they codify Labor Department practice.

The Congressional Budget Office [CBO] estimates that the taxpayer will save $635 million in budget authority and $155 million in outlays in fiscal year 1988.

I believe these reforms are long overdue. I urge support for my legislation.

Mr. President, I ask unanimous consent that the text of my legislation and the CBO estimate be reprinted in RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1621

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. MINIMUM WAGES FOR EMPLOYEES ON PUBLIC CONSTRUCTION PROJECTS.

(a) WAGE DETERMINATIONS.—Subsection (a) of the first section of the Act of March 3, 1931, commonly known as the Davis-Bacon Act (40 U.S.C. 276a(a)), is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Secretary of Labor shall base the determination of wages prevailing for the corresponding classes of laborers, mechanics, and helpers under paragraph (1) on—

"(A) the wage paid to 50 percent or more of the corresponding classes of laborers, mechanics, and helpers employed on private industry projects of a character similar to the contract work in the urban or rural civil subdivision of the State in which the work is to be performed, or in the District of Columbia if the work is to be performed there; or

"(B) if the same wage is not paid to 50 percent or more of the laborers, mechanics, and helpers in the corresponding classes, the weighted average of the wages paid to the corresponding classes of laborers, mechanics, and helpers employed on private industry projects of a character similar to the contract work in the urban or rural civil subdivision of the State in which the work is to be performed, or in the District of Columbia if the work is to be performed there.".

(b) MINIMUM CONTRACT.—The first sentence of subsection (a)(1) of such Act is further amended by striking out "$2,000" and inserting in lieu thereof "$100,000 or, in the case of contracts awarded by the Department of Defense, every contract in excess of $1,000,000".

(c) HELPERS.—

(1) The first section of such Act is further amended—

(A) in subsection (a)(1), by striking out "mechanics and/or laborers" and inserting in lieu thereof "laborers, mechanics, helpers, or any combination thereof";

(B) by striking out "laborers and mechanics" wherever it appears and inserting in lieu thereof "laborers, mechanics, and helpers";

(C) in subsection (a)(1), by striking out "mechanics and laborers" and inserting in lieu thereof "laborers, mechanics, and helpers"; and

(D) in subsection (b), by striking out "laborer or mechanic" and inserting in lieu thereof "laborer, mechanic, or helper".

(2) Section 2 of such Act (40 U.S.C. 276a-1) is amended by striking out "Laborer or mechanic" and inserting in lieu thereof "laborer, mechanic, or helper".

(3) Section 3 of such Act (40 U.S.C. 276a-2) is amended by striking out "laborers and mechanics" wherever it appears and inserting in lieu thereof "laborers, mechanics, and helpers".

(4) The first section of such Act is further amended by adding at the end thereof the following new paragraph:

"(3) In making a wage determination under paragraph (1), the Secretary of Labor may limit the use of helpers employed at a particular site.".

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U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
*Washington, DC, June 3, 1987.*

Hon. GORDON HUMPHREY,
*U.S. Senate,*
*Washington, DC.*

DEAR SENATOR: As you requested in your letter of May 20, 1987, the Congressional Budget Office (CBO) has examined the budgetary effects of the draft bill you forwarded relating to reforms in the Davis-Bacon Act (DBA).

The legislation as drafted would increase the current minimum applicable contract size under the DBA of $2,000 to $1,000,000 for Department of Defense (DoD) contracts and to $100,000 for all other agencies. In addition, the majority wage determination rule now being used by the Department of Labor (DoL) would be codified under your bill. The legislation would also permit the unlimited use of helpers, a class of workers who assist journeymen workers; currently employers are required to employ such workers at wage rates paid to the journeymen with whom they work.

Table 1 displays, section by section, the estimated savings from the proposed changes in the DBA. The savings are based on the assumption that the DBA raises Federal construction costs by slightly more than 3 percent for contracts covered under the Act. Moreover, the CBO assumes that the elimination of the restriction on helpers accounts for about half of these savings. (For more details, see the CBO study entitled, "Modifying the Davis-Bacon Act: Implication for the Labor Market and the Federal Budget," June 1983.) The codification of the majority wage rule is assumed to have no effect on federal costs because the CBO baseline assumes that the current regulatory enforcement of this rule would continue indefinitely.

TABLE 1.—ESTIMATED COST SAVINGS FROM PROPOSED DAVIS-BACON ACT REFORMS, BY FISCAL YEAR

[In millions of dollars]

| | 1988 | 1989 | 1990 | 1991 | 1992 |
|---|---|---|---|---|---|
| Majority wage rule: | | | | | |
| Estimated authorization level | 0 | 0 | 0 | 0 | 0 |
| Estimated outlays | 0 | 0 | 0 | 0 | 0 |
| Increase applicable minimum contract size: | | | | | |
| Estimated authorization level | 95 | 95 | 95 | 95 | 95 |
| Estimated outlays | 30 | 60 | 80 | 85 | 90 |
| Use of helpers: | | | | | |
| Estimated authorization level | 540 | 570 | 595 | 620 | 640 |
| Estimated outlay | 125 | 335 | 455 | 525 | 565 |
| Total | | | | | |
| Estimated authorization level | 635 | 665 | 690 | 715 | 735 |
| Estimated outlays | 155 | 395 | 535 | 610 | 655 |

Estimates of the potential costs of DBA requirements are subject to a number of limitations, particularly with regard to the availability of data. First, data on federal contracts subject to the DBA are not centrally maintained. The Federal Procurement Data File (FPDF) only includes information on contracts that are direct federal procurements and therefore excludes federally-assisted projects that fall under the DBA requirements. For example, the FPDF data for the Department of Transportation (DoT) represent less than 2 percent of total DoT construction spending. The CBO has calculated the distribution of DoT contracts based on an agency report on construction bids opened in calendar 1985. Moreover, agencies are only required to report contract actions of at least $25,000 to the Federal Procurement Data Center. Second, cost studies of the impacts of the DBA have shown a broad range of effects, but none of these studies has effectively controlled for all of the factors that could affect costs.

Based on FPDF data adjusted to reflect the underreporting of small contracts, the proposed $1,000,000 contract threshold for DoD is estimated to exempt about 30 percent of new spending for construction in 1988. The percentage for the $100,000 minimum contract size in all other agencies is estimated to be 3 percent. These percentages are assumed to decline slightly over time as inflation causes more and more contracts to exceed the thresholds. On the other hand, because inflation is also assumed to increase the average size of exempted contracts, the actual dollars that would be excluded under this bill are assumed to remain constant over time.

If you have any further questions on this estimate, please call me or have your staff call Paul Cullinan (226-2820).

With best wishes,

Sincerely,

EDWARD M. GRAMLICH,
*Acting Director.*●

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By Mr. SANFORD:

S. 1625. A bill to enhance the effectiveness and independence of the United States Court of Military Appeals; to the Committee on the Judiciary.

U.S. COURT OF MILITARY APPEALS IMPROVEMENT ACT

● Mr. SANFORD. Mr. President, I am today introducing legislation to enhance the effectiveness and independence of the U.S. Court of Military Appeals. The decisions of this court affect in a significant way the lives and liberty of some 2,100,000 active duty service persons as well as almost 1,500,000 members of the reserve components. This legislation would reconstitute the court under article III of the U.S. Constitution and would make provision for judicial disability or temporary vacancy in the membership of the court.

Mr. President, the U.S. Court of Military Appeals has been the victim in recent years of a number of difficulties that have plagued its ability to function effectively, including rapid turnover of judges; long periods of time during which, because of disability or vacancy, only two judges are available to deal with a burgeoning caseload; confrontation with the Department of Defense; uncertainty as to the court's authority; and public confusion about what the court is and does.

The court's responsibilities have become significantly greater in recent years. Besides the increase in the number of cases it considers, the issues to be decided by the court have themselves become more complex and raise constitutional issues that were not even contemplated at the time the court was created. Deciding these issues properly demands a careful balancing of individual rights of service members against the needs of the unique military society. Moreover, in its role as gatekeeper for Supreme Court review of courts martial convictions, the Court of Military Appeals must decide whether to grant review and thereby render a case eligible for further review on writ of certiorari.

The jurisdiction of the Court of Military Appeals has recently been greatly increased. A 1986 amendment to article II of the Uniform Code of Military Justice has expanded court-martial jurisdiction over reservists. If both active duty and reserve members of the Armed Forces are considered, more than 3,500,000 Americans—a number greater than the population of half of the States—are subject to courts-martial. Moreover, the recent decision of the Supreme Court in Solorio versus United States, overruling O'Callahan versus Parker, and restoring the status test for court-martial jurisdiction, renders triable by court-martial misconduct which previously could only have been punished in the civil courts. Finally, as a result of changes made in 1984 in the manual for courts-martial, military tribunals are currently the only Federal courts in which imposition of the death sentence is a realistic possibility.

In view of the larger role now being played by the Court of Military Appeals, attention has recently begun being focused on solving some of the problems it has experienced. In 1983, Congress directed the Secretary of Defense to appoint a Commission which, among other things, would consider how to provide a fair and equitable retirement system for the judges of the Court of Military Appeals.

The Commission proposed that retirement problems be solved by reestablishing the court under article III of the Constitution, thus placing its judges within the judicial retirement system. The Federal Bar Association, the Bar Association of the District of Columbia, the American Bar Association Standing Committee on Military Law, and other groups later also took the view that article III status ought to be provided the court.

Creation of article III status indeed appears to offer the best prospect for solving the court's problems. Certainly, it would better assure not only that the court and its judges are independent, but also that they are perceived by the public as being independent. Indeed, it seems incongruous that three judges who deal with the liberty and lives of service members, control access to the Supreme Court for review of military convictions, and embody in the military justice context the principle of civilian control are accorded less status than other Federal judges.

The Commission appointed by the Secretary of Defense commented:

> [A]s the highest court in the military, whose jurisdiction extends over millions of persons in times or war and peace (and which is of critical importance to the defense of our nation) the status of the court of Military Appeals should be equal to the other federal courts. Without article III status, the Court will not achieve such equality. Not only will the Court of Military Appeals suffer as a result, but its contributions to criminal and constitutional jurisprudence may not be accorded the respect and precedential value, in civilian cases, to which they should be entitled.

Since the Court of Military Appeals has only three judges, granting them article III status will not dilute the prestige of existing article III judges. Furthermore, the 5 years of favorable experience with the Federal Circuit, under the able leadership of Chief Judge Markey, has demonstrated that article III status for a court is consistent with its having a jurisdiction defined in terms of subject matter, rather than geography. To the extent that some believe article III status should be reserved for judges who decide broad constitutional issues, the members of the Court of Military Appeals clearly qualify. Indeed, not only do they regularly consider constitutional issues, but consideration of those issues is made all the more complex by their having to take into account the unique needs of the military society.

Granting article III status to the court would also eliminate difficulty and delay resulting from uncertainty as to the court's authority. There would no longer be a question of the court's ability to consider constitutional issues because of its article I status. If the Court of Military Appeals had article III status, it would also be more difficult to attack collaterally court-martial convictions reviewed by the court.

Finally, article III status would reduce the court's judicial personnel problems. The judges would be under the Federal judicial retirement system and, therefore, would be less inclined to resign in order to accept a judicial appointment elsewhere. Moreover, the improved retirement benefits would likely expand the pool of potential nominees for a position on the court. As the Commission said: "Article III status will be an essential inducement in attracting candidates for the court with the highest standards of professionalism and judicial temperament."

Like the military justice system itself, the Court of Military Appeals today is quite different from the institution that Congress created in 1951. Many reasons exist for the changes the court has undergone; and it is clear the court will continue to change to respond to the vicissitudes of the military society it was established to serve. The legislation I introduce today acknowledges the progress that has already been made in balancing the rights of service members against the needs for military discipline and provides assurance that the proper balance will be maintained in the future.

I urge my colleagues to give this legislation their support.

I send this bill forward and ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1625

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE

This act may be cited as the "United States Court of Military Appeals Improvements Act of 1987."

SEC. 2. ESTABLISHMENT OF COURT UNDER ARTICLE III OF THE CONSTITUTION

Subsection (a) of section 867(a) (article 67) of title 10, United States Code, is amended to read as follows:

"(a)(1) There is a United States Court of Military Appeals established under article III of the Constitution of the United States. The court consists of three judges.

"(2) The judges of the United States Court of Military Appeals shall be appointed from civil life by the President, by and with the advice and consent of the Senate.

"(3) No person is eligible for appointment to the United States Court of military Appeals who is not a member of the bar of a Federal court or the highest court of a State.

"(4) Each judge of the United States Court of Military Appeals is entitled to the same salary, travel allowances, retirement pay, entitlements, rights, privileges, precedence, and other appurtenances of office as are, and from time to time may be, provided for judges of the United States Courts of Appeals.

"(5) The United States Court of Military Appeals may prescribe its own rules of procedure and determine the number of judges required to constitute a quorum.

"(6) A vacancy in the United States Court of Military Appeals does not impair the right of the remaining judges to exercise the powers of the court.

"(7) Judges of the United States Court of Military Appeals shall hold office during good behavior.

"(8)(A) If any judge of the United States Court of Military Appeals is unable to perform the duties of his office or the office is vacant, the Chief Justice of the United States, upon application by the Chief Judge of the United States Court of Military Appeals, may designate a judge of a United States Court of Appeals to sit as a judge of the United States Court of Military Appeals until the illness or other disability has been terminated or the vacancy has been filled, as the case may be.

"(B) If any judge of the United States Court of Military Appeals has recused himself with respect to any matter, the Chief Justice of the United States, upon application by the Chief Judge of the United States Court of Military Appeals, may designate a judge of a United States Court of Appeals to sit as a judge of the United States Court of Military Appeals in such matter until the matter is resolved.

"(9) A judge of the United States Court of Military Appeals shall be eligible to take senior status under the same terms and conditions, and with the same rights and benefits, as apply to a judge of a United States Court of Appeals.

"(10) A judge of the United States Court of Military Appeals shall be eligible to sit from time to time as a judge of a United States Court of Appeals in a circuit designated by the Chief Justice of the United States.

"(11)(A) The United States Court of Military Appeals may accept facilities and administrative support furnished by the Department of Defense.

"(B) The Secretary of Defense shall furnish such facilities and administrative support to the United States Court of Military Appeals as the Chief Judge of the court requests in order for the court to carry out its responsibilities.".

SEC. 3. CIVIL SERVICE RETIREMENT

(a) CONTRIBUTIONS.—The first sentence of section 8334(a)(1) of title 5, United States Code, is amended by striking out "and a judge of the United States Court of Military Appeals".

(b) IMMEDIATE RETIREMENT.—Section 8336(1) of title 5, United States Code, is amended—

(1) in the first sentence, by striking out "A judge of the United States Court of Military Appeals who" and inserting in lieu thereof "An employee who is a judge of the United States Court of Military Appeals and"; and

(2) in the second sentence, by striking out "A judge who" and inserting in lieu thereof "an employee who is a judge of such court and".

(c) DISABILITY RETIREMENT.—The fourth sentence of section 8337(a) of title 5, United States Code, is amended by striking out "A judge of the United States Court of Military Appeals who" and insert in lieu thereof "An employee who is a judge of the United States Court of Military Appeals and".

(d) DEFERRED RETIREMENT.—Section 8338(c) of title 5, United States Code, is amended—

(1) in the first sentence, by striking out "A judge of the United States Court of Military Appeals who" and insert in lieu thereof "An employee who is a judge of the United States Court of Military Appeals and"; and

(2) in the second sentence, by striking out "A judge of such court who" and inserting lieu thereof "An employee who is a judge of such court and".

SEC. 4. TRANSITION PROVISIONS

(a) CONTINUED SERVICE.—The President is urged and requested to nominate for appointment to the office of judge of the United States Court of Military Appeals each judge who is actively serving as a judge of such court on the day before the date of enactment of this Act.

(b) RETIRED STATUS.—Any judge who is receiving retired pay as a senior judge on the day before the effective date specified in section 5(a) may continue to receive the same benefits to which such judge would be entitled under subsection (a)(4) of section 867 (article 67) of title 10, United States Code, as such subsection is in effect on the day before such effective date.

SEC. 5. EFFECTIVE DATE; APPLICABILITY

(a) EFFECTIVE DATE.—Section 867(a) (article 67(a)) of title 10, United States Code, as amended by section 2, shall take effect on the first day of the fourth calendar month beginning on or after the date of the enactment of this Act.

(b) APPLICABILITY.—Paragraphs (2), (3), (4), (7), (8), (9), and (10) of section 867(a) (article 67(a)) of title 10, United States Code, as amended by section 2, shall apply only in the case of persons appointed to the United States Court of Military Appeals under section 867 (article 67) of title 10, United States Code, on or after the effective date specified in subsection (a).●

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By Mr. DeCONCINI (for himself and Mr. HEFLIN):

S. 1626. A bill to keep secure the rights of intellectual property licensors and licensees which come under the protection of title 11 of the United States Code, the Bankruptcy Code; to the Committee on the Judiciary.

### INTELLECTUAL PROPERTY BANKRUPTCY PROTECTION ACT

● Mr. DeCONCINI. Mr. President, today I join my colleague Senator HEFLIN in introducing a bill entitled the Intellectual Property Bankruptcy Protection Act of 1987. This legislation is designed to address a major problem facing intellectual property in the current Bankruptcy Code by clarifying the rights of parties if a licensor or licensee declares bankruptcy. Past court decisions have allowed for the technical dissection of intellectual property licensing agreements by creating situations where a completed transaction involving intellectual property is really nothing more than a promise that can be broken. It's time we took the steps needed to end this unfair practice.

Let me paint a picture for you of how current law can effectively sound a death knoll for the small business dependent on intellectual property for the success of its operation. A small businessperson contracts with a patent owner to utilize the newly developed technology in his business. Things are going well. The business is successful and growing. Then, the licensor files for bankruptcy. The bankruptcy judge handling the case determines that the licensor can obtain a much higher royalty if he enters into an exclusive license with another party. The judge then decides to resell the rights to the patent as part of the reorganization, even though such a decision could effectively doom the licensee's business. A successful business folds because it no longer has access to the intellectual property that its foundation was built on in the first place. This is the kind of scenario this legislation is designed to prevent.

Some of the difficulty with the intellectual property agreements stems from court decisions to render the license agreements "executory." This is done because of the nature of the agreements, that is, the licensor's promise not to sue the licensee for infringement, the licensee's duty to account for profits, or the licensee's commitment to use its best efforts to use the licensed property. This decision means the agreements are eligible to be rejected or breached by a licensor-debtor in possession or the trustee of the licensor's bankruptcy estate.

Let's consider a real-life example which involves Lubrizol, Enterprises—a division of Lubrizol Corp. in Ohio. Lubrizol licensed a metal finishing technology from a Virginia firm that filed for bankruptcy a year later. The company planned to put the technology rights up for sale to alleviate some of its financial crunch. Lubrizol objected and sued to retain its license. However, it lost on appeal and that area of its business was lost. The Lubrizol ruling occurred because Congress never considered this issue, because no courts had considered it before the Bankruptcy Reform of 1978 and because it requires the application in bankruptcy cases of the very specialized area of intellectual property law.

The system of granting rights for the use of intellectual property, rather than an outright transfer of ownership, evolved to assure a full and fair development opportunity for patents, copyrights, trade secrets, and trademarks. Through the use of nonexeclusive licenses, different commercial applications of intellectual property develop in different geographic markets. Society benefits from the licensing of new technology because licensing increases the number of companies that can take advantage of an innovative or cost-saving discovery. But recent court decisions have changed the game. Potential licensees are now insisting on total ownership transfers to prevent the possible loss of rights during a bankruptcy filing.

In addition, this quirk in the bankruptcy law threatens American licensors competing in the international marketplace. Uncertainty over the law jeopardizes American technology licenses in the world market. We need to act now to encourage full development of intellectual property in the worldwide marketplace.

The solution I am proposing today would deny bankrupt licensors the ability to deprive licensees of irreplaceable intellectual property. It would provide protections similar to those offered in real estate sales agreements and leases. The bill protects the licensee's right to use intellectual property which exists at the time of the bankruptcy filing in accordance with the terms of the parties' agreements. The bill does not address other provisions of the agreement which might impose affirmative obligations upon the trustee or debtor-in-possession. However, it does explicitly validate and make self-enforcing any arrangements which the parties have made prior to the bankruptcy filing which provide for access to information or property that exists at the time of the bankruptcy filing and that will facilitate the licensee's post filing use of the intellectual property as it exists at the time of the filing.

The bill generally leaves to other provisions of the Bankruptcy Code and to the contractual rights of the parties under their specific agreement, as enforceable in bankruptcy, the rights of the nondebtor party to an intellectual property license in the event the trustee or debtor-in-possession is permitted by the bankruptcy court not to perform other affirmative obligations under the license. There are two exceptions to the general approach. First, where the debtor is a trademark licensee. To sustain a trademark, the licensee must comply with the trademark owner's (licensor's) ongoing quality assurance program. If the trustee or debtor-in-possession is unable or unwilling to comply with that quality assurance program, the trademark owner's rights in the trademark are damaged at best or lost. Second, where the debtor was the licensee under a disclosure agreement which required the debtor to maintain the confidentiality of trade secrets, although rejection of that contract or lease will relieve the debtor and trustee, or other prospective obligations, the debtor, the trustee and the licensor are required to maintain the contractual confidentiality to avoid the loss of the trade secret under applicable nonbankrupcy law. To avoid undue burden upon appointed trustees, the bill requires that trustees receive actual notice of the existence of protected information prior to imposition of any obligations upon the appointed trustee.

I urge my colleagues to join me in correcting this existing inequity in our bankruptcy law. As chairman of the Senate Subcommittee on Patents, Copyrights and Trademarks, I am critically aware of the importance of intellectual property licenses. Licenses that involve patents, copyrights, and trade secrets are different from others because in this type of license, there is only one source—the company that owns the intellectual property. There is no alternative for the licensee. Thus losing the license may have enormous consequences, since there is nowhere else the company can go to get the technology or information it needs. We must make sure the "executory" contract does not signal the execution of many businesses relying on intellectual property licenses for their livelihood. Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1626

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Intellectual Property Bankruptcy Protection Act of 1987".

SEC. 2. Section 365 of title 11 of the United States Code is amended by inserting at the end the following new subsection:

"(n)(1) For the purpose of this title—

"(A) the term 'protected information' means trade secrets and other confidential technical information to the extent the confidentiality thereof is protected by applicable nonbankruptcy law; and

"(B) the term 'intellectual property' includes inventions, designs, works of authorship, mask works, protected information, trademarks, trade names, service marks, and other products of intellectual or creative effort now or hereafter protected by applicable nonbankruptcy law.

"(2) Until and unless a trustee assumes an executory contract or unexpired lease under which the debtor has granted rights in intellectual property, the trustee may not interfere with the grantee's rights (A) to deal with the intellectual property, as provided in the contract or lease, (B) to gain access to or possession of any information or property in existence as of the time of the filing which the contract or lease provided would be made available to the grantee if the debtor failed to perform its affirmative obligations, and (C) in the case of a trademark, trade name, service mark, or similar intellectual property, to permit existing grantees to continue in concert the quality assurance procedures of the licensor. If the trustee rejects such a contract or lease, the trustee is relieved only from the specific performance of prospective obligations thereunder measured from the filing date and is prohibited from taking any action which would interfere with the grantee's rights set forth in subparagraphs (A), (B), and (C) of this paragraph. Subject to subsection (g) of this section and to section 553 of this title, if the grantee elects to exercise its rights under the contract or lease as set forth in this subsection, the grantee must satisfy its obligations under such contract or lease.

"(3) If the debtor was the grantee under an executory contract or unexpired lease which granted rights in intellectual property, prior to assumption or rejection and notwithstanding rejection of such contract or lease, the trustee, the debtor, and the grantor must maintain the confidentiality of any protected information obtained pursuant to the executory contract or unexpired lease to the extent requried by applicable nonbankruptcy law. Prior to assumption or rejection, the grantor is entitled to adequate assurance of the continued confidential treatment of such protected information. If the contract or lease is rejected, upon requrest by the grantor including an offer of reimbursement of expenses, all materials embodying protected information shall be returned to the grantor. The trustee, after he has received actual notice of the existence of the protected information in the bankruptcy estate, and the debtor, are not, by reason of the rejection, permitted to disclose protected information without the consent of the person to whom the obligation of confidentiality is owed.".●

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By Mr. McCONNELL:

S. 1627. A bill to provide incentive grants to an elementary and secondary school of excellence in each congressional district, and for other purposes; to the Committee on Labor and Human Resources.

### EXCELLENCE IN EDUCATION INCENTIVE ACT

● Mr. McCONNELL. Mr. President, today I am introducing the Excellence in Education Incentive Act of 1987. The bill is modest in its commitment of Federal dollars; yet it reassures families and teachers that excellence in education is a national goal.

Throughout the 1980's we have seen a plethora of reports on the condition of education in America. These reports have different names—"A Nation at Risk," "Making the Grade," "Action for Excellence," "Barriers to Excellence"—but the theme is the same: our schools are not preparing our children for the future.

Historically, teaching and curriculum have been the purview of States and localities. Recommendations have been made and State and local governments have instituted reforms while, at the same time, they have assumed a larger share of the financial responsibility for educating their children. But I will disagree with those who maintain that there is no role for the Federal Government beyond helping the economically disadvantaged and the handicapped. To state a truism, not all States, much less counties, are equal. In fact, I fear we are currently in the cycle of the "rich get richer" and the "poor get poorer" State-by-State scenarios when it comes to education for our children.

Federal dollars for elementary and secondary public schools decreased by $700 million between 1980 and 1985 while, at the same time, States increased their share by $17 billion and local governments by $15 billion. So for every dollar the Federal Government didn't spend for public school financing, State and local governments put up an additional $45. Bearing in mind that this is a national average, States and local governments with broad tax bases were able to invest larger sums than their poorer neighbors.

Let me state I do not believe that money is the "be all and end all" of education. In fact, I believe that the more important elements of a strong education are the commitment, training and instructional ability of teachers, leadership of school administrators and parental attitude and involvement. But it is a fact of life that compensation for teachers can be an incentive or, conversely, a disencentive if it is inadequate. In fact, most of the reports on education which have been issued on problems in education have pointed to a need for greater teacher compensation in the form of merit pay, merit awards, or career ladders as ways to improve performance in our schools.

Many of the reports on education recommended that we reward the "best and the brightest" schools based on student performance. In fact, Secretary Bennett has sponsored efforts to identify outstanding elementary and secondary schools across the country. Three of these schools recently acknowledged for their achievement were in the Commonwealth of Kentucky. I think this is a good program, Mr. President, but are we not forgetting those schools and teachers which, notwithstanding low teachers' salaries, inadequate facilities and community indifference, are making monumental strides toward improvement? We all love a star, Mr. President, but let's not forget those underdog school systems who are making gains against great odds. And it is these school systems and their teachers my bill recognizes and awards.

The Excellence in Education Incentive Act of 1987 provides incentive grants up to $50,000 for one elementary and one secondary school in each congressional district which show the largest measure of improvement in academic performance, attendance and a decrease in the drop-out rate.

Upon award by the Secretary of Education, 75 percent of the grant award shall be used for merit bonuses to teachers and school principals. No teacher in the winning school shall receive less than $250 and may receive up to $2,500. The remaining 25 percent may be used for academic programs, supplies and equipment, or for the repair of academic facilities. The actual dispensation of the merit bonuses shall be decided by an education excellence merit board composed of the head of the local parent-teacher organization, the principal of the winning elementary or secondary school and the superintendent of the local educational agency. The board shall consider the following criteria when making individual awards: the teacher's attendance record, the attendance record of the students enrolled in the classes of the teacher, the academic achievement and improvement of the students enrolled in the classes taught by the teacher and innovative educational techniques.

I do not suggest, Mr. President, that a merit bonus is going to compensate our teachers adequately. Certainly, too often teaching is not a comprehensive enough job description. The job often entails administrative paperwork and assuming the role of mother, father, disciplinarian, hall monitor and truant officer. Unfortunately, a number of parents are indifferent and nonsupportive. It's a strange society, Mr. President, that pays millions of dollars to rock stars and sports figures and undervalues the very individuals who prepare our children for the challenges of the future. My bill cannot address these problems but it can, at the least, award best efforts in the face of considerable obstacles. It can supplement a salary in counties where the tax base is insufficient for just compensation. And it can reassure our educational community that the Federal Government recognizes that a quality education is a national priority, to be appreciated and sought by all.●

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By Mr. MITCHELL (for himself, Mr. CHAFEE, Mr. DURENBERGER, Mr. BAUCUS, Ms. MIKULSKI, Mr. STAFFORD, and Mr. LAUTENBERG):

S. 1629. A bill to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors; to the Committee on Environment and Public Works.

### INDOOR AIR QUALITY ACT

**Mr. MITCHELL.** Mr. President, today I am introducing legislation to reduce the health threats posed by exposure to contaminants in the air indoors.

I am pleased that Senators CHAFEE, DURENBERGER, BAUCUS, STAFFORD, MIKULSKI, and LAUTENBERG are joining me in sponsoring this important legislation.

This legislation is based on testimony provided at a hearing of the Subcommittee on Environmental Protection on April 24, 1987 and on comments from other interested parties. Witnesses at the hearing were in agreement on several key points.

There was general agreement that Americans spend up to 90 percent of the day indoors and that we are exposed to contaminants in the air in workplaces, schools, homes, and other buildings.

Witnesses at the hearing agreed that recent scientific studies indicate that exposure to some air contaminants may be higher indoors than outdoors.

There was agreement that indoor air contaminants such as radon, asbestos, volatile organic chemicals, combustion by products, and respirable particles pose a threat to public health.

The subcommittee heard testimony that radon gas is estimated to cause between 5,000 and 20,000 lung cancer deaths each year and other contaminants result in several thousand additional cancer deaths and a wide range of other health effects.

Finally, there was general agreement that there is not an adequate effort by Federal agencies or States to conduct research on indoor air contaminants or to develop coordinated response plans addressing these contaminants.

Mr. President, we believe that the serious health threats of indoor air contamination are well documented and that it is time to consider legislation to address this problem.

The bill we are introducing today authorizes a national program to reduce the threat to human health posed by contaminants in the air indoors. It is intended as a reasonable response to the health threats identified at the recent hearing.

We had several basic objectives in drafting this legislation.

A primary objective of the bill is to expand and strengthen research of indoor air contaminants. Section 5 of the bill establishes a comprehensive research program for indoor air quality, describes basic research authorities, and creates a control technology development grant program.

Another objective of the bill is to provide for the development of "health advisories" on contaminants in the indoor air indicating the health risks at various concentrations, including a "no adverse effect level." This information will help the Federal Government focus efforts on the most serious contaminants and will help avoid duplication of effort by States in assessment of contaminants.

I want to stress that the bill does not provide for setting enforceable standards for indoor air contaminants. In addition, the bill provides no new authority to regulate indoor air contaminants beyond the authorities which already exist in current statutes and regulations.

Section 7 of the bill provides for a "national response plan" which will focus and direct the relevant authorities which exist in current statutes. The response plan is intended to identify contaminants of concern and specify response actions to reduce exposures to these contaminants. These response actions may involve a wide range of activities, including both regulatory and nonregulatory actions.

Another key objective of the bill is to demonstrate development of very basic indoor air quality management strategies and assessments at the State level. States have the option of applying for grant assistance to develop management strategies and assessments. States may also apply for grant assistance to respond to specific indoor air contaminants in specific areas of a State. We hope that this provision of the bill will foster an improved understanding of the role of State governments in responding to indoor air quality problems.

The bill also addresses the problem of coordination of indoor air quality activities among Federal agencies. The nature of indoor air pollution problems requires that a wide range of Federal agencies participate in assessment and control efforts. Section 10 of the bill establishes a Council of Indoor Air Quality to oversee the indoor air activities of various Federal agencies.

While the bill is intended to foster interagency coordination, it also clearly gives the Environmental Protection Agency the lead role in responding to indoor air quality problems. EPA is to chair the Interagency Coordinating Council and a new Office of Indoor Air Quality is established at the EPA.

Finally, the bill is designed as a general management framework. It does not preempt the development of additional legislation addressing specific pollutants, such as radon and asbestos, and does not preempt State laws or initiatives.

This indoor air quality legislation complements legislation which I have developed specifically addressing radon contamination issues. The radon bill, which was passed by the Senate on July 8 of this year, would help States, such as my home State of Maine, expand programs to respond to radon contamination.

It is our intention to seek a full range of public comment on this legislation over the August recess. As part of this process, we hope to gather information on several proposals not included in this version of the legislation.

For example, we will seek comment on the concept of considering total exposure to a contaminant in setting ambient air quality standards under the Clean Air Act. We would also like to explore the best way to facilitate development of methods and procedures for diagnosis and correction of indoor air quality problems in "sick buildings."

When the Senate reconvenes in September, we plan to review the response to the bill and consider appropriate changes or improvements. At that time, a decision can be made concerning the best format for the development of this legislation.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### S. 1629

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE AND TABLE OF CONTENTS

SEC. 1. (a) TITLE.—(1) This Act, together with the following table of contents, may be cited as the "Indoor Air Quality Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1: Title.
Sec. 2: Findings
Sec. 3: Purpose.
Sec. 4: Definitions.
Sec. 5: Indoor air quality research.
Sec. 6: Indoor air contaminant health advisories.
Sec. 7: National indoor air quality response plans.
Sec. 8: State indoor air quality programs.
Sec. 9: Office of Indoor Air Quality.
Sec. 10: National Indoor Air Quality Council.
Sec. 11: Federal building demonstration program.
Sec. 12: Indoor air quality information clearinghouse.
Sec. 13: State and federal law.
Sec. 14: Authorizations.

#### FINDINGS

SEC. 2. (a) FINDINGS.—(1) The Congress finds that—

(A) Americans spend up to ninety percent of a day indoors and, as a result, have a significant exposure to contaminants in the air indoors;

(B) exposure to indoor air contaminants occurs in workplaces, schools, public buildings, residences, and transportation vehicles;

(C) recent scientific studies indicate that pollutants in the indoor air include radon, asbestos, volatile organic chemicals (e.g. formaldehyde, benzene), combustion by-products (e.g. carbon monoxide, nitrogen oxides, carbon dioxide) metals and gases (e.g. lead, chlorine, ozone), respirable particles, biological contaminants, and other contaminants;

(D) a number of contaminants found in both ambient air and indoor air may occur at higher concentrations in indoor air than in outdoor air;

(E) indoor air pollutants pose serious threats to public health including cancer, respiratory illness, skin and eye irritation, and related effects;

(F) radon is among the most harmful indoor air pollutants and is estimated to cause between 5,000 and 20,000 lung cancer deaths each year,

(G) other indoor air pollutants are estimated to cause as many as 3,500 and 6,500 additional cancer deaths per year;

(H) sources of indoor air pollution include conventional ambient air pollution sources, building materials, consumer and commercial products, combustion appliances, indoor application of pesticides and other sources;

(I) there is not an adequate effort by Federal agencies to conduct research on the seriousness and extent of indoor air contamination, to identify the health effects of indoor air contamination, and to develop control technologies and other methods of reducing human exposure to such contamination;

(J) there is not an adequate effort by Federal agencies to develop response plans to reduce human exposure to indoor air contaminants and there is a need for improved coordination of the activities of these agencies and for reporting to the Congress on the effectiveness of these activities; and

(K) State governments can contribute to the effective reduction of human exposure to indoor air contaminants and the Federal government should assist States in development of programs to reduce exposures to these contaminants.

#### PURPOSE

SEC. 3. (a) PURPOSE.—(1) The purposes of this title are to—

(A) establish at the Environmental Protection Agency and at other agencies of the United States a comprehensive and coordinated program of research and development concerning the seriousness and extent of indoor air contamination, the human health effects of indoor air contaminants, and the technological and other methods of reducing human exposures to such contaminants;

(B) establish a process whereby the existing authorities of Federal statutes will be directed and focused to assure the full and effective application of these authorities to reduce human exposure to indoor air contaminants where appropriate;

(C) provide support to State governments to demonstrate and develop indoor air quality management strategies, assessments, and response programs; and

(D) to authorize activities to assure the general coordination of indoor air quality-related activity, to provide for reports on indoor air quality to Congress, to assure that data and information in indoor air quality issues is available to interested parties, to provide training, information, and technical assistance to the public and private sector, and for other purposes.

#### DEFINITIONS

SEC. 4. (a) DEFINITIONS.—(1) Section 302 of this Act is amended by adding at the end thereof the following new subsections—

(q) the term "Agency" means the United States Environmental Protection Agency;

(r) the term "indoor" refers to the enclosed portions of buildings including non-industrial workplaces, public buildings, Federal buildings, schools, commercial buildings, residences, and the portions of vehicles occupied by passengers;

(s) the term "indoor air contaminant" means any solid, liquid, semisolid, dissolved solid, biological organism, aerosol, or gaseous material, including combinations or mixtures of substances, which may impair the quality of indoor air or have an adverse effect on human health;

(t) the term "Federal agency" or "agency of the United States" means any department, agency or other instrumentality of the Federal government, any independent agency or establishment of the Federal government including any government corporation;

(u) the term "Federal building" means any building which is owned by the Federal government.

#### INDOOR AIR QUALITY RESEARCH

SEC. 5. (a) AUTHORITY.—(1) The Administrator shall, in cooperation with appropriate Federal agencies, establish a national research, development, and demonstration program to assure the quality of air indoors and as part of such program shall promote the coordination and acceleration of research, investigations, experiments, demonstrations, surveys, and studies relating to the causes, sources, effects, extent, prevention, detection, and correction of contamination of indoor air.

(2) In carrying out the provisions of this section, the Administrator is authorized to—

(A) collect and make available to the public through publications and other appropriate means, the results of research, development and demonstration activities conducted pursuant to this section;

(B) conduct research, development and demonstration activities and cooperate with other Federal agencies, with State and local government entities, interstate and regional agencies, other public agencies and authorities, nonprofit institutions and organizations and other persons in the preparation and conduct of such research, development and demonstration activities;

(C) make grants to the States or to local government entities, to other public agencies and authorities, to nonprofit institutions and organizations, and to other persons;

(D) enter into contracts or cooperative agreements with public agencies and authorities, nonprofit institutions and organizations, and other persons;

(E) conduct studies, including epidemiological studies, of the effect of indoor air contaminants or potential contaminants on mortality and morbidity and clinical and laboratory studies on the immunologic, biochemical, physiological, and toxicological effects including the carcinogenic, teratogenic, mutagenic, cardiovascular, and neurotoxic effects of indoor air contaminants or potential contaminants;

(F) develop and disseminate informational documents on indoor air contaminants describing the nature and characteristics of such contaminants;

(G) develop effective and practical processes, methods, and techniques for the prevention, detection, and correction of indoor air contamination;

(H) construct such facilities and staff and equip them as may be necessary to carry out the provisions of this section;

(I) call conferences concerning the potential or actual contamination of indoor air giving opportunity for interested persons to be heard and present papers at such conferences;

(J) utilize, on a reimbursable basis, facilities and personnel of existing Federal scientific laboratories and research centers; and

(K) acquire secret processes, technical data, inventions, patent applications, patents, licenses, and an interest in lands, plants, equipment and facilities and other property rights, by purchase, license, lease, or donation.

(b) PROGRAM REQUIREMENTS.—(1) The Administrator shall conduct or assist research, investigations, studies, surveys, or demonstrations with respect to, but not limited to, the following—

(A) the effects on human health of contaminants or combinations of contaminants at various levels whether natural or anthropogenic, that are found or are likely to be found in indoor air;

(B) the exposure of persons to contaminants that are found in indoor air [including exposure to such substances from sources other than indoor air contamination including drinking water, diet, or other exposures];

(C) the exposure of persons to contaminants in different building classes or types; and in vehicles, and assessment of the association of particular contaminants and particular building classes or types and vehicles;

(D) identification of building classes or types and design features or characteristics which increase the likelihood of exposure to indoor air contaminants;

(E) identification of the sources of indoor air contaminants including association of contaminants with outdoor sources, building or vehicle design, classes or types of products, building management practices, equipment operation practices, building materials, and related factors;

(F) assessment of relationships between contaminant concentration levels in ambient air and the contaminant concentration levels in the indoor air;

(G) methods and techniques for characterizing and modeling indoor air movement and flow within buildings or vehicles, including the transport and dispersion of contaminants in the indoor air;

(H) the fate, including degradation and transformation, of particular contaminants in indoor air;

(I) methods and techniques to characterize the association of contaminants, the levels of contaminants, and the potential for contamination of new construction with climate, building location, seasonal change, soil and geologic formations, and related factors;

(J) methods, techniques and instruments for sampling indoor air to determine the presence and level of contaminants including sample collection and the storage of samples before analysis and development of methods to improve the efficiency and reduce the cost of analysis;

(K) development of quality sampling methods and instruments which are inexpensive and easy to use and may be used by the general public;

(L) development of control technologies or other measures to prevent the entrance of contaminants into buildings or vehicles, including air intake protection, sealing, and related measures;

(M) development of control technologies or other measures to reduce the contaminations indoors, including control of emissions from internal sources of contamination, improved air exchange and ventilation, and related measures;

(N) development of materials and products as alternatives to materials or products which are now in use and which contribute to indoor air contamination;

(O) development of building or vehicle management practices and related activities which will contribute to the reduction of indoor air contaminants; and

(P) development of equipment and processes for removal of contaminants from the indoor air.

(c) TECHNOLOGY DEMONSTRATION PROGRAM.—(1) The Administrator may enter into cooperative agreements or contracts, or provide financial assistance in the form of grants, to public agencies and authorities, nonprofit institutions and organizations or other persons, to demonstrate practices, methods, technologies, or processes which may be effective in controlling sources or potential sources of indoor air contamination and preventing the occurrence of indoor air contamination.

(2) The Administrator may assist demonstration activities under paragraph (1) of this subsection only if—

(A) such demonstration activity will serve to demonstrate a new or significantly improved practice, method, technology or process or the feasibility and cost-effectiveness of an existing, but unproven, practice, method, technology, or process and will not duplicate other Federal, State, local or commercial efforts to demonstrate such practice, method, technology, or process;

(B) such demonstration activity meets the requirements of this section and serves the purposes of this Act;

(C) the demonstration of such practice, technology, or process will comply with all other laws and regulations for the protection of human health, welfare, and the environment; and

(D) in the case of a contract or cooperative agreement, such practice, method, technology, or process would not be adequately demonstrated by State, local or private persons or in the case of an application for financial assistance by a grant, such practice, method, technology, or process is not likely to receive adequate financial assistance from other sources.

(3) The demonstration program established by this subsection shall include solicitations for demonstration projects, selection of suitable demonstration projects from among those proposed, supervisions of such demonstration projects, evaluation of the results of demonstration projects, and dissemination of information on the effectiveness and feasibility of the practices, methods, technologies and processes which are proven to be effective. The Administrator shall publish regulations to assure satisfactory implementation of each element of the demonstration program authorized by this subsection.

(4) Within one hundred and eighty days after the date of enactment of this Act, and no less often than every twelve months thereafter, the Administrator shall publish a solicitation for proposals to demonstrate, prototype or at full-scale, practices, methods, technologies, and processes which are (or may be) effective in controlling sources or potential sources of indoor air contaminants. The solicitation notice shall prescribe the information to be included in the proposal, including technical and economic information derived from the applicant's own research and development efforts, and other information sufficient to permit the Administrator to assess the potential effectiveness and feasibility of the practice, method, technology, or process proposed to be demonstrated.

(5) Any person and any public or private nonprofit entity may submit an application to the Administrator in response to the solicitations required by paragraph (4) of this section. The application shall continue a proposed demonstration plan setting forth how and when the project is to be carried out and such other information as the Administrator may require.

(6) In selecting practices, methods, technologies or processes to be demonstrated, the Administrator shall fully review the applications submitted and shall evaluate each project according to the following criteria—

(A) the potential for the proposed practice, method, technology, or process to effectively control sources or potential sources of contaminants which present the greatest risk to human health;

(B) the capability of the person or persons proposing the project to successfully complete the demonstration as described in the application;

(C) the likelihood that the demonstrated practice, method, technique or process could be applied in other locations and circumstances to control sources or potential sources of contaminants, including consideration of cost, effectiveness, and feasibility;

(D) the extent of financial support from other persons to accomplish the demonstration and described in the application; and

(E) the capability of the person or persons proposing the project to disseminate the results of the demonstration or otherwise make the benefits of the practice, method, or technology widely available to the public in a timely manner.

The Administrator shall select or refuse to select a project for demonstration under this subsection within ninety days of receiving the complete application for such project. In the case of a refusal to select a project, the Administrator shall notify the applicant within such ninety-day period of the reasons for the refusal.

(7) Each demonstration project under this section shall be performed by the applicant, or by a person satisfactory to the applicant, under the supervision of the Administrator. The Administrator shall enter into a written agreement with each applicant granting the Administrator the responsibility and authority for testing procedures, quality control, monitoring, and other measurements necessary to determine and evaluate the results of the demonstration project.

(8) The Administrator shall enter into arrangements, wherever practicable and desirable, to provide for monitoring testing procedures, quality control, and such other measurements necessary to evaluate the results of demonstration projects or facilities intended to control sources or potential sources of contaminants.

(9) Each demonstration project under this section shall be completed within such time as is established in the demonstration plan. The Administrator may extend any deadline established under this subsection by mutual agreement with the applicant concerned.

(10) Total Federal funds for any demonstration project under this section shall not exceed 75 per centum of the total cost of such project. In cases where the Administrator determines, in accordance with criteria established by regulation, that research under this section is of a basic nature which would not otherwise be undertaken, the Administrator may approve grants under this section with a matching requirement other than that specified in this subsection, including full Federal funding.

(d) CLARIFICATION OF AUTHORITY.—(1) The Superfund Amendments and Reauthorization Act of 1986 is amended to delete Title IV of such Act.

(2) Not later than October 1, 1988, the Administrator shall submit to the Congress a report respecting his activities under Title IV of the Superfund Amendments and Reauthorization Act of 1986 and his activities pursuant to this title, and making such recommendations as appropriate.

### INDOOR AIR CONTAMINANT HEALTH ADVISORIES

SEC. 6. (a) LIST OF CONTAMINANTS.—(1) Within 240 days after the date of enactment of this Act, the Administrator shall prepare and publish in the Federal Register a list of the contaminants which are known to occur (or which may be expected to occur) in indoor air. The list may include combinations or mixtures of contaminants and may refer to such combinations or mixtures by a common name.

(2) The Administrator shall from time to time and as necessary to carry out the provisions of this Act, but not less often than biennially, review and revise such list adding other contaminants pursuant to the requirements of this Act.

(3) The list provided for in paragraph (1) of this subsection shall include, at a minimum—

(A) any air pollutant listed pursuant to section 108(a)(1) of the Clean Air Act (42 U.S.C. 1857 et seq.);

(B) any hazardous air pollutant listed pursuant to section 112(b)(1)(A) of the Clean Air Act (42 U.S.C. 1857 et. seq.);

(C) any other contaminants which are known to occur (or which may be expected to occur) in indoor air.

(4) In development of the list provided for in paragraph (1) of this subsection or in revision of such list pursuant to paragraph (2), the Administrator shall provide for public review and comment.

(5) The listing of contaminants under this subsection is not an agency rulemaking and is not subject to the requirements of section 553 of title 5 of the United States Code. In considering objections raised in any judicial action, the court shall uphold the Administrator's decision to list a particular contaminant unless the objecting party can demonstrate that the decision was arbitrary or capricious or otherwise not in accordance with the law. The list of contaminants prepared in accordance with this subsection shall not be construed to indicate that those contaminants not listed are safe for human exposure or without adverse health effect.

(6) Upon application of the Governor of a State showing that a contaminant or potential contaminant in the indoor air which is not listed pursuant to paragraph (1) of this subsection may be reasonably anticipated to endanger human health as a result of its presence in the indoor air, the Administrator shall, within ninety days, revise the list established by paragraph (1) of this subsection to include such contaminant or publish in the Federal Register the reasons for not making such a revision.

(b) CONTAMINANT HEALTH ADVISORIES.—(1) The Administrator shall, in consultation with the advisory panel provided for in subsection (e) of this section, publish advisory materials addressing the human health effects of individual contaminants listed pursuant to subsection (a) of this section. Such advisory materials shall describe—

(A) the physical, chemical, biological, and radiological properties of the contaminant;

(B) the human health effects of the contaminant in various indoor environments and in various concentrations;

(C) an analysis of the risk posed by the contaminant to human health at various concentrations;

(D) the concentration of the contaminant at which there is no known or anticipated human health effect, with an adequate margin of safety;

(E) to the extent that the contaminant, or a mixture of contaminants, is associated with a particular substance or material, emissions rates which are expected to result in varying levels of contaminant concentration in indoor air;

(E) any indoor air contaminant standards or related action levels which are in effect under any authority of a Federal statute or under the authority of State statutes; and

(F) to the extent such information is available, any indoor air contaminant standards or related action levels which are in effect under the authority of any local government.

(c) FORMAT.—(1) The Administrator shall establish and utilize a standard format of presentation of indoor air contaminant health advisories. The format shall be designed to facilitate public understanding of the risks of exposure to indoor air contaminants and shall include a summary of the research and information concerning the contaminant which is understandable to public health professionals and to those who lack training in toxicology.

(d) TIMETABLE FOR ESTABLISHING ADVISORIES.—(1) The Administrator shall publish advisories for individual indoor air contaminants listed pursuant to subsection (a) of this section as expeditiously as possible. At a minimum, the Administrator shall publish not less than six advisories within one and one-half years of enactment of this Act and shall publish an additional six advisories within three years of enactment of this Act.

(e) ADVISORY PANEL.—(1) The Indoor Air Panel of the EPA Science Advisory Board shall advise the Administrator with respect to the implementation of this section including, but not limited to, the listing of contaminants, the contaminants for which advisories should be published, the order in which advisories should be published, the content, quality, and format of advisory documents, and the revision of such documents.

(f) REVISION OF ADVISORIES.—(1) Advisories shall be reviewed, revised and republished to reflect new scientific and related findings or information on a periodic basis but not less frequently than five years.

### NATIONAL INDOOR AIR QUALITY RESPONSE PLAN

SEC. 7. (a) AUTHORITY.—(1) The Administrator shall develop and publish a national indoor air quality response plan.

(2) The response plan provided for under this section shall establish a range of response actions which will result, to the fullest extent practicable, in—

(A) attainment in the indoor air of the standards established under section 109 and 112 of the Clean Air Act (42 U.S.C. 1857 et seq.);

(B) attainment of the advisory concentration levels established under section 6(b)(1)(D) of this Act; and

(C) reduction in the concentration levels of contaminants identified in section 6(a) of this Act.

(b) EXISTING AUTHORITY.—(1) The Administrator shall include in the plans provided for in subsection (a) of this section a description of specific response actions based on existing statutory authorities including authorities provided in:

(A) Titles I, II, and III of the Clean Air Act (42 U.S.C. 1857 et seq.);

(B) the Toxic Substances Control Act;

(C) the Federal Insecticide, Fungicide, and Rodenticide Act;

(D) the Safe Drinking Water Act;

(E) the authorities of the Consumer Product Safety Commission;

(F) the authorities of the Occupational Safety and Health Administration; and

(G) other regulatory and related authorities provided under any other Federal statute.

(c) SUPPORTING ACTIONS.—(1) The Administrator shall include in the plans provided for in subsection (a) of this section specific nonregulatory actions which will contribute to the reduction of human exposure to indoor air contaminants including but not limited to—

(A) programs to disseminate technical information to public health, design, and construction professionals concerning the risks of exposure to indoor air contaminants and methods and programs for reducing exposures to such contaminants;

(B) education programs for the general public concerning the health threats posed by indoor air contaminants and appropriate individual response actions;

(C) technical assistance to States and local air pollution control organizations and related groups concerning the risks of exposure to indoor air contaminants and methods and programs for reducing exposures to such contaminants;

(D) development of model building codes, including ventilation rates, for various types of buildings designed to reduce concentration levels of indoor air contaminants; and

(E) research initiatives to develop technology or methods for the control of indoor air contaminants.

(d) Contents of Plan.—(1) In describing specific actions to be taken under subsections (b) and (c) of this section, the Administrator shall—

(A) identify the contaminant or contaminants to be addressed by a particular action;

(B) identify the statutory basis for the action;

(C) identify the schedule and process for implementation of the action;

(D) identify the Federal agency responsible for the action; and

(E) identify the financial resources needed to implement the specific action and the source of these resources.

(e) Federal Building Response Plan.—(1) The plan provided for in subsection (a) of this section shall include a specific response plan addressing indoor air quality in Federal buildings.

(2) Federal building response plans shall provide that air quality in Federal buildings attain, to the extent practicable taking technologic feasibility into consideration, the standards established under sections 109 and 112 of the Clean Air Act (42 U.S.C. 1857 et seq.), and the contaminant concentration levels specified in section 6(b)(1)(D) of this Act.

(3) Federal building response plans provided for in paragraph (1) of this subsection shall include—

(A) a list of all Federal buildings;

(B) a description and schedule of general response actions including general management practices, product purchase guidelines, air quality problem identification practices and methods, personnel training programs, and other actions to be implemented to reduce exposures to indoor air contaminants in those buildings listed in paragraph (A);

(C) a list of individual buildings listed in paragraph (A) for which there is a reasonable likelihood that standards under section 109 or 112 of the Clean Air Act (42 U.S.C. 1857 et seq.) or a health advisory under section 6(b)(1)(D) may be exceeded;

(D) a description and schedule of specific response actions to be implemented in each specific building identified in paragraph (C) to achieve compliance with standards under section 109 or 112 of the Clean Air Act (42 U.S.C. 1857 et seq.) or a health advisory under section 6(b)(1)(D);

(E) an identification of the Federal agency responsible for funding and implementation of each response action identified in paragraphs (B) and (D); and

(F) an identification of the costs of each response action identified in paragraphs (B) and (D) and the source of these resources.

(4) The response plan provided for in subsection (e) shall address each Federal building identified in paragraph 3(A), except that the Administrator, in consultation with the Administrator of the General Services Administration, may identify specific buildings to be exempted from coverage under this subsection. Such buildings may be exempted on the grounds of

(A) national security;

(B) anticipated demolition or termination of Federal ownership within three years; and

(C) specialized use of a building which precludes necessary actions to obtain applicable standards or advisory concentration levels.

(5) Any person may petition the Administrator to include a particular building in the list provided for in paragraph 3(C) of this section. Such petition shall provide a showing that indoor air contaminants have been found, or may reasonably be expected to be found, in the building in excess of a standard established pursuant to section 109 or 112 of the Clean Air Act (42 U.S.C. 1857 et seq.) or a health advisory provided for in section 6(b)(1)(D). Within ninety days, the Administrator shall add the building to the list provided for in paragraph 3(C) or shall publish in the Federal Register the reasons for not making such additions.

(f) Schedule.—(1) The response plan provided for in subsection (a) shall be submitted to Congress within 18 months of enactment of this Act and biennially thereafter.

(g) Review.—(1) The Administrator shall provide that the response plan provided for in subsection (a) shall be published in the Federal Register for public review and comment not less than 3 months prior to submission to the Congress. The Administrator shall include in the response plan a summary of public comments.

(2) The Administrator shall provide for the review and comment on the response plan by the National Indoor Air Quality Council provided for under section 40 of this Act. The Administrator shall include in the response plan a letter and any supporting materials providing the comments of the National Indoor Air Quality Council.

### STATE AND LOCAL INDOOR AIR QUALITY PROGRAMS

Sec. 8. (a) Management and Assessment Strategy Demonstration.—(1) The Governor of a State may apply to the Administrator for grant support for demonstration of the development of a management strategy and assessment with respect to indoor air quality within such State.

(2) State indoor air quality management strategies shall—

(A) identify a lead agency and provide an institutional framework for protection of indoor air quality;

(B) identify and describe existing programs, controls or related activities concerning indoor air quality, including regulations, education programs, assessment programs, or other activities;

(C) assure coordination among Federal, State and local agencies involved in indoor air quality activities in the State; and

(D) assure coordination of indoor air quality programs with ambient air quality programs and related activities.

(3) State indoor air quality assessment programs shall—

(A) identify indoor air contaminants of concern and, to the extent practicable, assess the seriousness and the extent of indoor air contamination by contaminants listed in section 405(a) of this Act;

(B) identify the classes or types of buildings or other indoor environments in which indoor air contaminants pose the most serious threat to human health;

(C) if applicable, identify geographic areas in the State where there is a reasonable likelihood of indoor air contamination as a result of the presence of contaminants in the ambient air or the existence of sources of a contaminant;

(D) establish methods and procedures for indoor air contaminant assessment and monitoring; and

(E) provide for periodic assessments of indoor air quality and identification of indoor air quality changes and trends.

(4) States which are selected to demonstrate the development of management and assessment strategies shall provide a management strategy and assessment pursuant to subsections (2) and (3) to the Administrator within 36 months of selection and shall certify to the Administrator that the strategy and assessment meet the requirements of this Act.

(5) States shall provide for public review and comment on the management strategy and assessment prior to submission of such strategy and assessment to the Administrator.

(b) Response Programs.—(1) A Governor of a State or the executive officer of a local air pollution control agency may apply to the Administrator for grant assistance to develop a response program designed to reduce the human exposure to an indoor air contaminant or contaminants in the State or in a specific class or type of building in that State, or in a specific geographic area of that State.

(2) A response program shall—

(A) address a contaminant or contaminants listed pursuant to section 6(a) of this Act;

(B) identify existing data and information concerning the contaminant or contaminants to be addressed, the class or type of building to be addressed, and the specific geographic area to be addressed;

(C) describe and schedule the specific actions to be taken to reduce human exposure to the identified contaminant(s);

(D) identify the State or local agency or public organization which will implement the response actions;

(E) identify the Federal, State and local financial resources to be used to implement the response program; and

(F) provide for the assessment of the effectiveness of the response program.

(c) Grant Management.—(1) Grants under subsection (a)(1) of this subsection shall not be less than $75,000 for each fiscal year and shall be available to a selected State for a period not to exceed three years.

(2) In selecting States for demonstration of management strategies and assessments, the Administrator shall consider—

(A) the previous experience of the State in addressing indoor air quality issues;

(B) the seriousness of the indoor air quality issues identified by the State; and

(C) the potential for demonstration of innovative management or assessment measures which may be of use to other air pollution control agencies.

(3) Grants under subsection (b)(1) of this section shall not exceed $250,000 per fiscal year and shall be available to the State for a period of not to exceed three years.

(4) In selecting response programs developed under section (b) for grant assistance, the Administrator shall consider—

(A) the potential for the response program to bring about reductions in indoor air contamination levels;

(B) the contaminants to be addressed, giving priority to contaminants for which health advisories have been developed pursuant to section 405 of this Act;

(C) the type of building to be addressed, giving priority to building types in which substantial human exposures to indoor air contaminants occur; and

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(D) the potential for development of innovative response measures or methods which may be of use to other air pollution control agencies.

(5) The Federal share of grants under subsections (a) and (b) of this section shall not exceed 75% of the costs incurred in implementation of such activities and shall be made on the condition that the non-Federal share is provided from non-Federal funds.

(6) Funds granted pursuant to subsections (a) and (b) in a fiscal year shall remain available for obligation for the fiscal year in which obligated and for the following fiscal year.

(7) No grant shall be made under subsection (b) in any fiscal year to a State or air pollution control agency which in the preceding year received a grant under subsection (b) unless the Administrator determines that such agency satisfactorily implemented such grant activities in such preceding fiscal year.

(8) Air pollution control agencies receiving funds under subsections (a) and (b) of this section shall agree to provide such information pertaining to grant funded activities to the Administrator as he considers necessary.

### OFFICE OF INDOOR AIR QUALITY

Sec. 9. (a) Establishment of Office.—(1) The Administrator shall establish an Office of Indoor Air Quality within the Office of Air and Radiation at the Environmental Protection Agency.

(b) Responsibilities of Office.—(1) The Office of Indoor Air Quality shall—

(A) list indoor air contaminants and develop health advisories pursuant to section 6 of this Act;

(B) develop national indoor air quality response plans as provided for in section 7 of this Act:

(C) manage Federal grant assistance provided to air pollution control agencies under section 8 of this Act;

(D) assure the coordination of Federal statutes and programs administered by the Agency relating to indoor air quality and reduce duplication or inconsistencies within these programs:

(E) work with other Federal agencies to assure the effective coordination of programs related to indoor air quality; and

(F) work with public interest groups and the private sector in development of information related to indoor air quality including the health threats of human exposure to indoor air contaminants, the development of technologies and methods to control such contaminants, and the development of programs to reduce contaminant concentrations.

(c) Organization of Office.—(1) The Office of Indoor Air Quality shall—

(A) be directed by a Director who shall be a member of the Senior Executive Service;

(B) include a staff of not less than 10 full time equivalent employees; and

(C) be supported by not less than one full time equivalent employee in each Agency regional office.

### NATIONAL INDOOR AIR QUALITY COUNCIL

Sec. 10. (a) Authority.—(1) The President of the United States shall establish, within the Executive Office of the President, a National Indoor Air Quality Council.

(b) Responsibilities.—(1) The National Indoor Air Quality Council shall—

(A) provide for the full and effective coordination of Federal agency activities relating to indoor air quality;

(B) provide a forum for resolution of conflicts or inconsistencies in statutes or programs related to indoor air quality;

(C) advise the President and other members of the Executive Department on the development of indoor air quality programs and policies;

(D) review and comment on the national indoor air response program developed pursuant to section 7 of this Act;

(E) prepare a report to Congress pursuant to subsection (d) of this subsection.

(c) Organization.—(1) The National Indoor Air Quality Council shall include senior representatives of Federal Agencies involved in indoor air quality programs including—

(A) the Environmental Protection Agency, which shall chair the Council;

(B) the Department of Human Services;

(C) the Department of Labor;

(D) the Department of Housing and Urban Development;

(E) the Department of Energy;

(F) the Department of Transportation;

(G) the Consumer Product Safety Commission; and

(H) the General Services Administration.

(2) Additional members of the Council shall include a representative to be appointed by the President, a representative to be appointed by the Majority Leader of the Senate, and a representative to be appointed by the Speaker of the House. Appointed representatives shall not be employees of a Federal agency.

(3) The Council shall be served by a staff to include an Executive Director, who shall be a member of the Senior Executive Service, and not less than 3 full time equivalent employees.

(d) Report to Congress.—(1) The Council shall submit to the Congress, within 18 months of enactment and biennially thereafter, a report which shall—

(A) describe the seriousness and extent of indoor air contamination;

(E) summarize the major research issues concerning the protection of indoor air quality, describe the research accomplishments of Federal agencies over the previous two years, and provide an agenda of indoor air quality research for Federal agencies over a three year period;

(C) provide a general description of the activities to be conducted by Federal agencies to address indoor air quality problems over the following three year period; and

(D) make recommendations for any actions needed to assure the quality of indoor air, including recommendations relating to institutional structures, funding, and legislation.

(2) the Council shall provide for public review and comment on the report required by this subsection.

### FEDERAL BUILDING DEMONSTRATION PROGRAM

Sec. 11. (a) Authority.—(1) The Administrator, in consultation with the Administrator of the General Services Administration, shall conduct a program to demonstrate methods of reducing indoor air contaminant concentrations in new Federal buildings.

(b) Indoor Air Quality Reserve.—(1) The Administrator of the General Services Administration shall reserve 0.5% of any funds appropriated for construction of new Federal buildings for design and construction of measures to reduce indoor air contaminant concentrations within such buildings.

(2) Measures which may be funded with the reserve provided for in this subsection may include, but are not limited to—

(A) development and implementation of general design principles intended to avoid or prevent contamination of indoor air;

(B) design and construction of improved ventilation techniques or equipment;

(C) development of product purchasing guidelines;

(D) design and construction of contaminant detection and response systems; and

(E) development of building management guidelines and practices.

(3) Upon completion of construction of each Federal building covered by this section, the Administrator of the General Services Administration shall file with the Administrator, with the Clearinghouse established under section 12 of this Act, and with the Council established under section 10 of this Act, a report describing the uses made of the reserve provided for in this subsection. Such report shall be in sufficient detail to provide design and construction professionals with models and general plans of various indoor air contaminant reduction measures adequate to assess the appropriateness of such measures for application in other buildings.

(4) The Administrator of the General Services Administration, with the concurrence of the Administrator, may exempt a planned Federal building from the requirements of this section if he finds that such exemption is required on the grounds of national security or that the intended use of the building is not compatible with the authority of this section.

### NATIONAL INDOOR AIR QUALITY INFORMATION CLEARINGHOUSE

Sec. 12. (a) Authority.—(1) The Administrator is authorized and directed to establish a national indoor air quality clearinghouse to be used to disseminate indoor air quality information to other Federal agencies, State and local governments, and private organizations and individuals.

(2) The clearinghouse shall be a repository for reliable indoor air quality related information to be collected from and made available to government agencies and private organizations and individuals. At a minimum, the clearinghouse established by this section shall make available reports, programs, and materials developed pursuant to the requirements of this Act.

(3) The Administrator may provide for the design, development, and implementation of the clearinghouse through a contractual agreement with a nonprofit organization.

### STATE AND FEDERAL AUTHORITY

Sec. 13. (a) Nothing in this title shall be construed, interpreted, or applied to preempt, displace, or supplant any other State or Federal law, whether statutory or common or any local ordinance.

### AUTHORIZATIONS

Sec. 14. (a) Agency Authorizations.—(1) For the purpose of carrying out sections 5 and 6 of this Act there is authorized to be appropriated $25 million for each of the fiscal years ending September 30, 1988, 1989, 1990, 1991 and 1992. Of such sums appropriated, one quarter shall be reserved for implementation of section 6 of this Act and one quarter shall be reserved for implementation of section 5(c) of this Act.

(2) For the purpose of carrying out sections 7, 9, and 12 there is authorized to be appropriated $10 million for each of the fiscal years ending September 30, 1988, 1989, 1990, 1991, and 1992. Of such sums appropriated, one fifth shall be reserved for implementation of section 12.

(3) For the purpose of carrying out section 8(a) of this Act, there is authorized to be appropriated $10 million for each of the fiscal

years ending September 30, 1988, 1989, 1990, 1991, and 1992. For the purposes of carrying out section 8(b) of this Act, there is authorized to be appropriated $10 million for each of the fiscal years ending September 30, 1988, 1989, 1990, 1991, and 1992.

(b) Other Authorizations.—(1) For the purpose of carrying out section 10 of the Act there is authorized to be appropriated $3 million for each fiscal year ending September 30, 1988, 1989, 1990, 1991, and 1992.

[SUMMARY]

### Indoor Air Quality Act of 1987

The Indoor Air Quality Act of 1987 authorizes a national program to reduce the threats to human health posed by exposure to contaminants in the air indoors. The Act includes the following provisions—

Sec. 1: Title—The title of the bill and table of contents are identified.

Sec. 2: Findings—Contaminants in the air indoors pose a serious threat to human health and there is not an adequate effort by Federal and State governments to respond to this problem.

Sec. 3: Purpose—The purpose of the legislation is to establish a coordinated research program on indoor air contamination, to establish a process for directing and focusing the authorities of existing Federal statutes to reduce indoor air contamination, and to demonstrate and develop State and local responses to indoor air contamination problems.

Sec. 4: Definitions—Key terms are defined.

Sec. 5: Indoor Air Quality Research—The bill provides the EPA with general authority to conduct research of indoor air contamination and identifies specific research topics to be addressed. The bill establishes a program to demonstrate various technologies which may contribute to the reduction of indoor air contamination and provides for grant assistance to governments and others for such demonstrations.

Sec. 6: Indoor Air Contaminant Health Advisories—The bill provides that the EPA develop a list of indoor air contaminants and prepare health advisory documents for these contaminants. Health advisory documents are to identify the concentration level of a contaminant which poses a threat to human health.

Sec. 7: National Indoor Air Quality Response Plans—The EPA is to develop a national response plan identifying actions to be taken to reduce contaminants in indoor air. The response plan is to be submitted to Congress within 18 months of enactment and biennially thereafter.

The response plan is to identify and schedule actions under the authority of existing statutes, including the Clean Air Act, the Federal pesticide law, the Toxic Substances Control Act, and other statutes. The plan is also to include general information, education, and technical assistance programs to reduce indoor air contamination.

The response plan is to specifically address air quality in Federal buildings. In the case of buildings with identified indoor air quality problems, specific actions to attain applicable standards or advisory contaminant concentration levels are required.

Sec. 8: State and Local Indoor Air Quality Programs—The bill provides for the demonstration of State strategies for the management and assessment of indoor air quality. In addition, States or other air pollution control agencies may develop response programs to address a particular indoor air contaminant of concern, a particular class of buildings, or buildings in a specific geographic area. Limited Federal grant support is provided for demonstration and development of management and assessment strategies and response programs.

Sec. 9: Office of Indoor Air Quality—The bill establishes an Office of Indoor Air Quality within the EPA to manage EPA indoor air activities and to work with other Federal agencies and interested groups on indoor air issues.

Sec. 10: National Indoor Air Quality Council—The bill establishes, within the Executive Office of the President, a National Indoor Air Quality Council to coordinate indoor activities of Federal agencies. The Council is to consist of representatives of Federal agencies and other groups.

Sec. 11: Federal Building Demonstration Program—The EPA, in consultation with the General Services Administration, is to conduct a program to demonstrate methods of reducing indoor air contamination in new Federal buildings. One half of one percent of funds appropriated for construction of such buildings are to be reserved for demonstration of indoor air quality technologies and building management methods.

Sec. 12: National Indoor Air Quality Information Clearinghouse—The EPA is to establish a national clearinghouse of information related to indoor air quality and may provide for the operation of the clearinghouse on an contractual basis by a nonprofit organization.

Sec. 13: State and Federal Authority—Nothing in this title shall preempt any State or Federal law or local ordinance.

Sec. 14: Authorizations—The bill authorizes the following appropriations for each fiscal year from 1988 to 1992:

Research and health advisories: $25 million (Of such sums appropriated, one quarter is reserved for health advisories and one quarter reserved for demonstration grants.)

EPA operations: $10 million (Of such sums appropriated, one fifth is reserved for the information clearinghouse.)

State management and assessment grants: $10 million.

State response program grants: $10 million.

National Indoor Air Quality Council: $3 million.

Mr. CHAFEE, Mr. President, today I join with Senators **Mitchell**, **Durenberger**, and **Baucus** in introducing legislation to address the serious health threats posed by contaminants in the air indoors.

Over the last decade we have made considerable progress in abating some of the most harmful pollutants of our outdoor environment. Emissions from cars are no longer as injurious to the air quality, and leaded gasoline, known to cause health effects in children, is being phased out. Once unsightly rivers are now returning to a state where they are fishable and swimmable.

Yet for all this progress, we have not turned our attention to the environment where Americans spend an average of 90 percent of their time: indoors. Much is known about the effects of some indoor contaminants, such as radon, asbestos and tobacco smoke. However, there are several other contaminants prevalent in the indoor environment about which very little is known. These include formaldehyde, volatile organic chemicals, combustion byproducts and respirable particles. There is a great likelihood that these pollutants pose a serious threat to public health.

At a hearing on the health effects of indoor air pollution before the Environmental Protection Subcommittee of the Committee on Environment and Public Works, it became painfully clear that there is not an adequate effect by Federal agencies or State to conduct research on indoor air contaminants. The legislation we are introducing today will direct the various agencies responsible for indoor air quality to coordinate their response plans to address these contaminants. The bill will place the Environmental Protection Agency squarely in the lead in developing the Federal response to indoor air contamination.

I would like to make it clear that this legislation does not place the Federal Government in the living rooms of Americans. The bill does not provide authority to "regulate" indoor air contaminants, but rather takes an informational approach. The bill instructs EPA to develop "health advisories" which would indicate the health risks at various concentration levels, and inform homeowners of ways to reduce and minimize the risk from various contaminants.

The primary purpose of the bill, however, is to establish a coordinated research program on indoor air contamination. In addition, the bill will instruct EPA to assist States in developing strategies for the management and assessment of indoor air quality. This legislation will establish a national indoor air quality council, within the Executive Office of the President, to coordinate indoor air activities of Federal agencies.

Mr. President, this legislation is long overdue. Americans need to know how to insure that the quality of the air inside their home is healthy. This bill takes a giant step toward addressing the health threat posed by contaminants of the air indoors. I urge my colleagues to join with us in supporting this important legislation.

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By Mr. HEFLIN (for himself, Mr. **Grassley**, and Mr. **DeConcini**):

S. 1630. A bill to provide for retirement and survivors' annuities for bankruptcy judges and magistrates, and for other purposes; to the Committee on the Judiciary.

### RETIREMENT AND SURVIVOR ANNUITIES FOR BANKRUPTCY JUDGES AND MAGISTRATES ACT

● Mr. HEFLIN. Mr. President, I am pleased today to introduce the Retirement and Survivor Annuities for Bankruptcyy Judges and Magistrates Act of 1987 and to be joined in this effort by Senator **Grassley**, the ranking member of the Courts and Administrative Practice Subcommittee, and Senator **DeConcini**. This legislation will provide a retirement system for magistrates and bankruptcy judges comparable to the retirement system for territorial judges.

The responsibilities assigned to magistrates and bankruptcy judges, while of different character, are of equal importance. While bankruptcy judges are charged with deciding the rights of debtors and creditors, magistrates who serve as full time judicial officers may now try any civil case as long as the parties give their voluntary consent and the district court approves. For the position of both bankruptcy judges and magistrates, a very high caliber of legal talent is needed. Unfortunately, the level of compensation for these judicial officers and the retirement system for these judicial officers has not kept pace with the expansion of their responsibilities.

Since the U.S. Magistrate System was created in 1968 to replace the U.S. Commissioner System, the powers of district courts to assign matters to magistrates have been expanded. District courts have been given the power to assign duties to magistrates that are not inconsistent with the Constitution and laws of the United States. The misdemeanor jurisdiction of magistrates has expanded to include all Federal misdemeanors regardless of the amount of the fine.

In 1984 in response to the Supreme Court decision in *Northern Pipeline Construction* Co. v. *Marathon*, 458 U.S. 50 (1982), Congress enacted the Bankruptcy Amendments and Federal Judgeship Act of 1984, Public Law 98-353. As a result of this legislation, bankruptcy judges were made adjuncts of the district court. Last Congress we passed legislation which authorized 52 bankruptcy judges which increases the number of bankruptcy judges by 25 percent. However, this increase in the number of judges in no way parallels the rising increase in the caseload of the bankruptcy courts.

An article in the Wall Street Journal—Tuesday, December 9, 1986—indicates that a decade ago the bankruptcy courts were handling fewer than 200,000 new filings a year. In 1986, the caseload of the bankruptcy courts increased to over 700,000 separate filings. A record 76,281 businesses filed for bankruptcy during 1986. This is more than double the number of business bankruptcies in 1980 and nearly five times the number in 1970. These cases demand not only time, but individual sacrifices on the part of bankruptcy judges to give each party, both creditor and debtor, a fair and judicious hearing.

In attempting to attract individuals to serve as bankruptcy judges and magistrates, it is becoming increasingly difficult not only to attract capable individuals, but to retain those individuals. Congress recently enacted the Magistrates' Retirement Parity Act—P.L. 100-53—but this legislation only makes the retirement system for magistrates equal to that of bankruptcy judges. The current system for both groups is still inadequate.

This legislation would provide for retirement at age 65 on full salary if the bankruptcy judge or magistrate had served 14 years. The system would be a noncontributory retirement system in which a bankruptcy judge or magistrate with 8 or more years of service would receive a pension at age 65 based on the percentage that his or her years of service was of 14 years. Bankruptcy judges currently serve 14-year terms. Full-time magistrates serve for 8-year terms. The pension would cap at 14 years of service at which time the retiree would be eligible for a pension receivable at age 65 equal to the salary of the office at the time the person leaves office. There is a provision allowing for cost-of-living increases, but there is also a provision which limits this amount so as not to exceed the salary of active magistrates and bankruptcy judges.

This legislation would also include spouses and dependents of bankruptcy judges and magistrates within the judicial survivor annuities program which was enacted in the last Congress for article III judges. Judges choosing to participate in the survivors annuity program would do so on a contributory basis.

Currently, bankruptcy judges are in a contributory retirement system similar to that of Members of Congress. They contribute 8 percent of their salary and their pension is computed by multiplying their years of eligible service times 2.5 percent. They can retire at age 62 with 5 years of service or at age 60 with 10 years of service.

I urge my colleagues to study this legislation carefully. As chairman of the Subcommittee on Courts and Administrative Practice, I believe that we need to take a careful and comprehensive look at this issue. I pledge my efforts to work to enact legislation which will acknowledge the tremendous contribution these individuals make to our judicial system.●

● Mr. GRASSLEY, Mr. President, I am happy to sponsor this legislation with Senator **Heflin**, to make badly needed improvements in the retirement system for bankruptcy judges and magistrates.

This bill addresses the current disparity in retirement benefits between bankruptcy judges and magistrates, and other Federal judges. The bill provides for a new retirement system and survivors' benefits based on the system already in place for territorial judges. The bill recognizes that bankruptcy judges and magistrates, each with fixed terms of office, may have limited years of Federal service compared with articles III judges.

Accordingly, the bill provides for retirement at age 65 on the full salary being paid at the time a retiree left office if 14 years of service as a bankruptcy judge or magistrate had been completed. The bill also provides for reduced retirement benefits for those judicial officers who have served at least 8 years but less than 14. Such benefits would be based on the percentage of the years of service compared to 14 years.

Mr. President, we need to enhance the retirement system for bankruptcy judges and magistrates. Current laws acts as a powerful disincentive to the recruitment and retention of qualified judges and magistrates. In fact, since 1980, more than 160 bankruptcy judges have left the bench. Many have gone on to lucrative private law practice.

Since 1985 alone, nearly one-third of our 232 bankruptcy judges have resigned or retired. To give some context to this statistic, only 7 percent of district and appeals court judges have resigned or taken senior status during this same period.

In large measure, these judges have left the bench because of an inadequate retirement and salary policy.

Mr. President, although we often fail to realize it, I think it's fair to say that no Federal court touches the Nation more than our bankruptcy courts. Its caseload, already the largest of any Federal court, recently surged past 725,000—more than double the size of 6 years ago. By one estimate, the court's reach extends to more than $100 billion in corporate and individual assets and 35 million creditors. More and more, bankruptcy courts are forced to make tough choices on the survival of entire industries. As examples, I cite the recent enactment of the family farmer bankruptcy law, which I supported, and the 1984 law permitting court modification of collective bargaining agreements. So I appreciate the importance of the bankruptcy courts and the critical role they play in our legal system.

As we all know, the 99th Congress authorized the creation of 52 additional and badly needed, bankruptcy judgeships. In this Congress, we have provided funding for these judgeships in the supplemental appropriations bill. But without a sufficient salary and benefits package to offer these applicants, some courts of appeal are reporting difficulty attracting qualified candidates.

While this bill does not address the level of bankruptcy judges' salaries—currently at only 81 percent of District Court judges salaries—it does make badly needed improvements in the retirement system for these judges and for magistrates. I urge my colleagues to support the bill.●

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By Mrs. KASSEBAUM:

S. 1631. A bill to assure additional protection in connection with the transportation of radioactive materials; to the Committee on Commerce, Science, and Transportation.

### RADIOACTIVE MATERIALS TRANSPORTATION ACT

● Mrs. KASSEBAUM. Mr. President, the disposal of nuclear waste materials is a difficult and emotional issue that defies easy answers. In the daily transportation of nuclear waste across our Nation's highways and railways is the potential for unspeakable disaster.

There is no doubt that shipments of both high-level and low-level nuclear waste will significantly increase in the next 10 years. I am deeply concerned that the Department of Transportation does not possess the resources it needs to ensure that nuclear wastes are transported as safely as possible. Therefore, I am introducing legislation which will mandate the hiring of additional safety inspectors in the DOT.

The legislation is simple. It authorizes such funds as may be necessary for the hiring of 20 additional inspectors who are specialists in nuclear matters. One would be allocated to the Research and Special Programs Administration, which has authority for implementing the Hazardous Materials Transportation Act of 1974, five to the Federal Railroad Administration, and five would be allocated to Federal Highway Administration. The remaining inspectors would be allocated among the aforementioned Administrations at the discretion of the Secretary.

There are about 2.8 million shipments of low-level waste and 1,400 high-level nuclear shipments per year. This number will increase as sites are chosen for both high- and low-level nuclear waste disposal. It is my feeling that preventative actions need be taken which will preclude any disaster or accident. By bolstering the ranks of inspectors who license commercial drivers, who inspect tracks, major signals, and the containment casks, and who determine routes, we ensure that safety standards are enforced and maintained.

My home State of Kansas is a favorite corridor for shipment of both types of nuclear waste. Additionally, the State entered the Central States Compact after enactment of the Low-Level Radioactive Waste Policy Act in 1980. Consequently, Kansas is now facing the very real possibility of housing low-level nuclear waste generated by other members of the compact. Needless to say, Kansans are very concerned. Better emergency response programs and improved inspection programs must be increased and made available to all States, and safety must be made priority No. 1.

Mr. President, I know many Senators have expressed a good deal of concern about this issue. The Commerce Committee has been working diligently on the safe transportation of nuclear materials. I would hope that this legislation could be considered in the course of this ongoing dialogue and I ask that a copy of the legislation be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1831

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

Section 1. This act may be cited as the "Radioactive Materials Transportation Act of 1987".

### FINDINGS

Sec. 2. The Congress finds and declares that—

(1) the Department of Transportation's radioactive materials transportation program affecting both low-level and high-level radioactive materials must be improved and strengthened;

(2) the Federal Highway Administration, Federal Railroad Administration, and the Research and Special Programs Administration within the Department of Transportation must be authorized an adequate number of inspectors to ensure and promote compliance with existing federal safety regulations affecting the transportation of radioactive materials; and

(3) for those persons violating existing federal safety regulations, the Secretary of Transportation should impose meaningful and substantive penalties.

### ADDITIONAL SAFETY INSPECTORS

Sec. 3. (a) The Secretary of Transportation, in fiscal year 1988, shall employ and maintain thereafter an additional 20 safety inspectors above the number of safety inspectors authorized for fiscal year 1988, in the aggregate, for the Federal Railroad Administration, Federal Highway Administration, and the Research and Special Programs Administration. The Secretary shall take such action as may be necessary to assure that the additional inspectors authorized by this act shall, to the extent possible, focus their activities on the promotion of radioactive materials transportation safety, including, but not limited to,

(1) licensing of drivers and operating practices of engineers;

(2) ensuring that tracks and major signals along routes are inspected at least once each 12-month period;

(3) inspecting every high-level nuclear truck and rail shipment at the point of origin; and

(4) inspecting, to the maximum extent possible, low-level nuclear shipments.

(b) In carrying out their duty under this act, inspectors authorized by this act shall, to the maximum extent possible, conduct such duty in cooperation with safety inspectors of the Nuclear Regulatory Commission and appropriate state and local governmental officials.

(c) Of the 20 inspectors authorized by subsection (a), not less than one shall be allocated to the Research and Special Programs Administration, not less than five shall be allocated to the Federal Railroad Administration, not less than five shall be allocated to the Federal Highway Administration, and the remaining inspectors shall be allocated, at the discretion of the Secretary, among the aforementioned administrations.

### PENALTIES

Sec. 4. Subsection (a) of section 110 of the Hazardous Materials Transportation Act is amended (1) by deleting "knowingly" each place it appears therein; and (2) by adding at the end thereof the following: "The amount of the civil penalty imposed under this subsection for the violation of a provision of this act or a regulation shall not be less than $500 for each such violation."

### AUTHORIZATION OF APPROPRIATIONS

Sec. 5. There are authorized to be appropriated such sums as may be necessary to carry out this act.●

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By Mr. GORE:

S. 1633. A bill to amend the Public Health Service Act to revise and extend the program of assistance to organ procurement organizations, and for other purposes; to the Committee on Labor and Human Resources.

### ORGAN TRANSPLANT AMENDMENTS ACT

● Mr. GORE. Mr. President, today I am introducing legislation to reauthorize key provisions of the National Organ Transplant Act.

In 1984, Congress passed the act to help those whose lives depend on whether or not a donor can be found in time.

We have made progress. Since 1983, when we began taking steps to improve the donor system, the number of transplants performed has risen dramatically. From 1983 through 1986, the number of heart transplants jumped from 172 to 1,364, liver transplants went from 164 to 924, and kidney transplants increased from 6,000 to 8,500.

But there is still much to do. Waiting lists are still long, and many die each year waiting for a donor, while studies show a potential for approximately 20,000 organ donors per year.

The bill I am introducing today renews our commitment to help. It will continue Federal efforts to strengthen local organ retrieval, and coordinate the various Federal endeavors in organ procurement and transplantation, for another 3 years.

By now, the need for a strong national transplant policy should be clear. Years of public appeals, illustrated by such well-known cases as Baby Jesse, Alex Girard, and Ronnie DeSillers, have convinced most Americans that the old system was not fair.

The foundation for a new, more equitable system based on medical need was put in place with the 1984 law. Last October, Congress built on that foundation by passing transplant amendments as part of the reconciliation bill. The amendments set a deadline of October 1, 1987, for a fully operational national organ procurement and distribution system. This bill

will assure a continued smooth transition between the old and new systems.

Mr. President, 4 years ago we decided to stop forcing families to leave the bedside of a dying loved one in order to go out and drum up media exposure. I believe we are finally getting in sight of that goal. This bill will bring us another important step closer.

I urge support for this legislation.●

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By Mr. DURENBERGER (for himself and Mr. Quayle):

S. 1634. A bill to provide allotments to States to support the development of qualified risk pools to provide health insurance for medically uninsurable individuals; to the Committee on Labor and Human Resources.

### ACCESS TO HEALTH INSURANCE FOR MEDICALLY UNINSURABLE INDIVIDUALS ACT

● Mr. DURENBERGER. Mr. President, I am happy to introduce today the Access to Insurance for the Medically Uninsurable Act of 1987. This act is designed to encourage the provision of insurance coverage for a significant number of persons who have been denied the opportunity to purchase health insurance due to preexisting health conditions or have been offered insurance policies with extremely high premiums.

Mr. President, medically uninsurables include people with both chronic and acute health problems. Statistics are not available on how many people are presently uninsurable for health reasons. However, advances in medical technology have increased the number of people who are surviving various cancers and chronic diseases. Improved diagnostic tests make it easier to identify diseases at earlier stages, so the number of medically uninsurable people is considered by many to be increasing. The problem is serious enough that 14 States have already chosen to assist their uninsurable citizens by setting up insurance pools and many more are considering this option.

Premiums cover the majority of claims paid by the pool. Premiums are high but they would even be higher in the absence of State imposed limits that cap premiums at no more than a fixed percentage—usually 125 percent to 150 percent—of the standard individual premium in the State. In practice, however, premiums are generally insufficient because of the poor health status of the insured individuals. Accordingly, the losses incurred are compensated by a variety of means. For example, in Illinois, the difference between claims payments and premiums is made up by the State through broad-based revenues. The program called the comprehensive health insurance plan will be operative on January 1, 1988. In other instances, a contribution is levied on all health insurance companies doing business in the State. One organization is selected to administer the plan under the guidelines for benefits, premiums, deductibles as set forth in the State law. The health plan awarded the contract then offers policies to individuals or families who are not part of a covered employee group and have been unable to obtain conventional health insurance coverage as individuals.

The program in Minnesota is one of the oldest in the Nation and covers over 10,000 people. The policy provided by the pool for a person aged 60 to 64 years with a $1,000 deductible costs the individual $1,200 per year in premiums. Obviously, this alternative is not for everyone but it surely has made the difference for many Minnesotans. It may also serve some different people each year as they change jobs and gain access to group insurance.

I believe that in some instances insurance pools are an appropriate State option for addressing the needs of high risk individuals. Whether it is the best solution, however, and how it should be financed, designed, and subsidized, depend entirely on local conditions. The role of the Federal Government should be to encourage the establishment of such pooling mechanisms through Federal grants to study and develop the pools, and promote initiatives for the utilization of State and private sector resources.

One obstacle to States forming pools is the lack of a consensus and public understanding of the need for a broad base to finance pool losses. It is for this reason that I am including in the bill an appropriation of $10 million to be allocated among States based on their proportionate share of the national population. No State share may be less than one-half of 1 percent nor more than 3 percent of the total amount appropriated including the District of Columbia and Puerto Rico. For those States that already have satisfactory pools, the funds maybe used to develop methods to address the problem of other individuals who do not have access to affordable insurance.

The final provision of this bill would require the Department of Health and Human Services to make a study due within 12 months of enactment that will include an assessment of whether or not other programs for the medically uninsurable are being set up rapidly enough and whether or not further legislation is needed to enable or facilitate risk pools. In particular, the study should also consider whether or not a Federal residual pool might be needed or desirable.

Mr. President, this bill is part of a process I began last year with the introduction of S. 2403, a bill intended to amend the Internal Revenue Code of 1954 to assure access to health insurance. That bill included five provisions designed to make private health insurance more readily available to many of those now uninsured: Extension of employment-based health insurance coverage for laid-off workers and their dependents; establishment of subsidized health insurance pools; requirement that States establish programs to provide health plan coverage for the uninsured and underinsured or establish mechanisms to fund hospital uncompensated care; tax deduction for health benefits to encourage individuals to offer health insurance to employees; and studies and demonstrations of methods to reduce the cost of health coverage to small business and the self-employed.

I introduced this bill to start a dialog with people on health insurance and the response was overwhelming. A significant number felt that medically uninsurable people have long been neglected. This problem has to be addressed now. Mr. President, this bill represents a vital next step in the process to provide access for all medically uninsurable Americans to private health coverage. Gaps will remain even after this measure is passed but the bill keeps Congress moving in the right direction. It provides a framework for new Federal initiatives and reforms of the existing Federal role in assuring access to health care. Much more work will need to be done at both the State and Federal level to solve this problem. Many States have already taken the initiative and established some type of plan for providing coverage to those currently without health insurance.

Mr. President, I ask unanimous consent that the text of the bill and the attached summary of its key features be printed in the Record.

There being no objection, the bill was/were to be printed in the Record, as follows:

S. 1634

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Access to Health Insurance for Medically Uninsurable Individuals Act of 1987".

### FINDINGS

Sec. 2. The Congress finds that—

(1) there are a significant number of individuals who have been denied health insurance due to poor health or who have been offered insurance policies with extremely high premiums or with restrictive exclusions for pre-existing conditions;

(2) the lack of access to insurance for such individuals violates the principle that everyone should have the opportunity to purchase health insurance and the principle that consumers should be able to choose private health insurance coverage in the local health marketplace;

(3) in response to this problem, 14 States have enacted laws creating risk pools for medically uninsurable individuals, including Connecticut, Florida, Indiana, North Dakota, Minnesota, Wisconsin, Nebraska, Montana, Tennessee, Iowa, Illinois, New Mexico, Washington, and Maine;

(4) similar legislation has been introduced in 10 other States this year, including New York, Ohio, Oregon, South Carolina, Texas, Vermont, West Virginia, California, Mississippi, and South Dakota;

(5) in the United States, the number of uninsured individuals has recently grown from approximately 33,000,000 individuals to 37,100,000 individuals, and—

(A) more than two-thirds of those without health insurance are employed or the dependents of individuals who are employed;

(B) some of the uninsured are self-employed, some work for small employers who find it difficult to finance health insurance for their employees, and some work in occupations that are seasonal or transient and offer no benefits; and

(C) many of the uninsured are children; and

(6) some of the uninsured do not seek health care because they cannot afford to pay for it, and others are turned away because they lack insurance.

### PURPOSE

Sec. 3. It is the purpose of this Act to provide assistance to States—

(1) for the development and operation of qualified risk pools to provide health insurance for medically uninsurable individuals; or

(2) in the case of States in which such risk pools exist, for the development of methods to address the problem of other individuals who do not have access to affordable insurance.

### DEFINITIONS

Sec. 4. For purposes of this Act:

(1) The term "medically uninsurable individual" means an individual—

(A) who is a resident of a State;

(B) who does not have health insurance coverage on the date on which the individual applies for health insurance coverage under a qualified risk pool in the State; and

(C) who has received—

(i) a notice of rejection by one or more insurers for coverage substantially similar to the coverage offered by the qualified risk pool in the State, without material underwriting restriction;

(ii) a notice of health insurance benefit reduction or limitation that substantially reduces benefits compared to benefits available to others, such as a rider that excludes or modifies benefits for a condition for a period which exceeds 6 months; or

(iii) a notice of increase in premium for medical reasons for substantially similar health coverage either applied for or in force that exceeds the premium rate for coverage provided by the qualified risk pool in the State.

(2) The term "qualified risk pool" means any organization that—

(A) is a nonprofit corporation established pursuant to and regulated by State law;

(B) has a membership that may include—

(i) insurers writing expense-incurred health insurance;

(ii) hospital and medical service plan corporations;

(iii) health maintenance organizations; and

(iv) employers;

(C) makes available (without regard to health conditions) to all medically uninsurable individuals in a State, levels of health insurance typical of the levels of coverage provided in the State, except that—

(i) the amount of annual out-of-pocket expenses for covered services shall be limited to $2,000 for individual coverage and $4,000 for family coverage;

(ii) any such level of insurance may not establish a lifetime benefit limit for any individual of less than $250,000;

(iii) subject to cause, such insurance may provide for a choice of deductibles but not to exceed $1,000 for each covered individual; and

(iv) such insurance may deny coverage for covered services for preexisting conditions for a period not to exceed 6 months;

(D) charges a pool premium rate that does not exceed 150 percent of the average premium rates for individual standard risks in the State for comparable coverage; and

(E) finances losses of the pool through revenue sources as broad-based as possible that are determined pursuant to State law.

(3) The term "Secretary" means the Secretary of Health and Human Services.

### AUTHORIZATION OF APPROPRIATIONS

Sec. 5. For the purpose of allotments to States to carry out the activities described in section 8, there are authorized to be appropriated $10,000,000 for fiscal year 1988 and each of the 2 succeeding fiscal years.

### ALLOTMENTS

Sec. 6. (a) From the total amount appropriated under section 5 for a fiscal year, the Secretary shall allot to each State for such fiscal year an amount that bears the same ratio to such appropriated amount as the population of the State bears to the population of all States, except as provided in subsections (b) and (c).

(b) Notwithstanding subsection (a), the allotment of each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands under this section for a fiscal year—

(1) shall not be less than one-half of one percent of the total amount appropriated under section 5 for such fiscal year; and

(2) shall not be more than 3 percent of the total amount appropriated under such section for such fiscal year.

(c) To the extent that all the funds appropriated under section 5 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

(1) one or more States have not submitted an application or description of activities in accordance with section 9 for such fiscal year;

(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

(3) some State allotments are offset or repaid under section 10(b)(3);

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

### PAYMENTS UNDER ALLOTMENTS TO STATES

Sec. 7. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 6 from amounts appropriated for that fiscal year.

(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

(c) The Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

(1) the fair market value of any supplies or equipment furnished the State under this Act; and

(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Federal government when detailed to the State and the amount of any other costs incurred in connection with the detail of such officer or employee;

if the furnishing of supplies or equipment or the detail of an officer or employee is for the convenience of and at the request of the State and for the purpose of conducting activities described in section 8. The amount by which any payment is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based. The amount shall be deemed to be part of the payment and paid to the State.

### USE OF ALLOTMENTS

Sec. 8. (a) Except as provided in subsection (b), amounts paid to a State under section 7 shall be used by the State to develop and operate qualified risk pools to provide health insurance for medically uninsurable individuals.

(b) If the Secretary determines a qualified risk pool exists in a State during a fiscal year for which the State receives an allotment under section 6, the State may use any amount paid to the State under section 7 for such fiscal year to develop methods to provide affordable private health insurance to individuals who do not have access to such insurance.

(c) The Secretary may provide technical assistance to States in planning and operating activities to be carried out under this Act.

(d) Not more than 10 percent of the total amount paid to a State under section 7 for a fiscal year may be used for administering the funds made available under section 7. The State shall pay from non-Federal sources the remaining costs of administering such funds.

### APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

Sec. 9. (a)(1) In order to receive an allotment for a fiscal year under section 6 each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.

(2) Each application required under paragraph (1) for an allotment under section 6 for a fiscal year shall contain assurances that the State will meet the requirements of subsection (b).

(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—

(1) certify that the State agrees to use the funds allotted to the State under section 6 in accordance with this Act; and

(2) certify that the State agrees that Federal funds made available under section 7 for any period will be used to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under such section and will in no event supplant such State, local, and other non-Federal funds; and

(3) provide such other certifications and assurances as the Secretary may require.

(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 6 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities carried out by the State under this Act, and any revision shall be subject to the requirements of the preceding sentence.

### REPORTS AND AUDITS

Sec. 10. (a)(1) Each State shall prepare and submit to the Secretary annual reports on its activities under this Act. Such reports shall be in such form and contain such information as the Secretary determines (after consultation with the States and the Comptroller General) to be necessary (A) to determine whether funds were expended in accordance with this Act, (B) to secure a description of the activities of the State under this Act, and (C) to secure a record of the purposes for which funds were spent, of the recipients of such funds, and of the progress made toward achieving the purposes for which the funds were provided. Copies of the report shall be provided, on request, to any interested person (including any public agency).

(2) In determining the information that States must include in the report required by this subsection, the Secretary may not establish reporting requirements that are burdensome.

(b)(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of and accounting for Federal funds paid to the State under section 7.

(2) Each State shall provide for one of the following:

(A) A financial and compliance audit of the funds provided the State under section 7. Such audits shall be performed biennially, shall cover expenditures in each fiscal year, and shall be conducted in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, activities, and functions.

(B) A single financial and compliance audit of each entity administering funds provided under section 7. An audit of such an entity shall be conducted biennially, shall cover expenditures in each fiscal year, and shall be conducted in accordance with standards of the Comptroller General referred to in subparagraph (A).

Within 30 days after completion of an audit under subparagraph (A) or (B), a copy of the audit report shall be transmitted to the State legislature and the Secretary and shall be made available for public inspection. For purposes of subparagraphs (A) and (B), the term "financial and compliance audit" means an audit to determine whether the financial statements of an audited entity present fairly the financial position and the results of financial operations in accordance with generally accepted accounting principles, and whether the entity has complied with laws and regulations that may have a material effect upon the financial statements.

(3) Each State shall, after being provided by the Secretary with adequate notice and opportunity for a hearing within the affected State, repay to the United States amounts found not to have been expended in accordance with this Act or the certification provided under section 8. If such repayment is not made, the Secretary shall, after providing the State with adequate notice and opportunity for a hearing, offset such amounts against the amount of any allotment to which the State is or may become entitled under section 6.

(4) The State shall make copies of the reports and audits required by this section available for public inspection within the State.

(5) The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of grants under this Act in order to assure that expenditures are consistent with this Act.

### WITHHOLDING

Sec. 11. (a)(1) The Secretary shall, after adequate notice and an opportunity for a hearing conducted within the affected State, withhold funds from any State that does not use its allotment in accordance with this Act or the certification provided under section 8. The Secretary shall withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.

(2) The Secretary may not institute proceedings to withhold funds under paragraph (1) unless the Secretary has conducted an investigation concerning whether the State has used its allotment in accordance with this Act or the certification provided under section 8. Investigations required by this paragraph shall be conducted within the affected State by qualified investigators.

(3) The Secretary shall respond in an expeditious manner to complaints of a substantial or serious nature that a State has failed to use funds in accordance with this Act or the certification provided under section 8.

(4) The Secretary may not withhold funds under paragraph (1) from a State for a minor failure to comply with this Act or the certification provided under section 8.

(b)(1) The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this Act in order to evaluate compliance with this Act and the certification provided under section 8.

(2) The Comptroller General of the United States may conduct investigations of the use of funds received under this Act by a State in order to insure compliance with this Act and the certification provided under section 8.

(c) Each State, and each entity that has received funds from an allotment made to a State under this Act, shall make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity on a reasonable request therefor.

(d)(1) In conducting any investigation in a State, the Secretary or the Comptroller General of the United States may not make a request for any information not readily available to such State or an entity that has received funds from an allotment made to the State under this Act or make an unreasonable request for information to be compiled, collected, or transmitted in any form not readily available.

(2) Paragraph (1) does not apply to the collection, compilation, or transmittal of data in the course of a judicial proceeding.

### NONDISCRIMINATION

Sec. 12. (a)(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), on the basis of handicap under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), on the basis of sex under title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), programs and activities funded in whole or in part with funds made available under this Act are considered to be programs and activities receiving Federal financial assistance.

(2) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this Act.

(b) Whenever the Secretary finds that a State, or an entity that has received a payment from an allotment to a State under section 6, has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), the Secretary shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973, as may be applicable; or

(3) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever the Attorney General has reason to believe that a State or an entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

### CRIMINAL PENALTY FOR FALSE STATEMENTS

Sec. 13. Whoever—

(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payment may be made by a State from funds allotted to the State under this Act; or

(2) having knowledge of the occurrence of any event affecting the initial or continued right of the person to any such payment conceals or fails to disclose such event with an intent fraudulently to secure such payment either in a greater amount than is due or when no such payment is authorized;

shall be fined not more than $25,000 or imprisoned for not more than 5 years, or both.

### REPORT TO CONGRESS

SEC. 14. By October 1, 1989, the Secretary shall prepare and transmit to Congress a report—

(1) describing the activities conducted by States with allotments under this Act;

(2) assessing the efficacy of qualified risk pools established under this Act; and

(3) containing such recommendations for legislation as the Secretary considers appropriate to facilitate the provision of health insurance for medically uninsurable individuals.

### EFFECTIVE DATE

SEC. 15. This Act shall become effective on October 1, 1987.

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### PRINCIPAL FEATURES OF S. 1634

1. The bill appropriates $10 million for fiscal year 1989 and each of the two succeeding fiscal years to provide assistance to states for the development and operation of qualified risk pools for medically uninsurable individuals or, in the case of states in which such risk pools exist, for the development of methods to address the problem of individuals who do not have access affordable insurance.

2. The allotment of each state shall be based on their proportionate share of the national population. No state share may be less than one-half of one percent nor more than three percent of the total amount appropriated including the District of Columbia, and the Commonwealth of Puerto Rico.

3. The members of the qualified risk pools can be insurers writing expense incurred health insurance; hospital and medical service plan corporations; health maintenance organizations; and employers and other health financing entities.

4. Qualified pools charge a premium rate not to exceed 150% of average premium rates for individual standard risks in the State.

5. The losses of the pool will be financed through revenues determined by relevant state law.●

● **Mr. QUAYLE.** Mr President, I am pleased to join my distinguished colleague, Senator DURENBERGER, in introducing the Access to Health Insurance for Medically Uninsurable Individuals Act of 1987.

The purpose of this legislation is to alleviate some of the difficulties many individuals have in obtaining affordable health insurance for reasons of poor health or who have only been offered insurance policies with extremely high premiums or with restrictive exclusions for preexisting conditions.

Fourteen States, including my home State of Indiana, have addressed this problem by setting up risk pools for the medically uninsurable. For example, the risk pool in Indiana has been in existence since 1982. To date, it has provided insurance coverage to over 3,000 individuals.

The basic design of a risk pool is to guarantee availability of adequate health insurance to all individuals, regardless of their physical condition. While the operation of pools vary from State to State, there is a basic pattern. The State generally forms an association of all health insurance companies doing business in the State. An organization is selected to administer the plan under the guidelines for benefits, premiums, and deductibles as set forth in the State law. Individuals are then able to purchase insurance from the plan.

This bill would encourage other States to begin to address the problems of the uninsurable population by establishing a grant program for States that want to use the funds to develop and set up risk pools for individuals who are unable to obtain health insurance because of their medical condition.

For those States which already have a risk pool, the bill would permit the funds to be used for the development of . methods to provide affordable health insurance to other individuals who do not have access to it. The bill would authorize this program at $10 million for each of the next 3 fiscal years.

While this proposal would by no means provide a solution to the overall problem of the uninsured, it would provide a solution for a discrete clearly identified segment of the uninsured. I urge my colleagues to join me in supporting this legislation.●

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By Mr. PRYOR (for himself and Mr. MELCHER):

S. 1635. A bill to amend title XVI of the Social Security Act to increase the effectiveness and improve the administration of the SSI Program, and for other purposes; to the Committee on Finance.

### SSI IMPROVEMENT AMENDMENTS

**Mr. PRYOR.** Mr. President, today, along with Senator MELCHER, the distinguished chairman of the Senate Special Committee on Aging, I am introducing legislation which would make a number of improvements in the Supplemental Security Income [SSI] Program, as well as provide for the continuation of Medicaid benefits to former SSI beneficiaries under special circumstances. The bill attempts to address some of the more glaring inequities in the SSI and Medicaid Programs, as well as correct some of the more troublesome "glitches" in these programs which can have a profoundly negative impact on some of our most vulnerable and needy citizens.

The Supplemental Security Income Program was established in 1972 to consolidate and federalize assistance programs to the elderly poor, blind, and permanently and totally disabled. The SSI Program has strict eligibility standards related to income and assets, and the program's benefit structure places considerable restrictions in circumstances where a beneficiary receives other income or in-kind benefits. In recent years there has been much discussion of ways to ease management difficulties and to provide for more compassionate consideration of beneficiaries with respect to eligibility and benefits. Some of my colleagues have worked to correct some of the most serious problems in these areas; the legislation being introduced today would continue these efforts.

Among the provisions included in the legislation is an increase to $35 in the monthly personal needs allowance [PNA] for SSI and Medicaid beneficiaries who are residents of health care facilities. Since 1974 when the PNA was instituted the monthly benefit has remained $25; after 13 years inflation has greatly eroded the value of this benefit, yet we still expect it to cover the costs of personal items for these institutionalized individuals—including the cost of phone calls, laundry services, shampoo and shaving needs, prescriptions not covered by the Medicaid Program, eyeglasses, clothing, newspapers, and the like. This modest $10 increase—coupled with an annual cost-of-living adjustment—is long overdue. The legislation requires all States currently providing payment in addition to the basic PNA to pass through this amount to residents. On a related matter, it is my hope that at some time in the near future we will be able to approve legislation which would protect the personal needs allowance from being spent for items which should rightly be provided by the facility under the Medicaid Program.

Among its many other provisions, the legislation seeks to:

Extend Medicaid coverage to those individuals who, at age 60, lose SSI eligibility because of their eligibility for Social Security early widow or widower's benefits. Many of these individuals have no other health care coverage—they are not eligible for Medicare until age 65—and can ill afford the high cost of health care.

Provide Medicaid benefits for disabled adult children who became eligible for such income between January 1, 1981, and June 30, 1987. In transferring from the SSI Program these disabled young adults lost their much-needed health care benefits under Medicaid.

Provide special notice to blind SSI recipients regarding a change in benefits.

Establish a demonstration program for outreach to the homeless in public shelters to assist them in ascertaining eligibility for SSI benefits.

Exclude from countable resources for SSI purposes real property when it cannot be sold because it is jointly owned, there is a legal impediment to its sale, or a good-faith effort has resulted in no sale.

Exclude death benefits—such as proceeds from life insurance policies and lump-sum death benefits from the Veterans' Administration—from countable resources to the extent that they

are spent on the deceased's last illness and burial.

Ease several of the restrictions on availability of emergency advance benefits under the SSI Program.

Mr. President, these are just a few of the many provisions which make up the legislation that I am introducing today. For the most part, each addresses a serious gap in coverage which affects a relatively small number of individuals, but affects these individuals profoundly. Most of these problems have been brought to our attention by advocates for the poor and the elderly who have witnessed these problems in real-life situations, and whose hands were tied by legislative and regulatory restrictions which seriously hampered access to much-needed benefits.

Without exception each provision of this legislation deserves our prompt attention. It is my belief that these situations warrant corrective action, and hope that my colleagues will join in cosponsoring this legislation and in working for its timely passage. I ask unanimous consent that a factsheet on the "SSI Improvement Amendments of 1987" and the text of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### S. 1635

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the "SSI Improvement Amendments of 1987".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Section 1. Short title; table of contents.

TITLE I—SSI AMENDMENTS RELATED TO HEALTH CARE

SUBTITLE A—PERSONAL NEEDS ALLOWANCE CHANGES

Sec. 101. Increases in personal needs allowance benefit standard for residents of medical institutions.
Sec. 102. Continuation of full benefit standard for individuals temporarily institutionalized.

SUBTITLE B—CONTINUATION OF MEDICAID UPON LOSS OF SSI ELIGIBILITY

Sec. 111. Retention of medicaid when SSI benefits are lost upon entitlement to early widow's or widower's insurance benefits.
Sec. 112. Amendment relating to provision which retains medicaid when SSI benefits are lost upon entitlement to or increase in disabled adult children insurance benefits.
Sec. 113. Extension of deadline for disabled widows to apply for medicaid protection under 1984 amendments.

TITLE II—SSI AMENDMENTS RELATED TO EMERGENCY ASSISTANCE

Sec. 201. Permanent extension of disregard of nonprofit organizations' in-kind assistance to SSI and AFDC recipients.
Sec. 202. Increased emergency advance payments for presumptively eligible individuals.
Sec. 203. Modification of interim assistance reimbursement program.
Sec. 204. Extension from three to twelve months of the length of time that an individual in a public emergency shelter can be eligible for SSI.

TITLE III—SSI AMENDMENTS RELATED TO THE BLIND

Sec. 301. Special notice to blind recipients.
Sec. 302. Technical amendments relating to rehabilitation services for the blind.

TITLE IV—SSI AMENDMENTS RELATED TO TREATMENT OF CERTAIN INCOME AND RESOURCES

Sec. 401. Determination of living arrangements.
Sec. 402. Retroactive social security benefits not to be treated as income when received.
Sec. 403. Exclusion of interest on burial accounts.
Sec. 404. Disregard of certain welfare benefits under SSI retrospective accounting.
Sec. 405. Reduction in time during which income and resources of separated couples must be treated as jointly available.
Sec. 406. Exclusion of real property when it cannot be sold.
Sec. 407. Adjustment to the penalty for transferring an asset for less than fair market value.
Sec. 408. Exclusion of underpayments from resources.
Sec. 409. Technical amendments relating to 1986 amendment concerning the treatment of certain couples in medical institutions.
Sec. 410. Exclusion of death benefits to the extent spent on last illness and burial.

TITLE V—MEDICAID AMENDMENTS RELATED TO PERSONAL NEEDS ALLOWANCE

Sec. 501. Personal needs allowance under medicaid.

TITLE VI—DEMONSTRATION PROGRAM TO ASSIST HOMELESS INDIVIDUALS IN OBTAINING SSI BENEFITS

Sec. 601. Establishment of demonstration program.
Sec. 602. Membership of SSI Outreach and Eligibility Teams.
Sec. 603. Functions of SSI Outreach and Eligibility Teams.
Sec. 604. Information and Reports; Evaluation.
Sec. 605. Authorization of Appropriations.

TITLE VII—GENERAL EFFECTIVE DATE

## TITLE I—SSI AMENDMENTS RELATED TO HEALTH CARE

### SUBTITLE A—PERSONAL NEEDS ALLOWANCE CHANGES

**SECTION 101. INCREASES IN PERSONAL NEEDS ALLOWANCE BENEFIT STANDARD FOR RESIDENTS OF MEDICAL INSTITUTIONS.**

(a) INCREASE IN STANDARD.—Section 1611(e)(1)(B) of the Social Security Act is amended—

(1) by striking "$300 per year" in clauses (i) and (ii)(I) and inserting "$420 per year"; and

(2) by striking "$600 per year" in clause (iii) and inserting "$840 per year".

(b) COST-OF-LIVING ADJUSTMENTS IN STANDARD.—(1) Section 1611(e)(1)(B) of such Act (as amended by subsection (a) of this section) is further amended—

(A) by striking "$420 per year" and all that follows down through "1612(b))" in clause (i) and inserting "$420 per year (or, if greater, the amount determined under section 1617), reduced by the amount of any income not excluded pursuant to section 1612(b),";

(B) by striking "$420 per year" and all that follows down through "facility)," in clause (ii)(I) and inserting "$420 per year (or, if greater, the amount determined under section 1617), reduced by the amount of any income, not excluded pursuant to section 1612(b), of the one who is in such hospital, home, or facility,"; and

(C) by striking "$840 per year" and all that follows down through "1612(b))" in clause (iii) and inserting "$840 per year (or, if greater, the amount determined under section 1617), reduced by the amount of any income not excluded pursuant to section 1612(b),".

(2) Section 1617(a) of such Act is amended—

(A) by striking "and (b)(2)" in paragraph (1) and inserting "(b)(2), (e)(1)(B)(i), and (e)(1)(B)(ii)(I)";

(B) by striking "pursuant to paragraph (2)" in paragraph (1)(A) and inserting "pursuant to subsection (d)";

(C) by striking "; and" at the end of paragraph (1)(B) and inserting ", and";

(D) by striking "under paragraph (1)" in paragraph (2) and inserting "under subparagraph (A)";

(E) by striking "(and rounded, when not a multiple of $12, to the next lower multiple of $12)" in paragraph (2) and inserting "and rounded in accordance with subsection (d)";

(F) by striking the period at the end of paragraph (2) and inserting "; and";

(G) by striking "(1) each", "(A) the", "(B) the", and "(2) the" and inserting "(1)(A) each", "(i) the", "(ii) the", and "(B) the", respectively;

(H) by striking the final period and inserting "; and"; and

(I) by adding at the end (after and below paragraph (1)(B) as redesignated by subparagraph (G) of this paragraph) the following new paragraph:

"(2) the dollar amount in effect for such month under subsection (e)(1)(B)(iii) of section 1611 shall be increased to twice the amount to which the dollar amounts specified in subsection (e)(1)(B)(i) and (e)(1)(B)(ii)(I) of such section are increased under paragraph (1), effective with respect to benefits for months after such month.".

(3) Section 1617 of such Act is further amended by adding after subsection (c) the following new subsection:

"(d)(1) The amount obtained under paragraph (1)(A) with respect to each subsection specified therein other than subsections (e)(1)(B)(i) and (e)(1)(B)(ii)(II), as further increased under paragraph (1)(B), shall be rounded, when not a multiple of $12, to the next lower multiple of $12.

"(2) The amount obtained under paragraph (1)(A) with respect to subsections (e)(1)(B)(i) and (e)(1)(B)(ii)(I), as further increased under paragraph (1)(B), shall be rounded as follows:

"(A) such amount, when not a multiple of $1, shall be rounded to the next lower multiple of $1; but

"(B) in no case shall the resulting increase in such amount be less than $1.".

(4) The amendments made by this subsection shall be effective with respect to benefits for months after December 1988 (taking into account determinations made under section 215(i) of the Social Security Act in and after 1988).

(c) MANDATORY PASS-THROUGH OF INCREASED PERSONAL NEEDS ALLOWANCE.—(1) Section 1618 of such Act is amended by adding at the end the following new subsection:

"(g) In order for any State which makes supplementary payments of the type described in section 1616(a) (including payments pursuant to an agreement entered into under section 212(a) of Public Law 93-66) to recipients of benefits determined under section 1611(e)(1)(B), on or after May 1, 1987, to be eligible for payments pursuant to title XIX with respect to any calendar quarter which begins—

"(1) after May 1, 1987, or, if later

"(2) after the calendar quarter in which it first makes such supplementary payments to recipients of benefits so determined,

such State must have in effect an agreement with the Secretary whereby the State will—

"(3) continue to make such supplementary payments to recipients of benefits so determined, and

"(4) maintain such supplementary payments to recipients of benefits so determined at levels which assure (with respect to any particular month after May 1987) that—

"(A) the combined level of such supplementary payments and the amounts payable to or on behalf of such recipients under section 1611(e)(1)(B) for that particular month,

is not less than—

"(B) the combined level of such supplementary payments and the amounts payable to or on behalf of such recipients under section 1611(e)(1)(B) for February 1987 (or, if no such supplementary payments were made for that month, the combined level for the first subsequent month for which such payments were made), increased—

"(i) in a case to which clause (i) of such section 1611(e)(1)(B) applies or (with respect to the individual or spouse who is in the hospital, home, or facility involved) to which clause (ii) of such section applies, by an amount equal to one-twelfth of the difference between $300 and the dollar amount in effect under such clause for that particular month, and

"(ii) in a case to which clause (iii) of such section 1611(e)(1)(B) applies, by an amount equal to one-twelfth of the difference between $600 and the dollar amount in effect under such clause for that particular month.".

(2) Section 1618(a) of such Act is amended by adding at the end (after and below paragraph (4)) the following new sentence:

"Notwithstanding any other provision of this section, the term 'supplementary payments' as used in this subsection and subsections (b) through (e) does not include payments made to recipients of benefits determined under section 1611(e)(1)(B).".

### SEC. 102. CONTINUATION OF FULL BENEFIT STANDARD FOR INDIVIDUALS TEMPORARILY INSTITUTIONALIZED.

(a) IN GENERAL.—Section 1611(e)(1) of the Social Security Act is amended—

(1) in subparagraph (A), by striking "and (E)" and inserting "(E), and (G)";

(2) in subparagraph (B), by inserting "(subject to subparagraph (G))" after "throughout any month"; and

(3) by adding at the end the following new subparagraphs:

"(G) A person may be an eligible individual or eligible spouse for purposes of this title, and subparagraphs (A) and (B) shall not apply, with respect to any particular month throughout which he or she is in such a public institution (other than a correctional institution) or is in a hospital, extended care facility, nursing home, or intermediate care facility receiving payments (with respect to such individual or spouse) under a State plan approved under title XIX, if it is determined in accordance with subparagraph (G) that—

"(i) such person's stay in that institution or facility (or in that institution or facility and one or more other such institutions or facilities during a continuous period of institutionalization) is likely not to exceed 3 months, and the particular month involved is one of the first 3 months throughout which such person is in such an institution or facility during a continuous period of institutionalization; and

"(ii) such person needs to continue to maintain and provide for the expenses of the home or living arrangement to which he or she may return upon leaving the institution or facility.

The benefit of any person under this title (including State supplementation if any) for each month to which this subparagraph applies shall be payable, without interruption of benefit payments and on the date the benefit involved is regularly due, at the rate that was applicable to such person in the month prior to the first month throughout which he or she is in the institution or facility.

"(H) The Secretary shall establish procedures for the determinations required by clauses (i) and (ii) of subparagraph (G), and may enter into agreements for making such determinations (or for providing information or assistance in connection with the making of such determinations) with appropriate State and local public and private agencies and organizations. Such procedures and agreements shall include the provision of appropriate assistance to individuals who, because of their physical or mental condition, are limited in their ability to furnish the information needed in connection with the making of such determinations.".

(b) CONFORMING AMENDMENT.—Section 1901(l) of such Act is amended by striking "1611(e)(1)(E)" and inserting "subparagraph (E) or (G) of section 1611(e)(1)".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective July 1, 1988.

## SUBTITLE B—CONTINUATION OF MEDICAID UPON LOSS OF SSI ELIGIBILITY

### SEC. 111. RETENTION OF MEDICAID WHEN SSI BENEFITS ARE LOST UPON ENTITLEMENT TO EARLY WIDOW'S OR WIDOWER'S INSURANCE BENEFITS.

(a) IN GENERAL.—Section 1634 of the Social Security Act is amended by adding at the end the following new subsection:

"(d) If any person—

"(1) applies for and obtains benefits under subsection (e) or (f) of section 202 (or under any other subsection of section 202 if such person is also eligible for benefits under such subsection (e) or (f)) as required by subparagraph (A) of this paragraph, being then at least 60 years of age but not entitled to hospital insurance benefits under part A of title XVIII, and

"(2) is determined to be ineligible (by reason of the receipt of such benefits under section 202) for supplemental security income benefits under this title or for State supplementary payments of the type described in section 1616(a)

such person shall nevertheless be deemed to be a recipient of supplemental security income benefits under this title for purposes of title XIX, so long as he or she (A) would be eligible for such supplemental security income benefits, or such State supplementary payments, in the absence of such benefits under section 202, and (B) is not entitled to hospital insurance benefits under part A of title XVIII.".

(b) NOTICE.—The Secretary of Health and Human Services, acting through the Social Security Administration, shall (within 3 months after the date of the enactment of this Act) issue a notice to all individuals who have attained age 60 but not age 65 as of October 1, 1987, and who received supplemental security income benefits under title XVI of the Social Security Act prior to attaining age 60 but lost those benefits by reason of the receipt of widow's or widower's insurance benefits (or other benefits as described in section 1634(d)(1) of that Act as added by subsection (a) of this section) under title II of that Act. Each such notice shall set forth and explain the provisions of section 1634(d) of the Social Security Act (as so added), and shall inform the individual that he or she should contact the Secretary or the appropriate State agency concerning his or her possible eligibility for medical assistance benefits under such title XIX.

(c) STATE DETERMINATIONS.—Any determination required under section 1634(d) of the Social Security Act with respect to whether an individual would be eligible for benefits under title XVI of such Act (or State supplementary payments) in the absence of benefits under section 202 shall be made by the appropriate State agency.

(d) CONFORMING AMENDMENTS.—Section 1920(a)(2) of the Social Security Act is amended—

(1) by striking "1634" in subparagraph (B) and inserting "1634(c)"; and

(2) by adding at the end the following new subparagraph:

"(C) Section 1634(d) of this Act (relating to individuals who lose eligibility for SSI benefits due to entitlement to early widow's or widower's insurance benefits under section 202(e) or (f) of this Act).".

(e) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to any individual without regard to whether the determination of his or her ineligibility for supplemental security income benefits by reason of the receipt of benefits under section 202 of the Social Security Act (as described in section 1634(d)(2) of such Act) occurred before, on, or after the date of the enactment of this Act; but no individual shall be eligible for assistance under title XIX of such Act by reason of such amendments for any period before October 1, 1987.

### SEC. 112. AMENDMENT RELATING TO PROVISION WHICH RETAINS MEDICAID WHEN SSI BENEFITS ARE LOST UPON ENTITLEMENT TO OR INCREASE IN DISABLED ADULT CHILDREN INSURANCE BENEFITS.

Effective July 1, 1987, section 10(b) of Public Law 99-643 is amended by adding at the end the following new paragraph:

"(3) The amendments made by section 6 shall apply with respect to any individual without regard to whether the cessation of

his or her eligibility for supplemental security income benefits by reason of the receipt of benefits under section 202 of the Social Security Act (as described in section 1634(c)(2) of such Act) occurred before, on, or after the date of the enactment of this Act, so long as it occurred after December 31, 1980; but no individual shall be eligible for assistance under title XIX of such Act by reason of such amendments for any period before July 1, 1987.".

### SEC. 112. EXTENSION OF DEADLINE FOR DISABLED WIDOWS TO APPLY FOR MEDICAID PROTECTION UNDER 1984 AMENDMENTS.

Effective July 1, 1987, section 1634(b)(3) of the Social Security Act is amended by striking "during the 15-month period beginning with the month in which this subsection is enacted" and inserting "no later than July 1, 1988".

## TITLE II—SSI AMENDMENTS RELATED TO EMERGENCY ASSISTANCE

### SEC. 201. PERMANENT EXTENSION OF DISREGARD OF NONPROFIT ORGANIZATIONS' IN-KIND ASSISTANCE TO SSI AND AFDC RECIPIENTS.

Section 2639(d) of the Deficit Reduction Act of 1984 is amended by striking "; but" and all that follows and inserting a period.

### SEC. 202. INCREASED EMERGENCY ADVANCE PAYMENTS FOR PRESUMPTIVELY ELIGIBLE INDIVIDUALS.

Section 1631(a)(4)(A) of the Social Security Act is amended by striking "a cash advance against such benefits in an amount not exceeding $100" and inserting "a cash advance against such benefits in an amount not exceeding the amount of the monthly benefit, including any federally-administered State supplementary payments, that would be payable to an eligible individual with no other income for the first month of such presumptive eligibility".

### SEC. 203. MODIFICATION OF INTERIM ASSISTANCE REIMBURSEMENT PROGRAM.

(a) IN GENERAL.—The first sentence of section 1631(g)(2) of the Social Security Act is amended by striking "at the time the Secretary makes the first payment of benefits" and inserting "(i) at the time the Secretary makes the first payment of benefits with respect to the period described in clause (A) or (B) of paragraph (3) or (ii) as a replacement for a benefit check which has been lost or stolen as described in clause (C) of such paragraph".

(b) DEFINITION OF INTERIM ASSISTANCE.—Section 1631(g)(3) of such Act is amended—

(1) by inserting "(A)" after "basic needs"; and

(2) by inserting before the period at the end the following: ", (B) during the period beginning with the first month for which the individual's benefits (as defined in paragraph (2)) have been terminated or suspended if the individual was subsequently found to have been eligible for such benefits, or (C) during any period for which a benefit check has been issued if such check was lost or stolen before being negotiated by the individual and there has not been a prompt replacement".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective with the 13th month following the month in which this Act is enacted, or, if sooner, with the first month for which the Secretary of Health and Human Services determines that it is administratively feasible.

### SEC. 204. EXTENSION FROM THREE TO TWELVE MONTHS OF THE LENGTH OF TIME THAT AN INDIVIDUAL IN A PUBLIC EMERGENCY SHELTER CAN BE ELIGIBLE FOR SSI.

Section 1611(e)(1)(D) of the Social Security Act is amended by striking "more than three months in any 12-month period" and inserting "for more than 12 consecutive months".

## TITLE III—SSI AMENDMENTS RELATED TO THE BLIND

### SEC. 301. SPECIAL NOTICE TO BLIND RECIPIENTS.

(a) IN GENERAL.—(1) Section 1631 of the Social Security Act is amended by adding at the end the following new subsection:

"Special Notice to Blind Individuals with Respect to Hearings and Other Official Actions

"(j)(1) In any case where an individual who is applying for or receiving benefits under this title on the basis of blindness is entitled (under subsection (c) or otherwise) to receive notice from the Secretary of any decision or determination made or other action taken or proposed to be taken with respect to his or her rights under this title, such individual shall at his or her election be entitled either (A) to receive a supplementary notice of such decision, determination, or action, by telephone, within 5 working days after the initial notice is mailed, or (B) to receive the initial notice in the form of a certified letter.

"(2) The elections described in paragraph (1) may be made at any time; but an opportunity to make such an election shall in any event be given (A) to every individual who is an applicant for benefits under this title on the basis of blindness, at the time of his or her application, and (B) to every individual who is a recipient of such benefits on the basis of blindness, at the time of each redetermination of his or her eligibility. Such an election, once made by an individual, shall apply with respect to all notices of decisions, determinations, and actions which such individual may thereafter be entitled to receive under this title until such time as it is revoked or changed.".

(2) The amendment made by paragraph (1) shall take effect on October 1, 1987; and the Secretary of Health and Human Services shall take appropriate steps, no later than one year after the date of the enactment of this Act, to ensure that every individual already receiving benefits under title XVI of the Social Security Act on the basis of blindness is given an early opportunity to make the election provided for in section 1631(j) of such Act (as added by such amendment).

(b) STUDY.—The Secretary of Health and Human Services shall study the desirability and feasibility of extending special or supplementary notification rights of the type conferred upon blind individuals by section 1631(j) of the Social Security Act (as added by subsection (a) of this section) to other individuals who may lack the ability to read and comprehend regular written notices, and shall report the results of such study to the Congress, along with such recommendations as may appear appropriate, within 6 months after the date of the enactment of this Act.

### SEC. 302. TECHNICAL AMENDMENTS RELATING TO REHABILITATION SERVICES FOR THE BLIND.

Section 1631(a)(6) of the Social Security Act is amended—

(1) by inserting "blindness (as determined under section 1614(a)(2)) or" before "disability (as determined under section 1614(a)(3))";

(2) by inserting "blindness or other" before "physical or mental impairment"; and

(3) by inserting "blindness and" before "disability benefit rolls" in subparagraph (B).

## TITLE IV—SSI AMENDMENTS RELATED TO TREATMENT OF CERTAIN INCOME AND RESOURCES

### SEC. 401. DETERMINATION OF LIVING ARRANGEMENTS.

Section 1612(a) of the Social Security Act is amended—

(1) by striking "and" after the semicolon at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting "; and"; and

(3) by adding after paragraph (2) the following new paragraph:

"(3) an individual (and his eligible spouse, if any) will not be determined, upon applying for benefits or requesting reinstatement following a period of suspension, to be living in the household of another and receiving support and maintenance in kind (for purposes of paragraph (2)(A)) if the individual may be expected to pay, upon receipt of benefits under this title (including federally-administered State supplementary payments), a reasonable portion, as determined by the Secretary, of the expenses of the household in which he is living, and such portion does not exceed the amount that would be payable under this title (including any amount payable pursuant to an agreement under section 1616) to an individual (and spouse), with no other income, to whom paragraph (2)(A)(i) applies (and in determining whether the individual may be expected to pay such portion of the household expenses he shall be presumed to have been paying such portion during the period beginning on the first day of the second month preceding the month in which his application or request is made and ending on the date of his first receipt of such benefits pursuant thereto).

At the time of the payment to an individual described in paragraph (3) of his or her initial monthly benefit under this title pursuant to such application or request, the Secretary shall inform such individual in writing that he or she must thereafter pay a reasonable portion of the expenses of the household in which he or she is living in order to avoid the application of paragraph (2)(A) (or a reduction in the amount of the benefit to reflect the value of the support and maintenance involved).".

### SEC. 402. RETROACTIVE SOCIAL SECURITY BENEFITS NOT TO BE TREATED AS INCOME WHEN RECEIVED.

Section 1612(b) of the Social Security Act is amended—

(1) by striking "and" after the semicolon at the end of paragraph (12);

(2) by striking the period at the end of paragraph (13) and inserting "; and"; and

(3) by adding after paragraph (13) the following new paragraph:

"(14) any amount received in a month (after reduction under section 1127 if that section applied) which is attributable to underpayments of benefits for one or more prior months under title II, where such benefits were payable to such individual (or spouse) or to any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title.".

### SEC. 403. EXCLUSION OF INTEREST ON BURIAL ACCOUNTS.

Section 1613(d)(4) of the Social Security Act is amended by adding at the end the following new sentence: "Notwithstanding paragraph (1), the exclusion of interest and appreciation under this paragraph shall apply regardless of whether the amount of the interest or appreciation involved, when added to the other resources of the individual and spouse, would cause such resources to exceed the applicable limit specified in paragraph (1) or (2) of section 1611(a)."

### SEC. 404. DISREGARD OF CERTAIN WELFARE BENEFITS UNDER SSI RETROSPECTIVE ACCOUNTING.

Section 1612(b)(6) of the Social Security Act is amended by inserting before the semicolon at the end thereof the following: "(including payments of aid to families with dependent children under a State plan approved under section 402)".

### SEC. 405. REDUCTION IN TIME DURING WHICH INCOME AND RESOURCES OF SEPARATED COUPLES MUST BE TREATED AS JOINTLY AVAILABLE.

(a) In General.—Section 1614(b) of the Social Security Act is amended by striking "for more than six months" in the first sentence and inserting "for more than one month".

(b) Waiver of Requirement in Emergency Situations.—Section 1614(b) of such Act is further amended by adding at the end the following new sentence: "Where the Secretary determines that the individual applying for benefits or requesting continuation of benefits has been the victim of domestic violence or that other emergency circumstances (such as homelessness or the imminent likelihood of homelessness) exist, the Secretary shall waive the one-month requirement and treat the individual (if otherwise eligible) as an eligible individual without an eligible spouse (for purposes of paying or continuing benefits) from the date of such application or request, unless the waiver of such requirement would place the individual (for those purposes) in a less advantageous position.".

### SEC. 406. EXCLUSION OF REAL PROPERTY WHEN IT CANNOT BE SOLD.

Section 1613(a) of the Social Security Act is amended by adding at the end the following new sentence: "Nothing in this section shall permit the Secretary to take into account as a resource of an individual any real property which cannot be sold because (i) it is jointly owned (and its sale would cause undue hardship, including but not limited to loss of housing, for the other owner or owners), (ii) its sale is barred by a legal impediment, or (iii) the owner's reasonable efforts to sell it have been unsuccessful.".

### SEC. 407. ADJUSTMENT TO THE PENALTY FOR TRANSFERRING AN ASSET FOR LESS THAN FAIR MARKET VALUE.

Section 1613(c) of the Social Security Act is amended—

(1) by inserting immediately after "the exclusions under subsection (a)" in paragraph (1) the following: ", and subject to paragraph (4) of this subsection";

(2) by inserting "(A)" after "within the preceding 24 months if" in paragraph (1);

(3) by inserting before the period at the end of paragraph (1) the following: ", and (B) the fair market value of such resource or interest at the time it was given away or sold (plus the fair market value of any other resources or interests therein which were owned by such individual or eligible spouse within the same 24 months and were given away or sold for that purpose) exceeds the compensation received for such resource or interest (plus the compensation received for all of the other resources and interests so given away or sold) by more than $3,000"; and

(4) by adding at the end the following new paragraph:

"(4) The Secretary shall by regulation provide for suspending the application of paragraph (1) to the extent (in any instance) that the Secretary determines that such suspension is necessary to avoid undue hardship.".

### SEC. 408. EXCLUSION OF UNDERPAYMENTS FROM RESOURCES.

Section 1613(a)(7) of the Social Security Act is amended by inserting after "shall be limited to the first 6 months following the month in which such amount is received" the following: "(or to the first 12 months following such month with respect to any amount so received during 1987 or 1988)".

### SEC. 409. TECHNICAL AMENDMENT RELATING TO 1986 AMENDMENT CONCERNING THE TREATMENT OF CERTAIN COUPLES IN MEDICAL INSTITUTIONS.

Effective November 10, 1986, section 9 of Public Law 99-643 is amended—

(1) by striking "sharing a room or comparable accommodation in a" and inserting "living in the same"; and

(2) by striking "shared such a room or accommodation" and inserting "lived in the same such hospital, home, or facility".

### SEC. 410. EXCLUSION OF DEATH BENEFITS TO THE EXTENT SPENT ON LAST ILLNESS AND BURIAL.

(a) Subparagraphs (D) and (E) of section 1612(a)(2) of the Social Security Act are amended to read as follows:

"(D) payments occasioned by the death of another person, to the extent that the total of such payments exceed the amount expended by the individual for purposes of the deceased person's last illness and burial;

"(E) support and alimony payments, and (subject to the provisions of subparagraph (D) excluding certain amounts expended for purposes of a last illness and burial) gifts (cash or otherwise) and inheritances; and".

(b) The amendments made by this section are effective beginning with the sixth month following the month in which this Act is enacted.

## TITLE V—MEDICAID AMENDMENTS RELATED TO PERSONAL NEEDS ALLOWANCE

### SEC. 501. PERSONAL NEEDS ALLOWANCE UNDER MEDICAID.

(a) Requiring Personal Needs Allowance of at Least $35 for an Individual and $70 for an Institutionalized Couple Not Receiving SSI Benefits.—Section 1902 of the Social Security Act is amended—

(1) in subsection (a)—

(A) by striking the period at the end of paragraph (47) inserted by section 9407(a) of the Omnibus Budget Reconciliation Act of 1986;

(B) in paragraph (47) added by section 11005(b) of the Anti-Drug Abuse Act of 1986, by transferring and inserting such paragraph immediately after paragraph (47) (referred to in paragraph (1) of this subsection), by redesignating such paragraph as paragraph (48), and by striking the period at the end and inserting a semicolon; and

(C) by inserting after paragraph (48) the following new paragraphs:

"(49) provide, in accordance with subsection (p), for a monthly personal needs allowance for certain institutionalized, non-SSI individuals and couples; and

"(50)(A) require each skilled nursing facility or intermediate care facility to meet the requirements of subsection (q)(1); and

"(B) specify under subsection (q)(2) the items and services included in skilled nursing facility services and intermediate care facility services under the plan.";

(2) by redesignating subsection (l) added by section 3(b) of Public Law 99-643 as subsection (o); and

(3) by adding at the end the following new subsections:

"(p)(1)(A) In order to meet the requirement of this paragraph for purposes of subsection (a)(49), the State plan must provide that, in the case of an institutionalized, non-SSI individual or couple described in subparagraph (B), in determining the amount of the individual's couple's income to be applied monthly to payment for the cost of care in an institution, there shall be deducted from the monthly income (in addition to other allowances otherwise provided under the plan) a monthly personal needs allowance—

"(i) which is reasonable in amount for clothing and other personal needs of the individual (or couple) while in an institution; and

"(ii) which is not less (and may be greater) than the minimum monthly personal needs allowance described in paragraph (2).

"(B) In this subsection, the term 'institutionalized, non-SSI individual or couple' means an individual or married couple—

"(i) who is an inpatient in a hospital, skilled nursing facility, or intermediate care facility for which payments are made under this title throughout a month,

"(ii) with respect to whom a supplemental security income payment is not made under section 1611(e); and

"(iii) who is determined to be eligible for medical assistance under the plan.

"(2) The minimum monthly personal needs allowance described in this paragraph for months in—

"(A) 1988 is $35 for an institutionalized individual and $70 for an institutionalized couple (if both are aged, blind, or disabled, and their incomes are considered available to each other in determining eligibility); or

"(B) a subsequent year, is equal to the allowance established under this paragraph for the months in the previous year increased by the applicable percentage increase (as defined in section 215(i)) effective in December of the previous year;

except that any such allowance determined under subparagraph (B), if not a multiple of $1, shall be rounded to the next highest multiple of $1.

"(3) Paragraphs (10) and (17) of subsection (a) shall not be construed as requiring (or permitting) individuals who are entitled to supplemental security income payment under title XVI to have their personal needs allowance determined under this subsection in a manner comparable to that provided to institutionalized, non-SSI individuals and couples.

"(q)(1) The requirements of this paragraph with respect to a skilled nursing facility or intermediate care facility are as follows:

"(A) The facility must—

"(i) upon written authorization by a resident, accept responsibility for holding, safeguarding, and accounting for the resident's personal funds, and providing each resident access to such funds and records of such funds; and

"(ii) establish and maintain a system that—

"(I) assures a full and complete accounting of each resident's personal funds;

"(II) establishes a separate account for such funds in order to preclude any commingling of such funds with institutional funds or with the funds of any other resident other than another such resident; and

"(III) notifies each resident receiving medical assistance under the State plan when the amount in the resident's account reaches $1,600 and the fact that if the amount in the account (in addition to the value of the resident's other nonexempt resources) reaches $1,800 the resident may lose eligibility for such medical assistance.".

(b) Specification of Items Included in Skilled and Intermediate Care Facility Services Without Additional Charge.—Section 1902(q) of such Act, as added by subsection (a)(3), is amended by adding at the end the following:

"(B) The facility must notify each resident—

"(i) at the time of admission to the facility or, if later, at the time the resident becomes eligible for medical assistance under this title, of—

"(I) the items and services (including those specified under paragraph (2)) that are included in skilled nursing facility services or intermediate care facility services (as the case may be) under the State plan and for which the resident may not be charged (except as permitted in section 1916); and

"(II) those other items and services that the facility provides and for which the resident may be charged and the amount of the charges for such items and services; and

"(ii) of changes in the items and services described in clause (i) and of changes in the charges imposed for items and services described in clause (i)(II).

"(2) Each State plan shall specify the items and services that are included as part of skilled nursing facility services and intermediate care facility services under the plan and for the provision of which the facility may not impose any additional charge on an individual entitled to assistance for such services. Such items and services shall include all medical items and services required to be provided as a condition of the licensure or certification of the facility or the cost of which is included in the payment rate for such a facility under the plan.".

(c) Effective Dates.—(1) The amendments made by this section apply (except as provided under paragraphs (2) and (3)) to payments under title XIX of the Social Security Act for calendar quarters beginning on or after January 1, 1988, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

(2)(A) Subject to paragraph (3), section 1902(q)(2) of the Social Security Act (relating to a State's specification of the items and services required to be included in skilled nursing facility services and intermediate care facility services) shall take effect on January 1, 1989, regardless of whether or not the Secretary of Health and Human Services has issued regulations to carry out such section before such date.

(B) Section 1902 (q)(1)(B) of the Social Security Act (as amended by subsection (b) of this section relating to notice required by skilled nursing facilities and intermediate care facilities) shall take effect on January 1, 1988. With respect to individuals who, as of January 1, 1988, are resident in a skilled nursing facility or intermediate care facility and are entitled to medical assistance under a State plan under title XIX of the Social Security Act for services in the facility, the facility must notify the resident, before January 31, 1988, of the items and services described in section 1902(q)(1)(B)(i) of such Act.

(3) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Heath and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded a failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

## TITLE VI—DEMONSTRATION PROGRAM TO ASSIST HOMELESS INDIVIDUALS IN OBTAINING SSI BENEFITS

### SEC. 601. ESTABLISHMENT OF DEMONSTRATION PROGRAM.

(a) In General.—In order to demonstrate and test the feasibility of developing and using special procedures to ensure that all homeless individuals in shelters fully and clearly understand their rights to benefits under the SSI program and other programs established under the Social Security Act, to provide such individuals with all possible assistance in applying for such benefits and obtaining the information and documentation necessary for that purpose, and to ensure that all such individuals receive the benefits to which they are entitled under such programs, up to 10 States may each create an SSI Outreach Team Project and provide thereunder for the establishment and operation of an SSI Outreach and Eligibility Team, in accordance with this title. Each project approved under this title shall meet such conditions and requirements, consistent with this title, as the Secretary of Health and Human Services (in this title referred to as the Secretary) shall prescribe.

(b) Application and Approval of Projects.—(1) The Secretary shall consider all applications received from States desiring to conduct SSI Outreach Team Projects under this title and shall approve up to 10 applications involving projects which appear likely to contribute significantly to the achievement of the purpose of this title.

(2) Of the projects approved under paragraph (1), 5 shall commence their operations during the fiscal year 1988 and the remainder shall commence their operations during the fiscal year 1989, as designated by the Secretary at the time of such approval.

(c) Funding.—The Secretary shall make grants to the States whose applications are approved under subsection (b) in order to cover the costs incurred by such States in carrying out their SSI Outreach Team Projects, including the costs of staff, administration, transportation, and other necessary expenses. The cost of each such project shall not exceed $250,000 a year, except that the Secretary may in any particular case permit the State to incur costs in excess of such amount (and increase the amount of the grant accordingly), to the extent that appropriated funds are available therefor, if the State satisfactorily demonstrates that higher costs must be incurred in order to properly serve the homeless within the project area.

### SEC. 602. MEMBERSHIP OF SSI OUTREACH AND ELIGIBILITY TEAMS.

(a) In General.—Each State's SSI Outreach and Eligibility Team, under a project approved under this title, shall consist of—

(1) a case worker from the State adult social services agency or from a local adult social services agency within the State, who shall be the team leader, and (if necessary for the effective performance of the team's functions) one additional case worker from such an agency;

(2) a consultative medical examiner who is a physician/psychiatrist either employed by a social services agency described in paragraph (1) or in private practice, and who has qualified to provide consultative examinations for the Disability Determination Service of the State vocational rehabilitation service;

(3) a disability examiner, from the State Disability Determination Service, who makes determinations in social security and SSI disability cases for the Social Security Administration; and

(4) a claims representative from an office of the Social Security Administration.

(b) Detail of Team Members.—Under an agreement which shall be entered into between the Secretary and the State, each of the team members shall be detailed from his or her agency to serve on the team, and while so serving shall retain all of the authority to make decisions and determinations which he or she would have within such agency.

### SEC. 603. FUNCTIONS OF SSI OUTREACH AND ELIGIBILITY TEAMS.

(a) In General.—Each SSI Outreach and Eligibility Team established under a project approved under this title shall—

(1) seek to identify all homeless individuals (not already receiving assistance) who may qualify for benefits under the SSI program or under any other program established under the Social Security Act;

(2) ensure that such individuals fully and clearly understand their rights under the program or programs involved;

(3) assist such individuals in applying for any benefits for which they may be eligible and in obtaining and providing the information and supporting documents which may be necessary for that purpose; and

(4) take any and all other actions which may be necessary or appropriate to ensure that all homeless individuals receive the benefits to which they are entitled.

(b) Functions to be Performed at Shelters.—Each team shall perform its functions at shelters where potential SSI recipients may be found, except with respect to particular functions and in particular cases where the exercise of such functions at other locations is required. To the maximum extent possible, all of the decisions, determinations, and other administrative actions necessary to provide homeless individuals with the benefits to which they are entitled shall be made or taken at the shelters, without requiring such individuals to travel to the governmental agency or entity involved; and the members of the team shall have full authority to make such decisions and determinations and take such administrative actions, at the shelters, in accordance with the authority granted to them by their respective agencies as described in section 602(b).

(c) Specific Duties of Team Leader.—The team leader (and the additional case worker referred to in section 602(a)(1) if there is one) shall have the specific responsibility of—

(1) determining, prior to the visit of the team to a shelter, the names of the individuals in the shelter who are potentially eligible individuals for SSI purposes, and determining whether they are receiving or have received SSI benefits or other benefits administered by the Social Security Administration (utilizing the claims representative on the team for this purpose);

(2) arranging transportation and (if necessary) accompanying SSI disability applicants to necessary examinations outside of the shelter;

(3) assisting as needed in the initial and subsequent interviews of potential SSI applicants by the claims representative;

(4) tracking and monitoring all decisions made on claims by applicants at the shelters; and

(5) assisting as needed in obtaining additional eligibility-related information about applicants.

(d) Waivers.—The Secretary shall waive any and all requirements, restrictions, and limitations (contained in title XVI of the Social Security Act or in regulations prescribed thereunder, or in any other law or regulation) which could prevent or hinder the SSI Outreach and Eligibility Team from carrying out its functions in accordance with this section; but each such team shall otherwise be subject to all of the applicable provisions of such laws and regulations.

### SEC. 604. INFORMATION AND REPORTS; EVALUATION.

(a) Submission of Project Information by States.—Each State having an approved SSI Outreach Team Project shall periodically submit to the Secretary such information (with respect to the project) as may be necessary to enable the Secretary to evaluate such project in particular and the demonstration program under this title in general.

(b) Reports and Evaluation.—(1) The Secretary shall from time to time (but not less often than annually) submit to the Congress a full and complete report on the program under this title, together with a detailed evaluation of such program and of the projects thereunder along with such recommendations as may be deemed appropriate. Such evaluation and such recommendations shall be designed to serve as a basis for determining whether (and to what extent) the activities and procedures included in the demonstration program under this title should be continued, expanded, or modified, or converted (with or without changes) into a regular feature of permanent law.

(2) The criteria used by the Secretary in evaluating the program and the projects thereunder shall not be limited to those which would normally be used in evaluating programs and activities of the kind involved, but shall fully take into account the special circumstances of the homeless and their need for personalized attention and follow-through assistance, and shall emphasize the extent to which the procedures and assistance made available to applicants under such projects are recognizing those circumstances and meeting that need.

### SEC. 605. AUTHORIZATION OF APPROPRIATIONS.

To carry out this title, there are authorized to be appropriated to the Secretary—

(1) the sum of $1,250,000 for the fiscal year 1988;

(2) the sum of $2,500,000 for the fiscal year 1989; and

(3) such sums as may be necessary for each fiscal year thereafter.

## TITLE VII—GENERAL EFFECTIVE DATE

Except as otherwise specifically provided, the amendments made by this Act shall become effective on October 1, 1987.

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## Supplemental Security Income Improvement Amendments of 1987

### TITLE I. SSI AMENDMENTS RELATED TO HEALTH CARE

### *Subtitle A—Personal needs allowance changes*

Section 101. Increases in personal needs allowance benefit standard for residents of medical institutions. Effective October 1, 1987, provides for a $10 increase in the federal SSI benefit standard from $25 to $35 monthly for residents of medical facilities. Beginning January 1, 1989, the personal needs allowance would be increased annually to reflect the cost of living increase in regular SSI benefits. States which currently supplement the federal payment would be required to pass through the initial increase and the annual cost of living increase.

Section 102. Continuation of full benefit standard for individuals temporarily institutionalized. Provides that SSI recipients who enter a medical facility or a public institution would not have their benefits reduced to the personal needs allowance benefit if it is determined that their stay is expected to be of a temporary nature (three months or less). This provision allows individuals the resources to maintain a living arrangement to return to after release from the institution. Effective July 1, 1988.

### *Subtitle B—Continuation of Medicaid upon loss of SSI eligiblity*

Section 111. Retention of medicaid when SSI benefits are lost upon entitlement to early widow's or widower's insurance benefits. Provides that an individual who would otherwise qualify for SSI on the basis of disability or blindness but beginning at age 60 qualifies for social security early aged widow's or widower's benefits and loses eligibility for SSI would be deemed to be SSI eligible for purposes of eligibility for medicaid. Entitlement to medicaid would continue until such time as that individual becomes eligible for medicare as a social security retiree at age 65 or on the basis of being eligible for social security disability benefits.

Section 112. Amendment relating to provision which retains medicaid when SSI benefits are lost upon entitlement to or increase in disabled adult children insurance benefits. Current law provides that, after July 1, 1987, an SSI recipient who loses SSI (and therefore medicaid) eligibility upon becoming eligible for social security benefits as an adult disabled child would retain eligibility for medicaid benefits. This section would allow all SSI recipients who became eligible for social security adult disabled children's benefits between January 1, 1981, and June 30, 1987, to be eligible for medicaid benefits.

Section 113. Extension of deadline for disabled widows to apply for medicaid protection under 1984 amendments. Many disabled widows lost SSI and medicaid benefits as the result of a 1983 increase in social security disabled widows benefits. Legislation enacted in 1987 deemed these individuals eligible for SSI so that they could maintain health benefits under medicaid, and required that they apply for medicaid benefits no later than June 1987. Many of these individuals have not yet received word of their eligibility and have not applied for the benefits. This section extends the deadline for filing for these benefits until July 1, 1988.

### TITLE II. SSI AMENDMENTS RELATED TO EMERGENCY ASSISTANCE

Section 201. Permanent extension of disregard of nonprofit organizations' in-kind assistance to SSI and AFDC recipients. Permanently extends the provision which expires September 30, 1987, which provides that in-kind assistance provided by a private nonprofit organization to an SSI or AFDC applicant or recipient will not be counted as income if the state has determined that such assistance was provided on the basis of need.

Section 202. Increased emergency advance payments for presumptively eligible individuals. Provides that emergency advance payments which can be paid directly by a Social Security district office to those in need of immediate subsistence income be increased from a maximum of $100 to a maximum of the monthly regular SSI benefit standard plus the state supplementary payment, if any.

Section 203. Modification of interim assistance reimbursement program. Under current law, the interim assistance program provides reimbursement to a state from a retroactive SSI payment if the state has provided emergency assistance to an applicant prior to receipt of retroactive SSI benefits after initial application. This section provides that the interim assistance program could also be used in cases where the state has provided assistance to individuals whose SSI benefits were terminated or suspended but are subsequently found to have been eligible during the time benefits were not provided. Use of this program would also be permitted when the recipient's check has been lost or stolen and there is no prompt replacement.

Section 204. Extension from three to twelve months of the length of time that an individual in a public emergency shelters can be eligible for SSI. Current law prohibits SSI eligibility for residents of public institutions except in cases where the public institution is a public emergency shelter. In such cases, eligibility for SSI payments can extend for up to three months. This section would extent the three month period to twelve consecutive months.

### TITLE III. SSI AMENDMENTS RELATED TO THE BLIND

Section 301. Special notice to blind recipients. Requires the SSA to provide applicants and recipients on the basis of blindness the option to receive a supplementary notice (i.e., by telephone or certified letter) of any decision, determination or other action taken or proposed to be taken with respect to his or her rights under the SSI program.

Section 302. Technical amendments relating to rehabilitation services for the blind. Provides that the blind receiving benefits under the SSI program would, as is now the case for disabled SSI recipients, be allowed to continue to receive vocational rehabilitation services funded under the SSI program even if there is an improvement in their medical condition that results in their no longer qualifying for SSI benefits.

### TITLE IV. SSI AMENDMENTS RELATED TO TREATMENT OF CERTAIN INCOME AND RESOURCES.

Section 401. Determination of living arrangement. Modifies the assumptions to be used in determining whether or not an SSI applicant is receiving in-kind assistance when living with others in such a way as to protect SSI applicants from an automatic ⅓ reduction in their initial federal SSI benefit. Specifically, the provision presumes the individual is paying his share of household expenses, and specifies that the ⅓ reduction will not apply to current benefits if the beneficiary indicates his intention to pay his portion of the household expenses upon receipt of benefits. This amendment would protect SSI applicants living in relatively low income households from an automatic application of the ⅓ reduction in SSI benefits during the first months of SSI eligibility.

Section 402. Retroactive payment of social security benefit. Provides that a retroactive social security benefit received by an SSI recipient will not be counted as income in the month it is actually received but will only be counted in determining SSI benefits that would have been payable for the month in which the back benefit was due. Under present law, if an individual is found eligible to receive both social security and SSI benefits, when the back award is paid the social security benefit portion will be treated as income for the month it was received, even though it will not be counted as a resource for the next six months. The result is that the person will lose SSI benefits for one month even though he will be eligible again the next month. This provision eliminates the financial and logistical nightmare by excluding the social security back award from income when it is received.

Section 403. Funds set aside for burial expenses. Provides that interest earned on burial accounts owned by SSI recipients will not be counted as a resource for purposes of the resource limit whether or not the value of the account plus other countable resources exceeds the general countable resource limit. Current law excludes interest on burial accounts only if the value of the burial account plus other countable resources takes the individual above the resource limit; thus, a beneficiary with less than $1,800 in resources (including interest on a burial account) is penalized where an individual with resources greater than $1,800 (including burial interest) would not be penalized.

Section 404. Treatment of certain income in retrospective accounting. In calculating the initial benefit amount of an SSI recipient, the Secretary will not count welfare benefits received by the individual in the two months prior to payment of the SSI benefit. Current law prevents an individual from being eligible for both AFDC and SSI benefits in the same month, but, due to restrospective accounting rules, some beneficiaries losing AFDC eligibility are penalized for SSI purposes for the first two months despite the fact that the other benefit has been terminated.

Section 405. Eligibility of couples living apart. Provides that an individual and spouse would be treated as individuals for determining eligibility and payments under SSI after one month of living apart. Current law required that they be living apart for six months before they are treated as individuals under the SSI program. In cases of domestic violence or other emergency situations the Secretary is to waive the requirement for a one month wait unless it would be to the disadvantage of the individual.

Section 406. Exclusion of real property when it cannot be sold. The HHS Secretary must count real property as a resource it it is not specifically excluded. This section would provide that real property which is owned by an SSI recipient would not be counted as a resource if it could not be sold because it is jointly owned and its sale would cause undue hardship (including loss of housing), the sale is barred by a legal impediment, or the owner's reasonable efforts to sell it have been unsuccessful.

Section 407. Adjustment to the penalty for transferring an asset for less than fair market value. Under current law, even the transfer of a small asset for less than fair market value can result in the individual being barred from the SSI program for two years. This section would (1) permit the Secretary of HHS to waive the penalty where it "is necessary to avoid undue hardship," and (2) eliminate the penalty where the aggregate amount involved is less than $3,000.

Section 408. Exclusion of underpayments from resources. Under the 1984 DEFRA provision, a social security or SSI back award is excluded from resources for six months. There are many disabled individuals who will be entitled to very substantial back awards once SSA begins to issue decisions in disability cases pending for review under the 1984 social security disability reform act. This provision allows them 12 months (rather than six) to determine how best to use the funds before they will be counted as a resource. Because it is anticipated that SSA will issue decisions in these cases in the near future, the provision is limited to those who receive back awards during 1987 and 1988.

Section 409. Technical amendments relating to 1986 amendment concerning treatment of certain couples in medical institutions. Permits states to apply the special rule regarding SSI couples residing in a medical institution if the individuals live in the same medical institution, not just when they are living in the same room.

Section 410. Exclusion of death benefits to the extent spent on last illness and burial. Under current law, life insurance proceeds are excluded from income of the beneficiary to the extent that they are spent on the insured's last illness and burial and do not exceed $1,500; the amount in excess of the limit is counted as unearned income even if the excess amount is also spent on the insured's last illness and burial. The section provides that death benefits paid by private insurance companies, lump-sum death benefits paid by the Railroad Retirement Board, the Veterans Administration, or the SWSA, inheritances and gifts from relatives, friends, or members of the community that are occasioned by a person's death shall be counted as income only to the extent that these benefits were spent on the deceased's last illness and burial.

### TITLE V. MEDICAID AMENDMENTS RELATED TO PERSONAL NEEDS ALLOWANCE.

Section 501. Personal needs allowance under medicaid. Extends personal needs allowance provision of section 101 to medicaid beneficiaries, including cost of living and state pass through provisions.

### TITLE VI. DEMONSTRATION PROGRAM FOR SSI OUTREACH TO HOMELESS IN SHELTERS.

Authorizes five demonstration projects for fiscal year 1988 and five more demonstration projects in fiscal year 1989 (for a total of 10 in fiscal 1989) to test the feasibility of using special procedures to ensure that homeless individuals in shelters understand their rights to benefits under the SSI program and to provide assistance in applying for SSI benefits. The states shall submit an evaluation of their projects to HHS, and HHS shall submit an evaluation and recommendations to the Congress for future action. Funding authorized at $1.25 million in fiscal year 1988 and $2.25 million for fiscal year 1989.

### TITLE VII. GENERAL EFFECTIVE DATE.

Except as otherwise specified, provisions are effective October 1, 1987.

**Mr. MELCHER.** Mr. President, today I am proud to join my distinguished colleague from Arkansas, Senator Pryor, in introducing much needed legislation to make improvements in the Supplemental Security Income Program. The SSI Improvement Amendments of 1987 propose reasonable changes which will make SSI better able to serve the needy aged, blind, and disabled.

This legislation makes corrections and clarifications in a system which was designed to help those in need, but has fallen short. By making sensible changes, it will improve the lives of those affected by the program, as well as make SSI more fair and responsive to their needs.

One important provision of this bill would increase the personal needs allowance for nursing home residents by $10. The PNA has remained at $25 per month since 1974, and is heavily relied upon by nursing home residents for such basics as telephone service, postage stamps, clothing, shoes, bus fare, and other items which most people take for granted.

Changes resulting from a few of the bill's other provisions would, among other things, increase the fairness of the income and assets tests under the program, ensure that recipients receive their benefits in a timely manner, and help those who are temporarily institutionalized maintain enough of an income to eventually return to a home in their community.

Most of the bill's provisions are relatively modest, but each of them is extremely important. Some modifications will enable certain blind, disabled and elderly individuals to continue receiving needed assistance, while other changes will provide those who need it with a little more help.

This legislation is well-designed to eliminate senseless inequities within the SSI Program. It makes important technical changes in a program which is badly in need of reform, and I urge my colleagues to join in working for its prompt passage.

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By Mr. GRAMM:

S. 1636. A bill to authorize the acceptance of a donation of land for addition to the Big Bend National Park, in the State of Texas; to the Committee on Energy and Natural Resources.

### ACCEPTANCE OF A DONATION OF LAND

● **Mr. GRAMM.** Mr. President, today I am introducing legislation which would provide authority to the National Park Service to accept a donation of land to Big Bend National Park in Texas.

The property, known as the Harte Ranch or North Rosillos Mountains Preserve, is currently held by the

Texas Nature Conservancy. In 1984, the owners of the property donated the 67,000 acres to the Conservancy with the understanding that it would be transferred in the future to the National Park Service for inclusion in Big Bend National Park. This legislation would provide the authority which will enable the Conservancy and the Park Service to honor that commitment.

Big Bend National Park currently consists of 708,000 acres of Federal land and 33,000 acres of non-Federal land. It contains a unique mix of desert, mountains, and prairie. The proposed addition to the Park contains much of the North Rosillos Mountain Range.

The acquisition of the land would cost the taxpayers no money. The measure that I am introducing today is identical to legislation that was earlier introduced in the House by Congessman LAMAR SMITH. The proposal is supported by the administration and I encourage the Senate's early and favorable action.

I ask unanimous consent, Mr. President, that the text of the legislation be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1636

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized to accept, for addition to Big Bend National Park, Texas, the donation of that parcel of land, including interests therein and improvement thereon, known generally as the Harte Ranch, being adjacent to the northwest boundary of Big Bend National Park and consisting of approximately sixty-seven thousand one hundred and twenty-five acres. When title to the land so donated is vested in the United States, it shall thereupon become part of Big Bend National Park, subject to all the laws and regulations applicable thereto.●

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By Mr. STEVENS:

S. 1637. A bill for the relief of Romeo Manabat and his wife Grace Manabat; to the Committee on the Judiciary.

### RELIEF OF ROMEO MANABAT AND HIS WIFE GRACE MANABAT

● Mr. STEVENS. Mr. President, I am introducing today a private relief bill for Romeo and Grace Manabat.

This couple are being threatened with deportation because they were married when they immigrated to the United States. Romeo was allowed to immigrate to this country under the second preference—as an unmarried son of a legally admitted resident alien. During the delay between his application and the date Romeo was allowed to immigrate he and Grace were married. Romeo entered the United States in 1980. Grace followed shortly afterward. Their resident status is now being challenged, however, because they were married at the time of their entry.

Many members of both of their families have immigrated to the United States. Romeo and Grace have provided valuable contributions to their community. They have proven to be hardworking, and, in fact, provide support for Romeo's father.

Removing them from the community would prove a great hardship to both themselves and their family. Without the relief which would be provided by this bill, however, this result seems almost inevitable. I feel the Manabats deserve this assistance.●

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By Mr. STEVENS:

S. 1638. A bill for the relief of Elmer Clint Mauthe; to the Committee on the Judiciary.

### RELIEF OF ELMER CLINT MAUTHE

● Mr. STEVENS. Mr. President, I rise to introduce a private relief bill for the benefit of Elmer Clint Mauthe.

Clint Mauthe is a young man who came to Anchorage, AK, in 1981, to attend the University of Alaska. In December 1986 he completed his education, obtaining an MBA. With the completion of his academic career, Clint's student visa expired.

The reason Clint came to the University of Alaska was to play hockey. While there he made a major contribution to the school's team. He was a team captain, one of the team's all-time leading scorers, and had a hand in bringing the team near a national championship in 1984.

If this were the end of his story Clint Mauthe, while a fine young man, would not deserve the special treatment provided by a private bill. Over the last 7 years, he has won the gratitude and recognition of many from his contributions to the community and his volunteer work. Drawing upon his most recognized skill, he has helped organize and coached Boys' Club hockey teams, and served as an assistant coach for the University of Alaska without pay.

We do have a system which allows foreign workers to come into this country if they possess skills, and if there is no U.S. worker available to fill their position. If Clint Mauthe were being considered for a professional coaching job, he might be able to breeze through the certification process—after all, we let Canadians play for United States hockey teams.

Unfortunately, the same consideration is not available for those who volunteer their time. Clint has been befriended by many in Anchorage, and they tried to help him in getting his contribution recognized. Clint Mauthe provides opportunities, through his volunteer work, which will disappear if he is forced to leave the country. It is therefore to help the children of Anchorage, as well as Mr. Mauthe, that I am introducing this private relief bill.●

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By Mr. DIXON:

S. 1639. A bill to prohibit the export of defense-related goods by persons using the services of trading companies that have violated export controls promulgated by the Coordinating Committee; to the Committee on Banking, Housing, and Urban Affairs.

### DISAPPROVAL OF EXPORT LICENSES

Mr. DIXON. Mr. President, like many of my colleagues, I have followed with growing apprehension the scandal surrounding the diversion of sophisticated Toshiba milling machines to the Soviet Union.

This unconscionable act has given the Soviet Union the ability to grind its submarine propellers to very precise tolerances. As a result of Toshiba's sale to the Soviets, I am told that the Soviets now are able to evade highly sensitive United States detection devices designed to help locate Soviet attack and nuclear missile submarines.

Some estimates I have read claim that it will cost the United States up to $30 billion to create detection devices to monitor the newly quiet Soviet subs. Think of it. Toshiba's greed for an extra $17 million in profits may end up costing the U.S. taxpayer up to $30 billion.

Of great concern to me is the fact that we have no assurances that our scientists actually can create the necessary detection devices to track the newly quiet Soviet subs. If not, the effects of the Toshiba diversion could be disastrous to America's national security.

As a result of Toshiba's misdeeds, Congress has taken action to deal with Toshiba Machinery, which sold the milling machines to the Soviets, and to Toshiba Machinery's parent company as well. The amendment included as part of the trade bill, which I was pleased to cosponsor, also puts a mechanism in place to deal with any future violations of multilateral export controls.

I feel, however, that Congress may have overlooked a key factor in the Toshiba diversion. I would like to address that issue today.

### THE JAPANESE TRADING COMPANY

Mr. President, little is known in the United States about the key role that trading companies play in almost all trading matters in Japan.

In Japan, let us say that a manufacturer wishes to sell its products to a foreign purchaser. In this scenario, the manufacturer does one thing quite well; it makes a product.

However, the same manufacturer which makes a product is not necessarily very adept at marketing its product, or if it finds a buyer, at working its way through the myriad of Government regulations and banking procedures that are required to place its product in the hands of the foreign buyer.

Few Japanese manufacturers wish to build an internal staff to handle such matters. Rather, the manufacturer prefers to concentrate on what he does best: he manufactures—and leaves the details of foreign sales up to someone else.

In Japan, that someone else is a Japanese trading company.

The Japanese trading company undertakes many tasks. Because it handles a broad number of business clients and covers a wide spectrum of products, it offers the manufacturer—both large as well as small companies—cost benefits derived from the economies of scale.

The tasks that the average Japanese trading company handle include: locating a buyer; marketing and selling the product; coordinating with the manufacturer and the buyer to meet buyer specifications; handling financial matters that are part of the sale, such as transfers of funds, letters of credit and the myriad of paperwork that accompanies a sale; dealing with export regulations of Japan's giant Ministry of International Trade and Industry; dealing with import regulations in the country of the purchaser; handling all customs matter, including inspections, customs clearances, et cetera; making sure that all products are properly packaged and are ready for shipment; and engaging in general liaison with both seller and buyer.

The Japanese trading company therefore plays a key role in the export of Japanese products abroad. Thus, even Japanese industrial giants like Toyota continue to use trading companies.

In the Toshiba diversion case, two Japanese trading companies are said to have been involved: First, Wako Trading, a small firm; and second, the giant Japanese trading company, C. Itoh.

From what has been made public so far, it appears that Wako Trading Co. represented the potential buyer, the Soviet Machine Import Co., while C. Itoh represented Toshiba Machinery's interests.

### JAPANESE TRADING COMPANIES AND UINTED STATES MANUFACTURERS

What a Japanese trading company does for a Japanese manufacturer in terms of Japanese sales abroad, it also does for a foreign manufacturer selling in Japan. For the Foreign manufacturer selling in Japan, the Japanese trading company:

Identifies a buyer; promotes and then sells the product; coordinates with the buyer and manufacturer to meet buyer specifications; handles financial matters that are part of the sale, such as transfers of funds, letters of credit and the myriad of paperwork that accompanies a sale; deals with often stringent and quirky import regulations of Japan's giant Ministry of International Trade and Industry; deals with export regulations in the country of the seller; handles the multitude of arcane Japanese customs and regulations for imports, including inspections, custom clearances, et cetera; makes sure that all products are properly packaged to meet rigid Japanese import regulations and are ready for shipment; and handles general liaison with both seller and buyer.

In the area of trade with Japan that should most concern Americans—that of sales of defense items to Japan's Defense Agency—Japanese trading companies play a most important role. Only in the case of the sale of the most sensitive of United States technologies are Japanese trading companies kept out of the action. A case in point is the sale of America's Aegis shipborn target acquisition, tracking and fire control system, which is being handled on a government-to-government basis.

Generally, American defense contractors selling in Japan prefer that sales take the "commercial sales" route rather than the government-to-government one, since profit margins are cut sharply in a noncommercial, government-to-government sale. When they take the commercial sales route, American defense contractors rely upon a Japanese trading company to handle the multitude of problems involved in the sale of a foreign-made product in Japan.

Sales of United States-supplied defense items are an important component of United States-Japan trade. In fact defense, along with those commercial activities surrounding the recycling of Japan's surplus dollars, are two of Japan's leading growth industries. It is no fluke, for example, that Nomura Securities displaced Toyota last year as Japan's largest income earner.

With the Nakasone government's decision to move defense spending above the magic figure of 1 percent GNP, defense has emerged as a positive growth industry in Japan as well. Thus, Japan's hard-pressed manufacturing sector is looking to defense manufacturing under licensing agreement with mostly United States companies as a boon to an otherwise slack manufacturing economy.

Of course, Japan's trading companies see this increase in defense spending as a major target of trading company business activity for the future. They see the defense business activity for the future. They see the defense business as a major profit center for the next decade.

### TRADING COMPANIES AND THE TOSHIBA CASE

There is no question that two Japanese trading companies were involved in the diversion of highly sensitive technology from Japan's Toshiba Machinery Co. to the Soviet Union.

Those two companies have been identified as Wako Trading Co., a small company with no apparent power in Japan; and C. Itoh, one of Japan's three largest trading companies and a major political force in Japan's political and business community.

While Congress has focused on Toshiba Machinery and its parent, Toshiba Corp., we have, I fear, overlooked the vital role that these two trading companies have played in the diversion process.

If information that has been made public is correct, it appears that Wako Trading Co. brought the Soviet offer to purchase the milling machines in question to Toshiba Machinery.

From there, it appears that Toshiba Machinery then contracted its normal trading company for sales to the Soviet Union, C. Itoh, and solicited its assistance.

At this point, the record grows vague, with claims and counterclaims as to culpability on the part of Wako, Toshiba, and C. Itoh. What is abundantly clear, however, is the fact that there would have been no sale of the sophisticated milling machinery from Toshiba Machinery to the Soviet Union without the intervention of Wako Trading Co. and the assistance of C. Itoh.

Mr. President, we are punishing Toshiba, as we should, for its role. Yet, C. Itoh's role, like Wako's, was significant in the diversion. What was C. Itoh's punishment for its actions in the Toshiba diversion? The Japanese Government gave it a gentle pat on the wrist and barred C. Itoh from doing business with the Soviets for a period of 3 months.

Think of it, Mr. President. Three months. For all we know, it takes 3 months just to negotiate a deal with the Soviets. Three months is hardly sufficient sanction for C. Itoh for its role in the Toshiba diversion, no matter how small C. Itoh might claim that role was.

The fact is, C. Itoh lent the prestige of its name, its high standing and its political clout to this sordid venture with the Soviets. If it were going to err, it should have erred on the side of caution.

### USING THE "SILVER BULLET" OF TRADE SANCTIONS

Mr. President, Congress has at its disposal a "silver bullet" to use in the Toshiba case which will help prevent a repetition of this disaster in the future. It is a rifle shot at the heart of Japan's problem in dealing with past and future diversions of critical technology to the Soviet Union. It is a careful, sensible approach to a most serious problem.

What I suggest today, Mr. President, is that Congress take aim at the critical nexus in diversion cases and fire its "silver bullet" of trade sanctions in an effective and salutary manner.

This means that we in Congress focus as much of our legislative muscle as is required on dealing with the key trading company nexus in any diversion case.

We need a way to make it clear to C. Itoh and every other trading company that we will no longer tolerate the cavalier way they approach multilateral national security export controls. We need a way to demonstrate to them that their access to the U.S. market depends on making a much greater effort to comply with these controls than they have so far.

### A LEGISLATIVE REMEDY

Mr. President, what I offer today is a legislative remedy to this problem. It is not a scatter-gun approach; it builds on the Toshiba amendment we have already added to the Senate-passed trade bill.

The amendment we have already passed focuses on banning imports from those who have violated multilateral national security export controls, and prevents these violators from contracting with the U.S. Government. These two sanctions can be imposed for between 2 and 5 years.

My proposal adds another element that is particularly relevant to trading companies. What I suggest is that we not reward trading companies that violate multilateral national security export controls with lucrative contracts with U.S. defense and other companies exporting military or militarily critical items. Rather, I suggest that we put each United States exporter on notice that we intend to deal with trading companies in a sophisticated, even Japanese way—that we intend to deny them the fruits of doing business with United States high-technology exporters for a significant period of time—between 2 and 5 years to be exact.

The legislation that I introduce today would do just that: It denies export licenses for items controlled to the Soviets under the national security provisions of the Export Administration Act, or for items controlled under the Arms Export Control Act, if a trading company that has violated multilateral national security export controls is involved in the transaction.

Importantly, Mr. President, this action would not hurt U.S. companies. They would be able to switch their export business from a trading company that violated export controls to one that has not. Instead of the competition in laxity in meeting export controls that currently exist among the trading companies, my bill will promote competition in complying with export controls.

In taking this action, we are sending a clear and unequivocal message to the Japanese trading companies: if you want to do illegal deals with the Soviets, then don't also try to represent American high-technology or defense firms, because you will lose your business with them as a result.

We will be sending a message to the key nexus in any future diversion attempt. We will be letting the Japanese trading companies know to be on their guard in any and all dealings with the Soviets where potentially critical equipment and technologies are involved. We will be placing on the Japanese trading companies the burden of exercising caution, and placing that burden squarely where it belongs.

In the future, if a Japanese manufacturer seeks secretly to engage in a diversion of sensitive technology to the Soviets, it will take pause. Most certainly, any Japanese trading company called in to help facilitate a future diversion of Japanese technology to the Soviets will have ample reason to be cautious, given the sanctions that we impose with this legislation.

Mr. President, the American people deserve better than we have given them with our actions so far in the Toshiba diversion matter. While we have much to be proud of in our legislative response, we can and should do more.

Don't we have an obligation to the public to do as much as we can to ensure that a Toshiba case does not occur in the future?

I believe, Mr. President, that the legislation that I offer today gives the American people greater assurance that they will not be called upon in the future to make even further financial sacrifices as the result of the greed of a few Japanese companies.

Mr. President, I urge my colleagues to read this legislation, to join with me in cosponsoring it, and to work with me to secure its passage.

The American public deserves no less.

Mr. President, I ask unanimous consent that a copy of the bill be included in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1639

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. REQUIREMENT FOR DISAPPROVAL OF CERTAIN EXPORT LICENSES

(a) Export Administration Act of 1979.—Notwithstanding any other provision of law, the Secretary of Commerce shall disapprove the application of any person for a license under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.) for the export of any item which, if exported to a controlled country to which exports are controlled pursuant to section 5 of the Export Administration Act of 1979 would require an export license (other than a qualified general license) to any country, if—

(1) the export of such item involves, directly or indirectly, a corporation or trading company, or an affiliate, parent, subsidiary, or assign of such corporation or trading company, which the Secretary finds has violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee; and

(2) the violation by the corporation or trading company has resulted in substantial enhancement of Soviet and East bloc military capabilities.

(b) Arms Export Control Act.—Notwithstanding any other provision of the law, the President shall disapprove any proposed sale subject to the Arms Export Control Act if—

(1) the proposed sale involves, directly or indirectly, a corporation or trading company, or an affiliate, parent, subsidiary, or assign of such corporation or trading company, which the President finds has violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee; and

(2) the violation by the corporation or trading company has resulted in substantial enhancement of Soviet and East bloc military capabilities.

(c) Definition.—As used in this Act, the term "controlled country" has the same meaning provided in section 16(6) of the Export Administration Act of 1979 (50 U.S.C. App. 2415(6)).

(d) Termination of Requirement for Disapproval.—The provisions of subsections (a) and (b) shall apply to a corporation or trading company or other entity which is the subject of a finding described in subsection (a)(1) or (b)(1) for a period of not less than 24 months and not longer than 60 months, as determined by the President.

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By Mr. BAUCUS (for himself and Mr. Daschle):

S. 1640. A bill to amend the Internal Revenue Code of 1986 to allow reserve for bad debts to production credit associations and banks for cooperatives; to the Committee on Finance.

### EQUITABLE TAX TREATMENT FOR PRODUCTION CREDIT ASSOCIATIONS AND BANKS FOR COOPERATIVES

● Mr. BAUCUS. Mr. President, today Senator Daschle and I are introducing a bill to allow Production Credit Associations' and Banks for Cooperatives to use the same method of accounting for loan losses for Federal income tax purposes as that allowed to small banks. The Tax Reform Act of 1986 provided that small banks, those with less than $500 million in assets, could retain the reserve method of calculating loan losses. Excluding the taxable entities of the Farm Credit System from this relief places an unwarranted burden on the financially troubled Farm Credit System and its borrowers. Even though spread out over 4 years, this new tax burden forces the Farm Credit System to absorb further losses which must be passed along to borrowers, many of whom are in no position to pay additional charges. This increased tax burden makes it all the more difficult for the Production Credit Associations and the Banks for Cooperatives to charge competitive interest rates.

The most important reason that the Congress should proceed to act expeditiously on this bill is the adverse impact of the new tax on the ability of the Farm Credit System to survive. Indeed, when the Congress reconvenes in September, one of our highest priorities will be legislation now in the Agriculture Committee to ensure the overall fiscal soundness of that system. Money that now must be allocated for new tax payments could be better used to help that beleagured system make it through difficult times and relieve the interest rate burden of financially distressed farmers and their cooperatives.

My bill merely puts the taxable entities of the Farm Credit System on a parity with small commercial banks. It is most appropriate that we consider this proposal when we consider the technical corrections bill for last year's tax measure.

David Kasten, a farmer-rancher from Brockway, MA, testified before my Subcommittee of Taxation and Debt Management of the Committee on Finance that, without this corrective action, the additional tax burden would "definitely limit the ability of the system to lower interest rates to its farmer/rancher borrowers."

We simply cannot allow this to happen, Mr. President. In my State, our farmers and ranchers are served by 70 farm supply cooperatives, 27 grain marketing cooperatives, and 9 rural telephone co-ops. In addition, Montana is served by over two dozen rural electric distribution cooperatives which provide electricity to rural areas. The ability of these cooperatives to borrow from the Banks for Cooperatives is crucial for effective functioning and well-being.

The Farm Credit System supports this proposal, while recognizing, as do I, the need to do more and allow all entities of that system to use the bad debt reserve method. In the coming months I plan to work with interested colleagues in developing a comprehensive measure to include entities of the Farm Credit System which have assets greater than $500 million.

The Senate soon will be examining legislation to restore the Farm Credit System to financial health. We must do so soon. Once we complete that task, it would be foolhardy to have Treasury write a check to bolster the Farm Credit System only to have those entities pay part of that check back to the Internal Revenue Service.

I encourage my colleagues to join me in sponsoring this much needed legislation.●

By Mr. STEVENS:

S. 1641. A bill for the relief of Barry W. Jackson of Fairbanks, Alaska; and Thomas Fenton of Fairbanks, Alaska; to the Committee on the Judiciary.

### RELIEF OF BARRY W. JACKSON AND THOMAS FENTON

● Mr. STEVENS. Mr. President, I am introducing today a private bill for the relief of Barry W. Jackson of Fairbanks, AK; and Thomas Fenton, also of Fairbanks, AK. Accompanying this bill is Senate Resolution 278, a resolution referring the bill to the U.S. Claims Court. This legislation is necessary to provide full judicial review of the claims of these two men arising from their efforts on behalf of Alaska's Natives in conjunction with passage of the Alaska Native Claims Settlement Act of 1971 [ANCSA].

ANCSA carved out 44 million acres and set up a $962 million fund to help settle the land claims of Native Alaskans. When Congress passed the landmark Settlement Act, it abrogated all contracts between Natives and their lawyers, and instead provided a $1.9 million fund for the 27 lawyers and consultants. This act further restricted reimbursable expenses to cover only a few types of costs, and excluded out-of-pocket expenses.

Barry Jackson and Thomas Fenton were both deeply involved in development of ANCSA. The compensation they received under the act fell short of the value of the contribution they made to the legislation. Referring their cases to the Claims Court makes no prejudgment on their entitlement to additional compensation. It will assure them the chance to challenge the abrogation of their contracts. To date they have been unable to obtain a full judicial hearing on their claims.

This bill and resolution address their problem. The measures ask the U.S. Claims Court, which has jurisdiction for claims against the Federal Government, to examine the facts of the situation and report to Congress. The court would examine whether Congress tread upon the Natives' right to counsel and to petition Congress, and whether it justly denied the men's contractual rights to equitable fees. The court would be asked to report to Congress within 18 months on whether their claims, taken individually, are legal or equitable, and the amounts, if any, legally or equitably due to them from the United States.●

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By Mr. SIMON (for himself, Mr. Stennis, Mr. Bond, Mr. Breaux, Mr. Bumpers, Mr. Cochran, Mr. Danforth, Mr. Dixon, Mr. Durenberger, Mr. Ford, Mr. Gore, Mr. Grassley, Mr. Harkin, Mr. Johnston, Mr. Kasten, and Mr. Sasser):

S. 1643. A bill to establish the Mississippi River National Heritage Corridor; to the Committee on Energy and Natural Resources.

### MISSISSIPPI RIVER NATIONAL HERITAGE CORRIDOR ACT

● Mr. SIMON. Mr. President, I am pleased and honored to join with my esteemed friend and colleague, the President pro tem of the Senate, Senator Stennis, in introducing the Mississippi River National Heritage Corridor Act of 1987.

I am all the more pleased to introduce this legislation with the cosponsorship of nearly every Senator from a State bordering the Mississippi River.

Clearly, the creation of the Mississippi River National Heritage Corridor is an idea whose time has come. We have recently designated the Blackstone River in Massachusetts and Rhode Island and the Illinois-Michigan Canal National Heritage Corridors. Now, for our Nation's greatest waterway, we seek to create a commission to coordinate and encourage national awareness of its vast resources.

In this effort we are building upon the experience and comprehensive representation of the Mississippi River Parkway Commission, which will be, in effect, incorporated into the National Heritage Corridor Commission.

I invite all of our colleagues to join in this effort to bring into focus the resources and potential of this corridor, to the benefit of the entire Nation.●

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By Mr. DeCONCINI (for himself, Mr. Inouye, Mr. Evans, Mr. Daschle, Mr. Burdick, Mr. McCain, and Mr. Murkowski):

S. 1645. A bill to reauthorize certain Indian educational programs, and for other purposes; to the Select Committee on Indian Affairs.

### INDIAN EDUCATION AMENDMENTS ACT

Mr. DeCONCINI. Mr. President, I rise today to introduce on behalf of myself and my colleagues, Senators Inouye, Evans, Daschle, Burdick, McCain, and Murkowski, the Indian Education Act Amendments of 1987. This bill proposes to reauthorize the Indian education programs administered by the Bureau of Indian Affairs and the Department of Education. These programs serve the approximate 360,000 native American students attending BIA, public or tribally contracted schools.

Both the reservation and urban Indian communities rely on these vital programs to educate their children from kindergarten through high school. Parents and leaders of these communities place the highest priority on education. Education is critical to their efforts to achieve economic self-sufficiency. Like many other Americans, they want a better world for their children and look to a strong education system as the best way to achieve this end. They want quality education for their children and many have committed themselves to the task of improving Indian education as members of local school boards, parent committees, and tribal councils. Many others have become teachers and school administrators and devoted themselves to serving in the reservation school systems. This considerable investment in education must not be overlooked. Instead, I believe that it is time for the Federal Government to meet the Indian tribes and its communities halfway and it can do so by strengthening its commitment to Indian education.

The Federal Government, under the Federal trust relationship, has a special duty to the Indian tribes to assure the availability of the best educational opportunities possible. This duty must be fulfilled by our Government in a manner consistent with the Indian self-determination policy. The bill which I am proposing today is designed to strengthen the Federal-tribal partnership as it relates to Indian education. The bill seeks to improve the administration of Indian education programs by refining the existing law and proposing new options for Indian communities to use in their pursuit of excellence in education. I am convinced that these proposals will generate sufficient interest in the Indian community and provide additional ideas on the best way to respond to some of the problems which now plague Indian education. I lay this bill on the table for discussion and urge my colleagues to give the needs of Indian education the consideration and attention they deserve.

I look forward to working with the distinguished chairman of the Senate Committee on Indian Affairs, Mr. INOUYE, in scheduling hearings on this bill in the very near future. I respectfully ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

## S. 1645

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## TITLE I—INDIAN EDUCATION

### SHORT TITLE

SECTION 101. This title may be cited as the "Indian Education Amendments Act of 1987".

### STATUTORY AUTHORITY FOR BUREAU FUNDED SCHOOLS

SEC. 102. Paragraphs (1), (2), and (3) of subsection (g) of section 1121 of the Education Amendments of 1978 (25 U.S.C. 2001(g)) are amended to read as follows:

"(1) The Congress hereby specifically authorizes funding under the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13) for the operation of each school or dormitory which—

"(A) was a Bureau funded school on January 1, 1987, including (i) each school or dormitory facility in operation on that date or for which construction, expansion, or improvement was authorized but which was not in operation before that date; and (ii) each grade level or other program of the school in operation on that date or which was, prior thereto, authorized by the Congress, the Secretary, or the Bureau but which had not been initiated prior to such date; or

"(B) becomes a Bureau funded school after January 1, 1987, by law, action of the Secretary, or action of the Bureau (including a school, dormitory, or grade level or other program expansion identified in a congressional committee's report in connection with an Act or Joint Resolution providing appropriations for fiscal year 1987, or any subsequent fiscal year, for such school, dormitory, grade level, or program expansion).

"(2) Notwithstanding any other law, the Secretary may not terminate, transfer, or contract to any other entity (except under the Indian Self-Determination and Education Assistance Act or the Indian Self-Determination Grants Act of 1987), consolidate, or substantially curtail a Bureau funded school (including a grade level, program, or facility of the school) authorized under this subsection except (A) as hereafter expressly provided by a provision of law, enacted after the date of the enactment of the Indian Education Amendments Act of 1987, relating specifically to the school and the action, or (B) as requested by resolution of the tribal governing body or bodies representing an aggregate of 90 percent or more of the students served by the school.

"(3) If the Secretary or any part of the Department of the Interior or of the Bureau, at any time, has under consideration or review an action subject to paragraph (2), the Secretary shall promptly report that fact to the affected tribal governing body or bodies and to local school board or boards of the school or schools involved. Those bodies shall be (A) kept fully and currently informed during such consideration or review, (B) afforded opportunities to comment as the consideration or review progresses, and (C) notified at least 6 months prior to the end of the school year preceding the proposed effective date of such an action if a formal decision is made that the action should be taken. Copies of such a notice shall be promptly transmitted to the Congress and published in the Federal Register.".

### EMERGENCY AND SPECIAL SITUATIONS

SEC. 103. Subsection (g) of section 1121 of the Education Amendments of 1978 (25 U.S.C. 2001(g)) is further amended by adding at the end thereof the following new paragraphs (5), (6), and (7) as follows:

"(5)(A) A temporary action that would be subject to paragraph (2) may be taken by the Secretary if required by conditions that constitute an immediate hazard to health or safety of the school's students.

"(B) The hazard which makes the action necessary must be confirmed by an inspector designated by a tribal governing body of the location of the school or, in the case of a school not located within the jurisdiction of a tribe, designated by a tribal governing body representing a substantial number of the students who attend the school. If an inspector is not designated by a tribal governing body within a reasonable time, the hazard must be confirmed by a State, county, or municipal inspector designated by the Secretary.

"(C) If the hazard is confirmed, the action may be taken without regard to paragraphs (2), (3), and (4) but shall be for the shortest possible period and shall terminate before the beginning of the second academic term after the action is taken. An extension of the temporary period may only be allowed (i) if approved by resolution of the tribal governing body or bodies representing an aggregate of 90 percent or more of the students served by the school, or (ii) by compliance with paragraphs (2), (3), and (4).

"(6) The Assistant Secretary shall prescribe regulations governing the determination of eligibility for schools to become Bureau funded schools and for Bureau funded schools to add grade levels or otherwise expand their programs in a manner which will increase the amount of funding they would be eligible to receive from the Bureau. The regulations shall provide for the eligibility determination to be based on geographic and demographic factors and the history and record of success or failure of (A) the proposed school or school proposing to add a grade level or otherwise expand its program, and (B) the public schools or other alternative providers or potential providers of the services which the school proposes to provide with the financial assistance that would be provided by the Bureau. A determination of disapproval under the regulations may not be based on the proximity of other education facilities. The regulations shall provide for the invitation and consideration of information and views from the Indian tribe or tribes affected, the local education agencies in the area, and all other interested parties.

"(7) Notwithstanding any other provision of law, the Bureau funded schools at the Pueblo of Zia and the Tama Settlement are each expanded to include grades kindergarten through grade 8 at the beginning of the next school year after a vote of the school's local school board for such an expansion if the vote occurs within two years of the date of the enactment of this sentence.".

### DORMITORY CRITERIA

SEC. 104. Section 1122 of the Education Amendments of 1978 (25 U.S.C. 2002) is amended by redesignating subsection (d) as subsection (e) and inserting after subsection (c) the following new subsection (d):

"(d)(1) The criteria established under this section may be waived in the same manner as provided for the waiver of standards in section 1121(d) of this Act.

"(2) An action that is subject to section 1121(g)(2) of this Act may not be taken with respect to a school that was a Bureau funded school on January 1, 1987, because the school does not meet the criteria established under this section.

"(3) By February 1, 1988, the Assistant Secretary shall submit to the Congress a report detailing the costs associated with, and the actions necessary for, complete compliance with the criteria established under this section.".

### ENACTMENT OF REGULATIONS

SEC. 105. Section 1123 of the Education Amendments of 1978 (25 U.S.C. 2003) is amended to read as follows:

### "REGULATIONS

"SEC. 1123. (a) The provisions of parts 31, 32, 33, 39, 40, 42, and 43 of title 25, Code of Federal Regulations, as in effect on April 1, 1987, shall remain in effect on and after the date of the enactment of the Indian Education Amendments Act of 1987 until changed or amended in accordance with this section.

"(b) Such parts referred to in subsection (a) may only be changed or amended as specifically provided by a law enacted after the

date of enactment of the Indian Education Amendments Act of 1987. Except as required (1) to implement Public Law 99-228, (2) to implement a gifted and talented factor in the formula under section 1128(a)(2)(H), or (3) as specifically required by this Act or any other law enacted after the enactment of the Indian Education Amendments Act of 1987, no regulation, guidelines, policies, procedures, or executive action of general effect shall be issued or implemented concerning matters included in the parts referred to in subsection (a) except as provided by a law enacted after the date of the enactment of the Indian Education Amendments Act of 1987.

"(c) The Secretary may waive a provision of a part referred to in subsection (a) for the benefit of an Indian if (1) the waiver is not contrary to another law, and (2) the waiver was permissible under section 1.2 of part 1 of title 25, Code of Federal Regulations, as such section was in effect on April 1, 1987.

"(d) On and after the date of the enactment of this subsection, in the administration of section 40.1 of part 40, title 25, Code of Federal Regulations, the terms 'loans or', 'loans and', and 'of one-fourth or more degree' shall be considered as having been deleted.".

### FORMULA MODIFICATIONS

SEC. 106. Subsection (a) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008) is amended by adding at the end thereof the following new sentence: "For fiscal year 1989 and each subsequent fiscal year in which the formula established under the first sentence of this subsection is used to determine the amount of funds for each Bureau funded school, the Secretary shall (i) use a weighted student unit of 1.2 for students in the seventh and eighth grades; (ii) consider a school with an average daily attendance of less than 50 students as having an average daily attendance of 50 students for purposes of implementing the small school adjustment factor; and (iii) make provision in the formula for the provision of residential services on a less than nine-month basis at a school when the school board and supervisor determine that a less than nine-month basis will be implemented for the school year involved.".

### ADMINISTRATIVE COST

SEC. 107. (a) The text of subsection (c) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008) is amended to read as follows:

"(c) The Secretary shall provide each Bureau funded school (other than a Bureau school) with an administrative cost allowance in addition to the amount allocated under subsection (a) of this section. The amount provided (subject to the availability of appropriations) shall be either the actual amount needed or an amount determined under a formula which the Secretary prescribes by regulation after consultation with Indian tribes, school boards, Indian educators and education administrators, and others.".

(b) Section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008) is amended by adding at the end the following new subsection (h):

"(h) The term 'administrative cost allowance' as used in this section means the amount that a Bureau funded school (other than a Bureau school) is provided under subsection (c) of this section to meet their necessary additional expenses that a Bureau school does not need to incur. These additional expenses may include, but are not limited to, the cost of insurance, fiscal management and auditing, legal services, archives, contract or agreement administration, and services for personnel management, procurement, and property management.".

### LOCAL PROCUREMENT

SEC. 108. (a) Section 1129(a)(4) of the Education Amendments of 1978 (25 U.S.C. 2009) is repealed.

(b) Section 1129 of such Act (25 U.S.C. 2009) is amended by adding the following new subsection (e) at the end thereof:

"(e) Notwithstanding any law or regulation, the supervisor of a Bureau school may expend an aggregate of no more than $25,000 of the amount allotted the school under section 1128 to acquire supplies and equipment for the school without competitive bidding if for each procurement—

"(1) the cost for any single item purchase does not exceed $10,000;

"(2) the school board approves the procurement in advance;

"(3) the supervisor certifies that the cost is fair and reasonable;

"(4) the documents relating to the procurement executed by the supervisor or other school staff cite this subsection as authority for the procurement; and

"(5) the transaction is documented in a journal maintained at the school clearly identifying when the transaction occurred, what was acquired and from whom, the prices paid, the quantities acquired, and any other information the supervisor or board considers relevant.".

(c) This section shall take effect on the date of its enactment into law, or on October 1, 1987, whichever occurs later.

### COORDINATED PROGRAMS

SEC. 109. Section 1129 of the Education Amendments of 1978 (25 U.S.C. 2009) is amended by adding after subsection (e) the following new subsection:

"(f)(1) A tribe or tribes whose children are served by a Bureau school or a program in a Bureau school may enter into a cooperative agreement with a local education agency or a public school concerning the school or program. The agreement may involve coordination of some or all of the following—

"(A) the academic program and curriculum (but if implementation of the agreement would result in the loss of any State or regional accreditation the Bureau school has achieved, the agreement must be approved by the Secretary);

"(B) support services, including procurement and facilities maintenance; and

"(C) transportation.

"(2) Except as provided in subparagraph (A) of paragraph (1), an agreement under this subsection shall not be subject to approval by the Secretary or the supervisor of the Bureau school or schools involved.

"(3) Subject to the availability of amounts allotted under section 1128 to the Bureau school or schools involved, upon request by the tribe or tribes involved, the Secretary and supervisor shall implement a cooperative agreement entered into under this subsection.".

### CONSULTATION

SEC. 110. (a) Section 1130 of the Education Amendments of 1978 (25 U.S.C. 2010) is amended as follows:

(1) by deleting "Bureau" the first time it appears and inserting in lieu thereof "the Secretary and the Bureau";

(2) by adding the following sentences at the end thereof: "The Secretary shall engage in consultation with the tribes as to all matters relating to the Secretary's carrying out of Indian education programs or support services for those programs including (but not limited to) the Secretary's carrying out of this Act and any other authorities or matters relating to the education of Indian children or adults. No policy or regulation relating to matters for which consultation is required under this section may be initiated or changed prior to such consultation."; and

(3) by redesignating the current text as subsection (a) and adding the following new subsections at the end thereof:

"(b)(1) In this section the term 'consultation' means the Secretary's dialog with tribes and Indian organizations during a systematic process of meeting with tribes and Indian organizations as provided in this subsection.

"(2) The meetings shall be held in various localities around the United States to facilitate participation. The meetings shall be planned so that one is held at least once every three months and that one is held at least once every two years in each of the Bureau's geographic administrative areas having Bureau funded schools or public schools serving Indian students aided by the Bureau under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.).

"(3) At least 30 days before each meeting, the Secretary shall publish a notice of the meeting in the Federal Register and send a notice of the meeting to at least those agency school boards, local school boards, Bureau funded schools, and local parent committees or Indian controlled local school board of a public school with students for which the Bureau provides aid under the Act of April 16, 1934, in the Bureau's geographic administrative area in which the meeting is to occur and to each tribal governing body representing a substantial portion of the students at one or more of those schools. The notices shall state the date, time, and place for the meeting and the subjects to be discussed and that adequate time will be provided for the representatives of the recipient of the notice and representatives of other tribes or Indian organizations to ask questions and discuss those subjects or other matters relating to (A) the Secretary's carrying out of Indian education programs or support services for those programs under this Act and any other authorities, and (B) the education of Indian children or adults in Bureau funded or other schools.

"(4) The Secretary shall assure that each meeting includes the provision of information and a dialog on (A) Indian education related budget or policy proposals, and (B) regulatory, administrative, or procedural changes which will be made or which may be considered during at least the six months following the meeting.

"(5) Each meeting will be conducted by the Secretary (or an official designated by the Secretary to represent and speak for the Secretary) who shall be accompanied by the Director of the Office of Indian Education Programs (or an official designated by the Director to represent and speak for the Director) and such other officials and staff as may be desirable to assure responsiveness to questions and that the Secretary or the Secretary's representative and accompanying officials and staff can engage in an informative dialog with those attending the meeting concerning the subjects identified in the notice of the meeting and other matters that are likely to be considered.

"(c) To the maximum extent practicable, the Secretary shall accommodate a request from a tribe or an Indian organization for a special consultation meeting under this section.

"(d) The Secretary shall carry out the recommendations made by tribes and Indian organizations during consultation under this section unless the Secretary determines otherwise for clear and convincing reasons and advises such tribes and organizations in writing.

"(e) The Secretary shall promptly report any violation of this section to the Congress.".

(b) Section 1136(a) of the Education Amendments of 1978 (25 U.S.C. 2016(a)) is amended by inserting after the second sentence therein the following new sentence: "Such report shall include information on the Secretary's compliance with section 1130, the recommendations and views received from tribes and Indian organizations during the consultation process required by section 1130, and the Secretary's clear and convincing reasons for not carrying out each recommendation received during the consultation process which the Secretary has not carried out.".

### INDIAN EMPLOYMENT PREFERENCE

Sec. 111. Subsection (f)(1) of section 1131 of the Education Amendments of 1978 (25 U.S.C. 2011) is amended by deleting "an employee" and inserting in lieu thereof "an applicant or employee".

### PERSONNEL COMPENSATION, RECRUITMENT, AND RETENTION

Sec. 112. (a) The Education Amendments of 1978 is amended by inserting after section 1140B (25 U.S.C. 2022) the following new section 1140C:

### "STUDIES

"Sec. 1140C. (a)(1) The Assistant Secretary for Indian Affairs shall conduct such studies and develop such information as may be needed for a report that the Assistant Secretary shall submit to Congress by March 1, 1988, comparing personnel compensation in Bureau funded schools with that in the public schools of the local education agencies nearest the Bureau funded schools and with the averages for public schools in the States in which the Bureau funded schools are located. The report shall include detailed information on (A) the current salaries and personnel benefits for comparable positions in the Bureau funded and public schools, (B) a comparison of starting salaries, tenure, length of service, educational and certification requirements, length of work year and work day, and fringe benefits, (C) a projection of the Bureau funded and public school compensation figures over the next five years, and (D) such additional information and analysis as the Assistant Secretary deems appropriate.

"(2) The cost of the studies and report (including but not limited to costs for all contracts, travel, and staff assigned to the study) shall be paid from amounts appropriated for the Bureau's Management and Administration Subactivity of the General Administration Activity except that the salaries and personnel benefits of employees detailed to the study from the Bureau's Office of Indian Education Programs may continue to be charged to the amounts appropriated for the Bureau's Education Activity. The staff detailed to work on the studies and report shall include not less than two career employees from the Office of Indian Education who have substantial experience in the administration at the agency level of school operations and in the drafting of personnel regulations, including but not limited to those under this Act.

"(3) The Assistant Secretary shall conduct such future studies of personnel compensation in Bureau funded and public schools as are desirable in carrying out this Act.

"(4) The Assistant Secretary may conduct part or all of the studies under this subsection by a contract or contracts with one or more Indian education organizations.

"(b)(1) Upon the request of the local school board of a Bureau school, the Assistant Secretary shall grant the supervisor of the school authorization for one or more post differentials under section 1131(h)(3) unless the Assistant Secretary determines for clear and convincing reasons (and advises the board in writing of those reasons) that certain of the requested post differentials should be disapproved or decreased because there is no disparity of compensation for the involved employees or positions in the Bureau school that is either (1) at least 5 percent, or (2) less than 5 percent and affects the recruitment or retention of employees at the school. The request of a local school board under this subsection shall be deemed granted as requested at the end of the 60th day after the request is received in the Bureau's Central Office unless before that time it is approved, approved with modification, or disapproved by the Assistant Secretary.

"(2) The Assistant Secretary or the supervisor may discontinue or decrease a post differential authorized under this subsection at the beginning of a school year after either (A) the local school board requests that it be discontinued or decreased, or (B) the Assistant Secretary or supervisor determines for clear and convincing reasons (and advises the board in writing of those reasons) that there is no disparity of compensation that would affect the recruitment or retention of employees at the school after the differential is discontinued or decreased.

"(c) On or before February 1 of each year, the Assistant Secretary shall submit a report to Congress describing the requests and grants of authority under this subsection during the previous fiscal year and listing the positions contracted under those grants of authority.".

(b) Section 1136(a) of the Education Amendments of 1978 (25 U.S.C. 2016(a)) is amended by adding at the end thereof the following sentence: "Additional reports to Congress are required in sections 1130(e) and 1140C(c).".

### DEFINITIONS

Sec. 113. Section 1139 of the Education Amendments of 1978 (25 U.S.C. 2019) is amended as follows:

(1) Clause (3) is amended to read as follows: "(3) the term 'Bureau funded school' means (A) a Bureau school; (B) a contract school; or (C) a school financially assisted under the Indian Self-Determination Grants Act of 1987;"; and

(2) Clauses (4) through (10) are redesignated as (6) through (12) and the following new clauses are inserted after clause (3):

"(4) the term 'Bureau school' means a Bureau operated elementary or secondary day or boarding school or a Bureau operated dormitory for students attending other than a Bureau school;

"(5) the term 'contract school' means an elementary or secondary school or a dormitory which receives financial assistance for its operation under a contract or agreement with the Bureau under section 102, 104(1), or 208 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f, 450h(1), and 458d).

### INDIAN PREFERENCE

Sec. 114. The Indian preference provisions of section 12 of the Indian Reorganization Act (25 U.S.C. 472) shall, on and after the effective date of this section, be considered to be applicable in the case of any office or position within the Office of Indian Education, Department of Education, involved in the administration of the Indian Education Act of 1972.

## TITLE II—SELF-DETERMINATION GRANTS

### SHORT TITLE

Sec. 201. This title may be cited as the "Indian Schools Operations Agreements Act of 1987".

### CONGRESSIONAL FINDINGS

Sec. 202. (a) The Congress, after careful review of the Federal Government's historical and special legal relationship with, and resulting responsibilities to, American Indian people, finds that—

(1) the Indian Self-Determination and Education Assistance Act of 1975, which was a product of the legitimate aspirations and a recognition of the inherent authority of Indian nations, was and is a crucial positive step towards tribal and community control;

(2) the Bureau of Indian Affairs' administration and domination of the Public Law 93-638 contracting process has not provided the full opportunity to develop leadership skills crucial to the realization of self-government, and has denied to the Indian people an effective voice in the planning and implementation of programs for the benefit of Indians which are responsive to the true needs of Indian communities; and

(3) the Indian people will never surrender their desire to control their relationships both among themselves and with the non-Indian governments, organizations, and persons.

(b) The Congress further finds that—

(1) true self-determination in any society of people is dependent upon an educational process which will ensure the development of qualified people to fulfill meaningful leadership roles;

(2) the Federal administration of education for Indian children has not effected the desired level of educational achievement nor created the diverse opportunities and personal satisfaction which education can and should provide;

(3) true local control requires the least possible Federal interference; and

(4) the time has come to enhance the concepts made manifest in Public Law 93-638.

### DECLARATION OF POLICY

Sec. 203. (a) The Congress recognizes the obligation of the United States to respond to the strong expression of the Indian people for self-determination by assuring maximum Indian participation in the direction of educational services so as to render such services more responsive to the needs and desires of those communities.

(b) The Congress declares its commitment to the maintenance of the Federal Government's unique and continuing trust relationship with and responsibility to the Indian people through the establishment of a meaningful Indian self-determination policy for education which will further deter further perpetuation of Federal bureaucratic domination of programs.

(c) The Congress declares that a major national goal of the United States is to provide the resources, processes, and structures which will enable tribes and local communities to effect the quantity and quality of educational services and opportunities which will permit Indian children to compete and excel in the life areas of their choice, and to achieve the measure of self-determination essential to their social and economic well-being.

(d) The Congress affirms the reality of the special and unique educational needs of Indian peoples, including the need for programs to meet the linguistic and cultural aspirations of Indian tribes and communities. These can best be met through a grant process.

(e) The Congress declares its commitment to these policies and its support, to the full extent of its responsibility, for Federal relations with the Indian Nations.

(f) The Congress hereby repudiates and rejects any policy of unilateral termination of Federal relations with any Indian Nation.

### GRANTS AUTHORIZED

Sec. 204. (a) Grants under this title shall go into a general operating fund of the school to defray, at the determination of the tribally controlled school board, any expenditures, including but not limited to, expenditures for school operations, academic, educational, residential, guidance and counseling, and administrative purposes and for the operation and maintenance (where funds for same are provided at the request of the tribally controlled school board) and for support services, including transportation, of the school. Funds provided pursuant to this title may not be used in connection with religious worship or sectarian instruction.

(b) Funds may not be expended for administrative costs (as defined under section 1128(g) of the Education Amendments of 1978) in excess of the amount generated for such costs under section 1128(c) of such Act.

(c) In the case of a grantee which operates more than one schoolsite, the grantee shall expend no less than 95 percent of the funds generated under section 1128 of the Education Amendments of 1978 for each schoolsite at each school site.

### GRANTS ELIGIBILITY

Sec. 205. (a) To be eligible for grants under this title, a tribally controlled school shall fulfill one of the following criteria—

(1) was, on the date of the enactment of this Act, a school which received funds under the authority of the Indian Self-Determination and Education Assistance Act (Public Law 93-638);

(2) was a school operated (as either an elementary or secondary or combined program) by the Bureau of Indian Affairs on the date of the enactment of this Act, meets the requirements of a tribally controlled school, and has met the requirements of section 206(a); or

(3) is a tribally controlled school for which funds from the Bureau of Indian Affairs have not been previously received but which has met the requirements of section 206(b).

(b) Any application which has been submitted by a tribe for a school which is not in operation on the date of the enactment of this Act shall be reviewed under the guidelines and regulations in effect at the time of submission, unless the tribe or tribal organization elects to have the application reviewed under the provisions of section 206.

(c) Nothing in this Act may or shall be construed to require a tribe or tribal organization, or allow the coercion of any tribe or tribal organization, to apply for or accept a grant under this Act to plan, conduct, and administer all or parts of any Bureau program. Such applications, and the timing of such applications are strictly voluntary. Nothing in this title shall be construed as allowing or requiring any grant with any other entity, whatsoever.

### DETERMINATION OF ELIGIBILITY

Sec. 206. (a)(1) Within 120 days after receiving a request submitted by an Indian tribe or tribal organization for eligibility under subsection (b) of section 205, the Secretary shall make an initial determination of whether the applicant can maintain a tribally controlled school. The Secretary shall award a grant based upon such application unless the Secretary finds by clear and convincing evidence that the services to be provided will be deleterious to the welfare of the Indian beneficiaries of the particular program to be operated under this authority. In the award of a grant under this paragraph, the Secretary shall consider whether the tribe or tribal organization would be deficient in performance under the grant with respect to (A) equipment, (B) bookkeeping and accounting procedures, (C) substantive knowledge of the program to be operated, (D) adequately trained personnel, or (E) other necessary components of grant performance.

(2) An application from a tribal organization shall be accompanied by an action of the tribal governing body authorizing such application. A grant shall become effective beginning with the academic year succeeding the fiscal year in which such application is made or at an earlier date, at the Secretary's discretion.

(3)(A) Whenever the Secretary declines to issue a grant under this section, the Secretary shall (i) state the objections in writing to the tribe or tribal organization within the allotted time, (ii) provide assistance to the tribe or tribal organization to overcome all stated objections, and (iii) provide the tribe or tribal organization a hearing, under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act, and an opportunity to appeal the objection raised.

(B) Whenever the Secretary has provided an opportunity and the technical assistance necessary to correct stated objections under subparagraph (A), the Secretary shall reconsider the amended application within 60 days.

(b)(1) The Secretary, within 180 days after receiving a request by an Indian tribe or tribal organization seeking a grant for a tribally controlled school program for which funds from the Bureau of Indian Affairs have not been previously received, shall conduct an eligibility study to determine whether there is justification to maintain a tribally controlled school and shall make an initial determination of eligibility under this title. In making this determination, the Secretary shall give equal weight to all of the following factors:

(A) Within the applicant's proposal—

(i) the adequacy of facilities or the potential to obtain or provide adequate facilities;

(ii) geographic and demographic factors in the affected areas;

(iii) adequacy of applicant's program plans;

(iv) geographic proximity of comparable public education, provided that no negative decision can be made primarily based upon the proximity of such programs; and

(v) the wishes of all affected parties, including but not limited to students, families, tribal governments at both the central and local levels, and school organizations; and

(B) with respect to all education services already available—

(i) geographic and demographic factors in the affected areas;

(ii) adequacy and comparability of programs already available;

(iii) consistency of available programs with tribal education codes or tribal legislation to education; and

(iv) the history and success of these services for the proposed population to be served, as determined from all factors and not just standardized examination performance.

(2) An application from a tribal organization under this authority shall be accompanied by an action by the tribal governing body authorizing such application. Submission of information on the factors in paragraph (1)(A) shall constitute an adequate submission for purposes of an application under this section, provided that the applicant may also provide such information relative to the factors in paragraph (1)(B) as it considers appropriate. Except as provided in paragraph (3), a grant shall become effective beginning with the academic year succeeding the fiscal year in which such application is made or at an earlier date, at the discretion of the Secretary. Whenever the Secretary declines to issue a grant under this subsection, the Secretary shall (A) state the objections in writing to the tribe or tribal organization within the allotted time, (B) provide assistance to the tribe or tribal organization to overcome all stated objections, and (C) provide the tribe or tribal organization a hearing, under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act, and an opportunity to appeal the objection raised.

(3) If the Secretary fails to make a determination within 180 days of receipt of the application, such application is approved, provided that in these cases, the grant shall become effective 18 months after the date of application, or an earlier date, at the Secretary's discretion.

(c)(1) Expansions of the grade levels offered or modification to initiate residential services by eligible tribally controlled schools shall require an application. Such application shall be by a tribe or be accompanied by an action of the tribal governing body authorizing such application. The Secretary, within 120 days after the receipt of an application under this subsection, shall make a final determination on such application. Expansion or change of services or programs within grade levels shall not require Secretarial approval. In reviewing all applications under this subsection, the Secretary shall give equal weight to the factors in subsection (b)(1), and to the enhancement of the quality of the overall program offered by the applicant. Whenever the Secretary declines to agree to the expansion proposed under this subsection, the Secretary shall (A) state the objections in writing to the tribe or tribal organization within the allotted time, (B) provide assistance to the tribe or tribal organization to overcome all stated objections, and (C) provide the tribe or tribal organization a hearing under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act and an opportunity to appeal the objection raised.

(2) A modification to a grant under this subsection will become effective beginning with the academic year succeeding the fiscal year in which such application is made or at an earlier date, at the discretion of the Secretary, except that an expansion involving more than two grade levels, or their equivalent, or the addition of residential services to a program not now offering them shall become effective 12 months after the application, or earlier, at the discretion of the Secretary. Whenever the Secretary declines to modify a grant pursuant to this subsection, the Secretary shall (A) state the objections in writing to the tribe or tribal organization within the allotted time, (B) provide assistance to the tribe or tribal organization to overcome all stated objections, and (C) provide a tribe or tribal organization a hearing, under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act, and an opportunity to appeal the objection raised.

(d) All applications under this section shall be filed with the Office of the Agency Education Superintendent or Education Programs Officer or Area Education Officer, at the discretion of the Director of the Office of Indian Education Programs (hereinafter referred to as the "Office"), and the calculation of the timeliness will begin on the date of receipt by this Office.

(e) The Bureau of Indian Affairs shall submit an annual report to Congress on all applications received and actions taken under this section at the same time as the budget is submitted.

### GRANTS

Sec. 207. (a) Tribally controlled schools meeting at least one of the criteria under section 205(a) or which have a positive determination under section 206 shall receive grants under this Act.

(b) The eligibility determination made under section 206 shall only be made for the initial grant. Extension shall be automatic, subject to the availability of appropriations and satisfactory performance, as defined in this title.

(c)(1) For purposes of this title, satisfactory performance shall be defined only as the submission of the reports stipulated under paragraph (2) and one of the following:

(A) Certification or accreditation by a State or regional accrediting association as determined by the Secretary of Education, or candidacy in good standing for such accreditation under the rules of the State or regional accrediting association, showing that credits achieved by students within the education programs are or will be accepted at grade level by a State certified or regionally accredited institution provided that the Secretary may waive this requirement for a period not to exceed three years if the Secretary determines that there is a reasonable expectation that candidacy or accreditation will be reached within that time and that the program offered is beneficial to the Indian students.

(B) Accreditation by a Tribal Division of Education.

(C) Acceptance of the standards promulgated under section 1121 of the Education Amendments of 1978, evaluation of performance under this section to be done in conformance with the regulations pertaining to Bureau operated schools by an outside evaluator chosen by the grantee, but no grantor shall be required to comply with these standards to a higher degree than a comparable Bureau operated school.

(D) A positive evaluation conducted once every three years for performance under standards adopted by the contractor under the contract for a school contracted under Public Law 93-638 prior to the date of enactment of this title, such evaluation to be conducted by an outside evaluator agreed to by the Secretary and the grantee provided that upon failure to agree on such an evaluator, the tribal authority shall choose the evaluator or perform the evaluation.

The choice of standards shall be consistent with section 1121(e) of the Education Amendments of 1978.

(2) The reports to be submitted shall be limited to—

(A) an annual financial statement reporting revenue and expenditures as defined by the cost accounting established by the grantee;

(B) a biannual financial audit conducted pursuant to the standards of the Single Audit Act of 1984;

(C) an annual submission to the Secretary of the number of students served and a brief description of programs offered under the grant; and

(D) a program evaluation conducted by an outside entity, to be based on the standards under paragraph (1).

(d) Grants under this title shall not terminate, modify, suspend, or reduce the Federal responsibility to provide such a program. Whenever an Indian tribe requests retrocession of any program receiving a grant under this title, such retrocession shall become effective upon a date specified by the Secretary not more than 120 days from the date of the request of the tribe or such later date as may be mutually agreed upon by the appropriate Secretary and the tribe.

(e) The Secretary shall not make a determination of a lack of satisfactory performance or reassume a program until the Secretary provides notice to the tribal authority authorizing the tribally controlled school, giving the specific deficiencies which led to the negative determination and the actions which are needed to remedy said deficiencies and afford such authority an opportunity to effect any remedial actions, except that the Secretary shall provide such technical assistance as is necessary to effect such actions. Such notice and technical assistance shall be in addition to hearing and appeal to be conducted pursuant to the regulations established under section 206.

### GRANT AMOUNTS

Sec. 208. (a) One grant shall be made to each tribally controlled school for each fiscal year for a sum which is not less than the total of—

(1) the amount the tribally controlled school is eligible to receive under section 1128 of the Education Amendments of 1978, including, but not limited to, any funds provided under this or any other authority for transportation costs;

(2) funds provided for operations and maintenance and other facilities accounts, pursuant to the provisions of section 1126(d)(1) of the Education Amendments of 1978, if such funds have been requested by the tribally controlled school;

(3) any other provision of law notwithstanding, funds received and distributed by the Bureau under authority of chapter 1 of the Education Consolidation and Improvement Act of 1981 and the Education of the Handicapped Act, on the same basis as these funds are distributed to Bureau operated programs, provided that programs which are within the basic grant of authority under the legislation for funds so distributed are conducted within the grantee's program, the Bureau shall place no program priority or activity limitations whatsoever upon receipt of these funds; and

(4) administrative costs as determined under section 1128(c)(1) of the Education Amendments of 1978.

(b) No grantee receiving a grant shall be held accountable for interest earned on grant funds, pending their disbursement for program purposes. Interest derived is not to be used to reduce Federal dollars under the Federal funding levels generated by the contractors under this authority, or any other authority. The investment of Federal dollars must be only in federally insured investments.

(c) For the purposes of underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived, funds received under this title shall not be taken into consideration.

### APPLICABILITY OF OTHER STATUTES

Sec. 209. All provisions of sections 5, 6, 7, 105, 109, and 110 of the Indian Self-Determination and Education Assistance Act (Public Law 93-638) except those provisions pertaining to indirect costs and length of contract, shall apply equally to grants under this title. Until 120 days after the date of enactment of this title, contractors for activities covered by this title who have a contract under the Indian Self-Determination and Education Assistance Act in effect upon such date of enactment shall be afforded an opportunity to elect to have the provisions of this title apply to such activity.

### ROLE OF THE DIRECTOR

Sec. 210. Applications for grants pursuant to this title and all application modifications shall be reviewed and approved by personnel under the direction and control of the Director of the Office of Indian Education Programs. Required reports shall be submitted to education personnel under the direction and control of the Director of such Office.

### REGULATIONS

Sec. 211. The Secretary is authorized to issue regulations relating to the discharge of duties specifically assigned to the Secretary by this title. In all other matters relating to the details of planning, development, implementing, and evaluating grants under this title, the Secretary shall not issue regulations. Regulations issued pursuant to this title shall not have the standing of a Federal statute for the purposes of judicial review.

### DEFINITIONS

Sec. 212. For the purposes of this title, the term—

(1) "eligible Indian student" has the meaning of such term in section 1128(f) of the Education Amendments of 1978;

(2) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native Village or regional or village corporation as defined in or established pursuant to the Alaskan Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(3) "tribal organization" means the recognized governing body of any Indian tribe; any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body or which is democratically elected by the adult members of the Indian community to be served

by such organization and which includes the maximum participation of Indians in all phases of its activities, except that in any case where a grant is made to an organization to perform services benefiting more than one Indian tribe, the approval of Indian tribes representing 80 percent of those students attending such a tribally controlled school shall be considered a sufficient prerequisite of tribal authorization for such grant;

(4) "Secretary", unless otherwise designated, means the Secretary of the Interior;

(5) "tribally controlled school" means a school, operated by a tribe or a tribal organization, enrolling students in grades kindergarten up to grade 12, including preschools, which is not a local educational agency as defined in this title, and which is not directly administered by the Bureau of Indian Affairs; and

(6) "a local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

## TITLE III—OTHER PROGRAMS OF INDIAN EDUCATION

### EXTENSIONS OF AUTHORIZATIONS OF OTHER INDIAN EDUCATION PROGRAMS

Sec. 301. (a) Section 307(a) of the Indian Elementary and Secondary School Assistance Act (20 U.S.C. 241ff) is amended by—

(1) deleting "(1)" after "appropriated";

(2) deleting "October 1, 1986" and inserting in lieu thereof "October 1, 1993"; and

(3) deleting the fourth comma and all that follows and inserting in lieu thereof a period.

(b)(1) Section 421(g)(1) of the Indian Education Act is amended by deleting "1989" and inserting in lieu thereof "1993".

(2) Section 421(g) of such Act is further amended by deleting paragraph (3).

(c)(1) Section 422(c) of the Indian Education Act (20 U.S.C. 3385a) is amended by deleting "1986" and inserting in lieu thereof "1993";

(2) Section 422(c) of the Indian Education Act (20 U.S.C. 3385a) is further amended by deleting the second sentence thereof.

(d) Section 423(a) of the Indian Education Act (20 U.S.C. 3385b) is amended by deleting "1989" and inserting in lieu thereof "1993".

(e) Section 423(d) of the Indian Education Act (20 U.S.C. 3385b) is amended to read as follows:

"(d) There is authorized to be appropriated for the purposes of this section such sums as may be necessary for fiscal year 1989 and each of the next following four fiscal years.".

(f) Section 442(a) of the Indian Education Act (20 U.S.C. 1221g(a)) is amended by deleting "1989" and inserting in lieu thereof "1993".

### PROOF OF ELIGIBILITY

Sec. 302. Section 453(a) of the Indian Education Act (20 U.S.C. 1221h(a)) is amended by inserting ", as defined by the tribe, band, or other organized group," immediately after "member".

### GIFTED AND TALENTED

Sec. 303. (a) The Secretary of Education shall establish American Indian Gifted and Talented Centers located at Sinte Gleska College and Navajo Community College, and shall make grants to and enter into contracts with the Sinte Gleska College, the Navajo Community College, and the American Indian Higher Education Consortium for demonstration projects designed to address the special needs of American Indian gifted and talented elementary and secondary school students and their families. The grantees shall be authorized to subcontract where appropriate, including with the Children's Television Workshop.

(b) Demonstration projects under this section may include—

(1) the identification of the special needs of gifted and talented students, particularly at the elementary school level, with attention to the emotional and psychosocial needs of these individuals and their families;

(2) the conduct of educational psychosocial and developmental activities which hold reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including, but not limited to, demonstrating and exploring the use of American Indian languages and exposure to American Indian cultural traditions.

(3) the use of public television in meeting the special educational needs of such gifted and talented children;

(4) leadership programs designed to replicate programs for such children throughout the United States, including the dissemination of information derived from the demonstration projects conducted under this section; and

(5) appropriate research, evaluation, and related activities pertaining to the needs of such children and their families.

(c) The Secretary of Education shall facilitate the establishment of a national network of American Indian and Native Hawaiian Gifted and Talented Centers, and ensure that the information developed by these centers shall be readily available to the education community at large.

(d) In addition to any other amount authorized for such projects, there is authorized to be appropriated $3,000,000 for fiscal year 1988 and for each succeeding fiscal year through fiscal year 1993. Such sums shall remain available until expended.

## TITLE IV—NAVAJO COMMUNITY COLLEGE

### AMENDMENTS

Sec. 401. (a) Section 5(b)(1) of the Navajo Community College Act (25 U.S.C. 640c-1(b)(1)) is amended by deleting "administrative, academic, and operations and maintenance costs." and inserting in lieu thereof the following: "the following factors—

"(A) funds for the maintenance and operation of the college, including basic, special, developmental, vocational, technical, and special handicapped education costs, funds for annual capital expenditures, including equipment needs, minor capital improvements and remodeling projects, physical plant maintenance and operation costs, and exceptions and supplemental need account, and costs associated with summer and special interest programs;

"(B) funds for major capital improvement costs, including internal capital outlay funds and capital improvement projects;

"(C) funds for mandatory payments, such as payments due on bonds, loans, notes, or lease purchases; and

"(D) funds to support supplemental student services, such as student housing, food service, and the provision of access to books and services.".

(b) Section 5(b)(2)(A) of such Act is amended to read as follows:

"(A) $5,820 per an Indian student count as determined by the Secretary in accordance with section 2(a)(7) of Public Law 98-192; or".

(c) Section 5(b)(2)(B) of such Act is amended by inserting immediately before the comma at the end thereof the following: "as determined under paragraph (b)(1)".

(d) Section 5(b)(2) of such Act is amended by deleting "less" and inserting in lieu thereof "more".

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By Mr. MURKOWSKI (for himself and Mr. Karnes):

S. 1646. A bill to amend title 38, United States Code, to provide eligibility to certain individuals for beneficiary travel payments in connection with travel to and from Veterans' Administration facilities; to improve the review of quality assurance programs in the Veterans' Administration; and to extend the transition period for the veterans' readjustment counseling program; to the Committee on Veterans' Affairs.

### VETERANS' BENEFICIARY TRAVEL, MEDICAL QUALITY ASSURANCE, AND READJUSTMENT COUNCELING IMPROVEMENTS ACT

● Mr. MURKOWSKI. Mr. President, as ranking minority member of the Committee on Veterans' Affairs, I rise today, along with the distinguished Senator from Nebraska, Senator, Karnes, to introduce a bill which addresses three issues: Travel reimbursement for eligible veterans to and from VA medical centers, VA health care quality assurance programs, and readjustment counseling for Vietnam-era veterans. I urge my colleagues to join with me in supporting this measure.

The beneficiary travel and quality assurance provisions of my bill are identical to those in S. 1464, as ordered favorably reported by the Committee on Veterans' Affairs on July 31, 1987. I am an original cosponsor of the beneficiary travel provisions which were carefully crafted in a bipartisan effort to meet the transportation needs of veterans seeking VA medical care in a thoughtful and responsible manner. In addition, I, along with Senator Cranston, Introduced those provisions of S. 1464 concerning the need to improve oversight of the VA quality assurance program. If veterans, the Congress, and the American people are to maintain confidence in the VA health-care system, we must be assured that the VA is delivering high quality health-care services. I am pleased that the distinguished chairman of the committee, Senator Alan Cranston, and I have been able to work together on these very important issues, and I look forward to our continued joint efforts to see to their enactment.

I cannot, however, support title III of S. 1464, which is derived from S. 1501, relating to the Readjustment Counseling Program—otherwise known as the Vet Center Program. I object to the provisions of this title on procedural as well as substantive grounds. This title would make major and fundamental changes to that program. It would do so without the benefit of hearings or input from America's veterans.

Additionally, I have several serious concerns about the substance of the title—many of which are shared by certain veterans' service organizations. I can think of no words which can better express these concerns than the very eloquent and powerful statement of the National Commander of the Disabled American Veterans, Ken Musselmann—himself a very severely disabled Vietnam veteran—"[I]f we establish an official policy that says to Vietnam veterans that they are so different from all veterans of prior wars that services of this type will always have to be provided in a segregated setting, we are encouraging and perpetuating the very things we wish to abolish". As the Senate deliberates on legislation which would continue to perpetuate a segregated system of services for Vietnam veterans and which could serve to reinforce a false and self-defeating stereotype of these gallant men and women, I urge my colleagues to reflect on the words of Commander Musselmann.

I am introducing this bill which will provide my colleagues with the opportunity to support legislation relating to beneficiary travel and quality assurance without committing themselves to major policy changes in the Readjustment Counseling Program. The bill also includes a provision, previously passed by the Senate as part of S. 477, which would provide the VA with an additional year to complete the transition of the Vet Centers to the grounds of VA medical centers as required by current law.

I ask my colleagues to remember that there is no need for hasty action. The Vet Center Program is not threatened with extinction. By October 1, 1989, current law requires that readjustment counseling services be provided primarily on the grounds of VA medical centers. In certain locations there may be a need to continue operation in the community, and I am confident that the VA will make those judgments in a sound fashion based upon reasonable criteria.

Finally, The American Legion with 800,000 Vietnam veterans, the Veterans of Foreign Wars with 700,000 Vietnam veterans, and the AMVETS with 40,000 Vietnam veterans have asked the committee not to proceed with consideration of title III of S. 1464. These organizations—representing the interest of all veterans including those of the Vietnam-era—have asked the Congress to provide them with a chance to study the impact of these provisions and to comment on their merits and shortcomings.

I believe their request is most reasonable. Thus, I strongly urge my colleagues to join with me in cosponsoring my legislation which would:

First, provide beneficiary travel payments to certain veterans;

Second, improve oversight of the VA's quality asurance programs, and

Third, provide a 1-year extension of the date by which a majority of Vet Centers would be located on the grounds of VA medical centers.

I ask unanimous consent that the letters from these organizations and the text of the bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### S. 1646

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE; REFERENCE TO TITLE 38, UNITED STATES CODE.

(a) Short Title.—This Act may be cited as the "Veterans' Beneficiary Travel, Medical Quality Assurance, and Readjustment Counseling Improvements Act of 1987".

(b) References to Title 38.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

### TITLE I—BENEFICIARY TRAVEL

#### SEC. 101. VETERANS' ADMINISTRATION BENEFICIARY TRAVEL PROGRAM.

Section 111 is amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f);

(2) by inserting after subsection (a) the following new subsection (b):

"(b)(1) Except as provided in subsection (g) of this section and notwithstanding any other provision of law, if, in any fiscal year, the Administrator exercises the authority under this section to make any payments, the Administrator, in such fiscal year, shall make the payments prescribed in this section, subject to any applicable deduction under paragraph (2) of this subsection, to or for the following persons:

"(A) A person receiving benefits under this title for or in connection with a service-connected disability.

"(B) A veteran receiving pension under section 521 of this title.

"(C)(i) A veteran whose annual income, determined in accordance with section 503 of this title, does not exceed the maximum annual rate of pension which would be payable to such veteran if such veteran were eligible for pension under section 521 of this title, or (ii) a veteran who is determined, under regulations prescribed by the Administrator, to be unable to defray the expenses of the travel for which payment under this section is claimed.

"(D) A veteran whose travel to a Veterans' Administration facility was incident to a scheduled compensation and pension examination.

"(E) A veteran whose travel to a Veterans' Administration facility was required to be performed by a special mode of travel and such travel (i) was authorized by the Administrator before such travel was commenced, or (ii) was in connection with a medical emergency of such a nature that the delay incident to obtaining authorization under subclause (i) of this subparagraph would have been hazardous to the person's life or health.

"(2)(A) Except as provided in subparagraphs (B) or (C) of this paragraph, the Administrator, in making a payment under this section to or for a person described in subparagraphs (A), (B), or (C) of paragraph (1) of this subsection, shall deduct from the amount otherwise payable an amount equal to $3.75 for each trip to or from a Veterans' Administration facility.

"(B) In the case of a person who is determined by the Administrator to be a person who is required to make six or more one-way trips to or from a Veterans' Administration facility for needed care or services under chapter 17 of this title during the following calendar month or months, the amount deducted by the Administrator pursuant to subparagraph (A) of this paragraph from payments for trips made to or from such facility during any of such months shall not, except as provided in subparagraph (C) of this paragraph, exceed $22.50 with respect to travel made during such month.

"(C) Whenever the Administrator increases or decreases the rates of allowances or reimbursement to be paid under this section, the Administrator shall, effective on the date on which such increase or decrease takes effect, adjust proportionately the dollar amounts specified in subparagraphs (A) and (B) of this paragraph.";

(3) in subsection (f) (as redesignated by clause (1))—

(A) in paragraph (2)—

(i) by striking out clause (A); and

(ii) by redesignating clauses (B) and (C) as clauses (A) and (B); and

(B) in paragraph (4)—

(i) by inserting "or adjusting amounts" after "rates" the first place it appears; and

(ii) by inserting "and amounts" after "rates" the third place it appears; and

(4) by adding at the end the following new subsections:

"(g)(1) With respect to any fiscal year in which the Administrator exercises the authority under this section to make payments, the Administrator shall prior to October 1 of such year make an allocation to each Veterans' Administration medical facility sufficient to enable the head of such facility to make payments during such year to persons entitled to such payments under subsection (b) of this section.

"(2)(A) In any fiscal year in which funds are allocated pursuant to paragraph (1) of this subsection, the head of each such facility, unless granted a waiver pursuant to subparagraph (B) of this paragraph and regulations which the Administrator shall prescribe thereunder, shall utilize such funds, except as provided in subparagraph (C) of this paragraph, solely for the purpose of making payments under this section.

"(B)(i) In any case in which the head of such a facility demonstrates to the Chief Medical Director that, on April 12, 1987, such facility was making payments under this section at levels less than the levels then authorized under this section, the

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Chief Medical Director shall waive the provisions of subsection (b) of this section and authorize payments to be made at any such prior level of payment or at any higher level, proposed by such facility head, less than the amounts prescribed in such subsection.

"(ii) In any other case in which the head of such a facility proposes to make payments under this section at a level less than the amount prescribed in subsection (b) of this section, if the Chief Medical Director determines that making payments at such lesser level would be in the best interests of furnishing care and services to eligible veterans at such facility, the Chief Medical Director may waive the provisions of subsection (b) of this section and authorize payments to be made at the level proposed by such facility head or at any higher level less than the amounts prescribed in such subsection.

"(C) Any funds which are allocated to a facility pursuant to paragraph (1) of this section for the purpose of payments under this section but which are not expended for such purpose shall be available to the head of such facility for support of other authorized direct-health-care purposes.

"(h)(1) The Administrator, in consultation and coordination with the Secretary of Transportation and appropriate representatives of veterans' service organizations, shall take all appropriate steps to facilitate the establishment and maintenance of a program under which such organizations or individuals who are volunteering their services to the Veterans' Administration would take responsibility for the transportation, without reimbursement from the Veterans' Administration, to Veterans' Administration facilities of veterans, primarily those residing in areas which are geographically accessible to such facilities, who seek services or benefits from the Veterans' Administration under chapter 17 or other provisions of this title.

"(2) Not later than six months after the date of the enactment of this subsection, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the implementation of this section.".

### TITLE II—MEDICAL QUALITY ASSURANCE

#### SEC. 201. ESTABLISHMENT OF OFFICE OF MEDICAL INSPECTOR GENERAL.

(a) In General.—Chapter 73 is amended by inserting after section 4103 the following new section:

**"§ 4103A. Office of Medical Inspector General**

"(a) There is established in the Office of the Chief Medical Director an Office of Medical Inspector General.

"(b) The Office of Medical Inspector General shall consist of the following:

"(1) The Medical Inspector General who (A) shall be the head of the Office of Medical Inspector General, (B) shall be directly responsible to the Chief Medical Director for such functions as may be assigned to the Medical Inspector General in regulations prescribed by the Chief Medical Director consistent with the provisions of this section, and (C) shall be a qualified doctor of medicine appointed by the Administrator upon the recommendation of the Chief Medical Director.

"(2) Not less than five Assistant Medical Inspectors General who shall be qualified doctors of medicine, doctors of dental surgery or dental medicine, or registered nurses and who shall be employed on a full-time basis in the Veterans' Administration.

"(3) Not less than two registered nurses (including any who are Assistant Medical Inspectors General) who are employed on a full-time basis in the Veterans' Administration.

"(4) Not less than one qualified doctor of dental surgery or dental medicine (who may be an Assistant Medical Inspector General) who is employed on a full-time basis in the Veterans' Administration.

"(5) Not less than five support personnel, who are employed on a full-time basis in the Veterans' Administration.

"(c) The Medical Inspector General shall be appointed for a term of four years, with reappointment permissible for successive like periods. The Medical Inspector General shall be subject to removal by the Administrator only for reasonable cause upon the recommendation of the Chief Medical Director.

"(d)(1) The Medical Inspector General shall monitor, review, and investigate any adverse incident which is experienced by a patient during the course of the patient's care in a Veterans' Administration health-care facility, including any incident that would not normally be considered a natural consequence of the patient's disease process or illness and any incident that would carry a recognized need for medical intervention.

"(2) The Medical Inspector General shall also conduct such reviews and investigations as the Medical Inspector General considers necessary to identify problems in the provision of health care to veterans and, when problems are detected, shall propose to the Chief Medical Director such corrective measures as the Medical Inspector General considers necessary or appropriate.

"(3) The Medical Inspector General shall conduct such other studies, reviews, and investigations relating to the quality of health care provided to veterans as the Administrator or the Chief Medical Director may assign to the Medical Inspector General.

"(4) Subject to paragraph (3) of this subsection, the Medical Inspector General shall have sole discretion in determining whether to investigate any incident involving patient care or to study or review any problem in the provision of health care to veterans.

"(e) In conducting an investigation of any incident involving the care of a patient or any study or review of any problem in the provision of health care to veterans, the Medical Inspector General shall assign to the investigation, study, or review at least one health-care professional from the Office of the Medical Inspector General.

"(f) The Medical Inspector General shall submit to the Administrator, the Chief Medical Director, and the Committees on Veteran Affairs' of the Senate and the House of Representatives a report each year, not later than February 1, on the activities of the Office of Medical Inspector General under this section during the preceding fiscal year. The Medical Inspector General shall include in each such report—

"(1) a description of significant problems, abuses, and deficiencies relating to the administration of programs and operations of the Department of Medicine and Surgery disclosed by such activities during the preceding fiscal year;

"(2) a description of (A) the recommendations for corrective action and of any recommendations for disciplinary action made by the Office during the preceding fiscal year with respect to significant problems, abuses, or deficiencies identified pursuant to clause (1) of this subsection, and (B) the action taken as of the end of such fiscal year on each such recommendation, including any such recommendations on which action had not been completed prior to the end of such fiscal year;

"(3) a specification of (A) which activities of the Office were carried out pursuant to an assignment by the Administrator or the Chief Medical Director, and (B) which activities of the Office were carried out on the initiative of the Medical Inspector General;

"(4) an identification of each significant recommendation for corrective or disciplinary action described in the report or in previous annual reports under this subsection on which action has not been completed;

"(5) a summary of any matters referred to prosecutorial authorities and the prosecutions and convictions which have resulted; and

"(6) a summary of each incident in which information or assistance requested by the Medical Inspector General from the Department of Medicine and Surgery during the preceding fiscal year has been, in the judgment of the Medical Inspector General, unreasonably refused or not provided.

"(g) The Medical Inspector General shall be an ex officio, nonvoting member of all policymaking bodies within the central office of the Department of Medicine and Surgery that are concerned with the quality of health care provided in Veterans' Administration facilities or that are concerned with quality assurance in the provision of such care. The Medical Inspector General shall not, however, have any direct responsibility for quality assurance activities, including patient risk management and the reporting of patient injuries under quality assurance procedures.

"(h)(1) The Administrator shall transfer to the Office of Medical Inspector General each fiscal year, out of any funds available to the Veterans' Administration for such fiscal year (other than funds available for the operation of the central office of the Department of Medicine and Surgery), such amounts as may be necessary, as determined by the Chief Medical Director, to support five full-time medical doctors and five full-time support personnel in the Office of Medical Inspector General.

"(2) The positions of five full-time medical doctors and five full-time support personnel in the Office of Medical Inspector General shall be counted against the number of full-time employees authorized by the Office of Management and Budget for the program, function, or activity for which the funds transferred pursuant to paragraph (1) of this subsection would be available except for the transfer of such funds. In the event that the Administrator transfers funds from more than one program, function, or activity, the ten full-time positions shall be counted against the number of such positions authorized by the Office of Management and Budget for each such program, function, or activity in proportion to the amount of funds transferred therefrom."

(b) Conforming Amendment.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4103 the following:

"4103a. Office of Medical Inspector General.".

#### SEC. 202. ASSISTANT CHIEF MEDICAL DIRECTOR FOR QUALITY ASSURANCE.

Section 4103(a)(4) is amended by adding at the end the following new sentence: "One Assistant Chief Medical Director shall be a qualified physician trained in, or having

**suitable extensive experience in, health-care quality assurance and risk management who shall be responsible to the Chief Medical Director for carrying out the responsibilities assigned to the Chief Medical Director in subchapter V of this chapter and such related responsibilities as are assigned to the Assistant Chief Medical Director by the Chief Medical Director.".**

### SEC. 203. IMPLEMENTATION OF THE HEALTH CARE QUALITY ASSURANCE PROGRAM.

Section 4151 is amended by adding at the end the following:

"(f) The Chief Medical Director shall take such action as may be necessary to ensure that all personnel of the Department of Medicine and Surgery—

"(1) are given an explanation periodically of their responsibilities for the quality assurance activities of such department; and

"(2) are advised that any failure to comply with quality assurance procedures prescribed in regulations or in procedural publications issued by the Department of Medicine and Surgery, including any failure to report any incident as required under such procedures, will result in appropriate disciplinary action.".

### SEC. 204. ESTABLISHMENT OF THE VETERANS' ADMINISTRATION ASSISTANT INSPECTOR GENERAL FOR HEALTH CARE QUALITY ASSURANCE REVIEW.

(a) In General.—(1) Chapter 3 is amended by adding at the end the following new subchapter:

**"Subchapter V—Other Veterans' Administration Offices**

**"§ 250. Assistant Inspector General for Health Care Quality Assurance Review**

"(a) There is established in the Veterans' Administration Office of the Inspector General, in addition to the positions of Assistant Inspector General of the Veterans' Administration provided under section 3(d) of the Inspector General Act of 1978 (5 U.S.C. App. 3), the position of Assistant Inspector General for Health Care Quality Assurance Review.

"(b) The Administrator shall make available to the Office of the Inspector General sufficient resources to provide for an Assistant Inspector General for Health Care Quality Assurance Review and the personnel required by subsection (d) of this section and to enable such Assistant Inspector General and personnel to perform the duties of such Assistant Inspector General.

"(c) The Assistant Inspector General for Health Care Quality Assurance Review shall be a qualified doctor of medicine appointed by the Inspector General of the Veterans' Administration.

"(d) The staff of the Assistant Inspector General for Health Care Quality Assurance Review shall include the following:

"(1) Not less than two qualified doctors of medicine.

"(2) Not less than one qualified doctor of dental surgery or dental medicine.

"(3) Not less than one qualified registered nurse.

"(4) Not less than one attorney who has expertise in health care law.

"(5) Not less than one individual who has expertise in health care quality assurance and risk management.

"(6) Not less than one individual who has expertise in health care administration.

"(7) A sufficient number of support and additional personnel, but not less than the equivalent of five full-time personnel, to enable the Assistant Inspector General for Health Care Quality Assurance Review to perform the duties of such Assistant Inspector General.

"(e) The Assistant Inspector General for Health Care Quality Assurance Review, in addition to performing (with respect to activities of the Department of Medicine and Surgery) such other functions and duties prescribed for the Inspector General of the Veterans' Administration in the Inspector General Act of 1978 (5 U.S.C. App. 3) as may be directed by the Inspector General, shall—

"(1) monitor, through reviews of Veterans' Administration health care facilities, the establishment and implementation of the health-care quality assurance and risk management programs of the Department of Medicine and Surgery;

"(2) monitor the activities of the Medical Inspector General of the Department of Medicine and Surgery;

"(3) recommend that the Medical Inspector General of the Department of Medicine and Surgery conduct such investigations as the Assistant Inspector General for Health Care Quality Assurance Review considers appropriate;

"(4) coordinate the activities of the Assistant Inspector General for Health Care Quality Assurance Review with the activities of the Medical Inspector General of the Department of Medicine and Surgery;

"(5) review any investigation conducted by the Medical Inspector General of the Department of Medicine and Surgery of any adverse incident or incidents occurring during the course of providing health-care services in a Veterans' Administration facility or facilities and make such recommendations for additional action to such Medical Inspector General as the Assistant Inspector General for Health Care Quality Assurance Review considers appropriate;

"(6) monitor and analyze the collection and analysis of quality assurance and risk management information by the Department of Medicine and Surgery (including information relating to medical malpractice claims), review the quality assurance and risk management information collected by the Department of Medicine and Surgery in order to identify data that is not collected and should be collected, and monitor the analysis by the Department of Medicine and Surgery of trends in the provision of health care services by such Department;

"(7) make to the Inspector General such recommendations for corrective action on health-care matters as the Assistant Inspector General for Health Care Quality Assurance Review considers appropriate; and

"(8) monitor the implementation of recommendations for corrective action made to the Administrator by the Inspector General on health-care matters.

"(f) The Inspector General of the Veterans' Administration, in addition to preparing and submitting the reports required by the Inspector General Act of 1978 (5 U.S.C. App. 3), shall submit to the Administrator and the Committees on Veterans' Affairs of the Senate and the House of Representatives each year, not later than February 1, a report containing—

"(1) a discussion of the activities undertaken by the Assistant Inspector General for Health Care Quality Assurance Review during the fiscal year preceding the fiscal year in which the report is submitted, including—

"(A) the findings and conclusions resulting from such activities;

"(B) the recommendations made (on the basis of such activities) by the Inspector General to the Administrator for corrective action in the activities of the Department of Medicine and Surgery; and

"(C) any corrective actions taken with respect to those recommendations; and

"(2) a discussion of the activities undertaken by the Assistant Inspector General for Health Care Quality Assurance Review to monitor the activities of the Medical Inspector General of the Department of Medicine and Surgery during the fiscal year preceding the fiscal year in which the report is submitted, including—

"(A) the findings of the Inspector General of the Veterans' Administration and the Assistant Inspector General for Health Care Quality Assurance Review on the activities of the Medical Inspector General of the Department of Medicine and Surgery during such preceding fiscal year;

"(B) the recommendations, if any, made by the Inspector General of the Veterans' Administration to the Chief Medical Director or the Administrator on the basis of such monitoring activities, including any recommendations for remedial or disciplinary actions as a result of such activities; and

"(C) an assessment of the extent to which the Medical Inspector General of the Department of Medicine and Surgery has been effective during such preceding fiscal year in bringing about such recommended remedial and disciplinary actions.

"(g) The rate of pay for the position of Assistant Inspector General for Health Care Quality Assurance Review shall be the same rate of pay established for the positions of the other Assistant Inspectors General of the Veterans' Administration.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"SUBCHAPTER V—OTHER VETERANS' ADMINISTRATION OFFICES

"250. Assistant Inspector General for Health Care Quality Assurance Review.".

(b) Resources for Monitoring Quality Assurance Program.—Section 4151(e)(2) is amended by inserting "to the Assistant Inspector General for Health Care Quality Assurance Review" after "qualifications)".

### SEC. 205. EFFECTIVE DATE.

The amendments made by this title shall take effect on October 1, 1987.

## TITLE III—READJUSTMENT COUNSELING

### SEC. 301. POSTPONEMENT OF TRANSITION PERIOD FOR READJUSTMENT COUNSELING PROGRAM.

Section 612A(g) is amended—

(1) in paragraph (1), by striking out "September 30, 1989" and inserting in lieu thereof "September 30, 1990";

(2) in paragraph (1)(A)—

(A) by striking out "October 1, 1989" and inserting in lieu thereof "October 1, 1990.".

### SEC. 302. REQUIREMENT TO OBTAIN SOCIAL SECURITY NUMBERS OF BENEFICIARIES.

Section 612(A) is amended by adding at the end the following new subsection:

"(i) The Administrator, for the purpose of determining and analyzing information on the workload and work-flow in furnishing services under this section, shall obtain from each veteran receiving such services the veteran's social security number.".

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Disabled American Veterans, National Service and Legislative Headquarters,
*Washington, DC, July 30, 1987.*

Hon. Frank H. Murkowski,
*U.S. Senate,*
*Washington, DC.*

Dear Senator Murkowski: During the July 31, 1987, Veterans Affairs Committee "markup" hearing, Senator Frank Murkowski will offer an amendment in the nature of a substitute to S. 1501, The Vietnam Veterans Readjustment Counseling Program Preservation Act of 1987.

As presently drafted, S. 1501 proposes to delete certain language contained in Section 612A, Title 38, U.S.C., and thereby remove the current statutory requirement that, by October 1, 1989, an orderly transition shall have occurred, transforming the current program of readjustment counseling services from one primarily located in centers situated apart from VA medical facilities, to a program primarily located within VA medical facilities.

As we understand the Murkowski Amendment it would, among other things, retain the current law requirement for an orderly transition of the majority of readjustment counseling services to VA medical facilities, however, it would postpone the date for such a transition to be completed until October 1, 1990.

In this regard, the DAV is supportive of an orderly and gradual programmatic transition of VA's Readjustment Counseling Centers into VA medical centers. Accordingly, we favor this aspect of the Murkowski Amendment which seeks to set a timeframe for the accomplishment of the transition.

Our organization has long been and continues to be a strong supporter of VA Psychological and Readjustment Counseling Services for Vietnam veterans. Indeed, the authorization for such services (P.L. 96-22) and subsequent evolution of the VA's "outreach" or "Vet Center" concept for provision of such services were influenced greatly by the DAV's own Vietnam Veteran Outreach Program which had its beginning in 1976.

A decade ago, when recognition and understanding of the post-traumatic stress disorder (PTSD) problems of Vietnam veterans was just beginning to emerge and when Vietnam veterans themselves were filled with feelings of anger, suspicion and bitterness toward government authority and government institutions—including the Veterans Administration—it made a great deal of sense to position counseling and readjustment services out of the "traditional" VA setting. The logic—and it proved to be very sound—was that Vietnam veterans, distrustful of government authority/bureaucracy, suffering from PTSD and other types of readjustment problems, would be much more receptive to the extension of services in a local community setting.

Indeed the VA's current program may never have gotten off the ground had it not been physically separated from the traditional setting.

But while the commitment was made to provide these services for as long as they were needed, a history of the program and its development reveals that all who were involved—the Congress, the VA and the veterans' community—envisioned that at some point in time, although the need for these services might well continue to exist, their provision, in the majority of cases, could be phased back into the traditional setting of VA medical facilities.

The DAV has and continues to subscribe to this scenario.

We believe, from the standpoint of the ultimate reconciliation, readjustment and, if you will self-acceptance of Vietnam veterans themselves, that it is essential for these services to be phased back if Vietnam veterans shall not, in fact, continue to be alienated or continue to perceive themselves to be alienated from the rest of the veterans' community and society as a whole. In a very real sense, if we establish an official policy that says to Vietnam veterans that they are so different from all veterans of prior wars that services of this type will always have to be provided in a segregated setting, we are encouraging and perpetuating the very thing we wish to abolish.

The national environment and the mindset of Vietnam veterans and many Americans that existed ten to fifteen years ago, that required segregated Vet Centers if the program was to work at all, no longer exists today. . . signs of this are everywhere: the attraction of the Vietnam Veterans Memorial to millions of Americans, the plethora of movies and books about Vietnam and televised fund raising tributes are recent indications of an ongoing and healthy national reconciliation process. We would submit the attitudes and self-image of Vietnam veterans themselves have been and continue to be improved.

In short, the appropriate and orderly "phase back" of the majority of readjustment and counseling services for Vietnam veterans to a VA hospital setting is an attainable goal, born of sound policy, and should not be abandoned. The DAV does not support any change of current law that would deter us from such a goal or fundamentally alter such a policy.

We therefore urge that you and other members of the Committee strongly support this portion of the Murkowski Amendment to S. 1501.

Sincerely,

Kenneth G. Musselmann,
*National Commander.*

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July 17, 1987.

Hon. Alan Cranston,
*Chairman, Senate Veterans' Affairs Committee, Russell Senate Office Building, Washington, DC.*

Dear Chairman Cranston: On review of legislation, S. 1501, which you introduced on July 15, we find ourselves in substantive disagreement over some of the specific provisions. Therefore, we respectfully request a formal public hearing to examine the contents of this legislation. While we are mandated by National Convention resolution to support the "Vet Center" program, the general expansion of it under section 3(A) and (B) of S. 1501 to include eligibility for counseling for "any veteran or person" is objectionable. The meaning of "or person" in the legislation is without definition in title 38 and we fear it may permit access to the program by dishonorably discharged individuals or others for whom the program was never intended.

A second consideration we believe justifies a hearing is the matter of personnel and fiscal resources that will be required to implement the expansion of the "Vet Center" program. By this we refer specifically to the provision of services by the VA's Department of Veterans Benefits and Department of Medicine and Surgery.

Moreover, in view of the foregoing reservations concerning S. 1501, we must conclude that it would be premature to mark up this legislation at the committee session scheduled for July 23. As always, your attention to the views of The American Legion is appreciated.

Sincerely,

E. Philip Riggin,
*Director.*
*National Legislative Commission.*

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Veterans of Foreign Wars of the United States,
*Washington, DC, July 21, 1987.*

Hon. Alan Cranston,
*Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.*

Dear Mr. Chairman: The Veterans of Foreign Wars was greatly disturbed with the discovery of your intention to mark up the "Veterans Readjustment Counseling Preservation Act of 1987" this coming Thursday, July 23, 1987. We firmly believe this bill, S. 1501, should have the benefit of a hearing in order to fully explore its merits and/or shortcomings.

As you know, S. 1501 not only counters the intent of current law but redirects the entire thrust of the Vet Center Program. A bill of this magnitude demands careful congressional oversight coupled with the recommendations and concerns of the Veterans of Foreign Wars and other veteran's organizations.

For these reasons, we strongly urge you to refrain from marking up S. 1501 so as to properly allow for a congressional hearing.

Sincerely,

Cooper T. Holt,
*Executive Director.*

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AMVETS,
*Lanham, MD, July 20, 1987.*

Hon. Alan Cranston,
*Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.*

Dear Mr. Chairman: The American Veterans of World War II, Korea and Vietnam (AMVETS) wishes to respectfully comment on the proposed bill: "Vietnam Veterans Readjustment Counseling Program Presentation Act of 1987" introduced by yourself together with Senators Matsunaga and Kerry.

While AMVETS is supportive of the Vet Centers' concept and their unique ability to deliver needed psychological services to Vietnam Era Veterans, we believe that the proposed "Act" needs to be at this time more fully aired and debated. There is scant time for AMVETS to fully review the merits of the "Act", especially Section 3, in order to make an informed decision.

AMVETS, therefore, cannot at this time support the Act until we have had time to fully review the Act's implication with respect to the Vet Centers.

Thank you for allowing AMVETS the opportunity to express its views.

Sincerely,

David J. Passamaneck,
*National Legislative Director.*

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Non-Commissioned Officers Association,
*Alexandria, VA, July 28, 1987.*

Hon. Alan Cranston,
*Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.*

Dear Mr. Chairman: The Non Commissioned Officers Association (NCOA) is deeply concerned about the provisions of S. 1501 and your amendment No. 610 which would extend psychological readjustment counseling benefits through vet centers to active duty servicemembers. While NCOA appreciates the obvious concern this legislation expresses for active duty servicemembers, we believe it is likely to create substantial problems.

Both the physical and mental health of members of the armed forces are critical to military readiness. Accordingly, the military provides a full support network (including individual and family counseling) to meet the health needs of service personnel and to identify individual health problems which may adversely affect readiness or safety. Extending psychological counseling to active military personnel outside this monitored system could have a devastating effect on readiness and the safety of both the member and his unit. It would be most tragic and unfortunate to allow this to happen.

NCOA urges you to withdraw the provisions concerning care for active duty military personnel from S. 1501. Thank you for your consideration.

Sincerely,

Richard W. Johnson,
*Director for Legislative Affairs.*

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By Mr. CHILES (for himself, Mr. Pryor, Mrs. Kassebaum, Mr. Proxmire, Mr. Exon, Mr. Nickles, Mr. Cohen, Mr. Mitchell, Mr. Sanford, Mr. Adams, and Mr. Conrad):

S. 1647. A bill to reform the laws relating to former Presidents; to the Committee on Governmental Affairs.

### FORMER PRESIDENTS ACT

Mr. CHILES. Mr. President, today, I am introducing the "Former President's Act of 1987."

Senators Pryor, Kassebaum, Proxmire, Exon, Nickles, Cohen, Mitchell, Sanford, Adams, and Conrad join me in cosponsoring this legislation.

The bill is designed to stop, and then reverse, the increasing costs of services and protection currently provided former Presidents. It is designed to restore the original intent and character of the programs dedicated to former Presidents.

A close examination of former Presidents' benefits continues to reveal we are still in an era of the "imperial" former Presidency, with lavish libraries, special staffs and benefits, around-the-clock Secret Service protection for life, and other badges of privilege.

This legislation will establish a reasonable set of controls on the Federal spending associated with programs benefiting former Presidents. The authorizations for these programs remain open-ended; the level of expenditures remain out of control. Their cost has leaped from $64,000 in 1955 to $6.3 million in 1975 to over $24 million in fiscal 1986.

Since 1981, the overall program has cost more than the expense of running the White House for our incumbent President.

Looking back on how the laws relating to former Presidents were put together, Congress has repeatedly affirmed a national policy ensuring each former President a dignified retired life, free from a need to commercialize the prestige of the Office of the Presidency, and free from danger resulting from its visibility. The original purposes of the various laws governing former Presidents reflect this belief.

Since our Nation's first President took the oath of office in 1789, 30 Presidents have left public office to reenter private life, George Washington, our first and most eminent President, reminded us that to return to private life after serving as President is one of the highest honors a citizen of our country could receive.

But the history of our former President's demonstrates that the transition out of office has not always been easy. History suggests that only two former Presidents, William Howard Taft and John Quincy Adams, achieved greater happiness once out of the White House. Taft became a Chief Justice; Adams served a distinguished career in the House of Representatives. While several former President's did not have financial problems once out of office, a number of our former Presidents, including Thomas Jefferson and Ulysses Grant, died penniless.

Prior to 1958, the President of the United States was virtually the only officer or employee of the Federal Government not covered by some sort of retirement program, much less the other benefits they receive today. Largely as a result of needs presented by President Truman, Congress passed legislation to enable franking privileges, establish an office allowance and staff, and create pensions. The former President's Library Act was also passed in the late 1950's. Later legislation extended Secret Service protection.

The increase in expenditures we have experienced since then greatly exceeds original program expectations. More importantly, tax dollars have been used to help former Presidents become wealthy. This is a consequence never envisioned by the lawmakers who authorized the original acts. It decreases citizen confidence and respect for the institution of the American Presidency.

By failing to place reasonable limits on these programs for former Presidents, Congress is permitting them to extend far beyond their intent and character. This direction must be reversed.

This bill is similar to legislation I introduced to the 96th, 97th, 98th, and 99th Congresses. My comments on this bill are similar to what I stated in the last Congress. Since its initial introduction over 7 years ago, considerable work and several modifications have resulted in this edition.

While progress has been slow, it has been steady. There has been a sustained national discussion on what the taxpayers' responsibility for former Presidents should be. I believe all interested parties have commented and contributed to what is in the bill today. The provisions summarized at the end of this statement represent a balanced approach to enable former Presidents to have a dignified retired life, yet end what I have called the era of the "imperial" former Presidency.

In the past this legislation has addressed three basic areas; libraries, office staff and allowances, and secret service protection. During the past Congress, the title relating to Presidential libraries was separated from the comprehensive bill and enacted into law. The Presidential Libraries Act of 1986 (P.L. 99-323) limits the size of future Presidential libraries to 70,000 square feet, unless an endowment is provided to cover additional expenses. The new law also requires a private endowment of 20 percent of the value of the facility be provided to help defray operating costs.

While the Senate passed unanimously the remaining two titles limiting office staff and allowances and Secret Service protection, the House did not act upon the legislation. (S. 1047; S.R. 99-349)

I am reintroducing the remaining two titles this Congress because I think it is important Congress complete the task of stopping the excesses in the former Presidents programs. I am optimistic the job can be done this Congress for two reasons.

In the past this legislation has been referred to four separate House committees. With this bill I believe the referral process will involve only two committees. Together with Congressman Nelson who has sponsored this legislation in the House, I have communicated with the chairmen of both the House Judiciary and House Post Office and Civil Service Committees. They have indicated a willingness to consider and move the legislation.

Second, former President Nixon voluntarily relinquished his Secret Service protection last year. Former President Ford responded to this action on national television by stating that at the proper time, under the proper circumstances, he and Mrs. Ford will do the same. I view these actions as acknowledgements by two of our former Presidents that there comes a point when the need for protection diminishes. This should encourage some who have expressed concern about limitations on Secret Service protection to rethink the issue.

In conclusion, this legislation strikes a balance between the legitimate needs which arise from an individual's service as President and the need to impose reasonable controls on Federal spending. Obviously, passage of this bill is not going to balance the budget. It will save money. More importantly, we should not lose sight of the original purpose and character of the former Presidents programs.

Given the sacrifices many are being asked to make in order to reduce the

huge Federal deficits, the "imperial" former Presidency is a highly visible national symbol which is wrong and should be removed.

I invite my colleagues to join in cosponsoring this legislation.

Mr. President, I ask unanimous consent that a summary of the bill and a table showing costs of former Presidents to U.S. taxpayers be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Summary of Former Presidents Act of 1987

#### TITLE I: OFFICE STAFF AND ALLOWANCES

Establishes an original staff allowance of $300,000 a year, which will be reduced over a 9 year period to a ceiling of $200,000 a year. The Administrator of the General Services Administration [GSA] is to be the accountable Federal official for supervising the allowance.

Limits each former President to one office which is to be located in a public building owned or leased by the United States. The office is not to be in excess of 4,000 square feet unless the Administrator determines unusual circumstances exist to warrant more space.

Prohibits the use of funds for either partisan political activities or income-generating activities. Funds may not be used for the preparation of memoirs or speeches or other media engagements for which the former President is paid.

Requires each former President to submit a report by March 1 of each year concerning activities carried out with the funds for necessary services and facilities provided under the act.

Mandates a 10-year "sunset" provision for the authorization of staff allowances. The automatic termination forces Congress to redetermine what the proper funding should be at least every 10 years.

Places the pension of a surviving spouse at two-thirds the level of a former President's pension if the former President were alive.

Authorizes the Administrator of GSA to provide necessary services and facilities to a former Vice President for winding up the affairs of Office.

#### TITLE II: PRESIDENTIAL PROTECTION

Specifies a former President may have automatic, around the clock Secret Service protection for 5 years instead of for life. The Secretary of the Treasury must justify at least annually to the Congress any additional protection needed after the 5-year period.

Specifies a spouse and children may have protection for 2 years after the respective President leaves office, after which their protection becomes incidental to protection given to the former President.

Entitles a surviving spouse, and surviving children to 6 months of protection after a former President dies, or to the remaining time in the 2-year period after a President leaves office, whichever is longer.

Mandates the Secretary of the Treasury to consider any request for protection by a former President, spouse, surviving spouse, children, or surviving children, and report to Congress if the request is not acted upon.

Authorizes the President to direct the Secret Service to protect a former President, spouse, surviving spouse, child, or surviving child upon determining that a threat warrants emergency action. The President shall notify Congress and such authorization shall not extend beyond 60 days, or beyond the time needed for congressional review once the Secretary of the Treasury has submitted a request.

Limits protection of former Vice Presidents from their last day in office to the end of that fiscal year.

COST OF FORMER PRESIDENTS TO U.S. TAXPAYERS

| Fiscal year | Libraries | Office allowances | Secret Service protection | Total |
|---|---|---|---|---|
| 1955 | $63,745 | | | $63,745 |
| 1956 | 64,853 | | | 64,853 |
| 1957 | 74,836 | | | 74,836 |
| 1958 | 142,536 | | | 142,536 |
| 1959 | 168,057 | $160,000 | | 328,057 |
| 1960 | 180,140 | 200,000 | | 380,140 |
| 1961 | 219,223 | 250,000 | | 469,223 |
| 1962 | 294,297 | 300,000 | | 594,297 |
| 1963 | 325,520 | 310,000 | | 635,520 |
| 1964 | 380,251 | 300,000 | $49,507 | 729,758 |
| 1965 | 559,485 | 310,000 | 100,790 | 970,275 |
| 1966 | 611,966 | 235,000 | 289,022 | 1,135,988 |
| 1967 | 613,745 | 235,000 | 346,633 | 1,195,378 |
| 1968 | 676,000 | 251,000 | 390,298 | |
| Truman Library addition | 312,000 | | | 1,629,298 |
| 1969 | 1,406,808 | 253,000 | 527,552 | |
| Hoover Library addition | 1,074,000 | | | 3,261,360 |
| 1970 | 1,980,855 | 335,000 | 727,617 | 3,043,472 |
| 1971 | 2,252,289 | 343,000 | 1,002,355 | |
| Eisenhower Library addition | 1,610,000 | | | 5,207,644 |
| 1972 | 2,513,559 | 418,000 | 1,275,120 | |
| Roosevelt Library addition | 882,000 | | | 5,088,679 |
| 1973 | 2,722,116 | 408,000 | 1,241,117 | 4,371,233 |
| 1974 | 2,863,457 | 60,000 | 979,789 | 3,903,246 |
| 1975 | 4,542,447 | 160,000 | 1,530,144 | 6,232,591 |
| 1976 | 6,409,380 | 364,168 | 2,294,887 | 9,068,435 |
| 1977 | 6,297,611 | 390,000 | 4,679,489 | 11,367,100 |
| 1978 | 7,230,486 | 671,000 | 6,252,190 | 14,153,676 |
| 1979 | 7,523,783 | 771,000 | 7,187,582 | |
| Truman Library addition | 2,667,000 | | | 18,149,365 |
| 1980 | 10,171,000 | 740,394 | 7,563,432 | 18,474,826 |
| 1981 | 12,295,000 | 718,325 | 9,741,663 | 22,754,988 |
| 1982 | 11,532,000 | 1,025,000 | 11,750,238 | 24,307,238 |
| 1983 | 12,972,000 | 1,029,000 | 10,941,419 | 24,942,419 |
| 1984 | 14,350,000 | 1,068,000 | 10,741,124 | 26,159,124 |
| 1985 | 14,636,000 | 1,151,000 | 11,416,329 | 27,203,329 |
| 1986 | 14,845,000 | 1,065,000 | 8,359,615 | 24,269,615 |
| 1987 (estimated) | 14,943,000 | 1,172,000 | 8,939,508 | 25,054,508 |
| Kennedy Library addition | 5,200,000 | | | 30,299,497 |
| 1988 (estimated) | 16,920,000 | 1,328,000 | 9,346,954 | 27,594,954 |

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By Mr. MITCHELL (for himself and Mr. Durenberger):

S. 1648. A bill to amend titles XI and XVIII of the Social Security Act to improve the efficiency and fairness of the system of peer review of the utilization and quality of health care services, and for other purposes; to the Committee on Finance.

### PEER REVIEW ORGANIZATION REFORM ACT

● Mr. MITCHELL. Mr. President, I rise today to introduce the Peer Review Organization Reform Act of 1987. I strongly support the concept of peer review for the Medicare Program, but believe that the program needs to be amended to reflect legitimate concerns raised by providers and PRO contractors.

In March of this year, I chaired a hearing in the Health Subcommittee to examine the Peer Review Organization. During that hearing a number of witnesses expressed their concerns about major problems they had experienced in the administration of the PRO Program.

The legislation I am introducing today is an attempt to address some of those concerns, and to improve the ability of PRO's to carry out the important task of providing quality health care for Medicare beneficiaries, while at the same time controlling utilization, and therefore costs, of the program.

During the March hearing a number of witnesses, particularly physicians, expressed their concern about the issue of due process for providers. Press accounts of rural physicians who had been sanctioned were cited, raising particular concern about physicians in rural parts of our country who had lost the right to participate in the Medicare Program.

Since the March hearing, the American Medical Association, the Health Care Financing Administration, the American Association of Retired Persons, and the Office of the Inspector General in the Department of Health and Human Services have reached an agreement which is designed to improve the procedures for imposing sanctions on physicians. My bill calls for the Secretary to report to Congress 1 year after enactment of this legislation on the improved procedures for imposing sanctions, as described in this agreement.

My legislation also requires the Secretary to consult with representatives of providers other than physicians to see if the terms of the agreement can be made applicable to them. The bill includes a provision requiring reasonable notice and opportunity for a practioner or provider to discuss and review a determination prior to the denial of a claim.

The level of funding for the PRO Program has been an ongoing concern expressed by the Health Care Financing Administration, AMPRA, the American Hospital Association, and physicians. Many believe that inadequate funding for the program has created numerous problems including a lack of onsite review for rural hospitals.

This legislation calls for separate funding levels for the Peer Review Organization, and requires that any expansion of the scope of work be accompanied by a reasonable increase in funding. Because of the unusual funding structure of the PRO Program, legislating in this area is difficult. We intend to continue to work on this issue to come to the best resolution of the funding problem within the existing funding mechanism for this program.

The issue of contract management was one raised by the hospital industry as well as the PRO's themselves. It is now common for HFCA to issue changes in regulations and to require additional review functions in a very short timeframe. Our bill includes a provision which requires HCFA to give both PRO's and hospitals a reasonable timeframe in which to implement any changes and calls for a renegotiation of the fixed-price contract for any additional scope of work.

In an effort to improve the communications work between PRO's and hospitals, this legislation includes a number of provisions which will increase the contact between reviewers and hospital staff, including a requirement for a minimum level of onsite review and a periodic educational review between physician reviewers and professional staff. This legislation also creates a Quality of Care Research and Education Center designed to enhance the performance of PRO's.

The Peer Review Organization Reform Act of 1987 is an attempt to address the major concerns expressed by physicians, hospitals, PRO's, and the administration about the Peer Review Organization Program under Medicare. It is not a panacea for all problems and will not totally satisfy the concerns of all of these parties.

It is, however, an honest effort to resolve the most glaring of these problems and work toward the improvement of this vital program which protects the quality of health care for millions of elderly persons.

I look forward to working with my colleagues in the Senate and with interested organizations to refine and improve this legislation in the coming weeks. I welcome interest and support from my colleagues and urge their support of this important bill.●

● Mr. DURENBERGER. Mr. President, I am delighted to join my distinguished colleague from Maine, Senator George Mitchell, in introducing the Peer Review Organization Reform Act of 1987. This bill would improve the administrative efficiency and fairness of the peer review system [PRO] which Congress has created to ensure that health care purchased on behalf of Medicare beneficiaries is of high quality, as well as medically necessary and appropriate. Oversight of the PRO Program in order to guarantee the safety and quality of health care for Medicare beneficiaries, especially the frail elderly, is one of the most important duties of the Finance Committee.

This bill will help correct some contracting and administrative problems and move us to resolving what is to me the most severe problem: the serious underfunding of the program. The Minnesota experience is a good indicator of what is happening across the country. The Minnesota PRO Program is in a state of crisis at this time. Why? Because peer review requirements and additional obligations for new review duties have far outstripped the Federal commitment to pay for the services. The Minnesota PRO Program has worked well for years and has enjoyed the support of a large number of dedicated doctors and other health professionals. I have talked with or heard from dozens of physicians and physician advisers in the program in the past few months, especially the last 2 weeks. It is clear that we must act soon to stem defection from the program. Dr. Jim Knapp, a practicing physician from Dakota Lakes, MN, whose opinions I value, summarized these issues eloquently in the following way:

> We must make this program work. Otherwise, Congress will have to develop some other kind of surveillance and all of the hard work done to date will be wasted. To have real peer reviews, you have to have experts. A properly done review—and Medicare should want no less—is time consuming. Concentrated time is required and care must be taken in making judgments. Both physicians reputations and judgments are at stake. Care must be taken to protect the patient and ensure that good quality care is rewarded, not inadvertently penalized.

This bill makes an important contribution to strengthening the PRO Program, and I am grateful for Senator Mitchell's outstanding leadership on this bill. I do have one reservation about the bill. In terms of contracting with organizations to do the reviews, I believe that there should be competition every 3 years, at a minimum. I believe that the instate organization will have an advantage because it is most likely to have support of its doctors. An effective PRO with a good track record will also have an advantage in a properly designed competitive process. But I also believe that competition keeps us all on our toes. Competition ensures that organizations are accountable to the Federal Government, to the patients they serve, to the providers they depend on and ultimately the taxpayers who count on them to safeguard Medicare beneficiaries. Broad competition on a periodic basis ultimately creates more efficient systems.

I look forward to working with Senator Mitchell and my colleagues to refine this important bill and move it to passage by the Senate. I urge my colleagues to join us in supporting this measure.●

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By Mr. DASCHLE:

S. 1651. A bill to freeze the basic price support loan rates for the 1987-1990 crops of corn at the 1986 level, and for the 1988-90 crops of wheat at the 1987 level; to the Committee on Agriculture, Nutrition, and Forestry.

### FARM PROGRAM REVISION ACT

Mr. DASCHLE. Mr. President, as I began my term in the U.S. Senate, I set three priorities in agriculture policy: credit, trade, and price. If we could achieve substantial policy improvements in these areas, we would be on a course toward a more healthy rural economy.

The Senate has passed a trade bill that makes significant improvements in that arena. Congress is working hard on reforms in the Farm Credit System and Farmers Home Administration. With the legislation I introduce today, I offer the third component of my agriculture agenda.

It is ironic that the Reagan administration—while pushing a proposal to eliminate agricultural subsidies by the year 2000—is the major proponent of staying the course on the biggest subsidy program in America's history. Taxpayers are expected this year to provide almost $26 billion to American farmers, big and small. Almost 50 percent of farmers' incomes comes from the Government.

This infusion of taxpayer dollars into farm country has lulled some people into the belief that conditions are improving. That's true only so long as the payments continue. Cut back the Government money and farmers will be in serious financial trouble.

The reality is that even with Government payments many farmers still are in financial trouble. According to the Center for Agricultural and Rural Development at Iowa State University, almost 39 percent of the farm operators in the United States have negative net cash flows. Nearly 10 percent of the farms are in such dire financial straits that they are expected to fail soon. In the four States—South Dakota, Nebraska, Iowa, and Colorado—comprising the Omaha Farm Credit District, the most financially hard hit of the 12 districts nationwide, almost 17 percent of the farm operators are expected to fail financially.

Those figures don't make a compelling case for the status quo.

Despite the failure of present policy, there's tremendous pressure against making any changes that might start to liberate farmers from dependency on Government money. The 1985 farm bill mandates a 2-percent cut in the target price this year, a 5-percent cut in 1989, and another cut again in 1990. The administration in its budget called for cutting target prices this year by another 10 percent above the reduction already scheduled. Some people have proposed turning farm programs into welfare, the so-called 0/92 plan.

But these proposals fail to confront the fundamental problem—price.

Mr. President, America's farmers and ranchers do not want to depend on Government payments. They want a fair price in the market, one that will enable them to recover their costs and make a living. Our current policy moves in the opposite direction. Instead of reducing the dependence on Government payments, the farm bill now sets us on a path of declining loan rates and lower prices. It is time to shift direction.

The legislation I introduce today would freeze the base loan rates for wheat and feed grains. For corn, the base loan rate would be set at $2.40 per bushel for the 1987-90 crop years.

For wheat, the rate is set at $2.85 per bushel for the 1988-90 crops.

The bill also would limit the reduction in the base loan rates under the so-called Findley provision to 10 percent beginning with the 1987 crop of corn and 1988 crop of wheat.

In addition, the bill limits to 25 percent the portion of deficiency payments that may be paid in generic certificates, raises the limits on the amount of grain allowed in the Producer Reserve Program, and requires that storage payments for the producer reserve be not less than the national average rate of payment for storage in commercial warehouses. For the latter, it is my intention that the Department of Agriculture reduce commercial rates and raise producer reserve rates to achieve equal rates for both types of storage.

These proposals not only improve farm policy, they save money. The Congressional Budget Office estimates that the freeze in the base loan rate alone saves almost $900 million in 1988.

Some people will suggest that stopping the further declines in loan rates will send the wrong signal to our competitors. I would remind these individuals that we can maintain our competitive position in world markets through an aggressive use the Export Enhancement Program. Furthermore, I would note that if we export at below our cost of production, we lose money on every sale.

Farmers in my State cannot continue to withstand lower and lower prices. As Congress considers policy changes to meet the budget targets, we must hold the line against further erosion in prices.

Mr. President, this legislation holds that line and saves taxpayer money. I urge my colleagues to support this much-needed change to fulfill the program of better credit, price and trade policies that will restore prosperity in agriculture.

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By Mr. BENTSEN:

S. 1652. A bill to authorize the establishment by the Secretary of Agriculture of a plant stress and water conservation research laboratory and program at Lubbock, TX; to the Committee on Agriculture, Nutrition, and Forestry.

### ESTABLISHMENT OF PLANT STRESS AND WATER CONSERVATION RESEARCH LABORATORY AND PROGRAM

● Mr. BENTSEN. Mr. President, today I am introducing legislation to officially authorize the U.S. Department of Agriculture's plant stress and water conservation research latoratory at Texas Tech University in Lubbock, TX.

I am proud to have played a major role in the establishment of this important and productive research lab. The plant stress lab is doing research on the critical soil-water-plant relationships that determine the efficiency of growing plants. This pioneering work encompasses of wide variety of research disciplines, including genetic engineering work to identify heritable characteristics related to water use and the genes which control them, which in turn will allow these researchers to implant or magnify the impact of those beneficial genes in important food and fiber crops.

This work promises to greatly improve the efficiency of crop production. More efficient production means lower cost production and improved ability to compete in world markets, and there is no greater need today in U.S. agriculture.

The first USDA scientist arrived at Texas Tech in 1979 and began working with other researchers on the Tech faculty and at the nearby Texas Agricultural Experiment Station. Researchers at the plant stress lab have done outstanding work and the program has grown from the initial funding of $200,000 to the current research budget of $1.15 million. I have strongly supported this program, and I believe that these funds have been a wise investment that will be repaid many times over through the application of the research findings of this lab.

However, the very success and growth of this program over the past 7 years has created problems. Approximately 20 State and USDA research scientists are now actively engaged in this research program, and they have outgrown the facilities which Texas Tech University has been able to furnish. Some scientists are housed in temporary buildings 10 miles from the Tech campus, at the Lubbock branch of the Texas Agricultural Experiment Station. This separation detracts from the close multidisciplinary cooperation which is needed in this effort and which has been so fruitful to date. In addition, lack of adequate laboratory space and facilities has become a significant limiting factor in the complex and precise research work which is demanded.

Architectural and engineering studies have been completed for the construction of an adquate laboratory facility, which is projected to cost about $24 million. I supported funding for those studies, and I support construction funding for this lab building. Unfortunately a request for these construction funds has never been included in the USDA budget request or in the appropriations bill for USDA.

It is my hope that this legislation can be passed and that it will provide the encouragement needed to get this construction funding request acted on favorably. I am pleased to note that this bill is a joint effort by the Texas Congressional delegation, and that identical legislation has been introduced in the House by Congressmen Combest, de la Garza, and Stenholm.

Mr. President, I urge the Senate to pass this legislation.●

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By Mr. DOMENICI:

S. 1653. A bill to limit the amount of "junk" securities that can be held by federally insured institutions and to amend the Securities Exchange Act of 1934 to provide that debt securities issued by shell corporations are subject to the margin restrictions regulations; to the Committee on Banking, Housing, and Urban Affairs.

### JUNK BOND LIMITATION ACT

Mr. DOMENICI. Mr. President, I rise today to introduce the Junk Bond Limitation Act of 1987, which will curb one of the most serious threats to the safety and soundness of our Nation's financial system and the integrity of our capital markets. That threat is the proliferation of junk bonds and their ownership by banks and savings and loans.

The Junk Bond Limitation Act of 1987 will:

First. Prevent all federally insured banks from purchasing additional junk bonds once they have an amount in excess of 5 percent of their capital and surplus invested in junk bonds—the same limitation that now applies to national banks;

Second. Prevent all federally insured thrift institutions from purchasing additional junk bonds once they have an amount in excess of 10 percent of their assets invested in junk bonds—the same limitation that now applies to nationally chartered thrift institutions;

Third. Allow the Federal Deposit Insurance Corporation and the Federal Home Land Bank Board to waive these limitations if an institution demonstrates that the investment in junk bonds would be consistent with the exercise of prudent banking or business judgment;

Fourth. Prevent all federally insured financial institutions from investing in junk bonds if their ratio of primary capital to total assets or net worth is less than 6 percent;

Fifth. Apply the Federal Reserve's margin requirement to junk-bond financed takeovers carrried on through a shell corporation; and

Mr. President, although I am not an economist or a businessman and I don't pretend to have any special expertise in this area, I have been following the corporate takeover craze generally, and the junk bond phenomenon specifically. For some time now, and many aspects of this phenomenon give me pause.

When I first became concerned about the role of junk bonds in corporate takeovers several years ago, some suggested that I was an economic "chicken little" because I expressed concern about the default rate of junk bonds and the trouble that banks and savings and loans could get into with junk bond investments. Well, I'm here to tell you that the sky has started to fall and I think it will fall futher. Junk bond defaults are up dramatically—there were over 3 billion dollars' worth of junk bond defaults last year—and will continue to increase. We have seen one savings and loan lose $10 million in the junk bond market.

Let me stress at this point that I don't believe that all junk bonds are bad. I would not suggest that we prohibit all junk bonds. If individual investors who know the risks want to invest in junk bonds, that is their business. What I am concerned about is the ownership of junk bonds by banks and thrifts that are insured by Federal agencies, such as FDIC and FSLIC. It worries me that depositors and beneficiaries of those entities and the Federal Government are insuring such risky investments. I suggest that reasonable limitations be placed on junk bond investment by banks and thrifts that benefit from Federal insurance guarantees.

Corporate takeovers have a profound effect on our economy and a tremendous impact on our financial markets. I am concerned about the cost to society as a whole of all this takeover activity. Takeovers increase corporate debt to dangerous levels, drain credit resources from productive uses, decrease the competitiveness of our Nation's corporations, cause research and development and long-range planning to be sacrificed in order to pay off debt, absorb an inordinate amount of the energies of corporate America, and lead to community disruption and human dislocation, in the form of employee layoffs and plant closings. These developments can have wide-ranging societal consequences that are reflected far beyond the balance sheets of the individual companies involved.

Although I am extremely distressed by the adverse effects of corporate takeovers on our Nation, the bill I am introducing today does not seek to address that issue. The Banking Committee is currently considering, legislation to curb the abuse of corporate takeovers, so the Senate will soon have the opportunity to take much-needed action on that front.

I am aware that not all persons share my pessimistic view of the effects of corporate takeovers. There are those who would argue that takeovers have a net beneficial effect on the economy. Even if one chooses to ignore the evidence and regard takeovers as beneficial for the economy, one must still be concerned about the methods used to finance takeovers.

Many mergers, particularly hostile takeovers, float junk bonds to finance the transaction. These junk bonds, which are defined as bonds rated below Baa by Moody's or BBB by Standard and Poor's, are high-risk debt instruments. Currently, there is over $125 billion worth of junk bonds on the market, much of it issued in recent years to finance takeovers. In 1981, $1.7 billion worth of junk bonds were issued. In 1986, $34.2 billion worth were issued, which is far more than 1984 and 1985 combined. In fact, we have witnessed a twentyfold increase in junk bond issuance in the past 6 years. It is estimated that 50-60 percent of these junk bonds are used to finance mergers and acquisitions, primarily hostile takeovers.

The high level of junk bond financing adds another element of risk to the takeover phenomenon. Should the acquiring company be unable to pay off the bonds from the assets and income of the acquired firm and the bonds go into default, there will be no security with which to repay investors.

Last year, the Federal Reserve took a small step toward curbing one of the most abusive tactics in corporate takeovers, that is the use of junk bonds to finance the takeovers. The Fed issued an interpretation of regulation G of the margin rules that subjected junk bond-financed takeovers that are conducted through shell corporations with no asset base of their own to the margin requirements. This ruling was made because these shell corporations have no assets with which to secure the loan except the stock of the target company. Therefore, the Fed determined that the junk bonds were loans indirectly secured by margin stock and subject to the margin requirement.

This ruling, however, has not led to a drop in the amount of junk bonds used to finance takeovers. Rather, the corporate raiders have simply changed the way junk bonds are used to finance takeovers. More junk bonds are being issued by the acquiring companies themselves, rather than shell corporations, to facilitate takeovers and circumvent the Fed's ruling. Thus, the abusive tactic of using junk bonds to finance takeovers continues.

I am also concerned about the junk bond phenomenon because it presents a particular danger to the integrity of our capital markets and the safety and soundness of our financial institutions.

A number of federally insured savings and loans, primarily State-chartered savings and loans, have invested in junk bonds. In March 1985, the Federal Home Loan Bank Board conducted a study and found that FSLIC-insured institutions and their subsidiaries held $5.1 billion worth of junk bonds. At the end of last year, it was estimated that their holdings had increased to $7.6 billion. One savings and loan has $2.33 billion—28 percent of its assets—in junk bonds.

I agree that a well-diversified, properly managed portfolio of junk bonds can be very profitable for these institutions. However, for the past 3 years, long-term Government debt securities have outperformed high-yield debt.

I can understand why some savings and loans are attracted to the high yields of junk bonds. But to earn high yields, you must take high risks.

Although junk bonds have a higher than average return rate, they also have a higher default rate. The junk bond defaut rate of junk bonds in 1986 stood at 3.4 percent. The default rate on new issue junk bonds, those bonds issued as junk bonds, is approximately 11 percent.

There has been over $5 billion worth of junk bond defaults since 1980. The dollar value of junk bond defaults skyrocketed in 1986 and exceeded $3 billion for the first time ever. The $3.2 billion in junk bond defaults in 1986 easily surpassed the next highest year—1985, which had less than $1 billion in defaults. There were 33 junk bond defaults in 1986.

The Beverly Hills Savings and Loan suffered $10 million in loses from its investment in junk bonds. Beverly Hills invested in junk bonds after incurring huge losses in the real estate market as a "last ditch" attempt to raise income—and then lost $10 million. This is the danger of junk bonds for unstable institutions: They will be attracted to the high yield of junk bonds as a way of bailing out of their financial difficulties.

It is because the danger of default is always present with junk bonds that I encourage the Senate to take the steps necessary to ensure that neither the innocent depositors at our Nation's financial institutions nor the Nation's taxpayers end up picking up the bill for a junk bond default.

Currently, national banks may invest an amount not in excess of 5 percent of the bank's capital and surplus in junk bonds, so long as the exercise of prudent banking judgment is used to determine that the issuer of the junk bonds will be able to meet its obligations.

Federal thrifts may invest up to 10 percent of their assets in junk bonds if they classify them as commercial loans. Otherwise, they may acquire junk bonds in an amount up to 1 percent of its assets if, in the exercise of prudent business judgment, there is adequate evidence that the issuer will be able to meet its obligations, including debt servicing.

However, these restrictions apply not to all federally insured institutions, but only to those institutions that are chartered by the Federal Government and subject to these limitations. State-chartered banks and thrifts are not subject to these restrictions. These institutions can invest in

junk bonds without any restrictions imposed by the Federal Government, even though the Federal Government insures these institutions. FDIC and FSLIC would be called on to bail out institutions that get into trouble because of junk bond holdings. It is unfair that these funds should be called on to insure such rank speculation. If the restrictions on federally chartered institutions make sense, and I think they do, then state-chartered institutions that benefit from the FDIC and FSLIC guarantees should be subject to the same limitations.

Additionally, at this time, there are no limitations on which institutions can own junk bonds. Only institutions that meet certain minimal net worth requirements should be permitted to do so.

The legislation that I am introducing today will impose some reasonable limitations on junk-bond ownership by federally insured institutions and will assure that the margin requirement is applied to the most abusive junk-bond financed takeovers.

Mr. President, let me reiterate: I understand that junk bonds are a vital financing tool for many companies. I am not suggesting that Congress limit the ability of companies to issue junk bonds or to restrict the ability of the average investor to invest in junk bonds if he or she wishes. What I am saying is that the Federal Reserve's margin requirements should be applied to junk-bond financed takeovers and that those institutions that benefit from Federal insurance guarantees should be subject to the reasonable limitations on investment in junk bonds. These restrictions should be uniformly applied.

Mr. President, I ask unanimous consent that the text of the Junk Bond Limitation Act of 1987 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1653

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

SECTION 1. This Act may be cited as the "Junk Bond Limitation Act of 1987".

#### INVESTMENT LIMITATION

SEC. 2. (a) The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end thereof the following new section:

#### "INVESTMENT LIMITATION

"SEC. 28. (a)(1) No insured bank shall, directly or indirectly, make an investment for its own account in noninvestment grade securities the proceeds of which will be used, directly or indirectly, to purchase or carry margin securities if a similarly situated national bank would be prohibited from making such investment. The preceding sentence shall not apply to a State non-member insured bank which obtains a waiver of this provision from the Federal Deposit Insurance Corporation based upon a showing that such an investment would be consistent with the exercise of prudent banking judgment.

"(2) No insured bank shall make an investment for its own account in such noninvestment grade securities if at the time of the investment its primary capital is less than 6 percent of its assets.

"(b) For purposes of this section—

"(1) the term 'noninvestment grade securities' means—

"(A) unrated bonds or preferred stock;

"(B) bonds or preferred stock with a rating lower then Baa by Moody's, BBB by Standard and Poor's, or an equivalent rating by one or more nationally recognized bond rating house;

"(C) other debt instruments that are, or will become, subordinated in right of payment to the payment of any substantial amount of unsecured indebtedness; or

"(D) any equity or quasi-equity instruments other than common stock or preferred stock (except as provided above), including warrants or other rights to acquire such equity or quasi-equity instruments;

"(2) the term 'margin securities' means any security defined as a margin security under the rules and regulations of the Board of Governors of the Federal Reserve System.".

(b) Title IV of the National Housing Act (12 U.S.C. 1724 et seq.) is amended by adding at the end thereof the following new section:

#### "INVESTMENT LIMITATION

"SEC. 415. (a)(1) No uninsured institution, as defined in section 408 of this title, shall, directly or indirectly, make an investment for its own account in noninvestment grade securities the proceeds of which will be used, directly or indirectly, to purchase or carry margin securities if a similarly situated Federal savings and loan association would be prohibited from making such investment. The preceding sentence shall not apply to a State-chartered uninsured institution which obtains a waiver of this provision from the Federal Home Loan Bank Board based upon a showing that such an investment would be consistent with the exercise of prudent business judgment.

"(2) No insured institution, as defined in section 408 of this title, shall make an investment for its own account in such noninvestment grade securities if at the time of investment its net worth is less than 6 percent of its total assets.

"(b) For purposes of this section—

"(1) the term 'noninvestment grade securities' means—

"(A) unrated bonds or preferred stock;

"(B) bonds or preferred stock with a rating lower then Baa by Moody's, BBB by Standard and Poor's, or an equivalent rating by one or more nationally recognized bond rating house;

"(C) other debt instruments that are, or will become, subordinated in right of payment to the payment of any substantial amount of unsecured indebtedness; or

"(D) any equity or quasi-equity instruments other than common stock or preferred stock (except as provided above), including warrants or other rights to acquire such equity or quasi-equity instruments; and

"(2) the term 'margin securities' means any security defined as a margin security under the rules and regulations of the Board of Governors of the Federal Reserve System.".

#### MARGIN RESTRICTIONS

SEC. 3. Section 7 of the Securities Exchange Act of 1934 (15 U.S.C. 78g) is amended by redesignating subsections (e) through (g) as subsections (f) through (h), respectively, and by inserting after subsection (d) the following new subsection:

"(e)(1) For purposes of subsection (d) and the rules and regulations thereunder, any lender that purchases, directly or indirectly, any debt securities issued by a shell corporation, the proceeds of which will be used, directly or indirectly, any debt securities issued by a shell corporation, the proceeds of which will be used, directly or indirectly, to purchase or carry margin stock in the context of a tender offer or a request or invitation for tender covered by section 14(d) of this Act or the acquisition of securities which would require the filing of a report under section 13 of this Act, shall be deemed to have extended or maintained credit secured indirectly by such margin stock and shall be subject to the maximum loan value limitations prescribed by the Board of Governors of the Federal Reserve System.

"(2) For purpose of this subsection, the term 'shell corporation' means a corporation which has—

"(A) no business operations,

"(B) no significant business function other than acquiring or holding shares of the target company, and

"(C) no substantial assets or cash flow to support credit other than the margin stock it has acquired or intends to acquire.

"(3) Debt securities shall not be treated as indirectly secured by margin stock if—

"(A) the issuing corporation has assets other than margin stock that the lender can rely upon for collateral;

"(B) the debt securities are guaranteed by a corporation other than the shell corporation, and such guaranteeing corporation has substantial non-margin stock assets or cash flow;

"(C) a merger agreement has been executed between the acquiring and target companies at the time the lender makes a commitment to purchase the debt securities or before the lender advances loan funds;

"(D) the lender's obligation to advance funds by purchasing debt securities is contingent on the shell corporation's first acquiring the minimum number of shares necessary under applicable State law to effect a merger without approval of the shareholders or directors of the target company; or

"(E) there is specific evidence that the purchasers of the debt securities in good faith have not relied on the margin stock as collateral.".

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By Mr. NICKLES:

**S. 1654.** A bill to amend title V of the Motor Vehicle Information and Cost Savings Act "Improving Automotive Efficiency" to repeal the corporate average fuel economy [CAFE] standards, and for other purposes; to the Committee on Commerce, Science, and Transportation.

#### MOTOR VEHICLE INFORMATION AND COST SAVINGS ACT

Mr. NICKLES. Mr. President, I am introducing today the Motor Vehicle Information and Cost Savings Act of 1987. This measure was originally included in title IV of the President's

Trade, Employment, and Productivity Act of 1987.

The Senate did not include this provision of the President's bill in its Omnibus Trade and Competitiveness Act of 1987. I believe, as does the administration, that the Congress should have the opportunity to specifically address the need and the wisdom of the 1975 CAFE standards, as well as the need to revise the manner in which the EPA tests fuel efficiency in automobiles.

The Motor Vehicle Information and Cost Savings Act of 1987 would repeal the corporate average fuel economy [CAFE] standards for new model years. The American auto industry and the American consumer must be released from this archaic law. As with many of the energy-related statutes of the middle 1970's the imposition of CAFE standards in the Energy Policy and Conservation Act of 1975 was a well meaning but misguided response by the Congress to intervene in the marketplace in the hopes of reordering consumer tastes to use less energy.

The CAFE standards have hurt the domestic auto industry and helped no one. The standards have been of no advantage to consumers. The overall fuel economy of cars purchased by U.S. consumers has not been affected by the CAFE standards—certainly not in recent years. Consumers continue to buy the cars they wish to buy, and the ratio of large to small cars being purchased is and has been different than the ratio predicted by the experts in 1975—who expected the price of gasoline to be well above $2 a gallon during the 1980's.

Moreover, the CAFE standards further hurt the U.S. economy by favoring foreign large car production to U.S. large car production. Foreign automakers have huge banks of CAFE credits which will enable them to flood the U.S. market with the large, higher value-added cars for the foreseeable future. Meanwhile, the two largest U.S. automakers have been bumping up against the CAFE standards for years—facing penalties and changing otherwise efficient business decisions to meet the requirements of this law. The result is that the CAFE standards are encouraging U.S. automakers to export jobs in car and part production overseas.

The concept behind the CAFE standards is fundamentally flawed. Congress decided that it would, by fiat from Washington, force U.S. consumers to buy more fuel-efficient cars by requiring manufacturers selling cars in the United States to meet increasingly strict corporate average fuel economy levels. As Congress has discovered with much of the other energy legislation of the period, demand cannot be changed by a regulatory scheme that constrains only a portion of the supply. Congress learned this when it imposed price controls on domestic oil and consumers paid virtually the same price as they would have paid without the price controls because imported oil was not controlled. A few years ago, Congress again learned this lesson, this time with its regulation of natural gas. Even though price ceilings on old gas prices were keeping almost half of the Nation's natural gas production at below market prices, consumers were paying the same price they would have paid without controls. This is because they were paying higher than market prices for the decontrolled half of the natural gas supplies.

The CAFE law repeats this ineffective regulatory strategy by in effect regulating only a few of the suppliers of automobiles. The only companies that are constrained by CAFE in manufacturing more large cars are General Motors and Ford.

As was true with much of the Federal energy regulation of the 1970's CAFE standards are proving to be not only ineffective, but in fact harmful to the domestic economy. The market inefficiencies created by Federal energy laws of the 1970's are, unfortunately, not completely behind us. We are still importing too much oil, due in large part to Federal price controls and the windfall profit tax. The United States is still in the painful transition in the natural gas marketplace from the high take or pay contracts between pipelines and producers following the Natural Gas Policy Act of 1978. And we still need to repeal the CAFE standards that harm only two corporations in the world auto market: GM and Ford.

In 1975, the average car was getting about 15 miles per gallon. The current fleet is roughly twice as fuel efficient. This improvement is mostly due to the change in the price of motor fuel and the increase in the conservation awareness of the American public.

It is time for the U.S. Congress to finally admit that, although the goals of the CAFE law may be laudable, mandatory fuel economy standards have not changed public taste, but are having a serious impact on U.S. jobs.

The bill I am introducing today is not just a repeal of the CAFE standards. This bill specifically retains and improves the EPA's labeling requirements under the existing law. In order for supply and demand to work smoothly, it is essential that the consumer be aware of the consequences of his free choice. Accordingly, this bill would also improve the methodology in the EPA fuel efficiency testing to more accurately reflect real-life driving conditions.

I ask unanimous consent that the transmittal letter from the Secretary of Transportation, a section-by-section analysis provided by the Department of Transportation and the text of the bill be included in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1654

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

Section 1. This Act may be cited as the "Motor Vehicle Information and Cost Savings Act of 1987."

Sec. 2. Section 501 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001) is amended to read as follows:

### "DEFINITIONS

"Sec. 501. For purposes of this part:

"(1) The term 'automobile' means any 4-wheeled vehicle propelled by fuel which is manufactured primarily for use on public streets, roads, and highways (except any vehicle operated exclusively on a rail or rails), and which has a gross vehicle weight rating of 8,500 pounds or less.

"(2) The term 'fuel' means gasoline and diesel oil.

"(3) The term 'fuel economy' means the average number of miles traveled by an automobile per gallon of gasoline (or equivalent amount of diesel oil) consumed, as determined, by rule, by the EPA Administrator in accordance with procedures established under section 502.

"(4) The term 'manufacturer' means any person engaged in the business of manufacturing or assembling new automobiles, including any person importing new automobiles for resale and any person who acts for and is under the control of such manufacturer, assembler, or importer in connection with the distribution of new automobiles.

"(5) The term 'import' means to import into the customs territory of the United States.

"(6) The term 'model type' means a particular class of automobile as determined, by rule, by the EPA Administrator.

"(7) The term 'model year', with reference to any specific calendar year, means a manufacturer's annual production period (as determined by the EPA Administrator) which includes January 1 of such calendar year. If a manufacturer has no annual production period, the term 'model year' means the calendar year.

"(8) The term 'EPA Administrator' means the Administrator of the Environmental Protection Agency.".

Sec. 3. Section 502 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2002) ("Average Fuel Economy Standards Applicable to Each Manufacturer") is repealed, except to the extent provided by section 9 of this Act.

Sec. 4. Section 503 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2003) is amended by redesignating section 503 as section 502 and is further amended to read as follows:

### "DETERMINATION OF FUEL ECONOMY

"Sec. 502. (a)(1) Fuel economy for any model type shall be measured in accordance with testing and calculation procedures established by the EPA Administrator, by rule, which produce results that simulate conditions of actual use. Procedures under this section, to the extent practicable, shall require that fuel economy tests be conducted in conjunction with emission tests conducted under section 206 of the Clean Air Act.

"(2) The EPA Administrator shall, by rule, determine that quantity of diesel oil which is the equivalent of one gallon of gasoline.

"(3) Testing and calculation procedures applicable to a model year, and any amendment to such procedures (other than a technical or clerical amendment), shall be promulgated not less than 12 months prior to the model year to which such procedures apply.

"(4) Proceedings under this section shall be conducted in accordance with section 553 of title 5, United States Code.".

Sec. 5. Section 504 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2004) is amended by redesignating section 504 as section 503 and is further amended to read as follows:

### "JUDICIAL REVIEW

"Sec. 503. (a) Any manufacturer may, at any time prior to 60 days after a rule under section 502 or 504 is prescribed, file a petition in the United States Court of Appeals for the District of Columbia, or for any circuit wherein such manufacturer resides or has its principal place of business, for judicial review of such rule. A copy of the petition shall be forthwith transmitted by the clerk of such court to the officer who prescribed the rule. Such officer shall thereupon cause to be filed in such court the written submissions and other materials in the proceeding upon which such rule was based. Upon the filling of such petition, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

"(b) If the petitioner applies to the court in a proceeding under subsection (a) for leave to make additional submissions, and shows to the satisfaction of the court that such additional submissions are material and that there were reasonable grounds for the failure to make such submissions in the administrative proceeding, the court may order the EPA Administrator to provide additional opportunity to make such submissions. The EPA Administrator may modify or set aside the rule involved or prescribe a new rule by reason of the additional submissions, and shall file any such modified or new rule in the court, together with such additional submissions. The court shall thereafter review such new or modified rule.

"(c) The judgment of the court affirming or setting aside, in whole or in part, any such rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(d) The remedies provided for in this section shall be in addition to, and not in lieu of, any other remedies provided by law.".

Sec. 6. Section 505 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2005) is repealed, except to the extent provided by section 9 of this Act, and except for the following provisions which are redesignated as section 504:

"Sec. 504(a)(1) Every manufacturer shall establish and maintain such records, make such reports, conduct such tests, and provide such items and information as the EPA Administrator may, by rule, reasonably require to enable the EPA Administrator to carry out his or her duties under this part and under any rules prescribed pursuant to this part. Such manufacturer shall, upon request of a duly designated agent of the EPA Administrator who presents appropriate credentials, permit such agent, at reasonable times and in a reasonable manner, to enter the premises of such manufacturer to inspect automobiles and appropriate books, papers, records, and documents. Such manufacturer shall make available all of such items and information in accordance with such reasonable rules as the EPA administrator may prescribe.

"(2) The district courts of the United States may, if a manufacturer refuses to accede to any rule or reasonable request made under paragraph (1), issue an order requiring compliance with such requirement or request. Any failure to obey such an order of the court may be treated as a contempt thereof.

"(b) Measurements and calculations under section 502 shall be made available to the public in accordance with section 552 of title 5, United States Code, without regard to subsection (b) of such section."

Sec. 7. Section 506 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2006) is amended by redesignating section 506 as section 505 and is further amended to read as follows:

### "LABELING

"Sec. 505(a)(1) Each manufacturer shall cause to be affixed, and each dealer shall cause to be maintained, on each automobile manufactured in any model year after the enactment of this Act, in a prominent place, a label—

"(A) indicating the fuel economy of such automobile,

"(B) containing a statement that written information (as described in subsection (b)(1)) with respect to the fuel economy of other automobiles manufactured in such model year (whether or not manufactured by such manufacturer) shall be made available by the EPA Administrator in such manner as he or she finds appropriate, in order to facilitate comparison among the various model types,

"(C) containing in the case of any automobile, the sale of which is subject to any Federal tax imposed with respect to automobile fuel efficiency, a statement indicating the amount of such tax, and

"(D) containing any other information authorized or required by the EPA Administrator which relates to information described in subparagraph (A) or (B).

"(2) The form and content of the label required under paragraph (1), and the manner in which such label shall be affixed, shall be prescribed, by rule, by the EPA Administrator. The time and manner by which the statement referred to in paragraph (1)(C) must be included on any label may be prescribed so as to take into account any special circumstances or characteristics. The EPA Administrator may permit a manufacturer to comply with this paragraph by permitting such manufacturer to disclose the information required under this subsection on the label required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232).

"(3) Proceedings under this section shall be conducted in accordance with section 553 of title 5, United States Code.

"(b) The EPA Administrator shall compile the data on fuel economy to be included on labels for automobiles manufactured in each model year. The EPA Administrator shall make these data available to the public in such manner as he or she finds appropriate.

"(c)(1) A violation of subsection (a) shall be treated as a violation of section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232). For purposes of the Federal Trade Commission Act (other than sections 5(m) and (18)), a violation of subsection (a) shall be treated as an unfair or deceptive act or practice in or affecting commerce.

"(2) As used in this section, the term 'dealer' has the same meaning as such term has in section 2(e) of the Automobile Information Disclosure Act (15 U.S.C. 1231(e)) except that in applying such term to this section, the term 'automobile' has the same meaning as such term has in section 501(1) of this Act.

"(d) Any disclosure with respect to fuel economy or estimated annual fuel cost which is required to be made under the provisions of this section shall not create an express or implied warranty under State or Federal law that such fuel economy will be achieved, or that such cost will not be exceeded, under conditions of actual use.

"(e) In carrying out his duties under this section, the EPA Administrator shall consult with the Federal Trade Commission and the Secretary of Energy.".

Sec. 8. Sections 507-512 of the Motor Information and Cost Savings Act (15 U.S.C. 2007-2012) ("Unlawful Conduct"; "Civil Penalty"; "Effect on State Law"; "Use of Fuel Efficient Passenger Automobiles by the Federal Government"; "Retrofit Devices"; "Reports to Congress") are repealed, except to the extent provided by section 9 of this Act.

Sec. 9. (a) This Act shall not affect any rights accrued, duties imposed, penalties, or other liabilities incurred or actions or suits commenced or that may be commenced with respect to any average fuel economy standard for any model year ending before the effective date of this Act.

(b) The EPA Administrator shall determine average fuel economy for any manufacturer that has a need to determine carryback credit and has filed a carryback plan for that purpose with the Secretary of Transportation for the model years in which the manufacturer plans to earn such credits. Average fuel economy shall be determined in accordance with testing and calculation procedures utilized by the EPA Administrator for model year 1975, or procedures which yield comparable results. The EPA Administrator shall report any such determinations of average fuel economy to the Secretary of Transportation.

Sec. 10. The provisions and chapter analyses of title 15, United States Code, shall be amended to conform with the amendments made by this Act.

Sec. 11. If any provision of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this Act and the application of such provision to any other person or circumstance shall not be affected by such invalidation.

Sec. 12. This Act shall be effective upon the date of its enactment, except to the extent provided by section 9 of this Act.

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Secretary of Transportation,
*Washington, DC, August 5, 1987.*

Hon. George Bush,
*President of the Senate, Washington, DC.*

Dear Mr. President: I am submitting for your consideration a draft bill—To amend the Title V of the Motor Vehicle Information and Cost Savings Act, "Improving Automotive Efficiency," to repeal the corporate average fuel economy (CAFE) standards, and for other purposes.

This draft was previously transmitted to Congress by the President on February 19, 1987 as subtitle F of title IV of the President's "Trade, Employment, and Productivity Act of 1987."

The draft bill would: (1) repeal the corporate average fuel economy (CAFE) standards for new model years; (2) retain and update the Environmental Protection Agency's (EPA) fuel economy labeling requirements; and (3) revise the EPA's automotive fuel economy testing procedures to require that results simulate conditions of actual use.

When the CAFE program was enacted in 1975, the goal of the program was to arrive by stages at a CAFE level for passenger cars of 27.5 mpg by model year 1985. This level was approximately twice the level of the automotive fleet in 1975. In setting the goal of 27.5 mpg, Congress hoped to decrease the Nation's dependence on foreign oil and, at the same time, encourage full employment in the domestic auto industry. The legislation also mandated that labels be affixed on new automobiles to indicate their fuel economy, annual fuel operational costs, and the fuel economy of comparable automobiles.

The energy conservation that Congress sought to achieve by the CAFE regulatory program has largely been realized. In model year 1986, the average fuel economy of all automobiles sold in fact exceeded 27.5 mpg. Now that this fleet-wide goal has been met, it is time to consider the problems CAFE has engendered and how to resolve them.

It has been clear for some time that the CAFE standards cause economic distortions in the marketplace. These distortions arise largely from the fact that while the standards exert pressure on the manufacturers of large cars to sell a mix of vehicles to meet the required CAFE level, they do nothing to ensure that consumers will want to buy the mix the manufacturer offers.

Moreover, CAFE endangers U.S. jobs. The statute provides a perverse incentive to manufacturers to shift large car (or parts) production to foreign manufacturing sites, so that they can combine this production with their more fuel efficient captive import fleets to meet the CAFE standards. Such actions distort the manufacturers' normal marketing strategies and negate the original purpose of the program by causing the export of jobs abroad, while doing nothing to promote energy conservation.

These concerns together suggest that the CAFE program has outlived its usefulness. A considerable body of economic opinion holds that it was primarily the decontrol of the price of oil and changes in gasoline prices not the standards, that led to the increase in fuel efficiency over the past decade. The Nation might well have achieved similar results simply through the natural operation of the market. At this time there is strong evidence that the market will continue to provide the proper balancing of fuel efficient vehicles versus other vehicle characteristics such as size, safety, and performance without the need of CAFE. Accordingly, the most sensible public policy is to repleal the CAFE standards program.

Notwithstanding the repeal of the CAFE standards program, the bill would ensure that the government may conclude compliance cases and that manufacturers may earn credits to offset any liability for civil penalities, in keeping with their previously-filed carryback plans, for any model year ending before the bill's effective date.

We believe that the fuel economy labeling system provides information which enables consumers to make informed decisions in their choice of automobiles. To the extent that consumers are accurately informed about the relative fuel efficiency of comparable automobiles, they will be able to make appropriate choices in the marketplace. The labeling system thus helps the market to work by enabling consumers to consider the need for energy conservation in their purchasing decisions. Accordingly, the labeling system would be continued under this proposal, and the bill would require that EPA's testing procedures similate conditions of actual use with respect to fuel economy determinations for individual model types.

The Office of Management and Budget has advised that enactment of this proposed legislation would be in accord with the President's Program.

Sincerely,

ELIZABETH DOLE.

### SECTION-AY-SECTION ANALYSIS

#### SECTION 1

This Act is cited as the "Motor Vehicle Information and Cost Savings Act of 1987."

#### SECTION 2

This section would amend section 501 of the Motor Vehicle Information and Cost Savings Act ("Definitions") to delete those definitions, in whole or in part, which relate to the corporate average fuel economy (CAFE) standards, and to conform the remaining definitions to the fuel economy labeling program.

#### SECTION 3

This section would repeal section 502 of the Motor Vehicle Information and Cost Savings Act ("Average Fuel Economy Standards Applicable to Each Manufacturer"), except to the extent provided by section 9 of this Act. This proposal is based on the following points:

a. CAFE standards are no longer necessary as a conservation measure. Oil price decontrol has made the price of gasoline an effective, market-based control on fuel economy.

b. The objectives of the original Act have largely been achieved. The U.S. manufacturers have virtually doubled the fuel economy of their product since 1975 and the fuel economy of new cars sold in the U.S. has met the goal set by Congress (27.5 mpg). As noted in the Economic Report of the President for 1986, market demand, not the CAFE statute has been the primary reason for this progress.

c. The CAFE standards provide a serious distortion in the motor vehicle market that is detrimental to the economy.

d. The Act results in unequal burdens on various manufacturers, with special difficulties for U.S. full-line manufacturers.

e. The provisions of the Act once intended to preserve U.S. jobs now threaten to cause substantial foreign outsourcing of large car production and related jobs.

#### SECTION 4

This section would amend section 503 of the Motor Vehicle Information and Cost Savings Act ("Determination of Average Fuel Economy") to delete those provisions relating to the corporate average fuel economy (CAFE) standards program and to require that the EPA Administrator's testing and calculation procedures produce results that simulate conditions of actual use. Since 1975, EPA has improved its procedures to produce results that better reflect average driving conditions and patterns nationwide. The phrase "simulate conditions of actual use" is intended to codify and continue this progress, without requiring any major revisions to EPA's procedures. Whether testing and calculation procedures adequately simulate conditions of actual use would be a matter committed to EPA's discretion. As amended, the section would retain only those provisions relating to the determination of fuel economy for individual model types. Since this information is used in the labeling of automobiles, it would be retained as a part of the continued labeling program. As amended, the section would be redesignated as section 502.

#### SECTION 5

This section would amend section 504 of the Motor Vehicle Information and Cost Savings Act ("Judicial Review") to delete those aspects which relate to the corporate average fuel economy (CAFE) standards program and to clarify who has standing to bring challenges to tules prescribed under this amended program and specify the rules that they may challenge. As amended, the section would be redesignated as section 503.

#### SECTION 6

This section would amend section 505 of the Motor Vehicle Information and Cost Savings Act ("Information and Reports"), to delete those provisions that would not be needed to support the activities of the EPA Administrator in the continued labeling program. As amended, the section would be redesignated as section 504.

#### SECTION 7

This section would amend section 506 of the Motor Vehicle Information and Cost Savings Act ("Labeling") to update and simplify this section's requirements and to require that the EPA Administrator compile fuel economy data and make it publicly available in place of the fuel economy booklet which dealers have been required to make available to prospective purchasers. The publication and distribution of this booklet by the Department of Energy is deleted to be consistent with the President's fiscal year 1988 budget request.

Even with the repeal of the corporate average fuel economy (CAFE) standards, the fuel economy labeling system provides information which enables consumers to make informed decisions in their choice of automobiles. Consumers continue to be interested in fuel economy. The label on an automobile will continue to inform them about the fuel economy of that automobile. Other information formerly on the label, such as the fuel economy of comparable automobiles, will be readily available through the EPA. To the extent that consumers are accurately informed about the fuel efficiency of automobiles, they will be able to make appropriate choices in the marketplace. The labeling system, together with the information published by EPA, helps the market to work by enabling consumers to be responsive to the continuing needs for energy conservation. A provision is added to expressly require that the rulemaking proceedings under this section be conducted in accordance with section 553 of title 5, United States Code. As amended, the section would be redesignated as section 505.

#### SECTION 8

This section repeals sections 507 through 512 of the Motor Vehicle Information and Cost Savings Act ("Unlawful Conduct"; "Civil Penalty"; "Effect on State Law"; "Use of Fuel Efficient Passenger Automobiles by the Federal Government"; "Retrofit Devices"; "Reports to Congress"), except to the extent provided by section 9 of this Act.

These sections are all supportive of the CAFE standards and have no further utility with the repeal of the standards. To the extent that enforcement of the fuel economy labeling program is necessary, it can be provided, as under current law, through the provisions of the Automobile Information Disclosure Act (15 U.S.C. 1232).

#### SECTION 9

Subsection (a) of this section provides that this Act shall not affect any rights accured, duties imposed, penalties, or other liabilities incurred or actions or suits commenced or that may be commenced with respect to any average fuel economy standard for any model year ending before the effective date of this subtitle. Accordingly, notwithstanding the repeal of the section 502 program of average fuel economy, this section preserves the status quo, with respect to standards for any model year ending before the effective date of this subtitle, for: (1) non-compliances by any manufacturer with any average fuel economy standard applicable to such manufacturer under section 502; (2) the liability of any manufacturer for civil penalties under section 508, after taking into account credits available to the manufacturer under section 502(l); and (3) previously-filed carryback plans under section 502(1) to meet shortfalls with respect to an average fuel economy standard.

Since the determination of whether a manufacturer has failed to comply with a fuel economy standard and the amount of civil penalties for such noncompliance is based in part on whether a manufacturer exceeds the fuel economy standards for the three following model years, there must be an interval of three full model years between the model year in which the standards are repealed and the last model year of their final enforcement. Accordingly, subsection (a) of this section will ensure that the government may conclude compliance cases and that manufacturers may earn credits to offset any liability for civil penalties, in keeping with their previously-filed carryback plans, for any model year ending before the effective date of this Act.

Subsection (b) of this section ensures that: (1) the EPA Administrator will continue to make determinations of average fuel economy, in accordance with existing procedures or procedures yielding comparable results, for manufacturers which have a need to determine carryback credits and have filed a carryback plan with the Secretary of Transportation for that purpose; and (2) determinations of average fuel economy will be reported by the EPA Administrator to the Secretary of Transportation.

#### SECTION 10

This section provides that confirming amendments be made to the provisions and chapter analyses of title 15, United States Code, which are amended by this Act.

#### SECTION 11

This section sets out the severability clause for the Act.

#### SECTION 12

This section provides that the Act is effective upon enactment, except to the extent provided by section 9 of this Act.●

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By Mr. DOLE (for himself and Mr. D'AMATO):

S. 1655. A bill to amend title IV of the Social Security Act to improve the program of aid to families with dependent children by establishing a two-tier system for AFDC families, to require each State to establish a comprehensive work program with an organized intake and registration process for such families, to make necessary improvements in the child support enforcement program, and for other purposes; to the Committee on Finance.

### AFDC EMPLOYMENT AND TRAINING REORGANIZATION ACT

Mr. DOLE. Mr. President, today along with my colleague Senator D'AMATO, I am introducing the same welfare reform bill that was introduced by 104 House Republicans yesterday. This bill represents a good faith effort to address the valid needs and flaws of the current welfare system. Also, the administration supports this approach, and we should make certain that Congress acts on legislation that will not be headed for a veto in the Oval Office.

Also, the administration supports this approach, and I believe we should have all the reasonable alternatives we can have before this body when we come back in September.

It is also my intention, when we return in September, to introduce another welfare reform bill that I will introduce along with other of my colleagues, which will contain the child support enforcement provisions as well as the work provisions that appear in other bills that have been introduced.

What I am suggesting is that it seems to me that if we can lay out all the options and if there is a willingness to work in a bipartisan way, we may pass a welfare reform bill, if not this year, sometime early next year.

At this time, the Senator from Kansas believes that it is important to lay out a reasonable alternative to the current proposal that has been introduced by the distinguished chairman of the Subcommittee on Social Security and Family Policy. When the Finance Committee marks up a bill this fall, there will be plenty of options for Members to consider in hammering out a new plan for the current unsatisfactory welfare system.

### NEED FOR WELFARE REFORM

Mr. President, in the Congress and the administration, there is strong bipartisan agreement that the Nation's welfare reform system needs to be revamped, because it is encouraging a dependency that is demoralizing for those who depend on its benefits for their everyday survival. Demographic and economic trends in our society—among them the rise in divorce rates and single-parent families—have resulted in a vast increase in low-income female-headed households. While the poverty rate has dropped for the elderly segment of our society, it has steadily risen over the past 7 years among our Nation's children in female-headed households, and this is a matter of serious concern for our society as a whole.

Research findings are quite clear when it comes to the question as to who is most at risk of long-term dependency. High on that list are young women who have never completed high school. We should make a definite effort to reduce that risk by requiring certain recipients to attend school or participate in a program leading to a high school diploma or its equivalent. It is clear that something has to be done to reverse this trend, and there are many different proposals that have been laid out in an effort to achieve this goal.

Although there may be disagreement over how best to achieve needed reforms, there is widespread agreement among the leaders of this debate that education, job training, and work requirements need to be strengthened. It is inevitable that there will be some cost involved in this effort, but it is a worthwhile investment in human capital at this time. The Federal Government is willing to provide its share of the necessary resources to accomplish these goals.

Part of this effort will be to respond to States and their desire to provide more opportunities for people to get work experience. With few exceptions, we would propose that everyone who wishes to receive benefits under the AFDC program, should either be in school or a training program, in a job or activity seeking a job.

### PROVISIONS OF BILL

Mr. President, this legislation would create an employment and training program to help welfare applicants and participants enter the labor force and leave their welfare dependency behind. In the process, we would give States substantial flexibility in designing and implementing their employment training programs, so that these programs can be tailored to the needs of local communities. In conjunction with the work program, the legislation would establish realistic participation standards that would require States to expand their programs over a 9-year period until 70 percent of their AFDC families are involved in work, training, job search, or education.

In an attempt to address the most at-risk group within the AFDC population, this proposal would provide incentives for States to focus their programs on potentially long-term recipients—those who are unwed mothers with children under age 3, those who are high school dropouts, and those who are under age 22. States which place these clients in jobs receive both more money to conduct their programs and a higher Federal match of State funds.

Recognizing that some new expenditures are in order so that improvements in the existing system can be made, the bill would provide $500 million of capped budget authority annually to fund the employment and training programs. The GOP alternative ensures that States will receive at least as much money for work-related programs as they did in 1987. Funds above the 1987 levels are provided to States on a 50–50 matching basis.

### TRANSITIONAL BENEFITS

Mr. President, to the extent that we expect people to work, particularly women with young children, we must be willing to assist them in gaining access to child care. We need to encourage people to stay off welfare once they have entered the work force. To this end, we would provide some transitional benefits with regard to continued funding for child care and Medicaid. This legislation would provide for both child care and health insurance during the welfare-to-work transition.

Under this plan, States must submit plans for creating child care certificates to be used by employed parents leaving welfare whose income is below 15 percent of the poverty level. Only child-care providers currently licensed for certified by States are eligible for participation

### STRENGTHENING OF CHILD SUPPORT ENFORCEMENT

Another important aspect of the current welfare problem is the failure of fathers to provide support for their children. This legislation would strengthen the current child support enforcement system. It would mandate income withholding at the time a child support order is entered unless both parents agree in writing that withholding is unnecessary or the parent paying child support posts a bond equal to 6 months of child support.

Further, this bill would require States to establish child support guidelines that are a rebuttable presumption in all child-support cases either in the courts or in administrative proceedings. We would establish a plan for requiring all States to adopt automated data systems for handling child-support cases by 1991. In addition, there are provisions to improve interstate enforcement of child support and the establishment of paternity.

### DEMONSTRATION AUTHORITY

Mr. President, one of the concepts that has been extremely important to the administration is the authority for States to implement demonstration projects that would allow them maximum flexibility in designing support systems for low-income families and individuals. In many ways, States can best determine how to address the needs of their own people. They would be in a position to discover and test new ways to help the welfare recipients achieve economic independence. States are best able to coordinate services from programs currently providing benefits to the poor. Responsibility for approving and coordinating State plans would fall to a low-income opportunity board, which would be established to review proposed State demonstrations in accordance with various criteria. Twenty-two Federal programs would be eligible for inclusion under this new demonstration authority.

### CONCLUDING REMARKS

Mr. President, no welfare reform plan will be perfect, but I am introducing this proposal as an alternative to proposals that have already been introduced. The welfare debate will be ongoing during the 100th Congress, but it is necessary to make certain that Members of Congress have a variety of options to choose from when they design a plan during the committee process. In introducing this measure today, we will have before us another approach to welfare reform in the Senate.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

## S. 1655

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "AFDC Employment and Training Reorganization Act of 1987".

(b) TABLE OF CONTENTS.—

Section 1. Short title; table of contents

TITLE I—TWO-TIER SYSTEM UNDER AFDC PROGRAM

Sec. 101. Statement of purpose.
Sec. 102. Establishment of first and second tiers.
Sec. 103. Households headed by unmarried minors.

TITLE II—COMPREHENSIVE EMPLOYMENT AND TRAINING PROGRAM

Sec. 201. Statement and purpose.
Sec. 202. State plan requirements; registration for work-related counseling, assessment, and assignment.
Sec. 203. Coordinated administration of work-related programs.
Sec. 204. Participation standards.
Sec. 205. Special rules for the territories.
Sec. 206. Establishment of office of work programs.
Sec. 207. Recordkeeping and reporting requirements.
Sec. 208. Hours of participation in CWEP.
Sec. 209. Technical, conforming, and miscellaneous amendments.

TITLE III—CERTIFICATE SYSTEM FOR CHILD CARE

Sec. 301. Authorization of Federal reimbursement for costs of providing child care services for certain families no longer receiving AFDC payments.
Sec. 302. State plans.
Sec. 303. Withholding for noncompliance.
Sec. 304. Treatment of Benefits.
Sec. 305. Definitions.
Sec. 306. Reports regarding use of Federal funds and State regulation of child care services.

TITLE IV—CHILD SUPPORT ENFORCEMENT AMENDMENTS

Sec. 401. Statement of purpose.
Sec. 402. State guidelines for child support award amounts.
Sec. 403. Periodic updating of child support orders.
Sec. 404. Demonstration projects requiring participation in work-related programs by noncustodial parents unable to pay child support.
Sec. 405. Requirement of data in birth records.
Sec. 406. Paternity establishment.
Sec. 407. Interstate enforcement of child support cases.
Sec. 408. Automated data systems.
Sec. 409. Mandatory income withholding.
Sec. 410. Use of employment security information obtained through Federal and State telecommunications networks.
Sec. 411. Time limitations.
Sec. 412. Effective date; GAO evaluation report.

TITLE V—STATE DEMONSTRATION PROGRAMS

Sec. 501. Statement of purpose.

PART A—STATE DEMONSTRATIONS

Sec. 511. Filing to conduct demonstration.
Sec. 512. Responsibility of Board.
Sec. 513. Priority goals.
Sec. 514. Content of filing.
Sec. 515. Funding and budget.
Sec. 516. Exclusivity of eligibility under demonstration.
Sec. 517. Interim evaluations and reports; changes in demonstration.
Sec. 518. Termination of project.
Sec. 519. Reports by State.
Sec. 520. Annual report to Congress.

PART B—SUBMISSION OF BOARD RECOMMENDATION TO CONGRESS AND CONGRESSIONAL ACTION

Sec. 521. Board approval of programs; submission of demonstration proposal; congressional action.

PART C—INTERAGENCY LOW-INCOME OPPORTUNITY BOARD

Sec. 531. Establishment and mission of Board.

PART D—MISCELLANEOUS

Sec. 541. Definitions.

TITLE VI—EVALUATION OF EMPLOYMENT AND TRAINING PROGRAMS AND STATE DEMONSTRATION PROGRAMS

Sec. 601. Statement of purpose.
Sec. 602. Establishment of interagency panel.
Sec. 603. Advisory board.
Sec. 604. Operation of interagency panel.
Sec. 605. Study of transition child care.
Sec. 606. Reports.
Sec. 607. Authorization of appropriations.

TITLE VII—MISCELLANEOUS AND RELATED PROVISIONS

Sec. 701. Demonstration of family independence program in Washington State.

## TITLE I—TWO-TIER SYSTEM UNDER AFDC PROGRAM

### SEC. 101. STATEMENT OF PURPOSE.

It is the purpose of this title—

(1) to create a cash assistance program under title IV of the Social Security Act that is based on the view of Congress that nearly all welfare recipients are potentially able employees capable of self-support; and

(2) to provide a two-tier system of cash assistance that imposes minimum requirements on recipient parents with very young children and recipients who have participated in the program for only a brief period of time, while clarifying societal expectations that other recipients will cooperate with local agencies by participating in education, training, and employment programs in good faith and in this way fulfilling their civic responsibility to accept welfare benefits only while they prepare for independence and for the briefest possible period of time.

### SEC. 102. ESTABLISHMENT OF FIRST AND SECOND TIERS.

(a) IN GENERAL.—Part A of title IV of the Social Security Act is amended by adding at the end thereof the following new section:

"ESTABLISHMENT OF TWO-TIER SYSTEM

"SEC. 416. (a) All applicants for and recipients of aid to families with dependent children under the plan of any State approved under section 402 shall be assigned to the first tier or the second tier in accordance with this section.

"(b)(1) The first tier shall consist of all families applying for or receiving aid under the plan (other than two-parent families eligible pursuant to section 407) which include a child or children under 6 months of age.

"(2) The registration requirements of section 402(a)(19) and the employment and training requirements of section 417 shall not apply to any family in the first tier.

"(c)(1) The second tier shall consist of all two-parent families applying for or receiving aid under the plan pursuant to section 407, and all other families applying for or receiving such aid which do not include any child under 6 months of age.

"(2)(A) Each family in the second tier receiving aid under the plan shall be subject to the registration requirements of section 402(a)(19) and required to participate in the employment and training program under section 417, except as provided in subparagraph (B) and paragraph (4).

"(B) If the caretaker relative in a family in the second tier, or any child in such a family who has attained age 16 but not age 19, does not have a high school diploma (and has not completed a GED program), he or she may be required by the State (instead of registering and participating in the employment and training program under section 417) to enter and maintain satisfactory progress in an accredited high school or GED program, and if the caretaker relative is the individual (or one of the individuals) so required the family shall not be subject to such registration requirements or required to participate in such employment and training program until the caretaker relative has obtained a high school diploma or completed the GED program, or until 18 months have elapsed after he or she would initially have been required to register and participate in such program (without regard to paragraph (4)) but for this subparagraph, or, in the case of a caretaker relative who is under the age of 17, until 12 months have elapsed after he or she (if regularly enrolled and in good standing) would normally have graduated from high school and received such a diploma.

"(3) The sanctions provided under section 402(a)(19)(F) shall apply with respect to a family described in paragraph (2)(B), when the caretaker relative (or a child to whom such paragraph applies) fails to enter and maintain satisfactory progress in an accredited high school or GED program, in the same manner and to the same extent as they apply with respect to families described in paragraph (2)(A) which refuse to participate in good faith in the employment and training program under section 417.

"(4) A State may at its option provide that families in the second tier which do not include a child under 6 months of age, applying for aid under the State's plan approved under section 402, need not register under section 402(a)(19) or participate in the employment and training program under section 417 until the expiration of a period of up to 6 months after the date of their application.

"(d) For purposes of this section, the determination of whether a family is in the first tier or the second tier for any month shall be made as of the beginning of such month.".

(b) CONFORMING AMENDMENTS.—Section 402(a)(19)(A) of such Act is amended—

(1) by striking out clause (v) and inserting in lieu thereof the following:

"(v) the parent or other relative of a child under 6 months of age who is personally providing care for the child with only very brief and infrequent absences from the child;"; and

(2) by striking out "or" after the semicolon at the end of clause (viii), adding "or" after the semicolon at the end of clause (ix), and inserting after clause (ix) the following new clause:

"(x) a member of a family described in section 416(c)(2)(B), or a member of any family in the second tier (as described in section 416(c)(2)(A) or (B)) during the period in which it need not register by reason of section 416(c)(4);".

### SEC. 103. HOUSEHOLDS HEADED BY MINORS.

(a) IN GENERAL.—Section 402(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (38);

(2) by striking out the period at the end of paragraph (39) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (39) the following new paragraph:

"(40) provide (A) that in the case of any individual who is under age 18 and is not and never has been married, and who is responsible for the care of a dependent child (or is pregnant and on that basis eligible for aid under the plan), such individual and such dependent child shall be eligible for such aid only if such individual is living with his or her parent in a place of residence maintained as such parent's own home, except that, if the State agency determines that—

"(i) such individual has no parent who is living and whose whereabouts are known;

"(ii) the health and safety of such individual or such dependent child would be seriously jeopardized if such individual lived in the same residence with his or her parent; or

"(iii) such individual has lived apart from his or her parent for a period of at least one year prior to the birth of the dependent child for whose care the individual is responsible or the making of a claim for aid under this part, whichever is later,

this paragraph shall not apply to such individual, and (B) that whenever an individual to whom this paragraph applies is eligible for aid under the plan, the State agency shall pay such aid to the parent with whom such individual is living (instead of making payment to such individual) unless the State agency determines that the parent is unable to manage funds to such extent that making payment to the parent would be contrary to the welfare of such individual and dependent child.".

(b) CONFORMING AMENDMENT.—Section 402(a)(39) of such Act is amended by striking out "or legal guardian" and "or legal guardians".

(c) EFFECTIVE DATES.—The amendments made by subsection (a) shall become effective October 1, 1987; and the amendment made by subsection (b) shall become effective upon its enactment.

## TITLE II—COMPREHENSIVE EMPLOYMENT AND TRAINING PROGRAM

### SEC. 201. STATEMENT OF PURPOSE.

It is the purpose of this title—

(1) to put the States on a path of gradually expanding employment and training programs, perfected over a period of years on the basis of evaluation data, that leads to increased participation in the labor force and decreased dependence on public assistance among welfare applicants and recipients;

(2) to expand the opportunities for education, training, and employment of participants in the program of aid to families with dependent children (the "AFDC program) and thereby reduce welfare dependency in the United States;

(3) to provide substantial flexibility to States, allowing each of them to design employment and training programs tailored to the needs of AFDC clients in the particular State involved;

(4) to coordinate the administration of AFDC training and employment programs at the Federal and State levels;

(5) to promote efficiency and Federal-State cost sharing in the financing of AFDC training and employment programs;

(6) to provide financial incentives for the States to increase the focus of their employment and training activities on AFDC clients that are at risk of long-term dependency;

(7) to establish a new Federal office to coordinate AFDC employment and training programs and to collect and summarize information about such programs;

(8) to provide resources and incentives to help States facilitate the welfare-to-work transition of AFDC clients; and

(9) to stimulate collection and analysis of data requisite to evaluation of the long-term effects of the AFDC employment and training programs.

### SEC. 202. STATE PLAN REQUIREMENTS; REGISTRATION FOR WORK-RELATED COUNSELING, ASSESSMENT, AND ASSIGNMENT.

(a) REQUIREMENT OF REGISTRATION.—Section 402(a)(19) of the Social Security Act is amended—

(1) in subparagraph (A) (as amended by section 102(b) of this Act)—

(A) by striking out "shall register" and all that follows down through "regulations issued by him," in the matter preceding clause (i) and inserting in lieu thereof "shall register with the State agency, in accordance with regulations issued by the Secretary, for work-related counseling, assessment, and assignment to employment, training, education, and other employment-related activities as described in section 417(b),";

(B) by striking out "a child" in clause (i) and inserting in lieu thereof "a dependent child";

(C) by striking out clause (iii);

(D) in clause (vi)—

(i) by striking out "(iii), or (iv)" and inserting in lieu thereof "or (iii)";

(ii) by striking out "the Secretary of Labor" and inserting in lieu thereof "the State agency"; and

(iii) by striking out "to participate under a work incentive program or accept" and inserting in lieu thereof "to participate in good faith in counseling and assessment offered by the State agency under section 417 and in employment, training, or education pursuant to an assignment under that section, or to accept";

(E) by striking out "any individual referred to in clause (v)" in the matter following clause (x) (as added by section 102(b)(2) of this Act) and inserting in lieu thereof "any individual exempt from registration under the preceding provisions of this subparagraph"; and

(F) by redesignating clauses (iv) through (x) (as amended by the preceding provisions of this paragraph and by section 102(b) of this Act) as clauses (iii) through (ix), respectively;

(2) in subparagraph (B), by striking out "or the individual's certification" and all that follows and inserting in lieu thereof "or the individual's certification to the State agency under subparagraph (G) of this paragraph, or by reason of an individual's participation in employment, training, or education pursuant to an assignment made by such agency under section 417(b)(1)(D);";

(3) in subparagraph (C), by striking out "a non-Federal contribution to the work incentive programs" and all that follows and inserting in lieu thereof "a non-Federal contribution by appropriate State and local agencies and private organizations to the work incentive programs established by part C, and to any other work-related programs to which individuals are assigned by the State agency under section 417(b)(1)(D), equal to the portion of the cost of such programs not specifically financed by Federal contributions;";

(4) in subparagraph (D), by striking out "under section 434" and "a program established by section 432(b) (2) or (3)" and inserting in lieu thereof "under a program to which individuals are assigned by the State agency under section 417" and "such a program", respectively;

(5) in subparagraph (F)—

(A) by striking out "that if" and all that follows down through "purposes of such part C" (in the matter preceding clause (i)) and inserting in lieu thereof "that if (and for such period as is prescribed under regulations of the Secretary) any child, relative, or individual required to register under subparagraph (A) has been found by the State agency to have refused without good cause to so register, or has refused without good cause to participate in good faith in counseling and assessment offered by the State agency under section 417 or in employment, training, or education activities pursuant to an assignment made by such agency under section 417(b)(1)(D) or the imposition of a job search requirement under section 417(b)(2)(B),"; and

(B) by adding after and below clause (v) the following:

"and for purposes of this subparagraph a refusal by an individual to accept employment shall be considered to have been made with good cause if the acceptance of such employment would result in a net loss of earned income by such individual;";

(6) in subparagraph (G)—

(A) by striking out "for the administration of programs established pursuant to section 432(b) (1), (2), or (3)" and inserting in lieu thereof "by the State agency established or designated under section 417";

(B) by striking out "the order of priority listed in section 433(a)" and inserting in lieu thereof "the order of priority applicable under the work-related program involved";

(C) by striking out "under section 432(b) (1), (2), or (3)" each place it appears and inserting in lieu thereof "under the work-related program involved";

(D) by striking out "the Secretary of Labor" each place it appears and inserting in lieu thereof "the State agency";

(E) by striking out "accepts employment" and "retain such employment" and inserting in lieu "accepts employment, training, or education" and "retain such employment or continue in such training or education", respectively; and

(F) by striking out clause (iii) and redesignating clause (iv) as clause (iii); and

(7) in subparagraph (H), by striking out "under section 432(b) (1), (2), or (3)" and inserting in lieu thereof "under section 417".

(b) REQUIREMENT OF COORDINATED ADMINISTRATION OF WORK-RELATED PROGRAMS.—Section 402(a) of such Act (as amended by section 103(a) of this Act) is further amended—

(1) by striking out "and" after the semicolon at the end of paragraph (39);

(2) by striking out the period at the end of paragraph (40) and inserting in lieu thereof "; and"; and

(3) by inserting immediately after paragraph (40) the following new paragraph:

"(41) coordinate the administration of the State's work-related functions under this part, by providing for the assignment of registered individuals by the State agency to employment, training, and education programs as described in section 417 and for the performance by such agency of its other duties under that section and under paragraph (19) of this subsection."

### SEC. 203. COORDINATED ADMINISTRATION OF WORK-RELATED PROGRAMS.

Part A of title IV of the Social Security Act (as amended by section 102(a) of this Act) is further amended by adding at the end thereof the following new section:

### "COORDINATED ADMINISTRATION OF WORK-RELATED PROGRAMS

"SEC. 417. (a)(1) The State agency administering or supervising the administration of the plan approved under this part shall perform the functions specified in this section, section 402(a)(19), and section 402(a)(41).

"(2) It shall be the general purpose of the State agency, in carrying out its duties under this section and section 402(a)(19), to assist applicants for and recipients of aid to families with dependent children in finding gainful employment and in obtaining training and education which may be appropriate to enable them to perform such employment, with the objective of reducing the number of individuals on the welfare rolls by providing such applicants and recipients with a realistic opportunity to become self-sufficient.

"(3) Federal funds made available to a State for purposes of the program under this section shall be used only to augment and expand education, training, job search, and other employment-related activities which promote the purpose of this section, maintaining any such activities not included in the program under this section at or above their levels in the fiscal year 1987, and shall not in whole or in part replace or supplant any other funds (Federal, State, or local, public or private) already being expended for the same general purpose.

"(b)(1) In carrying out the purpose described in subsection (a)(2), the State agency (in addition to performing its other duties under this part) shall—

"(A) establish a single intake and registration process for all applicants for and recipients of aid to families with dependent children, consistent with section 402(a)(19);

"(B) administer, or enter into arrangements with administering authorities of the programs involved for, the participation of such recipients in appropriate employment, training, and education activities in furtherance of the objective stated in subsection (a)(2), including activities authorized in—

"(i) the work incentive program under part C of this title,

"(ii) the work incentive demonstration program under section 445,

"(iii) the State's community work experience program under section 409,

"(iv) the State's work supplementation program under section 414,

"(v) any program of job search and related services, including services offered by vocational education agencies and the public employment offices of the State, and

"(vi) a work demonstration program under section 1115;

"(C) promote the participation of such recipients in appropriate employment, training, and education activities in furtherance of the objective stated in subsection (a)(12), including activities authorized in—

"(i) any program under the Job Training Partnership Act, and

"(ii) any other program (Federal, State, local, or private) which could be made effectively available to such recipients and participation in which would further such objective;

"(D) assign each such recipient to one or more of the programs described in subparagraphs (B) and (C) which are determined by the State agency to be appropriate for such recipient, and provide all possible assistance to such recipient in preparing for, enrolling in, and participating in such program or programs; and

"(E) take all other actions, not inconsistent with the provisions of this section or of the law governing the program or programs involved, which may be necessary or appropriate to achieve the objective stated in subsection (a)(2).

"(2) In carrying out such purpose and performing its functions under paragraph (1), the State agency may—

"(A) assess the employment capabilities of each registered applicant and recipient in order to determine whether immediate employment is a realistic possibility or whether training or education is needed in order to prepare such applicant or recipient for employment;

"(B) provide (notwithstanding any other provision of law) that any applicant for aid to families with dependent children will be required to undertake an immediate program for job search;

"(C) provide counseling for each such applicant and recipient with respect to his or her potential for such immediate employment or such training or education and with respect to the program or programs (Federal, State, local, or private) which might be available to such applicant or recipient and most appropriately serve his or her interests; and

"(D) develop an employment plan for each such recipient, in partnership with the administering authorities of the programs described in paragraph (1)(B) and (C).

"(3) The arrangements authorized under paragraph (1)(B) may include contracts providing (in the case of both public and private organizations) for incentive payments or for compensation in accordance with specified performance-based criteria.

"(C) (1) The terms and conditions of participation in employment, training, and education activities as described in subsection (b)(1)(B), and the manner in which the provisions of the programs involved are to apply with respect to registered applicants and recipients, shall be determined (subject to the specific requirements of this title and of such programs) by the State agency in consultation with the administering authorities of such programs.

"(2) The provisions of sections 142(a) and 143 of the Job Training Partnership Act shall apply to employment, training, and education activities conducted under a program specified in subsection (b)(1)(B) in the same manner as they apply to comparable activities conducted under such Act (except that the minimum rate of compensation or wages, referred to in paragraphs (2) and (3) of section 142(a) of such Act, shall in all cases be the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938).

"(3) To the maximum extent possible, the steps taken in providing for participation in employment, training, and education activities as described in subsection (b)(1)(B) shall include coordination of the services furnished and activities conducted under the various programs involved with respect to applicants and recipients in order to avoid inefficiency and duplication of effort and to assure the widest possible availability to such applicants and recipients of services and activities which will further the objectives stated in subsection (a)(2). Under regulations prescribed by the Secretary, this section and all functions performed by State agencies and entities under this section shall be coordinated with the work and training requirements which apply to applicants for and recipients of benefits under the Food Stamp Act of 1977.

"(4) Education activities to which participants are assigned under subsection (b)(1)(D) must be remedial in nature, and training activities to which participants are so assigned (except to the extent otherwise provided with respect to activities under the Job Training Partnership Act) must be directed toward immediate employment.

"(5) Individuals whose participation in the program under this section consists solely of education or training (or both) shall receive no cash payments in the nature of stipends under this part (in addition to their regular payments of aid under the State plan approved under section 402) by reason of such participation; and no part of the cost of any such cash payments made under other programs in connection with such participation shall be federally reimbursable.

"(d)(1) Activities conducted under this section which relate to job training and orientation for work, the terms and conditions of participation in such activities, and the manner in which the programs involved are to apply to registered applicants and recipients shall be consistent with the coordination criteria specified in the Governor's coordination and special services plan required under section 121 of the Job Training Partnership Act. Each State agency shall submit to the State job training coordinating council, not less than 90 days prior to the effective day of this section, a full and complete description of such activities and such terms and conditions (and of the manner in which the programs involved are to apply), for the purpose of review and comment by the council on matters related to the delivery of job training services and of coordinating activities under this section with similar activities under the Job Training Partnership Act.

"(2)(A)(i) Any local agency responsible for providing services under this section (including the State agency itself in cases where the AFDC program is State-administered) shall develop, in coordination with each appropriate private industry council and with the chief local elected official or officials for the service delivery area involved (as designated under section 101 of the Job Training Partnership Act), plans related to the job training and work preparation activities which are to be conducted under this section and which are applicable to such area.

"(ii) Each such plan shall be developed into consideration programs and activities developed in coordination with the appropriate private industry council and the chief elected official or officials in the service delivery area.

"(B)(i) The local agency shall develop, in coordination with the private industry council and chief elected official or officials, the job training components of the plan to be provided in the service delivery area.

"(ii) No funds may be used for job training activities under this section in any area without a cooperative agreement developed under clause (i), assuring effective coordination with other similar programs and services in the area.

"(C) The local agency shall provide to the private industry council and chief elected official or officials such information concerning the operation of the program under this section as is necessary to refine and improve the effectiveness of the program components.

"(e)(1) The State agency shall provide recipients who are assigned for employment, training, or education under subsection (b)(1)(D) (and applicants who are required to engage in job search under subsection (b)(2)(B)) with such child care services and transportation, and such other assistance not inconsistent with law, as may be necessary and appropriate to achieve the objective stated in subsection (a)(2). The State agency shall take all appropriate steps to ensure that only child care services which meet acceptable levels of health and safety (as defined by the State) are so provided.

"(2) Any applicant or recipient to whom child care services or transportation are unavailable may not be required to participate in education, training, or work programs under this section. If any applicant or recipient is to be sanctioned for failure to participate in good faith, he or she must be notified thereof at least 30 days in advance of any benefit reduction, and given the opportunity for a fair hearing; and if the issue at any such hearing is the availability of necessary child care services, the burden shall be upon the State or local agency to demonstrate that child care services are available.

"(f)(1) Notwithstanding any other provision of law, the Federal contribution to the costs incurred by the State agency under this section in any fiscal year, and to the costs incurred by any other agency or entity in carrying out a program referred to in clause (i), (ii), (iii), (iv), (v), or (vi) of subsection (b)(1)(B) with respect to individuals assigned to that program under subsection (b)(1)(D) (or in carrying out a program of job search with respect to individuals required to participate therein under subsection (b)(2)(B)) in any fiscal year to the extent that such costs are paid by the State agency consistently with subsection (a)(3) (including in both such cases administrative costs and the costs of providing support services to individuals for whom work-related services are being provided), shall be determined as follows (and as so determined shall be in lieu of any Federal contribution under section 493)a)):

"(A) With respect to costs not exceeding in the aggregate the amount of the costs incurred in the fiscal year 1987 (for activities specified in clauses (i) through (vi) of subsection (b)(1)(B)) with respect to which the Federal payments referred to in subsection (h)(2)(A) were made, such contribution shall be equal to the applicable percentage of such costs determined under paragraph (2); and

"(B) with respect to any additional costs, but not exceeding in the aggregate twice the amount allotted to the State under subsection (h)(2)(B) for such fiscal year, such contribution shall be equal to 50 percent of such additional costs.

Any non-Federal contributions made in kind by a State with respect to costs described in subparagraph (A) in any fiscal year may not exceed the total contributions made in kind by that State with respect to the costs of the program or programs involved in the fiscal year 1987; and no non-Federal contributions may be made in kind by a State with respect to any costs described in subparagraph (B).

"(2) For purposes of paragraph (1)(A), the applicable percentage of the costs described in that paragraph which are incurred by the State agency or any other agency or entity, for any fiscal year, shall be a percentage equal to a fraction the denominator of which is the total amount of the expenditures made by the State in carrying out the programs referred to in clauses (i) through (vi) of subsection (b)(1)(B) for the fiscal year 1987 (including related administrative expenses), and the numerator of which is the total amount of the Federal payments made to the State under sections 403(a) and 435 with respect to such expenditures for the fiscal year 1987.

"(g)(1) The Secretary shall determine for each fiscal year, in the case of each State having a plan approved under this part—

"(A)(i) the total number of individuals who are receiving aid under the State's plan approved under section 402 (or whose needs are included in making the determination under section 402(a)(7)) and who are not exempt from registration under section 402(a)(19) by reason of subparagraph (A) thereof (including applicants who are participating in job search under subsection (b)(2)(B) and individuals who are in school pursuant to the State's exercise of its option under section 416(c)(2)(B), but not including individuals whose registration and participation are being delayed by reason of the State's exercise of its option under section 416(C)(4)) (in this subsection referred to as the State's 'mandatory AFDC population'), and (ii) of such total number, the number of individuals who have attained age 18 but not age 19; and

"(B)(i) the greatest number of individuals described in subparagraph (A)(i) who are satisfactorily participating under this section in education, training, or employment activities scheduled for not fewer than 20 hours per week, the scheduled hours being measured, in accordance with regulations of the Secretary, by the mean of the scheduled hours for all individuals included in such number, and (ii) the number of individuals described in subparagraph (A)(ii) who are satisfactorily enrolled in and attending school as full-time students as determined by the appropriate State or local agency.

"(2) For purposes of this subsection, the term 'participation rate' with respect to individuals within a State's mandatory AFDC population in any fiscal year means—

"(A) with respect to all of the individuals comprising such population as described in paragraph (1)(A)(i), a percentage which is equal to a fraction the denominator of which is the total number of the individuals so described and the numerator of which is the number determined under paragraph (1)(B)(i); and

"(B) with respect to individuals described in paragraph (1)(A)(ii), a percentage of which is equal to a fraction the denominator of which is the number of the individuals so described and the numerator of which is the number determined under paragraph (1)(B)(ii).

"(3)(A) The participation rate for the mandatory AFDC population of each State during any fiscal year (as determined under paragraph (2)(A)) must be at least—

"(i) 15 percent in the case of the fiscal year 1988;

"(ii) 20 percent in the case of the fiscal year 1989;

"(iii) 20 percent in the case of the fiscal year 1990;

"(iv) 25 percent in the case of the fiscal year 1991;

"(v) 30 percent in the case of the fiscal year 1992;

"(vi) 40 percent in the case of the fiscal year 1993;

"(vii) 50 percent in the case of the fiscal year 1994;

"(viii) 60 percent in the case of the fiscal year 1995; and

"(ix) 70 percent in the case of the fiscal year 1996 and each succeeding fiscal year.

"(B) In the case of individuals described in paragraph (1)(A)(ii), the participation rate for each State (as determined under paragraph (2)(B)) must be at least 80 percent for the fiscal year 1990 and for each succeeding fiscal year.

"(4)(A) Subject to subparagraph (B), if any State fails to comply with the requirement of subparagraph (A) or (B) of paragraph (3) with respect to any fiscal year, the amount of the Federal reimbursement to such State under section 403(a)(1) or (2) for quarters in the succeeding fiscal year (as determined without regard to this subsection) shall be reduced by 2 percent.

"(B) If any State fails to comply with the requirements of both subparagraph (A) and subparagraph (B) of paragraph (3) with respect to any fiscal year, the amount of the Federal reimbursement to such State under section 403(a)(1) or (2) for quarters in the succeeding fiscal year (as determined without regard to this subsection) shall be reduced by 3 percent.

"(h)(1) Notwithstanding any other provision of law, there are authorized to be appropriated—

"(A) $500,000,000 for fiscal year 1988, and

"(B) such sums as may be necessary for each succeeding fiscal year,

to carry out this section. It is the intention of the Congress that the annual amount of Federal funding for fiscal years after 1988 should be increased if and to the extent that the education and training programs operated by the States under this section are proving to be successful in reducing dependency among welfare clients.

"(2) Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary—

"(A) shall first allot to each State an amount equal to the total amount of the Federal payments which were made to such State (under sections 403(a) and 435) for the activities specified in clauses (i) through (vi) of subsection (b)(1)(B) for the fiscal year 1987, including related administrative costs incurred by the State agency; and

"(B) shall thereafter allot to each State—

"(i) in the case of the fiscal year 1988, an amount which bears the same ratio to the remainder of the amount so appropriated as the eligible AFDC population of such State bears to the total eligible AFDC population of all the States;

"(ii) in the case of the fiscal year 1989, an amount which bears the same ratio to the remainder of the amount so appropriated as the participating AFDC population of such State for the preceding fiscal year bore to the total participating AFDC population of all the States for such preceding fiscal year; and

"(iii) in the case of the fiscal year 1990 and each succeeding fiscal year, the amount determined under paragraph (3).

"(3)(A) Of the amount appropriated pursuant to paragraph (1) for any fiscal year after the fiscal year 1989—

"(i) 50 percent shall be allotted to the States on the basis of the ratio of the participating AFDC population of each State for the preceding fiscal year to the total participating AFDC population of all the States for such preceding fiscal year (adjusted by the Secretary in accordance with subparagraph (B)); and

"(ii) 50 percent shall be allotted to the States on the basis of their relative efficiency ratios determined under subparagraph (C).

"(B) For purposes of making allotments under clause (i) of subparagraph (A) for a fiscal year, the Secretary shall adjust the amounts determined pursuant to the formula specified in such clause for that fiscal year to the extent necessary to reflect changes in the relative unemployment rates of the various States during the preceding fiscal year.

"(C)(i) For purposes of making allotments under clause (ii) of subparagraph (A) for any fiscal year, the Secretary shall determine the efficiency ratio of each State for the preceding fiscal year by dividing the total amount paid to the State for the activities specified in clauses (i) through (vi) of subsection (b)(1)(B) for such preceding fiscal year by the number of high-priority applicants and recipients who were placed in school or jobs under this section in such State for such preceding fiscal year and have remained in school or jobs for 6 months or more.

"(ii) For purposes of clause (i)—

"(I) the term 'high-priority applicants and recipients' (subject to clause (iii)) includes individuals who have failed to complete high school (or an equivalent course of instruction), unwed mothers with children under 3 years of age, and recipients of aid who are under 22 years of age, and

"(II) in order to count as a job, employment must yield an income equal at least to the income from a half-time job at the applicable minimum wage.

"(iii) The Secretary shall have authority to modify the definition of the term 'high-priority applicants and recipients' for purposes of clause (i), before making the initial Federal contributions to the cost of the program under this section (in consultation with the Interagency Panel established under section 602 of the AFDC Employment and Training Reorganization Act of 1987 if he so desires) and at such later times as may appear appropriate, if the Secretary determines on the basis of empirical evidence that the modification or modifications involved will better promote the purpose and objectives of this section. The Secretary shall publish any such modification in the Federal Register, no later than the time at which the modification becomes effective, along with a full statement of the evidence on which the modification was based.

"(D) For purposes of this paragraph—

"(i) the term 'eligible AFDC population' means, with respect to a State for a fiscal year, the total number of individuals who are required to be registered with the State agency pursuant to section 402(a)(19) for purposes of assignment to and participation in employment-related activities under this section during such fiscal year (including applicants who are participating in job search under subsection (b)(2)(B) and individuals who are in school pursuant to the State's exercise of its option under section 416(c)(2)(B), but not including individuals whose registration and participation is being delayed by reason of the State's exercise of its option under section 416(c)(4)); and

"(ii) the term 'participating AFDC population' means, with respect to a State for a fiscal year, a number of individuals (registered with the state agency) equal to (I) the 'greatest number' as that number was determined under subsection (g)(1)(B)(i) with respect to such fiscal year plus (II) the number of individuals satisfactorily enrolled in and attending school as fulltime students (as determined under subsection (g)(1)(B)(ii)) during such year.".

### SEC. 204. PARTICIPATION STANDARDS.

Each State, as a condition of receiving full Federal reimbursement under section 403(a) of the Social Security Act, must maintain rates of participation in the program established by section 417 of such Act at least equal to the applicable percentages specified in subsection (g)(3) of such section 417.

### SEC. 205. SPECIAL RULES FOR THE TERRITORIES.

(a) ALTERNATIVE STATE PLAN REQUIREMENT.—In the case of Puerto Rico, the Virgin Islands, and Guam, section 402(a)(19) of the Social Security Act is amended to read as follows (rather than as amended generally by section 202(a) of this Act):

"(19) provide that the State agency will, to the maximum extent feasible, implement a coordinated program of activities designed to afford greater opportunities for individuals to achieve self-sufficiency through employment;".

(b) CERTAIN PROVISIONS INAPPLICABLE.—Sections 402(a)(41) 416, and 417 of such Act (as added by sections 102(a), 202(b) and 203, respectively, of this Act) shall not be applicable to Puerto Rico, the Virgin Islands, or Guam.

(c) AUTHORIZATIONS.—There are authorized to be appropriated, for each fiscal year after 1987, for payments to Puerto Rico, the Virgin Islands, and Guam, to carry out section 402(a)(19) of the Social Security Act as amended by subsection (a) of this section (and without regard to the provisions for financial participation by such jurisdictions under section 403 of the Social Security Act)—

(1) $775,000 in the case of Puerto Rico,

(2) $130,000 in the case of the Virgin Islands, and

(3) $95,000 in the case of Guam,

which shall be the maximum amount to which each of those jurisdictions may become entitled to carry out section 402(a)(19) of such Act as so amended. If, for any fiscal year, no amount is appropriated pursuant to this subsection, the requirement of such section 402(a)(19) shall not be applicable to Puerto Rico, the Virgin Islands, or Guam.

(d) CONFORMING AMENDMENTS.—(1) Section 1108(a) of such Act is amended by striking out "applies" and inserting in lieu thereof "or section 205(c) of the AFDC Employment and Training Reorganization Act of 1987 applies".

(2) Section 1108(b) of such Act is amended by striking out "and services provided under section 402(a)(19)".

### SEC. 206. ESTABLISHMENT OF OFFICE OF WORK PROGRAMS.

Title VII of the Social Security Act is amended by adding at the end thereof the following new section:

"SEC. 711. There shall be established in the Office of Family Assistance an Office of Work Programs (in this section referred to as the 'Office'). The Office shall be headed by a Director, who shall have responsibility for (1) coordinating and facilitating the employment and training programs under title IV of this Act, (2) collecting data relating to the operation and effectiveness of such programs, and (3) providing or arranging for the provision of technical assistance to the States in carrying out the requirements of sections 402(a)(40), 402(a)(41), and 417 of this Act.".

### SEC. 207. RECORDKEEPING AND REPORTING REQUIREMENTS.

(a) RECORDKEEPING.—Section 402(a)(25) of the Social Security Act is amended to read as follows:

"(25) provide that—

"(A) information is requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1137 of this Act, and

"(B) complete information of the type described in section 1137(a)(2) is maintained for each family receiving aid under this title for the period beginning with the first month in which such aid is received and ending with (and including) the twenty-fourth month after such family has ceased to receive such aid;".

(b) REPORTING.—Section 402(a) of such Act, as amended by the preceding provisions of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (40);

(2) by striking out the period at the end of paragraph (41) and inserting in lieu thereof "; and"; and

(3) by inserting immediately after paragraph (41) the following new paragraph:

"(42) provide that the State agency will collect and report to the Secretary (in such form and with such frequency as the Secretary may require) data on—

"(A) the number of families and individuals receiving assistance under this title;

"(B) the number of such individuals who enter training pursuant to paragraph (19)(A) (and the number who enter such training voluntarily);

"(C) the number of such individuals who complete such training;

"(D) the number of such individuals who engage in job search under section 417;

"(E) the number of such individuals who are in school;

"(F) the number of such individuals who are placed in subsidized and unsubsidized jobs;

"(G) the number of such individuals who received aid under the State plan and are employed six months after initial placement in a job (setting forth such number separately for high-priority applicants and recipients as described in section 417(h)(3)(C) and for other individuals);

"(H) the impact of such training has on the total amount of the benefits paid to families in the State under this title; and

"(I) such other matters relating to the employment, training, and education activities described in section 417(b) as the Secretary deems appropriate.".

### SEC. 208. HOURS OF PARTICIPATION IN CWEP.

Section 409(a)(1)(E) of the Social Security Act is amended—

(1) by inserting "(i)" after "equals", and

(2) by striking out "divided by" and inserting in lieu thereof "increased (if the State so desires) by the cash value of any food stamps received by the family in such month, divided by (ii)".

### SEC. 209. TECHNICAL, CONFORMING, AND MISCELLANEOUS AMENDMENTS.

(a) AMENDMENTS TO PART A OF TITLE IV.—(1) Section 401 of the Social Security Act is amended by inserting "(other than section 417)" before the period at the end of the first sentence.

(2) Section 402(a)(8)(A)(iv)(II) of such Act is amended by striking out "under the programs established by section 432(b) (2) and (3)" and inserting in lieu thereof "under any training, education, or public service employment program to which such child or relative has been assigned pursuant to section 417(b)(1)(D)".

(3) Section 402(a)(35)(A) of such Act is amended by striking out "(or who would be required to register under paragraph (19)(A) but for clause (iii) thereof)".

(4) Section 403(c) of such Act is repealed.

(5) Section 407(b)(2)(C)(i) of such Act is amended by striking out "for the work incentive program" and all that follows and inserting in lieu thereof ", and".

(6) Section 407(d)(1) of such Act is amended by striking out "a community work experience program under section 409, or the work incentive program established under part C" and inserting in lieu thereof "a program with respect to which the State agency has provided under section 417(b)(1)(B) for participation by registered individuals in employment, training, and education activities".

(7) Section 407(e) of such Act is amended—

(A) by striking out "and the Secretary of Labor shall jointly" and inserting in lieu thereof "shall";

(B) by striking out "for the work incentive program" and all that follows down through "or in connection" and inserting in lieu thereof "and in connection"; and

(C) by striking out "both the work incentive program" and inserting in lieu thereof "both the programs referred to in section 417(b)(1)(B)".

(8) Section 409(b)(2) of such Act is amended by striking out "but for" and all that follows and inserting in lieu thereof "but for the exception contained in clause (iv) of such section (but only if child care is available for the child for whom the parent or relative is caring)".

(9) Section 414(h) of such Act is amended by striking out "or part C".

(b) AMENDMENTS TO PART C OF TITLE IV.—(1) Part C of title IV of such Act is amended—

(A) in section 431, by striking out the text of the section and inserting in lieu thereof the following:

"SEC. 431. The amounts necessary to carry out the purpose set forth in section 430 with respect to individuals assigned to the work incentive program (or the work incentive demonstration program) pursuant to section 417(b)(1)(D) shall be made available for that purpose from the sums appropriated to the Secretary pursuant to section 417(h)(1), and shall be used for making payments to States in accordance with this part.";

(B) in section 432(a), by striking out "The Secretary of Labor (hereinafter in this part referred to as the Secretary)" and inserting in lieu thereof "The Secretary";

(C) in section 436(b), by striking out "prescribed jointy by him and the Secretary of Health and Human Services" and inserting in lieu thereof "prescribed by him";

(D) in section 439—

(i) by striking out "and the Secretary of Health and Human Services" where it first appears, and

(ii) by striking out ", jointly by the Secretary and the Secretary of Health and Human Services," and inserting in lieu thereof "by the Secretary";

(E) in section 441, by striking out "(jointly with the Secretary of Health and Human Services)";

(F) in section 443—

(i) by striking out "of Health and Human Services" in the first and second sentences, and

(ii) by striking out "and shall be paid by the Secretary of Health and Human Services to the Secretary" in the fourth sentence;

(G) in section 444(a), by striking out "by the Secretary of Health and Human Services"; and

(H) in section 445—

(i) by striking out "of Health and Human Services" each place it appears in paragraphs (1) and (2) of subsection (b) and in subsection (e), and

(ii) by striking out paragraph (3) of subsection (b).

(2) Section 433(a) of such Act is amended—

(A) by striking out "certified to him by a State, pursuant to section 402(a)(19)(G)" and inserting in lieu thereof "assigned to the work incentive program pursuant to section 417(b)(1)(D)"; and

(B) by striking out "certified to him under section 402(a)(19)(G)" and inserting in lieu thereof "assigned to the work incentive program pursuant to section 417(b)(1)(D)".

(3) Section 433(b)(3) of such Act is amended by striking out "certified to him pursuant to section 402(a)(19)(G)" and inserting in lieu thereof "assigned to the work incentive program pursuant to section 417(b)(1)(D)".

(4) Section 433(g) of such Act is amended by striking out "certified to the Secretary pursuant to section 402(a)(19)(G)" and inserting in lieu thereof "assigned to the work incentive program pursuant to section 417(b)(1)(D)".

(5) Section 435(a) of such Act is amended by striking out "shall not exceed 90 per centum of the costs of carrying out this part" and inserting in lieu thereof "shall be determined in accordance with under section 417(f)".

(6) Section 444(a) of such Act is amended by striking out "individuals certified" and

all that follows and inserting in lieu thereof "individuals assigned to the work incentive program pursuant to section 417(b)(1)(D).".

(7) Section 444(d) of such Act is amended by striking out "certified to the Secretary by such agency under section 402(a)(19)(G)" and inserting in lieu thereof "assigned to such agency under section 417".

(8) Section 445 of such Act is amended—

(A) by striking out "Not later than June 30, 1984, the" in subsection (b)(1) (in the matter preceding subparagraph (A)) and inserting in lieu thereof "The";

(B) by striking out ", and shall be required to participate in," in subsection (b)(1)(B); and

(C) by striking out "shall be in force for a three-year period" in subsection (d) and inserting in lieu thereof "shall be in force for such period as may be specified in the letter of application submitted under subsection (b)(1), and may be renewed (upon the submission by the Governor of an appropriate letter of application, subject to approval in the manner described in subsection (b)(2)) for an additonal period or periods".

(c) Relationship With Other Work-Related Programs.—Whenever a provision of section 417 of the Social Security Act, or any other provision of such Act which is amended by the preceding provisions of this Act, is determined to be inconsistent with a provision of any of the work-related programs referred to in section 417(b)(1)(B) of such Act or of any other work-related program which may involve or affect individuals who have registered under section 402(a)(19) of such Act and are assigned to such program under section 417(b)(1)(D) of such Act, the provision of section 417 of the Social Security Act (or other provision of such Act as amended by this Act) shall govern.

## TITLE III—CERTIFICATE SYSTEM FOR CHILD CARE

### SEC. 301. AUTHORIZATION OF FEDERAL REIMBURSEMENT FOR COSTS OF PROVIDING CHILD CARE SERVICES FOR CERTAIN FAMILIES NO LONGER RECEIVING AFDC PAYMENTS.

Section 417(f)(1) of the Social Security Act (as added by section 203 of this Act) is amended by inserting immediately after "individuals for whom work-related services are being provided" the following: ", for this purpose treating the costs of providing child care certificates to individuals under a plan approved and being implemented in accordance with title III of the AFDC Employment and Training Reorganization Act of 1987 as though they were costs incurred in providing child care services as described in subsection (e)(1) to individuals who are assigned for employment, training, and education under subsection (b)(1)(D) and for whom work-related services are being provided under this section".

### SEC. 302. STATE PLANS.

(a) In General.—(1) Each State which desires to receive Federal reimbursement (under section 417 of the Social Security Act) for costs incurred in providing child care services for individuals described in subsection (b)(2)(A) shall submit a State plan under this title to the Secretary of Health and Human Services (in this section referred to as the "Secretary") at such time and in such manner as the Secretary may require.

(2) Under regulations prescribed by the Secretary, such plan (instead of being submitted separately) may be incorporated, by an appropriate amendment, in the State's plan for aid and services to needy families with children approved under section 402.

(b) Contents of State Plans.—Each State plan under this title shall meet the requirements of each of the following paragraphs:

(1) Description of program.—A plan meets the requirements of this paragraph only if it describes the certificate program under the plan and its proposed implementation.

(2) Certificates available only to low-income individuals for child care necessary for employment.—A plan meets the requirements of this paragraph only if it meets the requirements of subparagraphs (A) and (B).

(A) In general.—A plan meets the requirements of this subparagraph only if it provides that certificates will be available under the plan only to individuals in families which—

(i) have a family income of less than 150 percent of the nonfarm income official poverty line defined by the Office of Management and Budget (and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981),

(ii) received aid to families with dependent children within the past 3 months but are no longer receiving such aid solely because of increased earnings (or because of a reduction in the amount of earnings disregarded under section 402(a)(8) of the Social Security Act), and

(iii) are paying at least a part (no less than 10 nor more than 90 percent) of the cost of the child care services involved,

and only for child care services which are necessary to permit the certificate recipient to be employed or actively seeking employment.

(B) Certificates available for child care services provided by documented providers.—A plan meets the requirements of this paragraph only if it provides that certificates will be available under the plan for child care services provided by (and only by)—

(i) a child care provider which is required by State law to be licensed or certified and which is so licensed or certified, or

(ii) a family day care provider which is required by the State to be licensed or certified and which is not so licensed or certified, or a child care provider which is not required by State law to be licensed or certified, but which agrees (I) to provide the State with the operator's name and address, and (II) to comply with applicable State licensing or certification requirements (if any) within 2 years.

(C) Public information; assistance for family day care providers.—A plan meets the requirements of this paragraph only if it includes an agreement—

(i) to disseminate to the public, through public libraries and appropriate State and local agencies, the names and addresses of all registered, licensed, or certified child care providers in the State;

(ii) to establish communication by the State with each child care provider which is registered, licensed, or certified for the purposes of providing information on—

(I) child care provider support groups and training opportunities if any are in existence in the provider's geographical area;

(II) requirements for certification and licensure of child care providers;

(III) programs on child development and health in the provider's geographical area; and

(IV) the availability of, and application procedures for, any publicly funded child nutrition programs for children in child care; and

(iii) to establish regular communication by the State with parents for the purpose of providing information on the parents' role in selecting and monitoring child care and on where to report complaints against child care providers.

(D) Exception from registration requirements.—This paragraph shall not apply to the family day care providers in any State if such State demonstrates to the satisfaction of the Secretary that not less than 80 percent of the children likely to be served by family day care providers for full-day child care are likely to be served by family day care providers the names and addresses of which are recorded by the State.

(3) Administrative provisions.—A plan meets the requirements of this paragraph only if it—

(A) Budget.—Includes a budget for administrative expenses under the plan and a description of how the designated State agency will distribute administrative funds to local agencies operating under the plan.

(B) Limit on administrative expenses.—Provides that not more than 8 percent of the costs incurred under the plan which are subject to reimbursement under section 417(f) of the Social Security Act may be incurred for administrative expenses directly related to providing certificates under the plan (including staff training, planning, and evaluation).

(C) Accounting procedures.—Provides that fiscal control and fund accounting procedures will be established to assure the proper disbursement of and accounting for all funds which are used by the State under the plan and are subject to Federal reimbursement under section 417(f) of the Social Security Act.

(D) Other administrative procedures.—Describes administrative procedures to be used in carrying out the certificate program, including procedures for establishing handling complaints from child care providers or recipients, handling allegations of fraud or abuse under the certificate program, and determining compliance with the terms of the certificate program.

(4) Publicity; other information.—A plan meets the requirements of this paragraph only if it—

(A) provides for publicizing the availability of certificates under the plan, including eligibility criteria for participation; and

(B) includes such other information as the Secretary may require with respect to the certificate program.

(c) Plan Approval, etc.—The Secretary shall approve any State plan under this title, or modification thereof, which meets the requirements of this section (whether such plan or modification is separately submitted or is incorporated into the State's plan approved under section 402), and shall not finally disapprove (in whole or in part) any plan or modification without first affording the State reasonable notice and opportunity for a hearing within the State. Whenever the Secretary disapproves a plan or modification, the Secretary shall, on a timely basis, assist the State to overcome the deficiencies involved.

(2) Approval or disapproval within 60 days of receipt.—The Secretary shall approve or disapprove its receipt by the Secretary.

(3) Other timetables.—The Secretary shall, as soon as practicable after the date of the enactment of this title, establish criteria and standards for the State plan requirements under this section, together with timetables for carrying out the plan.

### SEC. 303. WITHHOLDING FOR NONCOMPLIANCE.

Whenever the Secretary, after providing reasonable notice and opportunity for hearing to any State, finds that there has been a substantial failure to comply with any provision set forth in the State plan of such State under this title, the Secretary shall notify the State that further Federal contributions will not be made with respect to the expenses involved under section 417(f) of the Social Security Act until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further Federal contributions shall be made with respect to such expenses under such section 417(f).

### SEC. 304. TREATMENT OF BENEFITS.

Notwithstanding any other provisions of law, the amount of any certificate provided under this title not be considered income or resources for purposes of any Federal or State law, including any law relating to taxation, public assistance, or welfare programs.

### SEC. 305. DEFINITIONS.

For purposes of this title—

(1) Child Care.—The term "child care" means care of an individual—

(A) who is a dependent (as defined in section 152 of the Internal Revenue Code of 1986) of the certificate recipient, and

(B) who has not attained age 12.

(2) Secretary.—The term "Secretary" means the Secretary of Health and Human Services.

(3) State.—The term "State" includes the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

### SEC. 306. REPORTS REGARDING USE OF FEDERAL FUNDS AND STATE REGULATION OF CHILD CARE SERVICES.

(a) In General.—Each State shall prepare reports on its activities carried out under this title. Such reports shall be in such form, contain such information, and be of such frequency (but not less often than every 2 years) as the Secretary determines is necessary to provide an accurate description of such activities and to secure a complete record of the purposes for which funds were spent in implementing the State's plan under this title. Such reports shall describe—

(1) the number and ages of children who receive child care services as a result of the certificate program;

(2) the setting of services provided; and

(3) the amount of assistance provided from the reimbursement for child care services under the certificate program as compared with title XX and other Federal and State child care assistance programs.

(b) Submission of Reports, Etc.—Each State shall make copies of the reports required of it by this section available for public inspection within the State and shall transmit a copy of the reports to the Secretary.

(c) Submission to Congress.—

(1) In general.—The Secretary shall compile such reports and submit a report to the Congress summarizing the results of the Secretary's analysis of the State reports. The Secretary's report shall be submitted not later than 180 days after the filing of the State reports to which it relates.

(2) Content.—The Secretary's analysis shall include the Secretary's assessment of the certificate programs.

## TITLE IV—CHILD SUPPORT ENFORCEMENT AMENDMENTS

### SEC. 401. STATEMENT OF PURPOSE.

It is the purpose of this title to expand the program of child support enforcement established under part D of title IV of the Social Security Act by improving the process of paternity establishment, by improving the available techniques of collecting child support payments, by standardizing the amounts of child support orders, and by strengthening the enforcement of interstate child support cases.

### SEC. 402. STATE GUIDELINES FOR CHILD SUPPORT AWARD AMOUNTS.

Section 467(b) of the Social Security Act is amended—

(1) by inserting "(1)" after "(b)";

(2) by striking out ", but need not be binding upon such judges or other officials"; and

(3) by adding at the end thereof the following new paragraphs:

"(2) There shall be a rebuttable presumption, in any judicial or administrative proceeding for the award of child support, that the amount of the award which would result from the application of such guidelines is the correct amount of child support to be awarded. A written finding or specific finding on the record that the application of such guidelines would be unjust in a particular case shall be sufficient to rebut the presumption.

"(3) The guidelines must specify (as a part of such rebuttable presumption) that the correct (and legally required) total amount of support awarded to two or more children of an absent parent for any period (whether or not all of such children are being awarded support in the same proceeding) shall be equal at least to (A) the amount that would be determined in accordance with such guidelines for an award to one of such children if there are no other children of the absent parent to whom support is being or has been awarded, plus (B) an additional amount for each additional child up to a total of at least four such children.".

### SEC. 403. PERIODIC UPDATING OF CHILD SUPPORT ORDERS.

(a) In General.—The first sentence of section 467(a) of the Social Security Act is amended by inserting before the period at the end thereof the following: ", along with procedures for the periodic review and routine updating of all child support orders, at least once every two years, so as to ensure that (taking into account any changes which may have occurred in the custodial or noncustodial parent's financial situation and in other circumstances) they remain in full compliance with such guidelines".

(b) State Plan Requirement.—Section 466(a) of such Act is amended by inserting immediately after paragraph (9) the following new paragraph:

"(10) Procedures requiring the uniform application of the guidelines established under section 467(a), and the periodic updating of child support awards in accordance with that section, in full compliance with all procedural due process requirements of the State.".

### SEC. 404. DEMONSTRATION PROJECTS REQUIRING PARTICIPATION IN WORK-RELATED PROGRAMS BY NONCUSTODIAL PARENTS UNABLE TO PAY CHILD SUPPORT.

Section 1115 of the Social Security Act is amended by redesignating subsection (c) as subsection (d), and by inserting after subsection (b) the following new subsection:

"(c) In order to encourage and permit States to improve child support enforcement in cases where the noncustodial parent is financially unable to meet his support obligations, up to 10 States (under subsection (a)) may undertake and carry out demonstration projects specifically requiring (1) that absent parents who owe child support, but whose income is insufficient to pay such support, participate in the State's AFDC employment and training program established under section 417, in an appropriate State program under the Job Training Partnership Act, or in a similar program of work or training, and (2) that the State office having responsibility for child support enforcement will ensure that all such absent parents are complying with clause (1) by confirming their participation in the relevant programs at least once every 6 months.".

### SEC. 405. REQUIREMENT OF DATA IN BIRTH RECORDS.

Section 466(a) of the Social Security Act (as amended by section 403(b) of this Act) is further amended by inserting immediately after paragraph (10) the following new paragraph:

"(11) Procedures which require that the names and social security account numbers of the father and mother of every child born in the State will be recorded in the child's birth records. The State shall take such action as may be necessary to ensure that the social security account numbers so recorded are disclosed or made available only to duly authorized officials.".

### SEC. 406. PATERNITY ESTABLISHMENT.

(a) In General.—Section 466(a)(5) of the Social Security act is amended by inserting "(A)" after "(5)", and by adding at the end thereof the following new subparagraphs:

"(B) Procedures under which the State is required)—

"(i) to open and take action on the question of paternity within 60 days after the date on which any case involving that question is opened under part A;

"(ii) to require the child and either or both parents to submit to blood tests upon the request of any party in a contested paternity case; and

"(iii) to use a 95 percent probability index from blood tests as a rebuttable presumption of paternity.

"(C) Procedures under which all court decisions in contested cases involving paternity are required to be based on the same standard of proof as the standard of the State's burden of proof in civil cases.".

(b) Incentive Payments.—Section 458(d) of such Act is amended by inserting after "In computing incentive payments under this section," the following: "(1) each State shall be deemed to be collecting support in the amount of $100 a month, for a period of up to 12 months, in every case in which paternity has been established but actual collections have not commenced, and (2)".

### SEC. 407. INTERSTATE ENFORCEMENT OF CHILD SUPPORT CASES.

(a) Required State Procedures.—Section 466(a) of the Social Security Act (as amended by the preceding provisions of this title) is further amended by inserting immediately after paragraph (11) the following new paragraph:

"(12) Procedures under which—

"(A) employers are required to disclose to the child support enforcement agency of the State the address, earnings, social security number, date of birth, and length of employment of any employee who is obligated under court order to pay child support (to the extent the information is available in the employer's business records), notwithstanding any other provision of law which would make the information confidential, upon written request of such agency; and

"(B) the most recent version of the Uniform Reciprocal Enforcement of Support Act, or a law containing equivalent provisions, is in effect in the State.

Failure to provide the information requested under subparagraph (A) or a statement that any or all of it is not known or available, within 30 days after receiving the agency's request, shall subject the employer to civil penalties; but any employer responding to the agency's request in good faith shall be immune from any liability, civil or criminal, that might otherwise result from the release of the requested information. The State shall ensure that the use of disclosure of information obtained from employers under subparagraph (A) is limited to purposes directly connected with the administration of the plan under this part or with an investigation, prosecution, or civil proceeding conducted in connection with the administration of such plan.".

(b) Modifications of Support Orders Issued in Other States for Income Withholding Purposes.—Section 466(b)(9) of such Act is amended by inserting before the period at the end thereof the following: "; but when one State duly requests another State to modify a support order (on behalf of a custodial parent residing in the requesting State) so as to permit income withholding from an absent parent residing in such other State, such other State shall not have jurisdiction (in complying with such request) to modify any other aspect of the order.".

### SEC. 408. AUTOMATED DATE SYSTEMS.

(a) In General.—(1) Section 454(16) of the Social Security Act is amended by striking out ", at the option of the State," and inserting in lieu thereof ", in accordance with the requirements of section 452(d)(3).".

(2) Section 452(d) of such Act is amended by adding at the end thereof the following new paragraph:

"(3)(A) No later than October 1, 1989, each State shall either have in effect an automatic data processing and information retrieval system meeting all the requirements of section 454(16) or have submitted an advance automatic data processing planning document of the type referred to in that section.

"(B) By October 1, 1990, the Secretary shall have reviewed and approved the advance planning document of each State which has submitted such a document; and by October 1, 1992, every state shall have in effect an operational automatic data processing and information retrieval system meeting all the requirements of section 454(16).".

(b) Repeal of 90-Percent Federal Reimbursement Rate for Automated Data Systems.—Effective October 1, 1992, section 455(a)(1) of such Act is amended by striking out "an amount—" and all that follows down through "except that" and inserting in lieu thereof the following: "an amount equal to the percent specified in paragraph (2) of the total amounts expended by such State during such quarter for the operation of the plan approved under section 454; except that".

### SEC. 409. MANDATORY INCOME WITHHOLDING.

(a) Commencement of Automatic Withholding Upon Issuance of Court Order.—Paragraph (3) of section 466(b) of the Social Security Act is amended to read as follows:

"(3) Such withholding shall apply in every case where an individual residing in the State owes child support under a court order which has been issued or modified in the State (or under an order of an administrative process established by a law of the State), without the necessity of any determination as to whether the absent parent is or is not in arrears and without regard to whether or not the obligation involved is one which has been assigned to the State under section 402(a)(26) or which has been (or could upon application have been) undertaken to be collected by the State under section 454(6); except that an exemption from this requirement (A) may be permitted by the State in cases where (i) the support order involved was in existence on the effective date specified in section 412 of the AFDC Employment and Training Reorganization Act of 1987, and (ii) the parent paying child support pursuant to such order has at all time maintained a satisfactory record of timely support payments (as determined by the State), and (B) must be permitted in any case where (i) the parent paying child support posts a bond in an amount equal to 6 months of child support payments, with provision for the forfeiture of such bond if such parent is 30 days in arrears or the equivalent thereof, at which time income withholding would be initiated, or (ii) a written agreement is reached between both parties which provides for an alternative arrangement.".

(b) Conforming Amendments.—(1) Section 466(b)(2) of such Act is amended by striking out "in the case of a child" and all that follows down through "In either case such withholding must occur", and inserting in lieu thereof ", and must occur".

(2) Section 466(b)(4)(A) of such Act is amended by striking out all that follows "the proposed withholding" and inserting in lieu thereof a period.

### SEC. 410. USE OF EMPLOYMENT SECURITY INFORMATION OBTAINED THROUGH FEDERAL AND STATE TELECOMMUNICATIONS NETWORKS.

(a) In General.—Section 454 of the Social Security Act is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (22);

(2) by striking out the period at the end of paragraph (23) and inserting in lieu thereof "; and"; and

(3) by inserting immediately after paragraph (23) the following new paragraph:

"(24) provide that the State agency administering the plan, and the Parent Locator Service, will be given access to all employment security information which is in the possession or control of any Federal or interstate telecommunications network or which is available through any other data exchange method (including information made available under section 1137(a)(4)(B)), subject to reimbursement for the reasonable cost of furnishing such information as agreed to by the parties, and will use such information for child support enforcement purposes in carrying out their duties under this part, so long as such information is adequately protected against unauthorized disclosure for other purposes under safeguards established in regulations prescribed by the Secretary.".

(b) State Law Requirements.—Section 466(a) of such Act (as amended by the preceding provisions of this title) is further amended by inserting immediately after paragraph (12) the following new paragraph:

"(13) Procedures under which the agency or official responsible for the State's participation in any interstate telecommunications network or other data exchange arrangement that gathers, provides, or coordinates employment security information will make such information available upon request to the State agency administering the plan of the State under this part or the agency administering the plan of any other State under this part, or to the Parent Locator Service, subject to reimbursement for the reasonable cost of furnishing such information (as agreed to by the parties) and to the safeguards against unauthorized disclosure referred to in section 454(24), for use in child support enforcement as provided for in that section.".

(c) Federal Authority.—Section 452 of such Act is amended by adding at the end thereof the following new subsection.

"(g) In accordance with regulations prescribed by the Secretary, the head of each Federal agency which operates or participates in a telecommunications network or other data exchange arrangement that gathers, provides, or coordinates employment security information shall make such information available upon request to any State agency administering a plan under this part, and to the Parent Locator Service, subject to reimbursement for the reasonable cost of furnishing such information (as agreed to by the parties) and to the safeguards against unauthorized disclosure referred to in section 454(24), for use in child support enforcement as provided for in that section.".

### SEC. 411. TIME LIMITATIONS.

(a) In General.—Within 12 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall develop and publish standards for the amount of time a State may take to complete each of several actions in child support cases. In publishing these standards, the Secretary shall include, but is not limited to, the following milestones in the enforcement process:

(1) the time for opening an AFDC case until the State child support enforcement office under part D of title IV of the Social Security Act opens the case and takes some documented action;

(2) the time to take documented action on a case received from another State;

(3) the time from opening a child support enforcement case under part D of title IV of the Social Security Act until a child support order is established when expedited process is used;

(4) the time required to establish paternity;

(5) the time required to establish a support order;

(6) the time required to collect the first payment in intrastate cases; and

(7) the time required to collect the first payment in interstate cases.

Each standard shall specifiy the percentage of cases that should have received the specified action within the time alloted.

(b) Penalties for Failure to Comply.—Section 403(h) of the Social Security Act shall apply with respect to any failure by the State to comply with the standards developed and published under subsection (a), as though such failure were the failure of a State program operated under part D of the Social Security Act to comply with requirements imposed by such part.

### SEC. 412. EFFECTIVE DATE; GAO EVALUATION REPORT.

(a) Effective Date.—Except as otherwise specifically indicated, the amendments made by this title shall become effective on the first day of the first calendar quarter which begins one year or more after the date of the enactment of this Act.

(b) GAO Report.—The Comptroller General shall conduct a study to evaluate the implementation by the various States of the amendments made by this title, and shall submit to the President and the Congress, no later than 4 years after the date of the enactment of this Act, a report setting forth the results of such study together with his recommendations for any further legislative or administrative actions that he considers necessary or appropriate.

## TITLE V—STATE DEMONSTRATION PROGRAMS

### SEC. 501. STATEMENT OF PURPOSE.

It is the purpose of this title—

(1) to find and test new ways to use Federal and State funds to help families and individuals achieve financial independence through education, training, and work experience;

(2) to allow States maximum flexibility in using funds that now support low-income families and individuals in order to relieve poverty and its effects; and

(3) to ensure that there will be an opportunity for congressional consideration of demonstration programs that alter the nature of Federal entitlement programs.

### Part A—State Demonstrations

### SEC. 511. FILING TO CONDUCT DEMONSTRATION.

In order to conduct a demonstration in accordance with the provisions of this title, a State shall submit a filing, consistent with the requirements of this subpart, to the Interagency Low-Income Opportunity Board established pursuant to part C of this title (hereinafter referred to as the "Board").

### SEC. 512. RESPONSIBILITY OF BOARD.

(a) In General.—The Chairman (appointed pursuant to section 531(a)), in consultation with the Board, shall have continuing responsibility for the certification and evaluation of each demonstration conducted pursuant to this part, and shall perform, with advice and assistance from such other Federal departments and agencies as may be appropriate, such other functions as are required to implement the demonstrations.

(b) Policy Goals.—The Chairman and the Board, in exercising their responsibility with respect to the certification and evaluation of each demonstration conducted pursuant to this part, shall consider the following policy goals:

(1) to ensure that public assistance is an adequate supplement for other resources in meeting essential needs;

(2) to focus public assistance resources on efforts to reduce future dependency on public assistance;

(3) to individualize determinations of need for public assistance, and to make such determinations, to the extent possible, through local decisions;

(4) to make work more rewarding than welfare;

(5) to require that those who are able to work do so for their public assistance benefits;

(6) to encourage the formation and maintenance of economically self-reliant families;

(7) to require public assistance recipients to take greater responsibility for managing their resources, and to encourage community-based administration of public assistance;

(8) to create opportunities for self-reliance through education and enterprise; and

(9) to reduce the future costs of public assistance by reducing the need for it.

### SEC. 513. PRIORITY GOALS.

State demonstration filings may be addressed to any aspect of reform to achieve one or more of the policy goals identified in section 512(b), but special consideration shall be given to demonstrations designed to investigate the following issues:

(1) effective means of helping American citizens avoid poverty;

(2) improved methods of helping welfare recipients achieve economic independence;

(3) coordination of employment and training programs currently supported by Federal or State funds, including but not limited to programs under the Job Training Partnership Act, United States Employment Service programs, adult education programs, vocational education programs, and the various employment, training, and work programs associated with the AFDC program;

(4) establishing paternity and obtaining child support orders in AFDC cases for which paternity was not established when the case was opened; and

(5) facilitating efforts by nongovernmental organizations to help welfare clients achieve economic independence.

### SEC. 514. CONTENT OF FILING.

(a) In General.—A filing to conduct a demonstration under this part may include any or all of the following programs:

Food stamps.
Temporary food assistance (TEFAP).
Housing.
Rent supplements.
Community development block grants.
Women, infants, and children (WIC).
Head start.
Job Training Partnership Act.
Work incentives (WIN).
U.S. employment service.
Vocational rehabilitation.
Vocational education.
Adult education.
Chapter I (money to public schools based on poverty).
Low-income home energy assistance (LIHEAP).
Medicaid.
Maternal and child health.
Aid to families with dependent children (AFDC).
Supplemental security income (SSI).
Emergency assistance.
Social services block grants.
Child support enforcement.

(b) Particular Matters to be Included.—A filing shall be submitted by the Governor or his designee, and shall describe in detail the demonstration to be conducted, with particular reference to—

(1) the program or programs to be included in the demonstration;

(2) the classes of individuals and families who will be eligible to participate;

(3)(A) the principles for determining eligibility for and maximum total benefits under the programs included in the demonstration, including income and asset limits to be applied, the form or forms in which benefits are to be provided (such as cash, in kind, vouchers, insurance, or services), and the dollar value to be assigned to benefits to be provided in a form other than cash; and

(B) information sufficient (i) to demonstrate that benefit levels will be adequate to allow individuals and families to reasonably meet the needs previously addressed by the programs included in, but superseded by, the demonstrations, when such benefits are used to supplement individual, family, and community resources, and (ii) to reasonably assure that the demonstration will not adversely affect those in need;

(4) the way in which the demonstration is expected (A) to improve low-income individuals' and families' opportunities and abilities to achieve economic independence through employment, (B) to improve the functioning of low-income communities in support of the efforts of such individuals and families to attain independence, and (C) to improve the efficiency and effectiveness of the programs included in the demonstration.

(c) Employment-Related Activities.—The filing shall specify the employment-related activities, such as job search, and work and training activities designed to directly improve employability, that will be required of individuals receiving assistance under the demonstration, and the circumstances in which such individuals will not be required to participate in such activities.

(d) Other Matters to be Included.—The filing shall also—

(1) specify the geographic area or the political subdivisions within which the demonstration will be conducted and designate the agency responsible for the day-to-day conduct of the demonstration;

(2) describe steps that will be taken to make the information required by subsections (b) and (c) readily available to the public in the geographic areas or political subdivisions affected;

(3) specify the time period during which the demonstration will be conducted and the reasons that such period was selected;

(4) specify the laws or parts thereof, and the regulations thereunder or parts thereof, applicable to any Federal or federally assisted program to be included in the demonstration, for which waiver is requested;

(5) describe a plan for evaluating the results of the demonstration, including (A) the way in which provision has been made by the State for the use of control or comparison groups to assess the extent to which dependency on welfare has been reduced in excess of the reduction that would have occurred in the absence of the demonstration or, if the use of such groups is infeasible, the alternative methods that will be adopted to obtain measureable results during and after the completion of the demonstration, and (B) the measures that the State proposes for use in assessing the extent to which dependency on welfare and other programs serving low-income populations has been reduced;

(6) contain a budget setting forth the amounts and sources of funding for the demonstration (including Federal funds that would have been made available under the programs included in the demonstration, determined in accordance with subsection (a)), and non-Federal funds that would have been required in order to obtain such Federal funding under the rules of the programs to be included in the demonstration, and any other sources;

(7) provide for the conduct of audits in accordance with the provisions of chapter 75 of title 31, United States Code; and

(8) contain an agreement to submit an annual report and to cooperate as necessary for the Board's review and evaluation of the demonstration.

The agency designated in paragraph (1) may conduct the demonstration directly, or may do so, in whole or in part, through grants to or contracts with public or private agencies, or individuals, but the Governor must in any case retain final responsibility for compliance with all requirements imposed by or pursuant to this part, or with action agreed to by the State in its certified filing.

(e) Procedures.—The filing shall describe the procedures for determining the initial and continuing eligibility of, and benefits for, individuals and families, and all administrative and fiscal procedures to be applied in the conduct of the demonstration. These procedures must ensure that all eligibility and benefit amount standards will be accurately applied and that funds under the demonstration will be expended consistent with principles of sound fiscal management. Such procedures may be the same as those already applicable to a program included in the demonstration, or may differ in whole or in part from currently established procedures, but must clearly and reliably assure responsible program administration.

### SEC. 515. FUNDING AND BUDGET.

(a) In General.—(1) prior to submission of the filing to Congress, the head of each Federal department or agency with responsibility for a program to be included in the demonstration shall, with respect to each such program (or part of a program), estimate the amount of Federal funds that would, but for the demonstration, be provided to the State, or an entity within the State eligible to receive such funds, to operate such program (or part of a program) during each fiscal year that the demonstration is in effect and the amount of non-Federal funds that would be required in order that the State be eligible for such Federal funds. Each Federal department or agency head shall provide a statement of the principles and assumptions to be employed in making such estimates, including, in the case of any programs with respect to which the department or agency head has discretion in the provision of funds, the recent experience of such State (or grantees or contractors within the State) with respect to fund awards under such program. The principles and assumptions shall be consistent with all Federal laws and regulations applicable to the programs, and the funding of those programs, as in effect at the time the estimates are made. The amounts and the principles and assumptions shall be reported to the Board.

(2) The State shall provide to the Board a statement of the principles and assumptions it employed in developing its budget and funding levels referred to in section 514(d)(6).

(b) Determinations With Respect to Consistency and Adequacy of Funding and Budget.—The Chairman shall determine whether the funding determined by the Federal agency heads referred to in subsection (a)(1), and the budget and underlying principles and assumptions described in subsection (a)(2) as submitted by the State, are consistent and are adequate to carry out the demonstration.

(c) Effect of Federal Laws and Regulations.—If, during any fiscal year that the demonstration is in operation, the Federal laws or regulations under which such funding is authorized or provided are amended, or new Federal law applicable to any such program is enacted (or new regulations adopted), the Chairman shall adjust the amounts reflected in the budget in accordance with applicable Federal law and regulations and the principles and assumptions referred to in subsection (a). In any event the budget shall be reviewed and revised, in accordance with such principles and assumptions and all currently applicable Federal law and regulations, not less frequently than annually.

(d) Amount of Federal Funds To Be Available.—The amount determined pursuant to subsection (b), or the adjusted amount adopted pursuant to subsection (c), shall be the amount of Federal funds available for carrying out the demonstration in any fiscal year.

(e) Schedule for Payments.—The Board shall establish a schedule pursuant to which payments will be made by each agency responsible for the administration of a program included in the demonstration from the funds appropriated to carry out such program.

(f) Reductions in Federal Payments in Certain Cases.—Notwithstanding the preceding provisions of this section, if it is determined at any time that the State received, prior to the commencement of the demonstration, an amount of Federal funds under any program included in the demonstration in excess of the amount to which it was entitled, or which it should have received, by reason of the application of any provision regarding erroneous expenditures under the program or because of overpayment by the Federal Government to the State for any other reason, the amount which the State would otherwise receive to carry out the demonstration shall be reduced to the same extent and in accordance with the same procedures as would have been applied had the State continued to operate, apart from the demonstration, the program in which the overpayment is determined to have been made.

(g) Establishment of Non-Federal Share Requirement.—The Chairman may establish a single non-Federal share requirement for each year for purposes of accounting for funds expended under each demonstration. Such share shall be established on the basis of the relative proportion of Federal and non-Federal funds contained in the demonstration budget. The Chairman shall also establish a single set of technical grant or contract requirements applicable to the conduct of the demonstration.

(h) No Adjustment for Savings Achieved in Conduct of Demonstration.—Notwithstanding any other provision of law, to the extent that the amount of Federal funds necessary to carry out the demonstration, either for assistance to individuals or families or for the costs of administration, is less than the amount contained in the budget by reason of the effectiveness of the demonstration in achieving the objectives of this title, no adjustment shall be made in amounts payable to the State for such demonstration, and the State may treat such Federal funds as reimbursement for expenditures properly made by the State under the programs concerned, to the extent that such funds are used by the State to improve the demonstration or otherwise benefit individuals and families included in the demonstration.

(i) Specific Requirements.—The State's filing must conform to the following requirements:

(1) the proposed demonstration must be structured to permit sound evaluation of the effectiveness of the demonstration in meeting the objectives of this title;

(2) the rights of individuals and families under title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1973, title IX of the Education Amendments of 1972, title VIII of the Civil Rights Act of 1968, and all other applicable law prohibiting discrimination must be protected; and

(3) all requirements of this part, including the budget, must be met.

### SEC. 516. EXCLUSIVITY OF ELIGIBILITY UNDER DEMONSTRATION.

Notwithstanding any other provision of law, once the demonstration has been approved, if an individual or family is within a class eligible to participate in the demonstration, then such individual or family shall only be eligible for benefits (whether provided in cash, in kind, in the form of services, or in any other form or manner) under a program included in the demonstration under the terms and as part of the demonstration (including individuals or families who are ineligible for benefits under the demonstration solely by reason of their income or assets of their failure to comply with a condition of eligibility for benefits under the demonstration).

### SEC. 517. INTERIM EVALUATIONS AND REPORTS: CHANGES IN DEMONSTRATION.

(a) In General.—(1) The Board shall, during the period throughout which the demonstrations are conducted under this part, carry out activities appropriate to evaluate the progress and effect of the demonstrations.

(2) The Board shall require a State to submit annual reports on the progress of the demonstration.

(b) Changes to Improve Demonstrations.—If (1) the State determines that an amendment to the demonstration, as described in its filing as originally submitted, would improve the likelihood of its accomplishing the objectives of this title, (2) the amendment meets all the requirements for submission under this part that applied to the filing as originally submitted and approved, and (3) the cash, in-kind benefits, and services to which individuals are entitled under the demonstration are not substantially altered, the Chairman shall submit the amendment to the Congress for its consideration (and the provisions of section 521 shall apply to such amendment in the same way they apply to the initial demonstration proposal). The Chairman shall notify the State of the effective date of the amendment, the increased Federal and non-Federal funding (if any) that will be made available, determined as provided in section 514(c), and any other matters necessary to implement the amendment without adversely affecting the conduct of the demonstration.

### SEC. 518. TERMINATION OF PROJECT.

(a) By State Governor.—If, after the commencement of a demonstration, the Governor of the State concerned determines that the demonstration is not achieving (or is not likely to achieve) the purposes of this part, and that the interests of the Federal Government, the State, or the participating individuals would be better served by returning to the separate conduct of the included programs, the Governor may terminate the demonstration upon the provision to the Chairman of at least 3 months' advance notice (or such greater advance notice as may be necessary so that the separate conduct of the programs involved will resume at the beginning of a quarter in the fiscal year), or at such other time as the Governor, in consultation with the Chairman, may find appropriate.

(b) By Chairman.—If, after the commencement of a demonstration, the Chairman determines that the demonstration is not meeting the conditions specified in section 515(i) or the applicable laws and regulations not waived in the filing, the Chairman

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may terminate the demonstration upon the provision to the Governor of at least 3 months' advance notice (or such greater advance notice as may be necessary so that the separate conduct of the programs involved will resume at the beginning of a quarter in the fiscal year), or at such other time as the Chairman, in consultation with the Governor, may find appropriate.

### SEC. 519. REPORTS BY STATE.

Not later than 6 months following the completion of a demonstration, the Governor of the State concerned shall submit to the Board a final report containing (1) a review of the demonstration, including both its achievements and its shortcomings, and (2) such other findings, comments, and recommendations as he may deem appropriate to assist in restructuring the Federal programs involved to better achieve the objectives of this title and serve the needs of their beneficiary populations.

### SEC. 520. ANNUAL REPORT TO CONGRESS.

The Chairman shall prepare and transmit annually a report to the Congress describing the demonstrations being conducted during the relevant year. The report shall provide information about the interim or final results of the demonstrations, and their success in achieving the objectives of this title, based on the reports furnished by States conducting demonstrations, and on the data and conclusions contained in interim and final evaluations of these demonstrations.

## PART B—SUBMISSION OF BOARD RECOMMENDATION TO CONGRESS AND CONGRESSIONAL ACTION

### SEC. 521. BOARD APPROVAL OF PROGRAMS; SUBMISSION OF DEMONSTRATION PROPOSAL; CONGRESSIONAL ACTION.

(a) Selection and Approval.—The Board shall select and approve the demonstration programs it judges to be worthy of implementation, in accordance with criteria established by the Board and communicated to the States.

(b) Preparation and Submission of Demonstration Proposal.—(1) The Board shall then prepare a single demonstration proposal containing all information pertinent to the demonstration programs selected (and if one or more additional demonstration programs are selected after the initial demonstration proposal is prepared and submitted, a supplementary demonstration proposal, containing all information pertinent to such additional programs, shall be prepared (and treated under this section in the same way as the initial proposal)). Special emphasis shall be given to showing how, if at all, the demonstrations selected would alter the nature of entitlements and other benefits for individuals.

(2) The demonstration proposal shall be submitted to the Congress, and referred to each committee of the House and Senate having jurisdiction over any of the demonstration programs involved in the proposal.

(3) The respective committees may hold hearings, receive written testimony, conduct investigations, and initiate legislative action to reject the demonstration proposal if they consider it necessary.

(c) Proposal Effective After Consideration by Congress.—Unless legislation rejecting the demonstration proposal has been enacted within 60 days after its submission by the Board, the demonstration proposal shall become effective according to its terms.

## PART C—INTERAGENCY LOW-INCOME OPPORTUNITY BOARD

### SEC. 531. ESTABLISHMENT AND MISSION OF BOARD.

(a) In General.—In order to provide a focal point within the Federal Government for the development and coordination of innovative policies and activities to improve opportunities for low-income individuals and families, and to encourage the provision of assistance by both the public and private sectors in a more effective manner, there is established an Interagency Low-Income Opportunity Board. The Board shall be comprised of a Chairman appointed by the President by and with the advice and consent of the Senate, the Secretaries of Agriculture, Health and Human Services, Housing and Urban Development, Labor, and the Interior, the Attorney General, and the Director of the Office of Management and Budget (or, with respect to each such official, his designee), as permanent members. In addition, for the purpose of carrying out the Board's responsibilities with respect to a particular filing under part A to conduct a demonstration, or with respect to the certification and evaluation of a particular demonstration, the Board shall include the head of each department or agency (or his designee) having responsibility for the administration of a program to be included in the demonstration.

(b) Compensation of Chairman.—(1) The Chairman shall be compensated at the rate provided for level II of the Executive Schedule.

(2) Section 5313 of title 5, United States Code, is amended by adding at the end the following nw item: "Chairman, Interagency Low-Income Opportunity Board.".

(c) Other Personnel.—The Chairman is authorized to appoint and fix the compensation of such personnel as may be necessary to assist the Board in carrying out its responsibilities, in accordance with chapter 51 and subchapters III and VIII of chapter 53 of title 5, United States Code.

(d) Assistance From Other Departments and Agencies.—The head of each Federal department or agency who is a permanent or other member of the Board shall make available to the Board such assistance as it may require to carry out its activities.

(e) Use of Mails.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

## PART D—MISCELLANEOUS

### SEC. 541. DEFINITIONS.

As used in this title—

(1) the term "State" means the 50 States, the District of Columbia, Puerto Rico, and any Indian tribe;

(2) the term "Governor" includes the Chief Executive Officer of the District of Columbia, and the federally recognized governing body of an Indian tribe; and

(3) the term "Indian tribe" means any Indian Tribe, Band, National, Rancheria, Pueblo, Colony, or Community, including any Alaska Native village, which is recognized as eligible by the United States Government through the Secretary of the Interior for the special programs and services provided to Indians because of their status.

## TITLE VI—EVALUATION OF EMPLOYMENT AND TRAINING PROGRAMS AND STATE DEMONSTRATION PROGRAMS

### SEC. 601. STATEMENT OF PURPOSE.

It is the view of the Congress that there is now a broad national consensus on the importance of work and preparation for work as a means of avoiding the dependency often associated with poverty. In recent years, the States have undertaken impressive new job search, education, training, and employment programs designed to help welfare recipients achieve financial independence. Evaluations of these programs provide some reason to think they may be successful in moving welfare recipients into the workforce. In enacting this Act the Congress is attempting to help the States pursue these programs by providing generous new resources and a great deal of flexibility in designing and implementing the programs. In addition, the Congress is granting the States great latitude in using funds currently addressed to meeting the needs of low-income citizens and citizens living in poverty. But the Congress also intends to learn as much as possible from this new investment of public funds and this new enrichment of Federal-State relations. In recent years the Congress has profited from the knowledge produced by large-scale evaluations; it is the intent of the Congress to pursue the strategy of careful evaluation of social programs in order to improve and perfect the legislation upon which these programs are based. It is the purpose of this title to carry out this objective.

### SEC. 602. ESTABLISHMENT OF INTERAGENCY PANEL.

Within 3 months after the enactment of this Act, the Secretary of Health and Human Services shall convene an Interagency Panel consisting of representatives from the Office of Management and Budget, the Congressional Budget Office, the Congressional Research Service, the General Accounting Office, and the Low-Income Opportunities Board. The Panel shall meet periodically to design, implement, and monitor a series of implementation and evaluation studies to assess the methods and effects of the programs initiated under titles II and V of this Act. Insofar as possible, the Panel shall work in a collegial fashion; but if consensus cannot be reached among Panel members on particular decisions, the Secretary of Health and Human Services is authorized to make all final decisions about program design, use of contractors, conduct of particular studies, and any other matters which may come before the Panel.

### SEC. 603. ADVISORY BOARD.

Within 6 months after the enactment of this Act, the Interagency Panel shall select an advisory board of not more than 12 members. The advisory board shall include representatives of business, labor, academia, children's groups, State government, local government, welfare rights organizations, religious organizations, and community self-help organizations. The advisory board shall meet at least twice during the first year following its formation and at least once a year thereafter. It shall be the function of the advisory board to provide the Interagency Panel with advice and counsel on all aspects of its operation.

### SEC. 604. OPERATION OF INTERAGENCY PANEL.

(a) In General.—The Interagency Panel shall identify the significant questions to be pursued in its studies, and shall also adopt an overall design that maximizes the knowledge gained from contrasts and comparisons between the individual studies. The Panel shall make special efforts to coordinate with the States and with the Low-Income Opportunities Board and to use control groups and other methods of scientific evaluation whenever possible.

(b) Obtaining Information From Secretary.—The Panel may request the Secretary of Health and Human Services to supply any information, in the possession of or available to the Secretary, which may be of assistance in carrying out the Panel's functions under this title, and may request the Secretary to obtain any such information from States by requiring its inclusion in any of the State reports provided for under this Act. To the maximum extent possible, the Secretary shall comply with any request received from the Panel under this subsection.

### SEC. 605. STUDY OF TRANSITION CHILD CARE.

The Interagency Panel shall ensure that a study of child care during the welfare-to-work transition period is conducted during the first 3 years of its operation. Questions addressed by the study shall include, but not be limited to, the following: How many former welfare recipients used the transition child care financial assistance; in the case of families that did not use the public financing, what types of child care arrangements did they select and why did they elect not to use public funding; whether the funds made available under title III of this Act were adequate to meet the child care needs of parents leaving welfare; and an overall assessment of the role of transition child care financing in encouraging families to leave welfare and enter the labor force. The study shall include an assessment of how many families below 150 percent of the poverty level but not receiving public assistance would participate in a publicly funded child care program and how much money would be required to provide such child care with a public subsidy similar to the one contained in title III of this Act.

### SEC. 606. REPORTS.

The Interagency Panel shall report to the Congress and the President at such times as it sees fit to do so, but an interim report shall be submitted no later than 30 months after the enactment of this Act covering the implementation of the programs under this Act during their first two years. The Panel shall also submit a final report providing an overview of each study it has conducted or authorized, an overall assessment of the State programs initiated under titles II and V of this Act, and a set of specific recommendations to the Congress and the President on needed changes in legislation, regulations, and program administration at the State and Federal levels. The final report shall cover the first four years of program implementation and shall be published no later than five years after the enactment of this Act.

### SEC. 607. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated the total sum of $20,000,000 to enable the Panel to perform its functions during the first five years of its existence.

## TITLE VII—MISCELLANEOUS AND RELATED PROVISIONS

### SEC. 701. DEMONSTRATION OF FAMILY INDEPENDENCE PROGRAM IN WASHINGTON STATE.

(a) In General.—Upon application by the State of Washington and approval by the Secretary of Health and Human Services (in this section referred to as the "Secretary"), the State of Washington (in this section referred to as the "State") may conduct a demonstration project in accordance with this section for the purpose of testing whether the operation of its Family Independence Program enacted in May 1987 (in this section referred to as the "Program"), as an alternative to the existing AFDC program, would more effectively break the cycle of poverty and provide families with opportunities for economic independence and strengthened family functioning.

(b) Nature of Project.—Under the demonstration project conducted under this section—

(1) every individual who would be eligible for aid under the State plan approved under section 402(a) of the Social Security Act shall be eligible to enroll in the Program, which shall operate simultaneously with the AFDC program so long as there are individuals who qualify for the latter;

(2) cash assistance shall be furnished in a timely manner to all eligible individuals under the Program (and the State may not make expenditures for services under the Program until it has paid all necessary cash assistance), with no family receiving less in cash benefits than it would have received under the AFDC program;

(3) individuals may be required to register, undergo assessment, and participate in work, education, or training under the Program, except that—

(A) work or training may not be required in the case of—

(i) a single parent of a child under 6 months of age, or more than one parent of such a child in a two-parent family,

(ii) a single parent with a child of any age who has received assistance for less than 6 months,

(iii) a single parent with a child under 3 years of age who has received assistance for less than 3 years,

(iv) an individual under 16 years of age or over 64 years of age,

(v) an individual who is incapacitated, temporarily ill, or needed at home to care for an impaired person,

(vi) a woman who is in the third trimester of pregnancy, or

(vii) an individual who has not yet been individually notified in writing of such requirement or of the expiration of his or her exempt status under this subparagraph;

(B) participation in work or training shall in any case be voluntary during the first two years of the Program, and may thereafter be made mandatory only in countries where more than 50 percent of the enrollees can be placed in employment within 3 months after they are job-ready;

(C) in no case shall the work and training aspect of the Program be mandated in any country where the unemployment level is at least twice the State average; and

(D) mandated work shall not include work in any position created by a reduction in the work force, a bona fide dispute, the decertification of a bargaining unit, or a new job classification which subverts the intention of the Program;

(4) there shall be no change in existing State law which would eliminate guaranteed benefits or reduce the rights of applicants or enrollees; and

(5) the Program shall include due process guarantees and procedures no less than those which are available to participants in the AFDC program under Federal law and regulation and under State law.

(c) Waivers and Adjustments.—(1) The Secretary shall (with respect to the project under this section) waive compliance with any requirements contained in title IV of the Social Security Act which (if applied) would prevent the State from carrying out the project or effectively achieving its purpose.

(2) The Secretary shall make such adjustments in the determination of allotments and related matters under section 417 of such Act as may be necessary to take appropriate account of the project under this section and the State's resulting nonparticipation in the allotment process under such section 417.

(d) Funding.—(1) The Secretary shall reimburse the State for its expenditures under the Program (from funds available for Federal contributions under section 403(a) of the Social Security Act)—

(A) at a rate equal to the Federal matching rate applicable to the State under section 403(a)(1) of such Act, for cash assistance and child care provided to enrollees;

(B) at a rate equal to the applicable Federal matching rate under section 403(a)(3) of such Act, for administrative expenses; and

(C) at the rate of 75 percent for an evaluation plan approved by the Secretary.

The State shall be required to pay the same portion of all expenditures made for cash assistance and services under the Program as it would be required to pay if such expenditures were made under its State plan approved under section 402(a) of the Social Security Act.

(2) Under no circumstances may the State receive Federal reimbursement for its expenses incurred in carrying out the project under this section (and in simultaneously carrying out the AFDC program during any part of the period of the project) in excess of the Federal reimbursement it would have received under section 403(a) of the Social Security Act over the period of the project if the project were not being conducted; and, as a condition of approval of the project, the State must provide assurances satisfactory to the Secretary that the total amount of such Federal reimbursement over the period of the project will not exceed the anticipated Federal reimbursements (over the period) under the current AFDC program. However, this paragraph shall not prevent the State from claiming reimbursement for additional persons who would qualify for aid under the AFDC program, for costs attributable to increases in the State's payment standard, or for any other federally matched benefits or services.

(e) Duration of Project.—(1) The project under this section shall begin on the date on which the first individual is enrolled in the Program, and (subject to paragraph (2)) shall end 5 years after that date.

(2) The project may be terminated at any time, on 6 months written notice, by the State or (upon a finding that the State has materially failed to comply with this section) by the Secretary.

(f) Reports and Evaluation.—The State shall design and conduct, in consultation with the Secretary, a rigorous scientific evaluation of the project under this section. In addition, the State shall prepare and submit to the Secretary one or more interim reports on the progress of the project under this section while the project is being conducted, and shall prepare and submit a final report on the project upon its completion.

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By Mr. DOLE (for himself, Mr. Chafee, Mr. Danforth, Mr. Durenberger, Mr. Heinz, and Mr. Wallop):

S. 1659. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of, and credit for contributions to, education savings accounts; to the Committee on Finance.

S. 1660. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of educational savings accounts the earnings on which will not be taxed; to the Committee on Finance.

S. 1661. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of, and a credit for contributions to, education savings accounts but to provide that the earnings of such accounts will be taxable; to the Committee on Finance.

S. 1662. A bill to provide for the issuance of educational savings bonds a portion of the interest on which is exempt from taxation, and for other purposes; to the Committee on Finance.

### ENCOURAGING SAVINGS FOR COLLEGE

Mr. DOLE. Mr. President, today, Senators Chafee, Danforth, Durenberger, Heinz, Wallop, and I are introducing four proposals to encourage private saving for college. If we are going to have tax incentives for specific activities, I cannot think of a more important activity to encourage than saving for a college education.

### EDUCATION SAVINGS ACCOUNTS

Three of the proposals are tax-advantaged savings accounts for post-secondary school education. One of these options is patterned after individual retirement accounts. Under this option, education savings accounts could be established for each child in a family. Parents and the child could contribute up to $1,000 annually to this account and receive a 15 percent tax credit. Creditable contributions could be made each year until the child reaches age 21 or enrolls at a qualified college or vocational school, whichever occurs first.

Amounts from the fund would not be subject to tax when used for tuition, fees, and reasonable living expenses while the child is studying at a qualified educational institution. However, the tax benefit would be recaptured in equal installments over 10 years by including one-tenth of the amount not previously subjected to tax in the child's income beginning in the year in which the child attains age 25.

If this approach seems familiar, it should. I have introduced similar legislation several times over the last few years, beginning as far back as 1980. With the attention that education and education costs have been receiving recently, it may be that this is an idea whose time has finally come.

The second and third proposals are variations on this concept. One variation would retain the feature that interest earned on amounts in the account would remain tax-deferred. The other would retain the credit, but the investment earnings would be subject to tax currently.

### EDUCATION SAVINGS BONDS

The fourth proposal—a tax-advantaged education savings bond—is based on legislation I first introduced in 1978. It would work in a manner similar to the education savings account proposals, except that an individual could buy a tax-advantaged savings bond directly from the Federal Government, rather than setting up an account with a financial institution. The amount that would be allowed to be invested in would be limited to $1,000 annually for each child.

I know some may argue that we should not have any special tax incentives in the tax laws. They may argue that taxpayers would be better off if there were no incentives and rates were commensurately lower. However, we all know that we are unlikely to see that simple a tax code any time in the near future.

### COLLEGE COSTS SKYROCKET

A college education is one of the biggest expenditures a family encounters. Back in 1980, I noted that the cost of a college education at a private institution had increased 105 percent over the previous 10 years, and the cost of a college education had increased 80 percent at public schools over the same period. This sad state of affairs has, unfortunately, not changed much in the intervening years.

This week, the college board released the results of a new study on the costs of college education. The survey showed that for the seventh straight year college costs have outstripped inflation. While the consumer price index rose 3.7 percent last year, college costs will rise an average of 6 percent at 4-year public colleges and 5 percent at 2-year community colleges.

But the costs at private schools, as in the past, have increased at an even greater rate—8 percent over the last year. The survey notes that the cost for a 4-year education at some of the most prestigious colleges and universities will reach $75,000.

Let me give a few examples. The cost at the University of Kansas will be $4,880 this year. At the University of Virginia it will be $6,100. Penn State will cost $7,800. Duke University will cost $14,940, Stanford will cost $17,548, and Princeton will cost $17,805.

Not many students or their families will be able to afford these expenses without outside help. But, with the trends we have seen over the last couple of decades, it is frightening to think how families will afford these costs for babies born this year. It is obvious that most families will not be able to fund college expenses out of the parents' current salary and the student's part-time jobs. On the other hand, it is difficult for most of us to think ahead 18 or more years. Today's problems often seem to get in the way.

One of the most effective ways to help Americans set their priorities toward a long-term commitment to saving for college is to adopt a sense of partnership between the Government and taxpayers and their families. That is what a tax incentive is, after all.

I hope these proposals will help generate debate on this vital issue. The reason for introducing several options is to encourage discussion on how to create the most effective and efficient incentives. No one should expect that anything we do in this area can provide adequate incentive without incurring some cost, unless, of course, other incentives are reduced. However, we must make every effort to assure that we design incentives that will encourage the behavior we are hoping for without having any more revenue impact than is necessary. I ask unanimous consent that an article from today's Washington Post on this subject be printed in the Record following my statement and that the text of the bills also be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. EDUCATION SAVINGS ACCOUNTS.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25 the following new section:

### "SEC. 25A. EDUCATION SAVINGS ACCOUNTS.

"(a) Credit Allowed.—In the case of an individual, there is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the sum of—

"(1) amounts paid in cash, and

"(2) the fair market value at time of transfer of stock, bonds, or other securities, which are readily tradeable on an established securities market, transferred,

during the calendar year which ends with or within the taxable year by such individual to an education savings account.

"(b) Limitations.—

"(1) Account may not be established for benefit of more than 1 individual.—An education savings account may not be established for the benefit of more than 1 individual.

"(2) Individual may not be beneficiary of more than 1 account.—If an individual is the beneficiary of more than 1 education savings account during any calendar year, no credit shall be allowed under subsection (a) for any amount paid or transferred for such calendar year to any account established for the benefit of such individual.

"(3) Maximum credit per account.—The amount allowable as a credit under subsection (a) to an individual for amounts paid or transferred to an account for any calendar year shall not exceed $150.

"(4) Contributions by more than 1 person.—If more than 1 individual makes contributions to an education savings account during a calendar year, the $150 amount under paragraph (3) shall be allocated proportionately among all individuals contributing to the account during that year on the basis of the amounts contributed by each such individual.

"(5) No credit after beneficiary attains age 21 or becomes student.—No credit shall be allowed for any contribution to an education savings account established for the benefit of an individual if, before the close of the calendar year in which such contribution is made, such individual—

"(A) has attained age 21, or

"(B) has begun attendance as a student at an eligible educational institution.

"(6) Adjustment of limit for inflation.—

"(A) In general.—Beginning in 1988, the dollar amounts in paragraph (3), paragraph (4), and subsection (c)(1)(A) shall each be adjusted by multiplying such amounts by the inflation adjustment factor for the 12-month period ending July 31 of the preceding calendar year and, as adjusted, shall be substituted for such amounts for taxable years ending with or within the calendar year next beginning after such 12-month period.

"(B) Computation of inflation adjustment factor.—

"(i) Determination and publication.—The Secretary shall, not later than October 1 of each calendar year (beginning in 1987), determine and publish in the Federal Register the inflation adjustment factor for the immediately preceding 12-month period ending on July 31 in accordance with this paragraph.

"(ii) Inflation adjustment factor.—The term 'inflation adjustment factor' means, with respect to a calendar year, a fraction the numerator of which is the average of the Consumer Price Index as of the close of the 12-month period ending on July 31 of such year and the denominator of which is the average of the Consumer Price Index as of the close of the 12-month period ending on July 31, 1986.

"(iii) Consumer price index.—For purposes of this subparagraph, the term 'Consumer Price Index' has the meaning given such term by section 1(f)(5).

"(c) Definitions and Special Rules.—

"(1) Education savings account.—For purposes of this section, the term 'education savings account' means a trust created or organized in the United States exclusively for the purpose of paying the educational expenses of an individual, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted unless it is in cash, stocks, bonds, or other securities which are readily tradeable on an established securities market, and, except in the case of contributions from another education savings account, contributions will not be accepted for the taxable year in excess of $1,000.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section.

"(C) No part of the trust assets will be invested in life insurance contracts (other than contracts the beneficiary of which is the trust and the face amount of which does not exceed the amount by which the maximum amount which can be contributed to the account exceeds the sum of the amounts contributed to the account for all taxable years).

"(D) The assets of the account may be invested in accordance with the direction of the individual contributing to the account, but, if more than one individual has made contributions to the account, the consent of all such individuals shall be required for any such direction.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(F) Any balance in the account on the day after the date on which the individual for whose benefit the trust is established attains age 25 (or, if earlier, the date on which such individual dies) will be distributed on that date—

"(i) to each of the individuals who have contributed to the trust in an amount which bears the same ratio to such balance as such individual's contributions bear to the sum all such contributions, or

"(ii) as directed by such individuals, to another education savings account established for the benefit of an individual who has not attained age 25 or to an eligible educational institution.

"(2) Time when contributions deemed made.—For purposes of this section, a taxpayer shall be deemed to have made a contribution on the last day of a calendar year if the contribution is made on account of such calendar year and is made not later than the time prescribed by law for filing the return for the taxable year (not including extensions thereof) with or within which the calendar year ends.

"(3) Stock, etc., to be valued as of transfer date.—The fair market value of stocks, bonds, and other securities shall be determined as of the date on which they are transferred to the account. If the date of transfer falls on a Saturday, Sunday, or public legal holiday, then the fair market value shall be determined by reference to the last preceding day on which they could have been traded on an established securities market.

"(4) Educational expenses.—The term 'educational expenses' means—

"(A) tuition and fees required for the enrollment or attendance of a student at an eligible educational institution,

"(B) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution, and

"(C) a reasonable allowance for meals and lodging while attending an eligible educational institution.

"(5) Eligible educational institution.—The term 'eligible educational institution' means—

"(A) an institution of higher education, or

"(B) a vocational school.

"(6) Institution of higher education.—The term 'institution of higher education' means the institutions described in section 1201(a) or 481(a) of the Higher Education Act of 1965.

"(7) Vocational school.—The term 'vocational school' means an area vocational education school as defined in subparagraph (C) or (D) of section 521(3) of the Carl D. Perkins Vocational Education Act which is in any State (as defined in section 521(27) of such Act).

"(d) Tax Treatment of Distributions.—

"(1) In general.—Except as otherwise provided in this subsection, if any amount is paid or distributed out of an education savings account, there shall be included in the gross income of each individual who has contributed to the account for the taxable year in which the payment or distribution is made an amount which bears the same ratio to the amount such payment or distribution as—

"(A) the amount contributed by that individual as of the time of the payment or distribution, bears to

"(B) the aggregate amount contributed by all individuals to such account as of such time.

"(2) Exception for certain distributions.—Paragraph (1) shall not apply to any payment or distribution which—

"(A) is used exclusively to pay the educational expenses incurred by the individual for whose benefit the account is established, or

"(B) is described in subsection (c)(1)(F)(ii).

"(3) Excess contributions returned before due date of return.—Paragraph (1) shall not apply to the distribution of any contribution paid during a taxable year to an education savings account to the extent that such contribution exceeds the amount allowable under subsection (c)(1)(A) if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year,

"(B) no credit is allowed under subsection (a) with respect to such excess contribution, and

"(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the individual for the taxable year in which it is received.

"(4) Qualified distributions included in beneficiary's income over 10-year period.—The gross income of an individual for whose benefit an education savings account was established for the taxable year in which that individual attains age 25 and for each of the 9 succeeding taxable years shall be increased by 10 percent of the sum of the amounts paid or distributed out of the account which were used exclusively to pay the educational expenses incurred by that individual.

"(e) Tax Treatment of Accounts.—

"(1) Exemption from tax.—An education savings account is exempt from taxation under this subtitle unless such account has ceased to be an education savings account by reason of paragraph (2) or (3). Notwithstanding the preceding sentence, any such account is subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc. organizations).

"(2) Loss of exemption of account where individual engages in prohibited transaction.—

"(A) In general.—If, during any taxable year of an individual who contributes to an education savings account, that individual engages in any transaction prohibited by section 4975 with respect to the account, the account ceases to be an education savings account as of the first day of that taxable year.

"(B) Account treated as distributing all its assets.—In any case in which any account ceases to be an education savings account by reason of subparagraph (A) on the first day of any taxable year, paragraph (1) of subsection (d) shall apply as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

"(3) Effect of pledging account as security.—If, during any taxable year, the individual for whose benefit an education savings account is established uses the account or any portion thereof as security for a loan,

the portion so used is treated as distributed to that individual.

"(f) Additional Tax on Certain Amounts Included in Gross Income.—

"(1) Distribution not used for educational expenses.—If a distribution—

"(A) is made from an education savings account, and

"(B) is not used in connection with the payment of educational expenses of the individual for whose benefit the account was established,

the tax liability (for the taxable year in which such distribution is received) of each of the individuals who has contributed to the account shall be increased by an amount equal to 10 percent of the amount of the distribution which is includible in his gross income for such taxable year.

"(2) Disqualification cases.—If an amount is includible in the gross income of an individual for a taxable year under subsection (e), the tax liability of such individual under this chapter for such taxable year shall be increased by an amount equal to 10 percent of such amount required to be included in his gross income.

"(3) Disability or death cases.—Paragraphs (1) and (2) do not apply if the payment or distribution is made after the individual for whose benefit the education savings account becomes disabled within the meaning of section 72(m)(7) or dies.

"(g) Community Property Laws.—This section shall be applied without regard to any community property laws.

"(h) Custodial Accounts.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that—

"(1) the manner in which he will administer the account will be consistent with the requirements of this section, and

"(2) the custodial account would, except for the fact that it is not a trust, constitute an education savings account described in subsection (c).

For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(i) Reports.—The trustee of an education savings account shall make such reports regarding such account to the Secretary and to the individual for whose benefit the account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations."

(b) Tax on Excess Contributions.—Section 4973 of such Code (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, and certain individual retirement annuities) is amended—

(1) by inserting "education savings accounts," after "accounts," in the heading of such section,

(2) by redesignating paragraph (2) of subsection (a) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) an education savings account (within the meaning of section 25A(c)),",

(3) by striking out "or" at the end of paragraph (1) of subsection (a), and

(4) by adding at the end thereof the following new subsection:

"(d) Excess Contributions to Education Savings Accounts.—For purposes of this section, in the case of an education savings account, the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the account exceeds the amount allowable under section 25A(c)(1)(A) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the education savings account in a distribution to which section 25A(d)(3) applies shall be treated as an amount not contributed."

(c) Contribution Not To Be Treated as a Gift for Gift Tax Purposes.—Section 2503 of such Code (relating to taxable gifts) is amended by adding at the end thereof the following new subsection:

"(g) Education Savings Accounts.—For purposes of subsection (b), any payment made by an individual to an education savings account described in section 25A(c) shall not be considered a gift of a future interest in property to the extent that such payment is allowable under section 25A(c)(1)(A)."

(d) Tax on Prohibited Transactions.—Section 4975 of such Code (relating to prohibited transactions) is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

"(4) Special rule for education savings accounts.—An individual for whose benefit and education savings account is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be an education savings account by reason of the application of section 25A(e)(2)(A) to such account.", and

(2) by inserting "or an education savings account described in section 25A(c)" in subsection (e)(1) after "described in section 408(a)".

(e) Failure To Provide Reports on Education Savings Accounts.—Section 6693 of such Code (relating to failure to provide reports on individual retirement account or annuities) is amended—

(1) by inserting "or an education savings account" after "annuities" in the heading of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 25A(i) to file a report regarding an education account at the time and in the manner required by such section shall pay a penalty of $50 for each failure unless it is shown that such failure is due to reasonable cause."

(f) Exclusion From Gross Income.—

(1) Part III of subchapter B of chapter 1 of such Code (relating to items specifically excluded from gross income) is amended by redesignating section 135 as section 136 and by inserting after section 134 the following new section:

"SEC. 135. EDUCATION SAVINGS ACCOUNT DISTRIBUTIONS.

"In the case of an individual, and except as is provided in section 25A(d)(4), gross income does not include distributions from an education savings account used exclusively for the payment of educational expenses of that individual (within the meaning of section 25A(c)(4))."

(2) The table of sections for such part III is amended by striking out the item relating to section 135 and inserting in lieu thereof the following new items:

"Sec. 135. Education savings account distributions.

"Sec. 136. Cross references to other Acts."

(g) Dependent.—Subsection (b) of section 152 of such Code (relating to definition of dependent) is amended by adding at the end thereof the following new paragraph:

"(6) A payment to an individual for whose benefit an education savings account (as defined in section 25A(c)) is established from that account which is excluded from the gross income of that individual under section 135 shall not be taken into account in determining support for purposes of this section."

(h) Conforming Amendments.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Education savings accounts."

(2) The table of sections for chapter 43 of such Code is amended by striking out the item relating to section 4973 and inserting in lieu thereof the following:

"Sec. 4973. Tax on excess contributions to individual retirement accounts, education savings accounts, certain 403(b) contracts, and certain individual retirement annuities."

(3) The table of sections for subchapter B of chapter 68 of such Code is amended by inserting "or on education savings accounts" after "annuities" in the item relating to section 6693.

(i) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

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## S. 1660

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. EDUCATION SAVINGS ACCOUNTS.

(a) In General.—Subchapter F of chapter 1 of the Internal Revenue Code of 1986 (relating to exempt organizations) is amended by adding at the end thereof the following new part:

"PART VIII—EDUCATION SAVINGS ACCOUNTS

"Sec. 529. Taxation of education savings accounts.

"SEC. 529. TAXATION OF EDUCATION SAVINGS ACCOUNTS.

"(a) Exemption From Taxation.—

"(1) In general.—Except as provided in paragraph (2), an education savings account is exempt from taxation under this subtitle.

"(2) Unrelated business income.—An education savings account shall be subject to the tax imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc. organizations).

"(b) Definition of Education Savings Account.—

"(1) In general.—For purposes of this section, the term 'education savings account' means a trust created or organized in the United States exclusively for the purpose of paying the educational expenses of an individual, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted unless it is in cash, stocks, bonds, or other securities which are readily tradeable on an established securities market, and, except in the case of contributions from another education savings account, contributions will not be accepted for the taxable year in excess of $1,000.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section.

"(C) No part of the trust assets will be invested in life insurance contracts (other than contracts the beneficiary of which is the trust and the face amount of which does not exceed the amount by which the maximum amount which can be contributed to the account exceeds the sum of the amounts contributed to the account for all taxable years).

"(D) The assets of the account may be invested in accordance with the direction of the individual contributing to the account, but, if more than one individual has made contributions to the account, the consent of all such individuals shall be required for any such direction.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(F) Any balance in the account on the day after the date on which the individual for whose benefit the trust is established attains age 25 (or, if earlier, the date on which such individual dies) will be distributed on that date—

"(i) to each of the individuals who have contributed to the trust in an amount which bears the same ratio to such balance as such individual's contributions bear to the sum all such contributions, or

"(ii) as directed by such individuals, to another education savings account established for the benefit of an individual who has not attained age 25 or to an eligible educational institution.

"(G) The account may not be established for the benefit of more than 1 individual.

"(H) The beneficiary of the account may not be the beneficiary of any other education savings account.

"(2) Adjustment of limit for inflation.—

"(A) In general.—Beginning in 1988, the dollar amount in paragraph (1) shall be adjusted by multiplying such amount by the inflation adjustment factor for the 12-month period ending July 31 of the preceding calendar year and, as adjusted, shall be substituted for such amount for the calendar year beginning after such 12-month period.

"(B) Computation of inflation adjustment factor.—

"(i) Determination and publication.—The Secretary shall, not later than October 1 of each calendar year (beginning in 1987), determine and publish in the Federal Register the inflation adjustment factor for the immediately preceding 12-month period ending on July 31 in accordance with this paragraph.

"(ii) Inflation adjustment factor.—The term 'inflation adjustment factor' means, with respect to a calendar year, a fraction the numerator of which is the average of the Consumer Price Index as of the close of the 12-month period ending on July 31 of such year and the denominator of which is the average of the Consumer Price Index as of the close of the 12-month period ending on July 31, 1986.

"(iii) Consumer price index.—For purposes of this subparagraph, the term 'Consumer Price Index' has the meaning given such term by section 1(f)(5).

"(3) Stock, etc., to be valued as of transfer date.—The fair market value of stocks, bonds, and other securities shall be determined as of the date on which they are transferred to the account. If the date of transfer falls on a Saturday, Sunday, or public legal holiday, then the fair market value shall be determined by reference to the last preceding day on which they could have been traded on an established securities market.

"(c) Other Definitions.—For purposes of this section—

"(1) Educational expenses.—The term 'educational expenses' means—

"(A) tuition and fees required for the enrollment or attendance of a student at an eligible educational institution,

"(B) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution, and

"(C) a reasonable allowance for meals and lodging while attending an eligible educational institution.

"(2) Eligible educational institution.—The term 'eligible educational institution' means—

"(A) an institution of higher education, or

"(B) a vocational school.

"(3) Institution of higher education.—The term 'institution of higher education' means the institutions described in section 1201(a) or 481(a) of the Higher Education Act of 1965.

"(4) Vocational school.—The term 'vocational school' means an area vocational education school as defined in subparagraph (C) or (D) of section 521(3) of the Carl D. Perkins Vocational Education Act which is in any State (as defined in section 521(27) of such Act).

"(d) Tax Treatment of Distributions.—

"(1) In general.—Except as otherwise provided in this subsection, if any amount is paid or distributed out of an education savings account, there shall be included in the gross income of each individual who has made contributions to such account for the taxable year of such individual in which such payment or distribution is made the applicable percentage (within the meaning of paragraph (5)) of the amount which bears the same ratio to the amount of the payment or distribution as—

"(A) the amount contributed by the individual as of the time of the payment or distribution, bears to

"(B) the aggregate amount contributed by all individuals to such account as of such time.

"(2) Exception for certain distributions.—Paragraph (1) shall not apply to any payment or distribution which—

"(A) is used exclusively to pay the educational expenses incurred by the individual for whose benefit the account is established, or

"(B) is described in subsection (b)(1)(F)(ii).

"(3) Excess contributions returned before due date of return.—Paragraph (1) shall not apply to the distribution of any contribution paid during a taxable year to an education savings account to the extent that such contribution exceeds the amount allowable under subsection (b)(1)(A) if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year, and

"(B) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (B) shall be included in the gross income of the individual for the taxable year in which it is received.

"(4) Qualified distributions included in beneficiary's income over 10-year period.—The gross income of an individual for whose benefit an education savings account was established for the taxable year in which that individual attains age 25 and for each of the 9 succeeding taxable years shall be increased by 10 percent of the sum of the applicable percentage (within the meaning of paragraph (5)) of any amount paid or distributed out of the account which was used exclusively to pay educational expenses incurred by that individual.

"(5) Applicable percentage.—For purposes of this subsection, the term 'applicable percentage' means the percentage equal to the fraction—

"(A) the numerator of which is the excess of—

"(i) the aggregate amount of earnings on an education savings account immediately before a payment or distribution, over

"(ii) the amount of earnings previously treated as paid or distributed out of the account under this section, and

"(B) the denominator of which is the balance in such account as of such time.

"(e) Tax Treatment of Accounts.—

"(1) Cessation of treatment as account.—

"(A) In general.—If, during any taxable year of an individual who contributes to an education savings account—

"(i) the requirements of subsection (b)(1) are not met, or

"(ii) such individual engages in any transaction prohibited by section 4975 with respect to the account,

the account shall cease to be an education savings account as of the first day of that taxable year.

"(B) Account treated as distributing all its assets.—In any case in which any account ceases to be an education savings account by reason of subparagraph (A) on the first day of any taxable year, paragraph (1) of subsection (d) shall apply as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

"(2) Effect of pledging account as security.—If, during any taxable year, the individual for whose benefit an education savings account is established uses the account or any portion thereof as security for a loan, the portion so used shall be treated as distributed to that individual.

"(f) Additional Tax on Certain Amounts Included in Gross Income.—

"(1) Distribution not used for educational expenses.—If a distribution—

"(A) is made from an education savings account, and

"(B) is not used in connection with the payment of educational expenses of the individual for whose benefit the account was established,

the tax liability (for the taxable year in which such distribution is received) of each of the individuals who has contributed to the account shall be increased by an amount equal to 10 percent of the amount of the distribution which is includible in the gross income of such individual for such taxable year.

"(2) Disqualification cases.—If an amount is includible in the gross income of an individual for a taxable year under subsection (e), the tax liability of such individual under this chapter for such taxable year shall be increased by an amount equal to 10 percent of such amount required to be included in his gross income.

"(3) Disability or death cases.—Paragraphs (1) and (2) shall not apply if the payment or distribution is made after the individual for whose benefit the education savings account becomes disabled within the meaning of section 72(m)(7) or dies.

"(g) Community Property Laws.—This section shall be applied without regard to any community property laws.

"(h) Custodial Accounts.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that—

"(1) the manner in which he will administer the account will be consistent with the requirements of this section, and

"(2) the custodial account would, except for the fact that it is not a trust, constitute an education savings account described in subsection (b).

For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(i) Reports.—The trustee of an education savings account shall make such reports regarding such account to the Secretary and to the individual for whose benefit the account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations."

(b) Tax on Excess Contributions.—Section 4973 of such Code (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, and certain individual retirement annuities) is amended—

(1) by inserting "1education savings accounts," after "accounts," in the heading of such section,

(2) by redesignating paragraph (2) of subsection (a) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) an education savings account (within the meaning of section 529(b)),",

(3) by striking out "or" at the end of paragraph (1) of subsection (a), and

(4) by adding at the end thereof the following new subsection:

"(d) Excess Contributions to Education Savings Accounts.—For purposes of this section, in the case of an education savings account, the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the account exceeds the amount allowable under section 529(b)(1)(A) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the education savings account in a distribution to which section 529(d)(3) applies shall be treated as an amount not contributed."

(d) Contribution Not To Be Treated as a Gift for Gift Tax Purposes.—Section 2503 of such Code (relating to taxable gifts) is amended by adding at the end thereof the following new subsection:

"(g) Education Savings Accounts.—For purposes of subsection (b), any payment made by an individual to an education savings account described in section 529(b) shall not be considered a gift of a future interest in property to the extent that such payment is allowed under section 529."

(e) Tax on Prohibited Transactions.—Section 4975 of such Code (relating to prohibited transactions) is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

"(4) Special rule for education savings accounts.—An individual for whose benefit an education savings account is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be an education savings account by reason of the application of section 529(e)(1)(A) to such account.", and

(2) by inserting "or an education savings account described in section 529(b)" in subsection (e)(1) after "described in section 408(a)".

(f) Failure To Provide Reports on Education Savings Accounts.—Section 6693 of such Code (relating to failure to provide reports on individual retirement account or annuities) is amended—

(1) by inserting "or an education savings account" after "annuities" in the heading of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 529(i) to file a report regarding an education account at the time and in the manner required by such section shall pay a penalty of $50 for each failure unless it is shown that such failure is due to reasonable cause."

(g) Exclusion From Gross Income.—

(1) Part III of subchapter B of chapter 1 of such Code (relating to items specifically excluded from gross income) is amended by redesignating section 135 as section 136 and by inserting after section 134 the following new section:

"SEC. 135. EDUCATION SAVINGS ACCOUNT DISTRIBUTIONS.

"In the case of an individual, and except as is provided in section 529(d)(4), gross income does not include distributions from an education savings account used exclusively for the payment of educational expenses of that individual (within the meaning of section 529(c)(1))."

(2) The table of sections for such part III is amended by striking out the item relating to section 135 and inserting in lieu thereof the following new items:

"Sec. 135. Education savings account distributions.

"Sec. 136. Cross references to other Acts."

(h) Dependent.—Subsection (b) of section 152 of such Code (relating to definition of dependent) is amended by adding at the end thereof the following new paragraph:

"(6) A payment to an individual for whose benefit an education savings account (as defined in section 529(b)) is established from that account which is excluded from the gross income of that individual under section 135 shall not be taken into account in determining support for purposes of this section."

(i) Conforming Amendments.—

(1) The table of parts for subchapter F of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Part VIII. Education savings accounts."

(2) The table of sections for chapter 43 of such Code is amended by striking out the item relating to section 4973 and inserting in lieu thereof the following:

"Sec. 4973. Tax on excess contributions to individual retirement accounts, education savings accounts, certain 403(b) contracts, and certain individual retirement annuities."

(3) The table of sections for subchapter B of chapter 68 of such Code is amended by inserting "or on education savings accounts" after "annuities" in the item relating to section 6693.

(j) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

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### S. 1661

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. EDUCATION SAVINGS ACCOUNTS.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25 the following new section:

"SEC. 25A. EDUCATION SAVINGS ACCOUNTS.

"(a) Credit Allowed.—In the case of an individual, there is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the sum of—

"(1) amounts paid in cash, and

"(2) the fair market value at time of transfer of stock, bonds, or other securities, which are readily tradeable on an established securities market, transferred,

during the calendar year which ends with or within the taxable year by such individual to an education savings account.

"(b) Limitations.—

"(1) Account may not be established for benefit of more than 1 individual.—An education savings account may not be established for the benefit of more than 1 individual.

"(2) Individual may not be beneficiary of more than 1 account.—If an individual is the beneficiary of more than 1 education savings account during any calendar year, no credit shall be allowed under subsection (a) for any amount paid or transferred for such calendar year to any account established for the benefit of such individual.

"(3) Maximum credit per account.—The amount allowable as a credit under subsection (a) to an individual for amounts paid or transferred to an account for any calendar year shall not exceed $150.

"(4) Contributions by more than 1 person.—If more than 1 individual makes contributions to an education savings account during a calendar year, the $150 amount under paragraph (3) shall be allocated proportionately among all individuals contributing to the account during that year on the basis of the amounts contributed by each such individual.

"(5) No credit after beneficiary attains age 21 or becomes student.—No credit shall be allowed for any contribution to an education savings account established for the benefit of an individual if, before the close of the calendar year in which such contribution is made, such individual—

"(A) has attained age 21, or

"(B) has begun attendance as a student at an eligible educational institution.

"(6) Adjustment of limit for inflation.—

"(A) In general.—Beginning in 1988, the dollar amounts in paragraph (3), paragraph (4), and subsection (c)(1)(A) shall each be adjusted by multiplying such amounts by the inflation adjustment factor for the 12-month period ending July 31 of the preceding calendar year and, as adjusted, shall be substituted for such amounts for taxable years ending with or within the calendar year next beginning after such 12-month period.

"(B) Computation of inflation adjustment factor.—

"(i) Determination and publication.—The Secretary shall, not later than October 1 of each calendar year (beginning in 1987), determine and publish in the Federal Register the inflation adjustment factor for the immediately preceding 12-month period ending on July 31 in accordance with this paragraph.

"(ii) Inflation adjustment factor.—The term 'inflation adjustment factor' means, with respect to a calendar year, a fraction the numerator of which is the average of the Consumer Price Index as of the close of the 12-month period ending on July 31 of such year and the denominator of which is the average of the Consumer Price Index as of the close of the 12-month period ending on July 31, 1986.

"(iii) Consumer price index.—For purposes of this subparagraph, the term 'Consumer Price Index' has the meaning given such term by section 1(f)(5).

"(c) Definitions and Special Rules.—

"(1) Education savings account.—For purposes of this section, the term 'education savings account' means a trust created or organized in the United States exclusively for the purpose of paying the educational expenses of an individual, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted unless it is in cash, stocks, bonds, or other securities which are readily tradeable on an established securities market, and, except in the case of contributions from another education savings account, contributions will not be accepted for the taxable year in excess of $1,000.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section.

"(C) No part of the trust assets will be invested in life insurance contracts (other than contracts the beneficiary of which is the trust and the face amount of which does not exceed the amount by which the maximum amount which can be contributed to the account exceeds the sum of the amounts contributed to the account for all taxable years).

"(D) The assets of the account may be invested in accordance with the direction of the individual contributing to the account, but, if more than one individual has made contributions to the account, the consent of all such individuals shall be required for any such direction.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(F) Any balance in the account on the day after the date on which the individual for whose benefit the trust is established attains age 25 (or, if earlier, the date on which such individual dies) will be distributed on that date—

"(i) to each of the individuals who have contributed to the trust in an amount which bears the same ratio to such balance as such individual's contributions bear to the sum all such contributions, or

"(ii) as directed by such individuals, to another education savings account established for the benefit of an individual who has not attained age 25 or to an eligible educational institution.

"(2) Time when contributions deemed made.—For purposes of this section, a taxpayer shall be deemed to have made a contribution on the last day of a calendar year if the contribution is made on account of such calendar year and is made not later than the time prescribed by law for filing the return for the taxable year (not including extensions thereof) with or within which the calendar year ends.

"(3) Stock, etc., to be valued as of transfer date.—The fair market value of stocks, bonds, and other securities shall be determined as of the date on which they are transferred to the account. If the date of transfer falls on a Saturday, Sunday, or public legal holiday, then the fair market value shall be determined by reference to the last preceding day on which they could have been traded on an established securities market.

"(4) Educational expenses.—The term 'educational expenses' means—

"(A) tuition and fees required for the enrollment or attendance of a student at an eligible educational institution,

"(B) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution, and

"(C) a reasonable allowance for meals and lodging while attending an eligible educational institution.

"(5) Eligible educational institution.—The term 'eligible educational institution' means—

"(A) an institution of higher education, or

"(B) a vocational school.

"(6) Institution of higher education.—The term 'institution of higher education' means the institutions described in section 1201(a) or 481(a) of the Higher Education Act of 1965.

"(7) Vocational school.—The term 'vocational school' means an area vocational education school as defined in subparagraph (C) or (D) of section 521(3) of the Carl D. Perkins Vocational Education Act which is in any State (as defined in section 521(27) of such Act).

"(d) Tax Treatment of Distributions.—

"(1) In general.—Except as otherwise provided in this subsection, if any amount is paid or distributed out of an education savings account, there shall be included in the gross income of each individual who has made contributions to such account for the taxable year of such individual in which such payment or distribution is made the applicable percentage (within the meaning of paragraph (5)) of the amount which bears the same ratio to the amount of the payment or distribution as—

"(A) the amount contributed by the individual as of the time of the payment or distribution, bears to

"(B) the aggregate amount contributed by all individuals to such account as of such time.

"(2) Exception for certain distributions.—Paragraph (1) shall not apply to any payment or distribution which—

"(A) is used exclusively to pay the educational expenses incurred by the individual for whose benefit the account is established, or

"(B) is described in subsection (c)(1)(F)(ii).

"(3) Excess contributions returned before due date of return.—Paragraph (1) shall not apply to the distribution of any contribution paid during a taxable year to an education savings account to the extent that such contribution exceeds the amount allowable under subsection (c)(1)(A) if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year,

"(B) no credit is allowed under subsection (a) with respect to such excess contribution, and

"(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the individual for the taxable year in which it is received.

"(4) Qualified distributions included in beneficiary's income over 10-year period.—The gross income of an individual for whose benefit an education savings account was established for the taxable year in which that individual attains age 25 and for each of the 9 succeeding taxable years shall be increased by 10 percent of the sum of the applicable percentage (within the meaning of paragraph (5)) of any amount paid or distributed out of the account which was used exclusively to pay educational expenses incurred by that individual.

"(5) Applicable percentage.—For purposes of this subsection, the term 'applicable percentage' means the percentage equal to the fraction—

"(A) the numerator of which is the excess of—

"(i) the aggregate amount of contributions to an education savings account immediately before a payment or distribution, over

"(ii) the amount of contributions previously treated as paid or distributed out of the account under this section, and

"(B) the denominator of which is the balance in such account as of such time.

"(e) Tax Treatment of Accounts.—

"(1) Account subject to tax at 15 percent rate.—

"(A) In general.—There is hereby imposed for each taxable year on the taxable income of an education savings account a tax equal to 15 percent of such taxable income.

"(B) Taxable income.—For purposes of this paragraph, the term 'taxable income' means the gross income of the education savings account less any deductions allowable under this chapter which are directly allocable to such income.

"(2) Treatment of account where individual engages in prohibited transaction.—

"(A) In general.—If, during any taxable year of an individual who contributes to an education savings account, that individual engages in any transaction prohibited by section 4975 with respect to the account, the account ceases to be an education savings account as of the first day of that taxable year.

"(B) Account treated as distributing all its assets.—In any case in which any account ceases to be an education savings account by reason of subparagraph (A) on the first day of any taxable year, paragraph (1) of subsection (d) shall apply as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

"(3) Effect of pledging account as security.—If, during any taxable year, the individual for whose benefit an education savings account is established uses the account or any portion thereof as security for a loan, the portion so used shall be treated as distributed to that individual.

"(f) Additional Tax on Certain Amounts Included in Gross Income.—

"(1) Distribution not used for educational expenses.—If a distribution—

"(A) is made from an education savings account, and

"(B) is not used in connection with the payment of educational expenses of the individual for whose benefit the account was established,

the tax liability (for the taxable year in which such distribution is received) of each of the individuals who has contributed to the account shall be increased by an amount equal to 10 percent of the amount of the distribution which is includible in the gross income of such individual for such taxable year.

"(2) Disqualification cases.—If an amount is includible in the gross income of an individual for a taxable year under subsection (e), the tax liability of such individual under this chapter for such taxable year shall be increased by an amount equal to 10 percent of such amount required to be included in his gross income.

"(3) Disability or death cases.—Paragraphs (1) and (2) shall not apply if the payment or distribution is made after the individual for whose benefit the education savings account becomes disabled within the meaning of section 72(m)(7) or dies.

"(g) Community Property Laws.—This section shall be applied without regard to any community property laws.

"(h) Custodial Accounts.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that—

"(1) the manner in which he will administer the account will be consistent with the requirements of this section, and

"(2) the custodial account would, except for the fact that it is not a trust, constitute an education savings account described in subsection (c).

For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(i) Reports.—The trustee of an education savings account shall make such reports regarding such account to the Secretary and to the individual for whose benefit the account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations."

(b) Tax on Excess Contributions.—Section 4973 of such Code (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, and certain individual retirement annuities) is amended—

(1) by inserting "education savings accounts," after "accounts," in the heading of such section,

(2) by redesignating paragraph (2) of subsection (a) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) an education savings account (within the meaning of section 25A(c)),",

(3) by striking out "or" at the end of paragraph (1) of subsection (a), and

(4) by adding at the end thereof the following new subsection:

"(d) Excess Contributions to Education Savings Accounts.—For purposes of this section, in the case of an education savings account, the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the account exceeds the amount allowable under section 25A(c)(1)(A) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the education savings account in a distribution to which section 25A(d)(3) applies shall be treated as an amount not contributed."

(c) Contribution Not To Be Treated as a Gift for Gift Tax Purposes.—Section 2503 of such Code (relating to taxable gifts) is amended by adding at the end thereof the following new subsection:

"(g) Education Savings Accounts.—For purposes of subsection (b), any payment made by an individual to an education savings account described in section 25A(c) shall not be considered a gift of a future interest in property to the extent that such payment is allowable under section 25A."

(d) Tax on Prohibited Transactions.—Section 4975 of such Code (relating to prohibited transactions) is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

"(4) Special rule for education savings accounts.—An individual for whose benefit an education savings account is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be an education savings account by reason of the application of section 25A(e)(2)(A) to such account.", and

(2) by inserting "or an education savings account described in section 25A(c)" in subsection (e)(1) after "described in section 408(a)".

(e) Failure To Provide Reports on Education Savings Accounts.—Section 6693 of such Code (relating to failure to provide reports on individual retirement account or annuities) is amended—

(1) by inserting "or an education savings account" after "annuities" in the heading of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 25A(i) to file a report regarding an education account at the time and in the manner required by such section shall pay a penalty of $50 for each failure unless it is shown that such failure is due to reasonable cause."

(f) Exclusion From Gross Income.—

(1) Part III of subchapter B of chapter 1 of such Code (relating to items specifically excluded from gross income) is amended by redesignating section 135 as section 136 and by inserting after section 134 the following new section:

"SEC. 135. EDUCATION SAVINGS ACCOUNT DISTRIBUTIONS.

"In the case of an individual, and except as is provided in section 25A(d)(4), gross income does not include distributions from an education savings account used exclusively for the payment of educational expenses of that individual (within the meaning of section 25A(c)(4))."

(2) The table of sections for such part III is amended by striking out the item relating to section 135 and inserting in lieu thereof the following new items:

"Sec. 135. Education savings account distributions.

"Sec. 136. Cross references to other Acts."

(g) Dependent.—Subsection (b) of section 152 of such Code (relating to definition of dependent) is amended by adding at the end thereof the following new paragraph:

"(6) A payment to an individual for whose benefit an education savings account (as defined in section 25A(c)) is established from that account which is excluded from the gross income of that individual under section 135 shall not be taken into account in determining support for purposes of this section."

(h) Conforming Amendments.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Education savings accounts."

(2) The table of sections for chapter 43 of such Code is amended by striking out the item relating to section 4973 and inserting in lieu thereof the following:

"Sec. 4973. Tax on excess contributions to individual retirement accounts, education savings accounts, certain 403(b) contracts, and certain individual retirement annuities."

(3) The table of sections for subchapter B of chapter 68 of such Code is amended by inserting "or on education savings accounts" after "annuities" in the item relating to section 6693.

(i) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

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S. 1662

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. EDUCATIONAL SAVINGS BONDS.**

(a) Issuance of Bonds.—Chapter 31 of title 31, United States Code, is amended by inserting after section 3105 the following new section:

**"§ 3105A. Educational savings bonds**

"(a) Except as provided in this section, the Secretary of the Treasury may, with the approval of the President, issue bonds under section 3105 which are designated as educational savings bonds.

"(b) Any bond issued under subsection (a) shall by its terms provide—

"(1) for payment of interest (or investment yield) only on redemption,

"(2) that no interest (or investment yield) is payable if the bond is redeemed within 12 months of the date of issuance,

"(3) that it ceases to bear interest (or provide investment yield) at the end of the 240th month after the date of issuance, and

"(4) is not transferable.

"(c) Any bond issued under subsection (a) shall bear interest at a rate equal to the Federal long-term rate (within the meaning of section 1274(d)(1) of the Internal Revenue Code of 1986) in effect at the time such bond is issued. The Secretary may from time-to-time adjust such rate (but not below the rate at time of issuance) to reflect the differential between such rate and the rate of other bonds issued under section 3101.".

(b) Exclusion From Gross Income.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 103 the following new section:

"SEC. 103A. EDUCATIONAL SAVINGS BONDS.

"(a) General Rule.—Gross income for any taxable year shall not include any interest (or investment yield) on an educational savings bond issued under section 3105A of title 31, United States Code.

"(b) Limitation.—Subsection (a) shall not apply to that portion of the interest (or investment yield) for any taxable year on educational savings bonds to the extent the aggregate face amount of such bonds exceeds $1,000. If such aggregate amount exceeds $1,000, bonds shall be taken into account for purposes of this section in the order in which issued.".

(c) Inclusion of Certain Amounts in Gross Income.—Part II of subchapter B of chapter 1 of such Code (relating to items specifically included in gross income) is amended by adding at the end thereof the following new section:

"SEC. 90. EDUCATIONAL SAVINGS BOND INTEREST.

"(a) General Rule.—Notwithstanding section 103A, interest or investment yield on an educational savings bond issued under section 3105A of title 31, United States Code, shall be included in the gross income of the taxpayer for the taxable year in which the bond is redeemed—

"(1) to the extent that the amount of such interest or investment yield for the taxable year exceeds the sum of the higher education expenses paid or incurred by the taxpayer with respect to a dependent for that taxable year, or

"(2) if the bond is redeemed more than 300 months after the date of its issuance.

"(b) Subsection (a) Not to Apply in the Case of Disability or Death.—Subsection (a) shall not apply for any taxable year during which the educational savings bond is redeemed if, for that taxable year, the registered owner is disabled within the meaning of section 72(m)(7), or the taxable year is ended by the death of the registered owner.

"(c) Higher Education Expenses Defined.—

"(1) In general.—The term 'higher education expenses' means—

"(A) tuition and fees required for the enrollment or attendance at an eligible educational institution,

"(B) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution, and

"(C) a reasonable allowance for meals and lodging while attending an eligible educational institution.

"(2) Eligible educational institution.—The term 'eligible educational institution' means—

"(A) an institution of higher education; or

"(B) a vocational school.

"(3) Institution of higher education.—The term 'institution of higher education' means the institutions described in section 1201(a) or 481(a) of the Higher Education Act of 1965.

"(4) Vocational school.—The term 'vocational school' means an area vocational education school as defined in subparagraph (C) or (D) of section 521(3) of the Carl D. Perkins Vocational Education Act which is in any State (as defined in section 521(27) of such Act).".

(d) Conforming Amendments.—

(1) The table of sections of chapter 31 of title 31, United States Code, is amended by inserting after the item relating to section 3105 the following new item:

"3105A. Educational savings bonds.".

(2) The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 103 the following new item:

"Sec. 103A. Educational savings bonds.".

(3) The table of sections for part II of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new item:

"Sec. 90. Educational savings bond interest.".

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall apply with respect to taxable years beginning after December 31, 1986.

[From the Washington Post, Aug. 7, 1987]

COLLEGE COSTS REACH AS HIGH AS $75,000—TUITIONS OUTSTRIP ANNUAL INFLATION

(By Lawrence Feinberg)

The cost of a college education is continuing to climb far more rapidly than inflation, according to a new College Board survey. At some of the nation's most prestigious private colleges and universities, the survey indicates, the total four-year cost of a bachelor's degree has reached $75,000.

"It's sobering when you look at these figures," said Kathleen Brouder, director of information for the College Scholarship Service, the financial aid division of the College Board.

Even with financial aid, Brouder said, "it's going to require quite a bit of effort for most families to send their children" to private colleges.

Despite relatively large tuition increases, averaging 8 percent for the coming academic year, private four-year institutions generally say they have had a strong year in student applications and acceptances.

"If you are at a certain perceived level of quality, then you can charge higher tuition and get the students you want," said Mary McKeown, associate director of the finance division of the Maryland State Board of Higher Education. "Maybe if your tuition is at a certain level, you are perceived to be of high quality."

According to the new College Board data, tuition and required fees will rise an average of 8 percent at four-year public colleges and two-year private schools, and by 5 percent at two-year community colleges, where tuitions already are relatively low.

It is the seventh straight year in which college costs have outstripped inflation. The general cost of living, as measured by the Labor Department's consumer price index, rose by 3.7 percent in the last year, although recent price increases have reached an annual rate of more than 5 percent.

The nation's most expensive undergraduate institution is Bennington College, a fine arts school in southern Vermont, whose total annual cost is estimated at $19,400. Other prestigious schools, including the University of Chicago and most Ivy League schools, are charging more than $12,000 in tuition this fall, and estimate their total costs at $18,000 to $19,000.

At Georgetown University, the area's highest-priced college, annual undergraduate tuition will be $10,950 this fall—up 7.6 percent from the last academic year. Total costs, including room, board, and other expenses, will reach slightly more than $17,000.

Tuition will rise at George Washington University by 9.2 percent, to $9,006, and at Catholic University by 8.2 percent, to $8,740. At American University, it will rise 8.2 percent, to $9,744.

Among the public universities, which are heavily subsidized, tuition and fees this fall for state residents will reach $2,366 at the Univerity of Virginia, a 5.7 percent rise, and $1,740 at the University of Maryland, an increase of 8.7 percent.

At the University of the District of Columbia, the area's lowest-priced college, tuition for residents is unchanged at $634 a year affer a 28 percent increase last fall. Officials have said they fear another tuition increase would cut enrollment, which has tumbled by about 25 percent since 1979.

By contrast, Harvard University had more applications than ever, even though its bill for tuition, room and board will be $17,100, with total expenses, including travel, books and incidentals, reaching an estimated $18,800.

That means that a student there can expect to pay more than $75,000 for the four years it normally takes to receive a bachelor's degree. The cost of a bachelor's degree at Harvard and other prestigious schools reached $50,000 five years ago, according to the College Board data.

In statements announcing their price increases, universities said they are needed for faculty pay raises and to improve research facilities, libraries and maintenance. Competition for good faculty members has increased.

In addition, many colleges have raised tuition partly in order to finance expanded scholarship programs for the needy.

For several years, the college price increases have been strongly criticized by U.S. Education Secretary William J. Bennett.

"There they go again—and again, and again," Bennett said yesterday after the release of the College Board report. "When will they ever stop?"

Bennett has contended that rises in federal student aid, opposed by the Reagan administration, have helped fuel college cost increases—a view that has drawn strong rejoinders from spokesmen for college groups. Federal aid programs reached $16 billion this year. Such programs, excluding veterans benefits, cost $12.7 billion during the 1983–84 school year, before Congress voted a significant increase in 1984.

In the new College Board compilation the average tuition and fees at two-year public colleges nationwide is $687, with total estimated costs for commuters, including living expenses, coming to $3,889.

At public four-year colleges the average tuition will be $1,359, with estimated costs for students who live on campus totalling $5,789.

Among all private four-year colleges, the average tuition is $7,110. Total estimated costs for a student living on campus will be just under $12,000. The figures include many small private colleges, mostly church-related, whose costs remain relatively low.

In the Washington area, one such institution is Columbia Union University in Takoma Park, which is sponsored by the Seventh-day Adventist Church. Its tuition this fall is $8,480 after a modest 4.9 percent increase. Room and board costs—for vegetarian meals—will be $2,000.

Nationwide, the average tuition and required fee increases this fall are similar to those of a year ago, although below the double-digit raises imposed from 1980 to 1983.

THE PRICE OF HIGHER EDUCATION

Costs at area colleges for the next academic year [1]]

| School | 1987–88 tuition, fees | One-year increase (percent) | 1987–88 total costs [2] | 1981–82 tuition, fees |
|---|---|---|---|---|
| PRIVATE | | | | |
| Georgetown | $10,950 | 7.6 | $15,480 | $6,890 |
| American | 9,744 | 8.2 | 14,307 | 6,270 |
| George Washington | 9,006 | 9.2 | 13,846 | 5,100 |
| Catholic | 8,740 | 8.2 | 13,120 | 5,870 |
| Mount Vernon | 8,811 | 10.2 | 13,641 | 4,800 |
| Trinity | 8,063 | 9.7 | 13,061 | 5,485 |
| Howard | 4,345 | 11 | 7,418 | 2,515 |
| Gallaudet | 2,954 | 18 | 6,119 | n/a |
| Johns Hopkins | 11,320 | 7.8 | 15,930 | n/a |
| Columbia Union | 6,480 | 4.9 | 8,480 | n/a |
| PUBLIC | | | | |
| U. of Virginia | 2,366 | 5.7 | 5,216 | 1,350 |
| Out-of-state | 5,796 | 6.0 | 8,646 | 3,276 |
| U. of Maryland | 1,740 | 8.7 | 5,411 | 1,185 |
| Out-of-state | 4,846 | 8.2 | 8,517 | 3,303 |
| George Mason | 1,824 | 8.6 | 5,892 | 1,176 |
| Bowie State | 1,776 | 6.1 | 4,794 | 1,250 |
| Montgomery | 1,254 | 5.6 | N/A | 891 |
| Prince George's | 1,290 | 13.2 | N/A | 710 |
| NOVA | 763 | 0.3 | N/A | 558 |
| UDC | 634 | 0 | N/A | 364 |
| Out-of-state | 2,434 | 0 | N/A | 1,580 |

[1] For full-time undergraduates. Public college rates are for local residents except where noted.

Tuition, room and board only. Books and travel not included.

Note: N/A denotes not applicable. n/a denotes not available.

Mr. CHAFEE. Mr. President, it is a pleasure to join with my colleague, Senator Dole, in introducing four bills which address a very serious problem confronting the parents of this Nation—how to pay for the education of their children. Just today there was an article on the front page of the Washington Post pointing out that the total cost of a bachelor's degree has reached $75,000 at a number of the Nation's best colleges and universities.

The future of this country depends in every way upon the education of our young people. We have always known that our democratic system of government depends upon an educated citizenry. In addition, it is becoming more and more obvious that an educated work force is vitally important to our ability to compete economically in the international marketplace.

Our approach to education has traditionally been that the Government will bear responsibility for a large portion of the task, but we also rely on the individual families to pay for part of the education of their children. The problem is that the cost of college education has for the past 7 years grown faster than inflation, leaving parents with enormous tuition bills to pay.

In this time of huge Federal budget deficits, it is unrealistic to think that the Government can step in and pay all these bills, but that does not mean we should turn our back on the problem. The four bills we are introducing today are offered to spark a debate on other ways in which we might assist parents who are trying to save for these rising tuition costs. Each of these bills embodies a different idea of how we can make saving easier and thus encourage families to plan for these educational expenditures.

All four bills use various tax incentives to help parents save for education. Last year in the tax reform bill we eliminated numerous tax incentives for various activities so that we could drastically lower the tax rates. I strongly supported the tax reform bill, and I continue to stand by that philosophy.

However, even in tax reform we saved certain incentives because we thought they were the right social or economic policy. We left the charitable deduction in the Tax Code. We left the home mortgage interest deduction in the Tax Code. We left in a tax credit for research and development and a tax credit for the rehabilitation of historic buildings. We continue to have a whole array of tax incentives for pension plans and savings for retirement.

Thus, I think it is appropriate that we consider using tax incentives as a way of helping and encouraging parents to save for the education of their children—especially in view of the drastic increase in the cost of a college education. I will look forward to a hearing in the Finance Committee on these bills, so that we can debate and decide just how best to help families save for these very large and very important expenses.

Thank you.

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By Mr. DODD (for himself, Mr. Thurmond, Mr. Harkin, Mr. Matsunaga, Mr. Simon, Mr. Pell, and Mr. Durenberger):

S. 1663. A bill to reauthorize the Child Abuse Prevention and Treatment Act and other related acts dealing with adoption opportunities and family violence; to the Committee on Labor and Human Resources.

By Mr. THURMOND:

S. 1664. A bill to extend authorizations of appropriations for programs under the Child Abuse Prevention and Treatment Act and the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and for other purposes; to the Committee on Labor and Human Resources.

CHILD ABUSE PREVENTION AND TREATMENT ACT REAUTHORIZATION AND CHILD ABUSE PREVENTION AND TREATMENT AMENDMENTS

Mr. DODD. Mr. President, today I am introducing legislation designed to address perhaps the most pressing problem facing children, families, and the Nation today; namely, the crisis presented by child abuse and neglect, family violence, and growing numbers of special needs children without permanent families. As chairman of the Subcommittee on Children, Families, Drugs and Alcoholism, I am very pleased to have my distinguished ranking minority member, Senator Thurmond, join me in introducing the Child Abuse Prevention and Treatment Act Reauthorization of 1987. He has played a lead role in developing this legislation and I am very grateful for his able assistance. We are also pleased to have other distinguished members of the Committee on Labor and Human Resources, including Senators Harkin, Matsunaga, Simon, and Pell join us as well as Senator Durenberger in sponsoring the Child Abuse Prevention and Treatment Act Reauthorization of 1987.

As witnesses testified at the child abuse reauthorization hearing held in the subcommittee on April 1, 1987, even by conservative estimates reports of child deaths from abuse or neglect jumped 23 percent nationwide between 1985–86. The victims are more often than not our youngest citizens, with many failing to reach their first birthdays. Some die as a result of serious physical abuse. Others die from injuries sustained while home alone without any adult supervision. Yet others die because their families fail to secure timely and adequate medical care. Whatever the cause, their deaths diminish our families, our communities, and our country.

Perhaps even more tragically, these deaths do not stand alone. Infant deaths associated with poor maternal and child health care in parts of our cities are as high as those in some of the poorest developing nations, ranking us at the bottom of 20 industrialized nations with respect to infant mortality. The teenage suicide rate which peaked in 1977 has begun to climb again in alarming clusters, and injuries remain the single biggest killer of children after the first year of life. Young people between the ages of 15 to 24 years of age are four times more likely to die from car crashes, drownings, firearms, and fires than from any other cause.

This country already has the dubious distinction of being the only industrialized nation in which children constitute the poorest age group. We also have the highest teenage pregnancy and infant mortality rates in the Western industrialized world. To add high rates of child and youth deaths across the board to this profile of American childhood would be untenable, and given that the numbers of child deaths in this country appear to be climbing, the legislation being introduced today would mandate an immediate Federal focus on this crisis. Under this legislation, a Presidential commission would report within 1 year on the causes and possible remedies for child deaths associated with abuse, neglect, poor health care, sudden infant death syndrome, accidental injuries, and suicide.

Given that we lack uniform data on child and youth deaths both within and across States, this legislation would also help establish the uniform collection of such reports. We know more about the number of stolen autos in this country than the number of children whose lives are snuffed out by fires while home alone. Yet without such vital information, we will continue to look at such deaths as isolated incidents, failing to prevent or combat them in any coordinated fashion.

What little we do know about child deaths should give us greater cause for alarm. We know that in as many as 25 percent to 50 percent of all child abuse fatalities last year, the families involved were already know to local child protective service agencies and workers. In at least one State, every child death involved a child previously identified as having been abused or neglected. It therefore makes good sense to examine this rise in child deaths within the context of the reauthorization of the Child Abuse Prevention and Treatment Act.

Child abuse fatalities, however, should not stop us from examining some of the very real progress made as a result of this landmark, albeit relatively modest, program. In many ways, over the past decade this legislation has had great success in encouraging and assisting 48 States to establish special procedures to prevent, identify and treat child abuse and neglect.

Perhaps the most eminent and successful peer group working with abusive parents from Connecticut to California, parents anonymous, was started with seed money from this act. And the National Center on Child Abuse and Neglect was founded, to make the prevention and treatment of child maltreatment a foremost priority in this country.

Other real signs of progress are numerous. As I reviewed in two previous hearings of the Senate Children's Caucus I cochair, the surge in reports of child sexual abuse in recent years demonstrates greatly increased public awareness and concern. And overall prevention efforts, augmented by children's trust funds in some 40 States, have made real strides. As the author of the Federal Challenge Grant Program for Children's Trust Funds, I intend to hold oversight hearings specifically on prevention sometime this fall. With respect to the bill we are introducing today, however, the crisis presented by child deaths sends us a clear signal that underfunded and overburdened local and State child abuse agencies need immediate assistance.

To the detriment of children and families, the Prevention and Treatment Act has never been well-funded. In 1981, the authorization levels were cut in half and any separate funding for sexual abuse projects was eliminated. Although an amendment I offered 3 years ago to restore such funding was eventually enacted, we are only now starting to catch up to where we were 6 years ago with respect to Federal leadership in the area of child abuse.

In the meantime, reports of abuse and neglect have skyrocketed within the past decade. In my State of Connecticut and other States, the increase in reported cases of physical and sexual abuse has been dramatic. Such staggering increases have only exacerbated absenteeism, burnout, and turnover among child protective service workers. In one New York City agency last year, 86 percent of the staff either transferred or quit. Another agency in Florida reported workers struggling with 100 cases or more as a result of staff turnover.

At the same time, cutbacks in Federal funding has forced many States to make hard choices indeed. As the Child Welfare League of America revealed last year in a study of child abuse, workers and agencies all too often must make investigating reports of the neglect and abuse of older children a lower priority, based on the theory that older children can at least run away from abusive homes.

Thus, although we have been able to increase the authorization level for the child abuse Prevention and Treatment Act by $5 million, bringing it to $48 million, I wish it was higher. Last year, the National Center on Child Abuse and Neglect [NCCAN] was only able to fund one out of every four grant applications it received. Although these National Center applications account for one-sixth of all those sent to the overall Office of Human Development Services [OHDS], the National Center's budget amounts to only 1 percent of the funds spent within OHDS. This is surely an expression of critical need from the field for more funds to address the prevention, identification, and treatment of child abuse and neglect.

In order to strengthen the National Center on Child Abuse and Neglect, this bill would authorize the appointment of a director with experience in child abuse and neglect. Professional staff would likewise demonstrate expertise in the field. And, to encourage the participation of outside experts most effectively, this bill would increase the number of public members on the Advisory Board on Child Abuse and Neglect, including those with expertise in prevention, treatment, research, social services, law enforcement and the judicial system, health, adolescents, as well as representatives of parent self-help and voluntary orgnizations. This Board would then advise and consult with the National Center on long-range planning and proposed research priorities.

This bill would require that a majority of the discretionary research and demonstration grants be focused on prevention. It would also place a priority on long-term research, by extending from 3 to 5 years the limitation on research grant awards. It calls for a study on the incidence of child abuse among children with handicaps, the relationship between child abuse and children's handicapping conditions, and the incidence of children developing handicapping conditions as a result of abuse or neglect. It further calls for a study on the Guardian-Ad-Litem Program, in an effort to improve further the representation of children in the courts.

By expanding innovative project authority to include home health visitor programs, programs aimed at preventing or treating alcohol-related child abuse and neglect, and training for those seeking to curb the abuse of child with handicaps, this bill addresses several serious concerns. Recognizing the importance of parental self-help in combating child abuse, this legislation would also include support for a national, parent self-help program of demonstrated effectiveness. It would mandate national resource centers on child abuse and neglect. The Secretary would also be encouraged to fund interagency demonstration programs.

Last but not least, this bill would extend temporary waivers for several States who have been acting in good faith to come into compliance with the act.

### ADOPTION OPPORTUNITIES REAUTHORIZATION

I am very pleased to be able to reauthorize a small but very important program—the Adoption Opportunities Act. The purpose of the Adoption Opportunities Program from its inception in 1978 has primarily been to promote the adoption of special needs children—children who are handicapped, older, part of a sibling group or members of a minority group. According to the most recent figures available from the U.S. Department of Health and Human Services, there are more than 36,000 special needs children in the foster care system who are legally free and waiting for adoptive families. Further, it is now estimated that approximately 42 percent of these children are minorities. Finding adoptive families for minority children has become an even more urgent priority for adoption agencies over the past few years as the proposition of minority children in foster care has risen from an estimated 35 percent in 1977 to 50 percent today. Further, in my own home State of Connecticut, minority infants wait on average 2½ times longer than white infants for placement with adoptive families. Thus, it is clear that much more work remains to be done in placing minority children in adoptive families, especially in the area of recruitment and placement with minority families.

The Adoption Opportunities Act has, however, been successful over the last decade in helping to steadily increase the numbers of special needs children placed in adoptive families. But what we have learned from this experience, as well as from families adopting infants, is that "living happily ever after" for adoptive families often requires a continuing helping hand from the adoption agencies. "Post Legal Adoption Services"—the extension of a range of services to adoptive families after the adoption is legally finalized—are increasingly in demand.

The Children's Home Society of Minnesota has been a pioneer in the field of post legal adoption services. They have been instrumental in advancing the quality and availability of such services by issuing a model statement and hosting an annual conference for the past several years. Unfortunately, I understand from Catholic Charities/Catholics Family Services in Hartford, CT, that Post Legal Adoption Services still "are most frequently left to chance and/or crises." Thus, it is my hope that with Federal leadership, we can promote an effective public-private partnership to increase the availability and quality of post legal adoption services.

In light of the disproportionate numbers of minority children needing adoptive families and the growing demand for post legal adoption services, new demonstration authorities have been included in the Adoption Opportunities Act to strengthen Federal leadership in these two areas. Programs designed to increase the number of minority children—who are in foster care and have the goal of adoption—placed in adoptive families, with a special emphasis on recruitment of and placement with minority families, will be eligible for demonstration grants. If they can provide documentation that appropriate and sufficient placements have been made during the grant period, they would be eligible for an additional grant award. Finally, they must make provisions to train other agencies interested in strengthening their program to increase the number of minority children placed in adoptive families.

A similar demonstration authority has been added to increase the availability and quality of post legal adoption services. Organizations providing individual, group, or family counseling or case management services to adoptive parents, adopted children, or siblings of adopted children would be eligible to receive grants. These grants may be renewed if documentation is provided to the Secretary of the Department of Health and Human Services demonstrating the effectiveness of such services during the previous grant period. To increase the availability and quality of post legal adoption services, grantees must also make provisions for the training of other organizations interested in providing such services.

The total authorization level for adoption opportunities would be raised from $5 to $7 million. The additional $2 million will be equally split between the minority placement and post legal services demonstration authorities.

### FAMILY VIOLENCE

I am very pleased that we have strong bipartisan support for reauthorization of the Family Violence Prevention and Services Act. This too is a small Federal initiative, originally enacted in 1984, designed primarily to increase the availability of shelter services to victims of domestic violence. It also makes provision for the training of local community actors to prevent family violence—staff from schools, hospitals, and mental health agencies, just to name a few. Equally important, this law makes specific provision for the establishment of law enforcement training and technical assistance to assure that personnel of local and State law enforcement agencies are trained to provide appropriate responses to incidences of family violence.

As we heard from witnesses from Connecticut, South Carolina, Iowa, and New York at our reauthorization hearing on the Family Violence Prevention and Services Act earlier this spring, the need for these services goes without question. These experts indicated that it is estimated that about 1.8 million American women are beaten each year in their own homes and that every other woman requesting shelter services must be turned away. In 40 percent of domestic violence cases, children are also victims. Thus, it is critical that the Federal Government continue its leadership role.

The consensus of Members on both sides of the aisle is to continue this program at an authorization level of $26 million. These funds are needed to continue the impetus for States and localities to increase or improve their services to victims of family violence. Due to the desire not to disrupt current services in States where they don't have the capacity to open new shelters, the provision restricting shelter grants to 3 years has been eliminated.

In closing, Mr. President, the Child Abuse Prevention and Treatment Act, the Adoption Opportunities Act, and the Family Violence Prevention and Services Act are critical components in an effort to prevent children from growing up at risk and to strengthen families. I urge my colleagues to join with us in sponsoring the reauthorization of the "Child Abuse Prevention and Treatment Act Reauthorization of 1987."

I ask unanimous consent that the bills be printed in the RECORD.

**Mr. THURMOND.** Mr. President, I am pleased to join my distinguished colleague, Senator DODD, in introducing legislation to reauthorize programs under the Child Abuse Prevention and Treatment Act and the Family Violence Prevention and Services Act,

Mr. President, the growth in reported incidents of child abuse, as well as research suggesting that such abuse may have long-term negative results for both the child and society, have increased concerns regarding the prevention of child abuse, and treatment for abused children.

According to recent statistics, there are now 1.9 million reported cases a year of child mistreatment, of which 39 percent were substantiated upon investigation. National data collected by the American Humane Association indicates an increase of 121 percent in child abuse and neglect cases over the last 10 years. While this increase is due in part to better reporting practices, it nonetheless underscores the seriousness of the problem.

Protecting our children from abuse and neglect is the responsibility of everyone. Government programs alone will not solve this problem. We must involve families, professionals, communities, the private sector, and national and local organizations.

The role of the Federal Government is to provide national leadership and to assist States and local communities in developing, expanding, and improving programs to prevent, identify, and treat child abuse and neglect.

Furthermore, parents have the prime responsibility for protecting their children. The experience of social programs over the last 25 years indicates that services to assist parents in carrying out this responsibility are best planned and provided at the local level.

Mr. President, Federal support in this area has largely been channeled through the Child Abuse Prevention and Treatment Act, Public Law 93-247. This act provides for four programs relating to the prevention and treatment of child abuse.

These programs are: first, State grants for activities related to preventing and treating child abuse and neglect; second, discretionary grants for research and demonstration projects related to preventing and treating child abuse and neglect; third, State grants to implement procedures and programs mandated by the Child Abuse Amendments of 1984 to respond to reports of medical neglect of disabled infants with life threatening conditions; fourth, demonstration grants related to prevention of family violence. In addition, funds are earmarked for research and demonstration projects specifically relating to child sexual abuse.

Many of these programs have been in place for over 13 years and enjoy wide congressional support.

Mr. President, within the Child Abuse Prevention and Treatment Act is the Adoption Opportunities Program. Many thousands of children remain in institutions or foster homes solely because of legal or other barriers to their placement in permanent adoptive homes. The purpose of the Adoption Opportunities Program is to facilitate the elimination of barriers to adoption and to provide permanent and loving home environments for children who would benefit by adoption, particularly children with special needs.

Mr. President, initiatives supported under this program include the development of model adoption legislation for States which would eliminate jurisdictional obstacles to adoptions, and a national adoption information exchange to bring together children available for adoption and prospective parents.

In addition to provisions already discussed, the legislation we are introducing today would establish two demonstration programs to address concerns raised during hearings conducted by the Senate Children's Subcommittee this year.

The first program will help to encourage adoption of minority children. Forty-five percent of the 36,000 children awaiting adoption today are black or Hispanic, although these groups make up only 14 percent of the total population. Accordingly, this measure would fund a demonstration program to facilitate the adoption of these minority children.

The second program provides assistance to parents who have adopted special-needs children. Often, these children are returned to State institutions to be cared for at government expense. This measure would authorize additional support, after adoption, to assist these parents, so that these special-needs children can remain in loving homes.

Mr. President, the legislation we are introducing today also provides for the reauthorization of the Family Violence Prevention and Services Act, which funds programs that shelter and counsel battered spouses and their children. I have heard of many worthy projects in South Carolina being supported by this program. For instance, Minor Mickel Shaw, president of the Junior League of Greenville, SC, has informed me of the shelter they have established with assistance from this program, and how it has provided a safe haven for many women who would have nowhere else to go to escape abuse by their spouses. Accordingly, I am pleased to support the reauthorization of this program.

Mr. President, I am also pleased to introduce today on behalf of the administration, S. 1664, their reauthorization proposals in this area. I am confident the recommendations contained therein will be useful as the Children's Subcommittee considers the reauthorization of these programs.

I ask unanimous consent that this measure be printed in the Record immediately following these remarks, as well as a detailed section-by-section summary of its provisions.

Mr. President, at this time I would like to express my appreciation for the outstanding leadership of Senator Dodd, chairman of the Senate Subcommittee on Children, Family, Drugs, and Alcoholism, in focusing attention on the needs of this Nation's greatest asset: Our children.

As ranking member of this subcommittee, I look forward to working with him on these vital issues so that we may see bipartisan support and swift passage of these children's programs.

Mr. DURENBERGER. Mr. President, I am delighted to join my distinguished colleague from Connecticut, Senator Christopher Dodd, in introducing the "Child Abuse Prevention and Treatment Act of 1987." Senator Dodd's leadership in the prevention of child abuse has long been recognized and it is my great privilege to support this legislation and work with him on this grave national problem.

As this bill recognizes, the United States has a major problem of child abuse and neglect as shown in the progressive increase of maltreatment and deaths arising from either cumulative severe beatings or from single violent episode. Tragically, we also know that children have died because parents have been negligent and have either failed to secure needed medical care or provide adequate supervision.

My special interest in this issue is to prevent the tragedies and to make certain that we spend as much energy, money, and time in stopping child abuse and other domestic violence as we spend in treating it. I am particularly honored to work with Senator Dodd on expanding the attention to more preventive programs, which Senator Dodd has always emphasized. More emphasis should be given to prevention strategies not only because the financial cost of prevention is much lower but because it will also avoid longrun consequences such as increased juvenile delinquency as well as the loss of some future lifetime earnings by the victims of maltreatment.

In my own State of Minnesota, the great potential for prevention is being demonstrated. In Ramsey County, there is a State-supervised, county-administered Home Health Visitor Program where a team of about 10 doctors work closely with public health nurses to address the problem of prevention of child abuse. There is also an ongoing parent outreach project which tests a multidisciplinary collaborative program for preventive intervention with families considered as potential risks for child maltreatment. It integrates the use of volunteer parent befrienders and professional service providers like public health nurses and community parent educators. Although the program is fairly new, experts report that already 10 children have been saved from potential tragedy.

Preventive intervention will lead to progress in dealing with the heartbreaking effects of child abuse and neglect. This is a cause that needs bipartisan support. Therefore, I urge my colleagues to join us in supporting this valuable legislation which addresses a serious national problem of critical dimensions.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1663

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE

This Act may be cited as the "Child Abuse Prevention and Treatment Act Reauthorization of 1987".

## TITLE I—NATIONAL CENTER ON CHILD ABUSE AND NEGLECT

### SEC. 101. REAUTHORIZATION

Section 5 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5104) (hereafter in this title referred to as the "Act") is amended by inserting after the second sentence the following: "There are further authorized to be appropriated for purposes of this Act $48,000,000 for fiscal year 1988, $55,000,000 for fiscal year 1989, $60,000,000 for fiscal year 1990, and $66,500,000 for fiscal year 1991.".

### SEC. 102. DIRECTOR FOR NCCAN

(a) Appointment.—Subsection (a) of section 2 of the Act (42 U.S.C. 5101(a)) is amended by—

(1) inserting "(1)" after "(a)"; and

(2) adding at the end thereof the following:

"(2) The Center shall be headed by a Director who shall have experience in child abuse and neglect and shall be appointed by the Secretary.".

(b) Staff Experience.—Subsection (d) of section 2 of the Act (42 U.S.C. 5101) is amended by adding at the end thereof the following: "The Secretary shall require that professional staff have experience in child abuse and neglect.".

### SEC. 103. ADVISORY BOARD

(a) Public Member Majority.—The first sentence of section 6(a) of the Act (42 U.S.C. 5105(a)) is amended by striking out ", and not less than three members from the general public with experience or expertise in the field of child abuse and neglect." and inserting in lieu thereof ", and not less than 15 members or such greater number necessary to represent a majority of the Advisory Board from the general public who are knowledgeable in fields representing child abuse prevention, treatment, research, social services, judiciary and legal, medical, adolescents, parent self-help organizations, and voluntary organizations.".

(b) Further Duties.—Section 6(a) of the Act is further amended by inserting at the end thereof the following: "The Advisory Board shall be responsible for advising and consulting with the Director on proposed research studies and long-range planning for the Center.".

### SEC. 104. NATIONAL DATA ON CHILD ABUSE AND NEGLECT

Subsection (b) of section 2 of the Act (42 U.S.C. 5101(b)) is amended—

(1) in clause (9) by striking out the period and inserting "; and";

(2) in clause (10) by striking out the period and inserting "; and";

(3) by adding before the flush matter at the end thereof the following:

"(11) as a part of research activities, establish a national data collection and analysis program with respect to State child abuse and neglect reports which shall include—

"(A) standardized data on false, unfounded, or unsubstantiated reports; and

"(B) information on the number of deaths due to child abuse and neglect."; and

(4) by adding at the end of the flush matter at the end thereof the following: "The Director shall submit an annual summary of the data collected and an analysis of such data under clause (11) to the appropriate committees of Congress.".

### SEC. 105. PREVENTION EMPHASIS

(a) Redesignations.—Section 4 of the Act (42 U.S.C. 5103) is amended by designating subsections (d), (e), (f), and (f), as added by section 123(a) of Public Law 98–457, are redesignated as subsections (e), (f), (g), and (h), respectively.

(b) Prevention Emphasis.—Section 4(f) of the Act (42 U.S.C. 5103), as redesignated by subsection (a), is amended by striking out "proportionate share of assistance" and inserting in lieu thereof "majority share of assistance for discretionary research and demonstration grants".

### SEC. 106. LONGITUDINAL RESEARCH

The second sentence of section 2(c) of the Act (42 U.S.C. 5101 (c)) is amended by striking out "three" and inserting in lieu thereof "five".

### SEC. 107. NATIONAL RESOURCE CENTERS

Section 4 of the Act (42 U.S.C. 5103) is amended by adding at the end thereof the following:

"(i) The Secretary in consultation with the Director, shall ensure that a share of assistance under this title is available for national resource centers addressing issues of child abuse and neglect.".

### SEC. 108. WAIVER

(a) Waiver.—Section 4(b)(3) of the Act (42 U.S.C. 5103(b)(3)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C) and inserting after subparagraph (A) the following new subparagraph:

"(B) Subject to subparagraph (C) of this paragraph, any State whose waiver under subparagraph (A) expired as of the end of fiscal year 1986 may be granted an extension of such waiver, if the Secretary makes a finding that such State is making a good-faith effort to comply with the requirements under paragraph (2) of this subsection—

"(i) through the end of fiscal year 1988; or

"(ii) in the case of a State the legislature of which meets only biennially, through the end of fiscal year 1989 or the end of the next regularly scheduled session of such legislature, whichever is earlier.";

(2) in subparagraph (A), by striking out "subparagraph (B)" and inserting in lieu thereof "subparagraph (C)"; and

(3) in subparagraph (C), as redesignated, by inserting "or (B)" after "subparagraph (A)".

(b) Effective Date.—The amendments made by this section, and waivers granted pursuant to section 4(b)(3)(B) of the Act, shall be effective retroactively to October 1, 1986.

### SEC. 109. STUDY OF GUARDIAN-AD-LITEM

(a) Study.—The Director of the National Center on Child Abuse and Neglect shall conduct a study of—

(1) how individual child legal representations in cases of child abuse or neglect have been provided in each State; and

(2) the effectiveness of legal representation of children in cases of abuse or neglect through the use of guardian-ad-litem and court appointed special advocates.

(b) Report.—Not later than 2 years after the date of enactment of this Act, the Director shall report to the appropriate committees of Congress with respect to the study conducted pursuant to subsection (a). The report shall include—

(1) the information and data gathered;

(2) an analysis of such information and data; and

(3) recommendations on how to improve legal representation of children in cases of abuse or neglect.

### SEC. 110. MANDATORY GRANTS FOR CENTERS

(a) Elimination of Discretionary Grant.—Section 4(a) of the Act is amended by—

(1) striking out paragraph (2); and

(2) redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) Mandatory Grant.—Section 4(c) of the Act is amended by adding at the end thereof the following new paragraph:

"(3)(A) The Secretary shall provide, directly or through grants or contracts with public or private nonprofit organizations, for the establishment and maintenance of resource centers, serving defined geographic areas, staffed by multidisciplinary teams of personnel trained in the prevention, identification, and treatment of child abuse and neglect providing advice and consultation to individuals, agencies, and organizations which request such services.

"(B) Not more than $1,000,000 of the funds appropriated for any fiscal year under section 5 of this Act may be used to carry out this paragraph.".

### SEC. 111. CHILD ABUSE AND DISABILITY

(a) Study.—The Director of the National Center on Child Abuse and Neglect shall conduct a study of—

(A) the incidence of child abuse among children with handicaps and the relationship between child abuse and children's handicapping conditions; and

(B) the incidence of children who have developed handicapping conditions as a result of child abuse or neglect.

(b) Report.—Not later than 2 years after the date of enactment of this Act, the Director shall report to the appropriate committees of Congress with respect to the study conducted pursuant to subsection (a). The report shall include—

(1) the information and data gathered;

(2) an analysis of such information and data; and

(3) recommendations on how to prevent abuse of disabled children.

### SEC. 112. PROFESSIONAL TRAINING

Section 4(a)(1) of the Act (42 U.S.C. 5103(a)(1)) is amended to read as follows:

"(1) for training programs (including interagency demonstration programs) for professional and paraprofessional personnel in the fields of medicine, law, education, social work, and other relevant fields who are engaged in, or intend to work in, the field of prevention, identification, and treatment of child abuse and neglect and in treating and preventing abuse of children with handicaps, and training programs (including interagency demonstration programs) for children, and for persons responsible for the welfare of children, in methods of protecting children from child abuse and neglect;".

### SEC. 113. REPEAL OF DEADLINE FOR COMPLIANCE WITH REQUIREMENTS FOR PROGRAMS FOR DISABLED INFANTS

Section 4(b)(2) of the Act (42 U.S.C. 5103(b)(2)) is amended in subparagraph (K) by striking out "within one year after the date of the enactment of the Child Abuse Amendments of 1984, have" and inserting in lieu thereof "have".

### SEC. 114. ADDITIONAL MISCELLANEOUS AMENDMENTS

(a) Grants.—Paragraph (3) of section 4(a) of the Act (42 U.S.C. 5103(a)(4)), as redesignated by section 110, is amended to read as follows:

"(3) for such other innovative programs and projects including programs and projects for parent self help, for prevention and treatment of alcohol and drug-related child abuse and neglect, and for home health visitor programs, that show promise of successfully preventing and treating cases of child abuse and neglect and for a parent self-help program of demonstrated effectiveness which is national in scope, as the Secretary may approve.".

(b) Demonstration Priorities.—The first sentence the flush matter after clause (11) in section 2(b) of the Act (42 U.S.C. 5101(b)), as amended by section 104 of this Act, is amended by inserting "and demonstration" after "research".

### SEC. 115. PRESIDENTIAL COMMISSION ON CHILD AND YOUTH DEATHS

(a) Findings.—The Congress finds that—

(1) even by conservative estimates, during 1985 and 1986, child abuse fatalities in this country increased by 23 percent;

(2) the average age of a child who dies from abuse and neglect is two years old;

(3) child abuse fatalities are not inherently predictable but many are preventable;

(4) many accidental childhood injuries are likewise preventable;

(5) accidental childhood injuries remain the biggest killer and disabler of children between the ages of 1 and 14;

(6) in the face of stagnating infant mortality indicators, the United States is now tied for last place in among 20 industrialized nations with respect to infant mortality;

(7) the teen suicide rate is starting to climb again, with deaths totaling over 5,000 in 1986; and

(8) homicide is the second leading cause of death in youths aged fourteen to twenty-four years.

(b) Establishment of Commission.—There is established a National Commission on Child and Youth Deaths (hereafter in this section referred to as the "Commission"). The Commission shall be composed of fifteen members as follows:

(1) Two members of the Senate, one to be selected by the Majority Leader of the Senate, the other to be selected by the Minority Leader of the Senate.

(2) Two members of the House, one to be selected by the Speaker of the House of

Representatives, the other to be selected by the Minority Leader of the House.

(3) Four representatives of State government shall be jointly selected by the Majority Leader of the Senate and the Speaker of the House of Representatives:

(A) The chief executive officer of a State, to be selected by the President.

(B) A chief State official responsible for administering child health and mental health programs, to be selected by the President.

(C) A chief State official responsible for administering children's social services programs, to be selected by the President.

(D) A chief State official responsible for administering law enforcement programs, to be selected by the President.

(4) The Secretary of Health and Human Services.

(5) Six at large members, including representatives of community-based organizations with demonstrated expertise in the prevention and identification of child and youth deaths due to child abuse and neglect, infant mortality (including sudden infant death syndrome, suicide, homicide, and unintentional injuries), to be selected by the President.

(c) Study and Evaluation by the Commission.—(1) The Commission shall study and evaluate comprehensively Federal, State, and local public and private resources which affect child and youth deaths and shall—

(A) evaluate the adequacy and effectiveness of programs designed to prevent or identify child and youth deaths, including child health and mental health services, child protective services, child welfare services, education, juvenile justice services, and law enforcement activities;

(B) evaluate the effectiveness of current Federal, State, and local policies and systems aimed at appropriately identifying and collecting accurate, uniform data on child and youth deaths in a coordinated fashion;

(C) evaluate the adequacy of current Federal, State, and local efforts to enable an appropriate distribution of properly trained child health, mental health, social services, protective services, education, juvenile justice, and law enforcement personnel to prevent and identify child and youth deaths; and

(D) identify current resource, intergovernmental, and within the Federal Government, interagency barriers to the health care needed to prevent high infant mortality.

In order to conduct the study and evaluation required by this subsection, the Commission shall hold hearings in areas of the United States with high infant mortality rates.

(d) Recommendations and Report of the Commission.—(1) The Commission shall make recommendations with respect to—

(A) a national policy designed to reduce and prevent child and youth deaths, including recommendations for more accurate reporting systems and recommendations concerning appropriate roles for the Federal Government, States, and local governments and the private sector;

(B) specific changes needed within Federal laws and Federal programs to achieve an effective Federal role in preventing child and youth deaths, including the programs specified in subparagraph (A); and

(C) specific changes needed to improve national data collection with respect to child and youth deaths.

In making its recommendations, the Commission shall review recommendations made in recent regional and national conferences and reports on child and youth deaths.

(2) Within 12 months after the date of enactment of this section, the Commission shall prepare and transmit to the President and the appropriate committees of the Congress a report describing the activities of the Commission and containing information gathered and evaluations required by subsection (c) and recommendations required by paragraph (1) of this subsection.

(e) Administration Provisions.—(1) A vacancy in the Commission shall be filled in the same manner as the original appointment was made. A vacancy in the Commission shall not affect its powers.

(2) Members shall be appointed for the life of the Commission.

(3) The members of the Commission shall elect a Chairman from among the members of the Commission.

(4) Eleven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(5) The Commission shall hold its first meeting on a date specified by the President which is not later than 90 days after the date of enactment of this Act. Thereafter, the Commission shall meet at the call of the Chairman or a majority of its members, but shall meet at least three times during the life of the Commission.

(f) Compensation of Members.—(1) Each member of the Commission who is not an officer or employee of the United States shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which such member is engaged in the actual performance of duties as a member of the Commission. Each member of the Commission who is an officer or employee of the United States shall receive no additional compensation.

(2) While away from their homes or regular place of business in the performance of duties for the Commission, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rate authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

(g) Director of Staff Commission.—(1) The Commission shall appoint an Executive Director who shall be compensated at a rate not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(2) With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Commission.

(3) The Executive Director and the additional personnel of the Commission referred to in paragraph (2) may be appointed without regard to the provisions of chapter 51 and subchapter III of Chapter 53 of such title relating to classification and General Schedule pay rates.

(4) Subject to such rules as may be prescribed by the Commission, the Executive Director may procure temporary or intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed $200 per day.

(5) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this section.

(6) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative and support services as the Commission may request.

(h) Powers of Commission.—(1) For the purpose of carrying out this section, the Commission may hold such hearings, sit and act at such times and place, take such testimony, and receive such evidence, as the Commission considers appropriate. The commission may administer oaths or affirmation to witnesses appearing before the Commission.

(2) Any member or employee of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this subsection.

(3) The commission may secure directly from any Federal agency such information as may be necessary to enable the Commission to carry out this section. Upon request of the Chairman of the Commission, the head of such agency shall furnish such information to the Commission.

(i) Authorization of Appropriations.—For fiscal years beginning after September 30, 1987, there are authorized to be appropriated such sums as may be necessary to carry out this section.

(j) Termination.—The Commission shall terminate 90 days after the date on which the Commission transmits the report required under subsection (d)(2) to the President and the Congress.

### TITLE II—ADOPTION OPPORTUNITIES

#### SEC. 201. MINORITY PLACEMENT

Section 203(b)(5) of the Child Abuse Prevention Treatment and Adoption Reform Act of 1978 (hereafter in this title referred to as the "Act") is amended to read as follows:

"(5) provide (directly or by grant to or contract with public or private nonprofit licensed child welfare or adoption agencies or adoptive family groups and community-based organizations with experience in working with minority populations) for the provision of programs aimed at increasing the number of minority children (who are in foster care and have the goal of adoption) placed in adoptive families, with a special emphasis on recruitment of and placement with minority families subject to the following conditions:

"(A) such grants or contracts may be renewed if documentation is provided to the Secretary demonstrating that appropriate and sufficient placements of such children have occurred during the previous funding period; and

"(B) such grants or contracts shall include provisions for training other interested organizations to replicate such programs;".

#### SEC. 202. POST LEGAL ADOPTION SERVICES

Section 203(b)(6) of the Act (42 U.S.C. 5113(b)(6)) is amended to read as follows:

"(6) provide (directly or by grant to or contract with public or private nonprofit licensed child welfare or adoption agencies or adoptive family groups) for the provision of post legal adoption services for families who have adopted special needs children subject to the following conditions:

"(A) such documentation is provided to the Secretary demonstrating the effectiveness of such services during the previous funding period;

"(B) such grants or contracts shall include provisions for training other interested organizations to replicate such programs; and

"(C) as used in this subsection, the term 'post legal adoption services' means an array of services provided to adoptive parents, adopted children and siblings of adopted children, following a legal adoption, which may include but not be limited to individual counseling, group counseling, family counseling and case management."

#### SEC. 203. AUTHORIZATION OF APPROPRIATIONS

Section 205 of the Act is amended by inserting at the end thereof the following: "There are authorized to be appropriated $5,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal years 1989, 1990, and 1991 for the purpose of carrying out this Act. There are authorized to be appropriated $1,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal years 1989, 1990, and 1991 for the purpose of carrying out section 203(b)(5). There are authorized to be appropriated $1,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal years 1989, 1990, and 1991 for the purpose of carrying out section 203(b)(6).".

### TITLE III—FAMILY VIOLENCE PREVENTION AND SERVICES ACT, REAUTHORIZATION

#### SEC. 301. REMOVAL OF THREE-YEAR LIMIT ON GRANTS FOR SHELTERS

Section 303(c) of the Family Violence Prevention and Services Act (42 U.S.C. 10402(c)) is amended by striking out the second sentence.

#### SEC. 302. REAUTHORIZATION

Section 310(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10409(a)) is amended by striking out the period at the end thereof and inserting in lieu thereof ", and $26,000,000 for fiscal year 1988, and such sums as are necessary for fiscal years 1989, 1990, and 1991.".

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## S. 1664

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Abuse Prevention and Treatment Amendments of 1987".

### TITLE I—AMENDMENTS CONCERNING CHILD ABUSE PREVENTION AND TREATMENT

#### SEC. 101. NATIONAL CENTER ON CHILD ABUSE AND NEGLECT.

Section 2(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101) (hereafter in this title referred to as the "Act") is amended—

(1) in paragraph (3), by striking out "all"; and

(2) in paragraph (9), by striking out "annually".

#### SEC. 102. DEMONSTRATION OR SERVICE PROGRAMS AND PROJECTS: SECRETARY'S DISCRETIONARY GRANTS.

Section 4(a) of the Act (42 U.S.C. 5103(a)) is amended by striking out all that follows "may be—" and inserting in lieu thereof the following:

"(1) for the development and provision of interdisciplinary training programs for professional and paraprofessional personnel in the fields of medicine, law, education, social work, and other relevant fields who are engaged in, or intend to work in, the prevention, identification, and treatment of child abuse and neglect (including family violence related to child abuse);

"(2) for providing information, technical assistance, and professional expertise in the areas of child abuse and neglect, and child sexual abuse, throughout the Nation in order to develop, expand, strengthen and improve the capacity of State and local agencies, professionals, and local communities to use exemplary methods and resources to provide effective services to children and their families; and

"(3) for the development and evaluation of such other innovative programs and exemplary projects that show promise of successfully preventing or treating cases of child abuse and neglect as the Secretary may approve, including programs and projects for parent self-help, for prevention and treatment of drug-related child abuse and neglect, or addressing family violence related to child abuse.".

#### SEC. 103. PROGRAMS FOR DISABLED INFANTS WITH LIFE-THREATENING CONDITIONS.

(a) Section 4(b)(2) of the Act (42 U.S.C. 5103(b)(2) is amended in subparagrah (K) by striking out "within one year after the date of the enactment of the Child Abuse Amendments of 1984, have" and inserting in lieu thereof "have".

(b) Section 4(c)(1) of the Act (42 U.S.C. 5103(c)(1)) is amended by striking out "The Secretary is authorized to
make additional grants to the States" and inserting in lieu thereof "From amounts appropriated for any fiscal year available for the purpose of making grants to States under subsection (b), not less than $3,000,000 shall be available to the States".

#### SEC. 104. DEFINITION OF "STATE".

Section 4(g) of the Act (42 U.S.C. 5103(h)) is amended by inserting ", and the Commonwealth of the Northern Mariana Islands" after "Guam".

#### SEC. 105. AUTHORIZATION OF APPROPRIATIONS.

Section 5 of the Act (42 U.S.C. 5104) is amended to read as follows:

"Sec. 5. There are authorized to be appropriated such sums as may be necessary for fiscal year 1988 and each of the 2 succeeding fiscal years to carry out the purposes of this Act. Of the amount appropriated for any fiscal year, 55 percent shall be available for the purpose of making grants to States under section 4(b), and 45 percent shall be available to carry out sections 2(b), 4(a), and 4(c)(2).".

### TITLE II—AMENDMENTS TO RELATED PROGRAMS

#### SEC. 201. SHORT TITLE FOR ADOPTION OPPORTUNITIES PROGRAM.

Title II of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 is amended by adding before section 201 the following new section:

"SHORT TITLE

"Sec. 200. This title may be cited as the 'Adoption Opportunities Act'.".

#### SEC. 202. AUTHORIZATION OF APPROPRIATIONS FOR ADOPTION OPPORTUNITIES.

Section 205 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5115) is amended by striking out all that follows "There are authorized to be appropriated" and inserting in lieu thereof "such sums as may be necessary for fiscal year 1988 and each of the 2 succeeding fiscal years to carry out this title.".

#### SEC. 203. REPEAL OF CHILD ABUSE CHALLENGE GRANT AUTHORITY.

Sections 402 through 409 of Public Law 98–473 (42 U.S.C. 5116–5116g), including the captions thereof, are repealed.

### TITLE III—EFFECTIVE DATE

#### SEC. 301. EFFECTIVE DATE.

The amendments made by this Act shall take effect on October 1, 1987.

[S. 1664]

## Child Abuse Prevention and Treatment Amendments of 1987

[Section-by-Section Summary]

#### SHORT TITLE

Section 1 of the bill provides the short title. When enacted, it would be cited as the "Child Abuse Prevention and Treatment Amendments of 1987".

#### TITLE I—AMENDMENTS CONCERNING CHILD ABUSE PREVENTION AND TREATMENT

Title I of the bill would extend and amend programs under the Child Abuse Prevention and Treatment Act ("the Act").

#### NATIONAL CENTER ON CHILD ABUSE AND NEGLECT

Section 101 of the bill would make minor amendments intended to relax certain requirements for activities by the National Center on Child Abuse and Neglect, in order to permit better allocation of the Center's resources, as follows:

The information clearinghouse would not be required to include information on all child abuse prevention and treatment programs showing promise of success. There are now so many programs nationwide, and so many similar programs, that such comprehensive coverage would not be useful even if it were possible; this amendment would permit the Center to concentrate on the truly outstanding programs.

The provision concerning reports on coordination efforts of responsible agencies and organizations would be amended to delete the requirement for annual reports. This requirement is inconsistent with the remainder of the provision, which calls for biennial reports.

#### DEMONSTRATION OR SERVICE PROGRAMS AND PROJECTS: SECRETARY'S DISCRETIONARY GRANTS

Section 102 of the bill would amend the Secretary's discretionary authority for demonstration programs and projects to reflect more accurately the types of activities responsive to current needs. As revised, the authority would also specifically provide for activities addressing family violence related to child abuse. Section 4(a) of the Act, as amended, would authorize grants or contracts—

(1) for interdisciplinary training programs for professional and paraprofessional personnel preparing for or working in the prevention, identification, and treatment of child abuse and neglect (including family violence related to child abuse);

(2) for providing information, technical assistance, and professional expertise in the areas addressed by the Act in order to improve the capacity of State and local agencies, professionals, and local communities to provide effective services to children and families; and

(3) for development and evaluation of such other innovative programs and exemplary projects that show promise of successfully preventing or treating child abuse and neglect as the Secretary may approve, including programs and projects for parent self-help, for prevention and treatment of drug-related child abuse and neglect, or addressing family violence related to child abuse.

#### PROGRAMS FOR DISABLED INFANTS WITH LIFE-THREATENING CONDITIONS

Section 103(a) of the bill would delete the statutory deadline for State compliance with the requirements to have procedures or programs to respond to the reporting of medical neglect (including withholding of medically indicated treatment from disabled infants with life-threatening conditions). Literal application of this requirement would make ineligible for grant funds under the Act States that failed to meet the original deadline of October 9, 1985, but that now have the required procedures and programs in place.

Subsection (b) of the bill would amend the provision of the Act providing for grant funds to States for activities designed to ensure appropriate provision of services to disabled infants with life-threatening conditions. Current law provides for additional, separate grants to States for this purpose. This amendment would instead earmark for these purposes $3 million of the amount appropriated for each fiscal year for State grants. This earmark will maintain the level of Federal funding for these activities that was provided for FYs 1985, 1986, and 1987.

### CORRECTION OF DEFINITION OF "STATE"

Section 104 of the bill would amend the definition of the term "State" in the Act to include the Commonwealth of the Northern Mariana Islands (added by P.L. 94-241).

### AUTHORIZATION OF APPROPRIATIONS

Section 106 of the bill would authorize appropriations of such sums as necessary for each of FYs 1988 through 1990 to carry out the purpose of the Act. Of amounts appropriated for each fiscal year, 55 percent would be available for grants to States, and 45 percent for the activities of the Secretary and the National Center on Child Abuse and Neglect.

### TITLE II—AMENDMENTS TO RELATED PROGRAMS

### SHORT TITLE FOR ADOPTION OPPORTUNITIES PROGRAM

Section 201 of the bill would create a short title for the adoption opportunities program under title II of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978. That title would be cited as the "Adoption Opportunities Act".

### AUTHORIZATION OF APPROPRIATIONS FOR ADOPTION OPPORTUNITIES

Section 202 of the bill would authorize appropriations of such sums as necessary for FY 1988 and each of the two succeeding fiscal years to carry out the adoption opportunities program under title II of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978.

### REPEAL OF CHILD ABUSE CHALLENGE GRANT AUTHORITY

Section 203 of the bill would repeal the authority, at sections 402 through 409 of P.L. 98-473, for Federal challenge grants to encourage States to establish and maintain funding mechanisms to support child abuse and neglect prevention activities.

### TITLE III—EFFECTIVE DATE

### EFFECTIVE DATE

Section 301 of the bill provides that amendments made by the bill would become effective October 1, 1987.

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By Mr. MELCHER (for himself, Mr. Boren, Mr. Conrad, Mr. Burdick, Mr. Pryor and Mr. Harkin):

S. 1665. A bill to amend the Farm Credit Act of 1971 to ensure the continuation of the farm credit system as a source of agricultural credit at fair and competitive rates; to increase farmer and rancher participation in the Farm Credit System; to restore the impairment of borrower stock in farm credit system institutions; to reform the lending practices on the Farm Credit System; to require forebearance on and restructuring of certain high-risk and nonaccrual loans; and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

### FARM CREDIT ACT

Mr. MELCHER. Mr. President, I rise today to address one of the central issues in the ongoing crisis facing America's farming and ranching communities.

Contrary to some rose-colored press accounts, a tremendous number of farmers and ranchers continue to suffer serious financial hardship. Land values are down, commodity prices are down, and net farm income is down. Meanwhile, interest rates for farmers and ranchers are up, and they are highest for those least able to pay. Many honest, hardworking, responsible people are left in an impossible situation, unable to make their credit payments and facing foreclosure.

Mr. President, the current condition of farm credit in this country can only be described as desperate. Farmers and ranchers are not the only ones affected by the credit crunch. When farmers and ranchers go down, they bring down their banks, their suppliers and much of America's rural business community with them. When the banks are brought down, they raise interest rates, require additional security and foreclose upon borrowers who have gotten behind. That brings farmers and ranchers down even further and fuels the vicious circle which threatens to destroy the family farm economy altogether.

The inability of many borrowers to make their payments has already thrown the Farm Credit System into a period of unprecedented financial difficulty. With 37 banks and nearly 400 local associations, the Farm Credit System holds more than 25 percent of the total farm debt and nearly 40 percent of the farm real estate debt. It is the largest institutional lender serving American agriculture.

The Farm Credit System gets its income, of course, from the struggling farmers and ranchers who try to wring a few extra dollars our their already starving operations. Meanwhile, the system is trying to pay its own debts which are comprised mainly of high-cost, long-term bond obligations taken on several years ago, during healthier times. This situation forces the system to hold rates for its borrowers at high levels. Even so, the system posts net losses and is forced to dip into surplus capital to make its own payments.

Well, Mr. President, the so-called surplus capital in the system is running out. Net losses in 1985 and 1986 totaled $4 billion. By the end of 1986, system surplus had dwindled to $1.4 billion. At the end of the first quarter of this year, $1.2 billion. The surplus capital soon will be gone, and when that happens, like a wounded cat preparing to eat its young, the system will cast a hungry eye upon its only remaining capital—the $4.2 billion in borrower-held stock which represents borrower participation in the system.

By the end of 1987, six system banks will have completely dissipated their capital. That means they will be unable to access the debt markets and will be forced into liquidation. Projections indicate that even if the healthiest banks in the system share everything with the weakest—and that is unlikely considering the mountain of pending lawsuits over that very practice—borrower stock will be impaired on a system wide basis by the end of 1987.

In some cases, the rights of borrower stock holders have already been compromised. Following the liquidation of production credit associations in the Spokane and Omaha districts of the Farm Credit System, stock held by borrowers was frozen, which means that it could not be redeemed, even by those who had paid off their debt and were entitled to the return of that investment.

Before this crisis becomes a disaster, Mr. President, we must do something to lift this crushing burden from the back of rural America. We must get system interest rates down and stop the wholesale foreclosure and forced liquidations of family farms and ranches. We must ensure that credit will be available to our farmers and ranchers in the future. We must create an environment in which banks in the Farm Credit System can get back on their feet without draining the system of its borrower stock.

Likewise, borrower rights and protections must be applied to the troubled Farmers Home Administration. Forbearance and restructuring, homestead protection, encouragement of mediation and sale of properties to family farmers, must be required rather than desired. Just wishing for these reforms doesn't guarantee results. Big corporations, foreign buyers, and local land speculators are buying up our farms because FmHA hasn't gotten the right message from Congress.

Mr. President, the bill I introduce today with Senators Boren, Burdick, and Conrad is the Farm Credit Act of 1987. This bill is designed to fix what's wrong with the Farm Credit System and the Farmers Home Administration. It provides new capital for the system to use to shore up its own debts and thereby reduce interest rates for borrowers. It compels the system and Farmers Home to restructure those loans which can be saved and remove the most hopeless, nonaccruing accounts from their books. It protects borrowers from suddenly

finding themselves homeless and ensures that acquired lands will be kept in the hands of the family farmer. And not least of all, it guarantees the par value of borrower stock in the Farm Credit System and ensures that stock already frozen or impaired as a result of PCA liquidations, shall be redeemed at par value immediately.

Mr. President, this much needed legislation takes the farm credit bull by the horns. With it, we can wrestle down high interest rates, stop unnecessary foreclosures, protect the fundamental credit rights of farmers and ranchers, and put American agriculture's cooperative lending system back in the saddle again.

Mr. President, I ask unanimous consent that following Senator Boren's statement, S. 1630 be printed in the Record, along with a section by section analysis of the bill and a detailed summary of the bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

### S. 1665

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

Section 1. This Act may be cited as the "Farm Credit Act of 1987".

### TABLE OF CONTENTS

Sec. 2. The table of contents is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

#### TITLE I—FARM CREDIT REVOLVING FUND; FRANCHISE TAXES; PURCHASE OF STOCK

Sec. 101. Renumbering of sections; repeal of certain sections.
Sec. 102. Farm credit revolving fund.
Sec. 103. Authority to issue notes to the Secretary of the Treasury.
Sec. 104. Franchise taxes.
Sec. 105. Purchase of stock of Farm Credit System institutions by Farm Credit Administration.

#### TITLE II—LOAN RESTRUCTURING

Sec. 201. Reform of Farm Credit System Capital Corporation.
Sec. 202. Loan restructuring by system institutions.
Sec. 203. Conforming amendments.
Sec. 204. Access to documents and information.
Sec. 205. Right to sue; standing.

#### TITLE III—INSURANCE OF OBLIGATIONS OF FARM CREDIT BANKS; LIABILITY OF BANKS ON OBLIGATIONS

Sec. 301. Creation of corporation.
Sec. 302. Conforming amendments; requirement of insurance; liability of banks on obligations
Sec. 303. Effective date.

#### TITLE IV—REAL ESTATE LENDING; INTEREST RATES

Sec. 401. Loans to farmers and ranchers.
Sec. 402. Interest rates on Federal Land Bank loans.
Sec. 403. Security of Federal Land Bank loans.
Sec. 404. Future payment plans.
Sec. 405. Interest rate program of Production Credit Association loans.
Sec. 406. Farm Credit Administration approval of certain loans.

#### TITLE V—SERVICE ORGANIZATIONS

Sec. 501. Service organizations.

#### TITLE VI—MERGERS

Sec. 601. Voluntary mergers of associations; mandatory cooling-off period for association mergers; notification to stockholders.
Sec. 602. Merger of similar banks.
Sec. 603. Treatment of certain Farm Credit Associations.
Sec. 604. Special reconsideration of certain mergers.

#### TITLE VII—BOARDS OF DIRECTORS

Sec. 701. Outside directors for Federal Land Bank associations.
Sec. 702. Outside directors for Production Credit associations.
Sec. 703. Conforming amendment; nomination of directors.
Sec. 704. Outside directors for Central Bank for Cooperatives.
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#### TITLE VIII—AMENDMENTS TO TITLE V OF THE FARM CREDIT ACT OF 1971; MISCELLANEOUS

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Sec. 803. Examination of Federal Land Bank associations.
Sec. 804. Independent audits.
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Sec. 807. Loan Applications.

#### TITLE IX—FORMERS HOME ADMINISTRATION LOAN RESTRUCTURING

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#### TITLE X—STATE MEDIATION PROGRAM

Sec. 1001. Purposes.
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Sec. 1003. Mediation program.
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## TITLE I—FARM CREDIT REVOLVING FUND; FRANCHISE TAXES; PURCHASE OF STOCK

### SEC. 101. RENUMBERING OF SECTIONS; REPEAL OF CERTAIN SECTIONS.

(a) Title IV of the Farm Credit Act of 1971 is amended by—

(1) amending the heading immediately preceding section 4.0 to read to follows:

"Part A—Farm Credit Revolving Fund";

(2) inserting after section 4.1 a new heading as follows:

"Part B—Funding";

(3) renumbering sections 4.2 through 4.9 as sections 4.10 through 4.17;

(4) repealing section 4.9A;

(5) redesignating Parts B, C, D, D1, E, and F as Parts C, D, E, F, G, and H, respectively;

(6) renumbering sections 4.10 through 4.12 in Part C, as redesignating by paragraph (5), as sections 4.20 through 4.22;

(7) renumbering sections 4.13 through 4.19 in Part D, as redesignating by paragraph (5), as sections 4.30 through 4.38;

(8) repealing section 4.20 in Part D as redesignated by paragraph (5);

(9) renumbering sections 4.25 through 4.28 in Part E, as redesignated by paragraph (5), as sections 4.40 through 4.43;

(10) striking out the heading immediately preceding section 4.28A and inserting in lieu thereof the following:

"Part F—Loan Restructuring by System Institutions; Disposal of Property.

"Subpart 1—Loan Restructuring Corporation";

(11) renumbering sections 4.28A through 4.28I as sections 4.50 through 4.58;

(12) repealing sections 4.28J, 4.28K, and 4.28L;

(13) renumbering section 4.29 in Part G, as redesignated by paragraph (5), as 4.70;

(14) renumbering section 4.35 in Part H, as redesignated by paragraph (5), as section 4.80; and

(15) repealing section 4.36 in Part H as redesignated by paragraph (5).

(b) The Farm Credit Act of 1971 is amended by—

(1) striking out "section 4.8(b)" each place it appears in sections 1.1(c) and 5.19(b) and inserting in lieu thereof "section 4.16(b)";

(2) striking out "section 4.10" each place it appears in sections 1.3, 2.0, 3.0, and 5.17(a)(2), and inserting in lieu thereof "section 4.20";

(3) striking out "section 4.18" each place it appears in sections 1.4(12), 2.1(20), 2.3(b), 2.12(13); and 3.1(11) and inserting in lieu thereof "section 4.37";

(4) striking out "section 4.17" in section 2.15(b) and inserting in lieu thereof "section 4.36";

(5) striking out "section 4.25" in section 2.16(b), as renumbered by subsection (a)(3), and inserting in lieu thereof "section 4.40"; and

(6) striking out "section 4.19(b) in section 5.17(a)(3) and inserting in lieu thereof "section 4.38(b)"; and

(7) striking out "section 4.2" in section 5.17(a)(4) and inserting in lieu thereof "section 4.10".

### SEC. 102. FARM CREDIT REVOLVING FUND.

Section 4.0 of the Farm Credit Act of 1971 amended by—

(1) inserting before the first sentence "(a)";

(2) striking out "Capital Corporation" and all that follows through the period at the end of the section and inserting in lieu thereof "banks and associations of the Farm Credit System. To the extent there are funds available under this section, the Farm Credit Administration shall make such purchases of stock as the Farm Credit Administration Board determines are necessary to (1) prevent impairment of stock of any bank or association of the Farm Credit System held by persons or entities other than the Farm Credit Administration, (2) if such stock is impaired, restore any impairment thereof, or (3) provide collateral for obligations issued under section 4.10 by a bank in an amount sufficient to permit such bank to finance its lending operations. In lieu of purchasing stock in a Federal land bank association or production credit association, the Farm Credit Administration (A) may require the district Federal land bank or Federal intermediate credit bank, as the case may be, to invest in the stock of the association to prevent or restore the impairment of the association stock and (b), if so required, shall purchase an equivalent amount of stock in the bank. Such revolving fund may be referred to hereinafter in this Act as the 'Farm Credit Revolving Fund'. For the purposes of this subsection, the term 'stock' means voting stock, nonvoting stock, participation certificates, contributions to the guaranty fund of a bank for cooperatives,

and allocated equities that are to be revolved on or before December 31, 1992, under a revolving cycle established by an institution prior to the date of enactment of the Farm Credit Act of 1987."; and

(3) adding at the end thereof the following new subsections:

"(b) At any time after December 31, 1992, the Farm Credit Administration shall require the retirement of any stock purchased under subsection (a) at such times as the Farm Credit Administration Board determines the bank or association has resources available therefor and the need for such Government-owned stock is reduced or no longer exists. If the Farm Credit Administration Board determines that a Federal land bank association or a production credit association does not have resources available to retire stock held by the Farm Credit Administration but that the Federal land bank or the Federal intermediate credit bank in the district, as the case may be, has resources available to do so, the Farm Credit Administration may require that (1) such bank invest in an equivalent amount of nonvoting stock of such association and (2) the association retire the stock held by the Farm Credit Administration. The retirement of any association stock purchased by a bank under this subsection shall be retired in accordance with regulations of the Farm Credit Administration. The ownership of stock in any farm credit bank or association by the Farm Credit Administration shall not be deemed to change the status of ownership of the banks and associations, but, during the time such stock is outstanding, the pertinent provisions of the Government Corporation Control Act shall be applicable.

"(c) Notwithstanding any other provision of law, funds in the Farm Credit Revolving Fund shall also be available to the Farm Credit Administration to purchase obligations of the Farm Credit Banks Insurance Corporation as authorized in title VI, carry out the program described in subsection (d) and (e), and make loans to the Loan Restructuring Corporation as provided for in subsection (f).

"(d) From funds available under subsection (C), the Farm Credit Administration shall make payments to the holders of stock, including participation certificates issued in lieu of stock, of Farm Credit System associations placed in liquidation between January 1, 1983, and the date of enactment of the Farm Credit Act of 1987. Such payments shall be made under such terms and conditions as the Farm Credit Administration Board may prescribe, and the amount of any such payment shall be determined in accordance with generally accepted accounting principles to ensure that the holder receives an amount equivalent to the par or face value of such stock after taking into consideration any distributions such holder received from the assets of the association. As a condition for receiving payments under this subsection, the stockholder shall be required by the Farm Credit Administration to assign to the Administration all rights of the holder to any subsequent distributions from assets of the association. Any such distributions received by the Farm Credit Administration shall be deposited in the Farm Credit Revolving Fund and shall be available to the Administration for the purposes set out in this section.

"(e) From funds available under subsection (c), the Farm Credit Administration shall make payments to the holders of stock, including participation certificates issued in lieu of stock, that was retired at less than the par of stock, that was retired at less than par or face value by a Federal land bank association or a production credit association between January 1, 1987, and the date of enactment of the Farm Credit Act of 1987. The amount of any such payment shall be determined by the Farm Credit Administration Board to ensure that the holder receives an amount equivalent to the par or face value of such stock taking into consideration the amount received at the time it was retired by the association.

"(f) From funds available under subsection (C), the Farm Credit Administration shall make such loans to the Loan Restructuring Corporation in such amounts as the Farm Credit Administration Board determines are necessary to permit the Corporation to (1) refund to the Farm Credit banks and associations all required purchases and assessments as provided for in section 4.59, (2) grant forbearance on or restructure loans under Part F of this title, and (3) provide such other funds as needed in its operations.

"(g) Funds in the Farm Credit Revolving Fund shall be available to the Farm Credit Administration to repurchase from the Secretary of the Treasury any obligations issued by the Farm Credit Administration Board under section 4.1.

"(h) Proceeds received by the Farm Credit Administration from (1) the partial or the full retirement of stock of any Farm Credit institution and (2) the payment of loans and obligations described in subsection (c) shall be deposited in the Farm Credit Revolving Fund.".

### SEC. 103. AUTHORITY TO ISSUE NOTES TO THE SECRETAY OF THE TREASURY

Section 4.1 of the Farm Credit Act of 1971 is amended to read as follows:

### "SEC. 4.1. AUTHORITY TO ISSUE NOTES TO THE SECRETARY OF THE TREASURY.

"(a) The Farm Credit Administration, through the Farm Credit Administration Board, may make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds for the Farm Credit Revolving Fund necessary to permit the Farm Credit Administration to purchase stock and make loans and payments as set out in section 4.0.

"(b) Notes issued under subsection (a) shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Farm Credit Administration Board with the approval of the Secretary of the Treasury. Such notes shall not bear interest. The Secretary of the Treasury shall purchase any notes issued under subsection (a), and, for that purpose, the Secretary of the Treasury may use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which such securities may be issued under the Second Liberty Bond Act, and the purposes for which such securities may be issued under such Act are extended to include the purchases of notes issued by the Board. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public-debt transactions of the United States.

"(c) Notwithstanding any other provision of law, the requirement of the Secretary of the Treasury to purchase obligations of the Farm Credit Administration under this section may be exercised, without regard to fiscal year limitation, in a total amount not to exceed $6,000,000,000. The Farm Credit Administration shall not issue any obligations for the purpose of obtaining funds to purchase stock of any Farm Credit institution under section 4.0(a) after December 31, 1992.".

### SEC. 104. FRANCHISE TAXES.

Title IV of the Farm Credit Act of 1971 is amended by adding after section 4.1 the following:

### "SEC. 4.2. FRANCHISE TAXES.

"(a)(1)(A) Each of the banks of the Farm Credit System shall pay to the United States as a franchise tax a sum equal to the amount by which its unallocated retained earnings (taking into account any adjustments under sections 4.59 and 4.60) as of December 31, 1986, exceed 5 percent of its net loans (total loans outstanding less allowances for losses).

"(B) Each of the production credit associations shall pay to the United States as a franchise tax a sum equal to the amount by which its unallocated retained earnings (taking into account any adjustment under section 4.59) as of December 31, 1986, exceed 13 percent of its net loans (total loans outstanding less allowances for losses).

"(C) No institution shall be required to pay to the United States any part of the franchise tax provided for in this paragraph to the extent that the payment of such amount would result in the impairment of stock. For the purposes of this paragraph, the term 'stock' shall have the same meaning as that provided for in section 4.0(a).

"(2) The franchise tax provided for in paragraph (1) shall become due and payable sixty days after the adjustments are made under sections 4.59 and 4.60. All amounts paid by the banks and production credit associations under this subsection shall be deposited in the Treasury as miscellaneous receipts, and upon any such deposit, an equivalent amount of funds in the miscellaneous receipts in the Treasury shall, notwithstanding any other provision of law, be transferred to the Farm Credit Revolving Fund.

"(b)(1) Effective January 1, 1993, at the end of any fiscal year of a Farm Credit bank or association in which the Farm Credit Administration holds any stock in any such bank or association, each bank and association of the Farm Credit System, after complying with section 1.17, 1.18, 2.6, 2.14, or 3.11, as the case may be, shall pay to the United States as a francise tax a sum equal to 25 percent of its net earnings for the year before establishing any contingency reserves or declaring any dividends or patronage distribution.

"(2) The franchise tax for any year provided for in paragraph (1) shall be due and payable ninety days after the beginning of the subsequent fiscal year of the bank or association. All amounts paid by the banks and associations under this subsection shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(3) The franchise tax due for any year from any Farm Credit bank or association under paragraph (1) shall be reduced by—

"(A) an amount, not in excess of the tax due, equal to an amount of funds that the bank or association paid, prior to the date the tax becomes due, to the United States for the retirement of any stock of such institution held by the Farm Credit Administration; and

"(B) an amount, not in excess of the tax due, equal to the amount of funds, if any, that such bank or association contributes, prior to the date the tax becomes due, to another Farm Credit bank or association to permit the other bank or association to retire any of its stock held by the Farm Credit Administration to the extent that any amount so contributed is used by the other bank or association to retire such stock prior to the date the tax becomes due. Notwithstanding any other provision of this Act, each bank and association of the Farm Credit System may make such contributions, and any contributions made by the bank or association shall be considered operating expenses of the institution.

"(c) If any bank or association fails to pay all or part of any franchise tax under subsections (a) and (b) within thirty days after such tax becomes due and payable, the Secretary of the Treasury shall notify the Farm Credit Administration of such failure. Within sixty days of the receipt of such notice, the Farm Credit Administration shall, notwithstanding any other provision of this Act, after notice to such bank or association and an opportunity for a hearing before the Farm Credit Administration Board, shall suspend the charter of the bank or association until such time as the franchise tax is paid if the Farm Credit Administration Board determines that such tax has not been paid and the bank or association has not made provision to pay such tax.".

### SEC. 105. PURCHASE OF STOCK OF FARM CREDIT SYSTEM INSTITUTIONS BY FARM CREDIT ADMINISTRATION.

(a) Section 1.5 of the Farm Credit Act of 1971 is amended by—

(1) in subsection (d)—

(A) inserting "(1)" before the first sentence; and

(B) adding at the end thereof a new paragraph (2) as follows:

"(2) Nonvoting stock may be issued to the Farm Credit Administration for the purposes set out in this Act.";

(2) in subsection (e), inserting after "bank" in the first sentence "except stock held by the Farm Credit Administration"; and

(3) at the end of subsection (f), adding a new sentence as follows: "No patronage refund may be paid in any year in which the Farm Credit Administration holds stock in the bank.".

(b) Section 1.16 of the Farm Credit Act of 1971 is amended by adding at the end thereof a new subsection (d) as follows:

"(d) Notwithstanding the provisions of subsections (a) and (b), each Federal land bank association may issue nonvoting stock to the Farm Credit Administration and to the Federal land bank in the district for the purposes set out in this Act. Dividends shall not be paid on any stock held by the Farm Credit Administration.".

(c) Section 1.17 of the Farm Credit Act of 1971 is amended to read as follows:

"SEC. 1.17. LAND BANK RESERVES; DIVIDENDS.—(a) Each Federal land bank shall, at the end of each fiscal year, carry to reserve account a sum of not less than 50 percent of its net earnings for the year until such reserve account shall be equal to the outstanding capital stock and participation certificates of the bank, after restoring any impairment thereof. Thereafter, a sum equal to 10 percent of the year's net earnings shall be added to the reserve account until the account shall be equal to 150 percent of the outstanding capital stock and participation certificates of the bank. Any amounts added to the reserve account in excess of 150 percent of the outstanding capital stock and participation certificates may be withdrawn from such reserves with the approval of the Farm Credit Administration: *Provided*, That if the Farm Credit Administration holds any stock in a bank, such funds shall be withdrawn and used to retire such stock.

"(b) Any bank may declare a dividend or dividends, and pay patronage refunds, or do any of them, as provided in its bylaws, out of the whole or any part of net earnings which remain after (1) the maintenance of the reserve required in subsection (a), (2) the payment of the franchise tax, if any, as required by section 4.2., and (3) approval of the Farm Credit Administration. No patronage refund may be paid in any year in which the Farm Credit Administration holds stock in the bank.".

(d) Section 1.18 of the Farm Credit Act of 1971 is amended to read as follows:

"SEC. 1.18. ASSOCIATION RESERVES; DIVIDENDS.—(a) Each Federal land bank association shall, at the end of each fiscal year, carry to reserve account a sum of not less than 10 percent of its earnings until the reserve account shall equal 25 percent of the outstanding capital stock and participation certificates of such association after restoring any impairment thereof. Thereafter, 5 percent of the net earnings for the year shall be added to such reserve account until it shall equal 50 percent of the outstanding capital stock and participation certificates of the association. Any amounts in the reserve account in excess of 50 percent of the outstanding capital stock and participation certificates may be withdrawn with the approval of the Federal land bank and the Farm Credit Administration: *Provided*, That if the Farm Credit Administration holds any stock in an association, such funds shall be withdrawn and used to retire such stock.

"(b) Any association may declare a dividend or dividends and pay patronage refunds, or do any of them, as provided in its bylaws, out of the whole or any part of its net earnings available therefor which remain after (1) maintenance of the reserve required in subsection (a), (2) the payment of the franchise tax, if any, required by section 4.2, and (3) approval of the supervising bank and the Farm Credit Administration. All patronage refunds shall be paid on the proportionate patronage basis approved by the bank. Dividends shall be noncumulative, and the rate of dividends may be different between classes and issues of stock and participation certificates on the basis of the comparative contributions of the holders thereof to the capital or earnings of the Federal land bank by such classes and issues, but otherwise dividends shall be without preference. No dividends or patronage refunds may be paid by the association in any year in which the Farm Credit Administration holds stock in such association.

"(c) Whenever any association is liquidated, a sum equal to its reserve account as required in this Act shall be paid and become the property of the bank in which such association is a shareholder.".

(e) Section 1.20 is amended by inserting, after "held by", "the Farm Credit Administration".

(f) Section 2.2 of the Farm Credit Act of 1971 is amended by—

(1) in subsection (d), inserting before the first sentence "(1)" and adding a new paragraph (2) as follows:

"(2) Nonvoting stock may be issued to the Farm Credit Administration for the purposes set out in this Act."; and

(2) at the end of subsection (f), adding a new sentence as follows: "In any year that the Farm Credit Administration holds stock in a bank, no dividends may be paid on stock except as authorized by the Farm Credit Administration Board."; and

(3) in subsection (g), striking out in the first sentence of the fourth paragraph "The bank may retire" and inserting in lieu thereof the following: "If the Farm Credit Administration does not hold any stock in the bank, the bank may retire other".

(g) Section 2.6 of the Farm Credit Act of 1971 is amended by—

(1) adding before subsection (c) two new subsections as follows:

"(a)(1) If, at the end of a fiscal year a Federal intermediate credit bank shall have stock outstanding held by the Farm Credit Administration, such bank shall determine the amount of its net earning after paying or providing for all operating expenses (including reasonable valuation reserves and losses in excess of any such applicable reserves) and shall apply such net earnings as follows: (A) to the restoration of the impairment, if any, of capital stock and participation certificates, as determined by its board of directors; (B) to the restoration of the amount of the impairment, if any, of the bank's surplus account or allocated reserve account, as determined by its board of directors; (C) 25 percent of any remaining net earnings, to the creation and maintenance of an allocated reserve account; (D) to the payment to the United States of a franchise tax, as provided in section 4.2 of this Act; (E) to a reasonable unallocated contingency reserve account as may be established and maintained; (F) to the payment of dividends on stock held by production credit associations and on participation certificates that may be declared, as provided in section 2.2(f); and (G) to the retirement of any stock held by the Farm Credit Administration out of any remaining net earnings.

"(2) Amounts applied to reserve account as provided in paragraph (1)(C) shall be allocated on the patronage basis and have the tax treatment as is provided in subsection (b) of this section. At the end of any fiscal year that the allocated reserve account of any bank exceeds 25 percent of its outstanding stock and participation certificates, such excess may be distributed, oldest allocations first, in stock to production credit associations and participation certificates to other financial institutions issued as of the date of the allocations.

"(3) If and when the relative amounts of stock in a Federal intermediate credit bank owned by the production credit associations are adjusted to reestablish the proportion of such stock owned by each association, as provided in the first or second paragraphs of section 2.2(g), amounts in the reserve account that are allocated to production credit associations may be adjusted in the same manner, so far as practicable, to reestablish the holdings of the production credit associations in the allocated legal reserve accounts into substantially the same proportion as are their holdings of stock.

"(4) In the event of a net loss in any fiscal year after providing for all operating expenses (including reasonable valuation reserves and losses in excess of any such applicable reserves), such loss shall be absorbed by: first, charges to the unallocated reserve account; second, impairment of stock held by the Farm Credit Administration; third, impairment of the allocated reserve account; fourth, impairment of surplus; fifth, impairment of stock and participation certificates held by production credit associations and participation certificates held by other financing institutions; and sixth, impairment of other nonvoting stock.

"(b) Allocations to the reserve account under subsection (a)(1)(C) shall not be subject to Federal income taxes. All such allocations shall be made in the proportion that the amount of interest earned by the bank on its loans to and discounts for each production credit association or other financing institution bears to the total interest earned by the bank on all such loans and discounts outstanding during the fiscal year."; and

(2) in subsection (c)—

(A) in the first sentence—

(i) inserting, after "fiscal year", "in which the Farm Credit Administration hold no stock in the bank"; and

(ii) striking out "continue to"; and

(B) amending the last sentence to read as follows: "Provision shall be made for the payment of the franchise tax, if any, required in section 4.2.".

(h) Section 2.7 of the Farm Credit Act of 1971 is amended by inserting, after "second," in the first sentence, "all stock owned by the Farm Credit Administration at par; and third,".

(i) Section 2.13 of the Farm Credit Act of 1971 is amended by—

(1) in subsection (c), striking out "to other investors" and inserting in lieu thereof "Farm Credit Administration";

(2) in subsection (d), after "nonvoting stock" in the first sentence, inserting "(other than nonvoting stock held by the Farm Credit Administration)";

(3) adding at the end of subsection (i) a new sentence as follows: "Dividends shall not be paid on stock, other than preferred stock, in any year in which the Farm Credit Administration holds stock in the association."; and

(4) in subsection (j), after "held by", inserting "the Farm Credit Administration or".

(j) Section 2.14(a) of the Farm Credit Act of 1971 is amended by—

(1) striking out "and second," and inserting in lieu thereof "second,"; and

(2) inserting before the period at the end thereof the following: "; third, for the payment of the franchise tax, if any, under section 4.2; and fourth, for the retirement of any stock of the association held by the Farm Credit Administration".

(k) Section 2.14(b) of the Farm Credit Act of 1971 is amended by adding a new sentence at the end thereof as follows: "Patronage refunds shall not be paid in any year in which the Farm Credit Administration holds stock in the association.".

(l) Section 2.17 of the Farm Credit Act of 1971 is amended by adding at the end thereof two new sentences as follows: "Such associations, their property, their franchises, capital, reserves, surplus, and other funds, and their income shall be exempt from all taxation now or hereafter imposed by the United States or by any State, territorial, or local taxing authority; except that interest on the obligations of such associations shall be subject only to Federal income taxation in the hands of the holder thereof pursuant to the Public Debt Act of 1941 (31 U.S.C. 742(a)) and except that any real and tangible personal property of such associations shall be subject to Federal, State, territorial, and local taxation to the same extent as similar property is taxed. The exemption provided in the preceding sentence shall apply only for any year or part thereof in which stock in the production credit association is held by the Farm Credit Administration.".

(m) Section 3.3 of the Farm Credit Act of 1971 is amended by adding at the end thereof a new subsection (g) as follows:

"(g) Nonvoting stock may be issued to the Farm Credit Administration for the purposes set out in this Act.".

(n) Section 3.10(c) of the Farm Credit Act of 1971 is amended by inserting, after "all stock" in the first sentence, "(other than stock held by the Farm Credit Administration)".

(o) Section 3.11 of the Farm Credit Act of 1971 is amended by

(1) adding before subsection (b) a new subsection as follows:

"(a) Each bank for cooperatives, at the end of each fiscal year when such bank shall have stock outstanding held by the Farm Credit Administration, shall determine the amount of its net earnings after paying or providing for all operating expenses (including reasonable valuation reserves and losses in excess of any such applicable reserves) and shall apply such earnings as follows: (1) the amount of the impairment, if any, of capital stock, as determined by its board of directors, shall be restored; (2) 25 percent of any remaining net earnings shall be used to create and maintain a surplus account; (3) it shall next pay to the United States a franchise tax as provided in section 4.2; (4) reasonable contingency reserves may be established; (5) dividends on investment stock may be declared as provided in this title; and (6) any remaining net earnings shall be distributed as patronage refunds as provided in subsection (c) or (d): *Provided*, That any patronage refunds received by a district bank from any other bank for cooperatives shall be excluded from net earnings of the district bank for the purpose of computing such franchise tax. Amounts applied as provided in clause (2) of the preceding sentence shall be allocated on a patronage basis approved by the Farm Credit Administration. At the end of any fiscal year, any portion of the reserve, established under clause (4) in the first sentence of this subsection, that is no longer deemed necessary shall be transferred to the surplus account, and, if the surplus account of any such bank for cooperatives exceeds 25 percent of the sum of all its outstanding capital stock, the bank may distribute in the same manner as a patronage refund any part or all of such excess which has been allocated. In making such distributions except as otherwise provided in section 3.5 and distributions by the Central Bank, the oldest outstanding allocations shall be distributed first."; and

(2) in subsection (b)—

(A) after "fiscal year" in the first sentence, inserting "in which the Farm Credit Administration holds no stock in the bank"; and

(B) amending the last sentence to read as follows: "Provision shall be made for the payment of the franchise tax, if any, required under section 4.2.".

(p) Section 3.12 of the Farm Credit Act of 1971 is amended by adding at the end thereof two new sentences as follows: "Such banks, their property, their franchises, capital, reserves, surplus, and other funds, and their income shall be exempt from all taxation now or hereafter imposed by the United States or by any State, territorial, or local taxing authority; except that interest on the obligations of such banks shall be subject only to Federal income taxation in the hands of the holder thereof pursuant to the Public Debt Act of 1941 (31 U.S.C. 742(a)) and except that any real and tangible personal property of such banks shall be subject to Federal, State, territorial, and local taxation to the same extent as similar property is taxed. The exemption provided in the preceding sentence shall apply only for any year or part thereof in which stock in the bank for cooperatives is held by the Farm Credit Administration.".

(q) Section 5.17(a)(8) of the Farm Credit Act of 1971 is amended by striking out "Capital Corporation" and inserting in lieu thereof "banks and associations of the Farm Credit System".

## TITLE II—LOAN RESTRUCTURING

### SEC. 201. REFORM OF FARM CREDIT SYSTEM CAPITAL CORPORATION.

(a) Section 4.50 of the Farm Credit Act of 1971, as renumbered by section 101, is amended by striking out "reviewed on December 31, 1987." in the second sentence and all that follows and inserting in lieu thereof: ", upon enactment of the Farm Credit Act of 1987, amended by the Farm Credit Adminstration to change the name of such Corporation to 'Loan Restructuring Corporation'. The charter of the Corporation shall be revoked by the Farm Credit Administration on December 31, 1990, unless the Farm Credit Administration Board unanimously adopts by April 30, 1989, a resolution providing for a one year extension of the charter, in which case the charter shall be revoked on December 31, 1991. The Farm Credit Administration shall prescribe by June 30, 1989, regulations for (1) the orderly termination of the activities of the Corporation, (2) the payment of outstanding obligations of the Corporation, including obligations on loans made to the Corporation to the Credit institutions from which they were originally acquired. If so offered, such institutions shall be required to repurchase such loans and other property from the Corporation by the Farm Credit Administration under section 4.0, and (3) the distribution of any assets of the Corporation remaining after providing for the payment of such obligations. Such regulations shall require that, prior to the revocation of the charter, the Corporation offer to sell all loans and other property held by the Corporation to the Farm Credit institutions from which they were originally acquired. If so offered, such institutions shall be required to repurchase such loans and other property from the Corporation. The repurchase price to be paid for any such loans and property may not exceed the amount the Corporation originally paid for such loans and property.".

(b) Section 4.51 of the Farm Credit Act of 1971, as renumbered by section 101, is amended to read as follows:

"Sec. 4.51 Purposes.—For the sole purpose of carrying out activities provided for in this part, the Loan Restructuring Corporation shall—

"(1) hold, restructure, collect, sell, and otherwise administer nonperforming assets participated in or acquired from other Farm Credit System institutions; and

"(2) provide technical assistance to Farm Credit System institutions with respect to restructuring loans of their member-borrowers.".

(c) Section 4.52 of the Farm Credit Act of 1971, as renumbered by section 101, is amended to read as follows:

"Sec. 4.52. Board of Directors of the Loan Restructuring Corporation.—

"(a) The board of directors of the Loan Restructuring Corporation shall consist of five members of which—

"(1) two members shall be appointed by the Farm Credit Administration Board, with the original appointees under this paragraph being the members appointed by the Chairman of such Board to the board of directors of the Capital Corporation prior to the effective date of this section;

"(2) one member shall be appointed by the Farm Credit Administration Board by a resolution adopted unanimously by such Board; and

"(3) two members shall be elected by the boards of directors of the twelve farm credit districts and the board of directors of the Central Bank for Cooperatives.

"(b)(1) To be eligible for membership on such board, a person must be a citizen of the United States.

"(2) Members appointed under subsection (a)(1) and (2) shall not be member-borrowers, shareholders, salaried officers, employees, or agents of any institution of the Farm Credit System. Each of the members elected under subsection (a)(3) shall be a member-borrower of a Farm Credit institution and a bonafide farmer or rancher.

"(3) Within ten days after the date of enactment of the Farm Credit Act of 1987, the Farm Credit Administration shall seek nominations of at least two qualified candidates for membership on the Corporation's board under subsection (a)(3), and within thirty days after such date, the Administration shall conduct a poll of the district and Central Bank boards to elect the directors from the candidates so nominated. The two candidates receiving the highest numbers of votes shall be deemed elected.

"(c) Members of the Corporation's board of directors shall serve terms of two years, may succeed themselves, and may serve until their successors are duly seated. Vacancies on the board shall be filled in the same manner as the vacant position was previously filled.".

(d) The board of directors of the Farm Credit System Capital Corporation existing on the date of enactment of this Act shall continue as board of directors of the Loan Restructuring Corporation until all new members of the board of such Corporation are elected or appointed under section 4.52 of the Farm Credit Act of 1971 as amended by this section, at which time their terms shall expire.

(e) Section 4.56(a) of the Farm Credit Act of 1971, as renumbered by section 101, is amended by—

(1) in paragraph (4), striking out "its loans, commitments, and other financial assistance are made;";

(2) in paragraph (6), before "contract", inserting "carry out a loan restructuring program as provided in this part and";

(3) striking out paragraphs (9), (13), (14), (15), (16), (17), (19), and (21); and renumbering paragraphs (10), (11), (12), (18), (20), (22), and (23) as paragraphs (9) through (15), respectively; and

(4) amending paragraph (13), as renumbered by the preceding paragraph, to read as follows:

"(13) grant forbearance on, restructure, or liquidate any loan participated in or acquired from a Farm Credit institution.".

(f) Section 4.56(b) of the Farm Credit Act of 1971, as renumbered by section 101, is amended to read as follows:

"(b) Any power of the Corporation enumerated in subsection (a) with respect to the restructuring and liquidation of loans and the disposal of property shall be subject to the provisions of subpart 2 of this part.".

(g) Section 4.58(b) of the Farm Credit Act of 1971, as renumbered by section 101, is amended to read as follows:

"(b) Sales by the Loan Restructuring Corporation of real property formerly securing a liquidated loan shall be conducted pursuant to guidelines adopted by the Corporation that are consistent with the provisions of this part.".

(h)(1) Part F of title IV of the Farm Credit Act of 1971, as redesignated by section 101, is amended by adding after section 4.58 two new sections as follows:

### SEC. 4.59. ADJUSTMENT OF ASSESSMENTS.

"Any required purchase or assessment of the Farm Credit System Capital Corporation taken between July 31, 1986, and the date of enactment of the Farm Credit Act of 1987 for the purpose of obtaining funds to make financial assistance available to System institutions is hereby rescinded and funds obtained by the Corporation through required purchases or assessments shall be refunded to contributor institutions.

### SEC. 4.60. ADJUSTMENT OF LOSS-SHARING CONTRIBUTIONS.

"Any amounts paid or that remain accrued, by contributor institutions to other System institutions on or after July 31, 1986, under System bank capital preservation (loss-sharing) agreements, shall be repaid to contributor institutions or reversed, as the case may be.".

(2) The adjustments required by the amendments made by paragraph (1) shall be completed within sixty days after the date of enactment of this Act.

### SEC. 202. LOAN RESTRUCTURING BY SYSTEM INSTITUTIONS.

Title IV of the Farm Credit Act of 1971 is amended by adding after section 4.60 a new subpart 2 as follows:

"SUBPART 2—LOAN RESTRUCTURING BY SYSTEM INSTITUTIONS; DISPOSAL OF ACQUIRED PROPERTY

"Sec. 4.61. Notwithstanding any other provision of this Act—

"(a)(1) Within sixty days after the date of enactment of the Farm Credit Act of 1987, each farm credit district and the Loan Restructuring Corporation shall have in place a policy under which all nonaccrual loans held by the banks and associations in the district or the Corporation, as the case may be, are to be reviewed on a case-by-case basis to determine whether such loans should be considered for forbearance, restructuring, or liquidation. Each district policy shall be adopted by the farm credit district board and shall be binding upon each farm credit bank and association in the district. Each policy shall be submitted to the Farm Credit Administration Board in such manner as it may prescribe. The policy shall give special emphasis to forbearance and restructuring of loans rather than liquidations. The policy shall also provide for the review of all high-risk loans held by the bank and associations in the district, or the Corporation, to determine on a case-by-case basis what steps may be necessary to prevent such loans from becoming nonaccrual loans. The Farm Credit Administration Board may require such changes in a policy that it deems necessary to ensure compliance with this part and to ensure that the policies, including provisions relating to shared-appreciation mortgages, are consistent throughout the twelve farm credit districts to the extent practicable.

"(2) Each policy required under paragraph (1) shall indicate that—

"(A) each bank and association in the district, or the Corporation, will grant forbearance on nonaccrual and high-risk loans to the maximum extent possible to avoid losses to the institution on such loans; and

"(B) nonaccrual or high-risk loans will be restructured through reduction of principal and interest or otherwise in a manner that would enable the borrower to make payments of principal and interest due on the loan without unduly impairing the standard of living of the borrower, in cases in which—

"(i) the borrower can present a plan containing reasonable assumptions that indicates a high probability that the borrower will regain financial viability as the result of the restructuring; and

"(ii) the loan will be restructured in such a manner as to minimize any loss to the bank or association; and

"(iii) if the loan were restructured in a manner that would ensure its viability, the loss that would occur to the institution during the term of the loan as restructured would be less than or equal to the loss that would occur from liquidation.

"(3)(A) In determining any loss from liquidation, the institution shall consider (i) the amount by which the outstanding indebtedness of the borrower exceeds the appraised value of interests in property securing such indebtedness plus the book value of any stock and participation certificates of the institution held by the borrower, (ii) the estimated administrative and legal expenses necessary to liquidate the loan and dispose of any property acquired therefrom, and (iii) any other costs to the institution associated with such loan prior to its liquidation, including but not limited to holding the loan as a nonperforming asset. With respect to any loan restructured by the institution during the three-year period preceding the review, the loss to the institution determined under this paragraph shall include, in addition to the factors listed in the preceding sentence, the amount of loss incurred by the institution as a result of the prior restructuring of the loan.

"(B) Each loan restructured by the institution shall be considered a new loan made to the borrower. No nonaccrual or high-risk loan shall be restructured by a bank, association, or the Corporation unless the borrower agrees that any stock, including participation certificates, of the institution held by the borrower that is in excess of the amount required to capitalize the restructured loan shall, notwithstanding any other provision of this Act, be retired and any proceeds therefrom forfeited by the borrower to the institution.

"(4)(A) Each farm credit district board shall also establish a Special Credit Team to provide assistance to the banks and associations in the district in the handling of nonaccrual or high-risk loans. If requested by a bank or association in the district, the Special Credit Team shall be responsible for restructuring, granting forbearance, or liquidating such loans on a case-by-case basis. The Special Credit Team shall also provide technical assistance to the banks and associations in the district with respect to any loans restructured or liquidated by the bank or association.

"(B) Each district plan shall establish an appeals procedure under which a borrower whose loan has been determined to be not eligible for restructuring by an association, bank, or Special Credit Team can receive reconsideration of such decision by an appeals committee. The committee shall be composed of officers or employees of farm credit banks or associations in the district who were not responsible for the decision with respect to the loan and at least one member-borrower of a Farm Credit institution in the district. If the committee determines that the loan is eligible for restructuring, the bank, association, or Special Credit Team shall proceed to restructure the loan in the manner prescribed by the committee. No foreclosure or other steps shall be taken to liquidate any loan determined to be ineligible for restructuring by a bank, association, or Special Credit Team (i) until the borrower has been given an opportunity to appeal such decision, (ii) if the decision is appealed, until the appeals committee has considered the appeal and determined that the loan is ineligible for restructuring, and (iii) if such loan is determined by the appeals committee to be so ineligible, until the loan has been submitted to the Corporation, together with such documentation as it requires to make an independent decision, for a determination and the Corporation has determined that the loan is not eligible for restructuring. The appeals committee shall submit any loan determined by it to be ineligible to the Corporation within ten days and the Corporation shall make its determination within forty-five days from the date of receipt. If the Corporation determines the loan is eligible, the association, bank, or Special Credit Team shall proceed to restructure the loan in the manner prescribed by the Corporation. The borrower must file an appeal to the committee within thirty days of receipt of notice that the loan of the borrower has been determined to be not eligible for restructuring.

"(C) Any notice of ineligibility for restructuring shall be sent to the borrower by registered or certified mail within fifteen days after the determination of ineligibility. Such notice shall contain (i) the determination and the reasons for the determination, (ii) the computations used by the institution to make the determination, including the estimate of the collateral value of the land used to secure the loan, and (iii) the right of the borrower to appeal the decision to the appeals committee and to appear before such committee to contest the determination.

"(D) Any appeal filed with the appeals committee under paragraph 4(B) may include a request for an independent appraisal of any interests in property securing the loan other than the stock or participation certificates of the institution held by the borrower. The appeals committee shall arrange for such independent appraisal within thirty days of the date the request was received and shall consider the results of such appraisal in any final determination with respect to the loan. A copy of any appraisal made under this subparagraph shall be provided to the borrower.

"(E) The appeals committee shall make a final determination on the loan within sixty days of the date of receipt of the written appeal.

"(5)(A) If the Corporation determines that a loan held by it is not eligible for restructuring, the Corporation shall, within thirty days of such determination, notify the Special Credit Team in the district from which such loan was originally acquired by the Corporation and shall present such documentation with respect to the loan as to permit the Special Credit Team to make an independent decision as to whether such loan is eligible for restructuring. The Special Credit Team shall review the loan and make a determination thereon within thirty days after notification by the Corporation. If the Special Credit Team determines that the loan is eligible, the Corporation shall (i) restructure the loan in the manner prescribed by the Special Credit Team or (ii) offer to sell the loan to the bank or association in the district from which the loan was acquired for the net amount that the Corporation determined that it could have received from foreclosure of the loan. If the loan is so offered, the bank or association shall purchase the loan at such price and, after such purchase, shall restructure the loan in the manner prescribed by the Special Credit Team.

"(B) If the Special Credit Team determines that the loan is ineligible for restructuring, such decision may be appealed by the borrower within thirty days after receipt of notice of such decision, to the appeals committee established under paragraph (4)(B), and, if the committee determines that the loan is eligible for restructuring, the loan shall be restructured by the Corporation in the manner prescribed by the committee or sold for such restructuring to the bank or association from which it was originally acquired in the same manner and under the same conditions as provided in subparagraph (A). The provisions of paragraphs (4) (C), (D), and (E) shall apply with respect to any notice and appeals made under this subparagraph.

"(b) The review of all nonaccrual loans held by the banks, associations, and Loan Restructuring Corporation on the date of enactment of the Farm Credit Act of 1987 as provided for in subsection (a) shall be completed not later than one hundred and twenty days after such date, and all action required on loans eligible for forbearance or restructuring shall be completed by the institutions not later than two and one-half years after such date.

"SEC. 4.62. ADDITIONAL COLLATERAL.

"No institution of the Farm Credit System may—

"(1) require any borrower to provide additional collateral to secure a loan if the borrower is current in the payment of principal and interest on the loan; or

"(2) bring any action to foreclose, or otherwise liquidate, any loan as a result of the failure of a borrower to provide additional collateral to secure a loan if the borrower was current in the payment of principal and interest on the loan at the time the additional collateral was requested.

"SEC. 4.63. HOMESTEAD PROTECTION.

"(a) Effective during the period beginning one hundred and twenty days after enactment of the Farm Credit Act of 1987 through December 31, 1992, and notwithstanding the requirements of section 4.64, if a bank (other than a bank for cooperatives), association, or the Loan Restructuring Corporation forecloses a loan made for agricultural purposes that is held by the institution, or if a borrower who is primarily liable for payment of such loan declares bankruptcy or goes into voluntary liquidation to avoid foreclosure or bankruptcy, the institution shall, subject to the provisions of subsection (g), upon application by the borrower, permit the borrower to retain possession and occupancy of any principal residence of the borrower and a reasonable amount of adjoining land for the purpose of family maintenance that the institution acquired as the result of such foreclosure, bankruptcy, or involuntary liquidation. The period of occupancy of homestead property under this section shall not be less than three years nor more than five years, subject to compliance with the requirements of subsection (c).

"(b) The value of the homestead property shall be determined by an independent appraisal made within thirty days from the date of the borrower's application to retain possession and occupancy of the homestead property.

"(c) To be eligible to occupy homestead property, a borrower must—

"(1) apply for such occupancy within thirty days after the property is acquired by the institution;

"(2) have exhausted all remedies for the extension or restructuring of the loan that were available to the borrower under section 4.61;

"(3) have received from farming or ranching operations at least $30,000 in gross annual income in at least two calendar years during the five-year period preceding the calendar year in which the application is made;

"(4) have received from farming or ranching operations at least 60 percent of the gross annual income of the borrower and any spouse of the borrower during at least two years during such five-year period;

"(5) have occupied the homestead property, and engaged in farming or ranching operations on adjoining land, or other land controlled by the borrower during such period;

"(6) present information or documentation that establishes, to the satisfaction of the institution, that the borrower during the occupancy period will be likely to have some income sufficient to meet in a timely manner all expenses associated with occupying such property, including rental payments under paragraph (7) during such period.

"(7) during the period of occupancy, (A) pay to the institution a reasonable sum as rent for such property, on an annual or monthly basis as the institution may require, in an amount equivalent to rents charged for similar residential properties in the area in which it is located and (B) maintain such property in good condition; and

"(8) agree to such other terms and conditions as the institution may require to protect the interest of the institution in the property.

"(d) Failure to (1) pay rental payments in a timely manner; (2) maintain the property in good condition; or (3) comply with other terms and conditions required under subsection (c) shall constitute cause for the termination of all rights of a borrower under this section.

"(e) At the end of the period of occupancy described in subsection (a), the borrower shall have a first right of refusal to reacquire the homestead property on such terms and conditions as the institution shall determine, except that the insitution may not demand a total payment of the principal that is in excess of the value of the homestead property as established under subsection (b).

"(f) No rights of a borrower under this section, and no agreement entered into between the borrower and the institution for occupancy of the homestead property, shall be transferable or assignable by the borrower or by operation of any law, except that in the case of death or incomptency of such borrower, such rights and agreements shall be transferable to the spouse of the borrower if such spouse agrees to comply with the terms and conditions therof.

"(g) The provisions of this section shall not apply in any case in which the institution determines, on the basis of an independent appraisal conducted at the same

time as the appraisal under subsection (b), that the value of the acquired real estate prior to the separation would be more than the sum of the value of the homestead plus the value of the remaining property.

"SEC. 4.64. DISPOSAL OF ACQUIRED AGRICULTURAL PROPERTY.

Notwithstanding any other provision of this Act—

"(a) No institution of the Farm Credit System may sell any agricultural real estate that was acquired by an institution of the System as the result of a loan foreclosure, bankruptcy of a borrower, or voluntary liquidation of a loan entered into by a borrower (hereinafter in this section referred to as 'acquired real estate') if the sale of such acquired real estate would result in a substantial adverse effect on the value of agricultural land in the area in which the acquired real estate is located, as determined by the institution in accordance with regulations issued by the Farm Credit Administration.

"(b) If a farm credit institution holds any acquired real estate in tracts of land that are equal in size to, or smaller than, the average family farming or ranching operation in the area in which the property is located, taking into consideration the type of farming or ranching operation for which such property is well suited, such tracts of land shall not be combined for sale or lease by the institution if the size of the resulting tract substantially exceeds the size of such average farming or ranching operation, as determined by the institution under regulations issued by the Farm Credit Administration.

"(c) Each farm credit institution, holding acquired real estate in tracts of land larger in size than the average family farming or ranching operation in the area in which the property is located, taking into consideration the type of farming or ranching operation for which such property is well suited, prior to offering such acquired real estate for sale or lease, shall subdivide such land into tracts of land not substantially larger than such average farming or ranching operation, as determined by the institution under regulations issued by the Farm Credit Administration.

"(d) The provisions of subsections (b) and (c) shall not apply to the sale of acquired real estate by the institution to another institution of the Farm Credit System, and any combination or subdivision of acquired property by a Farm Credit institution shall not affect any right of a prior owner to redeem the property under any law of the State in which such property is located.

"(e) (1) Whenever an institution of the Farm Credit System, directly or through an agent, offers to sell or lease any acquired real estate or any similarly acquired personal property (other than an offer made to another Farm Credit System institution), such offer shall be made to the public, and the sale or lease of the acquired real estate or personal property shall be on the basis of competitive bidding conducted in accordance with regulations issued by the Farm Credit Administration. Such regulations shall ensure that—

"(A) adequate notice of the availability of such property is given to the public in the area in which the property is located, which notice shall contain the minimum amount, if any, required to qualify a bid as acceptable to the institution and any terms and conditions to which such sale or lease will be subject, including the right of first refusal by the previous owner to purchase or lease the property as provided for in subparagraph (C);

"(B) actual notice of the availability of the property, to the extent possible, is given to the previous owner from whom the property was acquired, which notice shall contain the same information as described in subparagraph (A); and

"(C) the property will be sold or leased on the basis of the highest qualified bid received by the institution, subject to the right of first refusal of the previous owner to purchase or lease the property for the same amount and under the same terms and conditions as such bidder; *Provided,* That the previous owner has resources available to conduct a successful family-size farming or ranching operation and to meet all payments, terms, and conditions of such sale or lease as determined by the institution under regulations issued by the Farm Credit Administration.

"(2) If two or more qualified bids in the same amount are received by the institution under paragraph (1), and such bids are the highest received, the institution shall sell or lease the property in accordance with regulations of the Farm Credit Administration to one of the highest qualified bidders. Such regulations shall ensure that priority for purchasing or leasing the property is given to qualified bidders who are operators, or would upon acquisition of the property become operators, of a farm or ranch that does not substantially exceed the size of the average family farming or ranching operation in the area in which such property is located or to be used.

"(3) The provisions of this subsection shall only apply to leases that are of a term of three years or less. The Farm Credit Administration shall issue regulations to ensure that the leasing authority of this subsection shall not be used by any institution in any manner to avoid the leasing requirements of subsection (f).

"(f)(1) If any Farm Credit System institution holds (A) acquired real estate that is not eligible for sale under this section and that is not leased under subsection (e), or (B) any similarly acquired personal property that is not leased under subsection (e), such institution shall offer to lease such property for a term of not less than five nor more than ten years to persons who are operators, or will upon receiving the lease become operators, of a farm or ranch that does not substantially exceed the size of the average family farming or ranching operation in the area in which such property is located, as determined by the institution in accordance with regulations issued by the Farm Credit Administration. Each lease offered under this subsection shall contain an option to purchase the property upon expiration of its term for the appraised value of the property. Such value shall be determined by an independent appraisal of the property made within the six-month period prior to the expiration of the term of the lease. The appraisal shall be based upon the market value of the property in the case of acquired personal property or the average annual income that may be reasonably anticipated to be generated from farming or ranching operations conducted on such land in the case of acquired real estate.

"(2) Each offer to lease under this subsection shall be made to the public, and the lease shall be granted on the basis of competitive bidding conducted in accordance with regulations of the Farm Credit Administration. Such regulations shall ensure that—

"(A) adequate notice of the availability of the property is given to the public in the area in which the property is located, which notice shall contain the minimum amount, if any, of rental payments required to qualify a bid as acceptable to the institution, the terms and conditions to which such lease will be subject, including the right of first refusal by a previous owner to lease the property as provided for in subparagraph (C);

"(B) Actual notice of the availability of the property, to the extent possible, is given to the previous owner from whom the property was acquired, which notice shall contain the same information as described in subparagraph (A); and

"(C) the property will be leased on the basis of the highest qualified bid received by the institution, subject to the right of first refusal of the previous owner to lease the property for the same amount and under the same terms and conditions as the highest qualified bidder: *Provided,* That such previous owner (i) meets, or upon receiving the lease will meet, the qualifications of an operator of a family-size farm or ranch under paragraph (1), and (ii) has the resources available to conduct a successful family-size farming or ranching operation and meet all rental payments, terms, and conditions of such lease, as determined by the institution under regulations issued by the Farm Credit Administration.

"(3) If two or more qualified bids in the same amount are received by the institution under paragraph (2), and such bids are the highest received, the institution shall determine which such bid to accept in accordance with regulations issued by the Farm Credit Administration.

"(g) Effective January 1, 1990, if a bank or association enters into any installment sales contract or similar agreement or any financing arrangement with any person for the purchase of acquired real estate or similarly acquired personal property, such person shall be required to own, and the institution shall issue to such person, voting stock (if such person is qualified to hold such stock), nonvoting stock, or participation certificates of the institution in an amount equivalent to that required to be owned by member-borrowers of the farm credit banks and associations under this Act. In the case of such contracts, agreements, or arrangements entered into by a Federal land bank, the person shall be required to purchase stock in the Federal land bank association serving the territory in which the property is located; and such association shall, in turn, purchase a similar amount of stock in the bank. In the case of a Federal intermediate credit bank, the person shall be required to own nonvoting stock or participation certificates of such bank in an amount equivalent to that required for loans made by the production credit association serving the territory in which the property is located. Stock, including participation certificates, issued under this provision shall be retired in accordance with regulations of the Farm Credit Administration, which regulations shall ensure, to the extent possible, that such stock is retired in the same manner as other borrower-owned stock of the institution.

"(h) Each institution of the Farm Credit System (1) shall sell, as provided for in subsection (e), or lease as provided for in subsection (f), all acquired real estate or similarly acquired personal property held by it on the date of enactment of the Farm Credit Act of 1987 not later than the end of the four-year period beginning on such date, and (2) shall sell or lease subsequently acquired real estate or personal property under such provisions not later than the end of the four-year period beginning on the date such property was acquired by the institution.".

### SEC. 203. CONFORMING ADMENDMENTS.

(a) The Farm Credit Act of 1971 is amended by striking out "Federal Farm Credit Corporation" and "Capital Corporation" each place such terms appear, other than in sections 4.50 and 4.57, as renumbered by section 101, and inserting in lieu thereof "Loan Restructuring Corporation".

(b) Section 4.12(c) of the Farm Credit Act of 1971, as renumbered by section 101, is repealed.

### SEC. 204. ACCESS TO DOCUMENTS AND INFORMATION.

Section 4.31 of the Farm Credit Act of 1971, as renumbered by section 101, is amended to read as follows:

"SEC. 4.31. ACCESS TO DOCUMENTS AND INFORMATION.—Each institution of the Farm Credit System shall provide to its borrowers, at the time of execution of loans and at any time thereafter upon request—

"(a) copies of all documents signed or delivered by the borrower;

"(b) a copy of the institution's articles of incorporation or charter and bylaws;

"(c) the current and effective interest rates on the borrower's loans, whether fixed or variable, and any changes in the current and effective interest rates during the terms of the loans;

"(d) copies of current forebearance and restructuring policies, including notices of the right to and method of appeals; and

"(e) copies of each appraisal of the borrower's assets or used by the institution.".

### SEC. 205. RIGHT TO SUE; STANDING.

Title IV of the Farm Credit Act of 1971 is amended by adding a new Part I as follows:

### "PART I—RIGHT TO SUE; STANDING

### "SEC. 4.90. RIGHT OF ACTION; JURISDICTION; STANDING.

"(a) Subject to subsection (c), any person shall have the right to sue—

"(1) any institution of the Farm Credit System for violation of

"(A) any duty, standard, or limitation prescribed under this Act and owing to that person; and

"(B) any order issued by the Farm Credit Administration with respect to any such duty, standard, or limitation owing to that person; and

"(2) the Farm Credit Administration for the failure to perform any act or duty prescribed under this Act to the extent that it is not discretionary.

"(b) The United States district courts shall have original jurisdiction, without regard to the amount in controversy, over any action brought under subsection (a).

"(c) A person shall have standing to sue under this section if such person suffers legal wrong or is aggrieved or adversely affected by the violation or violations on which the suit is based.

"(d) This section shall not affect the right any person may otherwise have under this Act or any other statute to sue any institution of the Farm Credit System or the Farm Credit Administration.".

## TITLE III—INSURANCE OF OBLIGATIONS OF FARM CREDIT BANKS; LIABILITY OF BANKS ON OBLIGATIONS

### SEC. 301. CREATION OF CORPORATION.

The Farm Credit Act of 1971 is amended by adding at the end thereof a new title VI as follows:

## "TITLE VI—FARM CREDIT BANKS INSURANCE CORPORATION

### "SEC. 6.0. CREATION OF FARM CREDIT BANKS INSURANCE CORPORATION.

"(a) There is created a Farm Credit Banks Insurance Corporation (hereinafter in this title referred to as the 'Corporation'), which shall insure the notes, bonds, debentures, or similar obligations of the banks of the Farm Credit System eligible for insurance as hereinafter provided. The Corporation shall be under the direction of the Farm Credit Administration Board (hereinafter referred to as the 'Board') and operated by it under such bylaws, rules, and regulations as it may prescribe for carrying out this title. The principal office of the Corporation shall be the same as the principal office of the Farm Credit Administration.

"(b) Upon the effective date of this title, the Corporation shall become a body corporate, and shall be an instrumentality of the United States, and as such shall have the power—

"(1) to adopt and use a corporate seal;

"(2) to have succession until dissolved by Act of Congress;

"(3) to make contracts;

"(4) to sue and be sued, complain and defend, in any court of competent jurisdiction in the United States or its territories or possessions or the Commonwealth of Puerto Rico, and may be served by serving a copy of process on any of its agents and mailing a copy of such process by registered or certified mail to the Corporation at its principal office;

"(5) to appoint and fix the compensation of such officers, employees, attorneys, or agents, as shall be necessary for the performance of its duties. Nothing in this title or any other provision of law may be construed to prevent the appointment and compensation as an officer, attorney, or employee of the Corporation, of an officer, attorney, or employee of any board, corporation, commission, establishment, agency, executive department, or instrumentality of the Government. The Corporation, with the consent of any such entity of the Government, may avail itself of the use of information, services, and facilities thereof in carrying out its duties and responsibilities; and

"(6) to borrow from the Farm Credit Revolving Fund, on such terms as may be fixed by the Board, such funds as are from time to time required by the Corporation for insurance purposes. Any such loan shall be used by the Corporation solely in carrying out its functions with respect to such insurance, including, but not limited to, the payment of its operating expenses. During the period beginning on the effective date of this title and ending December 31, 1992, any operating expenses of the Corporation shall be deemed to be operating expenses of the Farm Credit Administration.

"(c) The Corporation shall be entitled to the use of the United States mails for its official business in the same manner as the executive departments of the Government, and shall determine its necessary expenditures and the manner in which the same shall be incurred, allowed, and paid, without regard to the provisions of any other law governing the expenditure of public funds.

"(d) Moneys of the Corporation not required for current operations shall be deposited in the Treasury of the United States, or upon the approval of the Secretary of the Treasury, in any Federal Reserve bank, and shall be invested in obligations of, or guaranteed as to principal and interest by, the United States. When designated for that purpose by the Secretary of the Treasury, the Corporation shall be a depository of public money under such regulations as may be prescribed by the Secretary of the Treasury, and may also be employed as a fiscal agent of the United States, and it shall perform all such reasonable duties as a depository of public money and fiscal agent as may be required of it.

"(e) No individual, association, partnership, or corporation may use the words 'Farm Credit Banks Insurance Corporation' or any combination of these words that would have the effect of leading the public in general to believe there was any connection, actually not existing, between such individual, association, partnership, or corporation and the Farm Credit Banks Insurance Corporation, as the name under which such person or entity shall do business. No individual, association, partnership, or corporation may advertise or otherwise represent falsely by any device that the obligations of the person or entity are insured or in any way guaranteed by the Corporation, or by the Government of the United States, or by any instrumentality thereof; and no institution whose obligations are insured by the Corporation, and no individual, partnership, association, or corporation that markets insured obligations, shall advertise or otherwise represent falsely the extent to which or manner in which such obligations are insured by the Corporation. Every individual, partnership, association, or corporation violating this subsection shall be punished by a fine of not exceeding $1,000, or by imprisonment not exceeding one year, or both, for each violation.

### "SEC. 6.1. INSURANCE OF OBLIGATIONS OF FARM CREDIT BANKS.

"(a) It shall be the duty of the Corporation to insure the obligations of the Federal land banks, Federal intermediate credit banks, and the banks for cooperatives as provided for in this title.

"(b) Application for such insurance shall be made by each of the farm credit banks within sixty days after the effective date of this title. Such applications shall be in such form as the Corporation shall prescribe. Each application shall contain an agreement (1) to pay the reasonable cost of such examinations as the Corporation shall deem necessary in connection with such insurance, and (2) if the insurance is granted, to permit and pay the cost of such examinations as the Corporation may from time to time deem necesary for its protection and the protection of other insured institutions, to permit the Corporation to have access to any information or report with respect to any examination made by any regulatory authority and to furnish any additional information or report with respect thereto as the Corporation may require, and to pay the premium charges for insurance as hereinafter provided. Any examination required under this subsection shall be made by Farm Credit Administration examiners, and, whenever possible, the Corporation shall use the examinations made by the Farm Credit Administration in lieu of requiring separate examinations of an institution.

"(c) The Corporation shall reject the application of any applicant if it finds that the financial policies or management of the applicant are unsafe. Upon the approval of any application for insurance, the Corporation shall so notify the applicant and issue to the applicant a certificate stating that it has become an insured institution. In considering applications for insurance, the Corporation shall give full consideration to all factors in connection with the financial condition of applicants and insured institutions, and shall have power to make such adjustment in their financial statements as the Corporation finds to be necessary.

### "SEC. 6.2. EXTENT OF INSURANCE.

"(a) The Corporation shall insure the payment of principal and interest on notes, bonds, debentures, or other obligations issued by the farm credit banks under section 4.10(c) and (d), or any similar provision of previous law that become due and payable after December 31, 1992; as follows:

"(1) if the reserve of the Corporation is not above the level described in section 6.4, the Corporation shall provide for full payment of any amount of principal or interest due on insured obligations that the banks primarily and secondarily liable therefore under section 4.12 are unable to pay; and

"(2) if the reserve of the Corporation is above the level described in section 6.4—

"(A) to the extend that the reserve contains funds above such level in an amount sufficient to provide for the full payment of any amount of principal or interest due on insured obligations that a bank primarily liable therefor under section 4.12 is unable to pay, the Corporation shall provide for the full payment of such amount; and

"(B) to the extent that the reserve contains funds above such level but such funds are not sufficient to provide for the full payment of any amount of principal or interest due on insured obligations that a bank primarily liable therefor under section 4.12 is unable to pay, the Corporation (i) shall provide for the partial payment of the principal or interest due that the bank primarily liable therefore is unable to pay in the amount that funds in its reserve are above such level prior to making any call for payment from banks secondarily liable therefore under section 4.12 and (ii) shall provide for the full payment of any amount of principal or interest remaining due on insured obligations that the banks primarily and secondarily liable therefor are unable to pay after application of the amount provided by the Corporation under clause (i).

"(b) Each payment required under subsection (a) shall be provided by the Corporation in such manner as it shall determine.

"(c) No action against the Corporation to enforce a claim for payment of insurance of an obligation insured under this title may be brought after the expiration of three years from the date such obligation becomes due and payable.

### "SEC. 6.3. PREMIUMS FOR INSURANCE.

"Each farm credit bank whose application for insurance is approved shall agree to pay to the Corporation the amount of the premiums for insurance as determined under this subsection. Such premiums shall be assessed by the Corporation on the portion of each insured obligation issued after December 31, 1992, that the bank is primarily liable therefor. The premiums shall be at such level as the Corporation shall from time to time determine but shall not exceed two-tenths of 1 percent of the proceeds of such obligation. Premiums shall be collected in the manner prescribed by the Corporation. The level at which such premiums are assessed shall be determined by the Corporation, taking into consideration (1) the total amount of insured obligations outstanding, (2) the date on which the obligation matures, (3) the financial condition of the farm credit banks, (4) the reserve requirements of the Corporation, (5) any losses incurred by the Corporation, (6) the operating expenses of the Corporation as determined by the Board, and (7) the extent of the insurance provided under this title. The premium level assessed with respect to obligations of the same maturities shall apply equally to each bank whose application for insurance is approved.

### "SEC. 6.4. ESTABLISHMENT OF RESERVE.

"The Corporation shall establish and maintain a reserve, which shall be the general reserve of the Corporation. The Corporation, after providing for its annual operating expenses, including any payments due on obligations issued to the Farm Credit Revolving Fund, shall set aside in such reserve all income received by the Corporation from insurance premiums and investments. Unless the reserve is above a level equal to 1 percent of all outstanding insured obligations of the banks, the Corporation shall not provide payments as provided for in section 6.2(a)(2).

### "SEC. 6.5. TERMINATION OF INSURANCE AND ENFORCEMENT PROVISIONS.

"(a) Subject to the provisions of subsection (d), any farm credit bank whose obligations are insured under this title may terminate its status as an insured institution by written notice to the Corporation specifying a date for such termination.

"(b)(1) Whenever, in the opinion of the Corporation, any insured bank has violated its duty as such or is engaging or has engaged in an unsafe or unsound practice in conducting the business of such institution, or is in an unsafe or unsound condition to continue operations as an insured institution, or is violating or has violated an applicable law, rule, regulation, or order, or any condition imposed in writing by the Corporation in connection with the granting of any application or other request by the institution, or any written agreement entered into with the Corporation, including the agreement to pay required premiums, the Corporation shall serve upon the bank a statement with respect to such violations or practices or conditions for the purpose of securing the correction thereof.

"(2) Unless such correction is made within one hundred and twenty days after service of such statement, or such shorter period of not less than twenty days after such service (A) as the Corporation shall require in any case where the Corporation determines that its insurance risk with respect to such banks could be unduly jeopardized by further delay in the correction of such violations or practices or conditions, or (B) unless within such time the Corporation shall have received acceptable assurances that such correction will be made within a time and in a manner satisfactory to the Corporation, or if such assurances are submitted to and accepted by the Corporation but are not carried out in accordance with their terms, the Corporation may, if it shall determine to proceed further, issue and serve upon the bank written notice of intention to terminate its status as an insured institution.

"(3) Such notice shall contain a statement of the facts constituting the alleged violation or violations or the unsafe or unsound practice or practices or condition, and shall fix a time and place for a hearing thereon. Such hearing shall be fixed for a date not earlier than thirty days after service of such notice. Unless the bank shall appear at the hearing by a duly authorized representative, it shall be deemed to have consented to the termination of its status as an insured institution. In the event of such consent, or if upon the record made at any such hearing, the Corporation shall find that any violation or unsafe or unsound practice or condition specified in such notice has been established and has not been corrected within the time prescribed in which to make correction, the corporation may issue and serve upon the bank an order terminating the status of the bank as an insured institution. However, any such order shall not become effective until it is an order that has become final (except in the case of an order of termination issued upon consent, which shall become effective at the time specified therein).

"(c) The effective date of the termination of the bank's status as an insured institution under the provisions of this section shall be the date specified for such termination in the notice by the institution to the Corporation as provided in subsection (a) or the date upon which an order of termination issued under subsection (b)(3) becomes effective. The Corporation may from time to time postpone the effective date of the termination of a bank's status as an insured institution at any time before such termination has become effective, but in the case of termination by notice given by the institution such effective date shall be postponed only with the written consent of the institution.

"(d) In the event of the termination of a bank's status as an insured instituton, insurance on obligations of the institution to the extent that they were insured on the effective date of such termination shall continue, but no obligation on which the institution is primarily liable shall be subsequently insured. The Corporation shall have the right to examine such bank from time to time during the period in which its insured obligations remain outstanding. Such bank shall be obligated to pay annual insurance premiums to the Corporation on such outstanding insured obligations, which annual premiums shall be in such amounts as the Corporation determines necessary to cover its risk of loss on the institution's outstanding insured obligations.".

### SEC. 302. CONFORMING AMENDMENTS; REQUIREMENT OF INSURANCE; LIABILITY OF BANKS ON OBLIGATIONS

(a) Section 4.11(a) of the Farm Credit Act of 1971, as renumbered by section 101, is amended by inserting at the end thereof a new sentence as follows: "Effective January 1, 1993, any minimum capital adequacy requirement established under this subsection shall be established at a level to ensure that the risk of loss to the Farm Credit Banks Insurance Corporation in insuring obligations of the banks is reduced to the extent practicable.".

(b) Section 4.10 of the Farm Credit Act of 1971, as renumbered by section 101, is amended by—

(1) in the first sentence, striking out "paragraph (e)" and inserting in lieu thereof "subsections (e) and (g)";

(2) in subsection (d), striking out the proviso at the end of the second sentence and inserting in lieu thereof the following: *Provided*, That there shall be no issues of System-wide obligations that are payable on or before December 31, 1992, without the concurrence of the boards of directors of

each of the twelve farm credit districts and the Central Bank for Cooperatives and the approval of the Farm Credit Administration for such issues shall be conditioned on and be evidence of the compliance with this provision: *Provided further,* That there shall be no issues of System-wide obligations that become due and payable after December 31, 1992, without the concurrence of the boards of directors of each of the banks insured by the Farm Credit Banks Insurance Corporation and the approval of the Farm Credit Administration for such issue shall be conditioned on and be evidence of compliance with this provision"; and

(3) adding at the end thereof two new subsections as follows:

"(f) In granting approval for issuances of obligations under this section, the Farm Credit Administration, after taking into consideration interest rates and other factors, shall ensure that the outstanding obligations of the banks will become due and payable over a term of years to the extent practicable.

"(g) No bank may join with other banks in the issuance of notes, bonds, debentures, or other obligations under subsections (c) and (d) that are due and payable after December 31, 1992, unless such bank is an institution insured by the Farm Credit Banks Insurance Corporation.".

(c) Section 4.12(a) of the Farm Credit Act of 1971, as renumbered by section 101, is amended by—

(1) inserting "(1)" before the first sentence thereof;

(2) in the first sentence, striking out ", and shall be liable for the interest payments on long-term notes, bonds, debentures, or other obligations issued by other banks operating under the same title of this Act";

(3) adding at the end thereof two new paragraphs as follows:

"(2)(A) With respect to any issue of consolidated or System-wide obligations issued during the period beginning January 1, 1988, and ending December 31, 1992, that are due and payable during such period, the liability of the banks thereon shall be as follows:

"(i) Each bank shall be primarly liable for the payment of principal and interest on the portion of any issue of such obligations made on its behalf to the extent that the bank has available funds to pay such portion without impairing its stock;

"(ii) If a bank is not able to pay under clause (i) the full amount of principal and interest due on the portion of any issue of such obligations made on its behalf, each of the other banks operating under the same title of this Act as such bank, as called upon by the Farm Credit Administration, shall be jointly and severally liable for the amount that such bank is unable to pay under clause (i) to the extent that a bank liable under this clause has available funds to pay such amount without impairing its stock;

"(iii) If the banks operating under the same title of this Act are unable to pay under clauses (i) and (ii) the full amount of principal and interest due on the portion of any issue of such obligations made on behalf of a bank, each of the other banks operating under other titles of this Act, as called upon by the Farm Credit Administration, shall be jointly and severally liable for the amount that the banks are unable to pay under clauses (i) and (ii) to the extent that a bank liable under this clause has available funds to pay such amount without impairing it stock; and

"(iv) If the banks are unable to pay under clauses (i), (ii), and (iii) the full amount of principal and interest due on the portion of any issue of such obligations made on behalf of a bank, such bank shall be primarily liable to pay any remainder of the principal and interest due to the extent of funds available in its capital accounts, and, if the funds available in the capital accounts of such bank are insufficient to pay such amount, each of the other banks, as called upon by the Farm Credit Administration, shall be jointly and severally liable for the payment of any amount remaining unpaid to the extent of funds available in its capital accounts.

"(B) In making calls for payment from banks under subparagraph (A), the Farm Credit Administration shall take into consideration the capital, surplus, bonds, debentures, or other obligations which each bank may have outstanding at the time of the call. Calls under subparagraph (A)(iv) shall be made first upon banks operating under the same title of this Act as the bank described in subparagraph (A)(i), and second upon the banks operating under other titles of this Act.

"(C) For the purpose of this paragraph, the term 'stock' means voting stock, nonvoting stock, participation certificates, allocated equities, and contributions to the guaranty funds of a bank for cooperatives, and the term 'capital accounts' means accounts maintained by a bank that reflect its outstanding stock.

"(3) Calls upon banks under this subsection shall be made in accordance with regulations of the Farm Credit Administration.".

(d) Section 4.12(d) of the Farm Credit Act of 1971, as renumbered by section 101, is amended by—

(1) redesignating subsection (d) as subsection (c); and

(2) inserting before the period at the end thereof the following: ", except to the extent such obligations are insured under title VI.".

(e) The amendments made by subsections (a) through (c) shall be effective January 1, 1988.

### SEC. 303. EFFECTIVE DATE.

Except as otherwise specifically provided herein, this title shall be effective thirty days after enactment of this Act.

## TITLE IV—REAL ESTATE LENDING; INTEREST RATES

### SEC. 401. LOANS TO FARMERS AND RANCHERS.

(a) Section 1.6 of the Farm Credit Act of 1971 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ": *Provided,* That no loan may be made to any person for the purchase of any interest in agricultural real estate unless such person is, or upon acquisition of such interest will become, a bona fide farmer or rancher.".

(b) Part H of Title IV of the Farm Credit Act of 1971, as redesignated by section 101, is amended by adding at the end thereof a new section as follows:

"Sec. 4.81. Definitions; Terms.—For the purpose of this Act, the term 'farmer or rancher' means a person whose income is derived principally from the production or harvesting of agricultural commodities, as determined under regulations of the Farm Credit Administration, and the term 'producer or harvester of aquatic products' means a person whose income is derived principally from the production or harvesting of aquatic products, as determined under regulations of the Farm Credit Administration. The term 'person' shall include a partnership, corporation, or other legal entity, the principal interest in which is owned by individuals who are farmers, ranchers, or producers or harvesters of aquatic products, as determined under regulations of the Farm Credit Administration.".

### SEC. 402. INTEREST RATES ON FEDERAL LAND BANK LOANS.

Section 1.7 of the Farm Credit Act of 1971 is amended by—

(1) inserting "(a)" before the first sentence thereof;

(2) in the last sentence, striking out "The" and inserting in lieu thereof "Except as provided for in subsection (b), the";

(3) adding at the end thereof five new subsections as follows:

"(b) Each bank shall make available to bona fide farmers and ranchers long-term real estate mortgage loans of terms not less than fifteen years at a fixed rate of interest. The rate of interest on such loans shall not exceed by more than 2 percent the average rate of interest on obligations of comparable maturities issued by the bank or issued on its behalf during the preceding twelve-month period.

"(c) No bank may establish a differential interest rate program for loans of members of any Federal land bank association under which different rates of interest are charged on loans made to bona fide farmers and ranchers on the basis of creditworthiness, the type of agriculture involved, or other factors unless the majority of the holders of voting stock of such association approves such a program at a meeting of such stockholders. The weighted average rate of interest on all agricultural loans made under a differential interest rate program shall not exceed by more than 2 percent the average rate of interest on obligations issued by the bank or issued on its behalf during the preceding twelve-month period.

"(d) Except for loans made under subsections (b) and (c) and any fixed-rate agricultural loans outstanding on the date of enactment of the Farm Credit Act of 1987, the rate of interest on all agricultural loans of a bank shall not exceed by more than 2 percent the average rate of interest on obligations issued by the bank or issued on its behalf during the preceding twelve-month period.

"(e) No bank may increase the rate of interest on any outstanding loan as the result of such loan being unfavorably classified.

"(f) Notwithstanding the provisions of subsections (b) and (d), the Farm Credit Administration may authorize a Federal land bank to charge a higher interest rate on such loans if the Farm Credit Administration Board determines that the bank requires such higher rate to ensure that the bank will be able to continue to make and service loans in remote areas in which the number of eligible borrowers is limited.".

### SEC. 403. SECURITY OF FEDERAL LAND BANK LOANS.

Section 1.9 of the Farm Credit Act of 1971 is amended to read as follows:

"Sec. 1.9. Security.—Loans originated by a Federal land bank or in which it participates with a lender that is not a Farm Credit System institution shall not exceed—

"(1) except as provided for in paragraphs (2) and (3), 75 percent of the appraised value of the real estate security;

"(2) in the case of young or beginning farmers and ranchers, 85 percent of the appraised value of the real estate security if the borrower has sufficient repayment capacity as determined by the bank and provides such other collateral for the loan as may be required by the bank; or

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"(3) if the loan is guaranteed by Federal, State, or other governmental agencies, such greater percentage, not to exceed 97 percent, of the appraised value of the real estate security as may be authorized under regulations of the Farm Credit Administration.

"(b) All loans so originated or participated in by a bank shall be secured by first liens on interests in real estate of such classes as may be approved by the Farm Credit Administration.

"(c) The value of the real estate security shall be determined by an appraisal of such security under appraisal standards prescribed by the Farm Credit Administration Board. In the case of agricultural loans made to young or beginning farmers and ranchers and in the case of all nonagricultural loans, the appraised value shall be determined on the basis of the normal market value of the real estate security. In all other cases involving agricultural real estate, the appraised value shall be determined on the basis of the use of the real estate security for agricultural purposes, taking into consideration the anticipated annual income that can reasonably be generated from agricultural production on such real estate security.

"(d) Additional security for any loan may be required by the bank to supplement real estate security, and credit factors other than the ratio between the amount of the loan and the security value shall be given due consideration.

"(e) Each Federal and bank shall require a financial statement from each borrower at least once every three years or such shorter period of time as may be required under regulations of the Farm Credit Administration.".

### SEC. 404. FUTURE PAYMENT PLANS.

Part A of title I of the Farm Credit Act of 1971 is amended by adding at the end there of a new section so follows:

"Sec. 1.12A. Future Payment Plans.

"Notwithstanding any other provision of law, each Federal land bank shall establish a future payment plan into which its borrowers shall be permitted to pay such amounts, not in excess of the amount of outstanding principal of any indebtedness of the borrower to the bank, for the payment of any payment of principal or interest that becomes due on such indebtedness. The bank shall pay interest on such funds. The rate of interest paid shall be adjusted monthly and shall not be less than the average rate of interest on all obligations issued by the bank or issued on its behalf during the preceding three-month period. The bank may require reasonable notice if any borrower wishes to withdraw from such plan, and each borrower participating in such plan shall authorize the bank to apply any amount of funds paid into such plan by the borrower for application against any payment of principal or interest on indebtedness of such borrower that is overdue by more than 30 days.".

### SEC. 405. INTEREST RATE PROGRAM OF PRODUCTION CREDIT ASSOCIATION LOANS.

Section 2.15(b) of the Farm Credit Act of 1971 is amended by—

(1) inserting "(1)" before the first sentence thereof;

(2) in the first sentence, striking out ", and shall" and inserting in lieu thereof the following: ": *Provided,* That no rate of interest may be in excess of 2 percent of the discount rate of the bank. Such loans shall"; and

(3) adding at the end thereof a new paragraph (2) as follows:

"(2) No association may establish a differential interest rate program for loans of its members under which different rates of interest are charged on loan to bona fide farmers or ranchers on the basis of creditworthiness, the type of agriculture involved, or other factors unless the majority of the holders of voting stock of such association approves such a program at a meeting of such stockholders.".

### SEC. 406. FARM CREDIT ADMINISTRATION APPROVAL OF CERTAIN LOANS.

Part H of title IV of the Farm Credit Act of 1971, as redesignated by section 101, is amended by adding at the end thereof a new section as follows:

"Sec. 4.82. Requirement of Farm Credit Administration Approval for Certain Loans.

"No Federal land bank, Federal intermediate credit bank, or production credit association may make or participate in any loan to a farm credit district director, or a director of a district bank having a separate board of directors, without the prior approval of the Farm Credit Administration.".

## TITLE V—SERVICE ORGANIZATIONS

### SEC. 501. SERVICE ORGANIZATIONS.

Part E of title IV of the Farm Credit Act of 1971, as redesignated by section 101, is amended by adding at the end thereof three new sections as follows:

"Sec. 4.44. Farm Credit Corporation of America.

"(a) The Farm Credit Administration shall revoke the charter issued to the Farm Credit Corporation of America under section 4.40 as of the close of business on September 30, 1989, unless a majority of the board members of the boards of directors of each Federal land bank association, production credit association, farm credit district, and the Central Bank for Cooperatives by votes in a poll conducted by the Farm Credit Administration by April 30, 1989, vote to permit such corporation to continue operations.

"(b) If a majority of the directors in the poll conducted under subsection (a) do not vote to permit such corporation to continue operations, the corporation shall diligently commence all practical and reasonable steps to achieve an orderly termination of its affairs by the date of termination in subsection (a).

"Sec. 4.45. Federal Farm Credit Banks Funding Corporation.

"(a) The charter issued to the Federal Farm Credit Banks Funding Corporation by the Farm Credit Administration under section 4.40 shall not permit such corporation to set policy, prescribe lending limits or standards, make lending decisions, hold any primary capital of any System institution, or assume in any manner the responsibility of other Farm Credit institutions to service their member-borrowers.

"(b) Within thirty days after the date of enactment of the Farm Credit Act of 1987, the Farm Credit Administration shall amend the charter of such corporation to provide that the corporation shall have a board of directors composed of five members. One member shall be elected by a majority of the members of the boards of directors of the first, second, and third farm credit districts; one member shall be elected by a majority of the members of the boards of directors of the fourth, fifth, and sixth farm credit districts; one member shall be elected by a majority of the members of the boards of directors of the seventh, eighth, and ninth farm credit districts; and one member shall be elected by a majority of the members of the boards of directors of the tenth, eleventh, and twelfth farm credit districts. The fifth member shall be appointed by the Farm Credit Administration Board. The term of office for such members shall be three years, except that the initial term of office of a member of the initial board may be shorter as determined by the Farm Credit Administration Board to permit staggering of terms of office. The nomination and election of directors shall be conducted by the Farm Credit Administration under procedures established by it. The board of directors of the corporation existing on the date of enactment of the Farm Credit Act of 1987 shall continue as directors until all of the members of the initial board are elected or appointed under this subsection. The procedures adopted by the Farm Credit Administration shall ensure that the initial board is elected or appointed within one hundred and twenty days after enactment of such Act.

"(c) The corporation shall make an annual written report to each System bank and association detailing its bond placements, budget, costs and expenses. Copies of this report shall be furnished to the Committee on Agriculture, Nutrition, and Forestry of the Senate, the Committee on Agriculture of the House of Representatives, and to the Farm Credit Administration Board.

"Sec. 4.46. Prohibition for Chartering New Service Corporations

"Effective on the date of enactment of this section, the Farm Credit Administration shall issue no charter to any new service corporation under section 4.40 unless specifically authorized by an Act of Congress.".

## TITLE VI—MERGERS

### SEC. 601. VOLUNTARY MERGERS OF ASSOCIATIONS; MANDATORY COOLING-OFF PERIOD FOR ASSOCIATION MERGERS; NOTIFICATION TO STOCKHOLDERS.

Section 4.22(a) of the Farm Credit Act of 1971, as renumbered by section 101, is amended by—

(1) by inserting "(1)" after "(a)";

(2) in the third sentence, striking out "present and voting or voting by written proxy";

(3) in the last sentence, after "Administration", inserting "Board"; and

(4) adding at the end thereof two new paragraphs as follows:

"(2) A voluntary merger approved by a vote of the stockholders of two or more associations under paragraph (1) shall not take effect for at least sixty days after the date on which the stockholders of such associations were notified of the final result of the vote. If a petition for reconsideration, signed by at least 5 percent of the stockholders of any one of the merging associations, is presented to the Farm Credit Administration by the thirtieth day after the date of such notification, a special stockholders' meeting to reconsider the merger shall be held before the sixtieth day. The special meeting shall include the stockholders of all merging associations. If a majority of the stockholders of any merging association votes against merger at the special meeting, the merger shall not take place.

"(3) Prior to holding any meeting of stockholders for the purpose of voting on the voluntary merger of two or more associations under paragraph (1), each such association shall notify the stockholders of the association at least thirty days prior to the date of such meeting of the proposed merger plan. Such notification shall contain an enumerated statement of the anticipated benefits to the stockholders of the association from such merger and the potential disadvantages to such stockholders if the merger should occur. Such notification shall be submitted to the Farm Credit Administration Board for approval prior to being provided to the stockholders. The Farm Credit Administration Board shall require that, prior to being provided to the stockholders, the notification be amended as it determines necessary to provide accurate information to the stockholders in order that they may make an informed decision as to the advisability of the proposed merger.".

### SEC. 602. MERGER OF SIMILAR BANKS.

Section 4.20 of the Farm Credit Act of 1971, as renumbered by section 101, is amended by inserting after "Farm Credit Administration" the following: "by resolution adopted unanimously by the Farm Credit Administration Board".

### SEC. 603. TREATMENT OF CERTAIN FARM CREDIT ASSOCIATIONS.

Section 5.17(a)(2) of the Farm Credit Act of 1971 is amended by striking out "; and the Farm Credit Administration shall ensure that the board of directors of district banks does not discriminate against the disapproving associations in exercising its supervisory authorities. Such associations shall not be (i) charged any assessment under this Act at a rate higher than that charged like associations in the district or (ii) discriminated against in the provision of any finncial service and assistance;; and inserting in lieu thereof the following: ". The Farm Credit Administration Board shall ensure that disapproving associations (i) shall not be charged any assessment under this Act at a rate higher than that charged other like associations in the district and (ii) shall be provided, on the same basis as other like associations in the district, financial services and assistance".

### SEC. 604. SPECIAL RECONSIDERATION OF CERTAIN MERGERS.

Part C of title IV of the Farm Credit Act of 1971, as redesignated by section 101, is amended by adding at the end thereof a new section as follows:

SEC. 4.23. SPECIAL RECONSIDERATION OF CERTAIN MERGERS.

"Notwithstanding any other provision of this Act—

"(a) Subject to the provisions of this section, the Farm Credit Administration shall issue regulations under which the stockholders of any association that voluntarily merged with one or more associations after December 23, 1985, and before the date of enactment of the Farm Credit Act of 1987, may petition in writing for the opportunity to organize themselves as a separate association.

"(b) The regulations issued by the Farm Credit Administration shall require that—

"(1) the petition be signed by 5 percent of the stockholders of any one of the associations that merged during the period;

"(2) the petition describe the territory in which the proposed association will operate;

"(3) if approved, (A) the loans of the members of the new association be transferred from the current association to the new association; (B) stock, including participation certificates and allocated equities, of the current association held by such members be retired at book value and the proceeds transferred to the new association, and an equivalent amount of stock and equities be issued to the members by the new association; and (C) other assets of the current association be distributed equitably among the current association and any resulting new association.

"(c) Not later than thirty days after the filing of such petition with the Farm Credit Administration, the current association shall notify its stockholders that a petition to establish the separate association has been filed. Such notification shall contain the date of a special stockholders meeting to consider the petition and an enumerated statement of the anticipated benefits to the stockholders of the association in establishing the separate association and the potential disadvantages to such stockholders if the separate association should be established. Such notification shall be submitted to the Farm Credit Adminstration Board for approval prior to being provided to the stockholders. The Farm Credit Administration Board shall require that, prior to being provided to the stockholders, the notification be amended as it determines necessary to provide accurate information to the stockholders in order that they may make an informed decision as to the advisablity of establishing the separate association. The special stockholders meeting to consider the petition shall be held within sixty days after the filing of the petition.

"(d) If, at the special stockholders meeting, a majority of the members of the current association who would be served by the new association approves the establishment of the separate association, the Farm Credit Adminstration, within thirty days, shall issue a charter to the new association and shall amend the charter of the current association to reflect the territory to be served by the new association.".

## TITLE VII—BOARDS OF DIRECTORS

### SEC. 701. OUTSIDE DIRECTORS FOR FEDERAL LAND BANK ASSOCIATIONS.

Section 1.14 of the Farm Credit Act of 1971 is amended to read as follows:

"SEC. 1.14. BOARD OF DIRECTORS.—Each Federal land bank association shall elect a board of directors of such number, for such terms, in such manner, and with such qualifications as may be required by its bylaws. Such bylaws shall permit the election of not more than one person who is not, and has not been during the preceding five-year period, a member-borrower, officer, employee, or agent of any institution of the Farm Credit System if the association's voting stockholders approve the bylaw permitting the election of such outside director. The approval shall require a vote of a majority of the holders of voting stock of the association present and voting or voting by written proxy at a duly authorized meeting.".

### SEC. 702. OUTSIDE DIRECTORS FOR PRODUCTION CREDIT ASSOCIATIONS.

Section 2.11 of the Farm Credit Act of 1971 is amended to read as follows:

"SEC. 2.11. BOARD OF DIRECTORS.—Each production credit association shall elect a board of directors of such number, for such terms, in such manner, and with such qualifications as may be required by its bylaws. Such bylaws shall permit the election of not more than one person who is not, and has not been during the preceding five-year period, a member-borrower, officer, employee, or agent of any institution of the Farm Credit System if the association's voting stockholders approve the bylaw permitting the election of such outside director. The approval shall require a vote of a majority of the holders of voting stock of the association present and voting or voting by written proxy at a duly authorized meeting.".

### SEC. 703. CONFORMING AMENDMENT; NOMINATION OF DIRECTORS.

Section 4.34 of the Farm Credit Act of 1971, as renumbered by section 101, is amended in the second sentence by striking out "farmers" and inserting in lieu thereof "nominees".

### SEC. 704. OUTSIDE DIRECTORS FOR CENTRAL BANK FOR COOPERATIVES.

Section 3.2 of the Farm Credit Act of 1971 is amended to read as follows:

"SEC. 3.2. BOARD OF DIRECTORS OF THE CENTRAL BANK FOR COOPERATIVES.—(a) The Central Bank for Cooperatives shall have a board of directors of not more than fifteen members, one from each farm credit district, one at large, and two who have extensive knowledge and experience in banking and finance. A member from a farm credit district shall be elected by the board of directors of the bank for cooperatives in such district. The at-large member shall be appointed by the Farm Credit Administration Board. The two members who have extensive knowledge and experience shall be elected by a majority of the members described in the preceding two sentences; if a majority of such members fails to elect a member under this subsection, the Farm Credit Administration Board shall appoint a qualified person to serve on the board until a member is so elected.

"(b)(1) To be eligible for membership on the board of directors of the Central Bank for Cooperatives, a person—

"(A) must be a citizen of the United States for at least 10 years;

"(B) in the case of a director elected by the district bank boards or appointed by the Farm Credit Administration Board, must not be, and have not been within one year next preceding the date of election or appointment, a salaried officer or employee of the Farm Credit Administration or of any institution of the System;

"(C) in the case of a director who has extensive knowledge and experience, must not be, and have not been within five years next preceding the date of election or appointment, a member-borrower, salaried officer, or employee of any institution of the System or of the Farm Credit Administration ;

"(D) must have been a resident of the distict for at least two years in the case of a district member;

"(E) must not have been convicted of a felony or adjudged liable in damages for fraud; or,

"(F) must not be a resident of the same state as the other member having extensive knowledge and experience.

"(c) No director of the Central Bank board may continue to serve in that capacity and the office shall become vacant if, after the election or appointment of the member of the board, the member becomes (1) a salaried officer or employee of the Farm Credit Administration, of any institution of the System, or a member of the Farm Credit Administration Board, (2) in the case of a director with extensive knowledge and experience, a member-borrower of any System institution, or (3) legally incompetent or is finally convicted of a felony or held liable in damages for fraud.

"(d) No person who served as a member of the Central Bank board may be elected or designated to serve as a salaried officer or employee of the Central Bank for Cooperatives during the one-year period beginning

on the date such person ceased to be a member of such board.

"(e) The terms of directors of the Central Bank board shall be three years, except that the terms of the initial members with extensive knowledge or experience may be for shorter periods to permit staggering of such terms.

"(f) For the purposes of this section, the provisions of sections 5.4, 5.5, and 5.6 shall apply to and shall be the authority of the board of directors of the Central Bank for Cooperatives the same as though the board were a board of directors of a farm credit district.".

### SEC. 705. OUTSIDE DISTRICT DIRECTORS.

(a) Section 5.1(a) of the Farm Credit Act of 1971 is amended by striking out "seven" and inserting in lieu thereof "nine".

(b) Section 5.1(b) of the Farm Credit Act of 1971 is amended by—

(1) amending paragraph (1) to read as follows:

"(1) in the case of a member elected under section 5.2(a)(1) and (2)(A), is, or has been within one year next preceding the date of election, a salaried officer or employee of the Farm Credit Administration or any institution of the System;"

(2) redesignating paragraphs (2) and (3) as paragraphs (3) and (4);

(3) inserting after paragraph (1) a new paragraph (2) as follows:

"(2) in the case of a member elected or appointed under section 5.2(a)(2)(B), is, or has been within five years next preceding the date of election, a member-borrower, salaried officer, or employee of any institution of the System or a salaried officer or employee of the Farm Credit Administration;"; and

(4) amending paragraph (4), as redesignated, to read as follows:

"(4) in the case of the election of a member under section 5.2(a)(1), if there is at the time of the election another resident of the same State who was elected to the district board by the same electorate, or in the case of the election or appointment of a member under section 5.2(a)(2)(B), if there is at the time of the election or appointment another resident of the same State who was elected or appointed to the district board under section 5.2(a)(2)(B): *Provided*, That the requirement of this paragraph shall not apply in the case of a district embracing only one State.";

(5) striking out the last two sentences;

(6) redesignating subsection (c) as subsection (e);

(7) inserting after subsection (b) two new subsections as follows:

"(c) No director of the district board may continue to serve in that capacity and the office shall become vacant if, after the election or appointment of the member of the board, the member becomes (1) a salaried officer or employee of the Farm Credit Administration, of any institution of the System, or a member of the Farm Credit Administration Board, (2) in the case of a director elected or appointed under section 5.2(a)(2)(B), a member-borrower of any System institution, or (3) legally incompetent or is finally convicted of a felony or held liable in damages for fraud.

"(d) No person who served as a member of the district board may be elected or designated to serve as a salaried officer or employee of any bank or joint employee of the district for which the person served as director during the one-year period beginning on the date such person ceased to be a member of such board."; and

(8) amending subsection (e), as redesignated by paragraph (6), to read as follows:

"(e) The terms of district directors shall be three years, except that the terms of the initial directors elected or appointed under section 5.2(a)(2)(B) may be for shorter periods to permit staggering of such terms.".

(c) Section 5.2(a)(2) of the Farm Credit Act of 1971 is amended by—

(1) redesignating subparagraph (B) as subparagraph (C); and

(2) inserting a new subparagraph (B) as follows:

"(B) The eighth and ninth members shall, in addition to meeting the requirements of section 5.1(b), have extensive knowledge and experience in banking and finance and shall be elected by a majority of the seven members of the board elected under subsection (a)(1) and (2)(A) presenting and voting; if a majority of such seven members fails to elect a member under this subparagraph, the Farm Credit Administration Board shall appoint a qualified person to serve on the board until a member is so elected.".

(d) Section 5.2(b) of the Farm Credit Act of 1971 is amended by striking out "an elected director" in the first sentence and inserting in lieu thereof "a director elected under subsection (a)(1) and (2)(A)".

(e) Section 5.2(c) of the Farm Credit Act of 1971 is amended by striking out "an elected director" in the first sentence and inserting in lieu thereof "a director elected under subsection (a)(1) and (2)(A)".

### SEC. 706. SEPARATE BOARDS OF DIRECTORS FOR SYSTEM BANKS.

(a) The Farm Credit Act of 1971 is amended by adding after section 5.3 a new section 5.3A as follows:

"SEC. 5.3A. ELECTION TO HAVE A SEPARATE BOARD OF DIRECTORS FOR A SYSTEM BANK.—(a) REFERENDUM.—Upon receipt of a petition signed by one or more stockholders of any bank representing at least 15 percent of the total number of votes that may be cast by the bank's stockholders in the election of district directors, the Farm Credit Administration shall, within thirty days, issue a notice to all stockholders stating that a referendum has been called to determine whether to elect a separate board of directors for the bank. For the purposes of this section, the term 'stockholder' in the case of a bank for cooperatives means a holder of voting stock or subscriber to the guaranty fund of the bank. The notice shall state the time and place of a special stockholders' meeting to hold the referendum. The notice to each association shall state the number of votes that the board of the association is entitled to cast in the referendum, based on the number of voting stockholders of that association on the date of such notice, as determined by the Farm Credit Administration. The meeting shall be held not less than thirty nor more than sixty days from the date on which the notice is mailed.

"(b) STOCKHOLDERS' MEETING.—If at the special stockholders' meeting called pursuant to subsection (a), a majority of the votes cast at such meeting is in favor of a separate board of directors for the bank, a separate board of directors for the bank shall be established as provided for in subsection (c).

"(c) ESTABLISHMENT OF SEPARATE BOARD.—The separate board of directors of the bank shall be composed of seven members. Two of the members of the board shall be the two members of the district board who are elected by the bank's stockholders under section 5.2(a)(1). Such members of the district board, upon becoming directors of a separate board for the bank, shall not have voting privileges on the district board when it acts as the board of directors of another bank under section 5.6(a)(1). Two members shall be the members of the district board elected or appointed under section 5.2(a)(2)(B). Three members shall be elected by the stockholders of the bank in the same manner as district board members under section 5.2(a)(1) are elected, and the Farm Credit Administration shall conduct a nominating and election poll for such directors in accordance with section 5.2(b) and (c). The initial election shall be held not later than 120 days after the stockholders' meeting under subsection (b). The initial board shall not conduct business until such members are duly elected and qualified. The three elected members of the board shall meet the same eligibility requirements of section 5.1 as district board directors elected under section 5.2(a)(1) and shall receive the same compensation as district directors under section 5.5. Each elected director shall serve a term of three years, except that the initial term for the initial directors shall be for one, two, or three-year terms to permit staggering of terms.

"(d) BANK BOARD OFFICERS.—Each such separate bank board shall elect from its members a chairman and a vice chairman and shall appoint a secretary from within or without its membership as it may see fit. The chairman, vice chairman, and secretary shall hold office for a term of one year and until their successors are selected and take office.

"(e) ABOLISHMENT OF SEPARATE BOARDS.—A separate board of directors established pursuant to this section shall continue until abolished. If the Farm Credit Administration receives a petition from stockholders, representing the same voting strength as that described in subsection (a), requesting a referendum to determine whether to retain the separate board of directors for the bank, a referendum shall be held in the same manner as the referendum described in subsection (a). If a majority of the votes represented at a special stockholders' meeting called pursuant to the preceding sentence are cast in favor of abolishing the separate board of directors of the bank, the board shall be abolished.

"(f) POWERS.—The separate board of directors of a district bank elected pursuant to this section shall have the power to exercise all of the powers granted to the bank in section 1.4, 2.1, or 3.1, whichever is applicable.".

### SEC. 707. CONFORMING AMENDMENTS.

(a) Section 4.21 of the Farm Credit Act of 1971, as renumbered by section 101, is amended by—

(1) in the second sentence, striking out "each of the district boards" and inserting in lieu thereof "the board of directors of each bank"; and

(2) by striking out the third sentence.

(b) Section 4.22(a) of the Farm Credit Act of 1971, as renumbered by section 101, is amended by striking out in the last sentence "district board" and inserting in lieu thereof "board of directors of the supervising bank".

(c) Section 4.34 of the Farm Credit Act of 1971, as renumbered by section 101, is amended in the last sentence by inserting—

(1) after "district directors", "or directors of a separate district bank board"; and

(2) after "district board", "or separate board of directors of a district bank".

(d) Section 5.6(a) of the Farm Credit Act of 1971 is amended by—

(1) in paragraph (1), after "in the district", inserting "except banks for which a separate board of directors is established under section 5.3A";

(2) in paragraph (2), after "the banks", inserting "(except banks for which a separate board of directors is established under section 5.3A";

(3) in paragraph (3)—

(A) after the first sentence, inserting a new sentence as follows: "The election of, or provision for, joint officers or employees under the preceding sentence shall, in the case of a joint officer or employee of a district bank for which a separate board of directors is established under section 5.3A, be subject to the approval of such bank board.";

(B) in the third sentence, after "district farm credit board", inserting "or a separate district bank board established under section 5.3A"; and

(C) in the fourth sentence, striking out "board of directors" and inserting in lieu thereof "district farm credit board or a separate district bank board".

(4) in paragraph (4), after the first sentence, inserting a new sentence as follows: "The authority of the district board set out in the preceding sentence shall not apply to property solely owned by a district bank for which a separate board of directors is established under section 5.3A."; and

(5) in paragraph (5), striking out "districts, all of such activities subject to" and inserting in lieu thereof "districts. Any agreement authorized under the preceding sentences with respect to joint services or undertakings involving a district bank for which a separate board of directors is established under section 5.3A shall require the approval of such bank board. All such activities shall".

## TITLE VIII—AMENDMENTS TO TITLE V OF THE FARM CREDIT ACT OF 1971; MISCELLANEOUS

### SEC. 801. LIMITATION OF COMPENSATION OF DISTRICT BOARD.

Section 5.5 of the Farm Credit Act of 1971 is amended by inserting before the period at the end thereof the following:

": *Provided*, That no director may receive compensation under this section during any year in a total amount exceeding $15,000".

### SEC. 802. FARM CREDIT ADMINISTRATION BOARD.

(a)(1) Section 5.8(a) of the Farm Credit Act of 1971 is amended by—

(A) in the second sentence, striking out "three" and inserting in lieu thereof "five"; and

(B) in the fourth sentence, striking out "two" and inserting in lieu thereof "three";

(2) Section 5.8(b) of the Farm Credit Act of 1971 is amended in the first sentence by—

(A) striking out "two members" and inserting in lieu thereof "four members"; and

(B) striking out ", one on the expiration of two years after the date of appointment, and one on the expiration of";

(3) Section 5.8(c) of the Farm Credit Act of 1971 is amended by striking out the last sentence and inserting in lieu thereof two new sentences as follows: "The Board shall adopt such rules as it deems appropriate for the transaction of its business. The Board shall select a Board secretary who shall be responsible for keeping permanent and accurate records and minutes of the Board's actions and proceedings.";

(4) Section 5.10(a) of the Farm Credit Act of 1971 is amended to read as follows:

"(a) The Chariman of the Board shall be the chief executive officer of the Farm Credit Administration. In carrying out the responsibilities of the chief executive officer, the Chairman shall be responsible for directing the implementation of policies and regulations adopted by the Board and, after consultation with the Board, the execution of all the administrative functions and duties of the agency. In carrying out policies as directed by the Board, the Chairman shall act as spokesman for the Board and represent the Board and the agency in their official relations within the Government. Under policies adopted by the Board, the Chairman shall consult on a regular basis with the Secretary of the Treasury in connection with the exercise by the System of the powers conferred under section 4.10 of this Act, with the Board of Governors of the Federal Reserve System in connection with the effect of System lending activities on national monetary policy, and with the Secretary of Agriculture in connection with the effect of System policies on farmers, ranchers, and the argicultural economy.";

(5) Section 5.11 of the Farm Credit Act of 1971 is amended to read as follows:

"SEC. 5.11. ORGANIZATION OF THE FARM CREDIT ADMINISTRATION.—The chairman of the Board, in carrying out the powers and duties vested in the Chairman by this Act and acts supplementary thereto, shall be governed by policies of the Board and by such regulatory decisions, findings, and determinations as the Board may by law be authorize to make. The appointment by the Chairman of the heads of major administrative divisions under the Board shall be subject to the approval of the Board. Personnel employed regularly and full-time in the immediate offices of Board members other than the Chairman shall not be affected by this section. The officers and employees of the agency shall be (1) subject to the Ethics in Government Act of 1978, (2) considered officers or employees of the United States for the purposes of sections 201 through 203, and sections 205 through 209, of title 18 of the United States Code, and (3) subject to section 5373 of title 5 of the United States Code. The powers of the Chairman as chief executive officer may be exercised and performed by the Chairman through such other officers and employees of the Administration as the Chairman shall designate, subject to Board approval. The operations of the Farm Credit Administration and the salaries of members of the Board and employees of the Administration, shall be funded and paid for from the fund created under section 5.15.";

(6) Section 5.12 of the Farm Credit Act of 1971 is amended by inserting, after "Chairman of the Board", ", subject to the approval of the Board,";

(7) Section 5.17(a) of the Farm Credit Act of 1971 is amended by—

(A) in paragraph (2), striking out the last sentence and inserting in lieu thereof the following: "The Farm Credit Administration Board, after consultation with the respective boards of directors of the affected banks, may require two or more district banks of the Farm Credit System operating under the same title to merge if the Board determines that one of such banks has failed to meet its outstanding obligations."; and

(B) in paragraph (15)—

(i) inserting, after "determined", "by the Board",

(ii) adding at the end thereof a new sentence as follows: "The Board may not delegate its responsibility under this paragraph."; and

(C) adding at the end thereof a new paragraph as follows:

"(16) Appoint a farm credit appraiser for each farm credit district. Such appraiser shall be responsible for ensuring that appraisal standards established by the Farm Credit Administration Board for security offered for loans made by each of the farm credit banks and associations in the district are adhered to and for notifying the Farm Credit Administration Board if any institution fails to comply with such standards. Any such failure shall be considered as unsafe or unsound practice under this Act. The prior approval of the farm credit appraiser may be required for the acceptance of any interest in property offered as security from a loan from a bank or association in the district to the extent provided for in the regulations of the Farm Credit Administration.";

(8) Section 5.19(a) of the Farm Credit Act of 1971 is amended by striking out "the Chairman of" each place it appears; and

(9) Section 4.22(b) of the Farm Credit Act of 1971, as renumbered by section 101, is amended by inserting "Board" after "Farm Credit Administration" each place it appears other than in clause (5) of the first sentence.

(b) Title V of the Farm Credit Act of 1971 is amended by adding after section 5.37 a new section as follows:

"SEC. 5.38. EXCLUSIVE POWER TO REMOVE DIRECTORS AND OFFICERS.—Notwithstanding any other provision of this Act, no farm credit district board, bank board, or bank officer or employee may remove any director or officer of any production credit association or Federal land bank association.".

### SEC. 803. EXAMINATION OF FEDERAL LAND BANK ASSOCIATIONS.

Section 5.19(a) of the Farm Credit Act of 1971 is amended by—

(a) in the first sentence, striking out "Each" and inserting in lieu thereof "Except for Federal land bank associations, each"; and

(b) inserting after the first sentence a new sentence as follows: "Each Federal land bank association shall be examined by Farm Credit Administration examiners at such frequency as the Farm Credit Administration Board may determine but at least once every five years.".

### SEC. 804. INDEPENDENT AUDITS

Part H of title IV of the Farm Credit Act of 1971, as redesignated by section 101, is amended by adding at the end thereof a new section as follows:

"SEC. 4.83. INDEPENDENT AUDITS.

"No institution of the Farm Credit System may enter into any contract or agreement for an independent audit of any Farm Credit institution or any other financial institution eligible to borrow under title II unless such contract or agreement is for a term of no more than two years and such contract or agreement is entered into under a competitive bidding procedure, as prescribed by regulations of the Farm Credit Administration.".

### SEC. 805. LOAN ORIGINATION FEES.

Part C of title I of the Farm Credit Act of 1971 is amended by adding a new section as follows:

"SEC. 1.22. LOAN ORIGINATION FEES.

"Each Federal land bank that finances all or any part of the stock of a Federal land bank association in connection with a loan made by a bank to a borrower shall charge a loan origination fee, not to exceed 2 percent of the loan, in an amount sufficient to cover the cost to the bank in making the loan. In no case may any institution of the Farm

Credit System finance the loan origination fee required by this section.".

### SEC. 806. RETIREMENT OF FEDERAL LAND BANK ASSOCIATION STOCK.

Section 1.16 (a) of the Farm Credit Act of 1971 is amended by striking out the sixth sentence and inserting in lieu thereof the following: "Except as otherwise provided in this subsection, no stock may be retired prior to the payment of the full amount of the loan, at which time such stock shall be retired and paid in cash at book value not to exceed par, as determined by the association. If the loan is in default, stock may be retired at book value not to exceed par, as determined by the association, and the proceeds therefrom applied at any outstanding indebtedness of the borrower to the bank.".

### SEC. 807. LOAN APPLICATIONS.

Section 4.30(b) of the Farm Credit Act of 1971, as renumbered by section 101, is amended to read as follows:

"(b) Each application for a Federal land bank or a production credit association loan shall clearly state the following:

"(1) the amount of stock required to be purchased or owned with respect to the loan;

"(2) except as provided for in this Act, there is no assurance that the borrower will receive par or face value for stock upon retirement;

"(3) in the case of default on a loan, stock owned by the borrower may be retired and the proceeds therefrom applied against the loan; and

"(4) in the case of Federal land bank association stock, the stock shall not be retired prior to full payment of the loan except as provided for in paragraph (3).".

## TITLE IX—FARMERS HOME ADMINISTRATION LOAN RESTRUCTURING

SEC. 901. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended—

(1) in section 331(d) (7 U.S.C. 1981(d)) by striking out "The Secretary" and inserting in lieu thereof "Subject to section 331D, the Secretary"; and

(2) by inserting after section 331C (7 U.S.C. 1981C) the following new section:

"SEC. 331D. DEBT RESTRUCTURING.—"(a)(1) Within sixty days after the date of enactment of the Farm Credit Act of 1987, the Secretary shall implement a policy under which all nonaccrual farm ownership and operating loans held by the Farmers Home Administration and loans made by a Federal or State chartered bank, savings and loan association, cooperative or other legally organized lending agency that have been guaranteed by the Secretary under this Title are to be reviewed on a case-by-case basis to determine whether such loans should be considered for forbearance, restructuring, or liquidation. The Secretary shall give special emphasis to forebearance and restructure of loans rather than to liquidations. The Secretary shall also provide for the review of all high-risk loans held by the Farmers Home Administration, to determine on a case-by-case basis what steps may be necessary to prevent such loans from becoming nonaccrual loans.

"(2) The Secretary may pursue to final collection, by way of compromise or otherwise, all claims against third parties assigned to the Secretary in connection with loans made, including the power—

"(i) to negotiate a guaranteed loan with a lending institution to enable the Secretary to honor a portion of a guarantee and avoid foreclosure; and

"(ii) to purchase a guaranteed loan in its entirely from a lending institution and thereby permit loan servicing by the Secretary under the authority of the Secretary.

"(3) The Secretary shall grant forbearance on nonaccrual and high-risk loans to the maximum extent possible to avoid losses to the Farmers Home Administration on such loans and shall restructure nonaccrual or high-risk loans through reduction of principal and interest or otherwise in a manner that could enable the borrower to make payments of principal and interest due on the loan and ensure a reasonable standard of living for the borrower and his family, in cases in which—

"(i) the borrower can present a plan containing reasonable assumptions that indicates a high probability that the borrower will regain financial viability as the result of the restructure; and

"(ii) the loan will be restructured in such a manner as to minimize any loss to the Farmers Home Administration; and

"(iii) if the loan were restructured in a manner that would ensure its viability, the loss to the Farmers Home Administration during the term of the loan as restructured would be less than or equal to the loss that would occur from liquidation.

"(4)(A) In determining any loss from liquidation, the Secretary shall consider (i) the amount by which the outstanding indebtedness of the borrower exceeds the appraised value of interests in property securing such indebtedness, (ii) the estimated administrative and legal expenses necessary to liquidate the loan and dispose of any property acquired therefrom, and (iii) other costs to the Farmers Home Administration associated with its liquidation and disposition of the loan and collateral, including but not limited to holding the loan as a nonperforming asset. With respect to any loan restructured by the Secretary during the three-year period preceding the review, the loss to the Farmers Home Administration determined under this paragraph shall include, in addition to the factors listed in the preceding sentence, the amount of loss incurred by the Farmers Home Administration as a result of the prior restructuring of the loan.

"(B) Each loan restructured by the Secretary shall be considered a new loan made to the borrower.

"(5)(A) The Secretary shall establish an appeals procedure under which a borrower whose loan has been determined under this section to be not eligible for restructuring can receive reconsideration of such decision by an appeals committee. The committee shall be composed of one employee of the State in which the loan originated who was not responsible for any of the decisions with respect to the loan and one county committee member from the same State, and one member appointed by the State Director of the Farmers Home Administration. If the committee determines that the loan is eligible for restructuring, the Secretary shall proceed to restructure the loan in the manner prescribed by the committee. No foreclosure or other steps shall be taken to liquidate any loan determined to ineligible for restructuring by Farmers Home Administration, (i) until the borrower has been given an opportunity to appeal such decision, (ii) if the decision is appealed, until the appeals committee has considered the appeal and determined that the loan is ineligible for restructuring, and (iii) if such loan is determined by the appeals committee to be so ineligible, until the loan has been submitted to the Secretary, together with such documentation as it requires to make an independent decision, for a determination and the Secretary has determined that the loan is not eligible for restructuring. The appeals committee shall submit any loan determined by it to be ineligible to the Secretary within ten days and the Secretary shall make its determination within forty-five days from the date of receipt. The borrower must file an appeal to the committee within thirty days of receipt of notice that the loan of the borrower has been determined to be not eligible for restructuring.

"(B) Any notice of ineligibility for restructuring shall be sent to the borrower by registered or certified mail within fifteen days after such determinations. Such notice shall contain (i) the determination and the reasons for the determination, (ii) the computations used by the Secretary to make the determination, including the estimate of the collateral value of the land used to secure the loan, and (iii) a statement of the right of the borrower to appeal the decision to the appeals committee and to appear before such committee to contest the determination.

"(C) Any appeal filed with the appeals committee under paragraph 5(A) may include a request for an independent appraisal of any interests in property securing the loan. The appeals committee shall arrange for such independent appraisal within thirty days of the date the request was received and shall consider the results of such appraisal in any final determination with respect to the loan. A copy of any appraisal made under this subparagraph shall be provided to the borrower.

"(D) The appeals committee shall make a final determination on the loan within sixty days of the date of receipt of the written appeal.

"(6) The review of all nonaccrual loans held by the Farmers Home Administration on the date of enactment of the Farm Credit Act of 1987 as provided for in subsection (a) shall be completed not later than one hundred and twenty days after such date, and all action required on loans eligible for forbearance or restructuring shall be completed by the Secretary not later than two and one-half years after such date.".

### SEC. 902. ADDITIONAL COLLATERAL.

(a) The Secretary of Agriculture may not—

(1) require any borrower to provide additional collateral to secure a farm ownership or operating loan held by the Secretary if the borrower is current in the payment of principal and interest on the loan; or

(2) bring any action to foreclose, or otherwise liquidate, any such loan as a result of the failure of a borrower to provide additional collateral to secure a loan if the borrower to provide additional collateral to secure a loan if the borrower was current in the payment of principal and interest on the loan at the time the additional collateral was requested.

### SEC. 903. HOMESTEAD PROTECTION.

Section 1320 of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new subsection as follows:

"(c) (1) Notwithstanding the provisions of subsection (b), effective during the period beginning one hundred and twenty days after enactment of the Farm Credit Act of 1987 through December 31, 1992, and notwithstanding the requirements of section 333c, if the Secretary forecloses a loan made for agricultural purposes that is held by

Farmers Home Administration, or if a borrower who is primarily liable for payment of such loan declares bankruptcy or goes into voluntary liquidation to avoid foreclosure or bankruptcy, the Secretary shall, upon application by the borrower, permit the borrower to retain possession and occupancy of any principal residence of the borrower and a reasonable amount of adjoining land that the Secretary acquired as the result of such foreclosure, bankruptcy, or involuntary liquidation for the purpose of family maintenance.

"(2) The value of the homestead property shall be determined by an independent appraisal made within thirty days from the date of the borrower's application to retain possession and occupancy of the homestead property.

"(3) To be eligible to occupy homestead property, a borrower must—

"(A) apply for such occupancy within thirty days after the property is acquired by the Secretary;

"(B) have exhausted all remedies for the extension or restructuring of the loan that were available to the borrower under section 331D;

"(C) have received from farming or ranching operations at least $30,000 in gross annual income in at least two calendar years during the five-year period preceding the calendar year in which the application is made;

"(D) have received from farming or ranching operations at least 60 percent of the gross annual income of the borrower and any spouse of the borrower during at least two years during such five-year period;

"(E) have occupied the homestead property, and engaged in farming or ranching operations on adjoining land, or other land controlled by the borrower during such period;

"(F) present information or documentation that establishes, to the satisfaction of the Secretary, that the borrower during the occupancy period will be likely to have income sufficient to meet in a timely manner all expenses associated with occupying such property, including rental payments under subparagraph (G) during such period;

"(G) during the period of occupancy, (i) pay to the Farmers Home Administration sum as rent for such property, on an annual or monthly basis as the Secretary may require, in an amount equivalent to rents charged for similar residential properties in the area in which it is located and (ii) maintain such property in good condition; and

"(H) agree to such other terms and conditions as the Secretary may require to protect the interest of the Farmers Home Administration in the property.

"(4) Failure to (1) pay rental payments in a timely manner; (2) maintain the property in good condition; or (3) comply with other terms and conditions required under subsection (c) shall constitute cause for the termination of all rights of a borrower under this section.

"(5) The period of occupancy allowed the former owner of homestead property under this section shall not be less than three years nor more than five years. At the end of the period of occupancy, the borrower shall have a first right of refusal to reacquire the homestead property on such terms and conditions as the Secretary shall determine, except that the Secretary may not demand a total payment of the principal that is in excess of the current market value of the homestead property as established by an independent appraisal.

"(6) No rights of a borrower under this section, and no agreement entered into between the borrower and the Secretary for occupancy of the homestead property, shall be transferable or assignable by the borrower or by operation of any law, except that in the case of death or incompetency of such borrower, such rights and agreements shall be transferable to the spouse of the borrower if such spouse agrees to comply with the terms and conditions thereof.".

### SEC. 904. REDEMPTION OF REAL PROPERTY.

The Consolidated Farm and Rural Development Act is amended by inserting after section 333B the following new section:

"Sec. 333C. Redemption of Real Property. (a) The Secretary shall allow redemption by the borrower of real property that has been used to secure any loan made to the borrower under this title and that has been acquired by the Secretary through foreclosure or otherwise, during the greater of 1 year beginning on the date the property was acquired by the Secretary or any period prescribed under State law.

"(b) Terms and Conditions.—Any redemption under subsection (a) shall be on such terms and conditions as required under State law, or if there be none, on reasonable terms and conditions established in regulations promulgated by the Secretary.

"(c) Borrower Preference.—The Secretary shall give the following persons preference in the purchase of property that has been foreclosed, purchased, redeemed, or otherwise acquired by the Secretary through any foreclosure procedure, in the following order:

"(1) The person from whom the Secretary acquired the property,

"(2) The immediate family of the person referred to in paragraph (1), and

"(3) In the event that the acquired property lies within the boundaries of reservation or treaty lands of a recognized native American tribe, (A) other members of the same tribe, or a tribal corporation or partnership of members of the same tribe, (B) or in the event that none of the preferences in (3)(A) are exercised, the Secretary shall hold the land in beneficial trust until such time as the tribe or tribal members are able to reacquire the property. In the event that the Secretary retains ownership of the land under this section, he may transfer the land to the Secretary of Interior for management and administration.".

### SEC. 905. FARM LEASEBACK PROGRAM

Section 335(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(e)) is amended—

(1) in paragraph (1), by striking out "in the following order of priority" and inserting in lieu thereof "to the following";

(2) in paragraph (3)—

(A) by striking out "special consideration to" in subparagraph (C) and inserting in lieu thereof "the right of first refusal"; and

(B) by inserting "a previous owner or operator or other" after "preference to" in subparagraph (D); and

(C) by adding at the end thereof the following new subparagraph:

"(E) The Secretary may sign contracts to provide for the lease of land to the owner before the Secretary actually acquires that land.";

(e) in paragraph (6)—

(A) by striking out "and" after the semicolon at the end of subparagraph (A);

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new subparagraph:

"(C) provide written notice of the availability of such farmland to the immediate previous owner of such land."; and

(f) by adding at the end thereof the following new paragraph:

"(9) Denials of applications for or disputes over terms and conditions of a lease or purchase agreement under this section are appealable under section 333B.".

### Sec. 906. INCOME RELEASE

(A) Release of Operating Expenses.—Section 335(f) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(f)) is amended by striking out subsection (f) and inserting in lieu thereof the following new subsections:

"(f) The Secretary shall release from the sale of security provided for any loan under this title, or from any other property, income, or payments that (but for the action of the Secretary) would be received by the borrower, an amount sufficient—

"(1) to assure a reasonable standard of living for the borrower and the borrower's family; and

"(2) to pay all necessary farm operating expenses.

"(g) The Secretary shall issue regulations consistent with this section that assure the release of funds to each borrower, and that establish guidelines for release, including a list of expenditures for which funds will normally be released.

"(h) If a borrower is required to plan for or report on how proceeds from the sale of collateral property will be used, the Secretary shall—

"(1) notify the borrower under this title; and

"(2) advise the borrower of the right to the release of funds under this section and the means by which a request for the funds may be made.

"(i) A denial of a release of security property is appealable under section 333B.".

(b) Implementation.—The amendments made by subsection (a) shall be implemented not later than 90 days after the date of enactment of this Act.

## TITLE X—STATE MEDIATION PROGRAM

### SEC. 1001. PURPOSES.

It is the purpose of this title to—

(1) establish guidelines for state mediation programs;

(2) establish matching Federal grants for operations of qualifying State mediation programs;

(3) require certain Federal agencies that make, guarantee, or insure farm loans to participate in the mediation process; and

(4) require Farm Credit System institutions to participate in the mediation program.

### SEC. 1002. QUALIFYING STATES.

(a) In General.—A State is a qualifying State if the Secretary of Agriculture (hereinafter in this title referred to as the "Secretary") determines that the State meet the following requirements:

(1) Farm loan mediation program in effect.—The State has in effect a farm loan mediation program that meets the requirements of section 1003.

(2) Notice to borrower of availability of state mediation services.—The law of the State requires that, not less than 14 days before the creditor of a farm borrower engages in conduct described in any paragraph of section 362(a) of title 11, United States Code (but not described in any paragraph of subsection (b) of such section), with respect to the individual, the creditor shall—

(A) notify the individual that—

(i) the creditor intends to engage in such conduct;

(ii) the individual may apply to the farm loan mediation program of the State to obtain mediation services with respect to any farm loan made to the individual;

(iii) the individual to be eligible for the program must apply to the mediation program within 14 days after receipt of the notice; and

(iv) the conduct of the creditor described in paragraph (2), shall be suspended during the pendency of State mediation with respect to the loan; and

(B) prominently include on the notice an address and telephone number where information may be obtained by an individual about—

(i) the farm loan mediation program of the State; and

(ii) obtaining help in analyzing the financial sitution of the individual, and developing alternative debt restructuring proposals.

(3) Services required to be provided by a state.—

(A) In general.—The law of the state must require the State—

(i) to make farm management counseling and technical support available to any individual to whom a farm loan has been made and who faces substantial financial difficulties, for not more than a reasonable fee; and

(ii) to provide to an individual, for not more than a reasonable fee, financial advice necessary for such individual—

(I) to prepare a proposal for the restructuring of the farm loan made to that individual; and

(II) to analyze proposals made by the farm creditor for the restructuring of the loans.

(B) Community-based organizations and educational institutions.—The law of the State must require the State to give priority to community-based organizations and educational institutions with an established history of service to family farming enterprises in the provision of any service described in subparagraph (A) that is to be provided on a contractual basis.

(B) Determination by secretary.—Within 15 days after the Secretary receives from the Governor of a State, a description of the farm loan mediation program of the State and a statement certifying that the State has met all of the requirements of subsection (a), the Secretary shall determine whether the State is a qualifying State.

### SEC. 1003. MEDIATION PROGRAM.

(a) In General.—The farm loan mediation program of a State meets the requirements of this section if the program is conducted as follows:

(1) Training of mediators.—The head of the mediation program (hereinafter in this title referred to as the "Director") must select and train, for each county or other local region of the State, mediators in such numbers as the Director determines are necessary to carry out the duties of mediators under the program, with procedures appropriate to ensure reasonable competency (including a basic understanding of Federal and State agricultural debt relief programs and Federal income support and agricultural price support programs), and lack of bias.

(2) Acceptance of applications for mediation.—The mediation program must accept applications for mediation from an individual who receives a notice described in subsection (d) or (e) of section 305 of title 11, United States Code, and from any other individual as the State determines is appropriate.

(3) Actions by mediation program after receipt of application.—On receipt of an application for mediation from any individual described in paragraph (2), the mediation program shall—

(A) notify each financial counterpart of the individual that the individual has applied for mediation; and

(B) appoint a mediator to facilitate negotiations between the individual and each financial counterpart of the individual.

(4) Initial meeting.—The mediator appointed to facilitate negotiations between an individual and the financial counterpart of the individual must arrange for an initial meeting to be held between such parties within 14 days after the date the program receives the application.

(5) Duties of mediator during negotiations.—The program must require mediators to facilitate negotiations by—

(A) listening to each individual desiring to be heard;

(B) advising each individual as to the existence of available assistance programs;

(C) attempting to mediate between the individual and each financial counterpart of the individual;

(D) encouraging each individual to adjust, refinance, or provide for the payment of the debts involved;

(E) advising, counseling, and assisting the individual and each financial counterpart of the individual in arriving at an agreement for the future conduct of the parties,

(F) obtaining a copy of any qualified debt restructuring agreement reached by the individual and each financial counterpart of the individual; and

(G) ensuring that all parties to the mediation sign the agreement.

(6) Good faith participation.—The program must contain reasonable guidelines to ensure that each individual (or representative of the individual with the authority to enter into contracts on behalf of the individual) and each financial counterpart of the individual (or representative of such financial counterpart with the authority to enter into contracts on behalf of the financial counterpart) participates in good faith in efforts to restructure the loans involved by attending all mediation meetings and providing all relevant financial information.

(7) Mediation period.—The program must provide for mediation with respect to the farm loans made by or to an individual during a period of not less than 42 days beginning the date the program receives the application for mediation by the individual.

(b) Financial Counterpart Defined.—For purposes of subsection (a), the term "financial counterpart" means, with respect to an individual who has applied for mediation after receipt of a notice described in—

(1) subsection (d) of section 305 of title 11, United States Code, the farm creditors of that individual; or

(2) subsection (e) of section 305 of title 11, United States Code, the indivdiual who sent such notice.

### SEC. 1004. MATCHING GRANTS TO STATES.

(a) Matching Grants.—Within 60 days after a qualifying State appropriates an amount for the operation or administration of the farm loan mediation program of the State, the Secretary shall provide financial assistance to the State, in accordance with subsection (b), for the operation and administration of the farm loan mediation program.

(b) Amount of Grant.—

(1) In general.—Subject to paragraph (2), Secretary shall pay to a State under subsection (a) not more than 50 percent of the cost of the operation and administration of the farm loan mediation program of the State.

(2) Maximum amount.—The Secretary shall not pay more than $1,000,000 per year to a single State under subsection (a).

(c) Use of Grant.—Each State that receives an amount paid under subsection (a) shall use that amount only for the operation and administration of the farm loan mediation program of the State.

(d) Penalty.—Any state that does not comply with subsection (c) shall cease to be a qualifying State for purposes of this title.

### SEC. 1005. PARTICIPATION OF FEDERAL AGENCIES.

(a) Duties of the Secretary of Agriculture.—The Secretary shall prescribe rules requiring that each program under the jurisdiction of the Secretary that makes, guarantees, or insures farm loans to—

(1) cooperate in good faith with requests for information or analysis of information made; and

(2) present and explore debt restructuring proposals advanced, in the course of mediation under any farm loan mediation program described in section 503.

(b) Duties of the Farm Credit Administration.—The Farm Credit Administration shall prescribe rules requiring the system institutions of the Farm Credit System to—

(1) cooperate in good faith with requests for information or analysis of information made; and

(2) present and explore debt restructuring proposals advanced, in the course of mediation under any farm loan mediation program described in section 1003.

### SEC. 1006. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriate to carry out this title $15 millions for fiscal year 1988, $15 millions for fiscal year 1989, $15 millions for fiscal year 1990, and $15 millions for fiscal year 1991.

### SEC. 1007. REGULATIONS.

Within 60 days after the date of enactment of this title, the Secretary shall prescribe such regulations as may be necessary to carry out this title.

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## The Farm Credit Act of 1987

### EXECUTIVE SUMMARY

The bill will:

Return all System institutions to viability by restoring any impairment of stock.

Ensure that borrower stock is retired at par value at the time of full repayment without requiring borrowers to wait for a partial payment in future years.

Resolve the lawsuits and provide for System self-help by imposing a one time assessment in the form of a franchise tax.

Provide for a realistic repayment mechanism which will ensure repayment, but will not put an institution out of business in the process of demanding onerous payments not based on the health of the institution.

Provide for significant reforms in the System that are necessary to ensure that the System doesn't repeat the mistakes of the past. These reforms include:

Greater oversight through expansion of the F.C.A. Board and through the increase of the Board's involvement in F.C.A. decisions.

Minimum reserve requirements for institutions;

Establishment of an insurance corporation to provide as a buffer to joint and several liability.

Requires district banks to have two outside directors on their boards in order to provide the borrower board members with outside expertise in banking and finance.

Requires that audits be made through a competitive bidding process in order to ensure the audits are independent are not done by the same firm year after year.

Requires F.C.A. to appoint Farm Credit appraisers in each district to ensure that appraisal standards are adhered to.

Requires F.L.B. borrowers to provide financial statements at least once every three years so that the bank can properly monitor a borrower's financial condition.

Prohibits F.L.B.'s from loaning in excess of 75 percent of the agricultural value of agricultural property (except for young and beginning farmers or ranchers) in order to prevent a recurrence of the reckless lending spree which occurred in the seventies.

Limits interest rates to not more than 2 percent above the rate of interest on a bank's obligations during the preceding 12-month period, thereby forcing institutions to base interest on their actual cost of money and consequently resulting in a substantially greater degree of matched securities.

Requires F.L.B.'s to offer long-term real estate loans, with terms of at least 15 years, at fixed rates of interest (interest would be limited to not more than 2 percent above the bank's obligations of similar maturities during the preceding 12-month period) in order to provide farmers with certainty and to provide for matching these loans with obligations of similar maturities.

Requires F.L.B.'s to provide a future payment plan for borrowers under which borrowers can set aside money for future payments during downturns in the agricultural economy.

Limits compensation of district directors to $15,000.

Requires borrowers to pay a loan origination fee, not in excess of 2 percent, if the borrower finances the stock purchase requirement, in order to provide immediate cash to institutions.

Strengthens the requirements that agricultural real estate loans be made only to bona fide farmers or ranchers in order to prevent System institutions from speculating in other industries.

Prohibits the retirement of F.L.B. stock until the loan is paid in full, except in the cases of default, in order to prevent a common practice whereby stock, financed by the bank, is used to produce the principal of the loan with the result being that a borrower only repays 95 percent of the loan.

Requires that applications for loans include notices of the treatment of borrower stock.

Provide assistance to borrowers who are experiencing difficulty in meeting their payments of principal and interest in a timely manner. These provisions include:

Requires that loans be restructured when the loss associated with restructuring is less than the loss associated with foreclosure.

Requires each district to establish a special Credit Team to provide assistance to the banks and associations in handling the high-risk and nonaccrual loans.

Requires each district to establish an appeals committee for borrowers determined ineligible for restructuring.

Changes the name of the Capital Corporation to the Loan Restructuring Corporation and restricts its activities to the management of nonperforming assets previously acquired and to providing technical assistance to institutions with respect to restructuring loans.

Provides for a "review of last resort" by the Loan Restructuring Corporation in cases in which the appeals committee determines a loan is ineligible for restructuring. The Corporation would have to concur in foreclosing on a loan before it could be foreclosed on. In this manner, the Corporation would serve as a "check" against districts that did not want to restructure loans at all. This will correct the current problem of leaving restructuring completely up to the districts.

Requires the Corporations to submit loans, held by it, determined ineligible for restructuring to the Special Credit Team in the district in order to provide a "check" against adverse by the Corporation on loans acquired prior to enactment, and provides borrowers with a right of appeal to the district appeals committee as is provided other borrowers.

Requires all nonaccrual loans to be reviewed within 120 days after enactment and to complete all action on loans eligible for forebearance and restructuring within 2½ years after enactment.

Prohibits an institution from requiring additional collateral if a borrower is current in the payment of principal and interest.

Establishes procedures for certain borrowers to retain, for not less than three nor more than five years, possession and occupancy of any principal residence (and a reasonable amount of adjoining land) in the event of foreclosure, bankruptcy, or involuntary liquidation.

Establishes procedures for the disposition of property acquired by institutions. This includes:

The right of first refusal by the previous owner to purchase or lease the property for the same amount and under the same terms and conditions as the highest bidder.

A requirement to sell or lease to the highest bidder, subject to the right of first refusal.

A requirement that priority be given to family-size farmers or ranchers if two or more qualified bids are received.

A requirement that all property held on the date of enactment be sold or leased, with a lease term of not less than 5 nor more than 10 years, within 4 years.

A requirement that long-term leases include an option to purchase the property.

A requirement that stock be purchased, beginning in 1990, by persons entering into installment sales contracts or similar arrangements for the purchase of acquired real estate.

Requires that borrowers be given access to all documents and information pertaining to the borrower's loan, including the appraisal of the borrower's assets.

Ensures a person's right to sue the Farm Credit System and the Farm Credit Administration and provides that Federal district courts would have original jurisdiction without regard to the amount in controversy.

Provides for return to local control by—

Terminating the Farm Credit Corporation of America unless a majority of the boards of directors of System institutions vote to permit the F.C.C.A. to continue.

Prohibiting the chartering of new service organizations.

Requiring F.C.A. to approve loans of district directors in order to prevent district employees from conditioning approval of loans on policy decisions of the director.

Requiring a majority vote of all stockholders prior to any merger of associations or banks.

Requiring unanimous F.C.A. Board approval of mergers of a bank in one district with a bank in another district.

Providing for the reconsideration of mergers which occurred after December 23, 1985.

Providing for a 60 day cooling-off period after a merger vote.

Providing that associations, voting not to merge, would be provided the same services and pay the same assessments as other associations in the district.

Providing the stockholders of a bank to establish a separate board of directors.

Prohibiting district employees or directors from removing an officer, employee, or board member of a local association.

Prohibiting establishment of differential interest rates unless a majority of the stockholders approves a differential interest rate program.

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## FARM CREDIT ACT OF 1987—DETAILED SUMMARY

### TITLE I—FARM CREDIT REVOLVING FUND; FRANCHISE TAXES; PURCHASE OF STOCK

### *Farm Credit Revolving Fund*

(Section 102)

Authorizes and requires the Farm Credit Administration (F.C.A.) to make purchases of stock to—

(a) prevent impairment of stock of any bank or association;

(b) restore any impairment of any bank or association;

(c) provide collateral for obligations issued by a bank in an amount sufficient to permit the bank to finance its lending operations.

Defines "stock" as: voting stock, nonvoting stock, participation certificates, contributions to the guaranty fund of a bank for cooperatives, and allocated equities that are to be revolved on or before December 31, 1992, under a revolving cycle established by an institution prior to the enactment of the Farm Credit Act of 1987.

Authorizes the F.C.A. to require after December 31, 1992, the retirement of stock purchased by the F.C.A. whenever the institution has the resources to do so.

Authorizes the F.C.A. to use funds in the Farm Credit Revolving Fund to purchase obligations of the new Farm Credit Banks Insurance Corporation and to make loans to the Loan Restructuring Corporation (the current Capital Corporation as reformed by the bill).

Requires the F.C.A. to make payments to (1) holders of stock of associations placed in liquidation between January 1, 1983, and the date of enactment and holders of stock that was retired at less than the par or face value by an association between January 1, 1987, and the date of enactment in amounts to ensure that the holders of the stock receive par or face value.

Requires the F.C.A. to make loans to the Loan Restructuring Corporation as the F.C.A. determines necessary to permit the Corporation to—

(1) refund all required purchases and assessments as provided in the bill;

(2) grant forbearance on or restructure loans; and

(3) provide other funds as needed in its operations.

Provides for the F.C.A. to repurchase from the Secretary of the Treasury any obligations issued by the F.C.A. Board for the

purpose of obtaining funds to purchase stock and carry out other provisions of section 102.

### *Authority To Issue Notes to the Secretary of the Treasury*

(Section 103)

Authorizes the F.C.A. Board to issue, and requires the Secretary of the Treasury to purchase, notes for the purpose of obtaining funds necessary to purchase stock and make loans and payments as provided in the bill. The notes would be non-interest bearing. Authorizes the Secretary of the Treasury to purchase up to $6 billion in notes. No obligations could be issued by the F.C.A. Board for the purpose of optaining funds to purchase System institution stock after December 31, 1992.

### *Franchise Taxes*

(Section 104)

Requires each bank of the Farm Credit System to pay to the United States a franchise tax equal to the amount by which its unallocated retained earnings as of December 31, 1986, exceed 5 percent of its net loans.

Requires each production credit association to pay a franchise tax equal to the amount by which its unallocated retained earnings as of December 31, 1986, exceed 13 percent of its net loans.

Beginning in 1993, at the end of any year in which the F.C.A. holds any stock in any bank or association, requires each bank and association, after complying with reserve requirements, to pay a franchise tax equal to 25 percent of its net earnings for the year before establishing any contingency reserves or declaring any dividends or patronage distribution.

Provides for the reduction of the tax due, beginning in 1993, from any bank or association by—(1) the amount of funds that the bank or association paid for the retirement of any Government-owned stock of the institution; and (2) the amount of funds that a bank or association contributes to another Farm Credit institution to permit the other bank or association to retire any of its Government-owned stock.

### *Purchase of Stock of Farm Credit System Institutions by Farm Credit Administration*

(Section 105)

Requires each Federal land bank and Federal land bank association to establish and maintain a reserve account. Establishes a minimum reserve level for each Federal land bank and a minimum level for contributions to the reserve account. In any year in which the F.C.A. holds stock in a Federal land bank, prohibits the payment of patronage refunds and permits the payment of dividends with F.C.A. approval. In any year in which the F.C.A. holds stock in a Federal land bank association, prohibits the payment of patronage refunds and dividends.

Prohibits a Federal intermediate credit bank from paying dividends as long as the F.C.A. holds stock in the banks, except as authorized by the F.C.A. board. Federal intermediate credit banks would not be authorized to make patronage refunds in any year in which the F.C.A. holds stock in the bank. Establishes procedures for the application of Federal intermediate credit bank earnings and the absorption of any net losses. Exempts from Federal income taxation allocations to the reserve account of the Federal intermediate credit bank, whenever F.C.A. holds stock in the bank.

Prohibits a production credit association from paying patronage refunds or dividends on stock, other than preferred stock, as long as the F.C.A. holds stock in the association. Provides for the application of the net earnings of production credit associations and the establishment and maintenance of a surplus account. Exempts from taxation, in any year in which the F.C.A. holds stock in the association, the production credit association, its property, its franchises, capital, reserves, surplus, and other funds, and its income, with certain exceptions, except that interest on the obligations of such association would be subject to Federal income taxation in the hands of the holder and except that any real and tangible personal property of the association would be subject to Federal, State, territorial, and local taxation to the same extent as similar property is taxed.

Establishes procedures for the application of banks for cooperatives net earnings. Exempts from taxation, in any year in which the F.C.A. holds stock in a bank, the bank, its property, its franchises, its capital, reserves, surplus, and other funds, except that interest on the obligations of such bank would be subject only to Federal income taxation in the hands of the holder and except that any real and tangible personal property of such bank would be subject to Federal, State, territorial, and local taxation to the same extent as similar property is taxed.

### TITLE II—LOAN RESTRUCTURING

### *Reform of the Farm Credit System Capital Corporation*

(Section 201)

Requires the F.C.A. to change the name of the Capital Corporation to the "Loan Restructuring Corporation" and to revoke the charter of the Corporation on December 31, 1990, unless the F.C.A. Board unanimously provides for a one year extension.

Restricts the activities of the Corporation to the management of nonperforming assets previously acquired and to providing technical assistance to institutions with respect to restructuring loans.

Provides for a new Board of Directors for the Corporation, consisting of five members—three public and two farmer/rancher borrowers from the System.

Rescinds and refunds required purchases or assessments of the Capital Corporation taken between July 31, 1986, and the date of enactment of the Farm Credit Act of 1987 and requires the Corporation to refund the purchases or assessments to the contributor institutions. Also requires that amounts paid or that remain accrued by contributor institutions to other System institutions on or after July 31, 1986, under loss-sharing agreements be repaid to the contributor institutions or reversed as the case may be. (Note: Sec. 104 of the bill replaces the assessments, purchases, and loss sharing with a one-time franchise tax).

### *Loan Restructuring by System Institutions*

(Section 202)

Requires each farm credit district and the Loan Restructuring Corporation to have in place a forbearance and restructuring policy for all nonaccrual and high-risk loans.

Requires the policy to indicate that institutions will grant forbearance on nonaccrual and high-risk loans to the maximum extent possible to avoid losses to the institution and that nonaccrual or high-risk loans will be restructured through reduction of principal and interest or otherwise in cases in which—

(1) the borrower can present a plan indicating a high probability that the borrower will regain financial viability;

(2) the loan will be restructured in such a manner as to minimize any loss to the bank or association; and

(3) if the loan were restructured in a manner that would ensure its viability, the loss that would occur to the institution during the term of the loan as restructured would be less than or equal to the loss that would occur from liquidation.

Requires the institution, in determining "loss" to consider (1) the amount by which the debt exceeds the appraised value of the property; (2) the estimated administrative and legal expenses necessary to liquidate the loan, and (3) any other costs associated with the loan prior to its liquidation.

Requires the institution, in determining "Loss" with respect to any loan previously restructured by the institution during the preceding three year period, to include the amount of loss incurred by the institution as a result of the prior restructuring.

Requires borrowers, as a condition of loan restructuring, to agree to forfeit stock that is in excess of the amount required to capitalize the restructured loan.

Requires each district to establish a Special Credit Team to provide assistance to the banks and associations in handling of nonaccrual or high-risk loans at the request of the banks and associations. If requested, the Team would be responsible for restructuring, granting forbearance, or liquidating loans.

Requires each district to establish an appeals procedure, with an appeals committee, for borrowers determined ineligible for restructuring by an association, bank, or Special Credit Team. If the Committee determines the loan is eligible, the association, bank, or Special Credit Team would be required to restructure the loan accordingly.

Prohibits foreclosure of any loan determined ineligible (1) until the borrower had been given the opportunity to appeal; (2) if appealed, until the appeals committee had determined the loan ineligible, and (3) if the appeals committee determined the loan was ineligible, until the loan had been presented to the Loan Restructuring Corporation and the Corporation concurred in the decision. If the Corporation determines the loan eligible for restructuring, the association, bank, or Special Credit Team would be required to restructure the loan accordingly.

Requires borrowers to file an appeal within 30 days of receipt of notice that the loan is ineligible. The notice of ineligibility must contain (1) the reasons for the determination; (2) the computations used to make the determination, including the estimate of the collateral value of land securing the loan; and (3) the right of the borrower to appeal. The borrower would have the right to request an independent appraisal of any property securing the loan and the appeals committee would arrange for such appraisal.

Requires the appeals committee to make a final determination within 60 days after receipt of the written appeal.

Requires the Loan Restructuring Corporation to submit loans held by it, determined ineligible for restructuring, to the Special Credit Team in the district from which the loan originated prior to taking any adverse action. If the Special Credit Team determines the loan is eligible, the Corporation would (1) restructure the loan as prescribed by the Team or (2) offer to sell the loan to the bank or association from which the loan originated.

If the Special Credit Team determines the loan is ineligible, the borrower would have the same appeals rights as a borrower whose loan was held by an association or a bank.

Requires that all nonaccrual loans be reviewed within 120 days after enactment of the Farm Credit Act of 1987 and that all action required on loans eligible for forbearance and restructuring be completed within two and one-half years after enactment.

Prohibits an institution from requiring any borrower to provide additional collateral if the borrower is current in the payment of principal and interest on the loan and prohibits an institution from bringing any action to foreclose, or otherwise liquidate, any loan for failure to provide additional collateral if the borrower was current in the payment of principal and interest at the time the collateral was requested.

*Homestead provisions.—*

During the five-year period beginning with the date of enactment, requires institutions to permit certain borrowers to retain possession and occupancy of any principal residence (and a reasonable amount of adjoining land) in the event of foreclosure, bankruptcy, or involuntary liquidation. The period of occupancy would be not less then three nor more than five years.

At the end of the occupancy period, provides a right of first refusal to reacquire the homestead property.

Excludes from the homestead provision cases in which the value of the acquired property prior to separating the homestead would be more than the value of (1) the agricultural property remaining after the separation, and (2) the homestead.

*Disposal of acquired agricultural property.—*

Prohibits the sale of acquired property if the sale would result in a substantial adverse effect on the value of land in the area.

Prohibits the combining of tracts of acquired land of sale or lease if the combination would result in a tract substantially larger than the average farming or ranching operation in the area.

Requires, prior to sale or lease, the subdivision of land larger than the average family farming or ranching operation in the area into tracts not substantially larger than the average family farm or ranch.

Requires that the sale or lease of acquired property be on the basis of competitive bidding and that adequate notice of the availability of the land be given to the public and to the previous owner.

Requires that property be sold or leased on the basis of the highest qualified bid subject to the right of first refusal by the previous owner to purchase or lease the property for the same amount and under the same terms and conditions as such bidder.

Requires that priority be given to family-size farmers or ranchers if two or more qualified bids in equal amounts are received.

Requires all property held on the date of enactment to be sold or leased, with a lease term of not less than 5 nor more than 10 years, within 4 years. Further requires all property acquired subsequent to enactment to be sold or leased, with a lease term of not less than 5 nor more than 10 years, within 4 years from the date of acquisition.

With respect to property leased for not less than 5 nor more than 10 years, all lease contracts would be required to include an option to purchase the property, for the appraised value, upon expiration of the term of the lease.

Effective January 1, 1990, requires the purchase of stock by any person entering an installment sales contract or similar agreement or any financing arrangement for the purpose of acquired real estate or similarly acquired personal property.

### *Access to Documents and Information*

(Section 204)

Requires each institution to provide its borrowers, at the time of execution and at any time upon request—

(1) copies of all documents signed or delivered by the borrower;

(2) a copy of the institution's articles of incorporation or charter or bylaws;

(3) the current and effective interest rates;

(4) copies of forbearance and restructuring policies; and

(5) copies of each appraisal of the borrower's assets.

### *Right to Sue; Standing*

(Section 205)

Ensures a person's right to sue any institution of the Farm Credit System and the Farm Credit Administration for violations of duties required of the institution or the Administration.

Provides that Federal district courts would have original jurisdiction without regard to the amount in controversy.

Provides standing under this section only to persons who have suffered legal wrong or who were aggrieved or adversely affected by violations of the duties required.

The existing rights of any person to sue an institution or the Farm Credit Administration are not affected.

## TITLE III—INSURANCE OF OBLIGATIONS OF FARM CREDIT BANKS; LIABILITY OF BANKS ON OBLIGATIONS

### *Creation of Corporation*

(Section 301)

Establishes a Farm Credit Banks Insurance Corporation under the direction of the Farm Credit Administration Board for the purpose of insuring obligations of Farm Credit banks payable after December 31, 1992.

Establishes procedures for determining the extent of insurance when the Corporation's reserve is above or below one percent of the outstanding insured obligations of the banks.

Premiums for insurance would be at a level, not to exceed two-tenths of one percent of the proceeds of each obligation, determined by the Corporation.

Establishes procedures for the voluntary and involuntary termination of status as an insured bank.

### *Requirement of Insurance; Liability of Banks on Obligations*

(Section 302)

Prohibits an uninsured bank from joining with other banks in the issuance of obligations.

Liability of the banks, operating under the various titles of the 1971 Act, for consolidated and System-wide obligations issued, and payable, between January 1, 1988, and December 31, 1992, would be in the following order:

(1) the bank primarily liable, to the extent that its stock would not be impaired;

(2) other banks operating under the same title, to the extent that their stock would not be impaired;

(3) other banks operating under other titles, to the extent that their stock would not be impaired;

(4) the bank primarily liable out of funds available in its capital accounts;

(5) banks operating under the same title, out of funds available in their capital accounts; and

(6) banks operating under other titles, out of funds available in their capital accounts.

## TITLE IV—REAL ESTATE LENDING; INTEREST RATES

### *Loans to Farmers and Ranchers*

(Section 401)

Clarifies the provision in current law requiring that real estate loans only be made to bona fide farmers and ranchers.

Defines a farmer or rancher as one who receives the principal portion of his or her income from the production of agricultural commodities.

### *Interest Rates on Federal Land Bank Loans*

(Section 402)

Requires each bank to offer long-term real estate loans of not less than 15 years at a fixed rate of interest.

Limits the interest rate on long-term real estate loans at no more than 2 percent plus the average interest rate on obligations of comparable maturities issued by the bank during the preceding twelve-month period.

Prohibits banks from establishing a differential interest rate unless a majority of association stockholders approve the program.

Limits the interest rate on loans other than long-term loans mentioned above to no more than 2 percent plus the average interest rate on obligations issued by the bank during the preceding twelve-month period.

Prohibits a bank from increasing the interest rate on a loan as a result of the loan being unfavorably classified.

Authorizes the F.C.A. to permit a bank to charge a higher rate of interest if necessary to ensure the bank will be able to continue servicing and making loans in remote areas.

### *Security of Federal Land Bank Loans*

(Section 403)

Limits loans to no more than 75 percent of the appraised value of the property, except for young and beginning farmer or rancher loans and guaranteed loans.

Defines "appraised value" as the agricultural value, except for young and beginning farmer or rancher loans.

Defines "appraised value" as the normal market value with respect to young and beginning farmer or rancher loans.

Requires each borrower to provide a financial statement at least once every three years.

### *Future Payment Plans*

(Section 404)

Requires each Federal land bank to establish a future payment plan into which borrowers would be permitted to maintain a reserve for future payments, not to exceed the amount of the borrower's debt.

Requires that interest be paid at a rate not less than the average rate of interest on all obligations issued by the bank during the preceding three-month period.

### *Interest Rate Program of Production Credit Association Loans*

(Section 405)

Limits interest rates to no more than 2 percent above the Federal intermediate credit bank discount rate.

Prohibits associations from establishing a differential interest rate program unless a majority of the stockholders approve the program.

### *Farm Credit Administration Approval of Certain Loans*

(Section 406)

Requires the F.C.A. to approve Federal land bank, Federal intermediate credit bank, or production credit association loans to farm credit district directors or a director of a district bank having a separate board of directors.

## TITLE V—SERVICE ORGANIZATIONS

Requires the F.C.A. to revoke the charter of the Farm Credit Corporation of America by September 30, 1989, unless a majority of the board members of each farm credit association, farm credit district, and the central bank for cooperatives vote to continue the organization.

Prohibits the Federal Farm Credit Banks Funding Corporation from setting policy or otherwise assuming the responsibilities of other institutions.

Modifies the Funding Corporation's charter with respect to the board of directors of the Corporation.

Requires the Funding Corporation to publish an annual report.

Prohibits the F.C.A. from chartering new service organizations.

## TITLE VI—MERGERS

### *Voluntary Mergers of Associations; Mandatory Cooling-off Period for Association Mergers; Notification to Stockholders*

(Section 601)

Modifies the provision in current law permitting the voluntary merger of associations by requiring that a majority of the stockholders of each association approve the merger.

Provides for a sixty day cooling-off period before a merger could take place and procedures for reconsideration of a merger during that time period.

Requires the F.C.A. Board to approve the notification to stockholders of a meeting to merge or reconsider a merger and requires the notification to include an enumerated statement of the anticipated benefits and potential disadvantages of a merger.

### *Merger of Similar Banks*

(Section 602)

Modified the current provision permitting a bank in one district to merge with a similar bank in another district by requiring the F.C.A. board to unanimously approve such merger.

### *Treatment of Certain Farm Credit Associations*

(Section 603)

Clarifies current law by ensuring that associations, disapproving a merger, would not be charged any assessment at a rate higher than that charged other like associations and that they would be provided financial assistance and services on the same basis as other associations.

### *Special Reconsideration of Certain Mergers*

(Section 604)

Establishes procedures for the reconsideration of association mergers which occur between December 23, 1985, and the date of enactment of this bill.

Establishes procedures for the creation of a separate association in the event a majority of the stockholders vote to create a separate association.

## TITLE VII—BOARDS OF DIRECTORS

### *Outside Directors for Federal Land Bank Associations and Production Credit Associations*

(Sections 701 and 702)

Permits associations to have on their board of directors not more than one member who is not a member-borrower, official, employee, or agent of any Farm Credit institution.

### *Outside Directors for Central Bank for Cooperatives*

(Section 704)

Requires the central bank for cooperatives to have two outside members, with experience in banking and finance, on their board of directors.

### *Outside District Directors*

(Section 705)

Requires each district board to have two outside members who have experience in banking and finance.

### *Separate Boards of Directors for System Banks*

(Section 706)

Establishes a procedure under which a majority of the stockholders of any System bank could establish or abolish a separate board of directors for that bank.

## TITLE VIII—AMENDMENTS TO TITLE V OF THE FARM CREDIT ACT OF 1971; MISCELLANEOUS

### *Limitation of Compensation of District Board*

(Section 801)

Limits compensation a district director could receive in one year to $15,000.

### *Farm Credit Administration Board*

(Section 802)

Adds two members to the F.C.A. Board.

Increases the role of the Board with respect to setting F.C.A. policy and the hiring of certain employees.

Requires Board approval prior to the Chairman of the F.C.A. requiring two or more banks to merge.

Requires the F.C.A. to appoint a farm credit appraiser for each district.

Clarifies that no district board, bank board, or bank officer or employee would have the power to remove any director or officer of an association. Retains F.C.A.'s power to do so.

### *Examination of Federal Land Bank Associations*

(Section 803)

Modifies the current requirement for all institutions to be examined by the F.C.A. at least once a year by permitting the F.C.A. to determine the frequency of examinations of Federal land bank associations.

Requires Federal land bank associations to be examined at least once every five years.

### *Independent Audits*

(Section 804)

Prohibits institutions from contracting for an independent audit unless the contract is less than two years in length and is entered into under competitive bidding procedures.

### *Loan Origination Fees*

(Section 805)

Requires each federal land bank to charge a loan origination fee of not more than 2 percent in cases where an individual borrows the funds necessary to purchase all or any part of the stock required to be purchased.

### *Retirement of Federal Land Bank Association Stock*

(Section 806)

Prohibits a Federal land bank association from retiring all or any part of the stock until the loan has been paid in full, except in cases of a default.

### *Loan Applications*

(Section 807)

Requires applications for Federal land bank or production credit associations to clearly state the provisions that affect the retirement of the stock required to be owned by the borrower.

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## THE FARM CREDIT ACT OF 1987

### *Section-by-section analysis*

*Sec. 1. Short Title.*

*Section 1* provides that the bill may be cited as the "Farm Credit Act of 1987".

*Sec. 2. Table of Contents.*

*Section 2* sets forth the table of contents of the bill.

## TITLE I—FARM CREDIT REVOLVING FUND; FRANCHISE TAXES; PURCHASE OF STOCK

*Sec. 101. Renumbering of Sections; Repeal of Certain Sections.*

*Subsection (a)* renumbers sections and redesignates parts in title IV of the Farm Credit Act of 1971; and repeals various sections in title IV which would be inconsistent with provisions in this bill.

In addition, *subsection (a)* repeals *section 4.20* of the Act. Under *section 4.20*, the provisions of (1) *section 2, 3* authorizing the federal intermediate credit banks to lend to or discount paper for other financing institutions (i.e., any national bank, state bank, trust company, agricultural credit corporation, incorporated livestock loan company, savings institution, credit union, or any association of agricultural producers engaged in the making of loans to farmers and ranchers, and any corporation engaged in the making of loans to producers or harvesters of aquatic products) *and* (2) *section 3.7(b)* authorizing the financing of certain domestic or foreign entities in connection with the import or export activities of cooperatives that are borrowers from the banks for cooperatives are scheduled to expire on September 30, 1990, unless extended by Congress. The effect of the repeal of *section 4.20* is to make permanent the authorities in *sections 2.3* and *3.7(b)*.

*Subsection (b)* makes various conforming amendments to the Farm Credit Act of 1971.

*Sec. 102. Farm Credit Revolving Fund.*

This section amends *section 4.0* of the Farm Credit Act of 1971 to require F.C.A. to use monies in the "Farm Credit Revolving Fund" to (1) purchase stock in financially troubled Farm Credit institutions and (2) for other purposes provided for in this section.

*Paragraph (1)* redesignates current provisions of *section 4.0* as *subsection (a)*.

*Paragraph (2)* amends the provisions of *section 4.0(a)*, as redesignated by paragraph one, to—

(1) eliminate the authority for the F.C.A. to purchase stock in the Capital Corporation;

(2) require the F.C.A., to the extent funds are available in the Revolving Fund, to purchase stock in associations in the Revolving Fund, to purchase stock in associations and banks of the System as the F.C.A. Board determines necessary to—

(A) prevent impairment of stock of any bank or association;

(B) if stock is impaired, restore any impairment; or

(C) provide collateral for obligations issued by a bank in an amount sufficient to permit the bank to finance its lending operations.

(3) authorize the F.C.A., in lieu of purchasing stock in a Federal land bank association or production credit association, to require the district Federal land bank or Federal intermediate credit bank to invest in the stock of the association to prevent or retore impairment of stock;

(4) require the F.C.A. to purchase an equivalent amount of stock in a district Federal land bank or Federal intermediate credit bank, if the bank is required to purchase such stock; and

(5) define the term "stock" as voting stock, nonvoting stock, participation certificates, contributions to the guaranty fund of a bank for cooperatives, and allocated equities that are to be revolved on or before December 31, 1992, under a revolving cycle established by an institution prior to the enactment of the Farm Credit Act of 1987.

*Paragraph (3)* adds seven new subsections to *section 4.0* of the Act.

*New subsection (b)* authorizes the F.C.A., after Decemeber 31, 1992, to require the retirement of stock purchased by the F.C.A. when the F.C.A. Board determines the bank or association has resources available and the need for Government-owned stock is reduced or no longer exists. The F.C.A. would be authorized to require, when a Federal land bank association or a production credit association does not have resources available to retire Government-owned stock, that (1) the Federal land bank or the Federal intermediate credit bank in the district invest in an equivalent amount of nonvoting stock of the association if the bank has resources available to do so, and (2) the association then retire the stock. In cases where a bank was required to purchase stock in an association, such stock would be retired in accordance with regulations of the F.C.A. During the time Government-owned stock is outstanding, the pertinent provisions of the Government Corporation Control Act would be applicable, but the ownership of stock by the F.C.A. would not change the status of ownership of the banks and associations.

*New subsection (c)* authorizes the F.C.A. to use funds in the Farm Credit Revolving Fund to, among other things, purchase obligations of the Farm Credit Banks Insurance Corporation, as created in title III of the bill.

*New subsection (d)* requires the F.C.A. to make payments to holders of stock, including participation certificates issued in lieu of stock, of associations placed in liquidation between January 1, 1983, and the date of enactment of the Farm Credit Act of 1987. The F.C.A. would be required to ensure that the holder receives an amount equivalent to the par or face value of such stock after taking into consideration any distributions such holder received from the assets of the association. As a condition of receiving these payments, the stockholder would be required to assign all rights to any subsequent distributions from assets of the association to the F.C.A. Any proceeds received from such distributions would be deposited in the Farm Credit Revolving Fund.

*New subsection (e)* requires the F.C.A to make payments to holders of association stock, including participation certificates issued in lieu of stock, that was retired at less than the par or face value by an association between January 1, 1987, and the date of enactment of the Farm Credit Act of 1987. The F.C.A. Board would be required to ensure that the holder receives an amount equivalent to the par of face value of such stock taking into consideration the amount received at the time of its retirement by the association.

*New subsection (f)* requires the F.C.A. to make loans to the Loan Restructuring Corporation (as described in title II of the bill) as the F.C.A. board determines necessary to permit the Corporation to refund all required purchases and assessments as provided in section 4.59 (as added by title II of the bill); to grant forbearance on or restructure loans; and to provide other funds as needed in its operations.

*New subsection (g)* provides for the F.C.A. to repurchase from the Secretary of the Treasury any obligations issued by the Farm Credit Administration Board.

*New subsection (h)* requires that funds received by the F.C.A. from the partial or full retirement of Government-owned stock and the proceeds from the repayment of any loans made to the Loan Restructuring Corporation or obligations purchased from the Farm Credit Banks Insurance Corporation be deposited in the Farm Credit Revolving Fund.

### *Sec. 103. Authority to Issue Notes to the Secretary of the Treasury.*

This section essentially replaces the current *section 4.1* of the Act with a *new section 4.1* to authorize the F.C.A. to issue notes to the Secretary of the Treasury for the purpose of obtaining funds for the Farm Credit Revolving Fund.

*New subsection (a)* authorizes the F.C.A. Board to issue notes for the purpose of obtaining funds necessary to purchase stock and make loans and payments as provided in the bill.

*New subsection (b)* provides that the form, denomination, and maturities of the notes would be prescribed by the F.C.A. Board with the approval of the Secretary of the Treasury and provides that the notes would not bear interest. The Secretary would be required to purchase the notes issued by the F.C.A. and, for that purpose, authorizes the Secretary to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act. All redemptions, purchases, and sales of the notes by the Secretary would be treated as public-debt transactions of the United States.

*New subsection (c)* authorizes the Secretary to use up to $8 billion for the purchase of notes. The F.C.A. would not be permitted to issue obligations for the purpose of purchasing stock of Farm Credit institutions after December 31, 1992.

### *Sec. 104. Franchise Taxes.*

*Section 104* adds a *new section 4.2* to the Act.

*New subsection 4.2* provides for assessments upon the banks and associations in the form of franchise taxes.

*Subsection (a)* of *new section 4.2* provides for one assessment based upon unallocated retained earnings due during the first year after enactment of the bill.

Under *subsection (a)(1)(A)*, each bank of the Farm Credit System would be required to pay to the United States a one-time franchise tax equal to the amount by which its unallocated retained earnings (taking into account any adjustments under *sections 4.59* and *4.60*, as added by title II of the bill) as of December 31, 1986, exceed 5 percent of its net loans.

Under *subsection (a)(1)(B)*, each production credit association would be required to pay to the United States a one-time franchise tax equal to the amount by which its unallocated retained earnings (taking into account any adjustments under *section 4.59* as added by title II of the bill) as of December 31, 1986, exceed 13 percent of its net loans.

Under *subsection (a)(1)(C)*, no institution would be required to pay any part of the franchise tax to the extent that the payment would result in the impairment of stock. The term "stock" would have the same meaning as that under *section 4.0 (a)* of the Act.

Under *subsection (a)(2)*, the franchise tax under this subsection would become due and payable 60 days after the adjustments in purchases and assessments are made under *new sections 4.59* and *4.60* (as added by title II of the bill). The tax would be deposited in the Treasury as miscellaneous receipts, and upon such deposit, and equivalent amount of funds in the miscellaneous receipts in the Treasury would be transferred to the Farm Credit Revolving Fund.

Under *subsection (b)(1)*, beginning in 1993, at the end of any fiscal year in which the F.C.A. holds any stock in any Farm Credit bank or association, each bank and association would be required, after complying with reserve requirements, to pay as a franchise tax a sum equal to 25 percent of its net earnings for the year before establishing any contingency reserves or declaring any dividends or patronage distribution.

Under *subsection (b)(2)*, the franchise tax under the preceding paragraph would be required to be paid 90 days after the beginning of the bank's subsequent fiscal year and provides that such amounts would be deposited in the Treasury of the United States as miscellaneous receipts.

Under *subsection (b)(3)*, the tax due from any bank or association would be reduced by (i) the amount, not in excess of the tax due, equal to an amount of funds that the bank or association paid to the United States for the retirement of any Government-owned stock of such institution, and (ii) an amount, not in excess of the tax due, equal to the amount of funds that a bank or association contributes to another Farm Credit bank or association to permit the other bank or association to retire any of its Government-owned stock. The banks and associations are authorized under this paragraph to make contributions to other institutions for the purpose of retiring Government-owned stock and provides that such contributions would be considered operating expenses of the contributing institution.

*Under subsection (c)*, the F.C.A. Board would be required to suspend the charter of any bank or association, after notice and an opportunity for a hearing before the F.C.A. Board, in the event that a bank or association has not paid the franchise tax and has not made provision to pay such tax.

### *Sec. 105. Purchase of Stock of Farm Credit System Institutions by Farm Credit Administraton.*

*Section 105* contains amendments to restore, with certain changes, previous provisions of the Act relating to the issuance of stock to the F.C.A., the establishment of reserve accounts, and the application of earnings.

*Subsection (a)* amends *section 1.5* of the Act by—

(1) redesignating the current provisions of *subsection (d)* as *paragraph (1):*

(2) adding a *new paragraph (2)* which authorizes Federal land banks to issue nonvoting stock to the F.C.A.;

(3) amending *subsection (e)* to exclude stock issued to F.C.A. from the payment of non-cumulative dividends and patronage refunds; and

(4) amending *subsection (f)* to prohibit a Federal land bank from paying patronage refunds during any year in which the F.C.A. holds stock in the bank.

*Subsection (b)* adds a *new subsection (d)* to *section 1.16* of the Act to authorize Federal land bank associations to issue novoting stock to the F.C.A. and to the Federal land bank for the purposes of this bill and precludes the payment of dividends on stock held by the F.C.A.

*Subsection (c)* amends *section 1.17(a)* of the Act to require each Federal land bank to carry to reserve account a sum of not less than 50 percent of its net earnings for the year until the reserve is equal, after restoring any impairment of stock, to the outstanding capital stock and participation certificates of the bank.

Thereafter, each Federal land bank would be required to add to the reserve a sum equal to 10 percent of the year's net earnings until the account equals 150 percent of the outstanding capital stock and participation certificates of the bank. The withdrawal of amounts in excess of 150 percent would be permitted with the approval of the F.C.A., except that if the F.C.A. holds any stock in a bank, such funds would be required to be withdrawn and used to retire such stock. [Under existing law, Federal land banks are required to maintain a reserve account in accordance with standards set by the F.C.A.]

*Subsection (c)* also amends *section 1.17(b)* of the Act to provide for the payment of the franchise tax prior to the payment of dividends or patronage refunds by Federal land banks. No patronage refunds could be paid in any year in which the F.C.A. holds stock in the bank.

*Subsection (d)* amends *section 1.18* of the Act relating to the establishment of reserves and the payments of dividends and patronage refunds by the Federal land bank associations.

Under *section 1.18(a)*, as amended, each Federal land bank association would be required to carry to reserve account a sum not less than 10 percent of its net earnings for the year until the reserve is equal to 25 percent of the outstanding capital stock and participation certificates of such association, after restoring any impairment of stock. Thereafter, 5 percent of the net earnings for the year would be added to the reserve account until it equals 50 percent of the outstanding capital stock and participation certificates of the association. The withdrawal of amounts in excess of 50 percent would be permitted with the approval of the F.C.A. and the Federal land bank, except that if the F.C.A. holds any stock in a bank, the funds would be required to be withdrawn and used to retire Government-owned stock. [Existing law provides that Federal land bank associations have a reserve account in accordance with standards set by the F.C.A.]

Under *section 1.18(b)*, as amended, the payment of the franchise tax would occur prior to the payment of dividends or patronage refunds by the Federal land bank association as provided in current law. F.C.A. approval would be required prior to the payment of dividends or patronage refunds. In addition, in any year in which the F.C.A. holds stock in the association, the payment of dividends or patronage refunds would not be permitted. [Under existing law, the F.C.A. is permitted to provide general direction with regard to the payment of dividends and partronage refunds by Federal land bank associations.]

*Subsection (e)* amends *section 1.20* of the Act to provide that Federal land banks and associations would not have a first lien on stock held by the F.C.A.

*Subsection (f)* amends *section 2.2* of the Act to authorize Federal intermediate credit banks to issue nonvoting stock to the F.C.A. and to prohibit the payment of dividends on stock in any year in which the F.C.A. holds stock in the bank, unless authorized by the F.C.A. Board. *Subsection (f)* also reestablishes the provision in the original Farm Credit Act of 1971 which limited the authority of the bank to retire certain stock, other than that required to capitalize the lending operations of the bank, in cases in which F.C.A. holds stock in the bank.

*Subsection (g)(1)* amends *section 2.6* of the Act by adding two new subsections.

Under *new subsection (a)(1)*, net earnings of each Federal intermediate credit bank would be required to be applied in the following order—(i) to the restoration of impairment of capital stock and participation certificates; (ii) to the restoration of the amount of the impairment, if any, of the bank's surplus account or allocated reserve account; (iii) 25 percent of any remaining earnings, to the creation and maintenance of an allocated reserve account; (iv) to the payment of a franchise tax, if any; (v) to a reasonable unallocated contingency reserve account that may be established and maintained; (vi) to the payment of dividends on stock held by production credit associations and on participation certificates; and (vii) to the retirement of any stock held by the F.C.A. out of any remaining net earnings.

Under *subsection (a)(2)*, amounts applied to the allocated reserve account would be allocated on a patronage basis and, in any year in which the reserve account of any bank exceeds 25 percent of its outstanding stock and participation certificates, a bank could distribute, oldest allocations first, the excess in stock to production credit associations and participation certificates to other financial institutions.

Under *new subsection (a)(3)*, amounts in the reserve account that are allocated to production credit associations could be adjusted when relative amounts of stock in a bank owned by the associations are adjusted to reestablish the proportion of stock owned by each association.

Under *new subsection (a)(4)*, net loss would be absorbed by (1) charges to the unallocated reserve account; (2) impairment of stock held by the F.C.A.; (3) impairment of the allocated reserve account; (4) impairment of surplus; (5) impairment of stock and participation certificates held by associations and participation certificates held by other financing institutions; and (6) impairment of other nonvoting stock.

Under *new subsection (b)*, allocations to the allocated reserve account would not be subject to Federal income taxes. In addition, all allocations would be required to be made in the proportion that the amount of interest earned by the bank on its loans to and discounts for each association or other financing institution bears to the total interest earned by the bank on all loans and discounts outstanding during the bank's fiscal year.

*Subsection (g)(2)* contains two conforming amendments to *section 2.6(c)* of the Act. The first amendment would make the provisions of current law, with respect to distribution of net earnings, applicable only in years in which the F.C.A. holds no stock in the Federal intermediate credit bank. The second amendment provides for the payment of a franchise tax.

*Subsection (h)* amends *section 2.7* of the Act to provide, in the event of liquidation or dissolution of a Federal intermediate credit bank, for the payment or retirement of stock owned by the F.C.A. at par before payment or retirement of stock owned by production credit associations.

*Subsection (i)* deletes the current authority for production credit associations to issue nonvoting stock to other investors in *section 2.13* of the Act and authorizes associations to issue nonvoting stock to the F.C.A. F.C.A. would be prohibited from voting with respect to production credit associations issuing preferred stock. Dividends on stock, other than preferred stock, could not be paid in any year in which the F.C.A. holds stock in the association. In addition, production credit associations would not have a first lien on stock held by the F.C.A.

*Subsection (j)* amends *section 2.14(a)* of the Act to provide for production credit associations to pay the franchise tax, if any, and to retire any stock of the association held by the F.C.A. out of earnings after the restoration of impairment, if any, of capital, and the establishment and maintenance of the surplus account.

*Subsection (k)* amends *section 2.14(b)* of the Act to prohibit production credit associations from paying patronage refunds in any year in which the F.C.A. holds stock in the association.

*Subsection (l)* amends *section 2.17* of the Act to provide that in any year in which the F.C.A. holds stock in a production credit association, the association, its property, its franchises, capital, reserves, surplus, and other funds, and income would be exempt from Federal, State, territorial, or local taxation, except that interest on the obligations of the association would be subject only to Federal income taxation in the hands of the holder and except that any real and tangible personal property of the association would be subject to Federal, State, territorial, and local taxation to the same extent as similar property is taxed.

*Subsection (m)* adds a *new subsection (g)* to *section 3.3* of the Act to authorize banks for cooperatives to issue nonvoting stock to the F.C.A.

*Subsection (n)* amends *section 3.10(c)* of the Act to provide that banks for cooperatives would not have a first lien on stock held by the F.C.A.

*Subsection (o)(1)* amends *section 3.11* of the Act to add a new *subsection (a)*.

Under *new subsection (a)*, the net earnings of a bank for cooperative, in any fiscal year when such bank has stock outstanding held by the F.C.A., would be applied as follows: (1) to the restoration of the impairment of capital stock; (2) 25 percent of remaining earnings to be used to create and maintain a surplus account; (3) to pay a franchise tax; (4) to establish reasonable contingency reserves; (5) to declaration of dividends on investment stock; and (6) any remaining net earnings to be distributed as patronage refunds as provided in current law. Patronage refunds received by a district bank from any other bank for cooperatives would be excluded from net earnings of the district bank for the purpose of computing the franchise tax. Amounts applied in the surplus account would be allocated on a patronage basis approved by the F.C.A. At the end of any year in which any portion of the contingency reserve is no longer necessary, it would be transferred to the surplus account and, if the surplus account of any bank exceeded 25 percent of the sum of all its outstanding capital stock, the bank could distribute the excess in the same manner as a patronage refund.

*Subsection (o)(2)* contains two conforming amendments to *section 3.11(b)* of the Act. The first amendment would make the provisions of current law, with respect to distribution of net earnings, applicable only in years in which the F.C.A. holds no stock in the bank for cooperatives. The second amendment provides for the payment of a franchise tax.

*Subsection (p)* amends *section 3.12* of the Act to provide that in any year in which the F.C.A. holds stock in a bank for cooperatives, the bank, its property, its franchises, capital, reserves, surplus, and other funds, and income would be exempt from Federal, State, territorial, or local taxation, except that interest on the obligations of the bank would be subject only to Federal income taxation in the hands of the holder and except that any real and tangible personal property of the bank would be subject to Federal, State, territorial, and local taxation to the same extent as similar property is taxed.

*Subsection (q)* amends *section 5.17(a)(8)* to (1) delete the current authority for the F.C.A. to purchase stock in the Capital Corporation, and (2) authorize the Farm Credit Administration to purchase stock in banks and associations of the Farm Credit System.

### TITLE II—LOAN RESTRUCTURING

Title II of the bill establishes procedures for providing forbearance and restructuring of all nonaccrual and high risk loans when the loss associated with forbearance or restructuring is less than the loss associated with liquidation. Title II also reforms the Capital Corporation by removing most of its current powers and restricting its purpose to loan restructuring. Title II also provides certain rights to borrowers, including access to all documents associated with the loan, homestead protection in the event of liquidation, right of first refusal by the previous owner on subsequent leasing or sale of acquired property, and procedures for the disposition of acquired property in general.

*Sec. 201. Reform of Farm Credit System Capital Corporation.*

*Section 201* amends *Title IV* of the Act to provide for the reform of the Farm Credit System Capital Corporation.

*Subsection (a)* amends *section 4.50* [current section 4.28A]. Under the amendment, the provision for the review of the Capital Corporation and the requirement for the F.C.A. to submit a report on the Capital Corporation would be deleted. The name of the Capital Corporation would be changed to the Loan Restructuring Corporation and the charter of the Loan Restructuring Corporation would be revoked on December 31, 1990, unless the F.C.A. board unanimously adopts a resolution providing for a one year extension. [Under current law (section 4.28G(b)), the powers of the Capital Corporation are limited after December 31, 1990, to providing direct or indirect financial assistance to borrowers and institutions receiving assistance on that date.] The F.C.A. would be required to prescribe regulations for the orderly termination, the payment of outstanding obligations, and the distribution of assets of the Corporation. The Corporation would be required, prior to its termination, to resell all loans and property held by it to the Farm Credit institutions from which they originated. The resale price could not exceed the price the Corporation originally paid for the loans and property.

*Subsection (b)* amends *section 4.51* [current section 4.28B] to restrict the activities of the Corporation to the management of nonperforming assets previously acquired and to providing technical assistance to institutions with respect to restructuring loans. The Corporation's authority to carry out a program of financial assistance, to acquire nonperforming assets, to provide assistance in the administration of institution's loan portfolios, and to receive and administer financial assistance originating outside of the Farm Credit System is deleted.

*Subsection (c)* amends *section 4.52* [current section 4.28C] to modify the provisions relating to the board of directors of the Corporation. The board of directors would consist of five members with two-year terms. Two members would be appointed by the F.C.A Board, with the initial appointees being the members appointed by the Chairman of the F.C.A. Board to serve on the Capital Corporation Board; one member would be appointed by a resolution adopted unanimously by the F.C.A. Board; and two members would be elected by the boards of directors of the 12 farm credit districts and the board of directors of the Central Bank of Cooperatives. The three members appointed by the Chairman and the F.C.A board could not be member-borrowers, shareholders, officers, employees, or agents of any institution of the System. The two members elected by the boards of directors of the District boards and the Central Bank for Cooperatives board would be required to be member-borrowers of an institution and bonafide farmers or ranchers.

*Subsection (d)* provides for the continuation of the current board of directors of the Capital Corporation until all new members of the board of directors of the Loan Restructuring Corporation are elected or appointed.

*Subsection (e)* makes various conforming amendments to *section 4.56(a)* of the Act [current section 4.28G(a)] with respect to the powers of the Loan Restructuring Corporation.

*Subsection (e)(1)* deletes the authority in *subsection (a)(4)* for the Corporation to include in its bylaws provision for making loans, commitments, and other financial assistance.

*Subsection (e)(2)* amended *subsection (a)(6)* of the Act to provide for carrying out the loan restructuring program as added by section 202 of the bill.

*Subsection (e)(3)* deletes paragraphs (9), (13), (14), (15), (16), (17), (19), and (21) of *subsection (a)* and renumbers the remaining paragraphs (10) through (23) as paragraphs (9) through (15). The paragraphs relate to the Corporation's authority for issuing obligations to the Secretary of the Treasury or the F.C.A.; for joining with Farm Credit banks in the issuance of System-wide obligations; for requiring institutions to make funds available to the Corporation and to administer financial assistance; for purchasing loans and assets from institutions; for requiring institutions to sell to the Corporation loans, assets and interests; for assuming debt or other liabilities from institutions in connection with the acquisition of loan; and for purchasing from associations undergoing liquidation all asssets which are performing loans not purchased voluntarily by other associations.

*Subsection (e)(4)* amends *subsection (a)(13)* [current subsection (a)(20)] to delete the current authority of the Corporation to guarantee loans and the requirement to make a determination prior to liquidation of the loans, in order to conform the authority with the other provisions in the bill relating to granting forbearance, restructuring, and liquidation.

*Subsection (f)* amends *section 4.56(b)* [current section 4.28G(b)] of the Act to conform the powers of the Corporation with respect to restructuring, acquisition, and liquidation of loans and the acquisition and disposal of property to the restructuring provisions of the bill.

*Subsection (g)* amends *section 4.58(b)* [current section 4.28I(b)] of the Act to conform the powers of the Corporation relating to the sale of acquired real property with the disposition of acquired property requirements of the bill.

*Subsection (h)(1)* amends *Part F* [current Part D1] of Title IV of the Act to add two new sections relating to Capital Corporation assessments and loss-sharing agreements.

*New section 4.59* rescinds all required purchases or assessments of the Capital Corporation taken before date of enactment of the Farm Credit Act of 1987 and requires the Corporation to refund the purchases or assessments to the contributor institutions.

*New section 4.60* provides that amounts paid or that remain accrued, by contributor institutions to other system institutions on or after July 31, 1986, under loss-sharing agreements be repaid to the contributor institutions or reversed as the case may be.

*Subsection (h)(2)* requires that the adjustments under *sections 4.59* and *4.60* be made within 60 days after date of enactment.

*Sec. 202. Loan restructuring by System Institutions.*

*Section 202* adds after section 4.60 a *new subpart 2*, containing four new sections, relating to loan restructuring by System institutions and disposal of acquired property.

*New section 4.61* establishes requirements for restructuring of nonaccrual and high-risk loans.

Under *subsection (a)(1)*, each farm credit district and the Loan Restructuring Corporation would be required to have a policy in place within 60 days after date of enactment under which all nonaccrual loans would be reviewed on a case-by-case basis to determine whether such loans should be considered for forbearance, restructuring, or liquidation. The district policy would be binding upon each bank and association in the district and would be submitted to the F.C.A. board. The policy would be required to give special emphasis to forbearance and restructuring of loans in lieu of liquidating loans. The policy would also be required to provide for the review of all high-risk loans to determine on a case-by-case basis what steps might be necessary to prevent the loans from becoming nonaccrual loans. The F.C.A. Board would also be authorized to require changes in the policy that are necessary to ensure compliance with the bill and to ensure that the policies, including provisions relating to shared-appreciation mortgages, are consistent, to the extent practicable, throughout the twelve farm credit districts.

Under *subsection (a)(2)*, each policy would have to indicate that—(1) each bank and association in the district, or the Corporation, will grant forbearance or nonaccrual and

high-risk loans to the maximum extent possible to avoid losses to the institution on such loans, and (2) nonaccrual or high-risk loans will be restructured through reduction of principal and interest or otherwise in a manner that would enable the borrower to make payments without unduly impairing the standard of living of the borrower in cases in which (a) the borrower can present a plan indicating a high probability that the borrower will regain financial viability, (b) the loan will be restructured so as to minimize any loss to the institution; and (c) if the loan were restructured in a manner that would ensure its viability, that the loss to the institution resulting from the restructuring would be less than or equal to the loss occurring from liquidation.

Under *subsection (a)(3)(A)*, institutions, when determining loss from liquidation, would be required to consider the amount by which the outstanding debt of the borrower exceeds the appraised value of the property plus the book value of any stock held by the borrower, the estimated administrative and legal expenses necessary to liquidate the loan and dispose of the property, and any other costs associated with the loan prior to liquidation, including holding the loan as a nonperforming asset. The amount of loss incurred by the institution as a result of the prior restructuring of the loan during the three-year period preceding the review would be taken into consideration when determining loss.

Under *subsection (a)(3)(B)*, each loan restructured would be considered a new loan to the borrower. In addition, no loan could be restructured unless the borrower agrees that any stock, including participation certificates, held by the borrower that is in excess of the amount required to capitalize the restructured loan be retired and the proceeds be forfeited to the institution.

Under *subsection (a)(4)(A)*, each district board would be required to establish a Special Credit Team to provide assistance to the banks and associations in handling nonaccrual and high-risk loans. At the request of a bank or association in the district, the Team would be responsible for restructuring, granting forbearance, or liquidating loans on a case-by-case basis. The Team would provide, if requested, technical assistance to the banks and associations with respect to any loans restructured or liquidated by the bank or association.

Under *subsection (a)(4)(B)*, each district plan would be required to provide for an appeals procedure whereby borrowers, determined to be ineligible for restructuring by an association, bank, or the Special Credit Team, would receive reconsideration by an appeals committee if so requested within 30 days of receipt of notice that the loan was ineligible for restructuring. The committee would be composed of offices or employees of banks or associations who were not responsible for the initital decision and at lesst one of the members of the committee would have to be a member-borrower of an institution in the district. Upon a decision by the committee that the loan is eligible for restructuring, the bank, association, or Special Credit Team would be required to restructure the loan in the manner prescribed by the committee. Foreclosure or other steps to liquidate any loan determined ineligible for restructuring by a bank, association, or the Special Credit Team would be prohibited (1) until the borrower has been given an opportunity to appeal, (2) if the decision is appealed, until the committee has considered the appeal and determined the loan to be ineligible, and (3) if the loan is determined by the appeals committee to be ineligible, until the loan has been presented to the Loan Restructuring Corporation and the Corporation concurs that the loan is ineligible for restructuring. The appeals commitee would be required to submit any loan determined ineligible for restructuring to the Corporation within 10 days and the Corporation would be required to make its determination within 45 days of receipt. If the Corporation determines the loan is eligible for restructuring, the bank, association, or the Special Credit Team would be required to restructure the loan in the manner prescribed by the Corporation.

Under *subsection (a)(4)(C)*, banks associations, or the Special Credit Team would be required to notify the borrower of ineligibility within 15 days after the determination. The notice would have to contain the reasons for the determination, the computations used by the institution, and the right of the borrower to appeal the decision to the appeals committee in the district.

Under *subsection (a)(4)(D)*, borrowers would be permitted to include in their appeal a request for an independent appraisal of any interests in property securing the loan. Upon such a request, the committee would be required to arrange for an independent appraisal within 30 days and to consider the results of the independent appraisal in any final determination. The borrower would be given a copy of the independent appraisal.

Under *subsection (a)(4)(E)*, the appeals committee would be required to make a final determination on the loan within 60 days after receipt of the written appeal.

Under *subsection (a)(5)(A)*, the Loan Restructuring Corporation would be required, when it determines a loan held by it is ineligible for restructuring, to submit the loan for review to the Special Credit Team located in the district in which the loan originated. The Team would be required to review the loan and to determine the eligibility for restructuring within 30 days after notification by the Corporation. If the Team determines the loan is eligible, the Corporation would be required to restructure the loan in the manner prescribed by the Team or sell the loan to the bank or association from which the loan was originally acquired for the amount the Corporation determined it could have received from liquidation of the loan. If the loan is sold, the loan would be restructured in the manner prescribed by the Team.

Under *subsection (a)(5)(B)*, a borrower would be allowed to appeal the decision of the Special Credit Team with respect to loans held by the Loan Restructuring Corporation within 30 days after receipt of notice of ineligibility. If the appeals committee determines the loan is eligible for restructuring, the Corporation would be required to restructure the loan in the manner prescribed by the committee or sell the loan to the bank or association from which the loan was originally acquired for the amount the Corporation determined it could have received from liquidation of the loan. If the loan were sold, the loan would be restructured in the manner prescribed by the appeals committee. The same appeals and notice provisions provided to other borrowers would be applicable to borrowers whose loans are held by the Loan Restructuring Corporation.

Under *subsection (b)*, all nonaccrual loans held by the banks, associations, and the Loan Restructuring Corporation would be required to be reviewed within 120 days after the date of enactment and that all action required on loans eligible for forbearance or restructuring be completed within two and a half years after date of enactment.

*New section 4.62* prohibits an institution of the Farm Credit System from requiring a borrower, current in the payment of principal and interest on the loan, to provide additional collateral to secure the loan. This section further prohibits an institution from bringing any action to foreclose or otherwise liquidate any loan as a result of the failure of a borrower to provide additional collateral if the borrower was current in the payment of principal and interest at the time the additional collateral was requested.

*New section 4.63* provides for homestead protection in the event of liquidation of loans held by institutions of the Farm Credit system during the period beginning 4 months after enactment until December 31, 1992.

Under *subsection (a)*, if a bank, association, or the Loan Restructuring Corporation forecloses an agricultural loan, or if the borrower declares bankruptcy or goes into voluntary liquidation to avoid foreclosure or bankruptcy, the institution would be required (subject to subsection (g)) to permit an eligible borrower to retain possession and occupancy of any principal residence and a reasonable amount of adjoining land for a period of not less than 3 nor more than 5 years.

Under *subsection (b)*, an independent appraisal of the value of the homestead would have to be made within 30 days from the date of receipt of a borrower's application to retain the homestead.

Under *subsection (c)*, eligible borrowers would be defined as those who (1) apply for occupancy of the homestead within 30 days after the property is acquired by the institution; (2) have exhausted all remedies for the extension or restructuring of the loan that were available; (3) have received from farming or ranching operations at least $30,000 in gross annual income in at least 2 calendar years during the 5-year period preceding the year in which the application is made; (4) have received from farming or ranching operations at least 60 percent of the gross annual income of the borrower and any spouse during at least 2 years during the same 5-year period; (5) have occupied the homestead property and engaged in farming or ranching operations during the 5-year period; (6) present information that establishes that the borrower will likely have sufficient income to meet all expenses associated with occupying the property, including rental payments; (7) pay, during the period of occupancy, a reasonable sum as rent for the property on an annual or monthly basis, in an amount equal to rents charged for similar residential properties in the area; (8) during the period of occupancy, maintain the property in good condition; and (9) agree to other terms and conditions the institution may require to protect the interest of the institution in the property.

Under *subsection (d)*, failure to (1) pay rental payments, (2) maintain the property in good condition, or (3) comply with the other terms and conditions required would constitute cause for the termination of all rights under the homestead provision.

Under *subsection (e)*, borrowers, who are permitted to retain the homestead, would have a right of first refusal to reacquire the homestead property at the end of the occupancy period, and an institution would not be permitted to demand a payment on the homestead property from the borrower that is in excess of the value determined at the time the borrower applied for retention of the homestead.

Under *subsection (f)*, the transfer or assignment of rights of a borrower under the homestead provisions would not be permitted, except in the case of death or incompetency of the borrower at which time the rights and agreements would be transferred to the spouse if the spouse agreès to comply with the terms and conditions.

Under *subsection (g)*, the homestead provision would not be applicable to cases in which the value of the acquired property prior to the separation of the homestead, based on an independent appraisal, would be more than the value of (1) the agricultural property remaining after the separation, and (2) the homestead.

*New section 4.64* establishes procedures for the disposition of acquired agricultural property.

Under *subsection (a)*, an institution could not sell acquired property if the sale would result in a substantial adverse effect on the value of agricultural land in the area in which the acquired real estate is located, as determined by the institution in accordance with regulations issued by the F.C.A.

Under *subsection (b)*, an institution would not be permitted to combine tracts of acquired land for sale or lease if the combination would result in a tract substantially larger than the average family farming or ranching operation in the area, as determined by the institution in accordance with regulations issued by the F.C.A.

Under *subsection (c)*, institutions holding acquired property in tracts of land larger in size than the average family farming or ranching operation in the area would be required to subdivide, prior to sale or lease, the land into tracts of land not substantially larger than the average family farm or ranch, as determined by the institution in accordance with regulations by the F.C.A.

Under *subsection (d)*, acquired property sold to another institution of the Farm Credit System would be excluded from the prohibition on combining tracts smaller than the average size of family farming or ranching operations in the area and the requirement to subdivide land larger than the average size of family farming or ranching operations in the area. In addition, right or redemption laws in a State in which property is located would not be affected by any combination of subdivision of acquired property by a Farm Credit institution.

Under *subsection (e)*, the disposition of acquired property through sales and short-term leases of less than three years are provided. (See *new subsection (f)* below for provisions relating to long-term leases.)

Under *subsection (e)(1)*, offers to sell or lease acquired property would be required to be made to the public and made on the basis of competitive bidding conducted in accordance with F.C.A. regulations. The regulations would have to ensure that (1) adequate notice is given to the public of the availability of the property and that the notice include the minimum amount, if any, required to quallify a bid and the right of first refusal by the previous owner to purchase or lease the property; (2) actual notice of the availability of the property is given to the previous owner; and (3) that the property will be sold or leased on the basis of the highest qualified bid received, subject to the right of first refusal of the previous owner to purchase or lease the property for the same amount and under the same terms and conditions as the highest bidder, if the previous owner has the ability to conduct a successful family-size farming or ranching operation and to meet all payments, terms and conditions of the sale or lease.

Under *subsection (e)(2)*, in the event of receiving 2 or more qualified bids in the same amount, the institution would sell or lease the property according to regulations of the F.C.A. to one of the highest qualified bidders. The regulations would be required to ensure that priority is given, for purchasing or leasing, to operators, or those who would upon acquisition of the property become operators, of a farm or ranch not substantially exceeding the size of the average family-size farming or ranching operation in the area.

Under *subsection (e)(3)*, the provisions of this subsection would only apply to leases that are of a term of 3 years or less, and the F.C.A. would be required to issue regulations to ensure that the leasing authority of this subsection would not be used to avoid the long-term leasing requirements in *subsection (f)* as described below.

Under *subsection (f)*, the leasing of acquired property not eligible for sale and not leased under *subsection (e)* is provided.

Under *subsection (f)(1)*, any property not eligible for sale and not leased under *subsection (e)* would be leased for a term of not less than 5 nor more than 10 years to family-size farmers or ranchers or to those who would be family-size farmers or ranchers upon acquisition of the lease. The lease would be required to contain an option to purchase the property upon expiration of the lease for the appraised value of the property. The value of the property would be determined by an independent appraisal made within the 6-month period prior to the expiration of the lease and the appraisal would be based upon the market value of the property in the case of personal property or the average annual income that could reasonably be anticipated from farming or ranching operations conducted on the land in the case of real estate.

Under *subsection (f)(2)*, the offer to lease would be required to be made to the public and granted on a competitive bidding basis in accordance with F.C.A. regulations. The regulations would have to ensure that (1) adequate notice of the availability of the property is given to the public and that the notice contain the minimum amount, if any, of rental payments required to qualify a bid and the right of first refusal by a previous owner to lease the property; (2) actual notice of the availability of the property is given to the previous owner; and (3) the property will be leased on the basis of the highest qualified bid received, subject to the right of first refusal of the previous owner to lease the property for the same amount and under the same terms and conditions as the highest qualified bidder, if the previous owner has the ability to meet the qualifications of an operator of a family-size farm or ranch, and has the resources necessary to conduct a successful operation and meet all rental payments, terms, and conditions of the lease.

Under *subsection (f)(3)*, if an institution receives 2 or more qualified bids in the same amount, the institution would be required to determine which bid to accept in accordance with regulations issued by the F.C.A.

Under *subsection (g)*, beginning in 1990, persons entering into an installment sales contract or similar financing arrangement with a bank or association for the purchase of acquired real estate or personal property would be required to purchase stock in Farm Credit institutions. If the person is not eligible to hold voting stock, the person would be required to purchase nonvoting stock or participation certificates equal to the amount required to be owned by member-borrowers. If a Federal land bank enters into such an agreement, the person would be required to purchase stock in the Federal land bank association serving the territory in which the property is located, and the association, in turn, would purchase a similar amount of stock in the bank. If a Federal intermediate credit bank enters into such an agreement, the person would be required to own nonvoting stock or participation certificates of the bank in an amount equal to that required for loans made by the production credit association serving the territory in which the property is located. Stock issued under this provision would be retired in accordance with regulations of the F.C.A. and the regulations would ensure, to the extent possible, that the stock is retired in the same manner as other borrower-owned stock of the institution.

Under *subsection (h)*, all property held on the date of enactment would be required to be sold or leased, with a lease term of not less than 5 or more than 10 years, within 4 years. All property acquired subsequent to the date of enactment would be required to be sold or leased, with a lease term of not less than 5 nor more than 10 years, within 4 years from the date of acquisition.

*Sec. 203. Conforming amendments.*

*Section 203* deletes references to the Capital Corporation in the Farm Credit Act of 1971, other than in *section 4.50* and *4.57* [current sections 4.28A and 4.28H] and inserts in lieu thereof "Loan Restructuring Corporation". This section also deletes from *section 4.12(c)* [current section 4.4(c)] inclusion of the Capital Corporation in the definition of the term "banks" with respect to liability of banks on consolidated and System-wide issues of obligations.

*Sec. 204. Access to documents and information.*

*Section 204* amends *section 4.31* [current section 4.13A] to require each institution to provide, at the time of execution of a loan and any time thereafter on request, to its borrowers copies of all documents signed or delivered by the borrower; a copy of the institution's articles of incorporation or charter and bylaws; the current and effective interest rates on the borrower's loans, whether fixed or variable, and any changes in the current and effective interest rates during the terms of the loans; copies of current forbearance and restructuring policies; and copies of each appraisal of the borrower's assets. [Current law requires institutions to provide, at the time of execution, copies of all documents signed, and at any time thereafter upon request, copies of all documents signed or delivered by the borrower and a copy of the institition's articles of incorporation or charter and bylaws.]

*Sec. 205. Right to sue; standing.*

*Section 205* amends Title IV of the Act by adding a *new Part I* containing a *new section 4.90* relating to a borrower's right to sue and standing.

Under *subsection (a)*, a person would have the right to sue any institution of the Farm Credit System and the Farm Credit Administration for violations of duties required of the institution or the Administration under the Act.

Under *subsection (b)*, federal district courts would have original jurisdiction without regard to the amount in controversy.

Under *subsection (c)*, standing under this section would be provided only to persons who suffer legal wrong or who are aggrieved or adversely affected by violations of the duties required.

Under *subsection (d)*, the existing rights of any person to sue an institution or the Farm Credit Administration would not be affected by this section.

TITLE III—INSURANCE OF FARM CREDIT BANKS OBLIGATIONS; LIABILITY OF BANKS ON OBLIGATIONS

*Sec. 301. Creation of Corporation.*

*Section 301* adds a *new title VI* to the Farm Credit Act of 1971 relating to the insurance of obligations issued by banks.

*New section 6.0(a)* creates a Farm Credit Banks Insurance Corporation for the purpose of insuring the payment of obligations of the banks of the System eligible for insurance. The Corporation would be under the direction of the Farm Credit Administration Board.

Under *subsection (b)*, the Corporation would be an instrumentality of the United States and would have the general powers and privileges given to other government corporations. In addition, the Corporation would have the power to borrow funds from the Farm Credit Revolving Fund as are required for insurance purposes, including operating expenses, and to determine its necessary expenditures and the manner in which they are to be incurred, allowed, and paid, without regard to the provisions of laws governing the expenditure of public funds. During the period beginning on the effective date of this title and ending December 31, 1992, operating expenses of the Corporation would be considered operating expenses of the F.C.A.

Under *subsection (c)*, the Corporation would be permitted to use the U.S. mails for its official business in the same manner as other executive departments and provides that the Corporation would determine its necessary expenditures without regard to the provisions of any other law governing the expenditure of public funds.

Under *subsection (d)*, funds of the Corporation would be deposited in the Treasury, or, if approved by the Secretary of the Treasury, in any Federal Reserve bank. The funds could only be invested in obligations of, or guaranteed as to principal and interest by, the United States.

Under *subsection (e)*, various fraudulent activities relating to the Corporation and its insurance and penalties for such violations are prescribed.

*New section 6.1(a)* requires the Corporation to insure the obligations of the Farm Credit banks.

Under *subsection (b)*, each Farm Credit bank would be required to apply for insurance within sixty days after the effective date of the title. If insurance is granted, each bank would be required to agree to examinations and to furnish additional information as the Corporation may require and to pay the premium charges for insurance. Any examination required would be made by Farm Credit Administration examiners, and, whenever possible, the Corporation would use the examinations made by the F.C.A. in lieu of requiring separate examinations of an institution.

Under *subsection (c)*, the Corporation would be required to reject any application if it determines that the financial policies or management of the applicant are unsafe. Upon the approval of any application for insurance, the Corporation would be required to notify the applicant.

*New section 6.2(a)* establishes the extent of the insurance on the payment of principal and interest on consolidated or System-wide obligations that become due and payable after December 31, 1992.

Under *subsection (a)(1)* if the reserve is not above the prescribed minimum level, the Corporation would be required to provide for the full payment of any amount of principal or interest due on insured obligations that the banks primarily and secondarily liable therefor are unable to pay.

Under *subsection (a)(2)(A)*, if the reserve is above the minimum level and contains sufficient funds to provide for the full payment of principal or interest that a bank primarily liable is unable to pay, the Corporation would make the full payment.

Under *subsection (a)(2)(B)*, if the reserve is above the minimum level but does not contain sufficient funds to provide for the full payment of principal or interest that a bank primarily liable is unable to pay, the Corporation would (1) provide for the partial payment of the principal or interest due that the bank primarily liable therefor is unable to pay in the amount that funds in its reserve is above the minimum level prior to making any call for payment from banks secondarily liable therefor; and (2) provide for the full payment of any amount of principal or interest remaining due that the banks primarily and secondarily liable therefor are unable to pay after application of the partial payment initially made by the Corporation.

Under *subsection (b)*, the Corporation would determine the manner of payments on insured obligations.

Under *subsection (c)*, no action against the Corporation to enforce a claim for payment of insurance of an obligation could be brought after the expiration of three years from the date the obligation becomes due and payable.

*New section 6.3* requires each insured bank to agree to pay premiums for insurance of its obligations. The premium would be set by the Corporation at not more than two-tenths of 1 percent of the proceeds of each insured obligation the bank is primarily liable therefor and would be collected in the manner prescribed by the Corporation. The Corporation would be required, when determining the premium, to take into consideration the total amount of insured obligations outstanding, the date on which the obligation matures, the finanical condition of the Farm Credit banks, the reserve requirements of the Corporation, any losses incurred by the Corporation, the operating expenses of the Corporation and the extent of insurance provided. The premium level, with respect to obligations of the same maturities, would apply equally to each insured bank.

*New section 6.4* requires the Corporation to establish and maintain a reserve and sets the minimum reserve level at one percent of all outstanding insured obligations of the banks. Under *new section 6.2*, the extent of payments made by the Corporation is determined by the level of funds in the reserve.

*New section 6.5* provides for the termination of insurance and enforcement.

Under *subsection (a)*, a bank would be permitted to voluntarily terminate, by written notice, its status as an insured bank subject to insured obligations of the bank that remain outstanding.

Under *subsection (b)(1)*, the corporation would have the power to terminate a bank's insured status of (1) engaging in unsafe and unsound practices, (2) being in an unsafe or unsound position, or (3) violating any agreement between the bank and the Corporation. Prior to instituting proceedings to terminate a bank's insured status, the Corporation would notify the bank of its charges, and the bank would have an opportunity to make corrections.

Under *subsection (b)(2)*, if the bank failed to make corrections within 120 days and was unable to provide acceptable assurances that corrections would be made, the Corporation could issue a written notice of intention to terminate its status as an insured institution.

Under *subsection (b)(3)*, upon issuance of such notice, the bank would be given an opportunity for a hearing prior to the termination of its status.

Under *subsection (c)*, the effective date of the termination would be the date specified in the notice or the date upon which an order of termination becomes effective. The Corporation would be permitted to postpone the effective date of involuntary terminations and, with the consent of the institution, voluntary terminations.

Under *subsectioin (d)*, if a bank's status as an insured institution is terminated, either voluntarily or involuntarily, insurance on its obligations insured prior to the date of termination would continue and the bank would be obligated to continue to pay premiums therefor. However, no obligations of the bank issued subsequent to the termination could be insured.

*Sec. 302. Conforming Amendments; Requirement of Insurance; Liability of Banks on Obligations.*

*Subsection (a)* amends *section 4.11(a)* [current section 4.3(a)] to require, beginning January 1, 1993, that minimum capital adequacy requirements be at a level to ensure that the risk of loss to the Farm Credit Banks Insurance Corporation is reduced to the extent practicable.

*Subsection (b)* amends *section 4.10 [current section 4.2]* to conform the provisions relating to issuance of System-wide obligations with the other provisions in the bill and to add two new subsections at the end.

*New subsection (f)* requires the F.C.A., in granting approval for the issuance of obligations, to ensure that the outstanding obligations of the banks will become due and payable over a term of years to the extent practicable.

*New subsection (g)* provides that only banks insured by the Corporation would be permitted to join in the issuance of consolidated or System-wide obligations that become due and payable after December 31, 1992.

*Subsection (c)* amends *section 4.12(a)* [current section 4.4(a)] of the Act with respect to the liability of a bank on obligations.

*Subsection (c)(1)* redesignates *subsection (a)* as *subsection (a)(1)*.

*Subsection (c)(2)* deletes the provisions of *subsection (a)(1)* relating to the liability of a bank with respect to interest payments on obligations issued by other like banks. The provision would not affect any liability on such obligations outstanding on the date of enactment. It is intended to make the liability provisions consistent with the insurance provisions.

*Subsection (c)(3)* adds two new paragraphs to *subsection (a)*.

*New paragraph (2)(A)* provides for liability on consolidated or System-wide obligations issued between January 1, 1988, and December 31, 1992, and payable during such period.

Under *paragraph (2)(A)(i)*, each bank would be primarily liable for the payment of principal and interest on the portion of any obligation made on its behalf to the extent that the bank has available funds to pay such portion without impairing its stock.

Under *paragraph (2)(A)(ii)*, if a bank is not able to pay the full amount for which the bank is primarily liable, the other banks operating under the same title of the Act as that bank, as called upon by F.C.A., would be jointly and severally liable for the amount the bank is not able to pay, to the extent that a bank liable for the payment has available funds to pay the amount without impairing its stock.

Under *paragraph (2)(A)(iii)*, if the banks operating under the same title of the Act are unable to pay the full amount, each of the other banks operating under other titles of the Act, as called upon by F.C.A., would be jointly and severally liable for the amount that the banks are unable to pay to the extent that a bank liable could do so without impairing its stock.

Under *paragraph (2)(A)(iv)*, if the banks are unable to pay the full amount of the principal and interest under clauses (i) through (iii), the bank primarily liable would pay any remainder of the principal and interest due, to the extent of funds available in its capital accounts, and, if that is insufficient, each of the other banks, as called upon by the F.C.A. shall be jointly and severally liable for the payment of any amount remaining unpaid to the extent of funds available in its capital accounts.

Under *paragraph (2)(B)*, the F.C.A., in making calls for payment, would be required to take into consideration the capital, surplus, bonds, debentures, or other obligations which each bank may have outstanding at the time of the call. The F.C.A. is also required, in making calls for funds from capital accounts, to make the calls first on the banks operating under the same title of the Act as the bank primarily liable and second upon the banks operating under other titles of the Act.

Under *paragraph (2)(C)*, the term "stock" is defined as voting stock, nonvoting stock, participation certificates, allocated equities, and contributions to the guaranty funds of a bank for cooperatives, and defines the term "capital accounts" as accounts maintained by a bank that reflect its outstanding stock.

Under *paragraph (3)*, calls upon banks under *subsection (a)* would be made in accordance with regulations of the Farm Credit Administration.

*Subsection (d)* amends *section 4.12(d)* [current section 4.4(d)] of the Act to reflect the liability of the United States to the extent obligations are insured by the Farm Credit Banks Insurance Corporation.

*Subsection (e)* provides for *subsections (a)* through *(c)* to be effective January 1, 1988.

*Section 303. Effective Date.*

*Section 303* would make the effective date of title III of the bill effective 30 days after enactment, except where otherwise provided.

### TITLE IV—REAL ESTATE LENDING; INTEREST RATES

*Sec. 401. Loans to Farmers and Ranchers.*

*Subsection (a)* amends *section 1.6* of the Act to clarify the provision requiring that real estate loans be made to bona fide farmers and ranchers.

*Subsection (b)* amends *Part H* of Title IV of the Act *[current Part F]* by adding a new section.

*New section 4.81* defines a "farmer or rancher" as a person who receives the principal portion of his or her income from the production of agricultural commodities as determined under F.C.A. regulations, and defines a 'producer or harvester of aquatic products' as one who receives the principal portion of his or her income from the production or harvesting of aquatic products as determined under F.C.A. regulations. The term "person" would include a partnership, corporation, or other legal entity, the principal interest in which is owned by individuals who are farmers, ranchers, or producers or harvesters of aquatic products, as determined under F.C.A. regulations.

*Sec. 402. Interest Rates on Federal Land Bank Loans.*

*Section 402* amends *section 1.7* of the Act relating to interest rates on Federal land bank loans.

*Paragraph (1)* redesignates the current provisions of *section 1.7* as *subsection (a)*.

*Paragraph (2)* contains a conforming amendment to *subsection (a)* that relates to variable interest rates.

*Paragraph (3)* adds five new subsections to *section 1.7*.

*New subsection (b)* requires each Federal land bank to make available to bona fide farmers and ranchers long-term real estate mortgage loans of terms of not less than 15 years at a fixed rate of interest, not in excess of the average rate of interest on obligations of comparable maturities issued by the bank or issued on its behalf during the preceding twelve-month period plus 2 percent.

*New subsection (c)* precludes Federal land banks from establishing a differential interest rate program under which different rates of interest may be charged on loans based on creditworthiness, the type of agriculture involved or other factors, unless a majority of the association's stockholders approves such a program. The weighted average rate of interest on agricultural loans made under a differential interest rate program could not exceed by more than 2 percent the average rate of interest on obligations issued by the bank or issued on its behalf during the preceding twelve-month period.

*New subsection (d)* provides that the interest rate on Federal land bank loans (other than long-term real estate loans mentioned above, loans made under a differential interest rate program, and fixed-rate loans outstanding on the date of enactment) could not exceed by more than 2 percent the average rate of interest on obligations issued by the bank or issued on its behalf during the preceding twelve-month period.

*New subsection (e)* prohibits a bank from increasing the rate of interest on any outstanding loan as a result of the loan being unfavorably classified.

*New subsection (f)* authorizes the F.C.A. to permit Federal land banks to charge a higher interest rate if the F.C.A. Board determines that the bank requires a higher rate in order to continue to make and service loans in remote areas in which the number of eligible borrowers is limited.

*Sec. 403. Security of Federal Land Bank Loans.*

*Section 403* essentially replaces the current *section 1.9* of the Act with a new *section 1.9* relating to security offered for Federal land bank loans.

*New subsection (a)* would permit loans to be made up to 75 percent of the appraised value, except for young and beginning farmers and ranchers and loans guaranteed by Federal, State, or another governmental agency. Loans made to young and beginning farmers could be made up to 85 percent of the appraised value of the real estate security if the borrower has sufficient repayment capacity and provides such other collateral for the loan as the bank may require. The provision in current law with respect to loans guaranteed by Federal, State, or other governmental agencies would be continued. [Under current law, loans, guaranteed by Federal, State, or other governmental agencies, can be made up to 97 percent of the appraised value of the real estate security. All other real estate loans can be made up to 85 percent of the appraised value.]

*New subsection (b)* continues the current provision requiring that all loans be secured with first liens.

*New subsection (c)* requires that the value of the real estate security be determined by an appraisal under appraisal standards prescribed by the F.C.A. Board. For loans to young and beginning farmers and ranchers and all nonagricultural loans, the appraised value would be the normal market value of the real estate security. For all other agricultural loans, the appraised value would be determined on the basis of the use of the real estate security for agricultural purposes, taking into consideration the anticipated annual income that can reasonably be generated from the property.

*New subsection (d)* contains the current authority to require additional security. In addition, the current requirement to consider other credit factors is continued.

*New subsection (e)* provides that each Federal land bank would require a financial statement from each borrower at least once every three years or a shorter period of time as may be required under F.C.A. regulations.

*Sec. 404 Future Payment Plans.*

*Section 404* amends *part A* of *title I* of the Act by adding a *new section 1.12A* that requires each Federal land bank to establish a future payment plan into which its borrowers would be permitted to pay amounts, not in excess of the amount of outstanding principal of any indebtedness of the borrower to the bank, for the payment of any principal or interest that becomes due on such indebtedness. The bank would be required to pay interest, adjusted monthly, at not less than the average rate of interest on all obligations issued by the bank or issued on its behalf during the preceding three-month period. The bank could require reasonable notice if a borrower wishes to withdraw from the plan and each borrower participating would authorize the bank to apply any amount for against any payment of principal or interest that is overdue by more than 30 days.

*Sec. 405. Interest Rate Program of Production Credit Association Loans.*

*Section 405* amends *section 2.15(b)* of the Act relating to interest rates of production credit association loans.

*Paragraph (1)* redesignates *subsection (b)* as *subsection (b)(1)*.

*Paragraph (2)* precludes a production credit association from charging a rate of interest that is in excess of 2 percent of the discount rate of the bank.

*Paragraph (3)* adds a *new paragraph (2)* that prohibits a production credit association from establishing a differential interest rate program under which different rates of interest may be charged on the basis of creditworthiness, the type of agriculture involved, or other factors, unless the majority

of the stockholders approves such a program.

*Sec. 406. Farm Credit Administration Approval of Certain Loans.*

*Section 406* adds a *new section 4.82* to *part H* of title IV (current part F) that requires F.C.A. approval of any Federal land bank, Federal intermediate credit bank, or production credit association loan to a farm credit district director or a director of a district bank having a separate board of directors.

### TITLE V—SERVICE ORGANIZATIONS

*Section 501* amends *part E* of title IV of the Act (current part D) by adding three new sections relating to service organizations.

*New section 4.44* requires the F.C.A. to revoke the charter issued to the Farm Credit Corporation of America unless a majority of the board members of the boards of directors of each Federal land bank association, production credit association, farm credit district, and the Central Bank for Cooperatives votes by April 30, 1989, to permit such corporation to continue operating. The corporation would be required to diligently commence all practical and reasonable steps to achieve an orderly termination if the majority of the directors votes to discontinue the corporation.

*New section 4.45(a)* provides that the charter of the Federal Farm Credit Banks Funding Corporation not permit the Corporation to set policy, prescribe lending limits or standards, make lending decisions, hold any primary capital of any System institution, or assume in any manner the responsibility of other Farm Credit institutions to service their member-borrowers.

Under *subsection (b)*, the F.C.A. would have to amend the charter of the Funding Corporation, within 30 days after enactment, to provide that the board of directors of the Funding Corporation be composed of five members as follows: (1) one member elected by the boards of directors of the first, second, and third farm credit districts; (2) one member elected by the boards of directors of the fourth, fifth, and sixth farm credit districts; (3) one member elected by the boards of directors of the seventh, eight, and ninth districts; (4) one member elected by the boards of the tenth, eleventh and twelfth districts; and (5) one member appointed by the F.C.A. Board. The term of office of the members would be three years, except that the initial term could be shorter as determined by the F.C.A. Board to permit staggering of terms of office. The nomination and election of directors would be conducted by the F.C.A. under procedures established by it and the procedures would have to ensure that the election of the initial board would be completed within 120 days after enactment.

Under *subsection (c)*, the Funding Corporation would be required to make an annual written report to each System bank and association detailing its bond placements, budget, costs and expenses, and requires that the report be submitted to the House and Senate Agriculture Committees and the F.C.A. Board.

*New section 4.46* prohibits F.C.A. from chartering any new service corporation unless specifically authorized to do so by an Act of Congress.

### TITLE VI—MERGERS

*Sec. 601. Voluntary Mergers of Associations; Mandatory Cooling-off Period for Association Mergers; Notification to Stockholders.*

*Section 601* amends *section 4.22(a)* of the Act [current section 4.12(a)] relating to mergers of associations.

*Paragraph (1)* redesignates *subsection (a)* as *subsection (a)(1)*.

*Paragraph (2)* amends *subsection (a)* by deleting the "present and voting or voting by written proxy" requirement in the case of stockholder approval of voluntary mergers of associations, thereby permitting the merger of associations only upon the majority vote of the stockholders of each of the associations.

*Paragraph (3)* modifies the provision in *subsection (a)* to give the Farm Credit Administration Board, in lieu of the Farm Credit Administration, the authority to require mergers if an association has failed to meet its outstanding obligations.

*Paragraph (4)* adds two new paragraphs to *section 4.22(a)*.

*New paragraph (2)* provides that if the stockholders of each association vote to merge, the merger would be prohibited from taking effect for at least 60 days after the date on which the stockholders were notified of the final result of the vote. If a petition for reconsideration, signed by at least 5 percent of the stockholders of any one of the merging associations is presented to the F.C.A. by the 30th day after the notification, a special stockholders' meeting to reconsider the merger would be required before the 60th day. A merger could not take effect if a majority of the stockholders of any merging association voted against merger at the special meeting.

*New paragraph (3)* requires, prior to holding any meetings for the purpose of voting to merge two or more associations, each association to notify the stockholders at least 30 days prior to the meeting and to include in the notice an enumerated statement of the anticipated benefits and the potential disadvantages if the merger should occur. The F.C.A. Board would be required to approve the notice prior to its being provided to stockholders and to require modification of the notice as it determines necessary to provide accurate information on the advisability of the merger.

*Sec. 602. Merger of Similar Banks.*

*Section 602* amends *section 4.20* of the Act [current section 4.10] to require that F.C.A. approval for the voluntary merger of similar banks be by a resolution unanimously adopted by the F.C.A. Board.

*Sec. 603 Treatment of Certain Farm Credit Associations.*

*Section 603* amends *section 5.17(a)(2)* of the Act to clarify that the F.C.A. Board would be required to ensure that associations, disapproving a merger, would not be charged any assessment at a rate higher than that charged other like associations in the district and that disapproving associations would be provided, on the same basis as like associations in the district, financial services and assistance. [Current law requires the F.C.A. to ensure that the disapproving associations are not discriminated against by the supervising bank in the exercise of its supervisory powers and prohibits such associations from being charged an assessment at a rate higher than that charged other like associations in the district or from being discriminated against in the provision of any financial service and assistance.]

*Sec. 604. Special Reconsideration of Certain Mergers.*

*Section 604* amends *part* C of Title IV of the Act [current part B] by adding a *new section 4.23* relating to reconsideration of mergers occurring between December 23, 1985, and the date of enactment of the Farm Credit Act of 1987.

Under *subsection (a)*, the F.C.A. would be required to issue regulations under which the stockholders of any association that voluntarily merged with one or more associations during the period mentioned above may petition in writing for the opportunity to organize themselves as a separate association.

Under *subsection (b)*, the regulations would have to ensure—

(1) that the petition be signed by 5 percent of the stockholders of any one of the merged associations;

(2) that the petition describe the territory in which the proposed association would operate; and

(3) that, if approved, (A) the loans of the members of the new association would be transferred from the current association to the new association; (B) stock of the current association held by such members would be retired at book value and the proceeds transferred to the new association, and an equivalent amount of stock would be issued to the members by the new association; and (C) other assets of the current association would be distributed equitably among the current association and any resulting new association.

Under *subsection (c)*, not later than 30 days after the filing of the petition with the F.C.A., the current association would be required to notify its stockholders that a petition had been filed. The notification would have to contain the date of a special stockholders meeting to consider the petition and an enumerated statement of the anticipated benefits and the potential disadvantages of establishing a separate association. The F.C.A. Board would be required to approve the notification and to require the notification to be amended as it determines necessary to provide accurate information to the stockholders in order that they may make an informed decision. The special stockholders meeting would be held within 60 days after the filing of the petition.

Under *subsection (d)*, the F.C.A. would be required to issue a charter to the new association and to amend the charter of the current association to reflect the territory to be served by the new association if a majority of the members of the current association, would be served by the new association, approve the establishment of a separate association.

### TITLE VII—BOARDS OF DIRECTORS

*Title VII* amends various parts of the Act to provide for outside members on boards of directors.

*Sec. 701. Outside Directors for Federal Land Bank Associations.*

*Section 701* amends *section 1.14* of the act to authorize, subject to the approval of the stockholders, the bylaws of each Federal land bank association board to require the election of one board member who is not, and has not been during the preceding 5-year period, a member-borrower, officer, employee, or agent of any institution of the Farm Credit System.

*Sec. 702. Outside Directors for Production Credit Associations.*

*Section 702* amends *section 2.11* of the Act to authorize, subject to the approval of the stockholders, the bylaws of each production credit association board to require the election of one board member who is not, and has not been during the preceding five year period, a member-borrower, officer, employee, or agent of any institution of the Farm Credit System.

*Sec. 703. Conforming Amendment; Nomination of Directors.*

Section 703 amends *section 4.34* of the Act [current section 4.15] to reflect the authority for an outside association director.

*Sec. 704. Outside Directors for Central Bank for Cooperatives.*

*Section 704* amends *section 3.2* of the Act to provide for two outside directors for the Central Bank for Cooperatives.

*Section 3.2*, as amended, would increase the number of members of the board of directors of the Central Bank for Cooperatives by two. The two new members would be required to have extensive knowledge and experience in banking and finance and would be elected by a majority of the other board members. If the other board members fail to elect a member with experience in banking and finance the F.C.A. Board would be required to appoint a qualified person to serve on the board until the member was duly elected.

*Section 3.2*, as amended, would also provide eligibility requirements for board members that are essentially the same as those provided for in *section 5.1(b)* of the Act, with two additions relating to the outside directors as follows:

(1) an outside director must not have been during the preceding five years, a member-borrower, salaried officer, or employee of any institution of the System or of the F.C.A.; and

(2) an outside director must not be from the same state as the other outside director.

*Section 704* also modifies *section 3.2* of the Act to provided that a person could no longer continue to serve as an outside director if the director becomes a member-borrower of any System institution.

*Sec. 705. Outside District Directors.*

*Section 705* provides for two outside directors for the farm credit district boards.

*Subsection (a)* amends *section 5.1(a)* of the Act to increase the number of members of the district boards by two for a total of nine.

*Subsection (b)* amends *section 5.1(b)* of the Act to reflect the requirement for district boards to have two outside directors. The current provision, relating to the ineligibility to serve on a district board if the person was within the previous year a salaried officer or employee of the F.C.A. or any institution of the System, would continue to apply to those board members who are not outside directors. A person could not be elected or appointed to the board as an outside director if that person has been within five years a member-borrower, salaried officer, or employee of any institution of the System or of the F.C.A. In addition, except in a case of a district composed of only one state, the two outside directors could not be from the same state.

*Subsection (c)* amends *section 5.2(a)(2)* of the Act by redesignating *subparagraph (B)* as *subparagraph (C)* and adding a *new subparagraph (B)*.

*New subparagraph (B)* provides that the two outside district directors would be required to have extensive knowledge and experience in banking and finance. The outside district directors would be elected by a majority of the other seven board members. If a majority of the seven board members fail to elect an outside district director, the F.C.A. Board would be required to appoint a qualified person to serve on the board until the member was duly elected.

*Subsection (d)* amends *section 5.2(b)* of the Act to reflect the requirement for outside district directors.

*Subsection (e)* amends *section 5.2(c)* of the Act to reflect the provisions in the bill relating to outside district directors.

*Sec. 706. Separate Boards of Directors for System Banks.*

*Subsection (a)* adds a *new section 5.3A* to title V of the Act to authorize the election of a separate board of directors for a system bank.

*New section 5.3A(a)* would permit stockholders of any bank (representing at least 15 percent of the total number of votes that may be cast by the bank's stockholders in the election of district directors) to petition the F.C.A. for a referendum to determine whether to establish a separate board of directors for the bank. Within 30 days of receipt of the petition, the F.C.A. would be required to issue a notice to all stockholders that a referendum had been called. The notice would state the time and place of a special stockholders' meeting. Further, the notice to each association would have to state the number of votes that could be cast by the board of the association. The meeting would be held not less than 30 nor more than 60 days from the date the notice was mailed.

Under *subsection (b)*, if a majority of the stockholders vote in favor of having a separate board of directors for the bank, a separate board would be established.

Under *subsection (c)*, the separate board would be composed of seven members—two would be the members of the district board elected by the bank's stockholders to serve on the district board; two would be the outside directors of the district board; and three would be elected by the stockholders of the bank in the same manner as district board members are elected. Eligibility requirements would be the same as for district board members. The initial election would be held not later than 120 days after the stockholders' meeting. Compensation of the board members would be the same as for district directors and the terms would be 3 years, except for the initial directors.

Under *subsection (d)*, the separate bank board would be permitted to elect from its members a chairman and vice chairman, and appoint a secretary.

Under *subsection (e)*, a mechanism for the abolition of separate boards of directors would be established. If the stockholders present a petition, representing 15 percent of the voting strength, requesting a referendum to determine whether to retain the separate board of directors, a referendum would be held. If a majority of the stockholders votes in favor of abolishing the separate board of directors, the board would be abolished.

Under *subsection (f)*, a separate board of directors would have the same powers granted to a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives, whichever is applicable.

*Sec. 707. Conforming Amendments.*

*Section 707* makes various conforming amendments to titles IV and V of the Farm Credit Act of 1971 as they relate to separate boards of directors.

*Subsection (a)* amends *section 4.21* of the Act [current section 4.11] to reflect the provisions of the bill relating to separate bank boards and to delete authority for a merged bank to have a good board of directors that is different from the board provided in the Act.

*Subsection (b)* amends *section 4.22(a)* of the Act [current section 4.12] to reflect the provisions of the bill relating to separate district bank boards.

*Subsection (c)* amends *section 4.34* of the Act [current section 4.15] to reflect the provisions of the bill relating to separate district bank boards.

*Subsection (d)* amends *section 5.6(a)* of the Act to reflect the provisions of the bill relating to separate district bank boards.

### TITLE VIII—AMENDMENTS TO TITLE V OF THE FARM CREDIT ACT OF 1971; MISCELLANEOUS

*Sec. 801. Limitation of Compensation of District Board.*

*Section 801* amends *section 5.5* of the Act by limiting the annual compensation that may be received by district board members to $15,000.

*Sec. 802. Farm Credit Administration Board.*

*Subsection (a)(1)* amends *section 5.8(a)* of the Act to expand the number of members of the Farm Credit Administration Board by two and provides that not more than three of the members of the board be of the same political party.

*Subsection (a)(2)* amends *section 5.8(b)* of the Act to provide that the term of the first four members, other than the Chairman, would be four years, and thereafter each term would be six years.

*Subsection (a)(3)* amends *section 5.8(c)* of the Act to require the Board to select a Board Secretary who would be responsible for keeping permanent and accurate records and minutes of the Board's acts and proceedings.

*Subsection (a)(4)* amends *section 5.10(a)* of the Act to require the Chairman of the Board to consult with the Board with respect to the execution of all administrative functions and duties of the agency.

*Subsection (a)(5)* amends *section 5.11* of the Act to provide that the Chairman of the Board, in carrying out the powers and duties of the Chairman, would be governed by policies of the Board and its regulatory decisions, findings, and determinations. The appointment of the heads of major administrative divisions would require the approval of the Board. Subject to the approval of the Board, the powers of the Chairman as Chief Executive Officer may be exercised and performed by the Chairman through other officers and employees.

*Subsection (a)(6)* amends *section 5.12* of the Act to require the approval of the Board prior to the Chairman of the Board establishing one or more advisory committees.

*Subsection (a)(7)(A)* amends *paragraph (2)* of *section 5.17(a)* of the Act to permit the F.C.A. Board to require two or more banks of the Farm Credit System to merge if the Board determines the bank has failed to meet its outstanding obligations. [Current law permits the Chairman of the F.C.A. to require mergers.]

*Subsection (a)(7)(B)* amends *paragraph (15)* of *section 5.17(a)* of the Act to require the Board to determine if salary scales for employees of the banks of the System are fair and reasonable and to prohibit the Board from delegating its responsibility to make such determination.

*Subsection (a)(7)(C)* amends *section 5.17(a)* of the Act by adding a *new paragraph (16)* which requires the F.C.A. to appoint a farm credit appraiser for each farm credit district. The appraiser would be responsible for ensuring that appraisal standards established by the Farm Credit Administration Board for security offered for loans are adhered to. If the standards are not adhered to, the appraiser would be required to notify the Farm Credit Administration Board. The failure to comply with the standards would be considered an unsafe or unsound practice. Prior approval of the farm credit appraiser for acceptance of any interest in property offered as security for a loan would be authorized to the extent provided in F.C.A. regulations.

*Subsection (a)(8)* amends *section 5.19(a)* of the Act by deleting all references to the Chairman with respect to examinations of institutions, thereby vesting the authority in the F.C.A. Board.

*Subsection (a)(9)* amends *section 4.22(b)* [current section 4.12(b)] of the Act by vesting in the F.C.A. Board all power with respect to appointments of conservators or receivers for any institution.

*Subsection (b)* amends title V of the Act by adding a *new section 5.38* which provides that no farm credit district board, bank board, or bank officer or employee would have the power to remove any director or officer of any production credit association or Federal land bank association. [Current law providing the F.C.A. with this authority would continue (Sections 5.28 and 5.29).]

*Sec. 801. Examination of Federal Land Bank Associations.*

*Section 803* amends *section 5.19(a)* of the Act by excluding Federal land bank associations from the current requirement that all institutions be examined by the F.C.A. at least once a year. Federal land bank associations would be required to be examined at least once every five years. The F.C.A. Board would be permitted to determine the frequency of F.C.A. examinations of a Federal land bank association.

*Sec. 804. Independent Audits.*

*Section 804* amends *part H* of title IV of the Act [current part F] by adding a *new section 4.83* relating to independent audits.

*New section 4.83* prohibits an institution of the Farm Credit System from entering into any contract or agreement for an independent audit of any System institution or other financial institution eligible to borrow from a Federal intermediate credit bank unless the contract or agreement is for a term of not more than two years and is entered into in accordance with a competitive bidding procedure prescribed by F.C.A. regulations.

*Sec. 805. Loan Origination Fees.*

*Section 805* amends *part C* of title I of the Act by adding a new section relating to loan origination fees.

*New section 1.22* requires each Federal land bank to charge a loan origination fee of not more than 2 percent in cases where an individual borrows the funds necessary to purchase all or any part of the stock required to be purchased as a condition of receiving a loan. No institution of the Farm Credit System would be permitted to finance the loan origination fee required under this section.

*Sec. 806. Retirement of Federal Land Bank Association Stock.*

*Section 806* amends *section 1.16(a)* of the Act by deleting the provision in current law which provides the authority for Federal land bank association stock to be retired prior to full payment of the loan and to apply the proceeds toward the payment of the loan. The amendment specifically prohibits the retirement of stock prior to the full payment of the loan, except in cases where the loan is in default.

*Sec. 807. Loan Applications.*

*Section 807* amends *section 4.30(b)* of the Act [current section 4.13(b)] to require that applications for Federal land bank or production credit associations clearly state the provisions that affect the retirement of the stock required to be owned by the borrower. Each application would be required to state—

(1) the amount of stock required to be purchased or owned with respect to the loan;

(2) except as provided for in the Act, that there is no assurance that the borrower will receive par or face value for stock upon retirement;

(3) in the case of default on a loan, stock owned by the borrower may be retired and the proceeds therefrom applied against the loan; and

(4) in the case of Federal land bank association stock, the stock would not be retired prior to full payment of the loan, except in the case of a default on a loan.

Mr. BOREN. Mr. President, today, the distinguished Senator from Montana, Senator MELCHER, and I are introducing the Farm Credit Act of 1987. A bill which will prevent the impairment of borrower stock in Farm Credit System institutions and will ensure that a borrower-owned and controlled Farm Credit System will provide credit to our Nation's agricultural producers.

We are all well aware of the serious financial trouble facing the Farm Credit System at the present time. We stand at a crossroads, having basically two choices: either we decide we want to continue to have a Farm Credit System as we know it today and take the bold steps that may be necessary to ensure its survival, or, we provide for the orderly termination of the Farm Credit System. To hesitate at this point to do what is necessary to preserve the Farm Credit System will only delay the day of reckoning.

Mr. President, while I am willing to take the requisite action to preserve the system, I certainly am not in favor of giving the system a blank check. There will have to be significant reforms in the system and it will have to earn the help by making needed changes. In addition, the system must be put in a sound enough financial position so that it is not necessary to readdress this issue in a few years. Finally, the Federal assistance must be in the form of a loan that is repaid as was all previous assistance.

The Farm Credit Act of 1987 will accomplish these objectives, not by attempting to re-invent the wheel, but by relying primarily on the history of the system and the methods by which the system survived for 55 years, including the years of the Great Depression.

First, the bill will return all system institutions to viability by restoring any impairment of stock.

Second, borrower stock will be retired at par value at the time the loan is paid in full without requiring borrowers to wait for a partial payment in the future.

Third, the lawsuits that have slowed attempts at system self-help will be resolved by reversing the assessments and purchases and the loss-sharing since the third quarter of last year. These will be replaced with a one-time franchise tax, similar to that proposed in the systems bill.

Fourth, the bill provides a realistic repayment mechanism which will ensure the repayment of all Federal funds, but which will not be so onerous as to force an institution out of business in the process of repaying Federal funds.

Fifth, the bill would make significant reforms in the system designed specifically to ensure that the system doesn't have the opportunity to repeat the mistakes of the past.

Sixth, the bill provides assistance to borrowers who are experiencing difficulty in meeting their payments of principal and interest in a timely manner and to borrowers whose loans are liquidated.

Seventh, procedures for the orderly disposition of property acquired by system institutions are provided.

Eighth, borrowers will be provided access to all documents and information pertaining to their loans, including appraisals of borrowers' assets.

Ninth, the bill will ensure a person's right to sue the Farm Credit System and the Farm Credit Administration and provides that Federal district courts would have original jurisdiction without regard to the amount in controversy.

And, finally, the bill includes a number of provisions which will return the control of the Farm Credit System to the farmer and rancher-borrowers.

### SYSTEM INSTITUTION VIABILITY

The Farm Credit Act of 1987 will ensure a viable Farm Credit System by providing immediate Government capital, in the form of stock purchases, to ailing system institutions. During the hearings held by the Subcommittee on Agricultural Credit, on which I have the pleasure of serving as chairman, we were repeatedly told by farmers and representatives from all the agricultural groups that they did not want to merely preserve the "system." They wanted to ensure the viability of the individual institutions. Our bill will accomplish that objection. We cannot afford to merely preserve the system as a whole; we must ensure that the borrowers' institutions will be given the opportunity to survive. We could ignore the stability of the individual banks and associations and merely provide enough money to keep the aggregate system's balance sheet in the black, but by doing that we could eliminate 8 of the 12 Federal land banks before Federal assistance ever became available. This bill will ensure that all institutions are returned to viability and will, in essence, let them start off with a clean slate.

In drafting our bill, we relied on the method by which assistance has been provided to the Farm Credit System in the past. At every point in history, when the Government provided assistance to an institution of the Farm Credit System, it did so in the form of stock purchases.

Under our bill, the Farm Credit Administration will be required, for the next 5 years, to make purchases of stock to first, prevent impairment of stock of any bank or association; second, restore any impairment of any bank or association; or third, provide collateral for obligations issued by a bank in an amount sufficient to permit the bank to finance its lending operations. The Secretary of the Treasury would, in turn, purchase up to $6 billion of obligations from the F.C.A. for the purpose of making stock purchases in system institutions. It is quite possible that $6 billion is more than necessary. Regretfully, at the present time, no one has been able to pinpoint the exact amount necessary to return all the institutions to viability. I would rather ensure that we have provided enough than to find out later that we were penny wise and pound foolish. It would be ridiculous for us to spend any money now if half the Federal land banks in the system were going to collapse because enough funding was not provided.

Several proposals attempt to delay the assistance and to only provide assistance when institutions are on the brink of liquidation. By doing so, we substantially increase the total cost of assistance in reality and if we're not willing to spend it when it is needed, we are, in essence, setting these institutions up for liquidation. Some of the proposals do provide a moderate amount of assistance for 5 years, but regretfully most of the weaker institutions would never be able to survive beyond the 5-year period, such that the day Federal assistance ends, these institutions would have to be liquidated or merged with healthier institutions. If we are not going to provide enough funds to return the weak institutions to viability, then, in fact, we should provide for their orderly termination.

It has been argued that the weaker institutions are in trouble because of "bad management" in that institution. That is partially true, however, I would argue that there has been bad management in some of the healthier institutions, as well. The districts that are in trouble are districts in which the majority of its borrowers have geen producers of the commodities which have suffered the greatest reduction in prices consistently for the past 5 years and in districts which have witnessed the greatest reduction in land values. I will be the first to argue that many of the loans made during the seventies should never have been made, but they were and every district made them, not just the districts in trouble today. I will also be the first to attempt to change the law so that no institution could make these kinds of loans.

However, Mr. President, are we going to liquidate the Federal land bank and the Federal land bank associations in the Wichita district just because that district is comprised primarily of wheat producers who have suffered great losses over the past 6 years, through no fault of their own? Is that equitable? Will that ensure that the wheat farmers in my district are able to get credit on reasonable and competitive terms? I'm not sure that the wheat farmers of Oklahoma would want, or be able, to borrow money from the Balitimore district or even the St. Louis district.

If we are going to spend any money on the Farm Credit System, we must ensure that every institution is given a chance to get back on its feet. The Farm Credit Act of 1987 will give every institution that chance.

### PROTECTION OF BORROWER STOCK

By restoring the impairment of stock of every institution, we accomplish what I believe is a major objective of a majority of my colleagues, that is ensuring that borrowers will receive par value for their stock for the next 5 years. Unlike some of the proposals that have been advanced, farmers will not have to wait a number of years after paying off their loans to receive all of their stock. Upon enactment of this bill, farmers and ranchers will know that they will be able to receive their stock at par value. And, by keeping all institutions viable for 5 years, the institutions are given an opportunity to return to profitability at the end of that 5-year period, so that the retirement of borrower stock at less than par will not be an issue even then. Another advantage of this approach is that so-called "borrower-flight", due to concern about the future viability of the institution, will not occur.

In addition, our bill will require FCA to make payments to holders of stock of associations placed in liquidation between January 1, 1983, and the date of enactment of the Farm Credit Act of 1987. Further, the bill requires FCA to make payments to holders of association stock that was retired at less than par value by an association between January 1, 1987, and the date of enactment. Payments made by the FCA would be in an amount necessary to ensure that all affected holders of stock receive the equivalent to the par value of stock.

This provision is necessary to provide for an equitable treatment of borrowers of the Farm Credit System. There are currently 11 production credit associations in liquidation, 8 of which are in the Spokane district, 2 in the Omaha district, and 1 in the Louisville district. As a result of the liquidations, shareholders have suffered large losses. In the Spokane district, losses to stockholders were approximately $13 million and, in the Omaha district, losses were $2.5 million. Since we are ensuring that all current and new borrowers stock would not be impaired during the next 5 years, it only makes sense to provide equal treatment to borrowers of associations who happened to have been at the forefront of the system's difficulties. It would be unfair to penalize these stockholders while taking care of the others.

### RESOLUTION OF SYSTEM LAWSUITS

The Farm Credit Act Amendments of 1985 provided a mechanism for system institutions to help each other through this difficult time period. However, by mid-1986, lawsuits were springing up all over the country questioning the assessment and purchase requirements imposed by the 1985 act and the loss-sharing agreements. Over $1 billion of surplus remains in the system, yet the lawsuits have made it impossible to move that surplus to the institutions in need of assistance.

In an effort to resolve this issue and at the same time draw upon the resources of system institutions for the purposes of aiding weaker institutions, our bill rescinds and refunds required purchases or assessments of the capital corporation taken after July 31, 1986, and reverses and refunds contributions made or that remain accrued after July 31, 1986. All of the lawsuits pertain to assessments, purchases, or contributions required after that date. The bill would not refund or reverse actions taken prior to July 31, 1986.

Our bill replaces the purchases, assessments, and contributions after that date with a one-time franchise tax imposed on each bank of the system, identical to that in S. 1219, introduced by Senators LEAHY and LUGAR, and endorsed by all of the farm credit districts. Under this, each bank would be required to pay to the United States a franchise tax equal to the amount by which its unallocated retained earnings, as of December 31, 1986, exceed 5 percent of its net loans.

In addition, since most of the surplus in the system is in the hands of the production credit associations, our bill also requires each production credit association to pay a franchise tax equal to the amount by which its unallocated retained earnings, as of December 31, 1986, exceed 13 percent of its net loans.

Under the tax on the banks, the healthier districts do contribute the bulk of it; and the tax on the production credit associations would result in several of the weaker districts providing funds as well, including the Wichita district. Consequently, the funds that result from both taxes are provid-

ed by virtually all, if not all, the districts and not concentrated on the few healthy districts.

The 72d Congress enacted a bill which provided for a similar assessment. The purpose of the provision in that law was to restore the impairment of stock in any Federal intermediate credit bank. The franchise tax provided for in our bill will accomplish the same as the money derived from this tax will be used for the purpose of restoring impairment in any institution of the system.

### REALISTIC REPAYMENT MECHANISM

Our bill, again, relied primarily on the method by which assistance from the Government in the past was repaid in drafting our repayment mechanism. In essence, the bill would put back in the law the language providing for repayment of Government funds that was taken out in the 1985 act. This mechanism worked in the past quite well and there is no reason why it would not work again.

Under our bill, repayment of Federal funds would begin in 1993 by imposing on each institution a franchise tax, equal to 25 percent of each institution's net earnings. The tax would be paid by all institutions as long as any stock, held by the F.C.A., is outstanding. The tax would be reduced by the amount an institution paid to retire its, or another institution's, government-held stock. In addition, as was done in the past, F.C.A. would have the authority to require institutions, having outstanding F.C.A. stock, to retire the stock when the F.C.A. board determines the bank or association has resources available and the need for Government-owned stock is reduced or not longer exists.

Some concerns have been expressed about using a repayment formula based on the net earnings of an institution, as it might be possible to hide a part of or all of the institution's net earnings and thereby avoid paying the franchise tax. I understand that concern, however, I believe the F.C.A. has the authority to ensure that audits of an institution accurately reflect its financial position. In addition, I believe most institutions will want to pay the tax in order to retire its Government-held stock so that the system can once again become completely privately-owned. The tax on all institutions will continue as long as there is $1 of outstanding F.C.A. stock in the system.

In addition, to base repayment on anything other than net earnings could result in an institution being forced to repay funds to the point of making the institution nonviable. I don't believe any of us want to have a repayment formula which is so onerous, or which doesn't accurately reflect the well-being of the institution, that it would force institutions out of business. Basing the repayment formula on net earnings, therefore, would more accurately reflect an institution's ability to repay Federal assistance.

Mr. President, several proposals advanced recently would not require institutions not receiving assistance to repay any of the Government funds, as though these institutions gained no benefit from keeping the Farm Credit System solvent. This flies in the face of reality because every institution, whether receiving direct Government assistance or not, has the benefits of being a part of the System. For example, every institution of the System has access to low cost funds by virtue of being a part of the Farm Credit System and by having implied Federal backing similar to that of other agency bonds.

The term "franchise" means a privilege of a public nature conferred by the Government, thus it very appropriately applies to the imposition of a franchise tax on institutions that are a part of the Farm Credit System. The tax is the price institutions will pay, for any year there is Government-held stock outstanding, for the privilege of being a part of the Farm Credit System.

Recognizing that there are some institutions which do not want to be a part of the System when it comes to repayment of Federal funds provided to keep the System afloat, our bill gives every institution a choice. Each institution that does not have outstanding stock held by the FCA would either pay the franchise tax directly to the Treasury and it would be applied to reducing the national debt or the institution could pay an amount, equal to the franchise tax, to another institution for the purpose of retiring that institution's Government-held stock. In this manner, institutions could either help other institutions in the cooperative Farm Credit System or they could help us reduce the national debt.

The idea of a franchise tax with respect to the Farm Credit System dates back to the Agricultural Credits Act of 1923. Under the 1923 act, receipts from the franchise tax created could be used to reduce the outstanding indebtedness of the Government. The Farm Credit Act of 1953 utilized the tax specifically for the retirement of Government-held stock.

### REFORM OF THE FARM CREDIT SYSTEM

Our bill also makes significant reforms in the Farm Credit System that are necessary to ensure that the System doesn't repeat the mistakes of the past.

First, our bill provides for greater oversight through the expansion of the FCA board and through the increase of the board's involvement in FCA decisions. Several of the bills introduced would create an additional Federal board to oversee, temporarily, the assistance to the System. As Assistant Secretary of the Treasury, Charles O. Sethness, stated in June:

> . . . The "federal board" concept . . . arises from a very bad analogy to the Chrysler loan guarantee board. There are large and crucial differences between the System and Chrysler which spell for me a huge potential for failure in relying on a federal board to make strategic decisions for the System.

Chrysler was different in one crucial aspect: There was in place no regulatory agency for Chrysler. The Farm Credit System does have a regulatory agency already set up and fast on its way to becoming the strong, independent, regulator as envisioned by the 1985 act. To establish another board, now, would merely result in duplication of efforts and would not accomplish any more than the FCA can accomplish, except as a means of accomplishing extreme centralization of the System, which I would strongly oppose. Creating a new board would simply add cost to the farmers and ranchers who borrow from the System and increase the overall cost of Federal assistance.

As I see it, there is no need to create another Federal board unless the intent is to provide the new board with powers far above that currently granted to FCA. Some proposals have given this new board extreme powers, including the right to remove any officer, employee, or board member without cause, the right to force an institution to merge before providing any assistance to the institution. To give any board the authority to condition the receipt of assistance on merging is very problematic with me. As I have stated, we should pick and choose which institutions to save; rather, we should give all institutions an equal chance of pulling out of their present difficulties.

Regretfully, this debate has often revolved around personalities and a basic mistrust of the various people currently holding positions in the Farm Credit Administration and in the System institutions. Some of the proponents of the new board concept have argued that some of the current people could not be trusted to dispense ald, therefore we have to create another board to do this. Creating another board will not necessarily resolve this as we could end up having the same problems people perceive now.

I have always believed that we should not legislate on the basis of personalities; we should, rather, do as our founders did in drafting the Constitution of this country. That is, we should draft legislation tight enough to work despite the failings of human beings. Our bill accomplishes this. The Farm Credit Act of 1987 will increase the objectivity of the current FCA board by expanding its membership by two and by providing for the entire board, instead of one member of the board, to be more involved in decisionmaking. In addition, the assistance provided in this bill will be triggered when an institution reaches impairment and there would be no way around providing assistance.

The second reform made in our bill is putting back in the law language requiring specific reserve levels for institutions of the Farm Credit System and language providing for the application of earnings in a manner designed to ensure that the reserve is built up over time and that repayment of Federal assistance is accomplished. In addition, the Farm Credit Act of 1987 creates an insurance corporation to provide as a buffer to joint and several liability.

The Farm Credit Banks Insurance Corporation, established by the bill, would be under the direction of the Farm Credit Adminstration board and would insure obligations of farm credit banks payable after December 31, 1992. Our bill would require the corporation to establish and maintain a reserve with a minimum level equal to 1 percent of all outstanding insured obligations. If the reserve is not above the minimum level, the Corporation would be required to provide for the full payment of any amount of principal or interest due on insured obligations that the banks primarily and secondarily liable for are unable to pay. In other words, joint and several liability, as provided under current law, would be applicable in cases where the reserve was below the minimum level.

If the reserve is above the minimum level and contains sufficient funds to provide for the full payment of principal or interest that a bank primarily liable is unable to pay, the Corporation would make the full payment. If the reserve is above the minimum level but does not contain sufficient funds to provide for the full payment of principal or interest, the Corporation would first, provide for the partial payment equal to the amount by which the funds in the reserve are above the minimum level; and, second, provide for the full payment of any amount remaining due after the banks primarily and secondarily liable therefor are unable to pay after application of the partial payment initially made by the Corporation. In this way, the reserve will be maintained to the greatest extent practicable while still providing some protection to all institutions of the System.

Unlike some of the other proposals, our bill does provide a maximum limit on the amount of premiums the Corporation could charge. The premium would be set by the Corporation at not more than two-tenths of 1 percent of the proceeds of each insured obligation the bank is primarily liable for. In addition, the premium level, with respect to obligations of the same maturities, would apply equally to each insured bank, so that Federal intermediate credit banks, issuing mostly short-term obligations, would not be unfairly treated when compared to Federal land banks, issuing mostly long-term obligations.

Our bill also would not permit a bank, not insured by the Corporation, to join in the issuance of consolidated or systemwide obligations that are due and payable after December 31, 1992. It would be unfair to the banks that are insured if we permitted uninsured banks to participate in joint obligations as all banks participating would be liable for the payment of the obligations issued jointly.

Some of the proposals, Mr. President, completely replace joint and several liability with an insurance corporation similar to that which we have proposed. I believe this would be a grave mistake. In our meetings with various investors and even with representatives from the System, the one thing we heard consistently was that we should not weaken the joint and several liability provisions of current law as that would result in investors demanding a higher premium. As we have seen recently with other insurance-type funds, such as FSLIC, it is impossible to predict the exact level of reserves needed in the future. Our bill, consequently, keeps joint and several liability in place, but does set up a mechanism whereby institutions can, during the good years, build up a reserve and avoid being hit the hardest when conditions are not favorable as is the case at present.

The provisions in current law relating to joint and several liability date back to the original 1916 act when all Federal land banks were liable when another bank failed to meet its payments of principal and interest on outstanding obligations. Regretfully, many have confused joint and several liability with the ongoing lawsuits relating to loss-sharing and the capital corporation assessments.

In an effort to give the Farm Credit Administration board an option for reducing costs and to stress the cooperative nature of the Farm Credit System, our bill does modify the liability of the banks, operating under the various titles of the 1981 act, with respect to consolidated and systemwide obligations issued, and payable, between January 1, 1988, and December 31, 1992. Under the bill, liability would be based on the following order: first, the bank primarily liable would pay to the extent its stock would not be impaired; second, if that were not sufficient, the other banks operating under the same title would pay to the extent their stock would not be impaired; third, if that were not sufficient, the other banks operating under other titles would pay to the extent their stock were not impaired; fourth, if that were not sufficient, the bank primarily liable would pay out funds available in its capital accounts; fifth, if that were not sufficient, the banks operating under the same title would pay out of funds available in their capital accounts; and sixth, if that were not sufficient, the banks operating under other titles would pay out of funds available in their capital accounts.

This modification is also necessary in order to reduce the amount of funds that must be spent by the FCA to prevent a bank from impairing its stock. It must be stressed, however, that despite this provision, no bank would be in a position of having impaired stock as the provisions in title I of the bill would require FCA to purchase stock to restore any impairment of stock. If liability under this provision were taken to the sixth tier, the FCA would, in turn, purchase an amount of stock in each institution necessary to restore impairment.

In addition, Mr. President, this provision would give the banks an incentive to issue long-term obligations during the present period of relatively low interest rates. One of the reasons the system is in trouble at the present time is because they are issuing a tremendous amount of short-term obligations precisely at a time they should be issuing long-term obligations because interest rates are so low. Mismatching securities has been a problem of the system since the late sixties and early seventies. It was heightened in the past 7 or 8 years as the system had made long-term loans with short-term money. This worked fine as long as interest rates in general were going up, but as we all know, it ultimately caught up with the system. The provision in our bill will give system banks a strong incentive to issue long-term debt as this mechanism for liability would only be triggered on obligations that are due and payable between January 1, 1988, and December 31, 1992.

The third reform provided in our bill would require each district bank to have two so-called outside directors on their boards. These members would be required to have extensive knowledge and experience in banking and finance and could not have been member-borrowers, officials, employees, or agents of any farm credit institution. The purpose of the outside-directors is to provide the farmers and ranchers who typically serve as members of the district boards with a colleague knowledgeable in finance. In this way, the board members would no more apt to make their decisions based on sound financial management.

The fourth reform made by the Farm Credit Act of 1987 would require that audits, secured by institutions, would have to be made through a competitive bidding process and the bill

would prohibit a contract for auditing to be longer than 2 years. This reform is necessary in order to ensure that all audits are conducted independently and are not done by the same firm year after year after year. Only in this way can we ensure that audits are completely accurate. I understand this provision is similar to that applicable to some of the other lending institutions.

The Farm Credit Act of 1987 also requires the FCA to appoint farm credit appraisers in each district in order to ensure that appraisal standards are adhered to. One of the problems encountered in the past few years has been that institutions basically used appraisals that were favorable to their objectives. In some cases, an institution would use an appraisal which was substantially higher than that for similar property in the area when the institution was considering foreclosure and thereby base the decision to foreclose on an unrealistic assumption of the value of the property. At the same time, I've seen instances where the institution classified a loan as a result of a very low appraisal that was substantially below the market value of the property and was, interestingly enough, substantially below the value the institution claimed it could gain if it foreclosed on the borrower.

Prior to the 1971 act, there were Federal land bank appraisers in each district which ensured that all loans were properly collateralized and which ensured that the value attributed to the property was accurate. The Law was changed in 1971 primarily as a result of the fact that production credit associations began making loans using agricultural real estate as security and production credit associations did not have anyone verifying the worth of the security. Regretfully, instead of bringing PCA's under the same standards and same regulation, the 1971 act equalized the situation by eliminating the farm credit appraisers for Federal land banks. We should have done just the opposite and perhaps we would not be facing as much difficulty as we are at present. Our bill will reinstate the farm credit appraisers in each district and their task will be to ensure that appraisal standards are adhered to.

The sixth reform implemented by our bill would require all Federal land bank borrowers to provide financial statements at least once every 3 years so that the bank can properly monitor a borrower's financial condition. One of the comments we have heard repeatedly from those who have been involved in attempts to restructure loans is that the loan could have been restructured if the institution had only known a few months earlier that the borrower was having difficulty.

The seventh reform will prohibit Federal land bank's from loaning in excess of 75 percent of the agricultural value of agricultural property, except for young and beginning farmers or ranchers. There is no doubt that one of the major reasons the System is facing difficulties is due to the change in the 1971 act which substantially increased the amount of money that could be loaned on a farm. The 1971 act increased this amount to 85 percent of the current market value from 65 percent of the normal agricultural value. In many cases, this immediately doubled the amount a producer could borrow, despite the fact that the producer's ability to repay had not increased. There was no serious problem with this as long as land values continued and borrowers could continue receiving loans based on the artificially increased value of the land. However, the minute land values started going down, the bottom fell out for farmers who all of a sudden found their equity completely gone.

The reason we are permitting young and beginning farmers to continue to receive their loans based on the market value of land is due to the concerns expressed by several of our colleagues on the Senate Agriculture Committee. They were concerned that many young and beginning farmers would be unable to obtain loans if they could receive no more than 75 percent of the agricultural value of the land. We did provide for this exception, despite the fact that those are probably the last borrowers we should allow to become over-extended.

The eighth reform in the bill will limit interest rates that can be charged on agricultural loans to no more than 2 percent above the rate of interest on a bank's obligations during the preceding 12-month period. There is no doubt that the major reason the system got into its present condition is the method used during the seventies to price interest rates. Prior to 1971, the System was required to base interest rates on the most recent bonds issued by the institution. In this manner, the interest rate offered to farmers and ranchers closely reflected current financial market conditions, thereby permitting System interest rates to track those of other competitors. After the 1971 act, however, interest rates were based primarily on the average cost of bonds the bank had issued, with no reflection in the maturity of those bonds. By using the average cost, interest rates in the seventies and early eighties were artificially lower than those for other commercial lenders and most recently they have been substantially higher than that offered by other lenders. In 1981, for example, the prime rate was 18.87 percent. The interest rate for agricultural loans from commercial banks at that time was 18.5 percent for operating loans, while the interest rate offered, on average, by production credit associations was 14.46 percent for similar loans. On average, in 1981, the interest rate for agricultural real estate loans were 15.42 percent by commercial lenders while the Federal land banks were offering 11.27 percent. It is now clear that the System, in the 1970's and early 1980's used the average cost pricing method to gain an unfair advantage over commercial lenders and encouraged farmers to borrow too much money. Our bill will force System institutions to price their interest based on current market trends and thereby prevent this from recurring.

The ninth reform implemented in the bill is a requirement that Federal land banks offer long-term real estate loans, with terms of at least 15 years, at fixed rates of interest. The interest rate on these loans would be limited to not more than 2 percent above the bank's obligations of similar maturities during the preceding 12-month period. One of the major reasons the Federal land banks were established in 1916 was to provide farmers with long-term loans at fixed rates of interest. Until then, farmers could not get loans for longer than 5 years and they were often subjected to changing interest rates. At the present time, only two districts offer loans, longer than 5 years, at fixed interest rates. Our bill will correct this.

The tenth reform in the bill will require borrowers to pay a loan origination fee, not in excess of 2 percent, if the borrower finances the stock purchase requirement. This is an attempt to address concerns of our colleagues on the agricultural committee who believed it was necessary to generate hard cash for the system.

### LOAN RESTRUCTURING AND FORBEARANCE

Our bill will provide assistance to borrowers who are experiencing difficulty in meeting their payments of principal and interest in a timely manner by requiring districts to restructure loans when the loss associated with restructuring is less than the loss associated with foreclosure. In addition, each district would be required to establish an appeals committee for borrowers whose loans are determined ineligible for restructuring.

One of the problems we have had over the past couple of years is the failure of most of the districts to restructure loans. Therefore, we have included in our bill a check against districts who simply were not willing to write off principal even in cases where the loss associated with that was less than the loss associated with foreclosure. After a borrower has been denied his request for restructuring by the appeals committee for the district, the loan restructuring corporation would review the loan to make certain that the loan was ineligible for restructuring.

Our bill will also prohibit an institution from requiring additional collateral if a borrower is current in the payment of principal and interest. Several farmers have in fact been foreclosed on simply because they didn't have any additional collateral.

In addition, the Farm Credit Act of 1987 will permit certain borrowers to retain possession and occupancy of any principal residence—and a reasonable amount of adjoining land—in the event of foreclosure, bankruptcy, or involuntary liquidation.

The Farm Credit Act of 1987 also establishes procedures for the disposition of property acquired by institutions. This includes the right of first refusal by the previous owner to purchase or lease the property for the same amount and under the same terms and conditions as the highest bidder. I know of one circumstance where a Federal land bank refused to accept cash in an amount above the minimum announced from a farmer who was the previous owner of the land. Our bill will correct that.

### RETURN TO LOCAL CONTROL

The Farm Credit Act of 1987 provides for a return to local control by making several reforms.

First, the Farm Credit Corporation of America would be terminated unless a majority of the boards of directors of System institutions vote to permit it to continue.

Second, no new service organizations could be chartered.

Third, the Farm Credit Administration would approve loans of district directors in order to prevent district employees from conditioning approval of loans on policy decisions of the directors.

Fourth, a merger between banks or associations could not occur without a majority vote of all stockholders.

Fifth, the bill will require the Farm Credit Administration board to unanimously approve mergers of a bank in one district with a bank in another district.

Sixth, mergers which occurred after December 23, 1985, could be reconsidered by the borrowers, as many of those mergers were forced on the borrowers through threats from district bank employees.

### CONCLUSION

Mr. President, in general, I believe we have put together a balanced, moderate bill. We have strived to reflect the concerns expressed at the hearings we held earlier this year in the Subcommittee on Agricultural Credit. I urge my colleagues to give careful consideration to the bill.

Mr. President, I believe it would be helpful if my colleagues reviewed the history of the Farm Credit System. Wayne Rasmussen, recently retired from the USDA, provided very enlightening testimony to the subcommittee. I ask unanimous consent that his testimony be included in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

### STATEMENT OF WAYNE RASMUSSEN, HISTORIAN, SENIOR SCHOLAR, NATIONAL AGRICULTURAL LIBRARY

Mr. **RASMUSSEN**. Thank you, Mr. Chairman and members of the subcommittee. I am pleased to be here today to discuss the historical background of the Farm Credit System and its programs. I shall try to summarize what I have to say, and my full statement will be available to members of the committee and to their staffs.[1]

Throughout our colonial and national history, the frontier farmer found it difficult to secure credit. Money was usually scarce, prices low, and both interest rates and risks high. The situation became acute after the Civil War. The farmers' needs were even more acute in that the Federal Government was aiding financial and business interests by reducing the amount of money per capita in circulation.

Many farmers turned to the old Greenback movement, the Populist Party, or free silver as promising aid, but all failed in their attempts to get more money into circulation. Sensitive to the needs of the business community, the Government was indifferent to the farmers' financial problems.

The first governmental recognition of the farmers' credit needs came in 1908 when President Theodore Roosevelt's Country Life Commission called attention in its report to the lack of any adequate system of agricultural credit.

There were a number of committees appointed and all said that we should have some sort of a system. Action seemed assured when, in their 1912 conventions the Republican, Democratic, and Progressive parties pledged themselves to better credit facilities for the farmer. Action on the legislation was delayed by the need to reconcile three opposing views.

One plan called for the establishment of privately owned farm mortgage banks under the supervision of the Federal Government. Another was for the organization of a system based on cooperative principles, while the third plan was for the Federal Government to make direct loans to farmers.

It was not until July 17, 1916, that the Federal Farm Loan Act was passed and signed by the President. The compromise act permitted the establishment of both privately owned and cooperative farm mortgage banks.

The agricultural credit system was modeled upon the Federal Reserve System in its general outline as well as in many details. Corresponding to the Federal Reserve Board at the head of the Federal Reserve System was the Federal Farm Loan Board. The Federal land banks occupied a position analogous to that of the Federal Reserve Banks. There were other similarities as well.

Congress, in passing the original Federal Farm Loan Act in 1916, made it quite clear that it expected the Federal land banks and the Federal Land Bank Associations to become a cooperative credit system in which farmers would have the responsibility of organizing and operating their local associations, and in owning and in having a voice in running their district Federal land banks. That is, a decentralized system that in time could be controlled by the farmers themselves was established.

Congress provided the original capital for the Federal land banks with a provision for farmers to organize local associations. As farmers obtained long-term mortgage loans from the land banks, they were to invest 5 percent of their loans in the capital stock of their local associations, and thus the associations would become owned by the farmers.

The Federal land banks by making available amortized loans for periods as long as 20 to 40 years brought about fundamental changes in farm mortgage lending. They eliminated the need for high interest rates and renewal fees every 3 to 5 years. Other lenders gradually began to follow suit in order to compete.

In 1923, Congress authorized the organization of the 12 Federal intermediate credit banks to work alongside the Federal land banks. These banks were essentially to be wholesalers of credit, and only limited use was made of them up until 1933 because of the lack of retail outlets.

Useful as the land banks and intermediate banks were to individual farmers—and Senator Melcher, my father in Montana obtained the first loan from the Federal Land Bank of Spokane back in 1916—they were unable to stem the ravages of the continuing farm depression of the 1920's.

Then when the Great Depression hit the Nation in 1929, farm prices already down, went down further and faster than anything else. The Federal land banks were dependent upon installment payments on their loans to pay interest on their bonds, but many farmers were unable to make payments.

The situation made it almost impossible for the banks to sell bonds so loan funds dried up. In 1932, the banks made loans totaling only $28 million to 7,000 farmers in spite of the fact that many more were clamoring for money.

The Depression deepened, and it was, of course, stimulated by the continuing farm depression. Then beginning in 1933, a number of rapid actions were taken by President Franklin D. Roosevelt and Congress to solve the desperate credit needs that faced the American farmers. By 1933, farmers' incomes were approaching the vanishing point. Lenders were foreclosing mortgages by the thousands.

In fact, the Midwest, we even had some violence with the Farm Holiday Association. Congress made provisions for emergency credit by passing the Emergency Farm Mortgage Act of May 12, 1933. This act provided a $200 million fund to the land bank commissioner to make both first and second mortgage loans to refinance farmers' debts as a supplement to financing by the Federal land banks. These loans were handled through the existing Federal Land Bank System. The Emergency Farm Mortgage Act also provided for a temporary reduction of interest rates in Federal land bank loans.

The land banks were reimbursed from the U.S. Treasury for the difference between the interest rates the farmers contracted to pay and the emergency rate established by the Congress. The establishment of the Farm Credit Administration by Executive order on May 27, 1933, was followed by the Farm Credit Act of June 13, 1933. There were then a series of acts which I detailed in the paper but will not take the time to discuss now. In general, the Federal Government, Congress particularly, was appropriating emergency money to the Farm Credit Administration to refinance farm loans.

From May 1933 to the end of 1935, the Land Bank System on its own behalf and for the Federal Farm Mortgage Corporation made 726,000 loans totaling nearly $2 billion. By the end of 1935, the Federal Land Bank System held 48 percent of the total farm mortgage debt of the country.

The refinancing program cut farmers' interest bills by about $38 million a year. In addition, many creditors agreed to scale down farmers' debts to them so farmers might be eligible for mortgage loans and thus enable creditors to get cash.

These scale-downs totaled an estimated $200 million. In 1939, the Farm Credit Administration was transferred from its independent agency status to become a part of the U.S. Department of Agriculture. This was a very controversial move, and it caused some problems for the Farm Credit Administration, for the Department and for other people.

In 1953, the Farm Credit Administration again became an independent agency. In 1971, Congress consolidated all previous laws regarding the Farm Credit System into a new Farm Credit Act. The act specified that Federal land bank loans could not exceed 80 percent of the appraised value of the real estate offer for security. Prior to 1971, the banks could lend only up to 65 percent of the normal agricultural value of real estate.

Under this new legislation, the component parts of the Farm Credit System were able to pool capital, share losses, exchange loans, participate in loan syndications, and continue to gather funds nationwise through the sale of bonds and other debt instruments.

For many years, the Farm Credit System was regarded as one of the most stable segments of the financial community. During the 1970's when farmers were generally prosperous, the system increased its share of lending to the agricultural sector from 24 percent of total agricultural loans made in 1971 to 33 percent in 1981.

However, as land prices began to fall in 1982, the security backing many of the loans fell to below the amount of the loans. That is our situation, of course, today. Too, increasing interest rates caused problems. Although legislation has set special interest rates at various times in the past for the System, legislation in effect for many years provided that the interest rates charges should not exceed the interest rate on the last series of farm loan bonds issued by the bank making the loan plus 1 percent.

This meant that in a period of rapidly rising interest rates, the Farm Credit land banks could keep up with the increasing costs of money. However, in recent years, the System priced its interest rates according to the average rate it paid on its total portfolio of bonds and notes outstanding plus 1 percent. This helped farmers in times of inflation, but was a problem for the System.

The 1985 amendments to the Farm Credit Act changed the organizational structure of the overseeing agency, the Farm Credit Administration, by replacing the 13 person Federal Farm Credit Board with a 3 person Presidentially appointed board of directors. The administration's regulatory powers over the System's institutions was increased. The amendments brought about major changes in that authority over the entire System was more centralized as contrasted with the original objective of setting up a decentralized System in which farmer members would have a major voice. The amendments also made it clear that as Congress should direct, the U.S. Treasury would be a lender of last resort to the System to ensure that it would not have to default on its outstanding bonds and notes.

The Farm Credit System today is responsible for providing the credit needed for keeping American farmers in operation insofar as that can be done. But the System is dependent upon farmers having an opportunity to make a living and to pay off their debts.

The Farm Credit System like farmers has been caught up in a very deep downturn in a cycle of agricultural prices and returns. But because farming is cyclical in nature, we can hope that the cycle has bottomed out and is starting an upturn. It is possible, however, that the System may have to rely upon funds from the U.S. Treasury to stay solvent until the cycle moves further along the upside.

If that happens, then the Farm Credit System will have the opportunity to do what it did in the 1930's. With Federal funds, it can help farmers survive a difficult period and thus contribute to the betterment of American life. Thank you very much.

Senator **BOREN**. Let me go back to your statement about the original purposes as we look back to the creation of the System in 1916. I gather that one of the purposes was to provide long-term mortgages for farmers so that they would be able to pay out these mortgages over a reasonable period of time and be able to sustain their farming operations.

Also one of the problems in the beginning was the wide differential in interest rates that were available to farmers in various parts of the country and various circumstances. Was one of the purposes of the original System to try to provide not only long-term credit but also credit at some equality of interest rates?

Mr. Rasmussen. That was certainly true. The commercial banking system at that time did not seem to be particularly interested in long-term loans to farmers. In fact, there were very few such loans available. Three to five years was the average term in the early 1900's for farm mortgage loans. And with that short period of time interest rates were high. They were probably twice as high at the time the land banks were set up, twice as high for farmers as they were for the commercial side of our economy.

Farming, of course, was more risky. There is just no doubt about that. It always has been. Nevertheless, there seemed to be a certain unfairness in a system that could not provide for the basic industry of the United States. This is what the Country Life Commission of 1908 said in its report. It is what a number of other study groups appointed by first President Roosevelt, President Taft, and President Wilson all said in regard to the problem.

So the goal was to establish long-term loans at moderate interest rates, at interest rates that would be certainly no higher than commercial long-term loans and hopefully with a cooperative system could be brought down even lower.

Senator **BOREN**. What about the equality of rates between farmers? Was it assumed that the System would provide credit to farmers on a reasonably equalized interest rate basis?

Mr. **RASMUSSEN**. Yes, it was. The whole System was set up as a cooperative, basically a cooperative System so that there would be an equality as between farmers. That you would not charge one member of your System 7 percent and another member 4 percent. It was pretty much across the board that there would be some interest rate, 4, 5, or 6 percent at that time.

Senator **BOREN**. Equally applied then to all the member borrowers?

Mr. **RASMUSSEN**. Equally applied across the board, yes.

Senator **BOREN**. Let me go back to the time, and Senator Grassley talked about the fact that obviously we went through a period of time in the thirties in which we faced circumstances not very dissimilar to what we are facing now. We had terrible cash flow problems for farmers. We had depressed incomes, and we had, of course, deflation of land values, deflation of the assets on which farmers were securing credit.

How did the Government during the farm depression of the thirties respond to the financial strains that were placed upon the System? And then I would ask you if you think a similar approach would be workable today?

Mr. **RASMUSSEN**. The System was under very, very severe stress by the early 1930's. It was not particularly the fault of the System. It was the fault of the continuing farm depression which really helped drag the whole Nation into the Great Depression. But something had to be done. In Iowa in Senator Grassley's State, a group of farmers went and pulled a judge off of a bench where he was hearing foreclosure proceedings, took him out and threatened to hang him unless he would swear to never again sign a foreclosure proceeding.

The judge stood by his guns and the farmers let him go. They didn't hang him, but nevertheless that showed the kind of thing that was going on.

Senator **BOSCHWITZ**. May I just ask a question?

Mr. **RASMUSSEN**. Yes.

Senator **BOSCHWITZ**. Not to interrupt, Senator Boren, but, what was the size of the Farm Credit System relative to overall farm lending? Was it about the same proportion as it is today?

Mr. **RASMUSSEN**. No, it was substantially smaller at the time. At that time, it had about a fourth of farm loans.

Senator **BOREN**. We have declined now in recent days—of course we have been much higher—but I understand we are down to somewhere in the neighborhood of a third now.

Mr. **RASMUSSEN**. Yes, well—

Senator **BOREN**. We were up much higher at one time.

Mr. **RASMUSSEN**. Yes. At the time the Farm Credit Administration was established, land banks had about a fourth of the farm mortgage paper. By the mid-1930's, they had about one-half.

Senator **BOREN**. So it grew very rapidly.

Mr. **RASMUSSEN**. It grew very rapidly, and it grew very rapidly in this way. Congress appropriated emergency funds. They appropriated emergency funds to help overcome the Great Depression in cities and in the country as well. It sounded like a lot of money, but the money that was being appropriated was less than the money being appropriated to relieve distress in the cities at the time.

Under the regulations, then, any creditor who wanted to foreclose had to work with a local committee with his debtor to see if they could reach some accommodation. When they could not, then the Farm Credit Bank, Farm Credit System, might take over that loan. But ordinarily they tried to reach some accommodation first. Even if they reached some accommodation and the bank was pressed for money, then the Federal land bank would buy that paper using the money that had been appropriated as an emergency appropriation by the Congress.

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[1] See p. — for the prepared statement of Mr. Rasmussen.

Senator Boren. So the Congress, rather than following the posture of raising interest rates, transferring funds within the System, and continuing with the foreclosure policy, appropriated an injection of capital into the System at that period of time?

Mr. Rasmussen. That is absolutely correct. In addition to just appropriating the capital, some of the funds were available if interest rates were reduced. Say in the private area, if interest rates were cut, then the system could reimburse that private bank for the difference in interest rates if they thought it was necessary.

They even went that far in trying to save the family farmer at that time.

Senator Boren. That is right. And as a result of that, was that appropriation, in essence, finally paid back?

Mr. Rasmussen. Every penny of it was paid back.

Senator Boren. When did the final payback occur?

Mr. Rasmussen. If I remember correctly, it was in the early 1960's.

Senator Boren. When you look at, and again from your historic perspective, when you compare what is done now with what was done then which to enable us to keep the interest rates on a stable, relatively low basis for farmers, enabled us to not put pressure on the local associations because of capital shortages and push them into foreclosures, do you think it would be more appropriate for us to look at a similar approach to that used in the 1930's?

Mr. Rasmussen. A historian should never forecast or make recommendations, but I'll step aside from being a historian and say my studies of the Farm Credit System suggest to me that we should take a very close look at the actions that were taken by the Congress in the 1930's and give you very serious consideration to going through some such action.

I know that the Farm Credit System today is proud of owning its own system, or not owning any Federal money, but nevertheless, the Farm Credit System was set up to serve the American farmer. The Farm Credit System was not set up to be a self-serving system.

Senator Boren. Let me ask one last question, and then I will not impose on my colleagues any longer. There were changes, of course, made in 1971 principally, and along the way since the system was first set up, and I understand when the System was first set up, loans to farmers were limited to 50 percent of the value of their holdings, and the land holdings were appraised based upon their agricultural use value.

Along the way, and particularly in the 1970's, that was changed to allow for up to 85 percent loan against the market value which, of course, was a much higher value than the agricultural production value. I was talking recently to some people about the state of British agriculture, and they said, well, one of the reasons why British agriculture was in a position to perhaps survive more of the stresses and strains that all of us are now going to be going through than American agriculture is because they were so much less highly leveraged and that the amount of debt per farm unit compared to normal income was so much lower in many other countries than the debt burden for farm unit is in the United States.

Why were these changes made, and do you think they contributed to our highly leveraged situation today?

Mr. Rasmussen. Well, just the last question. Of course, they contributed to our highly leveraged system today, and they were made because the period of the 1970's was the period when surpluses had disappeared. We were going into a period of inflation in the Nation. Farm prices were going up even faster than prices for everything else. The Secretary of Agriculture, most of the agricultural economists in the country and most of us in the Department of Agriculture, and most people in the land-grant colleges were saying we are reaching a new level of stability. Prices are going to stay high. Demand is going to stay high. Now is the time for the farmer to get out there and expand. Now is the time to buy that extra quarter section or to buy that new four-wheel drive tractor or whatever it is.

And every financial institution of which I am aware was out there selling the farmer money based on these very, very optimistic prognostications. They were good for about a decade during the seventies, but they got the farmer into the situation in which he is today.

Senator Boren. Senator Boschwitz, any questions?

Senator Boschwitz. That certainly is a fair appraisal of things. I want to ask you to repeat what was done in the thirties. Times do change in agriculture. In addition to the folks our there hawking money, interest rates were very low in real terms which was reversed in the 1980's, and interest rates became very high in real terms.

Interest rates in the Farm Credit System were even sometimes less than the rate of inflation so that it was very appealing to borrow, particularly when you were receiving all this advice from the "wisemen" who allegedly knew what was going to happen. It is a lesson that we should not overlook.

But would you repeat again quite precisely what the Federal Government did in the 1930's, and what the amount of money was involved? You skipped over it, and you said the figure of $38 million, and it was not clear to me. Would you please rather precisely say what was done in the 1930's and how much it cost? What did it cost, for instance, to go from a quarter of the farm loans to half of the farm at that time?

Mr. Rasmussen. The first provision for emergency credit was under the Emergency Farm Mortgage Act of 1933, and this provided a $200 million fund to the Land Bank Commissioner.

Senator Boschwitz. Are you reading from your statement?

Mr. Rasmussen. This is on page six of the statement. But I wanted to go ahead and say, and this is something I did not get into this statement, but this was followed very shortly by a $1.1 billion allocation from emergency funds to the new Farm Credit System. So that by the mid-1930's, the Federal Government probably had something in the nature of $1.5 billion in the System.

Of course, that does not seem like that much today, but back then that was real money.

Senator Boschwitz. I think we covered it cost $1.5 billion to go from a quarter to half, or the $1.5 billion included the first quarter as well?

Mr. Rasmussen. Well, it cost about that much to make the change, yes. Now, there was a lot of refinancing. I would have to go back and do a little studying to be able to answer that precisely. I am sorry to say I just don't know that exactly.

Senator Boschwitz. What was the rate of interest? That may not be a relevant question because the rate of interest was so low at those times.

Mr. Rasmussen. It was generally around 4.5 or 5 percent.

Senator Boschwitz. That was high at that time.

Mr. Rasmussen. That was high, yes.

Senator Boschwitz. Surprisingly high.

Mr. Rasmussen. It was generally running about that.

Senator Boschwitz. Thank you, Mr. Chairman.

Mr. Rasmussen. Excuse me. There was one other thing I should add that Congress from time to time did pass laws providing for lower interest rates for particular kinds of loans for particular purposes at one time and another, 3 percent loans for some purposes.

Senator Boschwitz. Was this an appropriation that the Congress made to the Farm Credit System, or was this a loan that was made to the Farm Credit System that was paid back, as you said, in the early 1960's?

Mr. Rasmussen. A lot of the money was a loan that was paid back. The very first money came out of an emergency appropriation and was an appropriation. But nevertheless it was always regarded as a loan aside from the setting of expenses, operating expenses for the System.

Senator Boren. Was the loan made, however, principally from appropriated funds even though it was made as a loan? It would be paid back?

Mr. Rasmussen. It was made out of directly appropriated funds.

Senator Boren. So Congress appropriated the funds, but then appropriated it with the condition that it be paid back as a loan over a period of time?

Mr. Rasmussen. Yes.

Senator Boren. Senator Daschle, any questions?

Senator Daschle. Thank you, Mr. Chairman. First, I am sorry I missed your initial comments, Mr. Rasmussen, and you may have addressed this. In terms of severity, does the acute condition within which the System finds itself today have any parallel in the 50 years?

Mr. Rasmussen. Well, certainly the Land Bank System found itself in 1930, 1931, and 1932——

Senator Daschle. I should say other than at the time of creation?

Mr. Rasmussen. No, at that time we have never had that bad a situation. We had a depression in the mid-1950's that put a little pressure on the System but not enough that there was even any doubt about it being able to carry through. This is the first time that we have had a farm depression that is more or less parallel to that of the 1930's.

Senator Daschle. In the 1930's, there was a real dissimilarity in interest rates and in the availability of capital in PCA's and Federal land banks. The variance in interest rates was quite dramatic. Is that not correct.

Mr. Rasmussen. That is correct, yes.

Senator Daschle. That is also correct today. What analogous relationships can you draw from that comparison?

Mr. Rasmussen. Well, the only thing I could say along that line is that as the System became established with this tremendous infusion of Federal money that

the interest rates tended to level out throughout the System.

Senator Daschle. So, in other words, you could associate the dramatic variances in interest rate with the severity of the situation within which the System found itself?

Mr. Rasmussen. Yes, I certainly would.

Senator Daschle. Would you go as far as to say there were rational bases for that variance in interest rates?

Mr. Rasmussen. Well, certainly. It was a lot more risky to loan money on my old home ranch in Montana at that time than it was to lend money to a dairy farmer in Vermont who had a sure market in New York City. So naturally enough, the interest rate on that Montana ranch would be higher.

Senator Daschle. As you consider the opposition which obviously exists today—as I traveled through North and South Dakota, Nebraska, and Iowa, one of the most consistent statements of frustration and virtually outrage were the ads which indicated one could "buy North Dakota for 4.9 percent," you know that is understandable. They oftentimes do write and say, but I have to pay 12.5 percent to buy my land back in South Dakota. What would your answer be to somebody like that?

Mr. Rasmussen. My answer would be that we should be refinanceing 12 percent loans, and that we should be getting them down to current interest rates. I think that that was done with the land bank loans. A lot of those loans in the 1920's had been made at fairly high interest rates because of general prosperity at the time. They had to be refinanced at a lower interest rate, and that was what saved the American farmer in the 1930's.

Senator Daschle. And the refinance as paid for in large part through the appropriation we were addressing earlier?

Mr. Rasmussen. Exactly.

Senator Daschle. Let me ask one last question, and that relates to this trend toward centralization that we are developing here. As I understand it, there was a trend toward centralization 50 years ago, and then the whole System became decentralized with a great deal of local control. The local PCA's and Federal land banks had virtual autonomy when it came to much decisionmaking authority. We are shifting back toward that centralized sort of system. How do you see that? First of all, do you think the situation warrants that centralization? Number two, what are the ramifications from an historical perspective for the loss of local control?

Mr. Rasmussen. Well, of course, Congress did make the change a couple of years ago, and certainly Congress at the time felt that that was a rational thing to do. However, it was totally contrary to the original goals of the establishment of the Farm Credit System. The Farm Credit System when it was established in 1933 was not to further centralize the land bank system. It was to further decentralize the land bank system.

The thought then was that the financial interests in the big cities were not simply interested and were not able to take care of farm interests out there in the country. If you were going to have the farmers' interests taken care of, you had to get some by the farmers. And the thought was that not only would the farmers have a say in the local organizations, but eventually with their purchase of stock and paying back the Federal money, the farmers themselves would own and operate the system on a decentralized basis.

Now whether or not that is applicable today, I think I would have to leave that up to you, Senator.

Senator Daschle. I would say it is not applicable today.

Mr. Rasmussen. That is my own feeling, too. But it is a real problem.

Senator Daschle. Thank you. I am sure I have used up my time, Mr. Chairman. Thank you.

Senator Boren. Thank you, Senator Daschle. Senator McConnell.

Senator McConnell. Thank you, Mr. Chairman. Most of us would not like to see the Farm Credit System become a quasi-public Farmers Home Administration. FmHA has long since shown its ineptness in managing loan portfolios. I was wondering, Mr. Rasmussen, what the historical relationship has been between the Farm Credit System and the Farmers Home Administration, particularly back in the thirties?

Mr. Rasmussen. The Farm Credit System was basically set up to save what today we would call the mid-level, or the commercial family, farmer. It was not set up to help the tenant farmer become an owner. It was not set up to carry on an educational process with some poor farmer in some poor area. It was not to move a farmer from some poor area to another. First, the resettlement; then farm security; then today our Farmers Home Administration was set up, as they said at the time, to help the poorest of the poor, to help some of the tenants who were losing their places in some areas to become land owners. And there were a great many very expensive and some very inept plans set up to do this.

But the whole concept of the two systems was different. The one was to try to bring some very low level farmers up to a mid-level position, while the Farm Credit Administration was there to preserve what had been the backbone of our American economy, the mid-level family farm.

Senator McConnell. You may have covered this earlier, but has the Farm Credit System in the past had to deal with widely fluctuating interest rates that we have had for the last 8 years?

Mr. Rasmussen. Not nearly as much. The idea at any given time up until recent years that you had to take account of what that land could produce at current prices was kind of a leveling influence there. It kept the loans from going up as the prices of land went up and as interest rates went up. Of course, that was changed when we moved from the 60 to the 85 percent of value.

Senator McConnell. Senator Boren, in his opening statement, touched on an issue in this debate which may become important. I am wondering if the System has considered diversifying its loan portfolio to protect itself against these kind of wide swings in farm income?

Mr. Rasmussen. I am sorry. I just do not know.

Senator Boren. Well, the System was never set up, though, really to be a diversified lending institution. It was really set up strictly to service farmer members; was it not?

Mr. Rasmussen. That is correct. It was set up to be operated by farmers for farmers. That was it.

Senator Boren. So it was not ever really anticipated that it would invest in shopping centers or whatever?

Mr. Rasmussen. No, not in the beginning. It certainly never was. When it was set up, it was a farm system.

Senator Boren. Thank you very much, Senator McConnell. Again, Mr. Rasmussen, thank you very much for the perspective that you have provided for us this morning. It is very helpful to us as we begin these deliberations.

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### STATEMENT OF WAYNE D. RASMUSSEN, AGRICULTURAL HISTORIAN

Mr. Chairman, Members of the Subcommittee, I am pleased to be here today to discuss the historical background of the Farm Credit Administration and its programs.

Throughout our colonial and national history the frontier farmer found it difficult to secure credit. Money was usually scarce, prices low, and both interest rates and risks high. The situation became acute after the Civil War. The Western farmer was of necessity a commercial farmer, while many Eastern farmers were making the change from subsistence to commercial farming. The establishment of a commercial farm and its continued existence depended in many cases upon the availability of credit. The Southern farmer, too, was in need of money to re-establish or establish himself in the production of cotton.

Farmers' needs were the more acute in that the federal government was aiding financial and business interests by reducing the amount of money per capita in circulation. Many farmers turned to the Greenback movement, the Populist party, or free silver as promising aid, but all failed in their attempts to get more money into circulation. Sensitive to the needs of the business community, the government was indifferent to the farmers' financial problems.

The first governmental recognition of the farmers' credit needs came in 1908 when President Theodore Roosevelt's Country Life Commission called attention in its report to the lack of any adequate system of agricultural credit. The commission commented upon the cooperative phases of mortgage credit and posed the entire problem as one needing solution. The Commission saw a formal rural credit program as promoting rural life and welfare as well as serving to stabilize farm production.

The National Monetary Commission, appointed by President Roosevelt in 1909 to study general banking conditions, presented a detailed account of the German rural credit system. The American Bankers' Association carried on further studies. In the spring of 1912, the Southern Commercial Congress persuaded David Lubin, founder of the International Institute of Agriculture, to discuss the problem at the annual meeting of the Congress. With Lubin's encouragement, the Congress appointed an unofficial American Commission on Agricultural Credit and Cooperation to visit Europe in 1913 and study different agricultural credit systems.

Meanwhile, early in 1912, President Taft asked American diplomatic representatives abroad to gather material on European systems for a report. This report was sent to the state governors in the fall of 1912. In his transmittal letter, the President outlined the problem and stated that the federal and state governments must assume responsibility for "economically and honestly conducted institutions."

Action seemed assured when, at their 1912 conventions, the Republican, Democratic, and Progressive parties pledged themselves to better credit facilities for the farmer. In the spring of 1913, President Wilson appointed an official United States Commission to cooperate with the American Commission on Agricultural Credit and Cooperation. The commissions issued their report in the winter of 1913–1914, and legislation to effectuate their recommendations was introduced early in 1914.

Action on legislation was delayed by the need to reconcile three opposite views. One plan called for the establishment of privately-owned farm mortgage banks under the supervision of the federal government. Another was for the organization of a system based on cooperative principles, while the third plan was for the federal government to make direct loans to farmers. It was not until July 17, 1916, that the Federal Farm Loan Act was passed and signed by the President. The compromise act permitted the establishment of both privately-owned and cooperative farm mortgage banks.

The agricultural credit system was modeled upon the federal reserve system in its general outline as well as in many details. Corresponding to the Federal Reserve Board at the head of the federal reserve system was the Federal Farm Loan Board. The federal land banks occupied a position analagous to that of the federal reserve banks. The national farm loan associations of the agricultural credit system were to it what the individual member banks are to the federal reserve system. The joint stock land banks presented a structural difference, but otherwise the outlines of the two systems were almost identical, and the joint stock land banks were comparatively short lived. Congress, in passing the original Federal Farm Loan Act in 1916, made it quite clear that it expected the Federal Land Banks and the Federal Land Bank Associations to become a cooperative credit system in which farmers would have the responsibility of organizing and operating their local associations, and in owning and having a voice in running their district Federal Land Banks. That is, a decentralized system that in time could be controlled by the farmers themselves was established.

Congress provided the original capital for the Federal land banks with a provision for farmers to organize local associations. As farmers obtained long-term mortgage loans from the land banks, they were to invest 5 percent of their loans in the capital stock of their local associations. The local associations would in turn invest in the capital of the Federal land banks and gradually replace the Government-owned capital. They were to operate at cost. The joint stock land banks were to be capitalized by private interests, and operate to make a profit for their stockholders. Both the systems were empowered to sell bonds to the investing public to raise money for making loans to farmers.

The federal land banks, by making available amortized loans for periods as long as 20 to 40 years throughout the country, brought about fundamental changes in farm mortgage lending. They eliminated the need for high interest rates and renewal fees every 3 to 5 years. Other lenders gradually began to follow suit in order to compete.

In 1932, Congress authorized the organization of the 12 Federal intermediate credit banks to work alongside the Federal land banks. These banks by discounting farmers' short-term notes were to provide funds for operating purposes. The banks were wholesalers of credit. Congress hoped commercial banks would use their services and that farmers would also organize local associations to serve as retailers of credit. The banks were also authorized to lend to farmers' marketing cooperatives on security of commodities in storage. Federal intermediate credit banks had only limited use up to 1933 because of the lack of retail outiets. Congress had authorized the Secretary of Agriculture to lend farmers the money to organize local agricultural credit corporations to use the facilities of the Federal intermediate credit banks. However, only a few were organized.

Starting as early as 1918, the Secretary of Agriculture had been authorized and funds had been provided, from time to time, to make emergency seed, crop, and feed loans. The authority to make such loans was transferred later to the jurisdiction and control of the Farm Credit Administration.

Useful as the land banks and the intermediate banks were to individual farmers, they were unable to stem the ravages of the continuing farm depression of the 1920's. Then when the Great Depression hit the Nation in 1929, farm prices, already down, went down further and faster than anything else. The Federal Land Banks were dependent upon installment payments on their loans to pay interest on their bonds, but many farmers were unable to make payments. The situation made it almost impossible for the banks to sell bonds so loan funds dried up. In 1932, the banks made loans totaling only $28 million to 7,000 farmers in spite of the fact that many more were clamoring for money.

Meanwhile, in 1929, upon the recommendations of President Hoover, Congress had established the Federal Farm Board with a revolving fund with which to make loans to cooperatives. The cooperatives were to hold and market commodities over the year instead of having farmers selling all at once at low prices at harvest time. Worthy as the goal was, the advent of the Great Depression, brought about at least in part by the continuing farm depression, made it impossible for the Farm Board to stabilize farm markets.

A number of rapid actions were taken by President Franklin Delano Roosevelt and Congress to solve the desperate credit crisis which faced American farmers. By 1933, farmers' income was approaching the vanishing point. Lenders were foreclosing mortgages by the thousands. Hundreds of thousands of other farmers were without credit and threatened with the loss of their farms.

In the Midwest, some farmers join what they called the Farm Holiday Association and, in addition to trying to stop the movement of products to market, they threatened violence to stop foreclosures. Additional legislation was needed to enable the government to meet the desperate need for emergency credit.

Congress made provision for emergency credit by passing the Emergency Farm Mortgage Act of May 12, 1933. This act provided a $200 million fund to the Land Bank Commissioner to make both first and second mortgage loans to refinance farmers' debts as a supplement to financing by the Federal land banks. These loans were handled through the existing Federal land bank system. The Emergency Farm Mortgage Act also provided for a temporary education in interest rates on Federal land bank loans. The land banks were reimbursed from the United States Treasury for the differences between the interest rate the farmers contracted to pay and the emergency rate established by Congress. The legislation provided for extension of time to worthy land bank borrowers who were unable to meet their payments, by authorizing the United States Treasury to subscribe amounts to the paid-in surplus of the banks equal to amounts deferred. The act also provided for the liquidation of the joint stock land banks.

The establishment of the Farm Credit Administration by executive order on May 27, 1933, was followed by the Farm Credit Act of June 16, 1933. The Farm Credit Act provided for the establishment of local production credit associations to bring the services of federal intermediate credit banks to farmers. It provided the original capital to organize these credit cooperatives, but arranged for farmers to gradually replace the Government-owned capital by investing in stock in proportion to the size of their loans. The Farm Credit Act made funds available to capitalize 12 district banks and 1 central bank for cooperatives.

The Farm Credit Act was followed by the Federal Farm Mortgage Act of January 3, 1934. This act used the Land Bank Commissioner fund to capitalize a Federal Farm Mortgage Corporation to expand the money available for emergency financing.

The additional authority and funds enabled the Federal land banks on their own behalf and for the Federal Farm Mortgage Corporation to stem the tide of foreclosures, save the farms of hundreds of thousands of families, and incidentally help unfreeze the assets of country banks and insurance companies. From May 1933 to the end of 1935, the land bank system on its own behalf and for the Federal Farm Mortgage Corporation made 726,000 loans totaling nearly $2 billion. By the end of 1935, the Federal land bank system, together with the Federal Farm Mortgage Corporation, held 48 percent of the total farm mortgage debt of the country. The refinancing program cut farmers' interest bills by about $38 million a year. In addition, many creditors agreed to scale down farmers' debt to them so farmers might be eligible for mortage loans and thus enable creditors to get cash. These scaledowns totaled an estimated $200 million.

The Frazier-Lemke Amendment of June 28, 1934 was the most controversial law relating to farm mortgages ever passed by the Congress. This law, to be in effect until 1938, called first for voluntary and then for compulsory negotiations between creditors and debtors. If agreement could not be reached, the debtor could not foreclosure on the property for three years. The law was declared unconstitutional in 1935 and was replaced by a revised Frazier-Lemke Act which gave creditors more protection. This act was renewed until 1949, when it expired. The law was strongly attacked and as strongly defended, but by 1935 the refinancing of farm mortgage being carried out through the Farm Credit Administration had taken some of the pressures off for moratoriums on foreclosures. In 1934, there were 27.8 foreclosures per thousand farms mortaged, while in 1936 the number had declined to 20.0. Three years later the number was 15.0.

With the refinancing program under control, the land bank system turned to the task of finding ways to straighten out the overlapping territories of national farm loan associations, later designated Federal land bank associations, and to strengthen their financial structure. The stock of over one-third of the associations was impaired.

By 1939, the land banks found many of the borrowers they and the Federal Farm Mortgage Corporation had financed were still not able to make enough progress to in-

dicate they would be able to handle their debt loan. The foreclosure rate on loans of the Federal Farm Mortgage Corporations rose.

It was at this time the Farm Credit Administration was transferred from its independent agency status to become a part of the United States Department of Agriculture. To leaders of the Farm Credit Administration, loss of independent status seemed a threat to the cooperative nature of the farm credit system. In the period between the President's message to Congress on Reorganization Plan No. I, April 25, 1939, and the actual transfer, effective July 1, 1939, protests were made to the President and to Congress.

Dissatisfied officials of the Farm Credit Administration and others who opposed the transfer were assured by Secretary of Agriculture Henry A. Wallace on May 22, 1939, that the Farm Credit Administration would not become an integral part of the Department of Agriculture. It would remain an autonomous agency except that it would report to the Secretary of Agriculture rather than to the President.

After reviewing Farm Credit Administration policies in relationship to other policies and programs of the Department of Agriculture, Secretary Wallace decided that the Farm Credit Administration as a part of the Department of Agriculture should have its functions coordinated with the other activities of the Department. Forrest F. Hill was succeeded as governor of the Farm Credit Administration by Albert T. Black, who had been serving as the Department's Director of Marketing and Regulatory Work. The appointment of Black as Acting Governor was announced by President Roosevelt on December 20, 1939. These changes were followed by an easing of the foreclosure policy of the banks and the Federal Farm Mortgage Corporation which resulted in cutting foreclosures from 18,694 in 1939 to 9,407 in 1940. Variable payment plans geared to farm income were tried on 7,000 farms, and standstill agreements on second mortgage Federal Farm Mortgage Corporation loans were put into effect on about the same number of farm loans. The effort to resell or lease foreclosure farms to former borrowers or their relatives was increased. During World War II, a period of farm prosperity, FCA used its loan authority to help farmers make changes needed to increase production, while encouraging the paying off of earlier loans. On December 4, 1953, the Farm Credit Administration again became an independent agency.

In 1971, Congress consolidated all previous laws regarding the farm credit system into a new Farm Credit Act. The act specified that Federal Land Bank loans could not exceed 85 percent of the appraised value of the real estate offered for security. Prior to 1971, the banks could lend up to only 65 percent of the normal agricultural value of real estate. Under this legislation, the component parts of the farm credit system were able to pool capital, share losses, exchange loans, participate in loan syndications, and continue to gather funds nationwide through the sale of bonds and other debt instruments.

For many years the farm credit system was regarded as one of the most stable segments of the financial community. During the 1970's, when farmers were generally prosperous, the system increased its share of lending to the agricultural sector from 24 percent of total agricultural loans made in 1971 to 33 percent in 1981. However, as land began to fall in 1982, the security backing many of the loans fell to below the amounts of the loans. Too, increasing interest rates caused problems. Although legislation has set special interest rates at various times in the past, legislation in effect for many years provided that the interest rates charged should not exceed the interest rate on the last series of farm-loan bonds issued by the bank making the loan plus one percent. This meant that in a period of rapidly rising interest rates, the Farm Credit Land Banks could keep up with the increasing costs of money. However, at least in recent years, the system priced its interest rates according to the average rate it paid on its total portfolio of bonds and notes outstanding plus one percent. This helped farmers in times of inflation but was a problem for the system. By mid-1985, the Spokane and Omaha districts were in difficulty and the entire system was deteriorating. Nonperforming loans were on the increase and the demand for the system's bonds and notes eroded. These problems led to a major overhaul by Congress of the system's regulatory structure and business methods.

The 1985 amendments to the Farm Credit Act changed the organizational structure of the overseeing agency, the Farm Credit Administration, by replacing the 13-person Federal Farm Credit Board with a 3-person Presidentially-appointed Board of Directors. The Administration's regulatory powers over the system's institutions was increased. The Farm Credit System Capital Corporation was rechartered as essentially an additional bank with the responsibility for assisting system banks in financial difficulty. The amendments empowered the Secretary of the Treasury to purchase bonds issued by this Corporation up to an amount provided for by Congressional appropriations.

The amendments brought about major changes in that authority over the entire system was more centralized as contrasted with the original objective of setting up a decentralized system in which farmer members would have a major voice. The amendments also made it clear that as Congress should direct, the U.S. Treasury would be a lender of last resort to the system to ensure that it would not have to default on its outstanding bonds and notes.

The Farm Credit system is responsible for providing the credit needed for keeping America's farmers in operation insofar as that can be done. But the system is dependent upon farmers having an opportunity to make a living and to pay off their debts. The Farm Credit system, like farmers, has been caught up in a very deep downturn in the cycle of agricultural prices and returns. But because farming is cyclical in nature, we can hope that the cycle has bottomed out and is starting an upturn. It is possible, however, that the system may have to rely upon funds from the U.S. Treasury to stay solvent until the cycle moves further along the up side. If that happens, then the Farm Credit Administration will have the opportunity to do what it did in the 1930's. With Federal funds, it can help farmers survive a difficult period and thus contribute to the betterment of American life.

By Mr. RIEGLE (for himself and Mr. Danforth):

S.J. Res. 184. Joint resolution designating October 15, 1987, as "National Safety Belt Use Day"; to the Committee on the Judiciary.

### NATIONAL SAFETY BELT USE DAY

● Mr. RIEGLE. Mr. President, I rise today to introduce legislation with Senator Danforth that designates October 15, 1987, as "National Safety Belt Usage Day."

In 1984, Secretary Dole issued a rulemaking that had the effect of spurring many States to pass mandatory seatbelt laws. Since that time, 29 States and the District of Columbia have enacted such statutes, and it is clear that seatbelt usage has increased, and injuries from traffic accidents in those States have declined. Statistics that have been gathered by the Department of Transportation show that safety belts saved 2,200 lives in 1986, with 1,760 of those in States with mandatory belt use laws. Thousands of critical injuries have also been prevented by the use of safety belts.

Mr. President, almost every study that has ever been conducted on the use of safety belts has shown that they are effective in reducing death and injuries from automobile accidents. Indeed, most people know that fact, and yet less than one-half of all Americans use their safety belts. The number of people using seatbelts, however, continues to climb, and the combination of public education and mandatory laws has seen total usage increase from 11 percent in 1982 to 42 percent in 1987. We can, and will continue this improvement.

Another area where proper restraint systems have reduced death and injuries are child seats. It is estimated that proper usage of these seats could save about 500 lives per year.

We do hope that our Senate colleagues can join us in cosponsoring this joint rsolution. It is fitting that we recognize the benefit that safety belts have had on all of our lives, and this joint resolution will serve to continue our efforts toward the goal of universal safety belt usage. I ask unanimous consent that the text of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 184

Whereas safety belts and child safety seats have proven to be effective in reducing highway fatalities and injuries;

Whereas the legislatures of 29 States and the District of Columbia have recognized the benefits of safety belt use and enacted safety belt use laws;

Whereas child safety seat laws are in effect in all of the States;

Whereas as a result of these laws and other activities, millions of Americans are regularly wearing safety belts and using child safety seats;

Whereas the universal use of these safety systems would prevent thousands of fatalities and injuries each year;

Whereas the use of safety belts and child safety seats should be encouraged even as passive restraint systems are phased into the vehicle fleet;

Whereas numerous public interest and safety organizations are working to encourage more extensive use of safety belts and child safety seats; and

Whereas the law enforcement community has played an essential role in encouraging the more widespread use of safety belts and child safety seats: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That October 15, 1987, is designated as "National Safety Belt Use Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to wear safety belts and have their children use child safety seats, and encouraging public safety and law enforcement agencies to promote greater usage of these essential safety devices.

● Mr. DANFORTH. Mr. President, I am pleased to join with Senator Riegle in introducing a resolution on designating October 15, 1987 as "National Safety Belt Use Day." This resolution is designed to promote the use of two important safety devices, child car seats and seat belts.

Mr. President, we have made considerable progress in both child safety seat use and seat belt use in the last 5 years. We should not use a "National Seat Belt Use Day" solely for self congratulation, however. In fact, there were 46,000 highway deaths in 1986—a 5-percent increase over 1985. To stop this trend, we must make further improvements and I want to discuss some of those improvements.

### CHILD SAFETY SEATS

Mr. President, I have long been a believer in the value of child safety seats. In 1984, I helped pass legislation requiring each State to expend at least 8 percent of its highway safety grant money in fiscal years 1985 and 1986 for developing and implementing programs concerning the use of child safety seats.

Child car seat laws are in effect in all 50 States. The child safety seat law in my home State of Missouri is representative of these lifesaving measures. It requires that children under 4 years of age be protected by an approved safety seat if they are riding in the front seat. Young children in the rear seat must be restrained with a seat or a standard belt. An infraction carries a $25 fine.

These laws and public education have greatly increased child safety seat use. The National Highway Traffic Safety Administration [NHTSA] reports that between 1981 and 1986, safety seat use rose 23 to 72 percent. These laws are critical to the protection of our children. A 1986 Department of Transportation [DOT] study estimated that when correctly used, child car seats can greatly reduce deaths and injuries. A child that is in a car seat can survive 71 percent of the serious accidents that would be fatal to an unrestrained child. A child car seat can prevent 69 percent of the hospitalization that unrestrained children suffer in serious accidents.

The same 1986 DOT study points out an area in which our efforts in the child safety seat area can improve—proper usage. Specifically, DOT found that 21 percent of seats are grossly misused that is, where either the child is not restrained in the child car seat, the seat is not anchored to the vehicle, or an unsuitable seat is used—and 40 percent of the seats are partially misused. That is, where some elements of the child car seat are not used properly but the child is somehow held in the seat which is anchored to the vehicle in some manner. Grossly misused seats were found to be of little or no value in reducing death and injury. Partially misused seats are only 44 percent effective in reducing fatalities and 48 percent effective in reducing hospitalizations.

Mr. President, I hope the occasion of "National Seat Belt Use Day" will be used to encourage public education on the proper use of child safety seats.

### STATE MANDATORY SEAT BELT USE LAWS

State mandatory seat belt use laws are an important weapon against highway death. Twenty-nine States have enacted seat belt laws. On September 25, 1985, my home State of Missouri became the fourth State to enact such a law.

We have now had enough experience with seat belt laws to know what makes them work. First, there must be local community support and extensive publicity about the seat belt law and the value of seat belts. For example, in my home State of Missouri, the Missouri Safety Council has published Missouri Buckle Up-Date to encourage belt use. Gov. John Ashcroft declared May 18-25, 1987, "All American Buckle-Up Week" in Missouri. We need to support these local efforts in the Congress. That is exactly why we need events such as "National Seat Belt Use Day." Second, the law must be well written so that it can be effectively enforced. Laws that provide no fine—for example, Minnesota—or a minimal fine—for example, Idaho, $5—are less likely to be observed. Finally, law enforcement must make public education about such laws and enforcement a high priority.

When all of these forces come together, these laws can work well. For example, seat belt use rates in Texas have been the highest in the country. According to a DOT study of belt use in 19 cities from January to June 1986, Dallas led the country with 70.9 percent belt use and Houston was next with 70.1 percent use. The Insurance Institute for Highway Safety and Texas officials have attributed this success to extensive publicity and effective organizing by community groups and to a strong enforcement program (including 28,000 tickets handed out by State Troopers between January and April, 1986).

Mr. President, seat belt use is important and we should use "National Seat Belt Use Day" to rededicate ourselves to encouraging widespread seat belt use. There is another essential compenent of an effective occupant protection system that we must also encourage—the airbag. A seatbelt is not a substitute for an airbag. Great Britain has achieved 95 percent compliance with its seatbelt law that went into effect on February 1, 1983. Fatalities have been reduced but certain types of injuries have increased. Drivers who used to be killed are now surviving because their seatbelts prevent ejection. But, according to a study of British hospital admissions entitled, The Medical Effects of Seat Belt use in the United Kindgom, there was 45.8 percent increase in major head injuries to drivers after the law's enactment. This occurs because drivers using seat belts often strike their head on the steering wheel. Air bags could prevent such injuries and also reduce fatalities. If we use airbags along with seatbelts, DOT estimates that we could save 8,500 lives and prevent more than 30,000 injuries each year.

Under DOT's passive restraint rule, 10 percent of model year 1987 cars, 25 percent of model year 1988 cars, 40 percent of model year 1989 cars and 100 percent of all cars manufactured in model year 1990 and beyond must be equipped with passive restraints. To comply with the passive restraint rule, manufacturers have the choice of equipping their cars with either airbags, automatic seat belts or specially padded interiors. I am pleased that many automakers have chosen airbags, the most effective occupant protection device, as their method of compliance. Mercedes led the way with airbags. Ford took the lead among the domestic manufacturers. Ford plans to offer 500,000 to 1 million driver side airbag-equipped cars by model year 1990. Chrysler told the Commerce Committee in March 1987 that it plans to offer driver side airbag-equipped cars on the following schedule: model year 1988—50,000 to 70,000; model year 1989—200,000 to 250,000; and model year 1990—600,000 to 900,000. GM has announced plans for 500,000 driver side airbag-equipped cars in model year 1990 and by model year 1992 it plans to produce nearly 3 million driver side airbag-equipped cars. I am heartened by these announcements and I hope that the automakers follow through on their promises.

### CONCLUSION

Mr. President, I urge all my colleagues to support the designation of October 15, 1987, as "National Seat Belt Use Day," We can make great strides to improve highway safety if child safety seats and seat belts are widely used.●

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By Mr. DeCONCINI (for himself, Mr. Durenberger, Mr. Baucus, Mr. Bentsen, Mr. Bradley, Mr. Breaux, Mr. Bumpers, Mr. Conrad, Mr. Cranston, Mr. Daschle, Mr. Dodd, Mr. Ford, Mr. Glenn, Mr. Gore, Mr. Graham, Mr. Johnston, Mr. Kerry, Mr. Levin, Mr. Matsunaga, Mr. Mitchell, Mr. Moynihan, Mr. Nunn, Mr. Pell, Mr. Pryor, Mr. Reid, Mr. Sanford, Mr. Sasser, Mr. Simon, Mr. Sarbanes, Mr. Stennis, Mr. Wirth, Mr. Boschwitz, Mr. Chafee, Mr. Domenici, Mr. Garn, Mr. Hatch, Mr. Humphrey, Mr. Karnes, Mr. Kasten, Mr. McCain, Mr. McClure, Mr. Nickles, Mr. Simpson, Mr. Stafford, Mr. Warner, Mr. Wilson, Mr. Evans, Mr. Grassley, Mr. Hecht, Mr. Heinz, Ms. Kassebaum, Mr. Pressler, Mr. Roth, Mr. Stevens, and Mr. Symms):

S.J. Res. 185. A joint resolution to designate the period commencing on May 2, 1988, and ending on May 8, 1988, as "National Drinking Water Week"; to the Committee on the Judiciary.

### NATIONAL DRINKING WATER WEEK

Mr. DeCONCINI. Mr. President, along with Senator Durenberger and numerous Members of this body, it gives me great pleasure today to introduce a joint resolution that designates the week of May 2 through May 8, 1988, as National Drinking Water Week.

A clean and abundant supply of quality drinking water is often taken for granted in this country. Individuals around the United States wonder into their businesses and households and expect an unlimited quantity of water to pour from the spouts. Not a day goes by, however, that we do not learn of another incident somewhere in this Nation where those supplies of quality water are being threatened by pollution, acts of nature, or other occurrences. A clean and healthy supply of drinking water is vital to the continued well-being of our Nation's citizens. It's availability, however, is the result of hard work from dedicated men and women who are involved in daily responsibility of bringing fresh quality drinking water to our household taps.

Coming from a State like Arizona where water is a precious commodity, I have a personal knowledge and understanding of the importance of water and realize only too clearly the consequences of a scarce and unusable supply. It is one reason that gives us life. And, it is one resource Americans need to better understand and value. The purpose of this resolution is to enhance the public's awareness of clean drinking water through public education programs, ceremonies, and activities. The designation of the week of May 2 through May 8, 1988 will get us started on this long overdue education process.

Mr. President, I hope this body will approve the National Drinking Water Week resolution. In closing, I wish to thank my fellow colleagues who have lent their support for this joint resolution.

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By Mr. CRANSTON (for himself and Mr. D'Amato):

S.J. Res. 186. Joint resolution to provide for the extension of certain programs relating to housing and community development, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

### SHORT TERM EXTENSION OF FHA INSURANCE

Mr. CRANSTON. Mr. President, I rise today with Senator D'Amato to introduce a joint resolution that would provide for a short term extension of the FHA insurance program.

This bill would provide for a short term extension until November 1, 1987, and make it clear to everyone who cares about affordable homeownership that we are determined to prevent FHA from shutting down this year. Last year, FHA was forced to shut down six times for a total of 51 days. Those inexcusable disruptions harmed the housing industry and hundreds of thosands of homebuyers.

The Housing and Community Development Act of 1987 would provide for permanent FHA insurance authority so that we will never have a recurrence of the shameful failure that we saw in the last Congress.

We are now engaged in conference negotiations with the House on the housing bill. The negotiations are proceeding very well in the spirit of good bipartisan cooperation.

We expect to have a sound agreement shortly after we return from the August recess, well before the September 30 expiration of FHA authority. However, many have expressed concern that administration opposition could cause the deadline to be missed. Introduction of this bill today will put the administration on notice that we will not let this happen. We will not permit the administration to "play chicken" with FHA insurance.

Identical legislation will be introduced on the House side and the House and Senate leaders intend to act on this joint resolution soon after we return from the August recess.

● Mr. D'AMATO. Mr. President, as ranking member of the Senate Housing Subcommittee, I rise today to join with the chairman of the subcommittee, Senator Cranston, to introduce legislation to extend the insuring authority of the Federal Housing Authority [FHA] of the U.S. Department of Housing and Urban Development. Under this legislation, the FHA mortgage insurance authority would be extended until November 1, 1987. Currently, under Public Law 99-430, the FHA authority to insure home mortgages will expire on September 30, 1987.

Both the House and the Senate have passed a housing reauthorization bill, including provisions for the continuation of the FHA insuring authority. However, there are more than 100 other provisions to be reconciled. A House and Senate conference committee, of which Senator Cranston and I are members, has begun work to produce a housing bill. This process may take us passed the September 30 deadline for the authorization of FHA mortgage insurance. Therefore, Senator Cranston and I are introducing legislation today that would allow the FHA to continue, without interruption, its operating authority for the numerous mortgage insurance programs through November 1, 1987. This will give the conferees enough time to work out our differences without a threat of a FHA shut down.

As you know, Mr. President, last year the FHA insuring authority had become a pawn in a larger battle between the House and Senate over a controversial reauthorization bill of all Federal housing programs. The Congress passed seven short-term extensions. However, during the course of congressional deliberations, the insuring authority was allowed to expire a shocking six times. FHA shut down its operation a total of 51 days. This caused confusion and frustration among many prospective homebuyers. It threatened the housing plans of many low- moderate- and middle-income Americans. Further, it destabilized the mortgage and housing financing system in our Nation.

The legislation being introduced will not allow the insuring authority to expire on September 30, 1987, while the 1987 housing reauthorization bill is in conference. This will keep the FHA running smoothly through November 1, 1987, without causing any undue hardship on homebuyers, mortgage lenders, home builders, and the many individuals involved in our Nation's housing industry and financing system.

Mr. President, FHA is one of the most successful partnerships ever created between the public and private sectors. During its illustrious 53-year history, FHA has assisted more than 15 million American families realize the dream of homeownership. Let us continue that history. Let us preserve the integrity of this vital Federal agency. I urge my colleagues to join us and to support this legislation.●

## ADDITIONAL COSPONSORS

### S. 39

At the request of Mr. Moynihan, the name of the Senator from Washington [Mr. Evans] was added as a cosponsor of S. 39, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance permanent.

### S. 58

At the request of Mr. Danforth, the name of the Senator from Washington [Mr. Evans] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1986 to make the credit for increasing research activities permanent and to increase the amount of such credit.

### S. 181

At the request of Mr. Riegle, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 181, a bill entitled the "Public Safety Officers' Death Benefits Amendments of 1987".

### S. 604

At the request of Mr. Pryor, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

### S. 612

At the request of Mr. Simon, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of S. 612, a bill to repeal a provision of Federal tort liability law relating to the civil liability of Government contracts for certain injuries, losses of property, and deaths and for other purposes.

### S. 629

At the request of Mr. Bingaman, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 629, a bill to establish literacy programs for individuals of limited English proficiency.

### S. 680

At the request of Mr. Chafee, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 680, a bill to prohibit the use of subtherapeutic doses of penicillin, chlortetracycline, and oxytetracycline in animal feed.

### S. 685

At the request of Mr. Quayle, the name of the Senator from Maryland [Ms. Mikulski] and the Senator from Utah [Mr. Hatch] were added as cosponsors of S. 685, a bill to amend the Deficit Reduction Act of 1984 to make permanent the administration offset debt collection provisions with respect to education loans.

### S. 766

At the request of Mr. Lautenberg, the name of the Senator from Minnesota [Mr. Durenberger] and the Senator from Rhode Island [Mr. Chafee] were added as cosponsors of S. 756, a bill to ensure the amounts paid for home improvements to mitigate indoor air contaminants such as radon gas qualify for the tax deduction for medical care expenses.

### S. 929

At the request of Mr. Melcher, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Hawaii [Mr. Matsunaga], the Senator from Illinois [Mr. Dixon], and the Senator from North Dakota [Mr. Burdick] were added as cosponsors of S. 929, a bill entitled the "Volunteer Protection Act of 1987".

### S. 936

At the request of Mr. Durenberger, the name of the Senator from Iowa [Mr. Harkin] was added as a cosponsor of S. 936, a bill to amend title XVIII of the Social Security Act to permit certain individuals with physical or mental impairments to continue medicare coverage at their own expense.

### S. 943

At the request of Mr. Adams, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 943, a bill to amend the Federal Aviation Act of 1958 to ensure the fair treatment of airline employees in airline mergers and similar transactions.

### S. 1085

At the request of Mr. Glenn, the name of the Senator from Delaware [Mr. Biden] was added as a cosponsor of S. 1085, a bill to create an independent oversight board to ensure the safety of United States Government nuclear facilities, to apply the provisions of OSHA to certain Department of Energy nuclear facilities, to clarify the jurisdiction and powers of Government agencies dealing with nuclear wastes, to ensure independent research on the effects of radiation on human beings, and for other purposes.

### S. 1220

At the request of Mr. Kennedy, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1220, a bill to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome.

### S. 1320

At the request of Mr. Bumpers, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 1320, a bill to provide adequate funding levels for solar energy research and development, to encourage Federal procurement of solar energy systems, to encourage Federal loans for solar energy equipment, to enhance the international competitiveness of the solar industry, and for other purposes.

### S. 1343

At the request of Mr. Bumpers, the name of the Senator from Michigan [Mr. Riegle] was added as a cosponsor of S. 1343, a bill to require that the use of United States Armed Forces to escort, protect, or defend certain reregistered vessels in the Persian Gulf comply with the War Powers Resolution.

### S. 1347

At the request of Mr. Simon, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1347, a bill to facilitate implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction, and for other purposes.

### S. 1355

At the request of Mr. Gramm, the names of the Senator from Wyoming [Mr. Wallop] and the Senator from Wyoming [Mr. Simpson] were added as cosponsors of S. 1355, a bill to ensure energy security for the Nation by expanding the domestic petroleum reserve base.

### S. 1371

At the request of Mr. Moynihan, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1371, a bill to designate the Federal building located at 330 Independence Avenue SW., Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building".

### S. 1391

At the request of Mr. Exon, the name of the Senator from Virginia [Mr. Trible] was added as a cosponsor of S. 1391, a bill to amend the Surface Transportation Assistance Act of 1982.

### S. 1453

At the request of Mr. Heinz, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 1453, a bill to amend the Disaster Relief Act of 1974 to provide for more effective assistance in response to major disasters and emergencies, and for other purposes.

### S. 1468

At the request of Mr. Mitchell, the names of the Senator from New Mexico [Mr. Bingaman], the Senator from Oklahoma [Mr. Boren], and the Senator from Nevada [Mr. Hecht] were added as cosponsors of S. 1468, a bill to provide for a Samantha Smith Memorial Exchange Program to promote youth exchanges between the United States and the Soviet Union, and for other purposes.

### S. 1469

At the request of Mr. Boschwitz, the names of the Senator from Alabama [Mr. Shelby], the Senator from California [Mr. Wilson], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of S. 1469, a bill to amend title VII of the Social Security Act to restrict the use of "Social Security" or "Social Security Administration" on goods not connected with such Administration.

### S. 1475

At the request of Mr. Melcher, the names of the Senator from Arizona [Mr. DeConcini], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of S. 1475, a bill to establish an effective clinical staffing recruitment and retention program, and for other purposes.

### S. 1483

At the request of Mr. Heinz, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1483, a bill to reestablish food bank special nutrition projects, to establish food bank demonstration projects, and for other purposes.

### S. 1501

At the request of Mr. Cranston, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of S. 1501, a bill to amend title 38, United States Code, to eliminate the requirement that the Administrator of Veterans' Affairs carry out a transition under which community-based Vet centers would be moved to Veterans' Administration medical facilities and to provide standards and procedures governing any closures or moves of Vet centers, and for other purposes.

### S. 1511

At the request of Mr. Moynihan, the names of the Senator from Oregon [Mr. Hatfield], the Senator from Missouri [Mr. Bond], the Senator from California [Mr. Cranston], the Senator from Vermont [Mr. Leahy], and the Senator from Ohio [Mr. Metzenbaum] were added as cosponsors of S. 1511, a bill to amend title IV of the Social Security Act to replace the AFDC Program with a comprehensive program of mandatory child support and work training which provides for transition child care and medical assistance, benefits improvement, and mandatory extension of coverage to two-parent families, and which reflects a general emphasis on shared and reciprocal obligation, program innovation, and organizational renewal.

### S. 1519

At the request of Mr. Lautenberg, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 1519, a bill to authorize the President of the United States to award congressional gold medals to Lawrence Doby and posthumously to Jack Roosevelt Robinson in recognition of their accomplishments in sport and in the advancement of civil rights, and to authorize the Secretary of the Treasury to sell bronze duplications of those medals.

### S. 1520

At the request of Mr. Baucus, the names of the Senator from Washington [Mr. Evans], the Senator from Missouri [Mr. Danforth], the Senator from Alabama [Mr. Heflin], the Senator from Nevada [Mr. Hecht], the Senator from Alabama [Mr. Shelby], the Senator from North Dakota [Mr. Conrad], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of S. 1520, a bill to amend the Internal Revenue Code of 1986 to allow certain entities to elect not to make changes in their taxable years required by the Tax Reform Act of 1986, and for other purposes.

### S. 1522

At the request of Mr. Riegle, the names of the Senator from Tennessee [Mr. Gore], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of S. 1522, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage certificates may be issued.

### S. 1546

At the request of Mr. D'Amato, his name was added as a cosponsor of S. 1546, a bill to provide for the termination of the reregistration of certain Kuwaiti-owned vessels under the flag of the United States.

At the request of Mr. Bumpers, the names of the Senator from Colorado [Mr. Wirth], the Senator from Hawaii [Mr. Inouye], the Senator from Hawaii [Mr. Matsunaga], and the Senator from Vermont [Mr. Leahy] were added as cosponsors of S. 1546, supra.

### S. 1548

At the request of Mr. Lugar, the names of the Senator from Illinois [Mr. Dixon], the Senator from Florida [Mr. Chiles], and the Senator from Virginia [Mr. Trible] were added as cosponsors of S. 1548, a bill to amend section 1886 of the Social Security Act to require that certain hospitals be classified as being located in an urban area for purposes of determining payments under the medicare program for inpatient hospital services furnished by such hospitals and to require that certain hospitals be treated in the same manner as a hospital located within a particular geographic area for purposes of making such determination.

### S. 1554

At the request of Mr. Fowler, the name of the Senator from Vermont [Mr. Stafford], was added as a cosponsor of S. 1554, a bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy conservation, and for other purposes.

### S. 1557

At the request of Mr. Hollings, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of S. 1557, a bill to require the Secretary of Transportation to promulgate rules regarding certain operating transponders on aircraft, and for other purposes.

### S. 1587

At the request of Mr. D'Amato, the names of the Senator from Idaho [Mr. McClure], and the Senator from California [Mr. Wilson] were added as cosponsors of S. 1587, a bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic Games.

### S. 1614

At the request of Mr. D'Amato, the names of the Senator from Utah [Mr. Garn], and the Senator from New Mexico [Mr. Bingaman] were added as cosponsors of S. 1614, a bill to restrict United States assistance for Panama.

### SENATE JOINT RESOLUTION 21

At the request of Mr. Hollings, the name of the Senator from West Virginia [Mr. Byrd] was added as a cosponsor of Senate Joint Resolution 21, joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect congressional, and Presidential elections.

### SENATE JOINT RESOLUTION 26

At the request of Mr. Pell, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of Senate Joint Resolution 26, joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

### SENATE JOINT RESOLUTION 106

At the request of Mr. Bingaman, the names of the Senator from Massachusetts [Mr. Kennedy], the Senator from South Dakota [Mr. Pressler], and the Senator from Kentucky [Mr. McConnell] were added as cosponsors of Senate Joint Resolution 106, joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

### SENATE JOINT RESOLUTION 144

At the request of Mr. Wirth, the names of the Senator from Virginia [Mr. Trible], the Senator from Kansas [Mrs. Kassebaum], the Senator from Georgia [Mr. Fowler], the Senator from Iowa [Mr. Grassley], the Senator from Michigan [Mr. Riegle], the Senator from Mississippi [Mr. Cochran], the Senator from South Dakota [Mr. Daschle], the Senator from Arizona [Mr. DeConcini], the Senator from Massachusetts [Mr. Kerry], the Senator from Minnesota [Mr. Boschwitz], the Senator from California [Mr. Wilson], the Senator from Washington [Mr. Evans], the Senator from Virginia [Mr. Warner], the Senator from Rhode Island [Mr. Chafee], the Senator from New York [Mr. Moynihan], the Senator from North Carolina [Mr. Helms], the Senator from New Mexico [Mr. Domenici], the Senator from Michigan [Mr. Levin], the Senator from Missouri [Mr. Bond], the Senator from California [Mr. Cranston], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of Senate Joint Resolution 144, joint resolution designating the week beginning Octoer 18, 1987, as "Financial Independence Week."

SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from California [Mr. Cranston], the Senator from Nebraska [Mr. Exon], the Senator from Maryland [Mr. Sarbanes], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of Senate Joint Resolution 148, joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 152

At the request of Mr. Riegle, the name of the Senator from Oklahoma [Mr. Nickles] was added as a cosponsor of Senate Joint Resolution 152, joint resolution expressing the sense of the Congress with respect to the freedom and independence of the people of Estonia, Latvia, and Lithuania.

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. Dole, the names of the Senator from New Jersey [Mr. Bradley], the Senator from North Dakota [Mr. Burdick], the Senator from Florida [Mr. Chiles], the Senator from New York [Mr. D'Amato], the Senator from Missouri [Mr. Danforth], the Senator from Connecticut [Mr. Dodd], the Senator from New Mexico [Mr. Domenici], the Senator from Minnesota [Mr. Durenberger], the Senator from Nebraska [Mr. Exon], the Senator from Kentucky [Mr. Ford], the Senator from Iowa [Mr. Grassley], the Senator from Nevada [Mr. Hecht], the Senator from Pennsylvania [Mr. Heinz], the Senator from North Carolina [Mr. Sanford], the Senator from Pennsylvania [Mr. Specter], and the Senator from Virginia [Mr. Trible] were added as cosponsors of Senate Concurrent Resolution 9, concurrent resolution to provide for the display of the National League of Families POW/MIA flag in the Capitol Rotunda.

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. Grassley, the name of the Senator from New Hampshire [Mr. Humphrey] was added as a cosponsor of Senate Concurrent Resolution 32, concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

SENATE CONCURRENT RESOLUTION 46

At the request of Mr. Kennedy, the name of the Senator from Washington [Mr. Adams] was added as a cosponsor of Senate Concurrent Resolution 46, concurrent resolution expressing the sense of the Congress concerning representative government, political parties, and freedom of expression on Taiwan.

SENATE RESOLUTION 246

At the request of Mr. Moynihan, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of Senate Resolution 246, resolution to honor Irving Berlin for the pleasure he has given to the American people through almost a century of his music.

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## SENATE CONCURRENT RESOLUTION 68—EXPRESSING THE SENSE OF THE CONGRESS REGARDING THE AGREEMENT TO END THE ETHNIC CONFLICT IN SRI LANKA

Mr. KERRY (for himself and Mr. Pell) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con. Res. 68

Whereas the ethnic conflict in Sri Lanka has caused much suffering, economic dislocation and personal tragedy;

Whereas the Tamils and Sinhalese have too long endured strife, mutual distrust, and grave danger;

Whereas the Congress and the American people support the territorial integrity of Sri Lanka and its democratic form of government;

Whereas the Congress and the American people believe that in a democratic society such as Sri Lanka the rights, freedoms and privileges of all citizens should be protected with equal fervor;

Whereas President Jayewardene and Prime Minister Gandhi have demonstrated great courage and statesmanship in together seeking an accord which would end the civil strife in Sri Lanka and bring about a just resolution of the conflict;

Whereas the July 29 accord offers the best hope of dramatic improvements in the human rights situation in Sri Lanka: Now, therefore, be it

*Resolved by Senate (the House of Representatives concurring),* That—

The Congress expresses the hope that a new era of good will and cooperation among nations of the region will result from the July 29 accord;

The Congress urges the President of the United States to convey to President Jayewardene and Prime Minister Gandhi the congratulations and best wishes of the American people as these leaders proceed to implement the accord and usher in a new era of harmony and mutual respect between the Tamil and Sinhalese populations in Sri Lanka;

The Congress also commends those Sinhalese and Tamil leaders who have agreed to abide by the peaceful principles set forth in the July 29 accord;

The Congress applauds this accord which makes possible the resolving of humanitarian issues, including reunification of families, an amnesty for those held in custody, and distribution of medical care and other needed humanitarian aid throughout the country;

The United States should work with other nations to establish an international fund of other multi-lateral effort to provide additional resources for rehabilitation and reconstruction in Sri Lanka, particularly in those areas most seriously affected by the long-standing ethnic conflict.

● Mr. KERRY. Mr. President, on July 29, President Junius Jayewardene of Sri Lanka and Prime Minister Rajiv Gandhi of India signed a landmark agreement designed to resolve Sri Lanka's tragic ethnic conflict. In reaching this accord, both leaders displayed statesmanship and courage. As the agreement established a basis for ending armed hostilities and for equitable treatment of both the minority and majority groups, it constitutes the best hope for a just and lasting solution to Sri Lanka's ethnic conflict.

The history of Sri Lanka's ethnic struggle extends back at least to 1956, when the minority Tamils were first seriously aggrieved by legislation designed to promote the primacy of Sinhalese-Buddhist culture in Sri Lankan society. Ethnic riots have burst out sporadically since then, though the summer of 1983 marked a dramatic increase in the severity of the violence. Since 1983, more than 6,000 Sri Lankans have been killed, and over 200,000 Sri Lankan Tamils have become refugees. The increasingly radicalized Tamil separatists have committed numerous atrocities against Sinhalese civilians. Government troops, paramilitary forces, and police have killed many Tamil noncombatants, and according to international press reports and Amnesty International, they have been guilty of numerous other human rights abuses. The conflict became an endless cycle of revenge, with both sides becoming more and more radicalized and willing to use force.

Yet, while it would be wrong to ignore history, this is not the time to dwell on past tragedy. The July 29 agreement offers the hope for a new era of peace, prosperity, and democracy in Sri Lanka. The successful implementation of the accord is by no means a foregone conclusion, however. The purpose of our resolution is to express the Congress' firm support for the agreement and for those striving for the full realization of its goals. In the resolution we encourage the President of the United States to also express his firm support.

The resolution also calls on the United States to work together with other donor nations to establish a fund to provide additional resources for rehabilitation and reconstruction efforts in Sri Lanka. Such additional funds would be directed especially to those areas that have been most seriously affected by the ethnic conflict.

The Reagan administration and several other governments, including those of Britain, Canada, Sweden, Norway, and the Netherlands, have expressed willingness to provide the much needed emergency funds in the event of a settlement.

Sri Lanka's economy has been badly damaged by the civil war, particularly in the areas where much of the fighting took place such as the northern and eastern provinces. Unemployment has risen to roughly 22 percent, despite the fact that the armed forces have increased from 7,000 in 1980 to over 30,000 in early 1987. It has been costing the Government $407 million per year to prosecute the conflict, which accounts for roughly 20 percent of the government's total budget. Inflation has increased from zero in 1985 to roughly 11 percent this year. The need for foreign assistance is clear. The provision of additional economic aid would also underscore America's firm commitment to support the July 29 agreement.

In keeping with our desire to look forward, the resolution emphasizes that the accords offers the best hope for a dramatic improvement in the human rights situation in Sri Lanka. It calls on all parties to attend to as yet unresolved humanitarian issues, such as the reunification of families and the distribution of medical care. Our hope is that his clause will add impetus to efforts already underway to restore full rights, health, and general well-being to all those who have been harmed by this tragic conflict.

In introducing this resolution, I have worked closely with our colleagues in the House. Congressmen Solarz and Atkins are introducing a resolution with identical language, so this resolution can represent the full authority of the U.S Congress.

Peace and prosperity in Sri Lanka contributes to stability in the region as a whole. As it would allow a restoration of full democracy in Sri Lanka, a peaceful resolution of the ethnic conflict serves America's desire to spread and deepen democracy around the globe. Until recently, Sri Lanka had the reputation of being among the most vibrant democracies in the Third World. With this resolution, Congress offers its support for Sri Lanka's return to its former promise.●

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## SENATE CONCURRENT RESOLUTION 69—TO REAFFIRM SUPPORT FOR THE MARITIME POLICY OF THE UNITED STATES

Mr. BREAUX (for himself, Mr. Hollings, Mr. Inouye, Mr. Adams, Mr. Trible, Mr. Ford, Mr. Kerry, Mr. Gore, Mr. Exon, Mr. Riegle, Mr. Kasten, Mr. Byrd, Mr. Shelby, Mr. Durenberger, Mr. Sarbanes, Mr. Melcher, Mr. Pell, Ms. Mikulski, Mr. Simon, Mr. Levin, Mr. Dodd, Mr. Burdick, Mr. D'Amato, Mr. Cranston, Mr. Matsunaga, Mr. DeConcini, Mr. Glenn, Mr. Warner, Mr. Dixon, Mr. Cohen, Mr. Chiles, Mr. McConnell, Mr. Specter, Mr. Heflin, Mr. Metzenbaum, Mr. Reid, Mr. Johnston, Mr. Lautenberg, Mr. Murkowski, Mr. Mitchell, Mr. Sasser, Mr. Stennis, Mr. Biden, Mr. Karnes, Mr. Kennedy, Mr. Cochran, Mr. Harkin, Mr. Daschle, Mr. Sanford, Mr. Hecht, Mr. Leahy, Mr. Thurmond, Mr. Pryor, Mr. Wirth, Mr. Rockefeller, and Mr. Bumpers) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. Con. Res. 69

Whereas, it is necessary for the nations defense and development of its foreign and domestic commerce that the United States have a merchant marine sufficient to carry its domestic water-borne commerce and a substantial portion of its water-borne export and import foreign commerce and to provide shipping service essential for maintaining the flow of such domestic and foreign water-borne commerce at all times;

Whereas, it is necessary for the national defense and development of its foreign and domestic commerce that the United States have a merchant marine capable of serving as a naval and military auxiliary in time of war or national emergency;

Whereas, it is necessary for the national defense and development of its foreign and domestic commerce that the United States have a merchant marine owned and operated under the United States flag by citizens of the United States insofar as may be practicable;

Whereas, it is necessary for the national defense and development of its foreign and domestic commerce that the United States have a merchant marine composed of the best-equipped, safest, and most suitable types of vessels, constructed in the United States and manned with trained and efficient personnel who are United States citizens;

Whereas, it is necessary for the national defense and development of its foreign and domestic commerce that the United States have a merchant marine supplemented by efficient facilities for shipbuilding and ship repair; and

Whereas, the changes in United States maritime promotional policies and laws under consideration in the United States-Canadian negotiations on a Free Trade Area Agreement would, if agreed to, seriously undermine the maritime policy objectives of the United States: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring),* That the Congress strongly urges that the Free Trade Area Agreement currently being negotiated by the United States and Canada not contain any changes or revisions to the maritime policy and laws of the United States.

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## SENATE RESOLUTION 273—TO ESTABLISH A SENATE CENTRAL AMERICAN NEGOTIATIONS OBSERVER GROUP

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 273

*Resolved,*

SHORT TITLE

Section 1. This resolution may be referred to as the "Central American Negotiations Observer Group Resolution".

ESTABLISHMENT

Sec. 2. (a) There is established a bipartisan group of Senators to be known as the Senate Central American Negotiations Observer Group (hereafter in this resolution referred to as the "Observer Group"), which shall consist of eight Senators as follows:

(1) the Majority Leader and Minority Leader of the Senate, each serving ex officio; and

(2) six Senators appointed by the President pro tempore of the Senate as follows:

(A) Three Senators appointed upon the written recommendation of the Majority Leader from among Members of the majority party.

(B) Three Senators appointed upon the written recommendation of the Minority Leader from among the Members of the minority party.

(b)(1) The Chairman of the Observer Group shall be designated by the Majority Leader from among the individuals recommended for appointment under subsection (a)(2)(A).

(2) The Co-Chairman of the Observer Group shall be designated by the Minority Leader from among the individuals recommended for appointment under subsection (a)(2)(B).

(c) Any vacancy occurring in the membership of the Observer Group shall be filled in the same manner in which the original appointment was made.

DUTIES

Sec. 3. The duty of the Observer Group shall be to act as a group of official observers as part of the United States delegation to any and all negotiations with the governments of the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua to which the United States is a party and to any multilateral negotiations or discussions dealing with the question of peace in Central America to which the governments of such countries are invited to participate.

STAFF; TRAVEL

Sec. 4. (a) The Observer Group is authorized, from funds made available under section 6, to employ such staff (including consultants at a daily rate of pay) in the manner and at a rate not to exceed that allowed for employees of a standing committee of the Senate under paragraph (3) of section 105(e) of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(e)), and to incur such expenses as may be necessary or appropriate to carry out its duties and functions.

(b) The Chairman and Co-Chairman shall jointly appoint appropriate staff personnel to serve the observer Group, including clerical staff as deemed necessary. The staff appointments shall be made in writing to the Secretary of the Senate.

(c) The Majority Leader and the Minority Leader may each designate one staff member as liaison to serve the Observer Group, and such personnel may be referred to as leadership staff. Funds necessary to compensate leadership staff shall be transferred from the funds made available under section 6(b) of this resolution to the respective account from which such designated staff member is paid.

(d) All foreign travel of the Observer Group shall be authorized solely by the Majority and Minority Leaders, upon the recommendation of both the Chairman and Co-Chairman. Participation by staff members in authorized foreign travel by the Observer Group, access to all official activities and functions by the Observer Group during such travel, and access to all classified briefings and information made available to the Observer Group during such travel, shall be limited exclusively to delegation members with appropriate clearances. No travel or other funding shall be authorized by any committee of the Senate for the use of staff, other than delegation staff, in regard to the activities descibed in this subsection, without the written authorization of the Majority and the Minority Leader to the chairman of such committee.

(e) Of the Members of the Senate, only Senators appointed as members of the Observer Group may participate in official travel and activities of the Observer Group. In the event that either the Majority Leader or the Minority Leader does not travel on an official trip of the Observer Group, he may designate one other Senator not a member of the Group to travel and praticipate in the activities of the Observer Group in his stead.

ACCESS TO AND STORAGE OF DOCUMENTS

Sec. 5. (a) The Observer Group should make arrangements with the Executive Branch to provide, on a confidential basis, access to the record of any dialogue or negotiations that may take place relating to peace in Central America.

(b) Classified and other sensitive materials associated with this Observer Group shall be stored under the administration of the Secretary of the Senate in the Office of Senate Security.

FUNDS

Sec. 6. (a) Such sums as are necessary from the contingent fund of the Senate, out of the Account of Miscellaneous Items, shall be made available to pay the expenses of the Observer Group, upon vouchers approved jointly by the Chairman and Co-Chairman (except that vouchers shall not be required for the disbursement of salaries of employees who are paid at an annual rate).

(b) In addition, such sums as are necessary from the contingent funds of the Senate, out of the Account of Miscellaneous Items, shall be made available for the salaries and expenses of leadership staff designated in section 4(c) (except for expenses incurred for foreign travel).

(c)(1) Such sums as are necessary may be expended by the Observer Group, with the prior approval of the Committee on Rules and Administration, to procure the temporary services (not in excess of one year) or intermittent services, including related and necessary expenses, of individual consultants, or organizations thereof, to make studies or advise the Oberver Group.

(2) Such services in the cases of individuals or organization may be procured by contract as independent contractors or, in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent to the highest gross rate of compensation which may be paid to a regular employee of a standing committee of the Senate. Such contracts shall not be subject to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provisions of law requiring advertising.

(3) The Observer Group shall submit to the Committee on Rules and Administration information bearing on the qualifications of each consultant whose services are procured pursuant to this subsection, including organizations, and such information shall be retained by the Observer Group and shall be made available for public inspection upon request.

## SENATE RESOLUTION 274—AMENDING THE STANDING RULES OF THE SENATE TO LIMIT SENSE OF THE SENATE OR CONGRESS RESOLUTIONS

Mr. PRYOR (for himself and Mr. DANFORTH) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. Res. 274

*Resolved*, That Rule XV of the Standing Rules of the Senate is amended by inserting at the end thereof the following:

"6. On a point of order made by any Senator, no amendment expressing the sense of the Senate or the sense of the Congress, or an amendment to such amendment, shall be received unless the amendment is signed by at least 20 Senators.".

## SENATE RESOLUTION 275—AMENDING THE STANDING RULES OF THE SENATE TO LIMIT TIME ON THE MOTION TO PROCEED

Mr. PRYOR (for himself and Mr. DANFORTH) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. Res. 275

*Resolved*, That (a) paragraph 2 of rule VIII of the Standing Rules of the Senate is amended by striking out the last sentence.

(b) Rule VIII of the Standing Rules of the Senate is amended by inserting at the end thereof the following new paragraph:

"3. Debate on any motion to proceed to the consideration of any matter, other than an amendment to the Standing Rules of the Senate, made at any time other than the morning hour shall be limited to one hour, to be equally divided between and controlled by the Majority Leader and Minority Leader or their designees, at the conclusion of which, without any intervening action, the Senate shall proceed to vote on the motion."

## SENATE RESOLUTION 276—AMENDING THE STANDING RULES OF THE SENATE TO IMPOSE A STRICT 15 MINUTE LIMIT ON VOTES IN THE SENATE

Mr. PRYOR (for himself and Mr. DANFORTH) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. Res. 276

*Resolved*, That (a) paragraph 1 of rule XII of the Standing Rules of the Senate is amended by adding after the first sentence the following: "No roll call vote shall exceed 15 minutes in duration. When 15 minutes have elapsed from the beginning of any roll call the Presiding Officer shall ask if there are any other Senators in the Senate chamber wishing to vote or change their votes. If no Senator answers, the Presiding Officer shall announce the decision and the question shall be decided.".

(b) In order to implement the amendment made by subsection (a), the Committee on Rules and Administration shall establish a system in the Senate chamber to signal the expiration of 15 minutes from the beginning of a roll call vote.

## SENATE RESOLUTION 277—AMENDING THE STANDING RULES OF THE SENATE WITH RESPECT TO THE CONSIDERATION OF AMENDMENTS IN ORDER OF THE SECTIONS OF THE MEASURE BEING AMENDED

Mr. PRYOR (for himself and Mr. DANFORTH) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. Res. 277

*Resolved*, That Rule XV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"6. (a) Each bill, resolution, or other measure, subject to amendment, considered by the Senate shall be open for amendment in the order that sections (or paragraphs, in the case of an appropriation bill or resolution) appear in the bill, resolution, or other measure.

"(b)(1) On a point of order made by any Senator, no amendment shall be received to a bill, resolution, or other measure, or a committee reported substitute treated as original text, unless the amendment—

"(A) amends the section (or paragraph in the case of an appropriation bill or resolution) to which it is offered; and

"(B) relates to the subject matter of the section (or paragraph in the case of an appropriation bill or resolution) to which it is offered.

"(2) It shall not be in order to consider any amendment to a section (or paragraph in the case of an appropriation bill or resolution) to a bill, resolution, or other measure if more than 20 minutes has lapsed following the final disposition of an amendment to the section (or paragraph in the case of an appropriation bill or resolution) under consideration.

"(c)(1) The provisions of subparagraph (a) of this paragraph shall not apply to any amendment which is a technical, clerical, or conforming amendment.

"(2) The provisions of this paragraph may be modified by an order of the Senate.".

## SENATE RESOLUTION 278—TO REFER THE BILL S. 1641 TO THE U.S. COURT OF CLAIMS

Mr. STEVENS submitted the following resolution; which was referred to the Committee on the Judiciary:

S. Res. 278

*Resolved*, That the bill S. 1641, for the relief of Barry W. Jackson of Fairbanks, Alaska and Thomas Fenton of Fairbanks, Alaska, now pending in the Senate is hereby referred to the United States Claims Court and the Chief Judge of the United States Claims Court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code; said court shall file its reports within eighteen months from the dates of filing of Mr. Jackson's petition and Mr. Fenton's petition, respectively, in said court giving such findings of fact and conclusions of law therein as shall be sufficient to inform the Congress of the nature and character of the demands as claims legal or equitable, against the United States, and the amounts, if any, legally or equitably due from the United States to the claimants.

## SENATE RESOLUTION 279—RELATING TO THE ETHICAL CONDUCT EXPECTED OF SENATE POLITICAL COMMITTEES

Mr. KERRY (for himself, Mr. BOSCHWITZ, Mr. BYRD, and Mr. DOLE) submitted the following resolution; which was placed on the calandar:

S. Res. 279

Whereas the practice of selecting our government leaders by election is at the foundation of our democracy; and

Whereas our democratic tradition is strengthened by participation of the largest number of eligible voters; and

Whereas the Senate and its adjunct political committees have a responsibility to encourage voter participation by setting and adhering to the highest possible standard of conduct; and

Whereas such participation is discouraged by negative campaigns and attacks on candidates' character, integrity and patriotism; and

Whereas such attacks and negativism are unbefitting the values and the code of conduct of the Senate and its political committees; and

Whereas such attacks and negativism can only do injury to the democratic process, as well as to the men and women who have chosen to serve as candidates for office: Now Therefore, be it *Resolved*, That it is the sense of the Senate—

(1) The Senate and its agent political committees must be diligent in adhering to a code of conduct of the highest standard, avoiding even the appearance of improper, unethical, or illegal activity;

(2) Candidates and their party committees should engage in positive and constructive campaigns, avoiding negative attacks calculated to impugn the character, integrity or patriotism of a candidate.

(3) The Senate, and the political committees and candidates of both parties must renew their commitment and dedication to winning not only the votes of the citizenry, but the trust and confidence of that body as well.

## AMENDMENTS SUBMITTED

## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS

### REID AMENDMENT NO. 667

(Ordered referred to the Committee on Rules and Administration.)

Mr. REID submitted an amendment intended to be proposed by him to the bill (S. 780) to amend the enforcement provisions of the Federal Election Campaign Act of 1971, as follows:

On page 4, after line 20, add the following:

Sec. 9. This Act and the amendments made by this Act shall become effective on the date of enactment and shall apply to the first Federal election after such date of enactment, and thereafter.

Mr. REID. Mr. President, as many of my colleagues are aware, I have spent the past few months actively campaigning for reform of enforcement of Federal campaign laws.

In part, that drive for reform has been based on my past personal experience with the unenthusiastic approach of the FEC to enforcement of existing law. In part, it arose based on the histories related to me by my colleagues, Democrat and Republican, who underwent similar frustrating experiences.

The overriding factor in drafting the legislation which I call the Fair Campaign Enforcement Act, however, has been that the law is straightforward, fair, and necessary for the protection of our system of electoral government.

Certainly, the proposed revisions are neither difficult to understand nor to apply. They call for tightened enforcement of Federal law, and a realistic avenue to a private cause of action for enforcement where the FEC still doesn't do its job.

Certainly, my colleagues on both sides of the aisle would agree that those revisions are fair. They do not load the process in favor of one party or another. They do not favor one method or another of obtaining funds or spending them. The changes simply call for adequate enforcement of the law of our land.

It strikes me, that for one to believe that such an approach was partisan, would constitute almost an admission that the Speaker believed the party against which he thought the law was aimed was in fact a consistent violation of Federal election laws. If such a situation exists, we can not allow it to continue.

Certainly, the revisions of which I speak are necessary. There is wide agreement in this body, and throughout our Nation, that the Federal election laws are inadequately enforced. At this time various proposals are being discussed to revise the code which governs the conduct of elections. What I am saying to you my fellow trustees of the national spirit, is that we should enforce the laws we have, as well as any we think worth passing in the future. To do otherwise is to show a cynical contempt for our system of law and government unworthy of this great House and each and every Member who serves and has served within it.

I am, however, concerned that some will view this act as one which will permit a party to pursue a past opponent to a greater degree than otherwise possible under present law. While I rather doubt if such a law could be retroactive, the concern is certainly legitimate and I have an easy solution. I am today submitting an amendment to S. 780 to come to the floor at the same time as the bill. That amendment will make it clear, as part of the act, that the new standards proposed are not retroactive.

I have offered this amendment because I feel that passage of this bill is of paramount importance and that the changes it contains are vital to the health of our electoral system. It is offered in the bipartisan spirit with which I hope we can work on all the election reform issues which arise in this 100th Congress; issues which transcend short-term interests and look to our role in strengthening the Nation's electoral system.

It is important, I think, from time to time for each of us remember the body in which we sit, and its responsibilities to the larger constituency; the American people and their future. This bill, S. 780, meets some of those responsibilities, and I hope Members from both parties will join me as cosponsors.

## INDIAN HEALTH SERVICE CLINICAL STAFFING AND RECRUITMENT ACT

### MELCHER AMENDMENT NO. 668

(Ordered referred to the Select Committee on Indian Affairs).

Mr. MELCHER submitted an amendment intended to be proposed by him to the bill (S. 1475) to establish an effective clinical staffing recruitment and retention program, and for other purposes, as follows:

On page 2, line 25, change the period to a semicolon, and add the word and. On page 3, add the following new paragraph:

(4) be employed by the Service on a voluntary basis without a service obligation in a position which qualifies for the purpose of this Act.

### MELCHER (AND INOUYE) AMENDMENT NO. 669

(Ordered referred to the Select Committee on Indian Affairs.)

Mr. MELCHER (for himself and Mr. INOUYE) submitted an amendment intended to be proposed by them to the bill S. 1475, supra, as follows:

On page 3, at the end of line 25 add the following new sentence:

In approving applications for the Loan Repayment Program, the Secretary shall ensure that nurses and other non-physician applicants have equitable access to the loan repayment program.

## MELCHER AMENDMENT NO. 670

(Ordered referred to the Select Committee on Indian Affairs.)

Mr. MELCHER submitted an amendment intended to be proposed by him to the bill S. 1475, supra; as follows:

On page 23, line 15, insert the following new section:

TORT LIABILITY

SEC. 211 Subsection (c) of section 103 of the Indian Self-Determination Act (25 U.S.C. 450g(c)) is amended—

(1) by striking out "The Secretary" and inserting in lieu thereof "(1) The Secretary", and

(2) by adding at the end thereof the following new paragraph:

"(2) For purposes of section 224 of the Public Health Service Act (42 U.S.C. 233(a)), and chapter 171 and section 1346 of title 28, United States Code, with respect to claims for personal injury, including death, resulting from the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations, a tribal organization or Indian contractor carrying out a contract, grant agreement, or cooperative agreement under sections 103 or 104(b) of this Act, the Act of April 30, 1908 (35 Stat. 71; 25 U.S.C. 47) or section 23 of the Act of June 25, 1910 (36 Stat. 861; 25 U.S.C. 47) is deemed to be part of the Public Health Service of the Department of Health and Human Services with carrying out such contract or agreement and its employees (including those acting on behalf of the organization or contractor as provided in section 2671 of title 28) are deemed employees of the Service while acting within the scope of their employment in carrying out the contract or agreement".

## MELCHER (AND INOUYE) AMENDMENT NO. 671

(Ordered referred to the Select Committee on Indian Affairs.)

Mr. MELCHER (for himself and Mr. INOUYE) submitted an amendment intended to be proposed by them to the bill S. 1475, supra, as follows:

On page 11, line 14, add the following new paragraph:

(D) With respect to an individual who is completing advanced clinical education or training to specialize in nurse midwifery, community or public health nursing, as a nurse practitioner, or clinical nurse specialist, the date referred to in paragraphs (1) through (3) shall be the date upon which the individual completes the training required for such degree, except that the Secretary shall, at the request of such individual, defer such date until the end of the period of time (not to exceed 3 years or such greater period of time as the Secretary, consistent with the needs of the Service, may authorize) required for the individual to complete such advanced clinical training or education. With respect to an individual receiving a degree in nurse midwifery, community or public health nursing, nurse practitioner, or a clinical nurse specialist, the date referred to in paragraphs (1) through (3) shall be the date upon which the individual completes the training required for such degree, except that the Secretary shall, at the request of such individual, defer such date until the end of the period of time (not to exceed 1 year or such greater period as the Secretary, consistent with the needs of the Service, may authorize) required for the individual to complete such training. No period of training under this section shall be counted toward satisfying a period of obligated service under this subtitle.

## AIDS RESEARCH AND INFORMATION ACT

## CRANSTON AND OTHERS AMENDMENT NO. 672

(Ordered to lie on the table.)

Mr. CRANSTON (for himself, Mr. MOYNIHAN, Mr. KENNEDY, Mr. WILSON, and Mr. D'AMATO) submitted an amendment intended to be proposed by them to the bill (S. 1220) to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome; as follows:

At the appropriate place, insert the following new section:

SEC. . DEMONSTRATION PROJECTS.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall conduct 3 demonstration projects to determine the effectiveness and cost of providing subacute-care services described in subsection (b) to patients infected with the human immunodeficiency virus (HIV) and the impact of such services on the health status of such patients.

(b) SERVICES UNDER DEMONSTRATION PROJECTS.—(1) The services provided under each demonstration project shall be designed to meet the specific needs of patients infected with the HIV and shall include—

(A) care and treatment of such patients by providing—

(i) subacute care;

(ii) emergency medical and specialized diagnostic and therapeutic services as needed and where appropriate either directly or through an affiliation with a hospital with experience in treating AIDS patients; and

(iii) case management services to ensure adquate coordination with existing services and programs and, through existing services and programs whenever possible, appropriate discharge planning for patients; and

(B) technical assistance, to other facilities in the region served by such facility, regarding education and training of physicians, nurses, and other health-care professionals in the subacute care and treatment of patients infected with the HIV.

(2) Services provided under each demonstration project may also include—

(A) hospice services;

(B) outpatient care; and

(C) outreach activities in the surrounding community to hospitals and other health-care facilities serving patients infected with the HIV.

(3) Demonstration projects may collect payments from patients in accordance with their ability to pay.

(c) DURATION AND LOCATION OF PROJECTS.—The demonstration projects shall be conducted—

(1) during a period of 4 years beginning not later than 9 months after the date of the enactment of this section; and

(2) in sites that (A) are geographically diverse and located in areas that are appropriate for the provision of the required and authorized services, and (B) have the highest incidence of AIDS and the greatest need for subacute-care services.

(d) EVALUATION AND REPORTS.—The Secretary shall evaluate the operations of the demonstration projects and shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

(1) a preliminary report, not later than 18 months after the beginning of the projects, containing a description of the sites at which the projects are being conducted and of the services being provided in each project, and a preliminary evaluation of the projects' experience during their first 12 months; and

(2) a final report, not later than 6 months after the completion of the projects, containing, among other things, an assessment of the costs of subacute care for patients infected with the HIV (including the breakdown of all other sources of funding for the care provided to cover subacute care), a final evaluation of the projects, and recommendations for appropriate administrative or legislative changes.

(e) PROMOTION OF RESEARCH.—Each demonstration project shall promote efforts to obtain funding for research carried out at the site of such demonstration projects for—

(1) clinical research regarding AIDS, with particular attention to research on the neurological manifestations of infection with the HIV; and

(2) the study of the psychological and mental health issues regarding HIV infection.

(f) FUNDING.—(1) To carry out this section, there are authorized to be appropriated $10,000,000 for fiscal year 1988 and such sums as are necessary for fiscal years 1989, 1990, and 1991.

(2) Amounts appropriated pursuant to paragraph (1) shall remain available until September 30, 1992.

(g) DEFINITIONS.—As used in this section:

(1) The terms "patients infected with the human immunodeficiency virus" and "patients infected with the HIV" means persons who have a disease or are recovering from a disease attributable to such persons' infection with the human immunodeficiency virus and, as a result of the effects of such disease, are in need of subacute-care services.

(2) The term "subacute care" means medical and health care services required for persons recovering from acute care episodes that are less intensive than the level of care provided in acute-care hospitals, and includes skilled nursing care, hospice care, and other types of health services provided in other long-term facilities.

(h) SERVICES FOR VETERANS.—The Secretary shall enter into an agreement with the Administrator of Veterans' Affairs under which appropriate provision will be made for the furnishing, through the demonstration projects, of services to eligible veterans under contracts with the Veterans' Administration pursuant to section 620 of title 38, United States Code.

Mr. CRANSTON. Mr. President, I rise to explain an amendment I intend to offer to S. 1220, the proposed AIDS Research and Information Act of 1987 to establish, and authorize appropriations for, three demonstration projects of nursing home care for persons with AIDS. Joining with me as cosponsors of the amendment are Senators MOYNIHAN, KENNEDY, WILSON, and D'AMATO.

I want to congratulate my very good friend, the distinguished chairman of the labor and Human Resources Committee [Mr. KENNEDY] for moving S. 1220 so quickly. As the principal Democratic cosponsor of this bipartisan measure when it was introduced last June, I know the great effort that Senator KENNEDY has made on this bill. It responds to the AIDS crisis in a comprehensive and responsible way, and I am very pleased to support this effort.

Mr. President, the availability of appropriate care and treatment for people with AIDS or AIDS-related complex [ARC] varies widely across the country. With very few exceptions, care and treatment are at best a patchwork of hospital, home, and community-based services. At worst, they are nonexistent. In most places, they are simply inadequate.

In areas where communities have developed care systems outside hospitals, costs for treating people with AIDS have dropped from $140,000 a year to between $30,000 and $50,000 a year. But much more needs to be done to foster the development of those kind of services. I am very pleased that S. 1220 directly addresses this issue by providing grants to States to develop and pay for home health-care services, and I applaud the effort of the chairman and ranking minority member [Mr. HATCH] of the Labor Committee in this regard.

Although the home and community-based services which S. 1220 as reported would promote are badly needed, a pressing need also exists for the development of nursing home care models. Home and community-based care cannot always provide the needed level of attention or medical services that people with AIDS or severe ARC sometimes require. Although these individuals may not need hospitalization, family and community support services are not enough.

Many individuals with AIDS and ARC, particularly those that suffer from neurological complications resulting from infection with the HIV virus, need 24-hour-a-day surveillance that cannot be provided in a noninstitutional setting. Other individuals may not need the high level of care found in a hospital, but may need more sophisticated medical care than can be provided for at home.

Patients with those needs typically are referred to nursing homes. Unfortunately, there is a paucity of skilled nursing or subacute care available for individuals with AIDS throughout the country. Although a very small number of nursing homes have agreed to take AIDS patients, most refuse to do so. This gap in the continuum of care for AIDS patients means that more patients stay in hospitals when they don't need to or that they simply don't receive needed medical and social services.

Even in San Francisco, which has served as a model for providing a coordinated network of community medical and social services to people with AIDS, very little nursing home care is available.

Dr. David Werdegar, director of public health in San Francisco, estimatres that least 7.5 percent of AIDS patients need skilled nursing care at any one time. By the end of this year, 258 people with AIDS or severe ARC in San Francisco alone will be in need of skilled nursing care. That number will surpass 500 in 1991. And that estimate does not take into account the impact of A.Z.T. or other drugs that may be developed to prolong the life of AIDS patients.

Currently, patients who require skilled nursing care in San Francisco are placed in a variety of settings, most of which are inappropriate. For instance, many patients continue to receive care in acute-care settings, because they need a certain amount of medical assistance that cannot be provided for in the community. San Francisco estimates that approximately 12 to 13 percent of the patients at San Francisco General at any one time are in that situation.

Many more AIDS and ARC patients are discharged to their homes, even though neurological complications resulting from the HIV infection or drug addiction make adequate care at home or in a community residential setting difficult or impossible. Most tragic and disturbing are the cases of those individuals who are discharged from the hospital with no home to go to and who, with their tragic vulnerability to life-threatening diseases, are then forced into homelessness.

Mr. President, the city of San Francisco is trying to address that problem. Efforts are underway to convert to a skilled nursing facility the old Public Health Service hospital located at the Presidio that is currently being used by the Army as a language school. This hospital is ideal for use as a regional skilled nursing and training facility. I am pursuing this issue with the chairman of the Senate Armed Services Committee [Mr. NUNN] to bring about a transfer to the city of San Francisco and am hopeful that we can resolve this issue soon. The demonstration project authority we are proposing would provide the basis, along with Medicaid payments, for the operation of this facility as a subacute care treatment center for AIDS.

Mr. President, one of the least understood aspects of AIDS is the effect HIV infection has on the central nervous system. More and more scientists and doctors treating AIDS patients are finding symptoms of neurological dysfunction and dementia. When this occurs, continuous custodial care may often be required. As the 1986 landmark Institute of Medicine report on AIDS pointed out:

> Irrespective of the level of family or social support, these patients can almost never receive adequate care in a community-based setting, because they require 24-hour-a-day surveillance. Because extended care facilities, in almost all cases, refuse admittance to patients with AIDS, dementia will lead to extended use of acute care hospital beds unless alternatives are found.

Our amendment seeks to remedy this situation. It would establish a 4-year—fiscal years 1988 through 1991—program of three demonstration nursing homes for people with AIDS or ARC. It would test the concept of making this type of care available in order to allow more patients to leave the hospital and still receive adequate care. It would also provide for assessing the costs of subacute care for people with AIDS or ARC and the home care rates and other sources of income to cover the costs of providing nursing home care to persons with AIDS, who often have very serious complications.

These facilities would also serve as a training ground for nurses, mental health counselors, physicians, and other health care professionals and paraprofessionals who provide care to people with AIDS. Finally, the amendment would provide for evaluating whether it is more appropriate to establish specialized AIDS centers or units or to provide AIDS patients with care in community nursing homes.

As I noted, earlier, at present, few nursing homes will admit AIDS patients. In many cases, nursing home staffs are not appropriately trained to care for people with AIDS. Other nursing homes refuse AIDS patients because the level of reimbursement under Medicaid is too low. Sadly, it appears that still other nursing homes are denying admittance to AIDS patients out of fear—fear of contagion and fear that their other patients would leave.

At the same time that we try to overcome these barriers, nursing facilities established under the amendment would help provide needed training to health care workers, research on the long-term aspects of AIDS and, most importantly, needed and appropriate services to people with AIDS.

Under the amendment, $10 million would be authorized to be appropriated to establish three demonstration projects. These projects would involve hundreds of AIDS patients and health care workers. Although my original design was for a funding level of $15 million per year—which I still believe is preferable—I have agreed to reduce the level of $10 million in order to receive agreement on the amendment from the chairman and ranking minority member of the committee.

Mr. President, these demonstration projects would fill a major gap in our health care system for people with AIDS. I urge all my colleagues to support this amendment.

## INDIAN FINANCING ACT

### INOUYE AMENDMENT NO. 673

(Ordered to lie on the table.)

Mr. INOUYE submitted an amendment intended to be proposed by him to the bill (S. 1360) to amend the Indian Financing Act of 1974, and for other purposes; as follows:

At the end of the bill, add the following:

SURETY BOND GUARANTEES

Sec. 5. The Indian Financing Act of 1974 is amended by inserting the following new section 217A after section 217:

"Sec. 217A. (a) The Secretary may guarantee and enter into commitments to guarantee a surety against loss as the result of a breach by a principal of the terms of a bid bond, payment bond, or bonds ancillary and coterminous therewith, if:

"(1) the principal is an Indian tribe, an Indian, or an economic enterprise as defined in section 3;

"(2) the contract involved does not exceed $1,250,000;

"(3) the bond is required if the principal is to be a qualified bidder on a contract or a prime contractor or subcontractor on the contract;

"(4) the principal cannot obtain the bond on reasonable terms and conditions without the guarantee;

"(5) there is a reasonable expectation that the principal will perform the conditions of the contract;

"(6) the contract meets requirements established by the Secretary for feasibility of successful completion and reasonableness of cost;

"(7) the terms and conditions of the bond are reasonable in light of the risks involved and the extent of the surety's participation; and

"(8) the guarantee or commitment limits the obligation of the Secretary to 90 percent or less of the loss incurred and paid by the surety as the result of the principal's breach of the contract and includes such terms and conditions as the Secretary may prescribe in general or as the Secretary determines on the basis of the Secretary's experience with the particular surety or, in the case of an application for a guarantee on behalf of an enterprise that is less than 100 percent Indian owned, the guarantee or commitment limits the obligation of the Secretary to not to exceed 90 percent of the contract amount that is proportionate to the percentage of Indian ownership of the economic enterprise.

"(b) The terms, conditions, and procedure prescribed by the Secretary for reimbursing a surety for the losses paid by the surety may include monthly billing by the surety to the Secretary for losses paid by the surety and payment by the Secretary based upon prior monthly payments to the surety, with subsequent adjustments by the Secretary as may be appropriate.

"(c) The Secretary may audit in the surety's office the documents, files, books, records, and other material relevant to a guarantee or commitment to guarantee under this section.

"(d) The Secretary shall establish reasonable fees to be paid by principals and premiums to be paid by sureties and shall deposit them in the Loan Guarantee and Insurance Fund under section 217 of this Act. A guarantee or commitment to guarantee under this section is a guaranteed loan for purposes of section 217 of this Act.

"(e) In this section—

"(1) 'bid bond' means a bond conditioned on the bidder on a contract entering into the contract if the bidder receives the award and furnishes the prescribed payment and performance bonds;

"(2) 'payment bond' means a bond conditioned on the payment by the principal of money to persons under a contract;

"(3) 'performance bond' means a bond conditioned on the completion by the principal of a contract in accordance with its terms;

"(4) 'surety' means the person who (A) under the terms of a bid bond, undertakes to pay a sum of money to the obligee in the event the principal breaches the conditions of the bond, (B) under the terms of a performance bond, undertakes to incur the cost of fulfilling the terms of a contract in the event the principal breaches the conditions of the contract, (C) under the terms of a payment bond, undertakes to make payment to all persons supplying labor and materials in carrying out the work under the contract if the principal fails to make prompt payment, or (D) is an agent, underwriter, or any other company or individual authorized to act for such person;

"(5) 'obligee' means (A) in the case of a bid bond, the person requesting bids for the performance of a contract, or (B) in the case of a payment bond or a performance bond, the person who has contracted with a principal for the completion of the contract and to whom the obligation of the surety runs in the event of a breach by the principal of the conditions of a payment or performance bond;

"(6) 'principal' means (A) in the case of a bid bond, a person bidding for the award of a contract, or (B) the person primarily liable to complete a contract for the obligee, or to make payments to other persons in connection with the contract, and for whose performance the surety is bound under the payment or performance bond. A principal may be a prime contractor or a subcontractor.

"(7) 'prime contractor' means the person with whom the obligee has contracted to perform the contract; and

"(8) 'subcontractor' means a person who has contracted with a prime contractor or with another subcontractor to perform a contract.

"(f) The Secretary, within the 180-day period following the date of the enactment of this section, shall promulgate such regulations as may be necessary to implement this section.".

● Mr. INOUYE. Mr. President, as chairman of the Select Committee on Indian Affairs, I am today reporting S. 1360, a bill to amend the Indian Financing Act of 1974. The Indian Financing Act was enacted in the 93d Congress and was a part of a package of legislation that was intended to stimulate economic activities and opportunities on or near Indian reservations, promote the economic and social well-being of the Indian people, and, along with the Self-Determination and Education Assistance Act of 1975, enhance the ability of the Indian people, through their own tribal governments, to plan and determine their own destinies.

The Indian Finance Act was enacted in recognition of the special problems encountered by Indian entrepreneurs and tribes to gain access to private capital and develop appropriate business enterprises. The act consolidated a number of revolving loan funds that had been established as early as 1934, established a loan guaranty and insurance program, provided for interest subsidies and assistance on administrative expenses, and established a program for Indian business grants.

The bill the Select Committee is reporting today is a modest bill. It will amend the Indian Financing Act of 1974 to increase the limitations on the amount of a loan guarantee for an individual Indian or Indian economic enterprise from $350,000 to $500,000, it removes the restriction on the sale or assignment of loans to financial institutions to allow sale or other disposition of such loans in secondary markets, and it raises the loan guarantee authorization from $200 million to $500 million. The increase in loan guarantee authorization is badly needed since the Department of the Interior is currently approaching that limit.

Mr. President, in the course of our deliberations on the committee, it became apparent that a serious deficiency in the economic development programs at the Department of the Interior is the lack of a program to provide surety bond guarantees for Indian contractors. Inability of Indian contractors to obtain surety bonding has long been identified by these contractors, or potential contractors, as a barrier to their participation in the private economy in a full and meaningful way. There is a surety bond guaranty program in effect at the Small Business Administration. While this has certainly provided assistance to some Indian contractors, nevertheless Indian contractors have continued to have problems obtaining the surety bond guarantees necessary to compete in the market.

In conjunction with the bill I am reporting today on behalf of the committee, I am also submitting an amendment to the bill which I propose offering when the bill is brought up for consideration by the full Senate. I am submitting this bill at this time in order that the public, and particularly the Indian people, may consider the amendment and make appropriate recommendations to the committee.

The Indian Financing Act of 1974 does not provide for guarantees to underwriters of performance bonds who insure contractor performance. Interior Department policy implementing the "Buy Indian" Act (25 U.S.C. 47), while providing for Indian preference in contracting, requires performance bonding of Indian contractors on many kinds of contracts authorized under the broad parameters of that act. In the area of Surface Transportation Act construction, particularly, and in construction of education, medical, residential, and other public facilities, Indian contractors are passed over because of the inability to meet the bonding requirements of 100 percent bond cover. By virtue of language included in the defense appropriation legislation, the "Buy Indian" Act also applies to Department of Defense contracts where bonding requirements could impose an impediment. In addition, the "Buy Indian" Act can be utilized by other Bureaus within the Interior Department, the Indian Health Service at the Department of Health and Human Services, and possibly other agencies, but these contract opportunities will also require surety bonds.

Providing a performance bond guarantee will have an immediate impact on Indian involvement in construction activities and provide an incentive to buyers and procurement agents to purchase goods and services from Indian businesses. The provisions in section 5 of this bill are modeled on the Small Business Administration Surety bond guarantee program.●

## ADJOURNMENT OF THE CONGRESS UNTIL SEPTEMBER 9, 1987

### BYRD AMENDMENT NO. 674

Mr. BYRD proposed an amendment, which was subsequently modified, to the concurrent resolution (H. Con. Res. 175) providing for an adjournment of the Congress until September 9, 1987; as follows:

Strike all after the resolving clause and insert in lieu thereof the following:

"That when the Senate adjourns on Friday, August 7, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 10:00 o'clock a.m. on Wednesday, September 9, 1987, or until 12:00 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first, and that when the House of Representatives adjourns on Friday, August 7, 1987, or Saturday, August 8, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12:00 o'clock meridian on Wednesday, September 9, 1987, or until 12:00 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

Sec. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it."

## AUTHORITY FOR COMMITTEES TO MEET

### SUBCOMMITTEE ON SECURITIES

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Friday, August 7, 1987, to conduct hearings on the SEC proposal to define insider trading.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

### INTERNATIONAL SPECIAL OLYMPICS WEEK

● Mr. BINGAMAN. Mr. President, this week has been International Special Olympics Week. And, I would be loathe to let the week end without some acknowledgment of its importance.

The Special Olympics is, indeed, special. It is special, not only because it is the largest year-round program of sports training and competition but, because of what it means to over 1 million athletes who compete in the games. The competition helps each of these athletes form a healthy self-image with which to build a positive environment at home and work. It helps them to realize their potential and meet their life goals.

The International Special Olympics was founded by Eunice Kennedy Shriver. It started small, with just 100 children and 100 volunteers. Over the years it has grown to include over 1 million child and adult athletes, ages 8 to 80; and over one-half million volunteers. Every State in the union and over 70 countries boast Special Olympic athletes.

This year, the International Summer Special Olympics is being held in South Bend, IN. Thirty-five athletes from my home State of New Mexico will be involved in this competition. In New Mexico, we are very proud of our Special Olympians—the 35 who are in the International competition in South Bend as well as the 2,500 to 3,000 athletes from our State who were not. I am pleased to serve on the New Mexico Special Olympics Board, and I am hopeful that the New Mexico Special Olympics can continue to send althletes to these games every year in the future.

I applaud Senator Lugar for sponsoring the Senate Joint Resolution 85, which has become Public Law 100-75, commemorative resolution, and I offer my warmest congratulations to each Special Olympic athlete.●

### TRIBUTE TO GLEN TAYLOR, MINNESOTA STATE SENATOR

● Mr. DURENBERGER. Mr. President, the people of Minnesota are proud to have a diverse group of State legislators from numerous professions, in fact, they accurately reflect the type of work performed in the State. Today, I would like to address the accomplishments and success of one Minnesota State Senator in particular, Glen Taylor.

Glen, who represents an area of south central Minnesota including the city of Mankato, was recently recognized by Corporate Report Minnesota with the distinguished honor of "Executive of the Year," for the application of the business sense he has acquired as owner of Taylor Corp. to his efforts in the Minnesota Senate. In his service to the State, he has addressed key issues like unemployment compensation, post-secondary education and legislative rules.

Though he uses these business skills to the advantage of all in the State, he is not the type of person to bring his business involvement onto the Senate floor. Glen has effectively found a way to wear two hats—business and legislative. I know he has succeeded in both.

There is a great number of astute, concerned individuals who would never consider giving their time to serve the State in which they live. In recognition of Glen's achievements both the St. Paul and Mankato—and the subtle manner with which he applies his business sense and experience to the legislative process, I would like to submit for the Record the Corporate Report Minnesota article which details Taylor's efforts and achievements.

The article follows:

[From the Free Press, Jan. 31, 1987]

EXECUTIVE OF THE YEAR: GLEN TAYLOR

(Editor's Note: The following story, written by Jay Novak, is reprinted from the current issue of "Corporate Report Minnesota" magazine. The magazine chose local businessman Glen Taylor as the "Executive of The Year." Taylor was honored at a banquet hosted by the magazine in Mankato last week)

Senator Glen Taylor recalls being "kind of quiet" in his first two years at the Minnesota Capitol, during the legislative seasons of

1981 and 1982. "I got my local issues taken care of, but I thought you should listen and learn and try not to upset things," he says. Soon he had established a reputation as someone who took his committee assignments seriously, came prepared to hearings, asked smart questions and gave informed answers. If he hadn't, James Ulland would not have appointed Taylor assistant minority leader at the start of the 1983 session, and his Republican colleagues would not have elected him Ulland's successor as minority leader in 1985.

Taylor had operated a successful business in the central Minnesota city of North Mankato before becoming a senator. It was evident to Ulland, who is now senior vice president for corporate relations at First Bank System, that while Taylor "was learning the legislative process, he already knew the management process." It was also evident early to Ulland that Taylor was a "consensus builder"—someone who shares both important responsibilities and credit for accomplishments; "The result," says Ulland, "is that other people develop skills more quickly, and ultimately he has a better team."

Gene Waldorf, a DFL senator from St. Paul, affirms that Taylor seems "absolutely not" interested in getting recognition for his legislative work. If he were, Waldorf says, he would never have sought a position on the Education Division of the Senate Finance Committee. The subcommittee, which Waldorf chairs, sets appropriations for the University of Minnesota, Minnesota's state university system and the state's 18 community colleges and 30 vocational and technical institutes.

Taylor calls it "a super [sub]committee to be on, because there are just a few of us." Waldorf, a 3M engineer, says that it's super for legislators who want to commit a lot of time to work of some consequence, but that it's a poor assignment for someone trying to impress the folks back home—especially poor for anyone interested in running for a higher office. The nine-member subcommittee's biennial budget of $1.9 billion is close to 20 percent of all state expenditures, but the work that it does seems nearly invisible. Few reporters drop by, especially television reporters.

Taylor is a member of the Rules Committee. Because he believes that education "is probably our greatest resource compared to other states"—in college, he planned to become a math teacher—he is also a member of the Senate Education Committee, which deals with public schooling from kindergarten through high school. After six winters in the Legislature, he is most proud of having sponsored and gotten carried a measure establishing engineering schools at the University of Minnesota-Duluth, St. Cloud University and Mankato State. Because of Taylor's bill, those schools had combined enrollments of more than 1,260 engineering and preengineering students early last fall.

Business issues comprise Taylor's other broad area of interest in politics. "I've concentrated on education and business because the two, to me, are so tied together," he says. "Having an engineering school for Mankato is not just education, it's an opportunity for southwest Minnesota . . . We have a tough time getting companies there, because what do they do for continuing education [for employees]?" For his first four years in office, Taylor was a member of the Senate's Employment Committee, which deals with issues of employee relations, including workers and unemployment compensation programs. "Those were subjects I had a background in from my daily work," he says.

Not many lawmakers or lobbyists from labor and business groups would guess that Taylor has any background at all in those subjects beyond his legislative committee work. He seldom discloses that he did graduate work at the Harvard Business School a few years ago, or even that he owns a business. Robert D. Anderson, who, for a four-year period that ended last month, was chief of staff of the Senate's Independent-Republican caucus, says that until Taylor became minority leader, other lawmakers "knew nothing of his business; they didn't know he had one." Now, Anderson says, "most of them don't know the nature of it, and he never tells them."

A few of those senators are likely to have read this far thinking that Taylor is being designated *Corporate Report Minnesota's* 1987 Executive of the Year for mainly reasons that have to do with his duties at the Capitol. If so, they are in for a surprise. His selection, by consensus of the editorial staff, is based in part upon his commitments to community service, including his legislative work, but mainly on his accomplishment in business—in the past year or so, and in the course of his career. He would tell you, however, that the two would be hard to separate.

The nature of Taylor's business is specialty printing. Among the things that Taylor does not tell his Senate colleagues, is that the Taylor Corp. is the nation's largest printer of wedding stationery, which includes invitations, response and reception cards, thank-you notes and church programs If you receive a wedding invitation mailed from anywhere in the United States, the chances are better than 50 percent that it was printed by one of 20 wholly-owned subsidiaries of the Taylor Corp. If it was mailed from Minnesota, North Dakota, South Dakota or Iowa, the chances are better than 80 percent that Taylor printed it.

The chances are also good—though not nearly 50 percent—the Taylor Corp. subsidiary printed your business card or your company's letterhead stationery. Taylor Corp. subsidiaries are located in 11 states plus the city of Winnipeg, although the biggest of them by far is Carlson Craft of North Mankato, whose 1,500 employees process 5,000 printing orders a day, six days a week. Among the corporation's other products are personal stationery, graduation announcements. Christmas cards and wedding accessories, (including printed napkins, engraved stemware and personalized gifts for wedding attendants.)

Taylor offers a single simple reason for keeping those facts from his fellow legislators: "I sort of wanted to come to the Legislature as Senator Taylor.

"I didn't want anyone to think that I am just speaking as a businessman. I wanted to show that there needn't be a business viewpoint versus an employee viewpoint. I've tried to break down that kind of thinking, though I've failed in that area. . . . I suppose," he hesitates, "that when I speak on business issues, I am speaking as a businessman; that's what I am. But I am also speaking as a person with a lot of employees, and I want laws to protect them." He adds: "I mean it wasn't that long ago that I was an employee."

There is at least one Minnesota lawmaker and more than one member of the Minnesota Business Partnership who have lectured in Taylor's presence about the naivete of politicians who've never had to meet a payroll. They would not have known that Taylor has nearly 4,000 employees, and that during the pre-wedding season employment peak next spring he will have at least 300 more. Only five other privately-held companies headquartered in Minnesota have more than 4,000 employees (Cargill, the Carlson Companies, S.J. Groves & Sons, Schwan's Sales Enterprises and Lifetouch). Only two Minnesota companies headquartered outside of the Twin Cities area have more than 4,000 employees (Schwan's of Marshall and George A. Hormel of Austin).

Twelve years ago, when Taylor bought controlling interest in the company from its founder, its annual revenues were approximately $6 million. Since then, its product expansions, acquisitions of other companies and a series of start-ups have resulted in a compound growth rate of slightly more than 33 percent a year—never less than 20 percent in any one year and never by as much as 40 percent until 1985, when revenues spurted upward by more than 50 percent to $200 million. "We've sort of aimed for a 25 percent-a-year increase," Taylor says.

In November, Taylor said that the company was sure to achieve that rate of increase for 1986, when the annual sales of the company (not including the revenues of the bank, the engineering company, and the Post-It Note printer), woud exceed $250 million. If acquisitions that were pending in late November were consummated by the end of December, the company will all but have assured a 25 percent growth rate again in 1987.

The company's 12-year surge of growth has been achieved with an unusually youthful group of top managers who are unusually active in community service organizations—especially the Mankato area Chamber of Commerce, Jaycees, YMCA and United Way, which are all organizations that occupied much of Taylor's time before he became a legislator. The growth also took place while the company has paid its production employees higher wages than most manufacturers in outstate Minnesota and provided its employees with an exceptional employee benefits package that includes pension and profit-sharing plans for all employees. Except for several Twin Cities hospitals, the company was until last month, the only corporation in Minnesota running an on-site day center for children of its employees.

Most remarkably, the Taylor Corp's growth in the past dozen years has been achieved with minimal financial leverage. Company officials will not reveal specific earnings figures, but they will say this: Not only has the company been profitable in every year since Taylor bought controlling interest—as it was for at least a decade before his purchase—its profits have been sufficient to finance its own expansion. The corporation has made a dozen-and-a-half acquisitions of operating production plants since 1975, none of them with borrowed money. "We've had the seller carry us for a while a few times," Taylor says, "but we've never had to get money from a bank."

Meanwhile, an emergency cash reserve fund of more than $5 million—how much more, Taylor won't say—has been built up, at his insistence. "I'm very conservative," he says. "I always think about what if we had a year when we didn't make any profits. Maybe I'm too conservative."

Al Fallenstein doesn't think so. Fallenstein, the executive vice president and chief financial officer of the Taylor Corp., says that when companies "get to be highly leveraged, they play games to show a profit." Taylor won't tolerate games: "For example, if we have a doggy inventory, we write it off." The company does not concern itself with avoiding taxes, Fallenstein says. "We just say, 'Let's not worry about the tax consequences; let's make a profit and pay our taxes.'" The company has probably missed opportunities to invest in real estate to depreciate against earnings, he says. Fine, he says; that means it isn't tempted to buy real estate it doesn't need. "We don't want to muddy up what we do," he says. "It's just easier to manage that way.

"To me, it's like we're saying, 'Let's not screw this thing up,'" he says. "We have a lot of good people working for us, and we're responsible for them. They can screw up orders and lose business for us, but if we screw up we cause bigger problems. Look at all the cars in the parking lot; they represent a lot of car loans, and there are a lot of house loans.

"We are conservative," Fallenstein continues. "That's because this [company] isn't something to play with and feed our egos with.

"Of course," he adds, "what I'm saying all comes from Glen."

There are a few key managers in the Taylor Corp. who wonder if Glen Taylor hasn't been screwing up things at the company by agreeing to be interviewed for this article.

A 4,000-employee corporation isn't easy to hide from public view, but the Taylor corporation has done its best to keep out of sight, not only from Glen Taylor's associates in politics, but from the news media. Company officials have spoken with reporters about the company's day-care facility, but little else. Because its subsidiary companies are dispersed widely—and because they not only have dissimilar names, but actually compete with each other for customers—the parent company can appear to be much smaller than it actually is.

The company's managers have regarded that as an advantage. "We're a very service-oriented company," Taylor explains. "There's a perception that if you're a little smaller, you care about your customers more—or your suppliers, or employees. We'd hate to have someone say, 'Well, they're so big they don't need our business.'" Another fear is that Taylor's own employees could become complacent: "They could think, 'This customer is small, so we don't need him,' that sort of thing," Taylor says. Says Fallenstein: "People think we've got some secret patent, or that we can sell something no one else can sell. But even in Mankato, our competitors can sell the same things we do for approximately the same price. When we were small, we knew that the only way to be successful was through quality and service, and it still is."

Most of the company's products are sold through independent vendors—including commercial printers (for whom an order of wedding invitations is little more than a nuisance), and bridal, card-and-stationery and gift stores. Many of those kinds of stores will have several 6-inch-thick sample books from one or several Taylor subsidiaries for their competitors. In exchange for logging an order and mailing or phoning it in, the printer or retailer will get 50 percent of the cost of the order.

If an order is placed by mail, it is processed and shipped the following day, usually by United Parcel Service. If a special request is telephoned in by 1 p.m. it will be shipped out on the same day. If a mistake is made in the printing, no matter whose fault it is, Taylor will reprint the order promptly and not charge the dealer. "Our forte is handling large volumes of custom orders in a short period," says Stafford Harder, 34, the vice president of operations for the company. "Red-tag service is a promise we make to our dealers . . . . We get almost to the point of becoming unreasonable with ourselves."

Each shift, he says, "has what we call a walk-through team that does nothing but coordinate orders with unreasonable service dates; we get hundreds of orders like that every day." A typical order is $30 to $40. Usually, eight or more orders for printing on a particular type of paper will be ganged together for economy, but "we won't delay a run for lack of volume," even though that is likely to mean losing a few dollars per order. Do orders for wedding invitations really need to be treated like emergencies? "It's psychological," Harder says. "You order something, you want it right away."

Besides, he says, prospective brides and their mothers—that's who order most wedding invitations—have enough things to worry about without having to wonder whether their invitations might arrive late, or if they'll be printed with mistakes. Moreover, if problems arise, the customers will blame the dealers, who can affect how much repeat business Taylor gets. "If we don't treat the dealer right, he'll put our sample book under the counter and show our competitors' [book]," Harder says.

Harder started with the company 16 years ago, when he was a freshman at Mankato State College. Two years later, he was made a supervisor, which required him to work "40-plus" hours a week. That forced him to delay his college graduation by a year, but it was okay with him because he was "getting my career started."

Dozens of other employees of the company got started in their careers while they were college students. Even though the company has plants in 11 states, 67 of its top 100 managers are graduates of either Mankato State or the Mankato Area Vocational and Technical Institute who worked for the company while they were in school. One of them was Glen Taylor.

Taylor was the second of seven children raised on a small southwest Minnesota farm, five miles outside of Comfrey, a one-streetlight outpost of perhaps 200 families. His parents worked, but did not own, 160 acres that would today be rare for their diversity of crops; the Taylors raised oats, corn, soybeans, alfalfa and livestock—always hogs and cows, and in most years, sheep and chickens. One of Taylor's three daughters (he also has a son) now lives on a hobby farm that he owns outside of Mankato, where he raises several horses, geese, ducks and what his brother Larry describes as "every kind of strange chicken you can think of—everything but white."

"He likes the land," says Larry Taylor. "He likes putzing around, digging, gardening. Last weekend he was with a brother-in-law combining corn." Glen "would have been a good farmer," Larry Taylor says. "I think he would have been successful at anything he did."

For a year, his first out of high school, Glen Taylor was a full-time farmer. Already married—his wife, Glenda, had grown up on a farm adjacent to the Taylors'—Taylor operated the family farm when his father became a seed distributor. When he and Glenda moved to Mankato in 1959 so that Taylor could attend Mankato State, the farm was leveled and turned into a 160-acre cornfield.

Needing a part-time job, Taylor applied at Carlson Wedding Service, an 18-person outfit operating in a building that has since become the Mankato Salvation Army Store. He was told there were no openings. He left. Before he got to the highway, he was called back to talk with Bill Carlson, the owner. He was about to take his first vacation in years and he had decided that it wouldn't hurt to have an extra person on hand in case someone quit. "You look like you really need a job," Carlson added.

Carlson and his wife had started the company as a mimeograph service after World War II, taking the idea from a U.S. Chamber of Commerce manual called *Small-Business Ideas for Returning Servicemen*; soon he had branched into selling custom-printed wedding invitations and other specialty products. Taylor was put to work at a napkin-stamping machine, the least desirable job in the company. When another student was away for a few weeks, Taylor was put temporarily in charge of the stockroom. After revamping the company's method of keeping track of inventories, he was put permanently in charge of the stockroom. He then impressed Carlson by instituting some new procedures for ordering supplies.

When Taylor was about to graduate—in 1961, a full year ahead of the rest of his class—Carlson asked him to stay on and help manage the company, which had been expanding since about the time that Taylor arrived. Carlson had invested $10,000 in a new catalog in 1959, and it had increased his business by 49 percent. Thermography, or "simulated engraving," as Carlson calls it (a process for producing raised lettering in which ink is laid on paper and a fine plastic powder is laid on the ink; when the paper is heated the plastic melts in place), was growing in popularity, and Carlson was one of many printers taking advantage of the expanding market.

Modern Mathematics, a new method of teaching math that had been developed at the University of Illinois, was just being introduced to public schools. Because Taylor had done practice teaching at junior high school where Modern Math was being taught, he received invitations to apply for teaching jobs at many of the best schools in Minnesota. Carlson encouraged him to go to the interviews; he would match whatever salary Taylor could get by teaching, he said.

Taylor received several offers, "but I decided I would rather stay with Mr. Carlson," he says. "If I was teaching; I would not want to be teaching; I would want to be principal, superintendent, something like that. Here I would be second from the top." He told Carlson he didn't have to match his best teaching offer. "Whatever someone else offers me doesn't matter," he said. "I know you'll be fair."

Carlson wrote down a figure on a piece of paper.

It was $4,200.

Taylor thanked him. Later, it occurred to him that $4,200 was probably only $800 less than Carlson had been paying himself after running the company for 14 years.

"But I had not had any offers that low," Taylor says.

Carlson built a new building in North Mankato soon after that—and he expanded it three times in the next 12 years, as his company grew to more than 500 employees.

Cautiously, and often at Taylor's urging, he added new product lines—new colors and styles of wedding invitations. At the time Taylor started with the company, wedding invitations were invariably white; "You were really daring if you had ivory," Taylor says. Carlson, however, was persuaded to sell invitations on blue paper and pink paper. Where he had offered a choice of two texts—one for Protestants and one for Catholics—he was soon experimenting with contemporary texts, colored inks, and coordinated designs of invitations, reply cards and thank-you notes.

"We hit it just right," says Taylor. "People wanted something different; they wanted to choose." Meanwhile, thanks to an expansion of United Parcel Service deliveries throughout the Midwest in the 1960s, the company was able to reach a broader customer base than it could in the previous decade. "Without that," says Taylor, "we probably could not have grown much."

In 1967, when he was 52, Carlson made what he says was "the single most important business decision I have ever made, next to the idea of starting the business itself." He decided to sell shares in his business to three key employees, who would become eligible to succeed him when he decided to retire. One was Taylor, who had been placed in charge of inventories, purchasing, and some marketing functions. The others were Jim Holland, who headed the administrative and clerical staffs, and Merlyn Andersen, who ran most of the printing operations.

When Carlson did retire in 1974, he sold his majority interest to Taylor—with the acquiescence of Andersen and Holland, who also sold Taylor part of their shareholdings. Both are still with the company, however; both, in fact, own significant minority interests in the company. Says Andersen: "In 1974 we had to decide among the three of us who would be the boss, and the best person for the job was Glen Taylor." Taylor, he says, had up to that point been "especially instrumental in the growth of the company. He was probably the best motivated. He wasn't afraid if he had an idea to go ahead and make it work. We had a lot of competitors bigger than us, but he was not afraid to go head-to-head with those guys, to learn what they do and how to do it better."

Andersen remembers an occasion when Taylor, probably in his 20s at the time, talked about the costs and use of space in one room of a production plant—about the ways the room could be better used to justify the cost, about uses that wouldn't justify the cost, about when it makes sense to add on to existing space. The details of the conversation are fuzzy but Andersen remembers being impressed by Taylor's "ability to sit back and look at the whole thing." Some people, he says, "don't take time to plan ahead; they just keep working hard. But Glen always looks at the big picture."

The picture got bigger after Jan. 1, 1975, when Taylor took possession of Carlson Craft, which was soon to be a subsidiary of the Taylor Corp. In April he hired Al Fallenstein, a Mankato native who had moved on to Salt Lake City and then to Sioux City, Iowa, before helping to set up the Minnesota Housing Finance Agency in St. Paul. Hiring Fallenstein was an exception to a policy now established, of promoting key managers from within; Taylor told Fallenstein that, but said that a growing company would need an experienced comptroller. Taylor bought another company the following August.

McPherson's Inc., a 45-employee producer of wedding stationery in Sunman, Ind., had seen sales and profits decline for four years. The owner wanted his son to take over the business for him, but the son wasn't interested; the employees, worried about dealing with the son, had petitioned for a union election. The owner called it a betrayal. The negotiations for the sale went quickly. When they were done, the seller said to Taylor: "I'm never going in there again."

And he didn't. Taylor introduced himself to the employees the next day. "You want security," he said, "and security comes from company growth. . . . I'm here to help you grow." Three weeks later, the petition for a union election was rescinded. A former press operator was named plant manager. McPherson's now has 135 employees; its revenues and its employment rolls have grown every year.

In subsequent purchases—many of them negotiated by Fallenstein—Taylor has invariably promised sellers of family-operated firms that he would retain their employees (although not all managers) after the sale. If the seller cares about that, the employees are likely have been treated well enough to "be loyal and stay with it," Taylor says, "I tell them, 'If you don't care, maybe I'm not the guy who should buy the company.' " Of course, by making that promise—and by paying cash—"it means maybe I don't have to pay top dollar," Taylor says. That, of course, can mean more purchases.

Brad Schreier, president of the Taylor Corp., says that in the late 1970s, Taylor "handpicked a dozen or so managers that he wanted to groom" for bigger jobs. One was Schreier himself, who grew up in the southwest Minnesota city of Currie (population about 180) and worked for Taylor while attending Mankato State. "I think he picked people like himself intentionally," Schreier says "He picked people who were younger and willing to make some sacrifices, from small towns, and with not a lot of formal education. He looked for a strong work ethic.

Schreier says that Taylor "asked a lot" of his managers—making it clear that "no matter how good we did, we could do better. You could work a 100-hour week—and I'm not exaggerating—and there was never even a matter of discussion about adding managers. You just had to do more and more . . . Of course he worked every bit as much as anyone."

Schreier was made president of the company a year ago, at age 34. Actually, he was given the title a year ago. Two years ago, Taylor told him to assume the responsibilities for a year, and if everything worked out, the title would come later. "I've had that discussion before," Taylor says. "That way, if it doesn't work, no one gets embarrassed by having a title taken away." Schreier concedes that it is unusual to have a 35-year-old former napkin stamper presiding over a 4,000-employee company, but "I feel like I got 20 years of experience in the last 10 years," he says. In the print shop, vice president for operations Stafford Harder says much the same thing: "I feel like he [Taylor] has made me into all the manager I could be in the last 16 years.

Says Al Fallenstein: "All of us guys think we could run the company."

"That's why I ran for the legislature," Taylor says. "Sure I believe in service and I wanted to learn, but I thought it was consistent with the needs of the company. I had gotten really strong people . . . but was still sort of interfering with them. I had to get out of their way. The only other way was to take long vacations or go golfing, and I wasn't willing to do that.

"I am a hands-on type of person, and I was involved with everything. I knew that if this company was going to keep growing, it was going to have to go from an entrepreneurial sort of company to one where the managers had more lee-way . . . I thought that, given the opportunity, they would blossom, and I was right in that."●

## A COMPASSIONATE AND UNIFYING FORCE IN LEBANON

● Mr. SIMON. Mr. President, we all continue to be deeply concerned about the continued strife in Beirut, and the drastic economic situation faced by Lebanon. When Lebanon appears in the papers, it is always bad news.

Recently, I had the chance to become familiar with a program which offers hope that, with time and international support, Lebanon can begin the road back to stability. It will be a long road, and the prospects are by no means clear. But it is clear that there are organizations which are committed to helping Lebanon move toward peace and productivity.

One of these organizations is the YMCA in Lebanon. My office was recently visited by Mr. Ghassan Sayyah, the Director of the Lebanon YMCA. Pulling together a number of funding sources, including a grant from the Agency for International Development, the YMCA is providing services to individuals and communities, regardless of their religious or political beliefs.

Let me cite a few of the services provided by the Lebanon YMCA throughout the country:

### VOCATIONAL TRAINING AND REHABILITATION

The YMCA started a program in 1978 offering young people a 3-month crash course in a variety of skills including carpentry, tiling, plumbing, plastering, brick laying and electrical work. Over the course of the program 18,000 young people have received training, and the vast majority are working in the Lebanese building and construction fields today.

### RELIEF ASSISTANCE

The YMCA provides immediate relief assistance, including food, medicine, clothing, fuel for heating, and shelter to needy and displaced families throughout Lebanon. In some instances, the YMCA works with private voluntary agencies to provide the relief. In other, more critical instances, the YMCA staff and volunteers distribute commodities directly. This program has reached over 236,000 individuals.

### WAR AFFECTED CHILDREN'S PROGRAMS

This summer, the YMCA will be taking 6,000 children affected by the war to both resident and day camps. The children will have the opportunity to participate in educational recreation, health education, reconciliation programs, sports and nature activities. Along with this, the YMCA offers leadership training to the 600 volunteers working with these children. Here again, the children participating represent all geographic, political and religious parts of Lebanese society.

Mr. President, I know my colleagues join me in saluting Mr. Sayyah and his staff and volunteers in Lebanon, for their compassion and courage in providing necessary services and hope to the people of Lebanon. And, I also applaud our own Agency for International Development for its continued support for many of the programs administered by the Lebanese YMCA.●

## BETHEL GRAD CARVES A NICHE IN HISTORY

● Mr. DURENBERGER. Mr. President, we are surrounded by the art and architecture of this Capitol, paintings and statues and rooms where the history of the Nation has been shaped. But we are often too busy to stop and appreciate it.

I recently came across an article which made me more aware of how the living tradition of the Capitol is formed. It describes the work of an accomplished young sculpture, Judson Nelson, who is creating a bust of former Vice President and U.S. Senator from Minnesota Walter Mondale which will be on permanent display in the Capitol. As my colleagues know, a bust of Hubert Humphrey now stands only a few yards from here, just off the Senate floor. The people of Minnesota take pride in their contributions to National Government, and welcome the recognition of that service through the busts of these two outstanding public servants.

Mr. Nelson attended Bethel College in St. Paul, MN, and graduated in 1966. The alumni magazine, the Bethel Focus, produced the following article, which I ask be included in the Record.

The article follows:

[From the Bethel Focus (St. Paul, MN), August 1987]

### Bethel Grad Carves a Niche in History

Sculptor Judson Nelson comes highly recommended, and at the top of his list of references is Walter F. Mondale, former vice president of the United States.

Mondale recommended the Bethel College grad to create a portrait bust to join those of 37 other vice presidents on display in the Senate and nearby corridors of the Capitol.

Mondale credits his wife Joan for introducing him to Nelson and says the sculptor's work "spans a broad range of exceptional creative endeavor."

"It has been the highlight of my career," Nelson says, "working with Walter Mondale, creating his bust for the Capitol building."

The experience was a first for both the former vice president and the sculptor. Mondale had never posed for a sculptor before; Nelson had never created a three-dimensional portrait in marble. But what the pair may have lacked in experience, they made up in enthusiasm. "Fritz worked with me in the studio with equal determination," Nelson recalls.

The bust is a life-like representation of Mondale—even down to his wry smile. "I knew from the start a smile would be in order," Nelson explains. "The natural and genuine Fritz Mondale smile reflects his positive attitudes toward life and his politics."

A portrait bust is developed in three stages—clay, plaster, and marble. It's a process that Nelson likens to writing, memorizing, and delivering a speech. He intends to deliver his sculpted, marble "speech" to the Capitol this fall, where it will be on permanent display in the Senate wing. The bust of Mondale will join works by other noted sculptures, including Augustus Saint-Gaudens and Daniel Chester French.

Nelson is one of only a handful of contemporary artists who work directly in marble. He selected the stone—a rich, warm, white Carrara statuario—from a quarry in Carrara, Italy.

Nelson has received other major commissions. He created a heroic figure in bronze of an astronaut for the Gerald R. Ford Museum in Grand Rapids, Michigan. At the dedication ceremony, President Ford said he was "tremendously impressed and proud to have 'Man in Space' as a part of the Ford Museum."

Nelson's work is also included in the permanent collections of the Walker Art Center in Minneapolis and the Solomon R. Guggenheim Museum in New York City. His pieces have appeared in exhibitions at the Hirshhorn Museum and Sculpture Garden in Washington, DC; the Pennsylvania Academy of Fine Arts in Philadelphia, PA; the Oakland Museum in Oakland, CA; Wave Hill in Bronx, NY; Hammarskjold Plaza Sculpture Garden in New York City; the Richmond Museum in Richmond, VA; and the Renaissance Society at the University of Chicago.

"I discovered I was an artist as a student at Bethel," Nelson says. He is grateful for the unique relationship he was able to develop with Eugene Johnson, his first art professor. "Eugene Johnson let me take over a corner of the studio and do what I wanted to. I'll never forget that."

Nelson says of his work, "Carving is my approach to form. My work is based on direct observation, line for line, fold for fold."

It's clear that his eye for detail has helped Judson Nelson carve a niche for himself in the art world—and in history.●

## NEW JERSEY'S MANYA UNGAR TO HEAD NATIONAL PTA

● Mr. LAUTENBERG. Mr. President, I am pleased to recognize Mrs. Manya Ungar of Scotch Plains, NJ, for her election as national president of the Congress of Parents and Teachers, known as the National PTA.

Mrs. Ungar has served the New Jersey and national PTA diligently since 1958. She has chaired and served on many PTA committees on the local level, on the county level in Union County, and on the State and National levels. In the past, she has served as president and vice president of the PTA at all levels. Mrs. Ungar has represented the National PTA on several organizations and was the Governor of New Jersey's representative on the Task Force on New Jersey Minimum Competencies and Standardized Testing. Through these years of service, Mrs. Ungar has developed a thorough understanding of and commitment to children and the issues that affect them.

Through her dedication, integrity, and experience, Mrs. Ungar has earned the respect of Federal and State officials, professional educators, and members of the business community. In 1982, she was the first woman to receive the New Jersey Jaycees Outstanding Citizen Award, and from 1978 to 1982 she was the first woman, and 1 of only 12 laymen, to be appointed by the New Jersey Supreme Court Justice to the New Jersey Bar Association Ethics and Fee Arbitration Committee. In 1985, Mrs. Ungar won the New Jersey Women in Education Award, and, a year later, was appointed to the board of directors of the New Jersey Public Education Institute. Twenty-eight States and the European Congress have recognized her dedication to the PTA by granting her honorary life membership or special service awards.

Mrs. Ungar's intelligence and determination are manifested in many areas aside from the PTA. She has had experience as a concert classical pianist, radio and TV actress, and singer. She was a founder of and co-producer/director at the Summer Musical Theatre Workshop in Scotch Plains. Mrs. Ungar has worked for the New Jersey Commission for the Blind, Boy Scouts of America, and the League of Women Voters. Her recognized hard work for organizations other than the PTA is a tribute to this multitalented individual.

This remarkable record of service has been amassed with the support of her husband, Skip, and two sons, Paul and Michael. She is loved and respected by her family and her peers, and possesses all the qualities one could desire in a national PTA president and in an American citizen. The honor Mrs. Ungar has brought to the State of New Jersey is only matched by the pride which we have for her as she assumes her new position.

I was pleased to meet with Mrs. Ungar and work with her when I first came to the Senate. At that time she was PTA national vice president for legislation. Her expertise and commitment were immediately obvious to me and her help was invaluable. I have enjoyed working with Mrs. Ungar and the National PTA on many issues, including the problem of asbestos in schools, the 21 drinking age amendment, children's television, and youth suicide prevention. The PTA was very fortunate to have Manya Ungar at the helm.●

● Mr. BRADLEY. Mr. President, I rise today to congratulate Manya Ungar, from Scotch Plains, NJ, on her recent election to the position of president of the National Parent-Teacher Association [PTA].

Mrs. Ungar's commitment to the promotion of parent-teacher partnerships is evidenced by the 29 years of service that she has devoted to the association. Her contributions to the PTA are commendable. On the State level, for example, she has facilitated the development of a State PTA Legislative Advisory Committee. On a national level, she has been an articulate spokesperson for our Nation's school children. As director of legislative activity and as first vice president of the National PTA, Mrs. Ungar has traveled extensively and has garnered a broad knowledge of local and regional concerns of parents and children. Mrs. Ungar's many commendations attest to the admirable work she has done.

I firmly believe that parents are their children's first and most influential teachers. We must do all we can to support the role of parents in educating their children. The National PTA has worked closely with me in developing the "Family-School Partnership Act," legislation designed to encourage the development of better ways to involve parents in the education of their children.

It is with great pleasure that I congratulate Manya Ungar on her installation as president of the National PTA. New Jersey has always taken great pride in the role she has played in strengthening parent involvement in education, both in the State and nationally. I am certain Mrs. Ungar will be a great asset to the organization and to the parents, children and teachers of this Nation.●

## SALUTE TO NORB McCRADY

● Mr. DURENBERGER. Mr. President, on August 21, the Independent Bankers of Minnesota will be honoring its executive vice president, Norb McCrady, for his more than 11 years of service to the banking industry in Minnesota.

Norb McCrady is one of those unique individual who has enjoyed a wide variety of vocational opportunities and always kept public service as a high personal priority.

A native of Owatonna, Norb graduated from Owatonna High School and then served in the U.S. Army during World War II. He was an elected official, serving 8 years as Steele County Treasurer and was the Republican endorsed candidate for Minnesota Secretary of State in 1962.

Prior to joining the Independent Banker, Norb was executive vice president and chief lobbyist of the Minnesota Finance Conference for 8 years.

As staff director and chief lobbyist of the Independent Bankers, Norb has been active in the programs of the Independent Bankers Association of America. He is a frequent speaker at conventions and regional meetings and is as highly respected spokesman on farm credit and other issues of concern to rural bankers both in St. Paul and in Washington.

Always quick with a great sense of humor, Norb and his wife Natalie are the parents of five children and have nine grandchildren. His optimistic attitude is well expressed in his statement that "few people have enjoyed a more interesting life than I without spoiling it by becoming wealthy."

Mr. President, because of the outstanding contributions made by Norb McCrady, to the banking industry and the entire State of Minnesota, I would ask that the following article on Norb from the St. Paul Pioneer Press/Dispatch be printed at this point in the RECORD.

The article follows:

### BANKER McCRADY LIKES INDEPENDENCE

(By Jim McCartney)

Few in the banking world like a fight better than Norb McCrady of the Independent Bankers of Minnesota.

McCrady has battled the foes of small independent banks ever since he was hired as executive vice president of the Independent Bankers eight years ago. In the past, those foes have preferred to ignore him, but now they may be forced to pay attention to him.

"I'm not afraid to get into a groin-kicking contest with the big bank systems," McCrady say with a flair that makes some bankers wince.

"I don't have to mince words about where I stand," he continues. "But I don't go veering off by myself—I stay within the confines of what the group wants."

His job is to advance the views and goal of the independent banks, mainly small-town financial institutions not affiliated with large bank holding companies. As head of a special interest group, his objective is simple: prevent big banks from being allowed unlimited expansion powers, either statewide, and thereby protect the interests of the small-town banker.

Just as efforts to legalize interstate banking and statewide branching have picked up in the past few years, so have McCrady's counterattack. And McCrady has taken a no-holds-barred approach that has upset the reserved, pin-striped world of banking.

"I like a good scrap," he says, which is demonstrated by those incidents.

In a newsletter to his members, he called testimony against a bill his group was proposing "asinine" and specified one banker as being "one of the most asinine."

He charged a state regulator with having a conflict of interest in promoting interstate banking.

He accused the two big Minneapolis-based bank holding companies—Norwest Corp. and First Bank System—of abandoning the Iron Range in its time of need.

And he continually pummels away at the Minnesota Bankers Association (MBA), a rival trade group that represents nearly all the banks in the state, for allegedly favoring its large bank members to the detriment of the small ones.

Although his targets prefer to ignore these attacks they are clearly irritated by McCrady. When asked about the accusations, they refute them as untruthful and unfair. Few will speak on the record about McCrady, although several believe the trade group would do well to get rid of him. They view McCrady and the Independent Bankers of Minnesota as a negative group whose principal goal as to protect its members from healthy competition.

But now that McCrady's group gained a measure of success in the last state legislative session, they may have to start paying attention to him.

One of the group's top priorities was to put a ceiling on the amount of deposits any one bank holding company can have in Minnesota. The so-called concentration bill would restrict bank holding companies with 10 percent or more of the bank deposits in the state from further expansion.

The bill had been introduced every year for the last half dozen years, and some years never even got a hearing.

This year it was not only heard and passed by the banking committee, but it also passed the Senate by an overwhelming margin and was sent on to the House of Representatives for consideration next session.

The concentration bill is aimed at preventing the nation's huge banks, such as Citibank or Bank of America, from entering Minnesota and dominating the state, according to McCrady. And it also prevents the two large Minneapolis-based bank holding companies from further expansion, since each has about 20 percent of the state's deposits.

The small banks, already feeling threatened by First Bank and Norwest are afraid that much larger banks from outside the state could come in and drive them out of business.

McCrady's argument: If we must have interstate banking, then at least there should be limits as to how far the big banks are allowed to expand.

The issue has generated quite a few sparks.

William Sands, president of Western State Bank in St. Paul, testified on behalf of the MBA against the bill. Sands said that as an independent banker, he is very much opposed to the bill. He argued that the bill discriminates against large banks, would do little to help small banks, and is unnecessary.

He also argued that the bill could reduce competition in small towns by restricting the large banks from expanding through detached facilities in order to compete with the independent banks in those towns. The detached facility restriction was later removed from the bill.

McCrady retaliated through his newsletter to members:

"Maybe the most asinine testimony (and there was plenty of asinine testimony, believe me) came from MBA's Bill Sands, who expressed the concern that our bill would result in several independent banks becoming a monopoly through concentration in their own community causing serious harm to the affiliates of the regional giants in those communities," he wrote.

That comment upset Sands, and ruffled the feathers of a few fellow independent bankers who said McCrady should not resort to name calling.

"I'm not too sure I like the method he uses—always taking a hard crack at somebody," said Thomas Olson, president of

First National Bank in Starbuck and a member of the Independent Bankers. "He does seem to have a flair for writing."

But the president of the Independent Bankers supports McCrady. "I think Norb was being generous," Wakefield said.

"I get feedback to cool it," McCrady says. "I could tone down my remarks. But there's a downside to that. A subtle approach to major problems is fine if you're a Supreme Court justice with a massive presence to your utterances.

"But if I said something subtle about interstate banking—'it might not hurt to take a look at concentration limits'—I wouldn't have much effect."

As for Sands, he shades his head and wonders why the independent bankers group is so negative all the time.

"If they'd stop being so negative, and roll up their sleeves and get to work, they wouldn't have to worry about the big banks," said Sands, who claims that he rarely sees independent bankers at marketing programs for bankers and other educational seminars for bankers. "It seems like they're just out to protect their little freedoms."

But McCrady did not stop at Sands. In another newsletter, he used the concentration issue as an opportunity to take another crack at the big bank holding companies. He criticized both Norwest and First Bank for turning financially ailing banks in the depressed Iron Range into detached facilities of nearby affiliate banks.

Norwest asked for legislative permission to merge its Silver Bay affiliate into its Two Harbors bank, while First made a similar request to merge its Babbitt affiliate into its Virginia bank. The big banks claimed because of the depressed economy in those areas, their affiliates could not continue to be operated as separate banks.

Those actions "give a clue as to why they are fighting so hard against this limitation on their 'brick and mortar' expansion," McCrady wrote. "When the going gets tough as it has in those two communities, they simply want the convenience of being able to 'pack up and pull out,' shifting their capital investment to greener pastures."

McCrady refers to the banks' actions in the Iron Range as "shenanigans," calling the moves a "serious disservice to the community," and summed up by writing "IT STINKS."

But the holding companies say that their efforts to merge the Iron Range banks into healthier banks was beneficial, not detrimental, to the communities. And both say that the legislation that allowed the mergers (which would otherwise violate state detached facility regulations) passed the Legislature without a single dissenting vote.

"What was done in those two cases was to reaffirm commitment to those two communities," said Ron Pratt, vice president and chief lobbyist for First Bank System. "Unemployment was 80 percent in those depressed areas and it was not economical to operate them as separate charters."

"They were the only banks in town, and looking at them from a profit and loss standpoint would have suggested closing them," said Ronald McLellan, regional president for Norwest. "We have the economies of scale to keep them open."

Both lobbyists criticize the concentration bill as bad legislation, and argue that, in any case, it will not help the small banks. Both said their bank holding companies have held more than 10 percent of the state's deposits for the last several decades, and no one has been able to prove any harm to consumers or small bankers because of it.

But McCrady goes beyond criticism of the natural enemy of the independent bankers to his favorite target of late: the much larger, rival Minnesota Bankers Association, whose members include almost all the banks in Minnesota, including most of the Independent Bankers.

Disregarding the arguments for or against the bill, McCrady points to a poll of MBA members which shows that the majority of those members support the concentration bill, especially if the state allowed out-of-state banks to acquire Minnesota banks.

A questionnaire was sent to all the members of the Minnesota Bankers Association by the "Fair Representation Committee," a group of independent bankers who are also members of MBA. In the poll, 323 bankers favored the concentration bill, while 118 were against it and 23 offered no opinion.

McCrady says the poll shows that the MBA does not represent the interests of all its members, just the large ones. "They . . . serve the wants of their powerful minority," McCrady wrote of the MBA.

To back up his point, McCrady points to the same poll when it addressed the issue of interstate banking. The MBA had supported a last-minute proposal by Gov. Rudy Perpich which would, among other things, allow banks from states with reciprocal agreements to come into Minnesota. The poll showed that nearly half of the 459 association members responding were flatly against interstate banking, while one-fourth supported interstate banking only if "it includes the protection of a 10 percent concentration limitation."

Truman Jeffers, executive vice president of the MBA, counters that his association "represents independent banks and represents them well."

He argues that his association has thoroughly discussed the concentration issue, and decided against supporting the legislation. He also said the issue of interstate banking had been discussed thoroughly in the past by his members.

"Such polls are useless without adequate information," Jeffers said. "Without adequate and objective explanation of the pros and cons of the issues, you really don't have a credible result. It's easy to ask questions that will produce the particular answers you want."

He said his association has made a number of attempts to talk to the Independent Bankers about the issues, but has been rebuffed every time.

"We've had discussions before, and they echo the verbiage of Norwest and First," said Wakefield, who recently gave up his membership in the MBA to protest the association's stands on these issues.

"There's not much hope of the independents being able to reach agreement with them."

Beyond that, however, Jeffers is unwilling to talk about McCrady and his group.

"I'm not even going to talk about that other organization and I won't," Jeffers said.

McCrady also lashed out at another opponent of the concentration bill: John Chisholm, who recently resigned as Perpich's banking commissioner.

Chisholm was head of the Marquette National Bank of Rochester for many years before he took the commissioner post for the second time (he was also bank commissioner in the early 1960s). He also is the only banker to serve as president of both the MBA and the Independent Bankers.

Chisholm was the main proponent of Perpich's proposal to revolutionize Minnesota banking laws, which included the interstate banking provision.

"The single most important item on his agenda is interstate banking," McCrady says. "After all, he has his own special interest—substantial interest in F&M Marquette. And no one in the state can buy them."

Marquette National of Rochester and F&M Marquette of Minneapolis are both part of Bank Shares Inc., the bank holding company controlled by Minneapolis businessman Carl Pohlad and family. It is the third largest bank holding company in Minnesota with about $1.7 billion in assets.

First bank and Norwest probably would be prevented by antitrust laws from acquiring Bank Shares. And since no other bank in the state is large enough to buy that company, McCrady reasoned that only a bank outside the state could take it over.

McCrady claimed that Chisholm, who is 68, was pushing interstate banking because he was interested in selling his bank stock at a premium before retiring.

But Chisholm said McCrady's charge is groundless because he no longer has an interest in F&M Marquette, and never had a substantial holding in the bank. If he did, he would have had to disclose it before he took his job as banking commissioner, he said.

McCrady's foes are loath to give him, and his tactics, credit for the success of the Independent Bankers efforts. Pratt credits not McCrady, but the hired lobbyist for the Independents, Larry Redmond, with the success of the concentration bill last session.

"The Independent Bankers have one of the most effective and respected lobbyists at the Capitol—he's tenacious and hard-working," Pratt said. "McCrady doesn't have an active daily presence in St. Paul."

Pratt added that state Senate banking committee had a "dramatic turnover" in membership last session, and many of the members were new to the committee. The previous chairman of the committee refused to hear the bill. In addition, the independent bankers lobbied hard, and made it difficult for outstate legislators to vote against the wishes of their hometown banks, he said.

But others recognize that McCrady and his tactics are an important part of the success of the Independent Bankers.

"I think they tried to make a case for the good, little guys vs. the big bad guys, and they were successful in doing so," said Sen. Sam Solon, chairman of the state Senate banking committee, who opposed the concentration bill.

"He's a very effective lobbyist," Solon said, "He does tend to get a little excited. Most tend to be more conservative than him. Norb gets the blood pressure up."

After having a bypass operation, you'd think the 60-year-old McCrady would try to keep his blood pressure down. But McCrady says his lobbying efforts on behalf of the independents is one thing that keeps him going.

McCrady's experience with government and politics goes back to his days as Steele County treasurer, where his home town of Owatoona is located. He became an active member of the County Treasurers Association, and then helped to organize Minnesota Good Government, an organization that represented county employees at the state level.

After an unsuccessful run for secretary of state in 1962, he became a staffer for the

**Republican Party. After a short stint in Missouri, he returned to run a trade association for the industrial loan and thrifts in 1968. And in 1975, he agreed to join the Independent Bankers of Minnesota.**

**With the recent deregulation of financial institutions, and the continuing efforts to further deregulate, McCrady faces a number of battlegrounds.**

**"I like a good scrap and a lot of excitement," McCrady says. "Fate put me in the right place at the right time."**

**And whether they like it or not, his opponents may find themselves with their hands full.●**

## THE DISTRIBUTIONAL EFFECTS OF AN INCREASE IN EXCISE TAXES

● Mr. MITCHELL. Mr. President, earlier this year, the Congressional Budget Office released a working paper, prepared at my request, on the distributional implications of selected excise tax increases.

As expected, the study documented the regressivity of excise tax increases and the disproportionate burdens that such increases would place on lower income families. The CBO study included a number of tables measuring the average tax burden by income class of selected excise tax increases. Those tables all indicate the extent to which excise taxes extract greater burdens as family income declines.

Following the release of the study, I asked CBO to prepare additional information comparing the distributional effects of increases in Federal excise taxes to the distribution of the income tax reductions provided in the Tax Reform Act of 1986. I believe this information will be useful as the Congress debates legislation this year to raise revenues to reduce the deficit.

One of the most important benefits from last year's tax reform bill was the reduction in tax burdens provided to lower income families. A principal reason this bill was able to attract such broad support in and out Congress was that it removed more than 6 million low-income families from the tax rolls.

Yet, there is a real danger that the benefits provided to low-income persons in tax reform last year will be repealed by Congress this year—not directly through changes in the income tax, but by increases in various excise taxes. As the CBO study illustrates, those taxes extract far greater burdens from low and moderate income families. Not because those families consume more of the taxed product, but because the flat excise tax levy takes a greater percent of their lower income.

I am including two tables prepared by CBO which measure the extent to which the tax reduction in last year's tax reform bill would be eroded by excise tax increases this year. The figures are not surprising. They show that even modest excise tax increases this year would take back more than the entire average income tax reduction provided to lower income families from tax reform. In contrast, families making over $100,000 would be relatively untouched by excise tax increases.

The budget resolution approved by Congress this year calls for $19 billion in increased revenues in the next fiscal year. If Congress looks to various excise taxes for only one-half of that increase, on average families making under $10,000 would lose all of the benefits provided in tax reform. In contrast, families with incomes in excess of $100,000 would lose less than one-tenth of the benefits they secured from tax reform.

CBO calculations indicated that every $1 billion increase in excise taxes from any of the major excise taxes would offset from 9 to 13 percent of the average tax relief provided in tax reform to families with less than $10,000 income. In contrast, the same excise tax increase would offset from 0.5 to 2 percent of the average tax relief provided to families in the above $100,000 income groups.

Mr. President, the information included in these new CBO tables clearly demonstrates that excise tax increases at this time are unfair and unwise.

I ask that the two tables prepared by the Congressional Budget Office be reprinted in the CONGRESSIONAL RECORD.

As Congress considers legislation to increase revenues this year, I believe we should also take into account the effects of past legislation on relative tax burdens among different income groups. Current evidence indicates that the Federal revenue system has become less progressive over the last several years as income taxes have declined while payroll and excise taxes have increased. Furthermore, the Federal budget cuts have forced many States to increase their overall level of taxation. Since States have traditionally relied on more regressive excise, sales, and property taxes, overall tax burdens have tended to move down the income scale.

That trend is confirmed in recent Census Bureau studies measuring after-tax income. According to Census data, for households with an annual pre-tax income of $75,000 or more, average Federal, State, and local taxes declined from 41.3 percent of pre-tax income in 1980 to 32.4 percent in 1985. The average household paid 22.2 percent of its income in taxes in 1985, down from 23.1 percent in 1980. In fact, in 1985 every income category enjoyed lower tax burdens compared to 1980, except one. Unfortunately, the only income category with a tax burden increase over the 5-year period was the lowest income category. According to the Census Bureau, those households with less than $10,000 in pre-tax income paid 10.8 percent of their income in taxes in 1985 compared to only 9.1 percent in 1980.

Those statistics clearly indicate the trend toward greater unfairness in relative tax burdens over the last several years. The Tax Reform Act of 1986 will make up for some of that effect on lower income households, but that progress will only be temporary if Congress turns to excise taxes this year.

To more fully understand recent trends in overall Federal tax burdens, I have asked the Congressional Budget Office to prepare a study of the change in the distribution of Federal burdens over a 12-year period from 1977 to 1989. The information developed in this study should provide Congress with the necessary data to determine the future direction of Federal tax policy.

The material follows:

TABLE A-1.—DISTRIBUTION OF FEDERAL INDIVIDUAL AND EXCISE TAX BURDEN, FOR FAMILIES BY INCOME CLASS: 1988

[In percent]

| | Percent of families [1] | Income share | Federal individual income tax [2] | | Federal excise taxes | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Prior law [3] | TRA-86 | Gasoline | Beer | Wine | Distilled spirits | Tobacco | Telephone [4] | Air fare |
| Income class: [5] | | | | | | | | | | | |
| Less than $10,000 | 21.0 | 3.1 | 0.1 | 0.1 | 9.1 | 11.3 | 9.0 | 9.6 | 13.7 | 12.1 | 7.8 |
| $10,000 to $20,000 | 21.2 | 10.0 | 4.0 | 3.2 | 15.4 | 15.9 | 13.0 | 14.2 | 18.6 | 16.0 | 13.6 |
| $20,000 to $30,000 | 17.8 | 13.9 | 9.1 | 8.8 | 16.8 | 17.1 | 14.6 | 15.8 | 17.8 | 15.4 | 13.9 |
| $30,000 to $40,000 | 13.7 | 14.9 | 12.3 | 12.2 | 15.9 | 16.1 | 14.4 | 15.7 | 16.2 | 14.8 | 13.7 |
| $40,000 to $50,000 | 9.3 | 13.1 | 12.2 | 11.9 | 12.4 | 12.8 | 11.7 | 11.7 | 11.4 | 11.4 | 11.4 |
| $50,000 to $75,000 | 11.4 | 21.6 | 23.2 | 23.7 | 19.0 | 15.9 | 19.9 | 18.0 | 15.3 | 17.6 | 19.8 |
| $75,000 to $100,000 | 3.3 | 8.8 | 10.7 | 11.0 | 6.6 | 6.0 | 9.3 | 8.1 | 4.2 | 6.6 | 9.6 |
| $100,000 or more | 2.4 | 14.7 | 28.3 | 29.2 | 4.7 | 5.0 | 8.2 | 6.9 | 2.7 | 6.1 | 10.1 |
| All incomes | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

[1] Includes single individuals.

[2] Includes the refundable portion of the earned income tax credit.

[3] Prior law taxes were calculated at 1988 income levels, after adjusting incomes for changes in response to the Tax Reform Act.

[4] Assumes that the telephone excise tax is extended through 1988.

[5] Comparing the distribution of excise tax payments to the distribution of income tends to overstate the burden of these taxes on lower income families because although income is measured over a single year, excise tax payments reflect expenditures that probably are more closely related to a family's expected long-term level of income.

Source: CBO simulations. Income and individual income taxes derived from the March 1985 Current Population Survey, adjusted for consistency with the 1984 Statistics of Income, and aged to 1988. Excise taxes calculated from the 1982–83 Consumer Expenditure Survey, aged to 1988.

TABLE A-2.—DISTRIBUTION OF FEDERAL INDIVIDUAL INCOME TAX REDUCTIONS AND OF A $1,000,000,000 INCREASE IN EACH FEDERAL EXCISE TAX, FOR FAMILIES BY INCOME CLASS: 1988

| | Average Federal individual income tax [1] | | | Average Federal excise tax increase | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Prior law [2] | TRA-86 | Change in average taxes | Gasoline | Beer | Wine | Distilled spirits | Tobacco | Telephone | Air fare |
| Income class: [3] | | | | | | | | | | |
| Less than $10,000 | $24 | −$25 | −$49 | $4.33 | $5.37 | $4.27 | $4.58 | $6.55 | $5.77 | $3.71 |
| $10,000 to $20,000 | 737 | 550 | −186 | 7.56 | 7.77 | 6.38 | 6.95 | 9.12 | 7.85 | 6.69 |
| $20,000 to $30,000 | 1,985 | 1,784 | −200 | 10.25 | 10.47 | 8.91 | 9.66 | 10.87 | 9.42 | 8.53 |
| $30,000 to $40,000 | 3,494 | 3,185 | −308 | 12.25 | 12.37 | 11.06 | 12.10 | 12.47 | 11.37 | 10.57 |
| $40,000 to $50,000 | 5,099 | 4,617 | −482 | 13.82 | 14.21 | 12.97 | 12.97 | 12.66 | 12.66 | 12.68 |
| $50,000 to $75,000 | 7,882 | 7,475 | −407 | 16.13 | 13.50 | 16.89 | 15.26 | 12.97 | 14.95 | 16.82 |
| $75,000 to $100,000 | 12,556 | 12,011 | −546 | 18.32 | 16.59 | 25.94 | 22.63 | 11.75 | 18.43 | 26.52 |
| $100,000 or more | 45,666 | 43,682 | −1,984 | 17.36 | 18.50 | 30.06 | 25.47 | 9.96 | 22.30 | 37.17 |
| All incomes | 3,874 | 3,590 | −284 | 10.22 | 10.22 | 10.22 | 10.22 | 10.22 | 10.22 | 10.22 |

[1] Includes the refundable portion of the earned income tax credit.

[2] Prior law taxes were calculated at 1988 income levels, after adjusting incomes for changes in response to the Tax Reform Act.

[3] Comparing the distribution of excise tax payments to the distribution of income tends to ovestate the burden of these taxes on lower income families because although income is measured over a single year, excise tax payments reflect expenditures that probably are more closely related to a family's expected long-term level of income.

Source: CBO simulations. Income and individual income taxes derived from the March 1985 Current Population Survey, adjusted for consistency with the 1984 Statistics of Income, and aged to 1988. Excise taxes calculated from the 1982–83 Consumer Expenditure Survey, aged to 1988.●

## COSPONSORSHIP STATEMENT—S. 1546

● Mr. D'AMATO. Mr. President, I rise today in support of S. 1546. I am pleased to join today as a cosponsor of this bill to end the program of reflagging Kuwaiti tankers under the U.S. flag after a 6 month period. Unless the President certifies that the program's continuation is in our national security interest and Congress passes, under expedited procedures, a joint resolution authorizing continuation of the reflagging program, U.S. flags would be removed from these tankers after 6 months. I believe it is vitally important for the Senate to act on this issue now, before American lives are lost and shooting starts in the Persian Gulf between United States forces and Iranian forces.

In foreign policy, our ability to solve a problem depends directly upon how well we understand the problem. If we do not understand the problem, we are incapable of solving it except through the operation of luck. While good fortune has historically played a role in our diplomacy, I do not believe we should rely upon its operation for success in the Middle East, an area which is vital to our national interest.

I fear we are now embarked upon a course of action which is based upon either a remarkable lack of understanding of the problem, or a decision to address a different problem while ignoring its connection to a larger problem.

Specifically, if our decision to reflag and escort Kuwaiti tankers is intended to address the problem of potential Soviet penetration of the gulf, as administration statements assert, then it pays too little heed to the interaction of the proposed solution with the region's overriding problem—the spread of the Iranian islamic revolution.

On the other hand, if the reflagging and escort policy is intended to respond to the spread of Iran's power and influence, it is the wrong answer. It opens the United States to involvement in the gulf conflict in ways we should avoid and which Iran can easily turn against us. In fact, our present course of action plays into Iran's hands, allowing and encouraging Kuwaiti's forces to strike at our power and influence in the Islamic world.

Simply stated, the Iranian Islamic revolution is a mass popular revolutionary movement. Its basis is religious, but its effects are political, economic, and military. While it might make us feel good to send the United States Navy to the gulf to protect Kuwaiti shipping, it will not overawe the Ayatollah or adversely affect the course of his revolution. If anything, it will hinder the operation of latent pro-American forces in Iran.

The danger is not simply that the Iranians will continue to mine the ship channels the Kuwaiti tankers must use, or that Iranian revolutionary guards or Silkworm missiles may attack the tankers or our warships as they escort the tankers. The danger is not that we will lose ships or sailors and have to shoot back with the *Missouri's* 16-inch guns or stage air strikes with A-6's from our aircraft carriers outside the gulf.

The danger is that by reflagging these tankers and sending the United States Navy to escort them, we set ourselves up to be provoked into the use of armed force against revolutionary Iran. Once we do use armed force, we walk into a political trap which is there in plain view for all to see. If we walk into this trap, we will lose far more than we stand to gain. We will actually help the Iranian Islamic revolution succeed.

The first time we fire at Iranians, we create martyrs to the cause of the revolution. The first time we kill Iranians, we create a blood debt which, in the eternal calculus of the Middle East, can only be repaid in blood. Most importantly, we will prove the truth of the Ayatollah's charge that America is the "great Satan," the ultimate evil force opposed to God's will as expressed through the Islamic revolution.

We will be sowing dragon's teeth—for every fallen Iranian, the Ayatollah's propaganda machine will call forth a hundred new volunteers for the front. For every destroyed military installation, two more will be built through increased sacrifices called forth from the Iranian people.

The Iranian people are not completely behind the war with Iraq. They don't believe everything the Ayatollah tells them. There is a substantial reservoir of pro-American feeling in Iran. But by leading with our chin—by cleverly positioning ourselves so that the Ayatollah can easily provoke us into an armed attack on Iran—we can, by our own actions, provide a major new impetus to the revolution. We can validate the Ayatollah's propaganda, prove true statements his own people view cynically, and greatly increase the chances of an Iranian victory over Iraq.

This brings me to the focus of the issue. The strategic center of gravity of this situation, in a military sense, is the front line between Iranian and Iraqi forces. Whoever prevails there wins the war. Everything else is a sideshow.

Iraq exports its oil overland, not by sea. Only Iran exports its oil by sea. By protecting Kuwaiti tankers, we are protecting a major financial backer of Iraq. But if Kuwaiti exports were reduced, or their price were increased, even to the point where Kuwait could no longer help support Iraq, it would not be critical to the outcome of the war.

On the other hand, if our armed intervention in response to an Iranian attack on these tankers does reinvigorate and inspire the Iranian revolutionary forces, it could very well be critical to the outcome of the war. If thousands of new Iranian volunteers reach the front and the Iraqi Army suffers reverses—not even rising to the level of major defeats—the Iraqi regime could fall and the Islamic revolution could dramatically expand.

The Washington Post in this morning's edition published a Charles Krauthammer column entitled "Eyeless in the Gulf." In this column, Mr. Krauthammer correctly points out that Iraq started the tanker war in the gulf. He reminds us that Iraq began the tanker war as a desperate move to choke off Iran's oil exports which finance Iran's war effort. Iraq was moved to desperation because it was under heavy pressure on the ground along the central front.

Mr. Krauthammer goes on to point out that Iraq has suspended its attacks against Iran's tankers since we began our reflagging program. This removes Iraq's major source of pressure against Iran, allows Iran to refill its coffers with money for weapons and war material, and adversely affects the chances of a gulf cease fire and a negotiated end to the war.

Lastly, in his article, he points out that Iraq is now faced with a difficult choice—resuming the tanker war and most likely triggering an Iranian attack on the Kuwaiti tankers, thus dragging the United States into the war, or surrendering a major theater of military operations against the Iranians. He raises the issue of the quality and level of U.S. military and political preparedness for this situation.

On August 5, 1987, the New York Times published an article by Philip Taubman entitled "Iran and Soviets Draft Big Projects, Including Pipelines and Railroad." The article, datelined Moscow, stated that:

> The Soviet Union said * * * it had reached general agreement with Iran to cooperate on large-scale economic projects and to deepen political relations. The press agency Tass, reporting on a visit to Teheran by Deputy Foreign Minister Yuli M. Vorontsov, said the two countries had "declared for the implementation of large-scale projects of mutually beneficial economic cooperation."

This article should serve as further warning about the wrong-headedness of the policy we are now pursuing. Soviet-Iranian relations have been cool-to-cold since the Islamic revolution. We run the risk, through the Kuwaiti tanker reflagging program, of driving the Iranians into the Soviet's arms. The long-term consequences of such a realignment of power in the gulf region would be disastrous to U.S. interests.

Taubman's article concluded with a review of these possible consequences. He wrote:

> Construction of a railroad from the Soviet Union to the Persian Gulf would have potentially enormous military and economic implications. It would give the Soviet Union, which has historically sought access to warm waters, a direct link to the gulf to transport both industrial products and military equipment.

He continued:

> The building of a pipeline would serve both Iranian and Soviet interests, giving Iran a land route for exporting its oil to Europe and giving Moscow access to the gulf for its oil exports. All Iran's oil exports are transported by tanker through the gulf, putting Iran at a disadvantage compared with Iraq, which can export oil by pipeline through Turkey and Jordan.

Mr. President, I believe these two articles make points my colleagues should study with care. Accordingly, I ask that they appear in the RECORD at the conclusion of my remarks.

The U.S.S. *Missouri* is a tremendous weapon—when used as a tool of a well-though-out foreign policy. Used to retaliate for Iranian attacks on reflagged Kuwaiti tankers or their United States Navy escorts, it will be very effective. No Silkworn missile base or revolutionary guard naval base can stand up against it.

But the Iranian revolution is a popular mass revolution. It is not based upon any complex of military installations or any command and control nework. It is based upon the religious fervor of the Shiite Iranians and the ability of Iranian leaders to mobilize this fervor for political, economic, and military purposes.

Fighting revolutionary Iran with the U.S. Navy is like trying to stop a flood with a sword. The sword may be sharp and strong and the correct weapon for battle, but it is the wrong tool to use to stop a flood. You can cut the flood waters with the sword's edge, but the flood will surge onward. If you don't learn to use the right tools—shovels and sandbags—you will drown.

Our policy in the Persian Gulf is in danger of drowning. It is in danger of drowning through our own inability to deal with the phenomenon of mass popular revolutions. We need shovels and sandbags, not swords.

What kind of shovels and sandbags are useful against the spread of Iran's Islamic revolution? First, Iranian political factions opposed to the Ayatollah. We should find them and support them with money and assistance. To be effective, such support would have to be covert. Second, friendly Arab governments. We need to assist them in any way we can to help block the revolution's expansion. But our help must not be of the kind Kuwait has demanded and received—help which can be turned into a weapon against us.

We can support our Arab allies with weapons and equipment, choosing carefully what we provide so as to protect Israel's security. We can and must seek more involvement by our NATO allies and Japan in the process of protecting our collective interests in the gulf. We should not go it alone.

Sending the U.S. Navy to the gulf to oppose the Ayatollah has domestic political potency—I don't like the Ayatollah and I don't know many New Yorkers who do. It is a dramatic gesture. It makes it appear that we are taking action to resolve the situation, not sitting passively while the gulf war grinds on. But we may pay a grave and permanent price for this gesture, a price we cannot afford.

I remain opposed to the reflagging and escort policy. Now that the United States is committed to it, I fear that we may have started down a road which goes down hill to disaster at a rapidly increasing pace. I counsel caution and prudence.

We should avoid, if at all possible, any shooting confrontation with Iranian forces. But we may have no choice. If they shoot first, we must respond and when we respond, we must not repeat the errors we made at the outset of the Vietnam war—using the flesh and blood of our servicemen and women to send diplomatic "signals."

If Iran fires upon U.S. warships, we must strike back and strike back hard. If they should attack a second time, we must consider taking military action which will affect the balance of power.

Moreover, we must make it clear to the Iranians at the outset, before the shooting starts, that we will not be in any sort of limited military operational posture once they start shooting—whatever they start, we are prepared to finish.

Last, we must not leave U.S. Navy or Air Force flight crews in Iranian hands. I fear another hostage situation, in which downed U.S. fliers are paraded through Teheran mobs to a torturous captivity. If we must respond, we cannot leave U.S. personnel in Iranian prisons. This means we must be prepared to use U.S. special operations capabilities to extract them, no matter where they are held.

Those tankers are now flying the Stars and Stripes. If possible, if luck is with us and we do not fall into the maelstrom of the gulf war, we should terminate the convoy and escort operation as soon as is decently possible.

This bill, S. 1546, does that. Because it allows the reflagging programs to continue for 6 months, it provides time to work out other arrangements to protect the Kuwaiti tankers. I am confident that, now that the world has seen the perils of an expanded gulf war in closer focus, we will have more success making new arrangements to protect those tankers.

We should encourage the Saudis and other Arab states to assume this burden. The Gulf Cooperation Council failed to meet its first test—Kuwait called upon the United States and the U.S.S.R., not its neighbors, when it felt threatened. We can help assemble an Arab naval task force to protect those vessels. We can provide technical advice, AWACs, and some intelligence support to a combined Arab task force. Saudi Arabia can provide F-15's to fly fighter cover and mine sweepers to clear the channels. They should be doing this job, not the U.S. Navy.

I hope the reservations voiced by the Senate and by the House have been heard by the executive branch. I hope they will take them seriously and reconsider this dangerous course of action.

I believe in a strong America and I do not flinch from the use of U.S. military power when and where necessary. But the employment of U.S. military forces in support of a flawed policy does not deserve our support. Until shooting starts, we have an obligation to carry on with our efforts to correct this policy. That I intend to do, and I know that many of my colleagues share my view. Therefore, I urge my colleagues to support S. 1546 and press for its early consideration by this body.

The articles follow:

[From the Washington Post, Aug. 7, 1987]

### EYELESS IN THE GULF

(Charles Krauthammer)

Frayed by a summer's worth of TV hearings, an enervated America turns its attention now to the question of mine sweepers and why a 600-ship, $100 billion Navy has to beg and borrow them. But the main point of the reflagging debacle is being missed. U.S. policy in the Gulf may already have failed. Not because a mine blew a hole in a tanker. That can happen to the best of navies. But because, notwithstanding grossly hyped Iranian naval maneuvers, a cease-fire may have broken out over the Gulf.

What is wrong with that? The reasoning is not as tortured as it seems. The United States did not go into the Gulf to defend the principle of "free navigation." That is a fool's mission. The Gulf, the world and the oil trade lived quite nicely for three years with the unfree navigation brought on by the Persian Gulf tanker war. Moreover, the United States is not defending the free navigation of Iranian or even Saudi or Japanese shipping. It is defending the shipping of Kuwait, Iraq's closet ally.

If the reflagging plan has a purpose, it is to help shore up Iraq, the weaker side of the Iran-Iraq war. Iraq, losing the land war, began attacks at sea as a way of strangling Iran economically. Iran responded in kind, targeting in particular the ships of Kuwait, Iraq's ally and supplier. The United States stepped in to defend Kuwait and thus tilt toward Iraq.

Then something odd happened. Missed amid the sounds of exploding mines, chanting mobs and Iranian patrol boats laden with aspiring martyrs is the sudden silence of the Iraqi air force. Since the arrival of the U.S. Navy bearing armor, order and flag, Iraq—not Iran—has quite suddenly ceased fire in the Gulf.

Now, this is exactly the opposite of what the reflagging plan was intended to achieve. The Iraqis had hoped that, behind American protection, they could exploit their one area of military superiority by pressing the naval war against Iran. Instead, they have had to suspend their attacks.

Why? Because the United States has made it clear to the Iraqis that it wants them to cease fire. Why did we ask Iraq to cool it? Because, says Robert Oakley, the National Security Council's director of Near East and South Asian affairs, if Iraq stands down in the Gulf for a period, that will "make clear where the trouble is coming from." Clear to Congress, especially, which is not too pleased about the tilt toward Iraq and which takes the view—correct but irrelevant—that Iraq is the more guilty party. (It may be more guilty but it is also weaker, and its defeat by Iran would be a catastrophe for the West.)

That is the official reason we have asked Iraq to cool it. The other, unspoken reason is so as not to provoke Iranian naval retaliation. The administration fears that if it cannot ensure the safety of American ships, it will incur political disaster at home. It does not want its ships in the middle of a cross fire.

But for at least three years before the reflagging the U.S. Navy went about protecting American ships while both sides exchanged fire in the Gulf. Moreover, if we are pressuring Iraq to stand down, our reflagging policy is entirely self-defeating. The only sensible purpose of reflagging is to tilt toward Iraq. A cease-fire at sea is wholly in Iran's interest: Iran wants to fight and win on land.

Which is why Iraq won't stand down for long. Iraq has therefore told the United States that it will resume naval attacks unless progress is made toward a comprehensive—land and sea—cease-fire. The United States has dutifully assured the Iraqis that it is working diligently for a comprehensive cease-fire. Which explains Secretary of State Shultz's ostentatious and otherwise incomprehensible trip to the United Nations to cast personally the American vote for a cease-fire resolution.

The newspapers played this on page one ("U.N. Vote Seen a Key In Gulf"), but the vote was just for show—for the United States to show Iraq its sincerity about trying to end the war. The sincerity is there. But the means are not. There have been several such resolutions passed over the past seven years, and Iran has dismissed them all. Iran dismissed this latest one before it was even voted. There is not the slightest prospect of a comprehensive cease-fire. The ayatollah wants victory.

Which means that the administration is in a bind with time running out. A comprehensive cease-fire is something that the United States cannot deliver. As soon as we have to admit that, Iraq resumes firing in the Gulf.

Then what? One hopes that this is a contingency for which the administration and the military have prepared. Their handling of mines, however, does not inspire confidence in their contingency planning. If they are not prepared, both militarily and politically, then we are in for a very bad time.

And if the administration wants not to prepare—if it wants Iraq to continue indefinitely the cease-fire at sea so not to endanger the American fleet—then we would be better off not to be in the Gulf in the first place. Iraq would be better off, since it would then be free to carry on the naval war. And the United States would be better off too. After all, if safety is the goal, there are better places to go looking for it than the Persian Gulf.

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### IRAN AND SOVIET DRAFT BIG PROJECTS, INCLUDING PIPELINES AND RAILROAD

(By Philip Taubman)

Moscow, Aug. 4.—The Soviet Union said today that it had reached general agreement with Iran to cooperate on large-scale economic projects and to deepen political relations.

The press agency Tass, reporting on a visit to Teheran by Deputy Foreign Minister Yuli M. Vorontsov, said the two countries had "declared for the implementation of large-scale projects of mutually beneficial economic cooperation."

Tass gave no details on the agreement, which appeared to signal a major step in Moscow's recent efforts to stabilize and improve relations with Teheran after a period of tension earlier in the year.

In Teheran, the Iranian press agency reported that Soviet and Iranian officials had discussed several major industrial projects, including oil pipelines, refineries and a railroad from the Soviet Union to the gulf.

The Iranian agency said:

"The two sides discussed the building of oil pipelines, expansion of cooperation in the area of power and steel, oil refining, preliminary progress in joint shipping in the Caspian Sea and plans to build a railroad linking the Soviet border with the Persian Gulf."

The proposed agreements were also reported in a Teheran dispatch by a correspondent of the South-North News Service based in New Hampshire.

[In Washington, Reagan Administration officials said they understood that the Russians and Iranians had discussed possible economic cooperation, as they have done in the past, but that no agreement had been signed during Mr. Vorontsov's visit. Until now, the officials said, economic cooperation between the two countries has been limited. Soviet technicians have not been allowed to return to industrial sites in northern Iran, and no work has begun on a plan to refurbish the Soviet-Iranian natural gas pipeline.]

#### EFFECT ON REGION'S BALANCE

Improved ties between Moscow and Teheran, particularly construction of oil pipelines and a railroad, would have significant bearing on the strategic and political balance in the region, as well as American interests.

The United States has long feared an expansion of Soviet influence in Iran, and through it, in the Persian Gulf region, the main source of imported oil for Western Europe and Japan and an important source for the United States.

Since the Islamic fundamentalist revolution that toppled the pro-Western Government of Shah Mohammed Riza Pahlevi in 1979, Washington and Moscow have jockeyed to maintain influence in Teheran.

Both are looking to possible changes after the death of Ayatollah Ruhollah Komenini, the Islamic revolutionary leader.

### REAGAN CITED SOVIET THREAT

President Reagan cited the threat of a Soviet military buildup in the gulf when he announced in June that the United States would increase military forces there to protect shipping.

"If we don't do the job, the Soviets will," Mr. Reagan said.

Moscow and Washington have been engaged in a complex series of diplomatic maneuvers in recent weeks seeking to end the seven-year-old Iran-Iraq war and to protect shipping, while simultaneously defending their own national interests.

Mr. Vorontsov's visit to Teheran, following stops in Iraq and Syria last week, was billed by Moscow as an effort to end the fighting and gain agreement from Iran and Iraq to honor the cease-fire resolution of the United Nations Security Council.

The reports in Moscow and Teheran today suggested that Mr. Vorontsov, the Soviet Union's top troubleshooter, was pursuing a broader agenda, including an effort to bolster Soviet influence and to line up support for a Moscow proposal that all foreign military forces be withdrawan from the gulf.

Tass said that Mr. Vorontsov met during his three-day visit with President Hojatolislam Ali Khamenei, Prime Minister Mir Hossein Mousavi, Foreign Minister Ali Akbar Velayati and others.

"During the meetings there was a detailed exchange of views on matters concerning Soviet-Iranian relations and their further development on a long-term basis," Tass said.

The Iranian agency reported that Mr. Vorontsov had expressed his Government's condolences over the death of hundreds of Moslem pilgrims, many from Iran, in Mecca last Friday. The agency quoted the Soviet official as having said, "Such murders and massacres are shocking to our imagination."

In Moscow, the Foreign Ministry spokesman, Gennadi I. Gerasimov, said, "We express our regret over the bloodshed that took place in Mecca."

### IRAN SAID TO BACK SOVIET PROPOSAL

Tass said that Iran had declared support for a Soviet proposal, announced last month, that all foreign military forces be withdrawn from the gulf.

Iran also said, according to Tass, that, along with Iraq, it would refrain from "actions posing a threat to international shipping."

An Iranian journalist working for the South-North News Service, Fereydon Pezeshkan, also reported from Teheran that Soviet and Iranian officials had agreed to the development of several major industrial ventures, including a railroad and oil pipeline from the Soviet border to the gulf.

The wording of the Tass report and the Iranian press agency announcement was less definitive and left unclear whether the two sides had agreed to proceed with the specific projects or had reached a more general understanding.

Construction of a railroad from the Soviet Union to the Persian Gulf would have potentially enormous military and economic implications.

It would give the Soviet Union, which has historically sought access to warm waters, a direct link to the gulf to transport both industrial products and military equipment.

The building of an pipeline would serve both Iranian and Soviet interests, giving Iran a land route for exporting its oil to Europe and giving Moscow access to the gulf for its oil exports.

All Iran's oil exports are transported by tanker through the gulf, putting Iran at a disadvantage compared with Iraq, which can export oil by pipeline through Turkey and Jordan.●

## MARYLAND VIETNAM VETERANS MEMORIAL FUND

● **Mr. SARBANES.** Mr. President, this year once again the Maryland Vietnam Veterans Memorial Fund, Inc., will be conducting a walk to raise money for the construction of Maryland's Vietnam Veterans Memorial to be located on Federal Hill in Baltimore, and I want to commend all those who are participating in this notable event. Last year five veterans walked from Oakland in far western Maryland to the beaches of Ocean City. This year's walk will cover another part of our State—from Point Lookout in St. Mary's County to Federal Hill from next Monday, August 10 to August 16.

The Maryland Vietnam Veterans Memorial will cost approximately $3 million to construct. The Governor of Maryland and the Maryland General Assembly have appropriated over $2 million for the memorial, and the Maryland Vietnam Veterans Memorial Fund, Inc., plans to raise an additional $1 million. The project has been strongly supported by former Gov. Harry R. Hughes and Gov. William Donald Schaefer. The pink granite memorial will be etched with the names of the 1,009 Marylanders known to have been killed in Vietnam and the 37 listed as missing in action. Plans for the memorial were originally developed by the Maryland Vietnam Memorial Commission.

I have met many of the Vietnam veterans who are spearheading this effort. They are totally committed to raising the money needed to build this memorial dedicated not only to those who lost their lives in Vietnam but also to all those veterans who served there. Knowing the people of Maryland—their respect for their veterans and their generosity, I believe that they will respond wholeheartedly to our veterans making the walk.

I salute all of the participants in "Last Patrol II" and their efforts to recognize in a fitting way the sacrifices of all those who served our Nation with honor in Vietnam.●

## TRANSPORTATION AND EDUCATION FOR OLDER AMERICANS

● **Mr. KARNES.** Mr. President, the Senate passed the Senate version of the Older Americans Act amendments by a vote of 98 to 0. I was very pleased to see this bill receive such a clear and positive vote of approval, for I know that the bill addresses many of the unmet needs of America's older citizens.

I was among those who took a special interest in this legislation. I had my staff examine both the House and Senate versions in great detail and discuss the legislation at great length with the subcommittee staff. I applaud passage of the bill, and I hope that the conference on H.R. 1451 will begin as soon as possible so that the final version may reach the President's desk for signature soon.

I note two particular omissions in the Senate version that could be rectified rather easily. The House bill included two amendments that I believe have special value to older individuals. I refer to the amendments that would provide for the study of transportation needs and the study which would direct older individuals to colleges and universities where they would be able to counsel about their educational needs and attend classes on a low-cost basis.

Section 37 of the House bill would examine how the funds authorized in the Older Americans Act for transportation services are used and require a report from the Commissioner on Aging as to whether and how those services meet the needs of older individuals. It is my understanding that information on how transportation funds for older individuals is being utilized has not been gathered and collated in recent years. This provision would require that such a study be conducted to determine how effective the Federal policy is in satisfying the transportation needs of older people.

Section 19 of the House version would require a report of which postsecondary educational institutions have a policy to offer courses of study to older individuals on a low cost/no cost, space available, or some other special basis, and which of them also provide counseling to those older individuals who have an interest in attending such courses. This is information of great importance to many of our senior citizens who would like to take advantage of extra educational opportunities where those opportunities exist. I also feel that the provision would send a signal to our institutions of higher learning that education programs for older Americans deserve an important position on their schedule of priorities, too.

These issues were addressed by the House version but were not in the Senate bill. I considered offering amendments to the Older Americans Act reauthorization bill to ensure that provisions addressing these specific transportation and educational needs would be included in the Senate version. However, in the interest of keeping the bill moving forward as quickly as possible, and to allow the Senate conferees the greatest latitude for negotiation, I withheld my amendments. I chose, rather, to urge the conference to solve the problem by acceding to the House position on these two amendments.

Mr. President, we have a golden opportunity right now to make sure that we have the best information on these issues. In the upcoming conference, I urge my colleagues who will be named to the conference to strongly consider acceding to the House position on these two provisions.●

## DIGITAL AUDIO TAPE

(By request of Mr. Byrd, the following statement was ordered to be printed in the Record:)

● **Mr. GORE.** Mr. President, I appreciate the opportunity to address a problem that requires our immediate attention when we reconvene after the recess. Digital audio tape [DAT] machines will arrive in the U.S. marketplace this fall despite our efforts, and those of our colleagues in the House, to convince the manufacturers of DAT to delay for only a few weeks the introduction of these recorders. The postponement was requested so that the National Bureau of Standards could complete a technical study to aid Congress in its consideration of the DAT problem. The manufacturers' insistence on marketing these machines in this country with no protection for the American music community compels us to respond before irreparable damage is done.

I am delighted that our colleagues in the House just this week responded to the unreasonable tactics of the DAT manufacturers by reporting out of subcommittee H.R. 1384, the companion bill to S. 506. I hope the Senate will follow their lead by acting promptly on legislation that would require DAT manufacturers to install copy-code technology in their hardware to control the unauthorized taping of copyrighted music.

Mr. President, I wish to close my remarks by reminding my distinguished colleagues of the high stakes involved here. These digital recorders will enable tapers to make perfect clones of copyrighted music without compensation to those whose livelihoods depend on music. DAT machines will not only affect the careers of countless aspiring musicians in my home State of Tennessee, and in many other areas of the country, but will also touch the lives of all Americans who look to the music industry for employment and entertainment.

In the face of this grave problem, the DAT manufacturers, with arrogant indifference, are nevertheless proceeding with their marketing strategy. That is why it is imperative that we place consideration of S. 506 at the top of our legislative agenda when we return.●

## EFFECTS OF TRADE BILL ON ALASKA

● **Mr. STEVENS.** Mr. President, H.R. 3, as reported by the House, contained two provisions that have no business in a trade enhancement measure and are particularly inappropriate in a country plagued by the trade deficits we are presently experiencing.

The first provision would ban the export of crude oil from the United States. The short term effect of the provision would be to obstruct planned shipments of crude oil from the Cook Inlet area of Alaska to Taiwan. The disadvantages of this provision were described articulately by Senator Murkowski in the recent debate over the trade bill. Restrictions such as this one ultimately will cost U.S. consumers substantial sums by increasing shipping costs for crude oil.

The other provision creates what is called an "export refinery" category under the Export Administration Act and limits the ability of such refineries to export no more than one-third of their output. The sponsors of this legislation make no effort to hide the fact that it is aimed at preventing one refinery—the Alaska Pacific Refinery planned for Valdez, AK—from being built. It has been crafted to exclude all existing refineries from its effect. Moreover, it runs contrary to a well-conceived provision adopted by the Senate Banking Committee in a trade bill which reduces Federal authority over the export of refined petroleum products.

It is a mistake to enact legislation aimed at denying one group of entrepreneurs the right to develop a facility that will enable the United States to increase value-added exports. The House provision would deny U.S. suppliers the opportunity to sell several hundred million dollars worth of equipment to establish the proposed refinery at Valdez. It would obliterate $200 million worth of jobs. In my State, where unemployment is up and the economy is depressed, this project would be a tremendous benefit. For the Nation, the refinery would provide desperately needed additional capacity to produce jet fuel, gasoline, and diesel. It would provide a source of refined product for the U.S. military overseas.

The export refinery amendment is opposed by several Federal agencies for reasons as diverse as its potential to interfere with our NATO commitments and its contradiction of international trade policy.

I wish to commend the Senate Banking Committee, and this body as a whole, for certain specific action it took with regard to the 1987 trade enhancement bill we just approved. They did not include these two legislative restrictions in the Senate version of the trade bill. Their decision in this regard has served the national interest well, and I strongly urge the conferees to be unwavering in their efforts to reflect this position in the legislation they craft with the House.●

## THE MEESE MESS

● **Mr. METZENBAUM.** Mr. President, the public continues to hear about the actions of the Attorney General of the United States, Edwin Meese. In recent weeks we have seen news reports of failure to comply with Office of Government ethics regulations regarding the conduct of his personal finances. It is also important that the public understand fully Mr. Meese's role in the Iran-Contra controversy, his conduct of the investigation by the Justice Department, and any knowledge Mr. Meese may have had regarding the sale of arms to Iran, and statements to Congress about this policy.

I believe my colleagues will find two recent editorials in major newspapers in my own State of Ohio, the Toledo Blade and the Akron Beacon Journal, very insightful. In a commentary entitled "The Incredible Mr. Meese" the Toledo Blade said—

> Any public servant with even a modicum of a sense of propriety would have long since resigned a position of trust in the U.S. Government. But here he is, involved in three current special investigations into possible wrongdoing, still holding grimly onto office, and offering whatever excuse comes to mind to fend off criticism . . . in fairness to the American voters who put the Reagan Administration into office and kept it there, Mr. Meese should tender his resignation forthwith.

The Akron Beacon Journal also calls for Mr. Meese's resignation. In an editorial entitled, "The Meese Mess," the Journal finds it—

> appalling that the Nation's top law enforcement official should allow himself to fall into such difficulty. But it's not the first time for Edwin Meese. It took him 13 months to win Senate confirmation as Attorney General, the longest of any Cabinet nominee in U.S. history.

I urge my colleagues to read these thoughtful commentaries and I ask that they be printed in the Record.

The articles follow:

[From the Akron Beacon Journal, July 14, 1987]

### The Meese Mess

Edwin Meese, a close friend of Ronald Reagan since their California days, is a man the President would like to have on the U.S. Supreme Court. But Meese's name wasn't mentioned recently when a court vacancy occurred, and he is again caught in ethical and legal problems so serious that he will be lucky to keep his job as U.S. attorney general.

He shouldn't keep that job. If criminal charges are brought, Meese will have to resign in disgrace. He has already brought such disgrace to the office that the integrity of the entire Justice Department suffers.

Meese's actions in the Iran-Contra scandal are being investigated by independent counsel Lawrence Walsh. Independent counsel

James McKay is investigating Meese's ties to Wedtech Corp., a New York defense contractor under criminal investigations by state and federal authorities. And just last week, the director of the government ethics office said flatly that Meese broke the law when he failed to get ethics office approval to invest $60,000 in a limited blind partnership, a partnership set up by a former director of Wedtech. Some of the money might have been invested in Wedtech.

It's appalling that the nation's top law enforcement official should allow himself to fall into such difficulty. But it's not the first time for Edwin Meese. It took him 13 months to win Senate confirmation as attorney general, the longest of any Cabinet nominee in U.S. history. There were political problems, mainly from Meese's role as point man for President Reagan's early attempts to dismantle civil-rights legislation. But of greater concern was Meese's ethical standards and his fitness for office.

The confirmation process included a five-month investigation by an independent counsel into Meese's background: his giving government jobs to at least five people who loaned him large amounts of money; his failure to report some personal loans, including one from a company that got special treatment from the administration; his knowledge of the theft of papers from then-President Carter so that candidate Reagan could prepare for a televised debate.

The investigation found many ethical lapses, and records so tangled that the full truth could not be found. But it listed "no basis" for criminal prosecution—hardly a resounding vote of confidence for an attorney general candidate.

Meese's standard at the time was that if an action was not illegal, then it was ethical. That apparently is the standard adopted by the Reagan administration, which explains its current troubles in public trust and its ongoing ethical problems.

Meese said after his 1985 confirmation that the process had given him "a much higher level of sensitivity" to even the "appearance" of impropriety. It's now obvious that that "sensitivity" remains unchanged. A U.S. attorney general should have a higher notion of public service.

[From the Toledo Blade, July 13, 1987]

THE INCREDIBLE MR. MEESE

Attorney General Edwin Meese is something else. Any public servant with even a modicum of a sense of propriety would have long since resigned a position of trust in the U.S. Government. But here he is, involved in three current special investigations into possible wrongdoing, still holding grimly onto office, and offering whatever excuse comes to mind to fend off criticism.

It defies credulity, in fact, that Mr. Meese has the gall to criticize the Office of Government Ethics for not reminding him that he was violating federal law. That was his defense when the OGE disclosed that the attorney general and his wife had made more than $35,000 in ultra-fast profits on an investment of between $50,000 and $60,000 in a so-called blind partnership.

The law says that government officials must make annual financial statements as to income from a trust or other financial arrangements unless they have entered into a "blind trust," which requires the approval of the office. Mr. Meese did not seek OGE approval of his partnership.

In attempting to answer the accusations, Mr. Meese maintained that he had complied fully with federal laws and accused the office of having violated federal law itself by failing to notify him that he had not made the proper disclosures as required. In other words, the OGE had neglected to tell the attorney general—the leading figure of justice in the United States—of his own shortcomings in disclosing income information.

It was left to Fred Wertheimer, president of Common Cause, to pin the tail on the donkey. "It is unbelievable," he commented, "that the attorney general of the United States should be claiming that this is the fault of the OGE when the statute makes it absolutely clear to him what he has to do to comply with the law." Just so.

In fairness to the American voters who put the Reagan administration into office and kept it there, Mr. Meese should tender his resignation forthwith. He will not do that, of course, because he is constitutionally incapable of that sort of gesture and President Reagan has made it clear that he will not force the issue. The chances are excellent that Mr. Meese will stay in office until the bitter end next year.

In the meantime, however, all investigations involving the attorney general—his role in the Iran-contra affair, his financial shortcomings, his possible role in a scam involving a defense contractor called Wedtech—should proceed full steam ahead. The law applies to everyone, especially the man in charge of the Justice Department of the United States.●

## INFORMED CONSENT: IOWA

● Mr. HUMPHREY. Mr. President, the letter which I submit today to be printed in the RECORD is from a concerned woman in Iowa. Her testimony of the need for informed consent before abortions are performed constitutes another of the hundreds of pleas which this alphabetical series of informed consent letters is intended to bring before the Senate. These women share scars left by abortion and seek to prevent other women from suffering the same fate.

I urge my colleagues to support mandatory informed consent before abortions are performed. This is the best way to ensure that women will make intelligent choices with regard to abortion.

I ask that this letter from a woman in Iowa be inserted in the RECORD.

The letter follows:

STONY CITY, IA,
*March 4, 1987.*

DEAR SENATOR HUMPHREY: Since the age of 12 I used various forms of birth control made available through the local Planned Parenthood Clinic. For several years, I used "the pill," without my parents knowledge or consent. However, I was immature about sex and contraception as most young teenagers, and I didn't take the pills on any kind of consistent schedule. The liberal theme of the day was "carefree sex", and that irresponsible attitude carried over into my irregular use of contraceptives.

I inevitably became pregnant in my senior year when I was 17. I have the father narrowed down to one of two men. I didn't care for either of them, and never consider marriage an option.

Because of the atmosphere generated by Planned Parenthood concerning pregnancy and abortion, I never once gave thought to carrying the pregnancy full term for the purpose of raising a child or putting it up for adoption. Actually, I never thought of myself as "with child," it was more like I goofed and was in need of an extreme measure of birth control.

Planned Parenthood was there to arm us during the sexual revolution, bandage us up if we got hit, and then push us right out into the front lines again.

I remember that day when I entered the clinic building. I took the pregnancy test, waited 20 minutes and was informed it was positive. The counselor asked me "Do you want a baby?" "No" I replied. Her next statement was a referral to the county hospital for an abortion. There was no "counseling." No alternative or choice was brought up.

Today, I am finally at peace with myself and the world concerning my abortion. I now know the Lord and all His mercy and forgiveness. I also know that my 13 year old nameless, faceless, fatherless child is in heaven with the Lord and Savior.

It wasn't until I became involved with conservatives and Christians that I became aware of the other side of the abortion issue. Being out there involved with sex, drugs and rock 'n' roll I never came across any material or information contrary to the pro-abortion stand. What little pro-life activity there was, was very subtle.

I now have three beautiful children. My worry is that in their attendance of public school-based clinics. It is hard for a parent to tell their child not to believe, what the schools they themselves are sending them to, are teaching.

As I see it, we have two things going for us. First, it's been more than a decade since *Roe vs. Wade* and knowledge and statistics we've gained since sex ed. was started, proves that it's only done more damage than good. Teen pregnancies are up, abortions up and gaining momentum.

The second and most important thing we have for us is that God is still on the throne and prayer changes things.

TERESA FOWLER MEESTER.●

## THE JUDICIAL RECORD OF JUDGE ROBERT H. BORK

● Mr. CRANSTON. Mr. President, yesterday the Public Citizen Litigation Group released a 150-page report, "The Judicial Record of Judge Robert H. Bork." This report is based upon a review and analysis of more than 400 reported cases in which Judge Bork participated as a member of the U.S. Court of Appeals for the District of Columbia Circuit. The report focuses upon the 144 opinions he wrote and the 56 split decisions in which he participated in.

Mr. President, this detailed examination of Judge Bork's actual decisions reveals some fascinating data. I ask that a summary of this report be printed in the RECORD at the conclusion of my remarks.

This analysis concluded that Judge Bork's votes cannot be explained by the consistent application of judicial restraint or any other judicial philosophy.

Rather, Mr. President, it appeared that Judge Bork's vote could be predicted with almost 100 percent certainty simply by identifying the parties to the lawsuit.

The report found that Judge Bork voted against workers, individuals, and public-interest organizations, and in favor of the executive branch, in 26 out of 28 administrative law and constitutional split decisions. On the other hand, Judge Bork voted against the executive branch in eight out of eight administrative law decisions where a business entity was the adverse party.

The report discusses Judge Bork's record of consistently voting to deny access to the courts for individuals, applying antitrust laws in a manner that would be detrimental to consumers and small businesses, and narrowing rights under the first amendment.

It also highlights the fact that in several cases, Judge Bork's colleagues have been extremely critical of Judge Bork for "misinterpreting Supreme Court precedent, for substituting his policy judgments for those of the Congress, and for going beyond the facts of a particular case."

Mr. President, the Public Citizen Litigation Group has never before, since its founding in 1971, taken a position on a nomination to the Federal bench. Their thorough examination of Judge Bork's record on the court of appeals, however, led this organization to oppose his nomination on the grounds that "he does not have the dispassionate, judicial detachment that is essential for a Supreme Court Justice, but instead adheres to a remarkably categorical political philosophy under which workers, consumers, and individuals are the losers and the Government and corporations prevail."

Mr. President, as debate on the Bork nomination begins, it is extremely important that his record be examined carefully. Some of the administration's supporters have strenuously attempted to characterize Judge Bork as a "principled" believer in judicial restraint. Critics, on the other hand, have concluded that his judicial philosophy changes depending on who appears at the courthouse door.

The comprehensive analysis of Judge Bork's decisions released by the Public Citizen Litigation Group sheds some important light on this debate. I recommend a careful reading of this document by every Member of the Senate.

The document follows:

EXCERPT FROM "THE JUDICIAL RECORD OF JUDGE ROBERT H. BORK," PUBLIC CITIZEN LITIGATION GROUP

INTRODUCTION

On July 1, 1987, President Reagan nominated Judge Robert H. Bork to be an Associate Justice of the Supreme Court of the United States. The nomination was instantly controversial because in recent years the man Judge Bork would replace—Associate Justice Lewis F. Powell, Jr.—has been the swing vote in many 5-4 cases.

Both his supporters and opponents have argued that Judge Bork should be evaluated on the basis of his record. An important source of data is Judge Bork's performance as a member of the United States Court of Appeals for the District of Columbia Circuit, popularly known as the "D.C. Circuit." Many legal observers consider this court to be second only to the Supreme Court in terms of influence, primarily because it hears a large number of important cases involving the federal government that can affect people across the nation.

Judge Bork has served on the D.C. Circuit for over five years. Prior to his nomination, he had participated in approximately 400 cases in which there were published opinions, and he had written 144 majority, concurring and dissenting opinions. Shortly after the nomination was announced, the Public Citizen Litigation Group undertook a detailed examination of these cases.

The Public Citizen Litigation Group lawyers were aware of Judge Bork's decisions in cases involving their own clients and knew that in cases involving public interest organizations and government, Judge Bork had regularly sided with the executive branch.[1] Recognizing, of course, that this experience was not necessarily an accurate reflection of his overall record, we undertook a study of all his pre-nomination cases, to discern if any common themes or trends could be identified.

This analysis focuses on Bork's role in those cases where the judges disagreed with each other. We identified 56 "split decisions" in which Judge Bork participated—those cases in which one or more judges disagreed with the majority on how the case should be resolved and filed a dissenting statement. Judge Bork's votes in split decisions are significant for several reasons. First, it is likely that these votes made a difference in the outcome. In addition, although most D.C. Circuit cases are decided by a unanimous three-judge panel, the cases in which judges disagree publicly tend to be the more controversial cases, some of which will ultimately reach the Supreme Court for resolution. Finally, these are the "tough cases" because by definition split decisions are cases in which at least one judge disagreed with Judge Bork.

A. SUMMARY OF FINDINGS

An analysis of Judge Bork's record on the D.C. Circuit demonstrates that:

Judge Bork's performance on the D.C. Circuit is not explained by the consistent application of judicial restraint or any other judicial philosophy; instead in split cases, one can predict his vote with almost complete accuracy simply by identifying the parties in the case;

In split cases where the government is a party, Judge Bork voted against consumers, environmental groups, and workers almost 100% of the time and for business in every such case;

In 14 split cases, Judge Bork denied access to the courthouse every time; among the many losers was the United States Senate, which, according to Judge Bork's dissent, could not bring a case of major constitutional significance to the federal courts;

Judge Bork has expressed a desire to reformulate broad areas of antitrust law, and to narrow the constitutional protections of individuals;

Judge Bork is far less a friend of the First Amendment than some have suggested, as evidenced by four cases in which he voted against the First Amendment claims of political demonstrators;

On several occasions, Judge Bork's colleagues have been extremely critical of him for misinterpreting Supreme Court precedent and going beyond the facts of a particular case.

Judge Bork is widely credited as being a proponent of judicial restraint, a judicial philosophy that in administrative law cases requires courts to defer to the executive branch. Our analysis of his decisions, however, found that Judge Bork generally adhered to this philosophy only in cases brought by individuals or organizations other than a business (referred to as "non-business cases").

In the field of administrative law, Judge Bork adhered to an extreme form of judicial restraint if the case was brought by public interest organizations. His vote favored the executive in every one of the 7 split decisions in which public interest organizations challenged regulations issued by federal agencies. These cases included environmental issues, the regulation of potentially carcinogenic colors in foods, drugs, and cosmetics, the regulation of television and radio licensees, and a requirement that family planning clinics notify parents of teenage girls who sought birth control information and devices. The single non-business general regulatory issue on which Judge Bork voted in favor of the individual involved challenges by President Reagan and Senator Kennedy to a decision of the Federal Election Commission regarding the treatment of campaign expenses.[2]

Judge Bork also deferred to the executive branch in labor cases brought to benefit employees, where he voted for the government in 4 out of 5 cases in which the court split.[3] And in cases brought under the Freedom of Information Act ("FOIA") and related statutes, he voted for the agency and against the requester in all 7 of the cases in which the court split, even though Congress has made it clear in the statute that no deference is to be accorded the executive branch agencies in those cases.

In the area of constitutional law, the doctrine of judicial restraint has a similar meaning: it requires judges to be reluctant to find new rights in the Constitution or to expand existing ones. Once again, in civil rights and civil liberties cases brought by individuals, Judge Bork adhered to this philosophy. In the 6 split decisions where the government was a party, he voted against the individual every time. The pattern in criminal cases was the same; Judge Bork voted for the prosecution in the 2 split criminal decisions. Indeed, he voted against the criminal defendant in 23 of the 24 criminal cases in which he participated on the D.C. Circuit.

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[1] A list of the Public Citizen Litigation Group cases in which Judge Bork has participated appears in the appendix.

[2] None of the cases were brought by the "conservative" public interest organizations such as the Heritage Foundation.

[3] In the single vote that favored employees' interests, Judge Bork voted to remand that case to the Merit Systems Protection Board after upholding a worker's discharge on the merits, so that the agency could explain its reasons for a strictly procedural ruling in favor of the executive.

A summary of Judge Bork's votes in split decisions involving the federal government and a party other than a business appears below:

JUDGE BORK'S VOTES IN SPLIT DECISIONS IN CASES AGAINST THE EXECUTIVE NOT BROUGHT BY BUSINESS

| | Public interest group, worker, individual, FOIA requester, candidate | Executive |
|---|---|---|
| Administrative law: | | |
| General regulatory cases | 1 | 7 |
| Labor cases | 1 | 4 |
| Freedom of Information cases | 0 | 7 |
| Constitutional law | 0 | 6 |
| Criminal law | 0 | 2 |
| Total | 2 | 26 |

However, Judge Bork did not consistently adhere to the principles of judicial restraint. To the contrary, when a private corporation or business group (referred to as a "business interest") sued the government, he was a judicial activist. Thus, in the 8 split decisions where a business interest challenged the government, Judge Bork voted for the business every time. Five of these are ratemaking cases where the court's decisions directly affected the cost of services provided to consumers, and 3 are labor cases in which the losers were workers. The other victory by a business interest reversed the Department of Agriculture's so-called "junk food rule," which prohibited the sale of soft drinks and other products in competition with nutritious meals being served in school lunch programs.

Judge Bork's votes in split administrative law cases in which a business interest was a party appear in the table below:

JUDGE BORK'S VOTES IN SPLIT DECISIONS IN ADMINISTRATIVE LAW CASES BROUGHT BY BUSINESS

| | Business | Executive |
|---|---|---|
| Federal Energy Regulatory Commission, Interstate Commerce Commission, Department of Agriculture cases | 5 | 0 |
| Labor cases | 3 | 0 |
| Total | 8 | 0 |

The only split case in which a business interest asserted a constitutional right is *Jersey Central Power & Light* Co. v. *FERC*, 768 F.2d 1500 (1985) and 810 F.2d 1168 (1987) (*en banc*), which also raised administrative law issues. Judge Bork's opinions in favor of Jersey Central in this case, as well as his position in several other cases, suggest that he is much more willing to find a constitutional violation where business is asserting a property interest, such as a taking of property without just compensation, than when individuals are seeking constitutional protection for their non-economic rights.

Not only did Judge Bork consistently rule against individuals and public interest organizations on the merits, but in many cases he did not even let them through the courthouse door. Thus, in the 14 split cases involving questions of access to the courts or to administrative agencies, Judge Bork voted against granting access on every occasion. He voted to dismiss cases against prison inmates, social security claimants, Haitian refugees, handicapped citizens, the Iranian hostages, and the homeless. Judge Bork did not reach the merits in any of these cases; rather, he refused to decide the claims raised. And in one case, he affirmed a decision of the Nuclear Regulatory Commission denying the Attorney General of Massachusetts an opportunity to participate in a proceeding concerning the safety of a nuclear power plant in Massachusetts.

The most significant expression of Judge Bork's views on access are contained in his dissent in *Barnes* v. *Kline*, 759 F.2d 21 (1985). There Judge Bork voted to preclude the United States Senate, the House of Representatives, and 33 Members of Congress from litigating an issue of major constitutional importance (whether the President had effectively exercised the pocket veto), even though the President's attorney had conceded that the plaintiffs could sue. According to Judge Bork, the courts are not available to resolve major constitutional controversies between the President and Congress; instead, those issues must be decided in the political arena.

Judge Bork's opinions in Barnes and other standing cases strongly suggest that, if he were on the Supreme Court, he would vote to deny standing in a large variety of cases challenging executive action, including many cases brought by public interest organizations. Because his theory of standing is grounded on his own interpretation of Article III of the Constitution, only a constitutional amendment could alter the result. A summary of Judge Bork's votes on access cases appears below:

*Judge Bork's votes in split decisions in cases involving access to the courts*

| | |
|---|---|
| Granted access | 0 |
| Denied access | 14 |

Taken together, Judge Bork's decisions in the fields of administrative, constitutional, and criminal law and his rulings on access present a clear theme: where anybody but a business interest challenged executive action, Judge Bork exercised judicial restraint either by refusing to decide the case or by deferring to the executive on the merits. However, when business interests challenged executive action on statutory or constitutional grounds, Judge Bork was a judicial activist, favoring the business interest in every split decision in which he participated. In summary, when split cases in which Judge Bork participated during his five years on the D.C. Circuit are combined, on 48 out of 50 occasions (or 96 percent of the time) Judge Bork voted to deny access, voted against the claims of individuals who had sued the government, or voted in favor of the claims of business which sued the government.●

## FAMILY SECURITY ACT OF 1987

● Mr. SIMON. Mr. President, I rise in strong support of the Family Security Act of 1987, a bill introduced by my colleague, Senator MOYNIHAN. The main purpose of this bill, S. 1511, is to replace the half-century-old Aid to Families with Dependent Children [AFDC] Program. This is a comprehensive program that amends title IV of the Social Security Act. The Family Security Act of 1987 targets family responsibility, expanded opportunities in education and training, as well as benefit improvement, program innovation, and organizational renewal at every level in the Federal system. Senator MOYNIHAN is a recognized expert on the family and Federal income-support policy.

In recent years, the Federal Government has worked closely with States to improve methods of collecting child support payments. Many States, such as my own State of Illinois, have been successful in ensuring that children receive the support they are entitled to from the noncustodial parent, thereby reducing the dependency these families have on Federal or State welfare programs.

S. 1511 takes the next logical steps to ensure that, within reason, parents who can take care of their children's financial needs will do so. Given the number of families who must rely on Government assistance, parents who can afford to provide for their children must meet this responsibility. This bill strikes the right balance between the needs of our children and the rights of both the custodial and noncustodial parent. While I do not believe that we should approach child support enforcement in a punitive manner, the Federal Government must provide strong leadership to the States in ensuring that court-ordered child support agreements are met and enforced. In my view, this is a key component to this welfare reform legislation.

While this bill addresses the issue of child support enforcement, it also provides a job opportunity and basic skills program. Therefore, parents with dependent children who are eligible for the Child Support Supplement Program can receive the education, training, and employment that will help them avoid long-term dependency on public assistance programs. I am concerned about the permissive nature of these essential programs. If the States elect not to provide basic education and work programs for participants, there is little likelihood that the cycle of welfare dependency can be broken. Without the tools of employability—the ability to read, write, and compute, as well as some work skills—workfare won't work.

The Family Security Act of 1987 requires the direct involvement of the family in lifting the family, whatever their economic or social status, from dependency to self-sufficiency. That is a role that a compassionate government should play. This bill takes the steps necessary to change our present welfare system to one that encourages family responsibility and, hopefully, a measure of self-respect.●

## TRIBUTE TO NORMAN B. LEVENTHAL

● Mr. KERRY. Mr. President, I wish to recognize Norman B. Leventhal of Newton, MA, who was recently presented the Man of the Year Award by the Boston Latin School—an honor he

most certainly deserves. Since his graduation from Boston Latin in 1933, Norman Leventhal has dedicated himself to improving the community and the quality of life for all individuals. Although he did not come from a family of enormous means, Norman, through hard work and commitment, has become one of the most successful and respected businessmen in Massachusetts. I am honored to call him my friend, and our State and Nation are fortunate to have him among our citizen.

I submit Norman Leventhal's Man of the Year acceptance speech for the RECORD:

### MAN OF THE YEAR ACCEPTANCE SPEECH

Ladies and gentlemen, I am still astonished to be here as the Man of the Year. I feel very modest in the company of those alumni who have preceded me. It is a remarkable sensation to look out and see so many faces of alumni and friends, and yet be thinking about the child who passed through the portals of Boston Latin just a few years ago. So may I begin by saying thank you for this high tribute and for your kindness.

I must start by saluting a long standing Boston Latin tradition. This tradition is so entrenched that it reminds me of a tradition in the Jewish faith. Every Passover, we read from the Haggadah as we have each year for countless generations. We begin by saying that we repeat the story of the Exodus each year so that we will remember whence we came.

If the Boston Latin Alumni Dinner had its own scripture, I could guess the sentence we would read every year. Like the Passover quotation it would help us to remember whence we came. Like the Passover tradition, I can't imagine a year without this message. It goes something like this:

Mr. Cray was the meanest —— I ever met in my life. (May his soul rest in peace.)

You see—I can laugh about it now, and my mother told me that someday I would. Mr. Cray told me that Charon would get out of Hades before I passed his Latin course. I did pass it finally but nothing has ever been more difficult. Sometimes I believe that Mr. Cray was put on earth as a gift to all of us, so that our lives after high school would seem such an uninterrupted pleasure.

This occasion has invited me to think about a time of my life many years ago. I was only 15 years old when I graduated from Boston Latin. So when I think back, I remember the thoughts of a child. To me, for example, the trip to school was as memorable as many other things. I walked from Wolcott Street, up Columbia Road to the Franklin Park Station on Blue Hill Avenue. The street car to Roxbury Crossing, which has disappeared with the construction of the Southwest corridor and in good weather would walk to Latin School. It took about an hour each way, but the five cent ticket made it seem quite a luxury. It was the world that Teddy White described so perfectly when he wrote in Search of History. It was a World I shared with Teddy by birth. We lived in the same neighborhood, had the same scarce resources, and ducked snowballs thrown by the same boys on street corners.

But we also shared Boston Latin. For those of us born to minority groups in Boston, the Latin School was an open place—a place to take whatever potential we had and prepare for whatever dream we had.

Of course, Teddy also said that Boston Latin was an unrelieved torment. Because I was truly a child at the school, I do remember that my social life was not the most fascinating way of life on earth. In fact, my classmate Harold Levy, with the help of a little advanced mathematics, once added a year to my age out of kindness to me so that I could join the Pioneers Club in my neighborhood. And if Harold doesn't know it, I still thank him for that.

I was by inclination a good student in math. And so while I was not everyone's first choice for a date, I was extremely popular for homework sessions. I remember Mr. Cannell very fondly—he was my math teacher and many of you will remember him as the Bunk. Personally, I like the Bunk, I know that the late George Levy, who sat in front of Harold would forgive me if I recall the occasion when George was having just a little trouble with math. Our sensitive and caring Mr. Cannell inspired George by saying:

"Levy, you're just a dope"—of my time at Boston Latin, I am probably proudest of the fact that I made it through the subject I loved most and can say that The Bunk never called me a dope.

In thinking about Boston Latin I thought a great deal about what real lessons I learned there. Since we seem to spend the first third of our lives just getting ready for the next two thirds, it was a useful recollection.

First, we learned the basics—the fundamental skills and knowledge that formed the foundation of our intellectual lives. I'm sure you found as I did that college life seemed less of a struggle and more enjoyable to us than it did to students from other high schools. When you listen to the leaders of Liberal Arts Education describe its advantages, you can't help but remember Boston Latin. It taught us to think, it taught us how to learn. And while I could not decline a verb unless Mr. Cray hovered over me now; the mental exercise he gave us has helped me for 53 years. So I think of Boston Latin as giving me the apparatus I would first need as a student at M.I.T., and then for a lifetime career.

Second, I learned that I had a debt to our community. By its very existence, Boston Latin taught me that we can help ourselves and our community by helping people in need. I was one of those people in need. So by my own life and whatever success I have achieved, I believe in how much we can all gain by accepting responsibility for every member of our society. I believe that when we save one person, we save the world.

As I grew more and more committed to our community, I learned that in the end this commitment brings value to a city such as ours. As an example, one of my more rewarding involvements has been the creation of many thousand of units of affordable housing along the Eastern Seaboard. Of all of these, the most satisfying has been not-for-profit units for the elderly community of Boston, where 1,200 people can live in dignity. While this endeavor obviously improved the living environment for many people in need, it has also created jobs. And at the end of the chain of events started by each new housing unit and each new job, the original commitment to the community translates into a strengthened economy, a broadened tax base, and all of the resulting derivatives from safer streets to cleaner water and better schools.

This commitment to the community has helped me to share in the extraordinary opportunity of seeing the rebirth of our cities. In that experience I join many of you. We share a sense of pride in seeing the dreams of so many people achieved. We share the belief that when we enable rich and poor to realize the full dreams of American potential, we are weaving the fabric which binds the city together and the nation together.

Third, we learned a code of ethics from Boston Latin. Not from the strict behavior rules, though we had those down to our jackets and ties. Not even from the rewards for good behavior, though I was as proud of my Fidelity Prize as we all were; and not from any moldy discourse on ethics. Instead, I believe that we learned our code from the subjects we studied. We may have read the Iliad to exercise our translation skills, but in our imaginations we became Achilles and all that we admired about him. We struggled through the Republic, but as we did we watched Glaucon grow from a hedonistic man to a virtuous one. We labored over the dialogues, but saw virtues pictured as so desirable that we could not help but aspire to them. I don't remember hearing the word ethics, but we got the message.

You know, of course, that ethics is the latest business topic. Just read the Wall Street Journal. When a young man poisons medicine for profit, when insiders wink at insider trading, or when an engineer cuts corners on a building that could cause the loss of human lives—then we can be assured that there will be a flurry of business experts and seminar leaders who want to introduce ethics courses. The answer seems much simpler to me: I would propose to you tonight that we climb up to the attic and dust the cobwebs from Achilles and Ulysses and Glaucon, and introduce them to our children. While we all know that a family and many other influences build a code of ethics, I do believe that these accidental heroes or ours, met by chance as we studied many classical subjects, taught us how to make the difficult ethical choices we would face for a lifetime.

Of course, Boston Latin also gave me the chance to muse with you this evening about the past, and to reflect on what the School gave me that has most influenced my life. So I thank Boston Latin for declamation. I did not rise to the distinction of my good friend Larry DiCasra, who won the Gold Medal for his Cyrano deBergerac—but I can still recall the speeches of Abraham Lincoln as well as I could then—and I believe there is something good about keeping Mr. Lincoln's thoughts in one's head.

I remember those painful sessions of trying to remember so many sentences as if Declamation Day were tomorrow. But declamation did introduce me to President Lincoln, for which I will always be thankful. It gave me one very special memory that I have kept with me since that anxious day so many years ago when I memorized his second Inaugural Address—that I should lead my life and conduct myself with malice toward none, and with charity for all.

The lesson of that phrase probably summarizes what Boston Latin gave me more than any words could. Of course, none of us is perfect, and perhaps we are permitted to have just a little bit of malice once in a lifetime. I will be happy to share mine with you. It is that I have met thousands of people in the 53 years since Boston Latin. I have met famous people, obscure people, charitable and cruel, educated and not so educated. And one self-evident truth remains after all those thousands of people:

Mr. Cray really was the meanest —— I ever met, may his soul rest in peace.●

## KEN HEATH—LEGISLATIVE FELLOW

● Mr. BINGAMAN. Mr. President, I take a few moments today to express my deep appreciation for the tremendous job which Kenneth Heath has done handling foreign affairs and veterans issues as an American Political Science Association Fellow in my office.

Ken will soon be returning to the National Security Agency where he will join the Congressional Relations Office. Their gain is very much my loss.

I am not going to try to list here today all of Ken's accomplishments over the past 10 months. Suffice it to say that Ken has counseled me on many pieces of legislation and handled a large volume of constituent inquiries with dedication, good humor, sensitivity, and good sense. He has been a full member of my legislative team and integrated himself so well into my office's efforts that his departure is going to be akin to a house losing one of its main pillars. The rest of my staff is going to face a tall order in their attempt to fill the gap left by Ken's departure.

Since it is happening today, I do want to highlight one example of Ken's stalwart efforts in behalf of New Mexico. Today, Senate Joint Resolution 106, a bill to give national recognition to the Disabled American Veterans National Vietnam Veterans Memorial in Angel Fire, NM, gained its 49th, 50th, and 51st cosponsors in Senators Kennedy, Pressler, and McConnell. It is now eligible for fast-track consideration by the Judiciary Committee. I am not sure that we would ever have reached this point without Ken's dedicated help. Certainly, it would have been much later in this Congress if we had not had Ken to serve as the shepherd. He has devoted himself to making sure that this beautiful and moving memorial to those who served in Vietnam gained the full recognition it deserves. He has spent many hours lobbying his colleagues on other Members' staffs in favor of the bill.

We will miss Ken in my office, and I am sure many others who work in the Senate will miss him, too. Luckily, in his new assignment, we will still see him regularly as he works on behalf of the National Security Agency's programs here in the Senate. I understand Ken will be handling military construction along with other issues. I can only warn Senator Dixon, Senator Sasser, and Senator Boren that, if Ken is half as persuasive to them and their staffs on behalf of NSA's military construction needs as he has been to me on foreign affairs and veterans issues, General Odom may soon be presiding over a veritable Taj Mahal at Fort Meade.

Mr. President, I wish Ken all the best in his new assignments certain that it will lead to even greater responsibility in the future.●

## IS DEMOCRACY POSSIBLE IN LEBANON?

● Mr. KERRY. Mr. President, no nation or people have suffered more during the last dozen years that have the Lebanese. Civil war, foreign intervention, and terrorism have resulted in more than 100,000 casualties and divided Lebanon into armed camps. Iranian-backed terrorists intimidated the local citizenry while Syrian occupation forces are unable or unwilling to prevent kidnappings and assassination in areas under their control.

Most Americans now associate Lebanon with chaos, terrorism, and complete disorder. Gone are the memories of Beirut as the Paris of the Middle East when one could go snow skiing in the morning and swimming in the afternoon.

One would have to be an unbridled optimist to believe that the light of democracy could still burn during these dark days for Lebanon. To my surprise, President Amin Gemayel is such an optimist. Even more amazing is his continued commitment to the Lebanese people and democracy.

I read with interest a recent interview with the Lebanese President in the June/July issue of Lebanese Affairs. I submit for the Record a copy of this interview. What is clear from President Gemayel's comments is that despite all of the trauma, the President and others in the Government still hold democratic values dear and are struggling to have these values prevail over the forces of tyranny.

Although weakened, democratic institutions—Parliament, an independent judiciary and an elected Executive—continue to function. The President, moreover, realizing that Lebanon's Republican system of government no longer adequately reflects the actual population distribution, has presented a plan to give a greater voice to underrepresented groups. He emphasizes a willingness to discuss any aspect of his proposal and views it as a catalyst for future discussions. I urge other Lebanese leaders to join in these discussions.

President Gemayel also emphasizes that despite all of the trauma no major Lebanese leader or group has called for the partition of Lebanon or its annexation to a neighboring state. In fact, the years of turmoil have underlined the identity of all Lebanese with their country. Furthermore, the overwhelming silent majority of Lebanese support the legitimate institutions of the state and condemn the lawlessness.

Too often we allow ourselves to be distracted by headlines about ghastly acts of terrorism emanating from Lebanon. We forget all those individuals who share our values and are struggling to ensure that democracy survives. These are the individuals who are bearing the brunt of the assault on international civility and we should not forget them.

It is easy to be a democrat in Western Europe or the United States. We are asked to make a minimal sacrifice. But those who struggle in the Philippines, Haiti, or Lebanon risk their very lives as is underlined by tragic assassinations in the Philippines and Lebanon this week. Many strong individuals are struggling for the values we cherish. We must not forget them.

The interview follows:

### Making Peace A Reality

Q. Mr. President, many people say that Lebanon no longer exists. How do you respond to such statements?

A. No one can deny that the last thirteen years of turmoil have taken a terrible toll on the Lebanese people and the institutions of this country. Such perceptions as expressed in your question, however, are far from the truth. As strange as it may appear to the outsider, these difficult times have solidified the Lebanese people in a common identity. The overwhelming majority of Muslims, Christians and Druze are firmly committed to the survival of Lebanon as an independent nation with a distinctive Lebanese people. Never was this more clear than at the funeral of Prime Minister Karami. The people of Tripoli who are overwhelmingly Sunni Muslim, bedecked their city with Lebanese flags as a demonstration of their commitment to the Lebanese nation. Finally, let me emphasize that no Lebanese community has asked to be partitioned from the rest of Lebanon or annexed by one of our neighbors. Lebanon faces problems, but it exists as a nation state with a central government, and it shall endure.

Q. No one will deny that the spirit of the Lebanese people is truly amazing and that their commitment to Lebanon is deep, but after thirteen years of strife Lebanese institutions are shattered and any semblance of a functioning government is long gone.

A. I realize that this is the perception of many, but it is not the case. The Lebanese government continues to perform most functions under extraordinary conditions. Water is provided. Electricity is generated. Mail is delivered. Civil courts function. Schools operate. Roads are repaired. Parliament meets. Our diplomats represent us abroad and the President conducts the business of state. All these activities take place but at a slower pace due to the war and to external intervention in our affairs.

Q. All of that is true. Nevertheless, your cabinet did not meet for a year. Your Prime Minister has been assassinated. The Speaker of the Parliament has tendered his resignation. And, some have speculated that you intend to resign. Are these the actions of a functioning government?

A. First of all, I have no intention of resigning. The Speaker has withdrawn his resignation. We are facing a very serious political problem in Lebanon. The problem is an

assault upon our national institutions. The assassination of Prime Minister Karami was an assault upon all Lebanese institutions. There are those, both in Lebanon and outside, who wish to see the fragmentation of Lebanese society. I shall make sure that they fail. I believe that all Lebanese must work to strengthen our national institutions—Parliament, the Prime Ministership, the Army and the Presidency. Our friends abroad must help us by supporting the central government and by rejecting those who want to divide one Lebanese from another. I shall fight to the end any attempt at partition.

Q. Another basic function of government is the provision of security for its people. Today, Syrians, Israelis, and various militias provide security in much of Lebanon. Does this not diminish the importance of the central government?

A. It certainly does. Most Lebanese want the Internal Security Forces and the Lebanese Army to assume control of public security. In many areas, this is the case. The militias will have to be disarmed. This will not be easy. Many in the militias have become accustomed to acting above the laws. They have been able to perpetuate their influence by intimidation and playing upon people's fears. In order to reduce their influence, a political accommodation needs to be reached and the institutions of the central government strengthened. As we move in this direction the influence of the militias will diminish and the need for an external presence will be reduced.

Q. In order for the Lebanese central government to be able to provide security, the Lebanese Army would have to be an effective force. Is the Lebanese Army capable of performing those functions?

A. Yes, the Lebanese Army along with the Internal Security Forces, are capable of providing security once a political accord is attained. The Army remains one of our strongest national institutions. As you know, the Army represents all Lebanese, and operates throughout Lebanon. All members are paid by headquarters and Muslims and Christians in the Army work together on a daily basis.

I invested a great deal in the army and built it with US help into an efficient modern fighting force.

Q. You also spoke of political accommodation as a prerequisite for the reestablishment of the central government's ability to provide security for all Lebanese. Why should anyone believe the Lebanese people are prepared to set aside their differences? Or, will you and other Christian leaders be willing to share some of the power which has rested in your hands?

A. Over the last thirteen years, we Lebanese have learned a great deal. The first thing is that we desire to have peace in our country. Secondly, as I said before, we are one people and we must live together. In order to do this, each community will have to make concessions to the others. In fact, each will have to give more than seems possible at this time.

The new formula for the governing of Lebanon shall be based on the principle of equality in all positions of state-parliament, cabinet, bureaucracy, judiciary, etc. The governing of the country shall be on the basis of consensus with the power concentrated in the Council of Ministers in which all communities, are equitably represented. Lebanon is the responsibility of all the Lebanese communities, and not of any single community and, therefore, all must share equally in the governing process. The Lebanese communities have lived in peace and have together produced a prosperous, liberal, democratic order. It was exploitation by external forces that exaggerated the differences and transformed propitious religious diversity into political-military conflict. Leave the Lebanese alone and they will again surprise the world with their constructive diligence.

Q. Most people in the West believe the main political problem facing Lebanon is the lack of adequate influence of the Shiite community. Do you believe this is true?

A. In the new political formula, I am proposing that we commit ourselves to the principle of abolishing political confessionalism as a criterion in the governing process and I am proposing a rigorous mechanism to attain this objective in the near future. Meanwhile the confessional principle will be maintained, but it will be corrected to provide equitable representation to all communities. The Shiite community deserves greater power in the governing formula than it has had, and this is accounted for in my reform proposals. Shiite demands emerged later on in the war and were not the cause of the Lebanese conflict. This does not reduce the Shiite case which is just on its own terms. The number of Shiite deputies will be increased; the powers of the Shiite Speaker of Parliament will be enhanced, and new positions in the power structure will be allocated to the Shiite community. Community rights are best guaranteed by an effective system based on equality, justice, and development opportunities.

Q. There are those who argue that the Syrians intend to annex Lebanon or at least occupy it for the foreseeable future. They believe the Syrians want to see the Lebanese divided and, thus, provide the excuse for continued occupation. What is your view?

A. I do not accept this. The Syrians have reassured all Lebanese that they want to withdraw from Lebanon and I must take them at their word. The Syrian government knows that long-term Syrian interests are not enhanced by their troops remaining in Lebanon. Their becoming involved in internal Lebanese affairs is not in their interest either. No matter how benign the Syrian intervention may be, over time the Lebanese people will want Lebanese providing for their own security. The Syrians know that the way to assure continued Lebanese respect, appreciation and thanks will be to help the Lebanese government restore order and regain its sovereignty.

Q. You speak of security for the Lebanese, but the Israelis are concerned about security for their northern border. They maintain their security zone in order to protect their northern settlements from raids emanating from Lebanese territory. Why should the Israelis heed Lebanese calls to withdraw totally from Lebanon and place their own citizens in jeopardy?

A. Israeli policy toward Lebanon over the last twenty years has been a failure. Of all its borders, today, only Lebanon poses a security threat. The Golan Heights, the Jordan River valley and Sinai are all peaceful. The reason they are peaceful is that on the Arab side there is a strong cental government which can control the border.

No matter what the intention of Israeli policy in Lebanon, their actions has weakened the authority of the central government. From the humiliating raid on Beirut Airport in 1968, to the refusal to turn key positions over to the Lebanese Army during their withdrawal, to their continued presence in South Lebanon, Israeli actions have weakened the Lebanese government. Israeli security can never be attained through the use of proxy forces. Full implementation of UN Security Council Resolutions 425 and 426 is in the interest of peace. Friends of Israel should not take actions which weaken the Lebanese central government.

Q. Regarding a peace conference between Israel and its Arab neighbors: will Lebanon participate?

A. Participation of Lebanon in an international conference is important for the success of such a conference. Lebanon, like Syria and Jordan, has part of its territory occupied by Israel. While the previous international conference discussed solely the withdrawal of Israel from territories occupied in 1967, after twenty years no discussion would be complete without including Lebanese territories occupied since then.

On the issue of the Palestinians, the future of the Palestinians in Lebanon and their relationship with any Palestinian entity is important to a conference. It is hard to imagine any solution to the Palestinian question that does not address the concerns of the large Palestinian community in Lebanon.

Finally, peace in the region will not be achieved by Israel unless it is for all concerned. This must include Lebanon. No one can negotiate such an agreement for the Lebanese, if peace is to have real meaning. Therefore, in order to secure success, Lebanon must participate alongside Jordan and Syria.

Q. There are those who say that the authority of the President does not extend beyond the walls of the Presidential palace. Why then, do you believe the Presidency is so important?

A. This of course is not true. All Lebanese institutions—Presidency, Cabinet, Parliament, bureaucracy—have become relatively weak. This is due to the war, to the prevalence of militias, to occupation, and to the presence of external forces. However, legitimate authority exists with competence, albeit weak, over all the Lebanese territory. It is stronger in some areas than in others. The Presidency is the apex of legitimate authority; and this authority is not only active in conducting the regular administrative legal affairs of the Lebanese, but is equally engaged with regional powers and with the superpowers in regaining the unity and the independence of Lebanon. In a sense the Presidency is weak. In another sense it is stronger than ever in its determination to end the war and give the Lebanese the peaceful life they deserve. The overwhelming silent majority of the Lebanese support the legitimate institutions of the state and condemn the lawlessness perpetuated by the armed groups and their foreign supporters. I have a clear vision of the Lebanon of the future. I am battling all odds in office to realize this vision. I shall continue to do so with equal vigor in my private capacity when my constitutional term of office expires.●

## UNITED STATES POLICY TOWARDS PANAMA

● Mr. KERRY. Mr. President, Secretary of State George Shultz is to be commended for his strong statement yesterday detailing the administration's support for democratization in Panama.

There have been many contentious foreign policy issues which have divided the Congress and this administration over the past 6½ years. Yet, once again our Government stands firmly united behind a policy in support of the democratic aspirations of a people struggling to overturn yet another despot.

Democracy and support for legitimate democratic forces around the world is a common goal which can, and which has, united the Congress and the executive branch on important foreign policy matters. We demonstrated in the case of the Philippines, Haiti, South Korea, and now Panama, that our Government can pursue a consistent foreign policy that is truly reflective of our values.

The Senate has demonstrated strong bipartisan support for the removal of Gen. Manuel Noriega in order to bring to an end his thuggish and corrupt rule. The Senate has demonstrated strong bipartisan support in behalf of the democratic forces in Panama who have taken to the streets in impressive numbers in Panama to register their protest against a dictatorship. Just yesterday, 10 of us introduced legislation in the Senate terminating all military and economic aid to Panama. Under our proposal, aid would not be resumed until four conditions are met:

First, the Government of Panama must demonstrate substantial progress in the effort to assure civilian control of the military and the removal of the Panama Defense Forces and its leaders from nonmilitary activities and institutions.

Second, the Government of Panama must commence an independent investigation into allegations of illegal actions by members of the Panama Defense Forces.

Third, a nonmilitary transitional government must be in power.

And fourth, freedom of the press and all other constitutional guarantees for the Panamanian people must be restored.

Secretary Shultz reinforced the goals of this legislation when he announced that the administration would continue to freeze military and economic aid to Panama. The message is obvious from both the administration and the Congress—General Noriega must go and a civilian democracy must be reconstituted in Panama.

While the concern over General Noriega and his overstaying generals runs very deeply in the Senate, I support strongly Secretary Shultz's statement that it is essential for Panama to have a strong, professional armed force. I share the same view of the Secretary that the armed forces should be professional and not political.

The resolution which passed the Senate 84 to 2 on June 26, and the legislation we introduced yesterday, is not directed at the Panama Defense Forces. It is directed at those who would abuse military power. General Noriega would have the people of Panama believe that our actions and concerns are directed at the Panama Defense Forces as an institution. They are not. We all support a strong, professional, military institution under the control of a civilian government, democratically elected by the people.

Today, Panama operates under military decrees that are, in many ways more harsh than the state of emergency in Nicaragua. As one opponent of the Noriega regime observed earlier this week—there is not any justice in Panama today. The citizens of Panama have had their constitutional rights abolished and their rights to recourse for their grievances suspended.

It is time for General Noriega and his cronies to step aside and give real democracy a chance. That moment has come for Panama just as it did in the Philippines, and just as it is coming for South Korea. The drive for democratic change comes not from Moscow, or Havana, or Managua, but the middle-class Panamanians. As in South Korea, it is the middle class who is filling the streets of Panama with protest.

The antigovernment demonstrators have spanned the very rich to the very poor, with the nucleus being merchants and university students. The poor suffer too much poverty and unemployment in Panama. Particularly in the face of conspicuous consumption by the military elite to consider General Noriega their defender.

I have been particularly impressed by the courage and persistence demonstrated by the people of Panama who continue to challenge peacefully this dictatorship. And it is important for them to understand that the U.S. Senate stands unequivocally behind them and will not abandon them. That is the reason my colleagues and I introduced the legislation we did yesterday terminating all but humanitarian assistance to Panama.

Finally, special credit should go to the ranking member of the Senate Foreign Relations Committee, Senator JESSE HELMS, for his persistent efforts over the years, to focus attention on the Noriega dictatorship in Panama. While we have many differences on foreign policy matters, including the issue of the Panama Canal Treaties, Senator HELMS has played a critical role in focusing attention on the state of affairs in Panama. Since I was elected to this body, I have listened to what Senator HELMS has said about the Government in Panama. He was right then, and he is right now. He has exhibited integrity on this critical matter by not mixing up the issue of the Panama Canal Treaties with the need to restore democracy in Panama. I respect the work he has done as it relates to the dictatorship of General Noriega and I commend him for the job he has done.●

● Mr. DECONCINI. Mr. President, the Reagan plan for peace in Central America reminds me of the opening of Charles Dickens' book, "David Copperfield." Paraphrasing Dickens: It was the best of times, it was the worst of times, it was a time for hope and a time for skepticism. The hope is that the United States is serious about a bipartisan peace plan moving that country toward free elections and the Central American region toward stability. The skepticism is that there is nothing new enough in this proposal that will change the Sandinistas' minds, especially before the September 30, 1987, deadline.

Furthermore, my concerns are that if those negotiations fail, President Reagan will attempt to fashion an expensive and aimless $150 million military package for the Contras. Many Members of Congress, including this Senator, have serious questions regarding the violations of civil liberties and constraints on religious freedoms imposed by the Sandinista regime on the citizens of Nicaragua. Moreover, the Sandinistas should not allow Soviet and Cuban advisors or troops into the country, thereby destabilizing the entire region. The Reagan peace plan, which closely resembles the Costa Rican President Arias' peace plan and Senator SASSER's proposal last year on Contra aid, attempts to address many of these concerns. Increasing military assistance to a band of divided Nicaraguan fighters, which includes a number of former Somoza supporters, is not the answer.

There are a number of concerns I have regarding the Contras. Unlike the Afghan democratic resistance, the Contras do not control any land within Nicaragua. They have been criticized by many for numerous human rights violations as well as failing to substantially improve their support. They also have not designed a military strategy or game-plan to win the battle in Nicaragua. Even the administration admits that it would take substantially more money to improve the Contras' potential to win, and even then there are no assurances. Mr. President, I have many reservations toward providing $150 million in U.S. taxpayer money to a cause which is questionably democratic and entails little hope of winning.

I hold out hope that peace for the democratic countries in Central America is possible. It is possible, Mr. President, if we pursue a peace plan that supports these democratic countries' interests and concerns. I cautiously support the Reagan-Wright bipartisan effort in Central American while recognizing the reality of the situation in

Nicaragua. I truly hope the Reagan administration fully and wholeheartedly pursues the promise comprised in this plan.●

## JIM DICKSON—A DREAMER MAKING A DREAM COME TRUE

● Mr. CHAFEE. Mr. President, today I rise to bestow best wishes on a dreamer who is embarking on an extraordinary journey. On Tuesday, August 4, Jim Dickson set sail on a trans-Atlantic voyage from the Bend Boat Basin in Portsmouth, RI, aboard his 36-foot Tillotson-Pearson sailboat named *Eye Opener.*

Many people have sailed across the Atlantic Ocean. That is not special. But Jim Dickson's dream is special, for Jim hopes to be the first blind sailor to cross the Atlantic Ocean solo. Dickson, 41, has been legally blind since he was 7 years old, but that has not stopped him from reaching beyond his disability.

Jim has spent months preparing for this journey, gathering supplies, studying charts, and familiarizing himself with the boat that will be his only companion on this trans-Atlantic adventure. Like any man of the sea, Jim Dickson has planned for the unexpected. The *Eye Opener* is equipped with a number of high-tech devices, including a braille compass, a talking computer and a radar unit that whistles whenever it detects objects in the boat's path. Ultimately, though, Jim Dickson will guide the vessel. It is his courage and inspiration that will sail the *Eye Opener* over 3,400 nautical miles to England.

I commend Jim Dickson, and with all Rhode Islanders wish him well on his trans-Atlantic crossing. He is an inspiration to us all and a dreamer making a dream come true.●

## CONGRESSIONAL CALL TO CONSCIENCE

● Mr. SIMON. Mr. President, it is with sadness that I join my colleagues in participating in the Union of Councils for Soviet Jewry's Congressional Call to Conscience. The union is to be commended for sponsoring this initiative, but it is unfortunate the need exists.

There are all too many examples of the Soviet Government's unwillingness to recognize the basic human rights of these individuals. Let me focus on one case that is particularly important to me: Abe Stolar.

Abe Stolar was born in Chicago in 1911 and was brought to the Soviet Union by his father during the Depression. Abe and his family have been trying unsuccessfully to leave since 1974. In April 1985, Abe, Gita, and their son were given permission to leave the Soviet Union, but only if Michael's wife, Julia Shurukht was left behind. The family refuses to leave without Julia.

Julia's mother has refused to sign documents stating that her parents have no financial claims against her. In addition, the Soviets have not recognized the religious ceremony of marriage between Michael and Julia. Though many individuals have come forward to be the guarantor in the event that Julia's mother should need financial support, permission has still been withheld.

Time and time again, it seemed that permission was coming. Time and time again, the hopes of Abe and his family have been raised only to be disappointed. How long is this to continue?

I call upon the Soviet Union as a member of the United Nations to respect the Universal Declaration of Human Rights of 1948; as a partner in the ratification of the International Covenants on Human Rights in 1973 to recognize the basic human right of freedom from religious persecution; and as a signator to the Helsinki Final Act of the Conference on Security and Cooperation in Europe in 1975 to recognize the basic human right of freedom of choice.

It is time to let Abe Stolar and his family go. It is time to let all refuseniks go.●

## JAMES JACKSON O'KEEFE

● Mr. KERRY. Mr. President, I wish to recognize the death of James Jackson O'Keefe in Boston last week. It has been said that some people become a legend in their own time. Jimmy O'Keefe was a legend to all kinds.

Politicians such as Mayor Tobin, athletes such as Ted Williams, characters such as Specs O'Keefe, Jazz Maffie and Legs Diamond all sought his friendship. Jimmy's office, the Dugout Cafe, served as a clubhouse, a precinct room, and a counseling center for students from Boston University.

James Jackson O'Keefe is not only the name of a saloonkeeper, it is a definition of honor and a definition of compassion. Jimmy's saga began in simpler times. But the times stayed simple for Jimmy because values are values, and that, Mr. President, is the stuff legends are made of.

Mr. President, I ask that the following article from the Boston Globe be printed in the CONGRESSIONAL RECORD.

The article follows:

[From the Boston Globe, July 28, 1987]

### WHAT THE DEATH NOTICES DIDN'T TELL WAS THE LEGEND OF JIMMY O'KEEFE

(By Douglas S. Crocket)

They're going to bury Jimmy O'Keefe tomorrow morning and when they do, a big portion of what used to be Boston will be gone.

He died at Deaconess Hospital Sunday, and he was 83 years old.

The death notice in yesterday's papers ran just a few lines and, at the end, said he was the owner of a place called The Dugout Cafe just outside of Kenmore Square.

It didn't say that James J. O'Keefe was the closest thing to a legend Boston had left.

It didn't say that many people believe that, if it wasn't for O'Keefe, one man, Maurice Tobin, would never have been elected mayor of Boston, then governor of Massachusetts and then appointed to a presidential Cabinet. It didn't say that once, O'Keefe physically beat up a Massachusetts governor because he did not get a job for a man who stood in the rain and snow and gave out cards for the governor at a polling place.

It didn't say that in the 1940s and 1950s Jimmy O'Keefe's nightclub and restaurant at the corner of Boylston Street and Massachusetts Avenue was the gathering place of the greats, the near greats and the failures in sports, politics, entertainment and the press.

It didn't say that he knew bank robbers and boxers and convicts and priests and cops and reporters and cab drivers and prostitutes and waitresses and bartenders and all the rest.

"He knew everyone but the unknown soldier," Frank Kennedy, one of his closest friends, said last night.

It did not say that thousands of Boston University students looked at him as a father figure.

It did not tell that thousands of alcoholics, homeless people and those down on their luck knew that Jimmy O'Keefe was always good for a handout.

It didn't tell of thousands of dollars loaned and never asked for, nor of jobs obtained.

But this is the story of Jimmy O'Keefe.

He was born in Boston's Back Bay and he never left that area.

He delivered groceries as a youth from a horse and wagon in the area now called Kenmore Square, played football and graduated from Boston English High School, worked for the telephone company for a while and then found his calling.

He became a bootlegger. He even bought a drugstore on Huntington Avenue and they used to say, "Jimmy O'Keefe sold more booze there than he did aspirins."

And, after Prohibition ended, he bought the Dugout in 1934.

There are so many stories about Jimmy O'Keefe they could never be told in a day.

In politics, he was of the old school. He not only knew everyone in his area, he knew their cousins and friends and aunts and uncles and sisters and brothers and everyone else who even came in contact with them.

That was why Maurice Tobin went after him, O'Keefe didn't make speeches for Tobin. He organized his campaign for mayor.

O'Keefe brought all his friends into the organization and they came through. Tobin was elected but everyone knew O'Keefe was behind it.

Tobin went on to become governor but one day, when O'Keefe asked him to help a friend and Tobin said he was too busy, O'Keefe beat him up.

He never admitted it or denied it, but plenty of people knew it was true.●

## NEW JERSEY AFL-CIO CENTRAL PETER McGUIRE LABOR DAY CELEBRATION

● **Mr. LAUTENBERG.** Mr. President, on September 4, the AFL-CIO Central Labor Union of New Jersey is sponsoring the annual Peter J. McGuire Labor Day Celebration.

Peter J. McGuire is attributed with the creation of "Labor Day" in America. The idea was born back in May 1882 at a meeting of the Central Labor Union. At that meeting, Peter J. McGuire spoke about various days in history designated to memorialize soldiers, statesmen, explorers, musicians, and even poets. He recognized that nowhere, in any country, was a day designated to honor the common working man. And so he called for the creation of a day to honor "those who from rude nature have delved and carved all the grandeur we behold"—America's workers.

From this idea a campaign grew to make Labor Day a reality. On September 6, 1882 American Laborers marched with bands and banners in New York for picnics, concerts, and celebration. Two years later, when the Federation of Trades and Labor Union met at Chicago, a resolution was passed urging Congress to declare the first Monday in September a national holiday. In 1894, Congress enacted a law to officially sanction a Labor Day. One by one the States made a commitment to celebrate the day in honor of our Nation's workers.

In honor of Labor Day and in honor of Peter J. McGuire, the AFL-CIO Central Labor Union has organized this celebration. My friend George E. Norcross, the union's president, has been particularly instrumental in facilitating the celebration this year and in the past. I commend him for his dedication to honor America's working men and women.

It is fitting that the participants in this celebration will visit Peter McGuire's memorial in Pannsauken Township. There they will place a wreath and flowers at the McGuire statue.

Mr. President, the annual Peter J. McGuire Labor Day Celebration is an important event for the AFL-CIO Central Labor Union. I am pleased and proud that they have organized this event to honor Peter J. McGuire for his important contributions to the working men and women of America.●

## ARCTIC NATIONAL WILDLIFE REFUGE

● **Mr. JOHNSTON.** Mr. President, as many of my colleagues know, the Senate Energy and Natural Resources Committee is currently considering the issue of whether to open the Coastal Plain of Alaska's Arctic National Wildlife Refuge [ANWR], to oil and gas leasing, exploration and production, or to leave it closed to such activities.

One of the issues associated with this matter is a proposal by the Department of the Interior, some Alaska Native Corporations, and several oil companies to exchange certain lands owned by Alaska Natives located inside units of the wildlife refuge system in Alaska for oil and gas resources underlying lands located in ANWR. The Department, the Natives, and the oil companies have been working for several months to draft these proposed exchange agreements.

I understand that the land selection and valuation phases have now been completed and that these proposals have been made public. The Secretary has indicated to me and to others, however, that he will proceed no further on these exchanges pending some indication from those most involved in the ANWR issue that these exchanges should be pursued. He has also made it clear that he will submit these exchanges to the Congress for approval rather than consummating them administratively.

I have indicated to the Secretary, in private and in public, that I believe these proposed exchanges should not be pursued. My concern is based upon two main factors. First, I believe that consideration of these exchanges by the committee and Congress will delay a congressional decision regarding the opening of ANWR for oil and gas development. In my judgment, these proposed exchanges will confront the Congress with numerous new and difficult issues—not directly related to opening ANWR—which will take a considerable amount of time to resolve. Regardless of what the committee ultimately decides on ANWR, I do not think that additional delay will serve anyone well.

Second, it is my judgment that neither the committee nor the Congress will ever be willing to vote to permit the Secretary of the Interior to make these exchanges. There are simply too many uncertainties; too many unknowns and unknowables; and too much opportunity for finger pointing and second guessing. If, for example, the Congress directs the Secretary of the Interior to convey lands in ANWR for inholdings in another wildlife refuge in Alaska, what would be the public's response to a subsequent revelation that for this inholding, which might be valued at $30 million, the Congress of the United States conveyed Federal lands in ANWR found to contain oil and gas reserves valued at $1 billion? I can tell you what the response would be—the public would be outraged! And the public would not blame the Secretary of the Interior, the Alaska Native Corporations involved, or the oil and gas industry—it would blame the Congress. It would be the Congress that approved the exchange and it would be the Congress that should have figured out in advance what the public's lands were worth. I simply do not believe that members of the committee or the Congress are going to be anxious to step forward and make those kinds of decisions.

Before concluding, Mr. President, I want to clarify one point. I am not opposed to acquiring inholdings inside wildlife refuges. As a matter of fact, I have introduced legislation (S. 735) to enhance opportunities for such acquisitions by dedicating a portion of future oil and gas revenues from ANWR to a special account in the land and water conservation fund. While there may be higher priority refuge acquisition projects than some of those included in the proposed ANWR exchanges, we can certainly explore using a portion of the oil and gas revenues from ANWR for some of these acquisitions—if the area is ever opened. Clearly, these proposed exchanges are not the last chance we will have to acquire more lands in refuge units in Alaska.

Mr. President, for these reasons I have continuously urged all parties to not pursue these exchanges. I continue to believe that the committee and the Congress should deal with one issue and one issue only regarding this matter: Should we open ANWR to oil and gas leasing, production and development, or should it remain closed? Until Congress has enacted legislation opening ANWR to oil and gas exploration and development, I will continue to oppose these land exchanges.●

## CLEAN AIR ACT

● **Mr. MITCHELL.** Mr. President, 10 years ago this week, Congress enacted and the President signed legislation that extended the life of the Clean Air Act, protected the Auto Emission Program, created a statutory base for the program to protect clean air areas, and established deadlines and sanctions to protect the health of people in the Nation's rapidly growing urban areas. Later that year, a similar and equally aggressive extension of the Clean Water Program was approved.

The Clean Air Act Amendments of 1977 were as important for what they didn't do as for what they did do.

The 1977 act did not relax standards for auto emissions in any significant way.

It did not relax ambient air quality standards or toxic pollutant standards, though it gave more time to implement those standards that had been established.

It did not relax the rules with respect to protecting clean air areas, though it codified a procedure to assure the goal was accomplished.

It did not give in to those whose interests were focused on the short term. It did not give in to those who believed bold environmental laws were unnecessary—those who asked us to look at pollution as a steady State problem.

On the other hand, the 1977 act was essentially a defense of the 1970 law, a midcourse correction.

A decade later it is possible to assess the impact of that legislation. In the 17 years since enactment of the Clean Air Act, our economy has expanded and our cities have grown. Our population has increased by 40 million since 1970. There has been an enormous increase in the use of motor vehicles; vehicle registrations and miles traveled are up by nearly 60 percent. The amount of electricity consumed in our country has grown by two-thirds since 1970, despite the OPEC embargo. There has been substantial growth in economic activity; the GNP has grown by half in real terms.

The pollution associated with this expansion has been only partially offset by stringent controls we were told were too costly and infeasible 10 years ago.

Absent the Clean Air Act, and for that matter the Clean Water Act, the Nation's environmental resources could have deteriorated unacceptably from growth alone and without regard to the need to clean up past pollution. Unlike 1977, the time has come for more than a single midcourse correction. The Senate Subcommittee on Environmental Protection has drafted a bill which reflects that need.

Absent successful enactment of this legislation, deterioration of air quality will continue.

In this context, the subcommittee bill is a necessity, the benefits of which will not be realized for yet another decade. Only in the future will people look back and note that the health of the American people, especially those who live in our major cities, would have been seriously threatened.

Detractors of this legislation must have little faith in the future of America; I believe that this country will grow and prosper, that long-term economic and environmental health must not be sacrificed to short-term gain, and that only aggressive action now will guarantee future environmental resources for future economic growth and prosperity. I cast my lot with optimism rather than negativism.●

## AQUA FARMS

● **Mr. DASCHLE.** Mr. President, I would like to take this opportunity to congratulate Mr. Gene Boettger, of Sioux Falls, SD, on his success in bringing a new and innovative industry to the town of Humboldt, SD. In so doing, I would also like to focus attention on a side of American business ingenuity that deserves our attention and support.

Gene Boettger will be breaking ground this month on a 1 million gallon per year ethanol facility. What is notable about his operation is that it will also produce 450,000 fish fillets a year, 65,000 pounds of beef per week, tomatoes and fertilizer, utilizing by-products from the ethanol production process. The plant will consume an estimated 1,600 bushels of corn a day, producing ethanol for gasoline and a high-protein feed mash to feed the fish and cattle. Further, the fish holding tanks will be warmed from heat retrieved from the corn processing operation. Finally, fish parts will be converted into fertilizer.

This fully integrated operation is not only extremely efficient, it also creates new jobs and expands the city's economic base. Equally important, it brings the ethanol industry back to South Dakota. In a State that produced over 300 million bushels of corn last year alone, we should be encouraging new ethanol production facilities to absorb our surplus grains, provide an environmentally superior liquid fuel, and enhance our national energy independence. Aqua Farms represents the American entrepreneurship at its best.

I commend Gene Boettger's accomplishment and hope that his is but the first of many similar initiatives.●

## POLITICAL APPOINTEES

● **Mr. STEVENS.** Mr. President, I would like to take a few minutes to talk about an article in yesterday's Washington Post titled, "Top Federal Jobs Politicized." In assessing a recent General Accounting Office [GAO] report on the issue, Senator Glenn, chairman of the Senate Governmental Affairs Committee, is quoted as saying that the Reagan administration has "packed" the top ranks of the Government with political appointees.

Other than executive schedule employees, the bulk of the Government's political appointees fall into one of two categories: noncareer SES employees, and schedule C employees. The Senior Executive Service [SES] was created under the Civil Service Reform Act of 1978. By law, noncareer SES positions may not exceed 10 percent of the total number of SES positions.

While I agree with Senator Glenn that the career Senior Executive Service [SES] is the Government's institutional memory, I must disagree that the current administration is "packed" with political appointees.

For example, from fiscal year 1980 through fiscal year 1986, career SES appointees to the Small Business Administration decreased by 2 individuals, from 31 to 29, while noncareer SES appointees increased by 1 individual, from 16 to 17. In the Department of Labor, career SES appointees decreased by 26 individuals, from 154 to 128, while noncareer SES appointees increased by 3 individuals, from 14 to 17.

The number of noncareer SES positions has increased from 582 to 658 individuals out of a total work force of 2,175,391. As a percentage of allocated SES positions, the 658 noncareer appointees are 8.4 percent, well being the 10 percent statutory limit.

In addition, the number of schedule C appointments increased more dramatically under the Carter administration than under the Reagan administration. The number of schedule C appointments under the Carter administration jumped from under 1,000 to 1,456, an increase of 456. Under the Reagan administration, the number increased from 1,456 to 1,643, an increase of only 187 appointments.

Let's not forget that the SES was created during the Carter administration. A Democratic Congress created the system under which we now operate. In fact, a number of political appointees to the Carter administration actually converted to the career SES after the passage of the Reform Act in July of 1979.

These are not new issues. Both President Nixon and President Carter were severely criticized for their efforts to replace career executives with political appointees. Every administration, Democratic and Republican, has an agenda it wants to pursue. Obviously, political appointees are the vital link between the decision of the electorate in choosing a President and the overall direction and management of the executive agencies. On the other hand, career executives represent an important national resource which the Government develops at considerable cost. Their central purpose is to give nonpartisan professional advice and to see to the impartial administration of the laws. Both functions could be jeopardized if agencies are too peppered with political appointees.

It is my understanding that Chairman Glenn intends to hold hearing on the SES in mid-September. I hope that we refrain from further politicizing this particular issue. There are a number of substantive issues which need to be addressed. For instance, I am told that the statutory definition of an SES position often results in the inclusion of many positions that should not be in the SES. The SES was envisioned as a cadre of executive who would be developed for broad-ranging assignments at top management levels, when in practice, it often includes specialized positions, such as scientific and research positions.

In addition, it has recently come to my attention that in some agencies there are schedule C employees in grade 15 and below who supervise career SES employees. Situations like this may be symptomatic of a larger problem plaguing the entire Federal work force—insufficient pay. Until this problem is adequately addressed, I'm afraid this type of practice will remain commonplace and only serve to exacerbate the tension that already exists between career and noncareer managers.

Mr. President, I would encourage the chairman to address these and other substantive issues in consultation with knowledgeable individuals, Federal personnel managers, and management associations before undertaking another ill-fated reform of the Federal personnel system.●

## NAUM MEIMAN

● Mr. SIMON. Mr. President, I am speaking on behalf of Naum Meiman, a Soviet refusenik who has been denied emigration for more than 10 years.

Initially, Naum was refused an exit visa on grounds that he possessed "state secrets." Naum was a physicist by trade and performed calculations for the Soviet Union. However, after expressing his desire for emigration, he was forced to abandon his profession. Thus, the original reason for denial is no longer applicable since Naum has now surpassed the 10-year statute of limitations for access to state matters.

Naum Meiman is an elderly man with a limited number of years left. I strongly encourage the Soviet Union to allow Naum's remaining years to be free ones, and grant him permission to live in the country he desires.

I urge the Soviet Government to grant Naum Meiman an exit visa to Israel.●

## A JOYOUS HISTORIC DAY—PEACE MAY BE ABOUT TO SHINE IN CENTRAL AMERICA

● Mr. PELL. Mr. President, initial reports indicate that we are conducting business on the Senate floor on a historic day. It looks very much like Central America, after years of bitter strife, may be on the verge of a real and lasting peace. This afternoon, the Presidents of the five Central American countries, meeting in Guatemala City on the peace plan initiated by Costa Rican President Oscar Arias, have agreed to a plan which eventually will put in place its historic provisions.

Against overwhelming odds, and after years of working for a diplomatic solution, it looks like the basis of a real peace may be finally at hand. The Presidents have agreed to work on the implementation of a plan which involves a cease fire, an amnesty, democratization, an end to external aid to irregular forces, an end of the use of territory for the support of insurrection against other states, and an end to arms traffic and military assistance designed to destabilize the Central American States. According to the time-table, the Foreign Ministers of the five countries will meet in 15 days to further the implementation of the provisions of the document. In 90 days, the Foreign Ministers will meet to arrange the amnesty, cease fire, and democratization. In 120 days, an International Commission of Verification, reportedly made up of representatives of the OAS, the United Nations and other international bodies, will meet to analyze progress. Finally, in 150 days, the five Central American Presidents will meet again to receive the report of the International Commission.

Many deserve credit for coming to this historic moment. President Arias and his fellow Presidents for their perseverance, Speaker Wright and Secretary Shultz for providing impetus, the Contadora countries and the support group countries for all their hard work.

Peace is on the way but the road ahead is still long and still full of obstacles, but at least there is a bright light shining ahead. It is my fervent hope that the administration will support this Central American effort to its fullest extent and follow through with the idea of bilateral negotiations on security matters and take other actions necessary. Peace is at hand and cannot be permitted to slip away.●

## APPOINTMENT BY THE PRESIDENT PRO TEMPORE

### SENATE CENTRAL AMERICAN OBSERVER GROUP

The PRESIDING OFFICER. Pursuant to section 2(a)(2)(A) of Senate Resolution 273, passed August 7, 1987, the Chair on behalf of the President pro tempore, upon the written recommendation of the majority leader, appoints the following Members from the majority party: Christopher Dodd, Connecticut, chairman; James Sasser, Tennessee; Terry Sanford, North Carolina.

The Chair, on behalf of the President pro tempore, upon the recommendation of the minority leader, appoints the following Senators as members of the Central American negotiations observer group: The Senator from Arizona [Mr. McCain], the Senator from Mississippi [Mr. Cochran], and the Senator from Idaho [Mr. Symms].

Mr. BYRD. Mr. President, the three names I have recommended to be on the Central America observer group are carefully chosen and, I think, constitute an excellent selection. Mr. Dodd, as chairman, is the chairman of the Western Hemisphere Subcommittee of the Foreign Relations Committee. He is an expert on the region. He has had long experience dealing with matters concerning Central America. He has made many, many trips to that area. He is a student of the Nicaraguan problem. I feel that he will reflect well on myself as the one who has chosen him and reflect well on the Senate.

Senator Sasser is a member of the Senate Appropriations Committee. He is an astute observer. He has attempted to promote compromise in Central America, especially with respect to the Nicaraguan problems. I am confident Mr. Sasser will conduct himself in a very, very fine way and reflect well on the Senate. He will give his time and his strength. He is highly respected on this side of the aisle. For a good many years now he has been asked by me to be the Senator who headed up the task force on Central American problems. I have been very much impressed by his steady, levelheaded, evenhanded, careful, studious approach to this thorny subject.

Mr. Sanford is a member of the Foreign Relations Committee. He was an early and vocal supporter of the Arias plan. I am sure he will dedicate himself to the task. He will work hard at it and he will work well within the group of Republicans and Democratic observers who have been chosen by the Republican leader and myself.

I am sure that we will all have good reason to be proud of his services.

## APPOINTMENT ON BEHALF OF THE VICE PRESIDENT

### DANIEL K. INOUYE APPOINTED TO THE BOARD OF TRUSTEES OF GALLAUDET UNIVERSITY

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 83-420, as amended by Public Law 99-371, appoints the following Senator to the board of trustees of Gallaudet University: The Senator from Hawaii [Daniel K. Inouye].

## APPOINTMENT BY THE PRESIDENT PRO TEMPORE

### APPOINTMENTS TO THE EISENHOWER CENTENNIAL COMMISSION

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 99-624, appoints the following Senators to the Eisenhower Centennial Commission: The Senator from Colorado [Mr. Armstrong], the Senator from Kansas [Mrs. Kassebaum], the Senator from Arizona [Mr. McCain].

## NEWTON DODSON APPOINTED TO THE FEDERAL COUNCIL ON THE AGING

The PRESIDING OFFICER. The Chair, on behalf of the President pro

tempore, pursuant to Public Law 93-29, as amended by Public Law 98-459, appoints Newton Dodson, of Mississippi, to the Federal Council on the Aging.

## THE PROGRESS OF THE CONGRESS

Mr. BYRD. Mr. President, Congress is preparing for its August recess. It does so against the backdrop, of a first hint of a return of the bipartisanship in development of American foreign policy. The new diplomatic initiative in Central America by the administraton comes in the immediate aftermath of the public hearings of the Iran-Contra committee. It is a welcomed alternative to foreign policy made in secret.

Clearly the Iran-Contra hearings dominated the public's attention with regard to the Congress. These hearings revealed in stark profile the inherent dangers to our political process when we take leave of our established system of checks and balances. Much of the work of the Congress to date has been concerned with the flawed foreign policy initiatives of the administration.

The Congress is deeply concerned about the increasing tension in the Persian Gulf and the conflict with Nicaragua. The Congress has repeatedly registered its concern that the administration's policy toward reflagging of Kuwaiti oil tankers has been hastily conceived and implemented. The Congress' advice was for the administration to take a deep breath—and not rush into the dangerous waters of the gulf without a clear recognition of all the political and military dangers.

The new effort of the administration to use the diplomatic option in Central America is a positive step, a step that is long over due. There is bipartisan support for this new willingness to use the diplomatic option and to work with the Congress.

There is, however, skepticism on the part of many Members of Congress regarding the administration's September 30 deadline. Keeping peace negotiations on track is not the same thing as keeping the Metroliner on schedule. Unless the administration shows flexibility on this deadline, there is a danger that this new diplomatic initiative will be seen as only another effort at cosmetic diplomacy.

Mr. President, the Iran-Contra hearings, Contra aid, and the Persian Gulf have dominated recent news. But Congress has proceeded with other important business. As we are all aware the Congress overrode two Presidential vetoes—that of the Clean Water Act and the highway bill.

Congress has not been idle. We have been debating campaign finance reform, and I am sure we will debate it when we return after the August recess. The Congress has passed a trade bill of significance which is now in conference. Congress has passed a banking bill to shore up our savings and loan industry.

Other major legislation is proceeding. Catastrophic health insurance reform is moving through the legislative process. Welfare reform legislation has been introduced.

The Senate must still take up the DOD authorization bill if and when my good friends on the other side of the aisle will end their filibuster.

There is much to be done when the Congress returns from its vacation. The nomination of Judge Bork, the potential of an arms control agreement, the budget, Contra aid are high on our agenda. All of these issues and others will be framed by whether or not the President will work with the Congress and not consider the Congress of the United States an alien institution.

Bipartisanship requires a two way effort.

I ask unanimous consent that a list of Senate accomplishments to date in the 100th Congress be printed in the Record at this point. The list will enumerate the significant public laws that have been enacted, the bills that have been passed by both Houses, the bills in conference, and additional significant bills that have been passed by the Senate, and other major items passed by the Senate not requiring the President's signature.

There being no objection, the summary was ordered to be printed in the Record, as follows:

### Senate Accomplishments To Date in the 100th Congress

#### SIGNIFICANT PUBLIC LAWS ENACTED

H.J. Res. 93, Long Island Railroad Labor Dispute, PL 100-2.

H.R. 1, Clean Water (veto overridden), PL 100-4, without approval.

H.J. Res. 102, Emergency Food and Shelter Supplemental/Federal Pay Disapproval, PL 100-6.

H.J. Res. 153, Asbestos School Hazard Abatement, PL 100-11.

S. 83, Energy Standards for Appliances, PL 100-12.

H.R. 1056, Ginnie Mae Guaranty Fee Limitation, PL 100-14.

H.R. 2, Federal Aid Highway Authorization (veto overridden), PL 100-17, without approval.

S. 632, Office of Classified National Security Extension, PL 100-18.

H.R. 1123, Dairy Policy, PL 100-28.

H.R. 14, Wild and Scenic Rivers Studies: New Jersey, PL 100-33.

H.R. 1963, Surface Mining Control and Reclamation, PL 100-34.

H.R. 240 Sante Fe National Historic Trail, PL 100-35.

H.R. 2360, Debt Limit Extension, PL 100-40.

S. 903, Bankruptcy Protection Extension (Retiree Health Benefits), PL 100-41.

H.R. 1941 (S. 85), Power Plant and Industrial Fuel Use, PL 100-42.

S. 1177, Thrift Savings Fund Investment Procedures, PL 100-43.

H.R. 1157, Wheat Acreage Diversion and Disaster Assistance, PL 100-45.

S. 942, Tuscon Wage Area Pay Retention, PL 100-47.

H.R. 1085, New GI Bill Continuation, PL 100-48.

H.R. 1846, Higher Education—Technical Amendments, PL 100-50.

H.R. 1947, Magistrates Retirement Credit, PL 100-53.

S. 626, Statue of Liberty Entrance Fee, PL 100-55.

H.R. 191, Peace Garden Establishment, PL 100-63.

H.R. 2480, International Fishery Agreement between the U.S. and the Republic of Korea, PL 100-66.

H.R. 1827, Supplemental Appropriations, FY 1987, PL 100-71.

H.R. 2166, Small Business Amendments, PL 100-72.

H.R. 558, Homeless Relief Act, PL 100-77.

H.R. 3022, Temporary Debt Limit Increase, PL 100-80.

H.R. 1444, Medicare and Medicaid Patient and Program Protection, PL 100- .

H.R. 348, Postal Service Employee Appeal Rights, PL 100- .

H.R. 921, Minimum Altitude for Aircraft Flying Over National Parks, PL 100- .

H.R. 318, Ysleta del Sur Pueblo and Coushatta Indian Tribes Recognition, PL 100- .

H.R. 27 (S. 790), Federal Savings and Loan Insurance Corporation Recapitalization, PL 100- .

S. 769, Minority Health Education and Care, PL 100- .

H. Con. Res. 93, Congressional Budget Resolution. Action completed, does not require President's signature.

#### BILLS IN CONFERENCE

S. 825, Housing Authorization.

H.R. 2112, Intelligence Authorization, FY 1988-1989.

H.J. Res. 324, Public Dept Limit Increases.

H.J. 3, Omnibus Trade and Competitiveness Act (House conferees not yet appointed).

#### BILLS PASSED BY BOTH HOUSES

H.R. 431, Garn-St Germain Depository Institutions Act Extension (House disagreed to Senate amendments; Message on House action received 3/23, and held at desk).

S. 742, Fairness in Broadcasting Doctrine (veto message referred to Senate Commerce Committee, 6/23).

H.R. 317, Wild and Scenic Rivers Act (message on Senate action sent to House, 7/13).

H.R. 2782, NASA Authorization (message on Senate action sent to House, 7/14).

H.R. 2689, Arms Control and Disarmament Agency Authorization (message on Senate action sent to House, 7/24).

H.R. 1504, Veterans Employment and Education Amendments.

S. 1417, Developmental Disabilities Assistance (message on House action received in Senate 8/5, and held at desk; House amendments to Senate bill).

H.R. 2971, Uniform Cotton Classing Fees Act.

H.R. 812, Malcolm Baldrige National Quality Improvement Act.

H.R. 1340, Commodity Distribution Reform Act.

#### SIGNIFICANT BILLS PASSED BY SENATE

S. 341, Emergency Agricultural Assistance.

S.J. Res. 34, Federal Pay Increase Disapproval.

S.J. Res. 42, Federal Pay Increase Recission.

S. 825, Housing and Community Development Authorization.

S. 477, Homeless Veterans Assistance.

S. 514, Jobs for Employable Dependent Individuals.

S.J. Res. 91, Disapproval of Presidential Anti-Drug Effort Certification with Respect to Panama.

S. 677, FTC Authorization.

S. 659, Agricultural Aid and Trade Missions.

S. 778, Star Schools Program.

S. 853, National Highway Safety Administration Authorization.

S. 380, Native Hawaiians Education Improvement.

S. 345, Contracts Disputes Amendments.

S. 727, Indian Fishing Rights.

S. 829, U.S. International Trade Commission, Customs Service, and Office of the U.S. Trade Representative Authorizations.

S. 496, Computer Matching and Privacy Protection.

S. 623, Independent Safety Board Authorization.

S. 52, Continental Scientific Drilling Exploration.

S. 1383, Federal Aid Highway Authorization Technical Corrections.

S. 836, Strategic Petroleum Reserve Protection.

S. 104, National Academies of Practice.

S. 442, Protection of Semiconductor Chip Designs.

S. 239, Support for Democracy in Panama.

S. 744, Exposure to Radon Health Threat.

S. 1452, Securities Law Technical Amendments.

S. 1047, Northern Mariana Islands Covenant Approval.

S. 1267, U.S. Travel and Tourism Administration Authorizations.

S. 1502, Public Buildings Authorizations, FY 1987.

S. 1158, Public Health Service Amendments.

S. 548, Retiree Benefits Security.

S. 970, Alternative Agricultural Products Research.

S. 1068, Clayton Act Amendments.

S. 938, Departments of Justice Authorization.

S. 1581, Imports from the R.M.S. Titanic Prohibition.

S. 1577, Extension of Bankruptcy Protections.

S. 945, Abandoned Infants Assistance.

S. 1591, Documentation of Foreign-Built Fish Processing Vessels.

S. 1550, Federal Triangle in D.C.

S. 1402, Nursing Shortage Reduction.

S. 1196, Marine Science, Technology, and Resources Development.

S. 1596, Child Abuse and Neglect Assistance Extension.

S. 1597, Ethanol Cost Effectiveness Study Extension.

### OTHER MAJOR ITEMS PASSED BY SENATE (NOT REQUIRING PRESIDENT'S SIGNATURE)

S. Res. 80, Committee Funding.

S. Con. Res. 8, Human Rights in the Soviet Union.

S. Res. 23, Select Committee on Iran/Contra Affair.

S. Res. 30, Arms Control Observer Group.

S. Res. 94, Soviet/U.S. Arms Control Resolution.

S. Res. 103, Philippine Resolution.

S. Con. Res. 24, Central America Initiative Support.

S. Res. 164, Japanese Semiconductor Violation.

H. Con. Res. 77, Speed Limit Increase on Rural Interstates.

S. Con. Res. 21, Opposition to European Community Tax Proposal.

S. Con. Res. 27, Canadian Agricultural Subsidies Investigations.

S. Res. 185, Farm Credit System Borrower Stock.

S. Res. 190, Acquired Immune Deficiency Syndrome Research.

S. Res. 31, Soviet Occupation of Afghanistan.

S. Res. 98, Soviet Release of Igor V. Ogurstov.

S. Con. Res. 26, U.S. Foreign Language Skills.

S. Res. 205, Vietnam Political Prisoners.

H. Con. Res. 27, Veterans' Administration Health Care Funding Levels.

S. Res. 220, Economic Summit (Venice).

S. Res. 225, Economic Summit (Venice).

S. Res. 226, Negotiations to Protect the Ozone.

S. Res. 237, Wheat Program and Acreage Limitation Level.

S. Res. 241, Democracy in the Republic of Korea.

S. Res. 255, Missing in Action Negotiations.

S. Con. Res. 29, American Relatives in the Soviet Union.

S. Res. 248, Support for Human Rights in Haiti.

S. Res. 261, Site of the Soviet Embassy in Washington.

S. Res. 266, U.S. Assistance to Pakistan.

I ask unanimous consent to insert in the Record a digest of Senate legislative actions for the 100th Congress, 1st session, January 6, 1987, through August 6, 1987.

There being no objection, the digest was ordered to be printed in the Record, as follows:

## Digest Of Senate Legislative Actions, 100th Congress—1st Session

(January 6, 1987-August 6, 1987)

(Includes all bills except for land conveyances, interstate compacts, medals, memorials, and proclamations. Record vote numbers for Senate action on final passage, a conference report, or a veto override are indicated in parentheses immediately following the status of a bill. Where there are no vote numbers, action was completed by voice vote.)

### AGRICULTURE

Agricultural Aid and Trade Missions: S. 659—Passed Senate April 9, 1987.

Establishes agricultural aid and trade missions to visit eligible developing countries to promote U.S. food and trade programs and seek firm proposals or agreements to implement these programs; expands agricultural exports and markets through greater participation of private voluntary organizations (PVO's) and cooperatives, increased use of foreign currency proceeds by PVO's and cooperatives for development purposes, increased use of section 108 programs in Title I agreements, and expanded reporting and expediting of PVO and cooperative activities under P.L. 480 Title II and section 416 of the Agricultural Act of 1949; approves multiyear agreements under the Food for Progress program; and requires the Secretary to report to Congress on the performance of the intermediate Export Credit Program.

Agricultural Export Enhancement Program: S. Con. Res. 67—Senate agreed to July 22, 1987.

States the sense of Congress that the Secretary of Agriculture should ensure that the Export Enhancement Program is adequately funded (with either cash or PIK commodities) for FY 1987-1990.

Alternative Agricultural Products Research: S. 970—Passed Senate July 29, 1987.

Authorizes $75 million in each FY 1988-2007 for research to develop new crops or modify existing crops and crop materials in order to develop and produce new marketable commercial and industrial products.

Commodity Distribution Reform: H.R. 1340—Passed House August 3: Passed Senate amended August 5, 1987. (227)

Requires the USDA to improve the quality, packaging, and delivery of commodities delivered under the National School Lunch, Elderly Feeding, Food Distribution on Indian Reservations, Child Care Food, and School Breakfast programs; extends the National Commodity Processing Program until June 30, 1969; requires that USDA-issued recipe cards be regularly updated using USDA and HHS dietary guidelines; extends until June 30, 1989, the Cash or Commodity Letters of Credit pilot projects which allow certain school districts to receive cash or commodity letters of credit in lieu of National School Lunch program commodities and requires that food purchased by the pilot projects be produced and processed in the U.S.; allows State agencies participating in the Women, Infants, and Children (WIC) Program to devise methods to reduce food costs, such as by competitive bidding, and to use up to 20 percent of the savings to administer the program to additional applicants with the remainder to be used for additional food purchases; allows States to carry over one percent of the unspent FY 1986 and 1987 WIC funds into the succeeding fiscal years; requires that infant formula bought for the WIC program meet the Infant Formula Act requirements; requires that State agencies coordinate the WIC and medicaid programs; requires the USDA to conduct a study of savings in the Medicaid and State indigent health care programs for newborn infant care due to the mothers participation in WIC; and extends the deadline for USDA quality control program studies from 12 to 15 months.

Emergency Agriculture Assistance: S. 341—Passed Senate January 29, 1987.

Requires the Secretary to (1) make disaster payments to all wheat producers who were prevented in 1986 from planting 1987 wheat crop in time to assure normal crop production, and (2) provide cost estimates by February 17 regarding the extension of disaster relief to cotton, feed grain, and soybean producers whose crop value was reduced because of flooding and other related moisture problems; places an overall cap of $1 million on this assistance; and limits to $20,000 the maximum amount that would be provided to any individual producer of hay and straw.

Farm Credit System: S. Res. 185—Senate agreed to April 8, 1987.

States the sense of the Senate that the Farm Credit Administration and the Farm Credit System should use their authorities to ensure the availability of reasonable credit rates and terms and protect borrowers' stock or allocated equities from impairment; and that the Farm Credit Administration should certify the Farm Credit System's need for financial assistance.

Food Security Act Amendments: H.R. 1123—Public Law 100-28, approved April 24, 1987.

Extends until March 31, 1988, the date by which the National Commission on Dairy Policy must report to the Secretary of Agri-

culture and Congress on matters relating to the domestic milk production industry and the Federal milk price support program; and gives alfalfa producers, in rotation practice during the 1981-85 crop years, until June 1, 1988, to fully comply with the Highly Erodible Land Conservation provisions of the Act.

Uniform Cotton Classing Fees: H.R. 2971—Public Law 100-x, approved x, 1987.

Extends through FY 1992, the Secretary of Agriculture's authority to recover costs associated with cotton classing services; prescribes methods for determining the classification fee for each crop year and requires the Secretary to announce the uniform fee, and any surcharge, by June 1 of each crop year; authorizes an increase in the operating reserve from 20 to 25 percent operating reserve; and requires the Secretary of Agriculture to report to Congress a study on the differences between processing efficiency and product quality for Light Spotted and White grade cottons.

Wheat Diversion Program and Acreage Limitation Level: S. Res. 237—Senate agreed to June 19, 1987.

States the sense of the Senate that it is in the best interests of the U.S. wheat producers to immediately receive the details of the 1988 wheat program which should include no more than a 27.5 percent acreage limitation level.

Wheat Diversion Program and Disaster Assistance: H.R. 1157—Public Law 100-45, approved May 27, 1987.

Provides for a winter wheat diversion program for the 1987 crop year under which producers could set aside 100 percent of their acreage and receive 92 percent of their deficiency payment; authorizes disaster payments for producers of 1987 crops of cotton, spring wheat, and rice who were prevented from planting because of disasters occurring in 1986; expresses the sense of the Congress that the Secretary of Agriculture should establish a sunflower price support program if a soybean price support program is initiated; makes the deficiency payments for the 1986 feed grains crop immediately available and payable in negotiable certificates; authorizes the issuance of additional Commodity Credit Corporation commodity certificates to cover the full amount of claims submitted by farmers under the 1986 special farm disaster program, subject to advance appropriations; and requires appointment of the ethanol panel within 30 days of enactment.

### APPROPRIATIONS—FY 1987

Emergency Food and Shelter Program/Federal Pay Increase Disapproval: H.J. Res. 102—Public Law 100-6, approved February 12, 1987. Note: (The House, on February 4, 1987, agreed to the Senate amendments, thus clearing the bill for the President. Because the House did not act prior to the midnight, February 3, 1987, deadline, the Federal pay raise went into effect.) (12)

Transfer $50 million from the Federal Emergency Management Agency's (FEMA's) disaster relief program to its emergency program to feed and shelter the homeless, especially during the bitter cold months, $5 million of which would be transferred to the Veterans Administration for homeless veterans with chronic mental illness; rescinds $7.5 million in FEMA disaster relief funds; disapproves the $28 million deferral for the Temporary Emergency Food Assistance Program; and disapproves the automatic salary increase for Members of Congress, Federal judges, and top Executive Branch officials, as recommended by the President in his FY 1988 Budget, transmitted to Congress on January 5, 1987.

Supplemental Appropriations, 1987: H.R. 1827—Public Law 100-71, approved July 11, 1987. (145)

Makes supplemental appropriations for FY 1987 totaling $9,377,119,976 in new budget authority, which includes $408,536,000 for increased pay costs, $1,163,781,000 to fund the homeless initiative, $5,553,189,000 to reimburse the CCC for net realized losses, $747,500,000 for DOD, $257,813,486 for U.S. contributions to international financial institutions, and $137,216,000 for the Immigration and Naturalization Service.

### BUDGET

First Concurrent Budget Resolution, 1988: H. Con. Res. 93—Action completed June 25, 1987. (97, 157)

Sets forth the recommended levels of total new budget authority, outlays, and revenues for the U.S. government for FY 1988-90 as follows (in billions of dollars): Budget Authority—$1,153.20 $1,217.90, and $1,261.60 in FY 1988-90, respectively; Outlays—$1,040.80, $1,083.85 and $1,117.05 in FY 1988-90, respectively; Revenues—$932.80, $993.95, and $1,066.75 in FY 1988-90, respectively; establishes deficit and public debt limits as follows (in billions of dollars): Deficit—$108.00, $89.90, and $50.30 in FY 1988-90, respectively; Public Debt Limit—$2,565.10, $2,777.10, and $2,964.20 in FY 1988-90 respectively.

### DEFENSE-NATIONAL SECURITY

Intelligence Authorizations: H.R. 2112—Passed House June 9, 1987; Passed Senate amended July 23, 1987; In conference.

Authorizes a classified amount of funds for U.S. intelligence activities in FY 1988 and 1989, $21.9 million in each FY 1988 and 1989 for the Intelligence Community Staff, and $134.7 million in FY 1988 and $144.5 million in 1989 for the CIA Retirement and Disability System; requires the Attorney General to report annually to Congress any cases where Soviet nationals have been admitted to the U.S. over the objections of the FBI Director, for employment or assignment to a diplomatic establishment or international organization in the U.S.; extends through FY 1989 the Secretary of Defense's authority to terminate any civilian officer or employee of the Defense Intelligence Agency and extends this authority to cover civilian employees of intelligence elements within the military departments; exempts the DIA from Executive Branch personnel reporting requirements; establishes a graduate-level training program in critical skill areas to facilitate recruitment and retention of qualified personnel; directs the Secretary of Defense and the Director of Central Intelligence to develop a plan for the conduct of net assessments which allow for independent judgments by the intelligence community; and exempts the National Foreign Intelligence Program from any undistributed reductions in the FY 1988 and 1989 DOD Authorization Act.

Military Retirement Reform Technical Corrections: H.R. 2974—Passed House July 28, 1987; Passed Senate amended August 5, 1987.

Makes several minor modifications in the COLA mechanism to ensure the accurate and uniform implementation of the changes in the Military Retirement Reform Act.

### DISTRICT OF COLUMBIA

Federal Triangle Development: S. 1550—Passed Senate August 5, 1987.

Authorizes development of a Federal office complex and International Cultural and Trade Center on the Federal Triangle site in the District of Columbia to be built on a "lease-to-own" plan under which the Federal government's lease payments over 30 years will pay for the building's construction.

### ECONOMY-FINANCE

Federal Savings and Loan Insurance Corporation (FSLIC) Recapitalization: S. 790—Passed Senate March 27, 1987. (44) H.R. 27—Public Law 100-x, approved x, 1987. (226)

Recapitalizes, at $10.825 billion, the Federal Savings and Loan Insurance Corporation (FSLIC); provides for the refund of contributions by thrift institutions to the FSLIC secondary reserve; closes the nonbank bank loophole as of March 5, 1987, and restricts the expansion of grandfathered nonbank banks; imposes a moratorium through March 1, 1988, on certain securities and insurance activities of banks or bank holding companies; requires thrift institutions to use generally accepted accounting principles instead of the regulatory accounting system; allows emergency interstate bank acquisitions; allows regulators to operate failed banks for up to three years while seeking purchasers for those institutions; establishes a new program to facilitate the recovery of troubled, but well-managed thrifts; regulates consumer checkholds; streamlines credit union operations; provides for the seven-year amortization of farm loans in agricultural banks; and reaffirms the sense of the Congress that Federally-insured deposits are backed by the full faith and credit of the U.S. government.

Garn-St Germain Depository Institutions Act Extension: H.R. 431—Passed House February 4, 1987; Passed Senate amended March 3, 1987; House disagreed to Senate amendment, March 12, 1987.

Extends until September 15, 1987, the emergency merger acquisition provisions of the Garn-St Germain Depository Institutions Act of 1982.

Malcolm Baldrige National Quality Award Program: H.R. 812—Passed House June 8, 1987; Passed Senate amended August 5, 1987.

Establishes the Malcolm Baldrige National Quality Award Program under which awards would be presented periodically to companies for improving their product quality.

Public Debt Limit: H.R. 2360—Public Law 100-40, approved May 15, 1987.

Increases and extends the current temporary debt limit of $2.3 trillion (expiring on May 15, 1987) to $2.32 trillion until July 17, 1987, after which it will revert to the permanent level of $2.111 trillion unless extended or increased.

H.R. 3022—Public Law 100-80, approved July 30, 1987.

Extends the temporary debt limit of $2.32 trillion (which expired on July 1, 1987) until August 6, 1987, after which it will revert to the permanent level of $2.111 trillion unless extended or increased.

H.J. Res. 324—Passed House July 23, 1987; Passed Senate amended July 31, 1987; in conference. (224)

Increases the public debt limit from $2.111 trillion to $2.8 trillion until May 1, 1989; modifies the deficit targets under the Balanced Budget and Deficit Control Act of 1985 (Gramm-Rudman-Hollings) and its sequester procedures; requires more effective management of social security trust funds and ensures payment of benefits when the government reaches the debt ceiling; and requires, beginning in 1990, an affirmative vote by Congress to approve the recommendations of the President's Quadrennial Commission for a Congressional pay raise.

SBA Authorization: H.R. 2166—Public Law 100-72, approved July 11, 1987.

Makes minor amendments, without any net increase in budget authority, to SBA program levels and authorizations as follows: increases by $108 million, to $1.25 billion, the authorized FY 1988 program level for the Surety Bond Guarantees Program; requires that $425 million of the $450 million previously authorized for guarantees of debentures issued by development companies in each of FY 1987 and 1988 be sold to private investors rather than to the Federal Financing Bank; and authorizes $16 million for the pollution control contract guarantees program to pay losses on previously issued guarantees.

SEC Authorization and Securities Law Amendments: S. 1452—Passed Senate July 10, 1987.

Authorizes $158.6 million in FY 1987 and $172.2 million in 1988 for the Securities and Exchange Commission (SEC), clarifies and expands the enforcement capabilities of the SEC and other Federal regulatory agencies for registered transfer agents and their associated professionals, and makes technical, clarifying, and conforming amendments to securities laws including provisions to: eliminate the requirement that regulated savings and loans and similar institutions limit their fees for issuing securities to three percent of the security's face value in order to qualify for registration exemption; codify the SEC's authority to bring administrative proceedings against persons that are, or seek to be, associated with a broker-dealer, municipal securities dealer, or investment adviser at the time they committed an alleged Federal securities violation, regardless of their current employment or association status; make the administrative remedies available against persons associated with municipal securities dealers conform with those provided for persons associated with broker-dealers and investment advisers; require the SEC and relevant regulatory Federal banking agencies to notify each other when they institute proceedings and enter orders against persons associated with transfer agents and municipal securities dealers; and provide access to criminal history records in the FBI's National Crime Information Center system by the SEC and SEC-designated self-regulatory organizations.

Thrift Savings Fund Investment Procedures: S. 1177—Public Law 100-43, approved May 22, 1987.

Permits Treasury to make up any loss of earnings to the Federal Employee's thrift savings plan resulting from suspension of Treasury's borrowing authority because the debt limit has been reached.

### EDUCATION

Higher Education—Technical Amendments: H.R. 1846—Public Law 100-50, approved June 3, 1987.

Makes certain technical and clarifying amendments to the 1986 amendments to the Higher Education Act as follows: clarifies the discretionary authority of financial aid administrators to make student aid eligibility determinations on a case-by-case basis; modifies the needs analysis provisions; mandates the development and implementation of a simplified needs analysis application form; allows schools to submit guaranteed loan applications to financial institutions but requires the applicant to indicate his choice of lender; makes nondegree candidates, under limited circumstances, eligible for guaranteed student loans; requires loan counseling for borrowers seeking student loan consolidations; and directs the Advisory Commission on Student Financial Assistance to study multiple applications processing and the appropriateness of reinstating limitations on schools which want to serve as lenders in the GSL program.

Native Hawaiians Education Improvement: S. 360—Passed Senate April 22, 1987.

Authorizes $9.9 million for supplemental education programs to benefit Native Hawaiians, including implementation of model educational curricula, the establishment of family based preschool education centers, higher education programs; and gifted, talented, and special education programs.

Star Schools Program: S. 778—Passed Senate April 23, 1987. (80)

Authorizes the Star Schools Program to award grants to educational telecommunications partnerships for developing, constructing, and acquiring telecommunications facilities and equipment in order to improve the instruction of mathematics, science, and foreign languages in the U.S.

### ENERGY

Continental Scientific Drilling and Exploration: S. 52—Passed Senate June 17, 1987.

Directs the Secretaries of Energy and Interior and the Director of the National Science Foundation to cooperate in implementing a Continental Scientific Drilling Program (CSDP) to enhance the fundamental understanding of the composition, structure, dynamics, and evolution of the continental crust, and how these processes affect natural phenomena and to report to Congress, within 180 days of enactment, on the CSDP including long- and short-term policy objectives, projected schedules of certain scientific and engineering events, the extent and duration of resources and funding required, possible benefits from the program, and other information or recommendations deemed appropriate.

Energy Standards for Appliances: S. 83—Public Law 100-12, approved March 17, 1987. (28)

Establishes national energy conservation standards for major residential appliances.

Ethanol Cost Effectiveness Study Extension: S. 1597—Passed Senate August 5, 1987.

Amends the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost-effectiveness study from 90 to 180 days.

Powerplant and Industrial Fuel Use: S. 85—Passed Senate April 8, 1987; H.R. 1941—Public Law 100-42, approved May 21, 1987.

Amends the Powerplant and Industrial Fuel Use Act of 1978 (FUA) (P.L. 95-620) to repeal the prohibition on the use of natural gas or petroleum as the primary fuels used in new electric powerplants or in new large industrial boiler facilities; substitutes, for the FUA requirement that all new electric powerplants be capable of using coal or another alternate fuel, a requirement that new baseload powerplants have the design capability to be converted after they are constructed from natural gas or oil to coal, or another alternate fuel, as market conditions warrant; repeals several provisions including the discretionary authority of the Secretary of Energy to prohibit the boiler use of natural gas for space heating, the ban on the use of natural gas for outdoor decorative lighting, restrictions on increased petroleum use by certain existing powerplants which have used coal or another alternative fuel as a primary energy source, optional compliance mechanisms for certain existing electric powerplants and annual reporting requirements with respect to domestic coal reserves and Federal agency compliance under the Act; and amends the Natural Gas Policy Act of 1978 (P.L. 95-621) to repeal the incremental pricing requirements in Title II.

Strategic Petroleum Reserve (SPR) Security: S. 836—Passed Senate June 25, 1987.

Authorizes the Department of Energy to arm its protective force personnel at SPR sites and to empower them in certain instances to make arrests without warrants for violations of Federal law, and establishes a Federal offense of trespass on Federally-owned SPR sites.

### ENVIRONMENT

Clean Water:[1] H.R. 1—Vetoed January 30, 1987. House overrode veto February 3, 1987; Senate overrode veto February 4, 1987; Became Public Law 100-4, February 4, 1987, without approval. (4, 19)

Authorizes a total of $18 billion through FY 1994 for water treatment projects of which $8.4 billion is for a new revolving fund to provide loans to States for up to 100 percent of a project's cost (funded from 1989-94) and $9.6 billion is for the Title II construction grant program (funded from 1986-90); provides a process for States to develop and implement programs for control of nonpoint source pollution allowing them to use both grants and revolving funds for this purpose and earmarks $400 million over four years for nonpoint source pollution remedies; authorizes an increased Federal share for certain wastewater treatment projects; and makes various amendments to the construction grant program and the standards and enforcement provisions of the Act.

Surface Mining Control and Reclamation: H.R. 1963—Public Law 100-34, approved May 7, 1987.

Amends the Surface Mining Control and Reclamation Act of 1977 (SMCRA) to permit States to set aside in a special trust fund up to 10 percent of their annual appropriated allocations of Abandoned Mine Land Reclamation Funds for future abandoned mine reclamation; and repeals the provision exempting surface coal mining operations that affect two acres or less and extract coal for commercial purposes from all provisions of SMCRA.

### FISHERIES

Documentation of Foreign-Built Fish-Processing Vessels: S. 1591—Public Law 100-x, approved xx, 1987.

Prohibits until October 15, 1987, the certification of any application for documentation of a foreign-built fish-processing vessel submitted after July 20, 1987.

U.S.-Korea International Fisheries Agreement Extension: H.R. 2480—Public Law 100-66, approved July 10, 1987.

Extends from July 1, 1987, to November 1, 1987, the governing international fishery agreement between the U.S. and Korea, and confirms the legal status of the one-year Congressional and Executive Branch fellowships awarded under the Sea Grant Act.

### GENERAL GOVERNMENT

Christopher Columbus Quincentenary Amendments: H.R. 2309—Public Law 100-x, approved x, 1987.

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[1] Vetoed—1st Session (1987).

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Increases the annual contribution limitations for individuals and corporations to $250,000 and $1 million, respectively; permits broader use of the Christopher Columbus Quincentenary Logo; adds a third nonvoting member from a Caribbean country to the Commission; and extends the termination date for the Commission from November 15, 1992, until December 13, 1993.

Computer Matching and Privacy Protection: S. 496—Passed Senate May 21, 1987.

Allows Federal agencies to enter into computer matching agreements and establishes the criteria and procedures for their implementation; requires participating Federal agencies to establish internal Data Integrity Boards; and prohibits an agency from terminating any person's benefits or taking other adverse action without verifying the relevant matching data and providing the individual an opportunity to contest the data.

Contracts Disputes Amendments: S. 345—Passed Senate May 21, 1987.

Requires the competitive selection of Contract Appeals Board members (BCA judges) and provides for their removal only if "good cause" can be shown at a hearing before the Merit Systems Protection Board; and exempts BCA judges from agency performance evaluations and provides for guaranteed periodic salary increases.

Librarian of Congress Emeritus: S. 1020—Public Law 100-83, approved August 4, 1987.

Creates the Office of Librarian of Congress Emeritus and provides that each duly appointed Librarian of Congress shall, upon retirement, be designated Librarian of Congress Emeritus.

HASA Authorizations: H.R. 2782—Passed House July 9, 1987; Passed Senate amended July 10, 1987.

Authorizes $9.6 billion for NASA activities in FY 1988 (including $3.7 billion for research and development, $4.1 billion for space flight control and data communications, $210.7 million for facilities construction, and $1.6 billion for research and program management of which $10 million is for the National Space Grant College and Fellowship Program) and $4.6 million for the Office of Commercial Space Transportation.

Public Buildings Authorizations: S. 1502—Passed Senate amended July 23, 1987.

Authorizes $2.93 billion in FY 1988 for the GSA's Public Buildings Service including $443.45 million for repair and alterations, $115.03 million for design and construction services, $1.19 billion for leasing, $845.38 million for real property operations, and $115.65 million for construction and acquisition of which $3.7 million is for construction of the International Cultural and Trade Center in Washington, DC., and such sums as necessary for the design and construction of a Federally-owned building to house the Environmental Protection Agency.

U.S. Golf Association Rules: S. Res. 247—Senate agreed to July 10, 1987.

States the sense of the Senate that the U.S. Golf Association should review its rules and procedures and consider nondiscriminatory flexibility to allow qualified disabled individuals to effectively compete in its sanctioned tournaments.

### GOVERNMENT EMPLOYEES

Air Traffic Controllers Annuity Computations: H.R. 1403—Public Law 100-x, approved x, 1987.

Specifies that pre-1987 service as an air traffic controller would be included in the air traffic controllers retirement annuity computations.

Federal Employees Retirement System—Technical Corrections: H.R. 1505—Public Law 100-20, approved April 7, 1987.

Makes technical corrections to the Federal Employees Retirement System (FERS) which: (1) allow prior creditable service under the Civil Service Retirement System (CSRS) to be creditable toward satisfying the 18-month service requirement for survivor's benefits under FERS for employees with more than five but less than 10 years service under CSRS who die within 18 months of transferring to FERS; and (2) change, from January 1, 1988, to April 1, 1987, the thrift savings plan participation eligibility date for employees who were automatically covered under FERS on January 1, 1987, but did not have CSRS contributions withheld during 1984-86.

Federal Pay Increase Disapproval: S.J. Res. 34—Passed Senate January 29, 1987. (9)

Disapproves the automatic salary increase for Members of Congress, Federal Judges, and top Executive Branch Officials, as recommended by the President in his FY 1988 Budget, transmitted to Congress on January 5, 1987.

Federal Pay Increase Rescission: S.J. Res. 42—Passed Senate February 4, 1987.

Rescinds the salary increase for Members of Congress, Federal Judges, and top Executive Branch Officials, as recommended by the President in his FY 1988 Budget, transmitted to Congress on January 5, 1987, and which became effective on February 4, 1987.

Postal Service Employee Appeal Rights: H.R. 348—Public Law 100-x, approved x, 1987.

Extends the right to appeal adverse personnel actions to the Merit System Protection Board (MSPB) to nonveteran postmasters and supervisors and Postal Service employees engaged in confidential personnel work with one year of continuous service.

Tucson Wage Area Pay Retention: S. 942—Public Law 100-47, approved May 29, 1987.

Makes Federal wage employees in the Tucson, Arizona, wage area whose salary was reduced as a result of a wage survey conducted during FY 1986 eligible for pay retention retroactive to the effective date of the reduction.

U.S. Bankruptcy Judges and Magistrates Retirement Parity: H.R. 1947—Public Law 100-53, approved June 18, 1987.

Modifies Civil Service Retirement System provisions relating to U.S. magistrates and bankruptcy judges.

### HEALTH

Acquired Immune Deficiency Syndrome (AIDS): S. Res. 190—Senate agreed to April 10, 1987.

States the sense of the Senate that the Nation make a major commitment of resources consistent with the National Academy of Science's recommendation for health care, research, and education relating to AIDS, and that a Presidential Commission be created to assist in establishing priorities and developing comprehensive plans to deal with the domestic and international problems relating to AIDS.

Asbestos School Hazard Abatement: H.J. Res. 153—100-11, approved March 17, 1987.

Requires the Environmental Protection Agency to award Asbestos School Hazard Abatement program grants and loans in time to ensure that eligible local educational agencies can complete asbestos abatement work in schools during the 1987 summer recess.

Developmental Disabilities Assistance and Bill of Rights Amendments: S. 1417—Passed Senate July 21, 1987.

Updates terminology in the Act to focus on the competence and preferences, rather than the limitations, of developmentally disabled persons, and modifies the Act as follows: the basic State grant program—authorizes $62.2 million in FY 1988, $69.9 million in 1989, and $77.4 million in 1990; increases the minimum State allotment to $350,000, when appropriations reach $60 million; clarifies and strengthens the independence of State Planning Councils; requires the Councils to review the scope and effectiveness of State services provided to developmentally disabled persons; and increases State flexibility in determining program priorities; protection and advocacy system—authorizes $20 million in FY 1988, $22 milion in 1989, and $24.2 million in 1990; increases the minimum State allotment to $200,000, when appropriations reach $20 million; requires that State systems address the needs of racial and ethnic minorities, establish a grievance procedure, provide for public comment on established system priorities, and be authorized to (1) investigate reported incidences of abuse and neglect, and (2) pursue legal, administrative, and other appropriate remedies or approaches to ensure the protection and advocacy for developmentally disabled persons; university affiliated programs (UAPs)—authorizes $9.4 million in FY 1988, $10.2 million in 1989, and $11 million in 1990 for existing UAPs and $4.5 million in FY 1988, $5 million in 1989, and $5.5 million in 1990 for training grants in areas of emerging national significance related to developmentally disabled persons; allows the use of funds to study the feasibility of establishing new UAPs and satellite centers and directs the Secretary of HHS to consider expanding into unserved States; and requires that a UAP applicant demonstrate coordination between its activities and those conducted under the State plan; projects of national significance—authorizes $3.65 million in each FY 1988-90 for the Secretary of HHS to make grants to, or contract with, agencies and nonprofit entities for projects of national significance related to developmentally disabled persons and to educate policy makers, develop a data collection system, determine the feasibility of developing a nationwide information and referral system and pursue interagency initiatives and other projects which expand opportunities for the developmentally disabled.

Infant Mortality: S. 1441—Passed Senate August 6, 1987.

Increases the FY 1988 authorizations for Migrant Health Centers by $3 million and for the Community Health Centers program by $35 million to combat high rates of infant mortality through expanded and improved maternal and child health services; requires the Secretary of HHS, in administering the Community Health Centers program, to give priority to rural areas designated as frontier areas and to use FY 1988 appropriations which exceed $418 million for grants to support special prenatal services and special prenatal coordinated projects; increases the FY 1988 authorization for the Area Health Education Centers program by $3 million, requires that an equal amount of FY 1988 appropriations be used for contracts to support programs that will train personnel to offer maternal and child health services in underserved areas, especially along the U.S.-Mexico border, frontier areas, the Pacific Basin region, and

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areas with disproportionately high infant mortality and low birthweight infant rates; and establishes a new program, authorized at $4 million for FY 1988, of grants to nonprofit nursing schools to operate fellowship programs for training nurse midwives and pediatric, family obstetric, and gynecologic nurse practitioners and gives priority to applicants employed by Community, Migrant Health, Indian, or Native Hawaiian health centers.

Minority Health Education: S. 769—Passed Senate July 21, 1987.

Authorizes $10 million in FY 1988, and such sums as necessary for 1981-91, to the Secretary of HHS for grants to centers for minority health professions education.

Nursing Shortage Reduction: S. 1402—Passed August 5, 1987.

Establishes initiatives to reduce nursing shortages including: establishing a special advisory committee of health care professionals to develop long-term solutions to the problems of hospitals and other health care institutions in recruiting and retaining professional nurses; authorizing $2 million for each FY 198-90 for a matching grant to a nonprofit private entity to demonstrate and evaluate innovative hospital nursing practice models designed to reduce vacancies in hospital nursing position; authorizing $2 million for FY 1988, and such sums as necessary for 1989-90, for grants and contracts with collegiate nursing schools to demonstrate and evaluate innovative nursing practice models related to providing long-term health care in the home or long-term care facilities; and authorizing $1 million for FY 1988, and such sums as necessary for 1989-90, for grants and contracts to develop, establish, and operate of regional model professional nurse recruitment centers.

Public Health Service Amendments; S. 1158-Passed Senate July 23, 1987.

Reauthorizes programs and activities under Title II of the Public Health Service Act for three years through FY 1990 at the amounts stated for FY 1988 and such sums as necessary in 1989-90: $26.5 million for the National Center for Health Services Research and Health Care Technology, $55 million for the National Center for Health Statistics, $94 million for immunization grants, $5 million for vaccine stockpiles, $22 million for tuberculosis grants, $100 million for Sexually Transmitted Diseases Prevention; authorizes in each FY 1988-90, $65 million for the National Health Service Corps (NHSC), $750,000 for the Council on Health Care Technology, and such sums as necessary for NHSC Scholarships; establishes new three-year project grants for (1) providing immunizations with vaccines approved after enactment and (2) tuberculosis research, public education, and health professionals education; authorizes the Centers for Disease Control to maintain a six-month vaccine stockpile; establishes a NHSC Loan Repayment Program to pay up to $20,000 in loans for each year that an individual agrees to serve in a Corps health manpower shortage area, and authorizes such sums as necessary to carry out the program; authorizes $1 million in FY 1988, and such sums as necessary in 1989 and 1990, for a new three-year NHSC State loan repayment program; prohibits the Secretary from removing a locale from the list of health manpower shortage areas until interested persons are allowed to provide information in support of its continued designation; authorizes the Secretary to make loans of up to $25,000 to a Corps member who agrees to enter into full-time private practice in a health manpower shortage area; requires the Secretary of HHS, in assigning NHSC family practitioners, to consider the needs of urban areas with serious rates of infant mortality, adolescent pregnancy, drug and alcohol abuse, sexually transmitted diseases, and other acute urban health care needs; and prohibits the discharge in bankruptcy of any payback requirement under the NHSC Scholarship Program unless the Bankruptcy Court finds that nondischarge would be unconscionable.

Radon Program Development: S. 744—Passed Senate July 8, 1987.

Directs EPA to assist States in developing and implementing radon programs and authorizes $10 million each in FY 1988-90 for State grant assistance; authorizes $1.5 million to expand and improve EPA's radon training and proficiency testing programs, and $1.5 million for and EPA survey of radon contamination in public schools; and requires the Departments of Agriculture, Interior, and Defense, the GSA and VA to conduct studies on radon contamination in Federal buildings.

### HOUSING

Ginnie Mae Guaranty Fee Limitation: H.R. 1056—P.L. 100-14, approved March 24, 1987.

Limits to six basis points the fee that the Government National Mortgage Association (Ginnie Mae) may charge for the guaranty of mortgage-backed securities insured by the FHA, VA, or FmHA.

Housing and Community Development Programs Extension: S. 825—Passed Senate March 31, 1987; Passed House amended June 17, 1987; In conference. (49)

Extends for three years, through FY 1989, programs authorized under the Housing and Community Development Act of 1974, including the Rehabilitation Loan Program (with no new authorization), the insurance and loan authority for rural single and multi-family housing programs, the urban homesteading program, the Urban Development Action Grant Program, the Community Development Block Grant Program, the elderly and handicapped housing program, and the contract authority for the National Flood Insurance policies; freezes rural housing programs at their current levels; limits increases in flood insurance premiums; permanently extends the 9.25 percent interest rate limitation for the section 202 Elderly and Handicapped Housing Program, the Home Mortgage Disclosure Act, and the authorization for FHA mortgage insurance; provides lower income families residing in public housing projects with an opportunity to purchase their units; establishes a fair housing initiatives demonstration program to prevent or eliminate discriminatory housing practices; and establishes an opportunity grant (Nehemiah) program under which the Secretary of HUD may make grants to nonprofit corporations for noninterest-bearing second mortgage loans to median income families for the purchase of newly constructed or substantially rehabilitated homes.

Section 515 Prepayment Moratorium: S. 1430—Passed Senate June 26, 1987.

Imposes a moratorium until January 1, 1988, on prepayments under section 515 of the Housing Act of 1949, unless the loan was made or insured (1) at least 20 years prior to the date of prepayment, or (2) made or issued pursuant to a contract entered into before December 21, 1979, and the Secretary determines that the prepayment or refinancing will not result in a substantial rent increase or the displacement of tenants.

### INDIANS

Indian Fishing Rights: S. 727—Passed Senate May 13, 1987.

Specifies that income derived by Indians from the exercise of fishing rights secured by treaty, executive order, or act of Congress is tax exempt.

Ysleta del Sur Pueblo and Alabama and Coushatta Tribes of Texas Restoration: H.R. 318—Public Law 100-x, approved x, 1987.

Restores the Federal trust relationship to the Alabama and Coushatta Indian Tribes and the Ysleta del Sur Pueblo Tribe located in Texas.

### INTERNATIONAL (SEE ALSO TREATIES)

Anti-Drug Effort Certifications Disapproval—Panama: S.J. Res. 91—Passed Senate April 3, 1987. (NOTE: On the same day, the Senate tabled similar resolutions with respect to Mexico and the Bahamas.) (63)

Disapproves the President's certification, as required by Section 481(h) of the Foreign Assistance Act of 1961, that Panama has cooperated fully in matters related to drug interdiction and eradication efforts and in preventing and punishing the laundering of drug-related profits or monies. (NOTE: Under the Anti-Drug Abuse Act of 1986 (P.L. 99-570) the President is required to certify to Congress by March 1 of each year that 24 specified countries, which are recipients of U.S. aid, have in the past year cooperated fully with the U.S. in its effort to eradicate the drug problem or be subject to stiff sanctions, including a 50 percent reduction in U.S. foreign aid. The Act further provides for Congressional disapproval of any certification by passage of a joint resolution of disapproval, within 30 calendar days of its receipt, under expedited procedures. The President submitted the required certification with respect to Panama on March 1. Because Congress did not act before the expiration of the 30 day period, or April 2, the disapproval resolution would have no punitive effect.)

Arms Control and Disarmement Agency (ACDA) Authorization: H.R. 2689—Passed House June 29, 1987; Passed Senate amended July 22, 1987.

Authorizes $29 million for the ACDA in FY 1988 (the same as its FY 1987 level); limits ACDA spending on the Reduced Enrichment in Research and Test Reactor Program to $2.6 million and urges the agency to review the program and seek cooperative DOE funding; earmarks $7,053 million for expenses related to the Geneva negotiations, and $310,000 for the William C. Foster Fellows Program; requires the U.S. Commissioner of the Standing Consultative Commission to report annually to Congress on strategic arms treaty compliance questions and related issues; clarifies and expands the requirements of the annual Presidential report on compliance by the U.S. and other nations with arms control agreements; and requires the ACDA Director to report annually to Congress on arms control and disarmament issues including a comprehensive list of related R&D and other studies performed for and by the Government.

Central American Initiative Support: S. Con. Res. 24—Senate agreed to March 12, 1987. (30)

States that Congress (1) appreciates the recent bold initiative by the heads of state of Costa Rica, El Salvador, Guatemala, and Honduras (the Arias Proposal), and congratulates them on their significant contributions toward ending armed conflict and

reinforcing democracy in Central America; and (2) supports the thrust of this initiative and looks forward to the next summit meeting in Esquipulas, Guatemala, in May.

Contra Aid Disapproval: S.J. Res. 81—Senate rejected March 18, 1987. (31)

Disapproves the provision of additional assistance ($40 million) to the Nicaraguan Democratic Resistance, pursuant to title II of the Military Construction Appropriations Act of 1987, except as provided in section 211(b) thereof within the limits of funds previously made available. (NOTE: Section 211(b) limits assistance to the Contras to humanitarian assistance, logistics advice and assistance, support for democratic political and diplomatic activities, intelligence gathering activities, and equipment and supplies necessary for defense against air attacks.)

Haitian Human Rights S. Res. 248—Senate agreed to July 30, 1987.

States the sense of the Senate that: the President should make clear U.S. support for a full and functioning democracy in Haiti; the National Council of Government should abide by the constitution which mandates an independent body to organize and conduct elections, be responsive to the conditions of U.S. economic and military assistance established in the Special Foreign Assistance Act of 1986 (P.L. 99-529), and redouble its efforts to demonstrate progress in investigations into past human rights abuses by the Haitian armed forces and safeguard against future abuses; the Haitian armed forces should respect human rights and exercise restraint; and all Haitians should work to avoid further violence in the transition to democracy.

Korean Democracy S. Res. 241—Senate agreed to June 27, 1987.

States the sense of the Senate that: the U.S. supports the efforts of Koreans to establish fair and free elections and peacefully evolve to a full democratic government; the U.S. recognizes President Hwan's commitment to initiate the first peaceful transition of power in Korea by stepping down in March 1988; the President of the U.S. should undertake all possible efforts to facilitate dialogue and negotiation among all parties to achieve democracy in the Republic of Korea; and the necessary conditions for free elections and achieving democracy are flexibility, fairness, freedom of expression, freedom of press, respect for due process of law and an independent judiciary, and the restoration of full political and civil rights and legal guarantees for the proper treatment of detainees.

Lithuanian Human Rights: S. Res. 232—Senate agreed to July 1, 1987.

Deplores Soviet denial of religious liberty and other human rights in Lithuania and elsewhere, and sends the Senate's greetings on the occasion of the 600th anniversary of Christianity in Lithuania; supports those Lithuanians who are persecuted for attempting to exercise freedom of religion; urges the President, the Secretary of State, and the U.S. delegation to the Vienna Review Meeting of the Conference on Security and Cooperation in Europe to continue speaking out against violations of religious liberty everywhere and specifically in Lithuania, and to solicit the support of our allies in this effort; and calls upon the Soviet Union to abide by the Universal Declaration of Human Rights, and the Final Act of the Conference on Security and Cooperation in Europe, including the religious liberty provisions.

Ozone Negotiations Resolution: S. Res. 226—Senate agreed to June 5, 1987. (147)

Urges the President to endorse the U.S. original position in ongoing international negotiations to protect the earth's ozone layer and continue to seek an immediate freeze in the production of major ozone-depleting chemicals at 1986 levels, a prompt automatic reduction of not less than 50 percent in the production of such chemicals, and, as set forth in the U.S. original position, the virtual elimination of such chemicals; and that the agreement should provide for regularly scheduled assessments of scientific, economic, and technological factors.

Pakistani Assistance: S. Res. 266—Senate agreed to July 31, 1987.

Expresses the sense of the Senate in support of the President's forthcoming efforts to gain Pakistan's compliance with its past commitments, including those not to produce weapon-grade nuclear materials and urging the President to (1) inform Pakistan that its verifiable compliance with these commitments is vital to further U.S. military assistance, and (2) pursue vigorously an agreement by India and Pakistan for simultaneous accession to the Nuclear Non-Proliferation Treaty and simultaneous acceptance of the International Atomic Energy Agency safeguards for all nuclear installations, mutual inspection of one another's nuclear installations, renunciation of nuclear weapons through a joint declaration, and the establishment of a nuclear weapons free zone in the sub-continent.

Panamanian Democracy S. Res. 239—Senate agreed to June 26, 1987. (163)

Expresses the sense of the Senate that the Panamanian government should: restore suspended Constitutional guarantees to the people of Panama; establish genuine autonomy for civilian authorities and remove the Panamanian Defense from non-military activities; provide for an impartial investigation of the allegations leveled against certain officials of the Panamanian defense forces; take specific steps to help ensure free and fair elections, the establishment of an independent judicial system, and the guarantee of a professional, nonpolitical military establishment under civilian control; and in accord with the Judicial Code of Panama, direct the current commander of the Panamanian defense forces and any other implicated officials to relinquish their duties pending the outcome of the impartial independent investigation.

Philippine Resolution: S. Res. 103—Senate agreed to February 19, 1987. (29)

Reaffirms U.S. support for the Government of the Philippine under the leadership of President Corazon Aquino on the occasion of the approval of the new constitution by the Philippines people; commends President Aquino for the progress toward democracy and justice she has achieved in her first year in office; and praises the continued commitment of the Philippine government and people to strengthen their democracy and achieve significant economic, political, and military reform.

Soviet Embassy Site: S. Res. 261—Senate agreed to July 30, 1987.

Declares that the President should void the current embassy site and construction agreements between the U.S. and the Soviet Union and enter into negotiations for a new agreement under which the Soviet Union will move its new embassy to a site in the District of Columbia that is no more than 90 feet above mean sea level.

Soviet Human Rights; S. Con. Res. 8—Senate agreed to January 21, 1987. (5)

Protests continued human rights repression in the Soviet Union; declares that these abuses seriously affect the atmosphere for productive negotiations on U.S.-USSR bilateral relations; calls on Soviet authorities to permit the release and emigration of "refuseniks"; and makes Congressional support of the restoration of human rights to all Soviet citizens, especially the internationally recognized right of Soviet Jews and others to emigrate, a priority of the 100th Congress.

Soviet Occupation of Afghanistan: S. Res. 31—Senate agreed to January 6, 1987. (2)

Renews Senate condemnation of the Soviet invasion and continued occupation of Afghanistan and its commitment to support the Afghan people through the provision of appropriate material support.

Soviet Release of Igor V. Ogurtsov: S. Res. 98—Senate agreed to March 11, 1987.

Expresses the sense of the Senate that the Soviet Union should release Igor V. Orgurstov from internal exile and allow him to emigrate to the West without renouncing his views.

Soviet-U.S. Arms Control: S. Res. 94—Senate agreed to February 17, 1987, (27)

Expresses the Senate's support for the President's commitment to achieve mutual, equitable, verifiable, and stabilizing nuclear arms reduction agreements with the Soviet Union; encourages both nations to use determined and creative diplomacy to resolve their differences; cautions the Soviet Union against pursuing strategies designed to exploit American domestic politics or to divide the U.S. from its allies in an effort to secure advantages on arms reduction matters; urges the Soviet Union not to condition progress in all arms control matters on issues relating to strategic defense technologies; declares that an important obstacle to the achievement of acceptable arms control agreements with the Soviet Union has been that nation's violations of existing agreements and calls for rectification of the violations; and urges the President to closely consult with America's allies and the Senate in the construction of sound arms reduction agreements.

Soviet/U.S. Family Visitations: S. Con. Res. 29—Senate agreed to July 29, 1987.

States the sense of the Congress that the promotion of unrestricted family visits between related people of the U.S. and the Soviet Union is an essential part of American policy toward the Soviet Union, and that the Administration should raise this issue in discussions with the leadership of the Communist Party and the Soviet government.

U.N. International Conference on Drug Abuse and Illicit Trafficking: S. Res. 238—Senate agreed to June 26, 1987. (159)

States that the Senate strongly urges the U.S. delegation to the International Conference on Drug Abuse and Illicit Trafficking to secure firm commitments from the governments of drug-producing and drug-transit countries to: make drug abuse and trafficking priorities in their domestic governments as well as international policy; reduce illicit drug crop production and transshipment; design and participate in more effective methods of sharing intelligence and information for cooperative international drug law enforcement; negotiate extradition treaties and mutual legal assistance treaties for mutual enhancement of efficient drug enforcement; and support the initiative to develop a new convention to combat illicit narcotic traffic.

U.S. Foreign Language Skills: S. Con. Res. 26—Senate agreed to March 6, 1987.

Expresses the sense of the Congress that a cooperative effort to improve the foreign language skills and international awareness of the American people will help the U.S. compete economically.

Venice Economic Summit: S. Res. 220—Senate agreed to June 4, 1987.

States the sense of the Senate that the President should make the resolution of agricultural issues a priority of the Venice Economic Summit in June and that the participating nations should make a coordinated effort to reduce surplus agricultural supplies and eliminate agricultural export subsidies.

S. Res. 225—Senate agreed to June 4, 1987. (146)

States the sense of the Senate that the President should encourage the Allies at the upcoming Venice Economic Summit to cooperate in diplomatic and military measures to ensure Western security interests in the Persian Gulf and seek commitments from: (1) Germany and Japan to reduce their trade surpluses by substantially increasing their imports; (2) the European Community and Japan to liberalize their agricultural import policies; and (3) other participants at the summit to contribute and cooperate with the U.S. and international efforts to combat and prevent the spread of AIDS.

Vietnam MIA Negotiations: S. Res. 255—Senate agreed to July 28, 1987. (213)

Expresses the Senate's support for General Vessey in his forthcoming negotiations to determine the fate of those Americans missing in action in Southeast Asia, facilitate the return of the recoverable remains of those missing in action, and discuss the remaining humanitarian issues affecting both nations; and calls on Vietnam to respond positively to these concerns in a humanitarian context.

Vietnam Political Prisoners: S. Res. 205—Senate agreed to May 1, 1987.

States the sense of the Senate that Vietnam should immediately release prisoners held because of their association with the South Vietnamese government before 1975, and fulfill its commitment to negotiate their humane resettlement abroad or to rejoin family members outside of Vietnam; and immediately resume processing family reunification cases under the U.N. High Commissioner for Refugees' Orderly Departure Program.

## JUDICIARY AND ADMINISTRATION OF JUSTICE

Bankruptcy Protections Extension: S. 903—Public Law 100-41, approved May 15, 1987.

Extends until September 15, 1987, certain provisions under title 11 of the Bankruptcy Code relating to the protection of retiree health benefits when companies file for bankruptcy.

S. 1577—Public Law 100-x, approved x, 1987.

Extends from September 15, 1987, until October 15, 1987, certain provisions under title 11 of the Bankruptcy Code relating to the protection of retiree health benefits when companies file for bankruptcy.

Clayton Act Amendments: S. 1068—Passed Senate July 31, 1987.

Amends section 8 of the Clayton Act, which prohibits individuals from serving on the boards of competing corporations, to raise its jurisdictional threshold for application to corporations from $1 million to $10 million in net worth; requires that the jurisdictional threshold be adjusted annually based on GNP growth; creates three de minimis exceptions to its application in cases of insignificant competitive overlaps; and expands coverage to offices elected or chosen by the board of directors; and modifies the Antitrust Premerger Notification System of the Act, which requires that the Department of Justice and the Federal Trade Commission be informed of proposed mergers valued over specified monetary limits, to modify the definition of a "person" for purposes of premerger notification requirements to include a general and controlling partner with an equity interest of 50 percent or more; increase the monetary threshold requirements to require the reporting of transactions if the annual net sales or total assets of the smaller of the involved parties equals $15 million or more and the acquiring party would hold more than $20 million worth of the acquired party's voting securities and assets; lengthen the period which antitrust enforcement agencies have to review cash-tender merger offers from 25 to 40 days; and allow the antitrust enforcement agencies to petition the courts for up to 25 additional days to review complex mergers.

Justice Department Authorizations: S. 938—Passed Senate July 31, 1987.

Authorizes $5.5 billion for Department of Justice activities in FY 1988 and 1989 including $103.5 million in FY 1988 and $138.0 million in 1989 for DOJ general administration, $1.5 billion in each FY 1988 and 1989 for the Federal Bureau of Investigation (FBI), $522.0 million in FY 1988 and $563.0 million in 1989 for the Drug Enforcement Agency (DEA), $1.1 billion in each FY 1988 and 1989 for the Immigration and Naturalization Service (INS), and $216.1 million in FY 1988 and $230.0 million in 1989 for the U.S. Marshals Service; permanently enables the DOJ's financial management authorities; and contains authorization and exemptions, which shall expire on October 1, 1989, for the conduct of undercover investigations by the FBI, DEA, INS, and the U.S. Marshals Service.

Retirement Benefits Bankruptcy Protections: S. 548—Passed Senate July 24, 1987.

Amends the Bankruptcy Code to require companies which file for bankruptcy to continue the insurance benefits payments of retirees who had gross incomes of less than $250,000 during the 12 month period preceding the bankruptcy filing; establishes procedures for petition of modification of the benefits payments; provides for the conversion from chapters 11 or 13 to chapter 12 bankruptcy proceedings of eligible family farm bankruptcy cases commenced before November 26, 1986, which are pending or reviewable; prohibits the discharge in bankruptcy of an individual debtor's Guaranteed Student Loan obligations and any debt arising from a judgment or consent decree which requires restitution for violating a State law; and provides for an additional bankruptcy judge in each of the judicial districts of Colorado and Arizona.

Semiconductor Chip Protection Extension: S. 442—Passed Senate June 26, 1987.

Extends for three years, until November 8, 1990, the authority of the Secretary of Commerce to issue interim orders providing protection in the U.S. to semiconductor chip designs first commercially exploited outside the U.S., and codifies the authority of the President to suspend, revise, or revoke proclamations issued pursuant to the Semiconductor Chip Protection Act of 1984.

### NATURAL RESOURCES—HISTORIC SITES (SEE ALSO ENVIRONMENT)

Aircraft Altitude Over National Parks: H.R. 921—Public Law 100-x approved x, 1987.

Requires the Secretary of Interior to report to Congress, within three years, on the appropriate minimum altitude for aircraft flying over national parks, and sets interim limitations of flights over the Yosemite, Grand Canyon, and Haleakala National Parks.

Marine Science, Technology, and Resources Development: S. 1196—Passed Senate August 5, 1987.

Authorizes $46 million for FY 1988, $48 million for FY 1989, $50 million for FY 1990, $52 million for FY 1991, and $54 million for FY 1992 for the National Sea Grant core program; $1 million for each FY 1988-92 for the Sea Grant international program; authorizes $5 million for FY 1988, $9 million for FY 1989, $13 million for FY 1990, $17 million for FY 1991, and $20 million for FY 1992 for a new Strategic Marine Research Program and limits program spending to 50 percent of appropriations for the National Sea Grant College Program Act; expands fellowship eligibility to postgraduates; requires that grant administration minimize Federal prior approval requirements; and clarifies activities authorized under the international program.

Peace Garden Establishment: H.R. 191—Public Law 100-63, approved June 30, 1987.

Authorizes the establishment of a Peace Garden on a Federal land site in the District of Columbia to be selected by the Secretary of Interior.

Sante Fe National Historic Trail: H.R. 240—Public Law 100-35, approved May 8, 1987.

Designates the Sante Fe Trail for inclusion in the national historic trails system.

Statue of Liberty Entrance Fees: S. 626—Public Law 100-55, approved June 19, 1987.

Prohibits the charging of an entrance fee at the Statue of Liberty National Monument.

Wild and Scenic Rivers Designations:

California (H.R. 317—Passed House March 31, 1987; Passed Senate amended July 8, 1987).

Designates a segment of the Merced River in California as a component of the National Wild and Scenic Rivers System.

Wild and Scenic Rivers Studies:

New Jersey (H.R. 14—Public Law 100-33, approved May 7, 1987).

Authorizes the study of segments of the Maurice River and its tributaries, the Manumuskin River, and Menantico Creek in New Jersey for study for possible inclusion in the National Wild and Scenic Rivers System.

### NOMINATIONS

(Action by Roll Call Vote)

Trusten F. Crigler, of Virginia, to be Ambassador to Somalia—Nomination confirmed April 24, 1987. (81)

Alan Greenspan, of New York, to be Member and Chairman of the FED—Nomination confirmed August 3, 1987. (225)

M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury—Nomination confirmed August 6, 1987. (230)

Arnold L. Raphel, of New Jersey, to be Ambassador to Pakistan—Nomination confirmed May 1, 1987. (85)

David S. Ruder, of Illinois, to be a member of the Securities and Exchange Commission—Nomination confirmed August 6, 1987. (228)

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William H. Webster, of Missouri, to be Director of the CIA—Nomination confirmed May 19, 1987. (115)

### SENATE

(See also Congress)

Arms Control Observers Group: S. Res. 30—Senate agreed to January 6, 1987.

Reauthorizes, through the 100th Congress, the Senate Arms Control Observer Group, established in the 99th Congress to monitor all arms control negotiations which the United States is officially undertaking with the Soviet Union.

Deputy President Pro Tempore: S. Res. 90—Senate agreed to January 28, 1987. (4)

Authorizes the appointment of an additional Deputy President pro tempore to serve at the pleasure of the Senate during the 100th Congress. NOTE: (Subsequently, the Senate passed S. Res. 91, appointing Senator George J. Mitchell, of Maine, to the position.)

Office of Classified National Security Extension: S. 632—Public Law 100-18, approved April 3, 1987.

Extends through June 5, 1987, the existing statutory authority for the Office of Classified National Security Information within the Office of the Secretary of the Senate, which authority expired February 28, 1987.

Office of Senate Security: S. Res. 229—Senate agreed to June 5, 1987.

Creates an Interim Office of Senate Security, within the Office of the Secretary of the Senate, to assume the duties, functions, personnel and facilities of the Office of Classified National Security Information, which shall expire on July 10, 1987.

S. Res. 243—Senate agreed to July 1, 1987.

Creates a permanent Office of Senate Security, under the policy direction of the Majority and Minority Leaders and the administrative direction of the Secretary of the Senate, to develop and implement any policies and procedures necessary to protect classified information handled in the Senate.

Select committee on Iran/Contra Affair: S. Res. 23—Senate agreed to January 6, 1987. (1)

Establishes a Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition (Contras) to investigate activities by (1) members and staff of the National Security Council, (2) any foreign government, or any of its agencies, officers, or employees, or (3) any other individual group, corporation, entity, or organization with respect to the direct or indirect sale, shipment, or other provision of arms to Iran and the use of the proceeds from such transactions to provide assistance to any faction or insurgency in Nicaragua or in any other foreign country, in order to determine whether any of the activities were illegal, improper, unauthorized, or unethical.

### SOCIAL SERVICES

Abandoned Infants Assistance: S. 845—Passed Senate August 5, 1987.

Authorizes $20 million for each FY 1988-90 for the Secretary of HHS to make demonstration grants to local governments for demonstration projects to provide respite homes and other assistance for infants abandoned in hospitals, especially infants with acquired immune deficiency syndrome (AIDS), and requires the Secretary to report to Congress within six months of enactment on the scope of this problem and the estimated annual costs to Federal, State, and local governments to provide housing and care for such infants.

Child Abuse and Neglect Assistance Extension: S. 1596—Passed Senate August 5, 1987.

Amends the Child Abuse Prevention and Treatment Act to extend through FY 1987, the Secretary of HHS authority to waive the certain eligibility criteria to allow States which are working toward compliance to receive funding for child abuse treatment and prevention programs.

Jobs for Employable Dependent Individuals (JEDI): S. 514—Passed Senate April 2, 1987. (81)

Amends the Job Training Partnership Act to establish an incentive bonus program that pays States a percentage of Federal welfare savings for educating, training, and placing certain employable dependent individuals in nonsubsidized employment for one year; and permits States to provide year-round training to AFDC/SSI dependent youth under the Summer Youth Jobs Program.

Medicare and Medicaid Patient and Program Protection: H.R. 1444—Public Law 100-x, approved x, 1987.

Requires that individuals convicted of program-related crimes or patient abuse or neglect be excluded for a minimum of five years from Medicare and Medicaid; broadens the Secretary of HHS' discretionary authority to exclude health care providers for convictions related to obstructing an investigation, controlled substance violations, loss or suspension of license, and suspension or exclusion from any Federal health care program; extends the mandatory and discretionary exclusions and the criminal penalties for bribes, kickbacks, and false statements to the Maternal and Child Health Services and Title XX Social Services Block Grant Programs; authorizes the Attorney General to deny, revoke, or suspend the controlled substances registration of any individual or entity subject to mandatory exclusion from Medicare; clarifies the Secretary's authority to consolidate exclusion and civil monetary penalty determinations involving the same providers into a single administrative proceeding; broadens the Secretary's authority to impose civil monetary penalties for the submission of false claims for physician and hospital services and to seek injunctive relief to protect assets for the payment of imposed civil monetary penalties; and requires States, as a condition of receiving Medicaid funds, to provide information to the Secretary regarding actions taken against health care practitioners by State licensing authorities.

Older Americans Act Amendments: H.R. 1451—Passed House May 28, 1987; Passed Senate amended August 6, 1987. (229)

Authorizes appropriations for FY 1988-91 for Older Americans Act programs which provide support and nutrition services for older Americans; authorizes $100 million each in FY 1988-90 for a new program to provide home health care for individuals suffering from a catastrophic or chronic illness; requires the Secretary of Labor to develop a consumer price index which reflects the impact of inflation on elderly Americans; makes adult day care centers eligible to participate in food programs under the National School Lunch Act; requires that grant recipients under title V (community service employment for low-income elderly) distribute materials to enrollees regarding age discrimination; authorizes a White House Conference on Aging in 1991; and reauthorizes from FY 1988-91 the Native American Programs Act.

School Lunch/Nutrition Program: H.R. 1340-Passed House xx, 1987; Passed Senate August 5, 1987. (227)

Requires the USDA to improve the quality, packaging, and delivery of commodities delivered under the National School Lunch, Elderly Feeding, Food Distributing on Indian Reservations, Child Care Food, and School Breakfast programs; extends the National Commodity Processing Program until June 30, 1989; extends until June 30, 1989, the Cash or Commodity Letters of Credit pilot projects which allow certain school districts to receive cash or commodity letters of credit in lieu of National School Lunch program commodities and requires that food purchased by the pilot projects be produced and processed in the U.S.; allows State agencies participating in the Women, Infants, and Children (WIC) Program to devise methods to reduce food costs, such as by competitive bidding, and to use up to 20 percent of the savings to administer the program to additional applicants with the remainder to be used for additional food purchases; allows States to carry over one percent of the unspent FY 1986 and 1987 WIC funds into the succeeding fiscal years; requires that infant formula bought for the WIC program meet the Infant Formula Act requirements; mandates that State agencies coordinate the WIC and medicaid programs; requires the USDA to conduct a study of savings in the medicaid and State indigent health care programs for newborn infant care due to the mothers' participation in WIC; requires that USDA-issued recipe cards be regularly updated using USDA and HHS dietary guidlines; and extends the deadline for USDA quality control program studies from 12 to 15 months.

Urgent Relief for the Homeless: H.R. 558—Public Law 100-x approved x, 1987.

Authorizes $442.7 million in FY 1987 and $611 million in 1988 for homeless aid programs including: an additional $15 million in FY 1987 and $124 million in 1988 for the FEMA Emergency Food and Shelter Program; an additional $100 million in FY 1987 and $120 million in 1988 for the HUD Emergency Shelter Grants Programs; $80 million in FY 1987 and $100 million in 1988 for the Supportive Housing Demonstration Program; $25 million in each FY 1987 and 1988 for Supplemental Assistance for Homeless Facilities; an additional $35 million in budget authority for HUD's Section 8 moderate rehabilitation certificates only for rehabilitating single room occupancy housing for the homeless; $50 million in FY 1987 and $30 million in 1988 for outpatient health services for the homeless; $35 million in FY 1987, and such sums as necessary in 1988, for a block grant program to States to provide emergency assistance for chronically mental ill homeless persons; an additional $10 million each in FY 1987, to remain available through 1988, for alcohol and drug abuse treatment services for the homeless and community-based services to chronically mentally ill individuals who are homeless or at risk of homelessness.; $5 million in each FY 1987 and 1988 for grants to States to develop and implement plans to educate homeless children; $12 million in FY 1988 for a three-year competitive grant job training demonstration program for the homeless; an additional $45 million in each of FY 1987 and 1988 for the Community Services Homeless Block Grant Program; and $30 million in FY 1987 and 1988 for the Veteran's Job Training Act; makes surplus Federal real and personal properties available to eligible nonprofit organizations which serve the homeless; requires a State, city, or county to submit a comprehensive homeless assistance plan for approval by the HUD Secretary to be eligible for housing assistance in the bill; establishes the Interagency Council on the Homeless; requires States to expedite food stamp service for the homeless and makes other modifications to the food stamp program; reauthorizes the Temporary Emergency Food Assistance Program (TEFAP) at $50 million in FY 1988 and provides for the distributing of additional TEFAP commodities; and requires that FY 1987 appropriations made pursuant to this bill not increase the deficit levels established for FY 1987 in the Balanced Budget and Emergency Deficit Control Act of 1985.

### TRADE

Canadian Agricultural Subsidies Investigation: S. Con. Res. 27—Senate agreed to March 26, 1987. (40)

Expresses the sense of the Congress that the U.S. Special Trade Representative should determine whether the imposition of a Canadian tariff of 84.9 cents per bushel on American corn is inconsistent with Canada's GATT obligations, and if found unjustifiable, initiate an investigation and report the results to the President within 60 days.

European Community Tax Proposal: S. Con. Res. 21—Senate agreed to March 26, 1987. (39)

Expresses the sense of the Congress that the Administration should vigorously oppose the European Community's proposal for establishing a tax on vegetable and marine fats and oils, which the U.S. views as inconsistent with Europe's GATT obligations.

Japan-U.S. Semiconductor Trade Violations: S. Res. 164—Senate agreed to March 19, 1987. (34)

States sense of the Senate that the President should take all appropriate actions under section 301 of the Trade Act to remedy and prevent further Japanese violations of the semiconductor trade agreement; and declares that the President should insure that Japan fulfills its commitment under the terms of the Market Opening Sector Specific telecommunications negotiations for 33 percent equity participation by foreign firms in any consortium formed to compete with Kotusai Denshin Denwa in providing international telecommunications services via a fiber optics trans-Pacific cable from Japan to the U.S. through Alaska.

Omnibus Trade and Competitiveness Act: H.R. 3—Passed House April 30, 1987; Passed Senate amended July 21, 1987; Senate insisted on its amendments and requested a conference August 5, 1987. (208)

Renews the "fast-track" procedure for when the President enters into trade agreements with foreign countries; mandates responses to unfair distortions of international trade; improves the enforcement of U.S. antidumping and countervailing duty laws; establishes a new program of trade competitiveness assistance for firms and workers; repeals the windfall profit tax; establishes a special procedure to open foreign markets with a "consistent pattern of trade barriers"; modifies export licensing procedures under the Export Administration Act; modifies Federal Reserve regulations relating to bank-affiliated export trading companies; states U.S. policy regarding international economic policy coordination and currency markets; authorizes withdrawal of privileges for companies from foreign countries which do not accord competitive opportunities to U.S. financial institutions comparable to those of their domestic counterparts; modifies the criminal prosecution provisions of the Foreign Corrupt Practices Act; authorizes the President after an investigation by the Secretary of Commerce to take appropriate actions to restrict foreign investment in U.S businesses which threaten the national security; requires the President to impose sanctions on the importation of the products from companies found to have violated international export control agreements, including the Toshiba Corporation and Kongsberg Vaapenfabrik; directs the President to address the international debt problem of developing countries, including the proposal of an international debt facility; establishes a Trade and Development Program with authority over the mixed credit program; increases appropriations and staff levels for the Foreign Agricultural Service to expand its agricultural export marketing programs and activities; modifies the provisions of several existing agricultural trade programs including: increasing funding for the Targeted Export Assistance Program, and establishing a triggered marketing loan program for the 1990 crop year for certain commodities if a GATT agreement on agricultural trade has not been reached; requires that imported food be labeled to specify the country of origin; requires that annual appropriations to reimburse the CCC for net realized losses be made by means of a current indefinite appropriation; requires advance notification of plant closings and mass layoffs; creates demonstration programs for dislocated workers, self-employment opportunities, public works employment, dislocated farmers, farm employees, and ranchers, and job creation; authorizes funds for education programs to improve American competitiveness; authorizes various grant programs including the Star Schools and foreign language study programs; makes amendments to the patent laws, with respect to patented processes, the patent misuse doctrine, licensee challenges to patent validity, and patent term restoration; reorganizes the National Bureau of Standards into the National Institute of Technology with responsibility for developing the quality for developing the quality control techniques and generic research to improve U.S. manufacturing and product technologies; establishes a pilot State Technology Extension Program to support innovative State projects to transfer Federal technology to businesses and creates a new Commerce Department Clearinghouse on State and Local Initiatives on Productivity, Technology, and Innovation; amends the International Air Transportation Fair Competitive Practices Act to facilitate DOT review of complaints by U.S. carriers; and strengthens export assistance programs for small businesses.

Titanic Imports Prohibition: S. 1581—Passed Senate August 3, 1987.

Prohibits the importation of objects into the customs territory of the U.S. from the R.M.S. *Titanic* for commercial gain, until an international agreement, which governs any exploration and salvage of the *Titanic* and to which the U.S. is a party, has entered into force.

U.S. International Trade Commission (ITC), Customs Service, and Office of the U.S. Trade Representative (USTR) Authorizations: S. 829—Passed Senate March 30, 1987.

Authorizes for FY 1988, $35.4 million for the ITC, $1.04 billion for the Customs Service, and $15.2 million for the Office of the USTR; requires the Commissioner of Customs to notify Congress 180 days in advance of taking any action resulting in a significant reduction in customs force, hours of operation, or services, or eliminating or relocating any Customs office or eliminating any port of entry; establishes a private sector Advisory Committee on Commercial Operations of the U.S. Customs Service; and directs the Secretary of the Treasury to prohibit the importation from the Soviet Union of certain articles produced wholly, or in part, by convict, forced, or indentured labor under penal sanctions, unless the President certifies that the articles are not being made by forced labor, or that a prohibition would directly affect U.S. national security interests.

U.S. Travel and Tourism Administration Authorizations: S. 1267—Passed Senate July 21, 1987.

Authorizes $14 million in FY 1988, $15 million in 1989, and $18 million in 1990 for the U.S. Travel and Tourism Administration.

### TRANSPORTATION AND COMMUNICATIONS

Fairness Doctrine:[1] S. 742—Vetoed June 22, 1987; Senate referred veto message to Commerce Committee June 24, 1987. (75)

Passage of the bill which amends the Communications Act of 1934 to codify the Fairness Doctrine adopted by the FCC, by regulation, in 1949 which obligates broadcast licensees (1) to cover issues of public importance, and (2) to do so in a balanced fashion; and provides that the enforcement and application of the Fairness Doctrine shall be consistent with the FCC's rules and policies in effect on January 1, 1987.

Federal Aid Highway Authorization:[1] H.R. 2—Vetoed March 27, 1987. House overrode veto March 31, 1987; Senate overrode veto upon reconsideration April 2, 1987; Became Public Law 100-17, April 2, 1987, without approval (21, 33, 51, 60)

Authorizes for FY 1987-91 a total of $68.6 billion from the Highway Trust Fund for the Federal-aid Highway Program, $18.9 billion for the Federal Urban Mass Transit program, and $630 million for highway safety activities of the National Highway Traffic Safety Administration; provides that funds for the Interstate Cost Estimate and Interstate Substitute Cost Estimate would be administratively released on October 1 annually if Congress has not acted to approve them; and reforms the Uniform Relocation Assistance and Real Property Acquisition Policies Act to make its administration more equitable and efficient at all levels of government.

H. Con. Res. 77—Action completed March 20, 1987. (35)

Makes an enrollment correction in the Federal-Aid Highway Act (H.R. 2) in order to permit States to raise the speed limit to 65 miles per hour on interstate highway segments located outside any urbanized area having a population of 50,000 or more.

S. 1383—Passed Senate June 18, 1987.

Makes technical corrections in the Federal-Aid Highway Act (H.R. 2).

Federal Trade Commission Authorization: S. 677—Passed Senate April 7, 1987. (69)

Reauthorizes the Federal Trade Commission through FY 1990, at a funding level of $69.86 million in FY 1988, $70.85 million in 1989, and $71.85 million in 1990, plus such amounts as necessary for increases in salary, pay, and other employee benefits authorized by law; modifies the FTC's authority with respect to certain regulatory functions; prohibits FTC intervention in Federal or State agency proceedings without prior notification to the Commerce Committees; provides for a 90-day congressional review of FTC rules and disapproval through enactment of a joint resolution of disapproval; requires the redirection of $858,000 to FTC's regional offices and maintenance of the offices at their present locations in FY 1988-90 at not less than that in the proposed FY 1988 budget submission to Congress; and requires separate FTC reports to Congress on: (1) unfair, deceptive, or misleading practices in the sale of health insurance to the elderly and on the increase in property and casualty rates for small business owners, local governments, physicians, dentists, and child care centers; (2) FTC enforcement activities in the area of resale price maintenance; and (3) FTC enforcement activities in the area of predatory pricing.

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[1] Vetoed—1st Session (1987).

Independent Safety Board Authorization: S. 623—Passed Senate April 25, 1987.

Authorizes $26.2 million, $275 million, and $28.8 million for FY 1988-90, respectively, for the National Transportation Safety Board.

Long Island Rail Road Labor Dispute: H.J. Res. 93—Public Law 100-2, approved January 28, 1987.

Provides for the employees of the Long Island Rail Road to return to work for a period of 60 days during which time a three member board appointed by the National Mediation Board is to prepare and submit to Congress, at least 10 days before the 60 day period expires, a comprehensive report on the dispute, progress and negotiations, and its recommendations for a solution.

National Highway Safety Administration: S. 853—Passed Senate April 24, 1987.

Authorizes appropriations for FY 1988-89 for the National Highway Safety Administration (NHSTA) to carry out its various responsibilities mandated under the National Traffic and Motor Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act; directs NHSTA to upgrade and expand the current side impact crash protection standard, to apply certain automotive safety standards to multipurpose passenger vehicles, including light trucks, and to require lap-shoulder belts on outboard rear seats; and withholds two percent of Federal highway safety funds from States which fail to implement a uniform national handicapped parking system.

### U.S. TERRITORIES

U.S. Citizenship Eligibility in the Northern Marianas Islands: S. 1047—Passed by Senate July 10, 1987.

Modifies the Covenant establishing a Commonwealth of the Northern Mariana Islands (P.L. 94-241) by specifying that the Section 301 definition of persons who would automatically be granted U.S. citizenship under the Covenant extends to persons who were born in the Northern Marianas and had at least one parent born in the islands when they were a Territory and persons who have foreign citizenship and took an oath of disallegiance to that foreign nation as of November 23, 1986; and providing that a parent, guardian, or person in loco parentis may complete the oath of disallegiance on behalf of children under age 13.

### VETERANS

GI Bill Continuation: H.R. 1085—Public Law 100-48, approved June 1, 1987.

Provides for the indefinite continuation of the new GI bills' programs of educational assistance for members and veterans of the All-Volunteer and the Selected Reserve beyond the current June 30, 1988, date for closing off programs to new participants; provides for vocational readjustment; and restores lost educational opportunities to those service men and women who served on active duty after June 30, 1985.

Homeless Veterans Assistance: S. 477—Passed Senate amended March 31, 1987.

Authorizes the Administrator of Veterans' Affairs, in FY 1987-89, to transfer or lease certain hard-to-sell properties from its inventory to veterans' organizations and non-profit entities for use as shelters for homeless veterans and their families; requires the Administrator to conduct a pilot program to assist homeless veterans and their families and a pilot program of contracting for community-based residential care for homeless veterans suffering from chronic mental illness; extends the Veterans' Job Training Act through FY 1988, and expands eligibility to homeless veterans; and postpones, for one year, the transition period for the Vietnam-era veterans readjustment counseling program and related reports.

Veterans' Employment and Education: H.R. 1504—Passed House June 30, 1987; Passed Senate amended August 4, 1987.

Authorizes $30 million for FY 1987 and $60 million for each 1988-90 for the Veterans' Job Training Act (VJTA); extends from July 2, 1987, to September 30, 1990, the application deadline for the VJTV on-the-job training program for Vietnam Era and Korean Conflict veterans established; extends from January 2, 1988, to March 30, 1991, the deadline for a participating veteran participating to enroll in a job training program; establishes a program of employability training and counseling for VJTV participants; requires the VA Administrator and the Secretary of Labor to report to Congress within 90 days of enactment on the implementation of the VJTV program; transfers the funding for the State approving agencies (SAAs), which approve education courses for veterans' educational assistance benefits from the VA General Operating Expenses account to the Readjustment Benefits account and requires the VA to fund the reasonable and necessary expenses of SAAs up to $12 million annually; and expands the Commission on Veterans' Education Policy to include the Assistant Secretary of Defense for Force Management and Personnel as an ex officio member.

Veterans' Health Care Funding Levels: H. Con. Res. 27—House agreed to March 3, 1987; Senate agreed to amended April 7, 1987.

Rejects the proposal to eliminate funding for Category C veterans care (veterans with non-service connected disabilities who have incomes above $20,260 and agree to pay a modest copayment) and opposes any policy to exclude any category of eligible veterans from receiving VA hospital, nursing home, or other health care through a reduction in funding.

## SENATOR THOMAS A. DASCHLE

Mr. BYRD. Mr. President, I will note that the distinguished occupant of the chair [Mr. DASCHLE] has spent 54 hours in the chair, and he has already gone an additional 31 minutes over this current stint in the chair. He has done so willingly. He is always ready, always able, and does an excellent job of presiding. I feel that all of our new Members have taken on their duties with zeal and have acted effectively in carrying out their duties.

One of the more onerous duties is that of presiding over the Senate. It is a thankless task in many ways, but Mr. DASCHLE has never been recreant in his duties, he has never been hestitant, he has never offered any excuses to try to shun the task. I compliment him personally and thank him publicly. He is well on his way to being a recipient of the golden gavel.

## EXPRESSING THANKS TO THE MINORITY LEADER

Mr. BYRD. Mr. President, the Senate will shortly be going out for its August break. I want to take this occasion to thank my colleague, my counterpart, on the other side of the aisle [Mr. DOLE] for his unfailing courtesies, his cooperation, his understanding, and for his friendship. The Senate has made considerable progress and will, of course, make more following the break. I have found it to be a pleasure, a genuine pleasure, to work with BOB DOLE; I have found him to be always understanding of my problems. He has tried to be helpful in many instances and was helpful. He has tried to be helpful in other instances and could not be helpful because of problems on his own side of the aisle.

I deeply appreciate his friendship. I wish him and his lovely wife, Elizabeth, an enjoyable, restful, and happy August vacation.

Upon our return, he and I will sit down with the calendar and try to map out the course of our activities for the remainder of the session. I do not know of anyone on the other side of the aisle with whom I have a better relationship, and a genuinely good, effective, and enjoyable relationship. I thank him very much.

Mr. DOLE. Mr. President, I say to the majority leader I certainly appreciate his fine comments. I say to the majority leader, as I have said a number of times, I recall Senator STENNIS saying one day at a meeting that leaders are sort of powerless around here; we have to have the cooperation of other Members. I certainly try to make every effort to cooperate with the majority leader; sometimes we have differences of opinion.

It is a very difficult job that the distinguished Senator from West Virginia has. Having had it for a couple of years, I know how difficult it is. I must say as I look over the last, even this week, there were not that may votes, but there was a lot of action, a lot of very important bills were being passed because of efforts on both sides, with our Members on both sides working out our problems.

I certainly want to commend the distinguished majority leader for the record he has made since the beginning of this session. I think it is a very good record. The calendar is essentially bare. The cupboard is almost bare. There are some items there—as an example, we should have passed the AIDS bill today. We were so close, within an inch of an agreement, but it fell apart. I think all the parties involved were acting in good faith. We just could not get there.

The same is true of nearly every other bill that has been before the Senate. I look forward to sitting down with the majority leader after the recess and working out the balance of the year.

Finally, I say to the distinguished majority leader, it is certainly a pleasure working with the majority leader; a man whose word is good. He gives it and that is it. You do not have to have it in writing; it is all over. It makes my job much easier. That is the way it ought to be.

We have to have some trust around this place and without it, particularly in the leadership, it is pretty difficult for the majority leader to make things happen and to produce the legislation that we must complete when we come back after the recess.

I thank the majority leader. I think during the recess, I may be traveling a bit, but I hope the majority leader will have some time for relaxation, to be with Erma and others in his family.

## EXPRESSIONS OF THANKS

Mr. BYRD. Mr. President, I thank the minority leader. I wish him safe travel and a safe return always from his destination.

I take the occasion also to thank all Members of the Senate on both sides of the aisle and to extend my warmest felicitations and good wishes to them and their families. I hope that God's blessings and His angels will attend them wherever they go.

I thank also our floor staffs. The minority leader spoke of the number of bills that have been passed in the last few days. It took hours and, on many occasions, days and in some instances, weeks for these floor staffs on both sides of the aisle to work out the understandings and agreements by which many of these bills were taken up and passed.

I have been greatly impressed by the work of Elizabeth Greene. She is always so pleasant to deal with, and my floor staff on this side of the aisle find her to be most congenial and a very, very capable individual. We on our side owe a lot to Elizabeth Greene. I should say that publicly and I do so without any hesitation.

I also compliment and thank Howard Greene, her husband, who is secretary for the minority.

On this side of the aisle, I thank Abby Saffold, the secretary for the majority, who is doing an outstanding job in that capacity—one that makes us very proud of her. She works on the Executive Calendar, and I am greatly indebted to her.

I thank Charles Kinney, Marty Paone, and Bill Norton for the work they do. They put in many hours of serious attention and dedication to helping to iron out matters whereby these bills can be brought up by unanimous consent. They work out time agreements. Those are sticky, thorny, difficult assignments, but they do them well, and all of us are in their debt.

Without mentioning other positions and names, I am sure we express our good wishes and thanks to everyone: the doorkeepers, the other employees of the Senate, the men and women who sit at the desk, the Journal clerks, the reading clerks, the parliamentarians, the assistant parliamentarians, the men and women in the reception room, the pages, the people in our respective cloakrooms, those on the policy staffs, and the people in our leadership offices.

I hope that they all receive many blessings out of the upcoming August. For some, there will be a little vacation during the time we will be away; but there will also be a great deal of work as we prepare for the reconvening of the Senate upon our return.

To my colleagues on both sides of the aisle, I thank them for their many courtesies to me, their forbearance, their patience. I know I tax them at times, but I am grateful to them all.

## ETHICAL CONDUCT OF SENATE POLITICAL COMMITTEES

Mr. BYRD. Mr. President, Senate Resolution 279 expresses the sense of the Senate regarding the standard of highest ethical conduct expected of Senate political committees. I hope we will be able to take up that resolution on the Wednesday of our return, September 9, 1987.

At this point, I ask unanimous consent that Senate Resolution 279 be placed on the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object—and I shall not object—I thought we had this all worked out so that we would have a vote on it as soon as we came back, and I think we will be able to do that.

Senator Boschwitz, who is involved in negotiations, left before I could catch him. I see no reason why it should not be taken up the day we return and voted on.

The PRESIDING OFFICER. Without objection, the request of the majority leader is agreed to.

Mr. BYRD. I thank the Republican leader.

Mr. President, there will be a rollcall vote on the day of our return on the motion to invoke cloture on the nomination of Melissa Wells.

I would hope that following that vote, the Senate could proceed to the resolution that has just been placed on the calendar and that the Senate may vote thereon. There will probably be other votes that day if matters are cleared to that point.

## THE CALENDAR

Mr. BYRD. Mr. President, there is one measure on the calendar and a companion measure to that joint resolution, Calendar Order No. 296, Senate Joint Resolution 155. There is a House Joint Resolution 335, which is the House companion measure, received from the other body today.

I wonder if the Republican leader would have any objection to passing both those measures at this time.

Mr. DOLE. They have been cleared on this side.

Mr. BYRD. I thank the Republican leader.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the two items seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NATIONAL REYE'S SYNDROME WEEK

The joint resolution (S.J. Res. 155) to designate the period commencing on September 13, 1987, and ending on September 19, 1987, as "National Reye's Syndrome Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

Whereas Reye's Syndrome is a disease of unknown origin that swiftly strikes children, adolescents, and some adults recovering from viral illnesses;

Whereas Reye's Syndrome has no cure, and as a result over 30 percent of its victims die, and another 15-25 percent are left with brain damage;

Whereas recent medical research has proven a link between the use of aspirin (salicylate) and the development of Reye's Syndrome;

Whereas the Surgeon General, the Center for Disease Control, the American Academy of Pediatrics, and the National Reye's Syndrome Foundation have issued warnings against the use of aspirin for children and young adults recovering from influenza-like illnesses and chicken pox;

Whereas the symptoms of Reye's Syndrome are unfamiliar to most citizens and health professionals;

Whereas this lack of knowledge often leads to misdiagnosis and improper treatment;

Whereas the current reporting of cases of Reye's Syndrome is not a true incidence of the disease because it is not reportable nationwide and annually more cases are reported to the National Reye's Syndrome

Foundation than to the Center for Disease Control;

Whereas the National Reye's Syndrome Foundation is a volunteer organization with affiliates established throughout the continental United States and is supported by thousands of volunteers;

Whereas the National Reye's Syndrome Foundation exists to assist in the broad communication of information aimed at the general public and medical community, to stimulate the scientific community by sponsoring symposiums, to support investigation that will identify the cause, develop a cure, and lead to the prevention of Reye's Syndrome, to give families experiencing the personal trauma of Reye's Syndrome support and guidance, and to encourage the Federal Government to support and sponsor Reye's Syndrome research; and

Whereas there is a lack of urgency to resolve the mystery of Reye's Syndrome at the Federal level: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the period commencing on September 13, 1987 and ending on September 19, 1987, is designed as "National Reye's Syndrome Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such period with appropriate ceremonies and activities.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## NATIONAL REYE'S SYNDROME AWARENESS WEEK

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 335) designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week"

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 335) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## FLOOD CONTROL FOR LOCK HAVEN, PA

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 3085 dealing with the Lock Haven flood control project in Lock Haven, PA.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3085) To amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, Pennsylvania.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HEINZ. Mr. President, I rise in support of H.R. 3085, a bill introduced by my colleague from Pennsylvania, Congressman Bill Clinger, that will amend the Water Resources Development Act as it relates to the authorization of the Lock Haven flood control project.

Let me first express my appreciation to the chairman of the Environment and Public Works Committee, Senator Burdick, the ranking minority member, Senator Stafford, for providing prompt clearance of this legislation, and to the majority and minority leaders for allowing the bill to be taken up under unanimous consent.

Mr. President, this bill makes a technical correction to Public Law 99-662, the Water Resources Development Act of 1986, by reducing the level of protection for a flood control project now in final planning stages for Lock Haven, PA.

The Corps of Engineers has conducted an indepth study of the need to protect portions of Lock Haven from recurrent flooding by the Susquehanna River. In their phase II general design memorandum, the corps recommended a 200-year level of protection. Unfortunately, the Water Resources Development Act, in authorizing the project, incorporated a much higher and more expensive level of protection. H.R. 3085 revises this act by reducing the scope of the project to levels consistent with the corps recommendations.

I would like to point out that H.R. 3085 imposes no new additional costs to the Federal Government. To the contrary, H.R. 3085 will reduce the project scope and in the long run help save the Federal Government $15 million.

Again, I thank the leadership of the Senate and of the authorizing committee for their willingness to move with dispatch on this legislation. I urge the Senate to approve H.R. 3085.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 3085) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## NATIONAL CHILD SUPPORT ENFORCEMENT MONTH

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 313.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 313) designating the month of August 1987 as "National Child Support Enforcement Month".

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 313) was ordered to a third reading, was read the third time, and was passed.

The preamble was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## DEVELOPMENT OF AGRICULTURAL MARKETS IN DEVELOPING COUNTRIES

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 151.

The PRESIDING OFFICER (Mr. Sarbanes). The concurrent resolution will be stated by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 151) urging the President to make the development of agricultural markets in developing countries a high priority of the foreign economic policy of the Nation.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The **PRESIDING OFFICER**. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 151) was agreed to.

The preamble was agreed to.

**Mr. BYRD**. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

**Mr. DOLE**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## ORDER TO PLACE S. 1666 ON THE CALENDAR

**Mr. DOLE**. Mr. President, I send the enclosed bill to the desk on behalf of Senator Stevens and ask that it be placed on the calendar.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

### FEDERAL PHYSICIANS COMPARABILITY ALLOWANCE AMENDMENTS OF 1987

**Mr. STEVENS**. Mr. President, the Federal Physicians Comparability Allowance Act of 1978, enabled the heads of executive agencies to offer service agreements to certain categories of Federal physicians and dentists in order to alleviate recruitment and retention problems experienced by the agencies. The allowance which was reauthorized in 1979, 1981, and 1983, is used only where there is a significant recruitment and retention problem. Currently it may not exceed: $7,000 per annum if, at the time the agreement is entered into, the physician has served for 24 months or less; or $10,000 per annum if the physician has more than 24 months service.

The act will expire September 30, 1987.

Recent statistics show that in the last 3 years, the percentage of physicians receiving the bonus has grown from 53 to 61 percent Governmentwide. The largest category of physicians receiving the allowance are researchers—92 percent. Even with the comparability allowance these physicians have a pay gap with private sector physicians ranging from 28 to 75 percent. Consequently, the agencies are still experiencing recruitment and retention problems. Mr. President, we are living in a time when we must attract the very best physicians to the Federal Government. We need top academicians to attack national problems such as AIDS and cancer. We cannot always provide the benefits and modern facilities commonly available in the private sector, but we can do something to narrow the pay gap.

The bill I am introducing today, would reauthorize the act until September 30, 1990. It will also raise the maximum allowance to $20,000 in lieu of the current $10,000. I would still expect that the $10,000 limit would be used in most cases, but additional incentive would be available for extraordinary recruitment and retention problems. The bill will also expand special pay coverage to psychologists in the commissioned corps of the Public Health Service who have been board certified by the American Board of Professional Psychology. It is comparable to the board certified pay given to Public Health Service medical officers. Mr. President, I ask unanimous consent that the bill appear in the Record following my remarks.

## ORDER FOR STAR PRINT OF PRESIDENT'S MESSAGE REQUESTING APPROPRIATIONS FOR FISCAL YEAR 1988 FOR THE DEPARTMENT OF DEFENSE, INTERNATIONAL SECURITY ASSISTANCE, AND NASA

**Mr. BYRD**. Mr. President, I ask unanimous consent that there be a star print of the President's message requesting appropriations for fiscal year 1988 for the Department of Defense, International Security Assistance, and NASA, and I send the correction to the desk.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

## ORDER FOR STAR PRINT OF THE REPORT TO ACCOMPANY S. 1550

**Mr. BYRD**. Mr. President, I ask unanimous consent that the report to accompany S. 1550, the Federal Triangle Development Act, be star printed to reflect the following changes, which I send to the desk.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

## ORDER FOR STAR PRINT OF S. 2 TO REFLECT THE MODIFICATION OF THE COMMITTEE AMENDMENT

**Mr. BYRD**. Mr. President, I ask unanimous consent that S. 2 be star printed to reflect the modification of the committee amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

## ORDER FOR FILING BILLS AND REPORTS ON WEDNESDAY, AUGUST 12, 1987, AND TUESDAY, SEPTEMBER 1, 1987

**Mr. BYRD**. Mr. President, I ask unanimous consent that committees may have permission to file bills and reports between the hours of 10 a.m. and 4 p.m. on Wednesday, August 12, 1987, and Tuesday, September 1, 1987.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

## HAPPY BIRTHDAY, HELEN DEWAR

**Mr. BYRD**. Mr. President, the hour is 9 o'clock and it is Friday, August 7.

I am not allowed, under the rules, to call attention to anyone in the galleries, but today is the birthday of Helen Dewar, who is a congressional correspondent for the Washington Post and for many years has been covering the Congress, the U.S. Senate in particular, and has won deserved awards for her good work.

It seems to me that it is eminently appropriate to call attention to her work and the fact that the Senate is in at this late hour on the birthday of this fine lady, whom we all know and appreciate and for whom we all have great respect.

I wish at this time to thank her, and convey our good wishes, and I am sure the good wishes of all our colleagues. We wish her many happy returns for this day and many, many good days in the future and good years in covering the U.S. Senate.

I thank her personally, and I am sure all Senators will agree, for her courtesy and unfailing fairness toward all of us.

I recall an appropriate bit of verse by Louis Shimon:

Wouldn't this old world be better
  If the folks we meet would say—
"I know something good about you!"
  And treat us just that way?

Wouldn't it be fine and dandy
  If each handclasp, fond and true,
Carried with it this assurance—
  "I know something good about you!"

Wouldn't life be lots more happy
  If the good that's in us all
Were the only thing about us
  That folks bothered to recall?

Wouldn't life be lots more happy
  If we praised the good we see?
For there's such a lot of goodness
  In the worst of you and me!

Wouldn't it be nice to practice
  That fine way of thinking, too?
You know something good about me,
  I know something good about you?

And so, to Helen Dewar, we all know something good about you.

Happy birthday.

## NOMINATIONS TO REMAIN IN STATUS QUO

**Mr. BYRD**. Mr. President, as in executive session, I ask unanimous consent that all nominations received by the Senate remain in status quo, notwithstanding the provisions of rule XXXI, paragraph 6, of the Standing Rules of the Senate with the following exceptions:

Marine Corps: Michael K. Sheridan, James M. Mead;

U.S. Claims Court: Robert Charrow;

U.S. Marshal: Eugene Davis, Basil S. Baker, Marvin E. Brezeale;

Department of Transportation FAA: Lawrence M. Hecker;

Department of Housing and Urban Development: Deborah G. Dean;

And finally, U.S. District Court: Robert Miller.

**Mr. ARMSTRONG**. Mr. President, reserving the right to object, would the distinguised leader yield to me for a moment?

**Mr. BYRD**. I will be happy to yield.

**Mr. ARMSTRONG**. I want to be sure I understand the parliamentary situation, Mr. President. As I understand it, the leader has propounded a unanimous consent request, the effect of which would be to hold in their present status quo here in the Senate all of the pending nominations except for a list of a handful, 6, 7, 8, or however many are on the list which he has just read.

If I have understood the situation correctly, then the practical effect of the unanimous consent request is to hold everything in the status quo and would send this list of nominations back to the White House and they would, therefore, not be confirmed unless subsequently resubmitted by the President to the Senate and acted upon.

**Mr. BYRD**. Mr. President, the Senator is correct. All the names, to wit, Robert Miller, Melissa Wells, et al, would remain in status quo, would not go back to the White House as they otherwise would without this request being granted. They would have to be returned to the President of the United States for his resubmission, in his judgment, if he wished to resubmit them. Those names which have been excepted on the list that I have read would indeed be returned to the President.

**Mr. ARMSTRONG**. Mr. President, if the leader will yield further, I note that among the names which he has listed, that is, the names which will be sent back to the White House, is the name of Robert Miller who is the President's selection for the U.S. District Court in Colorado. I am hopeful that as he propounds his unanimous consent request the leader would not mention that name and thereby his name would be kept in the Senate, or, if it would be the preference of the leader, I would be happy to make the unanimous consent request that Mr. Miller be held over with all of the other names that will stay in the Senate and not be returned to the President.

The point is simply we would like Mr. Miller to have an opportunity to stay here and have a hearing before the Judiciary Committee in due course.

**Mr. WIRTH**. Will the majority leader yield to me?

**Mr. BYRD**. Yes.

**Mr. WIRTH**. I think it would be helpful for purposes of the Record to fill in at least this Senator's understanding as to what has happened.

Mr. Miller's nomination has been in the works for a long time. I have a committee of very distinguished lawyers in Colorado which has looked at Mr. Miller's nomination and recommended to me that he should be, in fact, supported.

What has happened here, Mr. Leader, is that apparently this nomination has gotten hung up in the past over a disagreement that occured when Mr. Miller was U.S. Attorney with William French Smith, who was then the Attorney General and it resulted in a reprimand. There was later correspondence between Mr. Miller and the Attorney General that cleared up this reprimand that he had. It is my understanding that Mr. Miller was then exonerated.

This issue was discussed at great length and I communicated all of this to the senior Senator from Colorado. This issue was discussed at great length with my own legal advisory committee and they came to the conclusion they know Mr. Miller a lot better than I do, know his record and so on, and said no problem, everything is fine, and urged me to do everything I could, along with Senator Armstrong, to expedite Mr. Miller's appointment.

Apparently now, the Judiciary Committee would like to have further information from the Justice Department about this particular incident and last April, 3 months ago, had sent to the Justice Department a letter requesting a number of specifications on this reprimand. The Justice Department has not been forthcoming in sending up that information and that is the cause of the particular problem that we currently have.

The problem, I think, could be resolved and I would like to join with my colleague in hoping that we might keep Mr. Miller's nomination up here with a further suggestion, that perhaps we might call upon the good Republican leader, [Mr. Dole] to use his good offices to put as much pressure as he can on Mr. Meese and the Justice Department to send up here that file and all of the information necessary to the committee's full consideration of Mr. Miller's nomination.

I do not think we are going to find a problem, but I do understand the procedural issues. They want to look at that file, I think they should like to look at that file. We would like to have it cleared up and we could go forward in representing different parties, hoping Mr. Miller could move out smartly and we could get the Justice Department to send out that information. That could be looked at by the Judiciary Committee and I hope that with that information, the committee would feel it appropriate to hold a hearing on Mr. Miller and go ahead. But I certainly would like to have his nomination kept up here and perhaps we could get the help of the Republican leader to expedite this if that is at all possible and we see if we can move this out.

The purpose is to get this information, from my perspective, and I think that is shared by the senior Senator from Colorado, to have Mr. Miller's hearing before the Judiciary Committee as rapidly as possible.

**Mr. ARMSTRONG**. If the Senator will yield. I appreciate his suggestion. Personally, if we could prevail upon Senator Dole to communicate in this way with the Justice Department, I think it would be wonderful. I do not know what the outcome would be. As my colleagues know, the proceedings of this Chamber are broadcast on nationwide television, but regrettably, I do not think the Justice Department is tuned in. My experience has been that of all the agencies of Government, the Department of Justice is one of the most persistently unresponsive.

I share his hope that we can get a response. I do not know exactly what the information is, but whatever it is, anything the committee wants as far as I am concerned they ought to have. If they cannot get it on a friendly basis, we ought to force their hand.

My conviction is that Robert Miller should not be penalized because somebody at the Justice Department does not want to send something over—if that is the case. I honestly do not know all the facts, but if that is the case, I certainly would join in urging the Justice Department to send that material over.

There is nothing to be gained, in my opinion, by sending the nomination back. So if Senator Dole can help us or Senator Byrd can help us or if there are others who can join in expressing the desire that the Department furnish this information, that would be wonderful.

**Mr. WIRTH**. If the majority leader will further yield, what we want to do is have the information complete for the Judiciary Committee. If this is a different way of skinning the cat, I believe we ought to try that. If the Republican leader would give us that kind of assistance, I know he does not control the Justice Department, but he is somebody who perhaps is heard more loudly and clearly than either of us has been heard.

**Mr. DOLE**. Reserving the right to object, Mr. President, I would certainly be pleased to cooperate and direct an inquiry forthwith to the Justice Department, including comments made on the Senate floor and excerpts from the Record so they clearly understand there is a desire for the information.

This request was made in April. It would seem to me that by now, it would have been made available. I do not know how slowly the bureaucracy works, but that is probably a good example.

In any event, the answer is I certainly will be pleased to cooperate with both Senators from Colorado. I think Mr. Miller is certainly entitled to have the information. He is a man known to both Colorado Senators and I should think by now, the information would have been furnished.

Having said that, I also indicate that the name of Richard Viets was submitted to the Department of State. That would also remain. I must say in that case, if I object to the entire request of the distinguished majority leader, then I would assume that all nominations might go back. But I think the Viets case as I understand it—I do not know anything about the details—does involve some indication of a problem. It was called to my attention by the ranking member of the Committee on Foreign Relations, Mr. Helms. Unfortunately, Mr. Helms is not available and neither is the chairman of the committee, Senator Pell.

I believe that some agreement was reached—I do not know who were the parties to it—that Mr. Viets' name would be on the list, while Mr. Miller's would be removed, according to the agreement reached on the Senate floor.

Mr. BYRD. Mr. President, the list was handed to me. Mr. Viets has been reported by that committee, which cannot be said of Mr. Robert Miller. The name of Mr. Miller and the name of Mr. Charrow and the names of the three U.S. Marshals were, as I understood it, agreed upon between the chairman and the ranking member of the Judiciary Committee, neither of whom is here on the floor. I was told that the staff of those two Senators and the Senators had agreed upon this list.

Here on the floor are the two Colorado Senators. I can understand their strong support for and strong feelings with respect to the nominee for the U.S. District Court, Mr. Robert Miller.

I have tried to carry out what I understood to be the joint understanding between both sides and the Judiciary Committee.

I think that under the circumstances, with both Colorado Senators here, wanting to retain Mr. Miller in status quo, putting myself in their position, I would feel the same way.

So I am not constrained—even though it was my understanding that this nominee had been agreed upon by both sides, the chairman and the ranking member of the Judiciary Committee, to be an exception to the unanimous-consent request that that name go back—personally, I have no feeling either way. So I am going to remove that name from the list, in deference to the two Colorado Senators. I will treat them as I would like to be treated if I were in their stead at this point.

Mr. WIRTH. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. WIRTH. Mr. President, I am very grateful for the spirit of cooperation and generosity of the leader in this situation.

This has been more misunderstanding than real, I believe, and we will resolve that for Colorado. I appreciate that, and I want to register that not only for myself, but also for a lot of people in my State.

I would like to note for the record, in terms of the request that the distinguished Republican leader has agreed to send down, that we want more than just the correspondence about the reprimand and the reply on that. It is the material behind the reprimand. I think that was the issue at stake earlier. If Senator Dole sends down the record of this colloquy, I would like it to show that the file behind that is what the committee wants to have, and it is that file that the Justice Department has so far been unable to understand or to find it, whatever it may be.

We would certainly like to expedite the Miller hearing.

I again thank the distinguished Republican leader and the distinguished majority leader for their support.

Mr. ARMSTRONG. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. ARMSTRONG. Mr. President, I join my colleague from Colorado and endorse what he has said.

I express my own personal appreciation to the majority leader for helping us to work this out in what I think is really the best for the Senate, for Mr. Miller, and for our State.

May I also say a word of appreciation to my colleague. I expect that by 9:30 on Friday evening, he had planned to be somewhere else, as I did. But this little exchange here tonight is really a good example of the working relationship he and I have established these last 7 or 8 months since he has been in the Senate.

In this case, the investment of a little time to work this out on the floor has really been helpful, and I think it has speeded up what would otherwise have been an unnecessary delay.

I thank my colleague, and I thank the two leaders.

I remove the name of Mr. Robert Miller from my request.

Mr. President, I believe the distinguished Republican leader had made a reference to Viets.

Mr. DOLE. Yes. If the majority leader will yield, I do not know Mr. Viets and do not know any of the circumstances. I believe it is a bit unfair to the leadership to be handed a list we have no information on.

I just called the distinguished Senator from North Carolina and told him to head for the Senate, and he is at home. He knows about Mr. Viets. I would not know Mr. Viets if he walked in.

I do not want to delay the Senate, but I feel compelled at least to suggest the absence of a quorum until Mr. Helms is able to come to the floor. I do not know how far he is from here.

(Mr. WIRTH assumed the chair.)

Mr. SARBANES. Mr. President, will the leader yield?

Mr. BYRD. I do not yield the floor for the suggestion of the absence of a quorum.

I yield, yes.

Mr. SARBANES. I do not know what discussion might have been held between the chairman of the Foreign Relations Committee and the ranking minority member.

Viets was considered by the committee and reported out by the committee. Extensive hearings were held about Viets.

The ranking minority member on the committee raised a number of objections. The committee considered them and did report him out by a fairly substantial vote. I do not recall exactly what the vote was at the moment.

Mr. BYRD. As I understand it Senator Pell had not wanted this nomination to go back to the President. As the Senator from Maryland [Mr. Sarbanes], the senior Senator, stated this nomination was acted upon by the committee and reported out and it is on the calendar which was not the case with the nomination of Mr. Miller.

Mr. BYRD. Mr. President, I am going to include the name of Richard N. Viets, Department of State, to the list as one of the exceptions.

The Republican leader and I, we did not create this list. We are kind of victims of circumstances. And, as I felt a moment ago in connection with the nominee that came from the State of Colorado, with both Colorado Senators here on the floor, I felt constrained to take that name off the list.

Now, the Republican leader has some responsibilities, too. He could object to the entire list if he wanted to. Of course, it would create many problems for him as well as for me.

I think that I am going to add this name. I see no point in asking Mr. Helms to come all the way back here tonight to make his case. I discussed this nomination today with him. My recollection of that discussion was that if he did not want that nomination called up today, I would not call it up. He made some reference to nominations going back downtown. I said it did not bother me either way. I said I do not know what problems I may have on my side. So I did not make

any commitment as to putting the person on the list. But, as far as I am concerned, it is fine.

But, I, of course, at that moment could not speak for my own side and, as we now see, the name is on the list.

I took it off. But, I think, having spoken for the record and the situation as I now find it, and the Republican leader having made his request, I am going to add that name to the list of exceptions.

So, Mr. President, let me read the list again. These will be exceptions to the request that all nominations received by the Senate remain in status quo: Marine Corps, Michael K. Sheridan and James M. Mead; U.S. Claims Court, Robert Charrow; U.S. Marshal, Eugene Davis, Basil S. Baker, and Marvin E. Breazeale; Department of Transportation/FAA, Lawrence M. Hecker; Department of State, Richard N. Viets; and Department of Housing and Urban Development, Deborah G. Dean.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DOLE. Reserving the right to object, and I shall not object, I want to thank the distinguished majority leader. Again, I think it puts us at somewhat of an unfair advantage. I do not know how the names ended on the list. Somehow, someone must have agreed.

I am reminded by Senator Thurmond that he will not object to this agreement, but that the record should reflect he would like to have all the Judiciary nominations in the Senate remain in status quo. As I understand it, there was some agreement in each case.

Having said that, I think the majority leader has certainly been very fair. I do not know the circumstances surrounding the Viets nomination, except, in conversation with the distinguished Senator from North Carolina, he indicates that it is a real problem. The record has been made and I thank the distinguished majority leader.

Mr. BYRD. I thank the Republican leader.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none and the unanimous-consent request is agreed to.

## RECESS APPOINTMENTS

Mr. BYRD. Mr. President, I have had two conversations with former Senator Howard Baker. In those conversations, I urged that there be no recess appointments and I was assured by Mr. Baker that there would not be any recess appointments; that if there were going to be any recess appointments, he, Mr. Baker, would let me know, tell me well in time.

He knew of none. I made this inquiry as recently as, I believe, the day before yesterday, and I made the same inquiry a few days before. On both occasions, Mr. Baker gave me that assurance and I am assured that there will be no recess appointments.

I know Howard Baker would have told me and I know that, based on my two inquiries, he would have made it his business to find out. And I say this for the record, may I say to the Republican leader.

I also stated to Mr. Baker that I had no reference to Mr. Bork, that I felt that the President surely would not make that appointment, but any recess appointments would create problems across the board, could create problems for Mr. Bork if some other appointments were made, because we have done our best to keep the Executive Calendar as clear as we can and we are acting in good faith.

So, for the record, I have made the statement with respect to the assurances that Mr. Baker gave me.

## THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, there are some nominations on the calendar that we could still clear.

Mr. President, I ask the able Republican leader if the following nominees have been cleared: Calendar Order No. 280, under the Department of State; Calendar Order No. 285, under the Department of State; Calendar Order Nos. 289, 290, 322, and 323.

Mr. DOLE. Those nominations have been cleared.

Mr. BYRD. Mr. President, I thank the leader.

I ask unanimous consent that the foregoing nominations be considered en bloc, confirmed en bloc, that the President be immediately notified of the confirmation of the nominees, that the motion to reconsider be laid on the table, and the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. As in executive session, it is so ordered.

Mr. BYRD. I thank the Chair. I thought the Senate was in executive session, but it was not.

The nominations considered and confirmed en bloc are as follows:

### Department of State

Leonard Grant Shurtleff, of New Hampshire, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of the Congo.

Warren Clark, Jr., of Connecticut, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

### United States International Development Cooperation Agency

Charles L. Gladson, of California, to be an Assistant Administrator of the Agency for International Development.

### African Development Foundation

Charles L. Gladson, an Assistant Administrator of the Agency for International Development, to be a Member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1991.

### The Judiciary

John Daniel Tinder, of Indiana, to be United States District Judge for the Southern District of Indiana.

### Department of Justice

Philip N. Hogan, of South Dakota, to be United States Attorney for the District of South Dakota for the term of four years.

## NOMINATION OF CHARLES L. GLADSON AS ASSISTANT AID ADMINISTRATOR FOR AFRICA

Mr. HELMS. Mr. President, following the Foreign Relations Committee's hearing on Mr. Gladson, which was conducted on July 9, I asked Mr. Gladson several questions with regard to AID funding of certain projects in Southern Africa.

Inasmuch as this topic has been of interest to a number of colleagues, I ask unanimous consent, Mr. President, that these questions, as well as the answers provided by Mr. Gladson, be printed at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

Mr. Helms. 1. Please provide an itemized accounting of funds authorized by the Foreign Assistance Act of 1986 (P.L. 99-83) for Southern Africa and by the Comprehensive Anti-Apartheid Act of 1986 (P.L. 99-440) and, pursuant to such authorizations, subsequently appropriated.

Answer. The latest Project Accounting Information System (PAIS) report, which is the official expenditure reporting record for the agency, provides expenditure data through March 31, 1987, the end of the second quarter of the fiscal year. This is a quarterly report which is completed and distributed within A.I.D. approximately five weeks after the end of each quarter. I am submitting for the record page 71 of the report, covering the Program for Disadvantaged South Africans and pages 93 through 98, covering the Southern Africa Regional Program. It will be noted that a net total of $259,000 of new funds were obligated during the first half of the fiscal year, while $12,823,000 was expended during the same time period. Because of the lengthy process involving project design, negotiation with governments (or, in the case of South Africa, with non-government organizations) the preparation of congressional notifications and the apportionment of funds, most of the obligations occur during the final half of the fiscal year. Thus far during the current quarter, an additional $6,969,177 has been obligated. Expenditures during this quarter will be provided to you when the next PAIS report is completed in early August.

## AGENCY FOR INTERNATIONAL DEVELOPMENT—DOLLAR FUNDED PROJECT ASSISTANCE—REPUBLIC OF SOUTH AFRICA

[Data as of Mar. 31, 1987—thousands of dollars]

| Project | Project title | Acct. stat. | Purp. code | Tech. code | App. code | L/G | Start date | PACD date | Obligations | | Expenditures | | Unliquidated oblig. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Actual for fiscal year 1987 | Cume thru 3/31/87 | Actual for fiscal year 1987 | Cume thru fiscal year 1987 | |
| 674-0223 | Labor Union Training | 674 | 760B | 710 | ES | G | September 19, 1986. | July 19, 1987 | 0 | 1,500 | 0 | 0 | 1,500 |
| 674-0230 | South Africa Bursaries Prog. | 674 | 601B | 650 | ES | G | September 19, 1986. | September 19, 1986. | 0 | 500 | 0 | 0 | 500 |
| 674-0301 | Comm. Outreach/Leadership Dev. | 674 | 401B | 760 | ES | G | September 19, 1986. | September 19, 1990. | 0 | 2,260 | 426 | 426 | 1,834 |
| 674-0302 | Alternative Education | 674 | 610B | 690 | EH | G | June 19, 1986 | June 19, 1988 | 0 | 550 | 0 | 0 | 550 |
| 674-0306 | Building Democratic Institutions | 674 | 701B | 790 | ES | G | September 19, 1986. | September 19, 1986. | 0 | 212 | 0 | 0 | 212 |
| 674-0307 | Int'l. Committee of the Red Cross (ICRC) | 674 | 920B | 840 | ES | G | September 19, 1986. | September 19, 1987. | 0 | 500 | 0 | 0 | 500 |
| | Project total: | | | | | | | | | | | | |
| | Grant | | | | | | | | 0 | 5,522 | 426 | 426 | 5,096 |
| | Loan | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| | Active projects | | | | | | | | 0 | 5,522 | 426 | 426 | 5,096 |
| | Terminating projects | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| | Completed projects | | | | | | | | 0 | 0 | 0 | 0 | 0 |
| | Country total | | | | | | | | 0 | 5,522 | 426 | 426 | 5,096 |

## AGENCY FOR INTERNATIONAL DEVELOPMENT—DOLLAR FUNDED PROJECT ASSISTANCE—SOUTHERN AFRICA REGION—OSARAC

[Project listing—subproject, funding source, and activity classification detail (data as of Mar. 31, 1987—thousands of dollars)]

| Project No. | Project title | Acct. stat. | Purp. code | Tech. code | App. code | L/G | Start date | PACD date | Obligations | | Expenditures | | Unliquidated oblig. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Actual for fiscal year 1987 | Cume. thru 3/31/87 | Actual for fiscal year 1987 | Cume. thru 3/31/87 | |
| 690-0063 | Dev. Training Southern Africans | 690 | 630S | 731 | EH | G | Jun. 1976 | September 1982 | 0 | 1,970 | 0 | 1,970 | 0 |
| | | 690 | 630S | 731 | SA | G | June 1976 | September 1982 | 0 | 5,853 | 0 | 5,853 | 0 |
| 690-0063.95 | Development Training for Southern Africa | 690 | 630S | 731 | ES | G | June 1979 | September 1982 | 0 | 12,623 | 162 | 12,623 | 0 |
| | Project total | | | | | | | | 0 | 20,446 | 162 | 30,446 | 0 |
| 690-0076 | Southern Perimeter Road | 632 | 701B | 824 | ES | G | June 1978 | November 1987 | 0 | 8,000 | 0 | 7,929 | 71 |
| | | 632 | 701B | 824 | SA | G | June 1978 | November 1987 | 0 | 26,000 | 765 | 25,393 | 607 |
| | Project total | | | | | | | | 0 | 34,000 | 765 | 33,322 | 678 |
| 690-0083 | So. Africa Academic and Skills Training | 690 | 600B | 600 | EH | G | September 1977 | September 1985 | 0 | 1,778 | 0 | 1,707 | 71 |
| | | 690 | 600B | 600 | SA | G | September 1977 | September 1985 | 0 | 2,374 | 0 | 2,319 | 55 |
| | Project total | | | | | | | | 0 | 4,152 | 0 | 4,026 | 126 |
| 690-0104.01 | Program Development | 645 | 790B | 980 | SA | G | March 1978 | September 1981 | 0 | 49 | 0 | 49 | 0 |
| 690-0104.95 | South Africa PDS | 690 | 790B | 980 | SA | G | October 1977 | September 1981 | 0 | 897 | 0 | 897 | 0 |
| | Project total | | | | | | | | 0 | 946 | 0 | 946 | 0 |
| 690-0206.01 | Planning Mgt and Resch | 633 | 799B | 710 | ES | G | May 1980 | September 1985 | 0 | 286 | 0 | 264 | 22 |
| 690-0206.02 | Planning Mgt and Resch | 611 | 799B | 710 | ES | G | June 1981 | September 1984 | 0 | 84 | 0 | 83 | 1 |
| 690-0206.03 | Planning Mgt and Resch | 613 | 799B | 710 | ES | G | September 1981 | September 1983 | 0 | 1,470 | 50 | 1,350 | 120 |
| 690-0206.11 | PMR—Zambia | 611 | 799B | 710 | ES | G | December 1983 | September 1987 | 28 | 234 | 44 | 178 | 56 |
| 690-0206.13 | PMR—Zimbabwe | 613 | 799B | 710 | ES | G | December 1983 | December 1987 | 75 | 1,111 | 373 | 749 | 362 |
| 690-0206.33 | Planning Mgt and Research | 633 | 799B | 710 | ES | G | July 1986 | September 1987 | 0 | 109 | 43 | 69 | 40 |
| 690-0206.56 | PMR—Mozambique | 656 | 799B | 710 | ES | G | August 1985 | September 1986 | 22 | 115 | 15 | 26 | 89 |
| 690-0206.74 | PMR—South Africa | 674 | 799B | 710 | ES | G | August 1985 | June 1986 | 66 | 794 | 195 | 285 | 509 |
| 690-206.90 | PMR-OSARAC | 613 | 799B | 710 | ES | G | February 1984 | September 1985 | 48 | 2,115 | 132 | 1,374 | 741 |
| 690-0206.95 | Planning Mgt and Research | 690 | 799B | 710 | ES | G | January 1980 | November 1982 | 5 | 1,837 | 47 | 1,835 | 2 |
| | Project total | | | | | | | | 264 | 8,155 | 899 | 6,213 | 1,942 |
| 690-0207 | Agriculture and Livestock Dev. | 613 | 110B | 078 | ES | G | July 1982 | February 1987 | 0 | 1,175 | 112 | 438 | 737 |
| 690-0209.11 | Transport and Storage Dev—Zambia | 611 | 160B | 061 | ES | G | September 1981 | June 1989 | 0 | 956 | 0 | 955 | 1 |
| | | 611 | 160B | 061 | ES | L | September 1981 | June 189 | 0 | 13,100 | 221 | 5,066 | 8,034 |
| 690-0209.13 | Transport and Storage Dev—Zimbabwe | 613 | 160B | 061 | ES | L | September 1982 | September 1984 | 0 | 4,149 | 0 | 4,149 | 0 |
| | Project total | | | | | | | | 0 | 18,205 | 221 | 10,170 | 8,035 |
| 690-0213.95 | Training Disadvantaged South Africans | 690 | 600R | 700 | EH | G | April 1982 | April 1987 | 0 | 15,050 | 2,838 | 11,464 | 3,586 |
| | | 690 | 600R | 700 | ES | G | April 1982 | April 1987 | 0 | 7,831 | 1,017 | 5,166 | 2,665 |
| | Project total | | | | | | | | 0 | 22,881 | 3,855 | 16,630 | 6,251 |

## AGENCY FOR INTERNATIONAL DEVELOPMENT—DOLLAR FUNDED PROJECT ASSISTANCE—SOUTHERN AFRICA REGION—OSARAC—Continued

[Project listing—subproject, funding source, and activity classification detail (data as of Mar. 31, 1987—thousands of dollars)]

| Project No. | Project title | Acct. stat. | Purp. code | Tech. code | App. code | L/G | Start date | PACD date | Obligations | | Expenditures | | Unliquidated oblig. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Actual for fiscal year 1987 | Cume. thru 3/31/87 | Actual for fiscal year 1987 | Cume. thru 3/31/87 | |
| 690-0214.95 | Private Enterprise Development | 690 | 700B | 930 | ES | G | September 1982 | September 1983 | 0 | 150 | 0 | 150 | 0 |
| 690-0215.12 | SADCC Tech Support—Malawi | 612 | 770B | 066 | ES | G | July 1984 | June 1988 | 0 | 974 | 273 | 311 | 663 |
| 690-0215.32 | SADCC Tech Support—Lesotho | 632 | 770B | 066 | ES | G | August 1984 | May 1988 | 0 | 298 | 0 | 0 | 298 |
| *690-0215.45 | SADCC Tech Support—Swaziland | 645 | 770B | 066 | ES | G | June 1984 | May 1988 | 0 | 1,400 | 103 | 285 | 1,115 |
| | Project total | | | | | | | | 0 | 2,672 | 376 | 596 | 2,076 |
| 690-0220.95 | Entrepreneurial Trng/Disadvantage S.A. | 690 | 610B | 867 | ES | G | September 1983 | September 1985 | 0 | 3,000 | 733 | 2,140 | 860 |
| 690-0222.74 | University Preparation Prog.—South Afr | 690 | 610B | 620 | ES | G | September 1986 | September 1987 | 0 | 89 | 60 | 88 | 1 |
| 690-0222.95 | University Preparation Program | 690 | 610B | 620 | ES | G | September 1983 | September 1984 | 0 | 1,989 | 8 | 1,987 | 2 |
| | Project total | | | | | | | | 0 | 2,078 | 68 | 2,075 | 3 |
| 690-0223.95 | Labor Union Training for South Africans | 690 | 600R | 710 | ES | G | September 1983 | September 1984 | 0 | 1,893 | 0 | 1,893 | 0 |
| 690-0224.13 | Reg Sorghum/Millet Rsrch—Zimbabwe | 613 | 141R | 072 | ES | G | August 1984 | September 1988 | 0 | 14,800 | 1,904 | 6,690 | 8,110 |
| 690-0225.13 | Regional Agricultural Res Coordination-Z | 613 | 111B | 080 | ES | G | August 1984 | April 1990 | 1,500 | 0 | −66 | 0 | 0 |
| 690-0225.33 | Regional Agricultural Res Coordination-B | 633 | 111B | 080 | ES | G | August 1984 | April 1990 | 1,464 | 1,464 | 149 | 149 | 1,315 |
| | Project total | | | | | | | | −36 | 1,464 | 83 | 149 | 1,315 |
| 690-0230.74 | SoAfr Bursaries Program—So Africa | 674 | 660B | 690 | ES | G | April 1986A | September 1987 | 0 | 6,860 | 87 | 93 | 6,767 |
| 690-0230.95 | South Africa Bursaries Program | 690 | 660B | 690 | ES | G | September 1985 | September 1988 | 0 | 0 | 0 | 0 | 0 |
| | Project total | | | | | | | | 0 | 6,860 | 87 | 93 | 6,767 |
| 690-0231.11 | Regional Transport Development—Zambia | 613 | 130B | 820 | ES | G | September 1985 | September 1988 | 0 | 7,000 | 0 | 0 | 7,000 |
| 690-0231.56 | Regional Transport Development—Mozambi | 656 | 130B | 820 | ES | G | September 1985 | September 1988 | 0 | 5,540 | 2,264 | 2,551 | 2,989 |
| | Project total | | | | | | | | 0 | 12,540 | 2,264 | 2,551 | 9,989 |
| 690-0234 | Improvement Blantyre-Tete-Harare Road | 613 | 130B | 061 | ES | G | July 1984 | June 1986 | 0 | 700 | 100 | 600 | 100 |
| 690-0235.13 | Intl Exec Svc Corps (IESC)—Zimbabwe | 613 | 510B | 810 | ES | G | September 1985 | September 1987 | 0 | 225 | 68 | 128 | 87 |
| 690-0235/74 | Africa Private Enterprise Fund | 674 | 510B | 810 | ES | G | September 1986 | September 1987 | 0 | 104 | 0 | 0 | 104 |
| 690-0235.95 | Private Enterprise Fund | 690 | 510B | 810 | ES | G | March 1985 | March 1988 | 0 | 121 | 3 | 25 | 96 |
| | Project total | | | | | | | | 0 | 450 | 71 | 163 | 287 |
| 690-0237 | Regional Transport Dev II | 690 | 730B | 824 | ES | G | July 1986 | October 1989 | 0 | 10,500 | 0 | 0 | 10,500 |
| 690-0238 | Trans Dev II Sec Techasst | 690 | 771B | 824 | ES | G | June 1986 | June 1988 | 0 | 1,500 | 0 | 0 | 1,500 |
| 690-9801.11 | Special Self-Help/Population—Zambia | 611 | 771R | 960 | ES | G | October 1984 | September 1986 | 0 | 118 | 1 | 37 | 81 |
| | | 611 | 771R | 960 | SD | G | October 1984 | September 1986 | 0 | 0 | 0 | 0 | 0 |
| 690-9801.13 | Human Rights Fund—Zimbabwe | 613 | 771R | 960 | ES | G | September 1979 | March 1985 | 0 | 193 | 22 | 113 | 80 |
| 690-9801.33 | Human Rights Fund—Botswana | 633 | 771R | 960 | ES | G | September 1979 | September 1986 | 0 | 38 | 7 | 37 | 1 |
| 690-9801.56 | Human Rights Fund—Mozambique | 656 | 771R | 960 | ES | G | May 1986 | September 1986 | 0 | 30 | 1 | 10 | 20 |
| 690-9801.74 | Human Rights Fund—South Africa | 674 | 771R | 960 | ES | G | September 1979 | September 1986 | 0 | 3,095 | 612 | 1,957 | 1,138 |
| | Project total | | | | | | | | 0 | | 3,474 | 643 | 2,154 |
| 690-9901.11 | Special Self-Help Dev—Zambia | 611 | 790R | 900 | ES | G | April 1984 | September 1986 | 0 | 570 | 82 | 489 | 81 |
| 690-9901.13 | Special Self-Help Dev—Zimbabwe | 613 | 790R | 900 | ES | G | September 1980 | September 1986 | 0 | 1,493 | 162 | 1,432 | 61 |
| 690-9901.33 | Special Self-Help Dev—Botswana | 633 | 790R | 900 | ES | G | September 1980 | September 1986 | 47 | 585 | 83 | 504 | 81 |
| 690-9901.56 | Special Self-Help Dev—Mozambique | 656 | 790R | 900 | ES | G | September 1984 | September 1987 | −9 | 118 | 37 | 59 | 59 |
| 690-9901.74 | Special Self-Help Dev—South Africa | 674 | 790R | 900 | ES | G | September 1980 | June 1986 | −7 | 1,151 | 116 | 046 | 205 |
| | Project Total | | | | | | | | 31 | 3,917 | 480 | 3,430 | 487 |
| | Grant | | | | | | | | 259 | 158,709 | 12,602 | 105,660 | 53,049 |
| | Loan | | | | | | | | 0 | 17,249 | 221 | 9,215 | 8,034 |
| | Active projects | | | | | | | | 211 | 161,440 | 12,538 | 102,481 | 58,959 |
| | Terminating projects | | | | | | | | 48 | 10,369 | 285 | 8,245 | 2,124 |
| | Completed projects | | | | | | | | 0 | 4,149 | 0 | 4,149 | 0 |
| | Country total | | | | | | | | 259 | 175,958 | 12,823 | 114,875 | 61,083 |

Mr. HELMS. Follow-up to question No. 1. Please be more specific in supplying the actual organizations and individuals who received U.S. funds.

Answer: Organizations That Have Received A.I.D. Funds in Fiscal 1987.

*A. Self Help Projects for 1987*

Auburn House School—Cape Town Project ($4,400.00).

Kwa-No-Themba Workshop for the Disabled—Cape Town Project ($4,000.00).

Montagu and Ashton Community Service—Cape Town Project ($8,000.00).

Masibambane Christian Development Center—Cape Town Project ($10,000).

Nomzi Senior Secondary School—Cape Town Project ($9,000.00).

Umzokhano Cooperative—Cape Town Project ($4,000.00).

Inqounqulu Secondary School—Durban Project ($500.00).

Insika Rural Development Association—Durban Project ($7,300.00).

Kwandengesi Community Centre—Durban Project ($7,400.00).

Madadeni Congregational Council—Durban Project ($4,800.00).

Msinga Community Development Association—Durban Project ($9,000.00).

Sibusisiwe High School—Durban Project ($8,000.00).

Association for the Physically Disabled—Johannesburg Project ($4,000.00).

Dihlopaneng Community Clinic/Health Center—Johannesburg Project ($4,000.00).

Ditsobotla Association for the Physically Disabled—Johannesburg Project ($4,000.00).

Evaton Old Age Disability, Child and Family Welfare—Johannesburg Project ($4,000.00).

St. Anthony's Clinic—Johannesburg Project ($4,000.00).

Self-Help Association of Disabled (Alexandra)—Johannesburg Project ($2,000.00).

Thusanani Christian Association for the Handicapped—Johannesburg Project ($5,000.00).

Weiler's Farm Squatter Camp—Johannesburg Project ($5,000.00).

The Home Training Trust—Johannesburg Project ($3,000.00).

Evangelical Lutheran Church in S.A.—Pretoria Project ($5,000.00).

Luckhoff Primary School—Pretoria Project ($500.00).

Makena Pre-School—Pretoria Project ($4,500.00).

Molabosane Senior Secondary School—Pretoria Project ($8,000.00).

NGK Church, Mamelodi Congregation—Pretoria Project ($7,500.00).

Partners in Progress (Sisters Pride)—Pretoria Project ($7,500.00).

S.A.V.E. Hydroponic Farm—Money taken out of Self Help Budget—in particular Consul or Embassy Project ($10,000.00).

Unezandla Home Industry—Pretoria Project ($5,000.00).

*B. Internal Bursaries*

*C. External Bursaries*

Institute of International Education (U.S.).

*D. PM&R*

Steven Rubin (U.S.).
M&M Personnel.
Development Alternatives (U.S.).
Controlled Management Dynamics.
Robert Nathan (U.S.).
Coordinated Marketing.
International Science and Technology (U.S.).
Chris Merkling (U.S.).
Arnold Zack (U.S.).
Consumer Behavior.
Barry Masoga.
African Teachers Association of South Africa.
Association of Historically Black Colleges (U.S.).
Natal Education Organization.
Paul Roudenbush (U.S.).
Rick Johnson (U.S.).
Academy for Educational Development (U.S.).
Council for Enrichment of African Political Affairs.
John Dugard.
Louis Skewiya.
Mathole Motshekga.
Advice Centers Association Women's Desk.

*E. OFDA Disaster Relief*

Operation Hunger.

*F. Human Rights*

Matlosane Diaconia Trust.
Planning Youth Employment Investments.
Save the Starving Community.
Savage, Jooste and Adams, Attorneys.
Anglican Diocese of Johannesburg.
Center for Applied Legal Studies.
Advice and Legal Aid Office, Kwandebele.
Johannesburg Central Advice Office.
Moutse Project.
Mphome Diaconate Committee.
Human Awareness Program.
Operation Real South Africa.
ODJ Advice Bureau.
Soweto Electricity Advice Center.
Port Elizabeth Black Civic Organization.
IDAMASA (Port Elizabeth).
Northern Transvaal Bail Fund.
Women for Peace (Alexandria).
Noordgesig Advice Center.
Witwaterstrand Council of Churches Advice Bureaux.
Johannesburg Child Welfare Society.
Neighborhood Advice Center.
Alexandra Workers Advice Association.
African Miners Allied Workers Union.
St. Francis Day Care Center, Bashabela.
Umtapo Advice Unit.
Port Shepstone Community Advice Center.
Crisis Center.
Sawela Creche.
Association of Democratic Journalists.
Galiteans Peace Team Project.
UWC Law Students Human Rights Conference.
Lawyers for Human Rights (Durban).

*G. Human Rights, Legal Assistance*

Black Sash Advice Office Trust.
Legal Resources Center.
Rural Legal Services Project.
Smith, Tabota and Van Hearden, Attorneys.
Bell, Daulet and Hall, Attorneys.
Raymond Tucker, Attorney.

Mr. HELMS. Additional specification of actual dollar amounts for the above grants is to be provided by AID within the next few days.

Mr. Helms. 2. Has any U.S. support—financial or otherwise—been provided to the Institute for a Democratic Alternative for South Africa?

Answer. Yes, it is my understanding that the National Endowment for Democracy has made a grant of funds for the Institute for a Democratic Alternative for South Africa.

The National Endowment for Democracy granted approximately $25,000 to the Institute for a Democratic Alternative for South Africa to hold a conference in Port Elizabeth this past May.

Mr. Helms. 3. Has any U.S. support—financial or otherwise—been provided to any project supported by Chief Mangosuthu "Gatcha" Buthelezi? Is there a conscious policy not to provide aid to such projects?

Answer. A.I.D. does not formally vet its South Africa projects with any of the top political leadership in South Africa. However, there most certainly is no policy which discriminates against projects supported by Chief Buthelezi.

Rather, great care is taken to assure that the activities we undertake are fully supported by the local community the project is intended to serve. Thus, our consultations are with local community leaders all over South Africa.

A.I.D. programs in South Africa now offer scholarship support for education at U.S. and South African universities, training in community development skills, basic human rights assistance, training for black trade unionists and entrepreneurs and help meet the food needs of people at risk of starvation. Many of these programs impact directly in Kwa-Zulu and on the citizens of Kwa-Zulu.

Mr. Helms. 4. Has any U.S. support—financial or otherwise—been provided to the African National Congress, or any project associated with that organization?

Answer. No, A.I.D. has provided no financial or other support to the African National Congress or any South African "political" organization. A.I.D. has never met with the ANC to discuss projects in South Africa.

Mr. Helms. 5. Section 211 of the Comprehensive Anti-Apartheid Act of 1986 (P.L. 99-440) requires that "No assistance may be provided under this Act, the Foreign Assistance Act of 1961, or any other provision of law to any individual, group, organization, or member thereof, or entity that directly or indirectly engages in, advocates, supports, or approves the practice of execution by fire, commonly known as 'necklacing'."

a. What has A.I.D. done to ensure compliance with this provision of law?

b. Is any affirmative statement or action required on the part of individuals, groups, organizations, or entities that they do not directly or indirectly engage in, advocate, support, or approve the practice of execution by fire, commonly known as 'necklacing' in order to be eligible for U.S. assistance?

c. Have any individuals, groups, organizations, or entities been terminated from U.S. assistance as a result of this provision?

Answer. a. Guidelines established to implement this section of Comprehensive Anti-Apartheid Act of 1986 have our A.I.D. Mission in South Africa as well as our Embassy there increasing efforts to be as familiar as possible with the groups to which assistance is provided. In the event it were discovered that a particular group we are assisting contained in its ranks an individual who has been found to engage in gross violation of internationally recognized human rights we would offer the assisted group the choice of either terminating its relationship with the individual involved or terminating the grant with A.I.D.

b. No, A.I.D. does not require such affirmative statements from the various groups it assist in South Africa. We believe the procedures we use to check the groups assisted are sufficient to assure we are not aiding any individual or entity in South Africa advocating "necklacing".

c. No groups have been terminated since we have not determined that any individual, group, organization or entity we support, supports "necklacing".

Mr. Helms. 6. Section 103(b)(4)(B) of the Comprehensive Anti-Apartheid Act of 1986

(P.L. 99-440) requires direct U.S. financial assistance to the "families of those killed by terrorist acts such as 'necklacing'." Please provide a list of families who have been assisted with direct U.S. financial assistance pursuant to this requirement and the levels of such assistance. What are the criteria for determining such assistance?

Answer. To implement this section of the Comprehensive Anti-Apartheid Act of 1986 we are currently in the final stages of negotiating a grant agreement with the South African Red Cross.

We selected the South African Red Cross for this grant to ensure that it will be fairly implemented. The South African Red Cross adheres to the principle of impartiality, a hallmark of the International Committee of the Red Cross (ICRC). The ICRC has agreed to monitor the performance of the South African Red Cross in its implementation of our grant. The South African Red Cross is highly regarded as a humanitarian organization and is truly committed to helping individuals and families regardless of political or employment affiliations.

Since the grant is still being negotiated we have no data on actual disbursements at this time. The criteria for determining the provision of assistance constitute an element of the sensitive negotiations now in progress with the South African Red Cross. We expect these negotiations to be completed during the month of August, and we will provide the agreed upon criteria to you at that time.

Mr. Helms. Follow-up to question #6. Provide an update of the negotiations for the grant agreement and the expected date of implementation.

Answer. The basic negotiations between A.I.D. and the national office of the South African Red Cross (SARC) have been completed. The criteria for providing support are governed by the impartial international criteria of the International Committee of the Red Cross (ICRC). The National Office of the South Africa Red Cross and the ICRC are currently negotiating technical implementation details with SARC's regional office which will be making the assistance to the affected families available. A South Africa Red Cross Board meeting is scheduled for Saturday, August 1 with a final meeting with AID/South Africa, scheduled for Tuesday, August 4. An agreement is scheduled to be signed shortly thereafter.

Mr. Helms. The supplemental appropriations act for fiscal year 1987 (P.L. 100-71) requires a Presidential certification for any country for which the President proposes to disburse funds within the Southern Africa Development Coordination Conference that such country (1) has not advocated the form of terrorism, commonly known as "necklacing," used against South African blacks; (2) has provided assurances that it has taken action against any person who has been found to have practiced necklacing against South African blacks; and (3) is not knowingly allowing terrorists who practice necklacing to operate in its territory.

a. Has such a certification been made for any SADCC country? If so, please provide a detailed explanation of the rationale for each certification.

b. Does the U.S. government consider members of the African National Congress to be "terrorist" for purposes of this requirement?

c. Does the U.S. government consider members of the ANC's military wing, the Spear of the Nation, to be "terrorist" for purposes of this requirement?

d. Does the U.S. government consider members of the South African Communist Party to be "terrorist" for purposes of this requirement?

Answer. a. I have been informed that the Department of State is in contact with the concerned governments with regard to the requirements necessary for certification under the law, but that no such certification has yet to been made.

As I understand it, the requirement for certification turns upon the actions of the governments in question toward those who engage in the practice of necklacing.

With regard to questions b, c and d, I understand that the Department of State is studying the legislation that you refer to.

Mr. Helms. Follow-up to question #7. Provide a time line for the State Department review of this legislation.

Answer. The Department of State has been in touch with the concerned governments and is both receiving and assessing pertinent information. Since it is the intention of the Administration to obligate the SADCC funds this fiscal year, it expects to finish the review and complete the determination and certification process by mid-September.

Mr. Helms. 8. Please provide a list of each donor country's contributions to SADCC as well as a list of each recipient country's allocation from SADCC.

Answer. First, SADCC itself does not make country specific allocations. Financing for SADCC projects is allocated by donors to a specific regional institution or the country or countries in which the project activity occurs, not to SADCC, which is a regional development planning organization. The exceptions to this are a few small grants for regional studies provided directly to the SADCC Secretariat. By definition the direct beneficiaries are generally broader than the specific country in which a donor financed activity occurs. For example, the Dar es Salaam corridor project, currently under preparation, provides direct benefits to Malawi, Zambia and Tanzania. Project financing is allocated to the rail company, TAZARA, while actual rail and train rehabilitation occurs only in Tanzania and Zambia.

The following is a list of major donors and their contribution to SADCC programs according to the latest information available.

| | *Millions, 1986* |
|---|---|
| EEC | $110.0 |
| United Kingdom | 14.7 |
| France | 39.0 |
| Denmark | 52.6 |
| Holland | 50.0 |
| Sweden | 32.0 |
| Italy | 50.0 |
| Canada | 25.0 |
| Germany (FRG) | 20.0 |
| United States | 14.7 |
| Total | 408.0 |

Mr. Helms. 9. During Mr. McPherson's testimony before the Committee on March 10, he suggested that rather than having the United States contact the Mozambique National Resistance (RENAMO) directly—with respect to food aid for Mozambique—we would rely on the efforts of a U.N. food coordinator.

a. Now that one has been appointed, has he met with RENAMO about food relief efforts?

b. Has any U.N. food coordinator or other U.N. representative met with RENAMO about getting food relief to RENAMO-controlled areas?

c. If not, what is A.I.D. doing to ensure contact with RENAMO with regard to food relief to RENAMO-controlled areas of Mozambique?

Answer. a. Not to my knowledge.

b. Not to my knowledge.

c. As part of the overall relief effort for Mozambique that is coordinated by the U.N., the ICRC, which traditionally has been the international organization which provides assistance to victims in conflict situations, has taken on the role of food delivery to the contested areas of Mozambique. In that context the ICRC has been in contact with representatives of RENAMO and the Mozambique Government to ensure safe transport of food supplies in these contested areas. A.I.D. has encouraged ICRC in these efforts and has offered to support ICRC's program. ICRC is presently planning a major expansion of its food delivery operations.

Mr. Helms. Follow-up to question #9. If the U.N. coordinator is not talking to the RENAMO representative, then how does A.I.D. ensure that food deliveries to RENAMO held areas are not disrupted.

Answer. A.I.D. is relying on the International Committee of the Red Cross to provide humanitarian assistance to areas directly affected by the RENAMO insurgents. ICRC has traditionally been the organization that assists victims in conflict situations. The ICRC has already begun regular visits to conflict-affected districts in Central Mozambique and is expanding the coverage of its program. These visits are made regularly with advanced notification to all parties so that both sides in the conflict are aware of them. So far there has been no disruption to these ICRC activities. The ICRC has been concentrating on medical treatment and nutritional surveillance. However, A.I.D. has put at ICRC's disposal 1,500 MT of food aid to respond to any severe malnutrition it detects. A.I.D. is also planning a response to ICRC's latest appeal for its Mozambique program. To ensure ICRC is making maximum efforts, we have met and will continue, on a regular and systematic basis, to meet with ICRC representatives. This is being done by our A.I.D. Representatives in Maputo.

## NOMINATION OF JOHN DANIEL TINDER

Mr. LEAHY. Mr. President, the Judiciary Committee approved yesterday the nomination of John Daniel Tinder to be a U.S. district judge for the Southern District of Indiana. The committee held a hearing on this nomination, at which I presided, on July 21. For the benefit of my fellow Senators, who will soon vote on whether to confirm this nomination, I offer the following brief summary of the nominee's qualifications and experience, and of the testimony elicited at the hearing.

Mr. Tinder currently serves as U.S. attorney for the district which he has been nominated to serve as a judge. He has held this position since 1984. The nominee's previous experience includes stints as a Federal and State prosecutor, as a public defender, and as an attorney in private practice with two Indianapolis firms. Mr. Tinder, who is 37 years old, received both his undergraduate and law degrees from the University of Indiana. The American Bar Association's Standing Committee on the Federal Judiciary rated him as "Qualified" for the Federal court.

At the hearing on July 21, the nominee, after being introduced by Senators LUGAR and QUAYLE, and by Representative ANDREW JACOBS, the nominee was questioned concerning his recent resignations from two social clubs that do not admit women as members; his establishment of a blind trust approved by the Office of Government Ethics; the transition from a prosecutorial to a judicial role; and methods of constitutional interpretation. In response to written follow up questions which I submitted to him, Mr. Tinder discussed the aspects of his experience as a lawyer which he felt qualified him for the Federal bench despite his relative youth. The nominee's responses to the questions posed to him at the hearing and afterwards were satisfactory.

Mr. President, I would note for the record that once again the Judiciary Committee has moved expeditiously to present this nomination to the Senate for its consideration. The position to which Mr. Tinder has been nominated became vacant on December 31, 1986. More than 5 months later, on June 2, 1987, the President nominated Mr. Tinder to fill this vacancy. A hearing was held on his nomination on July 21, and the committee approved the nomination about 2 weeks later, on August 6. Thus, well over two-thirds of the vacancy period is attributable to the time it took the President to decide to nominate Mr. Tinder. Less than one-third of the period is attributable to the advice and consent procedures of the Senate.

Mr. President, this nomination comes before the Senate with the favorable recommendation of the Judiciary Committee. I hope that it will be speedily confirmed.

Mr. BYRD. Mr. President, I think now that all the business has been transacted that we can transact.

## ORDER THAT CLOTURE VOTE ON SEPTEMBER 9, 1987, OCCUR AT 2 P.M. AND THAT THE MANDATORY QUORUM BE WAIVED

Mr. BYRD. Mr. President, I ask unanimous consent that the vote on the motion to invoke cloture—I make this request as in executive session—I ask unanimous consent that the vote on the motion to invoke cloture on the Melissa Wells nomination, which will occur on Wednesday, September 9, occur at 2 o'clock that day and that the mandatory quorum be waived.

The ACTING PRESIDENT pro tempore. Is there objection? Hearing none, it is so ordered.

## ADJOURNMENT UNTIL WEDNESDAY, SEPTEMBER 9, 1987 AT 10 A.M.

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the provisions of House Concurrent Resolution 175, as amended, that the Senate stand in adjournment until the hour of 10 a.m., on Wednesday, September 9, 1987.

The motion was agreed to; and, at 9:38 p.m., in accordance with the provisions of House Concurrent Resolution 175, as amended, the Senate adjourned until Wednesday, September 9, 1987, at 10 a.m.

## NOMINATIONS

Executive nominations received by the Senate August 7, 1987:

### DEPARTMENT OF STATE

William Caldwell Harrop, of New Jersey, a career member of the senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zaire.

William Henry Houston III, of Mississippi, for the rank of Ambassador during his tenure of service as U.S. Negotiator on Textile Matters.

### U.S. ARMS CONTROL AND DISARMAMENT AGENCY

William Schneider, Jr., of New York, to be a member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency, vice Colin Spencer Gray, resigned.

### DEPARTMENT OF DEFENSE

Stephen M. Duncan, of Colorado, to be an Assistant Secretary of Defense, vice James H. Webb, Jr., resigned.

### DEPARTMENT OF COMMERCE

Jeffrey M. Samuels, of Virginia, to be an assistant commissioner of Patents and Trademarks, vice Margaret Muth Laurence.

### MISSISSIPPI RIVER COMMISSION

Rear Admiral Wesley V. Hull, National Oceanic and Atmospheric Administration, to be a member of the Mississippi River Commission, vice John D. Bossler.

### BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION

Thomas G. Pownall, of Maryland, to be a member of the board of trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term of 2 years, New Position.

### INTERSTATE COMMERCE COMMISSION

Frederic N. Andre, of Indiana, to be a member of the Interstate Commerce Comission for a term expiring December 31, 1992. (Reappointment)

### MARINE MAMMAL COMMISSION

Francis H. Fay, of Alaska, to be a member of the Marine Mammal Commission for the term expiring May 13, 1988, vice William Evans, resigned.

### DEPARTMENT OF JUSTICE

Thomas J. Ashcraft, of North Carolina, to be U.S. attorney for the western district of North Carolina for the term of 4 years, vice Charles R. Brewer, term expired.

### THE JUDICIARY

Robert E. Cowen, of New Jersey, to be U.S. circuit judge for the third circuit, vice James Hunter III, retired.

Stephen S. Trott, of Virginia, to be U.S. circuit judge for the ninth circuit, vice Joseph T. Sneed, retired.

Wade Brorby, of Wyoming, to be U.S. circuit judge for the 10th circuit, vice James E. Barrett, retired.

Nicholas H. Politan, of New Jersey, to be U.S. district judge for the district of New Jersey, vice Herbert J. Stern, resigned.

Richard J. Arcara, of New York, to be U.S. district judge for the western district of New York, vice John T. Elfvin, retired.

Executive nominations confirmed by the Senate August 7, 1987:

### DEPARTMENT OF STATE

Nicholas Platt, of the District of Columbia, a career member of the senior Foreign Service, class of career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

Leonard Grant Shurtleff, of New Hampshire, a career member of the senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of the Congo.

Warren Clark, Jr., of Connecticut, a career member of the senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

### U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Charles L. Gladson, of California, to be an Assistant Administrator of the Agency for International Development.

### AFRICAN DEVELOPMENT FOUNDATION

Charles L. Gladson, an assistant administrator of the Agency for International Development, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1991.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

### DEPARTMENT OF JUSTICE

Philip N. Hogen, of South Dakota, to be U.S. attorney for the district of South Dakota for the term of 4 years.

### THE JUDICIARY

John Daniel Tinder, of Indiana, to be U.S. district judge for the southern district of Indiana.

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# EXTENSIONS OF REMARKS

## THE CARIBBEAN BASIN REGIONAL DEVELOPMENT COMMISSION

### HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. SCHULZE. Mr. Speaker, today I am introducing legislation to enhance current Caribbean Basin Initiatives and complement similar legislative efforts by our Trade Subcommittee Chairman GIBBONS and Oversight Chairman PICKLE.

My legislation provides a reliable funding mechanism for improving the infrastructure of CBI countries, for improving production capacities, for promoting tourism and facilitating economic integration among CBI nations. It does not, in any way, however, encourage domestic production relocation to CBI nations.

The establishment of a Caribbean Basin Regional Development Commission would greatly enhance the effectiveness of our efforts in the region and improve economic and long-term stability in this area so vital to our national interests.

For your perusal, I have enclosed a copy of a summary of my legislation and encourage my colleagues to examine these proposals closely and join me moving them toward fruition:

SCHULZE BILL OUTLINE

I. CARIBBEAN BASIN REGIONAL DEVELOPMENT COMMISSION

A. Establishes a Caribbean Basin Regional Development Commission composed of 5 persons appointed by the Secretary of Commerce who by training and experience are knowledgeable regarding the Caribbean Basin Initiative (CBI),

The term of office is two years, with a maximum of two terms.

B. The Commission shall provide financial assistance to beneficiary countries to carry out projects that (a) improve the infrastructure of such countries; (b) improve production capacities; (d) promote tourism and (e) facilitate economic integration among beneficiary countries.

C. Each beneficiary country shall submit a development plan consistent with the above objectives for approval by the Commission.

The Commission may not approve any portion of a plan that will (a) result in, or add to, surplus capacity for the production of specific articles or (b) cause production facilities to be transferred to a beneficiary country.

D. The Commission may work with U.S. firms or on its own initiative suggest proposals to a beneficiary country for inclusion in its plan.

E. Upon approval of the plan, the Commission shall transfer to beneficiary countries monies collected from dutiable items imported from such countries.

Fifty percent of the duties collected shall be distributed to Eastern Caribbean countries and fifty percent shall go to the larger beneficiary countries.

Also, amounts authorized and appropriated each year from duties collected on imports from Latin American CBI donor countries (not to exceed 20% of such duties) shall go into a matching grant account whereby the Commission can match up to 100 percent of approved projects financed by the beneficiary country.

II. TREATMENT OF SUGAR AND SUGAR CONTAINING PRODUCTS

A. GSP limits on duty-free treatment of imports of sugar is repealed because quantitative limits govern all imports of sugar at this time.

B. Quotas shall not be applied to sugar containing products (containing not less than 10 percent dry weight of crystalline sugar) imported from beneficiary countries, notwithstanding section 902(a) of the Food Security Act of 1985.

## EXTEND THE SCHOOL YEAR TO 240 DAYS

### HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. LEVINE of California. Mr. Speaker, today I am introducing legislation that is designed to extend the school year to 240 days and create an incentive program for schools that do an exceptionally good job of teaching their students.

No one can deny that there is room for improvement in the U.S. educational system. If we expect to maintain a competitive edge over the rest of the world, we must bring the quality of American education up to world standards.

A recent report by the Department of Labor on the future of the American work force reported that:

> Very few jobs will be created for those who cannot read, follow directions, and use mathematics. [The] demographic trends in the work force, coupled with the higher skill requirements of the economy, will lead to both higher and lower employment: more joblessness among the least-skilled and less among the most educationally advantaged.

Thus, the quality of the education our children receive will be key not only to their own personal well being, but also to our ability to remain a world economic power. Thus, improving our educational system must be a top national priority. The United States has a significantly shorter school year than other industrialized nations. In Japan, children go to school for 240 days per year. In Europe, the figure is 220 days. Here in the United States, children go to school for 180 days. It should be no mystery why American students perform significantly poorer on standardized tests than do their counterparts in Europe and Japan. I reject the notion that Japanese and European children are smarter or more talented than American children. Our children have the ability to lead the world in educational achievement if we will just give them the tools to do so. It is unfair to expect American students to learn as much in 180 days as their European and Japanese counterparts learn in 220 to 240 days.

The 180-day school year is outdated for more reasons than the fact that it is hindering the learning of our students—it is a throwback to the days when children were needed in the fields to help their parents harvest their crops. That is obviously not as great a concern today as it once was.

This program will not come cheaply. My legislation will provide $10 billion per year to defray the additional costs to local school districts that increase the length of the school year. While this may sound expensive, it is, in reality only a fraction of the costs of a longer school year. I have included this figure for reasons of fairness. If the Federal Government is going to impose additional burdens on our schools it should help foot part of the bill.

However, local school districts are going to have to help finance an extended school year. This will require a reordering of priorities on their part.

Today the United States spends more on education, in relation to gross national product, than any other nation except Sweden. Clearly we are not getting everything we should. Part of the reason is a misdirection of priorities. The schools must find ways to reduce spending in some areas and concentrate their efforts on educating our children. It is interesting to note that in Boston, teachers make up less than half of the employees on the school district payroll. Clearly, economies can, and must be found.

My legislation will also create a $10 billion program to benefit schools whose students perform above the national average on national competency examinations. These scores will be adjusted to reflect scores for socio-economically equivalent school districts. This will provide an impetus for teachers to do their best to help their students excel.

We cannot solve our educational problems by simply lengthening the school year or throwing more money at the schools. However, we cannot expect our students to compete internationally if they have 25 percent less classroom time than children in other nations. American children are smart, but it is unfair to expect them to compete effectively on an uneven playing field. In the high technology world of the future, a high quality education will be more important than ever before.

Thus, while we should not delude ourselves in believing that money alone will solve our problems, we cannot afford to skimp on funding for education. We must be willing to spend whatever is necessary to give our children a world class education and create a world

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

class work force. I am convinced that the American people are willing to pay the bill to ensure their children a quality education.

Nothing less than the future of our country is at stake here. This legislation will make an important contribution to improving our international competitiveness and will help ensure that no child anywhere in the world receives a better education than an American child.

## FOURTH DISTRICT RESIDENTS SPEAK OUT ON THE ISSUES

### HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. LENT. Mr. Speaker, in April, I mailed my 17th annual questionnaire to the residents of the Fourth Congressional District in Nassau County, NY. A tradition throughout my years in Congress, the questionnaire provides me with an accurate and invaluable gauge of my constituents' positions on important national issues. Knowing their thoughts and opinions helps me do a better job representing them in Congress.

As in the past, there was a tremendous response, with over 18,000 people participating in this year's poll. I'd like to thank everyone who took the time and effort to complete the questionnaire and to let me know what they think about the problems facing our Nation today.

Three of the poll's 10 questions dealt with deficit reduction and the budget. I'd like to point out to my colleagues that a significant majority of 82.8 percent felt that Congress should make every effort to adhere to the statutory deficit reduction target of $108 billion for fiscal year 1988 required by the Gramm-Rudman-Hollings law. This is a far cry from the "so-called" savings made by the Democratic budget plan recently passed by Congress over my objections. Furthermore, 76 percent opposed even a temporary delay in the tax rate reductions brought about with tax reform as a means to reducing the deficit. In addition, a proposal to save Federal dollars through the privatization of the Amtrak rail passenger line was approved by a margin of 76.2 percent.

On other important national issues, better than 93 percent favored random drug and alcohol testing of airline and railroad crews responsible for public safety and endorsed requiring able-bodied welfare recipients to perform public service work to qualify for benefits.

Ninety-three percent of respondents now covered by Medicare said they would be willing to pay an additional $5 per month for comprehensive catastrophic health care coverage. Unfortunately, these benefits will cost seniors as much as $1,454 per individual per year—$2,908 for couples—through higher premiums under the House-passed bill. That's a far cry from $5 a month and when senior citizens find out exactly what they'll be paying, I predict there'll be an uproar heard from Maine to California.

A somewhat smaller, although significant, majority voted "yes" on the question of raising the national minimum wage from the current $3.35 per hour to as much as $4.85 per hour. However, respondents were more equally divided on who to reduce the trade deficit: 52 percent opposed and 48 percent supported restricting foreign imports even at the risk of retaliation against American exports abroad and higher prices for American made goods. Federal legislation to control acid rain pollution garnered the support of 94.7 percent of those polled.

The final question deals with a matter of considerable importance to hundreds of thousands of commuters who ride the Long Island Rail Road [LIRR] to and from work every day. The LIRR is currently under the jurisdiction of the Federal Railway Labor Act which permits strikes. Last January, in a dispute with management, rail labor walked off the job, leaving commuters stranded without reliable rail transportation. And, as you may recall, emergency legislation I introduced to end the 11-day strike and restore service was debated and passed in this very chamber. Following Senate approval, the President signed the bill into law and workers were ordered back on the job.

However, in order to prevent future strikes, some have urged bringing the LIRR under the jurisdiction of the New York State Taylor Act which prohibits strikes by public employees, such as police and firemen. A full 85.1 percent said they favor Federal legislation to accomplish this change. Certainly, this is a matter Congress should give full consideration to.

Mr. Speaker, I hope that by sharing this information, my colleagues have gained a better understanding and appreciation for the views of my Long Island constituents on these critical national issues. These results will be made available to the media and conveyed to President Reagan as well.

In closing, I'd like to thank the good people of New York's Fourth Congressional District for their help in making my 17th annual questionnaire a success. Their participation and the involvement of all our citizens is the most essential ingredient to the future of American democratic Government.

## THE QUALITY CONTROL AMENDMENTS OF 1987

### HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. MATSUI. Mr. Speaker, today I am introducing legislation reinstituting the moratoria on the collection of fiscal penalties from States in the Aid to Families with Dependent Children [AFDC], Medicaid, and Food Stamps Programs.

The purpose of the quality control system is to help States improve administration and to reduce errors. Its purpose is not, or should not be, to force States to cut benefits or develop more restrictive eligibility requirements. Its purpose is not to shift costs from the Federal to State budgets. Its purpose is certainly not to force States to cutback on administrative staff or otherwise reduce administrative resources which will undoubtedly result in more errors in the future. This is counterproductive and the reverse of what the quality control system seeks to achieve. Yet, when 49 States face potential fiscal sanctions in the AFDC, Medicaid, and Food Stamps Programs, that is exactly what States will be forced to do.

During the last legislative session, we recognized that our present quality control system was inherently flawed and we acted upon these concerns. The House called for major reform through passage of the AFDC Error Reduction and Quality Control Improvement Act, which I sponsored. Unfortunately, during conference deliberations on COBRA, that provision was dropped. Instead, the conferees adopted a 2-year moratorium on the collection of sanctions under the AFDC program while the National Academy of Sciences conducted a study of the quality control system. Similar provisions to study the quality control system for the Food Stamps and Medicaid Programs were also adopted last Congress; however, there was no moratorium extended to the Medicaid Program and the Food Stamp moratorium was cut to only 6 months.

When we enacted the quality control study and moratorium provisions, it was contemplated that reform of the system would take 2 years. The study was to be completed within 1 year and Congress was to have an additonal year to review and implement the recommendations. Recently, the National Academy of Sciences released a portion of this congressionally mandated study addressing food stamp quality control reform. The Academy, however, does not anticipate finishing the rest of the report until the end of 1987.

The completion of the study has taken longer than anticipated, which now necessitates certain revisions to the existing timetable for quality control reform. The legislation I am introducing today would extend the moratoria in all three programs until the end of fiscal year 1988. This extension would give Congress the necessary time to review the study recommendations and enact legislation implementing a new Federal quality control system.

Through the establishment of the moratoria, we recognized that States should not be penalized under a system whose accuracy had been widely challenged. As we begin the task of reviewing the work of the National Academy of Sciences and preparing reform initiatives, we cannot continue imposing fiscal penalties against the States—especially when the evidence illustrates overwhelmingly that the existing system is not working:

Notwithstanding the tremendous progress that States have made to reduce errors, the number of States subject to sanction and the amount of money levied in penalties continues to increase at an alarming rate. Ironically, despite continued improvements in States performance, after 4 years of official sanctions in all three programs, every single State but one has been subject to fiscal penalties. More alarming, however, is the result—pending penalties potentially totaling over $1 billion. I respectfully request that the following charts be printed in the RECORD to illustrate the extent of State performance and liability under the current quality control system.

When virtually every State in the Union is subject to exorbitant fiscal penalties, our quality control system is crying out for reform. I support the concept of sanctions under certain conditions; however, until the results of the quality control studies can be analyzed and the recommendations acted upon, I believe that a moratorium is the most reasonable way to handle this potentially explosive situation.

My legislation will give us the opportunity to enact substantive reforms and it will protect the integrity of the existing programs. Until we can develop a new system that will serve as an effective management tool measuring overall State performance, we cannot allow the existing process to be used to impose additional and more punitive hardships upon the States and ultimately the very people these programs are to serve.

I urge my colleagues to join me in this effort which is of such vital importance to preserving an effective Federal-State partnership in the management of our major means-tested entitlement programs.

### AFDC PAYMENT ERROR RATES

| | Fiscal year— | | | | |
|---|---|---|---|---|---|
| | 1981 | 1982 | 1983 | 1984 | 1985 |
| National average | 7.7 | 6.9 | 6.5 | 6.0 | 6.25 |
| Alabama | 7.7 | 5.3 | 3.2 | 4.4 | 4.0 |
| Alaska | 18.1 | 12.1 | 15.5 | 6.8 | 10.5 |
| Arizona | 8.3 | 11.6 | 10.0 | 9.7 | 9.3 |
| Arkansas | 6.8 | 7.0 | 4.9 | 3.8 | 3.0 |
| California | 6.8 | 6.0 | 4.8 | 5.2 | 6.3 |
| Colorado | 8.2 | 6.6 | 6.2 | 4.6 | 5.5 |
| Connecticut | 7.5 | 6.4 | 4.4 | 3.4 | 4.7 |
| Delaware | 11.6 | 11.9 | 9.4 | 7.8 | 7.9 |
| District of Columbia | 13.6 | 17.1 | 13.1 | 11.2 | 9.9 |
| Florida | 7.9 | 6.0 | 4.5 | 5.4 | 5.7 |
| Georgia | 6.5 | 5.1 | 5.7 | 6.2 | 7.8 |
| Hawaii | 10.1 | 8.2 | 6.9 | 6.7 | 6.3 |
| Idaho | 9.1 | 5.4 | 3.0 | 9.7 | 3.9 |
| Illinois | 8.3 | 8.2 | 6.8 | 6.5 | 7.4 |
| Indiana | 4.1 | 3.9 | 4.9 | 4.0 | 4.7 |
| Iowa | 4.3 | 4.5 | 3.4 | 3.7 | 4.9 |
| Kansas | 8.1 | 2.8 | 5.1 | 5.5 | 5.2 |
| Kentucky | 5.0 | 3.6 | 3.4 | 4.1 | 3.1 |
| Louisiana | 6.7 | 6.2 | 5.7 | 5.8 | 7.2 |
| Maine | 7.9 | 4.1 | 4.5 | 4.1 | 5.7 |
| Maryland | 11.6 | 8.2 | 5.3 | 5.7 | 7.0 |
| Massachusetts | 9.3 | 7.4 | 11.4 | 7.8 | 3.6 |
| Michigan | 7.3 | 8.2 | 9.1 | 8.0 | 6.6 |
| Minnesota | 4.4 | 3.0 | 2.6 | 2.0 | 3.0 |
| Mississippi | 6.9 | 4.7 | 3.5 | 2.0 | 2.8 |
| Missouri | 7.1 | 4.8 | 3.4 | 3.7 | 3.9 |
| Montana | 4.9 | 2.5 | 2.5 | 6.9 | 7.5 |
| Nebraska | 5.5 | 9.6 | 4.7 | 6.9 | 8.1 |
| Nevada | 2.3 | 1.3 | 2.7 | 2.1 | 2.6 |
| New Hampshire | 6.6 | 5.9 | 4.3 | 7.5 | 5.2 |
| New Jersey | 8.0 | 7.3 | 6.4 | 5.1 | 6.3 |
| New Mexico | 12.4 | 10.5 | 6.3 | 5.9 | 5.7 |
| New York | 8.0 | 8.0 | 9.4 | 7.1 | 7.4 |
| North Carolina | 5.4 | 3.3 | 2.7 | 3.5 | 2.2 |
| North Dakota | 3.1 | 1.9 | 2.1 | 4.7 | 1.2 |
| Ohio | 8.9 | 7.6 | 5.6 | 6.4 | 6.6 |
| Oklahoma | 6.6 | 3.8 | 4.1 | 3.0 | 2.8 |
| Oregon | 6.8 | 7.1 | 6.0 | 4.6 | 3.9 |
| Pennsylvania | 9.0 | 8.5 | 9.1 | 9.1 | 6.6 |
| Puerto Rico | 8.9 | 8.9 | 8.6 | 7.7 | 6.3 |
| Rhode Island | 6.3 | 5.7 | 6.2 | 3.7 | 4.6 |
| South Carolina | 7.8 | 8.9 | 7.1 | 7.8 | 6.9 |
| South Dakota | 4.7 | 3.7 | 2.1 | 2.9 | 1.5 |
| Tennessee | 8.9 | 4.9 | 4.5 | 4.3 | 3.4 |
| Texas | 7.5 | 8.4 | 7.2 | 5.7 | 4.3 |
| Utah | 4.9 | 5.0 | 5.7 | 5.8 | 4.5 |
| Vermont | 5.2 | 4.5 | 7.9 | 5.8 | 5.7 |
| Virginia | 3.6 | 4.1 | 3.8 | 3.5 | 3.5 |
| Washington | 9.3 | 6.4 | 4.8 | 4.1 | 6.4 |
| West Virginia | 7.4 | 8.2 | 3.0 | 4.8 | 5.8 |
| Wisconsin | 8.2 | 6.5 | 5.1 | 6.6 | 8.8 |
| Wyoming | 13.7 | 4.8 | 7.1 | 5.6 | 3.0 |

### AFDC DISALLOWANCES

| | Fiscal year— | | | |
|---|---|---|---|---|
| | 1981 | 1982 | 1983 | 1984 |
| Alabama | 47,000 | | | 700,000 |
| Alaska | | | 1,000,000 | 700,000 |
| Arizona | [1] 209,000 | 1,090,634 | 2,400,000 | 2,800,000 |
| Arkansas | | 323,042 | 200,000 | 200,000 |
| California | 25,067,000 | 27,358,934 | 12,000,000 | 34,500,000 |
| Colorado | 1,898,00 | 1,130,182 | 1,200,000 | 900,000 |
| Connecticut | 424,000 | 854,023 | 400,000 | 400,000 |
| Delaware | | 454,227 | 700,000 | 700,000 |
| District of Columbia | | 3,013,839 | 3,700,000 | 3,100,000 |
| Florida | 3,467,000 | 1,782,642 | 1,700,000 | 3,400,000 |
| Georgia | | | 2,200,000 | 4,300,000 |
| Guam | | | 500,000 | 600,000 |
| Hawaii | 1,212,000 | 1,083,939 | 1,300,000 | 1,500,000 |
| Idaho | 691,000 | 168,807 | | 900,000 |
| Illinois | | | 11,600,000 | 14,800,000 |
| Indiana | 113,000 | | 700,000 | 900,000 |
| Iowa | | | | 600,000 |
| Kansas | 1,903,000 | | 500,000 | 1,100,000 |
| Kentucky | | | | 1,100,000 |
| Louisiana | | | 1,500,000 | 2,600,000 |
| Maine | 168,000 | | 200,000 | 600,000 |
| Maryland | [1] 1,325,000 | 1,093,979 | 1,400,000 | 3,100,000 |
| Massachusetts | | | 16,600,000 | 9,700,000 |
| Michigan | | 13,305,903 | 29,100,000 | 30,800,000 |
| Minnesota | 571,000 | | | |
| Mississippi | | | | |
| Missouri | | | | 900,000 |
| Montana | | | | 700,000 |
| Nebraska | 280,000 | 1,521,056 | 200,000 | 1,300,000 |
| Nevada | | | | |
| New Hampshire | | | 50,000 | 600,000 |
| New Jersey | [1] 1,200,000 | 4,019,957 | 5,900,000 | 5,200,000 |
| New Mexico | 2,554,000 | 1.929,997 | 600,000 | 1,000,000 |
| New York | 6,270,000 | 19,812,355 | 47,600,000 | 39,400,000 |
| North Carolina | | | | 500,000 |
| North Dakota | | | | 200,000 |
| Ohio | 3.935,000 | 5,894,804 | 5,800,000 | 13,600,000 |
| Oklahoma | 1,508,000 | | 20,000 | 10,000 |
| Oregon | | | 1,000,000 | 900,000 |
| Pennsylvania | | 1.797,228 | 21,200,000 | 24,500,000 |
| Puerto Rico | 1,714,000 | 1,749,392 | 2,200,000 | 1,800,000 |
| Rhode Island | | | 900,000 | 300,000 |
| South Carolina | [1] 1,004,000 | 2,071,595 | 1,700,000 | 2,600,000 |
| South Dakota | 13,000 | | | |
| Tennessee | 1,754,000 | | 300,000 | 700,000 |
| Texas | 1,112,000 | 2,138,881 | 2,100,000 | 2,800,000 |
| Utah | [1] 300,000 | 324,594 | 600,000 | 1,000,000 |
| Vermont | [1] 225,000 | 93,532 | 1,000,000 | 800,000 |
| Virgin Islands | | | 100,000 | |
| Virginia | | | | 400,000 |
| Washington | 4,162,00 | 1,826,594 | 1,000,000 | 1,600,000 |
| West Virginia | | 691,271 | | 1,000,000 |
| Wisconsin | | 294,799 | 3,000,000 | 10,700,000 |
| Wyoming | 413,000 | 33,281 | 200,000 | 200,000 |
| Total | 69,200,000 | 95,951,000 | 189,000,000 | 223,000,000 |

[1] Full disallowance waived.

### MEDICAID PAYMENT ERROR RATES

| | Fiscal year— | | | | |
|---|---|---|---|---|---|
| | 1981 | 1982 | 1983 | 1984 | 1985 |
| National average | 3.8 | 3.8 | 2.8 | 2.6 | 2.7 |
| Alabama | 3.02 | 2.9 | 2.8 | 3.0 | 1.6 |
| Alaska | 12.7 | 2.6 | 5.2 | 2.6 | 2.0 |
| Arizona | 3.08 | | | 7.3 | 6.2 |
| Arkansas | | 3.5 | 3.6 | 3.4 | 1.7 |
| California | 5.8 | 5.5 | 2.7 | 4.2 | 2.8 |
| Colorado | 4.1 | 5.5 | 4.1 | 2.6 | 4.1 |
| Conneticut | 5.1 | 2.1 | 1.4 | 2.6 | 2.4 |
| Delaware | 9.4 | 4.4 | 1.1 | .9 | .4 |
| District of Columbia | 2.6 | 10.8 | 3.8 | 1.6 | 4.8 |
| Florida | 5.3 | 4.3 | 1.8 | 2.4 | 1.4 |
| Georgia | 6.8 | 5.6 | 2.7 | 6.3 | 4.3 |
| Hawaii | 8.4 | 6.8 | 2.3 | 1.5 | 1.9 |
| Idaho | 4.6 | 2.4 | 1.0 | 1.8 | .7 |
| Illinois | 4.9 | 2.0 | 2.2 | 2.4 | 1.9 |
| Indiana | 1.0 | 7.4 | 5.0 | 4.8 | 3.6 |
| Iowa | 3.0 | 4.7 | 2.4 | 2.0 | 2.1 |
| Kansas | 3.1 | 3.0 | 2.9 | 3.1 | 1.1 |
| Kentucky | 4.4 | 2.8 | 2.3 | 1.6 | 1.5 |
| Lousiana | 3.2 | 3.1 | 3.5 | 1.9 | 2.8 |
| Maine | 7.5 | 7.7 | 4.6 | 1.8 | 3.6 |
| Maryland | 5.2 | 4.0 | 2.7 | 2.2 | 3.2 |
| Massachusetts | 8.3 | 7.8 | 4.6 | 2.7 | 2.5 |
| Michigan | 2.7 | 3.3 | 2.1 | 2.6 | 2.2 |
| Minnesota | .5 | .5 | 1.9 | 1.3 | 3.4 |
| Mississippi | 3.0 | 5.7 | 3.1 | 1.1 | 2.4 |
| Missouri | .5 | 3.4 | 4.9 | 1.4 | 3.1 |
| Montana | 14.7 | 8.5 | 1.5 | .9 | 2.2 |
| Nebraska | 6.0 | 5.1 | 3.2 | 1.7 | 1.5 |
| Nevada | 1.8 | 2.1 | .7 | .5 | .1 |
| New Hampshire | 3.5 | 4.1 | 1.7 | 2.6 | .2 |
| New Jersey | 3.0 | 2.5 | 2.1 | 1.2 | 1.2 |
| New Mexico | 3.9 | 8.4 | 7.1 | 3.7 | 3.0 |
| New York | 2.4 | 1.9 | 2.8 | 2.3 | 2.8 |
| North Carolina | 3.7 | 2.1 | 1.5 | .7 | 2.3 |
| North Dakota | 3.6 | 2.3 | 1.1 | 1.0 | 1.1 |
| Ohio | 2.2 | 4.5 | 2.6 | 2.7 | 3.5 |
| Oklahoma | 5.7 | 3.0 | 3.4 | 5.5 | 5.0 |
| Oregon | 3.4 | 3.5 | 1.9 | 2.1 | 1.6 |
| Pennsylvania | 3.6 | 5.5 | 2.9 | 3.8 | 4.1 |
| Rhode Island | 5.5 | 2.0 | 4.0 | 1.2 | 2.5 |
| South Carolina | 2.3 | 5.8 | 4.2 | 3.6 | 3.0 |
| South Dakota | 3.7 | 3.5 | 1.5 | 1.0 | 1.4 |
| Tennessee | 3.5 | 4.5 | 2.2 | 1.7 | 2.5 |
| Texas | 3.4 | 5.4 | 3.0 | 2.8 | 1.8 |
| Utah | 4.9 | 3.7 | 1.2 | 3.2 | 1.1 |
| Vermont | 5.0 | 4.2 | 3.3 | 4.3 | 2.8 |
| Virginia | 2.0 | 3.2 | 1.6 | | |
| Washington | 6.8 | 6.7 | 3.3 | 2.2 | 2.0 |
| West Virginia | 10.2 | 5.5 | .3 | 1.6 | 1.8 |
| Wisconsin | 3.1 | 3.9 | 3.2 | 3.3 | 2.2 |
| Wyoming | 3.9 | 3.6 | 2.6 | 1.4 | 2.3 |

### MEDICAID DISALLOWANCES

| | Fiscal year— | | | | |
|---|---|---|---|---|---|
| | 1981 | 1982 | 1983 | 1984 | 1985 |
| Alabama | | | | 13,314 | |
| Alaska | 1,955,00 | | 487,738 | | |
| Arizona | | | 274,918 | 1,269,480 | 944,548 |
| Arkansas | | | 2,091,634 | 652,496 | |
| California | | 4,112,979 | 8,201,735 | 11,910,430 | |
| Colorado | 171,000 | 1,653,883 | | | 748,612 |
| Connecticut | | | | | |
| Delaware | 359,000 | | | | |
| Distict of Columbia | | 3,269,333 | | | 1,519,513 |
| Florida | | | | | |
| Georgia | | | | 6,707,527 | 3,407,726 |
| Guam | | | | | |
| Hawaii | 2,309,000 | 1,660,577 | | | |
| Idaho | 234,000 | | | | |
| Illinois | | | | | |
| Indiana | | 9,870,921 | | 6,836,060 | 2,734,825 |
| Iowa | | | | | |
| Kansas | | | | 103,209 | |
| Kentucky | | | | | |
| Louisiana | | | | | |
| Maine | | 655,091 | | | 744,843 |
| Maryland | | | 30,344 | | 574,555 |
| Massachusetts | | 6,771,575 | 873,300 | | |
| Michigan | | | | | |
| Minnesota | | | | | 2,092,336 |
| Mississippi | | 732,509 | | | |
| Missouri | | | 6,153,787 | | |
| Montana | | | | | |
| Nebraska | 1,567,000 | 894,150 | 784,641 | | |
| Nevada | | | | | |
| New Hampshire | | 219,402 | | | |
| New Jersey | | | | | |
| New Mexico | | 1,587,507 | 271,994 | | 790,405 |
| New York | | | | | |
| North Carolina | | | | | |
| North Dakota | | | | | |
| Ohio | | | | | 5,063,621 |
| Oklahoma | 1,170,000 | | | | 4,407,145 |
| Oregon | | | | | |
| Pennsylvania | | | 465,230 | | 8,160,461 |
| Puerto Rico | | | | | |
| Rhode Island | 1,018,000 | | | 399,629 | |
| South Carolina | | 1,671,286 | | 370,913 | |
| South Dakota | | | | | |
| Tennessee | | 855,983 | | | |
| Texas | | 3,301,065 | | | |
| Utah | 614,000 | | | 217,701 | |
| Vermont | 27,000 | | | 484,276 | |
| Virgin Islands | | | | | |
| Virginia | | | | | |
| Washington | 2,645,000 | 3,266,889 | 848,388 | | |
| West Virginia | 1,321,000 | 92,986 | | | |
| Wisconsin | | | 1,166,652 | 1,330,919 | |
| Wyoming | | | 24,994 | | |
| Total | 12,578,000 | 40,616,046 | 22,076,024 | 37,562,953 | 32,188,590 |

FOOD STAMP PAYMENT ERROR RATES

| State | Fiscal year— 1981 | 1982 | 1983 | 1984 | 1985 |
|---|---|---|---|---|---|
| National average | 12.4 | 11.9 | 8.32 | 8.64 | 8.30 |
| Alabama | 7.36 | 5.72 | 6.98 | 13.35 | 13.50 |
| Alaska | 23.23 | 20.80 | 13.86 | 8.79 | 13.53 |
| Arizona | 12.25 | 11.58 | 9.79 | 9.38 | 9.38 |
| Arkansas | 9.17 | 9.54 | 8.88 | 9.66 | 7.88 |
| California | 7.11 | 8.61 | 6.73 | 7.67 | 7.08 |
| Colorado | 12.87 | 15.07 | 12.63 | 10.66 | 8.48 |
| Connecticut | 9.97 | 12.73 | 12.80 | 7.11 | 7.04 |
| Delaware | 7.45 | 6.40 | 4.54 | 6.40 | 7.17 |
| District of Columbia | 13.12 | 11.10 | 10.08 | 8.80 | 9.81 |
| Florida | 12.85 | 10.25 | 10.09 | 9.00 | 6.71 |
| Georgia | 9.48 | 8.34 | 7.48 | 9.57 | 12.91 |
| Hawaii | 6.97 | 5.96 | 4.28 | 3.69 | 4.35 |
| Idaho | 9.49 | 8.32 | 8.48 | 6.88 | 5.16 |
| Illinois | 8.50 | 8.93 | 7.23 | 8.31 | 8.16 |
| Indiana | 8.08 | 7.41 | 8.77 | 8.64 | 10.90 |
| Iowa | 9.11 | 9.25 | 8.51 | 8.51 | 8.41 |
| Kansas | 11.12 | 9.69 | 9.09 | 7.35 | 8.16 |
| Kentucky | 7.75 | 7.15 | 6.90 | 8.93 | 6.00 |
| Louisiana | 10.45 | 9.71 | 9.45 | 10.16 | 9.76 |
| Maine | 8.09 | 8.49 | 8.37 | 6.74 | 7.91 |
| Maryland | 14.22 | 9.70 | 7.12 | 6.85 | 7.37 |
| Massachusetts | 11.31 | 13.38 | 13.60 | 9.68 | 9.71 |
| Michigan | 9.30 | 8.99 | 7.70 | 6.46 | 7.35 |
| Minnesota | 7.65 | 8.37 | 7.92 | 9.77 | 9.51 |
| Mississippi | 10.10 | 9.11 | 8.23 | 9.24 | 7.98 |
| Missouri | 8.52 | 7.40 | 6.72 | 5.83 | 5.33 |
| Montana | 13.48 | 7.56 | 5.52 | 8.77 | 7.44 |
| Nebraska | 11.02 | 10.67 | 7.22 | 8.79 | 9.04 |
| Nevada | 3.39 | 1.48 | 2.17 | 2.54 | 2.48 |
| New Hampshire | 12.53 | 16.29 | 9.99 | 8.18 | 4.42 |
| New Jersey | 9.40 | 8.68 | 7.95 | 7.47 | 8.50 |
| New Mexico | 13.34 | 12.85 | 11.43 | 11.83 | 8.83 |
| New York | 13.63 | 11.42 | 9.98 | 10.14 | 7.11 |
| North Carolina | 11.37 | 10.51 | 7.86 | 7.22 | 6.49 |
| North Dakota | 5.16 | 6.89 | 4.98 | 6.27 | 3.53 |
| Ohio | 7.74 | 8.56 | 6.90 | 6.65 | 7.43 |
| Oklahoma | 9.31 | 8.02 | 8.79 | 7.63 | 10.58 |
| Oregon | 8.99 | 10.36 | 10.03 | 9.18 | 9.41 |
| Pennsylvania | 9.567 | 10.87 | 10.37 | 10.41 | 9.36 |
| Puerto Rico | 9.71 | N/A | N/A | N/A | N/A |
| Rhode Island | 10.50 | 8.90 | 8.90 | 7.08 | 8.00 |
| South Carolina | 9.03 | 9.57 | 8.20 | 10.90 | 12.10 |
| South Dakota | 8.26 | 10.64 | 7.84 | 3.59 | 3.15 |
| Tennessee | 11.31 | 10.04 | 6.83 | 6.09 | 6.39 |
| Texas | 9.28 | 9.69 | 7.57 | 9.97 | 10.38 |
| Utah | 7.89 | 9.79 | 13.29 | 11.43 | 7.26 |
| Vermont | 9.21 | 10.26 | 16.71 | 9.71 | 8.06 |
| Virginia | 7.50 | 8.20 | 6.46 | 7.63 | 6.67 |
| Washington | 8.49 | 9.82 | 10.08 | 9.23 | 9.50 |
| West Virginia | 9.09 | 9.03 | 5.52 | 6.95 | 5.07 |
| Wisconsin | 10.24 | 11.40 | 8.27 | 9.60 | 8.00 |
| Wyoming | 12.37 | 8.72 | 9.88 | 9.88 | 6.78 |

FOOD STAMP ERROR RATE FISCAL SANCTIONS

| State | Fiscal year— 1981 | 1982 | 1983 | 1984 | 1985 |
|---|---|---|---|---|---|
| Alabama | 0 | 0 | 0 | 9,221,622 | 13,118,714 |
| Alaska | 2,148,102 | 0 | 0 | 1,199,017 | 2,095,708 |
| Arizona | 236,206 | 0 | 0 | 4,263,749 | 4,329,756 |
| Arkansas | 0 | 0 | 0 | 1,144,268 | 13,136,972 |
| California | 0 | 0 | 0 | 0 | 1,242,979 |
| Colorado | 0 | 0 | 1,000,445 | 1,381,910 | 1,354,275 |
| Connecticut | 0 | 0 | 0 | 0 | 1,025,885 |
| Delaware | 0 | 0 | 0 | 0 | 246,819 |
| District of Columbia | 0 | 0 | 0 | 235,823 | 1,561,937 |
| Florida | 0 | 0 | 181,223 | 2,116,453 | 2,432,062 |
| Georgia | 0 | 0 | 0 | 3,697,445 | 16,441,248 |
| Hawaii | 0 | 0 | 0 | 0 | 0 |
| Idaho | 0 | 0 | 0 | 0 | 57,098 |
| Illinois | 0 | 0 | 0 | 2,844,492 | 9,029,457 |
| Indiana | 0 | 0 | 0 | 1,361,069 | 5,659,493 |
| Iowa | 0 | 0 | 0 | 690.194 | 2,028,618 |
| Kansas | 0 | 0 | 0 | 101,150 | 1,078,122 |
| Kentucky | 0 | 0 | 0 | 1,395,355 | 776,939 |
| Louisiana | 0 | 0 | 965,340 | 5,283,439 | 7,719,113 |
| Maine | 0 | 0 | 0 | 0 | 598,696 |
| Maryland | 0 | 0 | 0 | 0 | 2,531,920 |
| Massachusetts | 0 | 1,585,034 | 2,796,743 | 2,321,093 | 5,860,198 |
| Michigan | 0 | 0 | 0 | 0 | 4,563,908 |
| Minnesota | 0 | 0 | 0 | 1,461,779 | 3,218,388 |
| Mississippi | 0 | 0 | 0 | 1,731,884 | 1,816,892 |
| Missouri | 0 | 0 | 0 | 0 | 487,902 |
| Montana | 0 | 0 | 0 | 90,933 | 385,539 |
| Nebraska | 0 | 0 | 0 | 301,193 | 1,152,601 |
| Nevada | 0 | 0 | 0 | 0 | 0 |
| New Hampshire | 0 | 0 | 0 | 73,631 | 0 |
| New Jersey | 0 | 0 | 0 | 1,088,471 | 5,829,207 |
| New Mexico | 0 | 623,045 | 563,423 | 2,197,196 | 1,620,642 |
| New York | 0 | 0 | 0 | 10,063,964 | 16,280,441 |
| North Carolina | 0 | 0 | 0 | 523,964 | 1,802,557 |
| North Dakota | 0 | 0 | 0 | 0 | 0 |
| Ohio | 0 | 0 | 0 | 0 | 3,690,595 |
| Oklahoma | 0 | 0 | 0 | 586,756 | 5,312,273 |
| Oregon | 0 | 1,642,118 | 303,364 | 1,340,292 | 3,800,149 |
| Pennsylvania | 0 | 1,619,419 | 2,316,399 | 7,819,005 | 11,709,304 |
| Puerto Rico | 0 | 0 | 0 | 0 | 0 |
| Rhode Island | 0 | 0 | 0 | 0 | 391,265 |
| South Carolina | 0 | 0 | 0 | 3,159,387 | 8,319,451 |
| South Dakota | 0 | 0 | 0 | 0 | 0 |
| Tennessee | 0 | 0 | 0 | 0 | 2,058,553 |
| Texas | 0 | 0 | 0 | 8,212,334 | 28,120,597 |
| Utah | 0 | 576,696 | 726,506 | 1,334,155 | 583,204 |
| Vermont | 0 | 0 | 705,015 | 200,169 | 410,263 |
| Virginia | 0 | 0 | 0 | 652,347 | 1,415,766 |
| Washington | 0 | 0 | 705,919 | 1,509,980 | 4,048,211 |
| West Virginia | 0 | 0 | 0 | 0 | 111,525 |
| Wisconsin | 0 | 0 | 0 | 1,391,622 | 1,267,661 |
| Wyoming | 0 | 0 | 14,853 | 94,377 | 138,332 |
| Total | 2,384,308 | 6,046,312 | 10,279,230 | 81,090,518 | 200,862,117 |

## SUPPORT FOR TEXAS WINERIES

### HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. DE LA GARZA. Mr. Speaker, I rise today in support of the wineries of my State that are rapidly making a name for Texas wines both nationally and internationally.

Franciscan missionaries were producing sacramental wine in the El Paso Valley over 300 years ago, but it is only in the last two decades that Texas began to produce substantial quantities of wine to match its well-deserved reputation for quality. As recently as 1975 there was only one bonded winery in the State and about 25 acres of vines. Today the industry has expanded to 21 wineries and production which exceeded 750,000 gallons in 1986.

The growth of Texas wineries is not as amazing as the little-known impact leaders in the Texas wine industry have had worldwide. One of the legendary pioneers, T.V. Munson of Denison, not only was responsible for some of the most important grape production experimentation during the late 19th and early 20th centuries, but also did important work on control of the devastating disease phylloxera that earned him the award of Chevalier du Merite Argicole in the Legion of Honor and an honorary membership in the Societie National d' Agriculture de France. After a pyhlloxera epidemic practically destroyed the world wine industry, Munson grafted French vines onto phylloxera-resistant Texas rootstock and shipped these specimens to France. This selfless effort on the part of this great Texas pioneer was said to be the salvation of the demolished French wine Industry.

It is ironic that the French should come to honor a Texan since there appears ample evidence that A. Dubois de Saligny, chargé d'affaires at the French legation in Texas, posted there in 1839 while Texas was still an independent nation, spent much of his time keeping an eye on Texas' fledgling wine industry and assuring that nothing impeded the importation of French wines into Texas.

Today wineries at such seemingly unlikely places at Fort Stockton and Lubbock are producing chardonnays, Johannisberg rieslings, sauvignon blancs, and fume blancs that will stand comparison with any in the world for quality and price. Texas is so vast, with such a wide range of climates and soils, that we can grow just about any variety of grape that can be grown in the world, and our people are anxious to show that Texans are vintners of world class.

Mr. Speaker, it is my intention to work with our vintners in promotion of their product, and we will soon be informing you about our efforts to help put Texas wines in the forefront in the main wine consumption areas of the United States and around the world. Working with Texas vintners, it will be my pleasure to help expand an industry that means top quality wines for American and foreign consumers and a new horizon for Texas agriculturalists.

For those of my colleagues who might like to know more about this little-known area of Texas greatness, we recommend that you purchase or obtain from the Library of Congress Sara Jane English's definitive work on "The Wines of Texas." This marvelous compendium of Texas wine lore should be of great pleasure to those uninitiated in this vital area of enology, and the facts contained therein are, I'm sure, already a matter of great concern to vintners all over the world. When true wine connoisseurs have a chance to sample the best that Texas vintners have to offer, large areas of France, Italy, and California may have to be declared disaster areas.

## CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWRY

### HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. BERMAN. Mr. Speaker, I rise today to add my voice to this Congressional Call to Conscience Vigil for Soviet Jewry. I am pleased to have this opportunity to honor the courage of Soviet refuseniks who risk their lives and careers in their quest for freedom.

In Los Angeles, Mr. Speaker, lives a young refugee from the Soviet Union named Izhak Kofman. Izhak has appealed to me and to all of my colleagues to help his father and brother, Haim and Samoil Kofman of Kishinev. For the past 9 years, the Kofmans have tried to emigrate to the United States so that they might be reunited with their family members here.

Haim is 82 years old and suffers the deteriorating health that sometimes accompanies such advanced age. His wife, to our great sorrow, died last year never having realized her final wish to be reunited with her son and daughter in this country.

Haim's son Samoil is now 36 years old. He was stripped of his job after he requested permission to emigrate. The official reason given for denial of his request is "exposure to state secrets" while serving in the army. However, Samoil's army service was more than 15 years ago! Since the new Soviet emigration policy states that security classification is generally limited to 5 years and no longer than 10, to use this as a cause for refusal is unreasonable and incomprehensible.

There are many families like the Kofmans in the Soviet Union who heroically and relentlessly plead for freedom. In America, where we take so much for granted, it is indeed hard for us to comprehend the pain of forceful separation from those we love.

As a father and as a Member of the United States Congress, I am moved by the plight of all people denied the comfort of their family members. Until every such person is permitted the freedom to emigrate lawfully, we must continue our efforts to increase world pressure on the Soviets to adopt a moral and reasonable policy that recognizes human rights.

## PERSONAL EXPLANATION

### HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. LELAND. Mr. Speaker, I was absent the afternoon of August 3, 1987, due to official business in my district. Had I been present, I would have voted as follows:

Rollcall No. 294, "yea."

Rollcall No. 295, "yea."

## RAISING THE DEBT LIMIT

### HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. LIGHTFOOT. Mr. Speaker, once again we are debating raising the Federal Government's debt ceiling—the most glaring symbol of our failure to legislate in a fiscally responsible way. Every time we lift the debt limit, we confess our fiscal sins before the American public and assure them that "this is the last time. This is the limit." Well, Mr. Speaker, all we've shown them is the sky's the limit when it comes to their tax dollars, and they are fed up.

Two hundred years ago, at the Federal Convention in Philadelphia, the drafters of our Constitution put the Government in the hands of the people and gave this body the responsibility for managing the people's finances. Our forefathers, too, would be outraged at our inability to properly exercise the unique constitutional role they granted us.

Mr. Speaker, I believe that the American people and the framers of the Constitution are right, and I resent being forced into this position time and again.

Mr. Speaker, I will not support a rise in the debt ceiling because this body has not demonstrated that it won't make the same demands on the American taxpayer next year.

There are ways out of this mess and they include both budget reform and a balanced budget amendment. Both have been endorsed by a substantial number of the Members of this body. In fact, a majority of this body has cosponsored a balanced budget amendment, but the leadership has yet to allow its consideration.

Until we make these changes we can expect to be right back here year after year piling more and more onto our national debt burden.

## RABBI SOLOMON D. COHEN

### HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. WAXMAN. Mr. Speaker, I am honored to call to your attention and to the attention of this House the forthcoming retirement of Rabbi Solomon D. Cohen of Rochester, NY. Rabbi Cohen is now concluding 37 years as rabbi of Congregation Light of Israel, and is a constituent of my esteemed colleague, LOUISE MCINTOSH SLAUGHTER.

Rabbi Cohen's personal and spiritual impact on his congregants has been so great that even those who left Rochester many years ago remember him with respect and great fondness. Indeed, the Sephardic Temple Tifereth Israel of Los Angeles, led by Rabbi Jacob Ott, has a number of former congregants of Rabbi Cohen who have gone out of their way to pay homage to him in connection with his forthcoming retirement.

Rabbi Cohen was born in the holy city of Jerusalem and took his early rabbinical training at that city's famous Sephardic Seminary Porat Yosef. Rabbi Cohen completed his rabbinical training in New York City, where he studied in both the Seminary of Mir and the Talmudic Academy Torah V'Dat.

Both Rabbi Cohen and his wife June Cohen (nee Nahmod) have made a tremendous contribution to every facet of Jewish life both in America and in Israel. They have been especially active in support of Jewish education and in efforts to bind ever closer the Jewish communities of the diaspora with the Jewish people settled in the State of Israel.

Rabbi and Mrs. Cohen, proud parents of five children, paid the supreme price for their commitment to Judaism and to Zion, when their youngest child, Ezra, was killed in the Golan Heights while serving as a member of the Israel Defense Force.

Mr. Speaker, I ask you and all my esteemed colleagues to join me in thanking Rabbi and Mrs. Cohen for their many years of public service, and in wishing them good health and much spiritual fulfillment as they soon realize their lifetime dream of settling in the city of Jerusalem.

## HANDMADE SENIOR CITIZENS FLAG

### HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. HORTON. Mr. Speaker, last weekend I returned to my district in upstate New York. While there, I was honored with a special presentation by the senior citizens of Wolcott, NY. On July 31, at the senior citizen nutrition site, a special, handmade senior citizen flag was presented to me for display in my Washington office. This flag represented countless hours and days of effort by the many dedicated members of this group.

During the presentation, a dedication was read by Jim Hogan, which said:

> We of the Wolcott Senior Citizens Nutrition Site wish to dedicate this flag to all our present and future friends:
>
> To all those who have attended and gone on to other walks of life, and to honor those who are now serving under God's Heavenly flag.
>
> We could not include all the names of those who have attended here but they are certainly not forgotten.
>
> We wish to present this flag as a symbol of productivity for all senior citizens.
>
> For those who are able to attend the site we are happy * * * for those unable to attend our site we say "In God we trust in our golden years." Thank you.

Among the honored guests were Evelyn Magde, nutrition project director, who represented the Wayne County Area Agency on Aging; Site Manager Patricia Lapp, who coordinated the program; the Reverend and Mrs. David Milan, who represented the clergy; and Mildred Green and Joe Impomeni, who were honored for their longevity.

Mr. Speaker, the flag is proudly displayed in my office here in Washington. It will eventually be returned to the Wolcott Senior Citizens Nutrition Site. I invite my colleagues to drop by my office to view this beautiful flag.

## IN HONOR OF MARY STOUT, NEWLY ELECTED PRESIDENT OF THE VIETNAM VETERANS OF AMERICA

### HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. EVANS. Mr. Speaker, today, I want to honor the newly elected president of the Vietnam Veterans of America [VVA], Mary Stout. Ms. Stout takes over the leadership of the only congressional chartered Vietnam veterans organization and largest national service organization exclusively devoted to Vietnam veterans. As the House Chair of the Vietnam-era Veterans in Congress [VVIC], I have great faith in the leadership of Ms. Stout and am certain that she will well represent the 35,000 members of the VVA.

I would like to take this opportunity to share with my colleagues the following articles from the August 3, 1987, Washington Post and New York Times newspapers concerning Ms. Stout's recent victory. Again, I offer my personal congratulations to the new VVA president, Mary Stout.

[From the New York Times, Aug. 3, 1987]

WOMAN TAKES COMMAND

WASHINGTON, Aug. 2.—Mary R. Stout, a former Army nurse, was elected president of the Vietnam Veterans of America on Saturday night, marking the first time a woman had been selected to head a national veterans organization.

Ms. Stout, a 43-year-old-resident of Arlington, Va., defeated William Stillwagon, a former marine, by a ratio of three votes to one in balloting by 400 delegates at the organization's annual convention here. She previously held a number of high offices within the group and is regarded as a leading expert on issues involving female veterans.

"I think this is really significant," she said today, "because for the first time a national veterans association has acknowledged that there are women who are veterans, and 'veteran' is no longer a male word.'

Robert O. Muller, retiring as the president of the organization, which he founded, called Ms. Stout "a truly remarkable person" and added, "The old-boy network is truly a club for the old boys, and that's one reason why we're proud not to be a member of that club."

The Vietnam Veterans of America, which has 35,000 members, 300 of them women, provides a variety of legal and social services to Vietnam veterans and their families.

Its new leader joined the Army in 1964 and was a lieutenant in the Nurse Corps at the Second Surgical Hospital in An Khe and Chu Lai, South Vietnam, from late 1966 to late 1967. She spent most of her Vietnam tour caring for patients in intensive care and recovery units.

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[From the Washington Post, Aug. 3, 1987]

### Woman to Lead Charge for Viet Veterans Group—Election Follows Tradition of Non-Tradition

(By Lee Hockstader)

There could hardly have been a more masculine scene in Washington yesterday than at the Shoreham Hotel. Hundreds of delegates to the Vietnam Veterans of America convention filled the lobby and corridors, a panorama of men draped in combat memorabilia and camouflage fatigues, of men with shins shiny with scar tissue, of common men sharing uncommon experiences.

But this fraternal society turned not to one of its brothers, but to a sister veteran, electing Mary R. Stout, 43, of Arlington as the second president of the VVA Saturday.

Stout, a former lieutenant in the Army Nurse Corps who spent a year working in a surgical hospital in Vietnam, is believed to be the first woman to lead a national veterans organization. She joined the VVA's Columbus, Ohio, chapter in 1982 after having symptoms of post-traumatic stress syndrome, an affliction relatively common among veterans of the United States' longest war.

Then she was looking for emotional support and the "immediate trust" of kindred spirits. Now, she is the principal spokeswoman for the only federally chartered group devoted exclusively to Vietnam veterans and their families.

A sober, intense woman who spent much of yesterday fielding questions from reporters and taking advice from well-wishers, Stout was not eager to discuss the significance of a woman's elevation to the head of a veterans group.

Yes, she said vaguely, she brings a "certain sensitivity" to the job. After all, she added, there are 1.1 million female veterans in this country and "veteran is not a male word." However, she said, the VVA's agenda—compensation for the victims of Agent Orange, judicial review of decisions by the Veterans Administration, a full accounting of Americans who may remain in Indochina, and a shakeup in the VA bureaucracy—would not be much altered.

But others, including VVA founder and outgoing president Robert O. Muller, saw Stout's election by a 3-to-1 ratio as an important symbolic departure from the traditional all-male hues of other large veterans groups.

"The fact that the delegates elected a woman is one of the clearest statements you can imagine that Vietnam veterans are a totally different generation of veteran—much more progressive in thinking and not as sexist, racist and reactionary" as other groups, said Muller, a paraplegic who is leaving the presidency to concentrate on aid to the people of Indochina. "It's a helluva statement."

Although Stout does not seem to possess the same firebrand charisma that made Muller the nation's leading advocate for Vietnam veterans, her elevation signals a continuation of the VVA's strategy of being divorced from the traditionally cozy ties binding the Veterans Administration, the Veterans of Foreign Wars and the House Armed Services Committee—in veterans' parlance, the "iron triangle," according to VVA delegates.

Several veterans said that Stout's election to lead VVA's 30,000 members reflects the maturation of the organization, which Muller founded in 1978 with meager finances and stubborn ambition. Muller, they said, was the dynamic leader who formed VVA from scratch; Stout will be the stable administrator and steward.

Stout went to Vietnam in November 1966 and spent a year working in a hospital intensive care unit and recovery room. On returning home, she put the war largely out of her mind until 1981 when her husband, a career soldier, was sent to Korea.

Under pressure to make ends meet and care for her three daughters, Stout found herself remembering her year in Vietnam, and that led her to the local chapter of VVA. "Just being with other Vietnam vets, you realize you're accepted . . . There's an almost immediate trust."

In 1983, she moved to Arlington to work in the VVA's downtown Washington headquarters as membership director, and subsequently she moved through the group's ranks to national secretary. Her election as president was widely expected, and the convention floor was a sea of green "Mary" buttons pinned to delegates' lapels.

In an interview yesterday, Stout said: "The leadership, the future of this country is going to come from Vietnam vets who are committed to never sending our men and women to war without the total commitment of their country."

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## SAVINGS AND LOANS AREN'T IN THIS ALONE

## HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. GRADISON. Mr. Speaker, on August 3, 1987, the House passed the conference report on H.R. 27, providing for the recapitalization of the Federal Savings and Loan Insurance Corporation [FSLIC], by a vote of 382–12. The Senate gave an equally impressive vote of confidence in the provisions of the FSLIC recapitalization on the folowing day. By a vote of 96–2, the other body cleared the way for President Reagan to sign the bill into law.

I have been a persistent critic of the recapitalization proposal from its inception and I voted against the conference report. I did so because, in my opinion, the FSLIC recap plan is a budgetary gimmick that hides the true cost from the public, is insufficiently capitalized, and does little to reform and strengthen the regulatory process in a manner that will arrest the deterioration in the thrift industry.

I have little doubt that Congress will have to revisit this issue. At that time, it is likely that our options will be far fewer because we did not do it right the first time. The public is gradually becoming aware that a bailout using taxpayers' money may not be too far off.

In a front-page story in its August 5, 1987, edition, USA Today published a review of the present condition of the thrift industry. I urge my colleagues to consider the arguments presented in the article carefully in light of the legislation we have just passed.

[From USA Today, Aug. 5, 1987]

### Savings and Loans Aren't in This Alone

(By Mindy Fetterman and Kevin Maney)

Ever see that warm old movie *It's a Wonderful Life?* Jimmy Stewart's building and loan helps folks in fictional Bedford Falls save money, then uses those deposits to make home loans—all of which helps ease the town into prosperity.

Well, the movie and the savings and loan business it portrayed have gone separate ways. *It's a Wonderful Life* has been colorized. The thrift industry is fading to red. So many thrifts are losing money that the industry's backbone—the Federal Savings and Loan Insurance Corp.—ran out of cash to cover deposits of insolvent thrifts that should be shut down soon. A $10.8 billion FSLIC rescue—part of a broad banking bill—passed the Senate on Tuesday and was sent to President Reagan, but experts say it's just a first step. If FSLIC falters, the thrift business could collapse.

Even if you're not a thrift depositor or stockholder, don't think you can change the channel and be rid of this mess. To bail out the thrift industry, taxpayers likely will foot the bill—and it could be a big one. Some experts say FSLIC needs as much as $45 billion to bail out thrifts.

Other potential side effects: A mass selloff of failed thrifts' real estate investments could drive down commercial property values—especially in Houston or Denver. Also, banks may be forced to pay part of the ballout—a cost they'd pass on to customers and stockholders.

And that's if the problems are solved.

The big trouble: FSLIC (said "fizz-lick") has 461 insolvent thrifts that it must close or merge. The bailout bill, which Reagan is expected to sign, lets FSLIC use up to $3.75 billion a year to close thrifts. But FSLIC needs $6.3 billion just to cover current obligations to close failing thrifts.

To understand the quagmire, it helps to understand how the industry got into it.

Thrifts are in an insurance bind—something that could happen to your car insurance. Say you'd been driving for 20 years, never had a ticket, never had a complaint about insurance rates. Suddenly, a quarter of the drivers covered by your insurer start motoring like maniacs. Millions of dollars in claims push the insurance firm near collapse. To save itself, it raises rates—and good drivers end up bailing out bad drivers.

Take that back to 1934, when the government started FSLIC to assure Depression-wary people that their money would be safe in savings and loans. The FSLIC guarantees deposits of up to $100,000; thrifts then and now have paid 1/12 of 1% of their total deposits for that insurance.

To be part of FSLIC, thrifts also had to adhere to a pile of regulations—they could only offer the equivalent of passbook savings accounts and home mortgages. Few thrifts failed; the FSLIC had plenty of insurance money—until 1982.

That's when thrifts were deregulated, and their troubles began, says Robert Litan of the Brookings Institution, a Washington, DC, think tank. Thrifts competed to pay higher interest rates, which squeezed profits. They started offering business loans, mutual funds, insurance and commercial real estate. Suddenly, there were too many stories such as Vernon Savings & Loan Association in Vernon, Texas. The Federal Home Loan Bank Board charged Vernon executives with "looting" the thrift by making unsafe loans and paying themselves more than $40 million over four years.

Now, one-fourth of FSLIC thrifts are losing money. Worse, 1986 losses by the bad thrifts totaled $8.7 billion—almost as much as the $9.1 billion earned by all those good thrifts.

To bolster its reserve, FSLIC has slapped on a surcharge of ⅛ of 1% of thrifts' total deposits to pay for bailouts. That fee costs Home Federal Savings & Loan in San Diego $12 million a year, says President Robert Adelizzi.

So, a number of thrifts want to do what you'd do if you got a car insurance hike. They want to ditch FSLIC and join another insurer: the Federal Deposit Insurance Corp., which insures commercial banks such as Citicorp. Already, 19 FSLIC banks—including Home Federal, the 11th largest—have applied to join FDIC. That's where the web gets thicker. What might happen next:

#### CONGRESS' BILL

For one, healthy thrifts don't think this is fair. They'll have to pay even higher fees to back bonds that will pay for the $10.8 billion bailout. The bond payments would force the thrifts to either hurt customers by increasing loan interest rates or hurt stockholders by shrinking profits and/or dividends. Besides, the thrifts say, it's like asking Ford to bail out Chrysler.

The bill also erects a Berlin Wall around FSLIC with a moratorium that forces thrifts to remain members for at least another year. Still, the bill will drive a "significant number" of thrifts to apply to the FDIC (which would save them the bond-related fees), says William Isaac, former FDIC chief and now a Washington, DC, consultant.

Also, critics say $10.8 billion is a speck in the mudpile. It's a "step in the right direction, but I don't believe anybody thinks it's the final solution," says Henry Peltz, thrift industry analyst with Keefe, Bruyette & Woods, New York.

#### FSLIC AND FDIC MERGE

An exodus from FSLIC could speed what officials say is inevitable: "In two or three years, I'm convinced the two funds will merge," Isaac says. But frankly, "the banks don't want to be burdened with the bum real estate deals of the S&Ls," Peltz says.

The FDIC says it can't afford the thrifts. FDIC has $18 billion in reserves for its 14,000 banks (vs. FSLIC's 3,200 thrifts). FDIC banks would have to immediately insure the thrifts, plus help pay for bailouts, while it would take years for fees from thrifts to build. That could raise interest rates on commercial bank loans or cut into profits. FDIC Chairman L. William Seidman calls the thrifts "brides that bring no dowry."

So far, four of 19 thrifts that applied to FDIC have been approved—FDIC has stricter requirements. Yet thrifts will keep trying. Says Lori Christenson of Everett Mutual Savings Bank, Everett, Wash., "Our customers ask us, 'When are you going to FDIC?' It's more than just cost—it's a marketing problem."

#### A BIG SOLUTION

What if Congress and FSLIC committed $45 billion—or half that—to bail out deathbed thrifts?

First, banking officials say FSLIC could not wisely manage more than a $3.75 billion-a-year infusion. But even if it could, economic shock waves would rumble through the USA. Bailing out failed thrifts means selling the thrifts' real estate. That would flood a market, such as in Texas, where office buildings stand empty.

Of course, if $45 billion went to bail out thrifts, taxpayers—not healthy thrifts—would foot the bill, and taxpayers would probably do a lot of screaming. The much-debated Farm Credit bill only costs $6 billion—and there's far greater support for helping farmers.

Thrifts would just as soon scrape the FSLIC sticker off their doors. FSLIC "has become an embarrassment," says Litan. "Thrifts are going the way of the dinosaur, and this is accelerating that trend."

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## A 17TH DISTRICT GRADUATE RECEIVES HIGH HONORS

## HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to David William Wilson, a 1987 graduate of Lordstown High School of my 17th Congressional District. It gives me great pride to inform my fellow Members of the U.S. House of Representatives that David was selected to represent Ohio at the Congressional Youth Leadership Council at Trinity, Washington, DC, from July 28, 1987 through August 2, 1987. We, in the 17th District are truly fortunate to have a candidate such as David. He has brought many great honors to the Mahoning Valley. David was honored in "Who's Who Among American High School Students" and has received a scholastic scholarship from Youngstown State University.

David studied Italian, a beautiful but difficult language. David earned an award for his work with Italian during his senior year at Lordstown. He also received a scholarship from the Italian IMM.

Along with these prestigious awards David was also presented the Award of Distinction from the Ohio Board of Education and was selected to take the Ohio scholastic achievement test in social studies.

I must inform my fellow House Members that David's achievements are especially important to me because David is the son of Mary Jane Wilson, a Lordstown councilwoman and former volunteer on my staff. Her dedication to the community is noteworthy and her impact will grow not only through her, but also through the works of her devoted son.

Hence, it is my pleasure that I join with the residents of the 17th Congressional District in recognizing a fine young man, David William Wilson.

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## PREVENTION OF PESTICIDE CONTAMINATION OF GROUND WATER

## HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. OBERSTAR. Mr. Speaker, today I have introduced the Ground Water Safety Act of 1987, which will help prevent and control contamination of ground water pesticides.

For many years we assumed that, while surface waters were undeniably contaminated by many pollutants from point and nonpoint sources, our ground water was pure.

Now we find, wherever we look, that ground water has been contaminated, by landfills, spills, septic tanks and, more and more, by pesticides.

EPA, in its new "Agricultural Chemicals in Ground Water Strategic Plan," documents the presence of 20 different pesticides in ground water in 24 States, where the source of the contaminant was most probably the result of normal agricultural application rather than from spills or other point sources of the pesticides.

In Minnesota, a recently completed test of 500 public and private drinking water wells indicates that pesticides and herbicides are present in 38 percent of the wells tested.

Any contamination of a drinking water supply represents at least an incipient health threat. The double tragedy of pesticide contamination is that it most frequently occurs in rural areas, affecting small towns and single-family wells. It is extremely expensive for small communities to install treatment equipment. Even more tragic is the dilemma of the family farmer who finds his well polluted. He can't afford to install and maintain adequate treatment equipment for his family and his livestock. He can't afford to lay a pipe to bring in water from an alternative source. He may be faced with continuing to use the water, or abandoning the farm. Thus, while restrictions on pesticide use may cause added expense, and more complex pesticide application procedures, contamination of a drinking water well risks health as well as the value of the farm.

The bill I introduce today deals with the normal application of pesticides, rather than with spills or illegal uses. It makes the bridge between drinking water quality and pesticide application, first by determining which pesticides are likely to leach into which soils; and second by setting an action trigger at a very low health-based ground water contamination level. If a pesticide leaches, that leaching must be controlled. If it's found in drinking water, even at levels well below the health standard, its use can be sharply curtailed or banned in the immediate area before it threatens health.

The bill is thus protective and proactive.

The resource: This bill protects not only those aquifers in use today, but those which could potentially be used in the future.

The standard: The standard is the ground water residue guidance level [GRGL], which is set at the maximum contamination level goal [MCLG], a purely health-based level under the Safe Drinking Water Act, if such has been promulgated. If the pesticide has been detected at 3 or more ground water sampling points, but has no GRGL, the GRGL is set at 5 micrograms per liter.

Leachers: The Administrator of Environmental Protection Agency is required, first of all, to establish criteria by which to determine whether a pesticide has the potential to leach into ground water. Pesticide registrants are then required to submit the required data from which EPA will determine whether that particular pesticide has leaching potential. If so, EPA can require the registrant to develop management practices to prevent leaching or, if necessary, refuse to register or reregister the pesticide. Any pesticide found at three or more ground water sampling points around the country is automatically a leacher.

Monitoring: If the pesticide has leaching potential, the registrant will be required to monitor ground water in areas where the pesticide is used. Monitoring results must be provided to EPA and the State.

Action: If EPA determines from the above or other information that the pesticide is likely to reach or exceed the GRGL: that is, it has been found at 25 percent of the GRGL in different parts of the country, EPA must amend the registration to prevent such exceedence.

If a pesticide is found to reach or exceed 50 percent of the GRGL, either the State or EPA must take steps, including if necessary banning the use of the pesticide in the specific area of contamination, to prevent the contamination level from reaching or exceeding the GRGL. EPA may also order the registrant to provide water treatment facilities or alternative water supplies, and take other abatement actions.

State programs: The bill also establishes State programs to prevent pesticide contamination of ground water, and provides $25 million per year for these programs.

The nonpoint source connection: Contamination of ground water by normal application of pesticides is a nonpoint source problem. However, nonpoint source practices have long been considered to aggravate or even cause ground water problems. For instance conservation tillage or no-till, which help prevent erosion and the escape of pesticides, herbicides, and nutrients into surface water, may require increased application of pesticides, which then can leach into ground water. The ability to predict and control or prevent pesticide leaching, and management practices developed therefrom, would be an invaluable addition to nonpoint source [NPS] management practices.

Compounding the potential problem, while the NPS management programs will usually be housed in the water divisions of State environmental protection agencies, pesticide control programs may well be lodged in State agriculture departments.

It is imperative to bring the two resources to be protected, their management agencies and programs, together on the ground, in practice.

My bill therefore amends the new Clean Water Act, section 319, nonpoint source management programs, to assure that these two management programs become compatible and mutually helpful.

Section 4 of this bill requires EPA to encourage consultation between State agencies or agency subdivisions, and coordination between programs. It further requires those states where pesticides are a substantial ground water problem to assure that information developed under this bill reaches the NPS agency, and that the NPS program's best management practices [BMP's] reflect this bill's pesticide management practices. Section 4 also permits use of NPS funds to incorporate pesticide control measures into section 319's technical assistance, financial assistance, education, training, technology transfer, and demonstration projects.

Finally, I have provided $5 million a year to EPA to assist in developing management practices that will protect both surface and ground water resources from pesticide contamination.

Mr. Speaker, it truly seems that, in the case of ground water contamination, if we seek, we find it. Treatment is in many cases impracticable, and in some cases impossible, leaving the farm family with the choice of drinking contaminated water, or purchasing bottled water, and even possibly losing the value of their home and farm.

An aquifer once destroyed is destroyed almost in perpetuity. The only course is prevention.

This legislation is needed now, before more ground water resources are lost or contaminated. I will join with any and all who share this goal, to achieve its enactment at the earliest moment.

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## WOMEN ESCAPING A VIOLENT ENVIRONMENT

### HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. MATSUI. Mr. Speaker, I rise today to offer my personal thanks and to pay tribute to an outstanding public service organization in Sacramento, CA, called Women Escaping a Violent Environment, Inc., [WEAVE]. WEAVE is a nonprofit organization providing a wide range of services to the victims of domestic violence.

As you well know, the frequency and severity of family violence in this country is frightening, and is most deserving of public attention. It has been estimated that a woman is battered every 15 seconds in the United States, and the FBI has suggested that wife abuse is the greatest underreported crime in this country. In this connection, WEAVE has recently undertaken the "In River City" project which will help raise needed funds to support their programs.

Mr. Speaker, I would like to take this opportunity to offer my total support for WEAVE as they undertake the "In River City" project, and commend each of the individuals who have helped to make WEAVE such a vital community resource.

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## THE 27TH MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE

### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. GILMAN. Mr. Speaker, I was recently privileged to have the opportunity to participate as a delegate in the 27th Mexico-United States Interparliamentary Conference that was held from June 25–29, 1987 in Cancun, Mexico. Our U.S. delegation was led by the distinguished gentleman from Texas, Mr. DE LA GARZA, and the distinguished Senator from Connecticut, Mr. DODD, and included Representatives YATRON, COLEMAN, DREIER, GIBBONS, GOODLING, KOLBE, MILLER, and RANGEL, and Senators FOWLER, MIKULSKI, and SANFORD.

I would also like to acknowledge the Chairman of the Mexican Delegation and Chairman of the Great Commission of the House, Nicolas Reynes Berezaluce, Co-chairman of the Mexican delegation, Senator Humberto Hernandez Haddad, and the outstanding support of Deputy David Jimenez Gonzalez for their efforts in helping to improve bilateral initiatives in combating drug trafficking and drug abuse.

Through the efforts of Deputado David Jimenez, the distinguished chairman of our House Select Committee on Narcotics Abuse and Control, Mr. RANGEL, with whom I have the pleasure of serving as ranking minority member, and I were able to develop a set of conclusions pertaining to the illicit production, trafficking and consumption of drugs that were agreed to by the delegations of both nations attending the conference.

The conclusions stressed the need to seek new measures to reduce the consumption and production of drugs, to join together in a cooperative, constructive regional approach to the drug problem, to finalize a mutual legal assistance treaty for the prosecution of drug trafficking crimes, and to reaffirm the support for the Mexico-United States Intergovernmental Commission on Narcotics and Psychotropic Drug Abuse and Control.

Although Mexico was one of the first countries to develop a strategy to control the illicit cultivation of narcotic plants, in recent years, the illicit production and trafficking of drugs has increased significantly to the point where Mexico is the single major source country for the production, processing, and trafficking of heroin and marijuana entering the United States. In addition, our relations have been strained by the February 1985 kidnapping and brutal murder of DEA Special Agent Enrique Camarena Salzar, and the August 1986 torture of Special Agent Victor Cortez by Jalisco State Police.

Despite these problems, Mexico and the United States continue to share a free and

open 2,000 mile border which is a testimony to our mutual trust and friendship. Through open and frank discussions of the narcotics problems confronting our nations, we were able to agree on a number of key points at the conclusion of our bilateral interparliamentary conference, which, when fully implemented, should go a long way in helping to combat drug traffickers and drug abuse.

Mr. Speaker, I would like to insert at this point in the RECORD the full text of my statement delivered at the 27th Mexico-United States Interparliamentary Conference and the complete text of the conclusions adopted by the delegations of both nations attending the conference.

Conclusion of the Discussion on Cooperation Against Drug Trafficking of the 27th Mexico-United States Interparliamentary Meeting held in Cancun, Mexico (June 26–28, 1987):

Mexico and the United States recognize and praise the efforts that their governments are making to combat illegal drug trafficking and drug abuse, as well as the work done by Attorneys General Sergio Garcia Ramirez of Mexico and Edwin Meese III of the United States.

The delegations from Mexico and the United States agree to adjust and update their legislation in order to prevent and penalize these illegal acts. They agree to exchange all relevant documents on legislative initiatives, and to go to the core of the issue, i.e., the causes that give rise to this scourge.

The delegates agree to seek new measures, including educational measures, to reduce the consumption and production of narcotics and other problems created by drug trafficking, to combat the drug trade and the use of its illegal profits.

The delegates of both nations honor those who, in the line of duty, have lost their lives combatting the drug traffickers.

The delegates recognize that in order to strengthen the fight against international drug trafficking, we must join together in a cooperative, constructive regional approach to the drug problems.

The delegates urge their governments to finalize an agreement on a mutual legal assistance treaty for the prosecution of drug trafficking crimes.

Both countries reaffirm the agreement adopted at the 26th Mexico-United States Interparliamentary Conference in Colorado Springs, Colorado whereby an intergovernmental commission was proposed to consider the efforts made by both governments and to recommend measures to improve those actions presently being implemented to combat international drug traffic, while at the same time respecting the sovereignty of each State.

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STATEMENT OF HON. BENJAMIN A. GILMAN BEFORE THE 27TH MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE, CANCUN, MEXICO, JUNE 25–29, 1987

Mr. Chairman, distinguished legislators from Mexico and the United States, It is a pleasure for me to have the opportunity once again to visit your beautiful country on the occasion of our annual meeting of the Mexico-United States Interparliamentary Conference. I am also delighted that the distinguished chairman of the U.S. House of Representatives Select Committee on Narcotics Abuse and Control, my long-time friend, Mr. Charles B. Rangel, is able to join us and that we are able to share with you, candidly, our concerns regarding efforts to combat the illicit production, trafficking and consumption of drugs.

As we are all aware, the free and open border that we share as friends, neighbors and allies is testimony of our mutual trust and friendship, but regrettably, it has also become a source of growing tension between our two countries during the past several years. This tension is caused by the increased flood of heroin, marijuana and cocaine across our joint 2,000 mile border. As friends and neighbors, our border is open to facilitate the exchange of commerce, culture, people and ideas. There is no iron curtain separating our nations or our people.

Before proceeding, let me say that there is a need for us to speak frankly about the narcotics problems that we face and an urgent need for us to work together to combat our common enemy: The drug traffickers and the human suffering they create by their sordid drug trafficking operations. I would hope that in doing so, however, we avoid the temptation to point fingers, make accusations or to try to blame one another for the drug problems confronting both our nations. Such actions are counterproductive, and defeat the purpose for our meeting together.

We are both drug producing and drug consuming nations. We share a mutual responsibility in seeking and developing solutions to this deadly problem that is dividing our two nations. Ultimately, we must avoid actions that would restrict the legitimate free and open movement across our borders. Instead, we must do everything possible to seal our borders to drug traffickers and to work together to eradicate the illicit production, trafficking and consumption of drugs in both our nations. But the United States cannot do this alone. We need your help and expertise.

Until a few short years ago, the United States and Mexico shared one of the most effective bilateral anti-narcotics programs in the world. Mexico's opium poppy eradication efforts in the late 1970's were a model of effectiveness and one that other nations attempted to emulate. Since that time, however, opium and marijuana production has increased annually, despite recently increased eradication efforts, and nearly one-third of the cocaine currently consumed in the United States is trafficked through Mexico.

Despite increased drug production and trafficking, Mexico deserves praise for the enforcement efforts it has sought to initiate and maintain. From January 1986 through the end of September 1986, Mexican authorities reported that 12 kilograms of heroin had been seized in Mexico, compared to 8.8 kilograms seized in all of 1985. In addition, 192 metric tons of marijuana were seized in 1986, and 7,201 persons were reported arrested for marijuana-related offenses. Finally, in 1986, over 5,500 kilograms of cocaine were reported seized in Mexico, which is twice the amount seized in 1985, and more than ten times the 444 kilograms reported seized in 1984.

The United States shares in this fight as well. In 1986, United States law enforcement agencies seized 28 tons of cocaine, A 55 percent increase over the 18 tons of cocaine seized in 1985. Between 30,000 and 60,000 tons of marijuana are smuggled into the United States annually, and in 1986, Mexico accounted for 25 percent of the market share. In addition to increased cocaine seizures, U.S. enforcement agencies seized 365 kilograms of heroin and 825,000 kilograms of marijuana in 1986.

Regrettably, the United States has become a drug producing nation. An estimated 4,000 tons of illicit marijuana is cultivated in the United States. Every effort is being made to reduce and eliminate this domestic cultivation through the Drug Enforcement Administration's (DEA) Domestic Cannibus Eradication/Suppression Program. In 1986, eradication efforts resulted in the destruction of nearly 130 million marijuana plants in over 33,000 plots and the arrest of 5,537 individuals and seizure of 1,646 weapons.

While our individual efforts show promise, we must increase coordination and cooperation between our two countries in order to win the war against the traffickers. In March of this year, Chairman RANGEL and I attended a meeting of the Andean Parliament that was held in Colombia. The nations of the Andean region have joined together to take cooperative action against drug trafficking and abuse in that region. We need to revitalize the Mexico-United States joint, cooperative activity and emulate the Andean model.

For many years, it has been alleged that increased drug production and trafficking in Mexico is the direct result of the increasing demand for drugs in the United States. The United States Congress has mandated an all-out effort to educate the American public on the dangers of drug use. The Anti-Drug Abuse Act of 1986, which authorized nearly $3 billion a year for 3 years, for all anti-narcotics efforts, allocated $250 million in fiscal year 1987 for drug education programs.

Furthermore, just about two weeks ago, our Narcotics Select Committee held a hearing on our administration's efforts to reduce the demand for drugs in our nation, and frankly, we severely criticized our Secretary of Education for not doing more to educate our citizens on the dangers of drug abuse.

Mexico is also beginning to feel the all too common impact of expanded drug production and trafficking within its own population. Concern over the rising incidence of drug abuse has resulted in the establishment of a Presidential committee, entitled the Committee on the Protection of Delinquency Associated with Drug Abuse to oversee this problem. In addition, the private sector in Mexico is becoming involved in seeking solutions to the problem, and several studies and programs are underway to develop a better understanding of the overall drug abuse situation in Mexico. Your government is to be commended for this action, but we need to work together to intensify our efforts to combat this deadly menace.

No mention of our mutual efforts in the war against drug trafficking and drug abuse would be complete without reference to the work of the United Nations Fund for Drug Abuse Control (UNFDAC). Since 1971, UNFDAC has utilized the voluntary contributions of U.N. member nations to promote supply and demand reduction programs around the world. Unfortunately, the trend toward increased contributions was reversed in 1986, when contributions fell by a third to $16.9 million from $24.4 million in 1985. I commend the Government of Mexico for its continuing support under very trying economic conditions and hope that you will work with other nations of the Americas to encourage their greater participation in this global effort.

I sincerely believe that unless we work together, jointly and cooperatively, we will never succeed in defeating the drug traffickers. We must pool our resources, equipment, personnel and expertise. What is needed is the will to see that those objectives become a reality. We must strengthen our resolve, and fully recognize that the price we both pay for uncooperative and uncoordinated efforts is placing our historic friendship in jeopardy. No amount of effort is too great to preserve that friendship and alliance. No government can fight the power and resources of the traffickers alone. Let us join hands and work together for the common good of both our nations and for our citizens. Thank you, Mr. Chairman.

## MODEST PROPOSAL FOR JAPAN

### HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. COELHO. Mr. Speaker, economics writer Robert J. Samuelson offered a great proposal in his column in yesterday's Washington Post which I would like to share with my colleagues. He suggests that the Japanese Government set up a "Ministry of Japan Bashing," to serve as a Government ombudsman and to offer constructive criticisms of Government policies.

My thoughts about our current trade problems with Japan are well known. Yet I would like to remind the Japanese that I do not enjoy making critical public comments about an important friend of the United States. The high value I place on our alliance with Japan is the catalyst for my thoughts and statements regarding trade—because I do not like a friendship to be taken advantage of by one of the parties. In a subtle way, Mr. Samuelson has conveyed what many Americans are thinking: the Japanese should act to eliminate trade barriers, instead of just talking about it. It could save us all a great deal of anguish:

### MODEST PROPOSAL FOR JAPAN

Here's a modest proposal for Japan: create a new ministry. Call it the Ministry of Japan Bashing. Its job would be to criticize the sacred cows and pet projects of Japanese interest groups and other government ministries. These are the policies that hamper Japan in reducing its massive trade surplus and assuming greater international responsibility.

The Japanese constantly issue reports emphasizing the need for economic and social change without ever saying what those changes should be. Typical was a recent foreign ministry report. It decried "strident" protectionism abroad. It said Japan must act "boldly" to shift its economy from the "old export-dependent structure to a domestic-demand-powered structure." It urges the Japanese to be more open to foreign products and ideas even if that means "short-term sacrifices" by some groups.

Great. But how are these wonderful things to be achieved? The report contains hardly a clue. The Japanese so value maintaining "harmony," avoiding conflicts and building consensus that no one can say openly what specifically needs to be done. Enter now our Ministry of Japan Bashing. It isn't so reticent. Here—among other things—is what it recommends:

Food imports: End restrictions on beef, rice and other products. Import quotas keep retail food prices outrageously high. Beef costs as much as $30 a pound. High food prices dampen consumer spending on other goods and reduce Japan's economic growth.

Taxes: Raise real estate taxes. Along with high farm subsidies, low real estate taxes make it easier to keep land in farming. Land scarcity increases Japan's astronomical real estate prices and contributes to congested housing conditions. Greater availability of land would spur construction and economic growth.

Jet fighters: Don't develop Japan's next fighter in Japan, as the domestic aerospace industry wants. Buy an existing plane abroad, probably in the United States. The cost would be less (maybe half as much), allowing Japan's limited defense budget to go further. Buying abroad would also cut the trade surplus.

Oil stocks: Build a bigger strategic petroleum reserve. Japan's reserve is much smaller than that of its U.S. counterpart—both in absolute size and in relation to imports—although Japan depends almost entirely on foreign oil.

Sound impossible? Well, maybe. But the suggestion for a Ministry of Japan Bashing is offered only half in jest. Change comes from specific policies, not platitudes. But Japanese politics frustrates the most essential policy changes.

One myth about Japan is that it's an especially farsighted society, blessed with brilliant bureaucrats who wisely plan for the future. The reality is that Japanese bureaucrats, like those elsewhere, protect their turf. The agriculture ministry protects the farmers, the finance ministry protects the bankers and the defense ministry protects the military contractors. It's the strength and legitimacy of these alliances that stifle criticism and make Japanese politics so resistant to change.

The trouble is that all these individual interests don't necessarily coincide with Japan's national interest. What's good for the farmers is not necessarily good for Japan. The great problem for Japan today is not economic, but political. It's finding a way out of this straitjacket. Political paralysis at home abets the stident criticism abroad that the Japanese now so deplore. Strangely, though, the Japanese actually encourage overseas criticism as a way of influencing domestic politics.

Foreigners are assigned the job of advocating controversial social and economic changes that the Japanese consider taboo. In Japan the habit of responding only to foreign pressures is strong. Witness the recent Toshiba affair. As is well known, a Toshiba subsidiary illegally sold machinery to the Soviets that allowed them to make quieter submarine propellers. The Japanese aggressively investigated the security breach only after the United States insisted. And when the incident triggered a congressional outcry, Japanese leaders made profuse apologies.

Maybe relying on foreign pressure was once a viable approach to politics. It no longer is. Shifting onto foreigners the burden of unpopular ideas fosters the illusion that these proposals are anti-Japanese. This is often wrong. Of course, liberalizing food imports will hurt some Japanese farmers. But the costs of inaction are greater. Unless Japan finds ways to raise its imports—either through fewer restrictions, faster economic growth or both—the yen will appreciate further and reduce Japan's exports. Unemployment will rise. The conflicts are real and aren't contrived by foreigners.

Consigning the dirty work of Japanese politics to foreigners also explains Japan's deteriorating relations with the rest of the world. Foreigners feel the only way to get anywhere with the Japanese is to keep the pressure on. From Americans and others, there's a constant chorus of criticism, abuse and threats. The result is a spiraling cycle of acrimony the Japanese feel increasingly persecuted. They think—sometimes correctly—that they're unfairly criticized and made the scapegoat for other countries' problems. Foreign criticism is often no more discriminating than the Japanese reaction to it.

Unfortunately, the cycle can't be broken simply by deploring it. Increasingly frustrated by their disputes with Japan, foreigners overlook the benefits—high-quality products and competitive prices—of trade with Japan. There's a convenient forgetfulness of the genuine changes Japan has made. For years the Japanese were pressured to raise their defense spending. They have. The Japanese Navy now has more destroyers than the British Navy. Meanwhile, the Japanese feel sorry for themselves and sink into a customary sulk: woe is us, we are so misunderstood.

Somehow the Japanese have got to shake their self-defeating habit of relying on foreign pressures as a primary mechanism to make controversial social and economic changes. There will be less criticism abroad if there's more change at home. Maybe a Ministry for Japan Bashing sounds awkward. But does anyone in Japan have a better idea?

## TAX TREATMENT OF CHURCH SELF-FUNDED DEATH BENEFIT PLANS

### HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FRENZEL. Mr. Speaker, I rise to introduce legislation that would treat church self-funded death benefit plans as life insurance contracts for purposes of the Internal Revenue Code of 1986. This legislation is needed because section 7702 of the Internal Revenue Code, added by the Deficit Reduction Act of 1984, has raised a question as to whether benefits provided through church death benefit plans maintained through church pension boards are excludable from income under section 101(a) of the Code and whether the value of such coverage is entitled to exclusion from income under the rules set out in section 79 of the Code.

Section 7702 of the Internal Revenue Code was enacted to provide a statutory definition of the term "life insurance contract" because Congress was concerned about the proliferation of investment-oriented commercial life insurance products and other insurance related tax shelters. There is no suggestion, section 7702 either in the language of section 7702 or in the legislative history that accompanied it, that the long-standing employer-funded death benefit programs of the Nation's churches were intended to be adversely impacted through its enactment.

Church death benefit programs are substantially similar to pure term insurance and contain no investment or cash value element, so they meet the cash value accumulation test

and the guideline/premium cash value corridor test of section 7702. However, section 7702 also requires that an insurance contract, to be treated as a "life insurance contract" for purposes of the Code, must qualify as such under applicable—that is, State or foreign—law. Because church ministers and lay workers reside in all 50 States, this "under the applicable law" requirement means that the law of each State must be examined to determine if the church's death benefit program is treated as a life insurance contract under applicable law.

In some States, it is clear that church death benefit programs are treated as life insurance contracts. In other States, the law is not clear or says that such programs are not to be treated as life insurance contracts. Thus, the "under the applicable law" requirement of section 7702 and its interrelationship with section 101(a), could produce a situation in which the proceeds payable from some church death benefit programs will be taxable to the recipients, while the proceeds from other church death benefit programs will not be taxable, depending upon the provisions of "applicable law."

Mr. Speaker, the Federal tax treatment of church self-funded death benefit plans should be uniform and certain and not turn on the vagries of various State laws, producing different results—even with respect to the same program depending upon the State where the minister, lay worker or beneficiary happens to reside. There would appear to be no policy goal that would justify taxing death benefit proceeds provided by church benefit plans funded through pension boards. These programs have never been the subject of abuse and clearly have not been and are not used to shelter otherwise taxable investment income.

If the legislation I sponsor is not adopted, the proceeds of some church death benefit programs may be subject to taxation, and several church denominations will be forced to consider dismantling their present programs.

I see no purpose in forcing churches to enter into more costly commercial arrangements which may not even be available to meet their unique needs. In addition, it is far from certain that commercial insurers would provide similar levels and types of coverage as are now provided by the church plans. In some cases, affordable life insurance may not be available for certain high-risk groups, such as missionaries, teachers and medics serving in Central America and the Third World.

I include the text of the bill in the RECORD.

H.R. 3147

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. CHURCH SELF-FUNDED DEATH BENEFIT PLANS TREATED AS LIFE INSURANCE CONTRACTS.

(a) IN GENERAL.—Section 7702 of the Internal Revenue Code of 1968 (defining life insurance contract) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) TREATMENT OF CERTAIN CHURCH-PROVIDED PLANS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section, for purposes of this title, the term 'life insurance contract' includes a plan or arrangement which provides for the payment of benefits by reason of the death of the individuals covered under such plan or arrangement, but only is such plan or arrangement—

"(A) is provided by a church for the benefit of its employees and their beneficiaries, directly or through an organization described in section 414(e)(3)(A) or an organization described in section 414(e)(3)(B)(ii), and

"(B) satisfies the requirements of this section without regard to the requirement of subsections (a) and (g)(3) that such plan or arrangement be a life insurance contract under the applicable law.

A plan or arrangement treated as a life insurance contract under this paragraph shall be treated as a life insurance policy under section 79.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) CHURCH.—The term 'church' means a church or a convention or association of churches.

"(B) EMPLOYEE.—The term 'employee' includes an employee described in section 414(e)(3)(B).".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendment made by section 221(a) of the Tax Reform Act of 1984.

## ALZHEIMER'S DISEASE RESEARCH ANNOUNCEMENT

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. BIAGGI. Mr. Speaker, I want to take a few minutes to mention an important occasion in which I had the honor to participate this morning. The National Institute on Aging, the Alzheimer's Disease and Related Disorders Association, and Warner-Lambert Co. held a press conference to announce clinical trials of THA—also called tetrahydroaminoacridine or tarcine—a drug which may alleviate some symptoms of Alzheimer's disease.

I am pleased to have been invited to speak at such an important function; it is our hope that this experimentation will be a turning point in our efforts to find a cure for this deadly disease. Almost everyone is becoming familiar with Alzheimer's disease, which is an age-related brain disorder that impairs thinking and behavior and robs its victims of their ability to function. Millions of Americans may some day benefits from the clinical work that we announced today.

THA, the drug which will be administered to some 300 Alzheimer's victims, may relieve some of the memory impairment and other cognitive losses characteristic of the disease. The drug does this by inhibiting the breakdown of a chemical in the brain—acetylcholine—that is involved in communication between nerve cells. The use of THA is restricted at this time to physicians who are participating in these FDA-approved trials.

Mr. Speaker, I am pleased that Mount Sinai Medical Center in New York City, which is currently an Alzheimer's disease research center, will participate in this study of THA, which begins this month. Over the next 2 years, we hope to establish whether THA is effective and safe enough to make it available to individuals across the Nation. Although it does not appear that THA will cure the disease, it is a great step toward reducing its detrimental effects and toward understanding its causes. I congratulate Mount Sinai Medical Center for its commitment to research in the area of Alzheimer's disease and related disorders, and I congratulate those organizations and individuals who have made this study possible. In particular, I want to commend Dr. Kenneth Davis, who serves as a professor and chairman of the Department of Psychiatry, as well as codirector of the Alzheimer's Disease Research Center at the Mount Sinai Medical Center. Your efforts are essential in our fight to save millions of older Americans.

Mr. Speaker, in conclusion I want to remind my colleagues that research and clinical trials are only two elements of an effective approach to conquering Alzheimer's disease. My colleagues on the Select Committee on Aging and I have worked diligently for a number of years to provide moneys for diagnosis and treatment, social services, public education, and respite care, as well as biomedical research and research centers for victims of this devastating disease and for their families. For example, I was recently successful in amending the Older Americans Act reauthorization bill to include programs providing supportive services to Alzheimer's disease victims and their families among those eligible to be funded under a new title III part D for in-home services for the frail elderly. We will continue to make such endeavors a priority and I ask that all my colleagues join us in this important battle against Alzheimer's disease.

## THE SUGAR PROGRAM IN NEED OF REFORM

### HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. GRADISON. Mr. Speaker, Thomas K. Billington, writing in the August edition of Reader's Digest, argues forcefully for a change in American sugar policy. It is a policy that adversely affects consumers and is injurious to the friends and allies of the United States that depend on sugar exports for their economic livelihood.

Within a short period of time, perhaps 2 to 4 years, the dynamics of the program will make it impossible to maintain the fiction of a no-net-cost price support program. The sugar program is clearly in need of reform. I commend Mr. Billington's article to my colleagues.

### THE UNSWEETENED TRUTH ABOUT SUGAR SUBSIDIES

(By Thomas K. Billington)

At the supermarket a shopper purchases cereal, mayonnaise, flavored yogurt, a canned ham, cake mix and ice cream. Each product contains sugar that costs the food producer, three times the world sugar price—a cost that is, of course, passed on to the consumer. Because the price of sugar is mandated by law, it amounts to a hidden sale tax that sets back Americans nearly $3 billion a year.

In 1986, mountains of raw sugar were sold to communist China. The U.S. Department of Agriculture's Commodity Credit Corporation paid at least 18 cents a pound to acquire and store the 153,000 metric tons; it unloaded the sweet stuff for less than five cents per pound. Loss to the American taxpayer: over $45 million.

Government-mandated reductions in foreign sugar imports helped force the closing of Brooklyn's Revere Sugar Refinery in March 1985, throwing 450 employees out of work.

The consequences of the federal government's sugar program have been disastrous. Maneuvered into law by some of the nation's shrewdest lobbyists, it wastes taxpayer dollars and wreaks economic havoc on U.S. allies. The main beneficiaries are some 12,000 to 15,000 sugar farmers—representing less than one percent of American agriculture.

"If America's consumers knew what Congress had done to them through the sugar program, there'd be a real cry of outrage," says Rep. Willis D. Gradison, Jr. (R., Ohio). "It would be difficult to find a more clear-cut example of the federal government undercutting America's foreign policy objectives," concludes Rep. Stephen J. Solarz (D., N.Y.).

The Depression gave us the Sugar Act of 1934, which pushed up U.S. sugar prices by limiting both foreign imports and domestic production. During World War II, it was briefly scrapped, but the basic program continued until it expired in 1974. The Food and Agriculture Act of 1977 provided price supports for the '77 and '78 sugar crops.

Then Congress brought back a full system of sugar price supports in the 1981 Farm Bill—with the acquiescence of the Reagan Administration, which was seeking votes for its budget-cutting bills. Under the bill, the government lent money to sugar mills, accepting sugar as collateral. It set an artificial suggested selling price for sugar called the "market stabilization price" (MSP). In 1982 the Administration established quotas and tariff levels on imported sugar to keep domestic prices high.

Processors were thus guaranteed against loss. When prices dipped below the artificial MSP in 1985 and '86, some mills simply forfeited the sugar to the government and kept the loan money. Huge amounts of domestic refined beet and raw cane sugar were dumped on the Commodity Credit Corporation, with taxpayers paying the $78-million price tag.

The 1985 Farm Bill mandated that the sugar program operate at "no cost." So the government now restricts imports more severely than ever to maintain sugar prices at high enough levels to avoid costly forfeitures.

The growers have provided us with plenty of homegrown sugar at stable prices, but does the program operate at "no cost"? Hardly. Because of it, Americans are forced to pay not just an extra 60 cents for each five-pound bag of sugar, but higher prices on virtually every product that contains sugar.

The sugar program has shattered America's once thriving cane refining industry. Since the program began in 1981, eight plants have closed, and our total refining capacity has been slashed by one-third. Some 7,000 Americans—ranging from dockworkers to plant operators—have been laid off, according to the U.S. Cane Sugar Refiners Association.

The plant closings are directly linked to the sugar program. First, because of the strict quotas, the amount of raw sugar imported into the United States has been reduced dramatically. This means there is less to refine. Second, sky-high prices have induced many giant companies like Pepsi-Cola to use high-fructose corn syrup rather than sugar in their products.

The quotas have particularly hurt fragile Third World countries seeking to build democracy. This year's quotas have cut sugar imports to the lowest level in almost a century. The Caribbean Basin Economic Recovery Act of 1983 was designed to strengthen 27 countries in Latin America and the Caribbean by promoting free trade and investment in the area. America's sugar program has, in fact, left our hemispheric neighbors economically weakened.

Sugar is the Caribbean's second-largest source of foreign exchange and employment. As a result of the U.S. quotas, however, the region's sugar exports to this country plunged from some 700,000 tons in 1981 to 182,000 this year. U.S. Trade Representative Clayton Yeutter concedes this will have a "devastating impact on many of our trading partners who depend heavily on exporting sugar."

The Caribbean nation suffering most from our quotas in the Dominican Republic. The United States has cut imports from that country—where sugar is the nation's largest employer—by 41 percent this year. In desperation, the tiny nation has recently signed a three-year sugar contract with the Soviet Union, the world's largest importer of sugar. Futher cuts in U.S. imports would create a "dangerous situation for democracy," warns former Dominican Republic ambassador to the United States Carlos Despradel.

Democracy in the Philippines may be increasingly threatened by the cut in its U.S. sugar quotas for 1987. While President Corazon Aquino is struggling to make her nation a showcase for democracy, the distress of the Philippine sugar workers provides new hope for the Communists. Only last February a dozen top guerrilla leaders held a summit meeting to plot against President Aquino on the sugar-producing island of Negros, where a majority of the island's sugar workers are jobless.

How could the U.S. sugar program have become law? It is a classic case of a single-minded lobby manipulating a distracted Congress, a special interest prevailing over the national interest.

The "sugar lobby" is a coalition of long-time Washington insiders serving those who grow and process sugar beets and sugar cane. Powerful corn interests also support the lobby because alternate sweeteners (like high-fructose corn syrup) reap windfall profits thanks to greatly increased sugar prices.

To get its way, the lobby has shoveled out money, forged deals and melded coalitions. The sugar-interest political action committees (PACs) poured $1.4 million into Congressmen's coffers between 1983 and 1986, according to Public Voice, a nonprofit consumer advocacy group. The biggest bundles flowed to the most influential, with seven of the top ten House recipients sitting on the House Agriculture Committee.

Says Horace Godfrey, the outspoken, unofficial leader of the lobby, "If you get a friend in office, you want to keep him in office. And it takes money to get elected."

Congressmen deny their votes are being bought by PACs and by rich operators. Insists Rep. Jerry Huckaby (D., La.), chairman of the House Subcommittee on Cotton, Rice and Sugar, "I totally support the sugar industry. They know where I'm coming from, and as a result, they support me. If there were no sugar PAC, I'd still support them." But consumer experts such as Ellen Haas, Public Voice's executive director, do not share that view. "There is a direct correlation between sugar dollars and sugar votes," she says.

Sugar legislators trade votes with Congressmen representing other commodities—such as tobacco, cotton and milk. The coalition soundly defeated, 263 to 142, a recent attempt to lower sugar price supports—an amendment to the 1985 farm bill, sponsored by Reps. Gradison and Thomas Downey (D.,N.Y.).

"The various agricultural segments certainly support one another," concedes Representative Huckaby. "If each one had to go to the floor all by itself to try to get some legislation, it probably wouldn't have a chance. It's mutual coalition-building."

Senator Bill Bradley (D., N.J.) believes that such tactics preserve pork barrels for narrow special interests. "Coalition-building ensures that an isolated program is not going to be looked at in terms of public policy but in terms of political logrolling," he says.

A new Reagan Administration proposal to improve our sugar policy represents a step in the right direction. It would cut by one-third the subsidized loan rate to processors. This cut would help consumers pay less for sugar and other sweetened products. The proposal would also give "transition payments" to compensate growers for their loss in earnings. This payment, which could reach $1.1 billion, would phase out over four years. These two measures would lower prices and pressure domestic farmers either to become efficient, to diversify or to get out of the sugar business. Over the long term, the measures could save consumers billions and help democracies abroad.

But change is far from certain. Unless ordinary Americans protest to their Congressmen, the sugar lobby will continue to block any cutbacks in the sugar program. Uncle Sam should not have become "Uncle Sugar"—coddling a tiny group at tremendous cost to everyone else. As Representative Solarz put it, "Rarely have so few extracted so much from so many."

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# A TRIBUTE TO MISS HELEN GIAZIKIS

## HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Miss Helen Giazikis, a very special young lady of my 17th Congressional District of Ohio. This lovely young lady was recently named Miss Ohio Preteen during the State pagent held at the Hyatt Regency of Cincinnati on April 18, 1987. The contestants who were chosen to participate were outstanding members of their schools, communities, and churches. These ladies were were judged on their ability to interview, and their poise and appearance at the interview as well as on stage. Miss Giazikis' charms led to her to receive a crown, banner, trophy, flowers, and a monetary award. Along with all of these prizes Miss Giazikis will represent Ohio in the 1987 National Pageant in Tampa, FL, and will

be the honored guest of honor at the 1988 State pageant and will crown the 1988 queen.

I have had the opportunity to meet with Miss Giazikis and her family. She most certainly is fine young lady and most deserving of this honor. Thus, I would like to take this opportunity to join the people of the 17th Congressional District in congratulating Miss Ohio 1987, Helen Giazikis.

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# U.S. INDUSTRIES NEED TO REPLACE OUTDATED MANAGEMENT TECHNIQUES TO COMPETE

## HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Miss SCHNEIDER. Mr. Speaker—

At GE we decided to see the world as it is and as it's becoming * * * rather than as we liked it and wanted it to be. We chose to understand change less as a problem * * * and approach it more as an opportunity.

The preceding statement is an excerpt taken from the insightful remarks made by Mr. Frank Doyle, senior vice president of General Electric, at a Competitiveness Caucus luncheon last Thursday, July 31, 1987. Mr. Doyle is the principle author of the Council of Economic Development's paper on "Work & Changes: Labor Market Adjustment Policies in a Competitive World." He is also a member of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation.

I believe that Mr. Doyle, and his colleagues at General Electric, are providing the leadership needed to meet the challenges facing our industries overseas. General Electric realizes that if United States industries are to recapture the share of global markets lost to the Japanese, Koreans, and Germans, American managers are going to have to replace outdated management techniques with dynamic, versatile longer term strategies. The focus should be on job training—and retraining—and improving the basic skills requirements of the workers if we are to restore American industrial might to the levels enjoyed during the post-war era.

Mr. Speaker, as cofounder and cochair of the Competitiveness Caucus I urge my colleagues to take note of Mr. Doyle's remarks and to work toward the creation of flexible public policies that will accelerate economic and social change. The time is now and the need for change critical if the United States is to remain a contender in the global economic arena.

### REMARKS OF FRANK P. DOYLE

#### OUR GLOBAL PREMISE: CHANGE

Let me suggest a macroeconomic premise—the premise of a rapidly, dramatically changing global economy—that explains both our business strategy and our worker adjustment policies at GE.

At the beginning of this decade, we looked outside ourselves more rigorously than we had in the past. We saw markets shifting . . . technology sharpening . . . and competition stiffening . . . all at an unprecedented rate. We saw American companies losing their unrivalled edge in product and process technology . . . their virtual monopoly on best quality . . . lower capital costs . . . our superior rate of productivity growth . . . and we worried that our economy was in danger of losing our standard of living leadership as well.

My company used to be able to sell everything we could make . . . but by the Eighties we found that the tables had turned. We knew that we still had the capacity to make everything we could sell . . . but to sell it only if we have the best quality, lowest cost, quickest delivery and most favorable financing terms. We realized that competition was no longer on our terms, and that competitiveness was something to be redefined and reclaimed.

So at GE we decided to see the world as it is and as it's becoming . . . rather than as we liked it and wanted it to be. We chose to understand change less as a problem . . . and approach it more as an opportunity. And we resolved not to get stuck as a slow-growth company in a fast-change world.

We began consolidating plants and people in our pressured core manufacturing businesses, positioning them for long-term survival. We launched a process of restructuring, buying more than 300 businesses or product lines and divesting more than 200 others since 1981. And at the same time, we began moving our overall business mix to higher-growth sectors of the economy . . . especially toward advanced technology and services where we could extend our competitive advantage.

That shift should not be confused with deindustrialization. For us, manufacturing matters . . . and we're very good at it. If you go into our Medical Systems or Aircraft Engine plants, for example, you'll find the most sophisticated high-technology factories in the world. Those were deliberate investments. And we believe that the market—and the private sector—are best equipped to pick the businesses that can win.

#### COMPETITIVE ADVANTAGE

Why did we decide to move our mix—and invest heavily in those businesses we chose to keep? Because we knew that remaining a strong company—and a significant employer—meant committing ourselves to markets and product lines where we could invest and maintain an edge in either product or process technology, or maybe in distribution . . . where we could not only compete with the world, but win. To win, you've got to have—or do—something better than your competitor. If you're not willing to make low labor costs your global productivity advantage—and I don't think this nation can or should—then you have to find a different advantage either with your product technology . . . your process technology . . . or your superior distribution and marketing. Where you can't, you have to exit . . . or pay the cost of losing.

That competitive strategy explains, for example, why we sold our Housewares business—where we no longer held those advantages—to Black & Decker in 1983 . . . a firm with a larger commitment to competing globally in that market than GE. And that's also why just last week we announced an agreement to sell the combined GE/RCA Consumer Electronics business to Thomson of France—again a company with a larger commitment and greater economies of scale in that market—in return for Thomson's medical equipment business . . . where we do have the advantages necessary to make us a global winner and where we are in fact the global share leader.

But why, for example, do we keep Lighting and Major Appliances, also large consumer businesses? Because in those two businesses . . . our investments in both product and process technology leadership have thus far secured market leadership. Maybe Samsung of South Korea can beat us on the labor costs when it comes to white goods—or Tungsram of Hungary in lighting—but we've maintained our edge in those essential areas of product and process technology . . . which keeps us in the enviable best quality/lowest cost position.

But when I mention investing in product technology in, say, Major Appliances . . . I'm not just talking about automation. I'm talking about training people in the new and often higher skills they need to work flexibly . . . on fully or partly automated lines. There we've invested in the people side of productivity . . . training for computerized quality control, inventory and the like. Upgrade the technology . . . but upgrade skills. Let automation take the place of some people tasks . . . but simplify job classification and train people to perform multiple tasks at the same time. Years of experience has convinced us of the inherent flexibility and adaptability of American workers. The coupling of advanced automation with dynamic employee participation and communication works . . . and we have proven it in our plants.

#### CUSHIONING CHANGE: THE '82 SETTLEMENT

So we have a strategy—a winning strategy—but it's a radical change strategy and it has impact on people. But as we carefully chose our markets to stay with . . . we also took care with our people. Divesting and downsizing businesses has not meant simply disposing of people. Instead, we levelled with our employees . . . communicated our strategy clearly . . . and committed ourselves to cushioning the process of change.

The watershed for us was our 1982 labor negotiations, when we told the unions that we would go through a period of plant closings, product line consolidations and automation projects in order to improve the competitive positions or our businesses. We, in turn, recognized that their concerns had to be addressed fairly for our businesses to succeed. Out of a two-way dialogue, through the give and take of collective bargaining at its best, came GE's new job and income security plan to ease the impact of structural—as distinct from cyclical—competitive change.

In the case of plant closings, advance notice of at least six months was agreed to . . . a standard still tougher than proposed legislation would provide. Increased severance pay and special severance payment arrangements were established . . . along with provisions for new early retirement programs and continuing insurance coverages. Employment assistance programs were added . . . along with fresh retraining programs.

The thrust of the total package—enhanced and extended in our next round of negotiations in 1985—was to soften the severity of plant closings by providing employees with time, money and assistance to adjust. What made possible those constructive—rather than destructive—settlements was, in the end, our openness about our strategy . . . and our unions' willingness to make preparation for change—instead of resistance to change—their bargaining objective. Business restructuring and worker adjustment were accepted, by both sides, as a complementary process.

### CHANGE AS AN OPPORTUNITY

That's what we've tried, we think successfully, at GE. But those are only the building blocks to ease change. So much more needs to be done across American industry to better prepare workers for change . . . by labor and management together . . . and in partnership with government at all levels. As individual companies climb the technology ladder and contract their workforces, it's not good enough to just let people fall off the skill ladder and out of the workforce: we should find them and help them. We need to act earlier. Even more fundamentally, we must not only accept change as a constant . . . but embrace it as a positive challenge.

Confronting us is the fact that as the U.S. restructures to become more competitive, "old" work—not all of it good work—is eliminated . . . and "new" work is being created. Too much of the current debate over structural economic change is focused on the fear of change . . and not enough on the new employment opportunities being created . . . the new skills being demanded . . . or on the conditions and commitments needed to make the transition from the old to the new work successful.

I believe that the more severe effects on people and communities don't come from change that moves too quickly . . . but from change that is made to move too slowly. The danger, in my view, is that we may be tempted to slow the process of change in the mistaken belief that such actions will mitigate the effects on people. Failure to reposition our industries and workforces to compete in domestic and world markets will eliminate more jobs permanently . . and diminish our ability to meet the social costs of change. Fighting change won't create opportunity. Facilitating it will.

I believe that the most important test for private or public adjustment policies—whether those hammered out on the bargaining table or on the legislative floor—should be whether they ease or impede the transition to new opportunity . . . whether they establish or deny supportive mechanisms for workers undergoing the often painful and costly move to a new job. The challenge is to identify those workers experiencing the greatest hardship . . . and work to speed the process and improve the quality of their adjustment.

We worked hard not only at the CED—but on the Brock Task Force as well—to arrive at consensus recommendations . . . based on the central conclusion that it is in the national interest to foster—through public and private means—the reemployment of the clearly defined population of workers permanently displaced by economic change. These are experienced, highly skilled workers. Leaving them behind would be a national waste. And the size of the problem, though great, is not so vast that we're talking about budget-busting solutions. What we need to make measurable progress on adjustment . . . is a set of highly interdependent private initiatives and public policies . . . not all of them at the federal level.

### WHAT THE PRIVATE SECTOR CAN DO

What can the private sector do on its own? First, wage and benefit innovations—such as flexible total compensation and temporary incentives for early retirement—are ways of adapting existing plans to the needs of people . . . without permanently burdening a business with excessive cost.

Another initiative firms can take is reorienting employee benefits to lessen the penalties suffered by displaced workers moving between companies and industries. Without lessening companies' commitment to their long-tenured work force, it's time to reexamine issues like pension portability, medical insurance continuation, training and education benefits and severance pay options . . . among others. The point is that benefits can be recast to encourage—rather than penalize—workers seeking to change jobs and skills.

The private sector can also establish support programs that allow people to shift to new opportunities either within a firm when new work is being created . . . or outside it when old work is being eliminated. The best mechanisms here are job training programs. American companies already spend an estimated $30-50 billion a year formally educating and training employees . . . and informal training has been estimated to run as high as $180 billion a year. We need to do even more. And if there ever were a perfect arena for expanding cooperation between management, labor and government . . . job training is it.

### PUBLIC POLICIES

As for what government can do, neither its principal strength—nor its primary responsibility—is actually running an economy. Instead, government is indispensable in building and supporting the foundations of growth and adjustment. It can't always attack economic problems directly . . . but it can fortify our workers and companies who carry the brunt of change. Public policymakers will help most by addressing the conditions that create opportunity . . . and ways of easing the adjustment of displaced workers and their communities.

Investing in education—emphasizing the fundamental skills and attitudes demanded by new higher-skilled, technology-based jobs—is the single greatest long-term contribution government at all levels can make. An important finding of the CED Statement "Work and Change" is that level of education is a key variable in determining the duration of unemployment when workers are displaced. The more we can build basic skills, the better for easing adjustment. The renewed bipartisan commitments to excellence—backed by greater funding—that state governments in every region of the country are undertaking in this decade are extremely encouraging . . . and should attract even more vigorous business support as we try to make the most of our first-class workforce and become #1 again.

Labor adjustment policies in the public sector should seek to further leverage our strengths—such as mobility—that give us a distinct competitive advantage over the European nations and Japan. American history can be virtually written in terms of people moving to opportunity. I'm not advocating a crude "vote with your feet" ethic . . . or asking displaced workers and their families to crisscross the country reading the want-ads. What I am advocating is the basic premise that people will change jobs, upgrade skills, and switch industries . . . not once but several times in their careers. I envision a dynamic mobility within communities and regions . . . where government policies complement flexible benefits and reinforce private training and support efforts. For example, we can provide incentives to reemployment . . . by expanding existing programs such as Unemployment Insurance and providing support services such as counseling, job search and retraining for new work.

Government can also improve the coordination of public and private sector resources at the state and local level . . . to enable quick and effective response to plant-closing situations. GE has had encouraging experiences with state governments, especially in Ohio, Massachusetts, New York and Indiana . . . where job training and search facilities have placed many of our employees. Another step is more aggressive state and local economic development strategies to create jobs in communities affected by displacement.

Provisions in the current trade bill that would establish Dislocated Worker Units in the Department of Labor and at the state level—and rapid-response teams in each state—are major advances in providing quality services to workers affected by plant closings and large layoffs. They are exactly the kind of bold, imaginative steps for which there is an urgent new consensus . . . to cushion hardship while speeding adjustment.

However, I believe that the mandatory advance notice provisions put forward in that same legislation—despite significant modifications in the right direction—will split and undermine the hard-won consensus on worker training and adjustment. Let me be absolutely clear: a company that does have control over its business circumstances—and the wherewithal—should give notice of a plant closing. The practice, through not as widespread as it should be, is spreading. But notice is best given on a negotiated or voluntary basis, where varied business conditions can be taken into account and the focus is kept on easing the transition of workers to new jobs.

Mandatory plant closing notice remains a divisive and diversionary issue . . . and extending it to layoffs has made it even more of one. I would sincerely hope that in those significant areas where we do have consensus . . . we can move forward together . . . and move forward quickly.

### COOPERATION IN THE PUBLIC POLICY ARENA

With many of you, I have been deeply involved over the last decade in trying to understand the fundamental change that is taking place in our global economy . . . its effect on people . . . and what we should do about it. For me, as I suspect for you, there are good days and there are bad days. The bad days are when we split into opposing camps: one group alleging the process of change brings with it its own solutions, so nothing needs to be done . . . the other camp arguing that the problem is so radical—its impact so severe—that the process itself must be changed or that nothing can be done. I want to borrow from both: I believe that something should be done, that something can be done.

The acceleration of economic change plays to the strength of this nation's social and economic system. We are a flexible, adaptable, even agile society. Our workforce likes to change occupations, employers, jobs . . . and does so more easily and effectively than any other workforce in the world. The work of the future . . . the better work . . . the more rewarding work . . . demands these very strengths of flexibility and mobility and self-determination.

Let's be certain that those of us who should provide positive leadership don't seek retrogressive, fear-driven solutions. There's no good reason why we should avoid the unavoidable contest. We have so many strengths to use . . . so many assets to deploy.

### OUR LEADING ASSETS, COMPETING ON OUR TERMS

The days when a nation's leading asset is its wealth of natural resources . . . are over. The days when a nation's leading asset is less costly labor . . . are over too. The days when a nation's winning assets are the excellence of its education . . . the adaptability of its workforce . . . the flexibility of its management and the creativity of its public policies . . . are here today.

Our strengths—more than ever—are the strengths that will allow America not only to compete . . . but to win. The fact is . . . America is in many ways ill-suited to the work of the past. And Americans are people who didn't wear well in the world—or with each other—when we blame foreigners for our shortcomings . . . or begin to accept protectionism, even back-door protectionism, as a new synonym—or poor substitute—for competitiveness.

When it comes to American competitiveness . . . I'm an optimist.

One of the things that concerns me most is the widespread fear that either Japan with its targeted economy and mass production achievement . . . or Europe with its protected markets . . . or the developing countries with their low wages . . . have something we can't match . . . and therefore we should avoid open and fair competition . . . instead of asking what is our unique asset, our edge, on what we want to compete.

I think those terms are fast change . . . independent, creative minds . . . and adaptable people. Those are our grounds. They're perfect—a perfect fit for us—in the emerging new world of work. Let's fight on those grounds . . . play from our strengths and win.

Thank you very much.

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## COASTAL ZONE MANAGEMENT ACT

### HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation, that has broad bipartisan support, which would restore to coastal states the authority which Congress believed it had granted to them in passing the Coastal Zone Management Act [CZMA] of 1972. The authority I speak of is the authority to require Federal agencies to act consistent with the state coastal management programs in conducting all Federal activities that directly affect the coastal zone irrespective of the geographic location of those activities.

The issue stems from a 1984 decision by the Supreme Court—Secretary of the Interior versus California—in which the court, by a 5 to 4 decision, ruled that the Department of the Interior's lease sales on the Outer Continental Shelf [OCS], for oil and gas activities, is not an activity that "directly affected" the coastal zone under section 307(c)(1) of the CZMA. Therefore, the Department of the Interior was not required to conduct OCS lease sales in a manner consistent with state coastal management programs which have been approved under the CZMA. The majority based its ruling, in part, on their conclusion, which I find erroneous, that Congress intended to limit the scope of the states' consistency authority to activities exclusively within the coastal zone. However, Federal activities, such as OCS lease sales, dumping of dredged spoil, incineration of hazardous wastes, and discarding decommissioned nuclear submarines, do not respect legal boundaries such as "OCS" and "coastal zone" and to suggest they do make little sense. The majority also denied that OCS lease sales were the type of activity which Congress was concerned with when it enacted the consistency provisions of the CZMA. Again, this is misreading congressional intent. Congress was concerned with the type of impacts that OCS lease sales produce and what impacts could be expected on the land and water uses and natural resources of the coastal zone. An OCS lease sale is a significant Federal activity which will result in foreseeable environmental impacts in the coastal zone of the adjacent coastal state. To say that Congress was not concerned with the OCS leasing process when it passed the CZMA is like saying that Congress was not concerned with the effects of dredge and fill activities in the coastal zone because it was silent on the subject.

When Congress enacted the CZMA, it struck a bargain with the coastal states. However, thanks to the Supreme Court's confused interpretation and to recent actions by the Department of Justice and the Department of Commerce, that bargain is being abrogated. When Congress passed the CZMA in 1972, it held out two carrots to encourage coastal States to participate in this voluntary Federal program. The Federal Government would give grants to the States to develop and implement their programs and the Federal Government would require that all Federal actions that have any direct effect on the coastal zone would be carried out in a manner that is consistent with the approved State program. However, since 1981, the Administration has tried to zero out grant funds for the implementation of the CZMA and since 1984 the Administration has acted to broaden the scope of the Supreme Court's decision.

When the Supreme Court's decision was first issued, the administration testified that they would narrowly construe its ruling—limit its impact to OCS lease sales. However, it has become increasingly clear that the administration has backed away from their initial position. The administration now construes the Court's decision very broadly. The Justice Department recently testified before the Committee on Merchant Marine and Fisheries' Subcommittee on Oceanography on this issue. At that hearing the Justice Department witness not only denied their earlier position but stated that the Department had always construed section 307(c)(1) fo the CZMA as limited in its landward scope and would even consider section 307(c)(1) as limited in its seaward scope.

The legislation that I am offering today would put to rest the question of the types of Federal activities and their geographic locations that are subject to the consistency requirements of section 307 of the CZMA. Under this legislation, any Federal activity—regardless if it is within the coastal zone, landward of the coastal zone, or seaward of the coastal zone including the OCS—that produces or may produce significant effects on any land or water use or natural resource of the coastal zone would be subject to the consistency requirements of the CZMA. This legislation also specifies that OCS lease sale activities, as well as the sale, transfer or lease of other Federal lands, are the types of activities that are subject to consistency review. I assume that most of these activities will result in significant changes in the land or water uses or natural resources of the coastal zone and therefore must be conducted consistent with the approved State coastal zone management programs.

This legislation retains the original language of "directly affecting" but defines it in terms of "significant effects" on the land and water uses and natural resources of the coastal zone. The term "significant effects" has a well-known meaning under the National Environmental Policy Act [NEPA], the implementing regulations developed by the Council on Environmental Quality, and NEPA case law which should be followed. This does not mean that all of NEPA's requirements are incorporated in this proposal. For example, this proposal has a different triggering mechanism than NEPA's requirement of "major Federal action." "Significant effects" also must be read in the context of the CZMA's concern with the land and water uses and natural resources of the coastal zone.

This legislation also requires Federal agencies to act "fully consistent" with the enforceable, mandatory policies of approved state coastal management programs. These Federal agency activities must be fully consistent unless the Federal law otherwise applicable to the particular Federal activity prohibits this degree of consistency or a circumstance arising after a management program is approved and which was not foreseen at the time of program approval prevents the Federal agency from being fully consistent. If either of these circumstances exists, the Federal agency is allowed to deviate from the norm of full consistency but only to the extent justified by the applicable circumstance. This standard adopts NOAA's longstanding interpretation of consistency as expressed in its regulations (15 CFR 930.32). This standard also makes it clear that all Federal activities having effects in the coastal zone are subject to this requirement. There are no automatic exemptions for certain Federal activities.

At a time when the United States is just beginning to explore the vast resources of its 200-mile Exclusive Economic Zone [EEZ], technological advances are enabling new uses of the oceans and more and more Americans are living in the coastal areas of the United States, it is more than timely to return to coastal States the authority they need to cope with these impacts. The Federal Government, States, and local governments all need to cooperate in this effort. I believe that this legislation will encourage more cooperation in this area. I urge all of my colleagues to join me in supporting this measure.

## THE DUBLIN CENTER

### HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. MOAKLEY. Mr. Speaker, as you well know, I'm very proud to be of Irish descent, and I'm proud of the strong Irish-American roots that exist in my own community of Boston. It's not unusual, therefore, for many of us to keep close watch on developments in Ireland—particularly ones that provide the opportunity for the people in the Government of this country to work hand in hand with the people in the Government of the Irish Republic.

Such an opportunity exists, Mr. Speaker, to lend the resources and development expertise of this great Nation, to a major initiative recently proposed by the Government of the Republic of Ireland. Prime Minister Haughey has announced his plans to undertake the largest commercial project in Ireland's history—the development of a World Trade Center at the Customs House Dock Site in Dublin.

The Dublin Center—anticipated to cost more than $350 million, with estimated floor space at 2 million square feet—is designed to be a focal point for business, commerce and tourist industries. Dedicated to strengthening Ireland's economic contacts around the globe, this center will make Dublin a vital hub of economic activity. A major feature of the center will be the development of a new financial services industry for the Irish Republic—one which will be able to compete internationally by the use of advanced telecommunications technology.

Mr. Speaker, there is a tremendous opportunity here for this Nation to join hands with Ireland in promoting and supporting this major venture. I know that several American businesses have already expressed their enthusiasm for the center, and are looking for ways to participate in the proposed financial services network that is currently envisioned. I am also aware that Irish Government officials are actively soliciting bids from American corporations for the development and construction of the World Trade Center. It would be wise policy for Congress to seek out appropriate ways to facilitate this particular Irish-American partnership.

There is no question, Mr. Speaker, that this project will be an important investment in Ireland's future. Recent Government statistics demonstrate the hard fact that, after two decades of prosperity, Ireland now has the highest unemployment in Europe. From Castlebar to Cork, factories are shutting down, jobs are disappearing and people are leaving. By creating more than 10,000 jobs, the Dublin World Trade Center can be the impetus for future commercial growth and the occasion for tremendous job opportunities for the young people of Ireland.

Mr. Speaker, let us give our enthusiastic support to this ambitious venture. Thank you.

## REFINERY GATE PROPOSAL WILL NOT SOLVE GASOLINE EXCISE TAX EVASION PROBLEM

### HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. HOUGHTON. Mr. Speaker, I am concerned about the problem of Federal gasoline excise tax evasion in this country. At the current rate of 9.1 cents per gallon, this tax provides the Federal Government with nearly $8 billion of income yearly. Any evasion of this tax is therefore a matter of serious concern as the Congress tries to bring the Federal budget closer into balance. As a member of the Budget Committee, I am particularly aware of this aspect of the problem.

I am pleased that the 99th Congress attempted to address the evasion issue in the 1986 Tax Reform Act. With one modification, that provision, scheduled to take effect on January 1, 1988, would go a long way to alleviate the evasion problem.

I recently received a letter on this matter from a constituent, William Campbell, president of Campbell Oil in Olean, NY, and also the president of the Petroleum Marketers Association of America [PMAA]. PMAA is the largest organization of independent petroleum marketers in the country and they are vitally concerned with the evasion issue. PMAA opposes any efforts to change the collection procedure further by moving the collection point from the terminal to the refinery gate, especially in view of the fact that the gasoline excise tax provision in last year's law has not even had a chance to be tested yet.

Mr. Speaker, I would like to insert the text of the July 27 letter from PMAA president Campbell to me on the gasoline excise tax issue in the CONGRESSIONAL RECORD. I commend it to my colleagues and particularly urge members of the Ways and Means Committee to oppose the refinery gate proposal:

PETROLEUM MARKETERS
ASSOCIATION OF AMERICA,
*Washington, DC, July 27, 1987.*

Hon. AMO HOUGHTON,
*House of Representatives, Washington, DC.*

DEAR AMO: We have discussed on many occasions the issue of motor fuels excise tax evasion both at state and federal level. You know my strong belief that the only way evasion will be halted, regardless of the procedure by which the taxes are collected, is to have better audit trails and stronger enforcement. New York State has made some progress in this area, but the state is still leaving a tremendous amount of money on the table by not implementing stronger enforcement of excise tax collections against both the Indians who are selling tax free gasoline and bootleggers who bring gasoline across the border from Canada and from other places.

My purpose in writing is not to belabor the situation in New York, which is not working as well as some would have you believe, but to discuss the issue of federal motor fuel excise tax collections. As you know, I am currently serving as President of the Petroleum Marketers Association of America (PMAA), the largest organization in the country representing independent petroleum product marketers. PMAA represents some 11,000 marketers who sell over half the gasoline, sixty percent of the diesel fuel, and three quarters of the home heating oil sold in the United States. Developing means to end excise tax evasion has been one of the top priorities of PMAA for the last two years.

Congress made major progress in ending evasion by modifying the gasoline excise tax collection procedure as part of last year's Tax Reform Act. This change defined the point of taxation as when gasoline is loaded into trucks at the terminal. It also prohibits tax exempt sales downstream. This change takes effect January 1, 1988. We believe one minor modification to this system—allowing purchasers of product at the terminal the option of remitting the excise tax—will make this an ideal system for ending evasion and eliminate any competitive advantage one person might have over another in the market.

I am troubled, however, by efforts currently being made by some of your colleagues to change this procedure even before it takes effect. They argue that the tax should be collected at the refinery gate. The only positive aspect of this proposal is that it generates a one time small infusion of revenue to the Treasury. It does not assist in ending evasion beyond what is accomplished by the change in last year's Tax Reform Act. This is a commonly accepted fact in the industry but even Congress' own revenue estimators project no additional revenue from evasion as part of this proposal.

As desperate as Congress is for new revenue, I can understand the temptation to enact a change in collection procedures which provides a small one time bonus. However, I urge you and all of your fellow legislators to consider several other factors which far outweigh any small revenue increase.

For example, collecting excise taxes at the refinery gate would give some competitors an advantage over others. In New York State there are no refineries. Every gallon of gasoline entering the state would thus have all Federal taxes already paid with the exception of the imported gasoline entering New York harbor. Such importers would have a lag time in paying their taxes thus creating a favorable cash flow situation for them that other competitors would not have.

Perhaps a more serious concern is the impact of this proposal on the primary storage of gasoline in this country. If refiners have to pay the tax when gasoline leaves the refinery, they naturally will be reluctant to ship product through the pipelines unless they have an assured sale. This could leave those areas of the country, not close to domestic refineries, including New York State, in a precarious position in the event of any temporary supply interruption whether caused by a war in the Middle East or a mechanical failure in pipeline transportation.

There are many other negatives to this proposal. It hurts thousands of small businessmen by substantially increasing their cost of doing business. Part of these costs will find their way to consumers in the form of higher prices. As I mentioned previously, it will not be a better tool to end excise tax evasion and may in fact make IRS auditing more difficult if the gasoline manufacturing process is shifted downstream and blending occurs at the terminal.

I urge you to do everything possible to reject this proposal of a refinery gate tax. Please call me personally if you have any questions relative to this. If your staff has further questions, please have them contact PMAA's Washington staff, either Phil Chisholm or Al Cobb.

Sincerely,

WILLIAM E. CAMPBELL,
*President.*

## COMMUNITIES RESOLVE TO SOLVE AIRPORT NOISE

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FLORIO. Mr. Speaker, in the past few weeks, I have urged my colleagues in Congress to come to grips with what is a growing problem for all of our communities—airport noise.

All across the Nation, the communities are being besieged by the roar of aircraft day and night as the planes land on and take off from the runways.

Earlier this year, the Federal Aviation Administration implemented a program known as the "Expanded East Coast Plan." The intent of the plan was to improve the safety of airplane flights and to improve the number of routine delays in the flight schedules.

However, the plan is better known for the noise that it has consistently and persistently generated throughout the Nation.

Back in 1979, the Congress authorized a program whereby Federal funds could be used to perform studies of the airport noise problem and, when called for, to address it with solutions.

Those solutions might be as minor as changing the operating hours of the airport or adjusting the flight paths of incoming and outgoing aircraft to dissipate the noise more. The solutions might involve better soundproofing for the communities surrounding the airports.

In all these cases, the airport authorities are never alone in the process. Throughout the study and the solution, the Federal Government is willing and able to lend a helping hand in addressing the problem.

Yet the problem has not been sufficiently addressed everywhere throughout the Nation.

Since the FAA adopted its plan, over 5 million people have joined in the daily ritual of planes overhead and noise inside their homes.

I recently urged the authorities with jurisdiction over the airports affecting my home State of New Jersey to undertake the studies and to do something to address the problem to the people's satisfaction.

At the Philadelphia International Airport, the airport authority has agreed to participate in a limited study to examine the magnitude of the problem.

And as the airports are being pressed to address the issue, the communities themselves are participating in the call for action.

The Borough of Bellmawr recently passed a resolution calling on the airport authority at Newark International Airport to reduce noise.

Now the Township of Cranford, NJ, has also joined in the call for reduction in airport noise levels.

The resolutions being debated among the people and representatives of these communities are a model to the rest of the Nation as we try to resolve the problem.

The funds exist to resolve it. And as these communities have expressed through the instruments of democracy, the will to resolve it is not only undiminished, but also stronger.

I am including below the resolution as passed by the township of Cranford, NJ:

TOWNSHIP OF CRANFORD, CRANFORD, NJ

RESOLUTION

Whereas, the Port Authority of New York and New Jersey has, with the concurrence of the Federal Aviation Administration changed the flight patterns of incoming and outgoing airplanes at Newark International Airport; and

Whereas, this change in flight patterns has plagued the residents of Cranford with increased and frequent jet noise; and

Whereas, an informal survey of the frequency of jet noise taken by a Cranford resident on June 1st, 14th and 15th showed the flights overhead to average one every three minutes; Now, therefore, be it

*Resolved by the Township Committee of the Township of Cranford this 21st day of July, 1987,* That a Part 150 Study and any other appropriate study be undertaken that will make the existence of Newark International Airport more bearable and return Cranford to the quiet suburban community that it has striven so far to attain.

*Be it further resolved,* That copies of this resolution be forwarded to Governor Thomas A. Kean, Federal Aviation Administrator, Representative James J. Florio and Assemblywoman Maureen Ogden.

## THE TRAUMA CARE AND EMERGENCY MEDICAL SERVICES PLANNING AND DEVELOPMENT ACT OF 1987

### HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. BATES. Mr. Speaker, it gives me great pleasure today to introduce the "Trauma Care and Emergency Medical Services Planning and Development Act of 1987." Joining me today as the principal cosponsor of this legislation is Representative HENRY WAXMAN, the chairman of the Health and Environment Subcommittee of the Committee on Energy and Commerce, and a leading advocate in the House of Representatives for health care for all Americans. I am also pleased to announce that Representatives GERRY SIKORSKI, JAMES SCHEUER, GEORGE MILLER, and CARDISS COLLINS have signed on as original cosponsors of this bill.

Mr. Speaker, accidental injury is presently the greatest health threat facing our Nation's young people; 140,000 Americans die from injuries each year. For persons under the age of 34, injury is more commonly the cause of death than all diseases combined. More than 4.1 million preretirement work years are lost to injury each year, nearly three times the amount of work years lost to cancer. Yet research expenditures for injury prevention and treatment are just 11 percent of expenditures for cancer research. For too many years now, accidental injury has occupied a spot near the bottom of the American health care priority list. We have failed to recognize the costs of injury to our economy, our productivity, and our health care system. The fact is that injury represents a devastating cost to our society. Current estimates put the total direct and indirect costs of injury in America at between $75 and $100 million per year. Mr. Speaker, these are precisely the costs that this legislation addresses. A sophisticated regional trauma care system in conjunction with improvements in emergency medical services communications systems will reduce these costs significantly.

BILL PROVISIONS

The "Trauma Care and Emergency Medical Services Planning and Development Act of 1987" has two principal objectives. First, to remove existing impediments to the swift and effective implementation of emergency medical services in the individual States. Second, to provide incentives for States to plan and develop coordinated regional trauma care systems to serve the needs of citizens in all areas of the Nation.

Section 2 of this bill authorizes the establishment of a national clearinghouse, to be administered by the Secretary of Health and Human Services, for the purpose of collecting and disseminating information on the various EMS programs, policies, and procedures enacted by the various States. According to a 1984 General Accounting Office study, State EMS administrators believed that the sharing of such information would be of benefit to all State administrators, in that each may learn of the benefits and pitfalls of the various initiatives undertaken elsewhere. Appropriations are authorized for the initial 3 years of operation, although in subsequent years, I believe the clearinghouse should be able to fund itself through subscriptions and user fees to be charged States who utilize its services. The Secretary of HHS will conduct a study prior to the final year of authorized funding and report to Congress on the progress of the clearinghouse in moving toward its goal of self sufficiency.

Section 3 of the bill provides that each State recipient of preventive health and health services block grants will provide its State officers responsible for highway safety with the opportunity to participate in the development of any plans relating to emergency medical services. These parties will be afforded the opportunity to review and comment on proposed uses of all grants awarded to the States for EMS related purposes.

Section 4 amends the Public Health Service Act to permit States receiving preventive health and health services block grants to use those grants for the purchase of EMS communications equipment. This section also requires the Federal Communications Commission to study the availability of radio frequency channels for EMS communications, and requires the FCC to disseminate information to the States regarding suitable equipment and operating procedures for EMS communications.

Section 5 requires each state to annually submit, as part of the application for PHHS block grants, a comprehensive EMS and trauma care plan. These plans would include standards for the implementation of regionalized trauma care centers, guidelines for the designation of trauma care centers, accreditation procedures, and procedures for data reporting and analysis of trauma victim statistics. It would also require neighboring States sharing standard metropolitan statistical areas to include provisions in their respective plans that would foster cooperation among trauma centers in these areas.

Section 5 requires the Secretary of Health and Human Services to promulgate standards for regional trauma systems that are at least as stringent as the guidelines formulated by the American College of Surgeons.

Section 5 also establishes a system of trauma care grants for the States; $60 million would be authorized to be appropriated for each of 3 fiscal years—1988, 1989, 1990. For fiscal year 1988, allotments will be made to the States according to the ratio each State's population bears to the population of all States. For fiscal years 1989 and 1990, two thirds of the funds appropriated will be allotted according to population, while the remaining one third will be allotted according to the ratio the uncompensated care expenditures of each State bear to the uncompensated care expenditures of all States. Under no circumstances will any State allotment be less than $500,000 for any fiscal year.

Each State will use no more than 5 percent of the allotment for administrative costs; a minimum of 60 percent of the allotment will go toward the planning and implementation of regionalized trauma centers; the remaining 35 percent is discretionary, and may be used to reimburse trauma centers which meet the American College of Surgeons guidelines for level I and II centers, and which have implemented the required procedures specified in the annual State trauma plan.

Section 6 of this bill requires the Secretary of HHS to conduct a study of the financial impact of regional trauma systems on Medicare's DRG system and Medicaid reimbursement policies. Results of the study will be reported to Congress.

#### CONCLUSION

Mr. Speaker, the Emergency Medical Services Planning and Development Act of 1987 represents a significant step toward the realization of effective, coordinated care for trauma victims in this Nation. Coordinated trauma care systems are not only a medical necessity for ensuring the long-term health of all Americans, but they make economic sense as well. Millions of dollars are wasted each year because accident victims do not receive proper medical care. Medical complications and prolonged hospital treatment caused by inadequate trauma care constitute a major drain on our Nation's medical resources. At one point in our recent history, hospitals lacked resources and medical technology for treating trauma victims. Today, it is coordination, planning, and communications which are the primary obstacles preventing injury victims from receiving proper care. Mr. Speaker, this legislation will provide the impetus for States to establish state-of-the-art trauma care for all citizens. I urge my colleagues to support this life-saving legislation.

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## AGREEMENTS RELATING TO THE SALE OF AWACS TO SAUDI ARABIA

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues correspondence I had with the State Department regarding agreements and understandings with Saudi Arabia relating to the sale to Saudi Arabia of AWACS early warning aircraft in 1981.

The State Department indicates in its reply that it knows of no information in State Department files or elsewhere which indicates any connection between alleged Saudi support of the Contras and the sale of the AWACS aircraft to Saudi Arabia.

A copy of my letter to the State Department dated April 14, 1987 and the Department's reply of July 10, 1987 follows:

Congress of the United States,
Committee on Foreign Affairs,
*Washington, DC, April 14, 1987.*

Hon. George P. Shultz,
*Secretary of State,*
*Department of State,*
*Washington, DC.*

Dear Mr. Secretary: In 1981, the Committee on Foreign Affairs received testimony from the Department of State regarding the proposed sales of AWACS aircraft and related services to Saudi Arabia.

On October 1, 1981, the Undersecretary of State for Security Assistance, James L. Buckley, testified that all negotiations relating to the sale were completed and that, with classified briefings on security conditions and safeguards, Congress would have all documents, understandings and agreements relating to this sale.

As you know, there have been persistent reports that Saudi Arabia has been providing assistance to the Contras as part of an agreement related directly or indirectly to the AWACS deal. Out of these reports, certain questions arise to which I would like answers: Does the State Department stand by its 1981 testimony that all relevent documents, understandings and agreements relating to this sale were provided the Committee in classified or unclassified form in October, 1981? Were there any direct or indirect, written or oral understandings with Saudi Arabia relating to Saudi assistance to the Contras reached at the time of the AWACS sale, prior to it or subsequent to it? And was there any liaison arrangement with Saudi Arabia involving Saudi government or private support for the Contras which was concluded before or after the AWACS sale was concluded?

I appreciate your consideration of these questions and trust that your reply will represent the views of the United States Government on this matter.

With best regards.

Sincerely yours,

Lee H. Hamilton,
*Chairman, Subcommittee on Europe and the Middle East.*

U.S. Department of State,
*Washington, DC, July 10, 1987.*

Hon. Lee H. Hamilton,
*Chairman, Subcommittee on Europe and the Middle East, House of Representatives, Washington, DC.*

Dear Mr. Chairman: Thank you for your letter of April 14 regarding the sale of AWACS aircraft and related services to Saudi Arabia. I regret the delay in our response.

The Department of State stands by its 1981 testimony that all relevant documents, understandings and agreements relating to the AWACS sale were provided to the Committee on Foreign Affairs in classified or unclassified form.

Nothing exists in Department of State records, nor are we aware of any other information, which would indicate any connection between any alleged Saudi contributions to the Nicaraguan Democratic Resistance and the sale of AWACS, any other arms sales or any other aspect of the Saudi Arabia-United States military relationship.

Information available to the Administration bearing on alleged Saudi contributions to the resistance has been made available to the Select Committees investigating the Iran/Contra affair.

With best wishes,

Sincerely,

J. Edward Fox,
*Assistant Secretary, Legislative and Intergovernmental Affairs.*

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## A TRIBUTE TO MICHAEL FUCHILLA

### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay special tribute to Michael Fuchilla, a very special resident of my 17th Congressional District. Mr. Fuchilla is one of the many people of our area that suffers from the woes of the American steel industry—he is unemployed.

Although this generally gives a person the opportunity to lament, Mr. Fuchilla refuses to give up hope. Rather he sees this as an opportunity to serve the community that he is a part of. When there is a friend in need Mr. Fuchilla is a friend indeed. If one needs help fixing his car, Michael will be there to help. Is there a lawn to be cut? A drive to be shoveled? Ask Michael—he'll be more than happy to do it. Whether it be fixing a car or raising funds for the local school, Michael Fuchilla is always willing to lend a helping hand. I've even heard that Mr. Fuchilla plays Santa Claus at local Christmas pageants. I wonder if he is just a man disguised as Santa on the holidays or Santa Claus disguised as a man during his off-season.

Mr. Fuchilla would never accept any sort of payment for his generosity. This is why 47 members of Mr. Fuchilla's neighborhood, the residents of the 17th Congressional District and I will be honoring Michael Fuchilla and award him a "Certificate of Special Congressional Recognition" on August 7, 1987.

## A SALUTE TO THE WILLIAM PENN ASSOCIATION

### HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. WALGREN. Mr. Speaker, I would like to take a moment to salute the William Penn Association which is holding its annual convention in Toronto, Canada, this September.

This fraternal organization has thousands of dedicated and selfless members who give their time to care for and help others in need on a community level. This convention in Toronto will be the organization's 31st, and over 200 delegates from around the country will attend.

I have a special place in my heart for the William Penn Association since a dear friend, William Arbanas, was instrumental in the activities of the association's predecessor group in Pittsburgh, the Catholic Knights of St. George. In fact, Bill brought me into this group many years ago.

This year, on the occasion of their 31st convention, I am pleased to ask my colleagues to join me in saluting the William Penn Association.

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## A CONGRESSIONAL SALUTE TO ALEX G. SPANOS

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. ANDERSON. Mr. Speaker, today I rise to pay tribute to Alex G. Spanos, who will be honored as Man of the Year by AXIOS, an organization of southern California business and professional men representing the Greek-American community, on Thursday, September 3, 1987.

Alex G. Spanos was born September 28, 1923, in Stockton CA. He attended elementary and high school in Stockton before furthering his education at Cal-Poly University and University of the Pacific. He served in the U.S. Army Air Force before he was married to Faye Faklis on August 22, 1948. Alex and Faye were blessed with four children—Dean, Dea, Alexis, and Micheal—and six grandchildren.

Alex's keen sense of business and his natural industrious nature became very evident with the success he has enjoyed with his many business ventures. His impressive business record has earned him the fruits of his labor as he has served as either the president or the chairman of the board in each company on his long list of business accomplishments.

Over the years, Alex has been acknowledged by his community, colleagues, and peers as one of the outstanding citizens of our time. He has received a long list of awards, citations, honorary degrees, dedications, and appointments marking his great contributions to his community. In 1973, the Alex and Faye Spanos Teaching Award was established by the Spanos children and an annual fund to the Alex and Faye Spanos Distinguished Teaching Award was established at the University of Nevada, Las Vegas. Alex is also the first person to ever win the Bob Hope Pro-Am Desert Classic in the United States and the Bob Hope British Pro-Am Classic in Britain. Among his prized possesisions is his majority interest ownership in the San Diego Chargers professional football team.

Mr. Speaker, as you can see, Alex G. Spanos is a remarkable person. His success has benefited others, as well as himself and his family. My wife, Lee, joins me in congratulating Alex G. Spanos on his many great achievements. We wish him and his wife, Faye, and their children, Dean, Dea, Alexis, and Michael, and their grandchildren, Alexander Gus, John Dean, Dimitri, Alexandros, Adriana Faye, and Nicoletta Toporcian happiness and all the best in the years ahead.

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## SALUTE TO THE REVEREND ANDREW FOWLER, D.D., ON THE CELEBRATION OF 50 YEARS OF CIVIC AND PUBLIC SERVICE TO THE DISTRICT OF COLUMBIA

### HON. WALTER E. FAUNTROY

OF DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FAUNTROY. Mr. Speaker, it is with near inexpressable delight that I rise in this hallowed Chamber to salute one of the great citizens of Washington, the Reverend Andrew Fowler, pastor of the Capitol View Baptist Church as the city salutes his 50 years of public service to the Nation's Capital.

Every generation is blessed to receive from the storehouse of Providence distinctive and visionary individuals whose vision of a community of real brotherhood and dedication to the achievement of the right, contribute immeasurably to the realization of community, equality, justice, and peace. Dr. Fowler stands tall in this corps of the unique.

As an undaunted clarion for justice, he was a leader in the struggles for equal justice and equality in the Nation's Capital who significantly contributed in hastening the demise of segregation. With equal vigor in subsequent years, he was in vanguard for home rule and full self-determination for the people of Washington.

In his scholarship, he dedicated his life to banish ignorance by the training of minds as a professor at Howard University and founder of the Washington Baptist Seminary.

Finally, Mr. Speaker, as a devoted and dedicated servant of God, Dr. Fowler has been fearless in his defense of those timeless and transcendent values and ethics, without which no society can long endure.

One of his teachers, Dr. Howard Thruman once inquired in one of his many profound writings:

> In your own way, do you keep a lantern burning by the roadside with a note saying where you may be found, "just in case?" Do you place a jar of cool water and a bit of fruit under a tree at the road's turning, to help the needy traveler? God knows the answer and so do you.

I am glad that in these 50 years of selfless service, we have seen that Dr. Fowler has answered well his teacher's question. Our city and Nation are grateful that he did.

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## TRIBUTE TO LOCAL 853 FOR 50 YEARS OF QUALITY LEADERSHIP

### HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mrs. BOXER. Mr. Speaker, today marks the 50th anniversary of Teamsters Local 853 of Oakland, CA. For half a century, the local has served the San Francisco Bay area with leadership and dedication. Throughout these years, the local has created and preserved fair wages, benefits, and working conditions for the thousands of members it represents.

Local 853 was originally chartered by the International Brotherhood of Teamsters, Chauffeurs, Stablemen & Helpers on August 24, 1937, under the official name of General Warehousemen Local Union 853, Alameda and Contra Costa Counties. The charter was amended in 1940 to restrict the local's jurisdiction to Alameda County. The local operated under this charter for the next 28 years, representing members in various types of warehousing and production fields.

In the late 1940's and early 50's local 853 became involved with the employees of Montgomery Ward. Because the makeup of the local changed from basically warehousing and production to include the jobs covered under the Ward's agreement, the charter was again amended to include the union's present name of Warehouse, Mail Order & Retail Employees Local Union 853, International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America.

Presently, local 853 is the fastest growing local union in northern California, with almost 5,000 members. Through its active membership and outstanding leadership, the local represents workers in fields covering office clericals to bus builders, warehousepersons to outside sales persons.

Local 853 clearly embodies the unity, spirit, and strength of the union movement. Unions like local 853, have improved the livelihood of workers everywhere, and continue to be an essential part of American life.

I hope my colleagues will join me in congratulating local 853 for its 50 years of commitment and progress. May the future hold continued success and prosperity for local 853 and the members it serves.

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## INTRODUCTION OF THE PASCUA YAQUI TRIBAL CONSTITUTION LEGISLATION

### HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. UDALL. Mr. Speaker, I am introducing today a bill which would provide a tribal constitution for the Pascua Yaqui Tribe, an Indian tribe located near Tucson, AZ.

In 1978, this tribe was recognized by Public Law 95–375 under this act. The Pascua Yaqui Tribe was to adopt a constitution within 30 months after the date of enactment and the Secretary of the Interior was to review such document to ensure that it complied with the provisions of Public Law 95–375.

Today, because of the inability of the various tribal factions and the Bureau of Indian Affairs to agree on a final draft, a constitution has still not been presented to the tribal electorate for ratification.

To make matters worse, the tribe has recently been shaken by internal factional disputes which have challenged the legitimacy of the present tribal government. I believe that unless the various tribal factions and the Bureau of Indian Affairs can soon come to an agreement on the scheduling of an election for the purpose of ratifying a tribal constitution, Congress should act to provide a constitution for the tribe in order to bring a measure of stability to the tribal government.

The introduction of this bill does not mean that I am in favor of any particular version of a tribal constitution or that I favor direct congressional intervention in tribal affairs. I consider congressional action in this area only as an act of last resort. I hope that the introduction of this legislation will provide added incentives to the tribal factions and the Bureau of Indian Affairs to sit at the negotiating table and come to an agreement so that election on ratification of a tribal constitution can be scheduled. Should this occur in the near future, this legislation would become moot and there would not be any further need for congressional action.

## A TRIBUTE TO NATHAN PERLMUTTER

### HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. STOKES. Mr. Speaker, on July 12, 1987, our Nation lost a great spokesman and humanitarian. Nathan Perlmutter, national director of the Anti-Defamation League of B'nai B'rith since 1979, died in Manhattan at the age of 64. With his passing, we lost a compassionate and committed human being.

Mr. Perlmutter grew up in the Williamsburg section of Brooklyn, the child of immigrants from Poland. At age 19, he began work as a clerk/typist at the Pentagon in Washington, DC. He later enrolled at the Georgetown University School of Diplomatic and Consular Practice. He also studied at Villanova College and earned an LL.B. from New York University School of Law.

An author, lecturer, lawyer, former Marine infantry officer and 38-year veteran in the human relations field, Mr. Perlmutter first joined the Anti-Defamation League in 1949. From that time until 1964 he served as director of the agency's 31 regional offices. From 1965 to 1969, he was associate national director of the American Jewish Committee; and from 1969 to 1973 when Mr. Perlmutter returned to ADL as assistant national director, he was a vice president of Brandeis University.

Known for his independence of viewpoint and literary style, Mr. Perlmutter's essays on social and political issues have appeared in a broad variety of national publications. A widely respected authority on Jewish as well as general democratic concerns, he was regularly consulted by government officials and journalists. He was the author of "A Bias of Reflections" and coauthor, with his wife, Ruthann Perlmutter, of "The Real Anti-Semitism in America."

Mr. Speaker, Mr. Perlmutter has earned many honors and awards for his unyielding dedication. In January 1986, he received the B'nai B'rith International Presidential Gold Medallion for Humanitarianism. In May of this year, New York City Mayor Edward Koch presented him with the Eleanor Roosevelt Human Rights Award "for extraordinary courage, enduring humanity and unshakeable faith in a world without prejudice." Mr. Perlmutter was also the recipient in June of the 1987 Presidential Medal of Freedom, America's highest civilian award, for his public service. In making the presentation, President Reagan called Mr. Perlmutter "a hero of the human spirit."

Mr. Perlmutter has been a catalyst for freedom and equality. Through his efforts the Anti-Defamation League as been in the forefront of the struggles for social justice, religious freedom and human rights. The regional offices, including the Northern Ohio Regional Office which is located in my congressional district and which I have a close working relationship with, reflect the high caliber which Mr. Perlmutter brought to the ADL.

In March Mr. Perlmutter was awarded an Honorary Degree of Doctor of Humane Letters from Hebrew Union College. I believe the citation is an excellent summation of the life of this great man. It reads as follows: "Devoted Jewish leader, distinguished attorney and outstanding citizen whose name has been synonymous with vigorously combating bigotry and discrimination, whose long and exceptional service to the Jewish people is a reflection of his religious commitment, whose dedication to the ideals of Judaism has made him an emissary of social justice and brotherhood, whose manifold talents, fused with pragmatic idealism, have elevated him to national leadership".

Our Nation has lost a true soldier for democracy—a general in the ongoing fight for freedom and justice for all.

Mr. Speaker, I would like to ask that my colleagues join me in expressing our sympathy to Mr. Perlmutter's wife, Ruthann, and his children.

## RECOGNITION OF THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES ON ITS 100TH ANNIVERSARY

### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. CONYERS. Mr. Speaker, I wish to take this opportunity to give special recognition to the significant achievements of the Brotherhood of Maintenance of Way Employes as they celebrate their 100th anniversary this year. This organization embodies the ideals of trade unionism by standing firmly behind its membership throughout great changes in the rail industry.

In the spring of 1887, a small group of section foremen who envisioned a better way of life for people working on American railroads gathered on a riverbank in Demopolis, AL and conceived a fraternal society that would be chartered as the Order of Railway Trackmen. American workers of varied ethnic backgrounds, including immigrants from the British Isles, Italy, Ireland, China, native Americans, and persons of Spanish descent, were required to endure many hardships while devoting their skill and strength to build and maintain the tracks, bridges, and structures of American railroads. They have earned their place as true pioneers of one of the greatest industrial societies in the history of mankind.

As it grew, the Order of Railway Trackmen assumed the obligations of a labor organization. There were amalgamations with other similar organizations of railway workers. An affiliation with its Canadian brothers resulted in an international union, the Brotherhood of Maintenance of Way Employes.

There has been a dramatic contraction of the Nation's rail network in the past few years, and the closing of rail lines is far from over. Railway workers are in danger of losing jobs, and dozens of communities face the loss of vital transportation services. Unfortunately, when the tracks are dismantled, rail service is almost impossible to restore. The Brotherhood of Maintenance of Way Employes is responding to this crisis with initiative and responsibility. The BMWE is proposing partnerships between employes and railroad operators to ensure the maintenance of as many rail lines as possible. Other strategies to maintain job security are being developed.

The BMWE is also celebrating its anniversary by recognizing one of its greatest resources: its 22,000 retired members. These retirees are now being asked to form their own organization, a force for political activism and community service. This organization will not be merely an extension of the BMWE but will be completely administered by its members. In fact, all retirees are now being asked to suggest a name and an agenda for the new group. This respect for the dedication and enthusiasm of its members is a hallmark of the BMWE.

Mr. Speaker, the Brotherhood of Maintenance of Way Employes and its leadership stand ready for future challenges which await the organization in its second century. I hope that you and our colleagues will join me in extending best wishes for their continued growth and progress.

## THE COOPERSTOWN CONFERENCE

### HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. BOEHLERT. Mr. Speaker, each year, for the past 10 years, representatives from both

the private and public sector gather for discussions of regional rail issues at the historic Otesaga Hotel in Cooperstown, NY. This year's conference marked a decade of its existence and not only succeeded in providing a great deal of substantive information on the short- and long-term trends facing the railroad industry but also recommended what options the industry might employ to survive these changes. Some of the more interesting comments to come out of the conferences were those of my colleague from New Jersey, Representative JAMES J. FLORIO. JIM's insightful remarks confirmed the indispensability of labor to the rail industry and outlined the effects superconductivity and short-line railroads could have on the future of our rail system. For the benefit of my colleagues, I insert here the Journal of Commerce article on the conference, published on August 4, 1987:

[From the Journal of Commerce, Aug. 4, 1987]

#### LABOR A VITAL INGREDIENT IN RECIPE FOR RAIL CHANGE

(By Leo Abruzzese)

Structural changes in the U.S. railroad industry will not succeed unless management works more closely with labor, a Congressional transportation leader predicted.

James Florio, D-N.J., chairman of the commerce subcommittee of the House panel on Energy and Commerce, said railroads may face difficult times if they fail to deal with labor fairly.

"Some in the railroad industry would probably argue that management should do what has to be done and if the employees go along, that's fine, and if not, do it anyway," Rep. Florio told a railroad conference Monday in Cooperstown, N.Y.

"Well, you must remember that the railroad industry is a service industry," he added, "and service is provided by the employees."

Rep. Florio, who focused on the future of the industry in the year 2000, discussed technological advances like superconductivity. But he also evaluated more immediate structural changes, including the rise of short-line railroads.

Superconductivity refers to the property of some metals to lose their electrical resistance at low temperatures, enhancing their ability as conductors.

If superconductivity is possible at higher temperatures, it may allow the long-distance transmission of electricity with little efficiency loss. That could end the need for rail transportation of coal to local utilities, Rep. Florio said, cutting a crucial revenue source.

Conversely, superconductivity may permit the creation of high-speed magnetic levitation trains, which could lead to a resurgence of passenger business.

The New Jersey congressman sees the same type of conflict as short-line railroads increase in number.

Locally based short-lines often can provide better service to nearby shippers than a major railroad headquartered in another part of the country, he said.

But Rep. Florio warned the short-line explosion may be getting out of hand.

Investor groups are now assembling rail systems that total several hundred miles, he said, but which often receive no more government scrutiny than the sale of a two-mile short-line.

Employees affected by these broader short-line deals, he noted, often are left unprotected.

"Is it appropriate to treat line sales of such magnitude the same way as a two-mile-long line sale?" Rep. Florio asked.

Ultimately, he stressed, labor issues will determine the fate of the railroad industry.

Management's failure to address labor protection concerns, for example, will delay efforts to resolve the retirement and liability issues the industry considers crucial.

Moreover, the possibility remains that unions, disillusioned with management, may align with shipper groups who are trying to revise the Staggers Act.

Although there are practical problems with a shipper/union alliance against the railroads, Rep. Florio said it should be a serious concern for the industry.

"In the long term, passage of (rail reform legislation) is one good way to increase the chances that there will be no railroad industry in the year 2000," the congressman said.

## VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Dr. Ira B. Tager, Chief, Information Resources Management Service at the VA Medical Center in San Francisco, CA, that demonstrates how the VA employees feel about "their" medical computer system. The letter follows:

VETERANS' ADMINISTRATION,
*San Francisco CA, March 23, 1987.*

G.V. (SONNY) MONTGOMERY,
*House of Representatives, Chairman, Committee on Veterans' Affairs, 335 Cannon House Office Building, Washington, DC.*

DEAR MR. MONTGOMERY: In my role as Chief of Information Resources Management at the Va Medical Center, San Francisco (Fort Miley), it has come to my attention that there is Congressional interest in a major change in the computer systems that will be used to manage the VA medical centers. Let me assure you that any radical departure from the current DHCP program will spell disaster for the local VA stations (and I suspect for the Va Central Office).

Like all complex computer-based data management systems, the DHCP system has its problems; but fundamentally, it is a sound system with enormous potential that can only be realized through the experience that will be gained as a consequence of its continued implementation and evolution. The amount of effort that has gone into the training of personnel, the creation of data structures, the planning of projects and the establishment of a long-term record of the VA's patient-care and administrative experience is enormous. During these activities, much has been learned about how best to exploit the potential of DHCP for the benefit of medical administration and patient care activities. Any sudden shift to a new system or delays in planned equipment purchases for FY 88 will create havoc that will result in serious dislocations in the operations of local VA stations. For example, in the area of fiscal management, it has taken our station hundreds of hours of personnel time to train the staffs of a number of Services in the use of IFCAP, the software that enables the Station to order supplies, track these orders and encumber the funds required for their purchase. A significant database has been developed which has considerable importance for the responsible fiscal management of the Station. A sudden elimination of the support (including FY 88 purchase of equipment) for this activity would have consequences that I'm sure are obvious to you. As an example, in the area of patient care management we have developed software and programs that permit the more accurate monitoring of the complications of surgical procedures to assure that all possible steps are taken to minimize the risks of surgery to our patients. This program is being expanded to include the more accurate summarization of medical records for use in patient care evaluations. The locally developed software would not have been feasible in the absence of an exhaustive body of software developed as part of the DHCP. A considerable effort already has been expended on the programming tasks and the training of personnel, all of which would be lost with the sudden shift to a new system. Moreover, full implementation of the program will not be possible if FY 88 purchases are delayed. I could provide you with numerous other examples with similar consequences should you desire them.

It also should be pointed out that a number of very important DHCP pilot projects are in a critical stage of their development. The IFCAP software that was referred to above is an example. A great deal has been learned about the potential of this system over a period that spans several years. The system is just about ready for overall distribution within the VA patient-care network. What is to become of all of the effort and money that has been expended to develop a fiscal management system that is designed to save money and improve operating efficiency?

Before dismissing this letter as a self-serving attempt on the part of a VA employee to preserve the status quo, I would like you to be aware of the fact that, at the local level, I have voiced consistently my reservations about many elements of the DHCP software and implementation. However, at no time did I consider the solution to be one of dismemberment, but rather one of modification and evolution. I accepted my current position 18 months ago, because I realized the considerable potential of this system for medical administration and patient-care related research. I remain convinced that my initial assessment was accurate.

In closing, let me assure you that I believe that it would be fiscally and managerially irresponsible to undertake the delays and/or changes that appear to be contemplated. The responsibilities of Congress and the needs of Veterans would be served far better by a continued critical review of the DHCP and the provision of the resources required for its proper and healthy evolution.

Sincerely yours,

IRA B. TAGER, M.D., M.P.H.,
*Chief, Information Resources Management Service, Associate Professor of Medicine & Epidemiology, University of California, San Francisco.*

## A TAX INCREASE IN DISGUISE

### HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. HUBBARD. Mr. Speaker, I recently received a letter from my friend and constituent Joyce Strader of Cadiz, KY, regarding the Tax Reform Act of 1986. Joyce Strader's letter to me points out some very interesting facts which I believe are worthy of publication in the CONGRESSIONAL RECORD. Her letter follows:

JUNE 18, 1987.

Hon. CARROLL HUBBARD,
*House of Representatives,*
*Washington, DC.*

DEAR MR. HUBBARD: This letter is to express my concern about the Tax Reform Act of 1986. Although the Administration is touting it as a "tax cut," I feel that this law is really a tax increase in disguise. I think people will realize this when they file their 1987 tax returns.

According to the book "The Tax Revolution" I bought when the bill became law, one-fifth of all Americans will realize a tax increase. This will most certainly be true if the family has two incomes and no dependents at home. Why must the tax burden be placed on middle income families and the very rich get a tax cut? Both my husband's salary and mine are required to pay for a home, two cars to drive to work, insurance, doctor bills, and the regular monthly expenses as is the case with many Kentuckians and people all over the Nation. We are already paying an exorbitant amount of taxes. Even the small amount of unemployment my husband draws when he is laid off in the winter months costs us about 50 percent of it back when we file our return. We thought at this time of our lives we would be able to save some money and enjoy a few pleasures of life now that our children are on their own, but it appears that we'll just be paying it to the IRS.

Now I am concerned that Congress is going to pass a budget bill with another tax increase tacked on. Please make your fellow representatives aware that the so-called "tax cut" is really a "tax increase" for 20 percent of America. Both our incomes combined are less than $50,000, but according to the new tax code we'll be in the 35 percent bracket this year and then 33 percent after that. I think this is an unfair amount of taxes for a married couple who have worked hard all their lives and are trying to save a little for the future and retirement.

I would also like to point out that the inflation figure, which is extremely low according to the Administration, doesn't seem to hold true in west Kentucky. I'm not sure how they arrive at their percentage, but I know it isn't from the supermarket, pharmacy, or other such businesses. I would like to invite them to compare prices from one trip to the next and see how much they go up. Some items jump as much as 30 percent in the year. I'm talking about things that are necessities, not big-ticket items such as houses and cars that you don't buy every year.

Another thing very inflationary is the cost of health care. A few weeks ago I went to the doctor for a case of strep throat. By the time I got home it had cost me $70, $30 at the doctor's office and $40 at the pharmacy. And this will not be reimbursed by health insurance since the deductible is so high I never reach it. I don't think we're being told the truth about inflation.

I am also concerned about the huge budget deficit. I would think raising taxes is probably a good way to cut it if I didn't already feel that we just had a tax increase. At this time I am more in favor of cutting government spending.

Thank you for the opportunity to get this off my chest. I realize that letter writing does little good, but I think you are doing a good job in representing your constituents and are truly concerned about what we think.

Sincerely,

JOYCE STRADER.

## MALCOLM BALDRIGE: A MAN WHO EPITOMIZED WHAT IS BEST ABOUT AMERICA

### HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. WORTLEY. Mr. Speaker, I wish to add my tribute to the eloquent words of our colleagues who have spoken about our departed friend, Malcolm Baldrige.

Malcolm Baldrige was a man of all seasons. He epitomized what is best about a dedicated American public servant and what is best about a free enterprise executive and leader. He was a man's man, a family man, and a friend of humanity.

Mac endowed America with an enduring legacy. In the real world of international trade, he was the voice of fair trade. He was the force behind America's policies of moderation. He was a champion of negotiation and conciliation.

As a tough competitor, our plain speaking friend knew best how to make America more competitive.

Mac has ridden from our midst. But the strong echoes of his voice will long persist throughout this land he loved and served.

Among the people of this earth whom Mac touched were those of us in Fayetteville, NY, my hometown. There, he dwelt among us—a couple of blocks from the house where I live—when he was the manager of the Fraser and Jones Co., three decades ago when times were hard. True to the form he maintained throughout his life, Mac helped to make things better. We will never forget his contributions to central New York.

As in the cowboy's prayer, Mac has taken "that last inevitable ride to the country up there." In his memory, we must never slacken the pace he set.

At this point, Mr. Speaker, I request that an editorial, carried July 28 by the Post-Standard of Syracuse, be added to my remarks.

BALDRIGE—WE'LL MISS COMMERCE "COWBOY"

Some might argue that at age 64, Commerce Secretary Malcolm Baldrige should have hung up his spurs.

But the Yale graduate and successful businessman refused to give up his cowboy ways. Over the weekend, this durable fixture of the Reagan administration lost his life doing what he loved—roping steers.

Baldrige spent part of this life in Central New York: he lived in Fayetteville while serving as manager of Frazer & Jones Co. in the 1950s. He was one of only three Cabinet holdovers from the first days of the Reagan administration, along with Defense Secretary Caspar Weinberger and Samuel Pierce at Housing and Urban Development.

He will be hard to replace. In his soft-spoken yet forceful way, Baldrige helped to bridge a gap that had widened between President Reagan and Congress on the subject of foreign trade. With Congress clamoring for protective trade measures and the president adamantly opposed to artificial trade barriers. Baldrige charted a middle course, arguing for agressive action to counter unfair trade practices by foreign governments, and working effectively to open up new markets for U.S. products in China, the Soviet Union and elsewhere.

His mediating skills could have served his president well in the upcoming delicate negotiations with the House and Senate which have passed tough trade bills.

Baldrige, whose name bedeviled novice journalists with that mischievously missing "d," deserves some praise from the writing fraternity for demanding cleaner, leaner memos from his department's bureaucrats.

He also earns high marks for off-the-cuff wisdom. Moments before Saturday's tragic accident, Baldrige offered this profound distinction between being a cowboy and a Washington policymaker: "In a rodeo, cowboys don't talk unless they have something to say."

## TRIBUTE TO MALCOLM BALDRIGE

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. MICHEL. Mr. Speaker, I am glad to be able to joint with our colleagues in paying tribute to the late Secretary of Commerce, Malcolm Baldrige, whose untimely and tragic death has certainly deprived this administration and this country of a dedicated public servant.

Since, as we all know, Mac had a critical eye and ear for sloppy use of the English language, I am going to put this in plain English: Mac Baldrige was one of those rare human beings whose personal gift for friendship was matched by his public gifts of competence, courage, and a sincere love of this country.

I guess many have remarked upon the fact that Mac was both a successful corporate executive and a successful rodeo rider. I don't know why that should seem such a strange justaposition to us—after all both demand quick decisions and the ability to know where to make the right move. Mac certainly knew how to do those things.

Roy Denman, head of the delegation of the Commission of the European Communities, wrote in the Washington Post:

"Mac Baldrige was one of the finest, straightest men I ever met * * * I never met a tougher negotiating partner."

In my experience, that combination of personal warmth and wit and professional toughness is rare.

## TRIBUTE TO JOHN W. WYDLER

### HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mrs. LLOYD. Mr. Speaker, I'd like to express my support for H.R. 812 not only for what the award represents, but also for the fact that this is an important memorial to a very effective Cabinet officer. Mr. Baldrige was an accomplished industrialist, and distinguished public servant. This bill also included amendments to the Stephenson/Wydler Technology Transfer Act and that legislation should now serve as a lasting memorial to another distinguished American who died suddenly this week.

Congressman John W. "Jack" Wydler served on the Science, Space, and Technology Committee for 18 years and was the ranking Republican for 4 years. Jack and I fought side by side in some very difficult battles, including the authorization of the Clinch River breeder reactor project. But whether the issue was in nuclear energy development, synthetic fuels, aviation R&D, or science issues in the committee or the House, Jack Wydler displayed the same outstanding characteristics. In fact, "Towards the Endless Frontier" the history of the Committee on Science, Space, and Technology, bears testimony to Jack's contributions with countless references to him. He did his homework, he knew the issues, he argued with compelling logic and appealing wit, and he was a true and loyal friend to his colleagues in the House.

We shall miss Jack very much and I hope that the Stephenson/Wydler Act, the implementation of which is now so crucial to U.S. technological competitiveness, will serve to remind us of a great colleague, a good friend, and a most effective Member of this body.

## TRIBUTE TO MATT RYAN

### HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. WELDON. Mr. Speaker, I rise today in order to share with my colleagues recent honors bestowed upon Pennsylvania House Republican minority leader, Representative Matthew Ryan.

Two major national organizations met in Indianapolis, IN last week to announce their picks for the most "outstanding State legislators". Both the National Conference of State Legislators, and the National Republican Legislators' Association honored Representative Ryan as one of our Nation's outstanding State legislators".

Matt Ryan has been a State representative from my district since 1963. He is currently the minority leader in the Pennsylvania House of Representatives and has served in that capacity since 1983. Representative Ryan had been the majority leader in the House from 1979 to 1980, and Speaker of the House from 1981 to 1982. Clearly his dedication to the Pennsylvania House of Representatives and his constituency qualify him for the honors he has received.

Matt Ryan is both a good friend and excellent example. As a member of the U.S. House of Representatives, former Delaware County Councilman, and mayor of Marcus Hook, I realize how important leadership in government can be. Matt Ryan exemplifies the principles of good government. His leadership in the State house has made the Pennsylvania legislature a strong body, responsive to the needs of its constituency.

On behalf of the 100th Congress and the people of the Seventh District of Pennsylvania, I would like to extend my sincere congratulations to Representative Matt Ryan and wish for him the best in his continued service.

## RAIL SAFETY

### HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Ms. SLAUGHTER of New York. Mr. Speaker, today I am introducing legislation to improve the safety of Americans who travel by rail. The Amtrak/Conrail accident in Chase, MD, earlier this year tragically demonstrated the need for improved safety devices on trains, especially those operating in the heavily traveled Northeast corridor [NEC] which runs from Boston to Washington, DC.

The NEC is a high speed corridor serving more than 28,000 intercity railroad passengers daily on 97 trains moving at speeds of up to 125 miles per hour. Approximately 40 freight trains per day also operate on the NEC at speeds up to 50 miles per hour; a significant portion of the freight carried is hazardous material. In addition, commuter raillines carry over 220,000 passengers every day on more than 750 trains.

The Department of Transportation has concluded that public safety can be enhanced by ensuring that trains obey rail signals and has stated, "The only system now capable of ensuring that a train is operated in conformity with signal indications is the automatic train control system."

The Automatic Train Control System features two hardware elements—a signal transmission system located in the rail, and a receiver unit built into each locomotive. The Northeast corridor already has the transmission system installed in the track. Establishing Automatic Train Control in the Northeast corridor, therefore, would only require that each railroad operating on the NEC equip each locomotive with Automatic Train Control receivers.

Automatic Train Control, or "ATC," works when an electrical impulse in the rail is decoded by a receiver in the locomotive, establishing a signal in the cab. If the cab signal is changed to require a reduction in speed, the engineer must act within a certain timeframe—usually 8 seconds—to slow the train down. If the engineer does not respond properly, the brakes will automatically be applied and the train brought safely to a stop. Mr. Speaker, it is widely acknowledged that Automatic Train Control would have prevented the Chase, MD, accident.

The Secretary of Transportation, following a recommenation by the National Transportation Safety Board [NTSB], recently issued a proposed order to require all trains operating on the NEC to be equipped with Automatic Train Control. I support these actions but believe we need to go further. We need to put Congress firmly on record establishing rail safety as a national priority. This bill, which codifies the NTSB and DOT Automatic Train Control recommendations, makes such a statement.

Mr. Speaker, this is not a controversial proposal. ATC is a technology that has long been used in railroad operations and has been proven to be reliable, as well as reasonable to maintain. It is widely recognized that ATC will make significant safety improvements in rail travel on the Northeast corridor. Yet the potential for a tragic accident similar to that which occurred in Chase, MD, exists in all rail corridors in the Nation which carry passengers, especially those that mix both passengers and freight. It is important that we do all we can to explore methods by which we might reduce the potential for accidents on rail corridors nationwide.

Toward this end, this legislation requires DOT to conduct a study to determine the advisability and feasibility of requiring ATC on each rail corridor on which passengers are carried. The DOT would consult with Amtrak, freight carriers, commuter agencies, railroad passengers, and rail equipment manufacturers in its conduct of the study. The study includes an assessment of the risks of not requiring ATC on each corridor, cost-benefit analyses of requiring ATC on the corridors, as well as an investigation of alternative means of accomplishing the safety objectives envisioned by Automatic Train Control.

In addition, this bill requires the Secretary of Transportation, within 120 days of enactment, to promulgate regulations to require that all locomotives in operation nationwide to be equipped with operable radios capable of train-to-train and train-to-fixed station communications. Lack of effective radio communication was found to be a factor in the 1985 Westminster, CO, crash, and may have been related to the recent Chase, MD, accident. Making sure that all trains possess operable radios before they leave the station is merely common sense. Yet there is no statutory or regulatory requirement in effect today which mandates this important safety practice. This provision, which mirrors another NTSB recommendation, clearly states the intent of Congress that this practice should be strictly abided by.

Finally, the legislation provides an additional tool for rail safety enforcement. The maximum penalty for safety violations is increased to $25,000. This would grant the Federal Railroad Administrator, as he has requested, additional discretion to levy a heavy punitive assessment in the case of a flagrant safety violation, or in the case of repeated noncompliance. The intent is that this authority would rarely be used. It would, however, be available for use in exceptional cases where conventional remedies fail to realize their intended effect.

Mr. Speaker, I believe these specific, targeted measures will make travel by rail safer for citizens who travel, not only in the Northeast corridor, but throughout the country. I urge its enactment.

## TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (AUGUST 8)

### HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. SHARP. Mr. Speaker, on August 6, 1787, the special Committee of Detail presented its report to the Convention. Meeting over the last week, the five-member committee had transformed the patchwork of resolutions passed during the Convention's first 2 months into a detailed, coherent draft constitution.

The 7-page, 3,700-word document, which left plenty of room on the margins for comments and changes, contained a preamble and 23 articles separated into 41 sections. Beginning with the familiar "We the People," the committee's draft further enumerated the powers of the three branches of government.

After hearing a reading of the report by John Rutledge of South Carolina, the Convention adjourned for the day so the delegates could study their copies. Although more than a month remained in the deliberations, the draft Constitution the delegates took away from the State House that day, turned out to be quite similar to their final product.

## ON THE PASSING OF MICHAEL V. SCIGLIANO

### HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FEIGHAN. Mr. Speaker, on July 5, 1987 both the labor movement and particularly the musicians of Cleveland lost a good friend. He was Michael V. Scigliano, president of local 4 of the Cleveland Federation of Musicians.

Mike played with the Bob Alexander Orchestra, was the house drummer at the Moe's Main Street, and played at various clubs in and around Cleveland. Said his daughter, Linda Scigliano-Stokel, "I think he was just born with the rhythm."

All of us who knew Mike mourn his passing and extend our sympathies to his family.

Mr. Speaker, I include the following article from the Cleveland Musician in its entirety:

MICHAEL V. SCIGLIANO

The passing of our President Mike Scigliano on July 5th, 1987, has touched all of the members of Local 4, as well as his family and many, many friends.

Mike was a legend. Webster's Dictionary describes "Legend" as "A story of the life of a Saint". This was Mike—despite his many duties as President, Secretary and Treasurer, he always found time to help; a ready listener to all problems of our members, be they personal or pertaining to Union business, Mike was usually able to help solve their problems.

He served this Union with "All his Might" for the past thirteen years as an officer, and previous to that as a Business Agent. He left a mark and a challenge to ALL of the members of Local 4 to keep united and work together for a strong Union. Mike always said, "We Are The Professionals". Let's prove him right!

We offer our sincere condolences to Mike's family, his wife Lucy, daughter Linda, sons Mike and Joel and their families.

All of the members of the Cleveland Federation of Musicians, Local 4 will miss Mike, and join you in your sorrow. Mike lives on in our memory.—Henry S. George.

## TRIBUTE TO MAXWELL A. BROWN

### HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. HOWARD. Mr. Speaker, I know I speak for many in commending Maxwell A. Brown, a long-time stellar resident of the Third Congressional District of New Jersey, for his outstanding contributions to many worthy causes over his continually prosperous lifetime. Mr. Brown's strong personal commitment to leading and helping others can easily be recognized in all of his chosen endeavors.

The list of Mr. Brown's accomplishments is awe inspiring. He has worked in many types of organizations including serving as president of the Monmouth Council of the Jewish National Fund; B'nai Brith, Shore Area Lodge; Gabor-Zimel Resnick Chapter of the American Red Magen David for Israel; Fort Monmouth Chapter of the Association of the United States Army; Industrial Representative Association (of the Fort Monmouth area), and chairman, Electromagnetic Compatibility Group, New Jersey Coast Chapter, Institute of Electrical and Electronic Engineers. His leadership in the Jewish community is also exemplified by his active participation in Israel bond drives and United Jewish Appeal campaigns. As one of the founders of the Hillel School of the Shore Area and the local chapter of the American Mizrachi Organization, Mr. Brown's work in education attests to the diverse nature of his fields of expertise.

Maxwell Brown is a special and well respected resident of Bradley Beach, NJ. By using his skills as an organizer, communicator, and a motivator Maxwell has led by example and has touched many individuals and organizations both locally and nationally.

A devoted family man, Maxwell and his wife Hilda, a former librarian of Bradley Beach, have a son and daughter and three grandchildren who will continue to grow and prosper from their guidance.

In keeping with the lofty goals and high ideals of Maxwell Brown a scholarship is being established in his name which will provide study trips to Israel for Jewish youth in order to develop potential leaders for the future also, in honor of all of Mr. Brown's distinguished achievements a testimonial brunch is being sponsored by five major shore organizations on Sunday, October 25, at Temple Beth Torah in Wanamassa, NJ.

Mr. Speaker, I rise today to ask my colleagues to join me to pay tribute to a man whose accomplishments and character make me honored to be able to represent him.

## A TRIBUTE TO DAV STATE COMMANDER DAVID R. HELTON

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. McEWEN. Mr. Speaker, I rise today to pay tribute to the State commander of the Ohio Disabled American Veterans, David R. Helton. Commander Helton was recently elected to serve for the 1987–88 term at the Ohio DAV State Convention in June of this year.

Dave is a life member of the Pike County Chapter No. 88, and he has served as the chapter adjutant for the past 7 years. Commander Helton has also served the Ohio department of the DAV as 9th district commander, executive committeeman, first and second junior vice commander of Ohio, as well as senior vice commander in 1986.

Commander Helton served in the U.S. Marine Corps. He was medically retired from the Marines after 16 years on active duty. He served the cause of freedom in Vietnam in 1968 and 1969. During his tour of duty he received several combat awards.

Mr. Speaker, David's wife, Winifred, is the president of the Ohio DAV Women's Auxiliary. She has also been very active on veterans issues as well for several years. Dave and Winifred live in Waverly, OH. They have three children, Tina, Sheila, and David, Jr. The Helton family is quite a team. I want to extend my warmest congratulations to David and Winifred for their leadership and willingness to serve Ohio's veterans.

## TRIBUTE TO MR. SAM KARLIN

### HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to and recognize my constituent and long-time public servant, Mr. Sam Karlin, of my hometown of Pittsfield, MA on the occasion of his retirement from the Internal Revenue Service.

Sam can take great pride as he looks back on 30 years of service to the taxpayers of this Republic. During his tenure he exhibited compassion and professionalism that was uncommon and certainly well beyond the public's expectations when dealing with the Internal Revenue Service. Truly Sam stands as a model for those in the tax enforcement and collection business. When Sam audited your taxes and told you that you owed more money, he did so in such a way that the taxpayer not only wanted to pay the money, but was looking forward to writing the check.

While this may be just a bit of an exaggeration, the quality of Sam's work and his commitment to public service can never be overstated. He worked hard, rose through the ranks and is now reaping the benefits of hard work and dedication. I personally thank Sam Karlin for all he has done for my constituents and taxpayers and congratulate him on an outstanding career in public service. I wish him the very best as he sets out on the road to leisure and relaxation. And when April 15 rolls around to haunt us all next year, Sam will be among the haunted rather than the haunters. Sam, good luck and God speed.

## AIRPORT 1987

### HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. MOAKLEY. Mr. Speaker, I submit for the RECORD a copy of an editorial from the May 17, 1987, edition of the Norfolk, VA, Pilot.

As the editorial points out, and as the increasingly intense focus of the national debate over air transportation quality and safety highlights, past inadequacies in our approach to the funding and development of the national airport and airway systems lies at the heart of today's air transportation problems.

The fact of the matter is that almost 20 years ago we in the Congress decided that the best way to provide an adequate capital foundation for our air transportation system was to establish a user funded account precisely for that purpose. Unfortunately, however, we have not kept that commitment, and while we have collected the revenue from the system's users, we have chosen not to spend it for the promised support of the system. The unavoidable result, of course, is an airport and airway infrastructure incapable of meeting the demands of the traveling public.

Fortunately for all of us, we will have an opportunity later this year to come to terms with these past failures when the Congress acts on the airport and airway trust fund reauthorization. Before that time, I trust that my colleagues will have the opportunity to read the Pilot's editorial and give careful thought to the implications of a failure to permit the airport and airway systems to sustain themselves. As airline deregulation has established, there is a tremendous level of consumer demand for safe, efficient and economical air service—it is incumbent upon us to permit the system to operate to fulfill this demand.

AIRPORT 1987

The "friendly skies" in the U.S. aviation industry may face some of the most inhospitable legislative weather since airlines were deregulated by the federal government nearly a decade ago. This year, programs to expand airports, abate noise, modernize the air-traffic-control system, tax airline tickets and impose other user fees all are scheduled to expire. Meanwhile, the flying public—which includes a disproportionate number of lawmakers, virtually all of whom are "frequent fliers"—continues to be nagged by increasing delays in service and doubts about margins of safety.

Consider the bad news in recent weeks: The number of top-rated air traffic controllers is fewer and their workloads heavier than previously assumed; numbers of air traffic controller errors and near midair collisions have increased, as numbers of flights have reached record highs; and some reports claim that the Federal Aviation Administration's air-traffic-controller-academy students may have been cheating on exams for as long as two years.

The FAA responds that the record of U.S. aviation has never been safer. Yes, but can it remain so?

Congress wonders: Should it tighten regulation of the parts of the nation's aviation system over which it retains oversight? For various reasons, both political and practical, the answer is likely to be no this year.

But one part of the nation's aviation network does need immediate congressional attention. It is the Airport and Airway Trust Fund. Like the Highway Trust Fund, the airport fund is user-fee-financed and earmarked for capital improvements to airport facilities. By the end of this year, the trust fund is expected to have a $5.2 billion surplus. Although that falls well short of airport-expansion wish lists, the money, if spent, could relieve pressure throughout the entire aviation system.

Why won't Congress spend the surplus plus? It would rather use it as a phony deficit-reducer. Because the airport trust fund is part of the "unified federal budget" that includes general tax revenues, lawmakers can subtract the fund's surplus from the federal deficit. If they couldn't fiddle with the trust-fund figures on paper, they would have to find other more meaningful—and politically painful—ways to reduce the red ink.

Partly as a result, the American flying public may face drastic government imposed cuts in commercial flights during the approaching summer travel rush, as recommended last month by the head of the National Transportation Safety Board. Such a move, while it may be necessary to ensure safety in the short term, certainly would not be in step with the spirit of airline deregulation approved by Congress nearly a decade ago. Congress should get back in step by releasing money meant for airport expansion that it holds hostage to its own political and fiscal purposes.

## THOMAS W. (TEDDY) GLEASON, PRESIDENT, INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO

### HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FEIGHAN. Mr. Speaker, after 24 years as President of the 116,000-member International Longshoremen's Association, AFL–CIO, Thomas W. (Teddy) Gleason recently retired and was named "President Emeritus." He has been associated with the waterfront for over 70 years.

The son of Irish immigrants, Gleason was born in Manhattan's Greenwich Village on November 9, 1900, the oldest of 13 children. He first went to work on New York City's West Side docks at age 15 where he acquired the nickname "Teddy" to distinguish him from his father, who was also a dockworker.

Except for a period in the early 1930's when stevedoring firms blacklisted him from working on the piers because of his union activity, Gleason enjoyed a steady rise in his two careers: initially as a longshoreman and later as a union official.

His first election to an ILA international office came in 1953 when be became the union's general organizer. In 1961 he assumed the post of ILA executive vice president and became the union's chief negotiator in contract talks with waterfront employers. Two years later, Mr. Gleason was elected to his present position as international president.

Gleason serves on the executive council of the AFL–CIO as one of its vice presidents, a position he was first elected to in 1969. In February 1983, AFL–CIO President Lane Kirkland further expanded Mr. Gleason's role on the executive council by designating him chairman of the federation's International Affairs Committee.

The ILA president's leadership was first given international recognition in early 1965 with his election to office of the International Transport Workers' Federation [ITF]. This worldwide labor organization which represents more than 6 million transport workers in 78 countries of the free world later elected Mr. Gleason a vice president in 1974.

His numerous trips abroad representing the American trade union movement have earned him the title of "International Labor Ambassador." Federation President Kirkland often refers to Mr. Gleason as the "AFL–CIO's Secretary of State."

An intelligent and talented negotiator, Gleason's role as the union's chief negotiator for the past 25 years has coincided with dramatic developments and innovations that have reshaped the longshore industry.

Automation, mainly in the form of containerization, brought tremendous gains for shippers and carriers in terms of productivity but also meant a loss of manhours for ILA members. President Gleason realized in the early 1960's that ILA members needed protection against this loss and he was instrumental in securing a guaranteed annual income [GAI] program that allowed for automation to flourish while recognizing and rewarding the contributions of ILA members whose lives and livelihoods were invested in the industry.

The unique GAI program was further strengthened in the late 1970's with the creation of a job security program [JSP] that insured the welfare and fringe benefit funds of ILA members.

Gleason presently serves on numerous labor, maritime and Government bodies including President Ronald Reagan's Maritime Advisory Committee.

Keenly aware and proud of his Irish ancestry—his father was from Nenagh, Co. Tipperary and mother from Omagh, Co. Tyrone—Gleason has dedicated considerable personal time and effort to aid in the development of

Ireland. He is an outspoken proponent of a 32-county United Ireland. He founded the Irish American Labor Coalition in 1981 and holds membership in the Ancient Order of Hibernians, the Friendly Sons of Saint Patrick and the American Irish Historical Society.

Mr. Gleason's affection for Ireland was appropriately recognized and rewarded in March 1984 when the ILA president was elected Grand Marshal of New York City's St. Patrick's Day Parade, the largest Irish celebration in the world. He led a quarter of a million marchers up Fifth Avenue. The grand marshal designation is one of many honors and tributes awarded to Mr. Gleason by Irish American organizations.

Mr. Gleason holds a 1980 honorary doctor of laws degree from Molloy College in Rockville Centre, NY.

The father of three sons, Mr. Gleason is a widower and resides in New York City.

## UNDERCUTTING THE CONTRAS

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. KEMP. Mr. Speaker, I wish to insert the following Wall Street Journal editorial into the RECORD. This is not the time for the President to back off from taking the issue of funding the Contras to the American people. Oliver North did more for the Contra cause in 6 days than the State Department has done in 6 years. For the first time ever, public opinion has turned toward support for the Contras. The President should bring the issue of Contra funding to the American people today:

UNDERCUTTING THE CONTRAS

Mr. President, wake up. Ollie North won it for you. You can stop behaving like someone whose only goal is to get out of town one step ahead of impeachment.

That this message hasn't yet sunk in at the White House is the only conceivable explanation of the new administration plan for undercutting the Contras. Just when for the first time aid to the Nicaraguan resistance has been picking up some public support, the administration agrees not even to ask for more money until after the current funding expires on September 30. Not only that, but House Speaker Jim Wright says the president has agreed not to disturb the Sandinistas' thoughtful consideration of the newest set of negotiating points by engaging in any "florid rhetoric." In other words, the president has agreed not to go to the nation to build support for the Contras. Incredible.

The speaker has of course offered a return concession: If peace doesn't dawn by Septemer 30 and the administration does make an aid request, he will not block a vote in the House. Emerging from the White House, he uttered smarmy phrases about how some believed the president would just "go through the motions," but that he had "received assurances that this is not the case." In short, he used the White House to lay the groundwork for blaming the president if the Sandinistas don't agree to dismantle their repressive apparatus.

No doubt thare are some in the administration who rationalize this as giving the Democrats a face-saving device for easing opposition to the aid. In the end, some aid probably will be approved, if only because in a presidential election year the Democrats' optimum political strategy is to give enough aid to keep the sore festering but not enough to allow a Contra victory. But the issue has just been stalled 60 days, and we have not heard any pledges of silence from Mr. Reagan's opponents.

With the president out of action and memories of the North testimony fading, emotionally committed opponents will use the time to regroup, finding new imperfections in the Contras and new reasons to pretend that the Sandinistas are changing their spots. If the Sandinistas suddenly get clever, they will encourage the process by dropping their initial rebuff and then bogging down the negotiations. The delay in going to the country makes Contra aid more problematical, not less.

The whole problem with policy toward Nicaragua, as Lt. Col. North so eloquently put it, is that it has been "fickle, vacillating, unpredictable, on-again, off-again." What we see in the 60-day delay and yet another negotiating package is more of the same, with President Reagan joining the game. And just at a time when the moment was ripe to go to the country and consolidate the upsurge of support the North testimony had engendered.

What is triply disheartening about this is what it says about the current spirit of the president and the administration. There is no will to fight. Fear of another Watergate drove the administration to drop the prerogatives of the presidency last November. That this was not another Watergate became entirely clear with the public reaction to Lt. Col. North, but the White House still has not shaken its fear. So everything remains compromise. If President Reagan cuts a mushy deal on Contra aid, his signature on a protectionist trade bill is in the cards. And a tax increase probably can't be far behind.

## THE FAIR AND EQUITABLE CARGO ALLOCATION ACT OF 1987

### HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. FIELDS. Mr. Speaker, I am today introducing legislation to eliminate a highly onerous and discriminatory provision in our maritime law.

Specifically, this bill will repeal section 901b(c)(2)(B) of the Merchant Marine Act of 1936. This section, which was created with the enactment of the Food Security Act of 1985 established the so-called Great Lakes Cargo Set-Aside Program.

While there is not a great deal of legislative history concerning this specific provision, what there is indicates that the purpose of this language was not to produce a windfall for the Great Lakes but to be as port-range neutral or impartial as reasonably possible.

In fact, the statute says:

> The Secretary of Transportation shall take such steps as may be necessary and practicable without detriment to any port range to preserve the percentage share or metric tonnage of bagged, processed, or fortified commodities, whichever is lower, experienced in calendar year 1984 as determined by the Secretary of Agriculture.

Mr. Speaker, in short, this language was not designed to mandate that preference be given to Great Lakes ports over all other ports in the United States.

Unfortunately, that is exactly what is happening and cargo is being unfairly diverted from a number of gulf coast ports, including my own in Houston, for the direct benefit of the Great Lakes including most specifically the Port of Milwaukee.

While I have nothing against Milwaukee or any Great Lakes port facility, it is wrong and inappropriate to simply guarantee that Government cargo will be shipped from any specific port regardless of the cost.

Public Law 480, Title II cargo must be allocated on the lowest landed cost basis because this approach is in the best interests of both the port industry and the taxpayers of this Nation.

And, I will say to my colleagues that what I find most troublesome about the Great Lakes cargo reservation system is that it eliminates and destroys the incentive for ports to be competitive.

During the past few years, gulf coast ports, including Houston, have significantly reduced their unloading costs and wharfages, while at the same time the Great Lakes ports have increased their costs.

In an effort to become more competitive, there has been a concerted effort at the Port of Houston to reduce overhead, cut profit margins, and scrutinize every cost involved in the movement of cargo. In addition, the labor force has agreed to reduce their wages by more than 22 percent.

Mr. Speaker, no one likes to have their take-home pay or profits reduced but this unprecedented commitment was made to attract new cargo for the Port of Houston.

It is, therefore, particularly galling to learn that despite all of these sacrifices this Government cargo still is being moved to a port where costs may be at an all-time high.

In the words of Mr. Ted Thorjussen, who is the president of the West Gulf Maritime Association:

> This is not only heart-breaking, but totally unfair to the American taxpayers.

In addition, Mr. David A. Schaller, the president of the Gulf Ports Association, has testified that:

> It is very difficult to find yourself in the best competitive position to handle the business only to have it diverted because of an arbitrary and discriminatory requirement.

Mr. Speaker, the Port of Houston is not afraid of competition. In fact, they invite it. And, like Smith-Barney, they encourage other ports—like Milwaukee—to gain access to this cargo the old-fashioned way—by earning it. You will never hear this Member raise an objection over the loss of cargo to any port which out competes the Port of Houston. What the Port of Houston and all other ports ask for is the opportunity to bid for Government cargo on an open, fair and competitive basis. The "Great Lakes Cargo Set-Aside Program" is a perversion of the system and it must be eliminated.

While U.S.-flag carriers have, for all practical purposes, abandoned the Great Lakes, this is not the fault of the gulf coast ports and they should not be penalized for the changing nature of our cargo transportation system.

Mr. Speaker, unlike the cargo set-aside program, this bill will not discriminate against any port range but will simply allow the Government to allocate title II cargo on a competitive basis.

I would urge my colleagues to join with me in supporting the Fair and Equitable Cargo Allocation Act of 1987. We must eliminate this discriminatory reservation system which is having such an adverse and detrimental effect on the gulf, Atlantic, and west coast port ranges.

Thank you, Mr. Speaker.

## THE MONTEREY JAZZ FESTIVAL MARKS ITS 30TH ANNIVERSARY

### HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. PANETTA. Mr. Speaker, the renowned Monterey Jazz Festival will be presented for the 30th consecutive year this September, and I want to bring to the attention of my colleagues some of the great history of this festival.

As my colleagues may be aware, the Monterey Jazz Festival is the oldest continuously presented jazz festival in the Nation. It has presented, since its first showing in 1958, 150 concerts on the Pattee Arena Stage of the Monterey County Fairgrounds. In those concerts, more than 700 hours of music has been performed by some 7,100 jazz stars—and seen in person by more than a million fans.

Musicians from all over the world have played at the Monterey Jazz Festival. Some of the most prominent are Dizzy Gillespie, Louis Armstrong, Dave Brubeck, Billie Holiday, Gerry Mulligan, Ernestine Anderson, Sonny Rollins, Max Roach, and Harry James. This year, performers will include Ray Charles, BB King, the Modern Jazz Quartet, and Woody Herman.

All of the profits from the Monterey Jazz Festival are devoted to music and education. Over $1.2 million has been spent on worthwhile projects, primarily on the Monterey Peninsula.

Mr. Speaker, the producers of the Monterey Jazz Festival have prepared a brief history of the festival which I would like to include in the RECORD at this point. I know my colleagues join me in wishing them the best of luck for this year's festival and for its continuing success for many years to come.

The following is a history of the jazz festival:

THE MONTEREY JAZZ FESTIVAL

The Monterey Jazz Festival began 30 years ago as a seed in the mind of Jimmy Lyons, then a popular respected Bay Area D.J. The seed of an idea for a "whole weekend of just getting drowned in jazz" was presented to a group of Monterey businessmen who—knowing that Monterey needed something to bring in business during the lull between Labor Day and the Crosby—donated $6700 to fund the first festival in 1958. Since then the seed has blossomed into the premier event of its kind.

For that first festival, Jimmy Lyons called on his friends, people he'd helped introduce and promote during his days as a jazz announcer. People like Dizzy Gillespie, Louis Armstrong, John Lewis, Dave Brubeck, Billie Holiday, Shelly Manne, Gary Mulligan, Ernestine Anderson, Cal Tjader, Art Farmer, Sonny Rollins, Max Roach, Harry James, Bobby Brookmeyer, and Willie Bobo. Needless to say, that first festival was a smashing success and the spirit that was in the air then is still very much present as the Monterey Jazz Festival looks forward to celebrating its 30th year. Among this year's guests are Ray Charles, BB King, The Modern Jazz Quartet, Woody Herman, Poncho Sanchez, Etta James, Red Holloway, and Eddie Vinson.

For 30 years now, the Monterey Jazz Festival has had a tremendous impact on the world of music. It has also played a significant role in helping to educate future jazz musicians. Over $1,000,000 in profits have been donated over the years to organizations like Monterey Peninsula College, Monterey County Symphony, Lyceum of the Monterey Peninsula, Hidden Valley Music Seminars, the Carmel Bach Festival, the Monterey Peninsula Youth Orchestra, the Monterey Concert Association, Asilomar Jazz Workshops, the Seaside Community Choir, the Carmel Classic Guitar Festival, Seaside Parade of Champions, and school districts in Monterey, Carmel, Pacific Grove, Salinas, Seaside, York, RLS and Aptos. And through the festival, the annual high school jazz competition known as the California High School Jazz Competition was born. Every Spring, high school musicians from throughout the state compete in Monterey for honors as best big band, best jazz combo, and the California Jazz Competition's High School All Stars. The top young musicians that emerge from this competition earn the chance to play jazz on the stage of the Monterey Jazz Festival with the greats, the festival's headlining stars.

In 1985, the festival added a Jazz Education Fund to its accomplishments. This is a county-wide program bringing the stars of the festival and the world of jazz to Monterey County's high schools, with a series of concerts and lectures; a traveling teacher's program that visits high schools here throughout the year, an instrument bank with $52,000 worth of quality musical instruments and an extensive sheet music library.

The Monterey Jazz Festival has been a valuable asset, and has done much to further the pride of the Monterey Peninsula. What started out as a dream, is now the oldest continuous jazz festival in the nation. In a short time of 30 years, the Monterey Peninsula has been associated with an event that has brought nothing but positive results, through keeping the spirit of jazz alive in both education and in the music world.

## ONE HUNDRED FIFTEEN MEMBERS OF CONGRESS JOIN IN WAR POWERS ACT LAWSUIT

### HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LOWRY of Washington. Mr. Speaker, more than 100 Members of Congress today joined with me in filing suit in Federal court asking that the President be required to comply with the War Powers Act by officially notifying Congress that he has introduced U.S. Armed Forces into "hostilities" or "imminent hostilities" in the Persian Gulf.

This action was initiated by the House Democratic Study Group [DSG] of which I am currently the chairman. The more than 100 plaintiffs in the lawsuit—111 Representatives and 4 Senators—are believed to be the largest number of Congressmen and Senators to ever join together as individuals in a legal action.

Specifically, the lawsuit asks the court to declare that the President was required to submit a report to Congress, under the War Powers Act, within 48 hours of the time three U.S. warships entered the Persian Gulf on July 22 for the purpose of escorting two reflagged Kuwaiti tankers, and to order the President to submit such a report. Such action by the court would limit use of U.S. forces in the escort operation to 60 days, unless Congress were to specifically authorize a longer period.

We are filing this lawsuit because we believe the evidence that the President is currently not in compliance with the War Powers Act is overwhelming. The meaning of "hostilities" and "imminent hostilities" in the War Powers Act is clear from the act's legislative history. The House report accompanying the War Powers Act defines "hostilities" as situations in which "fighting has actually begun" or where there is "a state of confrontation in which no shots have been fired but where there is a clear and present danger of armed conflict." "Imminent hostilities" are defined as a situation where "there is a clear potential for a state of confrontation or actual armed conflict."

It is indisputable, especially in light of these definitions, that U.S. forces in the Persian Gulf currently face hostilities or imminent hostilities. Our point is simple: If the Persian Gulf situation does not represent "imminent hostilities," then the meaning of that term has been distorted beyond all recognition.

As long as the President is not in compliance with the War Powers Act, the rights and responsibilities of the Members of the House of Representatives and the Senate under the act are being abrogated.

For those who argue that there is a legislative remedy for our complaint, our response is that Congress should not have to pass a new law to ensure compliance with an existing law.

The purpose of the War Powers Act is to foster cooperation between Congress and the President, not confrontation. By the court requiring that this law be complied with, the mechanism will be set in place for collaboration between Congress and the President on developing a well-thought-out Persian Gulf policy that will have the support of the American people.

Finally, let me note that if the court rules that a war powers report from the President is not required, the suit asks the court to declare the reflagging of Kuwaiti tankers null and void on grounds that the administration's waivers of navigation and inspection laws are invalid because the law under which the waivers were granted was intended only for use in wartime and military emergencies.

The administration can't have it both ways. Either our forces face imminent hostilities and the President should therefore report to Congress under the War Powers Act, or they don't face hostilities and the waiving of our maritime laws and the reflagging of Kuwaiti tankers are invalid.

## CIVIL RICO REFORM

### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1987*

Mr. CONYERS. Mr. Speaker, I introduce today for myself and my distinguished colleague, the gentleman from California, Mr. DON EDWARDS, the Racketeer Influenced and Corrupt Organizations Act of 1987.

I.

In 1970, Congress enacted the Organized Crime Control Act, title IX of which is known as the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. 1961–68 (1982) ("RICO"). Congress enacted the 1970 Act "to strengthen * * * the legal tools in the evidence gathering process, * * * [to] establish * * * new penal prohibitions, and [to] provide * * * enhanced sanctions and new remedies * * *" (84 Stat. 923.) Among other concerns, Congress expressed its disquiet about "fraud." (Id. at 922.) In addition, Congress found that "the sanctions and remedies available" under the law current in 1970 were "unnecessarily limited in scope and impact." (Id. at 923.) Besides providing new criminal and civil sanctions at the suit of the Government, the 1970 Act provided treble damage relief to "person[s] injured" in their "business or property" by reason of violations of the statute. (18 U.S.C. 1964(c)). The treble damage provisions were modeled on the similar, but not identical sections of the antitrust laws. At the time, the RICO concept was called for or supported by no less than the President, the President's Commission on Crime and the Administration of Justice, the Judicial Conference of the United States, the American Bar Association, and the United States Chamber of Commerce. The Senate passed the bill 73 to 1. The House passed the bill 431 to 26. The statute became law on October 15, 1970.

II.

Today, RICO is the prosecutive tool of choice by the Department of Justice against organized crime, political corruption, white-collar crime, violent criminal groups, and domestic and foreign terrorists. The Department is also moving to implement the legislation civilly. In addition, 27 States have adopted and are vigorously implementing similar State legislation.

The private civil bar did not begin to use the Federal and State RICO legislation until relatively recently. It, too, is finding that the RICO concept is a powerful tool to use to obtain appropriate relief for those victimized by sophisticated forms of criminal activity, particularly white-collar fraud, which the Department of Justice estimates has a $200 billion impact on our society.

Writing in 1967, the President's Commission on Crime and the Administration of Justice, whose studies led to RICO, noted in its "The Challenge of Crime in a Free Society 47–48" (1967):

> During the last few centuries economic life has become vastly more complex. Individual families or groups of families are not self-sufficient; they rely for the basic necessities of life on thousands or even millions of different people, each with a specialized function, many of whom live hundreds or thousands of miles away.

The Commission also observed:

> Fraud is especially vicious when it attacks, as it so often does, the poor or those who live on the margin of poverty. Expensive nostrums for incurable diseases, home improvement frauds, frauds involving the sale or repair of cars and other criminal schemes create losses which are not only sizable in gross but are also significant and possibly devastating for individual victims. (Id. at 33–34.).

Recent testimony before the Subcommittee on Criminal Justice, which I am privileged to chair, gives contemporary significance to the Commission's findings and the importance of civil RICO: 500 to 750 homeowners in Virginia, targeted because they were old, poor, and, in some instances, minorities, were cheated out of and lost their houses—averaging $15,000 in value—in a home improvement scam perpetrated by unscrupulous contractors with the knowing complicity of a reputable bank; and 400 plus senior citizens were victimized by a retirment home fraud run as a Christian retreat to spend their last years.

In each tragic instance, the rights of the victims were vindicated by a successful civil RICO suit.

Mr. Speaker, white-collar crime victimizes, not only the poor or the old, but all of us, and it is a problem crying out for continued national attention. A brief look at two salient areas well-illustrates my central point: bank fraud and securities fraud.

The problem of bank and savings and loan associations failures is nationwide and of epidemic proportions. In 1986, 145 banks failed, a post-Depression record expected to increase by 25 percent in 1987. Organized crime elements have been involved in some of these bank failures. See, e.g., *Federal Deposit Insurance Corp.* v. *Antonio*, 649 F. Supp. 1352 (D. Colo. 1987). About 1,500 banks are on the Federal Deposit Insurance Corporation's "sick list," 10 percent of which will fail each year. The FDIC reserve fund of $18 billion is expected next year to shrink by $1 to $3 billion. The assets of the 1986 moribund banks totaled $7.7 billion; it cost the FDIC $2.8 billion to pay off insured depositors and shut down these institutions.

The Federal Savings and Loan Insurance Corporation is insolvent, according to generally accepted accounting principles. Its reserves have fallen below $2 billion. If contingent liabilities are considered, its negative net worth may exceed $3 billion. Four hundred forty five operating thrift institutions are insolvent; they are losing $5 billion a year, but are not being closed because the FSLIC lacks the resources. One of the most common faults in failed thrifts is fraudulent real estate appraisals. More than 800 of 3,200 thrift have been found to have significant appraisals deficiencies amounting to $3 billion in understatements. In addition, brokered funds are often brought into an ailing thrift from outside of the area as the price of making questionable loans. See, e.g., *Federal Savings and Loan Insurance Corp.* v. *Shearson-American Express*, 658 F. Supp. 1331 (D. Puerto Rico 1987). The result is usually the demise of a key financial institution in a local community. The Federal Home Loan Bank Board has estimated that it will cost $23.5 billion to close down these insolvent institutions.

Estimates in 1984 by the Commerce, Consumer and Monetary Affairs Subcommittee, chaired by our distinguished colleague, DOUG BARNARD, suggest that one-half of the banks failures and one-quarter of the savings loan association failures involve serious criminal activity by insiders. In 1984, the committee noted:

> Despite * * * enormous losses, neither the banking nor the criminal justice systems impose effective sanctions or punishment to deter white-collar bank fraud. The few insiders who are singled out for civil sanctions by the banking agencies are usually either fined de minimis amounts or simpy urged to resign. The few who are criminally prosecuted usually serve little, if any, time in prison for thefts that often cost millions of dollars. (H.R. Rep. No. 1137, 98th Cong., 2d Sess. at 5 (1984)).

The Department of Justice is now, however, pursuing 300 cases involving significant fraudulent dealing by insiders; the FBI is probing another 200 cases representing $1.5 billion in losses at institutions closed by regulators. Nevertheless, prosecutive resources are severely strained; 45 major bank fraud cases have been awaiting trial for over a year because of a shortage of prosecutors. More recently, too, the Federal Bureau of Investigation by looking at new data has reached alarming conclusions similar to those of the Barnard commitee. In 1984, the FBI completed approximately 7,000 separate bank fraud and embezzlement investigations involving loses of $382 million. In 1985, the loss figure jumped to $841 million for another set of approximately 7,000 closed investigations. The FBI's loss figure for completed bank fraud investigations for 1986 is $1,111,000,000. The FBI estimates that over 80 percent of these cases involved allegations of wrongdoing on the part of a bank officer or employee.

Stockholders lose everything in bank and thrift failures; creditors lose almost everything. While FDIC and FSLIC insurance programs shift losses from individual depositors to the insurance pool, when that pool is inadequte, as it is in the case of the FSLIC, Congress must ultimately make up the difference out of the pockets of the general taxpayer. When the national budget is also in the red, as it is today, other programs necessary for the health, education, and welfare of the Nation necessarily suffer. Banks and thrift failure maybe said, therefore, ultimately to affect the school lunch program.

The losses associated with just the failure of the Butcher banking dynasty, for example, inflicted an estimated $1 billion in harm. A civil RICO suit for $125 million has been brought by the trustee in bankruptcy against Butcher,

10 relatives, and associates, including butcher's accountant and three lawyers, who allegedly helped Butcher fraudulently hide since 1982 more than $26 million in assets. Criminal activity, too, is often accompanied by professional misfeasance or malfeasance. The FDIC is now suing Ernst & Whinney for $250 million for "departing markedly from professional standards" in the 1981 audits of four banks before the 1983 collapse of the Butcher empire.

The problem of securities and misfeasance by brokers are the subject of daily headlines. The National Association of Securities Dealers, the brokerage industry's chief self-regulatory organization, reports, for example, a steady increase of complaints filed against brokers—from 3,087 in 1984 to 3,592 in 1986. Customer complaints filed with the Security and Exchange Commission have risen an alarming 128 percent in the last 4 years. The complaints run the gemut from failing to send certificates to fraud. Amounts alleged in damage vary from under $1,000 to $3.5 million. In 1981, various writers knowledgeable about Wall Street, moreover, began to suggest that the recent rise in corporate takeovers was accompanied by illegal insider trading so pervasive that nothing could be done to prevent it. SEC Chairman John Shad dismissed the significance of these allegations, claiming that such articles unfairly impugned the integrity of the participants in securities markets and unjustifiably shook investor confidence.

Most knowledgeable observers, however, now conceded, in light of the Boesky and Siegle insider trading scandals, which have occasioned several multimillion dollar civil RICO suits by the corporate and other victims, that the abuse of insider information in the takeover game is endemic and has grown systematic over the past half decade. The possible ultimate scope of that fraud is staggering. In 1986, over 3,000 takeovers involving $175 billion occurred. Contrary to SEC Chairman Shad, the Wall Street Journal sadly concluded:

> Whatever specific numbers come out in the unfolding federal probe, it's probably a safe bet that they'll vastly understate the total losses incurred by stock-market investors, as well as many target companies that no longer exist and their acquirers, who doubtless paid too dearly for them. (Feb. 17, 1987, p. 27).

Sometimes financial fraud and bank failures are intertwined. The "Report of the National Commission on Fraudulent Financial Reporting" 1—exposure draft April 1987—not surprisingly, concluded: "Fraudulent financial reporting is * * * a serious problem." Indeed, since 1980, major accounting firms have had to pay more than $180 million to settle such liability suits. As the National Commission also concluded," [W]hen fraudulent financial reporting occurs, serious consequences ensue. The damage that results is widespread, with a sometimes devastating ripple effect." (Id. at 4). The spectaular failure in 1985 of ESM Government Securities, Inc. of Fort Lauderdale, FL, for example, occasioned investor loses of as much as $315 million. The collapse of ESM, which fell after falsified books that concealed millions of dollars of losses were made possible by a bribed accounting firm auditor, led to the insolvency of Home State Savings Bank in Ohio, which lost almost $150 million, and it shut down 71 other privately insured thrift institutions in that State. The personal losses of individual depositors had to be made up by special State legislation. Similarly, the collapse in 1983 of the Nebraska Depository Institution Guaranty Corp., has occasioned multimillion dollar losses—and a multimillion dollar civil RICO claim.

Recently, the accounting firm of Grant Thornton reached a $22.5 million settlement in EMS litigation with the American Savings & Loan Association, which lost $55.3 million; it also reached a $50 million settlement with 17 municipal governments. Here, too, the successful suits were brought under civil RICO. Such suits are also pending against other major accounting firms in similar situations. The Houston-Galveston Area Council, a regional planning commission and a political subdivision of the State of Texas, for example, has filed a multimillion dollar civil RICO suit against Ernst & Whinney in connection with a systemic embezzlement scheme, which has led to the criminal conviction of William B. Prince, the council's former controller. In fact, spokesman for the accounting profession frankly acknowledge to the press that billions of dollars of claims against accountants are now pending in civil RICO suits. (Natl. J., Sept. 6, 1986 at 2114).

III.

Mr. Speaker, it is against this backdrop that we must assess proposals for civil RICO reform. When the private bar began to use the RICO statute, a fire storm of complaints erupted. On one side of the controversy are the State attorneys general and various consumer groups, which see the 1970 legislation as an effective remedy for sophisticated forms of fraud. On the other side are various segments of the business community, but in particular, the bankers, the securities industry and the accounting profession.

Those segments of the business community fighting against civil RICO have advanced a number of arguments against its vigorous use. One or more of eight basic complaints are most often heard. First, RICO was designed to cripple organized crime, not legitimate businesses. Second, RICO is being inappropriately applied in the typical business transaction, which merely uses the mails or phones. Third, since law enforcement agencies can be depended upon to prosecute the real malefactors, private enforcement mechanisms are not needed. Fourth, multiple damage suits are unnecessary. Fifth, RICO's "racketeer" label, particularly along with the threat of treble damages, leads legitimate businesses to settle "garden variety" fraud claims for "extortionate" amounts. Sixth, existing Federal and State jurisprudence is adequate to deal with fraud. Seventh, the Federal courts are being unjustifiably inundated with new litigation under civil RICO. Eighth, current remedies against litigation abuse are not adequate to remedy the misuse of RICO.

I, for one, am not wholly convinced that individually or collectively these loudly voiced claims are supported by hard facts or that they warrant fundamental or radical changes in the RICO statute. Testimony before the Subcommittee on Criminal Justice more than adequately answers each complaint. (See 133 CONG. REC. H3643 (daily ed. May 18, 1987)). Indeed, I belief that the civil RICO statute ought to be strengthened, not only fine-tuned to guard against abuse.

As such, the Racketeer Influenced and Corrupt Organizations Act of 1987, which I introduce today, is a synthesis of the provisions of 27 State RICO statutes, which were enacted after the 1970 act and which built on experience with it, the former recommendations of the Department of Justice, and the current recommendations of the National Association of Attorneys General and National District Attorney's Association. It also meets, at least half-way, the legitimate complaints of business groups. The proposed legislation would:

*Strengthen RICO:*

1. Add new predicate offenses enacted by Congress since 1970 in the areas of violence, terrorism and fraud.
2. Assure that marijuana is predicate offense.
3. Assure that the federal government may sue as "person."
4. Assure that States may sue as parens patriae.
5. Provide for recovery for personal injuries except pain and suffering for crimes of violence.
6. Assure preliminay and permanent equitable relief for private parties.
7. Provide for life imprisonment where death results from crimes of violence.
8. Assure that the burden of proof in civil suits is preponderance of evidence.
9. Provide for counsel fees for a prevailing plaintiff.
10. Provide for recovery of prejudgment interest.
11. Assure that actual not treble damages survive against trustee in bankruptcy.
12. Provide for international service of process.

*Guard Against Abuse of RICO:*

1. Eliminate "racketeer" label in fraud base suits.
2. Assure that securities fraud predicate offenses are based on "willfull" conduct.
3. Eliminate, where appropriate, from "pattern" single episodes (time and place).
4. Exclude from RICO private suits that are primarily: a. domestic relations; b. products liability; c. decedent estates; and d. landlord tenant.
5. Exclude from RICO labor disputes.
6. Establish detailed pleading rules:
   a. verification;
   b. particularly for: (i) fraud, (ii) coercion; (iii) agency; (iv) respondent superior; (v) accomplice; and, (vi) conspiracy.
7. Provide for notice to Attorney General of private suits.
8. Provide for treble damages for frivolous suits.
9. Assure issue and claim preclusion between civil and criminal suits.
10. Assure, with appropriate exceptions, voluntary arbitration of RICO disputes.
11. Provide for sense of Congress resolution for use of RICO by State and local agencies.

*Clarifies and Resolves Six Issues in Litigation:*

1. Enterprisee may be defendant, if perpetrator.
2. No financial motive required in violence based offenses.
3. Jurisdiction exclusive in federal courts.

**4. Association in facts must be structures groups.**

**5. Eliminates personal act rule.**

**6. Assures requirement of state of mind.**

Mr. Speaker, this proposed legislation is not offered as the final word in the RICO reform process. It is being proposed as a study bill. I, for one, am not committed to any of its provisions in concept or form. I expect to hold extensive hearing on it and various other alternatives to strengthen RICO and guard against its abuse.

Over the last 2 years, hearings before the Subcommittee on Criminal Justice on RICO reform focused on general propositions, not all of which reflect current law or practice. If we are to move toward real reform legislation, we must now focus on sound policy solutions embodied in actual text, which are reasonably adapted to fact-based views of what is really happening.

IV.

Mr. Speaker, my distinguished colleague and friend from Virginia [Mr. BOUCHER] has introduced H.R. 2983, which reflects, among others, the views of segments of the banking and securities industries as well as some members of the accounting profession. I cannot support H.R. 2983 as it is presently drafted. As our hearings go forward to look at civil RICO reform, I expect to ask several questions of those who support H.R. 2981.

Why change the "racketeer" label for all RICO actions—criminal and civil—drug dealing and fraud—if it is only abjected to in civil commercial litigation?

Why require a criminal conviction before private treble damage suits may be brought if that limitation is not found in any other similar suit for sound policy reasons and it will have a profoundly adverse impact on cross examinations of the complaining witnesses in RICO criminal prosecutions will forgo the opportunity to ask: Is it true that if the jury believes you, but only if the jury believes you, that you will be able to collect treble damages? Which jury will then not have a doubt about the truthfulness of the complining witness?

I note, too, that skillful plea bargaining can alway successfully circumvent even that limited promise of treble damage relief. Ivan Boesky, the most egregious insider trader in history, pleaded guilty, for example, to a conspiracy to file a false statement with the SEC (18 U.S.C. 371, 1001). In fact, Boesky was, therefore, not convicted of a RICO predicate offense. Indeed, it may ironically turn out that only a small part of Boesky's criminal conduct will technically constitute "insider trading" in violation of the securities statutes. If the Suprema Court rejects, as it is likely, the misappropriation theory of securities fraud in the Carpenter appeal, (106 S. Ct. 666 (1986)), now on its docket for argument and decision next term, only RICO, through its other fraud predicate offenses, will offer a Federal claim for relief for such outrageous insider trading. We must, therefore, not curtail RICO's scope, in this area, certainly not retroactively.

Why take away the authority of independent government corporations to pursue civil RICO litigation at their own expense with their seasoned litigators and confine it—at taxpayer expense—to the hands of relatively inexperienced and over-worked assistant U.S. attorneys?

Little expectation exists that the Department of Justice can successfully take on this new civil burden; it has all it can do now prosecuting criminal fraud cases. The FDIC and FSLIC are, moreover, vigorously pursuing a policy of using civil RICO against bank fraud. They are independent government corporations; they do not use the attorneys of the Department of Justice; they use their own experienced personnel or outside counsel. This feature of H.R. 2983 would have, therefore, a substantial adverse impact on bank fraud litigation by the FDIC and FSLIC.

Why eliminate the treble damage remedy in business fraud litigation in light of its valuable compensatory, deterrent, and other features?

If society authorizes the recovery of only actual damages for deliberate antisocial conduct engaged in for profit, it lets the perpetrator know that if he is caught, he must return the misappropriated sums. If he is not caught, he may keep the money. Even if he is caught and sued, he may be able to defeat part of the damage claim or at least compromise it. In short, the balance of economic risk under traditional single damage recovery provides little economic disincentive to those who would engage in such conduct. In fact, as the court in Haroco, Inc. versus American National Bank & Trust Co. of Chicago, observed:

> [T]he delays, expense and uncertainties of litigation often compel plaintiffs to settle completely valid claims for a mere fraction of their value. By adding to the settlement value of such valid claims in certain cases clearly involving criminal conduct, RICO may arguably promote more complete satisfaction of plaintiffs' claims without facilitating indefensible windfalls. (747 F.2d 384, 399 n.16 (7th Cir. 1984), aff'd on other grounds, 105 S. Ct. 3291 (1985))

Similarly, studies under the treble damage provisions of the antitrust statutes show that most such suits are now settled to close to actual damages. (Study of the Antitrust Treble Damage Remedy, Serial No. 8, House Comm. on the Judiciary, 98th Cong., 2nd Sess. 14 (1984)). No reason exists to believe that a similar pattern will not develop under RICO, at least in the fraud area. Ironically, it may be necessary to authorize treble damages to assure that deserving victims receive actual damages.

Why limit punitive damage recovery to natural persons?

What of not-for-profit or "surrogate entities" for natural persons, including foundations, pension funds, universities, mutual funds, religious bodies, et cetera?

Why—in the light of the developing insider trading scandals on Wall Street—give special treatment to the securities industry—and exclude it from punitive damage claims?

Why cut down the statute of limitation for Federal RICO from 4 to 3 years, particularly when the State legislatures, which have specifically considered the issue, have usually set the period at 5 years for State RICO suits?

Reflecting a recognition of the complexity of investigating and pleading a RICO claim for relief, 15 of the 27 States that have enacted State RICO statutes have provided special statutes of limitations. Eleven set the period at 5 years; one at 6; three at 7.

Why extend specificity in pleading to RICO, but not to other similar private claims for relief?

Why make the elimination of treble damages retroactive?

We have, of course, wide latitude in making civil, as opposed to criminal, statutes retroactive. The Constitution only prohibits without qualifications ex post facto criminal legislation. Nevertheless, not everything that is constitutional is wise. Justice Frankfurter—then a professor of law—put it well in 1925: "[P]reoccupation with the constitutionality of legislation rather than its wisdom * * * [is] a false value." (P. Kurland, *Felix Frankfurter on the Supreme Court* 177 (1970)). Making legislation retroactive—whatever its naked constitutionality—is, in the words of Justice Doe, one of the giants of American jurisprudence, in *Kent* v. *Gray* "irreconcilable with the spirit of our institutions." Justice Doe elaborated:

> [I]t is most manifestly injurious, oppressive, and unjust, that, after an individual has, upon the faith of existing laws, brought his action * * * [that] the legislature should step in, and, without any examination of the circumstances of the cause, arbitrarily repeal the law upon which the action * * * has been rested. * * * [S]uch an exercise of power is irreconcilable * * * with the great principles of freedom upon which [our institutions] are founded * * * (53 N.H. 576, 580 (1873))

RICO, in short, did not make anything unlawful that was not already unlawful before its passage under its predicate offenses. No question is present here of a sudden or unexpected new liability. When we passed RICO, we held out to victims of sophisticated forms of crime the promise of treble damages to encourage the private enforcement of the law. Litigation has now been instituted in a trusting reliance on that promise. It is a promise, therefore, that we ought not lightly break, particularly when the character of the conduct that it will insulate from its just desserts is noted: the principal beneficiaries of the retroactive elimination of the treble damage remedy will be the perpetrators of the recent bank fraud and insider trading scandals. Can such a result, which protects the Butchers and Boeskys of the world, be justified in the clear light of day?

Mr. Speaker, voices were heard in the 1930's, which advocated the repeal or modification of the Securities Act of 1933. They suggested that the legislation was so "draconian" that it would "dry up the Nation's underwriting business and the 'grass' would grow on Wall Street." (D. Ratner Securities Regulation 80 (1982)). Mr. Justice Frankfurter—then a professor and one of the leading spokesmen for the securities acts—put it well:

> The leading financial law firms who have been systematically carrying on a campaign against [the Securities Act of 1933] have been seeking—now that they and their financial clients have come out of their storm cellar of fear—not to improve but to chloroform the Act. They evidently assume that the public is unaware of the sources of the issues that represent the boldest abuses of fiduciary responsibility. (J. Seligman, "The Transformation of Wall Street" 79 (1983)).

History repeats itself now with civil RICO.

According to recent public opinion polls, the American people rightly believe that white-collar crime is very—49 percent—to somewhat—41 percent—common. Only 10 percent believe it is not very common. (Business Week, July 20, 1987, p. 71.) Apparently, the American people know something that more members of this body need to heed.

The President's Commission of Law Enforcement and the Administration of Justice in 1967 sadly observed:

> Serious erosion of morals accompanies [the white-collar offender's] violation. [Those who so] flout the law set an example for other businesses and influence individuals, particularly young people, to commit other kinds of crime on the ground that everyone is taking what he can get. ("The Challenge of Crime in a Free Society," 47-48 (1967)).

Mr. Speaker, civil RICO reform in 1987 must not be permitted to chloroform the 1970 Act.

I ask that the text of the Racketeer Influenced and Corrupt Organizations Act of 1987, along with an outline of its rationale and a section-by-section analysis and a resolution of the National Attorney's General Association on Civil RICO reform appear in the RECORD following my remarks.

H.R.—

A bill to amend chapter 96 of title 18, United States Code, relating to racketeering influenced and corrupt organizations, to create a new offense for fraudulent activity, and to restructure the civil claims procedures

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Racketeer Influenced and Corrupt Organizations Act of 1987".

SEC. 2. NEW OFFENSE FOR FRAUDULENT ACTIVITY.

(a) NEW PREDICATE OFFENSES.—Section 1961 of title 18, United States Code, is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) 'racketeering activity' means (A) any act involving murder, kidnapping, prostitution involving minors, gambling, arson, robbery, bribery, extortion, dealing in obscene matter, or dealing in narcotic or other dangerous drugs, which is chargeable under State law and punishable by imprisonment for more than one year; (B) any act which is indictable under any of the following provisions of title 18, United States Code: chapter 51 (homicide), chapter 73 (obstruction of justice), and chapter 110 (sexual exploitation of children), section 32 (relating to destruction of aircraft facilities), section 81 (relating to arson), section 112 (relating to protection of foreign officials and other persons), section 115 (relating to assaults and other acts against Federal and other persons), section 201 (relating to bribery), section 215 (relating to bank bribery), section 224 (relating to sports bribery), section 373 (relating to solicitation to commit a crime of violence), sections 471, 472, and 473 (relating to counterfeiting), section 511 (relating to forgery of State and other securities), section 659 (relating to theft from interstate shipment) if the act indictable under section 659 is a felony, section 664 (relating to embezzlement from pension and welfare funds), section 666 (relating to theft or bribery in benefit programs), section 831 (relating to prohibited transactions involving nuclear material), section 844 (relating to explosive materials), section 875 (relating to interstate communications), section 876 (relating to mailing threatening communications), section 877 (relating to mailing threatening communications from foreign countries), section 878 (relating to threats), sections 891-894 (relating to extortionate credit transactions), section 929 (relating to restricted ammunition), section 1084 (relating to the transmission of gambling information), section 1203 (involving hostage taking), section 1362 (relating to communications lines), section 1363 (relating to buildings), section 1364 (relating to foreign commerce), section 1365 (relating to energy facility) sections 1461-1465 (relating to obscene matter), section 1951 (relating to interference with commerce, robbery, or extortion), section 1952 (relating to racketeering, section 1952A (relating to murder-for-hire), section 1952B (relating to violent crime in aid of racketeering), section 1953 (relating to interstate transportation of wagering paraphernalia), section 1954 (relating to unlawful welfare fund payments), section 1955 (relating to the prohibition of illegal gambling businesses), section 1992 (relating to trains), section 2277 (relating to vessels), sections 2314 and 2315 (relating to interstate transportation of stolen property) except for an act indictable under the second undesignated paragraph of section 2314, sections 2318 and 2320 (relating to counterfeit materials), section 2320 (relating to trafficking in certain motor vehicles or motor vehicle parts), sections 2341-2346 (relating to trafficking in contraband cigarettes), sections 2421-24 (relating to white slave traffic); (C) any act which is indictable under title 29, United States Code, section 186 (dealing with restrictions on payments and loans to labor organizations) or section 501(c) (relating to embezzlement from union funds); (D) any act which is indictable under the Controlled Substances Act (21 U.S.C. 951 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 801 et seq.); or (E) any act which is indictable under the Currency and Foreign Transactions Reporting Act;".

(b) DEFINITION OF FRAUDULENT ACTIVITY.—Section 1961 is further amended by—

(1) redesignating paragraphs (2) through (10) as paragraphs (3) through (11), respectively; and

(2) inserting after paragraph (1) the following:

"(2) 'fraudulent activity' means (A) any act which is indictable under any of the following provisions of title 18, United States Code: section 510 (relating to fraud of the Treasury or other securities), section 1029 (relating to fraud in connection with access devices), section 1030 (relating to fraud in connection with computers), section 1341 (relating to mail fraud), section 1343 (relating to wire fraud), section 1344 (relating to bonds fraud), the second undesignated paragraph of section 2314 (relating to scheme to defraud involving transportation of stolen goods and other items); (B) any act which is indictable involving fraud under title 11 (relating to bankruptcy); or (C) any act which is indictable involving fraud under the Securities Act of 1933 (15 U.S.C. 77x), the Securities Exchange Act of 1934 (15 U.S.C. 78ff), the Public Utility Holding Company Act of 1935 (15 U.S.C. 79z-3), the Trust Indenture Act of 1939 (15 U.S.C. 77yyy), the Investment Company Act of 1940 (15 U.S.C. 80a-49 and 80b-17), the Commodity Exchange Act (7 U.S.C. 13), or Truth in Lending Act (15 U.S.C. § 1644);".

(c) MODIFICATION OF PROHIBITED ACTIVITIES.—Section 1962 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence by striking out "or" after "racketeering activity" and inserting in lieu thereof "or a pattern of fraudulent activity, or both, or";

(B) in the second sentence by striking out "any pattern or racketeering activity or" and inserting in lieu thereof "any pattern of racketeering activity or any pattern of fraudulent activity, or both, or;"

(2) in subsection (b) by striking out "or" after "racketeering activity" and inserting in lieu thereof "or a pattern of fraudulent activity, or both, or"; and

(3) in subsection (c) by striking out "or" after "racketeering activity" and inserting in lieu thereof "or a pattern of fraudulent activity, or both, or".

(d) CRIMINAL PENALTIES.—Section 1963 of title 18, United States Code, is amended in paragraph (a)(3) by inserting after "racketeering activity" the following: "or fraudulent activity, or both,".

SEC. 3. DEFINITION OF PATTERN.

Paragraph (6) of section 1961 of title 18, United States Code, as redesignated by section 2(b) of this Act, is amended to read as follows:

"(6) 'pattern' means at least two acts of racketeering activity or fraudulent activity, or both, one of which occurred after the effective date of this chapter and the last of which occurred within ten years (excluding any period of imprisonment) after the commission of a prior act of racketeering activity or fraudulent activity, or both, that are—

"(A) under subsection 1962(c) of this chapter, related to the affairs of an enterprise;

"(B) not isolated, but they need not be part of a common scheme or plan; and

"(C) except under section 1962(b) of this chapter, not so closely related to each other and connected in point of time and place that the acts constitute a single episode involving only one victim so that they do not in themselves, in light of the purpose for which they were committed, with reference to the enterprise, or otherwise, give rise to an inference of the possibility of continuity of activity;".

SEC. 4. CRIMINAL AND CIVIL SANCTIONS.

"(a) CRIMINAL SANCTIONS.—Section 1963 of title 18, United States Code, is amended by striking out "both," and inserting in lieu thereof "both; if death results, any term of years or for life;".

"(b) CIVIL REMEDIES.—Section 1964 of title 18, United States Code, is amended to read as follows:

**"§ 1964. Civil remedies**

"(a) In any civil action or proceeding instituted under this section, the district courts of the United States shall have jurisdiction to prevent and restrain violations of section 1962 of this chapter, shown by a preponderance of evidence, by rendering an appropriate judgment or decree, including—

"(1) ordering any person to divest himself of any interest, direct or indirect, in any enterprise;

"(2) imposing reasonable restrictions on the future activities or investments of any person, including prohibiting any person from engaging in the same type of endeavor as the enterprise engaged in or the activities of which affect interstate or foreign commerce;

"(3) ordering dissolution or reorganization of any enterprise, making the due provision for the rights of innocent persons; or

"(4) taking such other action as may be just.

"(b)(1) The Attorney General may institute a proceeding under subsection (a) of this section.

"(2) Pending final determination of a proceeding instituted by the Attorney General under subsection (a) of this section, the court may at any time enter such restraining orders or prohibitions, or take such other actions, including the acceptance of satisfactory performance bonds, as might be just.

"(c)(1) Any person may institute a proceeding under subsection (a) of this section.

"(2) In any proceeding brought by any person under subsection (a) of this section, relief shall be granted in conformity with the principles which govern the granting of injunctive relief from threatened loss or damage, including the possibility that any judgment for money damages might be difficult to execute, in other cases, but no showing of special or irreparable injury shall have to be made.

"(3) Upon the execution, in the discretion of the court, of a proper bond against damages for an injunction improvidently granted, a temporary restraining order and a preliminary injunction may be issued in any proceeding under subsection (a) of this section before a final determination of it upon its merits. Such undertaking shall not be required when the applicant is a State or territory of the United States.

"(4) If the person who brings a proceeding under subsection (a) of this section substantially prevails, his recovery shall include the costs of the action, including a reasonable attorney's fee in the trial and appellate courts.

(d)(1) Whenever the United States is, directly or indirectly, injured in its business or property by reason of any violation of section 1962 of the chapter, the Attorney General may bring a civil action in an appropriate United States district court and shall recover threefold the actual damages, shown by a preponderance of evidence, sustained by it, and if the United States substantially prevails, the costs of the action, including the cost of investigations and litigation.

(2) Damages recovered under this subsection shall not be limited to competitive or distinct injury.

(e)(1) Any person who is, directly or indirectly, injured—

(A) in his person by a crime of violence, or

(B) in his business or property by reason of any violation of section 1962 of this chapter, may bring a civil action in an appropriate United States district court and shall recover threefold the actual damages, shown by a preponderance of evidence, sustained by him, and if the person who brings the action under this subsection substantially prevails, the costs of the action, including a reasonable attorney's fee in the trail and appellate courts.

(2) Damages recovered under this subsection shall not be limited to competitive or distinct injury.

(f) If the court determines that the filing of any pleading, motion, or paper under subsection (c) or (e) of this section was frivolous or that any action or proceeding was brought or continued under subsection (c) or (e) of this section in bad faith, vexatiously, wantonly, or for an improper or oppressive reason, it shall award treble the actual costs of the action or proceeding including a reasonable attorney's fee in the trail and appeallate courts, unless the court finds that special circumstances, including the relative economic position of the parties; make such an award unjust.

"(g) Upon the filing of a civil action or proceeding under subsection (c) or (e) of this section, the person filing the action or proceeding shall immediately notify the Attorney General in such manner as the Attorney General shall direct by regulations. The United States may, upon timely application, intervene in any civil action or proceeding brought under subsection (c) or (e) of this section, if the proceeding is of general public importance. In such action or proceeding, the United States shall be entitled to the same relief as if it has instituted the action or proceeding.

"(h)(1) Notwithstanding any other provision of law providing a shorter period of limitation, any civil action or proceeding under subsection (c) or (e) of this section, shall be barred unless it is commenced within five years after the unlawful conduct terminated or the cause of action otherwise accrued, whichever is later.

"(2) Whenever any civil action or criminal action or proceeding is brought or intervened in by the United States to prevent, restrain, sanction, or punish any violation of section 1962 of this chapter, the running of the period of limitations provided in this subsection with respect to any cause of action arising under subsection (c) or (e) of this section, which is based in whole or in part on any matter complained of in such action or proceeding by the United States, shall be suspended during the pendency of such action or proceeding by the United States and for two years after the pendency of such action.

"(i)(1) Notwithstanding any other provision of law, any civil action or proceeding brought under subsection (c) or (e) of this section, the underlying elements of which constitute fraudulent activity, by any person, other than any attorney general under subsection (1) of this section or a State or unit of local government, shall be subject to the procedures of chapter 1 of title 9 (relating to arbitration).

"(2) Any claim resolved under the procedures of chapter 1 of title 9 (relating to arbitration) under this subsection shall preclude the parties to such claim as to issues and claims decided in such arbitration if—

"(A) the party seeking to use issue or claim preclusion could not have jointed the previous proceedings;

"(B) the party against whom issue or claim preclusion would apply had incentive to fully litigate the issue in the prior proceeding;

"(C) there have been no inconsistent rulings on the issue in prior actions or proceedings; and

"(D) there are no new procedural opportunities available to the precluded party in the second action or proceeding or, if there are, they are not likely to cause a result different from that of the first action of proceeding.

"(j)(1) No action or proceeding may be brought under subsection (c) or (e) of this section by a person, if the elements of the pattern of fraudulent activity involve primarily—

"(A) domestic relations:

"(B) products liability:

"(C) decedents estates; or

"(D) a landlord-tenant dispute.

"(2) No action or proceeding may be brought under subsection (c) or (e) of this section by a person in connection with and during a labor dispute.

"(3) For the purposes of this subsection—

"(A) 'domestic relations' means divorce, separation, custody, support, or adoption;

"(B) 'products liability' means the liability of manufacturers or sellers to compensate buyers, users, or others for any damages suffered because of manufacturing or packaging defects in goods sold;

"(C) 'labor disputes' means any controversy concerning the terms or conditions of employment or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange the terms or conditions of employment, regardless of whether or not the disputants stand in the proximate relation of employer and employee;

"(D) 'decedents estates' means will, bank account trusts, testamentary trusts, revocable trusts that become irrevocable upon death of grantor, or intestate succession; and

"(E) 'landlord-tenant disputes' means any dispute concerning the terms of fulfillment of a contract arising out of the relation where one person occupies the premises of another with his permission in subordination to the other's interest in the premises.

"(k)(1) Notwithstanding any other provision of law, any pleading, motion, or other paper filed by a person in connection with an action or proceeding under subsection (c) or (e) of this section shall be verified. Where the person is represented by an attorney, the pleading, motion, or other paper shall be signed by at least one attorney or record in his individual name, whose address shall be stated. Where such pleading, motion, or other paper includes an averment of fraud, coercion, agency, respondent superior, accomplice, or conspiratorial liability, it shall state, insofar as practicable, the circumstances with particularity.

"(2) The verification by a person and the signature by an attorney required by this subsection shall constitute a certification by the person or attorney that he has carefully read the pleading, motion, or other paper and, based on a reasonable inquity, believes that—

"(A) it is well grounded in fact;

"(B) it is warranted by existing law, or a good faith argument for the extension, modification, or reversal of existing law; and

"(C) it is not made for any bad faith, vexatious, wanton, improper or oppressive reason, including to harass, to cause unnecessary delay, to impose a needless increase in the cost of litigation, or to force an unjust settlement through the serious character of the averment.

"(3) If a pleading, motion, or other paper is verified or signed in violation of the certification provisons of this subsection, the court, upon motion or upon its own initiative, shall, after a hearing and appropriate findings of fact, impose upon the person who verified it or the attorney who signed it, or both, a fit and proper sanction, including treble the actual costs of the proceeding or action under subsection (f) of this section.

"(l)(1) Notwithstanding the provisions of subparagraphs (A), (B), (C), and (D) of paragraph (1) of subsection (j) of this section, any attorney general of a State may bring an action or proceeding under subsection (c) or (e) of this section in the name of the State, as parens patriae, on behalf of individuals residing in the State, in an appropriate United States district court. The court shall exclude from the amount of

monetary relief awarded in the action or proceeding any amount of monetary relief—

"(A) which duplicates amounts which have been awarded for the same claim; or

"(B) which is properly allocable to natural persons who have excluded their claims pursuant to this subsection and any business entity.

"(2)(A) In any action or proceeding brought under this subsection, the State attorney general shall, at such times, in such manner, and with such content as the court may direct, cause notice of it to be given by publication. If the court finds that notice given solely by publication would deny due process of law to any person, the court may direct further notice to such person according to the circumstances of the case.

"(B) Any person on whose behalf an action or proceeding is brought under this subsection may elect to exclude from adjudication the portion of the State claim for monetary or other relief attributable to him by filing notice of such time as specified in the notice given under this subsection.

"(C) Any final judgment or decree in any action or proceeding under this subsection shall preclude any issue or claim under subsection (c) or (e) of this section by any person on behalf of whom such action was brought and who fails to give such notice within the period specified in the notice given under this subsection.

"(3) Any action or proceeding under this subsection shall not be dismissed or compromised without the approval of the court, and notice of any proposed dismissal or compromise shall be given in such manner as the court directs.

"(4) In any action or proceeding under this subsection—

"(A) the amount of the plaintiffs' attorney's fee, if any, shall be determined by the court; and

"(B) the court may, in its discretion, award a reasonable attorney's fee to a prevailing defendant upon a finding that the State attorney general has acted in bad faith, frivolously, vexatiously, wantonly, or for an improper or oppressive reason.

"(5) For purposes of this subsection, the term 'state attorney general' means the chief legal officer of a State, or any other person authorized by State law to bring actions under subsection (c) or (e) of this section and includes the Corporation Counsel of the District of Columbia, except that such term does not include any person employed or retained on—

"(A) a contingency fee based on a percentage of the monetary relief awarded under this subsection; and

"(B) any other contingency fee basis, unless the amount of the award of a reasonable attorney's fee to a prevailing plaintiff is determined by the court under this subsection.

"(m) A final judgment or decree rendered in favor of the United States in any civil action or proceeding in favor of the United States or any plaintiff or a defendant in any civil action or proceeding shall preclude the plaintiff or defendant in any subsequent civil action or proceeding as to all issues or claims respecting which the judgment or decree would preclude an issue or claim between the parties to it.

"(n)(1) The court may award under this section, upon the motion made after verdict, simple interest on actual damages for the period beginning on the date of service of the pleading setting forth a cause of action under this section and ending on the date of verdict, or for any shorter period, if the court finds that the award of interest for the period is just.

"(2) In determining whether an award of interest under this section for any period is just the court shall consider—

"(A) whether the opposing party, or either party's representative, filed pleadings, made motions, or filed other papers so lacking in merit as to show that such party or representative acted in bad faith, vexatiously, wantonly, or for an improper or oppressive reason;

"(B) whether, in the course of the proceeding of action involved, the opposing party, or either party's representative, violated any applicable rule, statute or court order providing for sanctions for dilatory behavior or otherwise providing for expeditious proceedings;

"(C) whether the opposing party, or either party's representative engaged in conduct primarily for the purpose of delaying the litigation or increasing the cost of the litigation; and

"(D) whether the award of such interest is necessary to compensate the opposing party for the injury sustained by him.

"(o)(1) An action or proceeding under this section shall not abate on the death of the plaintiff or defendant, but shall survive and be enforceable by and against his estate and by and against surviving plaintiffs or defendants.

"(2) An action or proceeding under this section shall survive and be enforceable against a receiver in bankruptcy, but only to the extent of actual damages or other relief.".

(c) Venue and Process.—Section 1965 of title 18, United States Code, is amended—

(1) in subsection (b), by striking out "residing in any other district";

(2) in subsection (b), by striking out "in any judicial district of the United States by the marshall thereof." and inserting in lieu thereof "anywhere the party may be found.";

(3) in subsection (c), by striking out "in any other judicial district" and inserting in lieu thereof "anywhere the witness is found";

(4) in subsection (c), by striking out "in another district"; and

(5) in subsection (d), by striking out "in any judicial district in which" and inserting in lieu thereof "where".

### SEC. 5. COSTS OF PROSECUTION AND INVESTIGATION.

Section 1918 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(c)(1) Upon conviction in a court of the United States for an offense in chapter 96 of title 18, the court may order the defendant pay the costs of investigation and prosecution. Amounts collected under the preceding sentence shall be covered into miscellaneous receipts of the Treasury.

"(2) As used in this subsection, the term 'cost of investigation' includes—

"(A) attorney, investigator, and auditor salaries and expenses;

"(B) special contract costs and special purchases;

"(C) travel costs and witness fees; and

"(D) grand jury fees and other related costs of investigation.".

### SEC. 6. SENSE OF CONGRESS

It is the sense of the Congress that the National Association of Attorneys General form a State RICO committee that will promulgate advisory guidelines on the use of section 1964 of title 18, United States Code, by State and local units of government that will seek to assure, among other relevant factors, that it—

(1) is used—

(A) with restraint;

(B) selectively;

(C) uniformly;

(D) only where necessary adequately to reflect or reach the nature and extent of the unlawful activity involved; and

(E) with due regard for limited Federal judicial resources; and

(2) is not used—

(A) routinely; or

(B) to create a bargain tool where its use would otherwise be inappropriate.

### SEC. 7. CONSTRUCTION DIRECTIVES.

Chapter 96 of title 19, United States Code, shall not be construed—

(1) to prohibit a person from constituting an enterprise, or a part thereof, and a defendant in the same count of an indictment or a complaint;

(2) to require in a criminal or civil proceeding or action the showing of economically motivated conduct or a mercenary motive;

(3) to confer jurisdiction to hear a criminal or civil proceeding or action under its provisions on a judicial or other forum of a State or local unit of government;

(4) to permit the showing of an enterprise by no more than a showing of a pattern of racketeering or fraudulent activity, or both;

(5) to require a showing that each person named as a defendant in a criminal or civil proceeding or action commit, or agree to commit, personally the minimum number of acts required to constitute a pattern; or

(6) to permit a showing of criminal responsibility or civil liability without a showing of a state of mind other than that required for the offenses included in the pattern of racketeering or fraudulent activity, or both.

### SEC. 8. CONFORMING AMENDMENTS.

(a) The analysis of chapter 96 of title 18, United States Code, is amended by striking out the item for section 1962 and inserting in lieu thereof the following:

"1962. Prohibited activities.".

(b) Section 1962(d) of title 18, United States Code, is amended by striking out "subsections" and inserting in lieu thereof "subsection".

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## Racketeer Influenced and Corrupt Organizations Act of 1987

### RATIONALE AND SECTION-BY-SECTION ANALYSIS

Section 1. This provision sets out the Act's short title, the "Racketeer Influenced and Corrupt Organizations Act of 1987." (Act).

Section 2. The Organized Crime Control Act of 1970, Title IX, Racketeer Influenced and Corrupt Organizations (RICO), codified at 18 U.S.C. Section 1961 et seq. incorporates as predicated offenses—termed "racketeering activities"—Federal and State criminal offenses in five general areas:

1. violence,
2. provision of illegal goods and services,
3. government corruption,
4. union corruption, and
5. fraud.

RICO's criminal and civil sanctions are then made subject to a finding of a violation of these predicate offenses. The Comprehensive Crime Control Act of 1984, 98 Stat. 1976, added a number of new offenses to the Federal criminal code.

Section 2 of the Act incorporates relevant new Federal and State offenses into RICO from the 1984 Act and State law. It adds:

1. prostitution involving minors under State law,
2. chapter 51 (homicide) of Title 18,
3. chapter 73 (obstruction of justice) of Title 18,
4. chapter 110 (sexual exploitation of children) of Title 18,
5. section 32 (relating to destruction of aircraft or aircraft facilities) of Title 18,
6. section 81 (relating to arson) of Title 18,
7. section 112 (relating to protection of foreign officials and other persons) of Title 18,
8. section 115 (relating to assaults and other acts against Federal and other persons) of Title 18,
9. section 215 (relating to bank bribes) of Title 18,
10. section 373 (relating to solicitation to commit a crime of violence) of Title 18,
11. section 511 (relating to forgery of State and other securities) of Title 18,
12. section 666 (relating to theft or bribery in benefit programs) of Title 18,
13. section 831 (relating to prohibited transactions involving nuclear materials) of Title 18,
14. section 844 (relating to explosive materials) of Title 18,
15. section 875 (relating to interstate communicators) of Title 18,
16. section 876 (relating to mailing threatening communications) of Title 18,
17. section 877 (relating to mailing threatening communication from foreign country) of Title 18,
18. section 878 (relating to threats) of Title 18,
19. section 929 (relating to restricted ammunition) of Title 18,
20. section 1203 (involving hostage taking) of Title 18,
21. section 1362 (relating to communications) of Title 18,
22. section 1363 (relating to buildings) of Title 18,
23. section 1364 (relating to foreign commerce) of Title 18,
24. section 1365 (relating to energy) of Title 18,
25. section 1952A (relating to murder-for-hire) of Title 18,
26. section 1952B (relating to violent crime in aid of racketeering) of Title 18,
27. section 1992 (relating to trains) of Title 18,
28. section 2277 (relating to vessels) of Title 18,
29. section 2318 and 2320 (relating to counterfeit and other materials) of Title 18.

As such, the Act will strengthen RICO generally, particularly in the area of violence offenses relating to terrorist activity.

In addition, Section 2 of the Act adds a new category of "fraudulent activity" to RICO. It is composed of the fraud offenses currently included within 18 U.S.C. Section 1961 (1), which are then removed from "racketeering activity." It also adds from the 1984 Act:

1. section 510 (relating to fraud of the Treasury or other securities) of Title 18,
2. section 1029 (relating to fraud in connection with access devices) of Title 18,
3. section 1030 (relating to fraud in connection with computers) of Title 18, and
4. section 1344 (relating to bank frauds) of Title 18.

It also adds section 134 of the Truth in Lending Act, which deals with credit card fraud.

The addition of new fraud offenses will strengthen RICO in the area of fraud was recommended by the Federal Deposit Insurance Corporation; the addition of credit card fraud was recommended by business groups.

18 U.S.C., section 1961 currently incorporates fraud in the sale of securities and drug offenses by generic designation. The redrafted Act refers to specific provisions.

It has been argued, unsuccessfully, that "marijuana" is not among the included drug offense. *United States* v. *Bascaro,* 742 F.2d 1335, 1342–43 (11th Cir. 1984), cert. denied, 108 S.Ct. 3476 (1985). The redrafted provisions settle that dispute by including "marijuana."

It has been argued, unsuccessfully, in connection with offenses dealing with fraud in the sale of securities that purchases of securities are not included *Hanna Mining* Co. v. *Norcen Energy Resources Ltd.* [1982] Fed. Sec. L. Rep. (CCH) 98,772 (N.D. Ohio, 1982). The redrafted provisions settle that dispute by including fraud in the purchase of securities.

The redrafted provisions include the specific criminal provisions of the securities acts—all of which may be violated only by "willful" conduct—and thereby guarantee that merely negligent conduct or a transaction that operates as a fraud without regard to state of mind will not come within RICO. See *Aaron* v. *Securities and Exchange Comm.,* 446 U.S. 680, 701–02 (1980); *Dan River, Inc.* v. *Icahn,* 701 F.2d 278, 291 (4th Cir. 1983) ("criminal intent is necessary in . . . securities fraud (under RICO)").

The addition of new fraud offenses and the inclusion by specific designation rather than generic designation of other offenses reflect the recommendations of the National Association of Attorneys' General, the National District Attorneys Association, and various consumer groups.

Separating "fraudulent activity" from "racketeering activity" will remove the "racketeering" label from RICO litigation, where only "fraudulent activity" is alleged. Even where "fraudulent activity" and "racketeering activity" or both are involved, RICO, as amended, will distinguish between them in terms of the use of the "racketeer" label.

The inclusion of the fraud offenses within a new category separate from "racketeering activity" reflects the concern of the securities, banking, insurance, and accounting industries as well as other members of the business community that the "racketeering" label has been misused in ordinary commercial litigation. The separation of "fraudulent activity" from other offenses rejects the recommendations of the National Association of Attorneys General and the National District Attorneys Association, which suggested that no need existed to differentiate between them. The Department of Justice also indicated that it saw no reason to change the descriptive term applicable to the predicate offenses.

Section 3. The Supreme Court in *Sedima* v. *Imrex S.P.R.L.,* 473 U.S. 479, 500 (1985) suggested that the use of civil RICO that has given rise to concern by some members of the judiciary and the business community appears to be primarily the result of the "failure of Congress and the courts to develop a meaningful concept of 'pattern'." 18 U.S.C. Section 1961 (5) in fact does not define "pattern." It merely provides that a pattern "requires" at least two acts of racketeering within ten years, one of which must be after the effective date of the statute.

Section 3 of the Act defines pattern. It retains the twin requirements of continuity and relationship reflected in the 1970 legislative history. It requires that acts constituting the predicated offenses, where appropriate, be related to the affairs of the enterprise and not be isolated; it does not, however, require that they be held together by a common scheme or plan. It also rejects the holding and rationale of *Superior Oil Co.* v. *Fulmer,* 785 F.2d 252 (8th Cir. 1986) (multiple schemes required for "pattern"). As such, it codifies the holding in *United States* v. *Weisman,* 624 F.2d 1118, 1121–23 (2nd Cir.), cert. denied, 449 U.S. 871 (1980), and it rejects the dicta in *United States* v. *Stofsky,* 409 F. Supp. 609, 613–14 (S.D.N.Y. 1973), aff'd on other grounds, 527 F.2d 237 (2nd Cir. 1975), cert. denied, 429 U.S. 819 (1976), in so far as it might be read to require in each case a common scheme on plan to exist between the acts rather than to relate them to each other through their common enterprise. Accordingly, it follows the recommendation of the RICO Cases Committee of the Criminal Justice Section of the American Bar Association. A Comprehensive Perspective on Civil and Criminal RICO Legislation and Litigation 36–37 (1985) (RICO Committee Report); it rejects the recommendations of the Ad Hoc Civil RICO Task Force of the Section of Corporation, Banking and Business Law. Report of the Ad Hoc Task Force 208 (1985) (Corporation Report). The Art reflects the reasoning of the RICO Committee that "modern criminal organizations that are, in effect, conglomerates of crime involve a wide range of offenses; they should not be beyond the reach of the statute." RICO Committee Report at 37. The adoption of the position of the Corporation Committee might preclude prosecutions under RICO such as that sustained in *United States* v. *Turkette,* 452 U.S. 576 (1981). The result would be unwise.

Section 3 of the Act also defines pattern, where appropriate, to exclude from its definition acts constituting predicate offenses, where they are so closely related to each other and connected in point of time and place that they comprise a single episode involving only one victim and do not give rise to an inference of continuing activity. As such, it could exclude up to 40% of the current case load. For example, a simple receipt of an illicit good could be broken down into both possession and importation—two offenses—yet in fact, but a single transaction occurred. See, e.g., *United States* v. *Buscaro,* 742 F.2d 1335, 1360–63 (11th Cir.) (1984) cert. denied, 105 S. Ct. 3476 (1985). Absent some threat of continuing behavior, that result would make "the [RICO] net . . . too large and the remedies disproportionate to the gravity of the offense." S. Rep. No. 91–61, 91st Cong. 1st Sess. 158 (1969). As such, it reflects the reasoning of *United States* v. *Moeller,* 402 F. Supp. 49, 57 (D. Conn. 1975) (burning of plant and kidnapping one episode), except that it, unlike *Moeller,* might apply where multiple victims were involved. It also recognizes that a threat of continuity might be inferred, not only from the character of the acts (e.g., extortion), but also from the purpose for which they were committed, (e.g., to facilitate commission of another offense) or the character of the enterprise (e.g., an ongoing criminal group). See, e.g., *Cowan* v. *Corley,* 814 F.2d 223, 227 (5th Cir. 1987) (threat from formation and execution of illegal association); *United States* v. *Watchmaker,* 761 F.2d 1459, 1475 (11th Cir. 1985) (simultaneity of shooting of police officers by criminal gang did not preclude a finding of a threat of continuity); *United States* v. *Brooklier,* 685 F.2d, 1208, 1217 (9th Cir. 1982) (each payment in ongoing extortion scheme considered separately), cert. denied, 459 U.S. 1206 (1983). It would, therefore, exclude from consideration in finding a pattern acts that are of jurisdictional significance only, such as the use of the mails, interstate wire communications, or interstate travel. See *United States* v. *Feola,* 420 U.S. 671, 676 n.9 (1975); *Lipin Enterprises, Inc.* v. *Lee,* 803 F.2d 322, 325 (7th Cir. 1986) (Cudahy, J. concurring).

The exclusion from pattern of acts comprising a single episode, where appropriate, is consistent with prosecutive guidelines of the Department of Justice. RICO Guidelines 9–110.340 (June 13, 1983). It reflects the recommendations of the National Association of Attorneys General and the National District Attorney's Association. It also reflects the policy recommendations of the RICO Committee Report at 36–37 and the Corporations Report at 208.

Section 4. Sections 4 of the Act extensively amends 18 U.S.C. 1984–65, which set out the civil procedures and sanctions under RICO. A number of the amendments included in the amended Act had the support of the Senate, the Department of Justice, and the American Bar Association in 1972 and 1973. See S.16 2d Cong., 2nd Sess. (1972) passed by Senate, 118 Cong. Rec. 29379 (1972); S.13, 92nd Cong., 2nd Sess. (1973) passed by Senate, 119 Cong. Rec. 10319 (1973); Victims of Crime: Hearings on S.16, etc., Before the Subcommittee on Criminal Laws and Procedures of the Senate Committee on the Judiciary, 92nd Cong., 1st Sess. (1972) (testimony of the Department of Justice at 4–5, 158; testimony of the ABA at 439–91) (1972 Hearings). They were considerd, but not finally acted upon in the House. The amended Act's new provisions will clarify and strenghen RICO; they will also guard against its abuse in civil litigation by private parties.

The Acts new amendments to RICO clarify and strengthen in it nine ways. First, it could be contended in light of *United States* v. *Cooper Corp.,* 312 U.S. 600, 614 (1941) (United States not "person" within antitrust statutes) that the government is not a "person" with 18 U.S.C. Section 1961(3). It was, unsuccessfully, contended in *United States* v. *Barnett,* No. 85–754–Civ–S. 16. The redrafted provisions in new subsection (d) settle that dispute by creating a separate claim for treble damage relief for the government. In 1972 and 1973, these provisions had the support of the Senate, the Department of Justice and the ABA. 1972 Hearings at 4–5, 158, 489–91 (actual damages).

No doubt exists that government corporations can sue under present law. Compare *United States* v. *General Electric Corp.,* 209 F. Supp. 197 (E.D. pa. 1962) (Tennessee Valley Authority and price fixing) with *Federal Deposit Insurance Corp.* v. *Hardin,* 608 F. Supp. 348 (N.D. Tenn. 1985) (bank fraud under RICO). No need exist to clarify RICO in this area.

Second, it could be contended in light of *Hawaii* v. *Standard Oil Co. of California,* 405 U.S. 251, 257–66 (1972) (no parens patriae suits under antitrust statutes) that a state could not bring an action under RICO as parens patriae in behalf of its victimized citizens. See *People of State of Illionois* v. *Life of Mid America Insurance* Co., 805 F.2d 763, 767 (7th Cir. 1986) (no parens patriae under RICO). The redrafted provisions in new subsection (L) assure that parens patriae suits may be brought. They are modeled on, but not identical to Title III of the Hart-Scott-Rodino Antitrust Improvements Acts of 1976, 90 Stat. 1394, which authorizes parens patriae under the antitrust statutes. The ability of state attorneys general to bring such suits will sharply increase the probability that civil suits will be brought against individuals and organizations, particularly in the organized crime area, that a private litigant acting alone might be reluctant to sue.

Third, the text and decisions under RICO limit damages to injury to business or property. 18 U.S.C. Section 1964 (c); Callan State Chemical Mef. Co., 584 F. Supp. 619, 623 (E.D. Pa. 1984) (no personal injury). In addition, the decisions under RICO are split on the issue of the recovery of indirect rather than direct injury. Compare *Cenco, Inc.* v. *Seidman and Seidman,* 686 F.2d 449, 457 (7th Cir.) (injury must be direct), cert. denied, 459 U.S. 880 (1982) with *Alexander Grant and Co.* v. *Tiffany Industries, Inc.,* 742 F.2d 408, 413 (8th Cir. 1984) (injury may be indirect), reversed on other grounds, 105 S. Ct. 3550 (1985), reinstated, 770 F.2d 717 (8th Cir. 1985), cert. denied, 106 S. Ct. 799 (1986). The redrafted provisions in new subsection (e) provide for the recovery of all types of personal injuries, excluding only pain and suffering, where they are caused by a crime of violence. 18 U.S.C. § 16. The recovery of personal injuries, particularly those of a physical nature, is consistent with the inclusion of violent crimes among the predicate offenses. The exclusion of pain and suffering removes an item that is not easily calculated and is off-set by the authorization of the recovery of treble damages. The redrafted provisions in new subsection (e) also settle the dispute on indirect injuries by authorizing the recovery of indirect injuries. There is no intention, however, to disturb the normal standing rules applicable to who may assert a damage claim. See, e.g., *Warren* v. *Mfg. National Bank,* 759 F.2d 542, 544 (6th Cir. 1985) (shareholder lacks standing to prosecute RICO claim of corporation). Finally, the rule that damages are not limited to competitive or distinct injury is codified. *Sedima, S.P.R.L.* v. *Imrex* Co., *Inc.,* 373 U.S. 479, 495–99 (1985) (not limited to competitive or distinct injury); *Marshall & Ilsley Trust Co.* v. *Pate,* 819 F.2d 806, 809 (7th Cir. 1987) ("some or all of the activities"). The amended act would also provide for life imprisonment where death results. See 18 U.S.C. § 242.

Twenty-seven states have adopted RICO-type legislation. Ariz. Rev. Stat. Section 13–2301–16 (1978 & 1984–85 Supp.); Cal. Penal, Code Sections 186–186.8 (Werst Supp. 1985); Colo. Rev. Stat. Sections 18–17–101–109 (Supp. 1984); Conn. Gen. Stat. Ann. Sections 53–393–403 (Supp. 1984); Del. Code Ann. Tit. 11 Sections 1501–11 (1986); Fla. Stat. Ann. Sections 895.01–05 (West supp. 1983); Ga Code Ann. Sections 26–3401–14 (1983); Hawaii Rev. Stat. Sections 842–1–12 (1976); Idaho Code Sections 18–7801–05 (Supp. 1984); Ill. Rev. Stat. Ch. 56–½ Sections 1651–60 (Smith-Hurd Supp. 1984–65) (limited to narcotics); Ind. Code Ann. sections 35–45–6–2, 34–4–30.5–1–6 (Burns Supp. 1982); La. Rev. Stat. sections 15:1351–56 (West 1985) (limited to narcotics); Miss. Code Ann. Sections 97–43–1–11 (Lawyer Co-op 1984); Nev. Rev. Stat. Sections 207.350.520 (1983); N.J. Stat. Ann. Sections 20:41 6.2 (West Supp. 1982); N.M. Stat. Ann. Sections 30–42–1–6 (Michie Supp. 1980); N.Y. Penal Code Section 460.00 *et seq.* (1986); N.C. Gen. Stat. Section 75–D–1–14 (1986); N.D. Cent. Code Sections 12.1–06.1.08 (Smith Supp. 1983); Ohio Rev. Stat. Ann. sections 2923.31–36 (Page 1986); Or. Rev. Stat. Sections 166–715–35 (1981); 18 Pa. Cons. Stat. Section 911 (Pardon 1983); R.I. Gen. Laws. Sections 7–15–1–11 (Michie Supp. 1983); Tenn. Code Ann. Section 39–1–1001 (1986) (limited to narcotics); Utah Code Ann. sections 76–10–1601–1608) (Smith Supp. 1983); Wash. Rev. Code Ann. Sections 9A.82–010–901 (West Supp. 1985); Wis. Stat. Ann. Sections 946–80–87 (West Supp. 1984–85).

No State explicitly denies damages relief. New York, Tennessee, Pennsylvania, California, and Connecticut are silent. Hawaii, Rhode Island, New Jersey, and Nevada provide for damages to business or property; the rest (16) cover all injuries. Hawaii does not provide for multiple damages; Wisconsin provides for double damages; the rest (18) provide for treble damages. Georgia, Indiana, Utah, Oregon, Wisconsin, and Mississippi provide for multiple damages and punitive damages. The Act follows the language of the Ohio statute, which is one of the more recently enacted provisions.

Fourth, the decisions are currently split under RICO on question of the ability of a private litigant to obtain other than treble damage relief. Compare *Chamber Development Co., Inc.* v. *Browning-Ferris Industries,* 590 F. Supp. 1528, 1540–41 (W.D. Pa 1984) (yes) with *Religious Technology Center* v. *Wollersheim,* 796 F.2d 1076 (9th Cir. 1986) (no) cert. denied, 107 S. Ct. 1336 (1987). The redrafted provisions in new subsection (c) settle that dispute by creating a separate provision for a full range of equity-type relief for private parties. They codify the general rule that irreparable injury or inadequacy of the remedy at law need not be shown, where a statute is the basis for equity relief. See, e.g., *Atchison Topeka and Santa Fe Ry.* v. *Lennen,* 640 F.2d 255, 259–60 (10th Cir. 1981). The provisions of the Act follow the reasoning of *Mishkin* v. *Kennedy and Branisel, Inc.,* 609 F. Supp. 1254, 1255–57 (S.D.N.Y. 1985) (equity relief available to prevent dissipation of assets to secure money damages) and reject the reasoning of *Ashland Oil, Inc.* v. *Gleave,* 540 F. Supp. 81, 84 (W.D.N.Y. 1982) (not available except as legal attachment). As such, they specifically recognize that equity, relief is proper apart from the issue of attachment to monitor the transfer of assets that might defeat the recovery of money damages. See e.g., *F.D.I.C.* v. *Antonio,* 649 F. Supp. 1352, 1354 (D. Colo. 1987). Unless a plaintiff can obtain such relief, it may well be that nothing will be left after judgment to make the victim whole, particularly in the organized crime area or in the white collar crime area where the defendant does not have substantial roots in the community. See generally *Deckert* v. *Independence Shares Corp.,* 311 U.S. 282, 288–90 (1940) (status quo injunction upheld under securities act); *Foltz* v. *U.S. News and World Report,* 760 F.2d 1300, 1309 (D.C. Cir. 1985) (same under ERISA); *Lynch Corp.* v. *Omaha National Bank,* 668 F.2d 1208, 1211–12 (8th Cir. 1981) (same generally); *Productos Carnic, SA.* v. *Central American American Beef and Sea Food Trading* Co., 621 F.2d 683, 685 (5th Cir. 1980) (same under securities act). A bond must be posted to protect the rights of the defendant, except where the applicant is a State or territory of the United States. With the exception noted, these provisions reflect the recommendations of the National Association of Attorneys General, the National District Attorneys Association, the RICO Committee Report at 96–98, 113–14 (permanent injunctive relief recommended, but limited to restrain future violation), and the Corporation Report at 341 (preliminary equity relief only recommended subject to traditional standards; permanent injunctive relief recommended, but limited to restraining future violations). In 1972-73, these provisions had support of the Senate, the Department of Justice, and the ABA. 1972 Hearings at 4-5, 158, 489-91.

No State explicitly denies equitable relief to the government or private parties. New York, Tennessee, Pennsylvania, California and Connecticut are silent on private equitable relief. The Act follows the language of the Ohio statute, which is one of the more recently enacted provisions.

Fifth, the decisions under RICO reflect the rule that in a civil proceeding the burden of proof is by a preponderance of the evidence. *United States* v. *Cappetto*, 502 F.2d 1351, 1357-58 (7th Cir. 1974) (government civil suit), cert. denied, 420 U.S. 925 (1975); *Alcon County, Miss.* v. *U.S. Interstate Supplies, Inc.*, 731 F.2d 1160, 1169 (5th Cir. 1984) (private civil suit). That rule reflects the 1970 legislative history of RICO. See *Sedima S.P.R.L.* v. *Imrex Co., Inc.*, 473 U.S. 479, 491 (1985). The redrafted provisions codify that rule. They follow the recommendations of the National Association of Attorneys General and the National District Attorney Association. They also reflect current law in other areas where criminal and civil and public and private suits may be brought. *Herman and MacLean* v. *Huddleston*, 459 U.S. 375, 388 (1983) (securities fraud); *Ramsey* v. *UMW*, 401 U.S. 302, 307-11 (1971) (anti-trust). They reject the recommendation of the RICO Committee Report at 110-11 (majority recommendation for clear and convincing; minority recommendation for preponderance of the evidence) and the Corporations Report at 384 (beyond a reasonable doubt). Arizona, Indiana, Utah, North Dakota and Washington provide that the burden of proof in all civil actions or proceedings is preponderance of the evidence. Wisconsin provides that it is reasonable certainty. Ohio provides that it is clear and convincing in a damage action, but preponderance in an equity proceedings. The rest (20) are silent.

Sixth, RICO has been interpreted to preclude recovery of counsel fees where litigation is settled. *Aetna Casualty and Surety Co.* v. *Liebowitz*, 730 F.2d 905, 907 (2d Cir. 1984). The redrafted provisions provide for costs of the action, including counsel fees in the trial appellate courts, for a plaintiff which substantially prevails. As such, they follow the general rule under other federal statutes. New York, Tennessee, Pennsylvania, California and Connecticut are silent on counsel fees and costs. The rest (22) provide for counsel fee and costs.

Seventh, it could be argued that prejudgment interest cannot be recovered under RICO, except where it represents as such an element of damages, since RICO authorizes multiple damage relief. See *United States* v. *Foster Wheeler Corp.*, 447 F.2d 100, 102 (2d Cir. 1971) (prejudgment interest not awarded under double damage provision for fraud under False Claims Act). The redrafted provisions settle this dispute by authorizing in new subsection (n) prejudgment interest under stated guidelines. The provisions are modeled on, but are not identical to Title III of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 90 Stat. 1394, which authorizes prejudgment interest under the antitrust statutes.

Eighth, the redrafted provisions in new subsection (o) codify the results in *Summers* v. *Federal Deposit Insurance Corp.*, 592 F. Supp. 1240, 1243, (W.D. Okla. 1984) (treble damages do not survive bankruptcy beyond actual damage against receiver) and *State Farm Fire and Casualty* Co. v. *Estate of Caton*, 540 F. Supp. 673, 683-85 (N.D. Ind. 1982) (treble damages do survive against estate of dead perpetrator).

Ninth the redrafted provisions extend RICO's service of process provisions for summons and subpoena to parties and witnesses who are outside the United States. As such, they remedy the defect identified in *Nordic Bank D.L.C.* v. *Trend Group, Ltd.*, 619 F. Supp. 542, 564 (S.D.N.Y. 1985) (absent statute, no foreign service of summons) and *Soltex Polymer Corp.* v. *Fortex Industries, Inc.*, 590 F. Supp. 1453, 1458-60 (E.D.N.Y. 1984) (same). They reflect current securities law. See e.q., *Bersch* v. *Drexel Firestone, Inc.*, 519 F.2d 974, 998-1000 (2d Cir. 1979); see also, *Hanson* v. *Dencla*, 357 U.S. 235, 253 (1958); *SEC* v. *Kasser*, 548 F.2d 109, 116 (3d Cir. 1977) ("United States must not be permitted to become a "Barbary Coast" (for fraud)"), cert. denied, 431 U.S. 938 (1977).

The Act's new amendments to RICO guard against its abuse in civil litigation by private parties in nine ways. First section 2, noted above, removes the "racketeer" label from litigation based solely on "fraudulent activities."

Second, section 3, noted above, defines "pattern," guaranteeing that RICO cannot be, where inappropriate, applied to isolated or sporadic conduct.

Third, the redrafted provisions in new subsection (j) explicitly exclude from RICO private litigation that is based on fraudulent activities and primarily constitutes a complaint in four areas:

(1) domestic relations,

(2) products liability,

(3) decedents estates, and

(4) a landlord-tenant dispute.

The redrafted provisions also exclude labor disputes.

The exclusion of domestic relations reflects a long standing federal policy. See *Ohio ex rel Popovici* v. *Agler*, 280 U.S. 379, 384 (1930) (despite exclusive federal jurisdiction over consuls, state had to hear divorce action); Exparte Burrens, 136 U.S. 586, 593-94 (1980) (despite federal habeas corpus jurisdiction, writ to obtain custody of child void); *Barber* v. *Barber*, 62 U.S. 21 How.) 582, 584 (1858) (despite diversity jurisdiction, divorce may not be heard in federal court). Products liability litigation is expressly excluded, since it rests on theories of strict liability not encompassed within the theories of mens rea or criminal responsibility under RICO's predicate offenses. The provision of treble damages makes little sense, except where the responsibility of the defendant is based on a theory of fault rather than social insurance. The exclusion codifies the result in *Campbell* v. *A.H. Robins Co., Inc.*, 615 F. Supp. 496, 501 (W.D. Wis. 1985) (RICO does not include products liability). The exclusion of decedents estates also codifies long standing federal policy. *Markham* v. *Allen*, 326 U.S. 490, 494 (1946) (federal court may not exercise general jurisdiction over probate proceeding); cf *Case of Broderick's Will*, 88 U.S. (21 Wall) 503, 517 (1874) (despite diversity jurisdiction, probate of will was not heard in federal court). The exclusion of landlord-tenant disputes removes from RICO an area of civil litigation where the potential benefit of individual cases is outweighed by the potential detriment of the volume of litigation. Where a systemic problem exists, it can be handled by the government or a state attorney general in a *parens patriae* suit. Finally, the exclusion of labor disputes similarly codifies longstanding federal policy. See Norris LaGuardia Act of 1932, 47 Stat. 70; Clayton Act of 1914, 38 Stat. 730; *United States* v. *Hutcheson*, 312 U.S. 219 (1941); *WSB Electric Co.* v. *Rank and File Committee to Stop the 2-Gate System*, 103 F.R.D. 417, 420 (N.D. Cal. 1984) (RICO not applicable to labor dispute; Rule 11 sanctions imposed). The broad definition of "labor dispute" is taken from present law; the concept of "in connection with" has also been broadly interpreted. See *Supt. of Insurance* v. *Bankers Life and Casualty* Co., 404 U.S. 12-13 (1971) ("in connection with").

Fourth, the redrafted provisions in new subsection (k) set out certain pleading and notice rules. They apply to both plaintiff and defendants; they apply to claims, counter-claims, defenses, and other papers. Verification is required. The responsible attorney must be identified. Averments of fraud, coercion, agency, respondent superior, accomplice or conspiracy liability must be pleaded with particularity. The verification and signature constitutes a certification that the paper has been carefully read that it is well grounded in fact and law and that it is not filed in bad faith. A violation of the verification or signature rule is subject to sanction.

Verification and particularity are now required under federal law in Rule 23.1, Federal Rules of Civil Procedure (derivative actions by shareholders). Fraud, too, must be pleaded with particularity. Rule 9(b), Federal Rules of Civil Procedure. Decisions extend the requirement of particularity to conspiracy. *Slotnick* v. *Garfinkle*, 632 F.2d 163, 165 (1st Cir. 1980).

Under Rule 11 Federal Rules of Civil Procedure, violations of the Rules are subject to sanctions, which have been imposed in RICO litigation. Compare *Financial Federation, Inc.* v. *Ashkanazzy*, (1984) Fed. Sec. L. Rep. (CCH) 91, 489 (D.C. Cal. 1983) (award of $150,000 in attorneys fee for bad faith commencement and maintenance of RICO action), vacated and remanded, 742 F.2d 1461 (9th Cir. 1984), reinstated in unpublished opinion with *Miller* v. *Affiliated Financial Corp.*, 600 F. Supp. 987, 990-92 (N.D. Ill. 1984) (sanction for assertion of frivolous defense of RICO action). Since 1983, when Rule 11 was redrafted and strengthened, nearly 200 requests for sanctions have been reported. About half of the requests have been granted. Sanctions, in short, can work to curtail improper litigation.

The redrafted provisions codify these rules and extend them to coercion, agency, respondent superior, and accomplice liability under RICO *See* 1 U.S.C. Section 1 ("whoever" includes entities); 18 U.S.C. Sections 2 (aid and abet); 371 (conspiracy), 1961 (3) ("person" includes entities), which expressly contemplate such liability under RICO. See *New York Cent. & H.R.R.* v. *United States*, 212 U.S. 481, 493-95 (1909) (corporate criminal responsibility based on conduct of agent or employee); *United States* v. *Illinois Cent. R.R.*, 303 U.S. 2349, 244 (1983) (corporate criminal responsibility based on duty imposed by statute); *United States* v. *A & P Trucking Co.*, 350 U.S. 121, 125-27 (1958) (same partnership); *United States* v. *Adams Express Co.*, 229 U.S. 381, 389-90 (1913) (same joint stock company).

These provisions reflect the concern of members of the business community, particularly the professions, that private plaintiffs are filing civil RICO claims, especially in the fraud area, without proper consideration of the facts and law. Concerns of the business community are expressed most strongly by those whose liability is alleged to be derivative or vicarious. These provisions, however, are drafted in an even-handed fashion; they apply to all litigants and all sides of all issues. With the exception noted, the provisions reflect the recommendations of the National Association of Attorneys General, the National District Attorneys Association, and the RICO Committee Report at 125-29 (majority recommendation for sanctions; minority recommendation for treble costs).

Fifth, the redrafted provisions in new subsection (g) requires private litigants who file RICO claims or counter-claims to notify the Attorney General, who is given authority to specify by regulations how that notice has to be effected. The provisions envision that the notices could be as full as requiring the actual papers to be filed with the Attorney General, so that they could be reviewed on a comprehensive basis, or as minimal a basis as the mailing of a computer card, so that data could be collected for a review limited to selective monitoring. Initially, a strategy of comprehensive review might be wise; eventually, mere data collection might be sufficient. The Attorney General is given explicit authority to intervene to bring to the court's attention public policy concerns and to seek in his own right any appropriate relief. Through this mechanism, review can be achieved of private litigation that might otherwise unwisely proceed and advocate legal positions inconsistent with the orderly development of the law.

These provisions reflect Arizona law and procedure.

Sixth, the redrafted provisions in new subsection (f) provide for the award of treble costs, including reasonable attorneys fees, for the filing of, or the continuation of, any claims, counter-claims, defense, or any other legal or factual position in civil RICO litigation that is frivolous or in bad faith. The authorization of an award for treble actual cost is made subject to an exception of special circumstances, including relative economic positions of the parties that would make the award unjust. The exception is modeled on, but not identical to Ohio law. Current law provides for the award of counsel fees for frivolous suits. *Gordon* v. *Heimann*, 715 F.2d 531, 537-39 (11th Cir. 1983) (inherent power, Rule 11, and 28 U.S.C. Section 1927); *Taylor* v. *Bear Stearns and* Co., 572 F. Supp. 667, 683 (N.D. Ga. 1983) (Rule 11 and 28 U.S.C. Section 1927). Treble damages are needed under RICO to reflect the accumulative harm occasioned by its violation, to deter the deliberate wrongful conduct prohibited by it, and to give plaintiffs adequate incentive to act as private attorneys general. See generally Note, Treble Damages Under RICO: Characterization and Computation, 61 Notre Dame Law Rev. 526, 533-34 (1986). Similarly, both plaintiffs and defendants must be protected from frivolous or bad faith tactics that initiate, continue, or resist civil RICO litigation. Treble costs, including attorneys fees, constitutes an appropriate sanction to remedy and deter such abuse. These provisions complement, but go beyond new subsection (k), noted above, which focuses on pleading abuse; they go to the underlying basis of the litigation itself. As such, they also reflect the concern that private litigants are filing or defending RICO claims improperly.

Seventh, the redrafted provisions in new subsection (n) provide for issue and claims preclusion between criminal and civil actions or proceedings. They are intended to extend these principles under current law as far as due process permits. Consistent with the Constitution, litigation ought not be needlessly multiplied. No one ought to have to bring or defend more litigation than is necessary. Each person ought to have a day in which to be heard—but not more than a day—consistent only with basic fairness. Abuse here, too, need a remedy to vindicate the concept of finality.

Eighth, the redrafted provisions in new subsection (l) codify the rule that permits arbitration of RICO claims; it modifies it where the elements are not based solely on "fraudulent activity." See generally *Shearson/American Express, Inc.* v. *McMahon*, 107 St. Ct. 2332 (1987). Other RICO claims, the elements of which are not solely based on "fraudulent activity," or are based on "fraudulent" and "racketeering" activity, would not be subject to arbitration. "Fraudulent activity" alleged under RICO constituting a violation of the Securities Act of 1933 would be subject to arbitration. The provisions apply to private litigants, other than States or units of local government. The provisions give issue and claim preclusion effect to the arbitration under the due process standard articulated in *Parkland Hosiery Co.* v. *Shore*, 439 U.S. 322 (1979). The recovery of costs, including counsel fees, are mandated for plaintiffs who substantially prevail in the arbitration proceeding or any related judicial proceeding to enforce or vindicate the agreement to arbitrate or the arbitration award itself.

Under the redrafted provisions, RICO claims based solely on fraudulent activity would be subject to arbitration; RICO claims not based solely on fraudulent activity would not be subject to arbitration. Otherwise, the usual rules would obtain. Where the underlying elements of a RICO claim are adversely determined in an arbitration proceeding, for example, issue or claim preclusion effect may be given to the determination. *Greenblatt* v. *Drexel Burnham Laubert, Inc.*, 763 F.2d 1352, 1361-62 (11th Cir. 1985). But see *Sports Factory, Inc.* v. *Chanoff*, 587 F. Supp. 342, 346 (E.D. Pa. 1984) (arbitration award not accompanied by findings of fact not given preclusion effect, but used to prevent claim splitting). The relief that can be granted in the arbitration proceeding is determined by the intent of the parties. *In Re Farkar* Co. *and Handson Disc, Ltd.*, 583 F.2d 68, 71-72 (2nd Cir. 1978), rehearing denied, 604 F.2d 1 (2nd Cir. 1979) (no consequential damage provision in agreement not unconscionable and enforceable in arbitration); *Willoughby Roofing & Supply Co., Inc.* v. *Kajima Int'l Inc.*, 598 F. Supp. 353, 357-64 (N.D. Ala. 1984) (award of punitive damage matter of intent and federal law); *Sports Factory, Inc.* v. *Chanoff*, 586 F. Supp. 342, 348 (E.D. Pa. 1984) ("nothing to prevent plaintiff requesting [RICO treble] damages from arbitration"). But see *Garrity* v. *Lyle Stuart, Inc.*, 40 N.Y. 2d 354, 386 N.Y.S. 2d 831, 353 N.E.2d 793 91976) (punitive damages matter for courts only without regard for intent of parties). A general claim of fraud is subject to arbitration, *Scherk* v. *Alberto Culver* Co., 417 U.S. 506 (1974), except where it goes to the agreement to arbitrate itself, *Prima Paint Corp.* v. *Flood & Conklin Mfs. Co.*, 388 U.S. 395, 404 (1967), *Moseley* v. *Electronic Missile Facilities, Inc.*, 374 U.S. 167, 171 (1963); *S.A. Mineracao DA Trindade-Samitri* v. *Utah Int'l, Inc.*, 745 F.2d 190, 195 (2nd Cir. 1984), affirming, 578 F. Supp. 566, 569-73, 574-76 (S.D.N.Y. 1983) (RICO claims not subject to arbitration, modified, 579 F. Supp. 1049 (S.D.N.Y. 1983) (stay order certified under 28 U.S.C. Section 1292 (b)); *In Re Oil Spill by Amoco Cadiz*, 659 F.2d 789, 794 (7th Cir. 1981) (tort claim of fraud not amounting to inducement to arbitrate within agreement to arbitrate). These general rules are not disturbed by the new amendments.

The new provisions reflect the concern of members of the business community that private plaintiffs through RICO claims based on allegations of "fraudulent activity" are radically transforming ordinary commercial litigation. Since most commercial transactions are conducted through written contracts in which the parties may freely agree to arbitration, making them subject to arbitration coupled with issue and claim preclusion, even though RICO claims based soley on "fraudulent activity" are interposed, will take such transactions—and such claims—out of the federal courts and settled them quickly, economically, fairly and decisively. Accordingly, the impact of civil RICO on ordinary civil litigation will be largely left up to the negotiations of the parties.

Ninth, the redrafted provisions in new subsection (h) provide for a uniform statute of limitations for RICO claims. RICO does not include a statute of limitations. The Supreme Court has applied to the statute the four year period of the anti-trust provisions. *Agency Holding Corp.* v. *Malley-Duff & Associates, Inc.*, No. 86-497, (Sup. Ct. Jun. 22, 1987). The cases also reflect the usual rules dealing with tolling (personal disabilities, duress and undue influence, fraud in the concealment, etc.) accrual, commencement, relation-back, survival and revival. See, e.g., *In Re Olympia Brewing Co. Securities Litigation*, 612 F. Supp. 1370, 1371-75 (N.D. Ill. 1985) (relation-back); *Creamer* v. *General Teamsters Local Union*, 579 F. Supp. 1284, 1290-91 (D.C. Del. 1984) (fraud in the concealment. These usual rules would not be disturbed.

The redrafted provisions provide for a uniform five year period, which is parallel to the general criminal statute. 18 U.S.C. section 3282 (five years). The period is suspended during government criminal and civil proceedings and for two years thereafter. The period runs from the termination of the unlawful conduct, that is, the investment or use (section 1962 (a)), the acquisition or maintenance (section 1962 (b)), the conduct or participation (section 1962 (c), or the conspiracy (section 1962 (d)). Running the period of limitation from the termination of the conduct, or when it otherwise accrues, whichever is later, gives an adequate opportunity to determine that the claim is valid and fixes a clear point of reference within which an action may or must be brought. The phrase "cause of action accrues" preserves the usual rules on tolling, etc.

The inclusion of a uniform statute of limitations had the support of the Senate, the Department of Justice, and the American Bar Association in 1972-73. Hearings at 4-5, 158, 489-91. It also reflects positions of the National Association of Attorneys General, the National District Attorneys Association, the RICO Committee Report at 132-34 and the Corporation Report at 394.

Twelve states do not provide for a special period of limitation for RICO claims. Florida, Arizona, Georgia, New Jersey, Oregon, Wisconsin, North Dakota, Nevada, Louisiana, Mississippi, Washington, Ohio, Tennessee, Delaware and North Carolina provide a special period, which ranges from five to seven years. Arizona, North Dakota, Mississippi, and Washington do not provide for suspension pending criminal proceedings; the rest (8) suspend for criminal proceedings.

The Act follows the language of the Ohio Statute, which is one of the more recently enacted provisions.

The Act does not adopt the recommendation of some members of the business community that private civil RICO litigation be made subject to a showing of a prior criminal conviction. Such a requirement would have a substantial adverse impact of criminal prosecutions, as noted by the Supreme Court in *Sedima, S.P.R.L.* v. *Imrex Co., Inc.*, 473 U.S. 479, 493 n.9 (1985) (no criminal conviction required before a civil RICO suit). It would destroy the practical effectiveness of the private attorney general concept embodied in and essential to the design of RICO. Not unexpectedly, it would be unprecedented in Federal law. See, e.g., *Standard Sanitary Mfg. Co.* v. *United States*, 226 U.S. 20, 52 (1912) (a conviction requirement would "take from the [antitrust] statute a great deal of its power"); *McSweeney* v. *Utica Fire Ins. Co.*, 224 F.2d 327, 328 (4th Cir. 1955) (acquittal not bar to civil suit to prove arson); *Burns* v. *United States*, 200 F.2d 106, 107 (4th Cir. 1952) (acquittal not bar to civil suit to prove murder); Uniform Probate Code section 2-803(e) (1983) (conviction for murder not required and killing may be shown by preponderance of the evidence). Finally, it would give to State legislatures whose RICO Acts are based on the Federal model unwise leadership. As such, the Act follows the former recommendations of the Department of Justice and the current recommendations of the National Association of Attorneys General, the National district Attorneys Association, the RICO Committee Report at 99-105 and the Corporation Report at 238.

Most, if not all, of the abuses of civil RICO by private litigants cited by the business community will be alleviated or eliminated by the new amendments of RICO without radically altering the design of the private enforcement mechanism of the 1970 Act. Finally, if the criminal conviction limitation were adopted, the business community, as well as governmental and other entities and private individuals, would be deprived of the substantial benefit of civil RICO. Accordingly, the criminal conviction limitation was not adopted.

Section 5. Section 5 of the Act provides for cost of prosecution and investigation.

Section 6. Section 8 of the Act expresses the sense of Congress that the National Association of Attorneys General form a State RICO Committee that will promulgate advisory guidelines on the use of Federal civil RICO by State and local units of government that will reflect the general principles, suitably modified, that are embodies in the RICO guidelines successfully employed by the Department of Justice. It is recognized that the guidelines cannot be binding; it is recognized, too, that the Association has already announced the formation of such a Committee. Nevertheless, it is felt that the expressing Congress' sense would go a long way toward assuring the responsible exercise of discretion by legal officers at the State and local level of government. Absent such an expression, the fears expressed in *Illinois Dept. of Revenue* v. *Phillips*, 771 F.2d 312, 317 (7th Cir. 1985) of the unwise use of Federal civil RICO by the States might be realized.

Section 7. Section 7 of the Act assures that the proper construction of RICO will not continue to be in dispute in six separate ways. As such, the Act resolves a number of major issues now in litigation in the courts, several of which have already resulted in splits in the circuit courts of appeal or between state appellate courts. These disputes are important to the administration of RICO. Eventually, they would have to be resolved by the Supreme Court. Nearly one-third (45) of the Supreme Court's already crowded docket is taken up with resolving intercircuit conflicts. Another equal number of requests for review are denied for want of time to hear them. Time and expense in litigation can be saved by their authoritative resolution now by the Congress.

First, the Act sets aside the results of a line of cases that hold that, without regard to the circumstances, a person may not be an enterprise and a defendant in the same count of an indictment or complaint for criminal responsibility or civil liability. The cases are collected in *Bennett* v. *United States Trust Co. of New York*, 770 F.2d 308, 314-15 (23nd Cir. 1985), cert. denied, 108 S. Ct. 800 (1986). The Ninth Circuit has handed down inconsistent opinions. Compare *United States* v. *Washington*, 725 F.2d 807, 822 n.21 (9th Cir. 1986) (be both) with *Rae* v. *Union Bank*, 725 F.2d 478, 480-81 (9th Cir. 1984) (not be both). The proposition is rejected in *United States* v. *Hartley*, 678 F.2d 961, 988 (11th Cir. 1982), cert. denied, 459 U.S. 1170 (1983). The rule reflects a technical reading of the language of 18 U.S.C. 1962 (1983). The rule reflects a technical reading of the language of 18 U.S.C. section 1962(c) that an enterprise cannot be "employed by or associated" with itself; it is also rooted in an unease at the prospect of holding an entity that is an enterprise liable where it is the "victim" of the pattern of unlawful conduct engaged in by a person employed by or associated with it. Neither justification supports the rule. The issue is not technically whether or not the enterprise may be "employed by or associated" with itself, but whether or not the conduct of a person who is employed by or associated with the enterprise may be attributed to the enterprise under the usual rules of agency or respondent superior. Those general rules, too, answer the other concern that underlies the rule. When the enterprise is the victim, the conduct of a person employed by or associated with it will not be attributed to it, for the person must not only act within the scope of his agency or employment, but also with intent to benefit his principal or employer. See, e.g., *United States* v. *Cincotta*, 689 F.2d 238, 241-43 (1st Cir.) cert. denied, 459 U.S. 991 (1982); *United States* v. *Local 560, IBT*, 581 F. Supp. 279, 332 n.30, 337 (D.C. NJ 1984), aff'd, 780 F.2d 267, 284 (3rd Cir. 1985), cert. denied, 106 S. Ct. 2247 (1986). In addition, the rule threatens to frustrate the chief purpose of RICO, when it is used to strike down indictments framed under a group enterprise theory. Compare, *United States* v. *Standard Drywall Corp.*, 617 F. Supp. 1283, 1292-94 (S.D.N.Y. 1985) (corporation cannot be defendant and one of a group constituting an enterprise) with *Fustok* v. *Conticommodity Services, Inc.*, 818 F. Supp. 1074, 1075-78 (S.D.N.Y. 1985) (corporation can be defendant and one of a group constituting an enterprise). If the rule were applied to the association in fact theory in a prosecution of an organized crime family, it would abort the prosecution. Accordingly, the Act sets aside the rule. As such, it reflects the recommendation of the Corporation Report at 377.

Second, the Act sets aside the result of *United States* v. *Ivic*, 700 F.2d 51, 59-65 (2nd Cir. 1983) (Croatian nationalist terrorists violence conviction under RICO reversed because no financial motive shown). While RICO was intended to attack the infiltration of legitimate business by organized crime, it was not limited to that purpose; it was designed to apply to any form of sophisticated criminal group engaging in specified kinds of activities, including violence, without regard to the motive of the perpetrators. Motive may be relevant, but no showing of a particular kind of motive ought to be required. *Ivic* effectively eliminates RICO's application to organized crime related violence not specifically tied to its money making endeavors; it also makes its application problematic to other violence based conspiracies, including international terrorists organizations and domestic anti-Semitic or white hate groups. Accordingly, *Ivic* is set aside. As such, the Act follows the recommendation of the RICO Committee Report at 58-59. See generally *United States* v. *Bagaric*, 706 F.2d 42, 53-55 (2nd Cir.) (*Ivic* distinguished and criticized), cert. denied, 464 U.S. 840 (1983) for a critique of the policy objections to the *Ivic* holding.

Third, the Act assures that jurisdiction to hear civil RICO claims will be a matter exclusively assigned to the Federal courts. RICO did not specifically deal with the issue of exclusive jurisdiction. The issue has been litigated. See *County of Cook* v. *Midcon Corp.*, 773 F.2d 892, 905 n.4 (7th Cir. 1985) (issue noted, cases reviewed, but question not resolved). The state appellate courts, moreover, have not uniformly resolved how to treat efforts to bring federal civil RICO cases in state forums. Compare *Cianci* v. *Superior Court of Contra Costa County*, 221 Cal. Reptr. 575, 710 P.2d 375 (1985) (not exclusive in Federal Courts) with *Main Rusk Associates* v. *Interior Space Constructors, Inc.*, 699 SW.2d 305, 307 (Texas Ct. of App. 1985) (exclusive in federal courts); *Greenview Trading Co., Inc.* v. *Hershman & Leichner, D.C.*, 108 App. Div. 2d 468, 498 N.Y.S.2d 502 (1st Dist. 1985) (same) and *Crowson* v. *Sealaska Corp.*, 705 P.2d 905, 907 (Alaska 1985). The Act resolves this dispute by requiring that civil RICO be construed to be exclusive in the Federal courts.

Fourth, the Act sets aside the result of a line of cases that permits the showing of an enterprise to consist of no more than the showing of a pattern of predicate offenses. The showing of the existence of the enterprise ought to include a showing of a distinct structure beyond that merely required for the commission of the predicate offenses. Compare *United States* v. *Bledsoe*, 674 F.2d 647, 659-65 (8th Cir.) ("distinct" structure), cert. denied, 495 U.S. 1040 (1982); *United States* v. *Riccobene*, 709 F.2d 214, 223-224 (3rd Cir.) (*Bledsoe* followed), cert. denied, 464 U.S. 849 (1983) with *United States* v. *Mazzei*, 700 F.2d 85, 87-90 (2nd Cir.) (*Bledsoe* rejected), cert. denied, 461 U.S. 945 (1983); and *United States* v. *Cagnina*, 697 F.2d 915, 921 (11th Cir.) (*Bledsoe* rejected), cert. denied, 464 U.S. 856 (1983). Otherwise, the concept "enterprise"—a separate distinct element of the offense relating to the existence of an entity—would be reduced to a mere conspiracy or merged with the concept of a "pattern" of predicate offenses, which is a separate and distinct element of the offense relating to the commission of individual offenses. See *United*

*States* v. *Turkette*, 452 U.S. 576, 583 (1981). As such, the Act is consistent with the recommendations of the Corporation Report at 182. It reflects prosecutive guidelines of the Department of Justice. RICO Guidelines 9-110.360 (June 13, 1983).

Fifth, the Act sets aside the result of a line of cases that requires a showing that each person named as a defendant in an indictment or complaint commit, or agree to commit, personally the minimum number of acts required to constitute a pattern. The rule originated in dictum in *United States* v. *Elliot*, 571 F.2d 880, 903 (5th Cir.), cert. denied, 439 U.S. 953 (1978), where it was used as a rule of evidence, that is, from the commission of the required number of acts, an agreement could be inferred to commit them. In *United States* v. *Martino*, 648 F.2d 367, 394 (5th Cir. 1981), reversed on other grounds, 681 F.2d 952 (5th Cir. 1982), reversed and affirmed on other gounds, *Russello* v. *United States*, 464 U.S. 16 (1983), the rule of evidence, however, was treated as a rule of law: absent a showing of the personal commission of the required number of predicate offenses, or an agreement to commit them personally, responsibility could not be established under RICO. As such, the rule was then adopted in other circuits. *United States* v. *Ruggiero*, 726 F.2d 913, 921 (2nd Cir. 1984); *United States* v. *Winter*, 663 F.2d 1120, 1136 (1st Cir. 1981). It has been rejected by other circuits *United States* v. *Adams*, 759 F.2d 1099, 1115-16 (3rd Cir. 1985), cert. denied 106 S. Ct. 275 U.S. (1986); *United States* v. *Alonso*, 740 F.2d 862, 870-72 (11th Cir. 1984), cert. denied, 105 S. Ct. 928 (1985); *United States* v. *Title*, 729 F.2d 615, 619-20 (9th Cir. 1984); *United States* v. *Carter*, 721 F.2d 1514, 1528-32 (11th Cir. (1984). Ironically, it no longer represented the rule in the Fifth Circuit. *United States* v. *Cauble*, 706 F.2d 1322, 1339 (5th Cir.1983), cert. denied, 104 S. Ct. 996 (1984). The Act would set aside the rule as inconsistent with traditional jurisprudence, which has long recognized aiding and abetting or conspiracy theories of responsibility without a requirement that the aider or abettor or the co-conspirator personally engaged in the substantive offense. See, e.g., *People* v. *Luciano*, 277 N.Y. 348, 361, 14 N.E.2d 433, 446 (1938) (Luciano, a founder of organized crime, did not take an active part in the management or daily operation of a prostitution business, "but he cannot escape his criminal responsibility as the leader and principal"), cert. denied, 305 U.S. 620 (1938). Yet, under the personal act rule, a leader of an organized crime family, like a Luciano, who keeps his hands "clean"—merely directing others—would not be criminally or civilly responsible for a RICO conspiracy or for violating RICO substantively by aiding and abetting. That result is indefensible. Accordingly, the Act sets aside the personal act or agreement rule. As such, it reflects the recommendations of the RICO Committee Report at 65.

Sixth, the Act sets aside the result of a line of cases that hold that RICO is a strict liability offense in regard to its RICO specific elements, that is, that no state of mind is required for a violation of RICO other than that required for the commission of the predicate offenses. See, e.g., *United States* v. *Scotto*, 641 F.2d 47, 55-56 (2nd Cir. 1980), cert. denied, 452 U.S. 961 (1981). These decisions have not commanded general acceptance. See, e.g., *United States* v. *Bledsoe*, 647 F.2d 647, 661 (8th Cir.) ("We express grave doubts as to the propriety of these holdings"), cert. denied, 459 U.S. 1040 (1982). The better reasoned approach is represented by *United States* v. *Elliot*, 571 F.2d 880, 906-07 (5th Cir.), cert. denied, 439 U.S. 953 (1978). The usual rules should obtain under RICO. State of mind is a question of legislative intent. *United States* v. *Bailey*, 444 U.S. 394, 402-09 (1980). It will generally be read into common law, but not regulatory offenses. Compare *United States* v. *Balint*, 258 U.S. 250, 251-52 (1922) (regulatory) with *Morissette* v. *United States*, 342 U.S. 246, 251 (1952) (common law). RICO is not a regulatory offense: it is more analogous to a common law offense. As such, conduct is usually held to be "knowing," while surrounding circumstances and results are usually held to be "reckless." No state of mind is generally required for elements that are of grading or jurisdictional significance only. *United States* v. *Feola*, 420 U.S. 671, 676 n.9 (1975). No presuasive reason can be offered for treating RICO as if it were not like other similar offenses requiring an appropriate showing of state of mind. Given its seriousness, it would be anomalous to treat RICO as a strict liability offense. Accordingly, the Act sets aside the contrary line of cases. As such, it reflects the recommendations of the American Bar Association. See RICO Committee Report at Appendix A, pp. 9-10; Corporation Report at Appendix B, pp. 2-10.

*Section 8.* Section 8 makes technical changes to conform RICO.

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[From the National Association of Attorneys General Spring Meeting]

### Resolution II.—RICO

Whereas, Congress enacted in 1970 the Racketeer Influenced and Corrupt Organization provisions (Title IX) of the Organized Crime Control Act;

Whereas, Title IX, which applies to patterns of racketeering activity involving personal violence, provision of illegal goods and services, corruption in private or public life, and various forms of fraud, also provides important criminal and civil sanctions to protect victims of patterns of racketeering activity, including:

criminal forfeiture of proceeds of racketeering activity;

criminal forfeiture of interests in enterprises;

equitable relief for the government;

equitable relief for victims of racketeering activity; and

treble damages, costs, and attorney's fees for victims of racketeering activity; and

Whereas, fraud against state and local government has a multi-billion dollar annual impact, and Title IX provides important sanctions in the area of fraud against state and local units of government; and

Whereas, twenty-seven states have enacted legislation patterned after Title IX, and other states are actively considering the passage of legislation patterned after Title IX; and

Whereas, state and local units of government have found that Title IX and state legislation patterned after it are effective and essential means of redressing wrongs;

Now, therefore, be it resolved that the National Association of Attorneys General:

(1) Reaffirms its support for the Federal RICO provisions and encourages states to enact legislation patterned on Title IX to strengthen criminal and civil sanctions, particularly in the area of fraud against the government, including:

appropriate new predicate offenses, such as murder-for-hire and bonds fraud;

a clarification of the federal statute to assure that private plaintiffs may obtain equity-type relief;

the clarification of the federal statute to assure that Attorneys General may bring *parens patriae* suits; and

the inclusion of recovery for personal injuries/or violent offenses.

(2) Opposes efforts in the U.S. Congress to repeal or weaken the provisions of Title IX, such as:

prohibiting suits by local units of government unless authorized by specific state statute;

providing that private suits for treble damages cannot be brought without a showing of prior criminal conviction under either RICO or a predicate offense;

prohibiting government corporations from bringing civil RICO suits except by using Department of Justice attorneys;

limiting the recovery of punitive damage relief to natural persons;

excluding the securities industry from punitive damage liability;

making retroactive changes in the measure of damages in pending litigation;

imposing an unduly short statute of limitations on civil suits;

imposing unduly restrictive pleading rules on civil RICO suits; and

adopting an unduly strict definition of pattern and reforming only the civil definition of pattern.

(3) Authorizes the RICO Working Group chaired by Attorney General Ken Eikenberry to monitor the RICO issue in the U.S. Congress and to speak on behalf of the Association; and

(4) Authorizes the Executive Director to transmit these views to the Administration, appropriate members of the Congress, and other interested organizations.

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### Resolution III—Hazardous Waste Violation as a Predicate Offense for RICO

Whereas, the increasing body of knowledge regarding the present and future adverse impacts on and serious endangerments of the public health, welfare and the environment which result from the improper handling and disposal of hazardous wastes has led and is continuing to lead to much-needed regulation of hazardous waste management and disposal practices; and

Whereas, the lawful and environmentally responsible management and disposal of hazardous wastes in compliance with federal and state laws and regulations results in costs which are often orders of magnitude higher than illegal dumping or other improper hazardous waste disposal practices; and

Whereas, the still-increasing cost differences between legal hazardous waste disposal practices which are protective of the public health and the environment and illegal practices which can jeopardize the health and welfare of our nation's citizens and communities is providing a growing impetus for corrupt individuals and organizations to seek illicit gain by inducing legitimate businesses, through fraud or misrepresentation, to utilize the "lower cost" hazardous waste disposal "services" offered by the corrupt individuals or organizations; and

Whereas, the endangerments to the public health and the environment and the damage to our nation's natural resources which can result and have resulted from the illegal hazardous waste management and disposal practices employed by corrupt individuals and organizations for their illegal profit-making purposes emphasizes the urgent need to effectively deter such practices and to divert from such corrupt individuals and organizations the proceeds of such illicit activities; and

Whereas, the principal and most-effective piece of federal legislation aimed at deterring such illegal enterprises and diverting from corrupt organizations such illicit proceeds is the federal Racketeer Influenced and Corrupt Organizations Act ("RICO"), 18 U.S.C. secs. 1961-1968 (1984); and

Whereas, the list of predicate offenses contained in 18 U.S.C. sec. 1961(1) (1986 Supp.), which trigger the application of RICO's civil and criminal provisions and remedies does not include any provisions aimed directly at criminal enterprises in the hazardous waste management and disposal areas; and

Whereas, many state "RICO" and organized crime control acts incorporate by reference the list of predicate offenses recited in the federal RICO Act, 18 U.S.C. sec. 1961(1) (1984), thereby enabling a single change in the federal Act to achieve maximum beneficial effect by directly enabling states to apply their own resources, processes and sanctions to such criminal enterprises while at the same time enabling federal enforcement resources to be effectively applied against such criminal enterprises; and

Whereas, the absence of a specific provision in federal RICO aimed at criminal enterprises in the hazardous waste management and disposal areas makes application of the RICO statute's provisions and sanctions to hazardous waste-related crimes more difficult and uncertain, thereby reducing and/or eliminating the significant deterrent potential of the statute and exposing our nation's citizens and natural resources to endangerment which could otherwise be prevented or deterred.

Now, therefore, be it resolved by the National Association of Attorneys General that the Congress of the United States should be, and hereby is, urged to promptly amend the provisions of the federal RICO statute by adding to the end of 18 U.S.C. sec. 1916(1) (1986 Supp.), the following language:

(F) Any act which is indictable under section 3008 of the federal Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. sec. 6928 (1984), or any act which is chargeable as a crime under a similar provision of a state hazardous waste program authorized by the Administrator of the Environmental Protection Agency, pursuant to section 3006 of RCRA, 42 U.S.C. sec. 6926 (1984).

The addition of this language would add knowing violation of hazardous waste managment and disposal laws to the list of RICO "predicate offenses," two (2) violations of which trigger application of the RICO statute's deterrent civil and criminal sanctions.

Be it further resolved that:

(1) a legislative subcommittee of the Environment Committee be created;

(2) interested Attorneys General be requested to designate staff to serve on the subcommittee;

(3) the subcommittee monitor the progress in Congress and in federal agencies of enviornmental issues upon which NAAG has taken positions by formal resolution;

(4) the subcommittee bring the resolutions passed by the Association to the attention of the U.S. Department of Justice's National Environmental Enforcement Council, the U.S. EPA Advisory Committee, Congress and federal agencies; and

(5) members of the subcommittee are authorized, in consultation with the chair of the subcommittee, to speak on behalf of the Association and to advocate before Congress and the federal agencies the Association's position on this resolution.

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Resolution II.—The Racketeer Influenced and Corrupt Organizations Statute

Whereas, Congress enacted in 1970 the Racketeer Influenced and Corrupt Organizations provisions (Title IX) of the Organized Crime Control Act; and

Whereas, Title IX is applicable to patterns of racketeering activity, involving:

1. personal violence;
2. provision of illegal goods and services;
3. corruption in private or public life; and
4. various forms of fraud; and

Whereas, Title IX provides important new criminal and civil sanctions to protect victims of patterns of racketeering activity, including;

1. criminal forfeiture of proceeds of racketeering activity;
2. criminal forfeiture of interests in enterprises;
3. equitable relief for the government;
4. equitable relief for victims of racketeering activity; and
5. treble damages, costs, and attorney's fees for victims of racketeering activity; and

Whereas, twenty-two states have enacted legislation patterned after Title IX; and

Whereas, other states are actively considering the passage of legislation patterned after Title IX; and

Whereas, states and local units of government have begun to make effective use of Title IX and state legislation patterned after it; and

Whereas, Title IX provides important new sanctions in the area of fraud against state and local units of government; and

Whereas, fraud against state and local government has a multi-billion dollar annual import; and

Whereas, state and local units of government have found that Title IX and state legislation patterned after it are effective and essential means of redressing wrongs;

Now, therefore, be it resolved, that the National Association of Attorneys General supports efforts by states to enact legislation patterned after Title IX and to strengthen the criminal and civil provisions of Title IX, particularly in their application to public and private civil sanctions in the area of fraud against the government; and

Be it further resolved, that the National Association of Attorneys General opposes efforts to repeal or modify, in whole or in part, the provisions of Title IX, particularly in their application to public and private civil sanctions in the area of fraud against the government; and

Be it further resolved, that the Executive Director and General Counsel of the National Association of Attorneys General is authorized to transmit this Resolution to appropriate committees of Congress, the Administration, and other appropriate individuals and associations.

## INTRODUCTION OF BUDGET RECONCILIATION PROVISIONS AFFECTING MEDICARE AND MEDICAID

### HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WAXMAN. Mr. Speaker, I am pleased to introduce today a bill reflecting the decisions made yesterday by the Committee on Energy and Commerce, making changes in the Medicare and Medicaid programs to respond to the instructions in the concurrent budget resolution. Those instructions require that we amend the Medicare program to reduce outlays. They also authorize additional spending in the Medicaid program to combat infant mortality, address the needs of the elderly poor and working welfare recipients, and adjust payments to the territories to account for inflation.

I am introducing this bill now so that the results of our committee markup will be conveniently available to the other Members and to the general public. The bill incorporates the amendments made yesterday by the committee to the committee print that was used as the markup vehicle. I wish to caution the Members, however, that the committee report that will be submitted to the Committee on the Budget after our August district work period may differ slightly from the bill I am introducing today, because the committee reported with the usual instructions to make the necessary technical corrections.

"I am proud of this bill. It contains an exciting and thoughtful set of proposals that make important policy changes in these two programs. There is a particularly dramatic difference between this bill and previous reconciliation bills in the treatment of Medicare payments for physician services. Previously, the primary focus was simply on meeting budget goals, with some deference paid to policy objectives. This year, with the assistance of the Physician Payment Review Commission and the cooperation of several important physician groups, we have been able to fashion a set of proposals that, taken together, not only achieve outlay reductions but also make significant contributions to our long range strategy for reforming the Medicare payment rules. This year, we gave policy goals their due consideration. I want to commend the American College of Radiology for taking a responsible leadership role in developing the reform proposal contained in this bill. I also want to express appreciation to the American Society of Anesthesiologists and to the College of American Pathologists, for their cooperation in developing policy reforms. The National Association of Medical Equipment Suppliers also deserves recognition for its leadership in developing a major reform in Medicare payments for durable medical equipment.

The major Medicaid initiative is the proposal developed by Chairman DINGELL, Senator PEPPER and me, to improve the quality of care in nursing homes, based on the recommendations contained in a study report completed by the Institute of Medicine. Other major, and long overdue, improvements include: allowing

the States to extend Medicaid eligibility to pregnant women and children with family incomes up to 185 percent of the Federal poverty line; allowing the States to extend Medicaid eligibility to children with family incomes below the Federal poverty line and requiring them to cover children in families with income and resources below the State AFDC standards; and requiring the States to continue Medicaid eligibility for 24 months for welfare mothers and their children who lose cash assistance because of their earnings from employment.

Many members of the Subcommittee on Health and Environment, and many members of the full committee, from both sides of the aisle, contributed greatly to putting this bill together. Credit for its success, and the gratitude of Chairman DINGELL and myself, is to be shared widely. I hope the other Members of the House will have a chance to review this bill and will support its passage.

## VETERANS MAY NOT HAVE A PERFECT SYSTEM, BUT THEY HAVE A VERY GOOD ONE

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MONTGOMERY. Mr. Speaker, one of the great advantages of being citizens of a free country is that we can openly criticize our Government if we don't like the way things are being run. Two of the most often-used terms in voicing our complaints are "redtape" and "bureaucracy," and I don't think any one of us could deny that there are plenty of both. We are imperfect, and that is a wonderful thing to be able to say when you consider the lesser alternatives.

I would like to share with my colleagues a recent article written by Vicki Williams, a columnist with the Times of Hammond, IN. Using our Veterans' Administration Home Loan and Hospital Programs as an example, she hits the heart of the matter by reminding us that the programs we depend on may not be perfect, but we are very fortunate to have them.

Her article follows:

Fellowship in the VA Hospitals

The Veteran's Hospital epitomizes the love-hate relationship Americans often seem to have with their government. Perhaps anyone who has been involved with the military has these attitudes to an even more heightened degree.

The VA hospital conforms to the "tangled in red tape" view of government agencies that is common among those who have to deal with them. As a real estate salesperson, I dread a buyer telling me that he wants to "go VA or FHA" in getting his financing. I know it's going to require much more paperwork and time than getting a loan from another source. I also know that some of these people couldn't think of buying a home without the help of the federal government and so, despite the inconvenience, I'm grateful that federally subsidized loans are available.

In the same way, though my exhusband griped about the "hurry up and wait" process of getting admitted (Admissions to Records to Admissions to Clothing to Room Assignment), he was thankful nonetheless that America stands behind its veterans by offering medical care to those who can't afford it otherwise.

Our local public hospital has gone all the way in accepting the "hospitals as cheerful places" theory. The walls are green and yellow and blue with lilac stripes zig-zagging down their length. The curtains are boldly flowered. The VA hasn't quite swallowed lilac stripes and posied drapes but if it is short on rainbow-colored walls, it is long on camaraderie and a kind of laid-back ambience.

While the community hospital keeps an exceedingly close watch on its patients' whereabouts, the ambulatory guests of the Veteran's Hospital drift around as they choose, wandering from the cafeteria for coffee to the day rooms to the library or outside under the trees. When my ex-husband asked one elderly man where he was off to in his wheelchair, he replied, "Nowhere special. I'm just prowling."

Because these are all now or former members of the armed services, men and women, they have the military ability to be disciplined and obedient when it is necessary and nonchalant about rules when they decide obedience is not required. They help take care of one another, pushing wheelchairs and sharing smokes.

They accept whatever ailment has brought them here with a kind of grisly humor. A man with a gangrenous foot requiring high amputation shrugs and says—"I'm here to have a leg whacked." My ex-husband tells them—"I'm here because my lung is trying to give birth to an alien."

The veterans hospitals across the country are examples of our federal tax dollars at work. It is so easy to complain about the government bureaucracy and the abuses that often seem so inherently a part of it until you think of the alternatives.

For some renters yearning to own homes, for some youngsters dreaming of a college education, for some hungry children, for some desperate farmers and for some old soldiers, the federal government is the court of last resort.

## SMALL BUSINESS SUPPORT FOR INCREASED HEALTH BENEFITS DEDUCTION

### HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LAFALCE. Mr. Speaker, on July 30, I introduced H.R. 3065, to make health insurance costs fully deductible for self-employed individuals. I have received letters of support for this initiative from the National Federation of Independent Business and the Small Business Legislative Council, which I insert in the RECORD at this point:

National Federation of
Independent Business,
*Washington, DC, August 5, 1987.*

Hon. John LaFalce,
*Chairman, House Small Business Committee, Rayburn House Office Building, Washington, DC*

Dear Chairman LaFalce: On behalf of the membership of the National Federation of Independent Business (NFIB), I would like to congratulate you for your introduction of H.R. 3065 which addresses the issue of the deductibility of health insurance premiums for self-employed business owners.

The tax laws give a distinct advantage to the business owner who operates in the corporate form as opposed to the business owner who operates as a sole proprietor. In the corporate form the owner's full health insurance costs, as well as those of his employees, are deductible as business expenses, while for the self-employed only the health insurance costs attributable to the employees are fully deductible.

The Tax Reform Act of 1986 made a move in the right direction by allowing twenty-five percent of the cost of the self-employed employer's health insurance costs to be deductible. However, this partial deduction still treats the corporate and non-corporate business owners differently merely because of the legal forms of business under which they choose to operate. This arbitrary distinction in the tax code denies the self-employed business owner the incentives given to the corporate business owner to obtain health insurance.

According to a 1985 study by the Employment Benefits Research Institute (EBRI), forty-two percent of self-employed business owners carry no health insurance. These business owners make up sixteen percent of all uninsured workers. H.R. 3065, therefore, would address a significant portion of the health insurance gap that exists simply by equalizing the treatment for incorporated and unincorporated businesses.

Your bill would address this problem of the uninsured self-employed workers by increasing their deduction for the cost of health insurance to 100 percent. NFIB applauds your efforts to eliminate the current unwarranted discrimination against self-employed business owners. NFIB will be urging your colleagues in the House to join you in supporting this bill.

Sincerely,

John J. Motley III,
*Director, Federal*
*Governmental Relations.*

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Small Business Legislative Council,
*July 30, 1987*

Hon. John LaFalce,
*Chairman, Committee on Small Business, U.S. House of Representatives, Washington, DC.*

Dear Mr. Chairman: On behalf of the Small Business Legislative Council (SBLC), I would like to offer our support for legislation to make health insurance coverage fully deductible for the self-employed.

The Small Business Legislative Council (SBLC) is a permanent, independent coalition of ninety trade and professional associations that share a common commitment to the future of small business. Our members represent the interests of over four million small businesses in manufacturing, retailing, distribution, professional and technical services, construction and agriculture. A list of our members is attached.

Under prior law the Internal Revenue Code created an unfair distinction between unincorporated and incorporated businesses in its treatment of health care costs and Congress in 1986 finally addressed this problem in the Tax Reform Act of 1986. Unfortunately the Act established a deduction for only twenty-five percent of the cost of such coverage for the self-employed. There is no rational reason why a small business should have received only a quarter loaf.

Your initiative to make these costs fully deductible is a positive step towards ensuring adequate health coverage for millions of

Americans and we look forward to working with you and your colleagues on this matter.

Sincerely,

JOHN S. STAGAJ,
*President.*

## POLITICAL PARTIES

### HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HEFLEY. Mr. Speaker, "I vote for the person, not the party." "It doesn't really matter whether you're a Democrat or Republican, it's the kind of person you are that counts." I wish politicans wouldn't be so partisan."

We hear these kinds of statements everywhere the subject of politics is discussed, and in Colorado we show that we believe them by the way we vote. We elect a liberal Democrat Governor and a conservative Republican U.S. Senator in the same election, both by landslide margins. We consistently elect Democrat Governors at the same time we give large Republican majorities in both Houses of the legislature. We have one liberal Democrat U.S. Senator and one conservative Republican U.S. Senator. Three of our congresional delegation are Democrat and three are Republican.

We don't seem to choose candidates based on party or even on philosophy. Maybe it is the way they look, or sound, or the image they project that influences our choice. But does it make a difference which party is in charge?

The party in charge sets the agenda. Let's use Congress as an example. the Democrats have controlled the House since 1954 and the Senate for most of that time. This means a Democrat is always Speaker of the House, Democrats are chairmen of every committee, Democrats make the rules and determine the flow of every piece of legislation. While Republicans can influence the process, Democrats have the final say because they are in charge.

If you like our tax codes, welfare programs, defense policy, regulatory system or budget deficit, the Democrats should get the credit. If you don't like these things, give the Democrats the blame. The question remains, however, would it have made any difference if the Republicans had been in charge over the last 33 years?

I hope the answer to this question is "yes." While not all Democrats agree on everything, nor do Republicans, there should be a basic philosophical difference between the two parties. This difference should be reflected in how they view the role of government, and thus, what approaches are taken to solving problems.

An example of a problem that government must solve is national defense. Most Members of Congress feel our country must be defended but there is a distinct difference between the two parties as to how much defense is needed.

In the recently debated defense authorization bill most Democrats wanted less defense, less SDI, less testing of weapons systems, more unilateral disarmament, and seemed to place more faith in the Soviets. Most Republicans, on the other hand, expressed more skepticism of Soviet intentions and, therefore, wanted more defense, more SDI, more testing, and no unilateral disarmament. There was even a group of 70 Congresspeople who voted to do away with all three legs of our strategic defense triad which is composed of bombers, sea-based missiles and land-based missiles. Sixty-nine of these votes to dismantle our defense strategy were Democrats and one was a Republican. Clearly, this bill illustrates that there is a difference between the parties and this difference is reflected in almost every issue which comes before Congress.

Our own Colorado House delegation further illustrates this difference. With all six of us coming from the same Western State, five of us having served in the legislature, and all of us concerned about what's best for Colorado, you would assume that we would be philosophically similar and, therefore, would vote in a similar manner.

While we do work together on many things that specifically relate to Colorado, our philosophies are vastly different, and these differences are reflected along party lines. If we use PAT SCHROEDER, the senior Democrat in the delegation and HANK BROWN, the senior Republican, as bench marks, we can compare voting records of each member of the delegation.

First, PAT and HANK vote together about 40 percent of the time. It appears that there are enough noncontroversial votes that, regardless of philosophy, the Republicans will vote with PAT about 40 percent of the time and the Democrats will vote with HANK 40 percent. The exception to this rule is DAVID SKAGGS who has voted with HANK only 33 percent of the time.

When we compare the votes of the other Democrats to PAT'S, we find DAVID voting with her 77 percent of the time and BEN CAMPBELL 70 percent. On the other hand, I voted with HANK 78 percent of the time and DAN SCHAEFER voted with him 72 percent. Thirty-four percent of the votes were divided along party lines with the three Democrats voting on one side and the three Republicans on the other.

These figures show conclusively that it does make a difference who is elected to these positions. Democrats and Republicans simply do not view the world the same, even when they are from the same State and have many other things in common.

It is up to the voters to place candidates in office who more nearly share their own views and to hold those candidates accountable once they are office holders.

## SANDINISTAS MAY GET NEW MISSILES

### HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SMITH of Florida. Mr. Speaker, in the backdrop of the Central America summit meeting taking place in Guatemala and the administration's and Speaker's new inititative for a negotiated settlement in Nicaragua, we must remain acutely aware of the real issue of Sandinista aggression. While most attention has been focused on these peace initiatives, the Sandinistas continue to upgrade their military capabilities.

The truth about the Sandinistas is clear: they are a Soviet sponsored client state whose objectives are to destablize regional, pro-Western, democracies by exporting their Communist ideology and guerrilla war beyond its own borders.

As the Central American peace initiatives develop, we must remain skeptical of Sandinistas objectives in Central America. Furthermore, we must continue to promote democracy in Central America and around the world.

For the benefit of my colleagues, I am including an August 2, 1987, article from the Miami Herald for the RECORD.

SANDINISTAS MAY GET NEW MISSILES

(By June Carolyn Erlick)

LOS BRASILES, NICARAGUA.—Defense Minister Humberto Ortega said Saturday that the Sandinista army will soon begin to use new and "more sophisticated" anti-aircraft missiles to combat U.S.-backed contra rebels.

Ortega also repeatedly insisted on Nicaragua's right to acquire jet fighter airplanes such as Soviet MIGs as an integral part of its "defense anti-air system."

He spoke at the eighth anniversary celebration of the Sandinista air force at the National Aviation School in Los Brasiles, a few miles outside Managua.

He described the new anti-air missiles as "more powerful and more sophisticated" than the Soviet C-3Ms the Sandinistas are now using, which are roughly equivalent to the U.S. Redeye missiles the rebels are believed to have.

Ortega refused to say what type of new missile Nicaragua will use, where it comes from or whether the missiles are in the country yet.

Earlier in the week, Maj. Ricardo Wheelock, the Sandinista army intelligence chief, had called the building of air defense "fundamental," saying that the contras could not survive without their airdrops.

Ortega said the Nicaraguans were technically prepared to receive fighter airplanes.

The Reagan administration has repeatedly said it will not tolerate the presence of MIGs or other supersonic jet fighter planes in Nicaragua.

Ortega's insistence on combat planes as an integral part of an air defense system suggests that the acquisition of such aircraft may be a Sandinista bargaining point in the Central American presidents' meeting opening Thursday in Guatemala.

This article reconfirms the advanced nature of Sandinista military equipment. I ask my colleagues not to lose sight of the ball in Central America.

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## GAPS IN IMPORT INSPECTION

### HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. PANETTA. Mr. Speaker, in March of this year I introduced legislation, H.R. 1877, to improve the inspection and enforcement of U.S. pesticide and drug residue restrictions on imported fruit, vegetable, meat, poultry, and egg products. This legislation builds on recommendations from an 18-month General Accounting Office investigation and a February 1987 Office of Inspector General audit which identified significant deficiencies in U.S. food import inspection operations. A portion of H.R. 1877—dealing with meat, poultry, and egg products—was included in the omnibus trade bill, H.R. 3.

On March 30, my Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition received testimony from witnesses who expressed deep concern over the gaps in our import inspection operations and advocated country-of-origin labeling as an alternative way to address these problems. On June 19, I took a field tour of U.S. import inspection facilities located in Otay Mesa, CA to investigate these concerns. I was told that some steps have been taken by a few of FDA's district operations to address some of the concerns reported in the GAO report. While this is a step in the right direction, it is clear that the agency's sampling operations are still not giving us an accurate picture of what is actually coming through our borders. FDA's enforcement system does not prevent contaminated food from reaching American consumers, nor does it effectively deter future violations. I was also not only surprised, but disturbed, to discover the lack of communication between the FDA and Mexican officials, as well as other exporting countries, on established pesticide regulations and followup on violations. Clearly, we in Congress have the responsibility to address these problems to ensure that the American food supply is safe for consumption.

I am inserting, for the RECORD, the text of a report that I prepared for my June 19 field visit to import inspection facilities located in Otay Mesa, CA and recent articles that provide additional information on this matter. I would hope that revised legislation that I have been working on with members of the Committee on Energy and Commerce to address these problems will receive expeditious consideration when we return from the August recess.

INTRODUCTION

On June 19, 1987 the Honorable Leon E. Panetta, Chairman of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, was given a field tour of U.S. import inspection facilities located at Otay Mesa, California. The purpose of the field visit was to obseve current U.S. import inspection operations and determine where improvements could be made, on both sides of the border, to ensure that food coming in from abroad complies with U.S. pesticide residue limits and is safe for consumption. The field visit involves meeting with officials from the Food and Drug Administration (FDA), Customs, and the Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS); officials from Mexico's Secretariat of Agriculture; and importers. Also present were officials from the General Accounting Office (GAO), and the Environmental Protection Agency (EPA). A list of individuals present at the meeting is provided in the appendix of this report.

The field visit was prompted by a growing concern over the adequacy of import inspection operations and the safety of imported foods. In September 1986, GAO released a report which identified serious deficiencies in FDA's import inspection operations and raised serious doubts over its ability to protect consumers from illegal pesticide residues on imported foods. In response to the recommendations in the report, Congressman Panetta introduced legislation, H.R. 1877, to improve FDA's inspection and enforcement operations.

Following the GAO report, however, additional concerns were raised over the laxity by which many Third World Nations regulate pesticides in a number of news reports. Imports from many of these countries has dramatically increased in the last 10 years and make up a growing share of food consumed by Americans.

On March 30, 1987, the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition held a hearing to review country-of-origin labeling legislation. Witness after witness testified as to their concern over glaring gaps in U.S. pesticide inspection and enforcement operations. They were concerned that these deficiencies may be exposing U.S. consumers to unacceptable health risks and placing U.S. farmers at a competitive disadvantage with foreign growers who may be able to use pesticides banned for use in the U.S.

The field visit provided Subcommittee Chairman Panetta with the opportunity to investigate these concerns, discuss changes that could be made to improve U.S. inspection and enforcement operations, and discuss areas where communications with Mexico could be expanded to reduce pesticide violations at the border.

The field visit confirmed the need for full implementation of GAO's recommendations. GAO recommended that FDA's sampling selection be more representative of the imports coming in from abroad, and that improvements be made in its enforcement system to ensure that liquidated damages are collected to discourage future violations. In addition, a strong federal commitment towards improving testing methods is needed in order to spur commercial development in this area. The field visit also confirmed the need to improve the exchange of information between U.S. officials and their counterparts abroad.

I. FOOD IMPORT DATA

Between 1975 and 1986, the value of vegetable imports almost tripled in real terms (1986 dollars), rising from $537 million to $1.6 billion. Over the same time period, the real value of fruit imports rose from $350 million to $1.6 billion, a four-fold increase. Indeed, USDA's Economic Research Service (ERS) reports that for the first time in over 30 years, the U.S. imported more food products than it exported in May, 1986 and ran another monthly deficit in July, 1986, as well.

Trade with Mexico alone accounts for approximately 30% of U.S. food imports. Mexico supplies 42% of our vegetable imports and 16% of our imported fruits. The U.S. is by far the largest export market for Mexico, receiving 80% of its agricultural exports.

Additional information on US agricultural import data is provided in the appendices to this report.

II. FDA'S INSPECTION OPERATION

A September, 1986 GAO report identified serious deficiencies in US import inspection operations. It found that the FDA's monitoring program does not adequately test these imports for dangerous pesticide residues which may pose health risks to American consumers. The weaknesses identified in the GAO report include (1) inadequate sampling techniques—too few shipments are tested and the cross-section of countries and commodities sampled is not representative of U.S. agricultural imports, (2) technically deficient laboratory testing protocols for the presence of pesticide residues, and (3) poor enforcement—contaminated shipments are rarely successfully recalled from the marketplace, and penalties are often not collected from violators.

FDA's district officials have indicated that since the release of the GAO report, steps have been taken to address some of the deficiencies identified in the report. While such actions are a step in the right direction, it is also clear that additional changes must be made in order to ensure that food coming in from abroad meets U.S. standards and that violators are effectively deterred.

*(A) Volume sampled and sample selection*

According to GAO, FDA samples less than 1% of the approximately 1 million food shipments imported annually. Between 1979 and 1985, GAO notes that FDA collected and analyzed 33,687 samples of imported food and found that 6.1% of them contained illegal residues—more than twice the violation rate for domestically grown food. Over half the foreign samples were taken from shipments originating in Mexico; the violation rate for Mexican imports was 5.5%. But even these numbers do not reflect the true scope of the problem because the percent of shipments sampled is too small (1%) and is not representative of the total imported food supply which may contain such residues. Based on current FDA inspection and monitoring operations, it is impossible to determine the extent to which American consumers are being exposed to toxic pesticide residues.

FDA generally follows a 3-tier approach in its sampling methodology. Although this approach is intended to treat violators with greater scrutiny, the chances of being caught are still so low that its deterrent effects are essentially negated. Under current procedures the 3-tier approach operates as follows:

(1) Surveillance sampling—on-site FDA inspectors randomly sample import shipments, without suspicion that such shipments may contain illegal pesticide residues. Importers may release these shipments into commerce before sample analysis is completed by the laboratory. If a violation is found, the importer is given a recall notification which requires that the tainted product be recovered from the market.

On-site FDA and Customs officials said, however, that tainted shipments are rarely successfully recalled from commerce. And under surveillance sampling, penalties are never levied against violators.

(2) Compliance sampling—imported fruits or vegetables that are repeatedly found to contain illegal pesticide residues through surveillance sampling are placed under compliance sampling. If specific produce is

listed on a compliance list, each shipment may be subject to sampling by FDA. Such shipments, however, are generally allowed to go out into commerce before the sample analysis is completed. If the shipment is later found to be in violation, the importer is notified that he must recall his product from the market. If the shipment is not recalled, FDA may advise that Customs levy a fine against the importer.

On-site Customs officials said, however, that even though penalties may be assessed—a large share is never actually collected. This is because importers frequently appeal such cases to an International Court of Trade.

(3) Certification sampling—an importer that is found to be a repeat violator under compliance sampling may be placed under certification sampling. Under certification sampling, the importer is required to present a certificate of analysis from a private laboratory showing that each shipment does not contain unacceptable levels of the pesticide in question. On-site FDA officials indicated that such shipments are not permitted into commerce until certificate of analysis is presented.

GAO noted that some district offices periodically analyze samples of food under certification to verify the accuracy of the analysis provided by private laboratories. This monitoring appears to be done on a random basis at the discretion of individual FDA district offices, rather than on a systematic basis. But, perhaps of even greater concern, is the uncertainty over whether the sample submitted for analysis is representative of the particular shipment.

Recommendation: To address these concerns, FDA should develop an effective monitoring system to ensure that certification samples are representative of their shipment and that the private laboratory analysis is accurate.

The overall violation rate for surveillance samples taken under FDA's General Import Program between 1979 and 1985 was 5.2% while the violation rate for compliance samples was 8.1%. Mexico's surveillance sample violation rate for the same period was 3.4%, while its compliance sample violation rate was significantly higher—20.2%.

### *(B) Enforcement is Weak*

As noted above, even when imported food shipments are found to contain illegal pesticide residues, the food will probably be marketed and consumed rather than re-exported or destroyed because current FDA policies allow perishable foods to be distributed before laboratory analysis is completed. Since it can take from two to five days to run the sample, contaminated foods are often marketed and consumed before they are detected.

GAO reviewed adulterated shipments which entered the U.S. in fiscal year 1985. Out of 87 contaminated shipments detected by surveillance sampling, 52 (or 60 percent) reached American consumers. According to GAO, "FDA recognizes that shipments immediately released for distribution and later found to be adulterated may ultimately be consumed by the public. However, FDA maintains that such shipments do not present a risk to the public health . . . and stated that these adulterated commodities do not make a toxicologically significant contribution to a consumer's total dietary intake of pesticide residues . . ."

FDA also maintains that penalties should not (and are not) be levied against first-time offenders. Under surveillance sampling, the only threat of reprisal for failure to recover tainted food from commerce is the possibility that the importer or grower may be monitored more closely under compliance sampling in the future.

But moving to compliance sampling does not always prevent the marketing of tainted shipments either. Indeed, GAO reports that 21 of 77 shipments (or 27 percent) found to have illegal residues under compliance review in 1985 were distributed domestically and consumed. And from information provided in Customs and FDA files, GAO was unable to determine what happened to another 11 shipments.

In the 21 violations involving compliance samples, only 8 importers were assessed penalties. GAO also noted that it was only able to find evidence that penalties were ultimately collected in 2 of these cases.

This lack of enforcement allows foods containing illegal pesticide residues to be consumed by the American public. And because penalties are often not collected, there is no strong deterrent against future violations. One of the ironies of the situation is that when an importer does recover and destroy the shipment before it reaches the consumer, that party loses the value of the shipment while the importer of the shipment that reaches the consumer suffers no loss.

Recommendation: Since only a small number of imported food shipments are sampled for pesticide residues, it is essential that FDA implement a tough enforcement system that will discourage other importers from distributing tainted food. FDA should follow GAO's recommendation that importers be required to certify which pesticides were used during production and penalties should be collected from importers that fail to recover contaminated shipments from commerce.

### *(C) Inconsistent Coverage*

In its September 1986 report, GAO also found that FDA's sampling procedures lacked a systematic methodology. It found that sample selections were not representative in terms of the types of commodities coming in from abroad or their country-of-origin.

The GAO report provided the following examples:

(1) 27 countries exported cucumbers to the U.S. in each year of a 3 year sample period. However, FDA sampled shipments from only 9 of those countries during this entire period. This occurred during a time when the violation rate for cucumbers was running significantly higher than the average for other foods.

(2) 26 countries exported pineapples to the U.S. during the 3 years surveyed. Again the FDA sampled shipments from only 9 countries even though pineapples were one of the highest-volume fruits imported into the U.S. 18.6% of these samples contained illegal residues. In addition, FDA officials have acknowledged that not a single pineapple imported from the Philippines was inspected, even though it was known that these pineapples had been treated with heptachlor, a chemical banned for food use in the U.S. since 1978 because of its carcinogenic effects.

In general, GAO found that many commodities that are imported on a regular basis were not sampled at all while others were subject to a disproportionately high rate of sampling. GAO cites one district in which over 500 samples of tomatoes were taken in each of the last 2 fiscal years, with only one violation in each year. Melons (other than watermelon and muskmelon), on the other hand, were not sampled at all.

At each point of entry, the actual selection of commodities to be sampled is the result of thousands of on-the-spot judgments made by individual FDA inspectors. Although historic information on import shipments is available from various sources within FDA, GAO found that it was not compiled in a usable form which would help on-site inspectors make sampling selection decisions.

GAO also found that there was little coordination between FDA inspectors at the different points of entry. Consequently, a foreign grower whose crops have been tainted with illegal pesticide residues in the past could reduce the risk of being sampled merely by sending shipments through a different point of entry where the inspector may be unaware of the grower's reputation.

Recommendation: To address these deficiencies, GAO recommended that FDA should develop a comprehensive monitoring summary containing (1) the commodities being imported, (2) the country of origin, (3) the volume, (4) the number of samples taken, and (5) the number of violations. Without this basic information, FDA inspectors are ill-equipped to stem the tide of illegal residues on imported foods.

Since GAO released its report, FDA district officials said that such information is now being entered into computers at individual inspection sites and that efforts are being made to coordinate this on a national basis.

Admittedly, FDA inspectors have been hampered in their ability to provide greater inspection coverage because they suffer from an accute manpower shortage. In the past, for example, FDA has only assigned four inspectors to cover the 1,200-plus miles of the Texas-Mexico border from Brownsville to El Paso. And about half of their time was spent on other domestic duties. FDA inspectors also were not always on duty during the week, and rarely on weekends, when the points of entry are open. These conditions make it impossible for an FDA inspector to adequately monitor all imported food shipments.

FDA officials also said that additional personnel have been put on at U.S.-Mexican border points within the last 10 months. In addition, inspectors are now on full-time duty during the week and that some coverage is provided on weekends.

### *(D) Laboratory Technologies can only detect limited number of pesticides*

The technology used in FDA laboratories to detect pesticide residues is severely limited. GAO estimates that 496 pesticides are available for use on food crops. FDA routinely utilizes 5 separate multiresidue tests that can each detect from 24 to 123 different pesticides. Cumulatively, however, these tests can detect only 203 pesticides—or less than half of the pesticide residues that might appear in food.

In 1979, FDA developed a Surveillance Index to classify pesticides according to potential health hazards. Pesticide chemicals undergoing "special review" at EPA because of special health or environmental concerns were given priority in being classified in the index. The index lists pesticides in classes I, II, and III, with class I indicating the highest health risk. The ranking is based on the toxicity, use pattern (poundage and crop), potential for food residues and persistance in the environment. FDA has classified 188 pesticides.

Of the 81 pesticides FDA identified as warranting routine monitoring, 33 are not detectable by any of the multiresidue tests. They must be detected using less comprehensive or single residue methods. However, GAO reported that of these 33 pesticides, 30 received little or no testing during the period 1979 through 1985.

Furthermore, 8 out of 9 of FDA's Class I pesticides which represent a high health hazard on a toxological basis cannot be detected by any of the 5 multiresidue tests. In addition, several class II pesticides, which FDA considers to pose possible high risk toxicity, cannot be detected, including the widely used ethylene bisdithiocarbamates (EBDC's) Mancozeb, Maneb, Metriam, and Zineb. Although EBDC's represent 57% of the total fungicides used worldwide, FDA did not conduct a single special test for them between 1978 and 1987.

Appendix A contains a list of Class I, II, and III pesticides that are NOT detected by FDA's 5 multiresidue tests.

An April report by CRS asserts that new multiresidue tests will probably be limited in their scope of coverage. According to the report, they will only be able to detect a small number of new pesticides because their chemical structure is more complex than their predecessors. CRS notes, however, that there has been increased interest in new rapid test methods, commonly referred to as bioassay and immunoassay tests, which use biologically produced reagents. The advantages to such test are that they are relatively inexpensive, quick, and easy to use. Rapid test method average in cost at less than $20 per sample, while multiresidue tests can cost beween $200 and $320 per sample.

To date, however, most research into rapid test methods has been limited to university researchers and a small number of private firms. Government agencies have been only minimally involved. EPA, the Agency charged with registering pesticides and setting tolerence levels, has not funded any research in this area. Fortunately, however, FDA's Center for Food Safety has begun to initiate research efforts in this area. By the end of FY87, FDA will contract with a private firm to develop several analytic methods which use this technology to determine pesticide residies in selected foods ($250,000 is to be applied to this effort in FY 87). The Agency hopes to expand this allocation in the future in order to evaluate the utility and validity of this methodology for use in is food monitoring programs, as well as the performance of commercially available immunoassay test kits.

FDA officials also suggested that its laboratory capabilities could be improved if chemical manufacturers were required to submit better residue tests at the time new chemicals are registered for use by EPA.

Recommendation: Clearly, a strong Federal commitment towards improving testing methods is needed in order to spur commercial development in this area.

### *(E) Inadequate information about pesticide use abroad*

FDA's efforts are further hampered because it lacks adequate information about pesticide usage abroad. This makes it extremely difficult for FDA to determine which multiresidue test should be used in the laboratory. Consequently, even if a shipment is detained for testing, FDA labs may fail to detect illegal pesticide residues unless the proper test method is used. And, as noted earlier, cumulatively used, FDA's 5 multiresidue tests can detect less that half of the pesticides available today.

To address this problem, FDA recently contracted with a private firm, Battelle, to gather information on pesticide usage abroad. While this is a step in the right direction, there seem to be a number of problems in following this approach.

In 1986, FDA spent $238,000 acquiring information from the Battelle World Agrochemical Data Bank, a computerized data base containing information on pesticide usage in the production of selected crops in about 30 countries. Battelle also supplies this information to agrichemical companies who use it to develop marketing strategies and to keep track of their competitors worldwide. In fact, the data base is tailored to the needs of these corporations, concentrating on pesticides used on major commodities—as opposed to fruits and vegetables.

Battelle gathers its information from surveying industry and consumer groups and from operatives abroad. FDA officials argue that Battelle's data base is the best available, and employing it is more cost effective than developing one of its own. However, it should be noted that this data base is not exhaustive, nor does it cover all countries that export to the U.S.

FDA maintains that obtaining good information about pesticide use abroad is also complicated by the fact that pesticide registration and monitoring are under the auspices of different departments in different countries. And in some countries, the government pays little attention to pesticide usage.

However, based on information obtained during the June 19th field visit, it is clear that a great deal of information about pesticide usage abroad could be obtained through relatively simple government-to-government exchanges. For example, at the June 19th meeting, Mexican officials displayed a manual which contained pesticide usage information in their country and said that a copy of the manual was sent each year to FDA. District officials from FDA's Los Angeles office said, however, that they have never received a copy of the manual. They also added that such information would be very useful in their laboratory operations.

In another instance, FDA explained that they were finding that a large number of grape shipments imported from Mexico contained Omethoate, a pesticide not approved for use in the U.S. FDA said that they sent a letter to the Mexicans informing them of this problem. The Mexican officials said, however, that they did not receive such information and were unaware of the problem. FDA and Mexican officials attending the meeting agreed that improved communications would lead to better pesticide enforcement.

Since the June 19th meeting, FDA's Pesticide's Coordinator from the Los Angeles Laboratory traveled to Mexico to meet on many of these issues with Mexican officials, laboratory technicians, and representatives from grower/export organizations. A member of my staff was informed that one immediate benefit from this trip was the realization, on the part of FDA, that its import violation information was not being sent to the appropriate office in Mexico. FDA's Pesticide's Coordinator said that the visit enabled him to better understand how pesticides are monitored in Mexico and to establish better contacts in Mexico which will hopefully lead to improvements in follow-up action and reductions in future violations.

### *(F) Mexican Pesticide Regulatory Structure*

In Mexico, the country from which we import significant amounts of agricultural products, regulation of pesticides is done by two ministries: (1) the Secretariat of Agriculture and Hydraulic Resources which controls pesticide use and (2) the Secretariat of Health. Mexico publishes a manual on how to meet tolerance requirements—which, for the most part, seems to track the regulatory program in the U.S. fairly closely. Although, in contrast to the U.S., it appears that private grower/exporter associations take a significant share of the responsibility for minitoring pesticide use among growers and distributing information on recommended pesticide use.

Authority to issue instructions and set tolerances derives from the Animal and Plant Sanitary Act, enacted in 1974. Reportedly this law has been implemented very gradually, and only recently has approached full implementation. According to EPA, the law provides for criminal sanctions and financial penalties for misuse. However, the level of governmental resources devoted towards monitoring compliance and laboratory analysis is very limited. According to a GAO analyst, for example, while Mexico has 12 laboratories that may have the capability to conduct residue testing, only three are operational because of inadequate funding.

In support of this view, John Obannon, an American pesticide consultant for San Quintin growers, said that he has never seen any government monitoring of pesticide application in San Quintin and that farmers make their own decisions about what pesticides to use and when to spray them. According to researchers at the University of California, some Mexican growers use large amounts and dangerous combinations of pesticides because they lack the technology and trained staff to employ integrated pest management strategies.

Determining which pesticides are applied to Mexican produce is further complicated by FDA's lack of knowledge about the training, licensing and supervision of staff used to mix and apply chemicals there. According to University of California staff, Mexico, like many other countries, requires producers to use domestic chemicals when available. Researchers have indicated that quality control in Mexican chemical plants is inconsistent and assert that, as consequence, chemicals used by producers may be weaker or stronger than the label would indicate.

A GAO analyst indicated, however, that while these concerns are significant, it also appears that Mexico is taking steps to address some of these problems. For example, during a July 1987 field trip, GAO was told that Mexico is initiating a new project in two states to address some of these problems. In Jalisco and Michoacam, for example, growers will be required to obtain a permit to purchase pesticides for use on specified crops based on the recommendation of technical consultants.

GAO was also shown a private laboratory in Culiacan, located in the State of Sinaloa, which is the largest production region in Mexico. The laboratory is operated by a national grower's association, known as the U.N.P.H. Reportedly, the U.N.P.H. distributes information to Mexican growers on pesticide use and application and operates its own pesticide monitoring system by taking random samples from area farms at the time of harvest. Evidently, the U.N.P.H. works in conjunction with the Mexican government on pesticide regulation. GAO was doubtful, however, whether other Mexican States had similar private laboratory facilities.

Recommendation: Obtaining more information about pesticide use abroad would help FDA identify problem shipments and pesticides and lead to better enforcement of U.S. standards. As noted previously, much of this information could be obtained through relatively simple government-to-government exchanges. Personnel stationed at U.S. embassies abroad, for example, should become informed about pesticide usage and monitoring systems in that country. It was not only shocking, but inconvenient as well, to discover that no one assigned to the U.S. Embassy located in Mexico City was knowledgeable about Mexico's pesticide regulatory system.

FDA, as well, seems to be ill-informed about Mexico's pesticide regulatory system. Clearly, FDA should develop a better system of communicating on a regular basis with comparable government agencies and/or grower/exporter associations abroad. In addition, FDA should ensure that its regional and district offices have a quick and effective method of communicating with such entities abroad.

U.S. VEGETABLE IMPORTS, 1986 (Vegetables and Preparations)

[In millions of current dollars]

| | World | Mexico | EC-12 | Canada | Brazil | Other South America | China | Other East Asia | Southeast Asia (Thailand) | Japan | Other Europe | Israel | Caribbean | Central America | other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1986 | 1,579 | 667 | 301 | 104 | 27 | 20 | 53 | 151 | 24 | 44 | 44 | 26 | 36 | 24 | 18 |
| Percent of total | 100 | 42 | 19 | 7 | 2 | 1 | 3 | 12 | 2 | 3 | 3 | 2 | 2 | 1 | 1 |

U.S. FRUIT IMPORTS, 1986 (Fruits AND PREPARATIONS)

[In millions of current dollars]

| | World | Mexico | EC-12 | Canada | Chile | Other Latin American | Middle East | Thailand | Other Southeast Asia | Japan | Other Asia | Other Europe | Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1986 | 861 | 139 | 78 | 57 | 194 | 61 | 28 | 76 | 83 | 26 | 102 | 15 | 4 |
| Percent of total | 100 | 16 | 9 | 7 | 22 | 7 | 3 | 9 | 10 | 3 | 42 | 2 | 0 |

Source: "Foreign Agricultural Trade of the United States," calendar year 1986 supplement, USDA, ERS, Washington, DC, (May 1987).

*Vegetable Imports*

The value of vegetable imports almost tripled in real terms from 1975 through 1986, rising from $537 million to $1.6 billion. Figure 2.6 shows the upward trend in the value of vegetable imports since 1975 and compares the value of prepared and preserved vegetables with the value of fresh and frozen vegetable imports. In 1986, the values of imports in these two categories were roughly equal, but fresh and frozen imports grew more rapidly from 1975 through 1986 than prepared and preserved imports. The value of fresh and frozen imports in 1986 was 350 percent higher than that in 1975, compared with 119 percent for prepared and preserved imports.

*Fruit Imports*

The value of fruit imports increased substantially from 1975 through 1986. (See figure 2.3.) In constant 1986 dollars, they grew from about $350 million in 1975 to about $1.6 billion in 1986—over a four-fold increase. Most of the rise in recent years has been due to increased orange juice imports. Fresh and frozen fruit imports have climbed gradually, as have prepared and preserved imports.

FROM: GAO REPORT—PESTICIDES:

Need to Enhance FDA's Ability to Protect the Public from Illegal Residues—October 1986

The chart lists pesticide chemicals that FDA considers to be of monitoring priority because of potential health effects, and that are not detected by the five analytical multiresidue methods routinely used by FDA. The chemicals are listed by Surveillance Index class. Class I pesticides are considered the highest priority based on toxicity, use pattern (poundage and crop), potential for food residues and persistence in the environment. All of the chemicals listed are registered for use with the following exceptions:

*Class I*

All uses of the arsenate compounds listed in Class I have been voluntarily withdrawn by manufacturers except for use in wood treatment. Also, lead arsenate is still used on grapefruit, orthoarsenic acid is used as an herbicide on cotton (food residue potential in cotton seed oil and by-products), and sodium arsenate is used as a fungicide on grapes.

*Class II*

Cancellations: carbon tetrachloride; ethylene dibromide (except, still registered for use on mangoes); pentachlorophenol; 2,4,5-T; Silvex.

*Class III*

Cancellations: dibromochloropropane; dinoseb (emergency suspension).

TABLE 3.3.—*Pesticides in classes I, II, and III that are not covered by FDA's most commonly used multiresidue methods*

[EPA nationwide estimates of pounds used by American agriculture]

| Class I: | *(Millions)* |
|---|---|
| Calcium arsenate | 1-2 |
| Copper arsenate | 1-2 |
| Lead arsenate, except grapefruit | 1-2 |
| Magnesium arsenate | 1-2 |
| Orthoarsenic acid except cotton | 1-2 |
| Potassium arsenate | 1-2 |
| Sodium arsenate, except grapes | 1-2 |
| Sodium arsenite | 1-2 |
| Class II: | |
| Benomyl | 2-3 |
| Carbon tetrachloride | <1 |
| Daminozide | <1 |
| Ethylene dibromide, except mangoes | <1 |
| Maleic hydrazide | 4-7 |
| Mancozeb | 9-12 |
| Maneb | 5-6 |
| Metiram | 2-3 |
| Paraquat | 5-6 |
| Pentachlorophenol | <1 |
| 2,4,5-T | <1 |
| Silvex | <1 |
| Thiophanate methyl | <1 |
| Zineb | 1-2 |
| Class III: | |
| Chloroxuron | <1 |
| Cyhexatin | <1 |
| Dibromochloropropane | <1 |
| Dinoseb | 7-8 |
| Diuron | 2-3 |
| Formetanate hydrochloride | <1 |
| Picloram | <1 |
| MCPA | 5-8 |
| Methyl bromide | <1 |
| Oxyfluorten | <1 |
| 2,4-D | <1 |

Note: < means less than.

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[From the Stockton Record, June 20, 1987]

## U.S. MAY BAR GRAPES OF MEXICO

### ILLEGAL PESTICIDE TRACES DISCOVERED

(By Rick Sandoval)

Federal food inspectors are considering a temporary ban on imports of fresh grapes from Mexico because several shipments have shown traces of a pesticide banned in the U.S.

While Food and Drug Administration officials say the pesticide poses no known threat to consumer health, a U.S. congressman touring food inspection facilities in San Diego fears the situation points to a growing danger of contamination from imported food.

Since March, FDA inspectors have been closely monitoring Mexican grape shipments for residues of Omethoate, a pesticide registered for use in Mexico, but not in the United States.

Tests of shipments from at least seven Mexican producers forced the FDA to bar them from the U.S. unless they can prove the grapes are residue-free.

The problem is severe enough that FDA officials in Los Angeles have asked that all Mexican growers be forced to prove their grapes are clean.

About 44 million pounds of Mexican grapes are imported annually by American produce brokers, beginning in early summer.

FDA officials expect word from Washington on the request for a ban on Mexican grapes within days.

Besides grapes, FDA inspectors in Texas and California are finding the chemical on shipments of green onions, coriander, and several types of chile peppers. Shipments of those crops from some Mexican growers are being closely watched said George Gerstenberg, FDA's Los Angeles district director.

Omethoate is not allowed in the U.S. because its manufacturer has not applied for use permits from the federal Environmental Protection Agency.

Mexican agriculture officials met with FDA inspectors and Rep. Leon Panetta, D-Calif., Friday in San Diego and stressed their data show the chemical is safe to use on grapes.

Panetta toured San Diego's Otay Nesa border crossing, where about 100 truckloads of Mexican produce crossed into the U.S. each day. The Monterey congressman is gathering information on FDA's imported food inspection program that will affect several proposed changes recommended by a recent federal report charging FDA inspections are inadequate.

While FDA inspectors say the Omethoate problem is new, one Mexican official said the proposed ban of his country's grapes comes as a surprise.

"We've been using it safely for almost 20 years. We have all the toxicological information necessary on the chemical. So why only now is the FDA having a problem with it?" asked Manuel Hernandez, head of pesticide enforcement in Baja California for Mexico's Sanidad Vejetal—a branch of the Mexican agriculture department.

Hernandez expects pressure was put on FDA by California table grape growers to limit Mexican imports because they compete with Coachella Valley growers who will be harvesting their crops soon.

But Bruce Obbink, president of the California Table Grape Commission, said he was unaware Mexican grapes were being subjected to tighter federal inspections.

While tougher federal action is being considered, FDA officials would not speculate on how many Omethoate-treated grapes are now reaching U.S. consumers.

While the FDA has stepped up testing of Mexican grapes, it still only checks a fraction of the grapes crossing the border.

Panetta, a member of the House Agriculture Committee, said the problem with grapes now facing inspectors is frightening.

"Here is an example of something that you know they are doing. You know there are violations, and yet the sense I get is everyone is still proceeding with the normal process," he said.

Panetta said the FDA's inspection program works as well as its budget allows. He added at least three bills have been introduced in Congress this spring to beef up border inspections and raise requirements for pesticide residues on imported food.

Panetta said the bills will be voted on later this year.

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[From the San Diego Tribune, Saturday, June 20, 1987]

## LAWMAKER URGES BETTER INSPECTION OF IMPORTED FOOD

(By PRESTON TUREGANO)

A Northern California congressman, visiting the San Diego border, says more personnel, equipment and money are needed for better government inspection of commodities tainted by dangerous pesticides in foreign countries and imported into the United States.

The congressman, Rep. Leon E. Panetta, D-Monterey, visited the Food and Drug Administration inspection offices at the Otay Mesa border crossing and met with FDA, General Accounting Office and U.S. Department of Agriculture officials.

Panetta is chairman of the House Agriculture Committee's subcommittee on domestic marketing, consumer relations and nutrition.

He recently introduced legislation requiring the FDA and the USDA to present a plan to Congress improving their inspection processes. The bill, now in committee, resulted from a GAO study last year.

Officials of the three federal agencies told the congressman yesterday that because of the present levels of manpower equipment and funding FDA inspectors are able to inspect only 5 percent of all produce entering the United States.

"Sampling only 5 percent is not giving us an accurate picture of what is actually going through," Panetta said. "It's obvious you need more manpower, inspection equipment and money to do a better job."

One FDA inspector at Otay Mesa said about 70 percent of the 30 to 40 Mexican trucks inspected at the border crossing daily carry produce.

FDA officials from San Diego and Los Angeles told Panetta that they have detected higher degrees of pesticide residue in domestic produce than in Mexican produce.

"The volume is half of what it is domestically," said Barbara Helene Smith, San Diego FDA supervisor.

In the GAO study, 6.1 percent of 33,600 samplings of imported food taken by the FDA between 1979 and 1985 were found to contain illegal residues.

Other FDA officials said tainted Mexican produce is not regarded as a health hazard to American consumers, yet they expressed concern because the FDA has never been permitted to visit Mexican farms where officials suspect growers may be preparing to use more toxic pesticides.

The FDA and USDA inspectors told Panetta that it is not government policy to routinely publicize the detection of contaminated and tainted food.

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[From the Wall Street Journal, Thursday, Mar. 26, 1987]

## As Food Imports Rise, Consumers Face Peril From Use of Pesticides

### LAX THIRD WORLD REGULATION, WEAK CONTROLS AT BORDER MAKE DETECTION DIFFICULT

### *The Case of Tainted Mangoes*

(By Barry Meier)

Culiacan, Mexico—As morning mists rise from the foothills of the Sierra Madre, brightly dressed Mixtec Indians shower chemicals over lush fields of tomatoes, cucumbers, eggplants and green peppers.

Within the next few days, the vegetables—some still coated with pesticides, including a suspected cancer-causing compound—will be harvested and loaded into 500 tractor-trailers that leave here daily for the U.S. some of the pesticide-laced produce will be spotted by U.S. border inspectors, but the rest will reach tables in American homes.

As food imports to the U.S. rise, so does concern about the safety of Americans' diets. "Of all the chemical hazards the public faces from polluted air, water and food, pesticides in food pose the greatest risk," says Richard Jackson, the incoming chairman of the committee on environmental hazards of the American Academy of Pediatrics.

### *Poor Safety Record*

Pesticides are used on U.S. crops as well as on foreign ones. But detecting chemically tainted food among the imports is tougher than monitoring it domestically. One problem is that pesticide use is poorly regulated in the Third World, where American chemical producers are pushing pesticide sales. In addition, Mexico, a major U.S. food supplier, has a poor safety record handling pesticides. And U.S. border controls are lax.

Food imports, meanwhile, are soaring. Last year, Americans bought a record $24.1 billion of imported food, a 40% rise from 1982, the International Trade Commission estimates. Fruit and vegetable imports led the increase, driven by big consumer demand for fresh produce year round. Fresh fruit imports reached $1.2 billion last year, more than double 1970 levels, according to the commission.

Federal agents who watch U.S. borders say that 6.1% of all food imports tested violate U.S. safety laws, double the rate for domestic produce. Yet a mere 1% of the estimated one million food shipments entering the U.S. annually are ever checked for dangerous pesticide residues, according to a September 1986 study by the General Accounting Office, the investigative arm of Congress.

### *Cancer and Other Ills*

In the last year alone, a number of pesticides banned by U.S. officials as public health threats have been found on imported produce. The compounds are suspected of producing cancer, neurological problems and other ills. More commonly, the pesticides found on foreign produce are legal but exceed U.S.-approved levels or were sprayed on crops for which the U.S. hasn't approved their use. "People think the system [for catching pesticide-tainted food] is working, but it isn't," says Jack Musselman, a California food inspector.

At the major U.S. border crossing for Mexican exports in Nogales, Ariz., food may enter the U.S. every weekday evening and on Fridays and Saturdays without pesticide checks. The reason: Pesticide inspectors of the federal Food and Drug Administration aren't on duty. Even when the FDA does test the produce, its slow procedures prevent it from stopping 45% of the pesticide-tainted shipments headed for U.S. consumers, the GAO's study found.

Importers handling pesticide-tainted produce need fear little punishment. Between 1979 and 1985, according to the GAO, the FDA levied fines in only 15% of the cases in which importers repeatedly violated U.S. food-safety standards. Some 75% of those funds hadn't been collected by the FDA more than a year later. "FDA processes the paper work, but then they let everything drop," says Ralph Dominick, a GAO investigator who helped study FDA monitoring of pesticide levels in food imports.

Politics compound border problems. Take the example of tainted mangoes, which are still being eaten by U.S. consumers. In 1983, the federal Environmental Protection Agency banned domestic use of the pesticide ethylene dibromide, known as EDB, because of concern that it might cause cancer. But it allowed foreign mango growers to continue using the pesticide until 1985 while they tried to find alternatives. (The pesticide, which is used to kill fruit flies, penetrates the mango's skin and contaminates the flesh.)

According to documents filed in a Washington, D.C., federal appeals court, State Department pressure caused the EPA to cancel its planned ban, which would have affected 80% of the mangoes eaten by U.S. consumers. In two letters to the EPA in 1985, State Department officials argued that the ban might be economically harmful to Mexico and Haiti, two major mango-exporting nations, as well as damaging to U.S.-financed mango-growing projects that relied on EDB in Belize and Guatemala. "In addition to its economic impact, this decision also has political importance because of what it symbolizes to [food] supplier nations." James H. Michel, a State Department official, wrote the EPA in October 1985.

In January, the appeals court ruled that the EPA's failure to enforce the EDB import ban was "arbitrary and capricious." In a sharply worded decision, the three-judge panel also accused the EPA of placing concern for "foreign well-being" above the interests of U.S. consumers. The court acted on a lawsuit brought against the EPA by Florida mango growers and U.S. environmentalists.

An EPA spokesman says that the agency has asked the court to allow continued imports of EDB-tainted mangoes until September, when several producers are expected to have nonchemical ways of killing the pests. A court decision on the EPA's request is pending.

Meanwhile, U.S. pesticide producers, faced with flat domestic demand, are trying to sell more of their products to foreign growers. "The industry is going to where the crops are being grown," says Jack Early, the president of the National Agricultural Chemicals Association, a trade group.

The industry's exports of banned pesticides are waning, many pesticide experts say. But many of these compounds are still produced by government-subsidized pesticide manufacturers in the Third World. Moreover, poorly trained Third World farmers often use U.S.-approved pesticides at the wrong time, on the wrong crops or in excessive amounts. "Many Third World growers don't know [pesticide] residues are even an issue," says Agi Kiss, a World Bank pesticides expert.

Mexico, which supplies more than half the vegetables eaten by Americans between December and March, is a special focus of concern. While federal officials say that Mexican pesticide practices are improving, problems persist. During one week in January, federal food inspectors identified 15 shipments of tainted Mexican sugar peas, squash, eggplants and other produce. They were contaminated by pesticides that hadn't been approved by U.S. officials for those crops or that tested at levels exceeding federal health standards. Mexican bell peppers were coated with benzene hexachloride, a suspected cancer-causing pesticide banned by U.S. regulators.

By midday in the Culiacan Valley, the air is thick with the sweet, heavy smell of pesticides. Crop-dusters repeatedly buzz growing fields, their chemical mist raining down on crops and farm workers alike. A recent University of California study called Mexican pesticide use "heavy" and added that area growers sprayed chemicals regularly, rather than limiting their use to times of high insect infestation.

For their part, Mexican growers say that they abide by U.S. pesticide laws. "We use pesticides as safely as American farmers," says Hector Miguel Gonzalez, the head of Mexico's national growers' union. Driving through Culiacan's hectic streets, Mr. Gonzalez points to a new laboratory built by local growers to test vegetables for pesticide residues before the produce is shipped to the U.S.

In the lab, two high-speed blenders are grinding eggplants into mush. Pedro Bastidas, the lab's chemist, explains that he is running tests to convince U.S. officials that Mexican eggplant growers are, in fact, using a U.S.-approved pesticide. For reasons yet unknown, Mr. Bastidas says, the approved chemical is breaking down into an illegal one before the eggplants reach U.S. borders.

Some U.S. chemists question the claim. "From what I know about those [pesticides] that kind of breakdown is impossible," says K.C. Ting, the supervisor of California's pesticide residue laboratory.

Whatever the case, federal efforts to increase import scrutiny are only beginning in a bid to focus federal testing efforts FDA officials recently paid $285,000 for access to a data base compiled by the Batelle Institute, based in Columbus; Ohio. It tracks international pesticide use on a country-by-country basis. Agency officials are also preparing responses to the problems highlighted by the GAO report, an FDA spokesman says.

Some states, such as California and Florida, aren't waiting. In Los Angeles' teeming

central produce market, Mr. Musselman, the food inspector, takes out a pocket crowbar and pries open a crate of Mexican string beans bearing a familiar label. "The last time this stuff came in, it was dirty" with pesticides, he says.

The shipment is impounded four hours later, after state lab tests detect the pesticide methamidophos, which isn't approved by U.S. officials for string-bean use. The episode marks the second time in two months that pesticide-tainted string beans from the same importer have turned up in Los Angeles wholesale markets, Mr. Musselman saya. "By the time [the FDA starts moving on a problem," he says "our people are already eating it." As a result, California officials plan to test 1,500 import shipments this year for pesticide problems, double the number tested in 1986.

Several developing countries are reducing pesticide use. Indonesia recently banned 57 widely used pesticides, including several U.S.-produced compounds, after chemical overuse led to insect resistance to some chemicals and the ruin of the country's rice crop. Growers in Grenada, Costa Rica and several other Central American countries are working with U.S. scientists to develop farming practices that minimize chemical use, says Allen Steinhauer, the chairman of the entomology department at the University of Maryland, College Park.

Meanwhile, controversy in the U.S. over pesticide residues—on both imported and domestic food—is expected to intensify soon. A recent EPA report called food pesticide residues a leading U.S. public-health threat. Later this spring, the National Research Council, based in Washington, D.C. expects to release an EPA-sponsored report pinpointing foods posing the higher pesticide-related cancer risks.

One preliminary finding: Nearly 50 percent U.S. dietary exposure to suspected cancer causing pesticides comes from fresh air processed tomatoes.

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[From the Washington Post, Friday, May 1, 1987]

## FDA Admits Laxity in Testing Food Imports

(By Michael Weisskopf)

Five years after the cancer-causing pesticide heptachlor was banned in the United States, the Philippines was annually exporting hundreds of thousands of tons of heptachlor-treated pineapple to this country.

None of it was stopped—or even tested—by the Food and Drug Administration.

The pineapples were cited yesterday at a House Energy and Commerce subcommittee hearing as evidence of the FDA's failure to stop imports of food adulterated with pesticides, including cancer-causing chemicals banned in this country.

The FDA commissioner, Dr. Frank E. Young, acknowledged that inspection was lax, but declared that "we do not find that the food supply is contaminated" by pesticides.

Testimony showed that little of the 45 billion pounds of food shipped annually into the United States is sampled for pesticides, that 64 percent of the imported food products sampled from 1982 to 1985 contained pesticide residues, and that half of the imports found to be adulterated moved to market before the FDA had completed its analysis and ordered them detained.

Of the food imports, valued at $20 billion last year, Assistant Comptroller General J. Dexter Peach said, "Not only is there inadequate coverage of certain pesticides, but some foods coming from various countries are not being tested for any pesticides at all."

The subcommittee was told of a pesticide group known as EBDCs, the chemicals most widely used worldwide against fungus in fruits and vegetables.

Although a byproduct of EBDCs is known to be a probable cause of human cancer, Peach said the FDA did not test any imported food for the pesticide from October 1978 through last March. At the same time, according to the subcommittee, imports of such EBDC-treated products as tomatoes and orange juice concentrate increased dramatically.

"That record is unacceptable," said Rep. Ron Wyden (D-Ore.), directing his criticism at Young.

"I agree, and that's why we're trying to change it," Young replied, pledging increased enforcement of pesticide limits on imported foods.

A General Accounting Office analysis presented by Peach showed that 6 percent of imported food samples surveyed by the FDA between 1979 and 1985 violated federal pesticide limits. There was evidence of violations by domestic producers as well: 2.9 percent of the U.S. food had excessive levels.

But yesterday's hearing focused on pesticide residues in imports, which account for one-sixth of U.S. food consumption, including one-fourth of the fruit.

Rep. Gerry Sikorski (D-Minn.) was critical of the FDA sampling of imported bananas, of which only two were tested from 1979 to 1987 despite wide foreign use of the pesticide benomyl, suspected of causing cancer, birth defects and genetic mutations.

The FDA can no longer be bashful about hazardous food imports," he said. "The time has arrived to subject the Chiquita banana lady to a serious strip search."

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[From the Washington Post, June 3, 1987]

## Facing the Issue of Pesticide Residues

### HOW CAN CONSUMERS BRING ABOUT CHANGE?

(By Carole Sugarman)

Ralph Nader wrote to several large supermarket chains last year asking that they stop selling apples treated with daminozide, a farm chemical shown to cause cancer in laboratory animals. Four grocery chains, plus several apple juice and baby food companies agreed, and turned to suppliers who grew apples without daminozide. Meanwhile, the chemical is still on the market.

Thus, in the case of Alar, the trade name for daminozide, organized consumer pressure brought about stricter accountability than the government has yet required. It showed how in some cases the marketplace can move faster than the bureaucracy.

A study published two weeks ago by the National Academy of Sciences, which reported that current government regulations should be significantly improved to better protect the food supply from carcinogenic pesticides, raises the debate of what consumers can do—both personally and collectively—to bring about change and reduce their risks.

The report picked 15 foods estimated to have the greatest potential risk. It did not imply that these 15 foods are actually dangerous as they are currently grown and marketed, but that regulations left them with the greatest allowable risk. In the case of tomatoes, for instance, not only are they widely consumed, but more carcinogenic fungicides are approved for them than for any other food. However, it is unlikely that all of those fungicides would be used at one time.

NAS used the worst-case scenario that assumed that pesticide residues were present in goods at the maximum tolerance level, that 100 percent of the acreage of the crop was treated and that exposure occurred over a 70-year lifetime.

The report "is not a food safety issue," said committee member Donald Bissing of FMC Corporation, a manufacturer of agricultural machinery and chemicals; rather, the numbers were meant to identify regulatory priorities.

While the public "shouldn't stop eating tomatoes," said Richard Wiles, project officer for the NAS study, "people should be concerned." Wiles said that the fundamental problem is that the regulatory system perpetuates exposure to chemicals that are more hazardous than many safer alternatives.

There are only bits and pieces of data on actual pesticide residues in food as consumed, although more is surfacing as a result of the NAS report, according to Wiles. The most comprehensive information to date is the Food and Drug Administration's Total Diet Study, which involves the analysis of 234 foods, prepared and cooked as consumers actually eat them. In 1986, pesticide residues on these foods were well below acceptable daily intakes, according to Ellis Gunderson, chemist with the FDA's Division of Contaminants Chemistry. The study is limited, however, because it does not analyze every pesticide for which there is a regulated tolerance.

Even so, environmental groups have long criticized the methods by which tolerances are set. Almost half of all registered pesticides lack fundamental safety studies on which tolerances are set, a factor which leads advocates to believe that their risks are greater than currently known.

At least nine fungicides presently used are known to cause tumors in animals, according to EPA. For example, one widely used one, mancozeb, was estimated by EPA to have a risk of 2.2 cancers per 100,000 people, when it breaks down to a more dangerous chemical in the body.

From a consumer standpoint, it is virtually impossible to determine what pesticides have been used on a particular food, given the complexity of the distribution chain and fact that although numerous chemicals are often registered for a given crop, they may not actually be employed. There are striking regional differences in pesticide use, too, depending on climate and geography. The majority of fungicides used on tomatoes, for example, are applied by growers in the Midwest, East and Southeast, even though less than one-third of tomatoes are gown in these regions, according to the NAS report. Similarly, potatoes from Idaho have fewer fungicides applied to them than those from Maine.

Unfortunately, since there is very little information disclosed at the point of purchase, "protecting yourself from pesticide residues is not a self-help project," said Ellen Haas, excutive director of the consumer group Public Voice for Food and Health Policy. Haas recommends that consumers be wary of "perfect-looking produce," which may have been sprayed liberally to kill insects that would mar the look of perfection and be aware that imported produce may contain pesticides either banned in the United States or above domestic tolerance levels.

In addition, everyone agrees that washing food is likely to get rid of at least some pesticides. "We can't wash everything all off of everything," said Wiles. "But keep washing. Wash and write your congressman.

While the EPA has very little data on what home washing actually does. Chuck Trichilo, chief of the agency's residue chemistry branch, said that warm water may be better than cold, and that mild soapy water may remove even more residues. Trichilo, who says he use warm water and Ivory soap to wash his own produce and peels his apples because he doesn't want to eat the wax, emphasized that thoroughly washing off soap is crucial. (The June issue of the EPA Journal recommends that consumer scrub fruits and vegetables with a brush and peel them if possible; it does not recommend soap. It also suggests discarding fats and oils in broths and pan drippings, since residues of some pesticides concentrate in fat.)

When it comes to rinsing produce after it is harvested, not all crops are washed since water may decrease their lifespan, according to Claudia Fuquay, director of National Agrichemical Program of the United Fresh Fruit and Vegetable Association. Fuquay said that most head lettuces are not commercially washed; however, their outer leaves are generally removed for handling and asthetic reasons before they are packed. Tomatoes, citrus and most free fruits are washed, according to Fuquay.

As for washing before produce as processed, research performed by the National Food Processors Association found that 71 percent of parathion residue on spinach was removed by washing and blanching using factory sprays and equipment. NFPA concluded that the nature of the chemical and the crop on which it is applied affect the amount of pesticide that will be removed.

Unfortunately, some pesticides just won't wash off. Systemic pesticides, which lodge inside a food, cannot be removed by rinsing. Benomyl, a fungacide used on tomatoes, and dammozide in apples are two examples of systemic pesticides.

Waxes, which are often used on the surface of fruits and vegetables, frequently are mixed with fungicides, according to Sandra Marquardt, resource information coordinator with the National Coalition Against the Misuse of Pesticides. Both the wax and the fungicide are difficult to remove. Marquardt said.

Determining pesticide residues in processed food is another issue. With some foods, such as tomato paste and dried fruit, pesticide residues actually became higher after the food is processed because these products are concentrates.

According to a study from the National Food Processors Association, tomatoes containing 1.76 parts per million of benomyl after harvest were rediced to .31 ppm after harvest were reduced to .31 ppm after commercial washing. When the tomatoes were turned into paste, the residue increased to .57 ppm.

The increase, however, was still 1/10th of the residue permitted in the raw agricultural product, according to Dennis Heldman, executive vice president of scientific affairs at NFPA.

Whatever the types and amounts of pesticides residues in food and whether or not they pose a health threat, it is clear that consumers are concerned about them. According to recent survey conducted by the Food Marketing Institute, a trade group of supermarket chains, 76 percent of shoppers rated pesticide residues in food a "serious hazard." No other food and health issue was rated as serious a hazard by as many people.

Consumer groups, who have bounded the EPA and FDA for years to better regulate pesticide residues in food, are now trying to mobilize this concern by putting the pressure on growers, manufactures and retailers to offer pesticide-free alternatives.

Although the committee makes no recommendations for or against organic agriculture, Wiles of NAS said, "as a consumer you're helpless unless you manipulate the market. The best weapon you have is your money."

"So much time and effort goes into lobbying to get a certain chemical banned," noted Ben McKelway, associated director of the recently formed Americans for Safe Food. While the group tries to keep track of regulatory efforts, the major focus, he said, is in stimulating demand for pesticide-free foods.

ASF, coordinated by the advocacy group, Center for Science in the Public Interest, is setting up local action groups throughout the country to encourage interest in organically grown foods.

McKelway said the local consumer leaders will "very politely urge supermarket buyers to seek out organic products to offer an alternative." The whole process is expected to be taken, he says, "on a positive, cordial basis."

Organic foods cost about 10 to 30 percent more than conventionally grown food, according to McKelway, but he says "once it gets rolling, we hope the price differential would decrease. Right now consumers must pay a premium for safer foods."

According to Karen Brown of the Food Marketing Institute, a number of supermarket chains have expressed a willingness to provide organically grown foods, but she noted they face several obstacles. One is the problem of availability.

Larry Johnson of Safeway said that the chain has had "some in-house discussion" about organic produce but that the biggest problem is that the quantity available doesn't match the chain's needs. Johnson did say, however, that organic produce could be promoted on a select store basis or as a specialty item.

Sue Challis, spokesperson for Giant, said the chain has investigated buying organic produce, but has found similar supply problems. Additionally, "if we had consumers calling us every day and asking for organic produce, it would be a different story," Challis said.

Richard Koslow, co-owner of Organic Farms, a Beltsville wholesale company that sells organic goods throughout the East Coast, said that the company has had ongoing discussions with large supermarket chains. Aside from concerns over adequate consumer demand, Koslow said, the companies are reluctant to change a "very ingrained pattern of behavior."

Another problem that supermarkets face, noted Brown, is certifying that the food was actually grown without chemicals. McKelway is well aware of the problem of certification: "There's a potential for abuse there, and I just hope that it's not too common." Several months ago, Giant Food was preparing to carry so-called "natural beef," but canceled the program at the last minute after discovering the cattle had been treated with antibiotics.

One problem is that there is no national definition of organic. McKelway hopes that differences among farmers can be ironed out enough to win support for a bill in Congress for a definition. Several states already have definitions, but they are not all the same.

Marquadt of the National Coalition Against the Misuse of Pesticides said that consumers should educate themselves about the problems of pesticides, support the organic movement and write to their representatives on both the state and federal level "to let them know that they don't want to take it anymore."

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[From The Washington Post, Wednesday, Aug. 5, 1987]

### A Matter of Imports

#### CONTROVERSY OVER LABELING THE ORIGINS OF FOODS

(By Carole Sugarman)

A can of Campbell's Beef Vegetable Soup is constructed like a Chrysler: The Beef most likely came from the company's plant in Argentina, the cans were made from Japanese steel, and although Campbell usually buys domestic produce, the vegetables could have been imported from anywhere in the world.

Consumers may not know that the meatballs in their Franco-American spaghetti were probably partly processed from New Zealand or Australian cattle, or that between December and April more than half of the fresh tomatoes consumed in the U.S. come from Mexico. Domestic manufacturers are not required to list where their ingredients come from, and retailers don't have to identify whether the bananas in the bin were grown in Guatemala or Honduras.

But there's a movement to change that. Over the past year, about half a dozen different "country-of-origin" labeling bills have been introduced in Congress. And recently, an amendment was added to the omnibus trade bill that would require country-of-origin identifications at the retail level for all domestically processed foods containing a significant percentage of imported ingredients, as well as all imported fresh foods.

The labeling issue adds grist to the current international trade debate, this time pitting some U.S. producers against domestic manufacturers and retailers—and leaving consumers in the middle of another plea to buy America and save the American farmer.

While the United States still exports more food and raw agricultural products than it imports, over the past five years the numbers have narrowed. In 1981, according to the U.S. Department of Agriculture, food and agricultural exports exceeded imports by $26.6 billion; in 1986, exports exceeded imports by only $5 billion. Conversely, from 1982 to 1986, the dollar value on imported food increased by 41 percent. (In 1987, for the first time since 1981, food and agricultural exports are expected to rise slightly and imports to decrease slightly, according to the USDA.)

Campbell is "firmly committed to worldwide sourcing," said company spokesperson Jim Moran, because of the lower costs and assured supply of imported food. "Otherwise, we'd get clobbered by foreign competitors," he said. Moran said the company would support the position of the National Food Processors Association, which opposes mandatory country-of-origin labeling.

Dennis Phelan, director of legislative affairs at NFPA, said that such labeling would be "totally unworkable" for American processors who, for example, make a product such as beef stew that contains ingredients from any number of foreign countries. Since the company's sources many change depending on cost and availability of the ingredients, the number of potential label combinations would put the firm "out of business in about an hour," Phelan said. If a law made it difficult for companies to use imported ingredients, they'd stop doing it—and switch to domestic goods, Phelan said.

Phelan believes that proponents of the measure don't care so much about consumers' right to know as they do about shutting out imports. Opponents see country-of-origin labeling as a protectionist move and a nontariff trade barrier.

Senator James Exon (D-Neb.), who offered the amendment to the trade bill in June, represents a state well known for its beef production. Country-of-origin labeling poses a "happy marriage between the consumer's right to know and protecting, to some degree, the markets of American producers of quality food," Exon said in a recent interview.

Exon said that the amendment would not ban the importation of foreign beef and that the labeling difficulty raised by food processors is a "totally phony argument." Food companies change their labels in some way or another every year for marketing purposes, Exon said. Besides, federal regulations would require "reasonable and practicable" application, meaning that the exact country of origin might not have to be identified, but rather a selection of possibilities, he added.

In a draft General Accounting Office report that addresses the issue of labeling of imported meat, the agency concluded that "insufficient evidence exists" that the benefits of country-of-origin labeling justify the costs of implementing, monitoring and enforcing such a requirement. Those costs would ultimately be passed on to the consumer, the report stated. GAO said that livestock producers have been pushing for country-of-origin labeling for the past 20 years.

During that period, domestic production of manufacturing grade beef declined and Australia and New Zealand emerged as the primary sources of the kind of meat used in ground beef, sausages, chili, stews, soups and frozen dinners. About 7 percent of the beef consumed in the U.S. is imported, although nearly 40 percent of the domestic ground beef supply contains imported beef, according to GAO. Many food processors, fast food companies and restaurants blend imported and domestic beef together in their products. (Imported manufacturing grade meat is generally leaner than the domestic variety.)

It's not just industry representatives who are concerned that mandatory country-of-origin labeling would impose a complicated monitoring system. The chocolate industry sees the measures as a threat to its trade secrets. According to Susan Smith, director of public and legislative affairs for the Chocolate Manufacturers Association of the U.S.A., the taste distinctions among Hershey, Mars and Godiva chocolates are largely due to the origin of the cocoa beans in each formulation.

Identifying country of origin for fresh produce is a health and safety issue as well as an economic one. Supporters of such labeling for fruits and vegetables believe that consumers have a right to know where their produce comes from since foreign countries may be using pesticides that are either illegal in this country or in excess of U.S. tolerances. Between 1979 and 1985, about 6 percent of the imported produce sampled and analyzed by the FDA contained illegal pesticide residues.

Nevertheless, "the solution is not to label [tainted produce]," said NFPA's Phelan. "That's absurd." The answer lies in strengthening enforcement programs so that the produce "doesn't come in to begin with," he said.

Rep. Leon Panetta (D-Calif.), who recently returned from a trip to Otay Mesa, one of California's primary points of entry for Mexican produce, said that he was surprised by the lack of communication between the Food and Drug Administration and Mexican officials concerning which pesticides are illegal in this country, the FDSA's lax procedures in notifying the Mexican government when violations are found, and the lack of tough enforcement after violations are detected. In the meantime, in lieu of a more effective enforcement program, "we have the responsibility to educate the consumer as to the risks." Panetta said he has become "more sympathetic" to country-of-origin labeling because he believes it would do that.

U.S. farmers have to comply "with the strictest regulations in the world," according to Leona Lewis, president of California Women for Agriculture. Lewis' group, which has supported state efforts for country-of-origin labeling, said that labeling raw products is "something we desperately need. Everything else we buy—clothing, liquor, you name it—it's identified. If we don't market our own products to the best of our ability, who will?"

Since 1979, the state of Florida has had its own country-of-origin labeling act. According to testimony of Martha Rhodes, Florida's assistant commissioner of agriculture, such information has afforded consumers with "the basic information to make a conscious choice." Rhodes said that state costs to enforce these requirements have been "minimal" and that adding the words "From Chile" or "From Mexico" to produce placards has not been burdensome for retailers.

However, Clayton Hollis, spokesperson for Publix supermarkets, a Florida chain, said that the state's country-of-origin requirement is a "very difficult law to follow." Hollis said that particularly when it comes to separating and labeling the same produce item from different sources (e.g. oranges from Florida and Sicily) that it is "a big hassle."

Hollis said that where the produce comes from doesn't matter to Publix's shoppers. They purchase fruits and vegetables which are the "best looking and the best price, whether they be domestic or imported," he said.

While Sen. Exon believes that American consumers will be attracted to American meats because of their quality reputation, Sharon Bomber of the United Fresh Fruit and Vegetable Association, believes that "country-of-origin labeling is not going to make people buy American. Quite the opposite is true, Bomer said; consumer trends show an increasing demand for imports and exotics, at least when it comes to produce. In addition, a survey conducted by The Packer, the produce industry's trade publication, showed that out of 13 characteristics important to consumers when buying produce, country-of-origin ranked 12th, according to Bomer.

Consumers might use country-of-origin information in the same way they use brand names, said Mona Doyle, president of Consumers Network, a consulting firm that regularly polls consumers. When it comes to food, the cachet of imported products depends on the item, Doyle said. American meat has a very positive image, Doyle believes, while English, Canadian and French dairy products are seen as better than American. Perception of produce items is probably split, she added.

Consumers don't realize that they may be displacing American labor by buying foods such as Italian-made pasta, Doyle said. But consumers want imported ethnic foods, she conceded; it makes them think " 'I'm eating the authentic stuff.' "

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## DECEPTIVE MARKETING TECHNIQUES

## HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BONKER. Mr. Speaker, I would like to bring to the attention of my colleagues outstanding testimony presented at a recent hearing before the Subcommittee on Housing and Consumer Interests of the Select Committee on Aging which I chair. The subcommittee has been investigating the all-too-common deceptive and unfair practices used in the sale of MediGap, long-term care insurance and other forms of insurance to the elderly.

The elderly are especially vulnerable to deceptive and unfair marketing techniques. Nowhere is the problem more acute than in the health field. Not surprisingly, older persons, who have a higher utilization of health care services than any other age group, are deeply concerned about their health care costs.

Many greedy and unethical agents take advantage of seniors even in their own homes, and load them up with ineffective or duplicative insurance. Once their foot is in the door, an agency or agent often returns over and over to sell the senior multiple mediGap policies, as well as policies to cover dread diseases such as cancer, long-term care and life insurance.

While many States are not effectively protecting consumers in this area, I am proud to say that my home State of Washington continues to show national leadership in vigorously pursuing unfair advertising and sales practices in the insurance field.

The following testimony was given by Washington State's Office of the Insurance Commissioner. This statement illustrates these outrageous practices and highlights what can be done at the State level to protect seniors.

As this testimony clearly shows, Insurance Commissioner Richard Marquardt should be commended for his work in this area. Commissioner Marquardt has committed his office and resources to tackling these issues head on. I want to also commend Assistant Insurance Commissioner Patricia Petersen whom the Commissioner has assigned to protect seniors, for her testimony and her work. She has quickly become recognized as a national expert in the MediGap and health insurance field.

Washington State should be looked upon as a model for other States, as well as the Federal Government, for addressing tactics used to frighten, manipulate, and exploit the vulnerability of the elderly over their health care needs. The text of Ms. Petersen's testimony follows:

### TESTIMONY OF PATRICIA RUTH DONOVAN PETERSEN, DEPUTY INSURANCE COMMISSIONER, STATE OF WASHINGTON ON ILLEGAL ACTIVITIES IN THE SENIOR CITIZENS INSURANCE MARKET

Chairman Bonker and members of the Subcommittee on Housing and Consumer Interests, on behalf of both Insurance Commissioner Dick Marquardt and myself, thank you very much for inviting me here today to present the perspectives of the Washington State Insurance Commissioner regarding the provision of private Medigap insurance to the nation's elderly.

I am Patricia Petersen. I am Deputy Insurance Commissioner for the State of Washington. I am an attorney and as Deputy Insurance Commissioner I am in charge of major facets of regulation of the Medigap industry for our state.

Today I will present four key areas of constant concern to me in my work. First, illegal advertising via television and direct mail for Medigap insurance by Medigap companies, is very widespread. Second, illegal acts by agents representing Medigap companies to senior citizens require constant monitoring and enforcement actions by state regulators. Third, we have found that some Medigap companies are making illegally high profits. Fourth, despite the enactment of the Baucus amendment in 1980 and those state laws addressing Medigap abuse, victimization of our elderly citizens through illegal practices continues much the same as it did in the 1970's. Many Medigap companies still cannot or do not choose to correct these abuses. While Washington has been a leader regulating Medigap abuse and in utilizing implementation of a state senior volunteer assistance program, most other states have the same problems and concerns although each state attacks these problems with greatly varying degrees of enthusiasm. Because sales of Medigap and life insurance to seniors often go hand in hand, my comments concerning Medigap abuse also apply in large part to sales of life insurance to the elderly.

#### ILLEGAL ADVERTISING FOR MEDIGAP AND LIFE INSURANCE IS WIDESPREAD

In 1973, in response to substantial abuses in advertising and sales of Medigap insurance, Washington state adopted the Washington State Disability Advertising Insurance Regulation. This is a model law which has also been adopted in similar form by forty-seven states. This regulation applies to advertising in all its forms.

Many of the current advertisements for Medigap and life insurance, particularly those directed to our elderly population, contain substantial violations of this advertising regulation and other state statutes. Washington state is in the process of taking action against several of these Medigap companies which advertise on television. My Cease and Desist Order against four of Colonial Penn Franklin Insurance Company's Medigap insurance advertisements, featuring Ed McMahon, is attached for your review [Exhibit 1]. My Cease and Desist Order against several of National Home Life Assurance Company's Medigap insurance advertisements, featuring Lorne Greene and Tennessee Ernie Ford, is also attached [Exhibit 2]. The various illegal aspects of these advertisements are set forth in those Orders. Some ten years ago we halted television advertising for Medigap insurance featuring Art Linkletter; the violations are fairly similar yet companies persist in continuing this abuse.

Further, the amount of illegal direct mail advertising for Medigap insurance is staggering. Medigap companies themselves mail countless advertisements to seniors, many of which are inaccurate or misleading. Further, in the past 18 months, we have uncovered an illegal "cold lead" system of advertising in this market. Typically, an advertisement is mailed directly to senior citizens, often bearing the appearance of affiliation with an official government entity or nonprofit senior citizens consumer group. Many look like your federal tax return, all bear official-sounding names (Consumer Referral Service Center, Medicare Division, Washington, D.C.; Federated Benefits, Benefits Information Department, Washington, D.C.; Senior Security Benefit Service, Senior Citizens Division, Washington, D.C.). Nearly all are located in Texas but many bear Washington, D.C. addresses which often are merely drop boxes, meant to add credence to the official appearance of the mailing. They advise the recipient that there are changes to the Medicare program—or changes to the federal tax reform act—and offer to provide the recipient with information concerning these changes if only the recipient will complete and return the postage paid card. As far as we have discovered, through voluminous numbers of complaints to our office, the only response the senior citizen receives is when a private insurance agent or several agents appear at his door, unannounced, to sell private Medigap insurance.

What has happened here is that when the card is returned it is sold by the cold lead company for approximately $8 to $24 per card to insurance companies; the Dallas Morning News, for example, reports that National Home Life Assurance Company is a large purchaser and acknowledges such purchases are common practice. Alternatively Medigap agents who are often encouraged in company publications and elsewhere, purchase and use these cards on a large scale. Also, in some situations insurance companies themselves wholly own and control cold lead companies (United American Insurance Company which is the second highest commercial Medigap premium producer in the country, owns Consumer Support Services, Globe Life and Accident Insurance Company owns American Consumer Services). The Dallas Morning News reports that one company alone—National Referral Systems of Dallas which owns Consumer Referral Service Center—sent 6 to 7 million such advertisements through the mails in 1986 alone. The profits from the Medigap cold lead referral business are tremendous.

These advertisement are solicitation for insurance and contain specific violations of Washington law, and the laws of most states. In the past 18 months Washington has issued Cease & Desist Orders against ten such companies and obtained letter agreements to cease from two others. Attached is a list of these companies [Exhibit 3]. Attached also are two such Orders with the offending advertisements exhibited [Exhibits 4 and 5]. Many more advertisements are under investigation. It appears that our Orders have curtailed this activity in Washington, but we have evidence some companies have merely changed their names and continued their illegal activities. The great majority of states have taken no action, so the mailings continue elsewhere.

#### FRAUDULENT ACTS OF MEDIGAP AGENTS

When an insurance company appoints an agent to represent it, the company is virtually always legally responsible for the actions of that agent. Of the 27,000 agents licensed to sell insurance in Washington state, due to drop outs and revocation orders 7,000 turn over each year. The majority of these agents are in the life and health insurance, including Medigap, field.

The population of Medigap agents is not a stable one. While there are many Medigap agents of high caliber, the enticement of potentially high profit attracts many unscrupulous agents as well. On first year Medigap policies which generally cost $400 to $1,500 annually, the agent will earn about 65% commission. On first year sales of life insurance, which can cost $2,000 and up for $100,000 coverage for a 70 year old male with no major health problems, the agent will earn approximately 85% to 105% commission. Further, by statements from Medigap companies themselves and other information received by us, many Medigap companies have no education programs for their agents. We also do not believe that many such companies do significant screening of agents before they appoint them. Our office receives about 150,000 contacts per year regarding insurance problems. Thousands of these concern Medigap insurance. Complaints from Washington consumers received by the Federal Trade Commission are apparently being routinely transmitted to our office, with the explanation that the Federal Trade Commission lacks jurisdiction [Exhibit 6].

I sit as an administrative law judge in contested license revocation proceedings. The majority of cases I hear involve Medigap agents and their transactions with senior citizens. I attach copies of two recent Findings of Fact, Conclusions of Law and Orders on Hearing which were the decisions reached after presentation of evidence in these cases [Exhibits 7 and 8]. For example:

Agent James Walters, who does 99% of his business in Medigap and nursing home insurance and other insurance for senior citizens, arrived at the home of Madeline Melvin, having made the contact through a cold lead card. Mrs. Melvin was at least 85 years old, frail, and possessed life savings in the amount of about $5,000. The agent personally completed and signed his own name to two of her checks, one payable to a senior citizens insurance agency he represented, and one to "American Integrity Insurance Company" which he also represented. Agent Walters sold Mrs. Melvin five policies, including two for which she did not qualify and one which she already had.

Agent Walters returned later to Mrs. Melvin with the intent to defraud her of additional funds for his own personal use. He advised Mrs. Melvin's bank that he was her grandson, that he was taking care of all her affairs and that she needed $2,500 to pay her medical expenses. First he advised he would be picking up a loan contract for "grandma" to sign; later he advised that he would simply be withdrawing the funds from her account. Only by very good fortune did investigators meet the agent and Mrs. Melvin in the bank and so uncover this agent's fraudulent dealings with this elderly woman. This agent had also had questionable dealings with insureds prior to this time.

Agent Patrick O'Brien has been licensed in Washington for 14 years, doing 100% of his business in Medigap, nursing home and

other insurance for senior citizens. Agent O'Brien went to the home of 73-year-old Albert Mock, who you will meet today as a witness. He received $793 to purchase a Medigap policy, issuing Mr. Mock a receipt for this amount for "12 months' coverage for Policy Form MAXC," a Medigap policy which Mr. Mock wanted. In the application to United American Insurance Company Agent O'Brien falsely reported he had received $347 for six months Medigap coverage. Under an improperly obtained application for life insurance, Agent O'Brien purchased a life insurance policy with the balance of these funds; an agent commonly receives a much higher commission premium on first year sales of life insurance. Agent O'Brien later returned to Mr. Mock and offered to sell him an "investment" and left with a check payable to United American Insurance Company. Mr. Mock never saw any evidence of his "investment."

When Mr. Mock later became aware that he was not covered by his Medigap policy for a full year, he went to an attorney; by letter Agent O'Brien threatened to sue Mr. Mock and the attorney should suit be brought against him.

Agent O'Brien arrived at the home of 80-year Mary Nameniuk who lives on an income of $392 per month. He collected a check for $2,600 for Medigap insurance, and some life insurance, and issues her a receipt on behalf of United American Insurance Company. He returned to his victim to collect an additional $1,037. Unknown to Mrs. Nameniuk for quite some time, no funds were submitted to United American or any company. No insurance was ever purchased for Mrs. Nameniuk with these funds, and she never saw her money again until, despite an exculpatory letter written in Agent O'Brien's own hand ostensibly on behalf of this victim, the insurance commissioner intervened.

In the O'Brien revocation proceeding five other egregious cases against other victims were proven. Agent O'Brien had also had many other serious disciplinary proceedings against him over the years, yet few if any Medigap or life companies ever terminated his appointments to represent them.

We currently have cases where Medigap agents have apparently acquired money from insurance clients through—literally—investments in nonexistent oil wells, dishonored or illegal promissory notes, sales of worthless objects, and the list goes on.

In addition to the above-mentioned fraudulent activities, other common areas of fraud in this market are "twisting"—convincing a client to switch Medigap policies, thereby increasing time periods for pre-existing conditions and creating lags in coverage; "loading up"—selling multiple overlapping policies, and "clean sheeting"—purposely not stating the health problems of the applicant in order to assure that the policy will be issued and the agent will receive his commission; but when the insured has a claim it may not be covered. Other cases apparently seem to involve inexcusable incompetence on the part of the agent or company.

I have just heard and decided a case where the agent, even after his license had been temporarily revoked, continued, in addition to various activities as above described, to go "cold turkey" through senior citizens apartment complexes advising the elderly that he was a representative of the federal Medicare program appointed to review their Medigap policies-collecting checks to cover his "fee" and then cashing them immediately after leaving the premises.

As with Agent O'Brien and others, when complaints against agents are brought to the attention of the Medigap companies, Medigap companies commonly do not terminate the authority of these agents to represent them; often this type of unscrupulous agent is a very high premium producer for the company and a valued employee. In fact, an agent who has actually lost his license for unethical or illegal behaviour will be hired by the Medigap company or a senior citizens insurance agency to act in some other capacity, such as a "trainer" of new agents.

The above activities are various examples of cases we deal with daily. The cases, such as those detailed above, which result in revocation of the agent's license are only part of those which we know exist, due to lack of knowledge or fear on the part of the elderly victims, lack of investigatory capability, lack of sufficient evidence against an agent or company, or agent intimidation of witnesses prior to hearing. It takes many office hours to bring just one agent to a revocation hearing. In the above examples, if the insurance commissioner had not stepped in relief for these victims would not likely have been forthcoming and the agents would still be licensed to sell insurance.

#### SOME MEDIGAP COMPANIES MAKE ILLEGALLY HIGH PROFITS

The Baucus amendment establishes loss ratio "targets" for Medigap policies that set a goal for 60% (individual policies) and 75% (group policies) of insurance premiums to be returned to policy holders in the form of benefits. These 60% loss ratio requirements are not "targets" in Washington State; Washington law requires that Medigap companies meet 65% (individual and mass marketed policies) and 75% (group policies) loss ratio requirements. The purpose of this law is to curtail generation of inordinately high profits by these companies. The General Accounting Office recently reported that loss ratios of most commercial policies were below the Baucus amendment targets and average 60.2% in 1984. [Medigap Insurance: Law has Increased Protection Against Substandard and Overprised Policies, GAO Report to the Subcommittee on Health, Committee on Ways and Means, Oct. 1986, p. 4.]

Because the Baucus amendment does not require states to monitor loss ratio experience of Medigap companies [GAO Report, p. 5], it appears to be correct that many states do not monitor this experience [GAO Report, p. 25]. Because Washington mandates compliance with these loss ratios, we do monitor loss ratios by requiring a separate fiscal statement to be filed annually covering only Medigap business for each company (the form is similar to that produced by the National Association of Insurance Commissioners).

Washington has found loss ratios for many Medigap companies to be far below our legal requirements; in other words, profits are too high. Based upon the fiscal statements and other information, in December 1986 we wrote to twenty-one companies giving them the opportunity to justify their low loss ratios. Attached, for example, is our letter to American Integrity Insurance Company advising that for 1983, 1984 and 1985 it earned about $608,000 in premiums on individual disability (including Medigap) policies in Washington and paid out only about $90,000 in claims resulting in an unacceptably low loss ratio of 14.8% [Exhibit 9]. Attached also is our letter to United American Insurance Company advising that for 1983, 1984 and 1985 it earned about $10,601,000 in premiums on individual disability policies in Washington, yet paid out only about $2,841,000 in claims resulting in an unacceptably low 26.8% loss ratio [Exhibit 10]. Even in the face of such inordinately high profits, United American has currently filed a request to be able to charge higher premiums for its Medigap policy. Gerber Life Insurance Company is being questioned for its loss ratio of 20.5% [Exhibit 11]. To date these companies in six months have failed to justify their unacceptably low loss ratios. These companies' profits are illegally high.

Because of inordinately high profits, we have required several other such compaines to either increase their benefts or lower their premiums to bring loss ratios into compliance (we understand that Wisconsin has done the same to United American). To other companies we have announced our intent to prohibit further sales of their products in our state due to illegally high profits.

#### WASHINGTON SENIOR HEALTH INSURANCE BENEFITS ADVISORS PROGRAM (SHIBA)

Ten years ago, in order to try to curtail abuses and confusion in the senior citizens insurance market, Washington embarked upon its Senior Health Insurance Benefits Advisors Program (SHIBA). The first program of its kind in the nation, the major purposes of SHIBA are education of seniors regarding enrollment and rights under Medicare and choice of Medigap policies, assistance in filing claims and obtaining benefits under Medicare and Medigap and problem resolution or referral to the insurance commissioner's office.

SHIBA is an all-volunteer organization currently numbering 400 primarily senior citizens that serves other seniors out of counselling offices in nearly 100 cities and towns throughout the state. These offices are housed with other senior organizations and the space is donated. Two members of the insurance commissioner's consumer protection division staff coordinate SHIBA, recruiting and training volunteers and seeing that they are provided with undated information and support. The state is divided into 25 regions and each region is administered by one volunteer coordinator.

To become a SHIBA volunteer, an individual must take a 40 hour training course taught by the commissioner's staff. This training includes major aspects of Medigap policies and the Medicare program. At this point a volunteer is qualified to work any number of hours out of his regional office counselling seniors provided he fulfills strict monthly continuing education requirements. A volunteer has no authority to regulate the Medigap companies of agents or legally *require* them to return funds, rescind unwanted policies or otherwise effectuate relief for a victimized senior citizen. However, through its educational and advocacy functions many problems are resolved or prevented in the first place. SHIBA is of great value to the insurance commissioner's consumer protection function and, by reaching over 55,000 of Washington's 500,000 seniors annually through over 23,000 volunteer hours, it is of great value to our senior citizens. A summary of SHIBA is attached [Exhibit 12] and copies of our recently updated senior citizen health insurance information pamphlet have been given to Committee staff.

Our estimated annual cost for SHIBA, including the two employees' salaries and benefits and all educational and training material for volunteers, is $100,000.

Washington has responded over the years to the requests of about thirty states requiring information about setting up programs similar to SHIBA. Currently, we know of a minority of states which have such programs in effect.

### RECOMMENDATIONS

Clearly, Medigap companies have not earned the right to have their market protected. Three main areas which could be considered in an effort to curtail abuse in this market include 1) simplification of Medicare, which would render Medigap policies more understandable, 2) broadening of the Baucus amendment to realistically cover the areas of abuse in the market and to include a vigorous enforcement mechanism, and 3) expansion of Medicare in such a way as to eliminate the need for Medigap insurance.

(1) The terms of coverage under Medicare could be simplified. The current status of terms under Medicare is confusing and overly complicated at best. It is in this confusion that the opportunity for fraud and other abuse occurs in sales of Medigap and other senior health policies. If seniors knew what Medicare does not cover they would know what "gap" coverage they need to purchase, would be less likely to be persuaded to buy duplicating coverage, and they might not have to speculate as to what coverages are available to them under Medicare or Medigap. For example, Medicare Part B covers "80% of Medicare's allowable charges." Substantial numbers of Medicare beneficiaries do not realize that because these "allowable charges" are very low in proportion to the actual charges, Medicare in fact only pays some 50% of the actual doctors charges in the frequent situation where the doctor does not accept assignment. Even the GAO Report (p. 32) fails to recognize this problem. Further, contrary to the GAO Report our state sees little or no educational effort about Medicare conducted by any federal agency.

(2) The Baucus amendment, which is the source of federal regulation of the Medigap market, could be broadened and given a mechanism with which to vigorously enforce it. The Baucus amendment is currently deficient in three areas. First, whereas it sets minimum standards which must be met in Medigap policies, there are no provisions for re-review or altering the minimum standards to cope with changing times and practices.

Second, whereas Baucus sets "targets" for loss ratios, the majority of states do not enforce those minimum loss ratios. If you want to restrict inordinately high profits of Medigap companies, Baucus should *require* states to impose minimum loss ratio requirements.

Third, as reviewed above, Medigap fraud is widespread and currently Baucus addresses almost none of these fraudulent practices. The states vary greatly in their efforts to regulate this market, and state regulation at best is piecemeal. Insurance knows no boundaries; Washingon can do its best to curtail abuse within its state but companies and agents can and do continue these illegal practices in other states where such enforcement has not occurred. For example, illegal advertising we have stopped in Washington we know to be continuing in other states. As another example, when our investigators have spent countless hours gathering sufficient evidence against an agent, at a hearing I can revoke his license, but he can merely cross state lines and often become licensed in another state with little trouble. If you want to curtail Medigap fraud in a meaningful manner, nationwide, Baucus could address the fraudulent practices which exist in the marketplace and provide a vigorous mechanism with which to enforce it.

(3) Lastly, serious consideration could be given to expansion of Medicare to eliminate the need for the Medigap product. We recognize that no amount of state or federal effort can truly exert itself well enough into the living rooms of the elderly, into the policies and practices of Medigap companies and the agents for whom they are responsible.

This additional coverage could be on an optional premium funded basis and could include the mandate that physicians accept assignment of Medicare benefits. The cost could be negotiated between Medicare and the providers—the elderly patient should no longer have to be caught in the middle. We are heartily in favor of the current bill to provide coverage of catastrophic care and other expenses, however optional long term care coverage should also be seriously considered. States are developing their regulations in a piecemeal fashion, and we already see that the illegal practices of Medigap companies and agents work equally well in the long term care market. In fact, the companies and agents in these two markets are the same.

### CONCLUSION

In conclusion, over the years we have seen that the Medigap insurance industry either cannot or does not choose to correct their abuses, their illegal practices, themselves. Because the elderly consumers who are the targets of this industry are the most vulnerable members of our society, we must either regulate this industry effectively or expand Medicare to eliminate the need for the Medigap product. This problem will only grow worse with neglect.

The great historian Toynbee concluded that a society's quality and durability can best be measured "by the respect and care given its elderly citizens," those in the twilight of life. From my perspective dealing with Medigap abuses daily, we are falling far short of respecting and caring for our elderly citizens.

Thank you. Please accept Washington state's invitation to be of assistance to you.

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## PUBLISHER OF THE NATION, HAMILTON FISH 3D, MOVES ON AFTER A JOB WELL DONE

## HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. EDWARDS of California. Mr. Speaker, as a faithful reader of the Nation for many years, I have been delighted to see the historic journal brought to good health by Hamilton Fish 3d. At age 35, Mr. Fish has accomplished something remarkable: he has revitalized a liberal magazine in an era of pronounced conservatism.

Traditions die hard at the Nation, even though subscribers are often fickle. Mr. Fish has quadrupled the Nation's readership without changing the magazine's historic place in American journalism. He is, as the editorial which I have submitted notes, an "entrepreneur of dissent." I thank him for a job well done and wish him success in his future endeavors.

The editorial follows:

[From the Nation, August 1/8, 1987]

### CHANGE AND CONTINUITY

Entrepreneur of dissent, staff psychiatrist, soother of outraged subscribers, salesman for shoestring dreams, promoter of political happenings, beggar for good causes, mediator, manager, cheerleader, organizer, con man—Hamilton Fish 3d has, during his nine and a half years as publisher of *The Nation*, worn many hats, all of them jauntily. Now, after almost a decade of presiding over the business side of this operation, he has decided that at age 35 it's time to move on and explore the possibility of running for Congress. (He is also co-producing a film on Klaus Barbie by Marcel Ophuls.)

To publish a grubby, troublemaking, muckraking, independent progressive journal in America in the 1980s is neither a glamorous occupation nor a conventional launch pad for political office. Yet Ham Fish is not a conventional person. He brought sparkle and enthusiasm to the job and to this office, and an absolutist commitment to freedom of the press. He has scrupulously honored the *Nation* ideal of editorial independence, resisting the temptation to interfere in the magazine's content even when he harbored real reservations about some of its editorial positions. As proof that virtue does not go unrewarded, he leaves *The Nation* with four times the number of subscribers it had when he arrived, with advertising revenues up threefold and with a new publisher, Arthur L. Carter, who is dedicated to carrying on the unique trust that has been handed down by a series of liberal and enlightened publishers since the magazine's founding in 1865.

We will miss Hamilton Fish 3d, although we strongly suspect that *The Nation*'s loss will be the country's gain. Politics is a notoriously chancy occupation, but compared with keeping afloat a left-liberal magazine in Reagan's America, it should be a piece of cake.

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## COMPREHENSIVE ALCOHOL ABUSE, DRUG ABUSE, AND MENTAL HEALTH AMENDMENTS ACT OF 1987

## HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WAXMAN. Mr. Speaker, I am pleased to announce the introduction of H.R. 3187, the "Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987."

The principal purpose of the bill is to revise and extend the authorization of appropriations for expiring programs of the Alcohol, Drug Abuse and Mental Health Administration [ADAMHA]. These activities include the research and demonstration programs of the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse; the activities of the Office for Substance Abuse Prevention (including grants for high risk youth); and State block grant assist-

ance for community mental health, alcohol abuse, and drug abuse services. The authorization of appropriations for these activities expire on September 30, 1987.

The legislation also delineates the appropriate role for ADAMHA in assessing: First, the nature and extent of substance abuse and mental illness and second, the comparative efficacy and cost effectiveness of mental health and substance abuse programs. Hearings conducted by the Subcommittee on Health and the Environment earlier this year illustrated that the extent of knowledge about the incidence of substance abuse and mental illness and the relative effectiveness of prevention and treatment programs is poor.

Mr. Speaker, it is clearly in the national interest for the Federal Government to support and maintain a capability to assess trends in the changing character of alcohol, drug abuse, and mental illness. Unfortunately, in recent years this capability has eroded and as a result, public policy and the allocation of scarce Federal resources has been influenced more by anecdote than epidemiology.

Accordingly, H.R. 3187 establishes a much needed statutory framework for allocating resources through ADAMHA to develop accurate data collection and program evaluation capability. These activities are a unique Federal responsibility which cannot be left solely to the private sector.

### SUBSTANCE ABUSE AND COMMUNITY MENTAL HEALTH SERVICES

Mr. Speaker, a major feature of this legislation is the inclusion of a new allocation formula for distributing Federal alcohol abuse, drug abuse and mental health service funds to States. Since the alcohol and drug abuse and mental health services block grant was created in 1981, the Congress has recognized that the allocation formula was unfair to a large number of States and millions of their residents who could benefit from enhanced services. During the past 6 years the Congress has directed the Secretary of Health and Human Services to study and make recommendations on how the formula could be revised to more equitably distribute limited Federal funds where they are needed most.

The current allocation system appears seriously flawed. It seriously discriminates against certain States for reasons that can best be explained as an historical anomaly.

Under current law there are two Federal block grant programs which provide funding for alcohol abuse, drug abuse, and mental health services by States. These include: First, the Alcohol and Drug Abuse and Mental Health Service Block Grant (Public Health Service Act, Part B) and second, the emergency substance abuse treatment services block grant—Public Health Service Act, part C.

Federal funds available under these programs are allocated between the States by formulas which have been severely criticized by the Department and the General Accounting Office for their lack of equity, statistical precision, and failure to target funds to States most in need for Federal assistance. As a consequence, funding to many States has been kept arbitrarily and artificially low relative to their population's need for services. In fact, the allotments to some States are significantly lower than their relative share of the U.S. population. Maintaining such an allocation disparity is clearly unfair and, after 6 years, can no longer be justified.

Recently the General Accounting Office [GAO] issued a report [GAO/HRD-87-109BR] which compared the current allocation formula with the proposed fairness formula contained in H.R. 3187. The proposed new formula is based upon a comprehensive study conducted by the Institute for Health and Aging (University of California, San Francisco pursuant to Public Law 98-509). The GAO confirmed the principal finding of the Institute for Health and Aging study that the current allocation formula was seriously flawed and resulted in inequitable funding between the states.

The GAO concluded:

> Unlike the current formula, the proposed formulas would allocate all funds according to need and ability to pay and would use more precise measures of these two factors.

The report concludes that new allocation formulas—

> Would substantially improve the equity of the distribution of federal funds.

Mr. Speaker, H.R. 3187 revises the current funding formula to more accurately reflect the relative State populations in need of substance abuse/mental health services and the relative ability of the States to pay for these services—fiscal capacity. These changes are critically important to assuring that individuals and States are treated equitably in the allocation of these limited but vitally important funds.

In order to minimize any disruptions that might occur in States whose funding level might decline as a result of the formula change, the legislation provides for a 2-year transition period before the new formula becomes fully effective. For example in fiscal year 1988 no State would receive less than 80 percent of what they received under the Alcohol and Drug Abuse and Mental Health Services [ADM] Block Grant Program (Public Health Service Act, title XIX, part B) in fiscal year 1987. It is my hope that no State will be unduly disadvantaged by revisions in the allotment formula. The authorization of appropriations for mental health and substance abuse services have been raised to levels that will prevent a reduction in actual funding to any State.

In order to implement the new "fairness formula" the legislation replaces the ADM block grant and emergency substance abuse services block grant with a: First, Community Mental Health Services block grant and a second, Substance Abuse Services block grant.

Mr. Speaker, establishing discrete allotment programs for mental health and substance abuse is necessary for two reasons. First, the allocation formulas for mental illness and substance abuse reflect different populations at risk. The study conducted by the Institute for Health and Aging concluded that the population most at risk of mental illness was not, for example, the same population most at risk of alcoholism. For this reason a State's allotment under H.R. 3187 for mental health funds will likely vary from its allotment for substance abuse.

Second, the Congress has historically made larger appropriations for substance abuses services—$423 million in fiscal year 1987—than for mental health services—$248 million in fiscal year 1987. This distinction was deliberate and reflects the Congress' assessment of the relative need of States for additional substance abuse funding.

There is, however, growing interest for increasing Federal support of community mental health services. Establishing a separate Community Mental Health Services block grant permits the Congress to authorize additional funding for mental health services without making a corresponding increase in the level of substance abuse funding. As noted earlier, the populations in need of mental health or substance abuse services are often quite different. In many cases, State mental health and substances abuse programs are administered by separate State agencies.

H.R. 3187 increases the authorization of appropriations for community mental health services by $39 million over the fiscal year 1987 authorization level. The higher authorization is necessary to minimize the impact of revising the State allocation formula, and hopefully, to assure that no State receives a net reduction in Federal funding.

Mr. Speaker, it is the subcommittee's intention to mark up this important legislation and report it to the House in September.

I insert a summary of the major provisions of H.R. 3187 in the RECORD at the end of my remarks:

### MAJOR PROVISIONS OF H.R. 3187

#### COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT

(1) Establish State block grant for community mental health services using new "fairness formula." Funding is authorized for three fiscal years. The new block grant supersedes the mental health provisions of the current Alcohol and Drug Abuse and Mental Health Services Block Grant.

#### SUBSTANCE ABUSE PREVENTION AND TREATMENT SERVICES BLOCK GRANT

(2) Establish State block grant for alcohol and drug abuse prevention, treatment and rehabilitation services using new "fairness formula." Funding is authorized for three fiscal years. The new block grant supersedes the alcohol and drug abuse provisions of the current Alcohol and Drug Abuse and Mental Health Services Block Grant and Emergency Substance Abuse Treatment Block Grant.

(3) Authorization of appropriations

A. Mental Health Services (including block grant):

Fiscal year 1988, $350 million.

Fiscal year 1989, "Such funds as may be necessary."

Fiscal year 1990, "Such funds as may be necessary."

A minimum of 5% of funds appropriated for mental health services is reserved to provide technical assistance to State and local program providers, improve data collection on the incidence of mental illness, and conduct research into improving the quality and cost effectiveness of community mental health services. In Fiscal Year 1988 a maximum of $320 million would be available for allotment to States for community mental health services. States which receive block grant assistance would be required to allocate at least 10% for programs or services for severely disturbed children and adolescents. States would be required to give priority to the use of Federal funds for development of new or expanded community mental health services and in Fiscal Year 1990 would be required to use at least 55% of their Federal block grants for mental health services not available prior to Fiscal Year 1988.

B. Substance Abuse Services (including block grant):

Fiscal year 1988, $500 million.

Fiscal year 1989, "Such funds as may be necessary."

Fiscal year 1990, "Such funds as may be necessary."

A minimum of 15% of funds appropriated for substance abuse services is reserved for the activities of the Office for Substance Abuse Prevention (including grants for high risk youth) and for expanding technical assistance, data collection and research into improving the quality and cost effectiveness of alcohol and drug abuse programs. In Fiscal Year 1988 a maximum of $425 million would be available for allotment to States for alcohol and drug abuse prevention, treatment and rehabilitation services.

C. National Institute on Alcohol Abuse and Alcoholism (NIAAA):

The authorization of appropriations for biomedical and behavioral research conducted by NIAAA is extended for three fiscal years; $89 million in Fiscal Year 1988 and "such funds as may be necessary" in Fiscal Year 1989 and 1990.

D. National Institute on Drug Abuse (NIDA):

The authorization of appropriations for biomedical and behavioral research conducted by the NIDA is extended for three fiscal years; $183 million in Fiscal Year 1988 and "such funds as may be necessary" in Fiscal Years 1989 and 1990.

E. National Institute of Mental Health (NIMH):

The authorization of appropriations for NIMH sponsored demonstration projects (including the Community Support Program [CSPI]) is extended through Federal Year 1989. For Fiscal Years 1988 and 1989 $32 million is authorized. The authorization levels for Fiscal Years 1988 and 1989 reflect the program's expansion in response to the needs of the homeless and the addition of statutory authority to develop innovative programs to prevent mental illness among high risk groups such as displaced or dislocated workers, young children adolescents.

## HELSINKI HUMAN RIGHTS DAY

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. KEMP. Mr. Speaker, I join my colleagues from the Human Rights Caucus and the distinguished Chairman of the Helsinki Commission in celebrating the 12th anniversary of the signing of the Helsinki accords.

Twelve years ago, 35 countries signed an agreement to work together toward greater cooperation on military, economic, scientific, cultural, educational, and human rights issues. There has been some progress; noted refuseniks have recently left the Soviet Union and the emigration numbers have slightly increased over the previous years. However, there are still nearly two-thirds of the 644,000 Jews who applied to leave the Soviet Union in the past 20 years who remain in the Soviet Union, who have been refused permission to leave and exist in a political, social, and economic limbo. Czechoslovakia's Helsinki monitoring group, Charter 77, and Poland's Helsinki Watch Group paid a terrible price similar to Moscow's Helsinki Watch for their belief in the Helsinki process—jail, loss of livelihood, loss of life. Romania's compliance record has been so poor that Congress voted to revoke its trade status as a most favored nation. Needless to say, these examples do not demonstrate even minimal compliance.

As leaders in the free world we must continue to make full use of the Helsinki process to encourage and ensure improved compliance by all participating nations. Without the Helsinki Act, we would have one less meeting ground for discussion of the goals of peace, freedom, and respect for human dignity. President Ford said at the time of the signing of the agreement:

> History will judge this Conference not by what we say here today, but by what we do tomorrow—not only the promises we make but the promises we keep.

Each year we commemorate Helsinki Human Rights Day. Each year we have another opportunity to review how closely the 35 countries have kept the promises we made on August 1, 1975. And each year for the past 12 years we have regretted the slow progress. This year, as in previous years, we keep sight of our moral and legal obligation and vow to work for greater success in compliance with the great and lofty goals, the promises we made in Helsinki in 1975.

## TO TAX OR NOT TO TAX

### HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HEFLEY. Mr. Speaker, each year Congress is faced with the enormous, tedious, yet vital task of determining the Nation's budget. Not only must Congress determine the new budget, however, theoretically it must do so in a concerted attempt to keep it balanced. Unfortunately, Congress lacks the responsibility and discipline required to control spending so must, as it considers the budget, also consider whether or not to increase taxes.

"To tax, or not to tax" has been the subject of heated debate throughout the Chambers of Congress for nearly two centuries. Conventional wisdom says the Federal budget deficit can be lowered by increasing taxes. Receipts will rise, while expenditures are unchanged, lowering the gap between the two components of the deficit. Reality, however, teaches us that tax increases will not reduce the deficit. In fact, it usually leads to increased spending by Congress which leads to a greater Federal deficit.

Just a few weeks ago, both the House and Senate passed the 1988 budget resolution calling for a $19.3 billion tax increase in 1988 and a $64 billion increase over the next 3 years. The answer to this year's dilemma?: To tax. Now the question focuses around the form in which the citizens will be taxed.

One proposal being considered is to increase excise taxes. While some say the most fair way to impose a tax is to spread it evenly across a wide section of the population, an excise tax—in reality—is possibly one of the most regressive taxes ever imposed upon the American public. A study released by the Congressional Budget Office in January revealed that a $19-billion increase in excise taxes would eliminate the entire income tax reduction provided to families with incomes under $30,000.

In short, excise taxes would hit the families with the lowest incomes the hardest, and those with high incomes, would be affected the least. Some of the most likely candidates for an increase are gasoline, cigarettes, oil, alcoholic beverages, and telephone taxes. If imposed, these products may very well be considered extreme luxury items for low-income families.

When I was elected in 1986, one of the promises I made was to avidly fight for a balanced budget and against raising taxes. And to effectively uphold my promises, I have consistently voted against all legislation proposing tax increases. The answer to achieving a balanced budget, however, lies not in taxing the citizens but in reducing Government spending.

The problem isn't that we undertax the people, but that we overspend in Federal Government. To give Congress yet even more money to spend could produce catastrophic consequences to the economy. We must get a tight hold on our government purses and put an end to this spend, spend, spend mentality. Only then will we realize the answer to our fiscal problems is to act carefully and responsibly, not to punish the people by taxing them excessively.

## UNITED NATIONS VIENNA CONFERENCE ON INTERNATIONAL NARCOTICS ABUSE AND ILLICIT TRAFFICKING

### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GILMAN. Mr. Speaker, narcotics trafficking and drug abuse have reached epidemic proportions worldwide, jeopardizing the health of all mankind, and undermining the institutions of civilized nations everywhere. Globally, drug trafficking activities are estimated to exceed $300 billion annually, and nations throughout the world are reeling from this devastating impact.

The drug traffickers, who have highly sophisticated organizations, and who are well-armed, well-financed and have the best equipment to conduct their sordid transactions, have become international criminal syndicates. They are a transnational force, historically unprecedented, that bypasses geographic borders and political ideologies, and they are capable of destroying entire societies. This deadly menace represents a threat to all mankind, comparable to nuclear holocaust and the dreaded AIDS disease.

In an effort to combat the illicit production, trafficking, and consumption of drugs, nations of the international community, regionally and globally, are beginning to work together to combat the drug traffickers. Recently, the United Nations held an International Conference on Drug Abuse and Illicit Trafficking [ICDAIT] that was held in Vienna, Austria, from June 17-26, 1987. The conference was attended by representatives of 138 nations, most international agencies, and numerous non-governmental organizations concerned with drug-related issues. ICDAIT, which was the first global ministerial-level conference devoted exclusively to the drug problem, also included parliamentarians from national legislative bodies.

The U.S. delegation was ably led, successively, by Attorney General Edwin Meese III, Deputy Secretary of State John Whitehead, and Permanent Representative to the United Nations, Vernon Walters. Along with the distinguished chairman of our Narcotics Select Committee, Mr. RANGEL, with whom I serve as ranking minority member, had the opportunity to participate with our delegation in the conference. Although we were not able to attend the entire conference, we were instead able to meet privately with parliamentarians from Mexico, and the Andean nations of Colombia, Peru, Bolivia, Ecuador and Venezuela and various international agencies and nongovernmental organizations.

For the first time nations of the international community discarded their regional, political and economic differences to join in a common effort to combat drug trafficking and drug abuse. This was a very positive, constructive conference that represented a changed attitude by the international community, which in the past would frequently pit drug producing nations against drug consuming nations. Nations throughout the world are recognizing that this distinction is a myth; that drug producing nations have become drug consuming nations and drug consuming nations have become drug producing nations; that illicit drugs are a threat to all mankind regardless of region or stage of development; and that every nation is reeling under the devastating impact of drug trafficking and drug abuse.

ICDAIT produced two documents that were adopted by consensus: First, the comprehensive multidisciplinary outline [CMO], which is not a treaty or international agreement, but constitutes a guideline of programs and actions that nations can undertake to deal with the illicit production, trafficking and consumption of drugs. The second ICDAIT document is a resolution that expresses the commitment of the international community to control the illicit supply of drugs, to supress its trafficking, to prevent and reduce drug demand, and to treat and rehabilitate individuals who are addicted to drugs; it is a resolution that urgently needs to be implemented.

Mr. Speaker, in an attempt to keep my colleagues fully informed about the international efforts to combat drug trade, I am inserting at this point in the RECORD the complete text of the conference resolution, and I urge my colleagues to continue to support the United Nations efforts and our own national efforts in the war against drugs.

UNITED NATIONS INTERNATIONAL CONFERENCE ON DRUG ABUSE AND ILLICIT TRAFFICKING

RECOMMENDATIONS REGARDING A COMPREHENSIVE MULTIDISCIPLINARY OUTLINE OF FUTURE ACTIVITIES RELEVANT TO THE PROBLEM OF DRUG ABUSE AND ILLICIT TRAFFICKING

*Declaration*

We, the States participating in the International Conference on Drug Abuse and Illicit Trafficking, believing in human dignity and the legitimate aspiration of human-kind for a decent life with moral, humanitarian and spiritual values in a healthy, safe environment, concerned at the human suffering, loss of life, social disruption, especially the effect on youth who are the wealth of nations, brought about by drug abuse worldwide, aware of its effects on States' economic, social, political and cultural structures, and its threat to their sovereignty and security,

Commit ourselves to vigorous international actions against drug abuse and illicit trafficking as an important goal of our policies.

Express our determinations to strengthen action and co-operation at the national, regional, and international levels towards the goal of an international society free of drug abuse.

Strive for the universal accession to the 1961 Single Convention on Narcotic Drugs or this Convention as amended by the 1972 Protocol and to the 1971 Convention on Psychotropic Substances and their strict implementation as well as the completion and adoption of the draft Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances at the earliest possible date, agree on the following:

1. We express our determination to pursue the goals we have set for ourselves at various levels of government towards combatting this scourge and to adopt urgent measures to strengthen international co-operation through a balanced, comprehensive and multidisciplinary approach. In this regard, we emphaize the pivotal role of governments in deveoping appropriate national strategies within which such measures could be implemented.

2. In evolving effective action against drug abuse, illicit production and trafficking, we emphasize the need for the international community to adopt measures to treat all aspects and causes of the problem. To be effective, these measures must take into consideration the relevant social, economic and cultural factors and should be conducted in the context of states' policies in this regard. We recognize the collective responsibility of the states to provide appropriate resources for the elimination of illicit production, trafficking and drug abuse.

3. We affirm the importance of and the need for wider adherence to the 1961 Single Convention on Narcotic Drugs or this Convention as amended by the 1972 Protocol and to the 1971 Convention on Psychotropic Substances. We call for the urgent but careful preparation and finalization, taking into account the various aspects of illicit trafficking, of the draft Convention Against Illicit Trafficking in Narcotic Drug and Psychotropic Substances to ensure its entry into force at the earliest possible date and to complement existing international instruments.

4. We recognize the important role of the United Nations system in the efforts to combat drug abuse and illicit trafficking, and in particular the role of the United Nations Secretary-General in facilitating co-ordination and interaction among Member States and within the United Nations system. We attach importance to the role of the United Nations Commission on Narcotic Drugs as the policy making body of the United Nations on drug control matters. We commend the positive action carried out by the Division of Narcotic Drugs, the International Narcotics Control Board and the United Nations Fund for Drug Abuse Control, and we urge strong national and international support for the Fund as as to enable it to fulfill its mandate.

5. We recognize the constant, determined efforts of Governments at the national, regional and international levels to counter the escalating incidence of drug abuse and illicit trafficking and the growing link between drug trafficking and other forms of international organized criminal activities.

6. We also recognize and welcome the significant role played by non-governmental organizations in the drive against drug abuse, and urge that further initiatives be encouraged to strengthen the efforts made at the national as well as international levels.

7. We welcome the compilation of the Comprehensive Multidisciplinary Outline of Future Activities in Drug Abuse Control (CMO) as a compendium of possibilities for future action by all concerned.

8. Recognizing the magnitude and extent of the world-wide drug problem, we agree to intensify efforts against drug abuse and illicit trafficking. As an expression of our commitment, we also agree to promote inter-regional and international co-operation in:

(a) prevention and reduction of demand;

(b) control of supply;

(c) suppression of illicit trafficking; and

(d) treatment and rehabilitation.

For this purpose, we consider that the following, inter alia, should guide the development of our actions:

(a) Prevention and reduction of demand.

(i) develop methodologies and institute systems for assessing prevalence and trends of drug abuse on a comparable basis;

(ii) develop and implement the necessary measures to reduce drastically illicit demand through adequate techniques and programmes.

(b) Control of supply.

(i) Encourage contributions from international financial institutions and governments, where possible, for the implementation of programmes and projects for integrated rural development activities including crop eradication/substitution schemes, and continue scientific research in related areas.

(ii) Develop and implement the necessary procedures to eliminate the illicit supply of specific precursors and other materials necessary for the manufacture of narcotic drugs and psychotropic substances, and to prevent the diversion of pharmaceuticals to the illicit drug market.

(c) Suppression of illicit trafficking

(i) Develop bilateral and other instruments or arrangements for mutual legal assistance which might include among other things, if appropriate, extradition and tracing, freezing and forfeiture of assets, and for enhancing international legal or law enforcement cooperation in this field.

(ii) Improve dissemination of information to national and international law enforcement bodies, especially concerning profiles and methods of operation of drug trafficking organizations and further develop international, financial, technical and operational cooperation in investigation and training for officers and prosecutors.

(d) Treatment and rehabilitation

(i) Develop, promote and evaluate effective treatment and rehabilitation techniques;

(ii) Provide health professionals and primary health care workers with information and training concerning appropriate medical use of narcotic drugs and psychotropic substances.

9. We affirm our determination to continue our efforts and request the Secretary-General of the United Nations to keep under constant review the activities referred to in this Declaration and in the Comprehensive Multidisciplinary Outline. We request the Secretary-General of the United Nations to propose in the context of the United Nations programme and budget within available resources how the priority attached to the field of drug abuse control can best be carried out. The Commission on Narcotic Drugs should examine the most suitable modalities for following up these activities as appropriate at the international level.

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## THE CONSTITUTION

### HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SMITH of Florida. Mr. Speaker, throughout the past 200 years this Nation has faced many a crisis. In its relatively short history America has seen her sons fight against one another on her own soil, fight against enemies on foreign shores, and bound as hostages in hostile lands. This Nation has faced internal strife on a wide array of issues from women's suffrage to civil rights.

Through all the haze of conflict and political dissent, our Nation's supreme document, the Constitution, has been the beacon of stability and freedom for the world to witness. The framers' promise of justice and rule by law has not waned. The document has been flexible enough to bend to the progressions of time while not relinquishing its original principles.

I am not suggesting that the original document was without flaw. I shudder to think of a society where women do not have the right to vote or minorities do not enjoy freedom. However the framers passed down a document that could be amended as our Nation developed. It is these processes that are at the heart of protecting our Government. If we lose sight of those processes we are in danger of slipping into a system of government where the whims of a few can rule our country's policy. From time to time those assaults are attempted, but our society is strong and our institutions secure as long as we are vigilant.

It is my hope that on this day of celebration for this magnificent document that we pause and remember the reason the Constitution has withstood the test of time. As citizens, we all must continue to ensure that our Nation is run by the system of rule by law.

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## AIDS: A PRISONER'S FEAR

### HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. DORNAN of California. Mr. Speaker, George Hansen, a former colleague and a good friend of mine, wrote an article on AIDS which appeared in the Washington Post on Sunday, August 2, 1987. In the article George relates the horrendous risk of AIDS infection to Federal prison inmates throughout the United States. The danger is such that many inmates see a jail sentence as a death sentence.

Mr. Speaker, I would like to share with my colleagues George's article as it appeared in the Washington Post.

AIDS: A PRISONER'S FEARS

(By George V. Hansen)

The Post's editorial of July 18 "Protecting Prisoners from AIDS" was right on target. I speak from experience as a former member of Congress who is currently incarcerated at Petersburg Federal Prison, south of Richmond.

AIDS has people in prison terrified—afraid for themselves and afraid for their families.

This prison facility has 200 inmates in a minimum-security camp and 800 across the road behind walls and wire in maximum security. Everyone is compacted together in the use of all facilities, with no choice or options. As your editorial stated, "They do not have the freedom to decide where to eat and sleep or the right to choose those with whom they must live in close contact."

This past week inmates in the camp were badly shaken when a prisoner was removed, reportedly for AIDS. He had been a resident for a month, sharing all the same facilities including drinking from common Thermos jugs at work and other activities.

This "AIDS case" has unusually long fingernails that badly scratched other players in basketball games. The scare among inmates was evident. In fact, one inmate remarked, "Every time I kiss my wife and children on a visit, I can't help but wonder what disease I might be giving them."

These prisoners have now actively joined me in a call for help. I have been pleading for action by federal officials for months in behalf of worried prisoners and their families and citizens everywhere. Recent letters of July 11, 1987, to Attorney General Edwin Meese and Federal Prison Director Michael Quinlan clearly point out that "the opportunities to contract AIDS are wholesale."

Meese was told that "Avoiding the blood and bodily fluids of others is virtually impossible by nature of the overcrowded conditions; the potential for violence and abuse; the homosexuality problem; the virtual disregard in many facilities for even the most basic sanitation, with general pressure for everyone to use a common razor, fingernail clippers and even a toothbrush."

I advised the attorney general that "people in the prison system are exposed to "conditions so terrible that inmates helplessly consider that any incarceration, whether it be for months or for years, could well be a death sentence." This was reinforced by the July 11, 1987, Post article describing the transmittal of the AIDS virus when an inmate in the Arlington jail bit another prisoner.

As a public official, I have seen firsthand prison systems and jails across this nation and the world where I witnessed appalling conditions. But more than that, I personally have been dragged through numerous prison (and jail) facilities during my incarceration over the past 13 months; and I have been recklessly exposed to everything from tuberculosis to violent schizophrenia to AIDS.

My letter to Prison Director Michael Quinlan stated, "I can tell you, sir, that new evidence found in the past few months convinces me, even more than before, that the record of violence and killing and scandalous health hazards brought on by criminal behavior and neglect by public officials in the prison systems of the nation is nothing short of alarming," and that "this is particularly true of the AIDS crisis."

I reminded both officials, who preside over the federal prison system, that I went to Quinlan's office six months ago "to present matters of urgent and even life-threatening concern to the nation's prison population (of 500,000 inmates) and even the public in general." The failure to respond, I said, "is all the more puzzling in view of the interest expressed to you by U.S. Sens. Orrin Hatch and Strom Thurmond, and considering the fact I was joined in the effort by former EPA administrator Anne Burford and Washington Rabbi Bruce Kahn."

The Post editorial clearly identified a laid-back attitude when it observed that "steps to protect the prison population are still in the planning stages, but those plans must be accelerated." And the stated conclusion was unavoidable that prisoners "must be protected and so must the families to whom they will eventually return," but that "the inexorable deadliness of the infection makes a swift effective response by prison officials imperative."

The 500,000 inmates, and tens of thousands of new prisoners each year, will soon recycle back into the general population, and we had better deal with this fact of life right now. My letter to Attorney General Meese strongly encouraged him "to take immediate and decisive action to clearly identify the AIDS carriers and hazards in the prison system, and press for the earliest possible shift in sentencing practices to drastically reduce the nation's prison population—for better disease control, not to mention the billions in relief to the taxpayers in resultant spending reduction and increased tax revenues."

Law enforcement and prison officials need to know that inmates and their families are real people and that the fear of AIDS in prison is real—as is the threat to Americans everywhere. Inmates and their families are deeply concerned that going to jail can be fatal—and they pray for relief. We must act quickly and decisively to end this "chamber of horrors" we call a prison system.

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## SENATOR QUICKLY DISQUALIFIES SELF

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I would like to call the attention of the House to an editorial in the Santa Maria (CA) Times of July

30 regarding the controversy surrounding the President's nomination of Judge Robert Bork to the Supreme Court. I think the Times makes a good point about the way this nomination has been handled, and request that the editorial be included in the Record.

[From the Santa Maria (CA) Times, July 30, 1987]

SENATOR QUICKLY DISQUALIFIES SELF

One cannot help but be amused at the spectacle of Sen. Joseph Biden, D-Del., as he digs himself in deeper concerning Judge Robert Bork's fitness to serve on the U.S. Supreme Court.

Several months ago, before the Associate Justice Lewis Powell announced his departure from the high court, Sen. Biden said he would support the next highly qualified conservative nominee for the court. Indeed, the chairman of the Senate Judiciary Committee and presidential aspirant said that Judge Bork, who he described as "brilliant," was such a man. The Senator even went so far as to tell *The Philadelphia Inquirer* that he would endure the slings and arrows of special-interest groups that opposed Bork, although it could hurt his chances for the White House.

The Senator's endurance lasted until President Reagan nominated Judge Bork to succeed Justice Powell several weeks ago. Confronted soon thereafter by an angry special-interest group, Sen. Biden caved in. He promptly vowed to "resist any efforts by this administration to do indirectly what it had failed to do directly in Congress—and that is to impose an ideological agenda on our jurisprudence." Translated: No conservatives need apply for the high court while I'm in charge here.

Not content to keep his mouth shut and cut his losses, Sen. Biden recently had lunch with some Washington reporters and told them it would be "dishonest" for him to pretend he had an "open mind." He concluded his confession with these weasel words: "I don't regret any statement I've made about Judge Bork. What I regret is the timing with which I said them. It was more a PR mistake than a substantive mistake."

Let's get this straight. Sen. Biden was for Judge Bork until the heat was on. Then he turned tail and ran. Although he's not sorry about saying bad things about the judge, it pains him that he said those nice things beforehand when he was pretending to have an open mind.

Put another way: Joe Biden has no business being chairman of the Senate Judiciary Committee, let alone president of the United States.

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## GAG ORDERS: AN INFRINGEMENT UPON CONSTITUTIONAL RIGHTS

### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. CONYERS. Mr. Speaker, I rise today to express my deep concern about an important legal issue raised by the case of our distinguished colleague from Tennessee, Harold Ford, an issue which has deep implications for the civil liberties of all Americans. The right to free speech and the right to a fair trial have been thrown into conflict in this matter, without proper consideration being given to the need to balance the interest at stake.

The gag order imposed on Congressman Ford seriously interferes with his right to speak about his case to his constituents and supporters. It seriously hinders his ability to fight the pending charges, and impairs his efforts to raise funds to sustain a vigorous defense.

The sacred principle which is the cornerstone of our American criminal justice system is that a person accused of a crime is innocent until proven guilty. The circumstances surrounding the indictment of Congressman Ford, however, suggest that he is not being treated in that manner. The prosecutor pursued his investigation for 4½ years, and sought an indictment from a Federal grand jury in Knoxville, TN, after the grand jury in Memphis rejected his initial petition. Congressman Ford was inexplicably denied the opportunity. First, the Court said that since the framers of the Constitution did not "assign priorities as between First Amendment and Sixth Amendment rights, ranking one as superior to the other, * * * it is not for us to rewrite the Constitution by undertaking what they declined to do." Second, the Court held that "pretrial publicity—even pervasive, adverse publicity—does not inevitably lead to an unfair trial." And last, the Court stated that "the barriers to prior restraint remain high," and that if a judge is to step beyond them, he must first find that measures taken short of a gag order would not have effectively preserved the atmosphere essential for a fair trial.

The gag order issued by Judge Jarvis, upon close examination, clearly does not meet the requirements set forth by the Supreme Court in *Nebraska*. Other actions the Court could have ordered were a change of venue, or a postponement in order to let the publicity subside. Judge Jarvis, in his memorandum opinion supporting the modified order, arbitrarily dismisses all possible alternatives, offering no analysis whatsoever of why they would not work in this case.

Harold Ford, as an elected official, cannot adequately perform his duties with the dark cloud of suspicion hanging over his head. It is ridiculous that a U.S. Congressman is forbidden to speak with his constituents on a matter of such significance. The amicus brief filed by the Speaker and the Bipartisan Leadership Group, points out that "it is inconsistent with the requirements of a representative democracy for a Court to interfere with, let alone prohibit, communication between a appear before the grand jury and present information which could have established his innocence. Leaks of selective bits of information about the case to the news media by "unnamed sources," then compelled Ford to respond publicly and explain his conduct, and to also question the conduct and motives of the prosecutor.

Judge Jarvis then issued the gag order which he justified by arguing that "because of the high visibility of this case and the nature of the public comments which have already been made, I am of the opinion that without a 'no comment' order there is a substantial likelihood of prejudicial news which would make difficult the impanelling of an impartial jury and tend to prevent a fair trial."

I respect the need of a trial judge to take steps to ensure a fair trial. But, the imposition of a gag order to achieve that goal seems to me to be an extreme and highly questionable act. In the case of *Estes* v. *Texas,* 381, U.S. 532 (1965), the Supreme Court held that "the atmosphere essential for the preservation of a fair trial—the most fundamental of all freedoms—must be maintained at all costs." I fervently share the Court's opinion, but in the case of our embattled colleague, I do not believe that Judge Jarvis seriously considered his options.

In *Nebraska Press Assn.* v. *Stuart,* 427 U.S. 562–70 (1976), the Supreme Court considered the appropriateness of a gag order imposed on the media during the course of a sensational murder trial. The Court, in striking-down the gag order, made three very important findings that are relevant to the case of Member of Congress and the people he represents." Any court order which threatens to interfere with such a vital function of a public official must be subjected to the most exacting review.

Because Harold Ford is a member of this legislative body, and enjoys certain protections under the Speech or Debate Clause, that does not mean that a gag order filed against a member of the general public deserves no less scrutiny. A gag order is an extraordinary legal tool which can infringe upon the enjoyment of two or our most important civil liberties. Its use should come only as a last resort, and only after other, less draconian, options have been explored.

The Supreme Court in Nebraska held that prior restraint was the "most serious and least tolerable infringement on First Amendment rights." Where a person's integrity or personal freedom is at stake as the result of proceedings against them in a court of law, they must not be prevented from speaking out in their defense.

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## ATTENDING TO AMERICA: PERSONAL ASSISTANCE FOR INDEPENDENT LIVING

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MILLER of California. Mr. Speaker, I would like to call my colleagues attention to a new report, "Attending to America: Personal Assistance for Independent Living," a report of the National Survey of Attendant Services Programs in the United States, prepared by the World Institute on Disability.

The results of the survey reveal some important trends about the status of disabled children and adults in our society, and the barriers which exist to their ability to function in a healthy family or to live independently in the the community. A lack of community-based personal assistance services for independent living and the lack of a nationwide policy direction and mechanism for meeting the need are reported as the major obstacles to independence and self-sufficiency for millions of disabled individuals.

The major goal of personal assistance services is to keep people out of institutions, to avoid dependence and encourage self-sufficiency. It has been 15 years since the first Independent living program run by disabled people was founded in Berkeley, CA. Since then, based on a program I authored in the Rehabilitation Act, more than 200 similar programs have been established. Their success has been dependent on the availability of finding community-based personal attendant services. This task has not always been easy.

For every person who is actually receiving community-based, publicly funded personal assistance services, there are three people who could benefit from such services but who are not receiving them. In addition, services are not uniformly available in all States, services are often inadequate, eligibility criteria vary widely, and direct services providers are poorly compensated.

For children, as the report indicates, the use of nonfamily paid providers to foster independence in children has not been given much attention at all. As the Select Committee on Children, Youth, and Families learned, and as this report confirms, such personal care services can alleviate financial pressure on families to allow them to be employed outside the home; personal assistants for children can relieve emotional strain in families; and finally, providing personal assistants for children with disabilities allows them to develop and mature in a normal process, to allow interaction with peers, to have more recreational opportunities, and participate in family chores and duties, just as nondisabled children do.

The report found, however, that there may be as many as 74,000 children who could benefit from personal attendant services who are not receiving them.

The National Council on the Handicapped has selected personal assistance as one of its priority issues. As a body which advises Congress and the President on policy issues related to disability, I urge my colleagues to heed their recommendations and consider personal assistance services as a major policy goal for the 100th Congress. The wealth of new information included in this report provides a strong basis for developing a national policy.

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## ECONOMIC IMPACT OF IMMIGRATION REFORM IN MEXICO

### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GARCIA. Mr. Speaker, the 1986 Immigration Reform and Control Act has had effects beyond our own borders of which it is important to be aware. Our immigration legislation has repercussions upon the economies of the countries supplying the immigrants, and thus also upon their political stability and their attitudes toward the United States. I would therefore like to insert in the RECORD the following report, which appeared in the July 22 issue of the Washington Report on the Hemisphere published biweekly by the Council on Hemispheric Affairs [COHA], authorized by COHA researcher Louisa C. Lund, which surveys some of the issues raised in Mexico by current United States immigration policy.

The report follows:

PLAYING A WAITING GAME—MEXICAN PRESIDENT STALLS ACTION ON U.S. IMMIGRATION LAW

(By Louisa C. Lund)

Last fall, the United States Congress surprised itself, Washington analysts, and undocumented Mexican immigrants by passing the 1988 Immigration Reform and Control Act. Even more surprising, until last June the law seemed to have stunted illegal immigration coming from Mexico. Currently immigration is rising somewhat, but remains significantly lower than last year's levels.

Mass deportations of the estimated 1.5 to 5 million illegal Mexican aliens in the United States have not taken place, and the employer sanctions, which are the teeth of the law, will not begin until October. Throughout most of the spring, immigration rates slowed dramatically, resulting in a 25–30 percent drop in border arrests. But the grace period, during which time the unenforced legislation deterred illegal aliens from entering the United States, may be ending. In June, arrests along the border were 30 percent more frequent than in immediately previous months, although they remained almost 30 percent lower than in June 1986.

Because there have been no major deportations of illegal aliens, the Mexican economy has not yet been negatively affected. If the trend toward lower immigration continues, however, particularly if it strengthens again with the onslaught of enforcement in October, the legislation will virtually close what had been a crucial safety valve for Mexico's unemployed throughout that country's five-year-old economic crisis. In the past, the United States provided not only additional jobs, but also an estimated $2-4 billion in remittances sent home by Mexican workers in the United States. Such funds are among the top sources of foreign exchange for the Mexican government. While it is hard to determine the exact number of Mexicans seeking employment in the United States in recent years, 900,000 new workers enter the job market in Mexico each year, and some estimates say that upwards of half of these go to the United States in search of employment. More conservative figures suggest that each year, at least 200,000 immigrants have successfully attempted to enter the United States.

According to Center for Strategic and International Studies Fellow M. Delal Baer, the main economic impact of the measure may be felt, not in Mexico as a whole, but in specific regions of the country which, in the past, have sent the highest rates of illegal emigres. Doris Meissner, Senior Associate at the Carnegie Endowment maintains, however, that immigration legislation is significant for the entire country, since it "puts increasing pressure on an economy that already has a lot of pressure on it." The very fact that after years of debate the measure has finally passed is traumatic for Mexicans, 54 percent of whom said, in a November 1988 New York Times poll, that they thought their country would never successfully emerge from its economic crisis, and who now perceive a sudden closing of one of the few escape routes from absolute poverty.

Considering that Mexico's current unemployment rate is 18 percent and underemployment is at 40 percent, it seems unlikely that the country's economy can easily absorb more workers into its labor force without massive investments of new capital. Nor is the Mexican government in a good position to expand welfare or unemployment payments, since it suffers from the effects of an inflation rate which, in 1986, was 106 percent, and a foreign debt of over $105 billion.

President Miguel de la Madrid has been pursuing programs of stringent budget-cuts in an effort to control government spending and reduce inflation, although he has left taxes relatively low—at about 10 percent of the Gross Domestic Product (GOP). De la Madrid has promised "to defend the workers' real salary and continue promoting social development programs that complement the real income of the poor," but real wages are 45 percent lower today than they were in 1982 when he took office. For a ruling party whose basic backing lies largely in its labor and campesino constituency, this is a serious problem, which can only be aggravated by increasing pressure on unemployment levels caused by the immigration legislation.

The legislation has been criticized by the Mexican Senate and by a group of Mexican bishops as being based on a unilateral decision without regard for Mexican needs. Washington analysts say that Mexican popular opinion views the measure as insensitive at best, while some charge it is part of a U.S. attempt to manipulate Mexican foreign policy. This view may be strengthened by the July 8 Reagan administration order which will allow as many as 200,000 Nicaraguans receive special treatment which will enable them to remain in the United States legally.

Mexican government officials, however, stick to the position that the immigration law is a purely internal matter of the United States. Officially, the government refrains from interfering in the U.S. immigration legislative process on principle, in the belief that this may set a good example for Washington in its relations with Mexico.

Meissner suggests that another reason for government inaction may be that the immigration problem is somewhat embarassing, since it broadcasts Mexico's economic troubles abroad. For now, its government is waiting. De la Madrid has observed, "We will wait to see their reaction when they no longer have Mexican labor, costs rise, and they lose competitiveness."

Washington analysts agree that it is too early to tell what the effects of the legislation will be in the long term. A slowed rate of immigration may be the result, not so much of the legislative restrictions themselves, as of an ignorance of the law's provisions, which theoretically allow many Mexican laborers to enter the country legally.

The Immigration and Naturalization Service (INS) has received fewer applications for amnesty from illegal immigrants already in the country than it had expected, possibly because potentially legal aliens are waiting to see how difficult it is to acquire residency status and because they fear INS control over the process. Provisions of the law allowing Mexican agricultural workers to enter the United States have not been effective either. "Where the United States government and the Mexican government are missing the boat is they are not doing a careful job of trying to get information out," Meissner said.

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## WE MUST ACT NOW TO SAVE DEMOCRACY IN HAITI

### HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. OWENS of New York. Mr. Speaker, few nations have a history as tragic as that of Haiti. The state which once began as the bold, bright star of freedom and enlightenment in the 18th century Caribbean is today the Caribbean nation where enduring democracy now proves the most elusive. The promise of freedom has come many times in Haiti's history, but each and every time it has been snuffed out, crushed beneath the heels of an endless stream of dictators, thugs, and thieves. But last year, when the people of Haiti revolted and President-for-Life Jean-Claude Duvalier was ovethrown, Haitians believed that this time would be different, this time the promise of democracy would be fulfilled. And when last March a new constitution providing for a democratic government was overwhelmingly approved by the people, those hopes for a new and free Haiti were intensified.

Today, however, suddenly Haitians are no longer confident of the future. Events over the last several weeks have convinced many that the promise of freedom is fading and that Haiti is once again hurtling down the familiar, slippery slope toward repression and kleptocracy.

The passion for democracy demonstrated by the people in the March plebiscite sent shudders down the spines of all Duvalierists who linger and lust for power in Haiti and now they are fighting back, struggling to restrain and contain it. As swiftly and as vehemently as the people approved the new constitution, the ruling military junta has repudiated it.

Defying the new constitutions' guarantee of freedom of the press, the provisional National Governing Council [CNG] has launched a campaign of often violent intimidation and harassment against foreign and domestic journalists working in Haiti. Reporters have been threatened, short at, beaten, and illegally detained, their cameras confiscated, and their offices strafed with gunfire.

Haitians who dare to exercise their new constitutional freedoms of assembly and association now find that they do so at their own peril. The military is routinely deployed to disrupt and put down even the smallest peaceful protest by whatever means necessary. Over the last year the United States has sent $4 million in so-called nonlethal military aid to Haiti, including tear gas, rubber bullets, and other crowd control materiel, but apparently, like much of the aid we send to the Haitian Government, it now seems to be missing. The military is not using rubber bullets to break up demonstrations; they are using very real ones, with sickening results. This year nearly 50 people have been murdered in the streets for exercising their constitutional rights and over 200 have been shot and wounded.

For Haitians who reside in rural areas of the country—85 percent of the population—the free exercise of political and economic rights has also been thwarted by the continuing presence and power of the Ton Ton Macoutes in the countryside. From the beginning, it was well-understood that disarming and neutralizing the murderous Macountes was vital to the construction of a democratic society in Haiti and, for this reason, United States aid to the CNG was made contingent upon its progress in meeting this goal. But it has not happened. No serious effort has been made to disarm the Macoutes or to prosecute those responsible for the bloody crimes of the past. Instead, with the full acquiescence of the CNG, gangs of Macoutes continue to terrorize and pillage the countryside, acting as agents of the large landowners to enforce the feudalistic order of the past. Peasant lands are still being illegally expropriated by the Macoutes and their patrons and the tentative efforts of some peasants to reclaim their property are repulsed with horrible violence. Just two weeks ago, a mob of Macoutes ambushed and slaughlered 300 to 700 peasants outside San-Rabel in one of the worst massacres in Haiti's history. The only response of the CNG to this mass murder has been to vilify and defame the dead.

Most ominously of all, the CNG has also moved to obstruct and sabotage the pending local, congressional, and presidential elections. Under the new constitution, the elections are to be administered by the independent, nonpartisan Provisional Electoral Council [CEP], but the CNG has refused to officially recognize this body's authority. On May 13, 1987, the junta announced that it, and not the CEP, would be responsible for writing the new national election law. Undaunted by this announcement, the CEP pressed ahead and completed its work on the election law it alone has the constitutional authority to write. On June 22, 1987, however, the CNG publicly rejected the law drafted by the CEP and issued its own more restrictive law which gave the junta full and exclusive authority over the administration of the elections. This unconstitutional decree was met by a massive wave of public protests throughout Haiti, forcing the CNG to reluctantly rescind its election law on July 1. Two weeks later, again in response to public protests, the junta finally promulgated the election law which had been drafted by the CEP.

Although the legal framework for the elections has now been established, the CNG has continued to block the CEP from making even the most elementary preparations for the actual balloting. Despite repeated requests from the CEP, the junta has refused to provide it with any funding, staff, or even an office, making it impossible for the CEP to function as the constitution intended. With the scheduled elections just weeks away, this impasse has made it increasingly unclear whether the elections will be held at all, or, if they are, just how fairly they will be administered.

No one had great expectations of the CNG when it took power. The task of rebuilding democracy in Haiti is an enormous one and the CNG, dominated as it is by Duvalierists, seemed particularly ill-suited to the job. But we at least expected some effort, however feeble, to support and nurture the return of democracy. We have been betrayed. Not only by its inaction on behalf of democracy, but now by its actions against it, the CNG is placing the promise of a free Haiti in jeopardy. This can no longer be tolerated.

Today I am introducing a resolution which calls upon the President to immediately suspend all military assistance and all nonemergency economic assistance to the CNG. It is now clear that the United States can no longer credibly claim that it is pursuing a domestic outcome in Haiti at the same time that it is bankrolling the antidemocratic activities of the junta. The people need and deserve our assistance; the corrupt and autocratic generals of the junta do not.

My resolution also calls for action to undergird and support the efforts of those in Haiti who are struggling to move the democratic transition forward. If the CNG will not provide the CEP with the funds it needs to plan for and administer the elections, then the United States should. More than that, we must also act to provide whatever technical and logistical assistance that members of the CEP believe necessary to ensure that the elections are run fairly and effectively. Election monitors and advisers from international organizations such as the Organization of American States should also be available to the CEP to assist with this all-important task.

The promise of democracy will only die in Haiti this year if we permit it. At too many times in the history of Haiti, the United States has stood on the wrong side of the struggle for justice, choosing dictatorship over democracy and throwing our lot in with butchers and thieves. Not this time. At this critical moment in Haiti's history, we must now stand strongly on the right side—with the people of Haiti in their courageous quest for freedom.

The text of my resolution follows:

H. CON. RES. 181

Whereas the democratic aspirations of the people of Haiti have long been suppressed and thwarted by a succession of brutal and corrupt dictatorships;

Whereas the people of Haiti struggled courageously and at great cost to free themselves from the despotic regime of President-for-Life Jean-Claude Duvalier;

Whereas an overwhelming majority of the people of Haiti have expressed their support for freedom and democracy by ratifying a new constitution which provides for the establishment of a democratically elected government and the protection of fundamental civil liberties;

Whereas the transition of Haiti to democracy can only be achieved if the provisional National Governing Council of Haiti respects human rights and acts in full accordance with the principles and provisions of the new constitution;

Whereas the National Governing Council has systematically violated constitutional guarantees of freedom of the press by harassing, illegally detaining, physically assaulting, and firing indiscriminately upon foreign and domestic journalists on repeated occasions;

Whereas the National Governing Council has violated constitutional guarantees of freedom of assembly and association by prohibiting outdoor assemblies and gatherings that are integral to the democratic electoral process;

Whereas the National Governing Council also has violated constitutional guarantees of freedom of assembly and association by violently suppressing peaceful protests and demonstrations, which has resulted in the death of approximately 50 demonstrators and nonfatal injuries to more than 200 demonstrators in 1987;

Whereas the National Governing Council has systematically abrogated the rights of Haitian workers to organize trade unions and bargain collectively by seeking to disband the Autonomous Center of Haitian Workers, by subjecting members of the Center to physical violence and illegal detention, and by demanding that the present leaders of the Center be removed from office;

Whereas the National Governing Council has systematically violated constitutional guarantees of free, fair, and independent elections by temporarily suspending the authority of the Provisional Electoral Council to promulgate a national election law and by refusing to provide the Provisional Electoral Council with funds to carry out its constitutional mandate; and

Whereas the National Governing Council has failed to fulfill its commitment to disarm and disband the paramilitary Volunteers for National Security, and such failure resulted in the massacre of more than 300 Haitian peasants on July 23, 1987, at Jean-Rabel in Haiti by former members of the Volunteers for National Security: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That it is the sense of Congress that—

(1) the failure of the National Governing Council of Haiti to abide by the new constitution of Haiti and respect internationally recognized human rights poses a grave threat to the transition of Haiti to democracy;

(2) the President should—

(A) suspend immediately all military assistance and all nonemergency economic assistance provided to the National Governing Council; and

(B) use every nonmilitary means at his disposal, including the provision of technical and financial assistance to the Provisional Electoral Council in Haiti, to ensure that pending local, congressional, and presidential elections in Haiti are carried out fairly, freely, and without future obstruction or interference; and

(3) international organizations, such as the Organization of American States, should make their resources and expertise available to the Provisional Electoral Council to assist the Council in implementing and monitoring the pending local, congressional, and presidential elections in Haiti.

## STEPHEN JAMES

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. RANGEL. Mr. Speaker, at a time when the image of the black American male is tainted by stories of drugs and violence, I would like to draw the attention of my colleagues to the uplifting story of Mr. Stephen James. I am including commentary No. 294 from the Civil Rights Journal that gives a more detailed account of this man's struggle and drive for higher education.

Despite the fact that Mr. James is a high school dropout, through years of hard work and determination, this June he graduated summa cum laude from Lehman College. Fighting against the odds, often he had to hold two jobs at once to support his wife and three children in order to attain this honor. For his most admirable efforts, Mr. James has been awarded a 6-year, $57,000 fellowship to the Harvard Ph.D program in American literature.

We can all be proud of Mr. James and his accomplishments. He is a perfect reflection of the true image of the black American male.

[From the Civil Rights Journal, July 15 1987]

STEPHEN JAMES

The headline of New York's Daily Challenge read, "Bronx Bus Driver Awarded Harvard Fellowship." The story is about 34-year-old Stephen James, a high school dropout, who has been given a six-year, $57,000 fellowship to Harvard's Ph.D. program in American literature. After talking with Mr. James, one realizes that he is more than a scholar. He is, in fact, a committed African American man whose determination and sense of family refute the racist stereotype of the Black male in the United States.

Stephen remembers James Meredith's attempt to attend Ole Miss. (the University of Mississippi) in 1963. As he watched Meredith being barred from entering the all-white university, he was mystified, though only 10 years old at the time. He wondered what was so precious about education that someone would prevent African Americans from taking full advantage of it. He vowed to find out why.

Mr. James talks of his love of learning, of the challenge of new ideas. He remembers devouring the books which his mother made available to him after their television broke. He talks of dropping out of high school during the 10th grade, but of continuing to read books such as the The Autobiography of Malcolm X and the writings of Du Bois and of African authors. When asked why he dropped out he replies that no one in the school took any particular interest in him. He wasn't a discipline problem and so, no one seemed to notice him. As he says, "The school system is not geared to keeping Blacks in school. Many teachers believe that Black kids are hopeless. Particularly if you're a discipline problem, they're glad to see you go."

But even while he was out of school he never lost his love for reading. And he never lost his self-esteem. He always believed he could do whatever he set out to do.

James later entered New York's Lehman College in its Adult Degree Program. To support himself, his wife and three children he often worked two jobs. But he never stopped studying. And he never failed in his obligation to his family. As he said, "I worked seven days a week and worked overtime when I could get it. Sometimes I wasn't with my family on holidays, but they were with me all the way and they understood." He was a carpenter, then a bus driver. He studied before and after work, and even read or listened to taped lectures between runs.

Though he loved learning, his obsession to finish school was not only for his own benefit. He says, "The only reason I want to teach is to give the knowledge back to my community. And Black people need to see that teaching is as much a profession and as important as being a bus driver or an entrepreneur. I've become a role model to those who've watched my long journey."

And long it was. Between holding down two jobs and leaving school to work full-time, it took James 8 years, but this June he graduated from Lehman, summa cum laude. What gives him almost as much pleasure as his degree is watching his children follow in his footsteps. His youngest son, 4-year old Elliott, recently completed a listing of the African countries—all spelled correctly. His daughter, Joy, knows that she too, will one day attend Harvard. And his mother, a registered nurse, now also attends Lehman College for a degree in nursing.

At a time when the image of the Black male in this society is constantly put down, Stephen James provides a visible role model for young and old alike.

## A TIME FOR DELIBERATION

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. EDWARDS of California. Mr. Speaker, I commend to our colleagues the very thoughtful words of wisdom offered by Alan Parker, the distinguished former general counsel of the House Judiciary Committee, in his article "A Time For Deliberation." The article, which follows, appeared recently in Trial, the monthly magazine of the Association of Trial Lawyers.

A TIME FOR DELIBERATION

(By Alan A. Parker)

(Haint we got all the fools in town on our side? And aint that a big enough majority in any town?—Mark Twain)

From time to time and in their kinder moments, some single-issue and special-interest lobbyists have labeled the House Committee on the Judiciary a "bottleneck." In an unkinder moment, one called the committee a legislative "boot hill."

Although "bottleneck" is probably meant to be pejorative, I refuse to consider the term that way. A bottleneck can be utilitarian. It is a narrow passage designed for an orderly and controlled flow. It is not a cork.

Imagine the waste of fine wine if it were poured from Mason jars rather than from elegant bottles or decanters. Think of the mess if catsup gushed forth unimpeded by a bottleneck. Heaven knows, it's tricky enough pouring catsup with a bottle even now. (And I must say that I don't think our entrepreneurs helped matters much with those little foil packets that require the strength of a Samson to open.) Now think, if you can bear to, of what would happen if legislation poured unchecked from Congress . . . if there were no committees to regulate the flow.

The committee system by its very nature is a bottleneck. It has been carefully molded, shaped, and refined over the 200-year history of our Republic. Congressional committees have investigative and oversight obligations; they also funnel bills to the floor.

In recent years, however, this carefully crafted system has come unraveled. Today the object is to legislate quickly and to use any means to achieve one's end—a year-end continuing resolution, budget resolution, or whatever—any way to escape the time-consuming regular process. Over recent years, House members have given the words "Christmas tree" an entirely new meaning.

Occasionally, I admit, there may be emergencies that require swift action by Con-

gress. But even then, Congress has an obligation to proceed with care. The committees are engaged in fashioning public policy of a higher order, policy that is meant to endure. They should not be stampeded by emotional efforts to amend the Constitution or to enact laws that would threaten constitutional principles. The Congress should not react reflexively to every perceived crisis or unpopular court decision that comes along, no matter how loud or passionate the cry for a quick fix. Caution and an awareness of the obvious—that committee members are not infallible—must moderate committee action.

It has been pointed out that Congress is a body made up of 535 diverse people that are not designed to be fast on their 1,070 feet. Delay is preferable to error, as Jefferson said, and good law, like good wine, takes time.

Lately I can't help but feel that the sense of deliberation that used to infuse Congress, in both houses, has been lost. Wandering around Capitol Hill talking to lots of folks, I get a sense that they think legislation will cure every ill. Frequently, the motivation is publicity or reaction to a strong, vocal group or a segment of 60 Minutes or a story in the Washington Post or the New York Times.

Not nearly enough time is spent in unearthing the facts. Is there really a problem? Is the only way to fix it federal legislation? Legislation feeds on itself. The more bills Congress enacts, the more it needs to enact to correct the mistakes it made and the problems it created with the first legislation. (An example is the tax bill—the subsequent technical-amendments bill is more than 450 pages.)

A sort of feeding-frenzy feeling comes over me when I watch Congress at work these days. It would be wise of the members to slow down, refuse to be stampeded by watever mediagenic pressures are being applied, and do what great legislative bodies do well—deliberate.

Another sign of this popular frenzy is in the area of constitutional amendments. Advocating amendments has become very popular.

While our founding fathers wanted a constitution that was neither too rigid nor too mutable, thank goodness they did not make it too easy to amend. Commentators point to this trend to offer many amendments as an indication of a lack of understanding of how a constitution differs from ordinary law; they suggest we, as a people, may be losing faith in republican politics.

Ten-thousand amendments have been proposed in Congress since 1789. Only 33 have been referred to the states for ratification, and only 26 have been ratified.

There has been a gradual and steady increase in the number of constitutional amendments proposed. Nearly half of all proposed amendments have been proposed since 1957; nearly one-third since 1969. Also, more and more of the proposals have dealt with rights of individuals (voting, equal rights, abortion, school prayer) as opposed to form (president elections, congressional terms, judicial terms). Some have become symbols: ERA and the balanced budget come to mind.

Then we have the handy-dandy do-it-yourself lawmaking took—the initiative. Some 23 states and the District of Columbia use the initiative. Common Cause says if you hire the right people you can qualify anything for the ballot. In California, there are a dozen initiative-circulating consulting firms—the "initiative industry"—that are now branching out into other states. What was originally, designed to be a volunteer or citizens' effort, which grew out of a progressive era in the West, has become a slick and professional industry.

The initiative process could over-shadow legislative efforts. The process can pressure members of legislatures to take action they would not otherwise take.

We may be over-legislated, over initiatived, and over-amended. It's time to let legislatures do what they should do best—deliberate.

## GOLD STAR MOTHERS DAY

### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GILMAN. Mr. Speaker, today I am introducing legislation designating September 27, 1987, as "Gold Star Mothers Day." I would also like to thank my colleagues who have joined me in cosponsoring this resolution.

On June 4, 1928, a group of 25 mothers, comprised of mothers who had lost a son or daughter in World War I, gathered in Washington, DC, to form a national organization to be known as the "American Gold Star Mothers, Inc.," a nondenominational, nonprofitable and nonpolitical organization. From 1928, their membership has grown to over 5,000 women, which include mothers throughout the United States; North, South, East, and West. Today, any mother who is a citizen of the United States or of the territorial and insular possessions of the United States, whose son or daughter served and died in line of duty in the Armed Forces of the United States of America or its Allies, or died as a result of injuries sustained in such service, is eligible for membership in American Gold Star Mothers, Inc.

During the days of World War I, a Gold Star was used to represent each person in the military service of the United States who had sacrificed their life for their Nation. The idea of the Gold Star was that the honor and glory accorded the person for their supreme sacrifice in offering for their country, the last full measure of devotion and pride of the family in this sacrifice, rather than the sense of personal loss which would be represented by the mourning symbols. Thus the term "Gold Star Mother," as applied to mothers whose sons or daughters died in the world wars, came into being.

American Gold Star Mothers is a member of the Advisory Board of the Veterans' Administration Voluntary Service. All chapters of American Gold Star Mothers throughout the United States give many hours of volunteer work and personal service in all hospitals for veterans and to the veteran and his family and their community. The Gold Star Mothers organization works closely with all veterans organizations.

American Gold Star Mothers are committed to keeping alive and developing the spirit that promoted world services; maintaining the ties of fellowship born of that service, and assisting and furthering all patriotic work; inculcating a sense of individual obligation to the community, State, and Nation; perpetuating the memory of those whose lives were sacrificed in our wars; and promoting peace and good will for the United States and all other nations. This is an organization of mothers whose sons and daughters served and died that this Nation and the world might be a better place in which we live.

Accordingly, I urge my colleagues to support the bill, the text of which follows:

H.J. RES. 355

Whereas the services rendered to the United States by the mothers of America have strengthened and inspired our Nation throughout our history;

Whereas we honor ourselves and the mothers of America when we revere and emphasize the role of the home and the family as the true foundations of our Nation;

Whereas by doing so much for the home, the American mother is a source of moral and spirtual guidance for the people of the United States and thus acts as a positive force to promote good government and peace among all mankind;

Whereas the American Gold Star Mothers assist veterans of the Armed Forces and their dependents in the presentation of claims to the Veterans' Administration, and aid the men and women who served and died or were wounded or incapacitated during hostilities; and

Whereas the American Gold Star Mothers have suffered the supreme sacrifice of motherhood by losing sons and daughters who served in the Armed Forces, and thus perpetuate the memory of all whose lives were sacrificed in our wars: Now, therefore, be it

*Resloved by the Senate and House of Representatives of the United States of America in Congress assembled,* That September 27, 1987, is designated as "Gold Star Mothers Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

## DEMOCRATS FACE A FISCAL GRIDLOCK

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LAGOMARSINO. Mr. Speaker, as we debate the merits or demerits of new tax increases, I would like to offer an editorial from the Santa Maria (CA) Times which bears directly on this issue. The Times points out, correctly, I feel, that feeding the deficit with higher taxes only whets the appetite in Washington for higher spending. This is a view which cannot be ignored and I request that the editorial be included in the RECORD.

With the television spectacle of the Iran-Contra hearings providing a noisy diversion, Democratic lawmakers have begun trying to figure out how to raise taxes by nearly $65 billion over the next three years.

That is the amount of new revenues envisioned by the budget resolution passed in May by Democratic majorities in the Senate and House over the strong protests of President Reagan.

Of this total, $19.3 billion in higher taxes is needed for fiscal 1988 to reduce the deficit to $134 billion, according to the Democratic plan. The budget proposed by the White House in January would have achieved the same deficit level without the tax increase, but Democratic lawmakers months ago rejected the cuts in domestic spending sought by the President.

Even with the higher taxes, which are not likely to be enacted over President Reagan's promised veto, the 1988 deficit would be $26 billion higher than the $108 billion target established by the Gramm-Rudman Act. Lawmakers are grateful to flout the law now that the Supreme Court has removed its teeth—a provision triggering automatic, across-the-board spending cuts if the deficit-reduction targets are not reached by Congress.

Now, the Democratic leaders of the Senate Finance Committee and the House Ways and Means Committee, where revenue bills originate, are faced with delivering on their pledge to hike taxes.

Their aim is to portray the Democratic Party as fiscally responsible by considering, among other measures, an additional 50-cent tax on a six-pack of beer and a 10-cent per gallon tax on gasoline on top of the current 9-cent federal fuel tax. What many Democratic lawmakers seem to have forgotten is that Walter Mondale pledged to raise taxes under the guise of fiscal responsibility and was soundly drubbed in 49 states.

There are many flaws in the Democratic approach to the deficit.

The principal one is the specious premise that boosting taxes will produce a commensurate decrease in red ink. On the contrary, feeding the deficit with higher revenues only whets the insatiate appetite on Capitol Hill for higher spending, which inevitably negates the benefit to the deficit. History has demonstrated this truism time and again.

In addition, the Democratic-proposed increases in excise taxes on liquor, cigarettes, gasoline, and interstate telephone calls would shift the deficit-reduction burden to lower-income persons, who spend a larger share of their wages on such items.

Such regressive taxes defy the Democratic Party's traditions but are the main sources of higher revenue left after House Speaker Jim Wright struck out miserably in calling on Congress to raise income taxes for the upper-middle-class only months after tax rates were lowered in exchange for eliminating most deductions.

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## IN SCHOOL TOGETHER, SCHOOL-BASED CHILD CARE SERVING STUDENT MOTHERS

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MILLER of California. Mr. Speaker, I would like to call to the attention of my colleagues a new book, "In School Together, School-Based Child Care Serving Student Mothers," that was developed by the Academy of Educational Development's new Support Center for Educational Equity for Young Mothers. This book was created to serve as a resource to improve educational and economic opportunities for teen parents. It is a how-to guide for creating school-based child care centers for children of teen parents describing the phases of the development process including support strategies, staffing, program and policies, funding, and evaluation.

As the report indicates, and as testimony before the Select Committee on Children, Youth, and Families has repeatedly confirmed, lack of child care is a critical component of any dropout prevention program for teen parents. School-based child centers allow mothers to complete their education and become independent and productive adults, as well as prevent them from having repeat pregnancies. Also, these centers offer parenting education and support services for teen parents and their families, to enhance child development and ensure family stability.

The Academy for Educational Development visited the following child care centers to gather information needed in order to implement child care in school-based settings: Center for Infant Development, Elizabeth, NJ; Crib Infant Care Center, St. Louis; Murray-Wright Infant-Toddler Child Development Center, Detroit; Polytechnic Child Care Center, Fort Worth; Rule High School Preschool/Parenting Learning Center, Knoxville; and Living for the Youth Family through Education [LYFE], Brooklyn.

This report is an invaluable guide to any community or school district concerned about teen parenting and considering a positive and successful method of intervention.

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## TRUTH IN LABELING

### HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. ROTH. Mr. Speaker, it is a fact that approximately 75 percent of the frozen pizzas produced in the United States are made with imitation cheeses. The consumer is unaware of the percentage of imitation cheeses in our pizza. H.R. 2891, the truth in Pizza Labeling Act of 1987 will rectify this by making the truth known to the consumer.

The artifical cheeses used by the pizza manufacturers are made from the imported milk protein, casein, which USDA studies have confirmed is causing a steadily-increasing interference with the dairy price support system. It is estimated that the enactment of prominent labeling for frozen pizzas would save the Government a projected $56 million a year by utilizing more real cheese and decreasing Federal inventories.

Besides saving the taxpayers money, H.R. 2891 would clean up conflicting regulations governing the labeling of pizza. There is a great deal of inconsistency within the Government on the labeling of frozen pizzas. The Food and Drug Administration regulates frozen cheese pizzas and requires 100 percent real cheese to be used. However, the Department of Agriculture, which regulates meat-topped pizzas, only mandates 10 percent real cheese. As a result approximately 75 percent of frozen pizzas are not made with real cheese.

Consumers presently have no indication that they are purchasing a frozen pizza made with artificial ingredients. The discriminating buyer would purchase the "real" item if the price was comparable. It is only reasonable to demand that the necessary information be readily available. Let the consumer decide whether to purchase a frozen pizza made with real cheese or an imitation.

A consistent labeling policy for frozen pizzas would clearly be in the best interest of the consumers. In addition, we should do everything in our power to utilize our own substantial supply of dairy products. It is our Nation's best interest to end consumer deception and let competition regulate the marketplace. I strongly urge my colleagues to cosponsor this responsible legislation.

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## THE SCHOMBURG CENTER EXHIBIT COMMEMORATING THE 100TH BIRTHDAY OF MARCUS GARVEY

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. RANGEL. Mr. Speaker, I am pleased to have this opportunity to share with you, and the Member of this body, the New York City event opening the centennial celebrations of the birth of Marcus Garvey. Each day this week I have come before the Members of this illustrious body to inform them of the activities, both here and abroad, honoring this extraordinary man. And, I feel it is extremely fitting that I should close this week with a commemoration of the opening of the Schomburg Center for research in black culture exhibit.

The Schomburg Center houses the largest collection of African-American history and artifacts in the world. The hub of major black cultural life, the center sponsors activities and disseminates information that illuminates and enhances its resources. In a fitting tribute to one of the giants in African-American history, the Schomburg's Marcus Garvey: The centennial, exhibition will feature more than 300 photographs, manuscripts, prints, publications, paintings and memorabilia.

I want to praise the Schomburg for its insight in capturing and making this celebration a reality. As the leader of the largest African-American movement in this country, Marcus Garvey is deserving of the recognition that he is receiving in this the centennial year of his birth. He popularized the attitude that "Black is Beautiful," and stressed the need for unity and a sense of purpose of the black community.

The Schomburg Center must be commended for securing the services of Dr. Robert Hill, one of the foremost authorities on Marcus Garvey, as guest curator for this exhibition. An associate professor of history at UCLA, Mr. Hill is best known as director of the Marcus Garvey and UNIA Papers project. Commenting on the exhibit, Mr. Hill said:

> This is a momentous, historic event. Marcus Garvey was an icon of New York and we are presenting, for the first time in an historical context, rare, orginal manuscripts, visual media and memorabilia from around the world which document in compelling ways the rise, fall and enduring relevance of Garvey and Garveyism.

Both the legacy of Mr. Garvey and the tenets of the Schomburg Center represent

what is unique and exciting about African-American culture, representing our strength and character as a collective people. I would like to close by encouraging all of my colleagues to learn more about this exciting man. If any of you are in New York City please take the time to visit the exhibit at the Schomburg Center. It opens to the public on August 8 and will remain on view until March 5. Marcus Garvey was a true prophet and a revered leader of the black community, and more people should know about his contribution.

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## HEALTH MAINTENANCE ORGANIZATION AMENDMENTS OF 1987

### HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WAXMAN. Mr. Speaker, I am pleased to introduce today H.R. 3225, the Health Maintenance Organization Amendments of 1987.

This bill addresses a number of issues that have arisen in recent years regarding the requirements the Federal Government imposes on HMO's that seek Federal qualification and on the employers that offer federally qualified HMO's to their employees. The bill would give HMO's additional flexibility in their corporate structure, the organization of their physician services, and the rating systems by which they establish their premiums for enrolled members. The bill would clarify for employers the level of contribution they must make on behalf of employees under their health benefits plans when employees enroll in HMO's as opposed to the other health insurance options offered by the employer. (Employers would be required to make contributions for employees enrolling in HMO's in an amount that does not financially discriminate against them.) Finally, the bill would make clear that State laws and regulations cannot impose requirements on HMO's that prohibit the HMO's from complying with the conditions of their Federal qualification.

Mr. Speaker, the HMO law—title 13 of the Public Health Service Act—has proven to be one of our most important public health statutes. These amendments are a further fine tuning of that law.

Title 13 was established in 1973 and has been modified on several occasions. The law has generated the development of hundreds of prepaid health care organizations that have changed the face of medical care in this country. HMO's have successfully controlled health care costs and, by their very presence, forced other providers and insurers to become more efficient and less costly.

The Federal qualification process, by which the Department of Health and Human Services reviews applications from HMO's to become federally qualified, remains at the heart of the law today. The compliance by HMO's with the requirements of their Federal qualification provides assurance to employers and their employees that HMO's which serve them will be fiscally sound and well managed and will provide good quality health care in an economical way.

The HMO law plays a major role in our health care system today. This bill will improve the law.

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## INTRODUCTION OF THE NUCLEAR PROLIFERATION SANCTIONS ACT OF 1987

### HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. FORTNEY. Mr. Speaker, I rise today to introduce legislation to broaden, harmonize, and update our nuclear nonproliferation laws. My bill, the Nuclear Proliferation Sanctions Act of 1987 [NPSA], is designed to provide more flexibility to and fill gaps in the Nuclear Non-Proliferation Act and the Glenn-Symington amendments to help us to enforce more effectively our policy that nuclear proliferation should be stopped dead in its tracks.

An effective nuclear nonproliferation policy rests upon two main supports: the will to act against countries that violate our policy, regardless of possible harmful effects to our bilateral relations; and the flexibility to tailor our response to the specific situation we face so that we can exert the maximum amount of leverage on the offending countries.

So far, our will has been weak, mainly because there has not been a consensus on the importance of nonproliferation. Nuclear proliferation has not received the attention it deserves; in fact, it has not even reached the agenda of general public discussion. Because we tend not to address a problem until it is generally perceived to have reached crisis proportion, there has been little attempt to determine the status of nuclear proliferation and to propose ways to curb its expansion. With this subject, though, we cannot afford to delay action, for the costs of a crisis, in human, economic, and environmental terms, are just too great. By the time a nuclear weapon is exploded by a nonsuperpower country or a terrorist organization, the realities of proliferation will be too intractable and the time to solve them too short for us to prevent a disaster of unthinkable horror. Stronger will cannot be legislated, it can only be achieved through greater education about the perils of nuclear proliferation and public insistence that the issue be given a higher priority in our relations with other nations.

The flexibility that our existing laws give us has also been lacking, largely because they are too narrow in both the scope and degree of responses to certain actions. Under Glenn-Symington, for example, if a country takes certain steps to develop a nuclear capability, the United States would be obliged to cut off foreign aid. That is all there is to it—if you take a certain critical step you lose all aid. There are no provisions to respond to more preliminary steps along the proliferation process nor are there options to make other responses.

This narrowness raises three major difficulties. First, a country can move right up to the threshold of a nuclear capability with total impugnity. By the time it gets that close, just one step away from the tantalizing land of nuclear independence, it may be willing to risk its U.S. foreign aid for the power and prestige that nuclear status would bring it. If, however, we were to penalize a country at each step of the process, and make those penalties increasingly more severe, it might well decide at an early stage that the still-distant possibility of a nuclear capability did not warrant the loss of very tangible benefits in the present.

Second, the all-or-nothing nature of the sanctions reduces our ability to negotiate. For less serious violations we would be unwilling to take the drastic step of a total cutoff of foreign aid and would therefore do nothing. For very serious violations we would be more likely to cut off aid but would then have no further leverage if that drastic step did not work.

Third, the threat to cut off foreign aid means very little to countries to whom we do not give much aid but means an awful lot to countries that receive substantial amounts of aid. Most of our foreign aid goes to five close allies: Israel, Egypt, Pakistan, Turkey and the Philipines. For the rest of the world, our aid is of relatively small consequence. The result is that a certain action by one of those five will, in effect, be punished more severely than the same action by some other country. This inconsistency generates tremendous resentment, particularly because the countries being more severely treated by these laws are, ironically, among our closest friends. For example, if we were to enforce Glenn-Symington against Pakistan, it would lose a 6-year, $4 billion aid package. If we were to enforce it against India, its regional rival, it would lose about $150 million a year.

Clearly, we need to approach this issue with some new tools. We need to use a scalpel rather than a meat cleaver. My legislation, the NPSA, would provide the needed precision by establishing three levels of violations, four types of sanctions and a process to enable the President to tailor the punishment to fit the crime while retaining maximum leverage.

The three levels of violations are as follows: "most threatening actions," which include detonating, transfering or receiving a nuclear weapon or obtaining weapons-grade uranium or plutonium; "very serious actions," which include transfering or receiving enrichment or reprocessing technology without full-scope safeguards; and "serious actions," which include violating, abrogating, or terminating a safeguards agreement with the IAEA or the United States or failing to sign the Nuclear Non/Proliferation Treaty by January 1, 1989.

If the President determines that a country is guilty of one of those violations, he must examine four U.S. aid relationships—foreign aid, trade concessions, World Bank loans and Eximbank assistance—and determine which is the most valuable relationship to the offending country. That relationship would be designated the "primary assistance relationship" and the other three would be "secondary assistance relationships."

Having determined the violation and established the ranking of aid relationships, the President would then levy the punishment. For a "most threating action" the President would be required to terminate aid under the primary relationship and could terminate aid under any or all of the secondary relationships. For a "very serious action" the President could cut off the primary relationship and would have to cut off at least one of the secondary relationships. For a "serious action" the President could, at his discretion, eliminate any of the four aid relationships or do nothing. There are, of course, provisions for waivers and suspensions for national security reasons.

Mr. Speaker, I believe that the greatest improvement the NPSA represents over current law is the flexibility that it gives the President to address troubling behavior by a country in the proliferation area before it becomes a major problem and to tailor the U.S. response to fit the offense. It should allow us to act sooner and more surgically with weapons other than diplomatic jawboning. And, by providing for sanctions under four different aid relationships, rather than just one, it enables us to treat similar offenses by different countries more equally, thus obviating the argument that we deal more harshly with our allies in the area than with others less friendly to us.

The NPSA builds upon the concepts and foundations in the NNPA and the Glenn-Symington amendments to deal with the problem of proliferation through the end of the century. We cannot sit still while countries pursue a nuclear capability, for each country that is added to the nuclear rolls represents an expondential increase in the threat to us all of a nuclear disaster. We owe it to ourselves and our children to be diligent on this issue and the NPSA will allow us to translate our commitment to nonproliferation into concrete action. I urge my colleagues to join with me in this effort.

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## CONTINUING CRISIS IN FOSTER CARE

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MILLER of California. Mr. Speaker, recent reports indicate rampant abuse of children in foster care. In 1980, I authored the Adoption Assistance and Child Welfare Act, which was designed to guarantee that States would monitor children in foster care to ensure their well-being and provide them with needed services. But many States and particularly the Department of Health and Human Services have failed to enforce the law.

In 1986, I brought to the attention of HHS and the GAO violations of PL 96–272 by the State of California. The State was using Federal funds to warehouse foster children with delinquent youths in an isolated detention camp in the Nevada desert. As a result of studies that I ordered, HHS directed California this spring to repay the Department $434,000, and has pledged to tighten current regulations that have permitted serious abuse of the foster care system and misuse of taxpayer dollars.

HHS Secretary Otis Bowen has assured me that his Department's administering of 96–272 had been effective in protecting foster children. Yet just yesterday, researchers in California released a report documenting the neglect of major medical and mental health problems suffered by children in foster care. The report's author said he had found that many children "are not getting any kind of assessment or treatment" as they enter foster children's programs, despite our knowledge that they are usually in the system because they have been sexually or physically abused, neglected or abandoned. If the children are screened at all, he said, it is usually by an emergency room doctor with no appreciation of what they have suffered or what their needs are.

This outrageous state of affairs is not limited to California. In recent testimony before the Select Committee on Children, Youth, and Families, expert witnesses from around the country said that inadequate resources were being allocated to provide the basic services mandated by Public Law 96–272.

With no one looking out for them, the well-being of foster children increasingly depends on lawsuits filed by public interest groups. Last week, for instance, a Federal judge in Maryland ordered the State to obey Public Law 96–272 and take tangible steps to protect these children. Reacting to the physical, sexual, and emotional abuse of foster children in Baltimore, he ordered a strict monitoring program, as was mandated by the 1980 act. As a result, Maryland officials will finally be compelled to visit and appraise every child in foster care periodically and to review each foster home in the city to ensure that it meets State licensing standards.

But foster children cannot depend on lawsuits. The Maryland ruling is an exception, not the rule, and it sends an important and overdue message to Federal HHS officials and to the States: The abuse and neglect of foster children is intolerable and illegal.

The Nation's foster care system was designed to provide temporary homes to children pending adoption or a return to their parents, and to provide services during foster placement to ensure the children's safety and health. Since most children spend years in foster care—the average stay in Maryland is 5.1 years, and in Baltimore 7.4 years—it is incumbent upon Government to monitor the quality and safety of the homes in which we place these vulnerable children.

I urge you to read the following two articles: one from the Washington Post about the Maryland decision, and the other from the San Francisco Chronicle about the State's continued neglect of foster children.

[From the San Francisco Chronicle, Aug. 5, 1987]

#### BIG PROBLEMS IN FOSTER CARE CITED IN REPORT

(By Charles Petit)

Foster children in California suffer major medical and mental health problems because disorganized and understaffed county programs cannot keep up with them, according to a report to be published today.

Dr. Neil Halfon, director of the Center for the Vulnerable Child at Children's Hospital in Oakland, said a survey of foster care in 14 California counties showed: "Many kids are not getting any kind of assessment or treatment as they enter foster children's programs.

"Yet they are usually in the system because they have been sexually or physically abused, neglected or abandoned."

Only one California county—Ventura—has a thorough system for evaluating the mental health of its young charges and providing regular counseling and follow-up, he said.

Halfon, a pediatrician, blamed Proposition 13, the tax-cutting measure passed in 1978 by the state's voters, for many of the difficulties facing the estimated 33,000-plus foster children in the state.

"In Alameda County, prior to Proposition 13, they had half a dozen people doing assessments on foster kids. Now they practically have none."

He would single out no counties as the worst, but said the survey of foster care administrators, doctors, social workers and others in the field "found just about all of them have major problems." Bay area counties surveyed include San Francisco, San Mateo, Alameda, Solano and Santa Clara.

"These kids have a high prevalence of medical and mental health problems, as you would expect given their history, but usually if they are screened at all it is by an emergency room doctor with no appreciation of what they have been through or their special needs," said Halfon.

Halfon conducted the survey with Linnea Klea of the Institute for Health Policy Studies of the University of California at San Francisco, under a grant from the David and Lucille Packard Foundation of Los Altos. Their report is being published today in the journal Pediatrics, published by the American Academy of Pediatrics.

The Packard Foundation, responding to the study, is also financing pilot programs in foster child medical screening in Santa Cruz, Monterey, San Diego, and Alameda counties, Halfon said.

"These kids are abused and neglected by their home situations, and then they come into the foster care system and they are abused and neglected by the state," he said.

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[From the Washington Post, July 30, 1987]

#### FOSTER CHILD ABUSE RULING FAR-REACHING

(By Paul W. Valentine)

BALTIMORE.—Attorneys in a widely heralded foster home abuse case here say a ruling by a federal judge Tuesday goes well beyond previous cases elsewhere in the country in requiring government agencies to protect children in state custody.

In the relatively new field of foster care litigation, U.S. District Judge Joseph C. Howard ordered state officials to take several specific steps designed to tighten supervision and weed out unfit foster parents.

Howard's ruling came in a 55-page preliminary injunction issued Tuesday after he heard testimony of widepread physical, sexual and emotional abuse of hundreds of foster children in Baltimore in a case brought by the Maryland Legal Aid Society and the Washington-based Children's Defense Fund.

In his highly detailed order, Howard directed officals of the state Department of Human Resources to monitor every child in a foster home at least once a month.

In cases where there has been a complaint of mistreatment, he ordered weekly visits by caseworkers.

In addition, the judge ordered officials to report all complaints to juvenile court authorities and the child's attorney within five days of the complaint.

He also required officials to submit a plan within 20 days for review of each foster home in the city to see that they meet licensing standards.

Relying on the few previous cases on the subject, Howard ruled that the U.S. Constitution's 14th Amendment guarantee of due process extends to state-supervised foster children—as it does to prisoners and mental patients—and they thus should be free from harm.

The judge "clearly has said foster children have the same rights," Legal Aid Society lawyer William L. Grimm said in an interview today.

A high-ranking official in the Maryland attorney general's office grudgingly agreed. "The case is not groundbreaking, but it's important," he said.

The attorney general's office is defending state foster care officials in the Legal Aid case.

Officials said they are studying a possible appeal of Howard's ruling.

There are about 2,800 foster children in Baltimore and 5,000 to 5,500 throughout Maryland, including hundreds in Prince Georges and Montgomery counties.

Attorneys on both sides of the case said they did not know whether Howard's order could be applied only to Baltimore foster homes or all homes in the state. Grimm said he believes no other court in the country has issued such a far-reaching order requiring monitoring, licensing compliance and reporting to juvenile authorities.

Previous cases are scarce.

A federal judge in Louisiana ruled in 1976 that foster children are entitled under the Social Security Act to proper care and medical services, Grimm said.

But, he said, a more important 14th Amendment "breakthrough case" came in 1981 in the 2nd U.S. Court of Appeals.

The court held that under the amendment, a state agency could be held responsible for the child's sexual abuse by a foster parent if the agency had failed to supervise the child's placement in the foster home adequately.

Several attorneys in the Baltimore case said successful placement of foster children is an inexact science at best: The children often are the products of broken or socially disrupted homes and suffer a range of emotional problems; some foster parents are lured by the promise of payments by the state—about $320 a month per child—and have little genuine interest in the child.

"It's an incredibly intractable problem," said one official in the attorney general's office.

Grimm acknowledged that unqualified foster parents are a major problem but said there are "also a lot of good, almost angelic foster parents, too."

Added to the problem, according to a Maryland governor's foster care task force report issued in January, is that children often "linger on" for years in what are supposed to be temporary foster homes until they can be assigned to adoptive parents or returned to their parents.

According to the report, the average stay in the state is 5.1 years.

In Baltimore, the average stay is 7.4 years.

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## THE FUTURE OF NATO

### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GARCIA. Mr. Speaker, I am submitting the final two installments of Elizabeth Pond's series of articles on the future of NATO which appeared last week in The Christian Science Monitor.

As chairman of the North Atlantic Assembly's Civilian Affairs Committee, I have come to appreciate just how important NATO is to the security of the United States and Western Europe. This is not to say that it is above criticism or scrutiny. It is only to say, that the Alliance has and does serve a useful purpose as an organization dedicated to keeping the peace.

I am submitting Ms. Pond's provocative article to help keep my colleagues informed on current issues facing NATO.

#### WILL THE REST OF EUROPE JOIN IN?

(By Elizabeth Pond)

BONN.—Will the rest of Europe join in? Can what the French call their "alliance within the alliance" with West Germany become the core of a pan-European defense, as both President Francois Mitterand and Prime Minister Jacques Chirac hope?

The answer depends primarily on the "strong man" of Europe, Prime Minister Margaret Thatcher, and on how far she carries Britain's newfound acceptance of European identity into the domain of conventional and nuclear security. It depends further on Italy's demonstrated desire to play a political role commensurate with its newfound economic muscle. And it depends further still on how the smaller countries also take part in collaborative weapons procurement and the jerky process of "revitalizing" the Western European Union (WEU), the seven-nation pact on collective security, comprising the four large European states and the Benlux countries and dating back to 1954.

Jean Picq, a defense policy adviser to Mr. Chirac, presents a strong case for a unified European voice that could be "clear" on a "European conception of security." Such a development, he says, would be "the beginning of the comeback of Europe for Europe." And it would, he says, increase the chances that Europe will be listened to.

In the "post-Reykjavik" world, he suggests, if Europe "doesn't weigh in on this [security issue], it won't exist anymore."

The British Foreign Office has somewhat the same view, though being British, it is less interested in French-style declarations of principle than in practical measures of coordination.

Mrs. Thatcher, by all accounts, while jolted by the American disregard of Europe at the superpower summit in Reykjavik, Iceland, last October, is still less troubled than her ministries; she tends to put less store in a European "alliance within the alliance" than in the rest of the Anglo-American special relationship and her own ability to persuade President Reagan to alter vexing policies.

In the conventional field, the British have some impatience with the apparent inconsistency between French rhetoric about European solidarity and continued French aloofness from NATO. One official in London, while welcoming France's increasing engagement, suggested dryly that daily cooperation between the British Army on the Rhine and West German forces far surpasses the occasional ballyhooed French-West German maneuver.

Thatcher has recently made a point of consulting the French on East-West issues, however; she conspicuously visited both Paris and Bonn before her trip to Moscow this year. And there is an obvious rapprochement of bilateral British and French interests in the nuclear arena.

Whatever the considerable differences in their nuclear doctrines and planning, the two countries have a common desire to protect the effectiveness of their own arsenals both against any double regime of antimissile defense ("star wars") and against the cuts in purely European capability that Moscow repeatedly tries to extract from superpower arms control negotiations. The projected sixfold or more proliferation of British and French warheads in the next decade will make these questions especially acute in a period when the superpowers will presumably be pruning their much larger nuclear inventories.

One idea that some European strategists are toying with—others reject it summarily—is coordinating French and British nuclear deterrence with sufficient ambiguity for Moscow to think that the two may be extending this deterrence to cover West Germany as a kind of "reinsurance" to the American nuclear guarantee.

Britain's nuclear force is, of course, already committed to NATO, and therefore to West Germany, in most circumstances. The real question mark for any "extended deterrence" is therefore France. And a major question for London in nuclear cooperation is how far Paris might be ready to adjust its nuclear doctrine of one all-out spasm to NATO's doctrine of graduated escalation.

A few strategists in and outside France speak of some "convergence" already, and France did agree last month to receive some nuclear information from NATO for the first time in decades. Full convergence is still a long way off, however; in circular logic, any French moves toward NATO doctrine at this point are perhaps best measured in whatever British-French cooperation develops.

Certainly both right and left mainstreams in Paris welcome in private the prospect of increased bilateral nuclear coordination. And British and French officials note that bilateral contacts have long since established mutual landing rights of nuclear carriers in emergencies and lately have discussed tentatively the possibilities of joint submarine maintenance, coordinated submarine sailing schedules, and perhaps even interchangeability of missiles between the two countries' submarines. Any cooperative targeting is a much more sensitive question.

Sir James Eberle of London's Royal Institute of International Affairs thinks that the "sheer requirements of size [for nuclear deterrence] to be minimally credible in the 21st century" in an environment of some strategic defense will compel "Britain and France to get their heads together and think what the next systems after the present ones should be." He also believes that "Britain and France will be forced to de facto extended deterrence."

Dominique David of the Foundation for National Defense Studies, in Paris, also envisages a situation in which "France does not cover Germany officially, but where the Soviets may not intervene in Germany without asking if the French will respond. The basis of credibility in the Federal Republic of [West] Germany is that the Soviet Union cannot be sure that France will not respond with nuclear arms to defend West Germany."

Along the same lines, defense adviser Picq argues that the proper question is not extending a French nuclear guarantee to West Germany, but rather "establishing a situation where adversaries see a common destiny of these countries so that this has the same effect" as extended deterrence.

In the conventional area, if there is a move toward greater political military coordination in Europe, the likely channels for it are intensified bilateral contacts, the independent European Program Group (IEPG), and the WEU.

For years the WEU languished, until the French resurrected it in the 1980s as a standing, convenient, non-NATO forum that France belongs to, that is strictly European, and that moreover comprises only Europeans who are, as one British diplomat put it, "serious" about defense.

The French temporarily lost interest in the WEU once the West Germans actually deployed NATO Missiles in 1983 and French worry about potential German neutralism subsided.

The Reykjavik summit and the Euro-missile arms control negotiations rekindled French fears about the Germans, however, and added new fears about the decline of Mr. Reagan and the seductive attractiveness of Soviet leader Mikhail Gorbachev. Chirac is therefore now campaigning to crown the WEU's two-year "revitalization" this fall with a new "charter."

The WEU's sister organization, for European cooperation in weapons procurement, is the decade-old IEPG. The record of multilateral and bilateral efforts so far is spotty, with some expensive successes like the Tornado fighter aircraft, and some busts like the French-German tank.

The multilateral European fighter, the biggest project for the 1990s, is proceeding without French participation, not for lack of French government enthusiasm, but because of the refusal of the Dessault corporation to compromise on its share.

The trend shows a gradual increase in collaborative production. West Germany, Britain, and Italy are involved in most projects, and Britain now spends 15 percent of its equipment budget on collaborative programs.

Whatever the chosen forums, there is clearly more incentive for the Europeans to hang together in security now than at any time since France vetoed the European Defense Community in 1954. The motor of a sense of crisis in the West German elite about gathering American disengagement and in the French elite about America and West Germany propels both Bonn and Paris in this direction.

The British elite, although not feeling the same degree of urgency, does not want to and will not be left behind, nor will Italy. And a Dutch official expressed the sentiment of several of the smaller countries in saying recently that his nation, too, would like to contribute troops to any joint French-West German brigade.

A West German general comments, "I think there is a spreading feeling in France as in Germany that we have to succeed or we will perish." About Britain he is not yet sure.——

### Europe: A US Pillar or Rival in NATO?

(By Elizabeth Pond)

Brussels.—There are two schools of thought in the United States about closer European cooperation. Washington vacilates between them.

One view—this has prevailed in public pronouncements over the years—holds that European integration is good for the US and would provide in defense a strong European "pillar" for NATO that is very much needed.

In particular, it could increase the conventional military contribution of the rich and populous Europeans to a more proportional share and relieve America's military and economic burdens.

In part it could do this by fostering quiet French cooperation with NATO, while letting Paris formally disclaim any such rapprochement in order to preserve the French security consensus for Gaullist independence.

The contrary view—this one tends to appear whenever American officials descend from the level of broad policy goals to the nitty-gritty of everyday decisions—is that a unified Europe would become a rival and make it hard for the US to exercise the leadership that a superpower must display within its alliance. In more elegant language, Henry Kissinger used to contend in his time as secretary of state in the 1970s that the European habit of laboriously negotiating a compromise position and then presenting the final product to the US as a take-it-or-leave-it proposition was quite intolerable.

And American diplomats—impatient with the obverse tendency of European governments to feud and cancel out each other's views—contend that a single dominant leader like the United States is indispensable to knock heads together and force NATO to reach any decisions at all.

Not surprisingly, the Europeans view the phenomenon of superpower leadership somewhat differently. To them it seems that the US often plays one European off against the other to secure the kinds of alliance decisions Washington wants. But Europeans have only themselves to blame, they readily concede, since their disunity allows this to happen and ensures that it is always the US that proposes and Europe that weakly reacts.

Moreover, Europeans also see their efforts at establishing a European defense consensus as the only way to prevent the expected American drawndown of troops from being dangerously destablizing to peace in Europe.

As nearly as Europeans can tell, the latter-day Reagan administration has never fully decided between the "pillar" and "rival" theses about European defense cooperation. When the French first revived the Western European Union (WEU) a few years back, a famous confidential letter went out from then Undersecretary of State for European Affairs Richard Burt warning the Europeans not to come to NATO discussions with precooked positions.

The suspicion implicit in this letter has subsequently been disavowed by American officials, including Mr. Burt, now the ambassador to West Germany.

But Europeans take Washington's current endorsement of the WEU and the lack of strong pressures from Washington at the moment more as a sign of disarry within the administration itself than special deference to European sensitivities.

One senior West German official made the classic case for why the US should approve the beginnings of a "European political authority" that might develop as foreign ministers and general staffs prepare for joint security decisions by heads of government.

"You would make available to NATO a larger force, because you would have the French forces [which have not come under NATO's command since 1967], or you would work together for the upgrading of your conventional forces. All that is still in the future, [of course], because the French so far have blocked any progress toward this."

But the important outcome he hoped for from European cooperation was that "heads of government see to it that ministries of defense get a sufficient part of the budget and get the manpower for sufficient size of forces and make these forces available to NATO with active French participation.

"So it's [less] a question of a European organization than of European manpower armed, of the input into common defense and of French readiness to make available resources to this end and to make available French forces as . . . operational reserves to NATO, with an interpretation saying they can come close to forward defense [near the East-West German border] early in the game."

Certainly some of this is already happening. Although it is a highly sensitive subject, one West German and two French sources said, on the understanding that they not be identified, that French Air Force and field exercises with West Germany are really exercises with NATO.

One source added that representatives of NATO's Military Committee have quietly visited French troops on maneuvers.

Sir James Eberle of the Royal Institute of International Affairs in London, like a number of other Englishmen interviewed, thought that "France would like to see the WEU as a forum that would endorse French ideas and present them to the US."

But he quickly noted, "I think other European countries would see it slightly differently: developing European ideas before discussion in the NATO alliance . . . clearing away some of the undergrowth."

He himself saw defense as the third leg of European cooperation to join with the political aims of the European Community's "Single European Act" that went into effect this month and the economic goal of finally creating a truly free European market by the early 1990s.

This emerging European entity, he suggested, will require that NATO "change to something more of a partnership."

The American-run alliance existed "not because the US necessarily wanted to be the dominant partner, but because Europeans lay on their backs with their legs in the air and said 'please defend us.' This relationship has got to change, and management of that change is the greatest task which now faces us—management of West-West relations rather than West-East relations."

A senior French diplomat also stressed that an evolving European defense identity must not come at the expense of the Americans: "What could emerge since the crisis of Reykjavik is a clear consciousness of European interests, which is not against NATO of course, not ganging up against the US. . . .

"The US should be glad. But after complaining for years that Europeans should be interested in their own security," when they do show this interest, he objected, some Americans don't like it.

A British diplomat was skeptical about French intentions but upbeat about France's actual policy: "Gaullist philosophy has not disappeared and is not lilely to in France. But in terms of what France sees as vital security concerns for Europe, it is coming some way back toward NATO."

The diplomat described the British point of view this way: "We see the WEU, which is always a slightly neuralgic point [in Washington], as a body where Europeans should more clearly identify what their interests are and put them forward in a more coherent and bolder way in the alliance. Too often we wait for an American initiative and then grumble about it.

"[Foreign Secretary Sir Geoffrey] Howe stressed in his speech in Brussels in March that the alliance will remain the only decisonmaking forum. [The WEU] will be a mind-clearing forum where we don't develop a monolithic view, but a more coherent, better input to NATO."

A colleague added: "I think the WEU must avoid coming into NATO and saying, 'This is it, chums; take it or leave it!' European voices in defense will ultimately be no stronger than their contribution to defense."

He also spoke of the need for explaining to the young generation why defense is necessary and commented, "The dreadful feeling that we defend ourselves to please the Americans is appalling."

Analyzing British reservations about closer European defense cooperation, a member of the NATO secretariat in Brussels summed up the situation by saying, "There is an impetus to cooperation, if cooperation means having French concerns [about the Germans] put to rest. But as always with Britain, this [development] has to complement and not contradict the alliance."

Whether pillar or rival, then, does the new sense of crisis condemn Europe to succeed this time around in its effort to hang together? The analyst cautioned against unrealistic expections.

"For the past four years we have all talked about the impetus to European integration because of Reagan and Reaganism, . . . but I don't see [much result]. There have been a few meetings of the WEU, a few bilateral meetings." This sort of thing "always has to be stage by stage. It will probably emerge without any of us realizing it; there won't be a fanfare of trumpets."

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## CRISIS IN HAITI

## HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. OWENS of New York. Mr. Speaker, there is a crisis in Haiti.

Just 4 months after the people of Haiti overwhelmingly voted to approve a constitution providing for a democratic government, the great dream of new, democratic Haiti is suddenly fading, threatened by the greed and hunger for power of the ruling military junta.

The ink was scarcely dry on the new constitution before the CNG began trampling its most basic provisions. Freedom of the press, the freedom of trade unions, freedom of speech, and freedom of assembly and association have been routinely and systematically violated. Dozens of Haitians have been murdered and over 100 wounded by the army in the past few months merely because they dared to exercise their right to engage in peaceful protest. The Ton Ton Macoutes still terrorize the countryside and 2 weeks ago butchered more than 300 peasants in Jean-Rabel.

Most ominously of all, the CNG has moved to strangle the fragile electoral process. In May, the CNG suddenly suspended the authority of the independent Provisional Electoral Council over the elections; public protest later forced the CNG to back down from this blatant power grab but even today the CNG refuses to cooperate with the PEC or to provide it the funds it needs to do its job. No one can now be sure if there will ever be elections in Haiti and if there are, no one can be sure that they will be anything more than a sham. As Secretary of State Shultz observed about elections in Nicaragua:

> An election just as an election doesn't really mean anything. * * * The important thing is that if there is to be an electoral process, it be observed not only at the moment when people vote, but in all the preliminary aspects that make an election really mean something.

Today in Haiti, with elections just weeks away, there are no preliminary aspects to speak of and no commitment by the CNG to elections which really mean something.

There is a crisis in Haiti and it demands urgent action by the United States. It is not enough to wring our hands, deplore the violence, and express our support for democracy in Haiti. We must demonstrate our support for democracy by suspending all nonemergency assistance to the power-mad CNG and by providing technical and financial aid to the beleaguered Electoral Council. We must do everything in our power to ensure that the great dream of democracy becomes a reality for the people of Haiti.

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## CHINESE POPULATION PROGRAM IS STILL COERCIVE

## HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SMITH of New Jersey. Mr. Speaker, yesterday the House Appropriations Committee completed its markup of the foreign operations appropriations bill for fiscal year 1988.

During the committee's deliberations, they defeated an amendment that sought to overturn the administration's Mexico City international population assistance policy. This policy provides that private voluntary organizations which receive U.S. funds for population assistance programs sign and agreement that they will not perform or actively promote abortion as a method of family planning. The Agency for International Development reports that 800 contractors in 70 nations have accepted U.S. population assistance under the Mexico City conditions. It is important to note that the implementation of this policy has not caused any reduction whatsoever in overall U.S. support for international population assistance programs.

The Appropriations Committee also retained the Kemp-Kasten amendment, which prohibits U.S. funding of organizations which support programs of coercive abortion. Under the terms of the Kemp-Kasten law, the United Nations Fund for Population Activities [UNFPA] has been deemed ineligible for U.S. funding. The UNFPA's strong support of the highly coercive Chinese population program has unfortunately lent international prestige to a program that clearly violates fundamental human rights.

Despite an active disinformation campaign by the Communists in Beijing and their apologists in the population community, there is abundant evidence that the Chinese population program remains highly coercive. Anthropologist Steven Mosher was the first Western expert to publicly reveal the coercive nature of the Chinese program back in 1981. Mr. Mosher returned to China in May of this year and found that these coercive policies are still very much in force.

Mr. Speaker, on July 30, 1987, Steven Mosher testified before the Senate Appropriations' Foreign Operations Subcommittee. I believe that Mr. Mosher's insightful testimony makes a powerful case for the U.S. Government disassociating itself from these abominable practices. I urge my colleagues to carefully consider Steven Mosher's revealing testimony as Congress further deliberates the foreign operations appropriations bill, the foreign assistance authorization legislation, and any other bills that deal with international population assistance programs. Steven Mosher's testimony follows:

### Statement on China's Population Control Program

#### SUMMARY

China's basic policy on birth control has remained unchanged since 1983: A women must have an intrauterine device inserted following the birth of her first child, a couple must have one of their number sterilized following the birth of their second child, and a woman who is pregnant without official permission must undergo an abortion.

During this same time period, the policy on childbirth has been modified. While officials and workers are still strictly limited to one child, beginning in late 1984 exceptions for peasants facing "real difficulties" was allowed. If their first child is a girl, couples are generally allowed to have a second—on condition that at least four years have elapsed since the first and that they will voluntarily submit to sterilization following the birth.

This exception, liberally interpreted by local officials in the countryside, has resulted in a modest rise in the birth rate. An official crackdown on second births is now underway.

The Chinese population control program remains painfully coercive. Both urban and rural women with one child are required to have IUDs inserted, the removal of which is a crime. (FBIS-CHI-87-133, July 13, 1987, p. Q1) Both urban and rural women who bring a second child to term continue to be sterilized, sometimes involuntarily. Both rural and urban women pregnant with second children for which they have not been given exemptions are pressured to get abortions, and sometimes force is used.

Unapproved births do occur, mainly by a means called "childbirth on the run." Women who are pregnant with "illegal" children go to live with relatives in distant villages or towns. Away from their native place, they are often able to escape detection by the local authorities. Only after they have actually given birth do they dare return home. This is because abortions are performed in China up to the very time of parturition. As the child descends headfirst in the birth canal, it is given an injection of formaldehyde or alcohol into the fontanel, or soft spot, causing instantaneous death.

Couples who succeed in bringing such "illegal" children into the world are subject to heavy fines. Typically, a family will have to pay a fine equivalent to a year's income, and face monthly penalties as well, for having a second child without permission. Such fines are intended to deter, not merely dissuade, young couples from having children outside the plan.

In sum, Peking is continuing a population control program which, despite its claims of "voluntarism," relies heavily on coercive abortion and coercive sterilization. The United Nations Fund for Population Activities, for its part, continues to support this program in word and deed.

It is not consonant with America's commitment to human rights to support, directly or indirectly, a Chinese program that not only violates the right of couples to decide for themselves the number and spacing of their children, but also the right of women to control their own bodies. To resume AID funding to the UNFPA at a time when that organization has shown not the slightest inclination to distance itself from the coercive abortion and sterilization practices of one of is largest grant recipients would be a mistake. It will send the message to the world that America cares little about violations of human rights in population control programs.

China's basic population control policy, what it calls its "technical policy of birth control," was promulgated in 1983 and is still in effect today. It is contained in a directive of the Central Committee of the Chinese Communist Party, whose pronouncements have the force of law in China. Its principal content is: "Those women who have already given birth to one child must be fitted with IUDs, couples who already have two children must undergo sterilization of either the husband or the wife, and women pregnant outside of the plan must adopt remedial measures [i.e., abortion] as soon as possible." (NANFANG RIBAU, May 15, 1983, p. 3)

This directive, the operant passage of which have appeared repeatedly in the Chinese press, makes a bow in the direction of "voluntarism," by which is meant that the formal consent of the person involved must be obtained prior to any operation. But the directive is written in the imperative, and is in fact a prescription for mandatory IUD insertion, for mandatory sterilization and, when the policy on childbirth is violated, for mandatory abortion.

What is called "the policy on childbirth" is in reality two policies, one for officials and workers, and one for peasants. Like the policy on birth control, the policy on childbirth for officials and workers, who comprise perhaps 20 percent of the population, has remained unchanged for the past five years. It reads: "All state cadres, workers and employees, and urban residents, except for special cases which must be approved, may have only one child per couple." (NANFANG RIBAU, May 15, 1983, p. 3; for a recent restatement of the same policy by Henan party leader Yang Xizong see FOREIGN BROADCAST INFORMATION SERVICE (FBIS), CHI-87-133, July 13, 1987, p. P4.) In the cities, second children are simply not allowed, and tremendous pressures (about which more below) are brought on pregnant women to submit to "remedial measures."

The rural policy on childbirth has, from the beginning, been less strict than this. Instead of being strictly enforced, the one-child policy is merely to be "vigorously advocated." In practice, however, the "vigorous advocacy" of undereducated, overzealous rural officials often resulted in forced abortions and sterilizations.

To combat growing rural discontent a major exception to the policy of promoting one child in the countryside was made in 1984. Couples facing "real difficulties," it was announced, could apply for permission to have a second child. The "real difficulties" in question were never spelled out clearly in documents, perhaps because the Central Committee recoiled at putting a clearly sexist policy in writing, but were widely understood to be those caused by the birth of a girl, namely, that she could neither carry on the family name nor support her peasant parents in their old age. (See, for example, FBIS-CHI-87-133, July 13, 1987, p. P4)

It was stressed that exemptions to the one-child rule were not to be made indiscriminately to all rural couples with first-born girls. The quotas on births handed down to each province were to be respected, and second-child exemptions were to be contingent upon a wait of four to seven years after the first child. The "technical policy on birth control" was also not to be violated, so that the prior agreement of the couple, usually the woman, to accept sterilization following the birth of their second child was required. Women who met these conditions would, at the appropriate time, be allowed to have their IUDs removed. (Personal Communication)

This policy put local officials in the difficult position of having to grant second-child exemptions to some but denying others. Although perfectly ready to impose uniform rules concerning the spacing of births and the timing of sterilization, some refused to interpret a deliberately ambiguous Central Committee policy in the expected manner. Rather, they chose to consider that all of the one-child couples in their communities had "real difficulties" and licensed them to conceive and bear a second child. As a result the 1986 birth rate is the highest in four years, although at 1.4 percent it remains extremely low by the standards of the Third World. Recent remarks by government officials indicate that the number of exemptions to the one-child policy allowed in the countryside will be reduced. (FBIS-CHI-87-135, July 15, 1987, p. T1; FBIS-CHI-87-133, July 13, 1987, p. P4) This will necessarily mean an increase in the level of coercion as peasants attempt to bear second children without permission.

Overall, the key to understanding the degree of coercion in China is not the "policy on childbirth," but in the technical policy on population control." Both urban and rural women with one child are required to have IUDs inserted, the removal of which is a crime. (FBIS-CHI-87-133, July 13, 1987, p. Q1) Both urban and rural women who bring a second child to term continue to be sterilized, sometimes involuntarily. Both urban and rural women pregnant with second children for which they have not been given exemptions are pressured to get abortions, and sometimes force is used. Even if the one-child policy were abandoned tomorrow in favor of a "two-child," policy, the program would remain painfully coercive as IUD insertions, sterilizations, and abortions continued.

Unapproved births do occur, mainly by a means called "childbirth on the run." Women who are pregnant with "illegal" children go to live with relatives in distant villages or towns. Away from their native place, they are often able to escape detection by the local authorities. Only after they have actually given birth do they dare return home. This is because abortions are performed in China up to the very time of parturition. As the child descends headfirst in the birth canal, it is given an injection of formaldehyde or alcohol into the fontanel, or soft spot, causing instantaneous death.

Couples who succeed in bringing such "illegal" children into the world are subject to heavy fines. Typically, a family will have to pay a fine equivalent to a year's income, and face monthly penalties as well, for having a second child without permission. Such fines are intended to deter, not merely dissuade, young couples from having children outside the plan.

In Guangdong, women who refuse the operations they are ordered to undergo are arrested and taken in police vans directly to clinics. These vans have become popularly known as "pig basket" vans, after the large wicker baskets in which pigs are taken to the slaughterhouse.

To bring together these disparate parts of China's population control program into a coherent whole and illustrate how the program actually functions, I have chosen one of the numerous interviews I conducted while in China in later May of this year. The case of the Wangs, a young couple living in Zhuhai, China, follows:

Like most women in rural China, Chen Suxiang wasn't content with the one child she was allowed under the state's birth quota system. With her husband, a truck driver, on the road much of the time, and her only child, a boy, set to enter primary school the following year, she wanted another baby.

Sitting in the living room of his modest house in Zhuhai, a Special Economic Zone in Guangdong Province designated for foreign investment, her husband recalled that he at first tried to dissuade her, pointing out the pressures they would be subjected to—fines, meetings, and even heavier penalties. "As a permanent employee in a state factory, there are no exceptions allowed to the one-child quota," Chen said. "I told her I could be fired from my job, but she wouldn't listen."

Chen's wife found a midwife who, for a fee of $20, was willing to perform an illegal procedure: remove the steel IUD that had been inserted following the birth of her first child. After several months, in September 1986, she became pregnant.

By staying home most of the time, Suxiang was able to hide her pregnancy from the population control workers for several months. Her growing reclusiveness eventually made them suspicious, however, and they finally ordered her to go in for a pelvic examination.

Chen explained what that meant. "If they discovered that my wife was pregnant, they would order her to have an abortion." By this time, fully supportive of his wife's plan, he decided that she would go to live with a cousin in a neighboring county until she gave birth. Called "childbirth on the run," her response was a common last resort of couples under government pressure. Though his wife was safely out of reach, Chen was not, and was taken aback at the onslaught that followed. His superiors at the factory missed no opportunity to pressure him to end his wife's pregnancy. Each day the vice director of his factory sought him out and lectured him. Each evening he would be visited by a birth control delegation. And each week at political meetings he

was singled out as a bad example to the rest of the workers, and even his friends felt obligated to criticize him in public. The message was always the same: "For the sake of the nation, the community, the factory, and the Four Modernizations, he and his wife must give in."

Chen, an angular-faced man with a shock of unruly black hair, refused to buckle under this pressure. She has left me, he protested, because I would not allow her to keep the child. I do not know her whereabouts. He was not believed, and the pressure continued.

The factory director, seeing that Chen could not be budged, resolved to find his absent wife by other means. He ordered the factory's dozen purchasing agents and sales representatives to make inquiries, promising a bonus to the one who located Chen's wife. It was one of their number who, discovering that Chen frequently detoured to the neighboring county on his runs, began making inquiries there. Chen's wife was found and brought back in February, seven months pregnant.

Afraid that she would escape again if she were allowed to go home, the factory director ordered the runaway confined to a factory dormitory, under the supervision of birth control workers, who missed no opportunity to badger her to accept an abortion. Separated from her husband, so distraught that she was unable to eat and sleep, she was no match for the "thought work committee" that was assigned to reeducate her into accepting an abortion. Going into the ninth month of pregnancy, she bowed to the pressure.

She was immediately taken to the local medical clinic and given an injection of an abortifacient drug. Her child was born dead 48 hours later. "They didn't even tell me she was in the clinic until they had already given her the shot," Chen said. She was four weeks from term.

Despite the stringent controls, however, there are still couples who manage to bring a second child to term, like Wang guohan and his wife, both of whom worked in a state-run retail store. The Wang's story begins like the Chen's. Like Mrs. Chen, Wang's wife paid a midwife to illegally remove her IUD and conceived a child. Again like Mrs. Chen, when she was discovered by the authorities she decided upon "childbirth on the run."

Here the similarity ends, however. Unlike Chen's wife, Mrs. Wang shuttled between the homes of several relatives, making it impossible for her unit to find her. A midwife helped with the birth, so she was able to avoid the fate that her "illegal" child would have met in the hospital. She returned home with a strong, healthy boy in her arms, and was of course allowed to keep him. Her "little treasure" did not come free of charge, however.

The party committee of the department store fined the Wangs 3,000 renminbi, or $500, an amount equivalent tc two years income. His monthly income was also slashed from $30 a month to $9, as his bonus, cost-of-living allowance, expense allowance, and overtime were cut off. They had family members in Hong Kong willing to help with the bills, Mr. Wang said, otherwise they would starve.

There is a final note to their story. Mrs. Wang, having borne a second child, was ordered to report to the hospital for sterilization. She refused. Several times she was warned. Still she refused. One day a police van pulled up in front of here house. She was taken against her will in this "pig basket" van to the hospital and given a tubal ligation. She was still in the hospital recovering from this unwanted operation on the day I interviewed her husband.

Peking is continuing a population control program which, despite its advertised "voluntarism," relies heavily on coercive abortion and coercive sterilization and the threat of same. The United Nations Fund for Population Activities, for its part, continues to support this program in word and deed.

For example, the UNFPA representative in Peking recently praised China's program. "China is actively working to set up a model of how social and economic factors can be harnessed in a harmonious way," he was quoted as saying. "The government has shown its full commitment to a family planning program that has been internationally acknowledged as one of the most successful efforts in the world today." (Peking, New China News Agency, July 11, 1987, FBIS-CHI-87-133, July 13, 1987, p. A1) Such comments call into serious doubt whether the UNFPA is capable of distinguishing between legitimate family planning, as defined by its charter, and coercive population control.

It is not consonant with America's commitment to human rights to support, directly or indirectly, a Chinese program that not only violates the right of couples to decide for themselves the number and spacing of their children, but also the right of women to control their own bodies. To resume AID funding to the UNFPA at a time when that organization has not shown the slightest intention to distance itself from the coercive abortion and sterilization practices of what is one of its largest grant recipients would be a mistake. It would send the message to the world that America cares little about violations of human rights in population control programs.

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## FINANCIAL DISCLOSURE FOR 1986

## HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MAZZOLI. Mr. Speaker, it has been my custom to submit a statement of financial disclosure every year that I have served in the House of Representatives. While the law now dictates that Members of Congress submit financial statements in May of each year, I continue to file this more detailed family financial report. In this way, my constituents are kept fully and completely informed concerning my financial status.

The financial statement follows:

*Romano L. and Helen D. Mazzoli income, calendar year 1986*

| | *Amount* |
|---|---|
| Interest and dividends: | |
| U.S. Treasury bills (KFO-2-400-40-3938-01; KP8-2-400-40-3938-01; LK8-2-400-3938-01; JR6-2-400-3938-01) | $1,411.00 |
| Liberty National Bank & Trust, IRA account No. 01-527329 | 1,169.79 |
| Liberty National Bank & Trust, IRA account No. 29-508123 | 389.34 |
| Lincoln Federal Savings, & Loan Association, IRA account No. 401564814 | 520.84 |
| Lincoln Federal Savings & Loan Association, No. 1037339 | 63.31 |
| Liberty National Bank, C.D. No. 010090063046 | 142.57 |
| American United Life Insurance Co., policy No. 16-11163212-0 | 29.75 |
| American United Life Insurance Co., policy No. 16-011729-0 | 14.63 |
| Meritor Savings Bank, account, No. 5-99-76 | 182.86 |
| Meritor Savings Bank, account, No. 5-18-241 | 86.59 |
| Meritor Savings Bank, account, No. 05-96-1906 | 287.21 |
| Congressional Federal Credit Union, No. 62976-0 | 4.58 |
| Congressional Federal Credit Union, No. 62976-1 | 20.12 |
| U.S. Treasury Bonds, series E | 125.11 |
| Total, interest and dividends | $4,447.70 |
| Honorariums: | |
| Electronic Industries Association (January) | 1,000.00 |
| American Farm Bureau Federation (February) | 1,000.00 |
| National Cable TV Association (April) | 1,500.00 |
| National Association of Broadcasters (May) | 1,500.00 |
| Northern Kentucky Chamber of Commerce (July) | 230.00 |
| Grocery Manufacturers of America (July) | 2,000.00 |
| Pfizer, Inc. (August) | 1,000.00 |
| National Restaurant Association (October) | 2,000.00 |
| Motion Picture Association of America (November) | 2,000.00 |
| Agricultural Producers, Inc. (November) | 1,500.00 |
| Western Growers Association (November) | 2,000.00 |
| Seyfarth, Shaw, Fairweather & Geraldson, attorneys (December) | 2,000 |
| Brookings Institution (December) | 300.00 |
| Seyfarth, Shaw, Fairweather & Geraldson, attorneys (December) | 750.00 |
| Total, honorariums | 18,780.00 |
| Salary: | |
| U.S. House of Representatives (R.L. Mazzoli) | 75,100.00 |
| Data Management Specialists, Inc. (Helen Mazzoli) | 21,767.38 |
| Total, salaries | 96,867.38 |
| Gross income | 120,095.08 |

*Romano L. and Helen D. Mazzoli statement of financial worth as of December 31, 1986*

| | *Amount* |
|---|---|
| Cash on deposit: | |
| Lincoln Federal Savings & Loan, account No. 1037339 | $211.84 |
| Liberty National Bank, No. 010090063046 | 4,142.57 |
| Meritor Savings Bank, account No. 05-99-76 | 1,342.77 |
| Meritor Savings Bank, account No. 05-18-241 | 981.49 |
| Meritor Savings Bank, account No. 05-96-1906 | 4,891.36 |
| Sergeant at Arms, U.S. House of Representatives No. 5348 | 3,412.39 |

| | |
|---|---|
| Congressional Federal Credit Union, No. 62976–0 | 87.64 |
| Congressional Federal Credit Union, No. 62976–1 | 5,725.47 |
| Total, cash on deposit | 20,795.53 |
| Individual retirement accounts: | |
| Liberty National Bank & Trust Co., IRA account, No 29-508123 | 4,443.70 |
| Liberty National Bank & Trust Co., IRA account, No. 01-527329 | 13,070.05 |
| Lincoln Federal Savings & Loan, IRA account, No. 401564814 | 5,535.84 |
| Total, individual retirement accounts | 23,049.59 |
| Bonds and Treasury bills: | |
| U.S. Government Bonds, series E | 1,923.89 |
| U.S. Treasury Bill, account LV4-2-400-40-3938-01 | 10,000.00 |
| U.S. Treasury Bill, account MK7-2-400-3938-01 | 10,000.00 |
| Total, bonds and Treasury bills | 21,923.89 |
| Real property: | |
| 939 Ardmore Dr. Louisville, KY (assessed value) | 42,000.00 |
| Less: Mortgage, the Cumberland S&L Association No. 15970 | 6,116.04 |
| Subtotal | 35,883.96 |
| 1030 Anderson St., Alexandria, VA (assessed value) | 109,200.00 |
| Less: Mortgage, Cowger & Miller Co., No. 15184 | 42,227.40 |
| Subtotal | 66,972.60 |
| Total, real property | 102,856.56 |
| Cash surrender value of life insurance policies: | |
| American United Life Insurance Co., policy 16–011729–0 | 5,291.95 |
| American United Life Insurance Co., policy 16–1116312–0 | 1,091.49 |
| Total, cash surrender values | 6,383.44 |
| Federal employees retirement system: Total contributions | 71,775.11 |
| Automobiles: | |
| 1965 Rambler | 200.00 |
| 1973 Chevrolet | 1,096.00 |
| 1985 Chevrolet (assessed value) | 6,696.00 |
| Less: Mortgage, Congressional Federal Credit Union No. 6976–2 | 4,789.40 |
| Subtotal | 1,906.60 |
| Total, automobiles | 3,202.60 |
| Household goods and miscellaneous personal property: Total value | 5,000.00 |
| Total, assets | 290,870.88 |
| Liabilities: Miscellaneous | 2,213.55 |
| Net assets | 288,657.13 |

*Romano L. and Helen D. Mazzoli 1986 income tax recapitulation (Federal, State, and local)*

| | |
|---|---|
| Federal: | *Amount* |
| Gross income | $118,690 |
| Adjustments to income | 8,977 |
| Adjusted gross income | 109,713 |
| Deductions and exemptions | 19,937 |
| Taxable income | 89,776 |
| Taxes | 26,880 |
| Tax withheld | 23,970 |
| Tax due | 2,910 |
| Kentucky: | |
| Tax withheld and tax paid to other States | 3,685 |
| Tax due | 3,516 |
| Refund | 169 |
| Virginia: | |
| Tax withheld | 985 |
| Tax due | 625 |
| Refund | 360 |
| Louisville and Jefferson County, KY: Tax due | 389 |

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## FOCUS ON THE FIRST 60 MONTHS

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MILLER of California. Mr. Speaker, I would like to bring to my colleagues' attention a recent report by the National Governor's Association's Committee on Human Resources and Center for Policy Research entitled, "Focus on the First 60 Months."

"Focus on the First 60 Months," confirms the findings of the Select Committee on Children, Youth, and Families and our report, "Opportunities for Success: Cost-Effective Program's for Children" by presenting ample evidence that cost savings accrue when effective prevention strategies are set in motion:

The Perry Preschool Project demonstrated the economic savings over a lifetime of participating children to be seven times the cost of 1 year of preschool.

Early regular prenatal care has been demonstrated to prevent low birthweight (and infant mortality) at a fraction of the cost for intensive care of a low birthweight infant, which averages $54,800.

The report provides an extremely valuable service by refocusing attention, with the hope of redirecting resources, toward cost-effective prevention programs. What this report so clearly establishes is that we know how to accomplish this task. We have information about what works. The report describes 19 prevention/early intervention projects in 19 States that work and save money:

Arkansas: The Home Instruction Program for Preschool Youngsters, a reading readiness program targeted to 4-year-olds in disadvantaged families, has already demonstrated success.

California: The School-Age Parenting and Infant Development Program supports child care centers located at junior and senior high school for the children of teen parents. Approximately 1,800 children and their teen parents participate with the goal of allowing them to finish school and avoid welfare, unemployment and poverty.

Minnesota: Parenting education and support as a child abuse prevention strategy was initiated by MELD, Minnesota Early Learning Design, and has successfully taught parents to cope with stress and family changes. The program has been successfully replicated in 19 States and in Australia, Canada, and West Germany.

The report describes other successful efforts to prevent infant mortality, school dropouts, and child abuse, and to enhance child development and family stability in Colorado, Delaware, Georgia, Illinois, Maryland, Massachusetts, Mississippi, Missouri, New Hampshire, New Mexico, New York, North Carolina, Oregon, South Carolina, Virginia, and Washington.

Along with the National Governor's Association, I urge my colleagues to make note of the report and its policy implications.

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## THE TAXPAYERS' PROTECTION ACT OF 1987

### HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. DORGAN of North Dakota. Mr. Speaker, today I am with Mr. MOODY introducing the Taxpayers' Protection Act of 1987.

The task of collecting taxes in this country is monumental one. Last year the IRS processed 100 million returns and collected about $800 billion from individuals and businesses. While most of this tax collection is voluntary and goes smoothly, some does not. Last year, for example, the IRS never received $100 billion in legally-owed taxes.

A few months ago I proposed a major 5-year plan for the IRS which would help to collect over $100 billion in revenues which are owed but not collected. My plan has a two-pronged approach to ensuring the continued stability of our voluntary tax system and improving the taxpayer compliance rate; the first is to enhance taxpayer assistance and service, and the second is to increase enforcement efforts of those who do not pay their fair share. I am now introducing the third element in a comprehensive tax policy plan which will offer sufficient protections for honest taxpayers.

I believe that the honest taxpayer who might have made an inadvertent error on a tax return should be informed of the appropriate procedures regarding his payment of the taxes he or she owes and be given a fair chance to pay the deliquent amount.

The main provisions of the Taxpayer Protection Act of 1987 include:

Requires the IRS to prepare and distribute a statement of taxpayer rights and obligations.

Provides that IRS interviews shall be held at a time and location convenient to the taxpayer and the IRS.

Increases the period of IRS levies from 10 to 30 days.

Requires that the IRS disclose levely procedures and alternatives to the taxpayer.

Increases the value of property which is exempt from levy from $1,500 to $5,000; makes all animals exempt.

Increases the value of the exemption of property of a noncorporate trade or business from $1,500 to $5,000.

Increases the amount of salary or wages that is exempt from levy from $75 per week to $150 per week plus $50 per dependent.

Adds the following levy exemptions: welfare payment; supplemental security payments for Social Security; unemployment training allowances.

Requires the prompt return of wrongfully levied property or its fair market value.

Disallows the IRS from collecting deficiency interest and penalties which result from incorrect written advice from the IRS.

Increases the authority of the Ombudsmen to issue taxpayer assistance orders.

This legislation along with my other proposals on taxpayer compliance will ensure that the Internal Revenue Service fully carries out its most recently adopted Statement of Mission from 1984. That statement reads:

> The Purpose of the IRS is to collect the proper amount of tax revenues at the least cost to the public, and in a manner that warrants the highest degree of public confidence in our intergrity, efficiency and fairness. To achieve that purpose, we will: Encourage and achieve the highest degree of voluntary compliance in accordance with the tax law and regulations; Advise the public of their rights and responsibilities; Do all things needed for the proper administration and enforcement of the tax laws; Continually search for new and implement new, more efficient and more effective ways of accomplishing our Mission.

I request your cosponsorship of the Taxpayers' Protection Act of 1987.

The text of the bill follows:

H.R. 3197

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE; AMENDMENT OF INTERNAL REVENUE CODE OF 1986.

(a) Short Title.—This Act may be cited as the "Taxpayers" Protection Act of 1987".

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

#### SEC. 2. DISCLOSURE OF RIGHTS AND OBLIGATIONS OF TAXPAYERS.

(a) In General.—The Secretary of the Treasury shall, as soon as practicable, but not later than 180 days after the date of the enactment of this Act, prepare a brief but comprehensive statement which sets forth in simple and nontechnical terms—

(1) the rights and obligations of a taxpayer and the Internal Revenue Service (hereinafter in this section referred to as the "Service") during an audit;

(2) the procedure by which a taxpayer may appeal any adverse decision of the Service (including administrative and judicial appeals);

(3) the procedures for prosecuting refund claims and filing of taxpayer complaints; and

(4) the procedures which the Service may use in enforcing the internal revenue laws (including assessment, jeopardy assessment, levy and distraint, and enforcement of liens).

(b) Transmission to Committees of Congress.—The Secretary of the Treasury shall transmit drafts of the statement required under subsection (a) (or proposed revisions of any such statement) to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and the Joint Committee on Taxation on the same day. Any draft (or any revision of a draft) of the statement may not be distributed under subsection (c) until 90 days have elapsed from the date it was transmitted to such committees.

(c) Distribution.—The statement prepared in accordance with subsections (a) and (b) shall be distributed by the Secretary of the Treasury to all taxpayers along with any tax form or forms sent from the Internal Revenue Service to the taxpayers.

#### SEC. 3. PROCEDURES INVOLVING TAXPAYER INTERVIEWS.

(a) In General.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

#### "SEC. 7519. PROCEDURES INVOLVING TAXPAYER INTERVIEWS.

"Upon request of any taxpayer, any officer or employee of the Internal Revenue Service in connection with any interview with such taxpayer in connection with the assessment of a deficiency shall conduct such interview at a reasonable time and place convenient to the taxpayer and such officer or employee.".

(b) Clerical Amendment.—The table of sections for chapter 77 is amended by adding at the end thereof the following new item:

"Sec. 7519. Procedures involving taxpayer interviews.".

(c) Effective Date.—The amendments made by this section shall apply to interviews conducted on or after the date of the enactment of this Act.

#### SEC. 4. LEVY AND DISTRAINT.

(a) Notice.—Section 6331 (relating to levy and distraint) is amended—

(1) by striking out "10 days" in subsections (a) and (d)(2) and inserting in lieu thereof "30 days",

(2) by striking out "10-day period" in subsection (a) and inserting in lieu thereof "30-day period",

(3) by striking out "10-day requirement" in the heading of subsection (d)(2) and inserting in lieu thereof "30-day requirement", and

(4) by adding at the end of subsection (d) the following new paragraph:

"(4) Information included with notice.—The notice required under paragraph (1)—

"(A) shall cite the sections of this title which relate to levy on property, sale of property, release of lien on property, and redemption of property, and

"(B) shall include a description of—

"(i) the provisions of this title relating to levy and sale of property,

"(ii) the procedures applicable to the levy and sale of property under this title,

"(iii) the administrative appeals available to the taxpayer with respect to such levy and sale and the procedures relating to such appeals,

"(iv) all alternatives available to the taxpayer which could prevent levy on the property (including installment agreements under section 6159),

"(v) the provisions of this title relating to redemption of property and release of liens on property, and

"(vi) the procedures applicable to the redemption of property and the release of a lien on property under this title.

"(C) the Secretary has determined that such liability is unenforceable due to the financial condition of the taxpayer.".

(b) Property Exempt From Levy.—

(1) Fuel, provisions, furniture, and personal effects.—Paragraph (2) of section 6334(a) (relating to fuel, provisions furniture, and personal effects) is amended—

(A) by striking out "and poultry" and inserting in lieu thereof "poultry, and other animals", and

(B) by striking out "$1,500" and inserting in lieu thereof "$5,000".

(2) Books, Tools, and machinery.—Paragraph (3) of section 6334(a) (relating to books and tools) is amended to read as follows:

"(3) Property of a trade or business.—If the taxpayer is not a corporation, so much of the books, tools, machinery, equipment, and other property necessary for the trade, business, or profession of the taxpayer as do not exceed in the aggregate $5,000 in value.".

(3) Wages, salary, and other income.—

(A) Increase in amount exempt.—Paragraph (1) of section 6334(d) (relating to exempt amount of wages) is amended—

(i) by striking out "$75" is subparagraph (A) and inserting in lieu thereof "$150", and

(ii) by striking out "$25" in subparagraph (B) and inserting in lieu thereof "$50".

(c) Effective Date.—The amendments made by this section shall apply to levies made on or after the date of the enactment of this Act.

#### SEC. 5. ADVICE OF INTERNAL REVENUE SERVICE.

(a) In General.—Section 6404 (relating to abatements) is amended by adding at the end thereof the following new subsection:

"(f) Abatement of Deficiency and Any Penalty or Interest Attributable to Written Advice by the Internal Revenue Service.—

"(1) Abatement of deficiency.—The Secretary shall abate the full amount of any deficiency attributable to erroneous advice furnished to the taxpayer in writing by an officer or employee of the Internal Revenue Service, acting in his official capacity, in response to a specific request of the taxpayer unless the deficiency resulted from a failure by the taxpayer to provide adequate or accurate information.

"(2) Abatement of penalty or interest.—Any penalty or interest imposed on a deficiency to which paragraph (1) applies shall be abated.".

(b) Oral Advice.—Each officer or employee of the Internal Revenue Service shall, at the time any oral advice is given to any person, inform such person that the Internal Revenue Service is not bound by such advice.

(c) Effective Date.—The amendment made by subsection (a) and subsection (b) shall take effect on the date of the enactment of this Act.

#### SEC. 6. TAXPAYER ASSISTANCE ORDERS.

(a) In General.—Subchapter A of chapter 80 (relating to general rules for application of the internal revenue laws) is amended by adding at the end thereof the following new section:

#### "SEC. 7811. TAXPAYER ASSISTANCE ORDERS.

"(a) Authority to Issue.—Upon application filed by a taxpayer with the Office of Ombudsman (in such form, manner, and at such time as the Secretary shall by regulations prescribe), the Ombudsman may issue a Taxpayer Assistance Order if, in the determination of the Ombudsman—

"(1) the taxpayer is suffering or about to suffer from an unusual, unnecessary, or irreparable loss as a result of the manner in which the internal revenue laws are being administered by the Secretary, and

"(2) with respect to such taxpayer, the Secretary has failed to carry out his duties under the law or has violated any provision of law.

"(b) Terms of a Taxpayer Assistance Order.—The terms of a Taxpayer Assistance Order may require the Secretary—

"(1) to release property of the taxpayer levied upon, or

"(2) to cease any action, or refrain from taking any action, with respect to the taxpayer under—

"(A) chapter 64 (relating to collection),

"(B) subchapter B of chapter 70 (relating to bankruptcy and receiverships),

"(C) chapter 78 (relating to discovery of liability and enforcement of title), or

"(D) any other provision of law which is specifically described by the Ombudsman in such order.

"(c) Effect of Order.—The Secretary shall obey any Taxpayer Assistance Order issued by the Ombudsman under this section.".

(b) Conforming Amendment.—The table of sections for subchapter A of chapter 80 is amended by adding at the end thereof the following new item:

"Sec. 7811. Taxpayer Assistance Orders.".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 7. ADDITIONAL PROPERTY EXEMPT FROM LEVY.

(a) In General.—Subsection (a) of section 6334 (relating to property exempt from levy) is amended by adding at the end thereof the following new paragraphs:

"(11) Certain public assistance payments.—Any amount payable to an individual as a recipient of public assistance under—

"(A) title IV (relating to aid to families with dependent children) or title XVI (relating to supplemental security income for the aged, blind, and disabled) of the Social Security Act, or

"(B) State or local government public assistance or public welfare programs for which eligibility is determined by a needs or local income test.

"(12) Governmental training allowance.—Any amount payable to an individual to alleviate hardships of unemployment or underemployment under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)."

(b) Effective Date.—The amendment made by this section shall apply to amounts payable after the date of the enactment of this Act.

SEC. 8. TAXPAYER MUST RECEIVE FAIR MARKET VALUE WHERE PROPERTY WRONGFULLY LEVIED AGAINST, ETC.

(a) Taxpayer Entitled to Fair Market Value Where Property Sold.—Paragraph (3) of section 6343(b) is amended to read as follows:

"(3) if the property is sold, the greater of—

"(A) the amount received by the United States from the sale of the property, or

"(B) the fair market value of such property immediately before the levy."

(b) Property Must Be Returned Within 14 Days, Etc.—The second and third sentences of section 6343(b) are amended to read as follows: "The specific property levied upon shall be returned at the earliest practicable date after the Secretary determine that the levy was wrongful. The monetary amount described in paragraphs (2) and (3) may be returned at any time before the expiration of 9 months from the date of such levy and may be returned pursuant to this subsection thereafter only if a claim for the return of such property was filed within 9 months from the date of the levy but shall be returned within 14 days after the date the Secretary determines that the levy was wrongful."

(c) Increase in Rate of Interest Payable by Secretary Where Wrongful Levy.—Subsection (c) of section 6343 (relating to interest) is amended by striking out "overpayment rate" and inserting in lieu thereof "underpayment rate".

(d) Effective Dates.—

(1) Subsection (a).—The amendment made by subsection (a) shall apply to property sold after the date of the enactment of this Act.

(2) Subsection (b).—The amendment made by aubsection (b) shall apply to levies made after the date of the enactment of this Act.

(3) Subsection (c).—The amendment made by subsection (c) shall apply for purposes of determining interest for periods after the date of the enactment of this Act.

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## AMERICAN BAR ASSOCIATION'S TIES WITH ASSOCIATION OF SOVIET LAWYERS QUESTIONED

### HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SMITH of New Jersey. Mr. Speaker, a number of my colleagues have joined me in sending a clear message to the American Bar Association [ABA] regarding their formal ties with the Association of Soviet Lawyers [ASL].

Last year, the ABA house of delegates voted down a resolution which would have abrogated the Declaration of Cooperation which has been intact since 1985. This controversial agreement which was adopted only by the executive committee of the ABA and not the rank and file will again be debated during the ABA's annual meeting which begins in San Francisco on Sunday, August 9. A report on progress of the ABA-ASL relationship which was requested at last year's meeting will be presented.

Although the ABA recognizes that the ASL is an arm of the oppressive Soviet Government and that its role has been to present the Soviets' human rights record and legal system to the West in a favorable light, the ABA hopes that the formal dialog and cooperation will promote the cause of human rights. Nonetheless, as stated in the letter to the ABA board of governors, "We believe this agreement bestows an undeserved aura of legitimacy upon the ASL."

Mr. Speaker, I believe that the current arrangement implies that the members of the ASL are coequals with the lawyers in this country whose calling it is to seek justice and the protection of individual rights under the law. Mr. Speaker, I do not agree that the formal relationship can generate further progress in the realm of human rights than informal ties. Instead, the agreement lends undeserved credence to ASL lawyers—stooges of the Soviet state—who allow and participate in the prosecution of citizens tried and convicted on trumped-up charges.

As former Soviet lawyers, Konstantin Simis and Dina Kamiskaya have noted:

> The Association of Soviet Lawyers will not and simply cannot conscientiously fulfill its agreement with the American Bar Association by virtue of its complete subordination to the authorities.

In addition, outstanding human rights activists such as Anatoly Shcharansky and Dr. Antoli Koryagin, a former Soviet psychiatrist who plans to attend the annual meeting in San Francisco, are concerned about the legitimacy which the Declaration of Cooperation offers to the ASL.

Mr. Speaker, we have asked the ABA to support the mutual goal of respect of human rights through informal relations and communication with the Soviet lawyers until the ASL demonstrates a genuine respect for the rule of law. The free world must not continue to legitimize a judicial system which refuses to protect individual freedoms.

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## MARY DALY—AN APPRECIATION

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. EDWARDS of California. Mr. Speaker, I would like to share with my colleagues an article about Mary Daly, from the Irish Times of July 16, 1987. It was written by our distinguished friend, the Honorable Garret FitzGerald, Ireland's former Prime Minister.

The article is a beautiful description of a wonderful woman who had so many friends here in Congress. We all miss Mary and feel lucky to have known her.

The article follows:

#### Mary Daly—An Appreciation

A Canadian woman married to an Episcopalian American whose roots are in West Cork. The cold words of description can convey nothing of the warmth and vitality of Mary Daly—nor anything of her love for the country of her husband's forebears. It was to her husband Chuck's beloved Bantry, which had become her beloved Bantry too, that she returned to die. And there she was laid to rest by their many friends from Bantry and other parts of Ireland who had come to know and to love her.

Mary cared passionately for people. She cared for the young whom, in Chicago, she encouraged to become involved in the performing arts—as she had been involved in her youth, when she trained as an actress in the famous Pasadena Playhouse in California—and, with Chuck, when he was Assistant Vice-Chancellor of Chicago University and later Executive Vice-President of Harvard, she helped to channel student radicalism constructively.

She cared for those affected by violence, which she abhorred—an abhorrence which led to her active participation in the campaign against the Vietnam War. On one occasion she held back with a cane armed soldiers trying to detain demonstrators who had taken refuge in her house in Washington, and then told the soldiers they could come inside if they left their guns behind!

She found the violence in Northern Ireland equally intolerable—all the more so because for her the real Ireland was epitomised by the warmth and decency of the people of Bantry whom she had come to know and love so well. She worked for reconciliation in the North, particularly by encouraging the Irish of America to join in efforts towards this end. And she worked for the victims of crime, especially of rape. Her concern for people was so deep and genuine that it brought many to confide their problems to her; she was always a sympathetic and constructive listener. But there was nothing anodine about her views on people who fell short of her standards; these views were expressed with admirable—if at times alarming!—pungency.

Her 38-year long and loving marriage with Charles Daly—the fruit of a relationship that started a little unpromisingly when at their first encounter he invited her to dinner and then, finding he had no money, had to ask her to settle the bill—radiated joy and encouragement, especially to the thousands of young people whom she and her husband met through their work in American politics and their work for the poor in particular. No one could fail to be touched by their mutual devotion, and by their pride and concern for each other and their two boys, Michael and Douglas. Her three men, as she called them, and all her friends, miss deeply the light of her presence.

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## PERSIAN GULF

### HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HEFLEY. Mr. Speaker, does the United States have a role to play in keeping sealanes open in the Persian Gulf? The President says "yes," and the Congress, thus far, has responded with a firm "maybe."

It is a fact of life that Western economies are heavily dependent on oil for their survival and a further fact that 70 percent of the world's proven oil reserves are in the gulf region. Our ability to continue to develop economically and to maintain the way of life we are accustomed to depends on our unimpeded access to this oil.

Most importantly, and often overlooked, is the fact that the world oil market is one market. If supply is disrupted anywhere, prices rise for all consumers and, as a result, all world economies are adversely affected. For example, as a result of the Iranian revolution and Iraq's attack on Iran, international fear that these developments would disrupt oil supplies sent the price of a barrel of oil from $13 to $31. Unquestionably, our vital national interests are at stake in the gulf.

The Soviets, in contrast, do not have a vital economic interest in that region because they are a net exporter of oil. Their objective in the gulf is to establish a presence that ultimately enables them to manipulate the movement of Persian Gulf oil. For these reasons, the United States must be present, vigilant, and resolute in the gulf.

Important U.S. objectives in the gulf, endorsed for over four decades by eight U.S. Presidents, both Democratic and Republican, include: denying Soviet access and influence in the region which would threaten free world access to oil resources; stability and security of the Gulf States which is critical to ensure free world access to oil; and access to gulf oil resources, the disruption of which would seriously affect the free world oil market.

Today, those interests are in danger as the continued expansion of the Iran-Iraq war creates opportunities for the Soviets to expand their influence at our expense, increases the threat of Iranian movement against the other Gulf Arab States, and endangers freedom of navigation for nonbelligerent shipping and the free flow of oil.

To counter those threats and safeguard our interests, President Reagan has approved a strategy which has at its focal point a major international diplomatic effort to end the Iran-Iraq war, preserving the independence and territorial integrity of both belligerents. Our military presence in the region is perhaps the most important element in this effort, and includes protection of a limited number of Kuwaiti tankers under the United States flag. Britain, France, and Russia are already involved in protecting shipping in this region.

Our reflagging arrangement with Kuwait is a limited response to a very real threat. Should Kuwait or the other Arab Gulf States be left without support in the face of Iranian intimidation, Iran's ability to gain effective dominance over navigation and energy resources in the entire gulf would increase significantly. Moreover, should we not be responsive to Kuwait's request for help, the Soviets will be quick to supplant us, thereby positioning themselves to become the protector of the gulf.

There will be some risks to U.S. Naval Forces. After all, this is a war zone. These risks, however, appear to be moderate and every effort will be made to minimize them. If we did nothing, the risks to world peace would be even greater.

Protecting 11 Kuwaiti ships under the United States flag is not part of an open-ended unilateral American commitment to defend all nonbelligerent shipping in the Persian Gulf. It is a limited but effective signal of our determination to stand up to intimidation, to support our friends, and to help contain, and eventually end, the Iran-Iraq war.

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## ILLEGAL EXPORT OF SENSITIVE TECHNOLOGY

### HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GUNDERSON. Mr. Speaker, earlier today during discussion on the conference committee on the trade bill, the subject of the Kongsberg's and Toshiba's illegal export of sensitive technology to the Soviet Union was raised. This matter has received a great deal of public attention, most of which has been devoted to a shrill attack on those companies and countries involved.

Today, I would like to take a different approach to this issue—one which not only seeks to define the problem, but also seeks to highlight the remedial actions already taken by those involved especially our ally, Norway.

A Norwegian state-owned defense firm and a well-known Japanese high-technology company conspired a few years ago to sell highly sensitive technology to the Soviet Union, which has substantially improved its submarine fleet. The two companies, Kongsberg Vaapenfabrikk and Toshiba Machine, secretly provided the Soviets with propeller milling machines and numerical controllers—obscure-sounding instruments, but items at the very top of the West's restricted list of technology prohibited for export to Warsaw Pact nations.

What these machines do is build highly advanced, super-quiet submarine propellers. Soviet submarines used to sound like Mack trucks plowing through the ocean. With the new propellers, they can now sneak up on our own subs, pass by our underwater detection devices, and position themselves to within 10 minutes' missile flight time from U.S. shores.

This adds a much greater element of danger for our naval forces. Clearly, Kongsberg and Toshiba's illegal export of technology to the Soviet Union has done serious damage to the security of all Western nations, and neither company should go unpunished.

In response, the Senate has added an amendment to the Trade bill which would impose a 2 to 5-year ban on all Kongsberg and Toshiba imports. This action, and the heated rhetoric accompanying similar proposals in the House, has unnecessarily strained normally-congenial relations with one of our most loyal allies—Norway.

The initial embarrassment and commitment to positive action shared by most Norwegians is changing to resentment and anger, as a result of American vindictiveness. For decades, Norway has been among the most loyal of American friends and, unlike other NATO countries, has willingly increased its defense budget to share the burden of mutual security. With a long coastline and a shared border with the Soviet Union, naval security is one of Norway's highest priorities.

More importantly, the Norwegian Government has taken swift action against the perpetrators of the illegal sale. The subsidiary of Kongsberg responsible for the sale has been dismantled, and Kongsberg is forbidden from any future trade with Soviet bloc countries. All individuals who were involved in the sale have had their security clearances revoked, and have been removed from Kongsberg. The sales manager who arranged the sale is under indictment. And the Norwegian Parliament will soon consider tighter export control laws, which will include more stringent criminal penalties and fines. For its part, Japan has made similar efforts.

Further, the rest of Kongsberg, the weapons division, had no involvement in the conspiracy. In fact, this division of Kongsberg has had a long history of joint ventures with American companies to produce the F-16 jet, the Sea Sparrow missile, and most recently, the Penguin antiship missile. The U.S. Navy has been trying for months to add the Penguin to its arsenal. Yet the ban on Kongsberg imports would jeopardize that effort, denying the Navy an inexpensive and highly effective missile.

Sanctions against Kongsberg fail to take those factors into account. In turn, it fosters a perception among Norwegians that this measure is really a punishment against Norway. This contributes to bitterness against the United States. The result is the Soviets win both ways—high technology to eliminate what was once a serious disadvantage, and another crack in the NATO alliance they've always sought to dismantle.

An American ban on Kongsberg and Toshiba imports also ignores a vital principle in relations with NATO partners: that all nations within NATO have a stake in each other's security, and that it is up to each NATO partner to police its own people.

As the leader of the NATO alliance, our focus should be on where we go from here. Since the heart of the issue is security from the Soviet threat, all actions should be with a view toward strengthening the alliance. Secretary of Defense Caspar Weinberger and Secretary of State George Shultz have taken the lead in this fashion, by fighting the Senate's sanctions proposal and working with Norway and Japan to begin restoring NATO's submarine fleet and anti-submarine warfare technology back to primacy—a project whose cost will be jointly shared among the United States and the two countries.

This kind of positive approach is a better option than simple punitive action. In the long term, the solution should involve stronger internal export controls in each NATO country, stronger multilateral export controls, and criminal penalties for executives who authorize illegal sales. The solution also involves working toward mutual security as a team.

## FAILURE TO DEAL WITH A CRISIS

### HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WAXMAN. Mr. Speaker, last week, the House passed a reauthorization of the Price-Anderson Nuclear Liability Act. In the course of the debate, the House rejected several amendments that many of us believe would have improved treatment of victims of a nuclear accident and would have created incentives to prevent accidents from happening.

On August 3, a Los Angeles Times editorial commented on the House's failure to bring this 30-year-old law up-to-date. I urge my colleagues to take a few moments to read this insightful outside perspective.

FAILURE TO DEAL WITH A CRISIS

Congress passed the 1957 Price-Anderson Act to stimulate what was then a young nuclear-power industry. This act substantially limits the liability of all nuclear-power facilities in the event of an accident, and exempts the builders and suppliers of nuclear facilities from any liability whatsoever. In 1957 the fledgling nuclear-energy industry needed all the help that it could get.

With more than 100 power plants on line, the nuclear-energy industry is no longer young or struggling, but the preferential insurance provisions are still in place, and the United States is dramatically underinsured against a major nuclear accident. Worst-case estimates place the damage of a nuclear accident in the United States at more than $15 billion. As it stands, the Price-Anderson Act cannot deal with a crisis of that magnitude.

A need to renew Price-Anderson last week gave Congress an opportunity to better insure this country against a nuclear accident, a chance that the House of Representatives promptly muffed. Though the House voted to increase industry liability to a maximum level of approximately $7 billion, it did not specify who would assume liability payments if that cap was exceeded, leaving open the possibility of endless litigation and stalemate over claims resulting from a nuclear accident.

The House also failed to repeal the immunity of Department of Energy contractors from accident liability. Although commercial nuclear utilities must self-insure, these institutions—defense contractors and research universities—remain exempt from liability even in the event of criminal negligence. The House even failed to amend a provision that gives nuclear-industry lawyers a stronger claim on the fund than the accident victims whom it is also intended to compensate.

Reforming the Price-Anderson Act would have recognized the maturation of the nuclear-power industry and acknowledged the industry's responsibility for risks. But some proponents of nuclear power saw Price-Anderson reform as a referendum on the future of their industry. The President threatened to veto any legislation that did not protect Department of Energy contractors, and the nuclear utilities walloped the House with a major lobbying effort. The nuclear-energy industry will likely continue to receive preferential treatment from this government, using its strength to prevent change in an archaic law whose only purpose was to let it grow strong.

## THE CONSUMER SERVICES BANK BILL

### HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LaFALCE. Mr. Speaker, last February, I introduced legislation that is designed to improve the delivery of financial services for individual consumers, particularly lower income consumers. This bill, the Consumer Services Bank Act of 1987, provides for the establishment and regulation of depository institutions, known as consumer services banks. The primary function of these institutions is to offer low-cost financial services for less affluent consumers.

As I stated when I first introduced this legislation, the Consumer Services Bank Act of 1987, is "a positive first step toward a re-examination of our country's outdated financial institutions laws." With the recent passage of H.R. 27, the Competitive Equality Banking Act of 1987, at least one of the most contentious issues is behind us. The closure of the nonbank bank loophole, which I proposed in my original version of H.R. 1172, has been completed. We must now concentrate our efforts on task at hand—reforming our antiquated financial institutions laws.

I have chosen to reintroduce this legislation with some minor modifications in language which make it consistent with the soon-to-be-enacted conference report.

However, the thrust of the bill remains the same. Under this legislation, consumer services banks would be required to provide the following services to individuals and families: consumer loans, basic lifeline banking accounts for lower-income consumers; cashing of Government checks at no fee to lifeline account holders and at reasonable fees for other account holders. In addition, consumer services banks would be required to: commit at least 65 percent of their deposits to reinvestment in the State from which the deposits were received; comply with disclosure requirements of truth-in-savings, applicable State and Federal credit card disclosure laws, and the requirements of the Expedited Funds Availability Act; maintain a 9-percent capital ratio; disclose orally and in writing affiliations with other companies, and that a customer is not obligated to purchase one product in order to obtain another.

My legislation would enable new consumer services banks to be established as well as permitting grandfathered limited purpose—or nonbank—banks to convert to these institutions. All of these consumer services banks would operate under the stringent regulatory environment outline in the bill.

The consumer services bank concept is one that is supported by a large number of consumer-oriented interest groups, including the American Association of Retired Persons, the National Urban Coalition, the National Urban League, the National Home Economics Association, the National Alliance of Senior Citizens, the U.S. Jaycees, and many more. The consumer services banks authorized under my legislation will increase consumer access to financial services and improve efficiency in the marketplace by generating more competition. They will respond to a genuine need in our banking system for more affordable and accessible consumer banking services. I also believe this concept could help to refocus debate in Congress away from narrow, parochial, special interest legislation and toward a more positive approach to the changes needed in our financial institutions laws.

## THE PLO AND PRC ARMS TRANSFERS IN THE MIDDLE EAST

### HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SMITH of Florida. Mr. Speaker, the PLO is internationally recognized as the preeminent terrorist organization. Contrary to public perception, the PLO is not a rag-tag organization, but a well-financed, multinational corporation funding armed aggression.

The inner workings of the organization remain a black box. Every so often, a news report will give us a glimpse—mostly disturbing ones—into the PLO's internal decision-making process.

For the benefit of my colleagues, I request that the following article which appeared in the July 28, 1987, publication of the Foreign Broadcasting Information Service be added to the record. The article offers insight into the military procurement activity of the PLO and the shady role of the PRC in Middle East arms transfers.

PLO 'SECRETLY' NEGOTIATING PURCHASE OF SUBMARINES

TUNIS.—Al-Ra'y al-'Amm has learned that the PLO is secretly negotiating with the PRC and other East bloc countries to purchase small submarines for the Palestinian navy. These are to be used in attacks against important Israeli naval and economic targets. At this point the PLO leadership is exploring the possibility of starting a fleet of small naval vessels which can operate successfully from nearby naval bases. The PLO leadership is also exploring the possibility of using these vessels as naval torpedos in suicide missions.

## VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Mr. DeWayne C. Robertson, Director of the VA Medical Center in Canandaigua, NY, that demonstrates how the VA employees feel about "their medical computer system. The letter follows:

VA MEDICAL CENTER,
*Canandaigua, NY, April 17, 1987.*

Hon. G. V. "SONNY" MONTGOMERY,
*Rayburn House Office Building,*
*First & South Capital Streets,*
*Washington, DC.*

DEAR MR. MONTGOMERY: I am concerned with the proceedings of the House Appropriation Sub-Committee on HUD and Independent Agencies on Wednesday, March 4, 1987, and by the representations of the McDonnell Douglas Health Systems Company Vice-President and their newly employed former senior member of the Senate VA Committee Staff. The threat of all this was to halt the DHCP effort and replace it with a costly proprietary system. This proposed diversion of funds appropriated for the health care of eligible veterans, particularly in these times of fiscal stringency, would dishonor the Nation's contract with its deserving veterans. McDonnell Douglas surely has many alternative, meritorious, profit-making undertakings. They can surely afford to abandon this one.

My experience with the DHCP System shows that it is capable of meeting the needs of the VA and is the cheapest and most effective computer system for the VA. Users satisfaction is high and the training of all the medical center staff has easily and successfully been accomplished. This training cycle for the DHCP has been ongoing for four years. The system has had many evaluations and on all evaluations they have recommended its continuation. It is my opinion we don't need to start over with a Department of Defense Contractors Inflexible system—designed by computer people—and not health care staff.

It is my hope that you will see to it that this effort by McDonnell will be halted immediately and we can pursue the continued growth of the DHCP which will result in our providing quality health care to our veterans, and information to our staff, that will permit us to continue to provide the cheapest and most effective data for the operation of our VA system.

I am looking forward to a favorable response.

Sincerely yours,
DEWAYNE C. ROBERTSON,
*Medical Center Director.*

## A TRIBUTE TO SECRETARY BALDRIGE

SPEECH OF

### HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 5, 1987*

Mr. WATKINS. Mr. Speaker, I have a confession to make: I failed the Mac Baldrige test. The last time I was in his office seeking his advice and counsel on a project I have been working on for the Third District of Oklahoma, he challenged me to rope. I tried and failed. But, Mr. Speaker, let me assure you and my colleagues, Mac Baldrige didn't fail in his task as Secretary of Commerce.

Mac Baldrige and I shared other common factors in our lives. We were both of the farm—he as a ranch hand on the plains of Nebraska and I from a cattle and peanut farm in southeast Oklahoma. We both had grave concerns about our Nation's trade deficit.

Mac Baldrige was a member of the Rodeo Hall of Fame and come from the great Midwest where many thousands of dollars change hands each day with no need for a written contract and no more assurance of fulfillment than a handshake. But, there's not a lot of sleep lost about delivery.

Out where I come from, we understand that kind of man and that way of doing business. We don't want to always be looking over our shoulder as we move forward.

Mac Baldrige helped this Nation move forward. He's going to be missed by me personally, by the Third District, by Oklahoma, the United States and, I think, the world.

Mr. Speaker, this world would be a much better place with a few more Mac Baldrige's to help us along.

## WELFARE REFORM

### HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HEFLEY. Mr. Speaker, no one likes welfare. The taxpayer doesn't like it because it costs too much money. The public doesn't like it because people are "getting something for nothing." Even those on the receiving end of welfare don't like it because it is demeaning and most would prefer to be earning their way.

Is it any wonder, then, that when e bill is introduced in Congress that is designated "welfare reform," everyone gets excited. Every poll indicates the American public wants welfare reformed to provide work incentives, more State control, and a legitimate expectation that the system works to get people off of welfare and into productive society.

The welfare reform bill which is going through Congress at the present time is a fraud. Rather than breaking the cycle of poverty and dependence, the bill harms welfare recipients, making them more dependent and unable to afford to work. It is a cruel approach that discourages independence and productive work. If we truly wish to help the poor, we will break down the barriers that keep people from using their talents to become productive citizens.

This bill takes exactly the wrong approach by creating new barriers to work; raising benefits above the wages of entry-level jobs in many States; preventing States from using demonstration projects to decrease welfare dependence and increase administrative efficiency; and raising Federal spending by more than $5 billion in a time of massive deficits without designating a financing mechanism to pay for it.

Most Americans would not support legislation which makes it more difficult to put a welfare recipient to work, yet this bill imposes major hurdles to this goal. It would prohibit assignment to jobs that paid less than "current pay scale," which is some arbitrary determination of what a job is worth. Further, recipients would not have to take a job that pays less than their welfare benefits. In California, the combined value of AFDC, food stamps and Medicaid is about $826 per month. Thus, welfare recipients would not have to accept a job paying $4.50 per hour even though a $4.50 per hour job can provide experience that can lead to a much higher paying job.

By boosting welfare benefits to a level above what an entry level job pays, and then prohibiting assignment to a job that doesn't pay more than welfare, the bill entraps the poor. In Colorado, the value of the welfare package could be as high as $14,000 per year for each recipient. Most entry level jobs do not pay that much so there is no incentive to go to work.

A third major objection to this legislation is that the bill fails to allow State governments to experiment with their welfare programs. Colorado has improved its welfare system through experimentation and it would be a shame to lose the ability to do this. It's just another example of Washington thinking it has all the answers.

Most Members of Congress, for the first time ever, agree that dependency on welfare programs is a serious problem, and that work, for those who are able, and preparation for work, form at least a partial solution to the problem. Thus, Congress should seize this opportunity to reform our Nation's welfare programs by giving States the flexibility and money to help welfare families join the rest of society by entering the work force. Promoting work, not increasing welfare benefits, is the key to welfare reform.

## LEGISLATION EXTENDING REDEMPTION LIFE COMMODITY CERTIFICATES

### HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GUNDERSON. Mr. Speaker, today I am introducing a bill to extend the redemption life of commodity certificates issued by Commodity Credit Corporation for 1 year beyond the expiration date identified on the certificate.

Currently, the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture has the discretionary authority to extend the life of these commodity payment-in-kind certificates. My bill would simply state that any such certificate issued on or after the enactment date of the bill could be redeemed up to 1 year after the stated expiration date on the certificate.

I believe this bill improves current law by providing flexibility to commodity certificate holders, and urge my colleagues to give their support to this proposal.

## ALEX G. SPANOS

### HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WAXMAN. Mr. Speaker, on September 3, 1987, AXIOS Foundation for Worthiness will honor Mr. Alex G. Spanos as its 1987 "Man of the Year" dinner, as a tribute to his many contributions to our community.

A native of Stockton, CA, after graduating from Cal-Poly State University and University of the Pacific, Alex served in the U.S. Army Air Force honorably and well.

Mr. Spanos is an extraordinary individual, who far exceeds any expectations one may have of the invaluable hardworking and dedicated pillars of our community. As a prominent builder, sportsman and philanthropist, Mr. Spanos has been extremely active; he has given generously to innumerable causes on behalf of his concern for the happiness, health and welfare of his fellow man.

Alex's achievements, awards and activities that are incredibly varied and much too numerous to list in their entirety. He has served as honorary regent for the University of the Pacific, as trustee for the Eisenhower Medical Center, for the Fine Arts Museum of San Francisco, and for the Children's Hospital of San Francisco, as honorary trustee for the American College in Greece and on the board of governors for the USO. He has sponsored many benefit dinners on behalf of various worthy charities and organizations. In 1980, he was a member of the winning team at the Bob Hope British Pro-Am Classic, becoming the first person ever to win both the Bob Hope Pro-Am Desert Golf Classic in the United States and the Bob Hope Pro-Am Classic in Britain. He is also the the past recipient of the prestigious Horatio Alger Award as well as many other well-deserved honors and commendations.

I ask the Members to join with me in congratulating Alex G. Spanos, his wife Faye, and their family on this special occasion, recognizing his many contributions to our community and in wishing him continued success and fulfillment in all of his endeavors.

## AN APPEAL FOR THE PEOPLES OF THE SOUTH MOLUCCAS

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. FLORIO. Mr. Speaker, none among us takes heart in the continuation of human rights violations throughout the world whether in the Soviet Union, Cuba, Central America, or South Africa. But few are aware of the plight of the South Moluccan peoples.

Recently, Professor Albert P. Blaustein of the Rutgers University School of Law in Camden, NJ, brought to my attention the condition of the South Moluccans. Having followed the history of their struggle for the basic human freedoms in Indonesia, he sent me the testimony of Margaretha Hatu-Syauta, a foreign representative speaking on behalf of the South Moluccans.

In the testimony prepared for the United Nations Commission on Human Rights earlier this year, instances of human rights violations are documented. Living in Indonesia, these South Moluccan natives are often subjected to torture and discrimination.

Mr. Speaker, I appreciate the efforts of Professor Blaustein on behalf of the South Moluccan peoples to make the world more aware of these allegations. Their condition warrants our attention.

For the record, I am including the remarks of Margaretha Hatu-Syauta as sent to me by Professor Blaustein:

FROM THE PEOPLE OF THE SOUTH MOLUCCAS: A HUMAN RIGHTS APPEAL

(By Margaretha Hatu-Syauta)

We came before the United Nations for the first time to plead for the human right of self determination. We come before you today to plead for survival. For the systematic violation of our human rights now threatens our very existence.

We addressed this survival issue to the Working Group on Indigenous Populations at the meeting here in Geneva two years ago. That message was recorded on an cassette and carried by tourists to the South Moluccas. And it is shameful to report that several or our people have been arrested by the Indonesian police for the novel crime of listening to that cassette.

For we are the South Moluccan people. We were heroes in the struggle against the Japanese when they swarmed into what was then the Netherlands East Indies. After the war, we attempted to exercise our right of self determination. In that effort we established the Homeland Mission 1950. The work of this Mission continues and I am here as its foreign representative.

But I am not here to talk about self determination or politics. I am here because of the continuing humam rights violations which we have born—expecially in the past two years—which have raised the specter that our particular Species of mankind will disappear from this earth. No longer will the culture of the South Moluccans add to the diversity which constitutes the total culture of our planet. Our language, our music, the very clothes that we wear and so many members of our population will simply disappear.

Some of the human rights violations which we suffer is due to the Indonesian Transmigration Programme which is moving people from overcrowded Java to the other islands of the archipelago. We have complained about this repeatedly and so have the other victims. The human rights violations in connection with this Programme are outlined in the 1984 Report of the International Commission of Jurists—Australia Section.

In brief, the Programme is being carried out against the best interests of the indigenous people of the South Moluccas and—this I emphasize—the indigenous peoples of West Papua and East Timor as well. We are all in the same position, but the people of the South Moluccas have fared worse.

But this is only a small part of the human rights violations which we suffer and which we decry. We are the victims of genocide. The Javanese who dominate Indonesia seek our destruction. The indigenous female population of the South Moluccas is being coerced into a birth control program from which the transmigrated Javanese are exempt. No South Moluccan woman may have more than three children, spaced at three-year intevals. Indigenous women dare not escape the program. The coercion is overwhelming. For it is only by program enrollment that they get the indispensable "card" which is the necessary prerequisite in job-hunting, to enter into a labor plan, to attend high school or college, to secure the admission of one's children to the primary schools, etc.

We are also being weakened by the continuous program to destroy the unique South Moluccan institution of pelahood. This is the Brother Bond which unites the indigenous Christian and Muslim communities of our islands. Under pela, there is a concerted awareness of being one people. It functions as a cooperative system of support in which different villages help each other in the building of schools and churches and act as an insurance factor for each other in times of flood, famine, etc. Pursuant to pela, Muslims and Christians honor each other because of their common belief that their ancestors founded the system and their spirits are demanding its continuity. The Indonesian authorities impute that pela contains the remnants of heathenism and make it difficult for pelahood to survive. But we know that its survival is our survival for without it there will be conflict between Muslim and Christian and the end to a South Moluccan unity and an end to a South Moluccan people.

And in addition to everything else there is torture—not just isolated police brutality, but organized torture approved by higher authority. Our occupiers utilize a torture of which you in the West have no conception. It involves the use of a snake house or snake den, and the most notorious is located next to the old prison at what was Pohon-Pulehsreet in Ambon city.

Witnesses and victims tell of being placed in such a snake house and at first feeling relaxed. This is because of the quietness and because of the absence of the abuse of interrogation officers. The calmness and quietness end abruptly as a huge snake coils itself around the victim and the struggle for life begins. Reports are that these pythons or petola-snakes are as large around as a man's thigh and easily capable of crushing the prisoner to death. Usually a Javanese (probably the reptile's trainer) enters the snake house in time to unwrap the victim, but there are many reports of broken bones and permanent injury from such practices. Sometimes a prisoner is locked inside the snake house and the snake is not let out of its cage; the torture is in the fear of the victim as he awaits the serpent.

South Moluccans are arrested for the slightest of reasons or for no reason at all. There are few lawyers on the islands, no legal aid, etc., and therefore few actual trials. There is instead detention for a week or so at a time. This is accompanied by frequent clubbing and threats that if the prisoners report on their torture more clubbing will follow.

We have a long list of those who have been imprisoned (one for more than ten years) and those who have been tortured. Naturally, we can name no names for fear of reprisal. But I assure you that they do exist and that all have been prisoners of conscience and not criminals engaged in acts of violence.

We know that democracy demands majority rule. But we also know that democracy and human rights demand respect for and protection of minorities. We again share our plight with you. We seek your help, your guidance and your blessings in the human rights struggle in which we are engaged.

## CATASTROPHIC HEALTH CARE

### HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HEFLEY. Mr. Speaker, when the President mentioned the need for catastrophic health protection in his January State of the Union address, we all applauded. We were enthusiastic because we have all seen instances where lifelong savings were eaten up by extended health care costs. We have long looked for answers that would help solve this problem and were pleased that the President was focusing attention on it.

Our hopes were dashed this week by the passage of a so called catastrophic health bill that could bankrupt the Medicare system, place the burden of payment on the backs of senior citizens and doesn't get at the long-term care needs that are really the problem. It is legislation that could cause public outrage and vault this nation further into irreconcilable debt.

While we all agree on the necessity of a comprehensive catastrophic health care plan, the Medicare Catastrophic Protection Act of 1987 offers damaging and possibly irreparable results. While some senior citizens will benefit, the great majority will be stuck with the bill. It is estimated that a widow receiving $15,000 per year can expect to pay $2,000 additional taxes each year.

Although this plan will purportedly ease the burden of catastrophic health bills by the elderly, all seniors will pay an extraordinary surtax because of the bill's large-scale expansion of Medicare commitments. Within 20 years this new tax would, according to Treasury Department forecasts, take thousands of dollars from seniors due to drastic hikes in premiums. The drug entitlement portion of the bill will benefit only one in five retirees, but will make them pay the cost of the very expensive treatment of AIDS patients regardless of age. We all have sympathy for AIDS patients, but should seniors pay for their treatment? In addition, this bill severely restricts individual choice since it turns over to the Government coverage of things that 80 percent of Medicare beneficiaries have already insured themselves against.

I supported an alternative bill offered by Representative BOB MICHEL of Illinois that would avoid any and all surtaxes, facilitate options to Medicare enrollees who seek protection from high hospital and nursing-home costs, and focuses its prescription-drug help on seniors at or near the poverty line. This bill did not pass.

The current bill jeopardizes the financial viability of the Medicare Program itself and does not adequately address the long-term care cost problems faced by our Nation's elderly. It is a mistake to enact legislation that does not really meet the need. It is estimated that this bill's massive Medicare expansions will soon exceed revenues producing an annual shortfall of $2 billion by 1995. By the year 2005, the total costs of the bill would be nearly $100 billion, adding $20 billion to the deficit in that year along. Such extreme shortfalls will further threaten the future solvency of the Medicare trust fund which can only result in even more increased premiums for older Americans.

To provide effective and efficient long-term health care for our elderly, the program must be self-financed, actuarially sound, and affordable for Medicare beneficiaries. This can not be achieved, however, simply by expanding coverage indiscriminately, Doing so will serve only to drive up premiums and taxes for many Medicare beneficiaries and place the financial solvency of the Medicare trust fund at great risk.

We can not afford for Medicare or, for that matter, Social Security to go broke. This will likely be the result if this legislation passes. What is billed as help for retirees is actually a cruel tax.

## THE DUBLIN WORLD TRADE CENTER

### HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WRIGHT. Mr. Speaker, I have recently learned that the Government of the Republic of Ireland is moving forward with plans to establish a World Trade Center at the Customs House docksite in downtown Dublin. The proposed Center, which will ultimately encompass over 2 million square feet of floor space, and is projected to cost $350 million, will be the largest commercial project in Ireland's history.

This domestic and international business center, by bringing together prominent shipping, finance, and manufacturing industries into one focal point, will establish Dublin as a center of international commerce. An international financial services network will be a major feature of the Dublin World Trade Center, and a number of American businesses have already expressed strong interest in participating in the endeavor.

Mr. Speaker, I draw the attention of my colleagues to this project for several reasons. Our ties to the people of Ireland are strong and deep. Over 40 million Americans are of Irish ancestry. We cannot ignore, Mr. Speaker, the disturbing fact that at this point of Ireland's history its chief exports are the best and brightest of its people. After two decades of prosperity, Ireland now has the highest unemployment in Europe. In fact, between April 1985 and April 1986, 31,000 Irish left home. In the next 5 years, 150,000 are expected to emigrate.

Clearly, the Dublin World Trade Center project, by creating at least 10,000 new jobs, will present enormous opportunities for young workers. There is also no question that the Trade Center will spark the future commercial growth that is so critical to a land that has too often been the scene of economic hardship.

At a time when we are looking for ways to reestablish ourselves as leaders in the international marketplace, the Dublin World Trade Center project presents us with a tremendous opportunity to play a role we are well suited to play—sharing our expertise and resources for development with a land and people joined to us by ties of kinship, history, and commitment to democratic values.

## INTERNATIONAL EXECUTIVE SERVICE CORPS IN SOUTH AFRICA

### HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. PORTER. Mr. Speaker, in Cape Town, successful local businessman Hugh Nathan is giving up part of his workweek to help Zelpha Mpontshane start up a new discount card business called General Promotions. In Soweto, Arnold Nelson is assisting Mvumenti Nqalati, a former joint managing director of the Frame Group, one of South Africa's largest textile manufacturers, and is working with Durban clothing designer, Rejoice Misokuhle Mccoyi to expand her markets and find news sources of materials. These three white South African businessmen-volunteers are not just people who are working without pay. They are also members of an organization that will provide a vital link in a new kind of commitment to local black businesses. As a member of the House Appropriations Subcommittee on Foreign Operations, I wish to make my colleagues aware of this organization—the International Executive Service Corps—and the progress it is fostering in South Africa.

Since 1964, when The International Executive Service Corps began, it had an impressive record of success in helping small businesses in developing countries around the world. In 1986, IESC management in Stamford, CT, considered the possibility that the same concept might be equally effective in helping black businesses in South Africa. They felt IESC could demonstrate that United States businesses and Government could join in providing positive, constructive assistance to the disadvantaged sector of the South African economy.

A factfinding mission convinced IESC president, Thomas S. Carroll, that IESC would indeed be welcome in South Africa. IESC board of directors and the U.S. Departments of State and Commerce supported the concept. In January 1987, Houghton R. Hallock, a former IESC country director in Casablanca, was sent to South Africa to establish an IESC prototype, with a twist. A $96,000 project grant came from the United States Agency for International Development in cooperation with the USAID Mission Pretoria. The eventual goal, however, is to have a self-supporting agency drawn from local contributions. In addition, only South Africa volunteers are being utilized. This has not only helped reduce costs, but it will also give South Africans the opportunity to assist in the solution of problems in their own country. It will enable them to draw on their knowledge of local conditions and, most importantly, provide a direct interface at working level between black businessmen and white volunteers.

The overall reception has been overwhelming. In only 6 months, 35 projects have been completed or are underway. That's not to say it has been an easy task. Operating as a one-man band, Hal Hallock, himself a volunteer in this cause, was given the use of an office in the Standard Bank. His first step was to get to know the leaders in the black and white business community as well as the U.S. foreign service officials; get acquainted with the local situation, and make IESC's purpose, goals, and philosophy known to the local community.

After a preliminary investigation, it was decided to start operations in each of three cities, Cape Town, Durban, and Johannesburg, with the exclusive use of white South African businessmen as volunteers. The formal organization would come later on.

Hallock recruited his volunteers by placing notices in the various media. Over 100 individuals responded and a current skills bank of 74 volunteers with varied expertise is now in existence. Even more significantly, 40 white businesses have offered financial and manpower assistance, plus encouraging support. Contacts were made with Anglo American, Anglo Vaal, Barlow Rand, Premier Milling, and Pick n' Pay stores, to name some examples. All this has led Hallock to conclude, "A tremendous number of people in the community realized that something must be done—now. And there's no better way to establish trust in one another than to come as a friend."

The next step was to match the volunteers with the small businesses who desired help. Targeting the small businesses was no problem, since there are literally thousands of them. The only problem was selecting the most deserving ones which would also be most beneficial to the economy. A final area that still needs to be ironed out is the charge per project, which will have to be dedicated on by the future board of directors.

At present, volunteer recruiting and new project development is moving full-speed ahead. There is a full-time representative in each of the major cities and steps are being taken to establish IESC South Africa as a separate legal entity. Agreements have been signed with USAID Pretoria and the Get Ahead Foundation which will ensure the continuity of the program. Get Ahead Foundation will be authorized to use the unexpended portion of the initial project grant (approximately $40,000) to fund IESC South Africa until an independent IESC is established with approved documentation. At that time Anglo American Corporation of South Africa will nominate a senior executive as patron.

Mr. Speaker, as IESC South Africa continues to grow and prosper through the transfer of humanity and the transfer of technology, it could become a very effective way to bridge the chasm which exists between the economic and diplomatic factions.

## QUESTIONS CONCERNING FADA

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. FLORIO. Mr. Speaker, recently an article by Kathleen Day appeared in the Washington Post describing a disturbing situation regarding the Federal Asset Disposition Association [FADA]. FADA is charged with selling property turned over to the Federal Savings and Loan Insurance Corporation from failed savings and loan associations.

The article details a series of problems, including inadequate return to the Government, and the lack of notice to consumers about the sale of properties.

Mr. Speaker, the article points out troubling questions about FADA. With the current unfortunate state of the savings and loan industry, the effective disposition of assets is critical. It is vital that Congress make sure that FADA is working toward the goal for which it was created.

The article follows:

[From the Washington Post, July 12, 1987]

### FADA OUT OF FAVOR WITH MANY REALTORS

CONGRESS ASKED TO REVIEW POLICIES OF FEDERAL LAND BROKER AGENCY OWNED BY FSLIC

(By Kathleen Day)

Florida real estate broker Dale R. Homan had his eye on a prime four-acre lot in Fort Myers last August that he thought a client could turn into a money-making bowling alley.

Local developers told Homan that the U.S. government owned the land, that it was one of thousands of vacant sites, shopping centers, office buildings and residential properties that federal officials had inherited from failed savings and loan institutions. The Fort Myers property, Homan learned, was being sold by the Federal Asset Disposition Association, or FADA.

FADA was created by the Federal Home Loan Bank Board in late 1985 to help manage the $7 billion in property it has acquired since 1980, when hundreds of S&Ls began to go under.

Started as a quasi-government company with $25 million in federal funding, FADA is owned by the bank board, the federal agency that regulates S&Ls. The bank board is FADA's only client.

FADA officials told Homan no oral offers would be accepted for the property, so Homan submitted a $750,000 offer by registered mail. Several weeks later he learned FADA already had accepted an $800,000 oral bid for the lot.

Homan said he told FADA officials he was prepared to make an $825,000 counter offer, but FADA was unwilling to reopen the bidding.

Homan decided that the procedure for buying federally owned real estate is the government's best-kept secret, one he's unlikely to crack. Although he recently learned that the land he wanted still has not been sold, he's no longer interested.

"Now I wouldn't touch one of their properties," Homan said of FADA. "It's a waste of time. You can't get information. You spin your wheels and get half-answers. I think something smells awfully funny here."

Real estate executives from across the country are complaining to Congress about FADA, saying it fails to provide even the most general information about how to make a bid and frequently gives answers that are contradictory.

FADA's mission is to streamline the sale of government property and pump the proceeds into the Federal Savings and Loan Insurance Corp., the insolvent bank board fund that insures deposits at S&Ls and repossesses property when S&Ls fail. But to angry real estate executives and congressmen, FADA may be the proverbial cure that's worse than the disease.

Instead of efficiency and income, the critics say, FADA adds a layer of bureaucracy and cost to the government's task of selling a rapidly growing inventory of bad investments left over from failed savings and loans.

FADA often hires local lawyers and real estate companies to manage properties. Frequently it hires the same firms that were doing the work for the government before FADA was created. FADA adds its own fee to that charged by subcontractors and charges both to FSLIC.

When FADA was formed, it was touted as a semi-private corporation that would mimic the efficiencies of profit-making enterprises. But real estate executives say FADA has decreased competition in the sale of repossessed real estate, using its clout as an offspring of the government to channel business away from many private bidders.

Homan and others say FADA often sells property without competitive bidding or even public notice, a practice that makes it difficult to get the best possible price.

Critics say, too, that FADA, whose executives are among the most influential in the S&L industry, is interwoven with conflicts of interest both internal and external. Some FADA officials owe money to failed S&Ls whose property FADA now manages. Several FADA board members and employees also have long-established business relationships with companies that are bidding to buy and manage FADA properties.

The complaints led Rep. James J. Florio (D-N.J.) and Rep. Stephen L. Neal (D-N.C.) to launch a congressional investigation.

"Potential purchasers of property allege that FADA does not disclose properties which could be sold for a [profit] to the federal government, is generally unhelpful to legitimate consumers willing to buy these properties, and may show favoritism in determining who to notify about the availability of properties," the congressmen said.

House Banking Committee Chairman Fernand J. St Germain also is looking into "suggestions of favoritism in the hiring of subcontractors." The congressman started his probe when FADA refused to tell him how much it was paying its top executives and had to be pressured to provide the information.

"Already we have seen an agency more concerned with its bonuses and high salaries than with its primary function of recovering the maximum for the federal government from liquidated assets," said St Germain.

Although FADA was the creation of a federal agency, it was the brainchild of the S&L industry. The U.S. League of Savings Institutions, the largest S&L trade group, lobbied the bank board to form the new corporation and give it the job of selling property from failed associations. The members of FADA's board are among the S&L industry's most active and influential members.

FADA Chairman William F. McKenna is chairman of the Federal Savings and Loan Advisory Council, an industry group that advises federal regulators. He is founding partner of McKenna, Conner and Cuneo, a Los Angeles law firm that represents most of the largest S&Ls in the industry. Industry insiders claim no bank board chairman has been appointed by the White House without his—and the league's—approval.

One of the key arguments for moving FADA outside the government was to attract experienced real estate people who would not work for a government salary. FADA is not bound by government pay scales set by Congress, an exemption that allows FADA President and Chief Executive Roslyn Payne to earn at least $250,000 a year—$50,000 more than the president of the United States.

Payne has a Harvard master's degree in business and, before joining FADA, was president of Genstar Pacific Development Ventures, a real estate development firm in Newport Beach, Calif. Payne's credentials helped win FADA early support in Congress.

Payne, the highest-paid federal worker, had been with FADA for only nine months at the end 1986 when she got a $75,000 bonus, St Germain said.

"FADA is in danger of becoming another runaway agency handling billions of dollars of government assets without proper supervision and control," St Germain said. Until FADA came along, FSLIC hired private companies to manage and sell property from failed savings associations. FADA was supposed to take over those functions by acting as a subcontractor to FSLIC.

That's not how it has turned out. FADA does take responsibility for managing and selling many government-owned properties, but more often than not FADA hires subcontractors to do the work. It acts as a middleman, in many cases hiring the same firms FSLIC used to hire but with a difference: FADA passes on the cost of the subcontractor and then adds a consulting charge to pay for FADA's overhead.

FADA contracts show it charges FSLIC $850 a day in consulting fees and collects an annual fee of three-quarters of 1 percent of the value of the property it manages, in addition to the subcontractor costs.

Money from the property that FADA sells is to go directly to FSLIC, which is desperate for funds. FSLIC ended 1986 at least $6 billion in the red. So far no FADA profits, have found their way to the fund. FADA ended 1986 with a loss of $3.6 million and industry sources say the losses grew to $5 million by the end of June. Payne said the company expects to earn a profit this year. FADA's semi-government status also is intended to exempt FADA from public disclosure laws and congressional audits that apply to regular government agencies.

FADA officials say public disclosure would undermine FADA's ability to use tough negotiating tactics in selling property. Critics say it allows FADA to operate with little if any public scrutiny.

FADA director Thomas R. Bomar agreed in a recent letter to Congress that, "No group of elected or appointed officials has any business doing the public's business in secret." But, he said, FADA does not make rules or approve applications and so should not be treated like a government agency.

But critics argue that FADA does indeed decide how the public can bid on government property and does the government's business when it accepts bids.

In a recent interview, CEO Payne said that the periodic business plans FADA submits to the bank board provide sufficient oversight to make sure FADA sticks to its purpose and treats bidders fairly.

But a bank board report earlier this year said, "FADA's performance to date in providing sound business plans in a timely manner has been unacceptable."

At the end of May, FADA managed or advised FSLIC on $5.2 billion in property and loans. About 20 percent of those assets are real estate. The remaining 80 percent are loans that FADA renegotiates, Payne said.

At the end of May, FADA says it had closed sales and completed payoffs on $37 million in loans and property and had renegotiated $295 million in loans.

Many FSLIC officials are dubious about whether FADA is saving the government any money. A March 11 memo by FSLIC staff member Lisa Miller, acting director of operations and liquidations, concluded, "The quality of FADA asset management work is poor . . . [and] FADA should not receive any further assignments, until [its] performance reaches acceptable levels."

Another memo, dated March 3, from FSLIC employee Cherie Barker to Lisa Miller, says, "I also have a concern that FADA, although they are purported to be industry experts in asset management, are not doing the work themselves. Instead they have hired many layers of subcontractors to perform the management of the assets.

"If the only help we needed was from contractors . . . it could have been done more cost effectively if we had hired the contractors, and performed the oversight ourselves," Barker says. FADA is charging $400,000 to $500,000 every month for each of several failed S&Ls it manages, Barker says.

Bank board member Lawrence White said the tension between FADA and bank board employes stems from confusion over FADA's purpose and authority.

In an interview last month, White said that, "There were two problems that weren't resolved when FADA was created. One: What was FADA supposed to do? And two: To whom and how was FADA to report?"

He said employes of FSLIC are uneasy because FADA's boundaries "were very undefined. In a very real sense, FADA was being given control of assets but FSLIC was bearing responsibility for the outcome of their sale." In recent months FADA has been told that it reports to the head of FSLIC, so the reporting issue has been resolved, White said. "But the proper role for FADA is still being sorted out," he said.

Payne denies FADA is confused about its role. "We're here to help FSLIC," she said. She admits to some "emotional pimples" between FADA and the bank board, but says they are being cleared up. Payne says she has answered satisfactorily all inquiries from congressmen on behalf of angry constituents. She denies that potential buyers may be falling through the cracks because they find FADA too maddening to deal with. "You know, I'm not sure we've had a lot of problems," Payne said.

Many would-be buyers of government properties disagree. New Jersey real estate developer William T. Juliano last week summed up repeated efforts since January to find out how to bid on FADA property: "If someone had a house for sale and people had to get an attorney and threaten to sue before they could put in a bid, I don't think the house would sell, do you?"

William Raabe, Juliano's assistant, says he repeatedly called Tim Solomon and John Hatfield in FADA's Atlanta office during February and March about hotels and shopping centers in Florida and Louisiana, but was always told that the two men were "unavailable."

In April, Raabe says, he finally got through to Hatfield. "I told him of my problems of trying to reach [FADA officials] . . . and of trying to prove ourselves as bona fide buyers to FADA," Raabe says. "He said they didn't give information to just anyone but if we were an Eddie DeBartolo [the large mall builder], things might be different."

"Hatfield said that as far as they knew we were just John Smith from down the block," Raabe said." "I told him not everyone owns 90 malls."

Raabe said he asked for information about any of the dozens of shopping center FADA manages but was told "there was no information on any of these centers and we could not look at them."

FADA officials eventually told Juliano about 52 properties they said were valued at $180 million. The officials said they wanted to sell the properties as a package within three weeks, but told Juliano they could only give him information about eight properties, according to Juliano. "That makes no sense," he said.

Neither Hatfield nor Solomon returned telephone queries about Juliano and Raabe's complaints.

When Juliano threatened a lawsuit, top FADA officials met with him April 28, apologized for how he had been treated and promised to send him information on several properties right away. Two months later Juliano is still waiting.

"Is this what Congress intended with FADA?" said Juliano, who has placed ads in the Wall Street Journal seeking other real estate executives to join in a class-action suit againt FADA. He said he's had several dozen responses.

Many congressmen are trying to sort through such complaints. "This is not the first time that I have been made aware of internal problems at FADA," Rep. Stan Parris (R-Va.) said in a letter to a fellow lawmaker asking for a congressional inquiry.

"Considering that FADA Chief Executive Payne is the highest paid federal employee, earning more than the President of the United States, I would hope that she could adequately explain to our subcommittee why there are internal problems within her organization," Parris wrote.

Payne said that she doesn't think FADA has any problems beyond those of any start-up company. She said she thinks the complaints come from business executives who are disappointed to learn that FADA is not going to sell property in massive quantities and at fire sale prices, a practice that lowers prices for smiliar property in a given market and is known as "dumping."

"People get very angry when we try to explain we're not dumping," she said.

For example, she said, a man called her recently about an office building in Dallas that FADA manages. "He said, 'Look I am ready, willing. I've got cash. I would like to buy that building.' And I said, 'At what price?' He told me and I said, 'That's not enough. You're asking for a number which I personally think is 50 percent what that building will be worth in two years. . . . And I said, 'I'm sorry that's not acceptable.'"'

FADA's policy of speculating that prices will rise is very different from the one espoused by the Federal Deposit Insurance Corp., the federal agency that insures deposits and takes over property at failed commercial banks. FDIC officials say they do not "dump," but they believe the federal government has no business gambling on real estate values to rise.

Says Bert Ely, an Alexandria banking consultant, "Waiting around for prices to recover—that's speculation. Private sector investors playing with their own money are going to be better speculators than quasi-government employes using government money. The real question ought to be: How well can a quasi-government agency manage those assets compared to private industry?"

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## DARE TO BE DIFFERENT

### HON. ERNEST L. KONNYU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. KONNYU. Mr. Speaker, the remarks which follow this statement were delivered by F. Peter Simmons on May 16, 1987, to the graduating class of the State University of New York College of Technology at Utica/Rome. As Mr. Simmons is vice president of the Space station program office of United Technologies Corp. I believe he is a man to be listened to when it comes to charting a course for the furture of our great Nation.

Not only do I hope other Members will read this speech, but also I hope they distribute it to young people in their districts. Lately, there has been too much focus on the negative at the national level. Let us not forget back home there are young people who can rekindle the pioneer spirit which will bring back the many positive aspects unique to America. We need to encourage those young people to "go for it."

I'm pleased there are private citizens out there like Mr. Simmons trying to excite young people about the future and especially about the future of the space program. In looking for solutions to the problems of the space program, perhaps the most overlooked solution is the spirit and the enthusiasm a new generation of scientists and engineers will bring to the program. As Members of Congress we need to encourage the growth of spirit and enthusiasm as much as Mr. Simmons. I consider his words a call to duty. A dare to be different.

DARE TO BE DIFFERENT

Today is the day many of you thought would never come and I feel very privileged to be able to share it with you. Today has a special significance for each of you. It is a major milestone along the pathway of your life—a pathway that causes most of you to wonder where it will lead, and what your achievements will be along its way. For many of you the most important question you have is what should be your next step. These are hard questions to answer because the younger we are the more difficult it becomes to differentiate our long-term goals that may not yet be very well defined, versus our short-term opportunities that may turn out to be stepping stones to nowhere. It is too bad that we have to make these important decisions when we are so young and inexperienced. Wouldn't it be great if we could make today's decisions tomorrow, or next year, or 10 years from now, when we have had more experience, and then be able to make that decision retroactive to today! But no, we can't do that. The scheme of things does not allow us such luxuries.

But we can decide to be different! We can make that decision today. And when we look around at our declines over the past decade, in employment opportunities, economics, and world prestige, brought about by years of the same old thing—the status quo—maybe more of us should decide to be different. When I think about the state society is in today, I am grateful that the future is in the hands of a new generation—your generation. The future is so much more important to you—you're going to spend more time in it than some of the rest of us—that the sooner you take over its management the better. Several years ago I heard someone say that we had not inherited this earth from our ancestors, we had only borrowed it from our children. Many of you, I am certain, feel it is time to take it back before my generation does further harm. So dare to be different; it holds the only promise for a change for the better.

Thoreau said "If a man does not keep pace with his companion, perhaps it is because he hears a different drummer. Let him step to the music he hears, however measured, or far away". Stepping to a different tune has never been popular, and it certainly takes a great deal of courage, and sometimes personal sacrifice, to be different—to be uncommon by choice.

Leonardo da Vinci was uncommon. Five hundred years ago he sketched the concept for a helicopter. Can you imagine how different that had to be back then before airplanes, motors or even the development of the math and science to create the technology necessary to even dream of a helicopter? Four hundred sixty years later, in 1940, Sikorsky turned that different dream of da Vinci's into reality.

Remember Rober Fulton? He was uncommon. Nearly two hundred years ago he was trying to promote the steam engine in place of sails, for reliable boat transportation. Sailboat owners were incredulous that Fulton advocated the building of a fire inside the hull of their wooden boats.

They had spent generations of seagoing activities avoiding fires of any kind. Fulton's ideas were very unpopular and certainly different. Finally he built the first successful steamboat, the Clermont, and steamed from New York to Albany in 1807. This was the start of the canal system that the economy of New York State depended on for so many years. When railroads threatened this canal economy, they were so different and unpopular that the then New York State Governor, Martin van Buren, wrote to President Andrew Jackson in 1828 pleading to have railroads outlawed. Fortunately for New York State, Van Buren was only governor for two months.

Just fifteen years ago this kind of negative thinking had our nations space program is a shambles. We had, in 10 short years, achieved the greatest event in the history of mankind—landing man on the moon and bringing him back. And yet we did not have the courage to continue along the pathway of this fabulous pioneering accomplishment. We abandoned the Apollo program. This decision was tantamount to never colonizing America after it was discovered. Once on the Moon we should have stayed there and built the factories we now say are needed to produce exotic alloys in a low gravity environment. The Moon could have been our first space station back in the early 1970s. The abandonment of this kind of opportunity is foreign to the philosophy of what makes America tick. As a result, America no longer enjoys the prestige we once had in technology leadership, social serenity, and international acclaim. Instead we have Japanese cars, hostages, Irangate, a grounded Shuttle, and the Russians getting worldwide attention with their permanently manned Space Station, the Mir, which stands for Peace.

A strong space program has turned out to be a mandatory requirement for the United States—it is a critical element in the continuing prosperity of our economy and society. The decisions we make today about how vigorously we as a nation will respond to the new challenges of space will expand or constrict your ability to fulfill the aspirations for happiness that mankind has always had.

Fortunately we are beginning to get a strong space program thru the leadership of the new management at NASA. Our shuttle has been fixed and will start flying again next year. Last year the President announced that we would begin research and development on an aerospace plane that will take off from an airport runway . . . fly at speeds of 4000–7000 or more miles per hour . . . at altitudes of 20 miles or higher and two hours or less after departure, roll to a stop at an airport on another continent halfway around the Earth. . . . Or, instead,

fly from the airport to orbit, work in space, then return for a conventional airport landing. This National Aero-Space Plane is expected to be operational by the year 2000. I am certain that some of you here today will not only contribute to the technical success of this program but also be passengers on some future flight.

And, just three weeks ago, NASA received the go-ahead from the White House and Congress to proceed with the first step of establishing a national research center in space—the Space Station program. Nothing that I have ever done in my career has given me the excitement I feel as part of this program. I hope that all of you someday have a challenge that fulfills you like this one does for me.

The Space Station will be a permanent research center in space to serve as a laboratory to conduct basic research in a low gravity environment, an observatory to look down on Earth, or peer out into the depths of the universe, a garage to fix and service other spacecraft, a manufacturing plant to make exotic metal alloys or super pure pharmaceuticals, an assembly plant to build large structures too big to fit in the shuttle cargo bay and a platform for staging manned missions to Mars or establishing the Lunar Base we should have done back in the early 70s.

These new space programs—the National Aerospace Plane and the Space Station represent the highest technology available today, and as graduates of SUNY College of Technology you are all prepared for this exciting challenge. You are blessed to have these tremendous opportunities in front of you and I am certain that many of you will become an integral part of these pioneering space activities.

An appreciation of what is happening in science today, and how great a distance lies ahead for exploring, will be one of the rewards of your education. This knowledge shoud be good in itself, not something just acquired on the way to a career, but part of the cast of thought needed for getting into the kind of century that is just down this road of yours. Most of you will be under 35 years of age when we reach the year 2000! Think if that—just a liitle over one decade to the next century! How do you plan on spending those 13 years? The old adage that you're "only young once so make the most of it", in my opinion, is archaic and has no place in today's society. You're young a lot longer than you're old! I'm 60, and I'm still young! My wife says that I haven't grown up yet!

As I think about all of this I think about the inconsequential dimensions of time. Have you ever looked up at the stars at night and realized that your eyes are a backward time machine? The light you see tonight is a photon that left that star a long time ago. If you were looking at the spiral galaxy in the constellation Andromeda,—the closest neighboring galaxy to our Milky Way—you were looking 2.2 million light years away. Think about that! That photon you see tonight left Andromeda about the time that the dinosaurs appeared on Earth. The mind must stretch its concepts of space and time far beyond their normal limits to comprehend the sweep of the events that make up the history of our Universe. Let us adopt a point of view so broad that the passage of a billion years is like an hour. Imagine the face of a cosmic clock on which one twenty four hour day represents the entire 14 billion year life of our Universe. On this clock, one million years is a minute, and two thousand years—the entire span of human civilization since the birth of Jesus—is only one-eighth of a second.

Consider the great events of the history of life on Earth within the framework of this analogy. Let the creation of the Universe occur at midnight; then the galaxies and stars begin to form twenty minutes after midnight, and continue to form throughout the night and the day. At 4 p.m. on the following afternoon, the sun, the earth, and the moon appear. At 11:53 p.m., the fish crawl out of the sea; two minutes before midnight, the dinosaurs appear, sixty seconds later, they disappear; one second before midnight, man appears on the scene; and one-eight of a second before midnight Jesus was born.

So when I look up at our beautiful night sky, I sometimes reflect that I am seeing energy that was created so very long ago, and traveled so far, and has taken all that time to reach my eye and be noticed by me. And if I had blinked just then I would have missed that particular photon! How sad to think that after all that time, and the tremendous distance of its pathway, that no one even noticed that it existed. Then I think about me and wonder if the energy I emit in my short span of life will ever be noticed? When I was your age I thought time was forever. I had never figured out that I really only had 40 years or so to emit effective energy and if I spend 4 or 5 years spinning my wheels finding myself, I would have used up 10 percent or so of my available time. What a waste of time that would have been.

So establish your goals early. Do not be afraid to be different. Take small but significant steps toward your goal and never become discouraged by the rocks and crevices along the way. Be true to yourself and give yourself a chance to reach your full potential and never accept less than that full potential. This makes you a winner.

To be a winner you need to be different and it takes courage to be different. The same old status quo may not satisfy you so have the courage to change it. Do not follow where the status quo path may lead. Go, instead, where there is no path and leave a trail of achievement. If along the way you think you've reached the end of your rope—tie a knot and hang on. And along this pathway of yours, remember that obstacles are those frightful things you see when you take your eyes off the goal you have set for yourself. Being a winner, being the best in this unknown world of space adventure, is easy because no one has come before you to whom you will be compared. You are applying the technology that you have learned here, for the first time, to these challenging endeavors. So go out there and accept the challenges of being different, be the first, and help this country regain the strength and prestige that only comes from the high technology the degree you are receiving today signifies.

Good luck and thank you for letting me share this important day with you.

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## CHALLENGING CONSTITUTIONALITY OF BOLAND AMENDMENTS

### HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. DORNAN of California. Mr. Speaker, I rise today to express my concern about congressional micromanagement of U.S. foreign policy. Beginning with the war powers resolution in 1973, Congress has incrementally usurped the President's authority granted in the Constitution to defend the Nation. More recently, the controversy over the Boland amendments, restricting aid to the Nicaraguan resistance, has been instructive of the manner in which Congress by a slim majority mandates ambiguous and unworkable foreign policy restrictions for which the Executive ironically takes responsibility in the end.

As we celebrate the 200th anniversary of our great Constitution, it is fitting to that we attempt to resolve years of jurisdictional disputes between the executive and legislative branches. Clearly, no branch of Government should attempt to usurp or negate the exercise of powers entrusted by the Constitution to another branch. Yet Congressional encroachment on Executive powers has gone unchecked for years. Curiously, the Iran-Contra hearings have been the catalyst for efforts to challenge the wisdom and constitutionality of these congressional forrays, especially in the area of foreign policy.

Under article 2, section 2 of the Constitution, the President has exclusive and sole authority in the field of foreign affairs. The President's duties also include national security, given his authority as Commander in Chief of our military forces.

Throughout his campaign for the Presidency, Ronald Reagan articulated very clearly his goal of seeking a democratic outcome in Nicaragua. One clear campaign promise was to help the Nicaraguan Democratic Resistance regain control of their government from the Sandinista Communists. Using his authority vested in the Constitution, the President has attempted to follow through on that campaign commitment.

However, the Democratic majority which controls the U.S. Congress is determined to block, thwart, and nullify the Reagan doctrine in Central America. A number of us in Congress think that such action by Congress, whether it be the Boland amendment or some similar pattern of legislation, which uses the power of Congress to appropriate funds and regulate commerce, usurps the President's authority in the conduct of foreign relations and is therefore unconstitutional.

I am confident that our Founding Fathers did not give exclusive authority to the President to direct a policy and simultaneously envision congressional restrictions designed to significantly subvert Presidential initiatives. For this reason, I have been joined by 14 of my colleagues in both bodies of Congress as coplaintiffs in a law suit which challenges the constitutionality of the Boland amendments and their progeny. I think the time has come for the courts to help clearly delineate the boundaries of constitutional authority for our Nation's foreign policy.

Mr. Speaker, below follows a copy of my law suit challenging the Boland amendment. I encourage my colleagues to read the suit and to join our efforts to settle this ongoing debate.

IN THE U.S. DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

[Civil Action No. 87-1414, Gesell, J.]

CONGRESSMAN ROBERT K. DORNAN, CONGRESSMAN DAN BURTON, CONGRESSMAN JACK F. KEMP, CONGRESSMAN ROBERT E. BADHAM, CONGRESSMAN GERALD B.H. SOLOMON, CONGRESSMAN TOM DELAY, CONGRESSMAN PATRICK L. SWINDALL, CONGRESSMAN WILLIAM E. DANNEMEYER, CONGRESSMAN PHILIP M. CRANE, CONGRESSMAN NORMAN D. SHUMWAY, CONGRESSMAN BOB LIVINGSTON, CONGRESSMAN DONALD E. LUKENS, CONGRESSWOMAN HELEN DELICH BENTLEY, CONGRESSMAN THOMAS J. BLILEY, JR., CONGRESSMAN HOWARD C. NIELSON, SENATOR JESSE HELMS, PLAINTIFFS

*v.*

SECRETARY OF DEFENSE, SECRETARY OF STATE, DIRECTOR, CENTRAL INTELLIGENCE AGENCY, RONALD W. REAGAN, DEFENDANTS

*Amended Complaint for Declaratory Judgment and Injunction*

1. Plaintiffs allege: This case arises under Article II, Sections 1(7) and 2(2); and Article VII; of the United States Constitution, the Rio Treaty of 1947, the Charters of the United Nations and the Organization of American States, and Sections 206-209, Title II of the Military Construction Appropriations Act, 1987, incorporated in the further continuing resolution for FY 1987 (Public Law 99-500); Section FY 1987 (Public Law 99-569); Section 9045 of the Department of Defense Appropriations Act, 1987 incorporated in the further continuing resolution for FY 1987 (Public Law 99-500); Section 1351 (a) of the National Defense Authorization Act, 1987; and Section 722 (d) and (e) of the International Security and Development Co-Operation Act of 1985 (Public Law 99-83) and is an actual controversy within the meaning of 28 U.S.C. 2201 as appears more fully herein.

2. The matter in controversy exceeds, excluding interest and costs, the sum of $10,000.

3. Plaintiffs are duly elected members of the United States House of Representatives and its Foreign Affairs Committee and represent the constituents in their respective Congressional Districts.

4. Defendants U.S. Secretary of Defense, U.S. Secretary of State, and U.S. Central Intelligence Agency Director are agents of the President of the United States and officers within their respective Departments of the U.S. Government.

5. Ronald W. Reagan, President of the United States, is the official constitutionally bound to "faithfully execute the office of President" and to "preserve, protect and defend the Constitution of the United States." (Article II, Section 1, Clause (7)), carry out the functions of commander in chief, and the constitutional officer solely empowered to conduct U.S. foreign relations. (Art. II, Sec. 2(1) and (2)).

6. Plaintiffs allege as material facts the matters set forth in paragraphs 6 through 16 herein below:

7. The President has determined upon, publicly announced and actively pursued and executed a "national commitment" United States defense policy of support for and assistance to paramilitary operations of democratic resistance forces in Nicaragua opposing the Soviet and Cuban backed campaign of the Sandinistas to "Sovietize" Nicaragua and establish a Soviet military base there similar to that in Cuba.

8. Plaintiffs allege this duly established executive policy is a "national commitment" which has the same force and effect as an executive decree or executive agreement, and as an official U.S. policy enjoys the same constitutional status under the Supremacy Clause as a law or treaty. It is the supreme law of the land. The Congress cannot reverse it and the President himself is bound by his sovereign "national commitment" policy as certainly as Congress is bound by its own acts until the President himself officially changes it.

9. The following statutory provisions adopted by Congress unconstitutionally usurp President Reagan's authority as commander-in-chief as the sole organ of the federal government and in the field of international relations by negating, in violation of the Supremacy Clause, U.S. treaty obligations under the 1948 Rio Treaty, the O.A.S. and U.N. charters, the treaty-making requirements and separation of powers doctrine of the Constitution, and the duly adopted U.S. Government "national commitment" to carry out support of paramilitary operations in Nicaragua:

(a) Title II of the Military Construction Appropriations Act, 1987, incorporated in the further continuing resolution for FY 1987, (Public Law 99-500) (restrictions concerning $100 million program of aid to the Nicaraguan resistance);

(b) Section 106 of the Intelligence Authorization Act for Fiscal Year 1987 (Public Law 99-569) (restrictions concerning the Central Intelligence Agency, Department of Defense, and other intelligence agency or entity support for paramilitary operations in Nicaragua during FY 1987);

(c) Section 9045 of the Department of Defense Appropriations Act, 1987 incorporated in the further continuing resolution for FY 1987 (Public Law 99-500) (restrictions concerning Central Intelligence Agency, Department of Defense and other intelligence agency or entity support for Nicaraguan democratic resistance during FY 1987);

(d) Section 1351(a) of the National Defense Authorization Act, 1987, (restrictions on use of certain appropriation accounts to assist Nicaraguan democratic resistance);

(e) Section 722(d), International Security and Development Cooperation Act of 1985 (Public Law 99-83) (restrictions on use of certain foreign aid funds to assist any person or group in rebellion against government of Nicaragua).

10. Plaintiffs allege that by disregarding a duly adopted "national commitment" to implement U.S. treaty obligations and submitting to the above pattern of "Boland Amendment" type unconstitutional laws which reverse the U.S. official national defense policy in Nicaragua, the President has violated the supreme law of the land and allowed Congress to revitalize through the back door the January 21, 1956 Friendship Treaty with Nicaragua which was officially terminated on May 2, 1986.

11. By his action, the President has deprived Congress of its right to be consulted and vote on compliance with U.S. treaty obligations and deprived plaintiffs of their derivative and individual rights and duties under Article I of the Constitution to participate in the internal processes of Congress and vote as individual and collegial members of Congress, representing the constituents in their Congressional districts, on legislative proposals for or against changing the U.S. anti-Sandinista national commitment policy, the national commitment to the anti-Sandinista para-military forces in Nicaragua, implementing U.S. treaty obligations and the right to participate in Congressional investigations of more effective executive compliance with treaty obligations and the national commitment to Nicaragua's democratic resistance forces.

12. Neither Congress as an institution nor plaintiffs as participants in the internal processes of Congress have an alternative remedy because of the President's constitutional authority as the sole organ of foreign affairs under the treaty-making power and separation of powers doctrine.

13. Plaintiffs have a plain, direct and adequate interest in maintaining the effectiveness of their votes, and they claim a right and privilege under the Constitution to vote to support the U.S. national commitment to aid Nicaraguan democratic para-military forces. The President has in effect nullified that right by disregarding the commitment in response to legislation plaintiffs allege is unconstitutional.

14. Plaintiffs allege they have no available legislative solution. Congress has no power to compel the President to comply with his officially proclaimed national commitment or U.S. treaty obligations to the Contras. As a result, plaintiffs are affected personally and in a concrete way in that constituent support for them may be eroded for failure to support the national commitment.

15. Plaintiffs allege that the political branches of the federal government have reached a constitutional impasse over a pure question of constitutional law whose resolution is not subject to the political process and allege that this Court has the Article III duty under the Declaratory Judgement Act to say what is the law under Article VI.

16. Plaintiffs further allege that this suit does not involve a political question because it does not involve a question committed by the Constitution to a coordinate branch. It involves the President's failure to obey a valid and subsisting U.S. national commitment to the Contras in support of U.S. treaty obligations.

Wherefore, plaintiffs request a judgment of this Court declaring that submission by the President and his agents to usurpation by Congress of his foreign affairs responsibility under Article II of the Constitution in accordance with which he adopted a national commitment to support the "Contras" is an unconstitutional abdication of duty and responsibility, and/or further request a judgment enjoining the President and his agents named as defendants herein from further compliance with said laws and such other relief as to the Court seems meet and proper.

Respectfully submitted,

CARL L. SHIPLEY,
I.D. #038687
MARION H. SMOAK,
I.D. #171108

Of counsel: Shipley Smoak Henry & Holdgreiwe.

July 6, 1987.

## MEMBERS OF CONGRESS CALLING FOR RESIGNATION OF U.S. ATTORNEY GENERAL EDWIN MEESE III

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### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. CONYERS. Mr. Speaker, I include a statement of Members calling for the resignation of Attorney General Edwin Meese and an article from the Washington Post:

STATEMENT OF MEMBERS OF CONGRESS CALLING FOR RESIGNATION OF U.S. ATTORNEY GENERAL EDWIN MEESE III

Following the testimony of the Attorney General before the select committees on the Iran-contra affair, the growing allegations of improper conduct in the Wedtech scandal, and the GAO report issued this week concluding failure to follow federal ethics regulations, it has now become clear that under the present leadership, the Department of Justice has lost the appearance of professional competence, high ethical standards and independence that it needs to function as the chief law enforcement agency of the United States. Accordingly we think it appropriate that, and we call upon Edwin Meese III to resign from his post as Attorney General.

Among the failures of the Attorney General evidenced in the select committee hearings on Iran-contra indicating poor administration of the department during the Iran-contra affair and the subsequent Department of Justice investigation into it include:

The failure, despite clear evidence of criminality, to initiate a criminal investigation until after the inquiry was completed on November 25, 1986 and substantially after the memorandum indicating diversion of funds to the contras was discovered on November 22, thereby allowing essential documents to be destroyed;

The honoring of requests to administration officials already under criminal probes to delay criminal investigations into illegal contra support activities because principals of those investigations were involved in the sale of arms to Iran; and

The failure to take steps to see that the statutory obligation to notify Congress of the Iran arms sales was fulfilled, following the attorney general's approval of a January 1986 finding on those sales which specifically postponed notification to Congress with the now stated understanding that such a notification delay would last no longer than approximately three months.

The series of misleading and incorrect statements made in the attorney general's November 25, 1986 press conference when accurate facts were either in his possession or readily accessible, as detailed in the Washington Post on July 30, 1987.

There are also well documented claims that the attorney general has ignored credible allegations of illicit contra support activities, public and private, for over one year prior to November 1986.

In addition, and notwithstanding whether an independent counsel may find criminal wrongdoing in the alleged use of personal influence to gain White House support for the military contractor Wedtech, the continued failure to comply with Ethics in Government Act requirements regarding financial disclosure by executive personnel, and other ethical matters being investigated by the independent counsel, have compounded questions raised about the attorney general's independence, standards and commitment to impartiality in the conduct of office.

Taken together, these matters have created the impression of professional competence and ethical standards inconsistent with public office, especially that required of the nation's chief law enforcement officer. Because this impression will continue to compromise the day-to-day functioning of the Department, we therefore call upon the attorney general to resign.

John Conyers, Jr., Chairman, House Judicary Subcommittee on Criminal Justice; Barney Frank, Chairman, House Judiciary Subcommittee on Administrative Law; Gerry Sikorski, Chairman, House Post Office and Civil Service Subcommittee on Human Resources; Patricia Schroeder, Chairwoman, House Post Office and Civil Service Subcommittee on Civil Service; Edward F. Feighan, Committee on the Judiciary; Harley O. Staggers, Committee on the Judiciary.

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[From the Washington Post, July 30, 1987]

RECORD CONTRADICTS MEESE'S NOVEMBER 25 STATEMENTS

(By David Hoffman)

Attorney General Edwin Meese III used his testimony before the Iran-Contra committees this week to defend statements he made during his November 25 news conference announcing the diversion of Iran arms sales money to aid the Nicaraguan rebels.

But the record laid out since then shows that Meese was wrong or misleading about many facets of the affair that day. Meese has acknowledged that some of the incorrect statements were the result of wrong information provided to him by others.

The picture Meese drew last November 25 portrayed the President as someone who learned about key events in the Iran arms deals after they occurred and depicted Lt. Col. Oliver L. North as "the only person in the United States Government" who knew "precisely" of the Contra diversion. The facts that have come to light since then show that Reagan was a central player in the Iran arms sales, and, while the President did not know of the Contra diversion, others in the Government, including then-CIA Director William J. Casey, did.

Meese testified Tuesday that "our information was by no means complete at that time," but he said, "we were able to piece together a basic outline of what is now known as the Iran-Contra story, which has been essentially validated during the extensive investigations which have occurred since."

But the investigations have shown that in its scope and depth the Iran affair extended far beyond that which Meese described to reporters November 25.

For example, Meese said then that Reagan approved the arms sales to Iran in a "finding" in January 1986. "And, incidentally," Meese said, "all of these transactions that I am referring to took place between January of 1986 and the present time."

In fact, the Iran operation began well before January 1986. Israel, with U.S. approval, made two shipments of weapons to Iran in August and November, 1985.

On November 25, Meese said nothing about a finding Reagan signed December 5, 1985. That document outlined an explicit trade of arms for hostages; the January finding described a broader initiative involving a strategic opening to Iran. Meese testified this week he did not know about the earlier finding at the time it was signed. Former National Security Adviser John M. Poindexter testified he tore it just as Meese's initial inquiry was getting under way.

On November 25, Meese said Reagan "did not have full details of all of the aspects of transactions that took place prior to the (January) finding." Meese said, for example, that Reagan did not learn of the November 1985 shipment of Hawk missile parts from Israel to Iran until February 1986. "And it's my understanding that the United States individuals were also informed after the fact," he said.

But days earlier, Reagan told Secretary of State George P. Schultz that he was aware of the November shipment, according to Schultz's testimony.

On November 25, Meese said that neither of the Israeli shipments involved the United States. In fact, top administration officials, including North and former National Security Adviser Robert C. McFarlane, were involved.

Meese stressed November 25 that the administration "is doing everything we can to be sure that there is no hint that anything is trying to be concealed." Subsequent testimony has shown that documents were shredded, false chronologies were prepared and other documents had been concealed.

Meese said November 25 that representatives of Israel and Iran had carried out the financial transactions. This week he said that, hours after the November 25 news conference, then-Israeli Prime Minister Shimon Peres called to say that the Iranians paid the money directly into the Swiss bank account of an American company and the Israelis were not aware of the beneficiary.

Meese estimated on November 25 that "somewhere between $10 (million) and $30 million" was diverted to the Contras. However, the investigations have established that less than $3.5 million actually went to the Contras. About $16 million was diverted from the Iran arms sales, and of that, about $8 million remains. The rest went to middlemen and for other purposes.

"So far as we know at this stage," Meese said November 25, "no American person actually handled any of the funds that went to the forces in Central America." Subsequent investigations have shown that North and others who were involved in the so-called "enterprise" to support the Contras did handle the money.

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## JAPAN AND GERMANY SHOULD SHARE OUR DEFENSE COSTS IN THE PERSIAN GULF

### HON. ERNEST L. KONNYU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. KONNYU. Mr. Speaker, it is no secret Japan and West Germany have deep rooted interests with respect to our military presence in the Persian Gulf.

Japan receives 59 percent of its crude oil from this region which accounts for 30 percent of all crude oil passing through the Strait of Hormuz, while West Germany has an 8 percent interest in crude oil from the Persian Gulf. Persian Gulf oil comprises only 5.5 percent of our domestic oil imports and we are spending $1.7 million a day to protect these shipping lanes.

These two countries maintain large trade surpluses with the United States at $49.8 billion for Japan and $15.6 billion for West Germany. In light of the above facts we feel the Governments of Japan and West Germany should help to defer our costs to defend this region to the extent they rely on Persian Gulf oil.

This legislation addresses this matter by urging President Reagan to request Japan and West Germany to assist us, either militarily or financially, with the burden of defending shipping lanes which are so vital to their domestic welfare.

There is an increasing threat of conflict against the United States and our Armed Forces as evidenced by Iranians designating a "Day of Hate" and their promise to avenge the violence at Mecca by retaliating against us. We mustn't let these threats go unheeded, the safety of our servicemen is at stake and the cost of protecting these shipping lanes is quite substantial. Japan and West Germany can and should share the burden.

The words of our legislation introduced today follows:

H. CON. RES. 178

Whereas Iranian Interior Minister Ali Akbar Mohtashemi threatened to avenge the violence at Mecca by retaliating against the United States through "martyrdom" tactics by the Iranian Revolutionary Guards in the Persian Gulf;

Whereas the designation by Iran of a "Day of Hate" against the United States should be interpreted as a potent and hostile threat against the United States and its armed forces in the Persian Gulf;

Whereas the United States is spending $1,700,000 a day protecting the Persian Gulf shipping lanes, although Persian Gulf oil comprises only 5.5 percent of domestic U.S. oil imports;

Whereas Japan and the Federal Republic of Germany have not taken any action to assist the United States, Great Britain, and France in keeping the Persian Gulf shipping lanes open or to financially support the countries doing so;

Whereas Japan receives 59 percent of its crude oil from the Persian Gulf region accounting for 30 percent of all crude oil derived from that region and the Federal Republic of Germany receives 8 percent of its crude oil from the Persian Gulf region accounting for 8 percent of all crude oil from that region;

Whereas the Federal Republic of Germany and Japan maintain large trade surpluses with the United States at $15,600,000 and $49,800,000,000, respectively, stated in 1984 constant dollars; and

Whereas many Members of the United States Congress and large numbers of overburdened American taxpayers are properly outraged that the Federal Republic of Germany and Japan are not sharing the cost, either military or financial, of keeping the Persian Gulf shipping lanes open: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That it is the sense of Congress that the President of the United States should request that the Federal Republic of Germany and Japan enter into negotiations with the United States for the purpose of establishing a more equitable distribution of the defense burden in the Persian Gulf and that an equitable level of assistance for Germany and Japan should be not less than: (1) a contribution to the total military forces necessary to defend the interests of the Western Alliance in the Persian Gulf region of 30 percent and 8 percent of such total for Japan and Germany, respectively, or (2) a comparable level of monetary compensation to the United States for this Nation's additional costs of assuming an inequitably large share of the defense burden in the Persian Gulf.

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## FREEDOM HOUSE JOINS EFFORT TO BRING DEMOCRACY TO PANAMA

### HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. PEPPER. Mr. Speaker, before America entered World War II, Freedom House was created to oppose Nazis and Fascists seeking world domination. For 45 years, the Freedom House has opposed tyrannies on the left as well as the right of the political spectrum. Freedom House has pursued its single-minded opposition through the decades and I am sure that we all support its efforts. In its attempt to highlight all peoples' struggle for democracy, Freedom House has joined in an effort to bring the benefits of democracy to Panama. I would like to insert in the RECORD a letter from John W. Reihm, president of Freedom House to Gen. Manuel Antonio Noriega, the Commander-in-Chief of the Panama Defense Forces.

FREEDOM HOUSE,
*New York, NY, August 6, 1987.*

Gen. MANUEL ANTONIO NORIEGA,
*Commander-in-Chief, Panama Defense Forces, Panama City, Panama.*

DEAR GENERAL NORIEGA: A large and dedicated sector of the Panamanian people is engaged in a critical struggle to reestablish democratic rule. A generation has been denied the opportunity to experience civilian government under the rule of law. The current crisis stems in large part from failure of 1984 elections to produce a credible result. The legitimacy of the current government was further eroded when the elected President was forced to resign under military pressure. Since that time much evidence has emerged that leading figures in the Panamanian political and military system have conducted violent and illegal activities to maintain their position. Reacting to recent demonstrations and strikes, the Panamanian authorities have engaged in detentions, brutality, and censorship. In recent days, authorities, have raided opposition offices and threatened new arrests; La Prensa and two other opposition papers have been closed, as have several radio stations; and new restrictions have been imposed on two independent TV channels. We deplore these and other actions abridging the basic rights of the Panamanian people.

We believe that military rule has no place in the Western Hemisphere. It is time for the security forces to adhere to the Panamanian Constitution and renounce further involvement in political life. This renunciation and fair new elections are the preconditions for reestablishing the tranquility and security of the country. Because the current government is popularly identified with the military, a legitimate civilian government can now be achieved only by calling an election as soon as feasible under the supervision of an electoral commission fully acceptable to the major political parties. To ensure the fairness and credibility of this election under present conditions, the commission might invite the assistance of appropriate international or regional bodies.

The Panamanian people deserve to take their place among the democratic peoples of the Americas.

Sincerely yours,

JOHN W. RIEHM,
*President of Freedom House.*

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## THE GREENHOUSE EFFECT

### HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SCHEUER. Mr. Speaker, although many current problems require us to focus our attention on near-term issues, the responsibility of the Congress is to preserve the American heritage for many generations to come. None of the problems we face today pose a greater threat to our heritage than the risks associated with uncontrolled climate change due to the buildup of carbon dioxide and other greenhouse gases in the atmosphere.

Human activities are changing the composition and the behavior of our atmosphere, a resource held in trust for all peoples and all generations. Industrial and agricultural activities are emitting a collection of pollutants that are changing the atmosphere's heat balance and increasing the risk of ozone depletion. If current trends continue, the atmosphere will be committed, within a matter of decades, to a global warming greater than anything experienced in the last 100,000 years. As a result, coastal areas will be flooded, fertile farmland threatened with desertification, and regional climates disrupted.

The United States contains only about 6 percent of the world's population, but uses about 30 percent of the world's energy and produces about 25 percent of the carbon dioxide emitted from the burning of fossil fuels. Our country produces and uses about 30 percent of the chlorofluorocarbons [CFC's] that contribute to the problems of global warming and stratospheric ozone depletion. Choices made in the U.S. Congress today about energy strategies, foreign aid, CFC's, and agriculture and land-use policies will heavily influence the timing and extent of future global warming. The following discussion by Gus Speth, president of the World Resources Institute, summarizes our current predicament and the prospects for limiting the risks of global warming through policy choices made today. I commend it to your attention, as well as the more detailed report, "A Matter of Degrees: The Potential to Limit the Greenhouse Effect," of which this is the foreward.

FOREWORD

For the past several years the international scientific community has been issuing unusual warning signals. Earth's climate, they say, the climate that has sustained life throughout human history, is now seriously threatened by atmospheric pollution.

Perhaps the most notable warning came in October, 1985, as a conference sponsored by the International Council of Scientific Unions, the World Meteorological Organization, and the United Nations Environment Programme, in Villach, Austria, drew to a close. "As a result of the increasing concentrations of greenhouse gases," the conference statement began, "it is now believed that in the first half of the next century, a rise of global mean temperature could occur which is greater than any in man's history."

More recently, in 1986 and 1987, the Environment and Public Works Committee of the U.S. Senate asked a dozen leading scientists from the United States and abroad to testify at extensive hearings. Wallace S. Broecker, a geochemist at Columbia University, spoke for many:

"The inhabitants of planet earth are quietly conducting a gigantic environmental experiment. So vast and so sweeping will be the impacts of the experiment that, were it brought before any responsible council for approval, it would be firmly rejected as having potentially dangerous consequences. Yet, the experiment goes on with no significant interference from any jurisdiction or nation. The experiment in question is the release of caborn dioxide and other so-called greenhouse to the atmosphere."

Climate shapes the character of places and human activities as powerfully as any force. It allows corn to flourish in Iowa and causes crops to fail in sub-Saharan Africa. It makes Siberia harsh, Tahiti gentle, and lends distinctive character to every place on the globe.

Until recently, climate was taken for granted and assumed to be unchangeable. The evidence is clear, however, that through such activities as burning fossil fuels, leveling forests, and producing certain synthetic chemicals, people are releasing large quantities of "greenhouse" gases into the atmosphere. These gases absorb Earth's infrared radiation, preventing it from escaping into space. This process traps heat close to the surface and raises global temperatures.

Excess carbon dioxide ($CO_2$) is the main offender. Prior to the Industrial Revolution, the concentration, of $CO_2$ in the atmosphere was about 280 parts per million. At this concentration $CO_2$ (and water vapor) warmed Earth's surface by about 33 °C and made Earth habitable. But, since then, especially since 1900 or so, the accelerating use of fossil fuels and vegetation loss over large areas of the planet have caused $CO_2$ in the atmosphere to increase by about 25 percent, to 346 parts per million.

But carbon dioxide build-up is not the only problem. Much of the new urgency about the greenhouse effect stems from the realization that other gases released through human activity—including chlorofluorocarbons (CFCs), methane, nitrous oxide, and others now contribute about as much to the greenhouse effect as $CO_2$ does.

According to one estimate, past emissions of greenhouse gases have already committed Earth to warm by 0.5 °C to 1.5 °C over the pre-industrial era, though only a fraction of this warming has been felt to date because of the inertia of the oceans. Several models project that if current trends in greenhouse gas build-up continue, we will have committed Earth to a warming of 1.5 °C to 4.5 °C by around 2030, the upper end of this range being the more probable.

It is vital to understand what these changes could mean. Not since the dawn of civilization some 8000 years ago has Earth been about 1 °C warmer than today. To find conditions like those projected for the middle of next century, we must go back millions of years. In short, if the greenhouse effect turns out to be as great as predicted by today's climate models, and if current emission trends continue, our world will soon differ radically from anything in human experience.

While the regional impacts of a global warming are uncertain and difficult to predict, many of the anticipated changes are far-reaching and disturbing. Rainfall and monsoon patterns could shift dramatically, upsetting agricultural activities worldwide. In summer, the Great Plains of the United States, Central Europe, and parts of the Soviet Union could experience Dust Bowl conditions. Sea level could rise from one to four feet, flooding coasts and allowing salt water to intrude into water supplies. Ocean currents could shift, altering the climate of many areas and disrupting fisheries. The ranges of plant and animal species could change regionally, endangering protected areas and many species whose habitats are now few and confined. Record heatwaves and other weather anomalies could harm susceptible people, crops, and forests.

In this context, it is not surprising that the scientists at Villach took the important step of urging that the greenhouse issue be moved into the policy arena. "[U[nderstanding of the greenhouse question is sufficiently developed," they concluded, "that scientists and policy-makers should begin an active collaboration to explore the effectiveness of alternative policies and adjustments."

WRI senior associate Irvin Mintzer, who participated in the Villach meeting, has worked since 1985 to design a method to help scientists and policy-makers collaborate. "A Matter of Degrees" is the first fruit of that effort. Between scientific understanding and policy initiative lies the domain of policy research, and Mintzer's paper describes a promising tool for addressing many of the questions that must be answered before effective national and international action can be taken.

Mintzer has integrated many existing simulation models into one structure—the Model of Warning Commitment—that can be used to project future emissions of the six gases that contribute most to global warming and to estimate their ultimate warming effects. Individual components of the model can be separately manipulated to simulate possible policy initiatives and economic changes.

"A Matter of Degrees" describes the model and presents important results of analyses using it. These results provide grounds for great concern about current trends and guidance toward a less risky future. They suggest that strong measures can significantly diminish the build-up of greenhouse gases if implemented effectively and soon. They also suggest that even with such measures substantial climate change stemming from past and current activities may now be inevitable.

A comparison of two of Mintzer's scenarios brings out these conclusions. His "base case" scenario reflects conventional wisdom about population, economic, and energy growth from 1980 to 2075. No policies are introduced to slow the greenhouse gas build-up: no major effort is made to arrest tropical deforestation, to improve energy end-use efficiency, or to introduce non-fossil energy sources. Environmental concerns have little effect on energy policy. Similarly, no policy steps are taken to limit CFC emissions. In Mintzer's "slow build-up" scenario, economic growth is the same, but strong policies are adopted to introduce solar energy, improve energy efficiency, discourage the use of solid fuel, and arrest deforestation. CFC production is frozen by international agreement at the 1985 level, and other measures reduce CFC releases.

By 2030, the difference in global warming between these two scenarios is already significant in the model, with a warming commitment in the range or 1.6°C to 4.7°C in the base case scenario above pre-industrial temperatures and 1.1°C to 3.2°C in the slow build-up scenario. By 2075, the difference is profound—2.9°C to 8.6°C above pre-industrial temperatures in the former and 1.4°C to 4.2°C in the latter.

Using these results, it appears that, even with measures as far-reaching as Mintzer considers in the slow build-up scenario, the earth's surface temperature could be committed to an increase of 2°C or 3°C by about 2030—a major change in the planet's climate. Yet the strong measures tested in the slow build-up scenario do succeed over the next century in preventing changes possible two to three times this great, an extremely important result. Without such measures, current trends and policies appear to have mankind on a course that could lead to very large and potentially devastating climate changes in the next century.

Several responses to these findings are possible. Given the gaps in our knowledge and the inevitable distance between model and reality, one could simply beg to differ. Indeed, because the findings presented here are seriously disturbing, we must hope that future research and improvements in our understanding will lift this burden from societies in some measure. Time, of course, would tell whether the concerns now voiced by many scientists are justified. But can we afford to take that time and risk the planet's future? Mintzer's work, and that of others, suggests that, far from having the luxury of time, we are already late getting started and the costs of delaying a response are large.

Another possible response, considering the difficulty of measures needed to slow the build-up of greenhouse gases, is to conclude that not much can be done because of practical and political constraints. The greenhouse issue may present the ultimate environmental dilemma. Collective judgments of historic importance must be made—by decision on default—largely on the basis of scientific models that have severe limitations and that few can understand. To some, the trade-off will be whether to provide the energy needed for economic growth or to protect humanity from a seemingly distant and uncertain threat. Further, addressing that threat will require international cooperation on a scale seldom achieved save in war.

Yet, with the build-up of greenhouse gases proceeding apace, a great planetary experiment is under way, as Wallace Broecker correctly obseved. Before the results are fully known, our children and future generations may have been irrevocably committed to an altered world—one that may be better in some respects but that also involves truly unprecedented risks. Not to despair requires an act of faith in people—faith that as these risks become widely appreciated, people will not sit idly by but will respond to protect deeply held values. Moreover, the alternative of action may appear more attractive as it is better understood.

Virtually all the steps societies should take to slow greenhouse gas build-up have powerful justifications apart from preventing climate change. And to those who believe" a little warming might not be so bad, on the whole," the appropriate response is that "a little warming" is no longer the issue. A big warming is.

"A Matter of Degrees" suggests that two kinds of action are justified: adaptive measures to prepare for climate change that seems inevitable and, even more important, preventive measures to forestall changes that we can still influence. Control of greenhouse gas releases can both buy precious time and, ultimately, maintain Earth's climate as close as possible to that of the past several thousand years. Given what is now known, major national and international initiatives—grounded in the best available science and policy analysis—should become a top priority of governments and citizens.

Clearly, a deeper appreciation of the risks of greenhouse gas build-up should spread to leaders of government and business and to the general public, investing the greenhouse issue with a sense of urgency not present today. If nations are to be spared a Hobson's choice between energy shortages and climate change, a priority commitment should be made here and abroad to energy efficiency, to solar and other new and renewable energy sources, and to economic incentives and other measures that discourage the use of high-carbon fuels. Steps should also be taken to halt the damaging deforestation now under way in the tropics and to regulate CFCs and other greenhouse gases.* "A Matter of Degrees" uses changes in all these directions to shape the slow build-up scenario.

The years immediately ahead should be a period of intense scientific research, policy exploration, and adoption of appropriate measures. Innovative international responses should be discussed. Global and regional energy futures should be explored with special emphasis on their effects on the greenhouse problem. Preventive and adaptive strategies appropriate to the world's regions should be mapped and means found to build U.S.-Soviet cooperation on this issue since these two countries together have 55 percent of the world's coal reserves.

In this period of intense interaction among scientists and policy-makers, scientists will have a special role to play. Without their leadership, the necessary public understanding will not be achieved. But the search for solutions must also involve leaders in government, business, energy, environment, and international and economic affairs. Cooperation will make the difference between choice and chance.

The World Resources Institute expresses its deep appreciation to the C.S. Mott Foundation, the Rockefeller Brothers Fund, and the German Marshall Fund of the United States for their support of WRI's work on energy and atmospheric issues.

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## SOUTHWEST WASHINGTON STATE BOASTS TWO ALL-AMERICAN CITIES

### HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BONKER. Mr. Speaker, I feel distinctly proud that not just one, but two cities in my congressional district in southwest Washington State received the All-American City award, presented by President Reagan.

These two cities, Vancouver and Olympia, earned this coveted recognition through strong public-spirited leadership that gave their respective communities vision and a number of notable accomplishments.

One of the leading citizens In Vancouver is Harriet Campbell who was in Washington, DC, to accept the award. She shared her thoughts and experiences in a column that appeared in the Vancouver Columbian on July 22, 1987. the article is reprinted below:

[From the Columbian, July 22, 1987]

AN ALL-AMERICAN CITY DOESN'T REST ON ITS LAURELS FOR LONG

(By Harriet Campbell)

A very proud Vancouver USA, represented by 10 of its citizens, traveled to Washington, D.C., last Thursday to accept the All-American City award. You were all there with us, because without you there would have been no award.

A gracious Ronald Reagan handed Mayor Bruce Hagensen the copper-faced wooden plaque recognizing our efforts. We could almost hear you cheering.

The president was probably having a little respite from his busy schedule Thursday, as Washington, D.C., was very quiet. Many of the legislators were in Philadelphia attending ceremonies for the bicentennial celebration of the Constitution.

Nevertheless, there were some really wonderful things still there.

We visited the Vietnam Memorial, a monument so eloquent in its simplicity you could hear the awe and respect in the silence of those paying tribute.

We drove by the National Gallery of Art, where Andrew Wyeth's Helga paintings, among his many others, are on display.

We passed the Lincoln Memorial and paused to reflect on another time in our nation's history when our country was also torn by opposing views.

We toured the Capitol, where the American people have the right to have their wishes represented by their elected officials.

We passed the Supreme Court building, the ultimate repose of the law of the land.

And we were very proud to be Americans.

We didn't have the time or the opportunity to say everything we wanted to say about Vancouver, USA. We tried to do that in Kansas City, Mo., where we made our presentation to convince the National Civic League that Vancouver was an All-American City.

But I think if we'd had the opportunity again in our nation's capital, we would have added that Vancouver is a small, All-America city with an awful lot of good friends who like to work very hard to accomplish the things we believe in. We have friends in our county, friends in our state, friends in Oregon, our good neighbor to the south. We also have very good friends in Japan and the Soviet Union.

We hope in our own small way we have demonstrated to America and perhaps even to the world what communication, cooperation and understanding can achieve.

As our exciting, hurried, three-day trip drew to a close and we flew back to our beautiful Pacific Northwest, we gave thanks as we passed Mount Hood and saw Mount St. Helens and Mount Adams in the distance. And as we flew in over the Columbia River, with its green forested banks, and saw Vancouver, our own personal All-America city, we were glad this is home.

We were back in the community that allowed us the privilege of representing it.

We remembered again how, at the closing of the Nihonga Art exhibit, on which our All-America City application was based, our community spirit and confidence were unbounded. And at that time we asked, what's next?

So we hosted the 50th anniversary celebration of the 1937 Chkalov transpolar flight from Moscow to Vancouver. We saw the Leningrad Kirov Ballet perform at the Columbia Arts Center. We hosted another international exhibit at the Marshall House in cooperation with the Soviet Union. And we accepted the All-America City Award from the President of the United States.

It seems the only logical question to ask once again is, what's next?

Let's see: Officers Row, A Goodwill sheltered workshop for the handicapped, revitalizing the Columbia Arts Center, reconstructing our waterfront, downtown Vancouver. . . .

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## A FREEDOM UP IN SMOKE

### HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. COBLE. Mr. Speaker, there has been much debate in recent days on issues relating to the consumption and advertising of tobacco products. There are some in the House who are seeking to ban the advertising and promotion of all tobacco products. Those of us who oppose this effort claim that the banning of a lawful product such as tobacco is nothing but censorship.

Rather than repeat the arguments I have used before, I commend to my colleagues an excellent editorial from the High Point Enterprise of July 29, 1987. I urge those of my colleagues who are seeking to ban the promotion of a legal product to read this editorial carefully.

The editorial follows:

A FREEDOM UP IN SMOKE

A 1930s magazine ad for Lucky Srike cigarettes featured Buster Crabbe, Olympic swimming champion and later Flash Gordon in the movies, who testified that smoking increased his wind.

1980s athletes know better and few, apart from golfers and baseball designated hitters, indulge in the habit. Nowadays, it is a poor role model indeed who encourages youngsters to smoke cigarettes or dip snuff or chew tobacco.

That is the point that several athletes are making during congressional hearings this week. The House Energy and Commerce subcommittee on health is taking testimony on a bill that would ban all tobacco product advertising.

Basketball players Wayne "Tree" Rollins of the Atlanta Hawks and Scott Wedman of the Boston Celtics were two who spoke in favor of the ban. They belong to an organization called Athletes Against Tobacco that wants to "send a strong message to our nation's youth that tobacco use and sports do not mix," according to Wedman.

That is an important and accurate message, one that should be broadcast coast to coast. In a free society, public education is accomplished through the broad dissemination of information.

In contrast, nothing good is gained, and much is lost, through censorship. The authors of the Bill of Rights knew that when they wrote the First Amendment to the Constitution which says that Congress shall make no law that would abridge freedom of speech or of the press.

Unfortunately, Congress has before it a proposed law that would do exactly that. A ban on tobacco advertising would be clearly and outrageously unconstitutional.

Certainly, this nation could survive in freedom even if tobacco advertising were outlawed. But Americans would be less free, particularly those who earn their living through the manufacture and sale of legal tobacco products.

And Congress does not restrain itself when it achieves any small success. The erosion of freedoms would continue with legislation to eradicate the advertising of other legal products such as alcoholic beverages, firearms, motorcycles or anything else that might be perceived as dangerous if misused. What would be the limit if Congress decided to enact exceptions to the First Amendment, which was written without exceptions? It is not far from that point to a ban on the distribution of other kinds of information.

Athletes, doctors and headline-hunters in Congress don't worry about such constitutional questions. They are more concerned about the nation's health, and that's fine. Somebody should be. But the health of our Constitution on its 200th birthday is important, too. And right now, it's in a little bit of danger.

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## UNEMPLOYMENT INSURANCE DEMONSTRATION PROGRAM FOR DISLOCATED WORKERS

### HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LEVIN of Michigan. Mr. Speaker, today I am introducing legislation, along with my colleagues Mr. DONALD PEASE and Mr. WILLIAM FORD, to establish a five-State demonstration program to test innovative ways to help dislocated workers collecting unemployment benefits find new jobs.

For the past two decades, the American economy has been undergoing an enormous transformation. The challenges of foreign competition, a new technologies, and rapidly changing consumer demands are altering our worker's lives and expectations. These forces have already caused massive dislocations. Between 1981 and 1986, 5.1 million experienced workers lost their jobs permanently, far more than during any past economic downturn. A recent study commissioned by the Department of Labor, "Workforce 2000," found that "worker dislocations are certain to be an economic fact of life in the foreseeable future." We can now expect the average worker to be forced to change careers as many as six times during his or her working life.

Unlike many other industrialized countries, the United States does not have a national strategy to deal with the problem of dislocated workers. While times have changed, the systems we have in place to aid these workers lag decades behind.

Dislocated workers often face much greater barriers to reemployment than other unemployed workers. The permanence of their job loss, their substantial investment in and attachment to their former jobs, and the fact that they tend to be concentrated in certain localities, industries, and occupations make it much more difficult for dislocated workers to obtain new jobs. Moreover, the new jobs in the service sector frequently require greater literacy and higher levels of analytical and communication skills than the jobs they are replacing. These demands are being placed on workers at a time when a growing number of adults cannot read at an eighth-grade level.

Despite the new challenges facing dislocated workers, the basic systems we have in place to assist them—Unemployment Insurance (UI) and the Employment Service (ES)—have changed little since they were created during the Great Depression when the problems the country faced were much different than they are today.

The UI system was designed to supply funds to keep a family going until the breadwinner could get back to work—usually back to the same or similar work. Yet during the 1982 recession, over half of the rise in unemployment was due to permanent dislocation.

The ES system is equally unsuited to help dislocated workers adjust to different jobs in new industries, for which they are often unprepared. "Workforce 2000" found that the routinized job listing and referral services of ES are entirely inadequate to address the needs of dislocated workers.

It is clear that these systems must be updated. We can make better use of these resources, a particularly crucial point as we struggle to reduce our massive budget deficits.

Congress took a first step toward helping dislocated workers when it created the Trade Adjustment Assistance (TAA) Program, and this year's trade bill contains important improvements. These programs aid workers dislocated as a result of foreign competition. But dislocated workers face barriers to reemployment regardless of the cause of their job loss. It is time to move to generalized system that reaches all dislocated workers.

Fortunately, many of the tools we need are already in place. UI reaches 69 percent of all dislocated workers. There are ES staff and offices in every State, and Job Training Partnership Act (JTPA) programs have gained valuable experience in linking the public and private sectors to train workers for productive jobs. These systems can be the building blocks of a modern approach to aiding dislocated workers.

Last year in New Jersey, the Department of Labor tested an integrated delivery system to identify and mobilize the current UI, ES, and JTPA systems and offer intensive help to dislocated workers. Preliminary results from this experiment are encouraging. In addition, experience with TAA and the programs of other States and countries, particularly the 25-year-old Canadian Industrial Adjustment Service, indicates that a variety of program approaches have worked to facilitate worker readjustment.

Building on these models, we propose a five-State demonstration program to upgrade the UI and ES systems to better serve displaced workers. This program has six main elements.

First, it authorizes States to develop a service delivery system that integrates the UI, ES, JTPA and TAA programs to help displaced workers rapidly find new employment. This system will coordinate administrative procedures and develop new linkages among UI, ES, JTPA and TAA. The demonstration refocuses and redirects the efforts of ES, in particular, to provide an identifiable public agency that will coordinate public and private efforts to aid dislocated workers. It also establishes joint working groups to develop innovative projects and build existing services that have proven effective into new, high-quality programs.

Second, the program reorients the UI and ES systems to find dislocated workers early, within a few weeks of unemployment, to inform them of available reemployment services, before their unemployment benefits run out. "Workforce 2000," emphatically found that the earlier these workers are identified, the more effective delivery of public and private services.

Third, the program provides intensive services to dislocated workers. It establishes a "New Start" program of vocational and aptitude testing, job search, individualized assessment, and vocational and career counseling. The demonstrations will help dislocated workers develop individualized "New Start" plans and will refer them to basic educational and vocational training programs, when appropriate.

Fourth, the program improves labor market services for business. The demonstrations will conduct labor market surveys, improve outreach efforts to businesses, and work closely with local employers to develop aggressive job matching and referral services that direct dislocated workers to appropriate job openings. The demonstrations will also instruct agencies to develop streamlined on-the-job training contracts with private employers and tailor job training courses to provide employers with workers "custom-trained" for specific jobs in specific firms.

Fifth, the program authorizes States to experiment with other new and innovative services such as relocation assistance, self-employment allowances, reemployment bonuses, and economic adjustment allowances.

Finally, it allows workers in approved training programs to continue collecting UI and to extend their benefits for up to an additional 30 weeks.

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* See, e.g., "Tropical Forests: A Call For Action" and "The Sky Is The Limit."

The proposed demonstration program is jointly funded by the Federal Government and the States on an 80/20 matching basis. The Federal share is paid out of the UI Trust Fund. This fund currently has a surplus of over $1 billion. Using this surplus for the demonstration program will not endanger the solvency of the UI system. The Federal costs of the demonstration program are capped at $50 million per year.

The programs are administered by the States under guidelines established and monitored by the Department of Labor. DOL will provide States with technical assistance and will evaluate State projects. States will have leeway to experiment and to develop innovative programs for aiding dislocated workers.

The need to assist dislocated workers is clear. This legislation is a carefully planned first step in that direction.

The shock of change in our economy can either be destructive or an opening to new growth. We must choose the productive course and ease the transition required of men and women forced to build new lives in new places and to acquire new skills. It is in the national interest to help dislocated workers readjust quickly. We must unite public and private efforts in a comprehensive, coordinated approach to give dislocated workers the education and training that a dynamic, competitive economy requires. We have the best in human resources—let's make the most of them.

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## CIVIL RIGHTS RESTORATION ACT: A MATTER OF SIMPLE JUSTICE

### HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GRAY of Pennsylvania. Mr. Speaker, the matter of civil rights has been addressed appropriately by this body before. Unfortunately this clear message has been misinterpreted by the February 1984 Supreme Court decision in the Grove City College case.

Recently an article regarding this issue was written by Mr. Andrew Henshel and appeared in the Philadelphia News Observer. I would like to acknowledge this very thorough analysis of the Civil Rights Restoration Act by printing the article in the CONGRESSIONAL RECORD.

THE CIVIL RIGHTS RESTORATION ACT: A MATTER OF SIMPLE JUSTICE

Dear Editor:

A top priority on the legislative agenda for the 100th Congress should be passage of H.R. 1214, the Civil Rights Restoration Act of 1987.

Enactment of the Civil Rights Restoration Act will restore to full force and effect four key civil rights laws whose provisions were undermined by the February 1984 decision of the Supreme Court in the Grove City College case. The four laws affected are Title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of the 1975.

These four laws contain provisions, identical in language, that prohibit the use of federal funds to subsidize institutions or programs that discriminate on the basis of race, sex, disability or age. The Supreme Court, however, in the Grove City decision, ruled that only a program or activity directly receiving federal assistance is subject to the anti-discrimination provisions of present law. This decision narrowed the comprehensive, institution wide coverage that had previously existed. Thus, an individual department or unit of an institution can now engage in discriminatory practices, and the institution can receive federal funds as a result of the Grove City decision.

The need for passage of the Civil Rights Restoration Act is clear. Since the Grove City College ruling, a substantial number of Federal cases involving discrimination against individuals based on race, sex, disability or age have been delayed, suspended, or closed. It is critical, therefore, the Congress act expeditiously to restore the broad, comprehensive coverage of our nation's civil rights laws that previously existed, applying to all institutions receiving federal funds.

The Grove City decision directly contradicted prior Executive and Congressional intent, which was expressed eloquently by President John F. Kennedy in a 1963 message to Congress: "Simple justice requires that public funds to which all taxpayers of all races contribute, not be spent in any fashion which encourages, entrenches, subsidizes, or results in racial discrimination. Direct discrimination by federal, state or local government is prohibited by the Constitution. But indirect discrimination, through the use of federal funds, is just as invidious."

Passage of the Civil Rights Restoration Act of 1987 will reaffirm our nation's commitment to the principles of fairness, justice, and equality of opportunity for all. As our nation commemorates the Bicentennial of the Constitution, it is appropriate that the Congress act to restore full protection of civil rights under federal law. Clearly, it is a matter of simple justice.

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## TEDDY GLEASON—FIGHTER FOR THE WORKING MAN

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BIAGGI. Mr. Speaker, I rise today to pay tribute to a leader in labor reform, a champion of the American laborer, a truly great American, and a very dear friend—Teddy Gleason. Last Friday, Teddy left his position as president of the International Longshoreman's Association of the AFL-CIO. As one of the founders of the ILA, and as it's president for the past 34 years, Teddy has dedicated his life to ensuring quality of working conditions and good wages and benefits for our Nation's longshore workers. However, Teddy is not going into a much-deserved retirement. He will continue as president emeritus of ILA and as president of local 1, the local he founded and the second largest local of the ILA. I have long admired Teddy's dedication to his goals and causes and deep devotion to ensuring the rights of his fellow workers. I would like to reflect for a moment on Teddy's life and accomplishments.

The son of poor Irish immigrants, Teddy, at age 15, began working on the docks of New York's West Side. Hour after hour, year after year, he performed the backbreaking work required. He advanced through a variety of jobs until he became a dock superintendent. In 1932, he was booted off the docks because of his union-organizing activities. After a brief period during which he worked in a sugar factory by day and sold hotdogs at Coney Island at night, Teddy returned to the docks and soon became president of ILA Local 1346. Local 1346 eventually merged with other locals to form local 1. Teddy soon became president of this new local.

Since the days of the New Deal, Teddy Gleason has been a leader in the union movement. He lead the fight for safer working conditions—not only for dockhands but for laborers generally. Federal, State, and local leaders have solicited his advice and support. When Government officials wanted a credible "blue ribbon panel," they sought Teddy Gleason's participation. In 1953, Gleason's fellow longshoremen elected him general longshoreman organizer of the ILA and, 10 years later, selected him as international president. Gleason's primary responsibility was, of course, to protect those who elected him. He was a tough negotiator, who sought to assure job security and a fair wage for longshoremen.

Probably the greatest challenge the ILA and Teddy faced was the technological revolution brought about by intermodalism. In an intermodal operation, products are packed in large metal containers that can then be transported by rail, truck, or specially designed container vessels. As ocean shippers increasingly used containers, dockside work decreased. Management and the shipping community would not tolerate union efforts to block intermodalism. Teddy was faced with the task of protecting the jobs of his fellow workers while not blocking technological progress. The agreements that emerged from those early negotiations represented a dramatic victory for labor while fostering a technological revolution that changed transportation patterns forever.

Teddy Gleason will go down in history as a champion of the labor union. Due to his diligent efforts many Americans support themselves and their families working with the shipping industry. He will shine as an example of selfless dedication to others and endless commitment to justice for all workers.

Teddy, you have given us a great model for hard work and service of others. I know you will continue in your tradition of excellence and your commitment to justice.

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## KUDOS TO COLORADO SUPERCONDUCTOR RESEARCHERS

### HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mrs. SCHROEDER. Mr. Speaker, this week Colorado State University announced a major advance in the search for superconducting material. I wish to express my admiration for the work of Prof. Walajabad Sampath and graduate student Nitate Mate.

This research team at the university has isolated microscopic particles that repeatedly

show evidence of superconductivity at temperatures up to 70 degrees Fahrenheit. In addition, they have been able to maintain superconductivity at room temperature for up to 2 days.

This is an exciting advance that may hold the key to finding a superconductor that works at room temperature. While other researchers have found evidence of similar superconductivity, they have been unable to duplicate the results or isolate the superconductive properties.

[From the Rocky Mountain News, Aug. 6, 1987]

CSU ISOLATES "KEY" TO SUPERCONDUCTORS

(By John C. Ensslin)

FORT COLLINS.—A Colorado State University research team yesterday said it has isolated microscopic particles that could unlock the mystery of superconductors, materials that conduct electricity with no resistance or loss of energy.

The researchers think the tiny ceramic specks may hold the key to the hottest race in modern physics: to find a superconductor that works at room temperature.

The CSU researchers were able to demonstrate superconductivity at temperatures of up to 70 degrees for up to two days, said CSU mechanical engineering professor Walajabad Sampath.

"Other researchers have seen tantalizing hints of superconductivity at these temperatures, but they haven't been able to repeat or sustain it," Sampath said.

While CSU officials touted the results as "a major coop," Sampath modestly downplayed the significance, winding at the mention of "breakthrough" or "discovery."

"It's just an isolation technique," he said. "It's on the road maybe, but we're not there," he said. "The final story is when you can make a material that is all that stuff (a room-temperature superconductor.)"

Superconductivity is a phenomenon in which electricity passes through a material with no resistance.

Since 1911, scientists have known that certain materials, when cooled to near absolute zero, become superconductive.

In recent years, scientists have discovered a ceramic compound of copper, yitrium, barium and other oxides that have superconductive properties at much higher temperatures.

These breakthroughs have fueled visions of building high-speed trains, compact supercomputers and no-loss energy transmissions lines with the material.

But one of the stumbling blocks has been the temperature required to create the phenomenon. Reaching and maintaining superconductivity at such frigid (minus 319 degrees Fahrenheit) temperatures has made commercial application of superconductivity impractical and too expensive.

Earlier this year, researchers at the University of California at Berkeley said they showed superconductivity at 60 degrees, but other researchers have been unable to duplicate the results or isolate the superconductive properties.

Sampath's research took a different turn when one of his graduate students, Nitate Mate, suggested they pulverize the superconductive chip and study its properties under a microscope.

In an around-the-clock experiment last week, Sampath and co-researcher Sean Riley demonstrated superconductivity by running a magnet over the specks.

The superconductive particles—no bigger than the diameter of a human hair—"danced" as they generated their own electric field, repelling that of the magnet.

"We just monitor the temperature at which the particles stop dancing," Sampath said. "That is one indication that these are high-temperature superconductors."

If his hunch is correct, Sampath said, the next step will be to analyze the particles and eventually reproduce the material.

A patent is pending on CSU's process for isolating the superconducting material. The process was a result of research initiated by Sampath, who has been at the school since 1985, and Mate.

CSU MAKES BREAKTHROUGH ON SUPERCONDUCTIVITY

(By Anne Gordon)

Two Colorado State University scientists announced a new discovery Wednesday that may speed up the already fast-paced race to develop a superconductor that works at room temperature.

The CSU researchers said they have isolated bits of material that repeatedly show evidence of superconductivity at temperatures up to 70 degrees Fahrenheit.

Other researchers have found evidence of similar superconductivity, but they were not able to tell exactly which part of the compound was active at the higher temperature. The CSU discovery is important because it isolated the superconducting particles in the compound. The CSU research may allow scientists to reproduce the room-temperature superconducting material.

"No one else has achieved constancy and been able to duplicate their results. We have been able to isolate and analyze their composition and hopefully now will synthesize these compounds," said CSU's Walajabad Sampath, a mechanical engineering professor.

Superconductivity is the phenomenon in which electricity passes through materials with no resistance or loss of energy. But the promise of superconductivity goes well beyond that textbook explanation. William R. Graham, the White House science adviser, has compared the discovery of superconductors to the invention of the laser and even the electric light.

Superconductors may one day be used to change everyday life as they power such marvels as a levitating train and immensely powerful computers. But for today, the challenge facing scientists is just to understand superconductors and later build and stabilize the material. Some developers have said it may take as long as 10 years to get the new breed of superconductors out of the laboratory and into practical use.

Sampath and his co-researcher Sean Riley have been working around the clock this past week repeatedly demonstrating superconductivity occurring at room temperature several times for as long as two days. "Time and time again, we have physically seen particles the diameter of a human hair become superconductive at temperatures ranging from minus 19 to 70 degrees Fahrenheit," Sampath said.

The CSU research "could be very exciting" if the results are confirmed by others, Northwestern University physics professor Arthur J. Freeman said Wednesday.

It comes in the midst of reports that unconfirmed results in Japan indicate superconductivity at 86 degrees, reproduced over four days, and 122 degrees reproduced over six to eight days," Freeman said.

Sampath and Riley use a blend of copper, yurium, barium and other oxides, cool them with liquid nitrogen and place the material above a magnet. Under the eye of a microscope, Sampath watched "the particles dance and simply measured when the last one danced" at 70 degrees Fahrenheit.

The scientific explanation for the marathon dancing of these particles is called the Meisner Effect, where superconductive material generates its own magnetic field and begins to repel against that of the magnet. The repelling causes the particles to move and spin.

A patent is pending on the CSU process for isolating the superconductive materials, said Sampath. "We went down a totally different road from other lands."

For the past 18 months, researchers across the world have been racing to develop superconductive materials at increasingly high temperatures. Intense attention had been paid to the phenomenon of superconductivity since a Houston scientist, Paul Chu, stimulated the effect in particles at about 283 degrees below zero. Since then the temperature in which superconductivity can be seen has heated up by leaps and bounds.

Reports of superconductivity occurring as high as 60 degrees have been made by the scientists at the University of California at Berkeley. But researchers have not been able to duplicate these results nor isolate the higher-temperature particles.

This is one of the most perplexing twists in superconductivity research today—the superconductive materials simply disappear. Several leading researchers have seen evidence of superconductivity at high temperatures one day, and been unable to repeat the effect the next.

Until the mysterious substances can be reproduced and stabilized, researchers have no way of knowing how they made it and just how the atoms are aligned. The atoms can be structured in hundreds of thousands of different crystaline formations.

"These materials are so wonderful and complex," said Sampath. "We want to isolate small regions and analyze it in order to know what questions to ask. What makes these materials different from the rest."

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## THE VIETNAM VETERANS READJUSTMENT COUNSELING PROGRAM PRESERVATION ACT OF 1987

### HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WILLIAMS. Mr. Speaker, today I am introducing the Vietnam Veterans Readjustment Counseling Program Preservation Act of 1987. This legislation contains several provisions relating to the Veterans' Administration Readjustment Counseling Program for Vietnam-era veterans and more specifically, to eliminate the requirement that the Veterans' Administration carry out a transition under which community-based vet centers would be moved to VA medical facilities and to provide standards and procedures governing any closure or moves of vet centers.

The original legislation provided for eligibility for readjustment counseling for all Vietnam veterans for a 2-year period. Ironically it was the Veterans' Administration, with some consultation with Congress, that determined that services would be provided through small community based vet centers in leased space and that services would be provided by a mix of professionals and paraprofessionals with an emphasis on Vietnam veteran staffing. In fact, approximately 60 percent of all readjustment counseling staff nationwide are themselves Vietnam theater veterans and an additional 25 percent are Vietnam-era—non-theater—veterans.

Mr. Speaker this legislation would eliminate the statutory mandate beginning in October 1987, for the transition of the Vietnam-era veteran readjustment counseling program from one conducted primarily through vet centers in their community locations, to one conducted primarily through VA medical facilities.

Frankly, the real intention of Congress in establishing a transition requirement was to ensure that the VA continue to have the capacity to provide counseling to veterans who were clients in the program when the eligibility came to an end. We repealed that 1984 limit in Public Law 98–160 and made the entitlement to request readjustment counseling a permanent one.

The Readjustment Counseling Program, provided through these community-based storefront vet centers, was created in response to the authorizing legislation contained in Public Law 96–22 on June 13, 1979. In the 7 years since its inception, the program has provided readjustment services to over 437,000 Vietnam era veterans and more than 125,000 family members. New records of first time client visits have been established each year since the inception of the program and in fact in 1987 so far about 72,000 new clients have been seen. While at the same time the cost of the programs has remained fairly constant at $52 million each fiscal year. Currently about one-third of the veterans seen present post-traumatic-stress disorders deriving from experiences while on duty in South East Asia during the Vietnam war. The remaining two-thirds are seen for employment problems.

Mr. Speaker this model of storefront counseling centers was adopted for a number of reasons: (1) the model had proved successful throughout the 1970's in the form of self-help groups; (2) the judgment was made both by the Veteran's Administration and the Congress that readjustment counseling clients should not be treated as psychiatric patients and that diagnostic labeling should be avoided, in anticipation that this approach would speed recovery and rehabilitation. And finally and probably most important it was and still is very much recognized that some degree of estrangement or alienation had arisen between the Veteran's Administration facilities and Vietnam veterans, and the assessment was made that that veterans would come more readily for help to community-based centers whose identification with the Veteran's Administration kept at a low profile.

These vet centers were established with a sense of urgency in an effort to relieve a disturbing and troubling situation from this Nations most recent war. There is no doubt in my mind that this model that I have described above is very effective in accomplishing that purpose and needs to be continued in its present structure. Workloads at most vet centers have persisted at high levels over the 7 years in part because of the consumer orientation and personal touch made possible by the staff. That structure of a small team and vet center services provided has been strongly endorsed and accepted by the Vietnam-era veteran public. In fact based on the information presently available, including a 5.4-percent increase in new clients and an 8.8-percent increase in visits at vet centers for the first 6 months of fiscal year 1987 as compared to a year ago, the transition policy in current law is seriously flawed and should be repealed.

Increased utilization of vet centers coupled with the increased responsiveness of vet centers will only enhance the basic mission of these community based centers. The needs of Vietnam era veterans and their families are only beginning to be met. It is time now to realize that it is not only the veterans who experience problems but also their wives and children. The legacy of Vietnam is being passed on to the next generation. This model most effectively meets this challenge.

In part because of its unique and innovative character, the Readjustment Counseling Program during the past 7 years has been the object of an unusual amount of study, evaluation, and oversight. Included in this are three evaluations completed by the VA's Department of Medicine and Surgery Vet Center Planning Committee, VA Advisory Committee on Readjustment of Vietman Veterans, and finally the work of the Chief Medical Directors Special Committee on Post-Traumatic-Stress Disorder. All of these advisory committees have made recommendations that the program is effectively carrying out the mission designed for it by the Congress and the Veterans' Administration; and that the present vet center program should be continued after fiscal year 1988 with no major alterations in structure, services, or eligibility.

My legislation will accomplish the following basic purposes:

First, eliminate the statutory requirement for a fixed transition of vet centers;

Second, replace that transition provision with one permitting a closure or relocation of a vet center only if such a move or closure would not result in any diminution in the availability of readjustment counseling needed by veterans;

Third, require 60 days advance notice and other information be provided to the House and Senate Veterans' Affairs Committees before relocation;

Fourth, protect for 3 years the budget and personnel ceiling for any vet center relocated to a VA medical facility;

Fifth, make World War II and Korean veterans eligible for although not entitled to readjustment counseling;

Sixth, authorizes the relocation to vet centers of other VA personnel from the Department of Veterans' Benefits for the purpose of providing veterans through the program with other VA benefits and services;

Seventh, require that vet center personnel be converted to career positions;

Eighth, require the same process that currently applies in the administrative reorganization at other VA facilities be applied to any major VA readjustment counseling reorganization.

Mr. Speaker, the purpose of veterans readjustment counseling programs goes much farther than the great human benefit provided to those that have served this country. This program expresses good faith on the part of the Government and gratitude to those who have served. In that sense the storefront veterans readjustment counseling programs are not just another form of Federal assistance, but a contract that should be kept. Vietnam veterans have earned a preeminent place in this Nation. The lives of Vietnam veterans and their families make the true legacy of Vietnam, and we should do everything possible to help them. This legislation will continue that good faith and promise to our veterans.

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## OPPOSE THE MOTOR FUELS TAX INCREASE

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. ANDERSON. Mr. Speaker, House Resolution 225 which I introduced along with the bipartisan leadership of the Committee on Public Works and Transportation, expresses the sense of the House that gasoline and diesel fuels excise taxes shall not be increased for deficit reduction purposes.

In the 3 weeks since its introduction, House Resolution 225 has already attracted 78 cosponsors, enjoying strong support from both sides of the aisle. The arguments for this resolution, and against imposing a motor fuels tax increase to reduce the deficit, are compelling.

For the benefit of our colleagues, Mr. Speaker, I ask that the text of this short resolution be printed, along with a list of its cosponsors. Additional cosponsors would be welcomed.

The resolution follows:

HOUSE RESOLUTION 225

Whereas Federal excise taxes are regressive in that a lower income individual must use a higher percentage of his income to pay the taxes than a higher income individual;

Whereas adding 10 cents or more per gallon to the cost of fuel will have a devastating effect on the Nation's economy in that such an increase would—

(1) reduce the gross national product by $10 billion in the 1st year,

(2) reduce automobile production by 1.3 percent,

(3) reduce housing construction by 0.9 percent,

(4) increase unemployment by 80,000 in the 1st year and 180,000 by 1990,

(5) reduce petroleum refinery output by 1.2 percent,

(6) reduce income tax revenues by almost $1 billion annually,

(7) reduce personal savings by nearly 3 percent, and

(8) increase the Consumer Price Index by 0.3 percent;

Whereas it would be discriminatory for one portion of the Nation's population, highway users, to pay an additional tax in

order to reduce the Federal deficit, thereby forcing this segment to shoulder a greater share of our Nation's financial burden;

Whereas it would be inequitable for individuals to contribute to Federal deficit reduction based on the number of miles driven per year;

Whereas Federal highway and public transit programs are funded at levels significantly lower than documented needs requiring States to provide funds to fill that shortfall;

Whereas an increase in the Federal tax on gasoline and diesel fuel—

(1) inhibits the ability of State and local governments to raise revenues to fund transportation projects, and

(2) reduces the revenues for State and local government fuel taxes unless State and local governments increase their taxes; and

Whereas total motor fuel taxes (including State and local taxes) account for nearly 25 percent of the retail price of gasoline and about 29 percent of the retail price of diesel fuel making motor fuel among the most heavily taxed essential items in the Nation: Now, therefore, be it

*Resolved*, That it is the sense of the House of Representatives that the Federal excise taxes on gasoline and diesel fuel shall not be increased in order to reduce the Federal deficit.

Mr. Anderson, Mr. Howard, Mr. Hammerschmidt, Mr. Shuster, Mr. Akaka, Mr. Applegate, Mr. Ballenger, Mr. Barton of Texas, Mr. Bilbray, Mr. Bliley, Mr. Boehlert, Mr. Borski, Mr. Bunning, Mr. Callahan, Mr. Carr, Mr. Chapman, Mr. Clinger, Mr. Courter, Mr. Craig, Mr. Daub, Mr. DeFazio, Mr. DeLay, Mr. de Lugo, Mr. Dornan of California, Mr. Dymally, Mr. English, Mr. Fascell, Mr. Gallo, Mr. Garcia, Mr. Gilman, Mr. Gordon, Mr. Grant, Mr. Gray of Illinois, Mr. Hastert, Mr. Hayes of Illinois, Mr. Hefner, Mr. Henry, Mr. Holloway, Mr. Hopkins, Mr. Inhofe, Mr. Jeffords, Mr. Jones of North Carolina, Mr. Kasich, Mr. Kolter, Mr. Lagomarsino, Mr. Lancaster, Mr. Latta, Mr. Lightfoot, Mr. Lott, Mr. Donald Lukens, Mr. Mack, Mr. Martin of New York, Mr. McEwen, Mr. Mineta, Mr. Neal, Mr. Nielsen, Mr. Nowak, Mr. Oberstar, Mr. Oxley, Mr. Packard, Mr. Perkins, Mr. Petri, Mr. Rahall, Mr. Ravenel, Mr. Savage, Mr. Shaw, Mr. Smith of New Hampshire, Mr. Smith of Florida, Mrs. Smith of Nebraska, Mr. Stangeland, Mr. Stump, Mr. Tallon, Mr. Towns, Mr. Upton, Mr. Valentine, Mr. Whittaker, Mr. Wise, Mr. Wortley.

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## UNITED STATES-MEXICAN RELATIONS

### HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GEJDENSON. Mr. Speaker, according to a recent national poll, of all the world's nations, Mexico ranks close to the top among those of the most vital interest to the United States. The survey by the Chicago Council on Foreign Relations of American opinion leaders found that 86 percent felt that the United States had a vital interest in Israel—94 percent felt that the United States had a vital interest in Great Britain. And a whopping 96 percent said that Mexico was of vital interest to us. Only the Federal Republic of Germany and Japan placed ahead of Mexico in this survey.

Nevertheless, United States-Mexican relations are frequently ignored by American opinion leaders. As a member of the Foreign Affairs Subcommittee on Western Hemisphere Affairs, I am particularly concerned that we anticipate and deal effectively with future linkages and problems in our bilateral relations with Mexico. The United States Ambassador to Mexico, Charles J. Pilliod, recently delivered a thought-provoking speech on the current and future state of America's relations with our neighbor South. In the speech, which was delivered to the American Chamber of Commerce in Guadalajara, Ambassador Pilliod emphasized that we are on the verge of entering "a new era of expanding opportunities and development—for citizens of both our countries—in a larger, more unified North America."

Excerpts from Ambassador Pilliod's speech follow:

[From the Mexico City News, May 13, 1987]

UNITED STATES-MEXICO RELATIONS: WHAT LIES AHEAD?

The following are excerpts from a speech delivered Tuesday by U.S. Ambassador to Mexico Charles J. Pilliod, Jr. to the American Chamber of Commerce in Guadalajara entitled: U.S.-Mexico Relations: What Lies Ahead?

A GENERAL OUTLOOK OF MEXICO

I needn't tell you that Mexico is in the midst of profound economic and social change. In the last few years, Mexico has suffered a combination of natural and commercial setbacks, but it has also shown a great sense of purpose and resiliency and, under the present administration, is on the way to turning what were considered seemingly overwhelming disasters into opportunities for the future. A future which will, in my view, mean changes in commercial, political and personal linkages between Mexicans and Americans.

ON MEXICO-U.S. RELATIONS

At the highest level, our relations are excellent. Our two Presidents meet on a regular basis—at least once a year—and our Vice-President has met frequently with President De la Madrid and considers him a personal friend. Our two Secretaries of State are in regular contact and enjoy a cordial relationship.

The close working and personal connections go well beyond the official contacts between our two governments. They are presently in business, between universities, in the arts and within the public in general, particularly among the more than three million Americans who visit Mexico as tourists every year.

President Reagan once said that the two most important embassies to the United States are the Russian and the Mexican. The Russians because if we do not handle them properly between us we could destroy the world. The Mexican because if we do not manage our relations property, we can annoy each other to death.

ON FOREIGN POLICY

The importance to the United States of a strong democratic country on our southern border, with a healthy growing economy and effective political leadership, cannot be overstated. And it is equally important for Mexico to have a strong, friendly, democratic government on its northern border. One which is receptive to political, economic and cultural cooperation.

The breadth and depth of our relationship with Mexico is growing day by day. However, that doesn't mean that we can or will agree on every aspect of foreign and domestic policy. As in any worthwhile relationship, what it does mean, however, is that we must respect one another and learn to appreciate each other's differences while settling our disagreements through earnest negotiation.

A good example of this is in our differing approaches to the conflict in Central America.

You are familiar with the U.S. viewpoint. It is based on support for democracy, particularly in our hemisphere. A government which is the product of intervention and does not provide for self-determination should not, in our opinion, be immune from pressure to fulfill the promises made to its people and to its neighbors. This is especially true where it is also their practice to export revolution through support for insurgents in neighboring countries as is now being experienced by El Salvador, Honduras and Guatemala.

ON NICARAGUA AND CHILE

Mexico's beliefs are a matter of record. It bases its foreign policy on the principles of non-intervention and self-determination. We find no quarrel with this. However, it appears that in practice Mexico interprets these principles selectively, depending upon the ideological orientation of the government in question. For example, Mexico is supportive of the Marxist-Leninst government in Managua, which is engaged in intervention, and does not provide for self-determination and lacks respect for human rights.

Meanwhile, Mexico has broken diplomatic relations with Chile, whose government it severely criticizes for the lack of self-determination and respect for human rights.

What we find surprising, and very difficult to understand, is Mexico's recognition of and support for the insurgent movement in El Salvador a country with a democratically elected government. We also fail to understand how such a policy toward El Salvador can be reconciled with the principle of non-intervention.

In our review, it is not enough simply to practice democracy and self-determination at home. Democracies such as El Salvador, Honduras, Costa Rica and Guatemala, and any other country in Latin America faced with an externally supported insurgency, must know that we will assist them in defending their principles and their right to self-determination and against outside intervention. We sincerely hope Mexico and all other Latin American democracies will eventually join with us in this struggle.

ON MEXICO'S RECOVERY

According to all official and private reports, Mexico is on the road to economic recovery. With additional foreign loans, the Mexican government will be able to finance some needed public sector investment programs and imports. These loans, if used wisely to promote greater efficiency and increased private sector investment, should add to the pace of economic activity. As any businessman knows, there is nothing wrong with borrowing money, the trick is to spend it wisely so that it brings in proper return.

In its approach to the problems of economic recovery, the Mexican government has taken a number of steps which will strengthen the economy in the future. Among these are the reduction in government subsidies and renewed commitments to sell non-priority state-owned companies. It has also been highly sucessful in its efforts to stimulate nonpetroleum exports through exchange rate and other policies, and to implement a trade liberalization package agreed to with the World Bank. The decision to join the GATT and actively promote in-bond industries are already producing favorable results. In addition, the growing debt-equity swap program has helped to promote increased investment and reduce the country's foreign debt burden which, by the way, was managed to be successfully restructured.

### ON TRADE PARTNERSHIPS

With regard to the U.S.-Mexican trade relationship, there is one erroneous perception I would like to dispel. From time to time one hears allegations that the United States is "protectionist," or is somehow discriminating against Mexico. I believe this is entirely false. As I have previously noted, Mexico's non-petroleum exports to the U.S. grew by almost 30 percent last year and probably will grow by even more in 1987. At the same time, Mexico had a 5.3 billion dollar trade surplus with the U.S.—the eight largest of all our trade partners. Also, even as it runs a 150 billion dollar trade deficit, the United States has been absorbing more than two thirds of the developing countries' manufacturing exports. So if the U.S. with the largest trade deficit in the world is considered protectionist, what do you call the other countries.

### ON IMMIGRATION

An area which has received a lot of attention recently, not all positive and accurate, is the U.S. Immigration Law. The United States and Mexico agree that it is entirely proper for a country to pass laws regulating immigration. In this case, Mexico feels—and rightfully so—that it is so profoundly affected by the changes in U.S. law that it should be consulted on the implementation process. We agree with this.

No one really knows how many illegal aliens there are in the U.S. Estimates range from three to six million, but reliable statistics are impossible to obtain. The progress of the present amnesty program is encouraging. The two to four million people who are expected to take advantage of the law's provision will henceforth be able to live and work openly, in dignity and with the full protection of all the civil rights guaranteed under the laws of the U.S. Also, they will eventually qualify to obtain U.S. citizenship should they wish to do so.

Regarding current estimates, you must consider the roll-up. Once they have legalized their status, they will in turn bring their immediate family members, so multiply that figure by five and you have 7.5 million. Still farther down the road, they will have the right to petition for entry of their brothers and sisters, you can apply your own figures to that.

### ON NARCOTICS

Another issue that has attracted a great deal of attention both here and in the United States is the problem of illicit narcotics. U.S.-Mexican cooperation in the struggle to combat narcotics trafficking has been exemplary. Beginning in 1975, the U.S. and Mexico launched a cooperative effort to reduce the cultivation of marijuana and opium poppy. Mexico was the first country to adopt aerial fumigation to attack illegal plantations and the program developed into a model for other countries to follow. It has continued unabated for over a decade.

Recently, however, in spite of our best efforts, the production of drugs in Mexico has grown significantly. Since 1975, although our eradication effort has increased, the traffickers have diversified and become more sophisticated. New, remote areas have come under cultivation and Mexico's drug eradication problem is now nearly nationwide.

The problems we all hear so much about are true—the traffickers are powerful, and there is corruption and it does impede our efforts to do a job in Mexico—just as it does in Miami, New York and Detroit. Drug traffickers mark their success by the degree that they are able to corrupt the system. That is the only way they can exist and they have the money to do it and do it well.

However, we cannot allow corruption, or adverse economic conditions, or traffickers' devious tricks to deter us in this all-important compaign. President Reagan and President De la Madrid have made clear their determination to attack this evil with all the means at their disposal and together, I believe we will win.

### WHAT LIES AHEAD?

I foresee the continual forging of new linkages between the U.S. and Mexican economies. The eventual formation of a common market involving Mexico, Canada and the United States is a distinct possibility.

I foresee our continued close cooperation in the elimination of environmental pollution along the border, in scientific and technical cooperation and in programs to improve productivity, health and living standards of our people.

I foresee renewed determination to overcome the scourge of drug trafficking.

I foresee improved bilateral relations based on the close working relationships between American and Mexican officials at all levels.

And lastly, I foresee the beginning of a new era of expanding opportunities and development—for citizens of both our countries—in a larger more unified North America.

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## BELIZE'S ENDANGERED TRANQUILITY

**HON. EDWARD F. FEIGHAN**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. FEIGHAN. Mr. Speaker, since becoming an independent state in 1981, tranquil, peaceful Belize has pursued closer cultural, economic, and political ties with the United States. Belize, formerly British Honduras, is strategically located in Central America and considers iteself both a Caribbean and Central American country. Currently Belize's tranquility is threatened by renewed Guatemalan claims of sovereignty over parts of Belize, a flood of new immigrants from neighboring war-torn countries and the continued presence of drug traffickers and growers. Due to its close ties and strategic location, this tiny country deserves the increasing attention of our regional foreign policymakers and the Members of this House. For that reason, Mr. Speaker, I am inserting into the RECORD a recent article entitled "Belize's Endangered Tranquility," which I consider a thorough update of the issues confronting this Nation. The article originally appeared in the July 22 "Washington Report on the Hemisphere," a biweekly publication of the Council on Hemispheric Affairs [COHA], and was authored by COHA researcher Katherine C. Hall.

My colleagues should note that Belize is increasingly involved in the broad range of problems facing Central America. If Belize's economic, cultural, and military ties to the United States continue to grow as they have since its 1981 independence, Belize will merit greater attention by our regional foreign policymakers and the Members of this House.

### Belize's Endangered Tranquility—Growing Regional Problems Affecting Isolated Neighbor

(By Katherine C. Hall)

The political, social, and economic stability of historically tranquil Belize has been endangered in recent years by escalating threats of massive immigration from neighboring war-torn countries, drug-trafficking, and Guatemalan claims of sovereignty over parts of the country. Because it is a former British colony, Belize, with ethnic, cultural, and economic ties to the Caribbean nations, and political and military ties to Great Britain, stands out from the other Central American countries.

### GUATEMALANS REMAIN COOL

Guatemala's persistent claim to sovereignty over Belize, based on an 1859 treaty with Britain, has been a major threat to the country since becoming independent six years ago. Although the past year has seen renewed efforts to resolve the dispute, an April 29 meeting in Miami—between Belizean Minister of Foreign Affairs Dean Barrow, his Guatemalan counterpart Mario Quinonez, and David Joy of London's Foreign Commonwealth Office—made little progress and may have been counterproductive. Belmopan's position was backed by the United Nations, where 139 members of the General Assembly approved a 1980 resolution supporting Belize's rights and territorial integrity.

Guatemalan-British relations, severed in 1963 because of the Belize dispute, were restored last December soon after incoming President Vinicio Cerezo stated that his government was "willing to recognize Belize's position," provided an "honorable solution" could be found. Responding to rightist nationalist ire, Quinonez and Cerezo emphasized the economic pragmatism of the move, saying it would boost exports to the European Economic Community countries. Since the April conference, however, Cerezo's government has, in Barrow's words, "hardened its attitude" by demanding sea and land concessions.

Belize attributes the changed attitude to Cerezo's growing need to harmonize his policies to those of an increasingly hostile military and right wing within his own country. The civilian government's new international image, much improved compared to that of the gross human rights violations attributed to the previous military regimes which ruled in the 1970s and through the middle 1980s, may have encouraged its reverting to a hard-line policy against tiny Belize. Although the issue seems intractable, Belizean Prime Minister Manuel Esquivel reported in May that the three countries had tentative plans to meet again in three months.

### REFUGEE INFLUX

Another complex problem troubling the Esquivel government is the huge influx of refugees from Guatemala, El Salvador, and Honduras. Government officials estimate that in recent years 25,000 Central American refugees have flooded the country's population of 166,000.

In early June, the government announced its intention to curb the entry of refugees. Basing its position on the report of the Immigration Advisory Committee that was appointed by Barrow to investigate the implications of refugee entry and make policy recommendations, Esquivel's cabinet will begin to restrict immigration as well as integrate into "the social fabric" only the approximately 4,000 migrants who are legally registered. The report also advocated gradually phasing out the United Nations High Commission on Refugees UNHCR) because of Belmopan's financial obligation to look after the refugees' welfare in accordance with "certain standards" required under UNHCR policies.

The end of the government's open-door refugee policy has motivated church and non-government relief groups to assume the government's former aid efforts. Padrig Czaikowski, the UNHCR representative in Belize, lamented the government's new lack of sympathy for refugees while acknowledging the panic the sheer numbers are causing in the country. Rising violent crime rates and escalating marijuana cultivation and drug trafficking have been linked to the large numbers of recently arrived immigrants, while tradesmen and rural workers complain their arrival has contributed to the 14 percent unemployment rate.

### DRUG PURGE

The Esquivel Administration has made more of a concerted effort than its predecessor to eradicate marijuana plantations. Angered that the approximately five square miles of marijuana under illegal cultivation in Belize had made the country a significant supplier to the United States, the Senate Foreign Relations Committee considered cutting a 1985 $25 million aid package to Belmopan because it had not agreed to destroy its crop.

Since then, efforts by police and the Belize Defense Forces to eradicate crops and arrest growers and traffickers have been more successful. An operation last October and November destroyed 2,158 acres of marijuana and resulted in the arests of 66 people, 42 of them foreigners. Washington has been providing funds for the expensive efforts, and in 1986, about half the crop was eliminated.

During a United States-sponsored Caribbean conference on "drug demand reduction" held in Belize in April, Esquivel petitioned Washington for a more comprehensive policy to aid in the drug war. He stated that while poor economic conditions do not justify marijuana cultivation, it is difficult for impoverished nations to compete with the money and resources of drug dealers. His decision to wage a war against such a lucrative crop is especially unpalatable, he said, because of declines in sugar exports, the country's mainstay. Esquivel has been outspoken in condemning the Reagan Administration's cuts in sugar quotas and its failure to show greater support for the Caribbean Basin Initiative.

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## CONCERN FOR KENYAN DEMOCRACY

**HON. JOHN EDWARD PORTER**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. PORTER. Mr. Speaker, in light of the approaching floor consideration of next year's foreign aid bill, I want to bring to my colleagues' attention a recent amnesty report that accuses the Kenyan Government of adopting a deliberate program to silence or intimidate its political opponents.

Contrary to President Moi's claim that "the country cherishes democracy and the rule of law as enshrined in its constitution," Kenya's international reputation sadley has rapidly declined in recent months as numerous reports have indicated increase use of torture. Amnesty reports that in the last 16 months, hundreds of Kenyan citizens have been arrested and at least two people have died in police custody. For over a year the authorities have repeatedly ignored Kenyan law which stipulates that anyone arrested must be brought before a court or released within 24 hours.

Mr. Speaker, for the first time the language in next year's foreign aid bill makes a portion of United States aid to Kenya conditional on an improvement in its human rights record. I hope this encourages the Kenyan Government to halt its human rights abuses and recover its reputation as a stable haven for parliamentary democracy.

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## TRIBUTE TO J.W. "BUD" FORRESTER

**HON. LES AuCOIN**

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. AuCOIN. Mr. Speaker, I'm here today to tell you about a man who means an awful lot to my home State. I'm talking about J.W. "Bud" Forrester, who for decades has been a moving force in Oregon.

To me, Bud Forrester and Oregon are in many ways one and the same. He is strong, far-sighted, high-minded, and, take it from me, he's relentless.

Above all, Mr. Speaker, he is a kind man who has devoted his life to helping Oregon and Oregonians.

Bud Forrester stared out small, and made it big, in the eyes of everyone who's been lucky enough to know him. He's a newspaper man. He reports on what he sees with a skeptical honesty that's hard to argue with. If you're brave enough to get in a tussle with him, he'll win 10 times out of 10.

Bud doesn't brook any nonsense when it comes to public policy, and he cares about public policy with a passion that should be emulated by citizens everywhere. In the 14 years I've known him, he's always let me know where I stand.

Bud is owner, editor and publisher of the Daily Astorian, in the picture perfect town of Astoria at the mouth of the Columbie River. He also owns the Pendleton East Oregonian, edited and published by his son, Mike. He left the helm of his Pendleton paper, and took over the Astorian in 1973, the year before I was elected to Congress.

Lewis and Clark discovered Astoria in 1805. John Jacob Astor turned it into a trading metropolis. In the post-world War II era, like most of Oregon, Astoria has been boom and it's seen bust, and Bud Forreter has covered it all.

Mr. Speaker, Bud Forrester is retiring in November. And before the most respected person in Oregon journalism leaves the public eye, I'd like to tell my colleagues a little bit about his remarkable life.

Forrester's career has taken him from big city to small town, and back again. And as he criss-crossed the State, he made a name for himself.

Bud was born on April 3, 1914, in Portland. He began his newspaper work on the Oregon State College Barometer in the early 1930's. He then went to work for the Oregonian—our State's biggest newspaper, where I also had a reportorial career—in 1933 under sports editor L.H. Gregory, whom I also broke in under. In 1935, Bud moved to the East Oregonian, in Pendleton, where he met and married Eleanor Aldrich.

He then was appointed sports publicity director at Oregon State College, and worked for the Associated Press in San Francisco before World War II. During the war, Bud served our country in the merchant marine.

In 1945, he and Eleanor bought the Coos Bay Harbor, a weeky paper in North Bend, OR. They operated that paper as a team, he on the news side and she on the business side, for 5 years.

In 1950, the Forresters moved back to Pendleton, and Bud became the third editor in the history of the East Oregonian. He held that position until 1973, when he and his son Mike exchanged positions. Mike, up until then, was editor of the Astorian.

Like father, like son. In Bud's case, I should say sons. Mike is now the editor of the East Oregonian. His brother, Steve, has been a Washington reporter for 9 years and is returning to Oregon to take over at the Astorian.

Their father's accomplishments are legendary. Bud served as president of the Oregon Newspaper Publishers Association, chairman of the Oregon Newspaper Publishers Association, and 1 year was a member of the panel that awarded Pulitzer Prizes.

He started the PTA in North Bend. He served as member of the Oregon State Legislature's interim Committee on Education from 1985–86, on the State's Land Conservation and Development Commission from 1976–79, on the State Parks and Advisory Committee from 1970–76, as chairman and then as a member of the Oregon State Board of Higher Education from 1957–69. Bud also was a member of the Travel Advisory Committee on the Highway Commission from 1951–60.

Bud has been honored by countless organizations. He's received Distinguished Service Awards from both Oregon State University and the University of Oregon. He was named Oregon Education Citizen of the Year by the Oregon Education Association. And the city of Pendleton named him its First Citizen.

Bud is considered one of the best writers in the business, and a top-notch editor as well.

As the undisputed Dean of Oregon Journalism, Bud has gained the friendship of many Oregonians. Bob Chandler, a fellow editor and friend toid me, "Bud is a major factor of good in Oregon. He has a high regard for public service. Bud has a well-honed sense of humor, and a very low threshold for intolerance."

Duncan Law, somewhat of a legend in Astoria himself for his work to help the fishing industry, told me he has "never met a person with so much loyalty and devotion to his community."

Bud editorializes against gold plated weapons systems that don't work, protectionism that would bring on retaliation from our trading partners and budget deficits that are going through the roof and ruining the economy both in Oregon and around the Nation. He stands up for sensible programs like the Job Corps, which has done so much for Astoria's economy, and favors preserving Oregon's wilderness areas, such as the Columbia River Gorge.

Bud thinks apartheid in South Africa and U.S. policy in Central America are just plain wrong. When he disagrees, whether on a National, State or local issue, he takes the responsible officials to task in the Astorian's editorial columns.

There you have it, Mr. Speaker. In this age of high rises and high technology, satellite communications and selfishness, there's a decent, honest man in Astoria, OR, who throws himself into his work and works hard for his community.

The Daily Astorian got a brand-new computer system in 1983. The idea was to speed up production, to make the staff more efficient. Bud Forrester is the most efficient, speedy, and hardworking member of the newspaper's staff. You can see him every morning, pounding away on his old upright Underwood typewriter.

Good luck in retirement, Bud. And, thanks for everything.

## HOW PUBLIC SERVICE AFFECTS THE QUALITY OF AMERICAN LIFE

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. DINGELL. Mr. Speaker, in my district, the Public Employees Roundtable annually awards public service scholarships for outstanding literary essays. Joanna Briganti was one of the recipients of this award for her essay entitled, "How Public Service Affects the Quality of American Life."

I wish at this time to insert a copy of the essay by Joanne Briganti.

The essay follows:

HOW PUBLIC SERVICE AFFECTS THE QUALITY OF AMERICAN LIFE

Because so many aspects of American life are affected by government and public service, it is hard to imagine everyday life in this country without all the benefits they provide. From the foods we eat, to the cars we drive, the products we use are carefully regulated to insure our safety as consumers. Law enforcement personnel protect our homes and our persons. Road crews and park maintenance crews provide us with decent roads to travel on and beautiful parks to enjoy. And yet, this is only a fraction of the services provided by public employees. Services that are many times taken for granted or viewed as an inconvenience, such as drivers' license bureaus or drain commissions, might only be appreciated if the consequences that would result in their absence could be seen.

Since most of these services are vital to the smooth running of our cities and states, public service is a necessary factor in maintaining the quality of American life today. Those citizens that complain that the public sector has become too large an entity would be overwhelmed if saddled with the large number of responsibilities that currently face government offices. A huge population relies on the public sector for services—more than the number of customers facing any private business domestically.

Considering this huge clientele, the services Americans demand are provided with a remarkable degree of efficiency. If this were not the case, the entire country, our cities and states, would be in utter chaos. Even if one half of the services now provided by public employees were eliminated, life in this country could not go on as it does today. Efficiency in public service is evident in the fact that so many services are provided for millions of Americans. However, Americans expect the same fast, super-efficient service from government as they do from private, competitive businesses which may only be servicing a relatively small segment of the population or a certain target group of consumers. Some public servants, such as welfare workers, could hardly use "sales forecasting" methods in order to increase efficiency. There is no truly accurate way to predict the needs of all Americans on a day to day basis when it comes to certain services that the government provides. Yet some "forecasting" does occur in the public sector and most Americans receive the services they need.

This is not to say that there is no room for improvement. New techniques in organizational development and employee motivation are ways in which the government is seeking to increase the satisfaction that Americans desire from publicly provided goods and services. With continued increases in efficiency and with improved budgeting practices for various government departments, the quality of American life will continue to be favorable for this country's citizens. The services provided will continue to contribute to the high standard of living this country enjoys as a nation.

The quality of American life would suffer without our public servants. It is important that Americans be reminded how indispensable the services are that these individuals provide. It is also important that our government officials remember that quality is measured against expectations. Therefore, our public servants must be constantly encouraged to maintain and improve the services provided in order to satisfy our citizen's needs. Elected officials must do their part to insure that incentive exists for the public employee and that resources are available for priorities. The services provided by the public sector will then continue to meet the challenge of American's expectations to insure their quality of life.

## "CARIBBEAN BASIN ECONOMIC RECOVERY IMPROVEMENT ACT OF 1987"

### HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. PICKLE. Mr. Speaker, I join the distinguished chairman of the House Ways and Means Trade Subcommittee in introducing the Caribbean Basin Economic Recovery Improvement Act of 1987.

This legislation is a result of the House Ways and Means Subcommittee on Oversight review of the Caribbean Basin Economic Recovery Act of 1983, more commonly referred to as the Caribbean Basin Initiative, or "CBI".

Our investigation began with oversight hearings in February 1986. U.S. Government agencies involved in the implementation of the CBI legislation, government officials of CBI beneficiary countries, and United States and foreign investors in the Caribbean testified about the impact of this initiative on the region and offered suggestions for improving the program. Much of the testimony indicated that after 2 years of operation, the CBI had not achieved the goal of substantially improving economic conditions in the region.

In evaluating CBI-related trade and investment opportunities, the Subcommittee on Oversight conducted a fact-finding mission to the region in January 1987. The subcommittee delegation visited five countries—Jamaica, Costa Rica, Barbados, Dominican Republic, and Haiti—all CBI-beneficiary countries. The delegation saw first hand the outgrowth of the CBI legislation. We toured numerous investment sites, including production facilities, and met directly with investors. Clearly jobs created by new investments in the Caribbean, including the Central American countries, serve to stabilize the fragile economies in these neighboring countries.

Diversification from traditional exports, and the growth of new industries are essential to the stability of the economies of these countries. Increased economic stability is important to the establishment and maintenance of democratic systems in the region. Without economic growth and stability both those democratic systems and our own national security interests in the region are at risk.

The regional economy has suffered from the drastic reduction in sugar quotas and the drop in world market prices of sugar and bauxite—both traditional exports. The CBI alone will not change the balance of payments or balance of trade picture for the region. In fact, data show that declining sales of traditional exports along with falling oil prices offset increases in non-traditional exports over the past 2 years. This has created the perception that little or no progress was made during the first 3 years of this 12-year program. That is just not the case.

Following this year-long review of the CBI, the subcommittee, on a bipartisan basis, issued a report titled "Recommendations to Improve the Impact and Effectiveness of the Caribbean Basin Initiative." The February 1986 hearings, the congressional mission to

the region, and the subcommittee's report provide the basis for the legislation introduced today. Numerous recommendations for improving the CBI were received from the public and private sectors of CBI beneficiary countries. We analyzed these suggestions in light of our domestic interests and with an eye toward strengthening this commitment to partnership, and we have developed proposals aimed at both increasing incentives for U.S. investment in the region and addressing concerns expressed by Caribbean Basin countries.

Many of my colleagues have demonstrated a keen interest in the Caribbean region and have expressed their interest in supporting this bill. I urge your review and cosponsorship of this legislation.

Mr. Speaker, this CBI legislation is in our National interest. We must give greater emphasis to the concerns of our neighbors in the Caribbean. We must give them incentives to develop new jobs and new industries. This legislation is a good positive indication of our concerns and commitments.

## HOUSE COMMITTEE FINDS THAT THE CONTRAS DON'T SMUGGLE DRUGS

### HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BROOMFIELD. Mr. Speaker, I am pleased to report that the House Select Committee on Narcotics, which investigated allegations that the Contras are involved in drug smuggling, recently determined that those charges are false.

Just yesterday, Members of the House Foreign Affairs Committee and the Armed Servicess Committee met at length with the United Nicaraguan Opposition. Allegations concerning possible drug smuggling by the Contras were discussed with the Directors of the United Nicaraguan Opposition. They reiterated their unequivocal opposition to narcotics trafficking and stated that anyone in a leadership position in that group, or anyone in their military units would be immediately removed from their duties in the United Nicaraguan Oppositin organization and severely reprimanded for such activity.

The official position taken by the senior leaders of the United Nicaraguan Opposition closely parallels the findings of the Select Committee on Narcotics Abuse and Control after an extensive investigation.

Representative CHARLES B. RANGEL of New York, chairman of the committee, said that "None of the witnesses have any evidence that would show the Contra leadership was involved in drug smuggling."

As a supporter of the UNO's efforts to bring democracy to Nicaragua, I salute the Select Committee for its significant work in the battle against narcotics. I commend the following Washington Post article on this topic to my colleagues in the House:

HILL PANEL FINDS NO EVIDENCE LINKING CONTRAS TO DRUG SMUGGLING

(By David S. Hilzenrath)

A House committee that has been investigating allegations that leaders of the Nicaraguan contras were involved in drug smuggling yesterday reported it has discovered no evidence to support the allegations.

"None of the witnesses gave any evidence that would show the contra leadership was involved in drug smuggling," said Rep. Charles B. Rangel (D-N.Y.), chairman of the Select Committee on Narcotics Abuse and Control.

The strongest evidence the committee has gathered shows that known drug traffickers participated in the U.S. effort to funnel supplies to the contras, Rangel said after a closed hearing.

The committee, which has received reams of testimony from hundreds of witnesses since it began its inquiry in June 1986, will give its material to another House panel that is taking over the investigation.

The key question facing the House crime subcommittee, members said, is whether officials in the U.S. government deliberately ignored drug dealing by individuals who carried supplies to the contras.

"There were flights going down with goods and guns, and there were flights comming back with drugs," said Rep. James A. Traficant Jr. (D-Ohio). "I don't know how it could occur without someone in this country knowing what's going on," he said.

Republican members sharply disagreed with Traficant's conclusion but concurred that Congress should continue the investigation.

"I just don't believe any of it, frankly. I haven't seen one scintilla of evidence," said Rep. Robert K. Dornan (R-Calif.).

The narcotics panel yesterday heard more than three hours of testimony from private organizations that have been scrutinizing the Nicaraguan resistance.

Rep. William J. Hughes (D-N.J.) said the witnesses repeated the same unsubstantiated allegations that have been publicized for months. "They're just allegations," said Hughes, chairman of the crime subcommittee, which has voted to issue subpoenas to three federal prosecutors in connection with its own ongoing investigation.

Documents provided to the Rangel panel yesterday included three letters showing that a firm whose vice president was under indictment on cocaine charges contras participated in the effort to transport nonlethal supplies to Central America.

Rangel said that Michael Palmer, vice president of Vortex Aircraft Sales and Leasing, was under indictment in 1986 when be billed the State Department's Nicaraguan Humanitarian Aid Office approximately $100,000. A State Department official said the department did not know that Palmer was under indictment.

## H.R. 111: LET US NOT SURRENDER THE TAX REVOLT

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. CRANE. Mr. Speaker, "Simplicity." "Fairness." "Efficiency." "Promotion of economic growth." These were the rallying cries for reform of the byzantine tax code. Unfortunately, Congress' response—the Tax Reform Act of 1986—failed to achieve these important goals.

I would be hard pressed to describe as "simple" or "efficient" the two volumes—totalling over 1,800 pages—of new tax legislation, the 1,379 pages of general explanation, the 503 pages of proposed technical corrections, the 296 of explanations of these proposed technical corrections, and the tens of thousands of pages of resulting Treasury regulations. In terms of "fairness," this was achieved for some taxpayers at the expense of others through many retroactive and hidden tax provisions. Finally, the important issue of encouraging and nurturing "economic growth" was similarly neglected. Those provisions which increase the corporate tax burden by $121 billion over 5 years, retroactively eliminate the investment tax credit, increase the tax on capital gains, and reduce IRA and 401(k) savings incentives, will certainly have a negative impact on economic growth. While some argue that the increased economic efficiency of the lower rates (a top corporate rate of 34 percent and top individual rate of 33 percent when fully phased in) will overshadow this negative impact, it is disturbing to note that the chairman of the President's Council of Economic Advisors admits that the tax reform bill raises the cost of capital. Thus, only serving to highlight the disincentives for savings and investment.

And now we learn that the Democrat-controlled Congress has called for a $64.3 billion tax increase over the next 3 years. Certainly this threatens to unravel the very few reforms—such as the reduction in tax rates—which were achieved in the Tax Reform Act of 1986.

Let us not surrender the tax revolt. True reform of the Tax Code is still within our grasp.

I have introduced H.R. 111, in order to continue the fight for true tax reform and to amend the complex and inequitable reform of the past. The bill imposes a single, proportional tax rate and can be broken down into three basic sections. These consist of: elimination of the corporate income tax, reform of the personal income tax, and tax amnesty.

The first element, elimination of the corporate income tax, recognizes the vivid economic reality that it amounts to just another cost to business. It is the same thing as the costs of labor, material, and overhead, all of which must be passed on. Unfortunately, this tax is usually transferred in a discreet—yet significant—fashion. The corporate income tax is one of the most indefensible forms of taxation:

Because a tax on corporate income is eventually transformed into higher prices, the tax, falls most heavily onto lower income individuals, who spend the greatest proportion of their income on consumption;

Because a tax on corporate income manifests itself in the form of reduced corporate savings and investment, the tax reduces employment due to negative impact on economic growth;

Because a tax on corporate income is transferred into reduced wages, it becomes a hidden tax on workers;

Because a tax on corporate income is transferred in the form of reduced dividends, it falls on stockholders, the majority of which are pension plans;

Because many corporate business decisions are made as a direct result of tax considerations, the corporate tax prevents true and clear business motives and perpetuates corporate inefficiency.

In view of these points, it becomes clear that the corporate income tax should be eliminated. It is a hidden tax on individuals that only works to prejudice the market toward certain investments and lower economic growth. A truly reformed Tax Code taxes individuals directly and does not interfere with the workings of the free market.

The second section of H.R. 111 concerns reforms of the personal income tax. H.R. 111 would levy on the taxpayer a single, flat rate of 10 percent on all earned income above $10,000. All other credits, deductions, exemptions, and exclusions are eliminated. More than one point here requires clarification and discussion.

The first point of clarification is that concerning the precise definition of the term "earned income." Earned income in this context constitutes any and all of the following:

Wages, salaries and other forms of direct employee compensation;

The amount of the taxpayer's net earnings from self-employment for the taxable year;

The amount of dividends which are from a direct service corporation or which are otherwise direct or indirect compensation for services rendered.

The following are exceptions which are not to be termed "earned income":

Passive income, such as interest income, dividend income except as noted above, and capital gains.

Any amount received as a pension or annuity which have resulted from pre-taxed dollars.

Any tip, unless the amount of the tip is not within the discretion of the service representative.

The second point of clarification is that regarding the exemption amount. This exemption is merely a protective measure for individuals such as very low income wage-earners, who are detrimentally affected most drastically by such taxes, or adolescent workers who are trying to establish initial savings, such as educational finances. This exemption is set at $10,000 for every individual, for taxable years beginning after December 31, 1987, and is fully indexed to inflation.

The final section of the bill provides a blanket amnesty from all former tax liability, penalties and interests to all taxpayers not involved in criminal activity. This provision should dramatically increase the tax base by bringing the underground economy—presently estimated at $500 billion for noncriminal activity—back onto the tax roles. But more importantly, it allows citizens an entirely fresh start under the new tax system.

These reforms undoubtedly fulfill President Reagan's highest expectations in their satisfaction of his lofty goals. The simplicity of H.R. 111 is obvious. By imposing a single proportional tax on all earned income, while eliminating all shelters, credits and deductions, any taxpaying citizen can fully understand the system of taxation. It follows intuitively that taxpayers will be more likely to comply with a Tax Code with which they can deal knowledgeably.

As for being fair, nothing could be more fair than a Tax Code that treats each individual on the basis of his earnings, allows corporations to make more efficient and economic business transactions, and cleans every individual's slate of all but criminal financial activity.

Finally, the central focus of the bill, the concept that every earned dollar should be taxed only once, strongly promotes the important notion of economic growth. The increased savings resulting from the elimination of the tax on interest and dividend income will put downward pressure on interest rates, thus reducing the cost of capital. By eliminating the tax on capital gains, risk investment and expansion of capital funds will be strongly encouraged, which will lead to more businesses and employment. By eliminating the tax on dividends, the tax penalties for investing in stocks will cease, thus stimulating greater capital availability. In addition, the exemption from taxation of the first $10,000 of earned income per each individual would not only provide relief for lower income individuals, but would provide a valuable incentive to individuals to enter the work force. For these reasons, in addition to those supporting the elimination of the corporate tax, it is not difficult to see how H.R. 111 is not only simple, efficient and fair, but that it promulgates and effectively perpetuates real economic growth.

This bill forms the proper basis for continuing the fight for true tax reform!

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## ECONOMIC HYPOCHONDRIA

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. McEWEN. Mr. Speaker, sometimes it seems that behind every silver lining there's a dark cloud. Should someone mention that there are millions of new jobs in America today, the doomsayers will tell you that those jobs are not significant.

M.S. Forbes, Jr., deputy editor-in-chief of Forbes magazine, characterized this national malady as hypochondria.

Mr. Speaker, today I'd like to bring to the attention of my colleagues in the House a recent article by Mr. Forbes as well as several other articles which address the controversy surrounding the quality of the new American jobs.

[From Forbes magazine, Mar. 9, 1987]

### FACT AND COMMENT II

(By M.S. Forbes, Jr., Deputy Editor Editor-in-Chief)

#### MAJOR PROBLEM WITH THE AMERICAN ECONOMY: HYPOCHONDRIA

Each day certain economists and others warn us that the American economy is in serious trouble. These hypochondriacs would have us believe that manufacturing is dead, that new jobs are all at the minimum wage, that we are on a spending binge, that we are too much in debt, and that Japan and the rest of the world will soon own all our assets. This caterwauling would be amusing except that so many of our politicos and supposed thought-leaders take this stuff seriously. They are ready to raise taxes, erect trade barriers, debase the dollar and increase government intervention in the economy, all to cure largely nonexistent ills.

Manufacturing. We are getting stronger, not weaker. In response to ferocious competition, American goods makers have reacted admirably. Since 1982 manufacturing productivity has gone up at a 4.3% annual pace, a surge almost unprecedented in peacetime America; output has jumped by almost one-third; and payrolls have gone up, not down. As a proportion of our economy, manufacturing output today is *above* the post-WWII average.

Trade. We have a big merchandise trade deficit. Why is that a sign of decline? Why is a surplus considered a symbol of strength? The U.S. ran a trade shortfall for the first one hundred years of its existence; we became the greatest industrial nation in the world. Japan ran big deficits in the 1950s and 1960s. Was that decay? Mexico runs a trade surplus. Do we want to swap our economy for theirs?

Our imports as a percentage of GNP are no higher today than they were six years ago. During that time, however, we grew while most of the rest of the world stagnated. We could cure the trade deficit by going into a recession and getting European-like rates of unemployment. Would that be a sign of economic virility? Our exports have done well in recent years, considering the collapse of Latin America (a big market for us) and the volatility of the dollar. If the rest of the world would grow, our merchandise trade deficit would shrink just as it has always done before when the global economy was buoyant.

Jobs. Many politicos claim most new jobs are low-pay, dead-enders, "McJobs." The facts from the Bureau of Labor Statistics show just the opposite. Only one new job in ten qualifies as a "McJob." One-third, in fact, are in the managerial, professional category.

Budget. In the last decade, the average budget deficit in this country (combining federal, state and local finances) has been far lower than that of Japan and not much worse than that of Germany or Britain. About $100 billion of Uncle Sam's spending goes for capital items that can be legitimately financed by debt. The budget shortfall, moreover, is shrinking.

Debtor nation. In recent years, foreigners have been investing more money in this country than we have invested abroad. That means we are a "debtor nation," which some observers seem to equate with being an economic equalvalent of AIDS or herpes. That foreigners put their money here is a sign of confidence; you don't put your money in areas where you think you'll lose it. We could shed our status as a debtor nation by adopting policies that lose the confidence of the rest of the world and by forcing our banks to resume sending out $100 billion-plus a year in dubious loans to Third World nations.

Borrowing. Are we too deeply in debt? The proportion of our federal deficit that is being financed by overseas money is less today than it was seven years ago. Our national debt as a percentage of the GNP is smaller than that of Japan and Germany. The debt-to-equity ratio of corporate America, taking market values, is better today than it was during the 1970s.

If the dollar rises—it's a crisis. If the dollar falls—crisis. If the stock market goes

down—that's trouble. If is goes up, it's 1929 all over again.

Foreign observers haven't been much better than our own. To hear their carping, you would never know that if it hadn't been for the stimulus of the U.S. economy, Europe would still be in a deep recession and Japan would have had only a fraction of its growth in recent years.

We certainly have problems, and certain industries have them more than others. But the hysteria about the overall state of the American economy is unhealthy. And wrong.

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[The Wall Street Journal, Wednesday, Mar. 25, 1987]

### LOW-PAY JOBS: THE BIG LIE

(By Warren T. Brookes)

For the past two months, organized labor has been running Dickensesque TV commercials that show Americans in the year 2010 clad in dusty scarves and sitting in rockers in dingy attics. The point of this dismal scene is that the future is bleak for U.S. workers.

But is it? Over the past 12 months (February 1986 to February 1987), 2.7 million jobs were created, 41.5% of which were "managerial and professional speciality," the highest-paid category classified by the Labor Department.

This is the largest year-to-year growth-share for top-paid jobs, and continues a trend over the past four years. From February 1983 to February 1987 the shares of managerial/professional, technical/sales, and precision/production categories all rose. The shares of the service, laborer and farm-worker categories declined. In other words, the Labor Department shows Americans "trading up" in jobs at a fairly steady rate.

Yet, Big Labor has been busy putting out the story that just the opposite is taking place. Worried about the sharp decline in their share of the U.S. work force, the unions have promoted the work of Barry Bluestone of the University of Massachusetts and Bennett Harrison of MIT that supposedly shows an "alarming trend toward low-pay jobs," using the period from 1979 to 1984 as the key point of assault, and comparing that period with 1973 to 1979.

#### LABOR DEPARTMENT WARNING

The Bluestone Harrison research eventually found its way to the Joint Economic Committe of Congress, whose then-chairman, Rep. David Obey (D., Wis.), published it in December.

As it was later learned, the Labor Department had warned Messrs. Bluestone and Harrison back in October that their use of the consumer price index as the "deflator" to arrive at constant dollar wage brackets rather than the personal consumption expenditure (PCE) index dramatically understand constant-dollar wage scales in the 1979–84 period, and thus overstated their low-pay wage thesis. When the PCE deflator was used, most of the low-pay trend disappeared.

The Labor Department also cautioned them that by selecting the period from 1979 to 1984, they were picking the most extreme possible case that did not reflect the long-term, essentially stable trend. But both these warnings were ignored, and the study was released and has since become part of national economic mythology.

Yet, as the Labor Department's data have repeatedly demonstrated, this whole low-pay jobs thesis is largely a statistical fraud resulting from careful selection of unrepresentative years. As Robert Samuelson, economist and Washington Post and Newsweek columnist, said on Feb. 23: "Welcome to Economics Propaganda 101. The notion that the U.S. economy is producting mostly low paying, unskilled jobs is an economic fiction.

"Generally speaking, the mix between well-paid and poorly paid work is the same as in the 1970. Creating the impression that it's otherwise an exercise in statistical myth-making designed to advance a political agenda."

In short, it is part of Big Labor's short-sighted strategy to sell the American people the witches brew of protectionism, tariffs and quotas.

Despite Mr. Samuelson's debunking, the Washington Post gave this "myth-making" still another shot in its Sunday Outlook section on March 15, where Lance Compa, a lawyer for the United Electrical, Radio and Machine Workers of America, argued that "44% of the new jobs in the Reagan years paid $7,400 or less." In order to come up with such a charge, Mr. Compa had to include as "Reagan years" the period from 1979 through 1981, or three Carter fiscal years that also included two recessions, the worst inflation in modern history and a massive 7%, two-year decline (1979–81) in average real wages

The reason Messrs. Bluestone and Harrison chose the 1979–84 period for their study becomes obvious in an analysis made by congressional staff economist Christopher Frenze for Rep. Dan Lungren (R., Calif). Mr. Frenze's study uses Bureau of Labor Statistics data to supply the same Bluestone-Harrison breakdown for all years 1973–85. His analysis shows that between 1973 and 1985, there is almost no change in the basic distribution of jobs by pay classification, even accepting the Bluestone-Harrison data base with its disputed deflator.

When you arrange the data in four-year presidential budget cycles—1973–1977 (Nixon-Ford budgets), 1977–1981 (Carter budgets) and 1981–1985 (Reagan budgets)—a stunning new picture emerges. During the Carter years, of the net new jobs created, 41.7% were in the Bluestone-Harrison low-pay category. At the same time, their high-pay category lost jobs. [See Table.]

Now compare that with the real Reagan years, 1981–1985: In that period, 46.1% of the net new jobs were in the high-wage category. At the same time, only 6% were in the low-wage category, and 1986 raw data suggest this high-wage trend accelerated last year.

What has actually happened is that since 1982 we have been correcting the unusual downward trends associated with the double-digit inflation of 1979 and 1980, and the two back-to-back recessions of 1980 and 1981, all of which apparently had the greatest impact on the high-pay jobs category. In effect, the recovery has focused mainly on bringing those jobs back up to their original 1973 share of the economy.

As Janet Norwood, the nonpartisan commissioner of labor statistics, said in a very carefully understated Feb. 22 article in the New York Times, "the findings [of so-called low-wage jobs studies] are extremely sensitive to the particular set of data used [and] the years chosen for the analysis."

#### A MORE SERIOUS PROBLEM

What is much more troubling about all this statistical filmflammery is that it is obscuring a much more serious problem in our economy: Since 1982, we apparently have been generating high-pay and high-skill jobs at a much faster rate than we have been training people to fill them.

This is already producing serious and potentially inflationary skilled-labor shortages in many sectors of our economy, even as it leaves out the untrained underclass. Even a perfunctory review of the nation's current record levels of help wanted advertising shows a very strong basis toward higher-skilled jobs in both the service and the manufacturing sectors.

By using the phony low-pay jobs thesis to protect old labor-union turf, the nation's liberals are overlooking and undercutting a potentially greater new opportunity for social spending and advocacy: the case for much more education and training for the high-wage economy being created.

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[From Newsweek magazine, Feb. 23, 1987]

### THE AMERICAN JOB MACHINE

(By Robert J. Samuelson)

#### CONTRARY TO WHAT YOU MAY HEAR, IT ISN'T PRODUCING ONLY LOW-SKILLED AND LOW-PAYING EMPLOYMENT

One great strength of the U.S. economy—or so it has seemed—has been its ability to generate new jobs: about 12 million since late 1982. Now we're told it ain't so. Introducing his new trade legislation, Senate Finance Committee chairman Lloyd Bentsen of Texas recently embraced the new revisionism. Sure there are more jobs, he says, but they're lousy jobs. Nearly 60 percent of the new jobs in the past six years and low-skilled jobs paying less than $7,000 a year.

Welcome to Economics Propaganda 101. The notion that the U.S. economy is producing mostly low-paying, unskilled jobs is an economic fiction. Generally speaking, the mix between well-paid and poorly paid work is the same as in the 1970s. Creating the impression that it's otherwise an exercise in statistical mythmaking designed to advance (as in Bentsen's case) a political agenda purporting to protect high-paying jobs. The danger in believing these myths and enacting policies based on them is that we will damage a job-creation process that, on the whole, has been a success.

The myths, of course, have an intuitive appeal. The spotty prosperity of the mid-1980s leaves many pockets of distress. In Bentsen's home state, the latest unemployment rate for Houston is 10 percent. Across the country, factory shutdowns have forced millions of workers into lower-paying jobs. Consider a Labor Department study of 5.1 million workers displaced between January 1979 and January 1984. Of those with full-time jobs by early 1985, nearly one-fifth had taken pay cuts of 20 percent or more.

These visible examples of downward mobility involve undeniable individual suffering. But in an economy of 111 million workers, their overall social significance is diluted. Countertrends go unnoticed or are underreported. The same study of displaced workers found that one-third of those re-employed had earnings gains of 20 percent or more. Extravagant theories of social change, such as the disappearance of the middle class, have been built on the misleading use of selective statistics.

The genuinely serious jobs problem lies elsewhere. Despite the new jobs, the civilian unemployment rate (6.7 percent in January) is undesirably high. Even at this level, though, most skilled workers can find jobs. Some unemployment reflects people—mainly women and younger workers—moving from home or school into jobs. The average jobless spell is now less than four months. High unemployment's real victims are the least skilled, poorest workers.

The dilemma is this: policies that help these workers also produce inflation. The 1960s' and 1970s' obsessive pursuit of "full employment" (usually defined as 4 percent unemployment) created enough demand to improve the job prospects of those at the bottom. Unfortunately, it also spawned an overheated economy and wage-price spiral. No one talks about the dilemma anymore because no one has a solution. The temptation is to find a new "problem" for which a new "solution" can be devised. The alleged proliferation of poverty-level jobs fills this void.

Bentsen's figure comes from a study done for the congressional Joint Economic Committee. The study defined low-income jobs as those paying half the median wage in 1973, adjusted for subsequent inflation. By 1984 a low-paying job meant $7,012 or less. A high-paying job paid more than twice the 1973 median, adjusted for inflation, or $28,048 in 1984. The study claimed that 58 percent of the new jobs between 1979 and 1984 were low paying.

In fact, this low-wage explosion is mostly a statistical illusion, reflecting the impact of inflation and recession on workers' earnings. Wage gains in the late 1970s temporarily rose faster than prices. A reversal occurred when inflation accelerated and the 1981–82 recession depressed wage gains. As "real" (inflation adjusted) wages dropped, some people moved from the study's "middle" to "lower" category while holding the same job. In the study this shift meant a new poverty-level job although the job handn't changed.

Comparing 1979 (average unemployment: 5.8 percent) with 1984 (average unemployment: 7.4 percent) was also misleading. The study doesn't actually compare jobs but rather the wage and salary incomes of workers. The difference is important. In 1984 more workers with good-paying jobs were on layoff or between jobs, reducing their annual earnings—even if their salaries or wage rates hadn't changed. The study made it appear that they had simply gotten lower-paying jobs.

More gains: As the recovery has continued and "real" wages have slowly risen, the "low" category has contracted. An updating of the JEC study to 1985 puts 31.4 percent of workers in this group, the smallest proportion since 1973 except for two years (1978, 1979). And because the study measures annual earnings—not pay rates—roughly nine-tenths of the people in the low category either have part-time work (less than 35 hours a week) or, like students, work only part of the year. In 1986 the median annual earnings of full-time workers was $18,600 and rose 2.6 percent after inflation.

There's huge ferment in the job market. More women work, baby-boom workers face the competition of their own numbers and many industries have acute problems. Downward wage pressures exist, but the picture of a low-wage explosion is a vast exaggeration. Equally suspect are suggested policies—trade protection, restrictions on plant closings—to save high-paying jobs. Europe has embraced this approach by restricting the ability of companies to fire workers. Existing jobs are protected, but new ones discouraged. Companies hesitate to hire if they can't easily fire. Excessive wages cause firms to substitute machines for people and let attrition cut their work forces. Since 1970 Europe's jobless rate has risen from 2 to about 11 percent.

Our system is imperfect. "Hard core" unemployment is more unyielding than it seemed in the inflationary 1960s and 1970s. For other workers, some job security is lost in return for a flexibility that allows companies to hire, fire and reduce pay to adjust to changing circumstances. The process is messy and often cruel, but in a profit-making economy jobs cannot be saved by forcing companies to do unprofitable things. The American job machine has not created a utopia, but it works. Those who think they can make it work better bear a heavy burden of proof.

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[From the U.S. News & World Report, Feb. 16, 1987]

### The Boom: Coming or Going?

(By David R. Gergen)

Herman Kahn would have loved it. Five years ago, he wrote a controversial book about the future of America. At the time, a severe recession was battering the nation, interest rates were running in double digits, morale was low and the Soviet empire was still digesting its ill-gotten gains of the 1970s. Flying in the face of conventional wisdom, Kahn insisted that the United States was on the verge of an economic, political and international boom. Revitalization was "a near certainty."

The critics would hear none of it—and not long afterward Kahn died, leaving his colleagues at the Hudson Institute to carry on his work. But now one can almost hear him laughing from the grave, amused at how well his prophecy is turning out.

Amidst all the caterwauling about the state of the nation, the truth is that the United States is in much better shape today, its prospects brighter than in recent decades. Thanks largely to Paul Volcker, inflation has almost been squeezed out of the system. The U.S. in the past half-dozen years has created 10 million jobs, while Western Europe has lost 1.4 million. Companies in industries such as autos are renewing themselves. And, well into one of the longest recoveries since the war, the economy is picking up speed again.

Even more striking is how robust our ideals are becoming elsewhere in the world. According to the Freedom House in New York, no fewer than 10 nations have become politically "free" over the past five years—most of them in Latin America. An aggressive U.S. posture has also prevented the Soviets from consolidating their hold over nations such as Nicaragua and Angola that turned toward Marxism in the 1970s. The United States can also take a measure of pride in the thunderous victory for democracy in the Philippines last week.

Economically, the totalitarians are almost everywhere in retreat, their systems unable to keep up with the revolution in technology and people's expectations. Smart leaders such as Gorbachev and Deng are trying to introduce market-oriented reforms to their societies, but their success seems chancy. In Washington, observers privately speculate that entrenched interests could topple Gorbachev within three years. Nearly everywhere, the lesson is clear: Socialism is becoming one of the greatest failures of the 20th century.

But if this is a time to acknowledge that Herman Kahn was right, it is certainly a moment to remember his warning, too: The greatest danger to our future, he said, was if we managed our affairs stupidly. Our principles would not defeat us; lousy management could.

His point has special force in Washington today, where our elected leaders are sinking into their own paralysis and—*worse*—don't seem to care. Everyone knows that our gargantuan budget and trade deficits could undermine our progress, yet no one in authority seems prepared to act seriously. Officeholders in the Reagan administration are more concerned about future jobs than the future of the country. Democrats in Congress talk a good game, only to disgrace themselves with sneaky tricks over federal pay. The press doesn't help by paying so much attention to the mistakes of the past and to candidates of the future that it ignore the realities of today.

The country will eventually pay a price if Washington remains paralyzed for two more years, letting debts pile up. By the early 1990s, the follies of mismanagement in the 1980s could force us to send as much as $100 billion overseas every year—just to satisfy foreign creditors.

From Pete Peterson, a public-spirited leader, came a call in the New York Times this past week for a budgetary summit, convened by the President and Congress. From Governor Mario Cuomo of New York comes the equally forceful idea of a "Greenspan commission" on U.S. competitiveness—a blue-ribbon panel that unites behind a single program of action. Both are right.

It's not good enough for the politicians or press to wait for the next President to clean up; that will be too late, and to expect that of him is to condemn the country to yet another failed Presidency. Those elected to lead in 1987 and 1988 have a responsibility to lead now—and let the country enjoy a full and glorious boom.

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[From the Washingon Post, June 11, 1987]

### They're Not 'McJobs'

(By William E. Brock)

Sure, a lot of the new employment is in the service sector. What's wrong with that?

Prophets of pessimism are busily spreading a new myth about America's job situation. They acknowledge that millions of new jobs are being created in this country (13 million since 1982), but then go on to argue that they are not the right kind of jobs—that they are in the service sector rather than the industrial sector and are thus mostly part-time, low-wage, dead-end positions. (For a couple of examples of this, see the article by Lance Compa in Outlook of March 15 and one by Barry Bluestone and Bennett Harrison in the business section May 17.)

Seldom have I seen such bad information given such wide play and granted such instant credibility. It's as if we were to accept the idea that producers of goods have no need of telephones, computers, engineering, banking, insurance, accounting, training or any of a host of similar services.

In truth, manufacturing and services need each other. These are not competing functions. Remember, the industrial sector isn't shrinking, except as percentage of the work force, and that's not because it's getting smaller (it isn't) but because of the incredible boom in the service sector.

#### TAKING EXCEPTION

When one sector profits, as services have, the other will benefit as well.

The myth of the inferiority of service jobs has become the predicate for discussions on many issues that profoundly affect our competitiveness. What is most troubling is that those who believe this myth will not prepare for the future but rather will remain shivering fearfully in the shadows of the past, or worse, will be feverishly preparing laws to preserve the past. We can't afford that as a society or as a nation.

New life has been injected into this 20th Century Flat Earth Society by a recent study that brought forth a plethora of bad news. Most often cited is its finding that 58 percent of the jobs created between 1979 and 1984 paid $7,000 per year or less.

But look at the time frame again: 1979–84. Four of the six years studied were low-growth, high-inflation years of a recession that this president inherited. By all accounts, the recovery didn't begin until the end of 1982. Let's look at it again—in a different way. Comparing 1979–82, inclusive, with the succeeding four years is telling:

In 1979–82, real economic growth was 0.3 percent; in 1983–86 it was 3.8 percent (These are average annual rates.) Inflation in the first four years was 10 percent, in the second, 3.2 percent. Growth in real disposable income went from 0.7 percent to 3.7 percent, and in employment from 0.1 percent to 3.4 percent. The total number of new jobs in 1979–82 was 0.1 million; in 1983–86 it was 12.7 million.

By expanding the aperture on our inquiry these figures present quite a different picture. We actually see a trend line rising rapidly toward opportunity, not sinking toward despair.

Yet the proponents of protectionism continue to press, citing the service sector as the villain. As a plant closes, goes the argument everyone goes to work in a fast-food restaurant. Baloney!

Of course plants close. Some facilities were simply too old. Others were unable to modernize or adapt to changing consumer preference or new technologies. Other changes may have been the result of bad management decisions. Meanwhile others open. In the past year, more than 50,000 new businesses opened each and every month. This is important, for in the past decade nearly half of all new jobs were created by firms less than four years old.

In a recent speech, I talked about the service sector, pointing out that our reluctance to move into service parallels our reluctance 50 years ago to move from agriculture to industry. I went on to say that if we are willing to seize the opportunity for growth—in manufacturing as well as in services—that these new services offer, we will surpass the tremendous economic growth experienced with our move off the farm.

The service sector has been characterized as "McJobs." In a phrase, it just isn't true. So much of the service sector consists of higher-paid work; transportation, public utilities, communications, finance, banking, insurance and data processing. In the five years of this recovery, only one major segment of the job sector has declined; minimum-wage jobs have fallen 25 percent, while those jobs paying $10 an hour or more have increased by 50 percent. Beyond that, 90 percent of these new jobs are full-time.

With the tremendous growth in the service sector has come an accompanying need for higher skills. The number of jobs that require skills is growing much faster than those that require little education. The skills requisite to this new marketplace are cognitive, reasoning, math and communication skills. The majority of new jobs will require postsecondary skills.

We don't need to be fighting the service sector—it is essential to a productive, growing manufacturing sector. We need to be positioning ourselves so that we can take full advantage of both. To do so, we need skills—basic skills and flexible skills. To this end the president has proposed the worker readjustment act and the AFDC/Youth proposal as part of the Trade, Employment and Productivity Act of 1987. Both these programs are aimed at equipping our present and future work force with the skills that will enable it not just to survive, but to thrive in a changing market.

The piece by Lance Compa in the Outlook section hinted at no less than a class confrontation brought on by the alleged proliferation of low-paid, part-time jobs. Let me say that a class confrontation is indeed possible if we have skilled, educated, gainfully employed people on one side and unskilled *unemployable* people on the other.

We argue about labor-intensive jobs being "exported," when we should be concentrating on investing in our human capital. We can create the technology that can foster the higher skilled, better-paying, more productive jobs. These are the jobs that represent the future rather than the past. If we don't concentrate our efforts on acquiring these new skills, we'll be importing people to fill these jobs, or doing without the growth the jobs could provide.

The days of disguising functional illiteracy with a high-paying assembly line job are soon to be over. We have work to do—lots of it—in making sure we're ready to continue to be the most productive nation in the world. It's our interest as a society to make sure everyone has the skills he needs.

We know opportunity lies ahead; but it is tough to focus on the 21st century when the debate remains in the 19th.

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## SUSPENSION OF MOST-FAVORED-NATION STATUS FOR ROMANIA

### HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BRYANT. Mr. Speaker, as one who has consistently supported the House's effort to suspend the most-favored-nation status of Romania because of its human rights' violations, I want to commend to my colleagues' attention the hearings conducted on July 30, 1987, by the House Subcommittee on Europe and the Middle East on this issue.

In the absence of Chairman LEE H. HAMILTON, the hearings were adeptly conducted by my distinguished colleague from California, Mr. LANTOS, another strong supporter of suspending Romania's status. My colleagues from New York, Mr. GILMAN, and New Jersey, Mr. SMITH, also participated in the hearings. My distinguished colleagues from Virginia, Mr. WOLF, and New York, Mr. ACKERMAN, were guest questioners of the only witness, Hon. Rozanne Ridgway, Assistant Secretary of State for European and Canadian Affairs.

The unanimous agreement among the members of the subcommittee that the human rights record of Romania is atrocious was shared by Assistant Secretary Ridgway. Questions asked of her focused upon the opinion of the Department of State as to whether the temporary suspension would result in a permanent revocation of MFN status and to the end of the United States' leverage with Romania.

My distinguised colleague from California, Mr. LANTOS, joined with other members of the subcommittee in correctly observing that past efforts have not produced the desired results. The Romanian Government will, we hope, respond to this effort by improving its human rights record. Only then will I support the reinstatement of MFN status for Romania.

I also commend the Subcommittee on Europe and the Middle East for its steadfast exposure of two particular groups in Romania which are the focus of government repression: the protestant religious believers and the national minority groups, especially the 2.5 million Hungarians of Transylvania who seek the observance of their human, cultural, and self-determination rights.

I praise the effective and diligent work done by many international human rights organizations, including the Christian Response International and the American Hungarian Federation, in order to get Congress to recognize and act to change the oppressive internal policies of the Government of Romania, which draw criticism even from their Communist neighbors. Congratulations are due to all of those who have worked for this cause, especially Dr. Z. Michael Szaz, the Secretary of International Relations for the American Hungarian Federation, whose work is also supported by the American Hungarian Action Committee and the Transylvanian World Federation.

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## A SALUTE TO THE WILLIAM PENN ASSOCIATION

### HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WALGREN. Mr. Speaker, I would like to take a moment to salute the William Penn Association which is holding its annual convention in Toronto, Canada, this September.

This fraternal organization has thousands of dedicated and selfless members who work hard on behalf of all of us in our various communities. This convention in Toronto will be the organization's 31st, and over 200 delegates from around the country are expected to attend.

I have a special place in my heart for the William Penn Association, since a dear friend, William Arbanas, was instrumental in the activities of the Association's predecessor group in Pittsburgh, the Catholic Knights of St. George. In fact, Bill brought me into this group many years ago.

This year, on the occasion of their 31st convention, I am pleased to ask my colleagues to join me in saluting the William Penn Association.

## LEGISLATION SUSPENDING AID TO PANAMA

### HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LEVINE of California. Mr. Speaker, today I, and a bipartisan group of my colleagues are introducing legislation to suspend all United States assistance to Panama until such time as democratic reforms have been undertaken in that country.

This bill is the House companion to similar legislation introduced in the Senate yesterday by a broad bipartisan coalition, and supports the Reagan administration's recent suspension of aid to Panama. What the legislation specifically does is to require that democratic reforms be undertaken in Panama before aid is restored. "Substantial progress in the effort to assure civilian control of the armed forces," and the establishment of "a non-military transition government" are required by the bill before aid may resume.

The Noriega dictatorship's continuing suppression of such basic freedoms as freedom of speech and assembly has made a withdrawal of U.S. support necessary. Just 2 days ago, Panamanian authorities banned public demonstrations and ordered the arrest of six opposition leaders on apparently groundless charges of plotting against the Government. This follows the recent arrest of a military rival of General Noriega who dared to criticize his administration.

The Panamanian people have demonstrated through their public protests that they are no longer willing to tolerate the repression and corruption of the current regime. We should not make their efforts to make their voices heard more difficult by giving financial support to this dictatorship. We should state unequivocally that the voices of the people—the voices of democracy—are going to have to be listened to before this democracy will again offer its financial support to a government in Panama.

It is important for all to understand that this legislation is not in any way aimed at the Panamanian people. It is simply the best way we have of expressing our opposition to the current regime's repression of Panama's people.

It is also important to emphasize that we do not seek to intervene in Panamanian affairs. We only seek to stand up for a principle—that the United States should not be in the business of giving financial support to repressive, undemocratic governments. We have every right in donating assistance to choose to whom we give it. Here we make such a choice.

I urge my colleagues to support this bipartisan legislation.

## MERCHANT MARINE ACADEMY CHANGE OF COMMAND

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BIAGGI. Mr. Speaker, in a few weeks the Merchant Marine Academy at Kings Point will begin its 44th academic year under the new leadership of Paul L. Krinsky. As vice chairman of the House Merchant Marine and Fisheries Committee and a member of the Merchant Marine Academy Board of Visitors I have a deep interest in the Academy. Federal sponsorship of this fine institution vividly demonstrates our national commitment to a strong and healthy U.S.-flag maritime fleet.

During my service on the Academy Board of Visitors I have had numerous opportunities to meet with Paul Krinsky and I have been very impressed with his ability and his understanding of the important role the Academy plays in training young men and women for a life at sea. Krinsky, is a 1950 graduate of the Academy who went on to serve in the U.S. Navy, and on board numerous commercial vessels including the fastest commercial vessel in the world—The S.S. *United States*.

In 1958, Krinsky returned to the Academy where he served as professor, director of admissions, assistant academic dean, and assistant superintendent of Academic Affairs. The new Superintendent has certainly won his position the old fashioned way—he earned it.

However, as we focus on the future, we cannot forget those who established a platform for success. The retiring Superintendent, Adm. Tom King can be justifiably proud of his numerous accomplishments since assuming command of the Academy in 1980.

The President recently praised Admiral King for his service to the Academy saying: "The innovations you brought to the Academy, including simulators, ensure our graduates the kind of instruction and guidance that will serve them and our Nation into the next century. I appreciate your steady hand at the helm, and so do the many patriotic citizens readied by your leadership to man our merchant ships."

After having worked with the Superintendent for over 8 years, I strongly echo these sentiments. Great institutions are the product of the dedication and vigilance of committed leaders. Admiral King leaves behind a proud legacy of success.

## DECISION ON SEQUESTRATION

### HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MARTINEZ. Mr. Speaker, on July 28, 1987, U.S. District Court of the District of Columbia Judge Joyce Hans Green ruled in favor of the National Association of Counties' battle to force Treasury Secretary James Baker to release $180 million in General Revenue Shares [GRS] funds that would have been allocated to local governments across our country in fiscal year 1986, but were instead sequestered on February 1, 1987 by the President pursuant to the Gramm-Rudman law. While I rise today to applaud Judge Green's decision, I also want to call to my colleagues' attention that Secretary Baker may delay the release of sequestered GRS funds by appealing the district court's decision. I am hopeful that Secretary Baker does not make such a decision.

Further litigation initiated by Secretary Baker in this case would fly in the face of the jurisprudence demonstrated by Judge Green and would further delay the allocation of $180 million in sequestered GRS funds to local governments. In her decision, Judge Green clearly illustrated that Secretary Baker was acting outside his statutory authority in refusing to disburse the GRS sequestered funds. As a result of the Supreme Court's constitutional invalidation of the automatic sequester trigger in the Gramm-Rudman law, funds sequestered prior to the courts decision were to be reallocated if those funds were placed in a special or trust fund. Upon receiving the sequester order in February 1986, Treasury officials set aside the $180 million in GRS funds in a special account. Finally, Judge Green showed that the Consolidated Omnibus Budget Reconciliation Act of 1985, which included a provision to phase out GRS, and the Revenue Sharing Act, which provided original authorization of GRS, made clear that the budget authority for revenue sharing did not expire with the end of fiscal year 1986, contrary to Secretary Baker's claim. Therefore, there was nothing in the law which prohibited funds sequestered from a fiscal year 1986 appropriation to be dispersed beyond fiscal year 1986. I am confident that even if Secretary Baker appeals this decision, Judge Green's opinion will most certainly be reaffirmed.

Since such an appeal would tell us what we already know, why then would Secretary Baker persist in appealing this case? More delays will not help the cities and counties throughout our country which have waited too long to receive the previously sequester GRS funds. Indeed, with every passing day, local governments lose revenue from interest payments on the sequestered GRS funds, which would have been used for needed community services. Additionally, the sequestration of these funds has forced many jurisdictions to reduce essential services. For instance, the County of Los Angeles has historically set aside GRS funds for the operation of the county's hospitals. In the event that the county does not receive the approximately $3 million that was sequestered from its share of fiscal year 1986 GRS funds, the county will have no other option than to make budget cuts in several vital areas.

As a former mayor of Monterey Park, CA, I know from personal experience the importance of revenue sharing. In the past several years, the 14 cities in the district I represent in Congress have been required to enlarge their respective capacities to deliver essential services in order to meet the needs of a large influx of the homeless and those in poverty. Moreover, the imposition of revenue raising constraints like California's Proposition 13 has limited the ability of cities in my district and local units of government throughout California to effectively expand services. It is bad enough when the Federal Government pulls the carpet out from under literally thousands of cities across our country that need such assistance to perform the growing amount of responsibilities faced by local government. That is what occured when Congress failed to appropriate funds for GRS last fall. Now the Treasury Department may pound a few more nails in the coffin by using legal means to delay the inevitable court order to release the sequestered revenue sharing funds. Therefore, I urge Treasury Secretary Baker not to appeal Judge Green's decision and to release the sequestered funds to local governments.

## THANKS, ROGER STEVENS

### HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BOLAND. Mr. Speaker, I am very pleased to have this opportunity to recognize the hard work, and many contributions to our Nation's cultural life, of the retiring Chief Executive Officer and Chairman of the Kennedy Center for the Performing Arts, Roger L. Stevens.

For the past 16 years Roger Stevens has managed what has come to be known as one of the most productive and efficient art complexes in the world. His dedication to encouraging the flourishing of the arts in the Nation's Capital dates back to the Eisenhower administration when the idea of a national cultural center was born. Since that idea became embodied in the Kennedy Center, Washingtonians and tourists alike have enjoyed consistently high-quality productions and thrilled to performances by artists such as Douglas Fairbanks, Jr., Katherine Hepburn, and Henry Fonda. The impressive Kennedy Center building, which over 48 million people have visted, now hosts most of the significant theater, ballet, concert, and opera events here in Washington.

I am sure that without Roger Stevens, the Kennedy Center simply would not be what it is today. The reputation Mr. Stevens enjoys is the product of his willingness to work long and hard for something he believes in. We have been very fortunate that a person of his great ability was available to guide the Kennedy Center through its formative years. As Roger Stevens leaves his post, I want to both commend him for his efforts and extend to him best wishes as he turns his attention to new challenges.

## VISUAL ARTISTS RIGHTS ACT

### HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MARKEY. Mr. Speaker, I am pleased to introduce today the Visual Artists Rights Act of 1987. This legislation is similar to H.R. 5722, a bill introduced in the last Congress.

In order to foster the growth and development of fine arts in this Nation, additional protections for visual artists are essential. Those who dedicate themselves to painting, drawing, and sculpture enrich our lives and our heritage beyond measure. It is unfortunate that too many of these artists face economic and judicial obstacles in their creative efforts. They must often choose between compromising the artistic integrity of their work with a copyright notice or dispensing with full copyright protection. They must face the prospect of the unauthorized alteration, multilation, or destruction of their work after its sale. And they must often sell their works at minimal prices, only to have others, whether speculators, dealers or friends of the arts, be the ones who profit financially from the later recognition of their work. Mr. Speaker, if we are to encourage the arts, we must encourage artists. We can and we must rectify certain shortcomings of American law so that the protections afforded authors of works of visual fine art are brought closer to the protections afforded other artists and authors.

This legislation I am introducing today would amend copyright law to improve protections for visual artists in three important areas; copyright notice, moral rights, and resale royalties.

My bill would provide full copyright protection to works of fine art without requiring that a copyright notice appear on the work. The need for this preserving the intergrity of the work is, I think, obvious.

My bill would also recognize the moral right a painter or sculptor has in his or her work. Long established in law in European countries, this principle recognizes the right of the author of a work of art to prevent its unauthorized alteration, mutilation, o destruction. Violation of this right would be subject to civil penalties under copyright law.

Finally, this bill would allow the visual artist to participate in the success of his or her work after its first sale, by providing for the payment of resale royalties. Too often, visual artists remain poor while others grow rich dealing in their works of art. This provision would ensure that visual artists profit from public recognition of the quality of their work, whether this recognition comes quickly or, as often happens, is delayed until well after many works have been sold. The value of these works comes not from the material they are made of, but from the creative effort of the artist. This should be reflected in our law. The resale royalty provision gives to painters and sculptors some of the economic protection afforded to artists whose work is published or performed.

Mr. Speaker, I commend this legislation to my colleagues. By better protecting artists' rights, we encourage art and foster a better life for our Nation.

## BIKE-AID 1987

### HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WILSON. Mr. Speaker, this summer, bike riders from throughout the United States are participating in a program called Bike-Aid 1987. Over 150 riders—ranging from 15 to 60 years old and representing 27 States—left from Portland, Seattle, San Francisco, and Los Angeles on June 17 and from Austin on July 14. They are involved in a 3,700-mile trek across the country to raise funds for, and public awarness of, hunger and poverty in the United States and developing countries.

Bike-Aid 1987 is sponsored by the Oversight Development Network [ODN], a national student organization with headquarters at Harvard and Stanford universities and chapters at over 40 colleges. Funds raised during this tremendous effort will support locally designed, small-scale, self-help projects at home and abroad. The goal of the overseas development network is to promote self-sufficiency and long-term progress.

ODN has three basic programs: (1) The Partnership in Development Program matches each local chapter with a grassroots project which the chapter then corresponds with and sponsors through educational fund-raising on campus; (2) the Development Education Program promotes public education concerning the problems facing developing countries through a monthly newsletter, a development package, and frequent conferences and video programs organized by local chapters; and (3) the Development Opportunities Program gathers and disseminates information about internships and service/learning opportunities in this country and in Third World countries.

As riders make their way across the country—staying in a combine total of 225 towns and cities in 38 States—they will contact district congressional offices, meet with folks who are involved in local hunger projects, work with food banks and talk with local media. On August 13, the five routes will converge in Washington, DC, for a congressional reception. The entire group will then continue on to New York City to take part in a closing celebration hosted by UNICEF at the United Nations building on August 19.

Mr. Speaker, I am a strong supporter of this fine program. Indeed, democracy is not a spectator sport, and this is a classic example of U.S. citizens—young and old—jumping in and getting wet all over for a most worthy cause. I like that, and I commend Bike-Aid 1987 participants for their marvelous effort, their exceptional endurance, and their unwavering commitment to promote self-reliance in the United States and abroad.

## COMPREHENSIVE ALCOHOL ABUSE, DRUG ABUSE AND MENTAL HEALTH AMENDMENTS ACT OF 1987

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MILLER of California. Mr. Speaker, I am pleased to be an original cosponsor of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, with my colleague Mr. WAXMAN. Our legislation, which would revise and extend the alcohol, drug abuse, and mental health block grant, would bring greatly needed assistance to those who suffer from emotional or substance abuse problems.

MILLIONS OF CHILDREN SUFFER MENTAL HEALTH PROBLEMS; SERVICES SCARCE

I am particularly pleased that this bill will restore a set-aside for severely emotionally disturbed children and adolescents to no less than 10 percent of the mental health share, and will increase the overall funding to $350,000,000.

As the Select Committee on Children, Youth, and Families, which I chair, learned in its recent hearing on Children's Mental Health, services for emotionally disturbed children are largely unavailable. A recent report by the Office of Technology Assessment [OTA] found that at least 7.5 million American children are seriously emotionally disturbed. Yet 70 to 80 percent of them receive either inappropriate care or no care at all.

There is a particular shortage of community-based services, which has too often forced children to be unnecessarily institutionalized. An estimated 40 percent of psychiatric hospital placements are medically inappropriate. One parent told the committee that to get publicly funded treatment for her son, she had to give up custody of him because no community-based or in-home support services were available.

Despite a growing consensus that family-focused, community-based alternatives are needed—and are more appropriate—for children and youth, within most States, such programs have not been developed. Instead, the bulk of children's mental health funding goes to more costly residential placements, which are usually far from a child's home.

What emerged most clearly at our hearing is that there is no mandate for children's mental health services. A lack of assumed responsibility for children's welfare coupled with poor coordination between the various agencies that serve children has led to many troubled children going without treatment.

By providing grants to States, this legislation will help stimulate the development of a continuum of mental health services for children.

FEDERAL SUPPORT FOR TROUBLED YOUTH LIMITED; CHILDREN'S MENTAL HEALTH NEEDS NEGLECTED

Even more compelling is that when the children's set-side was amended in 1985 to include other underserved populations, such as the homeless and the elderly, some States chose not to fund children's services at all.

By restoring the set-aside for children, we send a strong message to the States that mental illness among children is pervasive and that emotionally disturbed children require appropriate care.

We also reverse a downward trend in mental health funding for youth. The mental health portion of the alcohol, drug abuse, and mental health block grant has been cut 22 percent since 1981. Funds for training of child mental health professionals have dropped 85 percent in this decade. And, less than $5 million is dedicated to the promising Child Adolescent Service System Program to develop coordinated systems of care for seriously emotionally ill youth.

SUBSTANCE-ABUSING WOMEN UNDERSERVED

The Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987 will also preserve the set-aside for women with drug and alcohol problems, including funding for prevention and early intervention initiatives, and will increase funding for substance abuse programs and related activities to $500,000,000.

A focus on women is crucial because even today, alcoholism is not recognized as a serious problem among women. This has led to lack of identification and proper treatment. Although women comprise 30 to 50 percent of alcoholics, they represent only 20 percent of those served in public treatment facilities. A recent survey of chemical dependency treatment centers in the Minneapolis/St. Paul area found that more than two-thirds—67.8 percent—of the patients were men.

In addition, existing programs are neither accessible nor sensitive to the needs of women. Many programs around the country are in unsafe locations, most lack child care, and the majority have few or no female staff.

A focus on the health care needs of women is also essential because of the serious consequences for babies born to addicted mothers. In 1982, between 3,700 and 7,400 babies were born with fetal alcohol syndrome [FAS], a leading cause of mental retardation. Up to 36,000 newborns each year may be affected by a range of severe alcohol-related effects. Compared to normal infants, cocaine-exposed infants are at a significantly higher risk for Sudden Infant Death Syndrome and respiratory abnormalities.

Despite these risks, more women of childbearing age today are drinking alcohol and using heroin, cocaine, stimulants, and other drugs than they did a decade ago. In 1983, there were at least 884 addict births in New York City, a rate of 7.9 per 1,000 live births, as compared to 227 addict births—1.5 per 1,000 live births—in 1966.

Over the past 3 years, this set-aside has proven to be the catalyst for new and improved services for women with alcohol problems. In my State of California, for example, set-side funds enabled 24 new programs targeted at special populations, such as battered women, black, Hispanic, and Native American women, to be established. Prevention, outreach, and intervention initiatives were also created. According to the National Council on Alcoholism, most States would not have been able to provide such services without Federal support. Federal support is still needed to preserve the newly made gains and to extend the success of this small effort to more of the estimated 4 million alcoholic women in this country.

I urge my colleagues to support this important legislation.

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## RAY DANDRIDGE TRIBUTE

### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. RODINO. Mr. Speaker, it is with great pride and pleasure that I rise to salute an adopted son and long-time resident of Newark, as well as a splendid baseball player, Raymond Dandridge, who was recently inducted into the Baseball Hall of Fame.

For the casual fan of baseball who is unfamiliar with the diamond exploits of Ray Dandridge, I believe it behooves me to recount the life and career of this truly great sportsman.

Born on August 31, 1913, in Richmond, VA, Ray began his professional career mostly at third base at the tender age of 20 with the Detroit Stars in one of the old Negro leagues.

From the Stars he went on to play for the Newark Eagles, the New York Cubans, and had stints on a number of teams in the Mexican and Cuban leagues. His prowess on the ballfield finally attracted the notice of major league scouts when he was playing in Mexico in the late 1940's. Ray was signed by the New York Giants in 1948 after batting a stellar .370 in his previous season in Mexico. Ray made it as far as the Giants' highest farm club, the Minneapolis Millers, where at the age of 37 he was saluted as the first black player to win the most valuable player award of the American Association in 1951. However, it was the eclipsing presence of one of Ray's young teammates, a ballplayer named Willie Mays, that distracted the Giants' attention from Ray's achievements, and he was never called to the parent club.

Although Ray never made it to the major leagues, his stature as being one of the all-time great baseball players is beyond question. Roy Campenella, the Dodger great, has said of Ray, "I played with Billy Cox and I saw Brooks Robinson and a lot of other good third basemen. Believe me, Dandridge could match them all * * * he belongs."

Ray was the only nominee selected by the Hall of Fame's Veterans' Committee for this year. To be inducted, a candidate must receive at least 75 percent of the vote from the 18 members of the committee.

The segregation of baseball until the emergence of Jackie Robinson in the late forties denied great players such as Ray the fame and adulation they would have rightly received had they been allowed to play in the major leagues. I cannot help but think that the sport did itself a great disservice by denying the fans the opportunity to experience the great talents and hard work that are only now being belatedly recognized. It is truly a shame that Ray Dandridge was never able to realize his dream of playing in the major leagues when one considers that in his heyday he would have been one of its great stars. I believe that Ray captured the essence of his dream best when he said, "I just wanted to put that right foot in a major league ballpark."

I believe the game of baseball does itself a signal honor by bestowing this great award upon Ray Dandridge.

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## IN MEMORY OF JESSE UNRUH: A GIANT IN CALIFORNIA POLITICS

### HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. DIXON. Mr. Speaker, it is with deep sadness that I comment on the passing of one of California's political giants, Jesse Marvin Unruh. Recognized as a man of great

influence and many accomplishments, Jesse Unruh left his mark on California government.

Raised in economic deprivation, Mr. Unruh was an American success story, a self-made man who in his capacity as assembly speaker and State treasurer worked to improve the quality of life for the average Californian. Elected to the California State Assembly in 1954, he quickly gained respect within the legislature for his political expertise. In 1961, he was elected California Assembly Speaker, a position he held until 1968. Under his tenure, major pieces of legislation were enacted, including the Unruh Civil Rights Act prohibiting racial discrimination in businesses servicing the general public, and the Collier-Unruh Act authorizing property tax diversions to build rapid transit systems. Other significant bills led to the prohibition of employer discrimination on the basis of age, the increase of State funding for education and recreation, and the creation of the California Commission on the Arts.

In 1970, Mr. Unruh left the assembly to pursue an ultimately unsuccessful bid for Governor. In 1974, he was elected to the position of State treasurer, a then-obscure office which, before his death, he converted into an immensely powerful post with influence over billions of dollars of State investments. He also made it profitable for the State, aggressively investing billions of dollars of idle State funds.

It is without a doubt that the energetic efforts of Jesse Unruh have benefitted many, and will continue to assist countless others in the future. The recent passing of the State treasurer is a great loss to the government, and to the people of California.

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## SSC GOOD FOR U.S. SCIENCE AND TECHNOLOGY

### HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. FAWELL. Mr. Speaker, today my colleagues Bob Roe and over 200 cosponsors, will introduce a bill to authorize $35 million for the superconducting super collider for fiscal year 1988. There is no question that the SSC will significantly advance our scientific understanding of the universe and keep American scientists at the forefront of research. What is less well known is that the SSC will also be a boon to America's technological edge. I am inserting into the Record two articles that make this case very well.

The articles follow:

[From the CERN Courier, April 1985]

PARTICLE PHYSICS AND TECHNOLOGICAL SPIN-OFF

(By John Dowell)

Technological spin-off from fundamental science has several time scales. Short term developments are typified by improvements to equipment manufactured by firms in close contact with the field. The high rate of innovation in the particle physics field produces technology available to industry and applicable over a very wide range of activities.

Medium term development is led by the need for fundamental science to press technology to the limit. Here, physics is at an important advantage as its practitioners are well qualified to invent and exploit the instrumentation required. Such instrumentation frequently finds extensive application in other areas of scientific research as well as in the commercial and medical fields. The developments also include whole areas of application arising from a particular discovery such as, for instance, the muon spin rotation technique.

Very long term spin-off permeates vast areas of technology and affects our whole culture. Such developments from fundamental studies are rare and unpredictable and the timescale of the resulting technological impact is long. An outstanding example is the development of the quantum theory to account for the behaviour of matter at the atomic level and which now underlies all of the technologies involving matter on the molecular, atomic and nuclear scales, including all of modern electronics.

SHORT TERM EFFECTS

To gauge short term technological spin-off, studies at CERN have measured the "economic utility" to firms with CERN contracts.[1] This was assessed in hard cash terms based on increased sales and cost savings arising out of the CERN contracts and additional to the value of the contract itself.

Short term technological spin-off from CERN's work covers an impressive range, including computers, electronics, telecommunications, power generation and distribution, cryogenics, vacuum technology, optics, precision mechanics, magnet technology, steel and welding, car design, railways, shipbuilding, subway control, refrigeration, oil prospecting, materials storage, television, and solar energy.

Particle physics requirements have also had a significant impact in manufacturing techniques and the industrial application of new materials. The CERN Task Force of the British Overseas Trade Board notes a number of examples:

Construction of low mass, high strength structures using glass reinforced epoxy and plastics such as kapton, mylar and kevlar;

Fabrication of expoxy-resin mouldings to new standards of reproducibility and uniformity;

Development of epoxy resins for use as electrical insulators (now replacing ceramics in many applications);

Development of conducting plastics with moderate resistivities and precisely defined characteristics;

Production of multicore superconducting wires using hydrostatic methods;

Invention of the flat cabling technique (known worldwide as the Rutherford technique) now widely used for transformer coils as well as for superconducting coils; and

Development of high quality electrical insulation for use at low temperature.

TECHNOLOGY TRANSFER

With the increasing application of particle accelerators and radioactive sources it is not surprising that particle detectors have followed suit. This kind of spin-off extends from the earliest detectors developed for nuclear research (Geiger counters) through all kinds of scintillation counters to multiwire proportional chambers. Although important development work has taken place in the fields of application themselves, the real innovations in detectors have come from the nuclear/particle physics area.

A good example is the multiwire proportional chamber (MWPC), invented in 1968 by Georges Charpak working at CERN. It provides a sensitive, high precision, versatile, two dimensional detector of radiation. The vast range of sizes and types of MWPC are one of the principal detection techniques in particle physics. In addition, applications in medicine, materials science and biochemistry are starting to appear—positron tomography and X-ray imaging being two good examples.

The positron (antielectron) was one of the earliest discoveries of particle physics. It is emitted by certain radioactive substances and is produced along with an electron by sufficiently energetic gamma rays. Positrons annihilate with electrons in ordinary matter to produce two gamma rays each of energy 511 keV, which fly off in opposite directions. Detection of the two gamma rays defines a line through the point where the positron annihilation occurred. Measurement of a number of such approximately intersecting lines defines the position of the positron emitter in space. Suitable MWPCs provide excellent two dimensional detectors for the annihilation gamma rays. Coupled with appropriate electronics (also developed for particle physics applications) and readily available small computers. a "user friendly" system can be provided.

In the medical sector, such systems are now undergoing clinical trials. *In vivo* images can be produced in acceptable scan times from radiographically acceptable radiation doses. Applications to date include blood flow in peripheral limbs and in the brain, arthritic bone lesions, thyroid studies, bone marrow studies, and bone metastases and various research studies using animals.

The MWPC has lately proved to be a useful large area two dimensional X-ray imaging detector with applications in X-ray diffraction medicine, non-destructive testing, etc. The high quantum efficiency for 8 keV X-rays in a suitably constructed chamber reduced to two hours the time necessary for an X-ray diffraction study which would have taken several days by traditional methods. In the area of non-destructive testing, a gamma-ray imaging detector has been developed using a cobalt-60 source for examination of large underwater welded structures.

These applications and others use standard MWPC technology, but recent developments such as the multistep avalanche detector promise additional possibilities

ELECTRONICS AND COMPUTING

A notable feature of particle physics has been the development of modular data acquisition systems which have subsequently gained wide acceptance outside the field. An initial example was the Harwell 2000 series of the early 1960s, but this has been followed by Nuclear Instrumentation Modules (NIM), CAMAC and now Fastbus. NIM and CAMAC crates, power supplies and modules are available from many manufacturers world-wide and CAMAC, in particular, is a natural choice for high quality, medium speed, computer-controlled data acquisition systems.

As well as the hardware, particle physics groups have also developed sophisticated software. For instance the Data Handling Division at CERN has supplied CAMAC software to at least 25 users outside the particle physics field (in astronomy, medicine and other branches of physics) over the last few years. Fastbus has only been available for a short time but new modules are appearing on the market every month and it seems likely to become the future standard for very high performance systems.

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[1] Economic Utility Resulting from CERN Contracts—a study by M. Bianchi-Streit, N. Blackburne, R. Budde, H. Reitz, B. Sagnell, H. Schmied and B. Schorr, available from CERN Publications, 1211 Geneve 23, Switzerland.

In other specialized areas of data acquisition, such as the implementation of economical, high speed systems with thousands of channels of time-to-digital or amplitude-to-digital conversion, particle physics has played a pioneering role.

Particle physicists were one of the first groups of scientists to use on-line computers for monitoring the performance of apparatus and for data acqusition and have been in the forefront of this technology since the early sixties. The combined software and hardware expertise at CERN has been recognized by Electricité de France, which made a detailed study of the multi-computer system used to control the 450 GeV Super Proton Synchrotron and has adopted several of its features for the control of its new generation of nuclear power stations. Elements of the SPS control system have been employed in seven other Laboratories.

Particle physicists have been major users of large computer systems for off-line data analysis for many years. They pioneered techniques for maintaining suites of programs which could be used by many physicists in different institutions and yet be under simultaneous development. A very large number of routines for ray tracing, data manipulation and display, curve fitting and pattern recognition have been developed and are widely used for applications beyond the particle physical field.

In particular, UK particle physicists were quick to realize the need for a communications link between all university departments working in the field and the Rutherford Appleton Laboratory. Initially only a means of providing remote job entry to the RAL mainframe computers, this developed into a network linking multi-user computers in the universities to RAL, CERN and DESY. The UK part of this network was extended to form SRCNET. The immense advantages of such networks have been recognized both nationally, with the introduction of the Joint Academic NET work, and internationally.

SUPERCONDUCTING MAGNET TECHNOLOGY

Cryogenics and superconductivity provide one of the most striking examples of particle physics spin-off. Kammerlingh Onnes discovered the properties of superconductivity back in 1911. Unfortunately the materials he was working with had a critical field level of 1/20 Tesla and it was some 50 years before a new class of material, niobium-zirconium alloy, was developed in the US, capable of operating at high magnetic fields. In the early 1960s the high energy physics community saw the value of superconductivity and pressed for the development and construction of specialized magnets for their work. Very important contributions to this technology were made at Rutherford Appleton Laboratory.

When RAL entered the field of superconducting magnet construction the only conductor available was 0.5 mm niobium-zirconium wire which had to be embedded into copper. This was a laborious, difficult and uncertain process. In collaboration with Imperial Metal Industries, RAL embarked on a highly successful programme of conductor development which has resulted in intrinsically stable forms of conductor and cabling techniques now used world-wide for constant and ramped currents.

Special problems in the mechanical stability of superconducting magnets arise due to the need for good thermal matching of the materials in large structures cooled to a few degree Kelvin. Extensive work by RAL in conjunction with outside firms on the electrical and mechanical properties of materials in this temperature range has resulted in very stable structures.

The requirements of particle physics have forced the pace of development of superconducting technology to the substantial advantage of other users. Examples are computer programs for magnetic field calculation, wiggler magnets, industrial purification and separation systems, magnetohydrodynamics, power generation and transmission, fusion, d.c. motors, and energy storage.

Probably the most successful and well known use of superconductivity is in medical nuclear magnetic resonance imaging, where Oxford Magnetic Technology has been very successful.

NEW FIELDS

In addition to technological spinoff, actual discoveries in particle physics and related sectors have opened up new areas.

One such example is muon spin rotation. Like the positron, the muon was one of the early discoveries of particle physics. A gift of nature, revealed some twenty years after the discovery of the muon, is that both the production and the decay of the muon violate parity conservation (left-right symmetry). This apparently arcane and very fundamental property means that when a muon is produced in pion decay it has spin and magnetic moment polarized in a known direction, and when it decays the polarization of the decay electron tells us the polarization of the muon at the moment of its death. Thus the muon acts like a tagged subatomic magnet. It lives for $2.2 \times 10^{-6}$ sec, long enough for it to interact with solids, liquids and even gases at moderate pressure. Many fundamental physical and chemical interactions occur in this $10^{-6}$ to $10^{-6}$ sec timescale. Magnetic forces in the material act on the muon during its lifetime and rotate its spin. The muon thus acts as a probe of the structure on the atomic scale and the measured muon spin rotation is used as a tool in solid state physics, chemistry and biophysics, especially for the study of short lived species and their dynamics. The exploitation of this technique has grown remarkably over the past ten years.

While some of the medical uses of positrons have already been mentioned in connection with multiwire proportional chambers, they are also being considered for use in materials testing, and applications could well emerge soon.

PARTICLE ACCELERATORS

Particle accelerators were conceived and built to make laboratory particle physics experiments possible, but now they have a long list of other applications. Radioisotope production for use in medical research, diagnosis and treatment, for monitoring and control of thin films, for industrial radiography, etc. has become an industry. The market for thallium-201 alone is currently $30M per annum in the USA.

Radiotherapy using X-rays from low energy electron accelerators or radioactive isotopes is a familiar and well established medical technique. The use of protons, neutrons, alpha particles and pions produced by accelerators has been under study for some time and has distinct advantages over more conventional techniques in some cases. Negative pions slow down as they pass through material and at rest are absorbed by nuclei to release their rest mass energy in the form of short range particles ejected from these nuclei. The pion thus acts as an atomic size "depth charge," depositing practically all its energy around its stopping point so that, unlike X-rays which affect all the tissue through which they pass, the pions destroy the cancer cells with much less damage to the surrounding healthy tissue. The effective cancer destroying dose is much higher than with conventional techniques.

The use of pions in radiotherapy was proposed in the 1950s by two British physicists who first observed the pion in nuclear emulsions. The accelerator technology to produce intense pion beams suitable for treating patients was developed in the following 20 years. The number of patients treated at the SIN Laboratory in Switzerland has increased by a factor of ten since 1981. Clinical experience appears promising: certain tumours, in particular in the head and neck, respond well to such treatment. Thick tumours near radiosensitive structures such as the eye (which cannot be treated by conventional techniques) can be treated by particle beams. Other types of particle beam are also being evaluated.

SYNCHROTRON RADIATION

Perhaps one of the most surprising spin-offs from accelerator technology has been the construction in recent years of custom-built accelerators in the few GeV range to produce synchrotron radiation. The parasitic use of the synchrotron radiation from accelerators in use for particle physics studies was so successful as to warrant the building of such machines. It is hard to believe that the necessary accelerator development would ever have taken place without the particle physics input.

Synchrotron radiation, produced when a beam of electrons is bent in a magnetic field, provides a continuous spectrum which extends from X-rays through ultraviolet and visible wavelengths to the infrared. The source can be made very intense, highly collimated and polarized. These features make synchrotron radiation a unique and invaluable tool in many branches of science which could easily form the subject for another CERN Courier article.

Other accelerator applications include non-destructive testing and sterilization by electron beams, ion implantation in semiconductors, radiation processing, heavy ion fusion research, and studies using secondary neutron beams.

After such an impressive list of concrete achievements, it is natural to ask what are likely to be the long term applications. It is difficult, if not impossible, to answer this question and it is worthwhile to repeat the often quoted remark of Rutherford when he was asked about the possibility of nuclear power—"Anyone who expects a source of power from the transformation of these atoms is talking moonshine!" The possibilities of future applications arising from particle physics range from fusion catalysis using new stable particles, with all its implications for power generation, to prospecting for oil and minerals using neutron beams.

Particle physics is clearly a particularly fruitful source of spin-off at every level from short term feedback to industry through to the seeding of whole new technologies. This success arises from the fact the field is concerned with fundamental science and stretches high technology to the limit. Prediction is notoriously unreliable but history demonstrates how frequently discoveries which have been regarded at the time as utterly remote from any kind of application have turned out to be of the greatest practical importance. We have no reason to believe that the future will be different.

[From the CERN Courier, January/February 1985]

### ECONOMIC SPIN-OFF FROM CERN

About ten years ago, a famous study by Helwig Schmied on the economic "spin-off" resulting from CERN contracts revealed that every Swiss franc spent by CERN on high technology had produced about 3.5 francs of new business for the firm involved.

This is a useful bonus for a major European Laboratory whose basic objective remains, as always, pure scientific research. CERN's scientific achievements may well go on to revolutionize the 21st century in the same way that the technology of today is the direct result of the basic breakthroughs in electrodynamics by Faraday, Maxwell, Hertz and others about a hundred years ago. But this can never be proved, and these 19th-century researches certainly did not require multinational budgets.

Now a repeat of the initial survey on CERN's economic impact,[1] using more data and more sophisticated methods, essentially comes out with the same result for the period 1973-87. The results are based on interviews with a sample of 160 of CERN's 520-odd suppliers of high technology, who were asked to estimate the 'Secondary Economic Utility' (increased turnover plus cost savings) directly generated by CERN orders placed during the period 1973-82. The Economic Utility for the years 1983-87 is based on forecasts.

The total utility for the period 1973-87 amounts to 4800 million Swiss francs (1982 prices), while CERN's purchases from the firms involved in the period 1973-82 amount to 1380 million francs. Allowing for the continuing economic utility from orders placed before 1973, the survey clearly finds that one franc spent by CERN in the high technology sector has generated three useful francs for the suppliers.

Broadly, this high technology business can be grouped into five categories—Electronics, optics and computers; Electrical equipment; Vacuum, cryogenics and superconductivity; Steel and welding; Precision mechanics. The utility to sales ratio is especially impressive (4.2) in the first category.

All this concerete spin-off is especially remarkable when, unlike big research centres working on energy sources, communications, etc., CERN's end-product—scientific culture—has in itself little immediate practical application or economic relevance. How does CERN make such a big economic impact?

The major part of the equipment needed for CERN's research is beyond manufacturing capabilities of CERN's workshops and has to be supplied by industry. Often the necessary specifications and requirements are beyond the "know-how" currently available and present a challenge to the supplier. Once accomplished, this produces positive effects—quality improvements, increased productivity, new products, etc. Added to the fact that this is happening in an already rapidly expanding market, the results soon become evident.

Some examples. Without large orders, some high technology sectors are naturally reluctant to embark on substantial research and development programmes without an assured market. Thanks to CERN orders, European firms have been able to develop new products and widen their interests. There are other instances of new firms created essentially out of CERN requirements which have gone on to become highly successful in the export market. Equipment at CERN frequently sets new industry standards or serve as a long-term test-bed whose stringent criteria are widely recognized and respected. CERN business also stimulates interest-company collaboration and produces cost savings.

But the news is never all good. In one case, the rigorous technical requirements of CERN work made one company change its assembly line procedures. Later it was found that productivity fell! However such examples are very much the exception. The new study clearly shows that CERN continues to provide a powerful stimulus for European high technology industry.

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[1] Economic Utility Resulting from CERN Contracts—a study by M. Bianchi-Streit, N. Blackburne, R. Budde. H. Reitz, B. Sagnell, H. Schmied and B. Schorr, available from CERN Publications, 1211 Geneva 23, Switzerland.

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## UNITED PARCEL SERVICE

### HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. RITTER. Mr. Speaker, the Founders Day celebration on August 28, 1987, will mark the 80th anniversary of United Parcel Service. Honoring United Parcel Service means paying tribute to fair competition and the free enterprise system, both of which keep this country economically strong.

Almost 1 million customers benefit from the corporate strategy of a customer-oriented, conservative approach which pays attention to customers and customer service. UPS attributes its $6 billion record income last year not only to its customer-oriented approach but also to its financial structure.

United Parcel Service employees hold nearly 99 percent of the company. From top to bottom, there is reason to work hard—those who run the business are the ones who own it. Almost all managers in the UPS ranks have been promoted from within. George Lamb, the current top executive, started out in a clerical job and progressed up through the UPS ranks. Decision making is as decentralized as it can be without 12 or 13 layers of management to get through.

Our own Lehigh Valley is proud to have enjoyed the service of United Parcel Service since its inauguration in Pennsylvania on March 18, 1964. It is most heartening to me, in my task force involvement with competitiveness, quality and integrated systems of management and labor, to have the occasion to celebrate the Founders Day of UPS. UPS epitomizes those relationships, incentives and shared ownership which put a company on top and yield the greatest value to the customer it serves.

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## A TRUE EXAMPLE OF HEROISM

### HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. APPLEGATE. Mr. Speaker, constituents of mine are grieving over the loss of three brave and selfless people. Drowning has claimed Carl James "Jimmy" Parker, Jr., 14, and Harold "Pat" Starkey, 60, both of Uhrichsville, and Richard Starkey, 25, of Tuscarawas, OH.

Parker was swimming with two cousins in Big Stillwater Creek in Uhrichsville, OH, when one of them was overcome by rushing water. Jimmy tried to rescue him, but was himself overcome. Pat Starkey and his nephew, Richard, who worked in the Tuscarawas-Warwick Volunteer Fire Department, immediately plunged into the water to try to save Jimmy. All three were found later, drowned.

Richard Starkey could not even swim, but knew his duty right away and tried to help a small boy in mortal danger. Pat Starkey also did his best, having pulled out drowning swimmers a number of times previously.

Pat Starkey lived in Uhrichsville all his life, and had worked as an auto parts salesman for 15 years. He was an outgoing, friendly man, active in his church and his Masonic lodge. He fought for our country in World War II. He leaves behind a wife, five children, and seven grandchildren.

Richard Starkey also sold auto parts and was known as a quiet, helpful man who would go out of his way to help people. Having only recently joined the volunteer fire department, he came in for some kidding but always took it well. Why did he jump in the water when he could not swim? This is no mystery to his fellow firefighters: He did it, simply, "Because he's a fireman," one said.

Jimmy Parker was a freshman at Claymont High, and was a Boy Scout, newspaper carrier, and baseball player. He was an active, outgoing boy and his baseball coach said Jimmy had a positive attitude and was among the most dependable boys on the team. He was to be presented with two trophies at the end of the season, an accolade that he will now never know. His parents, a brother, and other relatives remain to mourn their loss.

Mr. Speaker, this was true heroism, far different from that which is trumpeted in Washington these days. Without hesitation or thought for themselves, the Starkeys and Jimmy Parker gave their lives trying to save another.

Would that we could all learn from their example.

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## KILDEE HONORS MARGE MAUL

### HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. KILDEE. Mr. Speaker, it is my pleasure to rise before my colleagues in the U.S. House of Representatives to call attention to the retirement of Mrs. Marge Maul from the presidency of the Genesee Federation of the Blind. It is a privilege to know such a dedicated, active, and concerned human being as Mrs. Maul. Although she has graced the Flint community with over 50 years of diverse and highly valuable volunteer activity, I am certain that this fine lady's long list of community deeds will continue to grow even after her official retirement. Indeed, her disappearance from public service is unimaginable and, if it were to occur, would be an immeasurable loss not only to the thousands of visually impaired persons she has aided throughout her career, but to the entire community which she has so long and so enthusiastically sought to enrich.

In listing Mrs. Maul's various volunteer services, one hardly knows where to begin. During her first 25 years of life as a volunteer, Mrs. Maul dedicated countless hours to the Red Cross, the Children's Ward at Hurley Hospital, and numerous blood programs. She also served the Flint Community Public Schools as a volunteer teacher's assistant and homeroom mother. Further demonstrating her superb organizational and leadership skills, Mrs. Maul founded and led for several years a Woman's Club at Flint Southwestern High School and a Teen and College Drop-In-Center at Freeman Elementary School. This already active and community conscious woman worked further in her community to improve the safety of her neighborhood as a key organizer for the Red Arrow Neighborhood Watch.

Mr. Speaker, Marge Maul has been legally blind since the age of 7. Her poor vision, rather than handicapping her activities, has increased her desire to service the visually impaired. Beginning as a volunteer receptionist and tour guide for the Genesee Federation of the Blind in 1962, she served many years on that organization's board of directors and is presently concluding her fourth year as president of that superb institution.

Mrs. Maul further expanded her unwavering community service as the director of our Service Center for the Visually Impaired. Dedicating over 1,200 hours a year for 14 years, Mrs. Maul directed volunteer services and further gave her special skills and vast knowledge of community servicing as a liaison for the eye clinic, run by the Fling Downtown Lion's Club. She has also served 1 year as a member of the board for the Retired Senior Volunteer Programs and 11 years as an active member of the Service Center Board.

This list is far from complete, Mr. Speaker. Marge Maul is without doubt one of the most enthusiastically active and caring individuals I have ever had the pleasure of knowing. Mrs. Maul has demonstrated time and again her value to the Flint community. She has enriched the quality of life for both those with sight and those without. I am very pleased to have this opportunity to bring to the attention of this body and the Nation the services of this outstanding individual. The many public deeds of Mrs. Maul shall continue to enhance the quality of life for all those within her community, especially the visually impaired.

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## THE RESOURCE CENTER FOR THE HANDICAPPED

### HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MILLER of Washington. Mr. Speaker, on August 30, 1987, in my home State of Washington, over 200 athletes from 47 States and 8 foreign countries will participate in the largest wheelchair race in the world. This event called the "Wheels of Fire", is sponsored by an extraordinary private nonprofit training and service center, the Resource Center for the Handicapped. "Innovative, focused, and dedicated"; that's what supporters say about the Resource Center. And they are exactly right. This innovation, this focus, and this dedication have been used to equip scores of people with the skills they need to thrive and prosper in a rapidly changing world. Severely disabled persons are trained in marketable, high-technology skills and placed in the private and public sector. RCH has been exceptionally successful in their program. A recent example of this exceptional record: Xerox filled 9 of its 10 open electronic technician jobs with RCH graduates!

The "Wheels of Fire" race is a major fundraising event, but more important it is a way to bring together disabled athletes from around the world. Competitors will be vying for the largest purse ever awarded to disabled athletes, $25,000. Participants may choose from six events designed to involve athletes with many different disabilities.

The Resource Center for the Handicapped is to be congratulated for its fine work. With an organization like RCH sponsoring the "Wheels of Fire", it is bound to be a huge success. I am sure my colleagues join me in saluting RCH's achievements.

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## HONORING RAY O'MALLEY

### HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HERTEL. Mr. Speaker, I rise to recognize the 50th Anniversary of the first bowl game Michigan State University participated in January 1, 1938, and would like to say a few words about a member of that team—a special friend, someone who through his hard work and generous nature has helped make this world a better place to live. That person is Ray O'Malley, of Grand Rapids: husband, father, teacher, coach, veteran, and football player.

Ray O'Malley was born in Grand Rapids in 1915, his father, Frank, was chief of police there. After attending St. Andrews Grade School and Catholic Central High School, Ray went on to Michigan State University from which he graduated in 1938. At Michigan State University, Ray played on the football team for 4 years and was part of the victorious 1937 team which played in the first Orange Bowl in Florida on New Year's Day 1938.

During WW II Lt. Raymond O'Malley served in the Army, training at Fort Benning and fighting in France and England. After the war, Ray returned to Grand Rapids when he began teaching history at Creston High School. He and his wife, Mary, have three sons, Ray, Tom and Brian.

In addition to work and the many family responsibilities, Ray coached high school basketball and football. In the evenings he helped his sons with their studies, giving them the guidance that only a professional teacher can give, and the kind words of encouragement that only a father could give.

Ray O'Malley always stressed the importance of education to his sons. Each son attended Blessed Sacrament Grade School, Catholic Central High School, and Michigan State University. Raymond obtained his law degree from Wayne State University, while Tom earned his master's from Western Michigan University. Brian received his law degree from Cooley Law School.

Ray O'Malley retired from Creston High School 5 years ago, but continues to hear stories of success from former students. Ray O'Malley guided and prepared his sons, however he also had the tremendous responsibility of educating others. Ray O'Malley guided his students by example and through his unparalled wisdom of the world. Few men possess the characteristics necessary to successfully mold young people into outstanding citizens. Ray has these necessary qualities. Ray serves as a model citizen to his former students, athletes, and those who have had the opportunity to meet this fine American.

Ray and Mary O'Malley reside in Grand Rapids where they have been active in political campaigns, church activities, and county events. Standing beside her husband throughout their marriage, Mary O'Malley has extended warmth and support to her husband and sons. Mary's unyielding loyalty to her family has created a loving environment which always has been the foundation of this strong family.

As we honor the 50th anniversary of Michigan State University's appearance in a bowl game, we look to a member of that team, Ray O'Malley for inspiration and guidance. We have learned from Ray O'Malley the importance of dedication to God, family, and country. Ray O'Malley has epitomized the qualities we all must strive to achieve. Ray and Mary, through their helping hands have touched the lives of many, for that we are forever grateful.

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## OPPOSITION TO THE SOVIET UNION'S EXHIBITION "U.S.S.R.: THE INDIVIDUAL, THE FAMILY AND SOCIETY"

### HON. CLYDE C. HOLLOWAY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HOLLOWAY. Mr. Speaker, I rise in opposition to allowing the Soviet Union to conduct an exhibition called "U.S.S.R.: The Individual, The Family and Society" to be held not only at the New Orleans Convention Center

on August 25 through September 15, 1987, but also all around the United States.

The exhibition, held in conjunction with the Soviet Union's celebration of the 70th anniversary of the communist revolution, will feature displays, meetings, and discussions in which visitors will purportedly learn how ordinary Soviet citizens live.

The truth, of course, is that the more than 60 Soviets attached to the exhibition will not be ordinary citizens, nor will they give an accurate picture of life in the Soviet Union. They will be carefully selected and trained propaganda and disinformation agents and their purpose will be to gloss over the fact that the Soviet Union—the facade of glasnost notwithstanding—is a repressive totalitarian society with neither political, economic nor religious freedom.

If the Soviet Union was serious about glasnost, they would allow the 400,000 Jews who want to leave the Soviet Union to do so instead of the paltry number of 3,092 Jews who were allowed to leave during the first 6 months of this year.

If the Soviet Union was serious about their proclaimed intention to live in peace with the West, they would, in the words of their just-released and much-abused prisoner of conscience, Dr. Andrei D. Sahkarov, "put an end to the cruel war in Afghanistan."

In fact, Mr. Speaker, the Soviet Union's sorry performance in complying with the 1975 Helsinki accords, which include the right to practice one's religion and culture and to leave one's country, has created doubts about its credibility in other fields such as arms control.

The Soviets are hoping to put on a "human face" at the New Orleans exhibition and at their exhibitions in other cities of America and thus score a propaganda victory. With their 60 propagandists and disinformation specialists, they will attempt to brush aside any questions or discussions about human rights. We cannot allow that to happen, Mr. Speaker.

I would encourage other Members of Congress to become involved in protests at each stop of this outrageous Soviet propaganda exhibit across these United States and I would encourage my fellow Americans to join them in these efforts. I include for the RECORD a list of locations and dates of the Soviet Union's exhibition in other cities around the United States.

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## PANDAS HAVE COME TO SAN DIEGO

### HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LOWERY of California. Mr. Speaker, the Nation was saddened by the death of the panda cub born last month to Ling Ling and Hsign Hsing at Washington's National Zoo. With as few as 700 pandas estimated to be found in the wild and just over 100 living in captivity, the death of this cub frustrated yet again the hopes of panda enthusiasts the world over that the species could be saved from extinction.

Despite this setback, there is a bright light on the horizon. I am pleased to announce that on July 23, 1987, two panda bears were delivered to the San Diego Zoo on loan from the Fuzhou Zoo in southeast China through January 1988. Yuan Yuan, a 6-year-old male, and Basi, a 7-year-old female, are participants in a unique behaviorial research program which is hoped will enhance the chances for successful breeding of pandas in captivity.

This program involves extensive physical handling of the pandas by trainers who work with them to accomplish various tasks, such as standing on their hind legs, throwing balls through hoops, and even riding a bicycle. Visitors to the San Diego Zoo will be able to observe the pandas in action during their 4-hour daily workout, a display never before seen outside of China.

The long-term benefits of this program appear promising. The familiarity of the animals with humans allows trainers to collect far more information about their health and natural behavior. As a result, trainers are able to gather blood samples, temperature and blood pressure readings, and other physiological data—all without anesthesia.

According to Yuan Yuan and Basi's trainer in China, anesthetising the pandas puts stress on their systems which may affect their ability to reproduce. The trainer believes that Basi's ease with humans may actually allow her to be artificially inseminated without the trauma that accompanies anesthesia.

Learning more about the physical and behavioral nature of pandas may also provide clues on how we can help pandas survive and flourish in the wild.

On a different plane, Yuan Yuan and Basi's visit in San Diego symbolized the successful efforts of the United States and the People's Republic of China to expand and improve cultural relations. In fact, the San Diego Zoo has been trading animals with China since 1979, and today the zoo is home for some 40 different species of Chinese animals. The loan of these two pandas symbolizes the zoo's ongoing efforts to maintain excellent relations with China. I salute the San Diego Zoo for this accomplishment.

Yuan Yuan and Basi's presence in the United States will also provide a unique forum for educating Americans on the plight of the panda bear. I encourage my colleagues and fellow Americans to visit the San Diego Zoo and see these magnificent animals for themselves. This is a rare treat that no one should pass up.

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## TEXAS PRISON REFORM

### HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LELAND. Mr. Speaker, today I request that the article entitled "Ex-priest, Ex-nun Working for Texas Prison Reform," that was published in the Plainview Daily Record, be included in the RECORD. I have worked closely with the subjects, Charles and Pauline Sullivan, and I am honored at the chance to recognize their unselfish dedication to prison reform in our country.

For the last 15 years, this husband and wife team have tackled prison reform in Texas and now they are attempting to focus national attention on the need to address prisoner's rights. Charles and Pauline first received recognition because of the assistance they provided 7 years ago when the Texas Legislature was faced with a court order concerning overcrowding and living conditions in the State's prisons. Through legislation, advocated by the Sullivans, "restitution centers" were created to pay criminals to work, thus allowing them to support their families and compensate victims, while continuing to serve their sentences. More recently, the Sullivans founded the organization, Citizens United for Rehabilitation of Errants [CURE] which I am privileged to consider myself a supporter of. The Sullivans have been widely praised for their successful efforts to allow prisoners to change their own lives. They were once referred to as "Heroes of the People" in 1985 by the Texas Observer magazine, "for their sheer persistence and determination that changed the way we treat criminal offenders in the State of Texas." They are continuing to concentrate their energies on alternatives to locking up people, restitution for the victims of crimes, and rehabilitation for criminals. I commend them for their efforts, wish them much success, and respectfully submit the following article:

[From the Plainview (TX) Daily Herald, July 22, 1987]

### EX-PRIEST, EX-NUN WORKING FOR TEXAS PRISON REFORM

#### MANY BETTING COUPLE CAN MAKE A BIG DIFFERENCE

(By Peggy Roberson)

WASHINGTON—For 15 years, Charles and Pauline Sullivan, an ex-priest and an ex-nun, quietly labored to reform the prison system in Texas. Last year, with a number of successes to their credit, the couple arrived here intent on tackling prison reform issues on a national basis with the same gritty zeal they'd applied in the Lone Star State.

Already, the couple is being heard from. And if it takes them twice the time it took for them to succeed in Texas, the Sullivans say they are prepared to make the investment.

With 41 states' prisons bursting at the seams from overcrowding and with new inmates being funneled through the courts at a record rate, the Sullivan's hopes for solutions may seem almost laughable.

Where they come from, however, no one is laughing and many are betting the Sullivans can make a big difference.

In Texas, they are credited with helping draft and pass a package of 20 prison reform bills that Rep. Pete Laney said "helped Texas catch up with the rest of the country."

Here, they already have succeeded in getting Rep. Robert W. Kastenmeier, D-Wis., to introduce a bill that would restore voting rights to former federal prisoners.

Charles Sullivan, 46, and his wife, Pauline, 49, choosing to live in genteel poverty, work out of a one-bedroom apartment a few blocks from the Capitol on what must be the smallest budget of any lobby in this town—$20,000-a-year in dues collected from an organization of prisoners' families they helped to start. And the fund covers both the Sullivans' lobbying efforts and their living expenses.

The Sullivans are concentrating their efforts on alternatives to locking up people, restitution for the victims of crime, and rehabilitation for criminals.

In June, the grassroots organization they founded, Citizens United for Rehabilitation of Errants, or CURE, held its first national convention here with 200 people from all parts of the country taking part in workshops and hearing speeches by experts in areas of prison reform.

The group bestowed on Rep. John Conyers, D-Mich., chairman of the House Judiciary subcommittee on criminal justice, its first Congressional Member of the Year Award. Conyers, in turn, praised the Sullivan's work.

(Three Texas members of the U.S. Congress—Reps. John Bryant, D-Dallas, Albert Bustamante, D-San Antonio, and Mickey Leland, D-Houston—are official CURE sponsors.)

The road to success in their chosen field was not an easy one for the Sullivans.

Charles, son of a well-to-do Alabama dentist, left the Catholic priesthood in 1969 in Birmingham because of the church's go-slow attitude on civil rights. Pauline, a teaching nun in Minnesota, decided in the same year that the sisterhood was not for her.

A mutual friend introduced the pair and they were married in 1970. With a strong desire to serve humankind, they moved to San Antonio in 1971 and became involved in the anti-war movement.

Both were arrested in demonstrations and Charles Sullivan said his five days in jail showed him how terrible life was behind bars.

"There was no rehabilitation and no efforts to allow people in jail to turn their lives around," he said. The Sullivans then embarked upon their crusade. They organized chartered bus caravans for families to visit relatives in prisons.

"The response was overwhelming," Pauline Sullivan said, and the couple began their drive for legislative reforms.

"At first legislators ran from us," Charles Sullivan said, "They called us communists."

One of those who ran, Pete Laney, former chairman of the Corrections Committee in the Texas House, finally became an ally of the Sullivans.

"They are very, very sincere," Laney said.

The Sullivans' first legislative victory came in 1973 when a bill passed that banned inmates from serving as guards.

In 1980, when the Texas Legislature was confronted with a federal court order to ease prison overcrowding and improve inmates' living conditions, Laney and others turned to the Sullivans to help draft legislation that would assist the state in meeting the court order.

For example, the Sullivans advocated "restitution centers," where criminals could work to pay their own way, support their families and compensate victims. Laney sponsored the bill that created the centers, and Texas is now saving money and its inmates have better living conditions as a consequence.

Apart from the legislative gains they helped engineer, the Sullivans began to get some recognition.

Texas Observer magazine named the Sullivans "Heroes of the People" in 1985 "for sheer persistence and determination (that) changed the way we treat criminal offenders in this state."

Now that they are in the nation's capital, the Sullivans intend to rely on low-key lobbying to oppose the federal death penalty, to see that new federal sentencing guidelines are implemented and to push for nutrition programs for pregnant prisoners.

The problems of U.S. prisons are mammoth, and the Sullivans don't believe they can make major changes singlehandedly. So they are cooperating with the National Prison Project, sponsored by the American Civil Liberties Union and with Amnesty International and similar groups.

At the end of 1966, 546,659 inmates were in state and federal prisons, a 65.7 percent increase in the prison population since 1980. "Another 1,000 people are sentenced each week," Sullivan said.

In 40 states, the District of Columbia and the federal system, officials report that prisons are operating at or above 100 percent of their capacity.

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## THE 40TH ANNIVERSARY OF INDIA'S INDEPENDENCE TO BE OBSERVED IN JERSEY CITY

### HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GUARINI. Mr. Speaker, on August 17, 1987, ceremonies will be held at city hall in Jersey City marking the 40th anniversary of India's independence. India gained its independence from Great Britain on August 15, 1947, and became a dominion following endorsement of a plan to partition the subcontinent by the Moslem League and the All-India Congress. We all recall that Jawaharlal Nehru became the first prime minister of Hindu India. Nehru, a close associate of Mahatma Gandhi, proclaimed that day:

> It is a fateful moment for us in India, for all Asia and for the world. A new star rises, the star of freedom in the East, a new hope comes into being, a vision long cherished materializes. May the star never set and that hope never be betrayed!

The Indian flag will be hoisted over city hall by Jersey City Mayor Anthony R. Cucci and the Indian Ambassador from Washington, DC, P.K. Kaul. This marks the third annual ceremony, and is the only community in the Nation to have such a flag raising, according to officials of the International Mahatma Gandhi Association of Jersey City who are coordinating the event. In addition to a proclamation, plans are being made to have a portion of the Journal Square business district designated as "India Square" during the week of August 15 to 22, 1987.

For the past 10 years there have been a growing number of migrants from India coming to America to live in my district. A recent article in the Jersey Journal estimated that there are 15,000 Indo-Americans residing in Jersey City alone. They are peaceful, hard-working, productive, religious people with strong family ties and full of ambition to succeed in many areas especially education and business.

It was my happy privilege last month to be a special guest at a cultural event by more than 30,000 Indo-Americans where some of the leading artists of that nation performed at Madison Square Garden, which was an inspirational sight to see.

Two weeks ago I attended a religious function at Ferris High School where more than 5,000 individuals attended. There I witnessed the impact of their strong desire to adopt America as their new nation while still maintaining cultural ties to their beloved homeland.

When we think of India, of course, we must reflect on the great contributions to mankind that Mahatma Gandhi gave us all. He was a relentless champion of human dignity and human rights, calling for equality for people of all races and nationalities; women and minorities. We will recall that his unshakable faith in the power of nonviolent struggle inspired the work in the civil rights movement we witnessed under the leadership of Dr. Martin Luther King.

Gandhi fervently and strongly supported the position that no society can be built on denial of individual freedom and "that the purification of politics requires the removal of the taint of the double standard by men of courage and integrity." Gandhi long preached truth and justice and proclaimed that:

> Truth is like a vast tree, which yields more and more fruit the more you nurture it. The deeper the search in the mine of truth, the richer the discovery of the gems buried there in the shape of openings for an ever greater variety of service.
>
> Truth quenches untruth. Love quenches anger, self-suffering quenches violence. This eternal rule is a rule not for saints only but for all.

In my district, Indo-Americans are making their mark in the professional fields of medicine, accounting, and law. They are purchasing small businesses and opening restaurants. The children of this community show their competence by their matriculation in local schools and colleges.

I was pleased to learn that the valedictorian of the 1987 North Bergen High School graduating class is Mukesh Patel, who I understand has been in this country for about 7 years. He has won full scholarships to Princeton and Rutgers and has been a Governor's scholar and a Rutger's scholar, as well as playing with the varsity soccer team for the past 4 years. His classmate, S. Shah was student council president and the rolls of the North Bergen High School shows that 10 percent of all the honor students were of Indian background, which is remarkable because only 5 percent of the students are Indian. This only reflects the good family background of people from the Indian subcontinent. This nation and its people, both at home and here in the United States, are ambitious, self-reliant, and dynamically dedicated to the determination and quest for peace, freedom, and international understanding. I have encouraged their involvement in the community and political life of the area and over the years they have worked together, offering their talents to aid our communities.

I have been pleased to work with officials of India Abroad and India News. Many have shown their leadership over the years, especially Hardyal Singh, Sulochana Sathyanarayan, Jai Dayal, Mohan Singh, Nari Murjani, M.S. Bavishi, attorney Monoj Patel, attorney Rejanikant Mody, and Mono Sen.

The International Mahatma Gandhi Association, under the leadership of Hardyal Singh, is very active in working to represent the interests of Asian Indian residents. They foster friendship and understanding in order to preserve and popularize their culture and heritage. They also coordinate and present programs aimed at advancing the cultural, educational, social, economic, and community interests of their group as they work toward carrying out human causes with other organizations.

Recently Mr. Hardyal Singh received recognition from Mayor Anthony R. Cucci and was named a member of the Jersey City Human Rights Commission on June 16. Mr. Singh also is the first of his group to be appointed a special deputy sheriff of Hudson County. He is a leader in organizing functions to commemorate the philosophy and value of the lives of the great Indian and world leaders such as Gandhi, Pandit, Nehru, and Mrs. Indira Gandhi. Singh has been part of the leadership of the India National Flag Ceremony at city hall for the past 3 years. He also served as a member of the Governor's Advisory Committee on Consumer Affairs.

I am pleased to have the input of this fine group whose heritage goes back thousands of years. Against the backdrop of a rich and varied cultural heritage, a new India is taking shape—industrialized, self-sufficient, self-reliant, dynamic and dedicated to the quest for peace, freedom, and international understanding.

They are working in close harmony with more than 100 ethnic groups who reside in the 14th Congressional District. The reverence of this group, always working with the ideals of Mahatma Gandhi in mind, is most noteworthy. It was he who proclaimed that:

> If an individual ceased to count, what is left of society.

He also said:

> A person cannot do right in one department of life whilst he is occupied in doing wrong in another. Life is one individual whole.
>
> When you educate a man you educate one person, but when you educate a woman you educate a family.

Gandhi's philosophy as follows is ageless:

#### "MEASURE OF A MAN"

> It is not the critic who counts, nor the man who points out how the strong man stumbles, or where the doer of deeds could have done better. The credit belongs to the man who is actually in the arena; whose face is marred by dust and sweat; who strives valiantly; who errs and may fail again, because there is no effort without error or shortcoming, but who does actually strive to do the deeds; who does know the great enthusiasm, the great devotion who spends himself in a worthy cause; who at the best, knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat.

I am sure that my colleagues wish to join me in this celebration.

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## SOUTHEAST ASIAN REFUGEES: THE SUFFERING CONTINUES

### HON. JACK KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. KEMP. Mr. Speaker, "A people forced to go a dangerous drama, across feats of darkness and turbulent seas, in favor of freedom."—Inscribed on the painting, "The Boat People" by Nguyen Van Lau

All of us have known at least second hand of the plight of the Southeast Asian refugees. We know them as a valiant and freedom loving people who gave their support and assistance to our efforts to prevent Soviet domination of their region. From books such as "Brother Enemy" by Nayan Chanda and "To Bear any Burden" by Al Santoli we know of the immediate consequences of our abandonment of Vietnam, Cambodia, and Laos.

Today I draw the attention of my colleagues to a more recent side of this tragedy: the suffering of those individuals and families interned in the gulags of our former allies. Under many names—"reeducation camps" "seminar camps"—the chains of political prisons continue to house those whose only crime was to love freedom.

The story which appears below is the that of the Khamphouy family as told by Samly Kamphouy to Joanna C. Scott at the Philippine Refugee Processing Center of Bataan, Philippines, as part of her book, "In Favor of Freedom." It details the suffering and eventual flight of one family from the "liberation" of the Pathet Lao.

Samly and Bounsy Khamphouy now live safely in Danbury, CT, with their two children. Samly's sister, Manola, and one brother, Pakaypheth, have also achieved their dream of coming to America. Manola lives in Virginia and Pakaypheth in Louisiana. But despite their escape to freedom, their tragedy has not ended.

A third brother, Khamchanh, his wife and three children languish in the Na Pho refugee camp in Thailand. They have been denied entry to the United States. Khamchanh Khamphouy, like his brother, served in the Royal Lao Army. The Communists sent him to the Vang Miang "seminar" camp in 1976. He escaped, was recaptured and was sent to the Ban Bo camp to boil salt. In 1984, he escaped and with his brother, Samly, and their families fled across the Mekong into Thailand.

United States Immigration and Naturalization Service authorities in Thailand say that Khamchanh has told them an "inconsistent" story of his military service and imprisonment. Small wonder. Eight years of semistarvation, forced labor and intimidation by the Communists would leave the strongest man in terror of authority.

If Khamchanh and his family are not granted entry to the United States it is almost certain that they will be returned by the Thai authorities to Laos. Declining funding for the refugee camps has caused two, Khao I Dhang and Ban Vinai, to be closed. Na Pho faces a similar fate.

Return of this family to Laos is a virtual death sentence—even for the children. Eight years of prison camp, a valiant escape across the Mekong and 3 years at Na Pho may result in execution because the United States denies their story.

Along with other colleagues in both Houses, I have asked the Attorney General to grant a humanitarian parole to this family. Let them be reunited with their family. Let them come to the United States to live in freedom. Let them live. I urge any colleagues who feel as I do to write to the Attorney General or to INS Commissioner Al Nelson and urge reconsideration of the case of this family.

#### KHAMCHANH KHAMPHOUY, LAO REFUGEE CASE NUMBER: NP6434 T127098

My name is Samly Khamphouy. I live in Connecticut with my wife and my two sons. I was a prisoner of the Communists in Laos for ten years, and my wife and children for eight.

When I was in the seminar camp my wife made a vow to the Buddha. She promised that if we ever escaped from the Communists I would show my gratitude by serving in a pagoda for a time, giving thanks for our lives. In July of this year I went to New York and spent a week as a novice monk as she had promised.

But my heart was heavy while I was there for my youngest brother, Khamchanh, and his wife and three little children. I brought him out from Laos with me and now I am free but he has been rejected by the United States officials and he is very afraid and all our family that he will be sent back to Laos where he will be killed by the Communists.

Khamchanh is the youngest of my father's children. There are three others; myself, my brother Pakaypheth and my sister Manola. In 1970, when Khamchanh was nineteen, he was drafted into the Royal Lao Army. I myself was a field officer with training in the United States but Khamchanh was assigned to Headquarters Compagnie Khonh Kheng as an auto mechanic. His supervisor was Major Vanhdy Vongdara. Major Vanhdy had asked me if I would like to have him assigned to me but I said, "No, no. You keep him at headquarters." So that is what happened. Our middle brother, Pakaypheth, was a government clerk in the Treasury Department.

When the Communists took over the government in 1975, there was a purge of everyone associated with the Royal Lao Government and the United States military. All three of us brothers were sent to "seminar" camps. The name was a trick. There was nothing to be learned there but hard labor, hard labor until we died of illness or of starvation.

Being an officer, I was sent to Camp 06 near Vieng Xay where Laos and Vietnam come together in the northern mountains. Khamchanh was sent to the Vang Miang seminar camp in Vientiane Province in February of 1976. He was there until 1979.

In 1979 he was given a permit to visit his wife and family in their village about fifty miles north-east of Vientiane and he went into hiding there. But he was caught by the Communists about a month later and sent to the Ban Bo seminar camp which is a salt processing camp near Ban Keun and he was made to work there boiling salt with very little food and no medical care.

In 1984 I had been a prisoner of the Communists for nearly ten years. I was weak and sick and looked forward only to death. Then by wife and our father found out how to buy my release and my father sold his house and paid the bribe. He is dead now but he bought my life before he died. I was brought from Camp 06 by truck and helicopter and put in a hospital in Vientiane. My family also got a permit for my young brother Khamchanh to come from the salt camp and visit me there. We talked about taking our families and escaping from Laos but I was very weak and I told my brother to wait. We did not want to leave the home country but we were afraid we would die or be killed and our wives and children too if we stayed.

Khamchanh also talked with my wife, Bounsy, about escaping but finally they came to no plan and Khamchanh went back to Ban Bo to work boiling salt. But his life was too unbearable so one day he hid on a truck bringing salt from the Ban Bo camp to Vientiane. He found me and I was stronger then and we decided that now it was time to escape. So we gathered our wives and five children together and fled for our lives across the Mekong River.

In Thailand we were sent to the Na Pho refugee camp and two months later our middle brother, Pakaypheth, and our sister, Manola, came there too. They also had fled in fear of the Communists.

Khamchanh and I arrived at Na Pho on October 11, 1984 and I and my wife and sons were sent on to the second asylum camp in the Philippines on September 15, 1985 and then to Danbury, Connecticut on April 29, 1986. Pakaypheth arrived in the Philippines later in 1986 and is now in Louisiana. My sister, Manola, is living in Virginia. Khamchanh's military supervisor, Vanhdy Vongdara, also escaped from Laos and is living in the United States.

But Khamchanh and his family are still in Na Pho. He has been interviewed twice by the U.S. Immigration and Naturalization Service but he has been rejected both times. The first time they said that he did not meet the requirements for a refugee under Section 101a42. The second time they said his story was different from what he told them in the first interview.

But I do not understand this. Khamchanh's background is almost the same as mine and also very like that of Pakaypheth, our middle brother. It seems that a mistake or misjudgement has been made in his case. Also, after years of being so afraid living in a Communist camp, Khamchanh is very terrified of government officials and he is afraid that he will not say the right things to save his family from disaster and so he gets confused.

Things are becoming very dangerous for refugees in Thailand. Since the United States Congress stopped giving money for refugee programs the Thais have been wanting to close down all the camps. Some Hmong have been sent back across the border to Laos and there is talk of more Laos being sent back. Khao I Dhang and Ban Vinai have been closed and no one seems to know what is happening to the people from these camps. Na Pho is still operating but no one knows for how long. Life is desperate for Khamchanh and his family. If he is sent back to Laos, he and his family will surely be sent to prison or murdered.

I am the eldest brother and, since my father's death, the head of the family and I have failed my youngest brother. I have done all I know how to do but our family is still divided. All I can do now is to beg the government of the United States to have pity on my brother and on his wife and his three little children.

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## OLLIE AT THE BAT

## HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WHEAT. Mr. Speaker, for the past several months the revelations of the Iran-Contra hearings have been the subject of analysis and debate by our Nation's political leaders, distinguished journalists, and interested citizenry. My constituents have certainly not been shy in expressing to me their wide-ranging and deeply felt feelings on the Iran-Contra story.

One of my constituents, Mr. Philip F. Cardarella, has been inspired to scale new literary heights. Mr. Cardarella, a poet-in-exile, has provided me with one of his more recent efforts, a tour de force entitled "Ollie At the Bat". I would like to share with my colleagues some of the magic that flows from the pen of Philip Cardarella.

Someday, many, many years from now, the Iran-Contra affair will be little more than a foothill on the landscape of history. However, Philip Cardarella's status as a giant in the annals of American literature will undoubtedly be confirmed and revered.

The poem follows:

### OLLIE AT THE BAT

(By Philip F. Cardarella)

Casey made me give the missiles to the madman in Iran.
Casey made me shred epistles, when the Contras hit the fan.
Casey made me send Hawks and Tows to protect Khomini's rear.
Casey made me lie through my nose when the Congress asked me here.
Casey made me go a 'beggin' to the Sultans and the creeps.
Casey made me not tell Reagan, (Things run better when he sleeps).
Casey made me give the money to the Contra boys regime.
Casey made me skim the "honey" off the Secord and Hakim.
Casey made me lie and cheat—still, with boyish grin or phony tear,
Casey made me—rest in peace, Bill—the American hero you see here.

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## TOYING WITH PUERTO RICO

## HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. FUSTER. Mr. Speaker, I would like to insert in the CONGRESSIONAL RECORD today an excellent and preceptive editorial which appeared in the Washington Post today titled "Toying with Puerto Rico." Particularly noteworthy is the advice of the editorial cautioning Vice President BUSH and Senator DOLE to "be more careful of interfering in the sensitive internal politics of Puerto Rico."

Pandering to political currents with one upmanship in submitting bills about Puerto Rico's status is not the way to assist the people of Puerto Rico to exercise their right to self determination.

The editorial should be a warning to those who, indeed, toy with Puerto Rico's political status merely for their own national political ambitions, and to their cronies whose injudicious interference is even more improper.

[From the Washington Post, Aug. 1, 1987]

### TOYING WITH PUERTO RICO

One of the anomalies of the presidential selection process is that territories that are not eligible to vote in the general election nonetheless choose delegates to the national convetions. The largest of these is Puerto Rico, whose 3 million U.S. citizens will be represented by 56 Democratic and 14 Republican delegates in 1988. Unfortunately, in the fierce battle for these delegates, candidates often do damage not to their cause, but to the public life of Puerto Rico.

The most recent example comes in this year's Republican contest. George Bush, who won Puerto Rico's delegates in 1980 with the slogan "Statehood Now," met with a group of Puerto Rican leaders in Washington in April and left them believing he would push for legislation to admit Puerto Rico as a state; he then "clarified" this by saying he'd push for statehood if the people of Puerto Rico want it. This seemed insufficiently pro-statehood to some members of Puerto Rico's New Progressive Party, most of whom support Republicans in mainland politics, and in May Sen. Bob Dole flew twice to San Juan and said he'd introduce a bill to pay for a referendum on statehood between 1989 and 1994, and a pro-statehood group of mayors voted 11 to 0, with one abstention, to support his candidacy. In June, Mr. Bush flew to San Juan and one-upped that by supporting a bill that would require Puerto Rico to hold a referendum on its status.

All of this may sound like a petty bidding war. Holding out the promise of statehood has been a Republican tradition at least since President Ford did so in 1976. But the issue of status—whether Puerto Rico should seek statehood, should retain the commonwealth status that leaves it a self-governing island under the American flag, or should become an independent nation—is the central focus of Puerto Rico's politics and public life. It inspires such interest that turnout in Puerto Rican elections is higher than anywhere in the 50 states.

Mainland politicians should be careful not to tilt the balance by trumpeting promises of immediate statehood—promises that Mr. Bush or Mr. Dole, in the high offices they now hold or the higher one they seek, would be hard put to deliver on. Mr. Dole wisely cautions that a "clear majority of Puerto Ricans must speak, must desire statehood" before Congress will grant it, and Mr. Bush says he'll push for Statehood "only if the people of Puerto Rico want it." But these caveats are fine print next to the statehood headlines. Mr. Bush and Mr. Dole should be more careful of interfering in the sensitive internal politics of Puerto Rico.

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## TRUTH IN LABELING FROZEN PIZZAS

## HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. STENHOLM. Mr. Speaker, today I am introducing, along with many of my colleagues, a bill that amends the Federal Meat Inspection Act to require frozen pizza products containing imitation cheese and meat to be labeled to reflect the fact that imitation cheese is contained therein.

Specifically, this legislation would require frozen pizzas containing imitation cheese to note that fact in prominent letters contiguous to the product name. It would not force any pizza manufacturer to use real cheese; it would simply require that consumers be informed through clear and prominent labeling when the frozen, meat-topped pizza they purchase contains imitation cheese.

Mr. Speaker, I would agree that a technical subject of this kind is usually dealt with in the proper regulatory process. However, the legislation is necessary because of a bureaucratic inconsistency on food labeling policy. Under current Department of Agriculture [USDA] policy, the "cheese" component of a meat-topped pizza need only contain 10 percent real cheese while up to 90 percent can be imitation cheese. But under the labeling requirements of the Food and Drug Administration [FDA], this blend of predominately imitation cheese would have to be clearly and prominently labeled because FDA, just like consumers, recognizes cheese as a "characterizing" ingredient of pizza. Consequently, I believe this conflicting situation violates the accepted standard of identity or "characterizing" ingredient guidelines.

In summary, I believe this legislation will aid in eliminating the apparent consumer deception and Federal agency inconsistency which persists with this issue. Let me point out that I would welcome any suggestions for changes in the language I have used provided it would accomplish and fulfill my intent that imitation cheese content in frozen meat-topped pizzas be lableled in such a way that the typical consumer knows what he or she is buying.

Mr. Speaker, I urge my colleagues to support this legislation and at this point in the RECORD I include language of the bill. The material follows:

H.R. —

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. TRUTH IN LABELING REQUIREMENT.

Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended by—

(1) striking out "or" at the end of paragraph (11);

(2) redesignating paragraph (12) as paragraph (13); and

(3) inserting after paragraph (11) the following:

"(12) if it is a pizza product that contains meat or a meat food product and includes an ingredient that imitates or resembles any variety of cheese for which a standard of identity exists, and there does not appear on the label in a prominent manner contiguous to the product name the term 'contains imitation cheese'; or".

SEC. 2. REGULATIONS BY SECRETARY OF AGRICULTURE.

The Secretary of Agriculture shall issue regulations implementing the amendments made by section 1 to become effective not later than October 1, 1987.

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## PRESIDENT MUST COMPLY WITH WAR POWERS ACT

## HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. OBERSTAR. Mr. Speaker, today I joined 115 of my colleagues as coplaintiffs in a lawsuit asking the U.S. District Court for the District of Columbia to order the President to observe the legal requirements of the War Powers Act regarding our military activity in the Persian Gulf. The action contends that the entry of three U.S. warships into the Persian Gulf on July 22, 1987, for the purpose of escorting two reflagged Kuwaiti tankers constituted the introduction of U.S. Armed Forces into "hostilities" or a situation "where imminent involvement in hostilities is clearly indicated by the circumstances." The suit asks the court to: (1) Declare that a report was required to be submitted under section 4(a)(1) of the War Powers Act within 48 hours of the time the three U.S. warships entered the Persian Gulf on July 22, 1987, and; (2) order the President to submit such a report.

Either action by the court would have the effect of triggering the 60-day time limit of the Act. If the court finds in our favor, the President would be required under section 5(b) of the act to end the use of U.S. Armed Forces in the escort operation not later than September 22, 1987, unless Congress specifically authorizes their continued presence. Alternatively, if the court finds that no report from the President is required, the suit asks the court to declare the reflagging of Kuwaiti tankers null and void on the grounds that the waivers of navigation and inspection laws are invalid because the law under which the waivers were granted was intended only for use in wartime and military emergencies. Thus, if the Persian Gulf is not a situation involving "hostilities" or "imminent hostilities," the waiver law does not apply. Such a determination by the court would require the administration to withdraw warships from the region immediately.

This extraordinary bipartisan initiative to bring a halt to the administration's reflagging of Kuwaiti vessels is an attempt to straight-forwardly address the crystal clear requirement of the War Powers Act, passed in 1973 following prolonged U.S. involvement in the Vietnam war, to ensure that the executive branch—and that means any administration—will consult with the U.S. Congress before going ahead with large-scale military undertakings of this kind. The War Powers Act states, in part:

> It is the purpose of the joint resolution to fulfill the intent of the framers of the Constitution of the United States and ensure that the collective judgement of both the Congress and President will apply to the introduction of United States Armed Forces into "hostilities, or into situations were imminent involvement into hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations.

This lawsuit is necessary if we are to prompt the administration to reconsider its decision to introduce troops into the region without such congressional consultations.

Mr. Speaker, the House of Representatives, on July 8, 1987, passed an amendment to the fiscal year 1988 Coast Guard authorization bill, which would have delayed the reflagging for a 90-day period to provide sufficient time for the administration to consult with Members of Congress and to develop alternatives to the reflagging plan. The bill passed the House by a vote of 222 to 184, and was sent to the Senate where, amidst filibuster threats, if died.

Yesterday, the House Merchant Marine and Fisheries Committee, of which I am a member, conducted hearings into the Kuwaiti Government's refusal to allow U.S. military forces to use Kuwaiti bases needed to furnish adequate air cover for the ships. Kuwait's refusal to allow U.S. forces to use their bases has heightened the anxiety here in the Congress and among the American people about the safety of our ships in the region and the wisdom of the administration's policy there. I will continue working in the Congress to develop more flexible and sustainable principles for U.S. foreign policy in the Persian Gulf.

Meanwhile, I look forward to the district court's decision on the lawsuit just filed.

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## FROM A RARE DISEASE, AIDS HAS BECOME A NATIONAL EPIDEMIC

## HON. BILL GRANT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GRANT. Mr. Speaker. Fearful and frightening, AIDS has swept across this land. From a rare disease a few short years ago, it has become a national epidemic.

Not since polio swept this land has a disease been so feared and a cure seemed so elusive.

Recently I had lunch with one of our Nation's most respected physicians, Dr. Robert E. Windom, Assistant Secretary for Health in the Department of Health and Human Services.

He told me that by June 1, 1987, AIDS has stricken more than 36,000 people in this country, nearly 21,000 of whom have died. He estimates that an additional 1.5 million Americans have already been infected by the virus that causes this lethal disease and that 20 to 30 percent of these persons may develop AIDS within the next 5 years.

Additionally, even though many infected persons currently have no symptoms and are not aware they have been infected, they can transmit the virus to others.

The AIDS virus attacks a person's immume system and damages his or her ability to fight off other diseases. Without a functioning immune system to ward off other germs the body is vulnerable to infection by bacteria, protozoa, fungi, and other viruses and malignancies which may cause life-threatening illness, such as pneumonia, meningitis, and cancer.

When AIDS strikes, a deadly chain of events begins. The victim's protective immune system is destroyed by the virus, leaving the door open for other diseases and cancer to infect the body. Doctors refer to these other diseases and cancer as "opportunistic diseases" because they take the opportunity to invade the body after the immune system is destroyed.

Some of the most common of the opportunistic diseass are pneumonia and tuberculosis, but the victim is vulnerable to virtually any disease. Although doctors try to treat the opportunistic diseases as best they can. There is simply no escaping the death sentence with AIDS.

The Center for Disease Control never predicted an explosion of the disease in the United States, only a slow expansion with the prediction that by 1992, 9 percent of the 270,000 dead or dying AIDS victims will be heterosexuals who aren't drug users. So far that grim timetable has proven to be 95 percent correct.

Who can ever forget the children we have seen on television who have been infected through blood transfusions? Their families and loved ones cry out in anguish and pain and there is no solution to the problem—only the hope that a vaccine can be developed some years in the future.

As Dr. Windom pointed out in testimony before a Government Operations Subcommittee on which I serve, education is the only current weapon in our arsenal.

The Public Health Services is to be commended for its efforts to inform the American people about the disease and how it is transmitted.

There are others, however, who are beginning to downplay the seriousness of this disease. This backlash which defies common sense will result in an additional toll of sorrow and death.

This is no small problem. It is a gigantic one.

Personally I believe that our efforts in research, education, and treatment are at levels which are reasonable.

I quote from a statement made by Dr. Windom:

> Soon after recognition of AIDS as a devastating new illness, efforts to combat it became the Public Health Service's No. 1 priority. Today the best scientists of the Public Health Service and medical institutions around the world are bending every effort to find effective treatments for AIDS patients and a safe and effective vaccine against the virus.
>
> Encouraging progress has been made, but we do not now have a cure for the disease, and availability of a vaccine appears to be some years in the future. Thus the only current weapon in our arsenal against the disease is education of the public about the seriousness of the AIDS threat, the ways the virus is and is not spread, and the practical steps each person can take to avoid acquiring or spreading the virus.
>
> In the current fiscal year, the Public Health Service will spend a minimum of $79.5 million on public information and education about AIDS, and President Reagan has asked Congress to increase funding for these efforts by $47 million. This increase would bring total PHS spending in Fiscal Year 1987 for AIDS research, information, and education to $447 million.

Might I pause here to tell my colleagues that we Floridians are proud to have one of our own in such a position of responsibility.

Before becoming Assistant Secretary, Bob Windom was a practicing physician, and a very good one, specializing in internal medicine in Sarasota, FL. He has been clinical professor of internal medicine at the University of South Florida School of Medicine and clinical associate professor of internal medicine at the Miami School of Medicine. He is a past president of the Florida Medical Association, the Florida Heart Association, the Florida Medical Political Action Committee, and the Sarasota County Chamber of Commerce. He served as a delegate to the American Medical Association, as a member of the national board of the American Heart Association, and as a member of the advisory council to the National Institute on Aging. Dr. Windom has been chosen as a distinguished alumnus of the Duke University School of Medicine and he won the Health Communicator of the Year Award from the Florida Hospital Association for his 10 years of producing and hosting regular television programs on health topics.

Confirmed by the Senate in June 1986 as Assistant Secretary for Health, Dr. Windom directs the activities of the Public Health Service, which includes the Health Resources and Services Administration; the Alcohol, Drug Abuse and Mental Health Administration; the Centers for Disease Control; the Food and Drug Administration; the National Institutes of Health; and the Agency for Toxic Substances and Disease Registry.

Dr. Windom provides policy guidance for other HHS programs including the Health Care Financing Administration, which administers Medicare and Medicaid. He also maintains relationships with other Government and private agencies concerned with health. He advises and assists the Secretary on health policy and on all health-related activities.

Dr. Windom was born July 14, 1930, in Columbus, OH. He received his B.S. and M.D. degrees from Duke University in 1952 and 1956, respectively. He served his internship and residency in internal medicine at Parkland Memorial Hospital in Dallas, TX.

Dr. Windom and his wife, the former Lelia Ann Harmon, have three sons: Robert Jr., Ross, and Hugh.

I am pleased that this distinguished physician is giving of his time and talents in a vital role for the future of this Nation and for that matter in finding a solution to a plague of international proportions.

Health officials agree that if people take precautions, they can dramatically reduce their chances of acquiring this deadly virus.

Let us pray for a breakthrough as dramatic as that which ended the scourge of polio. In the meantime, increased emphasis in educating this Nation is of the highest priority.

As I speak, the death toll among its victims rises. Across the globe, the list of the dead grows longer and longer. This is no joking matter. This is an equal opportunity disease; it does not affect just one segment of our society.

We must have a national commitment to do whatever has to be done to stop this deadly epidemic which threatens so many yet unborn, so many infected and who are not aware, so many who refuse to recognize the seriousness of the situation.

History will judge us harshly if we do not do everything within our power to remove this plague from the face of the Earth.

## MORE HELP FOR COLLEGE STUDENTS

### HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. DAUB. Mr. Speaker, I rise today in support of the Individual Education Savings Account Act of 1987 introduced earlier today by my colleague from Iowa, Mr. GRANDY. The estimated costs of financing a college education in 10 or 20 years pose a serious problem for lower and middle income families planning for the future.

Mr. GRANDY'S bill will do the following: First, it creates a tax-free savings account in the manner of an IRA solely for the purposes of financing a college education; second, it enables families with incomes below $35,000 to remain eligible for financial aid; third, the amount of savings accumulated can be used at the school of choice without facing penalties, which are included in other plans under consideration.

Finally, it creates a private family account instead of a public national trust. It will be a goal a family can work toward and be proud of. Furthermore, it doesn't subject savings to bureaucratic and distant forces.

In sum, Mr. Speaker, Mr. GRANDY has offered a realistic and creative solution to the expected problems of future high education costs, one which offers a way to plan for the future. I encourage interested Members of the House to take a look at this intelligent piece of legislation.

## HOUSE RESOLUTION 249—JAPAN SHOULD PAY ITS FAIR SHARE FOR PERSIAN GULF PROTECTION

### HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SENSENBRENNER. Mr. Speaker, During the past year, the ongoing Persian Gulf war has intensified. It has now spread to involve noncombatants in the region. Civilian commercial shipping has fallen prey to the sabotage of nations whose intent is to interrupt the flow of oil to the industrialized West, to disrupt the tenuous balance in the gulf, and to violate the internationally recognized laws of the sea.

In response to this situation, the United States considered the requests made by the Kuwaiti Government last year, and has initiated a precarious policy of reflagging and escorting commercial shipping through the hostile gulf. Since July, the U.S. Navy has been on station risking American lives to maintain the right of free passage through international shipping lanes.

The job is neither small nor easy. The risk is deep and the cost great. The massed might of a dozen ships and 2,600 sailors and marines requires a commitment of $1.7 million each day. Our fleet, in harms way, can easily be harassed as has been promised, by a small force of fanatical, committed, and suicidal Iranian revolutionary guards. The United States has assumed the burden of this danger and cost of the operation alone.

We are by no means the largest benefactor of this burden and cost. The service the U.S. Navy provides to the nations of the industrialized free world cannot be underestimated. While we maintain our strategic presence, Japan will receive 60 percent of its oil which comes from the Persian Gulf, versus the 6 percent the United States receives. Japan needs this oil to run the powerful industrial and technological machine it has built since World War II. It cannot compete in the international marketplace or survive as a nation without this oil. Japan gains the most from our protection. We guarantee their economic growth and competitiveness. Japan flourishes while only we pay. That simply is not fair.

House Resolution 249 proposes that Japan assist the United States reflagging policy by politically supporting and financially reimbursing our Government for the service. We want the support of our allies, especially those who stand to gain so much. Japan needs our help and it is appropriate that they devote more of their resources to those policies which defend their viability as an industrialized free world nation. Our allies should be expected to carry some of the burden.

House Resolution 249 appears below:

H. RES. 249

Whereas the ongoing war between Iran and Iraq has intensified to a heightened level of hostile activity in the Persian Gulf;

Whereas this hostile activity now involves and effects civilian commercial shipping from non-combatant nations such as Kuwait;

Whereas the strategic and political situation in the Persian Gulf has destabilized to such a degree as to allow the possibility of expanded Soviet influence;

Whereas the United States has responded to the requests of the Government of Kuwait by providing the protection and support of the American flag to commercial oil tankers through a process of reflagging which gives these ships "authentic U.S. nationality";

Whereas the United States has stationed its naval forces in the Persian Gulf to provide escort to those reflagged oil tankers in order to slow the spread of the Iran-Iraq war, to deny the Soviet Union strategic presence in the region, and to ensure an unimpeded supply of the region's oil to the industrialized nations of the Free World;

Whereas although more than 70 percent of Free World oil reserves are located in the Persian Gulf, only 6 percent of the oil needs of the United States are supplied by this region;

Whereas Japan received nearly 60 percent of its oil through the Persian Gulf and is by far the largest benefactor of our protective reflagging policy;

Whereas the estimated cost of keeping the United States fleet and 2600 American sailors in the Persian Gulf as protection is approximately $1,700,000 per day;

Whereas Japan has for years enjoyed the full assistance of United States military forces in protecting their national sovereignty at virtually no cost to that nation; and

Whereas Japan for years has flourished economically under that "protective defense umbrella" to such a degree that Japan has risen to become an industrial giant on a level rivalling the United States: Now, therefore, be it

*Resolved*, That, notwithstanding its constitutional restriction on maintenance of a standing deep-water naval capacity, Japan should assist the United States reflagging policy by politically supporting and monetarily reimbursing the United States Government for United States Naval protection of the Persian Gulf oil supply which is essential to the Japanese.

## JAMES RIVER CORP. 1986 NATIONAL BLOOD DONOR CAMPAIGN

### HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BLILEY. Mr. Speaker, in 1986, the James River Corp., an international paper products company based in Richmond, VA, in partnership with the Richmond Metropolitan Blood Service [RMBS], a not-for-profit organization that provides all blood and blood products utilized by patients in hospitals in Richmond, VA, and surrounding counties; launched an innovative blood donor recruitment campaign.

Though James River had long supported blood drives at its Richmond facilities and at the discretion of its plant managers throughout the world, it had never conducted a campaign throughout its entire corporate structure, one with a central goal supported by the company's top management.

James River has always taken pride in its decentralized style of operation, but the company had become convinced that in a time of rising fears about the safety of the Nation's blood supply its employees could make an invaluable contribution to the more than 40 communities in which it operates by having its top officers endorse the idea of contributing blood.

The results of this commitment were impressive. The goal of 30 units of blood donated for every 100 people employed was met in plant after plant, office after office, in the United States, Canada, and the British Isles, until 5,400 units of blood had been collected, a 168-percent increase over the previous year when the company's plants and offices had conducted individual drives.

RMBS helped by contacting the organizations responsible for collecting blood in all these communities so that accurate records could be kept of what may be the first nationwide blood donation campaign ever attempted by a corporation.

This remarkable achievement by James River Corp. was recognized in a special way on July 23 when the company was 1 of the 100 companies out of 1,000 submitting entries in 1987 to receive recognition from the President's Citation Program for Private Sector Initiatives.

As a responsible manufacturer of paper products, James River is accustomed to being a guardian of trees and water. Their national blood donation program shows their commitment to that most precious renewable resource, life giving blood.

## WHERE IS THE DEFENSE AUTHORIZATION BILL?

### HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. FAZIO. Mr. Speaker, the Congress must act now on the defense authorization bill in order to make a clear contribution to the development of a consensus on national defense and arms control policies. It is in the best interest of the Nation that an authorization conference be convened before the end of the fiscal year. The American people expect the Congress to take an active role in shaping our national defense and arms control policies. Without action on the Defense authorization bill our influence and input will be sharply restricted.

As my colleagues on both sides of the aisle are aware, during consideration of the defense authorization bill, this body reaffirmed the traditional interpretation of the ABM treaty as well as U.S. compliance with the central numerical sublimits of the SALT II agreement. Clearly, we hold the key to preserving United States-Soviet agreements on strategic arms limitations—limitations that provide the foundation on which future arms control agreements can be built. This body has taken charge of the arms control agenda. We have defined the issues, asserted budget priorities, and worked to secure a safer world. The Senate should join the House in this effort.

## WINONA FLOOD DIKE SYSTEM

### HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. PENNY. Mr. Speaker, unfortunately, the nature of man is to criticize, rather than compliment—and surely the Congress of the United States is often on the receiving end of criticism. Occasionally, however, were are pleased to report that people do appreciate our work. Recently, Edward Kohner, acting city manager of Winona, MI, presented 8,000 signatures to Senator DURENBURGER and me, as representatives of the Minnesota congressional delegation. The signatures were in recognition and appreciation of congressional support for the Winona Flood Dike System. During the 1960's, the Federal Government contributed $30 million for the construction of a system of dikes along the Mississippi River in Winona, whose citizens had long lived with the threat of flooding along the river.

The building phase of the project is now finished, but the people of Winona will deem it truly completed only when they have properly thanked those responsible for the levees. The Winona project of appreciation, spearheaded by the Kiwanis Club of Winona, has consisted of an essay contest on the benefit of the dike system to the city of Winona; the presentation of the signatures of appreciation to Congress; and the placement and dedication of a bronze plaque at Winona's Levee Park bearing an inscription that will recognize the U.S. Congress for its support.

And so, Mr. Speaker and fellow colleagues, it is my pleasure to convey to all of you the deep appreciation and gratitude of the people of Winona.

## WASHINGTON SQUARE

### HON. THOMAS M. FOGLIETTA

OF PENNSLYVANIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. FOGLIETTA. Mr. Speaker, today I am introducing legislation for the purpose of enhancing the story of this country's struggle for independence. All of us are well aware of the role played by Independence Hall and the different components of Independence National Historical Park to the founding of this Nation. Carpenter's Hall was the site of the drafting of the Declaration of Independence. Congress Hall was the location where the signing of the U.S. Constitution took place. Both of these sites have been given national recognition as parts of Independence National Historical Park. But one site where an irreplaceable contribution to this Nation's history was made has been overlooked. That place is Washington Square.

Washington Square is one of Philadelphi's five great squares and is listed on the National Register of Historic Places. Much of its history, however, is tied to the activities and events of the Revolutionary War and national recognition will not be complete unless Washington Square is include in the Independence National Historical Park story. Neither, I would add, is the Independence National Historical Park story complete without Washington Square.

Washington Square is the burial place for more than 2,000 unknown Revolutionary War dead. I would note, too, that some of those buried in Washington Square died from their wounds or disease in Independence Hall itself, a mere 100 yards away, which had been turned into a prison during the British occupation.

I think it would be heldful to put the magnitude of the Washington Square burial site into perspective. Several unmarked mass grave sites surround Valley Forge. Accounting to the National Park Service, however, no more than 50 Americans are interred at any site. The National Park Service at the Minuteman National Park advises that there were not many casualties at either Lexington or Concord. There are no mass grave sites at Minuteman. At Fort Griswold, the site of Benedict Arnold's treachery, only 150 Americans were involved.

My legislation would grant Washington Square the recognition it deserves as an intimate part of the history of Independence National Historical Park. The bill would also authorize the Secretary of the Interior to enter into a cooperative agreement with the city of Philadelphia to provide technical assistance in the preservation and interpretation of Washington Square.

The citizens of Philadelphia, particularly the Washington Square Association, have done an admirable job of restoring the square and of commemorating the unknown Revolutionary War dead buried there. Unfortunately, despite all the work and effort, Washington Square is, and will continue to be, passed by unnoticed visitors unless its story is woven to Independence Hall—as it properly should be.

Mr. Speaker, in this year in which we celebrate the 200th anniversary of the document which created the democracy we now enjoy, it is important to pay homage to those who fought and died to create the opportunity for our Constitution to be framed. Without the men and women buried in Washington Square, our Independence may never have been secured. This park deserves to be included among the other sites of this Nation's birth.

## JOHN BURT NAMED STATE SMALL BUSINESS PERSON OF THE YEAR

### HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SCHUETTE. Mr. Speaker, today I am honored to have the privilege of congratuating one of my constituents on being named State Small Business Person of the Year in our great State of Michigan. John R. Burt, president of Duro-Last Roofing, Inc. in Saginaw, received the award for 1987.

Because it is such a large part of our Nation's economy and generates the lion's share of our Nation's job growth, small business plays an important role in the economic well-being of the United States. Certainly, it is also the backbone of many of our smaller communities and provides numerous jobs for America's workers.

As president of Duro-Last Roofing, Inc., John Burt runs an outstanding operation and provides an important service for his community and felllow citizens. Now, his achievements and dedication to small business in Michigan have been recognized by his peers in the form of this high honor.

Mr. Speaker, I hope you and our colleagues in the House of Representatives will join me in congratulating John Burt for his receipt of Michigan's 1987 Small Business Person of the Year Award. I wish John many more years of success in his professional career and best wishes for his future endeavors.

## EXPLANATION OF VOTE

### HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LIVINGSTON. Mr. Speaker, I was unavoidably absent on August 5 during the vote on rollcall 304, an amendment to reduce discretionary spending in the fiscal year 1988 Labor, HHS, Education bill by 4.07 percent. Had I been present, I would have voted "nay."

## TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTION CONVENTION (AUGUST 7)

### HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SHARP. Mr. Speaker, on August 7, 1787, the Convention began reviewing the draft constitution prepared by the Committee of Detail.

The day was spent discussing who should be able to vote for Members of the House of Representatives. The committee had proposed qualifying anyone eligible to vote in elections for State legislature.

At the time each State set different criteria for suffrage—ranging from owning 50 acres of land to just being a taxpayer—and therefore the committee did not feel they could establish one centralized procedure.

During the day, several proposed criteria were offered including property ownership, taxpaying, and residency. However, the Convention decided to stick with the committee's more vague recommendation.

## EXPLANATION OF VOTE NUMBER 311

### HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Miss SCHNEIDER. Mr. Speaker, yesterday I was called from a meeting to vote on what I understood to be an amendment to cut funding for H.R. 2686. I arrived at the floor at the last moment and cast my vote no. Only on returning to my office did I find out that I had inadvertantly voted against the passage of the Economic Development Administration and Appalachian Regional Commission. The rules of the House appropriately prohibit the changing of a vote once the gavel is sounded, but I did want to provide an explanation for a vote that is obviously inconsistent with my previous votes and also inconsistent with my position regarding these two important programs.

I support both EDA and ARC and the programs that they foster in economically distressed areas of the country. Without the important public facilities projects funded by these programs, many important sanitation, transportation, health, and education programs could not be accomplished. I apologize to my friends for the error that resulted in this miscast vote and for any misunderstanding that it might cause.

## DEDICATION OF THE GERALD ROSS MEMORIAL HOME

### HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LEHMAN of Florida. Mr. Speaker, on August 23, at 5 p.m., Dade Countians of all walks of life will gather for a special ceremony to dedicate a special place—the Gerald Ross Memorial Home.

This facility, which was built with funding from the U.S. Department of Housing and Urban Development, will provide an attractive living environment for 20 mentally handicapped persons, giving them the opportunity to participate in society to the fullest extent of their ability.

This home represents a great accomplishment for the board and members of the Northwest Dade Community Mental Health Association, as well as for the government and civic leaders who have done so much to take a good idea and make into reality. This home represents the best of our community, for it is truly the result of caring, compassion, understanding and giving. Our county is a better place for the efforts of these dedicated people.

The home is named in memory of Dr. Gerald C. Ross, first president of the Northwest Dade Community Mental Health Association and a key figure in establishing the commitment to caring and service that continues in that organization to this very day.

Mr. Speaker, I commend the Northwest Dade Community Mental Health Association for a job well done.

## VOTING PERCENTAGE OVER THE LAST 4 YEARS

### HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. RAY. Mr. Speaker, I want to let my colleagues know that I have begun working full time again after my recent medical leave. Although my recuperation has been right on schedule, it disturbs me that I missed a number of rollcall votes. During my four years in Congress, I have compiled voting percentages of 98.3, 96.1, 98.5, and 97.7. In fact, this year before my medical leave, I had only missed four votes.

Obviously, this year's percentage will not be as high as my past ones. However, let me assure my colleagues that I intend to work diligently to bring my voting percentage up to the standard that I have maintained since I was elected to Congress in 1982.

## A CRISIS IN OUR HEALTH CARE SYSTEM: A NATIONAL NURSING SHORTAGE

### HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GALLO. Mr. Speaker, I rise today to bring to the attention of my colleagues in the House of Representatives a critical situation facing this Nation's health care system, namely an impending shortage of skilled nurses.

Nurses are a central component of our health care system and, too often, their availability is taken for granted. However, if recent trends in the enrollment of young men and women in nursing programs hold true, this Nation will lack this most valuable resource in just a few short years. The availability of nurses is critical to the ongoing patient care, both in hospitals and long-term care facilities.

In particular, I am committed to the greater use of home health care for our senior citizens, and I know that the success of home care utilization depends, in large measure, on the availability of skilled nurses. As we look to the future of health care in this country, we see an increasing number of elderly who will need long-term care. That care, when possible, should be provided in the home under the supervision of skilled nurses.

Mr. Robert Hess, director of critical care and respiratory rehabilitation for St. Clares-Riverside Medical Center in Denville, NY, recently brought some startling facts to my attention. Mr. Hess points out that one well-known university in my district has customarily enrolled about 200 students in their baccalaureate program for professional nurses annually and, on average, graduates 150 of these students. This year, only 20 students have enrolled for the fall semester.

Mr. Hess concludes that the "implications for 1991 are frightening." I agree. For these reasons, I bring this critical situation to the attention of my colleagues and ask for their due consideration of any and all available remedies. The future of our health care system and our ability to meet the new demands of an aging population depend on a stable supply of skilled nurses.

## THE FRENCH HAVE THE GUTS TO CUT OFF IRANIAN OIL IMPORTS: WHY DON'T WE?

### HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. STARK. Mr. Speaker, today's news reports that the French are stopping their imports of Iranian oil, thus hurting the Iranian economy and war effort.

For years we have imported nearly a billion dollars a year from Iran in oil, rugs, pistachios and other products. We export almost nothing—except for secret sales of weapons—to Iran.

Thus the United States has provided large sums of money to help Iran's war effort against Iraq.

As soon as Iran was identified as having influence over our hostages, as soon as it was identified as a terrorist nation, we should have embargoed imports from that nation. Instead of selling them arms, we should have told them, "let our hostages go, or you won't sell a drop of oil to us." We should have worked with our allies to stop their purchases.

But no, we dealt with a terrorist nation, encouraged them to take more hostages, helped tilt the war against relatively-moderate Iraq, scared our Arab allies, causing Kuwait to invite the Russian Navy into the Persian Gulf, and thus causing us to begin convoys—convoys that will soon chew up billions in extra fuel, wear and tear on our Navy.

Let's quit buying Iranian products. I had an amendment accepted to the Foreign Aid Authorization Act 3 years (section 505, Public Law 99–83) giving the President authority to embargo Iranian products. It's time he used it!

Mr. Speaker, let's join the French.

## NATIONAL SUPERCONDUCTIVITY, COMPETITIVENESS AND NATIONAL SECURITY ACT OF 1987

### HON. DAVE McCURDY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. McCURDY. Mr. Speaker, today I am introducing a new bill entitled the "National Superconductivity, Competitiveness and National Security Act of 1987".

As I noted last week in introducing H.R. 3048, the National Superconductivity and Competitiveness Act of 1987, we would require additional legislation to incorporate our defense needs in this area. The bill I am now introducing accomplishes this important task.

Members will recall the President recently proposed an 11-point superconductivity initiative. This bill attempts to provide a legislative basis for many of the President's concepts. Specifically, the bill incorporates a strong focus for DOD activities within a national superconductivity research and development program. That focus, together with the nondefense efforts previously outlined, forms a basis for a national response to growing competition in this critical field.

I urge my colleagues to support this legislation as we consider it and other ideas to improve our capabilities in superconductivity. I look forward to continuing discussions with Members and the administration as we move this bill through the legislative process to enactment.

## RALPH R. RULE—COMMITTED CITIZEN

### HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. MOORHEAD. Mr. Speaker, I would like to take this opportunity to pay tribute to a good friend of mine—Ralph R. Rule. I do this not as a part of any particular celebration like a retirement or a roast, I do this because Ralph Rule is one of those special people who, through commitment and principle, have made our society stronger.

Mr. Rule lives in the 22d Congressional District in the foothill community of Sierra Madre. He served on the city council for 13 years, including three terms as mayor.

He has been deeply involved in education at all levels. He has given time to the Sierra Madre Community Nursery School and the Sierra Madre PTA. He was chairman of Sierra Madreans Interested in Local Education and a member of a special task force to study educational relationships between cities within the same school district. Mr. Rule was a member of Citizens for Excellence in Education and the Expanded School Curriculum Committee for the Pasadena School District.

Other community activities include the Sierra Madre Rose Float Association, the Sierra-Hastings Council of Campfire Girls, local civil defense, and the Sierra Madre Congregational Church.

On November 4, 1986, he was elected to the board of directors of the San Gabriel Valley Municipal Water District.

In general he has been committed and involved in the drive to establish excellence in education, to clean-up natural canyon areas in and around Sierra Madre, to install sanitary sewers in his community, to upgrade and repair the city's old water system while seeking new supplies and he was instrumental in building new police, fire, and recreational facilities for the city.

I think it is clear that Ralph Rule was involved in his community in a broad and varied manner over many, many years. His commitment has been constant. His dedication steady. His successes enduring and beneficial. His concern for his fellow man has been demonstrable and unwavering.

Mr. Speaker, I am proud to have this family man and veteran as a constituent and a friend.

## LEGISLATION TO HELP MEET THE HEALTH NEEDS OF OLDER AMERICANS

### HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. PURSELL. Mr. Speaker, today I introduced legislation designed to address the serious shortage of physicians trained or conducting research in the field of geriatrics. This measure, which is based on recommendations contained in an Institute of Medicine report, provides for the development of academic expertise in geriatrics through the establishment of centers of excellence in geriatric training and research.

The centers will be geographically distributed at medical schools throughout the United States and will conduct research into aging processes and into the diagnosis and treatment of aging diseases and disorders; provide advanced training programs in current methods of diagnosis and treatment of such diseases; operate programs to develop individuals capable of conducting research on aging; and support educational and training activities for students of the health professions in order to enhance their knowledge in geriatrics.

This legislation is intended to eliminate the serious disparity between the large number of elderly who will need specialized care by the year 2000 and the number of physicians who will be trained to provide such care. According to the Institute's report, an estimated 5.4 million Americans will be over the age of 85 at the turn of the century, creating an enormous demand for geriatric health care. Currently, only about 100 physicians complete fellowships in geriatric medicine or geriatric psychiatry each year. In order to meet the projected demand in this area, at least a doubling of the yearly current output of graduates in geriatrics is needed to meet the conservative goal of 2100 academic geriatricians by the year 2000.

The inadequate number of specialists trained in geriatrics is a result of the slow growth in our capacity to train geriatricians and the lack of applicants. Although there are several Federal and private programs which fund geriatric research and training, these efforts fall short of the amount needed. Establishment of centers of excellence will enhance training and research in geriatrics by increasing the number of academic geriatricians and creating an effective program of recruitment into the field.

I urge my colleagues to join me in cosponsoring this important legislation to ensure an adequate supply of health professionals capable of meeting the health care needs of our older Americans.

## JUSTICE DENIED: ARMENIAN TRAGEDY IGNORED

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. TOWNS. Mr. Speaker, today we allowed political expediency to take precedence over human rights. It is a historical fact that a concerted effort was made to eliminate the Armenian people by the Turkish Government during the years 1915–23.

Apparently, we were even afraid to have this nonbinding resolution considered by the House. By defeating the rule on House Resolution 132, we effectively prevented debate and consideration of this measure. One must ask: Why is the Congress afraid to address this human rights tragedy? Whether the Government of Turkey is our ally today does not change the deaths of the Armenian people at the turn of the century.

As we have condemed the atrocities of the Holocaust, the devastation against the people of Cambodia and the barbarism of apartheid in South Africa, the genocide of the Armenian people deserves the same recognition. Human rights violations should be addressed regardless of who the victims are. In the future, I hope that Congress will recognize that the Armenian people are also victims.

## GUIDE TO THE RECORDS OF THE U.S. HOUSE OF REPRESENTATIVES AT THE NATIONAL ARCHIVES

### HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mrs. BOGGS. Mr. Speaker, today I am introducing a resolution to authorize the printing of the compilation of materials entitled "Guide to Records of the U.S. House of Representatives at the National Archives, 1789–1989: Bicentennial Edition."

The Historian of the House of Representatives, Dr. Raymond Smock, and his counterpart in the Senate, Dr. Richard Baker, have encouraged the National Archives to prepare inventories of the House and Senate records in the custody of the Archives. Once these inventories are completed, the House inventory would be printed under the terms of this resolution. The Senate has already passed a resolution authorizing the printing of the inventory of its records.

The last time the Archives published anything on House records was a preliminary inventory done more than 25 years ago. This new inventory will serve as an important study not only for historians, but the committees of the House whose records are at the Archives and for the Clerk's Office which has authority over the records of the House.

This will be a fitting contribution to the bicentennial of the House of Representatives. I am joined in sponsoring this resolution by my colleagues on the Commission on the Bicentenary of the U.S. House of Representatives.

## THE GENTLEMAN FROM PENNSYLVANIA

### HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. LEWIS of California. Mr. Speaker, in the minds eye of his friends in Congress, there is no greater guy than Joe McDade. It was not Mr. Smith who came to Washington, it was Joe McDade—the gentleman from Pennsylvania.

## TRIBUTE TO NEW YORK'S WWSC

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. SOLOMON. Mr. Speaker, civic pride and spirit is a way of life in the 24th District of New York, which I have the privilege of representing, and one of the best examples of that spirit and pride is radio station WWSC.

WWSC has qualified for recognition in the President's Citation Program for private-sector initiatives. None of us who live in the 24th district are surprised at all. WWSC has a long tradition of charitable and civic involvement, not the least of which is its giant garage sale, the proceeds of which provide food for less fortunate families at Thanksgiving and Christmas, as well as scholarships for aspiring journalism students.

One of the themes of the Reagan Presidency has been volunteerism—that willingness of Americans to help their neighbors without expecting anything in return. At WWSC, volunteerism is an art form, and the entire area is better off for it.

I'm sure everyone in this body joins me in saluting Christopher P. Lynch, president and general manager; and Dave Covey, station manager; and the entire staff and management of this fine radio station.

## TRIBUTE TO THE YOUNGSTOWN COMMITTEE ON ALCOHOLISM

### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute the Youngstown Committee on Alcoholism, a very special organization in my 17th Congressional District. It gives me great pride to inform my fellow Members of the U.S. House of Representatives that this wonderful committee has been operating for 40 years and its dedicated staff can proudly look back upon a history of marvelous accomplishments and achievements.

The charter members began this organization as a center for information on alcoholism, but their devout commitment to those who suffer from this disease led them to form the first nonprofit, freestanding, clinic for alcoholism. Even today, the Youngstown Committee on Alcoholism is run through the Board of Directors at this historic clinic.

When the Youngstown Committee on Alcoholism began, its quest was to provide the victims of alcoholism and their families with the best treatment and services to aid them in their unfortunate situation. Still today, these are the goals set forth by the committee in their desire to alleviate the pains of alcohol from the community. As a former director of the Mahoning County Drug Program, I recognize the vital importance of the type of work done by the committee. It's tough work and they do an excellent job. Thus, it is with special pride that I join the people of the 17th Congressional District in thanking the Youngstown Committee on Alcoholism.

## MFN RENEWAL FOR HUNGARY

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HOYER. Mr. Speaker, I would like to speak on issues relating to the President's recommendation to extend Hungary's most-favored-nation [MFN] trade status for another year.

As chairman of the Commission on Security and Cooperation in Europe—the Helsinki Commission—I have a strong interest in these issues. As you know, the Commission is charged with monitoring compliance with the Helsinki accords and Hungary is one of 35 signatory states to the Helsinki Final Act. In the past year, I visited Budapest and met with several high-level officials and Hungarian citizens to discuss humanitarian and other CSCE issues relating to Hungary.

Hungary has enjoyed MFN status on its exports to the United States since 1978, under the terms of the Jackson-Vanik amendment. While this amendment explicitly ties such status to a country's emigration performance, it implicitly embraces wider human rights considerations, such as respect for freedom of expression and religious liberty.

Turning first to the emigration picture, I am pleased to note that family reunification cases between the United States and Hungary have continued to be resolved without difficulty. While the number of cases between the two countries has never been high, the resolution of outstanding cases by the Hungarian authorities over the last 4 years demonstrates how the MFN review—in conjunction with a continual dialog between the United States and Hungary—can work to meet the concerns of all those involved. I welcome this positive development and hope to see it continue.

However, the continuing existence of strict Hungarian emigration laws causes concern. One never knows when a restrictive law will be used to limit freedoms, even though it is not being used this way presently. Removal of these laws from the books would build confidence that Hungary will continue its current, favorable practices.

It is often stated that Hungary's human rights practices are more positive than those of the other East bloc states. I would not argue with this position. Hungarian citizens who express dissenting views are not imprisoned and have been permitted to to travel to the West. Still, many individuals frequently are harassed for expressing independent views on human rights and other sensitive issues. In the past year, there have been numerous raids and searches of the apartments of those individuals, known as the "democratic opposition," who engage in independent (samizdat) publishing. Copies of unofficial journals have been confiscated and the individuals involved heavily fined for violation of the press law. Several individuals have been denied permission to travel aboard. While some were later given permission, others—such as Ferenc Koszeg and Ottilia Solt—continue to be denied. In addition, the sale of works by notes Hungarian playwright Istvan Csurka has been banned because of his activities while abroad, and a regional journal, Tiszataj, was forced to close because its contents were not acceptable to the authorities.

Unfortunately, there are signs that the Hungarian Government is not prepared to stop these practices. A new press law confirms the need for governmental approval to publish and reinforces the right of the police to confiscate unofficial material and fine those who possess it. Furthermore, we have learned of a 1986 report and resolution of the ruling Hungarian Socialist Workers Party which call for efforts to suppress the opposition and its publishing activities.

Mr. Speaker, I support the President's recommendation. Nevertheless, I want to note that there are continuing human rights problems in Hungary. While these problems, relative to those in other East bloc countries, are mild, they are violations of the provisions of the Helsinki final act and Madrid concluding document nonetheless—and only serve to stain Hungary's positive image in the West. I urge the Government of Hungary to cease the harassment and intimidation of those citizens who express independent views and to improve compliance with its Helsinki and Madrid commitments.

## FEDERAL COURTS STUDY COMMISSION ACT OF 1987

### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. RODINO. Mr. Speaker, today I am introducing the Federal Courts Study Commission Act of 1987 to review the administration of our Federal courts and to make recommendations for improving the effectiveness and efficiency of those courts.

The system of justice created by our Constitution is a vital part of our democratic society. One of the primary reasons our form of government has lasted for over 200 years is the system of justice created by that important document. Citizens who have access to the courts to settle their differences do not need to resort to violence and revolution. Thus, it is imperative that we do all we can to preserve and improve our judicial system, while at the same time ensuring access to the courts for enforcement and preservation of our rights and resolution of our differences.

It is also clear that our judicial system is overburdened. In the words of University of Virginia Law Professor Daniel Meador, it is beset with "near runaway inflation" in the number of cases it processes and in the number and variety of personnel it employs. In just over a quarter of a century, our courts have experienced an explosive increase in the number of cases filed and litigated. According to the Administrative Office of the U.S. Courts, civil cases filed in 1960 in Federal district courts numbered less than 60,000 and criminal cases less than 30,000. By 1986, however, those figures had increased to over a quarter of a million civil cases and more than 41,000 criminal cases. And, the appeals courts have seen an even more dramatic increase in their workload—from just under 4,000 cases filed in 1960 to over 34,000 in 1986, not including the caseload of the court of appeals for the Federal Circuit.

As a result of this large increase in the number of cases, our courts have become increasingly clogged; huge backlogs and long delays between the filing of a case and its final resolution are becoming the norm rather than the exception in many courts. Congress has attempted to deal with this burgeoning caseload by adding additional judges and creating new judicial officers in the form of Federal magistrates. Between 1960 and 1986, again according to the Administrative Office, the number of authorized district court judgeships increased from 245 to 575, and the number of circuit court judgeships increased from 68 to 168. And, these figures do not include judgeships on either the Court of Appeals for the Federal Circuit or its predecessors—the Court of Claims and the Court of Customs and Patent Appeals.

Unfortunately, adding more personnel can create its own kind of inflation and its own set of problems. While additional personnel to assist judges with their duties may enable them to hear and decide more cases, there are inherent risks. We do not want our courts turned into bureaucracies with judges spending more time supervising employees than adjudicating cases. Creating new judgeships at the appellate level may lessen delays, but it also makes it more difficult to maintain a nationally uniform body of federal law. Then too, as Chief Justice Rehnquist warned in 1982, "down the road that indefinite multiplication of judicial positions may well detract from the prestige of the job, an important element which has enabled the federal judiciary to command the respect which it has today." If we are to attract the "best and the brightest" to service on the Federal bench, we must ensure that a Federal judgeship carries with it the respect and honor due to highly qualified individuals. Clearly, new solutions are needed.

The problems facing our overcrowded courts today will not diminish. Experience suggests that the workload of the Federal courts will continue to increase and there will be even more large, complex cases in the future. Thus, it is good public policy to analyze carefully the operations of our judicial system and develop a coherent, long-range plan to meet future needs.

However, in the search for ways to streamline the Federal judiciary, we must be careful not to compromise justice. Stripping the Federal courts of their jurisdiction in some areas or limiting an individual's access to the Federal courts are not viable solutions for a nation based on the principle that all citizens, no matter what their economic or social position, are entitled to have their rights protected by the Federal courts.

Although many groups have looked at the administrative problems facing the Federal courts, there is a need for a nationally recognized group to study the issues and make concrete, practical recommendations, based on its work and that done in the past. The legislation I am introducing today would establish such a group—a Federal Courts Study Commission on Judicial Administration.

The Commission would evaluate procedures, staffing, and administration of the Federal courts; make recommendations for improving the effectiveness and efficiency of the Federal courts; and make recommendations for long-range planning for the efficient and effective administration of the Federal courts. Although the Commission is authorized to review all issues relating to Federal court administration, the bill specifies five areas in particular need of study. These areas include: use of technology by the Federal courts to increase efficiency; use of personnel in ways that increase efficiency; use of the discovery process and ways of limiting any abuses; use of specialized courts; and use of alternative methods to resolve disputes.

The Commission has 15 members, representing a variety of interests and areas of expertise. To ensure that it will not become another bureaucracy, the Commission has a limited life. At the end of 2 years, the Commission submits a final report on its findings and recommendations and ceases to exist 60 days thereafter.

As we celebrate the bicentennial of the Constitution and the unique system of justice it established, it is appropriate that we study the administration of our Federal courts to ensure that they will be equipped to meet the future needs of our citizens.

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# SENATE—*Thursday, August 20, 1987*

## NOTICES OF HEARINGS

### SPECIAL COMMITTEE ON AGING

Mr. MELCHER. Mr. President, I would like to announce for the public that the Senate Special Committee on Aging has scheduled a field hearing on "Prescription Drugs and the Elderly: The High Cost of Growing Old—Part II."

The hearing will take place on Thursday, August 27, 1987, at 9:30 a.m. at the Pulaski Heights United Methodist Church, Woodlawn and Monroe Streets, in Little Rock, AR. The hearing will be chaired by committee member, DAVID PRYOR.

For further information please contact Max Richtman, staff director at (202) 224-5364 or Theresa Forster at (202) 224-2363.

Mr. President, I would like to announce for the public that the Special Committee on Aging has scheduled a hearing to receive testimony on the progress in enforcing and administering the Age Discrimination in Employment Act.

The hearing will take place on Friday, September 11, 1987 at 10 a.m. in room 628 of the Dirksen Senate Office Building.

For further information please contact Max Richtman, staff director, at (202) 224-5364.

## THE 1988 CENSUS DRESS REHEARSAL

Mr. SARBANES. Mr. President, on August 7 of this year the Joint Economic Committee held a hearing on the potential effects of the proposal by the Office of Management and Budget to drop from the 1988 census dress rehearsal roughly 30 questions hitherto scheduled for inclusion. The hearing reflected the longstanding concern of the Joint Economic Committee for the quality of the Federal statistical infrastructure and the belief that access to accurate, comprehensive and timely data is indispensable to sound decisionmaking. While full and reliable statistical information does not, in itself, constitute or inevitably lead to sound decisions, it plays an essential role in responsible decisionmaking in both the private and public sectors.

Because questions deleted from the 1988 dress rehearsal would also be omitted from the official 1990 Decennial Census, and because the proposed deletions would affect such critical areas as housing, employment and unemployment, transportation, mobility, and energy, the long-term ramifications of the OMB proposals require very careful examination. Unfortunately the proposals were announced only on July 24 with September 14 the final deadline for all public comment, and the August 7 hearing was therefore an effort to draw together, on very short notice, the analyses now being developed by major users of census data all across the country. Given the short time available, many were able to submit their documentation only subsequent to the hearing, and I ask to have included in the RECORD but a few representative examples of the materials which reached the Joint Economic Committee shortly after the August 7 hearing:

The material follows:

NATIONAL GOVERNORS' ASSOCIATION,
*Washington, DC, August 6, 1987.*

Hon. PAUL S. SARBANES,
*Chairman, Joint Economic Committee, U.S. Congress, Washington, DC.*

DEAR MR. CHAIRMAN: Thank you for the opportunity to comment on the Office of Management and Budget attempt to eliminate critical questions from the Census questionnaires to be used in the 1988 Dress Rehearsal. As this information is vital to the functioning of our State governments, we have been particularly attentive to Census issues. In a letter of May 14, 1987 to Senator Pryor, Chairman, Subcommittee on Federal Services, Post Office, and Civil Service, U.S. Senate, we communicated support for the proposed 1990 Census content submitted to Congress by the Census Bureau. We believe that the items, determined through the extensive content development and testing program of the Bureau, represent the key items that are most important for decision making at the state level.

We, of course, were quite surprised to learn of the proposed OMB changes to the 1990 Census content. It is our understanding that OMB has been involved for a number of years in the formal mechanisms the Census Bureau established to identify data needs for the next Census. We are aware that OMB representatives not only participated in the local public meetings as observers but as participants in the subject-based inter-agency working groups of the Bureau. In addition, OMB established the Federal Agency Council on the 1990 Census specifically to participate in the content development process. They also participated in the budget review process that approved the local public meetings and related content development and testing activities of the Bureau. To our knowledge, throughout the process, OMB raised no significant concerns that would lead to the proposed elimination of roughly 30 questions. The OMB proposed question deletions, in fact, come at a time after the content development process peaked with the submission of the proposed content to Congress in March of this year.

The 1990 content subjects proposed to Congress have survived the winnowing process imposed by the Bureau to reduce the vast number of questions that were requested during the national public comment process. Five broad principles guided the Bureau's selection of the subjects to be included in the 1990 Census. It is interesting that three of the five principles used by the Census Bureau for content selection appear as criteria used by OMB to delete questions.

Particularly troublesome is the fact that, the OMB has cited its responsibility under the Paperwork Reduction Act as a basis for its actions. This appears to us to be an inappropriate interpretation of the authority provided in the language of the Act. We do not believe the intent of the Act was to have a single agency's action supercede and overturn an entire data content development process including an extensive public comment mechanism and Congressional action.

Regarding paperwork reduction, we generally believe the potential for duplication and paperwork burden will only increase during the 1990's, if the content is changed as proposed by OMB. The questions slated for deletion are not superfluous, as Census Bureau documentation is likely to show. And additionally, by eliminating the 30 specified questions, the policy uses of the remaining 1990 Census questions will decrease. The subjects as presented to Congress are consistent, for the most part, with the 1980 Census which enhances the comparability of data between the decades. The elimination of items will diminish this benefit.

Several specific aspects of the OMB rationale warrant comment. While we cannot replicate, here in this letter, the tens of thousands of person hours involved in documenting how the data meet the pre-determined criteria for selection, we can offer a few specific examples.

First, OMB cites the fact that there are alternative sources available for obtaining the data in the questions proposed for deletion. We believe that there are no adequate substitutes for these data. These data not only serve to describe the demographic and housing conditions of the country in 1990; but the Census results also serve as benchmarks for numerous data series and play a key role in survey design work throughout the decade. Survey data are not adequate as a substitute for a variety of reasons including the fact that analysis is most often needed at highly localized geographic levels. For example, the Current Population Survey (CPS) would not be an adequate substitute for the labor force questions. The data obtained from surveys, such as the CPS, which is based on a national sample of households, contains detailed data for only a limited number of states and is therefore not sufficient in geographic detail for 50 state use.

Administrative records have limitations as well when being considered for use as alternative sources of data to the Census. For example, the IRS administrative data containing tax filers' addresses, if used as proxy for migration, by matching records over time, may indicate relative change in migration patterns during a specified time period but could not be used to estimate the levels of migration. We understand also that most of the IRS address records, included in attempts to report matches, remain un-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

matched. Another example is the fertility data which are used in the population projections process. Birth certificate data are not an adequate substitute.

Second, OMB further stated that there was a scarcity of documented evidence that the data resulting from the census would serve important purposes. Several examples will illustrate that these data are crucial for state policy planning, program enactment and fund allocation. The fertility and migration data are used by State Education agencies to adjust school enrollment estimates that are used to allocate State education funds, which average about 37% of annual state budgets, to purchase textbooks and other materials and to employ staff. Another example is the housing questions such as tenure, rent, mobility and the type of rooms in the unit. As the nature of housing problems shifts, from a focus on housing quality to affordability, state housing agencies must create an adequate baseline of housing finance data.

A third point raised by OMB was that the data in the questions targeted for deletion are not needed at highly localized geographic levels. The 1990 Census is the most crucial of the data resources available to aid transportation officials manage the shifting size and character of work-trip commuting that is placing strong demands on the local transportation infrastructure. Census journey-to-work questions have been particularly important determinants in examining the transportation planning process and dispelling population change as a principal indicator to support transportation improvements. In addition, the data are vital to the areas of traffic operations and management, transport system planning and development, transit routing and system planning, government organization and programs and metropolitan development and governance.

Data reliability, another concern of OMB, is reasonable, however it should not be the sole basis to eliminate questions that have been determined to be essential by other criteria. The solution to data reliability questions is not to eliminate the data from the data collection test. Rather these are the items that should be included on the 1958 Dress Rehearsal questionnaires so that the reliability issues can be addressed and the data collection methods improved by 1990.

In closing, we believe that the process undertaken by the Census Bureau was thorough and perhaps the most intensive in the history of Census taking preparation. Taking this extensive public involvement process into account, along with the role Congress has played and will play in overseeing Census activities, the Congress may well want to revisit the role of the Paperwork Act activities in relation to Census activities and consider exempting the Census questionnaire from such provisions.

Again we appreciate the opportunity to express our views on the 1990 Census.

Sincerely,

RAYMOND C. SCHEPPACH.

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STATE OF GEORGIA,
OFFICE OF PLANNING AND BUDGET,
*Atlanta, GA, August 10, 1987.*

Hon. PAUL SARBANES,
*Chairman, Joint Economic Committee, Dirksen Senate Office Building, Washington, DC.*

DEAR CHAIRMAN SARBANES: Enclosed is a copy of the response from Governor Joe Frank Harris to the proposed changes in the content of the 1990 Census of Population and Housing.

This is to request that Governor Harris' letter be included in the Record of Hearing held August 7, 1987, regarding the Office of Management and Budget's proposed deletions.

Thank you for your assistance.

Sincerely,

CLARK T. STEVENS,
*Director.*

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STATE OF GEORGIA,
OFFICE OF THE GOVERNOR,
*Atlanta, GA, August 7, 1987.*

WENDY GRAMM, Ph.D.,
*Administrator, Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, Washington, DC.*

DEAR DR. GRAMM: This letter is in response to the Office of Management and Budget's proposed changes in the content of the 1990 Census of Population and Housing. Census data is widely used in Georgia for policy making, planning, program development, and in many other areas. We have often needed more data than that which was available from the decennial censuses; therefore, the proposed deletions of some questions from the 1990 questionnaires is very disturbing. Although some of the data may be available in the form of estimates from private vendors, much of the data can only be obtained from the decennial Census of Population and Housing.

In particular, from the population section, the data on residence five years ago and transportation/time to work (questions 14 and 23-24) is widely used for determining migration trends and transportation planning. Also, data on work and transportation disabilities is very difficult to obtain and affects such a small percentage of the total population, that to move those questions to the sample form may seriously affect the availability and validity of the resulting data.

With regard to the housing section, this data is used to target housing revitalization efforts, to determine low income energy assistance payments, weatherization programs, community development block grants, and for a variety of other planning functions. Deleting these questions, especially question numbers H6, 9, 10a, 12, 13, 15-18, and 21-28, would seriously impact numerous programs and policy decisions in Georgia.

It is with these points in mind that I request that you reconsider the decision to delete these questions from the 1990 census.

With kindest regards, I remain

Sincerely,

JOE FRANK HARRIS.

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[Telegram]

CARMEL, CA, *August 7, 1987.*

Senator PAUL SARBANES,
*Chairman, Joint Economic Committee, Dirksen Senate Office Bldg., Washington DC.*

Thank you for your attention to the problems that would be created by the elimination of important housing employment and transportation questions from the 1988 census dress rehearsal and ultimately from the 1990 census. Yesterday, the U.S. Conference of Mayors notified the Office of Management and Budget that it opposed the proposal to drop these questions. This is a time when all levels of government must stretch scarce resources to meet growing needs, it is not a time to take away the data we need to manage those scarce resources or measure those growing needs.

Members of the executive committee and advisory board, U.S. Conference of Mayors, assembled August 7, 1987; Richard L. Berkley, mayor of Kansass City, President.

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STATE OF MARYLAND,
REGIONAL PLANNING COUNCIL,
*Baltimore, MD, August 10, 1987.*

Hon. PAUL S. SARBANES,
*U.S. Senate, Dirksen Senate Office Building, Washington, DC.*

DEAR SENATOR SARBANES: I want to bring to your attention the Regional Planning Council's (RPC's) concerns over recent developments regarding the upcoming 1990 Census. The Office of Management and Budget (OMB) has asked the Census Bureau to shorten the Draft 1990 Census Survey Questionnaire dramatically. They propose accomplishing this through the elimination of several questions relating to the labor force status and commute to work of resident workers, population migration patterns, and housing cost indicators.

The RPC is concerned that information essential to our work will be eliminated if the OMB plan is implemented. The proposed deletions are particularly disconcerting in light of the extensive review, refinement, and public outreach process undertaken by the Census Bureau in developing the original questionnaire—a process which has yielded a fair compromise between the needs of the many local, state and federal agencies requiring accurate census information. Enclosed is a copy of a letter sent to OMB by the Executive Director of RPC which presents critical comments from a planning staff perspective.

We would greatly appreciate your consideration of this matter and support in the upcoming Congressional Hearings.

Thank you for your concern.

Sincerely,

GEORGE F. HARRISON, Jr.,
*Chairman.*

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STATE OF MARYLAND,
REGIONAL PLANNING COUNCIL,
*Baltimore, MD, August 7, 1987.*

DONALD R. ARBUCKLE
*Assistant Chief, OIRA, Office of Management and Budget, New Executive Office Building, Washington, DC.*

DEAR MR. ARBUCKLE: The purpose of this letter is to communicate the concern of the Baltimore Regional Planning Council staff over the proposed deletion of questions on the most recent Draft 1990 Census survey questionnaire. The proposal set forth by the Office of Management and Budget calls for the elimination of questions relating to the labor force status and commute to work of resident workers, population migration patterns, and housing cost indicators. Failure to provide for a systematic, consistent national data collection effort on these items as part of the decennial census effort would restrict our future work at both a local and metropolitan level and hinder our ability to conduct comparative analyses with prior years' data and with other regions of the country.

The current census format is the product of an extensive review, refinement, and public outreach program administered by the Census Bureau in recent years. The questionnaire now represents a fair compromise among the various groups that offered input during the public hearing process. Introducing major changes at this point would violate that process.

The proposed changes will limit the base of observed statistics on key transportation, demographic, and housing indicators. This information, as collected through past census efforts, has been relied upon heavily for preparing and checking our planning forecasts and in detecting and monitoring emerging trends at the metropolitan level and below. In addition, the availability of statistics for other regions has bolstered our ability to compare regional and subarea patterns against those of other regions of the country.

Census-reported statistics on commuting have proven to be a valuable data resource in understanding the travel-generating characteristics of various types of development. Small area data on automobile ownership patterns, reported travel mode, and time for commuter trips have contributed greatly to transportation planning studies focusing on current, as well as long-range, issues facing the region and its political jurisdictions.

The availability of these data items in a consistent format, for both the local area and other areas across the nation, has enabled us to respond to information needs which extend beyond the immediate Baltimore area. For example, recent transportation studies conducted with the Metropolitan Washington Council of Governments required the integration of small area census data for 1980 from both the Baltimore and Washington, D.C. regions. Much of this work could not have been performed had the information on travel time and mode not been available for both regions in a consistent, small-area format.

In addition, census data on housing and population have proven critical to our work in transportation, economic development, and human resource planning. Our agency relies upon this information to support studies of housing quality, affordability, and adequacy. Census-reported information on birth rates and migration patterns in relied upon heavily by state and local agencies in demographic trends analysis and forecasting efforts. These socioeconomic forecasts, in turn, form the basis for critical decisions on infrastructure planning and improvements at all levels of government.

Finally, we are planning to use local funds to support a data collection effort which will complement the 1990 census. Prior to and during the census effort, we intend to collect information on noncommuting travel behavior, as well as overall transportation systems usage. The proposed questionnaire deletions would undermine and invalidate this local initiative and no doubt similar local initiatives being taken across the nation. To undertake a large data collection effort compensating for the proposed delections would far outstrip the funding resources available for planning in the region.

In summary, we feel that the 1990 Census will be seriously weakened if the proposed Office of Management and Budget recommendations are implemented. We feel that the census format originally proposed by the Census Bureau should be retained.

Sincerely,

ALFRED P. GWYNN,
*Executive Director.*

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CONSORTIUM OF SOCIAL
SCIENCE ASSOCIATIONS,
*Washington, DC, August 7, 1987.*

Hon. PAUL SARBANES,
*Chairman, Joint Economic Committee, Dirksen Senate Office Building, Washington, DC.*

DEAR SENATOR SARBANES: We applaud your calling hearings concerning the attempt by OMB to eliminate and downgrade questions concerning housing and other important issues from the 1990 census questionnaire.

The enclosed letter indicates our feelings about this unfortunate policy proposal from OMB. As an organization that has spent the past few years investigating OMB's attempts to diminish information collection, (we helped the House Science and Technology Committee to push for a GAO investigation of OMB's information collection clearance policies), we hope you will use all the power at your disposal to stop this proposal from going forward.

The Consortium of Social Science Associations (COSSA) represents 185,000 American scientists across the broad range of social and behavioral science disciplines. A list of COSSA Members, Affiliates, and Contributors is attached.

Thank you for your time and attention. If you have any questions please feel free to call us.

Sincerely,

HOWARD J. SILVER,
*Associate Director for*
*Government Relations.*

Enclosure.

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CONSORTIUM OF SOCIAL
SCIENCE ASSOCIATIONS,
*Washington, DC, August 6, 1987.*

Hon. JAMES C. MILLER, III,
*Director, Office of Management and Budget, Washington, DC.*

DEAR DIRECTOR MILLER: I am writing to express COSSA's concern about OMB's proposal to eliminate certain items from the 1988 Census Dress Rehearsal Questionnaire and to downgrade others to the sample component of that questionnaire. The collection of information, particularly in the methodical way of the decennial census, should be a major responsibility of the national government in a federal system. Good public policy planning and analysis depend on good data. The Paperwork Reduction Act should not be utilized to justify the loss of information vital to those who must make public and private policy decision affecting the future of this nation.

Data on housing and household trends which you propose to eliminate reveal future needs, not only for housing and construction, but for highways, schools, water and sewer lines, and other services and facilities important to state and local governments. Researchers in housing policy note that your proposed elimination and downgrading of housing items will make it difficult to collect crucial data necessary for local planning agencies to qualify for Federal programs. For example, the development of Housing Assistance Plans necessary for Community Development Block Grant applications require the kind of data you propose to eliminate. In addition, the need to measure physical quality and affordability and the need to estimate energy consumption and expenditures will also be lost. Many states and localities rely on the data from the housing census to develop housing needs profiles and to provide benchmarks in developing follow-up studies. State and local government collection of this data would not be cost-effective and information collection of this nature should be a federal responsibility. The housing items proposed for elimination should be restored to the questionnaire.

At a time when the Committee on National Statistics of the National Academy of Sciences has recommended the enhancement of fertility statistics, you are proposing to eliminate the question on the census that deals with this important issue. This seems short-sighted and unfortunate. In addition, when warnings of a 'birth dearth' are being debated, accurate information about fertility rates and patterns would help enlighten the debate as it moves from books and magazines to the public policy arena. The fertility item should be restored to the questionnaire.

The Consortium of Social Science Associations (COSSA) represents 185,000 American scientists across the wide spectrum of the social and behavioral sciences, many of whom rely on census data for their research and policy analysis. A list of COSSA's Members, Affiliates, and Contributors is attached.

Thank you for your time and attention.

Sincerely,

DAVID JENNESS,
*Executive Director.*
HOWARD J. SILVER,
*Associate Director for*
*Government Relations.*

### CONSORTIUM OF SOCIAL SCIENCE ASSOCIATIONS

#### MEMBERS

American Anthropological Association.
American Economic Association.
American Historical Association.
American Political Science Association.
American Psychological Association.
American Sociological Association.
American Statistical Association.
Association of American Geographers.
Association of American Law Schools.
Linguistic Society of America.

#### AFFILIATES

American Assembly of Collegiate Schools of Business.
American Association for Public Opinion Research.
American Educational Research Association.
American Society of Criminology.
Association for Asian Studies.
Association for the Social Sciences in Health.
Eastern Sociological Society.
Gerontological Society of America.
History of Science Society.
International Studies Association.
Law and Society Association.
Midwest Sociological Society.
National Council on Family Relations.
National Council for the Social Studies.
North Central Sociological Association.
Northeastern Anthropological Association.
Operations Research Society of America.
Population Association of America.
Regional Science Association.
Rural Sociological Society.
Social Science History Association.
Society for the History of Technology.
Society for Research on Adolesence.
Society for Research in Child Development.
Society for the Scientific Study of Religion.
Southern Sociological Society.
Southwestern Social Science Association.

Speech Communication Association.
The Institute of Management Sciences.

CONTRIBUTORS

American Council of Learned Societies.
University of California, Berkeley.
University of California, Irvine.
University of California, Los Angeles.
University of California, San Diego.
University of California, Santa Barbara.
Carnegie-Mellon University.
Center for Advanced Study in the Behavioral Sciences.
University of Chicago.
University of Colorado.
Columbia University.
Cornell Institute for Social and Economic Research.
Cornell University.
Florida State University.
Harvard University.
Howard University.
University of Illinois.
Indiana University.
Institute for Research in Social Science, UNC-Chapel Hill.
Institute for Social Research, University of Michigan.
University of Iowa.
The Johns Hopkins University.
University of Maryland.
Massachusetts Institute of Technology.
Maxwell School of Citizenship and Public Affairs, Syracuse University.
University of Michigan.
University of Missouri.
National Opinion Research Center.
University of Nebraska.
New York University.
University of North Carolina, Chapel Hill.
Ohio State University.
University of Oregon.
University of Pennsylvania.
Pennsylvania State University.
University of Pittsburgh.
Princeton University.
Rutgers University.
Social Science Research Council.
University of Southern California.
Stanford University.
State University of New York at Stony Brook.
University of Tennessee, Knoxville.
Texas A & M University.
Tulane University.
University of Virginia.
University of Washington.
University of Wisconsin, Madison.
University of Wisconsin, Milwaukee.
Yale University.

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August 6, 1987.

We, the undersigned, scholars and users of the Census, wish to register our strong objection to the changes in the content of the 1990 Decennial Census of Population and Housing proposed by the Office of Management and Budget.

Our objection is two-fold: we disagree profoundly with the substance of the changes as will be described later in this letter. But we also take equal umbrage with the manner in which these changes are being proposed. Why were these proposals not made long enough ago that they might be discussed at those public meetings whose very purpose it is to examine such matters? Why has so little time been allowed for public response? Why was the summer vacation-time chosen as the period in which to make a brief announcement of what amounts to a major public policy change? If these changes to the Census are in fact worthy ones, then they should be able to bear reasonable, thorough public scrutiny.

As for the substance of the proposed changes, we object in general to dropping questions except those which have become historically irrelevant because questions asked on previous Censuses are an important part of the historical record of the United States. Yet we understand that it is being proposed to drop almost half of the questions. Is it possible that nearly half of the questions on the Census have become obsolete within a ten-year period?

There is far more at stake than the quantity of the information which the Census reveals. It is the quality of the data which would be compromised by dropping many of the questions. The Census alone provides adequate benchmarks for defining the samples of other surveys. Only the Census includes information on as many people as it does. Only the Census combines so much demographic and economic data on such a scale. As an example, consider the labor force questions from the Current Population Survey—the answers to which determine our national employment data. This vital data would be far more biased if the labor force participation questions were dropped from the Census. The real value of questions asked on the Census is that unlike other sources of data, Census provides numbers which can be associated with a wealth of demographic and other material. Losing this connectedness would be a national tragedy.

The principles that are at stake here are: that of responsible governance whereby major public policy changes ought not to be made until they have been publicly and most carefully considered; and that of maintaining the worth of our most important national survey which is done by assuring its quality, its consistency, and its completeness.

Christine C. de Fontenay, Steven S. Smith, Clifford M. Winston, Kenneth S. Flamm, Edward J. Lincoln, Charles L. Schultze, Richard Goode, Gilbert Y. Steiner, Robert A. Katzman, Henry J. Aaron, Martin N. Baily, Edward M. Bernstein, Rose M. Rubin, Ralph C. Bryant, Weir M. Brown, Gary T. Burtless, John S. Earle, Alfred Reifman, Barry Bosworth, Stephen Hess, Samuel Kernell, Bruce MacLaury, Paul E. Peterson.

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University of Notre Dame,
*August 10, 1987.*

Hon. Paul Sarbanes,
*Chairman, Joint Economic Committee, Dirksen Senate Office Building, Washington, DC.*

Dear Senator Sarbanes: It has come to my attention that the Office of Management and Budget (OMB) has "suggested that certain questions be dropped" from the 1990 Decennial Census questionnaire.

First, the Bureau of Census has held extensive public hearing and seminars soliciting information about the 1990 Census and the questions which should and should not be asked. They have volumes of information at their disposal. They are the statisticians of the federal government with a great deal of expertise. To my recollection, I have not heard of any public meetings or seminars being held by the OMB as to questions for the 1990 Census. Just who does OMB think they are and based on what expertise does OMB question the Census on its carefully constructed questionnaire? Particularly at this late date and with little or no public input. Census knows its users and should not be asked to unduely justify questions so important to the nation.

Second, let me provide you with examples of usages by the local level, "nitty-gritty" users of the Census information.

(1) a local bank used the "residence five years ago" to plan its new branch.

(2) The MACOG (Michiana Area Council of Governments) uses the utility information in planning for another oil embargo by identifying areas which would be hardest hit if oil prices escalated. Again, migration information and "mode and travel time to work" is used in charting the growth of the area and planning transportation needs, roads, etc. "Rent and value" is used in tax planning.

(3) Small business uses the statistics in placing new small businesses and assessing expansion of existing business concerns.

(4) Our MBA students use this information in planning their marketing strategies for classroom assignments. This same methodology is then continued by them on the job with large and small firms.

Third, let me address the OMB reasons for deleting the questions.

(1) "A scarcity of documented evidence—such as for policy planning purposed, program enactment or other broadly based public need—that the resulting data would serve important purposes." As stated above the Census Bureau has held extensive hearings and meetings, for which there are transcripts and reports. I, as a participant, have received such transcripts. OMB need only to ask for these. I have also indicated above that the local governmental unit MACOG as well as other city offices (ie. police, transportation,) and small business concerns, all use these statistics. OMB has obviously not checked with any of the local planning groups or local government before putting forth this argument.

(2) "Data resulting from some of the items are not necessary at highly localized geographic levels." The Michiana Area Council of Government is not interested in state level information, neither is the City of South Bend's transportation department. They are interested only in highly localized geographic levels of information directly within their administative view. The small local business is not establishing a nationwide local business and needs only highly localized geographic level information, usually within the city and county. Again, OMB has not checked with the Small Business Administration concerning what information needs the local small business has and what statistical agency or survey answers those questions.

(3) "Some data items are not required uniformly across the nation." Again I differ with the OMB. Most transportation agencies of local government, county or regions will be using the information provided by the Census. True, it may not be uniformly required, but local units through the Census Bureau's State Data Center Program manipulates the given data into useful reports.

(4) "Some are available from alternative sources." In some cases true, but not uniform or a reliable source. The difficulties of entering, validating, and merging information from various sources make the resulting statistics less than reliable. The OMB continues to put this reason forward. The Census Bureau has been collecting information for over 100 years. Their methodology and validity is well known and used by the users of statistics. Alternative sources would introduce undue costs and statistical error to any endeavor.

(5) "Some of the questions would yield data that would not be sufficiently reliable." The questions identified by OMB contain less statistical error and are more reliable than others left in the questionnaire. The Census Bureau has been improving the reliability of its statistics and has discussed this issue at its public meetings. The statistical community is well aware of the faults of the statistics but has adapted and is quite capable of using the statistics. The absence of any information is not as desirable as having data with a known statistical error associated with it.

Finally, OMB has waged, in my opinion, a systematic war on the statistical evidence of our nation. In presuming to question the 1990 Census, it is obvious that the OMB does not know about the uses of the statistics the Census provides and that they are unaware of the Census Bureaus continuing program of evaluation. If the OMB had familiarized themselves with the Census Bureau and its programs and the information available to it (OMB), the "suggested" deletions would not have been made.

I am asking that you communicate to OMB (1) that your constituents do use information at the "Highly localized area" and that (2) the OMB should check their facts before assuming that their (OMB) knowledge about the statistical user community and needs of the citizens is better then a much larger, high specialized agency who is constantly reviewing its programs such as the Bureau of the Census.

My time is valuable. The constant battle between OMB and the Statistics-user community is time consuming and wasteful. The Paperwork Reductions Act, used so frequently as a reason for OMB action, has done little to reduce the amount of time and paper I must expend fighting OMB action on statistical and other issues.

I thank you for your attention to this important matter. I will be happy to discuss this with anyone from your office if you would like.

Respectfully,
Stephen M. Hayes,
*Reference and Public Documents Librarian.*

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Office of County Executive,
*Ellicott City, MD, August 7, 1987.*

Senator Paul Sarbanes,
*Dirksen Building, Washington, DC.*

Dear Senator Sarbanes: It has come to our attention that the Office of Management and Budget is proposing the deletion of an alarming number of data items from the questionnaire designed for use in the 1990 Census, and Howard County recommends firmly the retention of these questions in order to ensure the retrieval of invaluable data toward the making of informed decisons at the local level.

Therefore, please find attached a copy of my letter addressed to Donald R. Arbuckle of the Office of Management and Budget detailing our reasons for this recommendation, and I shall appreciate your careful consideration and active concurrence with these expressed needs of good government at the local level.

Sincerely,
William E. Eakle,
*Acting County Executive.*

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Office of County Executive,
*Ellicott City, MD, August 7, 1987.*

Mr. Donald R. Arbuckle,
*Assistant Chief, OIRA, Office of Management and Budget, Washington, DC.*

Dear Mr. Arbuckle: Since writing a brief letter yesterday to your associate Ms. Wendy Gramm expressing the County's opposition to the deletion of important population, transportation-related and housing questions from the 1990 Census, it has come to our attention that a slightly more detailed rationale for our recommendation is in order.

Accordingly, the following programmatic applications of Census data would be seriously curtailed for this local government by the deletion of these essential questions for the 1990 Census: (1) residence five years ago is a basic factor in immigration and, therefore, population forecasting; (2) mode of transportation to work, carpooling, time of departure and travel time to work are not only key elements in transportation and traffic modeling, but the basis for such essential issues as commuting patterns, land use and highway planning; (3) all questions related to the residential labor force are critical to economic development and planning, and are vital to a County located centrally in the Washington-Baltimore corridor; and (4) each of the housing questions proposed for deletion have provided invaluable data for County planning and decision-making in the areas of housing and human service delivery systems. Perhaps the greatest loss, however, would be the ability to cross-tabulate these essential data items for the ongoing process of General Plan development, comprehensive zoning and budgetary forecasts. In addition, much of this information is required in the background narrative for Community Development Block Grant applications, as well as Section 3, Section 4(i) and Section 18 grant applications to the Urban Mass Transit Administration.

For these reasons, we shall be extremely interested in seeing the level of statistical information derived from the decennial Census remain (at the very least) at the fine standard achieved in 1980.

Sincerely,
William E. Eakle,
*Acting County Executive.*

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IBA,
*August 7, 1987.*

Representative Lee Hamilton,
*Rayburn House Office Building,*
*Washington, DC.*

Dear Representative Hamilton: It has come to our attention that the Bureau of the Census may be reducing the number of questions on the schedule for the 1990 census.

The response to such inquiries during each census provide an invaluable data resource which is used by government agencies, businesses and educational institutions to evaluate the needs of the citizens of our country.

We anticipate you may be interested in this action by the Census Bureau. Enclosed is a photocopy of a letter to Donald R. Arbuckle of the Office of Management and Budget expressing our concerns about reducing the amount of important census data.

Sincerely yours,
William H. King,
*Executive Vice President.*

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Indiana Bankers Association,
*Indianapolis, IN, August 5, 1987.*

Donald R. Arbuckle,
*Office of Management and Budget,*
*Washington, DC.*

Dear Mr. Arbuckle: We have just discovered that, on the direction of the federal Office of Management and Budget, the Bureau of the Census will have to cut many questions from the schedule for the 1990 Census.

The data which would be lost under this proposal would impair the ability of many forms of business and educators to adequately respond to the needs of the citizens of our county. It would seem that if we are to take the time to conduct a census, the gathering of all pertinent data is extremely important.

We would encourage you to carefully evaluate the need for this data and reconsider its deletion.

Sincerely,
William H. King,
*Executive Vice President.*

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Indiana 15 Regional Planning Commission,
*Huntingburg, IN, August 7, 1987.*

Re: 1990 Census.

Mr. Donald R. Arbuckle,
*Office of Management and Budget,*
*Washington, DC.*

Dear Mr. Arbuckle: I understand that OMB is planning to drop almost half the questions from the 1990 Census Questionnaire. I find this most appalling in light of the great need to evaluate the growth of our country and plan for the needs of the future.

I also do not fully understand what cost-saving could be anticipated. Particularly if you compare the cost-savings to the benefits lost!

Please reconsider your proposal and keep the 1990 Census Questionnaire 100% complete.

Thank you for your time and consideration with this matter. Should you have any questions or comments, please call my office.

Sincerely,
Robert P. Grewe,
*Executive Director.*

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Lexington Fayette Urban County Government,
*Lexington, KY, August 5, 1987.*

Hon. Lee H. Hamilton,
*Vice Chairman,*
*Joint Economic Committee,*
*Washington, DC.*

Dear Vice Chairman Hamilton: We just learned of action by the U.S. Office of Management and Budget which could have a very detrimental impact on the functioning of our local government. It relates to a directive issued recently by OMB to the U.S. Census Bureau to cut approximately 30 questions which are scheduled to be included in the 1988 Census Dress Rehearsal in preparation for the 1990 Census. The elimination of these data could seriously impair the planning functions of this government.

My Division of Planning informs me that the loss of certain housing and transportation data would seriously diminish our efforts to assess neighborhood conditions, analyze transportation facilities and target public transit. Specific information needed by the Division of Planning include: value of home, rent, residence five years ago, public sewer, number of bedrooms, number of autos, transportation/time to work, and labor force information.

We utilize these data for all our urban planning as well as for assessing and determining pockets of poverty for purposes of our enterprise zone and certain CDBG and UDAG projects, among myriad other projects. The OMB directive essentially eliminates necessary census data at the block level.

In your review of the aforementioned OMB action, I urge you to consider the very detrimental impact this could have on the functioning of local governments as well as businesses and industries which also rely on these data. Please restore these essential data to the 1988 Dress Rehearsal and the 1990 Census.

Sincerely,

SCOTTY BAESLER
*Mayor.*

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INDIANA UNIVERSITY,
SCHOOL OF BUSINESS,
*Bloomington, IN, August 4, 1987.*

Congressman LEE H. HAMILTON,
*Rayburn House Office Building,*
*Washington, DC.*

DEAR LEE: OMB is doing it again.

The Office of Management and Budget has instructed the Bureau of the Census to eliminate significant data elements from the 1990 Census. It is disguised as applicable to the St. Louis test run, but it means that vital information would be lost for the full-scale run in 1990.

That directive must be reversed. If not, American business will lose data on, among other things:

The migration of the population;

The value of owner-occupied housing;

The amount of rent paid;

The type of fuels used for water and space heating;

Labor force participation details; and

Transportation to work detail.

Our office serves hundreds of small businesses across Indiana. We know the value of these data, not for academic research (which is not an unworthy cause), but for practical business decisions. The sad part is that the small business owner will think that a reduced questionnaire is to be cheered. The loss will never be known until time of need. Then that same person will wonder why we do not have such data to help him or her and will make some derisive remark about the inadequacy of federal programs.

Please, on behalf of Hoosier businesses, make an effort to protect the 1990 Census from these new destructive incursions by OMB.

Best regards,

MORTON J. MARCUS
*Director.*

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AUGUST 11, 1987.

Mr. DONALD R. ARBUCKLE,
*Office of Management and Budget,*
*Washington, DC.*

DEAR MR. ARBUCKLE: We are writing to express our deepest concern about OMB's decision to eliminate a number of items from the 1990 Census Questionnaire. We are not insensitive to OMB's desire to reduce paperwork for respondents, and we are not in a position to contend that each and every question in the survey is indispensible. But OMB's hit-list of questions seems unreasonably expansive.

Our office frequently receives requests for census data. Over the years, these requests have covered virtually every data item in the census. The community really does use the data—all of the data—produced by the Census Bureau.

As the designated Metropolitan Planning Organization (MPO) for the urbanized area, we are particularly alarmed about the possibility that certain transportation-related questions (travel mode, work travel times, number, of automobiles per household) may be eliminated. This information is necessary for the MPO to meet its federally-required urban transportation planning responsibilities, sepcifically with regard to traffic modeling and forecasting. One of the greatest improvements in recent censuses has been the inclusion of several transportation questions—sparing communities the need to perform (usually with federal funds) expensive and time-consuming surveys.

The Planning Department also makes use of census information related to migration patterns, labor force composition, number of bedrooms, group housing, tenure, and similar items in formulating growth and development policies for the Bloomington urbanized area. This data is important not only to the urban transportation planning process, but also in comprehensive planning matters. We are strongly opposed to OMB's recommendation to eliminate certain questions covering the aforementioned areas, or to move others from the 100% survey to the sample survey.

The Census Bureau did not devise the 1990 questionnaire without considerable input from data users. Our agency has participated in some of the public meetings and workshops sponsored in local and regional areas by the Census Bureau. We undersand that the Bureau has also met extensively with congressional representatives, government agencies, special interest groups, and other interested parties as part of the question selection process.

We further reject the notion that much of the data slated for elimination is available through other sources. Only the census consistently provides data at the census tract, neighborhood, and sometimes even at the block level. Moreover, data items which are available elsewhere are usually collected by the Census Bureau for the purpose of permitting ready cross-tabulations with other data.

The decennial census is an invaluable source of information. We believe that OMB's proposed trimming of the 1990 questionnaire would have significant and negative impact on the local planning process. Please reconsider your decision very carefully before action is taken on this matter. The census project is too important to do otherwise.

Thank you for the opportunity to express our opinions.

Sincerely,

TED E. SKINNER,
*Senior Planner.*
(For Timothy A. Mueller,
Planning Director).

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HOOSIER ENERGY,
RURAL ELECTRIC COOPERATIVE, INC.,
*Bloomington, IN, August 13, 1987.*

Mr. DONALD R. ARBUCKLE,
*Office of Management and Budget, NEOB,*
*Washington, DC.*

DEAR MR. ARBUCKLE: It has come to our attention that the Office of Management and Budget has informed the Bureau of the Census that many questions are to be deleted from the 1990 census. While we all object to senseless census questions, we are concerned that additional deletion of questions in the 1990 census will virtually render useless much of the data base we and other utilities use in power requirements studies and consumer marketing surveys.

Of particular interest to us are questions on type of fuel used for space and water heating, number of bedrooms in homes, value of owner occupied homes, amount of rent paid, data on automobile ownership, travel time to work, other means of transportation, and place of residence in 1985, just to mention a few. As well, there are many other questions related to the general areas that these specific questions represent which are of great importance in our marketing and investment planning. Additionally, the thousands of businesses and industries we supply power to in southern Indiana rely on data from the census for their planning, which would be severely affected if any more questions were deleted from the 1990 census.

Thank you for your time and consideration of this most important matter which does directly affect the more than half-a-million residents, businesses and industries we serve.

Sincerely,

DOUG STAUCH,
*Manager of Information Services.*

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DETROIT REGIONAL CENSUS
ADVISORY COUNCIL,
*Detroit, MI, August 10, 1987.*

Dr. WENDY GRAMM,
*Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC.*

DEAR DR. GRAMM: The Detroit Regional Census Advisory Council is gravely concerned about the proposed reduction of questions for the 1990 Census. The Council, as indicated by the attached membership list, includes representatives of the major data producers and users in southeast Michigan.

We believe that this decision is ill-advised and should be reversed; the 1988 Dress Rehearsal questionnaire should be approved as submitted by the Bureau of the Census.

The Census Bureau has conducted a long and thorough process leading to development of this questionnaire. Federal government needs were identified through the Federal Agency Council, chaired by your office. Other governmental needs, as well as those of the general public, were ascertained through a long series of local public meetings beginning in 1984. Legislation and governmental regulations requiring use of census data have been reviewed at all levels. *To meet these needs, the questions proposed for deletion must be included.*

Let me cite just a few examples:

- The labor force questions provide data used to determine ratios for estimating unemployment levels and rates for sub-county areas. These are used in Job Training Partnership Act funding.
- The item on place of residence five years ago provides the measurement of migration: the patterns and characteristics of people moving from one place to another. A benchmark derived from these data is important for interpretating migration rates derived from matched income tax returns as used in population estimates. The erstwhile General Revenue Sharing program and others depend on these numbers.
- Rent and value provide the only socioeconomic measure available for very small areas, including voting precincts. The fact that respondents may misstate value, estimating it too high, is unimportant because the item is used to compare one area to another, rather than for its absolute value.

Vehicles available is critical for planning for public transit needs in an era of scarce resources.

The Decennial Census is the premier data collection activity of the nation. Because its constitutionally mandated function requires

that every household and every resident be contacted, it is unique as a vehicle for collecting the variety of auxilliary information that is so important for the wide range of planning and decision making over a ten-year period.

For this reason, we do not believe that the Decennial Census should be viewed as a paperwork burden at all. Fifteen minutes, or even 45 minutes, of a household's time once in ten years is a minimal effort to spend for this very important result. If paperwork needs to be reduced, let us find other vehicles for that effort. The Decennial Census should be left alone.

We hope that, with the additional information that has been presented to you by both the Bureau of the Census and the data user community throughout the nation, you will see fit to reverse the decision made on July 24 and proceed forthwith to approve the questionnaire as submitted.

Sincerely,

PATRICIA C. BECKER,
*Chairperson.*

Enclosure: Membership roster.

DETROIT REGIONAL CENSUS ADVISORY COUNCIL MEMBERSHIP LIST

Donna D. Atkinson, Greater Detroit Area Health Council, Detroit.

Patricia C. Becker, City of Detroit Planning Department, Detroit.

Peter Bernard, Independent Consultant, Detroit.

Claude J. Brittingham, United Community Services, Detroit.

Bill Brown, Livingston County Planning Department, Howell.

Barbara Bryant, Market Opinion Research Co., Detroit.

Dr. Roy J. Butz, Oakland Schools, Pontiac.

Doris Detwiler, Detroit Public Library, Detroit.

Howard Face, Michigan Bell Telephone Co., Detroit.

Denise Flynn, Washtenaw County Metro Planning Comm., Ann Arbor.

James Frederick, Michigan Cancer Foundation, Detroit.

Judith Goetz, Numbercrunchers, Detroit.

Paul Good, Southeast Michigan Council of Governments, Detroit.

David Hay, Oakland County Planning Division, Pontiac.

Charles Henry, Detroit Police Department, Detroit.

Cornelius Henry, Southeastern Michigan Transit Authority, Detroit.

Don Hoag, Detroit News, Detroit.

Jeffrey Jenks, Michigan Department of Civil Rights, Detroit.

Mark Kohl, Community Mental Health Services, Detroit.

Gordon Lambert, Oakland County Community Develop. Div., Pontiac.

Winston Lang, NAACP—Detroit Branch, Detroit.

Edward Limoges, Southeast Michigan Council of Governments, Detroit.

Von D. Logan, Michigan Employment Security Commission, Detroit.

Amy Majeske, Wayne State University Computing Center, Detroit.

Peter Mallery, St. Clair County Planning Dept., Port Huron.

Ellen McCarthy, Michigan Department of Civil Rights, Detroit.

Donald Morandini, Macomb County Planning Commission, Mt. Clemens.

Jeffrey Moyer, R.L. Polk Co., Detroit.

Frank Nagy, Monroe County Planning Department, Monroe.

Mark Neithercut, MIMIC/CUS, Wayne State University, Detroit.

Michael Ponder, Pontiac School District, Pontiac.

Barbara Rennie, Detroit Urban League, Detroit.

Kenneth Riopelle, Sandy Corp., Troy.

Maurice Roach, Wayne County Office of Economic Develop., Detroit.

Robyn Rontal, Botsford General Hospital, Farm. Hills.

Ronald Ropke, United Foundation, Detroit.

Gary Sands, Development Research Associates, Inc., Plymouth.

William Simmons, National Bank of Detroit, Troy.

Sue Smock, Wayne State Univ., Ctr. for Urban Studies, Detroit.

Denny Stavros, Detroit Public Schools, Detroit.

John R. Steiner, Greater Detroit Chamber of Commerce, Detroit.

Thomasina Tucker, City of Detroit Planning Department, Detroit.

Horacio Vargas, New Detroit, Inc., Detroit.

Susan Wachsberg, Detroit Free Press, Detroit.

Gary Wilson, Michigan Chronicle, Detroit.

Anne Zald, Wayne State University, Purdy Library, Detroit.

Saad E. Zara, Detroit Edison Company, Detroit.

LIAISON REPRESENTATIVES

Dwight Dean, U.S. Bureau of the Census, Detroit.

Robert C. Graham, GLS Region V Planning and Development, Flint.

Kurt Metzger, U.S. Bureau of the Census, Detroit.

Billie Thon, Dept. of Housing and Urban Development, Detroit.

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[Mailgram]

BOSTON, MA, *August 6, 1987.*

Hon. PAUL S. SARBANES,
*Joint Economic Committee, Dirksen Senate Office Building, Washington, DC.*

DEAR SENATOR SARBANES: As the officer who maintains Massachusetts records and supervises our State census, I strongly object to the Office of Management and Budgets decision to delete many important questions from the U.S. Census Bureau's long form for the 1990 census.

These questions will provide substantial and important information to me and other State officials about subjects as diverse as transportation and housing, failure to obtain this information will cripple this and other State governments in carrying out important duties.

Thanks for holding hearings on this critical issue, I hope that these important questions will be restored.

MICHAEL J. CONNOLLY,
*Massachusetts Secretary of State.*

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STATE OF MONTANA,
DEPARTMENT OF COMMERCE,
*Helena, MT, August 5, 1987.*

Senator JOHN MELCHER,
*Hart Senate Office Building,*
*Washington, DC.*

DEAR SENATOR MELCHER: Early this week it was brought to my attention that the Office of Management and Budget (OMB), has suggested reducing the number of questions to be included in the 1988 Census Dress Rehearsal questionnaire. Individuals who use the information normally generated by the questionnaire are extremely concerned by this action, and are worried that the reduction indicates that these questions will not be included in the 1990 Decennial Census.

Reducing the amount and kinds of information that the census has provided in the past has serious implications for economists, demographers and other data users in Montana, as well as the rest of the nation. The OMB cites several reasons for eliminating the questions, one of which is that this information is not necessary at highly localized geographic levels. By "highly localized" the OMB means all counties and metro areas with populations under approximately two million. This, of course, would eliminate Montana entirely from much of the information normally gathered by the census.

A hearing on this matter has been convened by Senator Paul Sarbanes of Maryland, for Thursday, August 6 at 9:30 a.m. in room 628 of the Dirksen Office Building. Any personal or written testimony you can offer on the state's behalf would be appreciated. The hearing is being organized by Dan Melnick of the Congressional Research Service. He can be reached at 287-8640.

Please feel free to contact me if I can supply any additional information.

Sincerely,

KEITH L. COLBO,
*Director.*

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STATE OF MONTANA,
DEPARTMENT OF COMMERCE,
*Helena, MT, August 6, 1987.*

Distribution list for materials submitted to Office of Management and Budget on the 1988 dress rehearsal Census questionnaire.

Materials telefaxed:

The Honorable Paul Sarbanes, The United States Senate, SD 332 Dirkson Senate Office Bldg., Washington, D.C. 20510.

The Honorable Ron Marlenee, The House of Representatives, Attn: Corbit Harrington, 409 Cannon House Office Building, Washington, D.C. 20515.

Materials mailed:

Wendy Gramm, Ph.D., Administrator, Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, 1726 Jackson Place, Washington, D.C. 20503.

The Honorable Max Baucus, The United States Senate, SH-706 Hart Senate Office Building, Washington, D.C. 20510.

The Honorable John Melcher, The United States Senate, SH-730 Hart Senate Office Building, Washington, D.C. 20510.

The Honorable Pat Williams, The House of Representatives, 2457 Rayburn House Office Building, Washington, D.C. 20515.

Donald R. Arbuckle, Assistant Chief, Commerce and Lands Branch, Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, 1728 Jackson Place, Room 3228, Washington, D.C. 20503.

Dorothy Tell, Chief, Statistical Policy Office, Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, 1726 Jackson Place, Washington, D.C. 20503.

William P. Butz, Associate Director for Demographic Fields, U.S. Bureau of the Census, U.S. Department of Commerce, Washington, D.C. 20233.

Leo Schilling, Regional Director, U.S. Bureau of the Census, 101 Stewart St., Suite 500, Seattle, WA 98101-1098.

Theron A. Schnure, Chair, State Data Center Steering Committee, Assistant Director, Comprehensive Planning Division, Connecticut Office of Policy and Management, 80 Washington Street, Hartford, CT 06106-4459.

Association of Public Data Users, Princeton University Computer Center, 87 Prospect Avenue, Princeton, NJ 08544.

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State of Montana,
Department of Revenue,
*Helena, MT, August 5, 1987.*

Hon. James C. Miller III,
*Director Office of Management and Budget, Washington, D.C.*

Dear Mr. Miller: It has been brought to my attention that the OMB is proposing major changes in the questions to be included in the 1990 Census. As a significant user of Census data, I feel these changes would be unfortunate.

My Office is intimately involved in tax policy planning for the State of Montana. We provide information to policymakers that illustrates the effects of their policy options on taxpayers and state and local governments.

Census data provides the only source of valuable data in many instances. Examples of recent policy issues which relied on data that would be deleted under OMB's proposal include the creation of a homeowner property tax exemption and an income tax credit for rent paid. Census data had to be used to estimate for the revenue impacts on the various taxing jurisdictions and to illustrate the impacts on different types of taxpayers.

The OMB's proposed deletions, had they occurred in the 1980 Census, would have significantly reduced our ability to accurately estimate the impacts of these and other proposals.

I request that you reconsider your proposal. The information is used for important decisions and is not available from other sources.

Thank you for your consideration on this matter.

Sincerely,

Steven G. Bender,
*Chief, Research Bureau.*

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State of Montana,
Department of Commerce,
*Helena, MT, August 5, 1987.*

Wendy Gramm,
*Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC.*

Dear Ms. Gramm: It is my understanding that the elimination of Questions 24a through 24d of the 1990 census is being considered.

On behalf of the Passenger Assistance Bureau of the Montana Department of Commerce, I would recommend that you not drop question 24a through 24d. The data collected by the Census Bureau in answer to that question is extremely helpful to us in assisting local communities, whether they are large or small, in meeting their public transportation needs.

Passenger Bureau staff have assisted local transportation systems in sixty-plus communities in Montana.

Staff have advised these communities in such areas as: public transportation; paratransmit; home to work program; van pooling; car pooling; and coordinating with local taxi service.

Staff have assisted communities in determining the following: number of passengers per mile; cost of passenger per mile; cost per one-way trip; cost per hour; and cost per vehicle mile.

The data collected on the census report is extremely useful to us and all transit providers in providing the cost of service.

I thank you for considering the above information before making your decision.

Sincerely,

Patricia Saindon,
*Chief, Passenger Bureau.*

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University of Montana,
*Missoula, MT, August 4, 1987.*

Donald R. Arbuckle,
*Office of Management and Budget, Washington, DC.*

Dear Mr. Arbuckle: I have received the proposed deletion of items from the 1988 Census Dress Rehearsal. If these items are also deleted from the 1990 Census, they will have a significant impact on our ability to provide timely and accurate information for Montana decision-makers.

We have two programs here at the Bureau that are designed to provide economic forecasts and demographic information for Montanans. *Economics Montana* provides forecasts for statewide and substate economic activity, which are widely quoted in the press and mailed (at no charge) to over 200 users. The County Data Packages provide timely updates of demographic information for all Montana counties; almost 1,000 requests have been made in the last two years. The users of both programs include state and local officials, business people, and private individuals. Similar information is available from no other sources.

Both of these programs will be directly affected by the deletion of items 14, 20, 21b, 23-24, 25-27, and 31. The 1990 values would provide both a reliable benchmark for our forecasts and parameter estimates for our models.

I strongly urge you not to delete these items.

Sincerely,

Paul E. Polzin,
*Professor and Director of Economic Forecasting.*

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State of Montana,
Department of Commerce,
*Helena, MT, August 5, 1987.*

*Hon.* James C. Miller III,
*Office of Management and Budget Director, Washington, DC*

Dear Mr. Miller: This letter is in response to your office's proposed deletion of approximately 30 questions from the questionnaire for the 1988 Census Dress Rehearsal. I strongly oppose this action. I oppose it both on general and on specific grounds.

In general it is very unwise to subvert the carefully designed and executed process of choosing questions for the 1988 and 1990 Census questionnaries. As you may know, this process included a series of 65 public meetings held throughout the country, identification of U.S. Government needs through interagency working groups and the Federal Agency Council, along with other consultations with public and private organizations. The action by the OMB Desk Officer, Donald Arbuckle, in proposing the elimination of roughly 30 questions undermines the above described process.

The Decennial Census is the source for important and useful information that is not available elsewhere. The questions proposed for elimination are of this nature. These data are not available from alternate sources, but are vital for decisions at the state and local levels, many of which involve federal funding. The Census Bureau has ample documentation of these uses. I offer one example out of my own experience to illustrate the point.

In 1984, I produced population projections for the age group 65 and over, for each county in Montana. These projections were specifically prepared for the Montana Department of Health for use in their process of issuing certificates of need for new/expanded nursing homes. A certificate of need is required at least in part because much of the income of nursing homes comes from the Medicaid program. In order to produce county population projections for this age group, I needed historical data on migration by age. The only source for this kind of information was the 1970 and the 1980 Censuses of Population. Without this information it would have been impossible to make meaningful projections.

I strongly urge you to reverse the preliminary judgement to eliminate approximately 30 questions from the 1988 Census Dress Rehearsal Questionnaire. Thank you for your consideration in this matter.

Sincerely,

Phillip D. Brooks, Ph.D.,
*State Economist.*

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State of Montana, Department of Natural Resources and Conservation,
*Helena, MT, August 5, 1987.*

Wendy Gramm,
*Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC.*

Dear Ms. Gramm: DNRC just today learned of OMB's plans to drop a number of questions from the 1988 Dress Rehearsal census questionnaire. We cannot agree with OMB's assessment that these are not necessary. DNRC needs reliable information on housing characteristics and fuel uses that is not available from sources other than the Census. In particular, we use information on the utilities and housing stock in our analyses of energy conservation potential and of utility system loads and reliability. These studies are required for DNRC and region-wide conservation program planning and for the utility facility licensing process.

We realize that OMB has proposed that some of these questions be moved to the sample. However, in a state as sparsely populated as Montana, a sample size that is adequate for national purposes is likely to be inadequate for the type of analyses we do. Therefore, we request that OMB retain the questions on utilities and housing as proposed by the Bureau of the Census.

Respectfully,

Alan Davis,
*Chief, Planning and Analysis Bureau, Energy Division.*

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State of Montana, Department of Commerce, Local Government Assistance Division,
*Helena, MT, August 4, 1987.*

Hon. James C. Miller III,
*Director, Office of Management and Budget, Washington, DC.*

Dear Mr. Miller: My office works with all Montana communities on community development, economic development, community planning, and infrastructure development matters. We are dismayed to learn of OMB's proposal to eliminate useful data from the 1990 U.S. Census. Elimination of this key data will have a substantial impact

on the ability of Montana communities to redevelop and reindustrialize.

For example, the proposal to eliminate information on sewer and water hookups will make it more difficult to finance community water and sewer systems. Financiers and financial consultants use the information to put together financing proposals. Without improved water and sewer facilities Montana business and industry will not be able to expand.

You have proposed to eliminate transportation data such as "the number of cars owned", "method of transportation to work", and "time to work". This information is used to develop and improve community transportation systems. It is particularly helpful in designing bus systems, light rail systems, and individual business van pooling systems.

The proposal to only make census socio-economic data available for political jurisdictions with a population of 2 million or more indicates a lack of sensitivity to the needs of rural Americans, in general, and all Montanans in particular. Since the entire population of the State of Montana is only about 800,000, your proposal will mean none of the data will be available for any of Montana's 479 communities.

The elimination of this important data will be false economy. To cut it out at the federal level will shift the responsibility to state governments, local governments, and the private sector. Project development costs will increase. Taxes and private business costs charged the public will increase. Moreover, states, localities and businesses can not collect the information as cost effectively as the federal government. The personpower available for implementing the federal census can not be duplicated by any other governmental or private entity.

In summary, I urge OMB to reexamine the proposal to eliminate the census data cutbacks. The average citizen will lose—not benefit—from the data cutbacks.

Sincerely,

Robb McCracken,
*Administrative Officer, Community Technical Assistance Program.*

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American Planning Association,
*Washington, DC, August 20, 1987*

Re: OMB's Proposal to Eliminate Items from the 1990 Census.

Hon. Paul S. Sarbanes,
*Chairman, Joint Economic Committee, Dirksen Senate Office Building, Washington, DC.*

Dear Chairman Sarbanes: This letter is being offered on behalf of the American Planning Association.

The American Planning Association is a national organization of 21,000 members, including public and private planners and elected and appointed officials at all levels of government as well as educators, students and interested citizens. Our members belong to 45 chapters covering every state and Congressional district. Many of our members use Census data on a daily basis.

APA was formed in 1978 when the American Institute of Planners, founded in 1917, and the American Society of Planning Officials, founded in 1934, consolidated. The Associations primary objective is to advance the art and science of planning for the improved development of the nation and its communities, states and regions. Within APA is the American Institute of Certified Planners which focuses on professional development. Members of AICP are distinguished by having met experience requirements and by having passed an examination on planning principles and practices.

APA is strongly opposed to the elimination of key population and housing data from the U.S. Census Bureau's 1988 dress rehearsal. We believe the proposal by the Office of Management and Budget (OMB) is shortsighted and fails to recognize the importance of Decennial Census data in decisionmaking in both the public and private sectors. Our statement, which was prepared by David J. Robertson, Housing & Human Services Planner, Dept. of Human Services and Public Safety, Metropolitan Washington Council of Governments, will focus on the policy and decisionmaking impacts of OMB's proposal.

In seeking to justify their actions, OMB suggested the deleted data did not serve important purposes or were not needed uniformly across the nation. In reality, the deleted data are essential to measure progress and develop new alternatives in many important policy areas.

OMB's decision has drawn widespread criticism from elected officials, academic institutions, community organizations and private industry. The Decennial Census is not an isolated statistical exercise, it is an ongoing policymaking tool. Census data impacts policies and programs in such diverse areas as housing, education, energy, transportation, child care, health care, and employment.

APA is particularly concerned about the impact of the proposed elimination of questions pertaining to housing. Approximately two-thirds of the 30 questions considered by OMB for elimination are directly linked to housing. The loss of these data would jeopardize the ability of both the public and private sectors to meet the still unmet challenge of a "decent home and a suitable living environment" mandated by the Housing Act of 1949.

If the OMB proposal is implemented, decisionmakers at every level will lose their most valuable tool: information.

The following four points illustrate how decisionmaking in housing programs would be affected:

(1) The Section 8 Existing Housing Certificate program represents a major housing initiative that enables lower income households to obtain affordable and decent housing. A key element of this program is the periodic publication by the U.S. Department of Housing and Urban Development (HUD) of fair market rents for communities throughout the nation. The rental data proposed for elimination would hamper the ability of HUD and local housing agencies to update this information, upon which millions of dollars in housing assistance depend.

(2) The housing affordability crisis affects many communities throughout the nation, both large and small. Federal funding for housing and community development programs has been cut by more than 70 percent since 1981 prompting many state and local governments to respond with a variety of local housing initiatives. These new initiatives, however, are jeopardized by the loss of important population, housing condition and utilization data, which are used to develop programs and monitor performance. If communities are expected to target scarce local resources, they need the comprehensive data produced by the Decennial Census.

(3) Some of the information proposed for deletion would impact on the ability to administer current Federal programs, such as the Community Development Block Grant (CDBG) program. Data on overcrowding and the condition of the housing stock would be lost under the OMB proposal, which are important measures required by HUD for CDBG allocation.

(4) New Federal legislation creating programs to aid the homeless will require each jurisdiction to adopt a Comprehensive Homeless Assistance Plan. How can local governments adequately plan to meet the housing needs of our nation's homeless if we are denied accurate data on our housing stock?

The data that the OMB is proposing to eliminate is also used for a variety of public policy decisionmaking for programs other than housing and community development:

Local governments rely on data on the source of water, public sewers and plumbing facilities to plan for adequate water supplies and wastewater treatment facilities. Private utility companies also depend on utility, fuel and other housing data to make decisions on new plant construction and utility rates, involving investments of millions of dollars. This nation cannot afford to be unprepared in the event of another energy crisis, due to a lack of data.

State and local governments rely heavily on journey-to-work data for transportation planning. Key decisions on land development and traffic impact are made using this data which few, if any, local governments would be able to collect on their own. Multimillion dollar public highway and mass transit projects, along with private investment, hinge on the transportation data proposed for elimination.

Funds allocated under the Job Training Partnership Act are largely based on labor force data also proposed for elimination. The effectiveness of local programs to train and employ unemployed workers would be jeopardized under the OMB plan.

In offering this proposal, the OMB suggested that data may not be needed at a national level, or that data may be more appropriately collected by a smaller sample, or in a more specific geographic area. APA views this approach as unwise and inefficient. Although the solutions to our nation's and communities' problems may require different approaches, the basic information needed to make those evaluations is the same. Local communities, particularly rural areas, may not have adequate resources to collect and analyze locally collected data. It is simply not cost effective to require thousands of communities to collect individually the same data collected by the Decennial Census on a national level.

Not only is OMB's decision ill-founded, but their process in reaching this decision has been unfair. OMB has chaired the Federal Agency Council for the 1990 Census since 1984 and has been involved in the preparation and review of proposed questions since that date. During all these months of deliberation between OMB, the Bureau of the Census, Federal agencies and data users, OMB failed to express any concern about the application of the Paperwork Reduction Act. Only on July 24, 1987, just before the Congressional recess, and with only two months for public comment, did OMB indicate its intention to eliminate key housing and other demographic data, citing their responsibility under the Paperwork Reduction Act. Although time remaining before the 1990 Census is growing short, it is imperative that the views of local communities, data users, and other concerned with the Census be heard before an irreversible decision is made.

Rather than attempt to alter the 1988 dress rehearsal at this late date, OMB should rely on the judgment of Census officials and staff. The 1988 dress rehearsal is the product of some of the most noted demographic and statistical experts in the nation, and reflects the input of data users in both the public and private sectors. OMB should respect the professional expertise that developed the 1988 Census dress rehearsal.

APA does not view the Decennial Census as just another government program. The Census was one of the first acts of our newly formed republic in 1790 and has enjoyed the support of the American people for almost 200 years. The American people respect the Census and comply because they understand the value of information in a democratic society. Census data enable government, industry, and private citizens to better understand our past, view our present, and to plan for our future. The time that it takes for respondents to complete the Census questionnaire is a wise investment that will enable the nation to plan for our needs as we approach the 21st century.

Senator Sarbanes, the American Planning Association is most appreciative of your conscientious inquiry into this important subject and your Committee and its staff are to be commended for holding this hearing on such short notice prior to the Congressional recess.

We hope that Congress and the Joint Economic Committee will do all within their power to see that the proposal by OMB to eliminate so many necessary items from the 1990 Census is not implemented.

Thank you for the opportunity to express the views of the American Planning Association on this subject. We would be delighted to assist the Committee to see that the Census is restored to being a compilation of data that is truly useful for public and private decisionmaking.

Sincerely,

LINDA E. HOLLIS, AICP,  
*Chair, National/State Policy Coordinating Committee.*

## NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Mr. William Mansel Long, a member of the staff of Senator HOWELL HEFLIN, to participate in a program in the Republic of China in Taiwan, sponsored by Soochow University, from August 14–24, 1987.

The committee has determined that participation by Mr. Long in the program in the Republic of China in Taiwan, at the expense of Soochow University, is in the interest of the Senate and the United States.

## TRIBUTE TO DONALD BROWN

● Mr. HEFLIN. Mr. President, I am proud to rise, today, to offer my congratulations to Donald Brown, of Florence, AL, who has recently accepted a position as executive editor of the Tuscaloosa News. While I am sorry to see Don and his wife, Hannah, leave the Shoals area, where Don has served with the TimesDaily since 1981, first as assistant to the publisher, and as editor since 1983, I know they will be happy in Tuscaloosa. Yet, I also know that they will be leaving many friends behind.

Throughout his tenure with the TimesDaily, Don possessed a professionalism that distinguished him as a newspaperman. In the 6 years he spent with the newspaper, he served under six publishers who were each very pleased with his dedication and his work. During that time, he provided a consistency and a stability to the paper, but also to his community. He helped to keep the citizens of the Shoals area informed of the many issues which affected our community, State, and Nation. I have always believed that a democracy is only as strong as the knowledge and understanding of the people who comprise it. Because of Don's efforts, we in the Shoals area have had a paper which has helped to perform this valuable task. Don Brown helped to make the TimesDaily one of the best newspapers of its size in the entire country. He has helped to make it the people's paper, which reports the news that affects them, and which contains the information on which they rely from day to day.

Don and Hannah also devoted a great deal of time to efforts which have helped the Shoals area. I believe that the Shoals area is a much better place for their having spent 6 years of their lives living and working as a vital part of our community. And I know that the citizens of Tuscaloosa will, likewise, welcome them and be grateful for their efforts. I wish Don and Hannah continued success and happiness, and hope to see them when I visit the Tuscaloosa area.

Mr. President, I ask unanimous consent that the attached newspaper articles be printed in the CONGRESSIONAL RECORD. One is an editorial that Donald Brown wrote on his work in the Shoals, and the other is an article that appeared after the announcement that Don Brown was leaving the TimesDaily.

The articles are as follows:

[From the TimesDaily, July 12, 1987]

### TIMESDAILY EDITOR ACCEPTS NEW POSITION

(By Donald Brown)

The promotion of Donald Brown, editor of the TimesDaily, to executive editor of The Tuscaloosa News was announced Saturday by Steven Ainsley, TimesDaily publisher. The position becomes effective July 17. Ainsley said Brown's successor will be named in the near future.

Brown, 50, has been editor of the TimesDaily since January 1983. He joined the newspaper in August 1981, and was assistant to the publisher until named editor by then-publisher R. Guy Hankins.

The Tuscaloosa News is owned by The New York Times Co., as are the TimesDaily and the Gadsden Times.

"Don is a strong editor, whose professional standards have served our newspaper and the Shoals area well," Ainsley said. "He has led the TimesDaily newsroom through major expansion programs, and under his leadership the newspaper has achieved a level of editorial excellence that is recognized statewide.

"Don's sincere regard for the Shoals has earned him the respect of our readers during the six years he has been with the TimesDaily. His even-handed approach to the events which have shaped our area during his tenture as editor, and his willingness to involve himself in community projects will be remembered long after his departure. All of us at the paper wish him the best of success in Tuscaloosa."

Charles Land, publisher of The Tuscaloosa News, said, "I have known Don Brown for many years, going back to his reporting days in Birmingham, and I am delighted to have a newspaper man of his caliber joining The News' management team.

"Don has done an excellent job as editor in Florence, where he has led the way to significant improvements in the newspaper there in these past few years. Don and his wife, Hannah, have been active in their community, too, and we look forward to having them as citizens of our community," Land said.

Brown said he would always appreciate the opportunity the TimesDaily, and The New York Times Co. afforded him in the Shoals. "I especially acknowledge the responsive readers of our newspaper and those who depend so heavily upon our local news coverage. Those kinds of challenges produce professional growth," he said.

"I salute the news staff, whose hard work and dedication have gained for the TimesDaily recognition as the best newspaper of its size in Alabama for the past three years," said Brown.

The TimesDaily won general excellence awards from state press associations in Louisiana, Florida and Georgia in 1984-85-86. Awards for 1987 will be announced next weekend at the Alabama Press Association's convention at Gulf Shores.

Brown began his newspaper career as a copy boy at The Birmingham News in 1953. He was a reporter there for eight years, leaving in 1965 to become assistant to the president for public relations at Birmingham-Southern College, his alma mater.

He was editor of Birmingham Magazine and public relations director at the Birmingham Area Chamber of Commerce, 1956-1977, then was communications director at the Birmingham-Jefferson Civic Center, 1977–81.

### TO THE SHOALS, IT'S BEEN GOOD TO KNOW YOU

(By Donald Brown)

Loving a newspaper is much like loving one's children. You watch them develop and grow, guiding but trying not to hover. You

want them to turn out strong and independent, but occasionally aren't proud of the decisions they make. Yet you never stop caring and when the time comes, as inevitably it will, you don't want to let them go.

I have known the Times-Daily for six years and loved her for almost that long. In 1981 her outspoken publisher, the late and fine Bailey Anderson, allowed me to join the staff and thus brought me home again to the work place I know best and enjoy most, a newsroom.

After Bailey's tragically early death to cancer, there followed a succession of publishers, each of whom left his mark on the sphere of this newspaper: Gary Greene, Guy Hankins, John Fitzwater and now Steve Ainsley.

It has been my privilege to work for the latter three as editor. And because of my move to the Tuscaloosa News, which takes effect Friday, add another publisher, Charles Land. As Ainsley noted in our newest employee newsletter, ". . . Don will have worked for six publishers in six years . . . no small feat."

Succinctly said, considering this position serves at the publisher's pleasure and that an editor's first and greatest mandate is to implement the boss' policies in news. I didn't have to agree but more than once was smacked with the reality that his view was all that counted. Each publisher has required certain loyalties.

Hannah and I leave the Shoals grateful for the good and true friends we cultivated, whose support was there when we needed it and who will always be warm and welcome parts of us. Surprisingly, we also found that not being boat people and not living on the water didn't keep us from adopting the river, or from being fulfilled by its serenity and majesty on so many early mornings.

We have delighted in telling our friends elsewhere how much there is to do here. And we will miss the live-wire Helen Keller and W.C. Handy festivals, the plays and musicals of our community theaters, the active art centers, the spectrum of university events and especially the tradition of energetic togetherness all these assets embody.

I leave educated to the importance of this newspaper to these many communities many of us have come to call the Shoals. The Times-Daily is a personal part of thousands of lives; and it is not overstating our role to say that gratitude or anger, success or failure are often measured by what we report and the stands we take. That's what so many of you have told me, more times than I can remember. Such responsibility goes with the territory of a locally-focused newspaper, yet is a burden that never lightens.

Decisions that sometimes have upset, disappointed and even infuriated some of you have come with the job, too. Never were they lightly made, and none were ever unmade because of pressure and reactions.

I have made mistakes. Anyone constantly required to make judgment calls will miss some. But mistakes made despite the best of intentions are still no excuse, and have value only if you can work through them, learn from them and don't repeat them.

None of that, however, figured into this decision; it turned mostly on the chance to take an opportunity we believe is right, and move to a place we hope to like as much as we have enjoyed living here.

I leave proud of the steps this area has taken to begin putting aside historic differences and individualism for the good of the whole. At times the newspaper has focused on the need for change, but it is you who have wanted it, you who made it happen.

As more of us accept the fact that the very outsiders we want to recuit to live and work here see us as one area—and do not divide us by county lines or by the river or by politics—our growth will occur as it should.

If I could leave a so-called last will and testament, as high school graduating classes used to do, I'd predict these future headlines for the Times-Daily: Bridge construction begins; New bridge dedicated; Colbert cities merge services; Employment at record high; Local expansions key economic growth; Music Hall of Fame opens; 157 four-laned; Cooperative business climate halted; Browns Ferry powers up.

News to report, stories to write, deadlines to meet—and the challenges go on.●

## TRIBUTE TO GEORGIA STATE REPRESENTATIVE PEGGY CHILDS

Mr. FOWLER. Mr. President, I rise today to pay tribute to a fellow Georgian, State Representative Peggy Childs, who died of cancer on July 8, 1987.

Peggy Childs was a former teacher, who served our State in that most valuable capacity. She was first elected to the Georgia House of Representatives in 1974. She was re-elected six times from her home district in the city of Decatur. Representative Childs was a tireless worker and reached a position of influence on the Appropriation and Judiciary Committees, and was vice chairman of the Retirement Committee.

Even after learning she had cancer, this gallant lady returned to college, obtained her law degree and joined her husband in the practice of law. One of her last acts in the legislature was to pass a bill restricting the sale of cigarettes to young Georgians under the age of 18.

She showed her concern that others should have a good life, even when hers was almost used up. She was a great lady. All Georgia is proud of her, and she will be missed by all her many friends.

# EXTENSIONS OF REMARKS

## NO "GLASNOST" IN ABUSE OF PSYCHIATRY IN SOVIET UNION

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. HOYER. Mr. Speaker, as Chairman of the Commission on Security and Cooperation in Europe, the agency mandated by law to monitor and encourage compliance with the Helsinki accords, I have on a number of occasions criticized the Soviet Union for its blatant violations of human rights and fundamental freedoms—its repression of religious dissents, constraints on emigration and freedom of movement, and the restrictions it places on numerous other rights and freedoms that we here in the United States take for granted. I have debated this issue with Soviet parliamentarians in Moscow, raised individual cases with Soviet diplomats in Vienna, and written and spoken on behalf of others here in Washington. And I suspect that I will have occasion to do so in the future.

Nevertheless, I think it would be remiss not to mention that under the "restructuring" plans of General-Secretary Gorbachev, a certain liberalization in the area of "dissidence" and human rights activity has taken place. Since the beginning of 1986, at least 200 political prisoners have been released ahead of schedule from labor camps and exile. Certain public demonstrations have taken place with little interference from the authorities. I recently received the first issue of Glasnost, an unofficial publication produced by a group of former political prisoners. At this moment, there have been no reprisals taken against these activists.

One area where there has been little "restructuring," however, has been in the area of psychiatric abuse. To the best of our knowledge, only about a dozen long-term victims of psychiatric abuse have been released from the psychiatric facilities. Helsinki Watch reported that as of this July there are still 113 known political prisoners being held in either the ordinary psychiatric hospitals of the Ministry of Health, or the special psychiatric hospitals run by the Interior Ministry, the national police force.

I was pleased, therefore, to note recently that even this issue of psychiatric abuse has now been raised in the Soviet media. The first major article to criticize the arbitrary placement of Soviet citizens under psychiatric care appeared in the June 11 issue of Izvestiya. While the authors did not attack the practice of incarcerating persons on clearly political grounds, they did criticize the ease with which persons may be committed to a psychiatric hospital or placed on an official "register" as mentally ill, without their knowledge. The authors point out that doctors frequently diagnose "mental illness" on the basis of an arbitrary socially determined definition of normal behavior, not on whether the person poses a potential danger to himself or others, as provided by Soviet law. In other words, people acting somewhat different from the mainstream are often labeled "mentally ill."

As one example of this type of psychiatric abuse, the article describes the forced hospitalization of a woman after she had a number of disputes with her neighbors in their communal apartment. In another case, doctors tried to break down the door of a woman's apartment one evening to have her committed involuntarily. She had complained too much to party authorities about the physicians who had operated on her.

Because involuntary confinement in psychiatric institutions is a frequent tool used by authorities to repress political prisoners, I am pleased to see the official Soviet press address this issue. But one article does not mean that the policy has changed.

As an example of how psychiatry has been and continues to be abused in the Soviet Union, I quote from a report issued by Amnesty International U.S. Group 177 of Highland Park, IL, in 1982, describing the plight of a Mrs. Vera Lipinskaya:

> Vera Lipinskaya is a 39-year-old mother of four children. Born in Byelorussia in 1941, she moved with her parents to the town of Lugov in the Dzhambul region of Kazakhstan. She completed her secondary education there. Her occupation is not known.
>
> In 1977, she sent letters of complaint to local Soviet authorities, the matter of complaint is not known. Almost immediately, on the 26th of June, she was arrested and charged under art. 70 (sic) of the R.S.F.S.R. Criminal Code for "disseminating fabrications known to be false which defame the Soviet State and social system." On July 6th she was subjected to a psychiatric examination by a state psychiatrist, persons and location unknown, and was declared to be suffering from "sluggish schizophrenia." She was never brought to court on the initial charges, instead on August 25th the Dzhambul regional court ordered her compulsory confinement for an indefinite period in a special psychiatric hospital. * * *

To the best of our knowledge, Mrs. Lipinskaya is still being held under involuntary psychiatric detention. At this moment, even her whereabouts are not certain.

Mr. Speaker, it was cases such as that of Mrs. Lipinskaya that caused the Western psychiatric community to protest psychiatric abuse in the Soviet Union. Rather than risk being expelled from the World Psychiatric Congress, the Soviet Union withdrew from the Congress in 1983. A delegation from the American Psychiatric Association raised the issue of Soviet psychiatric abuse last year at the Vienna followup meeting of the Helsinki accords. Soviet psychiatrist Dr. Anatoly Koryagin spent 6 years in the gulag for publicizing the degradation of his profession in his homeland. After a worldwide public outcry he was finally released and permitted to emigrate earlier this year.

Whether the Izvestiya article can be interpreted as a positive sign remains to be seen. But we do note that the Soviet Union reportedly has offered to permit a team of United States psychiatrists to investigate allegations of Soviet psychiatric abuse. A Soviet diplomat has stated that presently there are plans to establish a new medical commission to reevaluate all psychiatric institutions.

If this is indeed the case, and if the Soviet Government is serious about rehabilitating its reputation before the legitimate world psychiatric community, as Chairman of the Commission on Security and Coorperation in Europe, I urge new commission to begin it's work as soon as possible, and as a first step, free Vera Lipinskaya. A medical science meant to free the mind should not be used to imprison it.

## GAG ORDERS: AN INFRINGEMENT UPON CONSTITUTIONAL RIGHTS

### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. CONYERS. Mr. Speaker, I rise today to express my deep concern about an important legal issue raised by the case of our distinguished colleague from Tennessee, HAROLD FORD, an issue which has deep implications for the civil liberties of all Americans. The right to free speech and the right to a fair trial have been thrown into conflict in this matter, without proper consideration being given to the need to balance the interests at stake.

The gag order imposed on Congressman FORD seriously interferes with his right to speak about his case to his constituents and supporters. It seriously hinders his ability to fight the pending charges, and impairs his efforts to raise funds to sustain a vigorous defense.

The sacred principle which is the cornerstone of our American criminal justice system is that a person accused of a crime is innocent until proven guilty. The circumstances surrounding the indictment of Congressman FORD, however, suggest that he is not being treated in that manner. The prosecutor pursued his investigation for 4½ years, and sought an indictment from a Federal grand jury in Knoxville, TN, after the grand jury in Memphis rejected his initial petition. Congressman FORD was inexplicably denied the opportunity to appear before the grand jury and present information which could have established his innocence. Leaks of selective bits of information about the case to the news media by "unnamed sources," then compelled FORD to respond publicly and explain his conduct, and to also question the conduct and motives of the prosecutor.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Judge Jarvis then issued the gag order which he justified by arguing that—

> Because of the high visibility of this case and the nature of the public comments which have already been made, I am of the opinion that without a "no comment" order there is a substantial likelihood of prejudicial news which would make difficult the impanelling of an impartial jury and tend to prevent a fair trial.

I respect the need of a trial judge to take steps to ensure a fair trial. But, the imposition of a gag order to achieve that goal seems to me to be an extreme and highly questionable act. In the case of *Estes* v. *Texas,* 381 U.S. 532 (1965), the Supreme Court held that—

> The atmosphere essential for the preservation of a fair trial—the most fundamental of all freedoms—must be maintained at all costs.

I fervently share the Court's opinion, but in the case of our embattled colleague, I do not believe that Judge Jarvis seriously considered his options.

In *Nebraska Press Assn.* v. *Stuart,* 427 U.S. 562–70 (1976), the Supreme Court considered the appropriateness of a gag order imposed on the media during the course of a sensation murder trial. The Court, in striking down the gag order, made three very important findings that are relevant to the case of Congressman FORD. First, the Court said that since the framers of the Constitution did not—

> Assign priorities as between first amendment and sixth amendment rights, ranking one as superior to the other * * * it is not for us to rewrite the Constitution by undertaking what they declined to do.

Second, the Court held that—

> Pretrial publicity—even pervasive, adverse publicity—does not inevitably lead to an unfair trial.

And last, the Court stated that—

> The barriers to prior restraint remain high, and that if a judge is to step beyond them, he must first find that measures taken short of a gag order would not have effectively preserved the atmosphere essential for a fair trial.

The gag order issued by Judge Jarvis, upon close examination, clearly does not meet the requirements set forth by the Supreme Court in Nebraska. Other actions the Court could have ordered were a change of venue, or a postponement in order to let the publicity subside. Judge Jarvis, in his memorandum opinion supporting the modified order, arbitrarily dismisses all possible alternatives, offering no analysis whatsoever of why they would not work in this case.

HAROLD FORD, as an elected official, cannot adequately perform his duties with the dark cloud of suspicion hanging over his head. It is ridiculous that a U.S. Congressman is forbidden to speak with his constituents on a matter of such significance. The amicus brief filed by the Speaker and the Bipartisan Leadership Group, points out that—

> It is inconsistent with the requirements of a representative democracy for a court to interfere with, let alone prohibit, communication between a Member of Congress and the people he represents.

Any court order which threatens to interfere with such a vital function of a public official must be subjected to the most exacting review.

Because HAROLD FORD is a Member of this legislative body, and enjoys certain protections under the speech or debate clause, that does not mean that a gag order filed against a member of the general public deserves no less scrutiny. A gag order is an extraordinary legal tool which can infringe upon the enjoyment of two of our most important civil liberties. Its use should come only as a last resort, and only after other, less draconian, options have been explored.

The Supreme Court in Nebraska held that prior restraint was the—

> Most serious and least tolerable infringement on First Amendment rights.

Where a person's integrity or personal freedom is at stake at the result of proceedings against them in a court of law, they must not be prevented from speaking out in their defense.

## RECOGNITION OF CLUB VALIANTS, INC.

### HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask my colleagues to join with me this day in recognizing the 25 years of service, bestowed upon the citizens of Philadelphia, PA, by Club Valiants, Inc.

The Valiants were formed in 1962 to ensure that black firefighters in the city of Philadelphia would attain and retain equal access to opportunities within the fire department.

Services which the Valiants currently perform include charity donations, club member counseling, fire prevention work within the black community, and aiding in the self-improvement of all club members.

On October 17, 1987, in Philadelphia, the Valiants will be celebrating with a 25th anniversary banquet at the Adams Mark Hotel, on City Line and Monument Avenues. The banquet will begin at 8 p.m.

On behalf of my constituents, I personally would like to thank Club Valiants, Inc., for their 25 years of service.

## STATEMENT ON BEHALF OF CONSTITUENT CAROL HOROWITZ

### HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. RICHARDSON. Mr. Speaker, I would like to express my concern about the way a constituent of mine was treated recently by the Bureau of Health Care Delivery and Assistance.

My constituent, Carol Horowitz, an officer in the Commissioned Corps of the Public Health Service approached me in late 1986 to ask for my help and assistance in expediting a station transfer for Carol and her husband to New Mexico. Carol's motivation was not selfish but out of concern for her husband, Larry, who contracted cancer during her tour of duty here. Specifically, I requested an expedited transfer for the Horowitz family for humanitarian reasons: The Horowitz are from New Mexico and they felt friends and family would be a positive aspect in Larry's ongoing case management treatment at the New Mexico Cancer Research and Treatment Center; and for economic reasons: New Mexico's lower cost of living would help alleviate burdens the family was feeling because of Larry's inability to work.

The Secretary of HHS indicated that every possible consideration would be given to Larry's condition in any subsequent assignment for Carol in the PHS. In March of 1987, Carol again came to me for help since her request for transfer had not yet been effected. At that time, I brought a possible detail assignment for Carol in the primary care section of the Emergency Medical Services Bureau of New Mexico to the attention of the Bureau of Health Care Delivery Assistance and others. I also initiated a delegation letter to HRSA on Carol's behalf. The response I received was disheartening to say the least. The Bureau indicated that because of scarce resources and I would add, regardless of humanitarian concerns, they could not assign Carol to the project. The delegation received a similar letter with an addition: Ms. Horowitz had chosen to resign from the Public Health Service.

I have subsequently received information correcting the HRSA response. Carol requested inactivation for family health reasons. Inactivation, unlike resignation allows assignment by memorandum. I am familiar with Carol's outstanding work in the Public Health Service and am distressed by the Bureau's seeming disregard for her family's circumstances. I would hope that this disregard for the humanitarian needs of officers in the Public Health Service is not a common characteristic of the PHS. Furthermore I strongly recommend that every effort be made in the future to accomodate the very real human needs of our PHS officers.

## EGYPT'S BOLD STEPS IN PRIVATE INVESTMENT

### HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. WILSON. Mr. Speaker, as I am sure all my colleagues in the House are aware, the House Appropriations Committee passed the fiscal year 1988 foreign aid appropriations bill. I would like to commend the committee's efforts and particularly the chairman of the Foreign Operations Subcommittee, Mr. OBEY, in drafting a well-balanced bill concerning such a controversial but vital issue.

In a time of budgetary constraints and debate on whether or not to reimpose some of the Gramm-Rudman-Hollings strictures, foreign aid is often a difficult expenditure to defend. Tangible benefits to the United States from such aid are hard to perceive and usually difficult to communicate to constituents. I have, nevertheless, consistently supported foreign aid as one of the most cost-effective methods to extend our own national security.

I would like to bring to the attention of my colleagues—especially those who harbor special doubts about the wisdom and utility of foreign aid—an article which appeared in Wednesday's Washington Times concerning Egypt's bold initiatives toward increased private investment.

Egypt is a close friend of the United States and unarguably an important strategic asset. It is also one of the largest recipients of U.S. foreign aid. Egypt has committed itself to serious and far-reaching economic reforms, foremost of which is a push for more private investment and private sector involvement. The Government of Egypt has realized that power of the free market economy is the best way for Egypt to break out of the downward economic spiral in which it has found itself in the past several years.

Most recently, the International Monetary Fund negotiated special relief for Egypt's balance-of-payments problems in recognition of Egypt's sound and dedicated commitment to economic reform. United States aid has been crucial to help Egypt implement this plan. Its effect has been to soften the pain of economic austerity imposed upon an already sorely pressed people. The result has enabled Egypt to press ahead with economic reform at the same time that it continues down the path of democracy, of which the parliamentary elections in April and the upcoming Presidential election in October are proof.

In sum, U.S. foreign aid is not a "giveaway" and is not wasted. With United States help, Egypt is strenthening itself both economically and politically, for the future security of its own people and United States interests in the area. I would like to commend the people of Egypt and particularly its President, Mr. Mubarak, for their efforts. After reading this article, I think my colleagues will agree that United States aid to Egypt is one of the most sound investments the United States has made.

[From the Washington Times, Aug. 5, 1987]

### MUBARAK PUTS EMPHASIS ON PRIVATE INVESTMENT

(By Martin Sieff)

Egypt President Hosni Mubarak is turning away from a generation of socialism to free enterprise to solve Egypt's economic ills.

Egypt's new Five-Year Plan for 1987–1992, launched at the beginning of July, has set aside $17 billion, or 50 percent of its goals, to be realized through private investment.

The plan almost doubles projected investments by the private sector to 45 percent from 23 percent in the last Five Year Plan.

"What we are saying is that we have a comprehensive program for reforming the Egyptian economy . . . to give it strength to grow," said Dr. Salah Hamid, governor of the Central Bank.

A major incentive, he said, was to remove import favors and other perquisites that now give public companies a competitive advantage.

Yussef Butros Ghali, Mr. Mubarak's chief economic adviser, compared the Egyptian package to President Reagan's "supply-side economy" concept of strengthening business to enable it to pump new money into the economy.

"If you have higher income, you have higher taxes, you have higher revenue," Mr. Ghali said. "One of the ways is to promote growth within the economy so as to generate more resources to be transformed to the [national] budget."

The International Monetary Fund seems convinced. It agreed in mid-May to provide special drawing rights worth about $325 million to alleviate Egypt's balance-of-payments deficit. Then the country's main creditors, led by the United States, rescheduled about $12 billion in debts falling due in the 18 months ending June 30, 1988.

"We're creating incentives for the people to produce more, export more, consume less and import less," Osama el-Baz, Mr. Mubarak's chief political adviser, has said. "We are determined to . . . give more incentives to Egyptians as well as foreign investors."

Mr. Mubarak and his advisers have been impressed by the successful record of multinationals in Egypt.

Union Carbide's plant there has the corporation's highest productivity in the world. It has surpassed the record of the Singapore plant and produces 6 million trucks and buses a year.

"It produces at a higher rate of production than Detroit and just below the rate of the Opel plant in Germany," one expert said.

General Motors is currently looking for its second project in Egypt, to produce a passenger car for the Egyptian domestic market. "It is a captive, very big market," one analyst said.

Proctor and Gamble "are now running three shifts a day [in their Egyptian plant] in Crest toothpaste production and are doing more business than they can supply," another expert said.

Mr. Mubarak is also aware that socialism has failed to solve the country's horrendous economic problems.

Since 1961, public-sector capital investment has swallowed up 98 billion Egyptian pounds—$45.2 billion at official rates of exchange but, in fact, worth much more. In the last two years, the country's strapped economy has caused de facto currency devaluations totaling 160 percent, including 61 percent in the current bailout package.

Even when President Anwar Sadat switched Egypt from the Soviet to the American diplomatic orbit in the mid-1970s, he retained the socialist bureaucratic controls over the economy established in the 1950s by President Gamal Abdel Nasser.

In 1971, Mr. Sadat laid down in the country's basic law: "The people shall control all means of production and will channel the surplus in accordance with a development plan laid down by the state."

In line with that, the government set up companies over the years for the manufacture of everything from catsup to jet fighters and from paint to refrigerators.

But Mr. Sadat failed to make any real impact on Egypt's economic problems, despite his initial success in attracting foreign investment. Now Mr. Mubarak has decided he can no longer afford to carry this socialist economic heritage.

Egypt today faces a foreign debt of $38.6 billion, an annual trade deficit of more than $8 billion and a global oil recession affecting Egypt's three main sources of foreign exchange.

In 1985–86—even before a sharp drop in income from Egyptians working abroad, oil exports and interest consumed more than half the hard currency the country took in.

With a population of more than 50 million and a soaring birthrate, Egypt faces a projected population of 100 million by 2010—still living on only 4 percent of the land. Half its population is now under the age of 20, and the capital, Cairo, has a population of 14 million, and still growing.

The new policy will not solve these problems without dislocations. Observers say that Egypt's official machinery for approving business investment still needs to be streamlined.

They also note the new policy will mean higher food prices. A creeping deregulation of food prices is already under way. But when Mr. Sadat tried to cut bread subsidies too quickly in 1977, his government was rocked by fierce riots.

If the free market policy causes hardship in the short-term, it will swell Egypt's powerful grass-roots Islamic fundamentalist movement that already looks to Ayatollah Ruhollah Khomeini's Islamic Republic in Iran for inspiration.

But if the problems of Egypt's socialist economy were left untackled, poverty would continue to grow amid a booming birthrate, and an eventual fundamentalist explosion would be inevitable. That is why Mr. Mubarak now has decided to grasp the nettle of economic reform.

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## SANTA ANA, CA, ONE OF THE 10 BEST PLACES TO LIVE

**HON. ROBERT E. BADHAM**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. BADHAM. Mr. Speaker, I am pleased to tell my colleagues today about an accomplishment of one of the communities I have the honor to represent. In this month's issue of Money magazine, Santa Ana, CA, is listed as one of the 10 best places to live in the United States.

Let me give you a sample of what the magazine said about Santa Ana:

> Development in Santa Ana's ethnically diverse downtown (44 percent Hispanic) is booming: Half a dozen major projects are under way, including Main-Place, a $400 million, 100-store mall, hotel and office complex; and MacArthur Place, a $600 million urban village of homes, hotels, offices and public areas. * * * This region (population 2,317,800) will have the third largest increase in employment, behind Los Angeles and Washington, DC, by the year 2010, according to the National Planning Association. * * * In addition, last year, 10 percent of California's entrepreneurs, mainly in high-tech and light manufacturing, opened businesses or announced plans to do so in Orange County.

Mr. Speaker, clearly southern California is a nice place to live because of the weather and the nearby beaches and mountains. But it takes more than geography to make Santa Ana a special place. There are people there who are committed to improving their neighborhoods and their city. The people of Santa Ana have a right to be proud of their city and their work. I salute those people today.

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## NATIONAL GERMAN-AMERICAN DAY

**HON. THOMAS A. LUKEN**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Mr. THOMAS A. LUKEN. Mr. Speaker, I rise today to draw my colleagues attention to a very important resolution that officially designates October 6, 1987, as "National German-American Day." House Joint Resolution 180—Senate Joint Resolution 108—passed the House of Representatives on Thursday, August 6, 1987, and is now on its way to the President to be signed into law.

I introduced this legislation on March 10, 1987, and have worked with the German-Americans in my district and across the country in an effort to obtain the necessary number of cosponsors in the House. During this time, I was both impressed and encouraged by the dedication of our German-Americans. Pride in their heritage and commitment to future success provides a contagious energy that serves as an inspiration to all.

German-Americans represent one of the largest ethnic communities in the United States, and this resolution recognizes the cultural contributions made by these outstanding people over the past three centuries. Since the first German immigrant arrived in this country, United States citizens of German ancestry have grown to an estimated 52 million.

I am honored to have been able to introduce this legislation that has received such overwhelming support—well over the number of cosponsors necessary—in both bodies of Congress. This is truly an important sign of recognition and appreciation from the U.S. Congress to German-Americans across the country.

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## CONGRATULATIONS TO THE CITY OF TOLEDO

**HON. MARCY KAPTUR**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 7, 1987*

Ms. KAPTUR. Mr. Speaker, this year the city of Toledo proudly celebrates its sesquicentennial year. On January 7, 1837, Toledo was incorporated as a city within the State of Ohio.

Since that time Toledo has grown from a community of 2,000 to over 350,000 strong. The pioneering spirit which developed Toledo from an early settlement to an industrialized and urbanized center is still alive in this city. The focus of this "spirit" is now the revitalization of the community.

The early settlers would stand in awe of the growth, commitment, energy, and vitality evident in Toledo 150 years later. This progress and advancement has been made possible by a strong public and private partnership formed through the years.

I ask my colleagues in the House to join me in extending sincere congratulations to all the citizens of Toledo during their sesquicentennial celebration.

# SENATE—*Wednesday, September 9, 1987*

The Senate met at 10 a.m. and was called to order by the Honorable Brock Adams, a Senator from the State of Washington.

### PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge Him, and He shall direct thy paths.*—Proverbs 3: 5–6

Gracious Father in heaven, as we begin this final period of the 1st session of the 100th Congress, we express our gratitude for the blessing of the last 4 weeks—for time with family and friends—for safety in travel—for plans accomplished and work done—for rest and renewal. Help us to trust Thee for guidance in these final weeks. You know the future, Lord. We do not. You know better than we how critically dangerous these days are.

Sovereign Lord of history, grant that this 1st half of the 100th Congress will achieve significance commensurate with its bicentennial. Save it from being a preoccupation with an election more than a year away. Inspire and motivate the leadership of our land to make this bicentennial year not only a celebration of the past, but a mandate for the future. In Jesus' name. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER**. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,  
President pro tempore,  
*Washington, DC, September 9, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Brock Adams, a Senator from the State of Washington, to perform the duties of the Chair.

John C. Stennis,  
*President pro tempore.*

Mr. **ADAMS** thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The **ACTING PRESIDENT** pro tempore. The majority leader is recognized.

## THE JOURNAL

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

## ORDER THAT NO MOTIONS OR RESOLUTIONS OVER, UNDER THE RULE COME OVER, AND WAIVING THE CALL OF THE CALENDAR

Mr. **BYRD**. Mr. President, I ask unanimous consent that no motions or resolutions over under the rule come over and that the call of the calendar be waived.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

## ORDER FOR MORNING BUSINESS

Mr. **BYRD**. Mr. President, I ask unanimous consent that the first hour today be utilized in morning business, and that Senators may offer bills and resolutions and may make speeches on any subject of their choice for not to exceed 5 minutes each.

The **ACTING PRESIDENT** pro tempore. Is there objection? Without objection, it is so ordered.

## ORDER FOR EXECUTIVE SESSION AT 11 A.M.

Mr. **BYRD**. Mr. President, I ask unanimous consent that in the second hour, the time be equally divided between the distinguished Senator from Rhode Island [Mr. Pell] and the equally distinguished Senator from North Carolina [Mr. Helms], and that the Senate go into executive session at the close of the first hour.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

## ORDER FOR RECESS FROM 12 NOON UNTIL 2 P.M. TODAY

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 o'clock today.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. **BYRD**. Mr. President, the cloture vote is set for 2 o'clock.

## SENATE AGENDA

### THE CHAPLAIN'S PRAYER

Mr. **BYRD**. Mr. President, I thank the Chaplain for his prayer today. Speaking as one Senator, I got a little rest during the August break. I made several trips back to West Virginia and enjoyed going to those mountains, the land of my heart's desire where one may "hear the wind laugh and murmur and sing of a land where even the old are fair and even the wise are merry of tongue."

Mr. President, I also compliment the pastor of our little flock here when he speaks of going home at the end of the year's session after having accomplished something. I look forward to these next several weeks with optimism. I believe that we all realize that there is much work to be done and that we all want to go home with some sense of accomplishment at the end, feeling that we have earned our keep and that we have attended to the business of the Nation.

## THE CONGRESS AND THE PRESIDENCY: A NEW PARTNERSHIP?

Mr. **BYRD**. Mr. President, Congress begins its fall session we see a full agenda. The nomination of Robert Bork, the budget deficit, the trade bill, the debt limit, Contra aid, and the potential of an arms control agreement are high on our agenda. These are not the only issues. Catastrophic health insurance, airline safety, welfare reform, campaign finance are also significant issues that demand attention.

The newspapers are full of forboding about this fall term of the Congress—stalemate, partisanship, filibuster, and conflict seem to be the words most often used to describe our work in the coming months. I am not so pessimistic.

It is clear that the Congress has a great deal of work to do. We will be here at our desks for more than just a few weeks.

Congress may be in session well into November and could be in session even through December.

I had a little discussion with the distinguished minority leader this morning and I think we both feel that if we work together and work hard enough, put in our days, Tuesdays through Fridays, and occasionally, unfortunately, perhaps, a few Saturdays, we will be able to get this work done. If we can have our Members stay in attendance so that we have a full complement of Senators on both sides at all times to answer the call of duty I think we will be able to work the people's will.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

It is the normal pace of Congress recently in off-election years that it be in session into November, sometimes into December.

I am modestly optimistic that the Congress can attend to the work at hand if it has the cooperation of the White House and the minority. As we all know the politics of confrontation is good for headlines but makes for little real legislative progress. The Congress wants to have a positive run at the finish line. I think Members, on both sides of the aisle, want to go home with some sense of accomplishment—with a belief that they have earned their keep and moved the country forward.

Our agenda is as brief as it is strong—ensure America's security in the world, protect our citizens from the unexpected and the dangerous, build for America's future. It is a positive and practical agenda that can be accomplished if we do not let political passions get the best of us most of the time.

Clearly, Members on both sides of the aisle want their political party to have the advantage going into next year's election. But more often than not the sum total of partisanship is neither good for the country nor good for either political party.

Franklin D. Roosevelt said it most appropriately when he said that "the future lies with those wise leaders who realize that the great public is interested more in government than in politics."

The American people want solutions to their problems. They want to be sure that the airlines they fly are safe. They want to be sure that their parents do not lose all their savings because of an illness. They want to be sure that America is competing overseas, that we have a trade policy that works.

They want to believe that the Government will respond quickly and efficiently to the unexpected and the dangerous—whether it is a toxic spill or AIDS. This feeling of being protected and having some sense of security about their future and the future of their children should be the touchstone for our deliberations.

For the past 10 months American political life has been dominated by the Iran-Contra affair. It has not been a happy time for America.

Our Nation's foreign policy has been in turmoil for months, and American sailors in the Persian Gulf must now worry about being attacked by the nation we have just recently helped to arm.

Last, but not least, the Iran-Contra episode strained the already tenuous relationship between the Congress and the White House. Despite the fallout from the Iran-Contra affair, the President and the Congress must still find a way of living together, a way of developing a proper and positive relationship that fosters trust and confidence. Since the Democrats won back control of the Senate, the President's relationship with the Congress has gone through various stages of coolness, bluster, and bravado.

But now we have a new opportunity for progress. It is my hope that the White House will see this time as an opportunity to shift away from a political strategy of confrontation and veto. The President's willingness to support the new Central American peace initiative last August was a first sign that the President may be sincere in this effort.

But the skepticism that many Members of Congress have toward the administration will not dissipate overnight. They are wary, and rightly so, of the cosmetic bipartisanship that is not backed by tangible and concrete changes in the administration's basic attitude. What, then, will be the real tests of a new relationship between the Congress and the President?

One of the first tests will clearly be the issue of peace in Central America. The framework for an American consensus on Nicaragua and Central America has always been clear. Make a serious effort to use diplomatic means to end the conflict. Ensure that America's security interests are protected in the specific, that Soviet offensive weapons are not based in Nicaragua. Support regional economic development and human rights. Do not send American soldiers to fight and die in the jungles of Nicaragua.

For 6 years now, Congress has been debating the issue of what to do about Nicaragua. The Congress' on-again-off-again votes on aid to the Contras reflects the deep division and unease that the American people have about an administration policy, that has to date, only tried the military option.

There will be continued and growing bipartisan support for the new diplomatic option if it is a good faith effort. This effort must come from both sides—the administration, Mr. Ortega, and the other Sandinista leaders. The administration must continue to show flexibility and not revert to its old habit of putting on its ideological blinders. The current leaders of Nicaragua must also show a new flexibility—they, too, must pass a critical test of good faith if the peace initiative is not to be stillborn.

A second major test will clearly be the budget deficit. The budget deficit exists because of the President's continuing economic policy of borrow and debt. The President talks about the Democrats as taxers and spenders. But the Nation's current economic problems are a direct outgrowth of the President's policy of borrow and debt. The deficit is now over $150 billion for this year alone. Our Nation's debt has doubled to over $2 trillion during the present administration's tenure.

The budget proposed by the Democratic Congress is a start at ripping up our national credit card. Congress is now at work on strengthening the Gramm-Rudman legislation to ensure that deficit reduction is a priority of not just the Congress but also the administration. We need cooperation from the White House—not hollow demands that the Congress vote on a balanced budget amendment to the Constitution which would take years to ratify. That would be running away from the problem, while fooling the people in the meantime. Congress has proposed a budget. What we need is the political will of the President to support this plan. Getting the President's cooperation on the budget deficit is, for many Members of Congress, the critical test of whether or not the new attitude of cooperation in the White House is real or simply another new political facade.

A third test will be the President's willingness not to veto the trade bill that Congress will send him. Congress has worked hard to develop a trade bill that strikes a balance and provides a mechanism to get our trade deficit down. It is neither protectionist, nor for that matter, is it as open as the administration would like it.

Nevertheless, the trade bill now in conference is a consensus piece of legislation that fundamentally improves our ability to compete overseas. If the President decides to veto this legislation, it will not be a hopeful sign for the prospects of bipartisanship.

The ultimate issue is one of trust. If the administration is truly willing to work with the Congress, to listen to the good advice of the Congress, one significant sign of this new willingness will be to end the filibuster of the defense bill and to allow it to come up for a vote.

Filibusters have their purpose in the legislative strategy of every Senator and the leaders on both side of the aisle. I know how to keep one going as does the minority leader. But they have been used by tradition and practice for the exceptional rather than as a common part of the legislative process. Yet, we are seeing it used more and more as the rule rather than the exception. It is my hope that the minority will move away from the delay of filibusters and cooperate as it has in many instances and as it still can. And when the minority cooperates with the majority in pushing the schedule and program along, we make progress, and we can do that in the remaining weeks. I am optimistic that we will get that kind of cooperation from the minority because, as I say, we all know we have work to do, that we are going to be held responsible for getting the work done.

So, Mr. President, in the next 3 months Congress looks for credible steps by the administration to develop a real working relationship.

We are willing to put aside our "skepticism" to work with the administration, if the administration is willing to make an across-the-board good faith effort.

The agenda and the creativity of the Congress remain unabated—deficit reduction, catastrophic health insurance, arms control, welfare reform, air traffic safety, campaign finance reform, and a truly bipartisan foreign policy, all are items that the Congress seeks to address with the help and cooperation of the President.

Mr. President, I beg the pardon of my colleagues for taking so much time. I express the hope that they have all enjoyed some respite and have returned to their duties with new inspiration and determination to come to grips, take time by the forelock and deal with the Nation's problems. I commend the distinguished Republican leader. I have been reading about his travels. As Thoreau said, "I have traveled a great deal in Concord." I can say that I have traveled a great deal in West Virginia during the past several weeks. I am glad to see the Republican leader back, looking so well, and hale and hardy from his journeys. I have a feeling he is all sparked up and ready to grapple with the problems of the Senate and that we are going to be able to achieve a fine record of bipartisanship as we come to the end of the way.

I yield the floor.

## RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

Mr. DOLE. Mr. President, I thank the distinguished majority leader.

I would be very pleased to yield to my colleague from Wisconsin, who made a very profound statement during the recess. As I said in Wisconsin, Senator PROXMIRE is unbeatable. And as a Republican, I took a little bit of heart in the announcement. But I must say, he is a remarkable gentleman and an outstanding Senator.

## SENATE AGENDA

Mr. DOLE. Mr. President, I also want to indicate to the majority leader that I do not disagree with anything that I heard him say this morning, except perhaps his comment about delay, because I do believe that we can have a pretty good year.

We can have a good record. I am going to try to encourage my colleagues that with respect to appropriations bills, we ought to bring them up and pass them. It does not take that long, if people are willing to let matters come to the floor.

I think there are really only two basic areas where we have a problem, and one is defense authorization. I am not certain that that can be resolved. But, if not, it is my understanding that the votes may be there to invoke cloture the next time we vote on it. I would hope it could be resolved.

The only other matter where I think we have had some fundamental difference of views between Democrats and Republicans, has been campaign finance reform. I find everybody is for campaign finance reform, but it is not always for "that" kind of campaign finance reform. I will be introducing a bill later today that I believe really is campaign finance reform.

I do not know of one Senator, on either side, who does not want to find some solution to what has become a real problem. Maybe it is too much to hope for, but perhaps that matter can be resolved.

As to the other issues listed by the majority leader, I would hope we could get a time agreement on catastrophic coverage. There were a number of objections raised before the recess, primarily because of one provision on prescription drugs. Many Members on this side felt that if they had the recess, they might be able to resolve some of those problems. I believe the distinguished chairman of the Finance Committee, Senator BENTSEN, will make a request to bring the bill up, and we will do our best to see if we can help on that.

Contra aid, I guess, depends on when the President makes the request.

Of course, we must deal with the debt ceiling, which I believe expires on September 23, and the whole Gramm-Rudman-Hollings problem that goes with it. That could take some time.

I indicate to the majority leader that, so far as I know, everyone on this side is willing to cooperate. As the majority leader knows, sometimes you just cannot make it happen. There may be a problem, there may be a legitimate problem, and sometimes cooperation is not possible. But in every case that we can, he has the assurance of the Republican leader that we will try to cooperate.

In any event, we will be making every effort to do that.

I would hope that later this morning, if there is no objection, we might introduce a resolution commending Alf Landon, who is celebrating his 100th birthday today, and whose daughter, Nancy, is a Member of this body.

I was in Topeka, KS, on Sunday when the President stopped there and sang Happy Birthday to Alf Landon. We hope to be able to get an agreement to take up that resolution within the next hour and have a voice vote.

Beyond that, I suggest to the majority leader that we are back, ready to go to work. I do not believe we will have any objection from this side.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for his reassuring remarks.

I will be happy to cooperate with respect to the resolution commending Alf Landon, the father of our distinguished junior Senator from Kansas.

I believe there is another resolution on the calendar which we want to dispose of today, the ethics resolution.

If we can dispose of the Melissa Wells nomination, we will also go to the judgeship nomination of Judge Sentelle.

So there should be several rollcall votes today.

I again thank the Republican leader.

## GOOD ADVICE FROM A TOUGH, FORMER CIA CHIEF ON ARMS CONTROL

Mr. PROXMIRE. Mr. President, people who have headed this country's Central Intelligence Agency, the CIA, understand, as few others do, the limitations and the dangers of a naive reliance on arms control for the security of our country. So let's consider the arms control views of a real CIA expert.

William Colby was one of this country's most respected CIA Directors. He wasn't a political appointee. He wasn't a man who came to the CIA for a few years in the course of another career. William Colby devoted 25 years of his life to the CIA. He was a career intelligence expert. For 3 years, from 1973 through 1976, he headed the CIA. Recently, Common Cause magazine interviewed Mr. Colby. What this hard-nosed, tough-minded CIA Director had to say about the role of arms control in our national security should make Senators sit up and take notice.

First, Mr. Colby has a chilling understanding of the appalling dangers we live with in this nuclear world. He tells of monitoring SALT I. He inspected a missile site in North Dakota. He describes going down into the site. On one side of a large room is a young officer with a key to launch a huge nuclear missile. On the other side is another young officer with a similar key. They can't touch each other. They both must act in concert to send their missile on its way. Colby's reaction to this scene was to think of two other young officers who were probably sitting in a very similar room somewhere in the Soviet Union with an equally big missile, maybe bigger, pointed at Chicago. His reaction: "How dumb this is." Colby says, I know unilateral disarmament doesn't work. I know you can't do this through sweetness and

light. So what do we do? Colby's reaction: SALT—and particularly the ABM Treaty—is exactly the way to do it. "You avoid a threat by mutual agreement." He said our ABM Treaty saved us $100 billion or more, which wouldn't have made us any safer.

Mr. President, the critics of arms control have one prime, unchanging argument against reliance on arms control. They say arms control won't work. Why? Because they say we can't trust the Soviet Union to comply with the agreement. These critics charge: "They'll violate every treaty any time violation is in their interest." So, how about it? There are few, if any, Americans who are better qualified than former CIA Director William Colby to speak to us on Russian compliance or violation of treaties. He had devoted 25 years of his life to serving our country in developing intelligence in precisely this kind of area. If anyone can give us a realistic assessment of the Soviet record—in fact, not in theory—on violation of arms control agreements by the Soviets, it is William Colby. So what does this premier intelligence expert tell us? Listen to Colby:

> The verification problem (of being able to verify that the Soviets are complying with arms agreements) has been used as the reason not to conclude a whole series of potential arms control agreements, and I think falsely * * * We do a darned good job * * * thanks to a huge improvement in intelligence.

Mr. President, here is the crux of the arms control problem. The one sure way to discredit the arms control process is to destroy the confidence that we can verify Soviet compliance with our treaties. Do that and you kill arms control. Only those who have a naive faith in unilateral disarmament will support a policy that means we limit our nuclear arms by complying with the treaties we sign while the Soviets pay no attention to any agreement and secrettly build a superior nuclear arsenal. But when a man with William Colby's intelligence credentials—and there are none better—tells us that we know, not presume, know—I repeat, know—that the Soviets are complying with arms control agreements, we can understand why Mr. Colby tells us that arms control is exactly the way to go in this terribly dangerous nuclear world.

Listen to the depth of William Colby's conviction on arms control. He says:

> I spent a lot of years worrying about the security of my country against all sorts of things, from Nazis to Communist guerrillas in Vietnam to North Vietnamese forces in Laos, to nuclear weapons. They're all of a piece. You have to figure out the right answer to each one. It seems to me the nuclear thing is perhaps the easiest one to reach an agreement on. It's not easy, but it's the easiest.

Mr. Colby, of course, concedes that the Soviet Union has, indeed, violated the ABM Treaty by building their radar system in Siberia. But he contends that this is no immediate threat to our security, that they have offered to tear it down, that if they had built it on their seacoast, it would have complied with the treaty. Finally, he says that if we had had any kind of relationship with them, they would have asked us for permission to build it. If they had asked, we could have said no. Or we could have agreed to amend the treaty to permit it. Instead, we have an issue of a meaningless Soviet violation of the ABM Treaty. And they have a radar that is useless.

Mr. President, if a man of William Colby's stature as an intelligence expert—a man who has spent his career in distinguished service to our country as head of the CIA—can tell us that arms control is so emphatically the way to go in this nuclear world, what are we waiting for?

## RESOLUTION COMMEMORATING THE 100TH BIRTHDAY OF THE HONORABLE ALF LANDON

Mr. DOLE. Mr. President, I have discussed this resolution with the distinguished majority leader. I ask unanimous consent that the Senate proceed to the consideration of the resolution with reference to Alf Landon, which I send to the desk, on behalf of myself, the distinguished majority leader and Senators BOSCHWITZ, COHEN, COCHRAN, DANFORTH, and PRESSLER.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 280) commemorating the 100th birthday of the Honorable Alf Landon.

S. RES. 280

Whereas Alf Landon, former governor of Kansas and 1936 Republican nominee for President, is celebrating his 100th birthday on September 9, 1987;

Whereas Alf Landon remains the voice of wisdom with a unique perspective of American political history as the grand old man of the GOP;

Whereas for over 50 years his strong character, integrity, prairie populism, pragmatism, and leadership have brought politicans, representatives of business, industry, and labor, as well as professors and students, to his home to seek advice;

Whereas his record as governor of fiscal accountability and balanced budgets continues to set a good example of executive leadership;

Whereas in 1936 he was a man ahead of his time, forcing Americans to realize the dangers of inflation and uncontrolled government spending;

Whereas he has dedicated much of his life to the development and education of young people;

Whereas his life remains an inspiring example of productivity and generosity as he continues to be one of our most respected citizens and former politicians;

Whereas he has earned himself a permanent niche in American history as a statesman, politician, businessman, counselor, sportsman, and friend; and

Whereas Alf Landon to this day is a living legend in the GOP at the age of 100: Now, therefore, be it

*Resolved,* that the Senate hereby commemorates on September 9, 1987, the 100th birthday of the Honorable Alf Landon and extends to him affectionate greetings and best wishes.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, September 9, 1987, represents a remarkable milestone for a very outstanding American. In Topeka, KS, today a legend in American politics celebrates his 100th birthday—he is Alf Landon, a visionary statesman, a one-time Presidential candidate, a Governor, and a voice of common sense and great wisdom for many generations.

His lasting influence in American politics continues right here in this Chamber in the person of his very able daughter—equally remarkable in her own right—the distinguished Senator from Kansas, NANCY LANDON KASSEBAUM: My colleague, my fellow Kansan, and my good friend. NANCY is probably the most popular figure in Kansas politics next to her father. She is a very good legislator, very independent, and I am very proud to work with her in this body.

Today, she is delivering the Landon lecture at Kansas State University. This is a very prestigious lecture series in honor of her father, and she is the major speaker today in Manhattan, KS.

### PRESIDENTIAL VISIT

This past weekend, President Reagan and First Lady Nancy fulfilled a promise they made to the Governor 3 years ago on a visit to Kansas. When Alf Landon hit the centennial mark, they wanted to be there to help cut the cake. At the time, Alf simply told the President: "You look to be in pretty good shape, I think maybe you can make it."

Mr. President, I was honored to join the President and the Landon family for this very memorable birthday party in Topeka on Sunday. Take it from one who knows, it isn't easy for any Kansas politician to follow in the huge footsteps of Alf Landon. But he was always there—and still is there—to lend his support, his counsel, and good wishes. He has been a personal inspiration to me and an example for all of us to follow. As President Reagan said so eloquently on Sunday:

> In 100 years, Alf Landon has chased many dreams and caught most of them. Along the way, he's found time to stand for the American values of liberty, democracy, and opportunity. And no one is more this living soul of Kansas, which to me means a quiet

strength and the simple decency of all America.

Governor Landon continues to exercise great political instincts. In fact, when I went in to say hello to him on Sunday, he wanted to know if I had a chance to meet everybody in the room. I said, "Governor, I not only met everybody in the room—I have been out on the grounds shaking hands with people." It was nice of him to look out for my political prospects in the middle of his festivities. He understands that if you are in politics, you have to be out there talking to the people. And he's always been right about that.

He was the Republican nominee for President in 1936, but he had the misfortune of running into an insurmountable obstacle—namely Franklin D. Roosevelt. He may only have carried two States, Maine and Vermont, but the historians now recognize that Alf Landon was a man who was way ahead of his times. He is remembered with affection by members of both political parties. I know that both Democrats and Republicans continue to seek his advice and stop by to visit him when they happen to be in Topeka. He is still very responsive and alert.

### STRONG LEADERSHIP

Perhaps the Governor is best remembered for his strong leadership in tough economic times. This is why national party leaders were attached to him in 1936. During the Depression, while the Federal Government was engaged in some heavy spending, incurring enormous debt, Governor Landon introduced a bare-bones budget for his State and proceeded to balance it, setting a good example for the Federal Government. He began by implementing an across-the-board cut of 24 percent that extended to his own $5,000 a year salary and expenses of the Governor's mansion. When the legislature refused to cut the Govenor's salary, he simply mailed back a 25-percent refund from each of his paychecks.

Because of his popularity and strong leadership, Landon served two terms as Governor of Kansas, from 1933-37, and introduced more sweeping changes in his first term than the State had witnessed since the populists took over in 1890. By the end of his first term in 1934, Governor Landon had managed to reduce the State per capita cost of Government from the previous $71 5 years before to $51. This is the kind of fiscal leadership that we need today—a new dose of Alf Landon medicine. Even though the context may have changed, the issues that he fought so hard for back then are still with us today.

### CONCLUDING REMARKS

Mr. President, I know my colleagues will join me in wishing Alf Landon a happy 100th birthday, and they can do so by joining me in the official Senate resolution I am now offering. I appreciate this action taken by the Senate, and ask unanimous consent that a number of articles commemorating Alf Landon, along with the remarks made by President Reagan last Sunday, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### REMARKS BY THE PRESIDENT AT THE HOME OF ALF LANDON

TOPEKA, KS

Governor LANDON. It's a great day in my life, and it's a great day in the life of all of us to have had the privilege that we have today of meeting the President of the United States and Mrs. Reagan. I give you now the President. (Applause.)

The PRESIDENT. Well, Governor Landon, Mrs. Landon, Governor Hayden, Senator Kassebaum, Senator Dole, Mayor Wright, ladies and gentlemen: I can't resist saying this—you don't know what a joy it is for a fellow like me to go to a birthday party for someone who can, in all honesty, call me "kid." (Laughter.)

Today we celebrate—I know it will actually be in just a few days—but we're celebrating Alf Landon's first century, half the life of our nation since the framing of the Constitution. As you know, it seems right to me that Alf Landon was born in the centennial year of the Constitution and is now part of its bicentennial year.

And after all, you ask what the America that our Constitution created is, what it means, and you'll get back many answers. For example, America means a dream and the freedom to chase that dream. America means government of, by, and for the people, in a land where the sacred soul of humanity is not only respected, but revered. America means justice under law. It means peace and decency. It means a bright Kansas sun rising over fields that hardworking, broad-shouldered farmers have planted with prayers and plowed with hope.

But the funny thing is that no matter what you say when you talk about America, you'll also be saying something about Alf Landon. In one hundred years, Alf Landon has chased many dreams and caught most of them. Along the way, he's found time to stand for the American values of liberty, democracy and opportunity. And no one is more the living soul of Kansas, which to me means quiet strength and the simple decency of all America, than Alf Landon.

Now, Governor, you preceded me by a bit as our Party's nominee for President and I had a little better luck. Well, I also had better years and an easier field. But no one ever did prouder as a candidate by his party or the nation than you. When it was out of fashion, you warned of the dangers of too much government and too much government spending.

Recently, I was reminded that on your 90th birthday you said that credit cards are the worst things that have happened to our country; they encourage people to spend money they don't have. Well, don't spend money you don't have. I just wish I could get you to come back to Washington and help me drum that message into the Congress. (Applause.)

But I guess the next best thing to having you in Washington is having a chip off the old block. (Applause.) I know you're proud, just as I'm grateful, that Nancy is in the Senate. She's doing a great job. So this—(applause)—so this is my birthday message. It is that all Americans are thankful for what you have meant to our country.

And now, before I wax so eloquent that no one can stop me, I'll break off here just saying, Alf, happy birthday and God bless you. (Applause.)

("Happy Birthday To You" is played.)

The PRESIDENT. I know the time has come to leave, but I just couldn't help but tell you a little experience. I have met the Governor on his—on a previous birthday sometime ago and I expressed the wish that I could meet him again on his 100th brithday. He looked me up and down; he said, "You seem to be in pretty good shape. I think maybe you can make it." (Laughter and applause.)

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### ALF LANDON—GOP'S GRAND OLD MAN NEARS 100

(By John C. Braden)

TOPEKA.—Alf Landon's getting a little cranky these days. It's as if, nearing his 100th birthday, he figures he's entitled.

"Now listen, that's not the way to put a question about the President of the United States," Landon growled at a reporter in an interview.

Landon should know. In the 50 years since his unsuccessful challenge to President Franklin Roosevelt's second term, Alfred M. Landon has been asked more about presidential politics and policies than most folks.

A spring chicken by comparison, 76-year-old President Ronald Reagan arranged to visit Landon at his vast west Topeka mansion today in recognition of the former Kansas governor's birthday, Sept. 9.

The visit is to substitute for Reagan's 1982 pledge to fly Landon to Washington in Air Force One on his 100th birthday. The frail party partriarch's health would not permit the trip.

Kansas lawmakers Saturday passed resolutions chronicling Landon's lifetime achievements and call him "a great citizen whom all Kansans, young and old, can admire."

When asked about the upcoming presidential visit, Landon said he was getting ready, but planned "nothing big."

"I'm going to do just what he says and what he asks and thank him for his visit," the 1938 GOP nominee said.

He snorted at the idea of giving advice to the president.

"I will have no particular advice for him or any other man on that day, nor woman either," he said.

The inclusion of women in high-level political circles has come to be accepted by Landon, since his daughter, Sen. Nancy Kassebaum, R-Kan., is well into her second term.

Kassebaum will stand in for her father on his birthday Wednesday, delivering a Landon Lecture at Kansas State University.

In the 76th speech on public issues in the lecture series, Kassebaum is to review her father's 1965 speech inaugurating the series, and its relation to events of the following 20 years. She also is to discuss domestic and international challenges in the next 20 years.

Although he is known for his candid opinion on nearly every political subject in the world, Landon is reluctant to express himself freely these days. With the loss of much of his eyesight and hearing in recent years, the once-voracious reader has been cut off from most world events.

There was frustration in his voice as he replied to a question about his concern for

increasing military involvement in the Persian Gulf.

"I think there might be some concern about it, but, going on 100, I can't keep track of those things," he said. "I can't read at all."

Likewise, he shied away from prognostications about the presidential race, a traditional topic for discussion.

"With my hard hearing and bad eyesight, trying to keep track of what's going on in that highly important field—I just don't have the acquaintance with the different candidates to answer that," he said.

Instead, he asked the reporter his opinions on the subject. Landon has used that tactic to test the political waters in years of conversation and correspondence with friends in politics and journalism the world over.

And, he admitted with a grin and a chuckle, he's never had a shortage of opinions, once he's collected the facts.

He laughed again when asked one of those 100th birthday questions: "What is the proudest accomplishment of your lifetime?"

Then, he paused for a moment, turning serious and weighing his words carefully.

"Marrying Mrs. Landon," he replied.

An independent oil man for most of his life, Landon was a young Republican activist from Independence. He joined Theodore Roosevelt's Bull Moose split from the GOP in 1912 and again defected from the Republicans in 1924 to support the anti-Ku Klux Klan campaign of his friend, Emporia newspaper publisher William Allen White.

Landon's career reached its zenith in 1936, when the United States was in the depths of the Great Depression and Adolf Hitler was considered nothing more than a tin-pot dictator.

As the only Republican governor elected in 1934, Landon was known as the "Old Budget Balancer," who initiated the Kansas "cash-basis law" for state government, still in effect today. He seemed an ideal party standard bearer to fight Roosevelt's bid for a second term.

The Landon campaign condemned the Democratic administration's inability to deal with the Depression, warned against growing presidential power, and expounded fiscal principles still urged today.

Nevertheless, his drive ended in crushing defeat. Landon lost by almost 12 million votes in the Roosevelt landslide.

The Republican nominee never sought office again. Instead he returned to Topeka and built the mansion where he and his wife, Theo, still reside. For many years he concentrated on managing his oil operation and a chain of radio stations, while maintaining correspondence with political cronies, old and new, and speaking out occasionally when he thought circumstances warranted.

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### REAGANS' VISIT GIVES LANDON ANOTHER LANDMARK IN LONG LIFE

(AP Topeka correspondent Lew Furguson was the only newsman invited to be among guests inside the Landon home when President Reagan visited Sunday.)

(By Lew Ferguson)

TOPEKA.—It was, Alf Landon said, a day to remember in his memorable life.

It ranked with the day Republicans nominated him for president in the summer of 1934, and it ranked with the November day in 1978 when Kansas voters elected his daughter, Nancy Kassebaum to the U.S. Senate.

President Reagan came calling Sunday, paying tribute to one of America's most enduring political personalities, Alfred Mossman Landon, the man Democrat Franklin Roosevelt crushed in the 1936 presidential election.

"My God, what a day!" a moist-eyed Landon told two friends after the president had gone.

The old man was magnificent, considering the infirmities of age. He will be 100 years old Wednesday. His eyesight is such that he must squint to recognize people even after they identify themselves. His hearing is so faded—and he refuses to wear a hearing aid—that people must almost shout to be heard.

Hours before President and Nancy Reagan's arrival, he fretted about not being able to see and hear well enough to greet the president. He did fine.

"I know it's a historic event to a lot of people," he said. "I'm just glad I made it (to 100) so we could have a party like this for the people."

About 25 relatives, including his wife, Theo, three children, Kassebaum and another daughter, Peggy Mills of Topeka, and son, Jack Landon of Colorado Springs, and an equal number of invited guests were inside the Landon home. The relatives included 10 grandchildren and nine great-grandchildren.

The invited guests included U.S. Sen. Bob Dole, Gov. Mike Hayden, former U.S. Treasurer Georgia Neese Gray, former Kansas publishers Clyde Reed of Parsons and Whitley Austin of Salina, former state Supreme Court Justice Robert Kane and University of Kansas Vice Chancellor Del Brinkman. Accompanying Reagan were White House Chief of Staff Howard Baker and Frank Carlucci, national security affairs.

Landon greeted the guests from an easy chair in the living room until 45 minutes before the President's arrival.

Reta Dwight, the Landon's housekeeper, helped him change from a gray sweater into a new dark blue blazer.

As the University of Kansas band struck up outside, signaling the arrival of the president, Landon's eyes brightened.

The Reagans were ushered into the Landon's living room, where Sen. Kassebaum positioned them in front of the fireplace for a receiving line to meet the guests.

As the Reagans departed, Landon went back into the house to rest, not for long. Curiosity about what was going on outside got the better of him.

He was helped back to the porch, where he thanked members of the KU band for coming and playing. An impromptu group sang "happy birthday" to him.

Then, with a wave of his cane, he smiled broadly and said, "I thank you all. It's been a great day."

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### HAIL FROM THE CHIEF—REAGANS JOIN CELEBRATION WITH LANDON

(By Al Polczinski)

TOPEKA.—Dutch Reagan paid Alf Landon a visit Sunday, and what a grand affair it was.

"This is a great day in my life," said Alfred Mossman Landon to hundreds of guests, visiting news media and more than 200 members of the University of Kansas marching band, all gathered on his front lawn.

Everyone had come to wish Landon a happy 100th birthday, although he won't turn 100 until Wednesday.

President Reagan was accompanied by his wife, Nancy. Sunday's party was prompted by a remark Reagan made five years ago when he was in Kansas to deliver his second lecture in the series named for Landon at Kansas State University.

Reagan had said to Landon that he wished he could be with him on his 100th birthday. Reagan recalled that Landon looked him up and down and said: "You seem to be in pretty good shape. I think maybe you can make it."

Reagan, indeed, did look well as he got out of his limousine to be greeted by Sen. Nancy Kassebaum at the steps leading up to the long front porch of her parents' home.

He waved to the crowd and acknowledged the KU band playing "Hail to the Chief" before he was led through the front door, over which a red-white-and-blue banner read, "Happy 100th Governor Landon."

Skies had been cloudy all morning. An overnight shower had cleaned the air, and the sweet fragrance of cedar wafted across the spacious lawn. It started to sprinkle just as the presidential limousine arrived at the Landon home, but that lasted only moments.

The presidential party remained inside for 17 minutes, greeting Landon family members and guests and posing for pictures. The Reagans then had a brief private chat with Landon.

After that, Kassebaum led her mother, Theo Landon, out onto the porch. Landon followed, walking slowly with a cane and leaning on the president's arm.

"It's a great day in the life of all of us to have had the privilege we've had today of meeting the president of the United States and Mrs. Reagan," Landon said in what sounded like a well-rehearsed speech.

"I can't resist saying this," Reagan said as he began his response. "You don't know what a joy it is for a fellow like me, to go to a birthday party for someone who, in all honesty, can call me 'kid.'" Reagan was 76 in February.

"Today we celebrate Alf Landon's first century—half the life of our nation since the framing of our Constitution," Reagan said. "It seems right to me that Alf Landon was born in the centennial year of the Constitution and is now part of its bicentennial year."

The U.S. Constitution, Reagan said, created an America where Americans could dream and offered them the freedom to chase their dreams.

"America means justice under law. It means peace and decency. It means a bright Kansas sun rising over fields that hardworking broad-shouldered farmers have planted with prayers and plowed with hope.

"In 100 years, Alf chased many dreams and caught most of them. Along the way, he has found time to stand for the American values of liberty, democracy and opportunity, and no one is more the living soul of Kansas, which, to me, means quiet strength and simple decency of all America, than Alf Landon."

Reagan was more successful than Landon when he ran for president, but conceded that he had better luck, a better time and an easier field. In 1936, America was in the throes of the Great Depression, and Kansas was in the grip of the Dust Bowl.

"But no one ever did prouder as a candidate by his party or his nation than you," Reagan said to Landon. "When it was out of fashion, you warned of the danger of too much government and too much government spending."

"I just wish I could get you to come back to Washington and help me drum that message into the Congress, but I guess the next best thing to having you in Washington is having a chip off the old block," he said, glancing over at Kassebaum.

Reagan said his birthday wish to the former two-term Kansas governor was: "That all Americans are thankful for what you have meant to our country. And before I wax so eloquent that no one can stop me, I'll break off here and just say, happy birthday and God bless you."

Then Nancy Reagan brought out the cake with a figure 100 on it. After Landon blew out the candle and was seated, Kassebaum served a piece of cake to the president. Two of Landon's greatgrandchildren served Nancy Reagan, Landon and Theo Landon.

Kassebaum later said both men appeared to have a sweet tooth. The president's cake was quickly devoured and he cleaned his plate with his fork before handing it back.

A few minutes later, the Reagans said their goodbyes.

Kassebaum said that having the White House set up operations for a 45-minute visit "is quite extraordinary, but they did it very well."

During their brief chat in the house, Reagan and Landon talked about the president's two previous lectures at Kansas State University in 1967 and 1982. Kassebaum said. "Dad told him how well he looked for all the problems he had and thought he was doing a wonderful job of providing leadership that was important right now," she said.

Landon also wished that some Republicans would listen to Reagan more often, she said.

"The President and Mrs. Reagan agreed, and I hoped they didn't mean me," she said.

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[From the Wichita Eagle-Beacon, Sept. 6, 1987]

### Thanks, Alf Landon, for Making Kansas a Name That's Respected

More than any other person, Alfred M. Landon represents Kansas. Go north, east, west or south and speak the name of Landon, and people will think of Kansas. Speak of Kansas and its role in U.S. history, and people will think of Landon. In a very real sense, Kansas is Alf Landon, and Alf Landon is Kansas.

On Mr. Landon's 100th birthday this week, then, the people of Kansas will be celebrating more than the long life of a great man. They will be celebrating the life of their state and of their own role in it.

One of Alf Landon's more notable speeches in his four years as governor was his Kansas Day address in January 1936. The only Republican governor to have been reelected anywhere in the country two years before, and the only Republican to have been elected governor west of the Mississippi two years before that, Alf Landon already was attracting national attention with what he had to say.

Noting the accomplishments of those Kansans who had gone before, and what today's Kansans might learn from them, Mr. Landon said, "From thousands of prairie firesides is handed down this homely warning: 'Change does not necessarily mean progress. A social philosophy is not always bad because it is old, nor good because it is merely new.' . . . As did the pioneers, we must always keep alive the inner fire of individual conscience. We must subordinate material rewards and enthrone the things of the spirit. We need emphasis on common honesty, character and devotion to principle."

If one were to write the definition of a Kansas man or woman, it surely would include those attributes.

They were attributes that caught the eye of Richard Lloyd Jones, the late publisher of the Tulsa Tribune, as early as 1934. Shortly after, he began talking about Alf Landon as presidential material. Mr. Jones liked not only the Kansas governor's pay-as-you-go philosophy but his dogged independence. Though a lifelong Republican, Mr. Landon wore no faction's collar. He had bolted from the party regulars in 1912 to join Teddy Roosevelt's Progressive Party. He found good company in the Bull Moose ranks in the crusading Kansas editors of the time: Victor Murdock, Henry J. Allen, William Allen White and Arthur Capper.

Mr. Jones persuaded well-known author Frederick Palmer to write the book, "This Man Landon," that appeared in the spring of 1936. It was pure puffery, but it accomplished its purpose. With its publication, the name of Alfred M. Landon was known coast to coast, and Franklin D. Roosevelt had a viable opponent for the presidency in the 1936 campaign.

Soon the Kansas cash-basis law and Alf Landon's other accomplishments in Topeka were the topics of dining-room conversations across America. In Kansas, Mr. Landon had been known for calling five special sessions of the Legislature, more than any other governor in the state's history. Now the nation knew, as well, that here was a man of action, not willing to wait for the normal channels of government to take care of pressing needs. (A call for a single special session by Gov. Mike Hayden more than 50 years later was to meet quite a different response.)

One of the five special sessions was for the purpose of impeachment hearings for the state treasurer, attorney general and state auditor in the Finney bond scandal of 1933. Here again, the Kansas governor showed his mettle: the protagonists in the scandal, Warren W. Finney and his son, Ronald, were friends of the governor. Despite that, he didn't hesitate a moment in doing what was necessary. He declared martial law in the Statehouse, vigorously sought the prosecution of all who were involved, and thundered against those who would "give a black eye to the state's credit."

As Robert Smith Bader wrote in his 1982 book, "The Great Kansas Bond Scandal," it was the "hard-nosed and thorough handling of the affair by Gov. Landon—even though it required him to prosecute some of his closest friends and political allies," that helped propel him into a second term and, ultimately, the 1936 presidential race.

Americans listened with particular interest when the man from Kansas, announcing his presidential bid in late January 1936, declared: "The policy of condemning everything the opposition party does has never produced better government . . . But I do condemn half-baked legislation, maladministration and the dangerous short-cuts or permanent change attempted in the name of emergency."

The nation received quite another measure of the man when William Allen White asked him if he thought he could withstand the pressures of the White House, and he replied, "Mr. White, I don't know," As Arthur M. Schlesinger Jr. reported in his 1960 book, "The Politics of Upheaval," the Emporia editor later noted, "I think he is frightened, which is a good attitude. The fear of the Lord is the beginning of wisdom.

The presidency was not to be for Alfred M. Landon, but the love and respect he earned from the American people was to be lasting consolation. Even in accepting defeat, he was true to his basic principles that politics should be ever secondary to the national interest. Appearing at a Gridiron Club dinner with President Roosevelt in December 1936, he said that "In all efforts to preserve peace in the world, there will be no party lines."

That has been the Landon standard since. A Republican president, Ronald Reagan, will be bringing the nation's greetings to Alf Landon at his home in Topeka today, looking ahead to his birthday on Wednesday. But if a Democratic president were in office, that person would be doing the same. On Alf Landon's day every year, there are no Democrats or Republicans, just Americans of every political persuasion who wish the beloved elder statesman "Happy Birthday"—and mean it, with all their hearts.

As we add our good wishes, we say "Thank you, Alf Landon," as well. Thank you for making "Kansas" a name to be proud of, and "Kansan" a label to cherish.

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### Landon Was Victorious Even in Defeat

(By Chalmers M. Roberts)

Alfred Mossman Landon, who is 100 today, was the quintessential American political fall guy when he was the Republican candidate for president in 1936. He was flattened by Franklin D. Roosevelt's second-term steamroller, much as was George McGovern by Richard Nixon's and Walter Mondale by Ronald Reagan's.

Landon did worst of all: he carried only Maine and Vermont with eight electoral votes, exactly as Democratic national chairman Jim Farley had predicted. McGovern got 17 electoral votes, Mondale 13.

Now all this is history, but what makes Landon special for me, aside from my regard for his daughter, Sen. Nancy Landon Kassebaum, R-Kan., is the reportorial brushes I had with Landon 51 years ago. And perhaps there are some lessons, too, in the '36 outcome.

In 1936 the GOP had a dilemma: finding a nominee who could beat "that man." Landon was no GOP dinosaur; he had voted for Progressive Robert M. LaFollette in 1924 against Mr. GOP himself, Calvin Coolidge. For this and other party infractions, some considered him a "me-too Republican," a derisive label long to be hung on the party's liberal wing, because Landon conceded that the New Deal had done some useful things.

In Kansas, Landon had won the governorship against the Democratic tides of 1932 and 1934, and he represented the reform wing of his state party. Early on, the Kansas City Star's Roy Roberts started plugging Landon for president, emphasizing his strong opposition to * * * Gene Meyer, and his wife Agnes by now were disenchanted with FDR's "fiscal irresponsibility," and they found Landon an attractive alternative. The Post became a major backer in spreading the word in the East.

At age 48, Landon was nominated on the first ballot at the June convention in Cleveland. His running mate was Chicago Daily News publisher Frank Knox.

For a while it looked as if he truly might have a chance after the first post-conventions Gallup poll gave FDR only 51.8 percent to Landon's 48.2, with an electoral-vote majority for the Republican. The Post editorially foresaw "the closest election since 1916."

But scientific polling then was an infant industry, and GOP politicians of any ability knew different. And so they tried to frighten the voters as Election Day neared with the specter of Social Security.

In Toledo, I reported, they began passing out official-looking notices (and tucking them into pay envelopes of blue-collar workers) announcing in ominous words coming "pay deductions" because the new system would go into effect next Jan. 1. GOP national chairman J.D.M. Hamilton charged that the New Deal intended to put dog tags around the necks of the 25 million Americans soon to be covered.

As the campaign came to a climax, Landon swung through Toledo, where I had gotten a job as a reporter for the News-Bee (a paper that survived for only two more years). The candidate left his train for a motorcade, and thanks to a News-Bee photographer I have a record of the occasion: a photo of Landon in his convertible and of me, the skeptical kid reporter of 25, standing * * * the governor in Kansas, asking for an autograph. He proved that the FDR landslide had not deprived him of his sense of humor: "For Chalmers M. Roberts," he wrote, "his first presidential campaign and he got to Washington. With best wishes, Alf M. Landon."

After the election, it was back to Kansas for Alf Landon, and he's been there ever since, horseback riding well past his 90th birthday, a cheerful and unembittered Republican. The only thing he couldn't believe, his daughter told me a while back, was that Kansas would ever elect a woman to the Senate, least of all his own daughter.

The political lesson of 1934, however, really has more to do with FDR's second-term landslide than with Landon, the victim. FDR misinterpreted his huge "mandate" as a "go" for his plan to "pack" the Supreme Court, that body of "nine old men," who had been striking down his first-term social legislation as unconstitutional.

It was his worst political error, an exercise in the arrogance of power.

The whole second-term business sort of reminds me of Richard Nixon's Watergate cover-up after his big "mandate" and, once more, of Ronald Reagan's use of his "mandate" to do what he wanted to do, public opinion and the Constitution to one side, in what became the Iran-Contra affair.

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### Alf's Day

He lost, but he didn't quit.

That's Alf Landon, the Grand Old Man of the Grand Old Party. He will be 100 years young Sept. 9.

He remains so well-respected that presidents visit him, candidates seek him out, candidates-to-be seek his advice, and reporters seek him for a good story. The story is rich in both accomplishment and history.

He was governor of Kansas who was nominated to run for president by the Republicans in June 1936. He ran against Franklin Delano Roosevelt, on a platform opposing the Democrats' New Deal.

In the end, Landon carried only two states—Maine and Vermont—despite garnering 16.6 million popular votes. Roosevelt received 27.7 million. F.D.R.'s popularity was just too much for the governor.

But that was a long time ago and only tells a part of the story.

One wonders how many power brokers of today received and used advice heard from Landon's lips. Surely, at least one U.S. senator of today, Nancy Kassebaum, heard plenty of that paternal and political advice at her father's knee.

Since 1936, the former governor has pursued political and business interests in a quiet and gentlemanly way. But his birthday reminds us yearly why so many have made the trek to Kansas to visit him. He remains a national figure, a man once directly embroiled in the heart of national affairs, a man who served his party with great loyalty, great character and fearlessness, considering the opponent he once faced.

Throughout his life, Landon has attracted the nation's attention to the Wheat State. He continues to do so. President Reagan visits him Sunday in Topeka to celebrate 100 seasons of life.

There is no question who will be enlightened by the visit.

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### Oracle

Alf Landon: the man who parlayed defeat at the polls into a new career as the nation's—now the world's—senior political.

The grand old man of the Grand Old Party leaned back in his chair, reflected briefly and said. "Under the present conditions of world affairs and American leadership, by and large," he's pretty well satisfied with things in the world at the moment.

That's not to say Alfred Mossman Landon isn't concerned about a great many events today, 57 days short of his centenary birthday—just as he was more than half a century ago when Franklin Delano Roosevelt and his New Deal Democrats rolled over Landon and the GOP at the polls.

For example, like most Americans, the frail former governor is worried about the continuing Iran-Iraq war, Arab terrorists and the whole seething Middle East cauldron.

"I'm concerned about any war, anywhere," he snapped. But he's hopeful about the accession to power of Mikhail Gorbachev in the Soviet Union, content with the Republican party's strong role in national affairs and with the internal state of the nation.

Indeed, one of Alf Landon's chief concerns these days may be his own internal struggle against the slow betrayals of his own body. He is locked in the iron grip of advancing age, despite his determined efforts to continue his life as he always has.

Although he says little about it, the onetime Kansas governor Republican standard-bearer and GOP elder statesman pointed out it's harder for him to keep up with passing events now because "I can't read. I can't hear."

Landon recently underwent laser cataract surgery, and his hearing has deteriorated to the point where it is sometimes difficult for him to carry on a conversation.

But if the flesh is weaker, the mind remains alert, the interests unaffected Ms. Rita Dwight, who has looked after Landon and his wife Theo since September 1983, recalled a visit by former Gov. William Avery just as Gorbachev emerged as head of the communist party.

Avery made some comment to Landon about Gorbachev's election as first secretary, and Landon promptly replied, "Let me tell you something: that man's not a communist!"

"I was walkin' out of the room when he said that," Ms. Dwight recalled. "I stood rooted to the floor!"

Landon went on to explain that while Gorbachev undoubtedly had been born and reared a communist and came to power traditionally through the party hierarchy, his attitudes were not traditional. "He said, 'The Russians have finally elected a leader who cares about the Russian people.' I'm just continually amazed at his insight into people," she concluded.

Said Avery, "I think I go to see him probably more than any other former politician. I enjoy visiting with him, and he is a remarkable person, no question about that. He has a remarkable memory for a person his age."

Much more than that, the long-time Kansan has become an acknowledged political oracle; a man whose advice has been sought by numerous professional politicians from both parties.

Certainly no comparable figure in American political history has achieved similar stature on the basis of so brief a public career.

Landon, after all, served just four years in public office. He was elected governor of Kansas in 1932 and re-elected in 1934. And in his only national race, against an incumbent FDR in '36, he took the worst political beating in the nation's history up to that time. He carried two states, Maine and Vermont, with eight electoral votes. Roosevelt carried the other 46 states and 523 electoral votes. Landon even lost in Kansas!

But unlike any other American politician, Landon established the bulk of his reputation out of office.

He began six weeks later, with post-election remarks at Washington's Gridiron Club, where he shared the rostrum with Roosevelt. Through the years thereafter, he continued to make his views known wherever and whenever he thought there was some worthwhile purpose to be served, in a slowly-formulating left-centrist Republican philosophy he called "moderation."

In that spirit, he praised Roosevelt's response to the Japanese bombing of the American gunboat Panay in China in 1937. He made it clear in 1938 that he would not accept a post in Roosevelt's planned "bipartisan" cabinet unless the President renounced all plans for a third term. Much later, he urged U.S. recognition of the People's Republic of China—long before President Richard Nixon did the same. He's still speaking out, now and then.

Asked how he feels about Gorbachev's recent arms reductions proposals, the 99-year-old Landon said he believes there's "a chance it is more constructive than destructive," and added he believes Gorbachev is "more likely to compromise to the point of discussions, anyhow" than his predecessors.

In any case, Landon summed up, it's always better to talk than to fight, regardless of whether anything much finally comes from the talk.

Landon admits "Foreign relations concerns me more than the economy—although it should be borne in mind that the economy has a definite influence on foreign relations," and said if asked today, he would advise the President to continue his present policies."

Down through the years, Landon has maintained a steady interest in foreign affairs. He even served as vice chairman of the 1938 Inter-American Conference in Lima, Peru, at the behest of the Roosevelt Administration.

But he harbors strong opinions in many other areas, as well. For example, asked this week if he would favor a direct popular vote for president and the abandonment of the 200-year-old electoral college system, as is sometimes urged in this age of easy mass communications, Landon declared firmly, "No!"

He was less forthright about his opinion on the GOP's chances of landing another Republican in the White House in January 1989, saying carefully "To answer that question accurately this far in advance, I would need more information than we have available." However, he added he thinks the Republican party "very definitely" has the inside track now, due to the disarray in Democrat circles.

And he was quick to dismiss the current "Irangate" flap and the ongoing Congressional investigation into the devious channels by which money was routed to the Nicaraguan "Contras." Those will be long over and forgotten before the election, said Landon. "I don't expect them to have any bearing." Nor was he concerned enough to watch Lt. Col. Oliver North's testimony.

That Landon should have some shrewd judgments about world leaders comes as no surprise to those who have known him down the years, for he has always been keenly interested in people and issues. Indeed, a favorite pastime has always been to pick the brains of those he meets, seeking their views on a wide range of topics.

Few men have known more people—more movers and shakers—in their lifetime than the Kansas banker, oilman, politician, farmer and broadcaster. Certainly few have had more leaders make the pilgrimage to their home to talk with them.

Landon's list of distinguished visitors in the last 15 years or so includes two sitting Republican presidents (Ronald Reagan and Richard Nixon), Vice President George Bush, Vice President Walter Mondale, former President Gerald Ford, former Secretary of State Edmund Muskie, Federal Reserve Chairman Paul Volcker, Chinese Ambassador Chai Zemin, U.S. Ambassador Shirley Temple Black, Virginia Republican Sen. John Warner and his then-wife, movie star Elizabeth Taylor (I'll call you Liz if you'll call me Alf," said Landon with a grin—and she did), former Montana Democratic Sen. Mike Mansfield and of course, Kansas Sen. Bob Dole and all of his predecessors.

Not to mention Landon's youngest child, Kansas junior Sen. Nancy Josephine Landon Kassebaum.

It may in fact have been the influence of her forceful father and his endless circle of friends that set the small feet of Nancy Landon Kassebaum upon the path of politics, though Landon himself certainly never intended that.

"It was always a broad-ranging discussion at the Landon dinner table, the senator recalled this week, "I enjoyed politics which was always interesting—and dad of course always like to hold center court.

She paused, reflecting, "I think that dad, regarding myself, had a very hard time in thinking that a woman necessarily should have or would want to have a career. I remember saying I would like to go to New York and get a job" after graduating from college, "and he said, 'Well, get the job first. Then he said, 'I don't know what kind of job you can get with a political science degree, anyway.' "

It took her a while, but she's found one—in Washington, where, as might be expected, she has established a reputation as a senator who makes up her own mind about the issues facing her.

Challenged about that, she laughed and agreed "some of that . . . has got to come down" from her father and grandfather.

Like Nancy, Alf Landon grew up hearing his father talk politics—and watching him set an independent example.

Born Sept. 9, 1887, in his maternal grandparents home in West Middlesex, Pa., Alfred M. Landon grew up in Marietta, Ohio, where the family moved in 1891. An average student otherwise, the young Alf had a keen interest in history. And he shared his father's interest in politics.

John Landon, an oil company executive, was a Republican county chairman in Ohio, and after the family moved to Independence in 1904, was active in Kansas party politics as well.

When he journeyed to West Virginia to hear Teddy Roosevelt speak in 1900, he took his 13-year-old son along. In 1904, they went to St. Louis to hear William Jennings Bryan at the Democratic national convention. And it was John Landon who involved his son in Progressive party politics in Kansas and in the nation, supporting Roosevelt's breakaway "Bull Moose" effort in 1912 and 1914. The 27-year-old Alf Landon even served as Montgomery County Progressive party chairman in 1914.

It was his first taste of defeat, but not his last.

Meanwhile, he was carving out a business career for himself.

Landon was graduated from the University of Kansas School of Law and admitted to the Kansas bar in 1908, but to the disappointment of his father and "Uncle" Jimmy Green, then dean of the law school, he took a job as a bookkeeper in an Independence bank instead of practicing law. He spent three years as a banker, eventually working with oil leases and learning the nuts and bolts of that business. He saved his money and began to invest in several oil-drilling ventures.

By 1911 he had accumulated a $2,000 stake, left the bank job and became a full-time oilman. A few months later, he made a lucky strike on the Osage Indian reservation in neighboring northeastern Oklahoma. The next few years were devoted to expanding his growing business.

Never a wheeler-dealer, his business methods were steady and conservative. At one time he planned on going into partnership with Harry F. Sinclair, an old fraternity brother, on some Indian land oil leases, but the two could not agree on the direction of their business. Both did well subsequently—but Sinclair did far better.

By 1918, Landon was back in Republican politics, backing a winning gubernatorial candidate. Soon he was a member of Gov. Henry J. Allen's informal "kitchen cabinet," and his commitment to public life never wavered thereafter.

A key lieutenant of Gov. Clyde M. Reed, Landon's fortunes rose with Reed in '28—and crashed with him in the '30 primary. Democrat Harry Woodring won a narrow victory that fall over Republican Frank Haucke because the GOP was afraid to demand a recount despite widespread reports of voting fraud.

A strong voter response to Dr. John R. "Goat Gland" Brinkley's write-in campaign had reduced both parties to panic. Even with admitted ballot irregularities, the flamboyant Milford medical quack came within 33,900 votes of victory!

Half-drafted as a compromise gubernatorial candidate in 1932, Landon was clearly the underdog. His party was divided—and the Democrats had an incumbent governor running for re-election. But again, the goateed goat doctor held the balance. Running a strong campaign as an independent candidate, Brinkley soon attracted most of the Democrats attention, and Landon scraped into office by fewer than 6,000 votes on the slogan, "The way to beat Brinkley is to vote for Landon."

Brinkley, though he finished last in the three-way race, again was fewer than 34,000 votes behind Landon in an election which saw 796,132 votes last.

Elected in the depths of the Depression, Landon immediately set about reducing the cost of government as much as possible. He cut taxes, rammed through a law (still in effect) requiring local governments to operate on a cash basis, and in response to the 1933 bank crisis got a banking bill drafted, passed and signed into law in two hours flat. He coped quickly, firmly and effectively with economic collapse, a state bond scandal involving some of his own friends, drought, dust storms, strikes by southeast Kansas miners—and still ended his four years with a balanced budget.

It was this performance that earned him a shot at the presidency, but there was no spoiler candidate in the national election as there had been in Kansas. The times, the caliber of the opposition and perhaps the ineptitude of his own campaign organization were against him.

He came back to Topeka, bought 170 acres of farm land west of the city and in 1937 built the big white Georgian home where he and his wife Theo (whom he married in 1930) have lived since. He sold off some of the land, repaired his neglected business ventures, did a little farming, got into broadcasting. At one point he owned five radio stations in Kansas and Colorado, and he was well past 90 when he stopped going to his WREN office every morning.

He began his regular morning horseback rides along the Kansas River (which he only abandoned a few years ago) and developed new routines. He rediscovered the pleasures of football, baseball and bridge and of long conversations in downtown cafes.

"He thoroughly loves KU football, and I grew up listening to the St. Louis Cardinals on the radio and listening to Harry Carey, because that was the only game you could get in Topeka," recalled Sen. Kassebaum.

"He was a great bridge player. He played for blood. My mother quit playing with him, because she said she was tired of being told what she'd done wrong. He and Oscar Stauffer. He used to like to pitch pennies, too."

Landon rarely talks today of those "Dirty Thirties" days when his father called him "about the busiest man you ever heard of," nor of his days of party leadership, for he is a man who lives in the present. And the future. Ask him about those active times, and he is apt to look at you and reply simply, "I've drilled a lot of dry holes." And chuckle.

"I think that where dad and I would certainly differ in our political background (is that) dad is of the old school of politics," said his daughter. "If you're not with him you're against him, and he remembers that."

She recalled Landon was a Taft supporter at the 1952 Republican convention, "and a lot of his old time political friends in Kansas and elsewhere were strong suporters of Eisenhower. (Landon) severed a lot of old friendships, and then he wasn't very active from that time until oh, I'd say in the middle 60s."

"There were some old-time friendships that dad just never could reconcile. I know

it hurt mother. I couldn't really operate that way. I've seen what it did."

Certainly Landon is a veteran player of political hardball. And he still keeps score. Asked if he privately ranks the state's various governors (and the nation's presidents) he admitted he does—but he wouldn't reveal his rankings.

"I was invited by four Presidents to sleep in the White House—and I didn't accept any of 'em," he said. Like Caesar's wife, he implies, he was determined to avoid even a suggestion of association with a particular administration.

But Nancy offers another reason, "Dad's roots were always in Kansas, and I think that's his great strength," she said. "Dad never wanted to travel very much. If we went to Colorado for a vacation in the summer, that was enough for him." She paused, "I always heard him tell that he liked to be home in his own bed."

Oracles after all, don't move around. They make people come to them. And they are incredibly long-lived.

"He attributes that to fresh fruit and horseback riding," said the senator.

Whatever the reason, Ronald Reagan promised Landon a ride to Washington aboard Air Force One and a White House birthday party for his hundredth birthday. Landon replied he probably couldn't make the trip—but he'd like to be around, just to be able to turn down the President.

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[From the Wichita Eagle-Beacon, Sept. 9, 1987]

## THRIFT, TENACITY FUELED REMARKABLE CAREER

TOPEKA.—Alf Landon is 100. What's all the fuss about?

"Well, I don't know. There's nothing special that I know about it," said the man leaning back in an upholstered chair in his study. "Everybody else seems to be wanting to make something special out of it.

"I said to Theo, 'If they keep calling, I won't live to be 100.' "

The day, obviously, is not what is special. It is the man who is special.

Drubbed by Franklin Roosevelt in the 1936 presidential election, Landon easily could have sunk into obscurity after leaving the governor's office in Topeka. Instead, he built and maintained a mystique that commanded political leaders to seek and to respect his independent judgments of state, national and world affairs.

On this sunny August day, 19 days before he would be 100 years old, he waited for still another interview and photo session. The walnut-paneled study, its large fireplace empty and its shelves crammed with books, appeared to overwhelm the small figure in the chair.

His white shirt was open at the collar. A wooden cane lay against tan slacks hiding thin legs.

Recovering from cataract surgery in July, Landon complains of impaired vision. "I can't read. That's one of the worst things I've suffered."

His hearing, too, is failing. The inescapable aging process limits conversations with old friends, conversations that waste precious little time on small talk.

Still, he tries to keep current on world developments and the politics behind them. When Soviet Communist Party Chief Mikhail Gorbachev recently predicted that Republicans would nominate a George Bush-Bob Dole presidential ticket in 1988, that caught Landon's attention.

"I asked some questions immediately. I was puzzled. I said that either means that Russia is getting around to where they want to work with us, or he's trying to find the best way to upset us. It's one or the other."

A remarkable man, Alfred Mossman Landon. A "Prairie Progressive" whose commonsense approach to catastrophic troubles at home catapulted him onto the national stage 51 years ago. . . .

Hundreds of flares cast an eerie reddish glow over the crowd, giving it the appearance of a single mass wearing thousands of heads.

Batteries of klieg lights splashed a dazzling brightness on a three-story, white-brick mansion with its corner turret and multigabled roof.

Suddenly, air bombs exploded high above the city. Brilliant fireworks streaked and shattered the night sky. Sirens started blaring. Bells began ringing. Simultaneously, ear-splitting cheers broke from the crowd massed in the street.

Kansas Gov. Alf Landon was now the Republican nominee for president of the United States.

The June 12, 1936, edition of the Topeka Journal reported:

"Topeka went berserk last night, not in a mild and ladylike way, but in the unashamed, tumultuous and carefree manner of a city proud of its first citizen."

Landon had not gone to the Republican National Convention in Cleveland where, in the week preceding the convention, his nomination already was a foregone conclusion.

Instead, he waited for the news at home, surrounded by family and a few close friends. Shortly after the radio flashed the final tally—984 for Landon; 19 for Sen. William Borah, R-Idaho—Landon stood up and walked outside to face the sea of admirers.

State Highway Patrol Lt. Col. Wint Smith, later to become a Kansas congressman, opened the door where he had been standing guard all evening. Landon stepped out onto the porch, squinting into the lights and grinning broadly.

The governor waved to the crowd, but it was several minutes before he could be heard above the uproar.

"Nothing is more worthwhile than the regard of one's neighbors," he began. Again the crowd cheered.

"Nothing tugs more strongly at one's heartstrings than their good wishes. If, after three years as your governor, I did not enjoy your respect, goodwill, I should feel that I had failed, no matter whatever other honors might come to me.

"For the sentiment you manifest by your gathering here tonight, Mrs. Landon and I thank you from the bottom of our hearts. We shall always cherish the memory of this happy evening together."

Theo Landon, smartly dressed in a tailored white sharkskin suit and a pink blouse setting off her dark hair, stood by her husband's side, tears welling in her eyes. Behind her stood her mother, white-haired Josephine Cobb.

When the crowd and the newsmen wanted Theo Landon to speak, the emotion of the moment would let her do little more than say, "I wish you all . . ." before her voice failed. "I just cannot talk," she said, turning away.

Landon, too, was caught up in the emotion of the historic event. His voice broke as he read a telegram of congratulations sent by hometown friends in Independence.

This was the first time a Kansan had been chosen by one of the major political parties to be its presidential nominee.

Once before, in 1884, Gov. John P. St. John had been the nominee of the Prohibition Party.

Landon, 48, a one-time Bull Moose renegade from the Republican Party, won the first-ballot nomination despite former President Herbert Hoover's attempt at a comeback after his 1932 defeat and lesser bids by Chicago publisher Frank Knox, Borah and Michigan Sen. Arthur Vandenburg.

Topeka would be filled once more with a large outpouring of support for Landon before the hopes of Kansans would be smashed by President Roosevelt's landslide victory in November.

On July 23, the date the governor set for official notification of his nomination and his acceptance speech, the south steps of the Statehouse were dressed for the occasion.

Red, white and blue bunting hung everywhere about the speaker's platform.

A crowd had started gathering by noon. Fed by special trains and bus caravans from across the state, it grew to 60,000 by one estimate, or as Earl Todd, a hometown Landon booster, called it, "the largest crowd since Moses led the Israelities out of Egypt."

A two-hour parade through downtown Topeka preceded the ceremony on the Capitol steps. Two blocks away, a painting of Landon, 40-by-60 feet, covered five stories of the National Reserve Life Insurance building.

To a nation listening over radio networks, Landon said:

"I hope for the gift of simple and straightforward speech. I want every man and woman in this nation to understand my every word, for I speak of issues deeply concerning us all."

The nation was fighting its way out of a severe depression, led by a Democratic president who was building an ever-stronger centralized government in Washington to cope with it.

Landon believed the country was threatened by this drift of power toward the presidency.

"We must be freed from the incessant governmental intimidation and hostility. We must be freed from excessive expenditures and crippling taxation. We must be freed from the effects of an arbitrary and uncertain monetary policy," he said.

"And, through a vigorous enforcement of the anti-trust laws, we must be freed from private monopolistic control.

"Once these things are done, the energies of the American economic system will remedy the ravages of depression and restore full activity and full employment."

Many Americans, listening on their home radios, wondered how this plainspeaking Kansan had reached the point of challenging the most eloquent and most colorful president the nation had seen in many decades.

Two years earlier, Landon had been the only Republican governor re-elected in a nation captivated by Roosevelt, a Democratic Pied Piper who mesmerized national audiences with his fireside chats on radio.

Republicans, blamed for the depression that struck during the Hoover administration, wanted a leader whose background promised the skills to deal with the nation's troubled economy.

Landon, in two terms as governor, seemed to fit the bill. He had faced an economic crisis within one month of taking office in 1933. He acted swiftly and decisively.

When a nationwide run on banks by depositors to withdraw their savings reached Kansas City in February, Landon went to the House speaker's office. Republican and Democratic legislative leaders were called in.

Landon asked for emergency legislation to set a moratorium on bank withdrawals, limiting people to 5 percent of total deposits.

In one hour's time, the rules were suspended, and the bill was passed by unanimous consent and was on its way to the Senate.

The House vote moved Landon to call Senate leaders of both parties to his office, where he asked for the same swift action. The Senate responded, and Gov. Landon signed the bill into law that afternoon, two hours after he had talked to his House speaker.

Afterward, he recalled, "Now that shows how a legislature can act in an emergency, in a crisis, with the right kind of leadership."

During his first term, Landon had taken other steps to avert fiscal crises in the state.

In a move to cut state spending and conserve state revenue, he cut state appropriations by 25 percent across the board, including his salary and the budget of the governor's mansion. He promised a balanced budget, and he meant to have one.

Those actions, combined with several key pieces of legislation for which he pressed, won the nation's attention.

The state government already was under a mandate in the Kansas Constitution to spend no more than available revenue, but local governments had adopted a practice of issuing no-fund warrants at the drop of a hat to pay for unbudgeted items. These warrants were backed up by a space platform would dominate the world. I still believe this."

In 1975, he lauded President Ford's proposals to strengthen the nation's deteriorating railroad system. He approved of $2 billion in federal loans and the curtailing of federal regulations that restricted railroad consolidations.

Landon stood firmly behind railroads as the cheapest and most energy-efficient method of transporting goods and commodities. He just as firmly opposed a federal takeover of control or ownership of railroads.

The one-time Bull Mooser often locked horns with members of his own party over the strong business-orientation of the GOP. Writing to a friend in 1947, he said:

"I think the Republican Party is the only agency that can save America. And we are not going to do that job if we are dominated by big business as we were in the '20s."

He believes in free enterprise as a foundation of the American economic system but insists good labor relations are an integral part of that same foundation.

Although he supported the Taft-Hartley labor act, he opposed right-to-work legislation.

Landon explained that the Taft-Hartley act was regulatory; "It dealt with the officials of the union, just like the SEC did with management, with corporations."

In 1958, when a right-to-work amendment was proposed for the Kansas constitution, he fought a losing battle against it.

America he said, "needs strong unions, not weak. Strong unions mean leadership with a sense of responsibility. Weak unions mean rabble-rousing leadership."

In tune with his belief that problems should be worked out, not fought over, Landon cited the importance of the news media's right to know the workings of government as part of its job to keep people informed.

"The right of the free inquiry is one of the essentials of free government," he said during his presidential campaign. "It is the very bedrock of democracy." He added:

"We must realize that academic freedom, political freedom, religious freedom and freedom of opportunity are all bound together. Infringement upon one will soon lead to infringement upon the others."

As one might expect of a man who adhered to the philosophy of Theodore Roosevelt, Landon is a stout believer in the principle of "speak softly but carry a big stick."

So, in recent years, as he urged constant efforts to further peaceful coexistence with the Soviet Union, he nevertheless urged the United States to keep its defenses up.

In 1980, believing that President Carter had neglected the nation's defenses far too long, Landon called for a "crash program of building military equipment essential for our preservation of life and liberty as a free people. Along with that must go a mandatory registration for the essential national services."

Critics can wonder how Landon, in one breath, can say "government was never intended to shape every detail of one's destiny," and, in the next, find no objection to persons being required to register their firearms.

Landon has never questioned anyone's right to argue with his position on the issues, only to come equipped to the argument with reason.

Instead of joining a law firm or hanging out his own shingle, Landon took a clerk's job in an Independence bank. It was there, shuffling through the paperwork of loans and oil leases, that he took a genuine interest in the budding Kansas industry. Groundwork had been laid during his college years when he spent summers working in the oil fields.

Victor Murdock, publisher of The Wichita Eagle, once tried to interest Landon into coming to Wichita and starting a law practice, but the young man would have none of it.

"I liked the outdoor life more, I think, than I did the concentration of being a lawyer," he commended years later.

The truth is he was hooked on the oil business. The romance, the mystery and the challenge of finding oil in undeveloped areas intrigued Landon.

While still at the bank, he began acquiring his first oil leases. By 1911, he had quit the bank and gone into the business on a full-time basis.

His start was slow and frustrating. It wasn't until his 15th attempt to bring in a producing well that he hit a sizable discovery on a 160-acre tract in what had been Oklahoma's Indian Territory. He was on his way.

This was a good time to be breaking into the oil business. Oil has been discovered in Pennsylvania in 1859, but it was not until after the 1890's, when the American automobile industry took hold, that exploration spread westward on a major scale.

Landon's father was in the first wave of people who washed over Kansas, Oklahoma and Texas in search of oil and natural gas.

This also was a bad time to be breaking into the oil game. Just about everyone in the business was at the mercy of Standard Oil and several major oil companies that were to form after a federal court broke up the monopoly enjoyed by the Rockefeller family.

The big companies, Landon said, made the independent producers drill or refused to run their oil. They built huge tank farms in southeast Kansas where they stored the oil. When the tanks were full, they would start cutting prices.

Independents would go broke and the majors would buy up their leases. Then, the cycle would start over again.

Landon was able to hold on to his leases and, as his stature in the oil business grew, so did his stature in state politics. Again, it was the influence of his father who guided him into politics.

John Landon had been a leader of the progressive wing of Montgomery County's Republican Party. As a Teddy Roosevelt delegate to the 1912 national GOP convention, he walked out with Roosevelt to form the Progressive Party when the convention nominated William Howard Taft.

The younger Landon became Progressive Party chairman in his home county. He aligned himself with Murdock, White, Arthur Capper and Henry J. Allen, all newspaper publishers who supported Roosevelt. They returned to the Republican fold in 1916 to support Charles Evans Hughes.

"We were the wild men those days," Landon said.

Allen won the Kansas governor's race in 1918, and Landon served for a time as his executive secretary and a member of his advisory group.

Ten years later, Landon managed the campaign of Parsons publisher Clyde M. Reed in the Republican governor's race. When Reed won, Landon was named state GOP chairman. The cantankerous Reed kept the Republican political pot boiling most of the time and kept Landon busy putting out brush fires within the party.

His frequent trips to Topeka had their reward, however. During this period, he met and married Theo Cobb, daughter of Sam Cobb, a prominent capital city banker. In January 1987, they marked their 57th wedding anniversary.

It was Landon's second marriage. In 1915, he had married Margaret Fleming of Oil City, Pa. She died three years later while vacationing in Colorado. A daughter of that marriage, Margaret Anne, now Peggy Mills of Topeka, was born in 1917.

Five days before Landon won the GOP nomination for governor in 1932, his wife presented him with their first child, Nancy Josephine. Forty-six years later, Nancy Jo would make her own political debut, this time as a successful candidate for the U.S. Senate.

A son, John Cobb, was born in 1933. He is an insurance man in Colorado Springs.

Throughout their married life, Theo Landon left political activity to her husband while she administered to the needs of their children and kept "things running smoothly" around the home.

An accomplished harpist and pianist, she abandoned a future in music to concentrate on being a full-time wife and mother.

When Gov. Reed lost his re-election bid in 1930, a good many Kansans thought Reed and Landon were washed up in state politics.

But the big oil companies, up to their old tricks, shoved Landon back into the spotlight and paved the way for him to become the party's nominee for governor in 1932.

With big discoveries of oil in Texas, Kansas prices dropped from a high of $2.31 a barrel to as low as 25 cents.

In December 1930, the Prairie Oil and Gas Co., a subsidiary of Standard Oil Co., announced it was going to cut independent producers from its pipeline.

Landon stood among the front ranks in the fight for continued pipeline service, knowing that the economy of southeast Kansas depended on keeping it in operation.

In a series of newspapers stories, Landon attacked the major oil companies until the president of Standard Oil of Indiana answered him in such a way that Landon could focus his fire on him.

"You can't call 10 or 12 fellows sons of bitches effectively; you can only call one," Landon explained years later.

When Standard sent a vice president to talk to Landon in the hope of conciliating the upstart, Landon told him, "I know you (alone) are not to blame but when a man's drowning, he doesn't stop to think who's to blame. He grabs the first tub that comes by he can hold on to.

"I'm going to pull your hair, throw all the dirt at you I can, kick you in the groin until you settle this."

Landon was as good as his promise. As chairman of an oilmen's committee, he got the governor's office and the Kansas congressional delegation involved and brought pressure on President Hoover to urge Standard Oil to settle the dispute. He also encouraged Kansans to boycott Standard and Shell gas stations. Eventually a compromise was worked out.

A representative of Standard Oil would tell him later that the boycott had reduced Standard's business in Kansas by 26 percent in the first 60 days.

"That shows the power of publicity when you know how to use it," the governor chortled.

His leadership of stripper well producers had not gone unnoticed by farmers who were on the verge of losing their farms and businessmen in fear of losing their livelihood.

When Landon's name was mentioned as a possible candidate for governor, he gave the idea no encouragement. "I just let it grow," he said.

Once the campaign was launched, Landon conducted a thorough grass-roots effort, visiting every county and stressing the need for unity if the party was to defeat Democratic Gov. Harry Woodring.

Besides his old friends from the Progressive Party days, Landon's campaign brought in other Kansans whose political careers benefits from the experience.

Frank Carlson, a Concordia farmer who later became a state legislator, congressman, governor and U.S. senator, served as his campaign manager. William Smith, attorney general during Reed's first term and later a state Supreme Court justice, was a key adviser.

Much of the 1932 campaign funds came out of Landon's own pocket.

"In 1932 . . . you didn't raise any money. Nobody had any money."

His primary victory came easily. He won by more than a 2-1 margin over Lacey Simpson, the favorite of the party's conservative wing.

For the general election, Landon had to contend not only with Woodring but also with John R. Brinkley, the notorious doctor from Milford whose surgical skill was sought by men around the world on the theory that a goal gland transplant would improve their sex life.

Brinkley had come in third in the 1930 governor's race. Some said it was only because he was too late to get his name on the ballot and was forced to conduct a write-in campaign.

Aided by a well-planned campaign over a radio station he owned, Brinkley attracted 183,178 votes in 1930, undoubtedly giving the victory to Democrat Woodring by taking votes away from Republican Frank Haucke. Woodring's victory margin was a mere 251 votes.

The 1932 campaign was close down to the wire. In the Griffin-McCoy interviews, Landon revealed one deceptive tactic that helped him win the election.

On Election Day, the Democrats, he said, had bought radio time to run fake election returns in an attempt to show that the battle was between Woodring and Brinkley. Landon always ran last in these returns. People who wanted desperately to beat Brinkley, the Democrats thought, would decide their best hope lay with Woodring.

Legitimate election returns began to show the Democratic strategy was taking hold.

To counter the move, John Hamilton of Topeka, a former Republican House speaker, bought radio time and read other false returns giving Landon the lead, hoping the same psychology would serve to defeat Woodring.

"He (Hamilton) stopped that slide. If that slide hadn't stopped, Woodring would have been elected," Landon said.

Landon won, but not by much. He topped Woodring, 278,581 to 272,944, Brinkley was close behind with 244,607.

For his help, Landon saw to it that Hamilton became GOP national committeeman for Kansas.

Inauguration brought with it the miseries of the times. Landon's office was jammed with job seekers every day for the first two months of his first term.

Although he could not promise all of them jobs, he never left the office until he had shaken hands and thanked each one for his help in the campaign. "It was a harrowing experience," he recalled.

During the Depression years, government leaders were called upon to take action in a multitude of areas and to do it quickly.

Landon is remembered for calling five special sessions of the Legislature, more than any other governor in the state's history.

On top of his other troubles, the Finney bond scandal broke early in August of his first year in office.

The scandal came to light when a federal bank examiner found irregularities in the state treasurer's office. Treasurer Tom Boyd had allowed Ronald Finney, son of prominent Emporia businessman Warren Finney, to take $150,000 worth of state school bonds, out of the treasurer's office.

Finney had duplicates made and used funds secured through them to buy properties all over Kansas. Another $300,000 in fake bonds were found in the treasurer's office as security for state funds deposited in three banks, two owned by the elder Finney and one by Ronald Finney's uncle. A total of $900,000 of the fraudulent bonds was found in circulation.

As soon as word reached his office, Landon called the state adjutant general but found he was with a National Guard unit at Fort Riley. Given the names of a lieutenant and a sergeant who had stayed at their civilian jobs in Topeka, Landon stationed them in the state Capitol, not even allowing them time to go home and put on their uniforms.

"Just strap a couple of guns on your belt," they were told.

The lieutenant guarded the door of the treasurer's office and the sergeant stood watch over the treasurer's vault. Everything that went in or out had to be strictly accounted for.

Landon appointed Hugo Wedell, later to become a state Supreme Court Justice, to be special prosecutor to assist the Shawnee County attorney with his investigation.

Of the five special sessions of the Legislature called by Landon, one was to have impeachment hearings for the state treasurer, state attorney general and state auditor.

The treasurer was convicted and served six years in prison. The attorney general and auditor were acquitted but were not re-elected in 1934.

Ronald Finney served 11 years of a 31-year sentence. His father committed suicide rather than go to prison. His secretary also served a prison sentence.

Landon's actions saved his administration from embarrassment and from retribution from the voters at the next election.

He won a second term more easily even with Brinkley again in the race. This time, Landon virtually ignored the goat gland doctor and concentrated on the state's economic issues.

Because Landon was bringing Kansas through the ravages of the Depression and the Dust Bowl days and had won his battles with the big oil companies. Richard Lloyd Jones, publisher of the Tulsa Tribune, began making public comments touting Landon as a candidate for president.

Jones convinced Frederick Palmer to write a book about the governor, titled "This Man Landon."

Another biography, "Deeds, Not Deficits, the Story of Alfred M. Landon," was written by Richard B. Fowler of the Kansas City Star.

William Randolph Hearst dispatched one of his top writers, Adela Rogers St. John, to interview Landon for Good Housekeeping magazine. In her article, she called Landon, "a modern miracle man, no less."

Landon for President clubs soon began forming in Kansas and Missouri, but it was not until October when a small group of men met in Kansas City that an organized campaign started taking shape.

At this meeting were Oscar Stauffer, publisher of the Arkansas City Traveler; Fred Brinkerhoff, publisher of the Pittsburg Headlight; and Roy Roberts, managing editor, and Lacy Haynes of the Kansas City Star.

Brinkerhoff said Gov. Landon came to the meeting from a football game at Lawrence where KU had taken a beating. For more than an hour the conversation centered on the game before it turned to politics.

### Dad's Surprised at Her, Kassebaum Says

To even a casual observer, Sen. Nancy Landon Kassebaum reflects here mother's social graces and the political acumen and interest in world affairs of her father, Alf Landon.

"Dad and I would agree on most foreign policies and, probably, on most political issues," the senator said in a recent interview.

"Where we would disagree is more on the mechanics of politics. I could never bear a grudge as Dad has done. He really played hardball politics. That's just not my disposition."

The grudge she mentioned involved differences with Frank Carlson and Harry Darby, both later U.S. senators, over getting Gen. Dwight Eisenhower to run for president. Landon favored Sen. Robert Taft.

"The reason Dad faulted Gen. Eisenhower was because he was not a politician. He really had not been a Republican," the senator explained.

Landon, who had attended the 1940, 1944 and 1948 conventions, lost a delegate battle to the Carlson-Darby faction in 1952.

"So I don't know how much of that was Dad believing Eisenhower was not going to be good for the Republican Party and how much of it was, at that time, sheer party rivalry. He lost, and he carried that grudge for a long, long time."

Landon demanded a respect for politics and public service, she said.

"Going back to my college days, I can remember when I would become cynical about this or that (in politics)," the senator said. "He would not want to hear one word of a cynical point of view.

"He felt one should respect those who were in—certainly, the office of the president, whether you agreed or not—and believed that people should get involved in public service. I do share that respect."

The senator also shares his belief that politics can be an honorable career. But change that to read "an honorable calling," she quickly added.

The two-term senator has waffled on questions about running for another term and isn't ready to think in terms of a political career.

Kassebaum said she doesn't receive a flood of letters from her father/constituent, as some might suspect. He has never questioned a stand she has taken, and rarely does he offer advice.

"Oh, the one thing he has said is not to get too far from my president," she said.

With a chuckle, Kassebaum added that she isn't quite sure if her father's restraint is based on his doubt that a woman can do the job of a senator or that she is doing all right without his coaching.

"While he says he's not surprised at my doing this, he, I'm sure, is very surprised."

It was her mother, not her father, who encouraged her to run for the U.S. Senate.

Two things, she said, have dominated her father's life—politics and the oil industry.

"Periodically, he would go through spells of believing he needed to set some guidelines as a father."

One of her favorite stories is about the night when she was either a junior or senior in high school and her date was fudging the deadline for bringing her home.

"As we drove up, Dad was standing right at the end of the porch. He loved to wear his old World War I Army coat when it was cold. If that wasn't an intimidating sight! That was the last time I ever went out with that young man.

"In a way, it wasn't typical, just one of Dad's phases when he thought he had to enforce the rules."

As a father, Landon was more removed from the daily routine of raising a family, she said.

"And I don't think he was terribly understanding of all the sensitivities of raising a family, either from mother's standpoint or from ours," Kassebaum said.

"I understood it and let it roll off me, but it was a lot harder for my brother.

"You could just get so annoyed. Of course, he had quite a temper. He never hesitated to say what he thought, and sometimes in a very excessive way. But he would do that, and then it would be gone. With the family, he always wondered why everybody else didn't forget and let it go."

Landon's saving grace, she said, was his keen sense of humor. He could use it to defuse a tense situation.

Equally impressive, she said, was his great love of Kansas, even though he spent the first 17 years of his life in Pennsylvania and Ohio.

"For Dad, Kansas was a kind of be-all and end-all. It was terribly important to him. He never understood why anybody would necessarily want to leave Kansas."

He soon earned a national reputation as a maverick within his party, a reputation he already enjoyed within the state, but he became more critical of Roosevelt's policies the longer the Democrat remained in the White House.

When Harry S. Truman succeeded Roosevelt, Landon often rankled Republicans by supporting Truman policies. He approved of Truman's initiatives in Korea but differed with him over the firing of Gen. Douglas MacArthur.

In 1948, he remained loyal to the Republican Party, supporting New York Gov. Thomas Dewey for the GOP nomination after the party's vain attempt to get Gen. Dwight Eisenhower to become a candidate. By the time Frank Carlson, then a U.S. senator, convinced Eisenhower to run in 1952, Landon's support had waned for placing a military man in the White House. It caused a falling-out with state GOP leaders, a grudge Landon carried for many years. He maintained only a lukewarm relationship with the Eisenhower administration.

Landon made it a habit to favor presidents and presidential candidates who had a global perspective, who made or recommended bold strokes in international politics. For this reason, he could support Democrats Roosevelt and Truman and Republicans Richard Nixon and Nelson Rockefeller while differing with them on domestic policies.

As early as 1948, he advocated China's admission to the United Nations. It is better, he reasoned, to talk out differences than to shoot out solutions.

Nixon's dramatic trip to Peking and his invitation to Japan's Emperor Hirohito to visit the United States won Landon's approval.

In 1972 as Landon was being hailed as a distinguished senior statesman and a great American at the GOP National Convention, he lauded Nixon and concluded, "One good term deserves another." This was an acclamation he would regret.

Landon was not one to deny the rough and tumble character of partisan politics, but for a president to dishonor himself in the base power plays of Watergate was repulsive to him.

The primary lesson of Watergate, he would say later, "is how presidential arrogance rises as power accumulates."

Displaying his independent credentials, he broke with his own party over its 1958 drive for a right-to-work amendment to the Kansas Constitution and again in the 1970s when the national party opposed the Panama Canal treaties.

A pet topic of his during the 1970s was the energy crisis. From a wealth of experience, he could criticize government policies toward the oil industry while lambasting Americans as gross wasters of energy.

Whenever major world events occurred or elections hovered close, newsmen from virtually around the world would seek out the elder statesman in Kansas for his candid comments.

Many a strategy session has been held in his home when state politics took a turn he opposed.

Above all, Landon has resisted labels. Consistency is not a hallmark honored by him unless it buttresses the integrity of a man's word or the concept that government should be a pay-as-you-go system, or that every man should do an honest day's work.

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### A Landon History

1887—Born West Middlesex, Pa., on Sept. 9.

1904—Moved to Independence, Kan.; entered the University of Kansas.

1908—Graduated from KU law school; began working in bank.

1911—Left Independence bank to enter oil business.

1912—Active in Progressive (Bull Moose) Party.

1915—Married Margaret Fleming of Oil City, Pa.

1916—Returned to Republican Party.

1917—Daughter Margaret Anne born on April 8.

1918—Wife died; entered Army as first lieutenant.

1922—Served briefly as secretary to Gov. Henry J. Allen.

1928—Named GOP state chairman after managing Clyde Reed's campaign for governor.

1930—Married Theo Cobb of Topeka on Jan. 15.

1932—Daughter Nancy Josephine was born July 29; nominated and elected governor.

1933—Son John Cobb born on Dec. 28.

1934—Re-elected governor.

1936—Nominated by the GOP for president of the United States.

1937—Built Topeka home; pursued oil business.

1938—Appointed by President Franklin Roosevelt to U.S. delegation to Pan American Conference in Lima, Peru.

1947—Purchased radio stations in Liberal, Leavenworth and Denver.

1952—Purchased radio stations in Topeka and Dodge City after selling Denver and Leavenworth stations.

1966—Inaugurated Landon Lecture Series at Kansas State University.

1972—Honored at GOP National Convention as party's Distinguished Senior Statesman.

1976—Attended GOP National Convention in Kansas City to introduce Sen. Bob Dole as temporary chairman.

1978—Kansas Legislature designated Sept. 9 as Alf Landon Day.

1980—Introduced his daughter, Sen. Nancy Kassebaum, by videotape as temporary chairwoman of GOP National Committee in Detroit.

1983—Fell and broke his right hip; hospitalized for two months.

1987—Former Santa Fe Railway's Topeka headquarters renamed Alfred M. Landon State Office Building after its purchase by state; arena in new Expocentre in Topeka named Landon Arena.

1987—President Reagan visits Landon at his home three days before his 100th birthday.

[From the Kansas City Times, Sept. 9, 1987]

### Landon, 100 Today, Is Proud of Life, Full of Hope

Topeka.—Alf Landon, who turns 100 today, said Tuesday that he has one message for Americans: This still is a great country full of opportunity for all.

Landon will spend his birthday more quietly than he spent Sunday, when President Reagan and first lady Nancy Reagan came to Topeka to pay tribute and help Landon blow out a single candle on a birthday cake shaped like an elephant, the GOP symbol.

However, Landon's actual birth date will not go unnoticed. He is expected to receive a call from Vice President George Bush, and an old political antagonist may drop by.

Hamilton Fish, once a New York congressman who opposed Landon's bid for the Republican nomination for president in 1936, was expected to visit Landon at his home in northwest Topeka. Fish will be 99 in December.

U.S. Sen. Nancy Landon Kassebaum, Landon's daughter, will deliver a Landon Lecture at Kansas State University in midmorning, and a videotape of her speech will be brought to Topeka for Landon to watch in early afternoon.

Landon also may go to lunch with friends at a restaurant near his home.

The only public event planned on his birthday is a party with free ice cream, cake and punch in nearby Gage Park, sponsored by him and state Republican officials from noon to 2 p.m. Guests will sign a large birthday card to be delivered to the Landon home.

On Tuesday the former Kansas governor reflected on Sunday's events and answered a few questions.

"I just want people to know what a great country we have here, and that so much of it is still undeveloped," he said. "There is still great opportunity here for people."

Since losing the presidency 51 years ago this fall to Franklin D. Roosevelt, Landon said, he has devoted his life to speaking out to stimulate public debate on issues he thought needed attention.

"I'm proud of my activities," he said. "It meant no personal benefit to me, but I've tried to call attention to problems and sometimes offer possible solutions. Yes, I'm proud of the role I've filled."

Landon said he had high regard for the job Reagan has done as president.

But he said he expected an interesting race for the Republican presidential nomination in 1988.

"I think it's too early to pick a winner," he said. "But I predict it's going to be entertaining. I don't want to miss it."

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[From the Kansas City Times, Sept. 9, 1987]

### Happy Birthday, Alf

The longevity of Alfred Mossman Landon is remarkable. But what his fellow citizens should prize on Landon's 100th birthday anniversary is his enduring representation of what is best in the Republican Party and, beyond that, his gift to the two-party system.

His graceful acceptance of fate has been important to American politics. Landon tricked history. Long ago he turned the 1936 presidential defeat into a personal victory. He demonstrated to all who followed that a crushing loss in politics does not have to be a disaster in life. (There have been some big losers since then, a couple of Democrats, George McGovern and Walter Mondale, among them.)

It would have been possible for Landon to have lapsed into bitter denunciation of all things Rooseveltian 50 years ago. He filled the role of discerning opposition, but never sought to polarize opinion. Landon was influential in moving his party out of stagnant isolationism and into acceptance of an inevitable federal presence in the affairs of the country. He gave a special meaning in the party to the phrase "Kansas Republican." That might have been expected of an old Bull Mooser.

Kansans old enough will remember he was that kind of governor. He came to the Statehouse in Topeka at the bottom of the depression and in the midst of drought and dust storms. In those four years—even with time out for the presidential campaign—he left the example of a state that was progressive in law, education, governmental reform and human concern.

Mr. BYRD. Mr. President, I wish to join with the distinguished Republican leader in his words with respect to Alf Landon.

Alf Landon is a great American, a great Kansan, a great leader of his party.

I can remember that race back in 1936. I had just graduated from high school in 1934, and I was working as a produce salesman in the coal mining community of Stotesbury.

The psalmist says:

> The days of our years *are* threescore years and ten; and if by reason of strength *they be* fourscore years, yet *is* their strength labour and sorrow; for it is soon cut off, and we fly away.

Alf Landon has stretched his years far beyond the promise of the psalmist. The Lord has been good to Governor Landon. And the Lord promises that we can all stretch out our span, that it is within our own hands to extend our lives and to make them longer.

Although I do not know Mr. Landon personally, I have a feeling that he has read the scriptures and has acted accordingly. I think that has to be evidenced by the fact that he has reached that goal that not many men or women reach, that of living for a century. Is that not remarkable? One hundred years! Think of it.

So, Mr. President, we all know that he is proud of his illustrious daughter who is speaking today, as the Republican leader has said, in the State of Kansas—speaking in honor of her father. I know that she does so with great pride.

We are all very fond of Nancy Kassebaum. She is a magnificent legislator and on this day of her father's 100th birthday, I join with the Republican leader and our colleagues in paying our respects to her father and wishing him many, many more happy returns for the day and more happy birthdays.

Mr. STENNIS. Mr. President, I ask recognition for only 1 or 2 minutes in order to meet the situation here timewise of the leader.

But I am very glad indeed to be present today to hear the tone and the meaning of the tribute paid to these two splendid characters, Nancy Landon Kassebaum and Alfred Landon, who have meant so much indeed to the welfare and strength and also the integrity of our great Nation.

I remember Governor Landon's race for the Presidency and I remember the high esteem and respect that the Governor had in the election throughout the Nation not just by States, by Party tickets, so called, but by force of his character, honor, and ability. I include him among the best.

In later years I had the great privilege, and still have the privilege to be here and serve with his daughter, Mrs. Nancy Landon Kassebaum.

I mean every word of that tribute—Senator Kassebaum is a great asset to the Nation, and a tremendous asset to this body, to this Senate, and to the things she stands for and the work she does, including the character and honor and respect that she carries.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 280) was agreed to.

The preamble was agreed to.

The ACTING PRESIDENT pro tempore. The minority leader.

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## BICENTENNIAL MINUTE

### SEPTEMBER 9 (OCCURRED SEPTEMBER 6, 1968)

### SENATOR SMITH MISSES ROLLCALL VOTE

Mr. DOLE. Mr. President, 19 years ago this past weekend, on September 7, 1968, the New York Times ran a story under the headline "Mrs. Smith Misses a Vote." The fact that the "Mrs. Smith" was Senator Margaret Chase Smith, of Maine, and that the second line of the headline read, "First Time in 13 Years," makes this small, inside story one of historical interest. Senator Smith had indeed not missed a rollcall vote since 1955. During the intervening 13 years, she had cast 2,941 consecutive rollcall votes, a record at the time. I must say that my colleague from Wisconsin, Senator Proxmire, currently holds the record of 21 years.

Senator Smith missed the vote in 1968 because she was recuperating in a New York hospital from an operation for an arthritic condition, as the Senate voted on amendments to an appropriations bill. That, she conceded, was a good excuse. But the fact still rankled that on the way to a record in 1955, she had missed the earlier vote. On that occasion, assured that there would be no rollcall votes, she had gone to New York to accept an honorary degree from Columbia University. She returned that same afternoon, only to find she'd missed a vote by 30 minutes.

Margaret Chase Smith began her political career in 1937 as an aide to her husband, Congressman Clyde Smith. In 1940, upon his death in office, Mrs. Smith was elected to complete his term and won reelection to the House three times. When she was elected to the Senate in 1948, Mrs. Smith, a Republican, became the first woman ever elected to both Houses of Congress. Her 24 years of Senate service from 1949 to 1973 is a record among women Senators.

Throughout her political career, Senator Smith's major interest was military affairs. She was best known, however, as a consistent critic of bigotry and injustice. Her courageous 1950 "declaration of conscience" Senate floor speech, condemning McCarthyism, remains a classic today. Leaving the Senate in 1973, Senator Smith began her current career as educator and writer.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## NUCLEAR WASTE

Mr. REID. Mr. President, I want to take a few minutes of the Senate's time today to continue my discussion of the nuclear waste problem.

"I Love New York," is the catchy slogan our great neighbor to the north uses to beckon tourists to visit the myriad of vacation spots they have to offer. A side benefit is to entice business to relocate in one of the many sections of the State. The slogan is an outward manifestation of the caring and sharing that New York exhibits toward visitors.

Throughout this century many have visited New York and availed themselves of this well-known hospitality. They have shared in the rich heritage of natural resources of which New Yorkers are so proud and have taken away fond memories while leaving the surroundings for others to enjoy.

One visitor, however, came to the beautiful woods and waterland area of Allegany County in western New York and, after breathing in the fresh scent of the pines and experiencing the cool waters of the lakes and friendliness of the local citizenry, decided to stay. This visitor became a resident of the town of West Valley, a rural community of some 350 people, an easy drive 35 miles south of Buffalo, the second largest city in New York. Now a resident, this interloper has taken steps to ensure that its progeny will be an integral part of the West Valley landscape for many generations.

This visitor, resident, interloper is nuclear waste.

At West Valley, NY, there is stored over 600,000 gallons of high-level radioactive waste, most of which is contained in an underground carbon steel tank enclosed in a concrete vault. A second tank contains 11,000 gallons of this highly toxic waste, 90 percent of which is liquid with the remainder being sludge. This waste, as well as over 2 million cubic feet of buried low-level radioactive waste, is what remains of the only commercial nuclear fuel reprocessing facility ever operated in the United States. Another legacy left to us by a failed nuclear technology.

During the early years of nuclear power, all things seemed possible. The rationale for commercial spent fuel reprocessing seemed especially so. In a nutshell, during the fission process in a nuclear reactor the manmade element plutonium is formed. As an alternative to storing or disposing of the spent fuel rods at the end of their usefulness, adherents of the day dreamed of extracting the plutonium and any unused uranium from the rods for reuse in new fuel rods. These planners hoped that such reprocessing would enable the domestic nuclear industry to save between 20 and 35 percent of the uranium used, thus stretching the supply.

On June 13, 1963, New York Governor Nelson Rockefeller officiated at the opening of the West Valley facility and, as he spoke, I am sure that the nuclear age he foresaw was very different from the one with which we now face. The then promising technology of commercial spent fuel reprocessing was to be run by a newly created private entity, Nuclear Fuel Services, Inc., a subsidiary of W.R. Grace Co.'s Davison Chemical Co. In 1966, the plant began receiving and reprocessing civilian spent fuel but since there wasn't enough to keep the plant operating, a Government bailout of sorts was worked out for the plant to reprocess wastes from the defense nuclear industry. Specifically, wastes were shipped across country from the Government-owned N-reactor in Hanford, WA.

Even with this influx of Government capital, plant operations soon proved to be a perennial money loser. In 1969, Davison Chemical sold nuclear fuel services to another familiar face, the Getty Oil Co. Ever increasing Government safety standards forced extensive and expensive changes. As the standards increased, so did the cost of operation until finally all reprocessing stopped in 1972. The burial of wastes, however, continued. One of the main reasons for the shutdown was the sloppiness of the operations. In fact, operations were stopped to decontaminate the plant since radioactivity had found its way into places that it wasn't supposed to be. In the meantime, the often rumored horror stories of plant mistakes resulting in airborne and water releases of radioactivity as well as worker exposures began to be substantiated.

One accident involving the low-level waste at the site spread radioactivity into Cattaraugus Creek which flows into Lake Erie, from which the city of Buffalo obtained its drinking water. Other accidents were more minor but nonetheless upsetting to those living near West Valley.

The shutdown of the plant, coupled with the ever mounting concern about the wastes, led Nuclear Fuel Services to wash its hands of the facility, leaving it to the Department of Energy to solve the problem. It wasn't until 1982 that the Department of Energy commissioned a division of Westinghouse, the West Valley Nuclear Services Co., to vitrify or turn into glass the high level liquid waste stored there and to conduct decommissioning and related activities. That process is still ongoing and will take many years to complete, again at a cost to the Government and the taxpayer of more than half a billion dollars.

Finally, Mr. President, I would like to point out that at an early meeting between Nuclear Fuel Services and the Atomic Energy Commission staff, the company extolled the virtues of the "extremely favorable geologic conditions" of the sparsely settled West Valley. Yet just a few years later when the plant was being shut down the company stated that the singlemost overpowering regulatory change that jeopardized the licensing of future operations was the drastic increase in the seismic criteria for the site. More improved and more extensive studies had indicated that larger, more intense earthquakes could be predicted that would imperil the integrity of the waste storage tanks. These assurances seem all too familiar to me as a Senator from a first-round high-level radioactive waste repository State.

Mr. President, the purpose of this discussion is to provide another example of how the problem of nuclear waste disposal again and again proves more intractible than either industry or Government specialists predict. Quite simply, we don't know the answers; and, in my mind, that makes it a mistake to rush into a decision on where and how permanently to store high-level nuclear waste. I intend to slow this blind, headlong rush toward another ill-conceived panacea for covering up one of our societal mistakes so that my fellow Senators will have enough time to give this vital issue the careful consideration that it deserves.

Thank you, Mr. President. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REID). Hearing no objection, that is the order. The Senator from Rhode Island is recognized.

## EXECUTIVE SESSION

Mr. PELL. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the nomination of Melissa Wells to be Ambassador to Mozambique under the time agreement previously entered into by the majority leader.

The PRESIDING OFFICER. Under the previous order, the remainder of the time until 12 noon will be in executive session. The time will be evenly divided between the Senator from Rhode Island [Mr. PELL] and the Senator from North Carolina [Mr. HELMS]. The clerk will report the nomination.

## DEPARTMENT OF STATE

The legislative clerk read the nomination of Melissa Foelsch Wells to be Ambassador to the People's Republic of Mozambique.

Mr. PELL. Mr. President, Mrs. Wells, the administration's nominee to be Ambassador to Mozambique, is a career Foreign Service officer who served as our Ambassador to Guinea-Bissau and Cape Verde. She was the U.S. representative for the U.N. Economic and Social Council, and since 1979 has been on loan to the U.N. Development Program. She was the UNDP's first permanent representative in Uganda and Director of Impact, a worldwide UNDP program.

The Foreign Relations Committee approval Mrs. Wells' nomination on March 31, many months ago now, by a 16-to-3 vote. On May 1, the Senate began consideration of her nomination. Unfortunately, some of my colleagues on the other side of the aisle who disagree with the administration's policy toward Mozambique have indicated they intend to hold up this nomination. I believe that the administration is on the right course vis-a-vis Mozambique and that we should proceed with consideration of this nomination.

Mrs. Wells is a fine candidate for the job. She has an outgoing personality and considerable experience in Africa and I am confident that Mrs. Wells will undertake the new responsibilities with enthusiasm and professionalism.

The post which Mrs. Wells is eager to fill—and the Department is eager to have her fill—has been vacant since mid-February. It is time to fill it.

I yield as much time as he might desire to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. CRANSTON. I thank the distinguished chairman of the Foreign Relations Committee.

I am delighted to have this opportunity to speak on the Wells nomination. The effort to block this nomination makes this matter relevant to far more important matters than the nomination of Melissa Wells, who herself is highly qualified to be Ambassador to Mozambique. Other matters, especially terrorism and the United States stance on terrorism, have become involved in the consideration of this nomination.

I am greatly concerned that some Senators are seeking to block the confirmation of Melissa Wells, the administration's choice to be Ambassador to Mozambique. I think the actions of these Senators ill-serve our national interests.

Melissa Wells is highly qualified to be an excellent Ambassador to Mozambique. Her nomination was endorsed by the Senate Foreign Relations Committee by a 16-to-3 vote and she has the full support of the Reagan administration. To engage in further delaying tactics to oppose Mrs. Wells' confirmation, as some Members of this body are doing, jeopardizes not only United States relations with Mozambique but the future of United States relations with many other nations of southern Africa. Even worse, it jeopardizes the effort of this country to lead other nations against terrorism, one of the gravest threats of our time to our country and to people everywhere and indeed to civilization.

Some Senators would like to use this nomination to force the Reagan administration to recognize and deal with and even give aid to the terrorist Renamo resistance movement in Mozambique. I ask, How can we lead in seeking to stop terrorism if we are to back, as some Senators would have it, a terrorist organization?

Renamo is not a pro-Western indigenous political movement. It is a South African-supported guerrilla band that terrorizes the civilian population, kidnaps and kills foreigners, and attacks economic targets to destabilize the country. It has little popular support.

NBC News, the wire services, and the Washington Post all reported in mid-July on the massacre of nearly 400 people, primarily civilians in a Renamo raid. According to a number of reliable news reports including NBC cameras on location interviewing survivors, Renamo gunmen crept into the village in the dead of night and shot or hacked to death women and children in their beds in a hospital. Are these the kinds of people we want to help so badly that we will continue to prevent the appointment of Ambassador Wells? I would respond that we have an obligation to work for peace and stability in southern Africa, not promote terrorist movements.

Our ambassadorial post in Maputo has been vacant for nearly 6 months now. If the United States is to help anyone in Mozambique or to have any real influence in Mozambique or even know what is really going on there, we must approve this nomination without further delay.

Mr. President, we have in the Wells nomination yet another case of a small group of Senators setting themselves up as a self-appointed "anti-Communist truth squad"—I put that in quotes because it is not a genuine description of their activities—opposing the Reagan administration. Absurdly asserting that Ronald Reagan lacks anti-Communist credentials, they take hostage nominations to key Foreign Service posts forcing nominees to pay obeisance to their extreme views.

The United States has no business currying favor with a band of terrorists like Renamo. Are we to support every group of self-appointed executioners that springs up abroad, if only they call themselves freedom fighters and the people they are shooting believe in communism? Are we to cast our lot with the military adventures of racist South Africa? Wisdom—and U.S. national security interests—say no.

Finally, I want to say a word about the July massacre in Mozambique. A number of Western reporters and camera crews traveled to the area. At least one American missionary who survived the attack was interviewed on camera. Each of these reports made clear that the massacre was perpetrated by Renamo. Yet, in truly Orwellian fashion, we have Members of the U.S. Senate standing on the floor of this body suggesting that since the massacre occurred in a country ruled by Communists, Communists must have been responsible for it.

President Reagan has asked for the Senate's support for the nomination of Ambassador Wells to be U.S. emissary in Mozambique. There is no good reason to hold her nomination hostage any longer. There is no good reason to press the United States to support terrorist Renamo thugs who perpetrate random acts of violence. I strongly urge my Senate colleagues to reject the illogic of those who are holding up the Wells nomination, and to cast their votes for cloture and then in favor of her confirmation.

Mr. PELL. Mr. President, I should like to compliment the Senator from California on his thoughts and his words.

Speaking as a former Foreign Service officer—and I believe I am the only one in the Senate—I can vouch for the fact that Foreign Service officers find themselves inhibited, worried, and concerned that positions taken on behalf of one administration may be held against them when another administration follows, or that their nominations can be held hostage, as the Senator from California pointed out, for the implementation of a policy on a much broader scale than concerns them.

This worry and fear will produce a regiment of mice, not men, if we are not careful.

So far, Foreign Service officers are holding up pretty well. However, if this policy of holding up nominees as hostages, continues, it will in my view have a deleterious effect on the morale and the performance of our Foreign Service officers in the field.

Mr. CRANSTON. Mr. President, I thank the distinguished chairman of the committee for his remarks and for his compliment about my remarks.

I join in expressing his concern about yet another aspect of the blocking of this nomination—the threat it poses to professionals in our Foreign Service, the threat it poses to effective U.S. diplomacy. If nominees who are highly qualified are subjected to this sort of attack and have their nominations blocked for such extraneous and extreme reasons, the conduct of our foreign policy and our ability to have in its conduct the best possible people is gravely threatened.

I know that the distinguished chairman of our committee has a long record in support of bipartisan professionalism in the Foreign Service, and I compliment him for adding that very important point to this debate.

Mr. PELL. Mr. President, I suggest the absence of a quorum, the time to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I yield 5 minutes to the Senator for Illinois [Mr. Simon].

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. SIMON. I thank my colleague, the distinguished chairman of the committee, for yielding.

Mr. President, I hope we act on this matter. This is one of the signals that we send not only to our Nation but also to the rest of the world.

There is a very fundamental question at play here: Do we continue to play footsie with the Government of South Africa, or do we make clear to the Government of South Africa that we want change, that we want peaceful change?

South Africa is headed here for unbelievable bloodshed or for peaceful change, and the pressure of the United States of America ought to be there for peaceful change. Melissa Wells happens to be caught in the conflict that is going on in this body over what the course of this Nation is. I do not think there is any resistance to her personal nomination.

Part of the question is, Do we work with the Government of Mozambique? The Government of Mozambique does not have a government that is exactly like I would like to have or you would like to have, but the Government of Mozambique is moving away from being dominated by the Soviet Union. That, it seems to me, is in our interest, in their interest, and in the interest of change in that region. For us to continue to do the wrong things on these symbols is unwise, imprudent, and hurts us in the long run.

One of the lessons of recent history and, really, of all history is that when violence occurs, it cannot be contained often within the boundaries of the immediate location of that violence. We have seen that recently in the Persian Gulf. Basically, the attitude of the United States of America, until not many weeks ago, was: "We don't like the Government of Iran. We don't like the Government of Iraq. Let them go ahead and fight." But you do not know what is going to happen. Thirty-seven American families who had sons on the U.S.S. *Stark* understand the tragedy and the folly of that policy.

Now, we are headed toward violence in South Africa. After spending part of a day with Bishop Tutu, one of the strong messages that he gave to me was there is only one country that can really provide the leadership for peaceful resolution of this problem, and that is the United States of America because of our economic power.

The question here to a very great extent is whether we are going to use that power to move in the right direction.

Temporarily, we are caught up in one nomination as a symbol. Let us resolve this. Let us resolve this symbol in the proper way, so that we do not send the wrong signals to the other nations of the world.

I think we are doing that frankly when we tie up Melissa Wells' nomination. I happen to believe we do that when we aid Savimbi in Angola, joining the Government of South Africa there.

We are sending mixed signals.

The Congress of the United States sent a strong positive signal when we overrode the President's veto on sanctions. Unfortunately, our Government sent precisely the opposite signal when we vetoed a United Nations resolution based on the same kind of sanctions calling on the rest of the world to move. We ought to move. We ought to stand up for the people of South Africa, and one of the places we are going to send that signal, however small it may be, is right now with what we do on the Melissa Wells' nomination.

I hope we do the sensible thing. I hope that we will invoke cloture and move ahead and approve the nomination of Melissa Wells. And then, as a body, people in both parties working together, and as a nation, let us send the strong signal to South Africa that we want peaceful change. Not that we have solved all our problems, but I have lived long enough, Mr. President, longer than you have, and as a Presiding Officer up there, I have seen huge changes in this country, changes for the better. I can remember when we had rigid segregation in much of this country, including parts of my State of Illinois. We are a better, richer Nation for having made the changes.

And South Africa will be a better, richer nation when she abandons apartheid and recognizes that peaceful change must come and all people in South Africa be given an opportunity.

I hope we move and I hope we move quickly, and I am pleased to join the distinguished chairman of the committee, the Senator from Rhode Island, in urging that we act and act favorably on this nomination.

I yield back the remainder of my time, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, the pending nomination of Mrs. Melissa Wells to be U.S. Ambassador to Mozambique stands as a sort of symbol of the State Department's repeated tendency to exclude non-Marxist or anti-Communist political forces for United States policy in southern Africa. I do hope that Senators will vote against the motion to invoke cloture on this nomination not as a vote against Mrs. Wells, but to send a message to the State Department regarding this dangerous and unwise policy.

From every objective account, the Mozambique National Resistance, known as Renamo, is a strong and effective indigenous organization committed to free enterprise and values of the Western World. This commitment has won the hearts and minds of the people of Mozambique with the result that Renamo is dominant in approximately 80 percent of the country of Mozambique. In fact, Renamo has made such strides despite a malicious propaganda campaign by the Washington Post and similar media seeking to portray Renamo as perpetrators of massacres or other atrocities and branding them as "armed bandits."

These charges are false. They are demonstrably false. And yet the liberal media of this country persists in making such outrageous charges.

The most recent evidence of Renamo's pro-American character was illustrated in the statements of the American missionary nurse, Miss Kindra Bryan of Houston, TX. After evacuation from a military war zone, Miss Bryan traveled with Renamo troops for 3 months before reaching neighboring Malawi. This long journey—on foot and at night—was necessitated by the Communist Government of Mozambique's constant refusal to participate in a cease fire that would have permitted a Red Cross plane to fly in to pick her up. Additionally, Communist helicopter gunships attempted to bomb and strafe the areas where Miss Bryan and six other foreigners were believed to be. Miss Bryan noted that the Renamo troops who escorted her to safety—no thanks to Frelimo, or the Communist organization, the government—were "disciplined and well organized" and that they "appeared to have a good relationship with villagers, who in turn seemed to recognize them as the government."

The refusal of the Mozambique Communist government to agree to a cease fire so as to evacuate Miss Bryan by air is indicative of the Communist government's intrasigence. And yet the U.S. State Department will deal only with this Communist Government and will not even sit down and talk with Renamo.

Clearly if there is to be any peace in Mozambique, United States policy must treat Renamo as an equal party to negotiations. A proposal for negotiations between the government and Renamo was recently put forward by Mozambique's Catholic bishops. But the Communist government of Mozambique gave a scornful reply to the bishops' call for negotiations leading to reconciliation, castigating the bishops as "apostles of treason." This is the crowd that the State Department deals with exclusively.

Under these circumstances, the United States should not be sending as an Ambassador to Mozambique a person such as Mrs. Wells, who has adopted as her own the Communist line that the gallant Renamo soldiers are "bandits," a lady who does not carry instructions from the Secretary of State to deal with the most important group supporting freedom in Mozambique, and that is Renamo.

This refusal even to meet with Renamo is all the more inexplicable because of the State Department's ready willingness to meet with the Communist officials of nearby Angola who are trying to crush the anti-Communist forces of Jonas Savimbi. Moreover, State Department officials have met on over 59 separate occasions with officials of the African National Congress, an organization of avowed terrorists whose leadership is controlled by the South African Communist Party and which receives its major financial and military support from the Soviet Union. Why should not the freedom fighters of Renamo be accorded at least the same degree of recognition by the State Department as has been afforded to the Communist officials of Angola and Mozambique and to the African National Congress in South Africa?

And I would remind the distinguished occupant of the chair that the African National Congress, the ANC, is a crowd that advocates and perpetrates the heinous crime of necklacing—putting tires around the necks of people with whom they disagree, filling the tires with gasoline and setting a torch to it.

Until the State Department revises its policy to instruct its officers to meet with Renamo and sponsor negotiations with both sides, the presence of any U.S. Ambassador to Mozambique serves, it seems to me, very little constructive purpose.

Now let me make this clear. I have met with Secretary Shultz on a number of occasions about this matter. Each time I have assured the Secretary that I would assist in speeding the confirmation on the Wells' nomination if this one change in State Department policy toward Mozambique were to be implemented.

The Secretary was adamant. He said, frankly and pleasantly, that "I won't do it." But until it is, I think Senators should join in voting against cloture at this time on the nomination and thereby send a message to the State Department that it is the wish of this Senate, in dealing with matters of this sort in every part of the world, that we negotiate and deal with both sides and not just pick the Communist side for our support, recognition, and cooperation.

Mr. President, the State Department does not seem to be able to get any information about Renamo or MNR in these Portuguese initials. Yet scores of Western journalist have visited Renamo's people, traveled with them and talked with their leaders. A good example of such journalism was published on April 5, 1987, in the Sunday Star of Johannesburg. It should be understood that the Star supports the opposition politics in South Africa. It is not bias toward their policy. Yet these articles give a very graphic and compelling story. The headline tells that story—"MNR: The Slender Hope."

Mr. President, I ask unanimous consent that the articles in the Sun Star be included in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Sunday Star Review, Apr. 5, 1987]

### Full Stomachs in New Ethiopia

(Sharon Behn)

Kilometres of flourishing corn and manioc farms sweeping across the central Zambezia province were an unexpected sight in this south-east African country that international aid organisations have described as a second Ethiopia.

"There is no one dying of hunger in our zones," declared Mr. Alfonso Dhlakama, commander-in-chief of the Mozambican National Resistance (MNR). A four-week visit to rebel-held territory across Zambezia province appeared to confirm his statement.

Oxfam, a Britain-based charity organisation, has said "the situation in Zambezia is terrible", and that millions face starvation in Zambezia and Tete provinces.

The MNR claims that situation exists only in government districts, where war-panicked thousands are stranded in major towns.

But the land here, Mozambique's largest and one of its most fertile provinces, is heavily cultivated.

In addition to the staple corn and manioc, local farms (machambas) cultivate peanuts, rice, beans and pumpkin. Banana, pawpaw, orange and grapefruit trees grow wild.

"As there is no threat of war here, people can plant and harvest in peace," said rebel commander Mr. Joaquim Alface.

"We also encourage them to cultivate their own machambas."

The MNR has fought the Marxist government of Maputo and its allied Zimbabwean and Tanzanian troops almost since the country gained its independence from Portugal in 1975, and has steadily gained control of vast swathes of rural areas.

When the guerrillas take a new area, they move the locals further behind their lines to better-controlled zones and hand them over to local village elders of "mambos"—part of the socio-agricultural system MNR has installed, similar to that of the colonial era, in which local communities come under the direct control of these mambos who, in turn, answer to MNR officials.

The mambos then relocate the people, providing them with plots of land to grow food. "This relocation is necessary to avoid overcrowding and hunger," explained Mr. Alface.

Representatives of the MNR's "agricultural department" work with the mambos to organise more efficient production and food surplus distribution to both rebels and needier communities.

The Macua family, sitting down to breakfast, or "matabicho" (Portuguese for literally "kill the bug"), said they either traded their surplus food for salt or voluntarily gave it to the rebels via their mambo.

In spite of their organisation, the rebels have distribution problems.

Lacking any form of transport except for an ageing fleet of motorcycles, their food has to be carried over long distances by bearers, usually in cumbersome sacks on their heads, a slow process at best.

Italian priest Father Onorino Venturini, who was evacuated by the rebels before an attack on his village and then walked from the coastal Pembane district to western Zambezia, agreed supply lines were weak.

"In one base, where we stayed one month, we went hungry," Father Venturini said.

Starvation may not be a threat in this particular area, but there is malnutrition. There is no milk, and little salt and oil.

"We desperately need vitamins, especially for the children," said one nurse, who said the problem was compounded by a general ignorance on proper diets.

The largest machambas belong to MNR and are located near their main military bases. These are cultivated by non-combatants and members of the communities chosen by the mambos of the surrounding villages.

"We have about 300 machambas of 1 ha or 2 ha apiece in Zambezia alone," said one commander during an escorted motorcycle ride through fields of well-tended manioc, corn and beans.

The insurgents say these farms supply not only rebels based in Zambezia, but also provide food for those in needier areas.

The MNR, apparently, pays these workers in captured Mozambican currency (meticais). But the rebels admit that, except for a few stores located on their side of the border with Malawi, there is nowhere to spend the money.

"It is the beginning of commerce and will be used when the war is over," said Mr. Alface.

Food is plentiful—at least in rebel bases—even if not greatly varied. Meals consist basically of plates of rice, cornmeal mush, or "nsima," chicken and occasionally beef, liver and vegetable stews.

Considerable quantities of food are also captured from the government forces.

"The food the aid organisations send to Mozambique doesn't go to the people, it goes straight to the armed forces, so we capture it from them. Such as this," said rebel General Calisto, helping himself from a large bowl of tinned sardines.

MNR insists starvation exists only in government areas, and blame much of the situation on what they say is a failed Marxist state-farm production programme. "The cooperative machambas never worked. They just created discontent," agreed Mr. Carvalho m'Bona (42), a former government administrator who joined the rebels last year.

"Also, when Frelimo soldiers came into a town, they would just take people's chickens, pigs and corn," said Mr. m'Bona.

His statements, and many other similar ones, seem to indicate government troops are facing a hunger crisis, more than likely due to MNR's military tactics of disrupting all major transport routes, effectively blocking any food distribution.

Mr. Orlando Basso, a Portuguese agricultural technician who worked with the government in eastern Tete province until he was captured by the rebels and released late last year, confirmed this.

"It was virtually impossible to work. Practically no supplies could get through," he said.

Rebel leader Mr. Dhlakama, who insists the MNR is not waging a war of starvation against the Mozambican people, has appealed to international aid organisations to talk to his rightist forces about the food crisis. "If (food) help is only destined for government areas, it will be understood as aid for the regime and not the Mozambican people," he said.

### THE DESERTERS WHO BECAME 'CONQUERORS'

(Sharon Behn)

The story of General Calisto Meque (29) typifies that of the right-wing Mozambican National Resistance (MNR) insurgent leaders and their goals.

Formerly a primary school teacher from central Manica province, General Calisto fought with the now ruling communist Frelimo party in the war of independence. But in 1977, disillusioned, he deserted.

"I didn't like the communist system. I saw people suffering as they suffer now, and I didn't like it. So I deserted and joined Renamo," he explained sitting in his bamboo-hut command post, complete with glass windows, print curtains and an old Portuguese map of Mozambique on one wall.

At 23, General Calisto led a group of 480 guerillas to open up the rebel front in eastern Tete province. "It was difficult, but we managed. Militarily, it was a big success—we expelled large numbers of the enemy," he recalled. That was in 1981.

In 1982, he was sent to open up a new front here in Zambezia, one of the country's most densely populated and fertile provinces. "I had 580 men under my command. It was another military victory. We also had a lot of support from the people, and many government soldiers deserted to join us," he said.

It took the rebels four years to "conquer" this central-northern province that stretches from the Malawi border to the Indian Ocean, cutting the nation in half, he said, but acknowledged they had taken no major towns.

The MNR says about 25,000 rebels are operating in the 10 provinces of this mineral-rich nation, and they claim to have isolated government forces in district and provincial capitals.

Since the war began about 10 years ago, the Marxist Maputo Government has called in about 12,000 Zimbabwean and 5,000 Tanzanian troops to help keep principal transport routes open, and is relying increasingly on foreign aid to keep its economy afloat.

"Our military situation is presently favourable, in spite of the large number of foreign troops supporting Frelimo," said Renamo's 33-year-old commander-in-chief and president, Alfonso Dhlakama, a former seminary student.

"We control 85 percent of Mozambique's territory. The army is concentrated in the cities, cut off from surrounding districts. The few districts under Frelimos's control exist only because of Zimbabwe's air protection," the guerilla leader said.

Many observers believe what is sustaining the war is the Zimbabwean Air Force and its British-trained ground troops stationed mainly across the "Beira corridor"—a rail and road route that links landlocked Zimbabwe to the Indian Ocean.

"Frelimo's morale is at rock bottom. Zimbabwe keeps the war going, not Maputo," said one businessman who asked to remain unidentified.

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### MNR: THE SLENDER HOPE

(Sharon Behn)

Horror stories abound from behind government lines of a scrambled group of "armed bandits" who, hell-bent on a war of pointless destruction, are terrorizing, killing and maiming helpless civilians.

But outside Morumbala, an insurgent base in a local village, children are trekking to school, women are calmly preparing food, and a number of village elders ("mambos") are gathering for one of their regular meetings with members of the rebels' so-called administration department.

Every day by 4:30 in the morning, this base, located deep in the bush of central Zambezia province, comes alive with the shouts of guerilla units marching past to begin their daily 10-hour stretch of military training.

By the time General Calisto and his top commanders sit down in the bamboo and thatch mess-hall for a hefty breakfast of cornmeal mush and chicken stew at 8:30, military and administrative plans have been set and the base is in full swing.

The ordered life here belies accusations that the Mozambican National Resistance (MNR), damned as the bastard child of the former Rhodesian Intelligence Organisation and later sponsored by South Africa, has no local backing and little internal organisation.

Alfonso Dhlakama, at 33, the MNR's commander-in-chief and president, is emphatic about the insurgents' status. "Renamo (MNR) is neither a product of Rhodesia nor South Africa. This is a civil war, a popular revolt against a Marxist regime installed by force by (the ruling party) Frelimo," he said.

The guerrillas, mostly in their late teens to late 20s and said to number roughly 25,000, have fought a decade-long war against the Government in Maputo and its allied Zimbabwean and Tanzanian troops.

Militarily successful, the MNR now operates in all 10 provinces and claims to control some 85 percent of this mineral-rich and once-prosperous nation which gained its independence from Portugal in 1975.

If the insurgents are receiving any external support, it is not immediately visible. Four weeks of criss-crossing the province on foot, in gondola-like canoes and on motorcycle revealed soldiers uniformed only in ragged T-shirts and shorts, carrying captured Soviet-made Kalashnikovs.

Beat-up motorcycles, some still sporting their original Mozambican license plates, are the commanders' only means of fast transport and they ride these at breakneck speeds across labyrinthine bush paths and creaking bamboo bridges that link the rebel bases.

The acute shortage of spare parts turns every soldier, regardless of rank, into an ace mechanic, as handy with bayonet tips and forks in fixing their machines as they are with the rarely available spanners.

Local populations are not much better off, as the rebel leader acknowledged: "The only problem in our zones is the lack of clothes and medication." he said. Women wear only simple cloth wrap-arounds, while men make do with torn trousers or shorts and small children run around naked.

Basics like soap and salt are scarce. Medical supplies are pathetically low, reduced to a single wooden tray of anti-malaria and anti-diarrhoea pills and some antibiotic creams in village hut clinics. As one MNR-trained nurse simply put it: "We lack everything."

Numerous reports from the government side blame rebel brutality for the country's tragic violence-ridden impoverished situation. There is no doubt the war has placed the people between a rock and a hard place, but in spite of the hardships here, civilians said they preferred the MNR option.

"Under Frelimo, it was like living in a prison. We were forced to work in communal villages, and we were whipped when we didn't produce enough," 20-year-old Azevedo Jackson remembered bitterly, sitting in the shade of his mud and thatch home. Pointing to his crops and family, he went on: "Now with Renamo we have our own farms and we're free. I'm all for them, and I know they will win."

Father Onorino Venturini, an Italian priest who has lived in Mozambique for 37 years and is now in a rebel camp awaiting evacuation from the country, confirmed what soon became repeated stories of government repression and Zimbabwean troop ruthlessness in conversations with local men and women, government defectors and refugees.

"The people supported Frelimo when it won the war of independence. But then Frelimo slowly began to squeeze the country, controlling people's movements, taking away their freedom, and using forced labour on the communal farms," explained 64-year-old Venturini. "The people are suffering, oppressed. They want a change, and that's what they see in Renamo," he said.

The MNR has responded by reestablishing in its "liberated" zones a traditional system of authority and private property, using village leaders, known as "regulos" or "mambos" as their go-betweens with the local communities.

Walking in the broiling sun on his way to meet a local mambo, veteran commander Joaquim Alface head of the rebel's administration organisation for Zambezia, explained the point of the system. "Frelimo imposed a political regime alien to the Mozambican understanding of life. It is our objective to win over the people," he said.

The MNR has made considerable progress behind their lines. A controlled administrative programme has led to the beginnings of a normal social structure. Schools and churches are being built, teachers trained, food distributed, and there is even a little commerce going on.

Most ot this commerce is based on barter between communities, but small canteens have also been set up along the frontier with Malawi. "For security reasons, we don't allow our people to cross the border. But there are merchants on the other side who sell goods to our canteen-owners," Alface said.

Bases close to the border occasionally come up with surprise bottles of soft drink, have soap and toothpaste and even serve coffee with condensed milk. Batteries are always a hot item for those who own radios.

Winning the people over includes an intensive anti-communist "politisation programme" that begins with primary school-age children (school is compulsory from the ages of six to 14). In a bombed-out building that served as one village's school, some 30 barefoot children proudly called out their timestables then belted out a song with a chorus of: "Frelimo tried and failed. Renamo and the people will be victorious."

The bright future the MNR promises these threadbare children is a prosperous independent nation based on democracy and free enterprise. However, few of the guerrillas are educated beyond secondary-school level, many are politically naive, and few have the administrative skills that will be necessary to put this war-ravaged and economically crushed nation back on its feet.

They face the choice of a limited life at home or joining the rebels at age 14 to face combat at the age of 16.

Mr. HELMS. Now, Mr. President, I send to the desk what I believe to be from reading the rules a privileged amendment to the Journal and ask the clerk to report it.

The PRESIDING OFFICER. The clerk will report it.

The legislative clerk read as follows:

> The Senator from North Carolina [Mr. HELMS], proposes an amendment to the Executive Journal.
>
> At the end of the executive journal of the session of today add the following new section:
>
> "SEC. —. It is the sense of the Senate that the humanitarian assistance proposed to be extended to Mozambique will be of marginal use, if any, unless and until all foreign troops are removed from Mozambique and the civil war in Mozambique has been peacefully ended; accordingly, it is further the sense of the Senate that the Secretary of State should forthwith seek a meeting with the political representatives of the opposing Mozambican armed forces and utilize the good offices of the United States to seek a negotiated settlement between the warring Mozambican factions.".

Mr. HELMS. Mr. President, I thank the clerk for reading the amendment. I wanted it read into the RECORD so that it would be clear.

All this amendment is saying is that wherever the United States is dealing with a situation of this kind, we should not just pick the Communist crowd to deal with. We should pick both sides so as to have a broad representation of the interests in the affected country.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The Senator is informed that the Executive Journal is now not before the body. An amendment to the Executive Journal would only be appropriate when the Journal is before the body.

So the amendment is out of order.

Mr. HELMS. Mr. President, I am bound to appeal the ruling of the Chair, and I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator has a right to appeal the order of the Chair.

Is there a sufficient second? There is not a sufficient second.

Mr. BYRD. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. Mr. President, again I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second. There is a sufficient second.

The majority leader is recognized.

Mr. BYRD. Did the Senator lose the floor when he asked for the yeas and nays?

The PRESIDING OFFICER. The Senator does lose the floor by asking for the yeas and nays.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate now stand in recess until the hour of 2 p.m. today.

The PRESIDING OFFICER. Is there objection?

Mr. SYMMS. Mr. President, reserving the right to object, I wonder if I could make the unanimous-consent request to speak on this issue and insert it in the RECORD.

Mr. BYRD. Mr. President, I have no objection to the request of the distinguished Senator who wishes to insert matter into the RECORD.

Does he wish to do this in legislative session or executive session?

Mr. SYMMS. Mr. Leader, I was going to speak on Melissa Wells' nomination. Will there be any further time later, at 2 o'clock, for the issue?

Mr. BYRD. Well, there will be a vote on cloture at 2 o'clock. I would suggest the Senator proceed now for 5 minutes.

Mr. SYMMS. I thank the distinguished majority leader.

Mr. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator may proceed now to speak on the nomination, that no motion or other matter be introduced prior to the recess of the Senate at 12 o'clock.

The PRESIDING OFFICER. Under the order now before the Senate, the Senator has 4 minutes and 22 seconds to speak.

Mr. SYMMS. I thank the distinguished majority leader and I compliment the distinguished Senator from North Carolina on the comments he has already made.

Mr. President, regrettably, I must oppose the nomination of Melissa Foelsch Wells to be U.S. Ambassador to Mozambique. I say regrettably because I do not hold any personal grudge against Mrs. Wells—and I never find it very comfortable to oppose a nomination made by the President of my own party. Thus, I urge President Reagan to withdraw the Wells nomination and return to the Senate the name of a person with a clear understanding of what is happening in Mozambique.

Mr. President, when discussing with the Senate Foreign Relations staff her understanding of Renamo, Mrs. Wells likened these freedom fighters to the Red Brigade in Italy, and thereby showed she lacked understanding of the Reagan doctrine. Moreover, when providing written answers to questions submitted to the ranking Republican member of the Foreign Relations Committee, Senator HELMS, she compounded the problem by stating the following:

> * * * [T]he South-African supported insurgent movement Renamo is operating in a manner that can only have as its objective destabilization of the country. Judged by its action and not by its claims, the actions of Renamo are not those of a nationalist movement. It has not demonstrated a capacity to take, hold and govern territory. Renamo is politically fragmented, it has no political program and has not shown evidence of a structure, other than military, that could be

called a permanent presence in the country * * *.

Notwithstanding Mrs. Wells denigrating characterization of Renamo, I firmly believe they are the ones whom the U.S. Government should be supporting in Mozambique, not the Marxist-Leninist Frelimo government. The United States should not be sending a U.S. Ambassador who believes and propounds the party line of Frelimo—a party whose strongman, Samora Machel, in 1977 stated:

> Our struggle is to destroy all vestiges of feudalism and colonialism, but fundamentally to crush capitalism, which is the most advanced form of exploitation of man by man.

How can the United States play any real part in achieving a democratic solution to the civil war in Mozambique through negotiations which include Renamo if our Ambassador looks upon those freedom fighters as bandits? How can the Reagan doctrine in Mozambique, in fact, all of southern Africa, be advanced by a U.S. representative who tries to deflect charges that Frelimo is a Marxist-Leninist regime by saying that, unlike classic Marxist-Leninism, there is no dictatorship of the proletariate? Moreover, how could the administration, specifically the State Department, have sent a nominee to the Senate who espouses the views put forth by Mrs. Wells?

I am utterly dismayed at the process by which ambassadors are chosen by the powers that be at the State Department. This certainly is not the first nomination received by the Senate that has provoked individual Republican Senators to request that the administration withdraw a nomination. Unfortunately, I doubt that this will be the last either. The Senate has fought constantly with the State Department in their selection of ambassadors. It is inconceivable to this Senator why President Reagan has approved the nomination of Melissa Wells who believes the United States should attempt to buy Mozambique away from the Soviet Union and, at the same time, turn our backs on the Renamo freedom fighters who, despite the prevailing view in our State Department, are winning the war in Mozambique.

The State Department argues Frelimo is leaning toward the West. I ask my colleagues, has the Frelimo government requested the withdrawal of all foreign troops from Mozambique soil? Have the Soviet, Cuban, and East German military advisers left Mozambique? The answer to both questions is no. This, Mr. President, is what Frelimo has done: They have reached an agreement with the Soviet Union for more military aid; they have seized virtually all private property and nationalized almost every enterprise in the country; and they have established a number of ministries to control the people and direct the economy. In fact, the Foreign Broadcast Information Service reports that on Mozambique's Hero's Day, Mozambique's President Jouquin Chissano, stated on public radio:

> Some may think that because we are having negotiations with Western institutions, that we are having doubts about the socialist option. That is not the case. We choose socialism and combined it with the scientific teachings of Marxism-Leninism.

Does this sound like any directional change on the part of Frelimo? In my opinion it does not.

The State Department blames most of Mozambique's problems on the anti-Communist resistance movement. But how can the State Department believe the virtues of freedom and democracy will flourish without removing the one-party system that currently exists in Mozambique. Moreover, how can we believe the Reagan doctrine can ever be implemented in southern Africa, when the administration sends the Senate a nominee to be Ambassador to Mozambique who has no knowledge of this doctrine and prefers the Frelimo regime?

Mr. President, the person worthy of this nomination should:

First, exibit the desire to demand the withdrawal of all foreign forces from Mozambique such as the Soviet Union, Cuba, East Germany, North Korea, Zimbabwe, Zambia, and Tanzania;

Second, stress the need to strengthen our contacts with Renamo. At this time, no high-level U.S. policymaker has ever met with a Renamo representative;

Third, push for national reconciliation and negotiations between Frelimo and Renamo; and

Fourth, consider recommending Reagan doctrine assistance to Renamo if the Chissano regime refuses to negotiate with Renamo.

Finally, I believe our foreign policy in southern Africa is in complete disarray as we impose economic sanctions against the anti-Communist government of South Africa, supply arms and support to the UNITA freedom fighters in Angola, and add credibility worldwide to the Communist-dominated ANC by having our Secretary of State meet with its leader. The Wells nomination would simply add to the inconsistency.

I urge the administration to withdraw her name to be Ambassador to the People's Republic of Mozambique.

Mr. President, I would ask a Washington Times editorial, "'Calculated Deceit' in Mozambique" by Daniel Flynn be printed in the Record. It is an op-ed piece that was in the Washington Times. I ask unanimous consent that immediately following my remarks that be printed in the Record.

Also, a piece by Ndabanigi Sithole, dated Friday, July 24, 1987, be printed in the Record immediately following the Washington Times report.

I want to make just a few points about the calculated deceit in Mozambique.

I just start out by pointing out that:

> The title of Randall Robinson's op-ed column—"Dole and Helms Have It Backward on Mozambique" [Aug. 10]—is almost correct. But what are Bob Dole's and Jesse Helms' names doing there? The right title would read: "Reagan and Robinson Have It Backward on Mozambique (Again)."
>
> Robinson begins his assessment of the Mozambican National Resistance, or Renamo, by referring to the "massacre at Homoine." He gives graphic detail of the atrocities committed by hundreds of armed troops, quoting the Los Angeles Times as his source.
>
> Very interesting. Very interesting especially because no independent confirmation has backed up the Frelimo government's claims either that the incident took place on the scale it claims or that Renamo had anything to do with it. Even our own State Department publicly admitted last week that no confirmation has been received backing up any of the details of the Frelimo government claim.

I can go on with that. In fact, as late as this morning I had a conversation with the very distinguished freedom fighter Jack Wheeler, who informed me that people he talked to that were there in Africa at the time said that there was no evidence that Renamo had anything to do with it; in fact, that it was carried out by the forces of tyranny and oppression.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Calculated Deceit in Mozambique

The title of Randall Robinson's op-ed column—"Dole and Helms Have It Backward on Mozambique" [Aug. 10]—is almost correct. But what are Bob Dole's and Jesse Helms' names doing there? The right title would read: "Reagan and Robinson Have It Backward on Mozambique (Again)."

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Very interesting. Very interesting especially because no independent confirmation has backed up the Frelimo government's claims either that the incident took place on the scale it claims or that Renamo had anything to do with it. Even our own State Department publicly admitted last week that no confirmation has been received backing up any of the details of the Frelimo government claim.

There is more than ample reason to suspect the government claims. For six days the Frelimo regime would not allow foreign reporters to the site, although three top ministers of the government traveled there. When foreign journalists did reach Homoine, they were taken to see 40 (not 400) "graves," but no bodies.

Frelimo claims that "uniformed Renamo soldiers" ran through the streets of Homoine. This is absurd, as anyone who is familiar with the Mozambican National Resistance should immediately recognize: Renamo has no uniforms—members of the resistance are dressed in whatever rags they can find. This fact is amply supported by every film made showing Renamo's supporters.

It is remarkable that the American press, which prides itself on its insistence on independent verification of facts and distrust of official sources, should so casually accept a government account, especially one that is so obviously self-serving. Within a week of the Frelimo government's releasing its claims of what occurred at Homoine, President Joaquim Chissano was on his way to Moscow to plead for increased Soviet aid. Within another week of his return to Maputo, Chissano made the same request at a summit of the Front Line states. The incredible coincidence of dates is far too beneficial to Chissano to be taken at face value.

The most timely question of the nomination of Melissa Wells as ambassador to Mozambique, and the opposition to it presented by 28 senators (Republicans and Democrats), is misunderstood by Robinson. Wells has made her support of State Department policy toward Mozambique more than clear in Foreign Relations Committee hearings and in written responses to questions from Helms. She has stated categorically that she will not accept the role of mediator between the Mozambique resistance and the government in hope of negotiating an end to the devastating civil war.

It remains unclear to me, as it does to Helms, Dole et al., how it is that the Secretary of State is willing to meet with the leader of a known terrorist organization (the African National Congress), while the State Department refuses to meet with a popular democratic resistance in the interests of peace. This policy, which Wells fully endorses, is at the heart of bipartisan opposition to the appointment.

Robinson would do well to remember the Frelimo government's response to the findings of the international committee investigating the Machel air crash, a committee that included former astronaut Frank Borman. Chissano's government dismissed the conclusion that President Samora Machel's death was an accident and joined with the Soviet Union in denouncing the committee (including Borman) as an agent of South Africa.

It is time Robinson and others reexamined the value they place upon the claims of a government that has demonstrated its determination to disregard truth when it thinks calculated deceit to its advantage, as Frelimo has done.—Daniel Flynn.

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### Press Release

(By Ndabanigi Sithole)

FRIDAY 24, JULY, 1987

The reported massacre of several hundreds of Mozambican villagers brings to mind the usual pattern of Marxist/Leninist atrocities, not only in Mozambique, but elsewhere where the Marxists are faced with stiff resistance.

According to the Washington Post 24/7/87; the massacre went on for 5 hours! Zimbabwe has between 15,000 and 20,000 troops in Mozambique; Ethiopia has 6,000, Tanzania 10,000, Zambia 2,000 and Mozambique's National Army is said to be 45,000 strong. There are about 800 Russian military advisers in that country; about 1,000 Cuban troops, and several hundreds of North Koreans, East Germans and Bulgarians. There are also hundreds of British troops.

Ostensibly, all these foreign troops are in Mozambique to protect Mozambicans, and yet 386 villagers were slaughtered in an action that lasted for 5 hours. Maputo is only 300 miles away from Homoine the scene of the human carnage.

Where were the Zimbabwean, Ethiopian, Tanzanian, Zambian, Mazambican, North Korean, Russian, Cuban, East German and Bulgarian troops when this carnage took place? What happened to the British Military Intelligence which has been made available to the Mozambican army?

Under the present circumstances Mozambique is overprotected. Either these foreign troops are in Mozambique for their own selfish interest, or they are grossly inefficient when it comes to protecting the people of Mozambique. If either of the two cases is true, then all foreign troops should leave Mozambique alone and let Frelimo and Renamo sort out their own problem since they belong to the same citizenry which the foreign meddlers don't.

The crux of the matter here is: Who committed this heartless massacre? It is suggested that Renamo did, but Renamo denies this. How can we believe this when all the parties involved in the present security of Mozambique are accomplished masters of massacres? Frelimo has massacred people in Mozambique by the thousands, Zimbabwe has done the same thing in Zimbabwe, Tanzania has done the same thing in Uganda and Zanzibar; the Soviet Union has done the same thing by the millions in the USSR; the British are well known for their historic massacres; in North Korea millions were massacred; Bulgaria the same; Cubans the same; and Ethiopia, a couple of millions in that country.

The real question is: Why are these foreign troops in Mozambique? Why don't they stay home? Zimbabwe is in Mozambique to see that Marxism/Leninism is firmly established in that country so as to strengthen Marxism/Leninism in Zimbabwe. Tanzania is in Mozambique to strengthen Marxism/Leninism in Tanzania; Ethiopia is in Mozambique to strengthen her communism in Ethiopia. The USSR is interested in Mozambique to spread its communist ideology; Bulgaria, North Korea, Cuba and the rest of them are in Mozambique to promote Marxism/Leninism. The only political organization which stands in the way of these foreign troops in Mozambique is Renamo, which has been targeted for destruction by even the British who are being used by communist forces to prevent the USA from helping Renamo which is fighting for freedom, democracy and free enterprise as against communist oppression, repression and denial of freedom.

When Prime Minister, Margaret Thatcher, appealed to the American people to drop Renamo she was doing this in the service of Marxism/Leninism as against African freedom, democracy and free enterprise.

The World should know that Zimbabwe has a North Korean trained Fifth Brigade and British-trained Sixth Brigade which are currently being used in Zimbabwe to exterminate anti-communists. According to our usually reliable sources in Mozambique as well as in Zambabwe one of these Brigades was used to massacre the defenceless Mozambicians of Homoine last Saturday, under the very noses of the foreign troops.

Signed,

Ndabanigi Sithole.

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### Resistencia Nacional Mozambicana
### RENAMO

#### RENAMO'S PROVISIONAL ECONOMIC MANIFESTO FOR FREE MOZAMBIQUE

RENAMO's economic philosophy is the complete antithesis of the communist FRELIMO government. The FRELIMO regime is based on strict Marxist-Leninist ideology.

Alternatively, RENAMO believes state power is not ultimate. Government exists to protect the rights of individuals and serve in such functions as are necessary to the public good. Therefore we believe in limited powers of a Constitutional government based on democratic principles. Rule of law must be enshrined by a system of legal justice predicated on belief in God given human rights, freedoms and dignity.

Our political reference logically implies economic freedom based on personal property rights, individual initiative and a free market environment. Competition is essential for a healthy and viable economy.

Foreign investment is encouraged and necessary for the development of Mozambique's untapped wealth. Foreign profits and national development are compatible processes within the bounds of respect for national heritage. Both exploitation and expropriation are destructive to investors and government relations.

. RENAMO takes a dim view of unprincipled interests who have chosen to profiteer on the last gasp offer of the dying FRELIMO regime which sells the blood and birthright of our people for a season of power.

Alternatively, RENAMO is anxious to develop economic ties with those like-minded investors who believe real growth results from a free market system rather than from exploitive profits of communist concessions.

RENAMO is already putting to the test its policy of economic freedom. Although our economy is relatively unsophisticated and rural at present. We believe freedom is a reliable foundational principle when applied to more complex economic models as well.

#### MOZAMBIQUE NATIONAL RESISTANCE PROGRAMME

The objective of the Mozambique National Resistance Movement is to democratize, liberalize and create the conditions for the overall progress of the Republic of Mozambique in accordance with the following principles:

##### *1. Politics*

a. The eradication of the system of communist dictatorship and the purge of the top governing cadres adhering to the system, without victimization. Only by forgiving and forgetting will it be possible to build a Mozambique belonging to all Mozambicans.

b. The establishment of a Government of National Unity of pacify the country, to introduce and stabilize a democratic order, and to build the foundation for social and economic redevelopment.

The unity of the Mozambique people is essential to be able to face the challenges of modern times.

c. The people have the right to choose and freely vote for the political, social and economic system of the country. Nothing will be imposed on the majority by an aggressive minority.

d. The traditions, customs and personality of the Mozambique people will always be respected by all sectors of authority. Progress will be made in step with history and never against it.

### *2. Economics*

a. The public sector will first be defined and will then serve to optimize and organize the private sector, the generator of the economic prosperity of Mozambique.

The reconciliation of interests, synthesis of Government activity, is an essential condition for the economic recovery of the country.

b. Development plans will be orientated towards increasing national wealth, harmonizing the development of all regions and redistributing income.

We will fight against unnecessary, speculative or extravagant investment; measures favoring useful investment and full employment will be pursued.

c. Monopolies, oligopolies or the economic exploitation of one class or sector by another will not be permitted.

Steps will be taken to protect consumers and to safeguard their respective participation in the establishment of economic laws.

d. The money taken from the people shall be used correctly and for the benefit of the people.

Taxation is an instrument of economic justice.

e. The situation of confiscated or appropriated assets will be analyzed with regard to their eventual restitution. Nationalization will not take place without fair and opportune compensation.

### *3. Justice*

a. All citizens shall be equal before the law and shall have the same rights and duties. No-one shall be tried without adequate defense, and no-one shall be arrested without an order or warrant from the appropriate authority.

b. Judges shall be professional, permanent and independent. The widest guarantees and safeguards shall be adopted so that judges may judge according to their conscience and according to the law.

c. Trials will be public and will be open to public opinion. Offenders will be defended by a lawyer of their own choice and no restrictions will be imposed on that right.

d. Political prisoners will be given their freedom and other prisoners will have their cases reexamined by impartial judges. The prosperity of Mozambique lies in human dignity and justice.

### *4. Health and education*

a. Ill-health and illiteracy are Mozambique's worst enemies: it is the Government's duty to apply the fullest resources of the promotion of health and education. Every effort will be made to provide all regions with an adequate network of hospitals and schools.

b. International organizations and institutions, including religious ones, will be encouraged to continue or restart the work they have done in this field. The State will foster the search for new methods and programmes in health and education in a free, participatory and progressive society.

c. Maternity, infancy and old age will be especially protected. State services in the field of health will as far as possible be free.

d. Education will be obligatory and free up to the age of 12. The most able will be encouraged to continue their studies.

### *5. Public services*

a. Devotion to public duty and welfare will be the prerequisite of state, local government and public company employees. Public activities will open to hierarchical and employee scrutiny and will be accountable to the majority of citizens.

b. The Armed Forces and the Police will not interfere in political activity. They will be the guarantors of democratic political activity and their dignity will derive from this.

c. The Armed Forces of Mozambique will be constituted mainly by the Mozambique National Resistance Forces and by the incorporation of the actual regular units existing in the country, except for those which during the 2nd War of Liberation behaved in an unpatriotic manner. The instruments of political power used by the present regime in the repression of fundamental citizens' rights will be dismantled.

d. Veterans, ex-combatants and victims of the Wars of Independence, Liberation and National Defence will be particularly well cared for and protected by the State. Independence, Freedom and National Defence are the permanent and unifying commitments of past, present and future generation of the Mozambique people.

### *6. International politics*

a. Agreements established previously with foreign countries or international organizations will be fully respected providing they do not affect National Independence and the basic democratic freedoms of our citizens, and do not contradict the inviolable principles of this programme. Mozambique will not discriminate against any country because of its respective internal regime: international relations will be governed by mutual advantage and free determination. Mozambique will respect and defend the principles governing the United Nations Organization and the Organization of African Unity, and will respect the Universal Declaration of the Rights of Man. We will fight against all forms of colonialism, imperialism and neo-colonialism.

c. The country will cooperate actively with neighboring states, especially those which depend on our ports. International cooperation is the fundamental instrument of peace in the region.

### *7. Constitution*

a. Approval of the Constitution will be carried out by means of the National Assembly and the Participation of the people in the form of a referendum. The people of Mozambique are the yardstick and the ultimate end of the law and Government.

b. National Independence, Citizens' Freedom, Commutative and Distributive Justice, Respect for History and Progress in the future will be the bases for the Constitution of the Republic of Mozambique. Sealed by the blood of our martyrs, the supreme ideals of the Constitution are national imperatives.

Mr. SYMMS. Mr. President, I think it is unfortunate that people are being given the wrong impression.

Mr. President, I am happy to yield to the distinguished Senator who has just returned from that part of the world, if he has anything to add.

Mr. HELMS. No, I have nothing to add. I am grateful to the Senator for his statement.

Mr. SYMMS. In fact, I have been informed that Mr. Norquist was in the town of Homoine and talked to the people who were there when this happened.

The PRESIDING OFFICER. The time of the Senator has expired. All time has expired.

The minority leader is recognized.

Mr. DOLE. Mr. President, if there is no objection from the majority leader, I would like permission to speak for not to exceed 5 or 6 minutes.

Mr. BYRD. Mr. President, whatever the minority leader wishes is fine with me.

The PRESIDING OFFICER. Without objection, the minority leader is recognized.

Mr. DOLE. Mr. President, I am not certain what the vote will be on cloture. I had indicated, I guess a week or so ago, that I would probably vote for cloture. But it has been confirmed to me in the last few days that there are other nominations that I would hope that we might deal with. So I am not going to vote for cloture, but I am going to vote for the Wells nomination. Let me say, as the Republican leader, I want to support the President's nominees. Melissa Wells is the President's nominee, and I intend to vote for that nomination.

I would hope that as we debate the Wells nomination—and this nomination has been delayed—that we could get some cooperation on all the other nominations, including six Defense Department nominations plus a very important and richly deserved promotion for General Abramson, his fourth star. They are being held up by the Armed Services Committee.

Mr. President, I will include in the Record at this point a list of these pending Defense Department personnel actions.

There being no objection, the information was ordered to be printed in the Record, as follows:

### DOD Nominations Pending

Frank J. Gaffney—to be Asst. Sec. of Def. for International Security Policy (nom received 4/22/87).

June Gibbs Brown—to be inspector general (nom received 4/23/87).

Samuel K. Lessey—to be Director of Selective Service (nom received 5/29/87).

Kenneth P. Bergquist—to be Asst. Sec. of Def. for Low Intensity Conflict and Special Operations (nom received 6/9/87).

John J. Welch—to be Asst. Sec. of the Air Force for Research, Development and Logistics (nom received 7/2/87).

Kathleen A. Buck—to be general counsel of the DOD (nom received 7/9/87).

Mr. DOLE. Mr. President, some of these nominations have been around for a long time. Having been majority leader, I know the difficulty of getting nominations confirmed once they are on the floor; but these have not even reached the floor. Maybe it is because of the controversy over the defense authorization bill. I hope not. Maybe it is because of the Nunn-Levin amendment. I hope not.

In any case, I do not think we can run around holding hostage nominees because of other legislation unrelated to the jobs of the nominees.

I would hope that we could get back to basics, that we could take a look at

all the nominees who may be held up in committee or on the Senate floor and reach some agreement.

Mr. President, I also want to say a word about Mozambique. I have read some of the stories, not particularly accurate stories, on that subject. I am troubled by the State Department's policy toward Mozambique. Our central goals in Mozambique ought to be, first, ending war, and second, reducing the Soviet influence. Right now, I see little concrete evidence that the strategy we are following is leading to any real progress in achieving either one of those goals.

The administration is right to be leery of embracing Renamo politically, in light of the legitimate questions raised about Renamo's goals, structure, and tactics. But, in my view, pretending that Renamo does not exist and giving Frelimo more and more aid will permit the Marxist regime to prosecute the war and continue its assaults on the rights of its own people.

We certainly ought to do what we can to help the people of Mozambique. I have specifically encouraged increased food aid to meet the current famine emergency. But we are never going to succeed in outbidding the Soviets for the friendship of Frelimo. That tactic has not worked anywhere else, and it is not going to work in Mozambique.

Mr. President, those are my real concerns. The Wells nomination has given me and other Senators an opportunity to make these points. That is part of what the entire advise and consent process is all about. I would commend the distinguished Senator from North Carolina who has led the effort to raise these very legitimate questions about the conduct of our policy toward Mozambique.

As on other issues, Senator Helms has kept our attention focused on the botton line: What is our policy, and does it make any sense in terms of American interests?

But, Mr. President, this nomination has been with us for a long time. In my view, we have had our fair hearings, we have made our points, we have asked for questions. Moreover, I recognize that while the Ambassador is a vitally important official, the fundamental policy decisions are taken here in Washington. The Ambassador basically implements those decisions. So it is here in Washington that we most continue to focus our efforts to shape policy.

I can attest to the fact that we have had a couple of visits with the Secretary of State. I have been in the presence of the Secretary of State and the Senator from North Carolina, when the Senator from North Carolina made one very legitimate request: To just have some contact with Renamo—they exist and they are there—perhaps some fairly high-level contact.

The President has listened to our concerns, through the Secretary of State, and I hope that the President will give serious consideration to what has been said, and will continue to consult with us on American policy in this vital region of the world.

But the fact is the President has stuck by his nomination. Ronald Reagan has made clear that he still wants Melissa Wells to be his representative in Mozambique. Unless there is serious doubt about a nominee's integrity or basic competence—and no such questions have been raised about Mrs. Wells—I just feel it is basically the President's call.

So I will keep working on these policy questions that are so important. But it is time, I think, that depending on what happens to the cloture vote—maybe cloture will not be invoked—if it is invoked I would hope we can proceed rather quickly to either a voice vote or a record vote on the nomination.

I would indicate again that I would hope that this effort would expand and take care of some other nominees that are being held in committees, being held hostage because somebody does not like what they may find in some bill floating around in the Senate Chamber.

So, in sum, I am going to vote with the distinguished Senator from North Carolina against cloture, for the reasons I stated, and I would urge my colleagues on this side to do the same. Perhaps my message would be, let us release some of these other Defense Department nominees who are good people, who have been waiting in some cases since April 2, April 22, May 29, June, July, two of them in July. So they have been around for a while. If cloture is invoked, though, I will then vote for the Wells nominations. And, finally, I would hope that the appeal of the Senator from North Carolina is sustained.

That concludes my statement.

The PRESIDING OFFICER. All time is expired.

### RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 2 p.m.

Thereupon, at 12:08 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Graham].

## CLOTURE MOTION

The PRESIDING OFFICER. The hour of 2 p.m. having arrived, under the previous order the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of Melissa Foelsch Wells, of New York, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Mozambique.

Senators Wyche Fowler, Jr., Tom Daschle, Dennis DeConcini, David Boren, Frank Lautenberg, Jeff Bingaman, Howard M. Metzenbaum, Timothy Wirth, Wendell Ford, Christopher Dodd, Spark Matsunaga, Jim Sasser, J.J. Exon, John F. Kerry, Kent Conrad, and Claiborne Pell.

## CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

## VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the nomination of Melissa Foelsch Wells, of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Mozambique shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Kentucky [Mr. Ford] and the Senator from Iowa [Mr. Harkin] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. Cochran], the Senator from New York [Mr. D'Amato], the Senator from Kansas [Mrs. Kassebaum], the Senator from Idaho [Mr. McClure], the Senator from Alaska [Mr. Murkowski], the Senator from Oklahoma [Mr. Nickles], the Senator from New Hampshire [Mr. Rudman], the Senator from Alaska [Mr. Stevens], and the Senator from Virginia [Mr. Warner] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 65, nays 24, as follows:

[Rollcall Vote No. 234 Ex.]

YEAS—65

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Evans
Exon
Fowler
Glenn
Gore
Graham
Hatfield
Heinz
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Melcher
Metzenbaum
Mikulski

Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stafford
Stennis
Weicker
Wirth

NAYS—24

Armstrong
Bond
Dole
Garn
Gramm
Grassley
Hatch
Hecht
Heflin
Helms
Humphrey
Karnes
Kasten
McCain
McConnell
Pressler
Quayle
Roth
Simpson
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—11

Cochran
D'Amato
Ford
Harkin
Kassebaum
McClure
Murkowski
Nickles
Rudman
Stevens
Warner

The PRESIDING OFFICER. On this vote, the yeas are 65, the nays are 24. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. May we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. Mr. President, the vote will occur immediately on the appeal of the ruling of the Chair by the distinguished Senator from North Carolina [Mr. HELMS]. Mr. HELMS would like to speak for 10 minutes on the appeal. I ask unanimous consent that there be 20 minutes equally divided on the appeal.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, reserving the right to object—and of course, I am not going to object—the question is on the amendment. Is that correct?

Mr. BYRD. The question is on the appeal of the ruling of the Chair that the amendment is not in order.

Mr. HELMS. But the pending business would be, in fact, the amendment. Is that correct?

Mr. BYRD. The distinguished Senator moved to amend the Executive Journal, and the Chair ruled that that motion, which was in the form of an amendment, was not in order.

Mr. HELMS. Mr. President, may we have a brief quorum call, so that I may confer with the majority leader on one aspect?

Mr. BYRD. Certainly.

Before we have that quorum call, I ask the distinguished Republican leader and others if it is agreeable to vote at 4 o'clock today on Calendar Order No. 302, Senate Resolution 279, the resolution offered by Mr. KERRY and others, with, say, a 10-minute time limitation, equally divided.

Mr. DOLE. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

## UNANIMOUS CONSENT AGREEMENT—SENATE RESOLUTION 279

Mr. BYRD. Mr. President, I ask unanimous consent that at the hour of 3:50 p.m. today, the Senate proceed to the consideration of Calendar Order No. 302; that debate be limited to 10 minutes, to be equally divided between the two leaders or their designees; that no amendments to the resolution be in order; that no motion to recommit, either with or without instructions, or to commit, be in order.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, I do not know of any objection.

Mr. BOSCHWITZ. What was the time?

Mr. BYRD. I indicated that the Senate would proceed in legislative session, at 3:50 p.m. today; that there would be 10 minutes for debate on the resolution, to be equally divided between and controlled by the two leaders or their designees; that no motion to recommit, either with instructions or without instructions, or to commit, and no amendment would be in order to the resolution; and that the vote would occur immediately on the resolution at the conclusion of the period of time, that being 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for another 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I believe that there would be no time on any motion to reconsider that vote.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Mr. President, I ask unanimous consent that the order which was entered based on the request I made concerning Calendar Order No. 302 be as in legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NOMINATION OF MELISSA FOELSCH WELLS

Mr. HELMS. Mr. President, a parliamentary inquiry. Is there a unanimous-consent request before the Senate at this point?

The PRESIDING OFFICER. A request for 20 minutes of debate is pending.

Mr. HELMS. Relating only to the time limitation?

The PRESIDING OFFICER. Relating to the time limitation for debate on the appeal of the ruling of the Chair.

Mr. HELMS. Mr. President, if the distingusihed majority leader will accommodate me, I want to modify the proposed amendment, only in terms of the first two lines, to make it conform to precedent. If the distinguished majority leader will agree, I will have no objection to the unanimous-consent request he has made. In fact, I support it.

Mr. BYRD. Mr. President, is the Senate now——

Mr. HELMS. Mr. President, may we have order? I can hardly hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. I beg the Senator's pardon?

Mr. HELMS. I can barely hear the Senator. I would ask for order.

Mr. BYRD. I thank the Senator and I thank the Chair.

Mr. President, is the Senate now proceeding under the 20-minute order?

The PRESIDING OFFICER. There is currently pending a request for unanimous consent for 20 minutes to be equally divided on the appeal of the ruling of the Chair.

Mr. BYRD. I ask unanimous consent that the distinguished Senator from North Carolina may proceed for not to exceed 2 minutes under a reservation of the right to object.

The PRESIDING OFFICER. Without objection, the Senator from North Carolina.

Mr. HELMS. Reserving the right to object—and I shall not object, assuming that the distinguished majority leader or any other Senator will not object—I simply want to modify the amendment on which the appeal lies to read:

> Ordered that the Journal of the Proceedings of the Senate be so corrected to record the fact that it is the sense of the Senate * * *

and so forth. Nothing else is changed in the amendment. I ask unanimous consent that I be permitted to send to the desk the proposed modification.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, and I probably will not object.

Mr. President, the distinguished Senator from North Carolina has ventured into the unknown plateau of unprecedented motions. I would like for the Senate to rule on this matter because I think it is of extreme importance to the Senate in the future. I, therefore, will ask the Chair: If the proposed modification of the distinguished Senator from North Carolina is agreed to—and that can only be done by unanimous consent at this point—then would the effect of voting to support or reject the appeal of the distingushed Senator from North Carolina be the same as it would have been otherwise without such modification?

The PRESIDING OFFICER. Reserving the right to answer that question with finality after having seen the specific wording of the modification, since the basis of the ruling of the Chair was that this matter was not before the Senate and therefore was not available for amendment, the conclusion would tentatively be that modifications to the amendment would be irrelevant in terms of the Chair's ruling.

Mr. BYRD. Would what?

The PRESIDING OFFICER. Would be irrelevant; would not alter the previous ruling of the Chair.

Mr. BYRD. Would be irrelevant.

The PRESIDING OFFICER. Irrelevant.

Mr. BYRD. I thank the Chair.

Then what I think I have heard the Chair say is that the basis for the Chair's earlier ruling that the distinguished Senator from North Carolina's motion was not in order would be retained; the same basis, the same ruling would obtain.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. If the modification is allowed.

The PRESIDING OFFICER. Correct. Again with the caveat that the Chair has not seen the wording that the Senator from North Carolina proposes to offer. But since the basis of the ruling was not on the specific language of the amendment but rather that the amendment was not timely, it would be the tentative conclusion of the Chair that, as modified, the amendment would still be out of order and therefore the ruling would be the same.

Mr. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from North Carolina may proceed and that the Senator from Rhode Island may also proceed for not to exceed 3 minutes each while the Chair is examining the language of the modification.

I think it is important, from the standpoint of precedent, that the Senate know what it is doing and that the Senate be assured that what the Chair has said by way of an opinion in response to my parliamentary inquiry be indeed an opinion that is not tentative but a statement with certitude. I make that request.

The PRESIDING OFFICER. The request is for unanimous consent to allow 3 minutes to each side while the language of the amendment is being reviewed for purposes of a definitive answer to the parliamentary inquiry.

Mr. BYRD. Precisely. And that the other request, namely, that the Senator be able to modify the language, remain pending.

The PRESIDING OFFICER. Is there objection to the majority leader's request for unanimous consent?

Without objection, it is so ordered.

Three minutes per side while the language is being reviewed.

Who yields time?

The Senator from Rhode Island.

Mr. PELL. Mr. President, I will use my time to speak to the basic underlying amendment of the Senator from North Carolina.

In my mind, this amendment raises some pretty controversial issues about the very nature of the war in Mozambique, the role of the troops there from other countries such as Zimbabwe and Malawi, the causes of the famine, and the nature of the guerrilla movement called Renamo, which receives support from South Africa.

I do not believe we should accept such a far-reaching amendment without a full-scale debate on these issues.

This amendment implies that foreign troops are in Mozambique to prosecute the war on behalf of the Mozambican Government. In fact, those troops are not there for that reason. They are there to protect important transportation corridors, such as Beira, which have been subjected to repeated attacks by Renamo. These troops do not interfere with the delivery of the emergency food aid. In fact, the presence of these troops helps assure that the food aid, goes to the people who are the intended recipients.

The rehabilitation of these transportation corridors, which is being undertaken by the South African Coordination Conference [SADCC] with aid provided by Britain and many of our other allies, is critical to the efforts being made by SADCC to reduce the dependency of its member states on South Africa.

This amendment urges the Secretary of State to meet with Renamo representatives on the assumption that Renamo has significant political support in Mozambique.

The administration firmly believes that Renamo is not an indigenous political movement with substantial popular support or control of territory.

This is also the view held strongly by Prime Minister Thatcher and the British Foreign Office, the French Government, and our other allies in Europe.

To promote a high level meeting, as this amendment calls for, would be to recognize a group which is widely regarded as indulging in terrorist attacks against civilians while simultaneously undermining our efforts to encourage the Government of Mozambique to put further distance between itself and the Soviet Union.

All told, it would seem to me that it would be better if this amendment were defeated. The administration concurs in this view and I would hope that when the time comes my colleagues would uphold the Chair's ruling and defeat the amendment

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair.

I do not want the Senate to get bogged down into the notion that all that is before the Senate is a procedural matter. What we are talking about is a disastrous State Department policy—that is, of cozying up to Communist regimes and ignoring as best they can the anti-Communist resistance. Specifically, we are talking and have been talking about Mozambique, a Communist country which has been brutal in its practices; yet the State Department confers and collaborates and cooperates with this Communist regime and will not even sit down and talk with Renamo, the anti-Communist resistance that represents about 80 percent of the people of Mozambique. Now, if that makes any sense to any Senator, I want him or her to explain it to me.

Let me read the amendment that I am proposing to the Journal. I want the Senate to vote on it, because we are not really voting on a procedural matter. We are voting on a State Department policy of playing footsie with the Communists while ignoring our anti-Communist pro-Western friends called Renamo in Mozambique.

Now, the proposed modified amendment that I hope I shall be able to send to the desk shortly reads as follows:

> *Ordered*, That the Journal of the proceedings of the Senate be so corrected as to record the fact that it is the Sense of the Senate that the humanitarian assistance proposed to be extended to Mozambique will be of marginal use, if any, unless and until all foreign troops are removed from Mozambique.

What Senator can argue with that?

> and the civil war in Mozambique has been peacefully ended;

What Senator can argue with that?

> accordingly, it is further the Sense of the Senate that the Secretary of State should forthwith seek a meeting with the political representatives of the opposing Mozambican armed forces and utilize the good offices of the United States' to seek a negotiated settlement between the warring Mozambican factions.

Now let me tell Senators this: Repeatedly I have told Secretary of State Shultz that if he will simply agree to meet with the anti-Communist resistance in Mozambique when he has publicly stated over and over again he is meeting and will meet with the brutal

African National Congress—the State Department, including the Secretary, has met with the pro-Communist ANC 59 times—

Mrs. Wells stated during her confirmation hearings that:

> Meetings [by the State Department with various groups] do not confer legitimacy on or imply the U.S. government's approval of a particular organization's or individual's goals or strategy.

If that is so with regard to meetings with proponents of necklacing, such as the ANC, surely it should be so with regard to the anti-Communist resistance in Mozambique [Renamo] which seeks democratic elections in what is now a self-proclaimed, one-party, Marxist-Leninist country.

Until the State Department revises its policy to instruct its officers to meet with Renamo, and sponsor negotiations between both sides, the presence of a U.S. Ambassador to Mozambique serves very little constructive purpose.

The PRESIDING OFFICER. The Senator's time has expired under the agreement.

Mr. HELMS. I ask for 1 more minute, to be taken from my time.

The PRESIDING OFFICER. The Senator's request is for 1 additional minute. Is there any objection? Without objection, it is so ordered.

Mr. HELMS. I told the Secretary if he will accord the anti-Communist resistance in Mozambique the same courtesy that he extends to the pro-Communist African National Congress in South Africa, then the nomination of Mrs. Wells could have been approved on a voice vote not weeks but months ago. But the State Department was adamant: It is their way or no way. They won this afternoon, as I figured they would, on the cloture vote. I was hoping the Senate would send a message to the State Department to sit down with both sides. But the State Department will not do it in Mozambique. And I tell you, Mr. President, that the people of Mozambique will continue to suffer as a result of this unfortunate State Department policy.

The PRESIDING OFFICER. The Senator from North Carolina has yielded the floor.

The Senator from Rhode Island has 1 minute remaining of the 3 minutes available.

Mr. PELL. I yield back my time.

The PRESIDING OFFICER. The Senator from Rhode Island has yielded back his time.

Mr. BYRD. Mr. President, I ask the Chair that the Chair would again respond to my earlier parliamentary inquiry now that the Chair has had time to consider the language of the modification.

The PRESIDING OFFICER. The proposed modification does not affect the central question and, therefore, the amendment as proposed to be modified is out of order.

Mr. BYRD. Then, Mr. President, I have no objection to the modification.

The PRESIDING OFFICER. Without objection, the amendment is modified.

Will the Senator send the modification to the desk?

The amendment, as modified, is as follows:

> *Ordered*, That the Journal of the proceedings of the Senate be so corrected as to record the fact that it is the Sense of the Senate that the humanitatian assistance proposed to be extended to Mozambique will be of marginal use, if any, unless and until all foreign troops are removed from Mozambique and the civil war in Mozambique has been peacefully ended; accordingly, it is further the Sense of the Senate that the Secretary of State should forthwith seek a meeting with the political representatives of the opposing Mozambique armed forces and utilize the good offices of the United States' to seek a negotiated settlement between the warring Mozambican factions.

Mr. HELMS. I thank the Chair.

The PRESIDING OFFICER. We now have as the pending business the unanimous-consent request for 20 minutes of debate under the conditions as have been outlined by the majority leader.

Is there objection to the request for unanimous consent?

Mr. HELMS. Reserving the right to object, do you wish to subtract the time already used, Mr. Leader?

Mr. BYRD. That will be fine.

Mr. HELMS. That will leave a total of ——

The PRESIDING OFFICER. Fourteen minutes.

Mr. HELMS. Seven minutes apiece then?

Mr. BYRD. Yes.

Mr. HELMS. Very well.

The PRESIDING OFFICER. With the time previously utilized counted against the 20 minutes, is there objection to the unanimous-consent request as made by the majority leader?

Without objection, it is so ordered.

Who yields time?

The Senator from North Carolina.

Mr. HELMS. Mr. President, first of all, I certainly want to thank the majority leader for his cooperation. As he knows, I could have withdrawn the amendment and resubmitted it subsequent to consideration of the Wells nomination or at any other time I get the floor. But I chose not to do that because I do not want to delay the Senate.

I really do not have a great deal more to say except, as Senator Dole put it so eloquently on the floor this morning, this is matter of State Department policy. Senator Dole recited his experience with the Secretary of State, with whom Senator Dole and I met at least one or two occasions, trying to persuade the State Department to alter only slightly its unbending resistance, even to talk with the anti-Communist resistance in Mozambique.

I say again, while this is a procedural motion, it is the only way we could get to it other than my withdrawing the amendment and resubmitting it, which I could have easily done under the rules.

As I say, I do not want to hold up the business of the Senate.

The anti-Communist resistance in Mozambique is known as Renamo. As I said earlier this morning, it is a strong and effective indigenous organization committed to free enterprise and Western values. The New York Times and Washington Post fabricate and contrive stories, trying to make it appear otherwise.

Several weeks ago the case of a nurse, a missionary nurse from Houston, was introduced into the argument. The New York Times and Washington Post proclaimed that Renamo had kidnaped this nurse. The truth of the matter is exactly to the contrary.

Miss Kindra Bryan, of Houston, TX, probably is alive today because Renamo took 3 months to escort her out of the country into Malawi where she could reach safety and go home.

After evacuation from the military war zone, Miss Bryan traveled with the Renamo troops for at least 3 months on foot and at night. This was made necessary by the Communist Government of Mozambique, the crowd that the State Department cozies up to. The Communist Government of Mozambique refused to participate in a cease fire that would permit a Red Cross plane to land and pick up this nurse.

Those are the undisputed facts as yet unpublished by the Washington Post or the New York Times. So this is a policy that Senator Dole and I and Senator Symms and a number of other Senators have unsuccessfully attempted to persuade the State Department to change.

The State Department refused to do it and that is the reason Mrs. Melissa Wells was so long in being confirmed by the Senate. She could have been confirmed back in June or April—March, even—if the State Department had not been so intransigent in its position that it would deal only in Mozambique with the Communists while describing the Renamo forces as personae non grata to the State Department.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Rhode Island?

Mr. PELL. Mr. President, the Department of State, speaking for the administration, has taken quite a strong position against this amendment. Its reasons which seem pretty valid to me, are as follows.

First, the presence of foreign troops in Mozambique does not interfere with the delivery of the emergency food supplies to needy people in Mozambique. Requiring removal of these troops prior to providing humanitarian aid would simply increase and prolong the suffering of the Mozambican people. I think we should reiterate that the purpose of those troops is to keep the transportation corridors open and goods and people moving. That is the very reason why the neighboring states have some of their troops stationed there.

Second, it is the policy of the United States to use whatever influence is available to us to encourage an end to hostilities and a peaceful resolution of conflicts, including, obviously, the one in Mozambique.

However, Renamo's track record, which includes brutal attacks on civilians, such as the incident that occurred a few weeks ago when nearly 400 people were killed in Homoine, kidnapings, and walking away from previous ceasefire negotiations with the Government of Mozambique, raise serious questions about Renamo's willingness to pursue peaceful solutions in Mozambique.

I would like to point out that the administration has been in contact with Renamo—not at the level of the Secretary of State, but at the desk level. There have been conversations between the State Department and Renamo's purported representatives in the United States. In my mind, under the present circumstances, this is about as high as they should be.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator form Rhode Island has 4 minutes 46 seconds.

Mr. PELL. I reserve the balance of my time.

The PRESIDING OFFICER. The Senator from Rhode Island has reserved the balance of his time.

The Senator from North Carolina has 2 minutes 50 seconds remaining.

Mr. HELMS. Mr. President, I thank the Chair.

I very seldom disagree with the Parliamentarian, but in this instance I have told him in all friendliness I think he is wrong. He is sincere, but he is sincerely wrong.

I believe there is a clear precedent dated from January 22, 1861, in which the Senate considered an amendment to the Journal well after the beginning of the day, even though the Journal was not in any sense pending at that time. I am tempted to ask the Chair if he wants to reconsider its ruling that the Journal must be pending for a correction to be made.

On page 374 of the precedents of the U.S. Senate there is a clear description of what happened that day. I have been unable to find any precedent changing that clear precedent, and I hope the Senate today will not change it. The Senate needs to get out of the business of changing its rules by the device of incorrect parliamentary rulings. But I reiterate that we are not really voting on a procedural matter here; we are voting in fact on a State Department policy which I think would be unwise and dangerous.

I ask unanimous consent, Mr. President, that the precedent to which I have referred be printed in the Record.

I reserve the balance of my time.

There being no objection, the precedent was ordered to be printed in the Record, as follows:

4. CORRECTING

JANUARY 22, 1861.

36th Cong., 2d sess.; J., p. 132.

Mr. Benjamin submitted the following motion:

*Ordered*, That the Journal of the proceedings of the Senate be so corrected as to record the fact that the Senators from the States of Florida and Alabama, and the honorable Jefferson Davis, Senator of the Senate of Mississippi, made announcement that the said States of Florida, Alabama, and Mississippi had seceded from the Union, has resumed the powers delegated by the said several States to the United States of America, and that they, the said Senators, considered themselves by reason of said action of said States as being no longer entitled to retain their seats as Senators, and accordingly thereupon withdrew from the Senate.

The Senate proceeded to consider the said motion; and

On motion by Mr. Douglas, to amend the same by striking out all after the word "*Ordered*," and in lieu thereof inserting:

*That Jefferson Davis, of Mississippi, Stephen R. Mallory and David L. Yulee, of Florida, C. C. Clay and Benjamin Fitzpatrick, of Alabama, having announced to the Senate their withdrawal from the same: Ordered, That their names be stricken from the list of Senators, and the Secretary directed no longer to call the same.*

After debate,

On motion by Mr. Seward, that the motion of Mr. Benjamin, and the proposed amendment, lie on the table,

Mr. Benjamin raised a question of order, to wit: Whether it was in order to move to lay upon the table a motion to correct the Journal of the Senate of the preceding day; and

The Vice-President decided that the motion was in order; and

On the question to agree to the motion of Mr. Seward,

It was determined in the affirmative; yeas 32, nays 22. (*See* Cong. Globe, pp. 501–505.)

The PRESIDING OFFICER. The Senator from North Carolina has 1 minute 15 seconds. The majority leader?

Mr. BYRD. How much time do I have?

The PRESIDING OFFICER. The gentleman has 4 minutes 43 seconds.

Mr. BYRD. I thank the Chair.

Mr. President, this matter is important from the standpoint of the precedent that the Senate will set. It is important for the future.

While few Senators may be on the floor at this time, I think it is important that the record state for those who may read it in the future what the situation is and what the Senate does in the action that the Senate takes on this appeal.

Mr. President, the 1861 precedent to which the distinguished Senator points is not a precedent on all fours.

In that instance, the Vice President was seeking for guidance, for one thing.

Second, there was no point of order made against the motion.

Third, the Chair did not, in and of itself, rule such a motion out of order as it has in this instance. In other words, there was no challenge to the motion in the 1861 instance.

Mr. President, there are four journals that are kept by the Senate: The executive journal, the legislative journal, the journal of confidential proceedings when the Senate is acting behind closed doors; and the journal of the proceedings of the Senate acting as a court of impeachment. The time for the amendment to the journal is at the beginning of a new legislative day in the case of the legislative journal, and I believe that the time for amending the executive journal should be at the beginning of a new calendar day in which the Senate goes into executive session to consider executive business.

That was not the case today. The Senate went into executive session after 1 hour of session, and the distinguished Senator from Rhode Island, by unanimous consent, put the Senate on the business of the nomination of Melissa Wells. So we had before the Senate at that time the nomination of Melissa Wells.

At the time the distinguished Senator from North Carolina moved to amend the executive journal, the Senate was on the nomination of Melissa Wells.

It stands to reason, and I think common sense would dictate, as well as experience and precedent and the rules would dictate, that you cannot have two matters before the Senate at once. You cannot have the executive journal before the Senate and have a nomination or treaty before the Senate at the same time. You cannot have a bill or resolution pending before the Senate and at the same time have the legislative journal, the reading thereof or an amendment thereto, before the Senate at the same time. You have one or you have the other. A matter must be pending before the Senate, else it is not subject to amendment. Only one matter may be pending at any given time. The moment the Senate went into executive session the journal was subject to amendment.

So once that opportunity passed, and other matters are taken up before the Senate—in this case, the Wells nomination—I maintain that the opportunity to amend the journal is lost because the journal is not before the Senate. Therefore, that any motion to amend the Journal would no longer be in order.

That is what the Chair's ruling is. The distinguished Senator from North Carolina has exercised his right to appeal that ruling by the Chair. I hope that the Senate will sustain the Chair because a result to the contrary would be to invite chaos in the proceedings of this body. It would mean that at any time during any day and without regard to any other matter that may be pending before the Senate at a particular time, a Senator, if he wishes to act in a dilatory fashion and delay the action of the Senate on the matter before the Senate, could simply move to amend the journal. I believe that all Senators can easily foresee that that would be chaotic. We have enough problems now.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD. I ask unanimous consent to proceed for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. We have enough problems now in trying to get the business of the Senate done. Now if we invite any Senator on any occasion on any day while any other matter is before the Senate to stand and get recognition and move to amend the journal, we can foresee the chaos and disruption that would result.

I urge the Senate to vote against the appeal by the distinguished Senator from North Carolina and instead uphold the ruling of the Chair.

The PRESIDING OFFICER. The Senator from North Carolina has 1 minute 15 seconds remaining.

Mr. HELMS. Mr. President, I say to my dear friend from West Virginia he has almost now persuaded me, but he must remember, and I know he does, that there is scarcely any higher privileged matter than such an amendment that I propose. A correction to the Journal is highly privileged and is virtually always in order, except perhaps after cloture in proceeding under rule XXII. He may not like the rule of the Senate in this regard, but the authority is there, and it is, as I read it, very clear.

Second, there has hardly been a lot of chaos since 1861 by the use of this device, if you want to call it that.

I say again, Mr. President, that this is not a matter of chaos. It is not a procedural matter. It is a matter of whether the Senate wants to say to the State Department, "Deal with both sides in these disputes in other countries that do not justify your support and cooperation to the Communist side."

That is the issue. The issue is not whether the Parliamentarian is right in his ruling. I do not think he was. One of these days, I am going to buy him a cup of coffee and have him sit down and have a little confessional with me about it.

Nothing could be clearer than this is a highly privileged matter in terms of parliamentary procedure.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 10 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. May I first commend the distinguished Senator on making a motion today that has never been made before on all fours. I compliment him. It shows his resourcefulness.

I ask him, however, if he would kindly invite me to be present at the beginning of the coffee and the confessional when the distinguished Parliamentarian is asked to sit down with the distinguished Senator from North Carolina. I would like also to be enlightened further.

Mr. HELMS. Since we are talking about privileged matters I can think of no greater privilege than to invite the distinguished majority leader. We will invite him.

Mr. BYRD. I thank the Senator.

The PRESIDING OFFICER. All time has expired. The question is, Shall the decision of the Chair stand as the judgment of the Senate? The yeas and nays having been previously ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Kentucky [Mr. Ford], the Senator from Tennessee [Mr. Gore], the Senator from Iowa [Mr. Harkin], and the Senator from Illinois [Mr. Simon] are necessarily absent.

Mr. SIMPSON I announce that the Senator from Mississippi [Mr. Cochran], the Senator from New York [Mr. D'Amato], the Senator from Kansas [Mrs. Kassebaum], the Senator from Idaho [Mr. McClure], the Senator from Alaska [Mr. Murkowski], the Senator from Oklahoma [Mr. Nickles], the Senator from New Hampshire [Mr. Rudman], the Senator from Alaska [Mr. Stevens], and the Senator from Virginia [Mr. Warner] are necessarily absent.

The PRESIDING OFFICER (Mr. Dodd). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 59, nays 28, as follows:

[Rollcall Vote No. 235 Ex.]

YEAS—59

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Evans
Exon
Fowler
Glenn
Graham
Hatfield
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Stafford
Stennis
Weicker
Wirth

NAYS—28

Armstrong
Bond
Boschwitz
Dole
Domenici
Durenberger
Garn
Gramm
Grassley
Hatch
Hecht
Heinz
Helms
Humphrey
Karnes
Kasten
McCain
McConnell
Pressler
Quayle
Roth
Simpson
Specter
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—13

Cochran
D'Amato
Ford
Gore
Harkin
Kassebaum
McClure
Murkowski
Nickles
Rudman
Simon
Stevens
Warner

The PRESIDING OFFICER. On this vote, the yeas are 59, the nays are 28. The decision of the Chair stands as the judgment of the Senate.

Mr. BYRD. Mr. President, I move to reconsider the vote.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PELL. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is on the question regarding the nomination of Mrs. Wells to be the Ambassador to Mozambique.

Is there further debate?

Mr. PELL. I suggest that we move on to a vote.

Mr. HELMS. Pardon?

Mr. PELL. I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the nomination. The clerk will call the roll.

Mr. BYRD. Mr. President, I am sure that Mr. Helms wanted to speak on the nomination. I would suggest that we not have the vote until the Senator has had the opportunity to speak, as well as other Senators.

I compliment the Chair, however. If no Senator seeks recognition, it is the Chair's responsibility to put the question.

Mr. HELMS. Mr. President, this matter is a fait accompli. As has been said many times during the debate today and on previous occasions, the nomination of Mrs. Wells could have been confirmed months ago had it not

been for the intransigence of the U.S. State Department.

The PRESIDING OFFICER. Will the Senator suspend?

The Senate is not in order. The Senator from North Carolina deserves to be heard.

Mr. HELMS. I thank the Chair. I do not know whether I deserve to be heard, but I am entitled to be heard. But I thank the Chair.

The intransigence of the State Department has been an appalling spectacle in this matter. The fact of the matter is that Mrs. Wells, following the State Department policy, declared on more than one occasion that she would not meet under any circumstances with the anti-Communist resistance in Mozambique. There were some of us in the Senate who understood that she either parroted the State Department policy or she did not get the nomination. That is precisely the situation.

So I have no criticism of Mrs. Wells as a person. She is a delightful lady. I met with her for about 90 minutes in my office. I enjoyed it. I think she wants to do a good job. But she will be operating under the constraints of a State Department policy which says: "You may deal, you must deal, with Frelimo, which is the Communist element in Mozambique, but you may not even recognize the fact that Renamo exists," Renamo being the anti-Communist resistance in Mozambique.

I am just puzzled about this State Department policy as I am puzzled by so many State Department policies.

Now, Senator Dole and I met with the Secretary of State trying to persuade him weeks ago at least to agree to sit down and talk and listen with Renamo. The Secretary was intransigent. He was pleasant, but he would not do it. And it is this kind of State Department policy to which I object and have objected and will continue to object so long as I am in the Senate.

So the cloture vote was of no surprise to me. And it will suit me just fine for there to be a vitiation of the rollcall on Mrs. Wells, but that would be up to the majority leader.

But let me say that the Senate's action today in rejecting even a sense-of-the-Senate resolution calling on the State Department to meet with the anti-Communists in Mozambique as well as the Communists, that action by the Senate has vast implications that are very disturbing to me.

It may very well begin the unraveling of support for Jonas Savimbi with grave consequences for democratic forces throughout the region. Now the reason for my concern, Mr. President, is that the situation in Mozambique is parallel in many ways to the situation in nearby Angola. In both cases, effective indigenous opposition movements have formed to overthrow the two Communist governments, one in Mozambique, one in Angola, that assumed control in both countries when both countries became independent.

So that is what had been at issue here today. That is what has been at issue every step of the way.

I did not have much notion that I would prevail in this matter, but I felt and I feel that it was a fight that needed to be waged. The linkage was also noted by Senator Simon in his comments this morning, this linkage between Angola and Mozambique. The difference is that Senator Simon apparently wants to change U.S. policy from supporting Savimbi, and he saw this vote as a step in that direction. I am very fond of Senator Simon, but I disagree with him wholeheartedly on this matter.

I prefer that we change United States policy toward Mozambique. United States policy in both Angola and Mozambique should be directed at giving encouragement to democratic forces who are striving to establish a democratic government in those two Marxist countries and who desire to see the withdrawal of foreign troops that are propping up unpopular regimes.

Now, I had hoped that those who support UNITA's efforts in Angola would have opposed the cloture motion and would have voted to allow my proposed amendment to the Executive Journal to be considered on its merits. I wanted that to happen as a means of expressing dissatisfaction with the State Department's exclusion of Renamo, as I have said repreatedly, Renamo being an organization with similar ideas for democracy in southern Africa.

The primary difference is that Jonas Savimbi's UNITA movement in Angola was a political party at the time of independence while the Renamo forces in Mozambique are largely comprised of disaffected former members of the Front for the Liberation of Mozambique (FELIMO) which has ruled since independence.

In short, the members of Renamo today are people who supported Frelimo until they saw the disastrous consequences of a Communist government in Mozambique.

And it was then that they—an indigenous group of human beings in Mozambique who yearn to be free and who simply will not submit to being ruled by Communist tyrants—they moved out and are trying to take over their country.

Much is said of the fact that Renamo was originally assisted by the former Rhodesian Government and subsequently South Africa, prior to the Nkomati accord. This is largely irrelevant to the fact that today in 1987, Renamo is the primary anti-Communist force in the country.

So that is why I cannot understand the State Department's absolute refusal even to meet with representatives of Renamo. It is clear from various firsthand reports that Renamo operates freely and is the dominant force in 80 percent of the country. But yet our State Department says we are going to deal only with the Communists who represent only about 20 percent of the country. Only the major cities, to the extent they are major, in Mozambique are regarded as controlled by FRELIMO or, that is to say, the Communist government.

Now, the State Department's policy in southern Africa has placed heavy reliance on what it terms "weaning" the Governments of Angola and Mozambique away from their Communist moorings.

Fat chance; good luck, fellows. It is not going to happen. It never has happened; never will.

We heard the same noisy chatter about how we are going to get along so well with a fellow named Fidel Castro down in Cuba. And the very same State Department then said:

> Oh, well, Mr. Castro is just an agrarian reformer. We don't even really believe he is a Communist and we can get along with him and we can make a deal.

Some deal, Mr. President.

Or, to put it another way: Here we go again.

Let me get back to my friend and a friend of many Senators, Jonas Savimbi. Jonas has always been a pressure point to force the Angolan Government into a negotiated settlement. However, the Communist government in Angola, just like the Communist government in Mozambique, refuses to deal with Savimbi.

A similar situation exists, as I say, in Mozambique. The Government there refuses to engage in negotiations for reconciliation. Indeed, the Government will not even utter the word "Renamo." They label Renamo only as "armed bandits."

And, surprise, surprise, again that is exactly what Mrs. Wells said when she was interviewed about her nomination. That is exactly what George Shultz says. That is exactly the line fed out by the State Department. That is exactly the line circulated by the New York Times and the Washington Post and NBC and CBS and ABC. Small wonder that the American people are confused.

Despite pleas from Catholic bishops in Mozambique, the Government stubbornly refused even to discuss the possibility of negotiations with Renamo.

This "weaning" philosophy of the State Department, I might add, has not been successful. Both countries—Angola and Mozambique—remain firmly in the Soviet orbit, receiving large military supplies and voting the Soviet line in the United Nations. Only because of congressional pressure has support been provided to Savimbi's forces, and over the objections of the State Department.

I caution my colleagues that the failure to change the U.S. policy toward the anti-Communists of Renamo will only serve to embolden the State Department to accelerate its desire to "dump" U.S. support for Savimbi. I know that many of my colleagues share my conviction that Jonas Savimbi is a dynamic leader committed to democracy in Angola and that he is deserving of support.

There are those within the State Department who are already advocating that U.S. support for Savimbi must be terminated as a part of a regional "peace package." Assistant Secretary of State for African Affairs, Chester A. Crocker, has been to Angola twice this summer, and representatives from Angola have traveled here. What appears to be in the works, I am told, is a reversal of United States policy with only cosmetic changes in Angolan policy. United States insistence on the withdrawal of Cuban troops from Angola will be compromised in order to negotiate a peace package. The possibility of democracy emerging, however, has been submerged because of the desire to consummate negotiations.

Other similarities between the Unita and Renamo forces are that in addition to having to battle the Communist government, they also face significant foreign forces. In Angola, these are primarily Cuban troops. In Mozambique, a large number of Zimbabwean troops (15,000 to 20,000) are present, as well as some reportedly from Tanzania (3,000), Malawi (1,000), Zambia, Ethiopia. Additionally, approximately 850 Soviet military advisers are present in Mozambique. These forces help to prop up what otherwise would be a faltering Communist government.

Both Unita and Renamo have similar demands of their respective governments: The withdrawal of all foreign troops and the holding of free and fair elections. Neither country has had multiparty elections in the past decade.

Mr. President, surely these are objectives worthy of U.S. support. At a minimum, Mr. President, U.S. efforts should be directed toward negotiations between the warring factions in both countries and encouraging democracy in these beleaguered countries.

A number of colleagues have expressed to me their support for the point I have been making about Renamo while disagreeing with the procedural method I had suggested of opposing Mrs. Wells' nomination. They may be assured there will be other opportunities to express that sentiment in votes before this body. As appropriate legislation comes before the Senate, it will be my intention to get the Senate to express its will directly on having the State Department meet with Renamo representatives.

Mr. SYMMS. I hate to interrupt the Senator, but will the Senator yield for a question?

Mr. HELMS. I certainly will.

Mr. SYMMS. I want to compliment the Senator for his fine statement. I just had a meeting in my office this afternoon with Mr. Jack Wheeler, a renowned journalist, traveler, and freedom fighter, who just had a conversation with Mr. Grover Norquist, who was in Mozambique. Mr. Wheeler made the point that if our State Department would just be neutral in their policy toward Mozambique, that the house of cards of the Communist government of Frelimo would collapse.

But, there they go again. The State Department foreign policy is to try and suck and blow in the same breath and they cannot seem to decide that it is OK to be on the side of freedom. So they put themselves on the side of tyranny and oppression and communism in Mozambique. And, right across the border in Angola they say that they are backing Dr. Savimbi and the forces of freedom. It is so inconsistent and so tragic.

I think the Senator is quite right that we certainly should not have an ambassador to Mozambique that does not understand this. Not that Ambassador Wells is not consistent with the U.S. State Department policy, but that that policy is inconsistent with the so-called Reagan doctrine. One has to ask who is the biggest obstacle in Africa to the Reagan doctrine? Is it the Communist government of Mozambique or is it the U.S. State Department? And I think it is a close call. I would ask the Senator what his opinion would be.

Mr. HELMS. Well, let me say to the Senator that your friend is right on target. I have said on the Senate floor a number of times today, and I will reiterate it only for the purpose of emphasis, that Senator DOLE and I met on at least a couple of occasions with Secretary Shultz and, in effect we said: Look, you could have the nomination of Mrs. Wells approved by the Senate tomorrow if you will just say that you will be evenhanded, or as your friend put it, neutral. Do not take sides with the Communists.

That is what we were saying for the Secretary. And the Secretary was very pleasant, but he said: No.

So, I have got news for the Secretary and the State Department, if they want to play those sort of games, fine. I am just disappointed in the Senate that it would not even deign to say to the State Department: Be evenhanded; be fair; or, as the Senator put it, be neutral.

I believe that without the support of the U.S. State Department that has this continual obsession—

Mr. SYMMS. Given this artificial—

Mr. HELMS. Excuse me just a minute—continual obsession that they could make a deal with the Communists.

I ask the Senator if he can recall one instance where a deal with the Communists has panned out to the benefit of the people of the United States?

Mr. SYMMS. None to this Senator's knowledge. The fact is, I know of no place that a Marxist dictatorship has given up power willingly. No place in history.

They believe that political power comes out of the barrel of a gun. That is their doctrine. They believe that and they are not about to give up power, and the State Department is still living in some kind of a dream world. To continue this policy, I think, is just pathologically irrational and I thank the good Senator.

Mr. HELMS. I agree with you.

I assured Senator BYRD, our majority leader, that I would not take long and I have taken longer than I intended, because this is a subject that gives me great apprehension.

The battle for the continent of Africa is on and the Soviet Union is winning it. One or two more disasters in Africa—

The PRESIDING OFFICER. If the Senator from North Carolina would withhold, the previous order, Calendar No. 302, is to be called up at 3:50.

Mr. BYRD. Mr. President, would the distinguished Senator yield?

Mr. HELMS. I will finish in 1 minute, if I may.

Mr. BYRD. Did the Senator want 1 minute?

Mr. HELMS. Whatever. I am virtually completed.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senator may proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, while the disposition of the rollcall vote on the resolution would occur somewhere around 4:15 or 4:20, would the Senator allow the Senate to proceed then to vote on the nomination of Melissa Wells?

Mr. HELMS. I will give the Senator a better proposition than that. Whatever few remarks that I have I will just include them in the RECORD and I will conclude my oral comments at this point.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I ask unanimous consent that upon the disposition of Senate Resolution 279 under the order, the Senate proceed to vote on the nomination of Melissa Wells; that upon the disposition of the vote on the nomination of Melissa Wells the Senate proceed, in executive session, to the nomination of David Bryan Sentelle of North Carolina to be U.S. Circuit Court Judge for the

District of Columbia Circuit vice Antonin Scalia, elevated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from North Carolina for his patience and his courtesy that he has extended, not only to the majority leader but to all of us.

Mr. HELMS. I thank the Senator.

## ETHICAL CONDUCT EXPECTED OF SENATE POLITICAL COMMITTEES

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed, as in legislative session, to the consideration of Calendar 302, Senate Resolution 279, which the clerk will report.

The bill clerk read as follows:

A resolution (S. Res. 279) expressing the sense of the Senate regarding ethical conduct expected of Senate political committees.

The PRESIDING OFFICER. Who yields time?

The Senator from Massachusetts [Mr. KERRY] addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, how much time do we have?

The PRESIDING OFFICER. Five minutes per side.

Mr. KERRY. I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator has 4 minutes.

Mr. KERRY. Most of us who are running for office have come to recognize that in recent years that process seems to have been dominated by a negativism, and I think that, if there was one characterization that stood out in most people's minds at the end of the 1986 cycle, it was how negative that campaign process had become.

Obviously, we cannot control every aspect of it. We cannot, necessarily, control Senate challengers. But what we can do is espouse a standard of behavior, a standard of conduct that we, as U.S. Senators and as Members of this great institution, ought to be able to try to control for ourselves.

That, in and of itself, can go a long way to trying to set the standard by which those who aspire to be here should behave.

This resolution attempts to do that and it does it by merely asserting in the best way that we know how, by setting out a code of conduct, if you will, for those of us in the Senate to govern our actions through the course of the campaigns.

What it says is that it is the sense of the Senate that the Senate itself and its agent political committees must be diligent in adhering to a code of conduct of the highest standards, avoiding even the appearance of improper, unethical, or illegal activity; that candidates and their party committees should engage in positive and constructive campaigns, avoiding negative attacks calculated to impugn the character, the integrity, or the patriotism of the candidate.

Finally, that the Senate and the political committees and candidates of both parties must renew their commitment and dedication to winning not only the votes of the citizenry, but to winning their trust and their confidence.

We celebrate, in 8 days, the anniversary of the Constitution, the framing of the Constitution, of this country. It is obvious that nothing is more at the center of that process than people voting, than people being elected, and than people being willing to participate in the process.

Mr. President, it has been shown again and again that more and more Americans after a campaign look for a line that says: None of the above, or wish there were alternatives after the nature of some of our campaigns.

Too many of us have seen too many ideologues of either side attempt to pigeonhole and somehow assert that one ideology has cornered the market on patriotism or somehow represents what is God's true will on Earth or so on and so forth. We are all too familiar with the arguments.

It is our hope that this resolution will place this Congress, the 100th session, on record as espousing the highest standard of behavior as we enter the 1988 elections and that all of us will abide by the standards which we set for ourselves.

I know I speak for myself as chairman of the Democratic Campaign Committee, and I know my counterpart, the Republican chairman, joins me in this; we will do all we can to guarantee that our challengers that we help around the country and that we try to assist in campaigns will adhere to those same standards.

I reserve the remainder of time that I have.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired. The Senator from Minnesota.

Mr. BOSCHWITZ. I rise in support of the resolution put forward jointly by my colleague from Massachusetts and myself.

On the surface, this resolution is simple enough. I doubt that any Senator will vote no. All of us want campaigns based on issues—not personalities. Campaigns stressing the positive—not dwelling on the negative. Campaigns emphasizing thoughtful debate between the candidates—and not 30 second commercials. Who among us would challenge these objectives?

Why then this resolution? What purpose is served? I believe this resolution, somewhat unintentionally perhaps, addresses a far more important issue—that is, a candidate's personal responsibility for his or her campaign.

Campaigning has become tough business—too tough—almost distasteful some say. Sure we criticize the overzealous researcher who draws far reaching—perhaps even unsupportable—conclusions from extensive research devoted to exposing our opponents' weaknesses. Here on the Senate floor we also criticize the slick political consultants who cast our opponents or us in an unfavorable light. We pass resolutions against them, criticize them, criticize committees, but don't criticize ourselves—and that's where the responsibility really belongs.

If the lofty goals stated in this resolution are ever to be achieved, it will only be because those of us in this Chamber, those of us supporting this resolution, also recognized and assume our own, personal responsibility for the conduct of our campaigns. In short, Mr. President, before criticizing others, the committees or others, we should examine our own actions.

This resolution needs—indeed demands—our active involvement. If one thinks about it, politics in this country is a bit of an anomaly. The election of our public officals is, without question, a most serious pursuit. Campaigns are intense, filled with tremendous pressures and closely scrutinized by the press and public. The stakes are very high. Yet, for the most part, we rely on young people to elect our public officials—bright, energetic, committed people who do not mind a 4-, 6-, or 9-month job without any projection of what is going to come after that job. That is not something that someone with a family is inclined to do. So we get these young people who in reality have a limited experience in life. Yet, of them we expect wisdom and judgment far beyond their years. In their youthful enthusiasm, who do they strive to satisfy? Us, the candidates. We alone must take the responsibility for setting the tone particularly with those young people involved who are guiding the campaign.

A campaign reflects the candidate waging it. Those high-priced media consultants produce tough ads only because we allow them to do it. And let us not suggest for a moment that only candidates employing negative advertising are the unsuccessful candidates. Very often they are the successful candidates. Have none of us in this Chamber signed direct mail letters employing caustic rhetoric? Have none of our campaigns aired negative campaign commercials? We, the candidates, buy their services. We, the candidates, allow the commercials to be aired.

So you see, Mr. President, I do support Senate Resolution 279, but I do so with a full recognition that the ultimate responsibility for campaigns rests not with the committees or consultants, or campaign staffers. That responsibility rests with us, the candidates. And it behooves each of us, Mr. President, Democrat or Republican, to recognize that we are the very audience at which this resolution is directed.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. Breaux). The Senator has 1 minute remaining. The Senator from Massachusetts has 1 minute remaining.

Mr. LAUTENBERG. Mr. President, I rise in support of the resolution.

It says something quite simple, but very important. And, in light of the outrageous attack of Senator Metzenbaum, something that needs to be said.

The public deserves fair play in elections. Our political parties and their campaign committees play an important role. They shape the kind of elections we have. We can have elections marked by negativism and gutter attacks on a candidate's patriotism and character. Or we can have elections on the issues, on the record.

Our democracy depends on the people and their faith in the process. It depends on their participation. Negative campaigns, dirty campaigns turn the voters off. The American people do not want to witness mudslinging. The want to hear about the issues.

In my State, they want to hear about environmental protection, transportation policy, about education and building a strong nation. They deserve campaigns that speak to their concerns. They deserve campaigns in which candidates make their case on their qualifications, and their solutions to the Nation's problems.

That does not mean that when it comes election time, we will not play hard ball. Hard ball is just fine. That is politics. But, there is no place for spitters and beanballs . . . like the report about the Senator from Ohio—a friend and a colleague.

Mr. President, I do not want to dignify by repeating the scurrilous attacks and the underhanded tactics laid out in that report. But, it represented the worst in negative campaigning. It impugned the patriotism of a patriotic Senator. It laid out a plan of McCarthyistic attack, and then proposed a strategy to avoid it being seen as such. It dredged up details that were 30 and 40 years old.

Mr. President, my dear colleague from Ohio has taken some tough stands, some controversial stands in the Senate. That is fair game. I am sure he is ready to take his record to his people and rise or fall on it. But, no candidate should have to respond to the kind of character assassination in that report. And the voters should not be subjected to a campaign that is marked by such attacks, instead of positive campaigns on the issues and what a candidate can do about them.

It is that simple. The Senate is asked today to stand up for fair play. To reject the kind of attack that was made against our colleague. It is that simple.

I urge adoption of the resolution.

Mr. KERRY. Mr. President, I yield back the remainder of my time.

Mr. BOSCHWITZ. Mr. President, I yield back the remainder of my time.

Mr. KERRY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

## VISIT TO THE SENATE BY MEMBERS OF THE DUTCH PARLIAMENT

Mr. SIMPSON. Mr. President, I ask unanimous consent, after conferring with the majority leader, to take approximately 1 minute to introduce a group of Dutch Parliamentarians and fellow legislators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, today we are honored to have with us here in the Chamber nine distinguished guests of the Dutch Parliament. Our friends and colleagues from Holland are here as part of the Atlantic Exchange Program. Many of us know of the excellent efforts of the Atlantic Exchange. It is a very person-to-person approach that they use in their contacts. These are members of major parties of their country and they are here for a series of meetings. They are being provided with the opportunity to view our American system of government.

I am certain this has been a rather unique experience, just watching this little segment right here, with my friend Senator Boschwitz and my friend Senator Kerry involved in an issue that will require a rollcall vote in a few minutes.

I would ask my colleagues as they come in to vote to come and greet our friends as they stand here in the Chamber. I will read their names. Watch out, this could be hazardous.

The Members of Parliament present today are: Frans Leijnse, Ms. Alie Doelman-Pel, Jaap De Hoop Scheffer, Tom Vreugdenhil, Maarten Engwirda, Henri Frans Dijkstal, Jacques Wallage, Albert Korthals, Wim Meijer.

And that comes from a young man from Wyoming whose middle name is Kooi, which is the unalloyed Dutch.

(Applause, Senators rising.)

Mr. SIMPSON. I thank the majority leader for his courtesy.

Mr. BYRD. Mr. President, I join with the distinguished Senator from Wyoming. I would suggest that during the rollcall vote which is going to begin now, Senators avail themselves of the opportunity to meet and welcome these visitors to the Chamber.

Mr. SIMPSON. I thank the Senator.

## ETHICAL CONDUCT EXPECTED OF SENATE POLITICAL COMMITTEES

The Senate continued with the consideration of the resolution.

The PRESIDING OFFICER. The question recurs on agreeing to Senate Resolution 279. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Kentucky [Mr. Ford], the Senator from Iowa [Mr. Harkin], and the Senator from Illinois [Mr. Simon] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. Cochran], the Senator from New York [Mr. D'Amato], the Senator from Kansas [Ms. Kassebaum], the Senator from Idaho [Mr. McClure], the Senator from Alaska [Mr. Murkowski], the Senator from Oklahoma [Mr. Nickles], the Senator from New Hampshire [Mr. Rudman], the Senator from Alaska [Mr. Stevens], the Senator from Virginia [Mr. Warner], and the Senator from Oregon [Mr. Hatfield] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 87, nays 0, as follows:

[Rollcall Vote No. 236 Leg.]

YEAS—87

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Weicker
Wilson
Wirth

NOT VOTING—13

Cochran
D'Amato
Ford
Harkin
Hatfield
Kassebaum
McClure
Murkowski
Nickles
Rudman
Simon
Stevens
Warner

So the resolution (S. Res. 279) was agreed to.

The preamble was agreed to. The resolution, with its preamble, is as follows:

S. Res. 279

Whereas the practice of selecting our government leaders by election is at the foundation of our democracy; and

Whereas our democratic tradition is strengthened by participation of the largest number of eligible voters; and

Whereas the Senate and its adjunct political committees have a responsibility to encourage voter participation by setting and adhering to the highest possible standard of conduct; and

Whereas such participation is discouraged by negative campaigns and attacks on candidates' character, integrity and patriotism; and

Whereas such attacks and negativism are unbefitting the values and the code of conduct of the Senate and its political committees; and

Whereas such attacks and negativism can only do injury to the democratic process, as well as to the men and women who have chosen to serve as candidates for office; *Now, therefore, be it resolved:*

It is the sense of the Senate—

(1) The Senate and its agent political committees must be diligent in adhering to a code of conduct of the highest standard, avoiding even the appearance of improper, unethical, or illegal activity;

(2) Candidates and their party committees should engage in positive and constructive campaigns, avoiding negative attacks calculated to impugn the character, integrity or patriotism of a candidate; and

(3) The Senate, and the political committees and candidates of both parties must renew their commitment and dedication to winning not only the votes of the citizenry, but the trust and confidence of that body as well.

Mr. KERRY. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## DEPARTMENT OF STATE

### NOMINATION OF MELISSA WELLS AS AMBASSADOR TO MOZAMBIQUE

Mr. WALLOP. Mr. President, on March 18, the Foreign Relations Committee conducted a brief hearing on the nomination of Melissa Foelsch Wells, of New York to be Ambassador to the People's Republic of Mozambique.

Mr. President, the dominant theme of Wells' oral and written responses to questions from the committee reflect the party line of the ruling Mozambican regime, known as Frelimo, a Marxist, pro-Soviet regime. For example, in her answers about Renamo, Mozambique's pro-Western, Democratic anti-Communist insurgents, Wells maintains that:

They are terrorists who can only control territory by Red Brigade type tactics.

They have "not demonstrated a capacity to take, hold and govern territory."

These contentions are simply untrue. They represent the government line of a pro-Moscow regime. The Sunday Times of London, for instance, has reported from on the ground in Mozambique that the shoe is on the other foot. If it were not for the 20,000 foreign, and East bloc troops protecting the Frelimo regime, it could not remain in power. One Zimbabwean sergeant, who is a member of the contingent of foreign troops, was quoted as saying: "All behind us in Renamo, as far as we are concerned they have won this war. All that is left is for them to announce it. These Renamo are good. They control the countryside. The local people support them."

The Wall Street Journal, in a policy editorial on May 11, 1987, disputed Wells' view that Renamo members are bandits and "have no popular support." The mere fact that the Chissano regime must maintain 20,000 foreign troops on its territory makes one wonder how Wells can assert that Renamo "Has not demonstrated a capacity to take, hold, and govern territory."

Who are these 20,000 troops that Ms. Wells ignores in her view of the legitimacy of the Frelimo regime? They are all friends of the Soviet Union; 16,000 Zimbabwean troops, 2,000 Tanzanian troops, and 1,500 Soviet, East German, and Cuban advisers. No, the presence of these forces does not legitimize the Frelimo regime; they allow it to make war on the Mozambican people.

Renamo now controls, according to some reports, 80 percent of the countryside. The prestigious Jane's Defense Weekly ran a report stating that Renamo "is growing in strength—possibly because of the Mozambican Government's policy of imposing collectivization." Additionally, the report states that Frelimo's policy of "herding the rural populace in aldeas, communal villages, has alienated peasants and created opposition in areas which were previously compliant. The people appear to prefer to live in Renamo's liberated areas where they can grow crops as they wish."

Mr. President, Ms. Wells has defended the Frelimo regime by trying to maintain that Mozambique cannot be a Marxist-Leninist regime because "* * * classic Marxism-Leninism calls for dictatorship of the proletariat, the latter—for all practical purposes—being nonexistent in Mozambique." This is semantic wordplay Mr. President.

The proletariat, as the Marxists understand it, has existed in very few of the countries they have seized control in. Does Cuba have a proletariat? Does Nicaragua have a proletariat? It is interesting to note that what might be called the proletariat in those countries oppose the Marxist-Leninist regimes. Mr. President, even the Soviet Union in 1917 did not have the type of well-developed proletariat that Karl Marx envisioned would rise up against the so-called oppressive capitalist classes. Instead, the Bolsheviks executed a classic coup d'tat 6 months after the legitimate Russian revolution took place. This statement by Ms. Wells betrays either an astounding ignorance about the nature of Marxism-Leninism or a willingness to apologize for the pro-Marxist Frelimo regime in Maputo.

Further evidence of this willingness, Mr. President, is Ms. Wells' lauding of the "political liberalization" in Mozambique, saying it "is evident in the conduct of the 1986 elections, in which there were 20 percent more candidates than seats available, thus affording voters a measure of choice and a chance to express their views." Mr. President, the Communist Party of the Soviet Union regularly places many more than one candidate on the ballots for its elections. Would Ms. Wells maintain that the Soviet people are not participating in their Government? Of course not, because both the Soviet Union and Mozambique are one-party states. Ms. Wells has admitted this is true of Mozambique in Senate testimony. The liberalization she applauds is being administered by one state-controlled party, with one state-controlled press. The outcome, Mr. President, is predictably a state-controlled one as well.

Ms. Wells, Mr. President, is a parrot of the State Department line that we can wean away the Marxists-Leninists in Maputo from the Soviet Union, and that that strategy is preferable to helping the democratic resistance in Mozambique—a resistance that has support of the Mozambican people. What evidence is there to support this view? Does Mozambique support American initiatives in Africa? No. Do they support the objectives of American foreign policy elsewhere? No. Do they vote with the United States in the United Nations? No. They oppose us at every turn.

Mr. President, I cannot possibly vote in favor of this nomination, not because of any personal problem with Ms. Wells—I do not even know her personally—but because of the policy emphasis such a vote would represent. To do so would severely compromise any United States effort to achieve a democratic solution to the civil war in Mozambique through national reconciliation, and free, internationally monitored elections.

Mr. President, it is incumbent upon us to be sensitive to the aspirations of the Mozambican people. Their aspirations are clearly for freedom, and against the tyranny that is the Chissano regime. I urge my colleagues to send a message to the State Department that the U.S. Senate will not abandon the great principles of this Nation in its policy toward Mozambique just because a clique in that Department believes we must deal with the Communist regime in Mozambique.

Mr. President, the Renamo that Ms. Wells would abandon has only two demands: that all foreign troops are removed from their country, and that internationally monitored free elections are held, so that Mozambique will have a government of consent, not a totalitarian government of force. A vote in favor of this nomination would not ensure that these aspirations were abandoned, but it would be another step toward the total legitimization of a Communist Mozambique.

Mr. President, I call the attention of my colleagues to the letter from Senator HELMS eloquently exploring the reasons for his opposition to the nomination of Melissa Wells. These reasons are serious and merit our attention. Let me read it now—

> DEAR COLLEAGUE: The nomination of Melissa Wells to be U.S. Ambassador to Mozambique stands as a symbol of the State Department's repeated tendency to exclude non-Marxist political forces from U.S. policy in southern Africa. I do hope you will vote against the motion to invoke cloture on this nomination in order to send a message to the State Department regarding this dangerous and unwise policy.
>
> From every objective account, the Mozambique National Resistance, known as RENAMO, is a strong and effective indigenous organization committed to free enterprise and Western values. This commitment has won the hearts and minds of the people of Mozambique with the result that RENAMO is dominant in approximately 80 percent of the country. RENAMO has made such strides despite a malicious propanganda campaign by The Washington Post and similar media seeking to portray RENAMO as perpetrators of massacres or other atrocities and branding them as "armed bandits".
>
> The most recent evidence of RENAMO's pro-American character has come in the statements of the American missionary nurse, Miss Kindra Bryan of Houston, Texas. After evacuation from a military war zone, Miss Bryan travelled with RENAMO troops for 3 months before reaching neighboring Malawi. This lengthy journey—on foot and at night—was necessitated by the communist government of Mozambique's refusal to participate in a cease fire that would permit a Red Cross plane to fly in to pick her up. Additionally, communist helicopter gunships attempted to bomb and strafe the areas where Miss Bryan and six other foreigners were believed to be. Miss Bryan noted that the RENAMO troops who escorted her to safety were "disciplined and well organized" and that they "appeared to have a good relationship with villagers, who in turn seemed to recognize them as the government".
>
> The refusal of the Mozambique government to agree to a cease fire so as to evacuate Miss Bryan by air is indicative of the communist government's intransigence.
>
> Clearly if there is to be any peace in Mozambique, U.S. policy must treat RENAMO as an equal party to negotiations. A proposal for negotiations between the government and RENAMO was recently put forward by Mozambique's Catholic bishops. But the communist government of Mozambique gave a scornful reply to the bishops' call for negotiations leading to reconciliation, castigating the bishops as "apostles of treason".
>
> Under these circumstances, the U.S. should not be sending as an ambassador to Mozambique a person such as Mrs. Wells, who has adopted as her own the communist line that the gallant RENAMO soldiers are "bandits" and who does not carry instructions from the Secretary of State to deal with the most important group supporting freedom in Mozambique—i.e., RENAMO.
>
> This refusal even to meet with RENAMO is all the more inexplicable because of the State Department's ready willingness to meet with the communist officials of nearby Angola who are trying to crush the anti-communist forces of Jonas Savimbi. Moreover, State Department officials have met on over 59 separate occasions with officials of the African National Congress, an organization of avowed terrorists whose leadership is controlled by the South African Communist Party and which receives its major financial and military support from the Soviet Union. Why should not the freedom fighters of RENAMO be accorded at least the same degree of recognition by the State Department as has been afforded to the communist officials of Angola and Mozambique and to the ANC?
>
> Mrs. Wells stated during her confirmation hearings that "Meetings [by the State Department with various groups] do not confer legitimacy on or imply the U.S. government's approval of a particular organization's or individual's goals or strategy." If that is so with regard to meetings with proponents of necklacing, such as the ANC, surely it should be so with regard to the anti-communist resistance in Mozambique (RENAMO) which seeks democratic elections in what is now a self-proclaimed, one-party, Marxist-Leninist country.
>
> Until the State Department revises its policy to instruct its officers to meet with RENAMO, and sponsor negotiations between both sides, the presence of a U.S. ambassador to Mozambique serves very little constructive purpose. I have assured Secretary Shultz on several occasions that I would assist in speeding a confirmation vote on the Wells nomination if this one change in State Department policy toward Mozambique is implemented. Until it is, I urge you to join me in voting against cloture on this nomination.
>
> Sincerely,
>
> JESSE HELMS.

Mr. KERRY. Mr. President, it has been almost a year now since President Reagan nominated Melissa Wells to be the new U.S. Ambassador to Mozambique. Her nomination has been favorably and overwhelmingly reported to the floor by the Senate Foreign Relations Committee. She has answered literally hundreds of written questions.

No one has questioned the integrity of Ms. Wells. She is of unimpeachable character.

No one has questioned the qualifications of Ms. Wells. She has had important and useful experiences in Africa, most recently as the resident representative for the United Nations Development Program in Uganda.

Those who oppose Ms. Wells' nomination do so simply because she supports the administration's policy in Mozambique. The administration's policy is to provide economic aid to the Government of Mozambique. The administration's policy is to attempt to stave off the famine conditions which are currently threatening hundreds of thousands of innocent people in Mozambique. The administration's policy is to oppose the guerrilla war being waged by RENAMO. It is, of course, the last of these that particularly irks a few of my colleagues. It is the President's policy of nonrecognition of RENAMO that has caused certain Senators to oppose the nomination of Ms. Wells.

If a Senator doesn't like the President's policy he should work to change it, but he should not make a public servant like Ms. Wells the scapegoat.

In this case a few of my colleagues are not only opposing the right person for the job, but they oppose the correct policy for the region. The policy has been to pry Mozambique from its earlier embrace of Marxist philosophy and Soviet alliance. According to Assistant Secretary of State Chester Crocker the policy seems to be working. Crocker has asserted that "by 1983 * * * the Government of Mozambique began to change drastically its economic policies, reduce its dependence on Moscow, reassert its independence and nonalignment, and reach out to the West."

Those who oppose the nomination of Ms. Wells, however, favor a U.S. alliance with RENAMO, but that is clearly contrary to our regional interests.

RENAMO is the insurgent movement formed by Rhodesian intelligence agents in 1976 and backed by South Africa since 1980. While many of the leaders who operate within Mozambique are black, the movement is bankrolled by former Portuguese colonialists and former Rhodesians. And it is no secret to anyone that RENAMO gets its marching orders from the South African Defense Forces.

RENAMO is largely responsible for the economic devastation and famine conditions that currently face Mozambique. Last fall RENAMO staged a series of raids on villages in the northern provinces forcing hundreds of thousands of people to flee their homes. The attacks, coming during the planting season, greatly diminished food production.

It is estimated that Mozambique has suffered some $14 billion in economic damage. There are currently half a million refugees and at least 100,000 people have already died. Between 4 and 5 million people, or over one-fourth of the population, now face

hunger or destitution. According to a FAO report, Mozambique requires 600,000 tons of food this year to avoid famine conditions; this figure exceeds that of Ethiopia, a country with a chronic food deficit and three times as many people.

International relief efforts are underway, but RENAMO has continued its strategy of sabotage. Food convoys have become RENAMO targets. RENAMO has also bombed roads and bridges making it extremely difficult to get food and medical supplies to those who really need it.

Perhaps my colleagues who love RENAMO don't have all the facts. Perhaps they don't understand that support for RENAMO is tantamount to support for the Government of South Africa. Perhaps they haven't heard of the immoral war being perpetrated by RENAMO.

Melissa Wells knows the fact and she agrees with President Reagan. So do I.

I urge the Senate to act promptly and favorably on this nomination.

Mr. MOYNIHAN. Mr. President, I rise today in support of the nomination of Ambassador Melissa Wells to be Ambassador to the People's Republic of Mozambique. Ambassador Wells is eminently qualified for this appointment. A career Foreign Service officer, Ambassador Wells has excelled since she entered the Foreign Service in 1958. She is fluent in Portuguese, the official language of Mozambique. Ambassador Wells has had firsthand experience in Africa, representing the United States and the United Nations. She has served both as the U.S. Ambassador to Cape Verde and Guinea-Bissau from 1976 to 1977, and as the United Nations Development Program's permanent representative in Uganda from 1979 to 1982.

On March 31, 1987, the Senate Foreign Relations Committee approved Ambassador Wells' nomination by a vote of 16 to 3. As I stated on March 17, Ambassador Wells "has demonstated her capacity to work in difficult environments, and her record indicates that she is well-qualified to deal with the issues facing a nation confronted with internal and external conflict."

In spite of her qualifications and the endorsement of the Senate Foreign Relations Committee, Ambassador Wells' confirmation has been delayed for months. On May 1, 1987, the Senate voted in favor of taking up the Wells nomination by a vote of 56 to 38. However, the Senate could not proceed to the vote because of the threat of a filibuster. One Senator submitted 247 questions for Ambassador Wells to answer in writing.

Ambassador Wells has become a target for opponents of the administration's policy toward Mozambique. The United States has had improved relations with the Government of Mozambique since 1983, when that avowedly Marxist-Leninist government began a deliberate turn to the West. Beginning in April 1983, the Mozambican Government, after an economic reevaluation, began to open up its state directed economy. In 1984, Mozambique joined the International Monetary Fund and the World Bank. That nation also introduced a relatively liberal foreign investment code. On May 6, 1987, President Chissano met with Prime Minister Thatcher. Following that meeting, the United Kingdom promised $25 million in economic assistance and military training assistance to the Mozambican Army.

This turn toward Western economic principles has been accompanied by a shift in Mozambique's foreign policy. Assistant Secretary of State for African Affairs Chester Crocker has noted that over the last 5 years, Mozambique has "evolved a more independent, nonaligned foreign policy course that has distanced it from Moscow." The change in policy is reflected in Mozambique's refusal to grant access rights to its territory to the Soviet military. Currently, there are more Western advisers on Mozambican territory than Soviet and Cuban advisers. In the United Nations, Mozambique no longer votes with the U.S.S.R. on questions of importance to Moscow such as Afghanistan and Kampuchea. Improved relations between the United States and Mozambique have dealt the Soviet Union a severe blow in southern Africa, according to Assistant Secretary Crocker.

Critics of the current policy believe that the United States should support Renamo, the guerrilla insurgency attempting to overthrow the current Government. These critics argue that the Reagan doctrine requires the United States to provide military support to Renamo insurgents because they are "anti-Communist freedom fighters." However, Renamo does not have indigenous origins. It was created by the white-ruled Rhodesian Government to oppose Zimbabwean guerrilla forces fighting for independence. Since the beginning of the South African patronage of Renamo in 1980, the opposition of the other neighboring states toward that insurgency has intensified.

Beyond its assertion of anti-Communist beliefs, Renamo has no clear political program. Its resistance strategy has centered on efforts to destroy Mozambique's economic infrastructure and to terrorize the rural population. Organizations active in the area, such as CARE and the International Red Cross, state that Renamo routinely strikes civilian targets and engages in human rights violations. On May 13, 1987, Renamo claimed responsibility for kidnapping seven foreigners, including an American citizen.

No country in the world has official contacts with Renamo. Even South Africa avoids direct association with Renamo, offering only covert support. If the United States were to recognize Renamo, we would alienate other African nations and align ourselves with the policy of South Africa.

As I stated in the New York Times on December 21, 1986, we must remain true to our principles in demonstrating our disagreement with unacceptable actions of leftist regimes in the Third World. I continued:

> We need a better policy than debasing our own conduct in the course of resisting theirs.

In Mozambique, we do not confront a regime whose actions require our resistance. We have no need to violate either our own principles or international norms. It is sadly ironic that others wish to debase American conduct at the very moment when cooperative approaches offer the promise of success.

The PRESIDING OFFICER. Under the previous order, the next order of business is the vote on the nomination of Melissa Wells to be Ambassador to the People's Republic of Mozambique, on which the yeas and nays have been ordered, and the clerk will call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on the nomination of David Bryan Sentelle.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Melissa Foelsch Wells, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Mozambique? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Illinois [Mr. SIMON], are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. COCHRAN], the Senator from New York [Mr. D'AMATO], the Senator from Oregon [Mr. HATFIELD], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Alaska [Mr. STEVENS], and the

Senator from Virginia [Mr. WARNER], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 64, nays 24, as follows:

[Rollcall Vote No. 237 Ex.]

YEAS—64

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Heinz
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Weicker
Wirth

NAYS—24

Armstrong
Bond
Garn
Gramm
Grassley
Hatch
Hecht
Heflin
Helms
Hollings
Humphrey
Karnes
Kasten
McCain
McConnell
Pressler
Quayle
Roth
Shelby
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—12

Cochran
D'Amato
Harkin
Hatfield
Kassebaum
McClure
Murkowski
Nickles
Rudman
Simon
Stevens
Warner

So the nomination was confirmed.

Mr. BYRD. Mr. President, I ask that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will please be in order. The Senate will please be in order.

## NOMINATION OF DAVID BRYAN SENTELLE

The PRESIDING OFFICER. Under the previous order, the pending business consideration of nomination of David Bryan Sentelle, to be U.S. circuit judge for the District of Columbia for which the yeas and nays have been ordered.

Mr. BYRD. Mr. President, the vote that is about to occur will be the last rollcall vote of the day.

Mr. HELMS. Mr. President? Would it be in order for me to have 2 minutes, inasmuch as this is a North Carolina judge?

The PRESIDING OFFICER. The Senator asks unanimous consent?

Mr. HELMS. That would be appreciated.

Mr. BYRD. Mr. President I do not believe there is a time limit on this.

The PRESIDING OFFICER. The Senator from West Virginia is correct. The Senator from North Carolina will be recognized.

The Senate will please be in order.

Mr. HELMS. Mr. President, earlier this year, President Reagan, with my enthusiastic endorsement, proposed to elevate Judge David Bryan Sentelle from his position as a Federal District Court Judge to the U.S. Circuit Court for the District of Columbia.

Mr. President, Judge Sentelle is a native of Canton, NC. He was graduated from Enka High School in Buncombe County, NC, in 1961. He earned his B.A. from the University of North Carolina in 1965, and his law degree from the same university, with honors, in 1968, where he served as an editor of the North Carolina Law Review.

Mr. President, let me briefly outline Judge Sentelle's qualifications for this seat. Judge Sentelle was rated "well qualified" by the American Bar Association both for the Federal district court bench and for the Federal circuit court seat to which he is now nominated.

Judge Sentelle has an exceptionally broad experience in the legal profession having served as an attorney in private practice, as an assistant U.S. attorney, as a State court judge and as a Federal judge. He also has experience as a Federal appellate court judge, having sat by designation with the Fourth Circuit Court of Appeals.

Judge Sentelle has unselfishly forgone what could be a very lucrative private practice in order to engage in a career of public service. In addition, while he was in private practice, he gave extensively of his time in the pro bono representation of people who were unable to afford the legal assistance that they needed.

Judge Sentelle has an extraordinary academic record, having been graduated with honors from both undergraduate school and law school at the University of North Carolina.

Finally, Judge Sentelle's reputation for intelligence, honesty, fairness, and dedication to equal justice for all, as evidenced in the extensive investigations undertaken by the FBI, has seldom if ever been matched by any nominee to the Federal bench.

President Reagan, in my opinion, could not have made a better choice for a nominee to this circuit court seat. My only regret is that the people of North Carolina are losing an outstanding judge and a fine gentleman. But their loss is the country's gain.

Mr. THURMOND. Mr. President, I rise today to voice my strong support for Judge David B. Sentelle, President Reagan's nominee to be a U.S. circuit judge for the District of Columbia Circuit. Judge Sentelle currently serves as a U.S. district judge for the Western District of North Carolina.

Judge Sentelle was born in Canton, NC. He received his bachelor of arts degree in 1965 from the University of North Carolina and in 1968 received his juris doctorate from the University of North Carolina School of Law.

After law school, Judge Sentelle practiced law for 2 years with the firm of Uzzell & Dumont. From 1970-74 he served as an assistant U.S. attorney for the Western District of North Carolina. In 1974, Judge Sentelle was elected to serve as a district judge, 26th judicial district in North Carolina. He held this position until 1977, at which time he returned to private practice, where he remained for 8 years.

Judge Sentelle was unanimously confirmed by the Senate on October 16, 1985, to be a U.S. district court judge and has served with distinction since that time. On February 2, 1987, President Reagan nominated him to be a U.S. circuit judge for the District of Columbia circuit.

The nomination hearing for Judge Sentelle was held on April 1, 1987, at which time he was questioned regarding his background and qualifications for the position to which he had been nominated. Additionally, he was questioned extensively regarding his membership in the Masons. I was satisfied with the responses given by Judge Sentelle and I felt that he answered all questions raised in an honest and forthright manner.

Judge Sentelle's nomination was placed on the Judiciary Committee's business agenda for April 8. However, the nomination was laid over at that time. There were those on the committee who had concerns regarding his membership in the Masons, and it was felt that additional information was required concerning the membership policy's of the Masons. I would like to say at this juncture that the matter of Judge Sentelle's membership in the Masons was never an issue, or even raised, during his confirmation hearing for the position on the Federal district court in 1985.

On April 29, Judge Sentelle's name was again placed on the committee's business agenda and after a lengthy discussion concerning his membership in the Masons, the committee unanimously voted to forward his name with favorable recommendation to the full Senate. It should be noted that just prior to considering Judge Sentelle's nomination the committee at the same meeting voted to favorably report out the nomination of Judge Ronald Lew, of California, to be a U.S. district judge for the Central District of California. Mr. President, Judge Lew is also a member of the Masons, but not one member of the Judiciary Committee raised any concern over his membership in the Masonic Order.

Mr. President, after Judge Sentelle's nomination was reported out of the committee a hold was placed on the nomination once it was filed on the

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floor of the Senate. Senator SIMON informed the committee that he was sending a letter to the ABA requesting their views on a judge's membership in the Masons and whether or not such membership was appropriate. On June 12, David R. Almond, chairman of the ABA's Standing Committee on Ethics and Professional Responsibility, responded to Senator SIMON as follows:

> I am writing in response to your letter of May 28, 1987, which was received June 4. You request the views of the American Bar Association on the interpretation of certain ethical standards applicable to judges, specifically those involving potential invidious discrimination. You indicate your request arises in the context of the Senate's consideration of Judge David B. Sentelle's nomination to the United States Court of Appeals for the District of Columbia Circuit.
>
> As you know, the American Bar Association has already appproved Judge Sentelle as "well qualified" for the Federal judiciary, first on August 5, 1985, in connection with his nomination to the United States District Court and most recently on February 3, 1987, in connection with his nomination to the United States Court of Appeals. Our committee is not in a position, nor would it wish, to comment further on his qualifications.

Mr. President, I believe Mr. Almond's letter fully reflects the ABA's feeling concerning Judge Sentelle's membership in the Masons.

Mr. President, I contacted Mr. C. Fred Kleinknecht, Sovereign Grand Commander, Supreme Council of Freemasonry, concerning membership requirements. I was informed that membership in the Masons is not restricted by race, color, or creed. I have also reviewed the statutes of the Supreme Council of Freemasonry, and there is no restriction to membershp based on race, color, or creed.

I received information from Mr. Tom Dockerty, of New Jersey, with respect to his knowledge of blacks within the Masons. Mr. Dockerty is a 33d degree Mason in the Mount Mouriah Lodge No. 28. He has served in all capacities within his own lodge, as well as, within the Grand Lodge of New Jersey. Presently he is the national director of hospital visitation, Masonic Service Association of the United States.

Mr. Dockerty informs me that in the State of Massachusetts there are two black men who are District Deputy Grand Masters for the Massachusetts grand lodge. They are:

First, Manuel R. Parker, deputy district grand master, Summerville district. Mr. Parker is from the Frank W. Thompson Lodge, Bedford, MA. The membership in that lodge is predominately white.

Second, Donald B. Scott, deputy district grand master, Greenfield district. Mr. Scott is from the Mechanics Lodge, Montague City, MA. The membership of that lodge is also predominately white.

Mr. Dockerty also points out, that within his own grand lodge in New Jersey, Joseph Adams, a black man, serves as the grand chaplain. Mr. President, it is obvious that the Masons do not discriminate on race, color, or creed.

Mr. President, to use an issue such as this to delay a nomination, when there is irrefutable information to the contrary, does not deserve a place in the nomination process.

Mr. President, I would like to point out that there are five members of the Judiciary Committee who are Masons, Senators GRASSLEY, SPECTER, SIMPSON, and myself, as well as the respected and able majority leader, Senator BYRD. There are also at least 13 other Members of the Senate who are Masons. I am sure that they are all proud to be part of such a fine organization. Additionally, there are 58 Members of the House of Representatives who are Masons, including Speaker of the House JIM WRIGHT, DON EDWARDS, CLAUDE PEPPER, DAN GLICKMAN, WILLIAM FORD, and TRENT LOTT to name but a few.

Mr. President, during the committee's consideration of Judge Sentelle's nomination now as well as in 1985, there was never any question raised as to his judicial temperament, fairness or impartiality as a judge or attorney. In fact, a review of his background and qualifications demonstrates an individual who possesses the highest professional standards. The Judiciary Committee twice favorably reported out the nomination and the ABA twice rated him "well qualified." There is no logical reason why this nomination should be delayed any further.

Judge Sentelle has proven himself a capable and skilled jurist. I am confident that he will have a most successful tenure as a U.S. circuit judge. I support this nomination without reservation and I urge my colleagues to vote in favor of Judge Sentelle to be a U.S. circuit judge for the District of Columbia Circuit.

The PRESIDING OFFICER. Is there further debate? If not the question is, Will the Senate advise and consent to the nomination of David Bryan Sentelle, of North Carolina, to be U.S. circuit judge for the District of Columbia Circuit? On this question, the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Maryland [Mr. SARBANES] and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois [Mr. SIMON], would vote yea.

Mr. SIMPSON, I announce that the Senator from Mississippi [Mr. COCHRAN], the Senator from New York [Mr. D'AMATO], the Senator from Oregon [Mr. HATFIELD], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Alaska [Mr. STEVENS], and the Senator from Virginia [Mr. WARNER] are necessarily absent.

The PRESIDING OFFICER (Mr. FOWLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 87, nays 0, as follows:

[Rollcall Vote No. 238 Ex.]

YEAS—87

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Sanford
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Weicker
Wilson
Wirth

NOT VOTING—13

Cochran
D'Amato
Harkin
Hatfield
Kassebaum
McClure
Murkowski
Nickles
Rudman
Sarbanes
Simon
Stevens
Warner

So the nomination was confirmed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, if I may have 2 or 3 minutes, I wish to comment on one thing with regard to this nomination we have successfully completed.

The Judiciary Committee continues to do its work. Chairman BIDEN is very adroit in that. We are pressing forward with judgeships during our scheduled executive sessions.

During the meeting of April 29, there occurred a most extraordinary event, and I will submit the actual chronology in the RECORD that occurred in the review of Judge Sentelle, which was unlike anything I have ever seen in the committee. I am not talking about partisanship or anything of that nature. That is not part of this.

They were reviewing the qualifications of Judge David Sentelle to be U.S. circuit judge for the District of Columbia Circuit. That was submitted in February. During that April 29 meeting, objection was raised because Judge Sentelle was a member of the Masonic Lodge, which was one of the most extraordinary things I have ever seen raised in my time in the Senate.

There was a good deal of debate—if you can believe that—and the committee determined that the best course of action was to approve the nomination of Judge Sentelle, along with other judges, including Judge Lew, who was also a Mason. A hold was placed on the nomination after it was forwarded, so that further inquiry could be made into his membership in the Masonic Lodge.

I do not want to create controversy, but I think this totally unwarranted delay in the consideration of the nomination is truly one of the most absurd things I have witnessed as a Member of the Senate.

I have been a Mason since 1959. The two men who flank me as I speak are both Masons—our majority leader and the Senator from North Carolina.

Mr. THURMOND. Me, too.

Mr. SIMPSON. And Senator Strom Thurmond. I did not see our distinguished senior colleague here. Senator Thurmond is one of the senior Masons in this body.

There are 18 of us on both sides of the aisles, an extraordinary array of some of the most remarkable people in this body.

Sam Nunn, Jim McClure, Charles Grassley, Bob Dole, Bennett Johnston, John Stennis, Jim Exon, Jesse Helms, Quentin Burdick, John Glenn, Mark Hatfield, Fritz Hollings, Lloyd Bentsen, Robert Stafford, our majority leader, and myself; along with about 60 Members of the U.S. House of Representatives; along with a list of our Presidents: George Washington, James Buchanan, James Garfield, Warren Harding, Andrew Jackson, Andrew Johnson, William McKinley, James Monroe, James Polk, Teddy Roosevelt, Franklin Delano Roosevelt, William Howard Taft, Harry Truman, and Gerald Ford. Not exactly the kind of suspicious people you would think may not match the test to be on the Federal judiciary.

It was really appalling to me, and I will leave it at that. I will mention no personalities. The people involved in this are very lovely and committed people.

It is my pleasure to hold the 33d degree in Masonry, which is the highest that can be conferred. I believe Senator Byrd holds that distinction, also, and came through what is known as the Scottish Rite in Masonry. Eighteen Senators are Masons, as are Presidents. Forty-one members of the Federal judiciary are presently Masons, some appointed by President Kennedy, some by President Johnson, some by President Ford, some by President Carter.

I could go on at length on this richly absurd matter, Mr. President, but I shall not. I just say that Masonry in this country is the bedrock. There are many buildings in this remarkable city that have been laid with the cornerstone ceremonies of the Master Masons.

National requirements in Masonry are very simple: A belief in God, that a man be 21 years of age or older, without regard to race, religion, or national origin. That is it. The only secret part of it—I have often said it should not be secret—is that you are technically supposed to have a person invite you to be a member of the Masons.

I think now that is not quite a requirement to tell people what it is and how do you keep secret things like that, you know, love of fellow man and brotherhood, and that is all that is involved in Masonry.

Let us get on with our business and we have. It was interesting to me to see the unanimous vote as we go on with these Presidential appointments, and the chairman is working at that. But let us not hold matters from going forward ever again on some basis of membership in Freemasonry. That is a galling and ponderous and very unbecoming exercise. What next—Knights of Columbus, International Order of Odd Fellows, various orders and lodges throughout the United States. I hope we will not see that.

Let not Masonry be sullied in the judicial selection process anywhere again in this fine country and especially in this body.

I thank the majority leader very much and Senator Thurmond and Senator Helms.

Mr. BYRD. Mr. President, I thank the distinguished Senator. He has said what ought to have been said, I think, in this instance.

When I first heard that the objections to this man were that he is a Mason, I was determined that the Senate have a vote on it. I think that the Senate should take a stand and I am proud to be a Mason. I have been a Mason since 1958 or 1959 or some such and, as the distinguished Republican whip has stated, I am a 33-degree Mason and I am proud to see that the Senate has voted unanimously in support of Mr. Sentelle.

I think that should clear the record once and for all, and I hope that this ugly head of prejudice against Masons will not rear itself again.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. BYRD. I yield the floor.

Mr. HELMS. Mr. President, I am especially gratified by the unanimous vote, and I am especially grateful to the majority leader for having been determined for a long time to get this vote on David Sentelle.

Judge Sentelle is a long-time friend of mine. He is from North Carolina. His qualifications have never been questioned by anybody insofar as I know.

I was aghast, as Senator Simpson has indicated he was, that question of Dave Sentelle's membership in the Masonic lodge even became a matter of discussion, let alone an issue and, as Senator Byrd has said so clearly, this ought to remove any doubt about it in the future.

But I want to say to the majority leader that I personally appreciate the way he has handled this and I am gratified by the vote today.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I have already made a statement on this subject for the record. I will not repeat it now. But I just want to say this: I was astounded that this question was raised in the Judiciary Committee. I guess about half of the members of the Judiciary Committee are members of the Masonic Order. I have been a member since 1925 and as was stated by the able assistant leader here, Senator Simpson, it simply means people who believe in God and love their fellow man. In short, that is about what it stands for.

I commend the majority leader, who is a 33d-degree Mason and Bob Dole, who is a 33d-degree Mason. I happen to be one.

I think the Masons have done a lot of good in the world. You have to be a Mason before you become a Shriner and the Shriners are maintaining hospitals throughout the Nation to treat little crippled children and to cure burns, a most worthy cause.

I just want to say that of our forefathers who established this Government, a lot of them were Masons. George Washington, who laid the cornerstone for the original Capitol, was a Mason. In 1803, he laid the cornerstone and did it with a Masonic apron.

So I hope the question about Masonry being raised to try to keep one from becoming a judge is now finally settled, that will be the end of it, and we will not hear any more on it.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. THURMOND. Yes.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session and there be a period for morning business and that Senators may speak therein up to 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, reserving the right to object, would it be possible before the Senator does that to let me request the regular order. I believe S. 2 is the pending business. I will offer an amendment and that is all I want.

Mr. BYRD. Well, I would rather not do that at this time. I will be glad to discuss it with the distinguished Senator.

Mr. HELMS. Let me step off the floor and see some constituents and then I will come back and we will discuss it.

Mr. BYRD. Very well.

Mr. HELMS. I thank the distinguished Senator.

Mr. BYRD. I ask unanimous consent the distinguished Senator may speak as if in morning business.

Was there objection to my request to go to legislative session and have morning business?

Mr. HELMS. For the moment just withhold it.

Mr. BYRD. Very well.

I ask unanimous consent that the distinguished Senator from South Carolina may speak as in legislaltive session and that he may speak up to 10 minutes.

The PRESIDING OFFICER (Mr. Rockefeller). Without objection, it is so ordered.

The Senator from South Carolina.

Mr. THURMOND. I wish to thank the able majority leader.

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## IRANIAN IMPORTS, SOVIET IMPORTS, AND THE TEXTILE BILL

Mr. THURMOND. Mr. President, in June, I came to the Senate floor and related disturbing news regarding Soviet imports of textile products into the United States. I urge the administration to take prompt, effective action to prohibit further shipments of these Soviet textiles. The administration failed to do so. In fact, as I stated on the Senate floor last month, the administration has taken unilateral action which allows the Soviets to ship more than 4 million square yards of cotton sheeting into this counrty over the next 12 months.

Although the Soviet shipments are extremely alarming, Iran has recently shipped some 600,000 square yards to textile fabric into the United States. I find such shipments totally astounding. It is inconceivable that the administration allows trade with a country where Americans are despised, publicly denounced, and even targeted for murder. In recent history, no country in the world has caused greater suffering throughout America than Iran. At the hands of its extremist leaders, our citizens have been held hostage, our Embassy violently overthrown, our flag burned, and our way of life reviled.

The importation of Iranian imports provides a clear, cogent example of the administration's ill-conceived approach toward textile imports. This country is spending millions of dollars to guard against the Iranian threat in the Persian Gulf. Yet, we accept Iranian textile imports which subsidize the very existence of its military forces being used against us. This makes no sense whatsoever. Textile imports from Iran should not be allowed into this country.

Before closing, I am compelled to briefly comment on recent textile import statistics released by the Department of Commerce. These statistics confirm that month after month, year after year, the situation only gets worse. Textile imports for 1986 reached recordbreaking levels. If the trend for the first 6 months of 1987 continues, textile import levels for this year will surpass the recordbreaking levels of 1986.

In summary, textile imports are flooding our domestic market. Worse yet, our two greatest adversaries, Iran and the Soviet Union, are allowed to benefit from and contribute to the recordbreaking levels of textile imports. Clearly, strong, effective restrictions must be imposed to prevent our two greatest adversaries and other foreign countries from continuing to flood our domestic market with their textile products. Currently, the lack of appropriate restrictions demonstrates the overwhelming need for legislaltion to prevent devastation of our textile industry. Unless the Textile and Apparel Trade Act of 1987 becomes law, not only is the domestic industry threatened, but possibly the very existence of our Nation. I urge my colleagues to consider this current crisis and to support passage of the textile bill when it is considered by the Senate.

Mr. President, I ask unanimous consent that copies of letters recently sent by me to the President and to Ambassador Clayton Yeutter be included in the Record following these remarks.

There being no objection, the letters were ordered to be printed in the Record, as follows:

August 18, 1987.

Ambassador Clayton Yeutter,
*U.S. Trade Representative,*
*Washington, DC.*

Dear Ambassador Yeutter: The South Carolina news media today brought to my attention one of the most outrageous developments that I have witnessed during my years of public service. In an outstanding investigative report, WYFF–TV in Greenville disclosed that textile shipments from Iran recently began entering this country through the port in Charleston, South Carolina, and through another port, possibly on the West Coast. Customs officials estimate that shipments of cotton sheeting and man-made fiber fabric now total some 600,000 square yards.

As you are aware, no trade agreements are now in place to restrict or prohibit textile imports from Iran. Unless this Administration imposes restraint, Customs officials will be forced to continue allowing entry for these and any future Iranian Imports.

This is simply appalling. Mr. Ambassador, when I wrote to you recently concerning the problem of Soviet textile imports, I emphasized that the American trade deficit is rising steadily, that textile and apparel import levels are at an all-time, record high, and that the domestic textile and apparel industry is in danger of extinction. I was amazed that under those circumstances, this administration would allow importation of textile products from the Soviet Union—but I had absolutely no idea that we would soon accept textiles from Iran.

No country in the world, as you know, has caused greater suffering throughout America than Iran. At the hands of that nation's extremist leaders, our citizens have been held hostage, our embassy overtaken, our oil shipments attacked, and our way of life reviled. It is inconceivable to me that we would accept textile goods from a nation in which Americans are despised, publicly denounced and often targeted for murder.

Mr. Ambassador, I urge you to investigate this matter and take whatever steps are necessary to stop the importation of Iranian textiles and of textiles from other countries which pose a threat to the U.S. The presence of these goods is a slap in the faces of honest, hardworking textile employees across this great land.

With kindest regards and best wishes,
Sincerely,

Strom Thurmond.

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August 18, 1987.

The President
*The White House*
*Washington, DC*

Dear Mr. President: I was shocked to learn today that textile goods from Iran recently began entering this Country through the port in Charleston, South Carolina and through another port, reportedly on the West Coast. Customs officials indicate that to date, two shipments of cotton sheeting and man-made fiber fabric, one totaling an estimated 300,000 square yards, have entered this country from Iran.

Some time ago at a Leadership meeting at the White House, I called to your attention the fact that the United States has begun importing textiles from the Soviet Union. I was shocked at that development, and I am even more outraged to learn that our Nation is now importing textiles from Iran.

Mr. President, I urge you to investigate this matter and take action to impose restraint on these Iranian imports. By allowing the Soviets and the Iranians to send their textile products here, we are depriving American workers of their jobs and creating jobs for two of our strongest adversaries. It is an intolerable practice.

I would like to know when this Administration will stop accepting textile shipments from our avowed enemies.

With kindest regards and best wishes,
Respectfully,

Strom Thurmond.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed as if in legislative session to make a request.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, as in legislative session, I ask unanimous consent that I may proceed for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## CAMPAIGN FINANCE—LET'S HAVE REAL REFORM

Mr. DOLE. Mr. President, we are going to have another cloture vote tomorrow on campaign finance reform. I must say it is a matter of interest and should be a matter of interest to all of us, no question about it. As I have said many times, we ought to try to figure out a way to do it.

Some people have suggested that Republicans are obstructionists; that we are, in fact, antireform. I do not believe anybody who really studied the bill would say that. But some who read little articles in the paper and get little snippets here and there without all the information can reach that conclusion.

In fact, I have been traveling around the country for the past 30 days in about 30 different States and in many of those States someone would show up holding up a little sign: "Stop the filibuster, Senator Dole, on S. 2." And they were very nice people. We discussed S. 2. I said, "Which version do you want? The first version, the second version, or the third version? Which version should I discuss?" And we had some very good discussions.

I think most Americans feel the bottom line is maybe we ought to figure out some way to get a handle on what it costs to run a campaign.

I have indicated to the majority leader and the distinguished Senator from Oklahoma, Senator Boren, for the past several weeks that I was going to try to be putting together a campaign reform bill. I am going to introduce that bill in a moment or two. I think it does have reform. I think it is fair. It does not have unreasonable restrictions that will discourage political participation.

In fact, it is a bill which includes many of the fine suggestions which were a part of Senator Boren's campaign finance bill last year, a proposal which he has, unfortunately, abandoned.

In a letter sent to Senator Pressler, former Senator Barry Goldwater the principal cosponsor of last year's Boren-Goldwater bill—and a recognized proponent of campaign finance reform—makes clear his strong objections to Senator Boren's newest initiative, believing it would cause "havoc" with our election system.

### KEY OBJECTIONS TO BYRD-BOREN

Before describing our own initiative, I would like to briefly highlight some of the key objections that have been raised in reference to S. 2 in its current form.

### SPENDING LIMITS

The spending limits as proposed are too low and are simply the latest form of incumbent protection. They restrict the ability of both incumbents and challengers to take their message to the people. It would be especially damaging to challengers. Incumbents already have the exclusive economic benefits of franking privileges, free media exposure on a daily basis and a trained staff. As a result, challengers automatically start with a handicap.

Additionally, the method of establishing spending limits make little sense: as my colleagues well know, the costs of compaigning are based on far more than just the voting age population in a State. We know firsthand that the size of media markets and the resulting costs of advertising time, is a major factor in determining the bottom line in campaign spending.

There are also those of us who are seriously concerned about the potential costs of this so-called reform measure. Proponents of S. 2 have argued that the costs of the bill are slight. Yet a careful reading of the bill tells us otherwise. Among those hidden costs to be picked up by the taxpayers—are first, the postal subsidy, which could cost up to $68 million per election cycle; second, administrative costs for the Federal Election Commission, which could exceed $1 million annually; third, direct public financing. CBO conservatively estimates that about 20 percent of all candidates will opt not to comply with the limits triggering direct-Federal payouts of at least $20 million each election cycle; and finally; fourth, offsetting compensation for independent expenditures will also be costly given our experience. In 1986, independent expenditures on Senate races totaled nearly $5 million. Given that the House is also likely to be covered by the bill, these costs alone could go as high as $20 million each and every election cycle. That's a lot of money in my book.

In addition to the drain on the Treasury and the taxpayers, there are other serious problems with the bill, including the potential unconstitutionality of the public financing provisions.

### MEANINGFUL REFORMS

Nevertheless, there are other ways in which we can make meaningful changes to the present campaign finance system. And I believe the compromise package we are introducing today, addresses many of those concerns.

For instance, the amendment includes limits on contributions for both individuals and political action committees that were featured in the Boren-Goldwater bill. This adjustment deals with everyone's concern about dependency on PAC contributions, and opens up the opportunity for individuals to become the traditional source of funding.

Key to the success of any significant campaign reform, is disclosure. Common cause calls the finance system we now operate under a "national scandal;" and the Washington Post says the system is "fundamentally corrupt." Well, Mr. President, if any part of our current system has a potential for meeting these definitions, it is the failure of the system to require for full reporting of political expenditures—and that includes the disclosure of "soft money" expenditures by corporations, labor unions, national political parties and political action committees for activities such as "get out the vote" or "voter registration."

I'm also willing in the future to consider limitations on these soft-money contributions and, in conjunction with such limitations, a further tightening of amounts PAC's can contribute to candidates.

Finally, the bill incorporates the work done by Senator Rudman, and others in establishing a bipartisan commission to analyze problems such as soft money contributions.

The bottom line, Mr. President, is that we should concentrate our efforts on abuses in the current system, correct those abuses, and eliminate the loopholes.

We should encourage individual involvement and commitment. We should expect that those seeking office will go to the public, not the public trough, for their support.

Mr. President, I would also include in the Record at this point a section-by-section analysis, 1-page analysis of the bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

### CONGRESSIONAL CAMPAIGN REFORM ACT OF 1987

Senators Dole, Stevens, McConnell, and Packwood.

### RESTRICTIONS ON PACS (BOREN-GOLDWATER)

Reduces the role of PACs by lowering the limit on PAC contributions to candidates to $3,000 from $5,000 per election, and raising the individual limit to $1,500 from $1,000.

Requires random audits of PACs by the FEC.

### REFORMING "SOFT MONEY" CONTRIBUTIONS (STEVENS-MCCONNELL)

Requires corporations, PACs, labor organizations, and non-profit groups to report any attempt to influence a Federal election through "soft money" activities, including expenditures, services and overhead costs related to in-house communications, informational mailings and voter drives.

Nonprofit groups using mailings to influence an election, in the last 90 days before an election, would have to pay a fine equivalent to the first class rate, not the subsidized rate.

### CONTROLLING INDEPENDENT EXPENDITURES (S. 2/STEVENS-MCCONNELL)

Requires:

That any independently financed political advertisement disclose the person or organization financing the ad, and that such disclosure be complete, conspicuous, and continuous.

Notice to all candidates of the content and placement of any independently financed public communication.

Reports to FEC and candidates of independent expenditures totaling more than $10,000, and for each additional $5,000.

Stricter definition of "independent expenditure," stopping consultation or coordination with a candidate or his agents.

### STRENGTHENING DISCLOSURE OF PARTY FINANCES (STEVENS-MCCONNELL)

Requires full disclosure by national political party committees and candidater draft committees, of all receipts, independent expenditures and soft money activities.

### ELIMINATION OF THE "MILLIONAIRE'S LOOPHOLE" (DOMENICI)

Provides for a level playing field in elections involving wealthy candidates, by raising the individual contribution limit to $10,000 from $1,500, if a candidate intends to spend or loan over $250,000 in personal funds on his campaign.

### ANTI-BUNDLING PROVISION (S. 2)

Discourages bundling of contributions by counting the contribution against both bundler and original donor, unless the bundler expressly is retained or authorized by the candidate for fundraising, or is the national committee of a political party.

### BIPARTISAN COMMISSION ON CAMPAIGN FINANCING (RUDMAN-ROTH)

Authorizes the creation of a Commission to analyze problems such as soft money and propose appropriate reform legislation.

This bill would apply to both Senate and House elections. The effective date of this bill is November 9, 1988.

Mr. DOLE. Let me indicate that this bill, as opposed to pending S. 2, does limit PAC contributions. It lowers the amount from $5,000 to $3,000. It raises the limit from individuals to $1,500 from $1,000.

As I said, there are a number of other provisions, and I would ask that be made part of the Record.

I have one other insertion. I would also ask be included in the Record at this point what we have been able to—we, I talk about the staff, who have spent a lot of time on S. 2, in keeping with what we indicated to the majority leader, Senator Boren, and others tried to be objective with reference to S. 2 and our own legislation.

We did consult experts outside the Senate. Not my staff or Senator McConnell's staff or Senator Packwood's staff; but experts who write about campaign finance, who deal a lot with campaign financing.

We have put together a summary which we believe to be an objective analysis of S. 2 and raise some questions that I hope we can address.

I am not certain whether cloture would be obtained tomorrow, but even if it is, there certainly will be amendments and I have to believe that we need to address at least—I have a list of 10 areas that I think are a matter of some concern and I would hope that they will be—I know they will be reviewed carefully by the sponsors of S. 2 and others who have an interest in campaign reform.

I would ask that that document be made a part of the Record following the section-by-section analysis.

I send a bill to the desk sponsored by myself, cosponsored by Senators Stevens, Packwood, McConnell, Evans, Domenici, Quayle, Pressler, Cohen, Grassley, Kasten, and D'Amato. I ask the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the bill follows:

### S. 1672

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

This Act may be cited as the "Congressional Campaign Reform Act of 1987".

### TITLE I—FEDERAL ELECTION CAMPAIGN REFORM

### CONTRIBUTION LIMITS

Sec. 101. Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by—

(1) striking out "$1,000" and inserting in lieu thereof "$1,500" in paragraph (1)(A); and

(2) striking out "$5,000;" in paragraph (2)(A) and inserting in lieu thereof "$3,000;".

### REQUIREMENT FOR REPORTING CERTAIN EXEMPT CONTRIBUTIONS AND EXPENDITURES

Sec. 102. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d)(1) When used in this subsection—

"(A) the term 'election' means—

"(i) in the case of a corporation or labor organization, an election (as defined in section 301(1)) with respect to which such corporation or labor organization is prohibited from making a contribution or expenditure under section 316; and

"(ii) in the case of a national committee of a political party, an election (as defined in section 301(1)) for any Federal office;

"(B) the term 'otherwise exempt activity' means any act of furnishing, arranging to be furnished, or otherwise making available any services, payment, or other benefit described in paragraph (A) or (B) of section 316(b)(2) (2 U.S.C. 441b(b)(2));

"(C) the term 'corporation' and 'labor organization' have the same meanings as in section 316 (2 U.S.C. 441b).

"(2)(A) At the times prescribed in paragraph (4), a corporation shall file a report with the Commission under this subsection if, during the period for which the report is filed, such corporation has engaged in any otherwise exempt activity in connection with an election.

"(B) At the times prescribed in paragraph (4), a labor organization shall file a report with the Commission under this subsection if, during the period for which the report is filed, such labor organization has engaged in any otherwise exempt activity in connection with an election.

"(C) At the times prescribed in paragraph (4), each national committee of a political party shall file a report with the Commission under this subsection containing a declaration of whether, during the period for which the report is filed, such committee has engaged in any otherwise exempt activity in connection with an election. For purposes of this subparagraph, the term 'otherwise exempt activity' refers to an activity described in paragraph (8)(B) or (9)(B) of section 301 (2 U.S.C. 431 (8)(B) or (9)(B)).

"(3) Each person required to file a report under this subsection shall include in such report—

"(A) a description of each exempt activity engaged in, in connection with an election, by such person during the period covered by the report; and

"(B) the amount of each payment and the cost and fair market value of each of the services and other benefits described in the report in accordance with clause (A).

"(4) The reports under this subsection shall be filed at each of the times prescribed in subsection (a)(4)(A) for reports of political committees other than authorized committees of a candidate.

"(5)(A) Any nonprofit corporation, receiving reduced postal rates because of its status as a nonprofit corporation, which uses the mails to engage in any activity described in paragraph (1)(B) during the period 90 days immediately prior to a general or special election shall be subject to a fine as provided in subparagraph (B).

"(B) The Commission, upon receiving a complaint under subparagraph (A), or on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, by an affirmative vote of 4 of its members, may institute a civil action, including an order for a civil penalty which is an amount equal to the postage rate for first class mail for all of the mail relating to activities described in paragraph (1)(B) which is mailed during such 90-day period.

"(e)(1) Any independent expenditures (including those described in subsection (b)(6)(B)(iii)), by any person with regard to an election which may directly result in the election of a person to the office of United States Senator, which in the aggregate total more than $10,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made. Thereafter, any independent expenditures by such person in the same election aggregating more than $5,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made.

"(2) Such statements shall be filed with the Commission, Secretary of State for the State of the election involved and with the principal campaign committee of each candidate in the general election, and shall contain the information required by subsection (b)(6)(B)(iii) of this section and a statement filed under penalty of perjury by the person making the independent expenditures indicating whom the independent expenditures are actually intended to help elect or defeat. The Commission shall notify any candidate in the election involved about each such report within 24 hours after such report is made.

"(3) Notwithstanding the reporting requirements established in this paragraph, the Commission may make its own determination that a person has made independent expenditures with regard to an election which may directly result in the election of a person to the office of United States Senator that in the aggregate total more than $10,000, and thereafter that in the aggregate total more than $5,000.

"(4) The Commission shall notify each candidate in the election involved about each such determination within 24 hours after such determination is made.".

(b) Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end thereof the following new subsection:

"(c) Any activity exempt under paragraph (A) or (B) of subsection (b)(2) shall be subject to the reporting requirements of section 304(d).".

### DISCLOSURE OF INDEPENDENT EXPENDITURES

SEC. 103. (a) Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any radio or television station, the broadcast communication shall include a statement—

"(i) in such television broadcast, that is clearly readable to the viewer and appears continuously during the entire length of such communication; or

"(ii) in such radio broadcast, that is clearly audible to the viewer and is aired at the beginning and ending of such broadcast,

setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.

"(4) The person making an independent expenditure described in paragraph (3) shall furnish, by certified mail, return receipt requested, the following information, to each candidate and to the Commission, not later than the date and time of the first public transmission (e.g. first aired, mailed, published, or displayed):

"(A) effective notice that the person plans to make an independent expenditure for the purpose of financing a communication which expressly advocates the election or defeat of a clearly identified candidate;

"(B) an exact copy of the intended communication, or a complete description of the contents of the intended communication, including the entirety of any texts to be used in conjunction with such communication, and a complete description of any photographs, films, or any other visual devices to be used in conjunction with such communication;

"(C) all approximate dates and times when such communication will be publicly transmitted; and

"(D) each specific location, media channel, and publication through which the communication will be publicly transmitted.".

### INDEPENDENT EXPENDITURES

SEC. 104. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) is amended by adding the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; and

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

### LIMITATION ON CANDIDATE EXPENDITURES FROM PERSONAL FUNDS

SEC. 105. Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i)(1)(A) Within 15 days after a candidate qualifies for the primary election ballot, under applicable State law, such candidate shall file with the Commission and each other candidate who has qualified for such ballot, a declaration stating whether or not such candidate intends to expend funds and incur personal loans for the primary and general election a total amount, in the aggregate of $250,000 or more from the following sources: (i) his personal funds, (ii) the funds of his immediate family, and (iii) personal loans incurred in connection with his campaign for such office.

"(B) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, sister, half-brother, or half-sister of the candidate, and the spouse of any such person and any child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse, and the spouse of any such person.

"(C) The statement required by this subsection shall be in such form, and contain such information, as the Commission may, by regulation, require.

"(2) Notwithstanding any other provision of law, in any election in which a candidate declares that he intends to expend or incur, in the aggregate, $250,000 or more by expending from personal funds and funds of his immediate family and incurring personal loans for his campaign, or does expend funds from and incur loans in a total in excess of such amount, or fails to file the declarations required by this subsection, the limitations on contributions in subsection (a) of this section, as they apply to all other individuals running for such office, shall be increased for such election as follows:

"(A) The limitations provided in subsection (a)(1)(A) shall be increased to $10,000, and

"(B) The limitations provided in subsection (a)(3) shall be increased to an amount equal to 150 percent of such limitation, but only to the extent that contributions above such limitation are made to candidates affected by the increased level provided in subparagraph (A).

"(3) If the limitations in this section are increased pursuant to paragraph (2) for a convention or a primary election candidate, except that such loan shall be repaid only to the extent of the actual amount of the loan. Notwithstanding any other provision of law, repayment of any such loan shall not include any interest on the principle amount of such loan.

"(6) Notwithstanding any other provision of law, no candidate may make expenditures from his personal funds or the personal funds of his immediate family, or incur personal loans in connection with his campaign for election to such office at any time after 60 days before the date of such election. The provisions of this paragraph shall apply to all candidates regardless of whether such candidate has reached the limits provided in this subsection.

"(7) The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.".

### SEMIANNUAL REPORTS BY PARTY POLITICAL COMMITTEES OF PAYMENTS UNDER SECTION 301(8)(B)(XV) AND COSTS UNDER SECTION 301(9)(B)(XI)

SEC. 106. Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end thereof the following:

"(11) If the committee is a political committee of a political party, with respect to payments under section 301(8)(B)(xv) and costs under section 301(9)(B)(xi) the treasurer shall file—

"(A) a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31; and

"(B) a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.".

### SOFT MONEY REPORTING REQUIREMENTS FOR NATIONAL COMMITTEES OF POLITICAL PARTIES

SEC. 107. (a) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended—

(1) in subparagraph (J), by striking out "and" after the semicolon;

(2) in subparagraph (K), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(L) for a national committee of a political party, all funds received, from any source, for purposes other than to influence a Federal election;".

(b) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(1) in subparagraph (F), by inserting "and" after the semicolon;

(2) in subparagraph (G), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(H) for a national committee of a political party, person, or organization providing funds to the committee for purposes other than to influence a Federal election;".

(c) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) in subparagraph (H), by striking out "and" after the semicolon at the end thereof;

(2) in subparagraph (I), by inserting "and" after the semicolon; and

(3) by adding at the end the following new subparagraph:

"(J) for a national committee of a political party, all disbursements from funds received for a purpose other than to influence a Federal election;".

### AMENDMENTS TO DEFINITION OF CONTRIBUTION

SEC. 108. (a) Section 301(8)(A)(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)(i)) is amended by inserting after "Federal office" the following: "or for the purpose of expressly advocating that a clearly identified individual become a candidate for Federal office".

(b) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) in clause (xiii), by striking out "and" after the semicolon;

(2) in clause (xiv), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(xv) with respect to a political committee of a political party, any payment to such committee specifically designated to defray establishment, administration, and solicitation costs of such committee.".

(c)(1) Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking out "by a State" and inserting in lieu thereof "by a national, State,".

(2) Section 301(8)(B)(xii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(xii)) is amended by—

(A) striking out "by a State" and inserting in lieu thereof "by a national, State,"; and

(B) striking out "for President and Vice President".

### AMENDMENTS TO DEFINITION OF EXPENDITURE

SEC. 109. (a) Section 301(9)(A)(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)(i)) is amended by inserting after "Federal office" the following: "or for the purpose of expressly advocating that a clearly identified individual become a candidate for Federal office".

(b) Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)) is amended—

(1) in clause (ix), by striking out "and" after the semicolon;

(2) in clause (x), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(xi) with respect to a political committee of a political party, any establishment, administration, or solicitation costs of such committee;".

(c)(1) Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking out "by a State" and inserting in lieu thereof "by a national, State,".

(2) Section 301(9)(B)(ix) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(ix)) is amended by—

(A) striking out "by a State" and inserting in lieu thereof "by a national, State,"; and

(B) striking out "for President and Vice President".

### INTERMEDIARY OR CONDUIT

"SEC. 110. Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended—

(1) by redesignating subsection (8) as subparagraph (8)(A);

(2) by adding at the end, the following new subparagraphs:

"(B) A gift, subscription, loan, advance or deposit of money or anything of value to a candidate shall be considered a contribution both by the original source of the contribution and by any intermediary or conduit if the intermediary or conduit (i) exercises any control or any direction over the making of the contribution; or (ii) solicits the contribution or arrange for the contribution to be made and directly or indirectly makes the candidate aware of such intermediary or conduit's role in soliciting or arranging the contribution for such candidate; or (iii) engages in any activities of the same kind which resulted in the intermediary or conduit reporting such activities to the Commission under subsection (A) prior to January 1, 1987.

"(C) For purposes of subsection (B), a contribution shall not be considered to be a contribution by an intermediary or conduit to the candidate if (i) the intermediary or conduit has been retained by the candidate's committee for the purpose of fundraising and is reimbursed for expenses incurred in soliciting contributions; (ii) in the case of an individual, the candidate has expressly authorized the intermediary or conduit to engage in fundraising, or the individual occupies a significant position within the candidate's campaign organization; or (iii) in the case of a political committee, the intermediary or conduit is an authorized committee of the candidate; or (iv) if the intermediary or conduit is a national committee of a political party.".

### SEVERABILITY

SEC. 111. If any provision of this title or any amendment made by this title, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision, and the application of such provision to other persons and circumstances shall not be affected thereby.

### EFFECTIVE DATE

SEC. 112. This title and the amendments made by this title shall become effective on November 9, 1988 and shall apply to all contributions and expenditures made after such date.

## TITLE II—BIPARTISAN COMMISSION ON CONGRESSIONAL CAMPAIGN FINANCING

### SHORT TITLE

SEC. 201. This title may be cited as the "Bipartisan Commission and Congressional Campaign Financing Act".

### DECLARATION OF POLICY

SEC. 202. It is the policy of the Congress to develop a means of campaign financing which—

(1) promotes the availability of qualified candidates for congressional office,

(2) permits candidates, irrespective of their personal financial resources, the opportunity to communicate effectively with the electorate,

(3) protects the integrity of the legislative process, and

(4) promotes participation of political parties, including State and local political parties, in the electoral process, and

(5) promotes, to the greatest extent possible, public confidence in both the electoral and legislative processes.

### ESTABLISHMENT OF COMMISSION

SEC. 203. For the purposes of carrying out the policy set forth in section 202, there is hereby established a commission to be known as the Bipartisan Commission on Congressional Campaign Financing (hereafter in this title referred to as the "Commission").

### IMPLEMENTATION OF POLICY BY COMMISSION

SEC. 204. (a) In carrying out the policy set forth in section 202, the Commission shall consider and study the Federal laws and regulations and public commentary relating to the financing of the elections of Members of Congress, the financial disclosure requirements made of candidates in such elections, and the effects of such laws and regulations and the practices which they permit or require. Such study and consideration shall give particular attention to the extent, if any, to which current and proposed campaign financing practices and financial disclosure requirements affect the availability of candidates for congressional elections, and to the extent, if any, to which such practices and requirements affect the integrity of the legislative process or undermine public confidence in our representative form of Government.

(b) Consistent with the goals set forth in section 202, the Commission shall consider the effects of aspects of congressional campaign financing and candidates' financial disclosure which shall include the following—

(1) increases or decreases in the amount of money which individuals, political parties or political action committees may contribute to a candidate for Congress;

(2) the elimination of the Federal income tax credit once available to an individual who contributed to a candidate for Congress and the possible reinstituting of such credit;

(3) making available free or subsidized broadcasting time to candidates for election to Congress;

(4) the constitutional right of individuals, particularly wealthy individuals, to contribute their own funds without limit to their own Congressional campaigns;

(5) the role of independent expenditures, as defined in section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)), which are made either by individuals or political action committees;

(6) financial and other assistance given by national banks, corporations, or labor organizations as defined in section 316 of the Federal Election Campaign Act of 1971, to candidates for Congressional office including, but not limited to, so-called "soft money" assistance or "otherwise exempt activity" as described in paragraph (8)(B) or (9)(B) of section 301 of such Act (2 U.S.C. 431 (8)(B) or (9)(B);

(7) existing or alternative financial disclosure requirements made of candidates for Congress under provisions of the Ethics in Government Act of 1979 or the Federal Election Campaign Act of 1971, including the relationship between such disclosure requirements and the availability of qualified candidates; and

(8) any other measure which the Commission deems appropriate.

(c) On the basis of its consideration and study, the Commission shall make findings and recommendations, including specific proposals for changes in Federal laws and regulations, to promote the policy set forth in section 202. The Commission is specifically directed to make every reasonable effort to achieve the broadest possible bipartisan consensus in arriving at such recommendations.

(d) In carrying out its consideration and study, the Commission shall avail itself of relevant information and data gathered by such public and private organizations and individuals as it deems appropriate. The Federal Election Commission, the Clerk of the House of Representatives, and the Secretary of the Senate shall cooperate with the Commission, to the extent allowed by law, in providing whatever statistical and other appropriate and relevant information the Commission requests.

### MEMBERSHIP OF COMMISSION

SEC. 205. (a) The Commission shall be composed of ten members as follows:

(1) Two members shall be appointed by the Speaker of the House of Representatives, one of whom shall be a Member of the House of Representatives and one of whom shall not currently hold elective office.

(2) Two members shall be appointed by the Minority Leader of the House of Representatives, one of whom shall be a Member of the House of Representatives and one of whom shall not currently hold elective office.

(3) Two members shall be appointed by the Majority Leader of the Senate, one of whom shall be a Member of the Senate and one of whom shall not currently hold elective office.

(4) Two members shall be appointed by the Minority Leader of the Senate, one of whom shall be a Member of the Senate and one of whom shall not currently hold elective office.

(5) The Chairman of the Republican National Committee and the Chairman of the Democratic National Committee shall each appoint an, ex officio, voting member to the Commission.

(b)(1) Appointed members of the Commission shall, to the extent possible, be chosen from among persons with a broad knowledge and understanding of the major areas under the Commission's consideration and study, particularly the legislative process and the manner in which congressional campaigns are financed.

(2) Cochairmen shall be appointed from among the members of the Commission. One Cochairman shall be designated by the Senator who is the Majority Leader of the Senate on the date of enactment of this title, and one Cochairman shall be designated by the Speaker of the House of Representatives.

(3) Six members of the Commission shall constitute a quorum but the Commission may establish a lesser number as a quorum for the purpose of holding hearings, taking testimony, or receiving evidence.

(4) A vacancy in the Commission shall not affect its powers, and shall be filled in the manner in which the original appointment was made.

(5) An individual who is appointed to the Commission in the status of a Member of Congress, and who thereafter ceases to have such status, shall nevertheless continue as a member of the Commission and shall (if he has returned to the private sector except for his membership on the Commission) be treated as an individual appointed from the private sector, for purposes of compensation under section 206.

### COMPENSATION OF COMMISSION MEMBERS

SEC. 206. (a) The members of the Commission who are Members of Congress shall serve on the Commission without additional compensation. The members of the Commission who are not otherwise full-time employees of the Federal Government or of a political party shall each be paid at a rate equal to the daily rate of pay for level IV of the Executive Schedule for each day such member is engaged in the actual performance of his or her duties as a member of the Commission.

(b) All members and employees of the Commission shall be reimbursed for travel as authorized by section 5703 of title 5, of the United States Code, subsistence, and other necessary expenses incurred by them in the performance of their duties.

### ADMINISTRATIVE PROVISIONS

SEC. 207. (a) Subject to such rules and regulations as may be adopted by the Commission, the Cochairmen, acting together, shall have the power to—

(1) appoint, terminate, and fix the compensation without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5 of the United States Code, or of any other provision of law, relating to the number, classification, and General Schedule rates—

(A) of such personnel as it deems advisable to assist in the performance of its duties, at rates not to exceed a rate equal to the maximum rate for GS–18 of the General Schedule under section 5332 of such title; and

(B) of an Executive Director for the Commission contingent upon confirmation by the Commission members at an annual rate of compensation not to exceed a rate equal to the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(2) procure, as authorized by section 3109 of title 5, United States Code, temporary and intermittent services to the same extent as is authorized by law for agencies in the executive branch but at rates not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS–18 of the General Schedule.

(b) Service of an individual as a member of the Commission, or of an advisory council or committee under section 8, or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of any Federal law relating to conflicts of interest or otherwise imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with claims, proceedings or matters involving the United States. Service as a member of the Commission, or of such advisory council or committee, or as an employee of the Commission, shall not be considered service in an appointive or elective position in the Government for purposes of section 8344 of title 5, United States Code, or comparable provisions of Federal law.

(c) The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

### ADVISORY COUNCILS AND COMMITTEES

SEC. 208. The Commission may establish, without regard to the Federal Advisory Committee Act, such advisory councils and advisory committees as it may deem appropriate to provide specialized assistance in the performance of the duties vested in the Commission by this title. Members of such advisory councils and committees, while attending meetings of such councils or committees or while otherwise serving at the request of the Commission away from their homes or regular places of business (unless otherwise eligible for travel and subsistence expenses under chapter 57 of title 5, United States Code), may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for individuals in the Government serving without pay.

### POWERS OF THE COMMISSION

SEC. 209. (a)(1) The Commission or, on the authorization of the Commission, any subcommittee thereof, may, for the purpose of carrying out its functions and duties, hold such hearings and sit and act at such times

and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee may deem advisable. Subpoenas may be issued to any person within the jurisdiction of the United States courts, authorized and issued under the signature of either of the Cochairmen, or any member duly designated by the Commission, and may be served by any person designated by such Cochairman or member. In the case of the failure of any witness to comply with any subpoena or to testify when summoned under authority of this section, the provisions of sections 102 through 104, inclusive, of the Revised Statutes (2 U.S.C. 192–194), shall apply to the Commission to the same extent as such provisions apply to Congress. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(2) The provisions of the Federal Advisory Committee Act shall not apply to the Commission established under this title.

(b) The Commission is authorized to secure directly from any officer, department, agency, establishment, or instrumentality of the Government such information, suggestions, estimates, and statistics as the Commission may require for the purpose of this title, and each such officer, department, agency, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made by either Cochairman.

(c) Upon request of the Commission, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Commission or to detail any of the personnel of such agency to the Commission, on a reimbursable basis, to assist the Commission in carrying out its duties under this title, unless the head of such agency determines that urgent, overriding reasons will not permit the agency to make such facilities, services, or personnel available to the Commission and so notifies the Cochairmen in writing.

(d) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) No officer or agency of the United States shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to the Congress.

### MEETINGS, PUBLIC INVOLVEMENT, REPORTS, EXPIRATION

SEC. 210. (a) The Commission shall first convene within 2 months after the date of enactment of this title, but no later than December 31, 1987, and shall meet from time to time thereafter, as the Cochairmen deem appropriate.

(b) Consistent with other provisions of this title, the Commission shall structure its operations and activities to assure the appropriate and meaningful involvement of the public in its deliberations. In doing so, the Commission shall consider the desirability of holding public hearings, particularly in location outside of the District of Columbia, or establishing or utilizing other mechanisms whereby members of the public can readily contribute suggestions for Commission consideration.

(c) The Commission shall from time to time submit to the Congress such reports as it may deem appropriate with respect to its activities under this title. No later than 12 months, following the date of enactment of this title the Commission shall submit to the Congress its final comprehensive report of its activities including all of its findings and recommendations.

(d) Ninety days after the submission to the Congress of its final report under subsection (c), the Commission shall cease to exist.

### PREPARATION FOR THE COMMISSION

SEC. 211. Upon enactment of this title, the Director of the Congressional Research Service and the Chairman of the Federal Election Commission shall begin to prepare briefing papers for the Commission. Such briefing papers shall catalog and synthesize any recent public or private reports, analyses, and recommendations pertinent to the work of the Commission, and shall contain such other information relevant to the work of the Commission. The briefing papers shall be completed and transmitted to the Commission no later than 2 months after the date of enactment of this title.

### DEFINITIONS

SEC. 212. For purposes of this title—

(1) the term "candidate" means an individual who seeks election to the Senate or the House of Representatives of the United States, and for purposes of this paragraph, an individual shall be deemed to seek election—

(A) if such individual has received contributions aggregating in excess of $5,000 or has made expenditures aggregating in excess of $5,000; or

(B) if such individual has given his or her consent to another person to receive contributions or make expenditures on behalf of such individual and if such person has received such contributions aggregating in excess of $5,000 or has made such expenditures aggregating in excess of $5,000;

(2) the term "election" means a general, special, primary or runoff election to the Senate or House of Representatives of the United States; and

(3) the definitions in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) shall apply to this title.

### AUTHORIZATION

SEC. 213. There are hereby authorized to be appropriated $1,000,000 to carry out the purposes of this title.

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## COMMENTS ON S. 2

S. 2 is fundamentally unsound legislation for a myriad of reasons, both policy and political. The following summary discusses both these reasons and some of the arguments put forward by S. 2's proponents. The summary is divided into the following sections:

1. Why S. 2's Spending Limits Should Be Opposed;
2. Costs of S. 2;
3. PAC Limitations;
4. Unenforceability of S. 2;
5. Unconstitutionality of S. 2;
6. Republican Money Myth;
7. Differences between S. 2 and Presidential Election Funding;
8. Damage to Public Participation;
9. Proliferation of Undisclosed Expenditures; and
10. Why S. 2 Hurts The Political Process and Blocks Reform.

### 1. WHY S. 2'S SPENDING LIMITS SHOULD BE OPPOSED

S. 2's spending limits are too low. As leading academicians have written of the Presidential spending limits and public financing scheme: The limits "restrict . . . campaign organizations . . . in a way that unduly dictates their political strategies. What should remain political decisions have, in effect, become accounting decisions." (from Financing Presidential Campaigns: Recommendations of the Campaign Finance Study Group, at p. 8)

The limits are not high enough to enable a challenger to mount an effective campaign against an incumbent or to enable an incumbent to get his campaign message across fully.

While restricting the ability of both incumbents and challengers to put out their message, limits do hurt challengers the most. Limits are another form of incumbent protection and are especially harmful to challengers. In pure dollar terms, challengers must spend an average of $300,000 to gain name recognition equal to an incumbent's, and about twice that much to have a 50–50 chance of winning [Prof. Gary Jacobson]. Incumbents also have exclusive economic benefits of franking privilege, free media, trained staff; estimated value of least $200,000 per year. Since spending limits don't account for these disparities, challengers automatically start with a handicap of at least a half-million-dollars.

The spending limits are based on the taxpayer financing allotments of S. 2, as originally introduced. But there would have been no fundraising costs under the public financing plans, while there will be under the current S. 2.

Under the revised S. 2, candidates will have to spend money to raise money up to the state's limit. These fundraising costs are money off the top that cannot be used to make the candidate's views known.

The average Senate campaign spends between 25% and 33% on fundraising.

The spending limits of S. 2 do not make sense because the costs of campaigning vary from state to state based on factors other than the voting age population. Of greater importance, for example, is the cost and location of media markets.

Spending limits are unenforceable (see Point 4, below). According, this bill will not work but is so complicated it amounts to a Lawyers and Accountants Full Employment Act.

### 2. COSTS

Proponents of S. 2 argued during the floor debate: "Even the slight potential cost of this legislation is more than fully offset within it. The amendment ends preferential mailing rates for political parties."

This is false since it fails to include: (A) the S. 2 postal subsidy; (B) the administrative costs for the FEC to administer S. 2; (C) the cost of public financing for candidates whose opponents exceed the spending limits, and (D) the costs of subsidizing candidates who are the targets of independent expenditures.

(A) *Postal Subsidy.*—This S. 2 "subsidy" would cost $16.6 million per election cycle for Senate candidates and $52.7 million for House candidates, according to estimates from the U.S. Postal Service. The current postal subsidy for political parties that S. 2 would eliminate is about $10.6 million annually. That means this postal subsidy for politicians of nearly $70 million per election cycle would be paid for by taxpayers through a "stamp tax" similar to the one levied by the British King on American colonists in 1766. (see attached article).

(B) *Administrative Costs.*—FEC costs to administer S. 2 would increase dramatically due to the expanded workload of implementing and interpreting a new law. While precise costs are impossible to pin down, the FEC has estimated based on current figures that the annual additional costs of administering S. 2 would approch $1,006,500.

Inquiries from candidates and the public would increase. In FY '86, the FEC responded to over 110,000 inquiries, 15,000 of which required substantive research to provide a response. The averge response time for those 15,000 inquiries was 15 working days. (Source: FEC Responses to Questions from House Administration Committee for FY '88 budget request, at 5).

Increased number of Advisory Opinions to clarify the new law. In FY '86, FEC staff counsels worked on 84 advisory-opinion related projects at an average cost of $1,642, with each taking an average of 87 staff hours.

In FY '87, the two FEC divisions responsible for handling public inquiries cost $743,000. Both divisions would, obviously, have to be expanded to cover implementation of the new law. In addition, there would be increased audit costs to insure that the taxpayers' money was being spent properly by the candidates. Increased personnel costs and inflation of about 5% would also have to be added.

(C) *Direct Public Financing.*—The Congressional Budget Office conservatively estimates that about 20 percent of all candidates will opt not to comply with spending limits, triggering direct payouts from the Treasury to subsidized candidates of at least $20.5 million each election, assuming one major party and one third-party opponent in each election.

Since a subsidized candidate can obtain these Federal funds just by lodging a compliant with the FEC, and since the FEC won't have time to check out the complaints and instead will err on the side of honoring compliants, this fund is a Christmas tree for subsidized candidates. S. 2 contains no punitive sanctions for inaccurate or fraudulent complaints.

(D) *Independent Expenditures.*—Subsidized candidates are compensated dollar-for-dollar out of Federal tax coffers if any private citizen spends large sums to publicly criticize them or support any opponent. S. 2 does not specify what constitutes "support" or "opposition." In 1986, independent expenditures on Senate races totalled nearly $5 million. Since S. 2 probably will include the House, and since S. 2's contribution limits will force more money into this type of political activity, the drain on taxpayers is likely to hit $20 million each election cycle, conservatively.

### 3. POLITICAL ACTION COMMITTEES (PACS)

S. 2 fails to reduce the amount a PAC can contribute to a candidate for the Senate, but simply limits the amount a candidate may receive in aggregate from all political action committees. This fails to address the problem that Democrats suggest political action committees pose—the actual or apparent undue influence of a particular special interest.

S. 2 in no way reduces the perceived problem that a Member of Congress may be unduly influenced for a $5,000 fee. S. 2 would alllow an individual PAC to give the same amount as under current law—and thereby have the same amount of influence, under the Democrats' logic. Republican proposals which limit the size of a contribution from *a* special interest to *a* candidate is a more direct way to deal with actual or apparent undue influence by a PAC.

The Democrats have rejected this approach because they realize their candidates are more dependent upon large contributions from special interests than are Republican candidates. In the 1986 elections, Democrat Senate and House candidates received 55% of all contributions made by PACs, to 45% for Republican candidates. In addition, PAC contributions accounted for an average of 37% of the money raised by Democrat Senate and House candidates to 28% for Republican candidates. So far in 1987, Democrats are raising nearly twice as much PAC money as Republican Senate candidates and making special interest money the centerpiece of their fundraising efforts.

Furthermore, S. 2 has, to some degree, the opposite effect from that desired. A PAC is a collection of individuals with common goals and concerns who band together to better participate in our electoral process. More people now give through PACs than through direct contributions. In the 1984 election cycle, almost 5 million people are estimated to have gotten involved through PACs. We should encourage this involvement, which is fully reported and a matter of public record.

S. 2 would limit this public participation by only allowing some PACs to contribute to candidates. This would work to the advantage of large powerful political action committees based in Washington. Grassroots PACs without a Washington presence are the likely losers.

If candidates are limited in what they can accept, those PACs which have the information to move quickly will be the ones which get to contribute. This may not be S. 2's intent, but it is its result. For example, if a Senator knew he could raise only a limited amount from PACs, he would do things differently. He would not have to bother meeting with a number of PACs—and familiarizing himself with their issues and concerns. He could simply hold a single PAC event at which PACs could contribute to his campaign on a first come, first served basis, up to the legal limit.

### 4. UNENFORCEABILITY OF S. 2

Proponents of S. 2 assume the ability of the FEC to move speedily to certify breaches of the spending limits and independent expenditures and to provide the payment of taxpayers' dollars to the injured candidate. But the facts are that the FEC's performance record and "due process" considerations make the chances of such payments in a timely fashion nearly impossible.

The best current estimate from the FEC is that requests for taxpayer funds would take at least 40 days from date of receipt to process. This suggests there is no way to counter violations of S. 2 in the crucial last weeks of a campaign.

Other workloads at the FEC under the current law:

Advisory opinions take a minimum of 60 days.

Audit reviews, on a threshold basis take about 2 weeks to complete, with an additional week for certification. The Commission must approve an audit before the staff can commence it.

Informational responses usually take no more than one day, largely because they are not binding.

The provisions of S. 2 are no more enforceable than the state-by-state spending limits of the current presidential public funding act. These require a precision and timeliness not usually found in campaigns. The present enforcement process at the FEC takes years to complete, meaning it can have no effect on the outcome of an election and is no deterrent. The list of violations in recent presidential elections makes this obvious:

Year, name, and State:
1976:
Reagan, New Hampshire.
Udall, New Hampshire.
1980:
Carter, New Hampshire, Iowa, Maine.
Kennedy, New Hampshire, Iowa.
LaRouche, New Hampshire.
Reagan, New Hampshire.
1984:
Mondale, New Hampshire, Iowa, Maine.
Glenn, New Hampshire, Iowa.
Cranston, Iowa.

### UNCONSTITUTIONALITY OF S. 2

The constitutional standards by which S. 2 must be measured were set out by the Supreme Court in *Buckley* v. *Valeo*, 424 U.S. 1 (1976).

In order to survive a First Amendment challenge, S. 2 must either advance constitutionally compelling government interests to justify the restriction in speech caused by spending limits or provide a voluntary restriction agreed to as a condition for public financing. The Court found that spending limits did not advance any compelling government interest, and were unconstitutional. The Court stated: "[T]he mere growth in the cost of federal election campaigns in and of itself provides no basis for governmental restrictions on the quantity of campaign spending and the resulting limitation on the scope of federal campaigns."

Accordingly, S. 2's authors have attempted to craft a bill that provides voluntary spending restrictions as a precondition for receiving public money. But S. 2 cannot pass constitutional challenge just by calling its spending limits "voluntary" since it is, in reality, an attempt by the government to impose indirectly a restriction on speech that it may not accomplish directly.

S. 2 is not truly voluntary since a candidate must declare by a prescribed time whether he will abide by the spending limits. Once declared, a participating candidate may not change his mind and spend above the limit without incurring sanctions, even though the candidate has not received any public benefit. Thus, the government is punishing an individual for exercising his constitutional right to free speech, without providing the mandated benefit.

A candidate who agrees to the spending limits has, at best, only a chance to receive public financing. If his opponent also agrees to the spending limits, there is no public financing. Thus, the first candidate has given up his right to free speech without being able to receive the constitutionally mandated reward. The only thing a candidate gains by giving up his right to free speech is the assurance that his opponent will not receive taxpayer money.

S. 2 mandates the government to repress speech by funding the opponents of a candidate who exercises his right to free speech.

If a candidate chooses not to participate by fully exercising his constitutional right to speak and not observe the spending limits, he is punished by the government because his opponent will receive taxpayer money to expound his contrary views. Thus, the government enters the political debate

by subsidizing one candidate simply because the other candidate has opted to exercise without restriction his right to free speech. This exacts an unconstitutional penalty by making the size of the public subsidy to the candidate's opponent dependent upon the candidate's own First Amendment conduct.

### 6. REPUBLICAN MONEY MYTH

Senator Byrd said that the revised S. 2: "It was easy for Republicans to block the Democratic bill when it contained a large measure of public finance; they could stand on principle. Now the issue is much more clearly the limits. Hardlines still resist the bill, on grounds that the Republicans, who are better fundraisers, would be condemning themselves to permanent minority status."

This is false. In three of the last four elections, 80-86 Democratic candidates for Congress raised more money in total than Republican candidates.

In addition, Democrats rely on "fat cat contributors" much more than Republicans. Republican Senate candidates raised (in 1984, the latest statistics available) about 33% of their total money in contributions of less than $200 from individuals, while Democrats could manage to get only about 20% of their money from contributors of less than $200.

In 1986, Democrats took 25% more from PACs than did their GOP counterparts. In 1988, Democrats are relying even more on special interest money—the average incumbent Democrat has taken nearly $150,000 more from the "special interests" they decry than the average Republican Senator up for election. (see Point 3 chart and Wall Street Journal article).

Further, PACs that generally support Republicans rarely give over $1,000 to any candidate; pro-Democrat PACs, particularly the labor PACs, more commonly give $10,000 every election, the maximum legal amount.

In addition, Republicans on average get no more than 28% of their total funding from PACs, whereas Democrats average over 37%. Therefore, if any campaign finance reform is needed to curb the influence of "fat cats" in politics, it ought to get at the Democrats' unhealthy reliance on large, single-issue PACs and wealthy individuals. Instead, S. 2 is designed to lessen the importance of middle-America's small contributors, the grassroots-level citizens, since they generally favor Republicans, and insulate the power position of PACs and the rich, who generally give to Democrats.

### 7. DIFFERENCES BETWEEN S. 2 AND PRESIDENTIAL ELECTION FUNDING

S. 2 proponents argue that the "success" of the presidential election funding means congressional public financing and spending limits will be successful. This is fallacious.

As Section 4 points out, the assumption that presidential public funding and spending limits have been successful is arguable. Even if it were a success, it does not follow that a similar scheme will be successful for Senate campaigns.

Presidential and Senate races are fundamentally different. The visibility of presidential candidates is extremely high. The campaigns of the major presidential party candidates during the general election period result in virtually 100% name identification. Such a statistic is a dream for most challengers in a Senate, and especially a congressional, campaign.

Presidential campaigns receive extensive news coverage in the print and broadcast media daily. This is not true for Senate and House campaigns. Senate campaigns must achieve visibility through personal campaigning by the candidates and through paid advertising. Paid communications are a principal informational mechanism in congressional campaigns to a much greater degree than they are in presidential campaigns.

As Section 4 also points out, the quagmire of enforcement problems created by public violations and uneven enforcement has actually increased the public's cynicism about the election process. In fact, Presidential public financing has served to destroy direct public participation in campaigns, reducing the citizen's role to a passive watcher of TV advertisements. David Broader, a senior political analyst for the Washington Post, recently observed:

"There is a cost to [public financing]. Public financing in Presidential campaigns has meant a virtual shutdown of local headquarters financed by small contributions. Grassroots democracy has died."

### 8. DAMAGE TO PUBLIC PARTICIPATION

Spending limits, by definition, restrict a candidate's ability to communicate with the voters. By limiting the amount of money that can be spent by a candidate, S. 2 also limits the appeals to voters that they participate. This will further reduce voter turnout, which is already declining.

Virtually without exception in elections, the more money spent per voter, the higher the voter turnout. Campaigns spend more if the competition is high, if candidates are good. Then people get interested, generating more contributions. The increased spending pays for better voter education and political activism, bringing citizens back into the democratic system.

Senator Eugene McCarthy saw anti-democratic danger in spending limits, at a time when "half the people in this country eligible to vote don't even bother. Few Americans can even name their legislators, much less tell you where they stand."

That's why the John F. Kennedy School of Government at Harvard University has concluded that "most campaigns spend too little money, not too much." It first said this back in 1979, after campaign spending had increased 70 percent in two years. Recent increases have been far more modest, and the School still adheres to its recommendation.

The spending limits of the revised S. 2 will hurt public participation since campaigns will be forced to cut back turnout and voter registration programs.

With a limited amount of money available, campaigns will concentrate on habitual voters likely to support their candidate.

Campaigns will not have the resources to take a chance on programs designed to seek out non-habitual or unregistered voters.

In other words, only those who now regularly participate will be contacted by campaigns to vote. There is no guarantee other programs will be cost effective.

Similarly, campaigns will only solicit persons who are known contributors. With spending limits restricting the amount of money that can be used, campaigns will not take a chance on prospecting to find new donors.

Republicans now bring new people into the process by small-donor direct mail programs. Those will no longer be feasible because of their high cost.

Small donors in general will be squeezed out of the process. Campaigns will not use direct mail since it is expensive. Instead, fat cats will be used.

With a finite amount of money to be raised, campaigns will contact large, not small, donors as more cost effective.

### 9. PROLIFERATION OF UNDISCLOSED EXPENDITURES

Spending limits are premised on the fallacy that they will reduce the money spent on campaigns.

That is wrong. The same amount of money will be spent. It will just be spent on projects that won't count against the spending limits and won't be reportable. In other words, "soft money" will proliferate.

A top priority if spending limits are in effect will be to find ways to help candidates that aren't allocable against spending limits and are not reportable. Is that good?

If spending limits for candidates exist, the impact of independent expenditures will be much greater.

The amount spent on elections will not be reduced.

But if candidates are limited in what they can spend, independent expenditures become more important. The amount of money spent on independent expenditures will be a greater portion of the pie with more impact.

The system is better off if the money that is going to be spent on elections is channelled through candidates and the parties rather than through special interest groups.

As a leading study on the funding of presidential campaigns has noted:

"The limitations upon expenditures have become increasingly restrictive and have spawned a whole series of serious problems of definition, allocation and enforcement. On the other hand, the effort to control total spending in presidential races has not succeeded.

". . . the Act has not succeeded in arresting the upward spiral in campaign spending . . . [I]ncreases have come about, therefore, through conduits which are not under the control of the candidates, although in some instances this spending may be 'coordinated' with the campaign organization . . . Spending by labor unions and corporations for 'internal communications' is also outside the candidate's direct control. Moreover, we cannot be sure if these expenditures are increasing, since by and large they do not have to be reported to the FEC."

Financing Presidential Campaigns: Recommendations of Campaign Finance Study Group, Ed. by Christopher Arterton, Chm., at 15, 16.

### 10. S. 2 HURTS THE POLITICAL PROCESS AND BLOCKS TRUE REFORM

Spending limits damage the American political process as much as public financing.

Money allows candidates to present their views to the voters. That should not be restricted by either spending limits or public financing.

It is especially important that challenger candidates have enough money to become known to the public and get their message across. Spending limits make that difficult.

Spending Limits Are a Democrat Political Ploy.

Republicans can raise more money than Democrats (through small "grassroots" contributions).

The fact is that Democrats have very few "small" donors among the American public. They do have more "fat cat" donors and "special interest" or PAC contributors than Republicans.

Spending limits are the Democrats way of overcoming their inability to raise money from middle income Americans. Spending limits will eliminate from the American political system the role of small donors, thus helping the Democrats but hurting participation in the system.

S. 2 blocks true reform of the American political system.

S. 2 is an extremely clever ploy by the Democrats to block true reform of the system. The vote in the 99th Congress on the Boren-Goldwater bill demonstrates the mandate for reform.

But that bill would hurt the Democrats' current fundraising strategy based on their inability to raise money from middle income donors.

The result is S. 2, which substitutes public financing and spending limits for participation by small donors in the American political process. This is "reform" according to supporters of S. 2.

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### IT'S A SMOKE SCREEN THAT OBSCURES THE REAL CORRUPTION

[From the Washington Post]

Sens. Robert Byrd and David Boren, the new champions of reform in campaign financing, are absolutely right to be concerned about rising campaign costs, about a system that is weighted heavily against challengers and about the appearance of corruption in the political system. But they are absolutely wrong about the causes of these problems and the best solutions for them. Their opposition to political action committees is wrongheaded and futile, and their obsession with PACs draws attention away from some deeply troubling aspects of political money. Far more valuable remedies than theirs are available.

The current Byrd-Boren proposal seeks to cure the ills of campaign finance by curtailing PAC contributions and attempting to place a strict lid on spending in Senate races (by offering various inventives to candidates who accept spending limits). In this, the sponsors have failed to make the vital distinction between real corruption and pseudo corruption.

The pseudo corruption is PAC money. First, the power of PACs has been greatly exaggerated. Not only are the 4,211 PACs an extremely diverse lot that work at cross-purposes and check each other, but all PACs together provide only a third of all money raised by House candidates and just a fifth of the war chests of Senate contenders. Most of the solid academic studies of the relationship between congressional decision-making and PAC contributions have reached the same basic conclusion: PAC money usually has little influence on the legislative votes cast by congressmen. The members' party affiliations, ideological orientations and, most of all, the wishes of their constitutencies are far more important in determining their votes than the PAC gifts they have received.

Moreover, a strong defense of the legitimacy of PAC and interest-group campaign activity can easily be made. Vigorously competing interests of great variety, after all, are one significant indicator of a thriving democracy. And if nothing else PACs are a useful vehicle for disclosure of the interest-group money which has always reached campaigns—and which always will find a political outlet in a free society.

A limitation on what candidates can accept from PACs won't do any good: PAC largess, which is not going to just disappear, will flow into less accountable channels such as independent expenditure. And suppression of PACs will only result in the money's being given in less discernible ways, as illustrated by Boren himself. He vituously refuses all PAC donations but accepts the very same kind of special-interest gift from individuals. According to a "Campaign Practices Reports" study, at least a quarter of the million-dollar war chest he raised in 1983 and 1984 came from executives and employees of the energy and banking industries—individuals whose interests were not always easy to identify in the Federal Election Committee records. This included women related to the executive contributors but listed only as "homemaker."

The reformers' "big PAC attack," an increasingly popular campaign sport, serves as a smoke screen that obscures the real corruption such as:

Honoraria of millions of dollars each year that go directly into the pockets of congressmen for their personal use. By contrast, campaign contributions are expended for a worthy public enterprise.

Free trips for congressmen that are often lengthy and lavish sojourns to resorts, which have sometimes included family members and are paid in full by the special interests.

A singularly seedy loophole in election law that permits the 221 current representatives who were in office on Jan. 8, 1980, to convert all remaining campaign funds to personal use after their retirement. These often-massive supplementary pensions are obtained under false pretenses for a reelection bid that never occurs.

Phony fund raising by many independent political groups and committees that rivals PTL's. This fraud, perpetrated mainly by direct mail, raises money by means of extravagant, never-fulfilled promises to contribute to certain causes and candidates dear to the hearts of naive donors on targeted lists.

A constructive agenda of campaign changes would highlight the real scandals, not PACs. Reformers should be spending their energies demanding the abolition of honoraria (perhaps in exchange for salary increases), severe limits on junketing when interests groups pick up the tab, repeal of the congressional "golden parachute" clause, mandatory disclosure of all direct-mail solicitations for groups that file with the FEC, and full disclosure in each solicitation of the proportion of the organization's funds spent on administrative costs (just as charities must do in many states.)

Additional reforms are needed to tackle the authentic deficiencies identified by Byrd and Boren. Campaign outlays are in fact staggeringly high, but a limitation on the total amount candidates can spend would reduce competition by hurting some challengers in key marginal races where the incumbent is threatened. (We often forget that a challenger must somehow compensate for the hundreds of thousands, possibly millions, of dollars the incumbent has already spent in previous elections and for taxpayer-funded constituency services.)

Instead of attempting to lower expenditures artificially, let's subtract from actual campaign costs. In most districts and states, costs can be slashed by one-third or more simply by reclaiming a few paltry advertising hours of the public's airwaves from broadcasters. The time can be apportioned in 30-second, 60-second and 5-minute slots to all major-party general election congressional candidates. In large media markets, where the crush of candidates would be too great, the parties should have the power to allocate available spots to their strongest challengers and most endangered incumbents. The broadcasters can certainly afford the lost revenue. As one television executive recently put it, "Having a license to operate a commercial TV station in this country is like receiving the government's permission to print money." And rather than wasting their outrage on PACs, reformers ought to be furious that broadcasters are lining their pockets selling our air time for the most important ritual of democracy.

Finally, we ought to be encouraging the strengthening of the political parties and the participation of more average citizens in the electoral process. One-hundred-percent tax credits for gifts up to $50 to parties and candidates are the best means. In this fashion, PACs are limited indirectly; that is, as party money and small individual gifts are proportionately expanded, PAC contributions will have even less influence than they do now. Tax credits for small gifts also produce money that will flow to starved challengers, not just well-heeled incumbents. Along with free broadcasting time, this could make our politics somewhat more competitive. And if politicians such as Byrd are really concerned about unfair incumbent advantages, they can bring under control the flagrant and expensive abuses of the free frank that currently exist. Most congressional newsletters are little more than taxpayer-subsidized reelection literature.

The reformers have done a great disservice by focusing narrowly on pseudo corruption and slap-dash remedies for both genuine and imagined ills. Not only have they diverted attention from real corruption and more useful ideas, they have also increased cynicism about politics by playing to the public's natural suspicion of any mix of money and politicians. Granted, many of my alternative proposals can be labeled political "untouchables," but so was tax reform. If the determination to cure the malady is as great as the reformers suggest, then it is not too late to engineer a set of changes that will create a more wholesome and productive electoral system, rather than another jerry-built rig of good intentions and unintended consequences.

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[From the Baltimore Sun, Aug. 12, 1987.]

### RETURN OF THE STAMP ACT

(By Ted Stevens)

WASHINGTON.—Americans aren't going to like the idea of a stamp tax today any more than they did in 1766, when the colonists' resistance forced the British to repeal the Stamp Act. Yet a new version of the Senate bill, S. 2—the campaign finance reform bill, would impose what amounts to a stamp tax on all of us who buy stamps from the postal service. Its sole purpose would be to subsidize campaign mailings by candidates for federal office.

The proposal runs 180 degrees counter to the policy approved by Congress in the Postal Reorganization Act of 1970. That law created a separate postal service to operate the U.S. mails on a break-even basis, with no direct taxpayer support.

The new version of S. 2 would provide preferential mailing rates to a candidate who agrees to spending limitations. (It would also mandate preferential rates for television and radio time.) With out question, it would place a financial burden on the postal service. And obviously it would cost postal ratepayers an enormous amount.

The postal service estimates the cost, under current rates, for the Senate version could be at least $17 million annually. It

could well be two or three times higher, even excluding the probable extension of the subsidy to the House.

Another factor of this new Boren/Byrd/Exon version is the possibility of significant abuse, with no remedies provided. It proposes, for example, that no more than 5 percent of the cost of a political campaign could be used for postage. But no enforcement mechanism is included in the proposal. How would a postal service employee receiving a campaign mailing determine whether or not a candidate reached that 5 percent limit? What might be inside the sealed envelope of a subsidized first-class mailing is another prospect for abuse.

Because the privacy of first class mail is guaranteed by statutes, the postal service would have no knowledge of the contents of a candidate's mailing. There would be nothing to stop a candidate from including campaign materials for others running for non-federal offices in the same state.

As ranking Republican and former chairman of the subcommittee now called Federal Services, Post Office and Civil Service, I've worked to provide a postal service that pays its own way. In the past several years, even with an enormous explosion in the amount of mail processed, the postal service has operated on a better than break-even basis. This new approach could have nothing but a negative effect on what has become a fiscally healthy corporation.

The passage of this measure would mean those who purchase stamps and send parcels would have substantial cost added to their mailing. It would subsidize federal congressional campaigns through the back door. If an individual wants to contribute part of his or her after-tax income to someone running for federal office, that's fine. But I'm opposed to the concept of contributing to political campaigns through a hidden subsidy.

The American public does not need a 20th century version of the Stamp Tax. Nor do taxpayers want their taxes or the federal deficit increased so that candidates running for federal office can finance campaigns.

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for 2 minutes as in legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ORDER FOR STAR PRINT

Mr. BYRD. Mr. President, at the request of Senator GLENN, chairman of the Governmental Affairs Committee, I ask unanimous consent that a star print of report 100-150 to accompany S. 908 be ordered in order to make technical corrections which affect the substance of the committee report.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## ORDER DIRECTING SENATE LEGAL COUNSEL TO TAKE CERTAIN ACTIONS

Mr. BYRD. Mr. President, I send to the desk a resolution to direct the Senate legal counsel to appear as amicus curiae in re sealed cases. I send the resolution to the desk and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 281) to direct the Senate legal counsel to appear as amicus curiae in re sealed cases.

The PRESIDING OFFICER. Is there objection to its immediate consideration?

Mr. BYRD. Mr. President, on March 6 and May 27, 1987, the Senate agreed to Senate Resolutions 160 and 222 to direct the Senate legal counsel to appear in two legal actions as amicus curiae in the name of the Senate to defend the constitutionality of the independent counsel law, 28 U.S.C. sections 591-598. Those actions were challenges brought by Lieutenant Colonel North and Michael Deaver against the independent counsels who were appointed to investigate them. The courts rejected those challenges without reaching the question of the constitutionality of the independent counsel law.

New challenges to the independent counsel law have now been initiated in cases arising out of the investigation of actions of a former official of the Department of Justice concerning the withholding of EPA documents from the Congress. On July 20, 1987, Chief Judge Aubrey Robinson of the U.S. District Court for the District of Columbia rejected the challenges and sustained the statute's constitutionality. His decision is now the subject of appeals to the U.S. Court of Appeals for the District of Columbia Circuit where they are scheduled to be heard on an expedited basis on September 16, 1987.

During the recess, Acting Attorney General Burns—Attorney General Meese has recused himself in this matter—notified the President of the Senate that the Department of Justice would join the appellants and ask the court of appeals to invalidate the independent counsel law. Consequently, for the first time the Department of Justice has appeared in court in the name of the United States as an amicus curiae to join the constitutional attack on the law, which had been initially signed into law by President Carter and then extended with President Reagan's approval. The Justice Department is contending that the provisions permitting the independent counsel to be appointed by the court, upon the Attorney General's application, and limiting the ability of the Attorney General to discharge an independent counsel without cause, contravene the constitutional separation of powers, the appointments clause, and article III.

These contentions were all thoroughly considered by the Congress when it first enacted the special prosecutor law in 1978 and when it reauthorized the statute in 1982. The Congress determined then that the law constitutionally provides for the even-handed application of the criminal laws of the United States by using the appointment authority granted by the Constitution to the courts to eliminate the serious conflict-of-interest problems that otherwise inevitably surround criminal allegations against high-ranking executive officials. The courts have thus far agreed with that view.

The following resolution will authorize the Senate legal counsel to present to the court of appeals, as a friend of the court, the reasons for sustaining the law's constitutionality.

The PRESIDING OFFICER. Is there further debate on the resolution? If not, the question is on agreeing to the resolution.

The resolution (S. Res. 281) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

#### S. RES. 281

Whereas, in *In re Sealed Cases*, Nos. 87-5261, 87-5264, and 87-5265, pending in the United States Court of Appeals for the District of Columbia Circuit, the constitutionality of Title VI of the Ethics in Government Act of 1978, as amended, 28 U.S.C. §§ 591-598, which provides for the appointment, duties, and removal of independent counsels, has been placed in issue;

Whereas, pursuant to sections 703(c), 706(a), and 713(a) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(c), 288e(a), and 288l(a) (1982), the Senate may direct its Counsel to appear as amicus curiae in the name of the Senate in any legal action in which the powers and responsibilities of Congress under the Constitution are placed in issue: Now, therefore, be it

*Resolved*, That the Senate Legal Counsel is directed to appear as amicus curiae in the name of the Senate in *In re Sealed Cases* in support of the constitutionality of Title VI of the Ethics in Government Act of 1978, as amended, 28 U.S.C. §§ 591-598.

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## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent, as in legislative session, that the time under the rule tomorrow, the 1 hour, be equally divided between the two leaders or their designees, and that the first 20 minutes may be for morning business and Senators may speak therein for 5 minutes; that no motions or resolutions over, under the rule, come over, and that the call of the calendar be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## WAIVER OF AUTOMATIC QUORUM CALL

Mr. BYRD. Mr. President, I ask unanimous consent that the automatic quorum call be waived on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. That would mean, then, that the vote on cloture would occur at circa 11 o'clock.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the Senate is in executive session. Upon return to legislative session, the call for regular order would bring back before the Senate S. 2. In any event, once the Senate is back in legislative session, would the clerk not then automatically state the title of S. 2?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, also for the record, is it not a fact that simply because the Senate tomorrow will be voting on cloture on S. 2, that technically S. 2 is not before the Senate during that 1 hour of debate on the motion to invoke cloture?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, the distinguished Senator from North Carolina wishes to offer an amendment to S. 2 which would be patently, on its face, not germane. But he certainly has the right to offer an amendment at such time as S. 2 is before the Senate. He is not restricted from offering a non-germane amendment. I do not anticipate that cloture will be invoked on tomorrow. If it is invoked, I will be happily surprised. I think that there will be some momentum developed and some gains tomorrow. But if cloture is invoked tomorrow or at some later date, the amendment by Mr. HELMS would clearly not be germane and would be ruled out of order.

Notwithstanding that fact, he has a right to offer the amendment at such time as S. 2 is before the Senate. I am not going to stand in the way of having S. 2 brought back before the Senate today.

## LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I therefore ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

## SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

### AMENDMENT NO. 676

(Purpose: To authorize funds for military assistance to the Democratic Resistance in Nicaragua unless the President certifies to Congress that the Communist government in Nicaragua has met certain conditions)

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the distinguished majority leader for his typical courtesy and cooperation. It is a pleasure to work with him always.

Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

Mr. HELMS. In this case, I ask that the clerk read it all.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 676:

Add at the end of the bill the following new section:

"SEC. . The sum of $310 million dollars is authorized to be appropriated for military assistance to the Nicaraguan Democratic Resistance for the period ending March 31. 1989; provided, however, that the funds authorized to be appropriated by this section shall not be obligated or expended if the President, on or before September 30, 1987, shall have certified to Congress the following:

1. That there be no Soviet, Cuban or Communist bloc bases established in Nicaragua that pose a threat to the United States and the other democratic governments in the hemisphere.

2. That Nicaragua pose no military threat to its neighbor countries nor provide a staging ground for subversion or destabilization of duly elected governments in the hemisphere.

3. That the Nicaraguan government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan constitution and pledges made to the OAS—free speech, free press, religious liberty and a regularly established system of free, orderly elections.".

Mr. HELMS. Mr. President, I thank the clerk, I thank the Chair, and I thank the majority leader.

## JOHN DOSTER, FAA VETERAN: PILOTS ARE THE KEY

Mr. HELMS. Mr. President, coming as I do from what was in my boyhood a small rural community in North Carolina, I am always especially gratified when I note that one of our "hometown boys" has been honored in connection with a remarkable career.

John Henry Doster, chief of the Federal Aviation Administration's district office at Allentown-Bethlehem-Easton Airport, grew up in Monroe, NC, as I did. Back in the summer, John was honored by Business and Commercial Aviation magazine for his long service to aviation.

John Doster is now 71. Recently he completed his 46th year of service with FAA and its predecessor organization, the Civil Aeronautics Administration. He administered his first check ride in 1941 from Hoover Field—where the Pentagon is now situated—and as of June 15 had given 7,803 check rides, signed off on 1,726 type ratings in jet aircraft and conducted 1,932 proficiency check rides.

I ran across a column written by John Doster for the August issue of Aviation Digest in which he reminisced a bit to make a point about all of the "near misses" in the air that we hear about constantly these days.

The column is headed, "The Way It Was" and the subject title is interesting in its implications: "Pilots Are the Key." Mr. President, I ask unanimous consent that John Doster's column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From Aviation Digest, August 1987]

PILOTS ARE THE KEY

(By John Doster, Allentown (PA) FSDO)

On instruments, at 8,000 feet and 400 miles west of Rio De Janeiro, my Brazilian co-pilot and I estimated that Bauru, our first fuel stop, was only a few minutes ahead. We were flying a C-45 Beechcraft to Corumba, on the Bolivian border, to pick up passengers for the U.S. Embassy at Rio.

With no warning, the radio beacons we were using for navigation went off the air. Carlos tried all of our available HF frequencies but was unable to contact anyone either in the air or on the ground. I worked the CW transmitter (the key was located overhead in the cockpit) but no one answered. The only phrase I could really transmit well was: "transmit back to me slowly." Changing English into Portuguese, then into Morse Code and back, was one of my strongest weak points. With no response from either CW or voice, we decided to descend as low as we dared and hoped to see a break in the clouds. Our chart indicated that we were over flat uninhabited terrain with an average elevation of 1,600 feet.

Suddenly we broke out of the overcast about 400 feet above the jungle and nearly collided with a red gull-wing Stinson!

Brazil, larger than the 48 United States, had about 750 airplanes in the whole nation. The odds for an airplane showing up at that precise moment and position were astronomical! This airplane was VRF below the overcast and heading on our reverse course. Since we estimated that we had overshot the airport, we turned and followed. Shortly thereafter, we both landed on the Bauru Airport. After landing, the Stinson pilot told us that he was returning from a mining camp and, although we had missed each other by no more than 150 feet, he had not seen us. This happened many years ago, but it is as vivid as if it had happened yesterday. I can still see a dirty patch on his right wing.

Almost 300 near midair collisions were reported in the United States during a 12-month period, ending in mid-1984. Slightly over 50 of these were critical, where collision avoidance was due purely to chance and not by an act of the pilot. Two hundred were potential, where an accident would probably have occurred had evasive action not been taken by one or both pilots

involved. The remainder presented no hazard. These 300 were reported; many others go unreported.

For the trivia buff, the aircraft population of the United States is about one per each 17 square miles. All these airplanes are not in the air at one time, so we should have enough room to avoid each other.

An attempt is made to investigate all NMACs. Once we were asked to look at a black smudge just above the door on a small twin engine airplane. The pilot reported that he had felt a slight bump as he turned on final for landing at a busy airport. The smudge turned out to be a tire mark! That is as close as you can come and still live to tell about it.

A helicopter was on a cross-country flight and the pilot suddenly saw an aerobatic airplane, in an inverted position on top of a loop, 75 to 100 feet below him. The pilot of the inverted airplane never saw the other machine and continued his practice. I often wonder how many times our lack of vigilance allows a near miss to go unnoticed. In smooth air, have you ever felt a single bump and frantically looked for what might have just passed by?

The 1984 study indicated that the most significant combination of near misses shows one airplane to be IFR and the other VFR. One is on a flight plan; the other one is not. This might indicate that radar surveillance and transponders do not necessarily substitute for alert pilots. Keep your eyes searching the skies.

About 70 percent of these near collisions occur below 5,000 feet; the middle altitudes account for about 25 percent more and the rest occur about 12,500 feet. Most near midair collisions occur during good visibility conditions. Less than 15 percent occur when visibility is 5 miles or less. The vicinity surrounding controlled airports accounts for nearly one-half of these events.

Thus, it seems that pilots hold the key to eliminating the midair collision hazard by constant exercise of vigilance. See and avoid; it is up to you.

## THE FARMERS RECOVERY TAX ACT

Mr. HEFLIN. Mr. President, I rise once again to bring S. 455, the Farmers Recovery Tax Act, to the attention of my colleagues.

When I was recently visiting farm communities back home in Alabama, two things kept coming out in conversations: the weather and the fact that the Tax Reform Act of 1986 removed so many of the tax advantages which farmers previously enjoyed.

As for the weather, this has been another tough year for Alabama farmers. During the spring, a late cold snap froze and damaged central Alabama's very valuable peach crop. This summer, our farmers are again suffering from a lack of rainfall. This summer's drought is not yet as bad as the last year's, but there has been significant crop damage.

Mr. President, I bring the weather in Alabama to the attention of my colleagues to get them to think about what has happened in their home State this year. Other States may have suffered from late freezes and drought like Alabama, or they may have suffered from other natural disasters. I know that instead of drought, Texas has suffered from devastating and tragic floods; instead of freezes, the Far West has suffered from hot, dry weather which has resulted in fires destroying hundreds of thousands of acres. Undoubtedly, other States have suffered other ills.

But after a moment's thought, everyone realizes that this year's weather is much like the weather in any other year. The floods and droughts have occurred in different places, but they still have occurred. Of course, no one expected the weather to suddenly turn perfect after January 1 of this year. No one predicted that the right amount of rain would fall in each area of the Nation and the temperature would be ideal everywhere this year. But, I tell you, Mr. President, you could not tell it by the Tax Reform Act of 1986. By the way Congress dropped provisions of the Tax Code which benefited farmers, it seemed as if everyone thought Mother Nature had signed a pact in which she guaranteed perfect cooperation, in which there would be no more floods or hailstorms or droughts or any other disaster.

But, of course, no such guarantees exist. The same disasters and hardships which farmers had to endure in 1986 still exist in 1987. The same reasons Congress originally gave special treatment to farmers still exist today. The only thing which has changed is that Congress has removed the tax provisions which helped farmers bear these burdens.

Mr. President, I think that a majority of the Senate understands this is not fair. That is why some of my colleagues and I were able to restore many provisions for farmers during floor debate on the Tax Reform Act. Unfortunately, most of these floor amendments were dropped during conference.

In an effort to restore some equity for American farmers, Senator MELCHER and I introduced the Farmers Recovery Tax Act of 1987. So far, 10 more colleagues have cosponsored this bill. This measure will restore income averaging, the investment tax credit, the accelerated cost recovery system and capital gains for farmers.

Income averaging was one of the provisions most often used by farmers. It is absolutely vital that we reinstate income averaging to allow farmers to even out the volatility in their income caused by weather, pests, disease, and other factors beyond their control.

When the new rates become fully effective in 1988, a farm family of five with income ranging from nothing in 1 year to $40,000 the next will pay 2½ times the tax as a family of five earning $20,000 each year. Our farm families deserve better treatment than this under our tax laws.

The Tax Reform Act of 1986 also repealed the investment tax credit for qualifying capital investments. Most farm machinery and equipment, some farm structures, and certain livestock qualified for the 10 percent credit. For example, under prior law, if a prior bought a tractor for $40,000 his after tax cost would have been $36,000. When the investment tax credit was repealed, the after tax cost rose to $40,000, or $4,000 more. With the stroke of pen, Congress raised the price of farm machinery by 10 percent.

All along main street of our farming communities, the farm depression of 1980–87 has caused hundreds and hundreds of farm equipment dealers and agricultural businesses to fold in the last several years. This, of course has devastated the economies of these communities. Thousands of jobs have been lost. Economic growth in the farm belt is dependent upon the purchases made by farmers. Without the added incentive of the investment tax credit, the rural economy cannot recover.

The Tax Reform Act of 1986 also repealed the accelerated cost recovery system. The Farmers Recovery Tax Act of 1987 will restore ACRS for qualified farm property. The depreciation schedules of farmers must now use are only hindering the recovery in the farm economy.

Finally, Mr. President, I propose to reinstate a capital gains differential for farmers, including individual timber growers. The maximum tax rate on capital gains will be 20 percent.

Capital gains deduction are certainly needed in the risky industries and businesses which involve the natural biological cycles and reproductive processes. Farmers that raise cattle, for instance, cannot expect immediate income from the purchase of brood cows. Income that results from the sale of such livestock is the product of several years of hard work.

Mr. President, I urge my colleagues to consider the natural hardships which farmers face in trying to feed America and most of the world three times a day and then consider the inequity and injury which the Tax Reform Act of 1986 inflicted upon them. After my colleagues have done this, I am certain they will cosponsor this bill.

## A TRIBUTE TO COACH JAMES GLOVER

Mr. HEFLIN. Mr. President, I was filled with great sadness when I learned of the death of my good friend, James E. Glover, who served for 31 years as the football coach of Etowah High School. Throughout his life, Coach Glover dedicated his efforts not only to winning football games but, more importantly, to shaping lives and characters. He touched many lives in those 31 years he served as coach, and demonstrated that hard work, perseverance, and dedication, as well as faith in God, were the only ways in which to succeed in life—and in any endeavor. As a former Etowah Blue Devil, myself, I know the mark that Coach Glover made on our school, on Attalla, and on Alabama. His work, his dedication, and his devotion to those he coached will be long remembered.

James Glover was born in Moundville, AL, and he attended Hale County High School. He received a football scholarship to East Mississippi Junior College, where he also won the school's middleweight boxing championship, and then transferred to Delta State University where he started his last 2 years.

After college, Coach Glover knew where he would touch the most lives, and he immediately began coaching at Brookwood High School in Tuscaloosa, AL. He was able to coach for two seasons before World War II interrupted his coaching career, and he entered the Navy in 1942. After his discharge, he coached at Jefferson County High School until he took the job at Etowah.

Coach Glover was immediately successful at two things—winning, and molding boys into men. His record between 1947 and 1951 was an incredible 48 wins, and 2 losses. His teams lost the first game of 1948, and they lost the final game of 1951. Coach Glover also had unbeaten teams in 1954, 1956, 1958, and 1969. Throughout his career, his teams won a total of 213 games.

However, as impressive as it may be, concentrating on Coach Glover's football win-loss record would not describe the thousands of successes he really had. For his real triumphs throughout life were the thousands of young men he coached, and the many he influenced whom he did not coach.

Coach Glover was known as "Gentleman Jim," and his manners and demeanor rubbed off on everyone at Etowah High School. He challenged both his players, and many others who did not have the talent, or the capabilities to play, to demand more of themselves than they thought possible. With so many young people, he taught them how to push harder when they thought they could not push anymore. He taught young men how to dream, and then how to fight to realize that dream. Essentially, Coach Glover taught young men how to succeed, themselves.

James Glover was recognized throughout his life for his many successes. He was inducted into the Alabama Sports Hall of Fame. He is loved and remembered by the many players he had. He is loved and remembered as a devoted friend, and he is remembered as a loving father. Coach Glover will be missed, he will be remembered, and all should follow his example.

Mr. President, I ask unanimous consent that newspaper articles on Coach Glover's death be printed in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### COACH GLOVER WAS A MAN WHO CARED

(By Jimmy Smothers)

Everyone knows about Jim Glover the coach, the man who put the Etowah Blue Devils on the state map as a high school football powerhouse.

Gentleman Jim, they called him. And the name fit.

He was a gentleman, a man everyone liked, a man who could mix well in any crowd.

He was polite, well-mannered, intelligent.

And he knew how to coach, to get the best out of his players. He was a sort of Bear Bryant-type of coach in that respect. And he had the same kind of feelings for his players.

Once a boy played for Coach Glover, gave it his best, he was a Blue Devil for all time, he was a member of Coach Glover's family.

And just as the coach appealed to the good side of boys to bring out the best in them on the field, he maintained the same fatherly image with them.

He kept in touch, was ready and able to help if a need arose. He showed that he cared in oh so many ways.

Teenagers who won the national Christian School championship for him last year at Coosa Christian loved Coach Glover the same as today's grandfathers who won a state championship for him almost 40 years ago at Etowah.

He was the same "Coach" at age 70 as he was at age 30. He never knew the meaning of generation gap.

The respect he earned was much in evidence Monday night, and again today, as "his boys" flocked back to Attalla from near and far to pay their final respects.

It was a sort of Blue Devil Day a month early. All the old players—renewing friendships, telling stories.

How Coach would have enjoyed such a gathering.

He delighted in such fellowship and companionship; loved good food and retelling the old stories.

Fans remember Coach Glover for his great football teams, for being a winner, for earning such fame at his profession that he was elected to the Alabama Sports Hall of Fame.

But there was another side to this man. A side that meant as much to him in later years as did coaching in the former.

About six years ago, Coach Glover did an about face in his life—he became the one man in 3,000 who becomes a born-again Christian after age 60.

He became so alive in Christ that he wanted to share his conviction with "his family". So he made a list of all his former players he could remember, started looking up the ones he'd lost track of.

Coach Glover spent two days a week and much money visiting "his boys". He checked on how they were doing personally, financially and spiritually.

He had finally found something in life that meant more to him than football and he wanted to share it with his players.

One old Blue Devil tells about Coach coming to the hospital and praying for him before he had brain surgery.

Only a week ago Coach had his sons carry him to the car and drive him across town to check on how another former player was doing in church.

"I just wanted to be sure you were living right," Coach Glover told the old player from his make-shift bed in the backseat of the car.

That's the kind of man Coach Glover was. He was a man who cared.

Gentleman Jim, sure. Coach, of course.

But more than that, he became a modern day apostle. He taught boys how to be men in athletics; and more recently he showed men how to change their lives.

The last time I saw Coach Glover was in the hospital. I asked how soon before he would be going home.

"I may never leave this room," he said. "I have cancer, you know."

But Coach did go home. He went back to his beloved Attalla to die.

### GLOVER'S 'BOYS' SAY GOODBYE

(By John Alred)

More than 300 people—many of them former players—said goodbye to "Coach" Tuesday afternoon at Whites Chapel Baptist Church.

"Coach" was James E. Glover, who for 31 years molded the boys of Etowah High School into men.

Coach Glover died Sunday after a two-month battle with cancer.

It was only fitting that two of "his boys" conducted the funeral service—Dr. Bryant Strain, pastor of Brookwood Baptist Church in Birmingham and Rev. Phillip Ellen, pastor of Whites Chapel.

"For most people, James E. Glover was simply known as Coach," Dr. Strain said. "But to his wife Virginia, he was husband, friend and lifetime companion. And to his sons Jerry, Neil and Jim, he was father, coach and role-model.

"We want to thank his family for letting us share Coach with us. And we thank God for the influence he had on all of us he touched."

Ellen compared Coach Glover to the apostle Paul, who the Bible teaches met Jesus on the road to Damascus and became one of the greatest preachers and writers of his time.

"A few years ago, Coach met Jesus and became a Christian," Ellen said. "And, like Paul, he began preaching to all he came in contact with.

"But Coach would often say, Religion was not enough, you must meet Jesus. And Coach met Jesus face-to-face.

"Like Paul, Coach was willing to accept Jesus and do what he felt he must."

Perhaps the most stirring moment of the services came when Glover's oldest son, Jerry, spoke about his father.

He talked about how his father had been determined to return home for his final days and that he had managed to do that.

"Pop, we know how much people love you. That was evident Monday night when more than 700 people came by to pay their final respects," Jerry said.

"I was like a lot of people after you got saved, Pop. I hated to see you coming because I knew what you were going to say. And I thought you were an embarrassment to the family.

"Pop, I hadn't been able to face you until the night I got saved. Until the night I found out you were going to die. I guess it was because I was always worried about myself and my problems.

"But I went back up to your room and it was about 3:30 in the morning. You were awake and you said, 'Jerry, I'd like to talk to you.'

"And I looked up into your eyes and said, 'Pop, I'm ready to talk to you'. That was the most joyous moment in my life. You later said it was one of the most joyous times in your life."

Jerry also said his father had once placed much emphasis on his accomplishments—his great coaching record, his induction into the Alabama Sports Hall of Fame and the many honors which went along with his career.

"There's no doubt Pop was a great coach and influenced a lot of young boys," Jerry said. "But his life wasn't in order. But something happened—something great. You found Jesus Christ."

Glover was a native of Moundville. He attended East Mississippi Junior College and later graduated from Delta State University in 1940.

He coached two years at Brookwood High School in Tuscaloosa before entering the Navy. After leaving the service, he coached two years at Jefferson County High before taking the Etowah job in 1947.

From 1947 until 1951, the Blue Devils went 48–2, losing only the first game in 1948 and the final game in 1951. He also had unbeaten teams in 1954, 1956, 1958 and 1969.

In addition, he coached the 1948 Etowah basketball team to the state championship.

During his career, he won 213 games, lost 110 and tied 16.

In addition, he coached Coosa Christian High School's football team the last two seasons. Last year's team finished with a 12-0 record and won the National Christian School championship.

### BLUE DEVILS LOSE "COACH" JIM GLOVER, 1916–87

(By John Alred)

"What can I say? He was my coach, my teacher, my friend and I loved him."

Those words by Wyman Townsel summed up the feelings of most of the former players and assistant coaches of Jim Glover, who died Sunday afternoon after a two-month battle with cancer.

Townsel was a star halfback on Glover's Etowah High School teams from 1949 to 1951, and took over the head football coach's job at his alma mater earlier this year.

Glover was considered one of the most outstanding high school coaches in Alabama during a 31-year career at Etowah and a two-year stint at Coosa Christian School.

His career was capped when he was inducted into the Alabama Sports Hall of Fame in 1985.

Glover, 71, became head football coach at Etowah in 1947 and promptly led the Blue Devils to an unbeaten season. He then took the Etowah basketball team to the state championship in 1948.

But it was football which Glover was to make his niche.

His record between 1947 and 1951 was a phenomenal 48–2, losing the first game in 1948 and the final game in 1951.

And although there were no state playoffs, the 1950 Etowah team was declared state champion by several newspapers in Alabama.

Glover also had unbeaten teams in 1954, 1956, 1958 and 1969. During his Etowah career, he compiled 213 victories. He retired from Etowah in 1978.

During his career, he gained the nickname of "Gentleman Jim".

The last two years he coached at Coosa Christian School, which is operated by the church Glover attended, White's Chapel Baptist.

Last year's team went 12–0 and won the Christian School national championship.

Many of his former players went into the education field, including Wendell Hubbard. G.B. Beasley and M.L. Brackett.

Hubbard graduated in 1960 and then was an assistant coach under Glover from 1964–74.

"Coach Glover is certainly going to be missed," Hubbard said. "He's helped a lot of his players get through school and into college. I know, I'm one of them.

"Coach was certainly a unique person. I don't think many men could have quit coaching and then got back into it and win a national championship like he did last season.

"I was with Coach through the good times and bad times. He was like a daddy to me. As long as there is an Attalla and Etowah High, they'll always remember Coach Glover."

Beasley was a guard on the 1950 team and was an assistant under Glover from 1956 to 1960. He also coached against his former teacher when he was head coach at Albertville from 1962 to 1986.

"I was one of the fortunate few who saw Coach Glover from all angles, as a player, assistant coach and rival coach," Beasley said. "He was just a super individual.

"Coach had that rare ability to see the best in folk and make you do your best. He was my best friend and I'll never forget him."

Brackett was a star lineman for Glover in the early 1950's, who later went on to Auburn University and then played pro football. He was an assistant with Glover from 1961 to 1963.

"There's just no way you can replace a man like Coach Glover," Brackett said. "Everything I have been and everything I will be, I owe to Coach Glover.

"His persistence finally got me involved in football. If he hadn't kept after me when I was in P.E. class in the 9th grade, I wouldn't have played football."

Ben Pillitary didn't play for Glover, but was his assistant from 1953 to 1961. The two developed a lasting friendship.

"One of my best friends has passed on," Pillitary said. "He was probably the greatest high school coach in Alabama. He had a lot of influence on a lot of people, me included.

"Words just can't describe my feelings at the moment. Coach and I have been close a lot of years and he was always there when I needed advice."

Herbert Hicks was a quarterback on the Etowah teams during the 1950's.

"He was like a father to all of us former players," Hicks said. "He led a lot of boys down the right trail. He certainly deserved the nickname 'Gentleman Jim'. He was a great man and a man who people can look up to."

Hicks, Glover and Ed Taber, who was a guard on the 1953 team, were the main cogs in getting "Blue Devil Day" started several years ago. It is now an annual event where former athletes and friends of Etowah High gather for an evening of recalling past heroics.

"I saw Coach last week and he was really looking forward to this year's Blue Devil Day on Aug. 8," Hicks said. "He said he wanted to see all his boys one more time. He knew he was going but he never complained. He was a winner to the end. He was just a great man."

Taber said Glover's death was not only a loss to his former players but to Etowah County.

"I think he was another Bear Bryant," Taber said. "I feel playing for him was a great honor. I think this is a tragic loss, not only for his players, but for everyone."

Glover was a native of Moundville and attended Hale County High School. He received a football scholarship to East Mississippi Junior College and later played at Delta State, where he graduated in 1940.

He coached at Brookwood High School in Tuscaloosa County for two seasons before entering the Navy in 1942. After his discharge in 1945, he coached at Jefferson County High School until he took the job at Etowah.

Funeral services have been scheduled Tuesday at the White's Chapel Baptist Church gymnasium. Burial will be in Attalla's Oak Hill Cemetary.

The family will receive friends tonight from 6 to 9 at Collier-Butler Funeral Home.

## REPORT ON REVISION OF CERTAIN BUDGET DEFERRALS—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 62

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on August 27, 1987, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on Agriculture, Nutrition, and Forestry, the Committee on the Budget, and the Committee on Finance:

*To the Congress of the United States:*

In accordance with the Impoundment Control Act of 1974, I herewith report two revised deferrals of budget authority now totaling $706,709,883.

The deferrals affect programs in the Departments of Agriculture and Health and Human Services.

The details of these deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *August 27, 1987.*

## PAY ADJUSTMENT FOR FEDERAL EMPLOYEES—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 63

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on August 31, 1987, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

*To the Congress of the United States:*

Under the Federal Pay Comparability Act of 1970, the President is required to make a decision each year on what, if any, pay adjustment should be provided for Federal employees under the General Schedule and the related statutory pay systems.

My pay advisors have reported to me that an increase in pay rates averaging 23.74 percent, to be effective in October 1987, would be required under existing procedures to raise Federal pay rates to comparability with private sector pay rates for the same levels of work. However, the law also empowers me to prepare and transmit to the Congress an alternative plan for the pay adjustment if I consider such an alternative plan appropriate because of "national emergency or economic conditions affecting the general welfare." Furthermore, section 15201(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985, Public Law 99–272, requires that, in adjusting rates of pay under the Comparability Act, I achieve savings of at least $1.264 billion in fiscal year 1988 compared to the "baseline" the Congress has used in its budget process. Section 15201(a) also requires that the effective date of pay adjustment be delayed until January 1988.

Accordingly, after reviewing the reports of my Pay Agent and the Advisory Committee on Federal Pay, after considering the adverse effect that a 23.74 percent increase in Federal pay rates might have on our national economy, and in order to implement the requirements of the Reconciliation Act, I have determined that economic conditions affecting the general welfare require the following alternative plan for this pay adjustment:

In accordance with section 5305(c)(1) of title 5, United States Code, the pay rates of the General Schedule and the related statutory pay schedules shall be increased by an overall percentage of 2 percent for each schedule, with such increase to become effective on the first day of the first applicable pay period beginning on or after January 1, 1988.

This alternative plan would produce savings that exceed the amounts required by the Congress in the Reconciliation Act for fiscal year 1988.

Accompanying this report and made a part hereof are the pay schedules that will result from this alternative plan, including, as required by section 5382(c) of title 5, United States Code, the rates of basic pay for the Senior Executive Service, in accordance with the formula established in Schedule 4 of Executive Order 12578.

RONALD REAGAN.

THE WHITE HOUSE, *August 28, 1987.*

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## ANNUAL REPORT OF FEDERAL ENERGY CONSERVATION PROGRAMS—MESSAGE FROM THE PRESIDENT—PM 64

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources:

*To the Congress of the United States:*

In accordance with the provisions of Section 381(c) of the Energy Policy and Conservation Act (42 U.S.C. 6361(c)) and Subtitle H of the Energy Security Act (42 U.S.C. 8286), I herewith transmit the tenth annual report on Federal Energy Conservation Programs undertaken during Fiscal Year 1986.

RONALD REAGAN.

THE WHITE HOUSE, *September 9, 1987.*

## REPORT OF THE CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION—MESSAGE FROM THE PRESIDENT—PM 65

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on the Judiciary:

*To the Congress of the United States:*

In accordance with the provisions of Public Law 98–375, Sec. 4(b), I am pleased to transmit to you the report of the Christopher Columbus Quincentenary Jubilee Commission.

This Commission was created by the Congress to plan, encourage, coordinate, and conduct the Nation's observance of the 500th anniversary of the voyage of Christopher Columbus to the New World in 1492. P.L. 98–375 instructed the Commission to report to the Congress its recommendations for a comprehensive national program of commemorating the Quincentenary.

As you will see from this report, the Commission has executed its charge in a spirit that takes full account of the heroic and visionary character of Christopher Columbus and of the mingling of peoples, sharing of civilizations, and development of new nations that took place in the New World as a consequence of his achievement. The report establishes five themes that collectively embrace the broad significance of the observance; it proposes three national initiatives to create enduring programs of commemoration; it identifies worthy projects to be carried out by the Nation's cultural, educational, and civic organizations; and it outlines a program of celebratory activities that will make participation in Quincentenary events possible for citizens and communities throughout the Nation.

The report provides the means of funding this comprehensive national program through proceeds from the sale of commemorative coins and through donated funds and services from private citizens and organizations.

RONALD REAGAN.

THE WHITE HOUSE, *September 9, 1987.*

## PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bills and joint resolutions:

On August 10, 1987:

S. 958. An act to dedicate the North Cascades National Park to Senator Henry M. Jackson.

S. 1198. An act to authorize a certificate of documentation for the vessel F/V *Creole.*

On August 11, 1987:

S.J. Res. 121. Joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day."

On August 18, 1987:

S. 769. An act to provide grants to support excellence in minority health professions education.

S. 1371. An act to designate the Federal building located at 330 Independence Avenue, SW, Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building."

S. 1577. An act to extend certain protections under title 11 of the United States Code, the Bankruptcy Code.

S. 1597. An act to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study.

S.J. Res. 44, Joint resolution to designate November 1987, as "National Diabetes Month."

S.J. Res. 49. Joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day."

S.J. Res. 87. Joint resolution to designate November 17, 1987, as "National Community Education Day."

S.J. Res. 108. Joint resolution to designate October 6, 1987, as "German-American Day."

S.J. Res. 109. Joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

S.J. Res. 157. Joint resolution to designate the month of October 1987, as "Lupus Awareness Month."

On August 20, 1987:

S. 1591. An act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States.

S.J. Res. 175. Joint resolution to recognize the efforts of the United States Soccer Federation in bringing the World Cup to the United States in 1994.

On August 21, 1987:

S. 1550. An act to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes.

## MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on August 7, 1987, during the adjournment of the Senate received a message from the House of Representatives announcing that the House agrees to the amendment of the Senate to the following concurrent resolution:

H. Con. Res. 175. Concurrent resolution providing for an adjournment of the Congress until September 9, 1987.

### ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

H.R. 2855. An act to settle Indian land claims in the town of Gay Head, Massachusetts, and for other purposes; and

H.R. 3190. An act to provide for a temporary increase in the public debt limit.

Under the authority of the Order of the Senate of February 3, 1987, the enrolled bills were signed on August 7, 1987, during the adjournment of the Senate by the Acting President pro tempore [Mr. WIRTH].

### ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on August 10, 1987, received a message from the House of Representatives announcing that the Speaker had signed the following enrolled bill and joint resolutions:

H.R. 812. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish the Malcolm Baldrige National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provisions of their goods and services;

H.J. Res. 216. Joint resolution to support a ceasefire in the Iran-Iraq war and a negotiated solution to the conflict; and

H.J. Res. 313. Joint resolution designating the month of August 1987 as "National Child Support Enforcement Month".

Under the authority of the order of the Senate of February 3, 1987, the enrolled bill and joint resolution were signed on August 10, 1987, during the adjournment of the Senate, by the Vice President.

### ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on August 12, 1987, received a message from the House of Representatives announcing that the Speaker pro tempore [Mr. FOLEY] had signed the following enrolled bills and joint resolution:

S. 1550. An act to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes;

S. 1591. An act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States;

S. 1597. An act to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study;

H.R. 3085. An act to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, Pennsylvania; and

H.J. Res. 335. Joint resolution designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week".

Under the authority of the order of the Senate of February 3, 1987, the enrolled bills and joint resolution were signed on August 12, 1987, during the adjournment of the Senate, by the President pro tempore [Mr. STENNIS].

## MESSAGES FROM THE HOUSE

At 2:24 p.m., a message from the House of Representatives announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3093. An act to expand and improve the optional acreage diversion program for the 1988 crops of wheat and feed grains.

## MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3093. An act to expand and improve the optional acreage diversion program for the 1988 crops of wheat and feed grains; to the Committee on Agriculture, Nutrition, and Forestry.

## ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that he had presented to the President of the United States the following enrolled bills and joint resolutions:

On August 10, 1987:

S. 1371. An act to designate the Federal building located at 330 Independence Avenue, SW, Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building";

S.J. Res. 44. Joint resolution to designate November 1987, as "National Diabetes Month";

S.J. Res. 49. Joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day";

S.J. Res. 87. Joint resolution to designate November 17, 1987, as "National Community Education Day";

S.J. Res. 108. Joint resolution to designate October 6, 1987, as "German-American Day";

S.J. Res. 109. Joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week";

S.J. Res. 121. Joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day";

S.J. Res. 157. Joint resolution to designate the month of October 1987, as "Lupus Awareness Month"; and

S.J. Res. 175. Joint resolution to designate the efforts of the United States Soccer Federation in bringing the World Cup to the United States in 1994.

On August 12, 1987:

S. 1550. An act to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center;

S. 1591. An act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States; and

S. 1597. An act to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1726. A communication from the Acting Secretary of Agriculture transmitting a draft of proposed legislation to reduce the cost and improve the administration of the Food Stamp Program and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1727. A communication from the Acting Under Secretary of Agriculture (International Affairs and Commodity Programs) transmitting, pursuant to law, the third quarterly commodity and country allocation for food assistance under title II of Public Law 480; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1728. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated August 1, 1987; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-1729. A communication from the Acting Assistant Secretary of Defense (Comptroller) transmitting, pursuant to law, a listing of contract award dates for the period September 1, 1987, to October 31, 1987; to the Committee on Armed Services.

EC-1730. A communication from the Assistant Secretary of the Air Force (Manpower and Reserve Affairs) transmitting a draft of proposed legislation to modernize the permanent faculty structure of the United States Air Force Academy; to the Committee on Armed Services.

EC-1731. A communication from the Deputy Assistant Secretary of the Air Force (Logistics) transmitting, pursuant to law, a report on the study on conversion of the military family housing maintenance function at Attus Air Force Base, Oklahoma, to performance by contract; to the Committee on Armed Services.

EC-1732. A communication from the Secretary of the Army transmitting, pursuant to law, the annual report of the United States Soldiers' and Airmen's Home for fiscal year 1985 and the Report of the Annual General Inspection of the Home for fiscal year 1986; to the Committee on Armed Services.

EC-1733. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Financial Audit-Federal Deposit Insurance Corporation's 1986 and 1985 Financial Statements"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1734. A communication from the Secretary of Transportation transmitting, pursuant to law, a report entitled "The Effect of Airline Deregulation on the Level of Air Safety"; to the Committee on Commerce, Science, and Transportation.

EC-1735. A communication from the Chairman of the Federal Communications Commission transmitting, pursuant to law, a report on alternative means of administering and enforcing the Fairness Doctrine; to the Committee on Commerce, Science, and Transportation.

EC-1736. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to amend Title V of the Motor Vehicle Information and Cost Savings Act, "Improving Automotive Efficiency" to repeal the corporate average fuel economy (CAFE) standards, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1737. A communication from the Acting Secretary of Commerce transmitting a draft of proposed legislation to amend Title 15, United States Code, to authorize Buying Power Maintenance accounts within the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

EC-1738. A communication from the Secretary of Energy transmitting, pursuant to law, the annual report on the State Energy Conservation Program for calendar year 1986; to the Committee on Energy and Natural Resources.

EC-1739. A communication from the Secretary of Energy transmitting, pursuant to law, the annual report on Federal Government Energy Management for fiscal year 1986; to the Committee on Energy and Natural Resources.

EC-1740. A communication from the Acting Assistant Secretary of the Interior transmitting a draft of proposed legislation to provide for the payment of interest on certain Federal and Indian lease revenues paid to the Secretary of the Interior, to eliminate certain unnecessary reporting requirements, to amend the Federal Oil and Gas Royalty Management Act of 1982, and for other purposes; to the Committee on Energy and Natural Resources.

EC-1741. A communication from the Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1742. A communication from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, a report on abnormal occurrences at licensed nuclear facilities; to the Committee on Environment and Public Works.

EC-1743. A communication from the Secretary of Transportation and the Architect of the Capitol transmitting jointly, pursuant to law, a report on a study of alternatives for the construction of a building or buildings adjacent to Union Station; to the Committee on Environment and Public Works.

EC-1744. A communication from the Chairman of the United States International Trade Commission transmitting, pursuant to law, a report on the operation of the United States trade agreements program during 1986; to the Committee on Finance.

EC-1745. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the eleventh annual report on the Child Support Enforcement program; to the Committee on Finance.

EC-1746. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, an interim report describing Medicare Health Maintenance Organizations (HMO) disenrollments; to the Committee on Finance.

EC-1747. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs) transmitting, pursuant to law, the semiannual reports for the period October 1986 to March 1987 listing voluntary contributions made by the United States Government to International Organizations; to the Committee on Foreign Relations.

EC-1748. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs) and the Acting Assistant Secretary of the Treasury (Legislative Affairs) transmitting jointly, pursuant to law, a report required by Title VII (Human Rights) of Public Law 95-118; to the Committee on Foreign Relations.

EC-1749. A communication from the Secretary of State, transmitting, pursuant to law, a report concerning the negotiations with the Government of Mexico on establishing a United States/Mexico Interparliamentary Commission on Narcotics and Psychotropic Drug Abuse and Control; to the Committee on Foreign Relations.

EC-1750. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs) transmitting, pursuant to law, travel advisories recently issued by the Department for Afghanistan, El Salvador, Haiti, and the Sudan; to the Committee on Foreign Relations.

EC-1751. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty-day period prior to August 12, 1987; to the Committee on Foreign Relations.

EC-1752. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949 to authorize multiyear contracts in certain cases; to the Committee on Governmental Affairs.

EC-1753. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to abolish the Consumer Product Safety Commission and to transfer its functions to the Secretary of Health and Human Services; to the Committee on Governmental Affairs.

EC-1754. A communication from the Assistant Secretary of Health and Human Services (Health) transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1755. A communication from the Director of the Office of Management Analysis, Department of the Interior, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1756. A communication from the Chairperson of the Navy Resale and Services Support Office, Retirement Trust, Department of the Navy, transmitting, pursuant to law, the annual pension report for the 1985 plan year; to the Committee on Governmental Affairs.

EC-1757. A communication from the Director of the Office of Personnel Management transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1758. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to establish greater productivity in Federal Government operations as a national goal of the United States; to the Committee on Governmental Affairs.

EC-1759. A communication from the Assistant Comptroller (Insurance), Headquarters Army and Air Force Exchange Service, transmitting, pursuant to law, reports on the retirement plans of the Service for the year ending December 31, 1986; to the Committee on Governmental Affairs.

EC-1760. A communication from the Assistant Attorney General (Office of Legislative and Intergovernmental Affairs) transmitting a draft of proposed legislation to amend the Immigration and Nationality Act to provide that aliens who were killed while serving in the armed forces of the United States during military operations of the Vietnam conflict may be considered to have been citizens of the United States at the time of such aliens death; to the Committee on the Judiciary.

EC-1761. A communication from the Solicitor of the United States Commission on Civil Rights transmitting, pursuant to law, the annual Freedom of Information Act report of the Commission for calendar year 1986; to the Committee on the Judiciary.

EC-1762. A communication from the Secretary of the National Aviation Hall of Fame, Inc., transmitting, pursuant to law, the annual reports of the National Aviation Hall of Fame Inc., for calendar year 1986; to the Committee on the Judiciary.

EC-1763. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Anti-Drug Abuse Act of 1986 to permit certain participants in the White House Conference for a Drug Free America to be allowed travel expenses, and for other purposes; to the Committee on the Judiciary.

EC-1764. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs) transmitting a draft of proposed legislation to amend the Immigration and Naturalization Act; to the Committee on the Judiciary.

EC-1765. A communication from the Secretary of Education transmitting, pursuant to law, notice of final funding priorities for the Rehabilitation Research and Training Centers, Rehabilitation Engineering Centers, and Research and Demonstration Projects Program for Fiscal Year 1987 under the National Institute on Disability and Rehabilitation Research; to the Committee on Labor and Human Resources.

EC-1766. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Office of Educational Research and Improvement Fellows Program; to the Committee on Labor and Human Resources.

EC-1767. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities—Experimental and Innovative Training; to the Committee on Labor and Human Resources.

EC-1768. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Early Education for Handicapped Children; to the Committee on Labor and Human Resources.

EC-1769. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Veterans Education Outreach Program; to the Committee on Labor and Human Resources.

EC-1770. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final annual funding priorities for the Handicapped Children's Early Education Program—Research Institutes; to the Committee on Labor and Human Resources.

EC-1771. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for National Institute on Disability and Rehabilitation Research—Amendments; to the Committee on Labor and Human Resources.

EC-1772. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Student Assistance General Provisions; to the Committee on Labor and Human Resources.

EC-1773. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final stipend levels for the Patricia Roberts Harris Fellowships Program; to the Committee on Labor and Human Resources.

EC-1774. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Bilingual Education: Academic Excellence Program; to the Committee on Labor and Human Resources.

EC-1775. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Income Contingent Loan Program; to the Committee on Labor and Human Resources.

EC-1776. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Cooperative Education Program and Supplemental Funds Program for Cooperative Education; to the Committee on Labor and Human Resources.

EC-1777. A communication from the Secretary of Education, transmitting, pursuant to law, a draft of proposed legislation to amend the Higher Education Act of 1965, to enhance the equity and effectiveness of Federal programs in support of higher education, to restore the role of the family in financing a student's postsecondary education, to expand and improve the Income Contingent Loan Program, to provide the broadest possible access to student assistance by eliminating restrictions on the availability of Supplemental Loans for Students and PLUS Loans, to focus student assistance on the neediest students, to reduce waste and abuse, and for other purposes; to the Committee on Labor and Human Resources.

EC-1778. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Jacob K. Javits Fellows Program; to the Committee on Labor and Human Resources.

EC-1779. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, corrections to previously submitted proposed regulations that govern the public financing program for Presidential primary and general election candidates; to the Committee on Rules and Administration.

EC-1780. A communication from the Deputy Administrator of General Services, transmitting, pursuant to law, a report on the implementation of Federal acquisition regulations; to the Committee on Small Business.

EC-1781. A communication from the Administrator of Veterans Affairs, transmitting, pursuant to law, the biennial report of the Advisory Committee on Former Prisoners of War and Agency comments on the report; to the Committee on Veterans' Affairs.

EC-1782. A communication from the Chairman of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Farm Credit Administration for calendar year 1986; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1783. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a request for a reapportionment of the appropriation for Radio Free Europe/Radio Liberty, Inc.; to the Committee on Appropriations.

EC-1784. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, selected acquisition reports for the quarter ended June 30, 1987; to the Committee on Armed Services.

EC-1785. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on Long-Range Standoff Chemical Weapons; to the Committee on Armed Services.

EC-1786. A communication from the First Vice President and Vice Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on a transaction involving U.S. exports to the People's Republic of China; to the Committee on Banking, Housing, and Urban Affairs.

EC-1787. A communication from the Administrator of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1788. A communication from the Acting Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a report on the review of projects for the Delaware Coast, Cape Henlopen to Fenwick Island; to the Committee on Environment and Public Works.

EC-1789. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the report of the nondisclosure of Safeguards Information by the Commission for the quarter ended June 30, 1987; to the Committee on Environment and Public Works.

EC-1790. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the appropriateness and the impact on States and Medicaid recipients of applying the standards and methodologies used in the cash assistance programs in determining Medicaid eligibility for individuals not receiving cash assistance; to the Committee on Finance.

EC-1791. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report with respect to supervision of home health services provided by Medicare participating home health agencies; to the Committee on Finance.

EC-1792. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on learning disabilities; to the Committee on Labor and Human Resources.

EC-1793. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—College Facilities Loan Program; to the Committee on Labor and Human Resources.

EC-1794. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Strengthening Historically Black Colleges and Universities Program; to the Committee on Labor and Human Resources.

EC-1795. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Strengthening Institutions Program; to the Committee on Labor and Human Resources.

EC-1796. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—National Diffusion Network; to the Committee on Labor and Human Resources.

EC-1797. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Vocational Rehabilitation Service Projects for American Indians with Handicaps; Rehabilitation Training; Rehabilitation Long-Term Training; to the Committee on Labor and Human Resources.

EC-1798. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—the State Supported Employment Services Program; to the Committee on Labor and Human Resources.

EC-1799. A communication from the Executive Secretary, Office of the Secretary of Defense, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for October 1986 through May 1987; to the Committee on Small Business.

EC-1800. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a supplemental summary of the budget transmitted earlier this year to the Congress; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-1801. A communication from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to clarify and strengthen the authority for certain Department of the Interior law enforcement services, and officers in Indian country, and for other purposes; to the Select Committee on Indian Affairs.

EC-1802. A communication from the Comptroller General of the United States transmitting, pursuant to law, the financial audit of the Office of the Attending Physician for fiscal years 1985 and 1986; to the Committee on Appropriations.

EC-1803. A communication from the Principal Deputy Assistant Secretary of Defense transmitting, pursuant to law, a secret report on a supplemental contract award; to the Committee on Armed Services.

EC-1804. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on a decision to convert the commissary resale warehouse function at MacDill AFB, Florida to performance under contract; to the Committee on Armed Services.

EC-1805. A communication from the Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on a decision to convert the grounds maintenance function at Bergstrom AFB, Texas to performance under contract; to the Committee on Armed Services.

EC-1806. A communication from the Acting Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on a decision to convert the military family housing maintenance function at MacDill AFB, Florida to performance under contract; to the Committee on Armed Services.

EC-1807. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, the National Defense Stockpile Report for Oct. 1986–Mar. 1987; to the Committee on Armed Services.

EC-1808. A communication from the Secretary of Transportation transmitting, pursuant to law, a report on activities under the Commercial Space Launch Act of 1984; to the Committee on Commerce, Science, and Transportation.

EC-1809. A communication from the Secretary of Transportation pursuant to law, transmitting a draft of proposed legislation to authorize civilian special agents of the Coast Guard to carry firearms and other appropriate weapons; to the Committee on Commerce, Science, and Transportation.

EC-1810. A communication from the Secretary of Energy transmitting, pursuant to law, the biennial National Energy Policy Plan; to the Committee on Energy and Natural Resources.

EC-1811. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on a refund of excess oil and gas royalty payments to 26 corporations; to the Committee on Energy and Natural Resources.

EC-1812. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on a refund of excess oil and gas royalty payments to 25 corporations; to the Committee on Energy and Natural Resources.

EC-1813. A communication from the Secretary of Energy transmitting, pursuant to law, the quarterly report on the Strategic Petroleum Reserve for April–June 1987; to the Committee on Energy and Natural Resources.

EC-1814. A communication from the U.S. Trade Representative transmitting, pursuant to law, a report on U.S. responses to unfair trade practices of foreign governments during Jan.–June 1987; to the Committee on Finance.

EC-1815. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on certain research issues related to Urban Clinics; to the Committee on Finance.

EC-1816. A communication from the Secretary of Transportation transmitting, pursuant to law, recommendations on the tax treatment of piggyback trailers; to the Committee on Finance.

EC-1817. A communication from the Acting Assistant Secretary of State transmitting, pursuant to law, the eighth 90-day report on the investigation into the death of Enrique Camarena; to the Committee on Foreign Relations.

EC-1818. A communication from the Acting Assistant Secretary of State transmitting, pursuant to law, a report on compliance of the Government of Haiti with U.S. conditions for military assistance; to the Committee on Foreign Relations.

EC-1819. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the U.S. within the 60 days previous to August 26, 1987; to the Committee on Foreign Relations.

EC-1820. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on 5 altered Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-1821. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, a list of GAO reports released in July 1987; to the Committee on Governmental Affairs.

EC-1822. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Concerns Regarding the Washington Convention Center's Food Service Procurement and Contract Award Processes and Related Matters"; to the Committee on Governmental Affairs.

EC-1823. A communication from the Director of the Office of Personnel Management transmitting a draft of proposed legislation to improve and extend the Federal physicians comparability allowance act; to the Committee on Governmental Affairs.

EC-1824. A communication from the National Science Foundation transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1825. A communication from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, a report on the number of waivers of grounds of inadmissibility granted to refugees during the first three quarters of FY 1987; to the Committee on the Judiciary.

EC-1826. A communication from the Acting Attorney General of the U.S. transmitting, pursuant to law, certification of the Federal judicial districts for Florida, Georgia, Puerto Rico, and the Virgin Islands to the Circuit Court of Appeals for the First Circuit for purposes of the Bankruptcy Judges, United States Trustees, and Family Farmer Act; to the Committee on the Judiciary.

EC-1827. A communication from the Secretary of Education transmitting, pursuant to law, final regulations for programs for severely handicapped children; to the Committee on Labor and Human Resources.

EC-1828. A communication from the Executive Secretary of the Office of the Secretary of Defense transmitting, pursuant to law, the report on DOD procurement from small and other business firms, Oct. 1986–June 1987; to the Committee on Small Business.

EC-1829. A communication from the Assistant Secretary of Commerce transmitting, pursuant to law, a report on a decision to convert certain functions at the Long Beach Airport, Calif. to performance under contract; to the Committee on Commerce, Science, and Transportation.

EC-1830. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the requirement that physical therapists in independent practice maintain equipped offices to participate in Medicare; to the Committee on Finance.

EC-1831. A communication from ACTION transmitting, pursuant to law, final regulations for non-stipend volunteers; to the Committee on Labor and Human Resources.

EC-1832. A communication from the Acting Director of the Congressional Budget Office transmitting, pursuant to law, the sequestration report for FY 1988; to the Joint Committee on Deficit Reduction.

## PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-294. A resolution adopted by the Nevada Department of Education favoring full funding for early childhood development programs; to the Committee on Appropriations.

POM-295. A resolution adopted by the American Association of State Highway and Transportation Officials requesting the Office of Management and Budget to release new FHWA Environmental Regulations without further delay; to the Committee on Environment and Public Works.

POM-296. A resolution adopted by the Senate of the State of Illinois; to the Committee on Environment and Public Works.

"SENATE RESOLUTION NO. 397

"Whereas, The U.S. Nuclear Regulatory Commission (NRC) has proposed a fundamental change to its emergency evacuation planning regulations, which dangerously places cost consideration above safety needs; and

"Whereas, The proposed rule, entitled "Licensing of Nuclear Power Plants Where State and/or Local Governments Decline to Cooperate in Offsite Emergency Planning" (Federal Register, 52 FR 6980, March 6, 1987), would allow the NRC to license reactors when state and local governments have failed to approve, or refused to participate in, the development of emergency evacuation plans; and

"Whereas, Under the new rule, utilities would be allowed to develop and implement their own emergency plans, even though the plans may offer a lower level of public protection than would be obtained with state cooperation; and

"Whereas, The proposed rule would also remove the current requirement that offsite plans be fully exercised biannually in cases where state governments have decided not to cooperate with utilities; and

"Whereas, The proposed rule is aimed at the Seabrook and Shoreham reactors, which are being held up by state and local government officials who believe no effective emergency plans can be developed for the areas where the reactors are sited; and

"Whereas, The proposed NRC rule represents a complete reversal of NRC regulatory policy, and clearly undermines Congressional intent; and

"Whereas, While the State of Illinois relies on nuclear power plants to a large extent, we also recognize that primary safety considerations must always and absolutely be given precedence over financial concerns; therefore, be it

*"Resolved, by the Senate of the eighty-fifth General Assembly of the State of Illinois,* That we declare our vehement opposition to the proposed NRC rule allowing the licensing of nuclear reactors without state-approved emergency plans, and we respectfully urge the U.S. Nuclear Regulatory Commission to reject the proposed rule; and be it further

*"Resolved,* That we strongly urge the United States Congress and the Members of the Illinois Congressional Delegation to take action to prevent the adoption and implementation of the proposed NRC rule, which will sacrifice the potential health and safety of millions of people, and set a dangerous and intolerable regulatory precedent; and be it further

*"Resolved,* That the Secretary transmit a suitable copy of this preamble and resolution to the President of the Senate and the Speaker of the House of Representatives of the United States Congress, to the members of the U.S. Nuclear Regulatory Commission, and to each member of the Illinois Congressional Delegation."

POM-297. A concurrent resolution adopted by the Legislature of the State of Ohio; to the Committee on Finance:

"CONCURRENT RESOLUTION NO. 4

*"Be it Resolved by the General Assembly of the State of Ohio:*

"Whereas, The members of the 117th General Assembly of Ohio urge the Congress of the United States to support and expedite measures to solve the dilemma experienced by retirees born between 1917 and 1921 due to inequities in the Social Security system; and

"Whereas, An estimated 6.2 million men and women are currently receiving significantly reduced benefits as a result of congressional amendments to the Social Security law of 1977; and

"Whereas, The plan for the five-year phase-in of the amendments has failed to provide equitable benefits for all recipients, and, in some cases, the retirees affected by this legislation receive up to one hundred twenty dollars less per month than those born in other years. In fact, persons born only a few months apart may receive very different benefits despite similar earnings records; therefore be it

*"Resolved,* That we, the members of the 117th Ohio General Assembly of Ohio, in adopting this Resolution, urge the Congress of the United States to design and implement measures to resolve this inequity and alleviate the unjust and unnecessary financial suffering experienced by many American retirees; and be it further

*"Resolved,* That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, the Ohio Congressional Delegation, and the news media of Ohio."

POM-298. A resolution adopted by the Council of the Borough of Oceanport, New Jersey urging the adoption of policies and programs concerning nuclear weapons; to the Committee on Foreign Relations.

POM-299. A resolution adopted by the Senate of the State of Illinois to the Committee on Governmental Affairs.

"SENATE RESOLUTION NO. 489

"Whereas, Sidney Hillman was the founder of the Amalgamated Clothing Workers of America; and

"Whereas, He was a great labor statesman and advisor to President Franklin Delano Roosevelt; and

"Whereas, He was the primary force for social legislation such as social security and unemployment compensation; and

"Whereas, He dedicated much of his life to improving the workplace, and consequently, the lives of generations of Americans, through his contributions to the American labor movement; and

"Whereas, Sidney Hillman has not received the recognition he deserves for the advancements he initiated and inspired for the American work force; and

"Whereas, In the history of the Postal Service, only one stamp has honored a labor leader, that being Samuel Gompers; therefore, be it

*"Resolved, by the Senate of the eighty-fifth General Assembly of the State of Illinois,* That this Chamber encourage the United States Postal Service to issue a stamp honoring labor leader Sidney Hillman for his service to this nation and the labor movement; and be it further

*"Resolved,* That a suitable copy of this preamble and resolution be forwarded to the United States Postmaster General, the Speaker of the United States House of Representatives, the President of the United States Senate, and each member of the Illinois Congressional Delegation."

POM-300. A joint resolution adopted by the Legislature of the State of Connecticut; to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION NO. 54

"Resolved by this Assembly:

"Whereas, The First Congress of the United States of America, at its first session, sitting in New York, New York, on September 25, 1789, in both Houses, by a Constitutional majority of two-thirds thereof, has proposed an amendment to the Constitution of the United States of America in the following words, to wit:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, two-thirds of both Houses concurring, that the following (Article) be proposed to the legislatures of the several states, as (an Amendment) to the Constitution of the United States, . . . which (Article), when ratified by three-fourths of said legislatures, to be valid to all intents and purposes, as part of the said Constitution, viz:

"(An Article) in addition to, and Amendment of the Constitution of the United States of America proposed by Congress, and ratified by the legislatures of the several States, pursuant to the fifth Article of the original Constitution.

"ARTICLE

"No law, varying the compensation for the services of the Senators and Representatives, shall take effect, until an election of Representatives shall have intervened.

*"Be it resolved by the General Assembly of the State of Connecticut,* That the said proposed Amendment to the Constitution of the United States be and the same is hereby ratified; and

*"Be it further resolved,* That certified copies of this resolution be forwarded by the Governor of the State of Connecticut to the President of the United States, the President Pro Tempore of the Senate and the Speaker of the House of Representatives of the United States and the Administrator of General Services of the United States."

## REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of August 7, 1987, the following reports of committees were submitted on August 12, 1987, during the adjournment of the Senate:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1667. An original bill to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes (Rept. No. 100–151).

Under the authority of the order of the Senate of August 7, 1987, the following reports of committees were submitted on September 1, 1987, during the adjournment of the Senate:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 1668. An original bill to redirect the program for the disposal of spent nuclear fuel and high-level radioactive waste under the Nuclear Waste Policy Act of 1982 to achieve budget savings, and for other purposes (Rept. No. 100–152).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 1539. A bill to amend the Federal Railroad Safety Act of 1970, and for other purposes (Rept. No. 100–153).

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BOREN, from the Select Committee on Intelligence:

Special Report on Security at the United States Missions in Moscow and Other Areas of High Risk (Rept. No. 100–154).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SHELBY:

S. 1669. A bill to provide duty-free treatment to 2, 6–HNA; to the Committee on Finance.

By Mr. D'AMATO:

S. 1670. A bill to identify, commemorate, and preserve the legacy of historic publicly owned parks of Frederick Law Olmsted, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HATCH:

S. 1671. A bill to amend the Lanham Trademark Act regarding customs and grey market goods; to the Committee on the Judiciary.

By Mr. DOLE (for himself, Mr. STEVENS, Mr. PACKWOOD, Mr. MCCONnell, Mr. Evans, Mr. Domenici, Mr. Quayle, Mr. Pressler, Mr. Cohen, Mr. Grassley, Mr. Kasten, and Mr. D'Amato):

S. 1672. A bill to amend the Federal Election Campaign Act of 1971 to further restrict direct contributions to candidates by multicandidate political committees, require full disclosure of attempts to influence Federal elections through "soft money" and independent expenditures, and correct inequities resulting from personal financing of campaigns; to the Committee on Rules and Administration.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself, Mr. Byrd, Mr. Cohen, Mr. Cochran, Mr. Danforth, Mr. Pressler, Mr. Boschwitz, Mr. Bentsen, Mr. Simpson, Mr. Evans, Mr. Gore, Mr. Grassley, Mr. Hatfield, Mr. Cranston, Mr. Wallop, Mr. Wirth, Mr. Heinz, Mr. Stennis, Mr. Thurmond, Mr. Karnes, Mr. McCain, Mr. Nunn, Mr. Durenberger, and Mr. Wilson):

S. Res. 280. Resolution to commemorate the 100th birthday of the Honorable Alf Landon; considered and agreed to.

By Mr. BYRD.

S. Res. 281. Resolution to direct the Senate Legal Counsel to appear as amicus curiae in "In Re Sealed Cases"; considered and agreed to.

By Mr. LAUTENBERG (for himself, Mr. Bradley, and Mr. Chafee):

S. Con. Res. 70. Concurrent resolution expressing the sense of the Congress that the United States Navy should expedite the implementation of an environmentally sound trash compacting or disposal procedure; to the Committee on Armed Services.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SHELBY:

S. 1669. A bill to provide temporary duty-free treatment to 2,6-HNA; to the Committee on Finance.

### TEMPORARY DUTY-FREE TREATMENT OF A CERTAIN RESIN COMPONENT

● Mr. SHELBY. Mr. President, I rise today to introduce legislation granting import duty relief for 6-hydroxy-2-naphthoic acid (2,6-HNA). The duty is equal to 1.7 cents per pound plus 17.9 percent ad valorum. As best as can be determined, the only commercial use for 2,6-HNA is as a component for vectra high component resins.

The duty on 2,6-HNA impacts significantly on the cost of the vectra resin products of which the component constitutes approximately one-half of the polymer. The added cost serves to place the vectra products at a competitive disadvantage to other resins of similar properties but which are made from duty-free components.

Because 2,6-HNA is used only in the manufacture of vectra resins and because such vectra products are still in the introductory phase of their marketing development, the volume requirement for 2,6-HNA is insufficient to motivate chemical manufacturers, generally, to enter into competition with present suppliers. Moreover, quality and technology considerations are a barrier to some manufacturers who might be interested in making 2,6-HNA. Despite efforts to locate a U.S. manufacturer of 2,6-HNA, none was found with the technical capability to meet the quality standards and the production capacity to satisfy current and future quantity requirements. Indeed, worldwide, only three manufacturers were identified with a demonstrated capability and apparent capacity to supply commercial quantities of 2,6-HNA. As of now, only Hoechst Celanese of West Germany supplies our vectra resin needs.

Vectra resins specifically have a very good resistance to chemicals and solvents. Marketing efforts are underway to establish vectra high performance resins in such product areas as: Electrical and electrical components, packaging, chemical processing equipment, transportation, aircraft and aerospace, military, industrial and consumer products. It is envisioned that the full development of the vectra resins business will provide a substantial number of jobs and economic benefit to many parts of the United States. It should even induce some U.S. manufacturers to acquire the technology and plants necessary to make 2,6-HNA. I urge my colleagues to join me in support of this legislation.●

By Mr. D'AMATO:

S. 1670. A bill to identify, commemorate, and preserve the legacy of historic publicly owned parks of Frederick Law Olmsted, and for other purposes; to the Committee on Energy and Natural Resources.

### OLMSTED PUBLIC PARKS LANDSCAPES ACT

● Mr. D'AMATO. Mr. President, I rise to introduce legislation, the Olmsted Public Parks Act of 1987, in honor of Frederick Law Olmsted, Sr. His role in the development of landscape architecture in the United States deserves the level of recognition offered by my bill.

Frederick Law Olmsted, Sr., is considered by many to be the father of American landscape architecture. His artistic genius, knowledge of nature, and sense of human purpose produced natural-looking park landscapes which improved the quality of urban life in the 19th century. They continue to do so today. They are esthetically valued and visited by a great number and diversity of people. Central Park, New York (1858) and Prospect Park, Brooklyn (1865) are prime examples. However, they are only two of many of other examples dotting the United States.

Given Olmsted's preeminence in the field of landscape architecture, it is surprising that little scholarly research exists on his achievements. That is why I am introducing the Olmsted Public Parks Act of 1987. In the other body, Congressmen Udall and DioGuardi also have introduced bills, H.R. 17 and H.R. 2931 respectively, to preserve Olmsted. Olmsted's achievements have left a tremendous legacy of publicly owned parks which, unfortunately, are threatened by age, over use, deteriorating infrastructure, and inadequate maintenance. No question, they must be properly cared for.

The bill I propose is identical to Congressman DioGuardi's H.R. 2931 and is a response to H.R. 17 to which I and many other Members of Congress have considerable objection. H.R. 17 is problematic because its scope extends far beyond the work of Frederick Law Olmsted, Sr. It requires the inventorying and evaluation of landscapes designed not only by him, but also by his successor firms and seven other landscape architects. Indeed the works of Frederick Law Olmsted, Sr., would only be a minor focus of H.R. 17. In contrast my bill deals only with the works of the master, Frederick Law Olmsted, Sr., and only with those works for which he is best known, his public parks.

As such my bill encompasses 200–300 landscapes, a manageable number. At this point there has been no determination of the number of landscapes to be inventoried and evaluated under H.R. 17. A recent report estimates that the Olmsted firms participated in 5,500 projects and drew up plans for 3,500, the bulk of which were done after Frederick Law Olmsted, Sr.'s death. However, a 1982 National Park Service report states that from 1850 to its final dissolution in 1979 the Olmsted firm had 113,809 "index job cards." One of the other landscape architects included in H.R. 17 is cited as having designed 1800 landscapes. No figures, no matter how imprecise, are available for the other six landscape architects. One way or another, H.R. 17 would encompass many thousands, even tens of thousands, of landscapes—an order of magnitude so great as to be impractical and unworkable.

It would be naive to think that the terms of either H.R. 17 or my bill can be carried out at no expense. The cost of inventorying and evaluating landscapes is directly related to how many of them there are. A 10-year project of this scope will entail both administrative expenses on the part of the National Park Service and direct expense for inventorying and evaluating the landscapes. One conservative estimate is that it will cost a minimum of $10,000 to inventory and evaluate a single landscape. The cost of H.R. 17 could well approach or even exceed $100 million. My bill will still honor Frederick Law Olmsted, Sr., which is the main objective of both bills, but it

would cost only a small fraction of that figure.

In addition, H.R. 17—which would affect thousands of private properties—provides no criteria for determining that a site to be included in the inventory under that bill is an "Olmsted landscape" or, if it ever was an "Olmsted landscape," that it still survives as such. It does not provide any notice to an effected property owner, or any opportunity for an owner to comment or object or any procedures to remove properties found to have been inventoried in error. The result is that if H.R. 17 becomes law hundreds, perhaps thousands, of private properties that are not authentic "Olmsted landscapes" may nevertheless be characterized under Federal law as Olmsted heritage landscapes. Experience shows that such labeling will be used to create political and public pressure to control or to prevent the legitimate use of private property that should never have been inventoried as Olmsted designed landscapes in the first place. Using Olmsted's name in that way is not only a disservice to the owners of such properties but also an abuse of the Olmsted legacy through legislation lacking any legitimate Federal interest.

My bill modifies H.R. 17, preserving its best features, and honors Frederick Law Olmsted, Sr., appropriately. The impressive work of the nine affiliated architects covered by H.R. 17 should not be lumped together with the achievements of Olmsted, Sr. My bill avoids the problems of H.R. 17 by limiting its scope to public parks designed by Olmsted himself.

Yes, Frederick Law Olmsted, Sr., was a master of his trade. Yes, his work must be preserved, and the Federal Government should provide technical assistance and counsel to identify and record the Olmsted legacy. But only those sites molded by the master himself should be preserved, and in an orderly, efficient manner taking all interests into consideration.

I urge my colleagues to join me in this effort.●

By Mr. HATCH:

S. 1671. A bill to amend the Lanham Trademark Act regarding customs and grey market goods; to the Committee on the Judiciary.

### TRADEMARK PROTECTION ACT

Mr. HATCH. Mr. President, in 1946 Congress passed the Lanham Trademark Act. Nearly 5 years in the making, the act was passed to organize and to simplify our trademark laws. The Senate Report of May 14, 1946 explains the purpose of this act:

> The purpose of this bill is to place all matters relating to trademarks in one statute and to eliminate judicial obscurity, to simplify registration and to make it stronger and more liberal, to dispense with mere technical prohibitions and arbitrary provisions, [and] to make procedure simple. • • •

For over 40 years, the Lanham Act has been surprisingly resilient to changes in United States and world business practices.

The growth and interdependence of the world economy since WW II has resulted in part from the tremendous growth of international trade. While this growth has produced many benefits it has also produced some unfavorable side effects. One such side effect is growing infringement of the rights of American trademark owners.

In response to this growing problem, I rise to introduce an amendment which would eliminate the frustration and uncertainty common to this country's trademark owners. The amendment addresses itself primarily to "gray market products" and secondarily to counterfeit goods.

### DEFINITION

In Copiat versus United States, the U.S. Court of Appeals for the District of Columbia described gray market goods:

> These are goods manufactured abroad bearing legitimate foreign trademarks that are identical to American trademarks. This situation typically arises when a foreign producer creates an American subsidiary that then registers the American trademark. Both the foreign producer and its American subsidiary often wish to be exclusively controlled by the American subsidiary. If, however, the price at which the American subsidiary sells the goods exceeds the price at which the goods are sold abroad, other importers have an obvious incentive to purchase the goods abroad (typically from a third-party who has legitimately purchased directly from the foreign producer) and resell them in the United States—perhaps without certain associated services or warranties—at a price below that charged by the American subsidiary. The same result can occur, however, if the American trademark owner is the parent and the goods are manufactured abroad by a foreign subsidiary. *Copiat* v. *United States,* 790 F.2d 903, 904 (D.C. Cir. 1986).

### THE PROBLEM WITH GRAY MARKET GOODS

An understanding of the purpose of trademarks is necessary to comprehend the harmful effects of gray market infringement. Guy Blynn, Chairman and President of the United States Trademark Association [USTA], testifying before the Senate Judiciary Committee, The Subcommittee on Patents, Copyrights and Trademarks, stated that a trademark's purpose is, among other things, to:

> (a) foster competition by enabling particular business entities to identify their goods or services and to distinguish them from those sold by others; (b) facilitate distribution by indicating that particular products or services emanate from a reliable though often anonymous source; (c) aid consumers in the selection process by denoting a level of quality relating to particular goods or services; (d) symbolize the reputation and good will of the owner, thereby motivating consumers to purchase or avoid certain trademarked products or services; and (e) protect the public from confusion or deception by enabling purchasers to identify and obtain desired goods or services. (Statement before Senate Subcommittee on Patents, Copyrights, and Trademarks. February 17, 1987).

The problem with gray market goods is that they contravene two basic principles of trademark law. First, they confuse consumers. Second, they damage the trademark owner's reputation. Often, the genuine and the gray market good appear virtually identical. However, the gray market good is often inferior. For example, gray market goods are usually sold without any guaranty of service or quality. Needless to say, the resultant consumer confusion and frustration can cause irreparable damage to the good will of the trademark's owner.

Moreover, gray market goods unfairly compete with genuine goods. Gray market importers can sell their goods at lower prices than American producers because they ride upon the American producer's reputation which it has earned largely through costly marketing campaigns. Some estimate the cost of marketing at "up to 27 percent of the retail price of the product in question." (Collado Associates, "The Economic Impact of Diversion." PP. 30-33).

The problem goes farther than gray market importation. Gray market channels of distribution attract counterfeiters, who can easily disguise their product as gray market goods. For example, counterfeit gray market goods abound in the fragrance and pharmaceutical industries. According to the Coalition to Preserve the Integrity of American Trademarks [COPIAT], in the first half of 1985 alone, 12,000 bottles of "Chloe" and 65,000 bottles of "Opium" were confiscated. (COPIAT memorandum, May 29, 1985). In addition, testimony before the Senate Committee on Energy and Commerce, the Subcommittee on Oversight and Investigations, revealed that in 1985, approximately 2,000,000 counterfeit "Ovulen 21" birth control pills were manufactured in Panama and distributed in the United States. (Statement of Stephen F. Simms and David W. Nelson, July 10 1985.)

Counterfeit gray market goods are not unique to these industries. Wherever the gray market prospers, so too will the counterfeit market, all at the expense of American industry.

### APPLICABLE LAW

Section 526 of the Tariff Act of 1930, section 42 of the Lanham Trademark Act of 1946, and section 133.21 of the Customs Regulations (19 CFR section 133.21) prohibit the importation of any merchandise bearing a trademark owned by a United States citizen, or a corporation or association organized within the United States without the trademark owner's consent. The notable exception to this import restriction is section 133.21(C)(1)-(2) of the Customs Regulations. Section 133.21(C)(1)-(2) allows foreign goods bearing an authorized domestic mark to be imported if both the foreign and the domestic mark are owned by the same person or business entity, or are subject to common ownership or control (19 CFR sec. 133(c)(1)-(2)).

Section 133.21(c)(1)-(2) the Customs Regulations obviously does not enforce the import restriction contained in section 526 of the Tariff Act and section 42 of the Lanham Act, since goods bearing trademarks owned by U.S. citizens can often be imported without the trademark owner's consent. Consequently, these Customs Regulations facilitate the importation of gray market goods into the United States. Therefore, I am proposing this amendment to the Lanham Trademark Act in order to enable trademark owners to require the Customs Service to enforce sections 526 and 42.

The most significant challenge thus far to section 133.21(c) of the Customs Regulations came in *COPIAT* v. *United States* (790 F.2d 903 (D.C. Cir. 1986). COPIAT, intervening on behalf of two of its members, Cartier, Inc. and Charles of the Ritz Group Ltd., claimed that the "importation of goods bearing trademarks identical to their own is barred by two statutory provisions," namely, section 526 of the Tariff Act and section 42 of the Lanham Act. After reviewing the legislative history of section 526, the U.S. Court of Appeals for the District of Columbia concluded: "From this review, we find that the Customs Service's interpretation of section 526 does not display the necessary "thoroughness, validity, and consistency' to merit judicial acceptance" (Id. at 916).

However, the COPIAT decision has not settled the question. Other courts have recently upheld section 133.21(c)(1)-(2) of the Customs Regulations. (See *Vivitar Corp.* v. *United States*, 761 F.2d 1552 (Fed. Cir. 1985); *Olympus Corp.* v. United States, 792 F.2d 315 (2d Cir. 1986); and *Lever Brothers* Co. v. *United States*, 652 F.Supp. 403 (D.D.C. 1987)).

In Olympus Corporation versus United States, the United States Court of Appeals for the Second Circuit upheld Section 133.21(c)(1)-(2). Although the Second Circuit found these regulations to be "unsound both as antitrust policy and as trademark law" (Id. at 319). The court ruled that "congressional acquiescence in the longstanding administrative interpretation of the statute legitimates that interpretation as an exercise of Customs' enforcement discretion" (Id. at 320).

### PROPOSED AMENDMENT

In order to protect trademark owners against gray market and counterfeit goods, we must make it clear that we do not approve of section 133.21(c)(1)-(2) of the Customs Regulations. I strongly urge Congress to legislate its disapproval of these regulations by supporting the amendment which I propose today.

This amendment would alter the language of section 42 of the Lanham Trademark Act to require the Customs Service, upon request by a trademark owner, to prohibit the importation into the United States of a product bearing an authorized mark without the consent of the trademark's owner, as required by section 526 of the Tariff Act and section 42 of the Lanham Trademark Act.

By enacting this amendment, we will reduce unjust inroads upon trademark owners' rights, such as: First, disincentives to investments resulting from free riding gray market and counterfeit goods, second, consumer concerns based on unserviceable and inferior products, and third, litigation expenses incurred by trademark owners to protect their trademark against gray market and counterfeit goods.

This simple amendment to the Lanham Trademark Act is one important way we can help our beleaguered American industries to once again perform on the "cutting edge" of competition.

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By Mr. DOLE (for himself, Mr. Stevens, Mr. Packwood, Mr. McConnell, Mr. Evans, Mr. Domenici, Mr. Quayle, Mr. Pressler, Mr. Cohen, Mr. Grassley, Mr. Kasten, and Mr. D'Amato):

S. 1672. A bill to amend the Federal Election Campaign Act of 1971 to further restrict direct contributions to candidates by multicandidate political committees, require full disclosure of attempts to influence Federal elections through "soft money" and independent expenditures, and correct inequities resulting from personal financing of campaigns; to the Committee on Rules and Administration.

(The statement of Mr. Dole and the text of the legislation appear elsewhere in today's Record.)

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## ADDITIONAL COSPONSORS

### S. 2

At the request of Mr. Byrd, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

### S. 10

At the request of Mr. Cranston, the names of the Senator from New Mexico [Mr. Bingaman] and the Senator from Massachusetts [Mr. Kerry] were added as cosponsors of S. 10, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

### S. 14

At the request of Mr. Biden, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 14, a bill to amend the Energy Reorganization Act of 1974 to create an independent Nuclear Safety Board.

### S. 314

At the request of Mr. Pressler, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 314, a bill to require certain telephones to be hearing aid compatible.

### S. 598

At the request of Mr. Mitchell, the name of the Senator from Florida [Mr. Graham] was added as a cosponsor of S. 598, a bill to amend title XIX of the Social Security Act to protect the welfare of spouses of institutionalized individuals under the Medicaid Program.

### S. 879

At the request of Mr. Byrd, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of S. 879, a bill to encourage the deployment of clean coal technologies so as to assure the development of additional electric generation and industrial energy capacity.

### S. 998

At the request of Mr. DeConcini, the name of the Senator from Florida [Mr. Chiles] was added as a cosponsor of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

### S. 1002

At the request of Mr. Cranston, the names of the Senator from Montana [Mr. Melcher] and the Senator from Colorado [Mr. Wirth] were added as cosponsors of S. 1002, a bill to amend title 38, United States Code, to provide disability and death benefits to veterans (and survivors of such veterans) exposed to ionizing radiation during the detonation of a nuclear device in connection with the United States nuclear weapons testing program or the American occupation of Hiroshima or Nagasaki, Japan, and for other purposes.

### S. 1108

At the request of Mr. Mitchell, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 1108, a bill to modify the conditions of participation for skilled nursing facilities and intermediate care facilities under titles XVIII and XIX of the Social Security Act, and for other purposes.

### S. 1124

At the request of Mr. Simon, the names of the Senator from Iowa [Mr. Harkin], the Senator from New York [Mr. Moynihan], and the Senator from Ohio [Mr. Glenn] were added as cosponsors of S. 1124, a bill to amend title 18, United States Code, to require that telephone monitoring by employers be accompanied by a regular audible warning tone.

### S. 1203

At the request of Mr. Grassley, the name of the Senator from Kentucky [Mr. Ford] was added as a cosponsor of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

### S. 1207

At the request of Mr. Durenberger, the names of the Senator from Missouri [Mr. Bond] and the Senator from Colorado [Mr. Wirth] were added as cosponsors of S. 1207, a bill to amend title XVIII of the Social Security Act to establish a program of grants, funded from the Federal Hospital Insurance Trust Fund, to assist small rural hospitals in modifying their service mixes to meet new community needs and in providing more appropriate and cost-effective health care services to medicare beneficiaries.

### S. 1234

At the request of Mr. Chafee, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of S. 1234, a bill to amend title 38, United States Code, to insure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

### S. 1273

At the request of Mr. Byrd, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of S. 1273, a bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs.

### S. 1346

At the request of Mr. Matsunaga, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of S. 1346, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

### S. 1366

At the request of Mr. Kennedy, the names of the Senator from Montana [Mr. Baucus], and the Senator from Maine [Mr. Cohen] were added as cosponsors of S. 1366, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

### S. 1393

At the request of Mr. Heinz, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of S. 1393, a bill to amend title 39, United States Code, to designate as nonmailable matter any private solicitation which is offered in terms expressing or implying that the offeror of the solicitation is, or is affiliated with, certain Federal agencies, unless such solicitation contains conspicuous notice that the Government is not making such solicitation, and for other purposes.

### S. 1397

At the request of Mr. Cranston, the names of the Senator from Florida [Mr. Graham], and the Senator from Texas [Mr. Bentsen] were added as cosponsors of S. 1397, a bill to recognize the organization known as the Non Commissioned Officers Association of the United States of America.

### S. 1401

At the request of Mr. DeConcini, the names of the Senator from New York [Mr. Moynihan], and the Senator from West Virginia [Mr. Rockefeller] were added as cosponsors of S. 1401, a bill to restore, on an interim basis, certain recently amended procedures for determining the maximum attorney's fees which may be charged for services performed before the Secretary of Health and Human Services under the Social Security Act and to require a report by the Secretary of Health and Human Services regarding possible improvements in such procedures.

### S. 1424

At the request of Mr. Simon, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 1424, a bill to amend title 8, United States Code, to provide for adjustment of status of certain Polish nationals who arrived in the United States before July 21, 1984, and who have continuously resided in the United States since that date.

### S. 1438

At the request of Mr. Durenberger, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of S. 1438, a bill to assist rural hospitals facing unfair Medicare payment policies.

### S. 1464

At the request of Mr. Cranston, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of S. 1464, a bill to amend title 38, United States Code, to provide eligibility to certain individuals for beneficiary travel payments in connection with travel to and from Veterans' Administration facilities.

### S. 1490

At the request of Mr. Sarbanes, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1490, a bill to designate certain employees of the Librarian of Congress as police, and for other purposes.

### S. 1511

At the request of Mr. Byrd, his name was added as a cosponsor of S. 1511, a bill to amend title IV of the Social Security Act to replace the AFDC Program with a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance, benefits improvement, and mandatory extension of coverage to two-parent families, and which reflects a general emphasis on shared and reciprocal obligation, program innovation, and organizational renewal.

### S. 1516

At the request of Mr. Leahy, the names of the Senator from Rhode Island [Mr. Pell], and the Senator from Vermont [Mr. Stafford] were added as cosponsors of S. 1516, a bill to amend the Federal Insecticide, Fungicide and Rodenticide Act, and for other purposes.

### S. 1520

At the request of Mr. Baucus, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Oklahoma [Mr. Nickles], the Senator from North Dakota [Mr. Burdick], the Senator from Missouri [Mr. Bond], the Senator from Kentucky [Mr. Ford], the Senator from Nebraska [Mr. Exon], the Senator from Montana [Mr. Melcher], and the Senator from Arkansas [Mr. Bumpers] were added as cosponsors of S. 1520, a bill to amend the Internal Revenue Code of 1986 to allow certain entities to elect not to make changes in their taxable years required by the Tax Reform Act of 1986, and for other purposes.

### S. 1575

At the request of Mr. Kennedy, the name of the Senator from Delaware [Mr. Biden] was added as a cosponsor of S. 1575, a bill to amend the Public Health Service Act to establish a grant program to provide for counseling and testing services relating to acquired immune deficiency syndrome and to establish certain prohibitions for the purpose of protecting individuals with acquired immune deficiency syndrome or related conditions.

### S. 1585

At the request of Mr. Chafee, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of S. 1585, a bill to provide financial assistance to local educational agencies to improve the educational opportunities of the Nation's children and adults by integrating early childhood education and adult education for parents into a unified program to be referred to as "Even Start."

### S. 1587

At the request of Mr. D'Amato, the names of the Senator from Tennessee [Mr. Gore], the Senator from California [Mr. Cranston], the Senator from Illinois [Mr. Simon], and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of S. 1587, a bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic games.

### S. 1614

At the request of Mr. D'Amato, the name of the Senator from Florida [Mr. Chiles] was added as a cosponsor of S. 1614, a bill to restrict United States assistance for Panama.

### S. 1646

At the request of Mr. Murkowski, the names of the Senator from Indiana [Mr. Lugar], and the Senator from Wyoming [Mr. Simpson] were added as cosponsors of S. 1646, a bill to amend title 38, United States Code, to provide eligibility to certain individuals for beneficiary travel payments in connection with travel to and from Veterans' Administration facilities; to improve the review of quality assurance programs in the Veterans' Administration; and to extend the transition period for the Veterans' Readjustment Counseling Program.

### SENATE JOINT RESOLUTION 53

At the request of Mr. Cranston, the names of the Senator from Oregon [Mr. Packwood] and the Senator from Washington [Mr. Evans] were added as cosponsors of Senate Joint Resolution 53, joint resolution to designate the period commencing November 22, 1987, and ending November 28, 1987, as "American Indian Week."

### SENATE JOINT RESOLUTION 106

At the request of Mr. Bingaman, the names of the Senator from West Virginia [Mr. Byrd], the Senator from New Jersey [Mr. Bradley], the Senator from Ohio [Mr. Metzenbaum], and the Senator from Wyoming [Mr. Simpson] were added as cosponsors of Senate Joint Resolution 106, joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

### SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of Senate Joint Resolution 111, joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

### SENATE JOINT RESOLUTION 136

At the request of Mr. Humphrey, the names of the Senator from Wyoming [Mr. Simpson], the Senator from Rhode Island [Mr. Chafee], the Senator from West Virginia [Mr. Rockefeller], the Senator from Iowa [Mr. Grassley], and the Senator from Idaho [Mr. McClure] were added as cosponsors of Senate Joint Resolution 136, joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week."

### SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from Alaska [Mr. Murkowski], the Senator from Louisiana [Mr. Breaux], the Senator from Mississippi [Mr. Stennis], and the Senator from Nebraska [Mr. Karnes] were added as cosponsors of Senate Joint Resolution 148, joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

### SENATE JOINT RESOLUTION 161

At the request of Mr. DeConcini, the names of the Senator from Alaska [Mr. Stevens] and the Senator from Texas [Mr. Bentsen] were added as cosponsors of Senate Joint Resolution 161, joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation.

### SENATE JOINT RESOLUTION 171

At the request of Mr. Cranston, the name of the Senator from Washington [Mr. Evans] was added as a cosponsor of Senate Joint Resolution 171, joint resolution designating the week beginning November 8, 1987, as "National Women Veterans Recognition Week."

### SENATE JOINT RESOLUTION 173

At the request of Mr. Reid, the names of the Senator from Colorado [Mr. Armstrong], the Senator from Rhode Island [Mr. Chafee], the Senator from Washington [Mr. Evans], the Senator from Missouri [Mr. Danforth], the Senator from Alabama [Mr. Heflin], the Senator from Wyoming [Mr. Simpson], the Senator from California [Mr. Cranston], the Senator from Georgia [Mr. Fowler], the Senator from Georgia [Mr. Nunn], the Senator from Arizona [Mr. McCain], the Senator from West Virginia [Mr. Rockefeller], the Senator from Nebraska [Mr. Karnes], the Senator from Washington [Mr. Adams], the Senator from Massachusetts [Mr. Kerry], the Senator from Hawaii [Mr. Matsunaga], the Senator from South Carolina [Mr. Thurmond], and the Senator from Connecticut [Mr. Weicker] were added as cosponsors of Senate Joint Resolution 173, joint resolution to commemorate the 200th anniversary of the signing of the U.S. Constitution.

### SENATE JOINT RESOLUTION 180

At the request of Mr. Pressler, the names of the Senator from Alaska [Mr. Stevens], and the Senator from Alabama [Mr. Shelby] were added as cosponsors of Senate Joint Resolution 180, joint resolution designating the honeybee as the national insect.

### SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the names of the Senator from Hawaii [Mr. Matsunaga], the Senator from Wisconsin [Mr. Kasten], the Senator from Florida [Mr. Chiles], and the Senator from Wyoming [Mr. Simpson] were added as cosponsors of Senate Concurrent Resolution 23, concurrent resolution designating jazz as an American national treasure.

### SENATE CONCURRENT RESOLUTION 63

At the request of Mr. Sanford, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of Senate Concurrent Resolution 63, concurrent resolution expressing the sense of the Congress regarding the formulation and implementation of a regional economic development and recovery program for Central America.

### SENATE RESOLUTION 219

At the request of Mr. Daschle, the names of the Senator from Indiana [Mr. Lugar], the Senator from Alaska [Mr. Murkowski], and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of Senate Resolution 219, resolution expressing the sense of the Senate with respect to the use of ethanol, methanol, and other oxygenated fuels as an accepted air pollution control strategy in nonattainment areas designed by the Environmental Protection Agency.

### SENATE RESOLUTION 270

At the request of Mr. Lautenberg, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of Senate Resolution 270, resolution paying special tribute to Portuguese diplomat Dr. de Sousa Mendes for his extraordinary acts of mercy and justice during World War II.

### AMENDMENT NO. 591

At the request of Mr. Danforth, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of amendment No. 591 intended to be proposed to S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

## SENATE CONCURRENT RESOLUTION 70—IMPLEMENTATION OF AN ENVIRONMENTALLY SOUND TRASH COMPACTOR ON NAVAL VESSELS

Mr. LAUTENBERG (for himself, Mr. Bradley, and Mr. Chafee) submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

### S. Con. Res. 70

Whereas Congress in entertaining ratification of Annex V to the International Convention for the Prevention of Pollution from Ships of 1973, modified by the Protocol of 1978 (hereafter referred to as "MARPOL 73/78") during the first session of the 100th Congress;

Whereas Annex V of MARPOL 73/78 prohibits the disposal into the sea of all plastics and sets strict standards on disposal of other garbage into the sea;

Whereas The United States Navy does not currently have the means to comply with such provisions of MARPOL 73/78;

Whereas The United States Navy is in the process of developing a ship-board garbage compactor which is not expected to be operational until the year 1991; and

Whereas ship-board garbage compacting will allow for the on-board storage of or reclamation by supply ships of compacted plastic and nonplastic garbage and therefore allow for an environmentally sound means of disposing of ship garbage in compliance with the requirement of Annex V to MARPOL 73/78: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring),* That it is the sense of the Congress that—

(1) the United States Navy should be aware of the possible near-term ratification of Annex V to the International Convention for the Prevention of Pollution from Ships of 1973, modified by the Protocol of 1978 and its impact on current Navy garbage disposal procedures;

(2) the United States Navy should expedite its implementation of an environmentally sound garbage compacting or disposal procedure; and

(3) the United States Navy should keep Congress informed as to the progress in the implementation of such a procedure.

● Mr. LAUTENBERG. Mr. President, today I am submitting a concurrent resolution to encourage the Navy to improve its plastic disposal practices. I am joined in this effort by the distinguished senior Senator from New Jersey, Senator Bradley and by my colleague on the Environment and Public Works Committee, Senator Chafee. In addition, Congressman Howard is introducing this resolution in the House. I commend the distinguished chairman of the House Public Works and Transportation Committee for his commitment to this issue.

The U.S. Navy contributes to the plastic pollution problem. The Navy acknowledges that wastes are typically thrown overboard on many of their vessels. With about 600 vessels in the fleet having an estimated population of 285,000 the Navy produces large amounts of waste, including plastic waste, at sea.

It has been estimated that 0.1 pound per man per day of plastic wastes is generated by naval vessels. This means that an aircraft carrier, which carries as many as 5,000 men, could generate as much as 500 pounds of plastic waste in a day. Much of this ends up in the ocean.

The Navy, however, is currently developing a ship-board compactor. This can help with the waste problem by allowing for on-board storage or reclamation of compacted plastic and other garbage. The compactor is not expected to be operational until 1991.

The concurrent resolution I am submitting today directs the Navy to expedite its development of an evironmentally sound garbage compacting or disposal process and to keep Congress informed about its efforts.

The concurrent resolution also directs the Navy to be aware of the possible near term ratification of annex V to the International Convention for the Prevention of Pollution from Ships. It is important the Navy strive to be in a position to comply with annex V.

Annex V would prohibit dumping plastics into the oceans throughout the world. I am hopeful that the Senate will soon act to ratify the agreement. To take effect, countries comprising half of the world's gross shipping tonnage, must ratify the agreement. Currently we're at about 42 percent.

Recently the Soviet Union ratified. They have about 6 percent of the world shipping tonnage. The United States has about 5 percent. This means our ratification would put the annex over the top. The Subcommittee on Environmental Protection has held several hearings on the plastics problem. We will hold a third next week. The Navy is expected to testify at that hearing.

It is imperative that we act. The very characteristic of plastics that makes them valuable, their durability, makes them a serious problem for our marine life, waterways, and coastal areas.

My State has seen plastic pollution first hand. Our coasts were scarred by pollution this summer. Beach closings were frequent. Miles of our coast were scarred with tampon applicators, condums, and other floatables.

The evidence continues to grow about marine animals entangled in plastic debris and marine animals that have swallowed and choked on plastic junk.

Birds, and even the great whales have become victims of plastics carelessly discarded into the ocean. In the northern Pacific Ocean as many as 250,000 birds and at least 30,000 northern fur seals reportedly die each year from plastic entanglement.

My State knows what this kind of pollution means to the economy and the environment. Our tourism industry depends on clean beaches. About $7 billion a year flows into New Jersey from coastal tourism activities.

Plastic pollution is a problem for tourism. For swimmers and recreational boaters. For our fisherman. And for our marine and wildlife which choke or strangle on plastics.

In addition to naval ships, we need to stop the flow of pollution from other sources, including passenger and commercial ships at sea.

What laws do we have to respond? The answer is today we have none. The Refuse Act of 1899, the Clean Water Act, and the Ocean Dumping Act aren't enforced or designed to tackle the problem here at home or internationally.

What we need is annex V and strong domestic legislation to put it into effect. Annex V would help stop plastic disposal from ships. And it would regulate garbage disposal.

It provides the foundation for stopping plastic pollution in U.S. waters and international waters as well.

The annex has to be implemented in ratifying countries through domestic legislation. And appropriate domestic laws would allow enforcement even against countries that have not ratified.

I introduced legislation of this nature earlier this year. The goal is to put annex V in place, with a structure to make it work effectively.

My bill, the Plastic Pollution Control Act of 1987, would do this. It also seeks compliance by public vessels, including the Navy, with prohibitions on plastics disposal.

Mr. President, the plastics problem is a serious one. It demands a comprehensive response. Congress must act to protect our coastal environments and economies from this threat.

This resolution, along with comprehensive legislation, will move us forward toward this goal.●

## SENATE RESOLUTION 280—COMMEMORATING THE 100TH BIRTHDAY OF ALF LANDON

Mr. DOLE (for himself, Mr. Byrd, Mr. Cohen, Mr. Cochran, Mr. Danforth, Mr. Pressler, Mr. Boschwitz, Mr. Bentsen, Mr. Simpson, Mr. Evans, Mr. Gore, Mr. Grassley, Mr. Hatfield, Mr. Cranston, Mr. Wallop, Mr. Wirth, Mr. Heinz, Mr. Stennis, Mr. Thurmond, Mr. Karnes, Mr. McCain, Mr. Nunn, Mr. Durenberger, and Mr. Wilson) submitted the following resolution; which was considered and agreed to:

### S. Res. 280

Whereas Alf Landon, former governor of Kansas and 1936 Republican nominee for President, is celebrating his 100th birthday on September 9, 1987;

Whereas Alf Landon remains the voice of wisdom with a unique perspective of American political history as the grand old man of the GOP;

Whereas for over 50 years his strong character, integrity, prairie populism, pragmatism, and leadership have brought politicians, representatives of business, industry, and labor, as well as professors and students, to his home to seek advice;

Whereas his record as governor of fiscal accountability and balanced budgets continues to set a good example of executive leadership;

Whereas in 1936 he was a man ahead of his time, forcing Americans to realize the dangers of inflation and uncontrolled government spending;

Whereas he has dedicated much of his life to the development and education of young people;

Whereas his life remains an inspiring example of productivity and generosity as he continues to be one of our most respected citizens and former politicians;

Whereas he has earned himself a permanent niche in American history as a statesman, politician, businessman, counselor, sportsman, and friend; and

Whereas Alf Landon to this day is a living legend in the GOP at the age of 100: Now, therefore, be it

*Resolved*, that the Senate hereby commemorates on September 9, 1987, the 100th birthday of the Honorable Alf Landon and extends to him affectionate greetings and best wishes.

## SENATE RESOLUTION 281—DIRECTING THE APPEARANCE OF THE SENATE LEGAL COUNSEL AS AMICUS CURIAE IN A CERTAIN CASE

Mr. BYRD submitted the following resolution; which was considered and agree to:

S. Res. 281

Whereas, in In re Sealed Cases, Nos. 87-5261, 87-5264, and 87-5265, pending in the United States Court of Appeals for the District of Columbia Circuit, the constitutionality of Title VI of the Ethics in Government Act of 1978, as amended, 28 U.S.C. §§ 591-598, which provides for the appointment, duties, and removal of independent counsels, has been placed in issue;

Whereas, pursuant to sections 703(c), 706(a), and 713(a) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(c), 288e(a), and 288l(a) (1982), the Senate may direct its Counsel to appear as amicus curiae in the name of the Senate in any legal action in which the powers and responsibilities of Congress under the Constitution are placed in issue: Now, thereofore be it

*Resolved*, That the Senate Legal Counsel is directed to appear as amicus curiae in the name of the Senate in In re Sealed Cases in support of the constitutionality of Title VI of the Ethics in Government Act of 1978, as amended, 28 U.S.C. §§ 591-598.

## AMENDMENTS SUBMITTED

## SENATORIAL CAMPAIGN REFORM ACT

### CHAFEE AMENDMENT NO. 675

(Ordered to lie on the table.)

Mr. CHAFEE submitted an amendment intended to be proposed by him to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

On page 53, line 9, beginning with "10" strike out through "10" on line 10, and insert in lieu thereof "100 per centum of the eligible candidates of each major party and 100".

### HELMS AMENDMENT NO. 676

Mr. HELMS proposed an amendment to the bill S. 2, supra; as follows:

Add at the end of the bill the following new section:

"Sec. . The sum of $310 million dollars is authorized to be appropriated for military assistance to the Nicaraguan Democratic Resistance for the period ending March 31, 1989; provided, however, that the funds authorized to be appropriated by this section shall not be obligated or expended if the President, on or before September 30th, 1987, shall have certified to Congress the following:

1. That there be no Soviet, Cuban or Communist bloc bases established in Nicaragua that pose a threat to the United States and the other democratic governments in the hemisphere.

2. That Nicaragua pose no military threat to its neighbor countries nor provide a staging ground for subversion or destabilization of duly elected governments in the hemisphere.

3. That the Nicaraguan government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan constitution and pledges made to the OAS—free speech, free press, religious liberty and a regularly established system of free, orderly elections.".

## NOTICES OF HEARINGS

### SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I would like to announce that the Oversight of Government Management Subcommittee, Governmental Affairs Committee, will hold hearings on Oversight of Federal Procurement Decisions on Wedtech, on Wednesday and Thursday, September 9 and 10, 1987, at 9:30 a.m. on both days, in room 342 of the Dirksen Senate Office Building.

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a hearing during the session of the Senate on September 9, 1987, on Judge William S. Sessions, FBI Director.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, September 9, 1987, to conduct a hearing on "Educationally and Economically Disadvantaged Children."

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, September 9, and on both days, to hold hearings on Oversight of Federal Procurement Decisions on Wedtech.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## CHICAGO HOSTS THE 40TH QUADRENNIAL CONVENTION OF THE POLISH NATIONAL ALLIANCE

● Mr. DIXON. Mr. President, I want to extend a warm welcome to the delegates, friends and guests of the Polish National Alliance 40th Quadrennial Convention. After 60 years, the national convention is returning home to the most Polish city outside of Poland, the headquarters of the Polish National Alliance.

This year represents the 150th birthday of the city of Chicago—the heart and soul of Polish America. The history of Chicago is rich and much is owed to the many contributions of Polish-Americans. Since the first election of mayor in 1837, Poles have been in the forefront of Chicago politics. The Polish National Alliance has been a long-standing member of the Chicago community and the frequent home of the organization throughout the last two centuries.

As early as 1875, there were 5,000 Poles scattered throughout the Midwest, however, there was a lack of unity on a national scale. On September 20, 1880, a concerned group of Poles gathered in the Palmer House Hotel and organized the Polish National Alliance. One hundred and seven years ago, the Polish National Alliance was born and the first "sejm" or convention was held.

Chicago's historic Palmer House has since hosted seven conventions and it is fitting that the 40th convention be convened at this same location.

The convention serves to set policy, budgets, and elect its officers, as well as providing a national forum for Poles to express their many concerns. The sessions, deliberations, and elections will occupy much of the delegates time, however, it will be sad if the delegates did not find time to enjoy the "I Will" city. Chicago offers a magnificent mile of shopping, outstanding dining, the best in museums and fascinating sights. I share the

hope of the preconvention committee that everyone will have ample time to view the many attractions of Chicago.

I hope the 40th convention, once again, proves fruitful and constructive for all attending. I welcome you to Chicago, a city made rich by the contributions of Polish-Americans.●

## JESSE COOKE

● Mr. DOLE. Mr. President, in 1938 Congress passed the Javits-Wagner-O'Day Act to provide employment opportunities for blind, multihandicapped blind and other severely handicapped individuals throughout the United States. This program still continues and provides many individuals who either cannot work competitively or who require a transitional work environment before moving into competitive employment an opportunity to test their skills and gain some measure of self-sufficiency.

Each year the National Industries for the Blind, a central nonprofit agency for workshops participating in the Javits-Wagner-O'Day Program, selects one outstanding blind worker as the Peter J. Salmon National Blind Worker of the Year.

This year I am happy to announce that Mr. Jesse Cooke, of Wichita, KS. has won the award. Mr. Cooke presently works at Wichita Industries and Services for the Blind, Inc., where he helps assemble over 45 varieties of pens and binds and boxes paper towels. Mr. Cooke became blind during his teenage years because of hydrocephalus. Jesse had to battle back from the results of the hydrocephalus and the subsequent surgeries. Because of his personal courage and the support of his loved ones and colleagues at the Wichita facility today he is a highly productive and motivated young man who is working his way into competitive employment.

Jesse is now married and very active in his local church where he and his wife, Diane, help when they can. They especially enjoy Saturdays and Sundays when they have a chance to babysit children whose parents are volunteers in other church activities.

While recognizing Jesse I cannot forget Linda Merrill, president of Wichita Industries and services for the Blind, Inc., and her staff and the other employees of the facility who worked hard to help Jesse become the young man he is today. Their continuous care and concern for Jesse and all the Jesses of the Wichita area have made a difference.●

## COUNTDOWN 2001

● Mr. RIEGLE. Mr. President, today I rise to bring to the attention of my colleagues an organization which was founded by some natives of Michigan.

This organization, Countdown 2001, is based in Washington and was founded to help individuals and organizations meet the challenge of creating a better 21st century. With an eye toward an enlightened future, Countdown 2001 serves as an active clearinghouse for information and ideas, provides educational programs and materials which stimulate an interest in the 21st century, and assists in the development and implementation of programs for organizations which seek to positively shape the future.

As we enter the 21st century, we are faced with important questions about our future. How will we meet the challenge of an ever-increasing nuclear arms race? What is the most effective way in which to educate our youth for the "information age" of computers, robotics, and telecommunications? How will the world face the global environmental problems which affect us all?

These are just a few of the many issues that confront us. They require intelligent, thoughtful, and creative thinking. In order to meet these challenges, we must plan now for our transition into the next century.

On a nonpartisan basis, Countdown 2001 focuses on producing a framework of navigation toward the new century. An important element of Countdown 2001 is their community countdown councils which are located throughout the United States. The councils help lead communities by sponsoring activities that encourage citizens to take responsible action in such areas as the environment, education, and crime prevention. In looking toward the future, Countdown 2001 adheres to the words of Thomas Jefferson, "I like the dreams of the future better than the history of the past."

Constructing a framework for people and organizations at national and community levels to work cooperatively for the common goal of creating a better future is certainly necessary, and something in which each individual can take part. As a U.S. Senator, I must always keep an eye to the future. It is no simple task, and easy answers are few and far between.

I am pleased to join Countdown in encouraging foresight and creative thought from individuals and organizations as we near the 21st century. We must recognize our ability to create a future of promise for new generations, a future in which we can be proud to have played a part.●

## MARION STACKHOUSE

● Mr. LUGAR. Mr. President, this past Saturday a very dear friend of mine—and of all Indiana farmers—died at age 64 of a heart attack. Marion Stackhouse had been the president of the Indiana Farm Bureau since 1976. His leadership, and true Hoosier demeanor will long be missed by each of us who knew him as a reliable friend, associate, and as a patriotic American.

Marion began his service with the Indiana Farm Bureau in 1950 as a field representative. He became a member of the commodity staff in 1960, and 2 years later was head of that division. Until the day of his death, Marion Stackhouse worked in the State and U.S. Capitols to better the life and business of Indiana farmers. He was a steady influence and had the trust of Indiana farmers.

Born in Kosciusko County, he ran a farm near Westfield in Hamilton County since 1951. Marion was always a man of service to God, his country, and his fellow man. His priorities were right and he could be counted upon as "Mr. Reliable."

At the end of March of this year, Marion was hospitalized because of his heart condition. Yet, just a few days later, he attended a birthday party for me. I was startled to see him at first, but I also realized it was typical of Marion Stackhouse. He would not allow his own frailties to stand in the way of his concern and caring for others.

Marion was a good neighbor and friend to each farmer and public servant in Indiana. He was comfortable with each, and had fair and honest treatment for all. Indiana farmers, and all Hoosiers, will miss his leadership and his demeanor as spokesman and advocate.●

## LOCAL GOVERNMENT: THE LIFEBLOOD OF AMERICAN DEMOCRACY

● Mr. HARKIN. Mr. President, town and township government is the earliest form of government in these United States. The township system was the first form of local government adopted in America, having been brought by the first settlers from England. Initially established in Massachusetts around 1620, township government moved west as the country grew, and today this system of local government serves nearly 55 million people.

It is particularly appropriate therefore, in this 200th anniversary year of our Constitution, that we welcome representatives from the National Association of Towns and Townships—local officials from town, township and small community governments across America—as they hold their 11th Annual Town Meeting in Washington this week.

Too often we in Congress forget that small governments play a vital role in effectuating Federal policy at the local level; without these indispensable conduits to our citizens in small towns throughout rural America, much of the work we do here would be for nought. We can talk and plan and propose and legislate; but if there is no structure to fulfill the promise of our leadership we cannot be effective leaders. And the local governments of this country—most of which are under 3,000 people—are the communications link we have when it comes to implementing the policy we work so hard to create. These local officials, these partners of the Federal Government, are mostly volunteers who donate their time and expertise to help their friends and neighbors in their communities. I rise to acknowledge them today and to thank them for their dedication and hard work for their own communities, and by extension, for the entire Nation. We own them a debt of gratitude for their example of democracy in action, for their perserverance, and for their model of traditional American values which refuse to give up under even the most difficult of circumstances.

All of us have a small town somewhere in our hearts. I would urge my colleagues to remember that small town, and to support the local officials and citizens of these communities as they struggle to maintain their balance in this very difficult time for rural America.●

## BRIAN WILLSON

● Mr. LEAHY. Mr. President, last year hundreds of thousands of Americans were deeply moved by the sacrifice of four American veterans who fasted for more than 40 days on the steps of the Capitol Building to protest United States support for the Contras in Nicaragua. One of those veterans, Brian Willson, formerly of Chelsea, VT, went on to establish the Veterans Peace Action Teams, which for the past 6 months have patrolled the war zones in Nicaragua.

Although there have been recent hopeful signs that peace may be within reach in Nicaragua, the war there continues to rage as furiously as ever. Every week we read reports of Contra attacks against agricultural cooperatives and health centers, and women and children being killed or maimed by land mines.

Brian Willson has seen firsthand the suffering that United States military aid to the Contras has caused in Nicaragua. Ever since his fast against Contra aid last year, he has dedicated his life to stopping the senseless killing that has claimed the lives of tens of thousands of innocent people in that impoverished country.

On September 1, just 2 weeks ago, Brian began another fast, this time to last 40 days, on the railroad tracks at the Concord, CA, Naval Weapons Station [CNWS]. In a letter addressed to Capt. Lonnie Cagle, Commander of CNWS, dated August 21, 1987, Brian wrote:

> I have walked and ridden 700 kilometers (430 miles) in the northern war zones of Nicaragua. I have talked with hundreds of Nicaraguan people: campesinos, government and church officials, military personnel and Contras. I have talked with several hundred victims of the Contra terrorists, most of them civilian casualties from anti-tank mines, ambushes, torture, grenade and amortar attacks. I also have talked with many widows and orphans. We are committing wholesale murder and maiming.

Mr. President, CNWS is one of the largest munitions depots on the west coast, and was a major supplier of munitions during the Vietnam war. I understand that trains regularly carry munitions from CNWS to ships transporting them to Central America, where they have been used by the Contras in Nicaragua. Opponents of U.S. foreign policy have regularly staged protests on those tracks since the Vietnam war, peacefully blocking the trains and submitting to arrest.

Brian wrote to Commander Cagle to let him know of his intention to fast and engage in civil disobedience on the railroad tracks, and to ask for a chance to meet personally with him to discuss the shipment of munitions to Central America. That letter, like several other similar letters to Commander Cagle in the months before the protest, was never answered. I ask that a copy of the August 21 letter be printed in the Record following my remarks.

On his first day on the tracks, Brian told a group of supporters who were present that he was prepared to sacrifice his life for peace in Central America. He kept his word. The train never stopped. It ran him over, severing one leg and injuring the other so badly it had to be amputated, and breaking his skull. Miraculously he survived, and is recovering today in a California hospital more determined than ever to continue his struggle against U.S. policy in Central America.

Mr. President, under no circumstances should this tragedy have happened. The Navy knew in advance of Brian's plan to sit on the tracks. Other protesters were all around and on the tracks as the train approached. The Navy said the train was only going 5 miles per hour and that the driver tried to stop, but anyone who saw the TV film of the incident could see it was going faster. Witnesses at the scene said it never slowed down. These questions, and many others, must be answered. Such a horrifying accident should never, ever happen again.

Congresswoman Boxer and Congressman Dellums have requested a congressional investigation of this tragedy. Other inquiries have begun, by the county sheriff's office and the Navy. I join hundreds of concerned Vermonters who wait for the results of these investigations, but who, regardless of the results, will never understand why this had to happen. If this was a case of trespass, then of course, arrest the individual for trespassing. You do not run him over with a train.

One of our most basic rights protected by the Constitution is the right to protest actions by the Government we disagree with. How can we say we support democracy in Nicaragua when we crush peoples' first amendment right to protest in our own country? All Americans should be outraged by the way Brian Willson's rights were so grossly violated in this case.

Several Vermont newspapers have published editorials about this incident. I ask that one of them, from the Barre, VT, Times Argus, be printed in the Record following my remarks.

I will have more to say about Brian Willson when all the facts about the incident are known. Today, suffice it to say that my heart goes out to him. His courage is a source of tremendous inspiration to those of us who share his goal to bring peace to Central America after so many years of bloodshed.

The material follows:

August 21, 1987.

Capt. Lonnie Cagle,
*Commander, Concord Naval Weapons Station (CNWS), Concord, CA.*

Dear Commander Cagle: This letter serves to introduce myself to you, announces an impending 40 day water only Fast as part of the Nuremberg Actions at CNWS, and requests a personal meeting with you.

Last year I was one of 4 U.S. military veterans on a 47 day water only Fast on the steps of the U.S. Capitol in Wash., D.C., protesting our war policies in Central America. In 1966-1970, I was in the U.S. Air Force serving as a security officer with intelligence functions in Vietnam in 1969. Since separation from the military I have worked in a number of capacities, including practice as an attorney and criminologist. I have also owned a dairy business and been director of a Vietnam Veterans Outreach Center for which I received a special commendation from Massachusetts Governor Michael Dukakis.

A couple of years ago I became very suspicious of the U.S. policy in Central America. I resigned as director of the Outreach Center and began a series of trips to see for myself. I have subsequently been to Nicaragua 4 times and to El Salvador and Honduras once each.

I have walked and ridden 700 kilometers (430 miles) in the northern war zones of Nicaragua. I have talked with hundreds of Nicaraguan people: campesinos, government and church officials, military personnel and contras. I have talked with several hundred victims of the contra terrorists, most of them civilian casualties from anti-tank mines, ambushes, torture, grenade and mortar attacks. I also have talked with many widows and orphans. In El Salvador I talked with survivors of U.S. directed bombing missions. We are committing wholesale murder and maiming.

CNWS is the largest munitions depot on the west coast, and was a major supplier of munitions during the Vietnam war. An April 1985 U.S. Dept. of Defense contract with the government of El Salvador has provided hard evidence of substantial shipments of

munitions from CNWS to Central America. Additionally, in November 1986, I spent time with Eugene Hasenfus in Nicaragua discussing the flow of munitions into El Salvador, and their subsequent movement to bases in Honduras, some of which then travel to Nicaraguan-based contras from air drops on several flight patterns.

Enclosed find copies of the April 4 and May 29, 1987, reports of Veterans Peace Action Teams observing and working in Nicaragua. The war is demonic. So-called Low Intensity Conflict is terrorist warfare of the most barbaric form. Our intervention into sovereignty violates a number of domestic and international laws.

As part of a movement to uphold international and U.S. Constitutional law, and to stop the illegal and immoral U.S. war in Central America, I have been involved with many others in the Nuremberg Actions who have been present on a daily basis at CNWS since June 10, 1987. We plan a sustained presence that will include persons placing their bodies on the tracks and roadway, asking you and those moving the munitions to stop their movement. In so doing, we will be upholding the law under the Nuremberg Principles agreed to by the United States, and Article VI of our Constitution which holds our treaties to be Supreme Law.

Commencing September 1, 1987, I plan to Fast on water only on the tracks for a period of 40 consecutive days. I will use this time in sacrificial reflection to atone for our complicity in death policies, and to envision resistance actions in response. Others will be joining, including one of the other members of the 1986 Veterans Fast For Life, Duncan Murphy. I want you to know in advance of this plan. If not incarcerated, deceased or otherwise disabled, I am committed, as the spirit moves me, to be physically on the tracks for part of each of the 40 days. This will be made clear to the public and the media. Other people are expected to be present either on or just off the tracks and roadway as part of the Nuremberg Actions. We believe, and shall affirm, our participation in civil obedience, upholding domestic and international law with our bodies.

Because of the seriousness of these matters I ask that we have a personal meeting to discuss them. This action is not intended to harrass you or any military or civilian personnel. As part of our philosophy of nonviolence, we are committed to treat *every* person with human respect. We must, however, do everything reasonable in our power to make known the crimes of our country and to stop them from continuing. We ask that you suspend movement of munitions, exercising your responsibility to uphold international law and the U.S. Constitution which considers treaties as part of itself. Under Nuremberg, every citizen, including military personnel, is duty bound to uphold the law, even when ordered otherwise by superiors. I would like to discuss with you your views and response to our concerns.

Some of us have decided to put our bodies on the line to save lives of other people who are worth no less than us. Our killing and our complicity in it must stop! I hope that you will respond so that we can set up a mutually convenient time to meet.

Sincerely,

S. Brian Willson.

[From the Barre-Montpelier (VT) Times-Argus, Sept. 3, 1987]

### Engines of War

Tuesday afternoon in San Rafael, Calif., a 47-year-old service veteran who had seen duty in Vietnam was run down by a Navy munitions train as he led some two dozen other protesters in a demonstration against U.S. policy in Central America. The three-car train severed one of Brian Willson's legs at the knee, and doctors amputated the other one during eight hours of surgery. He also suffered a skull fracture and a great loss of blood. As of this writing, his condition has stabilized and he is expected to live.

It was a classic meeting, Willson's encounter with the locomotive. He was up against two machines—the train engine and the engines of war—and by himself he could derail neither.

Somewhere, such a meeting of metal and flesh was bound to happen. For decades, people have laid down before cars, trucks, buses and other vehicles they believed to be transporting the material of war. They have blockaded entrances to the Pentagon and to missile sites in England and Europe. And many are the opponents who have said bitterly that they—the demonstrators—ought to be run over; they were asking for it, anyway.

Well, now it has happened. It happened because Brian Willson wasn't fooling around. He was prepared to bring the horror of violent death, the kind of death that occurs daily in Nicaragua because the U.S. violates international law and supports one side in a domestic conflict there, to American soil and American minds.

Being prepared to die, however, isn't the same as wishing for it. Those acquainted with Willson during his year in Chelsea, Vt. knew him as a friendly and gentle man, a baseball fan born on the Fourth of July, without obvious dark torments propelling him into his continuous, life-threatening actions.

"I don't want to die. I really enjoy life," the native of Ashville, N.Y. told a reporter here in August 1986. But, he added, "President Reagan's commitment (to a contra victory) is the next step of a total military takeover of Nicargaua. I feel it'll be over my dead body."

Willson's love of life wasn't confined to his own. He believed Nicaraguan peasants were no less scared than he, and if they were to be imperilled by U.S. policies he would be, too, especially if his actions might focus his countrymen's attention on the plight of Central Americans. So he and three other ex-servicemen fasted last year on the steps of the U.S. Capitol for seven weeks until they believed a movement had jelled behind them that was capable of halting the administration's belligerence. And he waded into the warfare in Nicaragua, hoping simply to interfere with the killing going on there.

Just two months ago, Marine Col. Oliver North became a modern American hero in about four hours of exposure on daytime TV, despite the fact that he stood for a bulldog commitment to the Nicaraguan contras with which 60 percent of his countrymen disagree. North admitted lying to everyone under the sun to erect a supply line for the contras, a cause to which he was as dedicated as Willson was to stopping them. But give North credit: He also articulated a vision of national purpose Americans have been longing for, and have found disappointingly absent in President Reagan.

Ironically, Willson articulated a similar vision. But his was centered on national and individual honor, not subterfuge, and a commitment to seeing this country be a force for good in the world, not just a force. Willson has lived his commitment and attempted to sway our national leaders by his example. North lived his, too, by lying to those national leaders and scolding them when his deceit was discovered.

Choose your hero.●

## "THE AMERICAN DEATH SQUADS"

● Mr. HUMPHREY. Mr. President, the following article is the first in a series of articles by Mr. Nat Hentoff, examining the issue of euthanasia—also referred to as assisted suicide, mercy killing. Hentoff's discussion of euthanasia carefully exposes some of the linguistic and intellectual games played by euthanasia proponents. I urge my colleagues to read the article carefully, and consider the need for additional protections of the fundamental human rights of all handicapped and elderly persons.

I ask that the text of the article be inserted in the Congressional Record.

The article follows:

### The American Death Squads

(If the physician presumes to take into consideration in his work whether a life has value or not, the consequences are boundless and the physician becomes the most dangerous man in the state.—Dr. Christoph Hufeland (1762-1836))

Leo Alexander, born in Austria, emigrated to the United States where he became a professor of psychiatric medicine in Boston. Surgeon General C. Everett Koop was a friend of Dr. Alexander and notes that Alexander "served as an expert at the Nuremberg trials of those physicians who had engineered the German euthanasia program and, eventually, the infamous medical experiments and genocide carried out by the Nazi regime."

Since his first language had been German, Dr. Alexander gained the confidence of the physician-defendants and thereby uncovered a large amount of new information concerning the origins of the Holocaust in the German medical community and court system.

In the July 14, 1949, issue of the New England Journal of Medicine, Leo Alexander wrote an article, "Medical Science Under Dictatorship," distilling his discoveries.

Alexander intended his essay as both an analysis of the beginnings of a unparalleled social malignancy and also as a warning to his adopted country. The killing of those who are no longer productive, no longer useful to their families or to the state, can happen here too, he said.

Dr. Alexander's warning has been ignored.

Writing of the Third Reich, he emphasized that "whatever proportions these crimes finally assumed, it became evident to all who investigated them that they had started from small beginnings."

"The beginnings at first were merely a subtle shift in emphasis in the basic attitude of the physicians. It started with the acceptance, basic in the euthanasia movement, that there is such a thing as life not worthy to be lived."

"This attitude in its early stages concerned itself merely with the severely and chronically sick. Gradually the sphere of those to be included in this category was enlarged to encompass the socially unproductive, the ideologically unwanted [and] the racially unwanted. . . ."

"But it is important to realize that the infinitely small wedged-in lever from which this entire trend of mind received its impetus was the attitude toward the non-rehabilitable sick." (Emphasis added.)

Not long before he died, Leo Alexander was greatly disturbed by an article he read in the April 12, 1984, New England Journal of Medicine, which had become the most influential medical publication in the country. Indeed, some of its pieces often break into the daily papers. This was one such article. When he'd finished the essay, Dr. Alexander shook his head, and said to a friend, "It is much like Germany in the '20s and '30s. The barriers against killing are coming down."

The article was by 10 physicians from such prestigious institutions as Harvard Medical School, Johns Hopkins University School of Medicine, and the University of Virginia Medical Center. The title was: "The Physician's Responsibility Toward Hopelessly Ill Patients." With courtly expressions of great sympathy, these healers advocated the withdrawal of artifically administered nutritional support, including fluids, from various kinds of patients, such as those seriously and irreversibly demented. They were to be starved to death.

The 10 doctors, part of the growing "death with dignity" brigade, added that it is also "morally justifiable"—when a patient is in a "persistent vegetative state"—to "withhold antibiotics and artificial nutrition (feeding tubes) and hydration, as well as other forms of life-sustaining treatment, allowing the patient to die."

The last five words are, of course, classic newspeak. In situations like this—George Orwell could have told the 10 doctors—the patient is being killed. As University of Michigan law professor Yale Kamisar has been saying for nearly 30 years, the much revered "right to die"—whenever that decision is being made for, rather than by, a patient—is actually the right to kill.

The 10 doctors did go on to say that persistently vegetative patients ought not to be starved to death without first finding out "the patient's prior wishes" and obtaining the agreement of the family. But a fundamental question, as we shall see, is whether in a civilized society, any human being, in whatever state, should be denied nutrition and fluids, no matter what anybody says. Second, what can really be determined from the patient's prior wishes, even if the patient has made out a "living will"?

Sitting at home, watching Johnny Carson and sipping blackberry brandy, a healthy person making out a "living will" may not have the slightest idea what his or her wishes would actually be when death is no longer a word that applies only to everybody else. More of that as we go on.

What depressed Leo Alexander about that article, and about many other developments in American medicine and in the courts in the last 15 years, was that the "small beginnings" of euthanasia in this country were now leading to more and more judicial killings.

A recent victim was Nancy Ellen Jobes in New Jersey. She died on August 7 after the Supreme Court of that state—which leads the nation's courts in sanctifying the right-to-kill—ordered that her feeding tube be removed.

In this series, we shall see how we got to this point, as well as where we are going unless state legislatures wake up. (The courts, with few exceptions, are like Lewis Carroll's Walrus, weeping over the fate of the oysters he is devouring on his walk along the beach.)

A preliminary view of what's ahead can be found in "Against the Emerging Stream: Should Fluids and Nurtitional Support Be Discontinued?" in the January 1985 Archives of Internal Medicine. The authors are Alan J. Weisbard, now the director of the New Jersey Bioethics Commission, and Dr. Mark Siegler, Professor of Medicine at the University of Chicago. They say something you will not see in a New York Times editorial. For that matter, the Times, in its news pages as well, practices advocacy journalism when it comes to euthanasia. The paper's theme song is Bach's "Come, Sweet Death."

"We have deep concerns," say Siegler and Weisbard, "about accepting the practice of withholding fluids from patients because it may bear the seeds of unacceptable social consequences. We have witnessed too much history to disregard how easily a society may disvalue the lives of the 'unproductive.' The 'angel of mercy' can become the fanatic, bringing the 'comfort' of death to some who do not clearly want it, then to others who 'would really be better off dead,' and finally, to classes of 'undesirable persons,' which might include the terminally ill, the permanently unconscious, the severely senile, the pleasantly senile, the retarded, the incurably or chronically ill, and perhaps, the aged."

And remember, most of these folks cost a lot to keep alive. Aren't there better ways to spend the money? Like by education, more middle-income housing, cleaner air? Put the choice to a vote, anywhere in the United States: money for good things for the majority of society as against money for those who would be "better off dead." Which side would win?

But we're not quite ready to put that sort of stuff on the ballot—yet.

Apart from how such a plebiscite would come out, the herd journalism of the press in covering the national slide toward euthanasia results in a general sigh of sympathetic relief among the citizenry when any of these "vegetables" dies.

I'll be going into some detail on the case of Nancy Ellen Jobes as this series goes on, but preliminarily, the brief news accounts of her forced departure from among us noted that she had been in a vegetative state since 1980. Pregnant, she had been involved in a car accident and during surgery to remove the dead fetus, a loss of oxygen and blood flow to the brain caused her to fall into a coma-like condition. Her family had been trying to get her feeding tube removed against the wishes—on ethical grounds—of the Lincoln Park Nursing Home, where Nancy Ellen Jobes had lived for nearly all the past seven years. At last, the New Jersey Supreme Court had approved the removal of the tube, and the United States Supreme Court refused to intervene.

Editorially, The New York Times hailed the decision of the New Jersey Supreme Court to let Nancy Ellen Jobes be killed. The court, said the Times, had released "Mrs. Jobes from tragic burdens of life on the threshold of death."

Well, now was Nancy Ellen Jobes in a persistent vegetative state? Was she "on the threshold of death?" During attempts by the Lincoln Park Nursing Home and others to prevent the state from killing her, two nationally renowned neurologists testified. One, Dr. Allen E. Ropper, professor of medicine at Harvard Medical School and director of the Neurosurgery-Neurology Intensive Care Unit at Massachusetts General Hospital, said he had examined Mrs. Jobes and that she had followed a number of his commands (like, on request, moving her foot and toes, her legs, and sticking out her tongue). She followed his fingers, and from other indices, he concluded that while she was severely brain-damaged, she was not in a persistent vegetative state.

A similar conclusion was made by Dr. Maurice Victor, professor of neurosurgery at Case Western Reserve University School of Medicine. He too had examined Nancy Ellen Jobes, and he too had concluded that while seriously brain-damaged, she fell outside the category of a persistent vegetative state.

"I gave her a number of verbal requests," Dr. Victor testified last year, "and it became apparent the patient could hear and understand what I was saying. . . . As I asked her to perform the tasks, I saw a look of intentness. She looked attentive . . . [to] what she was doing. I am convinced this patient has a reparatory of emotional expressions."

There was contrary testimony by such opposing experts as Dr. Fred Plum, professor and chairman of the Department of Neurology of New York Hospital-Cornell Medical Center. And another neurologist said: "She died a long time ago. . . . She should have a funeral."

While this was going on, I received a letter from a friend of mine who visited Nancy Ellen Jobes last year. This observer, a researcher, is uncommonly precise, as I've had reason to learn in my work through the years. This is what my friend wrote:

"I am more appalled than ever that anyone would consider starving Nancy Ellen Jobes to death. She is not comatose. She is severely disabled and very vulnerable.

"Nancy appeared alert and aware of people entering her room and showing things to her. She looked directly at me and then at others and then back to me as I spoke to her. She has a lovely smile. When I told her so and that it would be nice to see that smile again, she smiled more broadly."

Yes, there was conflicting testimony. Yet, as Dr. Norman G. Levinsky, Chairman of the Department of Medicine at Boston University's School of Medicine says, "given any reasonable doubt about the choice between life and death (with regard to) a specific patient, doctors should choose to fight for life." And Nancy Ellen Jobes could have lived for many years.

As we shall see, fewer doctors each year are fighting for certain patients' lives. Instead, they are helping the courts ease the removal of more barriers to killing. When Nancy Ellen Jobes died, the United Handicapped Federation—but not any medical association—protested her having been starved to death. "She was welcome in the disability rights community," these mourners said.

"It is now a capital offense," said an anti-euthanasia group, "to be young, brain-damaged"—and too tenacious to die.●

## INFORMED CONSENT: GEORGIA

● Mr. HUMPHREY. Mr. President, today I would like to insert into the

CONGRESSIONAL RECORD a letter from a woman from the State of Georgia in support of my informed consent legislation, S. 272 and S. 273. Like many others, this woman feels she was subjected to a consipiracy of silence. Not only was she denied factual information about alternatives to abortion, but she was not told of the possible physical and emotional ramifications of abortion. I urge my colleagues to support S. 272 and 273 so that future women will not be subjected to the needless pain and suffering because of lack of information.

I ask that the letter from the State of Georgia be inserted in the Record.

The letter follows:

FEBRUARY 17, 1987.

DEAR SENATOR HUMPHREY: I am one of those women who had an abortion without really understanding the procedure and even worse, the consequences.

I was not a teen-ager. I was not unwed. I was a mother of two already but my doctor told me that because my last child had "needed" to be induced, It wouldn't be wise to go through another pregnancy. I trusted him and did as he said. he arranged for an abortion. I was very frustrated but I believed he was the authority.

Nine years have passed but I have not forgotten that day that I put my body in the hands of a man I believed to "know it all". There was no talk about what I'd feel after "it was all over" (that was the beginning of many nightmares to come). I later realized my "wonderful" doctor was on the staff of the clinic he sent me to. I thought he was meeting me there. He asked me after the abortion if I wanted to know the sex of the child. I said, "no". He said, it was just as well that I "made the decision" to have the abortion because he could see that the baby was malformed. ("There would have been problems", he said.) At the time I trusted that doctor so much that I just accepted what he said as logical.

It wasn't long, though, till I began wondering if I'd made the right decision. Would my health had been at stake? I don't think so; maybe a little uncomfortable. Was my baby really malformed? Perhaps it was perfectly formed. Could it have been a little girl? I had two boys and had dreamed of adding a girl to our family. For that matter, three boys would be even better than two! I wanted a second chance. But it was too late. Now my husband had gotten a vasectomy because we had been scared so by my doctor's remarks about affects a pregnancy could have on my well-being. But what I wanted more than anything was that baby I murdered. I wanted to roll back the clock and go on with that pregnancy and give that baby a chance!

Sir, our women should and need to be told every detail possible about the abortion procedure itself and the horrible possible nightmares after. There are so many feeling guilt, regret, anguish over the baby they chose not to have for whatever reason.

Senator Humphrey, I am so pleased to hear you want to make women considering abortion well informed. This is a direct answer to prayer for me. I wondered so often how it would he possible to warn other women about the consequences I've shared with you.

Thank you for our families in our great country.

Sincerely,
BOBBI OLIVE (MRS. TIMOTHY),
*Georgia*.●

## NEW JERSEY CELEBRATES THE 100TH ANNIVERSARY OF THE UNION BAPTIST CHURCH

● Mr. LAUTENBERG. Mr. President, September 27 marks a very special day in my State. The Union Baptist Church celebrates its' 100th anniversary in Montclair, NJ.

On that special day there will be an afternoon worship service to commemorate this centennial event celebrated by the Rev. WILLIAM GRAY III, our colleague from the House of Representatives. I would note that before following his father at the Bright Hope Baptist Church in Philadelphia, Rev. Bill Gray was the minister of the Union Baptist Church in Montclair.

The Union Baptist Church has been an active and important part of the Montclair community since January 1887. They began with 30 members in the small Morris Hall and today they entreat in the Portland Place Church. Today, the church continues to thrive. The Reverend Temple Richie, Jr., now leads this congregation. With his leadership, the congregation has enhanced the structural facilities and promoted unified growth and maturity numerically, financially, and spiritually.

Not only has the church been a place of worship but has contributed to community involvement in housing, nutrition, and education. The church played a pivotal role in providing relocation housing as part of Montclair's first urban renewal project. The program was the moving force behind the Essex County nutrition project which provided hot lunches for approximately 1,000 senior citizens each week at various sites in the Essex County suburban area. The Student Aid Society has raised and contributed hundreds of dollars to needy students attempting to further their education. These efforts are only some of the contributions that the church has made to the community.

The centennial theme, "So teach us to number our days," encompasses this grand celebration. For the Union Baptist Church it presents to them a challenge to recall their past, to wrestle with the present and build for an even more glorious future.

I would like to congratulate and honor the Union Baptist Church on its' great centennial occasion and the many members whose hard work have gone into this joyous celebration. September 27 will be a memorable day for all those who worship at the Union Baptist Church.●

## 174TH TACTICAL FIGHTER WING—THE BOYS FROM SYRACUSE—40TH ANNIVERSARY

(By request of Mr. DOLE, the following statement was ordered to be printed in the Record:)

Mr. D'AMATO. Mr. President, the 174th Tactical Fighter Wing of the New York Air Force Reserve unit, stationed at Hanncock Field, is celebrating its 40th anniversary.

The 174th Tactical Fighter Wing, "The Boys From Syracuse," was the first Air Guard unit organized in New York State after World War II. Over the past 40 years the unit has amassed an impressive record of achievement in deployment readiness.

The first unit in New York to be assigned jet aircraft, the 174th twice has been called up for active duty. In 1961 the unit was stationed in France under "Operation Stair Step" during the Berlin crisis, providing support for elements of the 7th Army and 4th Allied Tactical Air Force of NATO. The Unit was again called to active duty in 1968 during the *Pueblo* crisis with North Korea.

Since 1981, the 174th has participated in various operations including "Coronet Sail" in Europe, "Coronet Cover" in Panama, and operation "Gold Rush 85" in Alaska. Today, the 174th flies the A-10 Thunderbolt II. If called up to active duty, it would provide tactical support for American and Allied forces.

Under the able leadership of Col. Michael S. Hall, wing commander, the 174th continues to display excellent operational readiness. It is an essential component of the Air National Guard, providing for the common defense of the Nation and State.

To the skilled and ready patriots of the 174th Tactical Fighter Wing, the Congress and the American people owe a great deal. We congratulate you for 40 years of dedicated service to our Nation.●

## THE CHILDREN'S PEACE TREATY

● Mr. SIMON. Mr. President, the following was sent to me by Isidor Steinhart of Sherman Oaks, CA. It is taken from a weekly reader titled Scholastic News circulated in the Los Angeles public school system. Ms. Donna Schlosser, a third grade teacher at the 42d Street Elementary School in Los Angeles, called it to the attention of her daughter who read it aloud to her seventh grade class. The students were uniformly impressed and endorsed the document with their signatures.

The "Children's Peace Treaty" needs no introduction, and I ask that it be inserted in the RECORD.

The document follows:

### CHILDREN'S PEACE TREATY

We the children of the world, declare peace on the future.

We want a planet free of war and weapons.

We want an end to disease, death and destruction.

Hatred and Hunger and Homelessness make no sense to us, we want them done away with.

Our earth gives food enough for all—we will share it.

Our skies give us rainbows everywhere—we will safeguard them.

Our waters give us life eternal—we will keep them clear.

We want to laugh together, play together, work together, learn from each other, explore and improve life for everyone.

We are for peace now and forever, for all. Grown-ups of the world join us. Grab hold of our smile and imagine.

Together Peace Is Possible.●

## COL. LEONARD WILLIAM JOHNSON, JR.

● Mr. LUGAR. Mr. President, today I am sad to report that the United States has recently lost a valued citizen and patriot in a tragic airplane accident.

Col. Leonard William Johnson, Jr., of the U.S. Air Force Medical Corps, was killed on August 1 of this year when his private airplane was damaged while flying through a thunderstorm over Kokomo, IN.

Colonel Johnson's educational and military record was, to say the least, outstanding. At the age of 14, he graduated from Elkhart High School in Elkhart, IN, and by his 23d year, he had earned his medical degree from Howard University in Washington, DC. In 1958, he joined the U.S. Air Force and in 1971 he became the second youngest person to attain the rank of full colonel in the U.S. Air Force Medical Corps. He was awarded many decorations during his career, including the Legion of Merit and the Air Medal with three oakleaf clusters. He also held the Aeronautical Rating of Chief Flight Surgeon, the highest flying rating for a physician in the Air Force.

Also a distinguished physician, he received a Master's Degree in Public Health from Harvard University and, in 1968, he became the first black physician to be certified in the specialty of Aero Space Medicine through residency training.

Colonel Johnson is survived by his wife, Evelyn; daughter, Karen; son, Leonard III; his mother and father, and many other relatives and friends.

All too few men reach the level of distinction which Colonel Johnson did. He was a loving family man, exemplary physician, and decorated patriot. He should be a shining example to us all.●

## NAUM MEIMAN

● Mr. SIMON. Mr. President, the issue of Soviet emigration is a pressing one in the lives of many Americans. It is time for some initiative to be taken on behalf of the many Soviet refuseniks wishing to emigrate. These individuals' lives are being wasted as they are persecuted by the Soviet Government. They have done nothing to deserve such harsh treatment, yet their request for emigration is repeatedly denied.

The Soviet Government still refuses to allow Soviet Jews to study Hebrew or practice their religion. These few steps taken by Jewish refuseniks in order to obtain some sense of religious meaning in their lives are punished by arrest or imprisonment. The harassment of Hebrew teachers and incidents of religious persecution activities have increased sharply since 1985.

The only crime Naum Meiman, a Soviet refusenik for 10 years, has committed is wanting to practice his religion, speak in Hebrew and study his heritage. It is time for Naum Meiman and others like him to be granted their freedom. I strongly urge the Soviet Government to take action and allow these individuals permission to emigrate.●

## SALUTING SENIOR CITIZENS IN OAKLAND COUNTY, MI

● Mr. RIEGLE. Mr. President, I rise today to mark the occasion of the Oakland County Senior Power Day on September 17, 1987. Senior Power Day is a time to recognize the important contribution of this country's senior citizens to our society.

Through long lifetimes of work in our factories, our homes, our shops and farms, our seniors have built the magnificent Nation we have today. Through their life journeys, they have given their best efforts to build their families and to build America. They have done a magnificent job.

They have struggled through two World Wars, the Great Depression, and other difficult times. They have known joy and heartache, and have given life and strength to those of us in succeeding generations. They have brought our Nation safely through.

Our senior citizens are our national treasure of wisdom, experience, and accomplishment. They are our model for what can be done.

I want to express my pride and gratitude for all they have done for us, to thank them and to give them my pledge to do all I can to see that our seniors live out their retirement years in dignity and with the financial security and living standard that they deserve.

That pledge begins with maintaining the fight for a strong, sound Social Security System. Social Security, including the annual cost-of-living adjustments, is the greatest social accomplishment of our Government and citizens in this century. Our seniors and retirees have worked and earned their Social Security income.

Over the 6 years, we have had many knock-down, drag-out fights in Washington to save Social Security. In the Senate, I have led those fights each time. Through the strength and leadership of seniors in this country, we have stopped those who would weaken and destroy Social Security.

When they tried to eliminate the minimum benefits of $144 a month—the only income for tens of thousands or our seniors—we stopped them. When they tried to cut by 40 percent the early retirement benefit for those with poor health or had lost their jobs, we stopped them. When they tried to eliminate the annual COLA adjustment—which only makes up the buying power that inflation has already taken away—we stopped them. They tried deep cuts in Medicare protection; we stopped many of them.

Some continue to target the seniors—to cut feeding programs, transportation programs, energy assistance, and senior housing. These cuts are wrong and I will not support them.

In another area, the Finance Committee has been working on a proposal to provide catastrophic health care protection through the Medicare Program. We will take that legislation up on the Senate floor this month. The plan will close serious gaps in Medicare, where a single serious illness can wipe out a person's lifetime savings. It is a serious national problem, and I have now held six large public hearings in Michigan to gather firsthand evidence of how huge health care costs are bankrupting individuals and families. Over 1,200 citizens attended the health hearing in Warren alone—and the testimony was stunning. I'm convinced we must broaden our health insurance coverage in the United States and we are moving to do so.

Nursing home care and home health care needs of the chronically ill are also growing national problems that we must find new ways to address. A broad fiscally sound insurance plan of some type should enable us to finance a plan that can provide family protection against these devastating expenses. I'm determined to press ahead until we find a workable answer.

A Nation that can spend $1½ trillion in 5 years on national defense can afford to meet the basic human needs of our senior citizens. We need fewer bombs and more senior housing, like the new 32-unit senior housing facility recently approved by the Department of Housing and Urban Development for Highland Township in the western part of Oakland County. We don't need poison gas—we need natural gas to stay warm in the winter. We don't need Government surplus food rotting in warehouses—we need to feed our hungry seniors and all the other hungry in our land.

I know thousands of seniors who have worked their hearts out over a long lifetime and who have given their all to their country. Many of them have had no private pensions; many have had expensive and disabling illnesses; many gave their most productive years on foreign battlefields while others were safe at home building a nest egg. Some say life is not fair. We know that. But a decent society does something about unfairness.

The senior citizens of Oakland County will gather on Senior Power Day to affirm these beliefs and values. They will gather to join hands and hearts and purpose to say with a single voice that senior citizens have an agenda for America that must be heard.

My advice to those seniors that will gather in Oakland County is to let the word go out that you are a citizen army on the march. Let those in the White House, in the Congress, in our State capitals, know that seniors want human justice for themselves and for every other American.

I also want to encourage our seniors to take up another mission. I believe the different generations in our society must help each other. I believe the young must help the seniors—and that the seniors must help the young. These are difficult days for our young people, just as they are for many seniors. Jobs are scarce, education is expensive, and young families find home ownership moving out of reach. Drugs, alcohol and violence are at epidemic levels. Our young people need our help too.

I ask our seniors to do what you can to help the younger people. Talk to them—hear their problems, offer them your counsel, and love. They need you as you need them.

Social Security is an example—it helps retired workers and young workers alike. The disability protections of Social Security are there for the young worker who is injured or is stricken and can't work. And the survivor benefit protections of Social Security are there for the young spouse and children in the tragic event of an early death of the breadwinner. Social Security is a compact between generations and if those who are younger now are graced by God to reach retirement age then the earned retirement benefits will be there to help them meet life's basic needs at that time.

We know one thing: If God favors us with long life, we will become senior citizens. In the deepest sense, we are each other—we only stand at different moments in life. If we are selfish, whatever our age, we not only hurt others, we hurt ourselves.

So let us link hands across the generations. It is our American creed that what we want for ourselves we also want for our fellow citizens. No man or woman is an island unto themselves. We share a common fate. And so we must give in the same measure that we seek.

Joan Kennedy in 1961 said these words:

> With a good conscience our only sure reward—and history the final judge of our deeds—let us go forth to lead the land we love. Asking His blessing—and His help—but knowing that here on earth, God's work must truly be our own.

God's work is our own. What Senior Power Day stands for—and what we must accomplish together—is part of God's work.

We seek economic justice for seniors and for the young trying to get started—for people of all ages. We seek a human nation that puts its people first—that says we care about each other.

So I would like to urge all those gathering in Oakland County to use this occasion to summon the strength and determination to see that this important work is done.●

## MASSACRE IN MOZAMBIQUE

● Mr. LEVIN. Mr. President, over 480 innocent civilians were killed in an attack by anti-government rebels on the coastal town of Homoine in Mozambique's Inhambane province several weeks ago. The July 18th attack started in the town's 50-bed hospital, where those who lay sick and injured were slaughtered in their beds. Only one person of the hospital staff was alive at the end of the 10-hour attack which began at 5:45 a.m. Pregnant women and children were primary targets of this attack as well. Others were force-marched and killed as they walked. Still others were kidnapped by the rebels, to carry their weapons and set up protective villages around the rebel's camps. Evidence from witnesses of the attack points clearly to the work of Renamo National Resistance of Mozambique, the South African supported anti-government guerrillas originally founded by the Rhodesian intelligence agency to destablize Mozambique.

Much of the attack was witnessed by one of my own constituents, Mark van Koevering of Rockford, MI, who was and continues to serve as an agricultural worker with the Mennonite Central Committee in Homoine. The beginning of the attack was also witnessed by two other development workers. The gruesome details have been reported in the Washington Post and the New York Times.

Representatives of the Mennonite Central Committee in Washington, DC interviewed Mark van Koevering extensively just last week to determine on what evidence he based his assertion that this was a Renamo attack, aside from the fact that the local population is convinced that the attackers were indeed Renamo. Mr. Koevering revealed that the attackers were dressed in new uniforms and boots and were carrying new arms—not the case with Frelimo forces. They also spoke a northern dialect—the area from which Renamo generally operates.

Mr. President, our State Department has asserted that Renamo had begun to operate in the area of this attack just recently. The Government of Mozambique had heard earlier this year that three towns, including Homine, were to be attacked by Renamo forces. One of the other two towns was attacked in April with extensive structural damage. They now fear what may happen in the third town.

The Mozambican Government asserts that Renamo forces were parachuted new war materials in a May 8 drop by the South African defense forces in the sourthern part of the province in which Homoine is located.

Renamo's alliance with the South African destablization effort have cost Mozambique over $5 billion since 1980—more then the entire GNP of Mozambique in 1985.

Mr. President, no wonder Mozambique faces a famine, one potentially more serious than that of Ethiopia in 1983–84, as infrastructure is destroyed, fields are mined and farmers attacked to keep them from planting and harvesting, health clinics are destroyed and health personnel, development workers, and religious personnel as well as all attacked-murdered and kidnapped.

UNICEF, one of the most respected international agencies, attributes nearly half of the infant mortality rate of Mozambique—one of the highest in the world—to this destabilization effort.

Mr. President, I would like to make clear for the record my support for a continuing U.S. policy of refusing any effort to legitimize Renamo and my support for United States funding for the Southern African Development Coordination Conference, which includes funding for Mozambique.

I submit for the Record a statement from the Mennonite Central Committee and articles from the Washington Post and the New York Times.

The material follows:

### MORE THAN 480 DIE IN ANTI-GOVERNMENT ATTACK ON MOZAMBICAN VILLAGE

Akron, Pa.—More than 480 people were killed in an attack by anti-government rebels on the coastal town of Homoine in Mozambique's Inhambane province last weekend. Homoine is about 300 miles northeast of Maputo, the capital of Mozambique.

Official reports from the scene of the July 18 killings indicate that the Homoine townspeople had been forced to march along a road and were killed as they walked, the *New York Times* reported July 22. People in the area surrounding the town were also killed.

The rebels started their attack at the town's 50-bed hospital. Only one person of the hospital staff was alive at the end of the 10-hour attack, which began at 5:45 a.m.

Mark van Koevering, Mennonite Central Committee (MCC) agriculture worker who had moved to the town only 10 days earlier, was in a hotel, just a block from the hospital during the attack. He was living in the hotel because construction of the house where he will live is not yet completed.

Van Koevering, who is from Rockford, Mich., and a member of the River Terrace Christian Reformed Church in East Lansing, Mich., was not harmed during the attack. "My only pain is the death of so many people," he told João Muthombene July 21. "Psalms 23—'The Lord is my shepherd . . .'—stayed in my mind during the attack." Muthombene is Van Koevering's supervisor and director of the projects department of the Christian Council of Mozambique (CCM).

When the attack ended, Van Koevering was among the first people to begin moving the injured to Maxixe, a town 24 kilometers (about 15 miles) east of Homoine, for treatment. The survivors also fled to Maxixe where security is now very tight, reports Muthombene.

Homoine is the administrative center of Chinjinguir, a 20,000-hectare (49,400-acre) area that was once a "major bread-basket for the southern half of the country and that could again provide substantial amounts of food," notes James Shenk, director of MCC East Coast, who worked in Mozambique from 1982 to 1986. "How sad that the rebels chose to attack this area now, at a time when about 4.5 million of Mozambique's 14 million people face starvation."

The area is "at the very heart of a government attempt to allow more free enterprise and to support private and family agriculture," he continues. "Mozambican churches, through the CCM, have provided 1,000 ox-drawn plows, seeds and thousands of agricultural tools to families there. Nongovernmental organizations, Western bilateral donors and the United Nations have been supporting agricultural work in the area as well."

Homoine is very small, he adds. The attack "must have eliminated at least half of the town's people."

Government officials in Maputo, the capital, blame the South African-backed Mozambique National Resistance, known as Renamo, for the attack. Renamo was organized in 1976 by white-ruled Rhodesia, now Zimbabwe, and has been waging a war of terror and destabilization in Mozambique ever since.

This 11-year war has forced many people who could grow food to leave their homes in the countryside, noted Dinis Sengulane, Anglican bishop from Mozambique, in a May 7 chapel service at MCC headquarters in Akron. This has exacerbated the food shortage caused by drought. The war has also destroyed more than 200 health care centers and rural hospitals in the country.

"The churches in Mozambique pray and work constantly for peace," Sengulane said. But calling for peace in the midst of war is difficult, he observed. It is too easy to be perceived, wrongly, as taking one side or another. "We praise God that the church and its leaders have not been divided by war."

While Mozambican churches are not divided by the war in their country, the U.S. government is. The Reagan administration's strategy has been to increase ties to Mozambique's government in order to lessen that country's dependence on Moscow. In March it pledged $75 million worth of food aid for the country.

A group of senators, though, are pressuring the administration to abandon its support for the Maputo government in favor of Renamo. They portray Renamo as an anticommunist insurgency with popular support. State Department officials say Renamo has little support and is kept alive by aid from South Africa.

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[From the New York Times, July 22, 1987]

### REPORT SAYS MOZAMBIQUE REBELS MASSACRED 380

MAPUTO, MOZAMBIQUE, July 21 (AP)—Anti-Government rebels massacred 380 people at a coastal town in Inhambane province last weekend, the official news agency, A.I.M., said today.

The agency said official reports from scene of the killings in Homoine, 300 miles northeast of the capital, said townspeople had been forced to march along a road and were killed as they walked.

The agency gave few other details and the report could not be independently verified. The State Department said today in Washington that it had no knowledge of the report and could not comment on it.

#### RENAMO IS BLAMED

Maputo said the South African-backed Mozambique National Resistance, known by its acronym, Renamo, was responsible for the massacre.

Conservative Republicans on Capitol Hill have been pressing the Reagan Administration to abandon its support of the Marxist Government in Maputo in favor of the anti-Communist insurgents linked to South Africa. But Secretary of State George P. Shultz said in late May that Mr. Reagan had no such intention.

The official Mozambique press agency asserted that the guerrillas had received guns, mortars and ammunition in a May 8 parachute drop by the South African Air Force near Lake Chitipe and that local peasants were forced to carry the weapons. A.I.M. attributed that account to a member of the armed forces general staff, whom it did not identify.

"The South African Defense Force used five parachutes made in the United States of America to deliver war material for the bandits in the southern province of Inhambane," the agency said.

A.I.M. staff members saw one of the parachutes today at army headquarters in Maputo and it was inscribed "U.S. HUDCO-63," according to the report.

South Africa says it stopped helping the rebels in 1984 when the two countries signed a nonaggression pact, but Mozambique says South Africa continues the aid covertly.

Mozambique radio's station in Inhambane province quoted the district administrator, Edurado Gimo, as saying the massacre began at 5:45 A.M. Saturday. The radio said many old people, women, children and patients at Homoine's district hospital were among the dead.

In Lisbon, the guerrillas said today that they had sabotaged the oil pipeline and a railroad bridge linking Mozambique's Indian Ocean port of Beira with landlocked Zimbabwe.

A statement signed by Paulo Oliveira, the rebel spokesman in Lisbon, said rebels blew up a section of the pipeline between Inchope and Gondola on Sunday, and destroyed a railroad bridge between Inchope and Lamego later that day.

Mozambique, a former Portuguese colony, became independent in 1975.

Underlying the disagreement in Washington over whom to support in Mozambique is the nature of Renamo. It was organized in 1976 by what was then white-ruled Rhodesia, and State Department officials contend that it has little popular support and is being kept alive by South Africa.

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[From the Washington Post, July 24, 1987]

### 5-HOUR MOZAMBIQUE MASSACRE LEAVES A TABLEAU OF CARNAGE—GOVERNMENT SAYS REBEL ATTACK KILLED 386

(By William Claiborne)

INHAMBANE, MOZAMBIQUE, July 23.—They came before first light, silently entering the remote town from the southwest, armed with AK47 automatic assault rifles, bayonets and machetes.

Within five hours, they had disappeared into the bush, leaving behind a tableau of carnage unprecedented in the seven-year-old civil war that has paralyzed this troubled, once-idyllic country.

By the Mozambican government's account, 386 people—most of them civilians—died Saturday in and around the village of Homoine in coastal Mozambique at the hands of anticommunist rebels who have been battling to overthrow the Marxist government of Joachim Chissano. Seventy others were seriously wounded and many more suffered lesser injuries.

Stunned survivors of the massacre said that many of the victims were women and children slain in their beds in the village hospital.

Other villagers who fled to the hospital for refuge were gunned down or hacked to death by the approximately 400 guerrillas of the Mozambican National Resistance movement, survivors interviewed here said.

Mozambican officials said that more than 3,000 people fled the Homoine area, fearing the attackers would return. The officials said the guerrillas have been active in the area for some time.

The attack comes as conservative members of Congress have launched an effort to gain American support for the rebels, known by their Portuguese acronym, Renamo.

Renamo, through its office in Lisbon, has denied involvement in the massacre, suggesting that it could have been a Mozambican government action designed to look like a rebel attack.

Tiamu, who said he was sleeping in his grass but when uniformed gunmen kicked in the door and started shooting, said, "I have no idea why. I search for the reason and don't find it."

He said three women and a baby who were sleeping in the hut were killed.

Other survivors said that when the guerrillas entered the town at about 5:30 a.m., they first attacked the police station, but were driven back in a firefight. They then went to the hospital, where they battled with the local militia and began indiscrimantly killing the patients.

Officials in Maputo, the capital, said yesterday that most of the victims had been buried.

A semi-official newspaper, Noticias, published photographs today showing bodies of men, women and children lying in the streets of Homoine. "These pictures . . . tell of the terror and suffering that has plunged hundreds of Mozambican families into mourning," the paper said.

It said the photos were taken by an American agronomist, Mark Allen van Koevering, assigned to the area by the Mennonite Central Committee.

[A Mennonite spokeswoman in Akron, Pa., confirmed Thursday that van Koevering was in Mozambique working in the church's relief arm, The Associated Press reported.]

Machungo, without offering specific evidence, blamed the attack on South Africa, which long has been accused by black-ruled front-line states of supplying Renamo. The rebel force originally was formed as an intelligence unit by the former white-ruled government of Rhodesia, now Zimbabwe.

The South African government consistenly has denied aiding Renamo, despite recurring allegations to the contrary. Under the 1984 Nkomati Accord between South Africa and Mozambique, South Africa agreed not to interfere in Mozambique. Mozambique in turn agreed to expel African National Congress guerrillas seeking to infiltrate across the border into South Africa.

U.S. Assistant Secretary of State Chester A. Crocker yesterday said in a television interview broadcast in Britain that the South African Army took over support of Renamo from the Rhodesians.

The official Mozambican news agency, AIM, charged that rebels who had been infiltrating into the Homoine area had recently received five parachute drops of arms and supplies from South African planes. In response, the South African Foreign Ministry said today, "The South African government has repeatedly stated that it is not providing assistance of any kind" to Renamo.

The Mozambican government, citing continuing attacks by the rebels, did not permit foreign journalists to travel to Homoine today, saying the trip would require a military convoy for protection.●

## PROGRAM

Mr. BYRD. Mr. President, I believe that the two leaders will have their time under the standing order tomorrow, and then there will be 20 minutes, I believe, under the order for morning business, with Senators to be permitted to speak up to 5 minutes each therein. And then I believe I secured the consent of the Senate that the remaining time out of the 1 hour be equally divided between the two leaders or their designees. Did I or did I not?

The PRESIDING OFFICER. The majority leader did indeed obtain it.

Mr. BYRD. I thank the Chair.

## ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate I move, in accordance with the order previously entered, the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to, and the Senate, at 6:08 p.m., adjourned until Thursday, September 10, 1987, at 10 a.m.

## NOMINATIONS

Executive nominations received by the Senate September 9, 1987:

#### DEPARTMENT OF COMMERCE

C. William Verity, Jr., of Ohio, to be Secretary of Commerce.

#### DEPARTMENT OF STATE

David H. Shinn, of Washington, a career member of the Senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Burkina Faso.

Bill K. Perrin, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

Robert Maxwell Pringle, of Virginia, a career member of the Senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali.

#### UNITED NATIONS

Doug Bereuter, U.S. Representative from the State of Nebraska, to be a Representative of the United States of America to the 42nd session of the General Assembly of the United Nations.

Pearl Bailey, of Arizona, to be a Representative of the United States of America to the 42nd session of the General Assembly of the United Nations.

#### EXECUTIVE OFFICE OF THE PRESIDENT

MARJORIE B. KAMPELMAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE ADVISORY BOARD FOR RADIO BROADCASTING TO CUBA FOR A TERM OF 1 YEAR, NEW POSITION.

#### U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

TOM C. KOROLOGOS, OF VIRGINIA, TO BE A MEMBER OF THE U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 1990, REAPPOINTMENT.

#### DEPARTMENT OF JUSTICE

WILLIAM S. SESSIONS, OF TEXAS, TO BE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION FOR THE TERM OF 10 YEARS, VICE WILLIAM H. WEBSTER.

#### NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

DON W. WILSON, OF MICHIGAN, TO BE ARCHIVIST OF THE UNITED STATES, NEW POSITION.

#### U.S. POSTAL SERVICE

IRA D. HALL, JR., OF CONNECTICUT, TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 1990, VICE PETER E. VOSS, RESIGNED.

#### DEPARTMENT OF DEFENSE

T. BURTON SMITH, JR., OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING MAY 1, 1993, VICE JAMES F.X. O'ROURKE, TERM EXPIRED.

#### IN THE ARMY

THE U.S. ARMY NATIONAL GUARD OFFICERS NAMED HEREIN FOR APPOINTMENT IN THE GRADES INDICATED BELOW, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 593(A), 3371 AND 3384:

*To be major general*

BRIG. GEN. RICHARD L. CHASTAIN, 310-30-8683.
BRIG. GEN. PAUL G. COLLINS, 407-40-6086.
BRIG. GEN. DON. O. DANIEL, 458-48-6354.
BRIG. GEN. ARTHUR V. EPISCOPO, 222-18-3655.
BRIG. GEN. CHESTER E. GORSKI, 026-24-8065.
BRIG. GEN. GERALD T. SAJER, 172-22-3820.
BRIG. GEN. IVAN F. SMITH, 423-38-6230.

*To be brigadier general*

COL. BELA J. CHAIN, JR., 409-50-3445.
COL. JOHN R. D'ARAUJO, 575-44-0282.
COL. ROBERT C. WATLING, 537-30-9804.
COL. EUGENE M. BASS, 262-36-5229.
COL. EDWARD L. GILL, 233-30-0332.
COL. DANIEL J. HERNANDEZ, 548-36-6870.
COL. DAVID A. HEUER, 397-34-0728.
COL. FRANCIS A. HUGHES, 306-36-6145.
COL. WILLIAM D. JONES, 413-40-0506.
COL. JOHN H. MCDONALD, 222-22-2181.
COL. DANIEL J. O'NEILL, 195-30-6115.
COL. CHARLES H. PERENICK, 022-24-7386.
COL. REYNALDO SANCHEZ, 462-40-7201.
COL. CLARENCE R. SECRIST, 483-46-6568.
COL. JAMES R. WILLIAMS, 274-26-9677.
COL. DANIEL L. BRENNAN, 545-48-8541.
COL. JAMES G. MARTIN, 528-46-8438.
COL. BILLY L. SMOUT, 518-40-5340.
COL. NED L. TURNIPSEED, 418-42-6182.
COL. ROBERT W. WILSON, 575-44-0282.
COL. JAMES C. BOLL, 391-38-6412.
COL. JOSE A. BUITRAGO, 580-40-0262.
COL. JACK C. CLARK, 409-58-1272.
COL. ECHOL E. COOK, 405-50-4294.
COL. DONALD E. HOWARD, 431-62-0761.
COL. PETER D. TOSI, JR., 527-36-6703.

#### IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE OF LIEUTENANT GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 6322:

LT. GEN. CLYDE D. DEAN, 429-54-0554, U.S. MARINE CORPS.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE OF LIEUTENANT GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

LT. GEN. D'WAYNE GRAY, 462-38-7595, U.S. MARINE CORPS.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

*To be Lieutenant General*

LOUIS H. BUEHL III, 176-24-9766, U.S. MARINE CORPS.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

WILLIAM G. CARSON, JR., 231-34-3121, U.S. MARINE CORPS.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

ERNEST T. COOK, JR., 249-54-2102, U.S. MARINE CORPS.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

EDWIN J. GODFREY, 142-24-2270, U.S. MARINE CORPS.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

JOHN I. HUDSON, 176-24-9786, U.S. MARINE CORPS.

#### IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH A VIEW TO A DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES INDICATED WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A GRADE HIGHER THAN THAT INDICATED.

#### MEDICAL CORPS

*To be colonel*

MILLER, CHARLES H., 226-44-1032
WATTERS, JOHN A., JR., 209-28-1460

*To be lieutenant colonel*

CARMICK, EDWARD S., 559-40-1987
STRATTON, RICHARD M., 054-36-5642

#### DENTAL CORPS

*To be lieutenant colonel*

KAAT, DANIEL L., 394-48-8096

*To be major*

AICHEL, WALTER A., 264-82-0802
BRADFORD, VICTOR P., 261-80-7732
CROOKS, WILLIAM E., 264-88-4331
DZIEJMA, ROBERT F., 014-40-5967
LEVERINO, NICHOLAS J., 290-50-7733
MCHENRY, MICHAEL A., 558-92-5980
PINKERTON, KENNETH C., 155-40-5696
ROBINSON, PAUL M., 228-60-0366
SWARTZ, DAVID B., 234-86-0163

*To be captain*

CARTER, GARY A., 216-76-1976
CHRISTENSON, ALLEN J., 528-02-8715
HEIT, JAMES M., 449-94-7261

#### MEDICAL SERVICE CORPS

*To be captain*

FOWLER, ANGELA D., 282-04-6300

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE ACTIVE DUTY LIST OF THE REGULAR AIR FORCE IN THE GRADE INDICATED UNDER THE PROVISIONS OF SECTIONS 1210 AND 1211, TITLE 10, UNITED STATES CODE.

### LINE OF THE AIR FORCE

*To be lieutenant colonel*

OLSON, HAROLD W., 153-36-8364

THE FOLLOWING INDIVIDUALS FOR APPOINTMENT AS RESERVE OF THE AIR FORCE, IN THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 593, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM THE DUTIES INDICATED.

### MEDICAL CORPS

*To be lieutenant colonel*

DASTGIR, GHULAM, 150-50-4394
KOVACS, DAVID E., 367-44-4121
LILES, WAYNE C., 418-42-6303
TEHRANIAN, NASSER, 033-40-5885
WILLIAMS, RICHARD, A., 002-56-8825
YUNUS, MOHAMMED, 382-58-1638

THE FOLLOWING AIR FORCE OFFICER FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE, WITH DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

### LINE OF THE AIR FORCE

*To be lieutenant colonel*

MCTASNEY, RICHARD L., 387-36-2098

THE FOLLOWING AIR FORCE OFFICERS FOR APPOINTMENT AS PERMANENT PROFESSOR, U.S. AIR FORCE ACADEMY, UNDER THE PROVISIONS OF SECTION 9333(B), TITLE 10, UNITED STATES CODE.

HEAD, JAMES H., 495-46-5489
MUEH, HANS J., 396-42-6773

### IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISION OF SECTION 531, TITLE 10, UNITED STATES CODE, PROVIDED THAT IN NO CASE SHALL ANY OF THE FOLLOWING OFFICERS BE APPOINTED IN A GRADE HIGHER THAN INDICATED:

### LINE OF THE AIR FORCE

*To be lieutenant colonel*

CAPRON, HELEN L., 061-38-9239

*To be major*

MADIGAN, MICHAEL T., 190-46-4432
MYERS, JAMES A., 289-40-3466

*To be captain*

GOES, RICHARD D., 390-62-2874
GRIZZARD, JAMES G., 266-70-2036
PINK, MICHAEL, M., 325-38-4101
SCHRAMM, ROBERT E., 500-48-3319
STUFF, JOHN R., 070-56-8437
TURNER, GARY J., 196-46-0786

### IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, UNDER THE PROVISIONS OF SECTION 628, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH A DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE:

### BIOMEDICAL SCIENCES CORPS

*To be lieutenant colonel*

RITTER, ROBERT W., 140-38-1433

THE FOLLOWING PERSONS FOR RESERVE OF THE AIR FORCE APPOINTMENT, IN GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 593, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM THE DUTIES INDICATED:

### DENTAL CORPS

*To be lieutenant colonel*

DORST, RONALD V., 529-36-8153

### MEDICAL CORPS

*To be lieutenant colonel*

BLAKELY, JAMES P., 538-32-6504
COFFMAN, AVON C., II, 483-66-3647
DAVIS, LEONARD, 572-74-4848
DEGROSS, JOSEPH M., 148-32-8049
EMHOFF, TIMOTHY A., 049-38-8796
GAUVIN, LLOYD D., 520-30-7431
JOHNSTON, ROSWELL M., 423-62-2059
MAHDAVIAN, JALAL, 083-32-0518
MONTROY, ROBERT E., 144-34-0661
NATALE, RICHARD, 093-22-3817
SMITH, DONALD R., 438-52-3031

THE FOLLOWING PERSON FOR RESERVE OF THE AIR FORCE APPOINTMENT IN GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 592, TITLE 10, UNITED STATES CODE:

### LINE

*To be lieutenant colonel*

LUCIANI, RALPH J., 140-32-9677

THE FOLLOWING OFFICERS FOR RESERVE OF THE AIR FORCE (NON-EAD) PROMOTION IN THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 8366, TITLE 10, UNITED STATES CODE:

### LINE

*To be lieutenant colonel*

COX, JAMES C., 258-06-1726
WILLIAMS, LAWRENCE R., 303-44-5598

THE FOLLOWING OFFICERS FOR RESERVE OF THE AIR FORCE (NON-EAD) PROMOTION IN THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 8378, TITLE 10, UNITED STATES CODE:

### MEDICAL CORPS

*To be lieutenant colonel*

ALEXANDER, JOHNNY B., 432-72-3257
BYERS, GLEN M., 369-36-3064

### IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 593 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE. (EFFECTIVE DATES IN PARENTHESES).

### LINE OF THE AIR FORCE

*To be lieutenant colonel*

MAJ. LYLE E. ALLEN, 509-50-6333, (15 MAY 87).
MAJ. WILLIAM F. ALLEY, JR., 414-74-1922, (17 MAY 87).
MAJ. RICHARD P. AMES, 191-32-5078, (6 JUN 87).
MAJ. JAMES F. BARNETTE, 243-68-4440, (17 MAY 87).
MAJ. RONALD J. BATH, 530-28-1787, (14 JUN 87).
MAJ. JAMES T. BRIDGES, 426-90-4836, (13 JUL 87).
MAJ. DANNY J. COKER, 429-80-6797, (1 JUN 87).
MAJ. RALPH L. DEWSNUP, 529-64-6575, (16 MAY 87).
MAJ. ALOYSIUS P. DICKMAN, 512-48-4827, (7 JUN 87).
MAJ. ROBERT J. DURKOP, 501-56-4879, (8 MAY 87).
MAJ. DONALD E. EVERETT, 223-68-0159, (7 JUN 87).
MAJ. HANSFORD B. FLOYD, 232-64-2751, (17 JUN 87).
MAJ. ALBERT L. HILLMAN, JR., 082-38-7810, (16 MAY 87).
MAJ. LARRY B. KAVOURAS, 512-50-7251, (7 JUN 87).
MAJ. JOHN W. MARSHALL, JR., 225-70-4998, (14 MAY 87).
MAJ. RAYMOND M. OELRICH, 483-54-6890, (7 JUN 87).
MAJ. THEODORE PAIGE, JR., 179-34-0696, (16 MAY 87).
MAJ. JAMES M. PERKINS, SR., 540-52-3739, (7 JUN 87).
MAJ. RICHARD A. PLATT, 116-40-3817, (13 JUN 87).
MAJ. MARION G. PRITCHARD, JR., 219-46-9871, (2 MAY 87).
MAJ. LUTHER R. REED, 254-58-0873, (13 JUN 87).
MAJ. JAMES E. RICHARDSON, 454-70-4003, (21 MAY 87).
MAJ. WALTER T. SANTUCCI, 023-30-7819, (26 MAY 87).
MAJ. KENNETH W. STILLWAGON, 286-43-4244, (21 MAY 87).
MAJ. FRANCIS L. TEMPLON, 216-40-0717, (17 JUN 87).

### MEDICAL CORPS

MAJ. DAVID G. SCHALL, 496-62-7015, (1 JUN 87).

### IN THE ARMY

THE FOLLOWING OFFICERS FOR APPOINTMENT AS PERMANENT PROFESSORS AT THE U.S. MILITARY ACADEMY IN ACCORDANCE WITH THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 4333:

### ARMY

COL. DENNIS R. HUNT, 349-30-1812
COL. JAMES H. RAMSDEN, 092-32-3953

### IN THE NAVY

THE FOLLOWING-NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CHANDLER, GERALD R.
FLASKAS, JOHN N.
GLAZE, MARK S.
ROWE, DOUGLAS K.
SERVICE, BRUCE E.

THE FOLLOWING-NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL'S CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

BANNON, MAUREEN R.
BANNOW, STEVEN W.
COOPER, BILLY J.
DRONBERGER, HAL H., III
GETCHELL, ANTHONY B.
HARR, JAMES J.
HATCH, GERALD T.
HILLS, HOWARD L.
JAMES, JENNIFER R.
JOHNSON, PAUL C., JR.
MARTIN, JOHN S.
MCGREGOR, MICHAEL E.
MCPHERSON, JAMES E.
MOLINENGO, HENRY R., II
NORMAN, JAMES B.
PETRONIO, RONALD A.
PRICE, CLARK A.
RIGTERINK, DANIEL P.
RITTER, WAYNE L., JR.
ROLPH, JOHN W.
RUMMEL, MICHAEL P.
SCHAPLER, ROBERT H.
SLOWN, DAVID J.
SPENGLER, EARL G.
SWEENEY, WILLIAM G.

THE FOLLOWING-NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT AS LIMITED DUTY OFFICERS IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 5589(A):

CRESS, CLIFFORD W.
JONES, LLOYD L.
MCARTHUR, ROBERT H.

### IN THE NAVY

THE FOLLOWING-NAMED NAVAL RESAERVE OFFICERS TRAINING CORPS PROGRAM CANDIDATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

EBERSOLE, EDWARD C.
SNIDER, GEORGE L.
STANCY, STEVEN L.
WILLIAMS, ANTHONY B.

THE FOLLOWING-NAMED NAVY ENLISTED COMMISSIONING PROGRAM CANDIDATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

SKYERS, OWEN N.
DOUGLAS, BRADLEY J.

THE FOLLOWING-NAMED NAVY OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COURTNEY, THOMAS E.
GALLAGHER, THOMAS M.
LANG, JAMES T.
NEWCOMB, MARK E.
SHEPPARD, JERRIE L.

THE FOLLOWING-NAMED NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

ADAMS, SCOTT F.
ANDERSON, DEAN C.
ANDERSON, TODD M.
ARMISTEAD, KEITH M.
AYRES, STEPHEN F.
BROOKS, DONALD C.
CHASE, CHRISTOPHER D.
DARIGO, JANE L.
FULTON, CRAIG A.
GAVIN, TIMOTHY P.
GEORGIS, THOMAS P.
GOPP, ALLEN J.
GUESS, KENNETH R.
HAMILTON, BRUCE H.
HEIN, ERIC L.
JACOBY, TIMOTHY L.
KESTER, KENT P.
KLIPPA, GEORGE V.
KOB, PAUL H.
KRAPSIO, BERNARD C.
KRISTIANSEN, KARL J.
LABRANCHE, RICHARD A.
LAKE, BRIAN D.
MCDONOUGH, PAUL H.
MCGIVERN, MARK J.
MCKENZIE, KENNETH A.
PENFIELD, DONALD K.
PERRY, RUSSELL E.
PIPER, ROBERT S.
SCHROEDER, GEORGE J.
SISSON, DAVID J.
SMITH, GORDON B.
STAUDT, DAVID J.
WRIGHT, VIRGIL S.
WRIGLEY, JONATHAN D.

RODNEY A. MARCOM, U.S. NAVY OFFICER, TO BE APPOINTED PERMANENT CAPTAIN IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 592.

THE FOLLOWING-NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593.

BEYER, GREGORY L.
SISCO, KENNETH L.

THE FOLLOWING OFFICERS FOR PROMOTION AS A RESERVE OF THE AIR FORCE, UNDER THE PROVISIONS OF SECTIONS 592, 8368 AND 8372, TITLE 10, UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8372 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE OF 30 SEPTEMBER 1987. ALL OTHER OFFICERS SHALL BE PROMOTED UPON COMPLETION OF SEVEN YEARS OF PROMOTION SERVICE AND TWENTY-ONE YEARS OF TOTAL SERVICE.

### LINE OF THE AIR FORCE

*To be lieutenant colonel*

BOBBY J. ABERNATHY, 486-46-2082
NORMAN J. ABRAMSON, 195-34-0017
ROBERT E. ADDISON, III, 463-62-2603
MICHAEL A. AIMONE, 370-50-3241
WILLIAM E. ALBERTSON, 493-52-6312
ROBERT T. ALDINGER, 158-32-4664
CHARLES H. ALLEN, 231-26-9738
KEITH L. ALLEN, 498-46-9089
ROBERT P. ALLEN, JR., 439-62-5350
ROBERT O. AMAON, 467-78-3232
LARRY R. AMMONS, 241-62-2281
BILLY D. ANDERS, 540-46-2721
JAMES F. ANDERSON, 072-36-1167
NEAL T. ANDERSON, 097-34-8277
THOMAS E. ANDERSON, 350-34-1811
WARD F. ANDERSON, 533-46-7824
JAMES W. APPLE, JR., 237-62-2449
ANDREW R. ARMSTRONG, JR., 530-32-7708
DAVID R. ARRINGTON, 234-66-2513
DONALD G. ATKINSON, 382-42-5174
CHARLES L. ATTARDO, 191-34-2402
WALTER W. AUGUSTIN, 520-44-9317
RICHARD W. AUGUSTINE, 047-32-6532
CRAIG R. BAIRD, 528-48-4938
FRED L. BAKER, 522-60-9537
STEVEN L. BAKER, 544-46-9697
ROBERT B. BALDWIN, 381-56-3110

STEPHEN T. BALOGH, 560-66-7205
JOHN F. BANKS, 412-70-4636
LAWSON E. BARCLAY, 335-38-3492
MARSHALL W. BARDELMEIER, 334-34-6158
WILLIAM S. BARKSDALE, III, 261-72-1900
RICHARD U. BARKSTROM, 120-30-4870
PAUL J. BARLOW, 426-66-6949
VICTOR G. BARNES, 082-36-8961
RONALD D. BARRETT, 447-42-3698
DANIEL O. BARTHEL, 477-52-6958
MAX A. BARTHOLOMEW, 528-58-1669
LEONARD E. BASURTO, 527-56-3973
MICHAEL L. BATSELL, 527-68-1637
HARVEY O. BAUER, 451-66-7793
HOWARD L. BAYNE, III, 143-36-0472
BOBBY V. BEANBLOSSOM, 544-42-4720
GLORIA K. BEARD, 408-80-1416
ROBERT D. BEASLEY, 261-68-2832
KOICHI O. BECKWITH, 576-40-7708
JOSEPH P. BELLINO, 015-32-6926
JAMES O. BEMESDERFER, JR., 180-32-2290
JOSEPH W. BENDZINSKI, 048-30-5396
LAWRENCE F. BENJAMIN, 475-44-0061
GEORGE E. BENNETT, JR., 254-68-7963
PETER T. BENTLEY, 504-50-5858
ROBERT W. BERAUD, 109-34-5543
LEONARD A. BERGEN, 110-34-7773
EDWARD P. BERGERON, JR., 437-62-4526
FRANK P. BERNARD, 501-52-8045
FRANCIS A. BERTINI, 100-34-2373
JAMES K. BERWITH, 547-62-4192
RICHARD J. BEVINGTON, 211-30-7036
ALECK L. BIEHL, 320-36-3001
JOHN R. BIENVENUE, 573-54-1793
RANDALL G. BILLER, 234-66-5837
MAC M. BILLS, 528-54-3136
ROBERT M. BLACK, 557-62-9008
JAMES R. BLAIR, III, 523-60-8193
JOHN R. BLAIR, 295-38-8323
LARRY D. BLANCHARD, 412-70-4892
RONALD J. BLAND, 234-70-5781
THOMAS A. BLANK, 305-52-0296
FRANK M. BLAU, JR., 391-42-8700
MICHAEL J. BLOOM, 002-32-6683
ROMEO J. BLOUIN, 036-28-0231
WILSON E. BLOUNT, 259-68-9965
FREDERICK E. BOATWRIGHT, 258-66-0677
JAMES W. BOHLEN, 332-34-0709
GORDON J. BOSCH, 374-44-6323
ROGER H. BOSSE, 517-46-6457
ROBERT J. BOUCHER, 042-38-3879
WILLIAM R. BOWER, 302-36-1597
JERRELL BOWLES, 418-56-6165
DENNIS L. BOYLES, 527-68-8799
ROBERT P. BRANNEN, 252-62-1299
JAMES W. BRANNOCK, 239-66-6376
LEON K. BRIDGE, 246-70-9420
HOWARD P. BRISSON, 378-42-1291
GEORGE B. BROOKS, 078-34-7872
HARRY G. BROOKS, II, 253-36-0377
JORDAN A. BROOKS, JR., 463-66-8602
CHARLES B. BROWN, III, 136-34-6158
ERNEST M. BROWN, 250-62-7157
ROBERT A. BRUCE, 202-34-6041
JEROME V. BUONI, 393-44-5230
RONALD W. BUHMANN, 469-46-0693
CLARENCE M. BURCH, 522-66-9571
STANLEY D. BURMAN, 440-50-7885
THOMAS C. BURMEISTER, 386-44-4963
GEORGE B. BURRUS, 251-74-5764
BENJAMIN T. BURSON, III, 252-64-9811
LEWIS C. BURWELL, III, 239-64-1233
ROBERT F. BUTLER, JR., 567-56-7289
ROBERT J. BUTLER, 527-60-7391
EVERT K. BYINGTON, 528-76-1777
HUBERT J. BYRD, JR., 259-68-3793
MICHAEL C. BYRNE, JR., 163-34-3090
DENNIS W. CALCATERRA, 459-62-7279
ROGER L. CAMP, 110-36-0826
WILHELMINA D. CAMP, 559-98-1055
DONALD R. CAMPBELL, 563-42-6778
JIMMY P. CAMPBELL, 315-40-4116
THOMAS H. CANTER, 527-58-5303
ANTHONY P. CAPOCCIA, 287-38-5922
JOHN T. CAPPS, 488-46-2716
GARY L. CARLIN, 548-68-7648
EMIL W. CARLSON, 131-34-7733
JOHN W. CARLSON, 474-50-0622
MELVIN W. CARR, JR., 248-64-3917
PEYTON T. CARR, IV, 558-62-9925
WILLIE W. CARR, 408-72-8828
RICHARD W. CARRICO, 261-66-1237
PAUL S. CARSON, 267-64-9253
ARVEL L. G. CASEY, 443-38-3439
GARY P. CASPER, 388-42-3697
GARY R. CASTLE, 532-40-9078
ROBERT CATANEO, 068-32-4600
ROBERT L. CATHERMAN, 519-48-6747
ROBERT L. CRAGARIS, 344-70-2818
BRIAN CHAMBERLIN, 462-70-5149
JOHN C. CHAMBERS, 139-34-2810
JOHN M. CHANCELLOR, 426-76-3583
LAWRENCE E. CHAPANAR, 294-38-7695
JAMES E. CHARLET, JR., 412-56-7163
FRED D. CHEEK, 486-46-7696
WILLIAM H. CHESTER, 273-40-7797
DUDLEY G. CHEWNING, 466-72-4381
PETE R. CHIERICOZZI, 233-62-7069
HERMAN S. O. CHING, 576-50-3477
JOHN L. CHRISTIAN, 434-62-5475
FRANCIS C. CHUBA, 201-34-6026
GERALD A. CHURCHILL, 533-44-2100
WILLIAM G. CIOFFI, JR., 009-32-3128
ALAN H. CLAIR, 099-34-2435
CARL C. CLARKE, 364-42-9357
CLYDE L. CLEM, III, 257-68-8348
RALPH S. CLEM, 558-62-2429
HARVEY S. CLEMENT, 562-70-2601
ROBERT R. CLEMONS, 520-66-0520
ROBERT P. CLERC, 032-28-6362
THOMAS G. CLINE, 292-40-8979
CHARLOTTE J. C. CLINGER, 243-84-1975
NOEL W. CLINGER, 282-42-9966
CHARLES A. CLOUGH, 020-32-7252
REGINALD P. COADY, 370-44-8944
ROBERT M. COCKEY, 149-34-5781
SHARON K. CODY, 541-54-7929
MICHAEL J. COFFEY, 579-58-9409
JAMES C. COLE, 516-48-6453
KENNETH L. COLE, 407-56-2216
JOHN J. COLEMAN, 415-68-5314
RONAL E. COLLIER, 051-38-8804
THELBERT J. COLLINS, 249-72-8972
WILLIAM D. COMPTON, 408-72-8017
DAVID H. COMSTOCK, 522-58-8903
JAMES A. CONINO, 298-32-9191
JOHN J. CONNELLY, 054-36-1665
JOSEPH L. CONOUR, 330-36-3688
WAYNE F. CONROY, 488-48-1067
GEORGE B. CONWAY, 112-34-9609
RANDALL A. COOK, 264-74-4187
WILLIAM E. COOK, 456-74-0099
JAMES M. COONEY, 193-34-1820
MICHAEL J. COONEY, 466-48-0448
JAMES S. CORBIN, 531-38-8801
THOMAS J. CORDELL, 345-30-7173
ROBERT H. CORDELLA, JR., 067-36-8536
DENIS A. COTE, 095-36-3560
BRENDA K. COUCH, 432-76-6946
JOHN S. COULTHARD, 531-42-2467
DAVID B. COVEY, 533-42-8946
GARY P. COX, 232-72-3724
GEORGE A. COX, JR., 022-34-2256
JON A. COX, 516-46-5173
SHERWOOD C. COX, 559-64-6034
ROBERT E. CRAIG, 049-32-0300
HAROLD C. CRAWFORD, 317-46-7568
THOMAS K. CROASDALE, 125-36-2931
LARRY D. CROON, 355-38-6492
GEORGE T. CRUM, 304-42-7475
ROBERT L. CUDDEBACK, 063-36-0815
GREGORY M. CUNNINGHAM, 544-44-2867
JAMES M. CUNNINGHAM, JR., 454-68-7735
MELVIN H. CYWINSKI, 341-36-8552
HERMANN F. DAFFNER, 147-30-8346
CHARLES B. DAGG, 531-40-6637
ROBERT L. DAHMER, 059-36-2804
GERRY H. DAILEY, 430-88-4396
WALTER E. DALCH, III, 414-70-8168
DWIGHT L. W. DALEY, 380-44-4887
STEVEN J. DALPORTO, 566-60-0774
FRANK P. DAMBECK, 122-32-3918
CARL P. DANN, 264-70-5025
RALPH E. DANTINNE, 145-34-8864
GEORGE N. DARROUGH, 571-50-1403
CHARLES H. DARVIN, 577-58-9925
GARY E. DAVIS, 244-70-4360
JOHNNY S. DAVIS, 424-54-3539
LARRY R. DAVIS, 396-40-6647
PAUL R. DAVIS, 462-64-0669
EDWIN W. DAY, 409-72-5495
JAMES M. DEAVER, 418-56-5161
HARRY C. DECKER, 025-32-1195
PETER G. DECKER, 526-60-8455
CRAWFORD A. DEEMS, II, 261-80-6119
ROGER D. DELLINGER, 536-44-3993
KENNETH C. DEMAREST, 438-64-4547
JAMES C. DENMAN, JR., 256-68-6696
FRANKLIN R. DENYSE, 158-32-835
HERBERT D. DEPP, 559-60-9756
ROBERT G. DERAAD, 504-52-4763
OSLY F. DERAMUS, 443-44-1631
RODNEY P. DEREGO, 023-34-4068
EARL J. DEROCHE, JR., 437-74-2391
ROSS C. DETWILER, 135-38-0246
RONALD J. DEUTCH, 509-44-1997
PHILLIP A. DIBB, 386-42-4409
JOHN L. DIESEM, 207-32-0053
RICHARD T. DIETRICH, 189-34-9542
SAMUEL DIGIROLAMO, 490-52-3339
THEO R. DILTZ, JR., 254-68-9928
HAROLD R. DOBBS, JR., 420-56-2655
JAMES O. DOCHTERMAN, 478-52-1624
ROGER S. DONG, 662-60-4313
KENYON E. DONOHEW, 423-60-6719
CHARLES R. DOUGHERTY, JR., 165-38-0448
THOMAS B. DOUGLAS, 455-68-4522
JAMES F. DOUGLASS, 366-34-3128
WALTER D. DOUTHITT, III, 177-38-3411
JERILYN DOYLE, 015-34-7103
WILLIAM C. DRAKE, 251-66-9914
SAMUEL W. DRESSLER, 229-56-9838
JOHN J. DROTOS, 292-38-5866
ROBERT J. DUCAT, 013-34-5080
DEREK L. DUKE, 252-64-4531
DAVID E. DUMMER, 470-52-2586
DAVID E. DUNGAN, 099-32-0099
ANDREW J. DUPONT, JR., 264-58-4766
DAVID DURICA, 300-34-1797
ROGER L. EBERHARDT, 394-40-8840
TERRY M. EDDLEMAN, 239-68-5968
RONALD E. EDINGER, 299-36-2679
WILLIAM S. EDWARDS, JR., 479-50-8215
DONALD B. ELEY, 291-40-8623
ISAAC E. ELIZONDO, 456-72-5298
ANTHONY V. ELLINGTON, 258-60-2866
RONALD G. ELLIOTT, 483-52-9989
JAMES E. ELLIS, 076-36-9389
LARRY B. ELY, 230-62-0410
RONALD W. EMBERTON, 317-46-1335
PASCHAL A. ENGLISH, JR., 258-66-2872
LARRY L. ENYART, 478-52-8237
NORMAN R. EPSTEIN, 249-64-4970
RICHARD F. ERICKSON, 010-32-5283
WALTER M. ERNST, JR., 046-30-7382
LARRY T. ESKEW, 232-66-5532
JOHN D. ETCHEMENDY, 517-52-7578
SCOTT A. ETNYRE, 330-38-3009
WILLIAM E. EVANS, 341-36-3114
JAMES J. FALLS, 055-36-9334
COLBERT D. FARLEY, 436-82-2818
EARNEST L. FARNSWORTH, 825-92-0306
ROBERT T. FARRAR, 261-72-0439
MICHAEL G. FARRELL, 242-68-3033
RONALD W. FEHER, 296-36-9765
DAVID W. FEY, JR., 338-38-4020
ROBERT E. FIELDS, 548-58-4553
JAMES A. FINBRAATEN, 476-48-2119
PAUL L. FINK, 171-34-7161
ROGER R. FISCHER, 196-32-2817
CARLTON L. FISHER, 578-60-7009
STEPHEN M. FISHER, 266-68-2394
STUART C. FITTS, 044-36-4064
JOHN J. FITZPATRICK, JR., 193-32-5797
THOMAS J. FITZPATRICK, 475-46-7386
JAMES V. FITZSIMMONS, JR., 217-38-7013
EDWIN L. FLEMING, 164-34-9037
BERNARD N. FOGARTY, 062-36-2760
WILLIAM T. FOLLIS, 531-42-8803
JOHN W. FOLTZ, 372-42-4950
GENE H. FONG, 454-50-7821
KENNETH C. FOSTER, 225-52-3854
LANCE R. FOSTER, 507-54-9531
WAYNE C. FOSTER, 247-76-1158
CHARLES R. FOX, 452-66-5114
JOHNNY R. FRANCIS, 485-70-3918
MARILYN E. FRANCIS, 299-38-7302
PAUL S. FRANK, JR., 219-32-5000
JAMES D. FRANKEN, 357-34-8510
ERNEST E. FRICKS, JR., 142-38-0212
PHILLIP M. FRIDAY, 113-32-6292
DELMER H. FUCHS, 283-38-0391
KENNETH M. FUHRMANN, 306-44-6003
ALLAN T. FUJIMOTO, 576-44-3903
CLARENCE N. FUKUMOTO, 575-46-4438
DARRELL P. FULLER, 375-40-4917
HENRY C. FURCHES, JR., 241-64-0006
MICHAEL R. GAAN, 576-46-4405
JOHN E. GALLIVAN, 520-46-2840
MURRY P. GANDY, JR., 408-74-1941
JOSEPH P. GANGWISCH, 021-34-0396
MIGUEL GARCIA, 464-58-4008
ROBERT C. GARRETT, 459-70-5726
WILLIAM R. GARRITY, 017-32-4905
JOSEPH T. GATES, 245-82-2397
KENNETH L. GATES, 425-82-4688
JEFFREY A. GEARY, 292-44-3815
NEAL W. GENTRY, 463-68-4397
JAMES E. GERINGER, 520-50-4169
ALAN A. GHIZZONI, 301-36-9810
STANLEY P. GIBSON, 046-34-3659
LEE H. GIDNEY, 535-48-6087
ALAN R. GIERKE, 471-48-2883
ROBERT GIFFORD, 056-36-3926
JEFFREY A. GILBERT, 185-36-0441
MICHAEL N. GILES, 267-70-3647
ALLEN K. GILLETTE, 080-30-7909
HOWARD D. GILLETTE, 058-34-4690
RICHARD A. GILLHAM, 455-72-6417
RICHARD J. GILMORE, 509-42-6562
ELWOOD P. GLASER, 204-32-3876
MARCUS P. GOBER, 451-60-8118
EDWARD R. GOETTL, 475-38-2726
JOHN L. GOETZ, 526-58-8863
GARRETT G. Y. GOO, 576-46-3547
WILLIAM F. GORDON, 448-48-8896
LAWRENCE T. GRABOWSKI, 350-36-5215
HARRY F. GRANT, JR., 219-48-1668
JAMES D. GRANT, 538-42-4181
WILLIAM N. GRANT, 280-42-0741
DANIEL B. GRAY, 267-78-4086
LEROY C. GRAY, 517-46-1739
ROBERT J. GRAY, 395-42-1520
MARK E. GREENHALGH, 568-62-1006
PAUL R. GREENWADE, 549-78-5179
GERALD L. GREENWOOD, 354-42-6417
THOMAS P. GRIFFIN, 492-38-6366
RICHARD A. GROBEN, 067-36-5820
ROGER S. GROSS, 100-34-8177
RICHARD V. GUARRIELLO, 090-36-1042
CLAUDE B. GUEST, III, 258-66-6164
COUNTESS D. GUILES, 448-42-7465
RICHARD S. GUISE, 160-38-5739
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### IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE OFFICER BE APPOINTED IN A GRADE HIGHER THAN CAPTAIN.

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HANS P. VONMILLA, 193-53-2809
THEODORE T. VROMAN, 126-38-2523
VICTOR P. WADE, 260-21-4760
MARK R. WAGNER, 228-82-2819
STEVEN M. WAGNER, 285-52-4709
BRANDON S. WAGONER, 217-76-8209
EDWARD F. WALDO, 276-50-3006
LEWIS P. WALDRON, JR, 293-54-4169
MICHELLE L. WALDROP, 251-27-5283
SANFORD WALKER, 001-38-9907
THOMAS B. WALKER, III, 261-25-6843
DAVIS M. WALLETTE, 569-37-6202
JOHN J. WALSH, 207-46-1013
WILLIAM P. WALSH, 374-70-8045
LAWRENCE J. WALTER, 509-72-1781
DOUGLAS D. WALTERS, 508-88-4286
BLANE L. WAMPLER, 364-56-3567
CHRISTOPHER W. WANK, 043-52-0023
RAYMOND C. WARD, 128-54-1991
PAUL J. WARDEN, 365-78-0204
GREGORY M. WATKINS, 442-70-2804
GLEN P. WATTMAN, 085-44-6351
DAVID O. WATTS, JR, 478-56-6730
MARY A. WAWRZYNIAK, 397-62-6521
JOHN W. WAYNE, IV, 230-76-4676
TERRIE D. WEAVER, 435-19-3433
LAURI A. WEBB, 431-35-2610
JOHN T. WEDLER, 486-56-6906
GREG M. WEIDEKAMP, 213-72-8737
ALAN C. WEISMANN, 161-44-7681
GARY L. WELCH, 469-60-5062
WILLIAM C. WETHOR, 504-88-5579
ERIC S. WETZEL, 173-32-5123
BARBARA J. WHEELER, 267-43-6865
THOMAS G. WHITE, 262-19-2536
TIMOTHY L. WHITMIRE, 068-56-2469
JEFFREY A. WHITTALL, 543-64-4480
DOUGLAS E. WICK, 532-56-7638
JEFFREY R. WICKERSHAM, 236-27-5130
TIMOTHY D. WIECK, 386-84-9673
RANDALL R. WIEMER, 264-77-6768
JONATHAN D. WIENER, 148-56-8176
KENNETH R. WILCOX, 265-15-2455
GARY W. WILDERMUTH, 265-32-4915
MARY K. WILHELM, 394-76-3326
MICHAEL A. WILKE, 403-92-0840
TRACY L. WILLCOXON, 509-60-6605
GLEN N. WILLIAMS, JR, 455-31-6970
JOJI WILLIAMS, 549-33-2285
THOMAS E. WILLIAMS, 194-56-0836
ROBERT A. WILLIAMSON, JR, 253-94-6362
DAN W. WILLIS, 291-68-1281
CHARLOTTE L. WILSON, 259-21-3355
JEFFREY C. WILSON, 576-60-2782
VINCENT MARK WINEGARDNER, 487-64-4170
DAVID A. WOLFF, 140-42-8452
WAYNE R. WOLFF, 555-06-1432
JEFFREY R. WOOD, 090-50-6235
ROBERT M. WOOD, JR, 527-27-0220
ROGER A. WOOD, 273-58-1288
SCOTT A. WOOLWINE, 227-98-6118
STEPHEN A. WORTENDYKE, 267-69-5577
FOREST B. WORTMAN, 381-78-1010
DENNIS P. WOXEN, 279-68-8472
CHRISTOPHER P. YANDOW, 009-58-0643
KEVIN E. YEATER, 232-98-5846
JEFFREY YEPEZ, 059-60-1785
JOHN M. YOCCA, 547-35-0416
BRIAN D. YOLITZ, 391-78-5559
NICHOLAS J. YONKER, 540-82-2563
RAYMOND E. YOST, 075-54-3851
JANET A. YOUNG, 220-66-9653
JOHN D. YOUNG, 256-13-2172
JOHN R. YOUNGS, 381-82-8458
JEFFREY W. ZAK, 095-48-5843
RAYMOND P. ZALENSKI, 151-42-1913
DEBRA J. ZATORSKI, 311-70-8835
MARK J. ZECHMAN, 079-54-9628
KEVIN E. ZEITZ, 047-66-7237
PATRICK J. ZELECHOSKI, 547-98-9655
MICHAEL V. ZERBY, 280-68-9439
CHARLIE W. ZETTEROWER, 476-68-9994
GERALD T. ZIEGLER, 369-82-5070
STEPHEN C. ZINK, 493-76-4135
BRIAN P. ZUROVETZ, 461-29-1863

### IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3383:

### ARMY PROMOTION LIST

### *To be colonel*

JOHN T. BARBER, 058-30-0385
JAMES L. BASEY, 332-32-6697
THOMAS DEAS, 442-58-7753
RONALD J. GIENEART, 478-36-7591
GUY H. HANCOCK, 541-34-2471
RENE C. JACQUES, 437-52-7993
L. WILLIAM KEHE, 481-48-7092
JAMES S. KIMURA, 575-40-7692
GALEN M. NARIMATSU, 576-34-0859
JOHN M. O'CONNELL, 471-50-0097
RODNEY D. RUDDOCK, 198-54-9485
BILLY C. WADE, 500-40-7820
KEN YOSHITANI, 558-56-5770

### MEDICAL CORPS

*To be colonel*

DOMINICK J. ANDINO, 132-16-8140
PAUL D. CRARY, 283-34-3608
JACK A. DANTON, 170-36-9266
EDWARD C. MURPHY, 304-52-5913

### MEDICAL SERVICE CORPS

*To be colonel*

MARTIN R. BRIAN, 187-30-4004
GEORGE SERRANO, 046-34-1518
WALTER E. SHAIN, 481-44-9963

### ARMY PROMOTION LIST

*To be lieutenant colonel*

MICHAEL R. ALLEN, 509-48-3485
ROMAN J. BAKKE, 099-36-1451
FRANKLIN BARTON, 252-62-9559
WILLIAM V. BLOUNT, 465-68-6691
JAMES R. BURNS, 174-36-2566
JOSEPH CAMPANO, 001-34-3074
EDWARD J. CANNINO, JR, 197-32-4853
RICHARD S. COLT, 100-34-4147
THOMAS R. DUFFY, 122-38-3570
CLIFFORD L. DUNOEY, 342-42-0809
JOHN E. ERICKSON, 338-44-1060
PAUL F. FARINELLA, 118-38-0289
NEAL M. FRANKLIN, 420-60-0445
RULAND J. OILL, JR, 529-58-4095
RICHARD J. OREEN, 814-44-4178
DAN K. OUNNELS, 256-72-8435
FRED C. HANNUM, 264-64-6514
RONALD L. HURTT, 549-46-8627
WILLIAM J. JENKS, III, 497-46-9285
GEORGE A. KATZ, 463-68-6124
WILLIAM E. MANDERY, 118-32-7093
DENNIS E. MATTHEWS, 143-34-7105
MIKE METCALF, 432-82-4269
CARLOS D. PAIR, 420-68-7262
MYRON R. PERKINS, 017-34-9638
ARCHIE L. ROBERTS, 405-54-7438
CARL H. SANBORN, 006-46-3782
ROBERT M. SHIRILLA, 556-78-2204
ROBERT M. SLAUGHTER, 254-76-5367
TIMOTHY W. TOLER, 437-64-9466
WILLIAM C. TUCKER, JR, 431-62-5306
ROBERT M. TUTTLE, JR, 226-60-9564
JOHN E. WOHRLE, JR, 069-44-4556
RODGER O. WOLJUER, 383-40-5183

### CHAPLAIN

*To be lieutenant colonel*

JOHN W. HOFFMAN, 154-32-0182

### ARMY NURSE CORPS

*To be lieutenant colonel*

MARIANNE L. DARDEN, 148-42-3006

### MEDICAL CORPS

*To be lieutenant colonel*

ROBERT H. ROSWELL, 445-52-9956

### MEDICAL SERVICE CORPS

*To be lieutenant colonel*

ALBERT L. KEMP, JR, 497-44-4724

### ARMY MEDICAL SPECIALIST CORPS

*To be lieutenant colonel*

SUSAN K. ST JOHN, 396-52-2608

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3366:

### ARMY PROMOTION LIST

*To be lieutenant colonel*

SANDY L. ROYSTER, 243-58-0965
JOHN J. WITMEYER, III, 436-66-7443

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3359:

### DENTAL CORPS

*To be lieutenant colonel*

ERNEST F. KRUO, III, 155-36-8731

### MEDICAL CORPS

*To be lieutenant colonel*

CARL D. BROWN, 441-46-9363
RICHARD A. REID, 543-60-8764

### IN THE ARMY NATIONAL GUARD

THE FOLLOWING-NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3385:

### ARMY PROMOTION LIST

*To be colonel*

ALFRED E. CHILDRES, 254-54-2318
JAMES R. DECKER, JR, 360-28-9333
RAY Z. DISSINGER, 171-36-8415
EDWARD J. EHRMANTRAUT, 502-32-6536
JAMES W. EMERSON, 236-58-0087
JOHN L. FASCIA, 318-30-7434
ALEX R. OARCIA, 325-82-7472
AUSTIN S. ORATON, 002-28-9949
FRED W. OUSTIN, 506-56-2623
JOHN F. HARKINS, 200-34-1577
HENRY E. HARPER, 130-36-2568
LAURIN R. HOOD, 482-58-1473
JAMES L. JONES, 425-58-9690
WILLIAM C. KANE, 231-48-2140
RONALD E. KILCREASE, 438-50-3787
KRIS E. LARSEN, 549-68-8404
JAMES L. LOCKE, 267-44-9880
JOHN S. MARTIN, 300-34-4016
WILLIAM MIRANDA-MARIN, 582-78-7493
JEROME H. MOONEY, III, 528-66-6591
MARION L. MURRAY, 466-50-4893
GLENN E. PECK, 552-44-0463
RONALD E. RITCHIE, 319-32-5275
RICHARD M. RUSCH, 532-32-4859
JERRY W. SIMPSON, 432-60-4111
TONY L. STANSBERRY, 491-48-6020
MARVIN D. SULLIVAN, 427-70-9801
NORMAN A. THOMAS, 543-40-1069
BOBBY O. WEBB, 340-68-1328
THOMAS R. WILLIAMS, JR, 256-46-8000

### MEDICAL CORPS

*To be colonel*

JEROME H. LUKER, 429-72-1130

### MEDICAL SERVICE CORPS

*To be colonel*

NOAH D. DANIEL, 415-82-0340

### ARMY PROMOTION LIST

*To be lieutenant colonel*

GERALD L. ANDERSON, 485-56-3191
ROBERT D. ANTUONO, 036-34-9023
CHARLES F. BALDWIN, 481-68-7478
DENNIS L. BLISS, 145-30-3202
THOMAS D. BURKHEAD, 480-66-0899
LOUIS A. CABRERA, 872-74-2795
RUSSELL F. FURSTNOW, 570-64-1217
MAX D. JOHNSON, 525-92-9147
CHARLES W. LINDSEY, 427-84-6706
DAVID N. LOVELESS, 139-34-6633
WILLIAM A. LUOMA, 377-46-2850
SALVATORE J. MAZZOTTA, 172-32-3193
ROBERT E. MCCULLOUGH, 316-46-1936
STEVEN L. MELANCON, 427-90-1926
JOSEPH B. MOSS, 425-98-9340
DAVID L. PETERSEN, 504-54-9633
BRIAN F. PHIPPS, 041-36-9760
BRUCE W. PIERATT, 400-60-4901
MARK V. RHETT, 248-66-4373
FRANK E. RICHARDSON, 394-38-4748
GEORGE A. ROOIC, JR, 314-44-3876
JOSEPH D. SALTZMAN, 433-64-2563
RAMON S. SANCHEZ, JR, 525-88-4573
DENNIS M. SAVAGE, 044-28-5786
STEPHEN R. SCHAEFFER, 282-36-7536
JAMES V. SCURLOCK, 430-90-1085
ROGER L. SHIELDS, 428-90-1066
PAT W. SIMPSON, 457-74-6600
THOMAS S. SMALL, 532-40-9384
JOHN STURNER, 474-44-9960
LARRY WARE, 379-40-4238
FRANK W. WHIPPLE, 504-52-9259
BRUCE R. WHITMAN, 373-44-4896
ROBERT E. WIDHALM, 489-42-7373
CLARENCE A. WRIGHT, 009-30-5048

### CHAPLAIN

*To be lieutenant colonel*

KEITH R. KIKEL, 528-62-6101
MARK A. LINDER, 430-76-7055
GORDON A. WESTENSKOW, 541-48-0929

### ARMY NURSE CORPS

*To be lieutenant colonel*

CAROL A. BROWN, 176-36-4187
MAYO P. MORRIS, 069-30-8627
LINDA S. ROBERTS, 383-52-0619

### MEDICAL CORPS

*To be lieutenant colonel*

SUBHI D. S. ALI, 528-68-8366
FREDRICK H. BRONSON, 387-36-9706

### MEDICAL SERVICE CORPS

*To be lieutenant colonel*

STANLEY O. COLE, 516-50-9320
DONALD L. FINKENKELLER, 552-62-8821

### VETERINARY CORPS

*To be lieutenant colonel*

ROBERT E. GOOD, 464-48-4491

### IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

### JUDGE ADVOCATE GENERAL'S CORPS

*To be colonel*

JAMES R. BAKER, 536-40-1333
FERDINAND D. CLERVI, 489-46-2578
JOSEPH C. FOWLER, JR, 102-36-5718
CHARLES R. FULBRUOE, III, 371-48-0647
FITZHUGH L. GODWIN, JR, 230-56-7994
ADRIAN J. ORAVELLE, 273-38-1562
STEPHEN J. HARPER, 524-64-9177
JOHN T. HOLLOMAN, 578-58-2055
JOHN R. HOWELL, 426-78-9920
WALTER B. HUFFMAN, 454-72-7206
CRAIG C. JACOBSEN, 261-73-1788
WAYNE R. JOHNSTON, 429-90-8113
THOMAS M. KULLMAN, 423-52-2478
DANIEL B. LIMBAUGH, 358-40-0985
PATRICK J. MACKEY, 538-42-0638
VAHAN MOUSHEGIAN, JR, 228-58-7097
PAUL A. ROBBLEE, JR, 230-60-5181
RAYMOND C. RUPPERT, 158-38-5540
RICHARD D. RUSSELL, 445-40-6728
BRYAN R. SCHEMPP, 075-38-2290
GREGORY O. VARO, 014-38-8360
RIGOS L. WILKS, JR, 459-62-4773
ROBERT P. WILLIAMS, JR, 404-56-9723
DAVID C. ZUCKER, 486-52-1655

### DENTAL CORPS

*To be colonel*

RONALD F. APPLEBY, 386-38-9567
DAVID A. BERNSTEIN, 185-36-3642
THOMAS D. BLANEY, 075-38-0316
ARLIE E. BURNHAM, JR, 524-56-8625
JACK D. EARLEY, 444-40-0921
ULRICH FOERSTER, 393-44-5296
WILLIAM F. FRECCIA, 148-36-2592
JOHN J. OARY, 079-36-0618
JOHN W. OUINN, III, 267-82-3263
GERALD W. HARVEY, 506-54-0591
JEFFREY O. HOLLINOER, 075-40-8235
JAMES C. HOOTS, 399-50-8145
ERIC S. KOPPELMAN, 154-30-6377
WILLIAM A. KRANTZ, 133-34-2504
MICHAEL F. LASCHER, 075-38-0260
CHARLES H. LILEY, 490-54-9235
JOHN D. RAJNIAK, 286-48-4349
TODD R. RIDDELL, 324-40-7759
JOHN A. ROLLOW, IV, 430-80-3941
CARLOS P. SALDANA, 463-73-6059
DONALD W. WELLS, 231-32-8781
GENE WITHROW, 411-68-2548

### MEDICAL CORPS

*To be colonel*

ARTHUR O. ANDERSON, 065-36-8818
DAVID R. BACON, 408-66-3601
JAMES D. BALES, JR, 430-94-9448
LARRY E. BECKER, 480-53-4291
RALPH D. BERNIER, 442-34-6449
MARSHALL B. BISCHOFF, 336-30-4239
WILLIAM O. BISSELL, 540-54-4021
PETER W. BLUE, 274-38-0518
JOHN M. CARPER, 174-20-7236
ROGER F. CHAMUSCO, 474-70-4930
LUKE S. CHUNO, 102-50-8104
KENNETH L. FARMER, JR, 419-72-7073
GEOFFREY M. ORAEBER, 069-36-1818
RENATA B. OREENSPAN, 084-46-7037
ROBERT E. HALES, 345-42-4562
ERIC W. KRAUS, 100-32-5706
FREDERICK C. LOUOH, JR, 134-40-6442
CHARLES K. MCALLISTER, 352-70-5832
JAMES MCKOY, 245-70-7763
HAROLD F. MOESSNER, 508-54-8028
JOSE J. MONSIVAIS, 450-17-8949
MICHAEL R. MOON, 080-38-0208
DAN C. MOORE, 408-74-1246
WOO C. PAIK, 395-54-4294
JOHN POPE, JR., 177-38-7631
JERRY E. SIMS, 333-36-0709
ARTURO T. SISON, 526-80-7669
JORGE C. SRABSTEIN, 217-62-5967
HAROLD L. TIMBOE, 569-58-9807
JOHN P. TOMLINSON, III, 262-48-3971
WILLIAM O. WALCOTT, 041-30-4077
JOSEPH C. WOODS, 378-44-5541
ANTHONY P. ZAVADIL, III, 057-36-9596

### MEDICAL SERVICE CORPS

*To be colonel*

KENNETH B. ASPINALL, 508-58-1115
DOUGLAS A. BARTON, 307-48-0473
WILLIAM R. BELL, JR., 018-34-0060
WILLIE H. BOYD, 424-58-5223
DOUGLAS A. BRAENDEL, 169-32-1571
WILLIAM W. BRAUN, 388-42-9013
SAMUEL A. BROWN, JR., 246-82-7994

RONALD P. CHILDS, 126-36-5867
CHARLES W. CHURCHILL, 506-54-8477
JOSEPH J. COSTANZO, JR., 156-34-2313
JAMES J. DAMATO, 145-34-4287
WILLIAM P. DEBREE, 145-30-6977
THOMAS M. DRISKILL, JR., 244-72-7775
JEROME V. FOUST, 445-42-0883
JESSE K. FULFER, 456-52-6789
ALFRED W. OILL, 503-44-9411
RICHARD V. OINN, 267-68-3369
GILBERT L. GOLDMAN, 536-42-0515
STERLING D. HAMMOND, 001-32-0032
FRANK R. HASH, JR., 430-76-1533
PATRICK S. HIU, 578-42-3433
FRANK B. HOLLAND, 330-56-8196
SCOTTIE T. HOOKER, 247-72-6459
RICHARD W. IHLENFELD, 392-40-1640
LARRY G. JOHNSON, 474-46-7243
PAUL F. KITTINGER, JR., 238-58-3591
BENJAMIN M. KNISELY, 263-64-2713
THADDEUS A. KRUPKA, 114-34-9730
ERNEST J. LENZ, JR., 073-30-6447
MICHAEL B. LESTER, 455-60-0352
JOSEPH F. LYONS, 176-34-6153
EARL R. MCKINSTRY, 503-48-4295
JAMES H. OSTRANDER, 504-52-1340
CURTIS A. PETERS, 447-42-7316
ROBERT O. PICK, 390-38-5656
JAMES W. ROBERTSON, JR, 526-58-9317
TERRAL L. RODMAN, 442-42-8382
JAMES A. SCHLIE, 481-48-2634
JEFFREY B. SCHULZ, 052-34-7953
DANIEL R. VOSS, 533-56-8164
JAMES T. WORTHAM, JR, 216-42-6460

### ARMY MEDICAL SPECIALIST CORPS

*To be colonel*

CLYDE H. BELL, JR, 263-66-7601
RUTH E. DEWTON, 151-28-4872
WILLIAM L. GOODWIN, JR, 249-78-7017

### VETERINARY CORPS

*To be colonel*

PHILLIP C. DEBOK, 543-44-3514
LEO L. KONERMANN, JR, 282-38-1833
CARL T. KYZAR, 458-78-4848
GEORGE E. LEWIS, JR, 267-66-5993
CHARLES P. RAFLO, 291-36-8773

### ARMY NURSE CORPS

*To be colonel*

BRUCE C. ALLANACH, 028-34-9485
DAVID R. ARROWSMITH, 514-44-4599
EUGENE G. BRILLANT, 066-28-7278
FREDRIC R. BROCKSCHMIDT, 436-62-6800
SHARON F. BYSTRAN, 542-50-4717
DIANE K. CORCORAN, 091-38-7329
HERBERT H. DINOBAUM, 352-40-5429
JENKINS C. GOLIGHTLY, 420-64-5759
KENNETH A. GORDON, 054-32-9935
BEVERLY A. OREENLEE, 450-76-9138
JAMES V. HESTON, 201-32-0904
MARGUERITE R. HUTCHESON, 298-40-5905
OLGA KALPAKOIAN, 019-34-1104
GLENN B. KNEPPER, 300-32-1356
JERRY D. LONO, 232-58-1964
JERILYN J. MALLORY, 539-40-3508
MARY M. MCCARTHY, 113-30-8466
FRANKLIN L. METCALF, 166-28-6370
RANDALL L. OLIVER, 463-52-4519
CAROLINE J. RAKIEWICZ, 161-38-7706
HELEN C. SCHOTZ, 452-56-9754
CHARLES R. THOMPSON, 236-68-6197

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## CONFIRMATIONS

EXECUTIVE NOMINATIONS CONFIRMED BY THE SENATE SEPTEMBER 9, 1987:

### DEPARTMENT OF STATE

MELISSA FOELSCH WELLS, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PEOPLE'S REPUBLIC OF MOZAMBIQUE.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

### THE JUDICIARY

DAVID BRYAN SENTELLE, OF NORTH CAROLINA, TO BE U.S. CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT.

# HOUSE OF REPRESENTATIVES—*Wednesday, September 9, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, for those whose talents and industry have built our land and given us the abundance of so many things. Bless all those who are the builders of our Nation—those who build with bricks and stone, those who build with ideas and programs, those who build with healing and reconciliation, those who build with the tools of the spirit. Bless all those whose lives are dedicated to using their abilities in ways that glorify You and who each day are building the common good. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BLAZ. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BLAZ. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 280, nays 80, answered "present" 1, not voting 72, as follows:

[Roll No. 313]

YEAS—280

Ackerman
Akaka
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
Baker
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bilbray

Boehlert
Boggs
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Chapman
Chappell
Clarke

Coats
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Craig
Crockett
Daniel
Darden
Davis (MI)
de la Garza
Dellums
Derrick
DeWine
Dicks
Dingell
Donnelly

Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Hertel
Hiler
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kasich
Kastenmeier

Kennedy
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Leath (TX)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mazzoli
McCurdy
McDade
McEwen
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Obey
Olin
Owens (UT)
Oxley
Packard
Panetta
Patterson
Pease
Pelosi
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Ravenel
Ray
Regula

Richardson
Rinaldo
Ritter
Roe
Rogers
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Scheuer
Schuette
Schulze
Schumer
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stenholm
Stokes
Stratton
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Torres
Torricelli
Traficant
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—80

Armey
Badham
Ballenger
Bentley
Billey
Brown (CO)
Buechner
Bunning
Burton

Chandler
Cheney
Clay
Coble
Coughlin
Courter
Crane
Dannemeyer
Davis (IL)

DeLay
Edwards (OK)
Emerson
Gallegly
Gallo
Gekas
Gregg
Hansen
Hastert

Henry
Herger
Hopkins
Hunter
Ireland
Jacobs
Kolbe
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren

Mack
Marlenee
Martin (IL)
McCandless
McGrath
McMillan (NC)
Miller (OH)
Molinari
Moorhead
Parris
Pashayan
Penny
Rhodes
Saiki
Saxton
Schaefer
Schroeder
Sensenbrenner
Sikorski

Skeen
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stump
Sundquist
Swindall
Vucanovich
Walker
Weber
Weldon
Wolf
Young (AK)

ANSWERED "PRESENT"—1

Gibbons

NOT VOTING—72

Alexander
AuCoin
Barton
Bevill
Biaggi
Bilirakis
Boland
Boner (TN)
Bonker
Boulter
Bruce
Callahan
Carr
Clinger
Collins
Coyne
Daub
DeFazio
Dickinson
DioGuardi
Dixon
Downey
Fields
Frenzel

Garcia
Gephardt
Gingrich
Goodling
Holloway
Houghton
Inhofe
Jeffords
Jenkins
Kaptur
Kemp
Kolter
Konnyu
Kostmayer
Lancaster
Lehman (CA)
Leland
Livingston
Lloyd
MacKay
Mavroules
McCloskey
McCollum
Morrison (CT)

Nielson
Oberstar
Ortiz
Owens (NY)
Quillen
Ridge
Roberts
Robinson
Rodino
Roemer
Roukema
Russo
Schneider
Shumway
St Germain
Stark
Studds
Sweeney
Swift
Tauzin
Thomas (CA)
Towns
Traxler
Upton

□ 1225

So the Journal was approved.

The result of the vote was announced as above recorded.

## PERSONAL EXPLANATION

Mr. UPTON. Mr. Speaker, despite leaving my hometown of St. Joseph this morning at 5:30, I ran into heavy fog that delayed planes in South Bend, IN, and Dayton, OH; and I subsequently took a bus to Chicago.

I missed the vote on the Journal. Had I been present, I would have voted "no."

## SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mrs. Emery, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

On August 10, 1987:

H.R. 27. An act to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes; and

H.R. 3190. An act to provide for a temporary increase in the public debt limit.

On August 13, 1987:

H.J. Res. 313. Joint resolution designating the month of August 1987 as "National Child Support Enforcement Month."

On August 18, 1987:

H.R. 318. An act to provide for the restoration of the Federal trust relationship and Federal services and assistance to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes;

H.R. 348. An act to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive service;

H.R. 921. An act to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over National Park System units;

H.R. 1403. An act to designate the U.S. Post Office Building located in St. Charles, IL, as the "John E. Grotberg Post Office Building";

H.R. 1444. An act to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs;

H.R. 2309. An act to amend the Christopher Columbus Quincentenary Jubilee Act;

H.R. 2855. An act to settle Indian land claims in the town of Gay Head, MA, and for other purposes; and

H.J. Res. 216. Joint resolution to support a cease-fire in the Iran-Iraq war and a negotiated solution to the conflict.

On August 20, 1987:

H.R. 812. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish the Malcolm Baldrige National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services;

H.R. 2971. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services, and for other purposes;

H.R. 3085. An act to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, PA; and

H.J. Res. 336. Joint resolution designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week."

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1451. An act to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991; to amend the Native Americans Programs Act of 1974 to authorize appropriations for such fiscal years; and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 155. Joint resolution to designate the period commencing on September 13, 1987, and ending on September 19, 1987, as "National Reye's Syndrome Week."

The message also announced that pursuant to Public Law 99-624, the Chair on behalf of the President pro tempore, appoints Mr. Armstrong, Mrs. Kassebaum, and Mr. McCain to the Eisenhower Centennial Commission.

The message also announced that pursuant to Public Law 93-29, as amended by Public Law 98-459, the Chair on behalf of the President pro tempore, appoints Newton Dodson of Mississippi, from private life, to the Federal Council on the Aging.

The message also announced that pursuant to Public Law 83-420 as amended by Public Law 99-371, the Chair on behalf of the Vice President appoints Mr. Inouye to the Board of Trustees of Gallaudet University.

## COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives.

Washington, DC,
*September 1, 1987.*

Hon. Jim Wright,
*The Speaker, House of Representatives,*
*Washington, DC.*

Dear Mr. Speaker: I have the honor to transmit herewith a copy of the certificate of election received from the Honorable Julia H. Tashjian, Secretary of State, State of Connecticut, and the Honorable William A. O'Neill, Governor of Connecticut, indicating that the Honorable Christopher Shays was elected to the office of Representative in Congress from the Fourth District of Connecticut in the Special Election held on August 18, 1987.

With great respect, I am,
Sincerely yours,
Donnald K. Anderson,
*Clerk, House of Representatives.*

State of Connecticut, Office of the Secretary of the State

This is to certify that on the eighteenth day of August, nineteen hundred and eighty-seven Christopher Shays was duly chosen by the qualified electors in the several towns comprising the Fourth Congressional District of the State of Connecticut a Representative of this State in the Congress of the United States for said District for the unexpired portion of the term ending on the third day of January, nineteen hundred and eighty-nine.

Given under my hand and the seal of the State of Connecticut, at the City of Hartford, this twentieth day of August, in the year of our Lord nineteen hundred and eighty-seven.

William A. O'Neill,
*Governor.*
Julia H. Tashjian,
*Secretary of the State.*

## SWEARING IN OF THE HONORABLE CHRISTOPHER SHAYS

The SPEAKER. Will the Honorable Christopher Shays, of Connecticut, kindly step forward and take the oath of office.

Mr. Shays appeared at the bar of the House and took the oath of office.

The SPEAKER. The gentleman from Connecticut is a Member of the U.S. House of Representatives.

Mr. FOLEY. Mr. Speaker, personally I say for this side of the aisle how warmly we welcome and greet the newly elected Member from Connecticut. We offer him and his family congratulations. We look forward to common service with him in the remainder of this Congress.

## HOUR OF MEETING ON TOMORROW

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 a.m. tomorrow, Thursday, September 10, 1987.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

## OFFICIAL PHOTOGRAPH OF THE HOUSE OF REPRESENTATIVES

Mr. FOLEY. Mr. Speaker, I offer a resolution (H. Res. 255) providing for the official photograph of the U.S. House of Representatives, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 255

*Resolved,* That at a time designated by the Speaker, the United States Capitol Historical Society shall be permitted to take official pictures of the House while in actual session for inclusion in the new edition of "We the People" and "The Capitol". The pictures shall also be available for legitimate nonprofit news and education purposes.

The SPEAKER. The gentleman from Washington [Mr. Foley] is recognized for 1 hour.

**Mr. FOLEY.** Mr. Speaker, I do not think this resolution requires extended debate, but I am not sure every Member heard the reading of the resolution.

Mr. Speaker, this resolution simply authorizes the official photograph to be taken of the House of Representatives on September 16.

**Mr. MICHEL.** Mr. Speaker, will the gentleman yield?

**Mr. FOLEY.** I yield to the gentleman from Illinois, the distinguished minority leader.

**Mr. MICHEL.** Mr. Speaker, I would underscore the importance of the Members' noting that date, on which we would certainly like to have a full complement of the House on the floor for that official picture; bearing in mind this is our 200th anniversary, I think this is a very historic picture, and that will be taken a week from today, if I am correct.

**Mr. FOLEY.** The gentleman is correct, and I certainly concur in his caution to all Members to bear in mind that this is the official photograph of the House of Representatives to be taken. We hope there will be a full attendance of the House.

The **SPEAKER.** The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER.** The Chair desires to make an announcement.

Pursuant to the provisions of House Resolution 255, the Chair desires to inform Members that the official picture of the House while in session will be taken immediately after the approval of the Journal when the House convenes on Wednesday, September 16, 1987.

## COMMUNICATION FROM THE CLERK OF THE HOUSE

The **SPEAKER** laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC,
*August 10, 1987.*

Hon. Jim Wright,
*The Speaker, House of Representatives, Washington, DC*

Dear Mr. Speaker: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 11:14 a.m. on Monday, August 10, 1987, the following message from the Secretary of the Senate: That the Senate passed without amendment H.R. 3085, H.J. Res. 313, H.J. Res. 335, H. Con. Res. 151, and H. Con. Res. 161.

With great respect, I am,
Sincerely yours,
Donnald K. Anderson,
*Clerk, House of Representatives.*

## ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER.** The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill and joint resolutions on Monday, August 10, 1987:

H.R. 812. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish the Malcolm Baldrige National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and service;

H.J. Res. 216. Joint resolution to support a cease-fire in the Iran-Iraq war and a negotiated solution to the conflict; and

H.J. Res. 313. Joint resolution designating the month of August 1987 as "National Child Support Enforcement Month."

And the Speaker pro tempore signed the following enrolled bills and joint resolution on Wednesday, August 12, 1987:

H.R. 3085. An act to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, PA;

H.J. Res. 335. Joint resolution designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week";

S. 1550. An act to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes;

S. 1591. An act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States; and

S. 1597. An act to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost-effectiveness study.

□ 1240

## COMMUNICATION FROM THE CLERK OF THE HOUSE

The **SPEAKER** laid before the House the following communication from the Clerk of the House of Representatives:

Hon. Jim Wright,
*The Speaker, House of Representatives, Washington, DC.*

Dear Mr. Speaker: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House as follows:

(1) At 2:35 p.m. on Thursday, August 27, 1987 and said to contain a special message from the President in accordance with the Impoundment Control Act of 1974, including Section 1014 (2 U.S.C. 685(a)); and

(2) At 11:02 a.m. on Monday, August 31, 1987 and said to contain a message from the President under the Federal Pay Comparability Act of 1970.

With great respect, I am,
Sincerely yours,
Donnald K. Anderson,
*Clerk, House of Representatives.*

## REVISED DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 100-102)

The **SPEAKER** pro tempore [Mr. Murtha] laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, September 9, 1987.)

## FEDERAL EMPLOYEES PAY ADJUSTMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 100-103)

The **SPEAKER** pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, September 9, 1987.)

## REPORT OF CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service:

(For message, see proceedings of the Senate of today, Wednesday, September 9, 1987.)

## ANNUAL REPORT ON FEDERAL ENERGY CONSERVATION PROGRAMS DURING FISCAL YEAR 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce:

(For message, see proceedings of the Senate of today, Wednesday, September 9, 1987.)

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## WELCOME TO THE 100TH CONGRESS, CHRISTOPHER SHAYS

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute.)

**Mrs. JOHNSON of Connecticut.** Mr. Speaker, it is a pleasure for me to have the opportunity to welcome my colleague, Chris Shays, the new Representative from the Fourth District, to membership in the House of Representatives, and to welcome his lovely wife, Betsy, and his charming daughter, Jeremy, who are with us today. I have worked with him many, many years in the State legislature, he in the House and I in the Senate. He is a man of great compassion and concern who has provided distinguished service to the people of Connecticut over many years and will distinguish himself in this body as we seek to make the difficult decisions around deficit reduction that require compassion and commitment as well as fiscal discipline for the long-term interests of us all.

Christopher Shays, Representative of the Fourth Congressional District in Connecticut, my congratulations.

## WELCOME TO THE 100TH CONGRESS CHRISTOPHER SHAYS

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute.)

**Mr. GEJDENSON.** Mr. Speaker, this is my second opportunity to be a colleague of Christopher Shays. We first were elected to the State house in Connecticut in 1974. In that year we cosponsored a half dozen or so pieces of legislation together.

I know in his efforts here he will reach out as his predecessor, Stewart McKinney, did beyond party lines in our small delegation to work for the people of Connecticut. I look forward as the dean of the delegation to working with him.

## WELCOME TO THE 100TH CONGRESS CHRISTOPHER SHAYS

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute.)

**Mr. ROWLAND of Connecticut.** Mr. Speaker, I, too, would like to add my congratulations to Chris and his family. His wife Betsy is here and his daughter Jeremy was on the floor a few moments ago. His parents, Bud and Peggy, are also with us.

One of the main reasons Chris had such a sound and strong victory in the Fourth Congressional District is because of the corps of young volunteers and people associated with the campaign.

Chris' hard work and dedication over the years in the State legislature where I was fortunate enough to serve with him for 4 years paid off. He will do an excellent job representing those constituents in the Fourth District. On election night, Stew McKinney's widow said, "Now it is time for you to fill your own shoes." Indeed, Chris will do a fantastic job filling his own shoes and filling the shoes of Stewart McKinney, and we in the Connecticut delegation are proud to have him aboard.

## WELCOME TO THE 100TH CONGRESS CHRISTOPHER SHAYS

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute.)

**Mrs. KENNELLY.** Mr. Speaker, it is my great pleasure to welcome Christopher Shays to this august Chamber, to the House of Representatives. Christopher Shays follows in a great tradition of Connecticut Representatives, Oliver Ellsworth, William Samual Johnson, and Roger Sherman, who began and worked and made such a difference in our Constitution.

I came the same way that Christopher Shays has joined our body. I came in a special election and know that he will have some lonely moments.

But the good side is that each and every one of us knows who Christopher Shays is. We salute him in his victory and we welcome him to be one of us.

Connecticut has had a proud tradition of really affecting what happens in this Chamber. We are a small State, but we are a State that works together.

Stew McKinney, Christopher Shays' predecessor, taught us all how we could go across party lines and how we can be nonpartisan, and as a result we can get things done. Christopher Shays looks to Stewart McKinney's memory to probably be almost as good a Representative as our Stewart McKinney was. We still miss him, but we are delighted and overjoyed to welcome Christopher Shays to the Congress of the United States of America.

## A BIPARTISAN SOLUTION IN CENTRAL AMERICA

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

**Mr. RICHARDSON.** Mr. Speaker, the main issue worrying my constituents during the August break was not trade, was not Central America, was not the budget deficit, was not the Bork nomination. The main concern voiced over and over was whether the President and the Congress could stop their fighting, call a cease-fire and start working together for a change.

People asked when are you characters in Washington going to stop squabbling about who is to blame for this and that and start addressing the major problems facing the country. The American people are uneasy and confused and frustrated.

This summer our country watched, courtesy of the Iran-Contra hearings, and saw their Government look foolish with laws broken and high officials lying. Yet despite these disappointments in the Government, the people are tolerant of our excesses. Deep down they believe that if we work together we can at least make some headway in our problems.

Before adjourning, the Speaker started the spirit of cooperation with a dramatic initiative of peace in Central America. Now it is up to you, Mr. President, to show whether you are ready to engage in this bipartisanship on Central America and on the decisive issues that need our united attention.

## DEMOCRACY IN THE PHILIPPINES

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

**Mr. BUECHNER.** Mr. Speaker, 4 years ago, Corazon Aquino left the United States a widow, mourning the death of her husband Nonoy Aquino. She returned to the Philippines to bury his democratic dream. Last September, this same woman spoke to the Congress as "Her Excellency," President of a free and democratic country.

In the shadow of her husband's death, President Aquino and her democratic government are once again in jeopardy. On August 28, 1987, mutinous troops loyal to ousted Defense Minister Juan Ponce Enrile attacked the Presidential palace and the government television and radio complex in an attempt to topple President Corazon Aquino's government, but soldiers repulsed the rebels—this time.

I acknowledge and applaud the immediate and firm hand President Aquino took in this latest attempted coup. But how long can the Philippine Government survive the nonstop turmoil that characterizes their daily life?

President Aquino and her family have turned to the United States for refuge during political upheavals and for guidance for political reforms. It is time for us to exhort President Aquino and her government to walk not in our footsteps, but by our side as a strong and steadfast democratic ally.

Today, I have introduced a resolution which praises President Aquino for her adherence to democratic principles and for her courageous acts in the face of unlawful violence against the government. But this resolution goes one step further. It supports the Government of the Philippines in its continued efforts to stop the threat to democracy advanced by the Communist and Moslem insurgents.

As President Aquino said to this august body last September, let us "build a new home for democracy, another haven for the oppressed, so it may stand as a shining testament of our two nations' commitment to freedom."

## CONFERENCE OF THE INTERNATIONAL FEDERATION OF MULTIPLE SCLEROSIS SOCIETIES

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, this morning I had the real pleasure of addressing the conference of the International Federation of Multiple Sclerosis Societies designed to join all international research efforts to eradicate MS.

Multiple sclerosis is a chronic, often disabling disease of the central nervous system. As of yet, there is no cure. At the heighth of the polio epidemic in the United States earlier in this century there were 57,000 active polio cases. Today in America there are over five times that number of active MS cases and an equal number of undiagnosed MS cases.

I am pleased that Mr. Kingsley Murphy, Jr., a constituent of mine is a U.S. delegate to the conference.

The Multiple Sclerosis Societies worldwide represent the finest characteristics of the human race. From all forms of society and political systems, these individuals are peacefully working together to rid the world of MS.

Welcome. May the conference provide to be the underpinning of finding the cause and cure for a disease affecting 2 million people worldwide.

## MR. SPEAKER, TALK TO THE PEOPLE OF CENTRAL AMERICA BEFORE YOU SPEAK

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, the gentleman from California [Mr. DORNAN] and I just arrived back from Managua, Nicaragua, and Honduras. I was very distressed to read upon our return that you said the Communist Sandinistas ought to be applauded because they appointed members of the NIC Peace Commission and are moving toward compliance with the peace accord.

Mr. Speaker, before we start applauding the Sandinistas I think it is important that you and your colleagues go down to Central America and talk to the people. Most of the people in Central America believe that the Sandinistas are buying time, that the Communists want the Contras to die on the vine. As a matter of fact approximately 70 percent of the people in Honduras, El Salvador, Guatemala, and Costa Rica want additional aid for the Contras according to a Gallop poll.

Mr. Speaker, you should go down to Central America and talk to President Azcona of Honduras who said to a Member of the other body that if the peace proposal does not work and if aid to the Contras is cut off and they die on the vine that approximately 50,000 troops, American troops, will be requested to be kept in Honduras to keep the peace down there, to protect those fledgling democracies from the Communist Sandinistas.

Mr. Speaker, go down there and talk to the wives and the mothers of the political prisoners, prisoners who are kept in those Communist prisons and are being tortured. These wives and mothers told us that they were not even able to get food because their rations have been cut off due to the fact their husbands and their sons are in those prisons.

Mr. Speaker, talk to the people of Central America before you make these statements. The Communists are not going to comply—they're just trying to buy time.

☐ 1255

## THE RISK ASSESSMENT BOARD

(Mr. GAYDOS asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. GAYDOS. Mr. Speaker, every year, according to Government estimates, as many as 100,000 workers die and as many as 400,000 are newly disabled due to diseases caused by workplace substances. And, every year, according to a 1984 Department of Labor study, these deaths and disabilities cost American taxpayers $5.4 billion in Social Security, Medicaid, and Medicare payments. H.R. 162, the High Risk Occupational Disease Notification and Prevention Act, is designed to save those lives and lower those costs.

The bill establishes a Risk Assessment Board to identify workers at high risk of developing occupationally related disease. The nine-member Board will be chaired by the Director of the National Institute for Occupational Safety and Health, and composed of eight people, four Government members—an occupational health physician, an epidemiologist, and toxicologist, and a biostatistician, plus four non-Government members—an occupational health physician, an epidemiologist, an occupational health nurse, and an industrial hygienist.

The National Academy of Sciences will recommend at least three appointees for each position, and the Secretary of Health and Human Services will decide who will sit on the Board.

The members of the Risk Assessment Board will identify workers at risk based on:

Statistically significant evidence from clinical, epidemiologic, or toxicologic studies.

The extent of the increased risk of illness or disease created by the occupational health hazard alone or in combination with other factors, including—but not limited to—diet and smoking.

The health consequences of notifying or failing to notify a population at risk; and

The extent to which risk has been reduced as a result of the enactment of substance-specific occupational health standards.

After the workers have been identified, NIOSH will notify them of their increased risk of developing an occupationally related disease. The notice will also encourage them to enter a medical monitoring program, which would permit detection of developing diseases at their earliest stages, when the cost of treatment is lowest and the chances for successful treatment are greatest.

At $25 million a year, H.R. 162 is a cost-effective program that identifies workers at high risk of disease, notifies those workers of the risks, and encourages medical monitoring. It's not a compensation bill, it's a program designed to save lives, and I urge my colleagues to support H.R. 162.

## HAPPY 100TH BIRTHDAY TO ALF LANDON

(Mrs. MEYERS of Kansas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.

Mrs. MEYERS of Kansas. Mr. Speaker, it is not often that we have the opportunity to witness the 100th birthday of an American political leader who continues to figure prominently in the affairs of the Nation, and warmly in the hearts of his countrymen.

Alf Landon was the 26th Governor of Kansas from 1933 to 1937. He was the nominee of the Republican Party for the office of President of the United States in 1936. His daughter, NANCY LANDON KASSEBAUM, continues his living legacy as a Member of the U.S. Senate.

It was Gov. Alf Landon who introduced the "cash basis law" in Kansas which today keeps Kansas cities and counties on a sound financial footing.

And it is the Landon lecture series at Kansas State University in Manhattan which has served since 1966 as a forum for discussion of public policy by Presidents and Vice Presidents of the United States, Members of Congress, members of the Cabinet, the Supreme Court, the news media, and by world

leaders from the Middle East to Central America.

Alf Landon has earned his place in Kansas and American history, and in the hearts of his countrymen, as an ordinary man who rose to prominence, striving for excellence, reaching great goals, suffering great disappointments, and all the while acting with great compassion and exercising great integrity, and using Kansas common sense.

Mr. Speaker, it is my great privilege as a Member of the 100th Congress to wish Alf Landon of Kansas a very happy 100th birthday.

## SOVIETS SHOULD LIVE UP TO THE STANDARDS ANNOUNCED BY MR. GORBACHEV

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, I had the privilege and the honor of being a member of the JIM WRIGHT congressional delegation that visited the Soviet Union in April of this year. In the course of a 2½-hour meeting the Wright Codel had with General Secretary Gorbachev, I asked him a question about the so-called security label. I asked him whether he had been quoted correctly on French television to the effect that if a person had a security label applied to them, it would be a nullity and irrelevant after 5, or at the most, 10 years because of rapid advances in science and technology. He said, "Yes, that is our position, that is the fact. You cannot have a security label that can last more than 5 or at the most 10 years when such a person is out of security work because their knowledge becomes history and obsolete.

Now, in this morning's New York Times, Mr. Speaker, there is a story on page A7 stating that the State Department is now negotiating with the Russians to establish some kind of order and process and maybe an end to the security risk label after 5 or 10 years.

Mr. Speaker, what the State Department should do is to press the Soviet Government to practice—in law and in fact what Mr. Gorbachev preached—unequivocally and unmistakably to the entire JIM WRIGHT congressional delegation.

This latest development is a minor example of the useful nature of congressional visits as a means of establishing an informal dialog between American officials and representatives of foreign governments.

Personal conversations and shirt-sleeve meetings can often lead to major policy decisions.

In this case, the Wright Codel established that Mr. Gorbachev believes that 5 years, or at the most 10 years, is the limit for security risk matters.

It is now up to the State Department to follow through on this issue.

## NICARAGUA IS A COMMUNIST HELLHOLE

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I returned with Congressman DAN BURTON of Indiana from my 13th trip to Central America, 3 just in the last 50 days. And what I saw down there after not having been in Nicaragua for over a year was the most desperate situation I have seen anywhere in the world, including the Soviet Union—not talking about numbers now but prorated to the population—and including Hanoi itself which I visited twice as a Congressman. I was in Haiti a few weeks ago. Haiti is bad, it is the poorest country in the Western Hemisphere. Yet there is more joy and freedom and goods to buy in the shops in this terribly poor country than there is in Nicaragua. Nicaragua has a prison system where the head of the secret police, the Minister of Interior, Tomas Borge, finally admits to the highest figure ever, 8,800 prisoners. That is the highest prorated political hellhole, to the population, barely over 2 million people, in the whole world.

When I lined up as did the prior speaker, Mr. SCHEUER and Mrs. BOGGS of Louisiana and the Clerk of the House, Donnald K. Anderson and listened to the mothers, mothers of doctors and lawyers, mothers of just peasant sons who have been arrested all over their country, their wives, their sisters have been breaking down crying in front of you, I am telling you, Mr. Speaker, I still support the Wright-Reagan plan but I am counting the days, and they are painful, 21 to go tomorrow, and then I want to cut loose and support the democratic resistance because this is a Communist hellhole down there. No Member should vote unless he takes that 4-hour and 15-minute flight down to Managua, Nicaragua, the Communist hellhole of the world, not just the Western Hemisphere.

## WE ARE PROTECTING THE PRESIDENT'S EGO

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the President's plan to block Soviet expansion in the gulf has backfired. Despite a huge military buildup and presence over 90 percent of gulf shipping remains unprotected. In fact, let us face it, the only real thing that we are protecting is the President's ego. And it has become the most expensive ego in world history and that is telling it the way it is. Instead of checking Soviet influence in the gulf he has enhanced it. Our policies and practices have made and escalated the Soviets into a position as peacemaker in the gulf. How misdirected and foolish could this policy be?

It is time for the President to admit he made a mistake and invoke the War Powers Act. Our troops are still in a very hostile territory. And remember this, if he does not, it will be no skin off of his nose but unfortunately our troops are subject to an awful lot of consequences.

Think about it.

## BRAILOVSKY GIVEN PERMISSION TO EMIGRATE

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, I was pleased to learn earlier this week that several long-term Soviet refuseniks finally have been granted permission to leave the country, including Viktor Brailovsky. When I came to Congress in 1981, I adopted this refusenik. Since then, I have been closely following his progress and have consistently written to the Soviet leadership urging his release.

Over the past 15 years, Brailovsky's requests to emigrate to Israel were denied ostensibly because of charges that he had knowledge of state secrets. Like all Soviet refuseniks, he and his family have suffered incredibly because of their desire to leave the Soviet Union.

As the Soviets prepare for talks between Secretary Shultz and Soviet Foreign Minister Eduard Shevardnadze later this month in New York, I hope that more refuseniks, such as my other adoptee Vladimir Kislik, will be allowed to follow the Brailovskys to Israel. We must keep in mind that these recent releases are motivated by current arms control negotiations and, unfortunately, are not the result of some fundamental change in the Soviet view of human rights and their obligations as a signatory to the Helsinki accords.

## WHY ARE WE ABANDONING ONSITE INSPECTION AS PART OF VERIFICATION?

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and President Reagan, I have steadfastly supported your initiatives in the buildup of national defense, in foreign policy matters, in disarmament questions, but I am sorely taken aback by the prospect of losing the onsite inspection which we sought so carefully over the last generation as part and parcel of any agreement that we should reach with the Soviet Union on disarmament.

I am ready to support you, Mr. President, in any initiative at Geneva or elsewhere on disarmament but someone has to explain to me why we are abandoning onsite inspection as part of verification. As Georgi Arbatov who is the No. 2 man, or was, close to Gorbachev, in a "Nightline" broadcast in November 1985, in a question which I posed to him, was ready to accede that the Soviet Union was ready to discuss onsite inspection, in laboratories, at nuclear sites, wherever. And now when all of the world is poised for the disarmament agreement it is the United States who has receded from what we had deemed a necessity for onsite inspection as part of verification. I am not going to abandon you, Mr. President, in your efforts for disarmament agreements, but someone has to tell me why we are abandoning onsite inspection.

## THE 100TH BIRTHDAY OF ALFRED LANDON

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, I rise today to join Kansas and the Nation in wishing the senior political leader of the Grand Old Party a happy birthday. Today, Alf Landon, former Governor of Kansas and one-time Republican Presidential candidate, celebrates his 100th birthday.

Alfred M. Landon's influence on American politics has been a mixture of Kansas common sense and independent thinking.

Landon displayed these characteristics throughout his distinguished career; perhaps most notably in 1912 when he supported Teddy Roosevelt's "Bull Moose" effort, and again in 1952 when he backed Senator Taft over Kansas native son Dwight Eisenhower for the Republican Presidential nomination.

It was the same determination of spirit—the same strong independent streak, that made him one of the most sought after advisers of Presidents and politicians from both parties for well over half a century.

This is a remarkable tribute to a man who served just 4 years in public office. He was elected Governor of Kansas in 1932 and reelected in 1934. His next, and last, race was for President of the United States in 1936.

Happy 100th birthday to Alf Landon, a man who has played an important and influential role in shaping this Nation's political history.

## QUALITY OF AIDS RESEARCH IN VETERANS' HOSPITALS

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, I rise today to thank the Veterans' Affairs Subcommittee on Hospitals and Health Care and Chairman Sonny Montgomery for calling for a hearing in San Francisco on AIDS treatment demands and Veterans' Administration's research efforts.

It was my pleasure to welcome Dr. Roy Rowland and Representative Ken Gray of the subcommittee to San Francisco for these important hearings during the August recess.

I also appreciate Dr. Rowland and the committee's cooperation in visiting San Francisco General Hospital and other sites which are valuable resources in battling the AIDS crisis.

Because of Dr. Rowland's knowledge and training as a doctor, the hearing and the visit were, I believe, very productive.

The quality of AIDS research in the veterans hospitals and the interest of the subcommittee gives us hope in the fight against AIDS. Thank you Chairman Montgomery, Dr. Rowland, and Representative Gray.

□ 1310

## NEGOTIATIONS ON NICARAGUAN PEACE PLAN THREATENED

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, we are faced with an unprecedented opportunity to change the course of history in Central America. On August 7 the Presidents of five Central American countries signed a historic peace agreement. While there are still unresolved problems, no one in the region has abandoned the negotiating process—no one, it seems, but the Reagan administration.

Despite its initial declaration of support, the administration has now actively attempted to undermine the Arias plan. Yesterday Mr. Reagan stated that the United States should continue providing assistance to "our friends in Central America." He meant, of course, the Contra terrorists. Despite assurances to Speaker Wright that there will be no "talk about military aid until the peace process is complete," key Republicans have been suggesting that they do intend to seek a vote on Contra aid, perhaps disguised as a so-called escrow account. Such an approach betrays both the spirit of the Guatemala agreement and the President's assurances.

On August 25, President Arias of Costa Rica asked the administration to hold off requesting Contra aid, pleading that we should have a chance, and we deserve that chance. I say to President Reagan, "listen to that plea. Don't deny the Central American people this chance to stop the killing. Mr. President, give peace a chance."

## CONGRATULATIONS TO ALF LANDON ON HIS 100TH BIRTHDAY

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, on behalf of my fellow Nebraskans and also personally, I join my colleagues in sending our warmest wishes to our good neighbor and friend, one who is well loved and highly respected across Nebraska, Alf Landon, as he celebrates his 100th birthday.

We remember when he rendered distinguished service to Kansas as the Governor of Kansas. We remember when he was a much appreciated, dedicated, and highly respected candidate for the office of President of the United States.

All Republicans everywhere are inspired by Mr. Landon's dedicated, unswerving, and long-lasting stewardship of the Grand Old Party.

What is more, he has given us a distinguished U.S. Senator, his daughter, my good friend, the gentlewoman from Kansas [Mrs. Kassebaum.] I assure Mr. Landon that his daughter upholds the justifiably famous Landon name and reputation in superb fashion.

So congratulations and best wishes are in order upon Mr. Landon's 100th birthday, September 9, 1987. I know I join thousands of others in offering these greetings to the Landon family and others joining him in celebrating a truly long, useful life.

## A TRIBUTE TO MARY GOODYEAR AND MEMBERS OF THE INTERNATIONAL MULTIPLE SCLEROSIS CONFERENCE

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, as we reconvene today in Congress, several of the Members have mentioned that the International Multiple Sclerosis Conference is also in session in 1987 in Washington, DC.

Multiple sclerosis, Mr. Speaker, is a mystery kind of disease. We do not know what causes it, and we do not know what can cure it, but these

people who are meeting here in session from all over the world have come from across all cultural and racial and economic lines to try to address the problems of multiple sclerosis.

One of the U.S. delegates among them is my friend and consituent, Mary Goodyear, who has served as a member of their board of directors for the U.S. Conference since 1971. If all of the members serve as effectively and as devotedly as Mary Goodyear does, I know that someday we will have the initials, "MS," mean "mystery solved."

Mr. Speaker, I salute the members who are here attending this conference.

## PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON H.R. 2600, SECURITIES AND EXCHANGE COMMISSION ACT OF 1987

Mr. WHEAT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until 6 p.m. this evening to file a privileged report providing for the consideration of the bill, H.R. 2600, the Securities and Exchange Commission Act of 1987.

The SPEAKER pro tempore (Mr. Murtha). Is there objection to the request of the gentleman from Missouri?

Mr. LATTA. Mr. Speaker, reserving the right to object, would the gentleman please explain his request?

Mr. WHEAT. Mr. Speaker, if the gentleman will yield, my understanding is that the Rules Committee is going into session this afternoon at approximately 1:30 to consider this particular bill, the Securities and Exchange Commissin Act of 1987, and that as soon thereafter as possible a report will be ready for filing on the floor. It has been cleared by the minority, and we wanted to make sure that we would have time to file it today, just in case the House adjourns before 6 p.m.

Mr. LATTA. So this has been cleared with the minority?

Mr. WHEAT. That is my understanding, Mr. Speaker.

Mr. LATTA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

## NATIONAL HEALTH SERVICE CORPS AMENDMENTS ACT OF 1987

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 253 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 253

*Resolved,* That at any time after the adoption of this resoluton the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1327) to amend the Public Health Service Act to establish a National Health Service Corps Loan Repayment Program and to otherwise revise and extend the program for the National Health Service Corps and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Energy and Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by titles instead of by sections, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. Wheat] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for the purpose of debate only, I yield 30 minutes to the gentleman from Ohio [Mr. Latta], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 253 is an open rule providing for the consideration of H.R. 1327, the National Health Service Corps Amendments Act of 1987. The resolution provides for 1 hour of general debate to be equally divided and controlled between the chairman and ranking minority member of the Committee on Energy and Commerce and makes in order the amendment in the nature of a substitute recommended by the Committee on Energy and Commerce, now printed in the bill. The substitute is to be considered by title rather than by section and each title shall be considered as read.

Finally, Mr. Speaker, the rule provides for one motion to recommit, with or without instructions.

H.R. 1327 authorizes $65 million for each of the fiscal years 1988 through 1990 for the continuation of National Health Service Corps programs. Included in the bill is authorization for a new loan payment program which would pay off loans of up to $20,000 for each year that a physician agrees to serve in a Health Manpower Shortage area; clarification regarding the Department of Health and Human Services authority to terminate the designation of a health manpower shortage area and continuation of the Secretary of HHS authority to delay the beginning of an obligated period for a NHSC scholarship recipient to allow for additional training.

Mr. Speaker, there is no controversy surrounding this resolution. I urge that we adopt the rule so that we may proceed to consideration of the legislation.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the National Health Service Corps has been successful in dealing with the problem of health manpower distribution. In fact, it has been so successful that the need for it has diminished as its goals have been met. The program has succeeded, and now needs to be scaled down and redirected.

Mr. Speaker, this bill includes reauthorization of the scholarship program for the next 3 fiscal years. The administration has consistently testified that the scholarship program is no longer necessary. At the moment the scholarship program is owed more than $17 million from recipients who have not repaid their obligation to the corps. We should be putting more emphasis on collecting these debts to the taxpayers, rather than taking more away from the taxpayers.

Mr. Speaker, the administration opposes enactment of H.R. 1327 unless it is amended to:

Create a single authorization for appropriations for all National Health Service Corps [NHSC] activities that would require priority funding for first, continued support for those individuals already participating in the NHSC Program; and second, service to medically underserved areas through State loan repayment programs that contain matching requirements;

Authorize the Secretary of Health and Human Services [HHS] to make matching grants to States to support State loan repayment programs. The administration supports the use of a Federal/State matching program for all NHSC loan repayment activities; and

Permit the Secretary of HHS to require NHSC assignees to serve in remote rural areas, where the most significant health manpower problems remain.

While it is true that there are pockets of urban areas where practitioners do not locate offices, the access problems of urban individuals are not as acute as those located in rural areas.

Mr. Speaker, the open rule before us today, will allow necessary amendments to be offered to this legislation. I support the rule so that the House may proceed to improve this legislation.

Mr. WHEAT. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 253 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the consideration of the bill, H.R. 1327.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1327) to amend the Public Health Service Act to establish a National Health Service Corps Loan Repayment Program and to otherwise revise and extend the program for the National Health Service Corps, with Mr. Smith of Iowa in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from California [Mr. Waxman] will be recognized for 30 minutes and the gentleman from New York [Mr. Lent] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. Waxman].

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 1327 would extend the authorizations for the National Health Service Corps [NHSC] field program for 3 fiscal years, 1988–90. In addition, the bill would extend the authorizations for the NHSC Scholarship Program and create a loan repayment program. The loan repayment program would pay off the loans that a doctor takes out to go to medical school. In return, the doctor would serve in a health manpower shortage area.

The National Health Service Corps has always enjoyed bipartisan support in the Committee on Energy and Commerce and the Congress. It has an outstanding track record of placing doctors and other health professionals in medically underserved communities. This fiscal year there are approximately 3,000 NHSC providers serving in rural and urban sites all over the country.

The primary criticism of the NHSC is that our medical schools have trained many more doctors than are needed. The surplus of doctors, according to this argument, will force doctors to settle in the sparsely populated and inner city areas now served by the NHSC.

The facts are otherwise. We may well have a surplus, if one counts all doctors being trained, yet there are thousands of communities without a doctor or a sufficient number of doctors. The surplus has done nothing for the approximately 3 million people now served by the NHSC.

In addition, counting all doctors masks the shortages in certain medical specialities. For example, the most recent data from the Department of Health and Human Services indicate that approximately 4,250 primary care doctors are now needed in primary care health manpower shortage areas around the country. The NHSC provides approximately 1,900 of them. So even by the Department's conservative count, the "surplus" of doctors has left many communities without the pediatricians, internists, family physicians, obstetricians, and gynecologists that they need. We have over 3,000 NHSC providers, yet underserved areas still need an additional 2,350 primary care doctors.

The continuation of the NHSC is essential because the corps is the only Federal program which attempts to provide needed health care professionals to underserved areas. The NHSC is needed now and it will always be needed. The areas served by the NHSC are either so sparsely populated or have such a high incidence of poor people that the private practice of medicine is not economically viable.

The NHSC appears to be on sound footing because there are approximately 3,000 NHSC providers now serving in health manpower shortage areas. In fact, the program is in a desperate situation. Without H.R. 1327, the NHSC will decline to approximately 1,000 providers in 1990 and to 200 providers in 1993. The Congress should not turn its back on the millions of Americans living in areas that are not attractive to private doctors. H.R. 1327 will provide the necessary authority to maintain this essential program.

H.R. 1327 is a very modest proposal. The authorizations for the field program for fiscal year 1988 through fiscal year 1990 are basically a freeze of fiscal year 1987 appropriations. The bill also authorizes loan repayment, as well as scholarships, in order to get young doctors committed to serving in underserved areas.

I urge all Members to join me in supporting this important bill.

□ 1325

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding to me.

The gentleman from California described the bill as being a freeze at last year's level, is that correct?

Mr. WAXMAN. Current appropriations are $60 million for the field program.

Mr. WALKER. Now, as I understand it, the bill authorizes the scholarship program for "such sums as may be necessary."

How does that relate to a freeze?

Mr. WAXMAN. The current appropriations are $2.3 million and we would expect that the Committee on Appropriations would keep that at a freeze level.

Mr. WALKER. So, in other words, the Committee on Appropriations can freeze it; but this bill specifically is not a freeze?

Mr. WAXMAN. We do freeze the authorization for part of it and leave another part at such sums as may be necessary, leaving it to the Committee on Appropriations.

Mr. WALKER. The such sums as may be necessary is above a freeze level, obviously. Is this authorizing any sums?

Mr. WAXMAN. It leaves the decision to the Committee on Appropriations.

If I might further elaborate, we did not want to authorize a specific number of scholarships as has seen done in recent years. We decided to leave that number open for determination by the appropriations committees each year.

Mr. WALKER. Mr. Chairman, if the gentleman would yield further, as I understand it, the people who would be eligible to serve under this program would go into not only rural remote areas, but would also be placed into poverty pockets within major cities, is that correct?

Mr. WAXMAN. If they are determined to be underserved areas by the Department of Health and Human Services, that is correct.

Mr. WALKER. Is there a safeguard under this bill to assure that these people having gotten their loans repaid by the Federal Government for practicing that kind of medicine do not also open an office on Park Avenue, as well as in Harlem, and 40 hours a week practice medicine for Harlem, but also have a fairly rich uptown clientele?

Are there protections against that?

Mr. WAXMAN. Yes, they must practice their profession on a full-time basis in serving out their obligated period of service in the corps.

Mr. WALKER. Forty hours a week?

Mr. WAXMAN. This is their primary occupation, their full-time business practice.

Mr. WALKER. But it is at 40 hours a week. What do we mean by full time?

Mr. WAXMAN. It would depend on the site to which they are assigned as to what the requirements would be.

If they are in an Indian reservation, they would be there full time. If they are in a clinic, they have to report full time to that clinic.

Mr. WALKER. Could we have a situation where someone would put in 40 hours a week, which is considered a full-time job in most parts of the country, and then additionally decide that he was going to work another 40 hours a week in another office practicing the profession?

Is that possible under this bill?

Mr. WAXMAN. We do not know of any problem, but their private time is their private time.

If they are working full time in fulfillment of the obligation that they undertook, and they are meeting that obligation, what they do on their own time in their own business.

Mr. WALKER. Let me tell the gentleman where I think that there is a bit of a problem, and I appreciate the gentleman yielding.

As long as you are serving in a rural remote area, there probably is not a problem, because that is probably the singular doctor for that area, or the singular doctor for an Indian reservation.

When you start including urban areas in this, the fact is he could have a very diverse clientele depending upon how many hours a week we are requiring of him.

He could go across town and serve a totally different clientele, and the Federal Government would be picking up the tab for the education; and I am wondering whether or not we do not then end up discriminating against those people who go into the rural areas who have that as their singular full-time job, while others under this program could very easily end up being people picking up considerable money on the side.

Mr. WAXMAN. We have never heard of this being a problem.

We are talking about health care providers in urban areas which have been declared an underserved area, and in which they work full time in a clinic to provide care for people coming into that clinic.

If they are doing that, they are paying the Government back for the scholarship they received. If they can invest wisely or moonlight and make more money, I do not know what objection any of the Members would have as long as they are living up to their obligation.

Mr. WALKER. If somebody was putting in full time at the clinic, and under the provisions of this bill, they could open an uptown office and have a totally different clientele there and practice so long as they were putting in the full time in the clinic in the underserved area.

Is that what I understand the gentleman is saying?

Mr. WAXMAN. The key ingredient of the contract with the Government is that they get a scholarship, and in return, they must serve patients in an underserved area.

If they are doing that on a full-time basis, that is all we require of them.

I would like to retain the balance of my time. Members on our side would like me to yield to them.

Mr. LENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, since the National Health Service Corps was established in 1970, it has provided access to health care for thousands of Americans living in health manpower shortage areas. Community health centers, migrant health centers and the Indian Health Service have relied heavily on corps health providers.

The legislation we are considering today reauthorizes the corps filed program for 3 years and establishes a new loan repayment program. Under the new program, if after having finished professional training a health professional agrees to work in a medically under-served area, the corps will provide for the payment of up to $20,000 per year for loans incurred for education. I strongly believe that this approach will be an improvement over the current scholarship program which requires health care students to commit to service in the corps very early in their schooling which has resulted in many scholarship recipients defaulting on their obligation to the corps. While it is understandable that students might change their career goals 8 years after having made a commitment, I don't think the scholarship program need be funded.

My only concern about the new loan repayment program is that it would be administered exclusively by the Federal Government. Companion legislation passed by the other body in July contains a loan repayment program which would be run by the States. This grant program would require that the States pay at least 25 percent of the costs of repaying loans and that the States take on most of the responsibility for developing placement policy for corps personnel. The administration strongly supports this concept and in fact, regards its absence as a key element to their opposition to H.R. 1327. At the appropriate time, an amendment adding this new program will be offered. If that amendment passes and if an amendment which specifically allows the Secretary of HHS to require corps assigness to serve in underserved areas, where the most significant manpower programs remain, I will support this legislation. If those changes are made, we will have legislation which will reflect the realities of manpower recruiting into the 1990's.

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. Campbell].

Mr. CAMPBELL. Mr. Chairman, I thank the gemtleman for yielding me this time.

Mr. Chairman, today I rise in support of H.R. 1327, a bill to reauthorize the National Health Service Corps scholarship and field programs. I would like to commend my distinquished colleague Chairman Waxman for the fine work he has done on this bill. Continuation of this program, which provides health care to patients in health manpower shortage areas, is critical to the continued survival of community rural health centers, migrant, and migrant health centers as well as Indian health care facilities.

I would especially like to thank the gentleman for including a provision which encourages participants in the National Health Service Corps [NHSC] loan repayment program to serve in Indian health programs. This bill has received broad support, including that of Indian tribes and Indian organizations who have worked closely with Chairman Waxman to express their concerns for the future of Indian health care on Indian reservations.

Some have suggested that the availability of more trained physicians eliminates the need for the NHSC. However, there is no evidence that the supply of physicians will migrate to medically underserved communities, which are characterized by a poor economy, lack of industry, poor housing, and a high incidence of chronic illness. To me it is clear that many communities are still unable to recruit physicians even with lucrative offers. Many communities would be unable to pay their salaries even if recruiting efforts proved successful.

Some of these communities can be found in my district in Colorado. The provisions of H.R. 1327 provide important incentives for physicians to become involved in providing services in the more rural areas of the country. This bill also provides for better deployment of NHSC physicians through a revised priority system. Overall, H.R. 1327 will play a significant part in providing quality health care for rural communities throughout the Nation.

H.R. 1327 also addresses a problem the Indian Health Service [IHS] is experiencing on the Indian reservations. IHS is confronting a major clinical staffing shortage that could have a dramatic affect on the delivery of medical care services to thousands of American Indians. The Indian Health Service provides comprehensive health services to nearly 1 million native Americans in 32 States, including Alaska, through a system of 51 hospitals and about 130 full-service ambulatory centers. IHS is the largest direct delivery system in the U.S. Department of Health and Human Services. Unlike the national trend which indicates there is now a surplus of physicians in the United States, the Indian Health Service, is facing immediate and serious problems concerning clinical staffing manpower. Many of the Indian health facilities are geographically isolated and offer few incentives for voluntary staffing. According to a recent special Office of Technology Assessment [OTA] report the present concern about clinical manpower shortages in IHS is a consequence of changes in the NHSC scholarship program. Chairman Waxman has addressed these concerns by including a provision which provides incentives for participants to serve in Indian health programs. It also directs the NHSC to give priority to the needs of Indian health service and tribal health care programs when it assigns members of the corps.

Since 1956, IHS has had the legal and moral responsibility to ensure that adequate health care is made available to the Indian people. Unfortunately, that responsibility has not been met. Indian people are at the bottom of the pile in this Nation in terms of health conditions. I urge my colleagues to support this bill, particularily for the Indian section which provides priority to the needs of Indian health care.

☐ 1335

Mr. WAXMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. Mr. Chairman, I rise in strong support of H.R. 1327, the National Health Service Corps Amendments Act of 1987. The reauthorization of this program for 3 more years at figures of $65 million each for fiscal years 1988 through 1990 will be guarantee quality health services for thousands of elderly, Hispanic, poor, and Indian constituents in my district. Many rural areas of our country are dependent on the NHSC for the delivery of health services, especially those areas that are designated "health manpower shortage areas" [HMSA's]. The program improvements these amendments make will insure that people living in areas without ready access to urban medical centers will still receive the quality medical care they deserve.

Currently, the National Health Service Corps has 2,831 assignees serving in the Federal corps, taking advantage of private practice options, or serving assignments in community or migrant health centers. These NHSC personnel are assigned across the country in underserved areas. In other words, the National Health Service Corps helps thousands of elderly who make up a large percentage of the rural population; it helps poor and Hispanic communities which frequently rely on community and migrant health centers for their health-care needs; and it helps thousands of Indians dependent on the Indian Health Service for health care. In fact, in the IHS alone, 45 percent of the physician workforce is composed of service-obligated NHSC physicians.

However, since 1981, very few scholarships have been awarded under the scholarship program. With the phaseout of the scholarship program, these numbers will be drastically reduced. In 1987, only 576 new NHSC personnel were assigned. This figure is expected to decrease to 150 in 1988. And in 1989, there will only be 10 new NHSC service obligated physicians if this program is not reauthorized. This is a startling statistic which, when translated, means that hundreds of thousands of people will be left without adequate health care services.

I would like to give you an example based on personal experience. Currently, only 38 NHSC physicians are serving in New Mexico. Three of these are serving the dental needs of rural residents in manpower shortage areas. With the decrease in new personnel, New Mexico is slated to get zero new personnel in 1989. The National Health Service Corps is absolutely vital to States like New Mexico that are largely rural. Perhaps a more telling statistic is the fact that over half of the counties in New Mexico have less than six people per square mile. Conditions like these make it nearly impossible to support a private paying medical practice.

Moreover, frontier and rural areas simply cannot offer the amenities and attractions that cities and urban areas offer. The administration's assumption that the NHSC program is no longer necessary because of the oversupply of physicians is simply incorrect. Without tangible incentives, it is highly unlikely that the oversupply of physicians will result in a diffusion of physicians to underserved areas. This is especially true given the added fact that the average debt incurred by a medical student is almost $27,000. It is simply unrealistic to expect recent medical school graduates to set up practices in areas providing limited income for the repayment of loans.

Thus, I am highly pleased that these amendments establish a new loan repayment program. Given that the scholarship program will be virtually nonexistent by the 1990's, a loan repayment program is absolutely essential. I would like to commend the chairman for his action in this area. As this program is written, the Federal Government would be financially obligated to pay up to $20,000 in Government and commercial loan repayments for each year of service at an NHSC site that a participant agrees to.

The establishment of a loan repayment program gets at the heart of the problem as I see it. First, by tailoring eligibility requirements to medical students who are either in their final year, in graduate training, or have finished graduate training in medicine, osteopathy, or dentistry, the repayment program avoids the delays of between 5 and 7 years that were experienced under the NHSC scholarship program. Second, and more importantly, it serves the important function of getting medical personnel to those underserved areas where their skills are critically needed.

A third point that I would like to bring out is the loan repayment program's incentives with regard to the Indian Health Service. The health status of American Indians lags far behind that of the U.S. population in general. American Indians are far more likely to die at a younger age from heart disease, diabetes, influenza, and other health problems. In the face of these health statistics, the IHS is facing a potential health staffing crisis. It is already operating at a 10 to 20 percent shortage of staff and with the phaseout of the NHSC scholarship program which has been the primary source of IHS physicians, it is feared that many basic medical services will be eliminated.

The loan repayment program, however, insures the continued viability of the IHS health care delivery system by giving an added incentive for medicial students to serve with the IHS. Individuals agreeing to serve in health programs operated by Indian tribes or the IHS, will be eligible for loan repayments from the Federal Government for up to $25,000. This figure represents an added $5,000 in comparison to serving in other manpower shortage areas under the NHSC program.

I would like to mention two other major improvements made by the National Health Service Corps Amendments of 1987. The first is an annual requirement that the Secretary of Health and Human Services project the need for NHSC physicians for the subsequent 3 years. Based on this projection, the Secretary will be required to make recommendations on the numbers of individuals needed for the corps. The second important improvement is a prohibition against removing the "health manpower shortage areas" designation from a geographic area without providing adequate notice to all interested parties. Additionally, before removing the HMSA designation, the NHSC must allow interested parties the opportunity to present information and statistics which support the area's designation as a manpower shortage area.

Mr. Chairman, this is a very important bill, and those who say that because there is an overflow of doctors who are going to serve in these rural underserved areas are wrong. It is not going to happen. You are not going to attract the number of physicians unless there are two things, people and funds. Many of these areas lack housing. They lack other incentives. This is a bill that provides those incentives, expecially for those young doctors that are vitally needed in these critical rural areas.

The bill also brings new accountability.

Two years ago this committee passed legislation that changed the loan repayment to some of the rural health clinics in the country that were having trouble meeting their obligations. That legislation enables this bill now to work well, to work more efficiently.

I think it is critically important that we recognize that there are those people throughout the country, whether they are in the ghettos of the cities or Appalachia or the Mississippi Delta or the Indian reservations, this is their only opportunity for health care. You cannot say to them that they have got to become more self-reliant or use the private sector. This is their only shot and these National Health Care Service Health Corps physicians are the key to many, many communities.

Mr. Chairman, this is a good bill. It is a compassionate bill. It is a bipartisan piece of legislation. It is important that we get it enacted, that we seek continuity in this program, that we continue the scholarship programs, that we consider perhaps in the future expending this program on an international basis to train physicians and give them incentives, and then if they go overseas after having sufficed in some of the domestic areas, that we use this as a foreign policy tool and do the right thing.

So I commend the chairman of the Health and Environment Subcommittee. I commend the minority member, the gentleman from New York [Mr. Lent].

Mr. Chairman, this is good legislation. It should be passed overwhelmingly. I ask the Members of this body to support it.

Mr. WAXMAN. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. Durbin].

Mr. DURBIN. Mr. Chairman, I rise today in strong support for the National Health Service Corps reauthorization. This Federal program has provided dramatic improvements in the delivery of primary health care services within health manpower shortage areas since the enactment of the program in 1972.

Currently more than 3,300 National Health Service Corps members are delivering primary health care services to over 2 million underserved people in 1,600 communities across our country. And yet, President Reagan has called for the scholarship program to be phased out beginning in 1988 along with a major cut in funding for the field program. The administration claims that the corps is no longer necessary since the total number of physicians in practice today is expected to rise. What the President and other critics of this program fail to realize is that while there may be a physician glut in major urban areas, many of the medically underserved communities are unable to attract needed primary care physicians. Without the National Health Service Corps, residents of these underserved areas would be left with only emergency services and in some rural areas, no medical services at all.

In my downstate Illinois district, the Community Health Improvement Center, which serves the people of the city of Decatur and Macon County, provides a shining example of the value of the National Health Service Corps. According to the director of the center, Barbara Dunn, 6,000 low-income individuals and Medicaid recipients received primary care medical services last year as a result of the National Health Service Corps Program. Without these physicians, the Community Health Center would not have been able to provide such services as prenatal care to a young mother to prevent a preterm birth, or the necessary care for a child to assume a healthy future. National Health Service Corps physicians, dentists, and health-care professionals have enabled underserved communities like Decatur, IL, to increase access to cost effective, primary care and have in the long run saved this country money.

Mr. Chairman, there is no cost savings to this Nation when premature babies die, when children suffer and our elderly are neglected.

This program is truly an ounce of prevention that this country cannot afford to do without.

Mr. Chairman, I rise in strong support of this measure and ask all my colleagues, even those who brand themselves the most fiscal conservatives of the bunch, to take a look at the real cost savings involved and make certain that children are born healthy, that they have a bright future, that they do not face medical care and problems throughout their lives because of the lack of physicians in needed areas.

Mr. Chairman, this is an important piece of legislation. I urge my colleagues to consider giving it their vote in reauthorizing this important program.

Mr. LENT. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

I had one more question I would like to direct to the gentleman from California, if I could.

With regard to the scholarship program, as I understand it, about 17 million dollars' worth of these scholarships have been defaulted on. Is that a correct figure?

Mr. WAXMAN. Mr. Chairman, if the gentleman will yield, I believe it is a correct figure.

Mr. WALKER. Is there anything in the bill that is going to do something about that problem?

Mr. WAXMAN. There are additional collection efforts that are being undertaken now by the Department and we provide for greater encouragement for those collection efforts.

☐ 1350

Mr. WALKER. I could not find that in the bill. Where is that in the bill?

Mr. WAXMAN. Mr. Chairman, I will be offering an amendment as well when we go into the committee under the 5-minute rule which would give the defaulters an opportunity to come back into the program and which would still insist that the collections be maintained against those who in fact have defaulted.

Mr. WALKER. I understand the gentleman's amendment. Essentially what he is doing is offering an amnesty program for people who want to come back into the program, that we would then go after them on their default, and I understand what the gentleman is doing.

But in reading through the bill and reading through the report, I do not see the language the gentleman is referring to that encourages the Department to go after these folks that have defaulted. Could the gentleman refer me to where it is?

Mr. WAXMAN. If the gentleman will yield to me further, there will be another amendment that I understand the gentleman from Ohio [Mr. Kasich] will be offering to provide for contracting out to private collection agencies. We do not have other language in the bill.

Efforts are now being undertaken by the Department to collect on defaulted loans. We expect those loans, should they be defaulted on, to be collected, and we expect vigorous efforts to go out and pursue collection.

Our amendment will deal with those people who are in default and allow them to come back in and serve their time, because ultimately what we really want is to have this payback in service by those people who received a scholarship.

Mr. WALKER. The gentleman is now describing something which I think I could be supportive of. Would it not be logical if we had in the bill the language the gentleman has just suggested, language that encourages the Department to vigorously pursue those who have defaulted upon their loans, and if that language does not exist in the bill at the present time?

**Mr. WAXMAN.** I have no problem with that language. They are pursuing that as a policy. It is certainly the direction we expect from them. To spell it out again does not really add much to it one way or the other. But I have no objection to that.

**Mr. WALKER.** I would say to the gentleman the problem I have is I find no such language in the report that tells the Department to vigorously go after these people. I find no such language in the bill. It seems to me that if that is in fact what we are going to do that somewhere we ought to say it.

**Mr. WAXMAN.** If the Department is doing its job, and I believe they are, in trying to collect these loans, I do not think the Congress needs to come in and criticize them or say to them do the job you are already doing.

I would just point out to the gentleman that it is our information they are trying to collect these loans, and appropriately so.

**Mr. WALKER.** What percentage of people who have gotten these loans does $17 million represent? The amount of $17 million seems like a lot of money in a reasonably small program to this gentleman.

**Mr. WAXMAN.** There are about a thousand people now in default.

**Mr. WALKER.** Out of how many that have participated in the program?

**Mr. WAXMAN.** I do not have the figures for the gentleman. The program has been in effect since the early 1970's. I do not have the answer to the question, but we will be pleased to get it for the gentleman.

**Mr. WALKER.** But $17 million, would there be anybody that would know how many thousands, how many people that have participated in this program? Have 10,000 people participated in the program?

**Mr. LENT.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I yield to the gentleman from New York.

**Mr. LENT.** Mr. Chairman, we do not happen to have those figures at our fingertips. But the program has been in effect since 1970, so I think we could safely say there have been at least 10,000 and probably more participants in the program since its inception.

As the gentleman from California has indicated, approximately 1,000 are in default.

**Mr. WAXMAN.** Mr. Chairman, will the gentleman yield further?

**Mr. WALKER.** I yield to the gentleman from California.

**Mr. WAXMAN.** Mr. Chairman, I do want to clarify that the NHSC attempts to collect more than the amount that was given in a scholarship. There is a triple payback requirement when scholarship recipients default on their obligation to serve in these underserved areas. So the Department is now going after more than what was paid out.

**Mr. WALKER.** More than what was actually given to them, but nevertheless we are talking about essentially about a thousand people which could represent a fairly substantial percentage of those who have participated in the program. All I am saying to the gentleman is I am not certain whether or not the Department has done its job as vigorously as it might have if in fact that is the reality of the situation, and all I am suggesting is that I would hope that the gentleman's amendment might be passed and that the gentleman from Ohio I understand has an amendment for private debt collectors to go after this. It seems to be meritorious. But in addition, it seems to me what we want to do is tell the Department they ought to be vigorously pursuing these people by all means available to them. And it seems to me we might even suggest to the Department that these people ought not be eligible for other Federal moneys until they have repaid the moneys that they have defaulted on. But maybe we cannot go that far. But some language would seem to me to be entirely appropriate.

**Mr. KASICH.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I yield to the gentleman from Ohio.

**Mr. KASICH.** Mr. Chairman, I have been attempting to work with the majority staff and up to this point without success. But what we are going to do, or what I am going to do is offer an amendment that will require the use of collection agencies as provided under the law. It is going to mandate the use of collection agencies if a delinquent debt is overdue by 30 days. Then we will call for the use of collection agencies to go after this money.

Additionally, we will refer the delinquent debtors to credit bureaus, which is as effective a tool as just using the collection agencies.

So I think it makes all of the sense in the world, and I know the gentleman from New York [Mr. LENT] is familiar with this action that I was involved in in the Maritime Administration. This is just another effort to use the tools that are available.

I must point out to the gentleman from Pennsylvania that under the current law it has been discretionary. We want to make sure that they in fact use these collection agencies and that they refer to credit bureaus.

I have been given very scanty information because the people in charge of this program have not been definitive. There is over $100 million, which are my numbers at this point. We hope we can have them firm by the time the amendment comes up. But there are over $100 million in default by these people who got free money in exchange for practicing in our rural areas.

**Mr. WALKER.** Mr. Chairman, if the gentleman will allow me to reclaim my time, the committee report says $17 million.

**Mr. KASICH.** Those numbers are simply not accurate. We hope to have the firm numbers by the time the amendment comes up.

But I want to point out to the gentleman that the program is in such disarray that we cannot get firm numbers, and no one on this floor can give firm numbers. I think my numbers are going to be the most accurate.

**Mr. WALKER.** If the gentleman will allow me to reclaim my time a moment, we were told a moment ago only a thousand people are in default. The gentleman claims we have $100 million of default. That seems to me to be quite a bit of money per person.

**Mr. KASICH.** According to the NHSC, a preliminary total delinquent debt owed is about $115 million through the scholarship program. With the addition of the new loan repayment program there is a strong likelihood we will have an even additional delinquent debt. I do not think the new language is going to solve the problem. The way we are going to solve the problem is to make the deal with the doctor when he or she actually goes to the location to practice. But we did not have time to draft the kind of language we wanted to effect that provision.

But I think the gentleman from California [Mr. WAXMAN] will agree that it is going to be necessary to require the use of collection agencies and to refer these people who are delinquent debtors to credit bureaus. That is a one-two punch that we think is fair, and we have $115 million outstanding and we need to collect it. Probably some of these doctors are driving around in Mercedes.

**Mr. WALKER.** Is the majority prepared to accept the amendment of the gentleman from Ohio when he offers it to bring the credit agencies into this?

**Mr. WAXMAN.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I am glad to yield to the gentleman from California.

**Mr. WAXMAN.** Mr. Chairman, we have seen a draft of the amendment. We have not seen the exact language, but from what we know we are prepared to accept it.

**Mr. WALKER.** It seems to me that that would go a long way toward satisfying some of my concerns as well, so I hope we might get that accepted. With that being accepted we may not need the other language I was proposing because it seems to me that does indicate we are going to go after the problem vigorously.

**Mr. LENT.** Mr. Chairman, will the gentleman yield?

**Mr. WALKER.** I am glad to yield to the gentleman from New York.

**Mr. LENT.** Mr. Chairman, I just wanted to try to reconcile the $17 million in default versus the $100 million that is due and owing and obligated.

The statement the gentleman from Ohio read I believe indicated there was in the works over $100 million.

**Mr. KASICH.** If the gentleman will yield, of the $115 million is the number that we have been given that is delinquent debt owed through the scholarship program.

**Mr. LENT.** It might be $115 million worth of obligation that is out there, but not yet in default, $17 million of that $115 million might actually be delinquent and in default.

**Mr. KASICH.** If the gentleman will yield again, the gentleman from New York will check these numbers, but this is what the NHSC called a preliminary total of delinquent debt. We do not call anything delinquent until the money has been owed. It is not how much is in the works, but rather how much is owed.

But we are trying like crazy to get the people to give us the numbers, and as I said, I think the majority and minority staff would recognize nobody seems to know what the numbers are, which is kind of a description of the difficulty we are having in understanding the problems with the program.

But I will check the numbers again, and when I offer the amendment we hope to have some better numbers.

**Mr. WALKER.** I thank the gentleman for yielding the time.

**Mr. WAXMAN.** Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. COLEMAN].

**Mr. COLEMAN of Texas.** Mr. Chairman, I rise in support of the reauthorization of the National Health Service Corps.

Mr. Chairman, today I would like to stand in support of a program that greatly benefits my constituents in El Paso, TX, and which is deserving of the action for which it is being considered, reauthorization for the next 3 years. This program, the National Health Services Corps, has brought physicians and medical services to those areas of the country that are medically underserved, bringing services to people lacking any accessibility to health care and other resources.

The National Health Service Corps was first established in 1972 to help make adequate health care available to underserved communities nationwide. The program has two components. The NHSC Scholarsip Program provides scholarships, including tuition and stipends, to medical, nursing, and dental and other health professional students. In return, these students are obligated to provide health services in a health manpower shortage area [HMSA] upon graduation.

The second component is called the NHSC Field Program. A student who has incurred a service payback obligation becomes a member of the program upon graduation. The field program is responsible for assigning members of HMSA's, paying their salaries, ensuring that members meet all conditions of their service, and working with the private, nonprofit entities to which members are assigned.

The National Health Service Corps is the only Federal program that assures that health care providers are available to serve in health manpower shortage areas. In fiscal year 1987, the NHSC will have approximately 3,000 doctors, dentists, and other health care professionals working in underserved communities, serving over 3.2 million people around the country that would otherwise not be able to secure these services.

Despite the program's success, this is a critical time for the NHSC. Because so few scholarships have been awarded in the last 7 years, no scholarship obligees will be available to replace those currently serving. As a result, during the next 3 years, the NHSC field program will begin phasing out hundreds of communities that are now receiving service. Under current projections, the total number of providers in the NHSC field program in fiscal year 1990 will decline to 956, two-thirds less than the current level. It will continue to decline until fiscal year 1993 when it will have only 230 providers placed in underserved communities.

I have listened to some of the program's opponents state that the NHSC has now served its purpose and should be phased out, that the Nation's medical schools are training an unprecedented number of new physicians. However, I know for a fact that this is not true of the communities in my congressional district, where many communities are characterized by a sluggish economy, little or no industry, inadequate housing, a significant medically indigent population, and a high incidence of chronic illness. Even with the dramatic increase in physicians, these areas unfortunately will never attract or retain a sufficient number of physicians. Any proposal to phase out the NHSC either now or slowly over the next 6 years, would leave thousands of communities and population groups without essential health-care providers.

It is for these reasons that I urge my colleagues to support the measure that comes before us today. The bill extends the authorizations of the National Health Service Corps scholarship and field programs for the next 3 fiscal years, and establishes a new loan repayment program. To assist Congress in determining NHSC funding needs, the measure requires the submission of an annual report on the number of health care providers that will be needed by the corps during each of the 3 subsequent fiscal years, and their distribution among scholarship recipients, participants in the Loan Repayment Program, and unobligated volunteers.

In addition, the bill establishes an NHSC loan repayment program under which students nearing graduation could sign up to serve in the corps' field program and, in return, the Federal Government would pay off governmental and commercial loans taken out to finance their education. Individuals participating in this program would be obligated to serve in designated health manpower shortage areas for a minimum of 2 years, and would be eligible for loan repayments of up to $20,000 for each year of service at NHSC sites.

In addition, the bill provides a special incentive to encourage participants in the new NHSC loan repayment program to serve in Indian health programs. Under the bill, an extra $5,000 in loans would be repaid for each year of service in the individual serves in a program operated by the Indian Health Service or Indian tribes.

Mr. Chairman, we have not seen and we are unlikely to see that the supply of medical professionals will trickle down to medically underserved areas in our country. Communities which are served by the NHSC are generally unable to recruit physicians even with attractive offers, and would in all likelihood be unable to pay their salaries even if recruiting efforts proved successful.

At this time there are at least five NHSC physicians serving my constituents in El Paso, TX, and others have served in that area in previous years. Some of these physicians have remained in this community after their NHSC obligation was met, indicating that the program is successful not only in providing medical personnel in the short term, but also in bringing medical professionals to areas which they would ordinarily not select but in which they sometimes choose to remain and serve.

In view of the program's successful track record and of its noble mission, I urge my colleagues to support this bill.

**Mr. SIKORSKI.** Mr. Chairman, I want to commend my friend and subcommittee chairman, Mr. WAXMAN, for moving ahead with the National Health Service Corps bill before us today. The National Health Service Corps provides doctors to certified, medically underserved areas. Many of these areas are America's Indian reservations.

Despite annual budget assaults by the Reagan administration, the National Health Service Corps has provided most of the doctors for the Indian Health Service in recent years. Without a strong health corps program, there would be no doctors to serve Native Americans in the places where they live. As Monte Hammitt, Health Services Director for the Minnesota Red Lake Chippewa Band, said in recent hearings before the Health Service and Environment Subcommittee, "a $12 million clinic is nothing more than bricks and mortar" without the doctors to make it work.

I know how vital this program is from the subcommittee's continuous work, and from personal visits with Indians in Minnesota at the Prairie Island, Red Lake, Leech Lake, Nett Lake, Grand Portage, and Fond du Lac reservations.

This loan repayment program we are adopting here will help attract qualified and committed doctors to the National Health Service Corps, and do so in a more efficient way than the current scholarships. By identifying interested students during the last year of their studies, the program attracts candidates who are sure of their goals, their social commitments, and their medical knowledge.

Indians in Minnesota, and the Nation, deserve better than the budget cuts they have gotten from this administration. As Monte Hammit stated in his testimony:

> Our mission, goals, and the progress that the Indian Health Service has made over the last 30 years will be totally destroyed if we don't have the physician services that can be provided by the reauthorization of the National Health Service Corps, or if privatization is allowed and the budget and staff continue to decline * * *. We understand the need to cut government spending, but please do not do this at the expense of the lives of our First Americans.

Improved health, education, and employment for Native Americans should be a top priority for this Congress. I will continue to work with my colleagues to make it happen.

Mr. DAVIS of Michigan. Mr. Chairman, I rise in strong support of the renewal of the National Health Service Corps—one of the most successful of all Federal health care programs. Its impact on my district has been particularly beneficial.

Twenty years ago there was a serious national shortage of health-care professionals. The corps was begun to encourage careers in medicine by offering Federal scholarships. In exchange for financial assistance, students agree to practice in a medically underserved area for 2 years. Much of my rural northern Michigan district qualifies as a health manpower shortage area.

Physician recruitment is the most critical health-care issue for many communities in northern Michigan. Currently there are 12 corps graduates practicing in my district. Of these 12 physicians, 11 will satisfy their obligations by 1989. Without reauthorization of this program it will be difficult, if not impossible, to replace them.

Increased numbers of medical school students and graduates should not be interpreted as an end to the physician shortage problem. Without financial incentives to practice in rural and poor areas, the disproportion of doctors in high-income areas will not only continue, but become worse. While more students may be pursuing careers in medicine, few are beating a path to northern Michigan. Although many corps doctors come to our area only to fulfill their scholarship commitments, many fall in love with northern Michigan and end up staying and becoming permanent members of the community.

Mr. Chairman, the problems of rural health-care delivery are known. Rural communities simply cannot afford to lose this valuable physician recruitment tool.

Mr. DORGAN of North Dakota. Mr. Chairman, I rise today to make a brief statement to offer my strong support for the reauthorization of the National Health Service Corps. Since 1984, when the authorization for the NHSC expired, appropriations have been made through continuing resolutions. Therefore, reauthorization of this vital program is long overdue.

In many parts of this country, especially in rural areas, access to quality health care is a major concern. Through Federal scholarships, stipends, and loan repayment, the National Health Service Corps brings qualified health-care professionals to medically underserved areas. The corps' continued success will help maintain and improve the quality of health care in rural areas where the distance between health care facilities can be as much as 100 miles, which can be difficult—if not impossible—for many people to travel when they are ill.

This administration has proposed a deep cut and phase out of the National Health Service Corps. By voting to reauthorize this important program we will send a strong message that we care about the health of our constituents and are willing to take constructive action to ensure that quality and convenient health care is available to all.

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 1327, the National Health Service Corp Amendments Act of 1987. I commend the gentleman from California [Mr. WAXMAN] for introducing this worthy bill and for his continued dedication to the health field.

The National Health Service Corps was created in 1972 in response to the severe national shortage of health-care workers in the 1960's and early 1970's. The corps provides medical, nursing, dental and other health professional students with scholarships to help them complete their training. In return for these scholarships, the students are obligated to serve in a health manpower shortage area for a length of time based on the years of assistance they receive. H.R. 1327 reauthorizes NHSC field programs at $65 million in each of fiscal years 1988–90, supporting approximately 3,030 field practitioners.

Many argue that the National Health Service Corps has outlived its usefulness and that medical schools are training an unprecedented number of new physicians. But, that this program is designed to help the poor and isolated areas of our country that are unable to attract or retain physicians. The NHSC currently provides health care to over 3.2 million people around the country, who might otherwise lack this medical attention.

Also, many of us are aware of the growing nursing shortage in many of our major and inner cities. In light of the AIDS virus, this situation could only get worse and spread to the other health professions. The National Health Service Corps could assist in alleviating this burden and also provide incentives for more people to enter the nursing and medical fields.

Mr. Chairman, H.R. 1327 provides thousands of communities and groups with essential health care. Accordingly, I urge my colleagues to join in support of H.R. 1327, the National Health Service Corps Amendments Act of 1987.

Mr. BOULTER. Mr. Chairman, I would like to extend my support to H.R. 1327, the National Health Service Corps Amendments of 1987. This bill, extending the National Health Service Corps field programs in each of 1988–90, will allow a vital program serving underserved medical areas in the United States to continue and guarantee that residents of these areas continue to receive primary medical services. As a Congressman with the privilege of serving 37 sparsely populated counties of the Panhandle and north Texas, I am particularly concerned about this bill's positive effect on the seriously underserved rural areas of Texas and the entire United States.

The rural community seems to have been largely forgotten in congressional legislation affecting health care in America. I believe that the newly formed Rural Health Care Coalition, of which I am a steering committee member, will make the voice of rural health care heard while promoting significant legislative measures to make Federal programs like the National Health Service Corps more responsive to the special concerns and needs of rural citizens. Most of these citizens live in areas which suffer serious shortages in health care manpower and have benefited greatly from the incentives provided by the scholarship program of the National Health Service Corps.

I believe that the authorization levels called for in this bill are responsible, maintaining current services with only a $3 million increase over present appropriation levels.

It is also my belief that the new loan repayment program established under H.R. 1327 will decrease the number of physicians who decide not to fulfill their obligations to serve in manpower shortage areas after receiving their NHSC scholarship and completing their residency requirements. I wholeheartedly support Congressman KASICH'S amendment adopted by the committee which directs the NHSC to contract with private collection agencies to collect these debts by physicians who have not fulfilled their obligations, and believe that this amendment will further lower the number of unfulfilled commitments.

Congressman LENT'S amendments insuring increased State involvement in the loan repayment program will, I believe, further local input in placing NHSC health care professionals in true areas of shortage.

Finally, I do feel that the National Health Services Corps has greatly benefited access to primary medical services in rural America and applaud the corps' reauthorization as stipulated under H.R 1327.

Mr. WAXMAN. Mr. Chairman, we have no further requests for time, and I yield back the balance of my time.

Mr. LENT. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

The Clerk will designate section 1.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the committee amendment in the nature of a substitute is as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### *SECTION 1. SHORT TITLE.*

*This Act may be cited as the "National Health Service Corps Amendments Act of 1987".*

## *TITLE I—NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM AND LOAN REPAYMENT PROGRAM*

### *SEC. 101. ESTABLISHMENT OF LOAN REPAYMENT PROGRAM.*

*Subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254d et seq.) is amended by redesignating sections 338B through 338G as sections 338C through 338H, respectively, and by inserting after section 338A the following new section:*

*"NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAM*

*"SEC. 338B. (a) The Secretary shall establish a program to be known as the National Health Service Corps Loan Repayment Program (hereafter in this subpart referred to as the 'Loan Repayment Program') in order to assure an adequate supply of trained physicians, dentists, and nurses for the Corps and, if needed by the Corps, to assure an adequate supply of podiatrists, optometrists, pharmacists, clinical psychologists, graduates of schools of veterinary medicine, graduates of schools of public health, graduates of programs in health administration, graduates of programs for the training of physicians assistants, expanded function dental auxiliaries, and nurse practitioners (as defined in section 822), and other health professionals.*

*"(b) To be eligible to participate in the Loan Repayment Program, an individual must—*

*"(1)(A) be enrolled (i) as a full-time student (I) in an accredited (as determined by the Secretary) educational institution in a State, and (II) in the final year of a course of study or program, offered by such institution and approved by the Secretary, leading to a degree in medicine, osteopathy, dentistry, or other health profession, or (ii) in a graduate training program in medicine, osteopathy, dentistry, or other health profession, or (B) have a degree in medicine, osteopathy, dentistry, or other health profession and have completed a graduate training program in medicine, osteopathy, dentistry, or other health profession;*

*"(2) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Service or be eligible for selection for civilian service in the Corps;*

*"(3) submit an application to participate in the Loan Repayment Program; and*

*"(4) sign and submit to the Secretary, at the time of the submission of such application, a written contract (described in subsection (f)) to accept repayment of educational loans and to serve (in accordance with this subpart) for the applicable period of obligated service in a health manpower shortage area.*

*"(c) In disseminating application forms and contract forms to individuals desiring to participate in the Loan Repayment Program, the Secretary shall include with such forms—*

*"(1) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled under section 338E in the case of the individual's breach of the contract; and*

*"(2) information respecting meeting a service obligation through private practice under an agreement under section 338D and such other information as may be necessary for the individual to understand the individual's prospective participation in the Loan Repayment Program and service in the Corps.*

*The application form, contract form, and all other information furnished by the Secretary under this subpart shall be written in a manner calculated to be understood by the average individual applying to participate in the Loan Repayment Program. The Secretary shall make such application forms, contract forms, and other information available to individuals desiring to participate in the Loan Repayment Program on a date sufficiently early to ensure that such individuals have adequate time to carefully review and evaluate such forms and information.*

*"(d) In determining which applications under the Loan Repayment Program to approve (and which contracts to accept), the Secretary shall give priority to applications made by individuals whose training is in a health profession or specialty determined by the Secretary to be needed by the Corps.*

*"(e)(1) An individual becomes a participant in the Loan Repayment Program only upon the Secretary's approval of the individual's application submitted under subsection (b)(3) and the Secretary's acceptance of the contract submitted by the individual under subsection (b)(4).*

*"(2) The Secretary shall provide written notice to an individual promptly upon the Secretary's approving, under paragraph (1), of the individual's participation in the Loan Repayment Program.*

*"(f) The written contract (referred to in this subpart) between the Secretary and an individual shall contain—*

*"(1) an agreement that—*

*"(A) subject to paragraph (2), the Secretary agrees (i) to pay on behalf of the individual loans in accordance with subsection (g), and (ii) to accept (subject to the availability of appropriated funds for carrying out sections 331 through 335 and section 337) the individual into the Corps (or for equivalent service as otherwise provided in this subpart); and*

*"(B) subject to paragraph (2), the individual agrees—*

*"(i) to accept loan payments on behalf of the individual;*

*"(ii) to maintain enrollment in a course of study or training described in subsection (b)(1) until the individual completes the course of study or training;*

*"(iii) while enrolled in such course of study or training, to maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study or training); and*

*"(iv) to serve for a time period (hereafter in the subpart referred to as the 'period of obligated service') equal to 2 years or such longer period as the individual may agree to in a health manpower shortage area (designated under section 3332) to which he is assigned by the Secretary as a member of the Corps;*

*"(2) a provision that any financial obligation of the United States arising out of a contract entered into under this subpart and any obligation of the individual which is conditioned thereon, is contingent upon funds being appropriated for loan repayments under this subpart and to carry out the purposes of sections 331 through 335 and sections 337 and 338;*

*"(3) a statement of the damages to which the United States is entitled, under section 338E for the individual's breach of the contract; and*

*"(4) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with the provisions of this subpart.*

*"(g)(1) A loan repayment provided for an individual under a written contract under the Loan Repayment Program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual for—*

*"(A) tuition expenses;*

*"(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or*

*"(C) reasonable living expenses as determined by the Secretary.*

*"(2)(A) Except as provided in subparagraph (B), for each year of obligated service that an individual contracts under subsection (f) to serve, the Secretary may pay up to $20,000 on behalf of the individual for loans described in paragraph (1).*

*"(B) For each year of obligated service that an individual contracts under subsection (f) to serve in the Indian Health Service, or to serve in a health program or facility operated by a tribe or tribal organization under the Indian Self-Determination Act, the Secretary may pay up to $25,000 on behalf of the individual for loans described in paragraph (1).*

*"(h) Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic training, shall not be counted against any employment ceiling affecting the Department.*

*"(i) The Secretary shall, not later than March 1 of each year, submit to the Congress a report providing—*

*"(1) the number of individuals receiving loan payments under the Loan Repayment Program;*

*"(2) the health profession for which each such individual is receiving training;*

*"(3) the educational institution at which each such individual is receiving training;*

*"(4) the number of applications filed under this section in the school year beginning in such year and in prior school years; and*

*"(5) the amount of loan payments made in the year for which the report is submitted.".*

### *SEC. 102. AUTHORIZATION OF APPROPRIATIONS WITH RESPECT TO SCHOLARSHIP PROGRAM AND LOAN REPAYMENT PROGRAM.*

*Section 338G of the Public Health Service Act (as redesignated in section 101 of this Act) is amended to read as follows:*

*"REPORT AND AUTHORIZATION*

*"SEC. 338G. (a) The Secretary shall report January 20 of each year to the Committee on Energy and Commerce of the House of Representatives, the Committee on Labor and Human Resources of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate the number of providers of health care who will be needed for the Corps during the 3 fiscal years beginning after the date the report is filed and the number—*

*"(1) of scholarships the Secretary proposes to provide under the Scholarship Program during such 3 fiscal years,*

*"(2) of individuals for whom the Secretary proposes to make loan repayments under the Loan Repayment Program during such 3 fiscal years, and*

*"(3) the number of individuals who have no obligation under section 338C and who the Secretary proposes to have as members of the Corps during such 3 fiscal years,*

*to provide such number of health care providers.*

*"(b) There are authorized to be appropriated such sums as may be necessary for scholarships and loan repayments under this subpart.".*

### *SEC. 103. REQUIREMENT OF CONSIDERATION OF NEEDS OF INDIAN HEALTH SERVICE AND CERTAIN INDIAN TRIBES.*

*Section 331 of the Public Health Service Act (42 U.S.C. 254d) is amended by redesignating subsection (h) as subsection (i) and inserting after subsection (g) the following new subsection:*

*"(h) In assigning members of the Corps to health manpower shortage areas, the Secretary shall, to the extent practicable, give priority to meeting the needs of the Indian Health Service and the needs of health programs or facilities operated by tribes or tribal organizations under the Indian Self-Determination Act.".*

### *SEC. 104. CERTAIN TECHNICAL AND CONFORMING AMENDMENTS RELATING TO LOAN REPAYMENT PROGRAM.*

*(a) Section 303.—Section 303(d)(4) of the Public Health Service Act (42 U.S.C. 242a(d)(4)) is amended—*

*(1) by striking "752 or 753" each place it appears and inserting "338C or 338D"; and*

*(2) by striking "subpart IV of part C of title VII" and inserting "subpart II of part D".*

*(b) Section 331.—Section 331 of the Public Health Service Act (42 U.S.C. 254d) is amended—*

*(1) in subsection (b), by striking "and the Scholarship Program" and inserting ", Scholarship Program, and the Loan Repayment Program";*

*(2) in subsection (c), by striking "338C" and inserting "338D";*

*(3) in subsection (d)(2), by inserting after "Program" the following: "or Loan Repayment Program";*

*(4) in subsection (f), by striking "Scholarship Program" and inserting "Scholarship Program or the Loan Repayment Program"; and*

*(5) in subsection (i) (as redesignated in section 103 of this Act), by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting after paragraph (1) the following new paragraph:*

*"(2) The term 'Loan Repayment Program' means the National Health Service Corps Loan Repayment Progam established under section 338B.".*

*(c) Section 334.—Section 334(a)(3)(B) (42 U.S.C. 254g(a)(3)(B)) is amended—*

*(1) by inserting "or the Loan Repayment Program" after "Scholarship Program"; and*

*(2) by striking "service under the Program;" and inserting "service under the Scholarship Program or the Loan Repayment Program;".*

*(d) Section 336.—Section 336(a) (42 U.S.C. 254h-1) is amended by striking "scholarship program" and inserting "Scholarship Program or Loan Repayment Program".*

*(e) Section 338E.—Section 338E of the Public Health Service Act (as redesignated in section 101 of this Act) is amended—*

*(1) in subsection (a), by inserting "(1)" after "(a)", by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and by adding after subsection (a) the following:*

*"(2) An individual who has entered into a written contract with the Secretary under section 338B and who—*

*"(A) in the case of an individual who is enrolled in the final year of a course of study, fails to maintain an acceptable level of academic standing in the educational institution in which he is enrolled (such level determined by the educational institution under regulations of the Secretary) or voluntarily terminates such enrollment or is dismissed from such educational institution before completion of such course of study, or*

*"(B) in the case of an individual who is enrolled in a graduate training program, fails to complete such training program,*

*in lieu of any service obligation arising under such contract shall be liable to the United States for the amount which has been paid on his behalf under the contract.";*

*(2) in subsection (b)(1), by striking "338E(d))" and inserting "338F(d))", by inserting "under section 338A" after "service obligation" the first place it appears, by striking "338B" each place it appears and inserting "338C", and by striking "338C" each place it appears and inserting "338D";*

*(3) by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:*

*"(c)(1) If (for any reason not specified in subsection (a) or section 338F(d)) an individual breaches his written contract under section 338B by failing either to begin such individual's service obligation in accordance with section 338C or 338D or to complete such service obligation, the United States shall be entitled to recover from the individual an amount determined in accordance with subsection (b)(1) except that the formula for determining such amount shall be—*

$$A=2\phi(t-s/t)$$

*"(2) Damages which the United States is entitled to recover under paragraph (1) shall be paid in accordance with subsection (b)(1).";*

*(4) in subsection (d) (as redesignated in paragraph (3)), by inserting "or the Loan Repayment Program" after "thereunder)" each place it appears; and*

*(5) in the section heading, by adding "OR LOAN REPAYMENT CONTRACT" after "CONTRACT".*

### *SEC. 105. EFFECTIVE DATE.*

*The amendments made by this title shall take effect October 1, 1987.*

## *TITLE II—REVISIONS AND EXTENSIONS OF GENERAL PROGRAM FOR THE NATIONAL HEALTH SERVICE CORPS*

### *SEC. 201. DESIGNATION OF HEALTH MANPOWER SHORTAGE AREAS.*

*Section 332 (42 U.S.C. 254e) is amended—*

*(1) in subsection (a)(1), by adding at the end thereof the following: "The Secretary shall not remove an area from the areas determined to be health manpower shortage areas under clause (A) of the preceding sentence until the Secretary has afforded interested persons and groups in such area an opportunity to provide data and information in support of the designation as a health manpower shortage area of a population group described in clause (B) of such sentence or a facility described in clause (C) of such sentence, and has made a determination on the basis of the data and information submitted by such persons and groups and other data and information available to the Secretary."; and*

*(2) in subsection (b)(2)—*

*(A) by striking "and" after "services,";*

*(B) by striking the period and inserting ", and"; and*

*(C) by adding at the end the following new subparagraph:*

*"(D) ability to pay for health services.".*

### *SEC. 202. OBLIGATED SERVICE.*

*Section 338C of the Public Health Service Act (as redesignated in section 101 of this Act) is amended—*

*(1) in subsection (a), by striking "338C" and inserting "338D" and by inserting "or 338B" after "338A";*

*(2) in subsection (b)(1), by inserting "or 338B(f)(1)(B)(iv)" after "(iv)";*

*(3) in subsection (b)(5), by amending such subsection to read as follows:*

*"(5)(A) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, or pharmacy, the date referred to in paragraphs (1) through (4) shall be the date upon which the individual completes the training required for such degree, except that—*

*"(i) at the request of such an individual with whom the Secretary has entered into a contract under section 338A prior to October 1, 1985, the Secretary shall defer such date until the end of the period of time (not to exceed the number of years specified in subparagraph (B) or such greater period as the Secretary, consistent with the needs of the Corps, may authorize) required for the individual to complete an internship, residency, or other advanced clinical training; and*

*"(ii) at the request of such an individual with whom the Secretary has entered into a contract under section 338A on or after October 1, 1985, the Secretary may defer such date in accordance with the provisions of clause (i).*

*"(B)(i) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of medicine, osteopathy, or dentistry, the number of years referred to in subparagraph (A)(i) shall be three years.*

*"(ii) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of veterinary medicine, optometry, podiatry, or pharmacy, the number of years referred to in subparagraph (A)(i) shall be one year.*

*"(C) No period of internship, residency, or other advanced clinical training shall be counted toward satisfying a period of obligated service under this subpart.*

*"(D) In the case of the Scholarship Program, with respect to an individual receiving a degree from an institution other than a school referred to in subparagraph (A), the date referred to in paragraphs (1) through (4) shall be the date upon which the individual completes his academic training leading to such degree.*

*"(E) In the case of the Loan Repayment Program, if an individual is required to provide obligated service under such Program, the date referred to in paragraphs (1) through (4)—*

*"(i) shall be the date determined under subparagraph (A) or (B) in the case of an individual who is enrolled in the final year of a course of study,*

*"(ii) shall in the case of an individual who is enrolled in a graduate training program in medicine, osteopathy, dentistry, or other health profession be the date the individual completes such training program, and*

*"(iii) shall in the case of an individual who has a degree in medicine, osteopathy, dentistry, or other health profession and who has completed graduate training be the date the individual enters into an agreement with the Secretary under section 338B.";*

*(4) in subsection (c)(2), by striking "338C" and inserting "338D"; and*

*(5) in subsection (e), by inserting ", under the Loan Repayment Program," after "Program".*

### *SEC. 203. PRIVATE PRACTICE.*

*Section 338D of the Public Health Service Act (as redesignated in section 101 of this Act) is amended—*

*(1) in subsection (a), by striking "338B(a)" and inserting "338C(a)";*

*(2) in subsection (a)(1), by inserting after "individual" the first place it appears the following: "who received a scholarship under the Scholarship Program and" and by inserting before the semicolon in such subsection the following: "or in the case of an individual for whom a loan payment was made under the Loan Repayment Program and who is performing obligated service as a member of the Corps in a health manpower shortage area on the date of his application for such a release, in the health manpower shortage area selected by the Secretary";*

*(3) in subsection (a)(2), by inserting before the period "selected by the Secretary";*

*(4) in subsection (b), by inserting at the end the following: "The Secretary shall take such action as may be appropriate to assure that the conditions of the written agreement prescribed by this subsection are adhered to.";*

*(5) in subsection (c), by inserting "or 338B" after "338A"; and*

*(6) in subsection (e), by striking paragraph (1) and by striking "(2)" before "Upon".*

### *SEC. 204. SPECIAL LOANS FOR CORPS MEMBERS TO ENTER PRIVATE PRACTICE.*

*Section 338F of the Public Health Service Act (as redesignated in section 101 of this Act) is amended—*

*(1) by amending subsections (a) and (b) to read as follows:*

*"(a) The Secretary may, out of appropriations authorized under section 338, make one loan to a Corps member who has agreed in writing—*

*"(1) to engage in the private full-time clinical practice of his profession in a health manpower shortage area (designated under section 332) for a period of not less than two years which—*

*"(A) in the case of a Corps member who is required to complete a period of obligated service under this subpart, begins not later than one year after the date on which such individual completes such period of obligated service; and*

*"(B) in the case of an individual who is not required to complete a period of obligated service under this subpart, begins at such time as the Secretary considers appropriate;*

*"(2) to conduct such practice in accordance with the provisions of section 338D(b)(1); and*

*"(3) to such additional conditions as the Secretary may require to carry out the purposes of this section.*

*Such a loan shall be used to assist such individual in meeting the costs of beginning the practice of such individual's profession in accordance with such agreement, including the costs of acquiring equipment and renovating facilities for use in providing health services, and of hiring nurses and other personnel to assist in providing health services. Such loan may not be used for the purchase or construction of any building.*

*"(b) The amount of a loan under subsection (a) to an individual shall not exceed $25,000 and the interest rate for any such loan shall not exceed an annual rate of 5 percent.";*

*(2) in subsection (c), by striking "grant or" in the first sentence; and*

*(3) in subsection (d)(1)—*

*(A) by striking "338D(b)" and inserting "338E(b) or 338E(c)"; and*

*(B) by striking "this section," and inserting "this section (as in effect prior to October 1, 1984),".*

### *SEC. 205. AUTHORIZATIONS OF APPROPRIATIONS WITH RESPECT TO GENERAL OPERATIONS OF NATIONAL HEALTH SERVICE CORPS.*

*Section 338(a) (42 U.S.C. 254k(a)) is amended to read as follows:*

*"(a) To carry out this subpart, there are authorized to be appropriated $65,000,000 for each of the fiscal years 1988 through 1990.".*

### *SEC. 206. EFFECTIVE DATE.*

*The amendments mude by this title shall take effect October 1, 1987.*

### AMENDMENT OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Waxman: Page 14, insert after line 18 the following:

SEC. 106. SPECIAL REPAYMENT PROVISIONS.

(a) Eligible Individuals.—

(1) An individual who—

(A)(i) breached a written contract entered into under section 338A of the Public Health Service Act by failing either to begin such individual's service obligation in accordance with section 338C of such Act or to complete such service obligation, or

(ii) otherwise breached such a contract, and

(B) as of September 1, 1987, is liable to the United States under section 338E(b),

shall be relieved of liability to the United States under such section if the individual provides notice to the Secretary in accordance with paragraph (2) of this subsection and provides service in accordance with a written contract with the Secretary which obligates the individual to provide service in accordance with subsection (b) or (c). The Secretary may exclude an individual from relief from liability under this section for reasons related to the individual's professional competence or conduct.

(2) Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall notify in writing individuals who are described in subsection (a) of the opportunity provided by such subsection to be relieved of liability to the United States under section 338E(b) of the Public Health Service Act. Not later than 180 days after the date of the enactment of this Act, an individual who receives a notice from the Secretary may notify the Secretary that the individual intends to enter into a written contract with the Secretary to provide service in accordance with subsection (b) or (c). The Secretary may extend the 180-day period for an individual for good cause shown.

(b) Service at Health Manpower Shortage Area Placement Opportunity List Sites.—An individual notified under subsection (a)(2) may enter into a written contract with the Secretary to serve, in accordance with subpart II of part D of title III of the Public Health Service Act, for the period of such individual's service obligation remaining under section 338C of the Public Health Service Act at a site—

(1)(A) which is on the Health Manpower Shortage Area Placement Opportunity List created by the Secretary of Health and Human Services for obligated service under section 338C of the Public Health Service Act to begin in fiscal year 1988 and to which no individual who is not described in subsection (a)(1) has been assigned by a date determined by the Secretary, or

(B) which is on the Health Manpower Shortage Area Placement Opportunity List created by the Secretary of Health and Human Services for obligated service under section 338C of the Public Health Service Act to begin in fiscal year 1989, and

(2) which has agreed to permit the individual to serve at such site.

(c) Service at Supplemental Health Manpower Shortage Area Placement Opportunity List Sites.—An individual notified under subsection (a)(2) may enter into a written contract with the Secretary—

(1) to (A) serve in accordance with subpart II of part D of title III of the Public Health Service Act for the period of such individual's service obligation remaining under section 338C of the Public Health Service Act at a site which is on a supplemental Health Manpower Shortage Area Placement Opportunity List created by the Secretary of Health and Human Services for obligated service under section 338C of the Public Health Service Act and which has agreed to permit the individual to serve at such site, and (B) pay, in accordance with guidelines established by the Secretary of Health and Human Services, to the United States the sum of the amounts paid under subpart II of part D of title III of the Public Health Service Act to or on behalf of the individual reduced by any amount paid, before entering into the contract, by such individual to the Secretary with respect to the individual's indebtedness under such part D, or

(2) to serve in accordance with subpart II of part D of title III of the Public Health Service Act at a site described in paragraph (1) for 150 percent of such individual's remaining service obligation under section 338C of the Public Health Service Act.

(d) Creation of Supplemental Health Manpower Shortage Area Placement Opportunity List Sites.—In creating the supplemental Health Manpower Shortage Area Placement Opportunity List for purposes of subsection (c), the Secretary—

(1) shall include any site to which a National Health Service Corps members was previously assigned but which in fiscal year 1988 or 1989 will not have such member or a member of the National Health Service Corps to replace such member unless the Secretary of Health and Human Services determines that such site may reasonably be expected to recruit a health care professional from other than the Corps,

(2) shall include any migrant health center receiving funds under section 329 of the Public Health Service Act or community health center receiving funds under section 330 of the Public Health Service Act unless the Secretary of Health and Human Services determines that such center has been able to recruit health care professionals from other than the Corps to serve at the center and may reasonably be expected to recruit such health care professionals in the future,

(3) may include any other site selected by the Secretary, and

(4) shall designate the type of health care professional or medical specialist who is eligible to serve at the sites included on the list.

A site may be included on the supplemental list only if, at the time the list is created, the Secretary determines that the site meets the criteria prescribed by section 332 of the Public Health Service Act.

(e) ADDITIONAL ELIGIBLE INDIVIDUALS.—The Secretary of Health and Human Services may authorize an individual who is not described in subsection (a) and who is to begin to serve the individual's service obligation under section 338C of the Public Health Service Act in fiscal year 1988 or 1989 to serve such obligation in accordance with subsection (c) if the Secretary determines that—

(1) service by the individual in accordance with subsection (c) would be in the best interests of the National Health Services Corps, and

(2) allowing such service would alleviate a substantial hardship for such individual.

Mr. WAXMAN [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Chairman, this amendment would give individuals who have defaulted on their obligation one last chance to serve in the National Health Service Corps.

Mr. Chairman, the vast majority of students who have received scholarships from the National Health Service Corps have fulfilled their promises to serve in the corps after finishing their training. Unhappily, some have not met their obligations, and they now must repay three times the value of their scholarships, plus interest.

Mr. Chairman, among those who have defaulted are some good physicians who want another chance to serve in the corps. This amendment will offer them the opportunity, while protecting the interests of the many scholarship recipients who accepted their assignments willingly.

Under this amendment, defaulters will have a limited time to avoid the triple-payback penalty by exercising one of two options. They can go through the regular placement process next year, or this year if they accept assignments passed over by people who did not default. If they choose this option, their penalty will be forgiven when they complete their service in the corps.

If they choose the second option, they will select a site from among those on a special supplemental placement list. Since those sites are likely to be somewhat more desirable than the ones in the regular placement process, those exercising this option will also have to pay another penalty. They must either pay back the full value of their scholarships, or they must serve for 1½ times the number of years in their original obligation.

Mr. Chairman, this approach is fair and balanced. It will encourage physicians to meet their service obligations at a time of great need for the National Health Service Corps. I urge every Member to support this amendment.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I am pleased to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding. We on the minority side have had an opportunity to review the gentleman's amendment. We find that it is a meritorious amendment and want to give it our support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. WAXMAN].

The amendment was agreed to.

### AMENDMENTS OFFERED BY MR. LENT

Mr. LENT. Mr. Chairman, I offer three amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. LENT: Page 9, line 11, strike out the close quotation marks and the period following and insert after that line the following:

"STATE PROGRAMS

"SEC. 338C. (a) The Secretary may make grants to States to support the establishment by States of State programs similar to the Loan Repayment Program under section 338B. Any State program supported with a grant under this subsection shall—

"(1) provide for the repayment of government and commercial loans for the tuition, educational expenses, and living expenses described in section 338B(g)(1);

"(2) establish minimum standards for the designation of areas in which individuals on whose behalf loan repayment is made under the State program will perform obligated service, or provide that such individuals will perform obligated service in health manpower shortage areas designated by the Secretary in the State under section 332; and

"(3) establish minimum standards for the determination of obligated service under the State Program.

"(b) No grant may be made under subsection (a) unless and application therefor is submitted to the Secretary, in such form, at such time, and containing such information as the Secretary may by regulation prescribe.

"(c) The Federal share of the costs of any State program supported under subsection (a) shall not exceed 75 percent.

"(d) To carry out this section, there are authorized to be appropriated $1,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.".

Page 2, beginning in line 13, strike out "338C through 338H" and insert in lieu thereof "338D through 338I".

Page 2, line 15, strike out "section" and insert in lieu thereof "sections".

Page 4, line 15, strike out "338E" and insert in lieu thereof "338F".

Page 7, line 15, strike out "338E" and insert in lieu thereof "338F".

Page 9, lines 15 and 19, strike out "338G" and insert in lieu thereof "338H".

Page 11, line 9, strike out "338C or 338D" and insert in lieu thereof "338D or 338E".

Page 11, line 18, strike out "338D" and insert in lieu thereof "338E".

Page 13, line 16, strike out "338F" and insert in lieu thereof "338G".

Page 13, line 19, strike out "338C" and insert in lieu thereof "338D".

Page 13, line 20, strike out "338D" and insert in lieu thereof "338E".

Page 14, insert after line 15 the following:

SEC. 105. REGULATIONS.

Not later than 180 days after the effective date of the amendments made by this title the Secretary of Health and Human Services shall issue regulations for the loan repayment programs established by the amendments.

Page 14, line 16, redesignate section 105 as section 106.

Page 21, insert after line 24 the following:

SEC. 206. PLACEMENT OF PHYSICIANS.

Section 333 (42 U.S.C. 254f) is amended by adding at the end the following:

"(j) In determining the priority for the placement of members of the Corps under this section in medically underserved areas, the Secretary shall consider—

"(1) whether the areas are served by at least one health professional and the effectiveness of non-Federal programs in recruiting health professionals for the areas,

"(2) the geographic isolation of the areas, and

"(3) the economic need of the populations of the areas and the association of the areas with a high infant mortality rate.".

Page 22, redesignate section 206 as section 207.

Mr. LENT (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LENT. Mr. Chairman, my first and second amendments would establish a new grant program to the States for the purpose of repaying educational loans for health professionals who agree to serve a minimum of 2 years in a medically underserved area of a State. To receive a grant, a State would have to fund 25 percent of the aggregate costs of repaying loans. State loan repayment would assure State involvement in physician placement, which would give States increased incentives to encourage assignees to remain in medically underserved areas after their period of obligated service was completed. States are likely to have closer contacts with local communities than the Federal Government, and consequently can work with localities to develop incentives for the retention of health professionals.

My third amendment assures that disadvantaged communities are assigned corps personnel as a first priority. My amendment requires that the Secretary of HHS, in determining priority for placement, shall consider: First, whether an area is served by no one or a sole community provider; and second, the degree of geographic isolation of an area, the degree of a population's economic need or its infant mortality rate and the effectiveness of non-Federal programs for recruiting health professionals for underserved areas. While I think the Secretary may already have this authority, my amendment explicitly confirms that fact.

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Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. LENT. I am happy to yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, we have had an opportunity to review these amendments, and I think they are sound amendments. They will expand our ability to get doctors into underserved areas, and we join the gentleman in supporting his amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York [Mr. LENT].

The amendments were agreed to.

### AMENDMENT OFFERED BY MR. KASICH

Mr. KASICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KASICH: Page 13, after line 20, insert the following new paragraph (and redesignate subsequent paragraphs accordingly):

(3) in subsection (b)(1)—

(A) by inserting "(A)" after "(1)";

(B) by striking the last sentence; and

(C) by adding at the end the following new subparagraph:

"(B)(i) Any amount of damages that the United States is entitled to recover under this subsection or under subsection (c) shall, within the one year period beginning on the date of the breach of the written contract (or such longer period beginning on such date as specified by the Secretary for good cause shown), be paid to the United States.

"(ii) If damages described in clause (i) are delinquent for three months, the Secretary shall, for the purpose of recovering such damages—

"(I) utilize collection agencies contracted with by the Administrator of the General Services Administration; or

"(II) enter into contracts for the recovery of such damages if collection agencies described in subclause (I) are not available.

"(iii) Each contract for recovering damages pursuant to this subsection shall provide that the contractor will, not less than once each six months, submit to the Secretary a status report on the success of the contractor in collecting such damages. Section 3718 of title 31 shall apply to any such contract to the extent not inconsistent with this subsection.

"(iv) To the extent not otherwise prohibited by law, the Secretary shall disclose to all appropriate credit reporting agencies information relating to damages of more than $100 that are entitled to be recovered by the United States under this subsection and that are delinquent by more than 31 days.";

Mr. KASICH (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KASICH. What the amendment does is what we were talking about before. It is to require that collection agencies properly approved be used to go after the people with the delinquent debt. Second, that those people who are delinquent shall have their names and information forwarded to the prescribed credit bureaus which have been approved by the Secretary.

I have had an opportunity to check those numbers again and I think that our numbers are going to be correct. We have been told by the health people themselves that the delinquent debt owed is about $115 million. The $17 million in the committee report we have been told today is inaccurate. In fact, the total is about $115 million.

I think that if we become more aggressive in this overall area of using collection agencies as we have tried to do in a variety of other government agencies, military, DOD, and we tried to do this in the Maritime Administration, the Coast Guard Administration; all this combined, all this delinquent debt in all the agencies bureaus of the Federal Government total somewhere in the neighborhood of about $68 billion. The non-tax-delinquent debt has really skyrocketed. what we are trying to do is to force the Federal Government to use the tools that are available to it to finally start to do something to collect this delinquent debt. When you are up to a total of $68 billion, when we are running these tremendous deficits, it is just crazy not to do everything we can to try to collect this money. What we are going to do here is use these collection agencies.

I want to tell you about two examples that are just unbelievable. A couple in Los Angeles with an income of over $120,000 was asked to repay the Government $2,000 per month. The couple replied that they could only afford $370 per month which turned out to be less than what they paid their maid. The case is now pending before the Department of Justice.

A doctor in Florida with an income of over $200,000 refused to pay his obligation even after he was offered a position in Florida. He replied that he could not take the Florida position because it would not even make his car payment. That case is pending before the Justice Department.

A radiologist at Harvard University simply refuses to repay the Government. His case is pending before the Justice Department.

Now I think there is greater effort being made by everyone in these areas to try to improve things. And I think if we did a tough study of this we would find out that they were making greater efforts to collect.

I want to give them credit for doing that. What we want to make sure is that this is not an inconsistent effort, that in fact we mandate the Federal Government to use these tools and that we go the step further by making sure the credit bureaus across the country are aware of these physicians who have welshed on their agreement with the Federal Government and that we not let this go.

Now I know that the gentleman from New Mexico is a supporter of this program. I am a strong supporter of the program. But I think it is absolutely essential that we do not allow people to walk away from their obligation letting the U.S. taxpayers hold the debts up to $115 million.

Mr. RICHARDON. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I would be glad to yield to the gentleman from New Mexico.

Mr. RICHARDSON. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman for this amendment. I think it is a good amendment. But it gives me a little concern as to some of the earlier characterizations. I do not believe the gentleman himself mentioned it but several physicians were characterized under this program as driving Mercedes and living high on the hog. I want to tell the gentleman there are many physicians who I think for good reason have not been able to pay back his debt. They stay in rural areas, they get attached. They do not have very high incomes. That is one point.

Mr. KASICH. If I may reclaim my time for a moment, remember this is not an action taken against people who went to rural areas. These are people who got the loans based on the supposition they were going to go to the rural areas and they never went.

Mr. RICHARDSON. Second, I think the figure the gentleman mentioned, where he got data of $115 million, I think the $17 million in the committee report that we have is based on the judgments that are made against physicians who have not paid. I think the $115 million may be a figure that includes interest. I just do not want it to appear misleading that there is this total debt, a totality of $115 million. The judgments, I think the committee report is correct, which have been made against individuals that have not paid, are $17 million. I am going to support the gentleman's amendment. I commend him for what he is doing. But there are some physicians out there who work hard, who are not rich, who try to repay their loans.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. KASICH] has expired.

(By unanimous consent, Mr. KASICH was allowed to proceed for 3 additional minutes.)

**Mr. KASICH.** Let me just say this to the gentleman from New Mexico. I think the program is a vital program. We are not talking about people who lived up to their obligations. We are talking about people who failed to live up to their obligations. We are talking about the couple who does not want to pay, where they pay their maid more than it costs to repay their loan; the doctor with his $200,000 income who welshed on his deal. That is what we are looking at here.

In terms of the $115 million, there is about $175 million I am told—and these figures do not come from my office, they come from the National Health Service Corporation—they say there is about $175 million out there in loans and the $115 million represents the amount owed after the 1-year grace period that these physicians have to pay the money back and they have not begun to pay this money back.

So they are flat out delinquent. Now if they want to make an effort to pay this back then I think that is what we really want to achieve. But at this point, I did not pull these numbers out of the sky. These came from that operation.

I want to make it clear that what we want to do is to take the few who are abusing the system and make sure we get on them.

I was with a physician last night and I told him what I planned to do. He said, "You had better go after them." He told me there is probably some of these doctors that are driving around in big cars. Now I am talking to my own physician and quoting him.

Now we do not want to be demagogic about this but we want to make it clear that if you are going to get this kind of money from the Federal Government, if the taxpayers are going to do it, you as a physician have an obligation to live up to that deal. It is not to cast dispersions on the program or the physicians who contribute so much every single day but on the ones who are the rotten apples in that barrel. Let us get them out of it and let us make them pay.

**Mr. WAXMAN.** Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have just seen some of the language of this amendment for the first time. Whatever figures anyone uses about how much is in default is really unimportant. The major point is that we want this money collected.

Now the figures are very difficult to pin down because in order to go out and collect money you have to get a judgment. Some of the money that we have talked about is not yet in the form of a judgment. The amount of money extended to a person for a scholarship is one sum and that would be trebled if a default occurs on it. We talk about interest on top of that. So that accounts for the great disparity in the amount of dollars we are talking about.

The essential point is that we want to collect the dollars that are owed to the Federal Government. We, on this side of the aisle, will accept the amendment offered by the gentleman from Ohio. But I do want to point out that there are some details in this amendment that are troubling. For example, there is spelled out in this amendment a 1-year period before payment of the debt is required, while at the same time, the bill provides a 2-year period in which defaulters can come back into the program. I think the essential point is that I do want to work with the gentleman as we move into conference to put this amendment into a form that will fit the rest of the bill and that will accomplish his purpose. I think his purpose is a worthwhile one and on that basis I would support his amendment.

**Mr. KASICH.** Mr. Chairman, will the gentleman yield?

**Mr. WAXMAN.** I would be happy to yield to the gentleman from Ohio.

**Mr. KASICH.** I thank the gentleman for yielding.

Mr. Chairman, we try to refer these cases to the Justice Department, not just these cases but there is a variety of them. You know that there is a backlog in the Justice Department of 89,000 cases? By the time we go to litigate not just these people, but across the Federal Government, the EPA, the polluters, the Coast Guard, the people who are stripmining, people who are in the Federal forests taking stuff off and not paying for it, people who bring stuff in and do not pay their customs duties. We are looking at an 89,000-case backlog. By the time we get some of these cases litigated, the people will not even be around. That is the tremendous difficulty we have in this overall delinquent debt problem.

I just want to point that out, because I think it is important that the membership of this body realize this problem and know there is some fertile ground there for collection.

I agree with the gentleman, we can cross some "t's" and dot some "i's" and make some changes here.

I appreciate the gentleman accepting the thrust of this amendment and would be more than happy to work in conference with the gentleman to achieve what we both are seeking.

**Mr. WAXMAN.** I thank the gentleman for his comments and his constructive proposal and I urge adoption of the amendment.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from Ohio [Mr. KASICH].

The amendment was agreed to.

The **CHAIRMAN.** Are there any other amendments to the bill? If not the question is on committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The **CHAIRMAN.** Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. SMITH of Iowa, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1327) to amend the Public Health Service Act to establish a National Health Service Corps Loan Repayment Program and to otherwise revise and extend the program for the National Health Service Corps, pursuant to House Resolution 253, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The **SPEAKER** pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER** pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

**Mr. WAXMAN.** Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 387, nays 9, not voting 38, as follows:

[Roll No. 314]

YEAS—387

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
Badham
Baker
Ballenger
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Billey
Boehlert
Boggs
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bryant
Buechner
Bunning
Burton
Bustamante
Byron

Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Dannemeyer
Darden
Davis (IL)
Davis (MI)
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Konnyu
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Torres
Torricelli
Traficant
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—9

Barton
Cheney
Crane
DeLay
Fawell
Gregg
Meyers
Smith, Robert (NH)
Stump

NOT VOTING—38

AuCoin
Bentley
Biaggi
Boland
Boner (TN)
Bonker
Boulter
Bruce
Collins
Daub
DeFazio
Gephardt
Holloway
Houghton
Hunter
Inhofe
Jeffords
Jenkins
Kaptur
Kemp
Kolter
Kostmayer
Lehman (CA)
Livingston
Lloyd
Morrison (CT)
Pursell
Quillen
Roberts
Roemer
Schneider
Shumway
St Germain
Stark
Tauzin
Thomas (CA)
Towns
Traxler

□ 1435

**Mr. GREGG** and **Mr. SMITH** of New Hampshire changed their votes from "yea" to "nay."

**Mr. SMITH** of Texas and **Mr. KONNYU** changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

**Mr. WAXMAN.** Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1158) to continue authorization of various health and science programs, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The **SPEAKER** pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

### S. 1158

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Public Health Service Amendments of 1987".

### REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

## TITLE I—HEALTH SERVICES RESEARCH, HEALTH CARE TECHNOLOGY, HEALTH STATISTICS, AND PREVENTIVE HEALTH PROGRAMS

### NATIONAL CENTER FOR HEALTH SERVICES RESEARCH AND HEALTH CARE TECHNOLOGY

SEC. 101. Section 308(i)(1) is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "For health service research, evaluation, and demonstration activities undertaken or supported under section 304 or 305, there are authorized to be appropriated $26,500,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990; and

(2) by striking out beginning with "$3,000,000" in the third sentence through "1987" and inserting in lieu thereof "$4,000,000 for each of the fiscal years 1988, 1989, and 1990".

### NATIONAL CENTER FOR HEALTH STATISTICS

SEC. 102. (a) Section 308(i)(2) is amended to read as follows:

"(2) For health statistical and epidemiological activities undertaken or supported under section 304 or 306, there are authorized to be appropriated $55,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.".

(b)(1) Section 306(k) is amended—

(A) by striking out "fifteen" in paragraph (1) and inserting in lieu thereof "sixteen";

(B) by striking out "three" in the second sentence of paragraph (2)(A) and inserting in lieu thereof "four"; and

(C) by striking out paragraph (2)(B) and inserting in lieu thereof the following:

"(B)(i) In the case of membership terms on the Committee under this subsection (as in effect prior to January 1, 1988) which expire in calendar year 1988, the appointments to three such terms in such calendar year shall be for a period of four years and the appointments to two such terms in such calendar year shall be for a period of three years, as designated by the Secretary.

"(ii) In the case of membership terms on the Committee under this subsection (as in effect prior to January 1, 1988) which expire in calendar year 1989, one such term shall be extended for an additional consecutive one-year period, as designated by the Secretary.

"(iii) In the case of membership terms on the Committee under this subsection (as in effect prior to January 1, 1988) which expire in calendar year 1990, two of such terms shall each be extended for an additional consecutive one-year period, as designated by the Secretary.".

(2) The amendments made by this subsection shall take effect January 1, 1990.

(c) Section 304(d) is repealed.

(d) Section 306(l) is repealed.

(e)(1) Section 308(a) is amended—

(A) by striking out paragraph (1),

(B) by redesignating paragraph (2) as paragraph (1) and (in such paragraph)—

(i) by striking out "the National Center for Health Services Research and"; and

(ii) by striking out "December 1" and inserting in lieu thereof "March 15"; and

(C) by redesignating paragraph (3) as paragraph (2) and (in such paragraph) by striking out "or (2) of this subsection".

(2) The first sentence of section 404(a) of the Health Services and Centers Amendments of 1978 is amended—

(A) by striking out "December 1" each place it occurs and inserting in lieu thereof "March 15", and

(B) by striking out "1980" and inserting in lieu thereof "1990".

(3) The amendments made by paragraphs (1) and (2) apply to reports and profiles required to be submitted after November 1, 1987.

### COUNCIL ON HEALTH CARE TECHNOLOGY

SEC. 103. (a) Section 308(i)(1) (as amended by section 101 of this Act) is further amended by striking out the fourth sentence and inserting in lieu thereof the following: "For grants under section 309 the Secretary shall obligate not less than $750,000 for each of the fiscal years 1988, 1989, and 1990. Grants under such section for each such fiscal year shall be subject to the provisions of section 309(a)(2)(B) applicable to such fiscal year.".

(b) Section 309(a)(2)(B) is amended by striking out "at least twice the amount of the grant applied for" and inserting in lieu thereof "(i) at least the amount of the grant applied for (in the case of a grant for fiscal year 1988 or 1989), or (ii) at least twice the amount of the grant applied for (in the case of a grant for fiscal year 1990)".

### PROJECT GRANTS FOR PREVENTIVE HEALTH PROJECTS FOR IMMUNIZATIONS

SEC. 104. (a) Section 317(j)(1) is amended—

(1) by striking out "For" and inserting in lieu thereof the following: "(A) Except for grants for immunization programs the authorization of appropriations for which are established in subparagraph (B), for";

(2) by striking out "and" after "1986,";

(3) by striking out the period and inserting in lieu thereof a comma and "$94,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989 and 1990."; and

(4) by adding at the end the following new subparagraphs:

"(B) For grants under subsection (a) for preventive health service programs for the provision of immunizations with vaccines approved for use, and recommended for routine use, after the date of the enactment of this subparagraph, there are authorized to be appropriated for such sums as may be necessary for each of the fiscal years 1988, 1989, and 1990.

"(C) Upon the implementation of subtitle 2 of title XXI, there are authorized to be appropriated for grants under subsection (a) for which appropriations are authorized in subparagraph (A) of this paragraph such sums as may be necessary for fiscal years 1988 through 1990 to make such grants.".

(b)(1) The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control, shall acquire and maintain a supply of vaccines sufficient to provide vaccinations throughout a 6-month period.

(2) There are authorized to be appropriated to carry out paragraph (1) $5,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989 and 1990.

### PROJECT GRANTS FOR PREVENTIVE HEALTH PROJECTS FOR TUBERCULOSIS; ADDITIONAL PROGRAMS

SEC. 105. (a) Section 317(j)(2) is amended to read as follows:

"(2) For grants under subsection (a) for preventive health service programs for tuberculosis, and for grants under section 317A, there are authorized to be appropriated $22,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990. Not more than 10 percent of the total amount appropriated under the preceding sentence for any fiscal year shall be available for grants under section 317A(b) for such fiscal year.".

(b) Part B of title III is amended by inserting after section 317 the following new section:

### "ADDITIONAL PROGRAMS RELATING TO PREVENTIVE HEALTH SERVICES AND TUBERCULOSIS

"SEC. 317A. (a) The Secretary may make grants to States, political subdivisions of States, and other public and nonprofit private entities for—

"(1) research into the prevention and control of diseases which may be prevented through vaccination;

"(2) demonstration projects for the prevention and control of such diseases;

"(3) public information and education programs for the prevention and control of such diseases; and

"(4) education, training, and clinical skills improvement activities in the prevention and control of such diseases for health professionals (including allied health personnel).

"(b) The Secretary may make grants to States, political subdivisions of States, and other public and nonprofit private entities for—

"(1) research into the prevention and control of tuberculosis, especially research concerning strains of tuberculosis resistant to drugs and research concerning cases of tuberculosis that affect certain populations;

"(2) demonstration projects for the prevention and control of tuberculosis;

"(3) public information and education programs for prevention and control of tuberculosis; and

"(4) education, training, and clinical skills improvement activities in the prevention and control of tuberculosis for health professionals, including allied health personnel.

"(c) No grant may be made under this section unless an application therefor is submitted to the Secretary in such form, at such time, and containing such information as the Secretary may by regulation prescribe.

"(d) Subsections (d), (e), and (f) of section 317 shall apply to grants under this section in the same manner as such subsections apply to grants under subsection (a) of section 317.".

### PROJECTS AND PROGRAMS FOR THE PREVENTION AND CONTROL OF SEXUALLY TRANSMITTED DISEASES

SEC. 106. Section 318 is amended—

(1) by striking out paragraph (1) of subsection (e) and inserting in lieu thereof the following:

"(1)(A) For grants under subsections (b), (c), and (d), there are authorized to be appropriated $100,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.

"(B) For grants under subsection (b) for any fiscal year, the Secretary shall obligate not less than 10 percent of the total amount appropriated for such fiscal year under subparagraph (A).

"(C) Grants made under subsection (b), (c), or (d) shall be made under such terms and conditions as the Secretary finds necessary to carry out the purposes of such subsection, and payments under any such grants shall be made in advance or by way of reimbursement and in such installments as the Secretary finds necessary."; and

(2) by adding at the end thereof the following new subsection:

"(h) Grants under subsections (b) and (c) shall include grants for the prevention and control of, and grants for research and other projects, programs, and activities relating to, chlamydia.".

## TITLE II—NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAM

### ESTABLISHMENT OF LOAN REPAYMENT PROGRAM

SEC. 201. Subpart II of part D of title III is amended—

(1) by redesignating section 338G as section 338I;

(2) by redesignating sections 338B through 338F as sections 338C through 338G, respectively; and

(3) by inserting after section 338A the following new section:

### "NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAM

"SEC. 338B. (a) The Secretary shall establish a program to be known as the National Health Service Corps Loan Repayment Program (hereafter in this subpart referred to as the 'Loan Repayment Program') in order to assure an adequate supply of trained physicians, dentists, and nurses for the Corps and, if needed by the Corps, to assure an adequate supply of podiatrists, optometrists, pharmacists, clinical psychologists, graduates of schools of veterinary medicine, graduates of schools of public health, graduates of programs in health administration, graduates of programs for the training of physician assistants, expanded function dental auxiliaries, and nurse practitioners (as defined in section 822), and other health professionals.

"(b) To be eligible to participate in the Loan Repayment Program, an individual must—

"(1)(A) be enrolled—

"(i) as a full-time student—

"(I) in an accredited (as determined by the Secretary) educational institution in a State; and

"(II) in the final year of a course of study or program, offered by such institution and approved by the Secretary, leading to a degree in medicine, osteopathy, dentistry, or other health profession; or

"(ii) in an accredited graduate training program in medicine, osteopathy, dentistry, or other health profession; or

"(B) have—

"(i) a degree in medicine, osteopathy, dentistry, or other health profession;

"(ii) completed an accredited graduate training program in medicine, osteopathy, dentistry, or other health profession in a State (except as provided in the last sentence of this subsection); and

"(iii) a license to practice medicine, osteopathy, dentistry, or other health profession in a State;

"(2) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Service or be eligible for selection for civilian service in the Corps;

"(3) submit an application to participate in the Loan Repayment Program; and

"(4) sign and submit to the Secretary, at the time of the submission of such application, a written contract (described in subsection (f)) to accept repayment of educational loans and to serve (in accordance with this subpart) for the applicable period of obligated service in a health manpower shortage area.

The Secretary may waive the requirement of paragraph (1)(B)(ii) for good cause.

"(c) In disseminating application forms and contract forms to individuals desiring to participate in the Loan Repayment Program, the Secretary shall include with such forms—

"(1) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled under section 338E in the case of the individual's breach of the contract; and

"(2) information respecting meeting a service obligation through private practice under an agreement under section 338D and such other information as may be necessary for the individual to understand the individual's prospective participation in the Loan Repayment Program and service in the Corps.

The application form, contract form, and all other information furnished by the Secretary under this subpart shall be written in a manner calculated to be understood by the average individual applying to participate in the Loan Repayment Program. The Secretary shall make such application forms, contract forms, and other information available to individuals desiring to participate in the Loan Repayment Program on a date sufficiently early to ensure that such individuals have adequate time to carefully review and evaluate such forms and information.

"(d)(1) In determining which applications under the Loan Repayment Program to approve (and which contracts to accept), the Secretary shall give priority to applications made by—

"(A) individuals whose training is in a health profession or specialty determined by the Secretary to be needed by the Corps;

"(B) individuals who are committed to service in medically underserved areas; and

"(C) individuals who are more immediately available for service.

"(2) In reviewing the applications of two or more individuals with equivalent qualifications for participation in the Loan Repayment Program, the Secretary shall give preference to the individual with the lowest amount of total outstanding loan obligations for principal, interest, and related expenses for which repayments may be made under subsection (g).

"(e)(1) An individual becomes a participant in the Loan Repayment Program only upon the Secretary's approval of the individual's application submitted under subsection (b)(3) and the Secretary's acceptance of the contract submitted by the individual under subsection (b)(4).

"(2) The Secretary shall provide written notice to an individual promptly upon—

"(A) the Secretary's approving, under paragraph (1), of the individual's participation in the Loan Repayment Program; or

"(B) the Secretary's disapproving an individual's participation in such Program.

"(f) The written contract (referred to in this subpart) between the Secretary and an individual shall contain—

"(1) an agreement that—

"(A) subject to paragraph (3), the Secretary agrees (i) to pay on behalf of the individual loans in accordance with subsection (g), and (ii) to accept (subject to the availability of appropriated funds for carrying out sections 331 through 335 and section 337) the individual into the Corps (or for equivalent service as otherwise provided in this subpart); and

"(B) subject to paragraph (3), the individual agrees—

"(i) to accept loan payments on behalf of the individual;

"(ii) in the case of an individual described in subsection (b)(1)(A), to maintain enrollment in a course of study or training described in such subsection until the individual completes the course of study or training;

"(iii) in the case of an individual described in subsection (b)(1)(A), while enrolled in such course of study or training, to maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study or training); and

"(iv) to serve for a time period (hereafter in the subpart referred to as the 'period of obligated service') equal to 2 years or such longer period as the individual may agree to, in a health manpower shortage area (designated under section 332) to which such individual is assigned by the Secretary as a member of the Corps or under section 338D;

"(2) a provision permitting the Secretary to extend for a 1-year period or such longer period, as the individual may agree to, the period of obligated service agreed to by the individual under paragraph (1)(B)(iv);

"(3) a provision that any financial obligation of the United States arising out of a contract entered into under this subpart and any obligation of the individual which is conditioned thereon, is contingent upon funds being appropriated for loan repayments under this subpart and to carry out the purposes of sections 331 through 335 and sections 337 and 338;

"(4) a statement of the damages to which the United States is entitled, under section 338E for the individual's breach of the contract; and

"(5) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with the provisions of this subpart.

"(g)(1) A loan repayment provided for an individual under a written contract under the Loan Repayment Program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual for—

"(A) tuition expenses;

"(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

"(C) reasonable living expenses as determined by the Secretary.

"(2) For each year of obligated service that an individual contracts to serve under subsection (f) the Secretary may pay up to $20,000 on behalf of the individual for loans described in paragraph (1), except as provided in paragraph (3).

"(3) In any case in which payments on behalf of an individual under the Loan Repayment Program result in an increase in Federal, State, or local income tax liability for such individual, the Secretary may, on the request of such individual, make payments to such individual in a reasonable amount, as determined by the Secretary, to reimburse such individual for such increased tax liability. The total of the payments made on behalf of an individual under paragraph (1) and the payments made to an individual under this paragraph may exceed $20,000 for each year of obligated service the individual contracts to serve under subsection (f).

"(4) The Secretary may enter into an agreement with the holder of any loan for which payments are made under the Loan Repayment Program to establish a schedule for the making of such payments if the establishment of such a schedule would result in reducing the costs to the United States under the Loan Repayment Program.

"(h) Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic or other training, shall not be counted against any employment ceiling affecting the Department.

"(i) The Secretary shall, not later than March 1 of each year, submit to the Congress a report specifying—

"(1) the number, and type of health profession training, of individuals receiving loan payments under the Loan Repayment Program;

"(2) the educational institution at which such individuals are receiving their training;

"(3) the number of applications filed under this section in the school year beginning in such year and in prior school years; and

"(4) the amount of loan payments made in the year reported on.".

### TECHNICAL AND CONFORMING AMENDMENTS

SEC. 202. (a) Section 303(d)(4) is amended—

(1) by striking out "752 or 753" each place it appears and inserting in lieu thereof "338C or 338D"; and

(2) by striking out "subpart IV of part C of title VII" and inserting in lieu thereof "subpart II of part D".

(b) Section 331 is amended—

(1) in subsection (b), by striking out "and the Scholarship Program" and inserting in lieu thereof ", the Scholarship Program, and the Loan Repayment Program";

(2) in subsection (c), by striking out "338C" and inserting in lieu thereof "338D";

(3) in subsection (d)(2), by inserting after "Program" the following: "or the Loan Repayment Program";

(4) in subsection (f), by striking out "Scholarship Program" and inserting in lieu thereof "Scholarship Program or the Loan Repayment Program"; and

(5) in subsection (h), by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) The term 'Loan Repayment Program' means the National Health Service Corps Loan Repayment Program established under section 338B.".

(c) Section 334(a)(3)(B) is amended by inserting "or the Loan Repayment Program" after "Program".

(d) Section 336(a) is amended by striking "scholarship program" and inserting "Scholarship Program or Loan Repayment Program".

(e) Section 338E (as redesignated by section 201 of this Act) is amended—

(1) in subsection (a), by inserting "(1)" after "(a)", by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and by adding at the end thereof the following:

"(2) An individual who has entered into a written contract with the Secretary under section 338B and who—

"(A) in the case of an individual who is enrolled in the final year of a course of study, fails to maintain an acceptable level of academic standing in the educational institution in which such individual is enrolled (such level determined by the educational institution under regulations of the Secretary) or voluntarily terminates such enrollment or is dismissed from such educational institution before completion of such course of study; or

"(B) in the case of an individual who is enrolled in a graduate training program, fails to complete such training program and does not receive a waiver from the Secretary under the last sentence of section 338B(b),

in lieu of any service obligation arising under such contract shall be liable to the United States for the amount which has been paid on his behalf under the contract.";

(2) in subsection (b)(1)—

(A) by inserting "under section 338A" after "service obligation";

(B) by striking out "338C" each place it appears and inserting in lieu thereof "338D";

(C) by striking out "338B" each place it appears and inserting in lieu thereof "338C"; and

(D) by striking out "338E(d)" and inserting in lieu thereof "338F(d)"; and

(3) by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

"(c)(1) If (for any reason not specified in subsection (a) or section 338F(d)) an individual breaches the written contract of the individual under section 338B by failing either to begin such individual's service obligation in accordance with section 338C or 338D or to complete such service obligation, the United States shall be entitled to recover from the individual an amount equal to the sum of—

"(A) the total of the amounts prepaid by the United States on behalf of the individual;

"(B) the interest on the amounts described in subparagraph (A) which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum prevailing rate, as determined by the Treasurer of the United States; and

"(C) an amount equal to the unserved obligation penalty.

"(2) For purposes of paragraph (1)(C), the term 'unserved obligation penalty' means the amount equal to the product of number of months of obligated service which were not completed by an individual, multiplied by $500.

"(3) The Secretary, in the discretion of the Secretary, may reduce the amount which the United States would otherwise be entitled to recover from an individual under paragraph (1)(A) if the Secretary determines that such individual has performed a sufficient amount of obligated service to warrant such a reduction.

"(4) The Secretary may waive, in whole or in part, the rights of the United States to recover amounts under this section in any case of extreme hardship, as determined by the Secretary.

"(5) Damages which the United States is entitled to recover shall be paid in accordance with the last sentence of subsection (b)(1).";

(4) in subsection (d) (as redesignated by clause (3) of this subsection), by inserting "or the Loan Repayment Program (or a contract thereunder)" after "thereunder)" each place it appears; and

(5) in the section heading, by adding "OR LOAN REPAYMENT CONTRACT" after "CONTRACT.".

(f) Part D of title III is amended—

(1) by redesignating subparts III and IV as subparts IV and V, respectively; and

(2) by inserting before section 338A the following:

"Subpart III—Scholarship Program and Loan Repayment Program".

### AUTHORIZATION OF APPROPRIATIONS WITH RESPECT TO SCHOLARSHIP PROGRAM AND LOAN REPAYMENT PROGRAM

SEC. 203. Part D of title III is amended by striking out section 338G (as redesignated by section 201(2) of this Act) and inserting in lieu thereof the following:

### "REPORT AND AUTHORIZATION OF APPROPRIATIONS

"SEC. 338G. (a) The Secretary shall report on January 20 of each year to the Committee on Labor and Human Resources of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives the number of providers of health care who will be needed for the Corps during the 3 fiscal years beginning after the date the report is filed and the number—

"(1) of scholarships the Secretary proposes to provide under the Scholarship Program during such 3 fiscal years;

"(2) of individuals for whom the Secretary proposes to make loan repayments under the Loan Repayment Program during such 3 fiscal years; and

"(3) of individuals who have no obligation under section 338C and who the Secretary proposes to have as members of the Corps during such 3 fiscal years,

in order to provide such number of health care providers.

"(b) There are authorized to be appropriated such sums as may be necessary for scholarships and loan repayments under this subpart.

### "STATE PROGRAMS

"SEC. 338H. (a) The Secretary may make grants to States to support the establishment by States of State programs similar to the Loan Repayment Program. Any State program supported with a grant under this section shall—

"(1) provide for the repayment of government and commercial loans for the tuition, educational expenses, and living expenses described in section 338B(g)(1); and

"(2) shall be conducted in conformance with the description of such program contained in the application required under subsection (b).

"(b) No grant may be made under this section for a State program unless an application therefor is submitted to the Secretary, in such form, at such time, and containing such information as the Secretary may prescribe. Each such application shall contain such standards for the designation of medically underserved areas under the State program and the determination of obligated service under the State program as may be acceptable to the Secretary.

"(c) The Federal share of the costs of any State program supported under this section shall not exceed 75 percent.

"(d) To carry out this section, there are authorized to be appropriated $1,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.".

## TITLE III—FURTHER REVISIONS AND EXTENSIONS OF THE PROGRAM FOR THE NATIONAL HEALTH SERVICE CORPS

### DESIGNATION OF HEALTH MANPOWER SHORTAGE AREAS

SEC. 301. Section 332 is amended—

(1) in subsection (a)(1), by adding at the end thereof the following: "The Secretary shall not remove an area from the areas determined to be health manpower shortage areas under clause (A) of the preceding sentence until the Secretary has afforded interested persons and groups in such area an opportunity to provide data and information in support of the designation as a health manpower shortage area or a population group described in clause (B) of such sentence or a facility described in clause (C) of such sentence, and has made a determination on the basis of the data and information submitted by such persons and groups and other data and information available to the Secretary."; and

(2) in subsection (b)(2)—

(A) by striking out "and" after "services," in subparagraph (B);

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and"; and

(C) by adding at the end the following new subparagraph:

"(D) ability to pay for health services.".

### OBLIGATED SERVICE

SEC. 302. Section 338C (as redesignated by section 201(2) of this Act) is amended—

(1) in subsection (a), by striking out "338C" and inserting in lieu thereof "338D" and by inserting "or 338B" after "338A";

(2) in subsection (b)(1), by inserting "or 338B(f)(1)(B)(iv)" after "(iv)";

(3) by striking out subsection (b)(5) and inserting in lieu thereof the following:

"(5)(A) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, clinical psychology, or pharmacy, the date referred to in paragraphs (1) through (4) shall be the date upon which the individual completes the training required for such degree, except that—

"(i) at the request of such an individual with whom the Secretary has entered into a contract under section 338A prior to October 1, 1985, the Secretary shall defer such date until the end of the period of time (not to exceed the number of years specified in subparagraph (B) or such greater period as the Secretary, consistent with the needs of the Corps, may authorize) required for the individual to complete an internship, residency, or other advanced clinical training; and

"(ii) at the request of such an individual with whom the Secretary has entered into a contract under section 338A on or after October 1, 1985, the Secretary may defer such date in accordance with the provisions of clause (i).

"(B)(i) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of medicine, osteopathy, or dentistry, the number of years referred to in subparagraph (A)(i) shall be three years.

"(ii) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of veterinary medicine, optometry, podiatry, or pharmacy, the number of years referred to in subparagraph (A)(i) shall be one year.

"(C) No period of internship, residency, or other advanced clinical training shall be counted toward satisfying a period of obligated service under this subpart.

"(D) In the case of the Scholarship Program, with respect to an individual receiving a degree from an institution other than a school referred to in subparagraph (A), the date referred to in paragraphs (1) through (4) shall be the date upon which the individual completes his academic training leading to such degree.

"(E) In the case of the Loan Repayment Program, if an individual is required to provide obligated service under such Program, the date referred to in paragraphs (1) through (4)—

"(i) shall be the date determined under subparagraph (A), (B), or (D) in the case of an individual who is enrolled in the final year of a course of study;

"(ii) shall, in the case of an individual who is enrolled in an accredited graduate training program in medicine, osteopathy, dentistry, or other health profession, be the date the individual completes such training program; and

"(iii) shall, in the case of an individual who has a degree in medicine, osteopathy, dentistry, or other health profession and who has completed graduate training, be the date the individual enters into an agreement with the Secretary under section 338B.";

(4) in subsection (c)(2), by striking out "338C" and inserting in lieu thereof "338D"; and

(5) in subsection (e), by inserting ", under the Loan Repayment Program," after "Program".

### PRIVATE PRACTICE

SEC. 303. Section 338D of the Public Health Service Act (as redesignated by section 201(2) of this Act) is amended—

(1) in subsection (a), by striking out "338B(a)" and inserting in lieu thereof "338C(a)";

(2) in subsection (a)(1), by inserting after "individual" the following: "who received a scholarship under the Scholarship Program and" and by inserting before the semicolon in such subsection the following: "or in the case of an individual for whom a loan payment was made under the Loan Repayment Program and who is performing obligated service as a member of the Corps in a health manpower shortage area on the date of his application for such a release, in the health manpower shortage area selected by the Secretary";

(3) in subsection (a)(2), by inserting before the period "selected by the Secretary";

(4) in subsection (b), by inserting at the end the following: "The Secretary shall take such action as may be appropriate to assure that the conditions of the written agreement prescribed by this subsection are adhered to.";

(5) in subsection (c), by inserting "or 338B" after "338A"; and

(6) in subsection (e), by striking out paragraph (1) and by striking "(2)" before "Upon".

### SPECIAL LOANS FOR CORPS MEMBERS TO ENTER PRIVATE PRACTICE

SEC. 304. Section 338F (as redesignated by section 201(2) of this Act) is amended—

(1) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) The Secretary may, out of appropriations authorized under section 338, make one loan to a Corps member who has agreed in writing—

"(1) to engage in the private full-time clinical practice of his profession in a health manpower shortage area (designated under section 332) for a period of not less than two years which—

"(A) in the case of a Corps member who is required to complete a period of obligated service under this subpart, begins not later than one year after the date on which such individual completes such period of obligated service; and

"(B) in the case of an individual who is not required to complete a period of obligated service under this subpart, begins at such time as the Secretary considers appropriate;

"(2) to conduct such practice in accordance with the provisions of section 338D(b)(1); and

"(3) to such additional conditions as the Secretary may require to carry out the purposes of this section.

Such a loan shall be used to assist such individual in meeting the costs of beginning the practice of such individual's profession in accordance with such agreement, including the costs of acquiring equipment and renovating facilities for use in providing health services, and of hiring nurses and other personnel to assist in providing health services. Such loan may not be used for the purchase or construction of any building.

"(b) The amount of a loan under subsection (a) to an individual shall not exceed $25,000.";

(2) in subsection (c), by striking "grant or" in the first sentence; and

(3) in subsection (d)(1)—

(A) by striking "338D(b)" and inserting "338E(b)"; and

(B) by striking "this section," and inserting "this section (as in effect prior to October 1, 1984),".

### AUTHORIZATIONS OF APPROPRIATIONS WITH RESPECT TO GENERAL OPERATIONS OF NATIONAL HEALTH SERVICE CORPS

SEC. 305. Section 338(a) is amended to read as follows:

"(a) To carry out this subpart and section 338F, there are authorized to be appropriated $65,000,000 for fiscal year 1988, $65,000,000 for fiscal year 1989, and $65,000,000 for fiscal year 1990.".

### DISCHARGE OF OBLIGATIONS IN BANKRUPTCY

SEC. 306. (a) Section 338E(d)(3) (as redesignated by sections 201(2) and 202(e)(3) of this Act) is amended by inserting before the period a comma and "and only if the bankruptcy court finds that nondischarge of the obligation would be unconscionable".

(b) The amendment made by subsection (a) applies to any bankruptcy proceeding in which discharge of an obligation under section 338E(d)(3) of the Public Health Service Act (as redesignated by sections 201(2) and 202(e)(3) of this Act) has not been granted before the date which is 31 days after the date of enactment of this Act.

### ASSIGNMENT OF FAMILY PHYSICIANS

SEC. 307. Section 333 is amended by adding at the end thereof the following new subsection:

"(j) In the assignment by the National Health Service Corps under this section of physicians specializing in family medicine, the Secretary shall take account of the needs of urban areas, and shall place special attention on urban areas in which there are serious incidences of infant mortality, adolescent pregnancy, drug and alcohol abuse, sexually transmitted diseases, and other acute urban health care needs.".

### EFFECTIVE DATE

SEC. 308. Except as provided in sections 102(b)(2), 102(e)(3), and 306(b), this Act and the amendments made by this Act shall take effect October 1, 1987.

### MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike all after the enacting clause of S. 1158 and insert in lieu thereof the text contained in H.R. 1327 as passed by the House, as follows:

### *SECTION 1. SHORT TITLE.*

*This Act may be cited as the "National Health Service Corps Amendments Act of 1987".*

## *TITLE I—NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM AND LOAN REPAYMENT PROGRAM*

### *SEC. 101. ESTABLISHMENT OF LOAN REPAYMENT PROGRAM.*

*Subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254d et seq.) is amended by redesignating sections 338B through 338G as sections 338D through 338I, respectively, and by inserting after section 338A the following new sections:*

### *"NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAM*

*"SEC. 338B. (a) The Secretary shall establish a program to be known as the National Health Service Corps Loan Repayment Program (hereafter in this subpart referred to as the 'Loan Repayment Program') in order to assure an adequate supply of trained physicians, dentists, and nurses for the Corps and, if needed by the Corps, to assure an adequate supply of podiatrists, optometrists, pharmacists, clinical psychologists, graduates of schools of veterinary medicine, graduates of schools of public health, graduates of programs in health administration, graduates of programs for the training of physicians assistants, expanded function dental auxiliaries, and nurse practitioners (as defined in section 822), and other health professionals.*

*"(b) To be eligible to participate in the Loan Repayment Program, an individual must—*

*"(1)(A) be enrolled (i) as a full-time student (I) in an accredited (as determined by the Secretary) educational institution in a State, and (II) in the final year of a course of study or program, offered by such institution and approved by the Secretary, leading to a degree in medicine, osteopathy, dentistry, or other health profession, or (ii) in a graduate training program in medicine, osteopathy, dentistry, or other health profession, or (B) have a degree in medicine, osteopathy, dentistry, or other health profession and have completed a graduate training program in medicine, osteopathy, dentistry, or other health profession;*

*"(2) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Service or be eligible for selection for civilian service in the Corps;*

*"(3) submit an application to participate in the Loan Repayment Program; and*

*"(4) sign and submit to the Secretary, at the time of the submission of such application, a written contract (described in subsection (f)) to accept repayment of educational loans and to serve (in accordance with this subpart) for the applicable period of obligated service in a health manpower shortage area.*

*"(c) In disseminating application forms and contract forms to individuals desiring to participate in the Loan Repayment Program, the Secretary shall include with such forms—*

*"(1) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled under section 338F in the case of the individual's breach of the contract; and*

"(2) information respecting meeting a service obligation through private practice under an agreement under section 338D and such other information as may be necessary for the individual to understand the individual's prospective participation in the Loan Repayment Program and service in the Corps.

The application form, contract form, and all other information furnished by the Secretary under this subpart shall be written in a manner calculated to be understood by the average individual applying to participate in the Loan Repayment Program. The Secretary shall make such application forms, contract forms, and other information available to individuals desiring to participate in the Loan Repayment Program on a date sufficiently early to ensure that such individuals have adequate time to carefully review and evaluate such forms and information.

"(d) In determining which applications under the Loan Repayment Program to approve (and which contracts to accept), the Secretary shall give priority to applications made by individuals whose training is in a health profession or specialty determined by the Secretary to be needed by the Corps.

"(e)(1) An individual becomes a participant in the Loan Repayment Program only upon the Secretary's approval of the individual's application submitted under subsection (b)(3) and the Secretary's acceptance of the contract submitted by the individual under subsection (b)(4).

"(2) The Secretary shall provide written notice to an individual promptly upon the Secretary's approving, under paragraph (1), of the individual's participation in the Loan Repayment Program.

"(f) The written contract (referred to in this subpart) between the Secretary and an individual shall contain—

"(1) an agreement that—

"(A) subject to paragraph (2), the Secretary agrees (i) to pay on behalf of the individual loans in accordance with subsection (g), and (ii) to accept (subject to the availability of appropriated funds for carrying out sections 331 through 335 and section 337) the individual into the Corps (or for equivalent service as otherwise provided in this subpart); and

"(B) subject to paragraph (2), the individual agrees—

"(i) to accept loan payments on behalf of the individual;

"(ii) to maintain enrollment in a course of study or training described in subsection (b)(1) until the individual completes the course of study or training;

"(iii) while enrolled in such course of study or training, to maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study or training); and

"(iv) to serve for a time period (hereafter in the subpart referred to as the 'period of obligated service') equal to 2 years or such longer period as the individual may agree to in a health manpower shortage area (designated under section 3332) to which he is assigned by the Secretary as a member of the Corps;

"(2) a provision that any financial obligation of the United States arising out of a contract entered into under this subpart and any obligation of the individual which is conditioned thereon, is contingent upon funds being appropriated for loan repayments under this subpart and to carry out the purposes of sections 331 through 335 and sections 337 and 338;

"(3) a statement of the damages to which the United States is entitled, under section 338F for the individual's breach of the contract; and

"(4) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with the provisions of this subpart.

"(g)(1) A loan repayment provided for an individual under a written contract under the Loan Repayment Program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual for—

"(A) tuition expenses;

"(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

"(C) reasonable living expenses as determined by the Secretary.

"(2)(A) Except as provided in subparagraph (B), for each year of obligated service that an individual contracts under subsection (f) to serve, the Secretary may pay up to $20,000 on behalf of the individual for loans described in paragraph (1).

"(B) For each year of obligated service that an individual contracts under subsection (f) to serve in the Indian Health Service, or to serve in a health program or facility operated by a tribe or tribal organization under the Indian Self-Determination Act, the Secretary may pay up to $25,000 on behalf of the individual for loans described in paragraph (1).

"(h) Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic training, shall not be counted against any employment ceiling affecting the Department.

"(i) The Secretary shall, not later than March 1 of each year, submit to the Congress a report providing—

"(1) the number of individuals receiving loan payments under the Loan Repayment Program;

"(2) the health profession for which each such individual is receiving training;

"(3) the educational institution at which each such individual is receiving training;

"(4) the number of applications filed under this section in the school year beginning in such year and in prior school years; and

"(5) the amount of loan payments made in the year for which the report is submitted.

"STATE PROGRAMS

"Sec. 338C. (a) The Secretary may make grants to States to support the establishment by States of State programs similar to the Loan Repayment Program under section 338B. Any State program supported with a grant under this subsection shall—

"(1) provide for the repayment of government and commercial loans for the tuition, educational expenses, and living expenses described in section 338B(g)(1);

"(2) establish minimum standards for the designation of areas in which individuals on whose behalf loan repayment is made under the State program will perform obligated service, or provide that such individuals will perform obligated service in health manpower shortage areas designated by the Secretary in the State under section 332; and

"(3) establish minimum standards for the determination of obligated service under the State Program.

"(b) No grant may be made under subsection (a) unless an application therefor is submitted to the Secretary, in such form, at such time, and containing such information as the Secretary may by regulation prescribe.

"(c) The Federal share of the costs of any State program supported under subsection (a) shall not exceed 75 percent.

"(d) To carry out this section, there are authorized to be appropriated $1,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.".

### SEC. 102. AUTHORIZATION OF APPROPRIATIONS WITH RESPECT TO SCHOLARSHIP PROGRAM AND LOAN REPAYMENT PROGRAM.

Section 338H of the Public Health Service Act (as redesignated in section 101 of this Act) is amended to read as follows:

"REPORT AND AUTHORIZATION

"Sec. 338H. (a) The Secretary shall report January 20 of each year to the Committee on Energy and Commerce of the House of Representatives, the Committee on Labor and Human Resources of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate the number of providers of health care who will be needed for the Corps during the 3 fiscal years beginning after the date the report is filed and the number—

"(1) of scholarships the Secretary proposes to provide under the Scholarship Program during such 3 fiscal years;

"(2) of individuals for whom the Secretary proposes to make loan repayments under the Loan Repayment Program during such 3 fiscal years; and

"(3) the number of individuals who have no obligation under section 338C and who the Secretary proposes to have as members of the Corps during such 3 fiscal years;

to provide such number of health care providers.

"(b) There are authorized to be appropriated such sums as may be necessary for scholarships and loan repayments under this subpart.".

### SEC. 103. REQUIREMENT OF CONSIDERATION OF NEEDS OF INDIAN HEALTH SERVICE AND CERTAIN INDIAN TRIBES.

Section 331 of the Public Health Service Act (42 U.S.C. 254d) is amended by redesignating subsection (h) as subsection (i) and inserting after subsection (g) the following new subsection:

"(h) In assigning members of the Corps to health manpower shortage areas, the Secretary shall, to the extent practicable, give priority to meeting the needs of the Indian Health Service and the needs of health programs or facilities operated by tribes or tribal organizations under the Indian Self-Determination Act.".

### SEC. 104. CERTAIN TECHNICAL AND CONFORMING AMENDMENTS RELATING TO LOAN REPAYMENT PROGRAM.

(a) Section 303.—Section 303(d)(4) of the Public Health Service Act (42 U.S.C. 242a(d)(4)) is amended—

(1) by striking "752 or 753" each place it appears and inserting "338D or 338E"; and

(2) by striking "subpart IV of part C of title VII" and inserting "subpart 11 of part D".

(b) Section 331.—Section 331 of the Public Health Service Act (42 U.S.C. 254d) is amended—

(1) in subsection (b), by striking "and the Scholarship Program" and inserting ", Scholarship Program, and the Loan Repayment Program";

(2) in subsection (c), by striking "338C" and inserting "338E";

(3) in subsection (d)(2), by inserting after "Program" the following: "or Loan Repayment Program";

(4) in subsection (f), by striking "Scholarship Program" and inserting "Scholarship Program or the Loan Repayment Program"; and

(5) in subsection (i) (as redesignated in section 103 of this Act), by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) The term 'Loan Repayment Program' means the National Health Service Corps Loan Repayment Program established under section 338B.".

(c) Section 334.—Section 334(a)(3)(B) (42 U.S.C. 254g(a)(3)(B)) is amended—

(1) by inserting "or the Loan Repayment Program" after "Scholarship Program"; and

(2) by striking "service under the Program;" and inserting "service under the Scholarship Program or the Loan Repayment Program;".

(d) Section 336.—Section 336(a) (42 U.S.C. 254h-1) is amended by striking "scholarship program" and inserting "Scholarship Program or Loan Repayment Program".

(e) Section 338E.—Section 338E of the Public Health Service Act (as redesignated in section 101 of this Act) is amended—

(1) in subsection (a), by inserting "(1)" after "(a)", by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and by adding after subsection (a) the following:

"(2) An individual who has entered into a written contract with the Secretary under section 338B and who—

"(A) in the case of an individual who is enrolled in the final year of a course of study, fails to maintain an acceptable level of academic standing in the educational institution in which he is enrolled (such level determined by the educational institution under regulations of the Secretary) or voluntarily terminates such enrollment or is dismissed from such educational institution before completion of such course of study, or

"(B) in the case of an individual who is enrolled in a graduate training program, fails to complete such training program,

in lieu of any service obligation arising under such contract shall be liable to the United States for the amount which has been paid on his behalf under the contract.";

(2) in subsection (b)(1), by striking "338E(d))" and inserting "338G(d))", by inserting "under section 338A" after "service obligation" the first place it appears, by striking "338B" each place it appears and inserting "338D", and by striking "338D" each place it appears and inserting "338E";

(3) in subsection (b)(1)—

(A) by inserting "(A)" after "(1)";

(B) by striking the last sentence; and

(C) by adding at the end the following new subparagraph:

"(B)(i) Any amount of damages that the United States is entitled to recover under this subsection or under subsection (c) shall, within the one year period beginning on the date of the breach of the written contract (or such longer period beginning on such date as specified by the Secretary for good cause shown, be paid to the United States.

"(ii) If damages described in clause (i) are delinquent for three months, the Secretary shall, for the purpose of recovering such damages—

"(I) utilize collection agencies contracted with by the Administrator of the General Services Administration; or

"(II) enter into contracts for the recovery of such damages if collection agencies described in subclause (I) are not available.

"(iii) Each contract for recovering damages pursuant to this subsection shall provide that the contractor will, not less than once each six months, submit to the Secretary a status report on the success of the contractor in collecting such damages. Section 3718 of title 31 shall apply to any such contract to the extent not inconsistent with this subsection.

"(iv) To the extent not otherwise prohibited by law, the Secretary shall disclose to all appropriate credit reporting agencies information relating to damages of more than $100 that are entitled to be recovered by the United States under this subsection and that are delinquent by more than 31 days.";

(4) by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

"(c)(1) If (for any reason not specified in subsection (a) or section 338F(d)) an individual breaches his written contract under section 338B by failing either to begin such individual's service obligation in accordance with section 338C or 338D or to complete such service obligation, the United States shall be entitled to recover from the individual an amount determined in accordance with subsection (b)(1) except that the formula for determining such amount shall be—

$$A=2\phi(t-s/t)$$

"(2) Damages which the United States is entitled to recover under paragraph (1) shall be paid in accordance with subsection (b)(1).";

(5) in subsection (d) (as redesignated in paragraph (3)), by inserting "or the Loan Repayment Program" after "thereunder)" each place it appears; and

(6) in the section heading, by adding "OR LOAN REPAYMENT CONTRACT" after "CONTRACT".

### SEC. 105. REGULATIONS.

Not later than 130 days after the effective date of the amendments made by this title the Secretary of Health and Human Services shall issue regulations for the loan repayment programs established by the amendments.

### SEC. 106. EFFECTIVE DATE.

The amendments made by this title shall take effect October 1, 1987.

### SEC. 107. SPECIAL REPAYMENT PROVISIONS.

(a) Eligible Individuals.—

(1) An individual who—

(A)(i) breached a written contract entered into under section 338A of the Public Health Service Act by failing either to begin such individual's service obligation in accordance with section 338C of such Act or to complete such service obligation; or

(ii) otherwise breached such a contract; and

(B) as of September 1, 1987, is liable to the United States under section 338E(b);

shall be relieved of liability to the United States under such section if the individual provides notice to the Secretary in accordance with paragraph (2) of this subsection and provides service in accordance with a written contract with the Secretary which obligates the individual to provide service in accordance with subsection (b) or (c). The Secretary may exclude an individual from relief from liability under this section for reasons related to the individual's professional competence or conduct.

(2) Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall notify in writing individuals who are described in subsection (a) of the opportunity provided by such subsection to be relieved of liability to the United States under section 338E(b) of the Public Health Service Act. Not later than 180 days after the date of the enactment of this Act, an individual who receives a notice from the Secretary may notify the Secretary that the individual intends to enter into a written contract with the Secretary to provide service in accordance with subsection (b) or (c). The Secretary may extend the 180-day period for an individual for good cause shown.

(b) Service at Health Manpower Shortage Area Placement Opportunity List Sites.—An individual notified under subsection (a)(2) may enter into a written contract with the Secretary to serve, in accordance with subpart II of part D of title III of the Public Health Service Act, for the period of such individual's service obligation remaining under section 338C of the Public Health Service Act at a site—

(1)(A) which is on the Health Manpower Shortage Area Placement Opportunity List created by the Secretary of Health and Human Services for obligated service under section 338C of the Public Health Service Act to begin in fiscal year 1988 and to which no individual who is not described in subsection (a)(1) has been assigned by a date determined by the Secretary; or

(B) which is on the Health Manpower Shortage Area Placement Opportunity List created by the Secretary of Health and Human Services for obligated service under section 338C of the Public Health Service Act to begin in fiscal year 1989; and

(2) which has agreed to permit the individual to serve at such site.

(c) Service at Supplemental Health Manpower Shortage Area Placement Opportunity List Sites.—An individual notified under subsection (a)(2) may enter into a written contract with the Secretary—

(1) to (A) serve in accordance with subpart II of part D of title III of the Public Health Service Act for the period of such individual's service obligation remaining under section 338C of the Public Health Service Act at a site which is on a supplemental Health Manpower Shortage Area Placement Opportunity List created by the Secretary of Health and Human Services for obligated service under section 338C of the Public Health Service Act and which has agreed to permit the individual to serve at such site, and (B) pay, in accordance with guidelines established by the Secretary of Health and Human Services, to the United States the sum of the amounts paid under subpart II of part D of title III of the Public Health Service Act to or on behalf of the individual reduced by any amount paid, before entering into the contract, by such individual to the Secretary with respect to the individual's indebtedness under such part D; or

(2) to serve in accordance with subpart II of part D of title III of the Public Health Service Act at a site described in paragraph (1) for 150 percent of such individual's remaining service obligation under section 338C of the Public Health Service Act.

(d) Creation of Supplemental Health Manpower Shortage Area Placement Opportunity List Sites.—In creating the supplemental Health Manpower Shortage Area Placement Opportunity List for purposes of subsection (c), the Secretary—

(1) shall include any site to which a National Health Service Corps member was previously assigned but which in fiscal year

*1988 or 1989 will not have such member or a member of the National Health Service Corps to replace such member unless the Secretary of Health and Human Services determines that such site may reasonably be expected to recruit a health care professional from other than the Corps;*

*(2) shall include any migrant health center receiving funds under section 329 of the Public Health Service Act or community health center receiving funds under section 330 of the Public Health Service Act unless the Secretary of Health and Human Services determines that such center has been able to recruit health care professionals from other than the Corps to serve at the center and may reasonably be expected to recruit such health care professionals in the future;*

*(3) may include any other site selected by the Secretary; and*

*(4) shall designate the type of health care professional or medical specialist who is eligible to serve at the sites included on the list.*

*A site may be included on the supplemental list only if, at the time the list is created, the Secretary determines that the site meets the criteria prescribed by section 332 of the Public Health Service Act.*

*(e) Additional Eligible Individuals.—The Secretary of Health and Human Services may authorize an individual who is not described in subsection (a) and who is to begin to serve the individual's service obligation under section 338C of the Public Health Service Act in fiscal year 1988 or 1989 to serve such obligation in accordance with subsection (c) if the Secretary determines that—*

*(1) service by the individual in accordance with subsection (c) would be in the best interests of the National Health Service Corps; and*

*(2) allowing such service would alleviate a substantial hardship for such individual.*

### *TITLE II—REVISIONS AND EXTENSIONS OF GENERAL PROGRAM FOR THE NATIONAL HEALTH SERVICE CORPS*

#### *SEC. 201. DESIGNATION OF HEALTH MANPOWER SHORTAGE AREAS.*

*Section 332 (42 U.S.C. 254e) is amended—*

*(1) in subsection (a)(1), by adding at the end thereof the following: "The Secretary shall not remove an area from the areas determined to be health manpower shortage areas under clause (A) of the preceding sentence until the Secretary has afforded interested persons and groups in such area an opportunity to provide data and information in support of the designation as a health manpower shortage area of a population group described in clause (B) of such sentence or a facility described in clause (C) of such sentence, and has made a determination on the basis of the data and information submitted by such persons and groups and other data and information available to the Secretary."; and*

*(2) in subsection (b)(2)—*

*(A) by striking "and" after "services,";*

*(B) by striking the period and inserting ", and"; and*

*(C) by adding at the end the following new subparagraph:*

*"(D) ability to pay for health services.".*

#### *SEC. 202. OBLIGATED SERVICE.*

*Section 338C of the Public Health Service Act (as redesignated in section 101 of this Act) is amended—*

*(1) in subsection (a), by striking "338C" and inserting "338D" and by inserting "or 338B" after "338A";*

*(2) in subsection (b)(1), by inserting "or 338B(f)(1)(B)(iv)" after "(iv)";*

*(3) in subsection (b)(5), by amending such subsection to read as follows:*

*"(5)(A) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, or pharmacy, the date referred to in paragraphs (1) through (4) shall be the date upon which the individual completes the training required for such degree, except that—*

*"(i) at the request of such an individual with whom the Secretary has entered into a contract under section 338A prior to October 1, 1985, the Secretary shall defer such date until the end of the period of time (not to exceed the number of years specified in subparagraph (B) or such greater period as the Secretary, consistent with the needs of the Corps, may authorize) required for the individual to complete an internship, residency, or other advanced clinical training; and*

*"(ii) at the request of such an individual with whom the Secretary has entered into a contract under section 338A on or after October 1, 1985, the Secretary may defer such date in accordance with the provisions of clause (i).*

*"(B)(i) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of medicine, osteopathy, or dentistry, the number of years referred to in subparagraph (A)(i) shall be three years.*

*"(ii) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of veterinary medicine, optometry, podiatry, or pharmacy, the number of years referred to in subparagraph (A)(i) shall be one year.*

*"(C) No period of internship, residency, or other advanced clinical training shall be counted toward satisfying a period of obligated service under this subpart.*

*"(D) In the case of the Scholarship Program, with respect to an individual receiving a degree from an institution other than a school referred to in subparagraph (A), the date referred to in paragraphs (1) through (4) shall be the date upon which the individual completes his academic training leading to such degree.*

*"(E) In the case of the Loan Repayment Program, if an individual is required to provide obligated service under such Program, the date referred to in paragraphs (1) through (4)—*

*"(i) shall be the date determined under subparagraph (A) or (B) in the case of an individual who is enrolled in the final year of a course of study,*

*"(ii) shall in the case of an individual who is enrolled in a graduate training program in medicine, osteopathy, dentistry, or other health profession be the date the individual completes such training program, and*

*"(iii) shall in the case of an individual who has a degree in medicine, osteopathy, dentistry, or other health profession and who has completed graduate training be the date the individual enters into an agreement with the Secretary under section 338B.";*

*(4) in subsection (c)(2), by striking "338C" and inserting "338D"; and*

*(5) in subsection (e), by inserting ", under the Loan Repayment Program," after "Program".*

#### *SEC. 203. PRIVATE PRACTICE.*

*Section 338D of the Public Health Service Act (as redesignated in section 101 of this Act) is amended—*

*(1) in subsection (a), by striking "338B(a)" and inserting "338C(a)";*

*(2) in subsection (a)(1), by inserting after "individual" the first place it appears the following: "who received a scholarship under the Scholarship Program and" and by inserting before the semicolon in such subsection the following: "or in the case of an individual for whom a loan payment was made under the Loan Repayment Program and who is performing obligated service as a member of the Corps in a health manpower shortage area on the date of his application for such a release, in the health manpower shortage area selected by the Secretary";*

*(3) in subsection (a)(2), by inserting before the period "selected by the Secretary";*

*(4) in subsection (b), by inserting at the end the following: "The Secretary shall take such action as may be appropriate to assure that the conditions of the written agreement prescribed by this subsection are adhered to.";*

*(5) in subsection (c), by inserting "or 338B" after "338A"; and*

*(6) in subsection (e), by striking paragraph (1) and by striking "(2)" before "Upon".*

#### *SEC. 204. SPECIAL LOANS FOR CORPS MEMBERS TO ENTER PRIVATE PRACTICE.*

*Section 338F of the Public Health Service Act (as redesignated in section 101 of this Act) is amended—*

*(1) by amending subsections (a) and (b) to read as follows:*

*"(a) The Secretary may, out of appropriations authorized under section 338, make one loan to a Corps member who has agreed in writing—*

*"(1) to engage in the private full-time clinical practice of his profession in a health manpower shortage area (designated under section 332) for a period of not less than two years which—*

*"(A) in the case of a Corps member who is required to complete a period of obligated service under this subpart, begins not later than one year after the date on which such individual completes such period of obligated service; and*

*"(B) in the case of an individual who is not required to complete a period of obligated service under this subpart, begins at such time as the Secretary considers appropriate;*

*"(2) to conduct such practice in accordance with the provisions of section 338D(b)(1); and*

*"(3) to such additional conditions as the Secretary may require to carry out the purposes of this section.*

*Such a loan shall be used to assist such individual in meeting the costs of beginning the practice of such individual's profession in accordance with such agreement, including the costs of acquiring equipment and renovating facilities for use in providing health services, and of hiring nurses and other personnel to assist in providing health services. Such loan may not be used for the purchase or construction of any building.*

*"(b) The amount of a loan under subsection (a) to an individual shall not exceed $25,000 and the interest rate for any such loan shall not exceed an annual rate of 5 percent.";*

*(2) in subsection (c), by striking "grant or" in the first sentence; and*

*(3) in subsection (d)(1)—*

*(A) by striking "338D(b)" and inserting "338E(b) or 338E(c)"; and*

*(B) by striking "this section," and inserting "this section (as in effect prior to October 1, 1984),".*

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#### *SEC. 205. AUTHORIZATIONS OF APPROPRIATIONS WITH RESPECT TO GENERAL OPERATIONS OF NATIONAL HEALTH SERVICE CORPS.*

*Section 338(a) (42 U.S.C. 254k(a)) is amended to read as follows:*

*"(a) To carry out this subpart, there are authorized to be appropriated $65,000,000 for each of the fiscal years 1988 through 1990.".*

#### *SEC. 206. PLACEMENT OF PHYSICIANS.*

*Section 333 (42 U.S.C. 254f) is amended by adding at the end the following:*

*"(j) In determining the priority for the placement of members of the Corps under this section in medically underserved areas, the Secretary shall consider—*

*"(1) whether the areas are served by at least one health professional and the effectiveness of non-Federal programs in recruiting health professionals for the areas;*

*"(2) the geographic isolation of the areas; and*

*"(3) the economic need of the populations of the areas and the association of the areas with a high infant mortality rate.".*

#### *SEC. 207. EFFECTIVE DATE.*

*The amendments made by this title shall take effect October 1, 1987.*

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Public Health Service Act to establish a National Health Service Corps Loan Repayment Program and to otherwise revise and extend the program for the National Health Service Corps."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1327) was laid on the table.

## AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1327, PUBLIC HEALTH SERVICE AMENDMENTS OF 1987

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the enrolling clerk in the enrollment of the House amendment to the bill, S. 1158, may make such technical and conforming changes as may be required.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent earlier today when the House voted on passage of H.R. 1327, the National Health Service Corps reauthorizations for fiscal year 1987. Had I been present I would have voted "yea."

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1154, TEXTILE AND APPAREL TRADE ACT OF 1987

Mr. FROST, from the Committee on Rules, submitted a privileged report (Rept. No. 100-297) on the resolution (H. Res. 256) providing for the consideration of the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, which was referred to the House Calendar and ordered to be printed.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2600, SECURITIES AND EXCHANGE COMMISSION ACT AMENDMENTS OF 1987

Mr. FROST, from the Committee on Rules, submitted a privileged report (Rept. No. 100-298) on the resolution (H. Res. 257) providing for the consideration of the bill (H.R. 2600) to extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes, which was referred to the House Calendar and ordered to be printed.

## COMMUNICATION FROM CHAIRMAN OF THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER pro tempore (Mr. Skelton) laid before the House the following communication from the chairman of the Permanent Select Committee on Intelligence:

Permanent Select Committee
on Intelligence,
*Washington, DC, June 11, 1987.*

Hon. Jim Wright,
*Speaker, House of Representatives, Washington, DC.*

Dear Mr. Speaker: This is to notify you that Independent Counsel Lawrence E. Walsh has requested interviews with the following present and former staff members of the Permanent Select Committee on Intelligence—Thomas K. Latimer, Michael J. O'Neil, Steven K. Berry, and Thomas R. Smeeton. The Independent Counsel is investigating potential criminal violations which allegedly involve misinforming the Permanent Select Committee on Intelligence during 1985 and 1986.

On the advice of Steven R. Ross, General Counsel to the Clerk, and in consultation with the Select Committee to Investigate Covert Arms Transactions with Iran, the Committee has determined, pursuant to Rules XLVIII and L of the House of Representatives and to the Rules of the Committee, that compliance with this request, under appropriate terms and conditions, is consistent with the precedents and privileges of the House.

Sincerely,

Louis Stokes,
*Chairman.*

## COMMUNICATION FROM CHAIRMAN OF THE SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Select Committee to Investigate Covert Arms Transactions With Iran:

Select Committee To Investigate
Covert Arms Transactions
With Iran,
*Washington, DC, June 12, 1987.*

Dear Mr. Speaker: This is to notify you, consistent with House Resolution 12 and Rule L(50) of the Rules of the House of Representatives, that inquiries regarding documents of the Committee have been received from the Department of the Treasury.

With best wishes, I am,

Sincerely,

Lee H. Hamilton.

## COMMUNICATION FROM CHAIRMAN OF THE SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Select Committee to Investigate Covert Arms Transactions with Iran:

Select Committee To Investigate
Covert Arms Transactions
With Iran,
*Washington, DC, June 12, 1987*

Dear Mr. Speaker: This is to notify you, consistent with House Resolution 12 and Rule L(50) of the Rules of the House of Representatives, that inquiries regarding documents of the Committee have been received from the United States Attorney for the Southern District of New York.

With best wishes, I am,

Sincerely,

Lee H. Hamilton.

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## COMMUNICATION FROM CHAIRMAN OF THE SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Select Committee to Investigate Covert Arms Transactions with Iran:

Select Committee To Investigate
Covert Arms Transactions
With Iran
*Washington, DC, June 12, 1987.*

Dear Mr. Speaker: This is to notify you, consistent with House Resolution 12 and Rule L(50) of the Rules of the House of Representatives, that Independent Counsel Lawrence E. Walsh has requested to interview Representative Michael D. Barnes, Victor C. Johnson, Thomas K. Latimer, Michael J. O'Neil, Steven K. Berry, and Thomas R. Smeeton. The Independent Counsel has been investigating potential criminal violations which allegedly involve misinforming of the Permanent Select Committee on Intelligence and the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs during 1985-86. In consultation with Steven R. Ross, General Counsel to the Clerk, we have determined that compliance with this request, under appropriate terms and conditions, is consistent with the precedents and privileges of the House.

With best wishes, I am,

Sincerely,

Lee H. Hamilton,
*Chairman.*

## COMMUNICATION FROM THE HONORABLE PAUL E. KANJORSKI, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable Paul E. Kanjorski:

House of Representatives,
*Washington, DC, July 29, 1987.*

Hon. Jim Wright,
*Speaker, House of Representatives, Washington, DC.*

Dear Mr. Speaker: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that a member of my staff has been served with a grand jury subpoena issued by the United States District Court for the Middle District of Pennsylvania.

After consultation with the General Counsel to the Clerk, I will make the determinations required by the Rule.

Sincerely,

Paul E. Kanjorski,
*Member of Congress.*

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1115

Mr. SCHEUER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of the bill, H.R. 1115, to amend the Consumer Products Safety Act and to establish uniform safety standards.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## FOR SALE: AMERICA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, I would like to share with the House an article which appeared on the cover of the September 14 issue of Time magazine. The article, entitled "For Sale: America," describes how foreign investors are purchasing many of the United States largest businesses.

Foreign ownership in the United States rose to $1.33 trillion in 1986 which is a 25-percent increase from the previous year.

By way of example: Doubleday books has been purchased by the West Germans. The Dunes Hotel and Country Club was purchased by the Japanese. Chesebrough-Pond's, manufacturers of consumer products, was purchased by a Dutch-British combine.

At the same time foreign investors are buying up U.S. companies, many of these countries are telling us that they cannot help us protect oil tankers in the Persian Gulf—tankers which carry the majority of their oil for Japan and Western Europe.

When I see an article such as the Time cover story and the capital flowing from the very nations our troops in the gulf are protecting it is time we recognized that some of these nations—our allies—are not living up to their responsibilities and instead are relying on the United States.

U.S. operations in the Persian Gulf will cost $15 million to $20 million per month if current levels of activity are maintained. By the end of this month we will have already spent $70 million.

Mr. Speaker, I encourage my colleagues to read the article in Time and to think about its meaning. Hopefully we can work together in a bipartisan manner to resolve this problem.

### For Sale: America—From Manhattan's High-Rises to Oregon's Forests, the Big Buyout Is On

"Everything here is so cheap!"—A Japanese real estate agent visiting Manhattan

"The political issue of the 1990s is going to be the foreign invasion of the U.S."—Paul Krugman, M.I.T. economist

It was an unlikely stop for sightseers, but there they were: two carloads of serious-minded, dark-suited Japanese in a deserted parking lot in Chattanooga, Tenn. Each carrying a packed briefcase, the visitors gazed long and intently at the object of their interest: a rusted, run-down manufacturing plant as big as five football fields. The plant was obsolete and abandoned, but the Japanese were delighted by their discovery. Taking pains to conceal their satisfaction, they peered into the distance and busily scribbled in their notebooks. Later, after several trips back, they bought the forlorn plant. Today, after a $27 million investment, the refurbished factory has become a manufacturer of heavy earth-moving equipment for Japan's huge Komatus conglomerate.

Such scenes are taking place all over America today, as other foreign scouting parties comb the highways and byways on the lookout for profitable finds. The searchers are Japanese and British, Canadian and South Korean, West German and Swiss, and all of them have one thought in mind: Buy! Buy! Buy! They are in search not only of factories but also of skyscrapers, shopping malls, farms and forest land, ski resorts and vineyards, refineries and mineral deposits. They have already bought some of the biggest and best-known corporations in the U.S., and their appetite appears to be gargantuan.

Suddenly, the U.S. seems to have become a country for sale, a huge shopping mart in which foreigners are energetically filling up their carts. Result: foreign ownership in the U.S., including everything from real estate to securities, rose to a remarkable $1.33 trillion in 1986, up 25% from the previous year. By contrast, in a complete reversal of the situation only a decade ago, U.S. holdings abroad now total only $1.07 trillion. In addition to spurring fabulous hikes in real estate values and igniting corporate takeovers, the wave of foreign purchases has become an important force behind Wall Street's stratospheric bull market.

Never before have U.S. citizens witnessed so many familiar American landmarks and trademarks passing into foreign hands. Japanese investors last December bought the Exxon headquarters building in Manhattan's Rockefeller Center for $610 million, the highest price even paid for a Manhattan skyscraper. The British, who burned Washington in 1814, have now built or bought an estimated $1 billion in District of Columbia property, including part ownership of the famed Watergate complex. Esteemed U.S. corporate nameplates are also changing citizenship at a rapid clip. Doubleday books has gone to the West Germans, Brooks Brothers clothers to the Canadians, Smith & Wesson handguns to the British, Chesebrough-Pond's consumer products to a Dutch-British combine. General Electric television sets have been bought by the French, Carnation foods by the Swiss, General tires by the West Germans.

In fact, the question of what constitutes a truly American icon has become befuddling. A Sohio gasoline station? British Petroleum owns that company now. An Allis-Chalmers farm tractor? The West Germans manufacture those. Ball Park franks are owned by a British conglomerate; so is French's mustard. The take from Las Vegas' Dunes Hotel and Country Club, one of the best-known American gambling and entertainment centers, will soon go to its new Japanese owner. The latest hit recording by Country Singer Kenny Rogers is a foreign-owned product; his record label, RCA, is now West German property. And what about breakfast (or a diamond ring) at Tiffany, or drinks in the literarefied atmosphere of Manhattan's Algonquin hotel? Those vintage landmark buildings are now Japanese possessions.

The foreign buying spree has inevitably become controversial. How does foreign investment affect America's industrial strength and ability to compete? Just how much overseas investment is good for the country, and how much of America should foreigners be allowed to buy? What other kinds of control might follow? What will happen if nothing is done to stem the buying tide? Warns Lawrence Brainard, chief international economist for Manhattan's Bankers Trust: "By the end of this century, the U.S. may have the most modern manufacturing sector in the world, but it won't own it." Says Democratic Representative John Bryant of Texas: "America has been selling off its family jewels to pay for a night on the town, and we don't know enough about the proud new owners."

The proud new owners know a good thing when they see it, and the reasons for their rush to buy are abundantly clear. To start with, U.S. properties are going for unprecedentedly low prices because of the fall of the dollar. The U.S. currency has plunged some 40% in value during the past two years against such major foreign currencies as the Japanese yen, the West German mark and the British pound. The result is that while prices of real estate and commercial properties may seem high to most Americans, everything with a dollar-denominated price tag looks like a tremendous steal to holders of other, stronger currencies.

At the same time, American's industrial rivals are flush with cash, either their own savings or the billions of dollars that import-hungry U.S. consumers have been spending on Japanese video gear, South Korean appliances and West German autos. Those wealthy nations are eager to use this money to tap the $1.3 trillion U.S. marketplace, where immense diversity and opportunity act as both a model and a magnet for the rest of the world. In addition, foreigners are eager to gain access to the advanced fruits of American research and technology,

as well as to enjoy the benefits of U.S. rates of corporate taxation, which are appreciably lower than elsewhere.

Buyers from overseas are especially attracted by American political stability, which is particularly alluring to those with long-term investment prospects in mind. And foreign investors continue to be impressed by the wide-open nature of the American economy and the freedom of its capital and equity markets. Says a Japanese banker in Tokyo: "We are amazed at the way Americans are willing to sell out their companies. In Japan, owners of companies hold on for life."

The foreign shopping bender signals a major transformation in America's global economic role. For nearly four decades following World War II, the U.S. did the buying, savoring its role as the globe's foremost exporter of capital. U.S. investment power was so great that in 1968 French Economics Journalist Jean-Jacques Servan-Schreiber predicted that American multinational companies like IBM and ITT threatened to turn Western Europe into an economic province. Concern about foreign cash flowing into the U.S. arose briefly in the 1970s, when a weak U.S. dollar and the emerging clout of OPEC prompted fear of an Arab buying spree. By and large, however, the cautious oil sheiks steered their petrodollars into bank accounts and securities portfolios rather than toward the bricks and mortar of U.S. real estate and corporations.

But after years of mammoth U.S. budget and foreign-trade deficits, the situation today is radically different. The buying of America has virtually turned into an industry of its own, with sharp-eyed advance crews scouring out the country's most attractively undervalued treasures, researchers typing up thick intelligence reports on U.S. acquisition targets, finance teams huddling with investment bankers in Tokyo, London and elsewhere, and blue-chip law firms constantly at work drafting reams of tender offers, prospectus and sale documents.

Foreign bargain hunters often pour enormous effort into their shopping. Michael Dornemann, a director of West Germany's Bertelsmann communications giant, flew to the U.S. more than 50 times over the past three years while deciding how his company should spend its $1 billion American shopping budget. Often taking the morning Concorde from Paris in order to put in a full day's work in the states. Dornemann visited more than 20 U.S. companies before choosing his recommended targets: Doubleday publishing and RCA records. The possibility of snagging both was considered so unlikely that he and his boss, Bertelsmann Head Mark Wössner, 48, had called it their "extreme case."

Nonetheless, they turned all their persuasive powers on Publisher Nelson Doubleday and GE Chairman John Welch, offering them hefty prices and even giving the GE boss a lecture on corporate strategy. (Says Wössner: "We told him that music was too far away from electric motors and rockets.") Then Wössner tried another tack. In separate meetings one day last September, he recalls, he gave each American executive the impression that the West Germans could afford to buy only one of the two companies. "Either you sell to us, or we'll go to the others," warned Wössner. By the end of that day, the Germans had won both prizes. Total price for the double-barreled victory: $805 million.

Foreign shopping fever reaches even into the country's remote vastnesses. When the brash British traider Sir James Goldsmith calculated that U.S. timberland was becoming a tempting prize, he launched a $500 million takeover bid at San Francisco's Crown Zellerbach paper company in order to grab the corporation's vast forests. As a result of the 1985 takeover, Coldsmith now owns 1.9 million acres of American forests in Washington state and Oregon.

Equally sharp-eyed Canadian mining companies have snapped up the rights to some 40% of the new gold-digging projects in Montana, Nevada and other Western states. In Northern California, foreign investors have picked up more than two dozen of the region's 300 wineries, among them the Almadén lable (now British) and the St. Clement Vineyard (Japanese.) In Alaska, Japanese investors control more than one-third of the state's $680 million seafood-packing industry. U.S. farmland might be a bigger target for raiders, except that more than two dozen states have imposed controls or bans on foreign ownership.

Despite the shopping spree, however, the value of U.S. property under foreign control is still only a tiny fraction of America's immense total. (The estimated value of all U.S. residential dwellings alone comes to some $6 trillion.) But foreign holdings have grown surprisingly large in many lucrative, and occasionally sensitive, spots. Foreign investors now own 46% of the commerical real estate in downtown Los Angeles, for example, according to a survey by the Coldwell Banker Real Estate Group. In downtown Houston, the foreign-owned tally is 39%; in Minneapolis 32%; and in Manhattan 21%.

With so much overseas demand for high-profile U.S. commerical property, competing foreign bidders practically bump into one another at airports. To increase their already considerable bargaining power, many would-be buyers go to striking lengths to conceal their ultimate intentions. The Japanese Komatsu executives who went shopping in Tennessee for a factory kept their state government hosts completely in the dark about what they actually wanted. After a tour of the 1940s-era structure that eventually housed their heavy-equipment concern, the Japanese pronounced it "very dull and scary, very gloomy," recalls John Gregory, a Tennessee official who escorted the group. When the Komatsu executives suddenly announced that they were buying the abandoned plant, says Gregory, "it kind of threw us for a loop."

Japanese businessmen are throwing the U.S. for a loop in a number of ways. Japan, the world's largest creditor country, where consumers save 17% of their earnings (vs. 4% in the U.S.), has the mightiest bankroll of all to engage in buying America. Bereft of enough investment opportunities at home to absorb their astonishing pile of savings, the Japanese are hungrily looking abroad for places to park the excess cash. Japan's direct investments in U.S. real estate and corporations reached $23.4 billion at the end of 1986, a jump of about 18% from the previous year. Predicts Amir Mahini, director of international business research for the McKinsey consulting firm: "In the next two or three years Japanese investments here will build up very rapidly. It's going to become a torrent."

In particular, the Japanese are taking America's skylines by storm. They have invested an estimated $7 billion ($5.5 billion last year alone) in office towers and other buildings. Oil-company headquarters are in a favorite: Hiro Real Estate last month paid $250 million for Mobil Oil's 42-story Manhattan headquarters tower. An older landmark, Fifth Avenue's Tiffany building, was sold last November to Doi-ichi American Real Estate for $94 million. Where landmarks are not available, seascapes will do: in Hawaii, Japanese investors own more than half of the twelve major hotels along Waikiki Beach.

American real estate agents love the trend: by some estimates, the Japanese have single-handedly boosted the selling prices of prime Manhattan real estate 10% to 15%, to roughly $500 per sq. ft. Those prices are still a bargain compared with costs in Tokyo, where office towers sell for an astronomical $20,000 or more per sq. ft.—on those rare occasions when anything comes up for sale. Says Shigeru Kobayashi, owner of Japan's multibillion-dollar Shuwa real esate empire. "Bond buyers are holding paper, but I have buildings and land. That's the future," Kobayashi's son Takashi, head of the family firm's U.S. subsidiary controls 26 U.S. buildings worth some $2 billion. Among them: the ARCO Plaza in Los Angeles (bought for $620 million last September) and the ABC network headquarters in Manhattan ($175 million in October). Says the senior Kobayashi: "America is where greatness is."

Japanese bargain shoppers increasingly covet neglected American gambling casinos. Last April, Ginji Yasuda, a Korean-born Japanese, reopened the 1,100-room Aladdin Hotel in Las Vegas after buying the ailing complex for $54 million and spending $30 million more to restore its glitzy décor. He plans to shuttle customers from Japan in a posh jet equipped with sleeping cabins. Says Yasuda; "You have a lot of dreams still available in this country that you don't have in Japan."

Tokyo Billionaire Masao Nangaku, 68, had an expensive fantasy last month, when he outbid five U.S. companies for Las Vegas' struggling Dunes Hotel. The winning price: $157.7 million. Nangaku plans to virtually double the size of the hotel, to 2,200 rooms. Nangaku says he has wanted to buy a casino in Las Vegas for years. Backed by a vast recreation empire (bowling alleys, golf courses, hotels), he apparently had little trouble lining up the financing for the Dunes purchase through his Tokyo bankers. Boasts an aide: "Our assets are worth far more than the price of a Las Vegas hotel."

One corporate arena in which Japan's huge bankroll is prompting intense jitters is the U.S. financial-services industry. Tokyo's largest banks and investment firms, which already eclipse American companies like Citicorp (assets: $196 billion) and Merrill Lynch ($53 billion), openly aim to grab a large share of the U.S. financial marketplace. They have established a major beachhead in California, where four of the top ten banks are now Japanese owned: California First Bank, Sanwa Bank, Bank of California and Sumitomo Bank of California. On Wall Street, Japan's Sumitomo Bank shelled out $500 million for a 12.5% share of profits in the Goldman, Sachs investment-banking firm, while Nippon Life Insurance paid $538 million for a 13% slice of Shearson Lehman.

The Japanese have largely shied away from takeovers of major U.S. industrial corporations, at least partly in fear of a public relations backlash. "We are worried about investment friction now. It may get serious," says Hiroki Sakamoto, a senior official of the Japan External Trade Organization. But last month Dainippon Ink & Chemicals won a long and bitter battle to take over New York's Reichhold Chemicals, a maker of specialty polymers. The price: $540 million.

The least inhibited foreign bidders for U.S. corporate control these days are often the British. They have committed more than $22 billion so far this year to U.S. takeovers, successful or pending, in contrast to some $14 billion for all of 1986. The British invasion "is going this year at a frightening pace," observes Philip Healey, publisher of Acquisitions Monthly, a British trade journal. "Buying an American company is very much a vogue thing."

Many British raiders have shown remarkable pluck, taking on American companies many times their size. WPP Group, an upstart London advertising firm, bid $566 million in June to acquire JWT Group, the parent of Madison Avenue's lordly J. Walter Thompson agency. Last month another relatively small London outfit, the Blue Arrow employment-services agency, successfully bid $1.3 billion to take over Milwaukee-based Manpower, the largest American temporary-labor placement firm.

Perhaps the most successful British buccaneer in America is the canny, soft-spoken Sir Gordon White, 64, chairman of Hanson Industries, the U.S. investing arm of London's Hanson Trust conglomerate. Hanson employs more than 35,000 workers in the eight U.S. firms it has acquired since 1973. Among the prizes: SCM, manufacturer of Smith-Corona typewriters, and Endicott Johnson, the shoe retailer. White's current target is Kidde, a maker of products ranging from Farberware kitchen utensils to Jacuzzi Whirlpool Baths. Hanson has made an offer for Kidde, and a successful deal would double the firm's U.S. employment roster. So far White has spent $2 billion on his acquisitions.

The Dutch come right behind the British in their direct investments in U.S. companies. The Dutch-British Unilever consumer-products combined spent $3.1 billion last February alone to acquire Connecticut-based Chesebrough-Pond's. The deal gave Unilever ownership of such American brand names as Ragú spaghetti sauce, Prince tennis rackets and Vaseline petroleum jelly, along with Q-Tips and Pond's cold cream. Last week the Dutch electronics giant Philips struck a deal to swallow its North American subsidiary for more than $600 million, a move that will give the European conglomerate all rights to several famous American brand names: Norelco, Magnavox and Philco.

Canada has the highest levels of foreign, chiefly U.S., ownership of domestic enterprises of any major industrial country. Now the Great White North is striking back. Canadian direct investment in the U.S. has jumped from $12.1 billion to $18.3 billion in the past six years, with much of the increase in real estate and retailing. Last fall Ottawa-based Tycoon Robert Campeau swooped down on New York City to make a $3.5 billion buyout raid on Allied Stores, a 690-store retail chain with holdings that include Brooks Brothers and five major U.S. shopping centers.

West Germany, awash in boodle from selling U.S. customers everything from beer to BMWs, has taken aim at heavier industry. The huge Hoechst chemical firm last March paid $2.8 billion to acquire Celanese, the U.S. fibers firm best known for its Fortrel polyester. For its part, France's Thomson electronics company forged a deal in July to buy GE's consumer-electronics arm in exchange for an estimated $800 million cash and title to the French company's medical-equipment division. That arrangement left Zenith as the last sizable American firm to manufacture TV sets in the U.S.

Even the remote Australians have got into the corporate-takeover act. Investor George Herscu, a real estate magnate, is constructing $1.2 billion worth of super malls to add to the $500 million string of shopping centers he has accumulated in Ohio, Florida, Colorado and South Carolina. Herscu also spent $100 million to buy Bonwit Teller, the fashion retailing chain, which he aims to double in size. In a widely publicized purchase this year, Natural Resources Magnate Robert Holmes à Court spent $1 billion to buy 9.5% of Texaco. Last month Australian Investor Alan Bond offered $500 million for the St. Joe Gold mineral corporation of Clayton, Mo.

For many parts of America, a megadose of foreign investment is a welcome tonic. In small towns or rusted industrial cities that have been unable to attract American capital, foreign money is virtually the only means to create new jobs. Nearly three years ago, local boosters in Winslow, Ariz. (pop. 8,900), induced a Korean company, Young An Headwear, to buy a long-dormant underwear-manufacturing plant on nearby Hopi Indian reservation land. The refurbished factory has since provided 80 new jobs and produces $2 million worth of sport caps annually. In Fontana, Calif., a joint venture of Brazil's Rio Doce Geologia & Mineraçao mining company and Japan's Kawasaki Steel reopened a foundry that was shut down in 1983. It now produces 1 million tons of steel a year and employs 800 workers. Says Kenneth Gibson, director of the California commerce department: "You wouldn't have a steel industry in this state if it were not for foreign investments."

Where U.S. businesses are merely dying rather than dead, foreign buyers flush with cash and enthusiasm can sometimes cause a dramatic turnaround. Canada's Cineplex Odeon theater chain, for example, has bought and spruced up more than 300 mostly decrepit U.S. movie theaters, at a cost of roughly $475 million. The Toronto-based company revives business by boosting the quality of feature presentations and perking up the housekeeping, the acoustics and even the quality of the popcorn.

One of the most dramatic cases of a foreign-assisted turnaround involves the Great Atlantic & Pacific Tea Company, parent of A&P. The supermarket chain was ailing badly when West Germany's Tengelmann Group took over in 1980, after anteing up $100 million for control of Great Atlantic. A&P's foreign owners installed a new top manager and restored the company's reputation within three years, first by selling 600 unprofitable stores out of a total of 1,600, then by patiently plowing profits back into the remainder.

Even when U.S. managers are performing well, a foreign takeover can introduce new kinds of dynamism. In the case of last March's Hoechst-Celanese merger, for example, the West German company brought to the union an acknowledged excellence in pure research. The U.S. firm is expected to contribute American know-how in bringing new laboratory discoveries quickly to the marketplace. Moreover, the West German company expects the American addition to help loosen up the regimented corporate culture of its parent, where Hoechst engineers stiffly address one another as "Herr Doktor."

But along with opportunity, foreign owners have stirred plenty of fear. Some Americans react sharply to foreign overtures and invoke apocalyptic visions of the unwanted influence that outsiders may wield. Last May William Jovanovich, chairman of the Florida-based publishing firm of Harcourt Brace Jovanovich, made unabashed appeals to antiforeign sentiment while fending off British Press Lord Robert Maxwell's $1.7 billion takeover bid. Among other things, Jovanovich asserted that a foreigner would be unfit to publish books for American schoolchildren. That conveniently overlooked the dominant role of American publishers. Jovanovich's firm included, in Canada, where 59 percent of school textbooks are produced by foreign-owned companies.

The buyout binge has stirred bitter debate over fundamental issues. The biggest is jobs: Will the foreign investment wave bring more of them or wash them away? Some U.S. groups argue that overseas companies often come out second best to native ones in generating new employment. A 1986 study by the United Auto Workers contends that foreign auto-assembly plants in the U.S. eliminate three jobs for every one they create, since the facilities import so many of their components from abroad. The study implies that foreign-owned plants often fail to spread job opportunities beyond their factory gates.

Nor is foreign ownership always a guarantee of innovative management. Last month Robert Harp, founder of the California-based personal-computer maker Cordata Technologies, quit his chairmanship of the company after a quarrel with Daewoo, the South Korean industrial giant that spent $2.5 million in 1985 to buy 70 percent of Cordata's stock. The once profitable American firm lost $20 million last year, claims Harp. He blames that on the Korean parent's overpricing of Cordata products and on its slowness in making decisions.

Another frequently voiced concern is that foreign owners will monopolize a particular American industry, driving out U.S. capacity and somehow gaining the capability to extract exorbitant profits or disrupt the economy. One business that draws attention is cement. The biggest player in that industry, which is more than 50 percent foreign owned, is Switzerland's Holderbank, a financial concern that has bought two American cement companies (Dundee Cement and Ideal Basic Industries). Holderbank wants to combine the two with a Canadian company, St. Lawerence Cement, to form North America's largest firm.

The fact is that U.S. antitrust law, however leniently enforced under the probusiness Reagan Administration, can prevent any foreign monopoly abuse. Indeed, antimonopoly laws are liable to be used more readily against foreign companies than domestic ones. The U.S. already has laws that restrict foreign ownership in any industries that the Federal Government deems essential or sensitive. Among them: telecommunications, shipping, aviation and any form of defense production that requires a U.S. security clearance.

The Reagan Administration tried to draw a new line last March, when it stunned the Japanese electronics giant Fujitsu by blocking a reported bid of $225 million for money-losing Fairchild-Semiconductor, a maker of computer microchips. Washington cited national security concerns for the ban—even though Fairchild was already owned by a foreign firm, the French oil-field-services company Schlumberger. (Last week Fairchild finally found a U.S. purchaser when a neighbor in Silicon Valley, National Semiconductor, bought the company for a meager $122 million.) The noisy Fujitsu episode may have proved a costly one for the U.S., according to Federal Reserve Chairman Alan Greenspan. The U.S. central banker told the Wall Street Journal that the incident rattled foreign investors, who reacted by cutting back their holdings of U.S. dollars. That sent the value of the greenback plunging. For a brief time, domestic interest rates moved sharply upward in a bid to force the dollar's value up again.

Even without further moments of monetary turbulence, the U.S. Congress seems bound to look more closely at the foreign buyout wave as it continues to swell. Some Washington legislators argue that the U.S. should at least develop a more vigilant system to monitor foreign inroads. The trade bill that passed the House in April includes a provision that would require foreign investors to report to the Commerce Department any interests of 5 percent or more in U.S. Corporation or real estate. But many foreign investors oppose such scrutiny as trade harassment and a possible first step toward expropriation of their assets. Says a senior Administration official: "An investor might think that these requirements mean the U.S. Government will be coming after him." The Senate has passed a scrutineering provision in its version of the trade bill, but the White House is trying to scale back the dual proposals.

Indeed, most economists and politicians appear to come down against any major interference with the investment spree. Writing in the Washington *Post* last week, Economists Martin and Kathleen Feldstein (he is the former chairman of the President's Council of Economic Advisers) flatly stated, "The occasional rumblings about restricting foreign investment, such as the idea of requiring official registration, should be resisted by legislators and advisers to presidential candidates alike."

In the view of Hawaii Governor John Waihee, "It's not the origin of an investment dollar that makes it good or bad, but how it is invested." Takeovers that encourage U.S. competitiveness and efficiency and refurbish aging plants and equipment, in other words, are usually good, whoever spends the money. Likewise, the money that foreign companies invest in America is usually more important than the ultimate destination of any future profits. "To a worker in Chicago, does it make any difference whether the dividends go to New York or Tokyo? No." says Economist Edward Bernstein, a guest scholar at the Brookings Institution.

Economic experts in other countries, notably Canada and Britain, wryly point out that they have faced similar and even proportionately larger tides of foreign investment without losing control of their national destiny. Says Economist Alan Rugman of the C.D. Howe Institute, a leading Canadian think tank: "We in Canada have much more foreign ownership than the U.S. will ever have, and we're one of the wealthiest countries in the world as a result." Even so, Canada has suffered through prolonged bouts of unhappiness concerning foreign influence within its $379.3 billion economy and has occasionally lashed back at foreign investors, at substantial cost.

Amid the growing U.S. hubbub about acquisitive foreigners, a fact worth remembering is the importance of America's own trillion-dollar foreign holdings abroad. Any crimping of foreign investment in the U.S. would invite similar measures against American investors elsewhere—the equivalent, that is, of trade protectionism. Ironically enough, overseas worries about rising American protectionism toward imports is a prime reason for many foreign manufacturers' desire to buy physically into the U.S. market.

The U.S. economy has long based its prosperity in large part on the free flow of capital across international borders. In the mid-19th century. European investments helped finance the building of America's railroads, essential for opening up the West. Later, Europeans put their money into American ranching, farming and mining. After the turn of the century, foreigners helped buttress one of the most powerful companies of the era, U.S. Steel, by buying up fully 25% of its equity.

The current crush of foreign buyers offers more opportunities than threats—and, in any event, the $4.5 trillion U.S. economy's best insulation against invasion remains its sheer size. Says Theodore Moran, a professor of international business diplomacy at Georgetown University: "We are not going to have our economy taken over by foreigners unless it continues to decline for 50 or 60 years." That holds true even though a couple of Asian shoppers, South Korea and Taiwan, have barely begun to make strides in the U.S. buyout market. Yet as foreigners continue to rush in, new American properties are constantly being built to balance the outside purchases. In real estate alone, the U.S. annually constructs some $30 billion worth of shopping malls, $10 billion worth of factories and $6 billion worth of hotels.

A more important reaction to the foreign buyathon would be for Americans to adopt healthier economic habits. Those especially include a concentration on selling more exports and a curbing of the appetite for foreign goods, particularly luxury consumer items. Even there, the current bargain-basement sale of U.S. assets may eventually prove to be of some help. Quick to recognize the export advantages of the weak U.S. dollar, for example, the new management at Hoechst Celanese has already decided to move some chemical production from West German factories to American ones. At the same time, new managers like Sir Gordon White are giving their American troops a pep talk. Says he: "In the U.S., you haven't got the drive to export. It's often very difficult to convince managers in companies we've bought that they should flog their products in Britain. They say, 'Why go to all of that trouble when I can sell in the U.S.?' "

White would be only too happy to discover more American corporations that need to be taken over and set straight. Says he: "I do keep a close check on many U.S. companies. We could still launch another bid of more than $10 billion in the U.S." White's bankroll is seemingly inexhaustible—but then, so are the exciting economic opportunities of America itself. With all those tempting troves of undervalued wealth in view, it is small wonder that Sir Gordon and his many foreign imitators still want to buy, buy, buy.

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## COMMEMORATION OF THE ANNIVERSARY OF THE INVASION OF POLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, 48 years ago, on September 1, 1939, the peaceful State of Poland was invaded by the forces of nazism from the west, and days later, on September 17, the forces of communism entered Poland from the east. Almost overnight, during this beginning of World War II, the country of Poland became a persecuted nation, deprived of half of its territory and millions of its people.

Fighting against overwhelming odds and the terror unleashed by Poland's hostile invaders, 830,000 soldiers and officers of the Polish Army fought heroically to maintain their freedom and national honor. Thousands of Polish infantry, Navy, and Air Force troops were forced to flee from the military might of their country's occupiers, but eventually were able to join with the allied forces, and took up arms once more, fighting for the cause of freedom and self-determination in Europe and in North Africa.

As this regular army slowly disintegrated, along with the country of Poland, a brave and undaunted underground movement developed, directed by the Polish government-in-exile, and the Polish Army together with civilian men, women, and children, fearlessly destroyed enemy planes, ammunition dumps, bridges, and other military installations. Refusing to betray their national honor by collaborating with the enemy, many were forced to survive for months in the forests and mountains, and 6 million Poles chose self-respect and death rather than capitulation. During these chaotic times, Poland lost close to one-fourth of her population, and the capital city of Warsaw was leveled to the ground.

Gradually the tide turned, however, and the Allied Forces prevailed. At the end of World War II, the Nazis were eliminated from Poland, but unfortunately, the Communist regime then occupied the country and began a systematic campaign to destroy the culture, religion, and national identity of the Polish people. Nevertheless, the Polish people's commitment to freedom has remained undiminished, and their struggle to achieve personal liberty and national integrity continues.

Those Poles who have emigrated to the United States have brought with them the same love of liberty which they cherished in their beloved native land, and they have contributed mightily to the social, economic, political, and cultural advancement of our Nation. While Polish immigrants have helped to make the United States one of the greatest countries in the world, their brothers and sisters still in Poland look to a strong America for moral support in their continuing struggle to achieve their just aspirations of national liberty.

Mr. Speaker, as we again observe this anniversary of the invasion of Poland, I am honored to join with Americans of Polish descent in the 11th Congressional District of Illinois which I am honored to represent, and Polish-Americans all over this Nation, in their hopes and prayers for the reentry of Poland into the community of free nations.

## REPORT FROM CONSTITUTIONAL CONVENTION OF 1787

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

**Mr. GEKAS.** Mr. Speaker, today is September 9, 1787, and I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia.

Today, September 9, is a Sunday, and therefore the delegates have declared a recess for purposes of observance of the Sabbath, but some of the delegates are still mingling around the main meeting room here in Philadelphia and they are all poised for the last part of the session as the mandate of the convention draws to a close.

Just yesterday the delegates appointed a Committee of Style. That is the most important evidence we have up to now that they are going to put the finishing touches on the document that could change the form of government of the United States.

This Committee of Style has been made up of some of the luminaries of the convention; Johnson of Connecticut; Alexander Hamilton of New York; King of Massachusetts; Gouverneur Morris of Pennsylvania; and James Madison of Virginia. These who have been leaders throughout the convention, having been formed into a Committee of Style, signifies to everybody that they are going to be putting the finishing touches on what now very optimistically appears to be the final work of this convention. They finally settled just yesterday or the day before in mixed ways on how long the term of the President of the United States should be. Many have held out for 7-year terms, but it was finally resolved that it should be a 4-year term without any restrictions as to reelection, that a President could be reelected as many times as he could command a majority of the electoral votes of the several States.

I predict, and some of the other delegates have said to me, that somewhere down the line in the next century they are going to change that rule to prevent some President from going on term after term and assuming the rule of a king; so for the time being, though, the 4-year term with interminable reelections possible is now part of the Committee of Style final work for this document.

The other thing that happened of great importance leading up to this optimistic feeling that we have that indeed we will have a new document is that a question of succession of who should take over when the President should die in office or be absented in some way, who should take over, and of course the Vice President has now been named under the provisions of this new document as the natural successor. That line of succession has been set forth.

So more and more it appears that the roots are taking hold for a final surge to a completed document, probably by the end of next week.

So even though today is Sunday, I see Alexander Hamilton wandering around the library and James Madison is taking furious notes, as he always does. He seems to be taking notes even when nobody is speaking and when nothing else is going on. He is still chronicling almost everything that is happening in this Convention. Some day the historians will look back on his presentations, his notes, his commentaries, as a way to construe what went on in the constitutional process, I am certain of that.

Alexander Hamilton who had bolted the Convention just a month ago now is the most fiercely adamant Nationalist Federalist that appears on the Convention floor, almost insisting with fiery ambition that this Nation has to be unified under a solid document, like the one that is being drafted now by the Committee of Style.

The weather is a little better. It was a furiously hot summer. It is now cooling off a little bit here in September and so have the temperatures of the delegates been simmering down a little bit. Now the cool collected George Washington is ready for the final gavel of the final week, it is predicted, of this Convention. He who was most pessimistic about the outcome of this Convention is now with great optimism saying that the work of this Convention is going to be recorded for all time. That means, if George Washington, the leader of the Revolution and the President of this Convention is optimistic, by all means all the others will remain optimistic for a good outcome.

Mr. Speaker, this is your reporter reporting to you 200 years ago today from the floor of the Convention in Independence Hall, Philadelphia.

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## TRIBUTE TO SANFORD A. MILLER

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. WEISS] is recognized for 5 minutes.

Mr. WEISS. Mr. Speaker, Dr. Sanford A. Miller, regarded by many within and outside the Food and Drug Administration as one of the finest directors the Agency has ever had, has left the Agency to return to academia. Dr. Miller joined FDA 9 years ago at the invitation of Dr. Donald Kennedy, who was then Commissioner of Food and Drugs, to serve as Director of FDA's Bureau of Foods, which was later renamed the Center for Food Safety and Applied Nutrition. His outstanding leadership at the helm of the Center carried him through four different FDA Commissioners and two administrations. During his tenure, the responsibilities of the Center increased significantly.

Dr. Miller is highly respected both within the United States and abroad for his expertise in food science and food and cosmetic safety, and for his balanced approach to the regulation of food and cosmetic products. He is rare in combining technical knowledge and skills with the managerial and personal attributes needed to meet the ever changing and complex challenges facing the administration of national programs. He is, and always will be, respected for his thoughtful analysis of Agency policy, his steadfast commitment to the Center, his forthright advice, and his objective and candid opinions.

With responsibility for the management and programming of some 850 people in various headquarters laboratories and offices and the planning and programming of work involving nearly 1,000 people in FDA's field offices and laboratories, Dr. Miller has, during his tenure, developed a series of new initiatives designed to enhance fulfillment of the Center's mission.

In particular, he has shifted the research emphasis of the Center to programs concentrating on physiological mechanisms, thereby enabling more rational decisions on the potential hazards associated with substances in food. He has expanded the nutrition programs within the Center and redirected the food chemistry programs to consider the composition of food and not just the analytical chemistry of food contaminants. He has modernized and expanded the Center's microbiology programs to the point of fostering development of genetic probes and monoclonal antibodies capable of detecting foodborne disease. Under his leadership, mechanisms of infection are also being studied to permit the formulation of strategies that will prevent such disorders.

Dr. Miller came to FDA from the Massachusetts Institute of Technology where he was professor of nutritional biochemistry in the Department of Nutrition and Food Science. He was also a visiting lecturer in nutrition at Tufts University School of Dental Medicine.

He has served on many Government and professional society advisory committees, including the Federation for American Societies for Experimental Biology [FASEB] Expert Committee on GRAS substances.

Dr. Miller received a B.S. in chemistry from the City College of New York, and an M.S. and Ph.D. in physiology and biochemistry from Rutgers University.

Dr. Miller is the recipient of the Outstanding Teacher of the Year Award from MIT; the Conrad A. Elvehjem Award of the American Institute of Nutrition; the Public Health Service Superior Service Award; the Braverman Memorial Lecturer at the Technion-Israel Institute of Technology in Haifa, Israel; the Samuel W. Johnson Memorial Lecture—Connecticut Agricultural Experiment Station; and the Department of Health and Human Services Distinguished Service Award. This year he received the most prestigious agency award, the FDA Award of Merit.

He is author or coauthor of more than 200 original scientific publications.

Dr. Miller's distinguished record of public service and achievement is matched by his personal warmth, compassion, and integrity. He has made us proud to serve with him in government. We look forward to continuing to benefit from his wisdom and knowledge.

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## THE 50TH ANNIVERSARY OF SANTA CRUZ COUNTY'S HEALTH SERVICES AGENCY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I would like to take this occasion to bring to the attention of my colleagues the 50th anniversary celebration of the Health Services Agency of Santa Cruz County, CA. The actual celebration was held on August 31, but this is my first opportunity to give the agency the recognition it is due here in the House of Representatives.

The County Health Services Agency was established in 1937 as the county health department, which consisted of one individual—Dr. John D. Fuller, who was the county's first full-time county health officer. Dr. Fuller drew up a plan for public health service for the county, which was growing rapidly even then. Later that same year, a sanitation inspector and a public health nurse were added to the staff in order to broaden the services available through the county hospital. The primary public health issues at that time included the spread of communicable diseases such as venereal diseases and the spread of communicable childhood diseases in the county's public schools. Environmental health concerns included dumping of garbage and sewage and shellfish poisoning along the beaches.

In just a few years, the staff grew to 11 public health and school nurses and sanitarians. Public health nurses staffed clinics, made home visits, and compiled detailed records in an effort to combat tuberculosis, venereal diseases, and other communicable illnesses. They also aided crippled children, promoted maternal and child hygiene, broadened the school health program, and enlarged the county's mental health program.

Significant accomplishments of the agency's sanitarians during this period included the setting of a higher standard for sanitary conditions for migrant workers, installation of septic tanks and sewers, and planning and development of local ordinances to help prevent typhoid and the consequences of unsanitary food handling.

In 1939, a new health officer, in recognition of all these achievements, was presented with an award of distinction by the Junior Chamber of Commerce.

Eventually, satellite public health offices were established at each end of Santa Cruz County, and the cities of Santa Cruz and Watsonville relinquished public health responsibilities to the county in order to consolidate all public health resources into one agency.

Today, in the 1980's, the county health agency has to focus on a new set of issues. These include the control of AIDS, the threat of toxic or hazardous waste, the problems posed by the deinstitutionalization of mental health clients during the 1970's and 1980's, efforts to control chronic diseases such as heart and lung diseases, diabetes, and cancer, preventing child abuse, curbing the effects of drug and alcohol abuse, control of pollution caused by smoking, education about the effects of smoking, and addressing the health problems of a growing senior population.

The problems become more complex, but the issue is the same: protecting the public health. I am sure my colleagues join me in congratulating the Santa Cruz Health Services Agency on its many accomplishments and encouraging its staff to continue the hard work that is necessary to carry out its goals.

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## A LEAD ROLE FOR THE NAVY ON PLASTIC POLLUTION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. HOWARD] is recognized for 5 minutes.

Mr. HOWARD. Mr. Speaker, today I have introduced House Concurrent Resolution 183 which states that the U.S. Navy should expedite implementation of an environmentally sound trash compacting or disposal procedure. Also introducing this concurrent resolution in the Senate are my distinguished colleagues from New Jersey, Senators BILL BRADLEY and FRANK LAUTENBERG, who have already exhibited their commitment to this issue. I would like to call the attention of my House colleagues to this legislation due to its urgent and vital nature.

As with the development of other new technologies, the development and wide use of plastics has raised a number of new questions and challenges for our society. As you may be aware, plastic is most durable in nature and therefore does not degrade in our environment and persists for decades.

As evidenced recently by numerous and widespread media reports, the plastic waste problem has reached crisis proportions. The victims of such trash and debris are many, including dolphins, sea lions, sea gulls, mallards, and trout to name a few. There have been many accounts of sea turtles and other marine life washing up on our Nation's shores dead from ingestion of or asphyxiation by plastic waste. Of course this problem is not only limited to coastal or fishing communities. Its impact is certainly felt throughout the entire country.

With the introduction of this bill, I am calling on the U.S. Navy to take a bold step in responding to this new challenge and to lead maritime efforts of keeping all waste materials and especially plastic waste out of our marine environment. I have faith that the Navy will indeed step up its efforts in this field and soon implement such a procedure fleetwide.

Also, I would like to call on my fellow colleagues to review House Concurrent Resolution 183 and support this bill so as to expedite its progress in Congress. The bill is printed below for convenience.

### H. CON. RES. 183

Concurrent resolution expressing the sense of the Congress that the United States Navy should expedite the implementation of an environmentally sound trash compacting or disposal procedure

Whereas Congress is entertaining ratification of Annex V to the International Convention for the Prevention of Pollution from Ships of 1973, modified by the Protocol of 1978 (hereafter referred to as "MARPOL 73/78") during the first session of the 100th Congress;

Whereas Annex V to MARPOL 73/78 prohibits the disposal into the sea of all plastics and sets strict standards on disposal of other garbage into the sea;

Whereas the United States Navy does not currently have the means to comply with such provisions of MARPOL 73/78;

Whereas the United States Navy is in the process of developing a ship-board garbage compactor which is not expected to be operational until the year 1991; and

Whereas ship-board garbage compacting will allow for the on-board storage of or reclamation by supply ships of compacted plastic and nonplastic garbage and therefore allow for an environmentally sound means of disposing of ship garbage in compliance with the requirements of Annex V to MARPOL 73/78: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That it is the sense of the Congress that—

(1) the United States Navy should be aware of the possible near-term ratification of Annex V to the International Convention for the Prevention of Pollution from Ships of 1973, modified by the Protocol of 1978 and its impact on current Navy garbage disposal procedures;

(2) the United States Navy should expedite its implementation of an environmentally sound garbage compacting or disposal procedure; and

(3) the United States Navy should keep Congress informed as to the progress in the implementation of such a procedure.

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## TRIP TO CENTRAL AMERICA

The **SPEAKER** pro tempore (Mr. SKELTON). Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. FRENZEL].

### THE NEW TELEPHONE SYSTEM

Mr. FRENZEL. Mr. Speaker, I would like to comment briefly for the benefit of those Members who are enjoying the excitement of working with the new telephone systems which have been installed in the Capitol and generally in the Longworth Building—some idea of what is going to happen.

These new systems have been worked on for several years by a large number of people, the Architect, the House, the Senate, and we are doing our best to make the system work. It is different. Members will find that they must accommodate to it.

We believe in the long run we will be offering superior service at a reduced cost to the taxpayers.

For those Members and offices that are having difficulty may I suggest they call 6-4101, the House telephone office, for special assistance. If they feel their problem is not being taken care of, I would suggest that they call the House Administration Committee, minority or majority staff, depending on their identification, for special help.

We are anxious to root out particular problems where they exist. We think the new system is going to be superior in all ways and we want to work with the Members in making it work as best we can.

I thank the gentleman from Indiana for his courtesy.

Mr. BURTON of Indiana. Mr. Speaker, Mr. DORNAN of California and I just returned from a trip to Honduras and to Nicaragua to peruse the activities of the participants in the peace process down there to find out if it was really going to work, to find out the attitudes of the leaders of those countries, the attitudes of the people, the attitudes of the combatants, including the Contras, and to talk to those people who have been displaced by this terrible war down there, the people who are in the refugee camps in Honduras and elsewhere.

I would like to give a brief report to my colleagues because I think it is important for those that have not had the opportunity to go down to Central America to know what is going on. Everybody wants peace. Nobody wants war to go on, but at the same time we want to make sure the Communists do not establish a beachhead on the North American Continent that is going to undermine not only the fledgling democracies of El Salvador, Guatemala, Honduras, Costa Rica, and possibly Panama and ultimately the United States and our sister country Mexico. The gentleman from California [Mr. DORNAN] and I flew into Tegucigalpa and talked with President Azcona, who incidentally is an excellent ping-pong player. I challenged him to a game, because I knew he liked to play, and he beat me three straight games.

In fact, I only got 10 points, that was my highest total.

President Azcona is not one you want to mess with at the ping-pong table.

During our meeting, prior to our encounter, our athletic encounter, President Azcona briefed us on the peace process and told us what he thought the chances of success were. One of the things that sticks in my mind that the President said was that every single aspect of the peace process and the peace agreement signed in Guatemala has to be complied with. If any part of it is not lived up to, then the whole peace accord will collapse like a house of cards.

Specifically, Congressman DORNAN asked him about the people who are held in the prisons down in Nicaragua, the gulags, the people who are being tortured. We have been told by the Communist Sandinista government in the past that there are only 2,000 to 3,000 people in those prisons. Recently in a speech made by Defense Minister Tomas Borge, he said that there were 8,800 people in those prisons. Congressman DORNAN pointed out earlier today that that is a higher percentage of the population of that country compared to other countries than any country in the world, a higher percentage of the population of Nicaragua in prison than any country in the world.

They have admitted now that there are 8,800 people in those prisons.

We asked him what if they only let out part of the political prisoners, what if they keep people in there that they feel are a threat to their Communist government?

He said that if they do not let every political prisoner out, then the agreement will be null and void. He said that they have to live up to the commitments they made to the Organization of American States, that being free elections, freedom of the press, freedom of assembly, all the things that we hold dear in this country, and that they hold dear in Honduras.

We asked him about a statement that he had made to a Member of the other body, that being that if the peace accords fail and if additional aid is not given to the Contras, the freedom fighters in Nicaragua, and they collapse, that 50,000 American troops would probably have to be stationed in Honduras to protect that fledgling democracy as well as El Salvador, Guatemala, and Costa Rica.

He told us that that statement was correct, that he felt that unless there was a completed peace agreement that everybody lived up to, and if that eventuality did not take place, if the Contras were destroyed or became a thing of the past because of lack of funding that the United States would have to deploy troops as a peacekeeping force down there.

We then had a chance to go out to the countryside, to go to one of the Contra hospitals. We talked to people who had been fighting in Nicaragua against the Communist Sandinista government and asked them why they left their homes and decided to fight against the Sandinistas.

Many of these people we talked to were people who were blinded, who had lost one arm or one leg or who had been injured in other ways.

To a man or a woman, and there were a number of women in these hospitals, they told us it was because of the repression in their country, because they wanted freedom and democracy and they wanted the Communist Sandinistas to live up to the commitments they made when they took power in 1979.

We also talked to Enrico Bermudez, the commander of the Contra forces. He had some of his staff officers there. They were very articulate. They talked about human rights violations, and they talked about the disinformation campaign, and they talked about attacking some of the installations inside Nicaragua where they had been accused of killing innocent citizens.

One of the things he pointed out was very interesting to me. The communals that they have in Nicaragua where people collectively live, and they call them collectives where people live together, have been attacked on some occasions by the Contras. It appeared in the papers in this country that these communities were nothing but civilians but the fact of the matter is that they were supply depots for the Communist Sandinista army in the field and many of the people who lived in these communities were people who were working for the Communist Sandinistas, military people, and others who were dispensing this war material to the Sandinista army.

So it was a supply depot that they were attacking and not a civilian installation.

We went out to the refugee camps. Those refugee camps have approximately 50,000 Nicaraguans and Salvadorans who have fled the military upheaval in their countries, fled the war, and have come to these refugee camps to get away from it. The vast majority of these people are from Nicaragua. There are probably 40,000 certified refugees in Honduras from Nicaragua and they estimate as many as 200,000 who are not certified. That means they are just around the countryside.

When we went to these refugee camps and talked to them, to a man and to a woman, the refugees said the reason they left Nicaragua was because of the repression, because the government had confiscated their cows, their goats, their chickens, their farms for the state and they could not survive. They had been relocated, forced into relocation camps, some of them Indian refugees, and they simply could not tolerate it and they wanted freedom and democracy in their country.

Mr. Speaker, because of that they left. They fled Nicaragua trying to get to freedom and they have been living, some of them, in those refugee camps for as much as 7 to 8 years.

We questioned a number of these people about why they were in the refugee camps. One old man said he had two sons killed because they were accused of being Contras.

One young girl fled because when she was 16 years old they tried to force her into the militia and she did not want to go in.

Another young man of 17 said he fled because they were forcing him into the Communist militia which he did not want.

An old lady had a son, and he was an Anglican clergyman, all he did was preach the word of God to the people

of his village, and he was murdered 3 years ago.

The U.N. Human Rights Commission that is controlling these refugee camps has been offering 100 lymperas to people who are in these camps if they would go back to Nicaragua. They are actually paying, offering to pay them 100 lymperas, about 50 American dollars to go back to Nicaragua and the people do not want to go back because they do not want to go back and live under Communist tyranny.

When we talked about the Contras to these people, Congressman DORNAN and I, when we talked about President Reagan, you should have heard them cheer. "Viva Reagan. Viva Contras."

They want their country to be free and they support what President Reagan has been trying to do here in the U.S. Congress and in the United States of America with the American people.

We were told by the leaders down there that the Nicaraguan actions so far have not shown requisite seriousness. I think Presient Azcona said that. He said that they have not shown requisite seriousness, as of yet.

Contrast that to what the Speaker of the House of Representatives here said just the other day when he said that we should be applauding the Communist Sandinistas because they have appointed members to the peacekeeping commission to police this proposal down there. Now Honduras is right on the border of Nicaragua and there have been Communist incursions into their country and they know what is going on.

President Azcona said that as yet the Communists have not shown requisite seriousness.

President Azcona is waiting for concrete action from the Sandinistas, as I said before. Those freedoms promised in 1979 to the Organization of American States must be complied with, otherwise the peace accord will not survive.

We then flew from Tegucigalpa, Honduras, to Managua, Nicaragua.

One thing I left out that I want to report to my colleagues, is that President Ortega, according to Congressman DORNAN who was briefed by the southern command, President Ortega and the Communist Sandinistas are getting $4 million a day in military and economic aid from the Soviet Union. The Soviet Union has increased by 30 percent the amount of military supplies they have sent into Nicaragua this year over last year. Last year they sent 22,000 tons of war materials into Nicaragua. The year before that they sent 16,000 tons of war materials into Nicaragua. This year for the first 6 months they have sent over 16,000 tons of war material into Nicaragua which would figure out to a total of 32,000 tons by the end of this year and they have not let up. That figures out to $4 million a day that the Communists in Moscow are sending to Nicaragua to undermine not only the people of Nicaragua but those other fledgling democracies down there.

Congressman DORNAN told me something that was very interesting on the trip and I am sure he will take a special order when he feels a little better. He is kind of under the weather because he ate something down there that did not agree with him.

He said that President Arias told him that if Costa Rica were attacked by the Sandinistas he was absolutely certain that the United States of America would send troops down there to defend Costa Rica.

That attitude seems to be prevalent throughout those fledgling democracies down there.

President Azcona said 50,000 U.S. troops would have to be stationed in his country if the peace process does not work, and if the Contras die on the vine.

President Arias of Costa Rica has said that he is sure we would send troops.

So it is important that we do not lose sight of the fact that those Presidents down there are very apprehensive about the goals and objectives of the Communists Sandinista government.

We talked to some of the Contras who are a part of the Contra directorate down there. Their position is that the Communists in Nicaragua are simply trying to buy time. They know that on September 30 of this year the Contras will no longer be getting funds from the United States to fight for their freedom. This peace accord has an effective date of November 7. If they can drag this thing on, say until the first of the year or maybe February or March, the Contras will be without humanitarian aid as well as military aid. If they die on the vine, the Communist Sandinistas will be able to have their way not only in Nicaragua but throughout Central America. That is why these people are very concerned. They believe the Communists are trying to buy time. They do not think they are going to give up the power they achieved through the barrel of a gun just because of this piece of paper, this peace agreement.

When we got into Nicaragua we were briefed by the members of our Embassy down there.

Mr. Speaker, I might add that they are living under very difficult and trying conditions and they are doing an outstanding job for the people of this country. I think the State Department ought to give all of them a raise and a pat on the back for a job that they are doing so very well.

□ 1515

And I do not say that very much about State Department officials, but it really was impressive how they worked down there.

When we got into Nicaragua we had a chance to meet with some very important and impressive people. We met with Cardinal Obando y Bravo who is a person who is very concerned about the plight of his country. He knows that the standard of living has gone downhill dramatically over the past 7 or 8 years. He told us about the plight of his people.

He is on the peace policing commission along with two members of the Communist Sandinista Government and an independent member of parliament down there, a man named Mauricio Diaz. I was very impressed with Obando y Bravo. He is a man who is I think going to stand up for his people no matter what happens and he is a real credit to himself and to the Catholic Church and we certainly need more people like him in this world.

Mauricio Diaz, we talked with him; it was very interesting to listen to what Mauricio Diaz had to say. He said that the pressure should be kept on the Sandinista Government.

Now, remember this man is on the peace-keeping commission appointed by Daniel Ortega himself. He said that the money should be appropriated for additional aid to the Contras and held in escrow to make sure that the Sandinistas live up to the commitments they made in Guatemala when they signed this peace accord.

He said at the very least it should be humanitarian aid but there should be money kept in escrow to make sure that the Contras will not die on the vine and that the Sandinistas, if they are trying to buy time, will not be successful.

In addition to talking to them I want to tell you some stories that really bothered me. We met with mothers of political prisoners. These women have sons and daughters in the prisons down there, Modelo, the Tipitapa and several other prisons in the country. It used to be that under Somoza they had prisons big enough to accommodate up to 1,000 people. Now they have them which accommodate up to 12,000 people. They have expanded their prison system to take care of the political prisoners, the people they have gathered up in the middle of the night and carried off and thrown into jail.

We talked to the mothers of these political prisoners, we talked to the wives of the political prisoners. And I want to tell you just a little bit about them and some of their stories.

Lorenza Morella—on April 7, 1987, she was taken prisoner. Her mother, just a poor person, she is having a difficult time just trying to eat because the Sandinistas have cut off her rations because she has a daughter in prison. Well, Lorenza Morella said there are two additional family members still held and the whole family is threatened. She said they came from Costa Rica, family members came from Costa Rica to get her out of the country. That is when they put them in prison because they came in to free her from this repression she was under. She is very concerned. She still lives in Managua and she is very concerned because one day they might show up dead, she said, and the Sandinistas will kill her and they will try to blame it on the Contras.

There is a lady who had a brother who is in Modelo prison of the Tipitapa. He has been in prison for 8 years. She says he was an ex-Somoza officer or soldier who had been drafted into the service and was arrested at age 18. They never proved him guilty of anything. He was just in the Somoza army, the national guard. He was 18. Collective guilt she called it. He is now 26.

He was a student at infantry school, he left Somoza's army in May 1979. Yet he was arrested on August 15, 1979. They said someone who was a former Somoza soldier along with him fingered him and they arrested him. The sister said that they left her—they let him see his family every 15 days if he works very hard in prison. There is no time limit on his sentence.

Rafael Antonio Blandon Perez, he was taken before the tribunal. They have three-member courts. None of these people are judges. They are just appointed by the Sandinista Government. He was taken before the tribunal where there were no witnesses. The court alone, or the tribunal alone made the charges and they made the decision.

Amnesty will not apply to him because he is not considered a political prisoner. She did not tell me what he was charged with.

Sylvia, she has a daughter, Isadora, and a son, Elias, she has two brothers and one sister in jail. They have been in there since August 20, 1984. They were accused of planning and forming a revolutionary cell 23 miles south of Managua. They have a small farm. They are in Tipitapa Prison. Their ages are 36, 32, and 36. They told us that after the Communists signed the treaty in Guatemala on the 7th of August this year, 12 days later they beat up these two brothers and this woman as well as several other prison inmates and they used cattle prods and whips and other instruments of brutality on them. They said that they were beaten up because they would not accept Communist teaching which is forced on them three times a week. The prisoners have to go to indoctrination courses in these prisons three times a week and if they do not they are subject to all kinds of beating and torture.

Isadora was sexually abused in prison by a guard even though she was pregnant. She was pregnant when this took place. The child was delivered and was given to a friend on the outside. She got to keep the child in the prison for about 3 to 6 months.

This young lady has a 30-year prison sentence.

Now Gladys, her husband has been in prison since March 12, 1987. He is a political prisoner because he helped people stay out of military service. He is an attorney down there and he represented them.

He was arrested by the Sandinistas and put in jail as a political prisoner. Her husband is a civilian and yet they tried and convicted him in secret. They sentenced him to 10 years in prison. Probably no early release will be possible because he will not cooperate with the Sandinistas. He will not go to the indoctrination classes either.

She shows up to see him every 45 days when she is supposed to see him and she is turned away. She has not seen him for over 3 months. She has eight children and is really struggling because the Sandinistas have cut off her food rations because her husband is in jail. The husband is 40 years old who has severe health problems, bronchitis and internal problems. They recently took away his Bible because he is an Evangelical, she said.

Violetta has a son in jail, aged 26. He studied medicine in Guatemala. His father was a doctor in Nicaragua and they had a small hospital. He came back when the father died to go to the funeral and to find out if the mother wanted him to run this small hospital which they had in this little village.

The Communists came in, beat him up and arrested him. They said he was a Contra. The reason they arrested him was because he was associating with Father Pena who was kicked out of the country and also accused of being a supporter of the Contra movement. This young man, this doctor whose only crime, alleged crime was that he was a Contra, he was only in a short time, he came back from Costa Rica after he got his medical degree; this man is in what they call a punishment cell and has been since August 19. He has been in there 3 to 4 weeks now. They have been keeping him in a cell, a metal cell 4 feet wide by 4 feet high. Four feet wide by 4 feet high, can you imagine being in that for 3 or 4 weeks, 5 weeks? That is the kind of torture we are talking about. They told me about other methods of torture they are using on prisoners down there. They put electric wires all along the walls of the very small prison cell and they make the person stand up. The cell is so small that they cannot lay down. And if they lean against the wall because they are tired they get severe electrical shocks. They talk about having people stand waist deep in excrement for days at a time. They talk about people being put in caskets and closing the lid and leaving them in there for days at a time. That is part of the reeducation process.

Rosa Maria Blanca, her husband is in jail. He was a Contra on May 1, 1986, they said. He was not really a Contra. He was president of the Conservative Party. He was not active in the military effort to overthrow the Communist Sandinistas. He was president of the Conservative Party and they threw him in jail. He has a 7-year-old and a 5-year-old child. His mother helps feed the children. The wife sees her husband once a month. He is in Zona Franca Prison. The husband has been beaten severely in El Chipote Prison and has been in jail since May 1, 1986, without a trial.

He has been in jail since May 1, 1986, without a trial.

There were eight more women that we did not have time to talk with because we were on a limited schedule. But the fact is there are hundreds and hundreds of women down there, mothers and wives whose husbands are being held in these prisons without being charged, without being tried and it is just unbelievable. I wish everybody in this body could go down and talk to these people. I think that ought to be a mandated part of any Codel going down there that they talk to the mothers and wives of political prisoners.

There is one other lady we talked to as we walked out, Yvette who is age 22. She has a sister 12 and a brother 25. The father, who is an agronomist was arrested because he worked in Somoza's agricultural department. All he did was work in Somoza's agricultural department. He is in Modelo Prison. They have him working out there on their work farms. They said he will not get amnesty because he is a common prisoner because he went through the tribunal. He sure sounds like a political prisoner to me.

We were told by people, Congressman DORNAN and I, that there are 11,000 prisoners in the prisons down there. The Communists admitted to only 2,000 to 3,000 in the past. Recently as I told you before, Commandante Borge admitted there are 8,800 people in those prisons. That is about 10 times as many as they had under Somoza, 10 times as many. They told us there were only 1,000 political prisoners, that Mr. Mauricio Diaz said that the actual count is more like 5,000 political prisoners, people being held there simply because they have a difference of opinion with the Communist Sandinista government; they do not believe in repression, in the totalitarianism of that government.

The torture, as I told you, is very severe in these prisons for people who do not cooperate. They said it is severe or worse than that which people have experienced in Cuba and if you want to know how bad that is read Armando Valladares' book, "Against All Hope."

Now, about the economy of that country. Cattle production in 1979 in Nicaragua was 120 million pounds exported per year. Today that has dropped about five-sixths. They sell only 20 million pounds now. The reason farmers do not like to produce cattle is because they cannot do it and make a profit. They cannot survive. They have to sell their cattle to the government for Cordovas and then the government in turn sells it on the world market and they keep the profit because the rate of exchange is fluctuating so dramatically every day. As a matter of fact, just to tell you how much of a problem they have economically down there, I bought a hammock which cost 380,000 cordovas. That is the same as $44.75 in America. The rate of exchange under the tyrant Somoza was 10 to 12 to one. Now it is 380,000 to 44.

The people down there are now eating their cattle instead of selling it. So the ability of this country to come back even if it became a free country today is going to be very, very difficult because they are not going to have a farm base or an economic base from which to rebound. They are eating their feed grains instead of feeding them to the cattle.

So their ability to come back is going to be very, very difficult.

We talked, as I said, to the people at our embassies, the Contras and others. One of the things that struck me as very interesting is that the Contras have had a very tremendous amount of success in the battlefield over the past 6 to 8 months. It is interesting to me that at the very time they are having success putting pressure on the Communist Sandinista Government the United States is prepared to pull the rug out from under them. As a matter of fact, Defense Minister Gen. Umberto Ortega said on July 15, 1987, talking about the Contras:

> We have a real living dynamic and present danger that daily threatens our existence—

Talking about the Sandinistas—

> not only as a revolution but also as an independent nation.
>
> For the rest of the year we must fortify with greater eagerness, greater capability, and greater efficiency these resources already at the disposal of the revolutionary state.

☐ 1530

So they are feeling what the Contras have been doing to them. I would like to give a few examples.

The Contras attacked Zacataras on January 8, 1987; they killed 15 Communists, and they captured 90 rifles and 20,000 rounds of ammunition, plus 3 radios.

Mahogany, February 20, 1987: in a 2-day firefight they killed 25 Sandinistas and 4 state security and captured weapons and ammunition.

March 27, 1987, Ayapal, they overran a military engineering unit, killed 13, destroyed 14 vehicles, and captured 24 rifles and 36 rounds of ammunition.

April 8, 1987, they overran operational support bases.

I could go on and on and on. I do not want to get into too much of this because it might be classified and I do not want to violate any rules of the House.

But the fact of the matter is that the Contras have had a lot of success in the field. They shot down some HIND aircraft and some HIP aircraft, and the Sandinista Communists are feeling it. So why are my colleagues on the other side of the aisle so anxious to pull the rug out from under the Contras and cut out the aid, even though a firm peace agreement has yet to be achieved?

One of the things that really interested me, as I said before—and I do not want to be redundant—is that when we talked to one of the members of the four-member peace policing commission, he told us that we should keep the pressure on the Sandinistas. His name is Mauricio Diaz. He is a member of the PPSC party down there. He told us, as I said before, that there are 5,000 political prisoners, 2,500 ex-Somoza-ites, Somoza national guard prisoners in the prison, and 1,300 common prisoners, and that those 5,000 political prisoners should be released. He said he wants the alternate commissioner to go to the prisoners and check out these figures, and he said he was going to suggest that at the meeting yesterday.

He said he also wants to lift the state of emergency which would allow La Prensa, the newspaper down there that believes in freedom, and the radio stations to no longer be under the censorship decree that the Sandinistas have leveled on the people down there. He said that there was a rumor the commission was 3 to 1, but he was hoping to prove them wrong. I hope that is correct. I hope that Mauricio Diaz proves to be a real patriot down there and forces the Sandinistas to live up to the commitments they made to their people. He said he is convinced that the Sandinistas signed the agreement, not planning to comply, that the Communists were not planning to comply with the provisions of the agreement they signed, that being freedom of the press, freedom of religion, freedom of assembly, and amnesty for the political prisoners. But he said he wants pressure to be kept on the Sandinistas so they are forced to live up to those commitments.

The only way to do that, he said, is for the United States to appropriate additional money for Contra aid and, if necessary, keep it in escrow until after the agreement has been finalized or no longer is in existence. But he said the only way to keep the pressure on them is to have that money forthcoming so that the Contras are still a viable force.

There is one more thing that I think might be of interest to all my colleagues and to probably everybody who might be interested in what is going on in Central America. There was a civil rights advocate down there named Lino Hernandez. Lino Hernandez was at a gathering of union members who wanted labor unions to be recognized, and they had a meeting in a building in Managua, and Lino Hernandez was there as an observer. The people came outside when they heard the turbas divinas and the military was out there to at least express their opposition to the bully tactics that were taking place. So they walked outside, and Lino Hernandez was attacked. He was not a part of the meeting at all. He was there as an observer. He was attacked by the turbas divinas, or "divine mob." They started to beat on him, and a policeman stepped in and hit him in the mouth, and he started bleeding, and during the melee they carried him off and they put him in jail. His only crime was being there.

We went to see Lino Hernandez because he was on a hunger strike. He is one of the truly patriotic people down there. He is a human rights activist who is telling the truth about human rights violations on the part of the Communist Sandinista government.

When we went to see him, first of all, the gentleman with the foreign ministry with whom we met would not give us approval. He said he would check on it. So Congressman DORNAN and I and the rest of our group went over to the jail to see if we could see Lino Hernandez. When we went in, they said they would check with the foreign ministry and the leaders of the Sandinista government to see if it could be arranged. We sat in the office of the chief of police for probably 45 minutes to an hour waiting for a reply. Congressman DORNAN was with me, and he said, "Look over your left shoulder." I looked over my left shoulder, and there was a picture, about 2 feet by 4 feet, of Vladimir Lenin, the father of communism.

He said, "Look over your right shoulder." I looked over my right shoulder, and there was a picture of Karl Marx.

People tell me in this body that they are not Communists down there. I am telling the Members that they simply do not know what they are talking about. It is a Communist totalitarian state, and the repression is unbelievable. The quality of life, which was bad under Somoza, is much worse under the Communist Sandinistas.

We tried to see Daniel Ortega. Unfortunately, a member of the other body who was down there would not allow us to go with him to see him. I was very disappointed in that because another codel that was down there a couple of weeks ago, including the minority leader of the U.S. Senate, took in a Member of the other party with him to meet with Ortega. But my colleague in the other body, who is very liberal and who supports much of the goals of the Sandinista government, wanted to talk to Daniel Ortega alone. Congressman Dornan said, "At least you should take somebody from the State Department in there so they can have a chance to talk to Ortega."

He said, "No, no, I don't want any of those guys in there either. I want to go in all by myself."

So we did not get in to see Ortega. We have some things we would like to say to him, and I think Congressman Dornan does also.

The SPEAKER pro tempore (Mr. Skelton). The gentleman is reminded that we cannot comment on the members of the United States Senate.

Mr. BURTON of Indiana. I thought it was perfectly legal, Mr. Speaker, to refer to the other body, but not specifically.

The SPEAKER pro tempore. The Chair would just caution against reference to individual Senators.

Mr. BURTON of Indiana. Mr. Speaker, I will try to be as careful as possible, but I think it is important for my colleagues to know what went on down there.

One other thing that we are told by many of our colleagues is that the people of Central America do not want the United States to support the freedom fighters, that they do not want the United States to support the Contras. That could not be further from the truth. There was a Gallup poll taken on the day the peace agreement was signed. On the day the peace agreement was signed, on August 7, there was a Gallup poll taken in Costa Rica, El Salvador, Honduras, and Guatemala. They would not let them take a public opinion poll in Nicaragua because the communists forbid that kind of activity. But these are the figures of the public opinion poll taken in Central America:

In Costa Rica 70 percent of the people want additional aid for the freedom fighters, the Contras. In Honduras, 81 percent of the people want additional aid for the freedom fighters. In El Salvador, 69 percent of the people want additional aid for the freedom fighters, and in Guatemala 68 percent of the people want additional aid for the freedom fighters.

Mr. Speaker, the people of this country have been given all kinds of facts and figures and information that confuse them, and because of that there has been a real bias against helping the freedom fighters down there. It was not until Ollie North appeared before the Iran-Contra hearings that the people of this country were awakened. When Ollie North appeared and told about the Communist menace down there, the public opinion polls in this country changed dramatically, and I think 45 to 50 percent of the people in America now believe we should be helping the freedom fighters and putting pressure on the Communists. Prior to that only about one-third of the people in this country felt we should be supporting them, and probably 40 percent opposed it.

So when the people of America are given the facts, they will support the freedom fighters because they know they are fighting not only for the freedom of the people in Central America but ultimately for the freedom of the United States as well. So the people of the United States need to be given the facts very clearly.

The people of Central America have received the facts. They have the Communists right on their border. They know the Communists have been supplying military aid to the Communist guerrillas in their countries. So what do they say? In Costa Rica they say, by 70 percent, that they want aid given to the freedom fighters. I ask my friends in the Congress to listen to this: 70 percent of the people in Costa Rica want aid for the freedom fighters, and it is 81 percent in Honduras, 69 percent in El Salvador, and 68 percent in Guatemala. They know the threat, even if many of us do not.

So we need to get this message across to our colleagues here in this body and to the people across this country. It is extremely important that they know that communism is a threat to all those fledgling democracies. It is a threat to the Panama Canal, through which goes about 65 percent of all our commerce in one way or another, it is a threat to the Caribbean, it is a threat to Mexico, and it is a threat ultimately to the United States of America as well. So we should take heed of what our colleagues, our fellow citizens in Central America, are saying, that there is a communist threat and we ought to be supporting the freedom fighters who are fighting not only for freedom in their country but for the freedom of those other fledgling democracies.

Mr. Speaker, I would ask my colleague, the gentleman from California [Mr. Dornan], if he has something he wants to say.

I yield to may colleague, the gentleman from California, who is one of the finest Congressmen in the U.S. House of Representatives.

Mr. DORNAN of California. Mr. Speaker, I thank the gentleman from Indiana.

I would say to the gentleman that his special order is special. He was a little more circumspect about touching the salads down there than I, so I am starting to fade. I know we will do a special order again after we see the President. I have just gotten off the phone with the office of the chief of staff.

Mr. BURTON of Indiana. Mr. Speaker, if I might interrupt for just a moment, I might tell my colleagues that the reason my colleague is starting to fade is, when we met to meet with Comrade Tanoco, he offered both of us a cup of coffee. My colleague took it, and he is now sick, and I did not. Otherwise we ate the same things on our trip.

Mr. DORNAN of California. Pretty much.

I just wanted to go over this with the gentleman more or less to cross some of his "t's" and recall some of the stunning things that hit me on my sixth trip down there. You think you learned it all in a good action-packed trip with good embassy people taking you around. But let us discuss the Sandinista People's Army. Their word for "army" starts with "e," and they reverse the letters, so the acronym in the Latin manner is EPS, the Army of the Sandinista People. So it is the EPS, the Army of the Sandinista People.

Now, suppose Ortega and the eight other commandantes, every one of them a Communist, were to somehow submit themselves to a fair election—and, of course, the army will count the votes—and somehow or other, as I put it down there, the holy spirit descends on the people and Ortega is upset. Who owns the army?

Mr. BURTON of Indiana. Well, as my colleague well knows, in the Communist constitution of the country of Nicaragua, the army is under the control of the Sandinista Party, so if the Sandinistas were to lose the election through some quirk of fate, they would still control the military.

Mr. DORNAN of California. Now, the 300,000 or 400,000 America people—no one knows how many listen to our special orders, but it is a good chunk of a quarter of a million—probably went—"what? run that by me again."

So a little comparison is in order. Suppose Richard Nixon personally, through the Republican Party, owned and ran the entire Pentagon and every military service in this country. Suppose, like Adolf Hitler's SA, his Brown Shirts who wore uniforms and beat people up publicly at the end of the 1930's, before he launched his war on the anniversary of this month in 1939 on the whole world, suppose there was

a private army of the Republicans or the Democrats. We would not stand for that. We have our sergeant at arms for our conventions next year, and what they do is perform an administrative job where they arrange for security with the local people in Atlanta and in New Orleans, and then the Secret Service comes in and overlays that when the President or any of the other important office holders comes down there. So this idea of a political party having not only its own army but the only army, the whole army, is foreign to Americans, and any idea that there is going to be an election is crazy.

You remember when you were gracefully allowing President Azcona to handle you pretty well in ping-pong after our long, fascinating, and effective meeting with him, as President of Honduras, a few nights ago. You recall that I said, "President Azcona, you are out of office when?

He said, "The election is in November of 1988, and a new President will be sworn in in January of 1989."

"Now," I said, after a new President is inaugurated in our country—let's say it is Mr. Bush, Mr. Kemp of this House, or Mr. Gephardt of this House, since a lot of Members over there support him—when that President starts, people have got to realize what is going to happen with the five signers of the Guatemala City Escopelas No. 2 accord."

Eight months after our next President—and we are hot and heavy into that race cycle now—8 months later Mr. Duarte is gone, a one-term, 5-year President. He retires to elder statehood to write and observe. The next month President Azcona is gone. He is a 4-year President. So even though he got elected a year after Duarte, they go out within 30 days of one another. One year later President Vinicio Cerezo is out; as young as he is, he is a senior statesman, a writer, observing his political system. And 4 months after that, the only one that is not in a fall cycle, but in the spring, in April of 1990, we see Mr. Arias, the pusher of this new peace plan. He departs then. So within a year and some months, 2 or 3 months, of the new President of the United States being inaugurated, our 41st President, all four members of the truly elected democratic governments there have gone, two with 4-year terms and two with 5-year terms.

What does the Communist dictator have? He has a 6-year term. He was elected 2 days before President Reagan's second term. He was elected on a Sunday back in the first week of 1984. His 6 years are up in November of 1990, the same election when we say goodbye to Cerezo, a few months before Arias. But he will get elected under this system for another 6 years unless there is an interior Communist politburo coup by Tomas Borge, the head of the secret police, if he wants to take it away from him. But Ortega took care of that. He has his younger brother, Humberto, running that Sandinista people's party army, the whole works from the antiaircraft guns to the HIND aircraft to what little navy they have off both coasts.

So Ortega is going to be there another 6 years starting in 1990. He can wait out all of these democratically elected people who are all one-termers, two for 4 years and two for 5 years.

☐ 1545

This is a desperate situation, when you study this and talk to our excellent people in the Embassy.

Your torture stories were probably the most moving experience I had there sitting with you. You took such excellent notes, because you had joined my Codel. I did the questioning, apologizing over and over that I felt so embarrassed to sound like an inquisitor and try to get to all of the young sisters and mothers; but that one mother, a middle-class lady, and her husband was a doctor. He died in the prime of life.

He had two sons in medical school, one in the States, one in Mexico, and the one in the States was just finishing his exams, so he did not come down. The other son came down from Guadalajara, Mexico, and was arrested within days, thrown in prison.

My colleagues on the other side who are liberal who espouse great interest in civil and human rights, and I do not take that away from them, because there are no trials. These are military tribunals of a political party, so he is thrown in.

The mother started to cry. I started to cry, because I said, "Your son, a doctor who is only an intern, arrested 2½ years ago is in a box 3½ feet by 2½ feet like some animal."

The SPCA ought to get involved in the Write Reagan plan. You do not treat animals in free societies the way they treat these prisoners.

It went on and on, and this is why three liberal Members on the other side of the aisle who also meet with these mothers, wives, sisters, and one Member said it could cost him his career, but he wanted now to vote for aid.

The majority whip's headcount is not all that solid.

We heard about another Member, and I will not use that Member's name, in this body. He said, "I want to go shopping. I don't want to meet with these people."

Mr. BURTON of Indiana. He wanted to go shopping instead of meeting with these mothers and wives of political prisoners really suffering.

Mr. DORNAN of California. Violetta Chamorro, the Codel stood her up twice. There was a meeting that was reset for the afternoon, and they stood her up; and at the same time they stood up Cardinal Obando y Bravo. This is a heroic priest, if there ever was one.

Here is a lady with 220 people, employees. She is down to 45. How is she paying for this payroll of 45 people?

Mr. BURTON of Indiana. I wish every person in the media, in the newspaper business, could go down and listen to her, because my colleague brings up a very interesting point.

She is paying what few employees she has left at La Prensa newspaper selling off the assets, trucks, cars, typewriters.

As was stated, one of the most distressful sights we saw was that empty pressroom down there, nobody working, just a completely dead room.

Mr. DORNAN of California. She knew that that would hit a couple of elected people hard.

We were leaving, going out the side door. She says, "Come here, I want you to see something."

Her daughter, Christiana, sat in the whole meeting with her. Her daughter is the Ambassador to Costa Rica, and her son, Carlos Fernando, the older son runs Barricada, the Communist newspaper.

The youngest son, Pedro Joaquin, named after his father, was brutally assassinated January 10 of 1978. She has a torn family.

She said, "Come here, Mr. Dornan, get Mr. Burton," and she opens the door, and there is the newsroom.

Even if people have never been in a newsroom, we have to pass muster at some of these liberal papers, and there is a beehive of activity if they are getting down to the wire to put that paper to press.

You walked in behind me, and you said, "Every Member of Congress should see this dark, empty, deserted newsroom with the blackboards, the last story a year ago June, all the desks empty, the empty typewriters in the adjoining room, tickertape machines, AP press, all shut down."

The assassination of a newspaper is what hit me, and this is why my friend Reed Irvine of Accuracy in Media keeps coming back to that June day when she shut down the last newspaper, and the Western press in the United States, the rest of South American and in Europe, the free press of the Western World, they never made any stink about this. There were hardly any editorials, no major editorials in the three major newspapers in this country, the New York Times, the L.A. Times, and the Washington Post in this city.

I would love Ben Bradlee, Sr., Jr., Katherine Graham to walk through that door, and I know that they love the business, no matter what their political biases may be. They would have their breath knocked out of them to see that. That was the most stunning vision.

I said to Violetta, "We are going to help you."

You said, "Bob, tell them we will try to help them. What are we going to do? We are not the majority in the House or Senate."

That is why we are having the Speaker of the House have a plan, the Arias plan.

I have met with Arias many times. I do not think he has the right to speak with any army, to come into a joint session of Congress here on the 22d. We spoke to our leaders about it, and it will be downgraded to a skull session, and I want nothing to do with Oscar Arias, whom I considered a friend up until 2 days ago.

That little daughter who followed us out, and I asked her one question too many about her father, and she broke down and started to cry. It is unbelievable down there. You can see the difference now from just a few months ago.

Mr. BURTON of Indiana. We are politicians, and we know we need to pay attention to the people of our districts and the country.

President Arias ought to listen to this Gallup poll taken on August 7, because he said he is not for Contra aid, and yet 70 percent of the people of his country are, because they know what the threat is.

One thing which you said about Violetta Chamorro, you asked her, "Will you publish a paper if they partially censor it?"

She said, "We will not publish one page unless there is no censorship."

Mr. DORNAN of California. She sounded like Churchill. She said, "Never, never, never, never, never."

I counted five "nevers," just like Winston. They will never go back to what they had in June of last year.

They want to go back 7½ years ago to when the Communists first started to censor them in 1980, and remember what our Embassy said?

Our Embassy people said, "Our biggest hangups were these prisoners. How will they release them?" Is she going to suffer all these stories like Armando Valladares, these stories of being naked in solitary confinement for years on end, bodies laid in cells 6 months covered with dry excrement, laying in half a telephone booth where you cannot even sit on the floor and slump down, all of that horror which you read in these Valladares-type books.

I was on a talk show, and they said, "Congressman, send more people down there. Send Codel's down there. We in the Embassy don't see how they can open La Prensa."

I said, "How so?" They will go through the motions. You talk to Mrs. Chamorro, and she is committed to a free paper; and although her staff has gone from 220 to 45, she can put out a four-page tabloid.

Victor Hugo Tinoco, the Deputy Prime Minister, he says, "We have a better free press than El Salvador." What a joke.

Cardinal Obando y Bravo is back on the radio.

Mr. BURTON of Indiana. Praying once a day.

Mr. DORNAN of California. He was not giving any political homilies. It was on a Christmas Day in 1985, 2 years ago. He gave a homily using one of Jesus' parables; and the parable of Jesus—I forget which one it was, the loaves and fish or something, throwing the chaff on the ground—they see political meaning in every parable and utterance of Jesus Christ.

That is why they shut down radio.

Mr. BURTON of Indiana. There are members of the Catholic Church and others that had been persecuted severely down there by the Sandinista army. What was the gentleman's name that came up to the pier before us where they cut off both his ears, slit his throat?

Mr. DORNAN of California. Baldizon.

Mr. BURTON of Indiana. One was Elvira and the other one was Paradisio, something like that.

Our time is running out. We will meet with the President.

Mr. DORNAN of California. We will meet with the President this week and meet with our own Republican committees, Republican study committee, the policy committee; and hopefully they will let us appear before a Republican conference committee.

We have got four Members going down there this Thursday night, 10 days later another group goes down; but all of these groups will get to meet with the President, according to my agreement with the President, according to Howard Baker and Frank Carlucci.

Mr. BURTON of Indiana. I appreciate what the gentleman has done to make sure that we get down to see these problems and to be able to present the facts to the people of the United States when we get back.

Mr. DORNAN of California. That is the headline, Ortega, Moscow trip.

Mr. BURTON of Indiana. The President of Nicaragua, on the date that the agreement is supposed to be finalized, is going to be in Moscow arm in arm with Gorbachev.

I hope all of my colleagues will take the opportunity to go to Central America to see what the Communist state is like down there in Nicaragua, and talk to the mothers and the wives and the sisters and the brothers of these political prisoners.

If they see for themselves, they will see how important freedom and democracy is, and they will be willing to support the Contras.

## H.R. 162—THE BEST GAME PLAN FOR WORKER HEALTH AND SAFETY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, I know that many of my colleagues have been hearing from their constituents about the impact H.R. 162, the High Risk Occupational Disease Notification and Prevention Act of 1987, could have on business, industry, and manufacturing. I'd like to address those concerns, provide some background on the bill, and answer some of the questions raised by the bill.

I first introduced the bill in February 1985 and since then we've held 10 hearings on the high-risk bill. We've heard from scores of witnesses, including representatives from business, labor, and public health groups. The testimony has run the spectrum—from ardent support to violent opposition—and we've tried to consider all of the viewpoints we've heard.

Before I examine what other people have said about the bill, let me give you a short explanation of the bill, and some of the rationale behind it.

In a nutshell, H.R. 162 sets up a program to identify present and former workers who are at risk of disease, to notify them of that risk, and to encourage them to enter into medical monitoring and health counseling programs. It also encourages employers to reduce hazardous exposures by using safer manufacturing techniques or by removing hazardous substances and substituting safer ones.

The identification of at risk worker populations will be made by a nine-member risk assessment board chaired by the Director of NIOSH, and composed of eight scientists and medical professionals—four from Government and four non-Government members.

The National Academy of Sciences will recommend at least three appointees for each position, and the Secretary of Health and Human Services will decide who will sit on the board. The members of the risk assessment board will identify workers at risk based on:

Statistically significant evidence from clinical, epidemiologic, or toxicologic studies;

The extent of the increased risk of illness or disease created by the occupational health hazard alone or in combination with other factors, including (but not limited to) diet and smoking;

The health consequences of notifying or failing to notify a population at risk, and

The extent to which risk has been reduced as a result of the enactment of substance-specific occupational health standards.

After the workers have been identified, NIOSH will notify them of their increased risk of developing an occupationally related disease. The notice will also encourage them to enter a medical monitoring program, which would permit detection of developing diseases at their earliest stages, when the cost of treatment is lowest and the chances for successful treatment are greatest.

In addition to identifying and notifying workers of their increased risk of developing disease, the third and final goal of H.R. 162 is to encourage manufacturers to use safer manufacturing techniques or to remove hazardous substances and substitute safer ones.

While everyone who has testified at our hearings on H.R. 162 said that they want to help improve worker health and safety, some groups are still opposed to the bill.

In a recent letter, five administration officials claimed that H.R. 162 "unnecessarily duplicates current federal efforts regarding the evaluation and notification of workers of hazards in the workplace."

This simply is not true. Right now there is no Federal program to both individually notify present and former workers of their risk of disease and also to monitor their medical conditions.

These administration officials are confusing OSHA's hazard communication standard with the program in H.R. 162. The OSHA standard provides warning labels and notes for hazardous substances and attempts to improve worker training and knowledge of hazardous substances.

Risk notification, on the other hand, would individually notify employees that they have been exposed to a specific substance and that they are at a high risk of developing a specific disease.

It's the difference between a product label which says: "Benzidine is hazardous and should be handled with care," and a risk notification which says: "You have been exposed to benzidine and you should enroll in a medical monitoring program because you are at risk of developing bladder cancer."

Notification will alert both present and former employees to the possibility of developing the disease. Medical monitoring with permit detection of the disease in question at the earliest stages, when chances for successful treatment are best and costs are lowest. This kind of individual notification and followup monitoring is just not being done today, and that's why passage of H.R. 162 is so important.

The administration's letter also claims that the bill "could result in substantial litigation."

However, H.R. 162 is not a compensation bill. It doesn't change existing laws with regard to workers' rights to file claims. Quite frankly, the recent increase in lawsuits and compensation claims demonstrates that even without risk notification, workers are becoming more aware of their legal rights when exposed to workplace hazards which cause disease or illness.

The letter also implies that H.R. 162's notification program would have many legal and practical difficulties and use costly and uncertain new procedures.

Again, this is just not true. The National Institute for Occupational Safety and Health [NIOSH] has carried out several successful notification programs involving thousands of workers. In fact, NIOSH has asked for funding for further notification programs, but the funding has been denied three different times by the current administration.

If you look closely, you'll see that there is no real substance in the administration's attack on H.R. 162. It's all innuendo and supposition based on rumor and idle speculation—the administration officials are avoiding the facts.

The facts are:

(1) Every year as many as 100,000 workers die from occupational diseases and another 400,000 become disabled.

(2) Every year the Federal Government spends at least $5.4 billion on these victims of occupational diseases, through Social Security, SSI, Medicaid, and Medicare.

(3) The high risk bill proposes a program that would cost only $25 million per year, so if the bill reduced occupational disease by just a few percentage points, it would pay for itself.

(4) H.R. 162 is a very strong bill which has gained the support of health groups, environmental groups, and labor unions.

(5) H.R. 162 is supported by many of the businesses who will be most affected by the bill.

The administration's letter also claimed that passage of the high risk bill "could result in * * * enormous costs to employers."

In reality, the $25 million a year that the bill costs will be enough to notify 300,000 workers a year, according to the GAO report, and all of the notification will be done by the Federal Government.

Employers will only be responsible for testing current workers for diseases specifically associated with occupational exposures. Employers will not be responsible for testing former workers and workers who were exposed prior to their present employment.

All of the information obtained by the high risk program will be kept confidential, in accordance with the substantive and procedural provisions of the Privacy Act. Any docuents which mention the identity, diagnosis, prognosis, or treatment of an individual employee will be kept confidential and may be made available only for purposes prescribed in the bill. Disclosure outside of the program is permitted only with the consent of the individual employee or his or her personally designated representative.

Many business groups and corporations have recognized that the high risk bill's plan to prevent occupationally related disease is cost-effective and good business. In fact, the bill is strongly endorsed by some of the businesses and business groups that will be most affected by the bill's programs, including: The Chemical Manufacturer's Association, the American Electronics Association, Crum and Forster—the Nation's second largest writer of property and casualty insurance, General Electric, Merck and company—America's largest drug company and the seventh largest U.S. corporation, Occidental Chemical, IBM, and Union Carbide.

The main reason for this broad-based business support is the good working relationships I have developed with parties concerned with H.R. 162. We have sat down and talked with various business, labor, and health representatives, and we have acted upon some of their suggestions. As a matter of fact, when we go to the floor, we will be offering a series of amendments to address additional concerns.

We are going to allow companies which have exemplary health and safety programs to apply for exemption from notification; we will not require additional medical monitoring for the notified workers if it is already being done; we will allow medical removal from a job only if symptoms of the disease develop; and we will completely exempt companies with 10 or fewer employees from the medical removal procedure.

These proposed amendments have brought us the active support of the National Paint and Coatings Association, and we expect that even more businesses will endorse the bill before it reaches the floor of the House.

In addition to businesses, the American Cancer Society, the American Lung Association, the American Public Health Association, and other health, environmental, and labor groups strongly support H.R. 162.

All of the businesses and groups working for passage of the high risk program know that it is a cost-effective workable program which clearly fills an important gap in the occupational health and safety area, and the bill will complement the OSH Act of 1970 and OSHA's hazard communication standard.

The savings for American businesses by preventing or reducing production losses, trimming high health insurance premiums and other medical program costs, and the savings for American taxpayers by reducing Social Security and Medicare expenses more than justifies the $25 million costs of the program.

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I want to emphasize a couple of points for my colleagues that this bill was not put together lightly. We had numerous hearings, 10 or 15 hearings last year and this year. We talked at length, at arm's length with many groups, asking for their advice, heeding their advice, and incorporating amendments in the bill, and making fundamental changes all hopefully for the end result of putting together a bill that is long overdue in this country.

Let me just give you a good example. Here we are talking about providing notification to somebody that is working with a dangerous material that may cause cancer or may cause bladder cancer or some other condition. If those that oppose this bill oppose it because they say this is going to cost a lot of money, that it is going to stimulate lawsuits, I do not think they should be considered to be on safe ground. I submit they are not.

I submit that it is somewhat self-serving on their part because if they were authentically interested they would say, look, those rights already have manifested themselves. If a person has contracted a disease through handling hazardous materials in my place of employment and I am the businessman and primary stockowner, I should say to get treatment, catch this disease early, and treat it before it becomes a major workman's compensation case where I have to pay for the next 15 or 20 years.

I will give you a good example and this is statistically accurate. Doctors have said that cervical cancer in women can be cured for $500 if treated in the first instance. If not, it can cost $40,000, $50,000, and $60,000. That is what we are talking about, that type of a distinction and differential. Catch a disease early, have the individual notified, let him see a doctor, and when the disease does occur you are going to catch it early enough to treat it and, hopefully, you are going to forestall if not negate a workman's compensation claim.

Could we do anything that is more humane for our workers?

Other countries have done it. Why should Canada, Sweden, West Germany, Norway, France, why should they have this type of legislation and we, in this country, not have this concept in place? It is not fair to our people.

I do not think we should expect our employees not to be considered in this respect. Some of the critics of the bill have said we are going to have lawsuits coming out of our ears.

Now we had a test notification case which was alluded to—meaning me—and we had a lot of suits.

We had two cases that NIOSH put together and notified one situation down South and one in my home State of Pennsylvania. The one down South did stimulate some cases, but a lot of those cases were dropped. Hundreds of millions of dollars was projected up into the billions of dollars and that did not materialize. The cases that did materialize after notification were cases that were existing there that the employee had contracted a disease and there would have been an ultimate suit eventually anyhow under any circumstances.

The case in Pennsylvania dealing with asbestos, there were no suits. Those notified were monitored, they saw a doctor, and please remember this bill that I am advocating and hopefully we will pass on the House floor within the next 30 to 60 days, this bill does not mandate that an employee do anything.

If he is notified and if he does not want to go to a doctor, he does not have to go to a doctor. He does not have to go.

I think our obligation as a society and as a Government is that we do notify him and have a responsible board of adjustment take a look at how our workplace is and see what is happening and if he is subjected to a disease the least we can expect from this Government and from our people and from our country is that he receive a notification. Then if he does not want to go to the doctor, he does not have to go.

I am sick and tired of all these diseases as indicated by the statistics, 400,000 every year, all starting from their occupational hazard. They develop a disease, it is imperceptible at times, it sneaks up, but remember if that is your loved one, your mother, your father, your relative, your inlaw or outlaw, it is up to your determination, if they are a relative of yours you are going to wish we had a program in effect which would say that you are working with something that is dangerous, go have an examination. Maybe when you go to the doctor the doctor may conclude that you do not have it, but come down once a year and check with us.

We will not have the case where we went down and worked on the kepone thing with the poor people down in the Southern States, not going into detail, but there they were handling this pesticide, a very dangerous material. That material got into their system. When we went down for a hearing that time their eyes were out of focus, they had tremors, and they had twitches. The St. James River today, 10 or 12 years later, is in such condition that you still cannot eat the fish out of the St. James River because that kepone was dumped into the river and the fish ate it and they carry it in their tissue now and there is still a prohibition on eating fish from the St. James River.

Mind you, those people that work there had no notice. They had no notice that that dangerous material was getting into their systems. They even brought that material home to their kids and family and before the mother and the family, whoever they had to the wash, the dust would flake off and land on the floor, and the dust would be there, and there is scientific proof for this, the kids were subject to and contracted the same type of disease. That happened many times.

We found them up there handling what we used to call quicksilver, the stuff in the thermometers, handling that up in New York. They were up there breaking old thermometers and taking out what we called the quicksilver and dumping it and making new thermometers with it.

They had some uneducated and uniformed people that came up from one of our possessions, Puerto Rico, most were Puerto Ricans, and they were breaking these thermometers and dumping the material and they were being paid minimum wage by some irresponsible employer, because he did not care. From there they went to the eating place and they had this stuff all over the place. They were sitting and eating, and it was on the walls and on the floor. It was deadly. That is where you got the old saying of mad hatters, if you remember, up in New York. They used to go put the brushes in their mouths and they ended up with a mental disease.

Mr. Speaker, the time has come where we I think have progressed sufficiently as a nation where I think we have a moral obligation and a governmental obligation to notify people who are working with a dangerous material and that is the whole basis, the fundamental basis, of this bill that I am talking about. Just notify the people. We are not going to create a lot of lawsuits because the lawsuit will materialize anyhow. The American worker is not ignorant any longer, thanks to a lot of young attorneys getting out of school, thanks to unions, thanks to some other nonprofit groups that are stimulating thinking among working people, the blue collar people in paricular and, wait a minute, white collar people are involved here too.

So they are stimulating this thinking. It is true that we will be getting these suits anyhow because people are not ignorant any more.

What we are trying to do with this legislation is to recognize that early determination is essential and early treatment is what must be done in

order to forestall large workmen's compensation cases.

The American Cancer Society is not supporting this legislation because they like Joe Gaydos or they like the committee or that I am attractive to them. They support it because they know and they have said that they have no cure for cancer; the only cure for cancer today is the early detection and early treatment and that is the genesis of this bill.

This is why we put this bill together.

I want to conclude by saying that I am going to take the floor hopefully on every 1-minute speech that we have available and I am going to take a segment in 1-minutes before my colleagues and hopefully explain some segments of the bill. I will also answer any questions under any circumstances from the critics of this bill now and on the floor when we are arranging for passage hopefully.

I am going to take as many special orders as my time and my schedule permit to explain this bill in detail repeatedly, and hopefully to convince my colleagues that this deserves their serious attention and that it is a good bill and it does not do these horrible things that have been attributed to the bill.

This is just a fundamentally right and correct bill to do under the circumstances for people that work and hopefully to save this Government so much money, particularly since we have so many deficits and particularly since many illnesses cannot be cured, and cancer is one of them.

The only thing we can do is detect it early enough and hopefully give it the early cure and hopefully save money and hopefully save all this pain and suffering of the employees who do not happen to be a Member of Congress or is not a CEO of a big corporation and who never gets his name in the paper probably and never does anything that history will be talking about. Hopefully we will save that person, that employee, male or female, regardless of whether he is in California, Florida, New York, or my little town of Pittsburgh, PA.

We must take his welfare under consideration and protect him because when it comes time to defend the Nation he is the one we go to, he or she. When it comes time to pay taxes he or she is the one that pays most of the taxes. Do not let anybody ever tell anyone differently. Some people say the big corporations and big business in this country pay the majority of taxes. Well, just check it out and one can see who pays the majority of taxes. It is the working people that pay the taxes, the small, little incidental businesses that one does not hear of and people who never get their names in the paper. I want to emphasize that. These are people who never make a mark in society per se. They are the ones that give us our new generations and they are the ones that we call upon when we need them under dire circumstances in this country.

Most of all let me conclude by saying that H.R. 162 designed to reduce the tens of thousands of worker disabilities and deaths that occur each year, and I ask for your support for this important worker health bill.

I ask my colleagues to take time to study this bill with all of the implications and also to analyze all those critics' comments. If a critic has justification I would be the first one on the floor here to say that he is right or she is right and I will make an attempt as the chairman in having the primary responsibility, to get the committee to make the changes that will bring about appropriate changes and support amendments on the floor. We want to hear from our colleagues along those lines.

I ask for the support of my colleagues for this very important worker health bill.

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## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. Collins (at the request of Mr. Foley), for today and September 10, on account of an illness in the family.

Mrs. Lloyd (at the request of Mr. Foley), for today and September 10, on account of illness.

Mr. Thomas of California (at the request of Mr. Michel), for today and the balance of the week, on account of a death in the family.

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## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Burton of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. Bereuter, for 5 minutes, today.

Mr. Gekas, for 5 minutes, today.

Mr. Burton of Indiana, for 60 minutes, today.

Mr. Lungren, for 5 minutes, on September 10.

Mrs. Bentley, for 60 minutes, on September 14.

Mrs. Bentley, for 60 minutes, on September 15.

(The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Weiss, for 5 minutes, today.

Mr. Frank, for 5 minutes, today.

Mr. Panetta, for 5 minutes, today.

Mr. Howard, for 5 minutes, today.

Mr. Gaydos, for 60 minutes, today.

Mr. Gaydos, for 60 minutes, on September 10.

Mr. Frank, for 60 minutes, on September 10.

Ms. Pelosi, for 60 minutes, on September 15.

Ms. Pelosi, for 60 minutes, on September 16.

Mr. Fazio, for 60 minutes, on September 15.

Mr. Gonzalez, for 60 minutes, on September 10.

Mr. Gonzalez, for 60 minutes, on September 14.

Mr. Owens of New York, for 10 minutes, on September 10.

(The following Members (at the request of Mr. Gaydos) to revise and extend their remarks and include extraneous material:)

Mr. Bustamante, for 10 minutes, on September 15.

Mr. Jontz, for 60 minutes, on September 15.

Mr. Stratton, for 60 minutes, on September 29.

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## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Waxman, and to include extraneous matter, notwithstanding that fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $3,315.

(The following Members (at the request of Mr. Burton of Indiana) and to include extraneous matter:)

Mr. Fish in two instances.
Mr. Schuette.
Mr. Oxley.
Mr. Dornan of California.
Mr. Gallo in two instances.
Mr. Lagomarsino in seven instances.
Mr. Ritter.
Mr. Fawell.
Mr. Davis of Illinois.
Mr. McEwen.
Mr. Michel.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Annunzio in 10 instances.
Mr. Gonzalez in 10 instances.
Mrs. Lloyd in five instances.
Mr. Hamilton in 10 instances.
Mr. Anderson in 10 instances.
Mr. Jones of Tennessee in 10 instances.
Mr. Boner of Tennessee in 10 instances.
Mr. de la Garza in 10 instances.
Mr. Lipinski in two instances.
Mr. Rostenkowski.
Mr. Feighan.
Mr. Montgomery in two instances.
Mr. Lancaster.
Mr. Hoyer in two instances.
Mr. Fascell.
Mr. Torres in two instances.
Mr. Florio in three instances.
Mr. Smith of Florida.

Mr. Edwards of California in three instances.

Mr. Bates.

Mr. Mrazek.

Mr. Leland.

Mr. Frank.

Mr. Traficant.

Mr. Lehman of Florida.

Mr. Howard.

Mr. Morrison of Connecticut.

## ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 812. An act, to amend the Stevens-Wydler Technology Innovation Act of 1980 to establish the Malcolm Baldrige National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provisions of their goods and service;

H.J. Res. 216. Joint resolution to support a ceasefire in the Iran-Iraq war and a negotiated solution to the conflict; and

H.J. Res. 313. Joint resolution designating the month of August 1987 as "National Child Support Enforcement Month."

## ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker pro tempore.

H.R. 3085. An act to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, PA; and

H.J. Res. 335. Joint resolution designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week."

## SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 1550. An act to complete the Federal Triangle in the District of Columbia, to construct a public building to provide Federal office space and space for an international cultural and trade center, and for other purposes;

S. 1591. An act to temporarily restrict the ability to document foreign-built fish processing vessels under the laws of the United States; and

S. 1597. An act to amend the Farm Disaster Assistance Act of 1987 to extend the reporting date for the ethanol cost effectiveness study.

## BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On August 7, 1987:

H.R. 3190. An act to provide for a temporary increase in the public debt limit.

On August 10, 1987:

H.R. 812. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish the Malcolm Baldrige National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and service;

H.R. 2309. An act to amend the Christopher Columbus Quincentenary Jubilee Act;

H.R. 2855. An act to settle land claims in the town of Gay Head, MA, and for other purposes;

H.R. 2971. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services, and for other purposes;

H.J. Res. 216. Joint resolution to support a ceasefire in the Iran-Iraq war and a negotiated solution to the conflict; and

H.J. Res. 313. Joint resolution designating the month of August 1987 as "National Child Support Enforcement Month."

On August 13, 1987:

H.R. 3085. An act to amend the Water Resources Development Act of 1986 relating to the level of flood protection provided by the flood control project for Lock Haven, PA and

H.J. Res. 335. Joint resolution designating the week of September 13 through September 19, 1987, as "National Reye's Syndrome Awareness Week."

## ADJOURNMENT

Mr. GAYDOS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p.m.), under its previous order, the House adjourned until Thursday, September 10, 1987, at 11 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1942. A letter from the Deputy Assistant Secretary of Defense, transmitting notice of a proposed altered records system submitted by the Department of the Army, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1943. A letter from the Director, the Office of Management and Budget, transmitting a supplemental summary of the fiscal year 1988 budget, pursuant to 31 U.S.C. 1106(a)(1) (H. Doc. No. 100-99); to the Committee on Appropriations and ordered to be printed.

1944. A letter from the Director, the Office of Management and Budget, transmitting cumulative report on rescissions and deferrals of budget authority, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 100-100); to the Committee on Appropriations and ordered to be printed.

1945. A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting a listing of supplemental contract award dates for the period September 1, 1987 to October 31, 1987, pursuant to 10 U.S.C. 2431 (b); to the Committee on Armed Services.

1946. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a copy of the selected acquisition reports [SAR's] for the quarter ending June 30, 1987, pursuant to 10 U.S.C. 2432; to the Committee on Armed Services.

1947. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the selected acquisition report [SAR's] for the Air Force's Tacit Rainbow Program, which was omitted from the August 14, 1987 submission, pursuant to 10 U.S.C. 2432; to the Committee on Armed Services.

1948. A letter from the Deputy Secretary of Defense, transmitting a report on long range standoff chemical weapons, pursuant to Public Law 99-661, section 152(e) (100 Stat. 3836); to the Committee on Armed Services.

1949. A letter from the Principal Deputy Assistant Secretary of Defense (Comptroller), transmitting a copy of the supplemental contract award report for the period September 1, 1987 to October 31, 1987, pursuant to 10 U.S.C. 2431(b); to the Committee on Armed Services.

1950. A letter from the Assistant Secretary of the Air Force (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to modernize the permanent faculty structure of the U.S. Air Force Academy; to the Committee on Armed Services.

1951. A letter from the Director, Federal Emergency Management Agency, transmitting a report on the operations of the national defense stockpile during the October 1986–March 1987 period, pursuant to 50 U.S.C. 98h-2(b); to the Committee on Armed Services.

1952. A letter from the Assistant Attorney General, Civil Rights Division, Department of Justice, transmitting the Attorney Generals report on the administration of the Equal Credit Opportunity Act for calendar year 1986, pursuant to 15 U.S.C. 1691f; to the Committee on Banking, Finance and Urban Affairs.

1953. A letter from the first Vice President and Vice Chairman, Export-Import Bank of the United States, transmitting a statement with respect to a transaction involving United States exports to the People's Republic of China, pursuant to 12 U.S.C. 635(b)(3)(iii); to the Committee on Banking, Finance and Urban Affairs.

1954. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of the transcripts of hearings on D.C. Bill 7-59, the "Protection for Foreign Officials, Official Guests and Internationally Protected Persons Amendment Act of 1987," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1955. A letter from the Executive Director, D.C. Retirement Board, transmitting personal financial disclosure statements for several Board members for the calendar year 1986, pursuant to D.C. Code sections 1-732, 1-734(a)(1)(A); to the Committee on the District of Columbia.

1956. A letter from the District of Columbia Auditor, transmitting a copy of a report entitled, "Concerns Regarding the Washington Convention Center's Food Service Procurement and Contract Award Processes and Related Matters," pursuant to D.C. Code section 47-117(d) Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

1957. A letter from ACTION, transmitting final regulations, entitled "Non-Stipended Volunteers," encompassing ACTION's Senior Companion and Foster Grandparent Programs, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1958. A letter from the Director, Office of Dependents Schools, Department of Defense, transmitting the annual test report for school year 1986-87 for the overseas dependents' schools administered by the Department, pursuant to 20 U.S.C. 924; to the Committee on Education and Labor.

1959. A letter from the Secretary of Education, transmitting a copy of final regulations—student assistance general provisions, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1960. A letter from the Secretary of Education, transmitting a notice of final stipend levels for the Patricia Roberts Harris Fellowships Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1961. A letter from the Secretary of Education, transmitting a copy of final regulations for National Institute on Disability and Rehabilitation Research—amendments, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1962. A letter from the Secretary of Education, transmitting a notice of final funding priorities for the rehabilitation research and training centers, rehabilitation engineering centers, and research and demonstration projects program for fiscal year 1987 under the National Institute on Disability and Rehabilitation Research, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1963. A letter from the Secretary of Education, transmitting a copy of final regulations for early education for handicapped children, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1964. A letter from the Secretary of Education, transmitting a copy of final regulations—Bilingual Education: Academic Excellence Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1965. A letter from the Secretary of Education, transmitting a notice of final annual funding priorities—experimental and innovative training, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1966. A letter from the Secretary of Education, transmitting a notice of final annual funding priorities for the Handicapped Children's Early Education Program—research institutes, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1967. A letter from the Secretary of Education, transmitting a copy of final regulations for the Veterans Education Outreach Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1968. A letter from the Secretary of Education, transmitting a copy of final regulations for the Office of Educational Research and Improvement Fellows Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1969. A letter from the Secretary of Education, transmitting a copy of final regulations for the Strengthening Institutions Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1970. A letter from the Secretary of Education, transmitting a copy of final regulations for the Strengthening Historically Black Colleges and Universities Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1971. A letter from the Secretary of Education, transmitting a copy of final regulations—vocational rehabilitation service projects for American Indians with handicaps: rehabilitation training: rehabilitation long-term training, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1972. A letter from the Secretary of Education, transmitting a copy of final regulations—the State Supported Employment Services Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1973. A letter from the Secretary of Education, transmitting a copy of final regulations—College Facilities Loan Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1974. A letter from the Secretary of Education, transmitting a copy of final regulations—national diffusion network, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1975. A letter from the Secretary of Education, transmitting final regulations for programs for severely handicapped children, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1976. A letter from the Secretary of Health and Human Services, transmitting the seventh annual report on the implementation of the Age Discrimination Act of 1975 by departments and agencies which administer programs of Federal financial assistance, pursuant to 42 U.S.C. 6106a(b); to the Committee on Education and Labor.

1977. A letter from the Director, Institute of Museum Services, transmitting notification of the museums that have successfully competed in the 1987 conservation project support [CP] grant cycle of the institute; to the Committee on Education and Labor.

1978. A letter from the Director of Communications and Legislative Affairs, U.S. Equal Employment Opportunity Commission, transmitting the 4th annual report on affirmative employment programs for minorities and women, and the 10th annual report on affirmative action for hiring, placement, and advancement of individuals with handicaps in the Federal Government, for the fiscal year 1985; to the Committee on Education and Labor.

1979. A letter from the Secretary of Energy, transmitting a report on the national energy policy plan, pursuant to 42 U.S.C. 7321(b), (c); to the Committee on Energy and Commerce.

1980. A letter from the Secretary of Energy, transmitting the quarterly report of the strategic petroleum reserve covering the period January 1, 1987, through March 31, 1987, pursuant to 42 U.S.C. 6245(b); to the Committee on Energy and Commerce.

1981. A letter from the Secretary of Energy, transmitting the annual report on Federal Government energy management for fiscal year 1986, pursuant to 42 U.S.C. 8260; to the Committee on Energy and Commerce.

1982. A letter from the Secretary of Energy, transmitting the annual report on the State Energy Conservation Program for calendar year 1986, pursuant to 42 U.S.C. 6325; to the Committee on Energy and Commerce.

1983. A letter from the Secretary of Health and Human Services, transmitting a report on the appropriateness and impact of applying standards and methodologies utilized in cash assistance programs to those recipients of medical assistance who do not receive cash assistance; also recommendations for legislative changes as further required by section 2373(c) of the Deficit Reduction Act of 1984, pursuant to 42 U.S.C. 1396a note; to the Committee on Energy and Commerce.

1984. A letter from the Secretary of Health and Human Services, transmitting the 1986 report on the consolidated Federal programs under the maternal and child health services block grant which contains a discussion of the various activities and accomplishments of the projects funded under the authority of the CFP, pursuant to 42 U.S.C. 706(a)(2); to the Committee on Energy and Commerce.

1985. A letter from the Secretary of Health and Human Services, transmitting a report of the Erythematosus Coordinating Committee, pursuant to 42 U.S.C. 281 note; to the Committee on Energy and Commerce.

1986. A letter from the Secretary of Health and Human Services, transmitting a report on learning disabilities, pursuant to 42 U.S.C. 281 note; to the Committee on Energy and Commerce.

1987. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to abolish the Consumer Product Safety Commission and to transfer its functions to the Secretary of Health and Human Services; to the Committee on Energy and Commerce.

1988. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation entitled, the "Medicaid Risk-Based Health Care Act of 1987"; to the Committee on Energy and Commerce.

1989. A letter from the General Counsel, Securities and Exchange Commission, transmitting the Commission's report on the financial guarantee market: the use of the exemption in section 3(a)(2) of the Securities Act of 1933 for securities guaranteed by banks and the use of insurance policies to guarantee debt securities, pursuant to Public Law 99-571, section 105(c) (100 Stat. 3222); to the Committee on Energy and Commerce.

1990. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of a proposed license for the export of major defense equipment sold commercially under a contract to the Government of Korea (Transmittal No. MC-31-87), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1991. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, transmitting the semiannual reports for the period October 1986–March 1987 listing voluntary contributions made by the U.S. Government to international organizations, pursuant to 22 U.S.C. 2226(b)(1); to the Committee on Foreign Affairs.

1992. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export of major defense equipment sold commercially under a contract in the amount of $14 million or more to the Government of Korea (Transmittal No. MC-25-87), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1993. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of intent to issue a commercial export license for sale of certain major defense articles and defense services sold to Italy (Transmittal No. MC-30-87), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1994. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of a proposed manufacturing license agreement for the production of the 25mm M242 gun system in the Republic of Korea (Transmittal No. MC-29-87), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1995. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed lease of defense articles to Australia (Transmittal No. 8-87), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1996. A letter from the Acting Assistant Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting a report on the compliance of the Government of Haiti with conditions for military assistance (Secretary's Certification, March 1987, Ex. Com. No. 1014), pursuant to Public Law 99-529, section 203(c) (100 Stat. 3013); to the Committee on Foreign Affairs.

1997. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of the report of political contributions by William Caldwell Harrop, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Zaire, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1998. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of the report of political contributions for William Henry Houston III, of Mississippi, for the rank of Ambassador as U.S. negotiator on textiles matters, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1999. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of the international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2000. A letter from the Acting Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting the eighth 90-day report on the Camarena investigation, the investigations of the disappearance of United States citizens in the State of Jalisco, Mexico, and the general safety of United States tourists in Mexico, pursuant to Public Law 99-93, section 134(c) (99 Stat. 421); to the Committee on Foreign Affairs.

2001. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2002. A letter from the Director, Office of Private Sector Initiatives, transmitting a report on the International Conference on Private Sector Initiatives held in Paris on November 24-26, 1986; to the Committee on Foreign Affairs.

2003. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued or released by GAO during the month of July 1987, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

2004. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting the Department's notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2005. A letter from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2006. A letter from the Deputy Assistant Secretary of Defense, transmitting notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2007. A letter from the Administrator, Health Care Financing Administration, transmitting the agency's notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2008. A letter from the Assistant Director for Administration, National Science Foundation, transmitting notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2009. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation to establish greater productivity in Federal Government operations as a national goal of the United States; to the Committee on Government Operations.

2010. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation to amend the Federal Property, and Administrative Services Act of 1949 to authorize multiyear contracts in certain cases; to the Committee on Government Operations.

2011. A letter from the Solicitor, U.S. Commission on Civil Rights, transmitting the 1986 annual report of the U.S. Commission on Civil Rights, on its activities under the Freedom of Information Act pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2012. A letter from the Chairman, Federal Election Commission, transmitting copies of two changes intended by the Commission for inclusion in the explanation and justification accompanying the proposed regulations governing the public financing program for Presidential primary and general election candidates which were transmitted in May, 1987 (Ex. Com. No. 1472), pursuant to 26 U.S.C. 9009(c) and 9039(c); to the Committee on House Administration.

2013. A letter from the clerk, U.S. House of Representatives, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period April 1, 1987, through June 30, 1987, pursuant to 2 U.S.C. 104a (H. Doc. No. 100-101); to the Committee on House Administration and ordered to be printed.

2014. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a list of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2015. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a list of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2016. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2017. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2018. A letter from the Chief Deputy Clerk, U.S. Claims Court, transmitting the court's judgment for *The Sioux Tribe of Indians* v. *The United States*, No. 74, for a net amount of $40,245,807.02, pursuant to 25 U.S.C. 1402(a), 1404; to the Committee on Interior and Insular Affairs.

2019. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to provide for the payment of interest on certain Federal and Indian lease revenues paid to the Secretary of the Interior, to eliminate certain unnecessary reporting requirements, to amend the Federal Oil and Gas Royalty Management Act of 1982, and for other purposes; to the Committee on Interior and Insular Affairs.

2020. A letter from the Acting Attorney General, transmitting certification of judicial districts for the states of Florida and Georgia, the Commonwealth of Puerto Rico, and the Virgin Islands, to the Circuit Court of Appeals for the First Circuit, pursuant to 28 U.S.C. 58int.; to the Committee on the Judiciary.

2021. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting copies of grants of suspension of deportation of certain aliens, pursuant to 8 U.S.C. 1254(c); to the Committee on the Judiciary.

2022. A letter from the Assistant Attorney General, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act to provide that aliens who were killed while serving in the Armed Forces of the United States during military operation of the Vietnam conflict may be considered to have been citizens of the United States at the time of such aliens' death; to the Committee on the Judiciary.

2023. A letter from the Assistant Attorney General, transmitting a draft of proposed legislation to amend chapters 37 and 123 of title 28 of the United States Code, and chapter 301 of title 18 of the United States Code; to the Committee on the Judiciary.

2024. A letter from the Assistant Attorney General, Office of Legislative and Intergovernmental Affairs, Department of Justice, transmitting a draft of proposed legislation to amend title 18, United States Code, to permit Federal Prison Industries to borrow from the Secretary of the Treasury and for other purposes; to the Committee on the Judiciary.

2025. A letter from the President, National Safety Council, transmitting a report of the audit of the financial transactions of the council for the fiscal years ended June 30, 1987 and 1986, pursuant to 36 U.S.C. 1101(36), 1103; to the Committee on the Judiciary.

2026. A letter from the President, U.S. Capitol Historical Society, transmitting the annual report of the U.S. Capitol Historical Society for year the ending January 31, 1987, pursuant to 36 U.S.C. 1217; to the Committee on the Judiciary.

2027. A letter from the Chairman, Commission on Security and Cooperation in Europe, U.S. House of Representatives, transmitting a copy of "The Miroslav Medvid Incident—Report—Findings, Conclusions and Recommendations," pursuant to section 3(a)(2) of Senate Resolution 353; to the Committee on the Judiciary.

2028. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to amend title 5, United States Code, to improve and extend the Federal Physicians Comparability Allowance Act of 1978, and for other purposes; to the Committee on Post Office and Civil Service.

2029. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report on shoreline protection and beach erosion control projects for the Delaware coast, Cape Henlopen to Fenwick Island, pursuant to 33 U.S.C. 426 note; to the Committee on Public Works and Transportation.

2030. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report of the Corps of Engineers, and supplemental letter report on the Potomac River hydrilla study, together with pertinent views of surrounding jurisdictions, pursuant to Public Law 99-662, section 720 (100 Stat. 4162); to the Committee on Public Works and Transportation.

2031. A letter from the Acting Assistant Secretary (Civil works), Department of the Army, transmitting a report from the Chief of Engineers, on Dredged Material Containment, Long Island Sound, Connecticut and New York, together with other pertinent reports, pursuant to 33 U.S.C. 1344(r); to the Committee on Public Works and Transportation.

2032. A letter from the Chairman, National Research Council, transmitting the Council's report, "Designing Safer Roads: Practices for Resurfacing, Restoration, and Rehabilitation", a study of the safety cost-effectiveness of geometric design standards with recommendations of minimum standards for resurfacing, restoration, and rehabilitation [RRR] projects, pursuant to 23 U.S.C. 109 nt; to the Committee on Public Works and Transportation.

2033. A letter from the Secretary of Transportation, transmitting a report on the impact of the Airline Deregulation Act of 1978 on air safety during commercial aviation operations in 1986, pursuant to 49 U.S.C. app. 1307(b); to the Committee on Public Works and Transportation.

2034. A letter from the Assistant Secretary, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting notification of the intention to award a contract for the performance of weather observation activities at the Long Beach Airport, Long Beach, CA, pursuant to Public Law 99-190, section 8089 (99 Stat. 1216); to the Committee on Science, Space and Technology.

2035. A letter from the Secretary of Transportation, transmitting the second annual report of activities under the Commercial Space Launch Act of 1984, pursuant to 49 U.S.C. app. 2621(a); to the Committee on Science, Space and Technology.

2036. A letter from the Executive Secretary, Department of Defense, transmitting the Department's report on procurement from small and other business firms for the period October 1986-June 1987, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

2037. A letter from the Executive Secretary, Office of the Secretary of Defense, transmitting the Department's report on procurement from small and other business firms for October 1986 through May 1987, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

2038. A letter from the Secretary of Defense, Administrator of General Services, and the Administrator of the National Aeronautics and Space Administration, transmitting a copy of proposed regulations defining the interest of the United States and of a contractor in technical or other data, pursuant to Public Law 98-577, section 301(d) (98 Stat. 3076); to the Committee on Small Business.

2039. A letter from the Administrator, Veterans' Administration, transmitting the biennial report submitted by the Advisory Committee on Former Prisoners of War containing recommendations for improvement of programs affecting former prisoners of war, pursuant to 38 U.S.C. 221(c); to the Committee on Veterans' Affairs.

2040. A letter from the Secretary of Health and Human Services, transmitting the eleventh annual report on the Child Support Enforcement Program, pursuant to 42 U.S.C. 652(a)(10); to the Committee on Ways and Means.

2041. A letter from the Secretary of Health and Human Services, transmitting an interim report describing Medical Health Maintenance Organization [HMO] disenrollments, pursuant to 42 U.S.C. 1395fmm nt.; to the Committee on Ways and Means.

2042. A letter from the Acting Secretary, Department of the Treasury, transmitting the Department's proposal to include the publication of the Statement of Liabilities and Other Financial Commitments of the U.S. Government in the winter issue of the Treasury Bulletin, and transmit it in early March, which 2-month delay would improve the quality of the data and reduce the cost of preparation, pursuant to 31 U.S.C. 331(b)(1)(a); to the Committee on Ways and Means.

2043. A letter from the Chairman, Council of Economic Advisers, transmitting opposing views on H.R. 1154, the Textile and Apparel Trade Act of 1987; to the Committee on Ways and Means.

2044. A letter from the Office of the U.S. Trade Representative, transmitting the semiannual report describing new petitions filed, developments in and the status of cases pending under section 301 of the Trade Act for the period of January through June, 1987, pursuant to 19 U.S.C. 2416, 2413; to the Committee on Ways and Means.

2405. A letter from the Chairman, U.S. International Trade Commission, transmitting the 38th report of the U.S. International Trade Commission on the operation of the trade agreements program during 1986, pursuant to 19 U.S.C. 2213(b); to the Committee on Ways and Means.

2046. A letter from the Acting Director, Congressional Budget Office; the Director, Office of Management and Budget, transmitting an initial joint sequestration report for fiscal year 1988 which estimates budget levels for 1988 following the specifications set forth in the act, pursuant to 2 U.S.C. 922; to the Temporary Joint Committee on Deficit Reduction.

2047. A letter from the Acting Under Secretary, International Affairs and Commodity Programs, Department of Agriculture, transmitting the third quarterly commodity and country allocation table showing current programming plans for food assistance under title II of Public Law 480 for fiscal year 1987, pursuant to 7 U.S.C. 1736b(a); jointly, to the Committees on Agriculture and Foreign Affairs.

2048. A letter from the Commissioner, Federal Election Commission, transmitting the Commission's budget request for fiscal year 1989, pursuant to 2 U.S.C. 437(d)(1); jointly, to the Committees on Appropriations and House Administration.

2049. A letter from the Director, Office of Management and Budget, transmitting a determination that additional amounts are necessary to maintain the authorized level of operation of Radio Free Europe/Liberty, Inc., because of the lower value of the dollar in foreign currency exchange rates, pursuant to 22 U.S.C. 2877(a)(2), to the Committees on Appropriations and Foreign Affairs.

2050. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the report of the nondisclosure of safeguards information for the quarter ending June 30, 1987, pursuant to 42 U.S.C. 2167(d); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

2051. A letter from the Secretary of Health and Human Services, transmitting a copy of the report of the Task Force on Medical Liability and Malpractice which analyzes medical malpractice from three perspectives: health care, professional liability, and insurance; jointly, to the Committees on Energy and Commerce and the Judiciary.

2052. A letter from the General Accounting Office, Comptroller General, transmitting a report of the examination of the balance sheets of the Office of the Attending Physician Revolving Fund as of September 30, 1986 and 1985, including a report on internal accounting controls and compliance with laws and regulations, pursuant to Public Law 94-59, title III (89 Stat. 283); jointly, to the Committees on Government Operations and Appropriations.

2053. A letter from the Comptroller General, General Accounting Office, transmitting a report of the agency's adverse opinion on the financial statements of the Export-Import Bank for the years ended September 30, 1986 and 1985, and reports on the bank's system of internal accounting controls and on its compliance with applicable laws and regulations, pursuant to 31 U.S.C. 9106(a); 31 U.S.C. 3512(f); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

2054. A letter from the Comptroller General of the United States, transmitting a report on the financial statements of the Federal Deposit Insurance Corporation for the years ended December 31, 1986 and 1985, and on the Corporation's system of internal accounting controls and on its compliance with laws and regulations (GAOAFMD-87-58; August 1987), pursuant to 31 U.S.C. 9105; jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

2055. A letter from the Deputy General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 1344 of title 31, United States Code, to authorize Government transportation between residence and place of employment for the Vice Chairman of the Joint Chiefs of Staff; jointly, to the

Committees on Government Operations and Armed Services.

2056. A letter from the Chairman, Commission on Congressional Mailing Standards, U.S. House of Representatives, transmitting a report on the use of franked mail in the location and recovery of missing children, pursuant to 39 U.S.C. nt.; jointly, to the Committees on House Administration and Post Office and Civil Service.

2057. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to clarify and strengthen the authority for certain Department of the Interior law enforcement services, activities, and officers in Indian country, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and the Judiciary.

2058. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize civilian special agents of the Coast Guard to carry firearms and other appropriate weapons; jointly to the Committees on Merchant Marine and Fisheries and the Judiciary.

2059. A letter from the Architect of the Capitol and the Secretary of Transportation, transmitting a joint report on their study of alternatives for the construction of a building or buildings adjacent to Union Station, for the Administrative Office of the U.S. Courts, the Federal Judicial Center and other judicial functions, and for appropriate commercial and other activities, pursuant to Public Law 99-229(c) (99 Stat. 1749); jointly, to the Committees on Public Works and Transportation and the Judiciary.

2060. A letter from the Secretary of Health and Human Services, transmitting a report on physician-directed clinics in urban medically underserved areas, pursuant to Public Law 95-210, section 3(d) (91 Stat. 1489); jointly, to the Committees on Ways and Means and Energy and Commerce.

2061. A letter from the Secretary of Health and Human Services, transmitting a report on the medicare requirement that physical therapists in independent practice maintain equipped offices, pursuant to Public Law 99-272, section 9218(b) (100 Stat. 181); jointly, to the Committees on Ways and Means and Energy and Commerce.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

*[Pursuant to the order of the House on August 6, 1987, the following report filed on August 26, 1987]*

Mr. FASCELL: Committee on Foreign Affairs. H.R. 3100. A bill to authorize international security and development assistance programs and Peace Corps programs for fiscal years 1988 and 1989, and for other purposes. (Rept. 100-294). Referred to the Committee of the Whole House on the State of the Union.

*[Submitted September 9, 1987]*

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2600. A bill to extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes; with an amendment (Rept. No. 100-296). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 256. A resolution providing for the consideration of H.R. 1154, a bill to remedy injury to the United States textile and apparel industries caused by increased imports. (Rept. No. 100-297). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 257. Resolution providing for the consideration of H.R. 2600, a bill to extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes (Rept. 100-298). Referred to the House Calendar.

## REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

*[Pursuant to the order of the House, on August 7, 1987, the following report was filed on August 28, 1987]*

Mr. de la Garza: Committee on Agriculture. H.R. 3030. A bill to provide credit assistance to farmers, to strengthen the Farm Credit System, and for other purposes; with amendments. Referred to the Committee on Banking, Finance and Urban Affairs and to the Committee on Energy and Commerce for a period ending not later than September 14, 1987, for consideration of such provisions of title III of the amendment as fall within the jurisdictions of those committees pursuant to clause 1(d) and 1(h) of rule X, respectively (Rept. 100-295, Pt. 1). Ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS (for himself and Mr. Edwards of California):

H.R. 3240. A bill to amend chapter 96 of title 18, United States Code, relating to racketeering influenced and corrupt organizations, to create a new offense for fraudulent activity, and to restructure the civil claims procedures; to the Committee on the Judiciary.

By Mr. BATES:

H.R. 3241. A bill to promote nondiscrimination in State medical licensure and medical reciprocity standards, and to amend title XIX of the Social Security Act; to the Committee on Energy and Commerce.

By Mr. HERTEL:

H.R. 3242. A bill to amend the Federal Aviation Act of 1958 to increase the penalty for interferring with an aircraft accident investigation; jointly, to the Committees on Public Works and Transportation and the Judiciary.

By Mr. KEMP:

H.R. 3243. A bill to authorize appropriations for assistance to the Nicaraguan democratic resistance; to the Committee on Foreign Affairs.

By Mr. LEWIS of Florida (for himself and Mr. Shaw):

H.R. 3244. A bill to direct the Secretary of the Army to develop and demonstrate methods for the management and control of aquatic plants in Lake Okeechobee, FL, and for other purposes; jointly, to the Committees on Public Works and Transportation and Science, Space and Technology.

By Mr. OWENS of Utah:

H.R. 3245. A bill to amend the Internal Revenue Code of 1986 to provide that the time for the payment of the manufacturers excise tax on bows, arrows, and accessories will be the same as the time for payment of the excise tax on sport fishing equipment; to the Committee on Ways and Means.

By Mr. SMITH of Florida:

H.R. 3246. A bill to amend the Clayton Act to improve the notification requirements applicable to foreign persons who acquire voting securities or assets of persons in the United States; to the Committee on the Judiciary.

By Mr. HOWARD:

H. Con. Res. 183. Concurrent resolution expressing the sense of the Congress that the U.S. Navy should expedite the implementation of an environmentally sound trash compacting or disposal procedure; to the Committee on Armed Services.

By Mr. BUECHNER:

H. Con. Res. 184. Concurrent resolution commending the Philippine Government, under President Corazon Aquino, for its adherence to democratic principles and for its courageous acts in the face of unlawful violence against the government; to the Committee on Foreign Affairs.

By Mr. GRANT:

H. Con. Res. 185. Concurrent resolution commending the Sheriffs and citizenry of the State of Florida, the people of the United States, and the Florida Sheriffs Youth Ranches, Inc., for the establishment in 1957 and maintenance of the Florida Sheriffs Boys Ranch for 30 years; to the Committee on Post Office and Civil Service.

By Mr. FOLEY:

H. Res. 255. Resolution authorizing picture of the House while in session; considered and agreed to.

By Mr. DERRICK:

H. Res. 256. Resolution providing for the consideration of the bill (H.R. 1154) to remedy injury to the United States textile and apparel industries caused by increased imports; House Calendar 74. House Report 100-297.

By Mr. MOAKLEY:

H. Res. 257. Resolution providing for the consideration of the bill (H.R. 2600) to extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes; House Calendar 75. House Report 100-298.

By Mr. EDWARDS of Oklahoma (for himself, Mr. Davis of Illinois, Mr. Inhofe, Mr. Mack, Mrs. Martin of Illinois, Mr. Penny, Mr. Rhodes, Mr. Stump and Mr. Walker):

H. Res. 258. Resolution to amend the Rules of the House of Representatives to require a rollcall vote on passage of any measure making appropriations, providing revenue, or increasing the statutory limit on the public debt; to the Committee on Rules.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

194. By the SPEAKER: Memorial of House of Delegates, Republic of Palau, relative to the Compact of Free Association, to the Committee on Interior and Insular Affairs.

195. Also, memorial of the General Assembly of the State of Connecticut, relative to salary increases for Members of the U.S. Congress, to the Committee on the Judiciary.

196. Also, memorial of the General Assembly of the State of Wisconsin, relative to the effective date for congressional pay changes, to the Committee on the Judiciary.

197. Also, memorial of the general assembly of the State of New York, relative to the Superconducting Super Collider, to the Committee on Science, Space and Technology.

198. Also, memorial of House of Delegates, Republic of Palau, relative to the Compact of Free Association, jointly, to the Committees on Interior and Insular Affairs and Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNARD:

H.R. 3247. A bill for the relief of Lynette J. Parker; to the Committee on the Judiciary.

By Mr. COUGHLIN:

H.R. 3248. A bill for the relief of Spencer M. Hurtt, Junior and Annie Lawrie D. Hurtt; to the Committee on the Judiciary.

By Mr. FISH:

H.R. 3249. A bill for the relief of Melissa Johnson and Barbara Johnson Lizzi; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

*[Omitted from the Congressional Record of August 7, 1987]*

H.R. 3100: Mr. Hamilton, Mr. Yatron, Mr. Solarz, Mr. Bonker, Mr. Mica, Mr. Lantos, Mr. Kostmayer, Mr. Smith of Florida, Mr. Berman, Mr. Levine of California, Mr. Feighan, Mr. Weiss, Mr. Ackerman, Mr. Atkins, Mr. Clarke, Mr. Owens of New York, and Mr. Smith of New Jersey.

*[Submitted September 9, 1987]*

H.R. 22: Mrs. Morella.

H.R. 38: Mr. McHugh and Mr. Evans.

H.R. 100: Mr. St Germain.

H.R. 103: Mr. Hunter and Mr. Bliley.

H.R. 111: Mrs. Vucanovich, Mr. Callahan, Mr. Swindall, and Mr. Armey.

H.R. 192: Mr. Donnelly.

H.R. 378: Mr. Bevill and Mr. Dorgan of North Dakota.

H.R. 562: Mr. Gray of Pennsylvania.

H.R. 603: Mr. Bliley and Mr. Scheuer.

H.R. 613: Mr. Henry, Mr. Robinson, and Mr. Porter.

H.R. 778: Mr. Conyers and Mr. Martinez.

H.R. 896: Mr. Roemer.

H.R. 911: Mr. Jontz, Mr. Campbell, Mr. Wolf, Mr. Gingrich, Mr. Anderson, Mr. Mfume, and Mr. Gunderson.

H.R. 933: Mr. Darden.

H.R. 1001: Ms. Pelosi.

H.R. 1016: Mrs. Bentley, Mr. Bevill, Mr. Chapman, Mr. DeFazio, Mr. Henry, Mr. Levin of Michigan, Mr. Moakley, Mr. Pursell, Mr. Shaw, and Ms. Slaughter of New York.

H.R. 1119: Mr. Carper.

H.R. 1171: Mr. St Germain.

H.R. 1213: Mr. Akaka.

H.R. 1242: Mr. Bereuter and Mr. Tauzin.

H.R. 1349: Mr. Daub, Mr. Weiss, and Mr. Donald E. Lukens.

H.R. 1395: Mr. Wortley, Mr. Foglietta, Mr. Fazio, Mr. Pepper, Mr. Lipinski, Mr. Crockett, and Mr. Ackerman.

H.R. 1396: Mr. Smith of New Hampshire, Mr. Shaw, Mr. Hyde, and Mr. Shumway.

H.R. 1413: Mrs. Martin of Illinois.

H.R. 1543: Mr. Bereuter.

H.R. 1544: Mr. Bereuter.

H.R. 1580: Mr. Kennedy and Ms. Pelosi.

H.R. 1742: Mrs. Morella.

H.R. 1808: Mr. Panetta and Mr. Vento.

H.R. 1832: Mr. Mollohan and Mr. Sisisky.

H.R. 1873: Mr. Blaz and Mr. Richardson.

H.R. 1874: Mr. Blaz and Mr. Richardson.

H.R. 1891: Mr. Traficant, Mr. Livingston, and Mr. Bereuter.

H.R. 1917: Mr. Flake, Mr. Schuette, and Mr. Lewis of Georgia.

H.R. 1924: Mrs. Saiki.

H.R. 1987: Mr. Vander Jagt, Mr. Bennett, Mr. Weiss, Mr. Bilbray, Mr. Evans, Mr. Duncan, and Mr. Blaz.

H.R. 2021: Mr. Foglietta.

H.R. 2113: Mr. Bruce, Mr. Campbell, Mr. Montgomery, and Mr. Grandy.

H.R. 2148: Mr. Espy, Mr. Gejdenson, and Mr. Nagle.

H.R. 2239: Mr. Lancaster.

H.R. 2248: Mr. Wilson, Mr. Towns, Mr. Grandy, Mr. Sabo, Mr. Matsui, Mr. Roybal, Mr. Ford of Tennessee, Mr. Biaggi, Mr. Akaka, Mrs. Bentley, Mr. Coelho, Mr. Wolf, Mr. Bereuter, Mr. Hopkins, Mr. Markey, Mr. Dwyer of New Jersey, Mr. Wortley, Mr. Mazzoli, Mr. Hyde, Mr. Lagomarsino, Mr. English, Mr. Scheuer, Mr. Horton, Mr. McGrath, Mr. Hubbard, Mr. Andrews, Mrs. Morella, Mr. Holloway, Mr. Lungren, Mr. Foglietta, Mr. Hawkins, Mr. Roe, Mr. Berman, Mr. Combest, Mr. Borski, Mr. Rahall, Mr. AuCoin, Mr. de Lugo, Mr. Murtha, Mr. Hunter, Mr. Goodling, Mr. Bartlett, Mr. Harris, Mr. Emerson, Mr. Martin of New York, Mr. Bevill, and Mr. Neal.

H.R. 2312: Mr. Foglietta.

H.R. 2376: Mr. Atkins, Mr. Andrews, Mr. Torricelli, Mr. Mrazek, and Mr. Levin of Michigan.

H.R. 2433: Mr. Smith of New Jersey.

H.R. 2489: Mr. Campbell and Mr. Barnard.

H.R. 2516: Ms. Pelosi.

H.R. 2517: Mr. Levine of California, Mr. Walgren, and Mr. Atkins.

H.R. 2521: Ms. Pelosi.

H.R. 2522: Mr. Owens of Utah and Mr. McHugh.

H.R. 2611: Mr. Horton, Mr. Gregg, Mr. Donald E. Lukens, Mr. Stokes, Mr. Slaughter of Virginia, Mr. Mfume, Mrs. Smith of Nebraska, Ms. Oakar, Mr. Grant, and Mrs. Morella.

H.R. 2641: Mr. Visclosky.

H.R. 2642: Mr. Atkins.

H.R. 2692: Mr. Oberstar, Mr. Atkins, Mr. Hyde, Mr. Dingell, Mr. Hochbrueckner, Mr. Towns, and Ms. Pelosi.

H.R. 2694: Mr. Vento.

H.R. 2701: Mr. Fields.

H.R. 2717: Mr. Mrazek, Mr. Lehman of Florida, Mrs. Boxer, Mr. Wise, Mr. Foglietta, Mr. Kleczka, and Mr. Atkins.

H.R. 2724: Mrs. Collins, Mr. Gray of Pennsylvania, Mr. Borski, Mr. Fish, Mr. Ridge, Mr. Brown of California, and Mr. Sawyer.

H.R. 2726: Mr. Watkins, Mr. Gallo, Mr. Hubbard, and Mr. Nichols.

H.R. 2750: Mr. Evans, Mr. Owens of Utah, Mr. Walgren, Mr. Hawkins, and Mr. Vento.

H.R. 2787: Mr. Levine of California, Mr. Walgren, and Mr. Atkins.

H.R. 2804: Mr. Leland, Mr. Wortley, Mr. Downey of New York, Mr. Udall, Mr. Fauntroy, Mr. Conyers, and Mrs. Bentley.

H.R. 2812: Ms. Pelosi, Mr. Martinez, Mr. Garcia, Mr. Solarz, Mr. Coelho, Mr. Spratt, Mr. Gray of Illinois, Mr. Gordon, Mr. Hughes, Mr. Atkins, Mr. Porter, and Mr. Nielson of Utah.

H.R. 2833: Mr. Mfume.

H.R. 2859: Mr. Mfume, Mr. Feighan, Mr. Foglietta, and Mr. Stokes.

H.R. 2879: Mr. Evans.

H.R. 2911: Mr. Towns, Mr. Rodino, and Mr. Schumer.

H.R. 2924: Mr. Rogers, Mr. Young of Alaska, Mr. Daub, and Mr. Nielson of Utah.

H.R. 2928: Mr. Davis of Illinois, Mr. Traficant, Mr. Frost, Mr. Lagomarsino, and Mr. Petri.

H.R. 2934: Mr. Biaggi, Mr. Oberstar, Mr. Dowdy of Mississippi, Mr. Owens of New York, and Mr. Wortley.

H.R. 2958: Mr. Fazio, Ms. Kaptur, Mr. Martinez, Mr. Watkins, Mr. Lancaster, Mr. Fauntroy, Mr. Sawyer, and Mr. Dwyer of New Jersey.

H.R. 2969: Mr. Evans, Mr. Roe, Mr. Atkins, and Ms. Kaptur.

H.R. 2989: Mr. Owens of New York.

H.R. 3017: Mr. Bonker, Mr. Kastenmeier, Mrs. Bentley, Mr. Miller of Washington, Mr. Schuette, Mr. Frank, Mr. Wilson, Mr. DeFazio, Mr. Donnelly, Mr. Hughes, Mr. St Germain, Ms. Pelosi, Mrs. Boxer, Mr. Manton, Mr. Martinez, Mr. Tauzin, Mr. Lipinski, Mr. Barnard, Mr. Wyden, Mr. Swift, Mr. Hatcher, Mr. Panetta, Mr. Owens of New York, Mr. Lancaster, Mr. Ravenel, Mr. Oberstar, and Mr. Derrick.

H.R. 3023: Mr. Evans, Mr. Owens of New York, and Mr. Towns.

H.R. 3044: Mr. Bevill, Mr. Gordon, Mr. Horton, Mr. Wilson, and Mr. Volkmer.

H.R. 3045: Mr. Bevill, Mr. Gordon, Mr. Horton, Mr. Wilson, and Mr. Volkmer.

H.R. 3057: Mr. Feighan, Mr. Penny, Mr. Owens of Utah, Mr. Mrazek, Mrs. Bentley, Mr. Matsui, and Mr. Fuster.

H.R. 3062: Mr. Garcia, Mr. Levine of California, Mrs. Boxer, Mr. Savage, and Mr. Owens of New York.

H.R. 3069: Mr. Clinger, Mr. Bereuter, and Mr. Rogers.

H.R. 3112: Mr. Owens of Utah, Mr. Vento, Mr. Espy, Mr. Fuster, Mr. Gejdenson, Mr. Panetta, Mr. Sabo, Mr. Feighan, and Mr. Lehman of Florida.

H.R. 3134: Mr. Fawell, Mr. Owens of New York, Mr. Hayes of Illinois, Mr. Berman, and Mr. Gilman.

H.J. Res. 16: Mr. Combest.

H.J. Res. 43: Mr. Kolter and Mr. Nelson of Florida.

H.J. Res. 50: Mr. Hyde, Mr. Fazio, Mr. LaFalce, Mr. Montgomery, Mr. Johnson of South Dakota, Mr. Dowdy of Mississippi, Mr. Espy, Mr. Boner of Tennessee, and Mr. Campbell.

H.J. Res. 141: Ms. Pelosi.

H.J. Res. 191: Mrs. Boxer, Mr. Thomas A. Luken, Mr. Owens of Utah, Mr. Ritter, and Mr. Yatron.

H.J. Res. 194: Mr. Valentine.

H.J. Res. 255: Mr. Aspin, Mr. Davis of Michigan, Mr. Foglietta, Mr. Hayes of Louisiana, Mr. Henry, Mr. Hubbard, Mr. Markey, Mrs. Martin of Illinois, Mr. Mfume, Ms. Pelosi, Mr. Pickett, Mr. Ravenel, Mr. Shumway, Mr. Spratt, Mr. Vento, and Mr. Yatron.

H.J. Res. 272: Mr. Traficant, Mr. McEwen, Mr. Atkins, Mr. Courter, Ms. Kaptur, Mr. Lent, Mr. Savage, Mr. Schumer, Mr. Smith of Texas, Mr. Gallo, and Mr. Gilman.

H.J. Res. 287: Mr. Foglietta, Mrs. Meyers of Kansas, Mr. Richardson, Mr. Lowry of Washington, Mr. St Germain, and Mr. Udall.

H.J. Res. 336: Mr. Frenzel, Mr. Kleczka, Mr. Barnard, Mr. Thomas A. Luken, Mr. Dowdy of Mississippi, Mr. Callahan, Mr. Rose, Mr. Durbin, Mr. Vento, Mr. DeLay, Mr. Derrick, Mr. Inhofe, Mr. Craig, Mr. Ortiz, Mr. Spence, Mr. Stallings, Mr. Pepper, Mr. Mollohan, Mr. Rowland of Georgia, Mr. Molinari, Mr. Hefner, Mr. Synar, Mr. Moakley, Mr. Clarke, Mr. Sharp, Mr. Frank, Mr. Ballenger, Mr. Roemer, and Mr. Chappell.

H.J. Res. 337: Mr. Blaz, Mr. Gregg, Mr. Howard, Mr. Morrison of Washington, Mr. Upton, Mr. Spence, Mr. Darden, Mr. Bryant, Mr. Kastenmeier, Mr. Stratton, and Mr. Smith of New Hampshire.

H.J. Res. 338: Mr. Andrews, Mr. Bennett, Mr. Boner of Tennessee, Mr. Brooks, Mr. Bustamante, Mr. Bruce, Mr. Cardin, Mr. Chapman, Mr. Coughlin, Mr. Durbin, Mr. Fauntroy, Mr. Fish, Mr. Frank, Mr. Gaydos, Mr. Hall of Ohio, Mr. Ireland, Mr. Kastenmeier, Mr. Leland, Mr. Livingston, Mr. Thomas A. Luken, Mr. Mollohan, Mr. Murtha, Mr. Petri, Mr. Rinaldo, Mr. Smith of New Jersey, Mr. Smith of New Hampshire, Mr. Synar, Mr. Wyden, Mr. Bartlett, Mr. Biaggi, Mr. Brennan, Mr. Burton of Indiana, Mr. Brown of Colorado, Mr. Callahan, Mr. Chandler, Mr. Coleman of Texas, Mr. Duncan, Mr. Dyson, Mr. Fawell, Mr. Florio, Mr. Fuster, Mr. Gekas, Mr. Hammerschmidt, Mr. Kanjorski, Mr. Lantos, Mr. Lightfoot, Mr. Lowry of Washington, Mr. Martinez, Mr. Moorhead, Ms. Pelosi, Mr. Porter, Mr. Russo, Mr. Smith of Florida, Mr. Staggers, and Mr. Udall.

H.J. Res. 355: Mr. Dymally, Mr. LaFalce, Mr. Ford of Tennessee, Mr. Hammerschmidt, Mr. Gonzalez, Mr. Wolf, Mr. Fauntroy, Mr. Dornan of California, Mr. Kennedy, Mr. Coleman of Missouri, and Mr. Boner of Tennessee.

H. Con. Res. 6: Mr. Holloway.

H. Con. Res. 52: Mr. Evans.

H. Con. Res. 60: Ms. Pelosi, Mr. Yates, Mr. Conyers, Mr. Denny Smith, Mr. Espy, Mr. Spratt, Mr. Owens of New York, Mr. Glickman, Mr. Owens of Utah, and Mr. Saxton.

H. Con. Res. 83: Mr. Grant, Mr. Morrison of Connecticut, Mr. Coble, Mr. Roemer, Mr. Ford of Tennessee, Mr. Gregg, Mr. Roth, Mr. Denny Smith, and Mr. Petri.

H. Con. Res. 97: Mr. Ballenger, Mr. Holloway, Mr. Kolbe, Mr. Skeen, Mr. Hoyer, and Mr. Leach of Iowa.

H. Con. Res. 119: Mr. Dornan of California, Mr. Badham, Mr. Henry, Mr. Davis of Illinois, Mr. Oxley, Mr. Lightfoot, Mr. Frenzel, Mr. Hansen, Mrs. Johnson of Connecticut, Mr. Goodling, Mr. Brown of Colorado, Mr. Upton, and Mr. Fields.

H. Con. Res. 126: Mr. Wortley, Mr. Towns, and Mr. Konnyu.

H. Con. Res. 143: Mr. Hoyer, Mr. Mineta, Mr. Owens of Utah, and Mr. Dellums.

H. Con. Res. 160: Mr. Bustamante, Mr. Donald E. Lukens, Mrs. Bentley, Mr. Solarz, and Mr. DeWine.

H. Res. 102: Ms. Pelosi.

H. Res. 189: Mr. Brown of California, Mr. Rangel, and Mr. Vento.

H. Res. 210: Mr. Blaz and Mr. Chandler.

H. Res. 224: Mr. Clay, Mr. Espy, Mr. Atkins, Mr. Biaggi, Mr. Towns, and Mr. Foglietta.

H. Res. 225: Mr. Bateman, Mr. Boner of Tennessee, Mr. Boulter, Mr. Brown of Colorado, Mr. Buechner, Mr. Combest, Mr. Fawell, Mr. Feighan, Mr. Hubbard, Mr. Johnson of South Dakota, Mr. Konnyu, Mr. Nichols, Mr. Roth, Mr. Skeen, and Mr. Walker.

H. Res. 229: Mrs. Bentley, Mr. Sundquist, and Mr. Blaz.

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1115: Mr. Scheuer.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

62. By the SPEAKER: Petition of Village of Oakwood, OH, relative to a land-water conservation fund appropriation; to the Committee on Appropriations.

63. Also, petition of Nevada State Board of Education, Carson City, NV, relative to the full funding of early childhood programs; to the Committee on Education and Labor.

64. Also, petition of Dutchess County Legislature, Poughkeepsie, NY, relative to make English the official national language; to the Committee on Education and Labor.

65. Also, petition of National Association of Retired and Veteran Railway Employees, Inc., Spokane, WA, relative to the Burlington Northern Railway; to the Committee on Energy and Commerce.

66. Also, petition of Commissioners Office, County of Lake, Two Harbors, MN, relative to revenue sharing moneys; to the Committee on Government Operations.

67. Also, petition of Notch Babies of Broward County, Tamarac, FL, relative to the Social Security Notch Act; to the Committee on Ways and Means.

68. Also, petition of city of Cooper City, FL, relative to the Social Security Notch Act; to the Committee on Ways and Means.

69. Also, petition of Board of County Commissioners, Broward County, FL, relative to the Social Security Act; to the Committee on Ways and Means.

70. Also, petition of Borough of Oceanport, Oceanport, NJ, relative to nuclear weapons; jointly, to the Committees on Foreign Affairs and Armed Services.

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# EXTENSIONS OF REMARKS

## ARE WE LOSING THE WAR AGAINST CANCER?

### HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. WAXMAN. Mr. Speaker, just over 15 years ago, the country declared a war on cancer. Today, cancer is still the major killing disease in the industrialized world. With over 900,000 new cases and 450,000 U.S. deaths last year, cancer has now reached epidemic proportions.

Last month, the Subcommittee on Health and the Environment received a very important statement from Dr. Samuel Epstein, professor of occupational and environmental medicine at the University of Illinois Medical Center. Dr. Epstein, one of our Nation's leading cancer researchers, provides answers to who's responsible for the rising cancer rates and what we need to do about it. The statement follows:

LOSING THE WAR AGAINST CANCER: WHO'S TO BLAME AND WHAT TO DO ABOUT IT—A POSITION PAPER ON THE POLITICS OF CANCER, 1987[1]

(By Samuel S. Epstein, M.D.)

THE FACTS

*Increasing cancer rates*

Cancer is now the only major killing disease in the industrialized world whose rates are sharply rising.[2] In contrast, there have been major reductions in deaths from cardiovascular disease, still the number one killer in the U.S., probably because of a recent decline in smoking and attention to diet and exercise.

With over 900,000 new cases and 450,000 U.S. deaths last year, cancer has now reached epidemic proportions with an incidence of one in three and a mortality of one in four. Analysis of overall cancer rates, standardized for age, sex and ethnicity, has demonstrated steady increases since the 1930s, with more recent sharp annual increases in incidence rates by some 2% and in morality rates by some 1%. Striking confirmation of these recent increases comes from estimates of the lifetime probability of getting cancer for people born a different times. For white males born in 1975 to 1985 for instance, the probability of developing cancer has risen from 30 to 36% and from 19 to 23% for dying from cancer. Such increases in overall cancer rates are also reflected in increasing rates for cancers of organs including lung, breast, colon, prostate, testis, urinary bladder, kidney, and skin, malignant melanoma and lymphatic/hematopoietic malignances, including non-Hodgkin's lymphoma;[3] lung cancer is responsible for about one-third of the overall recent increase in incidence rates. It should be stressed that some 75% of all cancer deaths occur in people over 55 years, and that recent increases are largely restricted to these ages.

*Static cure rates*

The overall cancer "cure rate", as measured by survival for over five years following diagnosis, is currently 50% for whites but only 38% for blacks. There is no evidence of substantial improvements in treatment over the last few decades, during which five year survival and age-adjusted mortality rates for the major cancer killers, lung, breast and colon, besides for most other organs, have remained essentially unchanged. The only improvements have been for cancer of the cervix, and for relatively rare cancers, such as testicular seminomas, Hodgkin's disease and childhood leukemias treated with radiation and/or chemotherapy. Apart from immediate toxicity, such treatment, while effective, can increase the subsequent risk of developing a second cancer by up to 100 times.

*Increasing carcinogenic exposures*

Cancer is an age-old and ubiquitous group of diseases. Its recognized causes and influences are multifactorial and include natural environmental carcinogens (such as a aflatoxins and sunlight), lifestyle factors, genetic susceptibility, and more recently industrial chemicals. Apart from modern lifestyle factors, particularly smoking, increasing cancer rates reflect exposure to industrial chemicals and run-away modern technologies whose explosive growth has clearly outpaced the ability of society to control them. In addition to pervasive changes in patterns of living and diet, these poorly controlled technologies have induced profound and poorly reversible environmental degradation, and have resulted in progressive contamination of air, water, food and workplaces with toxic and carcinogenic chemicals, with resulting involuntary exposures.

With the dawn of the petrochemical era in the early 1940s, by when technologies including fractional distillation of petroleum, catalytic and thermal cracking and molecular splicing became commercially established, annual U.S. production of synthetic organic chemicals was about one billion pounds. By the 1950s, this had reached 30 billion pounds, and by the 1980s over 400 billion pounds annually. The overwhelming majority of these industrial chemicals has never been adequately, if at all, tested for chronic toxic, carcinogenic, mutagenic and teratogenic effects, let alone for ecological effects, and much of the limitedly available industrial data is at best suspect.

Occupational exposure to industrial carcinogens has clearly emerged as a major risk factor for cancer.[4] The National Institute for Occupational Safety and Health (NIOSH) estimates that some 10 million workers are now exposed to 11 high volume carcinogens. Five to 10-fold increases in cancer rates have been demonstrated in some occupations. Also persuasive are British data on cancer mortality by socio-economic class, largely defined by occupation, which show that the lowest class, particularly among males, has approximately twice the cancer mortality rate of the highest class.

Living near petrochemical and certain other industries in highly urbanized communities increases cancer risks, as evidenced by clustering of excess cancer rates; high levels of toxic and carcinogenic chemicals are deliberately discharged by a wide range of industries into the air of surrounding communities. Fall-out from such toxic air pollutants is also an important source of contamination of surface waters, particularly the Great Lakes. While there still are no regulatory requirements for reporting and monitoring these emissions, unpublished government estimates indicate that they are in excess of 3 billion pounds annually.[5]

Another example of run-away technologies is the hazardous waste crisis. From the disposal of under one million tons of hazardous wastes in 1940 to well over 300 million tons annually in the 1980s, in excess of one ton per person per year, the industries involved—fossil fuel, metal mining and processing, nuclear, and petrochemical—have littered the entire land mass of the U.S. with some 50,000 toxic waste landfills, 20,000 of

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[1] Based on keynote presentations at the National Safety and Health Conference of the International Association of Machinists, Washington, D.C., March 9, 1987, the Fifth National Pesticide Forum of the National Coalition Against the Misuse of Pesticides, Washington, D.C., March 21, 1987, and the Conference on Global Development and Environment Crisis, Friends of the Earth (Sahabat Alam), Penang, Malaysia, April 8, 1987. Copyright, 1987, Samuel S. Epstein

[2] Just by way of quantitative contrast, mortality from AIDS (another eminently preventable disease) although highly alarming if not catastrophic, is relatively low. About 33,000 cases, more than half already fatal, have been reported since 1981 when the disease was first detected; additionally, it is estimated that 2-3 times as many Americans suffer from advanced symptoms of the AIDS-related complex which often progresses to frank AIDS. Rapidly increasing numbers of cases, totalling some 270,000, are projected by 1991.

[3] It should, however, be noted that there have been substantial decreases in rates for stomach and cervix, and less so, for rectal cancer.

[4] In 1978, a blue ribbon governmental commission (under the auspices of then H.E.W. Secretary Califano) estimated on the basis of the only available exposure data, estimated that up to 38% of all cancers in coming decades would reflect past and continuing exposures to just six high volume occupational carcinogens. In spite of the recognized limitations of these estimates, both in the direction of overestimating exposure to certain of the named carcinogens, particularly asbestos, and failure to reflect a wide range of other possibly more significant exposures, their magnitude was surprisingly confirmed by industry consultants, Stallones and Downs of the University of Texas School of Public Health, in a confidential report commissioned by the American Industrial Health Council.

[5] The Environmental Protection Agency has diverted attention away from its failure to regulate such toxic emissions, although so authorized by Sec. 112 of the 1970 Clean Air Act, by attempting to shift responsibility to local and state agencies, and by a barrage of poorly supportable claims that indoor air pollution, from pollutants such as cigarette smoking, radon and pesticides, is a more important regulatory target than toxic air emissions. In spite of this near exclusionary emphasis on indoor air pollution, EPA still refuses to ban the continued use of carcinogenic pesticides, notably Chlordane and Aldrin used extensively for domestic termite treatment.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

which are recognized as potentially hazardous, 170,000 industrial impoundments (ponds, pits and lagoons), 7,000 underground injection wells, not to mention some 2.5 million underground gasoline tanks, many of which are leaking. Not surprisingly, an increasing number of rural and urban communities have found themselves located on or near hazardous waste sites, or downstream, down-gradient or down-wind. Particularly alarming is growing evidence of contamination of ground water from such sites, contamination which poses grave and poorly reversible hazards for centuries to come.

Environmental contamination with highly potent carcinogenic pesticides has reached alarming and pervasive proportions. Apart from high level exposure of workers in manufacturing, formulating and applicating industries, contamination of ground and surface waters has become commonplace. Residues of ethylene dibromide in excess of 1,000 ppb in raw grains, cereals and citrus fruits have been well known to industry and the Environmental Protection Agency (EPA) as long as ten years after its very high carcinogenicity was first demonstrated; not until 1984 however, did EPA develop a 30 ppb tolerance, which was rejected by the Commonwealth of Massachusetts and the States of New York and Florida, and replaced by much lower and less hazardous levels. While the exact numbers are uncertain, it is probable that tens of millions of homes nationwide are contaminated with varying levels of chlordane/heptachlor, pesticides still registered by EPA for termite treatment. It should be noted that, on the basis of extensive hearings some 14 years earlier, the Agency concluded that exposure to such pesticides posed an "imminent hazard" due to cancer besides other chronic toxic effects, leading to a subsequent ban on their agricultural uses.

Much cancer today reflects events and exposures in the 1950s and 60s. Production, uses and disposal of synthetic organic and other industrial carcinogens were then minuscule compared to current levels, which will determine future cancer rates for younger populations now exposed. There is every reason to anticipate that even high current cancer rates will be exceeded in coming decades.

While most concern has understandably focused on increasing cancer rates, these substantially underestimate the extent and scope of the public health effects of environmental pollutants. Only a small proportion of the tens of thousands of petrochemicals in commerce, well under 500, are carcingoenic. However, many of these, together with other non-carcinogenic petrochemicals, can induce other chronic toxic effects, including neurological, respiratory, reproductive, hepatic and probably immunological diseases, whose true causation is generally not suspected let alone investigated.

### WHO'S TO BLAME

#### *Industry*

Twentieth century industry has aggressively pursued short-term economic goals, uncaring or unmindful of harm to workers, local communities and the enviroment. So far, industry has shifted responsibility for such costs and harm to society-at-large. Belated governmental efforts to control polluting industries have generally been neutralized by well organized and financed opposition. Excepting special purpose legislation for drugs, food additives and pesticides, there were no regulatory requirements for pre-testing industrial chemicals until the 1976 Toxic Substance Control Act, legislation which the industry had stalled for years, and which is now honored more in the breach than in the observance.

Apart from failure to pre-test most chemicals, key in industry's anti-regulatory strategy has been the generation of self-serving and misleading data on toxicology and epidemiology, besides on regulatory costs and cost-benefit analyses. The track record of such unreliable and often fraudulent data is so extensive and well documented as to justify the presumption that much industry data must be treated as suspect until proven otherwise.

Attempts by the Carter Administration to develop comprehensive, "generic" regulation of occupational carcinogens, later reversed by the Reagan Administration, were attacked by the Manufacturing Chemists Association, which created the American Industrial Health Council to organize opposition. Such reactions generally reflect reflex ideology and short-sighted preoccupation with perceived self-interest rather than with efficiency and economy. The virtual uniformity of industry opposition to regulation is in marked contrast to the heterogeneity of size and interests of the industries involved. Regulation has, in fact, generally resulted in substantial improvements in industrial efficiency and economy, particularly in large industries, by forcing development of technologies for recovery and recycling of valuable resources. A deplorable result of regulation, however, has been and continues to be export of the restricted product or process to the so-called lesser developed countries.[6]

Apart from well documented evidence on control and manipulation of health and environmental information, industry has used various strategies to con the public into complacency and divert attention from their own recklessness and responsibility for the cancer epidemic. Key among these is the "blame-the-victim" theory of cancer causation, developed by industry scientists and consultants and a group of conservative pro-industry academics, and tacitly supported by the "cancer establishment." This theory emphasizes faulty lifestyle, smoking, and fatty diet, sun bathing or genetic susceptibility, as the major cause of preventable cancer, while trivializing the role of involuntary exposures to occupational and environmental carcinogens. Another misleading diversion in the claim that there is no evidence or recently increasing cancer rates other than lung cancer, for which smoking is given the exclusive credit. While the role of lifestyle is obviously important and cannot be ignored, the scientific and exclusionary basis of this theory is as unsound as it is self-serving. Certainly, smoking is a major, but not the only, cause of lung cancer. Evidence such as the following clearly incriminates the additional role of exposure to occupational carcinogens and carcinogenic community air pollutants: some 20% of lung cancers occur in non-smokers; there have been major recent increases in lung cancer rates in non-smokers; an increasing percentage of lung cancer is of a histological type (adenocarcinoma) not usually associated with smoking; high lung cancer rates are found with certain occupational exposures independent of smoking; and excess lung cancer rates are found in communities where certain major industries are located. The chemical industry clearly uses tobacco as a smoke screen to divert attention from the role of carcinogenic chemicals in inducing lung cancer besides other cancers.

When it comes to diet, the much touted role of high fat consumption, while clearly linked to heart disease, is based on tenuous and contradictory evidence with regard to breast and colon cancers. The evidence certainly does not justify the wild claims by lifestyle theorists that some 30 to 40% of all cancers are due to faulty diet. For instance, a 1982 National Academy of Sciences report concluded that "— in the only human studies in which the total fiber consumption was quantified, no association was found between total fiber consumption and colon cancer." Similarly, a large scale 1987 study, based on the eating habits of nearly 90,000 nurses, concluded that "— there is no association between dietary fat and breast cancer."

Another illustration of grossly misleading strategies relates to the identification of chemical carcinogens. When a particular chemical or product is threatened with regulation on the basis of animal carcinogenicity tests, the industry invariably challenges the significance of these tests, while routinely using negative test results as proof of safety. At the same time industry insists on the need for long-term prospective epidemiological investigations to obtain definitive human evidence. To test this apparent reliance on direct human evidence, researchers at Mt. Sinai Hospital in New York compiled a list of some 100 chemicals accepted as carcinogenic on the basis of animal tests, but for which no epidemiological information is available, and sent this list to some 80 major chemical industries. Respondents were asked whether any of the listed carcinogens were in use and, if so, whether epidemiological studies had been conducted, whether they were being conducted, or whether it was intended to conduct them in the future, and if not, why not. The responses were revealing. The great majority of those industries using particular carcinogens replied that they had done no epidemiological studies, were not doing any, and didn't intend to do any for various reasons, including alleged difficulty, impracticality, expense, or because of their belief that these chemicals could not possibly be carcinogenic to humans. A perfect catch-22. Knock the animal tests and insist on human studies, but make sure that the human studies are never done.

Industry positions are vigorously advocated by trade associations, such as the Chemical Manufacturers Association, public relations firms, such as Hill and Knowlton, front organizations, such as the American Council on Science and Health (the contributions of whose director, Whelan, have been aptly characterized as "voodoo science"), and lay writers such as Efron (who charges that the American scientific community has been terrorized into submission by environmental "apocalyptics"). Disturbingly, another major source of support for anti-regulatory strategies is a stable of academic consultants who advance the industry

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[6] Information on such exports is being systematized by Consumer Interpol, a program of the International Organization of Consumers Union (IOCU) based in Penang, Malaysia, which promotes protection for the consumer from dangerous products. The participants in this network are consumer, environmental, health and other citizen groups concerned about unrestricted trade in hazardous substances. Besides the global dissemination of such hazards, the multinational corporations involved are also responsible for the loss of U.S. jobs and their replacement by cheap "expandable" foreign labor.

position in arenas including the scientific literature, federal advisory committees, and regulatory and congressional hearings.[7]

#### *Government*

Presidents play a powerful role in setting national public health priorities, not unnaturally reflecting their own political agendas. Reagan, however, is unique in having run for office on an ideological anti-regulatory platform, and in having then systematically used his office to implement this ideology, often in contravention to the spirit and letter of the law. Reagan has thus neutralized legislative mandates on controls of toxic and carcinogenic exposure by frontal assaults on regulatory agencies.[8] Strategies employed include: staffing senior positions with unqualified, ideologically selected staff hostile to their agency mandates; budget cutting; insisting on formal cost-benefit analyses which focus on industry costs with little or biased consideration of costs of failure to regulate and which effectively stalls the regulatory process; illegal, behind closed doors meetings with industry; and making regulation dependent on the Office of Management and Budget with its subservience to the White House. An informative example is the White House decision to block the $1.3 million 1984 request by the National Institute for Occupational Safety and Health (NIOSH) to notify some 200,000 workers of risks from previously undisclosed exposure to workplace carcinogens, as identified in some 60 government studies, in order to enable medical follow-up and early diagnosis of cancer. The reason for this refusal of modest funding seems to have been a desire to shield corporations from possible legal claims.[9] Such a track record justifies the conclusions of a 1984 Congressional Study Group report that "efforts to protect public health and the environment from the dangers of toxic pollution have ground to a standstill under the Reagan Administration . . . [which was charged with being] a public health hazard."

The U.S. Congress has become sensitized to public health and environmental concerns, exemplified in a plethora of legislation in recent decades.[10] Such legislation has evolved fragmentarily, reflecting particular interests and priorities. New laws have focused on individual media, air, water, food or the workplace, or on individual classes of products or contaminants, such as pesticides or air pollutants, with little or no consideration of needs for more comprehensive and integrated approaches. Furthermore, legislative language traditionally has been ambigous, thus allowing maximal regulatory discretion to bureacracies which in some instances, have subsequently become closely associated with or even "captured" by the regulated industries. A noteworthy exception is the 1958 Delaney Amendment to the Federal Food Drug and Cosmetic Act, with its absolute prohibition against the deliberate introduction of any level of carcinogen into the food supply. Even so, the Reagan FDA is re-defining the Delaney Amendment to allow carcinogenic food additives at levels alleged to be devoid of significant risk.

Congress has also tended to abdicate decision-making to scientific authority (or perceived authority), rather than questioning its basis in the open political arena. Of particular importance was passage of the 1971 Cancer Act in response to orchestrated pressures from the "cancer establishment", the National Cancer Institute (NCI), American Cancer Society (ACS), and clinicians aggressively pushing chemotherapy as a primary cancer treatment. The cancer establishment misled Congress into the unfounded and simplistic view that the cure for cancer was just around the corner, *provided* that Congress made available massive funding for cancer treatment research. The Act did just this, while failing to emphasize needs for cancer prevention, and also gave the NCI virtual autonomy from the parent National Institutes of Health, while establishing a direct chain of command between the NCI and the White House. Some 16 years and billions of dollars later, Congress still has not yet appreciated that the poorly informed special interests of the cancer establishment have minimized the importance of and failed to adequately support critically needed cancer prevention efforts. Nor has Congress appreciated the long overdue need for oversight on the conduct and priorities of the NCI. Given the heterogeneity of congressional interests, the complexity of the problem involved, the heavy industry lobbying, the indifference of the general scientific community and the well orchestrated pressures of the cancer establishment, it is not surprising that Congress has still to recognize that we are losing the war against cancer.

Until recently, state governments have largely deferred to federal authority, exercising relatively minor roles in cancer prevention. Reagan's federal de-regulatory efforts have begun to reverse this relationship. Regulatory actions against carcinogens are now emerging at the state level, such as the banning of chlordane/heptachlor and aldrin/dieldrin for termite treatment by Massachusetts and New York, banning of daminozide (Alar) for apple ripening and tough restrictions on ethylene dibromide food tolerances by Massachusetts, and informative occupational labeling laws by various states, such as the "right-to-know" workplace legislation of New Jersey. Some such state initiatives have evoked federal preemption by restricted regulations, such as the 1983 Hazard Communication Standard of the Occupational Safety and Health Administration, is striking paradox to the Reagan ideology of the new federalism and getting big government off the backs of the people. In February 1987, a coalition of labor and citizen organizations asked the U.S. Court of Appeals to enforce its 18-month-old order directing OSHA to expand coverage of its communication standard from manufacturing to all workers. In an apparent about face turn, the Chemical Manufacturers Association is supporting the expansion in conformity with regulations developed for various states.

#### *The cancer establishment*

The cancer establishment still continues to mislead the public and Congress into believing that "we are winning the war against cancer", with "victory" possible only given more time and money. The NCI and ACS also insist that there have been major advances in treatment and cure of cancer, and that there has been no increase in cancer rates (with the exception of lung cancer which is exclusively attributed to smoking). Yet, the facts show just the contrary.

The cancer establishment periodically beats the drum to announce the latest "cancer cure" and dramatic "breakthrough". These announcements reflect optimism and wishful thinking, rather than reality. The extravagant and counterproductive claims for interferon as the magic cancer bullet of the late 70s have been followed by the unpublicized recognition of its limited role in cancer treatment.[11] The latest NCI "breakthrough" claims for interleukin-2 as a cancer cure are grossly inflated and rest on questionable data. These claims fail to reflect the devastating toxicity and lethality of this drug, and gloss over the high treatment costs, which can run into six figures. Equally questionable are claims by the NCI and ACS that overall cancer survival rates have improved dramatically over recent years. These claims, based on "rubber numbers" according to one prominent critic, ignore factors such as "lead-time bias", earlier diagnosis of cancer resulting in apparently prolonged survival even in the absence of any treatment, and the "over-diagnosis"of essentially benign tumors, particularly of the prostate, breast and thyroid, as malignant. Defensively revealing is the recent finger-pointing by the director of the NCI, DeVita, at community physicians for using inadequate doses of chemotherapy drugs as the "real" reason why cancer cure rates are no better than they are.

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[7] These consultants include: MacMahon, a Harvard epidemiologist who has cleared his contracted studies with industry before submitting them for publication; Demoupoulos, a pathologist at NYU Medical Center who claims that asbestos and vinyl chloride are weak carcinogens and that the high cancer mortality rates in New Jersey are due to poor treatment by foreign trained doctors in that state; Olson, a clinician at Pittsburgh University School of Medicine who has testified that benzene cannot be carcinogenic in humans because it does not induce tumors in animals; Hayes, ex-CDC and Vanderbilt University School of Medicine, a toxicologist repeatedly on record as rejecting the human significance of animal carcinogenicity data on organochlorine pesticides; and Harbison, a toxicologist from University of Arkansas Medical School, who in 1980 testified as a governmental witness that rodents are "good predictors of human cancer risk", and who, as an industry expert, testified just the opposite in 1985.

[8] Such successes of the Reagan Administration at the regulatory level are, however, in striking contrast to its failure to make any impression on the scientific underpinning of public health and environmental regulations. For instance, a 1985 report by the Office of Science and Technology Policy of the White House clearly affirmed such critical tenets as the value of animal carcinogenicity data in extrapolating to human risk, and the inability to set "safe levels or thresholds" for exposure to carcinogens.

[9] On February 26, 1987, hearings were held before the Labor and Human Resources Committee on a bill sponsored by Senator Metzenbaum to require the Department of Health & Human Services to notify past or present workers known to be at risk of cancer and other occupational diseases. To the annoyance of Republican Committee members, NIOSH officials supported the bill, which was opposed by Administration spokesmen who claimed that it would duplicate existing efforts and generate "too much litigation". The senior dissenting officials received a subsequent "dressing down" from the Administration. However, unexpected support for the bill on March 27, 1987 came from the 3000-member American Electronics Association, a trade group, and from I.B.M., the Digital Equipment Corporation and the General Electric Company.

[10] Congress, however, has yet to recognize the need to consider certain industry practices from the perspective of white collar crime. White collar crime legislation has heretofore been exclusively directed to economically motivated crimes with economic consequences, such as anti-trust violations. Efforts, such as the 1979 and 1984 bills by Cong. John Conyers (H.R. 4973 & 6350), to extend such legislation to economically motivated crimes with public health or environmental consequences, resulting from willful suppression or "non-disclosure" of risks from hazardous products and processes, have not yet may be measured in countless cancer deaths.

[11] Interferon is particularly effective, if not often curative, for two rare neoplasms—hairy cell leukaemia and juvenile larynegeal papillomatosis.

The NCI misrepresentations are well reflected in budgetary priorities which are largely and disproportionately directed to cancer treatment research, to the neglect of cancer prevention. Even the very modest funding on cancer prevention is largely directed to endorsing industry's "blame-the-victim" concept of cancer causation. Thus, the NCI exaggerates the role of tobacco for a wide range of cancers besides lung, and treats as fact the slim and contradictory evidence relating diet to colon, breast, and other cancers. Apparently still oblivious to mounting criticisms, the NCI continues to vigorously propagate these misrepresentations. A 1986 NCI document on cancer control objectives, the executive summary of which fails to even mention environmental and occupational exposures to carcinogens and focuses on diet and tobacco as the major causes of cancer, rashly promises that annual cancer mortality rates could be reduced by 50% by the year 2,000.

More disturbing than indifference to cancer prevention is evidence uncovered in September 1982 by Cong. Dave Obey that the NCI has pressured the International Agency for Research on Cancer (IARC), funded in part by the NCI, to downplay the carcinogenicity of benzene and also formaldehyde in IARC monographs which review and rank the carcinogenicity data on industrial and other chemicals. Such evidence is noteworthy since, contrary to the scientific literature and its own explicit guidelines, IARC has also downgraded the carcinogenicity of other carcinogenic industrial chemicals, such as the pesticides aldrin/dieldrin and chlordane/heptachlor, and the solvents trichloroethylene and perchloroethylene.[12]

Following nearly a decade of fruitless discussions with the ACS, at a February 7, 1987 press conference, a national coalition of major public interest and labor groups headed by the Center for Science in the Public Interest (and the author of his position paper), and supported by some 24 independent scientists, charged that the ACS "is doing virtually nothing to help reduce the public exposure to cancer causing chemicals.—Despite its promises to the public to do everything to 'wipe out cancer in your lifetime', the ACS fails to make its voice heard in Congress and the regulatory arena, where it could be a powerful influence to help reduce public exposure to carcinogens." More specific criticisms included the following:

ACS fails to support, and at times has been hostile to, critical legislation that seeks to reduce or eliminate exposure to environmental and occupational carcinogens. For example, ACS refuses to join a coalition of major organizations, including the March of Dimes, American Heart Association, and American Lung Association, to support the Clean Air Act. ACS has rejected requests from Congressional subcommittees, unions, and environmental organizations to support their efforts to ban or regulate a wide range of occupational and environmental carcinogens.—Giant corporations, which profit handsomely while they pollute the air, water and food with cancer causing chemicals, must be greatly comforted by the ACS's silence.

ACS's record on supporting efforts to ban carcinogens is dismal. Often ACS's statements are expressly or implicitly hostile to regulation.

ACS's approach to cancer prevention largely reflects a "blame the victim" philosophy, which emphasizes faulty lifestyles, rather than workplace or environmental carcinogens. For instance, ACS blames the higher incidence of cancer among blacks primarily on their diet and smoking habits, which diverts attention from the fact that blacks work in the dirtiest, most hazardous jobs, and live in the most polluted communities.

A few days after the press conference, ACS announced a "new set of policies", passing resolutions for improved regulation of such chemicals as asbestos and benzene, and for cleanup of toxic waste sites. However, there has been no evidence of any real change of heart in the ACS, since then.

### *The lifestyle academics*

The lifestyle academics are a group of conservative scientists including Doll, Warden and Director of the Industry financed Green College, Oxford,[13] his protégé Peto, a statistician also from Oxford, and more recently Ames, a California geneticist. The puristic pretensions of the lifestylers for critical objectivity are only exceeded by their apparent indifference to or rejection of a steadily accumulating body of information on permeation of the environment and workplace with industrial carcinogens, and the impact of such involuntary exposures on human cancer. Consciously or subconsciously, these academics have become the mouthpiece for industry interests, urging regulatory inaction and public complacency. Among the more noteworthy contributions of these academics is a series of publications claiming that smoking and fatty diet each is responsible for 30–40% of all cancers, that sunlight, drugs and personal susceptibility account for another 10%, leaving only a few percent unaccounted for which, just for want of any other better reason, was then ascribed to occupation. According to the life-stylers, this then proves that occupation is an unimportant cause of cancer, which really does not warrant much regulatory concern. Apart from circularly referencing each other as authority for these wild guesses, the lifestylers have never attempted to develop any estimates of how many workers are exposed to defined levels of specific carcinogens. Without such estimates there is no way of attemption to determine just how much cancer is due to occupation.

The lifestyle theory was further advocated in a 1981 report dealing with causes of cancer in the USA by Doll and Peto where they denied evidence of increasing cancer rates other than for lung cancer, which was largely ascribed to tobacco without adequate consideration of the importance of carcinogenic community and occupational exposures.[14] To reach their misleading conclusions on static cancer rates, Doll and Peto excluded from analysis people over the age of 65 and blacks, those groups with the highest and increasing cancer mortality rates. Not content with such manipulation, they claimed that occupation was only responsible for some 4% of all cancers, without apparent consideration of a wide range of recent studies dealing with the carcinogenic effects of such exposures.[15] This wild 4% guess was matched by "guesstimates" that diet was determinant in some 35% of all cancers. To trivialize the significance of animal carcinogenicity data on industrial chemicals, Doll and Peto minimized the predictive value of these tests, while emphasizing epidemiological data as the basis of regulation.

Doll is prompt to side with industry in downplaying evidence on carcinogenicity of industrial chemicals. Illustratively, he recently lent enthusiastic support to the Australian Agent Orange Royal Commission in their dismissal of the experimental and epidemiological carcinogenicity data on the herbicides 2,4-D and 2,4,5-T.[16]

Ames is a geneticist who, in the 1970s, developed bacterial assays for mutagenicity which he advocated as short-term tests for carcinogens. He then published a series of articles warning of increasing cancer rates and of the essential need for tough regulation of industrial carcinogens, such as the fire retardant Tris and the fumigant ethylene dibromide. By the 1980s, however, Ames did an unexplained 180 degree switch, now claiming just the opposite, that overall cancer rates are not increasing, that industrial carcinogens are unimportant causes of cancer which do not need regulating, and that the real causes of cancer are natural dietary carcinogens, largely because mutagens can be found in a variety of foods.[17]

### WHAT TO DO ABOUT IT

The cancer epidemic poses the nation with a grave and growing crisis of enormous cost to health, life and the economy. A 1979 book on the politics of cancer (by the author of this position paper) concluded with the following specific recommendations designed to reduce the toll of preventable cancer.

Cancer must be regarded as an essentially preventable disease.

The hidden political and economic factors which have blocked and continue to block attempts to prevent cancer must be recognized.

The ineffective past track record of government in cancer prevention must be recognized.

The critical roles in cancer prevention that public interest groups and informed labor leadership have exercised must be recognized and their further efforts fully encouraged and supported.

Congress must resolve the major inconsistencies in a wide range of legislation on environmental and occupational carcinogens.

Substantially higher federal priorities for the prevention of cancer must be developed.

Policies of the various federal agencies with responsibilities in cancer prevention must be effectively integrated and coordinated.

Top business management must recognize the essential similarities between their long-term interest and goals and those of society. Prevention of occupational cancer and cancer in the community-at-large is of primary importance to both.

The American Cancer Society must be influenced to balance its preoccupation with treatment with activist programs designed to prevent cancer.

The medical and scientific community must accept a higher degree of responsibility and involvement in the prevention of cancer by actions on both the professional and political levels.

Medical schools and schools of public health must be persuaded to massively reorient their educational and training programs from the diagnosis and treatment of disease and cancer to prevention.

Chemicals in consumer products and in the workplace must be clearly and simply identified and labeled.

Additional new approaches must be developed for obtaining and for retaining honest and scientifically reliable data on the carcinogenicity and toxicity of new chemicals, besides of untested or poorly tested chemicals already in commerce; such data must be made accessible to public scrutiny. Maximum legal penalties should be directed against all those responsible, directly and indirectly, for distortion or manipulation of toxicological and epidemiological data on the basis of which decisions on human safety and risk are based.

Apart from actions on a political level, we all have limited personal options. To some extent, it may be possible to reduce our own chances of developing cancer by making informed changes in lifestyle, use of consumer products, and work.

The major determinants of preventable cancer are political and economic, rather than scientific, and as such must be addressed in the open political arena. Cancer prevention must be made, at least, to rank with inflation on the next political ticket of your local and state representative, congressman, and President.

A decade later, these goals still stand as valid, but none have been achieved while cancer rates have steadily risen. To prevent similar conclusions a decade from now, the cancer prevention rhetoric must be translated into reality.

To compete with well financed propaganda of industry, tacitly supported by the cancer establishment and life style academics, an educational offensive must be mounted to inform the public and develop grass roots pressures for a cancer prevention campaign. The cutting edge for such campaigns can be provided by the major public interest organizations, including the Natural Resources Defense Council, Sierra Club, Environmental Defense Fund, Health Research Group of Public Citizens, Environmental Action, Consumer Federation of America, National Campaign Against Misuse of Pesticides, the National Campaign Against Toxic Hazards, Greenpeace, the Rachel Carson Council, and the Center for Science in the Public Interest.[18] Equally critical will be involvement of the Industrial Union Department, AFL/CIO, and key unions, such as the United Steel Workers of America, United Rubber Workers, Linoleum and Plastic Workers of America, International Association of Machinists, Oil Chemical and Atomic Workers, Amalgamated Clothing and Textile Workers, and the United Auto Workers.[19] Many of these organizations have well informed professional staff, and some have played major roles in whatever limited legislative and regulatory successes have been achieved over the last two decades.

Active support at the local level is being provided by activist citizen and labor groups that have formed in response to community or regional concerns such as hazardous waste dumps, contaminated drinking water or lawn care chemicals; the motto of such groups is "Think globally, act locally", Further support can be provided by a small network of independent and government scientists, whose thinning ranks, however, have been recently boosted by the welcome involvement of professional organizations such as the American Public Health Association and the American Lung Association.

A potential source of cancer prevention funding is the multi-million dollar budget of the American Cancer Society (ACS) raised by voluntary public contributions. An economic boycott of the ACS is now well overdue. Funding inappropriately used by the Society should be diverted to public interest organizations and labor, who are more likely to achieve the goal of winning the war against cancer. Other potential funding sources include certification to participate by designation in the United Way and Combined Federal Campaign.

Public interest and labor organizations should develop coalitions with initially limited objectives, focused around specific areas of cancer prevention of local concern. These could be subsequently expanded into wider rainbow coalitions with more comprehensive goals. The 100th Congress, revitalized by the defeat of the Reagan revolution and by a democratic renaissance, is now more likely to be receptive to such initiatives. This receptivity should be directed into increasing priorities for governmental concerns on cancer prevention, besides restoring the fragmented regulatory apparatus of government. It is also likely that key Congressmen could be galvanized into making cancer prevention one of their major political priorities, and that presidential candidates could be interested in the potential grass roots appeal of a cancer prevention ticket.

Equally important are initiatives at the state level, whose recent track record offers encouraging precedents. These include the banning of chlordane and heptachlor for termite treatment by Massachusetts in 1985 and New York in 1986, largely at the impetus of a citizen group, People Against Chlordane (PAC), passage of a $1.5 billion hazardous waste cleanup bond by New York, the Environmental Quality Bond Act of 1986, and passage of Proposition 65, the Safe Drinking Water and Toxic Enforcement Act of 1986, by California. Proposition 65, masterminded by the Sierra Club and Environmental Defense Fund and supported by a rainbow coalition of California public interest citizen and labor groups, is a sophisticated referendum which imposes tough financial penalties on industries knowingly discharging carcinogens into the drinking water supplies, and which mandates full public disclosure of such discharges by industry and state officials. A vocal opponent of Proposition 65 was Ames, who failed to impress the California public with his lifestyle advocacy and his trivializing the significance of carcinogens in drinking water. Potential opposition by the major petrochemical industry was anticipated and muted by the earmarking of some 50% of revenues from fines for the state superfund budget. However, Governor Duekmejian, responsive to special interest lobbying, has recently neutralized the scope of the new legislation by restricting its scope only to epidemiologically confirmed carcinogens. This restriction is now under legal challenge. Irrespective of the outcome of this challenge, Proposition 65 has excited national interest and is being used as a model for similar regional initiatives, such as the 1987 Safe Drinking Water Act of New York which is currently being drafted.

Among early Congressional priorities should be enactment of comprehensive white collar crime legislation. This would impose tough sanctions on individual executives, managers and professionals of industries found guilty of willful "non-disclosure" of information on hazards to workers, local communities and the nation. White collar crime legislation should also be extended to U.S. and multinational corporations which export carcinogenic products or processes which have been banned or regulated in the U.S. to "lesser developed countries", especially in the absence of full disclosure of hazards directed to ultimate users and consumers. Attention should also be directed to developing comprehensive new "cradle-to-the-grave" and material balance legislative approaches to the regulation of toxic and carcinogenic chemicals. Such legislation can be designed to complement regulation by the judicious application of marketplace pressures, in the form of financial incentives and disincentives designed to wean industry from unsafe practices, and to insure that responsible industry is not penalized and subject to unfair competition. At present, other than the prospect of toxic tort litigation, there are virtually no incentives for industry to develop safer new products and processes. Legislation is needed to develop federal R & D funding to promote such benign technologies and also to ensure that they are closely coordinated with environmental, energy and resource policies.

A critical legislative priority is amendment of the National Cancer Act to give the highest possible priority to cancer prevention, to redress the historical inbalance existing in the NCI between cancer prevention and research, diagnosis, treatment and the basic sciences, and also to insulate the NCI from direct Presidential influence. In addition to replacing NCI's director DeVita who, in spite of his contrary protestations, has been indifferent if not hostile to cancer prevention efforts and who has played a major role in perpetrating the myth that we are winning the war against cancer, senior NCI staff should be restructured and boosted by a critical mass of professionals competent in environmental and occupational cancer and committed to cancer prevention. The National Cancer Advisory Board should be reconstituted with a balanced mix of independent cancer prevention professionals, representatives of public interest and labor organizations and concerned citizens, and should be subject to close Congressional oversight. Such oversight should insure that the institutional resources are largely directed to cancer prevention, that grants and contracts reflect this priority and that NCI staff play a key role in providing the supporting scientific basis for legislative and regulatory cancer prevention efforts at the national and state levels.

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[12] With the noted exceptions, the IARC monographs are unique and well systematized compendia of information on chronic toxicity, carcinogenicity and use data of a wide range of industrial and other chemicals.

[13] According to a founding fellow, Hermann, Green College was established in 1978 as a "special point of entry for industrial interests wishing to collaborate with university departments in research—."

[14] This study was sponsored by the Office of Technology Assessment, whose contract officer Gough was apparently unable to find any U.S. experts with knowledge of cancer in the U.S., and so selected British lifestyle advocates for the project. (Gough is also subsequently on record in a book on Agent Orange as dismissing evidence on hazards of dioxin, including rejection of its carcinogenicity based on extensive animal data. Gough recently left OTA for a position in a chemical industry consulting firm.) Apparently responsive to criticisms of a draft report, The Office of Technology Assessment decided against its publication, which instead was independently published.

[15] Even if only 4% of cancers in the general population are occupational in origin, this implies that occupation is responsible for some 20% of all cancers in exposed workers.

[16] The 2,4,5-T component of Agent Orange was contaminated with high concentrations of 2,3,7,8-tetrachlorodibenzodioxin which, according to the Carcinogen Assessment Group of EPA, is the most potent carcinogen it has ever evaluated, some 7-fold orders of magnitude greater than the potent carcinogen vinyl chloride.

[17] Ames fails to extend his logic by claiming that faeces are carcinogenic, although they are a rich source of bacterial mutagens! Moreover, assuming that Ames' exclusionary emphasis on dietary carcinogens has scientific validity, the critical issue is not what carcinogens are "natural" and what are industrial (asbestos is an example of a carcinogen belonging to both categories), but what exposures are preventable or at least reducible.

[18] Support for the EDF should be qualified pending clarification of its recent ultra-conservative and poorly informed positions on public health hazards from environment pollutants.

[19] Left wing liberal organizations and progressive labor, through effective research, writing, direct mail and public advertising, are now challenging the ability of conservative business to formulate the national agenda and shape the debate on basic social issues, such as worker rights, taxation and environmental concerns, and on foreign policy. Such organizations include the Center for National Policy, Citizens for Tax Justice, The Democracy Project headed by Mark Green, The Economic Policy Institute headed by Jeff Faux, and the Council for Economic Priorities.

Cancer is essentially a preventable disease. Given high national priority, this goal will be acheived.

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## THE 50TH WEDDING ANNIVERSARY OF JOSEPH AND HELEN MEEGAN

### HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LIPINSKI. Mr. Speaker, it is my pleasure to bring to the attention of this body an exemplary couple from my district, Joseph and Helen Meegan. On the occasion of their 50th wedding anniversary, they have a rich and fulfilling life of service and commitment to each other and to the community to look back upon.

Mr. Meegan has been an active member of the Chicago community since he cofounded the Back of the Yards Neighborhood Council, America's oldest community organization, in 1939. In the years since, he has organized and contributed to various recreation, housing, education, and community programs and helped to pioneer the National/State School Lunch and Milk Program when it began in 1943. He has received innumerable awards, commendations, and other recognition from the community for these contributions. Mrs. Meegan has been equally active; raising nine children and assisting with her 19 grandchildren; contributing her teaching and musical skills to schools, organizations, and individuals; and working with those who have special needs, the mentally retarded.

Their commitment to each other and their family is equally impressive and, especially in today's world, is deserving special recognition and honor. I am sure that my colleagues join me in congratulating Mr. Meegan and his "bride" of 50 years, Helen, on their many years of love and commitment.

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## VA HOSPITALS ADMIRED FOR HIGH-QUALITY, COMPASSIONATE CARE

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. MONTGOMERY. Mr. Speaker, meticulous and compassionate care is the very minimum a patient should expect and require of a hospital and its staff. I am proud to say that our Veterans' Administration hospitals and their staffs—medical, administrative, and support—do not settle for minimum standards.

The VA delivers high-quality health care. This is well documented in the numerous awards and honors that have been bestowed upon the agency and its employees. However, I can think of no greater honor for the work carried on in a VA hospital than for that work to be recognized and appreciated by those who see it most clearly—the patients, their families and friends.

I am pleased to share with my colleagues two letters that were prompted by the high level of VA professionalism and caring witnessed and experienced by their authors.

HOUSE OF REPRESENTATIVES,
*Washington, DC, July 30, 1987.*

Hon. THOMAS K. TURNAGE,
*Administrator of Veterans' Affairs, Washington, DC.*

DEAR MR. TURNAGE: I have been endowed by wonderful parents who taught me that, among the words in the English language, a "please" and a "thank you" are words that have a profound effect. And so, during my lifetime, I have always tried to use those expressions when they are appropriate. At this time, I have an appropriate occasion.

A very dear close, personal friend of mine, Carlton Beall, was buried last Friday, but before he lost the battle of life, he had available to him the very finest medical attention. He spent over four of the last weeks of his life in the Veterans Administration Medical Center in Washington, D.C., where, from what I could see, he received the finest of care.

In particular, I want to express my own personal appreciation and I am certain the Beall family concurs, for all that was done for him by Dr. Steven Singh. His dedication, his zeal, the depth of his feelings are such that I really would not know how to describe them. Here is a man, who even when he went on a vacation, or short leave of absence, came back when the situation deteriorated. Here is a man who showed such great personal feelings to the family each day, and was so helpful to them in their understanding of Mr. Beall's illness.

Truly I cannot express my own feelings adequately. Truly you have one of the most outstanding physicians in America on your staff at the Washington Hospital Center. He is the epitome of an unsung hero who is going beyond what might be expected, to help the less fortunate ill who come before him. Dr. Singh is uniquely deserving of any praise that I could give. I am certain the Veterans Administration will make certain that he knows of my expressions.

With kindest regards, I am

Sincerely,

WALTER P. KENNEDY.

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STURGIS, MI,
*August 1, 1987.*

Hon. G.V. "SONNY" MONTGOMERY,
*Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.*

DEAR MR. MONTGOMERY: My husband, Louis F. McGue, died on June 7, 1987 at the Veterans' Medical Center in Battle Creek, Michigan. He was a patient there for approximately six weeks. I am writing to express my feelings and those of our three children about the care and treatment that he—and we—received.

My husband was comatose as the result of cardiac death (arrest) which occurred on March 21, 1987. During the interim he was a patient at Borgess Medical Center in Kalamazoo. When it became obvious that his condition was irreversible, there was a reluctance on my part to transfer him from the care of a cardiologist and neurologist in a teaching hospital to, what I assumed, was a large impersonal government institution, but there was no alternative.

It is important to all of us that you know that he received the finest of medical and personal care. My family and I were with him daily and were able to observe the activities of the staff in Building 82-2 of the Battle Creek facility. During the entire period, though under great emotional strain, we encountered only the utmost in patience and dedication on the part of every employee—from those who clean and maintain the ward up to the highest administrative level. Each and every person was courteous, caring and professionally responsible, not only to us but to everyone with whom they dealt. Crisis situations seemed only to enhance their composure.

Dr. InYoung Soh, my husband's physician, was available to us at all times to answer any and all questions and to explain treatment. He responded to our desires. We appreciate him.

Most of all, I must single out the administrative ability of Linnetta Neal, Head Nurse, under whose direction, Ward 82-2 functions so very well. I have never witnessed expert management combined with professional dedication in such a caring way. Each employee under the supervision of Ms. Neal performs to the maximum level with extraordinary compassion and understanding—often under the most trying circumstances. A "Thank you," or compliment evokes a reply that means, "That's my job,"—and they mean it.

One hears so much today about the slipshod attitudes of government employees, it is important that our governmental leaders are aware of the remarkable attitudes these people manage to bring to the care of the veterans in their charge.

We will be forever grateful for the philosophy which is obvious in the management of every aspect of Building 82-2 of the Battle Creek Veteran's Medical Center.

Very sincerely,

MARY LOU MCGUE.

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## COMMENDATION OF THE INTERNATIONAL FEDERATION OF MULTIPLE SCLEROSIS SOCIETIES

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. HOYER. Mr. Speaker, the 1987 International Federation of Multiple Sclerosis Societies annual conference is being held September 8-12, in Washington, DC. The federation is a worldwide organization whose member societies in 31 countries are dedicated to eradication of multiple sclerosis, a disabling disease that affects 2 million people.

The keynote speaker at the conference will be one of our colleagues, the Honorable GERRY SIKORSKI.

A major feature of this year's conference will be the scientific symposium on Saturday, September 12. The symposium topics are genetics, virology, immunology, and precipitating factors. The symposium chairman is 1985's Charcot Award winner, Dr. Richard T. Johnson, of Johns Hopkins University in Baltimore, MD.

Research will also be highlighted on Thursday when Dr. Byron Waksman of the National Multiple Sclerosis Society, as well as Dr. Murray Goldstein and Dr. Dale McFarlin of the National Institutes of Health will give attendees an inside look at the current multiple sclerosis research being conducted in the United States and abroad.

With the leadership and support of the National Multiple Sclerosis Society of U.S.A., the International Federation of Multiple Sclerosis Societies was incorporated in 1966 as a not-for-profit, tax-exempt organization.

According to its bylaws, the purposes of the federation are:

To coordinate and further the work of national MS organizations throughout the world.

To stimulate and encourage scientific research relating to multiple sclerosis and related neurological diseases.

To aid persons who are in any way disabled as a result of multiple sclerosis and related diseases.

To provide counsel and active help in the further development of voluntary national MS organizations or in the formation of such organizations.

To influence the development of the role of the handicapped worldwide.

Since its founding 21 years ago, IFMSS membership has grown to 31 countries, 1 associate member, and 4 MS medical sections of the Eastern bloc who are affiliated with the federation's international medical advisory board. Medical organizations in both Hungary and Yugoslavia have expressed an interest in forming national MS societies and applying for full membership status in the federation in the near future.

The international medical advisory board includes 204 leading medical and scientific experts from more than 40 countries.

Prior to 1966, funds for MS research on an international scope totaled less than $4 million annually. According to the 1985 International Research Grants Compilation—a publication of the National Multiple Sclerosis Society of U.S.A., approximately $43 million was devoted that year to MS research worldwide.

As a voluntary organization, the federation is governed by a council of delegates from each IDMSS national MS society and members of the executive committee who estabish the policies and review the activities of the federation at their meeting held bienially.

I am sure all my colleagues will join me in welcoming the distinguished IDMSS delegates from all over the world.

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## HONORING ARMANDO MORENO, JR., 1987 CITIZEN OF THE YEAR, AMERICAN RED CROSS, L.A. CHAPTER

### HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TORRES. Mr. Speaker, I am proud to inform my colleagues that my good friend, Armando Moreno, Jr., of La Mirada, CA, has been selected as the 1987 Citizen of the Year by the Los Angeles Chapter, Central East District, of the American Red Cross.

Armando Moreno, Jr., is vice president-director of urban affairs for Glendale Federal Savings & Loan Association. In his capacity at Glendale Federal, he has been instrumental in broadening the community's awareness of the role of financial institutions and the services provided to the community. Armando has been in the banking industry for more than 17 years starting out at Pacific Finance in East Los Angeles. An innovator, Armando developed a number of neighborhood bilingual programs designed to inform the community about financial institutions and personal finance management.

Active with the business and civic community, Armando has been a member and served on the board of directors for 18 public and private organizations that include, the Belvedere Rotary Club, East Los Angeles YMCA, Mayor's Fire Department Blue Ribbon Committee, Los Angeles County Private Industry Council, Los Angeles County Commission on Alcoholism, and the National Association of Latino Elected And Appointed Officials.

Mr. Moreno, chosen as the recipient of the Sixth Annual Citizen of the Year Award, will be recognized for his outstanding record of community service. On Thursday, September 10, 1987, members of the community will honor Armando Moreno, Jr., for his achievements at a dinner sponsored by the American Red Cross in the city of Commerce. I regret that I will not be able to join with Armando's family and friends to honor his many years of service to our community.

Mr. Speaker, I ask that my colleagues join me in saluting the contributions and achievements of a great American who I am proud to call my friend, Mr. Armando Moreno, Jr.

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## NATIONAL REYE'S SYNDROME AWARENESS WEEK

### HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. SCHUETTE. Mr. Speaker, in 1963, R.D.K. Reye, an Australian pathologist, first described the disease which today bears his name. Reye's syndrome is a rare, but often deadly disease which is most prevalent among children between the ages of 4 and 15. Estimates range as high as 25 percent for the number of victims who do not survive a bout with the syndrome. Because of the seriousness of this disease, I have introduced legislation to increase our public awareness of this killer disease.

Though we all have probably heard of this disease, its symptoms and effects are not widely known. For that reason, I have introduced a resolution to increase our recognition of Reye's syndrome. My bill, House Joint Resolution 335, would designate the week of September 13–19 of this year as "National Reye's Syndrome Awareness Week."

Although there is no conclusive evidence as to what causes children to develop the disease. Studies have shown that many of the diagnosed cases developed while recovering from a mild viral illness, such as chicken pox or influenza.

A first symptom of the disease is repeated vomiting. Over time, the disease could cause liver damage, resulting in the release of harmful substances into the blood. These substances, perhaps ammonia or fatty acids, eventually affect the central nervous system. While victims usually survive mild cases, the disease may progress to the extent that the victim may experience convulsions and alternate between stages of hyperactivity and sleepiness.

In advanced stages of the disease, victims can develop brain damage. Brain cells swell, building pressure on the skull. Drugs and, if necessary, surgery, can reduce the swelling if a dangerous level is reached. Victims can also fall into a deep coma and suffer irreversible brain damage and even death if treatment is not sought or successful.

The National Reye's Syndrome Foundation estimates that between 15 and 25 percent of Reye's victims die. Although the number of reported cases is relatively low, many believe these numbers are not representative of the actual number of people who contract the disease, as it is often not diagnosed as such and then, perhaps, not reported.

Mr. Speaker, the need to further study the causes and effects of this disease is unquestionable. Hundreds of children may die each year due to a lack of knowledge about the symptoms and possible ways to fight the disease in early stages. It is my most sincere hope that "National Reye's Syndrome Awareness Week" would promote further interest and knowledge of this tragic and life-threatening disease, and perhaps lead to preventive measures and a cure for the sake of all our children. I respectfully ask your support, and the support of our colleagues on this important resolution.

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## TRIBUTE TO PETER D. RUBINTON

### HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. MRAZEK. Mr. Speaker, I rise today to pay tribute to Peter D. Rubinton, the outgoing president of the Suffolk County, NY, Bar Association.

Under Mr. Rubinton's leadership, the Suffolk County Bar Association made significant gains in the area of legal service. In response to the recent changes in immigration law, the bar association established a new committee on immigration and nationality law. The bar association was also able to relocate to more spacious headquarters, enabling it to expand its activities and become fully computerized.

Peter Rubinton is no stranger to the area of community service. Besides being involved in the Suffolk County Bar Association and numerous other legal organizations, Mr. Rubinton is a former member of the board of directors of the Suffolk County Multiple Sclerosis Society. In addition, he is the past vice president of this local board of education, and is voluntary counsel to the Huntington Jewish Center.

Mr. Speaker, I commend Peter Rubinton today for this dedicated professionalism and for his commitment to serving his community.

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## THE FOSTER FAMILY—A FOUNDING FAMILY OF FOSTER CITY

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LANTOS. Mr. Speaker, 200 years ago our Founding Fathers created a new Nation under a new Constitution. As we celebrate the Bicentennial of that great document, we also look to the history of the founding of our communities here on the Peninsula. Many individuals have contributed to the creation and development of those communities. We cannot recognize and honor each one, but we have selected a representative Founding Family in Foster City to whom we give special recognition today.

The family of T. Jack Foster is honored today for its special contribution in founding this unique and thriving community. T. Jack Foster, Sr., had a dream—to create a new city, a totally planned community, designed with schools, parks, playgrounds, and residential neighborhoods; aesthetically designed and affordable to young families on the Peninsula. The dream included an open community, free from discrimination, and one which could be self-supporting with balanced opportunities for both homes and jobs.

This dream became a reality in Foster City. In 1958, Mr. Foster and developer Richard Grant took an option to buy Brewer Island from the Leslie Salt Co. and Schilling Estate Co. Brewer Island was 2,600 acres, 4 square miles of marshland, drained and diked in 1900, and used for dairy farming by Frank Brewer. Local residents who waited for the slow, old, San Mateo drawbridge to open to traffic were accustomed to the sight of cows grazing ankle deep in mud and brackish water. The possibility of turning this tiny island into a planned community was unthinkable—that is, until T. Jack Foster, Sr., and his sons arrived on the scene.

Aesthetics and good design were of paramount importance to the Fosters, but the practical engineering problems of swamp drainage created a major obstacle. A solution was found that makes the present beauty of Foster City seem miraculous. Instead of draining the water and filling the land, Foster decided to use the water by creating islands and lagoons. Small boats on the lagoons are now a common sight, and on weekends the Central Lagoon is enjoyed by enthusiastic windsurfers.

The Fosters demanded architecturally distincitive houses and buildings, and limited construction to those planes which fit criteria for architectural integrity. Neighborhoods were designed and streets planned and named according to a master plan. One neighborhood draws its street names from famous ships, another from sea birds, another from boats and boat parts, still another from famous explorers. Thus, the integrity of the plan proceeded by lending meaning and stimulating learning for residents and their families

Even street "furniture" and utilities came under careful scrutiny before construction. There are no overhead electric power distribution lines. The electrical design used in Foster City was a model for major underground power distribution systems later constructed elsewhere. The boulevard streets have blue light-poles painted "Foster City blue." The residential streets have finned street lights that are unique to the city. The fire hydrants won a national design award. The bridges over the lagoons were designed to permit sailboats to pass under them.

The first residents moved into their new Foster City homes in March 1964 only 6 years after Brewer's Island was purchased for development. These modern pioneers purchased their five bedroom home for $23,500, a reasonable buy even in 1964.

T. Jack Foster, Sr., lived to see this community grow and flourish. He saw the results of his determination to not compromise on quality as his new town won award after award for excellence in planning. A man for our time, a man for the ages, T. Jack Foster Sr., knew childhood poverty and hardship; he knew first hand hardwork, effort, self discipline and sacrifices. He valued family, friends, and American society. He and his wife, Gladys, shared those values with his three sons—Jack Jr., Bob, and Dick—who worked with him on many business projects including the creation of Foster City.

Today, on behalf of the 11th Congressional District, I am delighted to give this award to the Founding Family of Foster City—the Fosters. Mrs. Gladys Foster, the wife of T. Jack Foster, Sr. and the mother of their three sons, will receive the award on behalf of the Foster Family.

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## ACCOMPLISHMENTS OF SPENCER HOLDEN CELEBRATED

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, I wish to draw the attention of my colleagues to the remarkable accomplishments of Mr. Spencer Holden.

Since becoming actively involved in community work some 28 years ago, Spencer Holden has gained recognition as one of the most prolific, well liked, and respected persons in his community.

Spencer's continued dedication and concern for his community led him to acquire leadership and membership positions in many organizations he became involved with, such as: The Starrett City Tenants Association, serving in the capacity of first vice president; chairman of Starrett City Integration Committee; board of directors of Starrett City Coalition; member of AFRICARE; and member of the National Neighbors Organization.

In addition to his active involvement, Mr. Holden continued to extend his knowledge and abilities to the youth and senior citizens through the ONYX Corporation, a program which he founded. This program was designed to help expand the horizons of talented youth by establishing a yearly scholarship fund to aid in their pursuit of higher scholastic endeavors, and also to help advance the educational, recreational, and social well-being of senior citizens.

Spencer Holden, a graduate of Baruch College with a B.A, in political science, is currently employed as an electronic data processing representative for the New York City Bureau of Child Support.

His commitment to community work extends into the weekend, when he teaches Sunday School at the Brooklyn Truth Center.

Mr. Holden, who is married and has four children, is being honored at the first annual dinner dance of the women's and men's caucuses for Congressman EDOLPHUS "ED" TOWNS. The Women's and Men's Caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

May this award inspire and encourage him to continue the important work he has already begun. The wonderful example of dedication and perseverance which he has set has surely made him worthy of this honor and many more.

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## NEWBURGH FREE ACADEMY BICENTENNIAL CELEBRATION OF U.S. CONSTITUTION

### HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FISH. Mr. Speaker, I rise on this occasion to announce to this Chamber that on September 17, the date that marks the 200th anniversary of our Constitution, Newburgh Free Academy, Newburgh, NY, will join with schools across the country in celebration. The event will bring together 2,500 students, parents, teachers and local and State officials in a full day of activities designed to educate students while commemorating the Constitution.

I was very proud that Newburgh Free Academy was recently selected as one of 271 schools nationally to receive recognition for academic excellence by the Department of Education. The standards of academic superiority are joined by patriotic spirit in the upcoming celebration.

On the 17th, Newburgh Free Academy plans a full-day "Teach-in," informing students about specific amendments of the Constitution that affect young people. Among topics of discussion will be the rights of the accused, rights of the individual and freedom of the press.

To bring home the points made during the "Teach-in," speakers will conduct forum discussions at meeting rooms throughout the school. After participating in the panel symposiums and gaining an overview of all aspects of what speakers have to say about the Constitution, students will attend two in-depth workshops.

Some of the speakers participating are members of the press who will speak about freedom of the press, freedom of information, responsibilities of the press and the rights of the public to be informed. Representatives from area prisons will tell students about how the Constitution protects the rights of the accused, grants due process and generally guards our freedoms.

A picnic culminates the day's events. An All-American theme runs through the outing. Hotdogs and hamburgers will be served with a ragtime and Dixieland jazz band providing entertainment. The front of the school building will be decorated, draped with colorful red, white and blue banners.

Newburgh Free Academy plans to continue the celebration of the Constitution throughout the coming school year. Some examples include a theater group from Philadelphia that will arrive on September 18 to stage a production that will deal with the 19th amendment, which granted voting rights to women and the 15th amendment, which granted voting rights to blacks. Theater groups from New York City will visit the academy at various times of the year. A Saturday morning program will take interested students on tour of the many historic sites in Newburgh and the surrounding area including: Sleepy Hollow, Washington's headquarters and the Franklin D. Roosevelt Library. Students will be encouraged to compete in a writing contest, with winners spending a weekend in Philadelphia touring historic sites. Two children and two adults will have their expenses paid by local businesses sponsoring the competition.

During the last 200 years, our constitutional structure has endured and adapted to innumerable changes in the character of our Nation. The genius of the Constitution rests in its flexibility to meet the problems of different generations. Our Constitution remains a structure that will permit us to address the many challenges that lie ahead. Newburgh Free Academy has shown that it is prepared to help meet these challenges.

## SANTA MARIA CHAMPIONS

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I rise today to bring to the attention of my colleagues the recent accomplishment of the Nation's top 12-and-under girls fast pitch softball team. Last month, the Orcutt "Mini Express" from Santa Maria, CA, traveled to Shawnee KS, to participate in the American Softball Association National Championship.

Seven games later, the national championship was enroute back to California to reside in Santa Maria for the next year. Not only did the team have to defeat top teams from Texas, Colorado, Oklahoma and other States but the players had to contend with temperatures near the century mark, which is in contrast to the cool ocean climate of Santa Maria.

Congratulations should also go to the teams reaching the national finals this year, many traveling across country for the tournament. As "Mini Express" manager Pete Miranda noted upon return home, "It's nice to be home, but it's even better that we are home with the championship trophy."

## AT&T'S TRANSITOR TECHNOLOGY: 40 YEARS OF PROGRESS

### HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. GALLO. Mr. Speaker, in December 1947, three physicists at Bell Laboratories in Murray Hill, NJ, made a discovery that changed our lives forever. Nine years later, when these men were awarded the Nobel Prize in Physics for their discovery of the transistor effect, the practical applications of their work were already entering every American household.

The transistor is celebrating its 40th birthday this year and I would like to acknowledge the anniversary of this tiny marvel as both a beneficiary of all its wonders and as a proud New Jerseyan—a proud New Jerseyan because besides the Garden State, New Jersey might just as aptly be known as the Invention State.

Gov. Tom Kean recently proclaimed a 2-year celebration of New Jersey's invention history. Included in that history, along with many of Thomas Edison's designs, is the transitor. The transistor effect was first observed in 1947 at the Bell Laboratories location in Murray Hill, NJ. The transistor itself was invented by three physicists, John Bardeen, Walter Brattain, and William Shockley, who garnered a Nobel Prize in 1956 for their discoveries.

It was this New Jersey discovery that heraled a new era in electronics. Made from silicon crystals, transistors are semiconductors of electricity that are able to control electrical flow by adding small amounts of certain impurities to the crystals. They are able to detect, rectify, and even amplify currents. The most important ability of the transistor, however, is its switching ability. Transistors produce electromagnetic waves of ultra high frequency and are able to open and close circuits in billionths of a second.

The transistor's switching powers provided the technology for the computer revolution that has now become an integral part of our lives and made the drudgery of paper recordkeeping and filing obsolete, to the relief of office workers everywhere.

Because of the transistor's tiny size—thousands of transistors and diodes can be woven into a maze of circuitry smaller than a pencil eraser, low cost, and small consumption of power, the transistor has revolutionized electronics and invaded our world in ways we never considered.

Without transistors to replace the cumbersome and outdated vacuum tube, there would be no pocket calculators and computers and battery-operated radios and televisions would be much larger and more expensive.

Transistors are also the ghosts in such machines as heart beat regulators; certain cameras; electronic guitars and instruments; hearing aids; electronic watches; and radio, video, stereo systems. Transistors are also the cornerstones of space flight and modern aeronautics.

These miniscule powerhouses are also the driving force behind satellite communications. With the launch of Bell Laboratories Telstar 1 in 1962, TV and radio satellite transmission became possible so that live satellite broadcasts are now completely common.

These same satellites have also improved telephone communications so that underwater cables can be bypassed for overseas calls.

Besides all of its technological accomplishments, the transistor also provides us with a booming business that employs millions and produces billions of dollars.

Today, it would be hard to imagine what life would be like without this small, but extremely powerful, piece of technology.

It is no accident that this discovery was made in the State of New Jersey. Thomas Alva Edison's pioneering work with filaments in his New Jersey laboratory led to the invention of a light bulb that was long lasting and inexpensive to mass produce.

Life-saving medical discoveries, pioneering efforts in agriculture, and major advancements in science and engineering have been made in New Jersey with such frequency that our State has gained a worldwide reputation as a leader in the development of new, innovative products and services.

As the American Telephone & Telegraph Co. and the State of New Jersey prepare to celebrate the anniversary of this major milestone, I am proud to report that a new generation of AT&T scientists and engineers working in New Jersey are upholding the fine tradition of excellence and invention that produced the transistor 40 years ago.

## PAKISTAN AND NUCLEAR WEAPONS

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. EDWARDS of California. Mr. Speaker, over the August district work period, our colleagues HOWARD WOLPE and MEL LEVINE had published in the Christian Science Monitor an excellent article regarding Pakistan's development of nuclear arms and its implications for United States/Pakistani relations. For the benefit of my colleagues who may have missed this insightful essay, I would like to insert it in the CONGRESSIONAL RECORD.

As the writers point out, Pakistan has repeatedly violated agreements with the United States to refrain from the development of a

nuclear weapon capability as a condition for continued generous United States financial assistance. Congress and the administration should insist that Pakistan live up to the promises it has made, and we should make absolutely clear that failure to do so will make it impossible for the United States to continue to provide aid to Pakistan.

I commend this article to the attention of my colleagues:

[From the Christian Science Monitor, Aug. 17, 1987]

PAKISTAN AND THE BOMB: A HISTORY OF DECEPTION

(By Howard Wolpe and Mel Levine)

For the past six years, United States policy toward Pakistan has attempted to maintain a delicate balance. The US sent Pakistan more than $3 billion in aid because of the strategic importance of that South Asian nation; at the same time our government insisted that Pakistan curb its drive toward a nuclear weapons capability. A veritable mountain of evidence has accumulated that Pakistan's nuclear program is not "peaceful." However, our government has refrained from taking a tough stand against Gen. Mohammed Zia ul-Haq's government. As each new piece of evidence has been revealed, the US has looked the other way.

Such a position is no longer tenable (if it ever was). Last month, a Pakistani national was arrested in Philadelphia on charges of attempting illegally to export materials whose only conceivable use is in Pakistan's nuclear weapons program. The Pakistani government's reaction was to deny any connection with the incident. But State Department testimony, as well as the documents forming the basis for the indictment in the case, indicate that the Pakistani government's denial is as groundless as others it has made over the last few years.

Just three years ago, a Pakistani was caught trying to smuggle parts for atomic weapons out of the US. Pakistan's denials of involvement were not supported by the evidence. Later that year, General Zia gave President Reagan his personal assurances that Pakistan would not enrich uranium above levels for peaceful use. Within a year, conclusive evidence emerged that Pakistan was—and porobably had been all along—doing just that.

And now we have the latest example of deceit by the Pakistani government. It is particularly galling that Pakistan would attempt to violate US laws even as Congress is drawing up a generous new aid package.

The sense of outrage in Congress was expressed in a resolution passed unanimously in both houses of Congress, which supports the President in his effort to get Pakistan to live up to its previous commitments and "urges the President to inform Pakistan that Pakistan's verifiable compliance with these past commitments is vital to any further US military assistance." To this end, we are encouraged by the administration's call for "concrete actions" on Pakistan's part to deal with the crisis.

The resolution also calls for vigorous US efforts to help bring about an agreement on restraint in the nuclear field by Pakistan and India. Pakistan's nuclear program cannot be viewed in isolation; it must be seen in the context of India's nuclear capability. However, one can acknowledge the truth of such a statement without conceding the inevitability of a nuclear arms race on the subcontinent. Indeed, for the US to throw up its hands at this unsettling prospect would represent a reversal of the policy, not only of this country, but also of the more than 130 other nations that are party to the Nuclear Nonproliferation Treaty of 1968.

But our patience with Pakistan's continuing deception has now put our global nonproliferation policy in danger.

Our millions of dollars were intended to support Pakistan in the face of Soviet aggression, not to subsidize its efforts to develop a nuclear weapons capability. In fact, one of the justifications for our massive aid package was that Pakistan would be made to feel secure enough to have no need for nuclear weapons.

We fully appreciate the critical assistance that our friends in Pakistan have provided to the mujahideen in Afghanistan. It should be noted, however, that Pakistan has its own interest in supporting the Afghan resistance. As Pakistan's ambassador to the US stated earlier this year, "It is a matter of historical record that Pakistan's opposition to the Soviet invasion of Afghanistan commenced with the invasion itself, and certainly before the first US aid package was initiated. Nothing will deflect us from adhering to these same principles." This statement reflects a very realistic Pakistani policy toward the situation in Afghanistan. No other nation has a bigger stake in opposing a Soviet regime in Afghanistan.

We want to keep the supply route open to the Afghan freedom fighters, and we want to see the strongest possible ties between the US and Pakistan. But supporting these goals does not require sacrificing another critical US interest—slowing the spread of nuclear weapons. Pakistan has violated our law and our trust. If Pakistan wants to avoid an interruption in the flow of US aid, it should be required to take concrete, verifiable steps to bring its nuclear program in line with its many previous assurances. At stake is not only our relationship with Pakistan, but our global nonproliferation policy.

## THOMAS TOUSIGNANT, SUPERINTENDENT OF SCHOOLS IN WOODRIDGE, IL, RETIRES

### HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FAWELL. Mr. Speaker, I believe we can all agree that, from the beginning of our national history, public school education has been one of the foundation stones of our culture and our country. It continues so today.

For this reason I have always extended a special measure of respect to those educators who have devoted virtually their entire adult lives to the essential task of educating our boys and girls, our young men and young women. Today I have the privilege of calling your attention to just such a person: Thomas Tousignant, Superintendent of Schools in Woodridge, IL, who is retiring after 29 years of distinguished service to his chosen field of education.

The course of Mr. Tousignant's career in education is marked with distinguished accomplishments:

Twenty-six years of service as an educator in Woodridge School District No. 68.

Twenty-five years as superintendent of schools in this same district, the longest serving superintendent in DuPage County.

Member of the executive board of the School Association for Special Education in DuPage County from 1969 to 1975, and chairman for two years.

Legislative representative for the DuPage Division of the Ilinois Association for School Administration from 1981 to 1985.

Chairman of the Southeast DuPage Regional Education Council in 1985.

President of the Southeast DuPage Elementary School Association in 1971.

On Friday, September 18, 1987 the employees and Board of Education of Woodridge School District No. 68 will host a retirement dinner for Mr. Tousignant at the Naperville Sheraton Hotel. I ask my colleagues to join me in congratulating him for his exemplary contribution to the education of our children.

## AN IMPORTANT MILESTONE

### HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. SCHEUER. Mr. Speaker, on Sunday, September 20, 1987, the Jewish Community Council of Pelham Parkway will celebrate an important milestone—its 10th anniversary Shalom Pelham Parkway Festival.

The council deserves praise and applause for doing such a fine job in coordinating this wonderful event. Not only does this festival offer great entertainment for all ages, it provides an invaluable forum for neighborhood organizations to inform residents of their achievements and to gather support for future projects.

The Jewish Community Council of Pelham Parkway, in conjunction with 41 member organizations which include many synagogues and Jewish social and cultural agencies in Pelham Parkway, represents the unified voice of the Pelham Parkway Jewish Community. Together they have been a major catalyst in stabilizing the Pelham Parkway area and making it a great place to live.

As the Congressman who represents Pelham Parkway, I am proud of the determination, perseverance, and community spirit of those citizens who serve on the council and work on a broad range of promotional and public relations efforts to help inform the public about the attractive options the Pelham Parkway Community offers families seeking a good place to live.

Many talented and creative people serve or have served on the Pelham Parkway Jewish Community Council one of these citizens is Rhoda Gogatz, who has been a catalyst for community improvement through her positions as past president of the council and festival coordinator since it's inception 10 years ago.

I have had the privilege and pleasure of having known Rhoda Gogatz for many years. She as always used her wise knowledge of the community and deep concern for humanity for the benefit of our needy constituents. Through patience and hard work, Ms. Gogatz and her colleagues on the council have overcome bureaucratic red tape time after time to rack up a long string of success stories that contributed greatly to the quality of life of our community, as well as continued success for the Shalom Pelham Parkway Festival.

Rhoda Gogatz has always brought her unfailing sense of humor and grace to every task and shouldered her burdens with a quiet courage.

I congratulate the Pelham Parkway Jewish Community Council on the 10th year of their Shalom Pelham Parkway Festival and I know I speak for all Bronx residents when I offer my support and admiration for the indispensable services they have provided over the years.

## HONORING THE RETIREMENT OF MR. MARK A. GROBBEL

### HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. HERTEL. Mr. Speaker, I rise today to honor the retirement of a great public servant, Mr. Mark A. Grobbel, from his position as director of public safety in Center Line, MI.

Mr. Grobbel began his career with the Center Line Police Department 30 years ago as a patrolman. During this same time, he was also a member of the volunteer fire department. He later became uniform sergeant, and in 1969, was appointed commissioner of public safety. Seven years ago, upon the consolidation of the police and fire departments, Mark Grobbel was appointed to his present position, director of public safety.

Mark Grobbel's dedication and commitment come from a long tradition of public service in Center Line. He grew up there, his father was police chief there, and many members of his family served with the volunteer fire department. As Mr. Grobbel's career progressed, his superior performance was continually rewarded with several departmental commendations for police service. In addition, he continued to improve his skills by learning and attending numerous courses and seminars on law enforcement and public service.

Some of his activities include the organization of the first police union in the city, serving on the Macomb County Emergency Medical Services Executive Board, and the State Drunk Driving Task Force as the Governor's appointee from the Michigan chiefs of police. He is also a member of the International Association of Chiefs of Police, the Michigan Association of Chiefs of Police, and the Southeastern Michigan Police Chiefs Association. He has served as president of the Macomb County Police Chiefs Association and has served as member of the executive board of the Fraternal Order of Police of the Warren Lodge No. 124.

I would ask my colleagues to join me in honoring Mr. Mark A. Grobbel. His contributions to the community have been great, and we wish him the best on his retirement.

## THE COLLEGE GRADUATION OF JASON PAUL MIHALKANIN AND EDWARD MICHOR

### HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LIPINSKI. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues here Mr. Edward Michor and Mr. Jason Paul Mihalkanin, two outstanding young constituents of mine who recently graduated from the Rochester Institute of Technology.

Their achievement may sound typical in today's world, but it is a special type of achievement for them. The National Technical Institute for the Deaf, affiliated with the Rochester Institute, is the world's largest technological college for deaf students. Created by Congress and funded by the U.S. Department of Education, it represents the world's first efforts to educate large numbers of deaf students within a college campus atmosphere of hearing students. Together with 15,000 full and part time hearing students, more than 1,250 college-age deaf students from all 50 States and the District of Columbia, and U.S. territories, study and reside on the Rochester campus.

In addition to the academic programs of the Rochester Institute, students at the institute benefit from nearly 200 other technical and professional courses of study offered by the other eight colleges within the institute. This allowed Edward to graduate with an associate of arts degree in data processing and Jason to graduate with an advanced degree in manufacturing processes.

I am sure my colleagues will join me in saluting the effort and dedication exhibited by these two outstanding young men and send them best wishes for health and happiness as they begin their careers.

## THE VA'S HOSPITAL COMPUTER SYSTEM

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. MONTGOMERY. Mr. Speaker, there continues to be a debate in Congress as to whether the Decentralized Hospital Computer Program [DHCP] operated by the Veterans' Administration in 169 of its 172 hospitals is effective and whether the system should be enhanced. I continue to believe that the system we now have in place is working well and is making a major contribution to the quality of care provided to our Nation's veterans.

VA employees from Maine to California have written to me in support of the decentralized hospital computer system. The following letter from Mr. W.G. Wright, Director of the VA medical center in Clarksburg, WV, illustrates how strongly VA employees advocate retention of the DHCP.

JUNE 1, 1987.

Hon. G.V. (SONNY) MONTGOMERY,
*House of Representatives, Committee on Veterans' Affairs, Cannon House Office Building, Washington, DC.*

DEAR CONGRESSMAN MONTGOMERY: When the Veterans Administration decided to automate all of its facilities through the efforts of the DHCP, it was a major step forward in moving the agency forward. A step which was long overdue and much needed in order to make the VA more efficient and provide the quality of care that our veteran beneficiaries deserve.

The system selected provides the much needed tools as well as versatility. Although every VA Medical Center must follow the same basic guidelines and regulations, each one has needs and problems that are unique to its local area and environment. The systems used in the DHCP effort provide for local development, modifications, refinement, and implementation. This is not available under pre-packaged commercial systems.

We are at a crucial point in the advancement of automation in the Veterans Administration and need to move forward with equipment purchases and applications. A pause in implementation will only serve to stagnate the agency and cause us to fall behind rather than move ahead.

Changing systems would necessitate the retraining of all employees at a time when they have grasped the use of the DHCP system and the new methods of performing their jobs. Not only would this cause decline in morale and productivity, the cost assocalted with such training would appear to be a further burden to our budgetary resources. Converting data from one type of system to another would create even greater cost factors not to mention the confusion and turmoil.

The Veterans Administration made the decision as to the type of system to use, began implementation and has made great strides at a most reasonable cost. Allowing special interest groups to interfere with this process would only prove to be a great disservice to the Veterans Administration, the deserving veterans it serves and the American taxpayer. Should we stall progress now for this group, what is to prevent another group from creating the same situation in a year or two? This type of lobbying could continue forever, thereby bringing automation in the VA to a halt and hurting those who have already born the burden, the Veterans.

Sincerely,

W.G. WRIGHT,
*Medical Center Director.*

## CARLTON GRANVILLE BEALL

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. HOYER. Mr. Speaker, on Monday, July 17, my county lost one of its most distinguished citizens with the death of Carlton G. Beall.

Those of us who are Members of this House know more than most, that the backbone of public service in our country are the thousands of people who actually make government run. One of the most capable of

these individuals in my own area over the past 40 years has been Carlton G. Beall.

Mr. Beall was a ninth generation member of one of Prince Georges County's most well-known and civically active families.

Following in his father's footsteps, Carlton Beall became a member of the Prince Georges Republican Central Committee in 1947. He was elected our county's sheriff in 1950, and with his typical integrity and thorough style, he set about cleaning up gambling and corruption.

Carlton Beall's ability did not go unnoticed, and in 1954, President Dwight Eisenhower, whom he had supported at the 1952 Republican Convention, appointed him to be chief U.S. marshall for the District of Columbia. Again, Mr. Beall brought professionalism to his office, clearing up a years-old 3,000 case backlog in a matter of months.

President Eisenhower continued to show his respect for Mr. Beall's ability by appointing him in 1958 to be Postmaster of Washington, DC. As we know, the population of this area increased over the next decade more than it ever had in history. Mr. Beall handled the resulting increased burden on the Postal Service with ability and aplomb. When, in 1971, the U.S. Postal Service was created, he became the manager of the Washington district. In 1976, he retired from the Postal Service.

Although two of his bids for elective office, for Prince Georges County executive and Maryland Governor, did not meet with success, Mr. Beall has always been a popular and respected figure in our county. It is no wonder, for he has embodied all that we expect from our most outstanding citizens who grace us with their public service.

Mr. Speaker, I ask you and our colleagues to join me in sending condolences to Mr. Beall's wife Jeanne Traband Beall, and to the rest of his family.

## SALUTE TO RITA MORENO

### HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TORRES. Mr. Speaker, I ask my colleagues to join with me today in saluting Rita Moreno who was honored on Thursday, August 6, 1987, by the National Puerto Rican Coalition with the first NRPC Life Achievement Award.

Born in Humacao, PR, Ms. Moreno moved to New York at the age of 5 and started dancing lessons the following year. At the age of 13 she made her Broadway debut. In the true tradition of Hollywood, a meeting with Louis B. Mayer was arranged by a talent scout and led to a signed contract with MGM when Rita Moreno was 17 years old.

Ms. Moreno made over 25 films early on in her career but was immediately typecast as a "Mexican spitfire" or Indian maiden. In spite of this stigma, she continued to aspire to greater roles. In fact, Mr. Speaker, Rita Moreno is the only female performer to have ever won the "grand slam," the four most prestigious show business awards in the industry: the Oscar, the Emmy, the Grammy, and the Tony. She has even won the Emmy twice. She has also picked up dozens of other entertainment awards, most notably "The Golden Apple," "Cue Magazine Award" and the 1968 "Joseph Jefferson Award." Rita Moreno, dramatic actress, accomplished singer, dancer, and comedienne, represents the vitality and achievements of today's Hispanic community and serves as a role model for tomorrow's leaders.

Mr. Speaker, I ask my colleagues in the House of Representatives to join me in honoring Ms. Rita Moreno for her achievements and contributions to the entertainment industry as well as to our country.

## CAUCUS SALUTES ACCOMPLISHMENTS OF MARIA IRIZARRY

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, on Saturday, September 18, 1987, Maria Irizarry is being honored at the first annual dinner dance of the Women's and Men's Caucuses for Congressman EDOLPHUS "ED" TOWNS. The Women's and Men's Caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

I would like to take this opportunity to draw the attention of my colleagues to the accomplishments of this remarkable woman. Maria Irizarry's strong desire to remain active in her community in order to improve the quality of education and to help obtain better services for the many residents of her community, led to her recent election as a member of District 19's community school board.

Maria also serves as president of the Parent-Teacher's Association of P.S. 7. She is an active member of the Cypress Hills Development Corp.'s Education Committee, the Youth Committee of Community Board No. 5, the Area Policy Board, the Society of Puerto Rican Women, and the Women's Caucus for Congressman EDOLPHUS TOWNS.

She attended Kingsborough Community College in 1972 and is presently a legislative aide for Assemblyman Thomas Catapano.

Maria is married and has two children.

May this award inspire and encourage Maria to continue the important work she has already begun. The wonderful example of dedication and perseverance which she has set has surely made her worthy of this honor and many more.

## TRIBUTE TO CHIEF JOHN FRONTADO

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I rise to call the attention of the Members of the House to the career of chief of police John R. Frontado of the city of Carpinteria, CA.

Chief Frontado will retire on November 1, 1987, after 30 years of service in law enforcement, and after 20 years of service to the city of Carpinteria. In those years, Chief Frontado has distinguished himself on many occasions, serving ably and well as chief of police and on occasion as acting city manager. Chief Frontado joined the city force on June 27, 1967, as one of the first police officers hired by the city. He advanced to the rank of police sergeant in the following year, and was appointed as the city's second chief of police in 1971.

A native of Puerto Rico, Chief Frontado served in the U.S. Navy from 1951 to 1955, serving on three aircraft carriers. Moving to California from New York, he began his career in law enforcement in 1957 with the city of Hermosa Beach, CA, and served in that city until 1964 when he joined the Torrance, CA, Police Department, moving to Carpinteria in 1967.

The chief has received numerous special awards and commendations in his career, and I would like to add my own commendations and congratulations and those of the House on the occasion of his retirement. I am assured that he plans to stay in Carpinteria, and wish him and his wife, Christine, many happy years in pursuit of his other avocations—golf, fishing and camping.

## VALLEY CENTRAL MIDDLE SCHOOL, BICENTENNIAL CELEBRATION OF U.S. CONSTITUTION, SEPTEMBER 16, 1987

### HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FISH. Mr. Speaker, I rise on this occasion to announce to this Chamber that on September 16, 1987, the Valley Central Middle School, Montgomery, NY, will celebrate the 200th anniversary of the Constitution. The celebration will bring together approximately 1,000 sixth, seventh, and eighth graders, local and State elected officials, school board members, and parents.

I know that every representative feels their constituency is the best, but I believe the efforts of Valley Central Middle School are outstanding.

This assemblage will participate in the Hands Across America Pledge of Allegiance, joining with schools in celebration all across the country.

Speakers will stress the importance of the Constitution at the time of its creation and for us today. The students have donated items for a time capsule that will be buried containing newspapers, music, and other items chosen as a sampling of our culture. Each of the three grades will be releasing balloons at specific times during the celebration, and a fife-and-drum band will play a melody of patriotic selections including, "The Star Spangled Banner."

Activities mentioned to this point are only a partial indicator of the commemorative spirit at the Valley Central Middle School. Beginning this past spring, students participated in a poster and essay competition, with selected works being displayed in the school.

Every school day, 30-second constitutional announcements telling of events leading to the final signing of the Constitution have been broadcast into classrooms.

Student government officials and their student constituents produced amendments to the Constitution they felt were needed. The administration used official voting machines so that students could cast their ballots on the various proposals. One proposal was an amendment that would eliminate driving privileges to any motorists convicted of driving while intoxicated.

Observance of the Constitution will continue in the coming year. A staging of "1776," a theatrical discussion of our break with England, the Revoluntionary War, and the formation of our own government is planned for the coming year.

I am proud to represent a group of constituents who are so patriotic and seriously appreciative of our Constitution. The Constitution is such an integral part of our daily lives and has shown such endurance that we can easily lose track of its importance. We take for granted and forget at times what life would be like without it.

As we pay tribute today to schools and groups celebrating the bicentennial of the Constitution, let us too reflect on the freedoms we are granted by the Constitution and the responsibilities these freedoms place on every citizen.

The key to the success of American Government—at the Federal, State, and local levels—is the interest and involvement of an informed citizenry.

During the 200 years, our constitutional structure has endured and adapted to innumerable changes in the character of our Nation. The genius of the Constitution rests in its flexibility to meet the problems of different generations.

Our population has increased sixtyfold, our land mass expanded from coast to coast, and our agricultural economy has been transformed by revolutions in industry and the advent of the computer. We have moved from the horse and buggy to a day and age where lunar exploration is history and planetary exploration is advancing quickly.

Through it all, our Constitution has maintained a balance between national and State interests; between executive, legislative, and judicial prerogatives; the powers of government; and the rights of individuals. Our Constitution enables people of different races, creeds and religions to live together, one man no better than his neighbor. Our Constitution is a structure that will permit us to address the many challenges that lie ahead. Valley Central Middle School has shown that they are ready to meet these challenges.

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## LICATO LEADS UNICO

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FLORIO. Mr. Speaker, in 1922, an American citizen of Italian descent decided to form an organization to combat discrimination against his fellow Italian-Americans. That organization was called UNICO in recognition of the ideals that the group espoused, that is, unity, neighborliness, integrity, charity, and opportunity.

Fifty-five years later, that organization still exists. With the recent appointment of Frank Licato of South Plainfield, NJ, as president of this nationwide organization, UNICO still exemplifies the best in the tradition of that organization.

Fifty-five years after being founded, UNICO is pursuing the goals of charity that originally made it an organization sponsoring the Italian-American heritage and the improvement of opportunities for this important part of all our communities.

Frank Licato and the members of UNICO have much to be proud of. In years past, they have provided educational opportunities for students and funds for medical research.

In the future, Mr. Licato and UNICO are committed to continuing the standards of excellence and achievement in the Italian-American community. They are determined to broaden the range of activities for the organization through scholarships and activities benefiting the entire community.

One of the many projects that UNICO has tackled has been that of finding a cure for Cooley's anemia. Afflicting primarily those of Italian, Greek, Jewish, and Spanish background and otherwise known as Mediterranean anemia, this disease used to cut the lives of affected children to only 6 years.

Although the disease continues to be a persistent problem, thanks to UNICO's financial contributions, major advances have been made along the way to improving the odds in the fight against Cooley's anemia.

I wish Frank Licato and all at UNICO well in continuing their good work in the wide range of interests that they have held since their founding.

Mr. Licato himself has been a part of UNICO for many years, participating at both the State and National levels. In addition, he has been an active part of the community in all respects, having been recognized on many occasions for his work in the Jaycees, with educational groups, and with insurance groups.

Frank Licato's commitment to the community is a valuable asset that will benefit the community of UNICO.

Our Nation has come a long way since discrimination led a neurosurgeon in Connecticut to found UNICO.

With Frank Licato, the organization will continue to ensure that opportunities for advancement will be available for all.

I am including an article from the Newark Star-Ledger naming Mr. Licato Jerseyan of the Week for his many contributions over the years and for his new post with UNICO:

[From the Sunday Star-Ledger, Aug. 23, 1987]

#### JERSEYAN RECOUNTS UNICO'S START, GOOD WORKS

(By Patricia C. Turner)

Frank Licato has never experienced the discrimination that in 1922 led a neurosurgeon to found UNICO, the service club for men of Italian-American heritage.

But 65 years later, Licato, the organization's national president, believes there remains a need for Italian-Americans to join together.

Licato, a South Plainfield resident and businessman, was president of the Plainfields' UNICO chapter in 1970. He entered the national UNICO scene in 1977 as executive secretary and has since served as expansion director and chairman of a major fund-raising project.

He assumed the top office earlier this month in a ceremony in San Francisco and will hold the post for a year.

Although a nationwide organization, UNICO is strongest in New Jersey and Connecticut, Licato said. There are as many as 7,000 members across the country, 35 of them in the Plainfield area chapter alone.

The organization's name stands for "unity, neighborliness, integrity, charity and opportunity."

Licato said there are 145 chapters in the United States, more than 60 of them in the Garden State, which has 11 districts. There are four districts each in Connecticut and Pennsylvania.

UNICO was founded in Waterbury, Conn., Licato said, by a highly respected neurosurgeon of Italian descent who was barred from joining one of the local men's service clubs because of his ethnic background.

UNICO chapters have always emphasized community service, Licato said, and now generally concentrate on local and national scholarships, mental health research and scientific investigations of the treatment of Cooley's anemia.

Cooley's anemia, Licato noted, is a disease that afflicts people of Jewish, Greek, Italian and Spanish background and is sometimes called Mediterranean anemia.

When Licato joined UNICO less than 20 years ago and became aware of Cooley's anemia, he said, the life expectancy for a child who became afflicted with the disease was about six years.

Because of medical knowledge gained through research, Licato said, the life expectancy of a victim of this deformation of red blood cells has been extended considerably. And if the disease is detected early enough, he said, a child can lead a normal life.

For that reason, Licato said, UNICO advocates a federal requirement that men and women seeking marriage licenses be tested to determine whether they are major or minor carriers of Cooley's anemia. An individual can possess and pass on the trait for the disease without ever showing symptoms of it, he noted.

Licato said UNICO also makes annual grants to university researchers undertaking various mental health projects and awards five national scholarships, four to undergraduates and a fifth for graduate level work.

The graduate scholarship is given in memory of World War 2 Marine hero Sgt. John Basilone of Raritan. The scholarships, Licato said, are available to students of any ethnic heritage.

Licato said he is particularly pleased that three of this year's college scholarships were awarded to students from New Jersey. Recipients are Louise Cottone of Maple Avenue, Elizabeth, who will study accounting and advertising; Christopher L. Castello of West Court, Scotch Plains, who plans to enter financial services, and Michael Roman of Melon Place, Elizabeth, who will pursue fine arts and literature.

Formerly of Maplewood, Licato has lived in South Plainfield for 27 years. In the borough, he has been active in the Jaycees organization, was the 1967 Outstanding Young Man of the Year, was president of the South Plainfield community pool organization for more than 20 years and served on the town planning board and board of education.

Professionally, he is Middlesex County representative to the board of the Independent Insurance Agents of New Jersey and teaches workshops for independent insurance agents.

He attended Rutgers and Seton Hall universities and served for eight years in the Naval Reserve. His wife Fran operates a travel agency in Watchung with their daughter, Wendy. A son, Frank, is a dentist; another son, Jeff, works with his father in the insurance business, and daughter Debbie is an administrator at Lehigh University.

Licato said UNICO brings together men of Italian descent, and men who have married women of Italian heritage, to "foster a good name for Italian-Americans.

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## THE UCCELLI FAMILY—A FOUNDING FAMILY OF SOUTH SAN FRANCISCO

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LANTOS. Mr. Speaker, as we celebrate the bicentennial of the U.S. Constitution, the document which has guided our Government for 200 years, we recognize the amazing gift of wisdom given to posterity by the Founders of our Nation.

This is also a fitting time, to acknowledge the gift given to the peninsula by its founding families. Today, we are honoring a founding family of south San Francisco—the Uccelli family, which is representative of many of our early families on the peninsula.

Joseph Uccelli came to California from near Genoa, Italy in 1894. Within a few years he had purchased 12 acres of land in what is now south San Francisco. He farmed this land, raising violets as a main crop, providing lovely fresh flowers for the shops and venders in San Francisco and on the peninsula. Joseph saved money to send to his nephews in Italy to help them pay the cost of passage to America. The first nephew, Peter, came in 1907. A year later he sent money to Italy for his wife. A few years later, enough money was saved to help Peter's brother, Guiseppi and his wife come from Italy.

By 1913, three brothers had joined their Uncle Joseph in south San Francisco. Each worked for a year or two, and then purchased land of their own. They had a different view of farming from their Uncle Joseph, and gradually they switched from growing violets to growing vegetables such as zucchini, beans, potatoes, and other produce.

The Uccelli family gave many sons and daughters to California—many of whom are living in and near south San Francisco. Peter Uccelli had seven children. Three of his sons joining him in farming, and one, George, is still farming at Grand Avenue and Oak.

The Uccelli family brought a strong tradition of farming to south San Francisco. Life on the farm was hard, and opportunities for social events were rare, but they were memorable. The farmers celebrated each year at the end of the last fall crop planting of cabbage and cauliflower.

Joining with other farmers on the peninsula—from Daly City to San Jose—they participated in the annual "Gardener's Picnic" sponsored by the Colma Farmers Association. Peter's daughter, Alice Uccelli Marsili still recalls the excitement and fun of this June event held in the Big Trees Park in Santa Cruz. People would board the train at each stop from the 3d and Townsend Station in San Francisco on through Daly City, Colma, south San Francisco to Redwood City and then on to Santa Cruz. Baskets of food, prepared days in advance, would be carried aboard the train. The picnic lasted all day with singing, dancing, and games.

The Uccellis, like other farmers and many Americans of those days, were self-sufficient people. They butchered their own meat, made their own salami and proscuitti, and their own cheese. They also, of course, grew grapes and made their own wine, just as they had in Italy.

It is this tradition of self-reliance, of a people of many heritages working together, of a family determined to stay together and sink roots deep into new soil that marks the founding families of the peninsula.

I am proud today to honor the Uccelli family, and to give this certificate of recognition of Alice Uccelli Marsili for her father Peter, his brothers, and for her great Uncle Joseph Uccelli who made a place in America—in south San Francisco—for himself and his nephews.

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## MEDICARE REFORM: A GOOD PROGRAM, BUT A BAD TAX

### HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. GALLO. Mr. Speaker, as a long-time advocate of programs that protect our senior citizens from fear and uncertainty associated with severe or long-term illnesses, which can ruin the financial as well as the physical health of an individual and his or her family, I voted for H.R. 2470, the Medicare Catastrophic Protection Act of 1987.

I have grave reservations, however, about who will carry the burden of taxation to pay for this program.

The funding mechanism, which will tax senior citizens with incomes above $6,000 on a sliding scale, is nothing more than a self perpetuating hidden tax on the middle class.

H.R. 2470 places a mandatory tax on senior citizens, who will pay as much as $580 in new taxes next year on top of the $306 basic Medicare premium—triple the current costs.

Like other automatic taxing mechanisms, this new health tax will eat up the savings of the middle class. The $580 figure is also misleading because the cost per person by 1990 could be as high as $1,160. With that rate of increase, we could tax our middle-class senior citizens into poverty by the end of the century.

This plan places a double tax on civil service and other employees already covered under other health care plans.

Our senior citizens have been told loudly and clearly what they will get from this bill, but they have not been told what they will pay.

Members of my Home Health Care Task Force last year found that senior citizens have not been given the straight story about health care coverage for quite some time. I sponsored a bill to address that problem and, obviously, my bill is needed now more than ever.

My bill, H.R. 977, would create a nationwide public awareness campaign to help senior citizens at the grassroots level to plan for their future health care needs.

I believe that, if my program were in place and senior citizens from across the country were given the information they need to make a proper evaluation, they would be reacting with shock and displeasure against the taxing scheme in H.R. 2470.

The catastrophic health care bill is an important step in our efforts to meet the needs of senior citizens in a way that protects family values and individual dignity. It fills a critical gap in our Federal health care system and leaves the door open for creation of innovative private insurance programs to cover other needs, such as home health care.

Because this is a good program funded by a bad tax, I am urging my constituents to contact Senators BRADLEY and LAUTENBERG on this important question of funding. Hopefully the Senate will find a fairer funding mechanism for this important program.

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## END INS DOUBLE STANDARD

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. EDWARDS of California. Mr. Speaker, I would like to bring to the attention of my colleagues an editorial which appeared in the San Jose Mercury News on August 4, 1987, that illustrates the double standard the Salvadoran refugees will face if the Moakley-DeConcini bill fails to pass.

Our country provides asylum for many persecuted groups, including the Nicaraguan refugees. The decision to grant asylum to the Salvadoran refugees should be based on the dangers that they will face if they return to their country, and not on the administration's fears of embarrassing the Salvadoran Government.

I hope the Senate will act quickly to approve this important legislation.

The article follows:

END INS DOUBLE STANDARD

Last week, the House voted 237-181 to let an estimated 700,000 Salvadoran and Nicaraguan refugees remain in the United States for two to three years, pending a congressional report on human rights abuses and other problems faced by individuals repatriated to those war-torn countries.

The legislation, by Rep. Joseph Moakley, D-Mass., faces an uncertain fate in the Senate, where the Democratic majority is narrower than in the House. It also faces a potential veto by President Reagan, whose Central American policy it challenges.

Justice and humanitarian considerations argue for quick passage of this legislation which, in fact, does nothing more than require the State Department to do that which it has discretionary power to do now: permit individuals fleeing war or other social upheavals to remain here until things cool down at home.

In the recent past, this privilege, called extended voluntary departure, has been granted to Poles, Ethiopians, Afghans and Ugandans, among others. There's no evidence that it has been abused to open a floodgate of illegal immigration.

Extended voluntary departure should be available as well to the half million Salvadorans and 200,000 Nicaraguans already here.

The Reagan administration, in fact, has instructed the Immigration and Naturalization Service to give special consideration to Nicaraguans applying for political asylum, thus further embarrassing the Sandinista government it would be delighted to see overturned. (The INS has approved 80 percent of Nicaraguan asylum applications since September.)

In the same period, the INS has approved about 3.5 percent of Salvadoran applications for political asylum, on the presumption that the Salvadorans living here illegally are fleeing poverty, not political persecution. To admit otherwise would embarrass the Duarte government in El Salvador, which the administration supports.

The Moakley bill, and its companion measure in the Senate, by Dennis DiConcini, D-Ariz., would force the administration to abandon this callous and immoral double standard.

## REMEMBERING AN OFFICER OF THE LAW

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FLORIO. Mr. Speaker, on May 15, 1987, a routine call for assistance spelled the end of a promising life and career for one of the bright prospects with the Pennsauken Police Department in New Jersey. Responding to a call for help, Patrolman William F. Brey was killed in the course of performing his duty.

Officer Brey was a dedicated and courageous police officer who joined the Pennsauken Police Department right out of college. In the 10 years that he spent on the force, he displayed unfailing conscientiousness and bravery in serving the public with the concern and caring that became a hallmark of his professionalism.

If Officer Brey had not answered that fatal call from a citizen in Pennsauken, then he might still be alive today, still contributing in his generous way to the safe being of the people he knew so well in his town.

But Officer Brey did answer the call in the routine fashion that exemplified his tenure with the police department. If his life were endangered, he did not even think twice about the danger. Instead, he thought only of the help that he could offer to his neighbors and the citizens of Pennsauken.

What makes this tragedy so difficult to accept is not only that an officer of the law who had built his career on doing good deeds in the service of his fellow citizens lost his life but also that he left behind a family.

There is little solace that I can offer to his widow, Loretta, or the many friends, relatives, and colleagues that are left without him. I can only say that Officer Brey died doing what he wanted to do, that is protecting families and friends.

The noblest sacrifice is knowing the danger involved and deciding that the benefit to one's friends outweighs the personal risk. Altruism is rarely found so close to home. Officer Brey typified that selfless concern for those around him.

Many times, though, we hear of an officer somewhere in the Nation who has made that ultimate sacrifice, dying in the line of duty. That loss of life reminds us of the service that these men and women do day in and day out without the least bit of doubt.

When he answered the call without a second thought, Officer Brey paid the highest price for justice. For that selfless commitment to the community, I respectfully offer my condolences to his family and friends. Bill Brey's commitment lives on in the deeds he did.

## ADDRESS OF LUKE BLANCHFORD, VALEDICTORIAN

### HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. MRAZEK. Mr. Speaker, this time of year is associated by all of us with the beginning of a new school year and with the excitement and promise that this annual event provides for students and educators.

For this reason, it may seem out of place to offer a commencement message when the new school year is only a few days old. Nevertheless, the following statement offers sound advice to today's generation of young learners. And, fittingly, the message comes from a peer, a young high school graduate who has looked around at his society and his contemporaries and, I believe, has mined some genuine gems of insight.

The author of this address is Luke Blanchford, valedictorian of the 1987 graduating class at John Glenn High School in Huntington, Long Island. He is the son of Jeff and June Blanchford of the community of Greenvale, and it was my pleasure to share the dais with Luke on graduation day, 1987.

Luke, I found, is an exemplary young man and a source of inspiration and hope to those of us who search today for the rising stars among a new generation of leaders in this country. His accomplishments in high school were legion: winner of the Rensselaer Medal for outstanding achievement in math and science; vice president of the National Honor Society chapter at John Glenn; Parent, and Student Association gold-medal winner in math and business and silver-medal winner in science; recipient of a Bausch and Lomb science award; creator of a special show on interstellar space travel for the Vanderbilt Museum Planetarium on Long Island; and a member of the school's baseball and cross-country squads.

Luke is an engaging and thoughtful young man who has taken a close look at the world around him and his peers. His message was directed toward the John Glenn High graduating class last spring, but its content also speaks directly to his fellow students across the country.

Mr. Speaker, I submit the following transcript of Luke Blanchford's valedictory speech for the edification of my colleagues, as well as for my colleagues' young constituents across the nation:

JOHN GLENN VALEDICTORY SPEECH

(By Luke Blanchford)

In a way, I'm glad that graduation is outside rather than inside because my classmates are facing toward me, and I have a gospel to share with you. So what better way to bore you than with you facing me. If you were turned around, you could close your eyes and lull yourselves to sleep. But you must pay attention . . . I have you now.

For this occasion, I would like to reflect on the fall of American funny man John Belushi. Most of us remember him well: His face was adorned with dark brown intelligent eyes and a sloppy cream of bristly black stubble. His body rotunded in kinky contrast to his comically menacing face. And of course, there was that smirk of sly playfulness, which might at any time erupt into silliness like "Toga Toga Toga".

That Belushi had great talent is questionable. That he had potential is undoubtable.

It was shocking to hear of his death; he died of cocaine overdose. To understand how such a model of individual ability fell so pathetically, let us consider the times in which he and we live.

John grew up in the '60's, an era when youth rebelled against the moral codes of their elders. It was the time of the Hippie movement. Teenagers diverged from established social values and declared their own Truth and values. "Do your own thing!" "Don't let anyone interfere with your life!" Such was their clarion call.

Youth's implied denial of outside help evolved through the '70's and '80's into that generation's rejection of moral responsibilities to those in need of help.

Watergate and Iranscam. A historically significant ship named the "Monkey Business". Wall street financiers finagling millions of dollars. Indeed, it seemed society has become a collection of aimless spirits, detached from and indifferent to others. It seems that only such an immoral society could have allowed Belushi's steady decline into cocaine.

We cannot condemn John for his use of drugs. We must condemn John's friends, who lifted not one finger to save him from self-destruction.

John Lorne, Belushi's buddy, confessed he hadn't done as much to help John. Said Lorne,

"Part of the problem of my generation was a morality that said you don't tell people how to live. That was garbage. It was just a way to avoid taking responsibility."

Belushi died from the moral neglect of his friends, or of society, because no one told him to stop drugs. Tragic figures like Belushi make us ponder the price of pure individualism, for gone is the ethic "Help Thy Neighbor".

Forget about what I just said. That's right, say "FOOEYY" to what I've just said.

We so cynically dismiss life as a cruel concoction of malevolent Fates. But should we dwell on the negative side of life? Should we be harping on the victims of individualistic society? What about the majority of successful American candidates who are alive and well? What about the 99 percent of electional candidates who serve the public faithfully? What about the many of us here at this graduation who are enjoying financial and emotional security? Perhaps then, our individualistic society is not the social failure we deem it to be.

America has emphasized freedom of individual choice since its foundations. Should we Americans, then, repudiate individualism to protect the occasional victim? I think not. But neither should we ignore the Belushis of the world.

To the Class of '87: As a society, America has evolved into a mere collection of individualists. We are the '90's. We must walk a tightrope between the individualism of the '80's and moral responsibility to those who need help.

For people to succeed, they need support of others. Give that support. Imagime if Belushi were alive today to realize his potential.

I'd like to leave with you the implications of this statement.

We claim that we are free to do anything we want, even to make fools of ourselves—but we can also be fooled—will someone help us then?

## RECTIFY INEQUITIES IN THE DEFICIT REDUCTION ACT

### HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. OWENS of Utah. Mr. Speaker, today I am introducing a bill which rectifies a genuine inequity created by the Deficit Reduction Act of 1984. This bill would simply provide for the equal treatment of all sporting goods manufacturers on whom a conservation excise tax obligation is placed by virtue of 26 U.S.C. 4161.

Since 1984, some of the taxpayers defined by this section have been permitted to pay and file quarterly, while the rest have been unjustifiably burdened with a monthly tax payment obligation. This bill would place all taxpayers subject to the provisions of this law on the same quarterly schedule for the filing and payment of their manufactures excise tax and eliminate a genuine unfairness.

In 1974 the Wildlife Restoration Projects-Funds Act was passed to effectuate two substantive amendments to the manufactures excise tax imposed by section 4161. The list of sport fishing equipment subject to the tax was enlarged by two items, and a new subsection was added expanding the tax to bows and arrows and archery accessories.

Until 1984 both fishing equipment and archery equipment manufacturers were subject to the same regulations governing the timing for payment of the tax. Applicable Treasury regulations provided for returns to be filed quarterly. However, if the taxpayer was liable in any month for more than $100 in excise tax, the taxpayer was required to deposit the amount on or before the first day of the next month in an authorized depository. This requirement equated to a monthly payment obligation for virtually all manufacturers subject to the tax.

Section 4161 was amended again in connection with the Deficit Reduction Act of 1984. The list of sport fishing items covered was further enlarged, however this time, in exchange for expansion of the tax, fishing equipment manufacturers were exempted from the monthly payment requirement and permitted to pay their tax quarterly with the filing of their return.

The principal rationale cited by the Joint Committee on Taxation for the change, was the seasonal nature of sports fishing equipment sales, and concern that expansion of the tax might cause cash-flow difficulties for manufacturers who sell directly to retailers on extended credit terms.

Significantly, the conservation excise tax on archery equipment was also expanded in 1984 by a separate act (Expansion of Excise Tax on Certain Arrows, section 1017 of the act and section 4161(b) of the code). The expansion eliminated a prior exception for arrows fewer than 18 inches in overall length, the effect of which was to bring crossbow arrows within the scope of the tax. However, unlike the fishing tackle amendment, this bill made no change in the timing for the payment of the tax on archery equipment manufacturers.

As with fishing tackle, archery equipment sales are also seasonal. Manufacturers who sell directly to retailers frequently use credit terms which postpone payment until after the summer or fall season. The requirement for monthly payment of this excise tax imposes significant cash-flow difficulties on archery equipment manufacturers as well as significantly greater administrative costs than would be required to comply with a quarterly filing and payment schedule. Archery manufacturers, like sports fishing equipment manufacturers, had the scope of their excise tax expanded in 1984, but for unexplainable reasons were not made equal beneficiaries of the change in the timing for payment of this tax. This oversight occurred despite the fact that a significant percentage of the archery equipment subject to the tax is used exclusively, or has application for sport fishing, further supporting the argument for equal treatment.

This technical amendment will have a negligible effect on budget receipts. On the other hand it rectifies a glaring inequity in our tax laws. I want to underscore that it does not change, in any way, the amount or coverage of the subject tax and I am pleased to report the archery manufacturers with whom I have discussed this legislation strongly support this excise tax and the conservation purposes to which it is dedicated.

## THE SAFETY FIRST CLUB OF MARYLAND

### HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. CARDIN. Mr. Speaker, the Safety First Club of Maryland is a citizen's nonprofit organization which has been championing traffic safety since 1956.

As part of its activities, the organization annually sponsors a fall forum at which experts and authorities in the field of traffic safety discuss various phases and topics dealing with traffic problems, goals and objectives.

This year's fall forum will be held on the evening of October 5, 1987, at the Quality Inn in Towson, MD, and will deal with the subject, "A Look at the Trucking Industry." Subjects discussed at past Fall Forums include drunk driving, boosting driver education in high schools, respecting bike's road rights, consumer protections and auto repairs, and many other aspects of traffic safety. Mr. Samuel Winik, president of the Safety First Club, will serve as the toastmaster of the dinner.

As part of the program for this year's fall forum, Leadership Laurel Awards for community service will be awarded to Baltimore Police Commissioner Edward J. Tilghman; Lt. Sidney R. Hyatt, commander of the staff inspection section of the Baltimore Police Inspectional Service Division; State Senator Paula Hollinger; Delegate Leon Albin; and Dr. Justinus Gould, a member of the Maryland Commission on the Revision of State Motor Vehicle Laws.

I urge my colleagues to encourage efforts like the Safety First Club in their own districts, and I commend all the members of the Safety First Club of Maryland for their work to promote traffic safety in our State.

## COMPETITIVENESS AND EXPORT CONTROLS

### HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. PORTER. Mr. Speaker, I call the attention of my colleagues to a letter published in the Wall Street Journal on August 10 under the headline "U.S. Technology is Overcontrolled." The writer is Frank E. Samuel, Jr., president of the Health Industry Manufacturers Association.

As we in Congress grapple with a declining trade deficit, and as a House-Senate conference committee considers the issue of export controls, this letter seems particularly relevant.

I urge all Members to carefully consider the points raised by Mr. Samuel.

The letter follows:

[From the Wall Street Journal, Aug. 10, 1987]

U.S. TECHNOLOGY IS OVERCONTROLLED

Richard Perle, the former enfant terrible of the Defense Department, has added little to the debate on technology transfers, attempting instead to prey on our fears and bowl us over with non sequiturs in order to kill a constructive trade initiative ("Making Sure Our Technology Stays Ours," editorial page, July 22). He is using the illegal sale of technology to the Soviet Union to make us afraid to rationalize and streamline our own export control system—a system that threatens U.S. trade and undermines our national strength.

The fact that the technology that has helped the Soviet Union modernize its submarines came from Japan and Norway underscores an important point: The U.S. no longer enjoys a monopoly on high technology. Strangling our own manufacturers in red tape did not prevent the unfortunate Kongsberg-Toshiba affair, nor will it avert such incidents in the future.

Mr. Perle is correct that in order to avert future Kongsberg-Toshiba cases, we must urge our allies in COCOM to strengthen their enforcement of export controls. But there is little relationship between their enforcement and the number of items on our export-control list. Our security can be served best by focusing on goods that are militarily critical and culling the control list of products of no military significance to our adversaries.

A classic example is medical technology. Medical products such as CAT scanners and medical lasers are subject to costly and time-consuming export-licensing requirements—even though there is no evidence that they have ever been diverted to military use. The export-control amendments passed by the House of Representatives would allow U.S. manufacturers of high-technology products, including medical products, to compete more effectively in the global market. U.S. high-technology firms need global markets to achieve economies of scale and generate enough R&D funding to develop new products. They also need to build world market share because foreign competitors are working aggressively in the U.S. market. Export controls on products that are not militarily significant make the trade battle tougher and worsen the declining trade balance in high-tech products, which has shifted from a $27 billion surplus in 1980 to a $1.3 billion deficit for the first half of 1986.

FRANK E. SAMUEL, Jr.,
*President, Health Industry Manufacturers Association.*

## TRIBUTE TO ED NELSON

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I rise to take notice of an event which will take place later this year when my constituent, Edwin F. Nelson, marks his 35th year in the trucking business.

Ed Nelson has become a recognized leader in the transportation industry in California through personal attributes of hard work, perseverance, dedication and honesty, as well as a willingness to take a chance—especially on people. He learned these qualities from his mother, an ardent churchwoman in Pismo Beach, where he grew up, and from his father. His business and personal dealings reflect their early and continued influence.

"Eddie", as he is called by his long-time friends, married his high school sweetheart, Barbara Taylor, and their first child, Susan, was born while he was away serving his country as a chief petty officer in the Navy. After his discharge he bought a truck and trailer and began the life of the independent gypsy trucker going wherever the loads of produce took him. Sons Fred and Jim were born, and today, both sons and Susan's husband, Jon, are vice presidents of the company.

In 1952, together with his brother-in-law, Ed Taylor, he purchased a pioneer Arroyo Grande trucking business, Arroyo Grande Truck Co. The two Eds made a personal commitment to care for the transportation needs of the small farmers on the central coast, and it was these small farmers who became the base for the growth of the company. Small farmers, traditionally operating in an atmosphere of distrust, found that they could rely on the word of Ed Nelson and that his commitment to them was always honored. Ed's produce business expanded to LTL business with the acquisition of Mission Drayage and in 1963 Arroyo Grande Truck merged with Fitzgerald Trucking Service to become Certified Freight Lines.

Profitable years began with the 1970's changes in operations and have continued each year since. In 1978, Ed, whose philosophy is that if you don't move forward, you go backward because it is impossible to stand still, decided to expand by moving into the temperature-controlled business. Hershey Chocolate was the first national account, followed by a growing list of food companies whose means names read like a New York Stock Exchange listing. This new and successful business has dovetailed with the fresh fruit and vegetable business, resulting in a few empty miles, while at the same time allowing Ed to remain committed to the fresh fruit and vegetable growers of California.

The total operation of Certified Freight Lines continues under his supervision with his constant encouragement to do a better job. His health and vitality bely his 67 years. He never seems to tire and younger employees, part of his "family" which now includes several second-generation employees trail in his footsteps. He continues to maintain personal contact with his shippers. It is this industry involvement, as well as those personal attributes instilled by his mother and father, that have resulted in his earning the admiration and respect of his employees, his family, his customers, and his associates in the transportation industry, as he has worked by example and deed to meet the needs for a healthy and sound transportation industry in California.

Ed Nelson can and does carry out the motto of his company, "Walk With Pride."

## CAUCUS HONORS ACCOMPLISHMENTS OF ATTORNEY CHARLES E. SIMPSON

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, I would like, at this time, to pay special recognition to Attorney Charles E. Simpson, who, during his 13 years in law, has proven his legal staying power time and again.

His extensive knowledge of the law began when he received a California State Scholarship and attended Pepperdine University in California. In 1974, he graduated magna cum laude with a bachelor of arts degree in history and social science.

In 1975, he worked at the American Law Institute as a research assistant and authored "Federal Bankruptcy Proceeding Involving One of the Parties to a Lease, Restatement of the Law, Second, Property."

His brilliance, wit, and ability to succeed in the legal profession qualified him to receive a Martin Luther King, Jr. Fellowship Scholarship. He entered Harvard Law School and graduated in 1977.

In spite of his hectic schedule, Charles finds time to become involved in a number of organizations. He is a member of the New York County Lawyers Association, Association of Commercial Finance Attorneys, and executive secretary of Kings County Democratic County Committee, just to name a few.

His credibility and reputation in the legal field has earned him great respect from all who know him. His legal experience varies from legal research and preparation to managing partner.

Charles, a partner of the law firm Simpson & Levitsky, is being honored at the First Annual Dinner Dance of the Women's and Men's Caucuses for Congressman EDOLPHUS "ED" TOWNS. The women's and men's caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

May this award serve to inspire and encourage him. The wonderful example of dedication and perserverance which he has set has surely made him worthy of this honor and many more.

## A NATIONAL EMBARRASSMENT

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. EDWARDS of California. Mr. Speaker, our distinguished colleague, Mr. FRANK of Massachusetts, is the author of H.R. 1119, which I am proud to support. This bill would repeal restrictions in the McCarran-Walter Act, dating from 1952, which are dreadful affronts to American citizens and potential visitors to this great land of democracy.

On September 2, 1987, the Washington Post published a first-rate article on this important issue by our colleague from Maryland, Mr. HOYER. I compliment our colleague from Maryland on his excellent article, and I commend it to the attention of all Members of the House of Representatives.

A NATIONAL EMBARRASSMENT—THE MCCARRAN-WALTER ACT IS WAITING FOR ABUSE

(By Steny H. Hoyer)

Perhaps the greatest tribute Congress could pay to the Constitution this bicentennial year is to cleanse our statute books of laws that mock our freedoms. One such law is the McCarran-Walter Act of 1952, a legal relic of McCarthyism that has somehow remained on the books despite its affront to free speech at home and the embarrassment it causes us abroad.

Enacted over President Truman's veto at a time when some thought that the only way to save freedom was to restrict it, the McCarran-Walter Act gives the government blanket authority to exclude or deport foreign visitors on the basis of their political beliefs, affiliations or what they might say once on our shores.

Among the excludables under this law are current and former communists as well as anyone whose admission authorities deem "prejudicial to the public interest." Although most visitors are allowed in and waivers are now issued for communists, all visa applicants must still answer questions about their political affiliations, and hundreds of visas are denied each year because of the broad administrative discretion allowed under the law. The denials usually come without explanation or recourse.

The honor roll of persona non grata includes famous authors, journalists and politicians who by any stretch of the imagination cannot be seen as threats to our nation. Two Latin American Nobel literary laureates have been excluded. So have a former NATO general, an Italian playwright, a Philippine priest, a Canadian naturalist author and the widow of the former president of Chile. Writers are hit particularly hard, ironically because their exercise of free speech makes them more visible targets of exclusion. And no one really knows how many potential visitors are intimidated by the whole process and simply decide not to apply.

Such a law seems surprising in this free land of ours. It is a basic premise of our system that the best defense against a bad idea is a good idea—not a censored idea. Making policy in a democracy requires an infusion of perspectives from all sources, whether we like what they have to say or not.

McCarran-Walter, however, puts government in the business of selecting which speakers and opinions are appropriate for an American audience. While we like to think of our society as a free market for ideas, the McCarran-Walter Act serves as ideological protectionism. It is censorship by any other name. As President Truman said in his veto message, "Seldom has a bill exhibited the distrust evidenced here for citizens and aliens alike." Defenders of the law argue that the federal government needs the authority to keep people out whose admission might cause serious harm to our foreign policy. They made a valid point. But the McCarran-Walter Act is a vague law that allows broad administrative latitude that can be manipulated and abused for the wrong reasons.

Consider the case of Italian Gen. Nino Pasti, a former NATO official and vice supreme Allied commander in Europe for nuclear affairs who was denied a visa in 1983. Pasti opposed the U.S. deployment of medium-range nuclear missiles in Europe, and the administration feared his influence on public opinion. Thus a foreign-policy consideration was used to abridge our right to receive information. One wonders if Pasti would be more welcome today with the administration in need of political support for a possible arms control accord.

It is a further irony that whatever questionable foreign policy gains we might make by excluding visitors under this law are undermined by the foreign policy losses because of it. McCarran-Walter is viewed as a violation of our Helsinki committees on travel, movement, human contacts and the free flow of information. Though a trifle compared with Soviet and East European Helsinki violations, it gives those nations a convenient way to defuse our criticism of their massive human rights abuses.

When we raise the problem of Soviet emigration restrictions, they divert the discussion to McCarran-Walter and say that it discriminates against communist nations. When we went to Ottawa in 1985 for the Human Rights Experts Meeting, we were forced to explain why Canadian author Farley Mowat had just been excluded from the United States. We faced the same unnecessary questions at last year's Human Contacts Meeting in Bern and at the ongoing Helsinki Review Meeting in Vienna. The McCarran-Walter Act has become a needless diplomatic distraction.

A bill now pending in the House, sponsored by Rep. Barney Frank, would repeal the ideological exclusion provisions of the McCarran-Walter Act by prohibiting the government from barring entry on the basis of ideology or affiliation. At the same time it would address national security concerns by toughening restrictions on terrorists and excluding anyone expected to commit a criminal act that could endanger our national security.

In this year of the Constitution, it is time to restore our visa laws to their proper foundation, the Bill of Rights.

## HERE WE GO AGAIN

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. MCEWEN. Mr. Speaker, there's a theory which postulates that if you tell a story often enough, people will begin to believe it. Such is the case with the myth of low-paying jobs—or as some have come to call them "McJobs."

Ever since economists Barry Bluestone and Bennett Harrison produced the misleading and statistically incorrect report that most of the millions of new jobs created in our Nation are "low paying," critics of the American renewal have been quick to jump on the bandwagon.

In Monday's Washington Times, economist Warren Brookes once again attempts to sel the record straight.

[From the Washington Times, Sept. 7, 1987]

THE MYTH THAT WON'T QUIT

In a recent debate, Democratic presidential candidate Rep. Richard Gephardt of Missouri said: "Fifty percent of the new jobs being created under Reagan are menial, dead-end jobs paying $7,400 or less per year. We're trading good manufacturing jobs for low-pay service jobs."

Proof that Mr. Gephardt is wrong comes from opponent Gov. Michael Dukakis' home state—Massachusetts. Over the last 30 months the state has lost nearly 75,000, manufacturing jobs, 11 percent of its entire industrial jobs base, five times as big a percentage loss as the national rate: the worst of any industrial state. Yet, since 1984, the state's per capita income has been rising nearly 40 percent faster than the national rate.

This completely debunks Mr. Gephardt's notion, actively promoted by organized labor, that moving toward a service-sector economy means "low-pay jobs." A recent Hudson Institute study for the Labor Department shows that most jobs now being created—and for the next decade—are high-skill. It said these are increasing twice as fast as low-skill jobs.

In fact, over the last 12 months (July-July) the Labor Department reports that 59 percent (1.66 million) of all new jobs (2.82 million) were "Managerial and professional," its highest category.

This is, of course, a complete refutation of the nonsense first advanced last December by Big Labor's economic propagandists, economists Barry Bluestone and Bennett Harrison (B/H). They contended that nearly 60 percent of all new jobs 1979-84 were "low pay."

Yet, as a Labor Department analysis of B/H's own unpublished data base later showed, since 1981, nearly 47 percent of all new jobs were "high pay." Only a tiny 7 percent were low pay. And the trend toward higher pay increases as you come forward in years.

In fact, the Labor Department analysis so devastated the original low-pay jobs thesis (which Mr. Gephardt is still quoting), that its authors had to come up with an entirely new data base for their book soon to be published by Basic Books. Apparently, Mr. Gephardt hasn't caught up with it yet. While they have reduced their claims on low-pay jobs from "six out of 10" to "two out of five", they also had to raise the low-pay top cutoff 60 percent.

This is reminiscent of the "creative" advertising salesman for a new national magazine who was asked by a tough N.Y. media buyer: "How many engineers with incomes over $30,000 do you reach?"

His instant salesman's reflex shot back the question: "How many do you need?"

This year, Big Labor "needed" a lot of low-pay jobs to make a case for driving up the minimum wage, plus passing a tough trade bill so as to reduce their competition.

Because the United States has been the job-creating wonder of the world, they had to show that most of those jobs weren't worth anything. Better, they argued, to give up some low-pay jobs (by job-killing measures) in return for "protecting the good ones."

To make their case, they turned, as they have so often in the past, to their own consultants Mr. Bluestone and Mr. Harrison (Mr. Bluestone used to work for the AFL-CIO) That's how we got that hugely hyped, very deceptive "low-pay jobs study" last December.

PERCENT OF NEW JOBS BY INCOME GROUPING

(Rescission through 3d year)

| Constant Pay Levels | 1975–78 | 1982–85 |
|---|---|---|
| Using the CPI Deflator: | | |
| Low Pay | 18.7 | 8.3 |
| Medium Pay | 44.4 | 33.1 |
| High Pay | 36.9 | 58.6 |
| Using the PCE Deflator: | | |
| Low Pay | 18.7 | 12.8 |
| Medium Pay | 39.9 | 32.8 |
| High Pay | 41.4 | 80.0 |

Source: Bluestone Harrison JEC Study Labor Department Analysis PCE data points supplied by B/H

But, when the Labor Department reconstructed the B/H data base, it discovered a fascinating thing: The "low/pay trend" was heaviest from 1977 to 1981. It was totally reserved from 1981 to 1985 and became, instead, a high-pay trend.

This confirms the careful research by the American Enterprise Institute's two labor specialists, Marvin Koster and Murray Ross, who concluded, "employment shifts among occupations have shown a drift toward occupations with *higher* weekly earnings."

Unfortunately, the deliberate disinformation of the B/H study has already obscured a more important policy issue: training a slower-growing work force for the rapid rise in skills-demand.

Instead, B/H are still busy trying to find a new data base to keep their thesis alive, upping their low-pay cutoff point from the old minimum-wage level of about $7,011 a year (in 1984 dollars) to $11,184 in 1986 dollars, and expanding the bracketed years to 1978–1985 in order to create a "trend illusion."

The speciousness of that illusion is illustrated by taking their original data and arranging it in two comparable recovery periods, from the trough of a recession to its third year, or 1975–1978, vs. 1982–1985. In both recoveries there was a trend toward higher-pay jobs, but that trend was infinitely stronger in the 1982–85 period, when six out of 10 new jobs were high-pay. And when you use the more accurate Personal Consumption Expenditure deflator to get constant incomes (instead of the Consumer Price Index deflator) it rises to eight out of 10. (See Table).

This exactly confirms the Massachusetts experience of rising incomes in an increasingly service-sector economy, as U.S. per capita disposable income has risen 25 percent faster since 1980 than in the 1974–1980 period. So, no matter how you jimmy the numbers, the low-pay jobs thesis is still a big lie.

## ART OF PUERTO RICO

## HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FUSTER. Mr. Speaker, I would like to make my colleagues aware of the great tradition and excellence of Puerto Rican painting during the 19th and 20th centuries.

As we celebrate Hispanic Heritage Week this month, I believe it is fitting to share this unique facet of our culture with my colleagues and, thus, I have invited all of you to enjoy the exhibit "Puerto Rican Painting: Between Past and Present" at the Museum of Modern Art of Latin America of the Organization of American States, an exhibit I helped to organize.

I trust the following excerpts from two articles, published by the New York Times on September 1, and the Washington Post on September 5, 1987, describing this outstanding collection, will entice you to see it.

[From the New York Times, Sept. 1, 1987]

### ART FROM PUERTO RICO ON VIEW IN WASHINGTON

A rare, major retrospective of late 19th- and 20th-century Puerto Rican painting opens in Washington today at the Museum of Modern Art of Latin America, an institution of the Organization of American States.

They range from Francisco Oller (1833-1917), a European-trained painter who abandoned Impressionism for Social Realism—influencing future generations on the island—to such contemporary artists as Myrna Baez and Julio Rosado del Valle.

The focus is on the last four decades. And while the majority of the 62 paintings are figurative works with bold, Expressionist colors, the range of styles is considerable according to the show's cursior, Mari Carmen Ramierz.

She cited, for example, Ramon Frade's "Our Bread," a 1905 romanticized, realistic painting of a "jibaro" or peasant carrying a stack of plantains, and Lorenzo Homar's "Le-lo-lai" (1952-53), depicting three sad, emaciated children playing Christmas music in front of a wall that divides San Juan from their slum.

"At the Bar" (1967) by Ms. Baez communicates the alienation of its figures by compressing them in a composition that seems cut off, Ms. Ramirez said, and her "Tiffany lamp" (1977) shows the influence of Cubism.

Very little Puerto Rican art has been seen on the United States mainland. Some would say it is difficult to explain why, since artworks are judged individually, rather than by nationality. Others cite the deminance of figurative and realistic art in Puerto Rico when abstract styles predominated internationally.

Since the time of Olier, 'Puerto Rican art has reflected a quest for national identity, according to Ms. Ramirez. Painters, she said, have worked "in contrast or opposition to prevailing international trends and 'isms.'"

Even at the height of abstract painting on the international scene in the 1960's, when some Puerto Rican artists began for the first time to reflect that style, she said, realist and figurative painting predominated on the island.

In an extensive essay for the show's catalogue, Ms. Ramirez, who is the director of the University of Puerto Rico Museum in Rio Piedras, writes that few major painters emerged in Puerto Rico before the 1860's because basic conditions for the tradition were lacking. As a poverty-stricken colony of Spain, she says, Puerto Rico lacked museums, art-training centers, patronage and a market for art.

In the late 1940's and 50's, she writes, new social and economic programs helped the development of a pictorial movement focusing on the Puerto Rican landscape and its people, music, feasts and traditions . . .

Among other things, there evolved a tradition of graphics—low in cost, easy to reproduce and so, useful for educating large audiences.

The current decade, she says, shows a marked emphasis on Expressionist and Neo-Expressionist styles.

[From the Washington Post, Sept. 5, 1987]

### PAINTERS AND PATRIOTS: PUERTO RICANS' MOVING VIEWS OF THEIR LAND

"Puerto Rican Painting: Between Past and Present," the survey exhibition currently on view at the Museum of Modern Art of Latin America, 201 18th St. NW, is a scholarly and thorough and strangely moving show. It is not its beauty one remembers, but something far more touching. The painters represented, 34 in all, were trained in many lands (Mexico, Madrid, Paris and Manhattan); they work in many styles and follow many masters (Courbet and Picasso, Dali and Hans Hofmann). Yet an old and fevered longing ties their works together. A deep communal yearning for a distinctly Puerto Rican national identity unifies their show . . .

The greatly gifted Francisco Oller (1833-1917), with whom the show begins, was in the 1860s a close friend of Pissarro's, and also of Cézanne's, and a member in good standing of the avant-garde in Paris. As soon as he returned, his modernity diminished. His still lifes, although lovely, make one think more of Couture, his first teacher, than of Cézanne, and his commissioned public portraits have a Latinate pomposity that recalls the French salons. His homeland, so one gathers here, did little for his style. But it provided him a subject. Oller began painting not Normandy but Ponce. "Bodégon," his early 1890s still life on display, depicts not pears or apples, but peppers and bananas.

The artist, Oller told his students, "must be of his country, of his people, if he wants to be authentic." Almost all the painters here have heeded his command.

A mix of foreign styles (often slightly retrograde) and Puerto Rican subjects recurs throughout this show. Of the 62 paintings on display, "El Pan Nuestro" ("Our Bread"), done in 1905 by the realist Ramon Frade (1875–1954), is perhaps the best known. It's a kind of national icon. A Puerto Rican peasant, a *jibaro*, straw-hatted and underfed, stands proudly as a monument on a verdant hillside. He holds not a loaf of bread or a sheaf of wheat, but a branch of green plantains.

That sort of Puerto Rican patriotism is frequently experienced here. Often it is blended with the surreality of dreams. In "The Wait" of 1933, work by Juan Rosado (1891–1962), one of the few painters represented who never left his homeland, the waiting woman on the balcony looks out at a cityscape as desolate as those painted by de Chirico. By the 1950s, many Puerto Rican painters were combining that odd dreaminess with bitter social comment. "Juvenile Delinquency" (1960) by Felix Rodriguez Baez, with its knife fight and its jukebox, owes something to the island's bonding to Manhattan, and something to the '50s painting of Ben Shahn * * * some new fury at old poverty, soon begins appearing in Puerto Rican art. Where houses poor but picturesque were once a favorite subject, these painters, in the '60s, begin showing slums as slums. The barefoot children in "Vita Cola" (1969), by Brooklyn-born Rafael Tufino, aren't heroes, merely victims. Frade's noble peasant reappears in Carlos Irizarry's "Transculturation" of 1975, but here he is accompanied by a tortured and eviscerated martyr-ghost.

Ghosts of other sorts stalk the exhibition. Francisco Rodón's striking 1974 portrait of the writer Rosario Ferré shows her as a nun in a habit made of newsprint. In "Take-Over" (1985), Arnaldo Roche's strange self-portrait, a kind of dark-skinned imp-commander grows out of the artist's hair . . .

## REPUBLICANS, DEMOCRATS, "FAMILY" AND "COMMUNITY"

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. MICHEL. Mr. Speaker, our political contests are often decided by which side is better able to articulate its perception of certain key words and phrases. In 1988, the words "community" and "family" will be written and spoken over and over again—but these major political and social ideas mean one thing to Republicans, another to Democrats. The party that is able to communicate its unique vision of these key terms—so full of emotional and conceptual power—will win in 1988. Karlyn Keene, managing editor of Public Opinion magazine has recently examined the role that such concepts will play in 1988. I recommend her findings to all of our colleagues.

At this point I wish to insert in the RECORD, "Presidential Hopefuls Focus on Family," by Karlyn Keene, in the Wall Street Journal, August 17, 1987.

### PRESIDENTIAL HOPEFULS FOCUS ON FAMILY

(By Karlyn Keene)

In the 1980 campaign debates, President Carter spoke about his daughter, Amy, to highlight his concerns about nuclear war. Many observers thought that using his daughter to conjure up a potentially trigger-happy presidential opponent was a cynical ploy. It wasn't the first time a politician had used a child as a political prop, and it surely won't be the last.

But politicians most often talk about children to describe their aspirations for the country. Walter Mondale's charge that Reagan policies were "mortgaging our children's future to the deficit" was intended to score a political hit, but it was also a reminder of how central children are to hopes about the future.

#### THE NEW APPROACH

The candidates in campaign '88 are using children differently. Republicans and Democrats are talking about children as a policy issue, not as their progeny; substantively, rather than symbolically or sentimentally. Some examples of this approach follow:

Sen. Joseph Biden (D., Del.) has delivered a major policy statement. Save the Children. Among other proposals, Sen. Biden plans to put a day-care center in the White House complex. National service, a reborn political theme for the Democrats, plays a role here.

While Democrat Bruce Babbitt was governor of Arizona, he gave an entire State of the State address about children's issues. The ideas in that 1985 address are reflected in his speeches.

Sen. Robert Dole (R., Kan.) stresses his efforts to reverse administration cuts in children's health and nutrition programs.

Rep. Richard Gephardt (D., Mo.) says, "We have to have a national strategy on day care."

Tipper Gore, wife of candidate Albert Gore, has written "Raising PG Kids in an X-rated Society," which stresses parental involvement. Her 17-city book tour may raise the campaign profile of her husband, a Democratic senator from Tennessee.

Rep. Jack Kemp (R., N.Y.) has called for efforts to promote adoption, and for "fair treatment for those who forgo added income to provide maternal child care."

George Bush talks about helping a dyslexic child in a discussion of education's role in making America competitive.

Rep. Patricia Schroeder (D., Colo.) has said—according to columnist Ellen Goodman—that while all of the men in the race are talking about the family issue, she has shown leadership on it.

There are several reasons for the emergence of family as a political issue. The demographic explanation has two components. The first is generational politics—that is, the emergence of a significant generational voting bloc, the baby boomers. This year, a solid majority of the electorate will be under the age of 45. The baby-boom group is now in peak childbearing years. As Americans age, they develop more of a stake in society, particularly with the stabilizing influences of marriages, mortgages and kids. They are more likely to vote. The "me" generation is becoming the "we" generation.

For most of this group, both parents will be working, and concerns about their own children are central. Seventy-five percent of 22- to 40-year-olds told Gallup interviewers they would be less able than their parents to be home with young children.

Eight of this year's potential and announced candidates have children who are teen-agers. Five have younger children. At least three of the candidates have spouses who work at full-time jobs. These candidates' families represent the new norm, as the traditional family gives way to one where husband and wife work and someone else takes care of the children. Issues like parental leave can become the centerpiece of a campaign.

The other demographic component is heightened concern about the well-being of all children. Rep. Schroeder's words notwithstanding, the issue does not belong to any single politician. Concern and activism come from both left and right—responses to concerns about the welfare of children in poor or near-poor families, drug abuse, and teen pregnancies. Less apparent, but no less real, is parental indifference.

Sen. Biden describes the expectations of a young person growing up in a ghetto in Chicago or New York: "One out of 10 of your eighth-grade friends will be pregnant. Most of them will have abortions. . . . There will be more children selling and using drugs than there will be students at graduation. . . . It will be more likely that you will grow up to contract AIDS than grow up to attend a four-year college."

Sen. Joe Biden, meet the Rev. Jerry Falwell. The diagnosis is the same. Sen. Biden refers to "child[ren] adrift in a so-called Opportunity Society." Mr. Falwell might describe them as adrift in the "Great Society," where huge sums of money have been spent with mixed results. No matter what is to blame, there are discouraging demographic realities for some children. According to demographer Karl Zinsmeister, "Before they reach their 18th birthday, about one-third of the children born today will spend time below the poverty level."

Another reason the issue has emerged is weaknesses both parties have. "San Francisco Democrats" was a term used by Jeane Kirkpatrick to remind voters of some Democrats' flirtation with alternative life styles and the anything-goes mood of the late-1960s. Especially after the Gary Hart scandal, Democrats need to remind Americans that they, too, care about traditional family values, and children are a way to do this.

Republicans have a weakness, too. When Jeane Kirkpatrick was a Democrat, she wrote an essay about why she hadn't become a Republican. She cited "doubt that Republicans care enough about the whole, including those who are unable to look out for themselves." Reagan-era Republicans—and by extension GOP candidates—have been branded as too self-interested. Talking about children, particularly those who are poor, addresses a weakness they have, too.

A final reason for the emergence of family as a political issue is the need for candidates to define their vision. Children provide distinctive ways for both parties to do this. Families are our most precious communities—refuges against the outside world and the government.

Democrats are using the family analogy to talk about national community as a way of defining their vision. Sen. Biden talks about "A Call for a New Spirit of Community in America"; New York Gov. Mario Cuomo, about the nation as a family. They are using community to invoke a national purpose, to get us all pulling together again, with the federal government as the engine of that progress. National service is a way of making national community happen. Gary Hart had a literacy corps. Sen. Biden has a National Community Service Corps.

The Republican vision—articulated by some but not all the candidates today—is different. Ronald Reagan gave expression to it in his 1980 convention speech, where he talked about family, neighborhood and community—local community—as the engines that drive the country. Local communities will decide what's needed, and local groups will work to solve problems they know best. Republicans are betting that Americans will prefer "Mon and Pop" to Big Brother.

It is somewhat ironic that concern about children should become an issue at a time when fertility rates are low and the average family size is smaller than at any time in recent history. Single and divorced parents and many parents in intact families are often working, of course, and this is a partial explanation. Once upon a time, quantity time with children was quality time, but many families don't have (or make) much time together anymore. The average woman will soon spend more time caring for an elderly parent (18 years) than she will raising children (17 years).

#### BOOM IS DIVERSE

It is also surprising that family is emerging as an issue just as there seems to be general agreement on welfare concepts to help families when they need it, and then help them off the welfare rolls. Another explanation may be that the only way for Democrats to sell major new federal spending programs these days is to say they are for children.

Will children's issues help Democrats capitalize on generational themes? It's doubtful. Too much has been made of generational politics. The baby boom is extraordinary diverse, and a single appeal to it certainly won't work. An appeal to an identifiable part of the group—baby boomers with children—might. Will children's issues help Republicans broaden their support, based in part on the GOP's identification with traditional values? Possibly, but not if Democrats have learned the lessons of the Hart scandal. It may not be Republicans or Democrats who benefit from this discussion. It may be the children themselves.

## SALUTE TO VENTURA COUNTY SENIOR OLYMPICS

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LAGOMARSINO, Mr. Speaker I wish to bring to the attention of my colleagues, the third annual Senior Olympics of Ventura County. This third Olympics will kick off with a ceremony at the board of supervisors chambers at 9 a.m. on September 15, 1987.

A "perpetual light" will be turned on by Ventura County's beloved sheriff emeritus, Al Jalaty. This light will burn at the Ventura County Government Center throughout the Olympics.

Minimum age for participation is 50 and winners of some events may have the opportunity to qualify for participation in the National Senior Olympics.

The events will be scheduled in various cities in Ventura County and consist of badminton, ballroom dancing, billiards, bicycling, bowling, golf, horseshoes, lawn bowling, shuffleboard, slow pitch softball, swimming, table tennis, tennis, and walk-run.

The Ventura County Senior Olympics are hosted by the city of Ventura, Help of Ojai, city of Port Hueneme, city of Ojai, city of Oxnard, city of Santa Paula, and Pleasant Valley Parks and Recreation District.

Please join me in thanking these cities and organizations for making these Olympics possible for our senior citizens and in wishing all participants the best of luck in their events.

## CLARENCE KNIGHT HONORED FOR HIS ACHIEVEMENTS

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, I am sure that my colleagues will want to join me in celebrating the achievements of Mr. Clarence Knight.

Clarence Knight was born in Bradenton, FL where he received his early elementary education and went on to graduate from Lincoln Memorial High School. Clarence continued his education at North Carolina A&T University in Greensboro, NC, where he received a bachelor of science in health education, followed by studies at City University of New York, earning a master of science degree. He was a graduate fellow in special education at Yeshiva University and is presently in the graduate administration at City University of New York. He is currently a supervising teacher in special education.

Clarence remains active in the National Alumni Association of North Carolina A&T State University, serving as Northeast regional director from 1979–83, and as first vice-president from 1983–87. He is president of CURE, Inc.; chairman of the North Carolina A&T Sports Hall of Fame Selection Committee; and president of the Men's Caucus of Congressman, EDOLPHUS TOWNS. In addition, he was recently recommended to the State Department of Health Committee on Genetics.

Mr. Knight is the recipient of the following awards: Top 100 Black Men of Brooklyn; Outstanding Service to the Community, Children Undergoing Restructuring Emotionally—CURE; Outstanding Administrator, Central Brooklyn Model Cities; and Outstanding Service to the Community, Emmanuel Day Care Kindergarten. He is past vice-president of St. James Towers, Inc., as well as past chairman of HIRE Medical Center.

Clarence Knight has been involved in programs for the education of black youngsters throughout his adult life.

He is married to Mary McNeill of Smithfield, NC. They are the parents of two lovely children, Renee and Jimmie.

Clarence is being honored on Saturday, September 18, 1987, at the first annual dinner dance of the Women's and Men's Caucuses for Congressman EDOLPHUS "ED" TOWNS. The Women's and Men's Caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

The wonderful example of dedication and perseverance which Clarence has set has surely made him worthy of this honor and many more. May this award inspire and encourage him to continue the important work he has already begun.

## PERSONAL EXPLANATION

### HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. BRUCE. Mr. Speaker, on September 9, I was unable to cast two votes on the House floor due to inclement weather which prevented me from traveling to Washington from my district.

Had I been present I would have voted "yea" on the Journal vote.

In addition, had I been present I would have voted "yea" on final passage of H.R. 1327. H.R. 1327 is important and needed legislation authorizing the National Health Service Corps Scholarship and Field programs to help provide adequate health care to underserved communities. This program has gone without an authorization since 1984 and has been provided for in continuing appropriations measures since then. The time for reauthorization of this important program is long overdue.

Under the National Health Service Corps Scholarship Program, students of medicine, nursing, dentistry, and other health professions are eligible to receive Federal scholarships and stipend support. In return for this assistance, these individuals are obligated to serve for at least 2 years providing health care to patients in health manpower shortage areas.

Without the National Health Service Corps, thousands of communities and population groups would be without essential health care. Although there is an oversupply of trained physicians, the corps remains essential because there is an undersupply of physicians in rural and poor urban areas. It is clear that many such communities are still unable to recruit physicians and pay the salaries that would be necessary if those recrutiing efforts were to be successful. Mr. Speaker, the corps is as necessary to the urban poor as it is to the isolated rural patients, this program insures that both will have a greater chance at receiving adequate health care. I urge my colleagues to suport this legislation.

## THE 19TH ANNIVERSARY OF THE INVASION OF CZECHOSLOVAKIA

### HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. ANNUNZIO. Mr. Speaker, August 21 marked the 19th anniversary of the 1968 invasion of Czechoslovakia by the Soviet Union.

On this day of Soviet shame, over 500,000 soldiers were sent by the communists to the peace-loving Czech nation in order to suppress all moves toward freedom, liberty, and self-determination. This outrageous and unprovoked act by the Soviet Union serves as a bitter and grotesque reminder to the world that the ideals of freedom and human dignity simply do not exist in the ideology of the barbaric Soviet authorities in the Kremlin.

Today, the communists continue relentlessly in their oppression of those who wish to reestablish an independent Czechoslovakia. In 1977, Charter 77, a heroic group of Czechoslovakian dissidents, was created to force the Communist leaders to account for their inhumane treatment of the Czechoslovakian people and to abide by the human rights principles as defined in the Helsinki final act. This year, the group marked its tenth year of existence as a voice in opposition to the oppression of the Soviet-controlled government.

I was glad to add my name as a cosponsor of House Concurrent Resolution 14, a bill to commend Charter 77 on the occasion of its 10th anniversary, and for its courageous contributions to achieving the objectives of the Helsinki final act. A copy of this resolution follows:

H. CON. RES. 14

Whereas on August 1, 1976, the Final Act of the Conference on Security and Cooperation in Europe was signed at Helsinki, Finland, by 33 European states, together with Canada and the United States;

Whereas the signatories of the Helsinki Final Act committed themselves under principle VII to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas principle VII specifically confirms the "right of the individual to know and act upon his rights and duties" in the field of human rights, and principle IX confirms the relevant and positive role organizations and persons can play in contributing toward the achievement of the aims of the Helsinki Final Act;

Whereas the Helsinki Final Act raised the expectations of the peoples of Czechoslovakia for greater observance of human rights by the Government of Czechoslovakia, and engendered the formation of Charter 77 in 1977 as a mechanism whereby private citizens could maintain a dialogue with that Government;

Whereas since 1977, when 257 people signed the Charter 77 manifesto, the number of signatories has risen to over 1,000;

Whereas in April 1978, Charter 77 signatories founded the working group VONS, the Committee for the Defense of the Unjustly Persecuted, which complements the work of Charter 77;

Whereas Charter 77 has informed many in the West of important developments in Czechoslovak society and the world, and it has willingly engaged in dialogue with other East European activists, as well as West European organizations and individuals;

Whereas individuals involved in Charter 77 and VONS activities have spoken out honestly and forthrightly in a society beset by routine human rights violations, and they have done so at the risk—and sometimes the certainty—of imprisonment, exile, harassment, and other punishment by the Government of Czechoslovakia;

Whereas the Government of Czechoslovakia persecutes not just the people actively involved in Charter 77's activities, but also family members, including children;

Whereas at present, seven signatories of the Charter 77 manifesto are serving prison terms or are in detention: Walter Kania, Frantisek Veis, Jiri Wolf, Lenka Mareckova, Stanislav Pitas, Herman Chromy, and Jan Dus; and

Whereas January 1987 marks the tenth anniversary of the establishment of Charter 77: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That the Congress—

(1) commends the Czechoslovak human rights organization Charter 77, on the occasion of the 10th anniversary of its establishment of the aims of the Helsinki Final Act;

(2) calls upon the Government of Czechoslovakia to cease its persecution of those involved in Charter 77 and other human rights activities; and

(3) commends the United States representatives to the Vienna Review meeting of the Conference on Security and Cooperation in Europe for raising with the representatives of the Government of Czechoslovakia the issue of the persecution of those involved in Charter 77 and other human rights activities, and encourages them to continue to raise this issue.

Mr. Speaker, in commemoration of this Soviet day of shame, I join with Americans of Czechoslovakian descent in the 11th Congressional District of Illinois which I am honored to represent, and Czechoslovakian-Americans all over this Nation, as they observe the 19th anniversary of the invasion of Czechoslovakia. May their hopes and prayers for a homeland free of Soviet domination be realized.

## HUNGER AND MALNUTRITION IN THE UNITED STATES

### HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LELAND. Mr. Speaker, as chairman of the Select Committee on Hunger, I would like to bring to the attention of my colleagues the resolution adopted by the American Public Health Association [APHA], entitled "Hunger and Malnutrition in the United States."

APHA's resolution urges Congress and the administration to renew a national commitment to meet the basic nutritional needs for everyone in this country and to evaluate proposed policy changes and future legislation with an eye toward its impact on hunger. In addition, APHA calls for Congress to: First, pass legislation that will ensure that all who need the services of Federal food assistance programs are able to receive them; and second, set up a national nutritional surveillance system to provide data on the nutritional status of high-risk groups.

I commend the recommendations proposed by the APHA resolution. Further decreases in funding to Federal nutritional and health programs will have serious repercussions on the long-term health of vulnerable groups such as infants, the elderly and the homeless.

I wish to now share a copy of APHA's resolution:

8608: HUNGER AND MALNUTRITION IN THE UNITED STATES

The American Public Health Association,

Recognizing that hunger is a major and growing national concern in the United States, [1,2] and that hunger may lead to malnutrition; and

Knowing that prolonged malnutrition adversely affects health, growth, behavior, mental attitudes, ability to learn, and chances for survival,[3,4] and that infants, the elderly, and the homeless are particularly affected; and

Knowing that the federal food assistance programs are not being used by many individuals who need them and by communities to the extent they could be because of regulatory barriers to their use, lack of outreach concerning the importance and availability of these programs, and unrealistic funding limits; [5-7] and

Noting that the FY 1987 Presidential budget request makes major cuts in all of the federal food assistance programs as well as the Expanded Food and Nutrition Education Program and the Temporary Emergency Food Assistance Program and other federal programs that meet the monetary needs of low-income people; and

Recognizing that attempts to reduce the national deficit by cutting nutrition and health programs could have the effect of increasing hunger in the United States; and

Understanding that voluntary emergency food distribution operations such as soup kitchens and food pantries cannot keep up with the current need; [8] and

Acknowledging that emergency food distribution operations by their very nature are not the appropriate national solution to long-term hunger problems; and

Knowing that the United States does not currently have a nutrition surveillance system designed to provide, on a continuing and timely basis, data on the nutritional health of high-risk groups; [9] therefore

1. Urges that Congress and the Administration renew the national commitment to basic nutritional needs for all persons in the United States;
2. Urges that Congress and the Administration review all appropriate proposed legislation and regulatory and policy decisions for their potential impact on hunger in the United States;
3. Urges that Congress pass legislation which provides sufficient funding and removes barriers to program participation in order to ensure that all who need the services provided by the federal food assistance programs are able to receive them; and
4. Urges that Congress pass legislation that will create a comprehensive national nutrition surveillance system which can provide, on a timely basis, data on dietary intake and nutritional status of the US population and of high-risk groups.

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## TRIBUTE TO DR. WILL HAYES

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I rise to call the attention of members of the House to a most unusual man, who will be honored later this month on the occasion of his 50th anniversary as a teacher.

D. Will Hayes, currently teaching sixth-grade students at Vieja Valley Elementary School in Santa Barbara, has been an inspiration to generations of students from coast to coast and beyond. A graduate of New Jersey State College (Jersey City), Rutgers University, Duke University and holder of a doctorate from Columbia University, Dr. Hayes has enjoyed a career full enough for three people. His teaching posts have included school principal, graduate assistant, assistant professor and dean of men at schools and universities from coast to coast and creative writing teacher at Punahou School in Hawaii. He has traveled to 120 countries and all continents, including Antarctica.

It was my privilege to know Dr. Hayes in his capacity of Dean of Men at the University of California at Santa Barbara. Today, at an age when most people would long ago have considered retirement, he is teaching sixth-graders, perhaps the most difficult of all students. He says he does so because he is inspired by their questioning minds.

Not that Dr. Hayes has any difficulty stimulating students. His published material ranges from textbooks to children's books and beyond, including a study of school finance in Korea and a quarterback/receiver manual distributed throughout the United States. Perhaps the most unusual of his writings is The Balloon Digest, for the last 10 years the largest-selling work on hot air balloons. He is welcomed as a balloonist throughout the world.

Nor does Dr. Hayes waste his off hours. He has been President of the Somerset (NJ) Teachers Association, the Santa Barbara County Education Association, the Hope School and Vieja Valley Faculty, the Santa Barbara City/County Library Board of Trustees, the Santa Barbara Chapter of the American Association for the United Nations, the Rotary Club of Goleta, and member of numerous other organizations. He has also served as a "Lighter than Air" consultant to the Federal Aviation Administration, and a candidate for Congress. I don't know whether the last two are related.

Dr. Hayes has received honorary degrees and other commendations, but perhaps the most telling of his works is his series of books for children listing the "biggest" of everything, from pine trees to pigs to salmon. It is my honor and pleasure to salute him from the floor of the House of Representatives, and to ask all my colleagues in Congress to join me in commending Dr. Will Hayes; may his career in educating children inspire us all.

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## CAUCUS HONORS MARIO DIPINTO

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, I'd like to take this opportunity to acknowledge the many compliments of Mr. DiPinto, who is being honored at the first annual dinner dance of the Women's and Men's Caucuses for Congressman EDOLPHUS "ED" TOWNS. The Women's and Men's Caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

The Mario DiPinto formula for success has never been altered; determination, integrity, and hard work drove him to become his own boss. The Cypress Hill Professional Center is a product of that discipline.

Mario acquired the ability and hands-on experience of the business world by working in his father's business at the early age of 13.

He was born in Brooklyn and, after graduating from high school, left for California where he attended Fresno State College, majoring in business administration. He then left for Virginia and there attended the College of William and Mary.

His interest in real estate prompted him to acquire his salesmanship license at the age of 19.

Upon returning to New York, his keen business sense steered him to the entertainment field and he began working as a dance concert promoter. During his time, he came into contact with a number of well-known entertainers. His close association with the popular salsa player, Tito Puente, prompted him to start a travel agency.

His life in East New York began when he purchased an income tax business on Pitkin Avenue in 1969 where he remained for 8 years. He then moved to Fulton Street to operate the Cypress Hills Professional Center which includes real estate and income tax practices.

Mario is a moving force in the rehabilitation and stabilizaton of homes in the East New York community, and is now celebrating his successful completion of 500 renovated homes.

He has also been actively involved in a number of community organizations and has served as: president of the Kiwanis Club of Highland Park, and secretary of the old Cypress Hills Community Organization. Currently he is a member of the board of directors of the Cypress Fulton Senior Center, real estate advisor of community organizations, and co-chairperson of "We Love Cypress Hills Day."

Mario is married and is the proud father of five children. He has set a wonderful example of dedication and perseverance which has surely made him worthy of this honor and many more. May this award inspire and encourage him to continue the important work he has already begun.

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## TIME IS RIGHT FOR IMPROVING RELATIONS WITH POLAND

### HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. ROSTENKOWSKI. Mr. Speaker, earlier this summer I had the dual honor of serving first as chairman of the official host delegation in welcoming our visitors from the Polish Parliament, the Sejm, who held a series of meetings in Washington and Chicago from June 1 through 5, and then as the personal representative of the President on the occasion of the return of the United States to the Poznan International Trade Fair, in Poland, 2 weeks later.

I have recently filed a report with the Speaker on my activities in pursuit of those two appointments, which I ask to be published in the CONGRESSIONAL RECORD at the conclusion of this statement.

In my report, I refer to a Congressional Research Service study, "Poland's Renewal and U.S. Options: A Policy Reconnaissance," prepared by Dr. John P. Hardt, Associate CRS Director for Research Coordination, and Jean F. Boone, Senior Research Assistant. Due to its length, the study will not be reproduced herewith; it is available to Members directly from the CRS.

As I state in my report, I am convinced that this is an important time of opportunity for Poland and for the United States. The affectionate bonds between the Polish people and the American people are still very strong, despite the turmoil of this decade. While major tests of each government's intentions still lie before us, I am optimistic that steady improvement in business, cultural, and political relations between the United States and Poland is possible.

I urge all my colleagues to read the report, and the CRS study, and join me in an effort to do what can be done to bring our two great peoples closer together:

CONGRESS OF THE UNITED STATES,
WASHINGTON, DC, *September 1, 1987.*

Hon. JIM WRIGHT,
*The Speaker, U.S. House of Representatives, Washington, DC.*

DEAR MR. SPEAKER: At the invitation of the Office of the Speaker, a delegation of Members of the Polish Parliament (the Sejm) paid an official interparliamentary visit to the United States Congress during the period June 1 through June 5 of this year. Pursuant to my appointment as Chairman of the host Congressional delegation, I had the privilege of representing you and the House of Representatives in arranging the details of the visit and participating in most of the various meetings.

Immediately thereafter, I was asked by the President to represent the United States at the opening of the Poznan International Trade Fair in Poland which took place during the week of June 14, 1987. This event marked the first U.S. participation in the Fair since the imposition of martial law in Poland, marking the end of a six-year hiatus. As as historical note, I am pleased to report that President Reagan is the fourth consecutive President I have had the honor of representing at Poznan, dating back to 1973.

For use in these various meetings, I requested an updated study on Poland from the Congressional Research Service. The update provided by CRS supplemented an earlier study, "Poland's Renewal and U.S. Options," which was requested by Lee Hamilton, Chairman of the Subcommittee on Europe and the Middle East, and released by Dante Fascell, Chairman of the Committee on Foreign Affairs, in March 1987 in connection with the visit to the United States of a Polish delegation led by the Polish leader Jozef Czyrek.

I hereby enclose my report of these meetings.

POLISH PARLIAMENT DELEGATION VISIT TO THE U.S.A., JUNE 1–5, 1987

The Polish delegation consisted of the President of the Sejm, five Members and other officers of the Sejm, and representatives of the Polish Ministry.

In the course of the visit, which the Poles point out was the first such official interparliamentary exchange since martial law, President Malinowski and the other Polish delegates held a wide variety of meetings, not only within the Congress but also with

Executive Branch agencies, and with a number of scholars.

Discussions took place with the Speaker of the House, during which President Malinowski proposed a future meeting among the parliamentary leaders of all the member states of the Conference on Security and Cooperation in Europe (CSCE), in Warsaw, on the 50th anniversary of the beginning of World War II (1939). President Malinowski also issued an invitation for the Speaker to organize a reciprocal visit to Poland by a Congressional delegation in the near future, written invitation to follow. The delegation was also received by the Majority and Minority Leaders of both the House and Senate.

The delegation met with members of the Committee on Ways and Means, the Committee on Foreign Affairs, the Committee on Agriculture, the Subcommittee on International Scientific Cooperation of the Committee on Science, Space and Technology and the Senate Committee on Foreign Relations. Interparliamentary exchanges at the committee level were proposed by the Polish delegation to consider in greater detail the prospects for cooperation in specific areas of mutual interest such as agriculture and science.

Within the Executive Branch, meetings were held at the Departments of State, Treasury, Commerce, Agriculture, and Health and Human Services, and at the Environmental Protection Agency. The delegation met as well with Vice President George Bush. A vigorous and provocative roundtable forum also took place at the Wilson Center for International Scholars which was sponsored by the East European Program and involved both specialists from academia and from government.

In all their discussions, the Polish parliamentarians expressed great interest in further improvement of U.S.-Polish relations; they recognized the need for more far-reaching economic reform but also described what they consider obstacles to improving economic performance.

In addition to the substantive aspects of the interparliamentary visit, there were several very cordial and gracious social events, including a reception arranged by the Polish Embassy which Members of Congress and members of the Diplomatic Corps, among others, attended. The delegates also laid wreaths at the Pulaski Monument on Pennsylvania Avenue, and the Tomb of the Unknown Soldier and Paderewski Gravesite in Arlington National Cemetery. The House was represented by a Member at each ceremony.

On June 5, following the meetings in Washington, I hosted the delegation on a trip to Chicago where they visited the Chicago Board of Trade, participated in a wreath-laying ceremony at the Kosciuszko Monument, and met with the Mayor, city officials, and business leaders. The delegates were mightily impressed by the City, of course, and by the formative role that Polish immigrants had played in its development.

ROSTENKOWSKI PRESIDENTIAL MISSION TO POLAND, JUNE 14–19, 1987

On June 14, as the Personal Representative of the President of the United States, I participated in the opening of the Poznan International Trade Fair. The U.S. exhibit, the first in six years, was cosponsored by the Department of Commerce and the U.S. Information Agency. Featuring information technologies, the USIA exhibit drew wide interest and heavy attendance; in addition, a broad range of U.S. companies participated in the exhibit, making it a success and an important indication of U.S. interest in commercial relations with Poland.

I noted that the U.S. exhibit took only half the space it has in past years, and I have urged U.S. officials to expand our involvement in the future. While in Poznan, I was greeted by Polish Premier Zbigniew Messner and met with Foreign Trade Minister Andrzej Wojcik and with U.S. businessmen who were meeting in Poznan under the auspices of the private sector U.S.-Poland Economic Council. I also hosted and spoke at a reception honoring "America Day" at the Fair, which was very well attended by businessmen and government officials from around the world.

From Poznan, I traveled to Warsaw where I held a series of meetings with top Polish officials, including a meeting with General Wojciech Jaruzelski, Chairman of the Council of State, Poland's highest office. Others with whom I held talks were Roman Malinowski, the president of the Sejm; Jozef Czyrek, Politburo member and head of the Sejm's Committee of Foreign Affairs; and Foreign Minister Marian Odon Orzechowski. In the course of these meetings, I sought to obtain the Polish government's current assessment of U.S.-Polish relations and the prospects for greater cooperation.

I met as well with Polish Primate Glemp, and with leading Catholic intellectuals, for the purpose of exploring the current religious, social, and political roles of the Catholic Church in Poland and the prospects for Church-coordinated projects supported by the United States. While in Warsaw, I laid wreaths of commemoration at the Tomb of the Unknown Soldier and at the grave of the murdered Solidarity priest Father Jerzy Popieluszko. Throughout my time in Poznan and Warsaw, I held frequent and searching reviews of the present situation and its possibilities with the United States Chief of Mission in Poland, John Davis, and his excellent staff.

Finally, I travelled to Krakow, where I met with local officials and visited the American Children's Hospital, a facility which was established with the support of U.S. funding through P.L. 480. Currently, U.S. funds are supporting an improvement in the rehabilitative wing of the hospital and a new out-patient facility which will be named for the late House Foreign Affairs Committee Chairman Clement Zablocki.

FINDINGS AND CONCLUSIONS

In the conversations I held in Poland, most officials suggested they were pleased with the improvement of U.S.-Polish relations, as reflected by the lifting of sanctions, but were concerned and uncertain about the future course of U.S. policy toward their country. These concerns were most clearly articulated by Jozef Czyrek, who had led a delegation of Polish officials to Washington in March of this year. Mr. Czyrek posed three sharp questions with regard to U.S. objectives:

If the United States places importance on economic reform in Poland, why does it hinder the progress of reform through its unchanging positions in the IMF, World Bank, and Paris Club?

If the United States is interested in national reconciliation in Poland, why does it portray the domestic situation of Poland as one of civil war and confrontation?

If the United States wants to counterpose Poland against the U.S.S.R., using it as an instrument in U.S.-Soviet relations, what purpose does this serve?

Since returning from Poland, I have explored these issues with U.S. officials and have sought to determine whether the United States has a long term policy for developing its relations with Poland. In my view, the questions raised by Mr. Czyrek can be addressed through the step-by-step approach whereby the U.S. demonstrates support for Polish progress toward shared goals of economic recovery, democratization, and independence.

From these discussions in Poland and those I have held with U.S. Government officials and a wide range of specialists on Polish-American relations, I am convinced that this is an important time of opportunity for Poland and for the United States. Positive developments in Poland have led to a step-by-step normalization in our bilateral relations that I have supported. This must be a reciprocal policy of reengagement. In order to gain the advantages of renewing relations with the West and the United States, and to obtain societal support, Polish leaders must implement the many constructive positions they have articulated. From the point of view of the United States, such changes in Polish foreign and domestic policy would be important as they would benefit the Polish people and broaden U.S. interests.

As noted in the paper provided to me by Dr. John P. Hardt and Jean F. Boone of the Congressional Research Service, there are several important net benefits to U.S. interests:

Our government and private banks would be more likely to have Polish debts serviced and repaid;

Polish society would have a greater role in Polish affairs;

The independence and sovereignty of the Polish State would be strengthened so that "Poland could be Poland."

While the paper enclosed represents the views of the authors from the Congressional Research Service, not necessarily mine or those of the U.S. Congress, it does provide a useful basis for policy dialogue. The authors' analysis suggests answers to a number of questions we might all ask; 1) Polish economic prospects are not necessarily hopeless; indeed, by implementation of their own reform blueprint some significant improvement is possible; 2) encouragement of Poland to adhere to the conditions minimally acceptable in the financial community will not constitute any burden on our taxpayers; 3) the acceptance of programs that might be initiated by the Poles under conditionality of the International Monetary Fund and World Bank would not likely mean the diversion of significant funds from other worthy recipients of assistance.

If this analysis is correct, we might be in a position to materially help the Polish people with little or no cost to ourselves. Conversely, by not using our available leverage, we may materially harm the Polish people with little or no savings to ourselves. There is serious scholarly support for the proposition that the United States could forsake the prospect of improved bilateral relations with Poland by waiting too long or demanding too much before we take our next step.

We are close to finishing the process of normalization of our diplomatic relations with Poland, with the exchange of ambassadors, an action which I strongly support. This would be the final step in the initial process of bringing our nations together again. Now is an especially propitious time to explore the next steps in substantive improvement that we might find in our mutual interest. Some modest U.S. programs that might benefit the Polish citizenry and serve interests we share have been advanced in provisions added to H.R. 3, the 1987 Trade Bill, during Senate debate. I largely support the generous purposes of these provisions and will work in the Conference Committee to bring them to enactment.

I want to thank you, Mr. Speaker, for the opportunity to serve as Chairman of the host delegation during the interparliamentary visit in the first week of June, and for your support and interest in my visit to Poland as the President's Personal Representative. There is much to know, and to do, with regard to improving our relations with Poland. I feel we have made an important and timely contribution toward that goal, and I look forward to working with you and other Members of Congress and the Administration in the continuation of the effort.

With best personal regards, I remain

Sincerely,

Dan Rostenkowski,
*Member of Congress.*

## CONFRONTING THE COST OF OUR CRUDE OIL DEPENDENCE

### HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. DURBIN. Mr. Speaker, during the August recess, an editorial appeared in the New York Times that made some sensible comments about our lack of a national energy policy in the face of dwindling crude oil reserves. Since many of my colleagues may not have seen this editorial, I would like to request that it be printed in the Record.

As the Times points out, the Reagan administration's argument that governments should not intervene in energy markets is not consistent with the administration's policy of risking lives and money to defend Persian Gulf oil shipments.

The sad truth is that the United States is heavily dependent on foreign crude oil, even if most of it is not currently coming from the Middle East, and we are likely to become more and more dependent in the future. The day will soon come when every extra barrel of oil consumed will add an estimated $200 to the world's oil bill.

In light of these facts, it is incomprehensible that the administration is not taking action to encourage the development of alternatives to crude oil such as using home-grown ethanol in our gasoline supply and taking steps to improve energy efficiency and encourage conservation.

The first step toward any solution is to recognize the problem. In the United States today the biggest energy problem is the refusal of the current administration to face the realities of our Nation's crude oil dependence. I recommend the New York Times editorial to my colleagues as a clear statement of this fundamental problem, and I hope that we can work together to address our Nation's energy needs—with or without the help of the administration.

[From The New York Times, Aug. 13, 1987]

The Real Cost of Gas: $5 a Gallon

Forget oil taxes, import fees and subsidies for alternate fuels, say Reagan energy experts: the market alone will produce the right amount of oil at the right price. That has always been a glib analysis. Now, in light of the Administration's willingness to risk lives and dollars in the defense of oil from the Persian Gulf, it seems absurd.

The real cost of oil should include the cost of the military forces protecting supplies. And even that number is dwarfed by the whole cost of depending on Persian Gulf oil. Once consumption approaches current production capacity, each extra barrel could add $200 to the world's oil bill.

As with other widely traded commodities, oil has a market price roughly reflecting the cost of producing it from declining "marginal" fields in America and Europe. But a stable supply of oil, unlike most commodities, is vital to the economy. Even a fear of supply disruptions can have dramatic effects. In 1973-74 and again in 1979, output reductions of just a few percent doubled oil prices and triggered a recession that cut world income by trillions.

Today, with oil temporarily in glut, losing the 10 to 15 percent of world oil that now flows through the Strait of Hormuz would probably not do as much damage. Producers outside the region could replace most of the barrels. Sales from government reserves could also help cushion the shock.

But modest dependence on Persian Gulf oil still carries a heavy price tag. The cost of the military commitment can't be easily measured, but surely amounts to several percent of the $300 billion defense budget. Just the present troubles in the gulf have driven up prices by about $3 a barrel. This adds about $500 million to America's monthly import bill.

Far more ominous is the growing potential for monopoly pricing as the world slowly slides back toward dependence on Persian Gulf oil. In particular, Saudi Arabia remains the only major source of oil. And as the gap steadily closes between consumption and production capacity available from non-Saudi fields, the fate of the world economy will rest in Saudi hands.

If supply and demand are left to the market, it will take only a decade for the Saudis to become the swing producer, able to control the world price by regulating the flow from their own wells. Then, every extra gallon demanded by consumers could increase producers' revenues by as much as $5.

Analysts bitterly debate the relative merits of gasoline taxes, oil taxes and import fees as a way to restrain consumption. There are equally rancorous arguments about how best to stimulate supply. But the perspective of $5 gasoline makes almost any alternative look attractive.

How can public attention be focused on devising such alternatives? The first task is to dislodge the simplistic free-marketeers who think the best energy policy is indifference.

## CLAUDE PEPPER'S WALKING HISTORY

### HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FASCELL. Mr. Speaker, yesterday was the birthday of our good friend and distinguished colleague, Claude Pepper. It is with great pleasure that I join in wishing him a joyous birthday, and it is also with great admiration that I share with our colleagues an article about Claude's forthcoming autobiography, "Eyewitness to a Century," which will be released in October. Rarely have individuals in this country had a Representative in Congress whose political career has spanned so long a time period and who is so well versed on the great events of our country's last century. Indeed, he was often a participant in these occasions. His knowledge of the United States' recent historical events are more than memorized facts, they are often distinct memories and recollections, such as are detailed in his autobiography. Claude Pepper is a unique and valuable resource to those of us who hope to chart our country's future by learning the lessons of our past, and it is with great pleasure that I submit the following article from the Miami Herald, written by Tom Fiedler.

Walking History Book Claude Pepper Writes a Fascinating Autobiography

(By Tom Fiedler)

If the president will consent to it sometime soon, Claude Pepper hopes to sit down with Ronald Reagan in the Oval Office and talk to him about history.

Specifically, the Miami congressman, who will be 87 on Sept. 8, wants to ask Ronald Reagan to consider his administration's place in it.

Does he want to be recalled, Pepper will ask, as the president who brought glee to the hearts of America's rich? Or would he like to be recorded as the man who freed Americans of the financial worries that accompany sickness, injury and old age?

It is, of course, a loaded question, one Pepper hopes will embarrass Reagan into enlisting in Pepper's career-long crusade to help the less fortunate whatever the cost.

But also revealing about this is Pepper's keen awareness of the broad sweep of time and history's judgment of our places in it. Others might try to sway the president with arguments backed by the latest poll data, a skittish reflection of a fickle electorate.

Pepper is perhaps unique in being able to argue with the force of history. Claude Denson Pepper, after all, is history.

His career, which began with election to the Florida Legislature in 1928—the year after Babe Ruth hit 60 home runs and Charles Lindbergh flew the Atlantic—lies spreadeagled across viturally every major event, war and social movement to mark this century.

He grew up in the rural South closer in time to the Civil War than we are today to World War II. He is old enough to remember vividly the impact of Orville and Wilbur Wright's brief flight above the sands of Nags Head, and to have shaken the hands of astronauts returning from the moon.

Pepper has known every president since Franklin D. Roosevelt. He met John F. Kennedy when Kennedy was a boy living in London while his father was ambassador to the Court of St. James. He has labored under the New Deal and Fair Deal, the New Frontier, the Great Society and, today, the Reagan Revolution.

It is not hyperbole to say that Pepper is his Democratic Party's institutional memory. Some might say he is the country's.

There is no single incident that causes me to shift my gaze from the days' political events and let it fall on Pepper other than it seems he is lately much in the news.

The congressman is in the midst of one of those periodic revivals of fame that accrue to him every few years when admirers pause to recognize his on-going contributions to the national dialogue and marvel at his accomplishments.

Pepper can even claim some longevity in being touched by these cyclical bursts of recognition. Where most of us might be lucky to bask in it once in our lifetimes, Pepper first graced a cover of Time magazine in 1938, then more recently in 1983.

Within recent months, he has been trailed by camera crews recording his daily activities for a television documentary underscoring the point that advancing age doesn't mean advancing irrelevance.

Last week, he and another lion of Washington, journalist Liz Carpenter, were paid rare tribute by Miami's Tiger Bay Club, a group normally given to politico bashing, after sharing their recollections of Washington life over the past half century. It, too, was videotaped.

The final prod to this column came when I was given an early look at Pepper's forthcoming autobiography subtitled, "Eyewitness to a Century," to be published in October by Harcourt Brace Javanovich.

It reminded me that while Claude Pepper was here when I began my career, and may well be here when I end it, I should not take his presence for granted.

The book connects in several ways. Simply as history, Pepper's accounts of the political climate in Florida and the nation ranging from the 1920s to the present are fascinating.

So, too, are his chatty recollections of conversations with FDR, Harry Truman, Josef Stalin, Winston Churchill and Jack Kennedy, and his eyewitness reports on the rise of Naziism in Europe and McCarthyism in the United States.

Readers can see Florida change from the Deep South state it surely was when he moved here from Alabama to the urban metropolis and international gateway it is today. With that change, Pepper's political fortunes rose and fell and rose again, providing him with a perspective that is unparalleled.

He speaks in detail about the bitter 1950 campaign in which he lost his U.S. Senate seat to a young, ambitious and—Pepper remains convinced—ruthless George Smathers, now a Miami lawyer, whose tactics foreshadowed the negative mass media campaigns of recent years.

That was the campaign in which Time magazine reported (Smathers says inaccurately) that Smathers would tell rural audiences that Pepper had engaged for years in heterosexual relationships and had a sister who lived in sinful New York city where she was a practicing thespian.

Pepper also reveals some rarely disclosed tidbits, such as his flirtation with running for president in 1948 as part of a "dump Truman" ticket and his thoughts of moving to New York to seek office in the belief that Florida had become too conservative to allow him to succeed. Rather than change his philosophy, he would change his constituency.

Indeed, it is an unwillingness to change his philosophy that stands out through all of Pepper's career, a trait that is especially noteworthy in light of today's poll-driven politics. Over the course of six decades in public office, Pepper has remained steadfast in pursuit of a single ideal—harnessing the power of government to benefit the people.

Public tastes have ebbed and flowed during his career, sometimes running with him, sometimes against, but whenever Pepper campaigned, voters heard what he believed in his heart, whether they liked it or not.

"I entered public life because my early years in the destitute South convinced me that life for human beings should, and could, be much better than it was," Pepper writes.

"What worthier purpose could government serve than to make life a bit happier and a lot less arduous for its people?"

It was a view he espoused in 1928 and one he will espouse in 1988 despite the apparently current belief that government is a voracious, intrusive monster capable only of being on our backs and in our pocketbooks.

"I intend to continue to devote my full energies to helping to free people from fear of dictatorial oppression, from fear of illness and poverty, from fear of discrimination, from fear of ignorance, and from fear of opportunity foreclosed," he writes.

"To me, that is what liberalism means. Unabashedly, then, I am and shall remain a liberal."

Several weeks ago, I was given an assignment that may seem strange to all but those in the news business. An editor asked me to interview Pepper for the purpose of updating his obituary. The one on file, unlike Pepper, had grown yellow and brittle with age.

Despite the seemingly macabre nature of my request, Pepper readily agreed to spend time reflecting on his career. But why not mix the serious with the sublime, he suggested, and do some of the interviewing on a golf course?

As we went from the clubhouse to the first tee, Pepper wryly noted my assignment and declared that his intention is to live long enough to "shoot my age" on the gold course.

That day he carded a 109, about in line with his handicap. By his reckoning, that gives him at least another 22 years to work toward his goal.

But for the sake of the political process—if not for history yet to be written—I hope Claude Pepper's golf game deteriorates.

## RETIREMENT OF POLICE CAPT. PAUL W. LYDICK

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LAGOMARSINO. Mr. Speaker, it gives me great pleasure to bring to the attention of my colleagues, the retirement of Capt. Paul Lydick from the Ventura Police Department.

Captain Lydick is a long-time Ventura County resident, growing up in Fillmore and graduating from Fillmore High School in 1956. He then enlisted in the Army and served in Germany with the 11th Airborne Division. Upon discharge in 1958 he returned to Ventura County and began his long career in law enforcement.

Santa Paula was the site of Lydick's first police employment and in 1960 he was hired by the Ventura Police Department. He was promoted to rank of sergeant in 1966, lieutenant in 1969 and captain in 1970.

During his career he has commanded every division and bureau within the police department and has worked on many notable projects and notorious crimes. He was instrumental in the planning and design of the current modern Police/Fire Administration Building.

Captain Lydick holds an associate of arts degree from Ventura College, bachelor of science in police administration from California State College at Los Angeles and master of public administration degree from the University of Southern California. In 1974 he graduated from the prestigious FBI National Academy in Quantico, VA. He also holds a California State teaching credential and commission of peace officer standards and training management certificate.

Lydick's community activities include past master of Masonic Lodge No. 633, member and past president of the Ventura Shrine Club, member of Al Malaikah Shrine Temple, member of the Peace Officer's Shrine Club, member of the Tri-County Legion of Honor Shrine Club, Associate Guardian of Bethel No. 204, International Order of Job's Daughters member and sergeant-at-arms of the Ojai West Rotary Club, board member of the Los Felis Dance Club, member of the FBI National Academy Associates, International Association of Chiefs of Police and California Peace Officers' Association.

Captain Lydick lives in Ojai with his wife Patty. Their children are Doug, Debbie Watson, and Suzi. They have three grandchildren, Jessica, Richelle, and Krista.

Upon Lydick's retirement from the police department he will remain very busy. He and his son Doug are partners in Lydick Western Construction Corp. of Ventura, a general engineering construction corporation. He also plans to build a weekend cabin on their Pine Mountain property—in his "spare time."

I ask my collegues to join me in wishing a happy "retirement" to Captain Lydick and his family.

## FRANCES ABBRACCIAMENTO HONORED FOR ACCOMPLISHMENTS

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, I wish to draw the attention of my colleagues to the remarkable accomplishments of Frances Abbracciamento, whose involvement in the East New York community over the last 36 years has led to a number of positive changes in the educational, business, and political environment in the East New York community. Born and raised in East New York, Frances' contributions to improving the quality of education continue to stand out in the community.

Elected and reelected to district 19's community school board from 1970 to 1983, her dedication and commitment led her to serve as president of the school board for 8 years, vice president for 2 years, and treasurer for 3 years. She was an active member of the chancellor's advisory council for supervisory selection; member of the advisory boards of P.S. 348, I.S. 302, and P.S. 65; Representative of district 19's advisory board for exceptional children; cochairman of district 19's reading Institute; and representative of district 19's Reach Out Drug Program.

She continued to channel her time and imagination in formulating new and workable programs for children. She founded the Annette P. Goldman scholarship fund where she served as chairperson, and cofounded the Roberto Clemente scholarship fund, serving as first vice president.

Her business experience coupled with her tremendous personality allowed her to be successful and respected in the business world. As proprietor of the former well-known Sal Abbracciamento Restaurant on Liberty Avenue, Frances was complimented by all who frequented the restaurant. She also owned and operated the Bay Terrace Restaurant on Breezy Point. Presently she is enjoying the success of her hard work by operating the elegant Abbracciamento-on-the-Pier Restaurant located on the Canarsie pier.

Her soaring energy continued in the political world. There she was elected female leader of the 40th assembly district for 8 years, and female leader of the 38th assembly district for 8 years. Her contributions to the district she represented are unforgettable.

Her intuition and the rare chemistry that she puts into her work generated her to initiate new ideas and ideals. She founded many organizations, such as the Council for a Better East New York, Sisters of Notre Dame Auxiliary, East New York Health Coalitions, and the Alpha School.

Ms. Abbracciamento is a widow, mother of four children and grandmother of nine.

Frances is being honored at the first annual dinner dance of the Women's and Men's Caucuses for Congressman EDOLPHUS "ED" TOWNS. The Women's and Men's Caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

May this award inspire and encourage Frances to continue the important work she has already begun. The wonderful example of dedication and perseverance which she has set has surely made her worthy of this honor and many more.

## BLACKS FIND STRENGTH IN GROWING NETWORK

### HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LEHMAN of Florida. Mr. Speaker, Bill Wynn has been a leader in our community for a generation. I knew him first as an outstanding police officer and later as a creative and successful businessman.

As the following story relates, the Wynn tradition of community responsibility and enterprise is being passed to a new generation. As the following article from the Miami Herald relates, Bill's son, Dwayne Wynn, is among the founders of a business and social organization called Network, Inc. Network now has attracted hundreds of members and has done much to promote the growth and development of black businesses in south Florida. I commend this article to the attention of my colleagues.

Mr. Speaker, the work that Bill Wynn started is still being carried on in Dade County. All of our community is better for his efforts.

[From the Miami Herald, Aug. 27, 1987]

BLACKS FIND STRENGTH IN GROWING NETWORK

(By Angela Youngblood)

Five young black professionals met for lunch at the Dupont Plaza Hotel in February 1984 and decided Miami needed an organizational base for black professionals to meet each other, learn about jobs and discuss topics that affect the community.

They didn't know how right they were. Less than four years later, Network Inc. of South Florida is 700 members strong.

Network President Dwayne Wynn, one of the five founders, said the overwhelming response to the organization surprised him.

"People started telling other people and they started coming," said Wynn, who is in his late 20s and vice president of Afro-Carib, a family-owned import-export business in Liberty City.

"It's hard for blacks to meet in this community," said Linda Cooks, vice president of Network and a corporate banking officer at Southeast Bank.

After blacks leave work, they don't go to one central area; they go to all parts of Dade County. They needed a central place to meet, said Cooks, another founding member.

Deirdre Kyle, recruiting administrator for the law firm of Steel, Hector and Davis, came to Miami a year ago from Tallahassee and was invited to a Network luncheon.

"Network helped me settle in Miami. It was an easy access for me to make friends and business contacts," she said.

The group meets for lunch the 1st Tuesday of each month at the Marriott Hotel on Biscayne Bay. Speakers have included Miami Mayor Xavier Suarez, U.S. District Judge Alcee Hastings and Miami mayoral candidate Arthur Teele Jr. Tuesday, Opalocka Mayor Robert Ingram did the honors.

The luncheons persuaded Sharvell Becton, 32, to pay the yearly $25 membership fee.

"I was impressed with the caliber of speakers and the general fondness of people," said Becton, who works for the Greater Miami Chamber of Commerce's leadership of Miami program.

But there is more to Network than business lunches. There's also some after-hours socializing. The group sponsors After Five, a happy hour, at a different nightclub each month. Next up is the Ciga Lounge at the Grand Bay Hotel in Coconut Grove Sept. 6.

"After Five is to let the black professionals come together and meet each other in a more social setting," said Gregory W. Wright, communications editor for Network.

Member Clayton Hamilton put it a bit more simply: "We're a great place for singles to find a compatible mate."

Wright, 29, a part owner of the public relations firm Wright, Pearcey and Associates, publishes the group's monthly newsletter, a mini-booklet about events and people in the black community.

"It's very popular," he said.

The newsletter also carries news of similar black network organizations throughout the country. August's edition featured Tampa's group, First Friday.

"We're trying to reach other similar organizations and establish that communications link," said Wright.

Cooks said the organization has a job resource bank for out-of-town professionals wishing to move to the Miami area. Network recently helped one company hire five blacks.

"We think it's important for blacks to enter the economic mainstream," Cooks said.

Network also is putting together a national conference next June for all organizations throughout the country.

Cooks said she hopes to learn through the conference "how successful the other networks are."

Others networks include the Atlanta Exchange in Georgia, the D.C. Coalition of Black Professional Organizations in Washington, D.C., and the Coalition of Black Professional Organizations in New York.

"Our goal through the conference is to find out how we can better run the organization down here," said Cooks.

## A TRIBUTE TO MRS. MANYA UNGAR

### HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. RINALDO. Mr. Speaker, I wish to pay tribute today to Mrs. Manya Ungar, a constituent of mine from Scotch Plains, NJ, who was recently elected president of the 6 million member National Parent-Teacher Association. This is a great honor for New Jersey, but even more, it is a well-deserved and most appropriate distinction for Mrs. Ungar.

She exemplifies the qualities and virtues that are important to all Americans. The mother of two grown sons, she has been active in the PTA for nearly 20 years, and has held numerous association offices at the local, county, State, and national levels. Prior to her election to a 2-year term as president of the National PTA at the organization's June convention in Dallas, TX, she served as first vice president from 1985 to 1987 and as vice president of legislative activities from 1981 to 1985.

Mrs. Ungar first became involved with the PTA in her hometown of Scotch Plains where she served the local chapter in various capacities, including that of president. She later served as president of the Union County PTA, and in 1979 was elected president of the New Jersey State PTA, following 2 years of service as State vice president. Her outstanding performance in those positions brought her numerous commendations from PTA's throughout the country. The Scotch Plains-Fanwood Council of PTA's bestowed its "Outstanding Service Award" on her in 1973, and she was the recipient of honorary life memberships in the New Jersey State PTA and the National PTA in 1973 and 1977, respectively.

While the PTA has been the primary beneficiary of her services, Mrs. Ungar also has found time to devote to various other community-oriented organizations. She has been active in the League of Women Voters, American Field Service, New Jersey Commission for the Blind, Boy Scouts of America, the College Club of Fanwood-Scotch Plains, and the Summer Musical Theatre Workshop of Scotch Plains-Fanwood. She was selected to serve on the New Jersey Bar Association Ethics and Fee Arbitration Committee from 1978 to 1985, and in 1986 was appointed to the board of directors of the New Jersey Public Education Institute.

In recognition of her public service she received the New Jersey Jaycees "Outstanding Citizen" award in 1982 and the "New Jersey Women in Education Award" in 1985.

Mrs. Ungar has been a tireless and dedicated community leader whose devotion to improving the educational system has had a positive influence on all who have come in contact with her. I join her many friends in expressing admiration and gratitude for a job well done and wish her much success as she assumes the presidency of the National PTA.

## IN HONOR OF THE LATE JESSE UNRUH

### HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. MATSUI. Mr. Speaker, it is an honor to rise today in memory of one of the the greatest political giants in California history, and a man whose impact was recognized across the country. Jesse Unruh, the son of an illiterate Texas sharecopper, rose from poverty to become the most powerful speaker of the California State Assembly. He was the mentor of numerous influential leaders currently serving in State and national office. Unruh's mastery of legislative and administrative skills led to a total restructuring of the State legislature which he initiated. This effort, which has left a profound legacy, turned a part-time, highly fragmented decisionmaking body dominated by the Governor into a full-time, professional, coequal partner with the executive branch.

Jesse Unruh was the architect of the modern speakership in California. He used the tremendous power of speakership as a means to further a policy agenda which significantly benefited all Californians. Among them was the Unruh Civil Rights Act in 1959 which prohibited discrimination by businesses that offer accommodations or services to the public.

He was a major force in national politics beginning in the early 1960's with his role in John F. Kennedy's Presidential campaign. When the ripe opportunity for a U.S. Senate seat opened in 1968, Unruh declined in favor of running Robert F. Kennedy's California campaign. Upon reflection, Unruh said, "I felt the country needed Bobby Kennedy as President a lot more than I needed to be in the Senate."

In recent years, Jesse Unruh further demonstrated his talent for leadership by turning the job of California State Treasurer into a dynamic and powerful position. Unruh assembled billions of dollars in Wall Street clout by using the State's enormous public pension funds as a base. Institutional Investor magazine hailed him as the Nation's "most politically powerful public finance officer outside the U.S. Treasury."

Jesse Unruh was the greatest Governor California never had, to put it in his own words. As a friend and a great leader, Jesse Unruh has left an indelible mark on those he inspired and on the government he served. My deepest sympathy goes out to his wife Christine, his daughter, sons and grandson. Jesse Unruh will be sorely missed by us all.

## RICHARD RECNY FETED AT CAUCUS DINNER

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, I wish to draw the attention of my colleagues to the remarkable accomplishments of Richard Recny, who has been the executive director of the Local Development Corp. of East New York since 1980. His rare combination of tact and the ability to work with people in every level of society, enables him to perform his daily tasks; implementing effective programs, attracting businesses to the community, and creating jobs for residents with equal success.

"Rick" Recny was born in San Bernardino, CA, and attended college at the University of California, Berkeley, and Columbia University in New York City.

Mr. Recny's involvement in and concern about East New York began in 1979 when he worked as a volunteer in service to America [VISTA], serving with Grass Roots Housing for a Better East New York.

Rick Recny is married to Bettyann Kelly and has two children, Ian and Henrietta.

Rick is being honored at the first annual dinner dance of the Women's and Men's Caucuses for Congressman EDOLPHUS "ED" TOWNS. The Women's and Men's caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my Congressional District, and to improve the quality of life for all.

The wonderful example of dedication and perseverance which he has set has surely made him worthy of this honor and many more. May this award inspire and encourage him to continue the important work he has already begun.

## CONGRATULATIONS TO LUPE AQUINO

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues, the accomplishments of one of my constitutents, Lupe Aquino of Santa Paula, CA.

On July 12, 1987, Lupe won the World Boxing Council super welter-weight title in Bordeaux, France, by out-boxing the titleholder, Duane Thomas.

Lupe has resided in my district for most of this 24 years and has been preparing for a boxing career by gaining experince in Golden Gloves and other competitions. During these years he has had the support and interest of the citizens of Santa Paula.

Lupe Aquino is the first Ventura County fighter ever to win a world title and in recognition of this accomplishemnt, the mayor of the city of Santa Paula, Al Escoto, has declared Sunday, July 26, 1987, to be Lupe Aquino Day in Santa Paula.

I ask my colleagues to join me in congratulating Lupe for his feat and in wishing him continued succession his boxing career. Here's hoping he brings many more world titles to Ventura County.

## A TRIBUTE TO SISTER PAT KENOYER

### HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. WHEAT. Mr. Speaker, this coming Friday, September 11, a number of my constituents in my district will be gathering to pay tribute and bid farewell to a very, very special person, Sister Pat Kenoyer.

Sister Pat, a native of Kansas City, MO, has demonstrated throughout her life a sensitivity to the needs of others and a commitment to higher ideals that most of us can only hope to emulate. A Sister of Loretto, she has been a driving force behind the consciousness-raising efforts of the Kansas City Nuclear Weapons Freeze Coalition and has been the director of the local chapter of SANE for the past 3 years. Few, if any, people in my district have exhibited such a high level of energy in pursuing the goal of peace.

Many will recall Sister Pat's efforts in initiating and leading the "Heartland Peace March," in which she walked 10 miles a day for 20 days from Leavenworth, KS to Omaha, NE. Along the way, she was joined by farmers, merchants, community leaders, and others to focus attention on the cause of peace. It was typical of Sister Pat, sacrificing her time and energy to inspire others to become active in causes important to us all.

Sister Pat received her Ph.D. as a psychologist from Fordham University, and she has also earned a master's degree in English from St. Louis University. She is now leaving Kansas City for the country of Ghana to teach ministerial psychology to the people of that country. She hopes to spur interest in a number of Ghanains to come to the United States, study the subject further, and return to Ghana to share their knowledge with their people. I've no doubt she will succeed.

Sister Pat Kenoyer is a woman of many talents and virtues. She is a dancer, a lover of horses, a woman of unlimited kindness, and a great friend. I, like many others, will miss her dearly while she is gone. But I feel warmth in knowing that others will now be priviliged to share in the joy of friendship with Sister Pat. They, too, will cherish that friendship.

## LAKE OKEECHOBEE MANAGEMENT MODEL BILL

### HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LEWIS of Florida. Mr. Speaker, today I, along with my Florida colleague, Congressman CLAY SHAW, am introducing legislation which directs the Secretary of the Army to develop a management model for the control of aquatic plants and other pollutants in Lake Okeechobee and the surrounding ecosystem.

The management of fresh water lakes and streams in the United States has too often been based on nonscientific information. This has lead to the control of lake pollution using a plan that ignores the impact on the entire ecosystem both in the short and long terms. In some cases, the solution has proven to be a worst ecological disaster than the original problem.

This legislation provides a solution to this problem. It calls for the development of a management model system that would analyze the advantages and disadvantages of proposed solutions for the cleanup of lakes and streams. For the first time, decisionmakers would know the short- and long-term impacts of their decisions to control aquatic plants and other pollutants.

The bill is a modified version of H.R. 1513, EPA-directed legislation which I introduced in March of this year. Specifically, it directs the Army Corps of Engineers to demonstrate the management model in the Lake Okeechobee ecosystem and indicates that the model is not intended to interfere with ongoing management or demonstration projects sponsored by the State of Florida.

In no way will this legislation obstruct or hinder efforts by the State of Florida to enhance the quality of the lake or the surrounding ecosystem. If the State deems a particular project worthy, and has the funding, necessary to proceed, I have no intention of objecting.

The purpose of this bill to ensure that lake management decisions involving the Federal Government be made on a sound scientific basis. This approach would enable the Federal Government to assess the entire impact of a proposed project.

I urge my colleagues in the House to join with Congressman SHAW and myself in cosponsoring this important and timely legislation.

ANALYSIS OF THE DEVELOPMENT OF MANAGEMENT AND CONTROL METHODS FOR AQUATIC PLANTS

Section 1(a).—The Secretary of the Army, working through the Corps of Engineers, is directed to develop methods for management and control of aquatic plants. The management model would be tested in the Lake Okeechobee, Florida, ecosystem and could be used throughout the United States in the control of aquatic plants. The model could be adapted for use as a management instrument for the control of other aquatic pollutants. This approach is directed toward the analysis of the short- and long-ranged impact of aquatic plant control decisions.

Section 1(b).—The program, to be coordinated with other Federal agencies, would identify existing scientific data bases, examine existing management models and conduct the research necessary to develop the management model.

Section 1(c).—The management model must be useable in Lake Okeechobee, Florida and other ecosystems throughout the United States.

Section 1(d).—The Corps of Engineers will enter into research contracts to provide information for the development of the management model.

Section 1(e).—Information developed by the management model shall be made available to any governmental agency requesting it.

Section 2(a).—The Corps of Engineers will demonstrate the management model.

Section 2(b).—The demonstration shall be in Lake Okeechobee.

Section 3.—The Corps will solicit peer review recommendations from scientists and from management personnel who would use the management model.

Section 4.—The project will be completed within 3 years.

Section 5.—The Corps of Engineers will develop a plan for conducting the project and will report to Congress on the progress of the project annually.

Section 6.—Any agency may use the information developed by the management model. The management model is not intended to interfere with any ongoing projects.

Section 7.—The cost of the program will be $2.5 million per year for each of the three years. This includes at least $500,000 per year for scientific research.

## FOREIGN INVESTMENT OR OWNERSHIP IN THE UNITED STATES

### HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. OXLEY. Mr. Speaker, I think that many of us in this body may be seriously concerned about certain provisions of H.R. 3, the huge trade bill, which passed the House in April of this year. Of particular concern to me are the provisions relating to foreign investment or ownership in the United States.

Although the other body appears to have acted more responsibly in this area, it is important that those who share concern about these onerous provisions make that concern known to House and Senate conferees as they begin this month to attempt to resolve differences between the House and Senate versions of the omnibus trade bill. Contrary to what proponents of the House provisions would have us assume, foreign investment in the United States is not inherently or necessarily bad for the United States. In fact, foreign capital is very important to our economy. In my review, it is both dangerous and wrong to lash out against foreign investment without knowing all the facts.

With this in mind, I commend to my colleagues' attention the following enlightening op-ed piece on this subject by Martin and Kathleen Feldstein:

HEADLINE-GRABBING FOREIGN INVESTMENT

(By Martin and Kathleen Feldstein)

All summer the business pages have been replete with stories of foreign takeovers of American firms and of the growing share of foreign ownership in U.S. real estate. The rapid growth of Japanese investment in the United States has particularly captured headlines. While this growth is not a trivial matter, especially in political terms, there is no basis in fact for the fear that the Japanese are gaining control of American industry and real estate.

Not so long ago it was U.S. investment abroad that created unfounded concerns in Europe that the United States would soon dominate those economies. And within the last decade there was near panic that the OPEC countries were about to own everything in sight. The truth, of course, is that U.S. investments abroad have been boons to the host countries, and that it can be similarly healthy for the U.S. economy when foreign investors come here.

The enormous Japanese trade surplus has been the driving force for the growth of that country's foreign investment. Last year the Japanese invested some $100 billion abroad, and about two-thirds of that came to the United States. But the overwhelming bulk of Japanese investment has been passive investment in the form of stocks and bonds. There is no danger that Japanese investment in this country is enabling the Japanese to control American business.

The major part of foreign capital generally arrives in the form of fixed-income investments such as bonds and bank deposits. These amount to approximately three-fourths of the stocks of foreign investment in the United States. Portfolio investments in corporate stocks amount to an additional one-eighth of total foreign assets here. Far less important in value than these portfolio investments, but much more visible, are the direct investments in businesses and in real estate that have been dominating the news reports. These total only about one-sixth of foreign investment in the United States. (Investment is considered direct if it amounts to more than 10 percent of the ownership of a business or property; otherwise it is considered portfolio investment.)

Japanese direct investment in real estate—typically the biggest headline grabber—has certainly been growing rapidly as Japan's trade surplus has soared and as the yen has strengthened relative to the dollar. A Salomon Brothers report estimates that in 1986 the Japanese invested $4 billion in real estate—or nearly three times the total of all past Japanese real estate investments in the United States. As dramatic as that increase has been, the $4 billion is still minor compared with the total spending on new construction in this country of more than $300 billion.

Most Japanese real estate investment is concentrated on office buildings and hotels. Again, the $4 billion of Japanese investment is a small proportion of the total commercial construction of $140 billion. The figures on Japanese direct ownership of American businesses are similarly reassuring. The total value of all direct investment by Japanese businesses in the United States is extremely small—only about $23 billion at the end of 1986. And most of that does not involve any manufacturing, but refers to wholesale trading companies that operate in the United States as an extra arm of the Japanese export sector. The accumulated stock of Japanese manufacturing investments in this country only totaled $3 billion at the end of 1986.

Although foreign direct investment in America is growing rapidly, the United States still has a far larger stock of direct investments abroad than foreigners have here. Last year, U.S. earnings on direct investments in the rest of the world were four times as great as foreign countries' earnings on their direct investments here.

Far from representing an immediate danger of foreign control of the American economy, the capital inflow from abroad has helped to keep U.S. interest rates down and has thus permitted a higher overall level of investment in this country than would have been possible otherwise. Along with the benefits of imported technology and—particularly in the case of Japanese investment—of new management techniques, there have been improvements in employment as a result of the capital from abroad.

The recent growth of Japanese equity investments may even have had something to do with the extraordinary bull market of 1987. Despite record highs, U.S. price-earnings ratios remain in the 15-to-20 range, while in Japan the ratios have been in the 40-to-60 range. As long as American stocks look cheap to Japanese investors, there may be room for further records on stock prices here.

It is frustrating that some of our trading partners do not appreciate the positive long-range impact of open markets. But it would be just as counterproductive to restrict capital markets as to raise other trade barriers. The occasional rumblings about restricting foreign investment, such as the idea of requiring official registration, should be resisted by legislators and advisers to presidential candidates alike.

If there is no cause for alarm about Japanese investment in particular, what about the U.S. position in worldwide capital flows? While historically it has been no novelty for the United States to have a large capital inflow from abroad, in the first decades after World War II, America was the major exporter of capital and of technology. Only in the last decade did the pattern shift, and only in the last year has the United States officially become the world's largest debtor.

This official calculation is overly pessimistic because it values direct investments at their original cost rather than at today's market values. Since American direct investments have been made over the past several decades, while foreign direct investments are relatively new, the value of net U.S. assets abroad is substantially understated.

Again, there is an important distinction between passive ownership of stocks and bonds that implies no direct control and direct ownership of properties and businesses. While foreign purchases of U.S. bonds and stocks have made us a net borrower, the annual flow of U.S. direct investment abroad is approximately equal to the inflow from other countries. Of course, the value of the accumulated stock of U.S. investment abroad is much greater than the value of foreign investments here—and is in fact greatly underestimated. Official statistics carry these investments at book value, so the actual value of U.S. investments abroad is much, much greater than what appears in the official documents. A more illuminating figure is U.S. earnings on investments abroad, which are four times as great as foreign earnings on direct investments here.

*(Martin Feldstein was chairman of the Council of Economic Advisers. Kathleen Feldstein is an economist.)*

## MARY CHERRY SALUTED AT DINNER DANCE

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, I wish to draw the attention of my colleagues to the remarkable accomplishments of Mary Cherry who is being honored at the first annual dinner dance of the Women's and Men's Caucuses for Congressman EDOLPHUS "ED" TOWNS. The Women's and Men's Caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

Mary Cherry was born in Summerton, SC. At a very early age her family moved to Brooklyn, NY, where she still resides. She completed her formal basic academic education at Girls High School in Brooklyn, NY. Intrigued with the concepts of hair care and beauty, Mary pursued a career in beauty culture. She graduated from La Roberts School of Beauty Culture and received a license in hair dressing and cosmetology. Thereafter, Mary combined her business skills with her desire to serve the community and opened "Cherry's Beauty Salon" in Jamaica, Long Island. At that time, she joined the Jamaica, Long Island, unit of the State Beauty Culturists Association. Mary also opened "Marcy's House of Beauty" in Brooklyn, NY, which she is presently operating.

Mary's strong concentrated religious beliefs and spiritual commitment to God are the foundation for her active membership in Berean Missionary Baptist Church for over 30 years. As a part of Berean's church family, her service, both past and present, speak for themselves. She is involved in various organizations such as the Boy Scout Parent Committee, Nurse's Unit, Choral Ensemble Choir, and the Women's Auxiliary. She is also a member of the Queen Esther Chapter 24 where she serves as associate matron.

Mary Cherry is a motivating, inspiring, intellectual, stern educator, who has her own philosophy about life: "Don't look at man; learn to see through, over, around, and beyond man. Learn the technique of having direct communication with God, and everything else will fall in its place".

Mary is a widow and the loving mother of three children: Livious, Jr., Valerie, and Teresa; and grandmother of seven: Karl, Kesha, Khadija, Dina, Marcus, Wendell, and La Duante.

The wonderful example of dedication and perseverance which Mary has set has surely made her worthy of this honor and many more. May this award inspire and encourage her to continue the important work she has already begun.

## COMMUNITY THAT CARES

### HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FEIGHAN. Mr. Speaker, Clevelanders give from the heart, and, according to CARE, nobody does it better.

During a recent CARE charity drive, area residents contributed almost $200,000. These donations and several others put Cleveland at the top: residents donate more per capita than any other community in the United States.

What's more, donations to CARE are multiplied by matching funds. Organizations, such as Food for Peace, collectively contribute $11 for every $1 from CARE. And the U.S. Agency for International Development matches contributions to CARE dollar for dollar. Thus, Clevelanders' donations will mean more than $2 million for the world's poor.

The recent CARE campaign owes much of its success to the Standard Oil Co. and to John Bustamante, the chairman and chief executive officer of the First Bank National Association. Standard Oil sponsored a kickoff reception that attracted more than 400 people and built a base of support for CARE.

Besides Mr. Bustamante and his son Tuan, many others deserve to be recognized for their fine work. Among them are Robert B. Horton, chairman and chief executive officer of Standard Oil of Ohio; Nancy Schuster, a Cleveland attorney; Cheryl Wills, president of a division of the United Way of Cleveland and Dallas Vipond, a former CARE country director now living in Cleveland. There are also some 45 volunteers, four CARE staffers and many others who helped bring distinction to Cleveland.

It makes me proud to be part of a community that CAREs.

## STATE VETERANS CEMETERIES

### HON. H. MARTIN LANCASTER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. LANCASTER. Mr. Speaker, I would like to call the attention of Congress to the very real need for veterans cemeteries in this Nation, and particularly in southeastern North Carolina.

Mr. Speaker, how must the families of men who have died after serving this Nation with honor and courage feel when they learn that there is no room for interment in a national cemetery.

The Veterans Cemetery Program is a joint Federal-State program of the Veterans' Administration to provide for burial close to home of veterans and their families. At the present time, national cemeteries are being regionalized. Without the construction of these veterans cemeteries in North Carolina, North Carolina veterans will soon have to be buried in Alabama, for the grave sites in North Carolina national cemeteries will soon all be filled.

I ask my colleagues to support legislation being introduced today by my colleague and fellow-southeastern North Carolinian the honorable CHARLIE ROSE and myself to create two veterans cemeteries, one in Onslow County, NC, the other in Cumberland County, NC. The land upon which the cemeteries would be located is surplus to the needs of Camp Lejeune Marine Base and Fort Bragg Army Base.

The project has full support of the communities, both military and civilian, and it is very fitting that the Marine Corps and the home of the 82d Airborne Division—two of our Nation's finest military organizations—should be contributing the land upon which we will honor American defenders.

The project also has the strong support of the North Carolina General Assembly which has passed legislation guaranteeing their participation in this project in a dollar for dollar matching basis.

## THE 250TH ANNIVERSARY OF HOWERS/HAUERS IN AMERICA REUNION

### HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. RITTER. Mr. Speaker, in the midst of our national celebration of the Bicentennial of the United States, it gives me great pleasure to call the attention of the House of Representatives to the "250th Anniversary of Howers/Hauers in America" Reunion, on September 20, 1987.

October 31, 1737 is the arrival date on American soil of (Jos) Hans Miehl Hauer Sr. and his two oldest sons. Around 1762, George Frederick, John Wendell and John Andreas' families and relatives migrated east to Hauersville, Northampton County, then in 1770, the sons moved to what is known as Howertown.

"Fide et Integritate", the motto quoted on their Shield's Mantle, represents the major strains of the long and fruitful contributions of the Hauer/Hower history in our Nation. Their steady faith has been evidenced in the Mcselm Lutheran Church, the Zion Stone Church and St. John's Union Church as well as many other churches in other locations.

At present, William Jacob Fiedler Jr. is president of the Lehigh/Northampton 1987 Hower/Hauer Reunion as well as the first member of the executive board. Mary Louise (Fiedler) Schneck is secretary/treasurer and the Hower Historians include William Fiedler Jr., Sarah (Graver) Filchner and Chief Hower historian and author, Jane Hower Auker.

Mr. Speaker, the strength and resiliency of this great Nation owe much to this family and the foundation they have made on our shores and in the Lehigh Valley. The Hauer/Hower families have built with stone and have also built with their commitment to God, expressed by work, attention and care of neighbor, and remaining mindful of kin.

## EDMUNDO ROMAN, ESQ. HONORED FOR ACCOMPLISHMENTS

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 8, 1987*

Mr. TOWNS. Mr. Speaker, I wish to draw the attention of my colleagues to the accomplishments of Edmundo Roman, Esq. who is being honored at the first annual dinner dance of the women's and men's caucuses for Congressman EDOLPHUS "ED" TOWNS.

Edmundo Roman is a successful practicing attorney who was born in Santurce, Puerto Rico. He was raised in the South Bronx where he attended and graduated from St. Raymond's High School with honors. He graduated from Fordham University with a bachelor of arts and a bachelor of science in pre-med. In 1974, Edmundo returned to Puerto Rico where he attended the Catholic University Law School and obtained his juris doctorate.

He returned to New York City in 1979 and was admitted to the New York State Bar. He worked as a staff Attorney for the city council committee on State legislation.

In 1981, he worked on the initiation of the first massive registration campaign sponsored by the Office of the Commonwealth of Puerto Rico.

In 1982, he was elected district leader of the 54th assembly district, chairman of community board No. 4 and the first chairperson of the Woodhull Hospital Auxiliary. He was the founder and first president of the Sunset Park Lions Club.

Attorney Roman is an active member of the Bushwick Community where he has been instrumental in preserving housing in Bushwick and in obtaining a satellite clinic for community residents.

At the present time, Edmundo is engaged in private practice in Brooklyn and is a member of the Brooklyn Bar Association. He is also an active member of the men's caucus for Congressman EDOLPHUS TOWNS, and member of the Peoples' Democratic Club of the 54th Assembly District.

Edmundo is married to the former Elba Vasquez, who is currently the female district leader of the 54th assembly district.

The women's and men's caucuses are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

May this award inspire and encourage her to continue the important work she has already begun. The wonderful example of dedication and perserverance which she has set has surely made her worthy of this honor and many more.

## AMPUTEE SOCCER LEAGUE IN EL SALVADOR

### HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. DORNAN of California. Mr. Speaker, I rise today to endorse a compassionate and creative approach to aiding the victims of indiscriminate land mines used by El Salvador's Communist guerrillas. Recently, I had the unique opportunity to meet and see first hand those responsible for implementing the United States Army Medical Humanitarian Mobile Training Team Program in El Salvador. The United States trainers who run the Med MTT are an invaluable resource which the Salvadoran Army relies on for field medical service, training, and rehabilitation of their wounded.

Mr. Speaker, for me one of the most unique aspects of the Med MTT's responsibilities has been their response to the long-term rehabilitation of victims of land mines. Responding to the need to physically mentally, and emotionally rehabilitate literally hundreds of Salvadoran Army amputees, Med MTT formed an amputee soccer team. Their first game was played on June 7, 1986, with United States Ambassador Edwin Corr and the Chief of Staff of the El Salvadoran Armed Forces, Gen. Adolfo Blandon, in attendance.

Today there are currently 13 teams organized. In September 1986, the Med MTT organized an amputee soccer championship for the entire El Salvadoran Armed Forces. From this competition an all star team was selected which is going to Seattle, WA, this month to participate in the 1987 World Amputee Soccer Tournament. Some of the credit for the organization of this event belongs to the Secretary of the Army, Mr. John O. Marsh and the National Guard Surgeon, Col. Claude R. White, as well as local groups in the Seattle area.

Mr. Speaker, I believe that it is important to show concrete examples of the constructive work that our United States trainers are doing in El Salvador. The trainers deserve the highest praise for efforts to bring peace and stability to a country which is racked by a Communist insurgency. I can imagine no better way of undermining the support for the FMLN guerrillas in El Salvador than winning the loyalty of the Salvadoran people. Our U.S. Army trainers are doing just that.

I would like to submit for the RECORD a series of fact sheets about the Med MTT to immediately follow these remarks.

[Med MTT Aug. 19, 1987]

FACT SHEET

Subject: U.S. Army Medical Humanitarian Mobile Training Team (Med MTT).

1. Purpose: To provide information on the role of the US Army Medical MTT in El Salvador.

2. Facts:

a. Subject team arrived in El Salvador in June 1983. Its mission was to establish a viable field medical service by training and equipping combat medics and other para-

medical personnel (i.e. dental technicians and preventive medicine specialists). This was accomplished over a 24 month period; by the end of 1985, mortality rates were similar to those experienced by US Forces in Vietnam (less than 3% from a high of close to 20%) and combat medics were in the field.

b. In the past 24 months the MED MTT's mission has changed rapidly due to the large number of amputees being generated by land mine casualties. For 1986, 525 soldiers lost a limb(s) to mines. This is over twice the number from 1985. Prior to Oct 84 no statistics were kept by host country, but we estimate total military amputees now to be over 1,500. Of these only about 398 have been fitted with a permanent prosthetic device.

c. A program to fabricate prosthetic/orthotic devices is presently the Med MTT's biggest humanitarian mission along with the introduction of a rehabilitation program to assist the amputees. Case in point being the introduction of amputee soccer at the various cuarteles.

d. The prosthetic program not only fabricates artificial limbs but is training Salvadoran soldiers in the fabrication of these devices. The first 6 students graduated in September, 1986 after 18 months of training. Another 11 began training on 1 Sept. In the U.S. this program takes up to 6 years for full accreditation. Due to the large number of military amputees awaiting prosthetic devices and our lack of future Spanish speaking trainers, the MED MTT is establishing two contracts; one to fabricate offshore (in the US) prosthetic devices and the other to provide onsite Spanish speaking trainers. The first was signed in April, 1987 and will take effect in June 1987. The second is delayed because of lack of qualified Spanish speaking prosthetists/orthotists.

a. Preventive medicine. Emergency Room/Intensive care nursing hospital administration, medical logistics (FMS/MAP, this year $10 million approx). X Ray, Laboratory, Combat Medicine and a DOD physician exchange program (6 week TDY to ES) round out the current Med MTT.

Maj. Mouritsen/23-6597.

[Med MTT Aug. 19, 1987]

FACT SHEET

Subject: Long-Term Rehabilitation Available to the El Salvadoran Armed Forces.

1. Purpose: To provide information on long-term rehabilitation capabilities of the El Salvadoran Military Health Care System.

2. Facts:

a. Centro de Rehabilitation Professional de la Fuerza Armada (CERPROFA) was founded 6 June 1985, in response to the growing need for rehabilitation services for disabled soldiers.

(1) Director: Col. Efrain Tejada.

(2) Subdirector: Cpt. Victoria Guevara de Salinas.

b. The injured soldier, following recuperation from his acute injuries, undergoes a physical evaluation by the Dept. of Rehabilitation. Hospital Militar, prior to referral to CERPROFA.

c. Services available at Cerprofa:

(1) Social work: Determines the soldier's social/economic background, education level, and prior work history.

(2) Physiatry: Evaluates and refers the soldier, in area of Physical Medicine.

(3) Prosthetic/Orthotic Lab: Supported by the US Army Humanitarian Medical Mobile Training Team Members in the production and fitting of prosthetic and orthotic devices.

(4) Occupational Therapy: Evaluate dexterity, coordination and visual spatial deficits.

(5) Counseling: Phychological evaluation/counseling.

(6) Vocational training: Skill development, training and job placement.

(7) Life Style Training: Classes in daily skills; including reading, writing, mathematics, as well as budgeting, hygiene and other life skills.

d. The average age of the students is approximately 19-20 yrs. Average educational level is between 5th and 8th grade.

e. Vocational training is located at various job sites, both in the civilian community as well as within the Ministry of Defense. Placement is based on the student's interest and availability of positions.

f. Efforts are currently being made to find a qualified candidate to coordinate with the work sites and the job placement service at Cerprofa. Problems encountered have included poor work habits, tardiness, lack of responsibility, as well as problems related to physical or mental limitations of the student.

g. Long-term plans are to relocate Cerprofa to a larger site to accommodate additional services (i.e. Physical Therapy, Sheltered Work Shops and a Sports Facility.

h. A second center will open in San Miguel on or about 23 September 1987. This San Miguel will have the same capability as the shop in San Salvador, but will be under the professional supervision of the Military Hospital in San Miguel.

i. Cerprofa needs to establish a sheltered workshop on site to evaluate:

(1) Work skills/habits.

(2) Aptitude/attitude.

(3) Responsibility.

(4) Inter-personal skills.

j. The Cerprofa staff needs to order the proper equipment necessary for pre-vocational assessment of students.

k. Needs to expand its current work job training program by establishing further connections with private industry.

Maj. Mouritsen/23-6597.

[Med MTT August 19, 1987]

INFORMATION PAPER

SUBJECT: Formation of Amputee Soccer Teams, El Salvadoran Armed Forces.

1. Purpose: To provide information on the history of the formation of the ESAF Amputees Soccer Team Program.

2. Facts:

a. The idea to form an amputee soccer team in El Salvador came from an article in The San Francisco Chronical/Examiner which described this unique game. The idea was conceived by a group of active amputees in Seattle, Washington.

b. Communication was established between Mr. Bill Barry, coach of the Seattle team and the U.S. Army Medical MTT El Salvador. Armed with the rules and motivation amputee soccer teams were formed within the El Salvador Armed Forces.

c. The first game was played on June 7, 1986, at the 1a. Brigada soccer field. In attendance were U.S. Ambassador, Edwin E. Corr., the Chief of Staff of the El Salvadoran Armed Forces, Gen. Adolfo O. Blandon, as well as other distinguished guests.

d. There are now 13 teams organized. In September, 1986, an ESAF-Wide Championship, tournament was organized by the Medical MTT's Occupational Therapist, Cpt. Carmen Alverio and Jeffery Jones, Handicapped Sports Specialist from Detroit. The tournament included with the awards presentation on May 16, 1987.

e. The Med MTT will facilitate the participation of an all star team in Seattle, Washington in September, 1987 for the World Amputee Soccer Tournament. Assistance for this team will also come from the Secretary of the Army, the National Guard Surgeon, and local groups in the Seattle area.

Maj. Mouritsen/23-6597.

## H.R. 2376

### HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. BATES. Mr. Speaker, I introduced legislation (H.R. 2376) recently which would remove the special and unwarranted exemption accorded to tobacco and tobacco products under the Consumer Product Safety Act.

Under the act, the Consumer Product Safety Commission is denied any authority to regulate the safety of tobacco and tobacco products. It has no jurisdiction to address the hazards of cigarette smoking to consumers.

This special treatment is ironic considering the serious health effects of tobacco. Tobacco products remain among the most unregulated products in our society despite the fact that tobacco is the number one preventable cause of death and disease in the United States. Smoking accounts for 17.2 percent of all deaths in America each year while alcohol abuse accounts for 4.9 percent and motor vehicle accidents account for 2.3 percent. Nicotine, in the words of the American-Medical Association, is "our most deadly addictive drug." It is highly toxic: A single drop of pure nicotine on the tongue can kill a person. Furthermore, tobacco accounts for 30 percent of cancer deaths and the CPSC is denied any authority to regulate consumers' exposure to tobacco. According to the Department of Health and Human Services, more than 300,000 Americans a year die prematurely from smoking-related diseases. There is no justification for allowing such a harmful product to escape the safety system we have established for other products.

Every serious study that has been done documents the dire health effects, on smokers and nonsmokers, of inhaling tobacco smoke. Medical authorities across the country repeatedly urge that we find ways to reduce exposure to smoking and to tobacco products. The Food and Drug Administration regulates virtually all other products which the American public consumes and/or takes into their system. It does not make sense that the FDA has no authority over tobacco.

This has become a vital economical issue as well since the health-related costs of cigarette smoking to the Nation totaled at least $53.7 billion in 1984. In addition, the annual average cost to the Nation for disease and lost productivity due to smoking has been estimated at $65 billion.

Mr. Speaker, this legislation does not require the CPSC take action in this area. It merely gives the agency the jurisdiction to do so. I will be exploring additional legislative initiatives to ensure that some action is taken by the CPSC. In addition, I will be looking at other methods to achieve the goal of reducing smoking and the harmful effects of exposure to tobacco. This legislation is a first step in my efforts to eliminate the hazards of exposure to tobacco.

If we deny our regulatory agencies the ability to investigate tobacco products, as they do all other products, we will never make progress in our efforts to reduce the health effects of tobacco exposure. It is time that we focus the attention of our safety agencies on smoking and tobacco, and initiate action at the Federal level to protect people.

## BORK AND WATERGATE

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. FRANK. Mr. Speaker, among the important issues that will be decided by the U.S. Supreme Court in the coming years are those which define the ability of Congress to put some limits on executive branch power. People in the current administration—and former members such as Pat Buchanan—have argued for a virtually untrammeled form of executive power in a wide variety of fields. I have previously discussed on the floor the very strong likelihood that if Judge Robert Bork became a member of the Supreme Court, he would be a consistent vote for in effect allowing the President to do whatever he wished in the foreign policy and military field, no matter what restrictions Congress sought to impose on the President's use of American manpower and money.

Another area where the President and his aides have asserted a sharp disagreement with the congressional effort to put some restrictions on executive power deals with the Office of the Independent Counsel, formally known as the special prosecutor. While we were in recess, the Justice Department confirmed that it is the position of the Reagan administration that the independent counsel law is unconstitutional and that there is no way that the President's untrammeled control over prosecution, even of his own closest aides, can be limited. This is an issue which will be resolved by the Supreme Court during the next term, and I again fear that this is an area where Robert Bork will be ready to cast his vote on the side of total executive power.

It seems to me quite relevant to note in this context that 14 years ago, when Richard Nixon wished to be free of the inconvenience of an independent prosecutorial presence, despite having promised the country that he would maintain one, Robert Bork was willing to fire Archibald Cox. At that time, the two top-ranking members of the Justice Department, Elliot Richardson and William Ruckelshaus refused to fire Cox. Robert Bork was willing to do so, in part because as he explained, he believed the President had absolute power to do so. This assertion in 1973 of the absolute right of the President to fire a prosecutor is precisely the issue that will be before the Supreme Court in the next term as we deal with the question of our right as a legislative body to continue the independent counsel law. And Judge Bork's behavior in 1973 and his opinion on this issue seems to me one more reason why it would be very damaging to our constitutional balance if he were to go on the Supreme Court.

Understandably, Judge Bork and his defenders are somewhat embarrassed about his role in firing Archibald Cox and to mitigate that embarrassment, they have put forward versions of the events of 1973 which do not seem to me to be accurate. Recently, Anthony Lewis wrote an excellent analysis of Judge Bork's role in the firing of Archibald Cox in the Sunday New York Times for August 23. Mr. Lewis' persuasive argument points out that Judge Bork's current view of the events does not square with what seems in fact to have happened.

The central point of Mr. Lewis' article is not the veracity of Mr. Bork on details, but rather that in 1973—and consistently thereafter—Robert Bork has insisted on the untrammeled right of the President to hire and fire prosecutors despite any effort by Congress to put limitations on that power. As Mr. Lewis concludes:

> Mr. Bork was not part of the Watergate cover-up—no one thinks that. But his view of Presidential power made him insensitive to the moral and constitutional challenge that Watergate represented. In a prospective Supreme Court justice that view is highly relevant.

Mr. Speaker, I include Tony Lewis' excellent article at this point in the RECORD:

#### BORK AND WATERGATE

BOSTON.—The nomination of Robert H. Bork to the Supreme Court raises questions that cannot be lightly decided—questions of importance and difficulty. Judge Bork is a man of high intellect and distinguished experience in law. But in his record, and in his outspoken views, there are matters that must concern the Senate and the public.

The first is a matter of history: his role in the Watergate affair. It is not history in a dusty sense. What he did then matters now, in fact and law.

Everyone remembers that Mr. Bork dismissed Archibald Cox as Watergate special prosecutor. It was Saturday, Oct. 20, 1973: the Saturday night massacre.

President Nixon wanted Mr. Cox out because he had subpoenaed White House tapes—the tapes that eventually sank Mr. Nixon. The Attorney General and his deputy would not carry out the President's order to fire the special prosecutor. Mr. Bork became Acting Attorney General and did.

Crucial questions followed immediately. Would the Office of Special Prosecutor continue? Would the subpoena for the tapes be pressed? Those questions aroused the country and brought a firestorm of public outrage down on the White House.

What was Mr. Bork's role on those questions? In 1982, at a hearing on his nomination to the U.S. Court of Appeals, he said he had dealt with them at once, the day after the massacre, at a meeting with Mr. Cox's deputy, Henry S. Ruth Jr., and others.

"I told them I wanted them to continue as before with their investigation and with their prosecutions," he said, "that they would have complete independence and that I would guard that independence, including their right to go to court to get the White House tapes or any other evidence they wanted."

The record does not support that statement.

On the next working day, Oct. 23, Mr. Bork issued an order retroactive to Oct. 21, the morning after the massacre. It said: This order abolishes the Office of Watergate Special Prosecution Force. The functions of that Office revert to the Criminal Division." It was the Criminal Division of the Justice Department whose bungled investigation of Watergate led to the call for a special prosecutor in the first place.

Henry Ruth's recollection, like the record, differs from Judge Bork's account. In a conversation last week, Mr. Ruth said the meeting mentioned by Judge Bork was very tense. Mr. Bork told him and a colleague to brief the head of the Criminal Division, Henry Petersen, who would make the decisions on whether to prosecute and so on.

"No," Mr. Ruth said, "Mr. Bork didn't guarantee our independence in the sense of a special prosecutor. As to whether we would run into barriers if we subpoenaed this or that tape, nobody knew the answer that evening. All that was done after the firestorm."

Public outrage forced Mr. Nixon to back down. On the afternoon of Oct. 23 his lawyers amazed the court by saying he would after all comply with the tapes subpoena. On Oct. 26 Mr. Nixon said he would accept a new special prosecutor. Only after that, on Nov. 2, did Mr. Bork issue a new order "establishing the Office of Watergate Special Prosecution Force."

The Reagan White House, perhaps drawing on Judge Bork's 1982 testimony, has credited him with saving the Watergate investigation. In a brief last month on the Bork nomination, it said:

"Immediately after carrying out the President's instruction to discharge Cox, Bork acted to safeguard the Watergate investigation and its independence. he promptly established a new Special Prosecutor's Office, giving it authority to pursue the investigation without interference. He expressly ensured the Special Prosecutor's office complete independence, as well as his right to subpoena the tapes."

That version of history contradicts not only the record but Mr. Bork's well-known views. He agreed to dismiss Mr. Cox because he thought a President had the power to remove a special prosecutor for subpoenaing his tapes. He could hardly, then, promise the Watergate force the right to subpoena tapes. Indeed he thought, as he later testified, that the idea of a special prosecutor independent of the President was unconstitutional.

In Mr. Bork's view, Presidential power was so great that it entitled him to ignore a formal Justice Department regulation providing that the Watergate prosecutor "will not be removed except for extraordinary improprieties." A respected Federal judge, Gerhard A. Gesell, held that the regulation had the force of law and that Mr. Bork's firing of Archibald Cox "was therefore illegal."

Mr. Bork was not part of the Watergate cover-up—no one thinks that. But his view of Presidential power made him insensitive to the moral and constitutional challenge that Watergate represented. In a prospective Supreme Court justice that view is highly relevant.

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## WILLIAM FRANC PERRY III, HONORED AT CAUCUS DINNER

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TOWNS. Mr. Speaker, I wish to draw the attention of my colleagues to the remarkable accomplishments of William Franc Perry III, who is being honored at the first annual dinner dance of the Women's and Men's Caucuses for Congressman EDOLPHUS "ED" TOWNS, on Saturday, September 18, 1987.

Franc Perry III, a native Brooklynite, is a first-year associate with the law firm of Wilson, Elser, Moskowitz, Edelman & Dicker, where he specializes in medical malpractice defense litigation.

Franc, the son of Frank and Ophelia Perry, is a graduate of New England College, Henniker, NH, Arundel Sussex, England. He received his bachelor's degree in public relations/international studies in 1983. While a student at New England College, he was president of the class of 1983, a member of the board of trustees, and the recipient of the Parent's Award for Outstanding Contribution to the Life of the College.

Franc attended the National Law Center of the George Washington University in Washington, DC, where he was vice president of the Student Bar Association, student representative to the Faculty Senate, chairman of the commencement and orientation committees, and board member of the Black Law Students Association. He also authored two papers: "The United Nations: A Viable Concept in World Politics?" and "Draft Evasion, as Civil Disobedience Within the Constitution." He was also featured in Who's Who of American Law Students, 1984, 1985, and 1986. While in Washington, Franc was also a legislative correspondent for Congressman ED TOWNS.

Franc is a member of the National Bar Association, and the American Bar Association. He is also a member of the Potomac Polo Club and East Coast Horse World Foundation. He is cochairman of the New England College Metropolitan Alumni Association. In addition, he was recently recognized as a motivator by the Women's League of Science and Medicine for his accomplishments.

The Women's and Men's Caucuses for Congressman EDOLPHUS TOWNS are comprised of dedicated professional women and men whose main purpose is to keep me informed on major and vital issues affecting my congressional district, and to improve the quality of life for all.

Certainly, the wonderful example of dedication and perseverance which Franc has set has surely made him worthy of this honor and many more. May this award inspire and encourage him to continue the important work he has already begun.

## A TRIBUTE TO THE AMERICAN BUSINESS WOMEN'S ASSOCIATION

### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. TRAFICANT. Mr. Speaker, today I rise to pay tribute to the American Business Women's Association's Mill Creek Chapter of Youngstown, OH, a very special organization in my 17th Congressional District. I am pleased to inform my fellow members of the U.S. House of Representatives that the Mill Creek Chapter will be celebrating their 25th anniversary on November 10, 1987. A day of celebration and festivity is being planned for this momentous event.

The Mill Creek Chapter has been working tirelessly these past 25 years promoting the business, cultural, and social advancement of women in the Mahoning Valley. Since their chartering in 1962, they have helped countless young women attain leadership positions throughout the country by providing them with scholarships to obtain an education. They have given an astounding total of $45,000 in scholarships, and it should be noted that their first scholarship recipient is now an outstanding attorney.

It is my deepest desire that the Mill Creek Chapter's next 25 years be twice as successful as its first 25. But now is the time to recognize this organization's amazing accomplishments thus far. Therefore, it is with thanks and special pleasure that I join the residents of the 17th Congressional District in saluting the Mill Creek Chapter of the American Business Women's Association on their 25th anniversary.

## FATALITIES DOUBLE ON HIGH SPEED ROADS

### HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. HOWARD. Mr. Speaker, New Mexico was the first State to raise the speed limit on rural interstates after Congress voted earlier this year to allow States to do so. There was great publicity about the unveiling of the new 65-miles-per-hour signs that were all ready for use the morning after the Surface Transportation and Uniform Relocation Assistance Act of 1987 was enacted.

Officials in New Mexico as well as other States are eager to raise the speed limit even though supporters of the 55-miles-per-hour speed limit warned that fatalities and serious injuries would increase. We warned that a few minutes lost travel time was a small price to pay for the saving of thousands of lives annually.

We now find that the fatality rate has doubled on those same roads in New Mexico on which the speed limit was raised so quickly. I believe it is tragic that we as public officials had the means to prevent many of these deaths and we did not do it. During a 4-month period on these roads last year there were 25 deaths. During the same period this year, there were 56 deaths.

Some people may offer explanations about contributing factors, such as driver inattention or drinking but speed is the overriding issue. If cars were travelling 10 miles per hour slower, there may have been no collision, even if the driver was drunk. If there was a collision, there may not have been a fatality at a lower speed.

There can be no doubt that there are more people dead as a result of accidents on higher speed roads in New Mexico than there would have been without the higher speed limit. I have submitted the Associated Press news report on the New Mexico fatalities for my colleagues as well as an editorial from the Asbury Park, New Jersey Press urging that we consider rolling the speed limit back to 55 miles per hour.

#### FATALITIES HAVE DOUBLED, SAY OFFICIALS

SANTA FE.—Traffic deaths on New Mexico's interstate highways have more than doubled since the speed limit was increased to 65 miles per hour, but state officials say there are no plans to rescind the law.

Figures released Monday by the state Public Safety Department showed that 56 people were killed on interstates in rural areas during the period from April 2 to August 15. That compares to 25 deaths during the same period in 1986.

"The figures are alarming," said Robert Kemble, secretary of the Public Safety Department.

The 65 mph limit applies to interstates in rural areas of New Mexico. Gov. Garrey Carruthers on April 2 signed the law increasing the allowable speed on interstates in rural areas of New Mexico. At the time, New Mexico became the first State to increase the speed limit on interstate highways in rural areas.

John Fenner, chief of the traffic safety bureau in the Highway and Transportation Department, attributed the increase in fatalities to the higher speed limit.

Kemble, however, wasn't so sure the higher speed limit was the primary factor. He noted that police reports on many of the fatalities listed driver inattention or alcohol as the primary reasons for accidents.

Kemble said the increase in fatalities "could be just statistical happenstance."

Officials said they also could not explain why many of the accidents occurred on two stretches of highways. They were Interstate 40 between Grants and the Arizona stateline and on Interstate 25 in the area from Belen south to Truth or Consequences.

Kemble said that despite the sharp increase in deaths, there was no move to return to a 55 mph limit in rural areas.

"We're looking at how to make sure that people obey the laws," he said.

The 65 mph is applicable on 945 miles of Interstates 10, 25 and 40 within New Mexico. The 55 mph limit still is in effect where the interstates pass through Albuquerque and Las Cruces.

[From the Asbury Park Press September 4, 1987]

#### MORE SPEED, MORE GRAVES—AT 65 MPH, HIGHWAY TOLL RISES IN NEW MEXICO

It may be too soon to make a call on raising the speed limit to 65 mph. But the first state to have done so, New Mexico, has buried twice as many people since the new law went into effect last April.

Figures released by the state Public Safety Department showed that 56 people were killed on interstate highways in rural areas from April 2 to Aug. 15, as against 25 deaths for the same period last year.

Does the higher speed limit account for the increased carnage on New Mexico's rural highways? John Fenner, chief of the traffic safety bureau in the Highway and Transportation Department, thinks so. But while Public Safety Department Secretary Robert Kemble finds the fatality figures "alarming," he is not prepared to lay the blame on higher speeds. He noted that police reports on many of the fatalities listed driver inattention or alcohol as the primary reasons for accidents. He said the increase in highway deaths "could just be statistical happenstance.

Perhaps. But then again, a 55-mph speed limit did bring the highway mortality rate down. Few deluded themselves that a majority of highway motorists were keeping to the speed limit. But everyone recognized that the 55-mph speed limit kept most traffic traveling at or under 65 mph; such controlled lawlessness was saving lives (and fuel).

Since a speed limit cannot be uniformly enforced, motorists on rural highways are likely to apply a heavier foot to the gas pedal. A higher speed limit is a virtual invitation to drive up to 75 mph, which is too fast and dangerous.

It may prove impossible to directly correlate higher speed limits to increase fatalities. But fewer people were sent to early graves during the 55-mph era. Even if that was a happy coincidence, it was one worth preserving. And perhaps it is one worth restoring.

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## IN HONOR OF NATIONAL POW/MIA RECOGNITION DAY AND SOUTH FLORIDA'S "VIETNAM VETERANS WELCOME HOME REUNION—THE HEALING WALL" CELEBRATION

### HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1987*

Mr. SMITH of Florida. Mr. Speaker, I am here today to speak for those who are unable to speak for themselves. I rise to recognize the POW's and MIA's who have yet to return to their homeland.

On September 18, 1987, our Nation has an opportunity to focus on the POW/MIA state of affairs. Each State, city, or county will add a personal touch to this day, National POW/MIA Recognition Day, by remembering their own POW's and MIA's. Speaking for my district, National POW/MIA Recognition Day culminates with a weekend of homecoming events to welcome home our Vietnam veterans.

South Florida will combine National POW/MIA Recognition Day with festivities spotlighting the Vietnam veterans in their own "Vietnam Veterans Welcome Home Reunion—The Healing Wall" celebration on September 18, 19, and 20. Although National POW/MIA Recognition Day is a day of recognition for the POW's and MIA's of all wars, it is difficult not to think of the most recent conflict, Vietnam, and the lack of recognition these veterans have received since they returned home.

There is no doubt that the Vietnam Memorial Wall in Washington, DC, has been a daily reminder of the victims and veterans of the Vietnam conflict. The impact of the Washington Wall inspired Gary Turner and Tom McMullen to enlist the help of Jim Hancock and Pat Hubbard in designing a replica of the wall to display during special events, like the Vietnam veterans welcome home celebration. The Healing Wall a portable reproduction of the original Vietnam Wall, will be displayed in the amphitheater of C.B. Smith Park in Pembroke Pines, FL, during the welcome home celebration. The centerpiece for the weekend celebration, it is hoped that the Healing Wall will evoke the same emotions which are felt when viewing the wall in Washington.

Other welcome home events include a candlelight vigil on September 18 for all POW's and MIA's who remain in Southeast Asia and a reunion for Vietnam veterans and their families and friends on September 19 and 20. A weekend such as this will remain embedded in the minds of all who participate for years to come.

In honor of National POW/MIA Recognition Day, I urge my colleagues to join me in recognizing all the servicemen and servicewomen who remain under the thumb of the countries for whose freedom they were fighting. As pictures say a thousand words, so do the numbers of POW's and MIA's still unaccounted for in Southeast Asia and Korea. Korea retains 8,177 American POW/MIA's. Southeast Asia holds 2,415. Over 10,000 servicemen and servicewomen have not returned to the United States. It is unquestionable that these statistics support the rationale behind continuing efforts to repatriate these servicemen and servicewomen. Since Florida is seventh in the Nation in the number of POW's and MIA's still unaccounted for, my desire to meld these loose ends is underscored.

In recognizing the POW's and MIA's, it is appropriate to also consider the Vietnam veterans who were fortunate enough to return to U.S. soil. Additional statistics reveal that the State of Florida has accounted for 401,526 Vietnam-era veterans living within its borders. This number is deceiving when taking into consideration the more than 600,000 homeless and displaced Vietnam-era veterans in my State. With more than 1.2 million Vietnam-era veterans in the State of Florida, this weekend will indeed prove to be an emotional and enlightening experience.

I would like to welcome home our Vietnam veterans and urge continuing enthusiasm to keep the fire burning for all unaccounted POW's and MIA's. This weekend will be Florida's opportunity to saturate itself in the recognition and celebration of these missing American servicemen and servicewomen. I urge my colleagues to remember the POW's and MIA's on September 18 and to join Florida, in spirit, in celebrating the return of our Vietnam veterans during the "Vietnam Veterans Welcome Home Reunion—The Healing Wall" celebration on September 18, 19, and 20.

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## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 10, 1987, may be found in the Daily Digest of today's RECORD.

### MEETINGS SCHEDULED

#### SEPTEMBER 11

9:30 a.m.
Labor and Human Resources
To hold hearings on S. 1575, to establish a grant program to provide for counseling and testing services relating to acquired immune deficiency syndrome (AIDS) and to establish certain prohibitions for the purpose of protecting individuals with AIDS or related conditions.
SD-430

10:00 a.m.
Government Affairs
To hold hearings on arms export policy.
SD-342

Judiciary
To hold hearings on pending nominations.
SD-226

Joint Economic
National Security Economics Subcommittee
To continue hearings to review Soviet Union economic reforms.
SD-562

#### SEPTEMBER 14

9:30 a.m.
Joint Economic
National Security Economics Subcommittee
To resume hearings in open and closed sessions to review Soviet Union economic reforms.
SD-628

2:00 p.m.
Armed Services
Closed briefing on the on-going Intermediate Nuclear Forces negotiations.
SR-222

#### SEPTEMBER 15

9:00 a.m.
Small Business
Government Contracting and Paperwork Reduction Subcommittee
To hold hearings to examine the impact of a series of amendments to the Small Business Act as contained in the Department of Defense Authorization Act for Fiscal Year 1987 (P.L. 99-661).
SR-428A

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee
Business meeting, to markup proposed legislation authorizing funds for the Farm Credit System.
SR-332

Environment and Public Works
Business meeting, to markup proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.
SD-406

Judiciary
To hold hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.
SR-325

10:30 a.m.
Appropriations
Military Construction Subcommittee
Business meeting, to markup H.R. 2906, appropriating funds for fiscal year 1988 for military construction programs of the Department of Defense.
SD-124

2:00 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on S. 1480, to promote the integration of universities and private industry in the National Laboratory System of the Department of Energy in order to improve the development of technology in areas of economic potential.
SD-366

#### SEPTEMBER 16

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on S. 849, Commercial Fishing Industry Vessel Safety and Compensation Act.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on Government handling of Soviet and Communist bloc defectors.
SD-342

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee
Business meeting, to continue markup of proposed legislation authorizing funds for the Farm Credit System.
SR-332

Environment and Public Works
Business meeting, to markup proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.
SD-406

Judiciary
To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.
SR-325

#### SEPTEMBER 17

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on off-airport user fees.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 559, S. 560, and S. 633, bills to study and control the disposal of plastic waste and to implement Annex V of the International Convention for the Prevention of Pollution from Ships, as modified by the Protocol of 1976.
SD-406

Governmental Affairs
To hold oversight hearings on Presidential transition procedures.
SD-342

10:00 a.m.
Small Business
To hold hearings on S. 818, to provide permanent authorization for White House conferences on small business.
SR-428A

2:00 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To resume hearings on S. 1480, to promote the integration of universities and private industry in the National Laboratory System of the Department of Energy in order to improve the development of technology in areas of economic potential.
SD-366

#### SEPTEMBER 18

10:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on product liability.
SR-253

Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold oversight hearings to discuss the National Coal Council reserve data base report and the state of information relating to the quality and recoverability of U.S. coal reserves.
SD-366

#### SEPTEMBER 22

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10:00 a.m.
Small Business
To hold oversight hearings on the Small Business Administration small business development center program.
SR-428A

#### SEPTEMBER 23

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Federal Spending, Budget, and Accounting Subcommittee
To hold hearings on proposed legislation authorizing funds for Federal procurement policy programs.
SD-608

#### SEPTEMBER 24

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

#### SEPTEMBER 25

9:30 a.m.
Governmental Affairs
Federal Spending, Budget, and Accounting Subcommittee
To resume hearings to examine the results of a General Accounting Office survey regarding the accounting procedures and processing of seized cash and properties by Federal agencies.
SD-342

#### SEPTEMBER 28

9:30 a.m.
Governmental Affairs
To hold oversight hearings to review inventory control and surpluses by Federal agencies.
SD-342

#### SEPTEMBER 29

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study to review coastal zone management consistency provisions.
SR-253

Governmental Affairs
Oversight of Government Management Subcommittee
To resume oversight hearings on Federal procurement decisions concerning Wedtech Corporation.
SD-342

#### SEPTEMBER 30

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To continue oversight hearings on Federal procurement decisions concerning Wedtech Corporation.
SD-342

OCTOBER 6

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on pipeline safety.
SR-253

OCTOBER 7

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To resume hearings on S. 1600, to create an independent Federal Aviation Administration.
SR-253

OCTOBER 8

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on government handling of Soviet and communist bloc defectors.
SD-342

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# HOUSE OF REPRESENTATIVES—*Thursday, September 10, 1987*

The House met at 11 a.m.

Rev. Hal Marchman, Central Baptist Church, Daytona Beach, FL, offered the following prayer:

We thank You, O God, for this day in which we can be still and know that You are God and Father of all mankind. We pause to give thanks for this great Nation and for those who guide and lead us. May each one of us make an effort today to close the gap between what we are and what You want us to be. May Your love be expressed in our actions and relationships. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## REV. HAL MARCHMAN

(Mr. CHAPPELL asked and was given permission to address the House for 1 minute.)

Mr. CHAPPELL. Mr. Speaker, I am so pleased that we can have one of our finest citizens as the chaplain of the day for this august body. I am so pleased that he comes from the Fourth District, my district, and I want to say that he is one of the finest friends I have ever had and one of the finest Americans I know. It is so great to have him with us today.

## SCHULZE AMENDMENT TO EXTEND MINIMUM DURATION OF TENDER OFFER FOR CONTROL OF CORPORATIONS

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, today I had intended to offer an amendment to the Securities and Exchange Commission Authorization Act, addressing one aspect of some current takeover attempts. My amendment would have extended the minimum duration of any tender offer for control of a corporation to 60 calendar days. An amendment of this type would provide more adequate protection for workers, management, and shareholders, from those who utilize our securities laws to fill their own pockets regardless of the best interests of our Nation.

I will not offer this amendment, at the request of our distinguished ranking member from New York, Mr. Lent. However, let this be a signal to those who are searching for profits and venture capital in the assets of stable and well-managed corporations. It is my hope that the Committee on Energy and Commerce will move forward quickly with reforms of our securities laws to protect our Nation's interests.

## CONGRESS RETURNS TO CLEAN FRESH BUILDINGS

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I commend you, the Clerk of the House, the Superintendent of Buildings and the Architect's Office for cleaning up of the House buildings and the Capitol. The halls have been freshly painted, boxes have been moved out of the halls, and there is just a fresh look to our facilities.

Mr. Speaker, now it is up to Members and staff to keep this place looking nice.

## THE TURKEY AT&T TELEPHONE SYSTEM

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, my staff asked me the other day if I were going turkey hunting and I responded, heavens, no, we have a turkey of our own right in our very own office. As a matter of fact, we have a whole flock of turkeys called the AT&T, American Turkey Troop, planned by no less than the committee in GSA.

If my colleagues have not noticed, they come mostly in this black color and emit various noises, mostly unintelligible. Once I heard the noise emanating from one "cheap cheap cheap cheap."

This fowl critter reacts in strange and stubborn ways. I tried the other day to send my receptionist a message, and I had to send a messenger.

I would suggest at some point next week we organize a turkey drive, and out of the goodness of our hearts each and every single office contribute to the well of the House one of these fowl critters. Can my colleagues imagine the smell that would emanate from a huge pile of these critters piled right here in the well?

Maybe that would send a message, because I know that we cannot do it on this fowl critter.

## DANIEL ORTEGA'S TRIP TO MOSCOW

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, I was amazed to read in the Washington Times this morning a report quoting the Speaker of the House saying he hoped Daniel Ortega's trip to Moscow "will have the effect of producing less dependence on Moscow and Havana." If that report of the Speaker's remarks is accurate, I would simply like to refer to all the previous trips Daniel Ortega has made to Moscow. They have always been to secure greater assistance and closer cooperation between Moscow and Managua. The first Sandinista diplomatic missions after gaining power were to Havana and Moscow. The Soviet Communist Party signed a treaty with the Sandinista party within 11 months of their taking over in Nicaragua. Even last week, the news of Soviet assistance in the form of increased fuel supplies demonstrates clearly the Sandinistas increased dependence on the Soviets. No one should be surprised that Daniel Ortega goes to Moscow. Swallows fly to Capistrano, buzzards fly to Hinckley, and Ortega flies to Moscow. Skeptical as I am about it, I hope Ortega will have complied with the Guatamala agreement he made to bring democracy to Nicaragua before he goes to Moscow.

## ANNUAL MEETING OF THE INTERNATIONAL FEDERATION OF MULTIPLE SCLEROSIS SOCIETIES

(Mrs. BYRON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BYRON. Mr. Speaker, I would like to take just a moment to welcome the International Federation of Multiple Sclerosis Societies to Washington, DC. The federation, with 31 member nations, is conducting their annual conference from September 8 through 12 at the Sheraton Grand.

Multiple sclerosis is a degenerative neurological disease that affects nearly 2 million people worldwide. There is no known cause and no known cure, at this time. The disease primarily attacks young adults, aged 20 to 40, and appears to be triggered by a virus that causes multiple scarring of the brain tissue.

During this conference, the delegates will be reviewing ways to stimulate scientific research into MS, to collect and disseminate information on the disease and to aid persons who have been disabled.

I am pleased to inform the House, that a constituent of mine, Mr. George Boddinger, of Potomac, MD, is one of seven official delegates to the conference from the United States. Mr. Boddinger is a corporate consultant for the National Association of Securities Dealers. He is a director of the Harvard Business School Club of Washington and is active in a number of civic causes. I wish Mr. Boddinger and the MS Society the best of fortune in their efforts to conquer this form of human suffering.

## REPORT ON PROGRESS OF CONSTITUTIONAL CONVENTION IN PHILADELPHIA

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, it is now September 10, 1787, and I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia.

Now the delegates are poised for the final week of action to complete the document that is supposed to serve as the new foundation for the new United States of America. Today they are deep in deliberations on the question of how to amend the new Constitution, if indeed amendments were ever to be offered.

The former one to which they agreed does not serve the best interests, it seems, of Gerry of Massachusetts, Alexander Hamilton of New York, and James Madison of Virginia. Those three have gotten together and have proposed, and the vote is now being taken, on the proposition that amendments to the Constitution should be able to be forthcoming from two-thirds vote of each House of the Congress or of the States themselves in proposing it with two-thirds number, and then that could be ratified by three-fourths of the States who would contemplate such an amendment.

I am ready to take the vote to my colleagues. The final vote is being cast, and it appears that the amendment has carried and, therefore, the amendment process for the Constitution is now embedded. Everybody is optimistic that within a week they will be signing this new Constitution of the United States. I am reporting to you 200 years ago today from Philadelphia at the Constitutional Convention.

## SEPTEMBER 15—KONA COFFEE DAY

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, although Americans drink 380 million cups of coffee a day, Hawaii is the only State that produces native-grown coffee. Kona coffee, from the island of Hawaii, is recognized the world over for its rich flavor and distinctive aroma.

As a tribute to America's only native coffee, "Kona Coffee Day" will be observed on September 15 at the Members' dining room in the Capitol. On that day, all coffee served in the Members' dining room will be Kona coffee.

My colleagues, when you buy a cup of coffee on September 15, you will be sharing in a proud tradition. Kona coffee dates back to 1817 when King Kamehameha, the first ruler to unite the Hawaiian Islands, ordered the planting of coffee trees so that the royal family could enjoy their own special blend of coffee. As a result of his 1817 decree, Kona coffee now graces the slopes of the majestic Mauna Loa, an active volcano soaring 13,680 feet above the Pacific. For 170 years, Hawaii's rich soil, mild breezes, moderate temperatures, and gentle rains have given Kona coffee a flavor unlike any other coffee in the world.

During his 1866 tour of the Hawaiian Islands, the unique flavor of Kona coffee so impressed the usually acerbic Mark Twain that he gave it an unqualified endorsement. On September 15, you can celebrate "Kona Coffee Day" by enjoying the coffee that Twain judged to have a "richer flavor than any other."

## UNITED STATES NEEDS CAPITAL PUNISHMENT LAW

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Donald Harvey signed an agreement with the Government Monday. Donald Harvey will plead guilty to killing some 20 people in hospitals in Kentucky and Cincinnati. The Government will grant him a life sentence.

Mr. Speaker, I think it is time we stopped plea bargaining and draft a legislative remedy to stop the homicides that are escalating in this country.

Everybody is talking about the sexy issue of terrorism, but my God, look at the limited number of people and the exposure we face by the tremendous amount of murder in our own country. It costs us $100,000 a year to keep Richard Speck in a maximum security cell.

I think it is time we start taking a look at the victims and not the rights of these killers, and Congress enact a strict capital punishment measure that will send a signal throughout the country that we are fed up with it.

□ 1115

## DOES THIS BRING BACK MEMORIES OF BEIRUT?

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, during August I crisscrossed my Missouri district. And much of what I heard was not surprising. My constituents are concerned about trade, about agriculture, about education and about the deficit. But they have added another big concern to their lists—the Persian Gulf situation.

They want to know why we are there and what our policy is. I couldn't answer them because I don't know. The administration hasn't shared its policy with us.

It can't be because of the oil—we don't rely on oil from that region. It can't be because of our friends in the area—they basically have refused to help us.

Once again this administration is depending on its Rambo-like style of foreign policy to blunder through another ordeal. Does this bring back memories of Beirut?

Mr. Speaker, I join my Missouri constituents in asking the administration to explain what our policy is in the Persian Gulf, tell us what our goals are and how we are going to achieve them. That's not too much to ask.

## HIGH RISK OCCUPATIONAL DISEASE NOTIFICATION AND PREVENTION ACT

(Mr. GAYDOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GAYDOS. Mr. Speaker, every year, according to Government estimates, as many as 100,000 workers die and as many as 400,000 are newly disabled due to diseases caused by workplace substances. And, every year, according to a 1984 Department of Labor study, these deaths and disabilities cost American taxpayers $5.4 billion in Social Security, Medicaid, and Medicare payments. H.R. 162, the High Risk Occupational Disease Notification and Prevention Act, is designed to save those lives and lower those costs.

Among the many supporters of H.R. 162, the High Risk Occupational Disease Notification and Prevention Act,

are some members of the business community who will be affected most by the bill.

When the National Paint and Coatings Association testified at 1 of our 10 hearings, we listened carefully to what they said. Initially, they were concerned with some scientific and administrative aspects of the program and also about its impact on liability. But, based on improvements we are making in the bill, they now fully endorse it.

Their support is very significant, because the 800 members of the association cover a broad spectrum of the industry. About 200 member companies provide raw materials for other members, and many of the firms have annual sales over $10 million. In terms of employment, about 350 of the members have between 20 and 100 workers, and a number of them have several hundred.

The Paint and Coatings Association knows that many of its members will be affected by the bill's high risk notification and medical monitoring programs, and they have told me that it's the right thing to do.

Since we started developing the bill, we have worked with many different organizations—health, environmental, labor, and business groups, and this cooperation has increased support for the bill and also strengthened and improved it.

At $25 million a year, H.R. 162 is a cost-effective program that identifies workers at high risk of disease, notifies those workers of the risks, and encourages medical monitoring. It's not a compensation bill, it's a program designed to save lives, and I urge all of my colleagues to support H.R. 162.

## PROHIBITING DOD TRANSPORTATION CONTRACTS WITH WARSAW PACT COUNTRIES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, I am introducing legislation designed to prohibit the U.S. Defense Department from acquiring transportation or other services from Warsaw Pact countries. The U.S. Government is spending some $300 billion on defense and some of this may go to Warsaw bloc countries for construction and transfer of our hardware defense materials.

It is true that the Warsaw Pact nations are in a position to produce and service defense hardware at a cheaper cost than Western, free world countries but the Western Allies cannot become dependent on Soviet-bloc countries for our defense needs nor in this way help their economy. We must be sensitive to the fact that the Warsaw Pact nations may become potential battlefields against preserving democracy.

It is only prudent that if we are to have a sound defense and a strong national security that we must encourage the production and transportation of defense materials from domestic manufacturers and shippers or from nations that make up the free world.

I urge my colleagues to join me in supporting legislation, which I am introducing today, that prohibits the Secretary of Defense from entering into contracts with Warsaw Pact nations in order to provide transportation services for defense. Enactment of this legislation is in the best interests of our national security and the Western, free world.

## ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES

Ms. OAKAR. Mr. Speaker, I offer a privileged resolution (H. Res. 259) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 259

*Resolved,* That the following Members, be, and are hereby, elected to the following standing committees of the House of Representatives:

Committee on House Administration, Joe Kolter; and

Committee on District of Columbia, Bruce A. Morrison.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## SECURITIES AND EXCHANGE COMMISSION AUTHORIZATION ACT OF 1987

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 257 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 257

*Resolved,* That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2600) to extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provisions of clause 2(l)(6) of rule XI are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Energy and Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purpose of debate only I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 257 is an open rule providing for the consideration of the bill H.R. 2600, the Securities and Exchange Commission Authorization Act of 1987.

Mr. Speaker, the rule provides 1 hour of general debate, equally divided between the chairman and ranking minority member of the Committee on Energy and Commerce.

All points of order against the bill for failure to comply with clause 2(l)(6) of rule XI, that is the rule which requires that committee reports be available to Members for 3 days prior to the consideration of the bill on the floor, are waived. Although the Committee on Energy and Commerce reported the bill on July 24, 1987 the report was not actually filed until September 8, 1987. However, since printed copies of the report have not been available for the required 3 days a waiver of clause 2(l)(6) is necessary.

Mr. Speaker, the rule also provides that it shall be in order to consider the amendment in the nature of a substitute, recommended by the Committee on Energy and Commerce now printed in the bill as original text for the purpose of amendment under the 5-minute rule, and further provides that the committee substitute shall be considered for amendments by sections, and that each section shall be considered as having been read.

Finally, Mr. Speaker, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 2600, authorizes $153.9 million for fiscal year 1988, and $169 million for fiscal year 1989, for the Securities and Exchange Commission activities. The Commission is responsible to enforce securities law and regulations for all public securities markets. In addition, the Commission collects fees for stock transactions, the filing of certain documents, and tender offers. These fees have enabled the Securities and Exchange Commission to contribute into the U.S. Treasury over the past few years and with a strong market they will continue their contribution.

Mr. Speaker, the bill also authorizes the funding of $20 million for fiscal year 1988 and $15 million for fiscal year 1989 for the Commission to shift from a paper-based system to an electronic system for filing information from corporations and other parties.

Mr. Speaker, we have all seen and heard the stories of corporate corruption and wrongdoing from the stock market to the security industry. What this bill will do is to strengthen the enforcement program of the Commission to continue to investigate and prosecute those who choose to circumvent the law for their own self-interest.

Mr. Speaker, I know of no controversy over the bill or the rule, both have bipartisan support, and I urge the passage of the rule and the bill.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in recent months the Securities and Exchange Commission has been increasingly in the public eye as it has moved more aggressively to enforce the laws against insider trading. They deserve commendation for this undertaking. In a free market system it is important that the Nation's major securities markets be beyond reproach.

Mr. Speaker, unlike most Federal agencies, the SEC brings in more money than it spends. In fiscal year 1986, the SEC collected fees amounting to 203 percent of its budget. We could use a few more self-supporting agencies in this Government.

Mr. Speaker, this bill provides a total authorization for the SEC of $153.9 million for fiscal year 1988 and $169 million for fiscal year 1989. These amounts include funds for the Commission's electronic data gathering, analysis, and retrieval system known as EDGAR. The EDGAR system, the implementation of which is subject to certain conditions stated in the bill, would allow companies to file data electronically.

Mr. Speaker, while this bill was reported from the Committee on Energy and Commerce by a voice vote, I should note the administration's opposition to the bill.

The administration objects that the bill would authorize appropriations 8.1 percent above the President's budget request and also that the bill would impose rigid and unnecessary management constraints on the SEC in connection with the development and operation of the EDGAR system.

Mr. Speaker, the rule before us today is an open rule. It includes a waiver of the 3-day layover requirement because the report on the bill was not filed until yesterday. However, I support the rule because it will allow the House to make any necessary improvements in the bill.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. Montgomery). Pursuant to House Resolution 257 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2600.

☐ 1129

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2600) To extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes, with Mr. Moakley in the chair.

The Clerk read the title of the bill.

☐ 1130

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Massachusetts [Mr. Markey] will be recognized for 30 minutes and the gentleman from New Jersey [Mr. Rinaldo] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. Markey].

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume so that I may engage in a discussion of this very important piece of legislation.

Mr. Chairman, I am very pleased to bring to the floor H.R. 2600, the Securities and Exchange Commission Authorization Act of 1987. H.R. 2600 authorizes for the next 2 fiscal years all of the funds requested by the SEC in its budget authorization request for fiscal years 1988 and 1989. This bill authorizes $153,900,000 for fiscal year 1988 and $169,000,000 for fiscal year 1989.

H.R. 2600 is truly a bipartisan effort. It was approved by both the Subcommittee on Telecommunications and Finance and the Energy and Commerce Committee by voice vote without dissent. I express my thanks to the chairman of the full committee, Mr. Dingell, the ranking minority member on the full committee, Mr. Lent, and the ranking minority member on the subcommittee, Mr. Rinaldo, for their advice and assistance with regard to this bill.

In supporting the authorization of all of the funds requested by the Commission, I am aware of the budget constraints under which all of us operate. I am also mindful, however, that insider trading and other forms of market manipulation are reaching historic levels.

This is a critical time in the history of the Commission. During the past several years, revelations of market manipulation and insider trading regularly have lept from the front pages of our daily newspapers. There has been considerable concern that the Commission has not sought over the years the level of funding necessary to deal with such market abuses. In my judgment, this is no longer the case. This authorization bill gives the Commission the funds to enable its continuing investigations into these areas to proceed with vigor. When those who would subvert our securities laws understand that the Commission has the funding and other resources necessary to fight them and win, they will think twice before launching their illegal schemes.

In supporting H.R. 2600, it is reassuring to me that a significant portion of the Commission's budget will be devoted to enforcement efforts to help root out these and other securities law violations.

It is imperative that the Commission have sufficient resources to protect the investing public and preserve integrity in our capital markets. The Commission has a critical mission in our capital formation process, and we in Congress must hold it to extremely high standards. In providing the Commission with all of the funds it seeks, we expect it to use them wisely and resourcefully.

This measure also deals directly with the EDGAR [electronic data gathering, analysis, and retrieval] project, which is endorsed by the Commission. The EDGAR system, which has been in a pilot program over the past 2 years, is intended to facilitate the corporate filing process by automatically receiving, accepting, and reviewing annual reports and other SEC filings.

The Commission receives millions of pages of filings each year. Presently, issuers file approximately 65,000 disclosure documents each year, including 3,000 annual reports. The EDGAR system was created to help the Commission deal with these documents in an effective and efficient manner. EDGAR will automate the filing, processing, and dissemination of these filings. Such electronic analysis and dissemination will help foster more informed investor participation and more efficient securities markets.

This bill authorizes $20,000,000 for 1988 and $15,000,000 for 1989—the full amounts requested by the Commission—for the purpose of funding a contract for EDGAR. The bill provides further that the Commission will make certain progress and status reports to Congress relating to the EDGAR system.

The Commission will submit a report to the Committees on Banking, Housing, and Urban Affairs and Governmental Affairs of the Senate and the Committees on Energy and Commerce and Government Operations of the House of Representatives on the status of EDGAR development, implementation, and progress at 6-month intervals beginning December 31, 1987, and ending at the close of 1990. The Commission will also certify to Congress information relating to the total EDGAR contract costs to the Federal Government, a cost-benefit analysis, implementation schedule, system capabilities, and competence of the contractor and the SEC EDGAR management, and the results of the mandatory filing test group of registrants. In addition, printed or written filings made during the transition period are intended to be in the same form as is required for filings at the time of the enactment of this legislation.

This report and certification will guide the Commission's implementation of EDGAR, and will help to assure the Congress that as the EDGAR project proceeds, its capabilities and its costs are fully understood and its potential benefits are fully realized.

I would say in closing that H.R. 2600 represents a bipartisan effort designed to give the SEC the funds it needs to serve as an effective force for investors in our increasingly complex capital markets. It deserves broad support. I urge its passage by the House.

Mr. Chairman, I reserve the balance of my time.

Mr. RINALDO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to express my support for H.R. 2600 as passed by the Committee on Energy and Commerce. This bill constitutes a successful effort of Democrats and Republicans to reach a consensus on reauthorizing the SEC which will allow it to carry on all of its essential programs for protecting investors and the public. This bill does several important things.

First, it authorizes the SEC at the funding level it requested for 2 years. I believe that the SEC must have the resources to help clean up Wall Street. We have seen widespread insider trading schemes and other abuses that have reached into some of America's most respected securities firms. The SEC must have the staff and other support it needs to enforce the law.

Second, it provides full funding for the EDGAR computerized filing system. That system will allow corporations, investment companies, and others to file periodic reports at the push of a button. EDGAR will cut costs for filers, speed information to investors, and provide significant benefits to the public.

This bill does contain provisions that would not have been my choice. I would have preferred a 3-year reauthorization rather than 2 years. I think a 3-year period would have sent a stronger message to the criminals that Congress means business in stopping financial fraud.

In addition, the amendment places extensive reporting and certification requirements on the SEC before it can receive funding for EDGAR. I think it is important for Congress to keep an eye on how EDGAR is proceeding and believe that the Commission should file periodic progress reports. Although I agree with many of the objectives of the reporting and certification requirements, I do not think that a statute is the best place to put these provisions. I am concerned that, despite good intentions on both sides, we will place some certification or reporting requirements in the law that could create unintended problems down the road.

Despite these reservations I believe that it is important for us to have bipartisan support to reauthorize the SEC. Members on both sides of the aisle and our staffs worked together to address all of our concerns and to draft practical legislation.

Mr. Chairman, I want to compliment the chairman of the subcommittee, the gentleman from Massachusetts [Mr. Markey], for the manner in which he consulted with and worked together with myself and other Members of the minority in putting this bill together. I am satisfied that the legislation will allow the SEC to do the job we want it to do. Therefore, I support the legislation, and I urge my colleagues to do the same. I compliment everyone on both sides of the aisle who worked to put this bill together.

Mr. Chairman, it is important to note that these additional resources constitute a congressional vote of confidence in the SEC. The Commission is doing an excellent job of prosecuting fraud, such as insider trading and the filing of false financial statements. The SEC is also modernizing and improving its disclosure and other regulations to improve investor protections while lowering costs. I commend the SEC and its staff for this fine work and urge the Commission to continue and expand these efforts with the larger budget we are authorizing today.

Mr. MARKEY. Mr. Chairman, again I yield myself such time as I may consume.

Mr. Chairman, I would like to point out that the gentleman from Oklahoma [Mr. English] has provided us a very eloquent system on the EDGAR system. That, I believe, will help us to flesh out this record and make it quite clear that we have to have the technological resources at the Securities Exchange Commission which will make it possible for us to get a better handle on what has transpired in this exploding area of financial transactions in the 1980's.

Mr. Chairman, we have entered into a new technological era that has changed the fundamental nature of the way in which financial services in this country and in the world are in fact provided. As a result of that revolution, we, through this piece of legislation, are trying to get to the SEC the resources which it will need in order to get the job done and to monitor those activities in a way which it has not had the capacity to do before.

Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. Swift].

Mr. SWIFT. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. Markey] for yielding time to me, and I would like to commend the gentleman from Massachusetts and the gentleman from New Jersey [Mr. Rinaldo] for working out a very good bipartisan bill that deals not only with the necessity of continuing the authorization of SEC but deals with a couple of problems that have been confronted by us in recent years.

Because of budgetary problems perhaps, there has been a tendency, I think, both on the part of the administration to ask for too little and on the part of Congress to allocate too little funding for some of these agencies to carry out the basic functions of their work. The SEC, like a number of other regulatory commissions, was established in order to be able to provide oversight in an industry, and if we inadequately fund that oversight capacity, the kind of thing that we have seen occur in the securities markets is almost invited to occur by that lack of funding. What in fact we need to do and what in fact this bill does is to provide an adequacy of funding for the Securities Exchange Commission, and they have told us and assured the committee that their emphasis will be on enforcement.

A significant portion of these funds that are being authorized in this bill will be allocated to enforcement so that the SEC is going to be able to carry out the basic purposes for which it was established. In fact, this authorization actually reflects a making up for lost time, if you will. We have, by marching in place at a time when things were getting out of control, lost ground, and this authorization is going to permit the SEC to take those actions to be able to catch up and get back in control of the situation and be able to provide the kind of oversight that Congress originally intended the SEC provide over the securities industry in this country.

Again, Mr. Chairman, I commend both the gentleman from Massachusetts [Mr. Markey] and the gentleman from New Jersey [Mr. Rinaldo] for an excellent job of putting together a good bipartisan bill.

□ 1145

Mr. RINALDO. Mr. Chairman, I yield 4 minutes to my good friend, the gentleman from New York [Mr. Lent], the ranking member of the full committee.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I am pleased to speak today in support of this bipartisan compromise proposal to authorize the SEC for the next 2 fiscal years. This bill is a significant accomplishment, and I want to compliment Chairman Markey, Chairman Dingell, and Mr. Rinaldo on bringing it to the committee. Above all else, the legislation will provide the SEC with the funding it needs to pursue its vital enforcement efforts in depth, staff its other functions, and implement a new and dramatically expanded information system.

I believe the basic reporting and certification conditions imposed on funding for the EDGAR reporting system are not unreasonable. They do not in any way restrict the Commission's discretion in implementing EDGAR in the manner it finds most cost efficient and technologically sound. I think these purposes could have been achieved in committee report language, with a clean bill, but as long as the conditions imposed are not intended to, and do not place any substantive burdens on the SEC's implementation of EDGAR, and allow its other functions to go forward, I am willing to accept them in the legislation. I know all Members will be interested in keeping abreast of developments with the EDGAR system, and this bill ensures that we will have timely notice of any potential problems that occur.

Again, this bill carefully balances a number of competing concerns, and I hope the Members will approve it quickly so that the SEC can get early assurance that it will have the resources to continue doing the fine job we want it to do.

Mr. RINALDO. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana [Mr. Coats].

Mr. COATS. Mr. Chairman, I thank the gentleman for yielding me this time.

I want to commend to the Members on this bipartisan, compromise legislation which is before the House today.

I think a lot of good work has been done with this bill to reauthorize the Securities and Exchange Commission, and Members on both sides who have been involved ought to be commended for the many hours of efforts in putting this bill together.

The bill ought to be supported for a number of reasons, but let me just state one or two.

Probably the most critical component in our securities system is the confidence of the American people that the system not only is efficient and effective, but that it is fair and honest and aboveboard.

Wall Street has been robbed by some scandals in recent years, particularly in the last several months, which have shaken that confidence.

While it is imperative for Wall Street itself internally to provide the effective oversight and enforcement to make sure that its members abide by the rules and the laws, it is also imperative for the public to know that there is a vigorous, effective, efficient enforcement agency overseeing the operations of Wall Street and protecting the investor from fraud and crime and insider trading, and a number of other things that have unfortunately happened in recent months and years.

By providing for an effective, efficient SEC, we can help provide that confidence, provide that assurance that our system is aboveboard, and that the small investor has nothing to fear by investing hard-earned savings into equities, bonds, or other markets that are operated through our securities trading system.

The charge is made that perhaps we are giving the SEC too much money. Let me just state that at a time when the SEC caseload has increased by a tremendous amount, we are providing the SEC with what is probably just barely enough money to cope with that increase in both trading volume and the number of cases.

The SEC is one of the real profit centers of government. In the 1986 fiscal year it returned 203 percent of its budget to the Treasury with receipts taken in from fines, fees, and other revenues.

If every Federal agency did that, and I am not suggesting that every Federal agency could or should do that; but if every one did that, it is interesting to note that we would have a $2 trillion surplus facing us rather than the deficit, so let us not look at the SEC budget as something that is overgrown.

It returns far more money to the Treasury than we pay out to run the place.

This year alone, the SEC extracted $100 million in penalties and fines from one individual alone.

It is important, as I said, that we have an agency that is able to go out and hire the best talent available, pay competitive salaries to its enforcement people and its legal people.

We are talking about people here who need a considerable amount of education and training to be able to be involved in and be effective at resolving all of the intricacies of stock trading, and some of the fraud that goes on. So let us give this agency the working capital to do the job it has been assigned to do, and provide the American people the security that they have a fair, effective, and efficient system.

I urge my colleagues to support this legislation.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. Dingell], the chairman of the full committee.

Mr. DINGELL. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, outstanding work has been done on this legislation by the subcommittee. The gentleman from Massachusetts [Mr. Markey], the distinguished chairman of the subcommittee, has continued the excellent work and leadership in this area, and is indeed to be commended by the Members, as are the gentleman from New Jersey [Mr. Rinaldo], the distinguished ranking minority member, and the gentleman from New York [Mr. Lent], my good friend and colleague.

This is a fine piece of legislation. It reflects careful and thorough work on the part, not only of the leaders of the subcommittee, but also on the part of the subcommittee.

It will take steps to assure that the SEC has the means, the skill and the willingness to follow forward in seeing that our investors are protected, and that the confidence in the public may remain intact in the marketplace at a time when rascality abounds.

I urge the Members to support the legislation, and I yield back the balance of my time.

Mr. ENGLISH. Mr. Chairman, I rise in support of H.R. 2600, the Securities and Exchange Commission Authorization Act of 1987. I want to comment in particular about the provisions of the bill that authorize the SEC to establish the EDGAR system.

EDGAR is a grand experiment that is being watched closely by many Federal agencies and by others with an interest in the future of Government information policy. EDGAR is the most ambitious attempt by a Federal agency to establish a large electronic data base. Whether EDGAR succeeds or not will affect how other agencies proceed with automation of information systems.

I have developed a special interest in EDGAR in my role as chairman of the Government Operations Committee's Subcommittee on Government Information, Justice, and Agriculture. In the 99th Congress, my subcommittee held several days of hearings on the general subject of electronic collection and dissemination of information by Federal agencies. The SEC was one of many agencies that testified about its electronic information plans. The subcommittee's hearings resulted in a report approved by the Committee on Government Operations entitled "Electronic Collection and Dissemination of Information by Federal Agencies: A Policy Overview" (H. Rept. 99-560).

The EDGAR authorization language in H.R. 2600 is consistent with the policy goals set out in that report. I want to thank Chairman Markey and Chairman Dingell and the staffs of both committees for their interest, support, and cooperation. I am pleased that the work of my subcommittee was helpful.

I think that it is important that the authorization for EDGAR contains conditions, restrictions, and reporting requirements. The planning process for EDGAR over the last few years does not engender much confidence in the ability of the SEC to design and implement such a large computer system.

When former SEC Chairman John Shad testified before my subcommittee in 1985, he said that EDGAR wouldn't cost the Government a cent. He expected that a private contractor would spend $63 million to establish and operate EDGAR and would provide free service to the SEC. I said at the time that this was totally unrealistic.

Several months later, the SEC indicated that it might be necessary to pay the EDGAR contractor as much as half a million dollars annually. Still later, the SEC indicated that it would have to pay more of the costs in order to find a contractor to operate the system.

Now the SEC has finally recognized what was clear to others all along. EDGAR will not be free and it will not be cheap. The Government will have to pay its full share of the costs. As envisioned in H.R. 2600, the Government's contribution will be $46.5 million. This is a far cry from the cost-free system that the SEC originally promised. While it would be nice to get something for nothing, it is not very realistic.

H.R. 2600 imposes several reasonable conditions and reporting requirements for the EDGAR system. These are designed to ensure that the SEC will not continue to change the structure or the financing of EDGAR. We need to make certain that the Government's contribution is both reasonable and within budget. We now know that EDGAR will cost the Government more than $40 million in excess of the original estimate. We don't want to learn when it is too late that there will be another $40 million cost overrun.

The legislation also includes several operational requirements for EDGAR. The most important is a provision that allows information from the EDGAR system to be used, resold, or redisseminated without restriction and without payment of any additional fees or royalties. While this language primarily reflects current law regulating the sale of uncopyrighted Government information, it also helps to assure that no one will be able to establish a monopoly over securities information in electronic form. Those who obtain securities information directly from the EDGAR contractor or indirectly from other disseminators will be able to use and redisseminate the basic EDGAR data without restriction.

One consequence of unrestricted use and disclosure of EDGAR information is that the Commission's role in setting prices for wholesale services is likely to be of limited importance. If the market for information works according to theory, the market will not support a price for uncopyrighted information that is higher than the marginal cost of providing the information. If prices much higher than marginal cost are permitted, it is likely that a secondary wholesale market will be established to meet demand at a lower price. Since the information will be in the public domain, there is nothing to prevent a secondary market unless artificial barriers are created or tolerated by the SEC. The creation of any secondary wholesale market for EDGAR data will be evidence that the prices set by the SEC are too high. A complete analysis of the effect of access and use restrictions on the price of information can be found in report of the Committee on Government Operations Committee that I just mentioned.

Other language in the bill is also designed to assure a level playing field for all retail vendors of EDGAR information. This language provides that public information in the EDGAR system must be equally available on equal terms to all persons. I understand that this is intended to ensure that the EDGAR contractor has no financial or other advantage over others who will be competing to sell securities information in the retail marketplace.

I think that the Energy and Commerce Committee has done as good a job as it is possible to do in setting the legislative groundwork for EDGAR. But we have to recognize that some doubts about the viability of EDGAR remain. We cannot be sure that the SEC will be able to deliver the system that it has promised. There have been too many major changes in the structure of EDGAR over the past 2 years to allow anyone to feel comfortable with the SEC's current assurances.

We cannot be sure that EDGAR can be built and operated with the budget now envisioned. I think that there is a reasonable chance that EDGAR will cost far more than anyone now thinks. The company that wins the EDGAR contract will be taking a considerable financial risk. The risk is even bigger if the winning contractor expects the Congress to bail it out in a year or two.

We cannot be sure that EDGAR will work as planned. While the SEC has done a good job with the pilot for EDGAR, the full system will be so large that it may take a considerable period of time for the problems to be worked out. In order to avoid a disruption to the securities markets, the legislation provides for the continuation of paper filings until such time as EDGAR has been convincingly demonstrated to work. We have all lived through problems with new computer systems. We cannot take a chance with the Nation's securities markets until EDGAR has been demonstrated to be a success.

We cannot be sure that EDGAR will be effective in making securities information available to a broad audience. There is a chance that the SEC will approve a pricing structure for EDGAR information that will give its contractor a de facto monopoly over the data. If that happens, then EDGAR will have been a failure and it will be necessary for the Congress to reconsider the value and the structure of EDGAR.

Finally, one of my primary concerns about EDGAR and other similar Government information systems is that the economics of operating the systems will create a demand for restricting the information so that users can be charged higher prices. If, as I suspect, the SEC is not asking for enough money to fund the EDGAR system, then the SEC or its contractor may ask for authority to copyright or otherwise limit use of information in order to support higher prices. Any such restrictions on Government information would be contrary to the information policies of the United States for 200 years.

It is vital that routine Government information—like the information in the EDGAR system—remain uncopyrighted, readily available, and usable by the public without restriction. I will oppose any future attempts to restrict the availability or use of Government information that is now in the public domain.

EDGAR is not the first electronic information system to be the subject of legislation. In the last Congress, legislation was passed to regulate the creation of an electronic data base for patent and trademark information by the Patent and Trademark Office. In the future, I expect to see additional legislation authorizing, funding, and regulating large agency electronic information systems.

There is no question that electronic information systems offer an opportunity to increase the efficiency of agency information activities, make Government information more widely available, and permit agencies and others to make better use of the data. Yet the new technology is putting considerable pressure on the laws that were passed to regulate Government information policy when information only existed on paper or other hard copy formats.

There may soon be a need to revisit some of these laws in order to recognize the consequences of the new technology. For example, there may be a need to pass an Electronic Freedom of Information Act in order to make certain that the benefits of broad disclosure of Government information are not lost as Government information becomes electronic. We cannot allow the new information technology to undercut the basic principles of openness in Government that have served us so well in the last two decades. I feel confident that the bill we are considering today will preserve those principles for the EDGAR system.

Mr. RINALDO. Mr. Chairman, I have no further requests for time.

Mr. MARKEY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered by sections as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

Mr. MARKEY. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The text of the committee amendment in the nature of a substitute is as follows:

### H.R. 2600

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Securities and Exchange Commission Authorization Act of 1987".

### SEC. 2. AUTHORIZATION OF AND LIMITATIONS ON APPROPRIATIONS.

Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 35. (a) There are hereby authorized to be appropriated to carry out the functions, powers, and duties of the Commission (other than the functions, powers, and duties described in subsection (b)—

"(1) $133,900,000 for fiscal year 1988; and

"(2) $154,000,000 for fiscal year 1989.

"(b) In addition to the amounts authorized by subsection (a), there are authorized to be appropriated to the Commission for the purpose of funding a contract for the establishment and operation of the electronic data gathering, analysis, and retrieval ('EDGAR') system—

"(1) $20,000,000 for fiscal year 1988; and

"(2) subject to section 35A(a)(2) of this title, $15,000,000 for fiscal year 1989.".

### SEC. 3. REQUIREMENTS FOR THE EDGAR SYSTEM.

The Securities Exchange Act of 1934 is amended by inserting after section 35 the following new section:

"REQUIREMENTS FOR THE EDGAR SYSTEM

"Sec. 35A. (a)(1) Of the funds appropriated to the Commission pursuant to section 35 of this title for fiscal year 1988 which are available for establishment or operation of the electronic data gathering, analysis, and retrieval ('EDGAR') system, the Commission shall reserve $15,000,000. None of the funds that are so reserved may be obligated or expended unless the Commission has made the certification required by subsection (c) of this section.

"(2) Notwithstanding section 35(b) of this title, no funds are authorized to be appropriated for fiscal year 1989, and no such funds may be obligated or expended, for the establishment or operation of the EDGAR system unless the Commission has—

"(A) filed each report required during fiscal year 1988 by subsection (b) of this section; and

"(B) made the certification required by subsection (c) of this section.

"(3) Amounts appropriated to the Commission for the EDGAR contract shall be the exclusive source of funds for the procurement and operation of the systems created under that contract by or on behalf of the Securities and Exchange Commission—

"(A) for the receipt of filings under Federal securities laws, and

"(B) for the automated acceptance and review of the filings and information derived from such filings.

"(b) The Commission shall submit a report to the Committees on Banking, Housing, and Urban Affairs and Governmental Affairs of the Senate and the Committees on Energy and Commerce and Government Operations of the House of Representatives on the status of EDGAR development, implementation, and progress at six-month intervals beginning December 31, 1987, and ending at the close of 1990 (unless otherwise extended by the Congress). Such report shall include the following:

"(1) The overall progress and status of the project, including achievement of significant milestones and current project schedule.

"(2) The results of Commission efforts to test new or revised technical solutions for key EDGAR functions. In particular, the following functions shall be addressed and the indicated information provided:

"(A) Automating receipt and acceptance processing, including—

"(i) development and testing progress and results;

"(ii) actual versus estimated development cost; and

"(iii) actual effect of this function on Commission staff needs to assist filers.

"(B) Data tagging (identifying financial data for analysis by EDGAR), including—

"(i) description of the approach selected, identifying the types of financial data to be tagged and the calculations to be performed;

"(ii) comments by the filer population on the approach selected;

"(iii) the results of testing this approach, including information on the number of filers taking part in the test and their representatives of the overall filer populations;

"(iv) actual versus estimated development cost; and

"(v) effect of implementing this function on EDGAR benefits.

"(C) Searching text for keywords, including—

"(i) the technical approach adopted for this function;

"(ii) development and testing progress and results;

"(iii) data storage requirements and search response times as compared to EDGAR pilot system experience;

"(iv) actual versus estimated development cost; and

"(v) effect of implementing this function on EDGAR benefits.

"(3) An update of cost information for the receipt, acceptance and review, and dissemination portions of the system including a comparison of actual costs with original estimated costs and revised estimates of total system cost and total funding needs for the contract.

"(4) The status of Commission efforts to obtain and maintain staff with the proper contractual, managerial, and technical expertise to oversee the EDGAR project.

"(5) The fees, revenues, costs, and profits obtained or incurred by the contractor as a result of the required dissemination of information from the system to the public under the EDGAR contract, except that the information required under this paragraph (A) need be obtained from the contractor no more frequently than once each year, and (B) may be submitted to the Congress as a separate confidential document.

"(6) Such other information or recommendations as the Commission considers appropriate.

"(c) On or before the date the Commission enters into the contract for the EDGAR system, the Commission shall submit to the Committees on Banking, Housing, and Urban Affairs and Governmental Affairs of the Senate and the Committees on Energy and Commerce and Government Operations of the House of Representatives a certification by the Commission—

"(1) of the total contract costs to the Federal Government of the EDGAR system for each of the 3 succeeding fiscal years;

"(2) that the Commission has analyzed the quantitative and qualitative benefits to be obtained by the establishment and operation of the system and has determined that such benefits justify the costs certified pursuant to paragraph (1);

"(3) that (A) the contract requires the contractor to establish a schedule for the implementation of the system; (B) the Commission has reviewed and approved that schedule; and (C) the contract contains adequate assurances of contractor compliance with that schedule;

"(4) of the capabilities which the system is intended to provide and of the competence of the contractor and of Commission personnel to implement those capabilities; and

"(5) that mandatory filings from a significant test group of registrants will be received and reviewed by the Commission for a period of at least six months before the adoption of any rule requiring mandatory filing by all registrants.

(d) The Commission, by rule or regulation—

"(1) shall provide that any information in the EDGAR system that is required to be disseminated by the contractor—

"(A) may be sold or disseminated by the contractor only pursuant to a uniform schedule of fees prescribed by the Commission;

"(B) may be obtained by a purchaser by direct interconnection with the EDGAR system;

"(C) shall be equally available on equal terms to all persons; and

"(D) may be used, resold, or redisseminated by any person who has lawfully obtained such information without restriction and without payment of additional fees or royalties; and

"(2) shall require that persons, or classes of persons, required to make filings with the Commission submit such filings in a form and manner suitable for entry into the EDGAR system and shall specify the date that such requirement is effective with respect to that person or class; except that the Commission may exempt persons or classes of persons, or filings or classes of filings, from such rules or regulations in order to prevent hardships or to avoid imposing unreasonable burdens or as otherwise may be necessary or appropriate; and

"(3) shall require all persons who make any filing with the Commission, in addition to complying with such other rules concerning the form and manner of filing as the Commission may prescribe, to submit such filings in written or printed form—

"(A) for a period of at least one year after the effective date specified for such person or class under paragraph (2); or

"(B) for a shorter period if the Commission determines that the EDGAR system (i) is reliable, (ii) provides a suitable alternative to such written and printed filings, and (iii) assures that the provision of information through the EDGAR system is as effective and efficient for filers, users, and disseminators as provision of such information in written or printed form.

"(e) For the purposes of carrying out its responsibilities under subsection (d)(3) of this section, the Commission shall consult with representatives of persons filing, disseminating, and using information contained in filings with the Commission.".

The CHAIRMAN. Are there any amendments to the committee amendment in the nature of a substitute?

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If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker pro tempore. [Mr. NATCHER] having assumed the chair, Mr. MOAKLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 2600) to extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes, pursuant to House Resolution 257, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### GENERAL LEAVE

Mr. MARKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2600, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

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Mr. MARKEY. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be discharged from further consideration of the Senate bill (S. 1452) to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 to make certain technical, clarifying, and conforming amendments, to authorize appropriations to the Securities and Exchange Commission, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate bill, as follows:

### S. 1452

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Securities Law Technical Amendments Act of 1987".

### TITLE I—AMENDMENTS OF SECURITIES ACT OF 1933

Sec. 101. Section 2(5) of the Securities Act of 1933 (15 U.S.C. 77b(5)) is amended by striking out "Federal Trade Commission" and inserting in lieu thereof "Securities and Exchange Commission".

Sec. 102. Section 2(6) of the Securities Act of 1933 (15 U.S.C. 77b(6)) is amended by striking out "Canal Zone,".

Sec. 103. Section 3(a)(1) of the Securities Act of 1933 (15 U.S.C. 77c(a)(1)) is amended by striking all that appears therein and inserting in lieu thereof "(1) Reserved."

Sec. 104. Section 3(a)(5)(A) of the Securities Act of 1933 (15 U.S.C. 77c(a)(5)(A)) is amended by striking out ", except that the foregoing exemption shall not apply with respect to any such security where the issuer takes from the total amount paid or deposited by the purchaser, by way of any fee, cash value or other device whatsoever, either upon termination of the investment at maturity or before maturity, an aggregate amount in excess of 3 per centum of the face value of such security".

Sec. 105. Section 6(e) of the Securities Act of 1933 (15 U.S.C. 77f(e)) is repealed.

Sec. 106. Section 9(a) of the Securities Act of 1933 (15 U.S.C. 77i(a)) is amended—

(1) by striking out "Circuit Court of Appeals" and inserting in lieu thereof "court of appeals";

(2) by striking out "Court of Appeals of the District of Columbia, by filing in such court" and inserting in lieu thereof "United States Court of Appeals for the District of Columbia, by filing in such Court"; and

(3) by striking out "sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 346 and 347)" and inserting in lieu thereof "section 1254 of title 28, United States Code".

Sec. 107. Section 19(c) of the Securities Act of 1933 (15 U.S.C. 77s(c)) is amended by adding at the end thereof the following new paragraph:

"(6) Notwithstanding any other provision of law, neither the Commission nor any other person shall be required to establish any procedures not specifically required by the securities laws, as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934, or by chapter 5 of title 5, United States Code, in connection with cooperation, coordination, or consultation with—

"(A) any association referred to in paragraph (1) or (3) or any conference or meeting referred to in paragraph (4), while such association, conference, or meeting is carrying out activities in furtherance of the provisions of this subsection; or

"(B) any forum, agency, or organization, or group referred to in section 503 of the Small Business Investment Incentive Act of 1980, while such forum, agency, organization, or group is carrying out activities in furtherance of the provisions of such section 503.

As used in this paragraph, the terms 'association', 'conference', 'meeting', 'forum', 'agency', 'organization', and 'group' include any committee, subgroup, or representative of such entities.".

Sec. 108. (a) Section 20(b) of the Securities Act of 1933 (15 U.S.C. 77t(b)) is amended by striking out the first sentence and inserting in lieu thereof the following: "Whenever it shall appear to the Commission that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this title, or of any rule or regulation prescribed under authority thereof, the Commission may, in its discretion, bring an action in any district court of the United States, or United States court of any Territory, to enjoin such acts or practices, and upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.".

(b) Section 20(c) of such Act (15 U.S.C. 77t(c)) is amended to read as follows:

"(c) Upon application of the Commission, the district courts of the United States and the United States courts of any Territory shall have jurisdiction to issue writs of mandamus commanding any person to comply with the provisions of this title or any order of the Commission made in pursuance thereof.".

Sec. 109. Section 22(a) of the Securities Act of 1933 (15 U.S.C. 77v(a)) is amended—

(1) by striking out "United States, the" in the first sentence and inserting in lieu thereof "United States and";

(2) by striking out ", and the United States District Court for the District of Columbia"; and

(3) by striking out "sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code,".

### TITLE II—AMENDMENTS OF SECURITIES EXCHANGE ACT OF 1934

Sec. 201. Section 3(a)(6)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(6)(C)) is amended by striking out "under section 11(k) of the Federal Reserve Act, as amended" and inserting in lieu thereof "under the authority of the Comptroller of the Currency pursuant to the first section of Public Law 87-722 (12 U.S.C. 92a)".

Sec. 202. Section 3(a)(16) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(16)) is amended by striking out "the Canal Zone,".

Sec. 203. Section 3(a)(22)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(22)(B)) is amended—

(1) by striking out "association or any" and inserting in lieu thereof "association, or any"; and

(2) by striking out "own behalf in" and inserting in lieu thereof "own behalf, in".

Sec. 204. Section 3(a)(34)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(34)(C)) is amended by striking out "state" each place it appears and inserting in lieu thereof "State".

Sec. 205. Section 3(a)(39)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(39)(B)) is amended—

(1) by striking out "months, revoking" and inserting in lieu thereof "months, or revoking"; and

(2) by striking out "barring his" and inserting in lieu thereof "barring or suspending for a period not exceeding 12 months his".

Sec. 206. Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended—

(1) by inserting after paragraph (46) the following:

"(47) The term 'securities laws' means the Securities Act of 1933 (15 U.S.C. 77a et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), the Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.), the Trust Indenture Act of 1939 (15 U.S.C. 77aaa et seq.), the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), the Investment Advisers Act of 1940 (15

U.S.C. 80b et seq.), and the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.)."; and

(2) by adding at the end thereof the following:

"(49) The term 'person associated with a transfer agent' and 'associated person of a transfer agent' mean any person (except an employee whose functions are solely clerical or ministerial) directly engaged in the management, direction, supervision, or performance of any of the transfer agent's activities with respect to transfer agent functions, and any person directly or indirectly controlling such activities or controlled by the transfer agent in connection with such activities.".

Sec. 207. Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding any other provision of law, whenever any fee is required to be paid to the Commission pursuant to any provision of the securities laws or any other law, the Commission may provide by rule that such fee shall be paid in a manner other than in cash.".

Sec. 208. (a) The Securities Exchange Act of 1934 is amended by inserting after section 4 (15 U.S.C. 78d) the following new sections:

### "DELEGATION OF FUNCTIONS BY COMMISSION

"Sec. 4A. (a) In addition to its existing authority, the Securities and Exchange Commission shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, an administrative law judge, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter. Nothing in this section shall be deemed to supersede the provisions of section 556(b) of title 5, or to authorize the delegation of the function of rulemaking as defined in subchapter II of chapter 5 of title 5, United States Code, with reference to general rules as distinguished from rules of particular applicability, or of the making of any rule pursuant to section 19(c) of this title.

"(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such division of the Commission, individual Commissioner, administrative law judge, employee, or employee board, upon its own initiative or upon petition of a party to or intervenor in such action, within such time and in such manner as the Commission by rule shall prescribe. The vote of one member of the Commission shall be sufficient to bring any such action before the Commission for review. A person or party shall be entitled to review by the Commission if he or it is adversely affected by action at a delegated level which (1) denies any request for action pursuant to section 8(a) or section 8(c) of the Securities Act of 1933 or the first sentence of section 12(d) of this title; (2) suspends trading in a security pursuant to section 12(k) of this title; or (3) is pursuant to any provision of this title in a case of adjudication, as defined in section 551 of title 5, United States Code, not required by this title to be determined on the record after notice and opportunity for hearing (except to the extent there is involved a matter described in section 554(a)(1) through (6) of such title 5).

"(c) If the right to exercise such review is declined, or if no such review is sought within the time stated in the rules promulgated by the Commission, then the action of any such division of the Commission, individual Commissioner, administrative law judge, employee, or employee board, shall, for all purposes, including appeal or review thereof, be deemed the action of the Commission.

### "TRANSFER OF FUNCTIONS WITH RESPECT TO ASSIGNMENT OF PERSONNEL TO CHAIRMAN

"Sec. 4B. In addition to the functions transferred by the provisions of Reorganization Plan Numbered 10 of 1950 (64 Stat. 1265), there are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to the Commission personnel, including Commissioners, pursuant to section 4A of this title.".

(b) The Act of August 20, 1962 (Public Law 87-592; 76 Stat. 394) is hereby repealed.

Sec. 209. The first sentence of section 6(c)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(2)) is amended by striking out "protection shall" and inserting in lieu thereof "protection of investors shall".

Sec. 210. Section 6(c)(3)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(3)(A)) is amended by striking out "association" and inserting in lieu thereof "associated".

Sec. 211. Section 6(c)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(4)) is amended by striking out "may (A) limit" and inserting in lieu thereof "may limit (A)".

Sec. 212. Section 6(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(e)) is amended—

(1) by striking out "paragraph (4) of this section" in paragraph (1) and inserting in lieu thereof "paragraph (3) of this subsection";

(2) by striking out paragraph (3) thereof and by redesignating paragraph (4) as paragraph (3); and

(3) in paragraph (3)(E) (as so redesignated)—

(A) by striking out "fixes" and inserting in lieu thereof "fixing";

(B) by striking out "paragraph (4)(A)" and inserting in lieu thereof "subparagraph (A) of this paragraph"; and

(C) by striking out "paragraph (4)(B)" and inserting in lieu thereof "subparagraph (B) of this paragraph".

Sec. 213. Section 11A of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1) is amended—

(1) by striking out "transaction" in paragraph (2) of subsection (b) and inserting in lieu thereof "transactions"; and

(2) by striking out everything after the first sentence in paragraph (4) of subsection (c).

Sec. 214. Sections 11A(e) and 12(m) of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1(e) and 78*l*(m)) are repealed.

Sec. 215. Section 13(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(c)) is amended by striking out "thereof of" and inserting in lieu thereof "thereof".

Sec. 216. Section 13(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(h)) is repealed.

Sec. 217. Section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*(b)) is amended—

(1) by striking out "fiduciary, or any" in clause (ii) of subparagraph (B) of paragraph (4) and inserting in lieu thereof "fiduciary, transfer agent, or";

(2) by striking out subparagraph (C) of paragraph (4) and inserting in lieu thereof the following:

"(C) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, dealer, municipal securities dealer, government securities broker, government securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.";

(3) by striking out "or seeking to become associated," in the first sentence of paragraph (6) and inserting in lieu thereof "seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated"; and

(4) by striking out "17A(b)(4)(B)" in paragraph (10) and inserting in lieu thereof "17A(b)(4)(A)".

Sec. 218. Section 15B(b)(2)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*-4(b)(2)(C)) is amended—

(1) by striking out "security" and inserting in lieu thereof "securities";

(2) by striking out "or the securities"; and

(3) by striking out "burden or competition" and inserting in lieu thereof "burden on competition".

Sec. 219. Section 15B(c)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*-4(c)(4)) is amended by striking out the first sentence and inserting in lieu thereof the following: "The Commission, by order, shall censure or place limitations on the activities or functions of any person associated, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated with a municipal securities dealer, or suspend for a period not exceeding twelve months or bar any such person from being associated with a municipal securities dealer, if the Commission finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person has committed any act or omission enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted by any offense specified in subparagraph (B) of such paragraph (4) within 10 years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4).".

Sec. 220. Section 15B(c)(6)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*-4(c)(6)(A)) is amended by striking out "board" and inserting in lieu thereof "Board".

Sec. 221. Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended—

(1) by striking out subsection (c)(2) and inserting in lieu thereof the following:

"(2) The appropriate regulatory agency for a clearing agency, transfer agent, or municipal securities dealer for which the Commission is not the appropriate regulatory

agency shall file with the Commission notice of the commencement of any proceeding and a copy of any order entered by such appropriate regulatory agency against any clearing agency, transfer agent, municipal securities dealer, or person associated with a transfer agent or municipal securities dealer, and the Commission shall file with such appropriate regulatory agency, if any, notice of the commencement of any proceeding and a copy of any order entered by the Commission against the clearing agency, transfer agent, or municipal securities dealer, or against any person associated with a transfer agent or municipal securities dealer for which the agency is the appropriate regulatory agency.";

(2) by adding at the end of subsection (f)(2) the following: "Notwithstanding any other provision of law, in providing identification and processing functions, the Attorney General shall provide the Commission and self-regulatory organizations designated by the Commission with access to all criminal history record information."; and

(3) by striking out "paragraphs (1) and (2)" in subsection (f)(3)(A) and inserting in lieu thereof "paragraph (1)".

Sec. 222. Section 17A of the Securities Exchange Act of 1934 (15 U.S.C. 78q-1) is amended—

(1) by inserting after "concerning such transfer agent" in subsection (c)(2) "and any persons associated with the transfer agent";

(2) by striking out "thirty" in subsection (c)(2) and inserting in lieu thereof "45";

(3) by redesignating subparagraphs (B) and (C) of subsection (c)(3) as subparagraphs (A) and (B), respectively, of new subsection (c)(4);

(4) by striking out subsection (c)(3)(A) and inserting in lieu thereof:

"(3) The appropriate regulatory agency for a transfer agent, by order, shall deny registration to, censure, place limitations on the activities, functions, or operations of, suspend for a period not exceeding 12 months, or revoke the registration of such transfer agent, if such appropriate regulatory agency finds, on the record after notice and opportunity for hearing, that such denial, censure, placing of limitations, suspension, or revocation is in the public interest and that such transfer agent, whether prior or subsequent to becoming such, or any person associated with such transfer agent, whether prior or subsequent to becoming so associated—

"(A) has committed or omitted any act enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4); or

"(B) is subject to an order entered pursuant to subparagraph (C) of paragraph (4) of this subsection barring or suspending the right of such person to be associated with a transfer agent.";

(5) by inserting after subsection (c)(4)(B) (as redesignated) the following new subparagraph:

"(C) The appropriate regulatory agency for a transfer agent, by order, shall censure or place limitations on the activities or functions of any person associated, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated with the transfer agent, or suspend for a period not exceeding twelve months or bar any such person from being associated with the transfer agent, if the appropriate regulatory agency finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person has committed or omitted any act enumerated in subparagraph (A), (D), or (E) or paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4). It shall be unlawful for any person as to whom such an order suspending or barring him from being associated with a transfer agent is in effect willfully to become, or to be, associated with a transfer agent without the consent of the appropriate regulatory agency that entered the order and the appropriate regulatory agency for that transfer agent. It shall be unlawful for any transfer agent to permit such a person to become, or remain, a person associated with it without the consent of such appropriate regulatory agencies, if the transfer agent knew, or in the exercise of reasonable care should have known, of such order. The Commission may establish, by rule, procedures by which a transfer agent reasonably can determine whether a person associated or seeking to become associated with it is subject to any such order, and may require, by rule, that any transfer agent comply with such procedures.";

(6) by striking out "clearing agency or transfer agent" in subsection (d)(3)(B) and inserting in lieu thereof "clearing agency, transfer agent, or person associated with a transfer agent"; and

(7) by striking out "or transfer agent" in subsection (d)(4), and inserting in lieu thereof ", transfer agent, or person associated with a transfer agent,".

Sec. 223. Section 21 of the Securities Exchange Act of 1934 (15 U.S.C. 78u) is amended—

(1) by striking out "Wherever" in subsection (d) and inserting in lieu thereof "Whenever";

(2) by striking out ", the United States District Court for the District of Columbia," in subsection (e); and

(3) by striking out the second sentence of subsection (g).

Sec. 224. Section 23(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78w(a)) is amended—

(1) by inserting "or" before "any self-regulatory organization" in the last sentence of paragraph (1); and

(2) by inserting "shall" after "section 19(b) of this title," in paragraph (3).

Sec. 225. Section 23(b)(4)(F) of the Securities Exchange Act of 1934 (15 U.S.C. 78w(b)(4)(F)) is amended by striking out "The" and inserting in lieu thereof "the".

Sec. 226. Section 27 of the Securities Exchange Act of 1934 (15 U.S.C. 78aa) is amended—

(1) by striking out ", the United States District Court for the District of Columbia,"; and

(2) by striking out "sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

Sec. 227. Section 28(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(c)) is amended by striking out "self-regulatory organization or a member thereof" and inserting in lieu thereof "self-regulatory organization on a member thereof".

Sec. 228. Section 28(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(d)) is amended by striking out "change is beneficial" and inserting in lieu thereof "change in beneficial".

Sec. 229. Section 28(e)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(e)(1)) is amended by striking out "Amendments in 1975" and inserting in lieu thereof "Amendments of 1975".

Sec. 230. Section 211 of the Securities Exchange Act of 1934 (15 U.S.C. 78jj) is hereby repealed.

## TITLE III—AMENDMENTS OF PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

Sec. 301. Section 8 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79h) is amended by striking out "otherwise, —" and inserting in lieu thereof "otherwise —".

Sec. 302. Section 18 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 78r) is amended—

(1) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively; and

(2) in subsections (e) and (f) (as so redesignated), by striking out ", the district court of the United States for the District of Columbia,".

Sec. 303. Section 24 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 78x) is amended by striking out "sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 346 and 347)" and inserting in lieu thereof "section 1254 of title 28, United States Code".

Sec. 304. Section 25 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79y) is amended—

(1) by striking out ", the district court of the United States for the District of Columbia,"; and

(2) by striking out "sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347), and section 7, as amended, of the Act entitled 'An Act to establish a court of appeals for the District of Columbia', approved February 9, 1893 (D.C. Code, title 18, sec. 26)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

Sec. 305. Section 30 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79z-4) is amended by striking out the last sentence thereof.

## TITLE IV—AMENDMENT OF TRUST INDENTURE ACT OF 1939

Sec. 401. Section 303(4) of the Trust Indenture Act of 1939 (15 U.S.C. 77ccc(4)) is amended by striking out "undertakng" and inserting in lieu thereof "undertaking".

Sec. 402. Section 303(12) of the Trust Indenture Act of 1939 (15 U.S.C. 77ccc(12)) is amended by inserting "(including a guarantor)" after "person" each place it appears.

## TITLE V—AMENDMENTS OF INVESTMENT COMPANY ACT OF 1940

Sec. 501. Section 2(a)(19) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(19)) is amended by inserting "completed" before "fiscal years" each place it appears.

Sec. 502. Section 2(a)(39) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(39)) is amended by striking out "the Canal Zone,".

Sec. 503. Section 2(a)(48)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(48)(B)) is amended by striking out "sections 55(a)(1) through (3)" and inserting in lieu thereof "paragraphs (1) through (3) of section 55(a)".

Sec. 504. Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(3)) is amended—

(1) by inserting "or" after "therefor;"; and

(2) by inserting a period after "guardian" and striking out all that follows through "principal to another or others.".

Sec. 505. Section 3(c)(7) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(7)) is amended to read as follows:

"(7) Reserved.".

Sec. 506. Section 3(c)(11) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(11)) is amended—

(1) by striking out "Code of 1954" each place it appears and inserting in lieu thereof "Code of 1986";

(2) by striking out "or which holds only assets of governmental plans" and inserting in lieu thereof "; or any governmental plan"; and

(3) by striking out "trusts;" and inserting in lieu thereof "trusts or governmental plans, or both;".

Sec. 507. Section 5(a)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-5(a)(2)) is amended by striking out "Close-end" and inserting in lieu thereof "Closed-end".

Sec. 508. Section 6(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(a)) is amended—

(1) by striking out "the Canal Zone," in paragraph (1); and

(2) by striking out paragraph (2) and redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

Sec. 509. Section 9 of the Investment Company Act of 1940 (15 U.S.C. 80a-9) is amended by striking out paragraphs (1) and (2) in subsection (a) and inserting in lieu thereof the following:

"(1) any person who within 10 years has been convicted of any felony or misdemeanor involving the purchase or sale of any security or arising out of such person's conduct as an underwriter, broker, dealer, investment adviser, municipal securities dealer, government securities broker, government securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person, salesman, or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act;

"(2) any person who, by reason of any misconduct, is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an underwriter, broker, dealer, investment adviser, municipal securities dealer, government securities broker, government securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person, salesman, or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act, or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of any security; or".

Sec. 510. Section 12 of the Investment Company Act of 1940 (15 U.S.C. 80a-12) is amended—

(1) by striking out "Treasury" in subsection (d)(1)(A)(iii) and inserting in lieu thereof "treasury";

(2) by striking out "it reasonably possible" in subsection (d)(1)(G) and inserting in lieu thereof "is reasonably possible"; and

(3) by striking out "only thereof" in subsection (f) and inserting in lieu thereof "thereof only".

Sec. 511. Section 15 of the Investment Company Act of 1940 (15 U.S.C. 80a-15) is amended—

(1) by striking out "(40)" in subsection (d) and inserting in lieu thereof "(42)"; and

(2) by striking out the period at the end of subsection (B) of paragraph (3) of subsection (f) and inserting in lieu thereof a comma.

Sec. 512. Section 17 of the Investment Company Act of 1940 (15 U.S.C. 80a-17) is amended by striking out the second sentence of each of subsections (h) and (i).

Sec. 513. Section 18(e) of the Investment Company Act of 1940 (15 U.S.C. 80a-18(e)) is amended by striking out paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

Sec. 514. Section 20 of the Investment Company Act of 1940 (15 U.S.C. 80a-20) is amended—

(1) by striking out the second sentence of subsection (b);

(2) by striking out the first sentence of subsection (d); and

(3) by striking out "at any time after the effective date of this title" in subsection (d).

Sec. 515. Section 21(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-21(b)) is amended by striking out "to the extension or renewal of any such loan made prior to March 15, 1940, or".

Sec. 516. Section 22 of the Investment Company Act of 1940 (15 U.S.C. 80a-22) is amended—

(1) by striking out "subsection (b)(8)" in paragraph (1) of subsection (b) and inserting in lieu thereof "subsection (b)(6)";

(2) by striking out paragraph (2) of subsection (b) and redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively;

(3) by striking out "section 15A(k)(2)" in subsection (b)(2) (as so redesignated) and inserting in lieu thereof "section 19(c)";

(4) by inserting in the first sentence of subsection (e) a comma after the word "redemption" where it first appears and where it appears for the third time; and

(5) by striking out the last sentence of subsection (e).

Sec. 517. Section 24(d) of the Investment Company Act of 1940 (15 U.S.C. 80a-24(d)) is amended by inserting a period immediately after "issuer" in the second sentence thereof and by striking out all that follows in such sentence.

Sec. 518. Section 26(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-26(b)) is amended by striking out "intend" and inserting in lieu thereof "intended".

Sec. 519. Section 26(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-26(c)) is amended by striking out "contract of agreement" and inserting in lieu thereof "contract or agreement".

Sec. 520. Section 28(a)(2)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-28(a)(2)(B)) is amended by striking out "subsection" and inserting in lieu thereof "paragraph".

Sec. 521. Section 28(d)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-28(d)(2)) is amended by inserting "of" immediately before "subsection (a)".

Sec. 522. Section 36 of the Investment Company Act of 1940 (15 U.S.C. 80a-35) is amended—

(1) by striking out "loans" in paragraph (4) of subsection (b) and inserting in lieu thereof "loads";

(2) by redesignating subsection (d) as subsection (c); and

(3) in subsection (c) (as so redesignated), by striking out "through (c)" and inserting in lieu thereof "and (b)".

Sec. 523. Section 42 of the Investment Company Act of 1940 (15 U.S.C. 80a-41) is amended by redesignating subsection (e) as subsection (d).

Sec. 524. Section 53 of the Investment Company Act of 1940 (15 U.S.C. 80a-52) is amended by inserting a period in the first sentence thereof immediately after "1941" and by striking out everything that follows in such sentence.

Sec. 525. Section 54(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-53(a)) is amended by striking out "defined in sections" and inserting in lieu thereof "defined in section".

Sec. 526. Section 55(a)(1)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-54(a)(1)(B)) is amended by striking out "described in sections" and inserting in lieu thereof "described in section".

Sec. 527. Section 57(i) of the Investment Company Act of 1940 (15 U.S.C. 80a-56(i)) is amended by striking out "sections 17 (a) and (d)" each place it appears and inserting in lieu thereof "subsections (a) and (d) of section 17".

## TITLE VI—AMENDMENTS OF INVESTMENT ADVISERS ACT OF 1940

Sec. 601. Section 202(a)(19) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(19)) is amended by striking out "the Canal Zone,".

Sec. 602. Section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) is amended—

(1) by inserting "transfer agent," after "fiduciary," in subsection (e)(2)(B);

(2) by inserting "transfer agent," after "government securities dealer," in subsection (e)(3);

(3) by striking out "or seeking to become associated" in the first sentence of subsection (f) and inserting in lieu thereof ", seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated"; and

(4) by striking out "subsection (d)" in subsection (g) and inserting in lieu thereof "subsection (c) or subsection (e)".

Sec. 603. Section 205 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-5) is amended to read as follows:

### "INVESTMENT ADVISORY CONTRACTS

"Sec. 205. (a) No investment adviser, unless exempt from registration pursuant to section 203(b), shall make use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, to enter into, extend, or renew any investment advisory contract, or in any way to perform any investment advisory contract entered into, extended, or renewed on or after the effective date of this title, if such contract—

"(1) provides for compensation to the investment adviser on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client;

"(2) fails to provide, in substance, that no assignment of such contract shall be made by the investment adviser without the consent of the other party to the contract; or

"(3) fails to provide, in substance, that the investment adviser, if a partnership, will notify the other party to the contract of any change in the membership of such partnership within a reasonable time after such change.

"(b) Paragraph (1) of subsection (a) shall not—

"(1) be construed to prohibit an investment advisory contract which provides for compensation based upon the total value of a fund averaged over a definite period, or as of definite dates, or taken as of a definite date;

"(2) apply to an investment advisory contract with—

"(A) an investment company registered under title I of this Act, or

"(B) any other person (except a trust, governmental plan, collective trust fund, or separate account referred to in section 3(c)(11) of title I of this Act), provided that the contract relates to the investment of assets in excess of $1 million,

if the contract provides for compensation based on the asset value of the company or fund under management averaged over a specified period and increasing and decreasing proportionately with the investment performance of the company or fund over a specified period in relation to the investment record of an appropriate index of securities prices or such other measure of investment performance as the Commission by rule, regulation, or order may specify; or

"(3) apply with respect to any investment advisory contract between an investment adviser and a business development company, as defined in this title, if (A) the compensation provided for in such contract does not exceed 20 per centum of the realized capital gains upon the funds of the business development company over a specified period or as of definite dates, computed net of all realized capital losses and unrealized capital depreciation, and the condition of section 61(a)(3)(B)(iii) of title I of this Act is satisfied, and (B) the business development company does not have outstanding any option, warrant, or right issued pursuant to section 61(a)(3)(B) of title I of this Act and does not have a profit-sharing plan described in section 57(n) of title I of this Act.

"(c) For purposes of paragraph (2) of subsection (b), the point from which increases and decreases in compensation are measured shall be the fee which is paid or earned when the investment performance of such company or fund is equivalent to that of the index or other measure of performance, and an index of securities prices shall be deemed appropriate unless the Commission by order shall determine otherwise.

"(d) As used in paragraphs (2) and (3) of subsection (a), 'investment advisory contract' means any contract or agreement whereby a person agrees to act as investment adviser to or to manage any investment or trading account of another person other than an investment company registered under title I of this Act.".

Sec. 604. Section 209 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-9) is amended by redesignating subsection (e) as subsection (d).

Sec. 605. Section 211(b) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-11(b)) is amended by striking out "the Federal Register Act" and inserting in lieu thereof "chapter 15 of title 44, United States Code,".

Sec. 606. Section 213(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-13(a)) is amended by striking out "sections 239 and 240 of the Judicial Code, as amended" and inserting in lieu thereof "section 1254 of title 28, United States Code".

Sec. 607. Section 214 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-14) is amended by striking out "sections 128 and 240 of the Judicial Code, as amended, and section 7, as amended, of the Act entitled, 'An Act to establish a court of appeals for the District of Columbia', approved February 9, 1893", and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

## TITLE VII—AUTHORIZATION

Sec. 701. Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended—

(1) in the first sentence, by striking out "and" immediately after "1982,";

(2) by inserting immediately before the period at the end of the first sentence the following: ", $158,600,000 for the fiscal year ending September 30, 1988, and $172,200,000 for the fiscal year ending September 30, 1989"; and

(3) in the last sentence, by striking out "fiscal year 1983" and inserting in lieu thereof "fiscal year 1989".

### MOTION OFFERED BY MR. MARKEY

**Mr. MARKEY.** Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Markey, moves to strike out all after the enacting clause of S. 1452 and to insert in lieu thereof the provisions of the bill H.R. 2600, as passed by the House, with the following additional amendment:

At the end of the House amendment add the following new section:

SEC. 4. TECHNICAL AMENDMENTS RELATING TO THE GOVERNMENT SECURITIES ACT OF 1986.

(a) Amendments to the Securities Exchange Act of 1934.—(1) Section 15C(a)(1)(B)(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(a)(1)(B)(i)) is amended by striking out "When" and inserting "When such".

(2) Section 17(f)(1)(A) of such Act (15 U.S.C. 78q(f)(1)(A)) is amended by striking out "government securities," and inserting "securities issued pursuant to chapter 31 of title 31, United States Code,".

(b) Amendment to the Securities Investor Protection Act of 1970.—Section 16(12) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78lll(12)) is amended by inserting before the period at the end thereof the following: "other than a government securities broker or government securities dealer registered under section 15C(a)(1)(A) of the 1934 Act".

**Mr. MARKEY** [during the reading]. Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

**Mr. RINALDO.** Reserving the right to object, Mr. Speaker, and I will not object, I ask that the gentleman from Massachusetts explain the underlying reasons behind the amendment and what the gentleman intends, why he requests that these amendments be enacted into law?

**Mr. MARKEY.** Mr. Speaker, will the gentleman yield?

**Mr. RINALDO.** I yield to the gentleman from Massachusetts.

**Mr. MARKEY.** Mr. Speaker, I thank the gentleman for yielding.

These are three technical amendments that are fully supported by the SEC. The amendments clarify: First, which Government securities brokers or Government securities dealers must file a notice with the Commission when they cease to do business; second, that if securities are lost or stolen they are only reported to the Secretary of the Treasury if they are Treasury Securities; and third, that Government securities brokers and government securities dealers who join a national securities exchange rather than the National Association of Securities Dealers do not thereby become members of SIPC, the Securities Investor Protection Corp.

These amendments therefore serve only to clarify technical aspects of the Securities Exchange Act of 1934 and the Securities Investor Protection Act of 1970.

**Mr. RINALDO.** Mr. Speaker, I want to thank the gentleman for the explanation. It is then my understanding that all he is doing is making three technical corrections which are in conformity with what the SEC wants and the changes are required to bring these laws into conformity with the Government Securities Act which we enacted last year.

Mr. Speaker, in my view these amendments are consistent with the purposes of that legislation, and, therefore, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The motion was agreed to.

The text of H.R. 2600, as amended, is as follows:

*Strike out all after the enacting clause, and insert:*

*SECTION 1. SHORT TITLE.*

*This Act may be cited as the "Securities and Exchange Commission Authorization Act of 1987".*

*SEC. 2. AUTHORIZATION OF AND LIMITATIONS ON APPROPRIATIONS.*

*Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended to read as follows:*

*"AUTHORIZATION OF APPROPRIATIONS*

*"Sec. 35. (a) There are hereby authorized to be appropriated to carry out the functions, powers, and duties of the Commission (other than the functions, powers, and duties described in subsection (b))—*

*"(1) $133,900,000 for fiscal year 1988; and*

*"(2) $154,000,000 for fiscal year 1989.*

*"(b) In addition to the amounts authorized by subsection (a), there are authorized to be appropriated to the Commission for the purpose of funding a contract for the establishment and operation of the electronic data gathering, analysis, and retrieval ('EDGAR') system—*

*"(1) $20,000,000 for fiscal year 1988; and*

*"(2) subject to section 35A(a)(2) of this title, $15,000,000 for fiscal year 1989.".*

*SEC. 3. REQUIREMENTS FOR THE EDGAR SYSTEM.*

*The Securities Exchange Act of 1934 is amended by inserting after section 35 the following new section:*

*"REQUIREMENTS FOR THE EDGAR SYSTEM*

*"SEC. 35A. (a)(1) Of the funds appropriated to the Commission pursuant to section 35 of this title for fiscal year 1988 which are available for establishment or operation of the electronic data gathering, analysis, and retrieval ('EDGAR') system, the Commission shall reserve $15,000,000. None of the funds that are so reserved may be obligated or expended unless the Commission has made the certification required by subsection (c) of this section.*

*"(2) Notwithstanding section 35(b) of this title, no funds are authorized to be appropriated for fiscal year 1989, and no such funds may be obligated or expended, for the establishment or operation of the EDGAR system unless the Commission has—*

*"(A) filed each report required during fiscal year 1988 by subsection (b) of this section; and*

*"(B) made the certification required by subsection (c) of this section.*

*"(3) Amounts appropriated to the Commission for the EDGAR contract shall be the exclusive source of funds for the procurement and operation of the systems created under that contract by or on behalf of the Securities and Exchange Commission—*

*"(A) for the receipt of filings under Federal securities laws, and*

*"(B) for the automated acceptance and review of the filings and information derived from such filings.*

*"(b) The Commission shall submit a report to the Committees on Banking, Housing, and Urban Affairs and Governmental Affairs of the Senate and the Committees on Energy and Commerce and Government Operations of the House of Representatives on the status of EDGAR development, implementation, and progress at six-month intervals beginning December 31, 1987, and ending at the close of 1990 (unless otherwise extended by the Congress). Such report shall include the following:*

*"(1) The overall progress and status of the project, including achievement of significant milestones and current project schedule.*

*"(2) The results of Commission efforts to test new or revised technical solutions for key EDGAR functions. In particular, the following functions shall be addressed and the indicated information provided:*

*"(A) Automating receipt and acceptance processing, including—*

*"(i) development and testing progress and results;*

*"(ii) actual versus estimated development cost; and*

*"(iii) actual effect of this function on Commission staff needs to assist filers.*

*"(B) Data tagging (identifying financial data for analysis by EDGAR), including—*

*"(i) description of the approach selected, identifying the types of financial data to be tagged and the calculations to be performed;*

*"(ii) comments by the filer population on the approach selected;*

*"(iii) the results of testing this approach, including information on the number of filers taking part in the test and their representativeness of the overall filer population;*

*"(iv) actual versus estimated development cost; and*

*"(v) effect of implementing this function on EDGAR benefits.*

*"(C) Searching text for keywords, including—*

*"(i) the technical approach adopted for this function;*

*"(ii) development and testing progress and results;*

*"(iii) data storage requirements and search response times as compared to EDGAR pilot system experience;*

*"(iv) actual versus estimated development cost; and*

*"(v) effect of implementing this function on EDGAR benefits.*

*"(3) An update of cost information for the receipt, acceptance and review, and dissemination portions of the system including a comparison of actual costs with original estimated costs and revised estimates of total system cost and total funding needs for the contract.*

*"(4) The status of Commission efforts to obtain and maintain staff with the proper contractual, managerial, and technical expertise to oversee the EDGAR project.*

*"(5) The fees, revenues, costs, and profits obtained or incurred by the contractor as a result of the required dissemination of information from the system to the public under the EDGAR contract, except that the information required under this paragraph (A) need be obtained from the contractor no more frequently than once each year, and (B) may be submitted to the Congress as a separate confidential document.*

*"(6) Such other information or recommendations as the Commission considers appropriate.*

*"(c) On or before the date the Commission enters into the contract for the EDGAR system, the Commission shall submit to the Committees on Banking, Housing, and Urban Affairs and Governmental Affairs of the Senate and the Committees on Energy and Commerce and Government Operations of the House of Representatives a certification by the Commission—*

*"(1) of the total contract costs to the Federal Government of the EDGAR system for each of the 3 succeeding fiscal years;*

*"(2) that the Commission has analyzed the quantitative and qualitative benefits to be obtained by the establishment and operation of the system and has determined that such benefits justify the costs certified pursuant to paragraph (1);*

*"(3) that (A) the contract requires the contractor to establish a schedule for the implementation of the system; (B) the Commission has reviewed and approved that schedule; and (C) the contract contains adequate assurances of contractor compliance with that schedule;*

*"(4) of the capabilities which the system is intended to provide and of the competence of the contractor and of Commission personnel to implement those capabilities; and*

*"(5) that mandatory filings from a significant test group of registrants will be received and reviewed by the Commission for a period of at least six months before the adoption of any rule requiring mandatory filing by all registrants.*

*"(d) The Commission, by rule or regulation—*

*"(1) shall provide that any information in the EDGAR system that is required to be disseminated by the contractor—*

*"(A) may be sold or disseminated by the contractor only pursuant to a uniform schedule of fees prescribed by the Commission;*

*"(B) may be obtained by a purchaser by direct interconnection with the EDGAR system;*

*"(C) shall be equally available on equal terms to all persons; and*

*"(D) may be used, resold, or redisseminated by any person who has lawfully obtained such information without restriction and without payment of additional fees or royalties; and*

*"(2) shall require that persons, or classes of persons, required to make filings with the Commission submit such filings in a form and manner suitable for entry into the EDGAR system and shall specify the date that such requirement is effective with respect to that person or class; except that the Commission may exempt persons or classes of persons, or filings or classes of filings, from such rules or regulations in order to prevent hardships or to avoid imposing unreasonable burdens or as otherwise may be necessary or appropriate; and*

*"(3) shall require all persons who make any filing with the Commission, in addition to complying with such other rules concerning the form and manner of filing as the Commission may prescribe, to submit such filings in written or printed form—*

*"(A) for a period of at least one year after the effective date specified for such person or class under paragraph (2); or*

*"(B) for a shorter period if the Commission determines that the EDGAR system (i) is reliable, (ii) provides a suitable alternative to such written and printed filings, and (iii) assures that the provision of information through the EDGAR system is as effective and efficient for filers, users, and disseminators as provision of such information in written or printed form.*

*"(e) For the purposes of carrying out its responsibilities under subsection (d)(3) of this section, the Commission shall consult with representatives of persons filing, disseminating, and using information contained in filings with the Commission.".*

SEC. 4. TECHNICAL AMENDMENTS RELATING TO THE GOVERNMENT SECURITIES ACT OF 1986.

(a) AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.—(1) Section 15C(a)(1)(B)(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(a)(1)(B)(i)) is amended by striking out "When" and inserting "When such".

(2) Section 17(f)(1)(A) of such Act (15 U.S.C. 78q(f)(1)(A)) is amended by striking out "government securities," and inserting "securities issued pursuant to chapter 31 of title 31, United States Code,".

(b) AMENDMENT TO THE SECURITIES INVESTOR PROTECTION ACT OF 1970.—Section 16(12) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78lll(12)) is amended by inserting before the period at the end thereof the following: "other than a government securities broker or government securities dealer registered under section 15C(a)(1)(A) of the 1934 Act".

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 2600) was laid on the table.

## MR. HONECKER, TEAR DOWN THE BERLIN WALL

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, I am introducing legislation today urging German Democratic Republic chief of state Erich Honecker to permanently repeal the order to East German border guards to "shoot to kill" anyone attempting to cross the Berlin Wall without authorization and to tear down the Berlin Wall.

As an executive committee member of the congressional human rights caucus, I am committed to working for freedom for people throughout the world. The Berlin Wall, erected in 1961, imprisons more than 17 million Germans behind an artificial barrier limiting access to the free world. It stands as a stark reminder that the East German Government routinely denies the human rights of its citizens.

Because of orders to East German border patrols to "shoot to kill," many East Germans have lost their lives attempting to reach freedom by scaling the wall. This barbaric policy cost three East Germans their lives in the past year alone.

These policies denying basic human rights are unacceptable to the American people. This legislation puts the U.S. Congress firmly on record in opposition to these policies by urging constructive action by the East German Government.

Mr. Speaker, the recent meetings between West German Chancellor Helmut Kohl and East German leader Erich Honecker have highlighted the importance of tearing down the Berlin Wall and repealing the "shoot to kill" order. I encourage my colleagues to join me in sponsoring this resolution.

H. CON. RES. 186

Concurrent resolution urging the German Democratic chief of state Erich Honecker to permanently repeal the order directing East German border guards to shoot to kill anyone who, without authorization, attempts to cross the Berlin Wall and to issue an order to tear down the Berlin Wall

Whereas the United States is committed to promoting freedom for people throughout the world and recognizes that respect for basic human rights is the cornerstone of freedom;

Whereas the Berlin Wall was erected in 1961, more than a quarter-century ago, and has since imprisoned more than 17,000,000 East Germans behind an artificial barrier that limits access to the free world;

Whereas the Berlin Wall continues to serve as a cruel barrier between people and remains a stark reminder that basic human rights are denied to East German citizens by the East German government;

Whereas the East German government has issued orders to border guards to shoot to kill anyone who, without authorization, attempts to cross the Berlin Wall;

Whereas East German guards have killed many East Germans in border incidents;

Whereas, in the year ending August 13, 1987, there were 63 attempted escapes from East Germany, 16 during which shots were fired, and 3 persons were possibly killed while attempting to escape;

Whereas these policies, which deny basic human rights and limit personal freedoms, are unacceptable to the people of the United States; Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That Congress urges the German Democratic chief of state Erich Honecker to permanently repeal the order directing East German border guards to shoot to kill anyone who, without authorization, attempts to cross the Berlin Wall and to issue an order to tear down the Berlin Wall.

## TRIBUTE TO THE LATE AUSTIN G. SMITH, PROFESSIONAL STAFF MEMBER, HOUSE APPROPRIATIONS COMMITTEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. CHAPPELL] is recognized for 5 minutes.

Mr. CHAPPELL. Mr. Speaker, it is with a sense of deep sorrow that I announce the passing of a valued staff member of the Defense Appropriations Subcommittee, Mr. Austin G. Smith, on July 31, 1987.

Austin was born on January 2, 1929, and was a native of Tennessee. He served with the U.S. Army in Japan during the Korean war and moved to the Washington, DC, area in the mid-1950's.

He joined the Committee on Appropriations in 1962 and served the committee with distinction for some 22 years until his retirement on March 31, 1984.

On the Subcommittee on Defense, Austin specialized in military personnel matters and more particularly in military medical programs. He worked hard for the committee and served the Defense Subcommittee ably and professionally for many years. Austin will be sorely missed.

Our prayers are with Austin, his wife Jean, and their children in this time of deep sadness.

## TRIBUTE TO ESSEX, MD, ON SEPTEMBER 13, ITS SPECIAL DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, on Sunday next, September 13, Essex, one of the most prominent communities in my district will again observe its special day, "Essex Day."

I would like to recount some of the history from the paper prepared by Paul Michael Blitz, archivist of the Heritage Society of Essex and Middle River:

Essex, Maryland has a long and proud history. The first settlers of the area; like the rest of America were the Indians. Over 700 Susquehannoughs inhabited the area. The fierce and warlike Susquehannoughs often waged war with the Massawomekes or the Iroquois. Captain John Smith, Founder of the colony of Jamestown in Virginia, sailed up the Chesapeake Bay in 1608. He was exploring Back River and Middle River or as he called them "Smals Poynt" and "Willowbyes" when he first encountered the Susquehannoughs. He was very impressed when they prostrated themselves in adoration of the European settlers. Like the Roman Empire, the Susquehannoughs were defeated. No, not by a neighboring tribe; but by Smallpox. We have evidence that the Indians lived in this area because arrowheads were found at Cox's Point and Deep Creek which are on display at the Heritage Society Museum.

In 1634, the colony of Maryland was founded. By 1658, settlers started moving into the Back River Neck Peninsula. One of the early families who settled here were the Stansburys. The Stansbury Family was a prominent family who also lived in the Patapsco Neck area. Reverend Tobias Stansbury had a farm located in the Patapsco Neck. It was on this farm where General Robert Ross was killed during the Battle of North Point in the War of 1812. Another member of the Stansbury Family; Elijah Stansbury would later become Mayor of Baltimore.

In 1659, Cecil Calvert, Second Lord Baltimore, granted 420 acres of land along the Chesapeake Bay to a prominent Virginia planter named William Ball. Later, William Ball would become the Great-Great Grandfather of another prominent Virginia planter named George Washington. Today, the tract of land William Ball received is now Rocky Point Golf Course. The manor house named for Ball is "Ballestone" and is open to the public.

By the 1700's, most of what is now Essex was made up of land grants. In 1736, Thomas Hines received 261 acres of land called "Hines Purchase". This land grant would later become "Essex". The original "Hines Purchase" marker is still standing on the corner of Mace Avenue and Franklin Avenue.

Industry came to the area in 1744 when the Principio Co. opened an iron furnace at the head of Back River. Augustine Washington, and his sons Lawrence and George Washington had stock in the company. A mansion was built for the Washington Family to stay when they visited the iron furnace. Later, the name was changed to the "Locust Grove" ore mine. It was in operation from 1845–1885. During the Civil War, it made weapons and employed 100 people. The Locust Grove Iron Furnace built Zion Evangelical Lutheran Church for its workers to have a place to worship.

In the 1800's, Elijah Taylor bought farmland which he called "Paradise Farm". This was the first time the area was united under one name—Paradise. Around 1860, James C. Tutchton and his wife Sarah rented Paradise Farm from Jacob Taylor. Later, the Taylor Family decided to have "Paradise" resurveyed. In 1909, the Taylor Land Co. divided the farm into lots and created the town of Essex, Maryland; named after a county in England. The Taylor Land Co. also donated lots for St. John's Lutheran Church, Essex Methodist Church, the volunteer fire company and the portable schools. Essex was a growing community and was called "The Rising Suburb of the East". Josenhans Corner and Bauern schmidt Manor (which was recently saved by a campaign headed by Jack Cougle of the Essex-Middle River Chamber of Commerce and Paul M. Blitz Historian of the Heritage Society of Essex and Middle River is being restored to its original condition) were two of the early landmarks in Essex. The first house in Essex was the Schuster House located on the corner of Dorsey Avenue and Taylor Avenue. Some of the streets in Essex were named for the Taylor family. These include Taylor Avenue, Franklin Avenue, and Margaret Avenue.

In 1910, the oldest store in Essex was opened by Henry Guttenburger. His son, John (now in his eighties) still runs the store.

In 1915, the Vigilant Volunteer Fire Company was formed. Located at 518 Eastern Boulevard, it was the first firehouse in Essex. Up to that time, Essex had no fire protection. Upset by this, a group of concerned citizens formed the volunteer fire company. Because of the growth and development of Essex, bucket brigades were useless. After realizing this, the Vigilant Fire Company turned to horse drawn wagons. They, too, became obsolete. With the advent of the automobile, motorized fire pumps replaced horse drawn wagons. The Vigilant Fire Company purchased a 1914 Bessmer Motorized Chassis. It had the modern features of two pumps, fire hoses and a 40 foot ladder. A 35 gallon chemical tank was mounted behind the driver's seat.

By 1919 there were two paid fire houses in Baltimore County. One in Towsontown, the County Seat, and the other one was in Catonsville. In that same year, Essex had paid firemen stationed at the Vigilant Fire Company. The volunteer firemen soon became paid firemen and established a building and loan association which exists today. In 1920, a new firehouse was built next door to the Vigilant Building and Loan. This fire station is now the Heritage Society Museum.

Many people came to Essex to visit Hollywood Park. In addition to being an amusement park, Hollywood Park also offered picnic areas, swimming, fishing, and beer garden.

In 1929, Essex became well known when an Ohio businessman named Glenn L. Martin built an airplane plant in Middle River, Maryland. During World War II, 50,000 people worked at Martin's. The influx of people to the area came to get jobs at Martin's. This boost of population led the Glenn L. Martin Company to build company homes for its workers. Aero Acres and Victory Villa in Middle River, Maryland are two such communities.

After World War II, Essex experienced tremendous economic and social growth. As more and more people moved into the area, more businesses opened to meet their needs.

On August 3, 1957, tragedy struck Essex. A 10 alarm blaze gutted the entire 400 and 500 block of Eastern Boulevard. The fire caused more than 1 Million dollars worth of damage and took six hours before it was brought under control. Fire Officials said that the fire started in the Car-Mor Company warehouse in the basement of Arnold Department Store. No lives were lost in the fire.

The area was devastated by the fire. With the advent of shopping centers, businesses started moving out of the Essex business district to take advantage of shopping centers' store space and parking space. Essex experienced severe economic depression. This economic plight would continue into the 1960's and 1970's.

In 1968, the Heritage Society of Essex and Middle River was founded to protect and preserve the history of Essex and Middle River, Maryland. It is a non-profit organization staffed by volunteers. The old firehouse became a police station and later a courthouse. When the new fire station; police station; and courthouse were built, Baltimore County wanted to tear down the vacant building. Alex Bomgartner, The founder of the Heritage Society of Essex and Middle River and its members felt that the old building would be the ideal place to have a museum to display the artifacts that they collected. The Heritage Society of Essex and Middle River petitioned the County to save the building and use it as a museum. In 1975 after a three-year fight, Baltimore County agreed to save the building which is now The Heritage Society Museum. The Heritage Society of Essex and Middle River also engaged in a grassroots effort to save Ballestone Manor which the County also wanted to tear down to make way for Rocky Point Golf Course. The manor house was save and restored and opened to the public in 1977.

In 1972, Essex like most of Maryland, was hit by "Hurricane Agnes". Rising waters caused flooding in some areas and heavy winds knocked down trees, limbs, and power lines.

During the 1970's, a move was made for the "Revitalization" of Essex and the business district. It was an effort on the part of the Essex Development Corporation, Essex-Middle River Chamber of Commerce, elected officials, and the community to bring businesses and government offices to occupy the vacant buildings along Eastern Boulevard. The effort proved to be a great success.

By the 1980's, Essex was rejuvenated. Businesses relocated into the area. The Multi-Government Building and Eastside Occupational Building provide easy access to governmental agencies such as the Department of Motor Vehicles and Licenses and Permits.

In 1984, Essex celebrated its 75th Anniversary. To mark the occasion, Essex received a Presidential Citation from President Reagan. The following year, the Joint-Veterans Association erected a monument to honor those who died for their country in Korea and Vietnam. In 1988, The Heritage Society of Essex and Middle River will celebrate its 20th Anniversary. The future of Essex looks very optimistic and on Sunday Sept. 13, this community again will observe Essex Day.

Essex has survived fire, floods, hurricane, and economic depression. But Essex always rises up and becomes alive again. And with the help of the Essex Development Corporation; Essex-Middle River Chamber of Commerce; elected officials; and members of the community, Essex will again become "The Rising Suburb of the East". I salute this marvelous community.

## AIRLINE SCHEDULES UNDER DEREGULATION IN A MESS

The SPEAKER pro tempore. Under a previous order of the House, the gentelman from Illinois [Mr. Gray] is recognized for 5 minutes.

Mr. GRAY of Illinois. Mr. Speaker, during the August recess I had occasion to represent the House Committee on Veterans' Affairs in traveling to California to hold hearings, at the Veterans' Administration hospital in San Francisco on the subject of AIDS. During the time I first called the airport, Lambert Field in St. Louis, MO, consternation, false promises and delays were inherent in that entire trip all the way to California and back.

Before coming to the Congress, Mr. Speaker, I was a fixed-base operator. I think I know a little bit about flying. In fact, for 15 years while serving in this body I flew my own helicopter. I want to say without fear of contradiction that the airline schedules since deregulation is in a terrible mess. I think we must face reality that we are going to have to go back to regulation if we are to have safety in the skies and certainly if we are going to have any convenience for the American and foreign travelers.

On that trip that I mentioned a moment ago, Mr. Speaker, the flight was about an hour and a half late. When I arrived in California, it took at least 45 minutes to get my bags.

On the trip back—first let me say that the Committee on Veterans' Affairs had secured the ticket round trip. When I started back, the airline refused to accept the return trip without upgrading it for another $285. In fact, I am an auctioneer and when you call up on the phone to get a reservation, they start out with the very highest price and then the airline will say, "Well, if you can't afford that, then we will give you another price." You may get as many as seven or eight different price structures, all kinds of gimmicks that they will offer the traveling public to try to outdo the competition, completely disregarding their customers, the flying public.

So I think the time has come when we in the Congress must take action, not only to put on more air traffic controllers so the skies will be safer, but also to make absolutely certain that when an airline says they are going to depart at a certain time, they make every reasonable effort to leave at that particular time.

Concerning safety, I sat on the Public Works Committee 13 years ago and asked the then FAA Administrator what we were doing about collision avoidance devices.

Mr. Speaker, it is very strange, because the Administrator back then, General Kee, said, "We are just around the corner" from developing the collision avoidance systems.

I retired from this body, gone 10 years, came back to the same committee and last year I asked the FAA Administrator, Admiral Engen, "How are you coming on the collision avoidance devices?"

Mr. Speaker, you would think they rehearsed it; 13 years later he said exactly the same thing, "Just around the corner." Just around the corner, 13 years later.

We have the technology now to put in collision avoidance devices on our scheduled flights. We have TKASH-1,

TKASH-2, and now TKASH-3, which is a very sophisticated instrument. I think now Mrs. Dole, the Secretary of Transportation, has finally said, "Well let's get busy and go ahead and demand that the airlines install collision avoidance devices." I thank her for that, but more needs to be done.

Last year alone, Mr. Speaker, we had more than 900 near misses in the air just over the continental limits of the United States, not counting all the near misses in foreign countries where American carriers fly. I am sure there were many others not reported.

So I stand here today warning that we must absolutely do something to put on more air traffic controllers, and improve airline service.

Back when the air traffic controllers' strike occurred in 1981, when President Reagan laid off all the controllers, we had 16,000-plus air traffic controllers. Today, Mr. Speaker, we have 25 percent more airplanes in the air and we have just a little over 14,000 air traffic controllers. So you can see the number of planes in the air has gone up and the number of air traffic controllers down. That does not spell good safety, and certainly I think all Members ought to join with Congressman Norman Mineta, chairman of our Subcommittee on Aviation and Jim Howard our full committee chairman joined by Congressman Hammerschmidt ranking minority member of the full committee, and Congressman Gingrich, ranking subcommittee member and push our legislation that will provide a bill of rights for the flying public including the possibility of going back to regulation if things don't improve at our airports and in the skies.

Thank you Mr. Speaker, for giving me the opportunity to speak a few words in behalf of the weary traveler.

## THE IMPORT OF THE NOMINATION OF JUDGE BORK TO THE SUPREME COURT

The SPEAKER pro tempore (Mr. Natcher). Under a previous order of the House, the gentleman from California [Mr. Dymally] is recognized for 60 minutes.

Mr. DYMALLY. Mr. Speaker, there are few times in the history of a nation, that a public servant is allowed the opportunity to impact the course of history. What we do this day is to pursue the preservation of democracy. We join together to engage the attention of the Nation, and that of our colleagues in the U.S. Senate, in scrutinizing the record and import of the nomination of Robert H. Bork to the Supreme Court. We stand in the well of the people's House, representing diverse geographic regions and philosophical perspectives, yet committed to one truth. And that is where there are those who would trammel the democratic spirit or the individual will, we must rise in unrelenting opposition. Therefore I come before you, as chairman of the Congressional Black Caucus, and on behalf of the millions of people of conscience who we represent, to state that the future of our country is imperiled by the nomination of Robert Bork. And to his defenders we state affirmatively, that any attempt to represent his judicial record as short of ominously regressive is blatantly untrue.

There are those who suggest that our discussion of these matters is inappropriate. To argue that the selection of the judiciary is above politics, is a refusal to appreciate the reality of the society in which men and women of the bench must operate. This is not just another political appointment, but the selection of an individual who could well change the face of American civil liberties for years to come. We, as elected officials, have a responsibility to replace fiction with fact, to combat a partisan-driven public relations ploy which would have us believe that Robert H. Bork is a progressive activist who has been victimized by a partisan democratic left. To the contrary, the real victims are "We the people" and a Constitution which stands in jeopardy of a wave of judicial review of its very intents and purposes.

To be sure, Robert H. Bork is no champion for equality of opportunity or a friend of individual freedoms. We do not have to speculate about the record, there is a documented trail of actions as lawyer, teacher, Government official, and member of the court of appeals.

In recognition of the Bork legacy of opposition to voting rights, civil rights, open and fair housing, and affirmative action, I was joined by each of America's national organizations of black elected officials in announcing our collective and unequivocal opposition to his nomination. By name these organizations are the Congressional Black Caucus, the World Conference of Black Mayors, the National Black Caucus of Local Elected Officials, the Democratic National Committee Black Caucus, the National Black Caucus of State Legislators, the National Conference of Black Mayors, the National Association of Black County Officials, the National Bar Association and the Judicial Council of the National Bar Association, and the National Political Congress of Black Women. These are but a few of the more than 100 civil rights organizations which have joined in a coalition dedicated to the rejection of the Robert H. Bork nomination. Yet, this is not a slick organizational campaign. For every institutional response there has been a commensurate level of attention and awareness among the grassroots electorate.

Indeed, if there was any question of whether this decision would escape this scrutiny of the people, recent weeks have disabused the decision makers of that potentiality. Members of both Houses have been met head-on by an informed and gravely concerned constituency.

Indeed, if there is a true purveyor of justice, it is the ballot box—and our colleagues in the Senate have heard a clear message during these recent weeks of recess. The people do not view this appointment as one in the best interest of America.

Again, to those who would remove this process from political discourse, I call to their attention a recent offering of the New York Times Editoral Board—August 7—which made the following commentary:

> Americans hold the Supreme Court in such reverence that they are sometimes persuaded, haplessly, to try taking politics out of politics. As President Reagan's nomination of Judge Robert Bork to the Court reverberates, it becomes clear that this is such a time. The white marble and black robes radiate a virtue which transcends partisanship. That's exactly as it should be: Federal judges receive lifetime appointments in order to be free of any partisan debt or duty. Their unencumbered freedom to decide cases is, however, distinctly different from how the Senate should decide which nominees to approve for the Court. As the history of Reagan nominations illustrates, that is a political question, properly and always. To claim that it is improper to examine a nominee's philosophical positions misses the point. The wholly proper test is to discover and weigh what those positions are.

That argument is clearly on point, and as the paper has suggested:

> Just as a President reflects his political values by whom he nominates, the Senate needs to reflect its political values by whom it approves.

Let us, therefore take these moments to share with our colleagues the perspective of the people's House as they stand on the eve of the exercise of their constitutionally mandated responsibility of advice and consent. And let us implore that they reject the nomination of Robert H. Bork.

Mr. CLAY. Mr. Speaker, President Reagan's nomination of U.S. Court of Appeals Judge Robert H. Bork, to fill the seat on the Supreme Court vacated by Justice Lewis Powell, is ominous and unsettling. Judge Bork's views are antithetical to equal justice under the law and I encourage my colleagues in the Senate to reject his nomination.

The question at issue does not pertain to Judge Bork's credentials. He is a brilliant legal scholar. But his ideology, his rigid rightist viewpoint and his published reactionary beliefs about justice mandate that the Senate deny him confirmation. The Senate is required to look beyond the basic legal credentials of a Supreme Court nominee. Many judges are legally qualified to serve, but those who are appointed to the Supreme Court must be especially capable of understanding and administering to the diverse interests and needs of our Nation. In my view, Judge Bork's record demonstrates that he is not prepared to serve our Nation's highest interests.

Judge Bork's reactionary record includes opposition to certain provisions of the 1964 Civil Rights Act—particularly in terms of public accommodations, his support of the death penalty, and his opposition to the Roe versus Wade abortion decision. The presence of Judge Bork on the highest court of the land could mean that State legislatures, instead of the courts, will make laws in violation of constitutional provisions, in matters such as affirmative action, freedom of choice for abortion, and search and seizure.

Judge Bork's ideological rigidity is a proper, legitimate question to be posed by the Senate. He is an arch conservative with views which oppose a free and equal society. If his confirmation is sustained by the Senate, it will be divisive and troubling for 240 million Americans; particularly, for blacks, women, and other minorities. The appointment of Judge Bork to the Supreme Court promises to trammel our Nation's progress toward equal justice under law.

Mrs. COLLINS. Mr. Speaker, next week, our distinguished colleagues on the Senate Judiciary Committee will begin consideration of the President's nomination of Judge Robert Bork to serve on the Supreme Court.

Over the past several years, the "scales of justice" have been tipped delicately on the Supreme Court with no one judicial viewpoint, liberal or conservative, dominating the other.

Clearly, however, if Judge Bork is confirmed, the scales will be tipped decidedly in favor of a rigid, conservative perspective. This is wrong!

Some people, particularly those in the Reagan administration, argue that ideology should not be a factor in deciding the merits of whether a person should serve on the Court. Instead, they suggest the focus should be on Judge Bork's reputation as a well-respected judicial scholar. The administration also has attempted to cast a new portrait of Judge Bork as a moderate judge.

In my view, these arguments are specious for several reasons. First, it ignores the Senate's "advise and consent" role in the nomination process. It is entirely legitimate for Senators to consider ideology and judicial perspective in evaluating the merits of a nominee. Second, the mere fact that someone is a judicial scholar is not sufficient to qualify them to serve on the Nation's highest court. Finally, it is outright deception to suggest Judge Bork is a moderate.

On the contrary, Judge Bork's writings and public statements reveal a man who is committed to protecting the interests of the Government and business against those of individual citizens.

A justice must have compassion for all people. Judge Bork's writings show no sensitivity toward any disadvantaged group. Twenty-five years ago, Bork opposed civil rights legislation requiring hotel and restaurant owners to serve blacks because it would trample "the freedom of the individual to choose with whom he will deal."

A justice must demonstrate an ability to listen to all points of view. Judge Bork's record on the appeals courts fails to demonstrate a balancing of competing viewpoints. According to Public Citizen, in seven split decisions involving a public interest group's challenge to a government regulation, Judge Bork favored the executive branch every time.

A justice must see the Constitution as a document which adapts to the changing circumstances of American society. Judge Bork's statements indicate he sees the Constitution as a rigid, static document which has not changed in 200 years. Over 20 years ago, for example, the Supreme Court held there was a constitutionally protected right of privacy. In law review articles and judicial opinions, however, Judge Bork has consistently challenged or tried to restrict this fundamental right.

As a woman and as a black, I am afraid he sees the Constitution of 1987 as the one of 1787. In that world, women had no legal standing. Worse, blacks were counted as only three-fifths of a human being.

If Judge Bork is seated, this myopic viewpoint could drastically shift the delicate balance which currently exists on the Court.

On a 5-to-4 vote this year, the Court upheld a temporary racial quota plan for Alabama State troopers. On a 5-to-4 vote this year, the Court affirmed the first amendment rights of a woman to make a disparaging remark about the President. And on a "soft" 6-to-3 vote, the Court approved an affirmative action program which recognized women had been the victims of past discrimination.

Next year, the Court will decide the validity of a woman's right to an abortion, the employment rights of gays, and a reverse discrimination case. If Judge Bork is confirmed, we already know the outcome of these cases.

It is a travesty of justice for any person to be seated on the Supreme Court who comes to the bench with such defined and preconcieved notions of justice. The next member of the Supreme Court must be a person of independence, impartiality, and integrity.

Judge Bork, however, does not meet these standards. Yesterday, a judicial colleague accused Bork of trying to substitute his minority viewpoint for the majority opinion in a case involving a House Republican challenge to the committee assignment process. As this judge said, this raises a serious question of Bork's "basic honesty."

For these reasons, I want to commend my colleagues in the Congressional Black Caucus for arranging this special order and I urge our colleagues in the other body to reject his nomination to the Supreme Court.

Mr. STOKES. Mr. Speaker, I would like to thank my distinguished colleague, Mr. DYMALLY, for reserving this time to address the impending consideration of the nomination of Judge Robert H. Bork to serve as the next Associate Justice of the U.S. Supreme Court.

Mr. Speaker, I wish to firmly add my voice to the ever-growing ground swell of opposition to this nominee, who in my view does not represent the kind of Supreme Court nominee that will best serve the interests of our Nation in the years to come. Unfortunately, the nomination of Judge Bork stands as the next and perhaps crowning legacy of an administration more committed to pursuing a regressive conservative ideology, which threatens to turn back the clock on America's hard-fought social progress, than it is committed to justice or decency.

It is Judge Bork's own record that stands as the strongest testimony to his absence of qualifications. In developing his judicial philosophy, Judge Bork has adopted the philosophy of "original intent," expounded by Attorney General Edwin Meese. Under this theory, which has been denounced by most legal scholars, Bork argues, like Meese, that "the only way in which the Constitution can constrain judges is if the judges interpret the document's words according to the intentions of those who drafted, proposed, and ratified its provisions and various amendments * * * original intent is the only legitimate basis for constitutional decision." By the application of this questionable theory, Justice Bork seeks to turn back the clock of jurisprudence in such key areas as the death penalty, homosexual rights, the right to privacy, and abortion. In these areas, Bork seeks to ignore the body of legal precedent, in order to return constitutional law to a position consistent with his interpretation of constitutional intent.

In the area of the death penalty, Bork has suggested that "it is a little hard to understand how a penalty that the framers explicitly assumed to be available, can somehow become unavailable because of the very Constitution the framers wrote * * *."

In the area of homosexual rights, Judge Bork has noted, "We would find it impossible to conclude that a right to homosexual conduct is 'fundamental' or 'implicit in the concept of ordered liberty,' unless any and all private sexual behavior falls within those categories, a conclusion we are unwilling to draw."

In the area of abortion, Judge Bork has said, "I am convinced * * * that Roe versus Wade is an unconstitutional decision, a serious and wholly unjustifiable usurption of State legislative authority."

In Judge Bork's view—and in the view of the administration which seeks to appoint him—the Supreme Court has misbehaved, making law where they should not, and doing social justice instead of law. The administration, in seeking to appoint Judge Bork, hopes to straighten out the Court, bringing the Court around to its view of the role of the Court in the arena of constitutional law.

What Judge Bork—and the administration—fails to recognize is that the law, especially constitutional law, is made incrementally, on a case-by-case basis. While he might disagree with legal precedents, no judge in our system can ignore or avoid precedent. And this, in essence, is the problem with Judge Bork's approach to the Supreme Court. Because he disagrees with what they've done, he seeks to ignore years of legal precedent and turn back the clock of jurisprudence. This, to me, is unacceptable.

The case against Judge Bork is not limited to his flawed theory of constitutional law. As Solicitor General, on October 20, 1973, Judge Bork became the center of another legal controversy, this being the "Saturday Night Massacre" firing of Watergate special prosecutor Archibald Cox. In that instance, Bork accepted President Nixon's order to fire Watergate special prosecutor Archibald Cox, even though

Attorney General Elliot Richardson and his deputy William Ruckelshaus both refused to carry out such a patently improper order, one resigning, and the other being fired for their refusal. I, for one, would be uncomfortable with a Supreme Court Justice who behaved with such disrespect for the legal process in an instance such as this.

Finally, I am seriously troubled by Judge Bork's record on civil rights. During the debate on the great public accommodations provisions of the Civil Rights Act of 1964, Judge Bork took the position that the owners of lunch counters have the right to segregate, ignoring the basic human right of millions of black citizens to be free of discrimination. Judge Bork's opposition to the public accommodations provisions is not an isolated example, but part of a pattern of unyielding resistance to civil rights. He is also on record as opposing progressive Supreme Court decisions which have invalidated poll taxes, upheld the Voting Rights Act of 1965, and provided remedies for school desegregation.

Although I believe in the President's right to nominate a candidate of his choice to fill a vacancy on the Supreme Court, I also believe in the right of the Congress to review the credentials of such an individual, to determine if he or she provides the kind of balance to the Court that serves the best interests of the American people. I do not believe that Robert Bork will provide such a balance, and you may therefore be assured that I will lend my support to opposing his nomination.

For these reasons Mr. Speaker, America is best served with the defeat of this candidates nomination to the Supreme Court.

Mr. DELLUMS. Mr. Speaker, I rise today to urge my colleagues in the other body to reject the nomination of Robert Bork to the position of Associate Justice of the U.S. Supreme Court.

In my judgment, the Senate must concern itself not only with the personal qualifications of this appointee, but also with the impact of that appointment on the Supreme Court, on the entire judicial branch, and congressional and State legislation.

Based on his previous judicial decisions, public statements, and published books and articles, I am very concerned that Judge Bork's appointment would radically transform present constitutional law, especially in the areas of civil rights and individual liberties.

To cite just a few examples: He denounced a civil rights bill banning racial discrimination in restaurants and hotels, saying that the law interfered with the majority's right to "decide with whom [they] will deal." He opposed the 1964 Civil Rights Act as "an extraordinary incursion into individual freedom." He also argued that a Virginia poll tax, clearly enacted to keep large numbers of poor blacks off the voter rolls, was not discriminatory.

His attitudes toward individual rights is even more reactionary. He publicly referred to civil rights demonstrators as "a mob * * * disturbing and coercing other private individuals in the exercise of their freedom." For him the individual's right of privacy is virtually nonexistent: As I said years ago, concept of the Constitution. In his mind, the Bill of Rights only protects "political" speech; anything else is fair game for Court censorship or condemnation. He has also argued that gays and lesbians do not have the same constitutional rights as homosexuals.

In short, I consider Judge Bork a clear and present danger to the progress made in civil rights and individual freedom in this society during the past 40 years. His unstinting opposition to existing Supreme Court decisions promoting the principle of one man, one vote, open housing, the abolition of racially restrictive covenants, the banning of literacy tests and poll tax requirements for voting, and his repeated denunciations of affirmative action programs all render him constitutionally unacceptable as a candidate for the highest court in the land.

In this year of the bicentennial of our Constitution, the Senate has a special obligation to pass upon the fitness of those who will be sworn "to uphold and defend the Constitution." Based on his past performance and public pronouncements, Judge Bork does not meet those requirements.

Mr. SABO. Mr. Speaker, although I am always reluctant to advise the Senate on how it should perform its duties, there is an issue about which I cannot remain silent. Many actions that Congress takes this fall will be important. But when historians look back, what I fear may stand out most is that Judge Robert H. Bork was confirmed by the Senate, ushering in a new era for the Supreme Court.

Under this scenario, we could see the start of a period in our history in which the Court reverses much of the progress we have made in the past three decades. Should the Senate confirm Judge Bork, I fear the Court may roll back many of the important advances for which we have fought for so long.

But this frightful vision of the future does not have to come to pass. The Senate can exercise its prerogative and reject Judge Bork's nomination.

We have fought and won important battles to protect basic individual rights and liberties, to enhance our democratic processes, and to expand economic opportunities so all American's can share in the American dream. Now is not the time to retreat from these victories. The American people do not want us to turn back the clock and revisit these issues. Instead we must move forward.

While we have been surprised in the past at the change in philosophy that has occurred in some justices once they joined the Court, we cannot gamble that this will happen with Judge Bork. It is clear—from his writings, lectures, and opinions covering 20 years—he has a unique view of the Court's role in our evolving democracy. He has a radical view of the Constitution itself.

Judge Bork disagrees with numerous landmark court decisions. What is most troublesome, however, is his nearly contemptuous disregard for precedents set by past Court decisions and his almost casual willingness to vote to overturn them. It is an almost arrogant lack of respect for the wisdom of past Courts and outcomes that the vast majority of Americans accept as the established law of the land.

The Constitution did not cease to live and grow once it was signed 200 years ago. It continues to grow and improve. Our history has been important and deserves respect.

It is especially ironic that as we celebrate the bicentennial of the U.S. Constitution, President Reagan has nominated a man who wants to tear that remarkable document to shreds. It is sad that he has chosen a man who could embark on a major assault against the Constitution.

I am sure that Judge Bork is a smart man. But intelligence is not the only criterion that should be used to evaluate whether he should serve on the highest court in the land. His philosophy and ideology are extremely important. Just as the President would not nominate a man whose views were opposite of his own, the Senate should not approve a man whose philosophy is so radically different from the mainstream of American thought.

The Court was never intended to be a tool by which the President alone could promote his ideology. It is not a subdivision of the executive branch of Government. Instead, it is a vital independent third branch of our Government. That is why the Senate has the authority to review and pass judgment on a President's recommendation.

The Senate in the case of Judge Bork has a grave responsibility to use its veto power over the President's nomination. I urge the Members of the other body to reject President Reagan's nomination of Judge Bork. In doing so, you will have the support and heartfelt thanks of many of us in this body, the American people, and future generations who want to move forward in the pursuit of justice, liberty, and democracy.

Ms. PELOSI. Mr. Speaker, the Senate is facing one of its most important pieces of business—the process of confirming or rejecting the nomination of Judge Bork to the Supreme Court.

The public debate on this nomination has focused on the powers of the Senate, as well as on the nominee's background and suitability. The Senate does not need to justify or to defend its powers. The framers of the Constitution gave the Senate the powers of advice and consent in the appointments to the judiciary in order to ensure the independence and sanctity of this third branch. Confirming appointments to the Supreme Court requires different consideration than confirming appointments to the executive branch. Cabinet members, serving at the pleasure of the President, are advisers who leave office with the President at the end of term. Supreme Court Justices, however, are supposed to function independently and they are appointed for life. Serious candidates for the Supreme Court, then, should neither be political extremists nor tied to a particular ideology. We look to the Supreme Court for judicial decisionmaking, not for an ideological agenda.

Many legitimate questions have been raised about Judge Bork's judicial philosophy. His record dramatically demonstrates a commitment to the reversal of the advances in individual liberties fought for and won in the Supreme Court over the past three decades.

Our Nation is based on a foundation of the primacy of individual rights. Designed to place basic freedoms beyond majority control, the Constitution guarantees the citizens of the United States those freedoms. The ninth amendment provides that fundamental rights not specifically listed in the Constitution are still retained by our citizens. The right to privacy has been guaranteed through an entire line of Supreme Court decisions. Both conservative and liberal Justices of the Supreme Court have included the right to privacy in our guaranteed rights. Judge Bork disagrees. He has said that the right to privacy is not covered by the Constitution and that the Supreme Court's previous decisions upholding this right are wrong.

Bork believes that our freedoms should be more narrowly defined. In matters of sex, procreation and family, he would have the Court step aside. If for example, the Constitution does not specifically address birth control, Bork feels that access to them cannot and should not be protected by the Supreme Court. I believe that Judge Bork's philosophy not only violates our constitutionally mandated rights and freedoms, but also presents a highly dangerous threat to the American way of life. Sexual, reproductive, and familial choices should be a matter of individual choice.

Great strides on civil rights have been made in this country over the past three decades. While the road to equality for all, regardless of race, ethnicity, sex or sexual preference, still has some distance to go, we can feel pride in the progress made so far. Judge Bork, however, has played no role in pursuing civil rights and equality. He opposed what became the 1964 Civil Rights Act, which guaranteed that public accomodations be open to all races. He is on record as opposing most of the landmark decisions protecting civil rights and individual liberties rendered by the Supreme Court for 40 years. In fact, his theory of legal interpretation—judicial restraint—would not even have permitted the landmark civil rights cases to be heard.

Judge Bork's clear alignment with right wing ideologues makes him a political extremist and a danger to the independence of the Supreme Court. As our colleagues in the Senate undertake the confirmation process, I urge them to proceed carefully and thoughtfully.

The Senate has the powers and the obligation to reach a decision on the nomination of Judge Bork. Approximately 25 percent of those individuals nominated for the Supreme Court have not been confirmed by the Senate. The public interest will only be served if the Senate makes full and vigorous use of its powers. I strongly urge my colleagues in the Senate to exercise their constitutionally mandated powers and reject Judge Bork's nomination.

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## GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO HAVE 5 ADDITIONAL DAYS TO PRINT REPORT ON H.R. 2881, NATIONAL COMMISSION ON ACQUIRED IMMUNE DEFICIENCY SYNDROME ACT

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be given 5 additional legislative days in which to print its report on the bill, H.R. 2881, in the Record, including minority, dissenting, and supplemental views.

This request is being made on behalf of the minority to allow time for minority views to be prepared.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

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## LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I ask for this 1 minute for the purpose of inquiring of the distinguished majority leader the program for the balance of today, this week, and prospects for next week.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from Washington.

Mr. FOLEY. First of all let me express my appreciation to the gentleman from Illinois [Mr. Gray] for his useful and informative remarks in the well of the House.

I would advise the distinguished Republican leader that we have completed the business for today and for this week. The House will not be in session tomorrow and it will be my intention to ask unanimous consent when the House adjourns today to adjourn to meet at noon on Monday next.

On Monday we intend a pro forma session.

On Tuesday, September 15, the House will meet at noon and consider two bills under the suspension rule, House Resolution 192, concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania; and House Resolution 243, expressing the sense of the House on the occasion of the 25th anniversary of the independence of Jamaica.

On Wednesday and the balance of the week, September 16, 17, and 18, the House will meet at 10 a.m. and consider H.R. 1154, the Textile and Apparel Trade Act of 1987, with a closed rule, with 3 hours of debate; H.R. 3030, Agriculture Credit Act of 1987, subject to a rule; and H.R. 442, Civil Liberties Act, subject to a rule.

Conference reports may be brought up at any time and any further program will be announced later.

Mr. Speaker, I might say that on Tuesday, September 15, we intend to postpone recorded votes until after the debate on all suspensions, but at the present time with only two suspensions being scheduled Members should be advised that there will probably be early votes ordered on Tuesday, and we are assuming that there will be votes on Tuesday.

We do not intend to schedule a Friday session next week but if I may respond to the Republican leader's inquiry, the following week, which would be the week of September 21, we intend to have a schedule which will be announced next week for Monday, Tuesday, and Wednesday; that is, votes will be held on Monday, Tuesday, and Wednesday.

Of course, when the House adjourns on Wednesday, we will adjourn for the Jewish high holidays, so we will not be meeting on Thursday or Friday, September 24 and 25.

Mr. MICHEL. The gentleman may or may not be aware that today the gentleman from Mississippi [Mr. Lott] and I addressed a letter to the Speaker pointing up the closing of dates upon us here with the fiscal year ending September 30, and while we passed nine appropriation bills and the other body has not passed any yet, I do not see any of the remaining appropriation bills scheduled, for example, for next week or that following week.

I am just wondering, coming into the deadline, the debt ceiling needing to be extended, are we headed for another temporary extension?

Mr. FOLEY. Mr. Speaker, it is my hope, personally, that the conference committee on the extension of the debt ceiling will be able to reach agreement on the issues that are presently before it, and I cannot predict that, no one can, as to the precise time but, personally, I think with goodwill and strong effort that the conference committee should be ready to report well before September 23, which is the current deadline for the extension of the debt ceiling. As far as the appropriation bills are concerned, while I cannot announce the schedule for the week after next today, I anticipate the possibility of an appropriation bill being scheduled for the week after next. It is probably unlikely that before the first of October the Senate would be able to take up and act on all appropriation bills passed by the House and conclude a conference with the House.

None of them has been adopted by the Senate at this time even though, as the gentleman pointed out, we have passed nine and reported from the committee at least two others.

So we are well on our way to completing the work of appropriations which is our responsibility in the initial instance, but the Senate, for reasons that I will not digress on, has

been unable to take up the appropriation bills and act on them.

The probability is that we would need to meet the October 1 deadline with some omnibus appropriation or continuing resolution in order to permit the continued function of the Government. That is not our desire, it is not our wish, it was not our hope, but while we have undertaken assiduously to meet our responsibilities on this side of the Capitol, unfortunately we have not been able to bring together conference committees because the other body has not acted on any of the other appropriation bills.

Mr. MICHEL. Does the gentleman have any intelligence on when they would begin over there on the other side to even report appropriation bills let alone consider them on the floor of the Senate?

Mr. FOLEY. I think there will be an effort to do that but, as the gentleman knows and even under our expanded rules, we probably should not digress too much about the problems of the other body, but there have been problems in bringing bills to the floor. The schedule has been complicated there and I cannot predict exactly what will happen.

I do think there will be obviously an effort to proceed on the appropriation bills, but we are faced with the end of the fiscal year on midnight, September 30, despite our efforts and our success in meeting our responsibilities in this regard. It is difficult to presume the Senate would be able to conclude all of the appropriation bills and be able to conclude all of the conferences and conference bills and send them to the President in what is now 20 days before the end of the fiscal year. It stretches a bit even a confident prediction.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I would be happy to yield to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. I thank the gentleman for yielding.

I just want to find out, if I could, if we could get a little more elaboration on the schedule for next week.

As the gentleman well knows, we will have the celebration of the Constitution here in this town on Wednesday, and I think the schedule has been done to accommodate that particular celebration on Wednesday. I think the gentleman is also aware, however, that there is to be a major celebration, national celebration, in Philadelphia the next day. I think there was some hope that Congress would be able to participate as an optional kind of thing in Philadelphia that day.

It appears to me from the schedule that that has not been taken into account at all. I wonder if the gentleman could at least maybe inform the Members how many votes might be expected, what bills will be up specifically on Thursday that Members might have to look at if they would decide to go the national celebration that is to be held in Philadelphia?

Mr. FOLEY. Mr. Speaker, I would be glad to respond to the gentleman's question if the distinguished minority leader would yield to me.

Mr. MICHEL. Mr. Speaker, I am happy to yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, we are currently scheduling the bill H.R. 442, the Civil Liberties Act, for Thursday. There has been inquiry about why the House did not simply abandon legislative work on Thursday in view of the fact that there are some celebrations in various parts of the country. I think the answer to that is that first of all we did participate, as the gentleman knows, the House and the Senate did participate very extensively in celebration in Philadelphia already. We are having recognition of this important anniversary on Wednesday, the 16th, and the House made a judgment not to have a 1-day national holiday on Constitution Day, so it seems that we should go forward with the work of the House on that day.

In the event that there is any change in the schedule, and I am not predicting any, but in the event there should be any change in the schedule we will try to announce that promptly. At the present time we are scheduling H.R. 442 for Thursday. The number of votes on that bill would be, again purely speculative, but I guess we would have to assume there would be rollcall votes and amendments are in order, or will be in order, I am sure, subject to the rule.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I certainly understand what the distinguished majority leader, the gentleman from Washington, is telling us, and the House did make a determination not to spend several hundred million dollars in order to have a holiday that day. I think there is somewhat of a difference between what Congress schedules in terms of that celebration and an overall national holiday, since the Congress in times past has shut down for things like Boston Celtics basketball games and a number of other things. It seems to me that we could maybe accommodate something which is of fairly monumental significance in the history of this country for Members of Congress. If the House determines that that is not appropriate, Members I guess will have to understand.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Mr. Speaker, I am happy to yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I would have to disagree with my distinguished friend. We have emphasized in fact the importance of this historic year and in addition to participating at Philadelphia already in moving ceremonies, the House and the Senate were to consider legislation which was before the House for a one-time, 1-day national holiday to give further emphasis and celebration to the historic occasion. I am not quarreling with the decision. The House has spoken on that, but the House decision was not to have such a holiday and consequently for Americans who might want to celebrate this day, they are not going to be celebrating it on a holiday.

I think it was our assumption that what was the situation for the rest of the country might be appropriately the situation for the House, namely, that it was a day which would be a working day although obviously in our consideration on Wednesday the previous day and our past celebrations in Philadelphia and in all of our actions on the 17th we would reflect on the historic importance of this day and there was no difference between us on that issue. It is in fact a day which we thought deserved a 1-day national holiday.

In any event I understand the gentleman's concern that there are local celebrations that Members might want to attend. At the present time, in answer to his question, we have an important bill on the floor. If there should be any change in that, and I am not predicting it, but if there should be any change in that we would immediately notify our friends on the minority side and so the Members could be advised.

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Mr. MICHEL. Mr. Speaker, I yield to the gentleman from Pennsylvania who also has I think some concern about that coming from the immediate area where this matter is focused.

Mr. COUGHLIN. Mr. Speaker, I wish to add my voice to the voice of my colleague from Pennsylvania. The 17th is indeed the anniversary of the signing of the Constitution of the United States, that day that we have been building up to for the entire year. It seems peculiar that we do very little on Monday and Tuesday and put all of the work of the week into the 2 days that are the most important in terms of the celebration of the bicentennial of our Constitution. I would hope that some consideration might be given by the leadership and by the distinguished majority leader to some variation of that on that Thursday which is indeed an important day, not just in Philadelphia but around the Nation where celebrations are being held, in schools, in towns, in villages, in communities all around our country in commemoration of the bicentennial of the Constitution.

Mr. FOLEY. Mr. Speaker, I respond to the gentleman from Pennsylvania, if the gentleman from Illinois will yield further, that we are sensitive to the concerns and interests not only of the gentleman from Pennsylvania, which is the historic State where these great events transpired, but also the Members from other parts of the country where there are local celebrations. While I cannot announce any change in the program because the program is as I announced, if there is any change—and all such announcements carry the admonition that further changes may be announced later—if there is any change we will assiduously pursue prompt notification of the Members for their information and reaction.

Mr. MICHEL. Mr. Speaker, I yield back the balance of my time.

## DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore (Mr. Natcher). Is there objection to the request of the gentleman from Washington?

There was no objection.

## ADJOURNMENT TO MONDAY, SEPTEMBER 14, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

## ANNOUNCEMENT BY THE MAJORITY LEADER

Mr. FOLEY. Mr. Speaker, may I conclude by again reminding Members that on Wednesday, the 16th of September, that is Wednesday next, there will be an official photograph taken of the House of Representatives.

I believe it is the first order of business of the day. All Members are encouraged to be present in the Chamber so that that photograph may reflect the totality of the House of Representatives.

## A BIPARTISAN INSPECTION OF SOVIET RADAR FACILITIES

The SPEAKER pro tempore. Under a previsous order of the House, the gentleman from Pennsylvania [Mr. Weldon] is recognized for 5 minutes.

Mr. WELDON. Mr. Speaker, as a freshman Member of this Congress, this historic 100th Congress, I have attempted to specialize in those areas where I feel that I have background or expertise that will allow me to contribute significantly to the conduct of the business of this body. As such, one of the areas I have attempted to focus on is the relations between this country and the Soviet Union.

One of my undergrad degrees, Mr. Speaker, is in Soviet-American relations, Soviet studies.

In addition, I have been involved extensively over the last 5 years in Soviet-American exchange programs. I have had discussions, formal discussions and debated with young Soviet leaders on three occasions, twice in this country and once when I traveled extensively throughout the Soviet Union in December 1985.

In addition, in working with the American Council of Young Political Leaders, Washington-based group which fosters improved relations between this country and other nations of the world, I have attempted to assist in every sense in every possible opportunity in improving relations between our countries and I have hosted Soviet delegations on numerous occasions in my first 8 months as a freshman legislator in this body.

In all the discussions and the studies and the work that I have done in Soviet-American relations I have consistently also been concerned with treaties that we enter into as nations and the adherence to those treaties by both nations.

As on the discussions of the Defense authorization bill this past spring and the discussion which focused around the strict versus broad interpretation of the ABM Treaty, I thought it appropriate to offer an amendment to the Defense authorization bill that would point up what I felt and what many felt was to be an obvious violation of the ABM Treaty, the installation of the Krasnoyarsk radar facility in Siberia.

So, Mr. Speaker, I brought that amendment to the House floor. I led the discussion on the floor of the House, brought in the statements by many notable officials of both political parties and all political ideologies throughout this country. I even quoted a notable Soviet general who acknowledged that Krasnoyarsk was in fact a violation of the ABM Treaty, as well as many of my colleagues in this body who have publicly gone on this record as stating that Krasnoyarsk was in fact a violation of the ABM.

Mr. Speaker, when that amendment came up for a vote on the floor of the House it passed the House of Representatives by a vote of 418 to 0.

Not one Representative of this body disagreed with me that Krasnoyarsk was in fact a violation of ABM.

The reason I mention all of this, Mr. Speaker, is that I was somewhat dismayed to read and to hear on the national press and in the media over this last weekend and yesterday and today that a partisan delegation of this body made a special trip to Krasnoyarsk, a partisan delegation of this body including three Members of this body, two staff members of two Members of this body as well as a reporter from one of our national newspapers along with the National Resources Defense Council, made a special trip to Krasnoyarsk.

Now I applaud anyone who is attempting to get any more information about Soviet violations and about whether or not Krasnoyarsk was in fact a violation. I would have felt better if it had in fact been a bipartisan delegation that made the trip to Krasnoyarsk that could come back and report to us so we can take appropriate action.

I look forward to meeting with the Members of this body who went to Krasnoyarsk. I look forward to hearing their firsthand account of what they saw. But, Mr. Speaker, I also think that we need to look beyond Krasnoyarsk, make comparisons with our Soviet installations and therefore, Mr. Speaker, what I have done today and which I am announcing here is that I have sent a letter that is being personally delivered to the Soviet Embassy with copies to the Politburo members of the Soviet Union, asking that I be permitted to travel to Krasnoyarsk with a bipartisan delegation of Members of this body as well as to see the Krasnoyarsk facility and to also visit the Pechora facility so we can make an adequate comparison of these two facilities to see whether or not Krasnoyarsk is a violation of the ABM.

My letter will be delivered today. I would hope that the Soviet Union would want to have a bipartisan look at Krasnoyarsk and I would hope that the purpose of the Soviet Union allowing five Members of one party in this country or three Members and two staff persons of two other Members to visit Krasnoyarsk was not simply a political ploy in light of the upcoming visit of Foreign Minister Eduard Shevardnadze to this country in anticipation of his talks so that that could be acknowledged that we had lawmakers visit that facility and have downplayed the importance of Krasnoyarsk in relation to the ABM Treaty. And I would hope that the Soviet Union, in receiving my letter, would look at that

letter in the spirit of what I think to be and I hope to be their openness in wanting to have this body to have a full assessment of Krasnoyarsk and its long-term implications of our relations and more importantly of the ABM Treaty and its adherence itself.

So I anxiously await the Soviet response and I would hope, as I said here today, that the invitation to those Members of one political party in this country is not done in the spirit of partisanship but is done and was done in the spirit of allowing us to assess Krasnoyarsk in light of other Soviet installations and allowing us to fully assess the implications that Krasnoyarsk and Pechora have on the ABM Treaty itself.

Mr. Speaker, I yield back the remainder of my time.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Coats) to revise and extend their remarks and include extraneous material:)

Mr. Boulter, for 60 minutes, on September 29 and 30.

Mr. Horton, for 60 minutes, on September 29.

Mrs. Bentley, for 5 minutes, on September 10.

Mr. Armey, for 60 minutes, on September 15.

(The following Members (at the request of Mr. Gray of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Frank, for 60 minutes, on September 15.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. Gray of Illinois, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. Weldon, for 5 minutes, today.

(The following Member (at the request of Mr. Dymally) to revise and extend his remarks and include extraneous material:)

Mr. Kleczka, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Coats) and to include extraneous matter:)

Mr. Goodling.
Mr. Lagomarsino.
Mr. Gradison.
Mr. Crane.
Mr. Ritter.

(The following Members (at the request of Mr. Gray of Illinois) and to include extraneous matter:)

Mr. Rostenkowski.
Mrs. Boxer.
Mr. Fazio.
Mr. Berman in two instances.
Mr. Price of Illinois.
Ms. Slaughter of New York.
Mr. Clarke.
Mr. Rodino in two instances.
Mr. Lantos.
Mr. Montgomery.

## SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 548. An act to amend title 11, United States Code, the Bankruptcy Code, regarding benefits of certain retired employees, and for other purposes; to the Committee on the Judiciary.

## ADJOURNMENT

Mr. DYMALLY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 47 minutes p.m.), under its previous order, the House adjourned until Monday, September 14, 1987, at 12 noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of the rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2062. A letter from the Deputy Assistant Secretary (Logistics), Department of the Air Force, transmitting the Department's study with respect to converting the military family housing maintenance function at Laughlin Air Force Base, TX, and that performance under contract is the most cost-effective method of accomplishment, pursuant to Public Law 99-190, section 8089 (99 Stat. 1216); to the Committee on Appropriations.

2063. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer to Japan for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

2064. A letter from the Executive Director, D.C. Retirement Board, transmitting the Board's fiscal year 1986 annual report, pursuant to D.C. Code sections 1-732, 1-734(a)(1)(A); to the Committee on the District of Columbia.

2065. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Audit of the Public Service Commission and the Office of the People's Counsel Miscellaneous Taxicab Accounts," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

2066. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend and amend various health authorities, and for other purposes; to the Committee on Energy and Commerce.

2067. A letter from the Secretary of Health and Human Services, transmitting a discussion of amendments with regard to H.R. 1327; to the Committee on Energy and Commerce.

2068. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer to Japan for defense articles and services estimated to cost $80 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2069. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed letter(s) of offer to Korea for defense articles and services estimated to cost $77 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2070. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting the determination that it is in the national interest to grant assistance to Niger even though it is in default on loans made under the FAA, pursuant to 22 U.S.C. 2370(q); to the Committee on Foreign Affairs.

2071. A letter from the Executive Secretary, Federal Deposit Insurance Corporation, transmitting the agency's notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2072. A letter from the National President, Women's Army Corps Veterans' Association, transmitting the financial statement of Women's Army Corps Veterans' Association for fiscal year July 1, 1986 through June 30, 1987, pursuant to 36 U.S.C. 1103; to the Committee on the Judiciary.

2073. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the transfer of property under the Panama Canal Treaty of 1977, pursuant to 22 U.S.C. 3784(b); to the Committee on Merchant Marine and Fisheries.

2074. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 8 of the Eastern Pacific Tuna Licensing Act of 1984; to the Committee on Merchant Marine and Fisheries.

2075. A letter from the Director, Office of Personnel Management, transmitting the first annual report evaluating the performance management and recognition system covering the first two cycles of pay increases and awards under the PMRS Program, pursuant to 5 U.S.C. 5406; to the Committee on Post Office and Civil Service.

2076. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the proposed use of R&D funds for the design and construction of a spacecraft solid rocket motor [SRM] high energy x-ray facility at Kennedy Space Center, FL, pursuant to Public Law 99-170, section 103 (99 Stat. 1014); to the Committee on Science, Space, and Technology.

2077. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to provide for improved representation of Federal departments and agencies on the Secretary of Labor's Committee on Veterans' Employment, and for other purposes; to the Committee on Veterans' Affairs.

2078. A letter from the Acting Administrator, Agency for International Development, transmitting a report on the origin, contents, destination and disposition of humanitarian goods and supplies transported by the Department of Defense pursuant to Public Law 98-525, section 1540(e) (98 Stat. 2638); Public Law 99-145, section 306(a) (99 Stat. 617); Public Law 99-661, section 331(b) (100 Stat. 3857); jointly, to the Committees on Armed Services and Foreign Affairs.

2079. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to protect the confidentiality of data made available to the Bureau of Labor Statistics and for other purposes; jointly, to the Committees on Education and Labor and the Judiciary.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MATSUI (for himself, Mr. Duncan, and Mr. Coelho):

H.R. 3250. A bill to amend section 118 of the Internal Revenue Code to provide for certain exceptions from certain rules for determining contributions in aid of construction; to the Committee on Ways and Means.

By Mr. FASCELL (for himself and Mr. Annunzio):

H.R. 3251. A bill to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the U.S. Congress; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MILLER of Ohio:

H.R. 3252. A bill to create a national education savings trust; to prescribe the powers and duties of the trust and of its board of trustees; to provide for advance tuition payment plan agreements; to establish an advance tuition payment fund and to provide for its administration, and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. PANETTA:

H.R. 3253. A bill to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome; to the Committee on Energy and Commerce.

By Mr. WOLF (for himself and Mr. Broomfield):

H. Con. Res. 186. Concurrent resolution urging the German Democratic chief of state Erich Honecker to permanently repeal the order directing East German border guards to shoot to kill anyone who without authorization, attempts to cross the Berlin Wall and to issue an order to tear down the Berlin Wall; to the Committee on Foreign Affairs.

By Ms. OAKAR:

H. Res. 259. Resolution designating membership on certain standing committees of the House; considered and agreed to.

## MEMORIALS

Under clause 4 of rule XXII,

199. The SPEAKER presented a memorial of the Legislature of the State of Illinois, relative to the Equity in Employment Security Financing Act; to the Committee on Ways and Means.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 124: Mrs. Bentley.

H.R. 192: Mr. Wolpe.

H.R. 622: Mr. Neal, Mr. Barnard, Mr. Owens of Utah, and Mr. Gunderson.

H.R. 792: Mr. Hefley and Mr. McEwen.

H.R. 916: Mr. Frost.

H.R. 1028: Mr. Gradison.

H.R. 1601: Mr. Gunderson.

H.R. 1707: Mr. DeWine, Mr. Blaz, Ms. Pelosi, Mr. Hastert, Mr. Lantos, Mr. Hubbard, Mr. Bennett, Mr. Coelho, Mr. Akaka, Mr. Roemer, Mr. Coats, Mr. Stangeland, Mr. Udall, Mr. Hutto, Mr. Thomas of Georgia, Mr. Markey, Mr. Kolter, Mr. Nichols, and Mr. Pepper.

H.R. 1721: Mr. Schuette.

H.R. 2153: Mr. Foglietta.

H.R. 2228: Mr. Weber, Mr. Lightfoot, Mr. Penny, and Mr. Duncan.

H.R. 2248: Mr. Fields, Mr. Schaefer, Mr. Rinaldo, Mr. Weber, Mr. Hefley, and Mr. Hughes.

H.R. 2323: Mr. Slattery and Mr. Duncan.

H.R. 2497: Mr. Moody.

H.R. 2498: Mr. Moody.

H.R. 2532: Mr. Sikorski, and Mr. Towns.

H.R. 2603: Mr. Boulter, Mr. Craig, and Mr. Thomas of California.

H.R. 2607: Mr. Levin of Michigan and Mr. Foglietta.

H.R. 2640: Mr. Rogers, Mr. Akaka, Mr. Price of North Carolina, Mr. Rinaldo, Mr. Wolf, Mr. McEwen, Mr. Mollohan, Mr. Atkins, Mr. Coelho, Mr. Vento, Mr. Carr, Mr. St Germain, Mr. Torricelli, Mr. Bilbray, Mr. Davis of Michigan, Mr. Ray, Mr. Synar, and Miss Schneider.

H.R. 2690: Mr. Owens of Utah, Mr. Duncan, and Mr. Evans.

H.R. 2697: Mr. Jacobs, Mr. Nichols, and Mr. Bereuter.

H.R. 2759: Mrs. Bentley.

H.R. 2793: Mr. Chandler, Mr. Flippo, Mr. Andrews, Mr. Akaka, Mr. Barnard, Mr. Campbell, Mr. Daub, Mr. Frank, Mr. Lagomarsino, Mr. Neal, Mr. Nowak, and Mr. Richardson.

H.R. 2844: Mrs. Byron and Mrs. Bentley.

H.R. 2887: Mr. Kolbe, Mr. Duncan, and Mr. Foglietta.

H.R. 2929: Mr. Tauke and Mr. Jacobs.

H.R. 3021: Mr. Sensenbrenner, Mr. Durbin, Mr. Burton of Indiana, and Mr. Nelson of Florida.

H.R. 3057: Mr. DeFazio.

H.R. 3071: Mr. Stark.

H.R. 3083: Mr. Wortley, Mr. Gray of Illinois, and Mr. Davis of Illinois.

H.R. 3143: Mr. Atkins, Mr. Markey, Mr. Biaggi, and Mr. Kanjorski.

H.R. 3161: Mr. Evans.

H.R. 3160: Mr. Dwyer of New Jersey, Mr. Howard, and Mr. Dornan of California.

H.R. 3228: Mr. Montgomery, Mr. Rangel, and Mr. Downey of New York.

H.J. Res. 112: Mr. Udall, Mr. Dicks, Mr. Johnson of South Dakota, Mr. Studds, Mr. Conyers, Miss Schneider, Mr. Smith of New Jersey, and Mr. Levine of California.

H.J. Res. 227: Mr. Andrews, Mr. Mack, Mr. Martinez, Mr. Espy, Mr. Dymally, Mr. Bryant, Mr. Stokes, Mr. Atkins, Mr. Levin of Michigan, Mr. Wortley, Mr. Borski, Mr. Lehman of California, Mr. Callahan, and Mr. Fields.

H.J. Res. 308: Mr. Towns, Mr. Hefner, Mr. Kasich, Mr. Shumway, Mr. Kolter, Mr. Conyers, Mr. Levine of California, Mr. Morrison of Connecticut, Mr. Martinez, Mr. Roberts, Mr. Garcia, Mrs. Bentley, Mr. Jenkins, Mr. Boner of Tennessee, Mr. Fawell, Mr. Anderson, Mr. Applegate, Mr. Hansen, Mr. Flippo, Mr. Hunter, Mr. Lantos, Mr. Latta, Mr. Leach of Iowa, Mr. Livingston, Mr. McDade, Mr. Martin of New York, Mr. Matsui, Mr. Miller of Ohio, Mr. Sunia, Mr. Torricelli, Mr. Young of Alaska, Mr. Neal, Mr. Gallo, Mr. Lewis of California, Mr. Bustamante, Mr. Jones of North Carolina, Ms. Oakar, Mr. Fauntroy, Mr. Blaz, Mr. Dymally, Mr. Daniel, Mr. Brown of Colorado, Mr. Coats, Mr. Tallon, Mr. Brown of California, Mr. Kostmayer, Mr. Howard, Mr. Gray of Illinois, Mr. Fields, and Mr. Volkmer.

H.J. Res. 326: Mr. Young of Florida, Mr. Dingell, Mr. Vander Jagt, and Mr. Yatron.

H.J. Res. 328: Mr. Hoyer, Mr. Rahall, Mr. McCloskey, and Mr. Eckart.

H.J. Res. 353: Mr. Martinez, Mr. Thomas of Georgia, Mr. Parris, Mr. Boner of Tennessee, Mr. Hubbard, Mr. Yatron, Mr. Martin of New York, Mr. Kolbe, Mr. Duncan, Mr. Cardin, and Mr. McMillen of Maryland.

H.J. Res. 355: Mr. Howard, Mr. Lujan, Mr. Wilson, Mr. McGrath, Mr. Smith of New Hampshire, Mrs. Bentley, Mr. Dreier of California, Mr. Tauke, Mr. Green, Mr. Courter, Mr. Petri, Mr. Mineta, Ms. Oakar, Mr. McDade, Mrs. Byron, Mr. Florio, Mrs. Saiki, Mr. Thomas A. Luken, Mr. Rangel, Mr. Bliley, Mr. Miller of Washington, Mr. Crane, Mr. Lott, Mr. DioGuardi, Mr. Skeen, Mr. Coughlin, Mr. Roe, Mr. Smith of Florida, Mr. Wortley, and Mr. DeFazio.

H.J. Res. 356: Mr. Carper, Mr. Fauntroy, Mr. Tallon, Mr. Callahan, Mr. Bustamante, Mr. Lewis of California, Mr. Hansen, Mr. Lehman of Florida, Mr. Dowdy of Mississippi, Mr. Boucher, Mr. Sabo, Mr. Lipinski, Mr. Frank, Mr. Parris, Mr. Torricelli, Mr. Kostmayer, Mr. Volkmer, and Mr. Russo.

H. Res. 185: Mr. Cardin, Mr. Carper, Mr. Thomas of Georgia, Mr. Gingrich, Mrs. Morella, Mr. DeLay, Mrs. Bentley, Mr. Callahan, Mr. Mazzoli, Mr. Leach of Iowa, Mr. Ritter, Mr. Howard, Mr. Mfume, Mr. Bevill, Mrs. Boxer, Mr. Hoyer, Mr. Valentine, Mr. Stark, Mr. Vento, Mr. McCloskey, Mr. Coelho, Mr. Solomon, Mr. Robinson, Mr. Anderson, Mr. Kolbe, and Mr. Stallings.

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# SENATE—*Thursday, September 10, 1987*

The Senate met at 10 a.m. and was called to order by the Honorable Frank R. Lautenberg, a Senator from the State of New Jersey.

### PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*But the wisdom that is from above is first pure, then gentle, peaceable, and easy to be entreated, full of mercy, and good fruits without partiality and without hypocrisy and the fruit of righteousness is sown in peace of them that make peace.*—James 3:17-18.

Mighty God, all wisdom, all power and inexhaustible grace, manifest Yourself in this place, in the hearts of the Senators and all who labor here. Our leader has set the stage, outlined the agenda, and suggested the spirit by which we are to face these final weeks. Grant to the Senators the will, the wisdom, and the way to fulfill this ambitious program. May adjournment find us profoundly satisfied with achievement—with no regrets—and our Nation strong and just, prosperous and in peace.

Father in heaven, as Pope John Paul II begins his brief tour of the United States we pray for Your blessing upon his life and ministry. Protect him throughout his journey and annoint him by Your spirit with the voice of truth and justice and righteousness, that repentance, healing and renewal may come to our land and its people. In His name Who is the way, and the truth, and life. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
*Washington, DC, September 10, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Frank R. Lautenberg, a Senator from the State of New Jersey, to perform the duties of the Chair.

John C. Stennis,
*President pro tempore.*

Mr. LAUTENBERG thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

## THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved for his use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## A ROCK AND A HARD PLACE: FEDERAL RESERVE CHAIRMAN GREENSPAN'S FIRST MOVE

Mr. BYRD. Mr. President, over the past week, the administration has been quick to turn its spotlight on the domestic economy. It has taken pride in the continuation of the current recovery, spotted though it is; and let us keep in mind that many places in the country have had no recovery, have not experienced any recovery, very little of that, and there are a good many areas in my State that fall into that category.

It has taken pride in the historically high but stable unemployment rate; and let us keep in mind here, also, as we talk about the rise in employment and the creation of new jobs, that the new jobs that are being created are service jobs. They pay less. The jobs that are being created are not the jobs that are higher paying, the jobs in the smokestack industries, the jobs in the strong manufacturing and industrial base of this country, but they are service jobs. We are happy for those. We are glad to see an increase in services. But let us keep in mind, as we talk about increases in the number of jobs, what kind of jobs we are talking about. Let us keep in mind, also, that a good many or our people are employed part time.

But not all the signs are positive. The trade deficit continues to add to our external debt. Hundreds of thousands of dislocated workers are still reeling from the loss of decent-paying jobs. Agriculture is in a depression. The oil-producing States are not much better off. And the financial industry is still struggling with the burden of nonperforming real estate, energy, agricultural, and Third World loans.

What troubles me most about this mix of economic rainy days and sunny afternoons are the underlying trends of persistent trade deficits, the buildup of foreign debt, and the growing dependence on overseas capital.

These trends were very much in play when Alan Greenspan, the new Chairman of the Board of Governors of the Federal Reserve System, raised the discount rate. As a result of the Fed action, major commercial banks raised the rate they charge to their prime corporate customers. Mortgage rates were quick to follow, with VA loans going up and FHA loans going up. Anyone who is borrowing can expect to pay more. A college education is being priced out of the range of too many of our young people. And the American dream of homeownership is slipping out of the grasp of young couples around the country.

Mr. Greenspan certainly knew the costs of his action. But he felt compelled to act, in part to strengthen his credentials as an inflation fighter. He will be meeting shortly with European bankers, and the rise in the discount rate was a kind of calling card for the club. But he was also reacting to financial markets that were nervous about the fall of the dollar that could translate into more rapid inflation. The markets were also concerned that a falling dollar would keep foreign investment overseas.

The problem that I see is less with Mr. Greenspan's specific action than that he was in a situation were he felt forced to act. The combination of huge trade deficits, falling domestic savings, and large budget deficits left the country so dependent on foreign investment that Mr. Greenspan felt forced to raise interest rates or see an increase in inflation.

From the beginning, the risk of higher interest rates has been inherent in the administration's economic policies. We were reminded last Friday of the long-term cost of shortsighted policies—policies that can narrow the ladder of opportunity and downsize the American dream.

In the coming days, I shall be taking a look at what the Reagan economic policies may mean for the future of that dream and explore some of the fundamental changes which the people of our Nation will experience as a result of the Reagan era.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Mr. President, I reserve the remainder of my time.

## BICENTENNIAL MINUTE

SEPTEMBER 10, 1935: SENATOR HUEY LONG DIES

Mr. DOLE. Mr. President, 52 years ago today, on September 10, 1935, Louisiana Senator Huey Long died in Baton Rouge, the victim of an assassin's bullet 2 days earlier. The Senator's shocking demise cut short one of the most dramatic political careers of the 20th century, just as it was reaching its apex.

Born in Louisiana in 1893, Huey Long worked as a traveling salesman to earn money for law school. The canvassing experience he gained on Louisiana's back roads later proved politically advantageous. The young attorney began his career by attacking the enemy he would grapple with so flamboyantly all his life—the concentration of wealth.

In 1918, Long, a Democrat, was elected "public service commissioner" and enhanced his reputation as a foe of corporate interests. From a power base anchored in the rural poor, he was elected Governor in 1928. As Governor, he sponsored "The people's" reforms—free textbooks for schoolchildren and the repeal of the poll tax—all the while, creating a powerful political machine.

Huey Long entered the U.S. Senate in 1932. An expert at courting the press, he quickly gained a national following by his advocacy of the "share-our-wealth" plan, which promised every American family a $5,000 "homestead allowance," and a guranteed annual income of at least $2,000. By 1935, the "Kingfish," as he was called, had become a vitriolic critic of the "New Deal," and he was considered a possible third-party candidate for the 1936 Presidential election.

Senator Long's widow, Rose McConnell Long, briefly succeeded him. And, in 1948, Senator Long's son, Russell Long, with whom many of us had the privilege of serving, was elected to the Senate and served for 38 distinguished years. The Long family is the only one that can claim the distinction of having father, mother, and son serve in the Senate.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed 20 minutes, with Senators permitted to speak therein for 5 minutes each.

Mr. PROXMIRE. Mr. President, will the majority leader yield me an additional 3 minutes?

Mr. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. Five minutes and thirteen seconds.

Mr. BYRD. I thank the Chair. I yield it all to the distinguished Senator.

Mr. PROXMIRE. I thank my good friend, the majority leader.

## WHAT'S RIGHT ABOUT THE CONGRESS?

Mr. PROXMIRE. Mr. President, the Congress of the United States always—and I mean always—takes a bum rap. It's time someone said at least one small word for the Congress. I intend to do just that in this speech. So, here's a small word.

Why is it always open season on the Congress? Some 60 years ago, Will Rogers wisecracked that the United States has only one native criminal class—the Congress. Millions of Americans chuckled and nodded agreement.

This summer, Congress held a series of historic hearings on very serious foreign policy and military blunders by the executive branch. The hearings dramatically exposed a Niagara Falls of lies, deceptions, and fraudulent misuse of congressionally appropriated money. The administration had for many months told the Congress, the American people and, indeed, the world that it vehemently opposed selling arms to Iran. It had also made a cardinal point of telling the world never to pay ransom for hostages. And what did the Iran-Contra congressional hearings reveal? They revealed that at the very time the administration was loudly telling other nations not to sell arms to the Iranians, it was selling arms to the Iranians. The congressional hearings also disclosed why the administration was selling arms to Iran. It was selling arms to Iran in express violation of its own loudly announced policy not to sell arms to Iran, or to ransom hostages. It was doing both. Here was a historic example of hypocrisy so gross it would have been funny if it were not so tragic.

And what was the public reaction? The administration suffered a minor drop in popularity. The prime agent advancing the administration's deception—and hypocrisy—Lt. Col. Oliver North, became a national hero. And Congress—the agency that brought the administration to account, that fought the good fight for a responsible democracy got little or no credit by administration critics and a torrent of criticism from administration supporters.

Why is this? Why does the Congress of the United States even when it is doing what it does best take it on the chin? It's ridiculous. A big majority of Americans like their Congressman. In fact, the last congressional elections presented the most sweeping triumph for incumbent Congressmen in history. It was phenomenal. More than 97 percent of the Congressmen running for reelection were returned to office in 1986.

Opinion polls show that the public has more confidence in Congress than in the President on foreign policy. For instance, the New York Times/CBS News poll twice recently asked this question: "Who do you trust more to make the right decision on foreign policy—Ronald Reagan or Congress?" In November 1986, as the first big Iran-Contra story broke 61 percent answered Congress—27 percent the President. Just this last July 8 months later right after the testimony of Colonel North and a surge of support for the President on Nicaragua, 60 percent answered Congress, only 25 percent President Reagan. There is so little support for the President's foreign policy that this response does not represent much real evidence of popular confidence in the Congress.

But walk into any general store or bar or airport, or union hall in the country and just listen. Whenever the conversation gets around to politics and the National Government the President has his detractors but he also has his staunch in fact, his fervent defenders. But no one and I mean nobody ever defends the Congress. In more than 30 years in this branch of the Congress, and in literally tens of thousands of conversations back in my State with people of every political persuasion I have yet to hear one kind word, one whisper of praise, one word of sympathy for the Congress as a whole. In fact, the only sympathetic voice for the Congress this Senator ever hears is from that remarkable man, our Senate chaplain, Richard Halverson when he prays for us before each session.

Now let me tell you why I think this is so. The people of this country think the Congress is the pits because we in the Congress tell them we are the pits. I have listened to many Members of this body who have made a career out of attacking the Congress. Every time they make a speech on the floor, in committee, to constituents, the Congress is the one sure, predictable object of their scorn, their ridicule, their derision. To listen to Members of the Congress we are individually a choir of angels. Collectively we are the devil incarnate. So, of course, the American people rate the Congress consistently low. After all, who's the local expert on the Congress? Answer: The local Congressman. If he says Congress is no good, who is to dispute him? And that's not all. All of us know that individuals who have a low sense of self-esteem and who constantly prate about how weak and dumb and mean they are, quickly earn a reputation of being weak and dumb and mean.

So my colleagues let us try whenever possible, to stand up for this institution. When the Congress deserves a pat on the back, as it does for the Iran-Contra hearing and for its willingness to stand up against a popular President and for its election of competent, responsible, intelligent congressional leadership, let us give it a pat on the back—not just for individual Members of Congress but for the whole body.

Mr. BYRD. Mr. President, will the Senator yield at a point?

Mr. PROXMIRE. That is it. I am finished.

Mr. BYRD. Mr. President, I want to comment on what the Senator has stated and I will try to do so briefly. I laud him for what he is saying.

I am sorry he is going to be leaving the Senate. I want to make a statement on that later today. There are other Senators who will want to speak in morning business, but I will take this moment to call attention to the fact that on last evening—I have been following this quite a long time—last evening I asked to be brought up to date on the number of votes that Senator PROXMIRE has cast since he has been in the Senate, and he has cast a total of 11,572 votes during his tenure in the Senate, which began on August 28, 1957, over 30 years ago.

He has cast 9,700 consecutive votes.

Now, a little later today I will elaborate on this just a bit. But it appears from the research that I have done on this matter that no other Senator ever has cast as many votes in the Senate as has Senator PROXMIRE.

According to my research, Senator STENNIS is second among those of us who are now serving. He is second to Senator PROXMIRE for all time, and I am third.

Mr. PROXMIRE. I say among the Senators who now serve in this body, the Senator who has cast practically as many votes as I have is Senator ROBERT BYRD of West Virginia; is that right?

Mr. BYRD. Yes, that is correct. But the Senator from Wisconsin has the alltime record not only for the most votes cast. Beyond that and aside from that, he also has the alltime record for the greatest number of consecutive votes cast, having not missed a roll call vote in 9,700. No other Senator can even come close to touching that record. I am not sure that we will ever see another who has been able to do that.

I will have more to say about Senator PROXMIRE a little later.

Let me just comment now on what he was talking about—the fact that everybody takes a lick at Congress. Franklin Roosevelt said, "If we were to eliminate the Congress, we would automatically cease to be a republic." Think about that.

What the Senator was saying reminded me of one of Plutarch's Lives, Gaius Marcius Coriolanus. Shakespeare wrote a tragedy in drama titled Coriolanus. Coriolanus was a Roman general in the early part of the fifth century and on this particular occasion to which I refer, Plutarch mentions, and so does Shakespeare, that the Roman Senate was in fear of the general populace, which was so critical of the Senate's actions, that the Senators were forced to remove themselves from the place.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER (Mr. DASCHLE). The Senate will be in order.

Senators will cease audible conversation.

Mr. BYRD. So upon this occasion Menenius Agrippa went out to speak to the populace. They were there with staves and sticks and stones and they were very threatening of the Senate.

Menenius Agrippa said, "Let me tell you a tale. I want to tell you an old tale about the belly. All of the other members of the human body were critical of the belly. They were saying that the belly was idle and useless and was not working as were the other members of the body for the general good of the body and that the belly took all of the food into its storehouse and did not do the work of the arm, it did not do the work of the eye, it did not do the work of the ear, it did not do the work of the feet. They were very critical of the belly, and the belly listened and then said, and I paraphrase:

"Yes, I will have to agree, I am the storehouse. I am the shop. And all of the food the various members bring into the body comes to me. But I must also remind you that it is through my work, that this food is reassembled, sent out to the shop of the heart, and the base of the brain, and out to the small, insignificant veins and the large arteries, and the nerves. And while all of the members do not see what each individual member is receiving back from me, I can make you an audit to show that it all goes back to the body members through the work that I do. And the various members end up getting the flour while I am left with the bran."

Agrippa then said to his hostile audience: "I want to remind you that the belly was like the Roman Senate." He said, "It is through the work of the Roman Senate that you receive all the public benefits that you get. You are critical of the members of the Roman Senate. And yet there is not a public benefit that you receive that does not come through this Senate."

Well, it seems to me that what Menenius Agrippa was saying in support of the Roman Senate fits very well with what the distinguished Senator from Wisconsin has said about the Congress. It has always been a target from the very beginning of its life, of its history. It is a moving target. It is a faceless target. Everybody likes to attack it—the columnists, the editorialists, the cartoonists. It is just something everybody can jump on. And, the unfortunate thing about it is that too many of Members of Congress like to play to the galleries and get a laugh out of the galleries by excoriating the very institution of which we all are a part. And there is not a Senator here who would not have given his right arm or his left arm, depending on whether he is right handed or left handed, to come to this Senate or the House. They would get down and eat dirt to be elected. They would willingly run their heads into that wall just to get to the Senate—almost anything to become a Member of Congress.

Once they become a Senator or a Member of the House—and I have been in both Houses—all too many are quick to pick up the little jokes and poke fun at the institution.

Well, I have never poked fun at the institution. I might poke fun at myself. Each of us is subject to criticism, the Senate as a whole is subject to some criticism, but we should not criticize the institution and we ought to stand up for the institution. "He that makes himself an ass must not take it ill if men ride him," said Thomas Fuller.

And it is the same way with the Congress. If Members want to foul their own nest then they cannot blame the general public for thinking little of the institution of which we are a part.

And I go back to what Franklin Roosevelt said—"If we were to eliminate the Congress, we would automatically cease to be a republic."

I know that the distinguished Senator, when he teaches in his classes in the future, he is going to be one person out there who will be teaching those young people that Congress is one of the three equal coordinate branches under the Constitution and it is your Congress. If you are going to find fault with it, get out there and run for Office. Clean it up from the inside if you see something wrong with it.

After all, it is not the institution, it is the people who are in it. And we are just like the people on the outside. We come from all walks of life—teachers, preachers, business people, coal miners, butchers, welders, lawyers, whatever.

Somebody ought to stand up for the Congress of the United States. Like Menenius Agrippa, look at whatever legislation you want—veterans legislation, Social Security, Medicare, health care, education funding, whatever legislation it is—highway funding, safety laws—it comes from this place here. And while we all may find at times that we are not happy with the work of the Senate or the work of the House, we have to remember that without this institution we would cease to be a republic.

One good thing about this republic is that anybody can criticize the President, the executive branch, the judiciary, we can criticize the nominees of the President, we can vote them down, we can criticize the Congress. But let us not yield to the temptation of lessening the public faith in the institution itself.

I commend the distinguished Senator. I am going to have more to say at some point today, as I said, about his services here and how he will be missed.

Mr. President, I wish to apologize to the other distinguished Senator from Wisconsin, who has been patiently waiting to speak. So I take my seat.

The PRESIDING OFFICER. The Senator from Wisconsin.

## RETIREMENT OF BILL PROXMIRE

Mr. KASTEN. Mr. President, it is very appropriate that I have the opportunity to speak after the distinguished majority leader because I rise today to give voice to the gratitude of the people of the State of Wisconsin for the long and distinguished career of our senior Senator, WILLIAM PROXMIRE. I am confident that I speak for all in this Chamber when I express the esteem of the U.S. Senate for BILL both as a colleague and as a true friend.

A British journalist of the 19th century defined statesmanship in words that could just as easily stand as a description of BILL PROXMIRE. A statesman, said Walter Bagehot, is "a man of common opinions and uncommon abilities."

The bond that BILL PROXMIRE shares with the people of Wisconsin, the bond the people reasserted more and more strongly every 6 years, was made possible because BILL embodied the basic beliefs of his constituents.

For the last three decades there has been no place in Wisconsin too distant, no area too sparsely populated to enjoy the personal attention of BILL PROXMIRE. His intimate, one-on-one style of politics made him beloved at every early morning plant gate in the State. He feels at home when he is with the people of Wisconsin, and we feel at home with him.

The people of Wisconsin love BILL PROXMIRE because he is one of us. But BILL's almost legendary support among the people of our State did not arise solely or even chiefly from the affection of the people of our State. It arose from the perseverance and intellect of the man himself.

BILL PROXMIRE was not awarded the respect and trust of the people of Wisconsin on a silver platter. He earned our admiration by dint of hard political labor, bouncing back from not one, not two, but three painful electoral defeats back in the 1950's. BILL PROXMIRE kept on going because he believed in the people of Wisconsin.

Since his first election to the Senate in 1957, the people of Wisconsin have kept reelecting BILL PROXMIRE because they believe in him.

BILL's a Democrat, but Republicans and Independents have joined Democrats in respecting him and voting for him. That's because BILL harks back to the old bipartisan tradition that the public good should always come before party interest. As I can tell you based on my own experience, BILL PROXMIRE will not slam the door on you just because you do not put a little letter "D" after your name.

For 30 years BILL PROXMIRE has been true to his principles and true to the State that elected him. He was a fiscal conservative long before the political consensus started paying even lip service to the ideal of fiscal responsibility and balanced budgets. Our alarm over today's out-of-control budget deficits is just belated recognition that BILL PROXMIRE was right all along about the spending monster.

BILL was ahead of us all on the issue of excessive Federal spending. But being ahead of the conventional wisdom on issues is BILL PROXMIRE's accustomed place in the political arena. For BILL more than for most politicians, ideas matter. And he's never been one to sit on the bench and wait for others to come around to his position before he takes a stand.

It takes a man of uncommon dedication to principle to take the Senate floor every single day for 19 years and to argue for an idea he believes in. And that's just what BILL PROXMIRE did, until the Senate finally caught up with his thinking and approved the Genocide Treaty.

When BILL knows he's right, he won't back down—no matter how powerful his opponents may be. Starting with Senate Majority Leader Lyndon B. Johnson back in 1957, BILL PROXMIRE has tangled with a Who's Who of political heavyweights—including committee chairmen and even Presidents.

For 30 years BILL PROXMIRE has been a Senator of almost legendary independence. But every bit as important to BILL as his own opinions on issues is his commitment to serving the people of Wisconsin. And having served for 6 years as BILL's colleague from Wisconsin, I can tell you that no two senatorial staffs have worked together more closely than have mine and BILL PROXMIRE's. That's the tone BILL PROXMIRE likes to set. And it's an example all of us would do well to follow.

BILL's three decades in the Senate are a living monument to the principle that "he serves his party best who serves the country best." After this Congress BILL PROXMIRE will retire from the Senate. We'll miss him. But we owe it to ourselves and to our country to continue in his spirit.

Thank you.

Mr. PROXMIRE. Mr. President, would the Senator yield? Just permit me to take 30 seconds?

Mr. KASTEN. I would be pleased to yield.

Mr. PROXMIRE. BOB, that was a most gracious, generous, and undeserved tribute. I deeply appreciate it. I will never forget it. It was something that I will always treasure. Thank you very, very much

Mr. KASTEN. Thank you. I am proud to have had the opportunity to stand on the Senate floor and say those words.

The PRESIDING OFFICER. The Senator from Nevada.

## CAMPAIGN REFORM

Mr. REID. Mr. President, we have just returned from a break which has given each of us time for reflection, and an opportunity to take our constituents' political pulse. I had the pleasure of traveling throughout Nevada, from her stunning wilderness lakes, to the sturdy citizenry of mining towns, to the bright lights of her cities.

At every stop, various themes repeated themselves. Nevadans are concerned about nuclear waste, they care about the education of their children, and about adequate facilities for senior citizens. The questions and the comments varied, but the underlying thoughts were the same, as they must have been for each of my colleagues.

One of those universal themes, however, was of particular importance to this body. When, I was repeatedly asked, are you going to do something about the cost of elections? When are you going to reform a system which permits increasingly more expensive and lengthy campaigns? Why don't you do something?

My friends, I cannot believe I was the only one to hear those concerns. Nor can I believe that I was the only one to be able to give my constituents an answer which satisfied their questions. That answer was S. 2.

S. 2 is the answer, and it is a good one. As the bill now stands, it eliminates to a very large extent the public financing aspects which many of us found so troubling. The bill achieves, in the final instance, what many of us feared was the impossible dream; it establishes constitutionally viable spending limits without sinking deeply into the Federal trough.

We have had an opportunity to go home and hear the voice of the people. We have had an opportunity to reflect

on the problems inherent in longer and longer, and bigger and bigger campaigns. We have had an opportunity to ponder the value of compromise. Now is the time to act.

I was delighted to hear that the honorable junior Senator from Kansas has decided that the compromises reached in the effort to bring this bill to the floor are at last enough. The good Senator has reserved the right to oppose portions of the bill. She has reserved the right to speak against it if further change is not obtained.

But, I think it highly significant that my colleague from the other side of the aisle has found enough movement by the bill's sponsors to support bringing the matter to the floor for a vote. We will be voting on that issue today. Shall this body permit forward movement on legislation which resolves an issue of vital importance to the American people? Given the compromises reached, and the outstretched hand offered, will not my colleagues from the other party permit this bill to reach the floor for a vote? Let it come out, and if certain portions of the vehicle seem ineffective or inappropriate, then argue for amendment on a case-by-case basis.

We have shown a willingness to compromise, and have gone more than half way. I urge the Members of this body to allow S. 2 to reach the floor, and to permit the Congress to vote on this issue which I know is as important to their constituents, as much as it is vital to the people of Nevada.

Thank you.

The PRESIDING OFFICER. The Senator from Utah.

## THE NOMINATION OF ROBERT H. BORK

Mr. HATCH. Judge Robert Heron Bork's résumé—excellent trial lawyer, renowned law professor, Solicitor General, and Federal appellate judge—speaks for itself. In fact, President Reagan's best strategy for confirmation is Judge Bork himself. Particularly in his areas of academic expertise, constitutional and antitrust law, Judge Bork is unrivaled.

Accordingly, the longer he testifies before the Judiciary Committee, the more persuasive and reasoned his philosophy of judicial restraint will sound. If you are looking for a secret weapon in the upcoming confirmation struggle, it is Judge Robert Bork.

Judge Bork's superb qualifications, however, highlight a tragic irony of this proceeding. Despite his demonstrated capabilities—never reversed by the Supreme Court in 423 appellate cases—he has still been subjected to an unprecedented ideological inquisition. The real tragedy is not any smirching of Judge Bork's reputation because he is likely to surprise his detractors. Nor is the real tragedy any delay in the Supreme Court's docket. The real tragedy is the potential implication of this inquisition on the independence and integrity of the Federal judiciary.

Federal judges are not politicians and ought not to be judged like politicians. If we do so, we strip the judicial office of all that makes it distinct amongst the separated powers.

Unfortunately the vicious attacks on Judge Bork's record have already fallen into a familiar pattern. Questions are raised in politically inflammatory terms. The nominee is accused of favoring literacy tests or poll taxes, or racial covenants. In fact, the record shows that the judge has taken no position on the social or political merits of these questions, but only raised legal questions about the source of constitutional authority in those areas. In each case, the judge is supported by numerous Justices, judges, and scholars. This is what I mean about injecting politics into judicial matters. We have come to expect this type of distortion in political campaigns, but can you imagine what might happen if judges had to worry about the political implications of their decisions?

The greatest irony is that some fine legal scholars, who should appreciate the distinction between legal and political issues, are assisting the onslaught against Judge Bork.

And that bothers me a lot. It causes me a great deal of concern. Because if we politicize this Court, I think we are going to see a lot of problems in this country well into the future.

In particular, I would like to comment about the errors and omissions in the response prepared to the White House analysis of Judge Bork's record, which Senator BIDEN has issued.

In a recent trip to Utah, constituents stopped me and asked what I thought was the most important branch of the Government: the executive, legislative, or judicial branch. There is no clean-cut answer, of course. I mean, which is the most important leg of the three-legged stool? One weak leg, and you have an unbalanced stool. This is why the nomination of a U.S. Supreme Court Justice is so important. I am concerned about politicizing this process.

In particular, I do not question Senator BIDEN for the scholarship in the article or in the matters that he published. But I do question the people who pass themselves off as fair and objective law school professors who are anything but fair and objective.

So, Mr. President, at this time I ask unanimous consent that I may put into the RECORD at this point my analysis of the so-called Biden report on Judge Bork's record.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

### ERRORS AND OMISSIONS IN THE "RESPONSE PREPARED TO WHITE HOUSE ANALYSIS OF JUDGE BORK'S RECORD"

The Response Prepared to White House Analysis of Judge Bork's Record commissioned by Senate Judiciary Committee Chairman Joseph Biden (hereafter the "Biden Report") contains numerous errors, mischaracterizations, and omissions. More than seventy of the most significant errors are described in this report.

### SECTION I—THE BIDEN REPORT'S SUMMARY

1. The *Biden Report* states that "members of the D.C. Circuit charged Judge Bork with attempting to 'wipe away selected Supreme Court opinions in the name of judicial restraint' and with 'conducting a general spring cleaning of constitutional law.'" The charges are taken from a *dissenting opinion, Dronenburg v. Zech*, 746 F.2d 1579, denying rehearing of 741 F.2d 1388 (D.C. Cir. 1984). A majority of the D.C. Circuit evidently did not feel that Judge Bork's opinion did anything of the sort, since it let the opinion stand. Carter appointee Judge Ruth Bader Ginsburg wrote separately in order to explain specifically why she felt there was nothing improper about Judge Bork's opinion, and stated that the dissenters' use of the term "bends 'judicial restraint' out of shape." 746 F.2d at 1581 n. 1.

2. The *Biden Report* fails to include any of the subsequent history of the case in which those charges were made, which demonstrates that they were baseless:

A year and a half later, in *Bowers v. Hardwick*, 106 S. Ct. 284 (1986), the Supreme Court reached the same conclusion that Judge Bork arrived at in the opinon the dissenters were criticizing, ruling 5–4 that the Constitution does not protect private homosexual conduct. It specifically noted, as a reason for construing its prior privacy decisions narrowly, that "[t]he Court is most vulnerable and comes nearest to illegitimacy when it deals with judge-made law having little or no cognizable roots in the language or design of the Constitution."

Finally, Justice Powell specifically stated in a concurrence in that case that "there is no fundamental right, i.e., no substantive right under the Due Process Clause, to engage in" private homosexual conduct. 106 S. Ct. at 2847.

3. The *Biden Report* fails to indicate that the opinion of Judge Bork to which the judges were referring refused to find a constitutional right to engage in private homosexual conduct, a right whose existence the Supreme Court also had not recognized at the time.

4. The *Biden Report's* claim that "Judge Bork has repeatedly rejected *[Griswold v. Connecticut,]* the decision upholding the right of married couples to use contraceptives" is misleading. Judge Bork has never ruled on a case involving married couples' use of contraceptives. Nor has he stated or indicated anywhere that if he had to decide such a case as a lower court judge, he would do anything other than follow the relevant Supreme Court case. Nor has he stated that he would overrule that case as a Supreme Court Justice.

5. Judge Bork has merely criticized the Supreme Court case's *reasoning* and declined to extend that reasoning to new areas such as homosexual rights. That is a very common approach for judges to take toward precedents with which they disagree. See, e.g., *Shearson American Express v. McMahon*, 107 S. Ct. 2332 (1987). It is a lawyer's profession to recognize the difference be-

tween disagreeing with a case's reasoning and declining to extend that reasoning, on the one hand, and disregarding or overruling it, on the other. But the *Biden Report's* use of the verb "reject" in instances such as this, where all Judge Bork has done is either criticize or at most refuse to extend a precedent, could lead a reader to believe that in all those instances Judge Bork would also disregard or overrule the precedent. Thus, the report's selection of a verb that confuses the two questions is hard to understand. See also *Biden Report* 3 ("Judge Bork has repeatedly and consistently rejected the right to be free from governmental interference with one's private life"); *Biden Report* 4 ("Judge Bork has rejected many of the Supreme Court's leading antitrust decisions"); *Biden Report* 4 ("in the area of church-state relations, Judge Bork has rejected several Supreme Court decisions").

6. The *Biden Report's* characterization of Judge Bork as some kind of antitrust radical is unfounded. *Biden Report* 3–4. As noted in a letter signed by 15 past chairmen of the American Bar Association's Antitrust Section, Judge Bork's seminal work, *The Antitrust Paradox*, has been relied on in opinions written or joined by all nine of the current Supreme Court Justices.

7. The *Biden Report's* statement that "Judge Bork's writings show that he would protect only speech that is tied to the political process, and that he would not protect artistic and literary expression such as Shakespeare's plays, Rubens' paintings, and Barishnikov's ballet" is flatly incorrect. As Judge Bork stated in his Worldnet interview:

> "there is a spectrum . . . I think political speech—speech about public affairs and public officials—is the core of the Amendment, but protection is going to spread out from there, as I say, into moral speech and scientific speech, into fiction and so forth."

8. The *Biden Report's* reference to "Judge Bork's willingness to overturn numerous landmark Supreme Court decisions," *Biden Report* 5, is utterly without basis. Judge Bork has never stated that he would overturn any Supreme Court cases—as the *Report* tacitly recognizes earlier ("Judge Bork . . . has never said that the Supreme Court should not overturn its prior decisions establishing and extending the right to privacy," *id.* at 3).

9. The *Biden Report's* claim that "Judge Bork's extensive record shows that he has opposed virtually every major civil rights advance on which he has taken a position, including such issues as the public accommodations [sic] bill, open housing, restrictive covenants, literacy tests, poll taxes, and affirmative action" is utterly unfounded. The facts show that it was Judge Bork, who briefed and argued and won, among others, *Runyon v. McCrary*, 427 U.S. 160 (1976), a case significantly extending the civil rights laws' coverage of private conduct, and *Lau v. Nichols*, 414 U.S. 563 (1974), a case establishing the illegality of conduct with no discriminatory intent but only discriminatory effects. The individual who won many major civil rights advances can hardly be considered opposed to ". . . virtually every major civil rights advance on which he has taken a position."

10. The *Biden Report* fails to indicate that in every instance the *Biden Report* cites as evidence for its claim except for the 1963 Public Accommodations bill (with respect to which, as the *Report* recognizes, Judge Bork later changed his mind) Judge Bork in no way disagreed with the policy ends sought to be accomplished by the proponents of the civil rights measures. Moreover, there is nothing in Judge Bork's life that in any way suggests any form of bigotry.

11. Instead, what Judge Bork has done is criticize the reasoning of several decisions. The *Biden Report's* analysis of these criticisms is misleading because it fails to indicate that they are part of a broad scholarly consensus on those cases. With respect to *Shelley v. Kraemer*, 334 U.S. 1 (1948), the racial covenants case, and *Reitman v. Mulkie*, 387 U.S. 369 (1967), the open housing case, for example, Professor Tribe stated in *American Constitutional Law* that "[t]o contemporary commenators, *Shelley* and *Reitman* appear as highly controversial decisions" and that "the critical consensus has it [that] . . . the Court's finding of state action [is not] supported by any reasoning which would suggest that 'state action' is a meaningful requirement rather than an empty formality." See also *id.* at 1157 n. 37 ("The standard critique of *Shelley* is definitively stated in Wechsler, 'Toward Neutral Principles of Constitutional Law,' 73 Harv. L. Rev. 1, 29–31 (1959). The *Reitman* opinion has been criticized even by defenders of its result.")

### SECTION II—ESTABLISHING THE CONTEXT

12. The single major distortion in this section is that the effect of a Bork appointment would be to permit "a determined President . . . [to] bend [the Court] to political ends that he can not achieve through the legislative process."

The *Biden Report* cites no instance of how Judge Bork's appointment would have that effect.

Even if its apocalyptic claims regarding Judge Bork's willingness to reverse prior constitutional cases were true, as they are not, the authors of the *Report* know full well that the only effect would be to *permit* the political process to decide questions that the courts have placed beyond its reach. For example, even if *Roe v. Wade* or *Griswold v. Connecticut* were reversed, the effect would *not* be that abortion or access to contraceptives would suddenly become illegal. Rather, Congress or the states would have to pass laws to that effect.

13. Thus even accepting its premises, the *Biden Report's* claim that a Bork appointment would permit the President to accomplish his social agenda through the Supreme Court is extremely misleading. All it could possibly do is allow the President and the Congress to fight out these issues in the political arena.

### SECTION III—JUDGE BORK'S RECORD OF JUDICIAL RESTRAINT

14. The *Biden Report* claims that Judge Bork's perfect record of nonreversal by the Supreme Court is "uninformative." (*Biden Report* at p. 14) Thus, it misleadingly—dismisses five years and hundreds of opinions and votes that are incontestably the best evidence of Judge Bork's measure as a Justice. As Lloyd Cutler has said, Bork's opinion in *Ollman v. Evans* alone "tells us far more about how Bork would perform as a justice than his professorial writings ten to twenty-five years ago."

15. The *Biden Report's* rationale for its remarkable exclusionary rule—that "[a]s an intermediate court judge, the nominee has been constitutionally and institutionally bound to respect and apply Supreme Court precedent"—fails to acknowledge the challenge and difficulty of an appellate judgeship. Without doubt *all* lower court judges are "constitutionally and institutionally bound" to apply the Supreme Court's precedents; the real question is whether they are willing and able to fulfill that obligation. Many of Judge Bork's colleagues on the U.S. Courts of Appeals have been repeatedly reversed by the Supreme Court for ignoring or misreading binding precedent; *e.g.*, the five occasions on which the Supreme Court overruled D.C. Circuit majority opinions and adopted Judge Bork's dissents.

16. Contrary to the *Biden Report's* conclusion, Judge Bork's impeccable record of nonreversal shows his respect for *stare decisis* and his skill at conscientiously applying existing Supreme Court caselaw to facts. This faithful application of law and precedent over his entire tenure as a judge augurs well for his service on the Supreme Court and renders the *Biden Report's* account of his record misleading.

17. The *Biden Report* (p. 15) does not fully report the Supreme Court's decision in *Meritor Savings Bank v. Vinson*, 106 S. Ct. 2399 (1986). The *Report's* claim that the *Vinson* Court unanimously rejected the reasoning of Judge Bork's dissent leaves out the most telling facts. As even the *Report* concedes, "[t]he Court did agree with Judge Bork on the evidentiary issue." Examination of the opinions makes clear that the Court agreed with the substance of Judge Bork's reasoning on liability, as well. It is the *Biden Report*, not the White House position, which supplies a "factually inaccurate and misleading description" of *Vinson*.

18. The *Biden Report* (at p. 16) mischaracterizes Judge Bork's position in *Planned Parenthood Federation v. Heckler*, 712 F.2d 650 (D.C. Cir. 1983), in which he agreed with the majority in rejecting the claim of statutory authority advanced by the Reagan Administration, which premised its family-notification requirements on a 1981 amendment to Title X. Judge Bork's disagreement with the majority belies the *Biden Report's* claim that his opinion was "anything but deferential and non-activist": he would have followed the Supreme Court's well-settled rule in *SEC v. Chenery* by remanding to the agency for articulation of alternative bases for its holding. It is difficult to understand how Judge Bork's proposal to remand to the agency for further consideration is less "deferential" to its administrative expertise than the majority'a final and conclusive ruling, which left no further scope for agency consideration. It is misleading to suggest that Judge Bork's deference to the agency was somehow "activist."

19. The *Biden Report* apparently attempts to diminish the significance of Judge Bork's perfect record of nonreversal by the Supreme Court by emphasizing that the Supreme Court has until recently never granted review for one of Judge Bork's majority opinions (*Biden Report* at p. 17). The report apparently implies that one therefore cannot assume anything about the quality of his opinions—which is akin to saying that you can't judge whether someone is law-abiding because he has never been arrested and tried. If Judge Bork were writing activist opinions that departed from the law, the losing litigants would appeal. The fact that fewer than one in ten of the losing litigants in his cases sought Supreme Court review is a sign of the strength of his opinions, not an indication that they can be discounted. The same inference should be drawn from the fact that until this term the Supreme Court never chose to grant review of any of his opinions: the Court's writ of certiorari (literally, to make more certain) is principally used to rectify what the Justices perceive as

important errors in lower court opinions. Their failure to grant review for his opinions is a significant compliment, not a slight.

20. The *Biden Report* employs a double standard on this point, because it argues later that many of Judge Bork's opinions have been important and radical departures from binding precedent. *If Judge Bork's record were really the parade of horribles that the report claims, it would be inconceivable that the Supreme Court would not grant certiorari and reverse him.*

21. The *Biden Report's* disingenuousness is particularly apparent because it glosses over without mention the fact that none of the more than 300 majority opinions joined but not authored by Judge Bork over his five years on the bench has ever been reversed—a remarkable and highly unusual testimonial to his legal judgment. Similarly, the *Biden Report* ignores the fact that although Judge Bork rarely dissents (he has been in the majority of his court 94% of the time) his dissents carry great weight with the Supreme Court, which has repeatedly adopted his rationales over the holdings of the majority.

22. The *Biden Report* further attempts to exclude the most probative evidence of Judge Bork's suitability by distorting his own statements about his cases. The report cites Judge Bork's statement that the ideological divisions on his court make no difference in 9/10's of all his cases, then goes on to give the following grossly inaccurate summary of his remarks: "According to Judge Bork, therefore, 90% of his cases on the D.C. Circuit are non-ideological and, consequently, non-controversial." (*Biden Report* at p. 17). Aside from putting words in the Judge's mouth, the authors' assumption that only ideologically charged cases are difficult, controversial, or worthy of the public's or the Supreme Court's attention says a great deal about their own distorted view of the law—a view that enables them to assert, and apparently to believe, that Judge Bork's "circuit court record says nothing about his suitability for the Supreme Court. . . ." (*Id.*)

23. In fact, Judge Bork's statements about the irrelevance of ideology to his work on the court show his own professionalism, and they echo the professionalism of his colleagues on the bench across the political spectrum—an attitude towards the law strikingly at odds with that shown in the *Biden Report*. Judge Bork's colleague Judge Harry Edwards, a Democratic appointee, has written that "efforts to tag judges as 'liberal' or 'conservative' are fundamentally misguided," citing as evidence of this the remarkable degree of agreement on decisions between himself and Judge Bork. And Chief Judge Patricia Wald, another Democratic appointee, wrote a blistering critique of lawyers who "simplistically characterize" judges as "liberal" or "conservative," warning lawyers "not [to] try to handicap old myths about nonexistent fueds or rumors about philosophic differences between us." It is a warning the authors of the *Biden Report* should reread.

24. The *Biden Report* short-changes the similarity between the judicial philosophies of retiring Justice Lewis Powell and Judge Bork. It incorrectly claims that no similarity can be discerned in the fact that Justice Powell and Judge Bork voted substantially the same way in nine of the ten cases that went before the Supreme Court, because "a careful analysis . . . shows that Judge Bork and Justice Powell both wrote opinions in only two [of the cases]." (*Biden Report* at p. 18). This so-called "careful analysis does not explain why we should disregard the fact that the two jurists joined in substantially the same conclusions—whether they actually wrote or not—in nine of ten cases.

25. Neither President Reagan nor Judge Bork has ever claimed that Justice Powell's jurisprudence is identical to that of Judge Bork. It is the opponents of Judge Bork who argue that Lewis Powell's successor should be required to replicate his jurisprudence—a jurisprudence that, in many areas, these same opponents have scathingly criticized in the past. Judge Bork's proponents have merely pointed out that he is a fairminded proponent of judicial restraint—a judicial conservative, not a political one. Lloyd Cutler, President Carter's Counsel, has written that while all judges pay lip service to judicial restraint, "few rigorously observe it. Justices Oliver Wendell Holmes, Louis D. Brandeis, Felix Frankfurter, Potter Stewart, and Lewis F. Powell, Jr., were among those few, and Judge Bork's articles and opinions confirm that he would be another." The President himself has merely stated that "[i]t's hard for a fairminded person to escape the conclusion that if you want someone with Justice Powell's detachment and statesmanship, you can't do better than Judge Bork"—a demonstrably true statement.

26. The *Biden Report* fails to take account of the evidence which indicates that even beyond the question of general judicial temperament and craftsmanship, however, there are broad convergences between the jurisprudence of these two judges. Justice Powell, for example, has been a leading architect of the reinvigoration of the doctrines of standing and justiciability for which Judge Bork has been so roundly criticized. And Justice Powell cast the decisive vote in *Hardwick v. Bowers*, which reached the same result that Judge Bork propounded in *Dronenburg v. Zech*, 741 F.2d 1388 (D.C. Cir. 1984)—that the Constitution and Supreme Court precedent did not vouchsafe a right to practice homosexual sodomy. (*See also*, Nos. 1–3 above).

27. In criminal jurisprudence Justice Powell, like Judge Bork, has been a leading exponent of the truthseeking function of criminal trials. For example Justice Powell has repeatedly, over more than a decade, rejected the arguments that capital punishment is *per se* unconstitutional. Similarly, Judge Bork has repeatedly refuted these same arguments in print. Just last term, Justice Powell cast the decisive vote in the *McClesky* case, a 5–4 decision that rebuffed an equal protection challenge which would have effectively ended capital punishment.

28. The *Biden Report* fails to acknowledge another interesting parallel between Justice Powell and Judge Bork: Justice Powell, like Judge Bork, was vituperated by leftist feminist and civil rights organizations and spokesmen during his confirmation hearings for the Supreme Court.

Congressman Conyers on behalf of the Black Caucus testified that Powell was "inconsistent with the kind of jurist [who] . . . is desperately needed for the Court in the 1970's and 1980's." (Senate Hearings on the Confirmation of Louis Powell, 1971).

Henry L. Marsh III, testifying on behalf of the Old Dominion Bar Association of Virginia, stated that Powell's confirmation in the face of his "record of continued hostility to the law, his continual war on the Constitution, would . . . demonstrate to us that this Senate is not concerned with the rights of black citizens in this country." (*Id.*)

Wilma Scott Heide, the President of the National Organization of Women, testified that Powell's confirmation would mean that "justice for women would be ignored or further delayed which means justice denied." (*Id.*)

Catherine G. Rohraback, President of the National Lawyers' Guild, testified that nominees Powell and Rehnquist "would be incapable of dealing fairly and impartially with issues arising out . . . the struggle of blacks, other third world people, women and other oppressed groups for social, political and economic equality." She stated that Powell had defended "unconstitutional" wiretapping, and that "[i]n his political views, Mr. Powell does not 'bend' or 'twist' the Constitution, to use the President's language. Rather, he totally ignores it." (*Id.*)

Paul O'Dwyer, a prominent New York liberal attorney, testified that Justice Powell and his fellow nominee William H. Rehnquist had been "eloquent spokesmen for wiretapping and other insidious governmental techniques designed to stifle dissent and to challenge personal liberties guaranteed by the Constitution and the Bill of Rights. . . ." He told the Judiciary Committee that in national security cases "Mr. Powell claim[s] that the President is above the law, the Constitution, and the fourth amendment. . . ." On the Supreme Court, O'Dwyer said, Powell "would be but [the] echo" of the executive branch. (*Id.*)

The charges brought by these groups against distinguished judicial appointees are as false with respect to Judge Bork as they were with respect to Justice Powell.

29. The *Biden Report* distorts Judge Bork's opinion in *Dronenburg v. Zech*, 741 F.2d 1388 (D.C. Cir. 1984). In *Dronenburg* Judge Bork reviewed Supreme Court precedents on the right to privacy and concluded that they did not encompass a constitutionally-protected right to practice homosexual sodomy. Although the Supreme Court later reached precisely the same conclusion in *Hardwick v. Bowers*—a decision in which Justice Powell concurred—the report misleadingly claims that "Judge Bork's theory of lower court constitutional jurisprudence in *Dronenburg* . . . has never been expressed or endorsed by the Supreme Court." (*Biden Report* at p. 18). The *Biden Report* goes on to cite from the dissent in *Dronenburg* to prove that Judge Bork's opinion was judicially 'unrestrained'—a peculiar way to prove the point, since both a clear majority of Judge Bork's own court and the Supreme Court shared his 'activist' and 'unrestrained' view of this area of the law. It is interesting that Professor Archibald Cox's new book *The Court and the Constitution* took *Dronenburg* as a paradigmatic case and noted that while the author "would give the Court a somewhat larger and more creative role," Judge Bork's opinion in the case "stated the conservative judge's reasons clearly and persuasively."

30. The *Biden Report* inaccurately implies that the criticisms contained in the majority opinion in *United States v. Meyer*, No. 85–6169 (D.C. Cir. July 31, 1987) are in some way directed at Judge Bork personally, rather than at the jurisprudence of the almost one-half of the D.C. Circuit that jointly issued a dissent to the majority's reversal of course. Though the report asserts that Judge Bork is the "head of the faction" seeking rehearing en banc of the cases, there is not a scrap of evidence in the opinions—either majority or dissent—to suggest that this is the case or that the majority was specifically stigmatizing Judge Bork's

jurisprudence (*Biden Report* at p. 19). The report's attempt to depict a broadside fired at virtually half the D.C. Circuit as a personal critique of Judge Bork's jurisprudence is unsupported by any evidence.

31. The *Biden Report's* characterization of Judge Bork's view of the privacy cases as "indicative of [his] willingness to discard the text, history and tradition of the Constitution in order to achieve the results he desires" is Orwellian (*Biden Report* at pp. 20–26). It suggests that Judge Bork personally "desires" outlawing contraceptives [*Griswold*], mandatory sterilization of criminals [*Skinner*] and workers [*American Cyanamid*], denial of divorced parents' visitation rights to children [*Franz*], outlawing of the teaching of foreign languages [*Meyer*] or of parochial schools [*Pierce*]. The *Biden Report* does not produce one shred of evidence that this is the case. These suggestions overlook the distinction between politics and the law. No one would suggest, for example, that Justice Frankfurter dissented in *Screws v. United States* because he "desired" racist murders.

32. The *Biden Report* assertions about Judge Bork's personal policy views are also contradicted by the many instances on which Judge Bork has, on legal grounds, opposed laws that further policies of which he affirmatively approves, such as a balanced budget amendment. Thus, Judge Bork's legal views of cases tell us exactly nothing about his policy preferences, indicating that he is willing to set them aside in deciding legal issues. As the revered civil libertarian Justice Hugo Black wrote in dissenting from *Griswold*, "I like my privacy as well as the next one, but I am nevertheless compelled to admit that a government has the right to invade it unless prohibited by some specific constitutional provision. . . ."

33. The *Biden Report* quotes Judge Bork's legal criticisms of *Roe v. Wade* but attempts to dismiss as irrelevant the fact that they were expressed in testimony opposing the "Human Life Bill"—conservative legislation to strip the courts of jurisdiction to hear abortion cases (*Biden Report* at p. 20). It is unclear why an alleged result-oriented activist—as they claim Judge Bork is—would have so many scruples about the legislature trampling on the Constitution and so few about the courts doing so. This fact rebuts the *Biden Report's* charge that Judge Bork's only concern is "to achieve the results he desires." (*Id.*)

34. The *Biden Report* could cause confusion about the holding of *Oil, Chemical and Atomic Workers International* v. *American Cynamid Co.*, 741 F.2d 444 (D.C. Cir. 1984) by juxtaposing it with *Skinner* v. *Oklahoma*, 316 U.S. 535 (1942), a constitutional law case (*Id.* at 21). In fact, *American Cynamid* was a straight statutory construction issue which had nothing to do with constitutional law, much less the right to privacy or *Skinner*.

35. the *Biden Report's* presentation of Judge Bork's legal views on *Meyer* v. *Nebraska* and *Pierce* v. *Society of Sisters* obscures the fact that his views are thoroughly representative of scholarly opinion (*Biden Report* at pp. 22–23). The opinions in these cases were written by conservative Justice McReynolds, of whom one authority on the Court has written that "[p]olitically and jurisprudentially . . . [he] came to embrace a philosophy of reaction to progress second to none, and in his personal demeanor on the bench was a disgrace to the Court [because of his anti-Semitism and racism] . . . . Certainly, [he] deservedly earned the all but unanimous condemnation of the Court experts, who have rated him at the top of their brief list of failures." (Abraham, *Justices and Presidents* 176, 177–78 (2d ed. 1985)). The *Report* also fails to indicate that *Meyers* was dissented from by Oliver Wendell Holmes.

36. The *Biden Report* inaccurately states that Judge Bork "ignores the famous dissent of Justice Brandeis" in *Olmstead* v. *United States*, 277 U.S. 438 (1928), in which Justice Brandeis discussed the protections of privacy afforded by the Fourth and Fifth Amendments as being "intended to secure conditions favorable to the pursuit of happiness," including "the right to be left alone—the most comprehensive of rights and the right most valued by civilized man." (*Biden Report* at p. 25). In fact, Judge Bork's jurisprudence is firmly based on the insight of Brandeis' *Olmstead* dissent, which sought to apply the guarantees of the Fourth Amendment to wiretapping—a technology nonexistent at the time of the Constitution's adoption. Judge Bork incorporated this expansive view of original intent into his most famous opinion, *Ollman* v. *Evans*:

> "It is the task of the judge in this generation to discern how the framers' values, defined in the context of the world they knew, apply to the world we know. The world changes in which unchanging values find their application. "The fourth amendment was framed by men who did not foresee electronic surveillance. But that does not make it wrong for judges to apply the central value of that amendment to electronic invasions of personal privacy." (750 F.2d at 995).

37. More generally, Judge Bork recognizes that the Constitution contains a right to privacy—not the generalized, judge-made, open-ended "right" scathingly criticized by Justice Black and others, but the specific guarantees of the Fourth Amendment, fairly read to accommodate the changes wrought by two centuries. It is the authors of the *Biden Report*, not Judge Bork, who have failed to take Justice Brandeis' teaching in *Olmstead* properly into account.

38. The *Biden Report* is again misleading in its claim that Judge Bork's views are "fundamentally at odds with those of Justice Harlan." (*Biden Report* at p. 25). Judge Bork has repeatedly expressed his admiration for the views of Justice John Marshall Harlan, whose scholarly and conservative outlook on the law has led many eminent lawyers and scholars to class Judge Bork with him jurisprudentially. Justice Harlan's views of the Due Process Clause of the Fourteenth Amendment, which were based on the "ordered liberty" test propounded in *Palko* v. *Connecticut*, were not the basis for the Court's decisions in *Griswold* and *Roe*. It is thus out of context for the authors of the report to criticize Judge Bork for his respectful disagreement with this aspect of Justice Harlan's jurisprudence, given the wide areas of agreement stated by these two jurists.

39. The *Biden Report* misrepresents the mainstream view of the 9th Amendment in criticizing Judge Bork's refusal to use that Amendment to create new law (*Biden Report* at p. 26). Characteristically, the authors present their own extremist ideology as if it were governing precedent. They neglect to mention that the Supreme Court has *never* upheld a claim under the 9th Amendment. As with *Dronenburg* and antitrust law, the *Report* pillories Judge Bork for taking positions which are in the mainstream of American jurisprudence and which have been authoritatively stated by the Supreme Court.

40. The *Biden Report* distorts Judge Bork's view of the Bill of Rights, maintaining that he seeks "the 'narrowed' definition of individual rights that the framers feared." (*Id.* at p. 27). This is nonsense. Judge Bork's record as Solicitor General and as an appellate court judge establishes his devotion to the Bill of Rights. And he is no exponent of "narrow" interpretations: as he told the Judiciary Committee in 1982 prior to his unanimous confirmation to the Court of Appeals, judicial imperialism is a better term than activism for courts that have "gone too far and lost [their] roots in the Constitution," because *"a court should be active in defending those rights which the Constitution spells out."* ("Confirmation of Federal Judges," *Hearings Before the Judiciary Committee*, 1982, at 14) (Emphasis supplied.)

41. The *Biden Report* distorts Judge Bork's views of standing. Contrary to its claims that Bork has taken a "very narrow," "crabbed," "novel and unprecedented" view of standing, Judge Bork's views of standing are thoroughly in the mainstream. It is the *Report* that is advocating "novel" legal views. Justice Powell has taken the lead in reinvigorating the doctrines governing access to the courts in his opinions in *U.S. v. Richardson*, *Warth v. Selden* and *Simon v. Eastern Kentucky Welfare Rights Organization*. His views—repeatedly attacked by liberal commentators—are indistinguishable from Judge Bork's.

42. The *Biden Report* misrepresents Judge Bork's opinion in *Vander Jagt v. O'Neill*, 699 F.2d 1166 (D.C. Cir. 1983). In *Vander Jagt*, the supposedly political and reactionary Judge Bork voted to reject a suit by House Republicans against the Democratic leadership—a fact that sheds light on the *Report's* claims about his "activism." Unmentioned by the *Report* is the fact that the Supreme Court in *Allen v. Wright* quoted approvingly and at length from Bork's "novel" opinion in *Vander Jagt* to reach its conclusion. Clearly it is Judge Bork who is in the mainstream on access cases, and the authors of the report who are outside it.

43. The same is true of the *Biden Report's* distortions of Bork's antitrust record. As was stated in a letter from 15 past chairmen of the ABA's Antitrust Section, "Judge Bork's writings in this area have been among the most influential scholarship ever produced . . . [N]o one has helped promote [the mainstream view of antitrust] more than Judge Bork." The chairmen's letter points out that Judge Bork's leading work on antitrust, the *Antitrust Paradox*, has been referred to in 75 decisions of the Supreme Court and the courts of appeals in the ten years since its publication, and has been cited in opinions written or joined by all nine present Justices of the Supreme Court.

44. The *Biden Report* misrepresents Judge Bork's decision in *Rothery Storage & Van Co. v. Atlas Van Lines, Inc.*, 792 F.2d 210 (D.C. Cir. 1986). Far from "promot[ing] his extreme views . . . [and] [s]ingle-handedly repudiating numerous Supreme Court cases to the contrary," as the *Report* claims, Judge Bork conscientiously parsed conflicting Supreme Court precedent to follow the latest expression of the Court's views. Whatever else the *Report* could have called Bork's efforts in *Rothery*, they were not "single-handed": his opinion was joined *in toto* by Carter appointee Ruth Bader Ginsburg, while fellow Carter appointee Judge Wald "concur[red] in the result and much of the reasoning of the panel's opinion."

### SECTION IV—SPECIFIC QUESTIONS

### *Civil rights*

45. The *Biden Report* claims that Judge Bork's dismay over the possibility that a male-only draft might be challenged under the Equal Protection Clause indicates that he is skeptical as to whether *women* are protected under that provision. (*Biden Report* at 49). To the extent this obviously off the cuff statement indicates much of anything, it indicates instead that he is skeptical whether *men* are protected under that clause, since the likely plaintiff in such a suit would not be a woman seeking to be drafted, but a man objecting to being drafted.

*See also* Nos. 9–12 above.

### *Freedom of the press*

46. The *Biden Report* misreads Judge Bork's record on the First Amendment. The *Biden Report* claims that "Judge Bork has cast doubt on leading Supreme Court decisions limiting governmental prior restraints on speech." It relies for that purpose on an ambiguous statement in an unpublished speech Judge Bork gave at the University of Michigan. It omits any discussion of Judge Bork's only case on point, *Lebron v. Washington Metropolitan Area Transit Authority*, 749 F.2d 893 (D.C. Cir. 1984). In that case, Judge Bork ruled that a D.C. regulation barring deceptive advertisements was invalid on the ground that it constituted a prior restraint, rather than limiting himself to the ground preferred by Judge Starr that the advertisement at issue was not deceptive. Especially given that the narrower ground was clearly available, Judge Bork's conscious decision to rely on the broader one as well is a much clearer indication of his commitment to the bar on prior restraints than the Michigan speech is an indication of any reservations about it. The *Biden Report*'s failure even to mention the case in this context practically inverts Judge Bork's record in this area.

47. The *Biden Report*'s claim that "Judge Bork has sharply criticized key Supreme Court decisions limiting the power of government to punish publication," coupled with the evidence it cites for that claim, almost speaks for itself. The "sharp critici[sm]" to which it refers is from the same Michigan speech, and consists of the statement that "one may doubt that press freedom" required the release of the name of a rape victim or information from a secret inquiry into judicial misconduct.

48. The same can be said of the *Biden Report's* attempt to contrast Judge Bork's position regarding reporter's claims to a First Amendment right to refuse to disclose confidential sources with Justice Powell's view on the matter. Actually, Justice Powell wrote an opinion noting that it was a hard question, to be decided case by case, but that generally there is no such right in the absence of harassment by state authorities. Judge Bork wrote an article stating that it was a close question that could be decided either way.

49. The *Biden Report's* claim in the text of the full report that Judge Bork would restrict First Amendment protection to "speech that relates to the political process" is simply misleading (as opposed to the claim in the executive summary that he would not protect literary and artistic speech, which is incorrect). As Judge Bork's *Worldnet* interview made clear, in his view the First Amendment provides some protection for "moral and . . . scientific speech" and "fiction and so forth," although probably not pornography. While the interview indicates that he would not extend as much protection to speech that is not expressly political as to speech that is, it says nothing about how much protection he would extend to the former. Since Judge Bork's *Ollman* opinion would provide more protection for political speech than present law, there is ample room for him to protect speech that is not expressly political less than political speech and still protect it at least as much as the Supreme Court. While Judge Bork also indicates that "pornography and things approaching it" probably are not protected, there is no basis whatsoever for the *Report's* conclusion that he would include among such things a Rubens painting or an Alvin Ailey Troupe Performance, or that his views on pornography are any different from the Supreme Court's.

### *Bork on the establishment clause*

50. In its discussion of Judge Bork's views on the Establishment Clause, the *Biden Report* misconstrues his views on the clause generally and about particular cases. The *Report* states that Judge Bork *"has endorsed* the view that the framers intended the Establishment Clause to do no more than ensure that one religious sect should not be favored over another" (*Biden Report* at p. 57). (Emphasis supplied.) In fact, Judge Bork has never "endorsed" a particular view of the Establishment Clause—at most he has observed that:

> "The establishment clause *might have been read* merely to preclude the recognition of an official church, or to prevent discriminatory aid to one or a few religions . . . Instead [it has] been interpreted to give [it] far greater breadth and severity." ("Religion and the Law," *University of Chicago*, Nov. 13, 1984, at 1–2).

51. The *Biden Report* is misleading in describing Judge Bork's views on the leading prayer in school case, *Engel v. Vitale*, 370 U.S. 421 (1962). The report does not give sufficient weight to Judge Bork's statement to the *Washington Post* that he has not taken a position on the constitutionality of school prayer. Instead, the report concludes, based on a letter sent to Judge Bork discussing a speech he made at the N.Y.U. Law School, that Judge Bork has "rejected" this case (*Biden Report* at p. 57. See also Appendix B, *Biden Report*).

52. The *Biden Report* excludes substantial evidence that supports Judge Bork's claim that he has not addressed the issue:

No text of Judge Bork's address at N.Y.U. is available. The written notes from which he spoke make no mention of *Engel*. The relevant portion states:

> "I want to draw your attention to two other features of non-I[nterpretivist] judicial review—the *nationalization* of a single set of moral values and what I call the *gentrification* of the Constitution.
>
> *Roe v. Wade* is the classic case of each.
>
> The dramatic expansion of const[itutional] rights under E[qual] P[rotection] clause, substantive version of D[ue] P[rocess] Cl[ause], 1st Amendment—nationalizes moral and social values although there is no national consensus."

No other person present at the event recalls Judge Bork criticizing the *Engel* case.

Judge Bork made no mention of how he would vote on the school prayer cases in the two other significant occasions on which Judge Bork discussed his view of religion and the law: (1) an address at the University of Chicago on November 13, 1984 and (2) an address at the Brookings Institution Seminar for Religious Leaders on September 12, 1985 (*See* Washington Post, letter to the editor from Rabbi Joshua Haberman, August 6, 1987).

53. In alleging that Judge Bork criticized *Engel v. Vitale* in the 1982 N.Y.U. Law School speech, the *Biden Report* relies entirely upon the recollection of one attendee, Dean Norman Redlich. The report cites a letter sent by Dean Redlich to Judge Bork shortly after the address. However, the text of the Redlich letter does not substantiate the *Biden Report* claim that "Dean Redlich took issue with Judge Bork's assertion that the Court had strayed from 'interpreting' the Constitution in *Engel* and that the decision was therefore, in Bork's terms, 'non-interpretivist.'" (*Biden Report* at 57). Rather, the letter included the following passage:

> "I do not understand why you lumped together the issues of school prayer, busing, and abortion, although I recognize that at one point in your remarks you said you were concentrating on *Roe v. Wade*. The present attack on the courts derives from all three issues and you failed to distinguish among them. I agree that *Roe v. Wade* can be attacked as non-interpretavist [sic]. *Engel v. Vitale*, however, was an interpretation of the establishment clause. The attacks on that decision were no less strident because it was interpretivist. The result, not the method, sparked the criticism." (Dean Redlich Letter at p. 1).

It appears more likely, however, that Judge Bork focused on *Roe v. Wade* as his example as a non-interpretivist decision, and discussed school prayer only as an issue which, as a factual matter, had sparked political opposition to the courts. This political opposition created a climate in which jurisdiction-stripping legislation, which Judge Bork opposed, was being seriously considered. This observation is one which Judge Bork has made in other speeches as well. This reconstruction of his spoken remarks is supported by Dean Redlich's letter, which described Judge Bork's reference to *Engel* in the context of "the present attack on the courts" since Judge Bork had never before criticized the decision in *Engel*.

54. The *Biden Report* misconstrues Judge Bork's criticism of the three part test set forth in *Lemon v. Kurtzman*, 403 U.S. 602 (1971). In his speech at the University of Chicago Judge Bork stated that his criticism of *Lemon* is that the three part test "is not useful in enforcing the values underlying the establishment clause." (*University of Chicago* speech at pp. 4–5) He points out that the Supreme Court itself has not always applied the test (*Id.* at 6–7). Contrary to the premise stated in the *Biden Report*, Judge Bork's remarks about *Lemon* are not a criticism of the viewpoint that the government should be entirely neutral towards religion. Rather, they are a comment that the test is flawed in its ability to promote another value—strict separation of religion from all government action, a value the court precedents do not support.

55. The *Biden Report* is at best incomplete and at worst misleading in its omission of the fact that Judge Bork's criticism of the *Lemon* test is well within the mainstream of American legal scholarship. Judge Bork himself states that his thoughts are not original, but can be found in Dean Jesse Choper's writings (*University of Chicago* speech at p. 5). In addition, Senator Daniel Patrick Moynihan and others have criticized the Supreme Court's jurisprudence on the Establishment Clause by citing numerous contradictory and inexplicable results:

A state may lend to parochial school children geography textbooks that contain maps of the United States, but the state may not lend maps of the United States for use in geography class.

A state may lend textbooks on American colonial history, but it may not lend a film on George Washington, or a film projector to show it in history class.

A state may lend classroom workbooks, but may not lend workbooks in which the parochial school children write, thus rendering them non-reusable.

A state may pay for bus transportation to religious schools, but may not pay for bus transportation from the parochial school to the public zoo or Natural History Museum for a field trip.

A state may pay for diagnostic services conducted in the parochial school, but therapeutic services must be given in a different building.

Speech and hearing "services" conducted by the state inside the sectarian school are forbidden, but the state may conduct speech and hearing diagnostic testing inside the sectarian school.

Exceptional parochial school students may receive counselling, but it must take place outside the parochial school, such as in a trailer parked down the street.

A state may give cash to a parochial school to pay for the administration of state-written tests and state-ordered reporting services, but it may not provide funds for teacher-prepared tests on secular subjects.

Religious instruction may not be given in public school, but the public school may release students during the day for religious classes elsewhere, and may enforce attendance at those classes with its truancy laws.

56. The *Biden Report* accurately reports that Judge Bork has criticized *Aguilar v. Felton*, 473 U.S. 402 (1985). But the report's description of the case fails to indicate that the decision has been roundly criticized both by other members of the Supreme Court and the legal academic community. In *Aguilar* the Court struck down public funding for non-religious programs which supplied state-employed special education teachers for deprived children who attended parochial schools. In *Aguilar* there was a valid secular motive of providing remedial help to underprivileged children, and there was no hidden subsidy of religion (since the program was optional and not otherwise offered by the schools). Indeed, the sole reason the Court found the program violated the establishment clause was *that the system of monitoring that New York City had adopted in order to ensure that the program was not unconstitutionally religious in content constituted excessive entanglement of church and state.* It is small wonder that Judge Bork cited *Aguilar* as illustrative of why he believes "present doctrine is so unsatisfactory." As he noted in his Brookings speech, "it has been suggested that the program struck down in *Aguilar* might become constitutionally permissible if the teachers were placed in trailers *outside* the schoolhouse, with the children coming to them rather than the other way around. Odd as it may seem, precedent supports the idea that the crucial issue is whether the publicly-funded teachers physically entered the private building." This echoes a point made by Justice O'Connor's dissent: "Impoverished children who attend parochial schools may also continue to benefit from Title I Programs offered off the premises of their schools—possibly in portable classrooms just over the edge of school property." *Aguilar*, 105 S. Ct. at 3248 (O'Connor, J., dissenting.)

### SECTION V—BORK'S ROLE IN WATERGATE AND "NADER V. BORK"

57. The *Biden Report* contains serious errors and omissions in its discussion of Judge Bork's role in firing the first Watergate Special Prosecutor, Archibald Cox. By focusing exclusively on the court case, *Nader v. Bork*, 366 F. Supp. 104 (D.D.C. 1973), the report ignores Judge Bork's substantial role in securing the appointment of a second special prosecutor and in ensuring that the Watergate prosecution would continue after Professor Cox was fired.

58. The *Biden Report's* discussion of *Nader v. Bork* is seriously misleading because it conceals the fact that the decision by Judge Gesell was later vacated upon the order of the D.C. Circuit Court of Appeals (*See* Unpublished Order, U.S. Court of Appeals for the D.C. Circuit, August 20, 1975, amended October 22, 1975). Thus, the *Biden Report* fails to indicate that the decision is of no legal precedence whatsoever. The Court of Appeals held that the case was moot.

59. The *Biden Report* fails to indicate that the significant reason that Judge Gesell dismissed the cause of action by Ralph Nader was because he was not an injured party (366 F. Supp. 104). The person who could claim he was injured, Archibald Cox, refused to join the suit. He stated at his press conference that precipitated the firing that "Of course there are ways of firing me." Later Professor Cox testified to Congress that he believed the President, through the Attorney General had the authority to discharge him (*See* "Senate Hearings on the Special Prosecutor," October 31, 1973, at p. 102).

60. The *Biden Report* implies that the Watergate Special Prosecutor was established pursuant to a special act of Congress (*Biden Report* at p. 61). Rather, the office was created by Attorney General Elliott Richardson pursuant to his general statutory authority to create positions in the Justice Department (*See* 28 U.S.C. § 508–510). In fact, these statutes specifically allow the Attorney General to transfer functions among different officials at the Department of Justice. While Attorney General Richardson had promised the Senate that he would create an independent prosecutor during his confirmation process, this action could not create special statutory authorization for the position.

61. The *Biden Report* implies that the opinion in *Bork v. Nader* is significant because it declared the discharge of Professor Cox to be illegal. The opinion itself recognizes that the relevent Supreme Court case (*Humphrey's Executor*) relied heavily upon the fact that in that case Congress had expressly legislated to restrict the President's ability to remove a government official. As discussed above, there is no such Congressional Act with respect to the Watergate Special Prosecutor.

62. The *Biden Report* mischaracterizes the issues of "whether the firing [of Professor Cox] itself was lawful" as the "threshold question" in the *Nader* case. Since the independence granted to the Watergate Special Prosecutor was derived solely from the Attorney General's regulations, the White House paper correctly analyses the question of whether these regulations were validly rescinded as the threshold question and determines that they were.

63. The *Biden Report* fails to inform the reader that Judge Bork's position that the delay in rescinding the Attorney General's regulations (from Saturday night when Professor Cox was fired until Tuesday, the next working day) was widely supported. Professor Cox himself referred to the delay as a "technical defect." (*See* "Senate Hearings on the Special Prosecutor," October 31, 1973, at p. 102).

64. The *Biden Report* misstates the grounds upon which Judge Gesell found the rescission of the Attorney General's regulations arbitrary and unreasonable. Judge Gesell's opinion relied upon the fact that a new special prosecutor was appointed three weeks later under substantially identical regulations to conclude that the rescission of the initial regulations was an arbitrary and unreasonable act, done solely to replace Professor Cox, which could not be done under the terms of the regulations (366 F. Supp. at 109). Although the *Biden Report* quotes this passage, the report then manufactures from whole cloth the rationale that the firing was arbitrary and unreasonable because of the circumstances leading up to the discharge (*i.e.*, that Professor Cox had decided to defy President Nixon and go to court for the White House tapes). The *Biden Report* uses this novel argument to bootstrap its conclusion that the firing would have been illegal even if the rescission of the regulation had been completed before the discharge.

### SECTION VI—STARE DECISIS

65. The *Biden Report's* discussion of Judge Bork's views on *Stare Decisis, i.e.*, the adherence to prior precedent, in constitutional law is fundamentally flawed by a complete lack of understanding of the theories Judge Bork has articulated on precedent. Repeatedly the *Biden Report* equates criticism by Judge Bork of a prior decision with the conclusion that he would overrule the decision once on the Supreme Court. (This conceptual error is not only logically fatal to the authors' arguments about *Stare Decisis*, but also permeates the discussion of cases in Appendix B).

66. The *Biden Report* fails to recognize Judge Bork's complete views on *Stare Decisis*. First, the *Biden Report* omits Judge Bork's statement to the Senate Judiciary Committee during his confirmation hearings for the D.C. Court of Appeals in 1982, when he was asked by Senator Baucus, "While I have you here . . . do you have any general guiding principles as to when a Supreme Court judge should adhere to the principle [of Stare Decisis] in looking at, revisiting Supreme Court cases?" Bork responded:

"Well, yes. I think it is a parallel to what [Professor] Thayer said about the function of a judge when he is reviewing a legislative act for constitutionality. He said he really ought to be absolutely clear that it is unconstitutional before he strikes down the legislative act, if not absolutely clear, awfully clear.

I think the value of precedent and of certainty and of continuity in the law is so high that I think a judge ought not to overturn a prior decision unless he thinks it is absolutely clear that that prior decision was wrong and perhaps pernicious." ("Confirmation of Federal Judges," *Hearings Before the Judiciary Committee*, 1982, at 14)

67. The *Biden Report* fails to take into account that Judge Bork has articulated a two part method of determining when a given precedent should be overtuned. The *Biden Report* merely recites (in an incomplete quote on p. 70) the second and ultimate determination that Judge Bork has repeatedly stated must be made before a prior constitutional decision is overturned:

"There are some constitutional decisions around which so many other institutions and people have built that they have become part of the structure of the nation. They ought not be overturned, *even if thought wrong*" ("A Talk with Judge Robert H. Bork," *District Lawyer* 29 at 32. *See also* "Bork on Judicial Restraint," *Manhattan Report* 14 at 15) (Emphasis added.)

The remainder of the *Biden Report* ignores this second test in its analysis of cases that Bork might some day overturn.

68. The *Biden Report* does not cite to a single instance where Judge Bork has stated that any prior Supreme Court decision should be overturned in support of its allegation that "The Record Strongly Suggests That Judge Bork, If Confirmed, Would Vote To Overturn A Substantial Number of Supreme Court Decisions." (Biden Report, p. 68). Instead, the report relies upon circumstantial conclusions drawn from flawed legal reasoning.

69. The *Biden Report* is misleading when it states that "On several occasions, Judge Bork has expressed a clear willingness to overturn precedent." The *Report* then quotes out of context to say that "an originalist judge would have no problem whatever in overruling a non-orginalist precedent" (Remarks, First Annual Lawyers Convention of the Federalist Society, cited at p. 66 of the *Biden Report*). What the *Biden Report* fails to indicate is that this remark was part of Judge Bork's explanation that a judge must *first* determine that the precedent was wrong. As part of the same remarks Judge Bork then goes on to explain that in some instances a judge should not overturn clearly incorrect precedent, because it is too damaging to social and economical institutional arrangements that have grown up as a result of the decision.

70. The *Biden Report* fails to note that Judge Bork was booed at the Federalist Society conference for stating that he would not overturn the commerce clause precedents. (*Washington Post*). This indicates that Bork is well within the mainstream of legal thought since some members of the legal profession believe his position on *stare decisis* is *too deferential* to prior decisions.

71. The *Biden Report* also creates a misleading impression that Bork is not in the mainstream of legal thought when he states that courts can overturn constitutional precedent more easily than common law or statutory precedent (*Biden Report* at p. 67). This position has long been commonly accepted by most constitutional scholars. It was first stated by Justice Brandeis:

"*Stare Decisis* is usually the wise policy . . . This is true even where the error is a matter of serious concern, provided correction can be had by legislation. But in cases involving the Federal Constitution, where correction through legislative action practically impossible, this Court has often overruled its earlier decisions." *Burnet v. Coronado Oil & Gas Co.*, 285 U.S. 393, 405–408 (1932).

This error is all the more surprising since one of the reviewers of the *Biden Report*, Professor Laurence Tribe, has noted this rationale:

"For most of us, the proper role of precedent in constitutional adjudication will be found at the end of a middle road. The nation needs and deserves to have a steady hand at the Constitution's wheel, but the Supreme Court occassionally must overrule its earlier cases because legislative correction of a *constitutional* decision is all but impossible." (Tribe, L., *God Save This Honorable Court* at p. 102 (1985)) (Emphasis in the original.)

72. The *Biden Report* attacks Judge Bork because he may consider overturning *Roe v. Wade* and the right of privacy cases. This attack is inconsistent with even liberal judicial philosophy, again as expressed by Laurence Tribe, one of the reviewers of the report:

"On the other hand, those candidates [for the Supreme Court] who would, for example, refuse even to consider modifying, say, *Roe v. Wade*, . . . simply *because* they are established precedents, are equally unsuited for a seat on the Supreme Court, and should be voted down by any Senator who views constitutional principles as subject to reexamination when circumstances so require." (*Id.*) (Emphasis in the original.)

73. By quoting out of context from Judge Bork's interview with Philip Lacovara in the *District Lawyer*, the *Biden Report* creates the false impression that Judge Bork's views on all constitutional issues will not change when he is on the bench. The *Biden Report* highlights Judge Bork's general answer (that "[M]y views have remained about what they were. . . . So when you become a judge, I don't think your viewpoint is likely to change greatly," *Biden Report* at p. 65) without indicating that the answer was made to a very specific and limited question:

"Q. Before you ascended to the bench, and indeed in lectures and writings even since that time, you have been among the people who have challenged the role of what you and they have called the "imperial judiciary." Has your view of the possible usurpation of political functions by courts changed since you ascended to the bench? Either become stronger or perhaps more diffuse?" *District Lawyer Interview* at p. 31)

74. The *Biden Report* incorrectly uses a statement by Judge Bork in the *District Lawyer Interview* regarding a candidate's published record as evidence that the *White House* is disingenuous in suggesting that there is a distinction between a candidate's judicial opinions and his writings as an academic. (*Biden Report* at p. 65) Judge Bork was not involved in selecting the criteria used by the White House or the Justice Department in selecting him as the nominee, and his prior description of the process sheds no light on what distinctions were made by the Executive Branch.

75. Additionally, the *Biden Report* quotes Judge Bork out of context to imply that a nominee's academic writings are on an equal footing with his prior judicial decisions. Judge Bork was responding to a question that implied that appellate court judges are under stress because they know that their decisions are reviewed by the Department of Justice in selecting Supreme Court nominees. He responded that he had not observed anything which would corroborate such a concern. In the passage cited in the *Biden Report* Judge Bork merely stated that there should not be any concern about reviewing *opinions*. In fact, Judge Bork believes that it is very difficult to determine how a future Supreme Court Justice will vote, "predictions of what new judges will do being so perilous." ("Judicial Review and Democracy," *Society*, Nov/Dec. 1986, at p. 6) (The authors of the *Biden Report* must certainly have been aware of this fact, since they quote from the same paragraph in the *Society* article. *See*, No. 76 below).

76. The *Biden Report's* discussion of Judge Bork's views on the appointment power fails to substantiate the report's claim that they indicate "That He Would Overturn Many Landmark Supreme Court Decisions." (*Biden Report* at p. 66) The report misquotes from Judge Bork's review of a biography of Felix Frankfurter. The quote is part of a discussion of Frankfurter's rejection in the 1920's of proposals to eliminate judicial supremacy. The unedited quote reveals this:

"Perhaps Frankfurter was right about the inadvisability of formal mechanisms for checking the Court, though; since none have been tried, that is hard to say. But his hopes for legal education after fifty years certainly seem misplaced. Today, in fact, it is probably true that most professors of constitutional law teach and write from an activist perspective. What the solution should be is no more clear now than it was in 1921. If it is not to be a new constitutional mechanism, the *answer [to 'judicial excesses'] can only lie in the selection of judges, which means that the solution will be intermittent depending upon the President's ability to choose well and his opportunities to choose at all.*" ("'Inside' Felix Frankfurter," *The Public Interest*, Fall Book Supplement, 1981, at 110). (Emphasis to show the edited quote in the *Biden Report* at p. 66)

A full and careful reading of the passage makes it clear that Judge Bork was not discussing overruling prior cases at all. Rather, he was discussing the appointment power as the only way of affecting the Court's style of judicial reasoning and rejecting (in the immediately preceding paragraphs) such proposals as the use of the Exceptions Clause to strip the Supreme Court of jurisdiction over controversial constitutional issues.

77. The insertion of the phrase "to 'judicial excesses'," which the *Biden Report* claims to be quoting from the previous page indicates that the report attempted to use the quote from the Frankfurter book review to distort Judge Bork's position. The phrase is taken from a theoretical discussion of constitutionally provided checks on the Supreme Court's power:

Amending the Constitution is not a general solution to *judicial expansionism;* there are too many serious judicial excesses to make amendment a feasible tool of correction." (*Id.* at p. 109) (Emphasis to show the edited quote in the *Biden Report* at p. 66)

Indeed, Judge Bork then goes on to say: "The only safeguard we have at the moment is the self-discipline and capacity for self-denial of our judges." (*Id.*)

78. The other quotes cited in the *Biden Report* also conceal that Judge Bork's comments about the appointment of judges are all in the context of theoretical discussions of what checks there are in the Constitution of judicial power. An examination of the full context of the quote from Judge Bork's testimony before the Senate reveals this fact. After a series of questions about Judge Bork's opposition to proposals to strip the Supreme Court of jurisdiction to hear a Federal constitutonal question, Senator Baucus continued to question him:

"Senator BAUCUS. Could you tell me your view of whether the constitutional amendment process as outlined in Article V of the Constitution is sufficient to enable the country and the Congress to respond to what it regards as improper Supreme Court decisions?

Mr. BORK. I think there is a real dilemma, Senator. I think in a variety of areas the

Court over a period of years has reached results that were not intended by the framers of the Constitution or by the framers of various amendments. I think to that degree the Court has stepped into areas that do not belong to it. It is that form of judicial activism or judicial imperialism that the chairman asked me about.

I do not think there is an adequate way of checking the Court provided in the Constitution, and I think the reason for that is that the framers never anticipated judicial review could become the enormous power that it has become. There was no court at the time that had any power resembling that.

*The only cure for a Court which oversteps its bound that I know of is the appointment power,* and in addition to that the power of debate, political rebuke, and I hope one day a better understanding by the profession and by the judges of what the limits of judicial power are." ("Confirmation of Federal Judges," *Hearings Before the Judiciary Committee,* 1982, at 7.) (Emphasis to show the edited quote in the *Biden Report* at p. 66)

79. Similarly, the *Biden Report* quotes out of context from Judge Bork's writings on structural restraints in the Constitution on judicial power:

"Moreover, jurisdiction removal does not vindicate democratic governance, for it merely shifts ultimate power to different groups of judges. *Democratic responses to judicial excesses probably must come through the replacement of judges who die or retire with new judges of different views.* but this is a slow and uncertain process, the accidents of mortality being what they are and prediction of what new judges will do being so perilous. ("Judicial Review and Democracy," *Society,* Nov/Dec. 1986, at p. 6) (Emphasis to show the edited quote in the *Biden Report* at p. 66)

80. The *Biden Report* misquotes Judge Bork's discussion of the evolution of constitutional law in this century to imply that he would overturn a substantial number of Supreme Court decisions reached over the last thirty years. Compare the *Biden Report* excerpt:

"'[T]he Court . . . began in the mid-1950's to make . . . decisions for which it offered little or no constitutional argument-. . . . Much of the new judicial power claimed cannot be derived from the text, structure, or history of the Constitution.'" (*Biden Report* at p. 68 quoting from "Judicial Review and Democracy," *Encycolopedia of the American Constitution,* Vol. 2, at 1062 (1986).) (Emphasis added in the *Biden Report.*)

With a full review of the comment in its proper context, which reveals that Judge Bork was not discussing *stare decisis* at all:

"Nevertheless, if *the Court* stopped defending economic liberties without constitutional justification in the mid-1930's, it *began in the mid-1950's to make* other *decisions for which it offered little* or *no constitutional argument.* It had been generally assumed that constitutional questions were to be answered on ground of historical intent, but the Court began to make decisions that could hardly be, and were not, justified on that basis. Existing constitutional protections were expanded and new ones created. Sizable minorities on the Court indicated a willingness to go still further. The widespread perception that the judiciary was recreating the Constitution brought the tension between democracy and judicial review once more to a state of intellectual and political crisis. *Much of the new judicial power claimed cannot be derived from the text, structure, or history of the Constitution.* Perhaps because of the increasing obviousness of this fact, legal scholars began to erect new theories of the judicial role. These constructs, which appear to be acepted by a majority of those who write about constitutional theory, go by the general name of the noninterpretivism. . . ." ("Judicial Review and Democracy," *Encyclopedia of the American Constitution,* Vol. 2, at 1062 (1986).)

Mr. HATCH. Mr. President, I think that those who read the response to his record submitted by Senator BIDEN, who will take the time to read my analysis of the errors and omissions in that response, will be appalled at the professors who have participated in the vilification of Judge Bork in, I think, one of the most reprehensible ways I have found since I have been here.

It bothers me a lot, because it is my understanding that my friend and someone for whom I have a lot of regard, Robert Tribe, has rubber-stamped that report. It is his scholarly effort out of the past, and I hope it is not a presage to the scholars we have in the future. I think he should read these a little more carefully than he did in this particular instance.

Mr. President, I yield the floor.

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## THE DISARMAMENT DELUSION—PAST AND PRESENT

Mr. HELMS. Mr. President, less than 2 weeks ago in a letter published by the New York Times, former Secretary of State Dean Rusk admitted that the dismantling of U.S. Jupiter missiles in Turkey, following the United States-Soviet October missile crisis of 1962, was a quid pro quo for the withdrawal of Soviet missiles from Cuba. In the words of former Secretary Rusk:

> It was clear to me that President Kennedy would not let the Jupiters in Turkey become an obstacle to the removal of missile sites in Cuba.

There is no longer any doubt, as historians have discovered over the past decade, that a definite linkage existed between the removal of the Soviet missiles from Cuba and the removal of the Jupiters from Turkey.

It is important to note, Mr. President, that the Turkish Government desired that the 15 Jupiter missiles remain on Turkish soil. Like the present West German Government, the Turkish leaders only allowed the withdrawal of those missiles under strong American pressure. Then, as now, there was no NATO decision made to have the missiles removed. In fact, symbolically and practically, the removal of the Jupiter missiles in 1962, as with the impending withdrawal of the Pershing 1A missiles, represented a NATO defeat or at least a serious undermining of the political and military NATO deterrent.

The real truth of the matter is, to rework the famous statement of Secretary Rusk, that we stood eyeball to eyeball with the Soviets, and then we put on a blindfold. We did send a signal to the Soviets, but that signal was not the one generally associated with the October missile crisis. The signal was, in effect, an admission that enough pressure on the United States from the Soviet side will result in the United States comprising, withdrawing, and giving in. The message to our allies then, as now, was loud and clear. It is not accidental, Mr. President, that after the alleged Cuban missile Crisis, the Soviet Union attained parity with the United States in the nuclear arms arena.

The Kennedy administration had gained a media triumph as a result of the Cuban missile crisis, although the United States had actually engaged in a private trade—a trade that seriously weakened the nature of the United States deterrent. Subjected to a public humiliation by the American Government, the Kremlin leaders resolved never to let that situation reoccur. In the decade following the Cuban missile crisis, United States nuclear superiority was lost. The Soviets pulled even or surpassed, American nuclear capabilities, and thus set the stage for the next delusive arms control agreement—the ABM Treaty of 1972.

It is still difficult for me to understand what the Nixon administration was trying to accomplish with SALT I. President Nixon confided to a New York Times columnist in 1974 that "[t]he Soviets now have three times the missile strength [ICBM] of ourselves. * * *" Within a very short time, "they will pass us in submarines carrying nuclear missiles." He further conceded that a major Soviet goal in securing the SALT I Agreement was "to limit our ABM defensive systems because they knew our technology was better." And the United States, according to Nixon, needed to limit the Soviet offensive weapons, the ones that really count, "because they were moving faster than we were." This tied in with the Kissinger philosophy of when push comes to shove, the United States is likely to be pushed around, so that we should compromise and accommodate instead of standing firm and resolute.

Secretary Kissinger believed America to be in decline on the global scene and negotiated accordingly. We did slide backward because of such beliefs and the consequent actions associated with them.

I have already pointed out in great detail, Mr. President, the expanding number of Soviet violations of the SALT I and other arms control treaties. As I have stated numerous times on this floor, there is a repeated pattern of Soviet arms control violations.

The failure to have onsite inspection in the 1972 ABM Treaty constituted a serious deficiency in that agreement. The ABM Treaty attempted to bind our hands with respect to existing defensive weapons, while allowing the Soviets to increase their offensive nuclear capability. Now that we have threatened to catch up under the Reagan administration, and managed to have a credible theater nuclear deterrent, the Soviets have undertaken to delude us once again into believing that an unverified intermediate missile arms limitation treaty is in the best interests of the United States. Mr. President, it definitely is not.

Not only have the Soviets been engaged in a series of ongoing violations of several arms control agreements, but also they have never shared even minimal information with us about their nuclear weapons. Now we have again as in the past, I am sad to say, backed away from our previous insistence upon onsite inspection of the Soviet SS-20 missile production facilities. The inventor of the neutron bomb, Sam Cohen, recently observed in the Washington Times that "the entire history of nuclear arms control has been one of the Soviets refusing to allow realistic onsite inspection and the United States refusing to get realistic on this all-important issue." He goes on to say, and this is of the greatest significance, that "the Soviets have set us up to believe we can verify" without any onsite inspection. This is a naive delusion of the worst kind.

Gen. Bernard Rogers, the retiring Commander of NATO, has severely criticized recently enunciated U.S. arms control goals in Europe. Achievement of these goals will make the Soviets stronger in their military posture in Europe than they have been in a generation. Or as David Ignatius of the Washington Post has put it. "[w]ith the Pershings and cruise missiles gone, Europe will go back to the old leaky and unreliable American umbrella." The end result of that fallacious policy has to be a resurgence of neutralism in Western Europe and a severe erosion of the NATO Alliance. With the intermediate nuclear force weapons the lessons of history are foredoomed to repeat their failures. We have not paid attention to the historical record. We have allowed ourselves to be deluded by the siren song of negotiation with those who only negotiate agreements beneficial to themselves and detrimental to us. I cannot believe that we will continue to be so confused as to fail to distinguish what our security demands. The projected INF Treaty is a dangerous illusion of a peace that does not exist and a world which does not conform with the reality of international life. We must become more realistic in our arms control dealings with the Soviets, for the alternative is unthinkable, and, I hope, unimaginable.

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## NED DAY

Mr. REID. Mr. President, they had a memorial service for Ned Day last Tuesday. Las Vegas turned out to say goodbye to a man who had become a part of their lives; a part they hadn't thought of losing.

Ned Day was 42. He had been writing in Nevada since his early thirties. In the little more than a decade that he worked for the Las Vegas media, he touched innumerable lives. Mine was one of them.

When I met Ned he worked for the Valley Times, a struggling Las Vegas paper which was read by Nevada's powerbrokers first thing every morning. It was then that Ned established his reputation for getting the story; for getting it right, getting it first, and getting it no matter what the obstacles.

Ned was a reporter; I was in public life. If both sides are honest, that is never a simple relationship. Ours certainly wasn't easy, but it was strongly based on mutual respect.

The more I knew Ned Day the more convinced I became that he called the shots the way he saw them, without fear of anyone, and with an unshakable commitment to whatever he believed to be right. He offered advice, he offered criticism, he offered praise; always in public, and always without malice.

Many of us, I think, find it difficult to comprehend a person who is so dedicated to institutional concepts that his positions cross all party lines, and his arrows strike targets in all directions and of every stripe. In Ned's case, I think I came to understand something about him. He was utterly and totally attached to the concept of the first amendment, and of the journalist as the eyes, ears, and especially the voice of the people.

It was that attachment that made Ned work so hard. He never wrote a story he hadn't double checked. He never took a shot if he hadn't given its target an opportunity to respond in advance. He never backed away when the rights of the little guy or of the people at large were involved. And Ned Day was always big enough to admit in print on the rare occasions when he was wrong or had made a mistake.

Ned was also a man with a delightful sense of humor, a man who could poke fund at pomposity with almost childlike glee, and who never took anybody, including himself, too seriously.

There will be other journalists writing other columns in Nevada. We have a tradition of fine investigative reporting and wonderful satirists going back over a hundred years. Stories will be broken, and typed on battered typewriters by hard-bitten, hard-working, men and women struggling under a deadline.

For a while though, I think for a long while, on Wednesdays, Fridays, and Sundays, when we pick up the newspaper in the morning, there are a lot of Nevadans who will turn to the last inside page of the B section to see what Ned had to say. And we'll miss him, we'll miss him a great deal, when he isn't there.

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## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

Mr. CHILES. Mr. President, I ask unanimous consent to continue in morning business for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. CHILES are located under Resolutions Submitted in today's RECORD.)

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## SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The time for morning business having expired, the clerk will report the unfinished business.

The assistant legislative clerk read as follows:

> A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Byrd-Boren Amendment No. 305, in the nature of a substitute.

(2) Helms Amendment No. 676, to authorize funds for military assistance to the Democratic Resistance in Nicaragua unless the President certifies to Congress that the Communist government in Nicaragua has met certain conditions.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, as acting Republican leader, I yield myself 5 minutes.

The PRESIDING OFFICER. Under the previous order, the time between now and 11 o'clock shall be equally controlled by the majority and minority leaders or their designees.

The Senator may proceed.

### AMENDMENT NO. 677 TO AMENDMENT NO. 676

(Purpose: To affirm that the Monroe Doctrine is and should remain the basis for the policy of the United States in Central America)

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The Clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Idaho (Mr. Symms) proposes an amendment numbered 677.
>
> Add at the end of the Helms Amendment the following new section:
>
> "Sec. . It is the sense of the Senate that the policy of the United States toward Central America should be based on the principles of the Monroe Doctrine, to wit: "the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Power * * * we could not view any interposition for the purpose of oppressing them, or controlling, in any other manner, their destiny, by any European Power in any other light than as the manifestation of an unfriendly disposition towards the United States.".

**Mr. SYMMS**. Mr. President, the amendment I just sent to the desk is intended to reassure the American people that the U.S. Senate stands solidly behind the principles of the Monroe Doctrine—principles which have guided United States foreign policy in Central America consistently for a century and a half.

These principles are well known to the American public. The Monroe Doctrine states that the nations of Central America are:

> Henceforth not to be considered as subjects for future colonization by any European Power * * * we could not view any interposition for the purpose of oppressing them, or controlling, in any manner, their destiny, by any European Power in any other light than as the manifestation of an unfriendly disposition towards the United States.

Nicaragua is clearly controlled by Cuba and the Russians. In fact, Daniel Ortega himself admitted this to me and the Republican delegation when we visited Nicaragua just days ago.

Ortega said he wanted to talk directly with the United States and leave the Nicaraguan freedom fighters out of all negotiations. Orgeta then said he wanted to talk with the freedom fighters' "bosses."

At that point, my good friend and colleague from Arizona, Senator McCain said "maybe we should talk with your bosses in Moscow and Havana." Ortega, in his regular foaming at the mouth fashion said, "Go ahead. Phone Castro and Gorbachev." He went on ad nauseum about how we could talk to his bosses in Cuba and Moscow.

In fact, on the very day the Central American freedom fighter sellout plan is to take effect, Ortega will be in Moscow participating in celebrations of the Communist revolution. Ortega will be in Moscow because he knows on which side his bread is buttered. Without Soviet support, he could not remain in power. He needs the Soviet's totalitarian political technology—with all its East German security experts, Cuban military advisers, and East bloc propaganda experts.

It is clear that Nicaragua is a Soviet colony in Central America. It is a direct confrontation with the Monroe Doctrine and its time-honored principles. Mr. President, it is about time the United States honored the Monroe Doctrine. Mr. President, we must stand with the American public and keep the Communists out of Central America and reaffirm the Monroe Doctrine.

Mr. President, the American public is worried about communism in Central America and they should be. First there were Communists in Cuba, then Nicaragua, then Grenada—although Reagan rolled back that threat and there is now an elected government in Grenada. Now there are armed Communist guerrillas in El Salvador, Honduras, and Guatemala. Nicaragua and Cuba are now training Communist guerrillas for Mexico and Costa Rica. Costa Rica does not even have any armed forces, only a police force.

Costa Rica does not even have armed forces, Mr. President, only a police force. So the American people have a right to be concerned. If we are not willing to support the freedom fighters in Nicaragua, Mr. President, we will be forced as responsible leaders for freedom and peace in the Western Hemisphere to use American troops, young United States citizens. There are troops in the field now fighting for our freedom—young Nicaraguan youths that are from the age of 15, 22, 23, 24, very young soldiers in the field fighting this battle for our freedom as well as their freedom.

But, Mr. President, I think that the American people have a right to be protected from this insidious cancer that sends refugees and illegal immigrants fleeing to our border. Our undefended border with Mexico is 1,937 miles long. Even Lenin said, "When communism is forced on any country, people will vote with their feet." Today thousands of illegal aliens are crossing the border every day. As I have said over and over on this floor, we in this country are passing laws to keep people out at the same time the Soviets and other dictatorships are shooting people when they try to leave, yet somehow it seems to be a debatable issue and we have a difficult time winning public support even though it's an issue of who is on the side of freedom, who is on the side of peace.

As Senator McCain said to Mr. Ortega, "When we talk about peace, we are not talking about the kind of peace that is enjoyed in Cuba and Vietnam and Czechoslovakia and other places behind the Iron Curtain. There is no real peace from an American's point of view in the gulag. Peace and freedom are inseparable."

Mr. President, Colonel North was right when he said if we allow communism to subvert the democratic countries in Central America, we will have to build a Berlin Wall along our border to keep people out of our country.

Will the Senate go on record leaving Central America wide open to Soviet military and political subversion and colonization by voting against the Monroe Doctrine? I think not, Mr. President. I think we should affirm the Monroe Doctrine with a vote on this amendment. I stand with the American people in wanting to keep our southern border secure from Soviet military aggression. The American people have a right to know where the Senate stands, and that is why I offer this amendment.

Mr. President, I ask unanimous consent that an article entitled "Sandinistas Use 'Peace' Lull To Supply Rebels, Duarte Says," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### SANDINISTAS USE "PEACE" LULL TO SUPPLY REBELS, DUARTE SAYS

(By John McCaslin)

San Jose, Costa Rica.—The Marxist Sandinista regime in Nicaragua has "dramatically increased" shipments of military hardware to Communist guerrillas fighting inside El Salvador in the month since the new Central American peace proposal was initialed, Salvadoran President Jose Napoleon Duarte has told a U.S. congressional delegation.

The Sandinistas currently are "loading up the FMLN guerrillas with military equipment," Mr. Duarte told Rep. Jack Kemp and other members of the American delegation in a two-hour meeting Tuesday evening.

A senior U.S. official stationed in San Salvador confirmed yesterday that "our monitoring of [Sandinista] troops who supply the guerrillas shows patterns indicating that resupply efforts are taking place."

Another U.S. official, who spoke on condition that he not be identified, said yesterday he was informed by Mr. Duarte this week "that the FMLN is on the phone with Managua daily."

The official said FMLN representatives met with Costa Rican President Oscar Arias Sanchez yesterday about peace negotiations "and told him they had to check on minor details with Managua."

Mr. Kemp, New York Republican, and a large contingent of conservative leaders from around the United States flew back to Washington late last night convinced that the "future of the Western Hemisphere" rests with Congress and their up-or-down vote on aid to the Nicaraguan resistance.

Mr. Kemp met here yesterday with Mr. Arias, author of a regional peace plan signed last month by leaders of the five Central American nations.

"The future of the Western Hemisphere—the future of our own country—will be decided by Congress within the next couple of weeks," said Mr. Kemp, who said he told Mr. Arias that his Central American peace plan is "flawed."

Mr. Kemp, who is seeking the Republican nomination for president in 1988; Rep. Beau Boulter, Texas Republican; and the group of about 60 conservative leaders where in Central America on a two-day, fact-finding mission.

"When President Reagan signed the Wright plan, the Contras must have wondered if anyone else [who supported their cause] was left up there" in Washington, Mr. Kemp said. The so-called Reagan-Wright peace plan is an initiative offered by the president and House Speaker Jim Wright, but not accepted by the Central American leaders.

"We gave a much needed shot in the arm to the Contras that their cause was not forgotten," Mr. Kemp said in an interview here yesterday. "We want to force the White House to deal with the issue and we want an up-or-down vote by Congress."

Mr. Kemp, Mr. Boulter and Sen. Jesse Helms, North Carolina Republican, will introduce legislation calling for $310 million in military aid to the resistance over the next 18 months.

At a meeting Tuesday in Tegucigalpa between Mr. Kemp and Honduran President Jose Azcona, Mr. Azcona "made it very clear that the working hypothesis of the Guatemala peace plan is continued assistance to the freedom fighters," Mr. Kemp said.

"After November 7, (Mr. Azcona) said if there is a genuine cease-fire, genuine amnesty and a genuine beginning of political democratic reforms, then there would be no need for continued assistance, but up until that time there should be," he said.

Congressman Boulter said the message Mr. Azcona portrayed was to "be sure to get a vote" in Congress for military aid.

Mr. Kemp said his meeting here yesterday with Mr. Arias was "very candid. He clearly is the most critical (leader) against Contra aid, which puts him at odds with us."

**Mr. SYMMS**. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER**. The Senator has 30 seconds remaining.

**Mr. SYMMS**. Mr. President, I reserve the remaining time for the minority leader.

**Mr. BYRD**. Mr. President, the Senate will vote at 11 o'clock under the order on the motion to invoke cloture. Amendments have been offered to the bill which are not germane. Should cloture be invoked, those amendments would fall. May I ask the Chair if I am correct?

The **PRESIDING OFFICER**. The majority leader is correct.

**Mr. BYRD**. So these are nongermane amendments, without discussing the merits or demerits of them, which is beside the point because obviously the Senate is not going to vote on them. Instead, we are going to keep our eyes on the ball, and the ball here is campaign finance reform. The ball is not the Monroe Doctrine. The ball is not Contra aid. There are times when those matters may be before the Senate for discussion, possibly action—certainly Contra aid at some point probably—but this is not the time. Senators may speak on anything they wish when they get the floor, and the offering of the amendments certainly is within the rules and certainly within the rights of Senators. But let us not be distracted by such amendments. The ball is campaign finance reform. The distinguished Republican leader has sent to the desk a bill that deals with "campaign finance reform," and he at some point could offer that as an amendment and that would be more to the point. But even there the distinguished Republican leader's proposal puts no limitation on campaign spending.

There can be no campaign finance reform unless there is a limitation on campaign spending. That is what it is all about.

The Republican conference took a position several weeks ago, as a matter of fact, that it would be opposed to any measure that put a limitation on campaign spending. Of course, the strawman for a long time was public financing. But the Republican conference finally came right out in the open, laid it right on top of the table, that it would be against anything which involved public financing, and anything that involved a limitation on campaign spending. Mr. Boren and other Senators and I have proposed changes in our original measure that have practically eliminated all aspects of public financing. So what we are really down to now is the nitty-gritty of limitations on PAC contributions, and limitations on campaign spending.

Now, the other amendments that are offered, even though, as I say, Senators are within the rules to offer them—Senators, of course, have their consciences and hearts dead set on the subject matter of the amendments they have offered. They would spill their blood; they would wade any river, climb any mountain to achieve the goals of their amendment, but they know as well that those amendments have nothing whatsoever to do with campaign finance reform. What we see here in fact is a continuation of the effort that has gone on for so long; namely, prevent action on campaign finance reform. The Senate has had five cloture votes on this matter, and we have failed five times. Robert Bruce tried seven times and he finally succeeded. So, we are trying again today. This will be the sixth effort at cloture. But all of this other is just camouflage; it is shadowboxing; it is make-believe. All of these amendments about the Monroe Doctrine, Contra aid, and so on, meritorious as they may be within their own right, certainly have no place on campaign finance reform. So, what we are seeing, as I said, is just a continuation of the filibuster.

Now, Mr. President, we are about to vote within a minute. Not many Senators are on the floor. I ask unanimous consent that the Senate may proceed for—I am sure that the prime sponsor of this measure, who is on the floor, would wish to speak. How much time would he like?

**Mr. BOREN**. Five minutes, if that would be possible.

**Mr. BYRD**. Five minutes. All right. And I would like 5 minutes. I would include in my request that the Republican side have 10 minutes, also.

Mr. President, I yield the floor, and I ask that the time be under the control of the two leaders—that 20 minutes be equally divided.

The **PRESIDING OFFICER** (Mr. Fowler). Without objection, it is so ordered.

**Mr. BYRD**. I yield 5 minutes to the prime sponsor of the measure—Mr. Boren.

**Mr. BOREN**. I thank the distinguished majority leader for yielding to me, and I thank him for his unswerving support in his commitment to the cause of true campaign finance reform.

Mr. President, in just a few days, we will be celebrating the bicentennial of the Constitution of the United States. We are charged with a special responsibility to protect that Constitution and to protect that constitutional process. At the heart of the constitutional process, the building block upon which the legitimacy of our political system rests, is the consent of the governed. It is the election process itself. It is that process by which the people select their elected representatives. That is the question; that is what is really at stake as we cast this vote on cloture on campaign finance reform in just a few minutes. It is the integrity of the election process itself.

When we began to debate this issue, there were those who criticized our original proposal because they said it was a proposal for public financing of campaigns. They indicated that that was the basis of their objection to what we were trying to do. Mr. President, this proposal has been modified from the original one. We have taken out virtually all the public financing of campaigns, leaving the backup funds from the checkoff system solely as an enforcement mechanism to be used only if one of the candidates voluntarily breaches the spending limits which are agreed to when that person becomes a candidate.

What we are really dealing with, the fundamental question we must ask, is whether or not we want to have competition in our political system based not upon issues, not upon qualifications and character of the candidates, and not upon the experience of the candidates, but based upon which candidate can raise the most money with which to finance a political campaign.

In the last decade, the cost of campaigns for the U.S. Senate has risen by almost 500 percent. There is no end in sight. As the cost has skyrocketed, fewer and fewer of those dollars proportionally have come from the people back home at the grassroots, the people who are supposed to be represented here through our political process. More and more of the money has had to come from special groups as costs have gone up at an astronomical rate, groups which rate and make campaign contributions to Members of the U.S. Senate not based upon their total record of service but upon a narrow range of votes that affect their special interest, usually in an economic way.

Mr. President, what we are seeing is the erosion of the democratic process itself. As I have said many times, there are many young people in this country who hope to have an opportunity to render public service in the future. They are people who would like to enter the political process because they want to serve their country. They want to contribute ideas. They want to contribute concepts. They want to contribute plans to meet the challenges which face this country. They are discouraged and turned away from the political process when they understand that they will not only have to run on their merits, that they will not only have to run for office based upon their hopes and plans for this country, that they will not only have to run for office on the basis of how they stand in their own communities, their reputation with the people who know them best, but also, they will have to run for office largely on the basis of their ability to raise money, particularly to raise money from groups that have no contact with their home States at all and that are making campaign contributions based upon economic self-interest.

Mr. President, we have an obligation, as we approach the bicentennial of the Constitution, to preserve the spirit of this document, to preserve its vitality, to preserve the trust that the people have in our own Government, to preserve that sense that is in the public that they are the ones that control their own Government through the election process.

The smoke has been cleared away. The real issue now is clear. The division of opinion on the Senate floor is between those who want to see competition in politics based upon a competition of ideas and qualifications versus those who still want the opportunity, by spending enormous amounts of money, to buy elections—to buy elections by packaging the product in such a way that they can influence the voters not on the basis of the issues but on the basis of who has the most access, who has the most television time, who has the most radio time, who has the most inches of advertising, who has the most mail; in essence, who has the most money.

Mr. President, we must not allow the highest positions of public trust in this land to be placed on the auction block for sale to the highest bidder.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD. Mr. President, what we are seeing is a money chase. The aristocracy of the money bag is the governing standard of politics, and we are seeing the institution of the Congress undermined. We are seeing the constitutional system of representative government undereaten by the growing distrust of the American public toward the institution. So there is a lot at stake here.

What we are trying to do is save the institution from the obloquy and the calumny of opprobrious criticism, and we all ought to be interested in doing something about it to save this institution.

It is getting worse. Senators are being taken away from their work here and away from their families in order that they may go out in the country, from the Atlantic to the Pacific, from the Canadian border to the Gulf of Mexico, to raise money—not from their constituents, but from party supporters throughout the country.

What was the average last year? About $3 million per Senate seat. And it is expected to be more next year. It is getting worse and worse and worse.

So, Mr. President, it comes down to the raw question: How much do you want to pay for Senate seat? It is just the plain. How much does it take to buy a Senate seat?

Mr. President, we all ought to be interested in maintaining the integrity of the institution and the constitutional process and the electoral process. What we are seeing is a prostitution of the electorial process: Who can raise the most money.

Mr. SYMMS. Mr. President, will the distinguished majority leader yield for a question?

Mr. BYRD. In a moment.

Who can raise the most money. We are victims of the system. I am having to raise money. There are Senators who, as soon as they get here, have to start raising money to pay off the debts of the last campaign; and then, when those are paid off, to raise the money for the next election which is 6 years away or 5 years away or 3 years away, or whatever.

And we are already closing down this Senate one day out of the five, Monday, Tuesday, Wednesday, Thursday, Friday. We are not coming in on Mondays. Why? Because Senators are not here. They have to be out raising money. And they have to do this on both sides of the aisle.

Who sees that more than I do as the majority leader, the Senator who has to schedule the program, who has to check the attendance, who has to see if the Senators are here? And with only 54 votes on the majority side and 3 running for President, if you have one out attending a funeral or out at the hospital we no longer have a majority. I know that Senators have to raise money for campaigns. I am a victim of the system, just as others are. I have to raise money. We are trying to change this system, but it is still the system, like it or not. It is in place and we have to play by the rules of the game that governs us now.

I cannot ignore my race for reelection next year. I want to continue in public service. I want to continue to serve the people of West Virginia. After 29 years, I am in a position to continue to serve the people of West Virginia and the people of this country. So I have to raise money, too, and it is demeaning. It takes the time of Senators. It takes us away from our families and our work, and we ought to put a stop to it and this is the opportunity to do that.

Mr. President, I ask unanimous consent that I may have an additional 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, let me try to recite a poem that I think is appropriate here and I will ask my friend from Illinois and my friend from Oklahoma if this poem is not appropriate as they listen to it. I may have problems with remembering it. But I want them to tell me if it is appropriate when it is over.

'Twas a dangerous cliff, as they freely confessed,
Though to walk near its crest was so pleasant;
But over its terrible edge there had slipped
A duke and full many a peasant.
So the people said something would have to be done,
But their projects did not at all tally;
Some said, "Put a fence around the edge of the cliff,"
Some, "An ambulance down in the valley."
But the cry for the ambulance carried the day,
For it spread through the neighboring city;
A fence may be useful or not, it is true,
But each heart became brimful of pity
For those who slipped over that dangerous cliff;
And the dwellers in highway and alley
Gave pounds or gave pence, not to put up a fence,
But an ambulance down in the valley.
"For the cliff is all right, if you're careful," they said,
"And, if folks even slip and are dropping,
It isn't the slipping that hurts them so much,
As the shock down below when they're stopping."
So day after day, as these mishaps occurred,
Quick forth would these rescuers sally
To pick up the victims who fell off the cliff,
With their ambulance down in the valley.
Then an old sage remarked: "It's a marvel to me
That people give far more attention
To repairing results than to stopping the cause,
When they'd much better aim at prevention.

Let us stop at its source all this mischief," cried he,
"Come, neighbors and friends, let us rally;
If the cliff we will fence we might almost dispense
With the ambulance down in the valley."
"Oh, he's a fanatic," the others rejoined,
"Dispense with the ambulance? Never!
He'd dispense with all charities, too, if he could;
No! No! We'll support them forever.
Aren't we picking up folks just as fast as they fall?
And shall this man dictate to us? Shall he?
Why should people of sense stop to put up a fence,
While the ambulance works down in the valley?"
But a sensible few, who are practical too,
Will not bear with such nonsense much longer;
They believe that prevention is better than cure,
And their party will soon be the stronger.
Encourage them then, with your purse, voice, and pen,
And while other philanthropists dally,
They will scorn all pretense and put up a stout fence
On the cliff that hangs over the valley.

[Applause.]

Mr. BOREN. Excellent.

Mr. BYRD. I am not finished yet.

Mr. BOREN. Oh, all right.

Mr. BYRD [continuing].

Better guide well the young than reclaim them when old,
For the voice of true wisdom is calling,
"To rescue the fallen is good, but 'tis best
To Prevent other people from falling."
Better close up the source of temptation and crime
Than deliver from dungeon or galley;
Better put a strong fence round the top of the cliff
Than an ambulance down in the valley."

What we are talking about is putting up that fence around the edge of the cliff. We are all at the edge of the precipice, Members of the Senate, those who seek public office, because the ambulance is down there and it is even running in the wrong direction. It is not running in the direction of healing and repairing and making whole. It is running in the direction of destruction and tearing down, and so I adjure my colleagues to please think about what is at stake.

Let us put a fence around the edge of the cliff. That fence is a limitation on campaign spending. There can be no campaign finance reform without it.

Mr. HOLLINGS. Mr. President, the majority leader and I agree that campaign spending is completely out of control. Everyone has heard the parade of statistics—$10,000 a day in fundraising, $3 million to run for the Senate, and nearly half a billion dollars total spent on congressional campaigns in the last election cycle—and they are appalling.

The majority leader and the Senator from Oklahoma, Senator BOREN, have worked hard, persevered, and done an excellent job of presenting the excesses of our current campaign financing law. The debate on S. 2, the Boren-Byrd bill, has been a good vehicle to force debate on a complex problem, but this debate has reenforced my belief that no mere legislative remedy is sufficient to extricate us from the mess we are in.

As the majority leader well knows, I have proposed a constitutional amendment, Senate Joint Resolution 21, that would allow Congress to limit spending in campaigns for Federal office. The only way to really get at the problem—too much money—is to amend the Constitution to get around the wrong headed decision of the Supreme Court in Buckley versus Valeo. The Congress recognized this when it passed the Campaign Finance Amendments of 1974 placing absolute limits on expenditures based on population, and it is time for us to get back to that approach. At this time, Senate Joint Resolution 21 has 16 bipartisan cosponsors including the majority leader, the majority whip, Senator CRANSTON, Senator HEFLIN, and Senator STEVENS, the ranking member of the Rules Committee.

The good debate we have had this year has come in the context of a bill, S. 2, and as the majority leader knows as well as anyone, a bill and a constitutional amendment are two distinct legislative animals which require different methods of approval in order to become effective.

Mr. BYRD. The Senator from South Carolina is correct. A bill requires a simple majority of both Houses of Congress, and the signature of the President, while a constitutional amendment is a joint resolution which requires a two-thirds vote of each House and ratification by the States.

Mr. HOLLINGS. Because of the incompatability of these two legislative vehicles, I have been unable to be a full participant in the debate, and I believe it is important that the Senate have an opportunity to examine the merits of the approach taken by Senate Joint Resolution 21. After discussions with the majority leader, he has agreed that the Senate should have such an opportunity, and that he will have a vote on Senate Joint Resolution 21 on the floor of the Senate soon after we return in January.

Mr. BYRD. The Senator from South Carolina has accurately recounted our discussion. I cannot guarantee a vote on Senate Joint Resolution 21, but I can assure the able Senator that I will make every good faith effort to call up the Senator's resolution and get a vote on it. I hope we will not encounter a filibuster on it as we have on S. 2, which I expect to revisit also early next year if not before. I still hope to achieve cloture today in S. 2 or on another cloture motion next week. As a cosponsor of his constitutional amendment, I think it is a sound approach and one that should get full consideration by the Senate, and I hope, approval. My concern is that the ratification process can be a long one and I believe it is imperative that we move forward with S. 2 now, and then set the wheels of constitutional change in motion.

Mr. HOLLINGS. I thank the majority leader for his help and support and I look forward to working with him to getting Senate Joint Resolution 21 out of the Congress and to the States where I expect strong support and a quick ratification process.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, how much time is allotted to this side?

The PRESIDING OFFICER. Ten minutes remain.

Mr. McCONNELL. I thank the Chair.

Mr. SYMMS. Mr. President, will the Senator yield me 2 minutes?

Mr. McCONNELL. I yield 2 minutes to the distinguished Senator from Idaho?

Mr. SYMMS. Mr. President, I thank the distinguished leader.

Mr. BYRD. Mr. President, the other side is really entitled to more than 10 minutes. We had I think 15 minutes. I ask unanimous consent that the other side may have an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. I thank the majority leader and thank my good friend from Kentucky who has been very diligent and stalwart on the floor on this issue for the Republican side.

Mr. President, I listened with great interest to the majority leader's analysis, but as he talks about these seats being for sale, I look up at my good friend of the other party and former colleague from the House, who is now the distinguished occupant of the chair, and what the distinguished majority leader is saying simply does not wash in terms of what was spent, for example, in the State of Georgia.

I do not know the numbers but I suspect that our former colleague from Georgia had many more dollars in his campaign than the distinguished occupant of the chair. I do not know that.

I see the distinguished occupant of the chair nodding his head that is true; in other words, that he had less money in his campaign than the former Senator whom he defeated. The fact is, I think, if one will look at the record of 1986 elections, in generality the Republican candidates had more money than the Democratic candidates. But most of the Democratic candidates were successful. In cases where there was a lot of money spent per voter, we had a higher voter turnout.

Do we want a high voter turnout in a free society or do we not? I think most of us will say we do want a higher turnout.

In my State we had one of the highest voter turnouts of anyplace in the United States. It was a very expensive race. Both candidates were very well financed. I do not think that either one of them were for sale. They just had good supporters who believed what they believed in supporting on both sides of the issue and it was a healthy, high-spirited, highly visible campaign in my State with a lot of public participation. In a free society the democratic process is not a spectator support.

The American people have the opportunity to participate in these races if they wish to do so and the amount of money that is spent on political races when you consider the amount of power that rests in the U.S. Senate may be very small compared with what is spent on advertising daily on television. So I think it is a matter of how one looks at it.

I want to say one other thing: The power of the people rests in their votes, their franchise. If we reduce the ability of candidates to tell their story by using modern technology, modern printing, modern television, and modern radio to reach the people, then we will increase the power of the news media. If that is the goal of the authors of this bill, then they have presented a bill which certainly will achieve their goal. Political power is a zero sum game and if you reduce the ability of candidates to advertise their beliefs, you will increase the power of those people who write the editorials, place the news articles in the papers, and write the headlines.

That is why all the newspapers write editorials supporting this bill. They have an institutional conflict of interest in favor of limiting spending on campaign advertising because it gives them more power as the editorial writers of the news journals because they can decide who the U.S. Senators are going to be. We can end up with a one-party South, for example, we will just have Democrats from the South; we will not have a Republican Party.

Is that what our goal is, not to have a two-party system? I think that is not healthy and not good for the country.

I would urge my colleagues to vote down the cloture motion.

Also, Mr. President, the amendments now pending, the Helms amendment as amended by the Symms amendment, are very pertinent. I would like to see the Senate vote on those two issues and I would like to see it vote on them yet today. They are very, very pertinent to what is going on in the country.

I do not believe that the issue of S. 2 per se is the burning issue out around America. It is a burning issue for a very, very few people who seek more political power. Some of the big newspapers would like to select and have more influence on who they select to be U.S. Senators.

It certainly might be an advantage, as I said earlier on this floor, for the Democratic Party to limit spending and have the incumbency. It certainly is going to be a favorable thing for incumbents to limit how much money can be spent because a Senator will be able to make more news than a challenger.

Our system may not be perfect, but I look around the rest of the world and recognize that we have a constitutional system. If we had a parliamentary system in this country like Great Britain, for example, where you call an election in 6 weeks, that would limit spending. There would not be time to spend so much money.

But in the 1986 campaign, my opponent was a sitting Governor who knew I would be up for election in November 1986. He started running the day he was reelected Governor in 1982 and ran for the U.S. Senate for 4 years. He used all of the power that goes with the Governor's office to run for the Senate. It is a free country. I did not complain about it, but it is a fact. The Senate Chamber is full of former Governors, people who were able to make news in their States and keep themselves in the public eye and then run for the U.S. Senate.

There is nothing wrong with having former Governors in the Senate.

But the fact of the matter is that Governors can generate millions of dollars worth of free publicity and free advertising for themselves. They have the State airplane, they have the State police, they have State transportation, they can have press conferences in every town in the State and be close to those locations. So they have a great advantage in running for office. Now we are going to limit what the opposition can spend.

Mr. President, we have a Constitution. If people think there is too much money spent on Senate races we could repeal the amendment to the Constitution and let the legislatures appoint the Senators. I do not think that would get many votes in this Chamber, but that is one thing that could be done. Let the legislatures appoint the Senators, then you will not have big expensive U.S. Senate races. The money will be spent electing local legislators to see who they would want to appoint to the Senate. Maybe that would be more healthy for the country.

But let us not throw the baby out with the bath water. We have a great system. We should not be infringing on the freedom of speech and the opportunity for people to tell their stories. We should not transfer great political power from the U.S. Senate to give more power to a news media that already has a disproportionate amount of power in the decisionmaking process in this country. I think it would be unhealthy for the country. So I hope my colleagues will continue to vote down this cloture motion.

I yield the floor.

The PRESIDING OFFICER. Senator McConnell is recognized and has 6½ minutes remaining.

Mr. McCONNELL. I thank the Chair.

I want to thank my friend from Idaho for his outstanding contribution to this debate. He is, of course, correct when he says that the candidate who spends the most does not always win. The Senator from Kentucky was outspent by some one-half million dollars in 1984, and managed to defeat an entrenched, well-funded, incumbent opponent. Six out of the seven successful challengers to the Senate in 1986 were outspent almost 150 percent by their opponents. So it is flatly untrue to say that these offices are simply "for sale to the highest bidder." Candidates spend money to communicate their ideas; if their ideas aren't popular, then big spending will only hasten their defeat.

Mr. President, what issues have been before this country in the last 4 months? In this body, we have wasted nearly 20 days on S. 2. We all know that the real issues concerning our Nation are languishing. We have not passed a single appropriations bill yet. We have budget matters to resolve. We have a Supreme Court Justice to confirm. I might add as well that we have a lawsuit crisis that America demands an answer to. And yet we are still hashing out S. 2: A bill that few understand and many don't want.

What is this bill all about? Mr. President, this is a bill to limit the freedom of expression and popular participation in government. It cuts out the voice of middle America by building a wall of limits around Washington. Yet it pays lip service to the public's legitimate concern about special interest money in campaigns: Political action committees and under-the-table "soft money."

I think it is clear that the overwhelming majority of people on this side of the aisle, and a few reasonable Members on the other side, are not going along with such an antidemocratic, and antigrassroots proposal, under the guise of "campaign finance reform." Mr. President, S. 2 is not campaign finance reform. It is classic special interest legislation, except the special interest here is ourselves: Insulating our incumbencies from attack, lessening our fundraising burden by dumping it on the backs of the American taxpayer.

Clearly, it is time for the obstructionists on the other side of the aisle to abandon their antinegotiation, procloture stance, and begin to consider

our overtures to reach a meaningful, bipartisan reform bill that shows how we are all serious about campaign finance reform. Let there be no mistake: A vote for cloture is a vote against campaign reform, because S. 2 has nothing to do with the public's real reform concerns; further, it is an unpassable bill: It will either stagnate here or be vetoed by the President. A vote against cloture is a vote for negotiation, for open amendments, for devising a bill that will pass unscathed. A vote against cloture is a vote for reforms that the public is truly concerned about; it is a vote for measures which we can all support.

We are willing to support statutory elimination of the millionaires' loophole. We are willing to support curbs on PAC contributions. If there is any interest in this issue at all, it is over the dominance of PAC contributions in campaign finance. We can deal with that. We can do something to reduce the cost of television advertisements. All of these proposals add up to real campaign finance reform.

I think that it should be clear to the other side of the aisle by this point that we cannot support a measure that is out to destroy the Republican Party by taking away the support it has earned from mainstream America, from the grassroots level; or a measure which tries to bolster the money base of the Democratic Party, which is largely labor unions, PAC's, and wealthy individuals. Make no mistake about it, Mr. President, that is what this debate is all about. True campaign finance reform comes about when you sit down on a bipartisan basis, and address issues upon which we can all agree. But S. 2, in the first version, second version, and third version, is designed to enhance the advantage of the Democratic Party and to slash the advantage of the Republican Party. Now that is not campaign finance reform, Mr. President. S. 2 is both pro-Democrat and antidemocratic, and we cannot accept it, as Republicans or as believers in a democratic republic.

When the majority wants to sit down and write a bipartisan proposal, we are ready, as we were back in May and June and on any of the 20 days that we have spent on this issue.

The distinguished majority leader is, of course, without peer as a poet in this body. Around his poem he weaved a complaint about the time involved in raising early money and how it interfered with the business of the Senate. There are indeed plenty of hurdles bogging down the Senate. I sympathize with the majority leader, having to clear those various hurdles in order to get the Senate's business done.

But, in the opinion of the Senator from Kentucky, campaign fundraising is not disrupting the business of the Senate. Consider if you will the class of 1990, which would be early fundraisers at this point, since those who are up in 1988 should be raising money now. If you look at the funds raised by the class of 1990 through the end of last year, the most recent figures we have available, 17 of 33 people who would be up in 1990 have raised less than $100,000; 24 have raised less than $200,000, and only 9 have raised more than $200,000, in the first 2 years of their terms. This includes, by the way, leftover funds from previous election campaigns. Clearly, there is not the extent of early fundraising which the distinguished majority leader has expressed concern about. Campaign spending is not at a level that necessitates constant fundraising activity; and, in fact, we don't fundraise that obsessively in this body.

Obviously, those who are facing a contest in 1988 are spending a lot of time preparing their campaign war chests. There is no question about that, and it is not wrong for them to do so. After all, we do not own these seats. Occasionally we have aggressive challengers who force us to be more active, more aggressive, and more in touch with our main fundraising source: The voters. If the distinguished majority leader is having to raise money for his contest next year, it must be because he faces a strong challenger. That is not bad for the people of West Virginia; let them participate in their government. Let them have an opportunity to see both sides expressed. Let them contribute freely to whomever they believe in. That is the rough-and-tumble of American politics, and we shouldn't put a suffocating lid on it.

In the so-called good old days that S. 2's supporters hark back to, we had a simpler life; we went down to the courthouse steps and people came to hear us make a speech. Well, some of us still do that. We do not have huge crowds any more, however, because everybody is watching television on their free time. What has driven up the cost of campaigns and the amount of money raised is, of course, the importance of using the most effective means of communication in the modern age, and that is television. That is not bad; in fact, there have been some tremendous benefits for our democratic system. It is better that voters form their own opinions on the basis of television-communicated information, rather than rely on some ward boss or union boss or company official who tells you how to vote. Voters are now able to make an independent judgment, and that results in better representation. Certainly, the television-based campaign costs us all a lot more. But in democratic elections, as in everything else, you get what you pay for. S. 2 would simply make the taxpayers pay the costs of democracy; but like any other government program, the government subsidy on democracy would pale in comparison to what free individuals give now, totally voluntarily.

So, Mr. President, in summary, we should close debate on S. 2. It is a shallow, destructive bill. It would cost taxpayers, even in its third revised form, up to $150 million every cycle, in Senate and House elections combined. It creates an entitlement program for politicians, when we have doubled the national debt in the last 6 years. It was one thing to give handouts to Presidential hopefuls; but to start soaking up taxpayers' hard-earned money ourselves is a most selfish and cynical act. Instead, we ought to sit down and write a truly bipartisan measure that could pass this body 90 to 5.

So, Mr. President, I hope that the cloture will not be invoked. I see that the distinguished Republican leader is on the floor and I yield to him.

Mr. DOLE. Mr. President, how much time remains?

The PRESIDING OFFICER. Thirty seconds.

Mr. DOLE. Mr. President, I ask unanimous consent that I may proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Kansas, the Republican leader is recognized.

Mr. DOLE. Let me indicate, Mr. President, I think this matter is serious. I see the distinguished Senator from Oklahoma is on the floor. The Senator from Kentucky has been leader on this side of the aisle.

I introduced a bill last evening which I hope Members and staff will look at. We tried to have an objective critique of S. 2, the present version of S. 2; and also introduced a bill which in many respects is similar to the Boren-Goldwater bill of last year.

As I think the distinguished Senator from Kentucky just said, we would like to have a bill that would pass here 95 to 0, or whatever. I do not think cloture will be invoked today. Maybe it will be invoked the next time. Maybe not.

But this is just one issue where we just have fundamental differences. However, I do not think they are so wide that we cannot find some common ground. I just say that I am willing to assist.

As I have gone around the country, people show up with little signs that say "Stop the filibuster on S. 2." And I say, "Which one? S. 2-1 or S. 2-2 or S. 2-3?"

Well, they have not gotten that information yet from Common Cause.

But, in any event, we need to have some campaign reform. We have been talking about bipartisan support, now, maybe for a year. Maybe nobody believes it, but I am still optimistic. I think, whenever the distinguished Senator from Oklahoma is prepared to, maybe we can get two or three together on this side and maybe two or three together on that side. We are ready.

## CLOTURE MOTION

The PRESIDING OFFICER. The time for debate under the unanimous-consent agreement having expired, pursuant to rule XXII of the Standing Rules of the Senate, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute, as modified, to S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multi-candidate political committees, and for other purposes.

Senators David Boren, John F. Kerry, Brock Adams, Jeff Bingaman, J. James Exon, John C. Stennis, Harry Reid, Alan Cranston, Barbara Mikulski, Terry Sanford, Robert C. Byrd, Dennis DeConcini, Wyche Fowler, Jr., Wendell Ford, John Melcher, Bob Graham, and Daniel K. Inouye.

## WAIVER OF AUTOMATIC QUORUM CALL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

## VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the committee substitute as modified for S. 2, a bill to amend the Federal Election Campaign Act of 1971, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. Gore] and the Senator from West Virginia [Mr. Rockefeller] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. Gore] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. Murkowski], the Senator from New Hampshire [Mr. Rudman], and the Senator from Virginia [Mr. Warner] are necessarily absent.

I further announce that, if present and voting, the Senator from Virginia [Mr. Warner] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 53, nays 42, as follows:

[Rollcall Vote No. 239 Leg.]

YEAS—53

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Graham
Harkin
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Sanford
Sarbanes
Sasser
Simon
Stafford
Stennis
Wirth

NAYS—42

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Humphrey
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Nickles
Packwood
Pressler
Quayle
Roth
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Weicker
Wilson

NOT VOTING—5

Gore
Murkowski
Rockefeller
Rudman
Warner

The PRESIDING OFFICER. On this vote, the yeas are 53, the nays are 42. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mrs. KASSEBAUM. Mr. President, I want to briefly explain why I have decided to support cloture today on S. 2 to revise our campaign finance laws.

As many Senators know, I have long supported legislation to reduce the amount of money that political action committees can contribute to candidates for Congress. In fact, I have always limited PAC contributions to my own campaigns to the same level allowed for individuals. I also have supported an overall spending limit on congressional campaigns so that our elections are not unduly influenced by excessive spending.

In seeking to put these goals into law, it is essential that we be mindful that changing one part of the political equation can have profound, and sometimes unintended, effects on other parts of the equation. For example, PAC's, the subject of our present concern, were created in the last reform effort in order to address abuses taking place at that time.

Given this problem with unintended effects, I had serious reservations about the original version of S. 2. In particular, I was concerned that direct public financing of congressional campaigns would not only create a wholly new Federal spending program but could work to erect a new barrier between candidates and voters.

In effect, public financing would mean that candidates would not have to depend on individual contributions to support their campaigns, they could simply draw funding from the Federal Government. To me, this would be yet another step backward from true grassroots political campaigns.

In an effort to address this concern, Senators Boren and Byrd have modified S. 2 to allow public financing only after one of the candidates for a congressional office has exceeded the voluntary spending limit. While this change does not entirely eliminate my concern about the issue of public financing, I believe it represents a good-faith effort to address the concern that I and others have expressed and is a step forward.

At this point, I cannot support S. 2 in its current form because of its public financing provisions. I also have a broader concern that S. 2 could have serious unintended side effects by increasing the influence of PAC's and other groups.

By setting voluntary limits on congressional candidates and limiting direct PAC contributions, S. 2 may encourage PAC's to engage in even more independent expenditures, either for or against specific candidates, with even greater impact. Senate bill 2 attempts to address this problem, but I am not convinced it does so in an effective way. In fact, I am not sure there is an effective way to address the problem of independent expenditures and that should trouble all of us.

Despite my reservations about specific parts of S. 2, I believe it is essential for the Senate to address this issue. I therefore support cloture so that we can begin debating specific provisions of the bill. I will support efforts to make several changes, and I hope a bipartisan compromise can be reached in that process.

## CLOTURE MOTION

Mr. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report the motion.

The assistant legislative clerk read as follows:

### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Brock Adams, John Glenn, David Boren, Jim Sasser, Tom Daschle, John F. Kerry, Wyche Fowler, Jr., Christopher Dodd, Wendell Ford, Terry Sanford, Edward M. Kennedy, Robert C. Byrd, Dennis

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DeConcini, Bob Graham, John Melcher, Claiborne Pell, and John C. Stennis.

Mr. BYRD. Mr. President, may I have the attention of Senators?

The PRESIDING OFFICER (Mr. Wirth). Senators will please take their seats, and the Senate will be in order.

Mr. BYRD. Mr. President, the vote on cloture today shows a net gain of two over the past high watermark. There were 53. Mr. Gore is absent, and that is a vote for cloture, so this would mean that we would have 54 votes. With Senator Rockefeller, it would have been 55 votes. We are getting closer. There will be another cloture vote on Tuesday of next week, a cloture motion already having been entered.

Mr. President, the pending amendments—one dealing with Contra aid, the other dealing with the Monroe Doctrine—are perhaps meritorious within their own right. I do not seek to denigrate the amendments or the authors of the amendments. But it is eminently clear that they have nothing to do with campaign finance reform. They are all right in their place, and there will come a day when the Senate, in all likelihood, will be discussing, again, Contra aid.

Up to this point, may I say, the debate, throughout these several weeks since the Senate has been on S. 2, has been to the point and has been good. There has been good debate on both sides of the aisle, from those who oppose S. 2 as well as those who support S. 2.

Now, however, we see an effort to continue to prolong the filibuster by bringing up amendments that are obviously nongermane, so nongermane that they will fall in the event cloture is invoked. Now that we are getting to that stage of events, I think we might as well change the subject still further and shift the debate to the Department of Defense authorization bill.

I shall make a motion to proceed to the consideration of the Defense authorization bill, and that would be debatable. Senators will have an opportunity to debate that motion. I will offer a cloture motion on the motion, so that next Tuesday, on the completion of the cloture vote on S. 2, if cloture is not invoked on S. 2 next Tuesday, then immediately thereafter, a vote will occur on the motion to invoke cloture on the motion to proceed to the Defense Department authorization bill.

If, on the other hand, cloture is invoked next Tuesday on S. 2, then S. 2 will be the business of the Senate, to the exclusion of all other business, until action by the Senate is completed on S. 2; and nongermane amendments then pending, such as the Contra aid amendment and the Monroe Doctrine amendment, would fall.

So the stage is now set for another vote on a motion to invoke cloture on S. 2, and I hope that the Senate will invoke cloture on S. 2 next Tuesday. But in the event that it does not, the Senate will have a fourth opportunity—and, by the way, that will be the seventh opportunity on S. 2. I will have tried seven times to invoke cloture on S. 2, and there never has been an effort that has gone that far, certainly not beyond that. It may have been that on one previous situation and on another matter I may have tried for cloture seven times, but I am not absolutely sure. In any event, we will certainly try again on Tuesday next.

S. 2 will go back on the calendar in case cloture is not invoked next Tuesday, but it will be there for a revisit. It can be revisited next year or later this year. I suggest to all Senators that they not feel or believe or be deluded in their thinking to the view that it is all over, that there will be no more efforts made on S. 2 in the remainder of this Congress, because there, indeed, will be more.

There may be those who earlier felt that Senator Boren and others and I would not try as long and as persistently as we have tried; but we have done our best, and we hope that next Tuesday will culminate in a favorable conclusion to our efforts. But they need not think that by rejecting cloture next Tuesday, if it is indeed rejected, that it will be the end of S. 2 in this Congress.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Members wishing to converse will please retire to the Cloakroom.

Mr. BYRD. Mr. President, I assure the Senator from Oklahoma, Mr. Boren, who has been the prime mover, the mainstay, the stalwart, the cornerstone in the effort to move S. 2, that S. 2 will be revisited on another day.

Mr. President, I give the Senator that assurance, because it may come to pass that the stone that the builders have rejected will yet become the head of the corner. We will try again next Tuesday.

Then we are going to try on the Defense authorization bill for the fourth time. We have had three cloture votes on the motion to take up the defense authorization bill. We have had three cloture votes, and we got to within one vote of cloture. I hope that on next Tuesday we will be able to get that additional vote on cloture.

I urge all Senators to be present next Tuesday, because there is going to be at least one very important cloture vote, a cloture vote on S. 2. If that vote should carry and cloture should be invoked, then, as I have said, S. 2 will be the business before the Senate, to the exclusion of all other business, until action is completed thereon, in which event there would be only that one cloture vote that day.

Otherwise, there will be an immediate second cloture vote on Tuesday—that being on the vote to take up the Defense bill.

Mr. BOREN. Mr. President, will the Senator yield?

Mr. BYRD. In a moment.

If cloture is invoked on the motion to take up the Defense authorization bill, I do not know how long Senators would then persist before voting on that motion to take up the bill, but they may be constrained not to delay action further and to go on the bill. Those who have amendments to it, let them offer those amendments.

Before I yield, I will offer the cloture motion on the motion to proceed to take up the Defense Department authorization bill, after which I will yield to the distinguished Senator from Oklahoma who has asked me to yield.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

Mr. BYRD. Mr. President, I move to proceed to the consideration of Calendar Order No. 120, S. 1174, the bill to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense and for other purposes, and I offer a cloture motion on the motion.

The PRESIDING OFFICER. The clerk will report the motion.

The assistant legislative clerk read as follows:

### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 1174, a bill to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

Senators Robert C. Byrd, Kent Conrad, Harry Reid, J. Bennett Johnston, Barbara A. Mikulski, Terry Sanford, Alan J. Dixon, Max Baucus, Pat Leahy, Lloyd Bentsen, Quentin Burdick, John Melcher, John D. Rockefeller, Jeff Bingaman, Carl Levin, and J.J. Exon.

## SENATE AGENDA

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I will just say one word. I do not know that I disagree with the distinguished majority leader. As I said prior to the cloture vote, I have been told by the distinguished Senator from Oklahoma that he will take a look at some of the material we put in the Record last evening. I would guess, unless I have not calculated correctly, that there probably could be cloture invoked on the motion to proceed to the Defense authorization bill.

As far as I know, these are the only two issues where we have had this kind of loggerhead. If we have another cloture vote on S. 2, it will be the seventh cloture vote, which I understand will be a record or at least a record back to 1919. And it would be the fourth cloture vote on Defense authorization.

Mr. BYRD. The fourth.

Mr. DOLE. I am not certain what could happen between now and next Tuesday. But I would say to the majority leader that I will make an effort to see what we can get done in that time.

I think what happens on these two measures might well determine how long we are going to be around this year. I would hope all my colleagues on both sides will be focusing on that. I think there is some indication that, if in fact there is going to be an effort to do certain things and then adjourn, it might have some bearings on how these two particular matters are treated.

There is no linkage. But as I understand, it is not the desire of the majority leader to stay here all year, although he is prepared to do it. On S. 2 we have a fundamental difference. There are just some provisions of that bill that we do not believe are in the interest of the two-party system. We have had excellent debate on this side, the distinguished Senator from Kentucky, Senator McConnell, and the distinguished Senator from Oregon, Senator Packwood, and Senator Stevens and others have spoken eloquently. I have told the ranking member on Armed Services that the motion to proceed is pending on the DOD authorization bill, and he is now on his way to the floor.

Mr. BYRD. Mr. President, will the distinguished minority leader yield with the indulgence of the distinguished Senator from Oklahoma?

Mr. DOLE. I yield.

Mr. BYRD. I wonder if it would be possible for the Senate to be making headway toward wrapping up our work at the end of the year at an earlier date than might otherwise be the case if we could get up today and tomorrow some important legislation that it is my intention to make every effort to get before the Senate and have it acted on before the Senate goes out sine die? One of such bills is the catastrophic illness legislation.

I have sought to get this bill up before and the distinguished minority leader has tried to assist me, but there has been an objection or objections on his side of the aisle heretofore before the recess and it was indicated at that time that following the recess Senators on that side who had objection to proceeding to the bill at that time might well have been able to resolve their problems with the legislation and would be willing to let the Senate go to that bill.

So I am asking the distinguished Republican leader if I may go to that bill at this time now that the recess is over, and I will ask unanimous consent after a moment to take up S. 1127, a bill to provide for Medicare catastrophic illness coverage. If we take that bill up today we could make headway on it today and tomorrow, and we would have our cloture votes next Tuesday, which have already been discussed.

Would the distinguished Republican leader be in a position to get clearance on his side of the aisle that we might take up that bill today?

Mr. DOLE. Let me indicate to the majority leader that this matter was discussed this morning at a White House meeting with myself, Senator Baker, the chief of staff, Congressman Michel, the Republican leader in the House, and others. Senator Baker indicated he would be willing to convene a meeting of Republican members of the Finance Committee in an effort to see if we could resolve one or two issues. I have indicated to the chairman of the Finance Committee, and I think the ranking member, Senator Packwood has as well, that we are prepared to bring it up. There were a number of people who objected to bringing it up before the recess. I would indicate to the majority leader, if he would give us time, we will make a try between, say, now and 2 o'clock or 2:30 to see if we could bring it up without any meeting at the White House. If that is not possible, then he could make his request. Would that be satisfactory?

Mr. BYRD. Yes. That is very agreeable with me.

Mr. President, I appreciate the willingness of the Republican leader to do whatever he can to advance the bill along.

I hope that Senators who have been objecting on the other side will not object. And while I welcome the good offices of our distinguished former Republican leader of the Senate, Mr. Baker, and we would like to see his assistance in the matter, I hope we will not hold up the action of the Senate waiting on the White House. There has been ample time during the last month for the White House to have done these things to which the Republican leader refers. I will make the request this afternoon in accordance with the suggestion of the Republican leader that I wait and then we can debate during the remainder of the afternoon the Department of Defense authorization bill or the motion to proceed thereto or we can go with the catastrophic illness bill.

Mr. President, the distinguished Republican leader has indicated that the following measure is cleared on his side of the aisle. It is cleared on our side of the aisle.

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION ATMOSPHERIC AND SATELLITE PROGRAM AUTHORIZATION ACT OF 1987

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 304, S. 1667, with the understanding that there will be no amendments thereto.

The PRESIDING OFFICER. The clerk will report the measure.

The assistant legislative clerk read as follows:

A bill (S. 1667) to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

Mr. HOLLINGS. Mr. President, I rise today to discuss and support passage of S. 1667, a bill to authorize the atmospheric and satellite programs of the National Oceanic and Atmospheric Administration. This legislation reauthorizes the funding and activities of the National Weather Service, and National Environmental Satellite, Data, and Information Service and the Office of Oceanic and Atmospheric Research for fiscal years 1988 and 1989. S. 1667 is one in a series of bills which together provide a comprehensive authorization for NOAA.

NOAA's atmospheric activities center in large part around the responsibility to provide routine and severe weather forecasting services and to monitor and predict climatic trends. To understand the critical importance of these programs, we must fall back on the ages-old pastime of discussing the weather.

In recent years, NOAA weather-related activities have raised the quality of that discussion considerably. A glance at weather statistics indicates that money authorized and appropriated in this area has been money well spent. In the area of severe storm warnings, the agency's effort to improve forecasting and increase public hazard awareness has saved hundreds of lives. For example, in the United States from 1970 until 1979, tornadoes killed an average of 100 people each year. By contrast, since 1980 annual fatalities have been reduced to less than a third of that number, although

the incidence of tornadoes has remained about the same. This drop can be attributed to more accurate warnings provided further in advance by the Weather Service, as well as to increased public awareness and confidence in those forecasts.

Similar dramatic reductions have been achieved for losses due to hurricanes. In the 1950's and 1960's, hurricanes claimed 60 to 70 American lives each year. Such tragic losses have been halved in recent years through improvements in forecasting and warning systems. Two years ago, in 1985, meteorologists recorded the largest number of hurricane strikes along our coasts in at least 20 years. Yet, despite over $4 billion in property damage, deaths were held to 28. Hurricane Elena alone forced evacuation of more than 1.7 million people from the coasts of the eastern gulf and destroyed billions of dollars of property; however, loss of life was prevented. If we are to expect this commendable record to continue, NOAA's efforts to protect human well-being and minimize weather-related losses must be recognized and adequately supported. S. 1667 provides such support.

Additional forecasting improvements are expected from the ongoing Weather Service modernization program for which authorizations are continued in this legislation. S. 1667 provides fundings for NOAA's part in the acquisition of new and long overdue weather radars to replace the existing, antiquated radar system. I understand that implementation of this advanced technology should increase tornado warning times from the present average of 1 to 2 minutes advance warning to 20 to 30 minutes, as well as reducing the number of false alarms. S. 1667 also provides for acquisition of new, integrated, continuous weather observation and processing systems which will go hand in hand with radar improvements in increasing the accuracy and dependability of local weather forecasts.

Over the years, the National Weather Service has been a leader in developing modern weather forecasting services. I am sure that many of my colleagues share my concern over recent newspaper reports stating that U.S. weather forecasters are lagging behind European competitors in some types of weather prediction. The comprehensive, and yet fiscally responsibile, funding levels provided in S. 1667 should take a large stride toward enabling the United States to regain that traditional leadership and improve national competitiveness in weather forecasting.

This legislation also focuses increased attention on understanding and predicting climatic changes which occur over longer periods of years, decades, and even centuries. One example of this focus is the TOGA program, a 10-year international study of the interannual variability of the tropical oceans and global atmosphere. The primary goal of TOGA is to improve our ability to predict short-term climate changes associated with the ocean warming of El Nino events. From 1982 to 1983, such a warming triggered climatic changes which included droughts in Africa and Australia and severe storms in South America. Resulting economic losses were estimated conservatively at $5 billion in the United States and more than $20 billion worldwide. Although the TOGA program has been underway for less than 3 years, it has already made some progress toward understanding and predicting El Nino. Researchers and policymakers hope that the ability to predict such events could permit planning to minimize economic losses and more than offset program costs. Support for this and similar programs represents a sound and responsible Federal investment.

Other NOAA research programs are making important contributions to development of comprehensive policies which respond to such long-term problems as global warming and stratospheric ozone depletion. At this time, NOAA researchers are participating in an expedition to uncover the secrets of the Antarctic ozone hole. In addition, long-term monitoring programs provide information on changes in atmospheric carbon dioxide, ozone, and other trace gases. This information will be vital to understanding and evaluating possible climatic changes from global warming.

S. 1667 also authorizes funding and activities required for NOAA's satellite observing system. These activities include spacecraft procurement, launch and ground station operations for polar-orbiting and geostationary environmental satellites and land remote-sensing satellites. Funding for environmental data and information services is also provided. This data management is critical for ensuring that the Federal Government does not become merely an "attic" for unusable and unreachable environmental information.

S. 1667 authorizes appropriations of $848.2 million for fiscal year 1988 and $1 billion for fiscal year 1989 to fund NOAA's atmosphere and satellite programs. In addition, it achieves an effective balance among NOAA's responsibilities with respect to weather and climate. Short-term forecasting needs are balanced against the need to establish a sound scientific basis for policy decisions responding to long-term climatic changes.

An old adage points out that everybody talks about the weather but nobody does anything about it. Today I offer my colleagues the opportunity to "do something" about the weather—I urge you to join me in supporting S. 1667.

Mr. PRESSLER. Mr. President, I rise in support of S. 1667, which authorizes the satellite and atmosphere programs of the National Oceanic and Atmospheric Administration [NOAA] for fiscal years 1988 and 1989.

Mr. President, before I comment on the substance of this bill, I would like to express my appreciation for the considerable time and effort that Senator Hollings, the chairman of the Commerce, Science, and Transportation Committee, and Senator Kerry, who is also on the Commerce Committee, have devoted to the development of this bill. I commend both of them for their diligence and insight in crafting a bill that is responsive not only to the critical requirements of NOAA's satellite and atmosphere programs, but also to the pressures of our Federal budget deficits.

S. 1667 authorizes $848.2 million for fiscal year 1988 and $1.016 billion for fiscal year 1989 for the National Weather Service [NWS], atmospheric research activities, and the National Environmental Satellite, Data, and Information Service [NESDIS]. It is worth noting, also, that, with the exception of the two accounts that support the procurement of NWS systems and the procurement of weather satellites, the fiscal year 1989 authorization is based on a 4-percent inflationary increase over the fiscal year 1988 level.

Of particular significance in the NWS authorization is the provision of $86 million in fiscal year 1988 and $130.8 million in fiscal year 1989 for the continued development, acquisition, and implementation of three major NWS public warning and forecast systems. These three systems—the next generation radar [Nexrad], which is a joint program with the Federal Aviation Administration [FAA] and the Air Force; the automated surface observing system [ASOS], which is jointly sponsored with the FAA; and the advanced weather interactive processing system [AWIPS]—are crucial to the modernization of the NWS and to the timely weather and flood prediction and warning services throughout the country.

As for the atmospheric research authorization, this bill provides $84.6 million for fiscal year 1988 and $88 million for fiscal year 1989, most notably for research related to the development of improved weather forecasting technique. One element of this research that holds great promise is the program for regional observing and forecasting services [PROFS], which is expected to improve short-range forecasting by utilizing computer-assisted data display and synthesis techniques. Another important element of this atmospheric research authorization supports activities related to improving our understanding of environmental systems and phenomena, such as the greenhouse warming effect and stratospheric ozone depletion.

Finally, Mr. President, this bill authorizes $338.9 million for fiscal year 1988 and $440.5 million for fiscal year 1989 for NESDIS activities related to NOAA satellite oberving systems and data management. These activities include, among other things, spacecraft procurement, launch, and associated ground systems changes for the polar orbiting and geostationary environmental satellites and land remote sensing satellites.

This NESDIS authorization is significant in that it provides $30.7 million in fiscal year 1988 for the continued operation of Landsats 4 and 5. Originally, the administration failed to include funding for the continued operation of Landsats 4 and 5 in its fiscal year 1988 budget submission because the two satellites were expected to expire by March of this year. Yet, both satellites have surpassed their respective design lives and should continue to operate into and through fiscal year 1988. For this reason, this bill authorizes new funds for the continued operation of this critical satellite land remote-sensing system.

Mr. President, this NESDIS authorization also provides funding for the establishment and operation of the National Land Remote Sensing Data Archive, which is a key element in the Land Remote-Sensing Commercialization Act of 1984. The fiscal year 1988 authorization of $8 million for this data archive is comprised of $4 million from the $30.7 million authorization for Landsat operations and another $4 million earmarked specifically for the establishment of the data archive. In addition to the authorization of $8 million in fiscal year 1988, this bill provides $14.8 million for the data archive in fiscal year 1989. The authorization of the data archive reflects the importance of a formal archiving capability to the long-term preservation of land remote-sensing data, along with the recognition that NOAA is the appropriate agency to fund this effort.

Mr. President, NOAA's satellite and atmosphere programs provide a unique service to our Nation. Not only do they support important research related to our atmosphere and to weather forecasting techniques, but it also performs the critical service of collecting weather and other environmental data from a host of sources and disseminating this data in the form of timely and accurate weather predictions. This is an operational service that we often take for granted. Yet, the importance of these functions cannot be overstated. Therefore, I urge my colleagues to support this legislation which will enable NOAA to build on its excellent record of research and operational service.

The PRESIDING OFFICER. Is there further debate on the measure? If there is no further debate, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1867

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "National Oceanic and Atmospheric Administration Atmospheric and Satellite Program Authorization Act of 1987".

### TITLE I—NATIONAL WEATHER SERVICE

#### OPERATIONS AND RESEARCH

SEC. 101. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out the operations and research duties of the National Weather Service under law, $311,568,000 for fiscal year 1988 and $324,031,000 for fiscal year 1989. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to National Weather Service operations and research specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such duties. Such duties include meteorological, hydrological, and oceanographic public warnings and forecasts, as well as applied research in support of such warnings and forecasts.

#### SYSTEMS ACQUISITION

SEC. 102. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its public warning and forecast systems duties under law, $86,000,000 for fiscal year 1988 and $130,800,000 for fiscal year 1989. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to public warning and forecast systems specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such duties. Such duties include the development, acquisition, and implementation of major public warning and forecast systems.

(b) In procuring information processing and telecommunications services of the National Oceanic and Atmospheric Administration for the Advanced Weather Interactive Processing System, the Secretary of Commerce may provide, in the contract or contracts for such services, for the payment for contingent liability of the Federal Government which may accrue in the event that the Government decides to terminate the contract before the expiration of the contract period. Such contract or contracts for such services shall limit the payments which the Federal Government is allowed to make under such contract or contracts to amounts provided in advance in appropriation Acts.

### TITLE II—ATMOSPHERIC RESEARCH

#### CLIMATE AND AIR QUALITY RESEARCH

SEC. 201. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its climate and air quality research duties under law, $40,246,000 for fiscal year 1988 and $41,856,000 for fiscal year 1989. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to climate and air quality research specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture," approved October 1, 1890 (15 U.S.C. 311 et seq.), the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes," approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such duties. Such duties include interannual and seasonal climate research, long-term climate and air quality research, and national climate program.

(b) Of the sums authorized under subsection (a) of this section, $2,104,000 for fiscal year 1988 and $2,188,000 for fiscal year 1989 of this section are authorized to be appropriated for activities under the National Climate Program Act (15 U.S.C. 2901 et seq.).

#### ATMOSPHERIC PROGRAMS

SEC. 202. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its atmospheric research duties under law, $44,404,000 for fiscal year 1988 and $46,180,000 for fiscal year 1989. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to atmospheric research specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), and by any other law involving such duties. Such duties include research for developing improved prediction capabilities for atmospheric processes, as well as solar-terrestrial services and research.

### TITLE III—NATIONAL ENVIRONMENTAL SATELLITE, DATA, AND INFORMATION SERVICE

#### SATELLITE OBSERVING SYSTEMS

SEC. 301. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its satellite observing systems duties under law, $338,900,000 for fiscal year 1988 and $440,500,000 for fiscal year 1989. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to satellite observing systems specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), and by any other law involving such duties. Such duties include spacecraft procurement, launch, and associated ground station system changes involving polar orbiting and geostationary environmental satellites and land remote-sensing satellites, as well as the operation of such satellites.

(b) The authorization provided for under subsection (a) of this section shall be in addition to moneys authorized under the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4201 et seq.) for the purpose of carrying out such duties relating to satellite observing systems.

#### ENVIRONMENTAL DATA MANAGEMENT

SEC. 302. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its data and information services duties under law, $27,047,000 for fiscal year 1988 and $32,717,000 for fiscal year 1989. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to data and information services specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), and any other involving such duties. Such duties include climate data services, ocean data services, geophysical data services and environmental assessment and information services.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the distinguished Republican leader has to proceed as he indicated. I will not make a request to go to the catastrophic measure today prior to 2:30 p.m. In the meantime, I would suggest that Senators may debate the pending motion or may speak on any matter of their choice.

## MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there may be a period for morning business not to extend beyond 1 o'clock today and that Senators may speak therein each for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, we will return to the subject matter of catastrophic illness at 2:30 today or very shortly thereafter.

I yield the floor.

Mrs. KASSEBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATORIAL ELECTION CAMPAIGN ACT

#### AMENDMENT NO. 676, AS MODIFIED

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order for me to modify my pending amendment to S. 2.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HELMS. Mr. President, I send the modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

Add at the end of the bill the following new section:

"SEC. . The Sum of $270 million dollars is authorized to be appropriated for military assistance to the Nicaraguan Democratic Resistance for the period ending March 31, 1989; provided, however, that the funds authorized to be appropriated by this section shall not be obligated or expended if the President, on or before September 30th, 1987, shall have certified to Congress the following:

1. That there be no Soviet, Cuban or Communist bloc bases established in Nicaragua that pose a threat to the United States and other democratic governments in the hemisphere.

2. That Nicaragua pose no military threat to its neighbor countries nor provide a staging ground for subversion or destabilization of duly elected governments in the hemisphere.

3. That the Nicaraguan government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan constitution and pledges made to the OAS—free speech, free press, religious liberty and a regularly established system of free, orderly elections.".

Mr. HELMS. Mr. President, while I have the floor, I would indicate that a number of Senators have voluntarily come forward to cosponsor my amendment. Listing them alphabetically, they are: The distinguished Senator from Colorado [Mr. ARMSTRONG], the distinguished Senator from Utah [Mr. HATCH], the distinguished Senator from Nevada [Mr. HECHT], the distinguished Senator from Alabama [Mr. HEFLIN], the distinguished junior Senator from Alabama [Mr. SHELBY], the distinguished Senator from Idaho [Mr. SYMMS], and the distinguished Senator from South Carolina [Mr. THURMOND].

Mr. President, I ask unanimous consent that they be listed as cosponsors to the amendment, as modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mr. REID assumed the chair.)

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROFITS BEFORE PUBLIC INTEREST: THE BROADCASTERS' RECORD

Mr. WIRTH. Mr. President, just before the August recess, my friend and colleague, Senator LAUTENBERG from New Jersey, and I introduced the Children's Television Education Act of 1987. This bill is similar to legislation which I introduced for a number of years in the House of Representatives and was introduced by Senator LAUTENBERG on the Senate side.

The effect of this legislation is to urge and require broadcasters to fulfill their public interest responsibilities. As Senators know, when a broadcaster receives a license from the Federal Government, the FCC grants that license, allows that broadcaster to use the scarce spectrum, and precludes anybody else from using that. In effect, that is a monopoly grant from the FCC and a very valuable grant of monopoly power from the Government to the private user of the spectrum.

The broadcaster does not pay the taxpayer or pay the public or pay the Government for the use of that. That is a free grant. The broadcaster, however, is required, under the Communications Act of 1934, to exercise that broadcaster's public interest responsibility; and in return for the grant of that license, that monopoly power, the general public is to receive programming in the public interest.

Over the years, it has been assumed that that public interest programming would include public affairs programming, would include the fair presentation of issues; and since 1960, the FCC until recently, had required that that would also include programming for children, that there would be a focus and an effort by broadcasters to fulfill their public interest responsibility in part by programming for the young people of the country.

Unfortunately, since 1980, in the deregulatory mania which has swept the FCC, almost all the public interest responsibilities which broadcasters had heretofore assumed have been dropped by the FCC, including that for children's television, and we now find almost no programming on commercial television for the young people of this country.

This is at a time when it is remarkable that we are concerned about the general literacy of young people, we are concerned about the impact of television on young people, and we are aware that the young people in this country are spending more time in front of a television set than in the classroom by the time they graduate from high school; when we realize that another major influence in terms of education of the young has been added to the traditional influences of family, church, and school.

Despite that, we have, through the current FCC, diluted the responsibilities that broadcasters have.

The impact of Senator Lautenberg's legislation, which he and I put together, is to once again return to that requirement by broadcasters to broadcast within the public interest for the young people of the United States.

Fortunately, there are a few examples of the networks assuming some responsibility in this area. One of the most recent examples has been the Afterschool Specials put together by the ABC television network. One of the most important of these is the ABC Afterschool Special recently done, called "Just a Regular Kid: An AIDS Story." Unfortunately, that is an example of where the commercial interests of broadcasting once again overwhelmed the public interest. It was a recent example of dropping of that program by channel 9 in Denver.

I wish to share with my colleagues a statement by the most distinguished television critic of the Rocky Mount News, Mr. Dusty Saunders. He says:

### Dollars Dictate Bumping of Teen Special on Channel 9

(By Dusty Saunders)

ABC Afterschool Special, television's most honored series for children and teen-agers, begins another season this afternoon with an exceptional program, Just a Regular Kid: An AIDS Story.

That's the good news.

The bad news: KUSA-Channel 9, the local ABC affiliate, won't air the show because it's in the same time period (3–4 p.m.) as the station's popular Oprah Winfrey Show.

Afterschool Specials has been one of the few worthy network contributions to this badly neglected area of programming since the series began in 1972. And this particular hour, previewed last month, keeps the standard flying proudly. The drama concerns a teen-ager, afflicted with AIDS as the result of a contaminated blood transfusion, and the impact the disease has on family, friends, school and community.

Yes, we've had an overload of AIDS discussions recently from every angle. But this hour opens a dialogue on a situation that health experts suggest could increase dramatically in future years. And the story is presented in terms youngsters can understand, while not condescending to adult viewers.

Several area teachers, alerted to the special by ABC literature, have voiced unhappiness with Channel 9's decision.

For example, Barb Urban, a teacher at Kunsmiller Middle School in Denver, had planned to use a videotape of the show as a class project later in the semester.

"I think it's a major disservice that Channel 9 is not airing the program," she said.

Why won't Channel 9 bump Winfrey's show for a day and air this important special? As usual, it's a matter of dollars. Channel 9, which just this week moved Winfrey from a 9 a.m. start to 3 p.m., believes the series must establish a regular audience viewing pattern.

Or as president and general manager Ken Tonning said: "We recently made a major move in our daytime programming schedule. We have to weigh the values of disrupting that afternoon schedule. It was a tough call, but we're going with Winfrey."

And ABC will not allow Channel 9 to air the show in another time period—a policy regarding the series that the network instituted several years ago.

Tonning said there's a possibility Channel 9 will air future Afterschool Specials in the Winfrey time period once Winfrey is established. Seven or eight more specials are scheduled. I'll make a point to remind him on a regular basis of that possibility.

This situation provides viewers with a crash course in television economics. Channel 9, which paid a bundle for the rights to the Winfrey show, needs the local commercial spots to pay the bills and make a profit. Like most commercial stations, Channel 9 is afraid to pre-empt such a series early in the season, feeling that the move could diminish the audience and hurt the revenue picture in the long run.

That's why it's called commercial television. And that's also why educators and critics get on a soap box when commercial broadcasters try to point with pride to their record of promoting and airing decent television for youngsters.

For the most part, that record is dismal.

Unfortunately, this is an example of where that record is dismal, and unfortunately we do not have an FCC that has any sense of balance of the responsibilities of broadcasters and the requirements that we, the public, ought to lay on those broadcasters for the grant of that very valuable commodity, the use of the spectrum.

On a related issue, Mr. President, I am happy to report that there are examples of very enlightened broadcasting. Recently, a very fine article appeared in the Boulder Courier on KGNU public radio, in Boulder, CO. I ask unanimous consent that that fine article, describing the activities and the enlightened approach taken by that broadcaster be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Boulder (CO) Courier, Sept. 3, 1987]

### KGNU Grows Up in the 80's

(By Mike O'Keeffe)

KGNU, Boulder County's public radio station, has grown up.

Now in its ninth year, the station has survived financial woes and a substantial lack of resources to emerge as one of Colorado's most exciting media outlets.

KGNU's diverse music programming and challenging public affairs programs are touching bases few media outlets dare to tread—the music is eclectic and definitely non-commercial, while the public affairs programming introduces Boulder listeners to issues few media outlets seem interested in until long after the rest of the pack catches up.

The station, at 88.5 on the FM dial, has emerged as a local medium-to-be-reckoned-with because it doesn't follow the same rules as everybody else. While Boulder's newspapers and other radio stations portray the city as the home of the White, rich, beautiful, athletic, and/or famous, KGNU shows the less glamorous—but more interesting—side.

The reason for that, said station manager Marty Durlin, is also the station's purpose: to give the public access to the media. "The station is programmed and supported by the community. It's reflective of the community."

That philosophy extends to both music and public affairs programming. Music director Paul Metters says he "lets DJs decide" what they want to play. "Being a community station," said Metters, "you have to serve as many parts of the community as you can."

"KGNU is an alternative. It fills in the holes other media is not touching," said Durlin. "And we don't cover things in the same way."

The station's diversity is both an asset and a liability, station personnel admit. Metters said the huge range of music the station plays can be confusing—if listeners are looking to play it safe. "If someone listens to KGNU a lot, it means they have an open mind. Not everybody will listen to KGNU, but when our programming is done intelligently, we can really show you something."

Perhaps that point is best exemplified by KGNU's gavel-to-gavel (or as public affairs director David Barsamian calls it, cadaver-to-cadaver) coverage of the Iran-Contra hearings. While most of the local media covered much of the hearings as news briefs relegated to a back page, or ignored interesting, important testimony entirely, KGNU—via the Pacifica radio network—broadcast the hearings from beginning to end.

The hearings revealed the inner workings of the "shadow government" which undertook a U.S. foreign policy independent of Congress and the public and "demonstrated the competency of elected and appointed officials," Barsamian said. While most of Colorado's media was absorbed by "Ollie-mania," only KGNU listeners heard one senator ask "Where's Brunei?"

For Barsamian, KGNU is at its best when it's "radio active," by offering a wide range of views and programs not found elsewhere that demand attention and action from listeners. That might mean call-in programs—radio is the only medium that can effectively receive public response sharply and instantly—or it might mean programming that challenges and stretches existing beliefs and ideas.

Many existing programs already do challenge convention; Barsamian and Durlin hope to sharpen existing programming and add new shows. "I'd like us to be more cutting edge and more progressive," Durlin said.

And so KGNU plans to go where few tread: upcoming programs will focus on Colorado's hazardous waste problems and the impact of mental illness on families and friends. At its best, the station tackles broad local issues thoroughly, and national issues intelligently.

The station lacks a cohesive local news gathering team, however, perhaps its greatest public affairs weakness. Durlin, who was the station's public affairs director before being promoted to the top job earlier this summer, organized a local news staff, but its efforts were pre-empted by the Iran-Contra hearings.

Barsamian vows to breathe new life into the news staff, which is limited by a lack of time ("it takes one hour to produce five

minutes of programming") and equipment. Durlin, too, hopes to develop local news features that transcend the "rip and read" style favored by most radio stations. Barsamian is asking his producers to develop more investigative pieces, rather than depend on local newspapers for copy. "I'd like people to see us as a resource, and have people call us as news develops. We're not on the news map yet."

Future plans also call for the station to develop stronger cultural programming, both live and taped. "I'd like to see more poetry, drama, and humor," explained Durlin. "The pitfalls of community radio are a deadly seriousness, self-indulgence and disorganization. There's a real balance you need to maintain."

And, ultimately, many would like to see the station's signal boosted so it can reach Denver and its suburbs. Such a boost could reach hundreds of thousands of new listeners, and ultimately new members, giving the station a big boost in terms of dollars and community support.

A change like that would change the nature of the station, said Durlin, but for those who like KGNU the way it is, there's no need to fret. An increased signal—if approved by the KGNU board of directors, the FCC and other interested parties—lies down "a long, long road."

## RECESS UNTIL 1:45 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:45 p.m. today.

There being no objection, the Senate recessed at 1:09 p.m. until 1:45 p.m.; whereupon, the Senate reassembled when called to order by Mr. Reid.

The PRESIDING OFFICER. The majority leader is recognized.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, it was my intention to recess the Senate until about 2:30 p.m. today so as to give the distinguished Republican leader the time he has suggested he might need in order to possibly clear the catastrophic illness legislation for action today. I see the distinguished Senator from Rhode Island is present.

Mr. CHAFEE. Mr. President, I wonder if the distinguished majority leader might consent to going back to morning business. I have a statement and some legislation to introduce. I will be glad to then recess to whatever time the leader would choose.

Mr. BYRD. Very well. I will be happy to accommodate the distinguished Senator.

## ORDER FOR MORNING BUSINESS AND RECESS UNTIL 2:30 P.M. TODAY

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business for not to exceed 15 minutes, that Senators may speak during that period, and that the Senate then stand in recess until the hour of 2:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Rhode Island is recognized.

(The remarks of Mr. Chafee appear in today's Record under Statements on Introduced Bills and Joint Resolutions.)

## RECESS UNTIL 2:30 P.M.

The PRESIDING OFFICER. The time has arrived for a recess.

The Senate will stand in recess until the hour of 2:30 p.m.

The Senate, at 2:13 p.m., recessed until 2:30 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Adams].

## RECESS UNTIL 3:01 P.M.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I am hoping that an agreement can be reached in respect to a resolution dealing with the Philippines. We may be able to get a rollcall vote on that today. For the moment, I think it is best that the Senate stand in recess for a while. Senator Dole is involved in a meeting at the moment, as am I, and other Senators are as well.

Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate at 2:31 p.m., recessed until 3:01 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Dixon].

## ORDER OF PROCEDURE

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The majority leader is advised that the pending business is his motion to proceed to the consideration of the Department of Defense authorization bill.

Mr. BYRD. I thank the Chair.

Is it not the responsibility of the Chair, if no Senator seeks recognition, for the Chair to put the question before the Senate?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. Mr. President, I am not going to encourage that situation at the moment. But I must say that there is an important motion before the Senate, a motion to proceeed to take up the defense authorization bill. Debate on that matter has consumed the time of the Senate to some extent in days heretofore. I would hope that at this early hour of the afternoon, there would be Senators who would be discussing the motion to proceed; because, while I am not going to intentionally walk off the floor when I see no other Senator on it, thus providing the opportunity for the Chair to fulfill its responsibility to put the question, there come times when I cannot be on the floor, and if other Senators are not on the floor at that time, then the Chair has the responsibility to put that question.

We have seen that situation happen once during my 29 years in the Senate. Most of us try to accord the courtesy to other Senators not to take advantage of the situation and other Senators rely on us to protect them. They have always been able to count on me and I intend for them to continue to be able to count on me, but I may not be on the floor.

I would just urge Senators if they are interested in discussing this motion to come to the floor.

Mr. President, I am hoping that during the afternoon the Senate can vote on a resolution which is being developed by the distinguished Republican leader and myself and other Senators, the resolution dealing with the Philippine situation. I am hoping that we can get consent to take that up and vote on it this afternoon. It may have some meaningful impact on the situation in the Philippines.

I also am awaiting the distinguished Republican leader's finding as to what the developments are in connection with the request which I intend to make during the afternoon to proceed to the consideration of the catastrophic illness legislation.

So at this point I will suggest the absence of a quorum unless another Senator wishes to speak, and I would urge Senators to come to the floor and discuss the pending motion.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## THE DEFENSE AUTHORIZATION BILL

Mr. THURMOND. Mr. President, I want to refresh people's memories concerning this defense authorization bill.

Eight of nine Republican members of the Senate Armed Services Committed voted against favorably reporting the fiscal year 1988-89 defense authorization bill. We took this unprecedented action with profound regret because of the importance we attach to this bill for the national security of the United States and for the men and women who dedicate their lives to the Nation's defense, and because we view the budgetary recommendations contained in the bill to represent a proper balance—albeit at lower overall budget levels than we would prefer—between our national security objectives and the need to balance the Federal budget. This bill is a remarkable achievement and the chairman and members of the committee are to be commended.

I remember the important part the present occupant of the Chair played in that bill and it was significant what he did.

The PRESIDING OFFICER. (Mr. DIXON). I thank the Senator from South Carolina.

Mr. THURMOND. Our opposition is based entirely on a single provision in the bill—known as the Levin-Nunn amendment—that restricts funding for development and testing related to the strategic defense initiative. In our judgment, this provision represents a unilateral constraint on the United States and grants a substantial concession to the Soviets at a crucial juncture in the arms control negotiations in Geneva. Furthermore, by providing a one-House veto over Presidential interpretation of a treaty, the Levin-Nunn amendment would permit an unacceptable intrusion by either House of Congress into the President's exclusive jurisdiction to conduct our Nation's foreign affairs. The Constitution and Supreme Court decisions have defined the balance of authority between the executive and legislative branches; this amendment is a clear transgression by Congress.

Furthermore, the Levin-Nunn amendment potentially would limit the President's ability to respond to Soviet violations of the ABM Treaty in a manner firmly established by international law. In the face of Soviet violations, the President may abrogate the treaty or make a proportionate response. But if either course of action involved other than fixed, land based systems, the Levin-Nunn amendment would require the President to obtain the approval of not one, but both Houses of Congress. In other words, either the House or Senate could unilaterally block the President's actions.

The President has requested a study to assess the implications of restructuring the Strategic Defense Initiative Program as permitted by the so-called broad interpretation of the ABM Treaty. That study will ultimately be sent to the Congress. While we will not prejudge the results of this study, nor anticipate the President's decision, it is clear that under the restrictive interpretation of the ABM Treaty, to which we are bound by Levin-Nunn, we are denied the ability to test realistically and efficiently the more mature strategic defense technologies. Under the restrictive interpretation, we may only conduct limited SDI experiments incapable of fully demonstrating a specific technology or ABM system capability. Without adequate development and testing, it is more difficult, more time-consuming, and more expensive to ascertain the technical feasibility of critical strategic defense systems. These are penalties difficult to justify in a time of severe budgetary constraints.

The Strategic Defense Initiative Program has brought the Soviets back to the negotiating table. All agree to this. We believe the Levin-Nunn amendment, because it imposes a unilateral restriction on the United States, undermines a considerable amount of the leverage needed by our negotiators to achieve agreements that are in our national security interest. We are joined in this view by the President of the United States, who views this amendment with such seriousness that he has stated his intention to veto any bill containing this provision. We are prepared to join the President and to vote to sustain such a veto.

In summary, this amendment raises legal issues about the proper interpretation of the ABM treaty, the relationship of Senate ratification to the obligations actually incurred by both parties to the treaty, and the wisdom, if not the constitutionality, of granting the House of Representatives the ability to bind unilaterally the United States to certain obligations with respect to the Soviet Union. However, each of these issues must pale in comparison to the central question, namely: What is in the best interests of our national security?

When viewed in this light, we conclude it is not in the best interests of our national security to require by statute that the President follow the more restrictive of two plausible interpretations of the ABM treaty, when the Soviet Union is seeking an even more restrictive interpretation at the negotiating table. We conclude it is not in the best interests of our national security to seek to bind the United States to an interpretation under the ABM treaty to which the Soviet Union is not bound. We conclude it is not in the best interests of our national security to grant statutorily to the House of Representatives the unilateral ability to compel the United States to follow for the next 2 years a particular foreign policy regarding our relations with the Soviet Union. Such matters are constitutionally reserved to the President, and shared only with the Senate by virtue of treaty ratification procedures. In short, at a time when the United States and the Soviet Union are engaged in negotiations involving the very matter addressed by the amendment, the Levin-Nunn amendment jeopardizes the prospects for reaching the best possible outcome for our long-term national security.

There are many reasons to be concerned about the Levin-Nunn provision. Let me summarize them briefly:

First, this provision represents a unilateral constraint on the United States and grants a substantial concession to the Soviets at a crucial juncture in the arms control negotiations in Geneva. This restriction would limit the flexibility of our negotiators and would impose on them a new starting point that would be more than welcomed by the Soviets.

Second, The Levin-Nunn amendment would permit an unacceptable intrusion by the Congress into the President's exclusive jurisdiction to conduct our Nation's foreign affairs. The Constitution and Supreme Court have defined the balance of authority between the executive and legislative branches; this amendment is a clear transgression by the Congress.

Third, under the restrictive interpretation imposed by Levin-Nunn, we may only conduct limited SDI experiments which are incapable of fully demonstrating a specific technology or ABM system capability. This means that we cannot realistically and efficiently test more mature strategic defense technologies which the President finds necessary to determine their technical feasibilities as a strategic defense system. The direct results will be substantial program delays and significantly higher costs for ultimately attaining effective strategic defenses.

Fourth, the Levin-Nunn amendment would impose on the United States a restrictive interpretation of the ABM Treaty to which only the United States—and not the Soviet Union—would be bound. Our negotiators attempted to restrict both the United States and the Soviet Union to the narrow interpretation of the treaty when it was negotiated more than 15 years ago. But the record reveals that the Soviet Union refused to accept this restriction. The Levin-Nunn would bind only the United States to the restrictive interpretation, and would have no effect on the Soviet Union's obligations under the treaty.

Fifth, the Levin-Nunn amendment is in part based on concern for the proper role of the Senate in giving advice and consent on the ratification of treaties. This is certainly an appropriate concern, but the approach taken by Levin-Nunn would yield to the House of Representatives an effective veto over any Presidential decisions to conduct development or testing beyond the restrictive treaty interpretations. The amendment requires a two-House vote of approval before the President may proceed to such development or testing. Therefore, if the House alone should decide not to approve such a decision, they would prevail under the Levin-Nunn amendment. For those Members who are concerned about the Senate role in this process, let me put it another way: If 100 Senators were to agree that the President should be able to conduct certain tests, but the House of Representatives refused to give their approval, then the will of the Senate would be overruled. A simple majority of the House could overrule not only the President's decision, but also a unanimous decision by the Senate. I trust this is a result that the authors of the amendment never intended.

Mr. President, these are some of the principal reasons why we are opposed to the Levin-Nunn amendment. I have raised them only briefly here as I am aware that several of my colleagues wish to pursue them in much greater detail.

In conclusion, Mr. President, I would again like to thank Senator NUNN for his leadership and his fairness in guiding the work of the Armed Services Committee. I commend him again for an excellent bill which, save for one provision, I would be enthusiastically supporting today.

Mr. President, I just want to say that I think we have one of the best defense bills we have passed in a number of years. We worked hard on this bill. The Democrats worked hard on it. The Republicans worked hard on it. We feel it is an outstanding bill and should go forward, if this Levin-Nunn amendment could just be taken off this bill and put on some other bill and voted on separately and not hold up this entire defense bill.

This bill makes provision for the support and maintenance of the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, all of our defense forces. Why should we hold it up for just one little provision which is so controversial, so controversial, that we cannot go along with it? Why not just put it on a separate bill, vote on it separately, but not withhold any longer action on this vital defense authorization bill?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I would like to ask the majority leader what the status of the defense bill is now. I know the majority leader has tried very hard for about 3 months to be able to bring the bill up. Of course, it is my fervent hope that the majority leader will be successful in bringing this bill up; it is one of the most important bills we consider each year. Therefore, I ask the majority leader where we are on that bill now? What is its status?

Mr. BYRD. Mr. President, if the distinguished Senator will yield, I will respond to his question.

Mr. NUNN. I yield.

Mr. BYRD. At the moment, the motion is pending to proceed to the consideration of the Defense Department authorization bill. That motion can be voted on right now from a parliamentary standpoint. It does not have to wait until tomorrow. It does not have to wait until next Tuesday. It could be voted on this afternoon. But we have tried, and we have tried, and we have tried to get a vote on the motion to proceed to the consideration of this bill so that the problems that are in it can be resolved, so that Senators may offer amendments to it. But on three occasions the motion to invoke cloture has been voted down. It has not received the necessary 60 votes

So a cloture motion is now pending on the motion to proceed to take up the Defense Department authorization bill. That cloture vote will occur next Tuesday. I urge all Senators on both sides of the aisle who have the slightest interest whatsoever in this bill, which is of importance to every State in this Union and to every Senator in this body, but any Senator who has even the slightest interest in this bill should be here next Tuesday if he wants to see the bill taken up and does not want to see this filibuster continued on merely taking the bill up. I urge all Senators to make arrangements now, if they are out of town, to get in touch with their staffs and tell them to get them a reservation on an airline and get them back here, so that neither fog, storm, snow, nor wind will keep them from being here next Tuesday to vote on this cloture motion.

We were up to 59 votes on one occasion on taking up this bill. I hope we will not reach 59 votes on this occasion and have a Senator absent whose vote would have been with us, because if that happens, the spotlight is going to be on him. Moreover, I am urging our Republican friends to give us just enough votes. They can be sparing if they wish, but just enough to make it.

Mr. NUNN. We are not trying to buy a landslide. We just want 60 votes.

Mr. BYRD. We will be satisfied with 60 votes. That will enable us to take up the bill. But let me say once more that we do not have to wait until Tuesday to vote on the motion to proceed. We can do it this afternoon.

Mr. NUNN. Would the majority leader object to the Senator from Georgia making a motion right now to proceed? I do not see any of our colleagues on the floor, and we would not want to take them by surprise. I see some interested people working around the edges here who might put out a quick distress call, so I will not do that. Procedurally, that would be in order.

Mr. BYRD. It would be in order for the Senator to ask consent that the Senate proceed to vote on this motion at say, 4 o'clock today. If no objection were to be interposed, the Senate would vote at 4 o'clock today. I know that the Senator is not going to make that request, and I know that our Republican friends would want to be on the floor when such a request is made. I try to protect my Republican friends as well as my Democratic friends in a situation like this.

I do hope that we will have a rollcall vote today or a rollcall vote tomorrow. It could be set for tomorrow and we could get on the bill, and Senators who have amendments could call them up.

I thank the distinguished Senator for his inquiry. Have I answered his question?

Mr. NUNN. The Senator from West Virginia has made it very plain, and I thank him for giving this matter the attention that those of us on the Armed Services Committee and all our colleagues believe it deserves.

Mr. BYRD. I think I should fill in one little gap that I left when I said that the cloture vote would occur next Tuesday.

A cloture vote will occur on the motion to proceed to take up the Defense Department authorization bill unless it has been taken up in the meantime.

I should say, also, that there is a cloture motion that will be voted on next Tuesday that is ahead of the cloture motion on the Department of Defense authorization bill. The first cloture motion on next Tuesday that will be voted on will be the cloture motion on the campaign financing reform bill. If that cloture motion garners 60 votes—it picked up 2 today—then the campaign financing reform bill would be the business before the Senate, to the exclusion of all other business, until finally disposed of, after which the vote would occur on the cloture motion on taking up the Defense authorization bill.

How sweet it would be, though, if we could proceed just this afternoon to take up the Defense Department authorization bill and dispose of some amendments, perhaps, today and tomorrow.

Mr. NUNN. I ask the majority leader one question on scheduling:

I know that the Judiciary Committee begins hearings on the President's nomination for the Supreme Court of the United States, which is an important matter. We all recognize the importance of that matter. I will be looking at those hearings very carefully. I have made no decision on Mr. Bork's nomination. I will make no decision until after the committee has gone into it in great detail.

However, so far as the priority of Senate scheduling is concerned, the Senator from Georgia feels very strongly—having reported the Defense Department authorization bill to the Senate on May 8, having tried to bring it up on May 13, and having watched it be filibustered while we have been cooling our heels for the last 3 months trying to get the bill up—I hope the Senate will take care of and dispose of this bill, dealing with the security of our Nation, before we schedule the debate on the Bork nomination.

I know there are other matters that have to intervene from time to time, but I know that that matter is going to take several weeks of debate, or at least a large portion of time; and I would feel that we had misplaced priorities if we took up the Bork nomination before we took up and disposed of this vital bill that relates to all our military forces and the security of the world.

So I did want to let the majority leader know my own sense of priorities on that.

Mr. BYRD. I stated before the recess that upon the Senate's return following the recess, there would be a great number of important measures to be acted upon. I stated at that time that the best approach would be to clear the decks as much as possible of legislation such as the appropriations bills—I think I mentioned the defense authorization bill, campaign financing reform, extension of the debt limit, Gramm-Rudman, reconciliation, catastrophic illness, and some other measures—get the stage clear of those measures.

Then, while those measures are in conference—because the House does have a part to play with respect to such legislation—we could be getting that work done, and then take up the Bork nomination, in connection with which the House has no role to play. So that the House would not be kept around waiting while the Senate is fulfilling its constitutional role in the confirmation of the nomination.

I stated again this week that I felt that that was the way we ought to proceed. It appears to me to be the logical, commonsense way to proceed.

I indicated that if the minority would help us to move these other matters—such as appropriations bills, 13 of them, and defense authorization, catastrophic illness, airline safety—it should not take long on these, if we could have the cooperation of all Senators on both sides, we could dispose of these, and then take up the Bork nomination.

I was not stating a threat. In my judgment, the Senate ought to act on the Bork nomination this year. I am very much opposed to any idea of bottling up the nomination in the Judiciary Committee, of which I am a member, or of not acting in due course on the floor.

I stated before the recess and again yesterday that we ought to first clear the decks of these other matters. I will have to be in touch with developments every day and week to week as we move along, of course.

So I am not making a mark in the sand or in the water and saying here is the mark, and we will not take up the Bork nomination until we reach this point, or that we will wait until we reach that mark. I am simply saying that the President has more than once said that he wants the Bork nomination acted upon with all due haste, the President and his minority in the Senate can help the Democratic leadership to get to the Bork nomination sooner than otherwise would be the case. But if we are going to drag around and delay and have to try for cloture on every bill to get it up—catastrophic illness, appropriations bills, and the Department of Defense authorization bill, et cetera—I cannot even get the prompt payment bill up. I tried that before the recess. I tried catastrophic illness a number of times before the recess.

The excuse then was that there were some Senators on the other side who had problems with it and that after the recess those Senators would be, in all likelihood, ready to let us take up catastrophic illness. Here we are now after the recess.

I talked about it earlier today. I do not know whether we will be able to take it up today or not, or tomorrow.

Now, we are just standing here and spinning our wheels, and the Senator and I are having a conversation we could just as well carry on in my office, but here we are talking about the pathetic situation that the Senate finds itself in when we have ample business to do; yet, because under the rules of the Senate any one Senator can hold up the works here, we are at the mercy of one or two Senators who do not want to even proceed on catastrophic illness, which is so important to the elderly people in this country.

No wonder our friends in the House are able to say, "We have passed nine appropriations bills and the Senate has not passed one." That is understandable that they say that, but the Senate operates under very different rules and by custom those appropriations bills originate in the House—not by the Constitution but by custom. So we have waited. I have talked to the Republican leader and the Republican leader is eager, as I am, to press forward with the appropriations bills as soon as they are reported from the full committee, which will begin reporting them next week.

I have gone at great length to answer the Senator, probably not specifically on the point he has raised, but I have said enough to indicate that the Bork nomination is important to this Senator, and I am absolutely determined to get it up this fall. But there are other matters that are just as pressing that could have been done already, but we have not had the cooperation of the minority—the Department of Defense authorization is one of them. If we get cooperation to help us move these other things along, then when the Bork nomination comes along, it will not have to wait too long to be taken up in the Senate.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, I agree with the priorities of the Senator from West Virginia. I thank the leader.

Mr. President, as this filibuster on the motion to proceed to consideration of the fiscal year 1988-89 Defense authorization bill continues, and I hope it will not continue much longer, there have been suggestions by some people that we really do not need to pass a Defense authorization bill this year because we can deal with these issues on the Defense appropriations bill.

First, let me say that there is not a single debate we have here on the Defense authorization bill that is not going to be on the Defense appropriations bill. So all we would be doing, if we do not pass this bill, is putting all this debate over, including the ABM debate, to another bill, and it means we are going to be bogged down in October, November, and December until we deal with these issues.

The Senate at some point is going to have to vote on these issues. That is well understood by everyone here. The question is, Why delay? Why not bring up this bill?

So to the argument that we do not need a Defense authorization bill this year, I want to take a few minutes to set the record straight on this point and outline why that is not a wise course for our national defense.

The requirement for Congress to enact annual authorizations of Defense programs dates back to the legislation passed in 1959 which required annual congressional authorization of appropriations for the procurement of aircraft, missiles and naval vessels. This requirement for annual authorization of national defense appropriations has been amended and expanded since 1959, so that now virtually the entire Defense budget requires annual authorization. This requirement has been codified in section 114 of title 10 of the United States Code. As a result, Congress has enacted a Defense authorization bill every year since 1961.

I want to briefly review the requirement in the United States Code for the annual authorization of Defense appropriations.

In terms of the law, section 114(a) of title 10 says that:

> No funds may be appropriated for any fiscal year to or for the use of any armed force or obligated or expended for procurement . . . research, development, test or evaluation . . . military construction . . . the operation and maintenance of any armed force or of the activities and agencies of the Department of Defense . . . unless funds therefor have been specifically authorized by law.

This section of title 10 clearly requires authorization of defense appropriations separate and distinct from the annual defense appropriations act.

The same requirement for annual authorization exists for Defense manpower strengths.

Section 114(b) of title 10 states that:

> No funds may be appropriated for any fiscal year for the pay and allowances of members of any reserve component of the armed forces unless the personnel strength of the Selected Reserve of that reserve component for that fiscal year has been authorized by law.

Section 114(c) of title 10 states that:

> No funds may be appropriated for any fiscal year to or for the use of the active duty personnel of any component of the Department of Defense unless the end strength for active duty personnel of that component for that fiscal year has been authorized by law.

Mr. President, a similar requirement exists in law for the annual authorization of civilian personnel and student training loads prior to the appropriation of funds for these purposes. These personnel authorizations are contained in this authorization bill, not in the annual defense appropriations bill.

The requirement for authorization of military construction projects before appropriation is further set forth in section 2802. This section stipulates that "The Secretary of Defense and the Secretaries of the military departments may carry out such military construction projects as are authorized by law." Mr. President, this section means that in the absence of this authorization act, not one dime can be spent on a single new military construction project anywhere in the United States or overseas in fiscal years 1988 or 1989. As a matter of fact there are approximately $70 million of projects in fiscal year 1987 for which funds were appropriated but not authorized. Our committee's fiscal year 1988-89 Defense authorization bill provides the necessary authorization for these projects to begin; without this authorization the $70 million already appropriated for these projects cannot be spent.

Mr. President, there are also a number of very important legislative provisions in this authorization bill in addition to the authorization for appropriations which were requested by the Defense Department. Some of these are provisions which will improve the flexibility of Defense Department officials to manage Defense programs.

Interestingly enough, I received a letter from the Secretary of the Air Force and Chief of Staff of the Air Force this week which goes through each of the major Air Force concerns with the overall defense bill this year, both the Senate bill and the House bill. Over and over again, the Secretary of the Air Force and the Chief of Staff of the Air Force, say that they want the Senate authorization bill provision on this subject and that subject.

Secretary Weinberger has written an overall summary of his position and the position of the Department of Defense on the House bill and the Senate bill. Repeatedly that summary shows that the Department of Defense itself favors the provisions of the Senate bill, and I hope we will begin to get some cooperation from those in the Department of Defense in getting this bill up and voted on and in conference.

There are other important provisions in this bill that we ought to talk about briefly this afternoon as people consider how they are going to vote on Tuesday on the cloture motion or before then perhaps in terms of the motion to proceed.

One of the most important budgetary reforms sought by the Defense Department this year is a biennial budget. This has been a very high priority of mine for some time and also been a high priority of Secretary Weinberger in the past. This bill makes the first serious attempt to move toward a 2-year budget for the Department of Defense. In fact; the Senate Armed Services Committee is the only committee in Congress right now with a very, very strong commitment to enact a 2-year budget. Without this authorization bill, there is virtually no hope of getting a 2-year budget out of the Congress this year.

Milestone authorizations are another important reform contained in this authorization bill for the first time. Everyone who has followed this procurement cycle realizes this is very important. Under this concept, the committee authorized funding for five major defense programs for 5 years. Milestone authorizations were a key recommendation of the Packard Commission last year and will represent another significant missed opportunity for greater efficiency in the Department of Defense unless this authorization bill is passed and becomes law.

There are other provisions in this bill which are essential to recruiting and retaining high quality personnel in the military services. Without the specific authorization for the 4-percent pay raise for military personnel in this bill, the military pay raise will in all likelihood be less than that.

This bill recognizes that there are some retention problems in certain arduous duty skills involving long family separations in some of the military services. For this reason the committee bill increases the current authorization for special pay for aviation career officers, for submarine duty incentive and for career sea pay, particularly applicable in the situation we find ourselves in in the Persian Gulf now having taken on a new load with many of our naval personnel having much longer tours in that area of the world.

The legislative authorities to pay enlistment and reenlistment bonuses in the Reserve components and reenlistment bonuses in the Active components expire at the end of this fiscal year. The committee bill extends these authorities for an additional 2 years.

For the first time the committee bill authorizes a cap on out-of-pocket medical expenses for dependents of active duty military personnel under the CHAMPUS Program very important to the dependents of our military personnel throughout the country.

All of these important benefits for our men and women in uniform will be lost if Congress fails to pass the fiscal year 1988-89 Defense authorization bill.

Finally, Mr. President, there is a major amendment which the committee intended to offer as a committee amendment during the floor debate. This amendment, which is the result of a recent request from the Department of Defense, will make some important changes in the implementation of the joint duty officer specialty enacted last year in the Goldwater-Nichols Department of Defense Reorganization Act. These changes are very high on the priority list of Admiral Crowe and other senior military and civilian officials in the Defense Department. If these changes are not included as part of this Defense authorization bill, it is most unlikely that they will be enacted into law this year.

Some of my colleagues will ask: Can't these important provisions simply be put in the Defense appropriations bill or a continuing resolution?

Some can, Mr. President, if we are willing to break our own rules about including legislation in an appropriations bill.

But some of these provisions—some of the ones that are most important to the Defense Department and the most far-reaching—cannot practically be put on an appropriations bill or continuing resolution. They can't, Mr. President, for the simple reason that these are extremely complicated provisions on which the Armed Services Committee alone works on day in and day out. No other committee has the day-to-day working experience in this area. If these provisions are legislated through an appropriations act, the Senate and the House will go into conference on an appropriation act with conferees that really have been dealing with other matters and who have not been dealing with these matters.

I want to repeat that there are no provisions in this authorization bill that cannot come up on the floor in some form or another. This means that those who are filibustering this bill are simply postponing the day of reckoning on important provisions.

I know that there are people who feel strongly on the ABM provision in the Senate armed services bill. But by filibustering this bill they are not doing anything except postponing the day of reckoning, making it more likely that it will come at the last minute on a continuing resolution, making it more likely that there will be no time to work out anything that could represent an overall compromise in the best interest of our country, and making it very likely that the SDI funding level, which is already very much of a controversy—there were a lot of close votes on that last year—will be the overall victim of this dispute.

Frankly, of all of the provisions of the fiscal year 1988–89 Defense authorization bill reported by the Armed Services Committee, the provisions that would be most appropriate for inclusion in the Defense appropriations bill or a continuing resolution is section 233, which restricts the obligation and expenditure of funds for development or testing of antiballistic missile systems or components which are sea-based, air-based, space-based, or mobile land-based. For this reason, Mr. President, this provision is going to have to be dealt with at some time or the other.

It seems to me that, for once, the Senate ought to go ahead and recognize that we are going to deal with it; we are going to vote on it. It may be taken out of this bill by a vote of the Senate. The Senate may decide to amend it. But the Senate is going to deal with it. It is not going to be taken out by a filibuster. That is just not going to happen. I may make the same speech in December, but it is not going to happen. This provision will be taken out only by the U.S. Senate on a vote. And if that happens, then I will not agree with it, but I will abide by it. I will take the bill to conference and deal with it in good faith.

So we are going to deal with this issue. It is just a question of how miserable the Senate is going to be made and how ridiculous we are going to look before we ever deal with it. I would hope my colleagues would take that into account.

Mr. President, again, I want to thank the majority leader. Congress has passed an annual Defense authorization bill every year for the last 26 years. I hope that this year will be no different from the other 26.

But, I repeat to my colleagues, the only way this amendment that they disagree with—and I am sure they disagree with it in good faith—the only way it is going to come out of this bill is when the Senate votes it out. Period. If the Senate votes it out, it will come out immediately. There will not be any filibuster from this side. But if the Senate does not vote it out, it is relevant, it is germane.

We spent more time on that amendment than any other amendment or any other five amendments in the Defense Committee markup. Everyone had due notice the amendment was coming up. Everyone had advance copy. We even postponed for 4 days to let people get prepared. We heard every argument. We had numerous hours of debate. It is relevant. It is germane. We can debate the merits of it later at whatever length our colleagues choose. But it will stay in this bill unless the Senate votes it out.

Mr. President, I again thank the majority leader for making this bill an important priority. I put all of our colleagues on notice, as he has already done, that this vote on Tuesday will be very important. The last cloture vote, we had 59 votes. It appears that we are going to have to have a cloture vote of 60 votes to be able to bring the bill up. All Senators have their rights reserved. Once the bill is brought up, we will have a full debate on all of these provisions.

But I urge our colleagues to be here on Tuesday and to vote, because I would certainly hope that if we fail to get 60 votes, it will not be because a Senator is absent who would have otherwise voted for cloture.

I thank the majority leader, and I yield the floor.

The PRESIDING OFFICER. Is there further debate?

Mr. BYRD. Mr. President, I thank the distinguished Senator. I hope that if there are other Senators who wish to speak on this subject they will come to the floor today.

Again, I say that Senators should be aware of the fact that if this Senator should be off the floor and unable to protect them, and other Senators happen to be off the floor or may be engaged in conversation, not paying attention to what is going on, it is the responsibility of the Chair to put the question. I know Senators recognize that it is not the responsibility of the Chair to put in a quorum. The Chair does not engage in debate from his vantage point. But it is the responsibility of the Chair to put the question, and that could happen if no Senator seeks recognition.

I saw it happen once in this Senate and it was to the consternation of some Senators.

Mr. NUNN. The question would be on the motion to proceed?

Mr. BYRD. The question would be on the motion to proceed. "Those in favor, aye. Those opposed, no. The ayes have it."

Mr. NUNN. I am delighted that that is a possibility.

## VISIT TO THE SENATE BY MEMBERS OF THE BRITISH PARLIAMENT AND THE BRITISH-AMERICAN PARLIAMENTARY GROUP

Mr. BYRD. Mr. President, I call attention to the presence in the Chamber today of two distinguished guests: Mr. Peter Robinson and Mr. Martin Smyth. They are both members of the British Parliament and the British-American Parliamentary Group.

I apologize for the sparse attendance at the moment, but I would have the guests know that the Senators, who are busy in committees and in meetings of one kind or another, will note the RECORD and will note with great satisfaction that our two illustrious guests came to see us and that they were recognized by the Senate. I want to express the hope that our two guests will have the occasion and the opportunity to come to see us again.

[Applause.]

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 2 minutes so that those of us who are on the floor may greet our guests.

Mr. WALLOP. Mr. President, I wonder if the majority leader would permit other comments. I would be happy to do that for 2 minutes and then stand in recess or I would be happy to wait.

Mr. BYRD. Does the Senator wish to comment on the subject matter before the Senate, or does he wish to comment with respect to our guests?

Mr. WALLOP. I simply wish to welcome our friends from the British Parliament.

Mr. BYRD. Mr. President, I yield the floor for that purpose. I withdraw my request for the moment.

Mr. WALLOP. Mr. President, I thank the majority leader.

I extend the greeting of welcome to those visiting members of the British Parliament from those on our side of the aisle. It is one of the rare privileges that this Senate offers to visiting members of legislative bodies who visit. You have a privilege that many Americans do not have, and yet it is one which I think makes a significant

difference to the relationship, particularly to a country with such incredibly longstanding friendship as that which you represent, Her Majesty's Government of Great Britain.

I thank the majority leader.

Mr. BYRD. Mr. President, I thank the Senator.

Mr. President, I ask unanimous consent that the Senate stand in recess for 4 minutes.

There being no objection, the Senate, at 4:29 p.m., recessed until 4:33 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. BREAUX].

The PRESIDING OFFICER. The Senator from Wyoming.

## DEPARTMENT OF DEFENSE AUTHORIZATIONS

Mr. WALLOP. Mr. President, I listened with interest, as I always do, to the Senator from Georgia explaining his level of frustration with the parliamentary circumstances which obstruct the normal progress of the Defense authorization bill. I would agree with him, and most of the colleagues on this side of the aisle would agree with him, that there are many, many important and fine features of that bill. Even within his own committee, there was general agreement on the most significant features of that bill.

It is the first time in memory, though, I think, that the Armed Services Committee divided along basically wholly partisan lines. It is unfortunate because, while this bill does contain the many fine provisions of which the Senator from Georgia spoke and the law does, indeed, require the authorization bill to be passed, neither the law nor our rules contemplate the infringement on the jurisdiction of the Foreign Relations Committee, nor do they contemplate an unconstitutional action of interpretation of treaties by the legislative branch.

I would have to say, Mr. President, that it is totally startling to me that we would view this from such a unilateral perspective.

We have just had the privilege of greeting visiting parliamentarians from Great Britain. Let us assume for a moment that there was a treaty agreement between Great Britain and the United States calling for, say, the delivery of 100,000 barrels of oil at a certain price, from one country to the other; and that this treaty required that it go along so long as certain territory within one of our countries was producing. Assuming that was the case.

Mr. President, I would ask any Member of the Senate if he would feel that our country should be bound by a new interpretation of such a treaty, were it to take place as a result of a debate on the floor of the Parliament? The answer is clearly no. Treaties are treaties and they are understandings between the executive branches of government and they are not changed, once entered into, by parliamentary understandings or debate. They may be broken, but they are not changed.

Assume for a minute that the shoe was on the other foot. Assume it was, for instance, our obligation to deliver this oil at this certain price to the British people. Would they for a minute accept a debate on the floor of the Senate that changed the price or the volume that was not done without the agreement between the heads of state? The answer is clearly no.

Nor, I think, even more specifically, would the Senator from Georgia, or any member of the Democratic Party, or any Member of this Senate, or anyone in the United States accept a new treaty interpretation that was developed by a debate in the Soviet Presidium. It is absurd on its face to require us to take such an action.

The Senate can force action but it cannot force interpretations. It is an unconstitutional act that the Senator from Georgia, the Senator from Michigan, seek to force upon this Senate.

We have in the Senate an almost unique parliamentry role in the world in treatymaking, that is the ratification of treaties. And at that time, we can level understandings. At that time, we can reject a treaty out of hand.

But once the treaty is entered into, that is the obligation of the executive branch. It is a country-to-country arrangement; it is not a Parliament-to-Parliament arrangement. And there is, to the amazement of those of us who have listened to this argument being waged over there, a certain amazing concept that is advanced on one side and ignored on the other. The reasons that that side wishes to advance for us obtaining the interpretation of their desire is that the custom and habit of the standing consultative commission—the treaty-resolving, dispute-resolving mechanism under the treaty—says that this is the way it has been interpreted.

But that is the area and the arena in which those disputes are resolved. Not on the floor of the United States Senate. Not in the Politburo. Not in the Presidium. Not in the Supreme Soviet. It is done in the standing consultative committee and it cannot be argued at the same time. This has been the interpretation of that consultative committee and that then we are the ones to interpret it. Either it is the standing consultative committee or it is the Senate of the United States, as those who would advance this argument would say.

All the benefits of which the Senator from Georgia spoke are held hostage, not by a refusal to go ahead and to adopt an unconstitutional act; they are held hostage by the adamant intrusion on logic and the Constitution by the two authors of the ABM Treaty amendment.

I would just point out one other thing, Mr. President. About the time the Senate is going to be voting on this cloture motion next Tuesday, Secretary of State Shultz and Foreign Minister Shevardnadze will be sitting down to try to hammer out a few of the last arrangements on the INF Treaty.

It is ironic, and to this Senator a little inconsiderate, that what the President of the United States has been able to do, which was thought impossible to do, was to separate the issue of intermediate nuclear forces from everything else. These were to be separate parcels of negotiations. And that which the Soviets have failed to do, the Senator from Georgia and the Senator from Michigan wish to impose upon us at the very time that the Secretary of State is meeting with Foreign Minister Shevardnadze.

Well, it is the choice of the majority to make those findings, but it is a sad choice. It is a choice which makes it virtually impossible for the Government of the United States to negotiate with both feet on the ground and both hands on the desk. It is removed from them. It is removed by an adamant instruction on history and everything else by a Democratic majority of the United States. They are forcing upon the President of the United States and the Secretary of State, his representative, an interpretation which the Soviet Union did not force and did not seek to have.

Well, it is unfortunate, but that is the way it is. The American people should understand that without the Jackson weight, that is what this country sees as the Democratic Party asking the Senate of the United States to accomplish.

I do not know whether it will happen or not, but clearly, Shevardnadze will know whether it happens, and when it does, those achievements, so close at hand, may yet be unraveled a bit or weakened a little further by the fact that this country cannot speak with one voice because the Congress, in the body of the Senate, decides that it thinks its role is not only to ratify treaties but to subsequently interpret them and enforce them at its whim. By the changing majorities and changing population of those who sit in these chairs, on its face treaties cannot be interpreted by political whim over the course of time. Were that to be the case, we would soon find that no nation in the world would enter into a treaty with the United States because that whim which can loosen it can also tighten it. That whim which can tighten it at this moment in time can also loosen it.

The dispute resolving mechanisms that are set up when treaties are signed become irrelevant and the word of the United States becomes inconsequential. It cannot be held because it cannot be given because it will be debated in the course of time again and again and again. They will find new interpretations in time of old understandings. And politics, not the relationships between States as embodied in treaties, will become the means by which the relations between our country and others in the world will be able to be taken. Who will be able to rely upon us?

Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further debate?

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I listened with interest to my friend and colleague from my neighboring State of Wyoming, and I have listened to other debate on the floor of the U.S. Senate as a senior member of the Armed Services Committee, which worked very hard, which held long days of hearings on the whole massive national defense and national security interests of the United States of America.

What strikes me most, Mr. President, is the fact that here we are engaged in a debate that would be very proper indeed after the Defense authorization bill is brought up on the floor of the U.S. Senate.

I would simply remind my colleagues that because the way we are doing business or not doing business these days in the U.S. Senate, we are going through another sham, another coverup, of the inefficiencies, of the failure of the most deliberative body in the world becoming deliberative to the extent that we do not accomplish what we are supposed to accomplish by set goals, set dates.

It has been well pointed out, I think, that we are less than 30 days away from the beginning of the new fiscal year on October 1 and we have not passed any of the appropriations bills that are going to continue the funding for national security and everything else, which is the responsibility of this and the other body on the other side of the Capitol, and, of course, with the cooperation, the understanding, and with the signature of the President of the United States on the bills that we do pass.

What I am getting to, Mr. President, is that here again today we are debating an issue that should be debated after the measure, in this case the Defense authorization bill, is on the floor of the U.S. Senate. But that is not what we are doing, Mr. President.

We are wasting time in going through meaningless, time-consuming discussions on whether or not we can even bring up the defense authorization bill as passed properly out of the Armed Services Committee.

That is the tragedy. It is not just this bill.

I suspect that when the filibuster process was started and when it first came into the thought processes of providing the minority the right not to be run over by the majority, it was not envisioned for other than the most high, pressing issues that might face the country.

I have listened with interest to my friend from Wyoming and his discussion about this as unconstitutional. Well, if it is unconstitutional, that would have to be decided, as I understand our procedures, by the Supreme Court. If we do something here that is unconstitutional, there are plenty of lawyers and plenty of people who will take that to the U.S. Supreme Court and therein would lie the decision as to whether or not it is unconstitutional.

But we cannot even get to the point, Mr. President, because the minority, through filibustering techniques, are stopping even the allowance of consideration of the Defense authorization bill, and the one prime problem that they have has been generally referred to as the Nunn-Levin amendment.

It so happens that the Nunn-Levin amendment was very thoroughly discussed in the Strategic Subcommittee that this Senator chairs. It came out of that subcommittee, and we decided, since it was controversial, to take it up in the full committee, which we did. We had a long debate there. Some of the arguments that have been made very eloquently by my friend from Wyoming and others were discussed at that time.

Our decision was that this was a controversial issue, that we should take it to the floor of the U.S. Senate and let the decision be made there as to whether or not the Nunn-Levin amendment should be maintained as part of the Defense authorization bill.

It would have been even more proper, Mr. President, for those on that side of the aisle who are flouting the movement and procedures of the U.S. Senate to filibuster this when the Nunn-Levin amendment came up on the floor of the U.S. Senate as a part of the Defense authorization bill. But we cannot even get to that point, when even they, those on that side of the aisle, are filibustering the calling up of the Defense authorization bill which, in the opinion of this Senator, on its face really does not make any parliamentary sense.

I also think that those on that side of the aisle who are even filibustering the introduction of the Defense authorization bill are having less faith in the good common sense of the Senate, regardless of our party affiliation. They are not giving due credit to the Members of this body. We all make mistakes. We have made mistakes before in this Congress and previous Congresses have made mistakes. Future Congresses will make mistakes. But that is the procedure. If in debate the majority of the Members of the Senate are convinced that this is unconstitutional, I think there is better than a 50-50 chance it would be defeated, but we cannot even get to the debate. That is the tragedy of the situation.

The other tragedy, Mr. President, of course, is that the general work of the body has been bogged down. We cannot get anything done these days because the minority are filibustering everything, even going to the extent of filibustering bringing up the important matter of the Defense authorization bill because they cannot have their way.

I would simply say that other things are being handled in a similar manner. The 100th Congress I think will go down in history as the Congress of the filibuster. Things are stopped in their tracks, procedures are stopped in their tracks.

We had a cloture vote earlier today on the important matter of the Campaign Finance Reform Act. I happen to support that. I did not in the original instance, but after some changes and amendments that I felt very strongly about, which basically all but eliminated the likelihood of taxpayer-financed campaigns, I thought it was a step in the right direction.

But once again, I do not object to my colleagues on that side of the aisle taking advantage of everything that they can when they feel very strongly about something. But I say again to my friends on that side of the aisle that blocking the introduction of the Defense authorization bill is making a mockery of the legitimate orderly procedures of the Senate.

I would like to comment a little bit about this terrible thing that some people are doing by trying to overthrow the treaty provisions of the United States. I remind all that the Senate is required to confirm treaties. I think a keen argument can be made, as Senator NUNN and Senator LEVIN have on occasion previously when we have gone through the charade of debating the issue before the bill is before the Senate—Senator NUNN and Senator LEVIN have made a key point that it is not Senator LEVIN and Senator NUNN and those who strongly support their amendment who are changing the treaty. Indeed, it is a change of the treaty as provided for when the Senate worked its constitutional will and duty. There is now a move by this administration, after some legal study—which has been questioned by other legal authority—to change a significant part of the treaty with regard to SDI testing.

And now, Mr. President, we get down to the crux of the argument. There are those of us on the Armed Services Committee and the strategic subcommittee that I chair who have been strong supporters of the strategic defense initiative, or Star Wars, since its inception. We felt it was necessary for us to do testing. We felt it was necessary to do research in laboratories primarily on the technical means that I think we need to provide in this particular phase of our national security. It was not envisioned in the original SDI proposition that we would be doing some of the testing that we are now being pushed into by the administration, helped and assisted by the filibuster that is now ongoing. So I think it is others, I say in all due respect, who are attempting to make changes in a ratified treaty by the Senate of the United States and not the present Members who are trying to attach to the Defense authorization bill the so-called Nunn-Levin amendment. I simply say that while I have supported the Nunn-Levin amendment, I do not feel as strongly about it as does Senator NUNN and Senator LEVIN. I think most people realize that Senator NUNN is a highly respected, moderate Senator, who is not known to go off on tangents, and I assure you that he is not going off on a tangent in this instance.

Those who want to make the case that has been articulately made by the Senator from Wyoming here on the floor of the Senate today can be assured that this Senator and others will listen very closely to the debate if they would allow us to bring up this measure. If we think it is unconstitutional, then we may decide that the Nunn-Levin amendment should not be part of the Defense authorization bill. I think that an argument can be made on that. Maybe you will win. But I think you are not winning by the continued ridiculous filibuster techniques that provide the Defense bill cannot even come up on the floor for debate and move ahead.

I appeal to my friends on that side of the aisle to come out of this malaise that we are now in where the minority, with 46 Members, know if they vote essentially as a block and with only 54 Members of the majority they have the magic numbers and they can tie up the Senate to work their will on not just important matters but all matters that come before the Senate. We are very weary of it. I congratulate the majority leader and the other Democratic leadership. I think they have shown extreme restraint and understanding, but I assure you in conversations with them their usual understanding is being extremely tested.

Now we get into the matter of tit for tat. There is the matter of the nomination of Judge Bork to be a member of the Supreme Court. I do not think logrolling should be used. I happen to feel, as I am sure my colleague from Wyoming does, that the nomination to the Supreme Court is very important. It is a key appointee to the third equal branch of government under our system since we rely on the executive and the judicial and the legislative branches, and we should not be logrolling on that. But I can already see some signs of some saying, "Well, if we are going to be held up on everything that the majority wants to do, we have no recourse but to have some temporary delays," if you will, "in the bringing up of the Supreme Court Justice confirmation."

I hope that does not come to pass, and I am not for it, but I am trying to explain the dilemma in which the leadership of the Senate finds itself today and why the continued filibuster techniques that are used over and over and over again are getting very old, very old, very old, tying up the Senate when we should be working our way through the maze of work we have to do supposedly before the new fiscal year, October 1. And we all know that is impossible. I think we have a responsibility to move matters ahead more swiftly than we have.

Therefore, Mr. President, I plead once again with our friends on the other side of the aisle to let us bring up the Defense authorization bill. Then let us have a debate on the Nunn-Levin amendment, as we should have. There are some good arguments for and there are some good arguments against. Then let the majority of the U.S. Senate, after full debate and certainly some measures of understanding on constitutional issues which are tremendously important—let us then move ahead.

I assure my friends on the other side of the aisle that if the Nunn-Levin amendment does become law and if it is unconstitutional, as they claim—and it may well be, and it may well be that I will decide when that comes to a vote, if we ever get the bill up—there may be some of us who would go along with them and it would not be a factor. But even if we are wrong, even if it does prevail, they have recourse, as has been pointed out, through challenge in the courts; and if it is unconstitutional, I believe we can count on the Supreme Court of the United States to so declare.

I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Nebraska has yielded the floor.

Mr. WALLOP. Mr. President, let me observe a couple of things to my friend from Nebraska.

One is that such a question might not be submitted to a full complement of the Supreme Court because of threatened actions. But, more important, the question revolves around whether the Armed Services Committee ought to infringe upon the territory of the Foreign Relations Committee, at best.

The Senator says we have the right to appeal to the court. Indeed, we do. But, in the meantime, while we are indulging this frivolity of theirs, we are bound by it until such time as the court has decided.

I point out to the Senator from Nebraska that the President of the United States is not the only person in the world affected by this, but also the negotiators of the United States, faced with the negotiators of the Soviet Union.

I observe once again, with more amazement, that in the face of Soviet violations of the ABM Treaty and in the face of Soviet activities which are in violation, if you view the narrow interpretation of the Treaty, the action of the majority in the Armed Services Committee is not to confront the Soviet Union but to further restrain the ability of the United States to respond. It is a sad day, but it is not the first time we have seen that.

Mr. President, I think we could get on with the business of the Department of Defense authorization if that is what we were doing. But in addition to the Department of Defense authorization, we are indulging ourselves in an administrative matter which is rightly the province of the executive branch and surely the province of the Foreign Relations Committee.

Mr. EXON. Mr. President, I thank my friend from Wyoming for his comments.

I just want to correct any possible impression that might be left that the members of the Armed Services Committee, Democrats and Republicans alike, are not concerned about possible violations of the ABM Treaty by the Soviet Union. We are fully cognizant of that. I know that that has been a matter of considerable fervor on the part of my colleague from Wyoming, especially with many years of experience on the Intelligence Committee, and I respect his points of view.

However, I hope we can understand that we are all trying to do everything we can during these critical times in carrying on negotiations with the Soviet Union. I simply remind my friend from Wyoming that a few months ago, when things were not going so well with the Soviet Union on any type of understanding that would be verifiable and provable and everyone was saying it is obvious that President Reagan is going to leave office without accomplishing anything with regard to a beginning of an understanding with the Soviet Union, let alone a treaty, it was this Senator who said: "I don't think so. I think we have a chance to get something done." But that does not mean we have to play hardball all the time, each and every day with the Soviet Union.

I think the Senator from Wyoming does not know about this, but I was rather shocked in the Commerce Committee today when we were considering the President's nominee to be Secretary of Commerce. We had testimony from one of the witnesses in strong opposition to President Reagan's nominee to be Secretary of Commerce. I will not mention any names, but I will simply say that this individual is not a member of my political party. I think that if I would mention his name, he would be instantly recognized as a member of the political affiliation of my friend from Wyoming.

I was shocked, I say to my colleague from Wyoming, by testimony today from this individual that has gone so far overboard on our relations with the Soviet Union that he violently criticized President Reagan's nominee to be Secretary of Commerce, to the extent that he said—and I quote almost verbatim—in his written testimony and in his verbal testimony to the Commerce Committee during the confirmation hearing this morning, that if the President's nominee is confirmed, Mr. Gorbachev, for the first time, will have a seat on the Cabinet.

I simply say that, at best, that is an irresponsible overstatement; that I am confident that President Reagan would not appoint anyone as Secretary of Commerce if he thought that individual was seated at the table representing Mr. Gorbachev in any way, shape, or form.

I only cite this, Mr. President, because I think it shows the mania that flows loose sometimes from other responsible people with regard to the Soviet Union. We do not have to love the Soviets. We certainly do not want to trust them. We certainly must recognize that they are a potential enemy. At the same time, I hope we are going to be wise enough to recognize that they are the only other superpower in the world today, and I do not believe that Soviet bashing is the way to reach some kind of meaningful understanding with them.

Therefore, I simply hope and pray that we can move ahead with some kind of understanding. I congratulate the Reagan administration for the job they are doing, for the negotiations that are going on in Geneva today. For the first time, there seems to be a breakthrough, that the Soviets are considering something they would never consider before, and that is onsite inspection. I simply say that this is not the opportune time for Soviet bashing, and I think we should move ahead at least with consideration of the defense authorization bill; and let the Senate—and, if necessary, the courts—work its will.

I yield the floor.

Mr. LEVIN. Mr. President, I just heard the remarks of my friend from Nebraska, and I totally concur with his point that the argument which is being made today about the language of the so-called Levin-Nunn amendment is really an argument which should be made during the debate on the bill.

The problem is that we cannot get to the bill. The opponents of the language will not let us debate this matter. They will not permit us to proceed to this bill unless language which the Armed Services Committee added to this bill is deleted. I believe and hope that the Senate will not accept that kind of declaration on the part of some Senators.

So the short answer to the arguments we have heard today about this language is: Let us quit the filibuster and let us debate the meaning of this language and the validity of the so-called Levin-Nunn language during the debate on the bill itself.

There is a longer answer, and that is that the language itself does not prejudge which is the correct interpretation of the treaty. It does not say that the narrow interpretation is correct or that the broad interpretation is correct. What it says is, "We are appropriating $4.5 billion in funds to you under the SDI research program."

But we are also attaching some conditions, as the Congress traditionally does, and the condition we are attaching here is this: Before you decide to move, if you do, to a new, broad interpretation of the ABM Treaty, we want you to come back to Congress. We have fenced weapons systems before. This is not novel. We put a fence on the MX basing mode, some of us citing, as the reason for that fence, the SALT II Treaty.

It is not uncommon for the Congress to put limitations on the expenditure of money. It was what we are here for. In this 200th year of the Constitution, we should be celebrating the Congress' power over the purse. We are not here to write blank checks to this or any other administration and to tell you here is the $4½ billion, spend it as you will on anything you want in the SDI Program.

We are here to put some constraints on the expenditure of money. The administration wants the purse and the purse strings.

The problem that the opponents of this language have, really, is not with the language. It is with the Constitution. It is the Constitution which gives the Congress the power over the purse and the right to put limitations on the expenditure of money, and this limitation does not prejudge which is the correct interpretation of the treaty. It does not say the narrow interpretation is the correct one. It says you have lived under the narrow interpretation. We have lived under the narrow interpretation. This is a government of laws. We are bound by treaties. Before we move to a new interpretation of a treaty, we, the Congress, the appropriators, the authorizers, want you to come back to us and tell us why you are moving to a broad interpretation, how it can be justified, and gain our concurrence.

This is a partnership here. This Government is a partnership and in the appropriation and authorization of funds we have a role.

So, while the opponents of this language can talk about treaty interpretation and that we should not be unilaterally interpreting a treaty or we should not be allowing the House to have a role in the interpretation of the treaty, they are missing the point of the language, and they should read it again because the language has to do with the expenditure of funds and the limitation on those expenditures and the role of the Congress in complying with the laws and the treaties which bind us.

But again, the place to debate this, the meaning of this language, its validity, and whether or not it is not only in compliance with our Constitution, but indeed was foreseen by the Founding Fathers as the role of the Congress in implementing the Constitution, the debate on that should take place during the debate on the bill, not during the motion to proceed.

This is not any more an amendment. This is language in a bill. A committee of this Senate has voted to interpret this language in this bill. That is the bill that should be debated on this floor and if there is an effort made to delete that language which is in the bill, so be it. That is what we are here for. And then let the Senate do its will.

But that is very different from what the opponents of this language are now engaged in which is an effort to stop us from debating this bill, to prevent us from deciding whether or not this language indeed carries out the constitutional obligations and responsibilities of the Congress in putting limits on expenditure of funds or whether or not it is an unconstitutional intrusion upon Executive prerogatives.

We think we will carry the day when that debate comes. We believe this is highly constitutional, very much precedented, and we have done this on a number of occasions with weapons systems putting limits upon the expenditure of funds for those systems, building fences around the expenditure of funds to make sure when the money is spent it is in compliance with law and our understanding of what the law of the land is.

But let that debate occur in the right place and the right time. Let us get to that. Win or lose, we then will accept the will of the Senate. But we should not be thwarted in having the will of the Senate expressed by a vote

on an amendment to delete on this authorization bill.

So I very much support the efforts of Senators Byrd and Nunn in trying to get this bill to the floor. It is important for the security of this Nation that we have the priorities that are set forth in this bill debated and adopted by the Congress. We should get on with that and debate the Levin-Nunn language during that time.

I also again want to concur in the remarks of the Senator from Nebraska who put his finger right on the point which is when it is appropriate and under what circumstances to debate language that is in a bill. Should that debate take place during the motion to proceed or should it take place during the debate on the bill itself? He is right on the money and I concur in his remarks.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I am happy to join in this discussion concerning the motion by the majority leader to move to consideration of the Department of Defense authorization bill and would like to remind my colleagues who may be watching the proceedings in their separate offices that we reported this bill to the Senate 3 months ago.

The markup of this particular DOD authorization bill in the Armed Services Committee, with the exception of this particular so-called Levin-Nunn amendment, was probably the most harmonious markup of a DOD authorization bill by an Armed Services Committee of the U.S. Senate in many years.

I have not been a member of the committee for a long time. I see a colleague of mine, who is a very dear friend, of the opposite political persuasion, the distinguished Senator from Indiana, who serves on the committee with me.

I want to say that I have served now during the course of service of three chairmen—the distinguished Senator from Texas, Senator John Tower; the distinguished Senator from Arizona, Senator Barry Goldwater; and now under the leadership of the distinguished senior Senator from Georgia, Senator Sam Nunn. All have been good chairmen. All have been highly motivated in the interest of the finest national defense system this country could afford. But I thought the service this year by the members of the committee was distinctly cooperative throughout the proceedings with the exception of the adoption of this amendment. Why do I dwell on that?

This piece of legislation, which perhaps a majority of this Senate would say ought to have the highest priority of anything we do here—the national defense of the United States of America—with the exception of one amendment, is probably the finest product, given the fiscal constraints, that the Armed Services Committee has produced in years.

I want to say that I was in the chair, Mr. President, from the hours of 3 to 4 when the Senator from South Carolina spoke. The Senator from South Carolina was President pro tempore when I served in the minority prior to the 1986 election. The Senator from South Carolina has been a member of the Armed Services Committee for years. The Senator from South Carolina, in his remarks opposing the motion of the distinguished majority leader, conceded that this was one of the finest bills that was a work product of the Armed Services Committee in years.

Now, I have the honor, Mr. President, of being chairman of the Subcommittee on Readiness, Sustainability and Support. That subcommittee authorizes 37 percent of the funding in this DOD authorization bill. That bill authorizes approximately $302 billion, if my memory serves me well.

My subcommittee hearings were extensive and covered a great many weeks of hard work. At the conclusion of it, the Senator from South Carolina, Senator Thurmond, the Senator from Texas, Senator Gramm, the Senator from Arizona, Senator McCain, the Senator from Idaho, Senator Symms, and others expressed to me their personal appreciation and satisfaction for the fact that every member of the minority had been fully heard. Their views had been fully considered and they had every opportunity to place in our subcommittee's work product what that individual minority party Senator wanted in the bill, at least within reasonable limitations that fiscal constraints would permit. And we had a fairly extensive bogey, as I recall $2.5 billion or so, that we had to remove in the jurisdiction of my subcommittee from this DOD authorization bill.

Now why do I say all of this? Well, Mr. President, I say it for this reason. We do not come here in perfect harmony on the things that we do. When I was in the minority, a great many things happened that I took substantial issue with. But this Senator lived with those things, Mr. President, because I was in the minority. And, as a matter of fact, I am in the majority now, and some things that we do I do not agree with, however, I live with them.

We have here a bill where every member of the Armed Services Committee worked on the product and was satisfied with the final product. There is no question about that. There is no member on the minority side, Mr. President, that would argue with the fundamental thesis of what this Senator is saying now. We have a good product.

We have a difference of opinion about one thing, the so-called Levin-Nunn amendment. Honorable people can differ about these things, but there was a vote, and the majority opinion was that we put this amendment in the bill.

Now, if my colleagues on the other side, whose friendship I cherish, have a different point of view, if they can prevail on this floor and take it out by amendment, so be it. Let me say here if they take out the Levin-Nunn amendment, this Senator will still speak for and vote for this DOD authorization bill.

There are certain things in this bill I want to take out. There is an authorization for aircraft carriers in the bill that this Senator is opposed to. There is authorization in this bill for homeporting that this Senator is opposed to. I was chairman of a major subcommittee and got rolled on that question, Mr. President, but I lived with it.

So, if my colleagues can take it out on the floor, let them. And let me say this beyond that, Mr. President: if my colleagues on the other side are correct in their representation, and I assume them to be correct, that the President of the United States takes such exception to this one amendment that he would veto the entire DOD authorization bill over it—and I doubt that he will—but if he would, then let him. We will try to override, and if we fail, we fail. And then we would have to revisit, I suppose, this whole question. But that is the democratic process. What is not the democratic process, Mr. President, is what is happening here!

When I go home and have townhall meetings, people ask me about the fact that we have not yet passed a Department of Defense authorization bill. I do not mean it is the only topic on the streets or that it is a major matter of discussion back home. But many people are aware of the fact that we have not done our job in this regard. The House has passed their bill; however, no conference is taking place because we have not passed a DOD authorization bill, notwithstanding the fact that we are near the end of the fiscal year. Many people know that.

This filibuster is contrary to the fundamental democratic process. I do not come here to say I have never filibustered, because I have. I do not come here free of guilt. But we are in gridlock on every significant public issue before the people of America today.

Our majority leader is asking for cloture votes next Tuesday on fundamental election reform and on the DOD authorization bill. Why do we not get to it? On every major issue this year we have had a veto and arguments and overrides, except on the banking bill where the conference committee had finally finished its work and the President finally sent word we should come back and try again. We finally did achieve accommodation on a major piece of legislation. The President knows that is how the system works—and the banking bill became law.

I think that we ought to take up this bill. I think it is of the highest priority.

I do not know that I necessarily agree with my friend from Georgia, the chairman of our committee. I think he is a great chairman and great leader. I am not so sure we ought to hold up consideration of Judge Bork and eveything else until such time as we get to this bill. But I certainly think that this is of the highest priority and we ought to get on with it.

Now, It seems to me that everybody has kind of gone along with senatorial courtesy for a long time here, Mr. President. I know my friend the majority leader is on the floor and he has the power to make these decisions, and no one else has. But I think at some time soon we ought to just stay here until we get finished with this piece of business. I think the DOD authorization bill ought to be taken up. I think we ought to continue to vote on cloture and continue to talk, and get the cots and stay here until we have a bill. I think it would be the worst possible result this year, Mr. President, for us to not get a DOD authorization bill. I think that failure to get this bill would be something that would invite great difficulties in the future.

Let me say to my friends on the other side—and I know there is only one of them here, but I hope others are hearing what I am saying in their separate offices and will think about it—more often, people who do not much like the present DOD authorization bill and want it reduced further are pleased with the delaying actions you are taking.

I remind my friends on the other side that this whole question of the strategic defense initiative, which I support, has a considerable amount of opposition in the country. When you talk about the interpretation of the ABM Treaty, there are many people in the country who do not want any money in this bill at all for the strategic defense initiative. I remind my friends on the other side that we put $4.5 billion in this bill for the strategic defense initiative. That is much more than the House has, probably more than will survive the amendatory process here.

I think we ought to do one of two things, Mr. President. I hope that my friends and colleagues on both sides consider this.

Some have said we should take out the Levin-Nunn amendment altogether and just take up the bill. I say let us take it out along with the money for SDI. We should argue the Levin-Nunn amendment and the money for the strategic defense initiative separately, if that is what everybody wants to do, they belong together; they are part of the same family. If we want to do that, let us do that.

If we cannot do that, Mr. President, then let us stay on this bill until we pass it. Let us force everybody here to understand that ultimately we have to come to grips with this immense problem and pass a DOD authorization bill and take it to conference. That, I think, is a fundamental duty of every Member of the U.S. Senate. I think it is expected of us and I think it is tremendously important that we get on with the business of the Senate.

I just want to say, Mr. President, that basically this is a good bill. There are going to be amendments argued about a number of different things in this bill. Some things could be modified here on the floor. Obviously the Levin-Nunn amendment is something that needs to be discussed. It will be discussed in a heated way. It may be discussed for days. That is all right. If they want to discuss it for weeks, that is all right. Let us let the democratic process work.

But in the end, Mr. President, we must have a bill. Three months have passed. We must have a bill.

I think it would be the gravest type of misconduct by the Senate to ultimately come to the end of this session without having passed a DOD authorization bill. Frankly, I am here to say in conclusion that the chairman of this committee is not going to shrink from his position. There is not any way, Mr. President, may I say, that he will voluntarily take out of this bill the Levin-Nunn amendment. The chances of that are zero and none, and you can spell it n-o-n-e or N-u-n-n—but no chance!

So we get to this bill one way or another. I say to my good friend, the majority leader, one of the finest recitations of poetry that this humble Senator has heard in his entire life was the excellent recitation by the majority leader today. I thank him for it and I say to the majority leader, who has entertained us in so many ways in so many times, why do you not get out the cots? Why do we not just stay here day and night in this pleasant company, the 100 of us, together, until we take up the fundamental piece of legislation most important to the national security of the United States of America, and through our efforts the world at large, and pass the DOD authorization bill?

Mr. Majority Leader, I yield the floor because I see you standing and it may be my delight, sir, to hear you recite once again.

Mr. BYRD. The distinguished Senator asked me: Why don't we get out the cots?

I read in one of the national periodicals today—I will put my glasses on and see who is on the floor—yes. I read in one of the national periodicals today where a Senator said that, if Byrd were to have all-night sessions and get out the cots, Byrd might not be majority leader much longer. [Laughter.]

Mr. DIXON. I want the majority leader to know I did not suggest it for that reason.

Mr. BYRD. May I say the cots are around and I would not be surprised that before this session is over on the DOD bill or some other matter, if the minority persists in delaying action, Senators will have an opportunity to sleep on those cots. Or at least to lie on them. I do not know how much sleep they are going to get.

I have been on both sides of filibusters in my time. In the same magazine or national periodical I read where I had spoken at one time for 14 hours and 13 minutes, so I am an accredited, blue-ribbon, pedigreed stock, filibusterer myself. There come times when the filibuster is useful and should be used; and then there come times when it is abused.

I have seen the filibuster abused in this Senate before in years past.

At one time there was no cloture rule. I say at one time—for most of the period of this Senate's history there was no cloture rule. At the very beginning, there was even the motion available for the previous question. That motion is available in the other body but it is not available in this body now. It has not been for decades and decades. Almost two centuries.

But the abuse of the cloture rule has led to some changes during my tenure as majority whip and as majority leader.

As a result of such abuse of the filibuster, the abuse of the so-called unlimited debate feature of this institution, the cloture rule came into play and it has since been tightened.

We reduced it, the Senator may remember, from 100 hours to 30 hours. But that rule can stand some more tightening. It ought to be tightened up more. It is full of loopholes as it is.

If Senators persist in utilizing the filibuster, as a means just to delay and make it difficult for the majority of the Senate to work its will, I think the majority of the Senate at some point will tighten up that rule.

It will not be good for the Senate to become a mere second House of Representatives. I use the word "mere" only in the sense that, in the House, Members of the House cannot stand on their feet and talk as long as their feet will hold them up, as we can now do in the Senate. The House has far different rules. The House has a Rules Committee which, under House rules, may report out a rule providing that there be no amendments on a bill; or that there be only one amendment on the

bill, that amendment to be offered by the chairman of the committee; or that there be only two amendments on a bill, one to be offered by the chairman and one by the minority leader so that the minority has a chance to offer one amendment, and that is it, period. That Rules Committee in the House can mold that rule to fit whatever situation the House leadership there has to deal with.

The Senate has a Rules Committee, but the Senate does not operate under those rules. That Rules Committee cannot issue such a rule in the Senate. So, in the Senate, any Senator can stand on his feet as I did for 14 hours and 13 minutes. I could have gone longer at that time. I will be turning 70 in November and that was in 1964, 23 years ago. I could go 14 hours and 13 minutes now—probably. Because on that occasion. I began around 6 o'clock in the evening. I had already had a long day. I began around 6 or 7 o'clock and went through the night. Can the Senator imagine the kind of record I would have set had I started that morning? Had I started early in the day at 10 o'clock and gone until 10 o'clock the next day? That would have been 24 hours. But to start at 6 o'clock in the evening and speak for 14 hours is not a small feat.

I was speaking with a British Parliamentarian today who is the record-holder in the British Parliament. He had spoken 7 hours, which was a record filibuster.

Our good friend from South Carolina, to whom my friend was addressing his remarks a moment ago, has the record in the Senate. But the time will come, I believe, when the Senate will tighten up the rules so that the weapon of the filibuster will not be as threatening a weapon as it is now. The abuse of the rules will lead to change, and sometimes the pendulum swings too far.

While I am on my feet, and the distinguished Senator from Texas [Mr. Bentsen] is on the floor, may I say to him that I have been, as he knows, attempting, and I think I have put the request five times—and I said earlier today I would put it again, though I will wait until the Republican leader is on the floor to put the request—to ask unanimous consent that the Senate proceed to the consideration of the catastrophic illness bill, S. 1127. The author of the bill is Mr. Bentsen. It is a bill to provide for Medicare catastrophic illness coverage, and for other purposes.

This bill was reported by Mr. Bentsen to the Senate from the Committee on Finance, of which he is the able chairman, on July 27, 1987. It will soon be 2 months.

Before the August break, I sought consent to bring up the catastrophic illness bill five times, and the distinguished Republican leader on behalf of other Senators on this side had to object to proceeding to the bill. The Republican leader did not object on his own behalf, but he had been requested by other Senators to do so for them. I respect his responsibility to do that on behalf of other Senators.

Actually, other Senators ought to come to the floor and object themselves. But that is one of the pleasant duties of being a leader in this body, Republican or Democratic leader; you have the great honor of coming to the floor and objecting to a measure on behalf of your colleagues. It is one of the things that impels us to seek the leadership, even though we may have to sit here for hours before having the opportunity to object. It is a great honor to be elected leader. I do not say that facetiously. But that is one of the duties of the Republican leader. He is expected to object on the part of other Senators on his side, if they say object.

I earlier said today I wanted to get the bill up. The distinguished Republican leader said that he had gotten the number on his side down from 14 or 15 objectors to about 2 or 3.

The distinguished Senator from Texas is here. He is the chairman of the Finance Committee. I can ask him, is he ready to proceed to that bill in case there are no objections from the minority at this time?

Mr. BENTSEN. Mr. Leader, we certainly are prepared to proceed with that bill.

I listened to the statement of my distinguished friend from Illinois, I listened to his frustration, and I listened to your comments. We really do have to make some changes in the U.S. Senate rules because of the kind of abuse we are being subjected to, the kinds of delays that we are experiencing.

One of those is putting a hold on a bill and leaving it and leaving it and leaving it.

Mr. Leader, this bill was brought up with 100 percent support and vote in that committee. What more do we have to do? The vote was 20 to 0.

The President's State of the Union Address called for a catastrophic illness bill. We have delivered. We have an excellent piece of legislation, something that says to the elderly of this country, those who qualify for catastrophic illness benefits, "You are not going to have yourself wiped out financially. You are not going to have all your family trying to support you and lose their financial means in the process. We are going to give you some peace of mind. We are going to take the law of averages and reduce it to the individual and give you that kind of protection."

That is what we have done. This piece of legislation does not make it compulsory that you have to take it. It is voluntary. It is optional. How can they object to that?

Mr. Leader, I really think this is an abuse of the system when we withhold that.

I know that the distinguished Republican leader, as you have stated, the minority leader, wants to bring it up, but he is reporting for some of his members who are still objecting to it.

Mr. BYRD. Why are they objecting?

Mr. BENTSEN. I frankly cannot understand when you get a unanimous bill out of that committee, when you have all the Republicans and all the Democrats for it, and then when you say to the person on the coverage "It is optional. You do not have to take it unless you think it is the best deal you can find."

Mr. BYRD. Is it not ridiculous that we have to have 60 votes to invoke cloture on a motion just to take up the bill?

Mr. BENTSEN. It makes no sense. I really think that is an abuse of the position.

They have had a whole month to rest, to think about it, to have their staffs work on it. If they are not ready now, when are they going to be ready? We are going to be here Thanksgiving.

Mr. BYRD. The White House used to pretty much lay out the agenda here in the Senate.

Mr. BENTSEN. I do not know about the White House.

Mr. BYRD. The Democrats are in control now. The White House cannot lay out the agenda today. But the White House can, working through the minority, slow down the work of the Senate.

Mr. BENTSEN. There is no question about that.

Mr. BYRD. I do not know that the White House is doing it, but if the White House says to certain Senators in the minority, "We do not want that bill taken up," those Senators can at least delay it for awhile.

By the way, on the matter of holds, this majority leader does not recognize holds indefinitely.

Mr. BENTSEN. Good.

Mr. BYRD. This majority leader will recognize a hold only for a reasonable length of time.

Mr. BENTSEN. That is understood.

Mr. BYRD. Some Senators put holds on measures only to alert the floor staffs that they, those Senators, want to be notified before a bill is called up. They may have an amendment that they wish to call up. They want to be notified.

Mr. BENTSEN. I agree with that.

Mr. BYRD. But this Senator will only recognize a hold for so long. I do not know how it works on the other side of the aisle. I do not recognize holds on the other side of the aisle. But Senators do, under the rules, have the right to object to a unanimous-consent request to take up measures. They have a right to stand on their feet and offer amendments. They have the right to talk, talk, talk, talk. They have a right to delay, by standing on their feet and talking.

But as to holds, I do not recognize those as being legitimate reasons to delay indefinitely, ad infinitum, the action on a bill.

Mr. BENTSEN. Mr. Leader, I would like to say that I was standing here thinking about your question about reasons for objecting. One of the stories I hear is that they might be objecting because of some amendment that might be offered on the floor of the Senate.

Mr. BYRD. Do you mean on our side?

Mr. BENTSEN. No, I am talking about some Members on the other side of the aisle. If you start objecting because of something that might be offered, I do not know how you can ever bring up a piece of legislation, how you can ever justify bringing it up, if you are going to be subject to that kind of opposition. When you have the President himself asking, in a joint session of the Congress, saying that he thinks this is a priority for him, when you have Democrats on the House side and on the Senate side, the chairmen of the appropriate committees, sponsoring that kind of legislation, working hard for it, and then getting the kind of support that we have had, 100 percent support, and it is optional whether or not you want to take it, and some can still object to us bringing it up, I cannot understand the rationale or the logic in that. I think it is most frustrating, and I can tell you the problem with that. You watch Thanksgiving come around and we may go right on through that and go up to Christmas Eve. Then we will have people talking about how we just could not get the work done in the Senate. That is the cause of it. That is the reason for it.

Mr. Leader, yes, in response to the question, we certainly are ready to go, ready to move. We have a good piece of legislation, and this body ought to have an opportunity to consider it, pass it, put it into law, and say to those who are eligible for Medicare, "We are going to give you some peace of mind when it comes to your financial resources that might be involved in a catastrophic illness."

Mr. BYRD. Mr. President, I thank the distinguished Senator. I hope we can get this bill up. Tomorrow would be a good day to act on catastrophic illness while we are waiting on the motion to proceed on the Department of Defense authorization bill, and waiting on the cloture motion to mature on campaign financing reform. I appreciate not only his willingness but his readiness and his eagerness to proceed on the catastrophic illness bill. We have seen a thwarting of the will of the majority to invoke cloture on the campaign financing reform bill. The time will come when the people of the country are going to get tired of this money chase in respect to election campaigns and they are going to become more and more aware of what is going on. Once they do, the Senate will enact campaign financing reform. There can be no campaign financing reform without a limitation on campaign spending.

I say that to say this. The time is also going to come when the people of this country will demand some reform in the Senate rules. I have always been against majority cloture, and as long as I am a Member of the Senate I will be against majority cloture, because there has to be a place where there can be extended debate, where Members can stand up in the face of sudden passions and emotions that may sweep over a country and be able to think carefully about a piece of legislation and talk about it and put the country on notice as to what is involved. That place under our system is the Senate.

The time will come when Senators themselves are going to rise up in frustration and change the rules and to some extent they may erode the present right of Senators to speak at length. There are times when it becomes necessary to delay action on a measure, and that is the danger. When we abuse the rules, we put in jeopardy the right of a Senator at some future time, when his State may demand it or the Nation may require it, to stand up and utilize the rules to delay.

Mr. BENTSEN. Mr. President, the majority leader was commenting earlier on campaign reform. I suppose—in fact, I am confident—that as of today I have probably collected more money for my campaign reelection than any other U.S. Senator. I represent the third largest State. On a per capita basis, it is something less than what others have collected. I understand that. But I look at what the last Senate race in my State cost the participants—around $20 million for two of them. I look at the last Governor's race in my State, numbers comparable to that. Other States have been in excess of that—California, for example. Those numbers are outrageous. That is why I support the campaign reform bill. I would be delighted to see some reduced limits on what can be spent and what we have to raise.

Mr. BYRD. It would take a burden off the Senator.

Mr. BENTSEN. Change this.

Mr. BYRD. At the moment, he is a victim of the system.

Mr. BENTSEN. Change the system.

Mr. BYRD. At the moment, the Senator cannot ignore his reelection.

Mr. BENTSEN. I cannot do that.

Mr. BYRD. He is here.

Mr. BENTSEN. You bet.

Mr. BYRD. But we have the system to live with until it is changed. We are attempting to change it. Until we change it, the Senator cannot ignore his reelection. He wants to continue in public service.

Mr. BENTSEN. I see what they have spent in the past and I can see what an opponent could spend against me, the amount of money they could raise in just the last race. So I have that concern and that problem, to try to raise those funds. But I would just be delighted to have limits put on far below what they are today and not take that much of my time having to do that. I think it would be a vast improvement in the system if we could. I am delighted to be a sponsor of the legislation and I will try to help the majority leader in the passage of it.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the pending business before the Senate is to move to the consideration of the Defense authorization bill, and a cloture motion has been entered on that motion. That motion is debatable.

As soon as the Republican leader reaches the floor, I should like to make the request which I said I would make anent catastrophic illness, and then I would like to put the Senate out if no Senator wishes to speak. I am ready to go. I have been here all day, all afternoon, sitting, waiting patiently. I sometimes feel a little lonely out here.

I also have been hopeful that it would be possible to take up the Philippine resolution which the distinguished Republican leader and I have been working on, together with other Senators. I have indicated to Senators that there might be a rollcall vote on that resolution today. I should announce to Senators that there will not be any rollcall vote on that resolution today.

There is no problem on this side. This side is ready, willing, and eager to proceed to the consideration of the resolution to express support for President Corazon Aquino and the Government of the Philippines. We are ready to do that and will be happy to do it now. We are ready to give unanimous consent to the immediate consideration of the resolution, but there is a problem, I understand, on the other side. On tomorrow, I will discuss with the distinguished Republican leader the possibility of taking up that resolution, of which he, himself, is a prime cosponsor, and see if we can proceed on tomorrow to vote on that resolution.

I now understand that the distinguished Republican leader will not be returning to the floor, that he has no further business today and wishes to make no further statement. Therefore, I am prepared to go out.

The distinguished Senator from Indiana [Mr. Quayle] is the acting Republican leader, and he is present.

Let me inquire of the staff if there is any business we can dispose of today.

I ask the distinguished acting Republican leader, Mr. Quayle, if Calendar Orders numbered 298 and 303 on the calendar of business have been cleared on the other side of the aisle.

Mr. QUAYLE. I state to the distinguished majority leader that, according to the information I have, there is no problem with Order No. 298. There is a problem with No. 303.

Mr. BYRD. I thank the able Senator.

## AVIATION INSURANCE PROGRAM EXTENSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 298.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1628) to extend the Aviation Insurance program for 5 years.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. FORD. Mr. President, S. 1628 is very simple. It is designed to extend the current Aviation Insurance Program, which expires on September 30, 1987, through fiscal year 1992, or for an additional 5 years.

Commercial insurance for airline operations is often not available for flights to certain parts of the world where there are security risks. The most evident situation of this is when nations are at war. In addition, when the Civil Air Reserve Fleet is activated and U.S. commercial carriers conduct military operations, seldom are those airlines afforded commercial insurance coverage. The result is that the airlines cannot or will not make those flights.

There are numerous situations, however, when it is in our national interest to have such air service continued. Foreign policy and national security considerations often require that air service to those foreign points be continued—under almost any circumstance.

Under current law, the Secretary of Transportation, with the approval of the President, may provide insurance for aircraft engaged in foreign air commerce whenever the Secretary determines that such insurance cannot be obtained on reasonable terms from a commercial carrier. This Government-provided insurance, which is made available for a term, not to exceed 60 days, can only be provided for those flights determined by the President to be needed to carry out U.S. foreign policy.

The Aviation Insurance Program offers two types of policies, premium and nonpremium. With respect to the premium policy, insurance is issued by the Federal Aviation Administration and a premium is paid by the airline for the coverage. The nonpremium policy is issued to airlines operating under contract to a Government agency, and although no premium is required to be paid by the airline, the contracting Government agency is bound to indemnify DOT for any claims which are paid.

The premiums collected are deposited into a revolving fund, which is available to liquidate any claims made by airlines operating under the program. As of June 1, 1987, the balance of this fund was $37.7 million.

The Aviation Insurance Program was established by Congress in 1951. Although infrequently used, it has been reauthorized several times, including the current authorization which was approved in 1982. The last time the Aviation Insurance Program was utilized was during the Vietnam war.

S. 1628 was unanimously approved by the Commerce Committee in late July. This 5-year extension is supported by the Department of Transportation and the airline industry.

Mr. President, the Aviation Insurance Program serves a valuable purpose by ensuring the means under which air service—that otherwise would be impossible—is provided. I believe that is as it should be continued, and I urge my colleagues to support passage of this bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1628

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1312 of the Federal Aviation Act of 1958 (49 App. U.S.C. 1542) is amended by striking "1987" and inserting in lieu thereof "1992".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. QUAYLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## SENATE CONCURRENT RESOLUTION 9 PLACED ON THE CALENDAR

Mr. BYRD. Mr. President, I believe this has been cleared with the other side. I ask unanimous consent that the Committee on Rules and Administration be discharged from further consideration of Senate Concurrent Resolution 9, a concurrent resolution submitted by Mr. Dole for himself, Mr. Thurmond, Mr. Warner, and Mr. Wilson, and that the concurrent resolution be placed on the calendar.

Mr. QUAYLE. There is no objection on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may be made a cosponsor of the concurrent resolution, the concurrent resolution being for the purpose of providing for the display of the National League of Families POW-MIA flag in the Capitol Rotunda.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## MEASURES PLACED ON THE CALENDAR

The Committee on Rules and Administration was discharged from further consideration of the following concurrent resolution; which was placed on the calendar:

S. Con. Res. 9. A concurrent resolution to provide for the display of the National League of Families POW/MIA flag in the Capitol Rotunda.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CHAFEE (for himself, Mr. Weicker, Mr. Mitchell, Mr. Armstrong, Mr. Bradley, Mr. Daschle, Mr. Harkin, Mr. Nunn, Mr. Evans, Mr. Bingaman, Mr. Inouye, Mr. Leahy, Mr. Stafford, Mr. Pell, Mr. Dodd, Mr. Wirth, Mr. Biden, and Mr. Conrad):

S. 1673. A bill to amend title XIX of the Social Security Act to assist individuals with a severe disability in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes; to the Committee on Finance.

By Mr. SARBANES (for himself and Ms. Mikulski):

S. 1674. A bill to amend title 5, United States Code, with respect to the maximum rate of basic pay payable to civilian faculty members at the U.S. Naval Academy; to the Committee on Governmental Affairs.

By Mr. McCLURE:

S. 1675. A bill to provide for the establishment of the Hagerman Fossil Beds National Monument in the State of Idaho, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DeCONCINI:

S. 1676. A bill to amend the Comprehensive Crime Control Act of 1984 to provide for an orderly transition into sentencing with guidelines and for other purposes; to the Committee on the Judiciary.

By Mr. CHILES:

S.J. Res. 187. A joint resolution complying with the requirements of section 274(f)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985; to the Temporary Joint Committee on Deficit Reduction.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE (for himself and Mr. Weicker, Mr. Mitchell, Mr. Armstrong, Mr. Bradley, Mr. Daschle, Mr. Harkin, Mr. Nunn, Mr. Evans, Mr. Bingaman, Mr. Inouye, Mr. Leahy, Mr. Stafford, Mr. Pell, Mr. Dodd, Mr. Wirth, Mr. Biden, and Mr. Conrad):

S. 1673. A bill to amend title XIX of the Social Security Act to assist individuals with a severe disability in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes; referred to the Committee on Finance.

### MEDICAID HOME AND COMMUNITY QUALITY SERVICES ACT

Mr. CHAFEE. Mr. President, today I am introducing the Medicaid Home and Community Quality Services Act of 1987, a bill which will revolutionize the services and support provided to those who are mentally or physically disabled. I am joined in this effort by Senators Weicker, Mitchell, Armstrong, Bradley, Daschle, Harkin, Nunn, Evans, Bingaman, Inouye, Leahy, Stafford, Pell, Wirth, Dodd, Biden, and Conrad.

Now, Mr. President, I will admit that the title of this bill is truly a mouthful. The Medicaid Home and Community Quality Services Act of 1987. And the bill, is—here it is—73 pages long.

But what I would like to stress, Mr. President, is that each page of this long and indeed complicated proposal strikes a blow for freedom, independence and individuality.

Stated simply, this proposal will revolutionize the Medicaid Program by changing it from a program that demands dependency to one that seeks to encourage personal growth and is tailored to the needs of each individual with a disability.

Why is this bill so important?

As we all know, we have no well-thought-out national system of services for those needing long-term care. The closest we come is a program called Medicaid.

Medicaid is the only Federal program which provides States with moneys for long-term care services for the elderly and the disabled. Currently, those funds, namely, the Medicaid funds, flow primarily toward large facilities—institutions or nursing homes.

This is the crux of the problem with Medicaid, and the reason behind my commitment to restructure it. The Medicaid Program began as a medical assistance program for low-income individuals. Note the word medical assistance. Medicaid. That is what it is all about. Over time, the Medicaid Program has slowly been changing to also pay for long-term care services that are not associated with medical necessities, such as long-term care services for the elderly and the disabled.

Today, more than one-half of Medicaid funds are used for this purpose, namely, the long-term care services for the elderly and the disabled. But the long-term care services the program will pay for are still rooted in the Medicaid model. Even the Medicaid home and community-based waiver. Currently States can receive a waiver to use Medicaid moneys for other than institutionalization, but that in itself is also tailored to the concept of medical assistance.

During the years, as our understanding of the needs and the capabilities of those with disabilities has progressed, it has become clear that the traditionally oriented medical services for long-term care are inadequate and inappropriate.

The problem for those with disabilities is not medical services for them. It is a whole series of other services. So the goal of my proposal and my cosponsors is to address the full spectrum of needs of those with disabilities in order to help them achieve their fullest potential.

What do I mean by "fullest potential?" Simply that each person regardless of the severity of his or her disability—it could be mental, it could be a physical disability—should have the opportunity to pursue education, recreation, vocation, to the best of his or her ability. And Federal programs, namely, Medicaid, should assist in these endeavors rather than hindering them.

Here is the situation now. Let us say you are mentally disabled, a severely retarded child. The only thing that Medicaid will pay for to help the family is the institutionalization of the young person. If that severely mentally retarded youngster goes into an institution, then Medicaid will step in and help pay for the support. But if the parents choose to keep that child in the loving atmosphere of the home with his or her brothers and sisters, Medicaid will not pay anything.

Now, yes, there is an exception. The State can get a waiver, but that is the exception and every State does not go through the process of getting a waiver.

Now, something is wrong. That is not the way we wanted the system to work. Many families choose to keep that child at home, feeling that they do not want them stuffed away in an institution somewhere; they want to keep the child at home. The premise of this legislation, the Medicaid Home and Community Quality Services Act, is that there ought to be a wide range of services and support for those with disabilities in a variety of residential settings. The best setting for that youngster might be in the home or it might be in a group home, namely eight or nine, seven or eight of those with disabilities in an apartment somewhere with proper supervision 24 hours a day, or it might be in a small institution, or it might be in a large institution. But the option should be available. They are not available now, at least the Federal Government will not help through Medicaid or through any form of payment. The services that we are seeking should be designed for each individual's needs rather than requiring the individual to fit in with the existing system, and if he or she does not fit, tough luck.

Now, my bill will freeze the funds flowing toward large institutions at current levels. In other words, if an institution in the State of Rhode Island is receiving *x* dollars now, our major institution for the mentally retarded, that is all they get. They will not get any more. It will be indexed, but it will not go up. So there is a tendency to keep a level on the funding for institutions and to encourage out-placement if that is the best for the patient.

Now, there is no limitation on Federal funds used for community-based services, which I have discussed earlier. Community-based service could be a group home, could be the child or the individual staying with his family and some respite care coming in through home services provided in this legislation.

Now, this bill, the Medicaid Home and Community Quality Services Act, provides the mechanism to allow those with disabilities to live in the community with the security and support

they need along with the opportunity to grow and develop as individuals.

We have discovered clearly that the smaller the setting the more the individual flourishes, reaches his or her potential. In a big institution somebody else does the cooking, somebody else does the cleaning, somebody else makes the beds. In the smaller setting the individual can try to do the cooking or help with it, learn how to vacuum the rugs, learn how to keep the place up, stretch themselves, and that in the long run is far better and gives pride to the individual.

It allows individuals who currently are living in the community, at home or in some other arrangement, to remain, thereby giving them and their families the support and the services they need.

Now, this proposal challenges the idea that long-term care services must be medically oriented. The thrust, as you notice, is not toward the medical side.

Now, each individual with cerebral palsy or Down's syndrome or spina bifida or any number of disabilities has medical needs which must be met. That is recognized. But just as important is the quality of life of the individual and the recognition of his or her potential for growth or productivity. It is time for State and Federal governments to help rather than to hinder those with disabilities in their attempts to achieve independence and productivity. My bill will make that possible.

The Medicaid Home and Community Quality Services Act is the product of 5 years of widespread public discussion. We first started this in 1982. We introduced the legislation in 1983 and again in the 99th Congress, which started in 1985. We have had three Finance Committee hearings on this. We have had countless seminars and forums. I myself have spoken across the country in connection with this legislation. This bill can and should pass the Congress this year, and I am committing my fullest efforts to seeing that that is achieved.

Mr. President, I ask unanimous consent that a summary of the bill and the bill itself be printed in the Record.

There being no objection, the bill and a summary were ordered to be printed in the Record, as follows:

### S. 1673

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicaid Home and Community Quality Services Act of 1987".

#### SEC. 2. DEFINITIONS.

Section 1905 of the Social Security Act is amended by adding at the end thereof the following new subsections:

"(r) Individual with a Severe Disability.—

"(1) The term 'individual with a severe disability' means an individual who is under a disability within the meaning of section 1614(a)(3) of this Act, the onset of which occurred before the individual attained the age that applies with respect to a fiscal year (as determined under paragraph (2)).

"(2) For purposes of paragraph (1), the age that applies with respect to a fiscal year is the lesser of—

"(A) 22 plus the number of fiscal years after fiscal year 1986 and before the beginning of such fiscal year; and

"(B) 50.

"(s) Community and Family Support Services.—The term 'community and family support services' means supportive services made available to an individual with a severe disability (or to such individual's natural, adoptive, or foster family or spouse) to enable such individual to begin, resume, or continue living in a family home, foster family home, or community living facility. Such supportive services shall include both in-home and out-of-home services (as needed) from among those enumerated in section 1921(a)(2).

"(t) Family Home.—The term 'family home' means a residence maintained by an individual (whether or not disabled) or a couple, or by a natural or adoptive family, in which one or more individuals with a severe disability are living who receive medical assistance which includes payment for some services enumerated in section 1921(a)(2).

"(u) Foster Family Home.—The term 'foster family home' means a residence maintained by an individual or couple—

"(1) in which not more than three individuals with a severe disability are living, are provided surrogate family services, and receive medical assistance which includes payment for one or more services enumerated in section 1921(a)(2); and

"(2) that is under contract with an agency licensed or designated to place individuals with a severe disability in such residence.

"(v) Community Living Facility.—

"(1) The term 'community living facility' means a single household, other than a family home or foster family home, composed of related or unrelated persons, which—

"(A) provides living arrangements and one or more of the services enumerated in section 1921(a)(2) to one or more individuals with a severe disability;

"(B) has a number of beds (exclusive of beds occupied by staff members) not in excess of the product obtained by multiplying by three the greater of—

"(i) the number of individuals in an average family household in the area in which such facility is located (as determined in accordance with data from the 1980 decennial census), or

"(ii) the number of individuals in an average family household in such area (as determined in accordance with any decennial census conducted after the 1980 decennial census);

"(C) is located in a neighborhood which—

"(i) is representative of residential neighborhoods in such area, and

"(ii) is populated primarily by individuals other than individuals with a severe disability;

"(D) meets such standards of safety and sanitation, and other standards relating to services provided by the facility, as are promulgated by the State;

"(E) meets the requirements of section 1861(j)(14) of this Act with respect to the personal funds of individuals residing in such facility; and

"(F) is staffed by individuals who (i) are trained or retrained in accordance with the provisions of the State implementation strategy (submitted to the Secretary under section 1921(c)(1)) by the State in which such facility is located, and (ii) in providing such living arrangements and services to individuals with a severe disability, cooperate with other providers and with appropriate case managers in implementing a written habilitation plan for each such individual.

"(2) A facility that—

"(A) is in operation on September 30, 1987;

"(B) does not increase its number of beds after such date (exclusive of beds occupied by staff members); and

"(C)(i) does not contain more than fifteen beds (exclusive of beds occupied by staff members), or

"(ii) consists of a cluster of two or three facilities in proximity to one another, each of which has no more than eight beds and which otherwise meets the requirements of paragraph (1);

shall be treated as a community living facility.

"(w) Written Habilitation Plan.—The term 'written habilitation plan' means a plan for medical assistance and other services for an individual with a severe disability which—

"(1) is developed by an interdisciplinary team consisting of—

"(A) such individual, persons requested to participate by the individual, and, when appropriate, the spouse, parent, guardian, other family member, or advocate of such individual, and

"(B) individuals who are representative of professional and other disciplines which are relevant to the habilitation of such individual, and have been involved in providing services to the individual or are likely to be involved in providing services to the individual (including the individuals responsible for providing case management services and case coordination services to the individual);

"(2) is based upon a comprehensive assessment of the strengths of the individual and the services and support necessary to—

"(A) enable such individual to attain or retain, to the greatest extent possible, capabilities for independence or self-care,

"(B) promote and increase interaction between disabled and nondisabled individuals within the community, and

"(C) in the case of any such individual who has attained the age of 18 and who is not engaged in supported employment (or other employment in an integrated employment environment), assess the services and support needed by the individual to engage in such forms of paid employment;

"(3) specifies—

"(A) the individuals responsible for providing services under the plan and the frequency and duration with respect to which such services are provided,

"(B) the particular objectives to be achieved with respect to an individual described in behavioral terms that provide measurable indices of performance,

"(C) the dates by which the particular objectives are to be achieved,

"(D) the services and program strategies for achieving the specific objectives, and

"(E) the priority with which the specific objectives are to be achieved; and

"(4) is reevaluated by such team at least once each year.

"(x) Case Management Services.—The term 'case management services' means, with respect to any individual with a severe disability, services rendered to such individual by a designated qualified individual who—

"(1) has a continuing relationship with such individual but who is neither associated with nor employed by (nor has any other conflict of interest with respect to) the community living facility, foster family home, family home, or any other provider of ongoing direct services to such individual;

"(2) coordinates and monitors the development and implementation of the written habilitation plan for such individual;

"(3) provides such individual (or such individual's spouse, parent, guardian, other family member, or advocate, as appropriate) with information about, and referral to, appropriate social, educational, vocational, medical, advocacy, or other services which are among or in addition to those for which payment may be made under this title;

"(4) provides assistance and serves as an advocate in procuring such services as necessary;

"(5) periodically reviews the changing needs of such individual and the appropriateness of the medical assistance and other services provided to such individual;

"(6) cooperates with personnel in school, employment related, habilitation, or treatment settings who have specific responsibilities for developing or implementing any individual education plan, plan of vocational services, plan of habilitation, or plan of treatment designed for such individual, so that all such plans are coordinated and complementary; and

"(7) is available to such individual or such individual's family for consultation or crisis intervention when required.

"(y) Individual and Family Support Services.—The term 'individual and family support services' means—

"(1) those services provided to an individual with a severe disability which the individual's interdisciplinary team (described in subsection (w)(1)) determines are appropriate for carrying out those activities of daily living which the individual cannot perform for himself, including nonmedical personal assistance, attendant services, assistance in ambulating or transferring, limited domestic services, and assistance with assistive devices and communicative devices and aids; and

"(2) services provided to the family of an individual with a severe disability which the individual's interdisciplinary team determines are appropriate for assisting the family in providing services described in paragraph (1) to the individual, including respite care.

"(z) Specialized Vocational Services.—

"(1) The term 'specialized vocational services' means services designed to enhance the independence, productivity, and integration of an individual with a severe disability, including—

"(A) prevocational services for such an individual whose earning capacity (as determined on the basis of a current vocational assessment or other objective measure of work performance) is less than 50 percent of the minimum wage established under section 14(c) of the Fair Labor Standards Act of 1938; and

"(B) supported employment services for such an individual for whom competitive employment—

"(i) has not traditionally occurred, or

"(ii) has been interrupted or intermittent as a result of such disability (and for whom ongoing support services are needed to perform such employment).

"(2) For purposes of paragraph (1)—

"(A) the term 'prevocational services' means services that are designed to assist an individual in acquiring and maintaining basic work and work-related skills necessary to acquire and retain work in an integrated work setting, which services shall include—

"(i) training the individual to follow directions, adapt to work routines, and carry out assigned duties in an effective and efficient manner,

"(ii) helping the individual to acquire appropriate attitudes and work habits, including instruction in socially-appropriate behaviors on and off the job site,

"(iii) assisting the individual to adjust to the productive and social demands of the work place,

"(iv) familiarizing the individual with job production and performance requirements,

"(v) providing transportation between the individual's place of residence and the workplace when other forms of transportation are unavailable or inaccessible,

"(vi) providing mobility training, including the utilization of public and para-transit systems,

"(vii) training the individual in the use of assistive devices and aids, and

"(viii) instructing individuals in appropriate use of job-related facilities (e.g., break areas, lunch rooms, cafeterias and rest rooms); and

"(B) the term 'supported employment services' means services designed to assist an individual in procuring and maintaining integrated, paid employment, which services shall include—

"(i) individualized assessment,

"(ii) individualized and group counseling,

"(iii) individualized job development and placement services that produce an appropriate job match for the individual and such individual's employer,

"(iv) on-the-job training in work and work-related skills required to perform the job,

"(v) ongoing supervision and monitoring of the individual's performance on the job,

"(vi) ongoing support services necessary to assure job retention,

"(vii) training in related skills essential to obtaining and retaining employment, such as the effective use of community resources and transportation,

"(viii) transportation between the individual's place of residence and the work place when other forms of transportation are unavailable or inaccessible, and

"(ix) adaptive equipment necessary to obtain and retain employment.

"(aa) Habilitation Services.—

"(1) Subject to paragraph (2), the term 'habilitation services' means those services (including specialized vocational services and educationally-related services) provided to an individual with a severe disability which the individual's interdisciplinary team (described in subsection (w)(1)) determines are appropriate in assisting the individual to acquire, retain, regain, or improve the self-help, socialization, decisionmaking, and adaptive skills necessary to achieve independence, productivity, and integration and to live successfully in home and community based settings.

"(2) The term 'habilitation services' does not include—

"(A) special education services (as defined in section 602(16) of the Education of the Handicapped Act) which otherwise are available to the individual through a local educational agency; and

"(B) vocational rehabilitation services which otherwise are provided to the individual through a program funded under section 110 or 633 of the Rehabilitation Act of 1973.

"(bb) Case Coordination Services.—The term 'case coordination services' means, with respect to any individual with a severe disability, services rendered to such individual by a designated qualified individual who—

"(1) is employed by an agency directly responsible for providing habilitation services to such individual; and

"(2) in cooperation with the individual responsible for providing case management services, is responsible for coordinating the agency's responsibilities for implementing such individual's written habilitation plan.

"(cc) Educationally-Related Services.—The term 'educationally-related services' means, with respect to an individual with a severe disability who is eligible to receive services under parts B and H of the Education of the Handicapped Act, services covered as medical assistance under the State plan and required by such individual in order to receive a free appropriate public education (as defined in section 602(18) of such Act) or appropriate early intervention services (as defined in section 672(2) of such Act), including those services appropriate in assisting the individual to acquire, retain, regain, or improve the self-help, socialization, decisionmaking, and adaptive skills necessary to achieve independence, productivity and integration.

"(dd) Assistive Technology.—The term 'assistive technology' means the systematic application of technology, engineering methodologies, or scientific principles to meet the needs and address the barriers confronted by an individual with a severe disability (including physical, sensory, and cognitive functional limitations in such areas as employment, recreation, independent living and other home and community living arrangements).0

"(ee) Independence, Productivity, and Integration.—The terms 'independence', 'productivity', and 'integration' when used in reference to the provision of community and family support services under this title have the same meaning with respect to individuals with a severe disability as the meaning given to such terms with respect to persons with developmental disabilities in section 102 of Developmental Disabilities Assistance and Bill of Rights Act.".

### SEC. 3. COMMUNITY AND FAMILY SUPPORT SERVICES FOR CERTAIN INDIVIDUALS WITH A SEVERE DISABILITY.

(a) State Plan Requirement.—Section 1902(a) of the Social Security Act is amended—

(1) by striking "and" at the end of paragraph (46);

(2) by striking the period at the end of paragraph (47) added by section 9407(a) of the Omnibus Budget Reconciliation Act of 1986 and inserting a semicolon and transferring and inserting such paragraph after paragraph (46);

(3) by striking the period at the end of the paragraph (47) added by section 11005(b) of the Anti-Drug Abuse Act of 1986 and inserting "; and", by redesignating such paragraph as paragraph (48), and by transferring and inserting such paragraph after paragraph (47); and

(4) by inserting after paragraph (48) the following new paragraph:

"(49) effective not later than the first day of the second fiscal year beginning after the date of enactment of the Medicaid Home and Community Quality Services Act of 1987, provide that with respect to any individual with a severe disability who is entitled to medical assistance under such plan and who resides in a family home, foster family home, or community living facility, such assistance shall include an array of community and family support services which the State determines are appropriate, when combined with other medical assistance available under the plan and with other available resources, to assist in providing for the health, safety, and effective habilitation or rehabilitation of such individual, including at a minimum case management services, individual and family support services, specialized vocational services, and protective intervention.".

(b) Inclusion as Medical Assistance.—Section 1905(a)(13) of such Act is amended by inserting before the semicolon at the end thereof the following: ", including community and family support services for individuals with a severe disability".

(c) Services for Individuals With a Severe Disability.—Title XIX of such Act is amended—

(1) by redesignating section 1921 as section 1922; and

(2) by inserting after section 1920 the following new section:

"MEDICAL ASSISTANCE, HABILITATION, AND REHABILITATION FOR INDIVIDUALS WITH A SEVERE DISABILITY

"Sec. 1921. (a) Community and Family Support Services.—

"(1) For purposes of section 1903, amounts expended by a State under its State plan for community and family support services may be included as medical assistance if such services are provided—

"(A) to an individual with a severe disability residing in a family home, foster family home, or community living facility, and

"(B) in accordance with the individual's written habilitation plan.

"(2) The following types of services may be included as community and family support services:

"(A) Case management services (as defined in section 1905(x)).

"(B) Individual and family support services (as defined in section 1905(y)).

"(C) Specialized vocational services (as defined in section 1905(z)).

"(D) Protective intervention.

"(E) Habilitation services (as defined in section 1905(aa)).

"(F) Case coordination services (as defined in section 1905(bb)).

"(G) Educationally-related services (as defined in section 1905(cc)).

"(H) Periodic interdisciplinary diagnostic and assessment services.

"(I) Personal assistance and attendant care.

"(J) Domestic assistance necessitated by the individual's disability.

"(K) Services to enable the individual to improve or maintain functional capacities (including physical therapy, occupational therapy, speech and language pathology and audiology, respiratory therapy, and non-aversive behavior intervention therapy).

"(L) Prostheses, orthoses, supplies, appliances, adaptive equipment, communicative aids, and other functional assistive technologies and devices (including sensory aids) and rehabilitative technology services to evaluate, design, assemble, repair, and maintain such equipment, aids, assistive devices, and systems and to train the individual, family, and provider agency staff in their use.

"(M) Preventive and therapeutic dental services.

"(N) Design and necessary and reasonable adaptation or modification of equipment and vehicles, and of housing or other space, to be used by an individual with a severe disability.

"(O) Comprehensive outpatient rehabilitation facility services.

"(P) Purchase and maintenance of guide dogs and similar trained animals.

"(Q) Services (other than board, lodging, and basic foster care) provided to any individual with a severe disability by members of a family or household in which such individual is living.

"(R) Support services to families and caregivers, including specialized training and respite care in or out of the home or usual residence.

"(S) Special transportation services.

"(T) Homemaker and home health services.

"(U) Chore services.

"(V) Crisis intervention.

"(W) Personal guidance, supervision, counseling, representation, and advocacy.

"(X) Appropriate preventive services to decrease the needs of individuals with a severe disability for future services.

"(Y) Any other services identified by the State and approved by the Secretary as conforming with the purposes of this section.

"(3) The following services may not be included as community and family support services:

"(A) Room and board, other than room and board provided for less than six consecutive weeks and less than twelve weeks in a year as an integral but subordinate part of a service described in paragraph (2). However, auxiliary payments may be made as medical assistance to cover extraordinary costs of food or housing attributable to the disabling condition of a particular individual or individuals.

"(B) Any service for which payment is made under section 403 or 422 of this Act.

"(C) Cash payments as a service.

"(D) Aversive behavior intervention, management, or therapies.

"(E) Any service to any individual to the extent that the provider of the service or the individual receiving the service is eligible to receive payment under title XVIII with respect to the provision of the service.

"(F) Any educational service which the State makes generally available to its residents without cost and without regard to their income except for educationally-related services (as defined in section 1905(cc)).

"(G) Any service to any individual with a severe disability living in any hospital, skilled nursing facility, or intermediate care facility (including any such hospital or facility for mental diseases).

"(4) Amounts expended by the State or by a provider of services to administer the provision of 'community and family support services pursuant to this section shall be treated as administrative costs of the State plan.

"(b) Services Are In Addition to Other Medical Assistance.—Community and family support services provided pursuant to this section shall be in addition to any other medical assistance for which an individual with a severe disability is otherwise eligible under the State plan.

"(c) State Requirements.—In order to receive payment under section 1903 with respect to community and family support services provided under the State plan to any eligible individual with a severe disability, such plan shall provide that the State—

"(1) submit to the Secretary a State implementation strategy (as described in subsection (d)) that is annually reviewed and updated (as appropriate);

"(2) ensure that community living facilities are not unduly concentrated in any residential area (except as provided in section 1905(v)(2));

"(3) report to the Secretary on the implementation of the State's implementation strategy (submitted to the Secretary under paragraph (1)) in such form and with such frequency as the Secretary may prescribe and comply with the requests of the Secretary to correct or verify such report;

"(4) cooperate with the Secretary in carrying out the Secretary's responsibility (under section 11(d) of the Medicaid Home and Community Quality Services Act of 1987) to assess the State's compliance with its State implementation strategy (submitted to the Secretary under paragraph (1)), including making available to the Secretary such records as the Secretary may reasonably require to assess such compliance;

"(5) promulgate standards governing each element of community and family support services covered under its plan, monitor on an annual basis all providers of such services to assure that such providers comply with applicable standards, and take necessary steps to assure that such standards are promptly and effectively enforced;

"(6) meet the maintenance of effort requirement described in subsection (e);

"(7) safeguard the rights of all individuals with a severe disability who are participating in services for which payment is made under this title;

"(8) ensure that individuals with a severe disability are granted equal access to available community and family support services without regard to their place of residence or the nature or degree of their disability;

"(9) ensure that any individual with a severe disability for whom a public agency (or an agency under contract with a public agency) arranges a residential placement is placed in a foster family home or community living facility that is located as close to the home of the natural, adoptive, or foster family of the individual as is consistent with the best interests of the individual; and

"(10) ensure that in the case of any individual with a severe disability who has attained the age of 18 for whom a public agency (or an agency under contract with a public agency) arranges specialized vocational services for which payment is made under this title, priority will be given to providing such services in an integrated work environment.

"(d) State Implementation Strategy.—The State implementation strategy submitted to the Secretary under subsection (c)(1) shall—

"(1)(A) describe—

"(i) the extent and scope of community and family support services provided to individuals with a severe disability which are financed (in whole or in part) under—

"(I) the State's plan under this title,

"(II) other Federal or Federally-assisted State programs or social entitlement programs, and

"(III) non-Federal sources, and

"(ii) the extent and scope of services provided to individuals with a severe disability who are residing in a facility that is an acute care hospital, a skilled nursing facility, an intermediate care facility (including a facility that is certified in accordance with section 1905(d)), a board and care facility, or other public or private facility having 16 or more beds and in which a significant number of recipients of supplemental security income benefits reside or are likely to reside, which are so financed;

"(B) set forth specific objectives and a projected schedule for expanding and improving community and family support services for individuals with a severe disability over the succeeding five-year period, which objectives shall outline the expansion in the number of individuals served and community and family support services provided and identify the extent to which such services will be financed under the State's plan under this title and from other funding sources;

"(C) in the case of any individual with a severe disability who is residing in a facility described in subparagraph (A)(ii), provide that—

"(i) the service needs of such individual and the types of services the individual would require if transferred to a family home, foster family home, or community living facility, are identified not later than 18 months after the date on which community and family support services are first covered under the State plan (and annually thereafter), and

"(ii) such individual and, as appropriate, such individual's spouse, parent, guardian, appropriate family member, or advocate, are afforded an opportunity to participate in the process under clause (i);

"(D) in the case of any individual with a severe disability who is residing in a skilled nursing facility or an intermediate care facility (other than a facility that is certified in accordance with section 1905(d)) and who is determined (in accordance with subparagraph (C)) to be in need of alternative residential placement, provide that (subject to subparagraph (F)) such individual is transfered from such facility not later than 40 months after the date on which the process described in subparagraph (C) is completed with respect to such individual;

"(E) set forth specific objectives and a projected schedule, over the succeeding five-year period, for transferring individuals with a severe disability (who are residing in a facility described in subparagraph (A)(ii) and are not transferred pursuant to subparagraph (D)) to more appropriate residential settings where they will be eligible to receive community and family support services;

"(F) provide that in transferring any individual with a severe disability from a facility described in subparagraph (A)(ii)—

"(i) such individual is transferred only to a facility or program that is capable of providing an appropriate array of community and family support services (or in the case of an individual transferred to a facility certified in accordance with section 1905(d), active treatment) consistent with such individual's written habilitation plan,

"(ii) priority is given to transferring such individual to a family home, foster family home, or community living facility (including a facility certified in accordance with section 1905(d) that either meets the size and locational requirements for a community living facility under section 1905(v)(1) or is treated as such a facility under section 1905(v)(2)),

"(iii) to the extent the services required by the individual are unavailable in the community in which such individual would otherwise reside, such individual is transferred to a facility certified under section 1905(d) that serves 16 or more individuals with a severe disability, and

"(iv) in the case of an individual transferred pursuant to subparagraph (D), during any period of time during which the individual is awaiting transfer the individual is furnished active treatment consistent with such individual's written habilitation plan; and

"(G) provide that prior to transfer of any individual with a severe disability from a skilled nursing facility, an intermediate care facility, or a board and care facility to a family home, foster family home, or community living facility deemed to be capable of meeting the individual's needs—

"(i) a community services transfer plan is developed through a process which—

"(I) identifies the specific community and family support services, as well as other services, that such individual will require and will have available when such individual is transferred to a family home, foster family home, or community living facility,

"(II) involves the interdisciplinary team (or other professional group) responsible for the written habilitation plan with respect to such individual while residing in the facility from which transfer is to be made, and the professional responsible for providing case management services and other appropriate professional personnel who are likely to be involved in providing services to the individual in the community, and

"(III) provides to the individual and, as appropriate, to such individual's spouse, parent, guardian, appropriate family member, or advocate, an opportunity to participate in developing such plan;

"(ii)(I) such individual and such individual's spouse, parent, guardian, appropriate family member, or advocate, are notified in writing at least 60 days before the date of any proposed transfer,

"(II) procedures are established for granting to such individual (or, as appropriate, to such indiiividual's spouse, parent, guardian, appropriate family member, or advocate) an opportunity for an appeal regarding the transfer plan developed under clause (i) with respect to the individual, and for a fair hearing before an impartial hearing officer designated by the State, on the grounds that the types of health related services, habilitation, rehabilitation, housing, or other services specified in the community services transfer plan developed with respect to such individual are inappropriate or inadequate, or a particular type of health related service, habilitation, rehabilitation, housing, or other service specified in such plan is not yet available in the area in which such individual will reside, and

"(III) if such individual initiates an appeal under subclause (II), the individual remains in the facility from which such individual is to be transferred pending the outcome of the appeal (unless protective intervention is determined to be necessary with respect to the individual);

"(2) provide that, not later than 18 months after the date on which community and family support services are first covered under the State plan, the State has in place a preadmission screening program (using criteria specified by the Secretary) to prevent the inappropriate placement of individuals with a severe disability in skilled nursing facilities and intermediate care facilities (other than facilities certified under section 1905(d));

"(3) set forth—

"(A)(i) the component parts of a comprehensive, integrated quality assurance system that affords individuals with a severe disability expanded opportunities for independence, productivity, and integration and which includes standards to govern the quality of each element of community and family support services covered under the State plan, as well as each class of residential facilities or living arrangements (except for a family home) in which a significant number of individuals with a severe disability reside, which standards assure that such services—

"(I) are based on timely assessments of the individual's needs and are organized systematically to assure optimal individual development, independent functioning, productivity, and community integration,

"(II) are furnished in accordance with the provisions of the individual's written habilitation plan and reflect the strengths of the individual and the services necessary to assist the individual to achieve more independent functioning with respect to health and physical development, receptive and expressive communication, cognitive learning, mobility, self-direction, socialization, leisure time, and vocational activities,

"(III) are provided in a manner that maximizes opportunities for and fosters the development of relationships between the individual and other members of the community (including individuals who are not disabled),

"(IV) are provided in the home or at school, a job site, or other community setting where existing and newly acquired skills can be put to practical use,

"(V) are designed to ensure that (if the individual resides in a community living facility) services, other than residentially-related services, are provided in settings other than the facility in which the individual resides (unless medically contra-indicated), and

"(VI) are designed to assist the individual to acquire the functional life skills necessary to enhance the capacity of the individual to achieve independent living, to integrate into the community, to increase productivity, and to socially interact with individuals who are not disabled;

"(ii) the methods and procedures to be used in instituting and maintaining the quality assurance system described in subparagraph (A), and

"(iii) the methods and procedures for—

"(I) providing the same opportunity for public input with respect to the standards developed under such system as exists under the State plan amendment process,

"(II) requiring review of such standards by the State Planning Council established under section 124 of the Developmental Disabilities Assistance and Bill of Rights Act and the protection and advocacy system established under section 142 of such Act, and

"(III) responding to any comments made by such Council, such protection and advocacy system, and the public with respect to such standards;

"(B)(i) a program for licensing and certifying all facilities and programs that provide community and family support services covered under the State plan, which program, at the option of the State, may include a requirement that a class or classes of facilities or programs are accredited by a national accrediting body that is designated by the Secretary, and

"(ii) a requirement that all physical structures (other than a family home) in which individuals with a severe disability reside, or in which community and family support services are provided, meet applicable State or local fire, safety, health, and sanitation

codes, and have interior and exterior features that are comparable to other residential structures in the surrounding neighborhood;

"(C) a system for conducting an annual independent, third-party evaluation of a cross-section of community and family support services provided under the State plan, which system shall include (at a minimum)—

"(i) an analysis and validation of client-based data,

"(ii) periodic visits to a statistically valid sample of agencies or individuals providing such services,

"(iii) an assessment (conducted with respect to a statistically valid sample of individuals with a severe disability and, where available, through the use of valid and reliable instruments) to determine the extent to which the services contribute to reduced dependency, enhanced opportunities to make choices, the acquisition of positive social behaviors, improved social integration and participation in community life, increased productivity, consumer satisfaction, the physical comfort of the individual and the attractiveness and appropriateness (in view of the individual's age) of such individual's living environment, and the achievement of the written goals and objectives set forth in the individual's written habilitation plan, and

"(iv) a summary of findings and recommendations with respect to needed changes in State laws and the administrative policies and practices of responsible State and local agencies (and any other provider of such services);

"(D) an annual assessment of consumer satisfaction with community and family support services provided under the State plan;

"(E) a program of periodic assessments of the adequacy of the physical and social environment of residential settings serving individuals with a severe disability conducted by a review body composed of parents, guardians, relatives, or neighbors of such individuals, except that—

"(i) the parents, guardians, and relatives of such individuals shall comprise a majority of the body,

"(ii) no member of the body shall be affiliated with the facility or home being reviewed or with any agency responsible for providing funds with respect to such facility or home, and

"(iii) no member of the body shall take part in an assessment with respect to any individual with a severe disability if such member is a parent, guardian, or relative of such individual;

"(F) a systematic methodology for assuring prompt correction of any deficiency identified with respect to the provision of community and family support services under the State plan, which methodology shall include—

"(i) a procedure under which the affected entity may appeal a determination that there is such a deficiency,

"(ii) a requirement that any such entity with respect to which a deficiency is identified submit a plan of correction to the appropriate State agency which sets forth a schedule for promptly eliminating the deficiency, and

"(iii) a program for providing training and technical assistance to assist such entity in eliminating a deficiency; and

"(G) a hierarchy of penalities with respect to any such entity that fails to comply with any standard promulgated pursuant to subparagraph (A) (including a penalty for terminating such entity's participation in the program under this title);

"(4)(A) in the case of individuals with a severe disability who are living in residential facilities which are not family homes, foster family homes, community living facilities, provide that—

"(i) admissions to such residential facilities are restricted through the use of community and family support services, and

"(ii) the service needs of any such individual are identified in accordance with paragraph (1)(C);

"(B) provide that alternate provisions are made for (and priority given to the development of) appropriate care (including basic maintenance if needed) and services for any individual with a severe disability eligible for medical assistance who has been living in a facility or institution which has been receiving payments for care, treatment, or maintenance of such individual under this title and which ceases to receive such payments, or ceases to provide such care and services to such individual, other than at the request of the individual or such individual's representative; and

"(C) set forth procedures for ensuring continuity of funding and the provision of services to an individual with a severe disability when an entity providing services to such individual for which payment is made under this title voluntarily discontinues operations or is terminated in accordance with paragraph (3)(G);

"(5)(A) provide that, as part of a plan to afford the public an adequate opportunity to comment on the State's implementation strategy (submitted to the Secretary under subsection (c)(1)) prior to when such strategy is submitted to the Secretary (or prior to each annual revision)—

"(i) copies of such strategy are distributed to individuals, agencies, and organizations in the State that are interested in the welfare of individuals with a severe disability,

"(ii) such individuals, agencies, and organizations are afforded not less than 45 days to comment on the strategy,

"(iii) public hearings are conducted on the contents of the strategy (and the date of any such hearing is published in general circulation newspapers across the State not less than 10 days prior to the hearing),

"(iv) the comments of the State Planning Council established under section 124 of the Developmental Disabilities Assistance and Bill of Rights Act and the protection and advocacy system established under section 142 of such Act are solicited, and

"(v) a summary of the comments received from the general public, such Council, and such protection and advocacy system, is prepared, indicating any revisions made as a result of such comments (or explaining why such revisions were not made);

"(B) set forth the methods and procedures to be used to ensure that, with respect to every organization or agency responsible for providing services to individuals with a severe disability for which any payment is made under this title—

"(i) each member of the staff of such organization or agency is fully qualified to perform any assigned duty and has received or will receive adequate and continuing training or retraining in the provision of services to such individuals sufficient to allow such member to remain informed of the latest developments in serving such individuals and to assist the organization or agency in correcting any deficiencies in the provision of community and family support services under this section,

"(ii) such agency or organization maintains written personnel policies, and

"(iii) such agency or organization has access to needed technical assistance services;

"(C) set forth the methods and procedures to ensure that any entity responsible for providing protective intervention services to an individual with a severe disability or to an individual who is (or except for such individual's income and resources would be) eligible to receive such services under this section—

"(i) has daily, 24-hour access to every organization or agency responsible for providing services to such an individual for which any payment is made under this title,

"(ii) is independent of each such organization or agency, and

"(iii) has the legal capacity to intervene on behalf of such an individual when necessary to protect such individual's rights;

"(D) set forth the methods by which training and needed technical assistance services are made available to natural, adoptive, and foster parents of individuals with a severe disability who are eligible for medical assistance;

"(E) set forth the methods by which protective intervention services are made available, as necessary, to any individual with a severe disability who is, or would except for such individual's income or resources be, eligible to receive services under this title;

"(F) set forth the steps by which the State ensures that each individual with a severe disability receiving community and family support services under the State plan has access to case management services which are provided—

"(i) by an entity that is organizationally independent of (and free of any conflict of interest with respect to) any entity furnishing ongoing direct services to individuals with a severe disability,

"(ii) with sufficient frequency and intensity to ensure that the objectives in an individual's written habilitation plan are achieved within the period of time specified in such plan, and

"(iii) by a trained individual with a caseload capability to visit each individual under such individual's responsibility not less than once a month;

"(G) provide that the State has in effect a management information system capable of collecting, storing, and retrieving data with respect to individuals with a severe disability who receive (or who are eligible to receive) community and family support services under this section, which system shall—

"(i) be based on information derived from an individual's written habilitation plan or from any other needs-assessment data source,

"(ii) provide client-based data with respect to the nature and extent of service needs, the type and duration of services provided, the cost and outcome of such services, and any gaps in available services, and

"(iii) use (where available) valid and reliable instruments for collecting such data;

"(H) set forth procedures for—

"(i) granting an opportunity for a timely appeal and a speedy hearing before an impartial hearing officer—

"(I) to any individual who believes himself to be inappropriately served or who is denied an appropriate service, or who is being scheduled for transfer (other than under the provisions of paragraph (1) of this subsection and other than on such individual's own initiative) from one living arrangement (including such individual's own home) to another, or

"(II) as appropriate, to the individual's spouse, parent, guardian, appropriate family member, or advocate acting on such individual's behalf,

"(ii) giving written notice to affected parties at least 60 days before such proposed transfer except in an emergency, and

"(iii) advising individuals with severe disabilities, their families, and their advocates of available alternative arrangements and services, of the right to choose among available licensed or certified providers of services, and of the right to a fair hearing under section 1902(a)(3);

"(J) describe the methods to be used in administering community and family support services under the State plan, including—

"(i) the specific roles and responsibilities of—

"(I) specified State and local governmental agencies in establishing policies governing the provision of such services and in providing such services (either directly or under arrangements with other public or private entities),

"(II) the agency responsible for providing protection and advocacy in accordance with subsection (j), and

"(III) the community organizations and agencies responsible for providing such services, and

"(ii) the steps to be taken in recruiting and selecting such provider organizations and agencies;

"(K) set forth criteria to govern the use of psychotropic and anti-convulsant medications and behavior management techniques, as well as monitoring methods to be used to ensure compliance with such criteria;

"(L) set forth the methods by which the number and types of integrated work settings and the range of supportive services available to individuals with a severe disability who have attained the age of 18 are developed and expanded; and

"(M) set forth the methods to assure that the provision of specialized vocational services and educationally-related services under this title to individuals with a severe disability is coordinated (by use, where necessary, of interagency agreements) with the activities of responsible State and local vocational rehabilitation and educational agencies (and other agencies as appropriate); and

"(6) set forth methods and procedures to assure—

"(A) fair and equitable provisions (as determined by the Secretary in consultation with the Secretary of Labor) to protect the interests of public employees who will be affected by the transfer of individuals with a severe disability from public institutions, including public medical institutions, to community or family living facilities under the implementation strategy, and that maximum efforts will be made to provide for the employment of such employees, including arrangements designed to preserve employee rights and benefits and arrangements to provide (where necessary) for the training or retraining of such employees, and

"(B) application of fair employment standards and equitable compensation to workers in private programs and facilities offering care and services for which payments are made under this title.

"(e) STATE MAINTENANCE OF EFFORT.—

"(1) A State meets the maintenance of effort requirement of this subsection for any quarter in a fiscal year in which community and family support services are provided if for such quarter the total amount of the funds expended by the State (and political subdivisions thereof) from non-Federal funds for these services for eligible individuals with a severe disability is at least equal to the base amount, increased by the inflation factor that applies with respect to the fiscal year in which such services are provided.

"(2) For purposes of paragraph (1)—

"(A) the term 'base amount' means the average quarterly amount of the funds expended (during the four-quarter period ending September 30, 1987) by the State (and political subdivisions thereof) from non-Federal funds under the plan for services that are community and family support services; and

"(B) the inflation factor that applies with respect to the fiscal year in which such services are provided is the amount (expressed as a percentage) by which the Consumer Price Index for the third quarter of the fiscal year preceding such fiscal year exceeds the Consumer Price Index for the third quarter of the second fiscal year preceding such fiscal year.

"(f) REVIEW BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall, from time to time, review State plans approved by the Secretary pursuant to section 1902 in order to ensure the compliance of such plans with the provisions of this section and the Medicaid Home and Community Quality Services Act of 1987.

"(g) WAIVER OF STATEWIDE REQUIREMENT AND REQUIREMENT OF COMPARABILITY.—For any one three-year period, a State may provide any new service under this section without regard to the statewide requirement of section 1902(a)(1) or the requirement of section 1902(a)(10)(B).

"(h) WAIVER OF FREEDOM OF CHOICE REQUIREMENT.—A State may provide case management services under this section without regard to the requirement of section 1902(a)(23) to the extent that the State determines that waiving such requirement is necessary to the effective and efficient provision of such services.

"(i) STATE ADMINISTRATION.—The Governor of each State may assign the responsibility for performing specified management functions regarding services provided to individuals with a severe disability under this section to State agencies other than the agency administering the plan under this title.".

(d) INTERMEDIATE CARE FACILITY SERVICES IN AN INSTITUTION FOR THE MENTALLY RETARDED.—Section 1905(d) of the Social Security Act is amended—

(1) by striking out "a public" and inserting in lieu thereof "an";

(2) by striking out "and" at the end of paragraph (2); and

(3) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) the individual needs of each newly admitted individual are ascertained by an interdisciplinary team within 30 days, and an individual written habilitation plan is developed for the individual, including an assessment of such individual's needs for community and family support services; and

"(4) the institution, if not operated by the State, has a written agreement with an appropriate State agency to cooperate in carrying out the State implementation strategy required to be submitted to the Secretary under section 1921(c)(1).".

(e) CONFORMING AMENDMENTS.—Section 1903(a)(2) of the Social Security Act is amended—

(1) by inserting after "professional medical personnel" the following: "or personnel skilled in the delivery of community and family support services needed by individuals with a severe disability"; and

(2) by inserting after "other public agency" the following "or any agency under contract to the State to provide services under section 1921".

### SEC. 4. LIMITATION ON PAYMENTS FOR SERVICES PROVIDED IN LARGE FACILITIES.

Section 1903 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(w) LIMITATION ON PAYMENTS FOR SERVICES PROVIDED IN LARGE FACILITIES.—

"(1)(A) Except as provided in paragraph (2), effective for any fiscal year beginning after the date of the enactment of the Medicaid Home and Community Quality Services Act of 1987, the aggregate amount payable under this title to any State for any quarter beginning in such fiscal year for skilled nursing facility services and intermediate care facility services furnished to any individual described in subparagraph (C) in facilities having more than 15 beds shall not exceed 25 percent of the maximum expenditure amount determined with respect to the State under subparagraph (B) for such fiscal year.

"(B)(i) For purposes of subparagraph (A), the term 'maximum expenditure amount' means, with respect to a State for a fiscal year, an amount equal to the aggregate amount payable under this title to the State for the services described in subparagraph (A) for the fiscal year ending after the date of the enactment of the Medicaid Home and Community Quality Services Act of 1987, increased by the percentage (if any) by which CPI percentage increase for the fiscal year exceeds 6.0 percent (and by any amounts expended for the fiscal year for which payment would otherwise be made under this title that are attributable to the cost of implementing a plan of correction which includes a reduction plan approved under section 1919).

"(ii) For purposes of clause (i), the 'CPI percentage increase' for a fiscal year is the amount (expressed as a percentage) by which the Consumer Price Index for the third quarter of the fiscal year preceding such fiscal year exceeds the Consumer Price Index for the third quarter of the second fiscal year preceding such fiscal year.

"(C) An individual described in this subparagraph is an individual who—

"(i) is under the age of 65, and

"(ii) who is under a disability within the meaning of section 1614(a)(3) of this Act, the onset of which occurred before the individual attained the age of 22.

"(D) For purposes of applying this subsection, aggregate amounts paid under this title shall be determined without adjustments for amounts recovered from third parties considered as overpayments.

"(2) The limitation on payments in paragraph (1) shall not apply to any of the following payments for skilled nursing facility services or intermediate care facility services provided in a facility which unconditionally meets all requirements applicable to such type of facility (including appropriateness of admissions):

"(A) Payments for such services for individuals in a facility which meets the size and location requirements for a community living facility.

"(B) Payments for such services for individuals in a facility which is in operation on September 30, 1987, does not increase its number of beds after such date, and has no more than 15 beds (exclusive of beds occupied by staff members).

"(C) Payments for such services for individuals in a facility treated as a community living facility under section 1905(v)(2).

### SEC. 5. PROTECTION OF RIGHTS OF INDIVIDUALS WITH A SEVERE DISABILITY.

Section 1921 of the Social Security Act (as added by section 3(c) of this Act) is amended by adding at the end thereof the following new subsection:

"(j) PROTECTION OF RIGHTS.—

"(1) Subject to paragraph (3), in order to receive any payments for community and family support services provided under this section, the State must have in effect a system to protect and advocate those rights of individuals with a severe disability who are eligible for medical assistance which relate to the provision of such assistance.

"(2) Such system must be implemented by an agency which—

"(A) is independent of any agency which provides services to individuals with a severe disability under the State plan;

"(B) has the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of individuals with a severe disability who are eligible for medical assistance; and

"(C) has the authority to obtain access to records of individuals with a severe disability who are eligible for medical assistance in order to carry out such agency's duties under this subsection.

"(3)(A) In the case of a State that has in effect a system for providing protection and advocacy under part C of the Development Disabilities Assistance and Bill of Rights Act, such State shall take appropriate steps to ensure that such existing system is used to perform the protection and advocacy functions required by this section.

"(B) The State must provide assurances to the Secretary that the amounts paid to the State under this title that are attributable to the use of the system in effect under part C of such Act shall be used only for the purposes of providing protection and advocacy relating to the provision of medical assistance to individuals with a severe disability.

"(4) For purposes of section 1903(a)(1), amounts expended by the State under this subsection shall be treated as amounts expended as medical assistance under the State plan.".

### SEC. 6. PRIVATE ENFORCEMENT.

Section 1921 of the Social Security Act (as added by section 3(c) of this Act and amended by section 5 of this Act) is further amended by adding at the end thereof the following new subsection:

"(k) PRIVATE ENFORCEMENT.—

"(1)(A) Except as provided in paragraph (3), any person injured or adversely affected or aggrieved by a violation of this section, or of the Medicaid Home and Community Quality Services Act of 1987, by a State agency administering the State plan may bring an action to enjoin such violation.

"(B) An action brought under this paragraph shall be brought in the appropriate district court of the United States within the State in which such State plan is in operation.

"(C) The party bringing such action may elect, by so stating in the complaint filed at the commencement of such action, to recover reasonable attorney's fees and costs from the defendant in the event that such party prevails.

"(2) Not less than 15 days before commencing an action under this subsection, an interested party shall give notice by registered mail to the Secretary, the Attorney General of the United States, and the State agency administering the State plan alleged to be in violation of this section or of the Medicaid Home and Community Quality Services Act of 1987. Such notice shall state the nature of the alleged violation and the court in which such action will be brought.

"(3) The approval of the State plan under section 1902(b) shall not be a bar to the bringing of an action under this subsection, nor shall it constitute a defense to any such action.".

### SEC. 7. RATES OF PAYMENT FOR SERVICES.

Section 1902(a)(13) of the Social Security Act is amended by striking out "and" at the end of subparagraph (D), by adding "and" at the end of subparagraph (E), and by adding at the end thereof the following new subparagraph:

"(F) for payment for community and family support services for individuals with a severe disability, described in section 1921 and provided under the plan, through the use of rates (determined in accordance with methods and standards developed by the State) which the State finds, and makes assurances satisfactory to the Secretary, are reasonable and adequate to assure the provision of care and service in conformity with applicable State and Federal laws and regulations, and applicable quality and safety standards, and to assure that individuals with a severe disability eligible for medical assistance have reasonable access (taking into account geographic location and reasonable travel time for family and friends) to community and family support services of adequate quality;".

### SEC. 8. MEDICAID ELIGIBILITY OF CERTAIN INDIVIDUALS WITH A SEVERE DISABILITY.

(a) OPTIONAL ELIGIBILITY.—Section 1902 of the Social Security Act is amended by redesignating the subsection (l) added by section 3(b) of the Employment Opportunities for Disabled Americans Act as subsection (o) and by inserting after such subsection the following new subsection:

"(p) ELIGIBILITY OF CERTAIN INDIVIDUALS WITH A SEVERE DISABILITY.—

"(1) At the option of the State, any individual who has not attained the age of 19 and who—

"(A) qualifies as a disabled individual under section 1614(a),

"(B) as determined by the State, is an individual who requires (or whose family requires) community and family support services, and

"(C) if the individual were in a medical institution, would be an individual with respect to whom supplemental security benefits (or a State supplementary payment) could be paid under title XVI;

shall be deemed, for purposes of this title only, to be an individual with respect to whom a supplemental security income payment, or State supplementary payment, respectively, is being paid under title XVI.

"(2) A State electing the option under paragraph (1) shall set forth in its State plan and its State implementation strategy (submitted to the Secretary under section 1921(c)(1)) the criteria which the State will use in identifying eligible individuals or reasonable classifications of such individuals, and the extent of the services for which payment may be authorized under this subsection.".

(b) EXEMPTION FROM FAMILY INCOME LIMITATION.—Section 1903(f)(4) of such Act is amended—

(1) by adding "or" at the end of subparagraph (C); and

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D) who meets the requirements of section 1902(p),".

(c) UNIFORM INCOME STANDARD, AND EXPANDED ELIGIBILITY.—Section 1902(a)(10)(A)(ii) of such Act is amended—

(1) by inserting before the comma at the end of subclause (V) the following new matter: ": *Provided That* if the State establishes such a separate income standard for individuals who are in any medical institution, the State must establish the same separate income standard for all individuals with a severe disability,";

(2) by striking out "or" at the end of subclause (IX);

(3) by striking out the semicolon at the end of subclause (X) and inserting in lieu thereof ", or"; and

(4) by adding at the end thereof the following:

"(XI) who are disabled children or disabled spouses who, except for resources deemed to them, would be eligible for supplementary security income benefits under title XVI;".

(d) ELIGIBILITY OF DISABLED CHILD.—Section 1634(c)(1) of such Act is amended by striking out "the effective date of this subsection" and inserting in lieu thereof "January 1, 1957".

### SEC. 9. REMOVAL OF CERTAIN LIMITATIONS ON REDUCTION AND CORRECTION PLANS FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED.

Section 1919 of the Social Security Act is amended—

(1) in subsection (d)—

(A) by striking "(d)(1)" and inserting in lieu thereof "(d)", and

(B) by striking paragraph (2); and

(2) by striking subsection (f).

### SEC. 10. SPECIAL ELIGIBILITY EXCEPTION FOR INDIVIDUALS WITH A SEVERE DISABILITY.

Section 1902(f) of the Social Security Act is amended:

(1) by inserting "(1)" after the subsection designation;

(2) by inserting "paragraph (2)," before "subsection (e)"; and

(3) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding paragraph (1), an individual with a severe disability receiving benefits under title XVI or deemed to receive such benefits under this title shall be entitled to receive medical assistance as long as such individual remains severely disabled and continues to receive benefits under title XVI or is deemed to receive benefits under this title.".

### SEC. 11. RESPONSIBILITIES OF THE SECRETARY.

(a) ESTABLISHMENT OF A BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES.—

(1) The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall establish, within the Health Care Financing Administration, a Bureau of Developmental Disabilities Services (referred to in this subsection as the 'Bureau'). The Bureau shall be the principal office in the Department of Health and Human Services for administering and carrying out programs under title XIX of the Social Security Act relating to the furnishing of quality services to individuals with a severe disability in order to promote their independence, productivity, and integration into the community, and to provide coordinated leadership, guidance, and support to assist States in developing such services.

(2) The Bureau shall be headed by a Director who shall be appointed by the Secretary in consultation with the Administrator of the Health Care Financing Administration. The position of Director shall be placed in Level IV of the Executive Schedule in section 5318 of title 5, United States Code and shall be designated a career reserved position in the Senior Executive Service. The Director shall have training and experience in the furnishing of services to individuals with developmental disabilities.

(3) The additional staffing of the Bureau shall be in sufficient numbers to meet program needs, and at levels which shall attract and maintain the most qualified personnel. Such personnel shall include individuals who have training and experience in the provision of services to individuals with developmental disabilities.

(4) The Bureau shall be established and staffed not later than 6 months after the date of enactment of this Act.

(5) The Bureau shall be responsible for—

(A) preparing all necessary regulations and other administrative policies governing the provision of services under sections 1921 (as added by this Act), 1905(d), and 1915(c) of the Social Security Act as such services relate to individuals with a severe disability;

(B) coordinating the activities of responsible regional office personnel related to the provision of services to individuals with a severe disability under titles XVIII and XIX of the Social Security Act;

(C) conducting periodic studies to determine the consistency, reliability, and validity of surveys of intermediate care facilities certified or requesting certification under section 1905(d) conducted under section 1902(a)(33)(B) of such Act (and, based on such studies, developing policies and procedures governing such surveys);

(D) preparing and issuing policies governing the conduct of utilization reviews under section 1902(a)(30)(A) of the Social Security Act, onsite inspections of care under section 1902(a)(31)(B) of such Act, and the preparation of professional review reports under section 1902(a)(31)(C) of such Act (as such reports pertain to care provided in facilities certified or requesting certification under section 1905(d) of such Act);

(E) advising the Administrator of the Health Care Financing Administration on all aspects of policies that may impact upon individuals with a severe disability and recommending (in consultation with such Administrator) policy initiatives and modifications necessary to improve services provided under titles XVIII and XIX of the Social Security Act in order to promote the independence, productivity, and integration of such individuals (as such terms are defined under section 1905(dd) of the Social Security Act);

(F) developing policies and procedures governing the conduct of periodic assessments of the status of individuals with a severe disability who are receiving services under any title of the Social Security Act;

(G) reviewing State compliance with the provisions of, and amendments made, by this Act in such periodic and random fashion as the Bureau deems necessary, making recommendations to the Secretary based on such reviews; and

(H) performing such other functions relating to the provision of services to individuals with a severe disability as the Secretary may assign (including any function related to a responsibility of the Secretary under subsection (b), (c), (d), or (e) of this section).

(b) Training of Survey Personnel.—The Secretary shall—

(1) with respect to Federal and State personnel who perform surveys under sections 1902(a)(33)(B) and 1910(c)(1) of the Social Security Act of facilities that are certified under section 1905(d) of such Act—

(A) not later than 18 months after the date of enactment of this Act, develop a standardized curriculum for training such personnel which places particular emphasis on valid and reliable methods for assessing the provision of active treatment provided to residents of such facilities in accordance with standards prescribed by the Secretary;

(B) in accordance with the curriculum developed under subparagraph (A), design and initiate a comprehensive training program for such personnel which provides—

(i) initial training not later than 30 months after the date of enactment of this Act in the case of personnel assigned to survey such facilities on or before the date of enactment of this Act,

(ii) initial training not later than six months after the date on which personnel are assigned to survey such facilities in the case of personnel assigned to survey such facilities after the date of enactment of this Act, and

(iii) continuing education to such personnel at least every 36 months; and

(C) develop standards regarding the qualifications of such personnel, including a standard requiring that at least one member of any survey team be a qualified developmental disabilities professional (as defined by the Secretary);

(2) on the basis of a randomly selected sample of Federal and State surveys conducted, periodically conduct studies of the reliability of survey findings to determine the compliance of facilities certified under section 1905(d) of the Social Security Act with the standards prescribed by the Secretary under paragraph (1) of such section;

(3) make such changes in Federal regulations, administrative policies or procedures (or initiate such specialized training programs) as are—

(A) consistent with the findings of studies conducted under paragraph (2), and

(B) necessary to improve the reliability and consistency of survey findings and certification decisions with respect to facilities certified under section 1905(d); and

(4) with respect to Federal and State personnel who perform surveys regarding State compliance with the provisions of, and amendments made, by this Act, design and initiate a comprehensive training program for such personnel that provides for an amount of training at least equal to that described in paragraph (1)(B).

(c) Development, Testing, and Dissemination of Instruments and Standards.—

(1) Subject to paragraph (2), the Secretary shall support the development, field testing, and dissemination of—

(A) reliable and valid instruments to assess service outcomes in the provision of care and services under this Act, including outcomes in such areas as community integration, individual and family satisfaction, and the impact of environmental factors; and

(B) competency-based personnel standards with respect to every agency or organization involved in providing services to individuals with a severe disability for which any payment is made as a result of the amendments made by this Act.

(2) Nothing in paragraph (1) shall be construed to allow the Secretary to require that a State use a specific outcome indicator or personnel standard selected by the Secretary.

(d) Assessment of State Compliance With State Implementation Strategy.—

(1) Beginning with the first fiscal year beginning after the date of enactment of this Act, the Secretary, after consultation with the Secretary of Education and study of any recommendations made by the Bureau of Developmental Disabilities under subsection (a)(5)(G), shall conduct an annual assessment of each State's—

(A) compliance with the provisions of section 1921(c) of the Social Security Act (as added by section 3(c) of this Act); and

(B) progress in carrying out its implementation strategy (required to be submitted under section 1921(c)(1) of such Act), including the steps taken to—

(i) expand the quantity and improve the quality of community and family support services;

(ii) develop essential support services necessary to maintain a responsive network of community and family support services (including the provision of training, technical assistance, and crisis intervention services); and

(iii) promulgate standards governing community and family support services and monitor compliance and take necessary steps to enforce such standards.

(2) The Secretary shall conduct annual assessments of the adequacy of the quality assurance components established by States under such implementation strategy. Such assessments shall include a review of community and family support services provided pursuant to such strategy and visits to community living facilities and entities providing such services.

(3) Nothing in this subsection shall be construed to require the approval of the Secretary of any State implementation strategy submitted under section 1921(c)(1) of the Social Security Act, if such strategy meets the requirements of section 1921(d) of such Act (as added by section 3(c) of this Act).

(e) Report.—Not later than January 15, 1992, and biennially thereafter, the Secretary shall submit a report to Congress that is based on the assessments, studies, and other activities conducted under subsections (b), (c), and (d) (and such other information as the Secretary may gather). Such report shall contain an analysis of the findings of such assessments, studies, and activities, a description of all relevant fiscal, programmatic, and demographic data, and recommendations regarding the need for any changes in Federal law.

(f) Regulations.—

(1) Prior to the first fiscal year beginning after the date of enactment of this Act, the Secretary shall issue final regulations with respect to all amendments to the Social Security Act made by this Act, including regulations which govern the preparation, public review, distribution, and annual revision of the State implementation strategy (required to be submitted to the Secretary under section 1921(c)(1) of the Social Security Act, as added by section 3(c) of this Act).

(2) Nothing in this subsection shall be construed to authorize the Secretary to promulgate standards governing the provision of community and family support services.

(3) Nothing in this subsection shall be construed to prohibit payments under section 1903 of the Social Security Act prior to the issuance of regulations under this subsection to States which comply with the requirements of the amendments made to the Social Security Act by this Act.

SEC. 12. EFFECTIVE DATE.

This Act and the amendments made by this Act shall apply with respect to fiscal years beginning after the date of enactment of this Act.

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## Summary of Medicaid Home and Community Quality Services Act of 1987

### ELIGIBILITY

Any individual who meets the state's means test; became disabled prior to age 22 and meets the federal SSI test of disability. The bill includes a provision to phase in, on an annual basis, individuals who become disabled after the age of 22.

### SERVICES

The list of home and community based services outlined in the Community and Family Living Amendments of 1986 remains basically the same with some clarifications. These services will be eligible for full federal matching funds.

The legislation provides that the following services are mandatory—in other words, the states must provide them in order to receive Medicaid reimbursement:

Protective intervention services;

Case management;

Individual and family support services (such as respite care and attendent care); and

Specialized vocational services (designed to help disabled individuals learn job skills).

### LIMITATIONS

The amount of federal dollars the state spends on intermediate care facilities for the mentally retarded (ICF/MR) will be frozen at the level of spending in the fiscal year preceding the enactment of the bill. In future years, states will receive increases in this amount only when inflation (as determined by the CPI) exceeds six percent in a given year.

ICF/MR and other residential facilities with less than fifteen individuals will be grandfathered—this means that the limitation will not apply to them. In addition, "cluster homes"—facilities which consist of three or fewer small homes with eight or less individuals per home which are located next to each other—are also grandfathered.

There will be no limitation on federal funds used for the community based services outlined in the legislation.

### QUALITY AND MONITORING

The bill contains a detailed section on quality and monitoring provisions designed to ensure that the services provided in all residential settings are of high quality and are appropriate.

The bill also requires the Secretary of HHS to establish a Bureau of Developmental Disabilities Services which is designed to be the central office in HHS for administering and carrying out programs relating to individuals with disabilities.

### PLANNING

Within two years of enactment, states will be required to amend their state Medicaid plan to comply with the provisions outlined in the legislation. The proposed plan must be available for public comment and must be reviewed by the state's Developmental Disabilities Council.

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## Section-by-Section Summary of Medicaid Home and Community Quality Services Act of 1987

Note: All dates referred to in this summary assume that the bill will be passed and signed into law between Nov. 1, 1987 and Dec. 31, 1987.

Section 1. Title.

Section 2. Definitions:

Individual with a severe disability: Any individual who meets the state's means test; became disabled prior to age 22 and meets the federal SSI test of disability. The bill includes a provision to phase in, on an annual basis, individuals who become disabled after the age of 22.

Community and Family Support Services: Services made available to an individual with a severe disability (or his or her family) to enable the individual to begin, resume or continue living in a family home, foster family home, or community living facility such services are outlined in the section allowing Medicaid to pay for them.

Family Home: A residence maintained by an individual, couple or a natural or adoptive family in which one or more individuals with a severe disability are living who receive community and family support services.

Foster Family Home: A residence maintained by an individual or couple in which not more than three individuals with a severe disability live and receive community and family support services and that is under contract with an agency licensed to place individuals with a severe disability in such residence.

Community Living Facility: A single household (not a family home or foster family home) composed of related or unrelated persons which:

(a) provides living arrangements and one or more community and family support services; has a number of beds not greater than three times the average family size in the area in which the facility is located; is located in a neighborhood which is representative of residential neighborhoods in such area and which is populated primarily by individuals other than individuals with a severe disability; meets such standards of safety and other standards relating to services provided by the facilities are developed by the state; is staffed by individuals who are trained and retrained according to later requirements in the act and who cooperate with appropriate case managers and other providers in implementing a written habilitation plan for each individual.

(b) A facility that is in operation on Sept. 30, 1987; does not increase its number of beds after such date; and which either does not contain more than 15 beds or consists of a cluster of two or three facilities in proximity to one another, each of which has no more than eight beds and which meets all of the other requirements outlined above, shall be deemed to be a community living facility.

Written Habilitation Plan: A plan for medical assistance and other services for an individual with a severe disability which:

(1) Is developed by an interdisciplinary team consisting of individuals requested to participate by the individual and the spouse, parent, guardian, other family member or advocate of such individual—where appropriate; individuals who are representative of professional and other disciplines which are relevant to the habilitation of such individual and have been or are likely to be involved in providing services to the individual;

(2) Is based on a comprehensive assessment of the strengths of the individual and the services and support necessary to enable such individual to attain or retain to the greatest extent possible capabilities for independence and to assess the services and support needed by the individual to engage in supported employment or other paid employment in an integrated employment environment;

(3) Specifies the individuals responsible for providing service under the plan and the frequency and duration with respect to which such services are provided; the objectives to be achieved with respect to an individual; the dates by which such objectives are to be achieved; program strategies for obtaining such objectives and the priority with which each objective is to be achieved;

(4) Is reevaluated by such team at least once a year.

Case Management Services: Defined page 8 of bill.

Individual and Family Support Services: Defined page 10 of bill.

Specialized Vocational Services: Defined page 10 of bill.

Habilitation Services: Defined page 14 of bill.

Case Coordination Services: Defined page 15 of bill.

Educationally Related Services: Defined page 15 of bill.

Independence, Productivity and Integration: Defined page 16 of bill.

Section 3. Community and Family Support Services for Certain Individuals with a Severe Disability:

This section requires each state to amend its state Medicaid plan by October 1, 1989. If a state does not amend its plan (in accordance with the requirements of all of the provisions in this Act), the state will lose all of its Medicaid funding. In addition, it requires the state to provide an array of community and family support services to eligible individuals—at a minimum the array must include: Protective intervention services; case management; individual and family support services; and specialized vocational services. These services are defined in Section Two.

### PAYMENT FOR SERVICES

The section amends the Medicaid statute to treat community and family support services as medical assistance—thereby allowing federal matching funds to be provided to the states for such services.

The list of reimbursable services is: case management, individual and family support services, specialized vocational services, protective intervention, habilitation services, case coordination, educationally related services, occupational therapy, physical therapy, speech therapy, nonaversive behavior intervention therapy, diagnostic and assessment services, personal assistance and attendant care, homemaker and chore services, respite care, crisis intervention, specialized training for families and care givers, special transportation, personal guidance, supervision and representation, preventive services and such other services proposed by the state and approved by the Secretary.

Payment for this list of services will be made only to an individual with a severe disability who is living in a family home, foster family home or community living facility and in accordance with the individual's written habilitation plan.

The following services may not be included as community and family support services: Room and board (except in certain special situations), cash payments as a service, aversive behavior intervention, management or therapies; services provided in a skilled nursing home or intermediate care facility; and any services (such as education, hospital, vocational rehabilitation etc.) which the individual would normally receive under another title.

### STATE REQUIREMENTS

A. In order to receive Medicaid funds for community and family support services, the state must make a series of assurances to the Secretary regarding the provision of such services in the state. These assurances include: reports to and cooperation with the Secretary; development of standards for individual and family support services which comport with principles outlined in the bill; development of a state implementation strategy for community services; maintenance of effort for state expenditures; safeguarding of rights of eligible individuals; equality of access to services regardless of the severity of disability or place of residence; residential services near the individual's family home; and planning for specialized vocational services in integrated environments. The Secretary must review these assurances to ensure that they are in compliance with the requirements of the Act.

B. The implementation strategy referred to above is a five-year plan (updated annually) which the state is required to develop with public participation and comment. The bill outlines the issues that must be addressed in the implementation strategy in great detail. They include the following: strategy for expanding community services and identifying the dollars required; methods for administering community services for those living at home or in other non-institutional settings; methods to protect employees affected by movement of disabled individuals from institutions; appropriate placement of individuals currently living in nursing homes; education, training and retraining of all staff; methods to track individual and system development/progress; due process safeguards for parents and individuals; standards governing the operation and provision of community and family support services; monitoring and quality review. The Secretary has authority to review the implementation strategy; however, only to the extent of determining whether the elements of the strategy meet the requirements of the Act.

### WAIVER OF STATEWIDENESS

States are allowed to provide any new community and family support service for up to three years without meeting the Medicaid requirements for statewideness and comparability. After the three year period if the state wishes to continue to provide the services it must do so on a statewide basis and the service must be comparable in all parts of the state. This provision also applies to the mandatory services—in effect, it means that states will three years after their state plan is amended to provide the four mandatory services on a statewide basis.

Section 4. Limitations on Payments for Services Provided in Large Facilities:

Beginning on October 1, 1988 the amount payable to any state under the Medicaid program for skilled nursing facility services and intermediate care facility services furnished to any individual who is under the age of 65 and who is under a disability within the meaning of SSI and the age of onset of such disability occurred before the individual reached the age of 22 in facilities having more than 15 beds shall not exceed the amount the state received for such services in such facilities between October 1, 1987 and October 1, 1988.

States will receive an increase in such funds only in a fiscal year in which the rate of inflation (as determined by the CPI) exceeds 6 percent—the increase will be equal to the difference between 6 percent and the inflation rate at that time.

The limitation will not apply to ICF/MR facilities which meet the size and location requirements for a community living facility; grandfathered facilities; and payments for services for an individual in a facility treated as a community living facility.

Section 5. Protection of Rights of Individuals with A Severe Disability:

The state is required to have a system in effect which is designed to protect and advocate those rights of individuals with severe disability who are eligible for medical assistance which relate to the provision of such assistance.

The services provided by this system for individuals with a severe disability will be eligible for matching funds through the Medicaid program.

Section 6. Private Enforcement:

This section gives private individuals the legal right to bring an action based on this Act.

Section 7. Rates of Payment:

Allows the states to set rates of payments for services outlined under the Act.

Section 8. Eligibility of Certain Individuals with a Severe Disability:

This section deals with some of the common problems associated with the issue of deeming of partental income to individuals with severe disabilities.

Requires the states to treat parental income for individuals living in institutions in the same way as individuals living in community living arrangements.

Allows states, at their option, to deem children under the age of 19 who are living at home, to be eligible regardless of parental income.

Section 11. Responsibilities of the Secretary

### ESTABLISHMENT OF A BUREAU OF DEVELOPMENTAL DISABILITIES

The Secretary is required to establish (within HCFA) a Bureau of Developmental Disabilities. The section deals with how such a Bureau should be set up and what its responsibilities should be. The intent of the provision is to create a central organization within HCFA to deal with services provided to individuals with developmental disabilities under the Medicaid program and to ensure that there is input from experts in this area into Secretarial decisions regarding Medicaid funding for these individuals.

### TRAINING OF SURVEY PERSONNEL

The Secretary is required to set up education, training and retraining requirements for those who conduct look-behinds and survey state services for individuals with developmental disabilities.

### ASSESSMENT OF STATE COMPLIANCE WITH STATE IMPLEMENTATION STRATEGY

The Secretary is requried to make annual assessments of each state's compliance with its state plan amendment.

### REGULATIONS

The Secretary is required to issue final regulations by October 1, 1988.

Section 12. Effective Date: October 1, 1988.

Mr. CHAFEE. Mr. President, I conclude by reading a letter directed to me by the Consortium For Citizens With Developmental Disabilities.

September 10, 1987.

Hon. John Chafee,
*Dirksen Senate Office Building,*
*Washington, DC.*

Dear Senator Chafee: On behalf of the undersigned members of the Consortium for Citizens with Developmental Disabilities (CCDD), we wish to express our wholehearted support for your efforts to enact Medicaid long term care reform legislation for persons with developmental disabilities. In particular, we applaud your forthcoming introduction of the "Medicaid Home and Community Quality Services Act".

You have succeeded in bringing forth a bill which represents a consensus effort to address the many concerns regarding Medicaid-funded services for people with developmental disabilities which have surfaced furing the previous discussions of the Community and Family Living Amendments.

That was the prior bill. We have changed the name.

The bill would achieve a long-overdue refocusing of Medicaid long term care services by reducing the "institutional bias".

And clearly there has been a bias—

of current law and by allowing states to provide quality Medicaid reimburseable services to persons living with their families, in their own homes, or in community-based family-scale environments. Many of the undersigned organizations believe the bill is the most significant legislative effort on behalf of persons with developmental disabilities since P.L. 94-142, the Education for All Handicapped Children Act (which gave children the right to a free, appropriate public education).

I must say that is a very significant statement, to say that this bill is the most significant legislative effort since that monumental achievement 94-142.

We look forward to working with you to enact the bill during the 100th Congress.

Sincerely,
Robert Gettings, National Association of State Mental Retardation Program Directors; Martha Ford, Association for Retarded Citizens; Allan Bergman, United Cerebral Palsy Associations, Inc.

This is a list of the groups that make up the Consortium For Citizens With Developmental Disabilities: American Academy of Pediatrics, American Association of University Affiliated Programs, American Association of Mental Deficiency, Association for Retarded Citizens of the United States, Center for Law and Social Policy, Council for Exceptional Children, Epilepsy Foundation of America, Mental Health Law Project, National Association of Developmental Disabilities Councils, National Association of Protection and Advocacy Systems, National Association of Rehabilitation Facilities, National Association of State Mental Health Program Directors, National Association of State Mental Retardation Program Directors, National Down's Syndrome Congress, National Easter Seal Society, National Head Injury Foundation, National Mental Health Association, National Therapeutic Recreation Society, the Association for Persons with Severe Handicaps, United Cerebral Palsy Organizations, Inc.

Mr. RIEGLE. Mr. President, I want to add a comment to the comments that have been made by the Senator from Rhode Island.

Clearly, there are gaps in our Medicare and Medicaid coverage with regard to home health care, which are enormous problems facing this country.

In the last few months, I have been conducting Budget Committee hearings in the State of Michigan. We have now had six public hearings on the issue of health insurance coverage, particularly for catastrophic health costs. What we have found in those meetings across the State of Michigan is, first of all, tremendous public interest in this subject. We have found a scale of the problem that has gone beyond anything that is generally perceived today in terms of the enormous difficulty facing senior citizens, on the one hand, as well as families and individuals of all ages with respect to catastrophic illnesses that strike, that go beyond the scope any kind of protections provided by private or public insurance presently available.

The proposal we have been dealing within the Senate Finance Committee to extend Medicare coverage is an important step to deal with acute illnesses that tend to require hospitalization.

President Reagan and Secretary Bowen have come forward with their proposal, and I think they deserve commendation.

Mr. President, while the proposal we are developing in Congress now is a response to the President's expansion of Medicare, and we have reported that measure out of the Finance Committee, we still have a long way to go before that particular extension of coverage becomes law.

Beyond that, what I have found in the hearings in Michigan indicates to me that there is an enormous unmet need of the kind the Senator from Rhode Island has spoken about today. That affects the area of what is called long term care such as home health care and nursing home care.

Many people today, particularly those moving into the senior citizen group, are of the belief that the Medicare Program will help them if there is a chronic illness that requires extended home health care or nursing home care. The fact is that the Medicare Program basically provides very little help for those kinds of needs, and over a period of time provides no help at all. So if a husband or a wife requires bed rest and could stay at home, there is no coverage today that takes up those costs.

What happens is that individuals are exhausting themselves financially and physically, absent any other help.

What we have found in the hearings in the State of Michigan is that often lawyers are counseling senior citizens in situations where one member of the marriage is chronically ill and the other still has his or her health, that perhaps they should divorce in order for the one person to be able to retain the house they live in. The alternative would be to exhaust their assets, go on welfare and qualfiy for Medicaid to get assistance to pay for the bills which are incurred for the member of that marriage who is chronically ill, essentially impoverishing the healthy spouse.

That is how extreme this problem has become and how insulting and demeaning it is to individuals to find themselves in this situation, with chronic health burdens of the kind they cannot finance.

The figures on the cost of putting somebody in a nursing home today average $22,000 a year. It is higher in some places, and in some places it is virtually impossible to get into an adequate nursing home close to where a person's home might be. At a cost of $22,000 a year, it does not take long before savings are exhausted. There are more humane and more thoughtful ways to provide this such as through a broad national insurance system. I am open, and I think we should keep open, as to how that new system is financed. If we were to have in place a broad national insurance system, perhaps public in part and private in part, we could have a situation where each person, for a modest amount of money, could be protected against these extreme health costs, whether they hit senior citizens or hit families of younger ages.

I just had a health hearing in Marquette, MI, where a young woman came in whose husband was injured in an automobile accident about a year and a half ago. He suffered a traumatic brain injury. Their bills, over roughly a year and a half, have been $800,000. Bills of these kinds, which are occurring in more situations, in families of all ages, go so far beyond the capacity of the average family unit or extended family unit to cope with them that we need an intelligent insurance system to provide protection, so that when those huge expenses strike, we do not see lives destroyed, with people's lives broken apart because of circumstances beyond their control. We should have a way to meet those expenses so that when people have those expenses, coverage is there. That is the way an intelligent nation should work. That is why we have a National Government, to think about how to band together and solve certain problems.

In the city of Warren, we had over 1,200 people come out at 10 o'clock in the morning on a week day—every seat in the Ukrainian Cultural Center was filled—because of the enormous interest and size of this problem.

In Marquette, we had over 350 people show up on a weekday to talk about this problem, to ask about some kind of national response to deal with it.

If people can be given the care they need in their own home setting or even if they have to go into a nursing home, those are far less expensive ways to cope with those problems than requiring that a person go into a hospital, where often the cost can be several hundred dollars a day, often several thousand dollars. If the Government does not do something to provide care appropriate to the scale of a particular medical problem, we will end up spending far more than is necessary. The time has come to deal with this.

Though none of them is in the Chamber at this time, I urge the Presidential candidates of both parties to take up the issue of national health care for senior citizens and families of all ages and bring that issue forward. That is what national campaigns are about—to address national issues that require unified action.

In the case of extraordinary health costs, whether for somebody in the hospital or requiring nursing home care or home care, the costs are beyond the means of all but a handful of American people. The problem is that most of this is being borne essentially by what we think of as the middle class. Those individuals with great wealth can afford the help they need, and it is fortunate for them that they can. Those who exhaust all their resources to qualify for welfare and medical aid receive assistance. It is the people in the middle, the middle class of this country—working people, by and large—who are at risk today, who are essentially unprotected from costs of this sort. Those illnesses can strike at any time, can strike any individual in any family at any time.

I have seen hundreds of cases in Michigan of people in their twenties, thirties, forties, and fifties who have been stricken in their family or individually by illnesses of this kind that created enormous expenses for the family involved, just as I have seen literally hundreds of cases of senior citizens who have been stricken with illnesses—either acute illness like heart attack or stroke, or a long-term disabling illness, like any of the dementia-type problems, Alzheimer's and things of that kind—and we are finding increasingly that these people are being absolutely devastated.

I will just make one additional comment. The airplane that crashed recently in Detroit, the terrible airplane accident that happened where we lost so many people, was a profound tragedy. It was the second-worst plane crash in aviation history in our country. In the rescue squad that arrived on the scene literally seconds after the plane crashed—and the whole site of the crash was a flash—was a group of workers who rushed in at great risk to their own safety. They looked to see if they could find survivors in the plane crash, and, miracle of miracles, they found the little girl everybody has read and heard about, who is in the hospital now recovering from her injury, the only survivor of that flight. The only reason she survived is because other Americans, who did not know she was there, put themselves at risk to go in that situation to see if someone was there. She lives today for that reason.

That is what we are about as a country. We are prepared to help each other, prepared to go to the scene of an accident, if you will, and help the other person, whether we know them or not, have connections with them or not.

We need to think that very same way with respect to catastrophic health illness. We have to go into these situations where these accidents happen, accidents of chance, accidents of fate, accidents of bad health, sometimes actual physical accidents of a car wreck or motorcycle wreck, or whatever it is, where people are put in a situation where lives are being absolutely torn apart. We ought to have in place some kind of sensible insurance system that responds to health needs and costs in these cases and help these people put their lives back together.

That is what we are doing with this little 4-year old girl today in the university hospital in Michigan and what we have to be prepared to do for citizens across our land who are being hit in other kind of circumstances and ways that are almost as devastating and certainly in financial and physical terms are as devastating as those that she has faced.

I hope we will respond. I think the time to begin this debate is now and, as I say, I hope it will become a centerpiece of the Presidential campaign in 1988.

I yield the floor.

Mr. LEAHY. Mr. President, I am very pleased to be an original cosponsor of this legislation which will improve and reform the system of care of those with severe mental and physical impairments.

This bill will help families to stay together and gives States the opportunity to provide community and in-home care, in addition to already established institutional care.

Earlier versions of this legislation created concerns among some parents groups, caregivers and others that residents might be inappropriately forced from current care situations, and that operating institutions would lose needed financial support.

Senator CHAFEE listened to these concerns. Additional hearings were held resulting in an amended bill that now protects those who require care in an institutional facility while making it possible for people to remain at home or live in more appropriate settings.

Under this bill States can now provide an array of community family support services, rather than just institutional care. This will be an enormous help toward keeping families together, giving people a greater opportunity to become independent, and keeping disabled persons in the community.

The bill also includes strong quality and monitoring requirements designed to ensure high quality services.

I want to express my appreciation and admiration to Senator CHAFEE for his perseverance in developing this enlightened legislation. I am proud to associate myself with the Medicaid Home and Community Quality Services Act and look forward to its swift passage.

Mr. ARMSTRONG. Mr. President, I am pleased to join with the Senator from Rhode Island [Mr. CHAFEE] in cosponsoring the Medicaid Home and Community Quality Services Act of 1987.

In the years ahead, this bill may be viewed as a historic proposal in the evolution of policy for the developmentally disabled. For over a decade, care for the developmentally disabled has gradually shifted from institutions to community-based settings. This legislation recognizes the inevitability of that trend and seeks to encourage it. It reduces the present bias in Medicaid funding for institutional care and, for the first time, mandates Medicaid coverage of at least four community services for retarded citizens.

Community care has helped retarded citizens achieve their greatest human potential through the development of friendships and community contacts. Indeed, community living is not just a kind of care but the very goal of policies to assist retarded citizens.

Community living is, of course, something most of us take for granted. We find it easy to make friends, develop relationships through schools and churches, and live in a comfortable family setting. For retarded citizens, all of this can be a great challenge, made more difficult when there is little alternative to separation in institutions. Institutions certainly try to provide good care, but institutions can mean a lonely and dependent existence. This legislation will establish a better choice.

Mr. President, I am proud to note that the State of Colorado has been a pioneer in the effort to provide community care for retarded citizens. Over the last 10 years, the percentage of individuals in institutions in Colorado has declined significantly. Colorado has also made extensive use of limited Federal funds for community care through the existing Medicaid waiver option. This legislation will expand horizons even further, in Colorado and elsewhere.

Mr. President, I do not routinely sponsor proposals to expand Federal programs. But this is a cause far more worthy than dozens of other Federal programs I would gladly do away with. Those who will benefit are among the most deserving of our citizens: retarded individuals with minimal resources. The legislation is intended to help them become successful and independent members of their communities, and less dependent on institutions and government aid.

Finally, Mr. President, let me acknowledge the outstanding efforts of Senator CHAFEE in crafting this proposal. He has worked on it for several years and stands as one of the great champions of the developmentally disabled in the Senate. I am pleased to join with him in this effort.

Mr. HARKIN. Mr. President, I am pleased to be an original cosponsor of the Home and Community Quality Services Act of 1987. The bill has two major purposes. First, the bill amends the Medicaid legislation to eliminate the current bias in the program. That bias leads to the funding of services for persons with severe handicaps in large institutions. This bill ensures that States will also make services available to persons with severe handicaps in community-based programs. Second, the bill ensures that services provided in all institutional and community-based settings are of high quality and appropriate.

This bill is a bipartisan effort. It reflects months of discussion. It was developed with the help of the disability community, including parents, disability organizations, and professional groups.

This bill updates the Medicaid legislation to reflect current congressional policy governing the provision of services to persons with severe disabilities. Last year, the Congress unanimously passed three landmark pieces of legislation affecting persons with handicaps: The Education of the Handicapped Act Amendments of 1986, Public Law 99-457; the Rehabilitation Act Amendments of 1986, Public Law 99-506, and the Handicapped Children's Protection Act, Public Law 99-372. This year the Senate unanimously passed a bill which I sponsored, the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987 (S. 1417).

These four pieces of legislation were developed in the Senate by the Subcommittee on the Handicapped, which I now chair and which was chaired during the 99th Congress by Senator

WEICKER. In each case, the same principles guided congressional action.

First. Persons with severe disabilities have competencies, capabilities, and personal needs and preferences in addition to limitations. These strengths and preferences, not only an individual's functional limitations, should guide decisions affecting such persons.

Second. The provision of early intervention services to infants and toddlers with handicaps can minimize their potential for developmental delay, reduce costs to society, and reduce the likelihood of institutionalization.

Third. The family and members of the community can play a central role in enhancing the lives of persons with severe handicaps.

Fourth. Persons with severe handicaps must be provided the opportunity, to the maximum extent feasible, to make decisions for themselves and to live in typical homes and communities where they can exercise their full rights and responsibilities as citizens.

Fifth. Many persons with severe handicaps can be engaged in competitive work in integrated work settings if provided with ongoing support services.

Sixth. Persons with severe handicaps are entitled to services that are of high quality and appropriate to addressing their unique needs and to procedural due process.

In sum, these principles maximize the likelihood that persons with severe handicaps will lead independent, productive lives in integrated settings. The Home and Community Quality Services Act of 1987 subscribes to these principles and embodies provisions that help assure that these principles are carried out. And it does so in carefully measured ways.

Sections 3, 5, and 6 of the bill ensure that clients receive the services to which they are entitled and that their rights are not abridged. It does this by requiring the States to provide protective intervention services, case management, and protection and advocacy services and by creating a private right of action.

Consistent with the principle of enhancing the employment opportunities of persons with severe disabilities, sections 2 and 3 entitle a person with a disability to an individualized habilitation plan. The plan is designed to provide services to enhance the person's independence and, where appropriate, supported employment in integrated work settings. The bill also requires States to provide specialized vocational services.

To maximize the opportunities for persons with disabilities to exert control and power over their own lives, this bill assures that the person's individualized habilitation plan will include the participation of the person and of people chosen by the person, to be part of the team that develops the plan.

To increase the integration of people with disabilities into society, this bill emphasizes the delivery of services, the residential placement, and the employment opportunities of people with disabilities in integrated settings.

To assure that services are delivered at the highest possible level of quality, this bill contains quality assurance provisions and a proper Federal-State partnership in developing, implementing, and overseeing the implementation of quality-assurance provisions. As the sponsor of S. 1417, which stresses quality assurances, and as one who has asked the General Accounting Office to investigate how the Medicaid look-behind process is working in region 7 of the Health Care Financing Administration, Department of Health and Human Services, I am particularly pleased that there are quality-assurance provisions in this bill.

I am keenly aware that the families of individuals with disabilities, no less than disabled people themselves, require support. Accordingly, I am delighted that this bill provides for an individualized habilitation plan that includes services for families and that it also requires that States furnish family support services.

There is merit to certain aspects of existing service-delivery programs. We should not precipitously dismantle all of the service delivery systems that the Federal Government and the States have created over the years. That is why I am able to support this bill, for it provides for a staged implementation of its provisions, a freeze instead of a phaseout of Federal funding of large ICF-MR facilities, a grandfathering of small and clustered facilities, and provisions for the retraining of the dedicated staff who work in the facilities whose Federal funding will be frozen or whose size is not sufficiently family-like.

Surely this bill will engender much informed and spirited debate. But the very fact that it is consistent with current congressional policy affecting persons with severe disabilities, has received the endorsement of a large number of leading advocacy, consumer, and professional organizations, and represents a highly sensitive response to the concerns raised by some people during the last 4 years as Senator CHAFEE's Community and Family Living Act Amendments were debated, gives me great hope that this bill will pass during this session of this Congress.

I am wholly satisfied with the principles of this bill and with the care it gives to the rights and needs of people with disabilities and their families, to the moderate approach it takes to Federal-State relationships, to the deference it pays to the wholesome aspects of existing service-delivery programs, and to the opportunities it offers, at long last, for people with disabilities and their families to live more independent, productive, and integrated lives.

This bill opens doors that never should have been shut. Together with the provisions of S. 1417, the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987, and Public Law 99-457, Public Law 99-508, and Public Law 99-372, this bill says to those citizens who have disabilities and to their families that we value them and that we will treat them as we ourselves would want to be treated if we were in their shoes.

Mr. MITCHELL. Mr. President, I am pleased to join with my colleague from Rhode Island, Senator CHAFEE, in cosponsoring the Medicaid Home and Community Quality Services Act of 1987. I commend Senator CHAFEE for his diligent work on this legislation and for his commitment to improve the quality for the developmentally disabled in our country.

This bill will assist States in providing expanded home and community-based facilities for the developmentally disabled, a concept which has been enthusiastically supported in my home State of Maine for a number of years.

Last year, the Subcommittee on Health held a hearing to examine Medicaid financing of services for developmentally disabled persons. At the hearing, witnesses expressed their concerns about the Medicaid Program's lack of flexibility in funding which would allow States to expand home and community-based living situations for the developmentally disabled.

Medicaid is the primary Federal program providing States with funding for long-term care for the disabled. Under current law, most of these funds are channeled to large institutions, only a limited amount is available for small home and community-based facilities.

As understanding of the capabilities and needs of the developmentally disabled have changed in recent years, it has become apparent that traditional long-term care services provided in large institutions are no longer appropriate for the majority of disabled persons.

The Medicaid Home and Community Quality Services Act of 1987 is intended to restructure the Medicaid Program to better meet the needs of the developmentally disabled, while promoting greater independence and productivity for these citizens.

The bill freezes the amount of Medicaid funding States are allocated for large intermediate care facilities for the mentally retarded at the level of spending in the fiscal year preceding enactment. In future years, States will receive increases in this amount only when inflation exceeds 6 percent per year.

Eligibility for funding will be determined by a State's means test and will include persons who became disabled before age 22. The bill also includes an important provision to phase in, on an annual basis, individuals who become disabled after age 22. This will begin to address the critical need for long-term care for young adults who become disabled with spinal cord and head injuries.

The bill mandates a number of services States must provide in order to receive Medicaid reimbursement. These services include protective intervention, case management, individual and family support services and specialized vocational services.

I am particularly pleased that the bill includes quality and monitoring provisions designed to ensure that services provided in all facilities serving the disabled are appropriate and of high quality. The attention to the quality of care provided should be our highest priority when examining the programs which serve the most frail members of our society.

Many States, including Maine and Rhode Island, have developed a system of home and community-based care for the developmentally disabled which has proven to be highly successful and widely supported by the disabled and their families. Passage of this legislation will support those efforts and encourage other States to develop similar models.

This legislation has been carefully developed over a long period of time, taking into account the needs and concerns of the developmentally disabled and their families. It is an important step toward reforming the Medicaid Program to better meet the needs of this population and to encourage their independence and productivity.

I urge my colleagues to join me in supporting this important reform.

Mr. WEICKER. Mr. President, I rise today with my colleague from Rhode Island, Senator CHAFEE, to introduce the Medicaid Home and Community Quality Services Act of 1987. This legislation will restructure the current system of funding Medicaid services for people with severe disabilities in order to increase their independence, productivity, and integration into the community. Further, it will replace the current fragmented leadership on disability issues within the Federal Medicaid bureaucracy with a centralized unit that will oversee Medicaid disability policy and ensure the delivery of high-quality services.

As lawmakers, it is our responsibility to enact legislation consistent with the constitutional principle of providing for the general welfare. We have adapted this principle to changing perceptions of disabled individuals. We have made mistakes, we have learned from them, and we have moved on to new responses, with disabled Americans themselves now in the leadership of this movement.

Only during the last 20 years or so have we truly begun to break down the barriers that placed opportunity for disabled individuals in a class below opportunity for all Americans.

Disabilities are not selective about the families they touch. We are all potential candidates. But how we support individuals with disabilities is not just an issue for families. It is an economic and a humanitarian issue that touches the essence of what we stand for as a nation.

Today, we can be proud that many laws, such as the Education of the Handicapped Act, the Rehabilitation Act, and the Developmental Disabilities Act, reflect the current state of our knowledge about the abilities of people with disabilities. These individuals have shown us that almost anything is possible, with the right support.

Yet despite over $3 billion commitment to carrying out these visionary laws, we are still spending nearly the same amount of Federal funds to support an antiquated system of services for the disabled through Medicaid. Indeed, the Medicaid Program is the largest financial aid program for people with disabilities, with most of the funding going to the "Intermediate Care Facility for the Mentally Retarded" [ICF/MR] Program. In 1986 the amount expended by the Federal Government and the States for this program was estimated at over $5 billion, and still rising. For the most part, the money is used to fund large, public institutions, which at best offer limited opportunities and custodial care, and at worst promote segregation from families and society, encourage dependence, and allow the abuse and neglect of those very individuals for whom the system was created.

When Congress created the ICF/MR Program to fund services for disabled people 16 years ago, it assumed that Federal Medicaid dollars would be directly linked with quality services. At the same time, however, the program was structured in a biased manner, with funding going primarily to State institutions and few dollars directed toward keeping people with disabilities in their homes and communities. This system has turned out to be very costly.

Average costs vary between States, but one estimate for 1985 says more than $32,000 was spent per year per person. Recent statistics from my own State of Connecticut indicate an annual cost of approximately $73,000 per person per year. Yet we know that these institution-bound funds do not necessarily buy quality services. In fact, the results of hearings on conditions in institutions, conducted last session by the Subcommittee on the Handicapped, indicated just the opposite. These hearings, and the investigation which preceded them, found that the programs funded with Medicaid dollars often provide inadequate services and protections to people confined within institutional walls. While Medicaid enforcement efforts have been stepped up since that time, and some improvements made, serious deficiencies continue to exist in many federally supported institutions. And it is shameful that today, such conditions as were unveiled during those hearings continue, and are financed with Federal funds.

This situation is particularly disturbing given our recognition that people with disabilities need not be bound to a barren life of inactivity and segregation. Indeed we now know that very often these same individuals confined to institutions could be living in the community, where they could have meaningful work and experience the day-to-day joys and sorrows of life among family and friends. But the existing Medicaid system of financing services to people with disabilities inhibits and frustrates the development of needed community supports.

Yet the need for such community-based assistance is greater than ever. Twelve years ago, Congress enacted Public Law 94-142, which marked the beginning of the end of an era of segregation and discrimination against children with disabilities in our public schools. Most of these students have been raised in the mainstream of life. They want to stay there, and their families want them there. But, as I was reminded at one of our Handicapped Subcommittee hearings, too often these students find themselves at the end of their schooling "all dressed up with no place to go." We cannot truly realize the promise of integration which is at the heart of Public Law 94-142, until no disabled person is forced to abandon their bright hopes for the future because there are no alternatives.

People with severe disabilities in our country deserve full access to quality services that are least restrictive in terms of their personal freedom and most effective in terms of providing personal opportunity. And I believe that the changes in the current system of Medicaid funding for people with disabilities which we propose today are critical in assuring this will happen.

Specifically, the bill requires that every State participating in the institutional aspect of the Medicaid Program also develop an array of quality community services and supports. It will allow for choice among the various available services, and choice among a variety of living situations. Most of us take the choices we have in our lives for granted. But for many people with disabilities and their families, there have been no choices—even when that choice could result in less cost to the Federal Government.

And what of the institutions? The bill we introduce today has not forgotten them. It contains numerous provisions to increase the quality of their services by strengthening the leadership, guidance and support at the Federal level, and through increased training of those whose job is to review the quality of services they provide. But the bill sends a clear message that the future for people with disabilities is not segregation from the mainstream of life.

Because it is outside the locked doors of the institution that the land of opportunity lies. With the passage of this bill, those doors—and others—will open. It will require the dedicated efforts of everyone: families, service providers, politicians, and disabled individuals themselves. But that opportunity will not be denied.

Finally, I would like to extend my special thanks to Senator CHAFEE for his leadership in developing this legislation. He has been a tireless advocate for the development of family and community services for people with disabilities. I look forward to working with him, and other members of the Finance Committee, as work on this legislation proceeds.

Mr. DODD. Mr. President, today I am joining Senators CHAFEE, WEICKER, and others in introducing the Medicaid Home and Community Quality Services Act of 1987.

This bill is the product of a great deal of hard work, particularly by Senators CHAFEE and WEICKER, on a very important subject—providing funds to permit retarded persons to live in community and home settings. Enactment of this bill would expand the opportunities for retarded people, whether they are living in institutions or at home. It is particularly important for mildly and moderately retarded people who today are not eligible for Medicaid funds. It will increase the quality of their lives and that of their parents.

I share the bill's premise that there are inadequate Federal funds for community programs. The Medicaid waiver program has helped in this regard, but it is still not a permanent program and it does not contain adequate quality assurance mechanisms. This bill will remedy both of these problems. At the same time, I think it is important that we avoid throwing the baby out with the bath water. The bill recognizes that institutions will remain a residential option for the retarded and we must assure that they provide quality programs. Institutions for the mentally retarded do provide quality care for many of our retarded citizens, thanks in substantial part to the Federal standards that have been imposed as part of the bargain for getting medicaid dollars. At the same time, as Senator WEICKER's investigations revealed, abuses still take place in some institutions. Therefore, I hope that the bill will be amended to improve quality assurance at the institutions as well so that retarded people will receive quality services, regardless of their place of residence.

I am also somewhat troubled by the bill's provisions that would cap Medicaid dollars for institutions at their level in 1988, except to the extent that the cost of living exceeds 6 percent thereafter. The result would be that funding for institutions would be reduced to about half of today's value within 15 years. That level will make it hard to continue to assure quality care for residents of institutions.

While it would be nice to think that we can serve the needs of many times the number of people being served today for the same dollars, that is simply not a realistic hope. If we are going to expand the Medicaid Program to meet the needs of the entire population of retarded persons, it is going to take more money. We must recognize that reality and confront it head on. Therefore, rather than trying to reallocate existing dollars, I think we need to devise creative ways to increase the size of the pie. Inasmuch as the States presently are receiving billions of dollars in Medicaid funds, one notion might well be to condition the receipt of additional Medicaid funds on States increasing their matching contributions.

Furthermore, as chairman of the Subcommittee on Children, Family, Drugs, and Alcoholism, I would like to see the bill improved to assure greater participation by the families in the decisions about their children's future. The bill appears to leave their inclusion or exclusion up to the professionals who are part of the decisionmaking panels. Parents should be involved as a matter of course, just as they are in the development of individualized education programs under the Education for the Handicapped Act.

In sum, Mr. President, I am pleased that an effort is being made to address the needs of the retarded that are not presently being addressed and I look forward to working with the principal sponsors of the bill to devise a final product that increases the options for quality care for the retarded.

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By Mr. SARBANES (for himself and Ms. MIKULSKI):

S. 1674. A bill to amend title 5, United States Code, with respect to the maximum rate of basic pay payable to civilian faculty members at the United States Naval Academy; to the Committee on Government Affairs.

### MAXIMUM PAY LEVEL OF CIVILIAN FACULTY AT THE NAVAL ACADEMY

● Mr. SARBANES. Mr. President in 1845, the U.S. Naval Academy was established at Fort Severn at Annapolis, MD, to prepare midshipmen to be professional officers in the Navy. Over the years the needs of the U.S. Navy have changed, and the Academy has evolved as an institution of higher education graduating midshipmen with training, expertise, and the technical competence to operate the most sophisticated and advanced weapons systems, computers and seafaring vessels in the world. As the Academy sought to keep pace it recruited an outstanding civilian faculty with expertise in computer science, engineering, nuclear physics, the natural sciences, and the humanities.

Today, Mr. President I am introducing legislation to increase the salary of civilian faculty of the U.S. Naval Academy. I am introducing this legislation because the Academy runs the risk of losing some of its finest instructors to other institutions of higher education. For the past 3 years the U.S. Naval Academy has experienced difficulty recruiting and retaining experienced, dedicated civilian faculty due to salary. I am quite concerned that the inability to recruit competent, dedicated teachers for the U.S. Naval Academy could threaten the quality of its highly respected academic programs and undermine its ability to fulfill its mission to provide the U.S. Navy and Marine Corps with educated officers.

This bill, the companion of a bill introduced in the House by Congressman TOM MCMILLEN who represents the Annapolis area and is also a member of the U.S. Naval Academy Board of Visitors, would remove the pay cap and give the Secretary of the Navy the authority to increase civilian faculty salaries to a level which would be comparable to the faculty of other prestigious institutions of higher education and I ask my colleagues to join me in supporting this legislation.●

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By Mr. McCLURE:

S. 1675. A bill to provide for establishment of the Hagerman Fossil Beds National Monument in the State of Idaho, and for other purposes; referred to the Committee on Energy and Natural Resources.

### ESTABLISHMENT OF THE HAGERMAN FOSSIL BEDS NATIONAL MONUMENT

● Mr. McCLURE. Mr President, today I am introducing a bill to establish the Hagerman Fossil Beds National Monument, thereby protecting and preserving for all Americans one of the largest deposits and best known recordings of the Pliocene period in the world.

Discovered by a local farmer, Mr. Elmer Cook, and two companions in 1919 or 1920, this nearly 3½ million year old deposit is today known by scientists throughout the world and is truly a "priceless paleontological treasure." There are currently some 310 registered fossil sites containing remnants of ground sloths, zebra-like horses, saber tooth cats, mastadons, camels, and numerous smaller land and aquatic fauna species.

Scientists from the Smithsonian Institution came to the Hagerman Beds as early as 1931, and today a great many fossils unearthed at Hagerman can be viewed daily at the Smithsonian's National Museum of Natural History.

The legislation I am introducing today is similar to legislation I introduced some 12 years ago during the first session of the 94th Congress. I conducted a hearing in Hagerman, ID, on that legislation on December 13, 1976, but, for a variety of reasons, never pursued the legislation beyond that point. In the meantime, the Bureau of Land Management has managed the primary portion of the fossil bed area—some 4,394 acres, including a 492-acre portion of State of Idaho land—as a national natural area. Principally, such management has provided for preservation of the area—for which the BLM should be commended—but has not provided general access for regulated visitation by the public such as would be provided for through the establishment of a national monument.

This new legislation calls for the continued preservation of the same 4,394 acres, but would further specifically provide for the display and interpretation of the scientific specimens uncovered at the site as well as for continuing paleontological research by private scientists.

While requiring the lands be managed as a national monument, the legislation also specifically authorizes the continued right to operate, maintain, modify, and uprate certain electrical generation and transmission and irrigation pumping facilities currently located within and adjacent to the proposed boundaries. In short, this legislation contemplates little, if any, disruption of current business or ongoing services or activities of the close-by communities.

Costs of this legislation would be kept to a bare minimum because it contemplates no appropriations for acquisition of private property. The lands already managed by the BLM would be transferred to the management of the National Park Service, and the 492-acre State of Idaho parcel would be acquired by the Department through exchange of other Federal lands.

Mr. President, we seldom have the opportunity to provide for the protection of such priceless pieces of our heritage at such little cost. I personally cannot think of a more important or a more appropriate addition to our National Park System, and I hope my colleagues will assist in securing its early consideration.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1675

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to preserve for the benefit and enjoyment of present and future generations the outstanding paleontological sites known as the Hagerman Valley fossil sites, to provide a center for continuing paleontological research, and to provide for the display and interpretation of the scientific specimens uncovered at such sites, there is hereby established the Hagerman Fossil Beds National Monument.

(1) The Hagerman Fossil Beds National Monument shall comprise of lands generally depicted on the map entitled "——", number "——" and dated —— which shall be kept on file and available for public inspections in the office of the Director, National Park Service, Department of the Interior: *Provided, however,* That such area shall not exceed 4,394 acres.

Sec. 2. (a) The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire lands or interests in lands only by donation, purchase with donated funds, exchange or bequest.

(b) Notwithstanding any other provision of law, any Federal property located within the boundaries of the Monument shall be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the purposes of this Act.

(c) Any land or interest in land owned by the State of Idaho or any of its political subdivisions may be acquired only by exchange.

(d) In exercising the authority to acquire property by exchange, the Secretary may acquire title to any non-Federal property, or interest therein, located within the monument; and notwithstanding any other provision of law, he may convey in exchange therefore any federally owned property within the State of Idaho which he classifies as suitable for exchange and which is under his administrative jurisdiction. The values of the properties so exchanged shall be approximately equal or, if they are not approximately equal, they shall be equalized by the payment of cash to the grantor or to the Secretary, as the circumstances require.

Sec. 3. Upon the establishment of the Hagerman Fossil Beds National Monument and thereafter, the Secretary shall administer property acquired pursuant to this Act in accordance with the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), as amended and supplemented.

Sec. 4. Subject to valid existing rights, Congress expressly reserves to the United States such water rights as may be required to carry out the primary purposes of the monument created by this Act with respect to all lands withdrawn from the public domain by this Act. Such rights shall be perfected by the United States pursuant to the procedural requirements of the laws of the State of Idaho. The priority of such rights shall be as of the date of enactment of this Act. The United States may acquire such additional water rights as it deems necessary to carry out its responsibilities under this Act. Such water rights shall be acquired pursuant ot the substantive and procedural requirements of the laws of the State of Idaho. Nothing in this Act shall be construed to reserve any implied water right to the United States. The transfer of lands to the administrative jurisdiction of the Secretary pursuant to section 2 shall not affect any reserved water right which the United States may have acquired for the primary purposes for which such lands were originally withdrawn to the extent such rights are consistent with the purposes for which such lands are to be administered pursuant to this Act.

Sec. 5. All electrical generating and transmission and irrigation pumping and transmission facilities in existence within and adjacent to the boundaries of the Hagerman Fossil Beds National Monument, together with the right to operate, maintain, repair, uprate and modify such facilities, are hereby authorized. The provisions of the Federal Power Act, as amended, (41 Stat. 1063) shall continue to apply to any project as defined in such Act, including all facilities and improvements required or used in connection with the operation and maintenance of said project in existence within the Hagerman Fossil Beds National Monument on the date of enactment of this Act.

Sec. 6. Notwithstanding any other provision of law or regulation pursuant to any law, in order to provide a center for continuing paleontological research, the Secretary shall incorporate in the general management plan provisions for the orderly and regulated use of and research in the monument by qualified scientists, scientific groups, and students under the jurisdiction of such qualified individuals and groups.

Sec. 7. There are hereby authorized to be appropriated not to exceed $5,000,000 to carry out the purposes of this Act.●

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By Mr. DeCONCINI:

S. 1676. A bill to amend the Comprehensive Crime Control Act of 1984 to provide for an orderly transition into sentencing with guidelines, and for other purposes; to the Committee on the Judiciary.

### SENTENCING GUIDELINES TRANSITION ACT

● Mr. DeCONCINI. Mr. President, I am pleased to introduce the Sentencing Guidelines Transition Act of 1987. This bill, while adopting the guidelines proposed by the U.S. Sentencing Commission on April 13, 1987, would delay their effective date until November 1, 1988. The guidelines would become law on November 1, 1987, but the new system would not go into effect for another 12 months—November of 1988.

The Commission, an independent agency in the judicial branch established by the Comprehensive Crime Control Act of 1984, is responsible for promulgation of sentencing guidelines and policy statements pursuant to section 994(a) of title 28, United States Code. The law as it is now written, requires the Commission to send its initial guidelines to Congress by April 13, 1987, and they take effect automatically on November 1, 1987. As per the 1984 act, the guidelines promulgated by the Commission are intended to further the basic purposes of criminal punishment; deterring crime, incapacitating the offender, providing just punishment, and rehabilitating the offender.

In enacting the sentencing law Congress had three underlying objectives. First Congress intended to enhance the ability of the criminal justice system to reduce crime through an effective, fair sentencing system. To paraphrase, Congress sought honesty in sentencing. Next, Congress sought to narrow the wide disparity in sentences imposed in different Federal courts for like offenses and establish a sense of uniformity in sentencing. Finally, Congress sought proportionality in imposing different sentences for criminal conduct of different severity. A reading of the guidelines indicates that the Commission has taken major steps toward achieving these goals.

Nevertheless, I am proposing this legislation because of the reservations expressed by many interested parties that a November 1, 1987, effective date would not provide an adequate period for training and the addition of new personnel. In particular I have considered the comments of Judge Richard H. Bilby, chief judge, U.S. District Court, District of Arizona, and the Judicial Conference of the United States, the policymaking body of the judicial branch. Additional concern has been expressed about the uncertainty of the impact of the guidelines on correctional resources and other costs of the guidelines. I am also concerned that the final guidelines have not been tested under practical conditions.

The guidelines represent a major departure from current sentencing practice which has been in place since the beginning of the Republic. Although I believe the guidelines are workable and take significant strides toward achieving the goals mandated by the Sentencing Reform Act of 1984, delaying their implementation will allow further refinement prior to implementation.

Some members of the Commission have indicated that a delay is desirable. These members assert that a delay in implementation of the guidelines would allow the Commission to continue to improve upon the guidelines prior to implementation under the process provided in the guidelines.

Other groups have also called for a delay. For instance, the American Bar Association believes a 2-year delay is needed. While some who have counseled delay undoubtedly are not sympathetic to guidelines at all, others are strong advocates of guidelines. Marion Frankel, a former Federal judge who wrote one of the early books calling for guidelines and John Kramer, the head of the Pennsylvania Guideline Commission, have urged that implementation of the guidelines be delayed. Furthermore, on July 16 of this year, the executive committee of the judicial conference endorsed a 12-month extension as embodied in this bill.

I agree with those commentators who suggest that delay is appropriate and I agree that 12 months is an appropriate period. A 12-month delay would allow for a smooth transition into the complex new system. It would allow everyone involved in this implementation of the new system to implement it more effectively and would allow time for additional resources to be put in place. A delay also would allow time for education and training in the guidelines of all those involved in the criminal justice system.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record together with accompanying materials.

There being no objection, the bill was ordered to be printed in the Record, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

S. 1676

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sentencing Guidelines Transition Act of 1987".

SECTION 2. TRANSITION.

Section 235(a)(1)(B)(ii) of the Comprehensive Crime Control Act of 1984, Public Law 98–473, as amended, is further amended—

(1) in subclause (III) by striking "the day after";

(2) in subclause (II) and (III) by striking "and" at the end thereof; and

(3) by redesignating subclause (IV) as subclause (V) and inserting in lieu thereof the following new subclause (IV):

"(IV) twelve months after the date described in subclause (III); and

SECTION 3. TECHNICAL AND CONFORMING AMENDMENT TO THE COMPREHENSIVE CRIME CONTROL ACT OF 1984.

Section 235(a)(1) of the Comprehensive Crime Control Act of 1984, Public Law 98–473, as amended, is further amended by striking "36 months after the date of enactment" and inserting "48 months after the date of enactment and shall apply only to offenses committed after the effective date of this chapter" in lieu thereof.

SECTION 4. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of enactment of this Act.●

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By Mr. CHILES:

S.J. Res. 187. Joint resolution complying with the requirements of section 274(f)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985; pursuant to section 274(f)(1) of Public Law 99–177, referred to the Temporary Joint Committee on Deficit Reduction.

### SEQUESTER RESOLUTION FOR FISCAL YEAR 1988

Mr. CHILES. Mr. President, today I am introducing a sequester resolution for fiscal 1988.

The law says the joint resolution must be introduced, and so that's what I'm doing. It's my sincere hope that this joint resolution will never come before the Senate for a vote. If it does, it will mean we've been unable to do our job in a responsible way. It will mean, with the health of the American economy at stake, we couldn't find a way to sort our differences, and cut the deficit in a way in which the effort is evenly shared.

We're in a tricky and very dangerous position. If this resolution isn't approved by the Temporary Joint Committee on Deficit Reduction by Monday, the committee will be discharged. Five days of session after that, we'll have to vote up or down on the sequester on the floor of both Houses of Congress.

If that's what happens we'll be right up against some crucial dates. Under the act, the time for the vote on this joint resolution would probably come on September 22. The debt limit runs out on September 23. And we're due to act on reconciliation on September 29.

So we're in a position here where we're playing roulette with the calendar. And we're also on the edge of an economic thunderstorm. To show how serious the situation really is, let's look at what a sequester this year would mean.

It would mean a 13-percent cut in defense from the Gradison baseline which would bring the budget authority down to $255 billion for national security.

On the domestic side, sequester would mean a 19-percent cut, or about $23 billion.

That's it in a nutshell. That's how sequester would operate to get us down to the $108 billion target which most agree was an unrealistic goal to begin with.

Now, the fact is, a month ago the conferees we're only a matter of hours from working out a fix of the Gramm-Rudman-Hollings Program. We were very close to restoring the discipline with an automatic trigger mechanism. We were close to revising the annual deficit targets, and agreeing to cut $36 billion from the deficit.

It didn't happen a month ago, but I've returned from the summer recess optimistic that we can get the job done. As a spur to those efforts, this sequester resolution is right here. It's a lot like working toward salvation once you've looked down the throat of perdition.

This joint resolution is the bottom of the barrel. I don't think we have to ever reach that point. The way to avoid it, is to move to revise the Gramm-Rudman-Hollings law, and restore the automatic budget discipline. We should revise the deficit targets, and pledge ourselves to $36 billion in deficit reduction.

Now some might ask this: Don't the changes proposed to Gramm-Rudman-Hollings include an automatic sequester? They do. Then it might be asked what's the difference between that plan and the dilemma in front of us?

The differences should be clear. If we submit to the current version of sequester, it will mean we didn't have the will power to make needed changes in our framework for deficit reduction. It will mean we're willing to risk default on our debts as we face the expiration of the debt limit. In short, it will mean a kind of surrender.

If, on the other hand, we make the changes in Gramm-Rudman-Hollings and adopt revised targets and genuine deficit reduction, we will reaffirm that we are willing to discipline ourselves without springing some kind of tremendous punishment on the economy.

So let me repeat something today that I've said time and time again all year long. We need to cooperate. The House and the Senate, Republicans and Democrats, and the President of the United States have to work toward a responsible solution. We have the chance now to put this sequester threat behind us by making sensible cuts in the deficit. We still have time to choose.

Sequester is now a shadow over the economy. We can chase it away. But the only way we can is with joint, bipartisan leadership and cooperation. I hope and trust we can get the job done.

Mr. President, I ask unanimous consent that the text of the sequester resolution appear at this point in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

### S.J. Res. 187

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. CONTENTS OF JOINT OMB-CBO REPORT.

The contents of the joint report of the Directors of the Office of Management and Budget and the Director of the Congressional Budget Office for fiscal year 1988 under section 251(a) of the Balanced Budget and Emergency Deficit Control Act of 1985, transmitted to the Congress on August 20, 1987, pursuant to section 274(f)(1) of such Act, and set forth at 52 Fed. Reg. 31531-600 (1987), shall be deemed to be set forth in this joint resolution and shall serve as the sole basis for the order required to be issued by the President for such fiscal year under section 252(a) of such Act.

## ADDITIONAL COSPONSORS

### S. 27

At the request of Mr. Moynihan, the names of the Senator from Nevada [Mr. Reid] and the Senator from Massachusetts [Mr. Kerry] were added as cosponsors of S. 27, a bill to establish the American Conservation Corps, and for other purposes.

### S. 79

At the request of Mr. Metzenbaum, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 79, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

### S. 567

At the request of Mr. DeConcini, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of S. 567, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

### S. 616

At the request of Mr. Dodd, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of S. 616, a bill to amend the Truth in Lending Act to provide for more detailed and uniform disclosure by credit card issuers with respect to information on interest rates and other fees which may be incurred by consumers through the use of any credit card, and for other purposes.

### S. 699

At the request of Mr. Stevens, the names of the Senator from Arizona [Mr. McCain] and the Senator from Minnesota [Mr. Durenberger] were added as cosponsors of S. 699, a bill to designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day," and to make such day a legal public holiday.

### S. 708

At the request of Mr. Proxmire, the names of the Senator from New Hampshire [Mr. Humphrey] and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of S. 708, a bill to require annual appropriations of funds to support timber management and resource conservation on the Tongass National Forest.

### S. 824

At the request of Mr. Specter, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of S. 824, a bill to establish clearly a Federal right of action by aliens and United States citizens against persons engaging in torture, or extrajudicial killing, and for other purposes.

### S. 840

At the request of Mr. Thurmond, the names of the Senator from Kansas [Mrs. Kassebaum], the Senator from Nevada [Mr. Reid], and the Senator from Tennessee [Mr. Sasser] were added as cosponsors of S. 840, a bill to recognize the organization known as the 82d Airborne Division Association, Incorporated.

### S. 1052

At the request of Mr. Specter, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of S. 1052, a bill to establish a National Center for the United States Constitution within the Independence National Historical Park in Philadelphia, Pennsylvania.

### S. 1325

At the request of Mr. Chafee, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1325, a bill to require the Secretaries of Agriculture and Health and Human Services to enforce certain food labeling requirements for packaged foods sold by certain restaurants.

### S. 1361

At the request of Mr. DeConcini, the name of the Senator from Georgia [Mr. Nunn] was added as a cosponsor of S. 1361, a bill to amend the Controlled Substances Act to suppress the diversion and trafficking of precursor chemicals and essential chemicals utilized in the illicit manufacture of controlled substances.

### S. 1490

At the request of Mr. Sarbanes, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1490, a bill to designate certain employees of the Librarian of Congress as police, and for other purposes.

### S. 1513

At the request of Mr. Heinz, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of S. 1513, a bill to provide for the inclusion of the Washington Square area within Independence National Park, and for other purposes.

### S. 1529

At the request of Mr. Glenn, the name of the Senator from Iowa [Mr. Harkin] was added as a cosponsor of S. 1529, a bill to improve financial management in the Federal Government.

### S. 1554

At the request of Mr. Fowler, the names of the Senator from North Carolina [Mr. Sanford], the Senator from New Mexico [Mr. Bingaman], the Senator from Hawaii [Mr. Inouye], the Senator from North Dakota [Mr. Conrad], and the Senator from Alabama [Mr. Shelby] were added as cosponsors of S. 1554, a bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy conservation, and for other purposes.

### S. 1578

At the request of Mr. Stevens, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 1578, a bill to amend chapter 83 of title 5, United States Code, to provide civil service retirement credit for service performed under the Railroad Retirement Act, and for other purposes.

### S. 1663

At the request of Mr. Dodd, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 1663, a bill to reauthorize the Child Abuse Prevention and Treatment Act and other related Acts dealing with adoption opportunities and family violence.

### SENATE JOINT RESOLUTION 11

At the request of Mr. Thurmond, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of Senate Joint Resolution 11, a joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget.

### SENATE JOINT RESOLUTION 41

At the request of Mr. Glenn, the name of the Senator from Wisconsin [Mr. Kasten] was added as a cosponsor of Senate Joint Resolution 41, a joint resolution to designate the period commencing on November 22, 1987, and ending on November 29, 1987, as "National Family Caregivers Week."

### SENATE JOINT RESOLUTION 48

At the request of Mr. Karnes, his name was added as a cosponsor of Senate Joint Resolution 48, a joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Week."

### SENATE JOINT RESOLUTION 59

At the request of Mr. Thurmond, the names of the Senator from North Dakota [Mr. Burdick], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of Senate Joint Resolution 59, a joint resolution to designate the month of May 1987 as "National Foster Care Month."

### SENATE JOINT RESOLUTION 111

At the request of Mr. Karnes, his name was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987 and November 1988 as "National Hospice Month."

At the request of Mr. Heinz, the name of the Senator from New Mexico [Mr. Domenici] was added as a cosponsor of Senate Joint Resolution 111, supra.

### SENATE JOINT RESOLUTION 177

At the request of Mr. Thurmond, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of Senate Joint Resolution 177, a joint resolution to authorize and request the President to designate the month of December 1987, as "Made in the U.S.A. Month."

### SENATE JOINT RESOLUTION 181

At the request of Mr. Wilson, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of Senate Joint Resolution 181, a joint resolution designating the week beginning February 1, 1988, as "National VITA Week."

### SENATE CONCURRENT RESOLUTION 9

At the request of Mr. Dole, the names of the Senator from Texas [Mr. Bentsen], the Senator from Mississippi [Mr. Cochran], the Senator from Maine [Mr. Cohen], the Senator from Arizona [Mr. DeConcini], and the Senator from Michigan [Mr. Levin] were added as cosponsors of Senate Concurrent Resolution 9, a concurrent resolution to provide for the display of the National League of Families POW/MIA flag in the Capitol Rotunda.

At the request of Mr. Helms, his name was added as a cosponsor of Senate Concurrent Resolution 9, supra.

At the request of Mr. Byrd, his name was added as a cosponsor of Senate Concurrent Resolution 9, supra.

### SENATE CONCURRENT RESOLUTION 32

At the request of Mr. Grassley, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

### SENATE RESOLUTION 280

At the request of Mr. Dole, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of Senate Resolution 280, a resolution to commemorate the 100th birthday of the Honorable Alf Landon.

### AMENDMENT NO. 676

At the request of Mr. Helms, the names of the Senator from Colorado [Mr. Armstrong], the Senator from Utah [Mr. Hatch], the Senator from Nevada [Mr. Hecht], the Senator from Alabama [Mr. Heflin], the Senator from Alabama [Mr. Shelby], the Senator from Idaho [Mr. Symms], and the Senator from South Carolina [Mr. Thurmond] were added as cosponsors of amendment No. 676 proposed to S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

## AMENDMENTS SUBMITTED

## SENATORIAL CAMPAIGN REFORM ACT

### SYMMS AMENDMENT NO. 677

Mr. SYMMS proposed an amendment to amendment No. 676 proposed by Mr. Helms to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

Add at the end of the Helms amendment the following new section:

"Sec. . It is the sense of the Senate that the policy of the United States toward Central America should be based on the principles of the Monroe Doctrine, to wit: "the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Power * * * we could not view any interposition for the purpose of oppressing them, or controlling, in any other manner, their destiny, by any European Power in any other light than as the manifestation of an unfriendly disposition towards the United States.".

## NOTICES OF HEARINGS

### PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. NUNN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold hearings on the Federal Government's handling of Soviet and Communist-bloc defectors.

These hearings will take place on Wednesday, September 16, 1987, at 9:30 a.m., and Thursday, October 8, 1987, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building. For further information, please contact Eleanore Hill or John Sopko of the subcommittee staff at 224-3721.

### SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled to receive testimony on S. 1294, to promote the development of technologies which will enable fuel cells to use alternative fuel sources; S. 1295, to develop a national policy for the utilization of fuel cell technology; and S. 1296, to establish a hydrogen research and development program. The hearing is scheduled on September 23, 1987, at 2 p.m., in room SD-366 in the Dirksen Senate Office Building in Washington, DC.

Those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC 20510.

For further information, please contact Cheryl Moss at (202) 224-7569.

## AUTHORITY FOR COMMITTEES TO MEET

#### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on September 10, 1987, to hold hearings on the nomination of C. William Verity, Jr., of Ohio to be Secretary of the Department of Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, September 9, and Thursday, September 10, 1987, on both days, to hold hearings on oversight of Federal Procurement Decisions on Wedtech.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 10, 1987, to receive testimony from Secretary of State George Shultz on the Central America peace plan.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on September 10, 1987, to receive testimony concerning S. 801, the Coal Distribution and Utilization Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services' be authorized to meet during the session of the Senate on Thursday, September 10, 1987, at 2 p.m. in executive session to receive a briefing on the ongoing INF negotiations.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SUBCOMMITTEE ON AVIATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Aviation, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on September 10, 1987, at 2 p.m. to hold hearings on S. 1600, legislation establishing an independent Federal Aviation Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Social Security and Family Policy of the Committee on Finance be authorized to meet during the session of the Senate on September 10, 1987, to hold a hearing on benefits for AIDS victims.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SPECIAL COMMITTEE ON AGING

Mr. BYRD. Mr. President, I ask unanimous consent that the Special Committee on Aging, be authorized to meet during the session of the Senate on Thursday, September 10, 1987, to hold a hearing on "age discrimination in employment."

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## RELEASE OF IOSIF BEGUN

● Mr. De CONCINI. Mr. President, my initial reaction to the news this week that Iosif Begun and several other prominent refuseniks were finally granted permission to leave the Soviet Union was one of great joy. I was reminded of how I felt when former Prisoner of Conscience Anatoly (Natan) Shcharansky walked across a Berlin bridge to freedom in February 1986. I was reminded of how I felt when former Prisoner of Conscience Yuri Orlov arrived in the United States in October 1986. And I was reminded of how I felt when Nobel Peace Prize winner, Andrei Sakharov, was allowed to return to Moscow in December 1986 after several years of exile in the city of Gorky.

Yes, we rejoice that Iosif Begun and several other well-known human rights activists are soon to be free. But for every Iosif Begun there are thousands more whose names and cases have gone unnoticed. For every Iosif Begun there are thousands of Soviet citizens who continue to be followed, watched, searched, arrested, beaten, sent to psychiatric hospitals, or banished to hard labor camps in Siberia.

Are the Soviets genuinely trying to live up to their human rights commitments that they pledged to uphold in Helsinki over 12 years ago? Or is this yet another publicity campaign to improve Gorbachev's image in the wake of a crucial arms control agreement?

I have traveled to the Soviet Union on three occasions. I have spoken to Brezhnev, Andropov and Gorbachev. I have met numerous Soviet citizens whose only "crime" is applying for a visa.

A decade ago, Viktor Brailovsky, Vladimir Prestin, Lev Ovsischer and Arkady Mai personally revealed to me for the first time the life of a Soviet refusenik. In 1985 I met Iosif Begun's wife, Inna, and I also spent several hours with the Lev Elbert family in Kiev. Yes, I am pleased that their cases have been resolved and their suffering will soon end. Yet my colleagues and I know thousands still wait for glasnost, and freedom.

As cochairman of the Helsinki Commission, it is my responsibility to monitor violations of human rights and to ensure that these rights are protected. To date, the Soviets have not lived up to their commitments. To date, their positive actions, though welcomed, have been piecemeal.

Purely and simply, we must continue to hold the Soviets accountable to the promises they have made. We must continue to be persistent in striving to achieve full implementation of the human rights and humanitarian provisions of the Helsinki accords. We must continue to let them know that fundamental freedoms are a basic human right. A right that cannot be toyed with.

In the words of social reformer Jacob Riis:

> When nothing seems to help, I go and look at a stonecutter, hammering away at his rock perhaps a hundred times without a crack showing in it. Yet at the hundred and first blow it will split in two, and I know it was not that blow that did it but all that had gone before.

Jacob Riis was talking about persistence. He was talking about the kind of work all of us must do to ensure basic human freedom.

Today, I am happy that the door to freedom has opened for a few more Soviet citizens. But we must continue to work toward the day when that door will remain permanently open.●

## AMERICA'S COMPETITIVE TRADE POSITION

● Mr. DODD. Mr. President, this year's trade debate in Congress has taught us much about what we can and must do to improve America's competitive position in the international marketplace. In my view, the most important task before us is to bolster our own domestic foundations; to improve America's system of education and training for current and future workers to ensure we have the human resources necessary to excel into the 21st century. This is not a goal which can be achieved by Government alone. Real and long-term solutions will require effective partnerships between Government and the education and business communities which utilize the unique resources and perspectives that each sector has to offer.

The business community, in particular, has much to contribute and much to gain in this effort to develop the basic skills necessary to succeed in the new international economy. Business knows best the new skills that are and will be required and has a direct financial stake in the future productivity of the American workforce. In short, education and training programs are no longer some sort of corporate philanthropy done for public relations purposes; this is an effort that the business community cannot afford not to undertake.

In recognition of the new imperatives facing both government and corporate America, the Congress has undertaken several initiatives to foster public-private cooperation for today and the future. For example, the omnibus trade legislation includes a measure to establish Education Partnerships for Dropout Prevention. These local partnerships would utilize the unique resources and opportunities in the business community to raise student achievement levels and reduce dropout rates. In addition, a successful amendment to the Adult Education Act would establish worksite literacy programs involving local education agencies, local corporations, and labor unions. The Senate trade bill includes another proposal to establish Centers for International business Education at several major universities around the Nation. The centers would help provide current and future business executives with the cross-cultural skills needed to succeed in the global marketplace.

The Parental and Temporary Medical Leave Act addresses another important arena in which public-private cooperation must improve. This legislation would establish a national system of limited parental and medical leave in order to alleviate the ongoing conflicts between the demands of the workplace and a worker's family responsibilities. In a new era of more single-parent and dual career families, we cannot expect our workers to choose between their jobs and their families and still hope for a happy and productive workforce.

Mr. President, I would like to place in the RECORD today two articles which reflect the evolution of a new line of thinking in the business community on these very issues. The first, an article in the September 6 issue of the New York Times, describes a report released Tuesday entitled "Children in Need: Investment Strategies for the Educationally Disadvantaged." The report was commissioned by the Committee for Economic Development, New York based public policy interest group composed primarily of top corporate executives. These business people argue forcefully that increased business and government resources must be focused on early intervention to meet the health and education needs of disadvantaged children. In the absence of such intervention, our children cannot hope to gain the skills necessary to meet private sector demands in the future, and we will be faced with an expanding and permanent "economic underclass." The report argues:

> This Nation cannot continue to compete and prosper in the global arena when more than one-fifth of our children live in poverty and a third grow up in ignorance. The Nation can ill afford such an egregious waste of human resources. Allowing this to continue will not only impoverish these children, it will impoverish our nation—culturally, politically and economically.

An editorial which appeared in last Friday's Wall Street Journal also reflects this evolutionary thinking on part of the corporate community. The editorial describes private industry's efforts to help provide educational services both to current workers and to at-risk school age youth. The editorial cites one study which shows that businesses may have to spend as much as $25 billion a year on remedial education in the future.

The main points in both these articles are the same: An educated workforce is critical to our economic competitiveness and the business community is beginning to recognize its own special interests in this regard. I applaud this new line of thought in the corporate sector and look forward to a new era of private-public partnerships based on the mutual imperatives we face as we move into the 21st century.

Mr. President, I ask that the two newspaper articles be inserted in the RECORD.

The articles follow:

[From the New York Times, Sept. 6, 1987]

### EXECUTIVES URGE A RISE IN AID FOR POOR CHILDREN

(By Edward B. Fiske)

Declaring that 30 percent of the students in public schools face "a major risk of educational failure and lifelong dependency," a group of corporate leaders has called for increased public investment in the health and educational needs of young children.

In an 87-page report to be released Tuesday, the New York-based Committee for Economic Development urges increased investment in prenatal care for pregnant teenagers, instruction in parenthood, better child care programs and quality preschool programs for disadvantaged 3- and 4-year olds.

The report, entitled "Children in Need: Investment Strategies for the Educationally Disadvantaged," warns that the United States is creating "a permanent underclass of young people" who cannot hold jobs because they lack fundamental literacy skills and work habits.

It further warns that poverty and ignorance could cause shortages of qualified workers in coming years and threaten America's competitive stance in a global economy.

The proposals would raise a number of political and economic questions over how much the Government should do to take care of the poor, but they appear in keeping with liberal positions that society must act or face dire consequences in the future. Although it puts no price on its proposals, the report argues that, over the long run, they would pay for themselves.

The study cites research from the House Select Committee on Children, Youth and Families showing that $1 invested in quality preschool education would return nearly five times that much because of lower costs of special education, public assistance and crime.

"American business has learned forcefully in the last 10 years that it is a lot more effective to design quality in from the beginning than to correct things later," said Owen B. Butler, the retired chairman of the Procter & Gamble Company, who played a key role in writing the report. "If we spend this money now, in the long run we will reduce our tax burden."

The report urges the business community to become a "driving force" in seeking higher public financing for early intervention programs but also argues that the Federal Government "needs to reaffirm its longstanding commitment to ensuring the disadvantaged access to quality education."

"Children in Need" is the latest in a series of major reports over the last four and a half years on the quality of American education. It is the first to focus on the politically divisive topic of how to educate disadvantaged students and the first to stress a connection between formal education and the health and general developmental needs of preschool children.

#### TOP CORPORATE EXECUTIVES

Donna E. Shalala, president of Hunter College, who helped draft the document, called the report significant because it constituted "the most forceful statement yet from the business community about the Federal responsibility for educating disadvantaged children."

The 45-year old Committee for Economic Development is a public policy research group whose 225 trustees are mostly top corporate executives. Its chairman is Edmund B. Fitzgerald, chairman and chief executive officer of Northern Telecom Limited.

Two years ago the nonprofit committee published an influential study; "Investing in Our Children," that called for higher standards in public schools and urged the business community to become more involved in bringing them about.

In the latest report the businessmen said it made "no economic sense" to allow an "educational underclass" to persist.

"By 1990," they declared, "the impact of new technologies is expected to drive total private-sector demand for employment to 156.6 million jobs, nearly twice that in 1976. If these estimates are only close to the mark, there will be a shortage of over 23 million Americans willing and able to work. Our industries will be unable to grow and compete because an expanding educational underclass will be unable to meet the demands of such jobs."

They continued: "This nation cannot continue to compete and prosper in the global arena when more than one-fifth of our children live in poverty and a third grow up in ignorance. The nation can ill afford such an egregious waste of human resources. Allowing this to continue will not only impoverish these children, it will impoverish our nation—culturally, politically and economically."

### SUSTAINED INTERVENTION

The report, which costs $300,000 to produce, said that the most promising approach to solving the problem is "early and sustained intervention in the lives of disadvantaged children, both in school and out." Among the steps it proposes are these:

Prenatal and postnatal care for pregnant teen-agers and other "high-risk" mothers as well a follow-up health care for their infants.

Parenthood education programs for both mothers and fathers, including guidance on nutrition.

Quality child-care arrangements for poor working parents that stress social development and school readiness.

Quality preschool programs for all disadvantaged 3- and 4-year olds.

The committee's report reinforces a growing interest across the country in early childhood education. New York City, for example, has a new program called Project Giant Step that offers educational, health and other services to 4-year olds from low-income families. The number of students served will increase from 2,620 last year to 8,620 in the coming year.

Last year 22 states spent $328 million, or twice the amount of the previous year, on programs for preschool children. Missouri and Minnesota now require local school districts to offer programs on parenthood skills for low-income families.

### RESTRUCTURING OF SCHOOLS

Much of the interest has been stirred by reports showing that early childhood intervention programs can have significant long-term effects. Some of the research has focused on the Perry Preschool Project in Ypsilanti, Mich., which helped cut later drop-out rates and welfare dependency in half.

"There is not a lot of long-term data on the effects of such programs, but there is enough to say that it is a good idea to go ahead and do more," said Mr. Butler.

In addition to preschool programs, the report urged a restructuring of public education with smaller schools, smaller classes and shared authority between teachers, parents and others:

The research and policy panel of the Committee for Economic Development regularly issues reports on national issues such as trade policy, fiscal policy and economic competitiveness. Its chairman is William F. May, the former chairman of the American Can Company and currently chairman and chief executive officer of the Statue of Liberty-Ellis Island Foundation.

The education report was drafted by a subcommittee led by Mr. Butler. Other members included William S. Woodside, chairman of the executive committee of the Primerica Corporation; John L. Clendenin, chairman of the BellSouth Corporation, James J. Renier, the president of Honeywill Inc. and Donald M. Stewart, president of the College Board.

The report can be obtained from the Committee for Economic Development, 477 Madison Ave., New York. N.Y. 10022. The price, including postage, is $11.55

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[From The Wall Street Journal, Sept. 4, 1987]

### ALTERNATIVE EDUCATION

American schools continue to get bad marks. Standardized test scores have stopped plummeting, but remain at a low level despite a rising awareness that an educated work force is important to the international competitiveness of U.S. industry.

Efforts at school reform have focused on introducing more competition and consumer choice. Not much has come of the Reagan administration's early hopes for voucher systems. But private firms have resorted more and more to their own remedial training, providing an ad hoc answer to the failures of the public school monopoly.

When New York Telephone Co. launched its first large-scale recruiting efforts in years this spring, it found some 84% of its New York city applicants failing entry-level exams in English and problem-solving. Bureau of Labor Statistics numbers suggest that such inadequacies will create more serious problems. Of the 21 million additional jobs the U.S. economy is expected to generate between now and the year 2000, a high percentage will demand verbal, mathematical and reasoning skills.

Corporate solutions are proceeding apace. Some 1,700 of Polaroid's employees—approximately one-third of the firm's hourly workers—are studying in a program that teaches them kindergarten through 12th-grade skills. The number of such students has tripled since 1985, and the company stresses the program's necessity. "We don't do this to be nice guys," a spokeswoman says.

Since 1977, Adolph Coors's "Golden Door" program has trained 112 chronically unemployable citizens, such as former drug addicts, to work at the firm.

GE recently has shifted its emphasis in philanthropy from teacher training to students. In June it announced a million-dollar program to improve pre-college standards in Lowndes County, Ala., where it has a new plastics plant requiring a high-tech work force. Time Inc. and CBS Magazines recently revoked their support for a high-school writing program because of their unhappiness with the way school officials were running it. When New York area banks offered 250 jobs to city high-school graduates, the public system was able to come up with only 100 acceptable candidates.

IBM says its support for education isn't specifically designed to provide the company with recruits. But it is spending about $18 million, or one-fifth of its educational budget this year, on training centers in inner-cities that give young people starter skills from telephone etiquette to math. It now has 71 such centers, up from eight in 1982. It sees this rise as "an identification of the problem."

Many firms haven't yet made the conceptual jump from general philanthropy in education to applied teaching for their own employees. They see their programs as mainly corporate citizenship endeavors. Prudential trained 400 underachievers and made 150 of them job offers in a remedial training program that was part of the settlement of an employment-practices dispute with the Labor Department. But Prudential, as with some other firms, says it really doesn't want to "get into the education business."

Regardless of how they describe their spending, though, corporations are already party to a private education contract. A Conference Board report shows that since 1978, more corporate dollars have gone to education than to any other category of beneficiary. About 70% to 75% of that money still goes to college-level institutions.

David T. Kearns, CEO at Xerox, has been a leading spokesman for industry concerns. Xerox isn't spending much on remedial education now. And Mr. Kearns estimates that remedial education currently accounts for only about 1% of all corporate education philanthropy. But he points to an American Society for Training and Development study that predicts industry may have to spend as much as $25 billion a year on remedial education in the future.

Efficiency here depends in large part on how soon states, the U.S. government, parents and companies recognize to what extent market forces are already at work in the delivery of education. One way or another, the market will come into play in education as it does elsewhere, producing alternatives if the public sector doesn't improve its performance.●

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## INFORMED CONSENT: HAWAII

● Mr. HUMPHREY. Mr. President, today I would like to insert into the CONGRESSIONAL RECORD a letter from a woman from the State of Hawaii in support of my informed consent legislation, S. 272 and S. 273. This letter demonstrates the need for informed consent before abortion takes place. The emotional, physical, and psychological effects of abortion can be devastating.

No person should be forced to make a decision about a medical procedure without the benefit of full disclosure. This holds especially true for women facing abortion. Yet, according to the hundreds of letters received by my office, this is the case. Women facing abortions are often denied relevant, medical information about the risks involved with and the alternatives to, abortion.

No matter where you stand on the abortion issue, you must agree that informed consent, which is standard medical procedure, must be applied to termination of pregnancy as well. I urge my colleagues to support S. 272 and S. 273.

The letter follows:

AUGUST 4, 1987.

DEAR SENATOR HUMPHREY: Women must be informed of the mental and physical sufferings often encountered following an abortion. I can speak on this from personal experience.

In April of 1973, at the age of seventeen, I had an abortion in my eighteenth week of pregnancy. I was told it was a simple procedure and that there was just a mass of tissue in my womb. That is the only information I was given. The day after the saline procedure was done, I watched in horror as my dead baby was brought into this world, and quickly whisked away by a nurse. Even today I continue to see my child, dangling lifelessly, I still mourn for my child and wonder what my child would be like today.

As instantly as my baby was taken from me, I was filled with depression and guilt from this horrible act of abortion. The depression led to withdrawal from people and relationship. It led to alcohol and drug abuse. Anything to drown out the pain and suffering I was experiencing. This continued for about five years until I slowly began coming out of it and trusting people again. It wasn't until four years ago however that I was completely set free from those years of

guilt and self-condemnation. Only the Lord could accomplish that.

Physically I have had a few difficulties. I had complications in either the labor or delivery of my two oldest children and last summer had a difficult pregnancy which led to a miscarriage. My monthly cycles have never been normal for long periods of time.

I know I am not alone in these experiences. I know of many women who have suffered physically and/or mentally from the abortions. They too, were never told of these complications. The parents of young girls are not being told of what could happen to their daughters.

So Senator Humphrey, I am in strong support of this bill, and your efforts. I thank God that there are men and women in our Senate who are not afraid to voice their opinion and fight for their beliefs, regardless of strong public disfavor.

In His Service,

SUZANNE CULLEN,
*Hawaii.*●

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## A TRIBUTE TO BAYARD RUSTIN

● Mr. DODD. Mr. President, one of the greatest civil rights activities of our time, Bayard Rustin, passed away on August 24.

Bayard Rustin is perhaps best remembered for his commitment to nonviolent protest and for his work as chief organizer of the 1963 march on Washington at which 200,000 people heard Martin Luther King, Jr., give his "I have a dream * * *" speech.

However, Bayard had been devoted to the struggle for peace in the world and equality for blacks since 1941. His crusades began when he helped found the Congress of Racial Equality [CORE] and joined A. Philip Randolph, the head of the Sleeping Car Porters Union, to organize a march on Washington to demand better jobs for blacks in the defense industry during World War II. Franklin D. Roosevelt reacted to Bayard's efforts before the march took place, issuing an executive order banning racial discrimination in all industries with defense contracts and establishing a Federal Committee on Fair Employment Practice.

Further efforts by Bayard, as director of the Randolph Committee against discrimination in the Armed Forces in 1949, resulted in an Executive order from President Truman eliminating discrimination in the U.S. Armed Forces.

In 1955, Bayard helped Martin Luther King organize the Southern Christian Leadership Conference. For 7 years as King's special assistant, Bayard coordinated the Montgomery, AL, bus boycott and organized several nonviolent demonstrations.

Ultimately, two or Bayard's greatest accomplishments included his work behind the scenes coordinating the invitation and arrival of over 200,000 people to the civil rights march on Washington on August 28, 1963, and his organization of the largest civil rights protest to date in 1964—the New York City school boycott—protesting racial imbalance within the school system.

Since 1964, Bayard served as the director, then president, of the A. Philip Randolph Institute. His tenure was devoted to the development of programs to improve the economic and social condition of all Americans, eliminate racial conflict, and promote peaceful solutions to societal inequality.

Bayard can also be remembered for his commitment to such international causes as, independence for India, human rights in South Africa and nuclear disarmament. Bayard was not a man of parochial interests.

Often thought of as a controversial figure—for his political views, for opposing quotas in employment and education, for being a conscientious objector during World War II, and for his commitment to nonviolent protest—Bayard should be remembered as a catalyst for the process of seeking jobs and freedom for blacks and the adoption of the 1964 Civil Rights Act.

Bayard should be remembered and lauded for his stubborn, unwavering, determination to improve the rights of blacks through nonviolent protest. We mourn the loss of a man who devoted his life to the struggle to end racial discrimination in our country and oppression throughout the world.●

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## ANNIVERSARY OF INVASION OF CZECHOSLOVAKIA

● Mr. SIMON. Mr. President, August 21 marked the 19th anniversary of the Soviet invasion of Czechoslovakia. On that tragic day in 1968, the Warsaw Pact marched across the Czech frontiers and snuffed out the promise held by the reformers of the "Prague Spring."

A few months back Charter 77, the Czechoslovak human rights movement, wrote Mikhail Gorbachev about the disastrous consequences of the invasion. Charter 77 wrote:

> The outcome of the intervention was catastrophic: Tens of thousands of creative people were eliminated from public life. Fundamental political, civil and cultural freedoms were suppressed and human rights were radically curtailed. The economy is stagnant. Corruption has spread alongside nepotism, lawlessness, self-seeking, and the growth of privileges for certain groups. The 1968 intervention also had unfortunate international repercussions, serving to increase distrust among states.

We must do what we can in the United States to make sure that the struggle for freedom continues. I commend the wisdom and courage of Charter 77. I ask that Americans not forget the tragic summer of 1968 and the Czechoslovak people's desire for freedom.●

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## NAUM MEIMAN

● Mr. SIMON. Mr. President, as you know I have long been involved in the Naum Meiman case. I would like to insert the attached article in the RECORD as it is an excellent description of Maum's plight. I ask that the article be printed in the RECORD.

### 12-YEAR WAIT BITTER FOR SOVIET JEW—DISSIDENT NAUM MEIMAN, 76, HOPES, BUT NOT TOO HARD

(By Gary Lee)

MOSCOW, Sept. 9.—Since a Soviet official called Monday to tell Josef Begun he could leave for the West, his activist friend and would-be emigre Naum Meiman has stayed closed to the telephone in his apartment here. In the past two days, there have been 18 calls, all from friends, but none from the visa office.

Meiman denies that he is waiting for word from Soviet authorities granting him permission to leave. At 76, after 12 years of rejection of his applications to emigrate, he feels he has passed the phase of anxious expectation. "If a man is always caught in a time of hope and waiting, it destroys him," he said, leaning back in his rocking chair.

And yet, when the telephone rang, he jumped up anxiously.

It was another friend.

In a year when the emigration of Soviet Jews has increased sharply, including many who have battled for up to 15 years to leave for the West or for Israel, Meiman is among the oldest of the Soviets still waiting for approval to live aboard.

His case symbolizes the plight of those who have not been selected, the so-called refuseniks whose applications are rejected amid official Soviet promises that emigration will increase under Soviet leader Mikhail Gorbachev's reforms.

Of all the hardships endured by Soviet dissidents who fight to leave the country, including the loss of jobs and sometimes imprisonment, Meiman's 12-year vigil seems punctuated by the most bitter experiences.

During his long wait, some of his closest friends and family members, including his only child, have departed. This year brought the harshest blow—the death of his wife Inna in Washington, D.C., only three weeks after she won a long battle to emigrate.

Most of Meiman's friends were swept out of the country in one or another of the emigration waves that have ebbed and flowed over the past two decades; emigration has diminished greatly in recent years from a peak of more than 50,000 in 1979.

A founding member of the Helsinki Watch, the unofficial group of Soviet activities who monitor their government's human rights record, Meiman was close to other members including Natan Shcharansky and Yuri Olov. Both men were taken from prison last year and flown to the West.

"We were all in the house and the struggle together," Meiman said. "When they left, part of me left."

With the imminent departure of friends like Begun, who received permission on Monday to emigrate after 16 years of waiting, Meiman's group of friends nearly will have vanished. "The circle has gotten smaller," he said in an interview. "I am practically alone in it now."

By far the most excruciating experience in his 12 years of waiting, however, was the period between 1983 and last winter when his wife, dying slowly of cancer, fought a long battle to go abroad for medical treatment. "I cannot explain what she went through for the last two years," he said. "It gave me deep physical pain just to be with her. A human being is not supposed to bear those kinds of things."

When a plea by former senator Gary Hart to Gorbachev finally brought results last December, it was too late. Inna Meiman left for treatment in the United States last Jan. 19 and died of medical complications in Washington three weeks later.

In discussing the case, the neutral tone of voice Meiman adopts when discussing Soviet authorities gradually gives way to deep feelings of bitterness. "This country killed my wife by delaying her departure for so long," he said. "I counted the days and the pain. The experience has made living here intolerable."

As a refusenik left out of the latest group of 15 who gained approval to leave, Meiman is hardly alone. By western estimates, the cases of those consistently denied emigration visas runs into the hundreds, and perhaps thousands.

U.S. officials have appealed to Soviet authorities for leniency in many of the cases, including Vladimir Slepak, a Moscow Jew refused an exit visa for 16 years who celebrated Passover with Secretary of State George P. Shultz here last April.

Like Meiman, many refuseniks have had their applications rejected on the grounds that they possess state secrets. Meiman, a mathematician by training, worked on the Soviet Union's fledgling atomic bomb project in the 1950s.

Although his work in this sensitive area ended in 1955, and Gorbachev has said that the statute of limitations on state secrets should be less than 10 years, Soviet officials still base their rejection of Meiman's application for emigration on the contention that he knows classified information.

In the past year, the emigration of Soviet Jews to the West has risen to over 4,000, more than four times the 1986 figure.

During a long conversation in the sitting room of his apartment, Meiman was quick to dismiss questions about the effect of the new trend on his own chances to emigrate.

"They seem to pick and choose who can go more or less by chance," he said. "And at my age you can't count on being the one to be picked. I used to live next to the telephone but a person can't live in that way."

After returning from answering the telephone call from a friend and falling into a long silence, Meiman added an afterthought: "The human being is very complicated," he said. "Maybe something really has happened in my unconscious."●

## MINORITY ENTERPRISE DEVELOPMENT WEEK

● Mr. D'AMATO. Mr. President, it pleases me to join in the celebration and commemorate this year's Minority Enterprise Development Week [MED Week] which will take place the week of October 5.

This annual event is held in the spirit of opportunity for all Americans. America is unique in the flexibility of its free market economy and that every individual can contribute to the Nation's economic well-being.

We must continue to provide the widest possible economic opportunity for all Americans. This remains possible by our continued support of minority businesses. These businesses play an important role in generating new jobs, skills, and technological developments necessary to strengthen the Nation's economy and successfully compete with products made abroad. To remain the leader in the international marketplace, I stress the essentiality of our support and recognition of minority businesses.●

## ORDERS FOR TOMORROW

### ADJOURNMENT UNTIL 10 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Seante completes its business today, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

### MOTIONS AND RESOLUTIONS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow motions and resolutions over under the rule not come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

### WAIVER OF THE CALL OF THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the call of the calendar be waived on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

### MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that following the two leaders on tomorrow, there be a period for the transaction of morning business not to extend beyond 20 minutes and that Senators may speak therein for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, earlier I stated that on tomorrow the motion to proceed to the consideration of the defense authorization bill would still be before the Senate. I have already asked for an adjournment of the Senate, so I will not seek to change that order. That means that the motion to proceed would die with the adjournment, but I will renew it tomorrow.

## ORDER FOR ADJOURNMENT FROM CLOSE OF BUSINESS TOMORROW UNTIL 10 A.M., TUESDAY, SEPTEMBER 15, 1987

Mr. BYRD. Mr. President, so that Senators may know that votes are going to be occurring earlier than at 2 o'clock on Tuesdays from here on out, because we really have a lot of business to transact, I ask unanimous consent that when the Senate completes its business on tomorrow it stand in adjournment until the hour of 10 o'clock a.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER WAIVING AUTOMATIC QUORUM CALL ON TUESDAY

Mr. BYRD. This means, Mr. President, that on Tuesday next, after the first hour has run its course under rule XXII, the automatic quorum will take place and when a quorum is established, the Chair will have the clerk read the motion to invoke cloture on the campaign financing reform bill, and when the clerk has read that motion, then the rollcall vote will begin on the motion to invoke cloture.

That would occur under the rule at around 11:30 or thereabouts, 11:20, and it may be that I would ask that the automatic quorum be waived, but I will not do that today.

Yes, I will.

I ask unanimous consent that the automatic quorum be waived on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF PROCEDURE ON TUESDAY, SEPTEMBER 15, 1987

Mr. BYRD. Then Senators will know precisely that the vote is to begin at 11 o'clock on Tuesday next and that is a very important vote. If cloture is invoked on that bill, then the campaign financing reform bill will be the business before the Senate to the exclusion of all other business until disposed of. If cloture is not invoked, then upon the completion of that rollcall the Senate will proceed to vote on the motion to invoke cloture on the motion to proceed to the consideration of the DOD authorization bill.

So there is the likelihood—let us put it this way—I prefer to say the possibility, because I am still hopeful there will be cloture invoked on the campaign financing reform bill on Tuesday, so there is a possibility, and Senators may ponder over that word check and make their own judgments, there is a possibility, I will say, others may say a likelihood, that after that cloture vote there will be a second cloture vote that being on the DOD procedural motion.

So both of those rollcall votes, if two of them occur, as I said, will probably occur before the Democratic and Republican conferences that day, because there is no point in waiting until 2 o'clock and then start having cloture votes and if one of those cloture motions carries getting started on the matter at 3 o'clock in the afternoon or 3:30 or 4 o'clock in the afternoon the day has pretty well shot itself.

So the cloture votes will occur earlier on next Tuesday than they have been occurring in the past. Senators have been given ample notice now, ample notice, well in advance. They can make their airline reservations early.

Does the distinguished acting leader have anything else he would wish to bring before the Senate today?

Mr. QUAYLE. Not at this time, I say to the majority leader.

## ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BYRD. Mr. President, I move in accordance with the order previously entered that the Senate stand in adjournment until the hour of 10 o'clock tomorrow morning.

The motion was agreed to, and the Senate, at 6:09 p.m., adjourned until Friday, September 11, 1987, at 10 a.m.

## NOMINATIONS

Executive nominations received by the Senate September 10, 1987:

### DEPARTMENT OF STATE

DEANE ROESCH HINTON, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, WITH THE PERSONAL RANK OF CAREER AMBASSADOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COSTA RICA.

RICHARD C. HOWLAND, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SURINAME.

### THE JUDICIARY

MALCOLM J. HOWARD, OF NORTH CAROLINA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF NORTH CAROLINA VICE A NEW POSITION CREATED BY PUBLIC LAW 98-353, APPROVED JULY 10, 1984.

### EXECUTIVE OFFICE OF THE PRESIDENT

ALAN F. HOLMER, OF VIRGINIA, TO BE A DEPUTY U.S. TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR, VICE M. ALAN WOODS.

### IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

*To be admiral*

ADM. JAMES A. LYONS, 003-18-9857/1110, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 610:

*To be admiral*

VICE ADM. DAVID E. JEREMIAH, 542-34-3914/1110, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 6141, TO BE CHIEF OF NAVAL PERSONNEL, AND TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 610:

*To be vice admiral*

REAR ADM. LEON A. EDNEY, 025-26-0990/1310, U.S. NAVY.

# EXTENSIONS OF REMARKS

## COMPREHENSIVE LEGISLATION DEALING WITH THE AIDS CRISIS

### HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. PANETTA. Mr. Speaker, this country now faces a crisis that will have its ultimate impact only years from now. This crisis is acquired immunodeficiency syndrome, or AIDS, and it will profoundly challenge and test our responsibility and resourcefulness as a nation. AIDS poses a challenge that must be answered swiftly and forcefully, yet thoughtfully and with foresight, so that the decisions we make can answer this problem for now and for the future. Today, I am taking a step in trying to deal with this crisis for the present and future by introducing a comprehensive package of AIDS legislation.

Few diseases in modern history have created the kind of intense concern that AIDS has inspired. Up to July of this year 37,869 cases of AIDS have been reported to the Centers for Disease Control, and more than 21,000 people have died from the disease. These are the figures that we must confront now. But we must also look at what we will be dealing with 5 or 10 years from now. According to the CDC, by 1991 270,000 cases of AIDS will be diagnosed in the United States, and currently over 1.5 million Americans have the HIV virus that can cause AIDS. Of these, it is estimated that 20 to 50 percent will eventually get AIDS, so that up to 750,000 of these people will at this point die of AIDS. We must act on the present conditions and predictions, and plan, prepare for—and try to change—the future. I believe that this bill works toward these goals by establishing programs for research into preventing and curing AIDS, educating the public as a means of prevention, and care for those who are already stricken with the disease now as well as future victims.

This bill approaches the crisis by providing for increased education for health care workers and the public, expands and intensifies our research efforts, provides for health care for the victims of this desease, and allocates a majority of the funds to local governments and community based organization, where the problem is most effectively attacked.

The National Academy of Science, along with many other knowledgable organizations and individuals, has stated that education is currently the best weapon available against AIDS. In this area, the bill provides programs to educate high-risk groups, health care personnel who deal with AIDS patients, high-risk groups, and the general public. The highest-risk groups now include gay and bisexual men, and intravenous drug users and their spouses and sexual partners. By increasing our efforts in this area, including with new high-risk groups as they develop, we can hopefully avoid a full-blown AIDS plague, which is still a threat. The education program for health care personnel includes risk reduction, educational training, and information. Although most people assume that health care professionals are aware of what is happening with AIDS, this is often not the case. Many of our health care workers are afraid of working on AIDS patients because they are uneducated on the subject. We must make sure our health care workers are well informed, and therefore feel secure in dealing with AIDS patients, if we are to be able to combat this crisis now and in the future.

The bill also provides for an expansion and intensification of our current research efforts. This includes a declaration of a public health emergency, and fellowships and grants for increased research efforts. It will also establish a National Program on AIDS to establish new research efforts and perform the important function of coordinating all research. Our research efforts are of course the key to eventually preventing and eradicating this dread disease, and if we do not increase our efforts here, we may have a bleak future. These efforts are going well now, but we must continue to increase and intensify them. An ongoing National AIDS Advisory Board is also created to help coordinate these research efforts, as well as other parts of the battle against AIDS.

Mr. Speaker, as you well know, the AIDS crisis is already placing new burdens on our Nation's health care system, especially in areas of high incidence of the disease, and this burden is likely to rise almost astronomically as the number of those with AIDS and AIDS-related diseases increases. By 1991, it is projected that AIDS patients will occupy 16,000 hospital beds, over 1 percent of the total nationwide, and much higher in areas with high concentrations of AIDS cases. Also by 1991, the total costs, including medical care and lost productivity due to disability and premature death, will exceed $66 billion per year, more than double the current Medicaid budget. This will pose major challenges for our health care system, and we must find ways to meet this challenge in cost-effective and humane ways. This legislation attempts to do this through a number of provisions.

First, by declaring the AIDS crisis to be a national public health emergency, the bill makes funds available for a number of special activities and expedites carrying out of research and prevention efforts. It does so by authorizing the hiring of up to 690 additional personnel at the CDC, National Institutes of Health, and the FDA, reducing the time period of review and award of Federal research and prevention grants and contracts, and expedites high-priority AIDS-related requests for personnel and facilities. It also authorizes a 90-day emergency program to educate health and safety workers, as well as authorization of an additional appropriation of $50 million for purchases of drugs shown to prolong and improve the quality of life of AIDS patients. AZT, the only drug currently approved for treatment of AIDS by the FDA, costs approximately $10,000 per year, and other drugs that are developed may also be expensive. AZT is now unaffordable to those without health insurance covering it or without Medicaid, and Medicaid often does not fully cover its costs. This provision would supplement $30 million recently approved by the Senate for this purpose.

In the area of health care treatment, the bill establishes networks for this purpose through public and non-profit private groups, which many feel are the most effective way to deliver health services. These networks are supposed to provide a number of services for AIDS patients, including long-term care and hospice services, mental health, counseling, and psychosocial support services, and case management services to coordinate care and treatment. A separate part of this effort consists of demonstration projects for innovative, health service delivery models. These include home health services, adult day care, and services provided by consortia of community physicians. Such forms of community-based care have been shown to be cost effective and humane compared to more traditional forms.

Along these lines, there is also a need to expand services already provided in ways that will specifically deal with the AIDS crisis. Two of the above areas in which I have long had a strong interest and which seem to be appropriate ways of caring for AIDS patients are hospice and home care. I would like to propose changes in both of these areas that will specifically accommodate the needs of AIDS patients, their communities, and the health care system.

Hospice is, as you know, intended to provide care for terminally ill people. As AIDS is, tragically, now considered terminal once it is diagnosed, hospice would appear to be well-suited for caring for AIDS patients in the last part of their lives. As you may know, many AIDS patients courageously and admirably fight their conditions all the way to the end, and therefore do not presently find hospice well-suited to their needs. However, among AIDS cases, the large and rapidly-growing group of intravenous drug abusers and their spouses and partners, often have unstable living situations or are homeless, and therefore cannot be adequately cared for at home. Certain changes in the hospice Medicaid program that would help adapt it to this group, as well as to AIDS patients in general.

My first measure would mandate States to provide hospice coverage under the Medicaid program. This is currently an option for the States, as well as being one of several options under the section 2176 waiver program, but only 4 States now officially have Medicaid hospice coverage. While this number should gradually increase, there is a need, because of the AIDS crisis, to make certain hospice care is available to Medicaid beneficiaries with AIDS in those States that do not currently have a program.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The other hospice measures would establish three separate demonstration programs:

Increasing the payment rate to hospices for AIDS patients to reflect the many additional costs hospices incur in caring for AIDS cases, as well as allow hospices to pursue somewhat more aggressive treatment than is normally provided; this would make AIDS patients feel less like they are "giving up" by using hospice services.

Allowing all those officially diagnosed with AIDS to be treated as terminally-ill persons. This would enable them to have access to Medicaid hospice services sooner than they now can, as they must currently be certified as having 6 months to live at most. In practice, this often turns into even less time.

Waiving the restriction on reimbursement for inpatient services to 20 percent of total days of care for AIDS patients would address the need of many, especially among IV drug abusers, to spend more of their time in such settings. Currently, many hospices provide AIDS patients with more than 20 percent of inpatient days, and are just not compensated for this care.

There are also three home care demonstration programs, two under Medicaid and one under the Public Health Service. In many ways, home care is the most preferred setting of AIDS patients and their families, and the AIDS crisis could therefore lead to a great need for expansion of such services. Home care is widely considered cost-effective and humane, the latter because it enables sick persons to stay in their homes and communities with their loved ones.

The two Medicaid demonstration projects would expand home care services to include intravenous drug therapy, and allow home care to be furnished on an intermittent basis as it now is under Medicare. The former would enable AIDS patients to receive a form of treatment that has been found beneficial and which must be administered by trained personnel. The latter would guarantee that a minimum number of days of home care is provided to AIDS patients under Medicaid. The demonstration projects under the Public Health Service would train home health aides and homemakers in dealing with AIDS patients. While professional health care workers are getting a fair amount of training, nonprofessional workers are lacking in this area, and need such training for their own sake and that of their patients. Major criteria in selecting all hospice and home care demonstration projects will a high incidence of AIDS and a demonstrated need for the service.

Mr. Speaker, as I have stated, AIDS will unfortunately still take many lives, cause much suffering for its victims and those they know, and be with us for some time to come. There are many ways in which we must deal with this crisis, including preventing AIDS' spread, trying to find a vaccine and cure for the disease, and caring for those who are stricken now and in the future. This will require a large-scale, many-faceted effort involving the creative use of considerable human, financial and other resources, and the participation of a wide range of public and private groups. As you know, I am by no means an advocate of "free-spending" or simply throwing money at a problem. However, the more resources we devote to the AIDS crisis now and the better we use them, the sooner we will find solutions to the many parts of this crisis, and the less chance there will be of its truly getting out of control. We need to devote our energies now so that in the future, we will be adequately prepared. I urge the support of my colleagues for this series of important measures to combat and defeat AIDS.

## A TRIBUTE TO SANDY AND MILTON GORDON

### HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to two people who have been dear friends for many years—Sandy and Milton Gordon. On Sunday, September 13, these outstanding individuals will be honored by the American Jewish Committee as the recipients of the prestigious 1987 Jewish Heritage Award.

In their professions, their family life and their commitment to public service, the Gordons have worked tirelessly. Individually and as a couple, their accomplishments are extremely impressive and inspiring to all who are fortunate enough to have made their acquaintance.

Sandy Gordon has invested much of her life in her work to provide educational opportunities for both children and adults. Her contributions to the advancement of those with learning disabilities is particularly admirable. Sandy's vision to create a better world for these individuals has led to the formation of the Independence Center, a residential apartment living program for young adults with learning disabilities; and to her work as the founding president of the Tikvah Program at Camp Ramah, a program for learning disabled children.

Sandy's interest in education also led to her service as a member of the State Commission on Child Development and as a member of the school boards of the Akiba Academy and the Herzl schools. She is presently associated with CHILD—Clearing House and Information for Learning Disabilities. In addition, for the past 10 years, Sandy has been the president of the Los Angeles Convention Center and Exhibition Authority Commission.

After serving in the Army during World War II, Milton began his extremely successful career in real estate. He has served the State of California as real estate commissioner, as chairman of the board of investment and as secretary of business and commerce. He currently chairs the Senate Committee on Cost Control in State government, and serves on the Real Estate Management Committee of Los Angeles.

In addition, Milton has been very active in the Jewish community of Los Angeles. He is the chairman of the executive committee of the University of Judaism and a member of the boards of the American Jewish Committee, the Jewish Federation Council, and the Jewish Theological Seminary of America.

Milton and I have been friends since my college days. I have frequently turned to him for his wisdom and counsel and consider him to be a valued advisor and mentor.

It is an honor and privilege to pay tribute to Sandy and Milton Gordon here today. I ask you to join me in recognition of this outstanding couple who, over the last 25 years, have given unstintingly of their energy, time and resources to the service of their friends, their family, and their community. I am grateful to know them and extremely pleased to join the American Jewish Committee in saluting them.

## CELEBRATING THE REBIRTH OF NEWARK

### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. RODINO. Mr. Speaker, in July of 1967, the Nation was shaken by the riots that erupted in Newark, NJ. It was an unbelievable nightmare for all the citizens of Newark, myself included, to witness the loss of innocent lives and to see their city engulfed in flames. When the smoke settled after 5 days of violence, 26 people were dead, businesses were closed and the image of Newark appeared permanently scarred.

But I am happy to report that two decades later, Newark is like a phoenix that has risen from the ashes. A strong spirit of boosterism pervades the city where the recovery from this devasting event, if not complete, is clearly underway. I am proud to have helped in securing Federal funding for the many projects, from senior citizen housing to office buildings, that provided the impetus for private initiative and for this rebuilding.

Today, the citizens of Newark have just cause for their new confidence. The political life of Newark reflects the multiracial character of the city. There are improved relations between the community and the police. The economy is on the rebound with 1,500 new jobs created last year by new small- and medium-sized firms. The downtown area is experiencing its greatest growth and construction projects are visible throughout the city. Newark provides a home to five major institutions of higher learning, including the recently funded Center for Molecular Medicine and Immunology at the New Jersey College of Medicine and Dentistry, and is a leading education center. The Federal and State sponsored renovation of Penn Station under-scores Newark's continued importance as a transportation hub.

Recently, Money magazine listed Newark as one of the top 100 places to live in the United States. All of this clearly reflects that the city is in the midst of a renewal which has created a new image for Newark that is both positive and optimistic.

To celebrate this renaissance, the Newark Church Consultation will sponsor a citywide church service on September 13 to commemorate the 20th anniversary of the Newark riots with "remembrance, repentance, and recommitment." The guest preacher at the service, to be held in Newark's Sacred Heart Cathedral, will be the Reverend Samuel Proctor of the Abyssinian Baptist Church in Harlem. Also participating will be a choir composed of members from Newark churches.

The Newark Church Consultation is a newly formed ecumenical and interracial organization. It includes representatives from 16 denominations and is composed of concerned pastors who are dedicated to participating in the renaissance of Newark. The group is headed by the Reverend James Scott, the pastor of the Bethany Baptist Church on West Market Street in Newark. Reverend Scott provided the spark for this special service and the establishment of the group when he, along with Rev. David Burgess and Msgr. John Maloney, invited every clergyman in Newark to discuss the riots. In the words of Reverend Scott, the Newark Church Consultation was formed because the clergy of Newark "believes in the city and feels that the churches should join big business, government and a variety of community and civil rights groups in planning for the redevelopment of the city."

The Newark Church Consultation is an outstanding example of the fact that the foundation for the future of Newark remains its people. I applaud their efforts to continue the progress that characterizes Newark 20 years after the riots. We must never forget this tragic event nor lose sight of its underlying causes. But we can all join with the Newark Church Consultation in recommitting our efforts to the ideals embodied in the rebirth of Newark.

## CHENANGO COUNTY COURTHOUSE CELEBRATES 150TH ANNIVERSARY

### HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. BOEHLERT. Mr. Speaker, I would like to take this time to share with my colleagues the pride my constituents and I feel in celebrating the 150th birthday of the Chenango County, NY, Courthouse on September 19, 1987.

The Chenango County Courthouse was erected in 1837 as a symbol of economic opportunity in growing central New York. It was built in a Greek revival style to symbolize the strength and perseverance of the local citizens. With its temple-like appearance and its locale, the courthouse became the place for important meetings and celebrations.

As the years went by, however, the high costs of renovation prompted a movement to tear the building down. Luckily, strong protests by the community, local organizations, and schoolchildren put a stop to any thoughts of replacing the county's symbol.

In 1976 Chenango County began the restoration of the courthouse, an effort which lasted until 1980. During this time, the crown of the courthouse, a statue of Lady Justice, was lowered. Her body had not withstood the harsh elements. Over the years, a hole in her head had been repaired with paper and tar and one of her arms was replaced with a modified furniture leg. As a part of the 150th anniversary celebration, a restored Lady Justice will be unveiled for the first time in a new glass display.

This celebration is especially important to the people of Chenango County because it falls at the same time that we celebrate the 200th anniversary of our U.S. Constitution. Plans are under way to make this a historic and patriotic celebration, with a parade and speeches by many distinguished local leaders.

Pride in our Constitution and our laws has played an important role in America's development, and the 150-year history of Chenango County Courthouse is a testament to the sense of justice that motivates Americans and promoted the spread of courthouses in communities across the Nation.

Mr. Speaker, I am honored to commemorate the distinguished history of the Chenango County Courthouse before my colleagues in the House of Representatives.

## DAVE HOWELLS: A COP'S COP

### HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. RITTER. Mr. Speaker, Allentown Police Chief David M. Howells, Sr., said that when he retired it would not be prompted by turbulent activities within the department but by a desire to make a career change. Dave Howells, who began as a patrolman in 1958, and served as chief of police for the past 3 years, announced last month that he is taking leave of public service to accept a position with Mack Trucks.

I emphasized on July 24, 1986, in my speech in the CONGRESSIONAL RECORD, and I do again at this time, that it has been my good fortune to have the personal pleasure to know and work with Chief Howells. Dave was honored in August 1985 as the Nation's number one police officer by the Veterans of Foreign Wars. The veterans presented the Lehigh Valley law officer with the J. Edgar Hoover Award at their 86th annual convention in recognition of Chief Howell's 27-year law enforcement career in Allentown.

Dave, a distinguished member of the National Rifle Association [NRA], was pictured in March 1986 issue of Life magazine in connection with a campaign sponsored by the NRA to educate the American public about the NRA, its membership and programs. He emphasized "the NRA helps provide some of the finest police training in the country: they've always supported this Nation's law enforcement community."

In that promotion Chief Howells also spoke out on the two-part Firearms Owners Protection Act which was before the Congress. He succinctly stated in his own style, "The Firearms Owners Protection Act is fairer to those who obey the law. And tougher on those who don't." I was pleased to support those bills, now Public Laws 99–308 and 99–360. Both measures passed the House and Senate by large margins and were signed into law by President Reagan.

Mr. Speaker, it was not just these high honors that prompted my remarks in behalf of Dave Howells but the fact that in Dave, I have a deeply religious friend, who practices his religion in his daily relationships with others and in the community and has used his courage, strength, wisdom, and kindness in his professional activities. As a recent editorial states, "He embodied the philosophy of not asking a subordinate to go anywhere or do anything that he, the chief, would not take upon himself. In the street vernacular, "Davey Howells is a cop's cop."

Dave came up through the ranks as patrolman, marine platoon sergeant, detective sergeant, lieutenant, captain, director of training of the police academy, and then chief of police. On behalf of all the citizens of the Lehigh Valley, I wish Dave the very best in his new job as director of Security at Mack Trucks. We're all very glad he's staying with us in the Lehigh Valley.

Mr. Speaker, I was delighted to have the opportunity to extroll his virtues last year and now again am pleased to call to the attention of my colleagues the editorial from the August 16, 1987, issue of the Allentown Morning Call:

DAVE HOWELLS: A COP'S COP

Defining the persona of David M. Howells Sr. is a difficult task; somewhat like trying to paint a moving train. Describing what this big, strapping man has meant to the city of Allentown is a challenge of large proportions. But with the announcement Friday that he is taking leave of public service for a job with Mack Trucks, it is both timely and fitting to attempt to make an accounting of the accomplishments and attributes of Allentown's chief of police.

Davey Howells first strolled the streets of Allentown as a patrolman in 1958. He was a good cop, and he loved being a cop. He worked his way up in the ranks, earning respect as he climbed. And when he was named chief of police little more than three years ago, Davey Howells still held a thread that led back to those days as a beat patrolman. He remembered his roots. In his tenure as head of the 160-member department, he demonstrated openly and repeatedly that he was first a police officer, second an administrator. He embodied the philosophy of not asking a subordinate to go anywhere or do anything that he, the chief, would not take upon himself. In the street vernacular, Davey Howells is a cop's cop.

He kept a high profile, whether on the street or in City Hall. He was a populist chief of police—a fact stunningly demonstrated when he announced his "retirement" in July of 1986. Letters expressing support for Chief Howells poured in to The Morning Call and to City Hall. Frankly, there were serious questions among some circles as to whether that "retirement" was a serious venture or merely a gesture to solidify Chief Howells' position in certain political wranglings. Whatever, he changed his mind . . . much to the satisfaction of his legion of supporters both within and without the police force.

Davey Howells has relished the battles, both with perpetrators of crimes and with some in City Hall. He's a scrapper, one who avoides a fight when possible but who wades in with enthusiasm when the challenge is

thrown. He is vocal, opinionated, stubborn . . . but fair. Policemen are sparing with their respect. Davey Howells has earned the respect of his charges.

The police department is not—and should not be—a reflection of the personality of just one man. It is a team. But this particular team just won't be the same without Big Davey in charge. The Bulldog's gain is the city's loss.

## THE HAUNTING FUTURE OF AMERICA'S MORAL WASTELAND

### HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. DANNEMEYER. Mr. Speaker, accountability is intrinisic to America. It is the cornerstone of the philosophy of freedom. The failure to hold one's self accountable for all of our individual thoughts and actions is the highest form of immaturity and the chief stimulus in destabilizing communal order. It is duplicitous for any individual to promote the cause of self-determination and individualism and, simultaneously, claim exemption from the consequences of one's actions.

Mr. Speaker, a most glaring example of this duplicity was recently provided at a Subcommittee on Health and Environment hearing on August 6 and 7, 1987. The topic was controlling AIDS. Specifically, the subcommittee was discussing laws, standards and accountability when the immoral minority attempted to claim irreclaimable ground. For the record:

Mr. DANNEMEYER. One of the suggestions made is that we need a standard in our society, in terms of accountability, for the conduct of those who have the virus * * * who knowingly engage in activities that result in the transfer of bodily fluids * * * that that person commits a crime. Do you support that concept?

Mr. LEVI (a homosexual rights activist). No, I don't * * * with all due respect, I think it is naive to think you can stop the behavior that might transmit this virus * * * you should be focusing * * * attention on prevention measures and the education programs and the counseling programs that will get the overwhelming majority of people to change behavior [sic] * * *. That is how we stop this epidemic, not with phony laws.

Similarly, responding to the same question on an ABC News "Nightline" special on AIDS, homosexual playwright Harvey Fierstein vehemently objecting to such a law on the grounds that it would sit on the books unobserved stated, "That's how you make your living, you pass laws that nobody uses!" Unfortunately for all of us, Mr. Fierstein's analysis is partially correct. A more correct statement would be that laws are passed which some citizens refuse to observe.

Mr. Levi, Mr. Fierstein, et al. may choose to call some laws "phony," Mr. Speaker, but I see laws as recognizing that none of us are angels. If we are angels, then we don't need laws. Because none of us are, we do. They're called standards, some evidently set a little higher than others would have them set.

Mr. Speaker, a verse was sent to my office the other day which I would like to share with my colleagues. Unfortunately, it was sent anonymously so I can't give credit where it is due. But, I believe it captures the amoral culture we seem to be giving birth to in this country.

There once was a nation of people
  Who pleasured themselves quite alot
The children were "Oh such a bother"
  When adult supervision they sought

"Please don't bother us children
  Take a condom, go outside and play
On you we will not force our morals
  If you think it's o.k.—it's o.k.

They chose not to set good examples
  Good leadership they did not provide
Wanting not to endanger their lifestyles
  Pushed the needs of the children aside

The children reached out to the people
  "Please care if we live or we die"
But the people were too busy defending
  The joys of the humanist lie

It is said that this nation of people
  Took social disease in their stride
The label of "Prude" was commonly feared
  And from it the people did hide

"What happened to that powerful nation?"
  "Is it true they called nothing a sin?"
"That's right—and it says here by choice
  They wasted away from within"

Mr. Speaker, in conclusion, I commend the following article to your attention:

[From Human Life Review, summer 1987]

WHAT IS THE MORAL CRISIS OF OUR TIME?

(By Will Herberg)[1]

Every age has its own challenge to morality, and the character of this challenge may well come to serve as a significant indication of the spirit of the times. What is the character of the challenge to morality that our age offers? Everyone seems to agree that we find ourselves in a moral crisis of an aggravated kind. But what is the nature of this crisis? What shall we make of it? What is its meaning and portent? And how deep is it, how far does it go? These are some of the questions I should like to raise and discuss.

The moral crisis of our time cannot, it seems to me, be identified merely with the widespread violation of accepted moral standards, for which our time is held to be notorious. There has never been any lack of that at any time; and comparisons often prove quite misleading. No—the moral crisis of our time goes deeper, and is much more difficult of define and account for. Briefly, I should say that the moral crisis of our time consists primarily not in the widespread violation of accepted moral standards—again I ask, when has any age been free of that?—but in the repudiation of those very moral standards themselves. And this, indeed, is our time's challenge to morality; not so much the all-too-frequent breakdown of a moral code, but the fact that today there seems to be no moral code to break down.

Sexual "irregularity" among young people has always been common enough, though it was only in recent years that a combination of sociological factors has extended it as a possibility to young women of the middle classes. There is, no doubt, a marked increase in premartial sexual activity to be found among the younger generation on the college campuses; but however disturbing this may be, it is not the real moral problem involved. The real moral problem, the real challenge to morality, is provided not by the girl who goes along, but by the girl who shrugs her shoulders and says: "Well, so what? What's so bad about sleeping around? It's natural, and it's lots of fun, too."

Cheating may or may not be more widespread on the college campuses of this country today; it is certainly not new. The student who cheats and knows that he is doing wrong is a moral problem, of course; but much more profound is the challenge to morality flung out by the student who cheats and says: "What's so bad about cheating? It gets you ahead, doesn't it?"

Fraud or near-fraud in the mass media of communication is something we have learned to expect and protect ourselves against. But what can we do with the attitude that shrugged off the deceptions practiced with official connivance over TV some years ago by a young professor of honoured name, with an indifferent, "Well, so what if it was all fixed in advance? It was a good show, wasn't it?"

I could multiply illustrations to the same effect from every sphere of contemporary life; but the point, I think, has been made. It is my belief that the really serious threat to morality in our time consists not in the multiplying violations of an accepted moral code, but in the fact that the very notion of morality or moral code seems to be itself losing its meaning for increasing numbers of men and women in our society. It is here that we find a breakdown of morality in a radical sense, in a sense almost without precedent in our western history. To violate moral standards while at the same time acknowlwedging their authority is one thing; to lose all sense of the moral claim, to repudiate all moral authority and every moral standard as such, is something far more serious. It is this loss of the moral sense, I would suggest to you, that constitutes the real challenge to morality in our time.

It is difficult to discover the sources of this kind of moral anarchy that is coming to pervade our culture; it is difficult even to distinguish between cause and effect. But one thing we may notice: in every one of the typical cases I have mentioned, there appears to be not merely a repudiation of morality as such, but a repudiation of morality in favor of a way of life governed by a self-indulgent quest for pleasure and fun. Everything is justified by the 'kicks" you get out of it. "Have fun" has become our parting injunction, replacing the long-obsolete "God be with you," In fact, if our time has retained from times past some sense of binding obligation in the conduct of life, it is just this obligation to "have fun." If we have a morality at all, it is a "fun-morality": to "have a good time" is, with many of our modern-minded people, as stern an obligation as serving God was to an old-time Calvinist. Not to be interested in having a "good time" condemns you as a neurotic with a "puritan conscience"—and what could be worse in the eyes of the moderns? Don't think that this pursuit of "fun," of a "good time," is an easy matter. It often demands a single-minded pursuit of status, adjustment, and sociability so strenuous as to shame many an ascetic saint. Children are shown no mercy; whatever their gifts or predilections, they are dragooned very early into the "have fun" and "be a good fellow" competition of the elders. In fact, teenagers have become the favorite vehicles of status display for their parents: they are lavishly provided with money and other facilities for having a "good time," and they are earnestly enjoined not to falter in this pursuit. It has become not uncommon for parents to supply their minor children with hard liquor and contraceptive devices when they go out to parties and other "fun" gatherings. In this kind of euphoric culture—where "feeling good" and "being sociable" are the pressing requirements—morality and moral codes in the older sense are obviously irrelevant.

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[1] Will Herberg (1909-1977) was a well-known author whose *Protestant, Catholic, Jew* is still generally considered a seminal book on religion and culture in America. This essay was first published in 1968 by the *Intercollegiate Review*, which reprinted it in the Fall, 1986 issue. It is reprinted here with permission (©1986 by the Intercollegiate Studies Institute, Bryn Mawr, Pa.).

Our emerging euphoric culture is closely connected with the affluence of our "affluent society." Until very recently, our country, and the rest of the Western world very largely, operated as dynamic production-minded societies drive on by need and scarcity. An ethic of duty, character, hard work, and achievement dominated the culture—that celebrated "Protestant ethic" that is in such bad repute today. Within the past generation, however, a profound change has been taking place in this country and in the more Americanized parts of Western Europe: the older "inner-directed" culture (to use David Riesman's terminology) is being rapidly replaced by a new "other-directed" culture under an economy of plenty, preoccupied with consumption, leisure, and enjoyment. Our current "fun"-morality is obviously an expression of this emerging "other-directed" culture. Affluence brings with it moral problems more perplexing than those that poverty breeds.

The "fun"-morality of our time is also closely connected with the new stress on sociability and adjustment so characteristic of our society, for nothing can so spoil "having a good time" as a taste for solitude and a dislike of being adjusted. But the sociability and adjustment so prized by our euphoric society are of a very curious kind. It is a "non-involved sociability," and an adjustment that swallows up both the so-called conformist and the so-called non-conformist—the junior executive in his "gray flannel suit" and the beatnik in his leather jacket. It is with this kind of "non-involved" sociability that we are particularly concerned at this point.

I am sure you all remember those horrifying stories coming from New York and other big cities, of women being attacked, raped, and sometimes throttled to death, while dozens of people looked on, none of them sufficiently "involved" to phone the police from the security of their apartments. These were all respectable middle-class folk, friendly and sociable, all sharing the "liberal" outlook for which New York is so celebrated. One of the cases reported in the press is particularly interesting. A young woman was being attacked at the foot of the stairs in the hallway of a building in the Bronx. A number of men came out at the first landing to see what was going on. They saw, and they returned to their own business—which was, believe it or not, passing resolutions on world peace and racial justice! You see, they were the executive committee of one of the best known "liberal" organizations in the city. They were all deeply interested in the welfare of their fellowmen—in the abstract, at a distance, by way of passing a resolution or making a speech. The more humanitarianism in the abstract, apparently, the less humanity in the concrete. . . . This kind of "non-involved sociability" is as much part of our euphoric mass culture as the "fun" we are always enjoined to be having. The euphoric way of life requires sociability, but it views with embarrassment and distaste any kind of serious personal involvement; that would spoil everything.

But the moral crisis of our time has even deeper roots than these comparatively recent developments I have been describing. The moral crisis of our time, let me remind you, consists not so much in the violation of standards generally accepted as in the attrition, to the point of irrelevance, of these very standards themselves. Violation of moral standards there has always been aplenty in every age, but until modern times the standards themselves were not questioned; or, more accurately, it was never questioned that there were such standards: this was taken for granted by the very ones who violated them, who, therefore, even in their violation, paid tribute to their authority. In the modern world, for the first time, at least on a mass scale, the very possibility of such standards has been thrown into question, and with it all essential distinctions between right and wrong. Today's culture comes very close to becoming a non-moral, normless culture.

What has been happening? Something that runs deep in our history and gives our culture its characteristically "modernistic" tone. It is the transformation of the very concept of truth, upon which the whole spiritual structure of a society may be said to depend. Until the dawn of modernity, truth was conceived of as something anchored in objective and transcendental reality, and the whole of man's intellectual and moral life was built upon this foundation. In very early times, truth had been seen as embodied in ancestral tradition and ancestral wisdom, the "wisdom of the fathers." But when this was challenged, as it was by the sophists during the breakdown of the older Greek culture, it was reestablished on an even firmer foundation by the philosophers. Such, I imagine, was the essential task that Plato set for himself, and with Plato, all of the subsequent Greek philosophy of whatever school. The philosophers sought to ground the truth, in its objectivity and transcendence, on the rational nature of things. The Hebrew prophets sought the truth in the revealed word of God. But despite the difference between the two approaches, basic and irreconcilable as they are at some points, Greek philosopher and Hebrew prophet were at one at least on this, that the truth by which man lived was something ultimately independent of him, beyond and above him, expressing itself in norms and standards to which he must conform if he was to live a truly human life.

It was precisely this conviction about truth that was first challenged with the emergence of modernity. It was challenged on one level by the rise of relativism. What sense did it make to speak of truth in the old way when truth was so relative, so obviously man-made and culture-made, varying (as Pascal had put it) with the degree of latitude, or (in the later vocabulary) with the psychological conditioning and cultural pattern? This kind of relativism was full of contradictions, to be sure, and flew in the face of the best evidence, but it appealed to the modern mind, which was rapidly losing all sense of transcendence. Relativism, of a kind more radical and persuasive than the Greeks had ever dreamed of, soon came to dominate the advanced thought of the West, and increasingly also the convictions and the feelings of the common man. In this kind of cultural climate the dissolution of moral standards, in the sense in which Greek philosophy and Hebraic religion had understood them, was only a matter of time.

But if relativism began the process, it was the triumph of technology that carried it to its disastrous completion. We are not yet in a position to grasp fully what the accelerated and unfettered expansion of technology has done to human life in the past three hundred years. But we can at least begin to assess its major impact upon the consciousness of the West, and that is the *exaltation of power over truth as the object of man's intellectual and moral quest.* From the earliest times, the object of the knowledge-seeking enterprise had been *truth*—the truth of reason for the philosopher, the truth of revelation for the man of biblical faith—but truth as something to apprehend *intellectually* and live by *morally.* Now, however, some time in the sixteenth or seventeenth century, perhaps, a new conviction arose, constituting a radical subversion of the older view. The whole tradition of the West—that "knowledge is *truth*"—was overturned, and replaced by the new, militantly proclaimed creed, "Knowledge is *power!*"—first, power of man over nature; then power of man over man. This shift from truth to power marks the full scope of the revolution effected by the technological spirit at the very dawn of modernity.

The evacuation of moral standards soon came to aggravate the effects of technology. Nearly a hundred years ago, Jacob Burckhardt, the great historian who so well discerned the ominous outlines of the twentieth century, pointed out with great penetration: "When men lose their sense of established standards, they inevitably fall victim to the urge for pleasure or power." This "urge for pleasure or power" defines as nothing else can the pseudo-ethic of our time.

The technological spirit exalting power, and the ideological relativism that destroys the authority of all moral norms, have cooperated to undermine the older foundations of morality, in fact, the very meaning of morality itself. Human problems are increasingly seen as technological problems, to be dealt with by adjustment and manipulation; the test is always how it satisfies desires or enlarges power, not conformity to a truth beyond man's control. In fact, the belief seems to have emerged that there is nothing beyond man's desires, nothing beyond man's power. His "values" are his to make or unmake, the only criterion being satisfaction and power. Pleasure and power have taken over, and the bitch-goddess Success, which William James so scornfully denounced, has come into her own. This is the moral crisis of our time in all its amplitude.

Some twenty years ago, in a happier day, Bertrand Russell raised a question that we are still far from being able to answer:

"There are certain old conceptions [he said] which represent man's belief in the limits of human power; of these, the two chief are God and truth. . . . Such conceptions tend to melt away; even if not specifically negated, they lose importance and are retained only superfically. . . . What then?"

Traditionally, through centuries and millennia, the limits upon pleasure and power had been set by the "higher law," a law beyond all human manipulation and control. And this "higher law" was understood to emanate from that which was ultimate in the universe, God for the Hebrews, Reason for the Greeks. The entire spiritual structure of the Western world was built upon these convictions. With these convictions so rapidly losing their appeal to the modern mind, nothing has been left but the indulgence of pleasure, the anarchy of power,

and the chaos of "self-created values." The moral crisis of our time is, at bottom, a metaphysical and religious crisis.

It is hardly surprising, though it is painfully ironical, that man's success in his frantic search for pleasure and power has brought with it the gravest threat to his humanity. Without grounding his being in something beyond, man cannot preserve his humanness. At the very moment when Algernon Charles Swinburne, echoing the new modernity, was singing "Glory to Man in the Highest, the Maker and Master of All," forces were coming to a head that were to drive Western man, through unimaginable disasters, to a point where his very survival would come into question. But even more than physical survival, it is the survival of man in his humanness that is becoming problematic.

I wish I had a more cheerful report to present to you. I wish I could offer a word of reassurance, and tell you that the moral crisis of our time is merely a surface phenomenon, an interim thing, transitional between the old and the new. I wish I could report that I have discovered, as some observers claim to have done, the fundamentals of a "new" morality already emerging out of the shattered ruins of the old. I wish I could announce these things; but I can't, since I am simply not able to see things that way. The contextualism and situationalism so eagerly espoused by exponents of the "new morality" have their point, of course, but allow them to be carried away by their own logic, and you end up in either moral platitudes or moral anarchy. They do not offer a way out.

Situationalism, especially seems to offer a strong appeal to the philosophical and theological champions of the "new morality," and therefore deserves closer attention. Its fundamental insight, shared by the contextualists in a weaker form, is that one must make his moral decisions not in the abstract, or in obedience to some eternal code of law forced upon him from the outside. I must respond *here and now,* not then and there; in *this* my situation, not in terms of some other—and if my response is to be genuine and authentic, it must be made with true inwardness, as *my* response, not in imitation of someone else's. The one "rule" of situational ethics would appear to be: "Respond from *within* your situation, and respond authentically, with the wholeness of being." After all, has not Saint Augustine counseled us: 'Love [God], and do what you will?"

But while this situationalist principle, rooted in a profound existential insight, is, in itself, quite valid, it is hardly enough to rescue the man who acts on it from moral chaos and ethical arbitrariness. For there is not the slightest hint in the situationalist principle as to content, positive or negative. The worst abominations of a Hitler or a Stalin may meet the demand of authenticity as well as the finest act of heroism or charity. Sartre himself tells the story of the young man in Paris under the Nazi occupation who came to consult him about a dilemma in which he found himself. The young man, it appears, did not know what to do—to join the Nazis in collaboration, and thus gain a secure position for himself and his family; or to go into the underground Resistance, and thus bring himself and his family into the direst peril. And what did Sartre, who was himself at the time in the Resistance, say to him? By his own account, Sartre told the young man that the important thing was not which of the two ways he chose; the important thing was that he choose his way with inwardness and authenticity. A philosophy that can say this, but cannot and will not say anything more, may be able to create something new, but not a new *morality!*

Or take another case. The barbarous vandals, many of them teenagers, who invaded the magnificent Spanish Stairs in Rome some time ago, and gleefully fouled up the world-famous work of art in a nihilistic protest against beauty and culture, may well have been acting out of their inner authenticity as much as the anonymous builders who, four centuries ago, created that magnificent structure. In fact, that's exactly what they claimed. Yet is there anyone bold enough to maintain that the two courses—creating and defiling—are morally on the same level if only one acts in either case with true inwardness?

*No,* authenticity may be a primary quality of moral response, but it cannot be all there is to it. Unless *some* principle, some standard, *transcending* the particular context or situation, is somehow operative *in* the context or situation, nothing but moral chaos and capriciousness can result. No human ethic is possible that is not itself grounded in a higher law and a higher reality beyond human manipulation or control. In the depths of our tradition, we find this higher reality to be, for the Hebrews, God, for the Greeks, Reason; and the higher law derived therefrom, the divine or the natural law. But, as Russell notes, in our time these foundation-conceptions "tend to melt away," and we are left with no grounding or anchorage. A contextual or situational ethic will not save us; rather, in accentuated form, it points to that which we are to be saved *from.*

For it is the humanity of man that is at stake. The humanity of man—our wisdom and our suffering ought to have taught us—is ultimately grounded in that which is *above* and *beyond* man, or the pride and power of man. To realize this profund truth is to realize the full depth and measure of the moral crisis of our time. How to revalidate the moral life in a culture in which the very idea of a moral law binding on man because it is grounded in what is beyond man, has been eroded almost to nullity: this, rather than any particular problem of personal or social morality, no matter how acute or how urgent, seems to me to be the moral dilemma of our time and culture—a dilemma in which we are caught, and from which we, as yet, see no way of escape. Real standards come in and through tradition. "Only he who has the tradition has the standards," the old Greek poet Theognis was wont to say. We have lost, we are losing, the tradition—the tradition of the higher law and the higher reality—and are therefore also losing our standards. Is it ever possible simply to regain what has once been lost? We do not know. That is our problem, our plight, and our task.

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## AN EXPERIMENT IN FREEDOM

## HON. ERNEST L. KONNYU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. KONNYU. Mr. Speaker, a nationwide high school essay contest recently awarded a constituent of mine, Siegrid Voelkel of Cupertino, CA, a $250 scholarship to the college or university of her choice as runner-up for her fine efforts in the "Land of Freedom" essay contest. The rules for the contest sponsored by Friends of Free China specified only that the contestant write a 1,000 to 1,500 word essay on the topic "How Freedom Affects Progress" and relate it in some fashion to the Republic of China on Taiwan.

Friends of Free China is a national bipartisan, nonpolitical, tax-exempt organization dedicated to the preservation of freedom and understanding between the people of the United States and the people of Free China.

Mr. Speaker, in order to share with my colleagues the outstanding essay which my constituent prepared, I will insert it into the CONGRESSIONAL RECORD:

### AN EXPERIMENT IN FREEDOM

Over the past 35 years, the Republic of China on Taiwan and Communist China have provided a unique living "experiment" on the effectiveness of different systems in promoting economic growth and social progress. The governments of these two countries have pursued widely divergent policies—with very different results. Mainland China has been an enthusiastic proponent of Communism and centralized economic affairs, while Taiwan has adopted a decentralized private-enterprise system.

These two Chinese states are the most notable examples of how freedom affects progress. By every economic measure, Taiwan has greatly surpassed Communist China. The Gross National Product of Taiwan has increased over $40 billion in one decade, making Taiwan a world-class industrial power. In contrast, the People's Republic of China, with 55 times the population of Taiwan, has only five times as much economic output.[1]

Freedom makes the difference! The economic and social freedoms that the people of Taiwan are allowed provide motivation. And with this motivation comes progress.

The United States is Taiwan's number one trading partner. Over eighteen billion dollars worth of products were exported to the US in 1985, up four million dollars from the previous year.[2] Per capita income on Taiwan is over 3,000 US dollars a year. That sum is almost ten times the income on Mainland China![3] And while Americans must come to terms with double-digit unemployment figures, the citizens of Taiwan are living comfortably with an unemployment rate that is just over two percent.[4] As amazing as they may seem, these statistics are true.

But economic development is not an end in itself. It must be translated into social freedoms which will guarantee the people a healthy and orderly life. Special emphasis has to be placed on the social aspects of life, which are so important according to Chinese tradition. On Taiwan there have been many remarkable resutls along these lines.

Literacy and higher levels of education are more and more required for the development and maintenance of technology as well as for the revitalization of culture. The Constitution of the Republic of China guarantees all citizens the right to receive an education. Education in Taiwan stresses cultural traditions, technical knowledge, and the ability to contribute to the community. Nine years of compulsory education are free. Is it any wonder then that 90 percent of the people of Taiwan are literate, while only 80 percent of the people of Communist China are? [8]

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[1] Dr. Yung-Hwan Jo, *Taiwan's Future?* (Arizona, Union Research Institute, 1980), p. 2.

[2] "Keep Markets, Cut Margins," *The Economist,* June 28–July 4, 1986, p. 66.

[3] Daniel Southerland, "Taiwan's Middle Class Pushes for Moderate Change," *San Jose Mercury News,* January 2, 1987, Sec. C, p. 7.

[4] *Republic of China in Figures,* Government Information Office, (Taiwan, 1985), I, p. 10.

An equal opportunity to receive an education is one basic freedom that citizens of America and Taiwan may sometimes overlook. Another basic right, religious freedom, may not always seem important. But religious freedom, guaranteed by the Republic of China's Constitution, is barely tolerated in Communist China. During the Cultural Revolution thousands of clergymen on the mainland paid for their beliefs with their lives.

Churches of all faiths are apparent on Taiwan, though, and are obviously an active part of the lives of the people. Taiwan has thus become a bastion of religious freedom in Asia.

Freedom of the press is also an inalienable right in a free society. Taiwan has no censorship either before or after publication. The media there uphold the principles of social responsibility and public enlightenment, which are the prerequisites of progress.

What better example do we have of how freedom affects progress than by comparing Free China with Communist China? In only three decades the people of the Republic of China have increased their standard of living almost to the level that we Americans have toiled so hard for the past 200 years. Mainland China, however, appears to have barely emerged into the 20th century.

The difference between these two Chinese states is Freedom. Freedom fosters Progress. And isn't progress what Taiwan does best?

Freedom has made Taiwan a beacon of hope to the oppressed people of Communist China. The Republic of China on Taiwan was meant to be an endless experiment in freedom—with no limits to its hopes and no restrictions to its future accomplishments.

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## OPPRESSION OF SOVIET JEWS

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I am honored to be a part of the 1987 Congressional Call to Conscience, an effort to raise public attention for the continued oppression of Soviet Jews. As you may know, the Congressional Call to Conscience began in 1976 as a means for Members of Congress to speak out on behalf of Soviet Jews seeking freedom of religion and the right to emigrate.

The Government of the Soviet Union, the same government that has proclaimed a policy of "glasnost" suppresses religion, encourages anti-semitism, and ignores its obligations under the Helsinki Human Rights Treaty to allow for freedom of emigration. The Soviet Government has targeted innocent Jews by withholding emigration visas thereby forcing Jews who want to leave to remain prisoner in a country that despises them. Should any of these Jews protest their treatment or question the Soviet authorities, they face the serious consequences of unemployment, restrictions on their already guarded lives, imprisonment or banishment to a "psychiatric" hospital or hard-labor gulag.

Because of the deplorable living conditions and discrimination, over 350,000 Soviet Jews have begun the application process to leave. Twenty thousand are listed as "refuseniks"—those who have made application to be rejoined with their families abroad and have been refused. One of those "refusenik" cases I would like to bring to the attention of my colleagues is the plight of Vladimir and Maria Slepak. The Slepak's case may be familiar to you because their son, Alexander, held a 17-day hunger strike here in Washington to protest the lifetime refusal given to his parents. Vladimir Slepak has been targeted by the Soviets because he is one of the founders of the Soviet Jewry emigration movement and, largely, because of his efforts, over 260,000 Jews have been permitted to leave the Soviet Union.

Since he began his humanitarian activism in the 1960's, his home has been repeatedly raided and searched. Many of his belongings have been confiscated, his telephone disconnected and electronic "bugs" installed in his walls. He has been the subject of public condemnation through the Soviet Government controlled media. Moscow television has listed him in their "Traders of Souls" television show and have labeled him as a "soldier of Zionism inside the Soviet Union" and as part of an anti-Soviet conspiracy. In 1977, Izvestia maliciously accused him and other Jews of espionage and treason. Vladimir has been interrogated and imprisoned twice on unknown, obviously false, charges. In June 1978, Vladimir and his wife Maria were arrested for displaying a banner from their window saying, "Let Us Go To Our Son In Israel." Vladimir was sentenced to 5 years of internal exile in Siberia for the bogus charge of "malicious hooliganism." Maria voluntarily shared this intolerable fate with her husband after her three-year sentence was suspended. Siberia is no vacation land—the land is barren and the climate very harsh. Despite his ill health, Vladimir worked at odd jobs, often in sub-zero weather. In 1982, Vladimir was allowed to return to Moscow. But, knowing of the Soviet authorities' ability to ship their citizens off to the gulag on a whim, I am concerned about just how long the Slepaks can remain in the relative safety of Moscow.

If the Soviets are serious about the rhetoric they often produce regarding the need to uphold human rights, then they will back their words with actions—positive actions like allowing the Slepaks to rejoin their family abroad. I urge my colleagues to remember the Slepaks and other subjugated Soviet Jews when considering other matters pertaining to our relations with the U.S.S.R., like arms control. Trust the Soviets? Ask the Soviet Jews. I also urge my colleagues who have not yet done so to join in the Congressional Call to Conscience and help the Soviet Jews. As Elie Wiesel said, "What hurts the victim most is not the cruelty of the oppressor, but the silence of the bystander." Please do not be a silent bystander.

## RULE ON H.R. 2310, THE AIRPORT AND AIRWAY IMPROVEMENT AMENDMENTS OF 1987

### HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. ROSTENKOWSKI. Mr. Speaker, I wish to serve notice to my colleagues that, pursuant to the rules of the Democratic caucus, I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of an amendment to H.R. 2310, the Airport and Airway Improvement Amendments of 1987. It is the committee's intention to offer this amendment, which is necessary to continue the funding for this authorizing legislation, as a separate revenue title to H.R. 2310.

## CISPES

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. CRANE. Mr. Speaker, I rise to address an issue that will not be probed by an "independent counsel" or a special congressional committee. This scandal has been lying under the rug far too long. Now, it is time to clean the pile of dirt that has been collecting under our noses while emanating from the left corners of the House floor.

This is the saga of private fund raising for a bunch of Marxist guerrillas in Nicaragua, who stole a revolution—the Sandinistas. A perfect example of this is the U.S. Committee in Solidarity with the People of El Salvador [CISPES]. Right now, they are mailing out ballots calling for the U.S. Government to "end all aid to the Contras."

This is just one of several leftist organizations that have been embarked on an effort to fund Communist Central America. Given these indications, perhaps it is time for an investigation of the private support by advocacy groups in this country for a Marxist Sandinista dictatorship.

I urge my colleagues to read the following articles, which sheds much-needed light on the details of this disturbing matter.

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[8] *Ibid.*, p. 9.

[From the Capital Research Center Magazine, August 1987]

### ORGANIZATION TRENDS: WHAT ABOUT THE LEFT'S PRIVATE FOREIGN POLICY IN CENTRAL AMERICA?

Efforts by people outside of government to aid the anti-Communist resistance in Nicaragua have provoked much righteous indignation but little fairness. Sen. Howard Metzenbaum (D-OH) has urged an Internal Revenue Service investigation of eight nonprofit groups listed in the Tower Board report; and Rep. Lee Hamilton (D-IN), chairman of the House Committee investigating the Iran-Contra affair, has warned that "use of private parties to carry out the high purposes of government makes us the subject of puzzlement and ridicule."

Yet these denunciations have a one-sided ring. As Norman Podhoretz noted in the Washington Post, "private American citizens raising money and lobbying for the communists in Central America do so with impunity, while private American citizens raising money and lobbying for the anticommunist democrats there are treated as criminals."

A perfect example is the U.S. Committee in Solidarity with the People of El Salvador (CISPES), which is mailing out ballots for a "National Referendum to End the War in Central America." The ballot calls for the U.S. government to "End all aid to the Contras"; "End all military and war-related assistance to the governments of El Salvador and Guatemala"; "Remove all U.S. bases, troops, and National Guardsmen from Honduras and end military aid to that country"; and "Promote peaceful solutions by supporting the Contadora process, establishing cooperative relations with the government of Nicaragua, and promoting negotiations within El Salvador and Guatemala."

The CISPES referendum is also sponsored by the Coalition for a New Foreign and Military Policy, Network in Solidarity with the People of Guatemala, Office of the Americas, Religious Task Force on Central America, and SANE.

The accompanying letter, signed by CISPES National Coordinator Angela Sanbrano, urges the sympathetic to "support CISPES and its National Referendum with a generous financial contribution." Sanbrano estimates CISPES will need to raise $130,000 over the next two months to support referendum organizers, mailings, radio advertising, and presentation of the ballots to Congress and the media. CISPES, a 501(c)(4) tax-exempt organization, says it is soliciting contributions "in the name of democracy."

In fact, CISPES was founded in 1980 specifically to organize support for the Marxist FMLN guerrillas of El Salvador and to mobilize opposition to U.S. aid to the Salvadoran government. CISPES works through a claimed "450 affiliate groups across the country" and plays an active role in the sanctuary movement, which illegally brings in politically motivated Salvadoran and Guatemalan aliens to foster opposition to U.S. policy in Central America (see Studies in Organization Trends #1, Second Front: Advancing Latin American Revolution in Washington, and #2, Smuggling Revolution: The Sanctuary Movement in America).

In a document captured by the Salvadoran government in late 1980 and made available by the U.S. Department of State in 1981, Farid Handal, an FMLN guerrilla leader and brother of Shafik Handal, head of the Communist Party of El Salvador, described his travels to the United States to bring about the creation of CISPES.

Arriving in the U.S. in February 1980 to meet with left-wing activists from union, church, and other groups and members of the Communist Party, U.S.A., Handal proceeded to Washington, where he made useful contacts at an Institute for Policy Studies seminar and in meetings with Rep. RON DELLUMS (D-CA) and sessions with two Communist Party members. Armed with DELLUMS' invitation to come back to Washington at a later date to address the Black Caucus, Handal took off to organize chapters in cities like Chicago, San Francisco, and Los Angeles.

In New York a second time, Handal met with officials of the Cuban United Nations delegation and with Sandy Pollack, Communist Party leader and U.S. Peace Council Solidarity Coordinator. Pollack suggested "there should be a national conference under the auspices of the U.S. Peace Council, the National Council of Churches, Amnesty International, the Washington Office on Latin America, and various unions in the U.S. for the purpose of establishing a support mechanism for the solidarity committees in those states where it does not already exist." This led to conferences in Los Angeles and Washington with more than 100 "solidarity" groups in October 1980 which launched CISPES nationwide.

Handal returned to Washington, where he met with DELLUMS and the Black Caucus. "Monday morning the offices of Congressman Dellums were turned into our offices," Handal reported. "Everything was done there . . . . The meeting with the Black Caucus took place in the liver of the monster itself, nothing less than in the meeting room of the House Foreign Affairs Committee."

Congressional support for groups like CISPES also includes Rep. PATRICIA SCHROEDER (D-CO), who has served as a fundraiser and advisory board member for the Nicaragua Network, an organization claiming close ties to CISPES; and, according to Rep. BILL McCOLLUM (R-FL), SCHROEDER, Rep. JOHN CONYERS, JR. (D-MI), and Rep. MERVIN DYMALLY (D-CA) have signed letters or otherwise helped raise funds for both CISPES and new El Salvador-Today.

Ties to CISPES are also a part of the biography of Benjamin Linder, the American killed April 28 in a firefight in Nicaragua, according to the Washington Times, while armed with a Soviet AK-47 rifle and uniformed in Sandinista garb. Linder was a founding member of CISPES on his campus at the University of Washington in Seattle.

#### PRIVATE FUNDING

CISPES has enjoyed some support from the foundation world, receiving grants in 1984 from National Community Funds ($8,500), Liberty Hill Foundation ($4,560), North Star Fund ($2,500), Bread and Roses Community Fund ($500), and Vanguard Public Foundation ($250). The Boehm Foundation contributed $1,000 in 1983, and National Community Funds donated another $14,800 in 1985.

Support for CISPES is only part of a distinct pattern of American private support to far-left forces in the United States and Central America. National Community Funds, which donated $23,100 to CISPES over a two-year period, provided at least $538,783 to support Central America-related radical political activity in 1985 alone. NCF is a project of the Funding Exchange, referred to in one grantmaking manual as "a national umbrella organization established to facilitate communication among regional community funds, provide development assistance for the funds, start new funds in other parts of the country, and operate the [NCF] project [see *Organization Trends*, August 1986.]"

NCF's 1985 annual report proclaims that "In the area of Central America work, our funding continues to grow, making NCF the major funding source in the country for this important work. We believe that our most pressing task is to keep groups like . . . CISPES . . . alive and kicking." At a later point, the report states that "NCF does not measure the success of its grantees in this arena by votes in Congress." Instead, "We look . . . to the proliferation of solidarity groups, to the growing church sanctuary movement, to the professional groups raising money for Nicaragua. . . ."

One professional group aiding the regime in Nicaragua is the Quixote Center, a 501(c)(3) Catholic relief agency based in Mt. Rainier, Maryland. According to the *Christian Science Monitor*, Quixote's Sister Maureen Fiedler says the Center's national "Quest for Peace" campaign has channeled almost $40 million of supplies and labor to Nicaragua since July 1986 and hopes to collect another $60 million by fall to match the $100 million Congress is sending to the rebels. The Quixote Center has been shipping supplies to Nicaragua since late 1983 and now acts as a clearinghouse for tracking donations sent to Nicaragua by more than 500 private groups across the country.

Perhaps the most egregious example of "mainline" foundation support for such activity is the Ford Foundation. In addition to more than $1.3 million in direct grants to the Sandinista regime since 1984 through Nicaragua's Ministry of Foreign Cooperation and other agencies (most often the International Reconstruction Fund of Nicaragua and the Central American Institute of Business Administration in Managua), Ford has provided hundreds of thousands of dollars for centers and churches harboring alien sanctuary activists in actual defiance of U.S. law and continues to fund groups like the Washington Office on Latin America, the Youth Project, and the Institute for Policy Studies.

The Council for Inter-American Security has asked Attorney General Edwin Meese to look into the tax-exempt status of groups like CISPES who aid the Central American Communists, presenting him with a 138-page draft study by J. Michael Waller entitled "Financing Terrorism in El Salvador." CIS President L. Francis Bouchey says "twenty times as much money" has been raised for these causes than was raised in behalf of anti-Communist forces by the National Endowment for the Preservation of Liberty.

Given these indications, perhaps it is time for a thorough investigation not just of private support for the anti-Communist resistance in Nicaragua, but also of the significant amounts of private support rendered by individuals, advocacy groups, and foundations in this country for the Sandinista dictatorship and guerrilla movements like El Salvador's FMLN. Even the most rudimentary considerations of fairness and balance would seem to require no less.

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## A TRIBUTE TO THOMAS J. MONTGOMERY

### HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding member of my community, Mr. Thomas J. Montgomery. Tom was recently elected as president of the board of directors of the Northeast Valley Health Corporation, a system of health care facilities providing medical care for the poor in California's San Fernando Valley.

In 1965, Tom participated in a project that surveyed the availability of medical resources for consumers in the San Fernando Valley. The findings of the study led to the creation of the Northeast Valley Health Corp. which now serves over 9,000 persons in the area. In his new position as the 1987 president of the board of directors, Tom is at the helm of an organization that faces many challenges as it expands and diversifies its coverage for those in need of medical care.

In addition to his role as a leading local and national advocate of health care for the poor, Tom is the chairman of the 39th Assembly District (Los Angeles County) Democratic Central Committee and he is a decorated World War II veteran. He represented consumer interests in the National Association of Community Health Centers as the first president of the organization's consumer branch and is at the forefront of the Health Center Movement.

It is my distinct honor and pleasure to thank Thomas J. Montgomery and the Northeast Valley Health Corp. for their dedicated service to the community. Their work demonstrates a commitment to the improvement of the quality of life for the people of the San Fernando Valley.

## NINTH ANNUAL NEW JERSEY ETHNIC FESTIVAL

### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. RODINO. Mr. Speaker, this weekend, the Ninth Annual New Jersey Ethnic Festival will be held at Liberty State Park in Jersey City, NJ. This notable celebration, sponsored by the New Jersey Ethnic Advisory Council, will bring together representatives from New Jersey's many rich and diversified cultures. In recognition of the Bicentennial of the Constitution, the theme of this year's program is "We The People-Together." The 1987 festival will pay special tribute to the German community for its role in the development of our State and Nation.

The activities will begin on Saturday with an opening celebration that features a "Parade of Nations." A very important event is a naturalization ceremony where 200 new citizens will be sworn in. Other activities include music and dance performances by 20 different groups and the display of crafts and foods from many ethnic organizations.

I applaud the efforts of the organizers and participants of the Ninth Annual New Jersey Ethnic Festival. These events will highlight the cultural contributions that many ethnic groups have made to our State. There are over 100 different ethnic groups in New Jersey, making it one of the most ethnically diverse States in the country.

The celebration will also serve as a reminder of the important historical role New Jersey has played as a gateway for millions of immigrants seeking a new life in America. The melting pot is the backbone of American greatness and we are all enriched by the diversity of cultures and ideas that characterizes our society. I want to express my best wishes for the success of the Ninth Annual New Jersey Ethnic Festival.

## HONORING JOHN R. JONES FOR OUTSTANDING VOLUNTEER WORK

### HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. BOEHLERT. Mr. Speaker, I take this occasion to rise in honor of John R. Jones, a constituent from Utica, NY, who has performed outstanding voluntary work for the people of Utica and New York.

Mr. Jones has volunteered his time and has given of himself for 30 years, despite many physical problems which have plagued him. He has won wide acclaim from many in New York, especially for his contributions to Spring House, a program in Utica of cerebral palsy and handicapped persons. He certainly exemplifies the American spirit of volunteering, and is an active and important member of the community.

I thank Mr. Jones for his spirit and leadership—and for helping us realize just how important volunteers are to this country.

## THE CUBAN MISSILE CRISIS

### HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. RITTER. Mr. Speaker, I offer the following excellent article to my colleagues in hopes that the mistakes made with Cuba will not be repeated with Nicaragua. We must never abandon the cause of peace and freedom in Nicaragua as we did in Cuba. The human suffering and impact on U.S. national security would be too great.

KENNEDY'S CAVE-IN LEFT A SORRY LEGACY: THE CUBAN MISSILE CRISIS WAS A TRIUMPH—FOR THE SOVIETS

(By George Will)

WASHINGTON.—Clio, the muse of history, is in bed with a splitting headache, prostrated by the task of trying to correct the still multiplying misunderstandings of the Cuban missile crisis. Most Americans believe 'twas a famous victory won by a resolute president prepared to take the world to the brink of nuclear war. Actually, there was not much of a brink, and no triumph worth celebrating.

In last Sunday's New York Times magazine, J. Anthony Lukas reported on a reunion of former Kennedy administration participants in the crisis. The meeting was last April at a Florida resort with the wonderfully inapt name of Hawk's Cay.

Because the crisis began when the Soviet Union began putting missiles in Cuba and ended when the missiles were removed, it was considered an unambiguous triumph achieved by a president more hawkish than some dovish advisers. (The terms "hawks" and "doves" were popularized by this crisis.)

Now much is being made of a letter from former Secretary of State Dean Rusk, a letter read at the April reunion. The letter is said to show that Kennedy was a dove.

In the crisis, Robert Kennedy notified Soviet Ambassador Dobrynin that U.S. missiles in Turkey would be withdrawn within months of withdrawal of Soviet missiles from Cuba, but it was imperative (obviously for domestic American political reasons) that the linkage of the withdrawals not be announced. Rusk's letter reveals that if the Soviet Union had insisted on public linkage, Kennedy would have complied.

That historical morsel is only redundant evidence of what should by now be patent: Kennedy succeeded because his military advantage was huge and his goal was tiny.

The Soviet Union was not going to war at a time when U.S. advantages were three to one in long-range bombers, six to one in long-range missiles and 16 to one in warheads. The Kremlin must have been astonished—and elated—when Kennedy, in spite of advantages that would have enabled him to insist on severance of Soviet military connections with Cuba, sought only removal of the missiles. He thereby licensed all other Soviet uses of Cuba.

The stunning revelation in Lukas' report is not Rusk's letter; it is something said at the reunion by Ted Sorensen, the aide closest to Kennedy.

On Aug. 31, 1962, five weeks before the administration discovered the missiles, New York's Republican Sen. Kenneth Keating, trusting information received from intelligence and refugee sources, said offensive missiles were going into Cuba. Republicans were making an election issue out of Soviet shipments to Cuba. In September, Kennedy warned the Soviets, with interesting preciseness, not to put in Cuba "offensive ground-to-ground missiles." Now, Sorensen says that the president drew a line where he soon—in October—wished he had not drawn it:

"I believe the president drew the line precisely where he thought the Soviets were not and would not be. That is to say, if we had known the Soviets were putting 40 missiles in Cuba, we might under this hypothesis have drawn the line at 100, and said with great fanfare that we would absolutely not tolerate the presence of more than 100 missiles. . . ."

Sorensen is a member of the McGovernite wing of the virtually one-wing Democratic Party. But he also is an assiduous keeper of the Camelot flame. Thus it is fascinating that he says, in praise of Kennedy, that Kennedy wanted to practice appeasement but calculated incorrectly.

This is amusing in light of Arthur Schlesinger Jr.'s rhapsodizing about Kennedy's handling of the crisis that Kennedy, according to Sorensen, wanted to define away: "He coolly and exactly measured. . . . He moved with mathematical precision. . . . This combination of toughness and restraint, of will, nerve and wisdom, so brilliantly controlled, so matchlessly calibrated. . . ."

Even assuming Sorensen is wrong, Schlesinger's romanticizing is not right. In 1976, MIG-23s (nuclear-delivery vehicles far more menacing than the 1962 missiles) were introduced into Cuba. Kennedy's noninvasion pledge, given as part of the crisis-ending deal, guaranteed the survival of this hemisphere's first communist regime and makes attempts to remove or reform the second seem disproportionate.

The Reagan administration, which began by talking about dealing with Nicaragua by "going to the source"—Cuba—is reduced to clawing for piddling sums for the Contras, a recipe for another protracted failure. Today, most "peace plans" for Central America postulate the moral equivalence of U.S. and Soviet involvements in the region, another legacy of the missile-crisis "triumph" that killed the Monroe Doctrine.

A few more such triumphs and we shall be undone. The romanticizing of the missile crisis makes such triumphs more likely.

## AMERICA DESERVES AN OPEN DEBATE ON THE SUBJECT OF DIVIDED LOYALTIES

### HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. DANNEMEYER. Mr. Speaker, in this glorious country of ours we can feel fortunate that there are no laws against what any of us think. In fact, there are very few laws determining how we express what we think. It's no different for Members of Congress. We're pretty much free to express our opinions as we choose. Besides the restrictions of protocol, which deal with how we say things, the only other real restriction placed on Members by our constitution pertains to the public trust afforded each of us in what we promote.

The American public has entrusted us to keep their best interests and the Constitution at heart. Domestically, there is a plurality of opinion due to regional diversity. But on the foreign front, Members' opinions have historically run singular. From the first Congress, citizens of this Republic have entrusted each Member of Congress to protect our shores from foreign aggressors. And with the advent of Marxist-Leninist doctrine, the public trust has also sanctioned America's struggle against communism throughout the world as wisdom dictates.

So how are we to react, Mr. Speaker, when some of our colleagues break with this traditionally sanctioned trust and use their office to gain American's affections for Marxist-Leninist political movements in foreign countries? I pose this question with all due respect to you, Mr. Speaker, and our colleagues. As a body, we must ask ourselves, when do we cross the line? When does a Member of Congress violate the public trust by implicitly or explicitly—but all the while consciously—using their office to endorse or encourage the philosophy or political activism of Marxist-Leninism abroad?

Mr. Speaker, during the highly publicized Contra hearings many Members defended their anti-Contra opinions saying that it is not un-American to vote against the support of the freedom fighters in Nicaragua. This issue, it seems to me, is a subject on which loyal opponents may justifiably differ. However, it also seems to me, that where a loyal opposition may be justified in opposing assistance to the Nicaraguan freedom fighters, this same opposition is not justified in their opined support of, say, Communist insurgents in El Salvador.

Mr. Speaker, I commend the following articles to all of us, in attempting to help Members answer these difficult questions—questions which will become ever more prominent in the days ahead, and answers to which the public will surely demand and which they deserve.

[From the American Spectator, August 1987]

DEMOCRAT FOREIGN POLICY SCANDALS

(By Daivd Brock)

Forget, for a moment, that riveting Iran-contra inquisition. Another earthshaking Washington foreign policy scandal is poised to blow. Like Iran-contra, this is a tale of secret fundraising for a ragtag bunch of Central American guerrillas; of nefarious foreign governments manipulating naive American officials; of an effort to misinform Congress; of possible abuse of the U.S. tax code and obstruction of justice; and of ideological fervor run amok.

But unlike Iran-contra, this is a scandal that will not be probed by an "independent counsel" or a special congressional committee. Nor, for that matter, by anyone so empowered. For this scandal is not a scandal at all in the eyes of the would-be prosecutors in Congress and the media. For them, a conspiracy by members of Congress to aid the Communist cause in Central America should either be applauded or simply swept under the rug.

Five years ago, this radical underworld was rather marginal, even in Democratic councils. But today its members have assumed key policymaking dealing with Central America. In a report on the influence of the far-left Instititue for Policy Studies on members of Congress, the Heritage Foundation said, "It can be argued that this group is hardly representative of the ideological mainstream of the House of Representatives; but it must also be conceded that many of these men and women have been among the most vocal and visible members of the House in recent years. They have formed a left-liberal grouping that has managed to achieve a degree of influence in certain specific areas and which has been especially active in the national defense-national security area." At the head of this new class: Rep. George Crockett, who was installed by the Democrats to head the Western Hemisphere subcommittees of the House Foreign Affairs committees after last November's election.

Crockett, who has a long history of associating with the U.S. Communist Party, edged out the senior subcommittee member, Rep. Dan Mica, to become Dodd's counterpart in the House. (Mica failed the Democrats' litmus test: he supports contra aid.) Crockett has been a sponsor of the Civil Rights Congress and an officer of the National Lawyers Guild, both widely thought to be Communist front groups. In the 1960s, Crockett was identified in media reports as a registered agent for the government of Cuba (government records were not kept on foreign agents at the time, so this can't be verified). While in Congress he has advocated lifting economic sanctions against Cuba. What is more serious, as chairman of a House panel, Crockett and his staff now have increased access to classified U.S. documents.

In May, the public got its first taste of how the House Western Hemisphere subcommittee will operate under Crockett. Crockett invited David Linder, the father of Benjamin Linder, an American working for the Sandinistas who was killed in a Nicaraguan combat zone in April, to testify; Linder charged that the U.S. government had killed his son. Crockett, over the objections of his colleagues, allowed highly tendentious "medical data" from the Sandinista government about the circumstances of Linder's death to be introduced. No note was made of the fact that the Sandinistas have given conflicting accounts of how Linder died, nor that Linder had crossed the line dividing civilians and combatants by toting an assault rifle and traveling with Sandinista militiamen. Crockett staffers attempted to have J. Michael Waller of the conservative Council on Inter-American Security struck from the witness list, but Republican objections staved off the move.

A cable from the U.S. Embassy in San Salvador dated December 1986 identified Crockett and a dozen other congressmen as sponsors of Medical Aid for El Salvador, which collects funds for "social projects" in Salvadoran zones "liberated" by the Farabundo Marti National Liberation Front (FMLN), the principal Cuban-supported umbrella group for Marxist guerrillas in El Salvador. This influx of cash frees up FMLN funds for more weapons to be used in their campaign of terror. In August 1985, Medical Aid for El Salvador sent a team to San Salvador to perform surgery on Nidia Diaz, a leader of the FMLN faction that had killed four U.S. Marine Embassy guards the previous June.

Also named as sponsors of the group were Reps. John Conyers, George Brown, Ronald Dellums, Julian Dixon, Mervyn Dymally, Thomas Foglietta, Robert Garcia, Mickey Leland, Parren Mitchell, Pete Stark, and Bruce Vento. Both Dymally and Garcia serve on the House Foreign Affairs Committee. Foglietta and Dellums are on Armed Services, Dixon is on Foreign Operations, and Conyers serves on Government Operations, all influential and sensitive posts. In a section explaining the "interlocking relationship of various front groups," the U.S. cable says that the activities of Medical Aid for El Salvador are coordinated by the Committee in Solidarity with the People of El Salvador, a "KGB active measure." The cable also noted that a fundraising request for another "FMLN support activity," the U.S. group New El Salvador Today, was signed by Conyers. Conyers, Dellums, and Dymally hosted a Washington reception for the group in July 1986.

Rep. Patricia Schroeder, a ranking Democrat on the House Armed Services Committee, has been a fund-raiser and advisory board member of the Nicaraguan Network, a U.S.-based Sandinista "solidarity committee" with close ties to Cuba's intelligence service. The network has sent hundreds of American volunteers to work and possibly fight for the Sandinista government. According to a report in the Washington Times, Schroeder's network activities were coordinated by a paid aide in her Denver office, Sister Agnes Ann Schum, the Rocky Mountain regional director of the Nicaraguan Network and a national board member. (Schum was removed from Schroeder's payroll in December after the arrangement was reported in the local press.) One Network letter signed by Schroeder said, "If you can afford a gift of $200 or more and want a tax deduction, please join me as a sponsor of the Nicaraguan Network . . ." But according to IRS records, the Nicaraguan Network has never been granted tax-exempt status. Lately, Schroeder has been talking about running for President.

The Nicaraguan Network and Medical Aid for El Salvador are but two of dozens of private groups raising money for the Sandinistas or the Communist guerrillas in El Salvador. In April, thirty-five organizations that claim to have raised over $30 million for the Sandinista regime convened a National Mobilization day in Washington and San Francisco. Their current goal is to raise another $100 million to offset U.S. aid to the contras. The Mobilization was formed in the late 1970s with the help of the Soviet World Peace Council. At the demonstration, a large contingent of Communist Party members marched openly under CPUSA banners. Others carried the banners of the Pledge of Resistance, Witness for Peace, and various inter-religious groups involved in the sanctuary movement to harbor illegal immigrants from Central America.

Before the Mobilization day convened, John T. Joyce of the Bricklayers and Allied Craftsmen union warned his members that "anyone who knows or remembers the popular fronts put together by the Communists in the 1930s will know precisely how the April mobilization works and what it is all about." Apparently several members of Congress could use a refresher course in history. The roster of speakers at the event included Democratic congressmen David Bonior, John Conyers, and Ted Weiss, D.C. Delegate Walter Fauntroy and Lynn Cutler, vice chairman of the Democratic National Committee. A written endorsement came from Sen. Claiborne Pell, the new chairman of the Senate Foreign Relations Committee.

In 1985, Rep. Charles Hayes led a workshop at a U.S. Peace Council Conference, an affiliate of the Soviet World Peace Council. Telegrams of support for the conference came from Reps. Major Owens, Barbara Kennelly, and Bruce Morrison. Other House members, like Sam Gejdenson of Foreign Affairs, Peter Kostmayer, and Bonior, regularly lend their names to reports from groups like the Washington Office on Latin America and the Council for Hemispheric Affairs concerning alleged "human rights" violations by the government of El Salvador and the contras. These groups regularly overlook the widespread abuses of the Communist regimes in Nicaragua and Cuba.

The Democrats' scandal even has its own cover-ups. In 1982, an ethics complaint was lodged against Representative Dellums for allowing Grenada's government—under Marxist Maurice Bishop—to review a draft of Dellums's Armed Services subcommittee report on the Point Salines airfield in Grenada. Dellums had been assigned to determine the airfield's purpose, military or commercial. He omitted evidence that the Soviets and the Cubans had supported the project financially. After Bishop's review, Dellums issued a report concluding that "nothing being done in Grenada constitutes a threat to the U.S. or her allies." The ethics committee never investigated the matter.

In 1981, Romesh Chandra, then the chairman of the World Peace Council, was hosted on Capitol Hill by a group of Democratic congressmen. In 1982, Rep. Edward Boland, then the chairman of the House Intelligence Committee and the author of the much-vaunted anti-contra Boland Amendment, released a report on Soviet active measures in the U.S. While the Boland report mentioned the Chandra visit, no note was made of his dealings with members of Congress. Allan C. Brownfeld and J. Michael Waller report in the book The Revolution Lobby that "Boland's staff allowed some of the evidence to be doctored to prevent the public from knowing of the collaboration of some Democratic congressmen and the Soviet World Peace Council."

The Iran-contra scandal, and the other side of the coin, the Democrats' scandal detailed here, are of course part of a struggle since at least the Vietnam war between the executive and legislative branches over primacy in foreign policy making. The legislative branch, even before the presidency was wounded by the current round of show trials, was winning the battle. The number of globetrotting, self-appointed congressional "ambassadors" has been on the rise in recent years, and the net effect of their missions is almost always detrimental to U.S. interests.

Look, for example, at some of the personnal diplomacy undertaken so far this year. On a trip to the Philippines in January, Rep. Stephen Solarz, head of the House subcommittee on Asia and Pacific Affairs, took it upon himself to become the first American official to meet with the leaders of the Communist New People's Army, a gang whose murderous modus operandi closely parallels that of Pol Pot. Solarz says the meeting was meant to be "off the record," but soon after it broke up, the NPA, delighted that Solarz had conferred legitimacy on their movement, spread the word. In April, House Speaker Jim Wright led a congressional delegation to the Soviet Union, only to be confronted with a suggestion by General Secretary Gorbachev that the United States create separate living areas for blacks to solve its racial problem. While the other delegation members protested, Wright maintained that Gorbachev had been "misinterpreted." Wright did not want anything to stand in the way of what he called the "new attitude" of the Soviet leadership, or of an arms control pact. Even though the Constitution explicitly denies the House any role in the formation of treaties, upon his return Wright successfully tacked on to an appropriations bill a requirement that Reagan comply with the unratified SALT II treaty. Perhaps the ultimate congressional power grab was in May, when Sen. Jim Sasser dispatched himself to tour the Persian Gulf after an Iraqi plane shot up an American frigate. Sasser was making public statements even as the U.S. government's fact-finding team was arriving on the scene.

These free-lance forays raise serious ethical and legal questions. When Wright and nine of his Democratic colleagues (including Boland, Solarz, and Lee Hamilton) penned the infamous "Dear Comandante" letter to Daniel Ortega in 1984 applauding his steps to "open up the political process," an enraged Rep. Newt Gingrich called for a congressional inquiry. "This letter clearly violates the constitutional separation of powers. It's at best unwise, at worst illegal."

During the Iran-contra hearings, Lee Hamilton, who chairs the House Intelligence Committee, observed that the "privatization of foreign policy is a prescription for confusion and failure. The use of private parties to carry out the high purpose of government makes us the subject of puzzlement and ridicule." Hamilton has asked some tough, and justifiable, questions of the Administration in these past weeks. But these same questions ought to be aimed at the Democrats and their pro-Communist Central America network. Why must contra supporters like Ellen Garwood be cross-examined by Congress when the fundraisers for the Sandinistas or the Salvadoran guerrillas go unidentified and unquestioned? If an effort by U.S. officials to keep the contras going constitutes a "conspiracy," why not find out if the congressmen who aid the groups sending Americans to Nicaragua to work for the Sandinistas are conspiring to break any laws? What is the legal status of the Nicaraguan Network or Medical Aid for El Salvador or U.S. Out of Central America, all of which send money and supplies to the Sandinistas or the FMLN? Have they violated the Foreign Agents Registration Act? Finally, why is it legal (even though the Constitution says otherwise) for individual members of Congress to conduct their own foreign policies but illegal for the President to conduct his?

None of these questions is likely to be answered, or even posed, for several reasons. The first is that the Administration has not presented a coherent case in defense of its policies. The "law" which the Administration's prosecutors say was broken was unconstitutional when passed; the Boland Amendment trespasses on the President's constitutional prerogatives to act in foreign policy. The only charge of which the Administration is guilty is that it by-passed unconstitutional congressional restrictions in an effort to prevent the consolidation of another Soviet-backed Communist government in our hemisphere.

The second reason is that inquisitions are reserved exclusively for use against the executive. Congress does not investigate itself nor allow anyone else to investigate it.

The final reason is that all of these scandals boil down to subjective questions of politics and morality, not to objective ones of legality. And those who have the power to define what makes for a hot Washington scandal have never been on the side of the small-d democrats. (Compare, say, the number of news columns devoted to the CIA's "illicit" activities in Central America to reports of activities of the KGB.)

This summer's inquisition, playing as scripted, will surely brand Ollie North & Co., the anti-Communists, as scoundrels or worse. And the subterranean activities of the apologists for Communism will surely continue with impunity, until they ultimately triumph.

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[From the Washington Times, Aug. 11, 1987]

### The Spirit of Old Joe McCarthy

(By David Horowitz and Peter Collier)

(David Horowitz and Peter Collier, former editors of Ramparts magazine and leaders of the 1960s anti-war movement, are directors of the National Forum Foundation's Second Thoughts project.)

When the new Congress organized in January, George Crockett, three-term Democrat from Michigan, became the new chairman of the House Subcommittee on Western Hemisphere Affairs. It was an appointment that should have been controversial because of Mr. Crockett's long association with pro-communist causes. Ironically, however, Mr. Crockett was shielded from scruti-

ny by the ghost of his old enemy, Joseph McCarthy.

A coalition of conservative groups held a news conference to express alarm at the position of authority given the 77-year-old legislator.

In part they were bothered by his position on the politics of the Western Hemisphere.

Mr. Crockett doesn't disguise his belief that the Sandinistas are architects of a brave new world in Managua, and he has consistently sponsored groups of U.S. radicals sending money to Marxist guerrillas in El Salvador and elsewhere in the region.

In addition to pointing out these facts, the conservatives noted that there is a consistency between Mr. Crockett's present views and his attitudes toward other foreign-policy issues over the last 40 years.

In 1947, when President Harry S. Truman was establishing a plan to contain Soviet expansionism, Mr. Crockett, then a young attorney, joined other "progressives" in defending the "peoples' democracies" the U.S.S.R. had imposed on the captive nations of Eastern Europe. He attacked U.S. "imperialism" during the Vietnam War. He defended Fidel Castro's Cuba throughout the 1960s.

These commitments may have gone unnoticed, but some of Mr. Crockett's more recent positions have not. In 1983, when the Soviets shot down Korean Airlines Flight 007 and the House voted 416–0 to condemn this act of murder, Mr. Crockett abstained. In 1985, when U.S. Army Maj. Arthur Nicholson was shot down in East Germany and denied medical attention for 45 minutes while he bled to death, Mr. Crockett defended the Soviet Union during the debate about this tragedy on the House floor.

In their press conference, the conservatives itemized some of the other particulars of Mr. Crockett's record in addition to the foreign-policy positions noted above. In 1947, for instance, Mr. Crockett and his law partner were run out of the CIO by Walter Reuther, who accused them and their communist clients in the union hierarchy of having betrayed their membership. And in 1949, Mr. Crockett served as counsel for 11 of the top leaders of the Communist Party, including present CP boss Gus Hall, who had been indicted under the Smith Act.

But when the spokesman for the conservative groups finished, the questions from the assembled members of the press had nothing to do with the record he had just summarized. Rather they challenged his right to raise the issues at all. A reporter from Newsweek spoke for his colleagues when he said, "Isn't this McCarthyism?" The mention of this single word, McCarthyism, meant the discussion was over.

It was a symptomatic episode that suggests the degree to which the issues of divided loyalties and political subversion, once central concerns of this country's politics, have become taboo. Although the phenomena have not disappeared, using terms like "communist" and "fellow traveler" are considered bad form these days. Some people may be friendly to communist totalitarianism; but to raise this issue is to commit an even worse offense. It is to be guilty of a McCarthyism.

As it is used today, this term has become disembodied from its historical precedent. Those who most readily call someone a "McCathyite" do not refer to the reality of the 1950s, when civil liberties were under assult. "McCarthyism" has become an aggressive term used to stifle discussion and establish left-wing orthodoxy.

A "McCarthyite" is no longer narrowly defined as someone engaged in character assassination and reckless disregard for due process. It is usually someone who is an anti-communist. Someone called a McCarthyite today is far less likely to be abusing someone's civil liberties than questioning whether or not that person has communist sympathies.

Those who constantly accuse anti-communists of "McCarthyism" do not seek to preserve liberal values but to undermine them. Those who try to stigmatize someone as a "McCarthyite" today are very likely trying to prevent him from scrutinizing "solidarities" between Americans with questionable commitments and the dedicated enemies of our democracy. A charge of "McCarthyism" is thus a way of invoking cloture on what should be an important debate; a way of ruling a critical subject off limits.

In the 1950s, Joseph McCarthy's name was synonymous with attacks on communist sympathizers. In the 1980s, his name is invoked to keep these sympathies from being discussed. Back then he was the worst enemy of pro-communists. Today he is their friend and protector.

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## BUILDING THE ROAD TO PEACE: THE MODEL PEACE EDUCATION PROGRAM

### HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. SOLARZ. Mr. Speaker, as another school year begins, educators throughout the country are hard at work preparing the curricula and lessons that will be taught to our young people. I would like to take a moment to pay tribute to an outstanding group of people in my district who have put together an important, dynamic, and remarkably successful educational initiative—the Model Peace Education Program.

The Model Peace Education Program was developed in the spring of 1985 by the staff of the special projects division of Brooklyn's Community School District 15 in cooperation with the New York City Board of Education, Division of Curriculum and Instruction. School district 15 is located in the heart of my Congressional district and serves nearly 20,000 children from the neighborhoods of Red Hook, Carroll Gardens, Park Slope, and Kensington. Among the district's strengths is its harmonious ethnic diversity—it boasts large numbers of Hispanic, black, and white children. A majority of the students are from economically disadvantaged families, so it is only fitting that these young people are being exposed to one of the richest educational opportunities I have ever come across.

I would like to make particular mention of four individuals who have spearheaded school district 15's outstanding achievements: Phil Scala, the school board president; Jerrold Glassman and William Casey, the past and the present superintendents; and Arthur Foresta, the director of special projects.

Mr. Speaker, our children's lives are steeped in conflict. From family arguments to schoolyard squabbles to neighborhood crime, the average child is directly involved in a host of conflict-filled situations each day. In addition, the quantity and explicitness of the violence which is fed to our young people in movies and on television is steadily increasing. Through the sophistication of today's news media, children can witness a murder in New York City or a military battle in the Middle East at almost the moment it occurs. While it is certainly unrealistic and possibly unwise to censor a child's exposure to the electronic media, it is imperative that we provide our children with strategies to cope with the conflict in their lives. The Model Peace Education Program fulfills this objective in two meaningful ways. First, it teaches children the importance of finding alternatives to violent means of resolving conflicts. Second, it takes children beyond the personal level to an awareness of the role they can play in building a more peaceful world.

Last year, the peace education curriculum was taught by 35 teachers to hundreds of students in six of district 15's schools. Three more schools have been added to this year's program. Each teacher takes part in a 14-session training course which acquaints them with the curriculum. This training procedure is followed up with at least 12 classroom visits by expert consultants. The specifics of the curriculum are varied according to the age of the children. A first grade class may construct a peace collage consisting of pictures cut from magazines which are interpreted by the children to represent peace. Sixth grade students are trained to be conflict mediators and take turns monitoring the playground to mediate disputes between their peers.

In addition to classroom activities, the students involved in the Model Peace Education Program have participated in a number of exciting events. In October of 1985, 500 Brooklyn children participated in the Children's Parade for Peace, commemorating the 40th anniversary of the United Nations. One month later, many students attended the Children for Peace Concert, where actor Peter Boyle presented district 15 with the Cathedral Peace Education Award. One participating school—P.S. 230—has developed a sister-school relationship with a school for refugee children in the Philippines, and there are plans in the works for certain classes to participate in an exchange of videos with children in India.

I am also pleased to note that several articles in the press have given favorable coverage to the Model Peace Education Program. Stories about the program have appeared in the Christian Science Monitor, Newsday, and a number of Brooklyn publications.

Finally, Mr. Speaker, I would like to share with my colleagues a description of my own personal involvement with the peace education initiative. Last May, I had the pleasure of hosting a visit to Washington by 25 students from P.S. 15 who were participating in the program. During lunch, I joined the children in a wide-ranging discussion of many of the issues that were on their minds, from Brooklyn street crime to military spending to the prospects of nuclear war. The students also conducted an impressive demonstration of some of the conflict resolution techniques they were learning in the classroom. The children met with two of our colleagues, Rep. FLOYD FLAKE [D–NY] and Rep. HOWARD WOLPE [D–MI], as well as an official from the Embassy of the Philippines. This busy and exciting day concluded with tours of the Capitol and the Smithsonian Air and Space Museum.

As so often happens when I meet a group of young people, the students became teachers and I became their student. From these motivated and dynamic children, I learned that our younger generation has a passionate interest in resolving the conflicts that surround them, on the personal, societal, and global levels. The children of P.S. 15 taught me once again that Congress has no more vital mission than to enrich the lives and protect the future of our children. The teachers, parents, and administrators who have created and nurtured the Model Peace Education Program, along with the students themselves, have taken their own giant step forward in accomplishing these goals. I am proud to give the program my complete and unequivocal support, and I strongly urge my colleagues to support similar programs in their own districts.

## EMERGENCY ASSISTANCE FOR LEBANON

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. HAMILTON. Mr. Speaker, on August 14, 1987 the Committee on Foreign Affairs received notification of the furnishing of up to $8.5 million from the emergency refugee and migration assistance fund for unexpected and urgent needs in Lebanon and Africa.

Under Presidential Determination No. 87-19, up to $4.25 million of this amount would be for contributions to the U.N. Relief and Works Agency for Palestinian Refugees and to the International Committee of the Red Cross to meet urgent needs of Palestinian refugees and other civilians affected by the continuing conflict in Lebanon. The provisions of these funds fulfills a commitment made to several Members of Congress this last spring at the time of an emergency U.N. appeal following severe fighting in and around the refugee camps in Beirut.

The Presidential determination and its justification follow:

U.S. DEPARTMENT OF STATE,
*Washington, DC, August 14, 1987.*

Hon. LEE H. HAMILTON,
*Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives.*

DEAR MR. CHAIRMAN: This is to inform you that the President has authorized the furnishing of up to $8.5 million in assistance from the Emergency Refugee and Migration Assistance Fund for unexpected urgent refugee and migration needs in Lebanon and in Africa. These relief efforts were not anticipated when the Department prepared its FY 1987 budget request.

A copy of the Presidential Determination and justification statement is attached. Should your staff require further information, please contact my office.

With best wishes,

Sincerely,

J. EDWARD FOX,
*Assistant Secretary,*
*Legislative and Intergovernmental Affairs.*

Enclosures.

[Presidential Determination No. 87-19]

THE WHITE HOUSE,
*Washington, August 5, 1987.*

MEMORANDUM FOR THE SECRETARY OF STATE

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended.

I hereby determine, pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 2601(c)(1)) ("the Act"), that it is important to the national interest that there shall be made available from the United States Emergency Refugee and Migration Assistance Fund up to $4.25 million for contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the International Committee of the Red Cross (ICRC) to meet the unexpected urgent needs for assistance to Palestinian refugees and other civilians affected by the conflict in Lebanon. I further determine also pursuant to Section 2(c)(1) of the Act that it is important to the national interest that there shall be made available from the Emergency Refugee and Migration Assistance Fund up to $4.25 million for contributions to the United Nations High Commissioner for Refugees and to the ICRC to meet unexpected urgent needs of refugees and persons affected by strife in Africa.

The Secretary of State is requested to inform the appropriate committees of the Congress of this Determination and to arrange for the prompt publication of this Determination in the *Federal Register.*

RONALD REAGAN.

JUSTIFICATION FOR PRESIDENTIAL DETERMINATION AUTHORIZING THE USE OF UP TO $8.5 MILLION OF FUNDS FROM THE UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

Under section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended ("the Act"), the President may authorize the furnishing of assistance from the United States Emergency Refugee and Migration Assistance Fund to meet "unexpected urgent refugee and migration needs" whenever he determines that it is "important to the national interest" to do so.

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) has urgently appealed for additional contributions of $20 million to meet emergency relief operations for Palestinian refugees in Lebanon. Up to $3 million is needed from the U.S. Government to address these urgent needs and thus to support a peaceful solution to the strife in the region.

These funds are needed on an unanticipated emergency basis to meet life-sustaining needs of refugees that are normally not provided by UNRWA in Lebanon. UNRWA's major function, in normal times, is to provide education to refugee students. As a result of the unexpected camp wars, extended sieges of the camps and displacement of so many refugees, there has been tremendous destruction of facilities and deprivation for the refugee community. Therefore, UNRWA, as the United Nations agency mandated to help Palestinian refugees, has been forced to issue the special appeal to raise funds to meet these unanticipated emergency needs. Among others, these needs include the rebuilding of schools, hospitals, homes, and roads and the distribution of food rations.

The International Committee of the Red Cross (ICRC) has also urgently appealed for $6.5 million for activities related to the strife in Lebanon, particularly aiding affected Lebanese civilians, as well as assisting the wounded, evacuating those in immediate danger, and visiting detainees. Up to $1.25 million is needed from the U.S. Government to address these urgent needs.

In Africa, continuing strife and unanticipated, though welcome, refugee repatriation also have created unforeseen funding requirements. As a result, $7.6 million for emergency aid in Mozambique has been added to the 1987 ICRC program for Africa, bringing its total Africa program to $80.0 million. In Mazambique and Angola alone, unabated conflict over the last year has doubled the total numbers of displaced victims to some two million. Other situations where ICRC is engaged in life-saving relief, such as northern Uganda and Ethiopia, also are worsening because of fighting and drought respectively. In order to address the increased needs, it is important to contribute an additional $3 million to the ICRC.

The United Nations High Commissioner for Refugees (UNHCR) has made unanticipated special appeals for emergency aid to growing numbers of Mozambican refugees in Malawi (over 230,000 compared to 1,000 a year ago) and for urgent support of the unexpected voluntary repatriation of some 26,000 Ethiopian refugees from Djibouti, Somalia, and Sudan. The return movements are occurring in the context of a growing threat to first asylum in the Horn of Africa where countries are feeling the acute strain of large refugee populations. Up to $1.25 million is required to address these new needs. This emergency assistance will provide humanitarian relief, will help protect first asylum, and will advance our foreign policy objectives by contributing to stability in these key areas.

Funds to address these activities are not available within the current appropriations for Migration and Refugee Assistance. Nor is a supplemental appropriation feasible at this time. The Emergency Fund is the only alternative available to provide funding within the short time period needed. Therefore, it is important to the national interest that there shall be made available from the United States Emergency Refugee and Migration Assistance Fund up to $8.5 million for emergency assistance in order to meet these unexpected urgent migration and refugee needs.

## DHCP EQUALS GOOD PATIENT CARE

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. MONTGOMERY. Mr. Speaker, the Veterans' Administration's decentralized hospital computer system (DHCP) has improved the quality of care provided in the VA's hospitals. The DHCP frees physicians, pharmacists and nurses from administrative tasks so more emphasis may be placed on direct patient care.

The following letter received from the chief of the pharmacy service at the VA medical center in Miles City, MT, Stephanie Davis, illustrates the advantages of the DHCP.

117 SOUTH JORDAN,
MILES CITY, MT,
*May 21, 1987.*

Hon. G.V. MONTGOMERY,
*Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The VA Medical Center in Miles City, Montana has utilized the Decentralized Hospital Computer Program since 1985. The current program should be maintained for the following reasons:

1. Time, effort and resources have been spent implementing the current program. Definite advantages would have to exist before implementing a new program could be considered profitable. In addition to the expenditure of more resources, stress placed on personnel is costly.

2. With current and unpredicted budget constraints, administration is ever more reliant upon accurate cost and productivity information. With our DHCP that information is readily available, allowing for more expedient decision making. If this source of information is lost, the gathering of information would occur manually, resulting in slower, less accurate data. The outcome would be loss of productivity and resources due to slower decision making.

3. When administrative tasks are streamlined with computer programming more emphasis can be placed on patient care. Patient profiles are more accessible to the multidisciplinary team. Histories are readily available, providing information such as patient compliance with medications. Physicians obtain printed profiles that act as a prescription, if signed, eliminating the expenditure of costly time writing renewals. Patients are provided with refill documents that serve as a medication record in their keeping. If the DHCP were lost or altered these devices which keep patients and health personnel informed would be lost. The quality of patient care would suffer.

Great strides have been made in computerization. We have invested in the program and are now reaping the benefits. It would be a counterproductive managerial decision, therefore, to change our direction at this time.

Sincerely,

STEPHANIE DAVIS, R.PH.
*Chief, Pharmacy Service.*

## OUR CROWDED SKIES

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. FRANK. Mr. Speaker, it has become increasingly clear that action is needed by various Government agencies to alleviate the unfortunate conditions which confront airline passengers. Recently, the Massachusetts Port Authority under the leadership of Executive Director David Davis made a series of proposals to deal with these problems as they impact on Logan Airport in Boston. The Boston Herald responded to these proposals with a very thoughtful editorial outlining a sensible program which ought to be adopted by Congress, the FAA, and those who control airports in congested areas. The proposals put forward by the Boston Herald represent a thoughtful balancing of the various interests involved and would do a great deal to improve safety, which must be our primary goal, and also diminish inconvenience to passengers.

I commend the editorial staff of the Boston Herald for their advocacy of sensible and moderate government action in this area and I ask that the editorial from the August 30 Boston Herald be reprinted here.

OUR CROWDED SKIES

Two things about the proposals Massport has made to reduce the traffic—and with it the possibility of disaster—in the crowded skies over eastern Massachusetts:

First, while they surely will be unpopular with those adversely affected by them, they will also cut the number of aircraft—and lessen the chance of some tragedy—at or approaching Logan Airport.

Second, they'll do the job in this area faster only if Massport and the Federal Aviation Administration work together in implementing them. Cooperation in putting the remedies to a fair test will serve that purpose; a dispute over turf between the two can only delay and impair the search for a solution.

Briefly, these were the four major steps Massport chief David W. Davis outlined to improve air safety, service and scheduling at Logan:

Raise the minimum fees charged general-aviation and commuter traffic using Logan, and institute a higher "peak-hour pricing" policy for all aircraft during periods of heavier traffic. The intended effect would be to shift marginal carriers, commuter and private planes to smaller, less-crowded fields in this area;

Urge and assist the FAA to make available to regional airports the money for improvements that will enable them to attract and safely, profitably accommodate this diverted traffic;

Give airline users better service by drafting and distributing a "Passenger Bill of Rights," how and where they can get help or information regarding carriers' policies on cancellations, overbookings, lost luggage, and

Lobby Congress and the federal Department of Transportation to increase the number and training of air-traffic controllers; require that all aircraft carry so-called "crash-prevention" transponders, which will enable controllers to automatically track their location and altitude; and make better use of surplus or underused military airfields for civilian purposes.

It's important that Sen. John Kerry, Rep. Joe Kennedy and Secretary of Transportation Fred Salvucci are partners, so to speak, with Massport's program. Their aid and commitment are needed to get off the ground—because only then will our crowded skies begin to clear and become safer.

## A TRIBUTE TO THE CHRISTIAN EMERGENCY RELIEF TEAM

### HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. DANNEMEYER. Mr. Speaker, I have traveled to every country in Central America, except Nicaragua. And I have witnessed refugees of the Communist fallout in most of these countries, but never had I met with a group of refugees, such as the Miskito Indian Tribe, whom the Sandinistas have promulgated extinction orders for the entire population. During my recent trip to Central America I experienced Nicaragua firsthand and also rejoiced in the valiant spirits of the Miskito people.

On July 24 our group of four arrived at Puerta Lempira, in the southeastern part of Honduras about 15 miles from the northeastern Nicaraguan border. We assembled a raft and motored across a lagoon to the Prumnitara refugee camp.

The camp contained approximately 300 refugees, an equal mixture of men, women, and children. They had built huts up on stilts to protect themselves from flooding, although a rain strong enough to flood would almost certainly penetrate the makeshift structures. There are only outdoor privies and food and water are supplied by the United Nations.

All in all, their existence is minimal. The Honduran Government won't allow refugees to compete for jobs with their own citizens, and understandably so. In fact, the area in Honduras where this camp is located is largely undesirable and has basically been discarded by the government.

Of whatever they lack, religion cannot be listed among them. Every night at 7 o'clock the Miskitos hold a church service. The service usually lasts about an hour and a half and consists of singing and preaching by a selected member of this group. It was humbling to see the spirit of hope in the faces and demeanor of this people nothwithstanding the duration of their foreign stay and the prospects for their return to their homeland.

We left behind most of our food and supplies before we departed. My host for this trip was David Courson of the Christian Emergency Relief Team. CERT teams have visited this particular refugee camp on 16 previous occasions since 1980. They bring doctors and dentists into these camps and donate medical and other humanitarian aid for the benefit of the residents. Dave Courson is one of the finest human beings I've had the pleasure to meet with, a man who I saw give the very suit he was wearing to a minister who needed it more then he did. This is religion in action.

Mr. Speaker, in tribute to this manifest religion—voluntarily giving to the poor and oppressed—I commend the following article for your consideration:

BULLETS AND BANDAGES

(By Laura M. Gilbert)

Mild-mannered, rather thin, with glasses perched precisely so on his nose, David Courson bears little resemblance to the cinematic conception of a hero. And unlike his large-screen, machine-gun toting counterparts, Courson packs medical supplies and Bibles rather than a pistol. But with Rambo-like determination, he plans to make a difference in the lives of refugees in a shattered Central American nation.

As often as possible, Courson and several volunteers fly, boat and hike into the tropical jungles of the Honduran-Nicaraguan border, to render medical and spiritual aid. Each venture is unique. Last year, for example, he took nine volunteer medical workers, including five paramedics, to a Honduran refugee village to teach paramedic skills to U.S.-backed rebels, called contras. An equally daring venture was undertaken five months later when he and six others—including a doctor, dentist, paramedic and film crew—visited an unidentified village within Nicaragua to document Communist activity.

In a word, Courson wants to minister. And to him and his group, the Christian Emergency Relief Team, this means providing physical and spiritual support to a hungering Third World nation. Each group he ushers down to this war-ravaged border region is made up of volunteers from all over the United States. Based in Carlsbad, Calif., and a branch of the National Christian Fellowship, CERT has also been successful in gaining access to Central American countries with governmental approval—something many other organizations have failed at.

Formed in 1974 to aid hurricane victims, the group has since been bringing food and medical supplies to devastated regions of Central America and other Third World nations. Christian Emergency Relief Team volunteers, as the name implies, usually have some type of medical background, although that is not mandatory, and all are Christians.

The two-day filming excursion to document Communist activity in Nicaragua was the first time the team entered Nicaragua without permission. But Courson, a former Marine who fought in the 1968 Tet offensive in Vietnam and an emphatic anti-Communist, said several more "unofficial" visits are scheduled.

CERT excursions range from the clandestine two-day visits to officially sanctioned two-week missions. While in the makeshift refugee camps, the teams give what aid they can and "just spend time fellowshipping with the people," Courson said. Each volunteer CERT team consists of at least one doctor, dentist and paramedic, who provide "jungle medicine." Specifically, they provide aid for war-related injuries, management of tropical infections and instruction in preventative medicine. Infections and illnesses inherent to the Atlantic Coast of Honduras and Nicaragua include parasites, pneumonia and TB. Malaria is endemic to the area and almost all the children have intestinal worms. As a result, the volunteers' medical routine often consists of managing disease, splinting and bone setting.

The conditions in the remote villages are grim. Water and food supplies are unreliable, medical facilities are makeshift, malaria-carrying mosquitos are thick and the war-inflicted wounds of the villagers are grave. "It's less than primitive," Dr. Ronald Strahan told a local newspaper reporter upon his return from one of the trips. "It's less than square one. There's no stable water supply or food supply."

Volunteers face other challenges as well. Besides traveling through the jungle by foot and dredging the alligator-infested swamps by dugout canoe, the teams carry thousands of pounds of medical and other relief equipment. Volunteers who made the covert excursion last April, for example, carried 2,400 pounds of supplies into villages 40 miles from the Honduran border—all for a two-day stay! The team traveled with the customary armed guards.

Courson points out, however, that relief teams are careful not to enter combat zones. "We travel only under the supervision of the people who live there and who know where the danger is," he said. "Not one (CERT) member has died, broken a bone or been seriously ill since we began sending teams out.

"Statistically, you are safer going with a CERT team than driving down the freeway. The most dangerous part is probably the airplane ride home," he added.

Apparently, CERT volunteers find the experience more rewarding than frightening, with the benefits outweighing the hardships. "There is no greater joy than helping one's fellow man, as most paramedics already know," said Gary Becks, an EMT and former battalion fire commander in San Bernardino, Calif. Becks, also a Vietnam vet, recently quit his job to work full time with CERT.

Much to Courson's surprise, the organization has no lack of volunteers. Inquiries are received from eager applicants—many of them EMTs and paramedics—from all over the country. "Many people in health professions would like to help Third World countries," said Kris Courson, David's wife and co-worker. "And we try to accommodate them by going for 10 days at a time. That way people who normally cannot take a lot of time off from work can go."

Mere interest, however, does not ensure a place on the CERT team. Applicants are put through a fairly extensive screening process to weed out, what Courson refers to as, the would-be Rambos. "Because we receive so many applications, we have to screen for would-be Rambos, adventure-seeking 'Club Medders' or soldier-of-fortune types. Neither do we want starry-eyed people who want to save the world or correct the faults of the missionaries.

"What we do look for are adults who are realistic, who recognize the limitations of short-term emergency relief and who realize we can't stop wars."

The target of CERT's efforts is the Miskito Indian rebel force, known as Kisan (Moskito for United Indigenous Peoples of Eastern Nicaragua). The Miskito force, which is thought to be one of the smallest constituents of the contra forces, fights in the vast wilderness of Mosquitia, on the Atlantic Coast of Nicaragua. Initially, they were forced to flee across the Nicaraguan border into Honduras after Sandinistan troops burned their villages and imprisoned their leaders in 1982, Courson said.

It was 20 of these Miskitos who were selected to be trained in paramedicine by CERT last October in an undisclosed Honduran village. Five paramedics spent 10, 12-hour days teaching the contras basic paramedic skills. Once trained, the new "paramedics" were ready to provide medical services to civilians and the military at refugee camps. As a graduation present, they received backpacks full of donated medical supplies.

"These people are college-educated and sharp," said Kris Courson. "They would rather learn to help their own than receive aid from outsiders."

Not surprisingly, a CERT volunteer's day is long, beginning before the sun rises. At 4 a.m., volunteers join villagers for a prayer meeting in the church—the focal point of the community. Following prayer, the church is converted into a makeshift hospital by hanging curtains as partitions and sectioning off the opensided structure into clinical work stations. At each station, some medical function is performed. For example, at one station, a tooth will be numbed; then at the next station, it is pulled. Because CERT volunteers staff each station, medical backgrounds come in very handy.

Although Courson has been on more than 15 missions, the April excursion, the first to be cloaked in secrecy, was one of the more memorable. He and six men quietly ventured into a devastated village deep within the war zone on the northeast coast of Nicaragua, to film what Courson refers to as "Communist atrocities." The film, tentatively scheduled for release this summer, will be used to educate the public and to coax funds from a skeptical U.S. Congress, he said.

The unidentified village was ravaged by Sandinista attacks in 1983, forcing the Indian villagers to flee into nearby mountains, where many later died of disease and malnutrition. Approximately 300 refugees have since returned to the area, now controlled by contra forces, to rebuild. Courson said these villagers are only a few of the estimated 40,000 to 60,000 Nicaraguans who have fled their homeland in recent years.

Getting into the village proved difficult for the seven-man relief team. The first attempt was aborted after the Honduran army discovered the three journalists among CERT volunteers and ordered the entire team out of the area. They tried again the following day.

Their second attempt, although successful, proved rather challenging. The team and three contra guides had endured close to a five-hour ride on a 36-foot Panga loaded with medicine, clothing and food, when the boat became submerged on a sandbar less than 150 yards from the opening to the Caribbean Sea. "The overloaded boat was in a vulnerable position—exposed to possible gunfire—and unable to beat a hasty retreat in the thigh-deep water," recalled volunteer and CERT Vice-President Cal Hubbard. The tension mounted when one of the contra boatmen remarked, almost casually, that they had been ordered not to bring weapons and asked Courson and his men to pull out theirs. Of course, the CERT volunteers didn't have any weapons—each assuming the other was armed.

Fortunately for all involved, friendly villagers showed up and helped them negotiate the winding lagoon channels to the village, or what was left of it. "Everything in the village had been destroyed (in an 1983 attack)," Hubbard explained. "The church was burned to the ground. Houses were leveled. The cows and pigs were killed."

Depsite these hardships, the villagers were surprisingly healthy, he said. The five-hour clinic, staffed by physician N.O. "Andy" Anderson of Michigan and dentist Dean Rust of Pennsylvania, was shorter than usual as the fear of being discovered by the Sandinistan troops hung heavily in the air. But the doctors and their aides managed to treat more than 170 patients for worms, parasites, malaria, gum disease, severe dental abcesses, fungus, whooping cough, severe malnutrition, skin infections and anemia. Communication was hardly a problem as many of the villagers spoke fluent English, a legacy of earlier missionary work.

The two doctors' skills, however, were sorely tested by the lack of medical equipment. "It's like working in the trenches," Dr. Rust told Hubbard. "(But) it is very gratifying, very satisfying to know you are helping somebody who really needs it."

He gave an example of a 4-year-old village child who was suffering from seven severely infected teeth that were draining through the gums. After sedating the child with Vistaril®, all the teeth were pulled—a surgical procedure conducted in hospitals in the United States.

Anderson, the physician, worked under similarly primitive conditions. "Lacking X-rays, lab reports and equipment, he was forced to draw on years of experience to diagnose and treat the various problems," Hubbard said. The medics saw all types of illnesses and injuries, often the result of torture-inflicted wounds—slashed ears and throats, and nails embedded in fingers. One of the villagers told Hubbard that her husband, who had refused to allow his trucking business to be confiscated by the government, was "wet down with water and tied to a metal mattress spring. Soldiers then repeatedly jolted his body with electricity." Fortunately, he survived.

Clearly, the emotional scars of the Nicaraguan refugees run just as deeply or, in some cases, more deeply than their physical ones. Thus, the spiritual outreach the CERT volunteers offer is often more important than medical assistance, Hubbard asserted. So far, more than 7,000 refugees have received assistance from the volunteers.

The need for volunteers is increasing, Hubbard said, as the number of refugees pouring into the makeshift border camps increases. And the key to helping these people is preventative medicine, added Courson. At the moment, CERT can only manage the infections and war wounds.

"Teaching preventative medicine is both rewarding and frustrating," he continued. "We are dealing with college-educated, intelligent people who come from middle-class lives and backgrounds. But, they have been driven from their middle-class homes and forced to start over with nothing. On top of that, many are plagued with severe infections."

Unrestrained pigs and a lack of latrines are the source of most infections, he said. As a result, relief volunteers spend a large amount of their time trying to instill the importance of personal hygiene and sanitation—especially the use of latrines. They also encourage the villagers to fence in their pigs and to build pathways for drainage between their houses and the church. "To instill the importance of such things, we tell [the villagers] that we will not come back until they build latrines and keep the kids away from the pigs," Courson said.

Before every CERT excursion to Central America, via a major international airport, volunteers fill suitcases with donated medical supplies—for example, penicillin, ampicillin and tetracycline for severe infections, as well as chloroquine for malaria and phenobarbital for severe cases of whooping cough—and Bibles.

Although the teams are limited in what they can collect and carry, the villagers are grateful for any donations. "The equipment on hand in the villages is so limited that everything they do has to be improvised," Gary Becks said. "On one excursion, our boatman informed us that he used a bayonet to dig his tooth out when the CERT dentist wasn't around."

Although CERT has received Reagan's personal praise and his photographic image smiles benevolently from Courson's office shelf, the relief team receives no financial or logistical aid from the American government. Therefore, CERT volunteers must pay their own way and supply their own food at a cost of $1,200.

The positive aspect of paying one's own way, according to Becks, is that the volunteer creates a support group in an attempt to raise money and get time off from work. "Many families and fellow church members become involved once they donate money toward the person's trip," he said. "I've seen firefighters supporting other firefighters and paramedics by trading C-shifts or taking shifts.

"If you are looking for a C-shift opportunity, this is a marvelous opportunity to get out and do some stuff and see some stuff."

Courson added, "I can just about promise anyone who comes on a trip will find it will change their life; but, I can absolutely promise it will change someone's (in the village's) life. It may be a medical thing . . . a simple first-aid technique mentioned in passing. The paramedic may not even realize they heard."

The refugees' relationship with the contra rebels seems affable. The refugees seem to gain comfort from the visiting contras' presence in their makeshift villages, Hubbard said. But both groups are concerned about the increase in numbers of Cuban and Soviet advisors, troops, weapons and equipment being imported into Nicaragua.

The contras have received outside aid as well, from both private groups and U.S. government agencies. "With computerized radios, hand-held anti-aircraft missiles and other modern equipment," contends the Los Angeles Times in a June editorial, "[the contras] may be the best-equipped guerrilla army in history."

And so the battle lines are well-drawn, and imminent victory for either side appears dubious. But as long as the U.S.-backed contras and the Soviet-backed Sandinistas wage war in the jungles of Central America, CERT will quietly continue to minister to the medical and spiritual needs of the Nicaraguan refugees.

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## VILLAGE OF TEQUESTA'S CONSTITUTION PARK DEDICATION

### HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. LEWIS of Florida. Mr. Speaker, as we approach the 200th anniversary of our Nation's Constitution, which we celebrate 1 week from today, our thoughts inevitably return to that marvelous document and its creators.

This year our Constitution marks its bicentennial as a pillar of stability and a beacon of hope to the world. Our Constitution endures because its principles are as valid today as when they were written in Philadelphia two centuries ago.

Americans everywhere—representing a diverse but unified Nation of people—will unite next week to honor the U.S. Constitution, which has been aptly described as "the most wonderful work ever struck at a given time by the brain and purpose of man."

One group of Americans whom I would like to recognize today are the citizens of Tequesta, FL, a town I have the distinct pleasure of representing in the U.S. Congress. The people of Tequesta, as part of the celebration honoring the bicentennial of the Constitution, will dedicate Constitution Park on September 17. In the open spaces of this beautiful park, named Constitution Park, its visitors will be reminded of the many rights and freedoms only Americans enjoy because of their Constitution.

It gives me great pleasure to recognize here on the floor of Congress the village of Tequesta and its new Constitution Park. I commend village leaders and other residents for their patriotic spirit and for making the National Celebration of Citizenship a hometown affair. At this point I would like to include in the CONGRESSIONAL RECORD the Tequesta Village Council's Proclamation declaring September 17, 1987, as "Constitution Park Dedication Day."

VILLAGE OF TEQUESTA PROCLAMATION OF CONSTITUTION PARK DEDICATION DAY, SEPTEMBER 17, 1987

Celebrating the United States Constitution Bicentennial

Whereas, the Constitution of the United States of America was signed at 4:00 P.M., September 17th, in the year of our Lord 1787; and

Whereas, this momentous event is to be officially commemorated at the dedication of Constitution Park in Tequesta, Florida 200 years later at 4:00 P.M., September 17th, 1987; and

Whereas, this occasion affords the opportunity for all citizens to recall the high ideals and devotion to liberty of those who framed our Constitution; and

Whereas, Tequesta citizens are inspired to rededicate their efforts to preserve the Constitution as the instrument which forged our freedom: Now, therefore, be it

*Resolved,* That this Proclamation be permanently posted in Tequesta Village Hall as a reminder of our hallowed heritage—the Constitution of the United States.

By authority of the Village Council of Tequesta, we hereby proclaim September 17, 1987 as Dedication Day for Constitution Park, with the Official Seal of Tequesta affixed hereto.

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## RETIREMENT OF KEN HILL

### HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mrs. BOXER. Mr. Speaker, I wish to bring to the attention of my colleagues the contributions of Mr. Ken Hill to the labor movement over the past 28 years. I have known Ken for many years, and have a deep and profound respect for his accomplishments during a long and illustrious career.

Ken went to work for the Teamsters as an organizer for the Western Warehouse Produce Council in 1959 and later was assigned to the local 853 Montgomery Ward organizing campaign. In 1960 he was elected as a trustee to local 853 and served as business agent-organizer. He went on to become vice president and served in that capacity on the National Montgomery Ward Council.

In 1969 he took the position as personnel director and claims manager at the Teamsters security fund.

In 1972 Ken was hired as a business agent for Teamsters Local 655 and went on to become president in 1975 and ascended to the position of secretary-treasury in 1978. During this time he served on the Teamsters-ILWU Northern California Warehouse Negotiating Committee and handled all the major negotiations for local 655.

In 1984 Teamsters Local 655 was merged into Local 78 and Ken became the chief executive officer. In 1985 he was appointed a member of the automotive policy division of the western conference of Teamsters, and also served as the chairman of the Teamsters and Employers Trust Welfare Fund.

He is a man of ability and humor, and is richly deserving of the great respect he engenders among his peers. I rise today to honor Ken as he enters a well-deserved retirement, and thank him for all he has done. He will be honored for his work at a dinner September 25, 1987, and he deserve all the praise he will receive from his friends and colleagues.

## THE NICKERSON FAMILY CELEBRATES 350 YEARS IN AMERICA

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. LANTOS. Mr. Speaker, two centuries ago, the British statesman Edmund Burke said, "People will not look forward to posterity who never look backward to their ancestors." At this time when Americans are honoring the 200th anniversary of the signing of our Constitution, it is most important—and most appropriate—that we as a nation also honor those women and men who laid the foundation of our Nation.

Mr. Speaker, I would like to call to the attention of this Congress one important effort to honor those individuals who laid the foundation of our Nation and our democracy. This week in Chatham, MA, the Nickerson Family Association will honor the 350th year of the arrival in America of their ancestor William Nickerson.

William Nickerson was born about 1604 in Norwich, England, and was a weaver by trade. He, like many other religious nonconformists of that day, were persecuted by English religious leaders for their religious beliefs. On April 15, 1637, William Nickerson, his wife Anne Busby, and their four children sailed from Yarmouth, England, to Massachusetts.

For the first few years, he was resident in Boston, Salem, and Watertown. In 1641 he moved his family to Cape Cod where he acquired a farm in Yarmouth. Later he purchased a large tract of land including all of the area that later became the town of Chatham.

In 1641, William Nickerson's minister complained that he was "a Scoffer and jeerer of religion," which probably had to do with his decision to move into unsettled territory contrary to the wishes of the religious leaders of the colony. It clearly reflects his independence and strong will. This complaint, however, apparently did not affect his standing as a citizen, because he continued to hold responsible civil offices in the community.

William and Anne Nickerson had nine children, and they married and remained in the area around Chatham. While many of the Nickerson descendants remained on Cape Cod, many others spread out to other parts of New England, to Nova Scotia, and many other of what became the United States. Today, thousands of Americans are descended from William and Anne Nickerson.

One of these is my dear friend Mary Griffin, a supervisor of San Mateo County, CA, and one who has carried on the Nickerson family tradition of public service and independent, democratic action. She, with many of her Nickerson cousins, will be celebrating the 350th anniversary of the arrival of their common ancestors in Ameirca.

Mr. Speaker, the Nickerson family should be commended for honoring William and Anne Nickerson for the democratic values they exemplify. The Nickerson family are indeed people who can look forward to a distinguished posterity because they have looked backward to their ancestors.

## THE SACRAMENTO SYMPHONY 75 YEARS OF EXCELLENCE

### HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. FAZIO. Mr. Speaker, with great pride and admiration, I rise today to honor the Sacramento Symphony on the eve of its 75th anniversary. The esteemed symphony opens its 75th season at the Community Center Theater with Mason Williams as featured guest on September 11, 1987 and a gala dinner and opening night concert on the following evening.

The creation of the symphony began in October, 1910 when a small group of musical enthusiasts gathered in the Sacramento High School Auditorium to plan music programs for interested community members. On June 30, 1911 54 musicians gathered on the stage of the Theater Diepenbrock under direction of the town's first conductor, Harry Olson. This initial gathering lead to the formation of the Sacramento Symphony and Oratorio Society in 1912.

After a silent period due to World War I and financial problems, the symphony was again reorganized in 1924 under the direction of Franz Dicks. Tickets then were only fifty cents. The symphony reorganized as a nonbudgeted organization in 1929, but could do little more than rehearse during the Great Depression. With the creation of radio concerts, the symphony was given a boost and it incorporated with the Sacramento Symphony Foundation in 1934.

Over the following years, the symphony was conducted by Fritz Berens, Willem Van den Berg, and the great Alfred Hertz. As the symphony began to mature, it began to attract soloists such as a 14-year-old Isaac Stern, basso Paul Robeson, and the blind pianist Alec Templeton. The symphony continued to flourish and, in 1959, the first professional manager was hired, followed by the first Ford Foundation grant of $500,000 in 1966. In 1968 it performed its first "Nutcracker" with the Sacramento Ballet and performed the first concert in the Community Center Theater in 1974.

The symphony has indeed come a long way, from a group of amateur musicians to a fully professional organization. Some musicians can remember when many of the players in the fledgling symphony did not have their own instruments and players were given $1 for rehearsals. In the early days of FM radio, the symphony rehearsals, including all the pauses and directing, were broadcast live on KFBK–FM.

But as the city of Sacramento grew and prospered, so grew the Sacramento Symphony along with it. The symphony now boasts 87 full members, with a full choir group of 40 and a chorus of approximately 120. The repertoire has expanded and matured from works such as "Zampa" by Herold and an "Egyptian Ballet Suite" by Luigini, to Beethoven's symphonies and concertos, Brahms, Bach, Mozart, and Tchaikovsky.

This year, during its 75th season, the Sacramento Symphony, with the conducting of Carter Nice, will be able to show the music world just how good it is. The excellent program for this season includes works from Mozart to Mancini, appealing to classical and pops lovers as well. Featured artists include Henry Mancini and the Fifth Dimension in the pops series, and pianist John Browning and cellist Gary Hoffman in the classical series. One of the highlights this season will be a performance with the Sacramento Ballet featuring Rudolph Nureyev and a ballet company from Paris.

Mr. Speaker, the Sacramento Symphony has been giving the gift of joy and music to Sacramento for 75 years. It is truly a pleasure to join the people of the Sacramento area in saluting the Sacramento Symphony as it begins its 75th season.

## THE POPULATION THREAT TO THE NATURAL ENVIRONMENT

### HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. VENTO. Mr. Speaker, emerging now as a top-priority issue among sportsmen and other natural resources conservationists is the matter of human population growth on a global basis. Leaders of the 10 largest environmental organizations in the country identified population growth as a key issue in their 1985 book, "An Environmental Agenda for the Future." In fact, our global population has exceeded the 5 billion mark in 1987.

Our colleague Mr. MACKAY recently introduced a bill, H.R. 2212, the Global Resources, Environment, and Population Act of 1987, to provide a statement of national population policy that these environmental leaders advocate.

The impact of population growth on wildlife and other environmental resources were brought to the attention of Minnesotans recently through an interesting article on the subject in the Sunday, July 5, edition of the Minneapolis Star and Tribune. Based on a speech to the Outdoor Writers Association of America by the executive director of Population-Environment Balance, Inc., Dr. M. Rupert Cutler, the article outlines both the problem and a range of practical political responses.

Clearly, Dr. Cutler raises some provocative thoughts in his recent statement to this outdoor writers group. I commend this analysis to my colleagues' attention:

POPULATION REMAINS THE BIGGEST THREAT TO WILDLIFE'S FUTURE

(By Bob Schranck)

KALISPELL, MONT.—The message was simple. The greatest threat to wildlife is too many people.

Calling for "a sound national population policy," M. Rupert Cutler, executive director of the Population-Environment Balance, told members of the Outdoor Writers Association of America that there is a greater awareness that population is the ultimate wildlife threat.

"Stabilization of our population size is essential to the preservation of the quality of life in this country," he said, adding that he expected "a groundswell of public opinion favoring limits to growth to surface, first in local elections. Harried citizens in hundreds of U.S. communities already are debating how large they want their home towns to become."

His organization, originally called the Environmental Fund, was founded in 1973 in response to the Commission on Population Growth and the American Future, chaired by John D. Rockefeller III. The name was changed in 1986, Cutler said, "but the goal remains the same because most of the commission's recommendations have yet to be adopted."

Population-growth advocates like the University of Maryland's Julian Simon and the American Enterprise Institute's Ben Wattenberg, who wrote "Birth Dearth," make his job difficult, Cutler said.

Cutler, former assistant Secretary of Agriculture in charge of the U.S. Forest Service, said he anticipated more support of conservationists' point of view as the public saw the consequences of human congestion.

He cited longer commuting times, higher real estate and insurance premium costs, more time spent waiting in lines, higher taxes, more governmental regulation and a more impersonal, less responsive government.

Cutler quoted Garett Hardin of the Population-Environment Balance board, who said, "we ought to be willing voluntarily to trade off some of our lesser freedoms, such as the freedom to have large numbers of children, to help protect and perpetuate our 'greater freedoms,' which include the right to a high-quality environment and minimum governmental regulation."

A lack of warblers near Washington, D.C. this spring may be related to extensive loss of wintering habitat in Latin America and the Caribbean, "where expanded food-production efforts accompanying the human population explosion has led to widespread chemical pesticide use and vast deforestation and wetlands destruction," Cutler said.

"According to the World Wildlife Fund, we're losing tropical forests equal to the size of New York state every year, and the result may be that between 500,000 and 1 million species may become extinct by the end of this century. The forests are being converted to feed in exploding human population."

He said failed population policies worldwide contributed to uncontrolled migration of people in search of jobs, as world population grew by 83 million last year to about 5 billion. "I have seen the future in east Africa in the form of vast numbers of school children along the roads. With a population growing at the rate of 3.9 percent annually, Kenya will have to find jobs and food for twice as many people as it has today in just 18 years.

"The magnificent and unique wildlife resource of east Africa—the magnet which attracts hard-currency income through tourism—seems doomed in the face of the region's skyrocketing demand for cultivated grain in domestic livestock for human food."

Cutler said the same thing could happen in the United States because national wildlife refuges and state wildlife management areas are regarded by many "merely as nonessential amenity areas—reserves of useful commodities that will become available for extraction when market conditions change, when the price is right."

"They're not waiting to attack the protection we thought had been given in the unique Arctic National Wildlife Refuge in Alaska," he said, "even though the estimated volume of oil there represents an almost imperceptible impact on the U.S. energy situation according to the World-watch Institute."

Cutler cautioned that there could be overuse of productive habitats "by those who love them best—hunters, fishermen, hikers, backpackers and campers." Deterioration could result if user numbers are not controlled.

"Then there are those human activities outside wildlife management areas such as acid rain and the buildup of greenhouse gases, which can change and harm wildlife habitat," Cutler said. "Wildlife is as vulnerable as we are—some species even more so—to the pollution which accompanies human population growth."

Cutler's suggested policies:

No incentives to have large families, including unlimited income tax personal exemptions for dependents.

No government subsidies for construction of new roads, airports, hospitals, sewer and water lines and other infrastructure outside already urbanized areas. No subsidies which would encourage urban sprawl onto farm and forest land, wetlands and flood plains.

Universal, effective public school sex education and population education from the earliest grades.

Real control of international borders to limit immigrants.

"It's a list of very difficult political objectives," Cutler said. "But what is the alternative? Can we keep Spaceship Earth from colliding with overpopulation and ecological collapse and steer it toward a sustainable future?

"Or, as Aldo Leopold put it, can we turn toward a future in which men are in harmony with the land?"

## CELEBRATING THE CONSTITUTION'S BICENTENNIAL, SEPTEMBER 17, 1987, NORWALK, CA

### HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. TORRES. Mr. Speaker, the city of Norwalk, in the 34th Congressional District, hes been designated by the California Bicentennial Commission as an "Official Bicentennial Community." This designation allows the residents of the city to take part in programs that will officially recognize the 200th anniversary of the U.S. Constitution.

The Norwalk City Council has appointed a five-member bicentennial committee of Norwalk residents that are developing plans and programs that will be highlighted throughout the community the next 3 years. Members of this committee include Donald R. Carter, Alfredo C. Alvarado, Margaret Scantlebury, Dona J. O'Donnell, and Lisa Marie Vernola. Patricia Andrews, Norwalk director of personnel, is currently serving as staff liaison.

The committee has adopted a 3-year plan to allow every citizen in Norwalk to better understand and appreciate the Constitution and the benefits that we as Americans derive from it. The beginning of this multiyear celebration will take place in Norwalk during a two-part ceremony, on September 17, 1987, at 1 p.m. [pst], when the exact moment that the framers of the Constitution signed the document in Philadelphia will be marked with ringing bells, sirens, and a massive balloon release by schoolchildren at Patriots Concourse in Norwalk City Hall. Concurrently, the President of the United States will lead the Nation in this celebration that will be held in Philadelphia, at exactly the same time. The second part of Norwalk's program will be held that evening and will feature a reading of the Constitution, an appearance by the Norwalk All-City Band, and an employee-resident "signing of the Constitution ceremony." The committee will conclude the celebration with the dedication of conference room No. 7 in Norwalk City Hall and designate it as the "U.S. Constitution Room."

Mr. Speaker, I ask that my colleagues join me in congratulating the members of the bicentennial committee of Norwalk, CA, for the outstanding work they have done in preparing for the celebration of our Constitution's bicentennial. I am confident that the residents of the community will support the activities sponsored by the committee and the city of Norwalk.

## ARBITRARY TAX

### HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. MATSUI. Mr. Speaker, today, JOHN DUNCAN and I are introducing a bill which would restore prior law and remove a burdensome tax cost on utility customers, governmental agencies, farmers, home buyers and renters, developers, and others in your district. The Tax Reform Act of 1986 repeals a provision of the Internal Revenue Code which had allowed a utility company to exclude from its gross income, for Federal income tax purposes, the amount of money or value of property which a utility customer or another party had contributed to the company. Such contributions in aid of construction [CIAC] allow a utility company to provide—or continue to provide—electric, gas, water, or sewage disposal services to its customers. The 1986 tax legislation now causes such contributions to be taxable.

The current tax on CIAC impacts not only the average customer but also governmental agencies, including the Federal Government. CIAC includes contributions—in cash or property in kind—made to utilities to defray construction costs as distinguished from operating costs.

The current tax is not a tax on utilities. Public service commissions, which regulate the utility companies, require them to collect the cost of the income tax attributable to the CIAC: First, ratably from customers generally, or second, from the payor of the CIAC. For example, if a farmer in your district needs a special utility line extension to service his farm, he generally must pay the utility for the cost of constructing it. The cost of the tax on the CIAC is either charged to the farmer or to all customers of the utility company, depending on the rules of the public service commission. Similarly, the cost of the tax is imposed on the payor of the CIAC or all customers where a hospital needs an emergency backup powerline; a State or local government needs a separate waterline for a school or municipal building; or the Federal Government needs an extra gasline to a military or similar facility.

In addition, the tax on CIAC may impact on the price of new homes. Where the cost of the tax on CIAC is paid by the homebuilder, the cost of a new home could increase by as much as $2,000. This increase is also felt by renters who indirectly pay the cost of the tax through rent increases. In short, any user of services of a utility or others that cause a special need for equipment could be affected by the tax on CIAC.

As under prior law, a payor of CIAC—for example, a governmental mass transit agency or owner of a building which needs a special electric, gas, water, or sewage line—would not be charged the cost of the tax in addition to the price paid for construction of a new line. Also, in cases where States require all the utility's customers to pay the cost of the tax on CIAC, this bill would preclude such an increase in customers' costs.

This bill would not be a windfall to the utilities. Although the tax on CIAC is considered to be imposed on utilities, the utilities are simply conduits. The payor of the CIAC or customers generally bear the ultimate costs.

It is simply not good public policy to impose this arbitrary tax. Moreover, this tax on CIAC indirectly results in taxing State and local governments, as well as the Federal Government, which is totally inconsistent with the goals of sound public policy. I urge immediate consideration of this legislation.

## IMPLICATIONS OF AN INF AGREEMENT

### HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. GRADISON. Mr. Speaker, negotiations with the Soviet Union on the question of intermediate-range nuclear forces [INF] in Europe have reached a critical phase. Although obstacles remain, American and Soviet negotiators in Geneva appear to be within reach of an agreement to eliminate the superpowers' INF systems from Europe.

If an accord, based on the "zero-zero" option, is reached, it would be an important milestone in the history of arms control. This prospective INF agreement would be unique in that it would cause actual reductions in the level of nuclear armament, rather than manage its escalation.

However, the prospect of an agreement is not without serious political and strategic ramifications for the Atlantic alliance. On September 4, 1987, the Cincinnati Enquirer published an essay I wrote on the implications of an INF agreement. I would like to take this opportunity to share it with my colleagues:

THE RISKY PATH TO ARMS CONTROL

(By Bill Gradison)

In recent months, particularly since the October, 1986, summit meeting between President Reagan and Soviet General Secretary Gorbachev in Reykjavik, substantial progress has been made toward an agreement to remove the superpowers' intermediate-range nuclear forces (INF) from Europe. While obstacles remain, American and Soviet negotiators appear to be within reach of a breakthrough that could remove the remaining impediments to an agreement.

Public-opinion polls in the United States and Western Europe indicate strong support for the concept of eliminating these weapons from Europe. The prospect of an INF accord, however, has raised serious questions among some analysts concerned with the stability of the East-West balance in Europe. The members of NATO, particularly major European powers such as France, Great Britain and West Germany, have officially supported the American position in Geneva, but with varying degrees of enthusiasm.

AN ALTERED PICTURE

The at-times-troubled and uncertain response of the allies to developments in the negotiations reflects anxiety and uncertainty about the implications of an INF agreement for the future of the Atlantic alliance. An INF agreement may ultimately alter significantly the nature of the U.S. defense presence in Western Europe. Although the United States maintains that an INF agreement with Moscow would enhance European security, many Europeans, already uneasy about the long-term American commitment to Europe, are less certain about the long-term political and military implications.

The current debate has its roots in decisions made by NATO nearly 10 years ago. Intermediate-range nuclear forces, including American bombers and missiles, have played a role in the European balance throughout the post-war period. Yet, by the mid-1970s, a serious gap in the deterrent capability of the alliance existed. American F-111 bombers, based in Great Britain, were the sole remnant of the alliance's intermediate-range deterrent.

In 1977, the Soviet Union began to deploy an upgraded replacement, the SS-20, for the intermediate-range missile systems it already had targeted on Western Europe. The SS-20, with three independently targetable warheads, combined greater accuracy and increased range with mobility. In the context of an already comparatively weak allied intermediate-range deterrent, the deployment of the SS-20 presented the West with a significant military challenge.

ROLE OF FLEXIBILITY

For over two decades, NATO has relied on a policy of "flexible response" to deter the Soviet Union from initiating an attack on any members of the alliance. Flexible response developed out of a recognition in the early 1960s that an American threat to retaliate massively against Soviet aggression, utilizing American-based missiles and bombers, would not be credible as the Soviet Union developed a large intercontinental nuclear capability of its own. For deterrence to hold, the allies had to demonstrate the ability to respond effectively to Soviet aggression, if required, at levels below that of massive retaliation.

The Soviet Union and its Eastern European satellites possessed, and continue to possess, conventional superiority in the European theater. Soviet improvements of the INF systems in the 1970s threatened the military balance at the nuclear level. To restore the balance and ensure that flexible response remain credible, NATO had to respond by upgrading its own INF systems.

In December, 1979, NATO decided to counter the Soviet SS-20 with the deployment of 108 Pershing 2 missiles and 464 ground-launched cruise missiles (GLCMs). Deployment was scheduled to begin in 1983 in five European countries, Great Britain, Belgium, the Netherlands, Italy and West Germany, and was accomplished in spite of significant political opposition in those countries.

The NATO decision on INF in 1979, however, had "two tracks." While the alliance decided the maintenance of European security required the deployment of weapons systems comparable to the SS-20, the allies also agreed to seek their eventual elimination through negotiations with the Soviets. In keeping with the allied position, when negotiations on INF began in November, 1981, the initial proposal of the United States was for the dismantlement of all U.S. and Soviet INF systems, the so-called "zero-zero option."

Since 1981, both sides have put forth numerous proposals and challenged the other's commitment to real progress. To the surprise of many, at the Reykjavik summit, the Soviet Union dropped its longstanding position that the independent nuclear forces of France and Britain be included in the INF negotiations. Then, in February, 1987, Moscow dropped its previous insistence that an agreement limiting the Strategic Defense Initiative (SDI) be concluded prior to one over INF.

Within the last few weeks, the Soviet Union made a series of additional crucial concessions. Although far from agreement on the details, both sides were already prepared, in principle, to agree to a reduction in INF systems that would leave the United States and the U.S.S.R. with 100 warheads each. On July 22, Moscow made an even more significant concession in accepting a longstanding American offer to eliminate globally all land-based, intermediate-range missiles.

An agreement based on a global zero-zero option would certainly be easier to verify than one in which both sides were left with 100 warheads each. American officials have already indicated that agreement on the verification provisions of an accord such as this would be easier to reach.

In spite of this progress, critical differences between the American and Soviet positions remain. Nevertheless, an agreement to reduce the level of nuclear armament, rather than manage its escalation, is apparently within view. The alliance is close to realizing the outcome envisioned in the 1979 two-track decision on INF. However, an INF accord will not be agreed to in a vacuum. An agreement, based on the double-zero option,

carries with it a number of serious military and political challenges for the West.

Gen. Bernard Rogers, recently retired supreme allied commander in Europe, has been one of the harshest critics of the prospective INF agreement. During General Rogers' eight-year tenure at the helm of allied forces in Europe, the alliance has made significant progress in upgrading, modernizing and integrating its conventional defense capability.

Even with these improvements, and even given NATO's technological edge, the Warsaw Pact continues to enjoy substantial numerical superiority. In addition, the phenomenal growth in recent years of the Soviet Atlantic fleet poses a formidable threat to the ability of the United States and Canada to reinforce allied positions in Europe.

Generals Rogers argues that, given the conventional imbalance of military power, the zero-zero option will ultimately mean the decouping of Europe from the American nuclear deterrent, forcing the West to revert back to a non-credible policy of massive retaliation to deter aggression and keep the peace. In Rogers' view, this places NATO in a decidedly worse position than in 1979 before the alliance undertook the decision to deploy the Pershing 2s and GLCMs in Europe.

Others, notably former President Nixon, Secretary of State Kissinger and Sen. Sam Nunn of Georgia, have also expressed concern about the implications of an INF accord. They add that an INF agreement will only contribute to stability in Europe if an agreement can be won to reduce the level of conventional forces in Europe.

Negotiations on conventional forces have been under way for over a decade, but an agreement is nowhere in sight. To ensure deterrence holds, NATO will have to improve the quality of its conventional deterrent. A further emphasis on improving conventional forces, beyond that already planned, means that every member of NATO, including the United States, will have to spend more on defense, over and above projected spending to maintain the present force structure.

Estimates about the required increase for NATO's total defense spending vary. Reasonable estimates range from $10 billion to $40 billion, or approximately 4.5% real growth in NATO defense spending.

ANOTHER POSSIBLE STRAIN

Where that funding will come from is a potential source of conflict that could lead to additional strains within NATO. The United States certainly is not in a position to shoulder the financial burden alone, nor should we be expected to do so. The allies recognize that improvements in the conventional defense of NATO must be equitably borne on both sides of the Atlantic.

While the members of NATO are committed to increasing their commitment to the common defense, progress has always been spotty and uneven. That is a fact of life for a nearly 40-year-old alliance of 16 democratic societies. Yet we must recognize that an INF accord will have a price. To maintain the same level of commitment to the defense of the West, the United States and its allies will have to spend more and use its resources more wisely. It would be dangerous to enter into any agreement without attempting to determine how NATO will more equitably share the burden.

Arguments about burden-sharing, however, are indicative of more than a debate over who is spending how much. Policy differences between the United States and is allies have arisen more frequently in recent years. Terrorism, the situation in Central America, and how to respond to the latest developments in the Persian Gulf are but three of the latest issues which have divided Western opinion with varying degrees of severity.

ALLIED CONSULTATIONS

After nearly four decades, the emergence of divergent views between the United States and its allies on a number of issues affecting international security are to be expected. European concern, however, that the United States did not adequately consult its allies prior to the Reykjavik summit on issues deeply affecting European security is an indication that the differences among the allies may be greater than is generally conceded.

A prospective agreement on INF forces in Europe is not an end in itself. The dismantling of intermediate-range nuclear forces, on both sides, will require adjustments in Western defense in order to maintain a credible deterrent capable of maintaining peace. Those adjustments will have political consequences. In order for an agreement to be in our interest, the public, on both sides of the Atlantic, must be aware of the implications and be prepared to ensure that the consensus among the allies on the nature of the threat to the West, and how best to deal with it, be maintained. If that consensus breaks down, what victory there might be for the cause of arms control could be a Pyrrhic one.

## RECOGNIZING ELDON LESLIE

### HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. GORDON. Mr. Speaker, I would like to pay tribute to Mr. Eldon Leslie who is being honored this month for 20 years of service to his community as the executive director of the Putnam County Chamber of Commerce.

As the owner of two businesses himself, Eldon Leslie understands the problems and concerns of business-people. Since 1967, Eldon Leslie has used that understanding to assist others, dedicating himself to promoting the economy of the Upper Cumberland region without regard to personal gain.

Eldon Leslie has represented Tennessee on missions promoting trade with other countries. He also has served the United States as a Presidentially appointed observer of the Panama Canal Treaties and a member of the Citizens Advisory Committee on the SALT II Treaties.

He has succeeded in bringing new business to Putnam County and to the city of Cookeville. He also has helped neighboring counties in their development efforts. Eldon Leslie has always done what he could for business-people and their customers.

In order to honor Eldon Leslie, a scholarship program has been established in his name at his alma mater, Tennessee Technological University, located in Cookeville. The scholarship program will be ongoing and funds will be used to assist students from the Upper Cumberland area of Tennessee who enroll at Tennessee Tech.

I am proud to join the many people in the Upper Cumberland region and throughout Tennessee in honoring the accomplishments of this fine gentleman.

## A LEADER AND A GUIDING LIGHT; A TRIBUTE TO DR. PEDRO C. SANCHEZ

### HON. BEN BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. BLAZ. Mr. Speaker, during the August congressional recess, the people of Guam lost a very special leader and I lost a very dear friend. I feel a sense of deep sadness and profound loss at the passing of my boyhood friend, Dr. Pedro Sanchez on August 17 at Queens Medical Center in Honolulu. He was 62 and is survived by his beloved wife, Florida, and their seven children.

Known affectionately to the people of Guam as "Doc," Pete Sanchez was an exemplary man—a true rock of the community as an educator, administrator, historian, publisher, and political leader.

He was a man of intellect, learning, wisdom, distinction and achievement , but Doc was admired and loved, most of all, for his moral courage and human compassion.

He was one of a kind. He was gifted in every conceivable way, especially in his relationships with people. He was at ease with the rich as well as the poor, and treated everyone with respect and dignity.

Above all, he was a deeply spiritual man with superior moral integrity and courage. He was a guiding light of Citizens for a Decent Community, a community effort to rid Guam of pornography and other threats to the morals of our younger generation. He was a moving force in our effort to establish a new political relationship with the U.S. Government.

His value to our community was best evidenced by his election to the 19th Guam Legislature and selection as chairman of the Guam Legislature's Committee on Federal, Foreign and Legal Affairs as well as vice chairman of the Commission of Self-Determination.

He was a pioneer in public education in our territory and former president of the University of Guam. Doc also served his country with great distinction in educational administration, serving as commissioner of education for the Virgin Islands, director of education for American Samoa and in the Federal Department of Education. He also served as Deputy Director of the Peace Corps in the Philippines.

Though our territory has lost a man of many accomplishments, his spirit and example will never be forgotten. The legacy of his leadership and his positive influence on the young and old in the territory and the nation endures.

## SSC NOT AT ODDS WITH UNIVERSITY RESEARCH

### HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. FAWELL. Mr. Speaker, one of the most prominent misconceptions surrounding the Superconducting Super Collider is that small science, such as university research, will suffer for the sake of large-scale projects like the SSC. This argument underestimates the administration's commitment to other sciences and the importance of universities to high energy physics research.

Both the administration and the high energy physics community have made clear that the SSC must not be at the expense of other sciences. It is rarely noted that, prior to the President's approval of the SSC, the administration had proposed doubling the budget for the National Science Foundation over the next 5 years. The administration has also approved construction of a replacement space shuttle ($2.1 billion) and space station ($20 billion when transportation is included). The SSC promises no fewer benefits for our Nation's scientific and technological enterprises than the space program, though one rarely hears criticisms that the space program is robbing other sciences of funds.

Contrary to popular belief, the SSC—like the NSF—will primarily benefit "small science" and university research. The SSC, like the existing accelerator facility at Fermilab, will be operated by a consortium of 70 universities. Typical research teams that will use the SSC will include one professor, an assistant professor, and a handful of graduate students and postdocs. Hardly big science. Experimental data will be openly available to all. Rather than rob universities of research funds, the SSC will improve the research and educational capabilities of our Nation's universities by providing them ready access to a state-of-the-art research facility.

It is also fiction to state that high energy physics is too remote or esoteric for practical benefit. One need look no further than the present graduating class of doctorate students. Only half of today's Ph.D.'s in high energy physics remain in the field. The rest fan out into industry, medical research, health, and a variety of other fields, taking with the scientific and technical skills they learned from physics. In addition, the scientific expertise at facilities such as the Fermilab often yields practical results. In a recent example Fermilab played a principal role in the design of the Nation's first hospital-based accelerator, which will be used for the treatment of cancerous tumors.

Just as important is the fact that the scientific knowledge gained from high energy physics impacts so many other diverse areas. The astrophysics and cosmology communities, for example, are counted among the strongest supporters of the SSC. The history of practical physics has also clearly shown that there are practical benefits to this research. Over one-third of the products and industries that constitute our Nation's GNP rely on knowledge of the atom. Clearly, then, there is nothing remote about the fundamental study of nature, a quest that mankind has been pursuing in various ways for thousands of years.

History has also shown that the construction of newer and more powerful accelerators has not come at the expense of other sciences. The same criticisms against the SSC were raised when the Fermi National Accelerator Laboratory and other accelerator facilities were constructed in the 1960's and 1970's. Yet high energy physics did not "gobble up" other sciences. Instead, just the reverse happened. The percentage of Federal basic research funds for high energy physics declined from 11 percent in the 1960's to only 7 percent today. Clearly the Nation found a way to fund physics and other sciences as well.

Legislation is currently pending in Congress to authorize funds for the SSC in fiscal year 1988. At last count H.R. 3228, introduced by Congressmen BOB ROE (D-NJ) and MANUEL LUJAN (R-NM), has over 230 cosponsors—well over half of the House of Representatives. Skeptics will claim that cosponsors were motivated only by their interests in the SSC competition. However, I believe that their support reflects a growing awareness on the part of Congress that the future health of our Nation's industries and economy requires greater investment in civilian research and development. Basic research—long-term and often unpredictable—is a unique responsibility of the Federal Government and offers untold benefits for the future. The SSC will benefit our Nation's universities and research capabilities and deserves our full support.

## TRIBUTE TO ASHCOMBE FARM AND GREENHOUSES

### HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. GOODLING. Mr. Speaker, today I would like to recognize the silver anniversary of a unique and wonderful enterprise in Mechanicsburg, PA. For 25 years Ashcombe Farm and Greenhouses has been growing in size and reputation, building quite a following amongst inhabitants in my district.

Glenn M. and Mary Ellen Gross modestly began marketing homegrown farm products at a tiny country roadside stand in 1962, and have since seen Cumberland County's most unusual farming operation expand to 90 acres, 40 greenhouses and matching marketing and other facilities at 906 Grantham Road.

A program of pick your own small fruits—blueberries, strawberries, red raspberries, and black raspberries—gives Ashcombe's customers a unique experience to which has recently been added pick your own flowers.

One of its newest departments, Ashcombe's Country Creations, is wholesaling dried floral designs up and down the east coast, with concentration in Baltimore and Washington. More than 30 flowers are grown for dried flower processing for this unusual market. Dried flower arrangements provide the improbable mix of the sophisticated and the rustic, bringing a "quaint beauty and lasting quality." The new marketing venture has also created a number of new jobs for the local economy.

Over the years Ashcombe's has built a relationship with the prestigious 2-year Professional Gardeners Program at Longwood Gardens in Kennett Square, PA. The traditional two-way flow of staffers and program graduates is a measure of Ashcombe's recognized place in horticulture.

Ashcombe's, where Governors have shopped and whose flowers have added beauty to the White House, marked its 25th anniversary in August.

## IN HONOR OF THE HONORABLE AND MRS. BERNARD NEWMAN

### HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. GREEN. Mr. Speaker, I rise today to offer special recognition to the Honorable and Mrs. Bernard Newman and to their many contributions to New York and the Nation.

A lifelong resident of New York, Judge Newman is proud of his humble beginnings. He is the son of the revered Isidor and Sarah Newman, who were noted on the Lower East Side for their leadership in orthodox Jewry, and for their many good works. Judge Newman is married to his college and law school classmate, Kathryn Bereano.

An honor graduate of the college and law school of New York University and an associate editor of the Law Review, Bernard Newman is a lawyer's lawyer and a judge's judge. He has proved an outstanding asset to our Federal and the New York State judicial system, holding the unique distinction of appointments to the bench by a mayor, a Governor, and a President.

Bernard Newman's contributions to academic, political, and community affairs are sundry and include: Chairman of the New York County Republican Committee; president and governor of the N.Y.U. Law Review Alumni Association; and director of the Anti-Defamation League and two synagogues.

Finally, Judge Newman is a gentleman of profound wisdom, integrity, and generosity, and a man of great compassion. He is an awardee of numerous alumni, professional and civic honors, including the Judge Edward Weinfeld Award and the International Trade Service Medal.

Kate Newman, also an honor graduate of the N.Y.U. college and law school and editor of the Law Review, was her husband's law partner until he was appointed to the Federal bench in 1968. Kathryn maintains an active law practice in the areas of corporate, real estate, trust and estate matters, and serves by appointment as an administrative law judge.

Kate's parents, Dr. and Mrs. Philip L. Bereano, were prominent Zionists in Israel's pre-independence days; her uncle, Abraham Goldberg, was world renowned as an author and lecturer.

Mrs. Newman's professional and civic service include: Judicial appointments as special guardian and guardian ad litem; New York

Women's Bar Association; Mayor Lindsay's committee to "Save the Old Metropolitan Opera House"; member of Local School Board No. 4, Manhattan; Special Assistant Attorney General for Elections; and N.Y.U. Law Review Alumni Association Board of Governors.

The Newmans are annual donors of a scholarship at N.Y.U. and a Silver Bowl Award for the runner-up finalist team in the National Moot Court Competition. They are extremely proud of their two daughters, Helene and Phyllis, and their five grandsons.

I request my colleagues to join with me in extending best wishes to the Newmans on the special occasion of their birthdays and wish them continued health and happiness in their life together.

## COMMENDATION TO THE PILOT CLUB OF BAYTOWN, TX

### HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. FIELDS. Mr. Speaker, earlier this year a women's service organization in my congressional district, the Pilot Club of Baytown, undertook a new project for which they have received recognition.

In June 1986, the club's education leader, Lois Snead, saw a television show about a Latchkey Children Self Care Training Program. She contacted Jeri Neeley, a volunteer Texas crime prevention specialist from Pasadena, TX, for assistance in starting the program in Baytown. The Pilot Club of Baytown approved the idea as a joint safety-education project.

Subsequently, the Service League of Baytown joined the Pilot Club in the joint effort. The Latchkey Children Self Care Training Program then was presented to Dr. Bill Kennedy, superintendent of the Goose Creek Consolidated Independent School District, who enthusiastically approved the program and volunteered the support of the school district.

The Latchkey Children Self Care Training Program is a model program of the Texas Crime Prevention Association for students from kindergarten through fifth grade. Children are trained in four areas: door safety, telephone safety, fire safety, and personal safety.

Pilot Club member and elementary school principal Sandra Northcutt was responsible for recruiting school district teachers, including a bilingual teacher, for the 1-day training session to be held on January 31, 1987. The Texas Crime Prevention Association assisted by providing manuals for planning purposes. Sandra Northcutt's enthusiasm for and dedication to the project attracted 28 teachers who shared her spirit.

General Telephone Co. was responsible for the presentation on telephone safety. Under the direction of the company's local general manager, the children were taught how to use various types of pay telephones and how to deal with unwanted telephone calls in the home.

The Baytown Fire Department presented information on fire safety. Included was information about exit drills in the home and demonstrations of the "stop, drop and roll" technique to avoid fire, and the "get low and go" technique to avoid smoke.

A Baytown Police Department instructor assisted Jeri Neeley in instruction for the parents as well.

The Goose Creek School District reproduced the materials, distributed the registration forms, encouraged their teachers to participate, and provided the training site.

The Pilot Club members scheduled the classes, obtained the teachers, prepared the teaching materials and planned a teacher training session. The local newspaper and radio station provided advance publicity. Posters were distributed throughout the community and flyers were sent home with the schoolchildren.

The mayor of Baytown even issued a proclamation recognizing the value of the Latchkey Children Self Care Training Program.

More than 350 children attended the four-class session. Approximately 350 parents attended the parents' training sessions. The program evaluations were overwhelmingly positive. The consensus was: do it again and soon.

The parents felt that the program filled a great need in the Baytown community. One of the greatest strengths of the program was that both parents and children received the training so that parents may reinforce what their children were taught.

The Latchkey Children Self Care Training Program project initiated by the Pilot Club of Baytown is a fine example of community organizations working together for a common cause. The club's efforts were duly recognized during the 66th annual Pilot International Convention held July 25–28, 1987, where the Baytown club received a first place safety certificate award. The project was recognized further by the Allstate Foundation/Allstate Insurance Companies which presented to the club a check for $500. Club president Dorothy Nell Ammons and president-elect Maryon Babin represented the club during the award presentation.

Mr. Speaker, now I want to offer my commendation to the Pilot Club of Baytown for their meritorious community service. Thank you, Pilot Club of Baytown.

## H.R. 2497

### HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. BRUCE. Mr. Speaker, I would like to bring to the attention of my colleagues testimony I presented yesterday to the Committee on Ways and Means. This is vital legislation for our Nations' energy industry as well as my congressional district and I appreciate the opportunity to present my remarks in the RECORD.

Thank you, Mr. Chairman, for the opportunity to appear before you and the members of the House Ways and Means Committee. The focus of today's hearing, H.R. 2497, is of great consequence to my district and to the Midwest. Therefore, I am especially pleased to be able to offer my comments on this legislation. My concerns are with the fairness of the approach taken in this legislation and with promoting the process by which the House can expect to ultimately act on air pollution control legislation.

Mr. Chairman, as you may know, the Energy and Commerce Committee members began informal discussion of revisions to the Clean Air Act before the August recess. I believe that forum offers the best chance of reaching an agreement on the unresolved scientific, environmental and regional issues which currently stymie emissions control legislation. To single out one region, or one or two pollutants for control, undermines the coalition building necessary for the effort to reach a compromise which is acceptable to all the participants in the debate on air borne pollutants.

This year, discussion of changes to the Clean Air Act take on special importance. On January 1, 1988 over seventy cities are expected to be out of compliance with the ozone standards set by the Act—the EPA has threatened many of these cities with sanctions for failure to comply. In addition, the debate over acid rain is not yet resolved and there are new initiatives on air toxics and ozone-depleting chlorofluorocarbons.

The goals of H.R. 2497 are laudable, sulfur dioxide and nitrogen oxide are two pollutants that contribute to several environmental problems. We must, and will, find a practical way to reduce emissions of these pollutants. The legislation before us would tax two types of emissions that are present nationwide and therefore the bill aims to reduce these emissions. However, I must note that there is nothing in this bill that guarantees any reductions in any pollutants—or even any precursors of pollutants. In fact, H.R. 2497 can only hope to succeed by delivering repeated body blows to regions like the one I represent. And eventually such measures would be the knockout punch to our rural economy which is already reeling from years and years of persistent economic recession. As H.R. 2497 now stands, other areas would not contribute an equitable share to reducing what is clearly a national pollution problem. One region should not bear the brunt of the cost of cleaning up what is a national problem.

The specific costs of H.R. 2497 to my region are estimated by a National Coal Assoication study which revealed that the annual emissions tax which would be owed by utilities serving my district to be as follows: Illinois power—$7 million; Central Illinois Public Service—$17 million; and Central Illinois Light Company—$13 million. Illinois Power estimates that the cost of investing in the pollution control equipment, the increased operation and maintenance costs, and emissions taxes would require an increase to the ratepayers of approximately 20 percent. These additional costs, in some cases will come on top of rates which already reflect the costs of recently constructed scrubbers on high-sulfur coal burning plants.

I understand that the staff of the Joint Tax Committee has raised several points of concern regarding the HR 2497. Since the bill would raise utility rates we could expect an increase in domestic manufacturing costs. In addition, the bill requires costly monitoring of emissions in order to calculate the emissions tax owed. Finally, the bill would discourage the use of high sulfur coal. This final point is of great concern to my region. The mining economy is already on the ropes have lost tens of thousands of jobs in the last few years. It will be difficult for my region to support legislation that offers little or no protection to our coal mining industry unless all the Clean Air Act issues are on the table.

The Office of Technology Assessment has estimated that this approach would bring sulfur dioxide emission reductions in the range of 6 million to 10 million tons. However, it is quite possible that many utilities would find it more economic to pay the tax than pay the cost of cleanup. If this is indeed the case then my region would face a big jump in utility rates without any attendant benefits to the environment through sulfur dioxide emissions.

Of greater certainty is the liklihood that many utilities will have no choice but to pay the tax on nitrogen oxide at many facilities. While there are technical and operational problems associated with reducing sulfur dioxide emissions, reducing nitrogen oxide emissions is even more difficult. Utilities in my area could go ahead with "low $NO_x$ burners" at some of the plants in my district. The cost of Illinois Power for building "low $NO_x$ burners" at four plants by 1991 would be about $10 million. All of which will, in one way or another, be passed on to the individual ratepayer.

However, utilities which operate cyclone boilers would face an even greater problem in reducing nitrogen oxide to escape the emissions tax. Cyclone boilers cannot be retrofitted with low $NO_x$ burners to reduce $NO_x$ emissions. Selective Catalytic Reduction (SCR) is the only technology which has the potential to reduce nitrogen oxide emissions from cyclone boilers. Unfortunately, SCR has only been demonstrated on boilers rated below 250 Megawatts which burn either low sulfur coal or oil. The cyclone boiler retrofit problem will affect utilities in my district and around the country where there are currently 68 cyclone burners in operation. These utilities will have no choice but to pay the nitrogen oxide tax until the utility is retired. So, in at least these instances, the result of this bill would be only to increase taxes in my area and there would be no reduction in nitrogen oxide.

With this legislation, I understand that the gentleman from New Hampshire has gone to considerable effort to address some of the usual—and well founded—objections to regulatory approaches to controlling sulfur dioxide and nitrogen oxide. I am not sure that it is possible to fine tune H.S. 2497 to a point where it would be acceptable to my region and recognizable by the author. However, I strongly urge to this Committee the importance of continuing the effort to reduce all air borne pollutants as a part of comprehensive revisions to the Clean Air Act rather than by a piecemeal approach.

By singling out two pollutants, nitrogen oxide and sulfur dioxide, this legislation ignores the major role played by hydrocarbons in the damage often associated with acid rain, as well as the formation of ozone. While nitrogen oxide plays a role in ozone formation and forest damage, hydrocarbons are a key ingredient. The Congressional Research Service, in discussing alternative emissions control strategies, states that, "unless the $NO_x$ provisions were strong or hydrocarbons included in the program, crops or forests would probably benefit little." Given the likelihood that utilities would, in many cases, find it more economic to pay the nitrogen oxide tax rather than reduce emissions, and given the absence of hydrocarbon controls in H.R. 2497, I am concerned that we would see little progress in crop and forest damage with this approach.

The advantage of pursuing a comprehensive revision of the Clean Air Act would be new measures to combat nitrogen oxide and sulfur dioxide as well as hydrocarbons. In addition, the Clean Air Act is the proper forum to discuss the question of air toxics and Chlorofluorocarbons (CFCs). Our best chance at making progress with each of these pollutants with emissions control legislation is when all of them are on the table at once. That is when regions, industries, and lawmakers can strike a bargain. When a region or industry is singled out, compromise is difficult or impossible.

Mr. Chairman, I represent a part of Illinois which is still looking for the economic recovery we've heard so much about. Of the eighteen counties which I represent almost all of them have double digit unemployment. This is not news in my district. We've had this level of unemployment dating back to the start of the recession in 1980. The average unemployment rate in my district is about 15%—at times it has been as high as 20%—this has been the case for seven years.

In addition, the population in my district is relatively old. In some of our counties up to 20% of my constituents are over 60—in one country the figure is 27%.

My region has already suffered the collapse of the farm economy. We have seen plant closings in shoes, textiles and heavy industry. Many of our products and crops are aimed abroad—with each trade deficit figure worse than the one before it my district faces shrinking markets for its goods.

My district in downstate Illinois is an energy producing region with significant oil and gas production in addition to eight coal mines. The low tide in the energy industry hurts us, too.

We already face some of the highest utility rates in the country. And our many ratepayers are old and on fixed income, or unemployed.

To further increase these rates with legislation such as H.R. 2497 would hit my constituents hard and further damage our declining industries. To increase these rates without asssurance of significant pollution control is absolutely unacceptable to us.

These concerns are really about fairness and the process of emissions control legislation, and until these concerns are address I am reluctant to bring my constituents another round of bad news on the economic front. Thank you Mr. Chairman.

## HONORING OUR CONSTITUTION

### HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. MOORHEAD. Mr. Speaker, I would like to bring to the attention of my colleagues in the House of Representatives a significant number of events, which will occur within the 22nd Congressional District of California during Constitution Week, September 17 to 23, as part of the national celebration of the signing of the Constitution of the United States.

These celebrations will honor our Constitution, which the Founding Fathers, in order to secure the blessings of liberty for themselves and their posterity, did ordain and establish for the United States of America. A sign of its uniqueness and greatness is that the Constitution has endured to this day as one of the most significant documents ever created by mankind. Our Constitution has served as a model charter for freedom-loving peoples around the Earth, who share our sentiments for responsible government and guaranteed liberty.

Constitution Week is also meant to call our attention to this great document because it is important that all citizens fully understand the provisions and principles which have guided our country for 200 years and will continue to lead us into our third century. The bicentennial celebration of the signing of the Constitution provides the opportunity for all Americans to learn about and recall the achievements of our Founding Fathers, and to reflect on the rights and privileges and responsibilities of citizenship.

Throughout the 22nd Congressional District of California a number of celebrations will take place to honor the signing of our Constitution and to give thanks for the freedom and liberty it has given to each of us.

Mr. Speaker, it is a privilege for me to congratulate those persons who have given of their time and energies to make Constitution Week, and all it represents, a memorable event.

## LORETTA P. CHMURA HONORED

### HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. KANJORSKI. Mr. Speaker, I rise to bring to the attention of my colleagues an exceptional citizen from my hometown of Nanticoke, PA, who will be honored in a ceremony this Sunday. I am proud to join my friends and neighbors in honoring Mrs. Loretta P. Chmura for her outstanding contributions to our community.

A native of Newport Township, Loretta has devoted her entire life to serving the people of the Wyoming Valley in a wide variety of capacities. As the director of recreation and volunteers at St. Stanislaus Medical Care Center for the past 13 years, Loretta has gone far beyond the expected duties of her job. She founded the "80's Club," which has raised over $90,000 for the center, and has organized many of the club's dinners and bazaars. Loretta currently serves as second vice president and publicity chairman.

For the past 20 years Loretta Chmura has been a leader in the drive for charities by the United Way of Wyoming Valley. She has served as solicitor, general chairperson of all metropolitan divisions, and south metropolitan division chairperson. The American Red Cross, the General Pulaski Committee of Luzerne County, and the American Legion Auxiliary have all benefited from Loretta's leadership abilities and endless energy.

It is a cliche that when you want something done, you call on the busiest person you know. Loretta Chmura has been answering that call for more than 20 years now, and I am glad that we have this opportunity to thank her for her devotion to making our community in northeastern Pennsylvania a better place to live. Mr. Speaker, I am proud to stand before

the House of Representatives today to honor one of Wyoming Valley's finest citizens, Mrs. Loretta Chmura.

## TRIBUTE TO JACKIE JOYNER-KERSEE

### HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. PRICE of Illinois. Mr. Speaker, at this time, I would like to pay tribute to Jackie Joyner-Kersee of East St. Louis, IL.

She is truly a superwoman and a super athlete.

Recently, Ms. Joyner-Kersee won the heptathlon and long jump at the World Track and Field Championships.

Jackie Joyner-Kersee first won the heptathlon by a staggering 564 points. She rang up the highest first day total (4,256 points) in history, with a 12.91-second clocking in the 100 hurdles, a 6 feet 2¾ inch high jump, a 52 feet 6 inch shotput, and a time 22.59 in the 200. A tremendous accomplishment for a tremendous athlete.

Her years of difficult training and perseverance have richly paid off. Her phenomenal athletic achievements are truly inspirational.

Jackie Joyner-Kersee, I salute your spirit and dedication. I salute your skill and determination. I salute you.

## A TRIBUTE TO BRIAN WILLSON

### HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Ms. PELOSI. Mr. Speaker, let me bring to your attention today the story of Brian Willson and his struggle for peace. Brian Willson is one of those extraordinary individuals who gives us hope and courage as we seek an harmonious world.

On September 1, Brian suffered the loss of his legs under the impact of a munitions train while participating in a peaceful demonstration at Concord Naval Weapons Station in California. I ask you now, how could a man who risked his life in Vietnam, who survived a 40-day fast for life, and who marched for peace across Nicaragua, come so close to losing his life in a peaceful demonstration in his own country?

In order to foster democracy around the world we must first set an example at home. A peaceful demonstration in support of any issue in a democracy is a right of our people. No one working for peace should ever face this kind of violence.

Brian's commitment to fairness, justice, and good will unifies us all. The tragic irony of a nonviolent demonstration ending in a near loss of human life, tells us that our mission, Brian's mission, is not over.

I have joined with Representative MILLER, Representative DELLUMS, and Representative BOXER from the bay area in calling for an investigation by the House Armed Services Committee.

I pray for Brian's recovery and for peace in the world.

## HONORING EUGENE F. FLAHERTY

### HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. CONTE. Mr. Speaker, each of the small communities in the First Congressional District of Massachusetts has its own identity and is populated with people who shape it, nurture it, and prepare it for the future. Key to maintaining that identity are partnerships between the towns, their businesses, their governments, and the people. Quite often, the mantle of responsibility falls upon certain individuals who care enough about their town to serve as facilitators, spokesmen, and leaders on efforts that improve the quality of life for all.

Easthampton, a small manufacturing town in the Connecticut River Valley, has been fortunate for many years to have been the passionate cause of Eugene F. Flaherty. A retired businessman, Gene Flaherty has served as the president of the town's Chamber of Commerce, as chairman of the Board of Public Works, and in numerous other civic and town organizations.

On July 26, Gene's many friends and admirers gathered to dedicate the Eugene Flaherty Municipal Parking Lot. The dedication of the lot was the culmination of many years of work by Gene, local and State officials, and my office to secure community development block grant and other funds necessary to complete the project. The new $400,000 parking facility is expected spur business development and expansion in the industrial section of Easthampton and provide relief for the many workers who earn their livings in the town's manufacturing sector.

Eugene Flaherty has been an inspirational leader in his hometown—a successful businessman, a tireless advocate, and a warm, caring example of civic responsibility. I salute him and his lovely wife Reggie on their many achievements, and I appreciate this opportunity to inform my colleagues of his success.

## NORTHERN COLORADO WATER CONSERVANCY DISTRICT: A GOLDEN ANNIVERSARY

### HON. HANK BROWN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. BROWN of Colorado. Mr. Speaker, the golden anniversary of the Northern Colorado Water Conservancy District today is a cause for celebration. It represents 50 years of human effort and technological advancement in water development and management. It also is a day to celebrate the vision of Colorado's earliest settlers in improving our environment and providing water for future generations.

The second half of the 19th century brought many to Colorado in search of gold and a better way of life. While the yellow metal brought fortune to only a few, farming and livestock provided a livelihood to many. Communities such as Greeley, Fort Collins and Loveland rose from the dry prairie, and irrigation became a necessity. In Colorado's arid climate, it became apparent that water, not gold, would be the State's most precious resource. Meeting this challenge, Colorado's pioneers developed the water storage and irrigation methods that permitted our State to prosper and grow.

When the Northern Colorado Water Conservancy District was formed in 1937, the cornerstone of water development and conservation had been laid. Its task, however, was to provide for the future. With increased agricultural production and rapid economic development along the Front Range, more water was essential.

Colorado's leaders in the 1930's—people such as Colorado House Speaker Moses E. Smith of Ault, Greeley Tribune Editor Charles Hansen, Colorado A&M President Charles Lory and State Senator Alva B. Adams of Pueblo—worked together to assure northern Colorado of a stable water supply. Their efforts culminated in the Colorado-Big Thompson project, which was completed in 1956.

Today the Colorado-Big Thompson adds an average 240,000 acre-feet of water to the South Platte River Basin. The recently completed Windy Gap project adds another 50,000 acre-feet annually.

The Northern Colorado Water Conservancy District not only has lead the way to developing new water resources, it has been at the forefront in conserving our water resources. Recently, working closely with environmental groups, the district played a key role in making the Cache La Poudre Colorado's first federally designated wild and scenic river. The compromise that was reached between the water and environmental communities advanced the interests of both groups and was in the best interest of the people of northern Colorado and the Nation. All Coloradans should be proud of this achievement, which should serve as a model for resolving other difficult environmental issues. The key was working for a common cause—protecting our heritage and preparing for the future.

As we celebrate the past, we must continue to look to what lies ahead. The successful management of our water resources will require a spirit of cooperation among all of us in Colorado.

My hope is that this anniversary will remind us of the foresight of our past and inspire us with a similar vision for our future. Working together we can continue to maintain Colorado's natural beauty and ensure having the water to sustain future generations.

## CONGRATULATIONS TO ROBYN, KEVIN, AND THE TWINS

### HON. JAMES McCLURE CLARKE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. CLARKE. Mr. Speaker, there is no greater blessing that God can bestow on a married couple than the birth of a daughter or son. Of course, awaiting the first child is always nerve-wracking and tense, experiencing such a marvelous wonder for the initial time. Imagine though the feeling for the couple that has twins! The joy and excitement of such a moment is hard to describe. Mrs. Clarke and I know this feeling since we were fortunate to have twin boys.

Late last year, Kevin and Robyn O'Connor had the good fortune to be parents for the first time and second time, as well. They became the proud parents of two beautiful boys, Ryan Patrick and Kyle Thomas. Even more interesting is that the two boys were born on different days: Ryan at 11:58 p.m. November 9, 1986, and Kyle at 12:02 a.m. November 10, 1986. It turns out, however, that the delivery was too much for the new father—he collapsed and had to be attended too by the team of specialists helping deliver his newborn sons.

I have had the pleasure of knowing Kevin and Robyn since first coming to Congress in 1983. Kevin currently works on the staff of the Architect of the Capitol, and Robyn is a former employee with the Senate Sergeant at Arms' Office. Since meeting them almost 5 years ago, we have developed a warm friendship. We were even fortunate enough to attend their wedding in November 1985.

Mr. Speaker, as Robyn and Kevin bring up this new family there will undoubtedly be many challenges. But I have great confidence in both of them as people and as new parents. We wish to extend to them and their 10-month-old sons a happy and fulfilling life together and we look forward to continuing our close relationship with them.

## NATIONAL POW/MIA RECOGNITION DAY

### HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Ms. SLAUGHTER of New York. Mr. Speaker, Public Law 100–102 designates September 18, 1987, as National POW/MIA Recognition Day. I am proud to have cosponsored this legislation and urge all Americans to take time on that day to remember and honor those who have been prisoners of war or who are listed as missing in action.

Prisoners of war have endured unique hardships and sacrifices while serving our Nation. I am honored as a U.S. Representative to have a part in expressing gratitude for this extraordinary service. We recognize our debt, not only to those who actually suffered internment, but also to their families. The stress of separation and anxiety over the well-being of their loved ones exact a very real and terrible emotional price from both prisoners and their families.

On this day of recognition, we must also remember the special tragedy of the families of those listed as missing in action. The anguish of years of uncertainty takes an enormous toll on families, friends, and relatives. Their heroism and sacrifice must be acknowledged.

While, as in all wars, a complete accounting of those listed as missing is not possible, I join concerned Americans across the country in reaffirming our Nation's commitment to obtaining the fullest possible accounting of those missing in Southeast Asia. Despite the excruciatingly slow progress in completing this accounting, the recent agreements between the United States and Vietnam and Laos do give hope of renewed progress.

Our Nation and each of us as citizens owe a debt to all those men and women who have served to defend our freedom and who have been captured as prisoners of war or have been listed as missing in action. I urge all Americans to join me in recognizing and remembering this service on September 18—National POW/MIA Recognition Day.

## THE 40TH ANNIVERSARY OF WJDA

### HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 10, 1987*

Mr. DONNELLY. Mr. Speaker, I would like to share with my colleagues news of the anniversary of a valued friend and service to our community. WJDA, the South Shore radio station based in Quincy, MA, celebrates its 40th anniversary on September 13. Over the last 40 years, since its foundation by the late James D. Asher, the station has provided a unique service; unique in that it combines commercial popularity with a level of public dedication that is no longer often found in the world of broadcasting.

WJDA is a small-scale radio station by today's standards. Its broadcast strength is only that of 1,000 watts, its broadcasting day only 12 hours long. Yet the station consistently remains one of the top 20 in Boston. This success, unusual for a suburban radio station, is built on a mix of programming where quality is the keystone. The station has won several United Press International and Press Association awards for its public affairs documentaries and sports coverage. It has been the recipient of almost two dozen awards and commendations from community and civic bodies, such as the American Legion, the American Red Cross and Rotary International, to name but a few, for its contribution to local affairs. A major part of this service is the care the station takes to broadcast as many of the public service announcements it receives as is possible during its broadcast day.

Typical of the kind of radio station that it is and the people that make up the WJDA team, several of whom such as Herb Fontaine, Joe Kenny, and Win Bettinson, have over 30 years' experience on the radio, was its response to the blizzard of 1978. Despite the difficulties of travel in the storm, the staff turned up to ensure the station went on air on schedule. Their service broke down later that day when the abnormal tide reached the insulator of the radio station's antenna in Germantown. However, before they knew that the tide had dropped, risking the apparatus of the radio station, they went back on the air, giving the South Shore comprehensive emergency coverage. The station operated an open telephone line so that public officials could get straight on the air with vital information. It stayed on the air after its allotted time, dropping advertising to remain within FCC rules.

WJDA embodies the best in old-style radio, with its balance of programming, while it remains a viable commercial entity. It is with pleasure that I salute WJDA on its 40th anniversary, and wish it many pleasurable and useful years of broadcasting.

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# SENATE—*Friday, September 11, 1987*

The Senate met at 10 a.m. and was called to order by the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*Bless the Lord O my soul; and all that is within me, bless His holy name.*—Psalm 103:1.

Holy God, we come to You in gratitude for the visit of Pope John Paul II. We thank You that his presence among us reminds us all of the values indispensable to the greatness of America: truth, justice, righteousness, honesty, freedom, our oneness as human beings, human equality, servanthood, and above all love. Love as preached by Moses and the prophets. Love as preached by Jesus Christ and the Apostles. Love that is unconditional—universal—and unending. Forgive us, Gracious Father in heaven, for our failure to conform to these values fundamental to social order and grant us the grace, people and leaders, to take them seriously. Cleanse us of our sin. Renew us in the truth and infuse us with Your love. In His name Who was love incarnate. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Stennis).

The legislative clerk read the following letter:

U.S. SENATE
PRESIDENT PRO TEMPORE,
*Washington, DC, September 11, 1987.*

*To the Senate:*

Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado, to perform the duties of the Chair.

JOHN C. STENNIS,
*President pro tempore.*

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

## THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved for his use.

The ACTING PRESIDENT pro tempore. Hearing no objection, it is so ordered.

## THE JULY TRADE DEFICIT

Mr. BYRD. Mr. President, today we have received troubling news on the trade front. The Commerce Department's figures, released earlier this morning, put the July trade deficit at $16.5 billion—a new record. The June deficit of $15.7 billion was the second highest on record. The July figure is $800 million higher. Not only were imports higher, Mr. President, but exports actually slipped lower.

After more than 2 years of a declining dollar and 6 years of administration assurances that we have turned the corner, the trade deficit is a bigger problem than ever. We are in the sad situation of going from bad to worse.

Mr. President, the trade deficit for the first half of the year has already passed the $80 billion mark. If we continue at the July pace, the 1987 trade deficit will exceed the 1986 record for red ink. We will be setting the record, Mr. President, but the rest of the world will be going home with the gold.

The costs of our dismal trade performance, Mr. President, are all around us. Hundreds of thousands of workers have been thrown out of well paying industrial jobs. You can see the loss in West Virginia where we lead the Nation in dislocated workers. Many large, basic industries are still staggering from the impact of an overvalued dollar and the month-by-month impact of the trade deficit. Only last month, we were told that Newell, which purchased Anchor Hocking in Clarksburg, WV, was going to pull out lock, stock, and barrel, causing more than 1,000 West Virginians to lose their jobs.

Virtually every dollar of the trade deficit now adds to a growing mountain of external debt. By the end of the year, Mr. President, we will have become a debtor nation to the tune of $400 billion. And that "ain't" chicken feed.

Just as troubling as the size of the trade deficit, Mr. President, is the composition of the trade deficit. The basic industries that have borne the brunt of the administration's failed trade policies have been major sources of employment. They have also been an important component of the world's most diversified industrial base and a major market for America's high-technology industries that all too often find themselves shut out of foreign markets. Even the traditionally strong exporters have seen their position seriously eroded. By 1986, the surplus in agricultural trade had virtually disappeared. And the high-technology sector experienced its first trade deficit since the Commerce Department began to track its performance.

Both Houses of Congress have been active in seeking a solution to the trade problem. In part, our efforts to reduce the budget deficit are driven by the fact that the shifts in fiscal policy here and abroad have played a major role in undermining our competitive position. The Senate and House have now passed different versions of trade and competitiveness legislation. They have in common a commitment to boost America's exports, tighten the application of our trade laws and improve the long-term competitiveness of the American economy.

The trade deficit, Mr. President, is a storm that has been building for a long time. Since March of 1985, more than 2 years ago, the country has not had a monthly trade deficit of less than $10 billion. Fifteen years ago the trade deficit for the entire year did not reach $10 billion. Month by month, year by year, we are piling up problems for the future.

Yet, despite the years of bad trade news, the White House is still talking about a veto of the trade bill. We are working in the Congress. What we need, Mr. President, is effective cooperation from the administration.

Mr. President, I ask that I may reserve the balance of my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EXPLANATION OF PETE DOMENICI ABSENCE

Mr. DOLE. Mr. President, the senior Senator from New Mexico [Mr. DOMENICI] is not present in the Senate today. The Senator is spending the day meeting with New Mexico business leaders discussing economic development and jobs at the New Mexico Business Conference at New Mexico State University in Las Cruces.

As you may know, the condition of the economy in New Mexico is not as good as we all would like it to be. It is

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

hoped that some new initiatives to enhance the New Mexico job market will be the result of the New Mexico State University Business Conference.

Senator Domenici advised me that he was attending this conference prior to the August recess. At that time the majority leader was of the opinion that the Senate would not be in session today. However, as it often happens, the schedule changes. Prior to leaving for New Mexico, Senator Domenici asked me to explain to his colleagues and constituents why he is necessarily absent today.

## BICENTENNIAL MINUTE

### SEPTEMBER 11, 1789: SENATE RECEIVES AND CONFIRMS FIRST CABINET NOMINATION

Mr. DOLE. Mr. President, 198 years ago today, on September 11, 1789, President George Washington sent his first Cabinet nomination to the Senate, appointing Alexander Hamilton Secretary of the Treasury. Later that day, the Senate quickly confirmed his nomination.

The congressional statute creating the Treasury Department contained greater detail than those establishing the other two Cabinet-level agencies: The Departments of State and War. Treasury was the largest of three agencies and, during the early years of the new Government's existence, it grew at a faster rate than the other two. Congress singled it out for special attention by requiring the Treasury Secretary specifically to "digest and prepare plans for the improvement and management of the revenue, and for the support of the public credit." He was also directed to "make report, and give information to either branch of the legislature, in person or in writing * * * respecting all matters referred to him by the Senate or House of Representatives, or which shall appertain to his office."

Six days after the Senate agreed to Hamilton's nomination, the House abolished its Committee on Ways and Means. This action suggested that the House intended the Secretary to take the initiative in shaping financial policy. The combination of Hamilton's leadership and the Treasury Department's vital function in raising revenue made that agency preeminent.

Alexander Hamilton had actively campaigned for the position well in advance of his appointment. While many friends urged him to avoid the Treasury—with the Nation's finances in a "deep, dark, and dreary chaos"—and run for the Senate, or seek nomination as Chief Justice of the U.S. Supreme Court, Hamilton correctly believed that he was one of the few men available who possessed the training and experience to accomplish this difficult task.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business not to exceed 20 minutes; Senators to speak therein for 5 minutes each. The Chair recognizes the Senator from Illinois.

## RICHARD GODWIN MAY LEAVE DOD

Mr. DIXON. Mr. President, I rise this morning as a member of the Armed Services Committee, to express my profound concern and my genuine alarm at the obvious disregard for the directions of the DOD reorganization bill and the Packard Commission report by the Department of Defense. I must say I regret specifically, the actions of the Secretary of Defense, Mr. Weinberger, and the Deputy Secretary of Defense, Mr. Taft.

Mr. President, I hold in my hand a copy of the Defense News published September 7, only a few days ago; the headline article is entitled "Godwin May Leave Over Pentagon Power Struggle."

Mr. President, I shall ask consent that a reproduction of that article be printed in the Record.

I am not going to read the whole article, but the essence of this article is that a very fine man, Richard Godwin, who we confirmed as the Under Secretary of Defense for Acquisition, is seriously considering resigning his post. I believe I can say to the Senate, on the basis of my conversations with Secretary Godwin, with the chairman of the Armed Services Committee, Senator Nunn, and others, that this will become a reality; and that Secretary Godwin is leaving the Department of Defense because the Secretary of Defense and the Deputy Secretary of Defense are undermining the law we passed in the last session of the Congress. That law requires that all acquisitions by the Department of Defense and the military services should be under one acquisitions czar. We debated this on the floor at length, Mr. President; that, there shall be one responsible person in the Pentagon for all procurement and acquisition.

Mr. President, I wonder whether everybody understands the importance and the breadth and the scope of this particular subject matter. One hundred eighty-five billion dollars, Mr. President, one hundred eighty-five billion dollars of the taxpayers' money is spent every year on acquisition. Everybody knows, and, Mr. President, Mr. Wirth, you are a member of the committee—I see my distinguished friend from Alabama on the floor, a member of the committee—everyone knows the services are competing against one another to buy different weapon systems. Everybody knows that there is duplication. Everybody knows there is waste. Everybody knows there is mismanagement. Everybody knows there is fraud.

During the debate on the DOD reorganization question last year, with those two great Senators, Barry Goldwater and Sam Nunn, working together to bring about an important new DOD reorganization bill, the central question was how we answered this problem. I am proud to say it was a Senator from Illinois whose amendment was adopted setting up an Under Secretary of Defense for Acquisition.

That bill passed and the law is clear that the DOD reorganization directions should be followed by the Pentagon. Mr. Godwin was selected to do the job. I regret to say that by regulations, by subterfuge, by a variety of things, the Department of Defense is not giving the authority to Mr. Godwin to do the job. His resignation is imminent, Mr. President.

I have asked that the matter be brought up in hearings before the Armed Services Committee. I understand the chairman, Senator Nunn, is willing to do that. I understand Senator Jeff Bingaman of New Mexico, the chairman of the jurisdictional subcommittee, is willing to do that; and we will have a hearing.

Mr. President, I would further suggest that what we want to do is make it very clear to the Pentagon that we expect them to cooperate with the Congress and to follow the Packard Commission report.

Every one of them when they appeared before us, including the Deputy Secretary of Defense, said, "we want to follow the Packard Commission report."

We have passed a law that follows the Packard Commission report, Mr. President, and I suggest that the Department of Defense should follow the law that we passed last session and that the Under Secretary of Defense for Acquisitions should have absolute power over all the service Chiefs, service Secretaries, and everyone else in connection with the acquisition and procurement policies of this Government.

I simply conclude, Mr. President, by expressing my personal shock that the Department of Defense has been able, in a short time, to absolutely ignore everything that we have done in the Congress, everything that the Packard Commission did, and everything that the public has called for in the reformation of policy insofar as acquisition and procurement in the Department of Defense is concerned.

I yield whatever time is remaining back, Mr. President, and thank you for the additional time.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Defense News, Sept. 7, 1987]

### GODWIN MAY LEAVE OVER PENTAGON POWER STRUGGLE

(By Judith Kohn Brown)

Washington.—Pentagon procurement czar Richard Godwin has lost his bitter battle for control of the Defense Department's weapons-buying bureaucracy, leading many high-ranking officials to say Godwin soon will leave his post.

For months, Godwin has been struggling with William Taft, deputy secretary of defense, to secure his position as the sole Pentagon procurement authority. The turf fight also has involved the leaders of the three services, who want to retain control of their own weapons programs. Godwin's post as undersecretary of defense for acquisition was created in last year's moves to reorganize the Pentagon. The idea for a procurement czar was formulated by the presidentially appointed Packard Commission.

Godwin's struggle for authority came to a head last Tuesday, when Taft signed off on several new directives that effectively stripped Godwin of ultimate control over the acquisition process. Pentagon sources agree that Taft must have had a green light from Defense Secretary Caspar Weinberger to issue the new directives, which provide Taft with a channel for overturning Godwin's decisions through the budgeting process.

Meanwhile, Pentagon spokesman William Caldwell says Weinberger "is confident that he has given Mr. Godwin his full support. He and Deputy Secretary Taft, like Mr. Godwin, have worked toward successful implementation of the Packard Commission's recommendations and toward progress in improving the defense acquisition process," Caldwell says.

The directives were revised versions of the new DoD acquisition regulations 5000.1 and 5000.2, drafted by Godwin last March, which formed the charter for his office. A third regulation, 5000.49, established the membership of the Defense Acquisition Board (DAB), the Pentagon's leading weapons review panel, chaired by Godwin.

Godwin's draft of the directives, expanding the authority of the DAB, came in for heavy criticism from service officials for broadening Godwin's oversight over DoD acquisition while undermining that of the service acquisition officials and the service secretaries.

The key revision in the new 5000.1 is a clause that enables weapons acquisition programs to be changed through the planning, programming and budgeting system process, without approval from Godwin's office.

The new system "totally cuts Godwin out" of the budget process, a DoD source laments, by enabling the services to take programs that have not been approved by the DAB, and have them modified through the Defense Resources Board. This board works out the Pentagon's budget recommendations and is chaired by Taft.

Godwin's version of the directive would have made many changes in weapons program budgets subject to the DAB's "assessment and consideration of the impact of these changes on the overall acquisition strategy and the approved program base line." The program base line is a formal agreement made by all parties concerned with a program's development, specifying the system's cost, production schedule and technical performance.

While service opposition to Godwin's original drafts was especially strong, resistance came from other circles as well, sources say. Godwin's plan for the DAB eliminated several officials from the panel who had participated in the Joint Requirements and Management Board, the DAB's predecessor. Foremost among these were David Chu, director of program analysis and evaluation; John Krings, director of operational test and evaluation; and policy undersecretary Fred Ikle. Even under Taft's version of the directive, only Chu is a DAB member, although all are represented on the Defense Resources Board.

Ultimately, however, the dispute boiled down to a battle for authority between Godwin and Taft. In a July 30 memo, Marine Maj. Gen. Louis Buehl, Taft's senior military deputy, told Chu to amend the draft regulations in a way that would keep Godwin's hands off the budgeting process.

"[Taft] specifically does not want to have 5000.1 contain references or provisions which deal with the relationship between resources allocation under the [planning, programming and budgeting system] and defense acquisition procedures," Buehl says in the memo. Buehl further instructed Chu to coordinate the new revision with other recipients of the memo, who did not include Godwin.

Defense Department sources say Godwin told Weinberger he would resign if Taft's draft of the regulations was accepted. While some in the Pentagon say Godwin's warning never took the form of an ultimatum, they also say he is clearly on his way out. One source said Godwin might not return to work after the Labor Day weekend.

When Godwin does leave, sources say, he is likely to turn quickly to Capitol Hill, seeking a sympathetic forum from which to air all his grievances about the intrigues in DoD that have been working against his taking the kind of control envisioned when his office was established. Congress has been concerned, ever since Godwin assumed his post, that he would not have enough authority. "It's not going to be a pleasant departure," one DoD source predicts.

Godwin told the House Armed Services Committee in hearings last spring that he felt it might be "helpful" if Congress moved to boost his authority. Committee chairman Les Aspin, D-Wis., and ranking Republican William Dickinson, R-Ala., urged Weinberger to take measures that would establish Godwin as the clear authority over acquisition, threatening new legislation if Weinberger did not act. Congressional sources say Godwin's resignation would quickly become "an explosive issue up here."

Among the possibilities that the House panel had in mind, sources say, was the upgrading of Godwin's rank to make him equal to Taft. Committee members long have been arguing that they had never intended the acquisition secretary to be Taft's subordinate.

Godwin may withhold his resignation until he investigates his chances for legislative help from Congress. Godwin's aides have been sounding out congressional staff members, sources say. But until the legislators return to work Tuesday, no definite moves are planned. Godwin did not respond to a request for an interview about his plans.

Some sources say Godwin has several options before him and still is uncertain which tack to take. He can quit and hope to present his grievances at a House Armed Services Committee hearing or during confirmation proceedings for a proposed replacement.

Pentagon insiders say several replacements for Godwin are being considered, including Harold Brownman, currently head of Lockheed Electronics Co. in Plainfield, N.J., and Robert Costello, assistant secretary of defense for production and logistics.

Costello, a former General Motors executive with considerable experience in defense-related research and development, currently is on an official visit to China and could not be reached for comment.

Brownman, as assistant secretary of the Army under the Ford administration, currently serves on the Defense Intelligence Agency Scientific Advisory Committee.

Brownman tells *Defense News* that he knows nothing of any intention by Godwin to leave his post. Brownman says he has been considered for the position as Godwin's deputy, but the last he had heard Godwin was looking within the Pentagon to fill that position.

"My name gets bandied about from time to time," he says, but adds that it hasn't reached the point at which he even knows if he wants the job.

Godwin's resignation would be a big embarrassment for Weinberger, who recommended Godwin, a fellow former executive of giant construction firm Bechtel Inc., for the position. With the end of the Reagan administration fast approaching, some observers predict that few people of stature would be willing to take Godwin's place.

Another possibility is that Godwin will try to use what clout he has in his current position to effect changes through pressures or legislation. And some say Godwin might wait to see how the directives operate in practice.

"I don't think resigning is the only option he has," a DoD source says. "I guess the way to look at it is how [the new regulations] are implemented. Is it going to be implemented where his counsel is not sought on these programs?"

While the last option—the wait and see approach—seems unlikely to most Pentagon officials in light of Godwin's reported threats to resign, Godwin earned a reputation in some circles as lacking the forceful personality for an open battle. During disputes with various service leaders over weapons programs, Godwin became known as the "undersecretary for acquiesence."

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

## SHOULD CONGRESS REPEAL GLASS-STEAGALL?

Mr. PROXMIRE. Mr. President, the time has come for the Senate Banking Committee to consider the repeal of the Glass-Steagall Act. This Senator frankly has not decided whether or not it is in the national interest to take this step. Up to this point I have resisted an outright repeal. I may continue to do so. But it is time for the Senate Banking Committee to make a thorough investigation of the wisdom of repealing Glass-Steagall. There is a strong case for its outright repeal; if it is repealed it would be necessary to provide safeguards to protect the safety and soundness of our commercial banks and to prevent conflicts of interest.

Why has the time come for action on Glass-Steagall? Here is why: It is a fact of life that changes in financial technology have revolutionized the credit markets. Computerized data systems have paved the way for more and more borrowers to bypass banks. Unless we permit banks to take advantage of onrushing technology, they will gradually become obsolete. Commercial loans have for many years constituted the backbone of commercial banks. But now commercial loans have been increasingly converted into commercial paper, as hundreds of separate loans are combined together into a security. The security is then sold in the financial market as an interest-bearing investment. Has this increased the risk for the lender who now buys commercial paper? No, indeed. On the contrary, this process provides a diversified security. It is safer than individual loans. If 1 or 2 or 5 or 10 of the hundreds of loans in the securities issue do not perform, the remaining performing loans compensate. This diversification greatly reduces the risk of commercial lending.

Similarly with mortgage loans. For most small banks and particularly for savings and loans, mortgages have consituted the heart of their business. But savings and loans and banks are losing more and more of their mortgage loans to the mortgage-backed securities market. Again computer technology has made this transformation of mortgage lending a reality. Are mortgage backed securities too risky to be underwritten by banks and S&L's? No way. In fact, mortgage-backed securities are safer than mortgages. Why? For the same reason that commercial paper is safer than individual commercial loans. The very number of mortgages required in mortgage-backed securities provides effective safety through diversification.

Because of the long professional experience that banks have enjoyed in making commercial loans and mortgage loans they are particularly well qualified to evaluate the soundness of mortgage-backed securities and commercial paper. So why shouldn't we eliminate the restrictions imposed by Glass-Steagall against banks underwriting both mortgage-backed securities and commercial paper?

Glass-Steagall has also barred banks from underwriting revenue bonds. This is ironic because Glass-Steagall specifically permits banks to underwrite general obligation bonds. Why not revenue bonds? Answer: At the time Glass-Steagall was enacted there were virtually no revenue bonds. Now they constitute big, in fact, very big business. But are they safe? Indeed they are. In fact, revenue bonds because they are supported by a measurable, predictable source of revenue are by definition safer than general obligation bonds. And why should banks not be allowed to sell mutual funds? Again mutual funds are by their nature diversified. They pose little risk or conflict of interest.

In every one of these areas and others, banks could provide vigorous and healthy competition. They could challenge the intense concentration that characterizes much security underwriting. They could bring down the underwriting cost, bringing direct benefit to both borrowers and investors.

Why couldn't the objective of bank competition in these areas be achieved by simply amending the Glass-Steagall Act? Doesn't Glass-Steagall prevent risky underwriting by banks of long-term corporate debt and equity? And aren't these the very areas that contributed to the financial panic in 1929 and helped bring on the Great Depression of the thirties? This is precisely what hearings should help the Banking Committee determine. This Senator has serious reservations about banks underwriting these much riskier securities, especially in view of the enormous volatility of the stock and long-term bond market and the fact that all banks now enjoy substantial Federal deposit insurance coverage. And the Nation's biggest banks have enjoyed the assurance of a Federal Government bail out if imprudence makes them insolvent. On the other hand, U.S. banks have underwritten corporate debt and equity securities outside the United States without ill effects.

Can we prudently permit banks to enter securities markets without reservation? Those who would repeal Glass-Steagall root and branch and permit this entry propose the following safeguards:

First. All securities activities must be conducted in separately capitalized subsidiaries;

Second. The bank cannot extend any credit to its securities affiliate;

Third. Banks with securities would have their minimum capital raised;

Fourth. Mergers between large banks and large securities firms would be prohibited in order to prevent concentration and ensure greater competition;

Fifth. Securities affiliates would be prohibited from selling securities to the bank, its trust department, or other affiliates of the bank.

Would these safeguards effectively prevent serious abuse? This Senator is not sure. This is precisely what the hearings conducted by the Banking Committee will be aimed at deciding.

Mr. SHELBY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

(The remarks of Mr. Shelby appear in today's Record under Statements on Introduced Bills and Joint Resolutions.

Mr. HOLLINGS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina.

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## THE REAGAN-WRIGHT PEACE PLAN FOR NICARAGUA

Mr. HOLLINGS. Mr. President, often in this land we get disillusioned with respect to Government policies, mostly, of course, our fiscal policy. We cannot bring order to our economic chaos. We buy the votes of today with the fruits of the next generation. You have heard me speak on that particular score many times.

President Reagan is the worst offender of all. What he did to fiscal policy at the beginning of his term he is doing to our foreign policy at the end of his term—in Nicaragua and elsewhere—in arms control and the Persian Gulf.

Mr. President, I am firmly convinced that this game of democratizing Nicaragua while we allow the Contras to go wanting will play right into the hands of Danny Ortega.

An article in the Washington Post by Charles Krauthammer this morning sets that out very, very clearly. I think it is well worth studying because from what I learned during an August trip almost around the world where I listened and talked, it concisely summarizes our predicament in Nicaragua.

I hope the Congress will objectively look at Mr. Krauthammer's article and more particularly, I hope our Democrats will keep their mouths closed and minds open and stop trying to play Secretary of State in Peace. O. Henry said every man cries peace, but there is none.

Peace and freedom will not be found by testing the political polls. We shoud go back to what George Washington said in his Farewell Address: The way to preserve peace is to prepare for war.

We have done that in Nicaragua by supporting the Contras, though in a skimpy fashion. We were about to get some results when the Central American leaders came forward with their particular peace initiative, the Arias plan. Arias does not even have an army and has never prepared for peace. That is the situation in Costa Rica.

Read the article by Krauthammer and you will begin to understand what will develop between now and November 9, and thereafter.

When President Reagan announced with great fanfare the Reagan-Wright peace plan for Nicaragua, I told him that on the contrary, it was not a plan for peace—but one that signaled the end of the Contras and the end of the hope for freedom in that country.

The leaders of the other Central American nations quickly recognized what was happening, that the President's action—along with the timidity and shortsightedness of the Congress—would result in abandoning the one hope to stave off the Marxist domination of the region. Thus, in order to save their own hide—and to prolong their future demise—they rushed to glory with the Arias plan calling for an end to resistance to a Communist takeover while leaving the Soviet/Cuban bloc a free reign for business as usual. The tracks of this debacle lead straight from the Congress to the Reagan White House.

Mr. President, I ask unanimous consent that Mr. Krauthammer's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 11, 1987]

### The Coming Nicaragua Debacle—The Script Has Already Been Written

(By Charles Krauthammer)

On Aug. 7 in Guatemala City, Daniel Ortega signed a peace treaty in which he pledged, among other things, pluralism and democracy in Nicaragua. Eight days later in Managua, Ortega's police broke up a human rights demonstration held to test that pledge. The nation was protected from pluralism by cattle prods, batons and attack dogs. And just to be sure, Lino Hernandez, leader of Nicaragua's Permanent Human Rights Commission, and Alberto Saborio, head of the Nicaraguan Bar Association, were thrown in jail.

The Permanent Human Rights Commission was established in Somoza's day, at which time Hernandez defended Sandinistas and other government opponents. Inconveniently for the Sandinistas, Hernandez carried on his work after the new dictators took over. He has been representing the wives and families of Nicaragua's 6,000 to 8,000 political prisoners.

To arrest such a man is a significant signal that whatever they sign in Guatemala City and whatever they say on "Nightline," the Sandinistas rule in Managua. The signal did not transmit well here. The story made page 15 of The Washington Post and page 4 of The New York Times.

On the whole, the arrest served the Sandinistas well. It raised no protest from Sandinista sympathizers in the United States. It intimidated the local opposition. It gave the Sandinistas the occasion for performing that communist ritual of making a gift of human beings: on Sept. 8, Ortega turned Hernandez and Saborio over to a visiting American Senator (Tom Harkin), who declared his "deep appreciation " to his hosts for their generosity.

Best of all, breaking up the opposition demonstration lowered the standard of what constitutes good democratic behavior on the part of the Sandinistas. If they merely refrain from breaking up the next political rally in Managua that will be hailed as a significant sign of moderation.

Hailed by whom? Not just by anticontra Democrats, but, amazingly, by the Reagan administration, now utterly adrift on Nicaragua policy. "Are they going to continue breaking up demonstrations with clubs and cattle prods, or are they going to allow freedom of assembly? Will La Prensa be allowed to resume publishing? Will political prisoners be released?" That litmus test of Sandinista behavior came from a White House official.

Well, say that the White House gets satisfactory answers (no, yes, yes, yes) to these questions. The administration is setting itself up for a policy disaster by letting contra aid hinge on such Sandinista gestures. If the Sandinistas do open a newspaper, if they do allow a Catholic radio station to return to the air, if they do release some political prisoners—so what? That in no way proves that they are prepared to carry through with the promises to democratize that they signed in Guatemala. It doesn't even prove that they are prepared to retain this narrow and temporary restoration of rights beyond the day when the contras finally wither away from lack of support. It proves only that Ortega is tactically attuned enough to know that, in the weeks before the U.S. Congress decides contra aid, it pays to play nice.

After all, the conflict in Nicaragua is not about rights. It is about power. It is not about whether a political rally or a nongovernment newspaper will be permitted. It is about whether a Leninist regime will monopolize power and dispense these rights. Because so long as it dispenses the rights, they will not be safe (and neither will Nicaragua's neighbors). The Sandinistas promised similar rights to the Organization of American States in 1979, and granted just enough of them—a moderately free press and a formally open political system—for just long enough to keep American aid flowing, to strip their democratic allies of all power and to consolidate their own. Then they systematically abolished these rights.

If Ortega is smart—and he is—he will allow La Prensa to reopen. He will allow a few opposition parties to hold rallies. He will offer a freed prisoner or two as a party favor to a passing political pilgrim from the United States. With support from congressional liberals, he will then demand in return for these eminently revocable moves (but not for any concessions having to do with political power) that the United States reciprocate by cutting off the contras. Democrats will oblige. And the administration has so maneuvered itself that it too may have to say yes, no longer knowing how to explain why the United States must say no.

President Reagan now says that his goal is "genuine democracy" in Nicaragua, but it may be too late. The depth of the administration debacle will be apparent when Ortega is confirmed in power for good and the Democrats, having finally won the Nicaragua debate, escape the consequences of their victory. Ten years from now, when Oscar Arias takes his vanity and his Nobel Peace Prize into Miami exile, Americans will ask who lost Central America. The answer will be that the Democrats thought up the idea, but they never could have swung it without Ronald Reagan.

Mr. HOLLINGS. Mr. President, I yield the floor.

Mr. HATCH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent that I be given an additional 5 minutes.

Mr. BYRD. What was the request of the Senator?

Mr. HATCH. In addition to the normal 5 minutes I would take, I ask that I be permitted to take an additional 5 minutes.

Mr. BYRD. No objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. Hatch appear in today's Record under Statements on Introduced Bills and Joint Resolutions.)

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## REMARKS OF PROF. JOHN FEI ON TRADE WITH ASIA

Mr. DASCHLE. Mr. President, I recently had the opportunity to review remarks delivered by Prof. John Fei to a trade workshop on trade with Asia. The Yale University professor delivered remarks to the workshop which sought to enlighten the participants on the economic relationship between the United States and Taiwan.

Because of the importance of this issue to the 100th Congress, I would recommend to my colleagues that they review the text of Professor Fei's remarks on this very important issue.

I ask unanimous consent that the text of these remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

### Sino-American Economic Relation From an Evolutionary Perspective of Taiwan's Economic Institutions

(By John Fei)

I am very happy to be here today to talk about a currently popular issue heatedly debated recently in both the U.S. Congress and newspapers in Taipei. The issue is the export surplus and the accumulation of foreign exchange reserves in Taiwan that has persisted for almost five years since 1983. Through official and unofficial channels, the U.S. made the demands that countries like Taiwan and Korea should open their markets for U.S. products and capital investment and that Taiwan's export surplus should be curbed by appreciating the Taiwan currency beyond the twenty percent achieved over the last twenty months. Popular reaction in Taipei to the U.S. demand that curbs her "international competitiveness" is understandably belligerent and angry.

The emotional reaction in Taipei at the present time is due partly to the fact that, to Taiwan, a sustained export surplus of this magnitude and duration is an entirely new experience occuring during the process of the evolution of her economic institutions. The current Sino-American tension should be examined calmly with a historical detachment. From an evolutionary perspective the U.S. demands are really friendly, if somewhat forcefully persuasive, for Taiwan to make these reforms that will not only benefit the U.S. and Taiwan in the long run, but are indeed unavoidable with or without U.S. pressures.

#### I. LIBERALIZATION AND DEMOCRATIZATION OF TAIWAN'S POLITICAL ECONOMIC INSTITUTIONS

From a long historical perspective for the contemporary less developed countries in the world, the forty or so years after World War II has been a period of transitional growth from the prewar agrarian colonialism toward a modern technological society.

Of the more than one hundred less developed countries in the world, the geographic region surrounding mainland China, including Taiwan, South Korea, Hong Kong and Singapore, has been most successful. Their successes are all the more amazing in view of the fact that this is a natural resource deficient region and hence, with a high degree of trade dependence, their achievements cannot be divorced from their success in penetrating the market of the U.S. and other industrially advanced countries. The four dragons of East Asia are the first group of the contemporary less developed countries that will join the camp of the industrially advanced countries of which the U.S. is the undisputed leader. If there is a Sino-American conflict to speak of, it is certainly the direct by-product of a story that a highly satisfactory and gratifying to all of those who believe in markets and freedom. As the level of per capita income and industrial structure of Taiwan gradually catch up with that of the industrially advanced countries, so do her economic institutions as guided by her political economic cultural ideas in an evolutionary process.

Under the influence of the idea of anti-colonialism in the early post-war years, many less developed countries began the transition process with the adoption of a mixed economy. While accepting the skeleton of the markets, these countries at the same time tolerated pervasive measures of government interference. External economic policies were calculated with a xenophobic and autarkic orientation as domestic commodity and capital markets were closed to the foreigners through the erection of high protective tariff walls and barriers to international investment. Taiwan was no exception to a highly politicized mixed market system, labeled as a "planned free" economy. The angry voices of protest from Taipei at the present time really reflect political cultural values of the early anti-colonial vintage. When through trade negotiations, U.S. cigarettes landed in Taiwan last year, the emotional reaction in Taipei society was to label it as the second Opium War when China was, once again, humiliated and lost her dignity.

With a politicized mixed economy to begin with, the cardinal principle that provided the guiding force for the evolution of the economic institutions in Taiwan over the course of the last forty years has been liberalization. Market interference by an authoritative government gradually diminishes in scope and, with the withdrawal of the political force from the economic arena, liberalization implies market perfection and market integration with that of the Western World. Liberalization with an external outlook has been an ongoing process originating long before the current rounds of Sino-American trade negotiations. If this much is understood, it is easy to see that the U.S. pressure only serves the constructive purpose of accelerating the pace of liberalization. The demand of the U.S. is basically for Taiwan to depoliticize her economic institutions.

A feature of the post-war polity of Taiwan is the inheritance of a political culture of the long agrarian past, labeled by Western political scientists as "Chinese paternalism." The paternalistic polity is quite complimentary to requirements of government control in the mixed economy. If the market is to be interfered with, it was interfered with at least effectively in the case of Taiwan by an authoritarian government with a long tradition of "oriental despotism".

Newspaper headlines from Taipei in recent months indicate that many of the government controls that have existed for nearly forty years in Taiwan will be abandoned. In the coming months, we expect that the newspaper ban and martial laws will be eliminated because a polity based on a system of competing parties is beginning to function. The year 1987 may well be a turning point in Taiwan for the democratization of her political institutions as well as the liberalization of her economic institutions. It is important to realize that the U.S. demand for changes in Taiwan occurs in a critical historical juncture.

### II. EVOLUTIONARY NECESSITY OF LIBERALIZATION AND DEMOCRATIZATION

In the rounds of Sino-American trade negotiations, the opening of Taiwan markets for U.S. products and capital centered around the item by item bargaining for tariff concessions along product lines. However, from an evolutionary perspective, we should be concerned mainly with changes in ideas that can erode the resistance of vested interest groups that, in the case of Taiwan, stand for a set of antiquated principles of income distribution justice.

Concerning tariff reductions, the new idea is a commitment to decrease tariffs according to a time schedule. While the concept was unthinkable barely two years ago, there is now a solid social consensus that tariff reduction will proceed by a time schedule wave after wave. The automatic expiration date for protection is an important new idea in Taiwan as it represents a commitment to the rules of the game of the industrially advanced society that protection should only be temporary to ease the pain of labor reallocation and to allow time for the entrepreneurs to make readjustments for competition. In Taiwan, the perpetual protection of infant industries is quickly going out and forever gone with the wind.

While, nominally, the angry voices of protest that we hear at the present time from Taiwan are directed at U.S. pressures, the real enemy of the vested interest groups is the new principle of income distribution justice. With the democratization of her polity, the all important issue of income distribution justice takes on a new political meaning. Under paternalism, when the "sharing of affluence" and "united we stand" were attached with a high cultural value, it was unpopular to think of interest differentiation and to uphold the democratic principle of income distribution justice under which the conflicting interests of the pluralistic society must be recognized, solicitated, articulated, and compromised. In demanding that the tariff wall be lowered, the U.S. pressure amounted to a claim that the Taiwanese society renounce a policy that over the last thirty years, for example, has consistently exploited the domestic buyers of passenger cars, forcing them to pay one hundred percent import duties to augment the profits of the domestic car makers. While such income transfer policies were routinely practiced under paternalism, they become unfair in a pluralistic society when the consumers form a new interest group on the political stage. The angry voices of protest that we hear at the present time echo, at least partly, those of the vested interest groups fostered under the paternalistic polity which is now in the process of being evolved.

The emergence of ideas in the evolutionary process that has contributed to the cause of the liberalization at the present time is traceable primarily to three types of causation factors. First of all, there is the maturity of nationalism. We know that the market closure in the early post war years was an emotional overreaction to colonialism due to fears of everything foreign. It is only natural that protectionism dissipates as a cultural value when a country gains self confidence in international competition. Taiwan opened her market because there was no more fear. Since twenty years of experience of export drive has shown that Taiwan shoemakers can win in the U.S. market, it is reasonable to assume that the Taiwan entrepreneurs can demonstrate the same competitive capacity in the domestic market. Hence, the market opens when nationalism is matured with self confidence in competition.

The so called "industrial policies" as practiced in the past in Taiwan began with an attempt on the part of the government bureaucrats to classify all industries by aphorisms such as sun rising, sun setting, down streaming, up streaming, locomotive, and sharply pioneering, to measure their relative strategic importance. No U.S. bureaucrat would, of course, even imagine that they have the capacity to rank all industries by aphorisms. The second factor associated with the birth of liberalism is that as the industrial structure gets more complex when the number of investable items multiplies, the society loses confidence in the bureaucratic ability to select money making investment projects. The old fashioned industrial policies must then be abandoned because the society becomes increasingly efficiency conscious and resents wastefulness. Finally, these "industrial policies" were implemented by an arsenal of policy instruments such as import duties, restrictions on foreign investment, preferential tax treatment and tax holidays, and preferential interest rates and terms of finance, by government controlled banks that always favored the so called strategic industries. It is common sense that to the extent that the entrepreneurial families of the strategic industries are benefitted, other social groups are victimized and hurt. Just as an import duty will favor the domestic car makers at the expense of the car buyers, all industrial policies that carry an income transfer implication that are covert and implicit under a paternalistic polity will have to be overt and explicit under a constitutional democracy.

While it took open debates in the U.S. Congress to help Chrysler when in trouble, a nod of heads of the political parents was all that was required in Taipei. The so called industrial policies of the past obeyed the cardinal principles of implicit taxation and political patronage where political representation or societal consent were redundant, unnecessary, and even unpopular. The third factor contributing to the birth of liberalization is directly associated with the discontinuation of the "industrial policies" that are incompatible with the newly emerging constitutional democracy where the economic impact of government policies must be meticulously articulated in respect to burden and sacrifice versus profit and benefits. Import duties on cars and other durable consumer goods will have to fall in Taiwan in the near future because of the fading away of paternalism and the formation of new interest groups by consumers that have the distinct possibility of rebelling and protesting. This will have to be recognized by the government for the first time in the life cycle of her polity.

Thus, when viewed from an evolutionary perspective, the birth of liberalization in

Taiwan is traced to a commitment to international competition associated with self confidence and mature nationalism. The industrial policies must be discontinued not only because they are impractical in a complex industrial society, but also because it is the only course of reform compatible with a constitutional democracy where the different interests of a pluralistic society must be articulated and compromised. In this light, the U.S. demand for Taiwan to open her markets is quite accidental and can only serve to hasten the pace of the withdrawal of the political force from the market place for the case of liberalization. The U.S. pressures are obviously a temporary phenomenon. We can be assured that when the U.S. pressure disappears in the future, Taiwan will not, once again, close her markets or revert to the polity of paternalism. In all probability, the U.S. pressures at the present time will be forgotten and will only be remembered with reverence by the economic historians in the future.

### III. TRADE SURPLUS AND EVOLUTION OF FOREIGN EXCHANGE SYSTEM

At the present time, popular resistance in Taipei toward currency appreciation is much more stiffer than that reserved for the U.S. demand for market opening. This is due primarily to the fact that with currency appreciation the profit margins of the producers for exported products are diminished instantaneously. The desires of the vested interest groups are so short sighted that the thought that the U.S. pressure amounts to a demand for long run liberalization of Taiwan's economic institutions becomes an esoteric irrelevance. Nevertheless, as was the case of tariff reduction, the demand for currency appreciation is really a demand for the withdrawal of the political force for the highly politicized international monetary system that has existed in Taiwan for more than forty years. Under the so called centralized foreign exchange system, the government monopolized the holdings of all foreign exchange reserves and all the foreign exchange earnings of the exporters had to be surrendered to the central bank at the official exchange rate. In the U.S., private holdings of foreign currency, like passports, are a basic citizen's right. In Taiwan it has always been an illegal black marketing activity. Under the centralized foreign exchange system, the wealthy Taiwanese not only cannot acquire stocks and bonds, real estate, and bank deposits in foreign lands, but are effectively deprived of the political right to make monetary donations to Yale University, democratic or republican parties, the Presbyterian church, or, in fact, any cause they believe in without government sanction. The centralized foreign exchange reserve system is a highly political one as Taiwan's monetary market is effectively isolated from the financial market in the outside world.

The political foreign exchange system is supplemented by another, even vaster, power monopolized by the government, namely, the sovereign power of credit expansion or money creation. The more than fifty billion dollar foreign exchange reserve at the present time was acquired by the Taiwan central bank through compulsory purchasing and money printing and, for this reason, always carries the potential threat of price inflation that the government is keenly aware of. Under the arrangement of the centralized system, the central bank can always step into the foreign exchange market to buy and stockpile U.S. dollars for national security purposes and thereby artificially raise the price of U.S. dollars as well as the price of U.S. products in terms of Taiwan currency. In this manner, international competitive positions of Taiwan producers can be artificially enhanced and manufactured as the profits of the entrepreneur can be augmented by political force. Through this, an export surplus can be and was politically created. After twenty years of a highly successful export drive since 1962, the economic culture of Taiwan shifted unnoticeably from "everything for exports" to "everything for export surplus" without realizing the world of difference between the two from the viewpoint of the fulfillment of her international economic obligations. Moreover, there is an insufficient understanding that the persistence of export surplus over the last five years has been traceable directly to the political intervention of the foreign exchange system that artificially manufactured Taiwan's international competitive positions. The very fact that the foreign exchange reserve has been stockpiling constitutes concrete evidence. During this period, under the pressure of public opinion, the central bank has, believe it or not, devalued her currency even when the export surplus was evidently increasing. Had the central bank not stepped into the market to stockpile foreign exchange five years ago, the Taiwan currency would have appreciated slowly to curb the export surplus. If the central bank had not arbitrarily manufactured the competitive position by political force five years ago, it would not have had to appreciate her currency so drastically over the last twenty months to restore her natural and depoliticized comparative advantage under U.S. pressures.

Thus we see that the demand by the U.S. is for Taiwan to depoliticize her international monetary system and to accept a monetary culture of central bank autonomy so she can become a fullfledged member in the communities of industrially advanced countries. A truly autonomous central bank such as the Federal Reserve Bank is expected to have power to resist political pressures through whatever sources. In particular, the central bank should treat the foreign exchange reserve only as an international medium of exchange to facilitate trade. The foreign exchange rate should be determined by the force of supply and demand to bring about a trade equilibrium uncontaminated by the political force exerted when the foreign reserve is stockpiled to store external purchasing power.

I want to conclude my talk optimistically by pointing out, once again, that the year 1987 appears to be a turning point for Taiwan. It is a time in which her traditional paternalistic policy is becoming democratized and her highly controlled economic institutions are becoming liberalized. As a sheer evolutionary necessity, Taiwan's markets open up as tariff walls crumble, investment barriers lower, and gold becomes freely imported. At the time of the preparation of my talk last week, newspaper headlines from Taipei indicated that the government will discontinue the centralized foreign exchange system by allowing Taiwan citizens to hold U.S. dollars freely. It is a form of liberalization with far reaching economic and political consequences for it signifies a further integration of Taiwan's economic system with the outside world and holds promises for something far more than the solution of the problem of export surplus. These reforms of liberalization would not have taken place so quickly without the presence of U.S. pressures.

When the present liberalization movement in Taiwan is viewed from an evolutionary perspective, what the U.S. can do is to contribute to the building of an atmosphere conducive to the hastening of the transitional phase with socio-political stability. The U.S. should give her time and, to borrow an expression from the late President Roosevelt, "speak to her softly while carrying a big stick." Try to be sympathetic to the unusually large foreign exchange reserve stock and remember that when denied formal political recognition, Taiwan must pay cash for the military hardwares that she acquires from her allies. Try to see that in spite of their deeds and behaviors in the opposite direction, the official reaction toward the U.S pressures of liberalization at the present time must be one of protest and resistance. In order to preserve socio-political stability, the Taiwan government must not give the impression that it is weak and desert the vested interest groups through making too many concessions. It takes time for new liberalized ideas to take root and erode the resistance of the interest groups. The big stick or retaliation can play a more constructive role if it is pronounced frequently but used rarely. It takes a delicate art of persuasion by appealing to Taiwan's sense of duties rather than giving the impression that she is being humiliated into submission. It really is not very difficult to exercise such an art because the relationship between China and the U.S. has always been one characterized by the warmth of friendship.

## THE ELIGIBILITY OF DISABLED ATHLETES FOR THE 1988 SEOUL OLYMPIC GAMES

Mr. WILSON. Mr. President, in less than 1 year, athletes from around the world will compete in the 1988 Seoul Olympic Games. For these participants, the Olympics is an opportunity to shine in the global spotlight. Days, months, and years of hard work and devotion will culminate into a series of carefully calculated athletic competitions, separating the champions from the rest of the pack.

Of great importance and historical significance is that the Seoul Olympic Committee has sought to broaden the scope of the 1988 games to include three competitions for disabled athletes—two wheelchair races and a javelin event. I wish to applaud the committee for taking this long overdue action. Being bound to a wheelchair does not preclude an individual from becoming a champion. Indeed, it is often the courage of the sort needed to overcome a disability which makes victory possible.

What I find troubling, however, Mr. President, is that the Olympic Committee has restricted eligibility to the three events for the disabled to those athletes bound to a wheelchair. The committee did not take into consideration those athletes who are not in a wheelchair but who have overcome their disability with the help of a prosthesis. I think that a letter from one of my constituents, Mr. Robert J.

Salini of Berkeley, CA, to the Seoul Olympic Committee best illustrates this problem. I would ask unanimous consent that Mr. Salini's letter be printed in the RECORD in its entirety at the conclusion of my remarks.

Mr. Salini states in his letter:

> When people mention the disabled, they often envision a wheelchair. But there are many disabled people who, through their diligence and courage, have chosen a prosthesis rather than a chair. An amputee athlete has to gather the strength to overcome phantom pains and skin tears to our stumps to be able to compete. I only wish that we, like our brother athletes in wheelchairs who will participate in the races, will have an opportunity in the olympics to showcase our talents.

This is my hope as well, Mr. President. Changing the eligibility requirements for the javelin event would allow athletes like Mr. Salini to compete in the 1988 Olympic games. More importantly, it would strengthen the message to all of us that a loss of a limb does not preclude an individual from becoming a world champion.

For these reasons, I would ask my colleagues in both Houses to join me in urging the Seoul Olympic Committee to provide all disabled athletes the opportunity to compete in Seoul next year. Thank you.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> BERKELEY, CA,
> *March 4, 1987.*
>
> SEOUL OLYMPIC COMMITTEE,
> *Seoul, Korea.*
>
> TO THE MEMBERS OF THE OLYMPIC COMMITTEE: I am an amputee who is missing my leg due to an accident. Recently I have discovered that the 1988 Summer Olympics will feature three events for the disabled: two wheelchair races, and the Javelin. When you are considering the guidelines for the Javelin, please do not limit the athletes to the use of a wheelchair. A lot of disabled people, through the use of a prosthesis, are accomplished althletes, but we would be left out of a chance to participate under current rules.
>
> When people mention the disabled, they often envision a wheelchair. But there are many disabled people who, through their diligence and courage, have chosen to live their lives with the use of a prosthesis rather than a chair. An amputee athlete has to gather the strength to overcome phantom pains and skin tears to our stumps to be able to compete. I only wish that we, like our brother athletes in wheelchairs who will participate in the races, will have an opportunity in the Olympics to showcase our talents. Changing the rules of the Javelin event would accomplish this.
>
> It is in your power to provide us amputee athletes with a stage to show the world that although we may have lost a limb or two, we still can function as well or even better than most people. This I feel will go a long way toward destroying the myths and misconceptions people have about us.
>
> Most of all, I make my plea for all the children around the world who have lost limbs, who need the role models to demonstrate the courage it takes to leave the wheelchair behind. Many people restrict themselves to chairs who need not be in them. With just a little incentive, they too can stand up for themselves. Seeing us compete at the Olympics could do that for them. Ted Kennedy, Jr. is an excellent role model; you can give the world others.
>
> Please let the children and adults of the world see us at our best!
>
> Thank you for any consideration in the above matter,
>
> Sincerely,
>
> ROBERT J. SALINI.

## THE SIOUX NATION ACT

Mr. PRESSLER. Mr. President, I have spoken several times on this floor to express my opinion on S. 705, the Sioux Nation Act, which was introduced by my distinguished colleague from New Jersey, Senator BRADLEY. I am opposed to this legislation.

The Sioux Nation Act is a bill to return over 1 million acres of land, located in the western half of South Dakota, to the Sioux Nation. In addition to this land, which includes the entire Black Hills National Forest among other national park lands and monuments, the Sioux are awarded a yearly maintenance allowance from the Federal Government, all unclaimed mineral rights, the first right of refusal to purchase land from private landowners within the reestablished area, among many other provisions.

As I read the accounts of this legislation in the national media, I often find myself distressed. Only one side of the story is being told. Volumes of mail pour into my office from South Dakotans, asking me to defeat this bill. But their observations and opinions are never aired in the media.

I believe the Sioux Nation Act is a bill of goods being sold to the Nation in these media reports. It is not a solution that will right a wrong that is over 100 years old. The question of the Sioux ownership of the land was settled by the Supreme Court's decision in *U.S.* v *Sioux Nation of Indians*, 448 U.S. 371 (1980). In this case, the Court upheld the previous decision of the U.S. Court of Claims, which awarded the Sioux a monetary judgment for the land in question.

I am very proud to say that while serving in the House of Representatives, I supported legislation to waive res judicata and allow the Sioux to have their case heard again. In fact, my record speaks very clearly to my commitment to assist the Sioux with improvements in their educational opportunities, accessibility to quality health care, and economic development on the reservations. I have enjoyed working closely with the tribes since first being elected to Congress in 1975. With this in mind, I feel I must make it known that S. 705, the Sioux Nation Act, is not a positive step for the Sioux Indians. This bill is heightening racial tensions in my State, and falsely raising the hopes of some who believe ownership of the Black Hills will be given to the Sioux.

While I was in South Dakota during the August recess, many people approached me to express their opposition to S. 705. So I decided to initiate action to let people outside of my State know why there is strong opposition to this legislation. On Monday, August 31, 1987, I challenged Senator BRADLEY to a debate on the merits of the Sioux Nation Act, S. 705, on national public radio, the "Larry King Show," or some other national media forum.

Senator BRADLEY has not yet accepted this debate, but I hope he will. The far-reaching implications of this legislation should be thoroughly examined in a fair setting. It's time the American people heard, as Paul Harvey is famous for saying, "the rest of the story."

## MISLEADING FOOD LABELING

Mr. PRESSLER. Mr. President, misleading food labeling continues to be a serious problem and I urge our colleagues to join me in support of S. 1109, a bill to require accurate labeling of food products containing palm, palm kernel, and coconut oils.

In recent years, the American public has become more health and diet conscious. In the quest for better physical fitness and longevity, we are exercising more and eating foods that we consider to be beneficial to our health. We are aware of the dangers of heart disease and, to a degree, the means to prevent it. Americans are working to modify their diets in order to improve and maintain good coronary conditioning. This includes lowering cholesterol levels in the blood. The American Heart Association and medical experts recommend reducing dietary intake of cholesterol and saturated fats. Unfortunately, many consumers are misled by food labels on vegetable oils stating that they contain no cholesterol. Such labels lead consumers to believe that the products are healthier, on the premise that all vegetable oils are low in saturated fats. This simply is not true.

The truth is that vegetable oils contain different levels of saturated fats. Some domestically produced oils, such as safflower, sunflower, corn, peanut, and soybean, have very low levels of saturated fat. However, most imported tropical oils contain much higher levels of saturated fats.

U.S.-produced safflower, sunflower, corn, peanut, and soybean oils contain between 8 and 9 percent saturated fats. These rates are remarkably low when compared to the fat content of tropical oils.

Coconut oil is composed of 92 percent saturated fat; palm kernel oil contains 86 percent saturated fat; palm oil

has 51 percent saturated fatty acid. The saturated fat content of tropical oils even exceeds lard or animal fat.

The problem here is that these highly fat-saturated oils are labeled as "vegetable oils"—as are the corn, soybean, and other domestic oils which contain vastly lower levels of saturated fats. No mention is made of the saturated fats content on the labels of these products.

Another aspect of this issue also must be addressed. Why use oils that are extremely high is saturated fats and possibly endanger your long-term health? Additionally, why use such fatty oils from foreign countries when American farmers are producing record surplus of more healthful commodities.

The importation of tropical oils has increased greatly in the past few years, and in some cases has doubled. Concurrently, since 1984, consumption of domestic oils has either decreased or risen only minimally. Coming from the agricultural State of South Dakota, I believe the unnecessary purchasing of imported commodities instead of domestic is incredible. We should be doing more to encourage the use of domestic U.S. agricultural products, especially when they obviously are so much healthier than the foreign product.

Mr. President, more precise labeling of food products made with tropical oils should be mandated through Federal legislation. It is unfair to continue misleading consumers. It is unfair to both American farmers and U.S. taxpayers to continue encouraging the purchase of tropical oils from foreign nations through inadequate food labeling standards.

## CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

## SENATE SCHEDULE

Mr. BYRD addressed the Chair.

The ACTING PRESIDENT pro tempore. The distinguished majority leader.

Mr. BYRD. Mr. President, I had hoped that we might be able to have some votes today on the Philippine resolution, and I had hoped that we might also get going on catastrophic illness. But the situation that has developed is that we are being straitjacketed by objections to taking up meaningful legislation. Six times we have tried to get the Senate to act, and stop filibustering on campaign financing reform. Three times we have tried to invoke cloture on the Department of Defense authorization bill. On that bill we have only had 5 of our friends in the minority who have supported the cloture vote to take up the national defense bill; 5 Senators. We reached a point of 59 votes on that cloture effort with 54 Democrats, or 100 percent, who voted for cloture.

With only 54 Democrats and the requirement for cloture being 60, we cannot get 60 votes to take up the Defense bill unless we have 6 votes from the other side of the aisle. I am thankful for the 5 Republicans who voted for cloture. That is not enough. We have gotten only 59 votes for cloture.

Mr. President, I have tried five times to get up the catastrophic illness legislation and five times we have heard objections from the other side. The distinguished Republican leader has made a sincere, good faith effort to wipe out those objections on his side of the aisle. Yesterday, I was going to make another request but I, at the behest of the distinguished Republican leader, did not make the request so as to give him time to inquire as to whether the objections could be eliminated on his side of the aisle. I said I would not make the request while he was not on the floor. So, consequently, I did not get to make the request because the distinguished Republican leader was not on the floor again later that day.

So there we are. We see a pattern of obstruction. The minority will not let us take up the Defense Department bill, they will not let us take up catastrophic illness, and they will not let us get action on campaign financing reform.

Mr. President, the Senate is in a pathetic situation when it has to have 60 votes to take up a matter. I predict that the Senate at some point in time is going to change that situation so that it will no longer require 60 votes to take up a bill.

Mr. President, I am in a position at this moment to move to take up the Defense Department authorization bill, morning business having been closed, and such motion would be a nondebatable motion. Am I correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. BYRD. I should alert Senators that I am also in a position at this point to move to take up the catastrophic illness legislation and that would be a nondebatable motion. Am I correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. BYRD. Very well. I will alert all Senators that I am going to move to take up one or the other of those bills before I yield the floor. The Senate is going to have an opportunity to quit stalling; and it is going to have an opportunity within the next hour or so to vote on taking up one or the other of these measures—either of which I choose, the defense bill or catastrophic illness legislation. If I choose the defense bill, we no longer need cloture on Tuesday because the Senate will be forced to vote today.

My patience is almost indefatigable, but there comes a time when I can no longer be patient just because I would like to be. There comes a time when I have a higher responsibility to do whatever I can do to get this Senate to act.

Here we are now on Friday. It is not yet 11 o'clock. Senators can get a vote. We can go to either the Defense Department bill or we can go to the catastrophic illness bill. Neither motion is debatable under the present parliamentary situation. I do not need unanimous consent, and I don't need cloture to shut off debate because no debate is in order.

I think it is about time that the people of this country understand what the problem is in the Senate. The Republican minority insists on dragging its feet and on objecting to taking up vital legislation. We have had this long stall on the Department of Defense bill now, and we have been unable to even take up the defense bill. What do the American people expect of their majority and minority in the Senate?

If this is the kind of record that the administration wishes to run on in next year's election, a record of stall, obstruction, delay, filibuster, veto threats, and vote "No," then that is for the administration to judge. But the American people are also going to judge. I think the American people should know who is holding up the works.

The Republican minority in the Senate has held up the works on taking up the Department of Defense bill, the Republican minority in the Senate has held up action on the campaign financing reform bill, and the Republican minority in the Senate has prevented action on taking up catastrophic illness.

All one has to do is read the RECORD to see that, to see the number of times that I as leader have tried to get up the catastrophic bill. What is wrong with it? The objection before the recess: was wait until after the recess. The distinguished minority leader tried time and time again. He and I have had our private conversations. I know he is acting in good faith. I know where the problems are.

I try to be patient. So, I said: "OK, let's try to get it worked out. I hope we can go to it after the recess." Well, we could not go to it even yesterday. The minority have had time to work it out, but they still object to unanimous consent.

The distinguished Republican leader said yesterday—and he is on the floor—that Howard Baker was going to try to get certain Republican Senators together to try to work out a prescription drug problem in connection with the catastrophic illness legislation.

Why do we not get it up and let us work it out on the Senate floor? I welcome the assistance of our good friend and esteemed former colleague and leader, Mr. Baker. But the Senate should work out its own problems.

I am not very amenable to the idea of waiting on the White House to work out these problems that we Senators have a responsibility to work out ourselves. The White House has its own responsibilities, and it can tend to them, but the Senate's work should not wait on the White House.

The same can be said for DOD. Is this what we have been waiting on with respect to DOD? Is it the White House that is standing in the way? Does it not want the Senators of its own party in the body to accede to even taking up the defense bill? Is the Senate minority waiting on Mr. Baker or waiting on the White House? I have a feeling—I do not have proof, but I have a feeling—that that is the situation, that the White House is behind at least some of the stall on both catastrophic illness and the defense bill.

So, Mr. President, I make a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. BYRD. Mr. President, for the record, if I move to take up either the Defense Department authorization bill or the catastrophic illness legislation at this point, could there be any debate on such motion?

The ACTING PRESIDENT pro tempore. The motion would not be debatable.

Mr. BYRD. Mr. President, I make a further parliamentary inquiry. That being the case, upon the expiration of the first 2 hours today, the morning hour—the parliamentary term—upon the close of the morning hour today, would such motion to proceed still be nondebatable?

The ACTING PRESIDENT pro tempore. The motion would be nondebatable.

Mr. BYRD. Mr. President, I will be happy to yield to the distinguished Republican leader before I make a motion to go to one or the other of the two bills today. I yield with the understanding that my rights to the floor will be fully protected by the Chair.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The minority leader is recognized.

Mr. DOLE. Mr. President, let me indicate to the majority leader, as I indicated yesterday, that we have a couple of areas where we have a real difference.

I think we are near resolution on the DOD authorization bill, so that we might be able to avoid a lot of parliamentary problems, get consent to get on that bill, and I assume stay on it. Certainly, we want to stay on it.

It is a matter that I discussed not only with the majority leader but also with the White House. I, on the theory that they can help us in this matter. I think the distinguished Senator from Georgia [Mr. Nunn] and the majority leader may have made an indication that they could be helpful.

We are going to move legislation. Sometimes the White House has to get involved, and they are involved. I had a meeting this morning with Mr. Carlucci and Mr. Weinberger. I just talked to the White House the liaison, Mr. Ball.

The majority leader can proceed any way he wishes. But I really believe that there might be a better resolution, if I had a bit of time to see if we can get some agreement to proceed to the defense authorization bill.

We have one practical problem. The ranking Republican member, Senator Warner, will not return until 2 p.m.

We have been discussing this with other members of the Armed Services Committee—Senator Quayle, Senator Symms. We also are trying to reach Senator Helms because of the one amendment our side of the aisle cannot tolerate or live with.

With reference to catastrophic illness, I think that on this side, it is down to 1 or 2 objections from 10 yesterday. There are fundamental reasons why we object. It is not that we do not want to bring up the bill. We are trying to resolve at least one or two areas of disagreement in that bill, and we think it would be easier to do it before bringing up the bill.

I had a meeting yesterday with Senator Bentsen, the chairman of the Finance Committee. I know Senator Bentsen personally called two members on this side.

I think we also may have an agreement to take up the prompt payment bill. We could agree to take up the prompt payment bill on Tuesday. I think we have an agreement to speed up the process on that piece of legislation.

In addition, we are prepared to move to the drug testing bill; bilingual education; national telecommunications; information administration; the lobbying bill; Coast Guard authorization; FCC authorization, and noncommissioned officers.

I ask that the list be included in the Record. These seven bills have been cleared on this side and we are prepared to take them up today or at any time.

So it is not that we are not in agreement that we should be doing something. I guess the disagreement is, what should we be doing?

I hope we can move to the defense authorization bill. I would be happy to discuss that bill—at least three matters in it—privately with the majority leader, if he can do so without losing any rights.

Mr. BYRD. The distinguished minority leader is proposing that we go to the defense authorization bill now?

Mr. President, I ask unanimous consent that the Chair indulge my rights to continue retaining the floor while nothing happens other than a conversation between the distingushed Republican leader and myself.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have had a discussion with the distinguished Republican leader, and I must say that I am intrigued and somewhat taken aback by the sudden desire to work things out and to cooperate. I say that, realizing the position that the minority leader is in. I have been minority leader so I well understand his position.

I think sometimes the minority leader is a victim of situations over which he has no control.

Now we have an indication that there might also be an agreement on the prompt payment bill. Do we have the agreement worked out and what is that agreement?

Mr. DOLE. We can get that now.

Mr. BYRD. Mr. President, the euphoria of being in a position to vote immediately on a motion to take up either the defense bill or catastrophic illness virtually overwhelms me. One thing I will not do while I am recovering is, of course, yield the floor.

Mr. President, some may wonder why I am being so slow in making up my mind as to which bill I will decide to move to. It is a bit exhilarating to be in a position to see the other side of the aisle squirm, after having put up with interminable delays for so long in getting up important legislation. There is also a practical parliamentary reason as to why I do not wish to move on either bill for yet a little while. But there is another reason: The distinguished Republican leader has asked that he have an opportunity to make a contact with the White House.

I honor and respect the Republican leader. He is a good leader and the White House should be thankful that they have Bob Dole leading for them, but it is pretty obvious that he has to listen to the White House once in a while, and I understand that. If I were in his position I would listen too. I might not listen too long.

In any event, I have decided that I shall shortly make a motion to proceed to the Defense Department bill. There will be a rollcall vote on that motion. I suggest that the Cloakrooms get the word out to Senators that there will be a rollcall vote soon on the motion to take up the defense bill.

And, of course, if we should lose on that motion, there will be a cloture vote on next Tuesday. If my nondebatable motion carries, the cloture vote on Tuesday will be automatically vitiated. But we will see who wishes to obstruct on this Friday, September 11, to taking up the defense bill.

But, Mr. President, this may be a moment which I will not experience again for a long time and I hope that all who listen and look will understand my reticence in giving up this moment too easily.

I have not recently seen such a willingness to cooperate from the other side. They are willing now to give me a time agreement on prompt payment, which will be nice. But that is not one of the bills I am under great pressure to bring up. It is an important bill and I am a supporter of that bill. But the legislation that has to go first is the Department of Defense and catastrophic illness, because we have a convergence of streams of legislation that are coming to a flood point soon. There are 13 appropriation bills, 9 of which have been sent over by the House of Representatives and the first of which will be reported by the full Committee on Appropriations in the Senate next Tuesday. So those appropriation bills will start coming to the floor. And then we are going to be faced, by September 23, with the expiration of the debt limit.

The pressure is great upon the Senate and the House to work out their differences on the Gramm-Rudman fix. There is also the reconciliation bill which has to be done. With all of these absolutely necessary measures coming to a head, and coming to a head soon, it means that if we are ever going to take action on the Department of Defense authorization bill, we have got to do it soon.

I tried cloture three times. And I must say to the distinguished Senator from Georgia—I hope I am not misstating the case—I would perhaps have tried only twice. I think he saw the obstreperousness of the opposition, and decided that he was not going to give in to striking out an amendment by himself and Mr. Levin just to get the bill up. If the Senate does it, that is a different matter. But I thought well, we will try for cloture again. So, we tried a third time and failed.

I have talked with the distinguished Senator a number of times since and he has been in conversation with Senators and he has not been able to see any light at the end of the tunnel. He has not been able to detect a willingness by the Senate minority party to give consent to take up the defense bill.

So we are up to the point where we are going to have a fourth cloture vote next Tuesday to take up the bill, but we are in a much preferable position today—and I must say, this is an experience that I will probably write about in my memoirs, if I ever get around to it—an experience of being able to call up a measure without unanimous consent, being able to make a nondebatable motion and have the Senate vote immediately, and especially on the defense authorization bill—a bill that is so important to this country—or I can move to go to the catastrophic illness bill, which is also important to the country.

I know that there are Senators here who are impatient to get on with the vote, but I dare say that I will be pardoned, at some point in time, for having relished the circumstance that I find myself in right at the moment.

I say all that facetiously, really. I do not want this vote to occur right at the moment for parliamentary reasons, which I do not have to explain here and now but would be glad to if anybody wants to know. I also want to give the distinguished Republican leader the opportunity to make his call to the White House.

Really, what I am glad to see is the White House squirm. That is what I am glad to see. I am glad to turn the screw and just tighten it up on the White House at the moment, because there lies the problem, I have a feeling, in great measure. It has been the cause of delay, undoubtedly, because there have been Senators other than the five noble and courageous Republicans who voted for cloture, who would like to have voted for cloture because they believed that the defense bill ought to be brought up. And so I am constrained to believe—I have no direct evidence of it—but I am constrained to believe that the White House was exerting pressure on some of our friends in the minority not to vote for cloture on the Department of Defense bill.

The Senate will very soon have to vote on taking up the bill this afternoon, and we will see what the White House can do in the meantime. It may be able to keep some of the minority Senators from voting to take up the defense bill. I do not know. But it is going to have to face up to reality today.

Mr. President, I ask unanimous consent that the Senate stand in recess so that I might recover from the sudden happy circumstances that have overwhelmed me, with the understanding that I not lose my right to the floor and that, upon the reconvening of the Senate following the recess, I be recognized. I ask that the Senate stand in recess for—well, I guess 10 more minutes would give us all a chance to get our breaths.

### RECESS FOR 10 MINUTES

The ACTING PRESIDENT pro tempore. Is there objection? Hearing none, the Senate will stand in recess. Upon resumption the majority leader will have the floor.

There being no objection, the Senate, at 11:26 p.m. recessed until 11:36 p.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore [Mr. Wirth].

### RECESS FOR 10 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for an additional 10 minutes under precisely the same conditions as heretofore were entered in connection with the just finished recess.

There being no objection, the Senate, at 11:37 a.m., recessed until 11:49 a.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore [Mr. Wirth].

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. BYRD. I thank the Chair.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I intend to move to proceed to the defense authorization bill within the next 10 minutes. Frankly speaking, there are good reasons why I am waiting. One of those reasons, which I have not explained, is that in the parliamentary situation in which we now find ourselves if the announcement of the vote on the motion to proceed were to occur before the hour of 12:20 p.m. today, a call for the regular order then could bring back the unfinished business, S. 2.

Now, we are going to have a cloture vote on S. 2 next Tuesday. But I want in the meantime for the Senate to be on the Defense Department authorization bill. I do not want to wait until next Tuesday for a cloture vote on the Defense bill which could again fail. It could fail by virture of the absence from the Senate of a single Senator who has heretofore been voting with the majority to take up the defense bill. I do not want to risk waiting on that cloture vote. Therefore, I will not take the chance that the announcement of the outcome of this vote by the Chair will occur before 12:20 today. That is the main reason why I am waiting. I am waiting until such time to make a motion that the announcement of the vote will not occur before 12:20. I can make that motion at any minute now, and the announcement of the results will not occur until after 12:20.

I have also been waiting on the distinguished Republican leader because I feel he is entitled to some time to discuss this matter with the White House.

Mr. President, if the Senate votes to proceed to take up the Department of Defense authorization bill, I hope that some amendments can be disposed of this afternoon. There are Senators here who will be prepared to call up amendments.

While we are waiting, may I alert all Senators to the situation as we look down the road.

The Senate has completed its last scheduled break for the year. Columbus Day is on October 12, but that is on a Monday, and I have indicated to Senators that we will not be coming in on Mondays through September and October anyway, so that Senators may raise money for campaigns without missing votes. It is unfortunate that that is the system we have. We all have to live with it until we can change it. Democrats are trying to change it by passing the campaign financing reform bill. Our Republican friends—most of them—do not want to change it. But as long as we have the system, we cannot ignore our own reelections while we are waiting to change it, so we have to face up to reality. I have faced up to reality, and I have, therefore, announced that we will not have any Senate sessions on Mondays, barring an emergency. October 12 is Columbus Day, but it falls on a Monday.

The only other day that I can see at the moment would be November 11, Veterans Day, formerly Armistice Day, and the Senate would be out on that day. That is on a Wednesday.

In recognition of the Jewish religious day of Rosh Hashonah, which begins at sundown on September 23, a Wednesday, and ends at sundown on September 24, a Thursday, the Senate will be in on the 24th, but there will be no rollcall votes prior to sundown on that date, sundown being circa 6 o'clock p.m. There likely will be rollcall votes, however, after 6 p.m. on Thursday, September 24.

Yom Kippur begins at sundown on Friday, October 2, so that poses no problem. There will be votes that day, the religious observance beginning not until sundown, or 6 o'clock, that evening.

Mr. President, I yield to the distinguished Republican leader without losing my rights to the floor, for not to exceed 3 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Kansas is recognized, without objection.

Mr. DOLE. I thank the majority leader.

Mr. President, I want the RECORD to reflect that there is going to be a vote in any event. We are trying to locate one of our colleagues, the distinguished Senator from Wyoming [Mr. WALLOP], who is not available at this moment. But I have checked with a number of my colleagues—Senator QUAYLE, Senator HELMS, and, through staff, Senator WILSON. I have indicated to the majority leader that I will support the motion to proceed.

As I understand the parliamentary situation, if the motion to proceed passes, then we are on the defense authorization bill. We stay on it until we will complete it, unless there is an agreement to go to something else. It would displace campaign financing, S. 2, unless cloture was invoked on S. 2 on Tuesday.

I suggest to the distinguished majority leader that there are still going to be a number of contentious issues on the defense authorization bill, and one way to determine how contentious is to have the bill up.

I want the RECORD to show that the White House has been very helpful in this instance. They have made a couple of phone calls. I called last night, suggesting that we ought to get on with something. They had a meeting this morning with the Secretary of Defense, and Mr. Carlucci, the President's adviser. It has been discussed with all of them, down the line, at the White House. That may come as some shock to the distinguished majority leader. But I want him to know, that the White House has been very helpful, as they have been many times in the past.

I think we soon will be on the defense authorization bill. Another reason the majority leader was delaying the vote a bit was to make it possible for the distinguished Senator from Virginia [Mr. WARNER], who is the ranking Republican on the Armed Services Committee, to be here for that vote. His plane lands this afternoon. If the plane is on time, he should just about be on his way to the Capitol.

So I thank the majority leader. I want the RECORD to clearly reflect that we have made every effort to locate Senator WALLOP, and we are still making that effort. But I do not think we are going to be able to find him.

Mr. BYRD. Mr. President, I thank the Republican leader. I was aware of the leader's efforts to get in touch with Senator WALLOP, and he has been unable to do that.

I was aware of his concern also to get in touch with Senator WARNER, Senator WARNER being the ranking member of the Armed Services Committee. If he can be here at all, I certainly want to give him every opportunity to vote. I was told earlier by Senator DOLE that Senator WARNER would not be scheduled to land until 12 noon. That vote can be stretched out for a reasonable length of time, and I would be happy to do that to accommodate Senator WARNER.

Mr. President, S. 2 will be displaced, and I have already indicated why I have elected to displace it: Because, otherwise, even if the Senate voted today to take up the defense authorization bill, if that vote to take up were to be announced before the hour of 12:20, a call for the regular order thereafter would bring S. 2 back before the Senate and displace the defense bill.

We have had six shots on S. 2. We have one more good opportunity next Tuesday to invoke cloture. I hope that we will invoke cloture on S. 2 next Tuesday. If we do, that will only temporarily displace the defense authorization bill. If we do not get cloture on S. 2 next Tuesday, that measure will be revisited at some point in time during this Congress—if not this year, certainly next.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

Mr. BYRD. Mr. President, I move that the Senate proceed to the consideration of the Defense Department authorization bill, which is Calendar Order No. 120, S. 1174, and I ask for the yeas and nays on the motion to proceed.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Tennessee [Mr. GORE], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Illinois [Mr. SIMON], are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. BINGAMAN] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Missouri [Mr. BOND], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Oregon [Mr. HATFIELD], the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from South Carolina [Mr. THURMOND], the Senator from Wyoming [Mr. WALLOP], and the Senator from California [Mr. WILSON] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] and the Senator from Minnesota [Mr. DURENBERGER] would each vote "yea."

On this vote, the Senator from Wyoming [Mr. WALLOP] is paired with the Senator from South Carolina [Mr. THURMOND].

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If present and voting, the Senator from Wyoming would vote "nay" and the Senator from South Carolina would vote "yea."

The PRESIDING OFFICER (Ms. MIKULSKI). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 79, nays 4, as follows:

[Rollcall Vote No. 240 Leg.]

YEAS—79

Adams
Baucus
Bentsen
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Stafford
Stennis
Stevens
Symms
Trible
Warner
Weicker
Wirth

NAYS—4

Gramm
Helms
Humphrey
Specter

NOT VOTING—17

Armstrong
Biden
Bingaman
Bond
Boschwitz
Domenici
Durenberger
Gore
Hatfield
Hollings
McCain
McClure
Murkowski
Simon
Thurmond
Wallop
Wilson

So the motion to proceed was agreed to.

Mr. BYRD. Madam President, I move to reconsider the vote by which the motion was agreed to.

Mr. NUNN. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

> The bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

## A RESOLUTION TO EXPRESS SUPPORT FOR PRESIDENT CORAZON AQUINO AND THE GOVERNMENT OF THE PHILIPPINES

Mr. BYRD. Madam President, the distinguished Republican leader is on the floor. Before we proceed on the defense authorization bill, would it be possible to get up the Philippine resolution, of which the distinguished Republican leader and I are the chief sponsors? Is it possible to get that up and get a vote on it while Senators are here?

We have been discussing this, now, for 2 or 3 days and I am prepared to ask unanimous consent, so if there is a Senator who objects to this, we will know who it is.

This resolution expresses support for President Corazon Aquino and the Government of the Philippines. I am going to ask unanimous consent that the Senate proceed to the immediate consideration of this measure. Our staffs have been working on it for some days now and there were times when I was told that we were in agreement to take it up, but something broke down.

This carries the cosponsorship of—in addition to Mr. BYRD and Mr. DOLE—Mr. KENNEDY, Mr. LUGAR, Mr. PELL, Mr. CRANSTON, and Mr. MELCHER. Other Senators are welcome to add their names.

I ask unanimous consent that Senators may do so.

The PRESIDING OFFICER (Mr. FOWLER). Is there objection?

Mr. DOLE. That is only to the cosponsorship; you have not made the request?

Mr. BYRD. No, I have not made the request yet. That was only cosponsorship.

The PRESIDING OFFICER. Is there objection to the authority to add additional cosponsors? Hearing none, it is so ordered.

Mr. BYRD. Mr. President, if the Senate is going to express support for President Aquino, and I think it should, it loses its impact if the Senate continues to wait, so I am going to ask unanimous consent that the Senate proceed to the immediate consideration of this resolution.

Mr. DOLE's staff and my staff have worked many hours on this resolution. We are ready to proceed.

I do not make that request at the moment, until after the distinguished Republican leader has been able to respond and I yield the floor for that purpose.

The PRESIDING OFFICER. The Republican leader [Mr. DOLE] is recognized.

Mr. DOLE. Mr. President, I share the view expressed by the majority leader and I would hope that we could pass this resolution today. I understand there are still one or two problems or one or two Members on this side that I need to consult with. I am wondering if the majority leader might make the request at a later time.

I know there has been a lot of staff work done. I think we have been working with staffs of different Members and the Members themselves. I am not certain the distinguished Senator from North Carolina has had a chance to see the latest version and he is the ranking Republican on the Foreign Relations Committee; and obviously is very interested in this resolution.

So, if we could withhold making that request, otherwise I would be constrained to object even though I am cosponsor of the resolution.

Mr. BYRD. All right. I think the Senate has to begin to show down one way or another on these matters. I owe the courtesy to the Republican leader to wait and I owe the courtesy to the distinguished ranking member of the Foreign Relations Committee, Mr. HELMS, so I will not present the request just now. But we cannot wait too long because if we are going to have a rollcall vote on this resolution today, Senators need to know earlier rather than later.

Mr. President, I will not make the request for at least a half hour.

Mr. HELMS. Will the distinguished majority leader yield?

Mr. BYRD. Yes.

Mr. HELMS. Mr. President, in the first place, the resolution may have been modified since I saw the last version. There are some statements in there which cannot be confirmed.

Second, I do not know that it would be harmful to have a brief hearing on this. As far as I am concerned, I have enjoyed President Aquino's company on occasion, but I think we ought to have, I say to the leader, at least a half day or an hour or two of hearing and bring in witnesses who do not agree with this, who were anti-Marcos.

I hope Senator PELL will be willing to call such a hearing. Monday would suit me, or Tuesday, or whatever. Let us hear from these people. Then I will be delighted to add my name as cosponsor, just so that the information therein is accurate.

But right now, unless it has been changed, there are some inaccurate statements in the resolution and I would have to do what I could do to prevent it being considered today.

Mr. BYRD. Mr. President, I thank the distinguished Senator from North Carolina, for whom I have a great deal of respect and toward whom I entertain a genuine feeling of fondness. I say that in sincerity.

But I am not a supporter of Marcos; I am a supporter of President Aquino and the present Government of the Philippines. It is a new democracy which is having its problems and we need to support it. I will proceed to ask unanimous consent after the distinguished Senator from North Carolina has had an opportunity to look at the resolution, to look at the language, and if there is some language to which he objects, perhaps we can resolve that problem. But I am not willing to let this matter continue to be delayed while the urgency exists.

Mr. President, I think the adoption of this resolution would certainly have a good impact on democracy in the Philippines, and the longer we wait, the less impact it will have.

Mr. President, for now I will not ask unanimous consent, but it is my intention to ask unanimous consent for the immediate consideration of the resolution later. If Senators wish to delay that, they can do so. They can either object or, if it is brought up, they can talk on it, in which case I might have to enter a cloture motion on it.

Mr. HELMS. Will the distinguished majority leader yield once again?

Mr. BYRD. I yield.

Mr. HELMS. Can he tell me when a copy will be made available?

Mr. BYRD. Yes, Mr. President. I will provide the distinguished Senator with a copy.

Mr. President, I ask unanimous consent that, without it is being offered, the clerk read the resolution. I make this request without losing my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the majority leader? Without objection, it is so ordered.

The clerk will read the resolution.

The assistant legislative clerk read as follows:

### Resolution To Express Support for President Corazon Aquino and the Government of the Philippines

Whereas on August 28, 1987, mutinous troops attacked the presidential palace in Manila in an effort to overthrow the Government of the Philippines;

Whereas scores of Filipinos have been killed and over one hundred wounded in the political violence;

Whereas the Filipino armed forces have rallied overwhelmingly in support of the President against the mutineers and have crushed the rebellion;

Whereas the insurrection is the fifth such effort to overthrow the Aquino government since the inauguration of President Aquino on February 25, 1987;

Whereas under the leadership of President Aquino, the people of the Philippines have adopted a new Constitution, conducted open elections, and revived the democratic institutions of their nation;

Whereas the Government of the Philippines has made impressive strides in reversing the economic decline of the nation;

Whereas President Aquino enjoys the overwhelming allegiance and support of the Filipino people;

Whereas the international community has expressed renewed support for the leadership of President Aquino;

Whereas the Aquino government confronts a growing insurgency threatening political, economic, and social stability and the security of the Philippines;

Whereas the United States Administration has issued a statement of strong support for the Aquino government and democracy in the Philippines and condemned all efforts to destabilize the Government of the Philippines; and

Whereas the Aquino government enjoys the confidence and support of the United States Congress as has been expressed in previous resolutions: Now, therefore, be it

*Resolved*, That the Senate—

(1) congratulates the people of the Philippines and the loyal members of the Philippine military for their commitment to democracy and for their courage and success in crushing the rebellion;

(2) renews its full support for the sustained efforts of President Corazon Aquino to pursue the development of democratic institutions in the Philippines and stability in the society of the Philippines;

(3) recognizes the overriding importance of defeating the communist-led insurgents by strengthening the capability and improving the morale and living conditions of the armed forces of the Philippines and supports continued timely and vigorous military assistance to the Government of the Philippines to assist in that effort;

(4) recognizes that economic recovery is crucial to the attainment of a stable democracy in the Philippines and supports continued economic assistance aimed at building a strong and vibant economy;

(5) calls attention to all persons or groups seeking the violent overthrow of the Government of the Philippines to current United States law which requires suspension of military or other assistance if a duly elected Head of Government is deposed by military coup or decree; and

(6) urges the Secretary of State to direct the United States Ambassador to the Philippines to make every effort to communicate the contents of this resolution to all Filipino citizens and to all sectors of Philippine society.

Mr. BYRD. Mr. President, my staff will see that a copy of this resolution is provided to Senator Helms and any other Senator who wishes it. I will yield the floor at this time and I will not now pursue the request for the immediate consideration of the resolution. I will return to it within a relatively short time, however.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The Senate continued with the consideration of the bill.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. BYRD. Mr. President, will the distinguished Senator from Georgia yield to me for a moment?

Mr. NUNN. Mr. President, I yield to the majority leader.

Mr. BYRD. Mr. President, I have had a good many Senators ask if there are going to be rollcall votes this afternoon. This is a serious bill, as we all know. This is a serious effort to get on with the bill. The bill is now before the Senate. There have been various Senators, including myself, who have urged that the Senate proceed to its consideration. Now that it is before us, I hope that Senators will now address the bill seriously and offer amendments, and that we can make some progress on the bill this afternoon.

I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I thank the majority leader for all of his assistance, diligence, and dedication in getting this important bill before the Senate. I can assure him that we are going to make as much progress as possible today. We have opening statements that are to be made on this bill. Our subcommittee chairmen will be outlining their own areas of jurisdiction. The ranking members of the subcommittees will be doing likewise.

Mr. President, no one is more pleased than I am to have the bill before us. I hope we can make good progress on it today and next week. I thank the majority leader for his effort in getting this bill before us, which has taken a long, hard, and dedicated effort. But here we are and I hope we can make progress.

Mr. BYRD. Mr. President, I thank the Senator for his comments and his support in getting the bill before the Senate.

Mr. NUNN. Mr. President, I also want to thank the Senator from Virginia for his cooperation during this difficult period. We have not agreed on some of the issues, but we have maintained a very close coordination and working relationship, which is so important for the committee that we both serve on and are dedicated to in support of our national security.

Mr. President, I also welcome my colleague from Virginia back to the Senate. I know he has had a long and rather strenuous journey. We welcome him back.

Mr. President, I say to the distinguished Senator from Virginia, we have not had a chance to communicate very much, but my plan is to begin with opening statements and hopefully get some amendments up this afternoon.

Mr. WARNER. Mr. President, I express appreciation for the remarks of the distinguished chairman of the committee, my good friend and colleague. It is definite by this vote that the decision was made in collaboration with the President's staff that we should proceed on the bill. The Senator from Georgia knows that throughout this debate I have been of an open mind on this issue. So much for that.

We are going to proceed with our opening statements, and I should like to advise that I have scheduled, of course, to remain here throughout the afternoon and if any Senator desires to speak ahead of me, he or she may do so. I will be happy to accommodate our colleagues in terms of their schedules in the afternoon.

We will, however, in the course of the opening statement focus at length on the strategic issues, and I say to my good friend, the chairman, and to others that as we proceed on this bill, and in particular with the debate on the Levin-Nunn amendment, let us bear in mind that we do not want to move the negotiations on arms control from Geneva to the floor of the Senate. I hope all will proceed with great caution as we deliberate on these issues at this particularly sensitive time when our Secretary of State and the Foreign Minister of the Soviet Union will be meeting here in a few days; progress in this area seems to be moving forward in a hopeful manner.

Mr. NUNN. I certainly share the sentiments of my colleague from Virginia in that regard. As he knows, we spent literally weeks last year trying to work out arms control provisions that were in the House bill and Senate bill in a way that was conducive to the interests of our national security. I know the Senator from Virginia joins me in making it plain to our partners in negotiation and sometimes adversaries in world affairs, the Soviet Union, that this is a Government that has more than one branch and that we are not a monarchy, nor are we a dictatorship; that the Senate of the United States not only has to advise and consent on the making of treaties but we also, according to the words of the famous Virginian by the name of James Madison, are makers of treaties; the treaties of this country become law of the land under the Constitution—the law of the land—and we are makers of the treaties. Our role is not simply one of consultation. The role of the Senate is to help the executive branch by advice and consent. James Madison in the Federalist Papers said that the Senate and the President make treaties. He did not say the President makes treaties. He said the Senate and the President make treaties. The administration negotiates those treaties.

So the word should go out that we are not trying to negotiate treaties on the floor of the Senate, but word should also go out that this country is not a monarchy; that this country has more than one branch of Government; and that we all have to respect that separation of powers. While the administration negotiates treaties, the President of the United States does not change treaties that are the law of the land any more than the President of the United States changes other laws that are on the books without the approval of the Congress. So I think that message will be clear as we go forward in this debate, and I look forward to the debate. I think it will be very interesting and hopefully enlightening. A lot of details are involved and perhaps we can learn more from each other as we go through this dialog.

Mr. WARNER. Mr. President, I appreciate the sentiments of my distinguished friend and colleague, and I would add one other adjective to the debate. It is likely to be lively.

Mr. NUNN. The Senator says that after flying all the way across the ocean and when he rests he is really going to be charged, I can tell.

Mr. President, I am pleased to bring before the Senate S. 1174, the defense authorization bill for fiscal years 1988 and 1989. This bill provides the authorization required in the law for almost all of the major functions under the jurisdiction of our committee, including the activities of the Department of Defense, Department of Energy nuclear weapons programs, and the military construction program.

The Armed Services Committee started our work this year before the President submitted his budget to the Congress. We worked long and hard. We reported this bill out on May 8. We had our first attempt to invoke cloture on this bill on May 13. We have had several attempts since then. And, of course, we have had an awful lot of behind-the-scenes effort to get this bill up. So I am pleased and delighted probably more than anyone in this body to have the bill before us today.

In early January the committee began an extensive series of hearings on U.S. national security strategy with distinguished military and civilian witnesses in and out of Government. Military strategy is the essential beginning point for any decisions on what is needed for national security. These hearings form the baseline and the framework which the committee used to evaluate the policies and the programs in the President's defense budget request for fiscal years 1988 and 1989.

From the strategy hearings, we transitioned to our detailed review of the fiscal years 1988 and 1989 defense budget with macrobudget overview hearings with witnesses from the Congressional Budget Office, General Accounting Office, and Defense Department. These hearings put the defense budget in the broader context of the entire Federal budget and addressed the critical issue of the implications for current and ongoing defense programs of strategic defense spending levels over the next 5 years.

We then conducted a review of the contents of the President's defense budget for fiscal years 1988 and 1989 with detailed budget briefings for the staff on the programs in the budget request. These staff briefings were followed by full committee and subcommittee hearings which focused primarily on major issues and policy questions in the President's budget request rather than the details of the various budget line items. As part of our revised subcommittee structure, we focused primarily on broad defense missions and military outputs rather than on individual line item inputs.

Our actual markup of the bill began the week following the Easter recess and lasted 2½ weeks. During this period the subcommittee or the full committee met at least once a day and usually twice a day.

The result of this process, Mr. President, is the bill before the Senate which represents a strengthening of our national security within a realistic fiscal posture.

For the first time in its history the committee is recommending a 2-year authorization bill for most of the programs under our jurisdiction. In response to an amendment which I sponsored in the fiscal year 1986 Defense Authorization Act, the President submitted a 2-year budget for national defense programs for fiscal years 1988 and 1989.

The committee made a major effort to implement the 2-year budget to the maximum extent possible. Unfortunately, the administration's overall budget for fiscal year 1989 failed to meet the Gramm-Rudman-Hollings deficit reduction target for fiscal year 1989. This made it impossible for the committee to establish an overall spending level for national defense in that second year, that is, fiscal year 1989.

The Department of Defense did a good job in preparing a 2-year budget, and Secretary Weinberger, Deputy Secretary Taft, and others should be commended for addressing in a serious way fiscal years 1988 and 1989 in a single budget. I cannot say the same thing for the President's overall fiscal plan for those 2 years. And when the overall plan has no relationship to the Gramm-Rudman targets, it means that the defense component of that cannot be addressed as seriously as would have otherwise occurred. So we were not able to come to a complete and total picture for the 2-year authorization because if we had, the defense portion would have been the only portion of the budget that would have been addressed and the other portions of the budget were not in sync with the targets that the President himself had endorsed. We did the best we could and we have made a good start.

The overall budget for fiscal year 1989 will be subjected to significant alteration next year when the administration complies with the Gramm-Rudman-Hollings requirement to submit a budget that meets the fiscal year 1989 deficit reduction targets, that is, assuming we have a Gramm-Rudman-Hollings target next year. And I will leave that to others who are working on it at this time. In spite of these difficulties, the committee bill authorizes approximately 73 percent of the defense authorization request for fiscal year 1989. So this is a real milestone. We have never had a 2-year authorization bill before, and this I think is real progress that we hope we can continue and improve in the years ahead.

The committee focused its work on the second year of the budget request on stable, noncontroversial programs and activities. Those programs and activities not authorized for fiscal year 1989 were not excluded with prejudice. These programs will be considered next year in what we hope will be a very abbreviated fiscal year 1989 defense authorization bill.

Mr. President, I am extremely pleased with the results of our first attempt at biennial budgeting. We have shown a 2-year budget can work. Biennial budgeting will improve congressional oversight of defense programs and achieve long-term savings and better management of national security programs as the Defense Department and the defense industry stabilizes its planning and procurement processes. It will also permit the Congress to focus more on broad oversight issues and not so much on individual program details.

### RELATION OF COMMITTEE BILL TO THE BUDGET RESOLUTION

The total amount authorized for defense appropriations in the committee bill for fiscal year 1988 is $224.5 billion. When the personnel levels authorized by the committee, as well as the remaining elements of the national defense function, are included, the committee bill results in a total of $302.9 billion in budget authority for the national defense function in fiscal year 1988.

The committee began the process of marking up this bill in late April before the Senate acted on the budget resolution. In the absence of clear direction from the Senate, the committee marked up two separate funding levels for fiscal year 1988—real growth of zero, meaning last year's level plus the rate of inflation; and 3 percent real growth, meaning last year's level plus inflation plus 3 percent.

We did that because we had no guidance at that time from the Senate as to how we should proceed because the Senate had not passed the budget resolution.

S. 1174 as reported by the committee represents an overall level of real growth for national defense in fiscal year 1988 between 0 and 1 percent.

Since the committee reported this bill to the Senate back on May 8, the Congress has adopted a budget resolution for fiscal year 1988 with two levels for national defense.

At the so-called high-tier for national defense, the budget resolution would require reductions of $16 billion in budget authority and $8 billion in outlays from the President's fiscal year 1988 budget request. For the first time in the last several years, this is a realistic first-year outlay rate of 50 percent for the budget authority reductions we will have to make.

This bill includes reductions of approximately $9 billion in budget authority and $4.4 billion in outlays from the fiscal year 1988 budget request. Obviously, we will have to make further reductions in conference with the House in order to meet the high-tier level of the budget resolution.

Although I personally am dreading having to make a number of these reductions because they are going to hurt, I am confident that the committee will be able to meet the budget authority in outlay targets in the high tier of budget resolutions in the final conference agreement. We are still going to be in doubt, however, about whether the high tier or the low tier is going to apply. I will not go into detail now because all our colleagues realize that there is still considerable doubt about whether we are going to have any agreement between the administration and the Congress on the budget levels, and on the whole question of whether there will be revenue increases.

I think most of our colleagues on both sides understand that the defense number depends on whether there is going to be any revenue raised and that depends, of course, on whether the White House becomes a part of the overall budget deliberations.

The low-tier for national defense in the budget resolution presents a very different problem. If the President does not sign the reconciliation legislation, then the levels of national defense budget authority and outlays in the resolution would be reduced by $7 and $6 billion respectively.

These additional reductions would require total reductions of $23 billion in budget authority and $14 billion in outlays from the fiscal year 1988 budget request for national defense. This translates into a first year outlay rate of over 60 percent. Mr. President, it is just not possible to get $14 billion in outlay savings from $23 billion in budget authority cuts without cutting very deeply into the fast-spending personnel and readiness accounts. No one wants to do this. The only alternatives are to use budget gimmicks like the House provision putting a moratorium on defense contract payments for the last 12 days of the fiscal year, or cutting significantly more than the $23 billion in budget authority that the budget resolution requires at the low-tier.

We will be in a very unfortunate situation if we have to live with the low-tier of the budget resolution for national defense in fiscal year 1988.

This is not a decision for the Congress alone. It is also a decision, the President of the United States is going to have to weigh, the Secretary of Defense is going to have to weigh, and also other departments, including the State Department, which has a big stake in the national security budget of our Nation.

The reductions necessary to meet the low-tier targets—particularly the outlay target—will put fiscal year 1988 defense spending below what a large majority of us think is necessary to sustain our national defense efforts.

### COMMITTEE APPROACH TO MARKUP

At the beginning of our markup process, the committee sought to follow a set of general principles to guide its work on the defense authorization bill. The primary consideration was the need to strike a balance among the four pillars of a sound defense: readiness, sustainability, modernization, and force structure. In trying to balance these competing demands, the committee took into account the administration's heavy investment in strategic nuclear modernization during the last 6 years and the prospects for relatively flat defense spending in the near future. The committee had many discussions about the priorities and affordability of programs within realistic budget constraints.

The results that emerged from these considerations generally protected readiness—the ability to flight today or in the near term—and sustainability and that means the ability once the fight starts to begin and to continue the fight and sustain it as long as necessary. But also we emphasize the modernization of conventional forces.

In budgetary terms, this approach minimized funding reductions to readiness and sustainability programs; allowed higher, more efficient production rates for existing conventional weapons systems; and increased the investment in high technology research. At the same time, the substantial funding requested for further research and procurement of strategic weapon systems was reduced. In fact, over 40 percent of the committee's reductions to the request were in the strategic forces area.

The committee also tried to address the so-called bow wave problem in the defense budget in which the military services start more programs than they can afford to buy at efficient production rates.

That is one of the worst problems we have in the defense budget now. I have been talking about it for several years. We have started far too many programs to be able to adequately fund all of them at efficient production rates. We read a whole lot about coffee pots, screwdrivers, and those kinds of things as waste—and those are all important and we ought to make sure that does not happen, the Department of Defense should make sure it does not happen. It is inexcusable. But that is not where the big dollars are. It is not where the big waste is. The big waste is too many programs, too few units being produced each year, and monumental inefficiency in production lines. Unless we begin doing something about that problem, and unless the Department of Defense takes a lead in that, then the problem is going to get worse and worse and worse.

The services have initiated many large new start programs that have enormous outyear costs. GAO has estimated this "bow wave" to be in excess of $500 billion. The Air Force alone has committed to six to eight major new programs that will cost from $200 to $250 billion. The Comptroller General summed up this situation in testimony before the committee when he stated:

> Historically, too many weapon systems have been started or proposed for the limited funding available, and often the cost estimates for the systems have been overly optimistic. This combination—too many programs and optimistic cost-estimating—has produced the much discussed "bow wave" phenomena where future funding requirements out-strip funding availability.

That summarizes the dilemma we have in defense now. In the next several years we are going to see that more and more people are going to realize more and more what has happened.

The committee considered the initiation of several major new starts in this context. It delayed the development of the LHX helicopter, for example, but chose not to slow the Air Force's advanced tactical fighter. Rather than slow the Navy's advanced tactical aircraft, the committee decided to terminate the A-6 medium attack aircraft. These are only the first steps in the difficult process of trying to come to grips with this serious problem. Both the Pentagon and the Congress need to do much more in this area.

### IMPROVING CONGRESSIONAL OVERSIGHT OF DEFENSE PROGRAMS

Last year during our committee's work on the Department of Defense reorganization legislation, Senator Goldwater and I spoke of the need to substantially reorder and improve the way Congress carries out its oversight responsibilities for national defense programs. We pointed out that, in our opinion, Congress spends too much time in redundant review of the details of national defense programs, focuses too much on accounting and budgeting considerations, and spends too little time on major policy issues.

Senator WARNER and I have worked closely together this year, and our staffs have to try to change that historical pattern. We do not stand here before our colleagues saying we have made all the changes that are necessary. We do not intend to do that, and I believe my colleague and friend from Virginia would agree with this. We made progress.

The committee took its self-criticism to heart this year. The bill before the Senate reflects the committee's continued efforts to reduce congressional micromanagement of defense activities. As I indicated, the committee began the year with a lengthy series of strategy hearings that served to place the budget request into a comprehensive policy context. Then, the six subcommittees reviewed the request along the broad mission and resource areas around which they are organized.

In its markup of the bill, the committee made far fewer detailed changes to individual line items than in the past and, instead, focused its attention on broad policy issues. In fact, the committee changed fewer than 200 of the thousands of line items in the procurement and research and development [R&D] request. This is a substantial reduction from previous years. Where reductions were necessary just to meet budget targets, they were usually achieved in the form of undistributed reductions to large accounts in order to give the Defense Department managers the greatest flexibility in implementing the reductions. This broad approach is reflected in the dramatically shorter length of the report accompanying the committee's bill. It is almost 300 pages shorter than last year's report. The bill itself is over 100 pages shorter. This is even more remarkable in that our report covers 2 years which, if past practice were in vogue, would have covered approximately 1,000 pages instead of the 200.

Finally, the committee adopted a number of proposals to increase the flexibility of Defense Department managers to execute their programs and to reduce the volume of reports submitted to the Congress. For example, in a significant change from historical practice, the committee approved funding for 5 years for five milestone authorization programs. Instead of having to rely on annual authorizations for their funding, these programs were authorized for their entire research and development and up to 5 years of their procurement. These milestone authorization programs are the mobile subscriber equipment [MSE], the Army Tactical Missile System [ATACMS], the Trident II missile, the T-45 trainer aircraft, and the medium launch vehicle.

Mr. President, the committee's actions are described in detail in Senate Report 100-57 which accompanies S. 1174. I want to take a few moments to highlight the committee's actions in major functional areas of the committee's jurisdiction.

### RESTRICTION ON TESTING SPACE BASED ABM SYSTEMS

The committee bill includes a provision prohibiting the expenditure of funds in fiscal year 1988 or 1989 for the development or testing of space-based or otherwise mobile ABM systems or components unless a joint resolution is enacted removing this restriction. The amendment provides expedited procedures—similar to those followed in 1985 with regard to the MX—that will ensure that a proposal by the President to conduct such development and testing would come to an early vote in both Houses. This is the provision that has generated the "veto threats" and the votes against this bill by a majority of the Republican members of the committee.

The administration has requested no funds in fiscal year 1988 or fiscal year 1989 to restructure the strategic defense initiative to include development and testing in accordance with the so-called broader interpretation of the ABM Treaty that it announced in 1985. In fact, on April 1, 1987, General Abrahamson, Director of the SDI organization, and Under Secretary of Defense Godwin testified to the committee that all SDI research projects and all planned major experiments for these 2 years have been designed to be fully compliant with the traditional interpretation of the treaty.

The administration is currently considering whether to restructure the SDI to take advantage of the broader interpretation, but it has reached no decision. However, the administration insists that it reserves the right—acting independently of Congress—to make this switch. The committee provision does not prejudge the wisdom and desirability of any future administration decision to develop and test space-based ABM systems or components. It does, however, preserve Congress and this committee's prerogatives with regard to any such proposal by reserving the right to approve the proposed expenditures involved in such a fundamental change in policy, as well as the legal basis for reinterpreting the ABM Treaty to permit such activities.

### STRATEGIC FORCES AND NUCLEAR DETERRENCE

The budget request for strategic programs totaled $52.4 billion in fiscal year 1988, a considerable increase over last year. It reflected a growth rate that exceeds every other defense mission area by a significant margin. The committee scrutinized the request very carefully in light of severe current budget constraints, the progress that has been made in improving U.S. strategic capabilities over the last several years, and the substantial unmet needs outside the strategic forces area.

The committee made reductions of $3.2 billion from the request for strategic research and development; $500 million from the procurement request; $226 million from the Department of Energy's national security programs; and $20 million from the request for the Federal Emergency Management Agency. In spite of these reductions, funding for strategic programs would still grow by about 1 percent, in real terms, over last year's level.

The committee approved a combined Defense Department-Energy Department strategic defense initiative funding level of $4.5 billion. This level represents real growth of 22.5 percent over the fiscal year 1987 appropriation level, but it is substantially below the request, which projected real growth of 55 percent over last year's appropriation. Of the total, $4.1 billion is for the Defense Department and $380 million is recommended for authorization to the Department of Energy.

In the area of ICBM modernization, the committee authorized sufficient funding to procure the requested 21 Peacekeeper missiles, $1.2 billion; continue development of the small ICBM, $700 million; and continue research on the proposed rail-garrison basing concept for the Peacekeeper missile, $400 million. The committee's deliberations focused on the implications for survivability of the rail-garrison basing mode for Peacekeeper and on the cost implications of the hard mobile launcher basing mode for the small ICBM.

The committee authorized full funding for the advanced technology bomber [ATB] and made marginal reductions in advanced cruise missile procurement. With respect to the B-1B bomber, the committee moved to impose tighter oversight controls on corrective measures for the defensive avionics system and denied funding for the four proposed new capabilities for the bomber.

The committee continued several programs related to antisatellite [Asat] research and development. Although the committee reduced the F-15 miniature homing vehicle [MHV] by $71.6 million for budgetary reasons, it authorized funding for continued development and testing in this program and provided full funding for the proposed ground-based laser project. The committee denied authorization for F-15 MHV advance procurement and for the proposed enhanced altitude capability.

The committee authorized $5 million for Bigeye bomb procurement by the Air Force and the Navy out of the $25 million requested to complete low-rate initial production. This action in no way signifies reduced support for this important deterrent program. but rather reflects the committee's understanding that the test program will be delayed in order to correct deficiencies in two bomb components. These funds would not be obligated in fiscal year 1988 in any event. In addition, the committee initiated a technology program that would contribute to our ability to monitor compliance with a chemical weapons convention.

The committee took several important initiatives in the area of Department of Energy national security programs. First, the committee believes the time has come to deal decisively with the problem of assured nuclear materials supply. Accordingly, the committee placed the troubled N-reactor at the Hanford Reservation in Washington in a standby status indefinitely and used the funds made available by this action to initiate development of a new production reactor. Second, the committee approved full funding for critical environmental, health, and safety activities. Third, the committee restored funding for the Inertial Confinement Fusion Program to last year's level.

I want to commend Senator EXON and Senator THURMOND for their strong and capable leadership of the Subcommittee on Strategic Forces and Nuclear Deterrence over the last 5 months.

### CONVENTIONAL FORCES AND ALLIANCE DEFENSE

With the limited flexibility allowed by budgetary constraints, the committee tried to emphasize the modernization of our conventional forces. The committee increased the requested production rates for several major conventional weapon systems to more efficient levels, preserved funding for important munitions, and directed more money to essential modifications to Navy aircraft.

The committee recommended substantial increases in the requested production rates for the following weapon systems: AH-64 attack helicopters, 23 above the request of 67; UH-60 utility helicopters, 11 above the request of 61; M-1 tanks, 120 above the request of 600; multiple launch rocket systems, 20 launchers above the request of 24; EA-6B jammer aircraft, 6 above the request of 6; and AIM-7 air-to-air Navy missiles, 600 above the request of none. Combined with the committee's direction to the Defense Department that it program sufficient resources to attain specified goals by the end of the 5-year Defense plan, the increases to Army programs should reduce the gap between the termination of these existing programs and the fielding of followon systems.

Among other major procurement decisions, the committee discontinued the further development and procurement of the Navy's increasingly vulnerable A-6F medium attack bomber; instead, it directed the Navy to proceed immediately with development of its advanced tactical aircraft [ATA]. In addition, the committee added funds to install new wings on the E-2 radar plane, preserve the multiyear rewinging contract for the A-6 attack bomber, and accelerate replacement of the EA-3B signals intelligence aircraft.

The committee recommended important changes to two large research and development projects now underway in the Defense Department. First, it reduced the Army's LHX helicopter program by $97.2 million to reflect a more austere prototype approach. Second, the committee restored $141 million to the NATO Cooperative Research and Development Program, for a total of $200 million, in order to sustain the momentum of this promising initiative. The committee authorized all the funds requested for the development of the Air Force's advanced tactical fighter [ATF].

Senator LEVIN and Senator QUAYLE, the chairman and ranking member of the Subcommittee on Conventional Forces and Alliance Defense. deserve a great deal of credit for their hard work in this area.

### PROJECTION FORCES AND REGIONAL DEFENSE

The committee recommended authorization of $24.5 billion for projection forces and regional Defense Programs, a reduction of $1.1 billion from the request. In formulating its recommendations, the committee emphasized programs that would correct deficiencies in three critical mission areas: Antisubmarine warfare [ASW], strategic mobility, and special operations.

For programs other than fleet ballistic missile submarines, the committee recommended $8.8 billion in the Navy shipbuilding and conversion account for the construction of 12 ships, the conversion of 4 others, and long-lead funding for a nuclear-powered aircraft carrier. The committee also recommended long-lead funding for a second carrier in fiscal year 1989.

For strategic airlift, the committee recommended authorization of $617.9 million for the procurement of the first two C-17 airlift aircraft and $66.3 million in advance procurement for 4 C-17's in fiscal year 1989.

In the area of Special Operations Forces [SOF], the committee recommended authorization of $980.7 million for the procurement and modification of SOF airlift. This represents an increase of $171.2 million above the request. In addition, $15.3 million would be available to the Commander in Chief of the U.S. Special Operations Command to begin procurement of state of the art secure communications for SOF units.

I want to commend Senator KENNEDY and Senator COHEN, the chairman and ranking member of the Projection Forces Subcommittee, for their leadership in this important area.

### DEFENSE INDUSTRY AND TECHNOLOGY

The committee recognized a long-term decline in the funding share that the Defense Department has allocated to the science and technology base. In addition, the Department's efforts to modernize the defense industrial base have been inadequate. As a result, the committee believes that the United States has suffered a serious erosion in its ability to develop and produce high-quality, cost-efficient defense systems. For these reasons, the committee recommended three major initiatives that increased funding for technology programs by $500 million.

Because the United States depends upon technologically superior systems to offset the numerical superiority of its adversaries, the committee recommended adding $200 million to the President's request for technology base and industrial base programs. Of this $200 million, $150 million was authorized for a defense manufacturing initiative to improve manufacturing technologies in the industrial base and $50 million was authorized for the university research initiative.

The defense manufacturing initiative provides $50 million to the Defense Advanced Research Projects Agency [DARPA] for manufacturing technology reseach and $50 million to a defensewide account to bolster the Department's manufacturing technology program. Because of the committee's concern about the loss of technological and manufacturing leadership by the U.S. semiconductor industry, the remaining $50 million was added to the budget request for semiconductor manufacturing technology. This addition results in a total authorization of $100 million for this critical area.

Finally, the committee continues to believe that the defense research effort is out of balance, with too much emphasis on the strategic defense initiative and too little on innovative "leap-frog" technologies that could dramatically improve our conventional capabilities. The committee noted again this year that the budget request for research and development on technology for conventional warfare continues to suffer. As a consequence, the committee recommended an authorization of $300 million to continue programs, and activities initiated in fiscal year 1987 under the balanced technology initiative [BTI], and included a provision directing that $200 million be obligated from other research and development accounts for other new and innovative R&D programs under the BTI.

In the acquisition policy area, the committee expressed serious concern that the Defense Department's intent to consolidate the responsibilities of the Director of Operational Test and Evaluation with those of the Director of Development Test and Evaluation could adversely affect the independence and effectiveness of operational testing. As a result, the committee included a provision in the bill that prohibits a consolidation of developmental and operational test functions within the Office of the Secretary of Defense.

I want to commend Senator BINGAMAN and Senator GRAMM for their leadership of our new Subcommittee on Defense Industry and Technology.

### READINESS, SUSTAINABILITY AND SUPPORT

The area of readiness, sustainability and support within the defense budget includes the operation and maintenance accounts; spare parts and ammunition procurement; defense stock funds; and military construction and family housing. The budget request included a total of $107.7 billion for these activities in fiscal year 1988.

The committee made a conscious effort to minimize the reductions to the budget request in this area. In approaching the task of identifying savings, the committee paid close attention to the priorities of the unified Commanders in Chief and tried to avoid reductions that would have an immediate impact on readiness and sustainability. The committee also made the reductions that were necessary as broad and generic as possible in order to give Defense Department managers the flexibility to implement them with the least harmful impact on military operations.

The committee recommended reductions in these accounts that totaled $2.7 billion, of which $1.7 billion was in the operation and maintenance accounts; $100 million was in the defense stock funds; $100 million was in the ammunition procurement accounts; and $800 million was in the military construction accounts. The committee increased the requested amount for Army equipment maintenance by $100 million because this critical readiness area was significantly underfunded in the budget request.

Frankly, there are some problems left in the area of readiness and sustainability that the committee wanted to address but couldn't. Funding for spare parts and munitions were cut back before the fiscal year 1988 budget came to Congress. The committee was not to alter the fact that real property and depot maintenance backlogs will increase in the military services in fiscal year 1988. We know where these problems are. We just didn't have enough money to address them and still meet our overall zero real growth budget target.

Although the committee was not able to increase the funding for some of the readiness and sustainability programs which we felt were underfunded, the committee bill does a good job of meeting our budget target without further cuts in important readiness and sustainability programs. Senator DIXON and Senator HUMPHREY, the chairman and ranking member of the Subcommittee on Readiness, Sustainability and Support, deserve a great deal of credit for this.

### MANPOWER AND PERSONNEL

The committee's actions on manpower and personnel were guided by the general philosophy that it should sustain the very real gains that have been made in the manpower readiness of our active forces. In addition, the committee provided the necessary tools and guidance to the Department of Defense to begin correcting some serious manpower and training problems in the reserve forces.

In the area of manpower strength authorizations, the committee approved the active force end strength requests for fiscal years 1988 and 1989, a growth of 12,000 personnel over the 2-year period. For the Selected Reserve, the committee approved an increase of 22,800 personnel over the 2-year period, including 3,325 full-time support personnel. These Reserve increases are 40 and 35 percent of the levels requested, respectively. The committee believed that the Reserve Forces need to correct individual skill qualification problems, reported as the second most critical factor limiting readiness in the Reserve Forces, before adding much more to their manpower inventory.

In the pay and benefits area, the committee approved a pay raise of 4 percent on January 1, 1988 for all military personnel; approved enhancements to certain targeted entitlements to help the military services attract and retain needed personnel; and extended a number of expiring authorities to continue to provide assistance to manning the Reserve Forces and the nuclear officer community in the Navy.

In the area of military health care, the committee approved certain monetary incentives to recruit and retain critical medical specialities in the Reserve Forces; provided authority to assist the Department of Defense in its CHAMPUS reform initiative; and provided a catastrophic cap of $1,000 per family under CHAMPUS for dependents of active duty members.

I want to congratulate Senator GLENN and Senator WILSON for their customary excellent work as chairman and ranking member of the Manpower and Personnel Subcommittee.

In closing, Mr. President, I want to thank the ranking member of the committee, Senator WARNER, for all of his assistance and cooperation this year. We have had our differences over this bill, but these differences have not affected the spirit of bipartisanship with which we approach our work. I pledge to my colleague that that will continue during the deliberations on this bill and in conference, as we bring the bill back. It has been a pleasure to serve with Senator WARNER on the Armed Services Committee. He is one of our most knowledgeable, dedicated, and energetic members and a man of tremendous integrity. I am delighted and proud that he is the ranking member, and I look forward to close cooperation with him on many issues we will face this session and during this debate.

I regret the situation in which he and I and others find ourselves which put us in a squeeze on the overall budget level. We are going to have a tough job in conference. There may be people on the floor who want to question or challenge the bill on the basis of it not meeting the budget targets. I want to make it clear to our colleagues that this bill does not meet the budget targets. The bill came out long before the budget targets were available. But I do say that we will have to meet those targets in conference. We will be meeting a House bill in conference that is much lower, and we will have to work hard to meet those targets and do so without minimizing the damage to our national security.

I thank my colleague from Virginia. I thank all the subcommittee chairmen and the ranking members. They have done superb jobs in working in their areas. I know that we will hear from them about the details of that work this afternoon.

Mr. President, S. 1174 represents the culmination of a great deal of hard work by the members and staff of our committee. It is a good bill which will strengthen the Nation's defense posture. I urge my colleagues to support this bill.

Mr. BYRD. Mr. President, I thank Mr. Nunn and I thank the ranking member, Mr. Warner.

I indicated that I would be back in a half hour to ask unanimous consent to proceed to consideration of the Philippines resolution. A copy of that resolution has been provided to the Senator from Virginia, and I am now prepared to make the request. There are Senators who want to vote on that resolution, and they are here or they are around.

I understand that some work is being done on the resolution. I wonder if we could get consent to proceed within, say, 15 minutes. I do not want to keep the Senator from proceeding. Would the distinguished Senator from Virginia allow me to have the floor again within 15 minutes?

Mr. WARNER. Mr. President, we will certainly accede to the majority leader's request. I intend to make a very brief opening statement. I know there are others prepared to make opening statements.

That matter has a certain urgency, and I will agree to the majority leader's request.

Mr. BYRD. Mr. President, I will yield the floor with the understanding that if the distinguished Senator from Virginia concludes his speech and yields the floor, I be recognized to make my request; and that if he has not concluded his speech, if I could have an understanding with him that at the time I am ready to proceed with the unanimous-consent request, he will yield to me for that purpose, without his losing his right to the floor once that matter has been disposed of. My request would be for an immediate vote, with no amendments to the resolution.

I understand that the matter is being worked on now and that Senator Helms is going over it.

Could I have that understanding with the distinguished Senator?

Mr. WARNER. Mr. President, this Senator is willing to accede. I see the distinguished Republican leader on the floor. There is a pending unanimous-consent request, and perhaps the Republican leader wishes to speak to it.

The PRESIDING OFFICER. The Chair understands that the distinguished majority leader has not made a formal request for unanimous consent concerning his resolution.

Mr. BYRD. Mr. President, my request is that upon the Senator from Virginia's yielding the floor, I be recognized. That is a request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. The informal gentleman's understanding that I was seeking to reach with the distinguished Senator from Virginia was to the effect that, should I be ready, say in the next 5 minutes, to make the request to take up the resolution, the distinguished Senator would yield to me for that purpose. I am not asking this as a unanimous-consent request. I am just seeking an understanding with the distinguished Senator from Virginia.

Mr. WARNER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. WARNER. The Senator has the understanding from this Senator.

Mr. BYRD. Mr. President, I thank the Senator.

The PRESIDING OFFICER. Without objection, that is the understanding.

Mr. BYRD. Mr. President, I thank the Chair, and I yield.

Mr. WARNER. Mr. President, it is my intention now to proceed with a brief opening statement.

I first wish to congratulate the distinguished chairman of the Armed Services Committee and express appreciation for his thoughtful remarks on my behalf.

Mr. President, also on the floor is the distinguished former chairman of the Armed Services Committee. It has been my privilege to either serve under or work with the distinguished Senator from Mississippi and his successors, Mr. Tower and Mr. Goldwater as well as Mr. Nunn.

I am privileged to say that I think the current chairman of the Senate Armed Services Committee, Mr. Nunn, of Georgia, carries on with the finest traditions that have been established through these many years by those entrusted with the chair of this important Senate committee.

The Senator from Georgia proceeded in every respect in an open, fair, and equitable manner. He not only worked with me as the ranking minority member, but he worked with all the members of the committee on both sides of the aisle in putting together a bill in a form in which I think the Senate can take pride. It is one with which I am confident the Senate will work its will, but work its will in a manner reflecting the equitable distribution of the scarce funds so much needed by the armed services of our Nation.

Mr. President, I will not take time now, in view of the majority leader's request, to address the Nunn-Levin amendment. At an appropriate time, perhaps later today, but certainly during the course of this debate, I will have extensive remarks on that subject.

At this time I would just like to state that this bill strongly supports the ICBM modernization program, recognizing that the final outcome of not only the Nunn-Levin amendment but other issues in this bill bearing on strategic matters will eventually be decided with the House of Representatives. I am hopeful that Members of the Senate on both sides of the aisle will stand tall and strong as we try to resolve what appears at this time to be serious differences with the House.

This bill contains strong support for the continued development of the miniature homing vehicle ASAT program, recognizing the essential contribution of the ASAT program both to deter actions by the Soviets that might impede, damage or destroy our important space assets, and to deny Soviet space-based capabilities that could threaten our terrestrial forces in time of a conflict, one that we hope will never occur.

It also contains funding for the strategic defense initiative and permits the continuation of a robust program, a strong program, although at a funding level that will indeed significantly slow down certain major areas of research and development, areas that were planned to support a possible decision in the early 1990's to develop and deploy a strategic defense system.

It contains strong support for the continued modernization of our strategic forces and their command, control and communications, including the Trident submarine and Trident II missile, and the advanced technology bomber.

It contains strong support for our space launch recovery efforts, and for both chemical weapons defensive measures and the modernization of chemical offensive capabilities through safe, and I stress "safe," binary munitions.

Mr. President, this bill also includes an important initiative with respect to the Department of Energy's weapons program. The committee has recommended that the N-reactor at Richland, WA, be put in a standby status, and that the Department use some of the savings to initiate work on a new production reactor on a very urgent basis. The committee's action deals with a mounting budgetary crisis precipitated by the need to modernize the decades-old production complex and to take remedial actions with respect to environmental issues. More importantly, the committee's action addresses the national security imperative to assure a source of critical nuclear materials for the long term. The committee deliberated at length in arriving at this recommendation. We made it recognizing that shutting down the N-reactor increases the risks in the short term that we will be unable to meet the critical material needs of our weapon's stockpile. There are, however, no easy choices open to us if we are to deal decisively with preserving the infrastructure on which our deterrence strategy depends.

Mr. President, the distinguished chairman of the committee dealt at length with the modernization programs of the Army, Navy, Air Force, and the Marine Corps. I shall not elaborate except to say that key to the naval modernization program are the provisions in this bill which initiate an aircraft replacement, and I stress the word "replacement" construction program.

Two of our carriers are rapidly approaching the end of their usefulness to our national defense. They will be approximately 50 years old at the time new replacements enter service, if the Congress goes forward, as I predict it will, to fund the replacement program.

Mr. President, we have learned lessons in the Persian Gulf, tough lessons, that clearly indicate the aircraft carrier is the backbone of our forward deployed naval forces. Our units in the Persian Gulf today are operating under a measure of safety provided by the aircraft of a carrier stationed near that particular strategy point in the world, the Strait of Hormuz. I think it very unlikely that we would have taken the risk of having our naval units transit that strategic waterway had it not been for the presence of a carrier.

And we all recognize the stress put on the crew of a carrier during a long deployment. Moreover, it takes three carriers in the fleet for every one that is forward deployed—one on station, one in transit, and one at home for either upkeep or training. It is the carrier aircraft that provide a critical element of air defense necessary for safe operations on the surface of the oceans. We must provide timely and cost effective replacement carriers.

I hope and expect that the Senate will look favorably on the carrier replacement program and that the Congress will appropriate the necessary funds.

Mr. President, the time we agreed on at the majority leader's request has expired. I do not see the leadership present. Unless another Senator seeks recognition under the pending order, I would suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Conrad). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent to speak on another matter for 5 minutes.

The PRESIDING OFFICER. Without objection.

Mr. WARNER. Mr. President, reserving the right to object, and I do not intend to object. I am sure the Senator recognizes that there is unanimous consent pending which would enable the majority leader to take the floor at the conclusion of my remarks. Therefore, would it be the understanding of the Senator that, as he proceeds, his request is subject to that unanimous-consent request by the leadership?

Mr. PRESSLER. I will yield the floor instantly to the minority leader or to anyone else who wishes to go back to this subject.

## WORLD FAMINE

Mr. PRESSLER. Mr. President, for this period of time when the minority leader is coming to the floor, I would like to speak on a subject that is of great importance, and that is that several nations will face famines this winter. Indeed, the food shortage worldwide will be higher this winter than it has been in many years. To my surprise—and I learned this in a recent briefing from officials from food and agricultural organizations—there will be famines in at least five major countries this winter.

Once again this year, hundreds of millions of people will suffer from food shortages and starvation.

Several nations will experience food shortages arising from unwise economic policies, flooding, drought, bad management, and other factors. For example, a monsoon failure in Asia has resulted in drought conditions in much of India, Sri Lanka, and Thailand. India's production of wheat is predicted to be substantially reduced. India had become an exporter of wheat and has substantial grain reserves. Unfortunately, its grain reserves are not expected to be enough to meet the needs of its 800 million people. Thailand and Sri Lanka are also expected to experience food shortages. It is unclear at this time how much food aid may be needed by those countries, but some assistance will be required to avoid widespread starvation.

Many areas of Africa continue to experience food shortages. Ethiopia is once again experiencing a crop failure and its food-aid needs are expected to exceed earlier estimates. Drought conditions in Africa are causing problems throughout the Sahel region.

Another area experiencing weather problems is Indonesia. Indonesia usually imports food for its people, but recent poor weather conditions will greatly increase import needs.

Crop failures throughout the world this year and every other year emphasize the need for more effective international food aid programs. Early this year, I introduced a resolution calling for the negotiation of an international agricultural agreement to take cropland out of production for a period of at least 10 years. The primary goal of this proposal is to bring global commodity supplies in line with demand, reduce the need for agricultural subsidy programs, and reduce soil erosion. Another part of my resolution which has not received enough attention is the proposal to establish an international food reserve which would be used to meet the needs of people who experience crop disasters. Perhaps each participating nation would agree to contribute an equal percentage of its production to an international food reserve. The food would then be distributed to needy people throughout the world by an international organization. This approach could eliminate some of the political problems of current food-aid programs.

History demonstrates that there always will be areas of the world that fail to produce enough food to sustain healthy human life. Establishing a permanent international agreement to provide assistance when these inevitable disasters strike could help to more effectively supply food to needy people. I urge our colleagues, the administration and other nations to give careful consideration to including a food-aid provision in any international agricultural treaty which may be negotiated in the years ahead.

In the immediate upcoming winter, we must legislate broadened Food-For-Peace legislation. This morning I discussed this with our distinguished minority leader, Senator Dole. I shall work with the leadership on both sides of the aisle on specific legislation to improve food aid programs for the starving people of the world.

## PURCHASE RATHER THAN RENT BUILDINGS ABROAD

**Mr. PRESSLER.** Mr. President, my staff and I have undertaken a study of the costs of renting some of our buildings abroad as opposed to purchasing them. I have found that, under our current budgetary rules, it is easier to rent than to purchase some of these buildings, but the American taxpayer is getting a bad deal out of this arrangement.

We are, generally speaking, better off buying homes for our Ambassadors and Embassies in capital cities than renting them.

For example, the current cost of renting the home of the U.S. Ambassador to the Vatican is $64,500 per annum. That home is under a 2-year lease arrangement and the lease renewal is coming up soon. The new annual lease cost may be $70,000. This is a substantial expense, and every effort should be made to enter into a longer lease with an option to buy that property. Such an arrangement would save a great deal of money. I am pleased to note that the State Department has agreed with Ambassador Frank Shakespeare's recommendation on this point. If consummated, it would permit substantial savings to the American taxpayer.

I know that newspapers like to report that we have bought a large house in Rome or someplace in Africa or elsewhere for our Ambassador to live in. If we rent it, it does not make headlines. But it is costing us more in the long run and we are not getting the benefit of any appreciation in property value.

I am not saying that purchasing is preferable to leasing in every instance. But we should have the freedom to take advantage of purchasing opportunities whenever that is possible and it makes good economic sense to do so. Under current statutory provisions, the maximum capital expenditure the State Department may make on foreign buildings without line item approval by Congress is $250,000. Yet, in some cases, the opportunity to purchase a building that costs far more than that limit may come once in a lifetime. I do not advocate pouring billions into a foreign buildings buying spree, but support giving our administrators the flexibility to make timely purchases of property when this would result in substantial long-term savings to the American people.

Mr. President, this is a widespread problem, and the result is that more tax dollars than necessary are being spent to house the offices and living quarters of the principal officers of our overseas missions. I have tried to examine this situation objectively, and my conclusion is that Congress is primarily to blame for the problem and should consider remedial action.

The State Department currently manages 2,322 U.S. Government-owned properties and 6,817 U.S. Government-leased properties throughout the world. These include everything from office buildings and residences to warehouses and vacant lots. The Department's analyses demonstrate that it is preferable to purchase residential property outright to protect against escalating rental fees. The purchase of such property also facilitates the installation of U.S.-approved security, health, and safety systems.

I shall speak to the leaders of the Budget Committee and the Appropriations Committee to determine whether we could have a different accounting method to allocate the cost of purchasing some of these buildings over a 10-year period. If we are better off buying some of these buildings, from the taxpayers' points of view, than renting them, then we should remove the statutory obstacles to purchasing them. Under our current budgetary system and the Gramm-Rudman-Hollings law, it may look cheaper for a specific budget year if we rent, even though in the long run it is not cheaper. I will be interested to see if we can craft an amendment that would overcome this problem and save taxpayer dollars.

Another aspect of this problem is the number of nations which prohibit the United States from buying property to house the principal officers of our overseas missions. Currently, out of the 256 U.S. diplomatic posts overseas, we are prohibited by foreign laws from buying such property in 68 of them. In several of these cases, the foreign government or property owner is charging us outrageously high rental fees. I am pleased to note that the Department of State is insisting on a policy of reciprocal treatment for countries that treat us in that way. If we are not permitted to buy property in those countries, they should not be permitted to buy property here.

## ORDER OF PROCEDURE

**Mr. BYRD.** Mr. President, I seek the floor again at this time. I am prepared to put a unanimous consent request on the Philippine resolution. I understand Senator HELMS is going over the resolution with staff people, including my own. The distinguished Senator from Indiana, I believe, wishes to proceed and I do not want to delay the Senator.

Would the Senator be willing to allow me to have the floor any time during his speech that I may be ready to present the request, with the understanding that he not lose his right to the floor after the disposition of the resolution? And I would include a request that the Senate proceed without amendment to the resolution and also that there be a very brief time limit of from zero to 10 minutes, at most, so that Senators who are here could vote on this resolution at this reasonably early hour on Friday afternoon.

**Mr. QUAYLE.** Will the Senator yield for a question?

**Mr. BYRD.** Yes.

**Mr. QUAYLE.** I intend to make about a 10- to 12-minute speech concerning the INF Treaty. Whenever the majority leader seeks recognition, I would be glad to yield. I might just say, if he does and I am within a couple of minutes, I wonder if he might indulge me a minute or two to finish up and conclude and therefore my speech would not be interrupted.

**Mr. BYRD.** Absolutely.

Mr. President, I ask unanimous consent that my rights be protected to the floor. I yield the floor for not to exceed 15 minutes.

**The PRESIDING OFFICER.** Without objection, it is so ordered.

**Mr. QUAYLE.** Mr. President, I would like to ask the Chair's indulgence and ask if he would notify the Senator from Indiana when I have approximately 2 minutes remaining of the 15 minutes that I have been allocated.

**The PRESIDING OFFICER.** The Chair would be pleased to do that.

**Mr. QUAYLE.** I thank the Chair.

(The remarks of Mr. QUAYLE are printed in today's RECORD under Resolutions Submitted.)

## SENATE RESOLUTION (S. RES. 282)—TO EXPRESS SUPPORT FOR PRESIDENT CORAZON AQUINO AND THE GOVERNMENT OF THE PHILIPPINES

**Mr. BYRD.** Mr. President, I am informed that the distinguished Senator from North Carolina has suggested some modifications in the resolution and those are agreeable to me. I am prepared to ask unanimous consent—and I want the distinguished Republican leader to know—that the Senate go to this resolution, that no amendments be in order, that no motion to commit be in order, that there be either no time limit on it or a very short one, and that the Senate then proceed to vote.

Staff will alert the distinguished Republican leader that I am ready to make this request.

### CHALLENGE IN THE PHILIPPINES

Mr. President, I might say that this resolution is intended to renew our support of President Aquino. This administration has expressed its support. I think the Senate should go on record as supporting President Aquino of the Philippines in her efforts to pursue the development of democracy under the pressure of Communist rebels and political challenge.

It is not surprising that the course of Mrs. Aquino's governance has met with bumps, some very severe, some setbacks, and disappointments. It is hardly surprising, given the background of many years of neglect and corruption, of wanton profligacy, and the erosion of the democratic traditions that have been a deep stream in Philippine history.

It is also not particularly surprising that Mrs. Aquino may not have governed in a completely perfect way, that she may be open to criticism in various areas. Nevertheless, I know of no politician or leader who is perfect and who does not make his or her share of mistakes. The important thing is that she has faithfully pursued the development of democratic institutions, reinstating parliamentary democracy in that nation, and continuing to attempt to end the Communist rebellion in that nation, either through diplomacy, force, or some combination thereof. In these quests, she has won the support of the Senate. We have heretofore indicated that. I hope that the Senate will renew that support today.

I would note, Mr. President, that it was just last year, through a timely resolution, Senate Resolution 345 on February 19, 1986, authored by the distinguished Senator from Massachusetts, Mr. KENNEDY, the Senate expressed its disappointment with the rigged elections of the Marcos government, and the Senate's belief that Mrs. Aquino had, indeed, legitimately won those elections. That resolution had an electrifying effect in the Philippines, and an impact in assisting Mrs. Aquino gain the rightful fruits of her victory. Now, when the going has gotten a little rough, and there may be some room for criticism, I think it is important to speak again, that we Senators speak with our votes and our voices for her steady efforts to bring about the continuation of democracy and to bring lasting stability to the Philippines.

Mr. President, I note the presence on the floor of Mr. HELMS. I wonder if he has anything he wishes to say at this moment. I thank him for his efforts to bring about the resolution of the language that gave him some problems. I want to express that appreciation publicly.

**Mr. HELMS.** Mr. President, I thank the distinguished majority leader.

A number of modifications have been included in the last of several drafts. I appreciate the cooperation of the staff and, certainly I appreciate the patience of the distinguished majority leader.

I had only one suggestion that was not agreed to. In the spirit of compromise in which this place operates, I agreed to eliminate one of the suggestions that I had made. That would be under paragraph 6, urging the Government to redouble its efforts to address the problem of corruption within the Government, including the presence of Communists within the Government.

The language with respect to Communists was agreed to be stricken even though I was reluctant to do it because there is great concern in the Philippines and among Philippine citizens in the United States about those charges. In yesterday's Washington Post, a story began on the front page headed "Philippine Cabinet Offers to Resign." There are some significant paragraphs toward the end of the story reading:

> Last week, Cardinal Jaime Sin, the powerful archbishop of Manila and an ally of Aquino, repeated his accusation that corruption in the government was still widespread under the Aquino administration.

I quickly add that the distinguished majority leader is exactly right, I have never known a political figure who was perfect, and I do not suggest that we should require that of Mrs. Aquino. The Washington Post story of yesterday continues:

> One of the 28 Cabinet-level aides most likely to be replaced is Executive Secretary Joker Arroyo, whom many here have described as a political albatross for Aquino. The military views Arroyo as a communist sympathizer because of his past role in defending communists when he was a human rights lawyer. Business leaders and some of Arroyo's colleagues in the Cabinet have criticized him as a poor administrator.

Then there is one final paragraph.

> Some officials have sharply criticized Salvador Laurel, who is vice president and foreign secretary, for fanning discontent in the military by taking a controversial survey of military camps. As part of his survey, Laurel asked soldiers: "Should the president remove the communists in government?" Laurel was out of town today but submitted his resignation as foreign secretary by telephone, officials said. He did not resign as vice president, which is an elective office.

I am pleased, Mr. President, that the resolution, as modified, at least urges Mrs. Aquino's government "to address the problems of corruption within the government." This is a legitimate concern that deserves greater attention.

But as modified, Mr. President, I say to my friend from West Virginia—and he is a very dear friend—that the resolution is satisfactory to me. I thank him for his patience with me and the modification thereof.

**Mr. BYRD.** Mr. President, I thank the Senator for his patience and for his efforts. I certainly subscribe to the idea that Communists within the Government of the Philippines if there are any, ought not be included. But it seems to me that a continued strong expression of support by the Senate for Mrs. Aquino and her efforts to bring stability to the Philippines will do probably more than anything else to eliminate that problem to which the distinguished Senator has alluded.

Finally, may I say as to the repeated accusations that corruption in the Government is still widespread under the Aquino administration, I am afraid we all live in a glass house, and I am not sure that we are in any position to throw stones because every day we read in the newspapers about the accusations of corruption in the government of the District of Columbia. I thank the distinguished Senator.

I ask unanimous consent if the Senate will allow that the entire newspaper story to which the Senator has referred be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### PHILIPPINE CABINET OFFERS TO RESIGN

(By Keith B. Richburg)

MANILA, Sept. 9—In the wake of an aborted coup that has underscored serious rifts in the government, President Corazon Aquino's entire Cabinet submitted resignations today to give Aquino "a free hand" to reshape her embattled administration, her spokesman said.

The government has become embroiled in an intense round of bickering and recrimination, and a high-level shake-up has appeared imminent since the Aug. 28 coup attempt.

Still, the mass resignation of the Cabinet caught many observers, and even some Cabinet members, by surprise.

"When I sat down, there was a blank piece of paper in front of me," said Defense Secretary Rafael Ileto. "My neighbor [Finance Secretary Jaime Ongpin] told me we were going to tender our resignations," he said.

"It was sort of spontaneous combustion," said spokesman Teodoro Benigno, who also resigned. "Nobody motivated it, not a single group. Almost all of us thought of this idea almost at the same time."

Aquino has not officially accepted any of the resignations, although most analysts said at least some of her Cabinet aides were likely to go. Aquino has been known to delay decisions about firing her aides, many of whom are longtime family friends, even when they have developed relations for being incompetent or antagonistic toward key constituencies, such as the military.

Benigno said the president will make her decisions known soon.

If Aquino makes major changes, as expected, it will mark her third Cabinet reshuffle since coming to power in February 1986 and the second time she has had the changes forced upon her by a mass Cabinet resignation.

Following a coup attempt last November, Aquino fired then-defense minister Juan Ponce Enrile and accepted the resignations of three other ministers who had been criticized by military officials as being corrupt or too far to the political left. But Aquino kept the Cabinet largely intact, and one of the fired ministers, Aquilino Pimentel, who had been in charge of local government, was given a new job as a minister without portfolio.

Many Cabinet members resigned in the spring to run for seats in the new Congress. Aquino said at the time that she expected that change to be the last, since many of the longtime politicians were replaced by experienced technocrats and business leaders.

The perception spread in recent weeks, though, that the government lacked direction and spent most of its time lurching from crisis to crisis.

On Aug. 2, a powerful Cabinet member, Local Governments Secretary Jaime Ferrer, was assassinated. Less than three weeks later, leftist-inspired general strikes against higher fuel-oil prices crippled transportation and slowed factory output in Manila and several provinces. Then, 12 days ago, a clique of young reformist military officers launched a bloody coup attempt that claimed 53 lives and, according to analysts, came close to toppling the government.

Last week, Cardinal Jaime Sin, the powerful archbishop of Manila and an ally of Aquino, repeated his accusation that corruption in the government was still widespread under the Aquino administration.

One of the 28 Cabinet-level aides most likely to be replaced is Executive Secretary Joker Arroyo, whom many here have described as a political albatross for Aquino. The military views Arroyo as a communist sympathizer because of his past role in defending communists when he was a human rights lawyer. Business leaders and some of Arroyo's colleagues in the Cabinet have criticized him as a poor administrator.

Another candidate for replacement is special counsel Teodoro Locsin, the president's speech writer.

Locsin has been criticized for his conduct during the coup attempt, when he went to the military's temporary headquarters and appeared to be trying to direct operations to quash the coup. At one point, Locsin ordered the bombing of a rebel-held television station, but the order was never carried out.

Arroyo and Locsin appeared before Congress yesterday. Arroyo held the rostrum for more than four hours, lashing out at his critics.

Some officials have sharply criticized Salvador Laurel, who is vice president and foreign secretary, for fanning discontent in the military by taking a controversial survey of military camps. As part of his survey, Laurel asked soldiers: "Should the president remove the communists in government?" Laurel was out of town today but submitted his resignation as foreign secretary by telephone, officials said. He did not resign as vice president, which is an elective office.

Other aides of Aquino who have come under pressure in recent weeks are Finance Minister Ongpin and Central Bank governor Jose Fernandez Jr., who have been criticized by congressional leaders for signing a debt restructuring arrangement with the country's foreign creditors that many find onerous. Aquino, in her state-of-the-nation message in July criticized that restructuring package as not giving the Philippines repayment terms as favorable as those of Mexico and Argentina

After every coup attempt, Aquino has come under pressure to replace the armed forces chief of staff, Gen. Fidel V. Ramos, who has become the target of criticism from some quarters in the military.

Ramos, who says he serves at the pleasure of the president, did not offer his resignation. Military analysts said Aquino was unlikely to replace him, because to do so now would appear to be heeding the rebel troops' demands. Ramos had demonstrated his loyalty to civilian rule by crushing at least five coup attempts and defusing several others. In addition, analysts said, there is no acknowledged front-runner who could replace Ramos and successfully balance the various factions within the military.

Mr. BYRD. Now, Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of this resolution and that there be no amendment in order, no motion to commit be in order, and that time for debate be limited to 1 minute for Senator PELL——

Mr. HELMS. We will take 1 minute, but I probably will not use it.

Mr. BYRD. One minute under the control of Mr. HELMS, and that other Senators may submit their statements in the RECORD; that upon disposition of the resolution, the Senate return to the consideration of the now pending business, the Defense Department authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, it is a relatively early hour on Friday afternoon and there will be this rollcall vote if no more this afternoon. There may be others. Mr. President, I send the resolution to the desk.

The PRESIDING OFFICER. The clerk will report the resolution.

The bill clerk read as follows:

A resolution (S. Res. 282) to express support for President Aquino and the Government of the Philippines.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, it gives me great pleasure to join with the distinguished leadership in the sponsorship of this resolution. The Philippines have always had a special place in the hearts of the American people, and it is no less so today as the nation struggles to implement hard-won democratic reforms for the Filipino people.

We all are aware of the history of the lengthy struggle for democracy in the Philippines. After having fought side-by-side with American soldiers in World War II, the Filipino people attained independence in 1946. Their postwar leadership paid a great tribute to this Nation when they patterned much of their Government, including the Constitution, on that of the United States. In the intervening years the nation faced many challenges—the Communist-led Huk rebellion, the subservience of the democratic process under the Marcos regime, the associated resurgence of Marxist-led violence, and most recently, an unfortunate series of coup attempts against the democratically elected government of Corazon Aquino.

The people of the Philippines have responded magnificently to this series of challenges to their democratic aspirations, and I am confident they will continue to do so in the months and years ahead. As in the past, however, the actions or lack thereof on the part of the Government and people of the United States can and will make a tremendous difference in the fate of democracy on those islands. The resolution before us today is a reaffirmation of our commitment to the Filipino people, to the government of President Aquino, and to democracy in that part of the world. It is a signal that the United States stands ready, in the face of challenges from whatever source, to support the democratic institutions and processes now taking root across this Southeast Asian archipelago of 56 million people.

In supporting this resolution I declare my respect and admiration for the courage and fairness exhibited by Mrs. Aquino and the government in responding to this latest attempt to overthrow democracy in the Philippines. She has responded magnificently and I want the record to show that, in its hour of need, the legally-elected Government of the Philippines and the Filipino people can, as in the past, count on the support and assistance of the United States of America.

### ORIGINAL COSPONSOR OF RESOLUTION

Mr. DOLE. Mr. President, I am pleased to join the distinguished majority leader and the other original cosponsors in introducing this resolution.

It represents a clear expression of bipartisan support for the Aquino government in the Philippines, at a critical time when it has just weathered the challenge of a bloody coup attempt. It is in our interest, as much as President Aquino's, that we express this support, clearly, and right now.

### ISSUES TO BE ADDRESSED

The Aquino government is not a perfect government. And it hasn't done a perfect job, in my view, in addressing all of the enormous challenges the Philippines faces. But there are no perfect governments anywhere in the world.

And there are important issues in the Philippines, and between the United States and the Philippines, which I believe must be addressed more vigorously and effectively. I've talked about them before on the floor of the Senate: Doing a much better job in containing and eliminating the insurgency; avoiding positions which compromise vital American security interests, or raise questions about the future of the military bases which serve both countries' interests; getting a better handle on the economy; and some others.

I have a feeling that President Aquino, herself, would ascribe to this sentiment: that more needs to be done, and done better, on these matters.

### AQUINO GOVERNMENT BEST HOPE

Nonetheless, the fact of the matter is, the Aquino government has been elected by the people of the Philippines in a fair election. Unquestionably, the Aquino government represents the best chance for the continued consolidation of democracy in that country; the best chance for a stable and prosperous future for the people of the Philippines. And, from our own standpoint, it represents the best hope for preserving and advancing the security interests that our country shares with the Philippines.

The United States, and the U.S. Congress, have supported the Aquino administration from the beginning. It is important that—at this time, even more than before—that we make it clear we will continue to support that government. It is a message that President Aquino deserves to hear; the people of the Philippines need to hear; and the people of the region will welcome.

### ENDORSE HELMS' CALL FOR HEARINGS

Let me today say one final word: I do think the idea of hearings on the Philippines—advanced by the distinguished Senator from North Carolina, the ranking member of the Foreign Relations Committee, Senator HELMS—I believe that is an excellent idea.

Stability and democracy in the Philippines, as I and many others have noted many times, is vital to American security interests. We have to play careful attention to developments in the Philippines; and we have to make sure our policy is based on the best, most comprehensive and most current information.

So I hope the distinguished majority leader; the chairman of the committee, Senator PELL; and the other members of the committee will join Senator HELMS and me in endorsing this idea of hearings on the Philippines; and that such hearings can be scheduled very soon.

Mr. KENNEDY. Mr. President, I urge my colleagues to join with the Senate leadership to give quick and resounding approval to this resolution expressing our support for President Corazon Aquino of the Philippines. Today we must tell the people of the Philippines that the American people stand with them—for democracy and for the rule of law.

On August 28, mutinous troops from within the Philippine military attacked the presidential palace in an effort to kill Mrs. Aquino and her family and to overthrow the government. This was the fifth such effort to overthrow Mrs. Aquino's government since Mrs. Aquino was inaugurated in February 1987, but this attempt came close. For a moment, Philippine democracy was in peril. For a moment, it appeared as if the historic achievement of "Filipino people power" might—by violence and force of arms—be snuffed out by the lawless ambitions of a few disloyal officers.

But the overwhelming majority of the Filipino military rallied to the cause of Philippine democracy and came to the defense of Mrs. Aquino's government.

The rebellion was finally crushed, but scores of citizens were killed and hundreds more were wounded. Philippine democracy survived yet another assault, and the rule of law still governs in the Philippines. But it is time for the American people to speak out again—with one voice and with one message: We are with you, President Aquino, in your struggle to keep your country free. We are with you as you work to build a strong democracy and a just society. We are with you in your effort to return the Philippines to civil peace and economic prosperity.

And with this resolution, let us also send a message to those few who, for whatever reason, seek to destroy the fragile flower of the new Philippine democracy: Do not betray your people, your nation or your history; do not defile the memory of thousands of your countrymen and women who so courageously gave their lives that the Philippine people might one day be free. Lay down your arms, examine your hearts, and join the stuggle to build a strong and just and democratic Philippine nation.

Who among us will ever forget those special moments in Manila, moments that now live forever in Philippine history. After years of tyranny and torture, after years of incompetence and corruption, after the final insult of a rigged election and fraudulent vote count, the people of the Philippines finally rose up and—without violence and without bloodshed—demanded that the Philippine Government be returned to the Philippine people.

And who among us will ever forget that special moment last year at a joint session of the U.S. Congress when Mrs. Aquino came to us and—in her quiet strength and incomparable eloquence—told us of the final triumph of her people over injustice and oppression.

Now we are called again to tell Cory Aquino of our continuing commitment to her cause and to the cause of Philippine freedom.

We share too much history, too many common causes, too many aspirations for us to remain silent. Let us join together today with this resolution—and let us pledge ourselves to join again—tomorrow or the day after, or whenever the flame of Philippine liberty is dim or in danger—to make clear that the American people—with our voices and with our votes and with our material assistance—will be with the people of the Philippines in their long and noble struggle finally and for all time to be free.

Mr. MELCHER. Mr. President, there are areas of U.S. interest, both in trade and strategic national defense that need special attention from the United States, and such an area is the Philippines.

Both in trade and strategic defense, the Philippines are very vital to the United States. We have had some renewed trade opportunities, as evidenced by a recent sale of 450,000 tons of U.S. wheat through the Export Enhancement Program. This wheat was sold to the Philippine Farm Millers Association. And that sale of wheat was needed, very much, by the United States. In another 4 months we need to sell a like amount: 450,000 tons of United States wheat to the Philippines.

But, to do that, to have that opportunity for sales of United States wheat 4 months from now, we have to have the Philippine Government in a stable condition.

Only a few days ago that government of President Aquino was threatened by a military coup. I believe that military coup was reflected both in the state of the economy in the Philippines and in the Communist insurgency out there.

Right now, the stability of the government of President Aquino in the Philippines is at stake. The United States can best assist and demonstrate our interest by coming to the aid of the Philippine economy right now. After all, President Aquino has been President of the Philippines for less than 2 years, and during that time there has been very slight economic growth in the Philippines.

There is the uncertainty of land reform. There is the uncertainty of the sugar production in the Philippines and what can be exported to the United States of that sugar production.

There has been uncertainty in the coconut industry in the Philippines, and what can be exported generally to the other countries and particularly to the United States.

There is uncertainty in the manufactured exports for the Philippines. Of course, there is uncertainty in the capital investment that can be attracted to the Philippines from outside their country.

But all this adds up to an economic uncertainty in the Philippines; and to further cloud that Philippine uncertainty is a very severe, aggravated Communist insurgency throughout the Philippines.

I believe it is the proper role of the United States at this time to come to the aid of the Aquino government and that we can and should bolster and help the Filipino economy by economic and military assistance now. But first of all, for the Filipino economic revival, I believe the United States should allow a bigger Filipino sugar quota. We have reserved a sugar quota. That sugar, that we import into the United States, we by and large reserved that for developing countries. However, Australia and Canada still enjoy United States sugar quotas.

I believe some of the quotas for most of those countries should be awarded to the Philippines as a developing country, particularly at this particular time when they need economic help. It would help their economy, and it would permit a start in land reform, which is so vitally needed in the Philippines and which is a central piece of the Aquino government, to implement that, to bring that about for the Philippine people.

Likewise, I believe the United States can and should bolster the coconut imports from the Philippines for the very same reason, to help the Philippine economy and to help land reform there.

On economic assistance and military assistance, the United States need only look at the strategic advantage we have in the rental of Clark Air Force Base and the Subic Naval Base. The United States Armed Forces, our United States Joint Chiefs of Staff, have always declared that these bases are vital to United States interests in Southeast Asia, and, indeed, that if we needed any convincing of the vitalness of these bases in Southeast Asia, at Clark and Subic in the Philippines, we need only review the recent efforts, the recent activities, of the Russian navy as they steam through Southeast Asia.

Mr. President, in terms of the rentals paid by the United States for these two Philippine bases, I believe we ought to put our money where our mouth is. They are of strategic importance to the United States. They are of greatest importance to us in Southeast Asia. They are our only two bases in Southeast Asia of great significance.

In other countries, such as Spain, Greece, or Turkey, the cash rentals that are paid per year for bases in those countries are much larger than in the Philippines. We have been on the cheap side with the Philippines in paying cash rentals for bases we have there, yet they are our most important bases overseas.

Some Philippines, reflecting their attitude of sovereignty, say, "Get rid of these U.S. bases. Get them out of the Philippines."

But that is a minority view among the Filipino people. The majority view there among the people is reflected in the attitude of General Ramos, the chief of the military in the Philippines, a graduate of West Point, long acquainted with our people, our military people, here in the United States. The attitude is that those bases are mutually good for both the Philippines and the United States.

Mr. President, we have no reason not to help the Philippines in this very urgent time for them. I suggest that we follow both the economic side of this and the military side of this, which will dictate to us that we do indeed put our money where our mouth is and be of greater and better assistance to the Philippines.

Mr. President, I yield the floor.

Mr. ADAMS. Mr. President, I strongly support this resolution and I commend Senator Byrd, Senator Dole, and Senator Helms for developing this language.

When "people power" brought Mrs. Aquino to power last year, the response in this country was one of pride and relief. We saw her triumph as a victory for democracy. But we forgot a lesson we all have learned over the years—there are no final victories in the struggle to achieve or maintain a democratic state. And it is indeed a struggle: A struggle for the United States which finds itself, from time to time, facing threats to our constitutional system; and certainly a struggle for a nation like the Philippines which is emerging from decades of autocratic rule.

The situation in the Philippines is complex. There is a Communist revolutionary force threatening the government on the left; there is a reactionary insurrection among some elements of the military; and there is the specter of the past lurking out of power but not of sight. Added to these direct and physical threats is the economic crisis facing the Philippines. Their unemployment rate is staggering, their opportunities for building an industrial base are limited.

In light of the recent coup attempt, there will no doubt be those who urge that we focus on the immediate military threat facing the government. And certainly that is a matter of concern, and some additional assistance in that area is needed. But the most realistic response to the threat to the government involves a resolution of the economic problems facing the Philippines. And our actions should place special emphasis on that issue. The plain truth, Mr. President, is that there is not enough aid in the pipeline now—and there doesn't appear to be much of a pipeline for the years to come.

I support this resolution as a statement of our desire and determination to support the Aquino government. But I also am ready to support more concrete and specific forms of support in the areas I have described.

Mr. HELMS. Mr. President, to the delight of other Senators, I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the resolution. The yeas and nays are ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. Adams], the Senator from Delaware [Mr. Biden], the Senator from New Mexico [Mr. Bingaman], the Senator from Louisiana [Mr. Breaux], the Senator from Arizona [Mr. DeConcini], the Senator from Nebraska [Mr. Exon], the Senator from Kentucky [Mr. Ford], the Senator from Tennessee [Mr. Gore], the Senator from South Carolina [Mr. Hollings], the Senator from Louisiana [Mr. Johnston], the Senator from Massachusetts [Mr. Kerry], the Senator from North Carolina [Mr. Sanford] and the Senator from Illinois [Mr. Simon], are necessarily absent.

I further announce that, if present and voting, the Senator from Washington [Mr. Adams], the Senator from New Mexico [Mr. Bingaman], and the Senator from Massachusetts [Mr. Kerry] would each vote "yea".

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. Armstrong], the Senator from Missouri [Mr. Bond], the Senator from Minnesota [Mr. Boschwitz], the Senator from Mississippi [Mr. Cochran], the Senator from New Mexico [Mr. Domenici], the Senator from Minnesota [Mr. Durenberger], the Senator from Oregon [Mr. Hatfield], the Senator from Arizona [Mr. McCain], the Senator from Idaho [Mr. McClure], the Senator from Alaska [Mr. Murkowski], the Senator from South Carolina [Mr. Thurmond], the Senator from Wyoming [Mr. Wallop], the Senator from California [Mr. Wilson], and the Senator from Utah [Mr. Hatch], are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota [Mr. Durenberger], the Senator from Alaska [Mr. Murkowski], the Senator from South Carolina [Mr. Thurmond], and the Senator from Utah [Mr. Hatch], would each vote "yea."

The PRESIDING OFFICER (Mr. Dodd). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 73, nays 0, as follows:

[Rollcall Vote No. 241 Leg.]

YEAS—73

Baucus
Bentsen
Boren
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
Dixon
Dodd
Dole
Evans
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hecht
Heflin
Heinz
Helms
Humphrey
Inouye
Karnes
Kassebaum
Kasten
Kennedy
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Trible
Warner
Weicker
Wirth

NAYS—0

NOTVOTING—27

Adams
Armstrong
Biden
Bingaman
Bond
Boschwitz
Breaux
Cochran
DeConcini
Domenici
Durenberger
Exon
Ford
Gore
Hatch
Hatfield
Hollings
Johnston
Kerry
McCain
McClure
Murkowski
Sanford
Simon
Thurmond
Wallop
Wilson

So the resolution (S. Res. 282) was agreed to.

The preamble was agreed to.

The resolution (S. Res. 282), with its preamble, is as follows:

S. Res. 282

Whereas on August 28, 1987, mutinous troops attacked the presidential palace in Manila in an effort to overthrow the Government of the Philippines;

Whereas scores of Filipinos have been killed and over one hundred wounded in the political violence;

Whereas the Filipino armed forces have rallied in support of the President against the mutineers and have crushed the rebellion;

Whereas the insurrection is the fifth such effort to overthrow the Aquino government since the inauguration of President Aquino on February 25, 1987;

Whereas under the leadership of President Aquino, the people of the Philippines have adopted a new Constitution, conducted open elections, and undertaken an effort to revive the democratic institutions of their nation;

Whereas the Government of the Philippines has made impressive strides in reversing the economic decline of the nation;

Whereas President Aquino currently enjoys the allegiance and support of the Filipino people;

Whereas the international community has expressed renewed support for the leadership of President Aquino;

Whereas the Aquino government confronts a growing Communist insurgency threatening political, economic, and social freedoms and the security of the Philippines;

Whereas the United States Administration has issued a statement of strong support for the Aquino government and democracy in the Philippines and condemned all efforts to destabilize the Government of the Philippines; and

Whereas the Aquino government enjoys the confidence and support of the United States Congress as has been expressed in previous resolutions: Now, therefore, be it

*Resolved*, That the Senate—

(1) congratulates the people of the Philippines and the loyal members of the Philippine military for their commitment to democracy and for their courage and success in crushing the rebellion;

(2) renews its full support for the sustained efforts of President Corazon Aquino to pursue the development of democratic institutions in the Philippines and stability in the society of the Philippines;

(3) recognizes the overriding importance of defeating the communist insurgency by strengthening the capability and improving the morale and living conditions of the armed forces of the Philippines and supports continued timely and vigorous military assistance to the Government of the Philippines to assist in that effort;

(4) recognizes that economic recovery based on free enterprise principles is crucial to the attainment of a stable democracy in the Philippines and supports continued economic assistance aimed at building a strong and vibrant economy;

(5) calls attention to all persons or groups seeking the violent overthrow of the Government of the Philippines to current United States law which requires suspension of fiscal year 1987 military or other assistance if a duly elected Head of Government is deposed by military coup or decree;

(6) urges the government to redouble its efforts to address the problems of corruption within the government; and

(7) urges the Secretary of State to direct the United States Ambassador to the Philippines to make every effort to communicate the contents of this resolution to all Filipino citizens and to all sectors of Philippine society.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The PRESIDING OFFICER. The Senate will resume the pending business, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

Mr. STENNIS. Mr. President, I shall not detain this body for more than just a very few minutes. I am not going to let this occasion of bringing up this bill pass without a word of comment thereon. I think we agree that this is one of the most important pieces of legislation that we have year after year after year.

I have been here, Mr. President, when there was no requirement for authorization of any kind with reference to military weaponry and other items within our military program. Now, though, if we go back to the practice of not having a careful, complete analysis, and recommendations by competent people, some Members of this body and some staff members, if we go back and abandon the safeguards that we have here in the authorization requirement, we are deliberately and willfully leading ourselves into trouble of the very gravest kind, in my humble opinion, which we cannot possibly tolerate. I mean by that that there must be a real analysis of the needs, the uses of the weaponry, the manpower, and all of those things that go to make up the tremendous, around the world military program that we have.

It is just idle talk to talk about balancing the budget and so forth unless we are going to put forward these precautions and double cautions and intelligent consideration of these matters that we are called on to pass on. It is very difficult work at best.

I commend very highly the chairman, Senator Nunn, and the ranking minority member of the committee, and all committee members, including the assistance that comes from the committee staff work.

Mr. KENNEDY. Mr. President, I rise in support of S. 1174, the Defense authorization bill for fiscal year 1988 and 1989. As chairman of the Projection Forces and Regional Defense Subcommittte, I shall take a few moments to describe the scope of my subcommittee's concerns, some of the issues we engaged, and why I believe this bill deserves the support of my colleagues.

The Subcommittee on Projection Forces and Regional Defense is responsible for oversight of the military missions of defense of southwest Asia and defense of other regions where the United States does not have substantial forces deployed in peacetime, primarily Latin America and Africa. The subcommittee also reviews policies and programs for the missions of sea control and maritime force projection in all world regions, areas including NATO and East Asia.

The subcommittee is responsible for those budget elements of research and development and procurement related to these missions, including shipbuilding and conversion (excluding strategic forces), naval aviation (excluding carrier-based aircraft), Marine Corps (excluding the tactical aviation), airlift and sealift, and Special Operations Forces. Its oversight jurisdiction includes about 8.7 percent of the Defense budget or about $25.7 billion of which $20.2 billion is procurement authority and $5.3 billion is research and development. Navy programs represent more than 83 percent of the subcommittee's accounts, with the single largest account being shipbuilding and conversions which is 38 percent of the total.

With respect to biennial budgeting, the committee sought to identify only stable, noncontroversial programs for authorization in fiscal year 1989. We avoided programs with major acquisition milestones; avoided new starts; included multiyear procurement programs to the maximum extent; and ensured consistency with our recommendations for fiscal year 1988. The total authorization recommended for fiscal year 1989 was about $5 billion or 17 percent of the request. I had hoped that a larger percentage of fiscal year 1989 programs would be recommended for authorization. Unfortunately, a majority of the committee felt that the uncertainty about future levels of defense spending required preservation of considerable flexibility next year, especially in the Navy's shipbuilding and conversion account.

The subcommittee determined from hearings that it should give highest priority to correcting deficiencies in three mission areas: Antisubmarine warfare, strategic mobility, and special operations. Recent improvements in Soviet capabilities have diminished the margin of United States antisubmarine warfare superiority. By selective investment of funds available from prior year savings and funds not able to be committee as originally planned, I am pleased to report the committee has been able to give special emphasis to a range of programs to help preserve superior U.S. Navy capabilities for antisubmarine warfare.

Near-term antisubmarine capabilities have been enhanced by nearly doubling the funds requested for procurement of sonobuoys. Inventory levels of sonobuoys have been declining, yet, strangely, the administration's request for these critical items has also declined—by over 40 percent from the fiscal year 1987 request. The committee also sought near-term improvements by recommending the authorization of a 35-percent increase in funds for procurement of Update 111 modification kits for P-3 aircraft, which is consistent with past committee practice. Additionally, the committee recommends increased procurement of SQQ-89 antisubmarine warfare combat systems by 50 percent.

To improve antisubmarine warfare capabilities in the midterm the committee recommends authorization of the procurement of two SWATH T-AGOS ocean surveillance ships. In the fiscal year 1987 budget submission, the Navy characterized these ships as "crucial" and showed a procurement profile which included three ships in fiscal year 1988. With the fiscal year 1988 budget submission, the 1988 ships were deleted to allow a 1-year gap between lead ship production and follow-on ships. We determined from the Navy that by managing the start of the contract, the 1-year gap policy could be preserved, and the Navy could take advantage of favorably priced options. In short, contracts for ships authorized for fiscal year 1988 could be executed without any violation of policy or practice. Accordingly, we have recommended that two ships be restored to a program which is, indeed, absolutely crucial to our antisubmarine ocean surveillance capability.

Also, addressing mid-term ASW capability enhancement, the committee recommended a 50-percent increase in the procurement authorization for SH-60B Seahawk Lamps MK 111 helicopters.

Looking to the far term antisubmarine warfare enhancements, the committee recommended authorization of the requested funds for development of the SSN-21 submarine and its various systems. Responding positively to a very promising initiative on the part of the Navy, the committee strongly recommended that funds be authorized to develop a new maritime patrol aircraft from commercially derived candidates in competition with one another. A major increase in capability and cost effectiveness is believed to be possible through this strategy in the mid to far timeframe.

Underlying all future improvements in antisubmarine warfare is our fundamental understanding of the oceans and near-ocean atmosphere. Accordingly, sustained funding of ocean measurements and modeling capabilities is essential. The committee recommended authorization of funds to support certain oceanographic work which will be of direct benefit in improving future antisubmarine warfare capabilities.

Elsewhere in its area of concern the committee recommended a 23-percent increase in procurement of standard [SM-2] surface to air missiles which raises the production rate and achieves a more economical buy. In mine warfare, an often neglected area, but one which the committee recognizes as a critical warfighting, if not war-controlling capability, increases were recommended to examine warhead improvement for the Captor mine, examination of an advanced deep water mine and development of the minehunting sonar to be installed in both classes of our new mine countermeasures ships.

The Navy shipbuilding program was modified due to the inability to execute the requested MCM ships and the LSD-41 (Cargo variant). Five CG-47 class AEGIS cruisers were recommended for authorization vice the requested three to take advantage of very favorable pricing of a larger buy. This completes the CG-47 program. The new DDG-51 AEGIS destroyer program provided offsets for the additional CG-47 cruisers. It is believed an additional year to resolve design problems in the lead DDG-51 authorized in fiscal year 1985 can be useful to the overall success of the program.

Inadequate strategic mobility is a major deficiency in carrying out U.S. military strategy. At present, the United States has substantially more combat capability than it can deploy in a timely manner during periods of crisis or war. The committee continues to believe that the C-17 airlift aircraft is critical to offsetting airlift shortfalls and recommends the authorization of funds to further that end. Although substantial progress has been made in recent years in improving sealift capabilities, the committee is concerned about limited fast sealift and recommends a fast sealift initiative be authorized to assist in resolving that problem, as well as funds to continue the procurement of sealift support equipment.

The committee is giving increased emphasis to Special Operations Forces [SOF]. Progress on improving special operations capabilities has been mixed. The committee found the program to increase SOF airlift to be sound and fully justified. Despite this positive note, bureaucratic resistance to the congressionally mandated reorganization of SOF forces remains a serious concern. In particular, the committee views the failure to nominate in a timely manner the Commander in Chief of the U.S. Special Operations Command and the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict as a major shortcoming in DOD's performance. Last, the committee believes that the decision to locate the headquarters of the U.S. Special Operations Command at MacDill Air Force Base, FL requires further study.

A key programmatic issue in the Defense authorization request for fiscal years 1988 and 1989 was the proposal for early replacement of two aging, increasingly ineffective aircraft carriers. The committee, by a vote of 11 to 9, authorized $644 million for the funding of long lead items for the first of two Nimitz-class, nuclear-powered aircraft carriers in fiscal year 1988 and $797 million for advance procurement for both replacement carriers in fiscal year 1989. The narrow vote on this issue reveals the continuing concerns of many Members regarding the procurement plan within the overall context of the affordability of the Navy's shipbuilding plan and the Navy aircraft procurement plan. If the affordability issue is not resolved in both of these accounts, we will not have modern airplanes for the carriers we are building, and we will experience a severe surface combatant shortfall. Both of these issues will be examined in detail over the next year.

The carrier replacement proposal was devised by the administration at the last moment and without the benefit of the rigorous review procedures within the Department of Defense.

The Navy proposed to fund two new carriers, one each in 1990 and 1993 with long lead procurement starting in fiscal year 1988. Previously, the Navy had planned to buy new carriers in 1994 and 1996 with long lead procurement beginning in 1992.

This "midnight" change to the Defense budget request meant that the $7-billion funding bubble needed to pay for the carriers had to be moved 4 years forward in the program. Since the Navy budget for these years has not been increased, $7 billion in spending for other programs has been postponed to the mid and late 1990's.

In other words, the Navy has robbed Peter to pay Paul. Two AEGIS destroyers were deferred to pay for the carriers; $800 million was shaved from the refit program for older carriers; readiness and sustainability lost $2.4 billion to the carriers. The aircraft that fly off the carriers lost $450 million.

These last minute rearrangements troubled Admiral Crowe, the Chairman of the Joint Chiefs of Staff. Although he now supports the President's budget, he expressed his concerns about the carriers in a memorandum to Deputy Secretary of Defense William Taft in which he stated:

> The simple fact is that in a fiscal year climate more austere than currently planned the carrier priority may not be as high as it is today. For example, when painful choices have to be made, I would give first priority to sustainability, modern munitions, ASW, and the SSN program.

I agree with Admiral Crowe's priorities. By what rationale, did Secretary Weinberger overrule his principal military adviser? The answer we are given is that there was a compelling business opportunity—an opportunity so great as to justify completely a wholesale rearrangement of priorities. We were told that by procuring these carriers hard on the heels of those currently under construction—not allowing a gap to occur—we could save $3 billion—practically the total cost of one carrier. If it were true that one could get modern Nimitz-class nuclear-powered aircraft carriers at bargain basement 2 for 1 sale prices, all of us would seize the opportunity.

But, when we pressed for details on the $3-billion savings, it was quickly deflated to $700 million.

So where are we left? The need to remove aging, costly, and ineffective carriers from service is real, but it was just as real under the previous strategy which proposed funding replacements in 1994 and 1996. The claimed savings of $3 billion are a gross exaggeration and do not justify the proposal.

We ought to be paying more attention to our higher priorities of antisubmarine warfare, strategic mobility, and special operations. With the exception of the carrier program, the Subcommittee on Projection Forces and Regional Defense presents a balanced program which enhances our national defense. With this exception I urge my colleagues to support this program.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BYRD. Will the Senator yield?

Mr. MELCHER. Yes.

Mr. BYRD. Mr. President, I am told by the distinguished chairman of the committee, Mr. Nunn, that Mr. Glenn is going to call up an amendment shortly, that there is some controversy concerning the amendment, and that we are not likely to have a vote on the amendment today. I wanted to announce to Senators that fact, based on the advice by the distinguished chairman. I am constrained to say therefore, as far as I know, there will be no more rollcall votes this afternoon unless some Senator who is on the floor knows differently.

Mr. WARNER. Mr. President, I know of no Senator who knows differently on this side.

Mr. QUAYLE addressed the Chair.

Mr. WARNER. I see the distinguished Republican leader on the floor and maybe he can respond in connection with there being any more votes this afternoon.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. BYRD. Will the Senator yield?

Mr. MELCHER. I am delighted to yield.

Mr. QUAYLE. Will the distinguished majority leader inform us as to what is the nature of the Glenn amendment that is going to be brought up?

Mr. BYRD. Senator Glenn would have to respond to that.

Mr. GLENN. It is the SDI amendment. It is the one we had last year. It has been modified some this year and I think it is more acceptable now. It passed last year by 64 to 31, I believe, and it is the same amendment. I presume there would be a requirement for a rollcall from the other side on that.

Mr. QUAYLE. Unfortunately, I am aware of that. Thank you very much.

Mr. GLENN. We will lay it down, and I presume it would be the pending business on Tuesday.

Mr. BYRD. Mr. President, I thank all Senators. Does the distinguished Republican leader have any other matter in mind that he wishes to take up today? I was just saying that as far as I am concerned, I know of no other rollcall votes. I am constrained to say there will be no other rollcall votes today. In view of the fact Mr. Glenn is going to call up an amendment that has some controversy on it, I told Mr. Nunn—and there will be a rollcall vote on it at some point, but Senator Glenn is not ready to have that vote today so I am saying there will not be any more rollcall votes unless another Senator wishes to correct me.

Mr. NUNN. Will the majority leader yield? Will the Senator——

Mr. MELCHER. I will be glad to yield.

Mr. NUNN. Briefly, may I inquire of the majority leader as to the schedule for Tuesday next? Will we be on this bill in the morning or will it be after lunch?

Mr. BYRD. Mr. President, first, let me thank all Senators for their indulgence, patience, and cooperation today. We have had a good day.

Mr. President, on next Tuesday the Senate will come in at 10 o'clock. There will be a vote on cloture, on the motion to invoke cloture on the campaign financing reform bill. It will be the seventh cloture vote. I could be surprised, but I doubt that it will succeed. We had 55 votes, however, for cloture, and I would hope that over the weekend we could pick up an additional five votes. I have seen such things occur.

In the event cloture should be invoked, then S. 2 would be before the Senate to the exclusion of all other business until disposed of, at which time the Senate would then go back to the DOD authorization bill.

In the event that the cloture motion does not prevail, then the Senate will immediately resume consideration of the then unfinished business, which will be the Department of Defense authorization bill.

I am going to ask the distinguished Republican leader to start our conferences—he is here—if we can begin our conferences, from now on, at 12:30 on Tuesday rather than 12. Senators do not get there anyhow. They are busy in committees and so on. We can continue business on the floor until 12:30 and then recess until 2 o'clock.

This would mean we would have some time that morning to continue debate on the Senator's amendment, if he lays it down now, or on other amendments to the bill.

Mr. NUNN. In light of that, if the majority leader will yield further and the Senator from Montana will yield further, can we get the Glenn amendment or begin debate this afternoon and then right after the cloture vote return to this bill and have a debate on the Glenn amendment? I do not know how long that debate will take but perhaps we could vote on it shortly after lunch or maybe before then on Tuesday and that would get us started. I will certainly tell other Senators that we would like to have amendments on Tuesday afternoon, and it would be my hope, every one in advance. As the floor manager in concert with my colleague from Virginia, we have discussed this. If we are on this bill, say Wednesday, Thursday, and Friday of next week we could begin early in the morning and begin voting before noon and get controversial and important amendments out early in the morning so we can have good, full, and productive days. We may have to have some evening sessions but if we have them I hope it is not because we do not get started until 2 and 3 o'clock in the afternoon in voting. So I would ask all our colleagues and staff people who are in communication with their Senators that may have left town this afternoon if they could determine getting started early for instance on Wednesday morning next, Thursday morning next, and let us have a full day and get as many things done as we possibly can. I would like to do that, otherwise we will be in on this bill late at night over and over and over again. That does not make it very pleasant.

The question is whether the Senate itself wants to go ahead and begin early in the morning. The Glenn amendment will get us started Tuesday.

Mr. BYRD. Mr. President, if the distinguished Senator will allow me——

Mr. MELCHER. Certainly.

Mr. BYRD. So that Senators may adjust their schedules accordingly, I shall ask unanimous consent that the Senate stand in recess on Tuesday between the hour of 1 p.m. and 2 p.m. That gives a full hour for conference. If Senators want to get there a little early, they can come 10 or 15 minutes before that. The meal will be there. But I think we are taking too much time, the Senate is taking 2 hours as we get down to the last few weeks of the session.

### TUESDAY RECESS FOR 1 HOUR

Mr. BYRD. I ask unanimous consent that the Senate stand in recess on Tuesday, to accommodate both party conferences, between the hours of 1 p.m. and 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. This will allow us more time for work in the morning.

### HOUR OF CONVENING WEDNESDAY, THURSDAY, AND FRIDAY

Mr. BYRD. I ask unanimous consent that when the Senate convenes next week on Wednesday morning, Thursday morning, and Friday morning, it convene at the hour, daily, of 8:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank all Senators.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

### AMENDMENT NO. 878

(Purpose: To prohibit the awarding of contracts for research and development in connection with the Strategic Defense Initiative program to foreign countries and foreign firms)

Mr. GLENN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. Glenn], for himself, Mr. Exon, Mr. Bingaman, Mr. Bumpers, and Mr. Mitchell, proposes an amendment numbered 878.

Mr. GLENN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . PROHIBITION AGAINST CERTAIN CONTRACTS

(a) In General.—Funds appropriated to or for the use of the Department of Defense for any fiscal year pursuant to an authorization contained in this or any other Act may not be used for the purpose of entering into or carrying out any contract with a foreign government or a foreign firm if the contract provides for the conduct of research, development, test, or evaluation in connection with the Strategic Defense Initiative program.

(b) Temporary Suspension of Prohibition Upon Certification of the Secretary of Defense.—The prohibition in subsection (a) shall not apply to a contract in any fiscal year if the Secretary of Defense certifies to Congress in writing at any time during such fiscal year that the research, development, testing, or evaluation to be performed under such contract cannot be competently performed by a United States firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm.

(c) Exceptions for Certain Contracts.—The prohibition in subsection (a) shall not apply to a contract awarded to a foreign government or foreign firm if—

(1) the contract was entered into before the date of the enactment of this Act;

(2) the contract is to be performed within the United States; or

(3) the contract is exclusively for research, development, test, or evaluation in connection with antitactical ballistic missile systems.

(d) In this section:

(1) The term "foreign firm" means a business entity owned or controlled by one or more foreign nationals or a business entity in which more than 50 percent of the stock is owned or controlled by one or more foreign nationals.

(2) The term "United States firm" means a business entity other than a foreign firm.

Mr. GLENN. Mr. President, before we discuss the details of my particular amendment, I would like to give just a little bit of background as to why I feel strongly about this amendment.

I would challenge the people within the hearing of my voice to state what two things led the United States of America into being the kind of a Nation it is today in comparison with other nations around this world. I do not know what your answer might be, but I know what my answer would be. I would say that it is not just our natural resources. Many places around the world have had resources but they do not develop them as the United States did. But what we had, I think, were two things in this Nation—No. 1 was education. Education came to be not just for the rich kids or the advantaged young people in the country. But education came to be for every person in the United States of America, and out of that came an educated citizenry beyond anything known in the history of the world.

Second, we plowed more of our gross national product back into basic, fundamental research than any nation in the history of this world. We learned the new things first. That was the hallmark of our American existence: education and basic, fundamental research. We learned those new things first and with that educated citizenry we put it to work. We created new jobs and businesses and industries. We made those breakthroughs before anyone else, and the rest of the world followed in our wake. They bought their research from us, by and large

That trend continues pretty much to this day, except that we see a disturbing factor now: We see other nations that have observed the United States of America and they have seen what happened to this goose that laid the golden egg. They have seen what caused our prosperity and they have seen that it was education. They have seen that research played a major role as well. They are emphasizing education and basic research, and beginning for the first time, in some selected fields, to outcompete the United States in research.

What has our response been? Well, in the first year of this administration, an attempt was made to cut out about 29 percent of our basic research. A lot of us were very concerned here in the Congress and as a result, a smaller percentage, perhaps 16 to 18 percent, was actually cut.

I think that was a mistake, but at least we were able to avert making the massive cuts in basic research that were planned.

That brings us to what this amendment is all about. In 1983, President Reagan proposed star wars, the strategic defense initiative, one of the greatest research programs in the history of man. I think it dwarfs the Manhattan Project of World War II.

I agree with the research aspects of SDI, but I have serious misgivings with the deployment of SDI. But I do favor basic research—in power transmission, the use of lasers, the use of tremendous energy sources, and computer technology beyond anything we have right now.

All of these important areas of research, Mr. President, have civilian uses of one kind or another. We cannot even envision yet what many of these things may be. But we know they are tremendous, particularly in those areas that are the major focus of research in SDI: laser-powered transmission, neutron particle beams and power transmission, and computer technology. Those are only three areas in which we require major breakthroughs if we are to have a viable SDI program.

The President proposed the SDI program in 1983. As for our allies' support, what response did we get? Well, we got for the most part a "Thanks, but no thanks. We do not want to participate. We want no part of this."

That is the way things went for the first couple of years of the program.

Eventually, the President came up with a new approach. Here we have the greatest research effort ever put forward by mankind and the President said, "If you will support us, if you will support our position on 501, we will let you have some of the research money."

Well, now, that was an offer that some countries could not refuse. It was a little difficult for them to say, "We oppose SDI but we want the research money." So they said, "OK, we support it, rather reluctantly, and only if we get some of the research money."

We have governments in West Germany, for instance, that said, "OK, we are now going to support SDI on the basis that it is going to help build up our laboratories and our infrastructure, and there will undoubtedly be large commercial benefits to us if we do this because there will be a lot of spinoffs from this very basic research."

Now, the German people bought this and Helmut Kohl was able to sell it on that basis, and to show exactly what they thought of this project and where it belonged they put it under the jurisdiction of their economics ministry. It is not even administered in the defense ministry. They see it as building their economic infrastructure. And so they support star wars on the basis of getting research money to help them build up their scientific community, and to make them more capable of outcompeting the United States of America over the long term. And we have the SDI research program being supported around the world on that basis—it is going to benefit their economies, and so they are willing to get in on the act.

Now, this is taking place at a time when we are beginning to be outcompeted in selected fields.

Mr. President, that is what this amendment is all about. This amendment says that there will be restrictions on the award of SDI-related research contracts overseas. It says in effect that for the long term, we will not give them the trade rope to hang the United States in some ways.

We are concerned with trade legislation now. We are putting up trade restrictions, because we are so concerned with what is happening in world trade, and yet here we are in effect giving them the advantage of U.S.-paid-for state-of-the-art research which will have spinoffs and enable their scientific communities to outcompete the United States.

These are countries that are not putting any significant amount of their own money into SDI research. We have no other nation that has volunteered to step forward and put basic money into SDI and support what this country is doing. That, to me, is grossly unfair at a time when we see the United States of America begin to be outcompeted in research.

So that is what this amendment is all about. It deals with the restriction of awards of SDI-related research contracts overseas, but I think does it in a very fair way.

This legislation requires that funds appropriated for research in the strategic defense initiative program during any fiscal year be in the United States unless the Secretary of Defense certifies to the Congress in writing at any time during such fiscal year that the work to be performed under the contract "cannot be competently performed by a U.S. firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm."

Now, there are several things that this amendment does not do. It does not affect contracts awarded before enactment. It would not undo, in other words, anything already done and contracted for. Nor does it affect those contracts to be performed within the United States. This has been done to allay the fears of foreign-owned firms located in the United States that employ American citizens. That is a valid concern and we address that.

Furthermore, the amendment does not affect contracts awarded exclusively for research, development, testing, or evaluation in connection with the ATBM, antitactical ballistic missile program. That was a program of special concern to our allies and to a number of Senators on the floor last year. We addressed that concern as well.

This amendment is similar to legislation I introduced last year on the floor of the Senate during consideration of the fiscal year 1987 DOD authorization bill. The motion to table my amendment last year was defeated overwhelmingly by a vote of 64 to 33. In other words, by a 2-to-1 margin, the Senate approved my amendment last year, and I think the amendment this year with the changes we have made in it should be even more acceptable. The House, I would add, has already passed this amendment, exactly the way I submitted it here.

Mr. President, as I have said, I very firmly believe two things—research and education—have served to make America what it is today. I still believe that American workers, scientists, and engineers can still outinvent, outproduce, outwork, and outcompete any nation on the face of this Earth, given a fair chance.

Research has played a crucial role in building up America's economic and security infrastructure that has made us preeminent in the world. The enormous SDI research program currently plays a significant role in our national research efforts.

As the SDI program has accelerated, I have become concerned that the administration has sought to purchase support for SDI from our allies by offering them research contracts funded by the American taxpayer.

If any of these nations wished to step forward and say they would assume a percentage of the total cost of SDI, then it would be legitimate to say, "Do the research in those nations; they are supporting this program; they should have a research role in this basic breakthrough-type research."

But they are not willing to do that. They say, "We will accept your research dollars because it builds up our economy and our ability to outcompete you in the future, but we are not going to put any money directly into it. We just want to benefit from the research and all of the civilian spinoffs that will come from that kind of research."

So I firmly believe the administration's obvious but unstated policy of buying support for SDI from our reluctant allies does not supersede our need to keep defense dollars for SDI research in the United States whenever possible and to support our own undernourished research base.

Mr. President, I very fully understand the importance of cooperation with our allies. The distinguished floor manager of this defense authorization bill, Senator Nunn, has been the leader in supporting our sharing of these burdens with our allies. I have supported all of those efforts, and will continue to do so. We helped to establish the defense MOU's to achieve standardization and interoperability of weapons systems in our alliance.

However, I believe that SDI represents a special case. The Reagan administration has declared SDI to be its top national security priority. The SDI program involves revolutionary, state-of-the-art technology which is sure to have significant spinoffs both for conventional military applications and for civilian uses. We should use SDI research for building up our own infrastructure and not that of our economic competitors.

The SDI MOU's signed between our Government and Great Britain, Italy, West Germany, and Israel—without the advice and consent of the Congress—merely establish a framework for allied competition for SDI contracts.

Passage of my amendment will not alter the SDI MOU's. Under my amendment, our allies may still compete for and win SDI contracts. My amendment permits greater congressional scrutiny for the award of these contracts.

Many of our allies were ambivalent if not hostile toward the SDI program when it was announced, but their opposition was diminished somewhat by the Reagan administration's invitation to participate in the program. The Federal Republic of Germany's Kohl government, for instance, in order to overcome resistance to participating in the SDI program, emphasized the enormous commercial benefits to be derived from SDI research. Indeed, the fact that the Federal Republic of Germany's Economics Ministry is managing West Germany's participation in SDI—as opposed to the Defense Ministry—reflects the nature of their country's interest in the program.

I am convinced that we in Congress must play a definitive role in setting national security priorities; certainly we should be willing to exercise our constitutionally mandated prerogative by determining how our increasingly limited national resources for defense are to be spent on SDI research.

I urge my colleagues to vote in favor of this amendment.

Mr. President, let me propose a few questions and answers on my amendment.

How does this year's amendment differ from last year's amendment? The answer is that, last year's amendment prohibited DOD expenditure of SDI funds overseas unless the Secretary of Defense certified to the Congress in writing that the contract could not be "reasonably performed by a U.S. firm." This year's amendment mandates that the Secretary of Defense must certify to the Congress in writing at any time during such fiscal year that the work to be performed under the contract "cannot be competently performed by a U.S. firm at a price equal to or less than the price at which the RDT&E would be performed by a foreign firm." That is a major difference.

Last year's amendment also included exceptions for the ATBM program and existing contracts. This year's amendment includes those two exceptions plus an additional exception for foreign contracts to be performed within the United States.

Why should we prohibit the award of SDI contracts overseas when some of our allies have clear superiority in certain areas such as software and optics?

Under my amendment, if there is such expertise overseas, SDI contracts may be awarded abroad. That is fine. Let us take advantage of that. All the Secretary of Defense has to do is make a certification to Congress that that is the case.

We take advantage of their unique expertise. A third question: Does the Glenn amendment undercut our SDI-MOU's with our allies? The SDI-MOU's signed between our Government and Great Britain, Italy, West Germany, and Israel—without the advice and consent of the Congress—merely establish a framework for allied competition for SDI contracts. Passage of my amendment will not alter the SDI-MOU's. Under my amendment, our allies may still compete for and win SDI contracts. My amendment permits greater congressional scrutiny for the award of these contracts.

How will your amendment alter existing law?

DOD asserts that it currently applies the Bayh amendment to all defense contracts, including SDI, which provides that no DOD research and development contracts may be awarded to foreign firms if a U.S. entity is "equally competent to carry out the work and willing to do so at a lower cost."

My amendment alters the Bayh amendment, but only as it applies to SDI research by stating that a contract may be awarded overseas only if it "cannot be competently performed by a U.S. firm at a price equal to or less than the price at which the RDT&E would be performed by a foreign firm."

Your amendment states that the Secretary of Defense must certify to the Congress that no U.S. firm is "competent" to do the job. What does competent mean?

DOD asserts that it currently applies the Bayh amendment to SDI contracts which requires DOD to make a determination that no U.S. firm is "equally competent." What does "equally competent" mean? If, as DOD asserts, it applies the Bayh amendment, it already applies a dual hurdle for foreign competitors to submit both technical and cost proposals for an SDI research solicitation.

DOD writes the specifications for SDI research contracts and the contracting officer must now make a determination that a U.S. firm is not equally competent—in addition to cost considerations—as metaphysical a determination to make as determining what is "competent."

If, as the allies and DOD assert, SDI contracts are going overseas for research where they have a clear advantage over the United States, their DOD-scrutinized cost proposal will undoubtedly be lower than any U.S. firm and the award will go overseas.

You had helped establish defense MOU's to achieve standardization and interoperability of weapons systems in our alliance. In placing restrictions on foreign SDI contracts, you are contradicting your earlier stand or encouraging greater allied cooperation in the defense sector. Why?

I believe that SDI represents a special case. The Reagan administration itself has declared SDI to be its top national security priority. The SDI program involves revolutionary, state-of-the-art technology which is sure to have significant spin-offs both for conventional military applications and for civilian uses. We should use SDI research for building up our own infrastructure and not that of our economic competitors.

Mr. President, I would also call to the attention of my colleagues an interview in the August 31 edition of the Defense News, with the Chief Executive of British Aerospace, Sir Raymond Lygo. One of the questions he was asked:

> Q. You say open markets, Mr. Younger says open markets, and then the U.S. House of Representative passes a measure saying Strategic Defense Initiative (SDI) research money should not be given to any foreign government or foreign business and the American Senate will take it up soon. What are your thoughts?

And here is what the chief executive of British Aerospace replied:

> I must say I have a great deal of sympathy with Congress in this matter. I have always made my own views very clear. Unless the Europeans themselves are prepared to put money into SDI, I really didn't understand why the American taxpayer was supposed to put money into European industry. It didn't seem to me to be a particularly fair arrangement.
>
> You see, the difficulty is that when you are dealing with Europe. . . you aren't really dealing with an organization, you're dealing with an arrangement of nations. And it is very difficult to get Europe to act as one unit unless you get everyone agreeing. Now that is almost impossible. . . And I think the French reaction by the introduction of Eureka made it particularly difficult for the European governments to get their act together in this respect.
>
> Also, I don't think they were prepared for it. I think [SDI is] the right thing to do politically and strategically. But having said that, you really have to prepare the alliance for things of this kind. I don't think they were very well prepared to receive that message.

So even the head of British Aerospace, looking at this issue in the European context, understood why it was not fair that we be supporting their basic research industry at the expense of our own industry.

All one has to do is go to towns like Youngstown, OH, and Warren, IN, and other places where manufacturing has lagged or caused tremendous unemployment. Unemployment on our shores in the past has been taken care of by new developments, new businesses, and new trends in research.

Mr. President, we will have more to say next Tuesday when we get back on this. As the distinguished majority leader has said, we will have no further votes today. I do not know whether there is further debate today, but I will be glad to respond to questions.

Mr. WARNER. Mr. President, the distinguished Senator from Ohio has most eloquently presented the content of his amendment. Last year, I was in opposition. I will avail myself over the weekend of the opportunity to study this with care.

The distinguished Senator from Ohio knows of my concern. If I may speak for our distinguished chairman, we have in the past year made great progress in the United States in encouraging the sharing of technology, the mutual R&D projects and the like. Therefore, at this particular time I will not endeavor to speak to the amendment that is now pending, and I am not knowledgeable whether others on our side want to speak to it at this time.

### AMENDMENT NO. 679

Mr. WARNER. Mr. President, I send to the desk an amendment in the second degree, on behalf of myself and the distinguished Republican leader and other Senators.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Virginia [Mr. WARNER], for himself, Mr. DOLE, Mr. HELMS, Mr. QUAYLE, Mr. SYMMS, Mr. LUGAR, and Mr. GRAMM, proposes an amendment numbered 679 to the Glenn amendment numbered 678:
>
> At the end of the amendment add the following:
>
> The United States and the Soviet Union may be on the verge of reaching agreement on Intermediate Nuclear Forces (INF) and are continuing serious negotiations on other issues of vital importance to our national security;
>
> and since,
>
> The September discussions between our Secretary of State and the Soviet Foreign Minister represent the culmination of years of detailed and complex negotiations between our countries that reflect delicate compromises on both sides;
>
> and since,
>
> Chief U.S. negotiator Max Kampelman has announced that he has been instructed by the President to place special emphasis on START talks, now that an INF accord may be close at hand;
>
> Therefore, the Senate declares that:
>
> The Congress of the United States fully supports the President in his negotiations with the Soviet Union.
>
> The Congress recognizes fully the constitutional role of the President as the sole voice of the United States in matters during the delicate course of treaty negotiations; and the Congress must not intrude in this process by acting to constrain a President's flexibility in reaching agreement with foreign nations.
>
> At this critical point, the Congress must not take actions equivalent to unilateral concessions to the Soviet Union on arms controls, and specifically on issues that the Soviets cannot themselves achieve at the negotiating table.
>
> The Congress must not act to further the interests of the Soviet Union by unilaterally adopting Soviet negotiating positions that have been rejected by the United States government.
>
> The Congress should not seek to establish, in U.S. domestic law, positions on matters such as ASAT, nuclear testing, SALT II compliance, ABM Treaty interpretation, and the role of chemical weapons, at the very moment that such sensitive arms control subjects are being negotiated by Secretary Shultz and Foreign Minister Shevardnadze and by the negotiators in Geneva. Such action would inevitably disadvantage and undermine the United States Government in such negotiations.

Mr. WARNER. Mr. President, in the absence of the distinguished chairman, I will not go into detail with respect to this amendment in the second degree.

I said this morning, and very clearly, that it was my hope—and, indeed, I think this amendment reflects the hope of many—that we do not move the negotiating table from Geneva to the floor of the Senate in the weeks to come while we are debating this important piece of deliberation on behalf of the armed services.

Mr. President, this amendment would put the Senate on record as fully supporting the President in his negotiations with the Soviets and as objecting to congressional actions that would have the effect of constraining the President's flexibility in negotiations or would grant the Soviets a unilateral concession.

Mr. President, during the past 4 months, the Senate has been debating a provision that I, and others of my colleagues, believe would have the effect of undermining the President at this critical juncture in the arms control process.

The so-called Levin-Nunn amendment would place restrictions on the expenditures of funds for development and testing related to the strategic defense initiative [SDI]. It would require a joint resolution of the House and Senate before the President could proceed with any development or testing of SDI systems which could not be conducted under the very restrictive "narrow" interpretation of the ABM Treaty. In other words, if either the House or the Senate should decide not to permit the President to proceed with such developments or testing, then either the House or Senate would have sufficient authority alone to block the President's decision. There are many reasons to be concerned about such a provision. Let me summarize them briefly:

First, this provision represents a unilateral constraint on the United States and grants a substantial concession to the Soviets at a crucial juncture in the arms control negotiations in Geneva. This restriction would limit the flexibility of our negotiators and would impose on them a new starting point that would be welcomed by the Soviets.

Second, the Levin-Nunn amendment would permit an unacceptable intrusion by either House of Congress into the President's exclusive jurisdiction to conduct our Nation's foreign affairs. The Constitution and Supreme Court have defined the balance of authority between the executive and legislative branches; this amendment is a clear transgression by the Congress.

Third, under the restrictive interpretation imposed by Levin-Nunn, we may only conduct limited SDI experiments which are incapable of fully demonstrating a specific technology or ABM system capability. This means that we cannot realistically and efficiently test the more mature strategic defense technologies necessary to determine their technical feasibility as a strategic defense system. The direct results will be substantial program delays and significantly higher costs for ultimately attaining effective strategic defense.

Fourth, the Levin-Nunn amendment would impose on the United States a restrictive interpretation of the ABM treaty to which only the United States—and not the Soviet Union—would be bound. Our negotiators attempted to restrict both the United States and the Soviet Union to the narrow interpretation of the treaty when it was negotiated more than 15 years ago. But the record reveals that the Soviet Union refused to accept this restriction. The Levin-Nunn amendment would bind only the United States to the restrictive interpretation, and would have no effect on the Soviet Union's obligations under the treaty.

Fifth, the Levin-Nunn amendment is in part based on concern for the proper role of the Senate in giving advice and consent on the ratification of treaties. This is certainly an appropriate concern, but the approach taken by Levin-Nunn would hand to the House of Representatives an effective veto over any Presidential decisions to conduct development or testing beyond the restrictive treaty interpretations. The amendment requires a two-House vote of approval before the President may proceed to such development or testing. Therefore, if the House alone should decide not to approve such a decision, they would prevail under the Levin-Nunn amendment. For those Members who are concerned about the Senate role in this process, let me put this another way: If 100 Senators were to agree that the President should be able to conduct certain advanced tests, but the House of Representatives refused to give their approval, then the will of the Senate would be frustrated. A simple majority of the House could overrule not only the President's decision, but also a unanimous decision by the Senate. I suspect this is a result that the authors of the amendment never intended.

Mr. President, I know of one other amendment that a Senator wishes to lay down, but of course that is subject to the pending matter of the Senator from Ohio and the amendment in the second degree.

What would be the disposition of the manager of the bill with respect to laying aside the amendment of the

Senator from Ohio in order to have another amendment laid down? This would give Senators notice of work we propose to do during the course of Tuesday and on into Wednesday.

I think the request has been made to determine the nature of the amendment. If we can put in a short quorum call, perhaps we can establish the content of the amendment, and the manager can make a decision.

Mr. DIXON. Mr. President, I thank my colleague, the distinguished ranking member, for his comments.

In the absence of the chairman of the committee, it had been our intention, and had been the understanding I had, that after Senator Glenn had offered his amendment, we would have some other remarks by chairmen of subcommittees and then probably would conclude for today and go over until next Tuesday for further consideration of amendments.

Without any criticism of what my colleague from Virginia has done, I say that this amendment was not expected on this side. Earlier discussions today, I say to my colleague from Virginia, with the distinguished junior Senator from Indiana and others, in the absence of the Senator from Virginia, had centered on the fact that we might discuss the way in which we would proceed next Tuesday and what amendments we might undertake. There had been some discussion of the whole question of matters related to the Levin-Nunn amendment and some thought about how we might frame this whole thing.

It is perfectly understood, may I say, by this side that we expect that there will be an extended discussion next week on this whole subject matter.

I think, in view of the lateness of the hour today and the fact that no one expects any further rollcalls, I would like to give my report as chairman of the Subcommittee on Readiness, Sustainability and Support which I was prepared to do and then we had hoped, unless other members of subcommittees wanted to do the same thing, we might go over until Tuesday and begin early in the morning on Tuesday.

Mr. WARNER. Mr. President, I see on the floor the distinguished ranking member of the Foreign Relations Committee.

I yield the floor at this time.

The PRESIDING OFFICER (Mr. Reid). The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Could I inquire of my good friend from Illinois, Is he saying that no further amendments can be offered today?

Mr. DIXON. I am saying to my good friend from North Carolina that we already have an amendment under consideration, that of the Senator from Ohio.

Mr. HELMS. I understand.

Mr. DIXON. That has been further complicated now by the offering of an amendment in the second degree by my friend, the ranking member on the Republican side on the Armed Services Committee, the distinguished Senator from Virginia.

Our plate is now full. I am not authorized to set those aside to proceed to another amendment.

I would be delighted to accommodate my friend and colleague in connection with his laying down his amendment at this point in time. But I would not be able to accommodate him by setting aside further consideration of these amendments to go to the question of his amendment.

I would ask him to indulge me to be able to make my statement as a chairman of a major subcommittee of the Armed Services Committee on what I consider to be my responsibilities in connection with an opening statement on the bill.

Mr. HELMS. My point was not to take up any time at all except to offer the amendment to be considered in rotation whenever that appropriate time occurred. I would not make any remarks about it.

Mr. DIXON. The Senator, of course, has a right at any time to lay down his amendment.

Mr. HELMS. No, I do not as long as the amendment is pending.

Mr. DIXON. He can file the amendment, I mean, at this point in time.

Mr. HELMS. I know that. But we hear exhortations on this floor all the time, "If Senators have amendments, please come and call them up." I thought that the procedure would be to have as many amendments to work on on Tuesday as possible. Certainly I understand on Friday afternoon with two-thirds of the Senators out of town already, that there will be no consideration of the amendment. But I was hopeful that maybe the pending amendment and the Glenn amendment and the second-degree amendment offered by Senator Warner for Senator Dole and others, could be laid aside so that I could get mine in line. If he has no authority to do that—

Mr. DIXON. I must say, regrettably, to my colleague, as much as I would like to accommodate him, I have no authority to do that. My understanding was we were to proceed first thing Tuesday to a full discussion and then a vote on the Glenn amendment. That has been somewhat complicated by what my friend, the Senator from Virginia, has done. But I feel I have no authority to accommodate the Senator from North Carolina further.

Mr. HELMS. Pardon me. I did not mean to be rude. Did the Senator finish?

Mr. DIXON. Yes.

Mr. HELMS. Would the able Senator be willing to consult with the majority leader and see what his wishes are with respect to having the amendment?

Mr. DIXON. Would my colleague, if I may interrupt him, indulge me, letting staff folks talk to the majority leader and reach the chairman if I can while I go ahead and make my statement in the brief period of time? When my statement is finished, I will be glad to correspond with the Senator from North Carolina.

Mr. HELMS. I believe we resolved that. The distinguished majority leader entered the Chamber.

I may direct my question, Mr. President, to the distinguished majority leader. Is it the wish or not the wish of the majority leader to set aside amendments so as to have as many amendments submitted so that we could have a process develop for Tuesday?

Mr. BYRD. I would not want to set aside the amendments at this point unless—I do not see Senator Nunn, the manager of the bill, on the floor.

Mr. DIXON. He is absent.

Mr. BYRD. Very well.

I will be glad to see if I can get in touch with Senator Nunn, who is over in his office at the moment, to see if he has any objection. I would not want to agree at this point to set aside the amendment and take up other amendments. So if the distinguished Senator would allow me, would he either withdraw the request or allow me some time; otherwise, I would have to object until we are back on the bill to do so.

Mr. HELMS. I can understand that. I just wanted to apply what I know the majority leader's position is going to be sooner or later on this bill as with all other measures that he will be exhorting Senators to come to the floor and offer amendments. I just wanted to accommodate him in advance in that regard. I do not care whether it is considered today.

Mr. BYRD. I am confident the distinguished Senator from North Carolina will be prepared to call up an amendment at any time there is no amendment pending or whether it is pending or not he will be prepared to call up an amendment.

Mr. HELMS. Very well. I shall go back to my office then. If the majority leader changes his mind, will he let me know?

Mr. BYRD. I surely will.

Mr. HELMS. I thank the majority leader.

Mr. BYRD. I thank the Senator.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I would like to propose a unanimous-consent request to technically change the sponsors of this amendment in the second degree. Mr. President, I ask unanimous consent that the sponsors

read: Dole, Warner, Helms, Quayle, Symms, Lugar, and Gramm.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, as I understand the distinguished subcommittee chairman would like to give his statement.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. I thank the distinguished Senator from Virginia for his kindness.

At this time, Mr. President, as chairman of the Subcommittee on Readiness, Sustainability and Support of the Armed Services Committee, I would like to take a few moments to highlight for my colleagues the major features of S. 1174 under the jurisdiction of the subcommittee which I chair.

The Subcommittee on Readiness, Sustainability and Support has a broad charter from the full committee to oversee two key measures of our military capability—the ability to go to war today and the ability to sustain deployed forces as required during conflict. The subcommittee is responsible for reviewing those elements of the annual defense authorization request which are associated with the operations and maintenance of our military forces and with those items of procurement particularly related to readiness and sustainability, such as conventional ammunition and spare parts. The subcommittee also oversees the operation of the revolving and management funds and reviews the budget request for military construction and family housing.

In its review of the fiscal year 1988-89 defense authorization request, the subcommittee received testimony from designated representatives of five of the Unified Commanders in Chief; from the senior logistics commanders in the military services and the Defense Logistics Agency; and from the senior officials of the Office of the Secretary of Defense responsible for setting priorities within the annual defense budget request. The committee's actions in the areas of readiness, sustainability and support were shaped by the testimony drawn from these hearings.

First, the committee attempted to minimize the reductions to the budget request in the areas of readiness, sustainability and support.

Second, the reductions that were necessary to meet the budget targets were made as broadly and generically as possible in order to give Defense Department managers the greatest flexibility to minimize the impact of the reductions of readiness and sustainability programs.

Third, in making adjustments to the military construction request, the committee attempted to preserve projects which promised near-term readiness enhancements and those supporting new systems and quality of life, particularly at austere locations. Whenever possible, the committee also attempted to respect the Unified Commanders' priorities and the balance within each service's request.

Finally, certain readiness and sustainability programs—spare parts funding and conventional ammunition procurement—were not reduced at all, or were reduced only to reflect "fact-of-life" changes.

For fiscal year 1988 the committee bill includes reductions of approximately $2.7 billion in the programs under the jurisdiction of the Readiness, Sustainability and Support Subcommittee. These reductions were not easy to achieve. There are some problems left in the budget and programs in the area of readiness and sustainability that need to be addressed. We know where these problems are, and I will mention them in my statement, but we just did not have enough money to address all of them.

The operations and maintenance accounts are the largest area under the subcommittee's jurisdiction—$86.7 billion in fiscal year 1988 and $91.5 billion in fiscal year 1989. $1.7 billion of the subcommittee's $2.7 billion in reductions came from the operation and maintenance accounts. We found $300 million in financing savings that should not have any impact at all on DOD operations. The remaining reductions came from cutting back the amount of growth in areas where we thought the budget was excessive—Defense claims; command, control and communications; CHAMPUS—and from arbitrarily reducing some of the softer support areas to the current year's level—base operating support; travel and transportation of persons. We also reluctantly reduced the level of investment in modernization of our Defense Department industrial facilities from the requested 5 percent of projected industrial fund revenues in fiscal year 1988 to 3 percent.

The committee was able to add $100 million to the Army's request for depot maintenance in fiscal year 1988. This is one important readiness area that was severely underfunded in the administration's budget request. The Army's backlog of depot maintenance will still grow in fiscal year 1988, but it will not be as large as it would have been under the administration's budget.

The committee was not able to alter the fact that the backlog of real property maintenance will increase in all four active services in fiscal year 1988 and in fiscal year 1989. However, we were able to provide the full budget request for training and operating tempos in all of the services, with the exception of a minor adjustment to the Air Force flying hour program which we felt was justified on the basis of technical problems.

In the area of revolving and management funds, the committee recommended a 10 percent, or $120 million, reduction to the budget request for augmentation of existing stock fund inventories and buildup of war reserve stocks.

The committee bill authorizes the full budget request in the area of spare parts and ammunition, with the exception of some adjustments in the Army's ammunition request for programs which cannot be executed. Frankly, the committee would have liked to add money to the budget request in this area because our hearings demonstrated that this was another critical area of the budget where cuts were made before the budget came to Congress. Wartime sustainability for Air Force tactical fighter aircraft, for example, will decline 20 percent from current levels over the next 4 years because of spare parts funding cutbacks. Unfortunately, we could not find money to add to this area, but we felt it was important to protect these accounts from further cuts.

In the area of military construction the committee made adjustments yielding savings of $824 million from the fiscal year 1988 budget request of $10.1 billion. While this may seem to be a modest reduction—about 8 percent—it needs to be viewed in the context of virtually no real growth in this area during the past 3 years. The truth is that our facilities are aging badly—providing inefficient places for our troops to live and work and generating excessive maintenance requirements. Because of the services' and Congress' lack of emphasis on this area, we are neither maintaining or replacing DOD's physical plant at prudent rates.

Having said that, the committee did make reductions to the DOD military construction budget request in virtually all areas. In doing so, we tried to retain projects with near term readiness payoffs and rapid amortization, as well as quality of life improvements, particularly at austere locations. We also tried to make generic cuts where possible, and to respect the priorities of the military services and the unified commanders in chief.

The committee bill also authorizes over 90 percent of the programs under the jurisdiction of the Readiness, Sustainability and Support Subcommittee for fiscal year 1989. The bill authorizes the entire operation and maintenance title at $86.7 billion, a reduction of $3.4 billion below the requested amount. This level will provide full inflation, or 0 real growth, for these accounts in fiscal year 1989.

The committee recommends authorization of the full $10.3 billion requested in the budget for fiscal year 1989 for spare parts and ammunition procurement. We also recommend authorization of the $1.1 billion requested for the Defense revolving and management funds.

For military construction, the committee bill authorizes $5 billion of the $10.6 billion requested in fiscal year 1989. All "level of effort" accounts, such as planning and design, were addressed, as well as $600 million in specific projects which were either multiple year, phased programs, or supported new systems which the committee has or is authorizing. Major initiatives like the beddown of the Army's light infantry divisions and the Navy's strategic homeports were addressed in the fiscal year 1989 authorization.

The committee bill also includes a number of provisions to increase the flexibility of Defense Department managers to execute their programs and reduce the volume of reports submitted to Congress. One important committee initiative in this area will change the focus of cost variations reporting from the value of individual military construction projects to the total amount made available by Congress for construction on a military installation.

Mr. President, this bill authorizes funds for all of the important readiness and sustainability programs for the military services for fiscal year 1988 and 1989: flying hours, steaming days, training exercises, modern ammunition, and maintenance and supply activities. The bill authorizes military construction projects in all 50 States and overseas. Without this authorization bill, not a single new military construction project in the United States or overseas can be started in fiscal year 1988 or 1989. Enactment of this authorization bill into law is essential for our national defense. Those who vote against this bill send a signal to our friends and adversaries alike that we are not willing to provide our men and women in uniform with the tools they need to protect our country. I urge my colleagues to support this bill.

In closing, Mr. President, I want to thank my friend and colleague Senator HUMPHREY for his cooperation and assistance as the ranking minority member on the Subcommittee on Readiness, Sustainability and Support. I don't think there has been a single difference of opinion between us this year on any major issue before the subcommittee. I look forward to working with him on the Armed Services Committee throughout the remainder of this Congress.

Mr. President, in conclusion, I want to express my profound appreciation to the chairman of the committee, Senator NUNN, to the ranking member, Senator WARNER, and every Member on both sides for the very excellent cooperation I received in that subcommittee as chairman of the subcommittee and for their support in the committee.

I thank the Chair and I yield the floor.

Mr. LEVIN. Mr. President, did the ranking member want to have the floor?

Mr. WARNER. Mr. President, I just wished to express my appreciation to the distinguished Senator from Illinois for his statement and for his hard work on this bill. I look forward to working with him as we begin to consider the bill.

Mr. President, if the Senator will forbear for a moment, I ask unanimous consent that Senator STEVENS be added as an original cosponsor to the pending Dole-Warner amendment in the second degree.

The PRESIDING OFFICER. Without objection, that is the order.

(Mr. DASCHLE assumed the chair.)

Mr. LEVIN. Mr. President, when Senator NUNN determined the organization of the Armed Services Committee, he said that he wanted to have a focus for conventional defense. He established the Conventional Forces and Alliance Defense Subcommittee, and gave it responsibility for reviewing our major conventional defense commitments. This includes most of the conventional weapon systems used by our land and tactical air forces.

The subcommittee's jurisdiction includes all land combat systems in the Army, tactical aircraft in the Army, Navy, and Air Force, missile systems launched from those combat aircraft, as well as related other procurement.

The subcommittee has some joint jurisdiction with some other subcommittees, and this subcommittee which I chair has oversight of $8.3 billion in R&D in fiscal year 1988 and $9 billion in fiscal year 1989.

The subcommittee held detailed hearings this year and learned of deficiencies which bring into question the ability of our forces to meet our conventional defense requirements. The full committee has incorporated recommendations of the Conventional Forces Subcommittee in the bill that we have before us to address these key deficiencies to the maximum extent possible in a constrained budget.

I will go into each of these areas in some detail, but I did want to summarize them briefly at the outset.

We found that the bulk of the Army's modernization program was being prematurely terminated. To correct that, the committee has kept in production the five most important combat systems, and has retained efficient production rates for all of them.

We found that the Navy had proposed serious stretchouts in Navy aviation. We terminated the most inefficient production lines and increased funding on several crucial programs to get more efficient production rates.

We found that the Navy's aircraft modification account was seriously underfunded, with many critical modification programs funded inefficiently or not at all. To correct that situation, we have made a major effort to restore funding to those modification programs.

We found that munitions stockage levels continue to be a problem. Not a single missile was cut from the budget request in our subcommittee's jurisdiction, and we even added funds for a needed air-to-air missile despite the requirement to cut $1.3 billion from our accounts.

We found production stretchouts in almost all of the accounts. We were able to increase production rates on six major programs, restoring all of them to relatively efficient production rates. But we were unable to do more than that because of budget cuts in the conventional forces area.

A long-term solution to these deficiencies will depend on a fundamental reassessment of our resource plans. I believe the committee is reporting an excellent bill that gets to the heart of a lot of the deficiencies and problems we have in the conventional forces area. Frankly, I opposed any cuts in the conventional area so long as there were funding increases for strategic programs. Nuclear weapons have received disproportionate favor during the past 6 years at the expense of conventional force modernization. This year's CD request continued that imbalance in spades. I feel that we should correct that imbalance, and I will offer amendments later which I believe will go a way toward doing so.

Let me now review in more detail the findings of the Conventional Forces Subcommittee.

One of the most important conclusions from our hearings this year is that the Army modernization program was being prematurely terminated far short of requirements. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table, developed from data provided by the Army, which shows the percentage of requirements met for the major combat systems.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

STATUS OF ARMY MODERNIZATION PROGRAM

| | Last year procured | Percent modernized | Follow-on scheduled |
|---|---|---|---|
| AH-64 helicopter | 1988 | 49 | 1995 |
| UH-60 helicopter | 1991 | 36 | 1996 |
| MLRS rocket launcher | 1993 | 49 | (1) |
| M1 tank | 1992 | 71 | 1996 |
| M2 fighting vehicle | 1991 | 60 | 1996 |

[1] No follow on.

These five systems are the key systems constituting the Army modernization program. Under the plans submitted by the administration, all are scheduled for termination within a few years, well short of satisfying the longstanding requirements. More alarmingly, follow-on systems to replace these current front-line weapons are not scheduled to enter service for many years. In some instances a 7 year gap separates termination of one system with the fielding of its follow-on.

While this situation is a serious deficiency in its own right, the problem has been highlighted by the prospect of removing short- and medium-range nuclear missiles from Europe. Nuclear weapons in Europe have masked some underlying conventional disparities. If less reliance is placed on nuclear weapons in Europe, as I hope will be the case, the United States and the NATO allies should strengthen conventional defenses. Yet, conventional defense is weakened if the Army's modernization is cut short with wide gaps between the production of current systems and follow-on systems.

The bill we are recommending to the Senate takes an important step in correcting that deficiency. We have provided sufficient funds to keep the AH-64 aircraft in production, to increase the production rate on the UH-60 helicopter, the M-1 tank and the Multiple Launch Rocket System in order to keep them approximately at last year's level. Further, we included language in the committee report directing the Department of Defense to keep those major systems in production until they satisfy a subtantially larger portion of requirements.

In order to keep some of these key programs in production, the committee recommended substantial reductions in the Army's LHX helicopter program. The committee concluded that it made little sense to start a large new program designed to produce a new helicopter that was not significantly better than helicopters the Army was planning to terminate.

But slowing down the LHX will not provide sufficient resources in the future. The Department will have to follow through to insure that the Army receives adequate funding in the future to keep these key modernization programs on track.

The second major deficiency in the budget that was submitted this year concerns Navy aviation. While the Navy decided to accelerate the procurement of aircraft carriers, it chose to stretchout the procurement of combat aircraft. This is ironic, indeed remarkable, since it is the combat aircraft, not the aircraft carriers, that go to war.

Mr. President, I ask unanimous consent that a table showing aircraft stretchouts in the Navy be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

NAVY AIRCRAFT PROCUREMENT (1988–91)

| | 1987 plan | 1988 plan | Reduction | |
|---|---|---|---|---|
| | | | Number | Percent |
| F-14 fighter | 90 | 73 | −17 | −19 |
| F-18 fighter/bomber | 590 | 300 | −290 | −49 |
| AV-8B bomber | 168 | 94 | −74 | −44 |
| A-6 medium bomber | 78 | 78 | | |
| EA-6B electronic jammer | 48 | 33 | −15 | −31 |
| CH-53E helicopter | 40 | 32 | −8 | −20 |
| V-22 tiltrotor aircraft | 108 | 57 | −51 | −47 |
| AH-1T attack helicopter | 0 | 34 | +34 | |
| SH-60 sub-hunting helo | 96 | 96 | 0 | |
| P-3 sub-hunting patrol | 36 | 29 | −7 | −19 |
| E-2C early warning aircraft | 24 | 24 | | |
| Total | 1,278 | 850 | −428 | −33 |

Mr. LEVIN. A third of all the combat aircraft in last year's 5-year defense plan were removed from the budget at the same time that the size of the fleet is expanding. These specific stretchouts will result in an older aircraft fleet. The average retirement age last year was 23 years. Now the average retirement age will be 26 years. This trend is a mistake. The Congressional Budget Office testified that the Navy would require $26 billion to return to the desired fleet age in last year's plan. Such an enormous bill is not likely to ever be paid. And in the face of future likely funding constraints, the trend toward aging Navy aircraft will accelerate, with adverse long-term consequences for the combat capabilities of Navy aviation.

One of the key decisions made by the committee concerns modernization of the Navy's medium attack fleet. The Navy has two programs underway to do that. The first is a program to update the existing A-6 medium attack bomber with new electronics and new engines. The second is the development of a new generation attack aircraft, the Advanced Tactical Aircraft, or ATA.

The committee decided to terminate further work on the A-6. The A-6 is an older design aircraft. It has been a workhorse for the Navy. But it was designed in the 1950's and it presents a very large image to enemy radar and is a subsonic aircraft. As a result it is very vulnerable to enemy antiaircraft missiles and gun fire. The committee decided that in the face of limited budget resources, it is much better to invest in the new generation ATA aircraft, rather than to spend some $6.5 billion on newer models of inherently vulnerable A-6 aircraft. Consequently, the committee directed the Navy to terminate the A-6 Program and to proceed immediately with development of the ATA.

This provided sufficient resources for the committee to increase production of the EA-6B electronic jammer aircraft. The Navy requested only 6 in fiscal year 1988, which is half of the quantity provided in 1987. We brought the production rate back up to 12 aircraft, which is a tremendous improvement in efficiency in producing those aircraft.

The decision to terminate the A-6 also provided sufficient resources to restore funding for many important modification programs in Navy aviation. For example, the most important aircraft in the fleet—the E-2 early warning radar aircraft—has developed wing cracks so severe that a fourth of the fleet is grounded. Incredibly, there was not one penny in the budget request to deal with that problem. With the savings from the A-6 termination, we were able to fund the start of a retrofit program.

We were also able to correct another major modification program—the A-6 Rewinging Program. The existing A-6 aircraft are under contract to have new wings installed on them. A third of the fleet is grounded or on restricted status because of wing cracks. The budget as submitted underfunded this program so severely that the current contract would have been broken. Savings from the A-6 termination generated sufficient resources to fund that important modification program at the maximum rate.

While I am proud of the committee for the actions it took on Navy aviation, I am concerned over the future for the Navy. This budget contains the commitment to new carriers, but does not have sufficient funds to buy an adequate number of aircraft for the Navy. The commitment we make to a 600-ship Navy, and to 15 carrier battlegroups, is a hollow commitment if we do not buy sufficient aircraft to make that fleet a combat force. We were not able to solve that more fundamental problem in the bill we report today.

### PRODUCTION STRETCHOUTS

The third major deficiency we discovered in the Conventional Forces Subcommittee is one of production inefficiency and production stretchouts for many weapon systems. Again, Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table showing all the major combat systems that are being stretched out below the level provided last year.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PRODUCTION STRETCHOUTS BELOW FISCAL YEAR 1987 LEVEL

| | Fiscal year 1987 level | Request |
|---|---|---|
| EH-60 helicopter | 18 | 5 |
| AH-64 helicopter | 101 | 67 |
| UH-60 helicopter | 82 | 61 |
| M2 fighting vehicle | 662 | 616 |
| Field artillery vehicle | 141 | 65 |
| M-1 tank | 800 | 600 |

PRODUCTION STRETCHOUTS BELOW FISCAL YEAR 1987 LEVEL—Continued

| | Fiscal year 1987 level | Request |
|---|---|---|
| EA-6B jammer aircraft | 12 | 6 |
| AV-8B bomber/fighter | 42 | 32 |
| F-14 fighter | 15 | 12 |
| SH-60B sub-hunting helicopter | 17 | 6 |
| E-2C early warning aircraft | 10 | 6 |
| HARM antiradiation missile | 1,078 | 766 |

Mr. LEVIN. The Conventional Forces Subcommittee and the Defense Industry and Technology Subcommittee held joint hearings on this critical problem. The committee learned of the following serious trends in recent years.

During the past 5 years, weapons have been produced at just 50 percent of efficient production capacity.

A fourth of the major acquisition programs during the past 5 years were manufactured at a rate below the minimum economic rate for those systems.

Half of the largest 20 weapon systems were stretched out compared to last year's plan.

The key cause of the production rate problem is that the defense budgeting system permits more programs to be included in the budget than there are funds available to procure those programs. The Comptroller General summarized the problem when he testified that:

> Historically, too many weapon systems have been started or proposed for the limited funding available, and often the cost estimates for the systems have been overly optimistic. This combination—too many programs and optimistic cost-estimating—has produced the much discussed "bow wave" phenomena where future funding requirements out-strip funding availability.

The committee attempted to come to grips with this problem by slowing down some of the major new starts. As I indicated, this bill slows down the LHX helicopter program in the Army. We recognize the need to develop a replacement helicopter, but this is not the right time to begin when it involves terminating existing frontline production helicopters. We discussed slowing down the Navy's advanced tactical aircraft, but the committee felt it was more important to terminate production of the obsolete A-6 rather than delay development of the ATA.

We also proposed delaying the Air Force's Advanced Tactical Fighter. As I mentioned to my colleagues many times, I was not opposed to the ATF fighter. I think it is a good program and a good design. The problem is that it is a $75 billion program that has to fit in a flat budget. We asked the Air Force how it would determine priorities in the face of static budgets and they declined. This is unfortunate because they are just ignoring reality. Frankly, I would give high priority to the ATF compared to other major programs in the Air Force accounts. We will have to resolve that issue at some near future date.

Before I conclude, Mr. President, I do want to note my appreciation for the contribution of Senator Quayle, the ranking minority member on the Conventional Forces and Alliance Defense Subcommittee. The bill is much improved because of this diligent efforts.

He is a good friend as well as fine colleague. He is cooperative, not only on the subcommittee but in so many endeavors that many of us in the Senate have had the pleasure of working with him on.

Also, in conclusion, may I just state a word of my pleasure in working with Senator Nunn, who is one of the most extraordinarily talented people I have ever met. He has applied those talents to produce a bill which is a very, very good bill under very difficult circumstances. He works with a good friend, a dear colleague, Senator Warner, who is the ranking Republican. The two of them have been able, with just one exception, the language which has been the subject of so much debate, to lead this committee to really quite an extraordinary conclusion, and a bill which I believe in general meets the requirements of the Nation in terms of our national security, at the same time being done in a very, very difficult budget environment for defense.

I want to congratulate and thank both Senators Nunn and Warner not only for working together so well but for being such good friends with each other and the rest of us, and for working with us so well, those of us who have the privilege of being the chairman and ranking members of the subcommittees.

Mr. President, I yield the floor and thank the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank my distinguished colleague and friend from Michigan. Indeed, we came to the U.S. Senate together. It has been awhile back. We do not want to recall right now how many years that has been. In those years we have served on the Armed Services Committee and have served under distinguished chairmen and now we are privileged to serve under Chairman Nunn.

I thank the Senator for his fine remarks. He has been a real and powerful friend on that committee, although I do not always agree with him. He is a real tower of strength in his own right.

Mr. LEVIN. I thank my friend. We do have one disagreement which I know we will have a good, healthy debate over in the weeks ahead. There has been a lot of cooperation between the members of this committee over the years and I also really think that will prevail, whatever the outcome of that debate is.

I know we both feel strongly about our staff contributions which they have made on our subcommittees. John Hamre is the principal one on this particular subcommittee. All of our staffs have worked so hard. I am really glad that we have gotten this bill to the floor; they have worked hard on it. I know they know we can reach a conclusion that ultimately is consistent with the security needs of this country.

Mr. WARNER. Mr. President, I again thank my distinguished colleague.

Just to close out on a note of joy, did I understand there is but one issue which separates us and that would be the Levin-Nunn amendment? I am very pleased to hear that you are now on board with the aircraft carriers and pulling with us for that program.

Mr. LEVIN. I think that is one part of my remarks when you must have been talking with someone else when I was commenting.

Mr. WARNER. I understood you to say there was only one issue that separates us.

Mr. LEVIN. Only one principal issue.

Mr. WARNER. You relegate that to a secondary issue?

Mr. LEVIN. Yes; the one that has been subjected to filibuster, I think, is the one and the other would have to be relegated to secondary. The Senator should know that we should not have more aircraft carriers when we are cutting down the aircraft number. That must be a priority also. That will also be a subject of debate. But compared to the subject that has been the principal matter involved in the filibuster, I would have to relegate that and a number of other issues, including the balance between conventional and nuclear weapons, which you know I feel strongly about, which I will be offering an amendment on, I would relegate those to a different tier.

Mr. WARNER. Mr. President, I would ask my distinguished friend as we proceed to address the issue of carriers, whether he could make a trip with me and look at where the USS *Midway* is today, look at a ship that is 50 years old, and then ask himself would he want to serve on that ship. Would he want one of his sons to serve on that ship?

Bear that in mind as we proceed over this weekend. Contemplate this secondary issue.

Mr. LEVIN. We will indeed contemplate that issue. It always troubles us, the age of our fleet, but the age of our planes is even more troubling. We are approaching a so-called 600-ship Navy but we also have to worry about what flies off those ships.

Mr. WARNER. Mr. President, at this time I see no other Senator desiring to be recognized. With the distinguished Senator from Michigan here, I wonder if we might appoint ourselves as Senate leadership for a few moments.

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Mr. President, could I inquire as to whether there is an order with respect to the Senate and, if so, perhaps the Chair will address the Senate with respect to that order?

The PRESIDING OFFICER. The Chair is not aware of any particular order pending.

Mr. WARNER. I thank the Chair. I was misinformed. I was told there was an order left with the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, while the majority leader is on the floor, let me indicate that as far as I know there is nobody who wants to speak further on the defense authorization bill this afternoon. My understanding is that it would be the desire of Senator Nunn to then return to the pending amendment on this bill when we next take it up.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Michigan for his analysis of the situation at this point. It is 4:30 on a Friday afternoon. I think we have had a good day's work. It has been a good day. We are on the bill and several opening speeches have been made.

They would have to have been made at some point. And there is an amendment pending or maybe, I believe, an amendment to an amendment already. So I thank the Senator.

## MORNING BUSINESS

Mr. BYRD. Mr. President, I will therefore ask unanimous consent, so that Senators will know that we will not be on the bill any longer today, that there now be a period for morning business not to extend beyond an hour, and that Senators may speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Again, I thank the distinguished Senator, Mr. Levin.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## MESSAGES FROM THE HOUSE

At 1:53 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, with amendments, in which it requests the concurrence of the Senate:

S. 1158. An act to extend the authorization of appropriations for programs and activities under title III of the Public Health Service Act, to establish a National Health Service Corps Loan Repayment Program, to otherwise revise and extend the program for the National Health Service Corps, and for other purposes; and

S. 1452. An act to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Truet Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisors Act of 1940 to make certain technical, clarifying, and conforming amendments, to authorize appropriations to the Securities and Exchange Commission, and for other purposes.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FORD, from the Committee on Rules and Administration:

Special Report on Allocation of Budget Totals by the Committee on Rules and Administration (Rept. No. 100-155).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SHELBY:

S. 1677. A bill to prohibit the Department of Defense from purchasing any product manufactured or assembled by Toshiba America, Inc., or Toshiba Corp. for the purpose of resale of such product in a military exchange store; to the Committee on Armed Services.

By Mr. HATCH:

S. 1678. A bill to establish a block grant program for child care services, and for other purposes; to the Committee on Finance.

S. 1679. A bill to establish a block grant program for child care services, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DASCHLE:

S. 1680. A bill for the relief of Barbara Temple-Thurston; to the Committee on the Judiciary.

By Mr. HELMS (for himself, Mr. Armstrong, Mr. Hatch, Mr. Hecht, Mr. Heflin, Mr. Shelby, Mr. Symms, Mr. Thurmond, and Mr. Wilson):

S. 1681. A bill to authorize funds for military assistance to the Democratic Resistance in Nicaragua unless the President certifies to Congress that the Communist government in Nicaragua has met certain conditions; to the Committee on Foreign Relations.

By Mr. CONRAD (for himself and Ms. Mikulski):

S. 1682. A bill to increase the amount authorized to be appropriated with respect to the Sewall-Belmont House National Historic Site; to the Committee on Energy and Natural Resources.

By Mr. McCLURE:

S. 1683. A bill to amend the Farm Credit Act of 1971 to assist Farm Credit System borrowers, to establish an agricultural secondary market, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself, Mr. Dole, Mr. Kennedy, Mr. Lugar, Mr. Pell, Mr. Cranston, Mr. Melcher, Mr. Bradley, Mr. Murkowski, Mr. Biden, and Mr. Metzenbaum):

S. Res. 282. Resolution to express support for President Corazon Aquino and the Government of the Philippines; considered and agreed to.

By Mr. QUAYLE (for himself and Mr. Shelby):

S. Res. 283. A Resolution regarding the INF enhancement; to the Committee on Foreign Relations.

By Mr. BYRD (for himself, Mr. Dodd, Mr. Sanford, and Mr. Sasser):

S. Con. Res. 71. Concurrent resolution expressing support for the Central American Peace Agreement, signed August 7, 1987, and congratulating the Presidents of Central America on the successful outcome of their recent summit meeting in Guatemala City; to the Committee on Foreign Relations.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SHELBY:

S. 1677. A bill to prohibit the Department of Defense from purchasing any product manufactured or assembled by Toshiba America, Inc., or Toshiba Corp. for the purpose of resale of such product in a military exchange store; to the Committee on Armed Services.

### SALE OF TOSHIBA PRODUCTS IN MILITARY EXCHANGE STORES

Mr. SHELBY. Mr. President, today I introduced legislation that would prohibit the Department of Defense from purchasing any product manufactured or assembled by Toshiba America, Inc., or Toshiba Corp. for the purpose of resale of such product in a military exchange store.

This measure is identical to H.R. 2948, sponsored by Congressman Dan

DANIELS, which was approved unanimously by the House Armed Services Committee and which passed the House on July 27 by a voice vote.

The Senate has already passed an amendment to the trade bill, which I originated, that would ban sales in the United States of all Toshiba products and those of the Norwegian firm, Kongsberg for 2 to 5 years. It would also apply sanctions to future breaches of Cocom regulations.

The legislation I introduced today, as well as measures already offered in both Houses of Congress, stem from Toshiba and Kongsberg illegally selling sensitive submarine propeller technology to the Soviet Union.

Resulting from this illegal transfer, Soviet submarines can now lurk the world's oceans virtually undetected. Just a year ago, however, the U.S. Navy could easily detect Soviet submarines by picking up the sound waves of their propellers. Thus, last year the Navy realized that the Soviets had made a huge leap forward in technology—a leap forward that they were not capable of making on their own, without Toshiba as their technological stepping stone.

Our national security was severely breached by these acts. The cost to repair this treachery will be substantial. Soviet submarines are now much more difficult to detect. Consequently, it will require billions of dollars to create new tracking technology to regain our lost edge in antisubmarine warfare.

These funds needed to regain our valued military advantage will come out of Department of Defense budgets at the expense, of course, of other programs. As a response to this gross injustice I believe the United States must ban the sales of Toshiba products at military exchange stores. The Department of Defense could easily purchase similar products from other companies without having to pay a higher price.

Toshiba set us back in our detection of Soviet submarines. Public apologies are not enough. We must send a message to all who wantonly violate export controls laws. The message—the United States will not tolerate these infractions and violators will pay the price.

As a member of the Senate Armed Services Committee I will work for quick passage of this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1677

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That no product manufactured or assembled by Toshiba America, Incorporated, or Toshiba Corporation (or any of its affiliates or subsidiaries) may be purchased by the Department of Defense for the purpose of resale of such product in a military exchange store or in any other morale, welfare, recreation, or resale activity operated by the Department of Defense (either directly or by concessionaire).

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By Mr. HATCH:

S. 1678. A bill to establish a block grant program for child care services, and for other purposes; to the Committee on Finance.

### CHILD CARE SERVICES IMPROVEMENT ACT

Mr. HATCH. Mr. President, I would like to introduce to you today a young woman whose situation is one of the major reasons why I am today introducing the Child Care Services Improvement Act.

She lives in Utah, but she could be a resident of West Virginia or be a resident of New York or North Dakota or any State in the Union.

Out of respect for her privacy, I will call her Robin Brown. She's a factory worker, and she is a mother. A single mother. A single mother of four young daughters.

She loves her children. She lives for them. Her daughters are the most important thing in her life.

According to a county agency caseworker, Robin recently was reported to the Child Protective Services, an agency of Utah State Social Services, for—of all things—child neglect. Three times, in fact, in a 60-day period.

You see, Robin like so many single mothers in this Nation of ours, receives no child support. She has to work overtime whenever possible to supplement her income. As a result, her 10-year-old daughter, Aimee, has to care for her sisters, who are just 8, 7, and 4, respectively.

When asked by investigators why she had left her daughters unsupervised after school, Robin simply said, "It was a choice between a babysitter or food."

Robin chose food.

And I think it's safe to say that all 100 Members of this distinguished body would have answered the same.

A hard worker, a concerned mother, a conscientious taxpayer, Robin felt demoralized to be the subject of an investigation for child neglect.

Robin fervently wants her daughters to grow up not only with the self-respect and dignity that come from economic independence but also with an understanding that it takes hard work and perseverance to achieve this objective.

Robin is not an isolated case. She is just one of millions of women who maintain families by themselves in this country. Like Robin, these mothers are forced daily to make untenable choices regarding their children's welfare.

The recent testimony of Miami Police Detective Marva Preston before the Subcommittee on Children, Youth, and Families, described the tragic, outcome of one such decision that occurred when a Florida mother faced a similar choice. Her two unsupervised children died after they had climbed into a clothes dryer.

We in Government are faced with a choice of our own: Do we force women to choose between staying at home, dependent on public assistance, or working without child care? Or, do we constructively address our Nation's child care issue and encourage honest work and economic self-sufficiency?

Mr. President, I will admit that I believe it is far preferable for parents to care for their own children; but I have been persuaded by the facts that our policy choice must be to enable citizens to work without fear for the safety and well-being of their children.

Let's review a few facts. Between 1950 and 1981, the labor force participation of mothers more than tripled. Between 1970 and 1981, women with children accounted for 40 percent of the increase of women in the labor force. Currently, over 9 million children under age 6, and over 24 million between ages 6 and 17 have working parents.

We must remember first that two-thirds of the women who work do so out of economic necessity. They are single, widowed, divorced, separated, or have husbands whose incomes are less than $15,000 a year. Second, inflation and interest rates skyrocketed during the 1970's, making a second income the only way for some families to get ahead or to stay even. Many wives work to finance the purchase of a home, a child's education, or a more secure retirement. Third, many women have invested a lot in their own training and education and want to pursue careers in addition to homemaking. In addition, there are over 6 million families with children maintained by single parents. The only alternative to child care for many of these families is welfare—and that is no alternative at all.

I hope we understand that child care is not just a problem for the poor. It is not an isolated issue for some economic groups or unique to some parts of the United States. It is a persistent, difficult, and emotional issue for working mothers and fathers throughout our country.

Existing Federal child care programs have been like buckshot—scattered all over in hope that the target gets hit. The measure I am introducing today, the Child Care Services Improvement Act, represents a comprehensive approach to dealing with the several interconnected aspects of child care.

Our current programs also presume to know best the type of child care people want; these programs impose specific solutions on States, local governments, and families. Witnesses at a hearing I held in the Labor and Human Resources Committee last year agreed that while greater leadership by the Federal Government is needed to address this issue more effectively, there is no consensus regarding what types of child care are preferred. The Child Care Services Improvement Act provides incentives for both innovation and flexibility. Specific mandates are avoided.

Title I of the bill establishes a $250 million block grant administered by the States which will provide seed money for communities, local organizations, small businesses, and educational institutions, among others, to develop a variety of child care programs. States may grant funds for such activities as scholarships for low-income families, after-school programs, temporary care for sick children, or the renovation of public buildings to accommodate neighborhood or community child care centers, to name just a few. Title I also sets out the bill's only major requirement—that recipients of funds under the act must meet State licensing or accreditation standards.

Title II tackles the tremendous liability burden faced by all child care providers, large or small, profit or nonprofit. The difficulty in finding affordable, or even available, liability insurance is a major factor discouraging potential providers from entering the child care field. Many providers find that their premiums have risen at the same time coverage has dropped. Family-based and some nonprofit child care providers have difficulty obtaining liability insurance at any price, while other nonprofit organizations are discouraged from sponsoring child care programs due to the liability risks involved.

The Child Care Services Improvement Act authorizes $100 million to assist the States in establishing liability insurance pools of which any licensed or accredited child care provider may be a member. The bill also makes certain reforms in tort law as it relates to child care providers in order to help increase the availability of adequate and affordable child care.

Title III provides $25 million for a revolving loan fund, administered by each State, to be used by child care providers to make those capital improvements which are necessary to become a licensed or accredited family-based child care facility. Family-based providers may borrow up to $1,500 from the revolving loan fund to make necessary renovations. It is of the utmost importance that child care centers are able to ensure the health and safety of the children entrusted to them. This bill recognizes that becoming licensed or accredited is likely to involve a significant expenditure for some family-based providers.

Title IV addresses another area of the law which discourages potential child care providers from entering the child care profession—or from entering it legally: taxes and IRS red tape. This bill recognizes the value of different types of child carte settings. Each has different strengths and advantages which are better suited to the needs and preferences of individual families.

Family-based child care generally involves a mother, grandmother or couple who care for neighborhood children along with their own children in their homes for a fee. In-home child care involves a child care provider who comes to the home of a family to care for the children. Some in-home providers live with the family but most come only for the hours of the day when the parents are working. In-home and family-based care may be critical for parents with infants or for parents who need child care after school. Most group child care centers will not take infants under 18 months of age, and after school programs are often unavailable for school-age children.

Currently, the tax treatment of in-home and family-based child care is extremely burdensome. A family-based child care provider is considered to be a self-employed individual, which means that the provider must file gross income estimates and pay income taxes and Social Security taxes on a quarterly basis, and pay both the employer and the employee share of the SECA taxes. An in-home child care provider is viewed by the tax code as an employee of the parent, as though the parents owned a business with many employees, which triggers all of the usual IRS, FICA, unemployment insurance, and workers' compensation reporting and withholding.

Given the paperwork nightmare facing in-home or family-based child care providers, a considerable number work underground, paying no income tax at all, and many are discouraged from entering the profession, despite the critical need for child care. Equally important, this filing burden discourages providers from becoming licensed in accordance with state or local standards. Persons who have not complied with all of the required quarterly and annual filings cannot become licensed and reviewed for quality and safety without fear of exposing their tax liability. The Child Care Services Improvement Act would remove this disincentive to provide services by streamlining the tax treatment of these child care providers.

Additionally, the bill provides tax incentives to encourage corporations to establish or participate in quality child care programs. Currently, there are 2,500 corporations employing 100 or more workers that have established some form of child care benefit, such as vouchers systems, referral services, onsite child care programs, or parent education seminars. Much can be done to forward the participation of the private sector in the provision of child care. The Child Care Services Improvement Act establishes a tax credit for companies that establish onsite child care programs, and it includes child care assistance as an option in cafeteria benefit plans.

Mr. President, I am convinced that the trend toward two-working parents and single parent families will continue. We may disagree among ourselves about the societal value of these changes in workforce demographics, but the question of whether these changes are good or bad is not the issue. It is time to face reality. Our failure to do so jeopardizes the growth and development of the next generation of Americans—of Aimee Brown and her sisters.

It is time for Congress to act on constructive, fiscally responsible legislation to address the triple problems of child care availability, access, and quality. I urge my colleagues on both sides of the aisle to join me as a cosponsor of the Child Care Services Improvement Act. It is a positive step we can take for the Robin Browns of every State.

Mr. President, I ask unanimous consent that the text of the legislation be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1678

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Child Care Services Improvement Act of 1987".

**SEC. 2. PURPOSE.**

It is the purpose of this Act to—

(1) expand the availability of child care for working families;

(2) increase the access of low income families to child care;

(3) ensure the health and safety of children entrusted to child care providers; and

(4) provide incentives for private sector participation in child care services.

**SEC. 3. FINDINGS.**

Congress finds that—

(1) 63 percent of all women with children under the age of 14 are in the labor force and 52 percent of such women have children under the age of 6;

(2) of all of the women in the labor force, two-thirds became employed due to economic need because they are the head of a household or because they have a spouse that earns less the $15,000 per year;

(3) compliance with established quality standards is critical to ensuring the health and safety of children in family-based and group child care settings;

(4) compliance with accreditation or licensing standards by providers requires a substantial capital investment that both discourages individuals from entering into the

child care profession and increases the cost of child care for families;

(5) the shortage of day care slots for the children of low-income families jeopardizes the safety of such unsupervised children;

(6) there is a shortage of trained child care workers and of training programs where individuals can obtain the training necessary to become such a worker;

(7) difficulties in obtaining affordable liability insurance and in complying with cumbersome tax and filing requirements discourage potential child care providers from entering the profession; and

(8) the accumulated effects of the unavailability, unaffordability, and uncertain quality of child care in the United States will have a negative impact on the growth and development of children.

## TITLE I—CHILD CARE BLOCK GRANT

### SEC. 101. CHILD CARE BLOCK GRANT.

Title XIX of the Public Health Service Act is amended by adding at the end thereof the following new part:

## "Part D—Child Care Services Block Grant

### "SEC. 1931. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of allotments to States to carry out the activities described in section 1934, there are authorized to be appropriated $250,000,000 for each of the fiscal years 1988, 1989, and 1990.

### "SEC. 1932. ALLOTMENTS

"(a) Formula.—

"(1) In general.—The Secretary shall make allotments to each State for each fiscal year,. from amounts appropriated under section 1931 for such fiscal year, on the basis of a formula prescribed by the Secretary that is based equally—

"(A) on the population of each State; and

"(B) on the population of each State weighted by the relative per capita income of the State.

"(2) Definition.—For purposes of this subsection, the term 'relative per capita income' means—

"(A) the quotient of the per capita income of the United States and the per capita income of the State; or

"(B) in the case of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, the Commonwealth of Puerto Rico, or the Virgin Islands, the quotient shall be considered to be 1.

"(b) Additional Allotment.—

"(1) Source of allotment.—A State shall receive an additional allotment if funds appropriated and available for allotment for a fiscal year are not allotted to States under subsection (a) because—

"(A) at least one State has not submitted an application or description of activities in accordance with section 1935 for such fiscal year;

"(B) at least one State has notified the Secretary that the State does not intend to use the full amount of the allotment; or

"(C) at least one States' allotment is offset or repaid under section 1917(b)(3) (as such section applies to this part pursuant to section 1935(e)).

"(2) Method of allotment.—The excess amounts available for allotment under paragraph (1) shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year.

### "SEC. 1933. PAYMENTS UNDER ALLOTMENTS TO STATES.

"(a) In General.—The Secretary shall make payments from amounts appropriated for each fiscal year, as provided by section 6503(a) of title 31, United States Code, to each State from the State allotment under section 1932.

"(b) Carryover.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of that year shall remain available, for the next fiscal year, to the State for the purposes for which the payment to the State was made.

### "SEC. 1934. STATE USE OF ALLOTMENTS.

"(a) Project Grants.—Amounts paid to a State under section 1933 shall be used by the State to make grants to eligible entities for projects described in subsection (c) that meet at least one of the purposes of the Child Care Services Improvement Act of 1987.

"(b) Eligible Entities.—For purposes of this part, the term 'eligible entity' means—

"(1) a unit of a local government, including a school district;

"(2) a nonprofit organization, including organizations described in section 206(a) of the Child Care Services Improvement Act of 1987;

"(3) a professional or employee association;

"(4) a consortium of small businesses;

"(5) an institution of higher education;

"(6) a hospital or health care facility;

"(7) a family care provider; or

"(8) an entity that the State considers able and appropriate to carry out a project under this part.

"(c) Projects.—

"(1) Purpose.—A State may make grants to an eligible entity—

"(A) for voucher programs or scholarships that enable low income families to obtain adequate child care;

"(B) for the establishment and operation of community or neighborhood child care centers, including the renovation of public buildings for such purposes;

"(C) for the establishment and operation of after school child care programs;

"(D) to provide grants or loans to fund the start up costs of employer sponsored child care programs;

"(E) for the establishment and operation of training programs for child care providers;

"(F) for the temporary care of children who are sick and unable to attend child care programs in which such children are enrolled; or

"(G) for any project consistent with the purposes of the Child Care Services Improvement Act of 1987.

"(2) Limitations.—A State may not use amounts paid to the State under section 1933 to—

"(A) provide inpatient health care services or other unrelated services, except temporary sick child care as authorized under paragraph (1)(F);

"(B) make cash payments to intended recipients of services (other than pursuant to the voucher system authorized by paragraph (1)(A));

"(C) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment (except as provided in paragraph (1)(B)); and

"(D) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(3) Waiver of limitations.—The Secretary may waive the limitations contained in paragraph (2) on the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"(d) Technical Assistance.—The Secretary, on request by a State, shall provide technical assistance to the State in planning and operating activities to be carried out under this part.

"(e) State Administration.—

"(1) Limitation on expenditures.—No more than 10 percent of the total amount paid to a State under section 1933 for a fiscal year shall be used for administering the funds made available under such section. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"(2) State responsibilities.—From the funds reserved by the State under paragraph (1) for the administration of the amounts awarded to the State under section 1933, the State shall—

"(A) provide technical assistance to eligible entities participating in projects under this section;

"(B) conduct investigations of child abuse in projects funded under this section; and

"(C) coordinate projects funded under the Child Care Services Improvement Act of 1987 with referral programs conducted pursuant to the State Dependent Care Development Grants Act.

"(f) Certification.—To receive funds under this part, a State shall—

"(1) certify that the State will coordinate the provision of child care services with funds provided under the Child Care Services Improvement Act of 1987 with other child care services available in the State;

"(2) certify that the State agrees that Federal funds made available under section 1933 for any fiscal year will be used to supplement and increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the programs and activities for which funds are provided under such section and will in no event supplant such State, local, and other non-Federal funds;

"(3) certify that the Governor of the State will establish an advisory council that meets the requirements of section 1936; and

"(4) certify that the State will adopt standards of accreditation or licensing for family-based and group child care providers, and methods of inspection and certification based on such standards.

"(g) Report by State.—

"(1) In general.—Before March 31 of each fiscal year, the Governor of a State receiving funds under section 1933 shall prepare and submit to the Secretary, in such form as the Secretary shall prescribe, a report describing the States' use of the funds received under section 1933 for the preceding fiscal year.

"(2) Requirements of report.—The report submitted under paragraph (1) shall—

"(A) include information on the programs, activities, and services supported or provided with the funds received by the State under section 1933; and

"(B) be made public in the State in a manner that will facilitate comment by persons desiring to do so.

### "SEC. 1935. APPLICATIONS FOR GRANTS BY ENTITIES.

"(a) Application.—In order to receive a grant from a State under section 1934, an eligible entity shall submit an application to the State that—

"(1) describes the project that the entity is seeking the grant for; and

"(2) contains assurances that project will meet the requirements of subsection (b).

"(b) Requirements.—An application submitted under subsection (a) shall—

"(1) provide assurances that the submitting entity will use the funds provided under the grant in accordance with the purpose and requirements of this part;

"(2) provide assurances that each family participating in a child care program assisted under this part will be assessed fees in an amount that is proportional to the annual income of the family;

"(3) specify provisions for parental involvement in the project; and

"(4) provide assurances that the project will meet the quality standards established by the State for accreditation or licensing.

"(c) Funding Requirement.—An eligible entity receiving a grant under this part shall be required to fund at least 10 percent, but no more than 50 percent, of the project cost with non-Federal funds. The non-Federal funding may be in cash or in-kind based on fair market value.

"(d) Priority.—In making awards under this part, a State shall give priority to projects that will continue to carry out the purposes of the Child Care Services Improvement Act of 1987 without having to use Federal funds.

### "SEC. 1936. CHILD CARE ADVISORY COUNCIL.

"(a) Establishment.—The Governor of each State shall establish an advisory council on child care that shall consist of representatives of—

"(1) community-based organizations;

"(2) local governments;

"(3) social services agencies;

"(4) religious organizations;

"(5) educational institutions;

"(6) business organizations;

"(7) parents; and

"(8) child care providers.

"(b) Duties of Council.—The advisory council created under subsection (a) shall—

"(1) advise the Governor on the use of funds available to the State under this part;

"(2) develop separate standards for accreditation or licensing of family-based child care providers and group child care providers participating in programs assisted under this part that shall include minimum competencies for child care workers and supervisors; and

"(3) recommend methods of inspection and certification to administer the accreditation or licensing standards established under paragraph (2).

### "SEC. 1937. APPLICABLE PROVISIONS OF PART B.

"Except where inconsistent with this part, sections 1914(b), 1917(b)(1) through (5), 1918, 1919, and 1920 shall apply to this part in the same manner as such sections apply to part B of this title.

### "SEC. 1938. DEFINITION.

"For purposes of this part, each State shall determine the age that children shall become eligible to participate in programs established or benefited under the Child Care Services Improvement Act of 1987.".

### SEC. 102. EFFECTIVE DATE.

This title and the amendments made by this title shall become effective 6 months after the date of enactment of this Act.

## TITLE II—CHILD CARE LIABILITY

## PART A—CHILD CARE LIABILITY REFORM

### SEC. 201. DEFINITIONS.

For purposes of this title—

(1) the term "child care provider" includes family-based, on-site, and group child care providers licensed or accredited pursuant to State or local law or standards, in which care is provided children by an individual child care provider;

(2) the term "family based child care" means child care located in or on the site of the principal residence (within the meaning of section 1034 of the Internal Revenue Code of 1986) of a person who is self-employed as a child care provider, and the children cared for in such facility shall include children who are not the children of such provider;

(3) the term "group child care center" means a child care provider which is a private profit or nonprofit corporation, not located in the principal residence, and includes on-site child care;

(4) the term "in-home child care" means child care which is provided in a principal residence (within the meaning of section 1034 of the Internal Revenue Code of 1986) of a person and to which an outside individual child care provider comes, either for specified hours of the day or on a live-in basis, to provide care for the children of such residence;

(5) the term "on-site child care center" means a child care facility—

(A) operated by an employer for the care of children, at least 30 percent of whom are dependents of employees of such employer, and

(B) located on or near the business premises of such employer;

(6) the term "person" means an individual, corporation, company, association, firm, partnership, society, or any other entity;

(7) the term "Secretary" means the Secretary of Health and Human Services; and

(8) the term "State" means any State of the United States, the District of Columbia, the Virgin Islands, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other possession or territory of the United States.

### SEC. 202. APPLICABILITY.

(a) In General.—Except as provided in subsection (b), (c), or (d), the provisions of this part shall apply to any civil action, in any State or Federal court, against any child care provider, as defined in this title, licensed or accredited pursuant to State or local law or standards, and to in-home child care if the individual providing such child care is licensed or accredited pursuant to State or local law or standards, based on any cause of action, including negligence and professional malpractice, in which damages are sought for physical injury or for physical or mental pain or suffering or for property damage.

(b) Exception for Intentional Torts.—This part shall not apply to any civil action for an intentional tort.

(c) Preemption.—The provisions of this part shall preempt and supersede Federal or State law only to the extent such law is inconsistent with this part. Any issue arising under the provisions of this part that is not governed by the provisions of this part shall be governed by applicable State or Federal law.

(d) Defenses Not Affected.—Nothing in this part shall be construed to—

(1) waive or affect any defense of sovereign immunity asserted by any State under any provision of law;

(2) waive or affect any defense of sovereign immunity asserted by the United States;

(3) affect the applicability of any provision of chapter 97 of title 28, United States Code, known as the Foreign Sovereign Immunities Act of 1976;

(4) preempt State choice-of-law rules with respect to claims brought by a foreign nation or a citizen of a foreign nation; or

(5) affect the right of any court to transfer venue or to apply the law of a foreign nation or to dismiss a claim of a foreign nation or of a citizen of a foreign nation on the ground of inconvenient forum.

### SEC. 203. JOINT AND SEVERAL LIABILITY.

(a) In General.—Except as provided in subsection (b) of this section, joint and several liability may not be applied to any action subject to this title. A person found liable for damages in any such action may be found liable, if at all, only for those damages directly attributable to the person's pro-rata share of fault or responsibility for the injury, and may not be found liable for damages attributable to the pro-rata share of fault or responsibility of any other person (without regard to whether such person is a party to the action) for the injury, including any person bringing the action.

(b) Concerted Action.—

(1) Exception from application.—This section shall not apply as between persons acting in concert where the concerted action proximately caused the injury for which one or more persons are found liable for damages.

(2) Concerted action defined.—As used in this section, "concerted action" or "acting in concert" means the conscious acting together in a common scheme or plan of two or more persons resulting in a tortious act.

### SEC. 204. COLLATERAL SOURCE OF COMPENSATION.

(a) Reduction of Award.—Any award of damages to a person in a civil action to which the provisions of this part apply shall be reduced by the court by an amount of any past or future payment or benefit covered by this section which the person has received or for which the person is eligible on account of the same personal injury or death for which such damages are awarded.

(b) Payment or Benefits Defined.—As used in this section, "payment or benefit covered by this section" means—

(1) any payment or benefit by or paid for in whole or in part by any agency or instrumentality of the United States, a State, or a local government, or

(2) any payment or benefit by a health insurance program funded in whole or in part by an employer;

but does not include any such payment or benefit that is (or by law is required to be) the subject of a reasonably founded claim of subrogation, reimbursement, or lien.

### SEC. 205. STATUTE OF LIMITATIONS.

A civil action against a child care facility or child care provider, which is brought pursuant to the provisions of this title, shall be forever barred unless such action is commenced within 2 years after the date the cause of action first accrues.

### SEC. 206. LIABILITY FOR NONPROFIT ORGANIZATIONS.

(a) Liability of Separate Corporation.—Any—

(1) nonprofit organization described in subsection (c) or (d) of section 501 of the Internal Revenue Code of 1986 which is exempt from taxes pursuant to such Code;

(2) corporation which is controlled by or closely identified with a religious organization, which (A) qualifies as an exempt organization pursuant to section 501(c) of the Internal Revenue Code of 1986 and (B) op-

erates exclusively for the purpose of providing child care services; or

(3) day or residential school which provides education, as determined under State law,

which provides child care shall not be liable for any such child care provider or facility if such provider or facility is a separate corporation or organization.

(b) Application Not Affected.—The provisions of subsection (a) shall not be construed to affect the application of the provisions of this part to any such child care provider or facility.

(c) Expedited Incorporation.—The Congress recognizes that the entities described in subsection (a) are making a significant contribution to society and in recognition of the benefits they provide, the Congress encourages the States to establish an expedited and simplified procedure whereby any such entity will be able to inexpensively and quickly seperately incorporate as a child care provider.

## PART B—CHILD CARE LIABILITY INSURANCE POOL

### SEC. 210. PURPOSE.

It is the purpose of this part to—

(1) increase the availability of child care by alleviating the serious difficulty faced by child care providers in obtaining affordable liability insurance; and

(2) provide States with a sufficient capital base for liability insurance purposes that may be increased or maintained through mechanisms developed by the State.

### SEC. 211. FORMATION OF GROUP.

(a) Establishment of Pool.—Any State may permit, or provide for the establishment of a child care liability insurance pool, as defined in this title, whose members are child care providers who are licensed or accredited pursuant to State or local law or standards.

(b) Child Care Liability Insurance Pool Defined.—For purposes of this section, "child care liability insurance pool" means any corporation or other limited liability association—

(1) whose primary activity is to assume and spread all, or any portion of the liability exposure of its members;

(2) which is organized primarily to conduct the activity described in paragraph (1);

(3) which is chartered or licensed as a liability insurance company under the laws of a State and authorized to engage in the business of insurance under the laws of such State;

(4) which does not exclude any person from membership in the pool solely to provide a competitive advantage, for members of such a pool, over such a person;

(5) which—

(A) has as its owners only persons who comprise the membership of the liability insurance pool and who are provided insurance by such pool; or

(B) has as its sole owner an organization which has as—

(i) its members only persons who comprise the membership of the liability insurance pool; and

(ii) its owners only persons who comprise the membership of the liability insurance pool and who are provided insurance by such pool;

(6) whose activities are limited to the provision of—

(A) liability insurance for assuming and spreading all or any portion of the similar or related liability exposure of its members; and

(B) reinsurance with respect to the similar or related liability exposure of any risk retention group, as such term is defined in the Product Liability Risk Retention Act of 1981 (15 U.S.C. 3901), or any member of such other group, which is engaged in businesses or activities so that such group, or member, meets the requirement described in this subsection for membership in the liability insurance pool which provides such reinsurance; and

(7) the name of which includes the phrase "Child Care Liability Insurance Pool".

### SEC. 212. AUTHORIZATION.

(a) Authorization of Appropriations.—To carry out the provisions of this title, there are authorized to be appropriated $100,000,000 for fiscal year 1988.

(b) Amounts To Remain Available.—The amounts appropriated pursuant to subsection (a) shall remain available for assistance to States for fiscal years 1988, 1989, and 1990 without limitation.

### SEC. 212. ALLOTMENT.

(a) Reservation for Territories.—From the sums appropriated to carry out the provisions of this part in any fiscal year, the Secretary shall reserve 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(b) Administrative Costs.—Of the amount appropriated pursuant to section 212, an amount not to exceed 3 percent shall be reserved and available to the Secretary to provide for the administrative costs of carrying out the provisions of this part.

(c) Allotment Formula.—

(1) Method of allotment.—From the sums appropriated under section 212 minus the amounts reserved pursuant to subsections (a) and (b), the Secretary shall allot such remainder to each State not covered by subsection (a) the remainder based on the number of children who have not attained the age of 12 in the State to the number of children who have not attained the age of 12 in all States.

(2) Data for determination.—The Secretary shall obtain the most recent data and information necessary to determine the allocation amounts provided for in paragraph (1), from the appropriate departments and agencies.

(d) State Administrative Costs.—Of the amount allotted to a State pursuant to section 212, an amount not to exceed 10 percent shall be used by such State to provide for the administrative costs of carrying out such program.

### SEC. 214. STATE APPLICATIONS.

(a) Applications.—To qualify for assistance under this part, a State shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require, including a State plan which meets the requirements of subsection (b) of this section.

(b) State Plans.—

(1) Lead agency.—The plan shall identify the lead agency which has been designated and that is to be responsible for the administration of funds provided under this part.

(2) Participants in pool.—The plan shall provide that all participants in the child care liability insurance pool are child care providers who are licensed or accredited pursuant to State or local law or standards.

(3) Use of funds.—The plan shall provide that the State shall use at least the amount allotted to the State in any fiscal year to establish or maintain a liability insurance pool for child care providers.

(4) Continuation of pool.—The plan shall set forth provisions which specify how any such liability insurance pool will continue to be financed after fiscal year 1990, such as through contributions by the State or by members of such pool.

### SEC. 215. FEDERAL ENFORCEMENT.

(a) Review of Plans.—The Secretary of Health and Human Services shall review and approve State plans submitted in accordance with this part and shall monitor State compliance with the provisions of this part.

(b) Finding of Noncompliance.—If the Secretary, after reasonable notice to a State and opportunity for a hearing, finds—

(1) that there has been a failure to comply substantially with any provision or any requirements set forth in the State plan of that State, or

(2) that there is a failure to comply substantially with any applicable provision of this part,

the Secretary shall notify such State of the findings and that no further payments may be made to such State under this part until the Secretary is satisfied that there is no longer any such failure to comply, or that the noncompliance will be promptly corrected.

### SEC. 216. PAYMENTS.

(a) Entitlement.—Each State having a plan approved by the Secretary under this part shall be entitled to payments under this section for each fiscal year in an amount not to exceed its allotment under section 212 to be expended by the State under the plan for the fiscal year for which the grant is to be made.

(b) Method of Payments.—The Secretary may make payments to a State in installments, and in advance or, subject to the requirement of section 214, by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(c) State Spending of Payments.—Payments to a State from the allotment under section 212 for any fiscal year must be expended by the State in that fiscal year or in the succeeding fiscal year.

## TITLE III—REVOLVING LOAN FUND

### SEC. 301. PURPOSE.

It is the purpose of this part to—

(1) increase the availability of family-based child care by enabling family-based child care providers to meet accreditation or licensing standards; and

(2) provide States with a sufficient capital base to make loans that may be increased or maintained through mechanisms developed by the State

### SEC. 302. AUTHORIZATION.

(a) Authorization of Appropriations.—To carry out the provisions of this title, there are authorized to be appropriated $25,000,000 for fiscal year 1988.

(b) Amounts To Remain Available.—The amounts appropriated pursuant to subsection (a) shall remain available for assistance to States for fiscal years 1988, 1989, and 1990 without limitation.

### SEC. 303. ALLOTMENT.

(a) Reservation to Territories.—From the sums appropriated to carry out the provisions of this title in any fiscal year, the Secretary shall reserve 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana

Islands, to be allotted in accordance with their respective needs.

(b) Administrative Costs.—Of the amount appropriated pursuant to section 301, an amount not to exceed 3 percent shall be reserved and available to the Secretary to provide for the administrative costs of carrying out the provisions of this title.

(c) Allotment Formula.—

(1) Method of allotment.—From the sums appropriated under section 301 minus the amounts reserved pursuant to subsections (a) and (b), the Secretary shall allot such remainder to each State not covered by subsection (a) the remainder based on the number of children who have not attained the age of 12 in the State to the number of children who have not attained the age of 12 in all States.

(2) Data for determination.—The Secretary shall obtain the most recent data and information necessary to determine the allocation amounts provided for in paragraph (1), from the appropriate departments and agencies.

(d) State Administrative Costs.—Of the amount allotted to a State pursuant to section 302, an amount not to exceed 10 percent shall be used by such State to provide for the administrative costs of carrying out such program.

### SEC. 304. STATE APPLICATIONS.

(a) Submission of Application.—

(1) Form of application.—The Governor of a State desiring to obtain funds pursuant to this section shall submit an application to the Secretary, at such time, in such manner, and providing such information as the Secretary may require, including a plan which meets the requirements of paragraph (2).

(2) Qualifying for loan.—The State shall submit a plan which sets forth procedures and requirements whereby any person desiring to make capital improvements to the principal residence of such person (within the meaning of section 1034 of the Internal Revenue Code of 1986) in order to become a licensed or accredited family-based child care facility, pursuant to State or local law or standards, may obtain a loan from the State revolving loan fund (hereinafter called the "fund"). Such fund shall be administered by the State and shall provide loans to qualified applicants, pursuant to the terms and conditions established by such State, in an amount, determined by such State, which is not in excess of $1,500.

(b) State Plan.—

(1) Establishment of fund.—The State shall provide in its plan, that such State has established a revolving loan fund, and has provided procedures whereby—

(A) moneys are transferred to such fund to provide capital for making loans;

(B) interest and principal payments on loans and any other moneys, property, or assets derived from any action concerning such fund are deposited into such fund;

(C) all loans, expenses, and payments pursuant to the operation of this title are paid from such fund;

(D) loans made from such fund are made to qualified applicants for capital improvements to be made so that such applicant may obtain a State or local accreditation or a license for a family-based child care facility; and

(E) the plan shall set forth provisions which specify how any such revolving loan fund will continue to be financed after fiscal year 1990, such as through contributions by the State or by some other entity.

(2) Qualifications.—Such plan shall also set forth procedures and guidelines to carry out the purposes of this title, including provisions which will assure that only applicants who obtain a license or accreditation for a child care facility in accordance with the provisions of State or local law or standards, benefit from loans made available pursuant to the provisions of this title.

## TITLE IV—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

### SEC. 401. SHORT TITLE.

This title may be cited as the "Child Care Facility Tax Incentive Act of 1987".

### SEC. 402. CREDIT FOR EMPLOYERS PROVIDING QUALIFIED CHILD CARE FACILITIES.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end thereof the following new section:

"SEC. 43. QUALIFIED EMPLOYER-PROVIDED CHILD CARE FACILITY CREDIT.

"(a) In General.—For purposes of section 38, the qualified child care facility credit determined under this section for any taxable year is an amount equal to 25 percent of the qualified child care expenses for such taxable year.

"(b) Limitation.—The amount of the credit determined under subsection (a) for any taxable year shall not exceed $________________.

"(c) Definitions.—For purposes of this section—

"(1) Qualified child care expenses.—The term 'qualified child care expenses' means any amount paid or incurred by an employer during the taxable year to acquire, construct, maintain, or operate a qualified child care facility.

"(2) Qualified child care facility.—

"(A) In general.—The term 'qualified child care facility' means a facility—

"(i) operated by an employer for the care of enrollees, at least 30 percent of whom are dependents of employees of such employer,

"(ii) located on or near the business premises of such employer, and

"(iii) which is accredited or licensed to operate as a child care facility under applicable State and local laws and regulations.

"(B) Multiple employers.—In the case of a facility operated by more than 1 employer, such facility shall be treated as a qualified child care facility of each employer with respect to which the requirements of subparagraph (A) are met separately.

"(d) Basis Adjustments.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(e) Special Rules.—For purposes of this section—

"(1) Allocation in case of multiple employers.—In the case of employers to which subsection (c)(2)(B) applies, the amount of credit allocable to each such employer shall be its proportionate share of the qualified child care expenses giving rise to the credit.

"(2) Pass-thru in the case of estates and trusts.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) Allocation in the case of partnerships.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.".

(b) Conforming Amendments.—

(1) Section 38(b) of the Internal Revenue Code of 1986 is amended—

(A) by striking out "plus" at the end of paragraph (4),

(B) by striking out the period at the end of paragraph (5), and inserting in lieu thereof a comma and "plus", and

(C) by adding at the end thereof the following new paragraph:

"(6) the qualified child care facility credit determined under section 43."

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 43. Qualified employer-provided child care facility credit.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1987.

### SEC. 403. CERTAIN EARNINGS FROM THE PROVISION OF CHILD CARE SERVICES EXCLUDED FROM SELF-EMPLOYMENT TAXES, ESTIMATED TAXES, AND WITHHOLDING.

(a) Self-Employment Taxes.—Section 1402 of the Internal Revenue Code of 1986 (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(k) Special Rules for Income From Family-Based and In-Home Child Care Services.—For purposes of this chapter—

"(1) In general.—Except as provided in this subsection—

"(A) any earned income (within the meaning of section 911(d)(2)) from the providing of qualified family-based or in-home child care services shall be treated as gross income derived by an individual from a trade or business carried on by such individual; and

"(B) except in the case where an individual elects not to have this subparagraph apply, no tax shall be imposed under section 1401 on net earnings from self-employment attributable to services described in subparagraph (A).

"(2) Special rate; collection of tax.—If an individual elects not to have paragraph (1)(B) apply—

"(A) the rate of tax under subsection (a) or (b) shall be equal to one-half of the rate determined without regard to this paragraph, and

"(B) such tax shall be collected annually.

"(3) Qualified family-based or in-home child care services.—For purposes of this subsection—

"(A) In general.—The term 'qualified family-based or in-home child care services' means child care services provided to a child at a family-based or in-home child care facility.

"(B) Family-based child care facility.—The term 'family-based child care facility' means a facility—

"(i) which is located in (or on the site of) the principal residence of the taxpayer (within the meaning of section 1034),

"(ii) which is owned and operated by a self-employed individual (within the meaning of section 401(c)(1)), and

"(iii) which is accredited or licensed as a child care facility under applicable State and local laws and regulations.

"(C) In-home child care facility.—The term 'in-home child care facility' means the principal residence (within the meaning of section 1034) of the child to whom child care services are being provided.".

(2) Amendment to Social Security Act.—Section 209 of the Social Security Act is amended by striking out "or" at the end of

subsection (r), by striking out the period at the end of subsection (s) and inserting in lieu thereof ", or", and by adding after subsection (s) the following new subsection:

"(t) Any payment to an individual for qualified family-based or in-home child care services (within the meaning of section 1402(k)(3) of the Internal Revenue Code of 1986), unless the individual elects to treat such payment as subject to tax under section 1401 of such Code.".

(b) Wage Withholding Not Required.—Section 3401(a) of such Code (defining wages) is amended by striking out "or" at the end of paragraph (19), by striking out the period at the end of paragraph (20) and inserting in lieu thereof ", or", and by adding after paragraph (20) the following new paragraph:

"(21) for qualified family-based or in-home child care services (within the meaning of section 1402(k)(3)).".

(c) Exemption From Estimated Tax.—Section 6654(e) of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraph:

"(4) Underpayment attributable to income from day care services.—No addition to tax shall be imposed under subsection (a) with respect to any underpayment attributable to earned income (within the meaning of section 911(d)(2)) from the providing of qualified family-based or in-home child care services (within the meaning of section 1401(k)(3)).".

(d) Effective Dates.—

(1) The amendments made by subsections (a) and (c) shall apply to taxable years beginning after December 31, 1987.

(2) The amendments made by subsection (b) shall apply to remuneration paid after December 31, 1987.

SEC. 404. CAFETERIA PLANS REQUIRED TO PROVIDE CHILD CARE OPTION.

(a) In General.—Paragraph (1) of section 125(c) of the Internal Revenue Code of 1986 (defining cafeteria plan) is amended by adding at the end thereof the following new sentence:

"A plan shall not be treated as a cafeteria plan unless it provides an option to choose benefits under a dependent care assistance program (within the meaning of section 129(d)).".

(b) Effective Date.—The amendment made by this section shall apply to plan years beginning after December 31, 1987.

SEC. 405. ADDITIONAL PERSONAL EXEMPTION FOR MOTHER REMAINING HOME WITH NEWBORN CHILD.

(a) In General.—Section 151(c) of the Internal Revenue Code of 1986 (relating to additional exemption for dependents) is amended by adding at the end thereof the following new paragraph:

"(6) Additional exemption for newborn children where mother does not work.—

"(A) In general.—An exemption of the exemption amount for each dependent (as defined in section 152) who is a child of the taxpayer who attains the age of 6 months during the taxable year, but only if the mother of the child has no earned income (within the meaning of section 911(d)(2)) during the period between the child's birth and the child attaining age 6 months.

"(B) Income limitation.—Subparagraph (A) shall not apply to any taxpayer if the adjusted gross income of the taxpayer for the taxable year exceeds 150 percent of the poverty level (adjusted for family size) for the calendar year in which the taxable year begins.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 1987.

SEC. 406. INDIVIDUAL RETIREMENT ACCOUNTS FOR HOMEMAKERS.

(a) Repeal of Limitation on Amount Which May Be Contributed.—Paragraph (2) of section 219(c) of the Internal Revenue Code of 1986 (relating to special rules for certain married individuals) is amended by striking out "$2,250" in subparagraph (A)(i) thereof and inserting in lieu thereof "$4,000".

(b) Deduction May Be Allowable Even if Spouse Is Active Participant.—Paragraph (1) of section 219(c) of such Code is amended by inserting "(without regard to subsection (g))" after "subsection (a)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1987.

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By Mr. CONRAD (for himself and Ms. Mikulski):

S. 1682. An act to increase the amount authorized to be appropriated with respect to the Sewall-Belmont House National Historic Site to the Committee on Energy and Natural Resources.

AUTHORIZATION FOR INCREASE IN APPROPRIATIONS FOR THE SEWALL-BELMONT HOUSE NATIONAL HISTORIC SITE

● Mr. CONRAD. Mr. President, I am introducing legislation today to ensure the continued maintenance of the Sewall-Belmont House National Historic Site, in Washington, District of Columbia. My colleague from Maryland, Ms. Mikulski, joins me in this effort.

Although the building is officially designated as part of the National Park Service monument system, funding for upkeep and maintenance of the building will run out at the end of this fiscal year. The authorization contained in the 1974 Act (Public Law 93-486) which designated the House as a National Historic Site, provided $500,000 for restoration and maintenance. Now that this limit has been reached, I am proposing to raise the $500,000 cap to $1,500,000 to assure that the National Park Service has authority to continue to maintain this building. A similar measure has been introduced in the House by Representative Lindy Boggs.

The Sewall-Belmont House, which was designated a national monument by the National Park Service in 1972, has a unique place in our country's history. It has served since 1929 as the headquarters of the National Woman's Party, founded by Alice Paul, a leading advocate and activist in the Women's Rights Movement. Ms. Paul's enthusiasm and efforts were instrumental in securing passage in 1919 of the constitutional amendment granting women the right to vote, as well as ratification of the amendment in 1920. From this building, Alice Paul subsequently coordinated the push for another constitutional amendment to insure complete equality for women, a campaign which continues today.

The House is a living tribute to Ms. Paul's activities to eliminate discrimination against women. It contains furniture, books, and art objects which represent the contributions and efforts which women have made in the development of this Nation, and is open for public tours.

The House is also historically significant as the residence of Albert Gallatin, Secretary of the Treasury under Presidents Jefferson and Madison, and is believed to be the site of the only active resistance to the British Army's attack on the Capitol in 1814 after the Battle of Bladensburg. The property is part of land granted to the Second Lord Baltimore by King Charles. The tract was divided several times, and much of the land was ceded to the United States as a site for the new Capitol.

This wonderful historic building is an important part of our national heritage which deserves to be maintained for future generations to visit and enjoy. We urge our colleagues to join us in working for swift passage of this legislation, so that the National Park Service has the authorization to continue funding the maintenance costs of the Sewall-Belmont House.

I ask unanimous consent that the full text of the bill be inserted in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1682

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. AMENDMENTS.

(a) Increase in the Authorization of Appropriations.—Section 204 of Public Law 93-486 (88 Stat. 1463) relating to the Sewall-Belmont House National Historic Site is amended by striking "$500,000" and inserting "$1,500,000".

(b) Technical Amendments.—Title II of Public Law 93-486 (88 Stat. 1463) is amended—

(1) in section 202 by striking "101 of this Act" and inserting "201 of this title"; and

(2) in section 204 by striking "Act" and inserting "title".

SEC. 2. EFFECTIVE DATE.

The amendments made by this Act shall take effect on October 1, 1987.●

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By Mr. McCLURE:

S. 1683. A bill to amend the Farm Credit Act of 1971 to assist Farm Credit System borrowers, to establish an agricultural secondary market, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM CREDIT ACT AMENDMENTS

● Mr. McCLURE. Mr. President, it is time that Congress takes action to deal with what has become a very critical issue to American farmers and ranchers. The issue is one which we in Congress have visited twice in as many years—how to deal with the enormous

losses which are crippling the largest agricultural lender in the United States—the Farm Credit System.

The farm problems facing this country are affecting all entities which provide financing to rural America. Rural banks, insurance companies, Federal land banks, production credit associations, and the Farmers Home Administration have all found themselves with an increasing number of problem loans, nonaccrual loans, and loan losses.

Declining profitability in agriculture is the basic problem facing farmers and ranchers. With the decline in net farm income starting in the early 1980's, farmland values have declined every year since their peak in 1982. In my district, the 12th farm credit district located in Spokane, WA, land values have declined over one-third from their 1982 peak. I believe that we are near, but not yet at the bottom of the land value decline. The drop in value will not stop until agricultural earnings either pay for the land or other factors, such as purchase by investors or long-term debt restructuring by lending institutions, provides a price floor.

Farm bankruptcies, loan delinquencies, and foreclosures have increased annually thus increasing the stress on agricultural lenders. Because the Farm Credit System is the Nation's largest agricultural lender and by statute must lend only to agriculture, its fortunes have followed the farmer downhill. Production credit associations and Federal land banks are in more serious trouble because they do not have consumer lending and nonagricultural commercial business to offset their agricultural portfolio.

System banks fortunes mirror the distress in our farming areas today. For instance, in the 12th District, bankruptcies of Federal land bank borrowers increased districtwide from 66 in 1982 to 385 in 1986. Federal land bank delinquencies increased from 1,766, or 4.2 percent of total loans in 1982 to 3,759, or 11.1 percent of total loans in 1986. Loans called for foreclosure increased from 141 to 454 during the same time period.

Another measure of declining repayment capacity is the increase in adversely classified loans. Spokane's Federal land bank adversely classified loans increased over 350 percent from December 31, 1983, to December 31, 1986.

Not all of the problem is confined to the Federal land banks. Production credit associations have had their problems also. The Spokane Federal intermediate credit bank received $135 million in financial assistance in 1985 through the sale of nonperforming loans to the Farm Credit Capital Corporation. This assistance was in the form of a loan participation and nearly $90 million has been repaid to the contributing banks.

Even with this assistance, the Spokane Federal intermediate credit bank continues to show signs of financial stress. Decline in loan volume and the total number of loans continues unchecked. The 12th District also shows a serious decline in loan quality. Since 1982, short-term PCA loan volume declined from a high of $1.8 billion loaned to 18,000 farmers, down to the current level of $500 million loaned to 7,000 borrowers.

The 12th District is not operating in a vacuum. System-wide losses are similar in all but perhaps two or three districts. The System's problems are the same as the 12th District's: large amounts of nonearning assets, excessive administrative expenses, outstanding high priced debt, and an inability to deal well with its problems.

These problems have caused Congress to deal with the Farm Credit Act on two previous occasions but legislative changes have not yet provided a solution. That is why I am today introducing this bill which adds to other efforts to deal with the Farm Credit System's problems. My bill is similar in some instances and different in some areas from bills introduced thus far. I have crafted it to deal mainly in four areas, two of which have not been dealt with thus far in legislation introduced.

The first area of concern to me is providing a guarantee of borrower stock. This is especially critical to keep those borrowers who currently are in the System from leaving. Many loans have been paid off and borrowers leave the System for other lenders because they are unsure of the ability of the system banks to pay off their stock at par. My bill would guarantee that stock would be paid at par through the issuance of notes, issued at Treasury rates, for the par value of the stock. A farmer wishing to redeem his stock would go to his local association and would be given his stock at par value if the local association had the funds available. If not the association would issue a note to the farmer which would be paid by the FCA. This legislation would provide for payment at par for stock of an association that was frozen, impaired, or retired at less than par value after January 1, 1983. These notes would be redeemed by the FCA if the issuing association was unable financially to do so.

Second, this legislation would provide for an interest rate write-down directly to the farmer. The secretary of Agriculture is directed to issue generic certificates redeemable for commodities owned by the Government to offset any loss incurred by the institution which is a result of a reduction in interest rates charged to a borrower. Certificates would be issued to offset the costs of interest rate write-downs of not less than 8 percent for not longer than 5 years. The total amount of certificates could not exceed $2 billion. I believe that this is critically necessary—to provide direct interest rate relief to those farmers who are most in need. This legislation is designed to direct the attention of the System toward restructuring of loans and away from liquidation and foreclosure. This is one way of providing assets to the System using assets which the Federal Government already owns. As of August 1, 1987, the Federal Government had over $6 billion in commodities which it is storing at taxpayer expense. I believe that these should be used in a constructive way. Using it to help farmers obtain interest rate relief is one constructive way.

The third point of my bill deals with waivers of territory for borrowers whose loan applications are turned down by an association. If a borrower's application for a loan is denied by the local association, that borrower should be able to reapply to the next nearest association. I believe that in certain instances this will help keep borrowers in the System, by allowing them to apply to another association which may be financially stronger thus allowing them to take a little more risk. This will also be similar to the change in Farmers Home Administration regulations Congress passed earlier allowing FMHA borrowers to go to different county offices if they had a personality conflict in their local office.

The final section of my bill is very similar to previously introduced bills. It creates a secondary market for agriculture loans. I believe that farmers will benefit in the long run from having competition in the long-term agriculture loan market. Part of the current problems could have been avoided if another source of long-term agriculture mortgage credit had been available to farmers in the 1970's and 1980's. The secondary market, if functioning will provide competition for the System and moderate the concentration of risk in any one institution.

A secondary market for agricultural mortgages will give lenders needed liquidity to continue to provide long-term agricultural credit at competitive rates to qualified borrowers. To date, farm mortgages have not been pooled and packaged into securities to any substantial degree and as a result no major secondary market has developed for buying and selling farm mortgages. With the assistance of Federal initiatives, the secondary market concept has worked well for other long-term mortgage investments such as residential mortgages. I believe that it will also work well in agricultural mortgages, providing needed liquidity to agricultural banks and others. I believe that it is time for agriculture to have a secondary market, thus I have included authorization for a secondary market in this legislation.

I am encouraged by the actions Congress is now taking on this problem of aid to the Farm Credit System. I hope that next week as the subcommittee begins markup on a bill, they will take these issues into consideration and incorporate them into the bill which, I hope, will move steadily through Congress.●

## ADDITIONAL COSPONSORS

S. 2

At the request of Mr. Boren, the names of the Senator from Nebraska [Mr. Exon], and the Senator from Ohio [Mr. Glenn] were added as cosponsors of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 38

At the request of Mr. Moynihan, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of S. 38, a bill to increase the authorization of appropriations for the Magnet School Program for fiscal year 1987 to meet the growing needs of existing Magnet School Programs, and for the establishment of new Magnet School Programs.

S. 58

At the request of Mr. Danforth, the names of the Senator from South Carolina [Mr. Thurmond], and the Senator from Tennessee [Mr. Gore] were added as cosponsors of S. 58, a bill to amend the Internal Revenue Code of 1986 to make the credit for increasing research activities permanent and to increase the amount of such credit.

S. 270

At the request of Mr. Humphrey, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of S. 270, a bill to provide a transition period for the full implementation of the nonrecurring adoption expenses reimbursement program.

S. 604

At the request of Mr. Pryor, the names of the Senator from Michigan [Mr. Riegle], and the Senator from Georgia [Mr. Fowler] were added as cosponsors of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 627

At the request of Mr. Pell, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 627, a bill to authorize grants to states to enable States and local educational agencies to meet priority educational needs in the areas of school dropouts, programs to combat illiteracy, programs for the gifted and talented, for basic skills instruction for secondary school students, and for school library resources, and for other purposes.

S. 724

At the request of Mr. Ford, the name of the Senator from Florida [Mr. Chiles] was added as a cosponsor of S. 724, a bill to amend the Federal Aviation Act of 1958 to advance the scheduled termination date of the Essential Air Service Program, and for other purposes.

S. 756

At the request of Mr. Lautenberg, the names of the Senator from Alabama [Mr. Shelby], the Senator from Rhode Island [Mr. Pell], the Senator from Kentucky [Mr. Ford], the Senator from Nevada [Mr. Reid], and the Senator from California [Mr. Cranston] were added as cosponsors of S. 756, a bill to ensure the amounts paid for home improvements to mitigate indoor air contaminants such as radon gas qualify for the tax deduction for medical care expenses.

S. 808

At the request of Mr. McClure, the name of the Senator from Oklahoma [Mr. Boren] was added as a cosponsor of S. 808, a bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed by a title insurance company with State insurance departments or agencies.

S. 830

At the request of Mr. Stafford, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 830, a bill to clarify the treatment of certain education loans in bankruptcy proceedings.

S. 934

At the request of Mr. Cranston, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of S. 934, a bill to authorize payments to States to assist in improving the quality of child-care services.

S. 970

At the request of Mr. Harkin, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 970, a bill to authorize a research program for the modification of plants focusing on the development and production of new marketable industrial and commercial products, and for other purposes.

S. 1006

At the request of Mr. Hecht, the names of the Senator from New Mexico [Mr. Bingaman], and the Senator from Nevada [Mr. Reid] were added as cosponsors of S. 1006, a bill entitled the "Geothermal Steam Act Amendments of 1987."

S. 1109

At the request of Mr. Harkin, the names of the Senator from South Carolina [Mr. Hollings], and the Senator from Iowa [Mr. Grassley] were added as cosponsors of S. 1109, a bill to amend the Federal Food, Drug, and Cosmetic Act to require certain labeling of foods which contain tropical fats.

S. 1181

At the request of Mr. Pryor, the name of the Senator from Louisiana [Mr. Breaux] was added as a cosponsor of S. 1181, a bill to amend the Federal Salary Act of 1967 and title 5 of the United States Code to provide that the authority to determine levels of pay for administrative law judges be transferred to the Commissions on Executive, Legislative, and Judicial Salaries.

S. 1225

At the request of Mr. Cranston, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of S. 1225, a bill to amend the Immigration and Nationality Act to permit the installment payment of fees required for the legalization of aliens.

S. 1325

At the request of Mr. Chafee, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 1325, a bill to require the Secretaries of Agriculture and Health and Human Services to enforce certain food labeling requirements for packaged foods sold by certain restaurants.

S. 1397

At the request of Mr. Cranston, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of S. 1397, a bill to recognize the Officers of Association of the United States of America.

S. 1461

At the request of Mr. Hecht, the name of the Senator from Nevada [Mr. Reid], was added as a cosponsor of S. 1461, a bill to convey certain lands to the YMCA of Las Vegas, NV.

S. 1469

At the request of Mr. Boschwitz, the names of the Senator from Maine [Mr. Mitchell], the Senator from Utah [Mr. Hatch], and the Senator from Colorado [Mr. Wirth] were added as cosponsors of S. 1469, a bill to amend title VII of the Social Security Act to restrict the use of "Social Security" or "Social Security Administration" on goods not connected with such Administration.

S. 1485

At the request of Mr. Ford, the name of the Senator from Illinois [Mr. Simon], was added as a cosponsor of S. 1485, a bill to amend the Federal Aviation Act of 1958 to provide various protections for passengers traveling by aircraft, and for other purposes.

S. 1501

At the request of Mr. Cranston, the name of the Senator from Ohio [Mr. Metzenbaum], was added as a cosponsor of S. 1501, a bill to amend title 38, United States Code, to eliminate the requirement that the Administrator of Veterans' Affairs carry out a transition under which community-based vet centers would be moved to Veterans' Administration medical facilities and to provide standards and procedures governing any closures or moves of vet centers, and for other purposes.

S. 1511

At the request of Mr. Moynihan, the names of the Senator from Montana [Mr. Baucus], the Senator from Oklahoma [Mr. Boren], the Senator from North Dakota [Mr. Conrad], the Senator from Connecticut [Mr. Dodd], the Senator from Nebraska [Mr. Exon], the Senator from Iowa [Mr. Harkin], the Senator from Louisiana [Mr. Johnston], the Senator from Michigan [Mr. Levin], the Senator from Georgia [Mr. Nunn], the Senator from Maryland [Mr. Sarbanes], the Senator from Tennessee [Mr. Sasser], the Senator from Alabama [Mr. Shelby], and the Senator from Mississippi [Mr. Stennis] were added as cosponsors of S. 1511, a bill to amend title IV of the Social Security Act to replace the AFDC program with a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance, benefits improvement, and mandatory extension of coverage to two-parent families, and which reflects a general emphasis on shared and reciprocal obligation, program innovation, and organization renewal.

S. 1572

At the request of Mr. Pell, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1572, a bill to create a National Education Savings Trust; to prescribe the powers and duties of the trust and of its board of trustees; to provide for advance tuition payment plan agreements; to establish an advance tuition payment fund and to provide for its administration, and for other purposes.

S. 1575

At the request of Mr. Kennedy, the name of the Senator from Washington [Mr. Adams] was added as a cosponsor of S. 1575, a bill to amend the Public Health Service Act to establish a grant program to provide for counseling and testing services relating to acquired immune deficiency syndrome and to establish certain prohibitions for the purpose of protecting individuals with acquired immune deficiency syndrome or related conditions.

S. 1587

At the request of Mr. D'Amato, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of S. 1587, a bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic games.

S. 1620

At the request of Mr. Pell, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of S. 1620, a bill to reauthorize and revise the act of September 30, 1950 (Public Law 874, 81st Congress) relating to Federal impact aid, and for other purposes.

SENATE JOINT RESOLUTION 38

At the request of Mr. Dole, the name of the Senator from South Dakota [Mr. Pressler] was added as a consponsor of Senate Joint Resolution 38, a joint resolution proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriation.

SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the names of the Senator from Kentucky [Mr. Ford], the Senator from Idaho [Mr. Symms], the Senator from Michigan [Mr. Riegle], and the Senator from New Hampshire [Mr. Humphrey] were added as consponsors of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from Idaho [Mr. Symms], the Senator from South Carolina [Mr. Thurmond], the Senator from Virginia [Mr. Warner], the Senator from Washington [Mr. Adams], the Senator from Kansas [Mr. Dole], the Senator from Michigan [Mr. Levin], the Senator from Arizona [Mr. McCain], the Senator from Ohio [Mr. Metzenbaum], the Senator from Alabama [Mr. Shelby], the Senator from Oklahoma [Mr. Boren], the Senator from Illinois [Mr. Dixon], the Senator from South Dakota [Mr. Pressler], the Senator from Missouri [Mr. Bond], and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 170

At the request of Mr. Roth, the names of the Senator from Kansas [Mrs. Kassebaum], the Senator from New Jersey [Mr. Lautenberg], the Senator from Texas [Mr. Bentsen], the Senator from Wyoming [Mr. Simpson], the Senator from Utah [Mr. Hatch], the Senator from New Hampshire [Mr. Humphrey], and the Senator from Louisiana [Mr. Johnston] were added as cosponsors of Senate Joint Resolution 170, a joint resolution designating the month of September 1988 as "National Ceramic Arts Month."

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

SENATE RESOLUTION 246

At the request of Mr. Moynihan, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of Senate Resolution 246, a resolution to honor Irving Berlin for the pleasure he has given to the American people through almost a century of his music.

## SENATE CONCURRENT RESOLUTION 71—EXPRESSING SUPPORT FOR THE CENTRAL AMERICAN PEACE INITIATIVE

Mr. BYRD (for himself, Mr. Dodd, Mr. Sanford, and Mr. Sasser) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

Senate Concurrent Resolution 71

Whereas the Presidents of Costa Rica, El Salvador, Guatemala, and Honduras met in San Jose, Costa Rica on February 15, 1987, to consider a political framework for peace in Central America, as proposed by President Arias of Costa Rica;

Whereas the presidents of the Central America democracies described the Arias proposal as "a viable, timely and constructive document for achieving peace in Central America through political negotiation;"

Whereas the Government of Costa Rica was asked to convey the Arias proposal to the Government of Nicaragua and to invite the President of Nicaragua to participate in a regional summit conference for the purpose of finalizing negotiations on the Arias initiative;

Whereas on March 12, 1987 the United States Senate considered S. Con. Res. 24, "supporting the initiatives of the Central American heads of state . . . in formulating a regional proposal for bringing an end to the armed conflict in Central America," and subsequently approved this resolution by vote of 97 to 1;

Whereas on July 28, 1987 the House of Representatives debated H. Con. Res. 146, "supporting the initiative of President Oscar Arias Sanchez of Costa Rica to end armed conflict in the Central America and encouraging . . . a negotiated settlement of the conflict in Central America," and thereafter adopted this resolution by unanimous vote;

Whereas the Presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua met August 6–7 in Guatemala City and signed an agreement based on the Arias proposal, setting forth specific procedures for the establishment of a "firm and lasting peace in Central America;" and now, therefore, be it

Resolved by the Senate (the House of Representatives concurring) that

The United States Congress hereby—

Congratulates the Presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua on their successful summit conference of August 6–7, 1987, held in Guatemala City;

Recognizes the signing of the August 7 peace accord as an historic development and an important opportunity for the Presidents of Central America to work together to restore peace and stability to their region;

Urges the parties to the peace accord to implement all of its provisions in good faith; and

Pledges its firm support and full cooperation with respect to such good faith implementation of the August 7, 1987, Central America peace agreement.

## SENATE RESOLUTION 282—EXPRESSING SUPPORT FOR PRESIDENT CORAZON AQUINO AND THE GOVERNMENT OF THE PHILIPPINES

Mr. BYRD (for himself, Mr. Dole, Mr. Kennedy, Mr. Lugar, Mr. Pell, Mr. Cranston, Mr. Melcher, Mr. Bradley, Mr. Murkowski, Mr. Biden, and Mr. Metzenbaum) submitted the following resolution; which was considered and agreed to:

S. Res. 282

Whereas on August 28, 1987, mutinous troops attacked the presidential palace in Manila in an effort to overthrow the Government of the Philippines;

Whereas scores of Filipinos have been killed and over one hundred wounded in the political violence;

Whereas the Filipino armed forces have rallied in support of the President against the mutineers and have crushed the rebellion;

Whereas the insurrection is the fifth such effort to overthrow the Aquino government since the inauguration of President Aquino on February 25, 1987;

Whereas under the leadership of President Aquino, the people of the Philippines have adopted a new Constitution, conducted open elections and undertaken an effort to review the democratic institutions of their nation;

Whereas the Government of the Philippines has made impressive strides in reversing the economic decline of the nation;

Whereas President Aquino currently enjoys the allegiance and support of the Filipino people;

Whereas the international community has expressed renewed support for the leadership of President Aquino;

Whereas the Aquino government confronts a growing Communist insurgency threatening political, economic, and social freedoms and the security of the Philippines;

Whereas the United States Administration has issued a statement of strong support for the Aquino government and democracy in the Philippines and condemned all efforts to destabilize the Government of the Philippines; and

Whereas the Aquino government enjoys the confidence and support of the United States Congress as has been expressed in previous resolutions: Now, therefore, be it

Resolved that the Senate—

(1) congratulates the people of the Philippines and the loyal members of the Philippine military for their commitment to democracy and for their courage and success in crushing the rebellion;

(2) renews its full support for the sustained efforts of President Corazon Aquino to pursue the development of democratic institutions in the Philippines and stability in the society of the Philippines;

(3) recognizes the overriding importance of defeating the communist insurgency by strengthening the capability and improving the morale and living conditions of the armed forces of the Philippines and supports continued timely and vigorous military assistance to the Government of the Philippines to assist in that effort;

(4) recognizes that economic recovery based on free enterprise principles is crucial to the attainment of a stable democracy in the Philippines and supports continued economic assistance aimed at building a strong and vibrant economy;

(5) calls attention to all persons or groups seeking the violent overthrow of the Government of the Philippines to current United States law which requires suspension of fiscal year 1987 military or other assistance if a duly elected Head of Government is deposed by military coup or decree; and

(6) urges the government to redouble its efforts to address the problems of corruption within the government;

(7) urges the Secretary of State to direct the United States Ambassador to the Philippines to make every effort to communicate the contents of this resolution to all Filipino citizens and to all sectors of Philippine society.

## SENATE RESOLUTION 283—RELATING TO THE PROPOSED INF AGREEMENT

Mr. QUAYLE (for himself and Mr. Shelby) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 283

Whereas the proposed INF agreement plans to eliminate all nuclear missiles between the ranges of 300 and 3500 miles may or may not be sufficiently verifiable to eliminate uncertainties about Soviet compliance due to the difficulty of detecting the location of mobile launchers and the production and storage of missile spares;

And whereas, NATO targets currently threatened by Soviet INF will continue to be threatened by the Soviet strategic arsenal even if INF are eliminated;

And whereas, the consequences of Soviet cheating on an INF agreement, while itself deplorable and unacceptable, would be less dire for Western security than comparable violations of strategic nuclear weapon accords;

And whereas the proposed INF agreement, is not intended to foreclose non-nuclear deployment options to help NATO counter the increasing conventional threat from the Soviet Union; will not address the conventional imbalance which must be dealt with in the future; will not eliminate the existing shorter range ballistic missile threat (e.g. SS–21, Scud) to critical NATO assets within 300 miles of the border between NATO and the Warsaw Pact;

Be it resolved that the United States Senate believes that the INF treaty in its final form, should state explicitly that the INF verification provisions do not set an automatic precedent for other arms control treaties. The verification provisions of each future treaty must stand on its own merits; and should not prohibit non-nuclear responses such as land-based, mobile conventional cruise missiles, including those with ranges greater than 300 miles, and should not infringe upon present or future non-nuclear arms reduction discussions;

Furthermore be it resolved that the successful conclusion of an INF treaty will not lessen importance of accelerating current efforts to address the Warsaw Pact air threat (including tactical ballistic missiles) to NATO; and implementing existing NATO modernization requirements deemed necessary.

Mr. QUAYLE. Mr. President, I rise to address the INF Treaty on which ongoing negotiations are rapidly coming to a conclusion. We have next Tuesday, on September 15, Secretary Shultz and Foreign Minister Shevardnadze meeting to discuss the final details on the agreements eliminating the intermediate range nuclear weapons. This agreement would result for the first time in the atomic age in an actual reduction in nuclear weapons. This is certainly a laudable objective.

Another laudable objective, Mr. President, is that the reductions will be, as far as warheads are concerned, more for the Soviet Union rather than for the United States, which goes back to an argument that we have had for a period of time that you do not have to have equal reductions to have parity; sometimes you have unequal reductions to get parity. That is a laudable objective in the INF, when and if it is signed.

It shows also we must have patience when we deal with the Soviet Union. We simply cannot say we will have an arms control agreement overnight. We have gone through walkouts and things of that sort. We must have patience, the political will to make a commitment; not only in this country but in other countries. We must have the political will to do what we say we will do, as we did in taking the dual-track approach. Then, in 1978 and 1979, when the SS–20's deployment became apparent as a security threat to Western Europe, we said either the Soviet Union takes out those missiles that have been deployed or we are going to deploy our own.

We called their bluff. They called our bluff. But the political will in 1983 was to deploy Pershing II's and ground-launched cruise missiles and the political will showed the Soviet Union that we, in fact, could deliver through the democratic processes what we said we would deliver. That is not always the case. But it does show if in fact you are going to follow through on what you say you are going to and do not vacillate back and forth that you can achieve meaningful results.

But, as much as we may admire these results, there is a higher objective: safeguarding the security of the United States and detering war and for this we need to reflect on what the agreement will not address. In fact, this proposed agreement is not going to have any effect on two of our greatest military problems, the conventional imbalance in Europe and the relentless growth in Soviet strategic nuclear forces. This is the context in which we have to assess the potential INF agreement.

And that is why the details of this INF agreement are so important.

Some might ask, what are the real reasons why Senator Shelby and I are introducing today a resolution addressing these details. Is it even appropriate to voice reservations about a treaty we haven't seen yet? Is this just a way for some of us, who have been skeptical of arms control in the past, to set up exceptions for this particular treaty that we don't intend to apply to others?

Let me respond directly to these concerns.

If you want to affect the details of this treaty and you want to have an articulation of the views, I believe that now is the time to begin that debate, to talk about it, to look at what has been on the table, what our negotiators are telling us have some input.

I think that, first, I am concerned about a decision that, in fact, would in any way limit some of our military options that we might want to have in the future. At the very core of any of these limitations, one of the discussions that will be going on that I am very concerned about is the resolution and the final disposition of what we are going to do on the long-range, ground-based conventional nonnuclear cruise missile. I do not believe that we, in fact, ought to prejudge what we are going to do on the ground-based nonnuclear conventional cruise missile. Quite frankly, I believe that in the future there will be some military requirements for conventional nonnuclear cruise missiles.

I realize, and I have been battling this for a long time, there is a lot of reluctance among the military services to get on with the cruise missiles.

One of the reasons there is reluctance to get on with the cruise missiles is because, guess what, Mr. President, there is not a man or a woman that flies them. They fly by themselves. You can fly them from the ground. Therefore they do not have a pilot, so to say, that can go in and do the job and come back and get the congratulations, et cetera, et cetera. It is not a platform that a man or woman is going to be on. Therefore, there is this systemic reluctance to move in this area as aggressively as I think we should. Therefore, I would hope that we do not see any kind of relinquishment of a future option that we might want to deploy a conventional nonnuclear cruise missile beyond 500 kilometers, or 300 miles.

But those arguing to foreclose this option perhaps don't know about this possible requirement. General Galvin, the theater commander with the most to gain or lose from the decision, knows full well the possible military benefits of nonnuclear, conventional cruise missiles.

We are going to eliminate nuclear weapons systems and categories. That is all to the good and the objective certainly promotes stability.

But if we are going to do that, then the next step, I presume, we will be looking at conventional imbalance. Many have talked about looking at a conventional arms control process. Well, ground-launched conventional cruise missiles certainly fall within that area of conventional arms control and what we are going to do on the nonnuclear side.

So, in that context it does not make logical sense to me that when we are talking about the elimination of nuclear weapons we are also going to, at the same time, give up some nonnuclear options that we may want to have.

I dare say if in fact we move forward that there will be a requirement that will be forthcoming concerning the ground-launched cruise missile.

Our long-standing position in Geneva has been that a treaty to limit nuclear weapons should not limit nonnuclear weapons. But there are some who are now arguing that we should abandon that position, that instead we ought to adopt a definition of cruise missiles that would prohibit deployment of any ground-launched system over 300 miles in range that could conceivably be characterized as a cruise missile.

That means we would agree forever not to deploy any conventional ground-launched cruise missile of that range; any remotely-piloted vehicle (even ones for early warning that could provide vital confidence-building information) or any nonnuclear technology that might evolve out of SDI or other advanced research.

We have to ask ourselves what we would gain from giving all this up. Do the Soviets have a competitive advantage in advanced technology that we want them to abandon through arms control? Is there a status quo in Europe that we want to maintain?

Obviously the answer is no. We are the ones with the competitive advantage is nonnuclear delivery technology, in stealth, precision-guided long-range systems. We are the ones who stand to gain from any shift in the balance of forces which will lighten the Soviet shadow over Europe. We need such systems in Europe more than the Soviets do. Many key military targets for NATO lay beyond the 300 mile range allowed under the INF treaty. On the other hand, many of the targets the Soviets would want to hit in Western Europe lie within this same 300 miles range limit. And the Soviets have plenty of systems to cover those targets. Furthermore, whereas NATO needs new precise, long-range stand-off missiles to penetrate Warsaw Pact air defenses merely to prevent attack, the Soviets do not.

Do we really want to give up without any thought our most potent nonnuclear deep strike options, like those discussed at length in the recent OTA report on NATO's follow-on forces attack concept?

I know General Galvin, our Commander in Chief in Europe, is not ready to give up these options. In fact, he told me that although the requirement for a conventional, ground-launched cruise missile does not now exist, that it may be forthcoming.

My second major concern about this cruise missile decision is the precedent it will set for the START talks. Ambassador Kampleman's recent announcement that the President wants a START agreement before he leaves office is no bluff.

Some may think we can afford to prohibit long-range, ground-launched nonnuclear cruise missiles because we can always resort to sea-launched capability or air-launched capability.

In other words, do not worry about the ground-launch response because we will take care of it by air or by sea.

But let me tell you, agreeing to range limits on conventional GLCM's in INF would set a disastrous precedent for the fate of these systems in START. It would make it very difficult to resist demands to ban non-nuclear ALCMs and SLCMs beyond 600 kilometers. That was the range limit defining ALCMs in the SALT II, and already is the range limit suggested by the Soviets for SLCMs in START.

If we agree to range limits over conventional GLCM's in INF, what is to prevent such limits from being imposed against ALCM's and SLCM's in START? No one has a good answer to this question.

Still, some argue that conventional ground-launched cruise missiles must be banned make the INF treaty verifiable. This brings me to my third major concern.

We will have serious problems verifying this treaty regardless of the decision made on cruise missiles. We do not yet know whether the verification procedures negotiated will be sufficient or not to adequately verify this treaty. But we do know some uncertainties will remain simply because it is impossible to be sure of the number of mobile missile launchers and reloads which now exist in the Soviet arsenal.

We also know that the Soviets have plenty of extra strategic systems that they can retarget to make up for the loss of INF systems. They have the new SS–25 which has the same mobile configuration as the SS–20 and in fact, uses the same facilities. They have the older SS–19, which performed this same function before the 1977 deployment of the SS-20. And they have the brand new SS-24 mobile missiles, each with 10 warheads which will add many megatons to the already huge strategic arsenal.

So the Soviets do not have much to gain from cheating on INF, because they really have not lost anything.

What concerns me are the precedents that might be set for START. The level of compliance uncertainty which may not concern us in INF, because of the strategic environment, will be totally unacceptable in a START agreement. We simply cannot accept the risk associated with potential covert Soviet deployments of mobile missiles like the SS-24 and SS-25. That is why this resolution states clearly that INF verification provisions cannot be considered as a precedent for any other agreement. The United States must make that clear to the Soviets and to the American people.

Third, I am concerned that the euphoria of an INF treaty might cause us to forget that there will continue to be a Soviet tactical ballistic missile threat to Europe even under this treaty. The Soviets will still have SS-21 and Scud missiles in Europe with nuclear and nonnuclear warheads. And we know they have a Scud upgrade on the way.

This is why this resolution emphasizes the need to continue efforts to improve NATO's air defenses against these and other systems.

Finally, we must recognize that NATO has had nuclear modernization requirements quite apart from INF, that should not be affected by this treaty. General Rogers and his successor General Galvin have made it clear that they still need a follow-on to the Lance battlefield missile, a new air-to-surface missile, and improvements to the survivability of dual-capable aircraft. These requirements are all the more important now.

## AMENDMENTS SUBMITTED

## DEPARTMENT OF DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

### GLENN (AND OTHERS) AMENDMENT NO. 678

Mr. GLENN (for himself, Mr. Exon, Mr. Bingaman, Mr. Bumpers, and Mr. Mitchell) proposed an amendment to the bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. —. PROHIBITION AGAINST CERTAIN CONTRACTS

(a) In General.—Funds appropriated to or for the use of the Department of Defense for any fiscal year pursuant to an authorization contained in this or any other Act may not be used for the purpose of entering into or carrying out any contract with a foreign government or a foreign firm if the contract provides for the conduct of research, development, test, or evaluation in connection with the Strategic Defense Initiative program.

(b) Temporary Suspension Of Prohibition Upon Certification Of The Secretary of Defense.—The prohibition in subsection (a) shall not apply to a contract in any fiscal year if the Secretary of Defense certifies to Congress in writing at any time during such fiscal year that the research, development, testing, or evaluation to be performed under such contract cannot be competently performed by a United States firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm.

(c) Exceptions For Certain Contracts.—The prohibition in subsection (a) shall not apply to a contract awarded to a foreign government or foreign firm if—

(1) the contract was entered into before the date of the enactment of this Act;

(2) the contract is to be performed within the United States; or

(3) the contract is exclusively for research, development, test, or evaluation in connection with antitactical ballistic missile systems.

(d) In this section:

(1) The term "foreign firm" means a business entity owned or controlled by one or more foreign nationals or a business entity in which more than 50 percent of the stock is owned or controlled by one or more foreign nationals.

(2) The term "United States firm" means a business entity other than a foreign firm.

### DOLE (AND OTHERS) AMENDMENT NO. 679

Mr. WARNER (for Mr. Dole, for himself, Mr. Warner, Mr. Helms, Mr. Quayle, Mr. Symms, Mr. Lugar, Mr. Gramm, and Mr. Stevens) proposed an amendment to amendment No. 678 proposed by Mr. Glenn (and others) to the bill S. 1174, supra; as follows:

At the end of the amendment add the following:

The United States and the Soviet Union may be on the verge of reaching agreement on Intermediate Nuclear Forces (INF) and are continuing serious negotiations on other issues of vital importance to our national security;

and since,

The September discussions between our Secretary of State and the Soviet Foreign Minister represent the culmination of years of detailed and complex negotiations between our countries that reflect delicate compromises on both sides;

and since,

Chief U.S. negotiator Max Kampelman has announced that he has been instructed by the President to place special emphasis on START talks, now that an INF accord may be close at hand;

Therefore, the Senate declares that:

The Congress of the United States fully supports the President in his negotiations with the Soviet Union.

The Congress recognizes fully the constitutional role of the President as the sole voice of the United States in matters during the delicate course of treaty negotiations; and the Congress must not intrude in this process by acting to constrain a President's flexibility in reaching agreement with foreign nations.

At this critical point, the Congress must not take actions equivalent to unilateral concessions to the Soviet Union on arms controls, and specifically on issues that the Soivets cannot themselves achieve at the negotiating table.

The Congress must not act to further the interests of the Soviet Union by unilaterally adopting Soviet negotiating positions that have been rejected by the United States Government.

The Congress should not seek to establish, in U.S. domestic law, positions on matters such as ASAT, nuclear testing, SALT II compliance, ABM Treaty interpretation, and the role of chemical weapons, at the very moment that such sensitive arms control subjects are being negotiated by Secretary Shultz and Foreign Minister Shevardnadze and by the negotiators in Geneva. Such action would inevitably disadvantage and undermine the United States Government in such negotiations.

## NOTICES OF HEARINGS

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the information of the Senate that a closed hearing has been scheduled to receive testimony on the status of the Department of Energy's efforts to address issues concerning the defense materials production reactors located in the United States.

The hearing is scheduled on October 1, 1987, at 2 p.m., in Washington, DC. For further information please contact Mary Louise Wagner at 202-224-7569.

Those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510.

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to hold hearings on the nomination of William L. Dwyer, to be U.S. district judge for the Western District of Washington; James A. Parker, to be U.S. district judge for the District of New Mexico; William L. Standish, to be U.S. district judge for the Western District of Pennsylvania; and Ernest C. Torres, to be U.S. district judge for the District of Rhode Island,

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Friday, September 11, 1987, to conduct a hearing on "AIDS."

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Government Affairs, be authorized to meet during the session of the Senate on Friday, September 11, to hold hearings on proposed legislation relating to arms export policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## FOURTEENTH ANNIVERSARY OF PINOCHET'S COUP

● Mr. KENNEDY. Mr. President, today, we gather to mark yet again a dark anniversary in the history of Chile—this September 11 marks the 14th anniversary of Gen. Augusto Pinochet's brutal seizure of power. For 14 years, the people of Chile have withstood the brutal policies of General Pinochet, for 14 years the people of Chile have yearned for a return to their long tradition of democracy, for 14 years they have lived without their most basic human and civic rights.

There are also personal tragedies which bring home the costs of this tyrannical rule. Over the summer, we passed the year anniversary of the murder-by-fire of Rodrigo Rojas, the young resident of Washington, DC, who had returned to Chile to acquaint himself with his roots. Yet, all the members of the military held in connection with that murder have been released—including the prime suspect who not only was released on a paltry $25 bail but was also promoted from a lieutenant to a captain.

In addition, September 21 will mark the 11th anniversary of the car bombing in the streets of Washington of Orlando Letelier and Ronni Moffitt—a murder ordered by the Chilean Government. Over the last year, new evidence has surfaced regarding the involvement of members of the Chilean security in the murders and implicating General Pinochet himself in the subsequent coverup of the murders. In light of this new evidence, our Government again asked the Chilean Government to turn over to us those implicated in the murders. Pinochet again turned us down. For over a decade, the Chilean authorities have protected these thugs, refusing to try them in Chile, and refusing to let them be tried in the United States.

Let us today renew our commitment to never give up until justice is done regarding these egregious acts of terrorism.

The overall human rights situation in Chile remains grim. Raids on shanty towns continue, opposition press is still threatened by the authorities, torture continues and human rights groups continue to be harassed. The Chile Commission for Human Rights reported 133 incidents of attacks against human rights workers alone in 1986. A lawyer working for the Catholic human rights organization, the Vicariate, was recently arrested for publishing an article critical of the human rights situation in Chile. A judge investigating charges of torture received numerous death threats and saw his cases turned over to military jurisdiction where little action is expected.

Last month, the Catholic Bishops' Conference once again condemned the human rights situation in Chile. The conference included numerous reports of physical and psychological torture by the Chilean authorities during interrogation of prisoners. The bishops urge the Government to cease such activities and to investigate any such allegations of torture.

Despite the growing anti-Americanism in Chile, this administration continues to prop up Pinochet with billions of dollars in loans and with votes in the international institutions in support of the dictatorship in Santiago. Since coming to power, the administration has supported well over $2 billion in loans to Pinochet, has provided an estimated $40 million a year in trade benefits to Chilean imports, has guaranteed over $290 million in United States investments and loans to Chile and has allowed over $250 million a year in imports of Chilean copper—the proceeds of which go right into Pinochet's treasury. It is time we used the full weight of our voice, vote and economic strength to put the United States unequivocally on the side of democracy in Chile.

Last spring, I introduced along with Senator Harkin, a bill which would ensure that the U.S. support for Pinochet would cease. Several of the provisions of that bill have been included in legislation currently pending in the Congress. I intend to work hard to ensure those and all the provisions of the Democracy in Chile Act of 1987 become a law.

The next year is a critical one in Chile. If the military junta proposes the next leader in Chile—widely predicted to be Pinochet himself—the people in Chile will need our full support in rejecting such a crony system. They will need to know we are behind them in their demand for free and fair elections in Chile.

The actions of the United States will be critical over the next months—if Pinochet believes we are behind him, he will no doubt remain in power; if he believes we are on the side of the people, democracy will stand a chance in Chile.

Let us over the next year work to ensure that the United States speaks with one, consistent voice in support of justice and democracy in Chile. Let us hope that when we gather together again next year, we can say proudly that the United States has done all in its power to support a Chile well on the way to a new and healthy democracy.●

## SAUDI ARABIA ARMS SALE OPPOSITION

● Mr. WILSON. Mr. President, during the August recess, I was notified that the Reagan administration may send to the Congress a new arms package for Saudi Arabia this fall. Time and again, the Saudis have proved their unreliability as diplomatic and military partners of the United States and have yet to end their official State of war with Israel. Even in the midst of the war between Iran and Iraq, Riyadh has not adequately cooperated with America in its effort to insure freedom of navigation throughout the Persian Gulf. I therefore believe that congressional approval of another arms sale for Saudi Arabia would be both unjustified and unproductive. After learning of the administration's proposal, I wrote a letter to the President outlining my concerns. I ask, Mr. President, that this letter, dated August 20, 1987, be printed in the Record.

The letter follows:

U.S. Senate,  
*Washington, DC, August 20, 1987.*

The President,  
*The White House, Washington, DC.*

Dear Mr. President: I am writing to express my concern over the Administration's apparent decision to provide Saudi Arabia with a one billion dollar arms package this Fall. Such a sale, reported to include Maverick antitank missiles and F15 fighter planes, would dangerously escalate the middle Eastern arms race without enhancing American diplomatic or military interests.

Saudi Arabia claims that the new hardware is required to counter the military threat from Iran. This reasoning overlooks the fact that Riyadh has consistently refused to assist Kuwait and Iraq in deterring Iranian attacks on their oil tankers because such an action would provoke the government in Teheran. The Saudis adopt this cautious approach even though their existing Air Force of over 160 jets, including 56 F15s, is significantly larger than the Iranian fleet.

In fact, Saudi Arabia has yet to expand its military power for any reason other than to confront Israel. Its recent bids for Western European attack submarines and 72 British Tornado fighter-bombers would provide the Saudi government the means to disrupt the Red Sea shipping lanes necessary for the survival of Israel's import-dependent economy. In addition, the Tornado planes would make Israel more vulnerable to either an air or ground attack from combined Arab forces.

Finally, past sales have failed to significantly change Saudi conduct that has undermined rather than prompted Middle East peace. It is difficult to believe that a new arms sale would bring a halt to the Saudis' liberal funding of the PLO, a terrorist organization. I respectfully submit that such a change should precede rather than follow any new arms sale.

Saudi Arabia, Mr. President, has demonstrated little capability or willingness to support your two major policy goals in the Middle East: freedom of navigation in the Persian Gulf and the security of Israel. I do not see, therefore, how another major arms sale will promote America's diplomatic or military influence in the region.

Sincerely,

PETE WILSON.●

## SENATOR BRADLEY'S REMARKS AT CHAUTAUQUA

● Mr. **ROCKEFELLER**. Mr. President, the Soviet Union, under the leadership of Mikhail Gorbachev, is experiencing one of the most dramatic political periods in its 70-year history. At home, Soviet citizens are beginning to enjoy greater openness in political, economic, and cultural affairs. Abroad, the Soviet Union is attempting to project a new and vibrant image as a nation committed to peace. Just last week, this new style was manifest in the unprecedented invitation to an American congressional delegation to visit the controversial Soviet radar complex at Krasnoyarsk.

How far these changes in the Soviet Union will go, and how long they will last, remain to be seen. It would be naive to expect a sudden and dramatic transformation of Soviet society; Mr. Gorbachev may seek to loosen the grip of a totalitarian system only enough to breathe life into a stagnant economy. Nor should we forget that earlier efforts at reform in the Soviet Union, such as those initiated by Nikita Khrushchev, proved to be short-lived.

But even as we avoid unrealistic optimism, we should not minimize what is happening in the Soviet Union. Mr. Gorbachev's domestic reforms and changes in the conduct of Soviet foreign policy represent both unique challenges and new opportunities in United States-Soviet relations. We cannot ignore the possibility that changed circumstances in the Soviet Union present the chance for a significant improvement in superpower relations.

Two weeks ago, Senator BILL BRADLEY reflected on these issues in an extremely thoughtful address at the third Chautauqua Conference on United States-Soviet relations. In that speech, he holds out the hope that the United States and the Soviet Union may at this historical juncture be able to establish a saner and more stable relationship. He reminds us of the things we share in common with the Russian people. But at the same time, Senator BRADLEY speaks frankly and eloquently of the fundamental differences in values that separate our societies. His speech blends realism and idealism in a way that is characteristic of Senator BRADLEY; it deserves to be widely read.

I commend BILL BRADLEY's Chautauqua address to all of my colleagues, and ask that the full text of the speech, as well as a New York Times editorial of August 29, 1987, appear in the CONGRESSIONAL RECORD following my remarks.

The material follows:

### SENATOR BILL BRADLEY'S ADDRESS TO THE THIRD GENERAL CHAUTAUQUA CONFERENCE ON U.S.-SOVIET RELATIONS, AUGUST 27, 1987

Today, in Chautauqua, this uniquely American community, I'd like to share with the Soviet delegates and all of you my sense of what Americans want from our relationship with the Soviet Union and what I think may be possible.

Like you, I have watched what is happening in the Soviet Union. Like you, I have many questions on the future of U.S.-Soviet relations. I have doubts and concerns, but above all, I have hope. Today, I want to talk about my hopes.

This week Americans and Soviets meet at a threshold of history: at one of those moments when a door long closed may be opening to show us the path to new places, new vistas of hope, and progress for the human race. Dostoyevsky told us that of creation, only man has no formula to tell him how to act, or even what to be. So how we walk through that door—or whether we let it close before us—is our choice, the human choice. And it's not arrogance but reality which tells us that of all those who will determine the course of coming events, our two nations will play the greatest roles: seeming to fulfill de Tocqueville's prophecy that America and Russia were "by some secret design of Providence [each] one day to hold in its hands the destinies of half the world."

Those in both our countries who see the seeds of a new cold war inherent in our relationship believe the world is too small for two superpowers. I reject the destiny that dooms us to be perpetual enemies. We can create a different future.

Maintaining peace is fundamental. Ever since our scientists solved the nuclear puzzle, Soviet and American arsenals have hung heavy over the future of the world. This knowledge has given our relationship its single categorical imperative—we must never meet in war.

Yet this strong and simple conviction doesn't answer all questions. Avoiding war is not securing peace. Struggle, tension, and conflict between our nations persist. But General Secretary Gorbachev has urged us "not to evade urgent problems." So let's candidly examine what we have in common as well as what divides us—let's begin this process as the first step toward lasting peace.

One thing we share is our love of the land. For both Soviets and Americans, the land is the wellspring of our greatness. It has steeled our people. Its beauty inspires our songs. Its cruelty is a source of our sorrows.

Early Americans were energized by the vastness of their territory and emboldened to start anew on the frontier. They extended America's boundaries, tamed her wilderness, and cultivated her abundance. They revered the land as the source of their strength and the root of their values. They derived from their experience of the land a sense of independence, tempered by a respect for life, liberty, and the pursuit of happiness. These inalienable rights remain at the core of the American character, defining our aspirations for democracy.

Unlike our brief American experience, Russian history goes back a thousand years. A history of triumph and tragedy. Often on an heroic scale. And it is a history always against the huge canvas that is the Russian and Soviet land: a majestic, silent procession of forests and lakes; the vast sweep of the steppes; the strong currents of mighty rivers; the still, somber sands of the arid zones; and the great Siberian wilderness of *taiga* and tundra.

Our peoples have been challenged and restrained by the land. We have trusted its generosity; and too often taken its replenishment for granted. Now from Chernobyl to Love Canal we see its vulnerability to abuse and we recognize that its potential for giving us rebirth may be slipping away.

Two years ago, I visited the deepest lake in the world, Lake Baikal, in Siberia. I drove there in the afternoon after an exhausting flight from Moscow. When I arrived, the lake was obscured by dense mist. I could see nothing. My disappointment was as heavy as the fog. Early next evening, after a long visit with your great writer, Valentin Rasputin, I went back. The sky was clear and luminous. The lake stretched before us . . . deep, still, pure. In Nature's mysterious quietness, I could hear the heartbeat of time. I could sense the life-giving force that flows through all people, Soviet and American, who know the land. I'll never forget it.

But, land is not all that we have in common. We share cultural ties: poetry and music, basketball and hockey, and most of all a love for literature—from Chekhov to Bellow. Back in 1966, as a student traveler, I can remember leaving the Soviet Union by car into Hungary and being detained four hours until the Soviet border guard had his fill of perusing my copy of Steinbeck's *Of Mice and Men.*

We also share historical ties: we both endured the traumatic experience of revolution and the satisfaction of nation building. And, unusual among world powers, we have never declared war on each other. To the contrary, we were even allies in a war which we won, in large part, because of the heroic struggle of the Soviet people against the invasion of Hitler's armies.

And, finally, we share a yearning for freedom.

Above all else, Americans cherish liberty. We fought a war to claim it from a colonial power. We value not just the freedom of the nation, but the liberty of each individual man and woman. And in America, as de Toqueville said, "The spirit of religion and the spirit of liberty are in fundamental agreement." The idea of banning any kind of religious worship is alien to us. For Americans, freedom is the essence of man. It cannot be bargained away or yielded for any price.

More than this, we have always believed that individual freedom is a universal aspiration. We borrowed our doctrines from England and Greece and ancient Israel; we were helped in our Revolution by Poles and Germans and French. We have often tried to help others to find freedom in their turn.

These sentiments cannot be strange to the people of the Soviet Union. How many

times, at the limits of human endurance, did the Russian people themselves, peasants and poets, cossacks and party members, somehow rise and save their country from the invader? How many times did a Pugachev with his 80 men rise against serfdom or a Pestel, with a few hundred, challenge all the might and cruelty of the czar? Or, in our day, has not the most brilliant example of the inextinguishable thirst for human liberty come from the innermost heart of the Soviet Union—come in the Akhmatovas and Pasternaks, and all those nameless ones who have in their matchless courage braved the winds of Kolyma, circulating handwritten manuscripts in defiance of the censor just as their ancestors evaded the censorship of Czar Nicholas The Flogger.

Yet despite these bonds—of land, wartime alliance, culture and a common yearning for freedom—our countries remain far apart. Our institutions and standards of conduct differ profoundly.

For example, Americans are mystified by Soviet denial of many basic freedoms of expression. We don't understand why Rostropovitch couldn't conduct an orchestra or play his cello in his motherland. Why pianist Vladimir Feltsman has to emigrate to perform. Why Baryshnikov felt he had to leave in order for his artistry to grow. Why exile was the price the writer Vassily Aksyonov paid to publish his novels. We are grateful to have these artists among us. But why is the Soviet Union so inhospitable to such talent?

America, as perhaps the world's most open society, is also bewildered and threatened by Soviet preoccupation with secrets. There is no profit for American leaders in dwelling excessively on the sins of the Soviet past, but even General Secretary Gorbachev has said the Soviet people must "know everything and consciously make judgments about everything." Put simply, the Soviet Union itself must come to terms with its history. If the Soviet Union wishes to be trusted by others, it must first show that it believes its own people can be trusted with the truth. More than this, Americans know that we could never deal with our racial problems without squarely acknowledging that slavery was our greatest crime. So the Soviet people will not be free until, as Andrei Sakharov said 20 years ago, the whole nation can examine the historical records and understand for themselves why terrible abuses of power have occurred.

Finally, we Americans are also deeply suspicious of a nation that keeps families divided, that denies loved ones the right even to visit. This may seem minor compared to regional conflicts and nuclear weapons. But to many Americans, permitting Soviet-Western families to unite is a basic requirement for membership in the international community.

Secrecy, repression, and insenstivity do not produce greater understanding between the U.S. and the Soviet Union.

So how do we improve relations in the face of all the things that divide us?

First we have to see each other clearly.

American views of the Soviet Union swing between wishful thinking and hostile pessimism. We tend to think that the tensions between us result only from superficial misperceptions. Or, we believe that the Soviet state is our implacable adversary—the incarnation of evil.

These caricatures lead to errors in judgment. The one lulls us into a false sense of security which, after events such as Czechoslovakia or Afghanistan, degenerates into an angry sense of betrayal. The other obscures the significant opportunities that appear from time to time to settle grievances, reduce tensions, and advance mutual interests.

Soviet misperceptions of the United States are at least as great and as dangerous. Soviets discredit our concern for human rights and individual liberties; and see our foreign policy as the captive of rapacious capitalists; they attribute our defense policies to the "military-industrial-complex;" they underestimate the extent to which speech is truly free in a democratic society; and they ignore throughout our history the pride with which we have enfranchised ever larger segments of the American people.

These assessments are sterile, even unreal. If Soviet authorities indulge such illusions, they'll be vulnerable to surprise, disappointment, miscalculation, and bad policies.

And lurking behind our views of the Soviet Union and their views of the U.S. is the ultimate fear. The ultimate fear that the other side will start a war that leads to the use of nuclear weapons. If rationality prevails, it will never happen. To make rationality prevail is a major challenge.

To see each other more clearly also means to admit that neither of us is so devious or so naive as the other thinks. And we each have something to learn from the other as well as past mistakes to overcome. But improving understanding, accepting differences, and identifying mutual interests will not happen overnight. Conflict stems from clashes of interest. Minimizing confrontations and the danger of war means resolving conflicts of interest. We should proceed soberly but confidently one step at a time, promising only what we can deliver.

And there is no better time to begin than now. Before Mikhail Gorbachev became General Secretary, all but the most optimistic Americans would have given low odds to significantly improved relations. We saw a nation, then in the grip of a rigid ideology, sinking under the weight of economic stagnation and official corruption, while engaged in a massive military buildup. It was as if the Soviet generals had been given a blank check to indulge their ambitions and to indenture the economic future of the Soviet Union.

But in 1985, we began to feel the winds of change. General Secretary Gorbachev began to call for "revolutionary change" and "historic restructuring" of the Soviet system. Many Soviet participants at this conference are leading figures in that reform effort. In February of this year, the General Secretary said: "Our international policy is determined more than ever before by our domestic policy, by our interest in concentrating on creative work for the perfection of our country. For that very reason we need a more stable peace, predictability, and a constructive direction of international relations."

Because of the General Secretary's words and his actions, Americans have begun to question their old views. Were we wrong? Is Soviet change possible after all? Are such radical new possibilities practical? Should we rethink our policies toward the Soviet Union?

We know our influence over the internal affairs of the Soviet Union is limited. But at the same time, we are all citizens of the same human community, and we Americans believe that stable peace and increasing freedom go hand in hand. So we would share with the Soviet delegates in the candid spirit of Chautauqua the views and the questions on American minds as we watch what is happening in the Soviet Union.

First, some of General Secretary Gorbachev's proposed reforms promise a more productive society. But they also threaten the Soviet status quo and political establishment. Americans recognize that the Soviets face a strategic choice: either cling to the established ways, with military power and internal repression as the major sources of authority. Or seek through a more open expression a broader mandate to govern and permit the system to evolve. Americans doubt that there is any middle way.

We Americans also wonder how fully the General Secretary and his supporters have foreseen the difficulty of transforming the Soviet state. We watch how far or fast they will proceed and if the Soviet people are with them.

We ask:

Will the Party and State bureaucracy, about which General Secretary Gorbachev has often complained, share more power with the Soviet people?

Will workers have a bigger voice and trade unions a stronger role, even as "restructuring" creates hardships for some workers who lose their jobs?

Will Soviet citizens make their own choices about what to read, see, hear, buy, and sell?

Will Soviet authorities accept differences in politics, culture, and religion?

Will freedom to travel no longer be confined to the privileged few?

Will Soviet history, including the record of Stalin's purges, Ukrainian famine, and collectivization, be taught by people concerned with discovering the truth?

Will fewer resources go to a military buildup at home and abroad?

Will the General Secretary's call for "Democratization" bring greater autonomy to minority nationalities who have lived under Russian dominance for decades?

Will the Soviet leadership let the people of Eastern Europe restructure their own systems and their relations with the outside world?

Will Soviet youth be permitted to repudiate the war in Afghanistan with the same decisive vehemence that young Americans rejected Vietnam?

Will all this happen or will only some of it? Or will none of it? How broad a swathe does General Secretary Gorbachev want to cut through Soviet history?

Some Americans say real reform cannot happen in the Soviet Union: that reform will be stalled by the system's inertia or be subverted or even overthrown by the opponents of change. Other Americans worry that if reform succeeds, the Soviet Union will emerge as a stronger and more dangerous adversary, able to make new demands on the West.

"The reformer," said Machiavelli, "has enemies in all those who profit by the older order, and only lukewarm defenders in all those who would profit by the new order." Even so, most Americans are rooting for the reformers. Most Americans believe that a stable peace requires a more open Soviet society.

And now, as the door long closed may be opening, we Americans must be flexible enough to allow for our own rethinking in order to seize new opportunities for a lasting peace. We know the importance of dialogue and negotiations—to dispel the specter of nuclear catastrophe, to avoid the horror of any war, and to resolve conflicts of interest. If reform continues in the Soviet Union I believe we can cut U.S. and Soviet conventional forces in Central Europe and indeed nuclear weapons, by more than anyone has been prepared even to talk about up to now. It is within our power to create a different future, for as Solzhenitsyn said, "history is us . . ."

Meetings like this one in Chautauqua, that bring together politics, religion, and art, are important. We need powerful voices that express direct human feelings in ways that politicians hear. We need an American/Soviet competition that celebrates and preserves humanity, not endangers it; one that enables us to solve our nations' domestic problems instead of threatening the world with destruction. We need prophets and dreamers, as well as generals and bureaucrats. In the words of Valentin Rasputin . . ., we need "to establish a different plan—one measured not just in cubic meters, but in souls."

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[From the New York Times, Aug. 29, 1987]

WHOSE REALISM ABOUT THE RUSSIANS?

This was a week in which a fall summit meeting looked likelier by the day, and it rang with speeches about U.S.-Soviet relations. Addressing Russians and Americans gathered in Chautauqua, Governor Cuomo of New York, President Reagan and Senator Bill Bradley of New Jersey gave the topic very different turns. Yet their speeches all made one compelling point.

As Mikhail Gorbachev starts to restructure the Soviet Union, the relationship between the superpowers could undergo a restructuring of its own. The U.S. response is only now being developed, but the subject has seized America's imagination.

Governor Cuomo's speech was marked by lofty sentiment welcoming change. "This is the time to begin to recognize an end to the cold war that for 40 years has chilled peace in the name of self-protection," he told the conferees, with little recognition of why it has so long endured. He spoke of embarking on "a new realism" and of scorning old stereotypes but skipped lightly over the depth of the divisions. It was little more than a host's welcoming speech.

President Reagan, his words beamed from Los Angeles, also welcomed the prospect of change. Yet he gave a very different idea of what change requires. If the Russians would tear down the Berlin Wall, withdraw their troops from Afghanistan, rescind the Brezhnev doctrine and open up their military budgeting and planning process, then true change could come about.

This was the speech of a President in the throes of a policy debate. It followed hard upon America's easing of its demands for verification in the impending intermediate-range missile agreement, giving the impression that the President was playing to critics on his right.

Senator Bradley, constrained neither by protocol nor negotiating politics, gave the fullest and most thoughtful exposition of U.S.-Soviet relations. He reached out to the peoples of both nations, urging them to ponder what they share: love of the land, literature, a history of revolution and nation-building. He tried to explain what Americans find incomprehensible about the Soviet Union: its secrecy, its aversion to freedom of speech and religion.

To proceed together, said the Senator, the two peoples must achieve a much clearer understanding of each other than their fears and misperceptions have permitted. Soberly and slowly, the two peoples thus might indeed change history.

After dreary decades, it is a time for hope. But not for illusions: neither those implied by Governor Cuomo, that the differences are really not so great, nor President Reagan's presumption that the Russians will make themselves over in our image if properly instructed. The time is for dreams, yes, but practical ones. For that, Senator Bradley wrote the text of the week.●

## INFORMED CONSENT: KANSAS

● Mr. HUMPHREY. Mr. President, today I would like to insert into the RECORD a letter from a concerned woman who supports my informed consent legislation, S. 272 and S. 273. Today's letter comes from the State of Kansas.

I ask that this letter from a woman in Kansas be inserted into the RECORD.

The letter follows:

MARCH 9, 1987.

DEAR SENATOR HUMPHREY: I'm not proud of the fact that I have had three abortions in my lifetime.

In 1976, I was 16 years old and a medical doctor exterminated my child without my parents being contacted. In 1978, I sacrificed another child because of its untimeliness and in 1980 I stood bawling and sobbing in an abortion clinic. I did not want to do it, but I was young and dumb. My alternatives were not even remotely explained. They put me in a room until I stopped crying and then ended the life of my child.

Senator, if I had been counseled at all on the nature and consequences of both abortion and the alternatives, my arms would not ache to hold my babies today. I accept my responsibility in this. I would suggest that, as with any other surgery, a physician should be required to explain what my exact state is, (i.e. what 4 month pregnant mean, what does the child have in terms of development. etc.) and what I am doing and choosing when I say I want an abortion, as well as when I choose an alternative. Sir, please help the plight of uninformed women like myself. Our acts are irreparable and we bear the scars forever. Obviously, the abortionist is a businessman and I can see no reason why they should oppose making sure a patient knows what she is doing unless it's because of the possible reduced income.

Thank you and God bless you in your job.

CHRISTIE M. SUTTON,
*Kansas.* ●

## B'NAI B'RITH WOMEN OF CLEVELAND

● Mr. METZENBAUM. Mr. President, I rise today to bring to the attention of my colleagues an important milestone in the history of an outstanding organization. On Monday, September 14, the B'nai B'rith Women of Cleveland will mark 90 years of compassionate community service in northeastern Ohio. It is with great pleasure and much pride that I salute this impressive group of women.

The devoted members of B'nai B'rith Women contribute their time and considerable talents toward a broad array of services benefiting thousands of Clevelanders. They serve their community in hospitals, old age homes, children's centers, and other facilities, answering the changing needs of today's women. Further, the B'nai B'rith Women sponsor school programs and seminars with the Anti-Defamation League. They also meet monthly at the Cancer Society to provide for home care cancer patients, and at Case Western Reserve University, BBW members prepare meals at the Hillel Center for both students and faculty.

I could continue to list all the wonderful things the B'nai B'rith Women do, but I think you all understand their importance by now. They selflessly devote their time and energy to serving the people of Cleveland by providing help where help is needed. All of Cleveland benefits from their activities, and we can all learn a lesson in compassion from these fine women. This is a fine community organization, and I am glad to be able to commemorate their 90th anniversary on the Senate floor.●

● Mr. WIRTH. Mr. President, recently several prominent Soviet refuseniks received word that they have been granted permission to emigrate. While we are gratified and encouraged with this news, we cannot forget the plight of one courageous man who has struggled for 12 years to emigrate from the Soviet Union.

Dr. Naum Meiman, a mathematical physicist, has valiantly attempted time and again to rejoin his daughter, Olga, in Colorado. Yet he remains in the Soviet Union, fighting poor health and grieving over the death of his wife, Inna—whose delayed emigration denied her the opportunity to have her cancer properly treated. Dr. Meiman, at the age of 76, has seen many friends emigrate and now, more than ever, deserves the same opportunity.

His emigration requests have been repeatedly refused by the Soviet Government on the grounds that he possesses "state secrets"—yet it has been 30 years since he performed any classified calculations. Chairman Mikhail Gorbachev has said himself that the state secret prohibition against emigration is invalid for those who have not worked in the government for more than 10 years. Why, then, is this man, who desires nothing but to join his daughter, prohibited from doing so?

Dr. Meiman's plight compelled every Member of the Senate to join my distinguished colleague Mr. SIMON and me in sending a letter to Mikhail Gorbachev, imploring his government to allow him to emigrate. Mr. President, I ask to have the text of that letter printed in the RECORD. All eyes are now on the Soviet Union, waiting to see that it honor the legal obligations of the Helsinki Accord and to join the

family of nations dedicated to the primacy of human rights.

The material follows:

U.S. SENATE,
*Washington, DC, August 6, 1987.*

MIKHAIL S. GORBACHEV,
*Chairman, CPSU, The Kremlin,*
*Moscow, RSFSR, U.S.S.R.*

DEAR MR. CHAIRMAN: We implore your government to permit Dr. Naum Meiman to emigrate from the Soviet Union.

Dr. Meiman has struggled valiantly for 13 years to re-join his daughter, Olga, in Colorado. He has struggled against stiff bureaucratic resistance. He has struggled in spite of frail health and deep sorrow, over his beloved wife's death in exile. It is well past time to let Naum Meiman go.

For Naum is a man of peace. He poses no threat whatsoever to Soviet society, although your government repeatedly claims that Dr. Meiman's background as a mathematical physicist has made him privy to important state secrets.

Yet it has been 30 years since he performed any classified calculations and these were of a purely academic nature. His work has been openly published in Soviet journals for years. A signed letter from the director of the Soviet Institute of Theoretical and Experimental Physics confirms that Dr. Meiman's work is not classified. You yourself have noted the specious nature of the "state secrets" prohibition against emigration for those who have not served the government for more than 10 years.

Mr. Chairman, the Soviet Union has announced to the world that its new emigration policy will be streamlined and fair-minded. Moreover, that new policy calls for the "speedy reunification of divided immediate families." Your government can demonstrate the sincerity of these new provisions by immediately examining Naum Meiman's case and determining his eligibility for an exit visa.

We thank you for your expeditious attention to this matter.

(Signed unanimously by the U.S. Senate.)

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12-YEAR WAIT BITTER FOR SOVIET JEW—DISSIDENT NAUM MEIMAN, 76, HOPES, BUT NOT TOO HARD

(By Gary Lee)

MOSCOW, September 9.—Since a Soviet official called Monday to tell Josef Begun he could leave for the West, his activist friend and would-be emigre Naum Meiman has stayed close to the telephone in his apartment here. In the past two days, there have been 18 calls, all from friends, but none from the visa office.

Meiman denies that he is waiting for word from Soviet authorities granting him permission to leave. At 76, after 12 years of rejection of his applications to emigrate, he feels he has passed the phase of anxious expectation. "If a man is always caught in a time of hope and waiting, it destroys him," he said, leaning back in his rocking chair.

And yet, when the telephone rang, he jumped up anxiously.

It was another friend.

In a year when the emigration of Soviet Jews has increased sharply, including many who have battled for up to 15 years to leave for the West or for Israel, Meiman is among the oldest of the Soviets still waiting for approval to live abroad.

His case symbolizes the plight of those who have not been selected, the so-called refuseniks whose applications are rejected amid official Soviet promises that emigration will increase under Soviet leader Mikhail Gorbachev's reforms.

Of all the hardships endured by Soviet dissidents who fight to leave the country, including the loss of jobs and sometimes imprisonment, Meiman's 12-year vigil seems punctuated by the most bitter experiences.

During his long wait, some of his closest friends and family members, including his only child, have departed. This year brought the harshest blow—the death of his wife Inna in Washington, D.C., only three weeks after she won a long battle to emigrate.

Most of Meiman's friends were swept out of the country in one or another of the emigration waves that have ebbed and flowed over the past two decades; emigration has diminished greatly in recent years from a peak of more than 50,000 in 1979.

A founding member of the Helsinki Watch, the unofficial group of Soviet activists who monitor their government's human rights record, Meiman was close to other members including Natan Shcharansky and Yuri Orlov. Both men were taken from prison last year and flown to the West.

"We were all in the house and the struggle together," Meiman said. "When they left, part of me left."

With the imminent departure of friends like Begun, who received permission on Monday to emigrate after 16 years of waiting, Meiman's group of friends nearly will have vanished. "The circle has gotten smaller," he said in an interview. "I am practically alone in it now."

By far the most excruciating experience in his 12 years of waiting, however, was the period between 1983 and last winter when his wife, dying slowly of cancer, fought a long battle to go abroad for medical treatment. "I cannot explain what she went through for the last two years," he said. "It gave me deep physical pain just to be with her. A human being is not supposed to bear those kinds of things."

When a plea by former senator Gary Hart to Gorbachev finally brought results last December, it was too late. Inna Meiman left for treatment in the United States last Jan. 19 and died of medical complications in Washington three weeks later.

In discussing the case, the neutral tone of voice Meiman adopts when discussing Soviet authorities gradually gives way to deep feelings of bitterness. "This country killed my wife by delaying her departure for so long," he said, "I counted the days and the pain. The experience has made living here intolerable."

As a refusenik left out of the latest group of 15 who gained approval to leave, Meiman is hardly alone. By western estimates, the cases of those consistently denied emigration visas runs into the hundreds, and perhaps thousands.

U.S. officials have appealed to Soviet authorities for leniency in many of the cases, including Vladimir Slepak, A Moscow Jew refused an exit visa for 16 years who celebrated Passover with the Secretary of State George P. Shultz here last April.

Like Meiman, many refuseniks have had their applications rejected on the grounds that they possess state secrets. Meiman, a mathematician by training, worked on the Soviet Union's fledgling atomic bomb project in the 1950s.

Although his work in this sensitive area ended in 1955, and Gorbachev has said that the statute of limitations on state secrets should be less than 10 years, Soviet officials still base their rejection of Meiman's application for emigration on the contention that he knows classified information.

In the past year, the emigration of Soviet Jews to the West has risen to over 4,000, more than four times the 1986 figure.

During a long conversation in the sitting room of his apartment, Meiman was quick to dismiss questions about the effect of the new trend on his own chances of emigrate.

"They seem to pick and choose who can go more or less by chance," he said. "And at my age you can't count on being the one to be picked. I used to live next to the telephone but a person can't live in that way."

After returning from answering the telephone call from a friend and falling into a long silence, Meiman added an afterthought: "The human being is very complicated," he said. "Maybe something really has happened in my unconscious."●

## COST ESTIMATE—S. 1668

● Mr. JOHNSTON. Mr. President, the Congressional Budget Office estimate of the costs of S. 1668, as reported to the Senate on September 1 (S. Rpt. 100-152, Calendar No. 305), was not available at the time the report was filed. The cost estimate for S. 1668 was subsequently received by the Committee on Energy and Natural Resources on September 9.

I ask that the text of the CBO estimate be printed in the RECORD for the advice of the Senate.

The cost estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
*Washington, DC, September 9, 1987.*

Hon. J. BENNETT JOHNSTON, Jr.,
*Chairman, Committee on Energy and Natural Resources,*
*U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for S. 1668, the Nuclear Waste Policy Act Amendments Act of 1987.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

EDWARD M. GRAMLICH,
*Acting Director.*

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CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

*September 9, 1987.*

1. Bill Number: S. 1668.

2. Bill Title: Nuclear Waste Policy Act Amendments Act of 1987

3. Bill status: As reported by the Senate Committee on Energy and Natural Resources, August 7, 1987.

4. Bill purpose: This bill amends the Nuclear Waste Policy Act of 1982 and redirects the nuclear waste program by making major changes in the site characterization process for the permanent geologic repository, by authorizing a monitored retrievable storage (MRS) facility to prepare and package spent fuel before shipment to a permanent repository, by authorizing benefit payments to affected states and Indian tribes, and by delaying work on a second repository. It also requires the Department of Energy (DOE) to conduct studies of nuclear waste issues and makes various other changes in the act.

This bill directs DOE to select one preferred repository site from among the three candidate sites (Hanford, Washington; Yucca Mountain, Nevada; and Deaf Smith

County, Texas) by January 1, 1989. DOE would proceed with site characterization activities at this preferred site and take all actions required under the act to assure that the repository is constructed and operational at the earliest practicable date. If at any time DOE determines that the preferred site is unsuitable for technical reasons, it must select another preferred site from among the original three candidate sites within six months.

The bill authorizes one MRS facility and directs DOE to survey and evaluate three potential MRS sites in at least two states by January 1, 1989 and to select one of these sites for MRS construction by October 1, 1989. The governing state or Indian tribe of the selected MRS location has the right to disapprove the site selection as described in Section 10136 of the act. On or before January 1, 1989, however, DOE may select a suitable site for MRS construction that is located in a state or Indian reservation where the governing body has requested that the site be considered for an MRS faculty. The bill also extends the provisions in the act concerning grants and assistance to states and Indian tribes with locations being considered for a repository to include MRS locations as well.

The bill directs DOE to offer to enter into a benefits agreement with the governing bodies of the preferred site for the repository and the site selected for MRS construction. The benefits agreement would provide for payments from the nuclear waste fund to the affected governing body. Prior to receipt of spent fuel at the MRS or repository, the affected governing bodies would receive annual payments of $20 million and $50 million, respectively. Upon first receipt of spent fuel, and annually thereafter until the facilities close, the governing bodies at the MRS site and the repository site would receive $50 million and $100 million, respectively. In addition, the benefits agreement would provide that the state or Indian tribe waive its rights under the act to disapprove DOE's recommendation of its site for facility construction.

DOE could not conduct site-specific work on a second repository if this bill were enacted, and the bill requires a report on the need for a second repository after January 1, 2007 and before January 1, 2010.

Finally, the bill requires DOE to report on various issues, including: the need for more than one MRS, alternative waste disposal methods, and nuclear fuel reprocessing. The bill would also give states bordering the state selected for a repository the same rights and opportunities to participate in site selection, review and approval as the selected state, if the bordering state lies contiguous to a river, waterway or aquifer whose flow passes adjacent to or underneath the site, and continues downstream or down gradient to such bordering state.

5. Estimated cost to the Federal Government: The changes in program requirements, coupled with the specific authorizations for fiscal years 1988–1990, would result in less spending than the currently authorized program, assuming appropriation of the authorized amounts. The estimated budget impact relative to the CBO baseline projections is shown in the following table.

[By fiscal years, in millions of dollars]

|  | 1988 | 1989 | 1990 | 1991 | 1992 |
|---|---|---|---|---|---|
| Estimated authorization level | −139 | −248 | −247 | −234 | −200 |
| Estimated outlays | −70 | −145 | −230 | −251 | −226 |

If benefits agreements with governing bodies are not reached, and if appropriations are correspondingly reduced below the authorized levels, savings would be $70 million more each year, beginning in 1989.

The savings from this bill fall within budget function 270.

Basis of estimate: The bill authorizes appropriations of $567 million for 1988, $545 million for 1989, and $484 million in 1990 to conduct all activities under the Nuclear Waste Policy Act. Based on information from DOE, CBO estimates that $410 million in 1991 and $425 million in 1992 would be required to conduct activities required under the act as amended by this bill.

The current authorization does not include specific authorization levels. For the purpose of this estimate, it is represented by the CBO baseline, which reflects the requirements of the Nuclear Waste Policy Act of 1982 (including characterization of the three candidate sites, and continued study of the need for an MRS facility). Baseline budget authority is $706 million, $793 million, $731 million, $644 million, and $625 million for fiscal years 1988 through 1992, respectively. Budget authority savings from enactment of this bill are estimated to be the difference between the baseline and the newly authorized amounts (as specified for 1988–1990 and as estimated for 1991 and 1992).

CBO cannot predict whether or not states or Indian tribes would choose to enter into benefits agreements with DOE for the repository or the MRS sites. States and Indian tribes would relinquish their veto power over site selection by entering into such agreements. The estimate in the table above assumes appropriation and expenditure of the full amounts authorized, including amounts for benefits payments.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Kim Cawley.

10. Estimate approved by: C.G. Nuckols, (for James L. Blum, Assistant Director for Budget Analysis.)●

## BILINGUAL EDUCATION

● Mr. QUAYLE. Mr. President, during the August recess, several articles appeared in the Washington Post and New York Times about bilingual education and activities in California related to a growing concern for greater flexibility in the bilingual education programs in that State.

For the last two Congresses, I have introduced legislation to permit greater flexibility in the Federal bilingual education programs at the local school district level, to permit schools to use the most effective method of teaching English to non-English-speaking children.

As a result of these bills, the Committee on Labor and Human Resources has reported out compromise legislation, S. 1238, to increase the amount of flexibility allowed in the Federal Bilingual Program to permit greater use of programs such as immersion.

Because the debate about the method of teaching English is at the heart of this issue, I felt my colleagues would be interested in these articles. The first article from the Post discusses the recent decision by the Governor of California to veto the current state bilingual education program, thereby permitting greater use of immersion and less use of transitional bilingual education [TBE]—a method of teaching that starts children in their native language and then moves them into English. The second article reports on the decision of the Los Angeles teachers' union to increase reliance upon immersion as opposed to TBE. Both articles indicate the amount of public support for the immersion methods as opposed to the stricter requirements of the TBE program and show the public's interest in getting non-English-speaking children to learn English as rapidly as possible.

The third article is an editorial from the New York Times which speaks in support of increased flexibility and increased reliance upon immersion as an effective way to teach children English.

Because the Senate will be considering the Labor reported bill as part of the omnibus elementary and secondary education reauthorization package later this fall or early next year, I wanted my colleagues to be familiar with some of the trends at the State and local level regarding the teaching of bilingual education. California has one of the largest bilingual education programs in the Nation, and therefore, it is instructive to learn what trends are occurring there and how the public views the current programs.

Mr. President, I ask that these three referenced articles be printed in the RECORD.

The articles follow:

[From the Washington Post, Aug. 2, 1987]

### CALIFORNIA VETO A BLOW TO BILINGUAL EDUCATION—GOV. DEUKMEJIAN BLOCKS EXTENSION OF LAW

(By Jay Mathews)

LOS ANGELES—Bilingual education, created to ease the assimilation of millions of immigrant children into American society, has suffered a major setback in its largest educational stronghold. Gov. George Deukmejian last week vetoed an extension of the state bilingual law, and educators say his action reflects growing public and professional discontent with the program.

The veto leaves the Los Angeles Unified School District with significantly less authority to teach in a foreign language in thousands of classes that do not already have qualified bilingual teachers, a state attorney and the district's bilingual program administrator said.

Since Los Angeles has more pupils in bilingual programs than any other U.S. school district, the change is expected to have a substantial impact on the national debate on the value of bilingual education and on congressional efforts to modify the use of U.S. funds in such programs.

Officials of U.S. ENGLISH, a citizens group favoring more classroom instruction in English, hailed the California development as a logical step following the overwhelming victory of a 1986 ballot measure making English the official state language.

Until now, nearly half of the more than 159,000 school children with limited English here relied on bilingual teachers' aides and teachers who take after-school foreign language classes. But Allan Keown, a state Education Department attorney, said the veto means Los Angeles has lost explicit authority to force teachers to learn a second language.

Before it expired July 1, the bilingual education law required a bilingual teacher in any class in which 10 or more children did not speak English. There are 6,000 such classes, and 3,300 have bilingual teachers. Ramiro Garcia, the assistant superintendent in charge of bilingual education here, said those teachers would continue to teach immigrant children in their native language.

Garcia said that rather than allow Spanish-speaking teachers' aides to teach the remaining 2,700 classes, he would encourage teachers to conduct their classes in English and allow the aides to help the non-English-speaking students.

School board president Rita Walters said the board will consider several ways to compensate for the veto and did not rule out rules requiring some teachers to learn Spanish or change jobs. But critics of the bilingual program within the 21,000-member United Teachers-Los Angeles (UTLA) union have forced a referendum next week asking the district to move toward English-immersion classes for all immigrants and cut back more on instruction in Spanish.

Keown, who is helping to prepare new bilingual guidelines in the wake of the governor's veto, said districts may assume that "there will be more discretion and flexibility" in bilingual programs, although federal court decisions and local-federal agreements will still require special efforts to help young immigrants adjust.

School administrators here have required many reluctant teachers who spoke only English to join the bilingual program. To avoid being transferred, the teachers promised to learn a foreign language within seven years and in the meantime rely heavily on a bilingual aide. Usually, UTLA President Wayne Johnson said, the language is Spanish, since most parents from Asia, the other major immigrant group here, want their children in all-English classes.

"I had to turn my class almost entirely over to my aide, and I never knew if she was giving proper instruction or not," said Sally Peterson, a third-grade teacher at Glenwood Elementary School. When Peterson's principal announced in March that the bilingual program would force job changes for 24 teachers at her school, she joined with several others to form the Learning English Advocates Drive and put the group's plan for English immersion on the UTLA ballot.

The bilingual program, the group charged in the union newspaper, "contradicts professional ethics" by "not allowing the child to achieve the goal of English fluency."

The UTLA Chicano Education Committee quickly responded by preparing a referendum endorsing bilingual education. It noted several studies, including a March report by the U.S. General Accounting Office, that said initial bilingual education appeared to improve students' English in the long run. Votes on both measures are due Friday.

Jim Franco, chairman of the Chicano Education Committee, said he too is disturbed by the amount of control given to bilingual aides under the current system and blamed the district for not offering teachers better incentives to learn Spanish. A fully certified bilingual teacher here earns an extra $1,000 a semester. Without proficient Spanish-language instruction in mathematics, science and other subjects, Franco said, Latin American children "will fall further behind."

Deukmejian, a Republican, vetoed a bilingual-law extension last year and again July 24 despite compromise features that would have relaxed requirements that teachers learn Spanish and required parental approval for enrollment in a bilingual class. He noted that the state still will provide money for the 525,000 students thought to need bilingual education but that "it is better to allow each school district to fashion its own" program.

U.S. Education Secretary William J. Bennett and several Republicans in Congress have called for similar flexibility in using immersion programs, which emphasize English instruction with some help in another language when a student needs it.

The House has passed a reauthorization of a federal program for bilingual seed money that leaves traditional bilingual funding at the same level but grants 75 percent of any new money to other approaches. A proposal by Sen. Dan Quayle (R-Ind.) would increase the funds for English immersion and other methods from 4 percent to 25 percent.

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[From the Washington Post, Aug. 13, 1987]

### TEACHERS' UNION IN LOS ANGELES VOTES FOR CHANGES IN BILINGUAL INSTRUCTION

(By Jay Mathews)

LOS ANGELES, Aug. 12.—In a blow to the national bilingual-education movement, unionized teachers here have voted overwhelmingly to ask for a return to predominantly English instruction.

Los Angeles has the nation's largest program for teaching immigrant schoolchildren in their native languages, and National Education Association spokesman Howard Carroll called it "the centerpiece of the whole country. What happens there will affect the whole country."

The vote by nearly 7,000 members of United Teachers-Los Angeles marked the first time the bilingual-education issue had been submitted to a large teacher's group, federal education officials said.

Results tabulated Tuesday night in a UTLA referendum forced by opponents of bilingual instruction showed 5,346 or 78 percent, in favor of moving toward predominantly English instruction, often called "immersion." About 22 percent, 1,499 members, opposed the move.

A separate ballot measure asking support for the current system, which encourages instruction in Spanish or other foreign languages for recent immigrants, was defeated 58 percent to 42 percent.

The vote only sets the union's bargaining position and is unlikely to have an immediate impact on the Los Angeles school board's support for its bilingual program. But educators and union officials said it will have a significant impact in other districts still debating how to teach immigrants.

"It is critically, critically important," said Stanley Diamond, chairman of U.S. ENGLISH California, the group that led the successful campaign last year to make English the official state language.

The UTLA vote comes after California Gov. George Deukmejian (R) vetoed a bill to expand the scope of bilingual education. His veto allows local school districts to decide how to educate an estimated 525,000 California children with limited or no English skills.

An estimated 1.2 million to 1.7 million American children are unable to understand English well, and until now the bilingual approach has been a widely accepted way of helping them. But a few researchers, parents and teachers have begun to argue that the program only delays adjustment to American society. They say all-English instruction, with some foreign language assistance by teachers' aides, would be better.

I'm ecstatic," said Sally Peterson, a third-grade teacher at Glenwood Elementary School here and president of the teachers group that won the UTLA vote.

"People were saying that we spoke for just a small number of teachers in the [San Fernando] Valley," a predominantly Anglo part of the school district.

Mark Meza-Overstreet, an elementary school teacher active in the UTLA's Chicano Education Committee, said he was "quite disheartened that the teachers didn't take into account the needs of these children." Bilingual teachers argue that their immigrant students will fall behind in science, mathematics and other subjects if they are not taught in their native language while adjusting to English.

Meza-Overstreet's organization, and its many supporters on the school board, have noted many studies, including a March report by the U.S. General Accounting Office, that say bilingual education appears to improve students' English in the long run.

Los Angeles has 159,000 pupils who have been identified as needing help with English—more than any other district in the country. But it has been able to recruit only 3,300 of the 6,000 bilingual teachers it needs.

This has forced administrators to require some teachers to learn Spanish in their spare time or risk transfer to another school. This "waiver" system has become unpopular with the UTLA.

UTLA President Wayne Johnson and school board member Julie Korenstein, a former teacher, said they believed that opposition to the waiver system, rather than to bilingual education, explained the vote.

Jackie Goldberg, a teacher on the school board, noted that a minority of the union's 21,000 members and the district's 30,000 teachers mailed in their referendum ballots.

More than half of Los Angeles schoolchildren, but only about 10 percent of their teachers, are Latino. More than 60 percent of teachers are Anglo and slightly less than 20 percent are black. Goldberg said she thought the vote reflected a widespread American discomfort with the ideal of bilingualism. "If this was Europe," she said, "we'd get a different result."

Peterson, head of the victorious Learning English Advocates Drive (LEAD), which proposed the referendum, disagreed. She said teachers voted against the bilingual program because they saw too many children failing to master English. She said her group will lobby the school board to move to immersion and will seek similar votes by teachers on the bilingual issue at the state and national levels.

The UTLA is one of the nation's few teachers unions to be affiliated with both the National Education Association and the American Federation of Teachers.

An NEA spokeman indicated that the UTLA vote contradicts a 1987 NEA convention resolution supporting bilingual education whenever resources are available. An AFT spokeswoman said that union supports bilingual education in general, but only if union members in the local area agree.

The resolution approved by the UTLA said that "cross-cultural understanding" can be achieved "with an immersion program in English" that includes intensive instruction in English as a second language and a teaching system that is full of visual aides and begins with simple words and phrases. "Bilingual [teachers'] aides," the resolution said, "would offer native language assistance."

Teachers complained that under the current system, aides often taught classes while the English-speaking teacher stood by, not entirely sure what was being said.

Linda Chavez, a former Reagan administration official who is to become president of U.S. ENGLISH's national organization, emphasized that her group does not oppose bilingual education but wants whatever system will best move immigrants into the English-speaking world.

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[From the New York Times, Aug. 29, 1987]

### SAYING NO TO BILINGUAL EDUCATION

Members of the teachers' union in Los Angeles voted recently to seek abolition of so-called transitional bilingual education in the city's schools. The vote delighted supporters of California's strong English-first movement. Opponents, particularly Hispanic teachers, were distressed at what seemed like xenophobia on the part of the majority of teachers. In fact, the vote reflects a potentially healthy step forward in this complex debate.

The Los Angeles schools have more than 150,000 non-English-speaking students. Most speak Spanish but the district also serves youngsters who speak 77 other languages. A California law that expired in June required Los Angeles to use transitional bilingual education: teaching children all subjects in their native tongue while they learn English. After they become proficient in English, the children take the English-taught curriculum.

New York City's schools, with about 86,000 children of limited English proficiency, also use the transitional bilingual approach—also to comply with state law, and a court decree. Such laws and court orders reflect a laudable concern that immigrant children not be humiliated in class, and that they have access to education. But over the years, teachers rightly complain, legal prescriptions for the transitional approach have grown too rigid.

The Federal bilingual education law reserves all but 4 percent of the Government money for programs that employ transitional bilingual education. Secretary of Education William Bennett has tried, so far without success, to have the 4 percent cap lifted so school systems can experiment, as the Federal law originally intended. The Los Angeles teachers, for example, favor the immersion method—children are exposed only to English and learn it, sometimes painfully, out of necessity.

Each method has advantages and drawbacks. Transitional bilingual education may be less emotionally wrenching and allows a child to advance in other subjects while learning English. Los Angeles officials say it takes three years, on average, for a child to be integrated into the regular English curriculum. But more than one distressed parent elsewhere has complained, too late, that his or her child was carried along in "transitional" bilingual classes for years instead of being integrated into the English-speaking mainstream.

Immersion can be emotionally difficult, but it works for the Army and at dozens of private language institutes. Whether it can work in a public school setting is unclear. And it requires full-time concentration on language until the child is competent to start studying other subjects in English.

The Los Angeles teachers' vote has no legal force; it simply sets out a union's bargaining position. But Sally Peterson, the third grade teacher who led the referendum drive, hopes the vote "will give a signal to the public that many educators have serious reservations about the transititional method." The expiration of the California law mandating it, she said, offers an opportunity for fruitful experimentation. That sounds less like xenophobia and more like common sense.●

## THE DEMOCRATIC PROCESS IN SOUTH KOREA

● Mr. ROCKEFELLER. Mr. President, while the U.S. Congress was in recess during the month of August, representatives of the Government and opposition parties in South Korea were hard at work drafting revisions to their Constitution. On September 1, agreement was reached by an eight-member bipartisan commission on the basic elements of constitutional reform necessary to provide for direct, democratic elections of South Korea's next President. Today in Seoul, the National Assembly will convene in special session to consider these amendments to the South Korean Constitution. Assuming all goes well, the revised constitution will be the subject of a public referendum by the end of October and direct presidential elections will be held no later than December 20 of this year.

The month of August also witnessed the snowballing of labor strikes in South Korea. Since July 1, over 3,200 labor disputes have erupted throughout the Republic of Korea as disgruntled workers began for the first time to feel that they could express their grievances openly. And to the great credit of the Government as well as management and labor, the vast majority of these disputes have been resolved peaceably and without direct Government intervention.

Meanwhile, political leaders in South Korea have begun the process of election campaigning. Earlier this week, opposition leader Kim Dae Jung returned to his home province of Cholla and was welcomed by hundreds of thousands of supporters—without a single act of violence or disruption. Another Kim, former Prime Minister Kim Jong Pil, is becoming active as a potential contender for the presidency. And the Government party candidate, Roh Tae Woo, will visit the United States next week.

Mr. President, all of these events point to the incredible progress which has been made by the South Korean people over the last 2 months in transforming the dream of democracy into reality. The spirit of compromise and reconciliation demonstrated by the Government and opposition parties in drafting constitutional amendments—and in their handling of widespread labor disputes—has been truly remarkable. While labor strikes were sweeping the country on an unprecedented scale, Roh Tae Woo and Kim Young Sam pressed forward with the constitutional revision negotiations in good faith. They have proved wrong those cynics who claimed that Korea was not yet capable of the degree of compromise necessary to make the transition from an authoritarian society to a pluralistic political system.

Since President Chun Doo Hwan announced on July 1 his commitment to direct presidential elections, press freedoms, political amnesty and other reform measures, tremendous strides have been made towards putting South Korea on the road to democratic government. But the need to sustain the spirit of moderation and compromise is as great as ever.

There have been ominous press reports of threatening remarks made by South Korean senior military officers concerning the candidacy of Kim Dae Jung. And there have been allegations of left-wing activists fomenting violence among labor groups. Extremes of the right and of the left tend to feed off each other—and if left unchecked, may pose a threat to the peaceful transfer of power through free elections by the end of this year.

The U.S. Government has made clear its desire to see the military refrain from intervention in the political process. Nor can the United States sanction the use of violence by a small minority at the very moment when South Korea is moving responsibly towards the creation of a democratic system in which legitimate grievances may be openly debated and resolved. This, presumably, will be the messsage that Assistant Secretary of State Gaston Sigur will take with him to Seoul later this month.

But above all, we must make unambiguously clear that the United States strongly supports the process of democratization in South Korea, rather than any particular outcome in the forthcoming election. A growing sense of Korean national pride, and increasing anti-American sentiment in some quarters, makes it critically important that the United States not interfere—

or be perceived as interfering—in the choice of South Korea's future political leadership.

Many contentious issues remain to be resolved by South Koreans over the next several months, including the question of political prisoners and the elections to the National Assembly. I am sure all of my colleagues share my hope that the commitment to democratic reform which has enabled the Government and opposition to agree on constitutional reform will guide them successfully through the challenges ahead. The United States has many interests in the Republic of Korea, but none is more important at this juncture than the successful transition to democracy.●

## SALUTE TO ARLYN GUNDERMAN

● Mr. DURENBERGER. Mr. President, on September 23, Arlyn Gunderman will be honored by his fellow educators in Minnesota on his election as president-elect of the National Association of Elementary School Principals. He is principal of Mounds View's Pike Lake Elementary School.

Over the past three decades Arly Gunderman has served children and their parents as a teacher and administrator. And, as principal of Pike Lake School, he has earned a national reputation as one of the country's outstanding educators.

Perhaps the best indication of his leadership ability came in 1986, when Pike Lake School was honored as a National Elementary School of Excellence in Washington, DC. Arly represented his school in receiving this coveted award from Education Secretary William Bennett.

As an educational leader, Arly has a number of achievements to his credit. They include service on the National Association of Elementary School Principals [NAESP] board of directors and as NAESP's Zone VI director since 1985. He was a member of the Education Commission of the States' Study Panel on Compensating Meritorious Teachers and served as a U.S. State Department Educational Consultant to the European Council of International Schools in 1986.

Arly was president of the Minnesota Elementary School Principals Association from 1981 to 1983, and has served on or chaired a number of educational administration boards and task forces over the past 10 years. In addition to his responsibilities in the Mounds View School System, he has been an adjunct professor of educational leadership and curriculum at the College of St. Thomas in St. Paul since 1984. He is also a frequent speaker and guest lecturer on leadership, communication, motivation, and school marketing.

Arly Gunderman numerous contributions to education and to his community have not gone unrecognized by his colleagues. He received the NAESP's National Distinguished Principal Award in 1984, the National School of Excellence Award in 1986, and the Executive Educator 100 Award in 1987.

He also was recognized by the Minnesota Elementary School Principals Association in 1984 with its Distinguished Service Award; and by the Minnesota Educational Media Organization with its Outstanding Administrator Award in 1981.

Arly has never been satisfied to limit his contributions to his chosen profession. He has served as a member of the New Brighton City Council and was chairperson of the New Brighton Park Department for over 20 years. He has also been active in PTA, local and church youth athletic leagues, his church council, the board of directors of both the Rotary and YMCA, and as an officer in the Jaycees and Lions.

Arly Gunderman is representtive of what has been a strong tradition of educational leadership in Minnesota. In fact, Minnesota has earned considerably more than its fair share of national educational leadershp positions over the years.

That's why is especially fitting that a number of current and former national educational leaders from Minnesota will be helping to salute Arly at his recognition even September 23 at the College of St. Thomas in St. Paul.

Among those national educational leaders from Minnesota who will also be recognized at that event will be Robert St. Clair, current president of the National Association of Secondary School Principals; Dawn McDowell, current president of the National School Public Relations Association; Lloyd Nielsen, past president of the American Association of School Administrators; Marlene Pinten, past president of the American School Counselors Association; Tom Fish, past president of the National Community Educational Association; James Klassen, past president of the National Community Education Association; Jean Hanson, past president of the American Vocational Association; and James Griesgraber, current president of the Department of Elementary Education of the National Catholic Education Association.

Mr. President, Minnesotans have a long-standing commitment to education, a commitment which has produced one of the best educational systems in the country. With the leadership of Arly Gunderman, and his colleagues who are also being honored on September 23 at the College of St. Thomas, that record is one which is sure to continue well into the future.●

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I have inquired, and there is no other business that will be transacted today. No Senators are seeking recognition to speak. I will therefore utilize the opportunity to deliver another in my series of speeches on the subject of the United States Senate.

Mr. President, I believe this is the 96th speech in the series which I began on March 21, 1980. Through this period of more than 7 years, I have been speaking on the subject which is of great interest to me, and today's speech will be about Isaac Bassett's Senate.

## THE UNITED STATES SENATE

### THE SENATE OF ISAAC BASSETT, 1831-1895

Mr. BYRD. Mr. President, from time to time over the past two centuries, a few dedicated individuals have taken great pains to create and save records that they recognized would someday illuminate public understanding of the Senate's history. Throughout my series of addresses on the history of the Senate, I have benefited from their labors and have paid tribute to their foresight. Today, I shall speak of a man who is without equal as a participant and chronicler of the Senate's daily life in the nineteenth century. Of this man, Senator Rufus Choate once proclaimed, "He keeps the door to hell and no one can pass him." Lauded as "the father of the Senate" by Marshall Matthew Carpenter and deemed "as much a fixture in the hall as the vice president's desk or the marble clock," this individual left for posterity a rich first-person account of his sixty-four-year Senate career. Much of what we know of the Senate's inner workings between the years 1831 and 1895 comes to us, thanks to the subject of my remarks today—Captain Isaac Bassett.

Isaac Bassett served the Senate as page, messenger, and assistant doorkeeper. During his six-and-a-half decades of Senate employment, beginning when he was just twelve, and extending until his death, Bassett observed every major act of American history as it was played out in the forum of the Senate chamber. He was a witness to many of the historic moments that I have discussed in earlier speeches such as the censure of Andrew Jackson, events of the turbulent 1850's, the Civil War, and the Gilded Age. During the 1880's and 1890's, Bassett recorded his observations in a series of diaries that he planned to publish at the conclusion of his career. Although he never accomplished this aim, his diaries stand as a testament, both to his stature as a loyal Senate employee and to his notable abilities as an observer of Senate history.

Isaac Bassett downplayed his personal political views and rarely discussed specific legislation in the documents that he left behind. Rather, his writings offer perspective on the private lives of noteworthy public men. He expounded on the leading personalities of his day in an often humorous, but always deeply respectful manner. We are particularly grateful to Bassett's granddaughter, Mrs. Elizabeth Crosby of Carlisle, Pennsylvania, for her careful custody of this unique record. Today, copies of the Bassett papers are housed in the Office of the Senate Curator. Thanks to that office's dedicated efforts, there is now a useful index to the collection's ten linear feet of material.

As retrospective accounts, Bassett's writings are inevitably less detailed and more contradictory than they would have been had he kept a continuing journal throughout his career. One must remember that his accounts of the 1830's, for example, were composed at least fifty years after the fact. Bassett worked on his diaries only sporadically. He repeated the same anecdotes often, sometimes with new endings. Likewise, Bassett's admitted lack of formal education is apparent in his journals. For the purpose of greater intelligibility, Mr. President, I have taken the liberty of modernizing Bassett's spelling, capitalization, and punctuation.

Isaac Bassett's unflagging devotion to the Senate had its roots in his earliest years. Born in Washington, DC in 1819, he was the first of Simeon Bassett's nine children. His father, a Senate Doorkeeper since 1807, frequently allowed young Isaac to accompany him to the Senate. Here, the lad became a great favorite of eminent statesmen such as Daniel Webster. In 1829, when Bassett was ten, Webster arranged for the Senate to hire Grafton Hanson as its first page. Hanson was the grandson of the Senate's second sergeant at arms, Mountjoy Bayly. When Bassett reached the age of twelve, Webster decided he would make an excellent page. In response to complaints from economy-minded senators who saw no need to spend the additional $1.50 per day for a second page, Webster successfully argued that each side of the chamber should have its own page. Bassett was appointed in 1831.

So we can say that Senator PROXMIRE indeed has a forerunner, or forerunners, in the Senate who were very economy-minded. For Bassett, the Senate of the Twenty-second Congress, when he first became a Senate employee, was the standard by which he judged all subsequent legislative sessions. And it was to its noteworthy triumvirate of statesmen—Webster, John C. Calhoun, and Henry Clay—that he compared all future senators; a very high standard indeed.

Many years later former page Grafton Hanson, in a letter to Bassett, foundly recalled their first days together in the Old Senate Chamber. Wrote Hanson of the early-to-mid 1830's:

> What visions of giants come up to my remembrance. First, from the Vice President's chair comes up the tall, wiry form and brilliant, restless eyes of Calhoun. Next, the neat and well dressed figure of the astute Van Buren. From his seat on the floor arises the full and burly form of Benton, surrounded with books, papers and manuscripts, preparing himself for a three-day speech. Nearby appears the gifted and honey-tongued Preston, the cool and sarcastic Forsyth, the magnificent Troup, the impetuous and eloquent Hayne, the witty and good-tempered Holmes, the logical Wright, the benign face of Frelinghuysen, the thoughtful brow of honest John Davis, the polished and intellectual Rives, . . . the calm Southard, . . . the benevolent Kent, the thoughtful, pale Clayton, the smiling, bright face of Wilkins, the ponderous Buchanan, . . . the wily Marcy and, towering higher, comes the tall, thin, flexible form of Henry Clay, the eloquent, the intrepid.

Then, Hanson described his most deeply etched youthful impression. He said: "But rising higher yet comes up one, a man indeed, and yet how like a god, greatest among the great, strides among the Grecian Kings. Behold that majestic form, that high, expansive brow. Venture to look into those black, deep-set eyes and know that is the immortal—Webster!"

Recalling those years, Isaac Bassett wrote ". . . never before nor since has the Senate been more celebrated than at that time Webster, Calhoun, Clay, Thomas Hart Benton, and Silas Wright were members." Furthermore, said Bassett, ". . . when I had charge of the Senate door, men, and I must say women, have put twenty dollar gold pieces in my hand and insisted on me receiving it. It was on the days that Mr. Clay, Calhoun, and Webster were to speak."

The work meted out to the first Senate pages was demanding. Young Bassett began his day early by placing letter paper and three quill pens on each senator's desk. He ran errands, delivered mail to senators residing on Capitol Hill, filed all the bills and documents left on their desks at the end of the day, and often returned home with a blistered tongue, having used sealing wafers, and having folded as many as six thousand speeches until midnight. For night sessions, one candle and brass candlestick were placed on each desk. Isaac's father lit the two lamps on the vice president's and secretary's desks.

Bassett's many duties precluded attending school. In later years he wrote, "My experience is that if I had my time to go over again I never would enter the Senate as a page, messenger, or an officer. I have spent my whole life in its service and the consequence is that I have had a very limited formal education." This lack of schooling, which he considered "a source of embarrassment and regret," remained Bassett's only significant complaint throughout his Senate years.

One of Bassett's earliest memories of the Senate was of Daniel Webster's masterful reply to a speech of Senator Robert Hayne on the western land question, which occurred before his appointment as a page. A half-century later Bassett clearly recalled that day in January 1830. As he put it: "on the morning of that speech Mr. Webster took me on his knee. . . . He said to me pleasantly, 'Isaac, I am going to make a speech today, and when I get through I want you to come and tell me how you liked it.' "

Never again did Isaac Bassett witness such a spectacle. In his words, "As early as 9 o'clock, crowds poured to the Capitol. At 12:00, the Senate chamber, galleries, floor, and lobbies were suffocatingly filled, the very stairways were dark with people." Women spectators vied for the best view as they squeezed their chairs in between the desks on the floor of the old Senate chamber. Each hall and passageway where Webster's voice could be heard was filled. The House stood deserted as its members crowded into the lobby behind the vice president's chair. Bassett's account of Representative Dixon Lewis of Alabama captures the frenzy of the moment. Bassett reported that Lewis, a man "distinguished for his enormous size . . . was seated behind the painted glass frame that separated the lobby from the floor of the chamber, and, unable to see Mr. Webster, he deliberately pulled out his knife"—almost every man carried a pocketknife in those days—"and removed the obstructing part of the glass," clearing a space as large as a man's hand.

Bassett related that as Webster began to speak, ". . . although his most zealous opponents appeared to be unconcerned and uninterested at first, one especially . . . trying hard to read his newspaper upside down, . . . it was not long before friend and foe alike were carried away with the power of his eloquent oratory. . . . In one corner of the gallery I noted several men wiping the tears from their eyes when Mr. Webster was speaking of his own state; I thought they must be from Massachusetts."

One can presume that in this debate, as in others, Webster did not stride into the Senate chamber but, as Bassett vividly described his manner, "sauntered in as if personally unnoticed. He was so conscious of his power and had all of his mental resources so well in hand that he never was agitated or embarrassed; his garments in the

Senate chamber were unsurpassed. Before delivering a speech, he often appeared absent minded. Rising to his feet he seemed to recover perfect self possession which was aided by thrusting the right hand within the folds of his vest, while his left hung gracefully by his side. His dark complexion grew warm with inward fire."

Bassett's initially pleasant relationship with Webster soon deteriorated. He later claimed that his own hair first began to turn gray on the day that Webster sent him to summon a carriage and the boy could not find one. Giving the young Isaac one of his "blackest looks," Webster directed him to get a carriage and not to return until he had done so even if he had to go all the way to Georgetown. Bassett fails to inform us as to whether he fulfilled the senator's request. The fact remains, however, that Webster never coddled the child again. Bassett remained a loyal employee, however, often praising Webster's "benevolent and kind heart."

Bassett later claimed that the senator placed him in charge of his store of wine in his private office, tucked away of the Senate chamber's galleries. Although when Bassett occasionally broke a bottle, Webster heatedly admonished him to "be more careful. It is too precious to spill," he nonetheless, allowed him to sample the wines of his choice. Half a century later, Bassett remained reticent on the issue, stating ". . . just how often I availed myself of that grand privilege would hardly be politic for me to confess."

Despite the erratic course of their relationship, Bassett did not hesitate to state that "there was in this nation a more profound respect for Daniel Webster than for any other man . . . As a defender of the Constitution, he was unrivaled." Bassett also quoted Representative Josiah Quihcy, who said of Webster, "the Almighty did not make more than one such in a century." Bassett witnessed nearly all of Webster's speeches from 1830 on and helped to support the aged statesman as he delivered his final speech at the laying of the cornerstone of the addition to the Capitol on July 4, 1851.

Isaac Bassett presented a more positive overall portrayal of another member of the 1831 Senate—Kentucky's Henry Clay. Although deeming him "the worst-mannered senator that I ever had to wait on," he also asserted, "I have heard all the great orators in the Senate for sixty years. I never heard the equal of Henry Clay." Many shared Bassett's admiration for Clay's oratorical prowess. Bassett quoted the seriously ill House member, John Randolph, just a few weeks before his death in 1833. As Clay rose to speak in the Senate chamber, Randolph urged, "Help me up . . . I have come to hear that voice."

Henry Clay's February 5, 1850, speech on behalf of what became known as the Compromise of 1850, filled the Senate chamber. Bassett stated that "noise arises from persons who are collected outside in the anteroom who, not being able to get in themselves, seem to be resolved that nobody else shall hear." Bassett explained, "As an orator, Henry Clay stood preeminent. There was a charm about his delivery which no other man could imitate. He seemed to be an offhand speaker, but he never spoke without careful preparation on important occasions."

If a page was unavailable to do his bidding while he was speaking, Clay would often leave his seat and walk to the front of the chamber. There he would indulge in some snuff from the vice president's table without interrupting his discourse.

Bassett related, "I once asked Mr. Clay why he didn't bring his own snuff box. 'Boy!' he said, 'dont you see that I'd take more if it were by me and I take too much as it is.' " Clay was also fond of the game of whist and was noted for his ability to play cards all night long and still deliver brilliant speeches in the chamber the next day.

Isaac Bassett presented an inspiring first-hand account of Clay, the "Great Compromiser," in the Kentucky senator's final days of Senate service. "While the Compromise was under discussion . . . Clay was never absent from the Senate. At times he was so feeble that he had to be assisted to his seat. When he arrived at the Capitol in his carriage he asked a friend to let him lean on his arm as he found himself quite weak. When he rose to address the Senate he was so weak as to be hardly able to stand. On the second day, he was so exhausted that several of the senators asked him to . . . move for adjournment, but he persisted in speaking until he closed."

Bassett had only limited contact with John C. Calhoun, the third member of the esteemed Senate triumvirate. As Bassett put it, "the master of logic in the Senate" was "very distant" meaning Calhoun, the master of logic. "I kept out of his way as much as possible. He wanted but very little attention while he was in the Senate chamber. He very seldom called me. I was on the . . . opposite side of the chamber and the other page had to attend to him." On one occasion, the other page was absent and Bassett was unaware of it. Calhoun angrily scolded him, "Sir, why don't you come to me when I call you? I will have you to know that there are no two sides to this chamber." According to Bassett, who heard all of Calhoun's Senate speeches, he assumed a "stern attitude" when speaking, standing "in the aisle by the side of his desk. . . . When he was excited he would get up from his seat and walk much of the time in the lobby to the rear of the presiding officer's chair" and make short, nervous gestures with his right hand.

Bassett was careful to separate his private reservations about Calhoun from his assessment of his abilities as a statesman. Senator Calhoun, he wrote, "had fine logical faculties. In power of analysis and generalization he was not surpassed by any of his brother senators. He never indulged in personality unless it became necessary in repelling assaults. He was respectful and courteous to senators . . . He was of the first rank as a parliamentary speaker."

March 16, 1837, proved to be one of the most memorable days of Bassett's years as a page. On that date, Thomas Hart Benton succeeded in his efforts to have Clay's resolution of 1834, censuring Andrew Jackson, expunged from the Senate Journal. Bassett wrote, "As the Secretary of the Senate began to perform the expunging process, instantly a storm of hisses and groans arose from the left wing of the circular gallery, over the head of Senator Benton." The presiding officer, Senator William King of Alabama, ordered that the galleries be cleared, but Benton opposed that order and it was revoked. Bassett continued, "I witnessed the expunging resolution when the Journal was brought into the Senate chamber and black lines were drawn across it. Never will I forget the expression of Senator Benton—it seemed to be his happiest moment. He rejoiced in seeing that day. . . . Mr. Benton carried away the pen as a trophy."

Near the end of Bassett's service as a page, Senator John Davis of Massachusetts imparted some prophetic advice to the young man: "Isaac, don't you leave the service of the Senate. Stay here as long as you can." Bassett later asserted that these words ". . . made a deep impression on my little mind. . . . When he left the Senate he reminded me of his words and told me that I would stay here as long as I lived."

Bassett did continue his service and became a Senate messenger in 1838, a position that he held until 1861. His reminiscences of the pre-war tumult of the 1850's are especially dramatic. Bassett was standing near Senator Henry Foote of Mississippi, in front of the Secretary's table, when Foote advanced menacingly upon his enemy, Senator Benton, in 1850 during the heated Compromise debates. In his journals, Bassett remarked upon the personal habits of each man. Foote, he wrote, was "considered quite an orator but there was in him want of judgment, want of fixed principles and of purpose. A great ladies man," it was Foote who traditionally made the motion to admit women spectators to the floor. Benton, in Bassett's recollection, spoke with a harsh voice, delivered long, set speeches accompanied by ungraceful gesticulation, and habitually piled many documents and books on his desk.

Bassett detailed the chain of events leading to the violent encounter between Benton and Foote. "On several occasions Senator Foote had indulged in remarks personal to Senator Benton. Benton complained of these personalities in severe and violent language addressed to the Senate, reiterated the personalities on Foote, spoke of the failure of the Senate to protect its members from such insults, and declared his determination, if the Senate did not protect him, to redress the wrong himself, cost what it might." The next day, Benton brought a newspaper account of the altercation into the Senate chamber, condemned the account as inaccurate and cowardly, and charged that Foote had revised the report.

Bassett then recounted the rapid course of events. "Benton rose from his seat, threw his chair violently from him made for Mr. Foote. He was stopped by Senator Dodge and several other senators. He then jumped on top of one of the desks and laid open his breast and said, 'let him fire. Stand out of the way and let the assassin fire.' " Foote had drawn his pistol as soon as Benton had begun to lunge toward him. Senator Dickinson of New York asked Foote for the pistol and secured it in his desk. Foote later rationalized his actions as a means of self defense. Bassett quoted him as exclaiming, "So help me God to shoot without an attack was not my intention."

Six years later, Bassett witnessed another incident of violence between two members of Congress in the Senate chamber, one which I have previously discussed in some detail. As Senator Charles Sumner of Massachusetts sat at his desk addressing envelopes in May 1856, three days after delivering a fiery anti-slavery speech, Representative Preston Book of South Carolina came down the center aisle and proclaimed, "I have come over from the House to chastise you for the remarks that you made. I have read your speech; it is libel on South Carolina and against my relation, Senator Butler." As he said this, he struck Sumner hard on the head three times with a cane. Sumner rose, but fell to the floor bleeding. Bassett, Senator, Lewis Cass, and Arthur Gorman, who was a page at that time but later became a Senator, helped him up and led him to the Senate reception room. Bassett procured towels and a basin of water in order to wash Sumner's head. After the Senator was taken home, Bassett retrieved a piece of the inch-thick cane as a souvenir and Senator Stephen Douglas of Illinois kept the weapon's head.

As the 1850's drew to a close and the Senate moved from its old chamber into its present quarters, Bassett took on greater responsibilities. Senators, impressed by his ability to live by his motto, "I always made it a rule never to be in a Senator's way," elected Bassett assistant doorkeeper on July 6, 1861—a position that he was to hold for over thirty years. Bassett's good friend Senator John Breckinridge later queried, "Why did you not tell me that you were a candidate for that place? I would have voted for you above everybody else in the world." Bassett claimed that the appointment had come as a total surprise to him, and he did not learn of it until Senators Benjamin Wade and Daniel Clark informed him that they had nominated him for the post.

Bassett's writings on the war years provide fascinating glimpses of the Senate under siege. He stated in one of his countless vignettes, "I think the most sensational incident I ever saw in the Senate was at the outbreak of the Civil War. Mr. Robert Toombs of Georgia flung his arms wildly about him, cried out at the top of his voice, 'Good-bye Senators, good-bye. I go, never to return' and strode out of the hall. And," reported Bassett, "he didn't come back either, though he could if he had wanted to."

Military concerns permeated the atmosphere of the Senate as Bassett began his tenure as doorkeeper. The Capitol became a barracks as Bassett looked on. The dashing troops of the New York Zouaves did their cooking in the coal vaults beneath the Capitol terraces, and their colonel used the vice president's room as his headquarters. After the Sixth Massachusetts Volunteer Regiment was mobbed at Baltimore, on its way to Washington, it was ordered to be quartered at the Capitol. Bassett recalled, "When the soldiers occupied the Capitol, I saw them bring arms full of bacon and hams and throw them down on the floor of the Marble Room. I cautioned them not to grease the marble walls . . . ."

One day, Bassett recalled that, as he entered the Senate chamber, "I heard a noise as if someone was splitting wood. I looked over on the Democrats' side of the chamber and beheld there was a crowd of soldiers with their bayonets cutting one of the desks to pieces. I hollered at the top of my voice, 'What are you doing?' Several answered, 'We are cutting that damn traitor's, Jefferson Davis, a senator from Mississippi, desk to pieces . . .' "

This is the desk right here where I am standing:

"I replied, 'That is not Jefferson Davis' desk. It belongs to the government of the United States. You were sent here to protect government property and not to destroy it.' " The vandalism ceased, but several of the soldiers claimed pieces of Davis' desk as souvenirs.

This desk, for those who read this speech, hopefully, in the years to come, is here where I am presently standing. And here, where I am placing my hand, is the scar of the action of the soldier who was using his bayonet in the incident to which Bassett refers.

Our eminent Senator, the chairman of the Appropriations Committee, and President pro tempore of the Senate, John C. Stennis, is the occupant of this desk, Jefferson Davis' desk, today.

On a personal basis, Bassett greatly respected Davis and wrote that he "always knew what he was speaking about. His manner was easy and there was a precision in his phraseology which gave a vigor and force to his speeches." Bassett later had the Davis desk mended and kept its location in the chamber a carefully guarded secret. Today, as I have indicated, the location of that desk is no longer a secret.

At the end of the Civil War, Bassett settled into his duties as assistant doorkeeper, and it is largely from this period, the pinnacle of his career, that Bassett drew the material for the bulk of his diary entries. Of his assigned responsibilities, Bassett wrote, "The most unpleasant duty which I have to perform is giving senators seats. It has always been the custom in the Senate when a senator wishes to change his seat to one that he thinks much better than the one he occupies, to speak to the assistant doorkeeper. He puts it down in a book and when that seat becomes vacant, he is entitled to it . . . . In the House they draw every new Congress (the Senate, being a more dignified body, doesn't do that)."

The battle for the best seating arrangements elicited a broad range of responses from senators. Some were rude and harshly accused Bassett of favoritism; others were mild and accommodating. Bassett wrote, "I will not tell all that has been said to me, in regard to seats . . . . They, senators have called me at my house before sunrise in the morning and late at night to speak for a seat." Bassett assigned seats on a first-come, first-served basis. At the opening of each new Congress, he had all seats assigned and all in readiness. According to Bassett, the main aim in choosing a seat was to be able to catch the presiding officer's eye easily; for this maneuver, the second row was preferred.

Bassett's dilemmas were not limited to the assignment of seats. He also had to care for the Senators' desks. He put private marks on the seats and desks of all prominent Senators, both to be able to identify them for historical purposes and to preserve them from souvenir seekers. He maintained a running list of which Senator had occupied which desk and locked that information in a safe in his office. Regrettably, Bassett's list has not survived. Consequently, about the only source of information about desk assignments comes from those Senators who, over the past century or so, have inscribed their names in the individual desk drawers.

Bassett's job was made yet more difficult since he had not only to protect the chamber from tourists in search of mementos, but also from Senators, themselves, determined to obtain a bit of history. In 1861, Senator Milton Latham of California took his Senate chair, formerly occupied by Jefferson Davis, home with him, and sought to buy Davis' desk from Bassett, who refused the offer. Senator Horace Tabor of Colorado desperately wanted to learn the lineage of his desk, but Bassett adamantly refused to reveal it. Bassett wrote, ". . . He said, 'Never mind, I will leave my mark.' " He had on a pair of gold sleeve buttons with a diamond in the center. With these he made two indentations in two corners of the desk and no doubt thought he had outwitted me, but after the Senate adjourned, the desk was taken out for repairs . . . as they are every recess of the Senate and the tops of all the desks are scraped, rubbed down, and repolished."

Another of Bassett's duties was to turn back the Senate's clock. The tradition of turning back the hands of time perhaps began at 11:20 a.m. on March 4, 1845, when Willie Mangum of North Carolina was president pro tempore. With only forty minutes remaining in the life of the Twenty-eighth Congress, a final appropriations bill had not yet reached the Senate from the House. Someone suggested that Mangum turn back the clock and he queried of Bassett, who was a messenger at the time, "Bassett, do you think you could turn back the hands of that clock about ten minutes without attracting too much attention?" Bassett replied, "Yes, sir, I think I can." "Well, then, go and do it as quickly as you can," said the senator."

As the years went on, many an appropriations bill was saved and many an extra session avoided by Bassett's actions. By the 1890's, however, the spectacle of the blushing elderly man wielding a long pole with a hook on the end and changing the time had evolved into what one newspaper termed "a standing Senate joke." Bassett often complained that the senators of "the old days' went along with the endeavor good-naturedly and did not doubt his right to change the clock's hands. Only once did a senator question the ritual's constitutionality. Bassett wrote, ". . . I have nothing to say about whether it was constitutional or not, but never in my life while in the service of the Senate have I disobeyed an order from the vice president." As late as March 4, 1887, Bassett's diaries reveal that he still lived in the fervent hope that each time he turned back the hands of the clock would be his last. Although his manipulation of the clock was Bassett's most famous duty, he detested it.

Bassett found other facets of his work, such as night sessions, less trying. He rather enjoyed "sitting up with the boys." In the early days of his Senate service, on the last night of a session, the floor would be filled with women spectators as "hundreds of sperm candles and small fixed lamps" illuminated the chamber. Rooms adjacent to the Senate chamber were used in order to serve both food and drink. In his later years, Bassett stated wistfully, "Somehow, liquor did not affect the statesmen then as it does now."

Messengers and pages heartily enjoyed the all-night sessions, eating cheese and crackers in the cloakrooms and even dining with the senators in their committee rooms. Bassett recalled one especially memorable event that occurred as the senators labored over an appropriations bill around midnight one evening in 1862. Only about ten senators remained in the chamber. Suddenly Senators James Nesmith of Oregon and Henry Rice of Minnesota war-whooped with canes in their hands, then paraded six to eight times around the chamber, "dancing, whooping, and making a great noise with their canes on the floor and continued dancing and yelling for at least a half an hour, during which time the senators were highly amused." Bassett noted in his diary, ". . . what have I not seen in this, the most dignified body in the world."

And so one might wonder how Bassett could state in his later years that, "Somehow, liquor did not affect the statesmen then as it does now."

Bassett concluded that "an all-night session is never a very creditable affair. Senators grow careless; boots are drawn off. Senators lie down on the settees." The passage of the Silver Bill during an all-night session led him to remark "as long as I have been in the service of the Senate I never saw so many senators under the influence of liquor at one time as I did that night session. I sat in my seat and wondered whether this could be the Senate of the United States."

Senate executive sessions, held behind closed doors, evolved into particularly colorful events. Bassett defended the Senate's prerogative to hold such secret sessions, noting, "There are certain things in public affairs which cannot be entrusted to the public." As assistant doorkeeper, Bassett had taken the special oath necessary for him to be allowed to attend these sessions. The only executive gathering from which he was ever excluded was called to deal with an outbreak of press leaks from the closed sessions. Bassett wrote extensively but guardedly about these sessions and clearly considered himself to be an intimate part of them.

He stated, "I would like to tell what I have seen in executive session but I cannot. There is no harm in stating how things look. The senators become careless; they have no audience to look down upon them; they do exactly what pleases them most. The senators are easier than when under the eye of the people. Those who wish to smoke, smoke. If it is in the warm season, those who wish to take off their coats and shoes and lay down on the sofas and go to sleep do so . . . Senators are at their ease. It is a release from outdoors pressure. They can light their cigars, put their feet in any position they please, lie down, or sit up, and do as they please. It is a great relief to senators and officers. We get rid of all pages, employees, and outsiders."

A series of anecdotes from Bassett's career as the Senate's assistant doorkeeper illustrates the diverse capacities in which he served the institution. He maintained a unique relationship with Senator William Brownlow of Tennessee, "the fighting parson." Bassett recalled, "What I did for him while he was senator never was done before in that body. Whenever the roll was called he would beckon for me to come to his seat. His seat was at the corner of the first row of desks very near where I sat on the left of the vice president. I would put my ear down to his mouth and he would say 'aye' or 'no.' He could not speak above a whisper; I would go up to the secretary's desk and say 'aye' or 'no' for him and the secretary would put it down just as I said . . . . Sometimes he did not know how to vote and told me to vote as I thought was right. I did so a number of times."

Bassett also performed special tasks for Senator Orville Browning of Illinois. After a three-hour speech, he asked Bassett to refill his tumbler of gin. Bassett remembered, "I did so, but seeing that it began to tell on him, I got the tumbler and put very little gin in it and filled it with water. One of the senators that sat close to him said, '. . . Bassett must have put a little gin in that, for I notice that you got quite lively before you closed.' "

In his later years, Isaac Bassett received many accolades. In 1876, he was presented with a portait of himself as a gift from his co-workers. In his fiftieth year as a Senate employee, he was given a gold-lined snuff box of beaten silver from Tiffany's. Selected by Senator Thomas F. Bayard, it was inscribed "Each member of the United States Senate has joined in presenting this testimonial to Isaac Bassett, on the completion of the fiftieth year of his services as an officer of that body, in recognition of his personal worth and official fidelity. December 5, 1881."

Senator Henry Anthony of Rhode Island once remarked to Bassett that he was "a perfect statue" while sitting in his seat and that no matter when he entered the chamber, Bassett was there. Bassett was indeed a fixture in the Senate during his six decades of service. As he grew older, he worried that money and political "wire-pulling" played too large a role in the election of senators.

Bassett would really have been astonished if he were here today and could have listened throughout these past several months of debate on the campaign finance reform bill. I have no doubt as to where he would have stood or what his advice would have been to Senator Brownlow, the fighting parson, who could only speak by whisper. Had he himself been a Senator in our day, Bassett undoubtedly would have voted for cloture on the campaign finance reform bill.

He also bewailed the worsening "noise and confusion" of the Senate chamber, and he "came to the conclusion that as a whole . . . pages were very naughty boys."

He would have been pleasantly surprised could he have looked into the Senate of the 1980's, and to have seen the young ladies who have served and are serving in the Senate as pages. They are not naughty; neither are the boys.

He missed the brilliant oratory and dignified, courtly manners of the old Senate with its members attired in formal, swallow-tailed coats, and he mourned for what he called "the good old days when congressmen had a code of honor and considered a case of pistols a necessary part of their outfit."

Yet, Isaac Bassett consistently defended what he deemed "the most august body in the world" and asserted his "loyalty and reverence" for the institution and his "desire to shield it from calumny and defend its dignity." He pledged that ". . . there are a great many things . . . that I will never say anything about." He had confidence in the general character of senators, writing "Some of the best men I have ever known were in the Senate . . . and the worst ones—well, the senators are human, of course, and they average about so so." In a similar vein, he wrote, "I have been asked time without number in the later days what was the cause of my being retained through all administrations. The only reason that I can give is that I tried to mind my own business and let other peoples' alone."

It is particularly fitting to close, Mr. President, with Bassett's most comprehensive statement on the evolution of the Senate as he saw it on a personal level during his sixty-four years of service. He wrote: "We hear a great deal said about the degeneracy of the Senate in these days. I remember the Senate when it numbered among its members Daniel Webster, John C. Calhoun, Thomas H. Benton, Henry Clay, Lewis Cass, and Silas Wright. I believe that their equals in all respects never, never appeared upon the floor of the Senate—yet, I am inclined to think that as a whole there has been a gradual improvement. There are senators today fully equal to any who have ever held seats in that body, if we except of the illustrious names above mentioned."

Incidentally, Mr. President, the habit of snuff-taking in the Senate Chamber is as old as the Senate. During the first half of the 19th century, most Members carried their own boxes of finely ground tobacco and some even kept two boxes on their person, one containing a mixture for personal use and another, usually a milder type, which was offered to friends. Washington's leading Presidential hostess, Dolley Madison, is reported to have carried as many as three snuff boxes at White House receptions.

In the early years of the Senate, a large snuff urn was kept on the desk of the Vice President and Senators regularly availed themselves of what has been described as "the choicest and most fragrant 'Macaboy' and 'Old Scotch' " brands.

During the tenure of Millard Fillmore as President and Presiding Officer of the Senate, the snuff box was removed from the Vice President's desk. According to Isaac Bassett, about whom I have been speaking for the last several minutes, who was employed by the Senate from 1831 until late in the 19th century, Vice President Fillmore was not pleased by the parade of senatorial snuff-takers that constantly passed his desk. In his diary, Bassett quotes a highly agitated Fillmore who demanded, ". . . take this snuff box away from the table. I cannot understand what is going on in the Senate on account of the conversation of Senators who come here to get a pinch of snuff." At the suggestion of Fillmore, Bassett placed two small lacquer boxes at the front of the Old Senate Chamber on either side of the center aisle. Today these same boxes are affixed to a ledge on the north wall of the Senate Chamber—actually, on the north wall on both sides of the Vice President's desk—near the doors leading to the Senate lobby. While the custom of taking snuff in the Chamber has disappeared, the boxes continue to be filled by the staff of the Sergeant-at-Arms.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Graham). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXTENSION OF TIME FOR MORNING BUSINESS

Mr. BYRD. Mr. President, how much time remains in the period for morning business?

The PRESIDING OFFICER. The time for morning business has expired.

Mr. BYRD. Mr. President, I ask unanimous consent that the period be extended for not to exceed an additional 20 minutes and that Senators may speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATOR PROXMIRE ANNOUNCES HIS RETIREMENT

Mr. BYRD. Mr. President, on August 27, while the Senate was in recess, our esteemed colleague, the senior Senator from Wisconsin, announced his intention to retire from the Senate at the end of this term.

Senator Proxmire will be missed. He is the Chamber's third highest ranking Member and chairman of the Senate Banking, Housing, and Urban Affairs Committee. As I have said before, the tenacity and dedication that Senator Proxmire has applied to the causes in which he believes have made him somewhat of an institution within this institution.

He will leave behind him a rich legacy of legislative accomplishments including the Competitive Banking Equality Act, the Truth-In-Lending Act, and foreign bribery law. The publication, "American Banker", has correctly noted that Senator Proxmire has been "a central figure in banking legislation for two decades."

Senator Proxmire will also leave behind a rich legacy of traditions—traditions that are legendary, or at least border on being legendary.

His unparalleled voting record of 21 years, and still counting, without missing a rollcall vote surpasses any superlative that I could attach to it. I will simply point out that before he leaves us, Senator Proxmire's record of consecutive rollcall votes could pass an incredible—and undoubtedly will pass an incredible—10,000.

"Voting is the single most important function of a Senator," he has said. As usual, he practices what he preaches.

On January 11, 1967, Senator Proxmire announced that he would speak every day that the Senate was in session urging this Chamber to ratify the Genocide Treaty. Nineteen years and 3,000 speeches later, on February 19,

1986, his quest became a reality, and morning business has never been the same since.

As I have said before, Senator Proxmire's "Golden Fleece Awards" have become as much a part of the Senate as quorum calls. This frugal opponent of wasteful Government spending used these occasions to point out how taxpayers' money was being used to discover such things as: How best to break an egg, why prisoners want to escape from jail, and whether drunken fish are more aggressive than sober fish.

Every 6 years, I was glad to see that the people of Wisconsin were as appreciative of their outstanding Senator as we in this Chamber were. Five times they reelected him, giving him what will be a total of 31 years in the U.S. Senate. They sent him back to us with as much as 71 and 72 percent of their votes.

Now, he plans to leave us. He has said that his retirement will not have much of an effect on the financial services industry of the Nation because "one man doesn't make that much difference." Time will prove or disprove this. But I have disagreed with Mr. Proxmire before, and this time I point out that one man can make a difference, as Senator Proxmire has made. His retirement will make a difference not only in the financial services industry but also in the U.S. Senate, in his beloved State of Wisconsin, and the United States.

But I will take this opportunity to say thank you. I thank Senator Proxmire for being an outstanding Senator and colleague, a fine gentleman and a good friend.

I have enjoyed and profited from our work together and I hope the next 16 months will be as enjoyable and as profitable.

### SUPPORT FOR THE CENTRAL AMERICAN PEACE AGREEMENT

Mr. President, I hold in my hand a Senate concurrent resolution which I will submit with the cosponsorship of Senators Dodd and Sanford. It is a resolution expressing support for the Central American Peace Agreement signed on August 7, 1987, and congratulating the Presidents of Central America on the successful outcome of their recent summit meeting in Guatemala City.

## SUPPORT FOR THE CENTRAL AMERICAN PEACE AGREEMENT

Mr. BYRD. Mr. President, I now send to the desk the concurrent resolution which I had earlier stated that I would introduce today on behalf of myself, Mr. Dodd, Mr. Sanford, and Mr. Sasser.

I send it to the desk for appropriate referral and ask that it be printed in the Record.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution is as follows:

S. Con. Res. 71

Whereas the Presidents of Costa Rica, El Salvador, Guatemala, and Honduras met in San Jose, Costa Rica, on February 15, 1987, to consider a political framework for peace in Central America, as proposed by President Arias of Costa Rica;

Whereas the Presidents of the Central America democracies described the Arias proposal as "a viable, timely and constructive document for achieving peace in Central America through political negotiation;"

Whereas the Government of Costa Rica was asked to convey the Arias proposal to the Government of Nicaragua and to invite the President of Nicaragua to participate in a regional summit conference for the purpose of finalizing negotiations on the Arias initiative;

Whereas on March 12, 1987, the United States Senate considered S. Con. Res. 24, "supporting the initiative of the Central American heads of state * * * in formulating a regional proposal for bringing an end to the armed conflict in Central America," and subsequently approved this resolution by vote of 97 to 1;

Whereas on July 28, 1987, the House of Representatives debated H. Con. Res. 146, "supporting the initiative of President Oscar Arias Sanchez of Costa Rica to end armed conflict in Central America and encouraging * * * a negotiated settlement of the conflict in Central America," and thereafter adopted this resolution by unanimous vote;

Whereas the Presidents of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua met August 6–7 in Guatemala City and signed an agreement based on the Arias proposal, setting forth specific procedures for the establishment of a "firm and lasting peace in Central America;" and

Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring),* That the United States Congress hereby—

Congratulates the Presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua on their successful summit conference of August 6–7, 1987, held in Guatemala City;

Recognizes the signing of the August 7 peace accord as an historic development and an important opportunity for the Presidents of Central America to work together to restore peace and stability to their region;

Urges the parties to the peace accord to implement all of its provisions in good faith; and

Pledges its firm support and full cooperation with respect to such good faith implementation of the August 7, 1987, Central America peace agreement.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I am delighted to join as a cosponsor along with the majority leader and my two colleagues, Senator Sanford and Senator Sasser, who coincidentally are also members of the recently appointed observer group, two members of the observer group, which includes myself, appointed by the majority leader to monitor the ongoing peace initiative in Central America.

This resolution, as the majority leader has indicated I believe earlier, is designed to express our support for this effort.

Very briefly, Mr. President, I would like to address some thoughts regarding Central America as a backdrop, if you will, to this resolution.

As so often happens in debate on very major issues, there is a tendency to overlook the obvious. Central America, I happen to believe, is a case in point.

If you will, let us look at the record and let us ask ourselves how many hours we have spent debating the issue of military aid versus economic assistance to El Salvador. The question of F–5's versus A–4's to Honduras? The matter of lethal versus nonlethal military equipment for Guatemala? The point regarding balance-of-payments-support versus development assistance to Costa Rica? The controversy surrounding humanitarian aid versus military hardware for the Contras in Nicaragua?

How many hours have we spent debating the merits of police training in El Salvador? Or military maneuvers in Honduras? Or helicopter spare parts for Guatemala? Or secret airfields in northern Costa Rica? Or the opening and closing, the reopening and reclosing, of La Prensa in Nicaragua?

Now add to all of this the debate on military advisers in El Salvador; the debate on regional training centers and military construction in Honduras; the debate on search-and-destroy operations in the Indian highlands of Guatemala; the debate on guerrilla warfare manuals for the President's freedom fighters; the debate on the CIA's mining of Nicaragua's harbor; the debate on aid to the "southern front" in Costa Rica.

As we remember those debates, let us also remember the debate on the political structure of the Contra fighters; on whether they are guided by civilian or military chieftains; or whether Alfonso Robelo is more of a democrat than Adolfo Calero; on whether Arturo Cruz is in or out, or whether he is back in or he is back out.

In remembering those debates, let us not overlook the debates on the Sandinistas themselves—the Marxist-Leninist, Communist, Stalinist, totalitarian regime that overthrew the corrupt, brutal, capitalist, Yankee-loving, as they are referred to Somoza dictatorship.

Yes, there has been a lot of debate relating to Central America. Last but not least there has been the debate surrounding the illegal sale of American weapons to the Government of Iran and the diversion of funds from those sales to the Contras. And of this we can be sure, we have not heard the end of the debate. We have not heard the end of the colonel and the admiral. We have not heard the end of General Secord, Mr. Hakim, or Mr. Ghorbanifar. And as the debate goes on, we are sure to be reminded of Fawn Hall, Rob Owen, Spitz Channell, and their coterie of "patriotic" ideologues who commandeered the ship of state while the captain was fast asleep in the wheelhouse.

As the debates of the past find their way into the history books and as the debates of the present rage on, the main issue—the real issue in Central America—always seems to get lost in the verbal scuffling and scrapping. The issue, Mr. President, the central issue in Central America, is peace. In the case of Central America the need is both urgent and intense.

Look at it this way. The question of whether Ollie North "told the whole truth and nothing but the truth" does not matter a whit to the labor organizer, the schoolteacher, or the policeman who has been gunned down on the streets of San Salvador. What Poindexter did or did not tell the President of the United States has little meaning or significance for the hundreds of thousands of Central American refugees scattered from San Jose, Costa Rica, to San Jose, CA. Or consider the controversy about Ed Meese's role in the Iran-Contra scandal. To the health care workers or farm co-op members in northern Nicaragua who have been maimed or machine-gunned by the Contras, that controversy does not mean a great deal.

To all of these people—to the 27 million human beings who call Central America their home—there is only one issue. That issue is peace.

And peace means life. It means living. And working. And building. And caring. That is what peace means. That is what it means here. And that is what it means in Central America.

Just like us, Central Americans want to live a decent life. They want to work. They want to build. And they want to care—care for their children, care for their relatives, care for their neighbors. They want peace.

This is what brought the Presidents of Central American States to the National Palace in Guatemala City on August 7. This is why they accepted "the historic challenge of forging a peaceful destiny for Central America." This is why they agreed to make "dialog prevail over violence and reason over rancor." This is why they adopted a specific "Procedure for Establishing a Firm and Lasting Peace in Central America." This is why they set up their timetables of 90, 120, and 150 days. And this is why they required solemn pledges concerning amnesty laws, cease-fire arrangements, democratization procedures, cessation of aid to paramilitary forces and the nonuse of territory to attack other nations.

The Presidents of Central America have done their part. Much is left to be done, but they have taken a giant step forward. They have made an historical commitment for this region. And they have signed on the dotted line.

Now it is our turn. After all the debate, after all the discussion we can do no less. This is why I have proudly added my name to the resolution introduced today by the distinguished majority leader. This resolution is designed to put the Congress on record in support of the Central American Peace Accord. Simply stated, it pledges our support and cooperation in the implementation and enforcement of that agreement.

Mr. President, some 50 years ago at a speaking engagement in upstate New York, President Franklin Roosevelt spoke at length about the Good Neighbor Policy. In the course of his remarks he observed, "Peace, like charity, begins at home."

And so it does, Mr. President. In the case of Central America today, now is the time for us to prove it. Now is the time for us to heed the plea for peace in Central America.

Mr. President, I am honored and delighted that this resolution has been introduced. My hope would be, depending upon the schedule, of course, that this resolution might be considered before the arrival of President Arias, who is coming to this country on the 20th or 21st of this month. It would certainly be fitting and proper for this body to recognize the great courage, the great tenacity that President Arias and his other colleagues in Central America have shown with their signing of an agreement on August 7 and their determination to fully implement that agreement over the coming weeks and months.

So, Mr. President, I urge my colleagues, when the opportunity arrives, to support this resolution and by doing so to indicate our strong support and our allegiance with these leaders in Central America who seek to bring peace and stability to their land.

I thank you, Mr. President, and I yield the floor.

## ORDERS FOR TUESDAY, SEPTEMBER 15, 1987

### ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the call of the calendar be waived on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the motions and resolutions over under the rule not come over on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

### MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on Tuesday next there be a period for the transaction of morning business not to exceed 20 minutes; following the recognition of the two leaders.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask unanimous consent that Senators may speak for not to exceed 5 minutes each during that period for morning business on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SENATE CAMPAIGN REFORM

Mr. BYRD. Mr. President, I ask unanimous consent that the remaining time following the conclusion of morning business on Tuesday next and the beginning of the vote on the motion to invoke cloture, the automatic quorum call having been waived, be equally divided and controlled between and by the two leaders or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. BYRD. Mr. President, on Tuesday next the Senate will convene at 10 o'clock and under the rule the motion to invoke cloture will be voted on following an hour of debate and the establishment of a quorum. The vote on the motion to invoke cloture to which I refer is on the campaign financing reform bill. That will constitute the seventh effort to invoke cloture on that bill.

On yesterday, the Senate reached its high water mark over the period of 8 votes on cloture on that bill and 55 Senators have indicated that they want the Senate to stop filibustering and get on with action on the bill.

Whether or not cloture will be invoked on Tuesday next remains to be seen. At this point I have my doubts it will be, but I can assure the Senate that, the Lord willing, the matter will be revisited at a later date during this Congress.

I wish to thank all Senators who have voted with the majority of Senators in supporting cloture on the measure. I thank Senator KASSEBAUM on the Republican side and Senator HOLLINGS on the Democratic side for joining in casting their votes for cloture on yesterday. We made a net gain of two votes over the previous cloture votes. I hope that we will be able to show further gains on next Tuesday. If the cloture vote fails, then the Senate will resume consideration of the Department of Defense authorization bill. There are amendments pending and rollcall votes will undoubtedly occur during the day.

I should state that in speaking of the vote on cloture next Tuesday, I

spoke with reference to the requirements of Senate rule XXII. I have just been reminded by one of our diligent floor staff persons that the mandatory live quorum on Tuesday next has been waived by unanimous consent, and I thank the fine staff person for reminding me.

There will be rollcall votes then on the Department of Defense authorization bill during the afternoon.

On next Wednesday the Senate will meet early at 8:30 in the morning, will meet on Thursday at 8:30, and on Friday at 8:30 in the morning. There will be long daily sessions as we address our attention to the Defense Department authorization bill. Senators should be prepared therefore for rollcall votes daily Tuesday, Wednesday, Thursday, and Friday of next week, and there could be some long sessions. It is a difficult bill. There are many controversial issues involved, and there is no doubt but that some time will be required to dispose of those issues.

But someone yesterday inquired of me as to whether or not the cots are still around and available in the event of a late-night session or an all-night session, and I indicated at that time that they are available. I will therefore urge Senators to be prepared for such long sessions. I would not be surprised at some point to see those cots used in the event there are efforts to drag out the proceedings on the Defense authorization bill or on other important and vital measures.

## ADJOURNMENT UNTIL SEPTEMBER 15, 1987 AT 10 A.M.

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the order previously entered, that the Senate stand adjourned until the hour of 10 o'clock on Tuesday morning next.

The motion was agreed to, and the Senate, at 5:58 p.m. in accordance with the previous order, adjourned until Tuesday, September 15, 1987, at 10 a.m.

## NOMINATIONS

Executive nominations received by the Senate September 11, 1987:

### DEPARTMENT OF STATE

MILTON FRANK, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF NEPAL.

### UNITED NATIONS

GEORGE W. CROCKETT, JR., U.S. REPRESENTATIVE FROM THE STATE OF MICHIGAN, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 42ND. SESSION OF THE GENERAL ASSEMBLY OF THE UNITED STATES.

### THE JUDICIARY

PAUL V. NIEMEYER, OF MARYLAND, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF MARYLAND VICE FRANK A. KAUFMAN, RETIRED.

FRANKLIN S. VAN ANTWERPEN, OF PENNSYLVANIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA VICE ALFRED L. LUONGO, DECEASED.

### DEPARTMENT OF JUSTICE

JOHN A. MCKAY, OF ALASKA, TO BE U.S. MARSHAL FOR THE DISTRICT OF ALASKA FOR THE TERM OF 4 YEARS VICE WILLIAM H. OPEL, RESIGNED.

ALFONSO SOLIS, OF NEW MEXICO, TO BE U.S. MARSHAL FOR THE DISTRICT OF NEW MEXICO FOR THE TERM OF 4 YEARS VICE RUDOLPH G. MILLER, RESIGNED.

### IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

*To be vice admiral*

VICE ADM. DUDLEY L. CARLSON, 071-34-1829/1110, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5031, TO BE CHIEF OF NAVAL RESEARCH FOR A TERM OF 3 YEARS:

*Chief of naval research*

REAR ADM. JOHN R. WILSON, JR., 570-34-5927/1220, U.S. NAVY.

### IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, UNDER THE PROVISIONS OF SECTION 628, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

### LINE OF THE AIR FORCE

*To be major*

JAMES O. GRIZZARD, 266-70-2036
CONRAD P. MARCOTTE, 513-32-8883
JAMES A. MYERS, 289-40-3466
JOSEPH P. NASTASI, 435-68-7709
MICHAEL M. PINK, 325-38-4161
ROBERT E. SCHRAMM, 500-48-3319
JAMES D. SHOWLER, 545-74-1534

*To be lieutenant colonel*

JOSEPH P. BISOGNANO, JR., 034-38-6501
RUSSELL C. CALHOUN, 540-50-9729
HELEN L. CAPRON, 061-38-9239
LEE R. CUNNINGHAM, 410-70-0193
JAMES A. FOSTER, 316-48-1870
FRANK R. GROSETH, 473-58-2316
MICHAEL W. HORNER, 342-56-9266
MICHAEL B. LANGEY, 009-34-3154
ANTHONY O. PATINO, 452-86-9776

# HOUSE OF REPRESENTATIVES—*Monday, September 14, 1987*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. Bevill].

## DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

Washington, DC,
*September 11, 1987.*

I hereby designate the Honorable Tom Bevill to act as Speaker pro tempore on Monday, September 14, 1987.

Jim Wright,
*Speaker of the House of Representatives.*

## PRAYER

The Reverend Charles Mallon, permanent deacon, Holy Family Church, Mitchellville, MD, offered the following prayer:

*The Lord is just in all His ways and holy in all His works, the Lord is near to all who call upon Him, to all who call upon Him in truth.*—Psalm 145: 18.

Father, open our inner eyes that we might see ourselves as we are and grant us the mercy to find contentment.

Spirit of the living God, open our minds to the justice that acknowledges thankfulness in all that we are.

Lamb of God, open our hearts to the fatherly love that comes to us from our Creator.

Father, in thankfulness we accept these gifts, through Christ our Lord. Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## LUDICROUS LAWS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RICHARDSON. Mr. Speaker, I have a matter of great importance to discuss with my colleagues in the House.

In the August 25 edition of the Hartford Courant there was an article published called "Ludicrous Laws on the Books."

They stated that if you are in Raton, NM, it is against the law for a woman to ride horseback down the street while wearing a kimono.

Mr. Speaker, I can probably report that this is not the case in Raton, NM. No such law is on the books.

The reason I mention this to my colleagues is that there are ads throughout several newspapers and magazines around the country by the American Bar Association talking about other ludicrous laws. For instance, for my colleagues in Connecticut, if you have got a pet bear, do not take him for a walk on a highway in Connecticut. You could be fined $50.

If your mustache makes people laugh, do not wear it to church in Alabama, or you could be arrested.

Also, in California it is against the law to set a mousetrap without obtaining a hunting license.

Mr. Speaker, I am mentioning these ludicrous laws, because I have researched the law supposedly in one of the towns in my district, a fine little town of Raton, NM. If you want to go to Raton, NM, and you want to ride a horse, and you want to wear a kimono, it is OK.

The articles referred to follow:

[From the Hartford Courant, Aug. 25, 1987]

### Ludicrous Laws: Paper Wrong on Law

Raton has gotten a bum rap in Connecticut.

The Hartford Courant reported last month under a headline "Ludicrous Laws" that Raton has on its books a law that prohibits a woman to ride horseback down the street while wearing a kimono.

Not stated in the Courant is the fact that the law was not in the Raton codified laws of 1927, nor is it in the present code adopted in 1981.

"Most of the laws not found in the Code are repealed by section 10," said City Clerk Eva Mae Sproule.

It reads, "All ordinances or parts of ordinances of the City in conflict herewith are, to the extent of such conflict, hereby repealed."

Also, persons contacted in the Courant office in Connecticut didn't know the source of the report.

So, women in Raton, feel free to put on your kimonos, untie your horses and take to the streets without fear of arrest.

[An Advertisement from the New York Times Magazine, Sept. 13, 1987]

### Ludicrous Laws

If your moustache makes people laugh, don't wear it to church in Alabama, or you could be arrested.

If you've got a pet bear, don't take him for a walk on a highway in Connecticut. You could be fined $50.00.

Believe it or not, it's against the law in California to set a mousetrap without obtaining a hunting license.

### The Outdated Laws That Regulate Banking Aren't So Funny

It wasn't very long ago that America was the undisputed world leader in almost everything. Then, we started losing our clout. Textiles, cars, steel, and electronics began moving abroad, costing American jobs.

Hardly anybody has noticed that the same thing is happening with banking.

If you look at the names of today's top ten world banks, only one still has a U.S. address. The Japanese now dominate that list.

For years, the world's leading financial centers were located in America. Because of archaic federal banking laws—some predating World War II—Tokyo, London and other overseas centers are now taking over. Already, foreign banks are making one-fifth of the loans of all U.S. businesses.

The point is, America's banks are not asking to be protected from foreign competition. They are not asking Congress to save them from the fight. They are asking for a fighting chance. Unless America's banks are permitted to fully compete and meet their customers' needs, a lot more American jobs will be squarely on the line.

[An Advertisement from Roll Call Newspaper]

### Ludicrous Laws

Put a smile on your face when you pass through Pocatello, Idaho. Because it's against the law to frown or look gloomy.

In Ratan, New Mexico, it's against the law for a woman to ride horseback down the street while wearing a kimono.

Believe it or not, it's against the law for any team to beat the Arizona Wildcats on their home ground in Tucson, Arizona.

## IT CAN'T HAPPEN HERE

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, a Lebanese man has covered his war-scarred walls with the country's devalued banknotes after figuring that it would cost four times as much to do the job with wallpaper. According to Beirut newspaper As-Safir, Suheil Karouni, from the southern port of Tyre, covered his walls, damaged by Israeli artillery fire, with 1- and 5-pound notes for the equivalent of $18 compared with $76 for wallpaper. Thirty-five Lebanese pounds were equivalent to $1 in 1975; recently the Lebanese currency hit an all-time low of 300 pounds to the dollar. The newspaper report added that Mr. Karouni intends to use the notes if the currency should ever recover its former value.

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

If the experience with our paper dollar is any guide, Mr. Karouni will be spared the trouble of having to scrape his walls. The United States currency lost 60 percent of its value in terms of the Japanese yen between 1975 and 1980. But when it showed some signs of recovery between 1980 and 1985, a vicious agitation against the so-called strong dollar prompted the U.S. Treasury to beat down the value of the greenback to an all-time low of 139 yen to the dollar.

Mr. Speaker, some say it can't happen here. But if the paper dollar is to avoid the ignominy of becoming wallpaper material, the Congress should discharge its constitutional duty and stabilize its value in terms of gold.

## COMMUNICATION FROM THE HONORABLE WILLIAM F. CLINGER, JR., MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable William F. Clinger, Jr.:

House of Representatives,
*Washington, DC, August 11, 1987.*

Hon. James C. Wright, Jr.,
*Speaker of the House, Room H-204, The Capitol.*

Dear Mr. Speaker: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that I have been served with a subpoena issued by the Court of Common Pleas of Armstrong County, Pennsylvania. After consultation with the General Counsel to the Clerk, I will notify you of my determination as required by the House Rule.

Sincerely,

William F. Clinger, Jr.,
*Member of Congress.*

## COMMUNICATION FROM THE HONORABLE PAUL E. KANJORSKI, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable Paul E. Kanjorski:

House of Representatives,
*Washington, DC, August 7, 1987.*

Hon. Jim Wright,
*Speaker, House of Representatives, Washington, DC.*

Dear Mr. Speaker: I have previously notified you of the receipt of a grand jury subpoena by a member of my district office staff issued by the United States District Court for the Middle District of Pennsylvania.

After consultation with the General Counsel to the Clerk, pursuant to Rule L(50) of the Rules of the House of Representatives, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

Paul E. Kanjorski,
*Member of Congress.*

## A CELEBRATION OF CITIZENSHIP

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker on February 21, 1787, the Congress of the Confederation endorsed the plan adopted at the Annapolis Convention for a new meeting of delegates from all the States of the Republic. Seventy-four men were appointed by State legislatures and Governors to attend the May 25 Convention in Philadelphia. Out of those 74, 55 attended, 19 declined to attend, 14 left before the Convention closed, 39 signed the final draft and 3 refused to sign the final form. What these gentlemen did was lay down the framework for an unprecedented form of government. As we approach the bicentennial of this historic document, we are filled with a sense of national pride that our Constitution is the world's oldest governing document.

Americans everywhere have the opportunity to participate with their families, communities and schools in the commemoration of the Constitution. I urge all of my colleagues to join with the youth of the Nation on September 16, at 1 p.m. on the west front steps of the Capitol for "A Celebration of Citizenship," a patriotic salute to our historic document.

## RESIGNATION OF ELIZABETH DOLE AS SECRETARY OF TRANSPORTATION

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, the Secretary of Transportation, Elizabeth Dole, has today announced her intention to resign effective October 1.

This will certainly be a loss to the administration and to the Nation. By the same token, it will be a great plus for Senator Dole.

Elizabeth Dole has the longest tenure as the Secretary of Transportation in the history of the Department. She became known as the "Secretary of Safety."

☐ 1210

Her campaign against drunk driving and to increase the drinking age has reduced the carnage on our highways; the high mounted stoplights you see on the back of today's autombiles is a testamonial to her efforts. She presided over the privatization of Conrail and Washington and Dulles Airports, as they should have been.

She saw a massive increase in Coast Guard interdiction off the Florida coast.

She did more in the Department of Transportation; in fact, with less money.

We will all miss Secretary Dole. We will miss her efforts as the Secretary of Transportation. We will miss her charm and her ability; but we know that we have not heard the last of this very brilliant woman.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Bartlett) to revise and extend his remarks and include extraneous material:)

Mr. Armey, for 60 minutes, on September 22.

(The following Members (at the request of Mr. Richardson) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Richardson, for 30 minutes, on September 15.

Mr. Owens of New York, for 10 minutes, on September 15 and 16.

Mr. Stokes, for 60 minutes, on September 16.

Mr. Gaydos, for 60 minutes, on September 15.

Mr. Gonzalez, for 60 minutes, on September 17 and 18.

Mr. Frank, for 60 minutes, on October 8.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Richardson) and to include extraneous matter:)

Mr. Anderson in 10 instances.

Mr. Gonzalez in 10 instances.

Mr. Brown of California in 10 instances.

Mr. Annunzio in six instances.

Mr. Jones of Tennessee in 10 instances.

Mr. Boner of Tennessee in five instances.

Mr. Martinez.

Mr. Guarini.

Mr. Mineta.

Mr. Smith of Florida.

Mr. Yatron in two instances.

Mr. Gray of Pennsylvania.

Mr. Coelho.

Mr. Murtha.

Mr. Ray.

Mr. Miller of California.

Mr. Florio in three instances.

(The following Members (at the request of Mr. Bartlett) and to include extraneous matter:)

Mr. Michel.

Mr. Bereuter.

Mrs. Morella.
Mr. Saxton.

## ADJOURNMENT

Mr. RICHARDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 14 minutes p.m.), the House adjourned until tomorrow, Tuesday, September 15, 1987, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2080. A letter from the Comptroller General, the General Accounting Office, transmitting a report on the status of budget authority withheld pursuant to the 57 deferrals reported by the President this fiscal year, pursuant to 2 U.S.C. 685 (H. Doc. No. 100–105); to the Committee on Appropriations and ordered to be printed.

2081. A letter from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), Department of the Navy, transmitting notification that a cost comparison study of the base operating support functions at the Naval Air Station (NAS) Fallon, NV, has revealed that performance by contract will result in a savings of the total Government cost over 5-year period, pursuant to Public Law 99–190, section 8089 (99 Stat. 1216); to the Committee on Armed Services.

2082. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of travel advisories recently issued for Panama, Tanzania, Turkey, Vietnam, and Zimbabwe which have security implications for Americans traveling or residing in those countries, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

2083. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting text of ILO Convention No. 162 and Recommendation No. 172 concerning safety in the use of asbestos as adopted by the International Labor Conference at its 72d session, at Geneva, June 24, 1986, pursuant to article 19 of the Constitution of the International Labor Organization; to the Committee on Foreign Affairs.

2084. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 2893. A bill to reauthorize the Fishermen's Protective Act; with an amemdment (Rept. 100–299). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 1171. A bill to establish the National Oceans Policy Commission, and for other purposes; with an amemdment (Rept. 100–300, Pt. 1). Ordered to be printed.

## SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

The Committees on Banking, Finance and Urban Affairs and Energy and Commerce discharged. H.R. 3030 referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. BENTLEY:

H.R. 3254. A bill to amend the Defense Production Act of 1950, as amended, to prohibit the Department of Defense from acquiring transportation services from countries which are signatories to the Warsaw Pact; jointly, to the Committees on Banking, Finance and Urban Affairs and Armed Services.

By Mrs. MORELLA (for herself and Mr. Wolf):

H.R. 3255. A bill to amend title 5, United States Code, to make permanent the provisions of law relating to physicians comparability allowances; to the Committee on Post Office and Civil Service.

By Mr. SOLARZ (for himself, Mr. Leach of Iowa, Mr. Dymally, Mr. Atkins, Mr. Sunia, Mr. Torricelli, Mr. Ackerman, Mr. Blaz, Mr. Lagomarsino, and Mr. Gilman):

H. Res. 260. Resolution reaffirming United States support for the democratic Aquino government and condemning the recent coup attempt in the Philippines; to the Committee on Foreign Affairs.

By Mr. MARTINEZ (for himself, Mr. Coelho, Mr. Fuster, Mr. Bustamante, Mr. Richardson, Mr. de Lugo, Mr. Coleman of Texas, Ms. Pelosi, Mr. Edwards of California, Mr. Bates, Mr. Stark, Mr. Jontz, Mr. Lagomarsino, Mr. Leland, Mr. Dymally, Mr. Owens of New York, and Mr. Smith of Florida):

H. Res. 261. Resolution expressing the sense of the House of Representatives regarding Hispanics in the labor market; to the Committee on Education and Labor.

## MEMORIALS

Under clause 4 of rule XXII,

200. The SPEAKER presented a memorial of the Legislature of the State of California, relative to strategic supplies of tungsten; to the Committee on Interior and Insular Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DeWINE:

H.R. 3256. A bill for the relief of Norman Raymond Lee; to the Committee on Interior and Insular Affairs.

By Mr. DYSON (by request):

H.R. 3257. A bill providing for a 10-year extension of the patent for the automatic variable pitch marine propeller; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. Valentine.

H.R. 20: Mr. Rowland of Connecticut and Ms. Pelosi.

H.R. 21: Mr. Rowland of Connecticut and Ms. Pelosi.

H.R. 303: Mr. Dowdy of Mississippi, Mr. Glickman, and Mr. Quillen.

H.R. 810: Mr. Rinaldo and Mr. Blaz.

H.R. 919: Mr. DeWine.

H.R. 925: Ms. Pelosi, Mr. Beilenson, and Mr. Gray of Illinois.

H.R. 1171: Mr. Wortley.

H.R. 1201: Mr. Evans.

H.R. 1303: Mr. Downey of New York.

H.R. 1352: Mr. Panetta.

H.R. 1543: Mr. Roe.

H.R. 1544: Mr. Roe.

H.R. 1638: Mr. Fuster, Mr. Fauntroy, Mr. Yatron, Mr. Howard, and Mr. Kastenmeier.

H.R. 1708: Mr. Bilbray, Mr. Stark, Mr. Jeffords, Mr. Weiss, Mr. Gregg, Mr. Mineta, Mr. Rangel, Mr. Towns, Mr. Boland, Mr. Gejdenson, Mr. Levine of California, Mrs. Schroeder, Mr. Dellums, Ms. Snowe, Mr. Wortley, Mr. Dornan of California, Ms. Pelosi, Mr. Fish, and Mr. Lipinski.

H.R. 1733: Mr. Smith of Florida.

H.R. 1782: Mr. Durbin, Mr. McMillen of Maryland, Mr. Coughlin, Mr. Hall of Texas, Mr. Akaka, Ms. Pelosi, Mr. Denny Smith, Mrs. Morella, Mr. Bateman, Mr. Synar, Mr. Sharp, Mr. Dowdy of Mississippi, Mr. Roberts, Mr. Valentine, Mr. McDade, Mr. Mack, Mr. Harris, Mr. Leach of Iowa, Mr. Hastert, Mr. Pickett, Mr. Skeen, Mr. DioGuardi, Mr. Lujan, Mr. Mica, Mr. Regula, and Ms. Snowe.

H.R. 1879: Mrs. Collins.

H.R. 1975: Mr. Clarke.

H.R. 2151: Ms. Snowe, Mrs. Morella, Mr. Weiss, Mr. Dellums, Mr. Vento, Mrs. Kennelly, Mr. Jontz, Mr. Mineta, Mr. Jacobs, Mr. Sabo, and Mr. Solarz.

H.R. 2248: Mr. Hastert, Ms. Oakar, Mr. Grant, Mr. Ford of Michigan, Mr. Owens of Utah, Mr. Whitten, Mr. Boehlert, Mr. McCurdy, Mr. Boner of Tennessee, and Mr. Richardson.

H.R. 2363: Mr. Daniel, Mr. Daub, Mr. Shaw, Mr. Hiler, Mr. Young of Florida, Mr. Armey, Mr. Boulter, Mr. Blaz, and Mr. Fish.

H.R. 2383: Mr. Lightfoot.

H.R. 2433: Mr. Donnelly.

H.R. 2482: Mr. Torricelli, Mr. Oberstar, and Mr. Vento.

H.R. 2583: Ms. Pelosi.

H.R. 2626: Mr. Miller of California, Mr. Frost, Mr. Rodino, Mr. Foglietta, and Mr. Atkins.

H.R. 2769: Mr. English and Mr. Boulter.

H.R. 2833: Mr. Howard and Mr. Lagomarsino.

H.R. 2658: Mr. Kolbe, Mr. Hochbrueckner, Mr. Hayes of Illinois, Mr. Price of Illinois, Mr. Evans, Mr. Oxley, Mr. Visclosky, Mr. Traficant, Mr. Hammerschmidt, Mr. Richardson, Mr. Boucher, and Mr. Lott.

H.R. 2960: Mr. Nelson of Florida, Mr. Schuette, Mr. Badham, Mrs. Martin of Illinois, Mr. Valentine, Mr. Bartlett, Mr. Tauke, and Mr. Holloway.

H.R. 3023: Mrs. Collins.

H.R. 3075: Mr. DeLay, Mrs. Bentley, Mr. Regula, Mr. Marlenee, and Mr. Emerson.

H.R. 3134: Mr. Kanjorski and Mr. Lantos.

H.R. 3158: Mr. Frank and Mr. Goodling.

H.R. 3159: Mr. Stallings.

H.R. 3161: Mr. Rowland of Georgia and Mr. Kanjorski.

H.R. 3199: Mr. Fawell, Mr. Schulze, Mr. Myers of Indiana, Mr. Houghton, Mr. Ballenger, Mr. Coughlin, and Mr. DeLay.

H.R. 3201: Mr. DeLay.

H.J. Res. 43: Mr. Berman, Mr. Bliley, Mr. Borski, Mr. Burton of Indiana, Mr. Carper, Mr. Dyson, Mr. Frenzel, Mr. Gallo, Mr. Gilman, Mr. Gunderson, Mr. Hayes of Illinois, Mr. Lantos, Mr. Levin of Michigan, Mr. McCloskey, Mr. McGrath, Mr. Mack, Mr. Miller of Washington, Mr. Moakley, Mr. Morrison of Connecticut, Mr. Nichols, Mr. Rose, and Mr. Savage.

H.J. Res. 92: Mr. Hall of Ohio, Mr. Tauke, Mrs. Lloyd, Mr. Howard, Mr. Dingell, and Mr. Blaz.

H.J. Res. 193: Mr. Anthony, Mr. Bevill, Mrs. Boxer, Mr. Carr, Mr. Coleman of Missouri, Mr. Coyne, Mr. Foglietta, Mr. Gephardt, Mr. Hyde, Mr. Thomas of Georgia, Mr. Traxler, Mr. Upton, Mr. Lowry of Washington, Mr. McGrath, and Mr. Hayes of Louisiana.

H.J. Res. 224: Mr. Chappell, Mr. Frost, Mr. Dreier of California, Mr. Erdreich, Mr. Jones of North Carolina, Mr. Davis of Illinois, Mr. Swindall, Mr. Cardin, Mr. Thomas of Georgia, Mr. Bilirakis, Mr. Fascell, Mr. Burton of Indiana, Mr. Conte, Mr. Nichols, Mr. Rowland of Georgia, Mr. Lujan, Mr. Fuster, Mr. Hefner, Mr. Sabo, Mr. Callahan, Mr. Dannemeyer, Mr. Kolbe, Mr. Denny Smith, Mr. Parris, Mr. Staggers, Mr. McMillen of Maryland, Mr. Evans, Mr. Ballenger, Mr. Florio, Mr. Yates, Mr. Grant, Mr. Dicks, Mr. Lancaster, Ms. Pelosi, Mr. Richardson, Mr. Frenzel, Mr. Sawyer, Mr. Bruce, Mr. Stark, Mr. Schaefer, Mr. McEwen, Mr. Weber, Mr. Weiss, Mr. Bartlett, Mr. English, Mr. Michel, Mr. Spratt, Mr. Lent, Mr. Sikorski, Mr. Boehlert, Mr. Dickinson, Mr. Shaw, Mrs. Johnson of Connecticut, Mr. Clinger, Mr. Rinaldo, Mr. Andrews, Mr. Donald E. Lukens, Mr. Frank, Mr. Moorhead, Mr. Mavroules, Mr. Dingell, Mr. DioGuardi, Mr. McHugh, Mr. Nowak, Mr. Ireland, Mr. Mack, Mr. Gingrich, Mr. Crane, Mr. Lightfoot, Mr. Mazzoli, Mr. Robert F. Smith, Mr. Bliley, Mr. Miller of Washington, Mr. Cheney, Mrs. Morella, and Mr. Young of Florida.

H.J. Res. 255: Mr. Annunzio, Mr. McEwen, and Mr. Morrison of Washington.

H.J. Res. 311: Mr. Flake, Mr. MacKay, Mr. Hayes of Illinois, Mr. Dorgan of North Dakota, Mr. Dwyer of New Jersey, Mr. Bennett, Mr. Coelho, Mr. Bates, Mr. Roe, Mr. Hyde, and Mr. de Lugo.

H.J. Res. 329: Mr. Martinez, Mr. Lancaster, Mr. Porter, Mr. Tauzin, Mr. McMillen of Maryland, and Mr. Evans.

H.J. Res. 331: Mr. Callahan, Mr. de la Garza, Mr. Dickinson, Mr. Durbin, Mr. Flippo, Mr. Hefner, Mr. LaFalce, Mr. Levin of Michigan, Mr. Rose, Mr. St Germain, Mr. Spence, Mr. Stallings, Mr. Synar, Mr. Thomas of Georgia, Mr. Shaw, Mr. McMillen of Maryland, Mr. Roberts, Mr. Denny Smith, and Mr. Robinson.

H.J. Res. 332: Mr. Bilirakis, Mr. Crockett, Mr. Fish, Mr. Ford of Michigan, Mr. Levin of Michigan, Mr. Martinez, Mr. Mazzoli, Mrs. Meyers of Kansas, Mr. Pickle, Mr. Pursell, Mr. Shumway, Mr. Staggers, Mr. Swindall, Mr. Thomas of Georgia, Mr. Walgren, Mr. Weiss, and Mr. Wortley.

H.J. Res. 340: Mr. Dyson, Mr. Cardin, Mr. Hall of Ohio, Mr. Bliley, Mr. Bustamante, Mr. Dorgan of North Dakota, Mr. Horton, Mr. Foglietta, Mr. de Lugo, Mr. Smith of Florida, Mr. Roe, Mr. Donnelly, Mrs. Boxer, Mr. Valentine, Mr. Fazio, Mr. Matsui, Mr. Coelho, Mr. Chapman, Mr. Biaggi, Mr. Bryant, Mr. Hefner, Mr. Fields, Mr. Conyers, Mr. Lehman of Florida, Mr. McDade, Mr. Gordon, Mr. Boner of Tennessee, Mr. Hyde, Mr. Pashayan, Mr. St Germain, Mr. Lagomarsino, Mrs. Bentley, Mr. Moakley, Mr. Evans, Mr. Neal, Mrs. Morella, Mr. Lantos, Mr. Dwyer of New Jersey, Mr. Clay, Mr. Lipinski, Mr. Crockett, Mr. Gallo, Mr. Stokes, Mr. Fawell, Mr. Kostmayer, Mr. Howard, Mr. Morrison of Connecticut, Mr. Bevill, Mr. Wolf, Mr. McMillen of Maryland, Mr. Kennedy, Mr. Leland, Mr. Florio, Mrs. Meyers of Kansas, Mr. Lungren, Mr. Badham, Mr. Torricelli, and Mr. Torres.

H.J. Res. 349: Mr. Dorgan of North Dakota, Mr. Richardson, Mr. Schumer, Mr. Mfume, Mr. Courter, Mr. Markey, Ms. Pelosi, Mr. Rahall, Mr. Wolf, Mr. Gunderson, Mrs. Byron, Mr. Henry, Mr. Bustamante, Mr. Frank, Mr. Duncan, Mr. Howard, Mr. Mrazek, Mr. Berman, Mr. Petri, Mr. Green, Mr. Hopkins, Mr. Conte, Mr. Smith of Florida, Mr. Walker, Mr. Montgomery, Mr. MacKay, Mr. Weber, Mr. Gray of Pennsylvania, Mr. Weldon, Mr. Wise, Mr. Fawell, Mr. Kildee, Mr. Beilenson, Mr. Hiler, Mr. Ford of Michigan, Mr. Jeffords, Mr. Udall, Mr. Porter, Mr. Conyers, and Mr. Levine of California.

H. Con Res. 166: Mr. Studds, Mr. Howard, Mr. Kastenmeier, Mr. de Lugo, Mrs. Boggs, Mr. Foglietta, Mr. Nowak, Mr. Dorgan of North Dakota, Mr. Annunzio, Mrs. Lloyd, Mr. Clarke, Mr. Porter, Mr. Beilenson, Mr. Dellums, Mr. Frank, Mr. Bustamante, Mrs. Boxer, Mr. Neal, Mr. Wolpe, Mr. Mrazek, Mr. Frenzel, Mr. Brown of California, Mr. Henry, Mr. Smith of Florida, Ms. Slaughter of New York, Mr. Ackerman, Mr. Dwyer of New Jersey, Mr. Boehlert, Mr. Moody, Mr. Hochbrueckner, Mr. Scheuer, Mr. Evans, Mr. Fawell, Mr. Lehman of Florida, Mr. Garcia, Mr. Applegate, Mr. Fauntroy, Mr. Martinez, Mr. Berman, Mr. Atkins, Mr. Kolter, Mr. Owens of Utah, and Mr. Hayes of Illinois.

# EXTENSIONS OF REMARKS

## DO AMERICANS OPPOSE AID TO THE CONTRAS? THE ANSWER IS WE JUST DON'T KNOW

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. MICHEL. Mr. Speaker, we are coming to the end of our long and bitter debate about helping the forces of the democratic resistance in Nicaragua. One way or the other, the fate of the Contras and of their country will be decided within a month or so.

During this debate, over a period of years, we have been told by opponents of such aid that the American people, expressing their views in opinion polls, are against aid to the Contras. But in the September/October issue of the distinguished magazine Public Opinion, Everett C. Ladd, senior editor of that magazine, analyzes all of the polls on this subject and comes to the conclusion that polls "show an ambivalent American public" on the issue. His analysis is the only scholarly investigation of the polls concerned with Contra aid. There is not a single shred of polling evidence to demonstrate that the majority of Americans, fully aware of the situation in Nicaragua, is against Contra aid.

The piece is, in my view, one of historic significance. Whatever the merits of aid to the Contras might be, no longer can anyone seriously proclaim that the polls conclusively demonstrate that the American public is against the administration's position.

At this point I wish to insert in the RECORD, "Where the Public Stands On Nicaragua," by Everett Carll Ladd, in Public Opinion magazine, September/October 1987.

### WHERE THE PUBLIC STANDS ON NICARAGUA

(By Everett Carll Ladd)

"It's interesting that the national polling data over the course of the last three years have shown that—in the latest Harris poll in June—[by] 74 to 22 [percent] people in this country oppose aid to the Contras. . . . And I can tell you myself, Colonel North, from campaigning in New Hampshire, a fairly conservative state . . . [that] the people in this country just don't think [Contra aid is] a very good idea. And that is why this Congress has been fickle and vacillating. Now, you may suggest that some of us voted [for Contra aid] anyway, even though it's against what our constituents believe. But, I want to point out to you, Colonel North, that the Constitution starts with the words, 'We the people'. There is no way you can carry out a consistent policy if 'We the people' disagree with it, because the Congress represents the people." [1]—Senator Warren Rudman

Legislators sometimes feel compelled to take stands opposed to what majorities of their constituents favor, following the rule Edmund Burke so elegantly stated in his November 3, 1774 speech to the electors of Bristol: "Your representative owes you, not his industry only, but his judgment; and he betrays you, instead of serving you, if he sacrifices it to your opinion." Nonetheless, in a democracy the public's wishes should weigh heavily with their elected representatives. Senator Rudman is doubtless right that in the United States today "there is no way you can carry out a consistent policy if 'We the people' disgree with it. . . ."

But what do Americans really want out of U.S. policy in Central America generally and Nicaragua in particular? Have they in fact decisively opposed a policy of aid to the Contras? Since Oliver North's dramatic testimony before the Iran-Contra committee, all polls have shown increases in the proportion of the public endorsing Contra aid in questions that ask about it directly. I will discuss these data below. My objective, though, is to sift through the mountain of survey data on the subject that has accumulated over the last several years, in order to clarify the underlying structure of public thinking. For whatever shifts of opinion have occurred, the structure is fundamentally unchanged.

#### AMERICANS HAVE NOT BEEN OPPOSED TO CONTRA AID

Had Senator Rudman the opportunity to review the entire body of survey information, he probably would not have reached the conclusion that he did—that North's acceptance "into people's homes as almost a folk hero" was surprising since "the very things [aid to the Contras] he is espousing" were opposed by nearly three-fourths of Americans.[2] Contrary to what seems to be an increasingly popular myth, Americans do not warm to figures with whom they have deep policy disagreements. It would indeed be astounding, then, for them to have responded so positively to North had they been solidly opposed to the cause of Contra assistance that he pleaded so passionately. In fact, there is no irony or contradiction: the public's views cannot accurately be summarized as "opposed to Contra aid."

It is not accurate either, of course, to describe the American public as enthusiastically committed to Contra aid. While it is always comforting politically to have the people unreservedly on one's side, and sometimes tempting to claim such support when one knows better, neither opponents nor proponents of Contra aid can plausibly claim that mandate. If members of the public found themselves required periodically to debate a particular Contra aid proposal and then vote on it, more of them would be pushed into choosing sides—but they aren't and they haven't.

#### RESIST COMMUNISM

The poll data brought together on pages 21-23 make evident just how inaccurate it is to claim that Americans oppose assisting the Contras and want their elected representatives to so vote. Many aspects of public opinion push in the opposite direction. For one, developments in Nicaragua—as in any country where Communist expansion or consolidation is at issue—bring into play public attitudes toward Communism and the Soviet Union—which remain very negative. Communism is seen as a bad form of government—for nearly half of those with an opinion, the very worst kind—and the Soviet Union as a system that grossly denies human freedom. The United States must be ready to do what is necessary, including using troops, to prevent Communism's advance. In September 1986 a highly popular Ronald Reagan was seen by a third of Americans as "not tough enough" in dealing with the Soviet Union.

Judgments framed with regard to Communism internationally are hardly muted when applied to Central America. Americans see the region as vital to U.S. interests. They think that success by movements or governments aligned with the Soviet Union would lead to still further Communist expansion in the region and should be resisted. They believe that the United States should take strong action to prevent the consolidation of a pro-Soviet government in Nicaragua. Indeed, in Spring 1986, by a margin of two-to-one, they endorsed "aid to the rebels in Nicaragua in order to prevent Communist influence from spreading to other countries in Central America."

#### THREAT POSED BY COMMUNISM IN NICARAGUA/CENTRAL AMERICA AND U.S. RESPONSE

1. Will Nicaragua provide Soviet bases? (CBS News/*New York Times*):

Yes 59%.

No 16%.

2. Sandinistas likely to provide Soviet outpost unless United States resists (Louis Harris and Associates):

Agree 60%.

Disagree 29%.

3. United States should aid rebels to stop Communist influence from spreading (*Time*/Yankelovich Clancy Shulman):

Agree 58%.

Disagree 29%.

4. Pro-Soviet success in Central America would lead to further Communist advance in region (CBS News/*New York Times*):

Yes 72%.

No 11%.

Depends (vol.) 5%.

5. United States force needed to prevent Communism from expanding in Central America (ABC News/*Washington Post*):

Agree 48%.

Disagree 42%.

6. Greatest threat in Central America: United States getting into war or Communist gains? (CBS News/*New York Times*):

War 36%.

Communists 46%.

Both (vol.) 5%.

Neither (vol.) 3%.

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[1] From the hearings of the Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition, July 13, 1987, as published in *Taking the Stand: The Testimony of Lieutenant Colonel Oliver L. North* (New York: Pocket Books, 1987), p. 650.

[2] Rudman made these comments to reporters following the fourth day of North's testimony before the Iran-Contra committees. See Associated Press, "Casey Favored Secret Fund," *Portland Press Herald*, July 11, 1987, p. 1, 5.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

7. Should United States eliminate Communism from Latin America, or no security threat? (CBS News/*New York Times*):

Eliminate Communism 50%.

No threat 30%.

#### RELUCTANCE ON FOREIGN AID

These data surely do not support the view that congressmen who back the Contras are defying *vox populi* or earning chapters in *Profiles in Courage*. It is true, however, that the public has not warmed to the idea of military aid to the Contras. Partly this reluctance reflects the partisan debate that has been raging, where negative assessments of the Contras by many congressional Democrats are as common as positive assessments by the Reagan administration and congressional Republicans. Not surprisingly, on the specific question of military aid, the public has been organized to some degree on partisan lines. In the context of demographic correlates of aid support or opposition (on the whole these are exceedingly weak), political scientist Howard Reiter reports that "partisanship is a more important correlate of opinion on aid than any of the demographic variables." [3]

In large part, though, the persisting public reservations on military assistance to the Contras, attested to by the data on page 24, reflect an unease about foreign assistance programs generally. In the spring of 1980, for example, Louis Harris and Associates conducted a survey in which they asked respondents to evaluate spending on a list of twenty programs. Cuts in foreign economic (82 percent wanted it cut) and military aid (77 percent) "won" hands down, "beating" even welfare spending (69 percent wanted to cut it), subsidies to business (69 percent), and food stamps (65 percent). Since 1973, the National Opinion Research Center's (NORC) General Social Survey has asked cross-sections of the public whether they think we are spending too much, too little, or about the right amount on foreign aid. The proportion saying "too much" has never been lower than 66 percent and has averaged just over 70 percent. It was 70 percent in 1973 and 71 percent in 1987. In this context, the level of backing for Contra aid shown on page 24 is neither surprising nor particularly low.

These data appear to show conclusively that opposition to aid is general and recurring. Yet after reviewing virtually the entire body of relevant poll data, however, I conclude that it simply is not accurate to say that, overall, Americans are against foreign aid. Of course they are not going to demand it as they do social security benefits—but their assessments include many that support foreign assistance.[4]

Why don't the up-or-down spending questions show the bottom line? Often, pollsters ask one question and respondents answer another one: "Should spending for foreign aid be cut?" seems straightforward and unambiguous. It *is* for people who have a well-formed conception of foreign aid and who have given thought to the matter—but these conditions don't apply for many in the general public. Available data make it reasonable to conclude that the foreign aid spending questions come through to much of the public something like: "Do you think the United States is doing too much or too little in world affairs?" Looking at the experience since World War II, most Americans clearly feel that we have done our share and, in a sense, should seek to reduce our burden, not increase it. The response, *the U.S. is spending too much on foreign aid*, probably reflects this judgment far more than the assessment literally conveyed.

#### PERSISTING TENSIONS

If we look beyond the issue of foreign aid, we see that virtually every time in the last fifty years the public has been asked whether they want to see the United States become engaged in some foreign military conflict, they have said no. This is true of World War II, Korea, Vietnam, and now Central America. This is hardly surprising, since becoming involved in a military conflict is not some intrinsic good. Americans are reluctant to see their country involved, but they are also reluctant to see it stand aside. Polls show a public that believes there are times when the costs of non-involvement are very great.

Poll questions are much like the blind man before the elephant: the questions reach out and "touch" something that can not be seen. We so readily assume that the part being touched in a given instance is the whole—and pay the price in confusion. Touching only upon their reluctance to have their country further engaged, Senator Richard Lugar, himself a Contra aid supporter, last February described the American people as opposed to Contra aid and wishing that Central American problems "would go away without the expenditure of a single penny or (having) a single American involved." [5] How would he explain the public's responses shown in table 1, especially the two-thirds support for Contra aid "to prevent Communist influence from spreading to other countries in Central America"? My view is that this question, unlike the more commonly asked ones on Contra aid, offers a rationale for assistance. "Gain without pain" has not been the bottom line of American opinion on foreign and defense issues for the last forty years—because of the depth and persistence of the public's concern over national security, given the Soviet challenge.

Public opinion today is pretty much what it has been, which means that it is characterized by crosscurrents and tensions. A large majority are at once reluctant to see the United States become deeply engaged in aiding in Contras—and opposed to our sitting back while a Soviet-serving regime is consolidated in Nicaragua.

#### PROBLEMS FOR POLLING

In his review of public opinion data on U.S. policy toward Nicaragua, Howard Reiter notes that "different pollsters asked questions in different ways, and question wording can affect the responses given by the public." Still, he concludes that issues of question wording need not loom very large in research on the subject: "We can spend a great deal of time worrying about which question gets at the issue best, so as a rule of thumb we will avoid such speculation and wherever possible use *reasonably framed questions* that have been asked again and again with the same wording. This will enable us to spot trends and infer the effects of certain events." [6]

Unfortunately, a proper methodology cannot stop with securing "reasonably framed questions." No matter how "fair" the question, it is likely to "feel" only one part of the elephant when the public is ambivalent. And no matter how many times the blind man touches the elephant's trunk and describes it precisely, he still will not have learned what an elephant is like. Consider these two questions:

"Ronald Reagan says the United States should help the people in Nicaragua who are trying to overthrow the pro-Soviet government there. Other people say that even if our country does not like the government in Nicaragua, we should not help overthrow it. Do you think we should help the people trying to overthrow the government in Nicaragua, or should we not help them? [7]

"Ronald Reagan says the United States should help the people of Nicaragua who are trying to prevent the Communist government there from firmly establishing its power. Other people say that even if our country does not like the government in Nicaragua, it should not help those who are fighting against it. Do you think we should help the people trying to prevent the establishment of the Communist government in Nicaragua, or should we not help them?"

The first question, from the CBS News/New York Times poll, is technically sound and fair. This hardly means, though, that it reveals "what the public really thinks." The second question is also technically sound and fair—but almost certainly it would yield a different response. Americans favor measures to prevent a pro-Soviet regime from gaining permanent, Castro-like dominion in Managua, but they are reluctant to endorse the overthrow of the Nicaraguan government. As in other instances where alternate wordings yield sharply different results—for example, asking about spending to "help the poor and needy," compared to spending on "welfare"—the different answers reveal a complex set of colliding values and assessments. The elephant really is a trunk and a leg—and a whole lot more.

#### PUBLIC INATTENTION

The cross-pulling of public attitudes on Contra aid presents a challenge to survey research on the subject. This challenge is heightened by an inattentiveness among much of the population to even highly salient details bearing on U.S. policy. Recent data show a change, but in April 1984, 73 percent of those asked in national polls whether the U.S. government supports the Nicaraguan government or those fighting against it, responded that they really did not know enough to say.[8] As late as April 1986, 43 percent of those surveyed said the Reagan administration "has been supporting the government of Nicaragua," while another 25 percent said they were not sure who the administration supported. Only 32 percent answered that the administration was not behind the Nicaraguan government.[9]

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[3] Howard L. Reiter, "U.S. Public Opinion of the Nicaragua War and the Implications for Political Strategy," paper prepared for delivery at the annual meeting of the American Political Science Association, Chicago, September 6, 1987.

[4] Everett C. Ladd, *American Opinion on Issues of Foreign Assistance*, report written for the World Bank, 1985. The report is available through the Roper Center for Public Opinion Research, P.O. Box 440, Storrs, CT 06268.

[5] Quoted in John Felton, "New Standoff Shaping Up Over Contra Aid," *National Journal*, February 7, 1987, p. 237.

[6] Reiter, "U.S. Public Opinion on the Nicaragua War. . .," p. 3. Emphasis added.

[7] When CBS News and the New York Times asked this question in a May 29–June 2, 1985 survey, 32 percent said we should help in the attempted overthrow, 53 percent said we should not help, while 15 percent had no option.

[8] Survey by CBS News and the New York Times, April 23-26, 1984. "Which side does the U.S. government support in Nicaragua—the current government, the people fighting against the government, or have you been following this closely enough to say?" Current government: 8 percent; people fighting the government, 19 percent; haven't been following, 63 percent; no opinion, 11 percent.

This low level of attention makes it hard to frame questions that make us reasonably confident the public's answers mean what they appear to mean. That the Reagan administration has been at once supporting the government in El Salvador and those fighting against the government in Nicaragua has obviously presented polling problems that would be funny were they not in fact quite serious.

In some instances we simply don't know what many respondents intended to say. In September 1983, 60 percent of those polled nationally told Harris interviewers that they were against "the U.S. arming and supporting the rebels in Nicaragua who are trying to overthrow the Sandinista government in that country"; only 24 percent said they favored such U.S. support. But another survey, by NBC News, taken at exactly the same time, found 45 percent believing that the Reagan administration was supporting the Nicaraguan government, only 19 percent that it was not supporting that government, while 36 percent said they didn't know who Reagan was backing.[10] The point isn't that the heads of "We the People" are full of Jell-O and that their views on the issue should be ignored. The public brings to the controversy some basic values and expectations that are firm enough. But surely findings relating to public opinion on the specifics of Central American policy should be handled with care.

### WHAT IS THE POLITICAL BOTTOM LINE?

Data presented in the Opinion Roundup section of this issue show that professed public support for Contra aid has risen, according to all available surveys, from the months preceding Oliver North's televised testimony to just after it. This turnaround, undoubtedly in response to the appeal of a man who began his testimony very much in the doghouse, is really quite extraordinary. The thrust of this article, though, is that the whole elephant of public opinion on what the United States should do in Central America is highly unlikely to have been much changed. It is too big and solid for that.

Polls show an ambivalent American public—one wanting disparate and even contradictory things. And that is as far as the opinion polls can take us. Public opinion is not neatly in favor of, or opposed to, aiding the Contras.

If the negotiations that have begun promote the end Americans unambiguously favor—curbing advances by pro-Soviet forces in Central America and extending democracy without armed conflict—the political controversy that has fed off public ambivalence on matters relating to Contra aid will be defused. But if negotiations don't lead to this result, the controversy will certainly continue. Politicians wanting to know what the political bottom line is—whether a vote for Contra aid, or one against it, is the more costly in the coin of public opinion—won't get a clear answer from the polls. There is simply no way that the cross-pulls described here are going to receive an emphatic "yea or nay" resolution in the context of an opinion survey.

This doesn't mean that there isn't a resolution—only that it comes through elections as voters feed their amorphous conclusions from the Central America debate into larger judgments about candidates and the parties. Ultimately, someone wins and someone loses; if it is impossible to say how much the Central America debate counts amidst all the other electoral stimuli, there can be little doubt that it does add to voters' impressions of the parties that are composites of many related stands.

Politicians form judgments of how issues ultimately cut at the ballot box. Since the evidence for their conclusions is typically very soft, sharp disagreements are the rule. An observer can't know who is right, but he can get some sense of things by examining the composition of the contending camps and what they are saying.

Perhaps the most interesting thing about the argument over the electoral impact of the contending partisans' stands on foreign and defense issues is that it is going on almost entirely within one political party—the Democratic party. Republicans like Rudman, Lugar, and House Minority Leader Robert Michel periodically complain that the people aren't sending the signals needed to sustain a firm policy of Contra assistance, but no wing of the party worries that the GOP will suffer electorally from its clear identification with Contra support. More generally, few Republicans think that their Reagan-years approach on defense and national security issues is a net political liability. Among the Democrats, though, a heated debate has gone on since the Vietnam war years and Lyndon Johnson's presidency.

The case for the Democrats' "worried minority" factions was presented recently by former Carter policy advisor Stuart Eizenstat in a New York Times op-ed piece. Liberal or left-of-center parties have been having a hard time recently in a number of major industrial democracies—notably the United States, Britain, and West Germany—Eizenstat argued, in large part "because they were perceived as weak on national security issues. . . While no Democratic presidential hopeful has come close to taking such [comparable to the German Social Democrats or British Labour] a radical stance. . .a decade after Vietnam the party is at risk of being perceived as today's neo-isolationist party—a reversal of role from its internationalist attitude, which dates from the days of Woodrow Wilson." [11]

The core of this argument is simple: (1) A broad change in elite opinion, rooted in principle, has occurred almost simultaneously in a number of liberal or left democratic parties, which (2) has left them straining against their respective countries' nationalisms, because they appear weak on national security issues, which (3) has made them vulnerable electorally. All the elements of this interpretation are hotly contested, of course, and their validity simply cannot be proved or disproved in the normal sense of those terms.

Yet, however hard Eizenstat's argument is to grapple with, it cannot be avoided if the political bottom line on Contra aid is to be assessed. If it is basically wrong, the Democrats are unlikely to have a problem electorally accruing from the Nicaragua controversy. If it is largely right, however, they may well have a Nicaragua problem. The contending claims raised by Contra aid leave many Americans in a state of splendid ambivalence. But if a large swing group in the public has formed a view, however vague, of Democrats as squishy on national security issues, that assessment could draw further nourishment from the party's approach on Central America.

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[9] Survey by NBC News and the Wall Street Journal, April 28–29, 1986. "In thinking about Central America, would you say that the Reagan administration has been supporting the government of Nicaragua, or not?"

[10] The Harris survey was done September 9–14, 1983; that by NBC News September 19–20, 1983.

[11] Stuart Eizenstat, "Will the Democrats Go British Labor's Route?" The New York Times, June 18, 1987, p. A31.

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## CAMDEN COUNTY CLEARS GROUND AND GARBAGE WITH RECYCLING PLANT

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. FLORIO. Mr. Speaker, every day hundreds of thousands of tons of solid waste across the Nation are sent to landfills and incinerators. The tons and tons of refuse that go begging for disposal in the limited number of landfills across the country are now themselves being refused admission to those disposal sites.

To meet the demand for space, several municipalities and jurisdictions are trying to make up for the lack of space for landfills by resorting to innovative methods of disposal.

One of the more successful, innovative programs has been recycling.

Since 1985, Camden County has had in force a law requiring the towns in the country to collect recyclable materials for processing at recycling facilities. The types of materials covered by the recycling programs range from newspaper to aluminum and other metals to used automotive oil.

By recycling these used products, the landfills can reserve much more space for products that could not otherwise be recycled by the county's facilities.

One community in the county, Haddonfield, has reduced its waste output by 45 percent.

The importance of those recycling facilities is borne out by the garbage crisis currently facing the United States. In under 2 years, New Jersey will have used up all the available space for landfills and garbage disposal. And the list of States and communities facing the exact same pressure for disposal sites is growing. Within 10 years, most of the States will not have any space.

One "solution" whose time has not come is that of sending our garbage out to sea. The recent episode of the Mobro garbage barge as it sailed the high seas in search of a place to dump its cargo to be refused a berth at every port of call demonstrates that there is limited space.

Dumping our garbage in the ocean is no solution at all. The shores of New Jersey are witness to what can go wrong when city wastes wash back on the sands of the shore. For much of the season, garbage periodically washed ashore, closing the beaches to summer tourists and the vital tourism that they bring and more importantly, posing a potential threat to the health of the visitors and residents there.

Recycling has been touted as an interim response to the growing garbage problem.

But recycling is not the final remedy to the waste disposal problem. Recycling is only a bandage for the growing garbage problem.

As the country seeks new methods to dispose of its garbage, I urge my colleagues to plan for the future now. Although recycling is only a part of the solution, it is only for the interim. The landfill space in the country is limited and cannot be expanded forever to meet the needs of the growing economy and increasing consumption.

Many municipalities are turning to incinerators as the method of choice for garbage disposal. However, as more incinerators appear across the country, those same municipalities and we in Congress will have to deal seriously with one of the major side effects of incineration, that is the toxic emissions and toxic ash often generated during the process of incineration.

I have introduced legislation, H.R. 2516 and H.R. 2787, addressing the issue of incineration. These bills, requiring the Environmental Protection Agency to set standards for emissions from incinerators and for the treatment as ash generated by incineration, go a long way toward preventing what could become a major health problem.

In the process of incineration, numerous known carcinogens and other toxic chemicals, including lead and PCB's are produced as a byproduct. Whether those byproducts wind up in the ash that must then be disposed of in a suitable landfill facility or they wind up in the air that we breathe, standards are necesssary to keep the air clean and the ground free of toxic chemicals.

As we focus on a well thought out, national response to the growing waste disposal problem, I am including an article from the magazine Waste Age, describing the recycling program that Camden County has had in effect for several years. As the article points out, recycling can be a successful interim measure, but the wastes that we create cannot always be disposed of through recycling.

The article follows:

[From Waste Age Magazine, July 1987]

### CAMDEN COUNTY SETS THE RECYCLING PACE: THIS NEW JERSEY COMMUNITY HAS ACHIEVED A HIGH PROFILE FOR ITS EFFORTS—THERE'S GOOD REASON FOR THAT

(By Joe Salimando)

Because of its efforts in the past three years, Camden County, N.J., has become a recycling leader in the waste industry. Camden mandates recycling; and with 17 yard-waste-composting sites, its program is convenient and produces marketable materials.

Camden's recyclers are widely regarded as *the* experts. But developments move so fast in Camden that even John Purves, Camden's solid waste chief since 1983, says he's still learning.

### LESSONS LEARNED: NOT IN PAST TENSE YET!

One recent lesson, he says, came from looking over incoming materials at the county's materials recovery facility (MRF, or "murph").

"I have always been a strong advocate of bottle bills, to increase recycling volumes and participation rates," says Purves, a lawyer and a former New Jersey Department of Environmental Protection official.

"But after seeing what we are getting at the materials processing facility, I have changed 180 degrees. If you look over the containers we are getting in here, you see dog food cans, maynonnaise jars, shampoo bottles, and more. If you sort through this stuff, you'll see peanut butter jars—jars that are washed out by the homeowner!

"Our experience, then, leads me to believe you get a lot more recycled without a bottle bill, provided you do something along the lines of what Camden County has done."

### PLANNED LANDFILL CLOSING IS STIMULUS

Camden got into mandatory recycling in 1984 when officials in nearby Gloucester County prematurely decided to close the Kinsley Landfill.

As explained in a January, 1985, Waste Age story, Deptford Township citizens became angry because the landfill received the bulk of its waste from Philadelphia.

When the landfill proposed expanding its site, which could have accommodated all its users for as much as 10 years, Deptford citizens pressured Gloucester County's freeholders to prevent it.

"The Kinsley decision pushed us to move faster in a direction in which the county was already going," says Purves. "In 1983, when I got here, 12 of the 37 municipalities in the county were recycling something, mostly newsprint. We already were the best recycling county in the state."

### AN OVERALL PLAN

Knowing that there was no certainty to Kinsley's continued operation, Camden County fashioned a new solid waste management plan. To understand the plan, you must first know that there is an independent authority serving communities near the Town of Pennsauken. The authority has its own landfill and will soon open the doors of its own refuse-to-energy plant.

The county's 480,000 residents, of which the city of Camden holds only 85,000, generate an estimated 450,000 tons/year of refuse. In the future, Pennsauken's 500-tpd refuse-to-energy plant (being built by Ogden Martin Systems) and the county's 1,050-tpd burn facility (with Foster Wheeler as vendor) will handle the bulk of disposal.

Camden County's plans allow for the possible addition of a fourth 350-tpd line and boiler, which was included in the design should the county's waste generation grow. With or without the addition, the plant is scheduled to open in late 1989.

In the interim, there's a lot of refuse to be handled. While the nine Pennsauken area municipalities use their landfills, other cities and towns must truck their refuse to transfer stations. The county-wide average tip fee is $43/ton.

Recycling helps reduce costs for these municipalities in the short run (reducing the volume transferred and trucked) and in the long (it cuts the needed size of the refuse incineration plants).

In addition, Purves points out that recycling helps reduce the amount of refuse-to-energy plant ash that needs to be managed. "The materials we are recycling—the bottles, the cans—are prime producers of ash and residue. They just don't burn well. So if our efforts recycle 20,000 tons per year of this material, we avoid generating perhaps 20,000 tons of ash."

### WHAT THE COUNTY DID

Camden County's freeholders passed a law mandating recycling in early 1985. Each municipality had to have a collection program in place by March 1 of that year. In addition, disposal of whole trees, branches, leaves, and tree stumps (grouped as "vegetative waste") was restricted.

Initially, used newspaper, aluminum cans, and scrap metal were the minimum each city and town had to collect. Used oil was included, too. In early 1986, all cans (aluminum, bimetal, and tin) and all glass containers were added to the list. Curbside collection was not mandatory, however, a municipality with buy-back/drop-off centers could meet the requirements.

"Most of our towns do curbside collection, and most pick up recyclables the same day as trash," says Purves. "The vegetative waste rules may not seem as important as those covering aluminum cans and newsprint, but consider in one of our towns, Haddonfield, 20% of the annual waste is leaves and tree branches and the like.

"Haddonfield has actually reduced its waste volume by 45% through recycling and leaf collection. Not every town can do this, of course." Purves says 23 of the 37 municipalities own a leaf machine; the vegetative waste is taken to 16 smaller, locally run composting sites and one large site owned and operated by a private company (but designated as a countywide facility for towns unable to implement their own sites).

As described by Purves, the spread of recycling in Camden's municipalities was rapid. "I live in the county, and I've seen it. As a curbside program begins, you may have only one or two people on a block of maybe 16 families set out their recyclables. Over a period of time, thanks to publicity, you reach a critical mass: when you get eight or nine homeowners to put stuff on the curb, suddenly, it becomes embarrassing to *not* recycle.

"So you move quickly from eight or nine to all 16 putting out recyclables."

Camden's law did not deal with commercial recycling. "One reason is that the commercial sector, the generators and the private hauling companies that serve them, has always recycled," says Purves. "We are fortunate in that there are good markets here for recyclables, so perhaps that's why the commercial waste hauling companies have always done it.

"Why tinker with something that's been working for, maybe, decades?"

### WHERE THE RECYCLABLES GO

Each municipality's recycling trucks dump at the county's 6,000-square-foot MRF, located on the site of a scrap metal yard owned by Giordano Scrap Metal. The MRF also serves communities in Burlington and Gloucester Counties.

THe MRF itself is the second such unit designed by Resource Recovery Systems (Groton, Conn.,); the first serves municipalities in the Groton area. A Giordano-RRS joint venture, called Giordano Resource Recovery, operates the plant and markets materials on a five-year contract which began when the plant opened in the spring of 1986.

From 50 to 60 tpd of bottles and cans are processed by the facility; as many as 35 trucks (which drop off newspaper at other locations) arrive and tip daily. RRS says the plant's single-shift capacity is about 80 tpd.

"We will turn a profit this year," says Purves. Profits are split 50/50 between the county and the cities and towns, who are paid based on what percentage of plant volume they brought in.

RRS has been working on developing such a facility since the mid-Seventies, says Peter Karter, company president. As a result, much of the plant's work is done by machines designed by RRS. People (11 are employed at the plant) play an important role in sorting recyclables. Carter says this is especially true for enhanced glass recovery by color; the human eye still can outperform optical sorting technology, he notes.

THE PLANT'S PROCESS

Bottles and cans are fed together onto an incline conveyor belt. A picker at the in-feed point pulls any stray materials out of the stream which the plant does not process—including plastic bottles, aluminum pie plates, and even pots and pans!

At the top of the conveyor, an automatic air blower removes lighter-weight aluminum cans. Magnets hold steel and bimetal cans on the belt.

Glass items are color-sorted by the pickers into clear, brown, or green hoppers. The glass is shattered, with non-glass items (the caps and labels, primarily) removed in RRS-designed processing machinery.

To get contaminants out of the cans, they are tumbled and rolled in a variety of RRS-designed machinery, some of which is roughtly 50% effective in removing labels from the metal containers. After being thoroughly tumbled, cleaned, and processed, the metal cans are run on a coveyor by a group of pickers, who sort out and remove all bimetal beverage cans.

Tin-plate food cans are swept from the conveyor into a Cutler shredder, which cuts them into 1.5-inch by 1.5-in pieces. The plant may soon add briquetting machines to process bimetal cans.

Aluminum cans are also run by a picker, who removes non-aluminum items; the air blower also blows paper, plastics, and other items into this flow. Cans are then run by a magnet to pick off steel and bimetal items. From here, it's a short way to the can flattener/blower, which feeds crushed cans into a trailer.

COLLECTION AND MARKETING ADVANTAGES

After going through the RRS-designed processes, end products are clear glass, green glass, brown glass, aluminum, bimetal cans, and tin. The facility's show-place nature can be seen in that Vulcan Metals has donated the Cutler shredder and in that the aluminum can flattener/blower was contributed by Reynolds Aluminum.

"The thing we liked about Peter Karter's process," says Purves, "is that it is so market-oriented. You don't have to separate the clear glass from the mixed, but then again, you get a higher price if you do.

"With what is done at the MRF, we get higher prices for all of our recyclables. We were getting $700/ton for aluminum, for instance, when the going price was about $20 or $40 less. The reason is the high quality of the end products.

"Another advantage having a plant that can process mixed recyclables is that it is easier for municipalities to participate. They don't have to mandate source-separation of everything; people can tie their newspapers in bundles and put all of their cans, bottles, and pie plates in one container. Obviously collection is also simpler this way."

CAN THIS SUCCESS BE REPLICATED?

Purves is somewhat hesitant to recommend Camden's approach as a cookie-cutter for communities elsewhere. For one thing, the plant was subsidized by a $200,000 state grant. The use of an existing scrap facility was another advantage.

The bottom line: the county spent little more than $400,000 of its own money ($650,000 all told) to bring on-line a facility that ordinarily might have cost as much as $1 million. This certainly helps in return-on-investment analyses.

State grants to municipalities for annual recycling tonnages are another incentive New Jersey offers that most other states do not. These "rebates" can be quite significant to small municipalities, stimulating them to do more than the minimum in complying with the county (and now state) mandatory recycling law.

Purves cites two other advantages: Camden is the home of or close to a number of markets for its recyclables; and because the county's program is well-developed, it is tied into its markets in a way that Johnny-Come-Lately recycling counties and towns are probably not going to be able to duplicate.

WHAT CAN BE LEARNED FROM CAMDEN

On the other hand, Purves says there are other lessons to be learned. One is to "make it so easy for a citizen to recycle that he or she has no excuse not to." This is easier to accomplish with the blend-it-all-together approach that the county's municipalities can use thanks to the MRF's capabilities.

Another lesson is that even with the great effort put forth in Camden, overwhelming percentages of waste are still going to landfills. If the plant's full capacity of 20,000 tons per year of bottles and cans are pulled from the waste stream with about twice the tonnage of newspaper, Camden County will have recycled just over 100,000 of its 400,000 tons per year. Even granting that every county community is as successful in picking up leaves as in Haddonfield, the recycling level still is stuck below 30%.

"Recycling is just one component of our plan," says Purves. "It's very important, but if you analyze it, we're putting in place 1,550 tons—maybe even 1,900 tons—of daily incineration capacity here."

FUTURE MARKETING PROBLEMS

Development of markets for recyclables, by cities and towns and by individual states, is a must, Purves says.

Despite Camden's high-quality output and early presence in recycling markets, the county has already seen prices weaken because of additional recycling in its state: "If we had not done that early market development work, we never could have developed a comprehensive county-wide program. There would not have been a place to put the stuff, and we could not have made the profit-sharing plan as attractive to the municipalities," Purves says.

"If every town in New Jersey comes in behind us, there could be a permanent glut".

If that happens, Camden County can look in the mirror for a good part of the blame. One cannot help but note that New Jersey's recently enacted mandatory recycling law (see June, 1987 Waste Age, page 59) is similar to Camden's and mandates a collection system not unlike that existing in the county, down to the law's ban on landfilling of vegetative waste.

State legislators and DEP officials were quoted in the Jersey print media saying that writers of the law looked to Camden's blueprint before putting pen to paper.

## THE 40TH ANNIVERSARY OF RESPIRATORY CARE PROFESSION

### HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. MURTHA. Mr. Speaker, it is my pleasure to recognize the efforts of the Respiratory Care Practitioners who are noting a 40th anniversary of the profession, and to note the efforts of the Student Respiratory Care Society at the University of Pittsburgh at Johnstown who are planning a very active week of education from October 4 to 10.

Respiratory therapists work to provide vital care and education to millions of Americans. These individuals are in the front lines of the battle against cardiopulmonary disorders through diagnosis, treatment, and rehabilitation.

There has been a continuing increase in chronic respiratory conditions, and we are still fighting the medical battle against diseases such as emphysema, asthma, sinusitis, pneumoconiosis, pleurisy, allergies, and other health care complications. Health education and rehabilitation can be a key element in reducing individual and national health care costs that total some $100 billion—including lost productivity—in heart disease and stroke and $50 billion in respiratory diseases.

We have made tremendous health progress. At the turn of the century major causes of death included tuberculosis, influenza, and pneumonia. As late as 1870 an English study concluded that the death rate from surgery was higher in the hospital than in the home. We obviously have a great deal more to do, however, and to implement much of what we have learned about the cause and treatment of disease. The educational effort surrounding Respiratory Care Week marks a key part of our continuing medical effort and I extend my best wishes for the activities of the UPJ Respiratory Care Society.

## THE ADMINISTRATION IS IN THE OZONE AGAIN

### HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. STARK. Mr. Speaker, the Reagan administration is once again attempting to deflate the international negotiations to protect the Earth's atmosphere. The latest effort comes from the Environmental Protection Agency wanting to increase the number of nations needed to ratify the pending treaty.

But what is startling is the EPA testimony in a Ways and Means hearing on acid rain last Wednesday morning. John Campbell, Acting Assistant Administrator for EPA, publicly acknowledged that extensive crop damage occurs in the United States because of a breakdown of atmospheric ozone, not acid rain.

We have, Mr. Speaker, an EPA official outlining the scope of the problem caused by CFC's while in Canada another EPA official is working against a solution. What kind of policy pollution is this?

Scientific evidence continues to mount on the devastating effects chlorofluorocarbons or CFC's have on the Earth's ozone layer. In fact, the evidence is so strong, 31 nations are meeting in hopes of coming to an agreement to limit, indeed reduce, the production of the chemicals.

It is time for the Reagan administration to treat the ozone problem with the seriousness it deserves. CFC's have the potential to do devastating damage to the Earth. Blatantly silly solutions such as the wearing of hats and sunglasses, previously offered by Interior Secretary Donald Hodel, are purposeless. But now we have something far worse occurring. EPA has recognized the ozone problem but is impeding a solution.

I have introduced legislation to phase in an excise tax which would price CFC's out of existence. Administration foot-dragging on CFC's emphasizes the need for a dependable, long-range answer that encourages alternatives. My bill, H.R. 2854, provides that answer.

## TRIBUTE TO MARTY DEJAGER

### HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. COELHO. Mr. Speaker, I am pleased to call to the attention of my colleagues in the House the story about one of my constituents, Mr. Marty DeJager, an enterprising farm operator from Merced, CA. Seven years ago Mr. DeJager was critically paralyzed from a tractor accident which sidelined him from performing his services. With the support and guidance of his family and friends, Mr. DeJager motivated himself to not only working again, but breaking records for production of corn silage. Truly he has learned to master his disability and lead a successful life.

Mr. Speaker, I commend Marty DeJager and his family for showing how one can surpass the obstacles presented to us and find happiness and fulfillment and I would like to share his story with you as follows:

TRACTOR ACCIDENT DIDN'T SIDELINE DEJAGER—NEVER SAY DIE

[By Dan Campbell]

EL NIDO.—A tractor accident in 1980 robbed Marty DeJager of the ability to walk, but not of the ability to run a 1,700-acre farm.

Although, wheelchair-bound, DeJager has refused to be sidelined by his injury.

In the last six years he's put 215,000 miles on the specially modified van he uses to make rounds of the farm, where he grows feed crops for the two dairies his brothers operate near El Nido. The van has an electric lift which enables him to board and exit the vehicle unassisted.

As farm manager, DeJager supervises crop planting, irrigation, harvesting, commodity hauling and equipment maintenance. He also does office work, including payroll, bills and related bookkeeping.

That would be challenge enough for most farmers with two good legs. But DeJager soon will be taking on even more responsibility when the farm expands by an additional 1,600 acres this fall.

Dejager credits the love and support he received from his family during his convalescence for giving him the will to fight back following the accident. Family members say he simply refused to give up.

"Marty's a remarkable man. There's no quit in him," said Charlie Cooper, DeJager farm foreman.

The accident occurred about 5:30 in the morning seven years ago when DeJager was working alone, scooping silage out of a storage pit. As he dug silage out, it created an overhang.

There was no roll bar over the drivers' seat to deflect the blow when the overhang broke lose and 30 tons of silage came crashing down on his head. The force broke his neck.

DeJager said he remembers drifting in and out of consciousness for the 90 minutes or so before help arrived. Silage was piled up all around him, and he couldn't move his foot to ease up on the throttle.

He was afraid the heat from the tractor would ignite the silage.

When the farm crew arrived at 7 a.m., one worker noticed exhaust from the tractor shooting straight up from the silage pit and went to investigate.

Paramedics rushed him to a hospital in Merced, where he was placed in traction and flown by helicopter to Santa Clara.

DeJager (pronounced DeYager) spent the next 5½ months there in a special hospital for people with spinal injuries.

"I didn't really know what to think at first. They tell you this and that, but you just have to sort it all out for yourself," DeJager said.

"My wife and family stuck by me the whole time, which made dealing with it a lot easier. Some of the other patients there were virtually deserted by their families—those were the ones that seemed to lose their will."

Knowing he would have some sort of job on the farm waiting for him when he returned home also took some of the pressure off, DeJager said.

His wife Carolyn was with him each day from 9 a.m. to 9 p.m., reading and talking with him or learning the physical therapy he would require at home.

"There were a lot of exercises I had to help him with," Carolyn said.

"It was a trying time for all of us, but we helped each other out," she said.

"The first six months after I returned home was pretty tough—there was so much I couldn't do for myself," DeJager said.

But he gradually learned to cope with the handicap, and with the acquisition of his special van found he could still play an active part in running the farm.

"It still can be frustrating sometimes when I go out to check on something and find water flooding or a cow stuck and no one around to help. At those times you still wonder if you're a burden. But then you do something else and the feeling passes," he said.

The towering, 16-foot-high corn plants and other thriving feed crops which he raises are ample evidence that even in a wheelchair, DeJager still can farm with the best of them.

"It's really not that hard," DeJager said when asked about the plaques on his wall awarded in recognition of crop production records he has set.

One award salutes has production of 45.6 tons of corn silage per acre, nearly double the county average. He averages 31.1 tons of corn per acre, about a third better than the county average.

"The secret is in how you work the land and a lot of good, smelly manure water from the dairy," he said.

DeJager's upbringing dictates a lifestyle which leaves no time for self-pity.

"My dad taught us to keep our nose to the grindstone and to watch every dollar. Even now if he's walking around and finds hay laying about he'll tell us to pick it up and use it."

To help track every dollar, each of the four DeJager dairies and the farming operation are run as separate businesses. That helps pinpoint which areas are holding their end up and which aren't, DeJager said.

DeJager said his father, Ed DeJager, still is "commander and chief" of the growing dairy empire they are building in Merced and Madera counties. They are milking nearly 5,000 cows on four dairies.

Marty and his brother, Mike, are partners with their father in DeJager North Dairy on Ivy Avenue east of El Nido. Mike supervises the 1,600-Holstein dairy, while Marty looks after the crops.

Another brother, Art, runs the 900-cow Vista Verde Dairy on nearby Bliss Road, while brother Rocky runs a 1,500-cow dairy they recently purchased south of Madera.

Their father still lives in Southern California, where the family has a 1,500-cow dairy near Corona.

DeJager's grandfather was a dairyman from Holland who moved to California and pursued dairy farming in an area which became one of the most heavily concentrated dairy regions in the world.

But urban sprawl in Southern California is forcing many farmers off their land, so in 1978 they purchased land for a heifer raising operation in Merced County.

"Dad also looked at land around Oakdale, which was too hilly, and around Visalia, but land there was much more expensive," he said.

They have gradually been expanding the operation here ever since.

The DeJagers are still bullish on the dairy business.

The recent decision to buy an existing dairy in Madera County came as a result of creameries asking for more milk, DeJager said. The need was created by drops in production caused by the dairy buyout program.

"I think the dairy business is going to get tighter and tighter. But those who manage the most efficiently will succeed," he said. "The ones who watch at the little odds and ends will stay ahead."

## OVERUSE OF GROUND WATER THREATENS SUPPLY

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. MILLER of California. Mr. Speaker, this past spring I introduced H.R. 2320, the Reclamation States Ground Water Protection and Management Act.

A key purpose of this bill is to encourage the 17 Western States, which are current recipients of water project money from the Bureau of Reclamation, to develop ground water protection and management plans. Few

States in the Nation have comprehensive plans in place; yet most States need such plans.

In States such as California, the long term availability of reliable good quality supplies of ground water is essential for the continued livelihood of the State. This is true elsewhere, too. Unfortunately, we too often treat ground water as though it is an inexhaustible resource—allowing it to become polluted or depleting it at rates faster than it can replenish itself. And, all the while we are using—and abusing—ground water at astonishing rates, we are experiencing greater and greater demands for water—from our rapidly growing population, agriculture, increasing tourism, and the like.

If properly managed and conserved, there should be sufficient water in the West to meet our needs and provide for our future growth. If we don't manage and protect our water supplies, I think we can look forward to some major crises ahead. And, the solutions we will have to apply when those crises hit are likely to be far more painful, more dislocating, than anything we do now to plan for our future water needs.

A recent article in Forbes described the problems addressed by H.R. 2320. Palm Springs, a desert community, has taken water consumption to new heights. It is already pumping more ground water than can be replenished, and looking at expensive solutions to meeting its even greater future water demands. Yet, all the while, it is permitting unnecessary and enormously consumptive water uses.

Palm Springs is but one fairly conspicuous example of wasteful water practices. It is my hope that with growing awareness of the limited nature of ground water supplies—and with the incentive that H.R. 2320 provides—States will develop comprehensive ground water plans that will ensure that ground water is protected and managed to serve future generations as well as the present.

A copy of the recent Forbes article follows:

[From Forbes Magazine, Aug. 10, 1987]

### Drink and Be Merry

(By Ellen Paris)

Marriott's newest desert resort is the 891-room Desert Springs Resort & Spa near Palm Springs, Calif. Here the big attraction is 23 acres of sparkling lakes, one part of which flows into the eight-story atrium lobby. Take a small boat and you glide along the lake to dinner at the Mikado, the resort's Japanese restaurant.

Some 250 thirsty miles to the east squats the Phoenician (scheduled to open in September 1988), a $250 million, 850-room luxury resort on the Phoenix-Scottsdale border. Here, too, there's a large golf course lake.

This lavish use of water irks many people in the arid and water-short Southwest. There have been water warnings in the West for years, but development has proceeded almost unchecked. In communities like Tucson, Los Angeles and San Diego, people build and ignore the word that their wells are running dry.

"Palm Springs is a desert. It should be landscaped like one, not like downtown Seattle," says Robert Bertrand, chairman of the Palm Springs Water Task Force. Last year the underground basin (called an aquifer) that is Palm Springs' main source of water lost more than 27,000 acre-feet of water (one acre-foot is about 325,900 gallons). That is, the town pumped out about 8.8 billion gallons more than got put back.

Did anyone do anything? Not that you'd notice. In May Indian Wells, 15 dusty miles east of Palm Springs, gave its blessing to plans to build an $800 million resort filled with, you guessed it, an 80-acre lake. No problem, says the Coachella Valley Water District (one of two agencies that supply the area's water). Man-made lakes don't really use much water since they constantly recirculate the water that sits in them. This is a questionable statement in an area where evaporation rates hit an estimated ½ to 1 inch per day during the summer, when temperatures can reach almost 120 degrees, and where the area's nearly 60 golf courses guzzle the wet stuff like desert wanderers. Says Evans Slater, another Palm Springs Task Force member, "We tell people we need more water, and they build more lakes."

Arizona's annual renewable water supply of 2.8 million acre-feet is well below the state's consumption rate of 5.3 million acre-feet. The extra 2.5 million acre-feet come from the aquifer. A concerned legislature passed something called the Arizona Groundwater Management Act in 1980. By 2025, the act dictated, the amount of water withdrawn from the ground could not exceed the rate of replenishment: If 20 gallons were taken out, 20 gallons had to be put back.

But 2025 is a long way off. The state's water-thirsty builders are counting on the Central Arizona Project to bail them out of the law's tough replacement requirements. The project, now about 70% completed, is planned as a 335-mile-long network of open canals, siphons, pumping plants and tunnels, which will deliver 1.5 million acre-feet of water a year from the Colorado River by 1992. But that will not be enough to satisfy population growth unless some water-saving measures also are established. By the year 2000 Phoenix's population is expected to grow from 988,100 to 1.4 million. Water demand is expected to increase some 44%.

And once Arizona begins guzzling its full allotted share from the Colorado River, Palm Springs and its neighbors will be even worse off. Currently California is allowed to siphon more than its share (the shares are parceled out by an interstate agreement) from the Colorado because Arizona and other western states have not finished building their new diversion systems. When Arizona and the other states are finished, California will have to cut back its take by around 1 million acre-feet per year. How will it make up the difference? Good question.

Consider Palm Springs' problem. At existing rates of consumption, the vast aquifer feeding this community has enough water to begin the next century. Longer term the outlook is grim. California is in the first year of a drought, and the state's Metropolitan Water District, a wholesaler (which sells water to 27 southern California water districts, including Palm Springs, through an exchange agreement), stopped piping water to the Springs in April.

"Palm Springs is doing okay now, but it will need to obtain additional water by the year 2000 because demand will keep exceeding the supply," says Carlos Madrid of the California Department of Water Resources. The turn of the century, remember, is a quick 13 years away.

"The situation will be stable until 2000 because of the Central Arizona Project and the conservation methods imposed by the Arizona Groundwater Management Act," says Charles White of Phoeniz' Water & Wastewater Development. "But these things won't cure the problem. We will still need to be looking for other sources of water," he adds. Late last year the city spent $38 million for 14,000 acres of agricultural land for its water rights alone. Phoenix is also considering cloud-seeding.

Back to Palm Springs and the recently completed 21-acre Oasis Water Resort, a collection of water slides, swimming pools, fountains, even a pool that creates waves for surfing. Oasis Water Park is smack next door to the Desert Water Agency.

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## RESOLUTION ON HISPANIC EMPLOYMENT

### HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. MARTINEZ. Mr. Speaker, today I and 16 cosponsors are introducing a house resolution on Hispanic employment. This resolution reaffirms Congress' commitment to ensure Hispanics and other groups and races an equal opportunity to participate in this country.

Hispanic Americans have made a valuable contribution to the growth and progress of this country. In fact, by the year 2000 it is estimated that Hispanics will be the largest minority group in the United States. This growth of Hispanic workers requires that we assess what employment opportunities they will have in future years.

Today, many Hispanics do not have the education needed to join mainstream society. A disproportionate number of Hispanic adults and youth are unemployed while many of those that are employed are occupationally segregated in the lowest paying jobs. Hispanic men earn only 71 cents and Hispanic women only 54 cents to every dollar earned by white males. Much of this has been attributed to the fact that more than 50 percent of all Hispanic adults in the United States are functionally illiterate and as a group lag behind all other groups in the number of years of school completed. This problem reaffirms the need for educational assistance and the opportunity for equal employment for all Americans.

I urge my colleagues to join me in cosponsoring this resolution bringing attention to this problem. For the benefit of my colleagues, I ask that the context of the resolution be included in the RECORD.

The text of the resolution follows:

H. RES. 261

Whereas the Hispanic community is a growing and thriving community that makes an enormous financial, cultural, political, and employment contribution to our Nation;

Whereas by the year 2000, Hispanics will be the largest minority group in the United States;

Whereas 11 percent of Hispanic adults and 25 percent of Hispanic youths are unemployed;

Whereas Hispanics are occupationally segregated in the lowest-paying jobs;

Whereas participation in the labor force is lower and the unemployment rate is higher for Hispanics than for non-Hispanics;

Whereas more than 50 percent of all Hispanic adults are functionally illiterate;

Whereas Hispanics as a group lag behind all other groups in the number of years of school completed;

Whereas 22 percent of Hispanic women workers have completed 8 years or less of school;

Whereas Hispanic men earn only 71 cents for every dollar earned by white males and Hispanic women earn only 54 cents;

Whereas 72 percent of Hispanic female-headed households live in poverty; and

Whereas there has been a rapid growth in the number of Hispanics living in the United States, and many of the newer arrivals do not have the education needed for success in the labor market success: Now, therefore, be it

*Resolved*, That it is the sense of the House of Representatives that—

(1) it is not acceptable for one group to be at a greater disadvantage than others as they pursue the goals common to all families, which are to be educated and economically secure;

(2) Hispanic educational and employment opportunities should be improved through the combined efforts of public and private sector programs and assistance, targeted at helping Hispanics become proficient in the English language so they may participate in our mainstream economy; and

(3) Federal, State and local governments must make affirmative efforts towards hiring, recruiting, training, promoting, and rewarding more Hispanic workers.

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## NATO HAS NOTHING TO FEAR BUT TALKING ITSELF

### HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. MINETA. Mr. Speaker, Robert A. Levine, a former Deputy Director of the Congressional Budget Office, has written an invaluable article on the North Atlantic Treaty Organization. Mr. Levine, who has done research on national security and domestic policy as a RAND Corp. consultant, had this article published by the Los Angeles Times on August 2, 1987. It is my pleasure to bring this considered and insightful analysis to the attention of my colleagues.

[From the Los Angeles Times, Aug. 2, 1987]

### NATO Has Nothing to Fear but Talking Itself

(By Robert A. Levine)

SANTA MONICA.—NATO—the North Atlantic Treaty Organization—is not crumbling under the weight of divergent interests among member nations, economic problems, wily Soviet manipulations or any other objective pressures. But half-informed alarmist talk, resonating back and forth across the Atlantic, may yet crack it.

The alliance could talk itself into impotence, as some Americans exaggerate the fears of some Europeans who have overestimated the policy-making relevance of some other Americans, and as recent arms-control steps, whether good or bad, take on more symbolic than military importance.

At the beginning of a recent stay in Europe devoted to the examination of such NATO issues, I arrived with the belief that while the Alliance was, as always, changing, it remained fundamentally sound. The basic structure and the American commitment—both our contribution to the conventional shield and our umbrella of nuclear deterrence—seemed, from the U.S. side of the ocean, firmly in place.

My first 10 days in France, however, were traumatic. Most authoritative French experts in and out of government, believed that the United States was well on its way to abandoning the European security structure. Leaving Western Europe to face the hordes of the Warsaw Pact on its own. In part, as one European put it, "Some of the French are now catching up to De Gaulle's rhetoric of 25 years ago"; in part, the upsets stemming from the flimsy American proposals and procedures at Reykjavik the previous November were still churning French stomachs.

All this has been exacerbated by an article from the publisher of the influential weekly L'Express, with the exotic name of Sir Jimmy Goldsmith (his father was an Englishman). Goldsmith had listened to the views of a small right-wing Washignton/New York clique that thinks U.S. contributions to a rich and insufficiently anti-Soviet Europe are interfering with our worldwide anti-communist mission. He put these views together with some other Washington jottings and came up with an alarmist analysis of where the United States was going—out of the alliance. Europe had to prepare its own defenses on its own.

The American exit had not been visible to me at home but if representative Europeans believed we were leaving, then the Alliance could crumble as their nations acted on these beliefs. Fortunately for my own balance, after the 10th day I began to travel to other parts of Europe and discovered that the French were not particularly representative of NATO. Officials and analysts in Britain and in the smaller member nations were much more relaxed: Of course the alliance is changing, but it has been for 35 years; the European members will and should do more for themselves, but not because America is walking out. German views spread all across the range—from French tension to British ease—but no Germans took very seriously French words, unbacked by actions, to tie the two nations' military forces together.

The trouble is that some influential American writers and ex-officials have been hearing only the French and those Germans who share their fears. Fearing in turn that these partial European views would erode the alliance from the European side, these Americans have been sending their alarms back across the Atlantic for Europeans to take as new evidence of American defection. And the echoes go back and forth.

All of this had been made much worse by the memory of President Reagan's radical Reykjavik proposals, arrived at minus consultation with our allies. Almost all Europeans considered that performance as one more piece of evidence of erratic U.S. decision-making—not unlike President Jimmy Carter's indecision on the neutron bomb or Reagan's sudden Strategic Defense Initiative proposal, his Libyan raid, his Iran-Contra confusions.

Then came the double-zero agreement on INF (Intermediate-range Nuclear Forces). One zero did away with long-range intermediate forces—missiles having a range of more than 600 miles—the other with short-range INF missiles between 300 and 600 miles. Double-zero, forced on reluctant conservative European governments, seemed to the European alarmists and their American counterparts on the other end of the echo chamber to confirm the worst—the U.S. nuclear umbrella was being folded up.

In fact, a good case can be made that double-zero does little to change the military balance in Europe. Britons of all political views found it easy to accept; German Foreign Minister Hans-Dietrich Genscher, a liberal in German terms, endorsed it quickly; French Socialist President Francois Mitterrand, in contrast to conservative Premiere Jacques Chirac, was unruffled. As one Frenchman, more relaxed than most of his countrymen, assessed the more controversial half, the zeroing out of the shorter-range nuclear force: "Can we really object to an agreement where the Soviets destroy hundreds of missiles and we give up nothing?"

In any case, for better or worse, zero-zero seems on the verge of acceptance. The next fear of the French and those who take a similar position is that the two zeros are the first steps down the "slippery slope" to complete denuclearization of Europe, leaving the West at the mercy of overwhelming Eastern conventional military power. Looked at now, from the standpoint of U.S. political reality, zero-zero, far from starting an accelerating downward slide, is likely to be temporarily terminal so far as arms control is concerned. Once Reagan has his arms agreement, his Washington summit to sign it—and his place in history—we will be in the election year of 1988. While arms-control negotiations will continue, nothing is likely to be agreed; 1989 will be the year for the new Administration to figure out where it stands, and by 1990, negotiations may get serious again.

Those two years should be used not to panic about a breaking up of the alliance, but for members to figure out, publicly and privately, what they really want next. In the United States, the portents look good. Most candidates from both parties have good enough political judgment (and good enough advisers) to make it likely that the next resident of the White House will reverse the erratic international image of U.S. decision-making. Congress, whatever else it has done, has reiterated its commitment to NATO. The House of Representatives has recently endorsed a resolution to maintain current troop levels. Sen. Sam Nunn (D-Ga.), the acknowledged leader of the Senate majority in this field, has made clear a continued belief in NATO notwithstanding his attempts to push the Europeans toward greater contributions.

What might change this picture of imminent short-run stability providing time to build a stronger long-run posture? Three things. The first is economics: Trade warfare between America and Western Europe or a general collapse—among developed as well as less-developed economies—could lead us into unpredictable chaos. This too can be avoided, but that's another subject.

The second is the Soviets: If NATO remains sober, Gorbachev probably cannot manipulate the alliance into self-destruction, but, paradoxically, evidence of Gorbachev "sincerity" going beyond manipulation is something we are not well-prepared for. On the other hand, should the Soviets again turn patently hostile toward the West—as is certainly possible, with or without Gorbachev—we are used to handling it.

The third possiblity is the most insidious. Since we are still a long way from re-creat-

**ing East-West relations on the model of those between the U.S. and Canada, or even between France and Germany, the alliance is what has preserved the peace in Europe for an unprecedented four decades. It must remain cohesive. That is why the mutual exaggeration of transatlantic fears, the third challenge, is so dangerous.**

## FLORIO HONORS SAM PLUMERI, JR.

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues an outstanding individual from Mercer County, NJ, Sam Plumeri, Jr.

I have had the pleasure of knowing Sam Plumeri, Jr., for many years, and in that time he has always impressed me as a man of honor and distinction. Long active in civic and political causes, and from a family well known for its civic involvement, Sam is particularly proud of his work with the Trenton Lions Club.

The Trenton Lions Club, the oldest active Lions club in the State of New Jersey, has participated in many civic, charitable and youth projects to assist the Trenton, NJ, community. By all accounts, Sam Plumeri, Jr., has become a leading participant in that organization in a very brief period of time.

A member since 1985, Sam served as the fundraising committee chairman of the Trenton club for the past 2 years, and currently holds the honored position of first vice president. In addition, Sam has been the recipitent of numerous achievement and appreciation awards for his exemplary service.

Mr. Speaker, it is easy to see why I am proud to consider Sam Plumeri, Jr., a good friend. On Sunday, September 20, I will be pleased to join with Sam's many friends and Lions club colleagues in honoring him for his dedication and service to the community. I am certain that my colleagues in the House would join me in congratulating Sam on this well-deserved tribute.

## THE 50TH ANNIVERSARY OF THE WESTMORELAND-FAYETTE COUNCIL, BOY SCOUTS OF AMERICA

### HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. MURTHA. Mr. Speaker, I am very pleased to recognize the open house being held on Sunday, September 27, to recognize the 50th anniversary of the Westmoreland-Fayette Council of the Boy Scouts of America.

I rose to the rank of Eagle Scout myself, and my entire family has been involved in Scouting activities. At a time when America is focusing on the American family and how to keep it strong, it is important to note that the Boy Scouts of America have been successfully working on that mission in our communities for many years.

It is always interesting to me how many Members of Congress have been part of the Scouting community. I think it is yet another indication of the important foundation that Scouting activities can lay for future leadership and community participation.

While we sometimes read and hear of concerns about the future of America or the preparation of America's future leaders, I will have little concern as long as Scouting remains a strong factor in American life. That marks another reason why I am so pleased to recognize the 50th anniversary of the Westmoreland-Fayette Council of the Boy Scouts, and to wish its leaders and members continued success.

## RESPONSE TO CRITICS OF MEDICARE CATASTROPHIC BILL

### HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. STARK. Mr. Speaker, Medicare is one of the true great success stories. Today, nearly all older Americans have access to health care because of Medicare coverage. Yet, too many of the elderly still live in fear of financial bankruptcy if they have a serious illness requiring hospitalization and therefore buy health insurance to supplement their Medicare coverage.

The House of Representatives recently passed the Medicare Catastrophic Protection Act of 1987 to eliminate this fear and reduce if not end the need for Medicare supplemental insurance coverage.

Most would agree that our bill which covers all hospital costs after a first day hospital deductible and limits out-of-pocket costs for physician and prescription drug expenses, is a long overdue addition to the Medicare Program.

The controversy arises over how to finance these extremely important improvements to Medicare. President Reagan and others have suggested that the financing of the House bill unfairly falls on middle-income elderly and those who cannot afford the additional supplemental premium.

This simply is not true.

The President would have you believe that elderly persons with real incomes of as little as $6,000 would pay a supplemental premium and those with incomes of as low as $14,000 would pay the maximum supplemental premium.

He's wrong. In fact, the House bill in 1988 will require only those single elderly and disabled taxpayers with total income of $25,000 or couples with total incomes of more than $40,000 to pay the maximum supplemental premium. These figures come from the nonpartisan Joint Committee on Taxation, with responsibility for estimating revenue measures for the House and Senate.

In short, only those elderly with substantial income who can afford to pay an additional premium will pay the maximum supplemental premium of $580 in 1988. These people represent 16 percent of Medicare beneficiaries.

The President and others have confused adjusted gross income with total income. Total income includes Social Security benefits which are not included in the calculation of adjusted gross income until an individual has other income exceeding $25,000 or $32,000 for a couple. Also real income includes other nontaxable income which is not included in the calculation of adjusted gross income.

For example in 1988, a single Medicare enrollee with $12,684 of total income may have only $3,359 of adjusted gross income. This individual would pay no supplemental premium. Another individual Medicare enrollee with $18,077 in total income may have $7,992 of adjusted gross income and pay a supplemental premium of $130.

For a couple where both are Medicare enrollees a total income of $18,293 and adjusted gross income of $5,618 would result in no assessment of a supplemental premium. Even a Medicare couple with $25,843 in total income and $10,477 in adjusted gross income would pay no supplemental premium. On the other hand, a Medicare couple with total income of $39,167 and adjusted gross income of $22,541 would pay a combined supplemental premium of $730. Only Medicare couples with more than $40,000 in total income and adjusted gross incomes of over $28,000 would pay the maximum supplemental premium of $580.

In total, 40 percent of the elderly and disabled will pay a supplemental premium. The other 60 percent of the elderly and disabled will be exempted from paying a supplemental premium because they have relatively low incomes.

President Reagan and other critics have also failed to point out that any additional supplemental premium payment could easily be reduced or eliminated by the saving gained by dropping unnecessary MediGap coverage.

On average the 40 percent of senior citizens who will pay a supplemental premium are currently also spending on average $45 a month or $550 a year on MediGap insurance. Because the value of the House's catastrophic benefits are estimated by the Congressional Budget Office [CBO] to be worth $276 in 1989 or $23 a month, the elderly should be able to reduce the cost of their MediGap coveage by at least $276 in 1989 and $408 in 1992. These are very conservative estimates, so that some Medicare enrollees will be able to gain even greater reductions in their MediGap premiums while others could seriously consider entirely dropping their MediGap insurance.

Some of those who criticize the progressive financing contained in the House bill, would prefer a flat premium increase paid equally by all Medicare beneficiaries. The House rejected this method of financing because 3.6 million—12 percent—Medicare enrollees have incomes below the poverty level and almost 50 percent of enrollees have incomes below $10,000. In short, a flat premium would have shifted the cost of the catastrophic benefits onto the backs of those least able to afford an additional premium.

The House bill, instead, provides real protection for the elderly with incomes below the Federal poverty level by requiring State Medicaid programs to pay all Medicare premiums, deductibles, and cost sharing requirements. On the other hand, President Reagan's catastrophic proposal would have required those below the poverty level who are not Medicaid eligible to pay $380 a year out-of-pocket just for premiums. Put another way, they would have had to pay almost 10 percent of their income for premiums and another $2,000 for Medicare cost sharing in 1988.

Another approach to reduce additional Medicare premiums would simply be to cut back on the benefits contained in the House bill. This would reduce the cost of the legislation and thereby reduce the premiums required to finance the additional benefits.

We should strongly reject this option because Medicare enrollees will still be faced with these additional costs out of their own pockets and they will come when enrollees are the sickest and most in need of financial assistance.

President Reagan has also asserted that the House bill will threaten the solvency of the Medicare hospital insurance [HI] trust fund and will in the year 2005 create a $20 billion shortfall. In truth, the House bill is financed in a sound manner and does not jeopardize the solvency of the HI trust fund. In fact, instead of depleting the HI trust fund, the Congressional Budget Office [CBO] estimates that the House bill will actually improve the solvency of the trust fund by $9.5 billion. This has been accomplished by making the home health benefit a part B benefit instead of a part A benefit. As a result, only a very small portion of the reimbursement for home health will be paid out of the part A hospital insurance trust fund.

Further, the catastrophic program as a whole is designed so that Medicare beneficiaries finance 100 percent of the benefits. In other words, it is not financed by 1 cent of revenues from the Federal Treasury. The Congressional Budget Office [CBO] has determined that not only is the legislation budget neutral but that it actually produces a surplus in each of the years 1988 through 1992.

Further, there is every reason to believe that Congress will ensure that the benefits continue to be financed in a budget-neutral manner beyond 1992 and that cost-containment measures will be approved to limit the cost of the benefits.

So, in summary, the House bill fulfills a dream older Americans have had for 22 years of being financially protected from catastrophic hospital and physician expenses. The House bill is budget neutral, improves the solvency of the Medicare trust fund and asks only those best able to pay finance the majority of the costs so that all older and disabled Americans will be freed from the fear of financial ruin brought on by an acute medical care problem.

## TRIBUTE TO WILLIAM CODY ANDERSON

### HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise today to salute William Cody Anderson, a long-time friend and pillar in the journalistic and civic communities of Philadelphia.

As general manager of WDAS Radio for the past 8 years, he has made the station serve the downtrodden, the helpless, and the indigent by focusing on their needs. Through the sponsorship of numerous teams and other athletic events, he also has fostered neighborhood and civic pride.

On Friday, September 18, the friends of William Cody Anderson will honor him for his commitment to his fellow man and his tireless efforts to improve the quality of life in the City of Brotherly Love.

Anderson was born in 1942 in Denison, TX, but he grew up in Chicago, where he attended Carver High School. His superior basketball skills won him an athletic scholarship at Central State University, where he received a bachelor's degree in 1965.

After graduation, he returned to Chicago, where he taught math, English, and physical education in the public school system. In 1968, he moved to Philadelphia, where he spent the next 2 years working as a math instructor at the Opportunities Industrialization Centers of America.

From OIC, it was on to WDAS in 1970, where he climbed from the position of salesman to sales manager to operations manager. In 1979, he was named general manager.

During Anderson's tenure as GM, WDAS radiothons have raised money for a host of needy causes ranging from local residents displaced by fire, to education and treatment programs for AIDS, to flood victims in Jamaica. The station's community day picnics have drawn thousands of people.

When he's not busy raising money for needy causes and running a top-rated radio station, Anderson finds time to serve on the advisory board of the Urban League, the Police Advisory Board for Minority Hiring, and the advisory board of the OIC.

Anderson has received numerous honors, including awards from the American Red Cross, National Conference of Christians and Jews, Freedom's Theater, Black Alliance of Social Workers, March of Dimes, Lupus Foundation, United Negro College Fund, Veterans' Administration, and Crisis Intervention Network.

I know my colleagues will join me in saluting this great American for his generous contributions to the Philadelphia community and beyond.

## GET DRUGS OUT OF SOUTH FLORIDA

### HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. SMITH of Florida. Mr. Speaker, today I would like to shine a light on an event in my district which aims to rid south Florida of substance abuse.

Broward County, FL, is getting directly involved in efforts to stamp out drug abuse in south Florida. The Broward Community College Substance Abuse Committee and local drug rehabilitation centers have joined hands to shade south Florida from the blinding light of substance abuse. On September 29, 1987, the Substance Abuse Committee will hold a campaign aptly and bluntly titled, "Get Drugs Out of Broward County." As you can see, there are no euphemisms or subtlety to the name of this effort. The problems of drugs are serious and should be dealt with in this steadfast manner.

"Get Drugs Out of Broward County" will target one of the numerous substances abused by youth and adults, drugs. By bringing attention to drugs specifically, our youth will understand that all substances are dangerous to their health, life, and future. I am proud of these efforts being made in Broward County. I am hoping that continued education and information dissemination will induce a snowball effect resulting in more and more attention and success rates to programs such as these.

As chairman of the U.S. House Foreign Affairs Task Force on International Narcotics Control, I am all to familiar with the drug problems confronting not only south Florida, but the rest of our Nation. This committee spearheads efforts to stop the infiltration of drugs into this country. Having firsthand experience in the harsh realities of drug profusion and abuse, I herald the efforts of south Florida. There is no question that the four letter word our society should work hardest to eradicate from our children's vocabulary is "drug."

I would like to commend the following people for their hard work and relentless hope to create a drug-free atmosphere in south Florida where our youth can grow and develop. "Get Drugs Out of Broward County" is a result of efforts by:

Sean Cononie, founder and president of the Substance Abuse Committee, fundraising director to the Juvenile Diversionary Program.

Liz Atchison, faculty advisor of the Substance Abuse Committee.

Irene Green MSW., C.A.P., public prevention specialist, the Starting Place.

Dr. Elias Goldstein, A.A.A., Broward Emergency Chiropractic Clinic, Broward County sponsor for the "Get Drugs Off of School Campus" contest.

Carrie Rose, promoter of "Get Drugs Off of School Campus."

Vinsant Falzone, Pembroke Pines Police Department.

Mike Weaver M.S., chief therapist of the Share Program of Memorial Hospital.

Ben Gurien and Sheri Coffman of the U.S. Coast Guard, Fort Lauderdale Station and all the members of the Substance Abuse Committee.

South Florida will not give up efforts to stop drug proliferation where the victims are children. I urge my colleagues to support programs like "Get Drugs Out of Broward County" in their districts so we can reinforce the dangers of substance abuse to children all around our Nation.

## A VOICE FOR REGULATORY BALANCE

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. DINGELL. Mr. Speaker, I wish to draw my colleagues' attention to a thoughtful article in the Wall Street Journal by Vermont Royster, the paper's editor emeritus. Mr. Royster convincingly argues that regulation of economic activities continues to be a necessary and vital function of government. The question is not whether to regulate—but what kind of regulation best promotes the public interest.

Mr. Royster is also correct in noting that regulators must themselves be regulated, and that Congress must carefully oversee agencies to ensure that they do not become "sovereign unto themselves."

It is regrettable, however, that Mr. Royster's message of balance and moderation will be lost upon the extremists who currently head Federal regulatory agencies. This is aspecially true of the current Chairman of the Federal Communications Commission whose recent decision to cease enforcement of the Fairness Doctrine indicates that he has misconstrued his discretion to craft balanced regulations as a license to repeal all regulation.

I urge all my colleagues to vote to retain this vital public protection when Congress again considers legislation to modify the Fairness Doctrine.

[From the Wall Street Journal, Sept. 9, 1987]

"Regulation" Isn't a Dirty Word

(By Vermont Royster)

Every time I leave my house I seem to fall into a web of regulation. If I drive, the township tells me how fast I'm allowed to go, ranging from 25 to 35 miles per hour. If I leave town, the state steps in. On most roads the permissible speed is 55, while it now ranges up to 65 mph on what are called rural interstates. And I'd better watch out for cars with flashing lights watching out that I don't break the regulations.

If I go afoot I don't escape. At the intersections there are those signs reading "walk" or "don't walk." Car drivers at the same corner are regulated by red, yellow and green lights, sometimes with little arrows pointing left or right. I once got pinched for violating the regulations although a kindly cop excused me on account of my advanced age.

I suppose I should object to all this since the cry of our time is for "deregulation." Deregulate everything. The airlines. The banks. Stockbrokers. The drug companies.

The theory behind this is that the marketplace will do the regulating. Banks or airlines that don't behave themselves will find their customers going elsewhere. If the customers don't pay attention, caveat emptor.

Much of this cry for deregulation is justified. Much regulation is unnecessary, some actually harmful. The Food and Drug Administration is notorious for its over-caution in protecting us from possibly harmful drugs even at the cost of depriving us of new drugs for many aliments; sometimes it lets a few people have them but prohibits them to the rest of us.

The classic example of too rigid regulation is the Interstate Commerce Commission. In the long ago days of my youth I once took a train from Raleigh, N.C. to Morehead City on the coast. On departure I was the only passenger. On arrival I was the only passenger. Along the way one or two people got on for short trips between towns. The trip took 12 hours. It was gruesome for me and for the railroad. Although the bus, as I learned later, did the trip faster and in more comfort, the railroad had to keep the train running for years because the small towns along the way demanded it and the ICC complied.

If I hesitate to join the hue for deregulation, even when much of the regulation is misguided, it's because I shudder at the thought of a wholly deregulated society. I prefer knowing my pharmacist has to be licensed and that somebody checks on him; so also with the butcher so that I have some assurance his scale registers a true measure.

As a matter of fact, regulation to protect consumers is almost as old as civilization itself. Tourists to the ruins of Pompeii see an early version of the bureau of weights and measures, a place where the townsfolk could go to be sure they weren't cheated by the local tradesmen. Unfortunately a little larceny is too common in the human species.

So regulation in some form or other is one of the prices we pay for our complex civilization. And the more complicated society becomes, the more need for some watching over its many parts. We shouldn't forget that a great deal of the regulation we encounter today in business or in our personal lives arose from a recognized need in the past.

Take the drug companies. It wasn't so very long ago that the countryside was flooded with snake-oil salesmen hawking cures for every ailment and bamboozling credulous folk with worthless nostrums. The Food and Drug Administration Act in 1906 was the outgrowth of a real need, as was the Meat Inspection Act the same year.

Or take banks. Once anybody could start one and run it as the owner pleased. The result was a good bit of carelessness, some clear fraud and several unnecessary banking crises. My own bank today is run by sterling people, but I still feel more comfortable because its activities are subject to periodic inspections, even though I agree that these days banks may be hampered by an excess of regulations and restrictions. Better too much than too little.

I would be happier today with a little more regulation of the airlines and the air lanes. The deregulation that let more lines into the business and let the marketplace set fares has been a boon to travelers. We have cheaper fares and more choice of carriers. But the result has also been more crowding of the air lanes and, quite possibly, some cutting of the corners on maintenance and pilot training.

Anyway, when I take off for some distant place I would feel more comfortable with more restrictions on who can fly where and when, with more reassurance on equipment upkeep and more confidence that the pilots up front are well trained and kept up to snuff.

As society (our way of life) gets more complicated there will be newer areas calling for some kind of regulation. The whole area of genes research and genetic manipulation, for example. Or the development of surrogate motherhood. Or the growing use of organ transplants, such as the transplant of adrenal glands as a possible treatment for Parkinson's patients. In The Wall Street Journal last month there was a thought-provoking article by Emanuel Thorne calling for some regulation of this trade in human tissue, especially the use of fetal tissue, which already has been transplanted in West Germany.

The nub of the question, of course, will be, as it is now, what kind of regulation? Once government begins to regulate anything there must be some sort of agency to do it, and that inevitably means a bureaucracy that, like the ICC of old, gets stultified. That in turn means regulating the regulators lest they become sovereign unto themselves. The logical place for overseeing this is in Congress, which creates the regulating agency to begin with. But Congress is itself a bureaucracy of 535 members with different constituencies and different ideas.

The last recourse is us, we the people, who must collectively decide not only what should be regulated, but how. If, as I think, the drug industry is being handicapped by too rigid rules on the discovery and use of new drugs for disease, the remedy lies with Congress—and Congress responds to what it discerns as the public sentiment. But in this, as in other examples, we must take care not to throw out the baby with the bath water.

In short, regulating the regulators is a political question and therefore not likely to be settled beyond cavil, and certainly not forever. But however we deal with the questions, now and in the future, we should never make the mistake of thinking that "regulation" is a dirty word.

## POSTAL SERVICE IMPLEMENTS SOLOMON AMENDMENT

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. SOLOMON. Mr. Speaker, I rise today to recognize and commend Postmaster General Preston Tisch for the recent action to condition employment with the Postal Service to the selective service registration requirement.

On August 13, 1987, the U.S. Postal Service issued a Bulletin prohibiting employment with the Postal Service to individuals who have failed to register with the Selective Service System. Over 3 million people apply for employment with the Postal Service each year.

I have always believed that, to be fair to the over 14 million young men who have registered with Selective Service, these laws should be widely applied. Previous Solomon amendments conditioned Federal higher education assistance, assistance under the Department of Labor's $5 billion job training program, and employment with the Federal Government, to the Selective Service registration requirement.

Additionally, since enactment of the original Solomon amendment by Congress, 14 States have approved Solomon amendments conditioning State higher education assistance to Selective Service registration.

The new Solomon requirement will add no new paperwork or costs to the Postal Service

employment procedure. Under the new requirement young men would simply have to certify they have registered by checking a box on the employment application. Proof of registration would not be required, and the amendment leaves open the possibility of registering—right then and there—at the post office.

The message this Solomon amendment conveys is the same—if you expect the benefits of our society, you must meet the minimum requirements of citizenship. It is not too much to ask that the U.S. Postal Service encourage compliance with the program of peacetime registration.

Mr. Speaker, peacetime registration contributes up to 2 months to our national readiness posture in the event America must mobilize. Linking Postal Service employment to the registration requirement is a practical and inexpensive way to ensure effectiveness and fairness in the program of peacetime registration.

## SOUTH JERSEY FAST PITCH SOFTBALL HALL OF FAME INDUCTS 1987 MEMBERS

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. FLORIO. Mr. Speaker, I ask you to join with me in offering congratulations and best wishes to the men who will be inducted into the 1987 South Jersey Fast Pitch Softball Hall of Fame. It is a great honor to them, to their families and to all of south Jersey.

It gives me great pleasure to look at this list of fine men and offer them my best wishes. Al Sacchetti, Paul NcNair, William Bauer, Albert Kingsmore, Henry Singleton, Jr. (posthumously), James Penney (posthumously), Nick Haday, James Mitchell, Frank Maressa, Roy Crazy Horse, and Joseph Brennan all put forth their best efforts and have earned this distinguished reward.

As Americans, we have always taken great pride in the virtues of sportsmanship and the strive for excellence. It matters not if it is in the professional arena or on the little league field. We take pride in our athletes as they display their talents as well as their dedication.

The South Jersey Fast Pitch Softball Hall of Fame welcomes these men and I ask you to join with me in extending best wishes to those living and to the families and friends of those who, unfortunately, are not with us to enjoy this honor.

## LA GRANGE, GA, CELEBRATION OF THE CONSTITUTION

### HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. RAY. Mr. Speaker, I would like to make a few remarks about the celebration of the 200th anniversary of the U.S. Constitution. This document has made possible our history of freedom and liberty. No doubt we are better off as a people with our system of government than any other country in the world. We have a true democracy where every citizen enjoys the same rights and freedoms. This miracle of democracy is due to the framework of government as established by our forefathers.

In 1787, 55 delegates from the newly formed 12 States gathered in Philadelphia to make changes in the articles of confederation. They faced a bleak situation as they gathered, and many were pessimistic concerning the future of their Nation. Their fledgling democracy was confronted by troubles on all sides. A popular uprising had barely been put down, and the Founding Fathers were fearful that mob rule could strangle the democracy.

Among the delegates were Benjamin Franklin, James Madison, Alexander Hamilton, and George Washington. They accomplished a remarkable task and created an enduring framework for government.

The Constitution they created is a living document and the supreme law of our land. For us, it has survived a War Between the States, economic ups and downs, social upheavals, two World Wars, and many other calamities. Its premise of shared power and group conscience has been the basis of our success as a people and a nation.

Mr. Speaker, it is fitting that our citizens should celebrate the bicentennial of the Constitution with parades and speeches for it is the Constitution which gives us the right to these expressions. One such celebration will occur in La Grange, GA, on September 16 and 17. This town's observance of the bicentennial of the Constitution will include a parade, luncheon, and a symbolic resigning of the Constitution.

La Grange, GA, is an excellent example of American ideals and hard work. In addition to energetic leaders and a strong work ethic, the city has a strong commitment to the free enterprise system and to education which has enabled it to experience tremendous economic growth over the past several years. It is cities such as La Grange which show us that the American dream can become a reality.

Mr. Speaker, I want to commend the citizens of Lagrange for the hard work they have done in putting together what promises to be an enjoyable and meaningful celebration of the Constitution.

## PHYSICIANS COMPARABILITY ALLOWANCES

### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mrs. MORELLA. Mr. Speaker, today I am introducing a bill which will make permanent the provisions of law relating to physicians comparability allowances. I am honored that the gentleman from Virginia, Mr. WOLF, is the original cosponsor.

The problem of recruiting and retaining highly qualified physicians in the Government is nearing a crisis situation.

The severe shortage, high turnover rate, and the duration of vacancies have impeded crucial research activity. The negative impact on nuclear medicine, pediatric intensive care, drug therapies, neurological disorders, stroke, cancer, and AIDS research jeopardizes the health of our country.

This bill removes the sunset provision contained in title 5 of the United States Code at section 5948 and makes it possible for an agency head to recruit and retain highly qualified Government physicians by entering into a specific agreement with the physician by offering monetary incentives as already set forth in the Code.

Mr. Speaker, the bill is very simple but succinct and will have a positive effect on the health and health research fields which are crucial to the well-being of this Nation.

## NEWPORT: ONE MAN'S DREAM

### HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. GUARINI. Mr. Speaker, I would like to share with my colleagues in the House of Representatives, two very inspiring lectures by a dynamic man who is a visionary in his field and has broad credit to his profession and to his industry. Samuel J. LeFrak is considered the "master builder," having created Lefrak City, the largest privately financed housing project in the United States; Battery Park City, abandoned docks and piers that were developed into one of the gems of New York; and Newport, the city of tomorrow and by far one of the largest planned communities in the world. I am proud to have the honor and privilege of representing the district in which Newport lies and I am also pleased to have a highly valued friendship with Sam LeFrak.

My admiration for his accomplishments is shared by the People's Republic of China, which extended an invitation to him to present his views on mass housing and modern construction technology in helping them solve their crisis; the King of Sweden, who Knighted him and admitted him into the Royal Order of the North Star; the President of Finland, who awarded him the Order of the Lion; Pope John, who bestowed upon him the Knights of Malta's Cross of Merit and Honor; and New York Law School, the London College of Applied Science, Colgate University, the University of Rome, all of which presented him doctoral degrees. Dr. LeFrak recently returned to two distinguished institutions where he had previously pursued postgraduate studies, Harvard and Columbia University, to share his plan for saving America's cities. His lectures were presented in the following text:

Turning the Tide of Urban Blight and Decay

I am happy to be here today to have this opportunity to talk to you.

More than 200 years ago here in Boston, the Tea Party ignited a revolution which affected America's political, social and economic life.

This inspired confrontation between ideals and realities also should ignite a spark in you to help stimulate your solving today's serious problems of urban life.

Here in the cradle of liberty, the torch of change should be carried by all of you. It is in that spirit that I want to lecture to you today.

An epidemic of urban blight and decay has infected all of America. Affordable housing has virtually disappeared. Yet, in a way, the revitalization of your Urban Renewal Program, including Boston Harbor, may be the answer to many of our urban problems. What you started here is being copied in Baltimore, Norfolk, New York, and elsewhere.

More than 50 years ago President Franklin Delano Roosevelt said: ⅓ of America was ill-fed; ⅓ of America was ill-clothed, and ⅓ of America was ill-housed. In 1987, a time of abundance, millions of Americans are still ill-fed, ill-clothed, and ill-housed.

How come? Because no one really is addressing the problem seriously; because the whole issue has turned into a political football. Like the weather, everyone talks about the homeless. No one is doing anything about it.

The responsibility, therefore, of helping America achieve its needs and goals rests with young men and women like yourselves.

And I'll be quite frank with you students. You're attending one of the world's most prestigious universities. It has graduated Presidents, world leaders, corporate dynamos, and financial wizards. Unfortunately, the goal of many students at Harvard is to achieve wealth, position, and power. Real estate, building, land development certainly is a way of achieving wealth and status. Just look at the Forbes 400.

But America does not need glitz and ritz in housing today, or more Wall Street scams. What the nation needs today is better planning with more affordable and moderate priced housing. I like to call it an Urban Marshall Plan.

If you recall, the Marshall Plan immediately followed the Second World War. Look at the economies of Japan and Germany today. America mounted a full frontal economic, political, industrial, and administrative attack on the devastation that was in Europe. Covered by rubble and chaos, Europe was reclaimed, refurbished, reconstructed, and built up again.

Today I am building a new city: Newport, opposite the World Trade Center in New York. We purchased 600 acres of deteriorated piers, decayed freight yards, and abandoned waterfront property in New Jersey. We are implementing our own Urban Marshall Plan. And I will show you how we are making order . . . out of chaos.

We are building the city of tomorrow on the New Jersey Hudson River Waterfront, 2,000 feet from Manhattan. It will contain up to 15,000 moderate, affordable, and luxury apartments with magnificent views; fifty percent of the land is devoted to parks, esplanades, plazas, town squares, and cul-de-sacs, each making its own statement. We also will have 3 museums, 18 theaters, a World Oceanographic Center operated by Jacques Cousteau, 3 hotels, and a 1,000 boat marina and yacht club. The spectacular six mile esplanade along the shoreline will be open to the public. Newport also will have 40 restaurants throughout the community, plus a Mediterranean fishing village like Portofino with outdoor cafes.

There will be a physical fitness center with a training director, nutritionist, and dietician. Facilities will include swimming pool, whirlpool, sauna, nautilus and special equipment for the handicapped.

The site also will have bike paths, jogging tracks, walkways, tennis courts, and gardens. From their windows residents will share in one of the most spectacular panoramas on earth: the New York Harbor and Manhattan skyline.

Newport also will contain 10 million square feet of office and commercial space. A 1.2 million square feet of major mall retail space, including four department stores, 300,000 square feet of boutique and festival shopping.

Newport will have the best transportation facilities. We have a rapid transit PATH subway station on our property, along with the Holland Tunnel, ferries to New York, water taxis, a heliport and seaplane landing base. The finest arterial highway system in America will connect New York, New Jersey, Pennsylvania, and Connecticut. In fact, you can drive to Chicago without stopping for a red light.

The communications system in the Newport office buildings will have built-in computers, state-of-the-art electronic systems, permitting tenants to plug into teleport communication links, satellites, fiber optics, lasers, and microwave communication.

Newport will become the sixth borough of New York located on the Left Bank of the Hudson. The community will be the great prototype experimental city of the 21st Century.

At the turn of the Century this property contained piers and a thriving waterfront. It was the railhead for the Erie, Lackawanna, New York Central, Penn Central, and New Jersey Central Railroads. During World Wars I and II, cannons, tanks, and heavy equipment, forged in the mills and foundries of Pennsylvania, Indiana, Ohio, Michigan, and Illinois were shipped to these teeming piers, and then sent to Le Havre and Cherbourg on Liberty Ships to fight the Kaiser and Hitler.

With victory came peace, and with peace came progress and prosperity. Rail freight dwindled because of air freight, precontainerization, and overland freight. The railroads went bankrupt. Ten years ago we aquired this property, which was in bankruptcy, from the U.S. Trustee.

Newport will become one of the largest planned communities being built in the United States, and one of the largest in the world: at a total development cost of 10 billion dollars. We will be creating 160,000,000 square feet of buildings. That's approximately forty World Trade Center buildings. And we are proud of it.

That's Newport—the humanistic, dramatic, planned futuristic city of tomorrow. A treasure that was lying beneath rubble and bankrupt railroad yards. This is the alchemy of life. Not a get-rich-quick scheme.

My laboratory is the city. From Lefrak City to Battery Park City to Newport, I have learned, developed, evolved, and refined my technique. I have translated that knowledge into design, and design into a way of life. How well that way of life fulfills human need, respects human scale, and enriches human experience is the only true measure of success.

Your success should not be measured in wealth, power, or status . . . but should be measured against the contributions you will have made toward creating a better life for your country and its citizens.

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## NEWPORT: FROM DREAM TO REALITY, A CASE STUDY OF A NEW CITY

Ladies and Gentlemen: The Dow Jones index is today at an all time high. The value of our dollar is at an all time low. We have the highest trade deficit our nation has ever faced. This all leads to worldwide financial confusion, and a particularly critical evolution today in real estate.

That is why it is a great pleasure for me to be here this evening to discuss "New Foundations in Real Estate Investment—Discovering Hidden Treasure."

At the present time the real estate and economic forecast is thoroughly confusing. In fact, what I say is, "Whoever is not confused today is not thinking clearly."

In fact, the real estate industry is accommodating itself in a sophisticated, though painful way to the Tax Reform Act of 1986. But the basic concept is simple. Real Estate projects must be profitable because the tax system will no longer support losers. Paper losses arising from depreciation have been greatly reduced and investors' ability to profit from the remaining losses have been sharply restricted under the Tax Reform Act.

The last decade brought change for many industries—not just real estate: oil, airlines, and financial services, to name a few. One of the agents of change was tax reform. Gone are the days when tax shelters turned even the shakiest structures into bonanzas, and investments in California potted plants or the semen of a bull were like money in Fort Knox . . . which only adds to the confusion that exists whenever fundamental change sweeps an industry. Real estate is no exception. Many who play the game will lose, and some will lose a great amount. But the professionals will always find ways to pluck gold from the rubble.

Let me first review the good news . . . and later the bad. The good news today is that there is an abundance of mortgage money and cash for investments. The bad news is that there is a scarcity of quality real estate investments.

If you travel our country from coast to coast, you will see the best and the worst times. Boom City now prevails in the northeastern corridor: from Boston to Washington. In the Sun Belt and California, different pictures emerge. Over-building and high vacancy rates dominate the scene. Thus, New York, Boston, and Philadelphia—the strong markets—are enjoying the best of times. While Houston, Los Angeles, Phoenix, and San Francisco are having the worst of times.

I remember speaking to audiences in the 60s and 70s about the real estate crisis when the industry really did hit bottom . . . when co-ops in the Hotel Pierre were being given away for practically nothing, as long as you agreed to pay the maintenance. Real Estate Investment Trusts were going "belly up" throughout the nation. And New York State Urban Development Corporation defaulted on its "immoral bonds." Today there is a completely different picture.

Until the early 70s commercial real estate, home construction, hotels, shopping centers and apartment construction were a solid business. Owners held buildings for many years. Homes and buildings were bought and sold based on need and conservative cash-flow figures . . . not on get-rich-quick schemes.

Then, during the late 70s and early 80s, a windfall of cash arrived. Many sources of money were available: pension funds, insurance companies, overseas investors . . . and banks, acting as investors, as well as lenders. Syndicators and speculators packaged properties into zero coupon bonds, limited partnerships, and investment trusts. Too many of these products spawned their own version of new math: rate-of-return based on anticipated, dubious appraisals; unreal inflation

estimates; and unlikely occupancy rate projections . . . fantasy figures, based on real estate markets of an entirely different past. Even rent rolls were greatly overestimated at a time when sharp rental concessions were becoming the rule rather than the exception. Discounting became routine. Few major cities escaped the plaque of double-digit vacancy rates on commercial properties.

These are the statistics as reported in January 1987 in Forbes Magazine: In 1981, the vacancy factor in Dallas was 4.8 percent. Today, it is 21.6 percent. Denver in 1981 was .1 percent. Today 29.7 percent. In Houston it was 1.9 percent. Today 20 percent. Miami was 3.8 percent. Today, 22.9 percent. San Francisco was .3 percent. Today it is 18.1 percent.

Nevertheless, smart developers will survive the shake out, and many will prosper. Why? Because their buildings are top quality in the best locations.

With the new tax laws, the need to find those right properties and locations becomes even more critical. It's like treasure hunting.

Remember, there is no free lunch in real estate. You read about the one success and never hear about the ten failures.

In my experience I've learned that treasures are not found in empty Fifth Avenue store windows. You must look in new and unexpected places. That's why the old real estate cliche about location, location, location becomes even more significant in the formula for success in the 90s.

One of the keys to success, therefore, in this new real estate era is to probe everywhere in the hidden recesses of the new tax laws. Tax reform has forced increased selectivity to the real estate business.

A perfect example is the Exxon Corporation, which recycled its oil properties in Texas to real estate development. It sold the Exxon Rockefeller Center building to the Japanese at year-end 1986 for more than 600 million dollars to take advantage of the old tax law. I predict J.C. Penney and Mobil also will sell their buildings to foreign investors. Other companies will do likewise.

Analyze the name "real estate." It is called real because you can see it. You can feel it. And it is real property. Think about it. In the past, speculators, exploiters, green mailers, and syndicators were paying today's dollars on anticipation—on tomorrow's possible dollars. They were in another business known as "Deal Estate" not Real Estate. They were selling the sizzle and not the steak. In 1987, you will have to buy what I call "cash on cash." Extra returns from depreciation and interest will be just added benefits. That's Real Estate! That is where the beef is.

Tax reform will bring changes to the industry—but not destroy it. Those who are financially sound and professionally fit will survive—and in my opinion—prosper.

Don't consider yourself an expert simply because you bought a home in Greenwich or Brookville 25 years ago for $50,000 and now it's worth a million dollars. That doesn't qualify you as a real estate professional.

The Lefrak Organization has built more apartments in the United States than anyone else. And we have built two cities: Lefrak City in Queens and planned and implemented Battery Park City on Hudson River landfill . . . on landfill we created out of abandoned docks and piers that we recycled and developed into one of the gems of New York City. Battery Park City is a classic example of recycling deteriorated waterfront into an organized community.

A good example of real estate investment for the future is . . . Newport . . . which is located on the Left Bank of the Hudson River, opposite Battery Park City and the World Trade Center, consisting of 6 miles of shoreline and waterfront—only 2,000 feet from the West Side of Manhattan.

This land became available only after five railroads went bankrupt: the New York Central, the Penn, the Erie, the Lackawanna, and the Jersey Central. What was left was abandoned freight yards—with a PATH subway station and the Holland Tunnel—all at the front door of New York City. Vacant land. Crying to be developed. Crying to be recycled and revitalized. Crying to become part of New York City. This was the beginning of Newport, a $10–billion development. It represented rebuilding and recycling an area which had been nothing more than rusting railroad yards, dilapidated warehouses, and rotting piers from the past century.

We are now revitalizing this land and bringing it from abandoned commercial use to residential, retail office, recreational and cultural use. We are restoring the waterfront for marina and ferry service to Manhattan; adding heliports and a seaplane anchorage. And we're building affordable shelter . . . apartments, condos, and homes for people . . . the American Dream. That's what is needed today in urban areas, because families and individuals are returning to cities in greater and greater numbers.

It seems that the promise of the suburbs has turned sour because of increased taxes, crime, narcotics, rising land costs, over-burdened transportation and delivery services, pollution, and deteriorating school systems. We believe that suburbia has reached a point of equilibrium as to benefits and costs relative to typical urban centers. The pendulum is swinging back to city living.

The need, therefore, for moderate and affordable housing in urban areas is critical because of the shortage of land. That's why old warehouses, railroad yards, and industrial sites that can be recycled and brought up to current use can provide people with shopping, recreational, and cultural amenities, and housing they can afford.

Boston and Baltimore are among the best examples of this type of recycling. More recently the city of New York is finally restoring its waterfront with major developments such as the Hudson River Center. South Ferry Plaza, Ferry Point Park, Hunters Point on the East River in Queens, and Harbor Pointe on Staten Island. However, these developments will take many years to build because of politics. you may never see them in your lifetime; but they make good propaganda for the present political administration. Our Newport is being developed by free enterprise . . . the private sector . . . not by the political public sector.

Newport will be the new prototype experimental city of the 21st century. We are not talking about a Disney EPCOT of paper mache, but real brick and mortar. Not the next millennium, but today!

In almost a hundred years that the Lefrak Organization has been in the building and development business, no project has generated more excitement for us than Newport.

This ambitious development on the Hudson river waterfront recently was referred to by the New York Times as "Baghdad-on-the-Hudson." We started with deterioration and rot. But now we are transforming chaos into order as we provide for people's needs. We're giving them what they want at a price they can afford to pay.

When completed, Newport will have approximately 15,000 apartments consisting of hi-rise towers, mid-rise, and low-rise townhouses. They will be either rental or condominiums.

We have commenced building 10 million square feet of prime and back office space. Three hotels with 1,800 rooms, including a convention and conference center. A 1.2 million square foot, 3–level enclosed shopping mall containing four department stores and parking for more than 20,000 cars, approximately 300,000 square feet of convenience, festival and boutique shopping; and a large number of restaurants on the waterfront, in the Mall, and throughout the entire city. We are building a 7-day, 24-hour community.

At the river's edge, a marina, with approximately 1,000 dockominiums, a private clubhouse, parks, and six miles of public esplanade presently are under construction, together with a World Oceanographic Center and Marine Biology Museum administered by the Jacques Cousteau Society. Newport . . . a completely planned city . . . will generate approximately 100,000 jobs. People will live there, work there, shop there, and enjoy a myriad of cultural and recreational activities.

Total facilities for total living at an affordable price: only 2,000 feet from Manhattan. That's what Newport is all about. Newport will become the sixth borough of New York on the Left Bank of the Hudson. In five minutes, you're in the World Trade Center on the PATH Subway. In ten minutes, you will be at Penn Station or the new Convention Center. And the most dynamic and exciting thing about Newport is your extraordinary view of the Manhattan skyline . . . one of the world's great panoramic sights.

Give the people what they want at a price they can afford to pay and you will do business all day and all night.

Newport is a perfect example of what developers of the 21st century must include in their planning for future renters, buyers, planning boards, and environmentalists. Most importantly, Newport is the best example of what will make a development a success. Development is no longer simply paving streets and building steel frames. It is searching for ways to create new environments out of the past. It is finding treasures—hidden away, left fallow, waiting to be discovered by the real urban archaeologist.

Imagination, vision, action rooted in knowledge and experience: these are the keys to unlock the door to Hidden Treasure. They also are the ingredients to meet the future challenges of the real estate industry.

For Treasures are all around us: abandoned warehouses, forgotten urban centers, railroad air rights, rusty old piers, or collapsed buildings. Our cities and harbors must be recycled, rehabilitated, rebuilt, remolded, and reshaped to maintain all their natural beauty. That's where your Treasures lie. But make sure you know how to get these treasures out once you've found them!

Thank you.

## A TRIBUTE TO THE MOST WORSHIPFUL PRINCE HALL GRAND LODGE

### HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. SAXTON. Mr. Speaker, it is with great pride and pleasure that I rise today to pay tribute to the Most Worshipful Prince Hall Grand Lodge of the State of New Jersey which will be celebrating Prince Hall Day on September 13, 1987.

Prince Hall Day is an historical occasion which marks the birth of the Masons founder, Prince Hall. On March 6, 1775, Hall and 14 other free negroes were made Master Masons in Boston. However, as Masons, their participation was limited to the observation of St. John's Day and the burial of their dead.

After 19 long years of privately celebrating their limited Mason rights, Hall petitioned the Grand Lodge in England for a charter. In September 1784, the African Lodge 469 was granted a charter which was delivered to Boston by John Hancock's brother-in-law, Capt. James Scott.

This momentous event will commence with a parade assembling in the vicinity of John F. Kennedy Way and Levitt Parkway to Willingboro High School, the location of the main ceremony.

The master of ceremony will be the newly elected Most Worshipful Grand Master, Arthur J. Crawford, who has been a Mason for 30 years. The Honorable Mayor Paul Krane will deliver a proclamation to mark this special occasion.

This year's Prince Hall Day will also honor two distinguished Burlington County citizens; the Honorable Marie White Bell, Esquire, a municipal county judge, and the honorable Eugene W. Stafford, county freeholder and major of Mount Holly.

Again I am pleased to pay tribute to the Most Worshipful Prince Hall Grand Lodge of the State of New Jersey. This is an organization which for more than 200 years has endeavored to be in the forefront of those fighting for civil rights, equal justice, and human dignity of all mankind.

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## NATIONAL SICKLE CELL MONTH

### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 14, 1987*

Mr. BROWN of California. Mr. Speaker, during National Sickle Cell Month, I find it a more than appropriate occasion to recognize the Sickle Cell Organization of the Inland Counties. This fine group of dedicated professionals and volunteers has been serving the Riverside and San Bernardino areas since 1971. Originally founded as an outreach program by the North Rubidoux Women's Club, this organization has grown into an extensive nonprofit network dispersing vital services within my district.

Sickle cell anemia is a serious genetic blood disorder that affects many Black Americans, as well as Italians, Greeks, Turks, Puerto Ricans, and others of Mediterranean ancestry. The primary purpose of the sickle cell organization is to enhance the quality of life of those with sickle cell conditions. Operating under State funds, contributions, and membership fees, the sickle cell organization provides free services to the community. These services include educational programs and professional counseling for those diagnosed with sickle cell anemia, or the sickle cell trait. Another important service offered is free blood screening to identify the trait. Once diagnosed, individuals with the disease can obtain information from the organization about available resources and community programs which may be of help to them.

Acting as a resource center for the communities in Riverside and San Bernardino sickle cell organization plays a major role in providing health care in my district. Because of its continuing efforts to eliminate misconceptions surrounding sickle cell disease, to identify sickle cell anemia and trait in the target groups, and to provide up-to-date information to increase general awareness, I invite my fellow members to join me in honoring the Sickle Cell Organization of the Inland Counties.

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## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, September 15, 1987, may be found in the Daily Digest of today's RECORD.

### MEETINGS SCHEDULED

#### SEPTEMBER 16

8:00 a.m.
Select on Intelligence
Closed meeting on intelligence matters.
SH-219

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider the nomination of C. William Verity, Jr., of Ohio, to be Secretary of Commerce.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on government handling of Soviet and communist bloc defectors.
SD-342

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee
Business meeting, to continue markup of proposed legislation authorizing funds for the Farm Credit System.
SR-332

Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on S. 849, Commercial Fishing Industry Vessel Safety and Compensation Act.
SR-253

Environment and Public Works
Business meeting, to mark up proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.
SD-406

Judiciary
To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.
SR-325

10:30 a.m.
Foreign Relations
To hold hearings on the nominations of Leonard Rochwarger, of New York, to be Ambassador to Fiji, and to serve concurrently as Ambassador to the Kingdom of Tonga, Ambassador to Tuvalu, and Ambassador to the Republic of Kiribati, and Peter R. Sommer, of the District of Columbia, to be Ambassador to the Republic of Malta.
SD-419

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
Business meeting, to mark up H.R. 2907, appropriating funds for fiscal year 1988 for the Department of the Treasury, and the U.S. Postal Service.
SD-116

Foreign Relations
To hold hearings on the nomination of James H. Michel, of Virginia, to be Ambassador to the Republic of Guatemala.
SD-419

#### SEPTEMBER 17

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on off-airport user fees.
SR-253

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 559, S. 560, and S. 633, bills to study and control the disposal of plastic waste and to implement Annex V of the International Convention for the Prevention of Pollution from Ships, as modified by the Protocol of 1978.
SD-406

Governmental Affairs
To hold oversight hearings on Presidential transition procedures.
SD-342

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
Business meeting, to mark up H.R. 2712, appropriating funds for fiscal year 1988 for the Department of the Interior and related agencies.
SD-116

Foreign Relations
To hold hearings on the current status of U.S./China relations.
SD-419

Judiciary
To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.
SR-325

Small Business
To hold hearings on S. 818, to provide permanent authorization for White House conferences on small business.
SR-428A

2:00 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To resume hearings on S. 1480, to promote the integration of universities and private industry in the National Laboratory system of the Department of Energy in order to improve the development of technology in areas of economic potential.
SD-366

#### SEPTEMBER 18

10:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on product liability.
SR-253

Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold oversight hearings to discuss the National Coal Council reserve data base report and the state of information relating to the quality and recoverability of U.S. coal reserves.
SD-366

Judiciary
To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.
SR-325

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 303, Jacob K. Javits Gifted and Talented Children and Youth Education Act, and S. 1348, Office of Comprehensive School Health Education Act.
SD-430

10:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
Business meeting, to mark up H.R. 3058, appropriating funds for fiscal year 1988 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

#### SEPTEMBER 21

10:00 a.m.
Judiciary
To resume hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.
SR-325

#### SEPTEMBER 22

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10: 00 a.m.
Small Business
To hold oversight hearings on the Small Business Administration small business development center program.
SR-428A

11:00 a.m.
Environment and Public Works
Business meeting, to mark up proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.
SD-406

#### SEPTEMBER 23

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Business meeting, to mark up proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.
SD-406

Governmental Affairs
Federal Spending, Budget, and Accounting Subcommittee
To hold hearings on proposed legislation authorizing funds for Federal procurement policy programs.
SD-608

2:00 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on S. 1294, to promote the development of technologies which will enable fuel cells to use alternative fuel sources, S. 1295, to develop a national policy for the utilization of fuel cell technology, and S. 1296, to establish a hydrogen research and development program.
SD-366

#### SEPTEMBER 25

9:30 a.m.
Governmental Affairs
Federal Spending, Budget, and Accounting Subcommittee
To resume hearings to examine the results of a General Accounting Office survey regarding the accounting procedures and processing of seized cash and properties by Federal agencies.
SD-342

#### SEPTEMBER 28

9:30 a.m.
Governmental Affairs
To hold oversight hearings to review inventory control and surpluses by Federal agencies.

#### SEPTEMBER 29

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study to review coastal zone management consistency provisions.
SR-253

Governmental Affairs
Oversight of Government Management Subcommittee
To resume oversight hearings on Federal procurement decisions concerning Wedtech Corporation.
SD-342

#### SEPTEMBER 30

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To continue oversight hearings on Federal procurement decisons concerning Wedtech Corporation.
SD-342

#### OCTOBER 1

2:00 p.m.
Energy and Natural Resources
To hold closed hearings on the status of the Department of Energy's efforts to address issues concerning the defense materials production reactors located in the United States.
S-407, Capitol

#### OCTOBER 6

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on pipeline safety.
SR-253

#### OCTOBER 7

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To resume hearings on S. 1600, to create an independent Federal Aviation Administration.
SR-253

#### OCTOBER 8

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on government handling of Soviet and communist bloc defectors.
SD-342

### POSTPONEMENTS

#### SEPTEMBER 15

10:30 a.m.
Appropriations
Military Construction Subcommittee
Business meeting, to mark up H.R. 2906, appropriating funds for fiscal year 1988 for military construction programs of the Department of Defense.
SD-124

#### SEPTEMBER 17

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

#### SEPTEMBER 24

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.

# HOUSE OF REPRESENTATIVES—*Tuesday, September 15, 1987*

The House met at 12 noon.

Rev. Edwin L. Ehlers, D.D., pastor, Lutheran Church of the Redeemer, McLean, VA, offered the following prayer:

Loving God, You have brought us to a new day, and we give You thanks. You have called us to serve You in our daily tasks and our varied ministries, and we praise You.

We come here today, O God, out of differing backgrounds and experiences, out of different needs and struggles.

In the midst of our varieties of backgrounds and resources and talents, make us aware of our calling to serve You and all people. Guide us in the actions which we must take, keep our integrity intact in all of our words and decisions, strengthen us in our resolve to be good stewards of these gifts which You have given to us.

We desire, O God, that You would hear our prayers on behalf of others. We know some of their needs. We are personally involved with some of them. We sense the needs of this world in which we live, the world of which You have made us stewards.

We pray this day for the leaders of nations around the world, for Pope John Paul in his journeys in this land these days, for the President of the United States. Prosper the labors of those who take counsel for the nations of the world, that mutual understanding and common endeavor may be increased among all peoples.

Into Your hands, we commend all for whom we pray, O Lord, trusting always in Your love and care. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1628. An act to extend the Aviation Insurance Program for 5 years; and

S. 1667. An act to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes.

## DISPENSING WITH CALL OF PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar.

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar be dispensed with today.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

## WELCOME FOR REVEREND EHLERS

(Mr. PENNY asked and was given permission to address the House for 1 minute.)

Mr. PENNY. Mr. Speaker, it is with special pleasure that I welcome Pastor Ed Ehlers, our guest chaplain.

Pastor Ehlers is a close personal friend of my family. When we first came to Washington, DC, and were in search of a congregation, he made us feel right at home in a city that was new to us.

We thank him for the message that he brought to us today and for leading the Members here in Congress in prayer.

## FARM CREDIT SYSTEM LEGISLATION

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, we are now at one of the more important crossroads in the history of American agriculture. No other industry has witnessed the wild fluctuation that the agricultural sector of the economy has experienced over the past decade—from an era of unbounded optimism in the late seventies, to a period of disastrous depression in recent years.

Today, cautious optimism prevails, but uncertainties remain that are directly related to agricultural credit policy as will be discussed when H.R. 3030, the farm credit assistance bill, is brought to the floor.

Farmland values have fallen to levels nearly within reach of thousands of eager, well-qualified Americans—young people itching to get a start in farming, or small farmers hoping to expand to make room for another generation of farmers in their families. These are people willing to invest in the future success of agriculture.

Thousands more hang on the very edge of financial disaster and are anxiously awaiting the outcome of the farm credit debate.

This year, we have the rare opportunity to influence the quality of life in our rural communities and landownership patterns for generations to come. The question is: Will the Farm Credit System and its private competitors continue to provide necessary credit on reasonable terms to those in our rural communities who need it and deserve it most?

I urge my colleagues to favorably consider H.R. 3030.

## HIGH RISK OCCUPATIONAL DISEASE NOTIFICATION AND PREVENTION ACT

(Mr. GAYDOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GAYDOS. Mr. Speaker, every year, according to Government estimates, as many as 100,000 workers die and as many as 400,000 are newly disabled due to diseases caused by workplace substances. And, every year, according to a 1984 Department of Labor study, these deaths and disabilities cost American taxpayers $5.4 billion in Social Security, Medicaid, and Medicare payments. H.R. 162, the High Risk Occupational Disease Notification and Prevention Act, is designed to save those lives and lower those costs.

All of the information obtained by the high-risk program is confidential, in accordance with the substantive and procedural provisions of the Privacy Act of 1974. Any documents which mention the identity, diagnosis, prognosis, or treatment of an individual employee will be kept confidential and may be made available only for purposes prescribed in the bill.

The language contained in H.R. 162 increases protection of the high-risk program records beyond those protections currently offered to similar records. Disclosure outside of the program is permitted only with the consent of the individual employee or his or her personally designated representative. To protect the privacy of workers and employers, the bill deliberately establishes a more rigorous test in order to keep to an absolute minimum those disclosures made in connection with the bill's operation.

At $25 million a year, H.R. 162 is a cost-effective program that identifies workers at high risk of disease, notifies those workers of the risks, and encourages medical monitoring. It is not a compensation bill, it's a program designed to save lives, and I urge my colleagues to support H.R. 162.

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON WEDNESDAY, SEPTEMBER 16, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to declare a recess on Wednesday, September 16, 1987, subject to the call of the Chair, to allow Members to attend the ceremony "Celebration of Citizenship" on the west terrace of the Capitol in honor of the bicentennial of the U.S. Constitution.

The recess will begin at approximately 12:45, and the House will resume its business at approximately 2:15.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

## APPALLING THREATS AGAINST PRESIDENT ARIAS OF COSTA RICA

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, President Arias of Costa Rica is one of this hemisphere's greatest representatives of real democracy. Nowhere in Central America is democracy more firmly rooted than in Costa Rica, and no one has fought harder than President Arias for democracy in Nicaragua.

Yet this courageous leader was subjected this past weekend to the most abusive of threats from U.S. conservatives visiting his country. Referring to his speech before us in this Chamber next week, American conservatives threatened him with an end to support for foreign aid for Costa Rica if he speaks his mind—if he tells us the truth—regarding United States support for the Contras when he appears before us.

Mr. Speaker, I don't know how these individuals can call themselves supporters of democracy in Latin America when they are clearly so afraid of it at home.

These appalling threats against the freedom of speech of democracy's strongest and boldest ally in Central America do a profound disservice to the cause of democracy in this hemisphere. I hope that President Arias will ignore them. This Nation, and especially this Chamber, of all places, should be free of restraints on open debate.

## ARIAS THREATENED WITH CUTOFF OF FINANCIAL AID

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute.)

Mr. BONIOR of Michigan. Mr. Speaker, I was disturbed to learn from recent press reports that a Member of this body threatened the President of Costa Rica with a cutoff of financial assistance if he continues to speak his mind on the issue of Contra aid.

This action by our colleague shows a complete disregard for the courageous role President Arias has played as architect of the Central American peace plan.

It demonstrates contempt for the sovereignty of Costa Rica and it is this kind of action which will torpedo the prospects for peace in Central America.

Instead of criticizing the peace plan, we should embrace it. Instead of threatening President Arias, we should embolden him to continue his tireless efforts on behalf of peace in Central America.

## IRS HARASSMENT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, a Reagan tax judge said I received bribes in 1980, even though there is no such crime as a civil bribe and even though a jury unanimously acquitted me of any criminal wrongdoing, including tax evasion.

In 1983, I defended myself against the Government. I am not an attorney. I am not a lawyer, and I won.

I embarrassed the IRS and they targeted me.

I led the 99th Congress in opposing President Reagan in his policy because I felt it was necessary for this country and he, just like President Nixon, sent the IRS after me.

I am sick and tired, and I have had enough. I am saying on the floor of the Congress today that if they scare my daughter or my family again, I am going over to the IRS office myself and punch their lights out.

Thomas Jefferson once warned this body, he said:

> Beware of the appointment of Federal judges, because they can take the Constitution and mold it like clay in their hands.

Mr. Speaker, his fears have come true and today the Senate starts on Judge Bork. I say he would not just mold the Constitution like clay, he would shred it.

I do not know what they are going to do with Judge Bork, but they had better get off my back. I am going to stand and fight the IRS. I think Americans should not have to fear a Gestapo agency and the Congress should straighten it out.

## TWO HUNDREDTH ANNIVERSARY OF CONSTITUTION AND PRESIDENTIAL VOTE

(Mr. de LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. de LUGO. Mr. Speaker, when we mark the 200th anniversary of our Constitution, we're not celebrating a document that has become static or lifeless.

The Constitution is not just a brilliant political plan for the conditions of 1787. The framers had the wisdom to provide for the ongoing political development of this country. Under the Constitution, for example, the United States has advanced by extending voting rights and political rights to more and more citizens.

But that process is not yet complete. In this great Nation, we still have citizens who are denied the right to vote for their President. Our citizens in the U.S. Virgin Islands, Guam, American Samoa, the Northern Mariana Islands and other offshore areas remain disenfranchised.

They are called to go defend our country with arms, but they cannot go to the polling booth to select their President. In light of our constitutional principles, it is just not right.

More than 115 of my colleagues have joined me in cosponsoring House Joint Resolution 217, calling for a constitutional amendment to extend the Presidential vote to our citizens in the territories.

I'm calling on my other colleagues, especially on this 200th anniversary, to join us in extending this precious voting right to our citizens in the Pacific and the Caribbean.

## TEXTILE AND APPAREL IMPORTS FROM IRAN AND SOUTH AFRICA

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, last week I received a letter from the U.S. Trade Representative telling me of the administration's opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. It says that "the administration has already done an enormous amount in recent months to assist U.S. textile and apparel industries."

Well, as proof of their assistance, I would like to relay the following information. Thus far in 1987, we have imported over 600,000 square yards of fabric from Iran, compared to the 215,000 square yards we imported all of last year.

From December 1986, to the end of June 1987 over 10.6 million square yards of textile and apparel exports from South Africa, worth $6.6 million, have been admitted for consumption into the United States.

The Commerce Department estimates that 10 million square yards is roughly equivalent to 10,000 jobs. By this calculation, 10,000 American workers can now look forward to the agony of unemployment, thanks to South African textile imports. But they will not be alone, they will join the nearly 700,000 lost American job opportunities attributable to textile and apparel imports since 198

Unless we move to limit import growth and to protect American industry, the administration may offer even more such assistance. Assistance which American textile workers cannot afford to receive. When H.R. 1154 comes to the House floor for action, I strongly urge my colleagues to give it their full support.

## PROPOSED ACCORD ON CERTAIN NUCLEAR WEAPONS

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, the Reagan administration is poised to conclude a treaty to eliminate short- and medium-range nuclear missiles. Foreign Minister Shevardnadze's visit to Washington is the latest sign that remaining differences may soon be resolved, leading to a summit meeting this fall.

The proposed accord offers us the opportunity to eliminate two entire classes of weapons from the superpower arsenals. We must not squander this opportunity, which is in the best interests of both nations and the entire world.

The Reagan administration is to be commended for bringing the treaty this far, and we must all unite to ensure that it is favorably concluded and ratified. But we must also remember that a treaty on short- and intermediate-range weapons is not enough.

The American breakout from the SALT II Treaty and the efforts of the Reagan administration to unilaterally reinterpret the ABM Treaty raise the specter of a consuming all-out competition in strategic arms and space weapons.

We must not trade short- and medium-range weapons for a reckless new arms race in other weapons. Instead, we must use the momentum of the coming arms agreement to resolve our differences on strategic and space weapons, which continue to threaten the world with nuclear annihilation.

## THE APARTHEID PROFITS DISINCENTIVE ACT

(Mr. LELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LELAND. Mr. Speaker, during the August recess I was appalled by the inhuman working conditions in South Africa which caused 340,000 black mine workers to hold a 3-week nationwide strike.

The mining industry is the pillar of the South African economy and rests on cheap labor and apartheid's migrant-labor system.

When we passed the Anti-Apartheid Act in the last Congress, we struck a blow against apartheid. Today, however, I am deeply troubled about what appears to be a critical loophole in the act. It appears that South African businesses are reacting to the political and economic instability in their country by investing in more stable business environments such as the United States.

According to the Africa Fund, the largest foreign investor in the United States in 1981 was the South African Anglo American Corp., the biggest of the six mining companies struck by the black miners in August.

Very recently, I have become aware that there is a disturbing link between Anglo American and Newmont Mining Corp., a U.S. company which is the largest producer of gold in this country. It appears that Anglo American exercises de facto control over Newmont through a complex web of interlocking directorships and cross minority interests which span the globe.

The purpose of the Anti-Apartheid Act was to create economic disincentives for the continuation of the apartheid system. This purpose is thwarted if companies such as Anglo American can invest profits in capital markets in the United States. Therefore, I intend to introduce legislation which would prohibit the South African mining interests, which benefit from the apartheid system, from investing in United States corporations. I am calling for congressional hearings to determine the extent to which South African mining interests invest in United States companies and the extent to which profits generated in the United States are being invested in South African companies which benefit from the apartheid system.

By prohibiting South African mining interests from investing in United States companies we can strike yet another blow at the very root of the apartheid system. Mr. Speaker, I urge my colleagues to join in the spirit of my initiative.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore (Mr. Alexander). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on both motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, of postponed, will be taken after debate has been concluded on both motions to suspend the rules.

## FREEDOM OF RELIGION IN LITHUANIA

Mr. FEIGHAN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 192) concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania.

The Clerk read as follows:

### H. Res. 192

Whereas 1987 marks the 600th anniversary of the Christianization of Lithuania, when the Lithuanian nation embraced Roman Catholicism;

Whereas freedom of religion is a fundamental human right which is explicitly guaranteed by the Universal Declaration of Human Rights, the International Covenants on Human Rights, and the Final Act of the Conference on Security and Cooperation in Europe;

Whereas the Soviet Union has violated the Universal Declaration of Human Rights, the International Covenants on Human Rights, and the Final Act of the Conference on Security and Cooperation in Europe by engaging in the ongoing denial of religious liberty and other human rights in Soviet-occupied Lithuania and elsewhere;

Whereas Lithuanian children are legally prohibited from attending church without their parents and from participating in church activities, parents are actively discouraged from teaching their faith to their children, priests are forbidden to give religious instruction to children, and children who are religious believers are discriminated against by teachers and school officials;

Whereas adult lay believers in Lithuania are victimized by job discrimination, denied access to religious literature, and are subject to various forms of harassment such as house searches, interrogations, and arbitrary arrest;

Whereas religious orders are legally prohibited in Lithuania, admission to the one seminary is strictly regulated, and administration of that seminary is subject to government interference;

Whereas priests in Lithuania who conscientiously perform their pastoral duties are subject to persecution, and those who protest Soviet mistreatment of religious believers and petition the state for redress of their grievances, such as Father Alfonsas Svarinskas and Father Sigitas Tamkevicius, founders of the Catholic Committee for the Defense of Believers' Rights, are subject to imprisonment;

Whereas Soviet authorities have seized numerous churches against the religious community's will and converted them to other uses;

Whereas Soviet authorities restrict the production and importation of religious literature and materials to small quantities, and subject the publishers of religious literature and underground human rights publications such as the "Chronicle of the Catholic Church in Lithuania" to arrest and imprisonment; and

Whereas the Soviet Union has consistently blocked efforts by Pope John Paul II to visit Lithuania and has taken other steps to limit Lithuania's celebration of the 600th anniversary of its Christianization: Now, therefore, be it

*Resolved*, That the House of Representatives deplores the Soviet denial of religious liberty and other human rights in Lithuania and elsewhere, and on the occasion of the 600th anniversary of Christianity in Lithuania—

(1) sends its greetings to the Lithuanian people as they mark this solemn occasion in the life of their nation;

(2) voices its support for those Lithuanians who are persecuted for attempting to exercise freedom of religion;

(3) urges the President, the Secretary of State, and the United States delegation to the Vienna CSCE Review Meeting to continue to speak out forcefully against violations of religious liberty everywhere and specifically in Lithuania during this anniversary year, and to solicit the support of our allies in this effort; and

(4) calls upon the Soviet Union to abide by the Universal Declaration of Human Rights, the International Covenants on Human Rights, and the Final Act of the Conference on Security and Cooperation in Europe, including the provisions on religious liberty.

The **SPEAKER** pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio [Mr. Feighan] will be recognized for 20 minutes and the gentleman from New York [Mr. Solomon] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. Feighan].

Mr. FEIGHAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I was very pleased to introduce House Resolution 192 with the distinguished gentleman from the State of Washington [Mr. Miller]. I'd like to take this opportunity to pay tribute to my very good friend for his leadership and for his dedication to helping the oppressed peoples living today in Lithuania.

I also would like to thank and commend the chairman of the House Foreign Affairs Committee, Mr. Fascell, for bringing this resolution to the floor as expeditiously as he has. I want to thank the chairman of the Human Rights Subcommittee, Mr. Yatron, and the chairman of the Subcommittee on Europe and the Middle East, Mr. Hamilton, for their outstanding leadership and assistance with this legislation as well.

This resolution, House Resolution 192, calls upon the Soviet Union to observe the religious and human rights of the people of Lithuania.

This legislation sends our greetings to the Lithuanian people as they celebrate the 600th anniversary of Christianity in Lithuania, and it voices our support for those Lithuanians who today are persecuted for exercising the basic right to practice religion.

And finally, Mr. Speaker, this legislation urges the Administration to continue to speak out forcefully against violations of religious liberty—not only in Lithuania—but throughout the Soviet Union.

I would like to describe, for the record, the types of persecution and discrimination that are taking place in Soviet-occupied Lithuanian today.

As a Roman Catholic, I am perhaps most distressed by Soviet actions aimed against Catholic Lithuanian children. For example, it is against the law for Lithuanian children under the age of 18 to attend church without their parents. Lithuanian children may not act as "altar boys" during Mass. Lithuanian children may not participate in church choirs. Religious children are routinely denied entrance to institutions of higher learning.

Priests are not allowed to teach the Catholic faith to children. Nor are they allowed to organize social activities such as Christmas parties for children. Priests are not allowed to perform any religious activities outside church property such as funeral processions to cemeteries. And they are fined for alleged petty offenses such as for "disturbing the peace" by ringing church bells on Sundays.

Clergy who actively pursue religious or human rights are arrested and imprisoned. For example, one priest was sentenced to 6 years in a labor camp and 4 years exile. The charge? Organizing a Christmas party for parish youth.

The Government tries to control the church hierarchy as well. For example, one Catholic Lithuanian bishop has been in exile in a remote northern town since 1961—for 26 years—for refusing to prohibit priests from teaching religion to children and for refusing to allow the Government to interfere with the selection of seminary students.

Only one seminary is permitted now in Lithuania. Entrance to the seminary is so strictly controlled that more priests die each year than are ordained. The Soviet Government—not the Catholic Church—makes the final decision about who is admitted to the seminary. The Government tries to blackmail seminarians to inform on fellow clergy. And the Government controls the appointment of faculty to the seminary.

Lithuanian churches have been seized and converted to other uses, such as an art museum and a museum of atheism.

In spite of all this, Catholicism in Lithuania is thriving. The vast majority of Lithuanians are Roman Catholics.

Despite the house searches, the interrogations, and the arrests, a mass-based movement of Catholic Lithuanians is working hard for religious rights.

It is important that we support these people—especially at this time when they are celebrating the 600th anniversary of Christianity in Lithuania.

It is also especially appropriate that we are considering this legislation during this particular week when the Soviet Foreign Minister is in town for meetings.

I'd like to add that the administration has no objections to this resolution, and in fact, finds this to be an especially appropriate time to bring attention to continuing repression in Lithuania.

I hope that House Resolution 192 will have the full support of the House as well.

□ 1225

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I rise in strong support of this resolution and commend the gentleman from Washington [Mr. Miller] for sponsoring it.

This resolution contains numerous examples of how the brave and suffering people of Lithuania have had their God-given right to freedom of worship taken away. The comprehensive denial of freedom of religion in Lithuania is all the more poignant because of two reasons.

First, as the resolution makes note, 1987 marks the 600th anniversary of the introduction of Christianity into Lithuania. And second, the Lithuanian people have had their rights taken away by an alien and enemy occupation force. Lithuania, and its sister Baltic Republic, have since 1940 been occupied illegally by the Soviet Union.

Let us not forget that in 1920 the freed and sovereign State of Lithuania signed a peace treaty with the Soviet Union in which the Soviets—quote—relinquished for all time all claims to sovereignty over Lithuania or any other Baltic Nation. Acting in collusion with the invading Nazi forces in 1940, the Soviet Union overthrew the free Government of Lithuania and began occupying the country by force. So much for treaty commitments. And so much for the freedom of the Lithuanian people.

I cite this history, Mr. Speaker, because the Soviet Union has made just as great a mockery of the Helsinki accords that they signed in 1975, as they have of the Lithuania peace treaty that was signed in 1920. They haven't observed either one. And the people of Lithuania can no more enjoy the basic human rights defined by the Helsinki accords, than do the people in the Soviet Union.

The tragic reality of the brutal Soviet occupation of Lithuania is something we must never cease to protest. I am pleased to be a cosponsor of this resolution, and I urge its unanimous adoption.

Again, Mr. Speaker, I commend the gentleman from Washington [Mr. Miller] for bringing this resolution to the attention of this body and to all of the world, including those who are oppressed by communism behind the Iron Curtain today.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. Broomfield], the ranking Republican member of the full Committee on Foreign Affairs.

Mr. BROOMFIELD. Mr. Speaker, first I want to commend the gentleman from New York, [Mr. Solomon], for his very important statement on this resolution. I also want to commend the gentleman from Ohio, [Mr. Feighan], as well as the gentleman from Washington, [Mr. Miller], for being the principal sponsors. I understand there are nearly 50 Members of Congress who have cosponsored this legislation which deplores the Soviet denial of religious liberty and other basic freedoms in Lithuania. In the spirit of glasnost I call upon the Soviet leader to respond to this legislative initiative. Now is the time, Mr. Gorbachev, to grant religious and other freedoms to the Lithuanian people.

This year marks the 600th anniversary of the adoption of Christianity by the Lithuanian people. We all know the Lithuanians cherish their faith. Even though Soviet officials persecute those people for practicing their religion, the brave Lithuanian people refuse to abandon their faith. They want no part of the atheism of that police state. Sharing the fate of all too many countries, that once independent land became a victim of the expanding Soviet Empire. The Lithuanians have paid a high price. Those freedom-loving people are routinely denied the basic liberties that all of us take for granted.

Although a signatory to many of the international agreements concerning human rights, Kremlin officials continue to play the same old game. Behind their slick public relations offensive, the sad reality of the Soviet Union is unchanged. In that closed society many innocent human beings continue to be harassed, mistreated and imprisoned.

Is the persecution of the Lithuanian people, Mr. Gorbachev, your response to the human rights agreements which your government has signed? Are the ongoing violations of the religious rights of those people in keeping with the spirit of glasnost? Is there a better time than now, Mr. Gorbachev, to fulfill the promises of this "new openness" in your country?

Finally, Mr. Speaker, I strongly support this resolution's efforts to deplore the tragic Soviet denial of religious and other basic liberties in Lithuania. I urge my colleagues to join me in supporting this timely resolution.

Mr. FEIGHAN. Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. Richardson], who I point out is a very valuable and vocal member of the Helsinki Commission.

Mr. RICHARDSON. Mr. Speaker, first I would like to commend the gentleman from Ohio [Mr. Feighan] and the gentleman from Washington [Mr. Miller] for their outstanding leadership on this legislation and in the Foreign Affairs Committee.

I recently had the opportunity to travel with our colleague from Maryland, the Honorable Steny Hoyer, on a Helsinki Commission trip to Bulgaria and Romania where we witnessed firsthand the persecution of religion by Communist regimes.

In the case of Romania, it was the Adventists, it was the Christians, it was the Roman Catholics. There was terrific repression, and there the people spoke out and said any time the United States passes resolutions of support or sends letters or expresses solidarity it gives renewed hope.

The same case in Bulgaria where there was persecution of many religions, where there was destruction of mosques, where there were many manifestations of violations of religious rights.

What we are doing today is taking a stand on behalf of human and religious rights in Lithuania.

It is critically important that we observe the 600th anniversary of Christianity in Soviet-occupied Lithuania. Through 123 years of Russian czars and over 45 years under Communist rule, where the official religion is atheism, the Catholics of Lithuania remain deeply rooted to their religion.

However, the long history of Lithuanian Christianity has not survived unscathed. At best, Christianity continues to be driven underground. At worst, the mere existence of Christianity in Lithuania is in jeopardy. I would like to take this opportunity to alert my colleagues to the types of discrimination and persecution that exist in Lithuania today.

The Soviets are attempting to undermine the future of Christianity in Lithuania by restricting the younger generations from religious participation. Children are not allowed to attend church unless they are accompanied by an adult. No one under 18 is allowed to sing in the choir. The teaching of the cathechism to children is considered a crime. All but one of the four seminaries have been closed. Thus, very few students, heavily screened by authorities, are admitted to study for the priesthood. It is clear that Soviets are trying to starve Christianity out of Lithuania.

In honor of the 600th anniversary of the Christianization of Lithuania, let us demonstrate our solidarity with the faithful in Lithuania. I am calling on my colleagues to unite in support of House Resolution 192, concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania.

Mr. Speaker, once again I wish to commend the authors and the eloquent statement by the gentleman from New York [Mr. Solomon]. These resolutions matter. Taking strong affirmative votes rings messages throughout the world that the U.S. Congress stands behind those who are oppressed and behind the Iron Curtain. There are many.

So once again I commend my colleagues and I urge a unanimous vote on this resolution.

Mr. SOLOMON. Mr. Speaker, I commend the gentleman from New Mexico [Mr. Richardson] for an outstanding statement.

Mr. Speaker, I yield such time as he might consume to the gentleman from Washington [Mr. Miller], the sponsor of this resolution and a very valuable member of the Foreign Affairs Committee.

Mr. MILLER of Washington. Mr. Speaker, I want to start out by thanking my distinguished colleague from Ohio, Mr. Feighan, who has joined with me in cosponsoring this resolution. He has also joined with me in helping to bring together many Members of Congress to work on this important issue.

I want to thank our many colleagues who have cosponsored this legislation and have taken their time to get involved in this important issue of human rights, an issue that is also of great concern to Soviet-American relations.

I want to thank my colleague, the gentleman from New York [Mr. Solomon], my colleague on the Foreign Affairs Committee, the gentleman from Florida [Mr. Fascell], the chairman; the gentleman from Michigan [Mr. Broomfield], the ranking member; members of the subcommittee, such as the gentleman from Pennsylvania [Mr. Yatron] and the gentleman from Indiana [Mr. Hamilton] for their help in bringing this resolution to the floor.

This resolution commemorates the 600th anniversary of Lithuania's Christianization, 600 years ago. The people of Lithuania today, unfortunately, are denied one of their most basic human rights, religious liberty.

So, 1987 marks another year of religious persecution and restriction on the Lithuanian people. In a year when the people of Lithuania should be openly and joyously celebrating the anniversary of Lithuania's Christianization, they are instead faced with religious repression and obstacles to practicing their faith created and sanctioned by the Government.

It is hard for us in the United States, in the Western World, to imagine what goes on in Lithuania, to imagine a situation where, as my colleague from Ohio, Mr. Feighan, pointed out, children under 18 cannot go to church alone; to imagine a situation where priests who want to study openly for the priesthood and practice as priests can be sent to jail. Some have been sent to psychiatric hospitals far from Lithuania. It is hard to imagine a situation where one can be arrested for organizing a Christmas celebration.

The government in Lithuania routinely attempts to deny people even going to church for funerals. This was the case with the Pinkauskas family when their 7-year-old daughter died. Officials threatened not to allow friends of their daughter at attend the funeral if it was done in the church and threatened the parents that they would lower their children's grades if they attended the funeral.

□ 1240

There is also the case of Inga Zvingevich, a fourth grade student who was interrogated to the point of tears by her teachers regarding how many times she had been to church. A principal of Krakes Middle School stated during a parents' meeting that in the future children who attended church would have their conduct mark lowered regardless of whether their scholastic marks were perfect.

The leader of the Roman Catholic Church, Pope John Paul II, has been denied permission to visit Lithuania during the 600th anniversary celebration. Only a handful of Lithuanian clergy have been allowed to travel to Rome to participate in the papal celebration of Lithuanian Christianity on June 28. The Lithuanian clergy were completely denied permission to participate in the Rome celebrations. With few exceptions no Westerners were allowed to visit Lithuania on or around June 28.

In Vilnius, the capital of Lithuania and the site for the main celebration, the scope of celebration was severely restricted.

The government has imposed severe limitations on the production and importation of prayer books and other religious literature.

The religious press is completely banned. A Lithuanian who participates in religious activities takes the risk of being harassed at his job, compelled to work against his will on Sundays and religious holidays, denied employment opportunities and even faces the risk of being fired from his job. That person can be expelled from the Communist Party, lose his parental rights, be harassed by the KGB. We in Congress must condemn these actions which deny the Lithuanian people their most basic human rights, religious liberty.

We must not forget those in Lithuania who are denied their basic human rights. The miracle, the miracle is that the people of Lithuania continue to adhere to their religion and struggle for their freedom despite the obstacles that we have been talking about.

In 1983, 123,000 Lithuanians signed their names on a petition for three jailed priests, 123,000 citizens had the courage to do that.

I have told you how religious literature and religious press was banned, but a religious underground press continues to prosper despite waves of interrogations, house searches, arrests. Seventy-two issues of the Chronicle of the Catholic Church in Lithuania have appeared over the last 15 years. In fact, we had a reception and celebration of that 15th anniversary just a couple of months ago here in the Capitol.

Under extreme duress and danger, Lithuanians have not given up their fight for religious freedom. The Soviet Union, which is the religious persector of the Lithuanian people, has violated the Universal Declaration of Human Rights, the International Covenants on Human Rights, and the Final Act of the Conference on Security and Cooperation in Europe which the government signed, all of those documents call for religious liberty, religious freedom, freedom of worship. The United States cannot ignore this when dealing with the Soviet Union. Today is especially appropriate for us to consider this resolution, a day when both the leader of the Roman Catholic Church and the Foreign Minister of the Soviet Union are in our country. This resolution is a small but important step in recognizing the Lithuanian peoples' rights to religious liberty and expressing our solidarity, the solidarity of the American people, with their continued efforts to exercise this basic right. There are, basically, two messages in this resolution. One is the message to the Lithuanian people and the message is "we have not forgotten you." The other is a message to the Soviet Union and that message is, "In the spirit of glasnost, let the people of Lithuanian practice their religion."

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Washington. I yield, I am happy to yield to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. I thank the gentleman from Washington for yielding.

Mr. Speaker, I want to commend the gentleman from Washington for bringing this matter to the floor.

Mr. Speaker, our subcommittee, the Subcommittee on Europe and the Middle East, considered this resolution last month. We felt that it was highly appropriate to call the attention of the world to the continuing denial of religious freedom in Soviet-occupied Lithuania. Freedom of religion is not only a natural right but it is guaranteed by a variety of international agreements which the Soviet Union, as an occupying power in Lithuania, is bound to observe, and palpably does not observe.

It is appropriate for the gentleman from Washington [Mr. Miller] to call this problem to our attention, and I hope my colleagues will support this resolution.

Of the over 3½ million people living in Lithuania, 85 percent consider themselves to be Catholic. The Lithuanians have had a longstanding conflict with the Soviets since September 28, 1939, when the secret protocol to the Soviet-German Frontier Treaty assigned the greater part of Lithuania to the Soviet sphere of influence.

This has been just a perpetuation of a struggle that has been going on since 1795, when the combined Lithuanian-Polish Government collapsed and Lithuania came under the rule of the czar. The Lithuanians' resilience was noted then when the people continued to educate their children and maintain their cultural heritage even as the czar prohibited the printing of books and closed all schools in Lithuania. The tradition of suppressing the religious, social, and political rights of the Lithuanians was passed down from czarist Russia to the Soviet Union. But the Soviet Government, like the czars, has encountered determined opposition from a people intent on expressing their pride and national identity.

In June, Lithuanian Catholics marked the 600th anniversary of the introduction of their religion in Lithuania. The Soviet Government acknowledged this event by banning all travel to Lithuania in June—again denying the full expression of religious liberties by excluding Catholics around the world from physically participating in this well-deserved celebration.

In the current era of glasnost, allowing such a celebration would have served as a symbol of the Soviet's intention to meet the expectations raised by their proclamation of a greater openness. While it is true that the Soviets allowed an open protest against imposed Soviet rule in the three Baltic republics last month, there is nevertheless a strong Soviet resistance to allow their residents to enjoy genuine liberty.

An underground publication, the Chronicle of the Catholic Church in Lithuania, demonstrates this when it recently published letters from imprisoned priests, reported that students were barred from crucial final exams because they are churchgoers, and about a pastor who was killed last year in what appeared to be a contrived motor accident.

Like many in the United States, I welcome changes in the Soviet Union that would convince me that progress in promoting human rights is being made. Regrettably, however, the limited increase in tolerance for self-expression in the Soviet Union has not resulted in a substantive amelioration of the situation in the Baltic republics. Thus, Mr. Speaker, I encourage my colleagues to join me in supporting House Resolution 192 which acknowledges the courageous efforts of the Lithuanian people to realize greater religious and civil liberties.

Mr. MILLER of Washington. I thank the gentleman from New York for his leadership in this area and his well-chosen words.

Mr. Speaker, I yield back the balance of my time.

Mr. FEIGHAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, I thank the gentleman for yielding and I commend my colleague from Ohio and my colleague from Washington for their initiative in introducing this resolution.

I have a special fondness for the message included in this resolution because I may be the only Lithuanian-American serving in the United States House of Representatives.

Mr. Speaker, my mother was born in Lithuania and emigrated to this country at the age of 4.

Several years ago it was my honor and privilege to visit Lithuania to see firsthand my own roots and to see some of the things which have been described on the floor today in terms of religious oppression.

The oddity is that the more the Soviet Union attempts to repress religious belief in Lithuania, the stronger that belief is. The Soviet Union in fact has its hands full with Lithuania because that country has continued to be a source of great unrest, a source of great upheaval in terms of religious belief and I am certain, and witnessed it myself, that they would like to see this situation come to an end very quickly. In fact, they are perpetuating it. The more they oppress religion, the more they close seminaries, the tougher they are on the Catholic clergy, the stronger the faith is felt. I can recall going to a Catholic Mass in Vilnius, an early mass, about 6:30 in the morning and about that time of year it was still very dark outside. As I went up for communion at the end of the mass, I looked to my right to find a room full of men and women with small children who brought them out at 6:30 on Sunday morning in the dark to stand off on the side in a church and practice their religion so that they did not fear recrimination, but so that they kept the belief alive.

As you walk the streets of Vilnius to see particularly elderly men and women who have nothing to lose anymore, they are no longer working, carrying rosaries in their hands and prayer books, it suggests to me that the Soviet Union has a serious problem so long as they continue on this particular effort to eradicate religion in Lithuania.

Some of the things that they have done are nothing short of outrageous. They have disallowed the basic publication of Catholic materials unless it has the state imprimatur. They have, as has been noted earlier, suppressed seminary education and even more insidiously they have infiltrated the faculties of these seminaries so that some of the people who pretend to be believing Catholic priests are in fact part of the government operation.

I think what we are doing today is important because it does send a message. As my colleague from New Mexico [Mr. RICHARDSON] said earlier, this information does trickle through. The people who are maintaining their beliefs in Lithuania will know about what we are doing today. And even those people who put their lives on the line and their futures on the line in that country look to us for encouragement. In the country of Lithuania today if you are to be married you have to go through a civil ceremony. I attended one of them in what looked like a regular town hall.

It was very nice, it was very pretty, they had a state-provided organist, and they had flowers, people came through, couple after couple, to be married,

They were very proud to show this to me. The Communist government wanted to make sure that I saw that the people wanted to go through the civil ceremony.

But we followed one couple out of that town hall across town to a Catholic church where they then had their wedding solemnized again, running the risk of basically incurring the wrath of the leaders in Soviet Lithuania.

But the dream is still alive there and it has been for centuries. This effort today is a small token but an important one which shows our recognition of a struggle that continues even today.

We can only hope that General Secretary Gorbachev, as he institutes reforms within the Soviet Union, will look to the most basic reform, to give the people of Lithuania and all the republics of the Soviet Union and all the Baltic nations the basic human rights which we venerate so much in this country.

Mr. Speaker, I thank my colleagues and I fully support their effort to pass House Resolution 192.

Mr. WELDON. Mr. Speaker, I rise today after the consideration of House Resolution 192. This legislation is a significant show of support by this body for religious freedom, not only in Soviet-occupied Lithuania, but throughout the world. By approving this legislation, Congress sent a clear message to all nations that the people of the United States are not willing to accept the suppression of religious freedoms. Today, the U.S. Government displayed a commitment to the preservation of those religious freedoms as well as to all basic human rights.

This House resolution was passed in honor of the 600th anniversary of Christianity in Lithuania. This legislation also expresses the sense that the Soviet Union has denied free religious expression in the Soviet Union and in occupied Lithuania. Further, this legislation makes it clear that this Congress and this Nation believe the Soviets should honor their commitment to the Helsinki Final Act of the Conference on Security and Cooperation in Europe.

As many of you are well aware, Lev and Inna Elbert, Soviet refuseniks, were recently granted exit visas to leave the Soviet Union. I applaud the good works of my constituents from the Beth-Israel Temple in Media, PA, for their successful efforts on the Elbert family's behalf. I also wish to congratulate my colleagues whose efforts were instrumental in obtaining this victory for the Elberts.

Mr. Speaker, it is my sincere pleasure to share with this body a Delaware County Daily Times article which illustrates how concerned constituents can make a difference:

### "Refuseniks" Get Lift From Delco

(By Helen Passaro)

MEDIA.—Through the combined efforts of the borough's Beth-Israel congregation and Congressman Curt Weldon, a "refusenik" family has obtained permission to leave the USSR after a 15-year struggle.

From the time their son, Carmi was a year old, Lev and Chana Elbert had attempted to get exit visas to leave the Soviet Ukraine and rejoin their family in Israel.

Yesterday, Congregation Beth-Israel celebrated at the sudden news that the Elberts will be departing Moscow for Israel within a month.

Weldon (R-7), who was instrumental in gaining the Elberts' release, was invited to come to the synogogue on Gayley Street yesterday morning, when the congregation planned to congratulate the family by telephone.

The Elberts, it turned out, had already left for Moscow.

Members of Beth Israel Synagogue first learned of the Elberts' distress 12 years ago, and began sending them letters of encouragement.

Last March, the Elberts went on a hunger strike, hoping to inform the world of their plight. Carmi joined his parents in their water-only diet 20 days later. On the 36th day of his fast, Lev Elbert lost consciousness, was in a coma five days and nearly died. Chana, a physician, also collapsed.

Beth Israel Congregation sent Rabbi Brian Wal to the USSR to help them, but his negotiating attempts failed.

Then the rabbi turned to Weldon, who had majored in Soviet studies at college, speaks Russian and had made friends with some Soviet leaders as a result of two trips to the USSR. Two years ago, Weldon helped bring a group of 14 Soviet leaders to Delaware County.

Weldon made telephone calls, wrote letters and convinced 113 congressmen to sign a petition and sent it to Mikhail Gorbachev general secretary of the Kremlin's central committee.

The strategy worked.

Yesterday was the first day of religion school at Beth Israel Synagogue in Media and 65 children, their new teacher, Irene Afek, and two dozen parents were waiting to sing "Hevenu Shalom Aleichem" ("We bring you greetings of peace") to the Elberts over the telephone.

"We need to maintain an ongoing dialogue to respond in other cases like the Elberts," Weldon told them yesterday. "In my last trip I met with 11 families in Leningrad and Moscow and their stories were unbelievable. It is hard to believe there are families persecuted and torn apart and fathers sent to work camps just because they want to be reunited with their loved ones."

Mr. YATRON. Mr. Speaker, I strongly support House Resolution 192, and I want to commend Congressman MILLER for his leadership on the issue of human rights in Soviet-occupied Lithuania. In serving on the Human Rights Subcommittee, Congressman MILLER has made a valuable contribution to promoting respect for fundamental freedoms and liberties worldwide.

Mr. Speaker, despite the new policy of glasnost undertaken by the Soviet Union, religious persecution, cultural oppression, and the denial of other basic rights continue in Lithuania. Soviet authorities continue to violate their international obligations under Helsinki, the Universal Declaration of Human Rights and other covenants by harassing and incarcerating religious believers, tightly controlling the dissemination of religious literature, and severely limiting churches and clergy.

House Resolution 192 calls attention to these abuses and reminds the world that 1987 marks the 600th anniversary of Lithuania's embrace of Christianity.

Thus, this measure is warranted by the circumstances and is most timely. By extending greetings to the Lithuanian people, voicing support for those suffering religious persecution, urging our Government to continue to speak out against oppression in Lithuania, calling on the Soviet Union to abide by its international human rights obligations, House Resolution 192 sends an important message to Soviet authorities, the Lithuanian people and the world. Our Nation takes these principles seriously, as well as pledges to obey them, and we will continue to press for compliance.

As chairman of the House Subcommittee on Human Rights and International Organizations, I have been closely following developments in the Soviet Union and working to promote the expansion of human rights in that country. While I certainly applaud the recent increase in visa approvals, the permission of certain important refuseniks to emigrate, and other humanitarian gestures, Soviet officials still have a long way to go before they are in full compliance with their international obligations in this regard.

Therefore, House Resolution 192, will serve to remind the Soviets that the Lithuanian people expect and deserve nothing less than full recognition of their basic rights on this most solemn yet joyous occasion of 600 years of Christianity in that land. Our country has an obligation to continue to press and encourage the Soviets to join the fraternity of freedom and liberty.

I strongly urge my House colleagues to support House Resolution 192.

Mr. FASCELL. Mr. Speaker, I rise in support of House Resolution 192 concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania. I would like to commend our distinguished colleagues, Mr. FEIGHAN and Mr. MILLER, for their leadership on this important issue.

It is particularly appropriate that we discuss the denial of religious liberty in Lithuania today as Secretary of State Shultz begins talks with Soviet Foreign Minister Shevardnadze on a wide range of bilateral issues. The passage of this resolution will demonstrate to the Soviet leadership the Congress' continued concern about Soviet human rights violations and will strengthen the hand of Secretary Shultz as he pursues these important issues with his Soviet counterpart.

Mr. Speaker, this resolution calls upon the Soviet Union to abide by the commitments it undertook to respect freedom of religion in numerous international agreements including the Universal Declaration of Human Rights, the International Covenants on Human Rights and the Final Act of the Conference on Security and Cooperation in Europe. To this end, the resolution urges the President, the Secretary of State and the United States delegation to the Vienna CSCE review meeting to continue to speak out forcefully against violations of religious liberty everywhere and specifically in Lithuania which this year celebrates the 600th anniversary of Christianity.

I urge adoption of this measure.

Mr. SHAW. Mr. Speaker, I would like to speak in favor of House Resolution 192 today because although Lithuania is very far away from my district in Florida, the denial of all types of human rights, religious and otherwise, in Lithuania has caused tragic results for one of my constituents, Dr. Galina Vileshina. Her husband, Pyatras Pakenas, resides in Vilnius, Lithuania. These two make up one of the smaller number of "divided spouse" cases in the United States—cases where one spouse resides in the United States while the other spouse is prevented from joining the spouse by Soviet officials.

This is truly a heartbreaking case. Dr. Vileshina, a practicing neurologist, left the Soviet Union in 1980 and was promised that her husband would follow within 6 months. That was 7 long years ago.

Her husband has applied to leave 17 times in the past 7 years and has received 17 denials. No reason has ever been given for these refusals. Mr. Pakenas, once a successful lawyer, lost his job, and is now employed as a packer in a meatpacking company. More tragic is the fact that Mr. Pakenas recently suffered a heart attack. His health is very precarious and he is in urgent need of bypass surgery, surgery which is not available where he resides.

Understandably, Dr. Vileshina, who has kept up a constant daily crusade for his release, is now near despair with additional worries over his health.

Over the past 2 years since Dr. Vileshina moved to my district, I have attempted to assist her in her crusade. Dozens of letters on the couple's behalf have been sent to both Soviet and United States officials. United States efforts on behalf of the two have been gratifying but to no avail. I have never received even a simple reply to the letters and telegrams I have sent to the Soviet Embassy here or to Secretary Gorbachev and other Soviet officials. I even recently broadcast over the Voice of America with Dr. Vileshina to bring even more attention to this case.

Mr. Speaker, it is my hope that the passage of House Resolution 192 will send a signal to the Soviets that denying basic human rights doesn't benefit anyone. This case illustrates that. It is my hope that sanity and justice will prevail and that these two wonderful people can be reunited.

Mr. PORTER. Mr. Speaker, I rise to express strong support for House Resolution 192 which deplores the Soviet denial of religious liberty and other human rights in Lithuania and elsewhere. I commend my colleagues Mr. MILLER and Mr. FEIGHAN for introducing this resolution and for their tremendous leadership as cochairman of the Lithuanian Catholic Religious Liberty Group.

This year marks the 600th anniversary of Christianity in Lithuania. Unfortunately, the citizens of Lithuania are unable to experience the freedom of religion espoused in such international documents as the Helsinki Final Act and the U.N. Declaration of Human Rights. Religious Lithuanians face harassment, discrimination, and persecution at the hands of the Soviet Government. Lithuanian children are not allowed to attend church without their parents until reaching the age of 18. Lithuanian priests are forbidden to teach the Catholic faith to children. Clergy who actively support human rights and religious liberty are often arrested and imprisoned.

Mr. Speaker, despite attempts to annihilate religion in Lithuania, Christianity endures. Approximately 80 percent of the Lithuanians still consider themselves Catholics. One million Lithuanians attend mass regularly. Lithuanian culture will not be stamped out by the Soviet regime.

As co-Chair of the Congressional Human Rights Caucus, I encourage my colleagues to vote in favor of House Resolution 192. Passage of this resolution will express our country's strong support for the people of Lithuania who will continue their struggle to achieve basic human rights.

Mr. STRATTON. Mr. Speaker, I am pleased to rise today in support of House Resolution 192, regarding the continued denial of freedom of religion and other human rights in Soviet-occupied Lithuania.

Let me take this opportunity to reaffirm my strong support for the Lithuanian people in their struggle to regain their liberty and self-determination. The Soviets continue to deny the Lithuanians the basic human rights and freedoms, particularly freedom of religion, through their familiar tactics of aggression, oppression, and coercion.

Yet through all the years of Soviet rule the Lithuanian people have demonstrated remarkable resolve in retaining their heritage and their desire for freedom.

On this 600th anniversary of Christianity in Lithuania, I want to pledge my strong support to Lithuanians who are persecuted for attempting to exercise freedom of religion. I also urge the President and other administration officials to press the Soviets on these grave abuses of religious freedom and other human rights in Lithuania and to urge the Soviet Union to abide by the Universal Declaration on Human Rights.

Mr. LIPINSKI. Mr. Speaker, as cochairman of the Democratic Council on Ethnic-Americans, I rise today in strong support of House Resolution 192, legislation which puts the House of Representatives on record in deploring the Soviet denial of religious liberty and other human rights in Lithuania and elsewhere.

The yearning for justice and liberty has been given renewed vigor in recent months. Over 10,000 Lithuanians, Latvians, and Estonians held rallies in their capitals on August 23, the largest anti-Soviet demonstration in the Baltic States since the takeover in 1940, denouncing the Molotov-Ribbentrop Pact—that cynical document which has deprived them of their freedom for so many years.

This year marks the 600th anniversary of Christianity in Lithuania. But it is a sad state of affairs, Mr. Speaker, that this once-proud Christian nation is no longer able to practice its deep-seated faith with any real freedom. Children cannot attend church services unless they are accompanied by their parents, Lithuanian priests are forbidden to teach the tenets Catholicism to children, human rights activists are routinely harassed or imprisoned.

According to an information bulletin recently put out by the Lithuanian National Foundation, Moscow actually scolded the Lithuanian Communist Party for "serious shortcomings in atheistic * * * patriotic and international education." As the bulletin correctly points out, any increased activity in "atheistic activity" will be bad news for Lithuania's already heavily oppressed Catholics.

Let us never forget that Lithuania and the other Baltic States were once sovereign nations, beholden to no power but that of their respective peoples. Only by remembering and adhering to this undisputed fact can we harbor any hope for their future independence and freedom.

Mr. MORRISON of Connecticut. Mr. Speaker, I rise today in support of House Resolution 192, a resolution calling for the restoration of religious freedom and other basic human rights to the people of Lithuania. Since the birth of their nation in the 13th century, the Lithuanian people have struggled to preserve their independence and their culture.

After more than 500 years of freedom Lithuania was occupied by her Russian neighbors in 1795. Lithuania remained under Russian control until World War I, when they were occupied briefly by Germany. In 1918 the void left by the defeat of Germany and the collapse of czarist Russia provided Lithuania and the other Baltic States with an opportunity to regain their freedom. On February 16, 1918, the Council of Lithuania declared the nation's independence in the capital city of Vilnius.

For the next 22 years the people of Lithuania enjoyed their freedom and the chance to revive their cultural and religious heritage. A member of the League of Nations, Lithuania was recognized by the rest of the world as a sovereign and independent republic.

The secret 1939 pacts between the Soviet Union and Nazi Germany gave control of the Baltic States to the Soviet Union and signaled the end of independence for Lithuania. In 1940 the Soviet Union demanded the formation of a Soviet-controlled government in Lithuania, and held a one-party election. One month later the Soviet Union annexed its tiny, herioc neighbor. Occupied by Germany for most of World War II, Lithuania was reoccupied by the Soviet Union at the war's end.

The people of Lithuania have a long, rich cultural and religious heritage. Under Soviet occupation untold thousands of Lithuanians have been killed, imprisoned or deported for fighting to preserve their culture and their political independence. Hundreds of thousands of Lithuanians have been forced to flee their native land. Soviet oppression has cost Lithuanians their religious freedom. The Catholic Church, which is by far the dominant religion of the Lithuanian people, has been the target of particularly harsh treatment.

The United States has never recognized the unlawful occupation of Lithuania and her neighbors, and continues to maintain diplomatic relations with the representatives of the independent Republic of Lithuania. By adopting this resolution we reaffirm our support for the people of Lithuania and all the other peoples of the world who struggle against oppression, and who strive to obtain those basic freedoms we hold so dear.

Mr. Speaker, I commend my colleague from Washington for introducing this legislation, and I urge my colleagues to join me in supporting House Resolution 192.

Mr. YOUNG of Florida. Mr. Speaker, I rise in strong support of House Resolution 192, which marks the 600th anniversary of Christianity in Lithuania and deplores the Soviet denial of religious freedom and other liberties in Lithuania and its Soviet-occupied Baltic neighbors.

Since overrunning these nations 47 years ago, the Soviet Union has unsuccessfully attempted to eliminate the traditions, language, religion, and cultural heritage of the Estonian, Latvian, and Lithuanian people. Our Nation recognizes the indomitable spirit of these Baltic people and shares the hope that some day they will realize their dream to live in a land which respects the basic human rights, freedoms, and liberties that have been denied them for almost half a century.

The Soviets have been especially harsh on the people of Lithuania and their Baltic neighbors who wish to freely worship the God of their choice. Those who observe their religious heritage face discrimination and harassment at the hands of Soviet authorities. They are subject to searches of their homes, strenuous interrogation sessions, job discrimination, and arbitrary arrest. The Soviet harassment extends to children, who are prohibitied by Soviet law from receiving religious instruction until they are 18.

Priests and the clergy are specific targets of Soviet actions. They have been severely persecuted, and many times imprisoned, for speaking out against Soviet actions that impede religious freedom. The Soviets have also undertaken a campaign to discourage the Baltic people from entering the priesthood or becoming clergymen, an action that has sharply limited the number of educated religious leaders in the Baltic countries.

Despite harsh Soviet rule and the denial of many basic rights, the Baltic people maintain their quest for freedom, and it is that quest that we offer our support today with the passage of this resolution. House Joint Resolution 192 voices the support of Congress for Lithuanians who are persecuted for attempting to exercise the freedom of religion. It also calls upon Soviet officials to honor a number of treaties to which they are signatories. These treaties, which indicate a commitment by signing nations to respect fundamental human rights, such as religious freedom, include the Universal Declaration on Human Rights, the International Covenents on Human Rights, and the Helsinki Final Act of the Conference on Security and Cooperation in Europe.

The spirit of the Baltic people is unwavering and their desire for freedom remains as strong as ever. Despite Soviet efforts to quell public demonstrations, thousands of Baltic people in Latvia, Lithuania, and Estonia last month took to the streets to protest the continued Soviet occupation of their homelands and deny their human rights. The protests marked the 48th anniversary of the Stalin-Hitler nonaggression pact which permitted the takeover of these Baltic nations.

The resolution we consider today and the Baltic demonstrations last month which commemorated the annexation of these freedom loving people are stark reminders of the differences that exist between life under democracy in our Nation and communism in the Soviet Union. They are reminders of how quickly valued freedoms can be taken away and how long and difficult the battle is to regain them.

Mr. Speaker, I strongly support the passage of this legislation so that we can send another message to the Baltic people that our Nation will never abandon them and that we will continue to stand firm in our support of their quest for human rights and religious freedom.

Mr. HOYER. Mr. Speaker, as Chairman of the Helsinki Commission, I have seen how congressional resolutions can make a difference by calling attention to human rights violations. That is why I commend my colleagues JOHN MILLER and ED FEIGHAN for their resolution—House Resolution 192—calling for human rights and religious freedom in Lithuania. It could not have come too soon.

This year marks the 600th anniversary of Christianity in Lithuania, the only predominantly Roman Catholic republic in the Soviet Union. Freedom of religion stands as a fundamental human right guaranteed by the universal declaration on human rights, the international covenant on human rights, and the final act of the Conference on Security and Cooperation in Europe.

Yet this 600th anniversary finds the Lithuanian Catholic Church suffering repeated denials of religious liberty. For Lithuanian Catholics, their anniversary celebration is bittersweet.

A recent article in the Los Angeles Times reveals, through statistics, what the church in Lithuania has endured since the Soviet invasion and occupation. In 1940, there were 1,451 priests; at present, there are 800, with an average age of 65. In 1940, there were 1,202 Catholic parishes; at present, there are 630, almost a 50-percent decline. The 103 monasteries and convents in existence prior to the Soviet invasions are now all closed.

Among the more onerous Soviet violations of Lithuanian religious freedoms is the imprisonment of two prominent human rights activists, Viktoras Petkus and Sigitas Tamkevicius.

Father Tamkevicius was sentenced on December 2, 1983 to 6 years in prison and 4 in internal exile for allegedly conducting anti-Soviet activities. In 1978 he helped found the Catholic Committee for the Defense of Believers' Rights. Since his incarceration, at least 132,000 Lithuanian citizens have petitoned for the priest's release. Yet the pleas continue to fall on deaf ears—and an innocent man languishes in prison because he exercised his basic human rights of free speech and religion. As an added insult, the Lithuanian Minister of Justice even threatened to arrest the petitioners and three other priests from Tamkevicius' committee.

Mr. Petkus, a member of the Lithuanian Helsinki Monitoring Group, was sentenced in 1977 to 3 years in prison, 7 in strict regime camps, and 5 more in internal exile. Since the Soviet annexation of Lithuania in 1940, Mr. Petkus has spent 24 years in Soviet detention for being a human rights and Catholic activist. Petkus has been refused meetings with close relatives and his letters home have often been confiscated. Seven years ago, while serving his sentence, he began work on a literary encylopedia of world writers. After painstakingly compiling 45,000 entries in 34 volumes of 100 pages, Petkus' manuscript was abruptly seized by camp officials.

These are not isolated instances of human rights abuses in Lithuania. In the last 6 years, several prominent Lithuanian priests died under mysterious circumstances. Today, interrogation and police intimidation are all too common. Authorities even harass school children for having attended religious services.

Mr. Speaker, there are few things to celebrate in the Soviet treatment of Lithuanian Catholics. "Glasnost" has offered some encouraging gestures, such as the reopening of several churches. But there are other gestures not so positive. I remind you that Pope John Paul II's request to visit Lithuania for the 600th anniversary was denied, and despite the Soviet Union's Helsinki committment to facilitate contacts among religious faiths, several other Catholics outside the U.S.S.R. were refused entry into Lithuania to take part in the anniversary proceedings.

Mr. Speaker, in view of the repeated Soviet pattern of releasing prisoners of conscience whose cases are brought to the attention of the world, I urge united action by this government and its allies in pressing for the immidate release of Viktoras Petkus and Father Tamkevicius. I assure you that as Chairman of the Helsinki Commission, I will continue to raise these issues in Washington and at the CSCE conference in Vienna.

Mr. SOLOMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FEIGHAN. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. HUCKABY). The question is on the motion offered by the gentleman from Ohio [Mr. FEIGHAN] that the House suspend the rules and agree to the resolution, H. Res. 192.

The question was taken.

Mr. MILLER of Washington. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

## GENERAL LEAVE

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

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## REAFFIRMATION OF SUPPORT FOR AQUINO GOVERNMENT

Mr. SOLARZ. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 260) reaffirming United States support for the democratic Aquino government and condemning the recent coup attempt in the Philippines.

The Clerk read as follows:

H. RES. 260

Whereas the "People Power" revolution of February 1986 restored democratic government to the Philippines;

Whereas under the leadership of President Aquino, the people of the Philippines have adopted a new constitution, conducted elections for a new Congress which have been widely hailed as the most honest elections in the history of the Philippine Republic, and revived the democratic institutions of their country, including a genuinely free press and an independent judiciary;

Whereas the Philippines has made impressive strides in reversing the negative growth of the Philippine economy in the last two years of the Marcos regime and has achieved 5.5 percent real growth in the first quarter of 1987;

Whereas the Government of the Philippines has initiated a bold economic reform program, including the dismantlement of monopolies, the removal of protectionist barriers, the channeling of economic resources to the countryside, and a proposed agrarian reform program;

Whereas President Aquino clearly continues to enjoy the overwhelming support of the Filipino people;

Whereas in spite of the efforts of President Aquino and the Philippine Government, the Philippines continue to confront daunting economic, political, and military problems;

Whereas these problems can be addressed much more effectively by a democratic government which has the active support and involvement of the Filipino people;

Whereas on August 28, 1987, mutinous troops attacked the Presidential palace in Manila and other government installations in an effort to overthrow the Government of the Philippines;

Whereas scores of Filipinos have been killed, and over one hundred Filipinos were wounded in the political violence, including the son of President Aquino who narrowly survived an assassination attempt directed at him;

Whereas the top officers in the Armed Forces of the Philippines rallied loyal troops in support of President Aquino and successfully quashed the rebellion;

Whereas if the coup had succeeded, it would have completely polarized the country, could have led to a civil war, and would have clearly enhanced the prospects for a communist victory;

Whereas the preservation of democracy is the single most important United States interest in the Philippines;

Whereas President Reagan has issued a statement of strong support for the Aquino government and for democracy in the Philippines and condemned all efforts to destabilize the Government of the Philippines;

Whereas the Aquino government enjoys the confidence and support of the United States Congress, as has been expressed in previous resolutions;

Whereas the international community has also expressed renewed support for the leadership of President Aquino; and

Whereas United States law would require an immediate termination of United States military and economic assistance if the democratically elected Government of the Philippines were overthrown in a coup: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) strongly condemns the efforts of a minority faction in the Armed Forces of the Philippines to overthrow President Aquino and constitutional democracy in the Philippines by means of a military coup;

(2) regrets the tragic loss of life resulting from the coup attempt;

(3) pays tribute to those members of the Armed Forces of the Philippines who adhered to the principle of civilian supremacy and demonstrated their commitment to democracy by defeating the rebellion;

(4) reaffirms its support for the democratic government of President Aquino and expresses full confidence in the new democratic institutions in the Philippines;

(5) recognizes the overriding importance of defeating the Communist led insurgents, and supports the efforts of President Aquino to implement an effective counterinsurgency strategy, including increased support for strengthening the capability and improving the morale and living conditions of the Armed Forces of the Philippines as one component of such a strategy;

(6) calls upon those Filipinos who are dissatisfied with the policies of their government to work to change those policies through the peaceful democratic means now available to them, rather than by seeking to overturn the democratic system itself; and

(7) urges the Secretary of State to direct the United States Ambassador to the Philippines to make every effort to communicate the contents of this resolution to all the citizens of the Philippines but particularly to the members of the Philippine military.

The SPEAKER pro tempore (Mr. HUCKABY). Is a second demanded?

Mr. LEACH of Iowa. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLARZ] will be recognized for 20 minutes and the gentleman from Iowa [Mr. LEACH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, 3 weeks ago dissident, disloyal elements within the new Armed Forces of the Philippines attempted to overthrow the democratically elected government of Corazon Aquino.

Fortunately, loyal elements within the Philippine military who were prepared to respect the principle of civilian supremacy were able to crush the rebellion and to uphold constitutional government in that country.

The resolution we have before us today strongly condemns this extraconstitutional effort to seize power in the Philippines, and strongly reaffirms American support for the democratically elected government of Corazon Aquino.

I think it is important for all of us in the Congress, and for the American people, to understand that if this latest coup attempt in the Philippines had succeeded, it would have been a virtually unmitigated disaster, both for the Philippines and for important American interests in Asia.

A successful coup would have completely polarized the Philippines. It quite conceivably could have led to a bitter and bloody civil war, and it certainly would have played right into the hands of the Communists, whose prospects for an eventual triumph in the Philippines would have been considerably enhanced.

Whatever the grievances of disaffected elements within the Philippine military may be, this was not the means by which they should have gone about trying to redress and resolve them.

Now that the Philippines is a democracy, there are ample opportunities for those who are dissatisfied with the policies of the Government to work for change through peaceful means rather than through violent ones.

We have heard a lot of talk in the last few weeks ever since the coup about criticisms of the Government of the Philippines. No government is perfect. Every government can do better. But I want to say this afternoon on the floor of the House that I think that the President of the Philippines, Corazon Aquino, and her government have received a bum rap from their critics.

Over the course of the last year and a half, enormous progress has been made in the Philippines from a political and economic point of view. A firm institutional foundation has been established for democracy.

A new constitution was adopted with the overwhelming support of the Filipino people. A new parliament was elected, and several of the Members of this body were privileged to go to Manila as part of a congressional delegation to participate in the ceremonies inaugurating the new Philippine Parliament.

A free press has been established, the freest probably in all of Asia. An independent judiciary has been created as well.

For the first time in almost two decades the people of the Philippines have a government freely and fairly elected in elections that have been widely held as the most honest ever since the establishment of independence in that country almost 40 years ago.

From an economic point of view, whereas in the last 2 years of the misrule of the Marcos regime the GNP in the country had declined by 15 percent in real terms, in the first half of this year there has been 5½ percent real growth in the economy.

Shortly after assuming power, Mrs. Aquino busted up the monopolies in sugar and coconuts which had been established by Mr. Marcos to siphon off the wealth of the country into the pockets of his cronies. Many of the restrictions on trade have been removed. The government is in the process of privatizing publicly owned corporations, and hundreds of millions of dollars have been channeled by the Government into the countryside where the great bulk of the Filipino live, for roads, schools, hospitals, and other worthwhile projects.

To be sure, there are enormous problems which remain in the Philippines. They have a $28 billion foreign debt. Two-thirds of the population continues to live below the poverty level. The Communist insurgency has not gone away. Corruption remains pervasive in the lower ranks of the Government,

But I submit that the Messiah himself, if he or she had come to power in the Philippines a year and a half ago, would not have been able to have solved all of these problems overnight.

It is not a question of whether the glass is half full or half empty. It is two-thirds full. Under the circumstances, I think Corazon Aquino has done an extraordinary job, and deserves commendations, not criticisms, for her efforts to regenerate the economy of the Philippines and restore democracy.

She was criticized by some for having attempted to reach out to the Communist insurgents, and to resolve the conflict in her country through peaceful means at the negotiating table. That effort failed.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I thank the gentleman for yielding.

The gentleman from Florida [Mr. FASCELL], the distinguished chairman of the full committee, promised me that I could get 5 minutes of this debate; and I wanted to verify that with the gentleman from New York.

Mr. SOLARZ. I may say to the gentleman from New York [Mr. STRATTON], the distinguished dean of the New York delegation, it was not necessary for the gentleman to go to the chairman of the full committee if the gentleman would have asked this gentleman.

Mr. STRATTON. The gentleman was not in Washington. The gentleman was up in New York, and it was impossible to find the gentleman.

Mr. SOLARZ. I will be more than happy to make sure that the gentleman has as much time as the gentleman would like.

The point that I was trying to make was that Mrs. Aquino had every right to try to resolve the problems at the negotiating table rather than on the battlefield. She was supported in that endeavor by our own administration and by the Congress. While the effort was ultimately unsuccessful, I believe that by making the effort, she acquired the moral high ground.

Fortunately, there are in the Philippine military a number of officers and men who recognize their obligations to uphold the principle of civilian supremacy, who have remained loyal to the duly constituted government. They have concerns, they have problems, and they want more say.

They think more progress needs to be made in combating the insurgency. There are other suggestions they have put forward. I think that the Government will move on those concerns. I hope we respond to the needs of the Philippine Government by putting our money where our mouth is, and by giving them the additional resources they are going to need to combat this insurgency.

I want to say in conclusion, Mr. Speaker, that this resolution, which was adopted unanimously by the Subcommittee on Asian and Pacific Affairs, is designed primarily to send the clear and unmistakable message to the people of the Philippines, and to the Philippine military, that the relationship between our two countries depends first and foremost on the survival of democracy in the Philippines.

Under American law, a successful coup in the Philippines would require the termination of all American assistance to that country. I think it is essential for those in the Philippine military who harbor continuing notions of overthrowing the duly constituted Government of that country, to know that if they do so, they will not be able to count on the support or the backing or the assistance of the United States.

The preservation of democracy in the Philippines is our single most important and overriding interest in that country. If, by adopting this resolution today, we can discourage any further attempts at seizing power through extraconstitutional means in the Philippines, I think we will have performed a profound service not only to the people of the Philippines and to our country, but to the cause of democracy around the world.

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Mr. LEACH of Iowa. Mr. Speaker, I thank the gentleman.

I would simply respond to the distinguished floor manager of this bill that this is an approach that is supported by both parties.

With that, Mr. Speaker, I yield 2 minutes to the distinguished ranking member of the full committee, the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I want to compliment the gentleman from New York [Mr. SOLARZ] for his eloquent statement. I understand that recently in the Philippines the President over there referred to the gentleman as the Lafayette of the Philippines. Anyway, I want to join the gentleman in his strong statement in support of this resolution.

I am very happy to endorse this resolution to reaffirm United States support for the government of President Aquino in the Philippines and obviously to condemn the recent coup attempt in that country.

There is no greater importance, in my judgment, Mr. Speaker, in U.S. foreign policy in promoting and preserving democracy abroad. The government of President Aquino was elected overwhelmingly by the Philippine people in February 1986 and has proceeded quickly to restore the system of democracy in that country. Last year, through a plebiscite, a Constitution was adopted which continued the Aquino administration in power and provided for the recreation of a bicameral Congress. The Congress was duly elected this year and has assumed its proper role in Philippine Government, including through oversight of the actions of the Aquino administration.

The recent coup was a sad and misguided attempt to address certain problems and seize power through extra-constitutional means. Thanks to the speedy reaction of the Aquino administration and senior military officials, the situation was brought under control. Unfortunately, there were numerous casualties especially of innocent civilians. At this time, some of the coup leaders remain at large and there are still said to be mutinous forces in parts of the country.

This coup attempt is both a disease and a symptom. The disease is the tendency to resort to unlawful means, including military action, to achieve political objectives. But the coup was also a symptom in that it reflects underlying grievances. These include the poor conditions in the military, a sometimes unclear strategy to confront the Communist New Peoples Army [NPA] insurgency, and residual social and economic problems.

There are indications that the insurgents, who were set back politically by the democratic revolution which brought the Aquino government into power, are regrouping. The NPA has also increased its efforts in urban areas by creating an infrastructure for terrorist action including asassinations by the notorious "sparrows."

Make no mistake. The Communist insurgency remains the real long-term threat to United States interests in the Philippines. But to prevent future conditions favorable to growth of the insurgency the U.S. Government must provide strong support to the democratic center through political and economic means.

If the recent coup had been successful there could have been a dangerous polarization in Philippine politics that would favor the Communists. The Aquino administration and the Congress, which were duly elected by the Filipino people and retain their support, are not only the legitimate government of the country but remain the only basis for political consensus.

Democracy must be made to work in the Philippines. Through this resolution, the House of Representatives can not only reaffirm its support to the democratic Government of the Philippines but express its rejection of military or other extraconstitutional means of changing the policies of the Government.

Mr. LEACH of Iowa. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, first of all, let me extend my commendation to both the chairman of the subcommittee, my good friend, the gentleman from New York [Mr. SOLARZ], and my good friend, the gentleman from Iowa [Mr. LEACH] for bringing this measure before us.

I would at this point, however, like to sound perhaps a word of caution. I support the resolution, but I do not see anything in the resolution that talks about being cautious or the word caution.

I think we are all aware of the messages, both explicit and implicit, that are being sent by this resolution. We know what those messages are and we are all in sympathy with them, but I would caution against sending too many messages.

I am concerned that our Government avoid the mistake of painting itself into a corner. We are going to have to settle in for a long haul in the Philippines. We know the complexities and all the problems and the problems in that country are not going to be resolved this year. They are not going to be resolved next year, or even within the next 10 years, and our Government is going to need some flexibility to deal with any and all eventualities that may occur in the Philippines during the coming years.

We all know of the unrest, both in the civilian population and in the military population, and we want to do everything we can to help, but we certainly do not want to interfere.

It is going to be a struggle and I think we all recognize that.

This present resolution is timely and it does send the necessary signals, but let us not overdo it. Let us let the people and the Government of the Philippines solve their own problems in a democratic way.

I thank the chairman for yielding me the time.

Mr. LEACH of Iowa. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 260 reiterating American support for democracy in the Philippines and condemning the recent coup attempt. I commend my colleague from New York [Mr. SOLARZ] and the gentleman from Iowa [Mr. LEACH] for introducing and bringing to the floor this timely measure, which I have cosponsored.

The attempt by rebellious elements of the Philippine military to overthrow their duly elected government on August 28, 1987, is extremely distressing. That coup is a reminder to all those who enjoy the blessings of liberty, and who rejoiced in the triumph of people power in the Philippines, that there are always some who refuse to heed the voice of the people. We must support President Aquino in her struggle against the enemies of democracy.

President Aquino and her top officers successfully rallied loyal troops to defeat this rebellion. The Philippine Government has moved both to punish those responsible for the coup and to satisfy any legitimate grievances of the Armed Forces. The Aquino government also continues its efforts to implement an effective counterinsurgency strategy. There is no room for coups or insurgencies in a democracy.

In these difficult times let us not forget the great strides forward that have been made. Under the leadership of President Aquino, the people of the Philippines have adopted a new constitution, not unlike our own Constitution. They have conducted elections for a new Congress which have been hailed as the most honest elections in the history of the Philippine Republic. Furthermore progress has been made in improving economic conditions and in developing a much-needed agrarian reform program. These are accomplishments which should bring great pride to the people of the Philippines.

Let us join with the President in offering our absolute and unqualified support for the Aquino government. Democracy can and must survive in the Philippines. Accordingly, I wholeheartedly endorse this measure and urge my colleagues to fully support it.

Mr. LEACH of Iowa. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Lagomarsino].

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong support of House Resolution 260, the resolution that reaffirms United States support for the democratic Aquino government and condemns the recent coup attempt in the Philippines. This timely resolution, offered by my colleague, Steve Solarz, the "Lafayette of the Philippines" as Mrs. Aquino calls him, and which I have cosponsored passed with strong unanimous support in the Asian and Pacific Subcommittee. I had the privilege of being a member of the Solarz delegation to the convening of the new Philippine Congress. We met with Mrs. Aquino; was impressed with her dedication and commitment and with the progress that has been made. Huge problems remain.

As Congress has been carefully monitoring the successful development of freedom and democracy in the Philippines for some time, I do not believe that I need to explain, as my colleague did, that had the attempted coup led by Col. Gregorio Honasan succeeded, it would have destroyed everything the Filipino people have struggled hard to build following the popular ousting of Ferdinand Marcos. Despite this attempted mutiny, I am still very impressed by the remarkable achievements of democracy in the Philippines—all within less than 2 years.

President Reagan, a solid friend of both the Philippines and democracy, promptly and categorically condemned the action of the mutineers and reaffirmed our total support for constitutional Government in the Philippines. I urge my colleagues to pass this resolution as soon as possible to show that Congress, too, is 100 percent behind the democratically elected Aquino government and will not stand for any unconstitutional means of seizing power in the Philippines. Our unwaivering commitment to democracy in the Philippines will serve as a further deterrent against future insurrections of this nature.

I hope that the progress that has occurred over the past 2 years in the Philippines will continue. I do not believe it is wise to ignore the mutiny—reforms and increased attention are needed for the Armed Forces of the Philippines and they are needed now. A stronger, healthier Filipino armed forces will better defend the constitutional government and fight the Communist guerrillas. This will strengthen stability and improve the security surrounding our strategic bases of Subic Bay and Clark. A strong, constitutional government in the Philippines is best for our national interests as well as those of the Filipino people. I know that we intend to do what we can to help the Philippines overcome the damage caused by this misguided and reprehensible mutiny and move forward. The success of democracy in the Philippines is, clearly, a victory for democracy everywhere.

Mr. LEACH of Iowa. Mr. Speaker, I yield 1½ minutes to the gentleman from Washington [Mr. Miller].

Mr. MILLER of Washington. Mr. Speaker, I want to associate myself with the comments of the distinguished Congressman from California, Mr. Lagomarsino.

I want to also pay my respects to the chief sponsor of the resolution, the chairman of the subcommittee, the gentleman from New York [Mr. Solarz].

I had the privilege also of attending the opening of the Filipino Congress. As has been mentioned before, not on the President of the Philippines, but several other officials, as I recall, referred to the distinguished gentleman from New York as the Lafayette of the Philippine resolution. I think that was a heartfelt tribute and appreciation on their part for the work that the Congressman from New York has done over the last several years trying to help nourish democracy in the Philippines and to help get across to the people in the Philippines that he and Members of the American Congress are concerned about democracy.

So I think the resolution is well drafted. It is certainly called for. It comes at an appropriate time. I express my strong support for it.

Mr. SOLARZ. Mr. Speaker, I yield 5 minutes to my very good friend, the distinguished dean of the New York delegation, the gentleman from New York [Mr. Stratton].

Mr. STRATTON. Mr. Speaker, I thank the gentleman for his courtesy.

Mr. Speaker, I think one of the problems that is being overlooked—and there are many problems as the gentleman from New York [Mr. Solarz] has indicated, economic and others, but I think the events of the last few weeks have demonstrated that the real most urgent problem comes from the military. I think we have to recognize that the reason for the action that was taken in that projected coup was an indication that the military of the Philippines was concerned. One of the main reasons that the United States decided to get rid of Mr. Marcos was that he was unable to deal with the Communist conspiracy from the New People's Army to the south. They wanted to try to deal with that problem, but apparently in the Philippine military today there are a number of adventurers, but very few who have become effective military leaders.

I was especially concerned to read in the news accounts that General Ramos, the most respected officer in the Philippine Army and one who has saved President Aquino three or four times under other situations, is now being attacked within the army.

It seems to me that what we need and what America ought to provide at this grave juncture is some kind of assistance and help, not just in terms of money, but in terms of military capability and capable military knowledge and practical experience.

You may not recall that it was General MacArthur once he had been retired from the U.S. Army who became a field marshal of the Philippine Army. And it was General MacArthur who was in a position to build up a very effective military in the Philippines, as was so well demonstrated not only on Bataan, but also when the American Army came back again to recapture the Philippines.

Mr. Speaker, I think we have in our own American Army a number of outstanding retired military experts, Gen. Bernie Rogers, for example, who was recently removed as the Commander in Chief of NATO. Also we have Gen. "Shy" Meyer, an outstanding general as the Chief of Staff, he is still a very young man, and well situated to military leadership and to the respect of these young Philippine soldiers.

☐ 1320

There is also General Vessey, who has recently been assigned another mission in Vietnam, but I think General Vessey might also be someone who could carry out that responsibility, as he has done in the case of Korean troops.

Mr. Speaker, it seems to me that of the people in the military of the Aquino administration, as I have said, are more adventurers than individuals who are capable of inspiring the kind of followership which is necessary in this kind of situation, so I would suggest we take a close look at this kind of military assistance, that the United States could provide and hope that

perhaps convince these individuals we might persuade these retired officers to give them the experience they need that would move on the New People's Army—the Communist threat and get that conspiracy out of the way and then perhaps more can be done in terms of strengthening not only the military and the fight against the New People's Army, but also some of the other problems that have been mentioned in this debate. The economy, the corruption and so on.

But we need most of all inspired military leadership that will bring back enthusiasm to the Philippine military.

It was a military man, Lafayette, who motivated our Revolution—and we need another person who can do that job for this very capable country but one that has not had specific leadership.

Mr. LEACH of Iowa. Mr. Speaker, this resolution emerged from a process of consultation among very many parties, and I would like to note in particular the constructive contribution of the gentleman from Missouri [Mr. Buechner] who introduced a precursor resolution (H. Con. Res. 184) last week. This committee welcomes and respects Mr. Buechner's contribution to this isssue and I yield 2 minutes to the gentleman from Missouri [Mr. Buechner].

Mr. BUECHNER. Mr. Speaker, I thank the gentleman for yielding. As the gentleman knows, last week I introduced House Concurrent Resolution 184, a similar resolution which also reaffirmed the support of the United States for the Government of the Philippines. Specifically, that resolution states the Congress:

Condemns the individuals who led or participated in the attempted overthrow of the Philippine Government;

Commends the Aquino government for its observance of democratic principles and its attempts to bring about economic reforms;

Commends the loyal military troops for their exemplary bravery and support of the Government;

Supports the continued efforts of the Aquino government to stop the counterinsurgency by the Communist and Moslem insurgents; and among others,

Supports the Government of the Philippines in any corrective means it deems necessary to address the material condition of the Philippine military.

I am grateful to the gentleman from Iowa [Mr. Leach], the ranking Member on the Foreign Affairs Subcommittee on Asian and Pacific Affairs, as well as Messrs. Udall, Bustamante, and Ritter, who joined me in that endeavor.

The resolution before us today also condemns the participants who engaged in an attempted overthrow of the Aquino government. It similarly expresses U.S. support for the government of President Aquino and I am pleased to join in that effort.

Although I am not a member of the House Foreign Affairs Committee, this is an extremely important issue which I believe transcends committee jurisdiction. Like so many other Members, I believe that it is vital to vocalize our strong support for President Aquino and her government. The Philippine Government is in a very delicate position. After coming into office, it faced the monumental problem of turning back the Communist insurgency and creating solutions for the economic morass it inherited.

Having endured five coup attempts, President Aquino survived the latest attempt through the admirable efforts of members of the military still loyal to her. Once again, the strong support of General Ramos was vital to sustaining this fragile democracy.

I rise today not only to commend President Aquino and that beacon of liberty and democracy in the Pacific, but also to condemn the dastardly acts of Col. Gregorio Honasan and his band of mutineers.

And it appears certain that Honasan will attempt to strike again. Appearing on CBS' "60 Minutes" last Sunday, Honasan advised Diane Sawyer that his group will be back. Perhaps it may not be in the form of a bloody coup attempt, but those supporting Philippine democracy must be on guard that another rebellion may yet be in store.

Regardless of whether we use my resolution or the one offered today by the gentleman from New York, let us join together and show our deep support for the Philippine people, President Aquino, and especially those troops loyal to their Government. We must encourage that government in its efforts to prevent further coup attempts, but we also must continue United States support for the efforts of this nurturing government to improve the lives of the Philippine people.

Mr. LEACH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution has emerged from a process of consultation among various interested parties and reflects, I would like to note in particular, the very constructive contribution of our colleague on the minority side, the gentleman from Missouri [Mr. Buechner], who introduced a precursor resolution, H. Con. Res. 184, last week. The committee welcomes and respects Mr. Buechner's contributions.

Mr. Speaker, there is no greater interest of the United States in its ties with the people of the Philippines than the survival of democracy. As democratic freedoms and institutions have flourished this past year, so have Philippine-American ties.

Few democracies in the world are beset with graver problems. President Aquino inherited from former President Marcos a plundered economy and growing Communist insurgency. Yet, in spite of such difficulties, there has been striking progress. A new Constitution has been approved overwhelmingly in a national plebiscite, a new Congress elected and inaugurated, an independent judiciary established, and a free press restored. Governmental legislating has, in effect, been reinsured in this important island republic. With regard to the economy, a positive 5.1 percent rate of real growth in GNP the first quarter of this year represents a dramatic reversal from the decline in GNP under Marcos and economic reform has redirected the Philippine economy toward free enterprise and privatization.

Against this backdrop, the recent coup effort led by certain elements in the Philippine Armed Forces can only be seen as a tragic betrayal of democracy and their responsibilities to the Philippine people. The economic as well as social complications of an overthrow by undemocratic means of the Aquino government can only be described as potentially catastrophic. On behalf of Americans of all philosophies and all walks of life President Reagan 2 weeks ago issued a powerful expression of support for President Aquino and the democratic principles she represents.

The resolution before us today seeks to make clear that Congress and the administration stand together in condemning efforts to depose the democratic government of the Philippines by force of arms. It pays special tribute to those loyal members of the Philippine Armed Forces who defended democracy and expresses support for the efforts of President Aquino to implement an effective strategy in dealing with the Communist insurgency.

I urge my colleagues to lend their unanimous support to House Resolution 260 as a vote of confidence in the Filipino people to prevail in the task of rebuilding democracy and a free enterprise economy against enemies from the right and left.

Mr. SOLARZ. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. Atkins], one of the most dedicated and distinguished Members of the House, and also one of the most able and articulate.

Mr. ATKINS. Mr. Speaker, this week, as we celebrate the 200th birthday of our Constitution, it is important to recognize that among the great monuments to this document are the countries it has inspired around the world to attempt their experiments in democracy. They exchange the dark night of repression for the clear daylight of freedom. We have the opportunity to celebrate our own legacy by encouraging similar legacies around the world, and to renew our commitment to the basic principals of human rights embodied in this document.

The people of the Philippines are embarked on their own journey to democracy, but it is a road that has been marked by difficulty thus far.

Effort and courage, purpose and direction, have marked the beginnings of democracy in the Philippines, but continued overthrow attempts and guerrilla warfare threaten the continued success of the Aquino government.

President Aquino's extraordinary success to date should not blind us to the dangers still faced by her government. A number of coup attempts have failed, with the last and most serious one less than a month ago, but clearly the foes of democracy in the Philippines have not given up.

A small group of people must not be allowed to play fast and loose with the destinies of a free people, and a free nation. Today we send a clear message—with no equivocation and no hesitation—that this Government stands firmly behind the people and leaders of the Philippine Government, freely chosen and freely elected.

Today, our nations—one new and one old—are bound together by historic ties, by mutual interests, but most of all by a mutual commitment to individual freedoms and democracy.

Let there be no question of the sincerity of our concern about the future of the Aquino government, and our desires to help in the fulfillment of the hopes of that Government. Let there be no question that we condemn all attempts at militarily thwarting the will of the people of the Philippines, and that we will not tolerate the few seeking to impose their will on the many.

Mr. SOLARZ. Mr. Speaker, I yield 1 minute to my very good friend, to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, much has been said about Mrs. Aquino and the achievement of democracy in the Philippines, and appropriately so, but we cannot permit this dialog to conclude without the mention of the Congressman from New York, STEPHEN SOLARZ. No one in this Congress has given more to the achievement of democracy in the Philippines than STEPHEN SOLARZ. He has been a steadfast supporter of the strength of the institution that happens to be led by Mrs. Aquino, the leader turned out to be Mrs. Aquino, but I suspect if the leader were John Smith he would have been there pushing for democracy.

Mr. Speaker, I was substituting for Mr. SOLARZ in Asia when the coup took place. I think I was in Korea, and the first thought that flashed across my mind was, I said to myself, I hope STEVE is somewhere in the Pacific, in Asia, so he can go by and give some strength to Mrs. Aquino.

He was not there, but my Senator, ALAN CRANSTON, was there to fill his shoes, although I am sure he could not have done as good a job as STEPHEN.

Mr. HOYER. Mr. Speaker, once again President Corazon Aquino of the Philippines has demonstrated her formidable skills and considerable talents as a democratic leader of her people. In suppressing a recent coup attempt by a disaffected faction of the armed forces, President Aquino has kept the Philippines within the ranks of civilian-governed, democratic countries.

All Americans, particularly now as we begin the commemoration of the bicentennial of the Constitution of the United States, should reflect upon the courage, the leadership, and the vision of this truly remarkable woman. Her continuing efforts to bring true democracy and freedom to her island nation are certainly praiseworthy. However, we have come to expect no less from a woman who faced down the monopoly of military muscle possessed by Ferdinand Marcos and swept to power behind a wave of popular support.

In the 200 years since the signing of our Constitution in Philadelphia, the United States has made considerable improvements upon what was and remains one of man's most remarkable and enduring political documents. Among the most important virtues of our form of government is the insistence upon civilian control of the Armed Forces. Unequivocally, it is the President of the United States, an individual elected by the people, who is the Commander in Chief of the Armed Forces. In the Philippines, as in so many other countries throughout the world, there is little or no tradition of a civilian-governed, democratic society. Thus, the committed efforts of President Aquino to retain control over the armed forces and to preserve a democratic form of government are most commendable.

Two hundred years from now, I hope that the people of the Philippines will be celebrating the bicentennial of their own democratic constitution and form of government. If they are, a significant part of the credit will have to be given to Corazon Aquino, a brave and far-sighted woman, who has remained loyal to the principles of democracy and devoted to her people.

Mr. FASCELL. Mr. Speaker, I rise in strong support of House Resolution 260, a timely resolution condemning the recent coup attempt in the Philippines and reaffirming United States support for the democratic government there headed by President Cory Aquino. I commend the Honorable STEPHEN SOLARZ, chairman of the Subcommittee on Asian and Pacific Affairs, and the Honorable JIM LEACH, ranking minority member of that subcommittee for their leadership, both in moving this resolution and in their support for Mrs. Aquino's government.

After the strength and determination shown in recent months in the Philippines in conducting congressional elections, adopting a new Constitution, restoring democratic institutions, and beginning the process of rebuilding the economy, the coup attempt on August 28 offered the potential for great tragedy. We cannot condemn too strongly this effort by a minority faction to overthrow the newly strengthened democracy in the Phillippines.

In passing this resolution, we in the House of Representatives offer our strong support to President Aquino and to the loyal members of the armed forces and others in the Government who have reaffirmed their commitment to democracy. We have shown this support in the past by providing substantial foreign assistance to the Aquino government. When the House considers the foreign aid authorization measure in the near future, we will once again have the opportunity to show concrete support for our friend and ally, the Philippines. I urge my colleagues to support the resolution before us today, and I hope that they will show similar support for the foreign aid bill when it comes before the House.

Mr. MILLER of California. Mr. Speaker, I am very pleased that the House today passed a resolution affirming our strong support for President Aquino and condemning the recent military rebellion against her government.

The resolution sends a strong message. It will help remove all doubt among power-seeking military extremists that the American people will stand behind any government other than President Aquino's. The resolution will also help rally her effort to meet the great challenges facing the country.

In this time of crisis, President Aquino is unwavering in her commitment to restoring democracy, respect for human rights, and social justice in the Philippines. She has strengthened democratic institutions after years of corrupt rule and growing military involvement in government. She maintains the strong support of the Filipino people.

With President Aquino's efforts, the Philippine economy now shows signs of recovery, despite the many years of economic ruin. Unfortunately, extremists in the military and Communist insurgents refuse to accept democratic rule and exploit every opportunity to undermine progress.

I am confident that, with our support, the Philippine people will defeat the antidemocratic forces and continue on the road to economic development and peace.

Mr. JEFFORDS. Mr. Speaker, many of us have been troubled by developments in the Philippines, particularly the recent coup attempt against President Aquino by renegade members of the military. I wish to add my voice to those of my colleagues in support of the Aquino government and democracy in the Philippines.

In February 1986, as President Aquino assumed the Presidency, she was faced with a devastated economy, a deeply divided nation, a Communist Insurgency and a resentful military establishment. For the past 1½ years, Mrs. Aquino has struggled to bring about reform in these areas, and in some cases, her efforts have met with success. However, one of the most intransigent problems has been that of the Communist insurgency—how to bring the rebels back into the political process without alienating conservative elements in the armed forces. Solutions to this dilemma have proved most elusive.

The United States is limited in what it can do to help Philippine democracy through this difficult time. However, I am pleased that this

body is going on record supporting the process of democracy and urging all factions of Philippine society to be constructive in their participation in this process.

I will continue to monitor developments in the Philippines with keen interest and deep concern.

Mr. LEACH of Iowa. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SOLARZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, to conclude this debate, I want to thank my friends on both sides of the aisle for their kind comments about my own role in dealing with the problems in the Philippines. I am particularly pleased that this resolution and American policy toward the Philippines enjoys broadly based bipartisan support. I think President Reagan issued a magnificent statement when the coup was taking place which deserves the support and appreciation of all Members.

In the final analysis, the fate and future of Philippine democracy will depend primarily on the Philippine people and the Philippine Government themselves. I think it is important for them to know that the Congress of the United States and the people of this country strongly support the cause of democracy in the Philippines and will oppose any efforts to overthrow the duly constituted constitutional government of that country.

Mr. Speaker, I strongly urge the adoption of this resolution.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from New York [Mr. SOLARZ] that the House suspend the rules and agree to the resolution, H. Res. 260.

The question was taken.

Mr. SOLARZ. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

## GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order:

H. Res. 192, by the yeas and nays; and

H. Res. 260, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second electronic vote.

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## FREEDOM OF RELIGION IN LITHUANIA

The SPEAKER pro tempore (Mr. HUCKABY). The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 192.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. FEIGHAN] that the House suspend the rules and agree to the resolution, H. Res. 192, on which the yeas and nays are ordered.

The vote was taken by electronic device and there were—yeas 400, nays 0, not voting 34, as follows:

[Roll No. 315]

YEAS—400

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Cheney
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—34

Biaggi
Boner (TN)
Bonker
Brown (CA)
Chappell
Clarke
Clay
Collins
Crockett
Daniel
DeLay
Dornan (CA)
Foley
Hawkins
Ireland
Kemp
Kolter
Lantos

Latta
Leland
Lloyd
Lukens, Donald
Lungren
Martin (NY)
Martinez
Molinari
Roemer
Schroeder
Slattery
Spence
Stark
Tauzin
Taylor
Towns

□ 1350

Mr. NEAL changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## REAFFIRMATION OF SUPPORT FOR AQUINO GOVERNMENT

The **SPEAKER** pro tempore (Mr. Huckaby). The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 260.

The Clerk read the title of the resolution.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from New York [Mr. Solarz] that the House suspend the rules and agree to the resolution, H. Res. 260, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—years 399, nays 0, not voting 35, as follows:

[Roll No. 316]

YEAS—399

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Cheney
Clarke
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—35

Biaggi
Boner (TN)
Bonker
Brown (CA)
Chappell
Clay
Collins
Crockett
Daniel
Dornan (CA)
Foley
Hawkins
Hunter
Kemp
Kolter
Lantos
Latta
Leland
Lloyd
Lukens, Donald
Lungren
MacKay
Martin (NY)
Martinez
Molinari
Roemer
Schroeder
Slattery
Spence
Stark
Stokes
Tauzin
Taylor
Towns
Udall

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1405

## CONSIDERATION OF H.R. 3030, AGRICULTURAL CREDIT ACT OF 1987

(Mr. PEPPER asked and was given permission to address the House for 1 minute.)

Mr. PEPPER. Mr. Speaker, I rise to advise Members of the action the Rules Committee is expected to take with respect to a rule providing for the consideration of H.R. 3030, the Agricultural Credit Act of 1987. It has become a real possibility that the rule the committee grants will in some way impose restrictions on the amendment process for the consideration of this important legislation. When we first scheduled action, no specific request for a rule had been received but we anticipated that an open rule would be requested. Now it appears that the bill's proponents may ask that the rule limit amendments to certain specified ones to be identified in the rule.

The Rules Committee is scheduled to meet at 2 p.m. today to consider H.R. 3030. Any Members who may have amendments to offer to the bill are encouraged to appear at the committee's meeting and testify in support of the right to offer their amendments. Because we did not give notice that a closed rule may be granted before this date, it is my expectation that the committee will recess after it concludes the taking of testimony and will not grant a rule today. The committee will reconvene on tomorrow at 10:30 a.m. to take any further testimony that Members may wish to offer. Since the floor schedule for the week anticipates the possible consideration of H.R. 3030 on Wednesday, we expect that Members will have prepared any amendments they wish to offer, and so we feel that this schedule should not prove to be burdensome.

To reiterate, any Member who wishes to offer an amendment is encouraged to appear before the Rules Committee this afternoon or tomorrow and to present the amendment for the committee's consideration.

I make this announcement because the understanding has sort of gotten around that the proponents of the bill were going to ask for an open rule. Now then, the leadership, as we understand it, and the proponents of the bill

are contemplating asking the Committee on Rules for a limitation on the number of amendments.

I felt it fair to the Members of the House to give the advice to the effect that I have just given, that if the Members are unable to come up before the committee this afternoon, we will have a hearing tomorrow morning and give the Members an opportunity to appear at that time.

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding.

For purposes of interrogation, did the gentleman say that the rule has already been constructed, and now the committee is going to go back to reconstruct it?

Mr. PEPPER. No, there was just a general impression, we understood that the chairman of the committee was going to ask for an open rule; and we thought if that were the general impression on the floor, that Members would not appear and ask to offer specific amendments.

Now then, we understand the leadership has said only 1 day can be given for the consideration of this bill. That would require probably, although no action has yet been taken, the limitation of the number of amendments that may be offered.

That is the reason I wanted to be sure that Members had an opportunity to appear and ask for leave to offer. amendments, if the Members desire to do so.

Mr. GEKAS. Mr. Speaker, if the gentleman would yield further, is the gentleman saying that the meeting scheduled for this afternoon is the first meeting that the committee is having?

Mr. PEPPER. That is right. There will be no decision today. It will be open again tomorrow.

Mr. GEKAS. I thank the gentleman for that information.

## NATIONAL TOURISM WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 255) designating the third week in May 1988 as "National Tourism Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The **SPEAKER** pro tempore (Mr. Huckaby). Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the body to know the minority has no objections to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Florida [Mr. Nelson], the chief sponsor of House Joint Resolution 255, designating the third week in May 1988 as "National Tourism Week."

Mr. NELSON of Florida. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, recently I introduced National Tourism Week legislation for 1988 in my capacity as the new chairman of the Congressional Travel and Tourism Caucus. Our bipartisan caucus has sponsored "National Tourism Week" since it was first celebrated in 1984 and we've spearheaded its passage through the Congress every year.

"National Tourism Week" has become one of our Nation's most popular commemorative weeks. Thousands of Americans in every State and territory participate in exciting events and tourism conferences. Governors in many States issue proclamations recognizing the importance of tourism in their States. Media attention, both television and print, has been tremendous and increases every year focusing more attention on tourism.

Beyond the celebrating, however, I believe it is very important for us to continue to officially recognize just how much tourism contributes to America. Tourism is not just travel and recreation away from home. Tourism means jobs in every congressional district. Tourism means tax revenue for our Federal, State, and local treasuries. Foreign visitor spending helps our international balance of payments.

Mr. Speaker, let us salute the local travel agent, hotel and motel manager, restaurant worker, airline employee, tour operator, and millions of other Americans who promote tourism in our great country. They help America every day.

I would like to thank my colleagues who joined me as cosponsors of this legislation, House Joint Resolution 255. "National Tourism Week '88" will be our fifth annual observance and is now an American tradition every third week in May.

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, I yield to the gentleman from South Carolina [Mr. Tallon].

□ 1415

Mr. TALLON. Mr. Speaker, I rise in support of House Joint Resolution 255, proclaiming May 15-21 as "National Tourism Week."

National Tourism Week will focus attention on our Nation's third largest service industry and second largest employer, as well as emphasize the importance that travel plays in the lifestyle of all Americans.

Tourism is vital to the economy of our Nation, and to the individual States. It's big business in all 50 States, ranking as the first, second or third largest employer in 41 States.

The tourism industry has rapidly expanded during the past decade. We think of its economic impact in wages and salaries, Federal, State, and local tax revenues. But, each tourism dollar is like a pebble thrown in a pond, it creates ripples which reach every part of the community—every dollar spent is respent several times.

Other benefits of tourism include diversification of the economic base, visibility for the community, and cultural benefits.

Mr. Speaker, it should be noted that tourism is an important contributor to the economic prosperity of the United States as the largest business export in the service industries. Last year, about 22 million visitors accounted for almost $16 billion of U.S. export earnings. The U.S. international travel deficit was $8.6 billion, down 11 percent from 1985.

The United States has the opportunity to improve its competitive position in international trade in tourism and reduce the travel deficit even more this year, with the fall in the value of the dollar and more aggressive international marketing promotions.

"National Tourism Week" will serve as a reminder of all the positive benefits that the tourism provides. I urge its passage.

Mrs. MORELLA. Mr. Speaker, I thank the gentleman from South Carolina [Mr. Tallon] for his comments on this appropriate resolution.

I withdraw my reservation of objection.

The **SPEAKER** pro tempore [Mr. Traxler]. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 255

Whereas tourism is vital to the United States, contributing to overall economic prosperity, employment, and the international balance of payments;

Whereas tourism creates employment opportunities which provide wages and salaries for individuals and tax revenues for Federal, State, and local governments;

Whereas the travel and tourism sector of the economy constitutes a large industry in the United States;

Whereas tourism promotes personal growth and education and the appreciation of intercultural differences among all people;

Whereas tourism enhances international understanding and goodwill; and

Whereas as people throughout the world become aware of the outstanding cultural and recreational resources available across the United States, travel and tourism will become an increasingly important aspect of the daily lives of the people of the United States: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the week beginning on the third Sunday in May 1988 is designated as "National Tourism Week". The President is requested to issue a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## NATIONAL SAFETY BELT USE DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 338) designating October 15, 1987, as "National Safety Belt Use Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the House to know that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Michigan [Mr. Dingell] who is the chief sponsor of House Joint Resolution 338, designating October 15, 1987, as "National Safety Belt Use Day."

Mr. DINGELL. Mr. Speaker, I thank the distinguished gentlewoman for her courtesy in yielding. I assure her that in yielding to me, she faces no peril today. I want to express again my affection and good wishes for her, as I did at an earlier time when she was gracious enough to yield.

I want to thank the distinguished chairman of the subcommittee and the chairman of the full committee and the distinguished gentlewoman from Maryland for their kindness in bringing this legislation forward. It is an excellent piece of legislation.

Mr. Speaker, I rise today to urge all of my colleagues to support House Resolution 338, to designate October 15, 1987, as "National Safety Belt Use Day." I wish to thank the chairman of the House Post Office and Civil Service Committee, the Honorable William Ford, with whom I have the honor of representing a portion of southeastern Michigan, for his assistance with this resolution and for his continuing concern for the protection of automobile passengers. In addition, I thank Mr. Ford and Mervyn Dymally, chairman of the Subcommittee on Census and Population, for bringing this resolution to the floor in such an expeditious fashion. I look forward to expeditious Senate consideration of this measure. I also wish to thank those of my colleagues who cosponsored the resolution particularly my good friend and colleague, Bud Shuster, for demonstrating overwhelming support for the resolution. Since its introduction on July 21, 1987, over 250 Members have cosponsored the resolution.

Increased seat belt use is a national priority. This is why a wide range of industry, education, medical, consumer, and safety organizations have endorsed the resolution. I thank the following organizations for supporting House Resolution 338:

American Academy of Orthopaedic Surgeons.

American Association for Automotive Medicine.

American Association of Critical-Care Nurses.

American Automobile Association.

American Coalition for Traffic Safety.

American College of Surgeons.

American Medical Association.

American Society of Abdominal Surgeons.

Automobile Importers of America, Inc.

Colorado Seat Belt Network.

Commonwealth of Virginia, Department of State Police.

Emergency Nurses Association.

Highway Users Federation for Safety and Mobility.

International Association of Chiefs of Police.

Michigan Head Injury Alliance.

Mississippi Department of Public Safety.

Motor Vehicle Manufacturers Association.

National Association of Governors' Highway Safety Representatives.

Society of Critical Care Medicine.

State Farm Mutual Automobile Insurance Co.

Students Against Drunk Driving.

Texas Department of Public Safety.

University Association for Emergency Medicine.

The automobile is an integral part of our everyday lives. Statistics substantiate the growing concern among Americans for increased automobile safety. All Americans should be well aware of the startling statistic that they have an 86-percent chance of being injured in an automobile accident. All the more reason to "buckle up."

As an effective prevention against automobile-related injury and death, increased safety belt and child safety seat use are causes we all need to pursue and encourage. In 1985, 91 percent of the occupants killed in auto accidents were not wearing their safety belts. Unrestrained occupants were 40 percent more likely to be injured in an accident and twice as likely to require hospitalization as restrained occupants.

Indeed, some progress is being made on making the American people aware of the effectiveness of safety belt use. Thirty-one States have approved safety belt laws, and numerous others are considering similar legislation. In Michigan alone, the fatality rate has declined 8.3 percent since 1985. The same Congress that recently authorized States to increase the maximum speed limit to more dangerous and life-threatening levels, I believe, has a concomitant responsibility to help save lives and prevent injuries by promoting greater use of lifesaving safety belts. Approving this resolution will reinforce the importance of buckling up among our constituents. Your support today will encourage greater compliance by those in States with existing seat belt laws and will support voluntary usage in States without requirements.

Hopefully through our efforts in Congress and those of organizations around the country we can continue to spread the word and save the lives of thousands of motorists who buckle up. I thank you for your support of House Resolution 338.

Mrs. MORELLA. Further reserving the right to object, Mr. Speaker, I simply would like to say that I concur with the gentleman from Michigan on this resolution. I was pleased when I was in the Maryland Legislature to have voted to require the use of seat belts.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

### H.J. Res. 338

Whereas safety belts and child safety seats have proven to be effective in reducing highway fatalities and injuries;

Whereas the legislatures of 29 States and the District of Columbia have recognized the benefits of safety belt use and enacted safety belt use laws;

Whereas child safety seat laws are in effect in all of the States;

Whereas as a result of these laws and other activities, millions of Americans are regularly wearing safety belts and using child safety seats;

Whereas the universal use of these safety systems would prevent thousands of fatalities and injuries each year;

Whereas the use of safety belts and child safety seats should be encouraged even as passive restraint systems are phased into the vehicle fleet;

Whereas numerous public interest and safety organizations are working to encourage more extensive use of safety belts and child safety seats; and

Whereas the law enforcement community has played an essential role in encouraging

the more widespread use of safety belts and child safety seats: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That October 15, 1987, is designated as "National Safety Belt Use Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to wear safety belts and have their children use child safety seats, and encouraging public safety and law enforcement agencies to promote greater usage of these essential safety devices.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## BENIGN ESSENTIAL BLEPHAROSPASM AWARENESS WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 224) designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Awareness Week." and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the House to know that the minority has no objection to the legislation now being considered.

Mr. Speaker, as a cosponsor of House Joint Resolution 224 as amended, I am pleased to rise in support of this resolution to designate October 18, 1987, as "Benign Essential Blepharospasm Awareness Week."

We know very little about this eye disease but scientists throughout our Nation are interested in research to determine what causes the involuntary and uncontrollable spastic contraction of the muscles surrounding the eyes. Support groups are seeking to raise private and public money for research purposes to find the cause and cure for this disease.

There are estimated to be over 25,000 Americans who have blepharospasm. This malady often causes progressive, functional blindness. Generally, sufferers of this disease have normal vision until the eye muscles start to convulse and there is forcible closing of the eyelids—the nerves that control the eyelid receive faulty signals; at this time the individual has no vision. This is an unpredictable sudden phenomenon and affects the everyday living pattern of the person.

Mr. Speaker, House Joint Resolution 224 will help to increase public awareness of this malady. I commend my colleague, the gentleman from Utah, for sponsoring this thoughtful resolution.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Utah [Mr. Nielson].

Mr. NIELSON of Utah. Mr. Speaker, I rise today in support of the passage of House Joint Resolution 224. This bill will designate the week of October 18 through October 24, 1987, as "Benign Essential Blepharospasm Awareness Week."

The gradual loss of one's eyesight can be a frightening and devastating experience, and more than an estimated 25,000 to 30,000 Americans may lose their eyesight to "benign essential blepharospasm," commonly known as BEB. BEB is an involuntary spasmodic closure of the eyelids. The spasms in the eye muscles render a person legally blind if the disease is not treated. The cause and the cure of this disease must be found.

BEB can be treated through neurological and surgical approaches, but both have resulted in only limited success and frequent reoccurrences. We must aid in the research and provide support for those who suffer from this debilitating disease.

This week the Benign Essential Blepharospasm Research Foundation, Inc., is holding its fifth International Convention of Blepharospasm Conference in Salt Lake City, UT. The BEB Research Foundation was established and chartered in July 1981, and many months thereafter were spent on enlarging the board and appointing a medical advisory board. The foundation now sponsors programs and activities to create an awareness of blepharospasm in the medical community as well as the general public.

Mr. Speaker, on behalf of a constituent in my district, Jaynann Payne, who suffers from this disease, and for whom I introduced this legislation, I urge my colleagues to join me in support of the passage of House Joint Resolution 224.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

### H.J. Res. 224

Whereas benign essential blepharospasm is a little known eye-related disease, causing involuntary and usually uncontrollable spastic contraction of muscles around the eyes;

Whereas approximately 25,000 to 30,000 Americans are afflicted with blepharospasm, which is progressive and ultimately causes functional blindness;

Whereas the Benign Essential Blepharospasm Research Foundation, Incorporated, was begun with the purpose of finding the cause and a successful cure for benign essential blepharospasm;

Whereas this important foundation sponsors programs and activities to create an awareness of blepharospasm in the medical community as well as in the general public, organizes support groups throughout the country to encourage communication among persons with the disease, and it seeks to raise money through public and private contributions to be used for research;

Whereas research scientists from around the country are extremely interested in research on this little known malady and are submitting grant applications to the National Institutes of Health to study benign essential blepharospasm; and

Whereas increased public awareness of the disease and its victims will be a tremendous benefit to the victims of this disease and will lead to increased medical research and awareness, as well as available information and advice for those afflicted with benign essential blepharospasm: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the week of September 14, 1987, through September 20, 1987, is hereby designated as "Benign Essential Blepharospasm Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

### AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dymally: Page 2, in lines 3 and 4, strike "September 14, 1987, through September 20, 1987," and insert in lieu thereof "October 18, 1987, through October 24, 1987,".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California [Mr. Dymally].

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

### TITLE AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Amendment to the title offered by Mr. Dymally: Amend the title so as to read: "Joint resolution designating the week of October 18, 1987, through October 24, 1987, as 'Benign Essential Blepharospasm Awareness Week'.".

The title amendment was agreed to.

A motion to reconsider was laid on the table.

## NATIONAL FAMILY WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 34) to authorize the President to issue a proclamation designating the week beginning on November 22, 1987, and November 20, 1988, as "National Family Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I do not object, but would like the House to know that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. DYMALLY], who is the chairman of the subcommittee from which this legislation has emanated.

Mr. DYMALLY. Mr. Speaker, I thank the gentlewoman from Maryland for yielding to me.

Mr. Speaker, just a brief comment. Sunday I had the distinct pleasure of attending a Black Family Reunion Day at the Mall on Constitution Avenue, sponsored by the National Council of Negro Women. It was the last in a series of meetings held across the country, as I recall in Atlanta, Detroit, and Los Angeles, to celebrate the reunion of the family.

I was very impressed with the work of the national council which has been sponsoring these meetings to bring the family unit together. It is so very important to the fabric of American society that we keep the family unit together. This theme is going out across the country and I am very pleased that I had this opportunity to participate.

Mr. MYERS of Indiana. Mr. Speaker, today I urge my colleague to approve House Joint Resolution 34, which would authorize the President to designate the week beginning November 22, 1987, and November 20, 1988, as "National Family Week." This resolution encourages the States and local communities to observe the week with appropriate ceremonies and activities.

The family has always been the cornerstone of American society. Our families nurture, preserve, and pass on to each succeeding generation the values we share and cherish, values that are the foundation for our freedom.

The purpose of National Family Week is simple: It sets aside a specific time during the year to pay homage to the one institution which has given so much meaning to human life and provides a stable structure to our society. National Family Week recognizes the importance of the family as the foundation of American life and the fundamental role the family has played in securing those values upon which our Nation was founded.

As we celebrate the 200th anniversary of the U.S. Constitution, it is essential that the contributions made by the family are not taken for granted and that each of us remembers that the strength of our families is vital to the strength of our Nation.

National Family Week is appropriately observed during the week including Thanksgiving, a time when American families are reunited for the purpose of giving thanks for the blessings which have come to them. The idea of a family week observance came from a former constituent, Mr. Sam Wiley, who then taught school in my congressional district and now is assistant principal at Whiteland High School in Whiteland, IN.

President Reagan once observed:

> National Family Week affords all Americans the opportunity to frankly face and assess the quality of family life in our Nation and to reflect on what each of us can do as a father, daughter, mother, son, or grandparent—as a member of a family—to strengthen this divine institution. Better yet, let us undertake this reflection as families and as a family of free people. As Chesterton said, "The Family is the test of freedom." Let us make this another test that America refuses to fail.

National Family Week gives us a chance to highlight the special contributions and needs of the family and to acknowledge the new challenges that American families now face. I hope all my colleagues will join me in support of this resolution.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 34

Whereas the family is the basic strength of any free and orderly society;

Whereas it is appropriate to honor the family as a unit essential to the continued well-being of the United States; and

Whereas it is fitting that official recognition be given to the importance of family loyalties and ties: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is hereby authorized and requested to issue a proclamation designating the week beginning on November 22, 1987, and November 20, 1988, as "National Family Week".

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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## POLISH AMERICAN HERITAGE MONTH

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 135) to designate October 1987 as "Polish American Heritage Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I do not object, but would like the House to know that the minority has no objection to the legislation now being considered.

Mr. BORSKI. Mr. Speaker, I rise to urge my colleagues to join me in supporting House Joint Resolution 266, which designates the month of October as "Polish American Heritage Month." The resolution will be considered today.

America has a long history as the land of opportunity for immigrants from all nations. The basic American values of individual freedom, justice, and equality have drawn people from around the world seeking to escape the oppression of their homelands.

"Polish American Heritage Month" will focus on the unique contributions that both native Poles and Polish Americans have made to American history. From the very beginning of our struggle for liberty, Poles fought beside Americans. Thaddeus Kosciuszko and Kasimirez Pulaski helped the Revolutionary Army win the War of Independence. Today, the Polish struggle for freedom and solidarity is an inspiration to all Americans.

Throughout nearly three centuries of immigration, Poles and Polish Americans have been leading businessmen, government officials, athletes, artists, and religious leaders. They continue to be leaders in all walks of American life.

In this year of the bicentennial of our Constitution, let us recognize the commitment Poles have demonstrated in the fight for freedom. The Polish Constitution completed in 1791 was modeled after our own Constitution and links the Polish struggle for democracy to our own fight for independence and equality.

"Polish American Heritage Month" is a time to remember the rich heritage and values which both Poles and Americans share. During October, schoolchildren around the country will study the important role immigrant Poles have played in the history of America. Without the flood of the people who journeyed across the Atlantic from dozens of nations, America would not have the diverse and varied cultural heritage which makes our Nation unique.

I urge my colleagues to join me in support of this important resolution.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 135

Whereas, since the 1st immigration of Polish settlers to Jamestown in the 17th century, Poles and Americans of Polish descent have distinguished by contributing to the development of arts, sciences, government, military service, athletics, and education in the United States;

Whereas Kazimierz Pulaski, Tadeusz Kosciuszko, and other sons of Poland came to our shores to fight in the American Revolutionary War and to give their lives and fortunes for the creation of the United States;

Whereas the Polish Constitution of May 3, 1791, was modeled directly on the Constitution of the United States, is recognized as the 2d written constitution in history, and is revered by Poles and Americans of Polish descent;

Whereas Americans of Polish descent and Americans sympathetic to the struggle of the Polish nation to regain its freedom remain committed to a free and independent Polish nation;

Whereas Poles and Americans of Polish descent take great pride in and honor the greatest son of Poland, His Holiness Pope John Paul II;

Whereas Poles and Americans of Polish descent take great pride in and honor Nobel Peace Price laureate Lech Walesa, the founder of the Solidarity Labor Federation;

Whereas the Solidarity Labor Federation was founded in August 1980 and is continuing its struggle against oppression by the Government of Poland; and

Whereas the Polish American Congress is observing its 43d anniverary this year and is celebrating October 1987 as Polish American Heritage Month: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That October 1987 is designated "Polish American Heritage Month", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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## NATIONAL COSMETOLOGY MONTH

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 331) designating October 1987 as "National Cosmetology Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I do not object, but would like the House to know that the minority has no objection to the legislation now being considered.

Mr. CLAY. Mr. Speaker, I rise in support of House Joint Resolution 331 which I sponsored to designate October 1987 as "National Cosmetology Month" across America. Support for this resolution has been enthusiastic and bipartisan. I appreciate the support of so many of my colleagues who cosponsored this resolution.

The annual observance, sponsored by the National Cosmetology Association which was established in 1921, is marked by a variety of charitable activities and media events across this Nation. These events are conducted by the 50,000 National Cosmetology Association members through more than 700 local affiliates. The proceeds from "National Cosmetology Month" activities are donated to local charities in these communities.

The theme of "National Cosmetology Month"—"Ask Us, America. We'll Groom You for Success"—encourages the people of the United States to understand the important link between an attractive personal appearance and a positive self-image.

The resolution seeks to recognize one of this Nation's most vital professional groups and its annual undertaking on behalf of charities in communities across the United States.

I urge my colleagues to join with me in voting for House Joint Resolution 331.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the genetleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 331

Whereas the members of the National Cosmetology Association (NCA), the largest and most prestigious association of professional cosmetologists in the world today, was established in 1921 to further the highest standards of professional cosmetology care;

Whereas the members of the NCA have, through their training and creative talents, enhanced and maintained the appearance of the people of our Nation;

Whereas the month of October is annually observed as National Cosmetology Month by the more than 50,000 members of the NCA;

Whereas the theme of National Cosmetology Month, "Ask us, America—We'll groom you for success", encourages the people of the United States to understand the important link between an attractive personal appearance and a positive self-image; and

Whereas the proceeds from National Cosmetology Month activities sponsored by the more than 700 NCA local affiliates in communities across the Nation are donated to local charities in those communities: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That October 1987 is designated as "National Cosmetology Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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## NATIONAL HISTORICALLY BLACK COLLEGES WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 22) to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I do not object, but would like the House to know that the minority has no objection to the legislation now being considered.

Mrs. MORELLA. Further reserving the right to object Mr. Speaker, I yield to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I rise in support of Senate Joint Resolution 22 and its companion bill, House Joint Resolution 193, which designate the period of September 21 through 27, 1987, as "National Historically Black Colleges Week."

Our Nation has witnessed the growth of these institutions from land-grant colleges to producers of some of America's finest scholars and leaders. There is no question that for years to come, the contributions of these schools as well as their pupils to the development of our country will be remembered as some of the finest moments of our history.

Perhaps more pleasing to note is the recognition by the education community that black colleges do offer a quality education. The relative integration of the enrollments in these institutions is a living testimony of the universal nature of education where learning transcends prejudicies and discrimination.

Despite their remarkable progress and ability to survive the test of time, it is also important to keep their progress in perspective. Historically black colleges have been struggling to remain afloat due to the rising costs of education and diminishing supply of students. We in Congress have had much to do with the ability of these schools to continue in the tradition we now recognize.

It is my hope that with the commemorations we offer through these resolutions, we are also furthering our pledge to assist these colleges in their efforts to remain prominent participants in our educational system.

Mr. Speaker, I am proud to have joined the sponsors of the Senate and House resolutions in urging recognition of a shining part of our history.

I commend the authors of these measures and urge my colleagues to join us in adopting the Senate Joint Resolution 22.

Mr. SPENCE. Mr. Speaker, due to a temporary confinement in the hospital, I was unable to record my votes on September 15, 1987, on House Resolution 192, concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania, and House Resolution 260, reaffirming U.S. support for the democratic Aquino government and condemning the recent coup attempt in the Philippines. Had I been able to be present, I would have voted yea on both of these bills.

In addition, it is very reassuring to me personally to know of the strong congressional support for Senate Joint Resolution 22 designating September 21–27, 1987, as "National Historically Black Colleges Week." I had introduced the House version of this bill, House Joint Resolution 193, and am grateful for the swift action and consideration that this measure received.

As a national advertisement for our historically black colleges says, "a mind is a terrible thing to waste." Our country is only as strong as our ability to educate our citizenry. We can never eradicate poverty and attain social justice until the tentacles of education reach every American. While passage of the resolution is only a small step, I do feel that it will have a significant impact on achieving both equality and quality in education.

I want to thank every one of my colleagues who stood up for me and, more importantly, for this bill. This country's black colleges rightly deserve the recognition they have received for the vital role they have played in helping to make America great.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

• The Clerk read the Senate joint resolution, as follows:

S.J. Res. 22

Whereas there are 101 Historically Black Colleges and Universities in the United States;

Whereas such colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of the Historically Black Colleges are deserving of national recognition: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the period commencing September 21, 1987, and ending on September 27, 1987, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs, thereby demonstrating support for Historically Black Colleges and Universities in the United States.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1430

## GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolutions just adopted.

The SPEAKER pro tempore (Mr. Traxler). Is there objection to the request of the gentleman from California?

There was no objection.

## VACATING OF SPECIAL ORDER AND REQUEST FOR SPECIAL ORDER

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent to vacate my 10-minute special order, and speak for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## NOMINATION OF JUDGE ROBERT BORK TO THE SUPREME COURT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Owens] is recognized for 5 minutes.

Mr. OWENS of New York. Mr. Speaker, today historic hearings on the consideration of the confirmation of Robert Bork have begun in the Senate. I do not wish to repeat the numerous arguments and discussions that are raging in the public sector about this nomination. I do wish to summarize my concerns without repeating too greatly a portion of that discussion.

Mr. Speaker, there are numerous legitimate objections and concerns. However, more important than these concerns is the fact that Robert Bork objects to the basic mission of the U.S. Supreme Court. Robert Bork is an agent of the opposition. Robert Bork is a Trojan horse whose presence on the Supreme Court will result in a controversial process of undermining and sabotaging the mission of the Supreme Court. I consider these distorted and misleading arguments go to the heart of the role of the Senate in the confirmation process of the nominee of the President. They have stated it is improper to consider ideology and philosophy, but since Bork's ideology and philosophy is the reason for his being nominated to the high Court, it must also be the reason to turn down his nomination. It is a legitimate reason for the Senate to turn down his nomination. There is historical precedence for rejecting Supreme Court nominees on ideology grounds.

Even the gentleman from South Carolina, Strom Thurmond, ranking Republican on the Judiciary Committee, rejected the nomination of Justice Abe Fortas to be Chief Justice of the Supreme Court in 1968 on the grounds that he was too liberal. Senator Thurmond claimed that Fortas would continue the Court's trend toward being "an activist yet nondemocratic institution."

Some people have argued that Bork is being opposed because he is a conservative, yet this same Senate that is considering Bork's nomination at present has already confirmed Justice Scalia, who was definitely a conservative, confirmed without much opposition, and has confirmed the FBI Director, who was considered a conservative.

I do not think the issue is conservative or liberal. The issue is, Why is Robert Bork a Trojan horse?

On numerous specific issues the American people need to be reminded again and again of what Bork's position is.

On privacy, Bork opposed the 1965 Court decision that overturned the Connecticut law outlawing artificial birth control. He did this on the grounds that sexual privacy is not explicitly mentioned in the Constitution, therefore legislatures are free to restrict it.

Mr. Speaker, that takes us back to the Dark Ages.

On criminal law, he opposed the exclusionary rule, preventing courts from considering illegally obtained evidence.

On race, he disagrees with the 1948 Court decision which said that States cannot enforce private racially restricted real estate covenants because the decision was not based on neutral principles of law.

On free speech, Bork says only a spectrum of moral, scientific, and literacy speech is protected under the Constitution, but he will not specify what this spectrum is.

Regardless of these positions, I think there is one important consideration that has not been stressed enough in the public debate about Robert Bork, and that is that Robert Bork basically does not believe in the mission of the Supreme Court. He does not believe that one of the Court's primary functions is to protect the rights of the minority, the rights of individuals.

Robert Bork is a Trojan horse who should not be allowed within the walls of the Supreme Court.

The Greeks used subterfuge and deception to gain entrance for the Trojan horse and similar methods are, I assure you, being used to get the nomination of Robert Bork confirmed.

I assure you that once inside the walls, once he is seated on the Supreme Court, Robert Bork will be the agent, the stimulant, for a massive erosion of the protections of the rights

of minorities and the rights of individuals.

Robert Bork has made it quite clear that he believes that legislatures and the majority who elect legislatures should be preeminent. The rights of individuals and the rights of minorities should bow to the power of the majority.

Mr. Speaker, everybody finds himself at one time or another in a minority. It is very important for everybody to consider the nature of Robert Bork's positions and arguments and philosophy with respect to the rights of individuals and the rights of minorities, or lack of rights, as Robert Bork puts it.

Opposition to Robert Bork becomes the duty of every American who loves liberty. Whether liberal or conservative, protections of our invaluable rights must be preserved. We must all work to guarantee that Robert Bork is not confirmed and Robert Bork does not become a judge of the Supreme Court of the United States.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1049

Mr. NIELSON of Utah. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 1049.

The SPEAKER pro tempore (Mr. Frank). Is there objection to the request of the gentleman from Utah?

There was no objection.

## VACATING OF SPECIAL ORDER AND REQUEST FOR SPECIAL ORDER

Mr. BUSTAMANTE. Mr. Speaker, I ask unanimous consent to vacate my 10-minute special order for today and to address the House for 5 minutes during the special orders.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

## PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Houghton] is recognized for 5 minutes.

Mr. HOUGHTON. Mr. Speaker, unfortunately I was ill last Wednesday, September 9, when the House considered the 3-year extension of the National Health Service Corps. This is the program which helps pay for the education of health professionals agreeing to practice in medically underserved areas.

If I had been there, I would have supported the bill enthusiastically. The program it extends has benefited the 34th District greatly by providing seven physicians and dentists to serve there. That number exceeds per capita the program's health care professionals assigned to many States across the country. I want their efforts to continue, and I hope the House and Senate will soon reach a compromise on extending this important program.

## REPORT FROM PHILADELPHIA, SEPTEMBER 15, 1787

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Gekas] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, it is now September 15, 1787, and I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia. Benjamin Franklin has just come into the hall being carried by four convicts from the prison which is just down the street. The elderly gentleman is unable to negotiate the steps to the second floor of this building and because of his gout has enlisted this work crew from the prison to assist him.

The gentleman is now discussing the future of the document which is being debated with James Madison who, as always, is taking furious notes up front, who himself has told me on several occasions that he is going to record every single note, every single passage of conversation, anything that happens on this floor for future posterity, because he is sure that 200 years from now he feels that historians will be looking back at his notes to determine what really took place at this Constitutional Convention.

Surprising things have happened. The final document, as amended, is in front of the members and a vote is going to be taken very shortly. This is surprising in view of the fact that only last week George Washington was very pessimistic about whether there ever would be a final outcome to this Constitutional Convention.

What has dampened the spirit up until now has been the fact that Edmund Randolph, who first presented the body of the resolution to form the basic Constitution which now has been drafted, that gentleman has indicated he will fight the Constitution with all his might and will vote against it and when he returns to Virginia, if it is passed, will fight against ratification, he, Randolph, who was the prime mover of the provisions that now are taking form in this draft Constitution. That is a surprising development, but to counterbalance that another surprising thing has taken place. Alexander Hamilton of New York, who opposed the Constitution and the Convention in the early months and actually bolted the Convention and left and sulked and went home, is back in Philadelphia today, served on the final committee to draft the Constitution, and is his old firebrand self in support of the final document.

Another thing that has happened is Elbridge Gerry, of Massachusetts, is against this document because it does not contain a bill of rights. Others are explaining to him, support it now, we will add a bill of rights, we assure you, immediately after the new Government is formed, because we all believe that a bill of rights ought to be appended to this Constitution. But the air of pessimism that did prevail over the last few weeks has now dissipated to a great degree.

George Washington is wielding the gavel with his steel glance and his iron hand and we are certain that the vote is going to come out favorably. The vote is now being taken. The rollcall of States is being called, and I am simply talking with you now pending the final vote.

Let me see, Massachusetts, Virginia, South Carolina, Georgia, Pennsylvania, ladies and gentlemen, I can report to you that the final draft of the Constitution of the United States has been approved by the Convention in Philadelphia. The only thing that remains is the final engrossment of the document for presentation to the delegates for final signature.

George Washington has now adjourned the session until September 17, giving the printers and the handwriting experts time to proceed with the presentation of the final document for signatures to this Convention.

It has been a tumultuous several months in Philadelphia but with the promise of a final day of celebration and signature 2 days from now everyone is about the business of preparing to go home to explain to the folks back home why they should participate in ratifying the Constitution of the United States.

□ 1445

The SPEAKER pro tempore (Mr. Owens of New York). Under a previous order of the House, the gentleman from Oregon [Mr. AuCoin] is recognized for 5 minutes.

[Mr. AuCOIN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

## ALLOWING HUD TO UNDERTAKE A SECTION 235 REFINANCING EFFORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. Kleczka] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, I am today introducing legislation which would save the Federal Government a potential $728 million in unnecessary outlays.

The savings would come by requiring the Department of Housing and Urban Development to initiate a simple transaction familiar to millions of homeowners—mortgage refinancing.

When home mortgage interest rates dropped last year, thousands of budget-conscious homeowners wisely refinanced. The short-term refinancing investment produced long-term savings as savvy homeowners reduced burdensome interest expense.

HUD should take a cue from these homeowners in the administration of the Section 235 Mortgage Assistance Program. Authorized by the National Housing Act of 1968 to promote low- and moderate-income homeownership, section 235 subsidizes qualified homebuyer interest rates through an assistance payment contract between HUD and the mortgagee. HUD provides the homebuyer the lesser of the difference between 20 percent of the mortgagors adjusted income and the total monthly mortgage payment or the amount necessary to bring the monthly payment down to a specified, favorable interest rate.

When interest rates rose sharply earlier in this decade, the subsidized interest level for mortgages insured at rates from 11 and 17.5 percent varied between 4 and 8 percent. This meant a very deep subsidy for thousands of section 235 mortgages.

While such a deep subsidy was necessary in a period of very high interest rates, there is no economic reason why HUD should continue to subsidize such high-interest mortgages when refinancing at 10 percent is an option. Nonetheless, HUD continues to pay interest costs of 11 percent and above for an estimated 46,943 mortgages.

What does this mean in terms of unnecessary Federal outlays? Consider the following example: The section 235 subsidy on a 17.5-percent, $55,000 mortgage can be as high as $435 a month. Had that mortgage been refinanced last year at 9 percent, HUD's maximum subsidy would have dropped from $435 to $70. While mortgage interest rates are now slightly higher, the opportunity for substantial savings, without adverse affect on individual homeowners, remains.

To reduce unnecessary outlays, HUD must act. Section 235 homeowners themselves now have little incentive to refinance loans since the high interest rates lock in the Federal Government, not the homeowner. HUD, however, has a direct incentive—the reduction of Federal outlays in a period of budget constraint. The HUD inspector general, which recommends that high-interest section 235 mortgages be refinanced, estimates a potential $728 million savings if refinancing occurs when interest rates are 10 percent. Delay in refinancing can cost the Government millions. Had HUD refinanced section 235 mortgage last year, when interest rates were closer to 9 percent, outlays could have been reduced by as much as $844 million.

The legislation I introduce today makes the necessary change in the law to allow HUD to undertake a section 235 refinancing effort. As recommended by the inspector general, the legislation authorizes HUD to pay reasonable mortgage or loan origination fees, discount points, and other expenses required to refinance. In addition, the Department is allowed to offer financial incentives, payable in a lump sum or through a reduction in the monthly payment of the homeowner, which do not exceed 1 percent of the principal amount financed. To capitalize on a generally favorable mortgage interest rate environment, the Secretary is directed to undertake the refinancings within 1 year after enactment of the legislation.

At this point, I would like to include in the Record background material on the potential outlay reduction in the section 235 program.

REFINANCING SECTION 235 MORTGAGES TO 10 PERCENT INTEREST: PROJECTED SAVINGS IN MILLIONS OF DOLLARS

[Net of refinancing costs]

| Interest rate | Estimated number of units receiving subsidy | Absolute savings |
|---|---|---|
| 12 to 12.75 percent | 5,301 | $43.2 |
| 13 to 13.75 percent | 13,888 | 193.1 |
| 14 to 14.75 percent | 5,366 | 110.0 |
| 15 to 15.75 percent | 10,044 | 274.1 |
| 16 to 16.75 percent | 2,374 | 80.8 |
| 17 to 17.75 percent | 671 | 27.5 |
| Total | 37,644 | 728.7 |

Source: HUD Office of Inspector General.

## DIABETES PREVENTION ACT of 1987

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Bustamante] is recognized for 5 minutes.

Mr. **BUSTAMANTE**. Mr. Speaker, I would like to draw my colleagues' attention to a disturbing medical problem that is within our power to combat, if we are willing to make the effort. In the past 50 years medical science has progressed at an amazing speed, our present capacity to diagnose, treat, and control illnesses far surpasses any past abilities. Since World War II such monumental advances as the discovery of penicillin and the Salk vaccine, the virtual eradication of small pox and the widespread use of antibiotics have increased the scope of modern care astronomically.

Although tremendous strides have been made in improving American's health and longevity, statistics show that minorities have missed out on many of these gains. A persistent disparity in key health indicators continues to exist among certain subgroups of the population. Today, minorities in the United States continue to experience a greater incidence of many diseases including gallbladder cancer, Tay-Sachs disease and sickle-cell anemia, than do Americans in general.

Most disturbing among these is the persistence of severe complications resulting from illnesses we now have the capability to treat. A striking example is the abnormal prevalence of diabetes in Mexican-Americans. Today, over 10 million Americans are believed to have diabetes. For almost all this affliction is easily restrained through careful dietary and medical practices. For those 4.5 million who are not aware of their illness, though, diabetes can be a life threatening time bomb. Today, diabetes is the No. 1 cause of blindness in the United States and more than doubles ones chances of dying from cardiovascular diseases.

While diabetes affects 5 to 6 percent of the American population it is estimated that the figure for Mexican Americans is closer to 11 or 12 percent. Add to this the fact that members of this subgroup are disproportionately represented among those suffering from diabetes yet unaware of their affliction and likely to develop chronic complications as a result and one can see that a "double jeopardy" exists for Americans of Mexican descent.

The statistics are even more disturbing for lower-income Mexican Americans who have a 1 in 7 chance of being diabetic. Surveys in the city of San Antonio have shown that approximately half of the affected individuals are unaware that they have the disease. This means that as much as 7 to 8 percent of the low income Mexican American population is affected by diabetes, but is unaware of it. These are all people who are being denied basic life-saving treatment because of a simple lack of awareness and proper treatment.

One of our responsibilities as a leading industrialized country is to ensure that all our citizens are provided with the basic care necessary to sustain healthy lives. Based on the information above, it would be unforgiveable not to take action on behalf of those individuals who have been excluded from the benefits of our Nation's medical achievements.

I have introduced legislation in this Chamber that is designed to remedy this problem. The Diabetes Prevention Act of 1987 will establish a permanent national diabetes control program to identify strategies for reducing the morbidity, mortality, and excess cost of diabetes with particular attention to be given to those subpopulations at special risk of contracting the disease. Through this bill, grants will be extended to States and local health authorities to implement such research and increase public awareness through mass media efforts. The Federal Government will also provide block grants to community based programs to be directed toward preventive measures within those groups at high risk.

Considering the extent of our ability to treat and control diabetes, it would be a crime to allow this disease to continue taking its toll upon large segments of the population solely because of a lack of effort. A simple program to identify and inform those at risk of precautionary measures they can take will go a long way toward preventing this outcome. Hopefully will ensure that all Americans receive the basic assistance they need to protect themselves from the unnecessary consequences of diabetes.

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## SPECIAL ORDER VACATED

Mr. **FRANK**. Mr. Speaker, I ask unanimous consent that my special order speech for 60 minutes for today be vacated.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## A TRIBUTE TO THE LATE FIREFIGHTER, DUSTY ALWARD

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. Frank] is recognized for 5 minutes.

Mr. **FRANK**. Mr. Speaker, during the recess a very tragic incident occurred in Massachusetts which took from us one of the most important and thoughtful participants in the public policy process.

Dusty Alward was a fire captain who was the president of the firefighters union in Massachusetts. I knew him, as did many of those who served with me here in the House, when we were in the Massachusetts Legislature. We continued our association with him as Members of the Congress.

The terrible accident of which he was a victim of someone else's carelessness greatly saddened virtually everybody in Massachusetts and a lot of people outside the State who care about the quality of the public debate.

Dusty Alward taught people that passionate informed advocacy was not at all inconsistent with complete respect for the people with whom you disagreed.

He was for a long time as long as I can remember in my involvement in Massachusetts one of the most articulate spokespeople, not simply for the firefighters he represented so well, and he spoke very well on their behalf, but also for a decently funded public sector.

Dusty Alward exemplified the firefighters. His forthrightness, his courage, his willingness to take risks, these are almost a metaphor for the dangerous and essential profession which he represented as a union leader. Firefighters risk their lives under adverse conditions on a regular basis more than just about anybody else in this society and I think society does not sufficiently appreciate that effort.

Dusty Alward made it his life's work to see that we did appreciate that effort, partly because he represented these men and women and had an obligation to see that they were treated fairly, but also because he wanted to protect society, because he understood that a firefighting force that is well funded, well trained, and well equipped, was not just simply a benefit to the firefighters, it was a first line of defense for our communities.

In the densely populated urban areas that I represent, where the housing stock is often old, the danger of fire is one of the most serious ones we face and all of us were indebted to Dusty Alward for the seriousness with which he undertook the role of a protector of the public.

But we also knew him as a dedicated advocate of humane and sensible public policy, not simply for the firefighters, but for all society.

He understood that a booming free market economy was important, but that it was not on its own terms sufficient, that we have as a civilized society needs that have to be dealt with by a well funded public sector and he fought for the rights of firefighters and for other public employees to be treated with a dignity that is not always accorded to them.

Mr. Speaker, like a long line of other people, I was proud to be able to call Dusty Alward my friend and I very much lament his passing.

## ORDER OF BUSINESS

Mr. **HOYER**. Mr. Speaker, I ask unanimous consent that the time currently accorded to Congresswoman Pelosi be switched with the time which has been taken by Mr. Cardin.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

## TRIBUTE TO HON. THOMAS D'ALESANDRO, JR.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. Cardin] is recognized for 60 minutes.

Mr. **CARDIN**. I thank the Speaker. Mr. Speaker, during our August recess, Baltimore—and, indeed, the rest of the country—mourned the passing of former Third District Congressman, Thomas D'Alesandro, Jr. Tommy, as he was called by everyone from Presidents to his favorite barber, was a man of the people and an individual of many talents. Today, we rise to not just note his death, but to celebrate his life and his many contributions.

Tommy D'Alesandro was not only a former Congressman but he served as a State delegate, city councilman, and three-term mayor of Baltimore. He was born in 1903 in a small house in the Little Italy section of Baltimore. He was 1 of 13 children of an immigrant laborer. As a testament to his love and devotion to that neighborhood, Tommy never lived more than a half-dozen blocks from where he was born. It was the loyalty of his neighbors in both Little Italy and East Baltimore upon which Tommy was able to build his long career in politics and public service.

Growing up in Baltimore, Tommy went to St. Leo's School—as he put it—for "8 years, minus 2 months." It seems young Tommy and every other boy in his class were expelled just before their graduation. But, St. Leo's felt he'd paid his dues, giving him an honorary diploma when he became a Congressman.

Tommy's first job was with the Union Box Factory earning $6.60 a week making ammunition boxes for England and France during World War I. He left that job to work in the powdered mustard department of McCormick & Co. His first white-collar job came at the age of 13 when he went to work for the Harry T. Poor Insurance Co. as an office boy. Even at that young age, Tommy knew the importance of striking a deal—the insurance agency wanted to start him at $6 a week, but he held out for $7 a week and became an agent of the firm at 21. He left only after opening his own office.

Even before turning 21, Tommy was involved in politics—handing out literature and working to get out the vote in Little Italy. A popular young man, Tommy was also involved in community activities ranging from local drama club productions to parish dances.

Tommy's first elective office as a State delegate came at the age of 22 and followed a suggestion from a former State delegate to the Maryland General Assembly. While Tommy was often referred to as the "bachelor delegate * * * dark-haired * * * and attractive" it was not long before he met, courted, and married his devoted wife Nancy, who was his partner throughout his many years in public service and private life.

Tommy's next stop was the U.S. Congress where he rode in as a New Deal Democrat under the direction of President Roosevelt. And, while he was a staunch supporter of the President's New Deal legislation, Tommy let be known that he was unhappy that none of the jobs that had been created had been given to Maryland's Third Congressional District.

The story goes that Tommy wrote a letter to President Roosevelt expressing his displeasure. Roosevelt apparently felt there was merit to Tommy's complaint and invited him to the White House to discuss the matter. Well, it seems the President chose to send the invitation to Tommy by way of a page—but when Tommy received the invitation, he felt that a few of his colleagues in the House had been behind the letter. Tommy told the page to tell the President that "If he wants to see me, he can come to Little Italy in Baltimore, to the precinct of the third Ward and I'll be glad to speak to him."

Somehow, Tommy found out that the letter was legitimate, sent his apologies to the President and ended up speaking with the President the very next day. After reminding the President that congressional terms are short and requests for jobs long, the President promised Tommy there would be jobs coming his way. And, indeed, Tommy got 12 jobs in the Baltimore IRS office for people in his district.

Tommy went on to serve five terms in Congress before leaving to run for city council and then mayor of Baltimore. Baltimore's now famous revitalization had its roots during the D'Alesandro years. Tommy was a progressive mayor, prudent and canny. During his 12 years as major, he built schools and libraries, upgraded the city's water system, rebuilt Memorial Stadium and helped in bringing professional baseball back to Baltimore following a 52-year absence. Tommy was also responsible for the development of Friendship Airport—now know as Baltimore-Washington International Airport.

Politics is the art of getting things done and Tommy D'Alesandro represented the best in the profession. While Little Italy forever remained Tommy's home, politics was his life.

Tommy once said, "I love politics—it can be played on the level. I try to play it that way." Indeed he did and we are grateful for that. I will miss his company, his advice, and his wisdom. Luckily, he has left a legacy for generations to come.

Mr. Speaker, I know that you will recall a few months ago on the floor of this House a very proud father, a former Member of this House, a former representative from the Third Congressional District of Baltimore City, the district which I have the honor to represent, watched his daughter take the oath of office to this distinguished body.

There is one more chapter in the illustrious D'Alesandro family record of public service to our community.

Mr. Speaker, at this time I yield to the dean of the Maryland delegation for her comments.

Mrs. BYRON. I thank the gentleman for yielding.

Let me take a little time to read a passage from a memorial address given on the floor of the House, and I quote:

> His personality, his sincerity, his generosity endeared him to all who knew him and especially to those who had the pleasure and privilege of serving with him. And he well deserved the respect, devotion, and love which they freely gave. He leaves a host of friends in the House and thousands of devoted admirers in the State. He had qualities of mind and heart which made him an especially valuable Member of the Congress and a public servant.

Those words, spoken some 46 years ago on Thursday, May 8, 1941, are the words of Congressman Thomas D'Alesandro. They were spoken in honor of my father-in-law, Congressman William Byron, both of whom came to this body together in 1938. Those words today that he used are just as appropriate to be used in mourning his passing.

That Baltimore constituents elected Tommy to be their State delegate, their Congressman, to be their city councilman and then, what is most important, to be their mayor is certainly evidence of the affection and the trust that they placed in him. It was with such pride and such pleasure that he experienced on June 3 the election of his daughter, not from Maryland, from California, Nancy Pelosi to this body. Then on June 9 how many of us remember standing here on this floor and looked at the expression on his face as he watched her sworn in to this 100th Congress. What else can we ask for than a legend of family involvement.

Mr. CARDIN. I thank the gentlewoman from Maryland [Mrs. Byron] for her comments.

Mr. Speaker, I yield to my colleague from Baltimore City—Baltimore City has only two Congressmen. I have the honor to share the representation of Baltimore City with him—Kweisi Mfume.

Mr. MFUME. I thank the gentleman for yielding.

Mr. Speaker, I rise today with my distinguished colleagues from Maryland and across the Nation in saluting a man who, during his long and productive life, exemplified the highest ideals of honesty and service to his fellow man. Thomas J. D'Alesandro, former Congressman, Baltimore mayor, and Maryland State legislator, passed away on August 23. Tommy, as he was affectionately called, left a lasting impression on all he met during his life and has provided an enduring example of how good, old fashioned, up-front political savvy can get results for the people we are elected to serve.

While he may not have seen himself as a political patriarch, Tommy D'Alesandro affected Baltimore area politics probably more than any other individual during his lifetime, and he had an especially strong impact on me and my decision to pursue politics as a career. I viewed him both as a mentor and a friend.

Looking at how the son of an immigrant laborer, who through the sheer force of his quick mind, dedication to serve, and tenacity, rose to become one of the most popular mayors in Baltimore history, as well as a Congressman and State legislator who won 22 consecutive elections, was a great motivation to a working class black kid who came up the hard way, and also had a burning desire to serve his community.

Tommy D'Alesandro was the kind of politician who was proud of his working class roots, and who never forgot that his highest duty was to make life better for the average citizen. In an era where power lunches and cruises on corporate yachts too often determine the conduct of politicians, we would all do well to learn from the life of a straight shooter like Tommy D'Alesandro. People were always at the top of his legislative agenda.

While in Congress from 1938 to 1947 as chairman of the House District Committee, he advocated home rule for the District of Columbia, with representation in both the House and Senate. He also advocated the building of a subway to curb downtown traffic and the construction of a high-speed road from Baltimore to Washington.

Tommy D'Alesandro was truly a man of the people. He will be sorely missed, but his deeds and spirit will live on. We are also fortunate to be working side by side today with his daughter, the distinguished Congresswoman from California, Nancy Pelosi. I am sure she will continue in the great D'Alesandro tradition of patriotic service to the Nation.

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Mr. CARDIN. Mr. Speaker, I want to thank my colleague from Baltimore City for those remarks. I know that he will agree with me that as far as the strength of Baltimore, the strength of its neighborhoods, and the strength of its ethnic background are concerned, Tommy D'Alesandro did more than any other person I know to build the strength of the neighborhoods of Baltimore and the ethnic pride and the pride that we have in Baltimore today.

Mr. Speaker, I yield to my colleague, the gentlewoman from Maryland, Mrs. Connie Morella.

Mrs. MORELLA. Mr. Speaker, I want to commend my colleague from Baltimore City, Mr. Ben Cardin, for putting together this special order. It is indeed appropriate, and I am honored to take part in it.

Mr. Speaker, it has been written that

> The best way to define a man's character would be to seek out the particular mental and moral attitude in which, when it came upon him, he felt himself most deeply and intensely active and alive. At such moments there is a voice inside which speaks and says: "This is the real me!

In a sense, the real Thomas D'Alesandro, Jr. was Baltimore, feeling most deeply and intensely active and alive for his beloved hometown.

We know of his long and distinguished record of public services: elected to the Maryland House of Delegates at age 22; city councilman' five-term Congressman; and three-term mayor of Baltimore. As mayor from 1947 to 1959, Tommy presided over the beginnings of the renewal of Baltimore.

He was a catalyst for the Charles Center project; he built schools; Baltimore became major league again, with Memorial Stadium and the Orioles, and Friendship Airport—now BWI—monuments to his tenure in office.

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But it is not buildings or airports or streets, but people who make a city. Tommy also watched over the beginnings of the rebirth of the black community in Baltimore in the civil rights movement; with the desegregation of city schools, and the ending of discrimination in movie houses and hotels.

After his days of elected office ended, he continued his service as his party's proverbial elder statesman, offering advice and counsel to those who sought it. He also saw the D'Alesandro heritage continued in politics: his son, Thomas III, served as mayor of Baltimore from 1967 to 1971; his daughter is now our distinguished colleague from California, Congresswoman Nancy Pelosi. We are pleased that he was present at her swearing in ceremony—to witness her official membership in the 100th Congress.

Even with this impressive career, he never forgot who he was, or where he was from. From precinct workers to Presidents, he was always Tommy. There was that voice inside saying "This is the real me!" wherever he went, defining him and his efforts. Tommy D'Alesandro will truly be missed, for what he was and what he did for Baltimore—for Maryland—and for our country."

Tommy, "te salutamus"; we salute you and we thank you. You will "live on in love."

Mr. CARDIN. Mr. Speaker, I thank the gentlewoman from Maryland for her comments.

Mr. Speaker, I yield to the gentlewoman from Baltimore, MD, Mrs. Helen Bentley.

Mrs. BENTLEY. Mr. Speaker, I thank my colleague for yielding.

Mr. Speaker, first of all, I would like to express my appreciation to my distinguished colleague from Maryland, Mr. Ben Cardin for taking this time so that the many of us who knew Mayor D'Alesandro, Jr., can participate in this tribute to the man who has been properly described as the greatest politician Baltimore—and even Maryland—has had in this century.

It is most unusual in this body we have participating in such a tribute—the daughter of that former Member because that daughter also is a Member today.

And Nancy, I know I speak for the Members on my side of the aisle when I say we are sorry that your family has suffered this loss, but you told it so well in your eulogy to your father, a family man, but one who had lived his whole life in the city, not an outdoors type so that he didn't like it when he visited his sons in a summer camp and saw them sleeping on the ground. They came home with him while he grumbled all the way that he had worked all his life so his kids would never have to do that.

You also said, Nancy, that your father believed in the two-party system—the Democrats to run the Government and the Republicans to watch from the outside.

I know how ardent your father was about his party and, therefore, I considered it very special that he liked this Republican and would sometimes even say the word when he saw me.

I first met Tommy D'Alesandro, Jr., when he was a Congressman commuting by train between Washington and Baltimore, and then one day in 1947 he stepped down to become mayor, to have his hand-picked successor Ed Garmatz take his seat as Congressman from the Third District, that seat now being held by our distinguished colleague, Mr. Ben Cardin.

It was while Tommy D'Alesandro, Jr.—who became affectionately known as Mayor D'Alesandro for the rest of his life—was mayor that I got to know him the best—because I was a young reporter covering the waterfront, the port of Baltimore, and he was a mayor who wanted to see improvements to that port. That's where we hit it off.

As has been decribed here earlier, he was a doer. During his 12 years as mayor, many major improvements were made, including our great airport and the return of the Orioles, although this year I do not think he would be very happy about the Orioles, and then laying the foundation for the building of the inner harbor.

It was very helpful to have the opportunity to pick his brains, along with those of Ed Garmatz and George Fallon and Sam Friedel, three Democrat congressional chairmen from Baltimore, all of whom were interested in the betterment of Baltimore and Maryland. I appreciate the fact that I had the opportunity to learn at their feet.

It was a special era in Baltimore, and how proud Tommy was when his older son followed in his steps to become mayor. For the first time a father and son had accomplished that in Maryland. His son, Tom, a stalwart person, found it difficult to bid a final goodbye to this father. We all felt for him as he eulogized this great American, one who never forgot about his Italian ties but one who always pushed for America first.

In his later years I frequently had the pleasure of running into Mayor Tommy and his wife Nancy dining at Haussner's Restaurant, a landmark in Baltimore, where they were loved and loved in return. The last time I had the privilege of talking at length with Tom, Jr., was in May at a dinner sponsored by the Order of the Sons of Italy. Even though he was then confined to a wheelchair, he attended along with his lovely mother and his devoted wife Nancy, and as always he was given a very warm reception, a standing ovation by the audience. And, of course, we were all so delighted that he was able to be here to witness your swearing in.

I would like to express my personal sympathy to the entire D'Alesandro and Pelosi families and say to Nancy, Sr., you have been a most devoted wife and mother. I am sorry that you have lost your lifetime companion, but you have a beautiful family of children and grandchildren, and I know they will help you through these trying times. And Nancy, my love to you.

Mr. CARDIN. Mr. Speaker, I want to thank the gentlewoman from Maryland for those comments. The gentlewoman from Maryland has devoted her career to making Baltimore a stronger city and a stronger region.

Today we are proud of what we see in Baltimore. We are proud of the physical beauty, the beauty of the people, and the strength of our community, and we are proud that many people want to visit Baltimore today to see the great sights. I think that you will agree with me that the seeds that were sowed for Baltimore today, the city that we love today and that Americans want to visit more and more, came as a result of the vision of Tommy D'Alesandro, Jr.

Mr. Speaker, I yield to my colleague from the Eastern Shore, the gentleman from Maryland, Mr. Roy Dyson.

Mr. DYSON. Mr. Speaker, I thank the gentleman in the well for yielding to me.

Mr. Speaker, I rise today to praise a Maryland political legend whose initiatives during his tenure as Baltimore's mayor contributed greatly to that city's revitalization and who is justifiably credited with paving the way for Baltimore's current renaissance. I speak, of course, of the late Tommy D'Alesandro, Jr.

I remember well the last time that we in the Congress had an opportunity to see Mayor D'Alesandro. It was here on the floor of the House as we witnessed the swearing in of his daughter and our new colleague, Nancy Pelosi.

In Tommy D'Alesandro's case, political excellence spawned political excellence. Along with seeing his daughter sworn into the 100th Congress, he saw his son, Thomas D'Alesandro III, serve as city council president and mayor of Baltimore.

We in Maryland all owe a great debt of gratitude to the political giant whose career in government spanned 45 years. Tommy D'Alesandro was a committed and concerned representative of the common person. Indeed, he was a stalwart of ethnic groups and worked tirelessly to improve their quality of life in a time when urban revitalization was only in its incipient stages. For example, his school construction projects provided new facilities for many of the city's blacks who had been relegated to second-class buildings.

In his time, he built an unparalleled number of new schools, roads and highways, hospitals and health centers. During his tenure, the Baltimore Orioles returned to the major leagues and a new airport was built to serve an ever growing city. Mr. Speaker, it is unlikely that anyone did more to put the city of Baltimore on its current course of excellence than Tommy D'Alesandro.

It is not difficult to see how his distinguished career inspired his family to seek public office. A delegate to each Democratic National Convention from 1944 to 1968, Tommy D'Alesandro also served in the U.S. House of Representatives from January 1939 until May 1947. His unchallenged popularity was evidenced by 22 consecutive election victories.

I would also like to take a moment to thank the gentleman from Maryland's Third Congressional District for taking this special order, for bringing our delegation together, and for giving us this one opportunity to pay recognition to the peerless Tommy D'Alesandro.

Mr. Speaker, the State of Maryland has been an extraordinary beneficiary of Tommy D'Alesandro's leadership. Accordingly, I am proud to join my colleagues in saluting Tommy D'Alesandro, Jr., who will forever remain a source of great pride to all who reside in the great State of Maryland.

Mr. CARDIN. Mr. Speaker, I want to thank the gentleman from Maryland [Mr. Dyson] for those comments.

One of the members of our delegation who has worked with Tommy D'Alesandro for many, many years in State politics, the Maryland Legislature when the gentleman was the presiding officer, we used to consider this person another member of the Baltimore delegation, and relied upon him for a great deal of help for our city.

It is an honor to recognize at this time and yield to the gentleman from Maryland [Mr. Hoyer], my colleague.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the gentleman from the Third Congressional District once represented so ably by Thomas D'Alesandro was the speaker of our house; and if any rival the respect with which Mayor D'Alesandro was held, it is Speaker Ben Cardin; and I am pleased that the gentleman took out this special order.

Were we to have 10 hours, Mr. Speaker, we could not tell fully the story of Mayor Thomas D'Alesandro. We could not tell the story of his contribution to out State and its citizens collectively. We could not tell the story of his devotion and care to individuals in his beloved city, and indeed to individuals around our State.

Mr. Speaker, if we took an additional 10 hours, we could not do justice to the love that he displayed for his family and for his beloved city.

Those members who had the privilege of attending Mayor D'Alesandro's funeral heard two of his children speak, as the gentlewoman from Maryland [Mrs. Bentley] has said.

They spoke beautifully and eloquently, but it was not so much the eloquence of their words that was impressive, but it was the depth of their feelings for a father who loved them deeply, whom they loved deeply and whom they also respected.

As the father of three, I think perhaps no one knows you better than your children, or perhaps passes harsher judgments on you than your children.

Tommy D'Alesandro went to his grave a proud man, because he knew that his wife, his children, his grandchildren, his community, his State and indeed his Nation recognized the contribution that he had made.

Mr. Speaker, let me quote a newspaper that knew him well when they said, and I quote, "He was the most colorful and accomplished figure of his time."

They spoke in the context of the State of Maryland, Mr. Speaker, it is true; but to be Mayor Thomas D'Alesandro, and to have the final judgment made on your career and contributions of one of the State's major newspapers, and indeed one of the major newspapers of this country, for them to say that he was the most colorful and accomplished figure of his time is to reflect the talent and dedication he brought to public service.

The gentleman from Maryland, Ben Cardin, my friend, was kind to observe that I had worked closely with Mayor D'Alesandro. Indeed I have known the D'Alesandro family for over a quarter of a century.

Nancy and I really started in politics together working in the office of the U.S. Senator from our State; and as I came to know Nancy, I came to know her brother, Tommy, her father, her mother, and others in her family.

It is a mark of a sincere human being that they reach out to young people, that they listen to young people.

Too many of us in the hustle and bustle of the day ignore young people.

I was some 22 years of age when I first met the mayor. He knew that I was interested in politics, active in the Young Democrats; and of course, he knew of my friendship and relationship to Nancy.

I do not delude myself that that was not at least part of the reason for paying some attention, but he was as kind and as open and as supportive and as educational as he could possibly be.

I see the gentleman from Maryland [Mr. Cardin] shaking his head, because all of us who grew up in Maryland knew that there was a solitary figure at the top of politics in our State, and it was the mayor.

His son was the mayor, but the mayor will always be the father, and he will be missed by all of us, but not in sadness, Mr. Speaker, not in sadness, because the contribution that he has made is chronicled in the history of Maryland and the Nation.

Mr. Speaker, I was proud to be his friend. I was proud to be a supporter and admirer; and like all of the members of the Maryland delegation, I welled with pride and indeed with some sadness and tears on June 9, 1987.

The people of California have known his daughter, Nancy D'Alesandro Pelosi, as a leader in our State, and the people of San Francisco honored this country and this House by sending Nancy to serve with the Members and to serve them.

I do not believe, Mr. Speaker, anybody could have been unmoved by the sight of a former Member of Congress of the United States sitting here right down in the front and seeing a young woman he loved deeply, and in whom he had immeasurable pride, sworn in as a Member of the Congress of the United States.

I frankly do not know and wish I had found out before I rose to speak whether that has happened before, a father seeing his daughter sworn in to the House of Representatives.

The D'Alesandro legacy lives on in this House. The D'Alesandro legacy lives on in a broader context of all of those with whom he came in contact, whom he encouraged, whom he lifted up and whom he helped.

I was one of those, Mr. Speaker, I lament his passing but am thankful for his having touched us all.

"He was the most colorful and accomplished figure of his time * * *."

Those words recently appeared in the pages of the Baltimore Sun on the death of Tommy D'Alesandro. There is no doubt that in the city of Baltimore and the State of Maryland, there has been no more beloved figure over the past six decades than Tommy D'Alesandro. In fact, at one point in his career, he had won 22 consecutive elections.

Elected to the Maryland House of Delegates in 1927, at the age of 22, Tommy D'Alesandro went on to serve as a member of the Baltimore City Council. In 1938, he was elected to the first of his five terms in this House.

During his tenure here, he was an important member of the New Deal coalition. And the tenure of Congressman D'Alesandro was of particular importance to people in this area because of his chairmanship of the House District Committee. Here he showed his foresight by advocating congressional voting representation for District residents. He also worked for a high-speed road between Washington and Baltimore, and a Washington subway.

Tommy D'Alesandro left the House when he was elected mayor of Baltimore. He will be most remembered for his 12 years of service in that office from 1947 to 1959. Much of the groundwork for the renaissance of Baltimore was laid by Mayor D'Alesandro. During his tenure, schools and libraries too numerous to mention were built. Memorial Stadium was built and the St. Louis Browns made it their home, becoming the Baltimore Orioles.

Mayor D'Alesandro was repsonsible for upgrading of city services ranging from the water system, the traffic and roads system, and garbage collection. Urban renewal and construction of the Charles Center began during his years in office. And, he proposed rehabilitating the wharf area into a national park. Again, we recognize his foresight, for today that area is the gleaming Harbor Place, a national recognized example of urban renewal.

We recognize all of these tangible accomplishments. Without them, Baltimore would not have become the dynamic city that it is today.

Equally important in the D'Alesandro legacy is the spirit of love of politics that he brought to his life in public service. That love, admiration, and support was returned by his constituents in Little Italy, where he was born and lived his entire life.

And he passed on his avocation to two of his children, former Baltimore Mayor Tommy D'Alesandro III, and our own colleague, Congresswoman Nancy Pelosi.

To them, and to Nancy D'Alesandro and the rest of their family we extend our condolences and our appreciation for a long life, well lived in service of mankind and God.

Mr. CARDIN. Mr. Speaker, I want to thank the gentleman from Maryland [Mr. Hoyer], the gentleman from Prince Georges County, for the gentleman's comments.

I know that the gentleman will appreciate when I was going through the decision whether I should run for this congressional district, I went to visit with the mayor and sat in his living room and listened as he went through what issues should be raised.

I can tell the Members, and I am sure the Members know, there was no person who was more knowledgeable about Maryland politics and about helping young people and helping us be actively involved, as the gentleman from Maryland [Mr. Mfume], my friend from Baltimore City, mentioned.

He was an inspiration to us to get involved in public service and to run for public office, and indeed he will be sorely missed; but we are all very grateful for the number of years that the Lord gave us with him.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. CARDIN. Mr. Speaker, I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding.

It was my information you could not run for the third congressional seat without getting the imprimatur of the mayor.

Mr. CARDIN. You could run; you could not get elected.

At this time I yield to the gentleman from Maryland [Mr. McMillen].

Mr. McMILLEN of Maryland. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise today in honor of one of Maryland's finest politicans and the father of a valued colleague, the former mayor of Baltimore and Congressman from Maryland, the Honorable Thomas J. D'Alesandro, or Tommy to the many who loved and admired him throughout his distinguished career.

To those of us who serve in Congress, the record of Tommy D'Alesandro serves as an inspiration. Twenty-two consecutive times he was victorious in primary and general elections. After his elected career, he served with distinction in appointed positions as a member of the Federal Renegotiation Board under Presidents Kennedy and Johnson, and then as a member of the Maryland Parole Board. Both Maryland and the United States benefited greatly from Tommy D'Alesandro's career as an elected official, a political appointee, and a party elder.

Mr. Speaker, Tommy D'Alesandro used to say that "I love politics. It can be played on the level. I try to play it that way." Despite the power and prestige he attained in public service, Tommy D'Alesandro never left his roots in the Little Italy section of Baltimore. Until he died, he lived in the same house that he moved into after he was married in 1928, almost 60 years ago. His home is now a historic landmark, a fitting tribute and gift to the people of Maryland, as was his career of public service that spanned seven decades.

To the gentlewoman from California [Ms. Pelosi], my colleague, I offer my very best. We will miss him a great deal.

For those who have been in and out of Baltimore for the last several years, you could not help but go to an event and see the mayor there. We will miss him, but I am sure the gentlewoman will carry on in his fine tradition.

Mr. CARDIN. Mr. Speaker, I yield to the gentlewoman from California [Ms. Pelosi], the distinguished Representative from San Francisco, in the gentlewoman's own right, and the daughter of Thomas D'Alesandro, Jr.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, on behalf of my family, I wish to thank the gentleman for the special order this afternoon, and also thank the gentleman for the gentleman's friendship and the friendship of the Cardin family, which is a distinguished family in Maryland politics.

The gentleman from Maryland is the product of a great Maryland tradition as well. I thank the gentleman very much for what the gentleman is doing today, and to all of the Members of the Maryland delegation, I thank the Members for the kind words today, for the Members' attendance at my father's funeral, for the condolences and messages of sympathy that I have received from our colleagues in the House. I am very grateful.

My father served with some of the Members of the House here, a few. More he served with some fathers of Members of the House, including the gentleman from Michigan [Mr. Dingell], who was here earlier and left a special order.

My brother, Thomas D'Alesandro III, followed in my father's footsteps as mayor of Baltimore. It is fitting that we should have special orders today, which is election day for the mayor of Baltimore.

At my father's funeral, Governor Schaefer, who was very close to my father, referred to him as the "mayor's mayor."

The priest who eulogized him said, "Baltimore has lost its man of the century," and the press said, "Baltimore, the Monumental City, has buried one of its monuments."

Nothing was more beautiful than my brothers remarks, the little mayor.

On that day I thought what he said captured for our family what my father stood for, and I would like to read his eulogy into the Record. It is not very long.

In the Bible, the Book of Ecclesiastes says "Let us now praise famous men," and then it lists the accomplishments of all the heroes of old. Tommy D'Alesandro's death brought forth a stream of praise for him from Baltimore and the people he loved. The recollections, stories, anecdotes about my father's public life have made us cry and laugh, remember and cherish this extraordinary, yet ordinary man.

We remember and praise men like Tommy because they have left their legacy in the permanent streets and skyline of the city as well as in the memories of people. For these two reasons, "his glory will not fade."

In the few days since my father's death, I have seen thousands of people pay their respects to him. When they look upon him, I know they are seeing something which I've struggled to put into words. My father's face, even in death, is like a window through which so many thousands see again their parent's lives and labors. His face is no "death mask" but a symbol shedding its own light. Having passed through death to God, he becomes transparent, a witness to the joys, efforts, hard work, and genuine courage of a whole generation. In the newspapers and on television, Tommy's face seems like an icon of his Italian community, someone who came with little visible means, and then by sheer strength, virtue, decency, and dreams built a better life for himself and his neighbors.

And, these same people, when they speak to us, his family, cannot put into words what Tommy brings back to them. It is more than nostalgia. It is their own ordinary lives magnified in my father, that they see and cannot express. His picture evokes the glory of the ordinary man and woman. It is a glory whose full strength can only be seen when circumstances permit. The election to public office, five terms in the House of Representatives, three terms as mayor of a great city, suffice. In Tommy, what was really in the headlines were the hundreds of thousands of hardworking people, beating the odds against them, proud of their heritage, firm in their beliefs. His face and what it represents are inextricably linked together. If the times come again when politicans could be recalled as "Saints" (as in the middle ages) Tommy's chances, I think, are very good. One significant public miracle exists in the proud renaissance of the city he loved.

The Gospel of Matthew says that we will all be judged by how we treat others. Feeding the hungry, giving drink to those that thirst, welcoming, clothing and visiting the poor, the sick, and the stranger—these are the commandments for the last day. For Tommy, politics was his way to keep these commands. Politics, in truth, made him more conscious of their necessity.

Tommy D'Alesandro brought us together in life, by force of his personality. He brings us all together again. He was a simple homespun man and his wisdom, even with the passage of his generation, still holds in politics, business, the arts and everyday in life.

No eulogy to my father can be made without mentioning his wife, my mother, his closest ally and advisor and his best friend, Nancy—I am named for my mother—who for just short of 59 years provided the care, concern, dedication and love for Tommy. Her's was a manifestation of the commitment of the marriage vows, to love, honor and obey, in sickness and in health, in good times and bad and I know I speak for my father in saying that Nancy was always there.

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That is an expression in Maryland politics.

Working together, they made everyone who worked in their campaigns feel as if they belonged to two families, their own families and the D'Alesandro family.

So again I say, it is very appropriate that this should take place, this special order, on election day in Baltimore for mayor; but I cannot help remembering, as you all recalled 3 months ago when my father was here, and again I want to thank you all for the courtesy the House of Representative extended to him, not one, but two standing ovations, how appropriate it was that this man whose life was a commitment to people would be so honored by the people of this House. He served Maryland and he was proud of that, and so we were so grateful when Congressman MFUME, Congressman HOYER, and Congresswoman BENTLEY were at his funeral and Congressman CARDIN was represented by his father, and the other Members sent their best wishes to my family, and I appreciate all their comments today.

So I thank you and all the other Members of the House for your messages again, your messages of condolence.

This is a commitment, it is a consolation to us, all of your expressions of good will, but it is also a consolation that in the commitment to people which he obviously shared with us, his love for the city of Baltimore, the vitality of that city, and in the laughter of his grandchildren, Tommy D'Alesandro lives.

Mr. CARDIN. NANCY, I say to you, we thank you and we thank your brother and your brothers and sisters and your mother for sharing your father with us, because I know that you all sacrificed in the time that he gave to public service.

You are right. Today is election day in Baltimore and the mayor will be elected. I say to that mayor, follow in Tommy D'Alesandro's footsteps, share his vision, have his compassion, and the people of Baltimore will be better off.

Mr. DINGELL. Mr. Speaker, I rise today to participate in the special order to honor a very special former colleague, Tommy D'Alesandro, who recently passed away at the age of 84.

Tommy D'Alesandro, the father of our colleague, Congresswoman NANCY PELOSI, served in this body beginning in 1938 and for four successive terms thereafter. Tommy D'Alesandro was known by Presidents, colleagues, and friends alike as "Tommy." He was admired by those who knew him as shrewd, witty, and politically savvy. Tommy was a good friend and esteemed colleague of my father who served with him in the House of Representatives during that time. My father greatly respected this institution and the great individuals who served here. He would tell me stories of Tommy's wit, wisdom, and accomplishments.

Like my father, Tommy was a consummate New Deal Democrat. He understood the value of establishing lasting and solid relationships both inside the Congress and in his home town of Baltimore. Politics, both national and local, was his love and his domain. His experience in politics spanned successive terms as a member of the House of Delegates, a U.S. Congressman, city councilman, and mayor of Baltimore.

Mr. Speaker, we need more men like Tommy whose dedication to serving the interests and needs of his constituents was the cornerstone of his philosophy. He was a man who spoke his mind freely, and a man of his word and became an institution in his own right through his tough minded integrity and his unending tenacity to get the job done.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives in paying tribute to the Honorable Thomas J. D'Alesandro, Jr., whose death on August 23, after a long and distinguished career of public service, is a tremendous loss to the people of Baltimore and the people of this Nation.

Tommy D'Alesandro dedicated his life to public service, and he worked tirelessly on behalf of his constituents, his city, and his State. As the son of Italian immigrants, he was only 24 years old when he was first elected to the Maryland General Assembly. He served in Congress from 1938 to 1947, and was chairman of the House District of Columbia Committee.

Elected as mayor of Baltimore in 1947, he served for 12 years, and developed an outstanding record of achievement, including laying the groundwork for the building of Baltimore's Inner Harbor. He also was a member of the Federal Renegotiation Board from 1961 to 1969, and served as a member of the Maryland State Board of Parole from 1971 to 1981.

The political legacy of Tommy D'Alesandro was continued by his eldest son Thomas J. D'Alesandro III, who was mayor of Baltimore from 1967 to 1971, and most recently his daughter, and our colleague, NANCY PELOSI, who was elected to the House of Representatives in a special election last spring from the Fifth Congressional District of California.

Tommy D'Alesandro was a dedicated and devoted American, and a public servant of outstanding ability, deep compassion, and courage, who ably represented the people of the city of Baltimore, and the people of this Nation.

Mrs. Annunzio and I extend our deepest sympathy to the members of his family who survive him.

## GENERAL LEAVE

Mr. MFUME. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

## A TRIBUTE TO THE LATE JESSE UNRUH, TREASURER OF THE STATE OF CALIFORNIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FAZIO] is recognized for 60 minutes.

### GENERAL LEAVE

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FAZIO. Mr. Speaker, all of us were saddened during the summer recess by the untimely passing of Jesse Marvin Unruh, a dear friend and colleague of many of us. Jesse Unruh was 64 years old, had been serving as treasurer of the State of California, when he unfortunately passed away of cancer at his home in Los Angeles on

Tuesday, August 4. A number of his friends and colleagues here today wish to take a few minutes to celebrate his life through the words and comments in the RECORD of a number of people who had the privilege of serving with him or working for him during his many years in California politics.

Jesse was born on the 30th of September, 1922, to a family of sharecroppers in Newton, KS. At the age of 10 he moved to Swenson, TX. At the age of 18 he hitchhiked to California to enlist in the Navy.

He was a poor boy by his own admission, a son of German immigrants, who spoke German in the home until well into his teens.

For his contribution to the war effort, he served as a machinist's aid in the Aleutian Islands. At the conclusion of World War II, like a whole generation of new Californians who had come to that State to participate in the war in the Pacific Theater, he took advantage of the G.I. bill and enrolled as an undergraduate at the University of Southern California.

His political interests and talents became readily apparent. As a student senator, he lead the movement to overthrow the existing student government, ending the long-lasting powerhold of the Greek fraternities over the campus' political system.

Jesse was essential in organizing a democratic guild on the campus and later served as its president.

In 1954, beating a long-time incumbent, he was elected to the California Assembly with the help of many of his fellow younger veterans. His success in the legislature came rapidly and he eventually came to chair the Labor Committee, the Finance and Insurance Committee, and the Ways and Means Committee.

In 1960, his colleagues elected him speaker of the assembly, a position he held for the next 7½ years, the longest tenure in the history of the California Legislature.

Jesse, while acquiring a great deal of power and influence, never lost touch with his roots, with the poor people of the Nation, and certainly of California. He offered many significant legislative landmarks, including legislation known as the Unruh Civil Rights Act and the Unruh Credit Act.

In addition, he turned the office of the speaker into the most highly recognized State legislative post in the country. He transformed the legislature into a powerful modern policymaking body which came to serve as a model for legislatures around the country. His transformation earned Jesse the appropriate title of "Mr. Legislator."

I am sure that many of our colleagues from around the country who served in State legislatures during that tenure well remember the increasing pride in public service that occurred and the number of people who were motivated to serve in and make over legislative bodies, making them more competitive with the executive branch, enhancing the professionalism of the staff, giving the members the opportunity to have a greater impact on public policymaking.

Although Jesse lost the race for Governor to Ronald Reagan in 1970, his impressive political strength cut Reagan's winning margin from over 1 million votes in 1966 to only half a million on 1970. No one ever came as close to beating Ronald Reagan by any manner of measure in any of the races that President Reagan competed in.

Jesse was elected in 1974 to his first of four consecutive terms as treasurer of the State of California. His achievements as treasurer were equal at least I believe as remarkable as his achievements as speaker.

Jesse organized the movement to resist the payment of green mail which undermined the value of investments of major public pension funds. He established the Institutional Investors, which has had an important impact in terms of mergers and takeovers within the State of California.

Furthermore, as he did in the speaker's office, Jesse transformed the office of treasurer into a powerful and visible office both throughout California and the Nation. The treasurer's office began to command the attention and respect of Wall Street, that kind of attention normally regarded to other financial institutions.

His personal life was very important to him. He was married for 27 years to Virginia June Lemon. They had five children: Bruce, Bradley, Robert, Randall, and Linda.

Jesse was remarried less than a year before his death to Christine Edwards Unruh.

I think he should be remembered for many things, but one that is fundamental I believe is his contribution to public service through the attraction of many younger men and women to serve not only in the elective positions, but to other public policy positions throughout the State of California, using young men and women from the Coro Foundation, from the Eagleton Institute, creating a fellowship in the State assembly to help attract and train young people who prior to his tenure probably would have sought employment in other fields of activity, Jesse Unruh brought many thousands of people to public careers in California and perhaps one of his greatest legacies will be the continuing contribution of people who came during the 1960's and 1970's to careers in public service.

Jesse was a man to be respected, one who set excellent examples for all of us to follow. Although he will be sadly missed, his achievements and accomplishments will undoubtedly survive him. He has touched many of our lives and I along with many others will greatly miss him.

In addition, I wish to express my most sincere regards and deepest sympathies to his family.

Mr. Speaker, at this time I yield to my colleague from San Bernardino, CA, who served with Jess Unruh and was one of his friends and foes, the gentleman from California, Mr. JERRY LEWIS.

Mr. LEWIS of California. Mr. Speaker, I thank my colleague, the gentleman from Sacramento, for yielding me this time.

I was reminded, as the gentleman made his remarks, that I arrived in the California Legislature as a new member in January 1969. Jesse Unruh, then the past speaker in the assembly, laying the foundation for that race that the gentleman mentioned against then Governor Reagan for the governorship of California. As I worked with Jesse and got to know him, I could not help but remember how impressed I had become with his history in public affairs. He was a keystone among those who recognized that for a legislative body to truly impact the direction of people's lives, you need lots of support. It was Jesse Unruh who realized the value of staff around members of the legislature and that recognition made a difference in not just the State assembly and our State senate and the government of California, but I think across the land.

Jesse Unruh truly revolutionized public affairs as we know it.

They called him Big Daddy Jesse Unruh. I remember him most, not for the Big Daddy, but because he was a guy who cared about politics, loved to discuss it, loved the strategy. He loved western music and I used to enjoy once in a while an ice cream soda with Jesse Unruh, singing a little western music, I not so well as he.

He is a friend to be long remembered. He has made a difference. I appreciate the gentleman taking this time to express this support and affection.

Mr. FAZIO. Mr. Speaker, I appreciate the comments of my colleagues.

Mr. Speaker, I yield to a senior member of our delegation, a man who served as Lieutenant Governor of California and hails from the same south-central part of Los Angeles, in fact, ajoining political turf to that of Jesse Unruh, the gentleman from California, Mr. GLENN ANDERSON, of Long Beach.

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Mr. ANDERSON. Mr. Speaker, it is difficult to attempt to describe in a few short paragraphs the impact that a person with the intense personal characteristics of Jesse Unruh can make on society in general and his adopted State in particular. The late, greatly respected, California State Treasurer, and former speaker of the State assembly, was my friend for many years. He succeeded to a seat in the State assembly that encompassed areas that I had represented when I served in that body. So, we had much in common. Our frequent meetings on the legislative and campaign trails were always cordial and affable. No one who ever met Jesss Unruh was ever unaware of his passion and zest for politics. For him, and for many of us, politics remains an honorable and dedicated profession.

One did not always agree with Jesse, but one always knew where he stood and how he felt. He had a great love for his assembly district and for his adopted State, and his enthusiasm was unbounded in victory or defeat. It is a great comfort to me and to many others to realize that the voters of California had overwhelmingly elected and reelected him to the office of State treasurer and retained him there until his untimely passage. His record there was a brilliant one and he was one of those most instrumental in bringing California a fiscal reputation "par excellence."

Many eulogists have already said all that needs to be said about the life and achievements of Jesse Unruh. I would simply like to say that the eulogists are right when they say that in California, "politics just won't be the same without Jesse Unruh." I mourn him as a person, as a legislative genius, and as a friend. My wife, Lee, joins me in offering our sincere condolences to his family.

Mr. FAZIO. Mr. Speaker, I yield to the gentleman from Los Angeles, Mel Levine, my good friend.

Mr. LEVINE of California. Mr. Speaker, I thank and compliment the gentleman for calling this special order in memory of Jesse Unruh. I, as opposed to some of my more senior colleagues, did not know Jesse Unruh all that well. Frankly, over the years that I was in political life in California, Jesse was much more of a legend to me than he was somebody that I had extensive personal dealings with. I did have a couple experiences with Jesse that are experiences that both in the context of when and how they occurred, are experiences that were memorable to me.

I will never forget that when I was 19 years old and a student at Berkeley, the day after I was privileged to be elected president of the Associated Students at Berkeley, I was asked to join the outgoing student body president to go up to Sacramento to meet with some of the legislative leaders with regard to issues affecting the University of California.

One of the most memorable meetings that I have ever had was the meeting that I, as a 19-year-old student from Berkeley, along with my 20-year-old senior colleague, had with Jesse Unruh in his office as speaker of the assembly.

This was the time, as our colleagues have noted, that he was referred to as "Big Daddy"—a giant of a man, a bear of a man, who commanded everything within his presence. Yet he took the time to meet with a couple who had come to Sacramento because we were concerned about issues affecting the University of California.

In between calls from the White House, where he was speaking to somebody on the staff of John F. Kennedy, and we did not think he was speaking to the President himself, but who knows? The speaker of the assembly with one arm would be signaling what he wanted to communicate to the White House and with the other arm would be signaling what needed to occur in a legislative context. Between these telephone calls and these obvious displays of both enormous power and enormous competence, he would take the time to talk to the two of us about issues extraordinarily important to the University of California and its students.

The area in which we all owe Jesse Unruh the greatest debt of thanks, particularly those of us who were privileged to serve as California State legislators is the manner in which Jesse Unruh unquestionably professionalized the California State Legislature. The stories are legion. I know a number of my colleagues have already referred to them and I will not go into detail about them, but the fact that Jesse Unruh was able to take a legislative body, turn it into a full-time legislature, which for all of the derogatory remarks that go with the notion of full-time legislatures, was extraordinarily important to the issue of good government and legislative competence. He had a special ability to hire competent independent staff, ensure that bills would be analyzed independently and objectively, and ensure that the people in the State legislature had the ability to make decisions that were independent of the special interests in the State of California. Jesse Unruh had the wisdom, the foresight, the competence, and the tenacity to accomplish these objectives while making the California Legislature a model for others and making it independent in a way that it never was before.

Subsequent to that time we all know what he did for the office of treasurer in the State of California. He elevated its importance and its significance, and again ensured the independence of that office. For all of us who cared so deeply about California, its institutions, we have lost a man who was clearly in the vanguard of professionalizing and improving all of those institutions perhaps in a way that no other Californian has done.

Mr. Speaker, I am honored to be able to join with my colleagues and again compliment the gentleman from Sacramento in calling for this time and adding my voice to those of my colleagues on both sides of the aisle mourning the loss and passing of an extraordinary leader from the State of California.

Mr. FAZIO. Mr. Speaker, I thank the gentleman for his commentary and reminiscences, and I am sure it is appreciated by the Unruh family and his many friends.

Mr. Speaker, I yield to the gentleman from California [Mr. Lehman], one of his good younger friends who served also in the State legislature and knew Jesse Unruh best as treasurer, an individual who has already made some comments on the floor on Jesse's passing, and a very good friend of his.

Mr. LEHMAN of California. Mr. Speaker, I thank my colleague, Mr. Fazio, for his generous remarks in yielding me this time.

I knew Jesse not just as a political ally but also as a personal friend. I can honestly say that he got me started on a path to politics as a career in the 1960's. In 1968 I was a student at Fresno City College in Fresno where I was student body president, and there was a Presidential campaign that year and there was a heated Democratic primary in California. Robert Kennedy was running against Eugene McCarthy. Most of the students on the campuses in California were backing Senator McCarthy. I had decided to back Senator Kennedy and many of my friends decided to do the same thing. I was 19 years old at the time.

We did not know how to go about showing our support, but we read in the paper that a guy named Jesse Unruh in Sacramento was running Senator Kennedy's campaign so we called his office and got invited to Sacramento. That is when I first met Jesse and became acquainted with him.

He asked me to take part in that campaign and gave me the responsibility at the age of 19 of being cochairman of the campaign in Fresno County, and later Jesse asked me to be a delegate to that tumultuous convention in Chicago, which I accepted.

I guess we young Democrats at that time did not have many role models in California. We had a President who was running a war in Vietnam that we opposed. We had a Republican Governor, Ronald Reagan, who defeated Pat Brown. Jesse was really the only person we had to look up to. He was not the mediagenic person, but he had great principle and he had great power. I think the first thing I ever learned about political power, and its use, was from Jesse Unruh. I remember a reporter telling me that Jesse had power, and I asked, what do you mean. The reporter said, if you need a busload of people on the corner of 19th and West Streets in Los Angeles for precinct work and you need it in 2 hours, Jesse will see that it gets there.

I stayed in touch with Jesse after that and helped him in his campaign for Governor in 1970 and later when I ran for office he returned the favors in our relationship and supported me in my first run for the assembly and numerous times after that. He was a great counselor to me over my years in the legislature. I remember a few times, that I would put in a bill that was in some infinitesimal way impinging on the powers and prerogatives of the treasurer's office, and I would get that phone call from him with that booming voice and he would come back real gentle remembering the bond that we had from the years in the 1960's, and we would work it all out.

I do not think that anyone can really express what Robert Kennedy's assassination did to Jesse Unruh. He was very close to the Kennedy family, had really run Jack Kennedy's campaign in California in 1960, and was probably the single most important person in getting Robert Kennedy to run for President in 1968. He was a leader of that campaign in California, and was with Senator Kennedy when Senator Kennedy died that night in Los Angeles.

I think it forever left a deep wound and a scar on him which he carried around and I think certainly changed the nature of life and ultimately where he went politically.

Jesse Unruh revolutionized the State legislature in California, as my colleague from Los Angeles, Mr. Levine, mentioned. He made it a first-class institution. That had an effect not only of changing the situation in California but I think that gave great dignity and respect to other State legislatures across this Nation who followed on California's lead in its model created.

I think he upgraded the whole system of State legislatures in this country, made them more professional, made them less dependent on special interests, and made them the power centers that they are.

As Willi Brown, our current speaker of the assembly, stated in the memorial service we had in Sacramento a couple of weeks ago, he created the speakership as an institution in California. I thought that was the greatest tribute he could have paid on that occasion, to have the 81st desk seated on the floor of the house in memory of Jesse with his name on it, never to be occupied by anyone, but just as a reminder of the person who made this institution what it is today and of what people can do when they set their minds to it.

Jesse Unruh did the same thing with the office of treasurer, making it the institution that it is in California, with the subsequent effect across the country of making State treasurers important people and making the investment policies of the State on much sounder footing, and again opening up the process so people understood where their money was going.

Jesse was a poor child in his youth. He was born in Kansas, the son of a sharecropper. He worked in the fields of west Texas picking cotton where he learned to love country music, which was another thing I shared with him later on as we would often sing a few songs together late at night.

Jesse Unruh came to California with only $5 in his pocket. He went to the University of Southern California, and formed Young Democrats, he met people we know today, such as Frank Mankewicz, and formed the nucleus of what became the Democratic organization in Los Angeles.

The one statement I could say that is most true about Jesse is that through everything he did in life, amassing great power, doing great things, being in the headlines, being at the center of activity nationally and statewide, is that he always remembered down inside who he was, that was, the son of a poor Kansas sharecropper who had to work his way through life and he never forgot those kinds of people and he never forgot who he was and where he came from in that process.

His loss is a great personal one for me and for Patti as well, and I want to extend my personal condolences on the floor as I have in person already to his wife Chris, and his children. He is going to be remembered as long as there are Rick Lehmans and Vic Fazios and Mel Levines and Merv Dymallys, and I could go on with the people he greatly influenced. We loved him very much and we are going to miss him.

Mr. FAZIO. Mr. Speaker, I thank the gentleman for his eloquent remarks. For all of us Jesse Unruh is sort of at the center of that tumultuous year of 1968 with the assassination of Martin Luther King and then Robert Kennedy seemingly the time clock being stopped for all of us in political terms.

☐ 1600

Yet everyone, including most importantly Jesse Unruh, went on from that traumatic experience and had an almost new career in the executive branch of Government.

I am sure all of us appreciate very much the personal recollections of the gentleman and his time.

Mr. Speaker, there is another individual here who was part and parcel of the Unruh organization. That was an impressive entity. This is a gentleman who served with him in the State assembly, went on to the State senate and then to Lieutenant Governor of California before coming to Congress, the Honorable Mervyn Dymally of Los Angeles.

Mr. DYMALLY. I thank the gentleman for yielding, my friend, Vic Fazio for putting together this memorial observation of our friend Jesse Unruh.

During the memorial service in Los Angeles I remarked that the night of his death I was thinking about him. Once every 6 months or so I would write him a little note or call him and chat with him. The last time I called him he gave me a long lecture in loyalty. Speaker Brown had a candidate, I had a candidate who was an old friend of Jesse and I said, "Jesse, you know, you have been with us through thick and thin." He said, "Look, every time a measure comes up in the assembly and I call the speaker and he responds to me;" "Merv, you know what loyalty is all about." And I said, "Yes." And I stopped the conversation there.

But Jesse was looked upon by some people as very tough, a big daddy of politics. But really he was a very gentle, mild man. Those of us who knew him personally knew that he had a heart of gold.

Lou Cannon wrote a book "Unruh and Reagan." I wrote Lou and I said,

> Lou, you missed one most important element about Unruh. The people whom he represented and the people from whom he came. He was a poor rural boy who grew up in Texas, who ended up representing poor urban blacks. That combination changed his whole political philosophy. He knew what discrimination was, racially, he knew what poverty was. He was put in his seat as a senator to represent people who had been discriminated against and people who were poor. Those constituents

I said to Lou Cannon,

> Gave Jesse Unruh the strength he needed to do some of the things he did.

If he was in a marginal district, people would be raising constantly questions about his politics. But I am a product of Jesse Unruh. There are two men in California who have influenced my political career. Influenced? Who made me. One, of course, is my mentor, Gus Hawkins, chairman of the Committee on Education and Labor and the other one is Jesse Unruh.

Steve Smith, who was Jesse Unruh's left or right hand man came to me one day at a club meeting and said, "Why are you opposed to Unruh?" I said, "Isn't that the fashionable thing to do around here?" He said, "Do you know him?" I said, "No." He said, "Would you like to meet him?" That was during the 1960 campaign.

From that meeting grew a friendship. I got a long lecture about Poli-Sci

101 from Jesse Unruh. I ended up in the Kennedy campaign.

When I ran it was Jesse Unruh who was there even though he did not think that I could win. But out of loyalty and out of the fact that he thought I was bold and brave and dashing, he supported me.

He used to refer to me affectionately as the best street politician he knew. I was never offended by the description. I was always flattered by it.

But we kept a very close working relationship. Often times we would disagree. In fact, I was a Humphrey supporter in 1968. I do not need to tell you that we did not talk to each other in Chicago because he was supporting Kennedy and he had this lingering sorrow that he took with him to Chicago.

But he was a most pragmatic person, loyal as the day is long.

I proved my friendship with Jesse when he ran for mayor. It was not easy. He never forgot that in the face of tremendous criticism from my constituents and friends I stood up there and I said, "When I needed Jesse Unruh he was there."

I recall after I won the nomination in 1962, I mean I was without a job for about 6 months, my house was in foreclosure. I went to Jesse and I said if I had not won this campaign I did not know what I was going to do. He said to me,

> You never have to worry again, because if you just watch your manners and be careful about your politics, all of these problems would be gone.

Over the years he has been a very dear friend, a very generous man.

He has helped the growth of black politics in Los Angeles. HAWKINS and Unruh in the sixties really gave strength and gave rise to black politics.

Some of them are on the bench today. Bill Green in the senate, Leon Ralph in the assembly, just to name a few whom he supported when they ran for public office.

More than that he was willing to help, he was generous with newcomers on the scene. A great deal of credit has to be given to him for the stability of the political system in the black community. He is going to be missed. I really did not expect his passing; I was thinking about writing him and hopefully when I went home I would go to chat with him, as I usually do.

But he made his mark in California politics, there is no question about it. He will be long remembered there. There will be no replacement.

To Virginia, his wife, whom I knew when I first went to Los Angeles, to his children and his recent widow, I extend my very deep, deep and heartfelt sympathy from my wife, Alice, my son, Mark and Lynn whom he loved. I really, really am going to miss Jesse Unruh.

To my friend, "VIC" I want to thank you for putting this together in order to pay tribute to this great human being.

Mr. FAZIO. I thank my colleague for his comments and very much appreciate it.

I now yield to another good friend of Jesse Unruh, the Honorable JULIAN DIXON of Los Angeles.

Mr. DIXON. I thank the gentleman from California for yielding.

I am sure that I cannot add anything to the life of Jesse Unruh, for many of the Members here knew him better than I did. But he did impact my life both in a political way and in a substantive way. More importantly, he impacted California in a political way. He added to our legislative process to the point that California has been recognized as probably the most progressive and aggressive State legislative body, in a procedural manner.

But he will probably be best remembered for his substantive approach and his sensitivity for minorities. He has been a person who has always been in the vanguard of creativity as it related to legislation. When he took over the office of treasurer of the State of California I think he brought innovative ideas for investments and he organized this country as it related to investments and even had a social impact in that process.

He was truly a gentleman. We will miss him.

Mr. DIXON. Mr. Speaker, it is with deep sadness that I join my colleagues in the House to mourn the passing of one of California's political giants, Jesse Marvin Unruh. Recognized as a man of great influence and many accomplishments, Jesse Unruh left his mark on California government.

Raised in economic deprivation, Mr. Unruh was an American success story, a self-made man who in his capacity as assembly speaker and State treasurer worked to improve the quality of life for the average Californian. Elected to the California State Assembly in 1954, he quickly gained respect within the legislature for his political expertise. In 1961, he was elected California Assembly speaker, a position he held until 1968. Under his tenure, major pieces of legislation were enacted, including the Unruh Civil Rights Act prohibiting racial discrimination in businesses servicing the general public, and the Collier-Unruh Act authorizing property tax diversions to build rapid transit systems. Other significant bills led to the prohibition of employer discrimination on the basis of age, the increase of State funding for education and recreation, and the creation of the California Commission on the Arts.

In 1970, Mr. Unruh left the Assembly to pursue an ultimately unsuccessful bid for Governor. In 1974, he was elected to the position of State treasurer, a then obscure office which, before his death, he elevated into an immensely powerful post with influence over billions of dollars of State investments. Under his direction, the office turned a profit for the State, through the aggressive investment of billions of dollars of idle State funds.

It is without a doubt that the energetic efforts of Jesse Unruh have benefited many, and will continue to assist countless others in the future. The recent passing of the State treasurer is a great loss to the Government, and to the people of California.

Mr. FAZIO. I thank my colleague for his comments and I yield to the gentleman from Monterey, LEON PANETTA.

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Speaker, I want to join with our colleagues from California in paying tribute to Jesse Unruh.

Jessu Unruh is one of those rare individuals who we can truly say was a giant in California history, along with people like Hiram Johnson and Earl Warren, Pat Brown, Tom Kuchel, someone who I was able to work with; these are people who I think go down in history in the State of California as people committed to a progressive platform and committed to making government work for the people.

That is essentially what Jesse Unruh did. He got into the legislature, he made it a model for the country, he made it something that other States looked toward on how to make the legislative branch an effective operation on behalf of the people. When he became treasurer and in his other activities he was always committed to getting things done for people.

For that reason we are going to miss him, because in a sense I think his death marks the end of an era in California politics. But hopefully we can draw from that experience and remember what he was about and the principles for which he stood and in so doing perhaps continue his memory. That probably is what Jesse would have wanted most of all, that we take those principles and continue to work with them, continue to make sure that the purpose of government is to serve the interests of the people.

Mr. Speaker, I thank the gentleman for arranging for this special order.

Mr. Speaker, I want to join my colleagues from California in paying tribute to one of our State's great political figures of recent decades—Jesse Unruh. His recent death was a blow not only to those of us who had the privilege of knowing him but also to the entire State of California, which benefited enormously from his long career of public service.

Jesse Unruh was a man who got things done for the people of California. As speaker of the assembly and as State treasurer, he had the vital skill of knocking down political and bureaucratic roadblocks to accomplish the goals he sought on behalf of the public good, whether it was creating key social programs at the State level or improving management of the State's funds to improve the State's financial condition.

Because of his numerous accomplishments and his unique personality, Jesse Unruh was a gigantic figure on the California political landscape. His death is, in a sense, the end of an era in California politics. He will be greatly missed, and I know my colleagues here in Congress join me and the rest of the California delegation in mourning his passing.

Mr. FAZIO. I thank the gentleman for his comments.

Mr. Speaker, I think it is fair to say that almost half of the members of the California delegation at one time or another served in Sacramento. I know many of them will have remarks submitted for the RECORD.

At this point I know Congressmen DON EDWARDS, NORM MINETA, RON DELLUMS, and ED ROYBAL will all have remarks which will appear in the RECORD and I am sure many others will take leave to submit their remarks over the next several days.

Mr. ROYBAL. Mr. Speaker, I join my colleagues today in honoring the memory of a great California State politician, Mr. Jesse M. Unruh. Jesse served the State of California first as a State assemblyman, elected in 1954 and made speaker of the assembly in 1961, and then as State treasurer serving four consecutive terms since 1974.

As State treasurer, Jesse developed the office into a powerful presence in California State politics. He was a strong leader and a man who won the respect of all those he worked with. I know that my colleagues from California and those from around the Nation who also knew him, will miss Jesse and remember him as a man who exemplified political strength and personal ingenuity.

I extend to his family my deepest sympathy in their time of sorrow.

Mr. DELLUMS. Mr. Speaker, last month we were all saddened to learn of the passing of Jesse Unruh, one of the legends in California's political history.

As speaker of the California State Assembly, Jess elevated the office to one of considerable importance, rivaled only by that of the Governor. Many complained that he was a "boss" in the old "Eastern style" of politics. Most of the complainants, more often than not, disagreed with Jesse's strong commitments to racial and economic justice.

Many of us will remember his unyielding advocacy of the legislation that led to the passage of the Unruh Civil Rights Act in 1959. Many of us remember his unyielding strength in the face of then Gov. Ronald Reagan's determination to reduce and eliminate vital social programs.

Always a man committed to public service, Jesse felt compelled to challenge the Reagan policies by running against him for Governor in 1970. I am confident that his closest political advisers counseled him against this political course; they surely counseled him of his certain reelection to the assembly and to his leadership position and the guarantees that accompanied those that he would maintain his personal political power. Instead, this giant of a man chose to risk all for the chance to do more for the many.

His dedication to public service then led him to seek and achieve the office of treasurer of the State of California in 1974. In this position he achieved national stature as a skilled financier, administrator, and protector of those who rely upon the State for its sound investments.

His untimely death has closed a colorful chapter in California politics, and has removed from the scene a man of great compassion, humanity, and political vision. He will be missed—greatly.

Mr. MINETA. Mr. Speaker, I would like to ask you and my distinguished colleagues in the House of Representatives to join me in tribute to the memory of Jesse Unruh. The fabled "Big Daddy" of California politics, Jesse Unruh served four terms as State treasurer and was the distinguished speaker of the California State Assembly longer than anyone else in California history.

Jesse was a powerful speaker who used his able talents to promote sorely needed legislation such as the Unruh Civil Rights Act. This legislation, quite likely his most enduring memorial, bans racial, religious, and sexual discrimination by California businesses, and represents his undying commitment to the rights of the individual.

Jesse Unruh was born in 1922 the son of German Mennonite parents who were forced to become sharecroppers in Texas after their Kansas farm failed. The top male student in his high school graduating class, Unruh went on to college for a short time before deciding to try his luck in California. This initial foray was interrupted by World War II, during which he served in the U.S. Navy in Texas and in the Aleutian Islands. After the war he enrolled at the University of Southern California where Jesse Unruh, the politician, made his first appearance.

In 1954 Jesse won an assembly seat in Los Angeles. At age 33 he became the youngest Democrat in the California State Assembly. Unruh quickly rose to prominence in the assembly, first becoming chairman of the Finance and Insurance Committee in 1957 and then in 1958 by rising to the chairmanship of the powerful Ways and Means Committee. He ultimately became speaker of the assembly in 1961, a position he held until 1969. In 1974 he was elected State treasurer, a post which he held until his untimely death in July of this year.

Mr. Speaker, when a State loses an influential and dedicated public servant such as Jesse Unruh, a large void is created that is not easily filled. The disappearance of Jesse Unruh from the political scene in California will have a significant effect on the State for a long time to come, just as his presence in the political arena influenced California politics for decades. His drive, his concern, his wit and his unparalleled ability to get things done will be sorely missed by all who worked with him.

Mr. SPEAKER, I rise and ask you and the other Members of this distinguished body to join me in saluting the memory of Jesse Unruh and extending to his wife and family our heartfelt sympathies.

Mr. EDWARDS of California. Mr. Speaker, I'm pleased to join my colleagues in paying tribute to one of the true giants of California politics, Jesse Unruh. While it is rare to hold a special order for one who never served as a Member of this body, it is a sign of Jesse's far reaching impact on the political scene that so many of our colleagues asked that we arrange for this time.

As a member of the California Legislature, as the speaker of the assembly, as the State treasurer, and as a key player in national politics, Jesse compiled an unparalleled record of achievement.

Listen to the San Jose Mercury News in its tribute to Jesse:

> He was "in an age of packaged, pampered and polished politicians, bracingly raw and real. His visage was jowly and brooding; his language, tart and colorful; his intellect, keen and innovative; his appetite for power insatiable and unconcealed."

In all the tributes to Jesse, his enthusiasm for the consolidation and exercise of political power is always mentioned. As the Los Angeles Times expressed it—

> Jesse M. Unruh's name seldom appeared in print far from the word powerful; it suited well his politics, his physique and his personality.

Make no doubt about it—Jesse was not afraid of power; in fact he avidly sought it. He loved it!

As speaker of the California Assembly, he made that post second only to that of the Governor in the power it commanded. And to what ends did Jesse exercise that power? Always, it was to be the voice of the powerless in our society.

Perhaps his most significant and enduring accomplishment is the Unruh Civil Rights Act, which bans discrimination on the basis of race, color, or creed in business activities. He spearheaded the successful efforts to enact legislation to ban age discrimination, to expand funding for education and recreation, to advance consumer protection, election reform, public transit—the list goes on and on.

As treasurer, Jesse built a coalition of other public finance managers that with its $200 billion in assets was able to secure the best deals on public investments on Wall Street. No less than the Chairman of the Securities and Exchange Commission termed this as "the most important development in investor representation since the creation of the SEC half a century ago."

Who benefited from this use of power? Again, it was the less powerful—small investors and taxpayers.

It's hard to imagine California politics without Jesse Unruh. We will miss him in countless ways. But, although he is no longer with us, his legacy will live on in his remarkable record of legislative achievement, in his imprint on the very institution of the California Legislature, and in the efforts of so many of our State's finest public officials—a number of whom I am privileged to call my colleagues—for whom he was a mentor.

Mr. BATES. Mr. Speaker, I was deeply saddened when I learned of Jesse Unruh's passing away. Jesse, born in Newton, KS, to a sharecropper family, served in World War II, earned a master's degree from the University of Southern California, and was elected to the California State Assembly in 1954. He served as speaker from 1962 to 1969. From 1974 to the present, he was the State of California's treasurer.

Jesse served California well during his tenure in public service. His many legacies included his efforts to speak out on behalf of the poor and the powerless in California. I will always remember Jesse for his leadership in enacting the Unruh Civil Rights Act of 1959, which predated the national civil rights laws by 5 years.

Jesse will be sorely missed by his family, his colleagues, and by the people of the State of California.

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### GENERAL LEAVE

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

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☐ 1610

### WORKER NOTIFICATION: IT'S BEEN DONE AND IT WORKS

The SPEAKER pro tempore. (Mr. OWENS of New York). Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, when the American Cancer Society endorsed the passage of H.R. 162, the High Risk Occupational Disease Notification and Prevention Act of 1987, it suggested that this Nation was losing the war on cancer because we had not yet found a cure for the disease.

Instead, the Cancer Society said that prevention of cancer, especially occupationally related cancers, was the best means of achieving the goal.

A lot of people agree that we are losing the war against cancer, even after we have spent billions and billions of dollars seeking cures.

One of those people is Dr. Samuel S. Epstein. In 1978, almost 10 years ago, Dr. Epstein wrote his now famous "The Politics of Cancer." In the chapter on occupational hazards, Dr. Epstein cited example after example of known carcinogenic substances that were directly related to death and disability among American workers.

Earlier this year, in an address at the National Safety and Health Conference of the International Association of Machinists, Dr. Epstein updated his 1978 book.

Unfortunately, his conclusion hasn't changed—this Nation is still allowing too many American workers to die or become disabled due to illnesses related to exposures to toxic chemicals and other substances in the workplace.

According to Dr. Epstein, cancer is now the only major killing disease in the industrialized world whose rates are sharply rising.

Dr. Epstein notes that last year there were more than 900,000 new cases of cancer and some 450,000 deaths in the United States. Based on projections that occupational cancers reflect between 4 and 38 percent of all cancers, no fewer than 40,000 new cases of cancer each year are occupationally induced and no fewer than 18,000 cancer deaths stem from the workplace.

There will be some people who will point to these numbers as being rather small, noting that more people die in automobile accidents each year or that cigarettes probably kill more people.

But that is not the issue. And, if it is your father or mother, or a brother or sister, or a grandparent who has been retired for several years, you care. You know what the loss to you and your family is.

While it is tragic that these American workers are dying or, even worse, being confined to wheelchairs because they can no longer function, the real tragedy is that these diseases may have been prevented—if only the persons who were exposed to the hazard knew about it and were able to take some precaution.

That is what H.R. 162 is all about. This bill is not aimed at telling workers that they are handling a hazardous substance. The hazard communication standard—basically a labeling and training program—does that.

H.R. 162 tells workers that they have already been exposed to the substance. The precautionary aspect of the hazard communication system isn't going to help the exposed worker—it's too little, too late.

H.R. 162 is necessary because it deals with those workers who are at risk, not because they might be exposed, but just the opposite; they have been exposed to any one of a number of substances that are already known to cause cancer and respiratory and cardiovascular diseases that result in death or disability.

H.R. 162 goes the next step. It advises—it does not require or mandate—that the exposed employee, the person who is at high risk of the disease, enter into a program of medical monitoring and health counseling.

We know that medical monitoring will not prevent the disease. But, we do know that through medical monitoring we have an opportunity to detect certain diseases early enough so as to intervene medically, both to save lives and to preserve the quality of those lives.

And again if it's your husband or wife, or your mother or father, or your sister or brother, or your child, wouldn't you want them to have that opportunity?

Dr. Epstein says:

> Occupational exposure to industrial carcinogens has clearly emerged as a major risk factor for cancer. The National Institute for Occupational Safety and Health [NIOSH] estimates that some 10 million workers are now exposed to 11 high volume carcinogens. Five to ten fold increases in cancer rates have been demonstrated in some occupations.

Those increases are reflected in data submitted in 1978 by a blue-ribbon Government commission that on the basis of available exposure data—in 1978—up to 38 percent of all cancers in coming decades would reflect past and continuing exposures to just six high volume occupational carcinogens. And that data was confirmed in a confidential report to the American Industrial Health Council by two members of the University of Texas School of Public Health.

And that brings us back to H.R. 162. The thrust of this bill is first, to identify those populations for workers who are at high risk under the definitions and procedures provided for in the legislation.

Epidemiologists and industrial hygienists have developed accurate and reproducible methods for identifying and assessing health risks for groups of workers. A lot of information is already in hand because of the work done by NIOSH.

Second, the bill calls for those workers at risk to be notified of their risks and given an opportunity to enter into the medical monitoring and health counseling programs I spoke of earlier.

There are those who claim that we need more study on the topic of notification: The benefits to be gained from notification, the procedures for actually notifying workers, and so forth.

These people say that we don't have enough information about the notification procedures as we should have.

I have a single word of response: bunk.

I don't know where these people have been, but I can only assume that for their own purposes they have closed their eyes and ears to the evidence that exists.

Within the past decade, a number of notification programs have been developed as pilot programs. In some cases, NIOSH has been the agency of record. In some cases, labor organizations have been the developers of the programs with NIOSH assistance. And, in some cases, labor and industry have cooperated with assistance from NIOSH and State local public health organizations and university schools of public health.

In 1981, a notification project in Augusta, GA, identified 1,385 individuals who were at high risk of bladder cancer because of workplace exposure to the chemical, betanaphthylamine—better and more easily known as BNA—during the period 1949 to 1972.

NIOSH sent letters individually notifying workers of their risk status and encouraging them to obtain medical advice and to learn the warning signs of bladder cancer. NIOSH also established a medical screening program in collaboration with the local health department, community groups, and a local medical college.

The project was able to locate and notify 849 of 1,100 surviving workers, including more than 200 who had moved and had to be tracked through a variety of means.

Of those notified, 88 percent participated in the bladder cancer screening and education program. There were 15 confirmed cases of bladder cancer—5 through the screening program—and 22 instances where screening results placed workers in a special risk category for future monitoring.

In a second pilot notification program begun in early 1980, the National Cancer Institute funded a notification program by the Pattern Makers League of North America and the Worker's Institute for Safety and Health after three independent studies indicated that pattern makers in the automobile and agricultural equipment industries had a double risk of mortality from colon and rectal cancers.

The project initially involved 12,000 present and former workers in 700 different workplaces in 27 States and 3 Canadian Provinces. Because of the downturn in the auto industry during 1980 and early 1981, the program was deferred until 1981. By that time, only about 5,000 of the original 12,000 subjects were considered eligible for the program.

Some 4,500 members of the Pattern Makers League participated in the program through which tests for colon and rectal cancer were provided through the employer in some cases, and through union-organized clinics in others. Clinic programs were paid for through employer-union insurance funds as a contract negotiated item.

A third notification program involved asbestos workers in a Port Alleghany, PA, Plant who were identified as being at high risk of lung cancer from their exposures.

The Port Alleghany project was initiated by NIOSH in 1980 and was operated by the Worker's Institute and the Mount Sinai School of Medicine in New York. It identified some 1,200 workers who had been exposed to asbestos between 1964 and 1972.

The project actually notified 854 of the 1,086 surviving workers, including 257 who had moved away from the area. Of those notified, 594—70 percent—participated in the medical screening program.

With a latency period of at least 20 years, the earliest cases of lung cancer are just beginning to be detected through the screening program.

In addition to the three successful pilot programs, the Federal Government is in a position to expand its own notification program significantly. NIOSH has the names and locations of some 250 workplaces around the country where as many as 250,000 current and former workers face increased risk of diseases such as cancer, respiratory failure, cardiovascular collapse, and reproductive failure because of exposures to a variety of toxic substances. The specific data was obtained by NIOSH from 66 mortality studies conducted over a period of years ending in 1982.

In an expansion of that work, NIOSH identified three categories of workers who might be eligible for notification, even though that was not an aim of the studies. The three categories are:

Group A—86 worksites, 110,005 workers—studies in which participants could gain direct medical/health benefits from notification;

Group B—136 worksites, 137,967 workers—studies in which participants are potentially at high risk and should be notified, but there are no effective medical intervention methods;

Group C—27 worksites, 6,508 workers—studies in which individual participant notification would stimulate improvements in working conditions.

Since 1982, NIOSH has conducted 24 additional mortality studies, most of which would fall into 1 of the 3 categories.

In 1983, NIOSH drafted a proposal for a pilot worker notification project aimed at notifying about 25,000 workers of their individual risks of certain diseases. The targets of this proposed notification program were: 8,000 workers at 4 sites in the beryllium industry who were found to have excess rates of lung cancer, heart disease, and respiratory disease; 10,000 chemical workers at 6 locations whose exposure to bis-chloromethyl ether placed them at excess risk of lung cancer; 2,300 workers at 4 locations who were exposed to benzidine and betanaphthaylamine; 321 oil shale workers who showed a statistically significant risk of keratosis; 5,000 uranium miners and millers at 300 sites who were at increased risk of lung cancer and other diseases.

But NIOSH didn't do the notification programs. They wanted to, but the requests for funds were turned down.

In 1984, NIOSH submitted a budget request for $1.3 million to be included in the 1985 budget request to do the notifications. The request was stripped from the budget from the Centers for Disease Control, a part of the Department of Health and Human Services.

NIOSH made another request for funds in the 1986 fiscal year budget, but that, too, was rejected as not having a high enough priority.

A third request was submitted for the 1987 fiscal year budget. It, too, was rejected.

Notification and medical monitoring is feasible. Despite the words of opponents of the bill, it can be done within the $25 million annual authorizations. Even NIOSH says the funding is adequate to operate the program successfully.

NIOSH should know. It's not the agency's fault that it hasn't notified those workers it has already identified.

The questions for those who oppose this bill are as follows:

How many more families will be torn apart because one of the earners is either deceased or, even worse, so crippled by occupational disease that they can't work?

How many more children will suffer because of the loss of a parent?

According to a 1984 study by the Department of Labor, Federal spending for victims of all occupational diseases totaled $5.4 billion—$2.2 billion for Social Security disability income, $800 million for supplemental security income, $1.3 billion for Medicaid, and $1.1 billion for Medicare.

Yet, even as staggering as these amounts are, they must be considered crude and partial. These figures do not include medical and wage-loss costs for workers whose occupational illnesses have not yet resulted in death.

These figures do not include tax losses to State and Federal governments, State workers' compensation and unemployment insurance costs, and employer payments for sick leave, insurance premiums, and recruitment and training costs for replacement workers.

And, as I have already mentioned, the pain and suffering faced by every family that has lost a father or mother, a brother or sister, or a husband or wife to an occupational disease that might have been prevented.

And the prevention of these deaths and disablements that evolve from exposures to toxic substances is the third part of the program embodied by H.R. 162.

Despite the arguments to the contrary, H.R. 162 is not a compensation bill. It does not extend any new rights to workers. It does not add any new requirements for them to meet. It is neutral.

It does not permit the use of the notification, the notification process, or the fact that a worker has been advised to enter into a medical monitoring program as a basis for a claim or as evidence in any such claim.

We are trying to prevent diseases that can be prevented. We are trying to eliminate the suffering by people who have lost a family member unnecessarily or every day see a family member who is confined to a wheelchair or a bed, just waiting for the inevitable.

H.R. 162 is a cost-effective program. It is a workable program whose feasibility has been proven.

But, most important, it is a compassionate program—whose time is long overdue.

□ 1640

## VIETNAM WAR MIA'S, POW'S DESERVE HONOR, RECOGNITION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Coyne] is recognized for 5 minutes.

Mr. COYNE. Mr. Speaker, for many Americans the war in Vietnam remains a painfully powerful memory more than a decade after the end of United States involvement there. Those still suffering are the mothers and the fathers, the brothers and sisters, and wives and children of the servicemen still missing in action throughout Southeast Asia.

Approximately 2,400 United States servicemen remain unaccounted for in that region, most of them in Vietnam. There are 119 on that list from Pennsylvania. Only three States have more MIA's than Pennsylvania.

Sadly, American efforts over the past 14 years to fully, and finally, resolve this issue have been frequently hampered by the Vietnamese Government. The Communist leaders of Vietnam have sought to wring political and economic concessions from the United States in exchange for simple humanitarian cooperation.

Three successive United States Presidents have rejected attempts by Vietnam to trade information on MIA's for economic aid and have insisted on a full accounting of those United States servicemen listed as missing in action. This policy should be continued.

After a yearlong lull in negotiations and cooperation with Vietnam, recent events suggest a new breakthrough may be made on the MIA issue. The latest Presidential envoy, retired U.S. Army Gen. John W. Vessey, Jr., a former Chairman of the Joint Chiefs of Staff, succeeded in extracting a promise from Vietnamese leaders to accelerate their efforts toward providing a full, final accounting for servicemen listed as missing in action in that country. This promise came without any official quid pro quo on the part of the U.S. Government.

I am pleased to have been able to join my colleagues in Congress in honoring both those missing in action and their families and friends by approving a special day of recognition. As we prepare to salute the MIA's on September 16, the recently completed mission of General Vessey is yet another reminder of the valor and courage of those left behind. I especially want to pay tribute to the families and friends of those still unaccounted for in Vietnam, Cambodia, and Laos—as well as those families of servicemen missing in action from World War II and the Korean war—for their resoluteness of spirit and their sacrifices in their quest for a final resolution of this painful ordeal.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. Lloyd (at the request of Mr. Foley), for today, on account of illness.

Mrs. Collins (at the request of Mr. Foley), for today and the balance of the week, on account of illness in the family.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Gekas) to revise and extend their remarks and include extraneous material:)

Mr. Houghton, for 5 minutes, today.

Mr. Livingston, for 5 minutes, on September 16.

Mr. Gekas, for 5 minutes, today.

Mr. Kemp, for 60 minutes, on September 16.

(The following Members (at the request of Mr. Bustamante) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. AuCoin, for 5 minutes, today.

Mr. Kleczka, for 5 minutes, today.

Mr. McMillen of Maryland, for 5 minutes, today.

Mr. Cardin, for 60 minutes, today.

Mr. Jontz, for 60 minutes, today.

Mr. Conyers, for 60 minutes, on September 17.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. Frank, for 5 minutes, today.

(The following Member (at the request of Mr. Gaydos) to revise and extend his remarks and include extraneous material:)

Mr. Coyne, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Gekas) and to include extraneous matter:)

Mrs. Morella.

Mr. Bereuter.

Ms. Snowe.

Mr. Lewis of California.

Mr. Dornan of California in two instances.

Mr. Lagomarsino in four instances.

Mr. Solomon in two instances.

Mr. Grandy.

Mr. Lott.

Mr. Courter in two instances.

Mr. Sundquist in two instances.

Mr. McEwen in two instances.

(The following Members (at the request of Mr. Bustamante) and to include extraneous matter:)

Mr. Montgomery.

Mr. Yatron, in two instances.

Mr. Coleman of Texas.

Mr. Mfume.

Mr. Rangel.

Mr. McMillen of Maryland.

Mr. Traficant in two instances.

Mr. Miller of California in three instances.

Mr. Roe.

Mr. Donnelly.

Mr. Gray of Pennsylvania.

Mr. Downey of New York.

Mr. Borski.

Mr. Florio in two instances.

Mr. Montgomery.

Mr. Berman.

Mr. Stark in two instances.

Mr. Nichols.

Mr. Jenkins.

Mr. Grant.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1628. An act to extend the Aviation Insurance Program for 5 years; to the Committee on Public Works and Transportation.

S. 1667. An act to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes; to the Committee on Science, Space, and Technology.

## ADJOURNMENT

Mr. GAYDOS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 47 minutes p.m.), the House adjourned until tomorrow, Wednesday, September 16, 1987, at 10 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2085. A letter from the Assistant Attorney General (Civil Rights Division), transmitting the Interagency Coordinating Council's 1987 annual report on its activities, pursuant to 29 U.S.C. 794c; to the Committee on Education and Labor.

2086. A letter from the Assistant Secretary of State (International Narcotics Matters), transmitting the Department's midyear update on the annual international narcotics control strategy report, pursuant to 22 U.S.C. 2291(e)(6), Foreign Assistance Act of 1961; to the Committee on Foreign Affairs.

2087. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions by Deane R. Hinton, of Illinois, and Richard C. Howland, of Maryland, Ambassador-designates and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2088. A letter from the Assistant Secretary of State for legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions for David H. Shinn, of Washington, Ambassador-designate and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2089. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions for Robert Maxwell Pringle, of Virginia, Ambassador-designate and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2090. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions for Bill K. Perrin, of Texas, Ambassador-designate and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2091. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions for Milton Frank, of California, Ambassador-designate and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2092. A letter from the Chairman of the Board, U.S. Institute of Peace, transmitting the institute's first biennial report, pursuant to 22 U.S.C. 4611; to the Committee on Foreign Affairs.

2093. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued or released by GAO in August 1987 along with a cumulative list of the preceding 12 months, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

2094. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the Commission's proposed new records system on drug screening, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2095. A letter from the Attorney General, Department of Justice, transmitting the second annual report on the activities of the Department concerning enforcement of the Controlled substance Registrant Protection Act of 1984, pursuant to Public Law 98-305, section 4; to the Committee on the Judiciary.

2096. A letter from the Comptroller General, General Accounting Office, transmitting a report and recommendation to the Congress concerning the claim of Mr. Samuel R. Newman to be relieved of liability for repayment in travel expenses that were erroneously paid to him by the Federal Aviation Administration, pursuant to 31 U.S.C. 3702(d); to the Committee on Judiciary.

2097. A letter from the Secretary of Health and Human Services, transmitting the Department's report, "Paying Physicians—Choices for Medicare," pursuant to 42 U.S.C. 1395 ww note; to the Committee on Ways and Means,

2098. A letter from the Secretary of Health and Human Services, transmitting the Department's final report on air to families with dependent children [AFDC] homemaker/home health aide demonstration, pursuant to 42 U.S.C. 632a; jointly to the Committees on Ways and Means and Energy and Commerce.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1720. A bill to replace the existing AFDC program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives, with an amendment (Rept. 100-159, pt 3). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GLICKMAN (for himself, Mr. Conyers, Mr. Fauntroy, Mr. Petri, Mr. Dornan of California, Mr. Edwards of California, Mr. Smith of Florida, Mr. Kleczka, Mr. Wortley, Mr. Davis of Illinois, Mr. Kildee, Mr. Lehman of Florida, Mr. Mrazek, Mr. Fawell, Mr. Berman, Mr. Hyde, Mr. Cardin, Mr. Bryant, Ms. Kaptur, and Mrs. Kennelly):

H.R. 3258. A bill to amend chapter 13 of title 18, United States Code, to impose criminal penalties for damage to religious property and for obstruction of persons in the free exercise of religious beliefs; to the Committee on the Judiciary.

By Mr. BUSTAMANTE:

H.R. 3259. A bill to amend the Public Health Service Act with respect to programs relating to the prevention of diabetes and related complications; to the Committee on Energy and Commerce.

By Mr. DAUB (for himself, Mr. Dorgan of North Dakota, and Mr. Grandy):

H.R. 3260. A bill to amend the Internal Revenue Code of 1986 with respect to date of inclusion into gross income when a commodity credit loan is paid with a commodity certificate; to the Committee on Ways and Means.

By Mr. DAVIS of Michigan (by request):

H.R. 3261. A bill to implement the provisions of annex V to the International Convention for the Prevention of Pollution from Ships; to the Committee on Merchant Marine and Fisheries.

By Mr. DORNAN of California:

H.R. 3262. A bill to make ineligible for Federal financial assistance any educational institution that performs abortions not necessary to prevent the death of women; provides, directly or indirectly, counseling or referral services regarding the availability of abortion as a means to terminate pregnancy; or advocates the use of abortion as a means to terminate pregnancy; to the Committee on Education and Labor.

H.R. 3263. A bill to make ineligible for Federal financial assistance any educational institution that performs abortions not necessary to prevent the death of women; provides directly or indirectly, counseling or referral services regarding the availability of abortion as a means to terminate pregnancy; or advocates the use of abortion as a means to terminate pregnancy; to the Committee on Education and Labor.

H.R. 3264. A bill to amend title 18, United States Code, to prohibit certain conduct relating to surrogate motherhood; to the Committee on the Judiciary.

By Mr. FORD of Tennessee:

H.R. 3265. A bill to amend the Urban Mass Transportation Act of 1964 relating to treatment of visually and mentally handicapped individuals; to the Committee on Public Works and Transportation.

By Mr. GRANDY (for himself, Mr. Durbin, Mr. Daub, Mr. Roberts, Mr. Tauke, Mr. Marlenee, Mr. Lightfoot, and Mr. Madigan):

H.R. 3266. A bill to amend the Internal Revenue Code of 1986 to defer the tax consequences of the repayment of a Commodity Credit Corporation loan with a generic commodity certificate; to the Committee on Ways and Means.

By Mr. HERTEL:

H.R. 3267. A bill to amend title 10, United States Code, to establish a Defense Acquisition Corps for purposes of improving the efficiency of the defense acquisition process, and to require the Secretary of Defense to establish by regulation a Defense Acquisition University; to the Committee on Armed Services.

By Mr. LOWERY of California:

H.R. 3268. A bill to amend the Controlled Substances Act to regulate transactions involving ephedrine and certain other substances; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. RAHALL:

H.R. 3269. A bill to authorize the Cadmus Foundation, Inc., to establish a monument on Federal Land in the District of Columbia commemorating the ancient Greek teacher Cadmus; to the Committee on House Administration.

By Mr. ROSE:

H.R. 3270. A bill to amend the Railroad Retirement Act of 1974 to provide for the restoration of an annuity portion for those with 10 years or more of railroad service before January 1, 1975; to the Committee on Energy and Commerce.

H.R. 3271. A bill to suspend for a 3-year period the duty on thiothiamine hydrochloride; to the Committee on Ways and Means.

By Mr. ROSE (for himself and Mr. Lancaster):

H.R. 3272. A bill to authorize the Secretary of the Army to convey certain real property; to the Committee on Armed Services.

By Mr. SOLARZ:

H.R. 3273. A bill to amend title XIX of the Social Security Act to prohibit States, as a condition of Medicaid funding, from discriminating among licensed physicians in its medical reciprocity standards on the basis of the location of the medical school from which they graduated; to the Committee on Energy and Commerce.

By Mr. McEWEN (for himself, Mr. Applegate, Mr. Latta, Mr. Hall of Ohio, Mr. Wylie, Mr. DeWine, Mr. Donald E. Lukens, Mr. Stokes, Ms. Oakar, Mr. Miller of Ohio, Mr. Oxley, Mr. Kasich, Mr. Regula, Mr. Feighan, Mr. Traficant, Mr. Sawyer, and Mr. Thomas A. Luken):

H. Con. Res. 187. Concurrent resolution recognizing the distinguished service of the Ohio National Guard and commending the members of the Ohio National Guard on the occasion of the bicentennial of its establishment; to the Committee on Post Office and Civil Service.

By Mr. WILSON:

H. Con. Res. 188. Concurrent resolution commending the Tactile Capital project and its goal of making many historic buildings and monuments in the District of Columbia and Virginia more accessible to blind and visually impaired tourists; to the Committee on Post Office and Civil Service.

By Mr. DORNAN of California:

H. Res. 262. Resolution expressing the sense of the House of Representatives concerning the right to life of handicapped infants; to the Committee on Education and Labor.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS:

H.R. 3274. A bill for the relief of Woodrow Charles Herman; to the Committee on the Judiciary.

By Ms. PELOSI:

H.R. 3275. A bill for the relief of Cheng Hsiang-Lin; to the Committee on the Judiciary.

H.R. 3276. A bill for the relief of Chen-Chuan Jen; to the Committee on the Judiciary.

H.R. 3277. A bill for the relief of Joaquin Morales; to the Committee on the Judiciary.

H.R. 3278. A bill for the relief of Sau To Yue; to the Committee on the Judiciary.

H.R. 3279. A bill for the relief of Emily Gayanes Gaufo, Joselyn G. Gaufo, and Favio G. Gaufo, Junior; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 39: Mr. Penny, Mr. Jacobs, Mr. Price of North Carolina, Mr. Frank, Ms. Slaughter of New York, and Mr. Yates.

H.R. 228: Mr. Yates.

H.R. 378: Mr. Bonior of Michigan.

H.R. 379: Mr. Ballenger.

H.R. 474: Mr. Lagomarsino.

H.R. 586: Mr. Gunderson.

H.R. 778: Mr. Gray of Pennsylvania.

H.R. 993: Mr. Solarz, Mr. Flake, Mr. Ackerman, and Mr. Biaggi.

H.R. 1002: Ms. Pelosi.

H.R. 1049: Mrs. Martin of Illinois.

H.R. 1087: Mr. Campbell and Mr. Marlenee.

H.R. 1179: Mr. Petri.

H.R. 1313: Mr. McEwen, Mrs. Bentley, Mr. Upton, Mr. Borski, Mr. Brennan, Mr. Moorhead, Mr. Burton of Indiana, Mr. Dyson, Mr. English, Mr. Brown of California, Mr. Combest, Mr. Robert F. Smith, and Mr. Boehlert.

H.R. 1395: Ms. Oakar.

H.R. 1516: Mr. Barnard.

H.R. 1517: Mrs. Roukema, Mr. Kolbe, Mr. Markey, and Mr. Bereuter.

H.R. 1543: Mr. Hughes.

H.R. 1544: Mr. Hughes.

H.R. 1635: Mr. Rodino, and Mr. Kastenmeier.

H.R. 1707: Mr. Whitten, Mr. Smith of Florida, Mr. Ford of Michigan, Mr. Downey of New York, Mr. Buechner, Mr. Jenkins, and Mr. Stratton.

H.R. 1766: Mr. Oxley.

H.R. 1770: Ms. Pelosi and Mr. Duncan.

H.R. 1782: Mr. Oxley and Mr. Hayes of Louisiana.

H.R. 1786: Mr. Leath of Texas, Mr. Roemer, Mr. Stallings, Mr. Yatron, and Mrs. Morella.

H.R. 1794: Mr. Glickman and Mr. Gejdenson.

H.R. 1857: Mr. Foglietta and Mr. Evans.

H.R. 1971: Mrs. Saiki and Mr. Sikorski.

H.R. 2045: Mr. Ballenger, Mr. Leach of Iowa, Mr. Synar, Mr. McDade, and Mr. Erdreich.

H.R. 2114: Mr. Upton, Ms. Kaptur, and Mr. Donald E. Lukens.

H.R. 2181: Mr. Dornan of California.

H.R. 2213: Mrs. Schroeder, Mr. Espy, Mr. Berman, Mr. Young of Alaska, Mr. Mfume, Mr. Mineta, Mr. Rose, Mr. Clinger, Mrs. Morella, Mr. Boner of Tennessee, Mr. Brown of California, Mr. Mazzoli, Mr. Smith of Florida, and Mr. Bonior of Michigan.

H.R. 2246: Mr. Florio, Mr. Horton, Mr. Scheuer, Mr. Visclosky, Mr. Brown of California, Mr. Kolter, and Mr. Fazio.

H.R. 2248: Mr. Brown of California, Mr. Kolter, Mr. Fuster, Mr. Marlenee, Mr. Smith of New Jersey, Mr. Tallon, and Mr. Pepper.

H.R. 2253: Mrs. Roukema, Mr. Vento, Mr. Hochbrueckner, and Mr. Walgren.

H.R. 2270: Mr. Weiss.

H.R. 2452: Mr. Atkins and Ms. Pelosi.

H.R. 2481: Mr. Kolter.

H.R. 2586: Mr. Feighan, Mr. Perkins, Mr. Stratton, Mr. Owens of Utah, Mr. Andrews, Mr. Montgomery, Mr. Broomfield, Mr. Durbin, Mr. DeWine, Mr. Staggers, Mr. Parris, Mr. Hall of Texas, Mr. Coyne, Mr. McDade, Mr. Rhodes, Mr. McCollum, Mr. Barnard, Mr. Conyers, Mrs. Byron, Mr. Badham, Mr. Dowdy of Mississippi, Mr. Espy, Mr. Gingrich, Mr. Harris, Mr. Jones of Tennessee, Mr. Spence, Mr. Moakley, Mrs. Boxer, Mr. Rose, Mr. Jacobs, Mr. Roemer, Mr. Dellums, Mr. Hoyer, Mr. Levin of Michigan, Mr. Stump, Ms. Oakar, Mr. Ravenel, Mr. Denny Smith, Mr. Foley, Mr. Bereuter, Mr. Lowry of Washington, Mr. Brennan, and Mr. Stallings.

H.R. 2587: Mr. Mack.

H.R. 2833: Mr. Gallo.

H.R. 2837: Mr. Kleczka.

H.R. 2861: Mrs. Martin of Illinois.

H.R. 2888: Mr. Bustamante and Mr. Barnard.

H.R. 2920: Mr. Gunderson.

H.R. 2963: Mr. Barnard.

H.R. 2967: Mr. Howard, Mr. Gregg, and Mr. Fish.

H.R. 2969: Mr. Eckart, Mr. Moody, and Mr. Crockett.

H.R. 2972: Mr. Bates, Mr. McMillen of Maryland, Mr. Bryant, Mr. Smith of Florida, Mr. Ford of Tennessee, and Mr. Crockett.

H.R. 2999: Mr. Howard and Mr. Dixon.

H.R. 3003: Mr. Ackerman.

H.R. 3044: Mr. Ravenel, Mr. Tallon, Mr. Durbin, Mr. Perkins, Mr. Stangeland, Mr. Nielson of Utah, Mr. Kastenmeier, and Mr. Penny.

H.R. 3045: Mr. Tallon, Mr. Durbin, Mr. Perkins, Mr. Stangeland, Mr. Nielson of Utah, Mr. Kastenmeier, Mr. Tauke, and Mr. Penny.

H.R. 3069: Mr. Dowdy of Mississippi.

H.R. 3130: Mr. Staggers, Mr. Mrazek, Mr. Fuster, Mr. Traficant, Mr. Towns, Mr. Markey, Mr. Synar, Mr. Boucher, Mr. Rodino, Mr. Smith of Florida, Mr. Roe, Mrs. Boggs, Mr. Matsui, Mr. Biaggi, Mr. Leland, Mr. Lehman of Florida, Mrs. Boxer, Ms. Oakar, Mr. Brown of California, Mr. Kildee, Mr. Price of Illinois, Mr. Frank, Mr. LaFalce, Mr. Foglietta, Mr. Rahall, Mr. Howard, Mr. Gilman, Mr. Borski, Mr. Ackerman, Mr. Oberstar, Mr. Florio, Mr. Crockett, Ms. Kaptur, Mr. Richardson, Mr. Johnson of South Dakota, Mr. Kanjorski, Mr. Evans, Mr. Edwards of California, Mr. Bevill, Mr. Levine of California, and Mr. Tallon.

HR. 3157: Mr. Thomas of Georgia and Mr. Holloway.

H.R. 3158: Mrs. Bentley.

H.R. 3182: Mr. Leath of Texas, Mr. de Lugo, Mr. Lagomarsino, Mr. Boland, Mr. Bates, and Mrs. Johnson of Connecticut.

H.R. 3200: Mr. Pursell.

H.R. 3204: Mr. Roemer, Mr. Stangeland, Mr. Madigan, and Mr. Holloway.

H.R. 3228: Mr. Coleman of Missouri.

H.J. Res. 34: Mr. Ritter.

H.J. Res. 55: Mr. Guarini, Mr. Robert F. Smith, Mr. Craig, Mr. Porter, Mr. Stallings, Mr. Foley, Mr. Mazzoli, and Mr. Schaefer.

H.J. Res. 148: Mr. Natcher.

H.J. Res. 152: Mr. Sikorski, Mr. Ackerman, Mr. Mfume, Mr. Neal, Mr. Clinger, Mr. Studds, Mr. Weldon, Mr. Owens of New York, Mr. Moakley, Mr. Gilman, Mr. Lowry of Washington, Ms. Kaptur, Mr. Gunderson, Mr. Dorgan of North Dakota, Mr. Akaka, Mr. Berman, Mr. Fish, and Mr. Kennedy.

H.J. Res. 171: Mr. Goodling and Mr. Hutto.

H.J. Res. 192: Mr. Davis of Illinois, Mr. Harris, Mr. Kanjorski, and Mr. Bartlett.

H.J. Res. 193: Mr. Gilman, Mr. Lancaster, and Mr. Young of Alaska.

H.J. Res. 206: Mr. Bartlett, Mr. Evans, Mr. Blaz, Mr. Thomas A. Luken, Mr. Sabo, and Mr. Derrick.

H.J. Res. 255: Mr. Bonior of Michigan, Mr. Harris, Mr. Mack, and Mr. Marlenee.

H.J. Res. 268: Mr. Clay, Mrs. Boxer, Mr. Smith of Florida, Mr. Horton, Mr. Kanjorski, Mr. Torricelli, Mr. Savage, Mr. Owens of Utah, Mr. Fish, Mr. McCloskey, Mr. Scheuer, Mr. McEwen, Mr. Bryant, Mr. Hatcher, Mr. Matsui, Mr. Neal, and Ms. Oakar.

H.J. Res. 331: Mrs. Patterson and Mr. Jones of Tennessee.

H.J. Res. 336: Mr. Roberts, Mr. Lott, Mr. Mack, Mr. Kolbe, Mr. Bonior of Michigan, Mr. Grant, Mr. Whitten, Mr. Kastenmeier, Mr. Chapman, and Mr. Hunter.

H.J. Res. 338: Mr. Anderson, Mr. Bunning, Mr. Courter, Mr. Dicks, Mr. Fields, Mr. Gejdenson, Mr. Gonzalez, Mr. Jones of North Carolina, Mr. Kasich, Mr. Lott, Mr. MacKay, Mr. Nelson of Florida, Mr. Nielson of Utah, Mr. Panetta, Mr. Schaefer, Mr. Schumer, Mr. Studds, Mr. Stump, Mr. Whitten, Mr. Badham, Mr. Brown of California, Mr. Coyne, Mr. Gregg, Mr. Jones of Tennessee, Mr. Madigan, Mr. Stratton, Mr. Volkmer, and Mr. Rhodes.

H.J. Res. 339: Mr. Hughes, Mr. Kostmayer, Mr. Bevill, Mr. de Lugo, Mr. Conyers, Mr. Smith of Florida, Mr. Towns, Mrs. Boxer, Mr. Fauntroy, Mr. Lancaster, Mr. Lagomarsino, Mr. Solarz, Mr. Fazio, Mr. Horton, Ms. Oakar, Mr. Kolter, Mr. Wolf, Mr. Feighan, Mr. Thomas of Georgia, Mr. Young of Alaska, Mr. Studds, Mr. Moakley, Mr. Levin of Michigan, Mr. Frank, Mr. Wortley, Mr. Fuster, Mr. Cardin, Mr. Mrazek, Mr. Livingston, Mr. Johnson of South Dakota, Mr. Fawell, Mr. Crockett, Mr. Skeen, Mr. McMillen of Maryland, and Mr. Hamilton.

H.J. Res. 355: Mr. Nowak, Mrs. Meyers of Kansas, Mr. Kanjorski, Mr. Fazio, Mr. Nielson of Utah, Mr. Bevill, Mr. Spence, Mr. Bereuter, Mr. Hamilton, Mr. Levine of California, Mr. Leach of Iowa, Mr. Broomfield, Mr. Grandy, Mr. Lagomarsino, Mr. Stratton, Mr. Atkins, Mrs. Martin of Illinois, Mr. Ritter, Mr. AuCoin, Mr. McHugh, Mr. English, Mr. Weiss, Mr. Hyde, Mr.

Roth, Mr. Bateman, Mr. Rodino, Mr. Guarini, Mr. Livingston, Ms. Snowe, Mr. Weber, Mr. Bennett, Mr. Shuster, Mr. Gallo, Mr. Lewis of Florida, Mr. Clinger, Mr. Smith of New Jersey, Mr. Boehlert, Mrs. Johnson of Connecticut, Mr. Chandler, Mr. Wolpe, Mr. de la Garza, Mr. Houghton, Mr. Moorhead, Mr. Lewis of California, Mr. Callahan, Mr. Oxley, Mrs. Smith of Nebraska, Mr. Vander Jagt, Mr. Scheuer, Mr. Waxman, Mr. Nelson of Florida, Mr. Miller of California, Mr. Gray of Pennsylvania, Mr. Foglietta, Mr. Slaughter of Virginia, Mr. Emerson, and Mr. Levin of Michigan.

H.J. Res. 356: Mr. Hoyer, Mr. Gallo, Mr. Ireland, Mr. Pashayan, Mr. Scheuer, Mr. Spence, Mr. Stump, Mr. Roberts, Mr. Walgren, Mr. Young of Alaska, Mrs. Lloyd, Mr. Morrison of Connecticut, Mr. Moorhead, Ms. Oakar, Mr. Thomas of Georgia, Mrs. Vucanovich, Mr. Mack, Mr. Kastenmeier, Mr. Dymally, Mr. Skelton, Mr. Stokes, and Mr. Hunter.

H. Con. Res. 119: Mrs. Meyers of Kansas.

H. Con. Res. 157: Mr. Andrews, Mrs. Byron, Mr. Campbell, Mr. Dicks, Mr. Dymally, Mr. Early, Mr. Ford of Tennessee, Mr. Grant, Mr. Hayes of Illinois, Mr. Hefley, Mrs. Johnson of Connecticut, Mr. Johnson of South Dakota, Mr. Lancaster, Mr. Lehman of Florida, Mr. MacKay, Mr. McEwen, Mrs. Morella, Mr. Nichols, Mr. Obey, Ms. Pelosi, Mr. Rinaldo, Mr. Roemer, Mr. Rowland of Connecticut, Ms. Slaughter of New York, Mr. Smith of New Jersey, Mr. Spratt, Mr. Traxler, Mr. Valentine, and Mr. Wolpe.

H. Con. Res. 158: Mr. Lowry of Washington, Mr. Towns, Mr. Vento, Mr. Weiss, Mr. Berman, and Mr. Martinez.

H. Res. 168: Mr. Herger and Mr. Fish.

H. RES. 260: Mr. Buechner.

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1049: Mr. Nielson of Utah.

## PETITIONS, ETC.

Under clause 1 of rule XXII,

71. The SPEAKER presented a petition of AFL-CIO Executive Council, Washington, DC, relative to positions adopted at the Council's recent meeting; which was referred to the Committee on Education and Labor.

## AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3030

By Mr. BROWN of Colorado:

—At the end of SEC. 109 insert the following:

(h) Amendment to Rules Relating to Minimum Security for Loans Made or Participated in by Federal Land Banks.—

(1) In general.—Section 1.9 (12 U.S.C. 2017) is amended—

(A) by striking out "85 percentum" and all that follows through "other governmental agencies" and inserting in lieu thereof "85 percent of the agricultural value of the real estate security, or 70 percent of the appraised value of the real estate security, whichever is greater"; and

(B) by striking out "The value of security shall be determined by appraisal" and inserting in lieu thereof "The agricultural value of security shall be the value of the security for any agricultural or aquatic purpose, including basic processing and marketing directly related to agricultural or aquatic operations, as determined under standards prescribed by the bank and approved by the Farm Credit Administration. The appraised value of security shall be determined".

(2) Effective date.—The amendment made by paragraph (1) shall apply to loans applied for and made after the date of the enactment of this Act.

Redesignate all succeeding subsections accordingly.

# SENATE—*Tuesday, September 15, 1987*

The Senate met at 10 a.m. and was called to order by the Honorable Terry Sanford, a Senator from the State of North Carolina.

### PRAYER

The PRESIDING OFFICER. Our prayer today will be offered by Rabbi Leslie Yale Gutterman, of Temple Beth-El, Providence, RI. He is sponsored by Senator Claiborne Pell and Senator John H. Chafee.

Rabbi Leslie Yale Gutterman offered the following prayer:

Let us pray:

G-d of the free, hope of the brave: In this historic valley of decision, we invoke Your blessing upon these Senators that their deliberations may lead our Nation from strength to greater and more certain strength. We thank You, Lord our G-d, for the goodly heritage of our democracy, our Constitution. May we always be worthy. Let us never disappoint ourselves by neglecting or abusing it.

We are all created in Your image. We are equal in our inalienable rights to life, liberty and the pursuit of happiness. May the world never have reason to believe that our actions do not equal our faith. May we always put service above self, ideals above interests, and moral responsibility above partisanship.

Help our Nation achieve peace and justice abroad and to preserve them at home. Commit us to strengthen our blessed land as we rededicate ourselves to You, to whom we give victory and majesty and dominion forever—Great G-d our King.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
*Washington, DC, September 15, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Terry Sanford, a Senator from the State of North Carolina, to perform the duties of the Chair.

John C. Stennis,
*President pro tempore.*

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished majority leader.

## THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield from the leader's time such time as he may require to the distinguished Senator from Rhode Island.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

## PRAYER OF THE VISITING CHAPLAIN

Mr. PELL. Mr. President, we are greatly honored this morning by the presence of Rabbi Leslie Yale Gutterman, the senior rabbi at Temple Beth-El in Providence.

Rabbi Gutterman, who has been at Temple Beth-El since 1970, is a man of considerable wit and wisdom. He is a lecturer at Providence College and is very active in community affairs.

A popular speaker at public events, Rabbi Gutterman is widely noted for his perceptive humor. He is, of course, first and foremost a leading figure in Rhode Island's religious community.

Rabbi Gutterman is former president of the Jewish Family Service, which he now serves as honorary president; former president of the Rhode Island Board of Rabbis, and former chairman of the Rhode Island Community on the Humanities.

He also is among the 150 Providence residents selected to organize the celebration of Providence's 150th birthday. He currently also serves on the board of Miriam Hospital in Providence.

I am delighted that Rabbi Gutterman is here with us today in the Senate. I am honored to welcome him and express our appreciation to him for joining us and to say how personally glad I am because I consider him a dear friend.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. BYRD. Mr. President, I yield such time as he may require from the time under my control to Senator Chafee.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I join with my colleague and friend Senator Pell in welcoming Rabbi Gutterman this morning. As has been mentioned, he is really a leader in our State in all community activities. Of course, amongst religious leaders, he is one of our top ones and helps in inestimable ways.

I would like to make a comment about the personal characteristics of Rabbi Gutterman. In his prayer, he mentioned service above self. I think the life of Les Gutterman emphasizes that, service above self. I just think we are blessed in our State to have such a leader in our community, a leader in his religion and a leader in the community as a whole. We welcome Rabbi Gutterman as he honors us by his presence.

## THE ART OF DIPLOMACY

Mr. BYRD. Mr. President, talks begin today between Secretary of State Shultz and Soviet Foreign Minister Shevardnadze on the full range of issues on the table between our two nations—arms control matters, bilateral relations, and regional questions, such as Afghanistan—as well as on human rights questions. The focus of the discussions is, as everyone knows, on the remaining issues which need to be resolved to conclude a treaty on intermediate nuclear forces, primarily in the European theater.

I remain cautiously optimistic about the prospects for a successful conclusion to an INF Treaty.

My position, and that of the Senate, will depend on the details of the treaty and on our collective judgment as to whether any treaty serves the national interest, and the interests of our allies and friends in Europe and Asia.

Let us not forget the important role the U.S. Senate has in the making of treaties. It requires a two-thirds vote in the Senate, of course, to approve the ratification of any treaty.

There will have to be a very thorough examination of its provisions, particularly on the question of verification, but also on the questions of its impact on the security and strength of the NATO alliance and on our relations with Japan, China, and the other nations of Asia.

I believe that the advice and counsel of members of the Senate Arms Control Observer Group will be of great value to the Senate if and when deliberations begin on an INF Treaty. That group was created by the distinguished minority leader and myself some 2½ years ago, and it has diligently followed the details of the negotiations and has had very full cooperation by the executive branch.

If an INF Treaty if concluded, it will be the culmination of an effort spanning the last two administrations, an effort by both of our parties to meet a Soviet challenge to Western Europe by virtue of its deployment of SS-20 intermediate range missiles. This is an important lesson for us—we can more easily reach agreements which serve our national interest if there is clear and sustained bipartisan support for them.

Mr. President, the Secretary of State is engaged today and for the next couple of days in an exercise of diplomacy. It is the reaching of accommodations with an adversary nation through the exploration of common ground which is in our mutual interests. If it succeeds, I applaud it. But I must observe that such diplomatic successes have been few and far between under the present administration. There are many points of friction and conflict around the world, and between nations with which we are friendly. These continue to go on unresolved without any apparent effort by the United States to act as a creative broker, and a good friend to those nations. This is certainly the case in the Middle East where vigorous American efforts to bring the Arab-Israeli peace process back on track are needed. We have squandered our capital as a good faith broker in the Persian Gulf region for reasons now known all too well to the Nation as a result of the Iran-Contra investigation. We have not apparently attempted to ease tensions between India and Pakistan, which one presumes would ease the pressures in the Pakistani political system to move into dangerous waters on the question of nuclear weapons. We should certainly be making a vigorous attempt to ease the tensions, and begin a dialog between Greece and Turkey on the burning issues of the Aegean. Greece and Turkey are not only friends of the United States, but they are our partners in the NATO alliance.

The lack of vigorous, creative, and assertive diplomacy by the United States is disappointing and puzzling. It is highlighted again in Central America, where the nations of that region are making serious efforts, under the enlightened initiatives by President Arias of Costa Rica and with the support of President Cerezo of Guatemala, to bring peace to that region. Yet it is unclear whether the current administration is ready to make a very strong, good-faith attempt to help bring that peace process to fruition. I sometimes wonder whether the administration, wedded as it has been to the rhetoric of bluster, bravado, and confrontation with regard to the Sandinista regime, is afraid that the peace process in that region will succeed.

Where is American diplomacy when our Central American friends need it? Instead of focusing, immediately and once again, on military aid to the Contras, the administration should be challenging the Sandinista regime to live up to its commitments under the Arias plan, and should be engaging the Sandinista government directly, in bilateral discussions, regarding Soviet and Cuban military influence and hardware in Nicaragua, as a parallel track to the Arias plan talks. Instead, there is a lot of shuffling around, and no apparent commitment to lend American influence and diplomatic skill to achieve real and lasting accommodations in the region which would be in our national interest.

The Soviet Union has been engaging in a diplomatic challenge to the United States, in a range of theaters, such as the Persian Gulf and Western Europe, and the Middle East, and on the question of Cyprus. It even has had its puppet regime in Kabul, Afghanistan, active around the world, attempting to gain support for its legitimacy. The Kabul regime has almost no case going for it. It is illegitimate, and it is a tool of the Soviets. The Soviets are getting away with the impression that they have all but wrapped up their involvement in Afghanistan.

Mr. President, when that treaty on the INF comes before the Senate, there may be some efforts to add some understanding or whatever with respect to Afghanistan. We might be thinking in those terms.

The reality is far different—no tangible evidence yet exists that they are leaving Afghanistan. Instead, they are building up their infrastructure of war there, and they continue to maintain a force of some 115,000 troops. This deplorable situation should continually be brought to the world's attention by the United States.

Mr. President, during the remaining months of this administration, I hope that the art of diplomacy would be reinvigorated around the world, in those regions which continue to look to us for our good offices, and good judgment and our influence in the economic and political spheres. At least the initiation of such efforts could bear fruit in the next administration, just as I hope that the efforts to meet the Soviet challenge in Western Europe and the 1970's has now the promise of a successful conclusion to an INF Treaty during the present administration.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

## RESERVATION OF REPUBLICAN LEADER'S TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the Republican leader be reserved for his use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I yield the floor.

## BICENTENNIAL MINUTE

### SEPTEMBER 15, 1787: ELBRIDGE GERRY OPPOSES THE SENATE

Mr. DOLE. Mr. President, 200 years ago today, on September 15, 1787, delegates from 9 of the 12 States represented at the Federal Convention in Philadelphia, unanimously agreed to approve the newly drafted Constitution. Although outnumbered in the Massachusetts delegation, Elbridge Gerry, a signer of the Declaration of Independence and the Articles of Confederation, refused to sign the Constitution. In particular, he objected to the document's specific provisions for a Senate in which Members would serve 6-year terms and be eligible for reelection. During the subsequent ratification campaign, Gerry wrote:

> A Senate chosen for 6 years will, in most instances, be an appointment for life, as the influence of such a body over the minds of the people will be coequal to the extensive powers with which they are vested, and they will not only forget, but be forgotten by their constituents. A branch of the supreme Legislature thus set beyond all responsibility is totally repugnant to every principle of a free government.

Elbridge Gerry, described as a "man of sense, but a grumbletonian," also objected to the unlimited power of Congress over its Members' own salaries. He feared the role of the Vice President as the Senate's presiding officer would destroy the Senate's independence. He was particularly bothered by "the general power of the Legislature to make what laws they may please to call necessary and proper" and Congress' ability "to raise armies and money without limit." The Massachusetts delegate concluded that the best thing the Convention could do would be "to provide for a second general convention."

Despite his misgivings, Gerry reported to the Massachusetts Legislature that in many respects the Constitution had great merit, and, it could be made improved with the addition of a few amendments, including a Bill of Rights. Such was the spirit among the Constitution's framers, that even its opponents were willing to see it given a chance—200 years ago today.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to exceed 20 minutes with Senators permitted to speak therein for 5 minutes each.

The Senator from Wisconsin.

## HOW WEINBERGER IS WRONG WHEN HE IS RIGHT

Mr. **PROXMIRE.** Mr. President, why should we persist in compliance with the ABM Treaty and go to the mat with the U.S.S.R. over any suspected violation by the Soviets of the treaty? No one has put the case more clearly than Secretary of Defense Caspar Weinberger when he said in a speech last January:

> I cannot envision any circumstance more threatening and dangerous for the free world than one in which our population and military forces remain vulnerable to Soviet nuclear missiles while their population and military assets are immune to our retaliatory forces.

There is the case for the ABM Treaty and for meticulous compliance on both sides. But Weinberger should ask himself, couldn't a Soviet Defense Secretary make precisely the same statement Weinberger made, but in reverse? Wouldn't the Soviets consider that the most threatening and dangerous development for them is one in which their population remained vulnerable to United States nuclear missiles while the United States population and military assets were immune to the Soviet's retaliatory forces? And isn't this just what a U.S. SDI—if it worked—would do? Think about that for a long moment. Isn't this exactly what a United States decision to proceed forthwith with repudiation of the ABM Treaty and deployment of SDI would surely signify to the Soviet Union? After all, what would SDI do if it worked except to destroy the credibility of the Soviet deterrent? This Senator is convinced SDI cannot achieve that, unless the Soviets freeze or reduce their nuclear offensive arsenal.

If we develop an SDI that can prevent half, that is 50 percent, of the Soviet arsenal from striking United States targets in a preemptive strike, what will Russia do? The answer is simple. The Soviets can simply double their arsenal of nuclear warheads to 20,000. Result: The same number of Soviet warheads would strike American targets as would be the case under present circumstances with no SDI facing the present 10,000 Soviet strategic warheads. If SDI would prevent 90 percent of Soviet warheads from reaching American targets, why couldn't the Soviets simply increase their warheads tenfold? Again the result would be the same. SDI is 90 percent effective. But 10,000 Soviet nuclear warheads strike their targets. Has anyone challenged the virtual certainty that it would be far cheaper for the Soviets to multiply their number of offensive nuclear warheads than for us to build and deploy an SDI system? No one has. Why not? Because it would cost the Soviets a small fraction of the United States cost of SDI to greatly expand the number of their nuclear warheads.

So is it not clear that for precisely the reason put so forcefully by Secretary Weinberger with respect to our reaction to a Soviet SDI, the Soviets will react to any United States renunciation of the ABM Treaty with a massive offensive buildup? A huge increase in the Soviet ICBM arsenal is, of course, only the most obvious element of such a buildup. The Soviets could also be expected to develop and deploy an offensive arsenal that would strike with thousands of decoys and with huge quantities of chaff to divert and deceive SDI. Even more certain is the strong likelihood that the Soviets would swiftly move away from their present nuclear weapon deployment. That deployment is heavily concentrated in land based, stationary launchers. This is the only mode that an SDI system as presently conceived and advanced by the Defense Department would or, indeed, could defend against. Kinetic kill vehicles or battle stations orbiting hundreds of miles above the Earth could keep the present slow-burn launchers in their sites. SDI might have very considerable success in striking these stationary launchers during the highly vulnerable slow-burn launch of 6 to 8 minutes. The heat, the light, and especially the relatively long, slow-burn before the missiles develop their velocity make an ideal target for the SDI we have conceived. But don't the Soviets fully understand this? And isn't it certain that the recent Soviet buildup of their nuclear-weapon-carrying submarine and bomber fleet represents a response to this threat? Of course, it is. And what defense does SDI represent against invisible submarines moving swiftly and quietly anywhere off our 2,500 miles of coastline, equipped with tree-top level-flying cruise missiles. If anyone claims that SDI provides a significant defense against this kind of mobility and invisibility, this Senator has not heard it. Similarly, Soviet bombers traveling in the vast air envelope of the Earth at the speed of sound and also carrying cruise missiles represent another challenge that neither kinetic kill vehicles or any other SDI weapons on the horizon could be expected to meet.

Needless to say, the United States' nuclear arsenal as presently deployed—mostly in mobile undersea or air mode—also represents a deterrent that no Soviet antimissile defense can challenge. This is why the Weinberger statement of last January indicating that our military assets are vulnerable to a preemptive Soviet nuclear attack is wrong. The Secretary of Defense knows it. So do the Soviets.

What some in the administration advocate in proposing a repudiation of the ABM Treaty is simply a long shot trillion-dollar effort to destroy the credibility of the Soviet Union's nuclear deterrent. It is bound to fail. It is worse. It will trigger a wholly wasteful arms race that will increase the threat of nuclear war. Far from repudiating the ABM Treaty, we should build on it. And we should enforce it. The Soviet construction of the radar installation at Krasnoyarsk is, indeed, a violation of the treaty. But to date that violation has no military significance. We should go to the Standing Consultative Commission and press for Soviet compliance including elimination of that radar. Both superpowers can only gain by continuing the ABM Treaty and complying with it fully. We face a tragic loss if we repudiate it.

## DR. C. EVERETT KOOP—INDEPENDENT AND COURAGEOUS SURGEON GENERAL

Mr. PROXMIRE. Mr. President, last week, Surgeon General C. Everett Koop denounced his colleagues in the medical profession who refused to treat AIDS patients as being guilty of "unprofessional conduct."

This clear and strong statement is just the most recent example of the independence and courage Dr. Koop has consistently shown in handling the highly emotional issues surrounding the AIDS crisis.

The Surgeon General is well aware of the threats posed by working with virulent disease agents. During his 46 years as a practicing physician and surgeon, Dr. Koop accidentally gave himself hepatitis B when he stuck an infected needle through his hand. Therefore, he knows and acknowledges the hazards involved but believes that with proper precaution the risk of infection from AIDS and other dangerous disease agents can be kept low. But most important of all, he firmly believes that health workers are morally and professionally bound to serve all afflicted people including AIDS patients.

On virtually every difficult AIDS related issue, Dr. Koop has showed himself to be an individual with unbounded amounts of integrity, sincerity, and courage. His stands have dismayed ideologues on both the left and right.

Dr. Koop has consistently argued for a more candid sex education which would emphasize "safe sex" as well as the need for more self-restraint in sexual relations.

In spite of great pressure, he has consistently stated his reservations concerning the efficacy of widespread mandatory AIDS testing and its implications for civil liberties and human dignity.

I salute this remarkable man for his honesty and dedication to relieving human suffering and preserving human life.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## U.S. BOYCOTT OF U.N. CONFERENCE ON DISARMAMENT AND DEVELOPMENT

Mr. HATFIELD. Mr. President, in a shocking but little noticed display of myopia, the administration chose to boycott the recently concluded United Nation Conference on Disarmament and Development because, in the words of Ambassador Herbert Okun, "United States participation in this Conference would contribute unnecessarily to the erroneous linkage of these two subjects."

If only President Dwight Eisenhower were here to respond. Speaking to the American Society of Newspaper Editors in 1953, he suggested the very linkage this administration now denies: "Every gun that is made, every warship that is launched, every rocket that is fired signifies, in the final sense, a theft from those who hunger and are not fed, who are cold and are not clothed. This world is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children. * * * This is not a way of life in any sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron."

Of course, it was not just the "erroneous linkage" inherent in the Conference which concerned the administration. As Ambassador explained: "at a time when the United States is urging the United Nations to reduce expenditures, we were also concerned at the figure of $1.2 million which the U.N. Secretariat estimated was involved in holding the Conference."

Mr. President, in a world in which nations spend almost a trillion dollars a year on weapons of mass destruction, I find that comment appalling.

The Conference, which was attended by more than 100 nations, ended last week. There is nothing we can do about the administration's decision, but I think my colleagues ought to know about it. I ask unanimous consent that a letter written to me by Ambassador Herbert S. Okun detailing the administration's position be inserted in the RECORD, along with an editorial which recently appeared in the New York Times.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPUTY REPRESENTATIVE OF THE
UNITED STATES OF AMERICA TO
THE UNITED NATIONS,
*March 2, 1987.*

HON. MARK O. HATFIELD,
*U.S. Senate,*
*Washington, DC.*

DEAR SENATOR HATFIELD: Thank you for your letter of February 17 concerning the UN Conference on the Relationship between Disarmament and Development which will be held in New York from August 24 to September 11. Ambassador Walters, who is now out of the country, has asked me to reply to your letter.

The question of U.S. participation in the Conference was considered at senior levels of the Department of State, the Arms Control and Disarmament Agency, and the National Security Council. In April, 1986, the Administration decided on both policy and financial grounds not to participate in the Conference.

U.S. reservations about the Conference rest on two primary concerns. First, the international community should consider the questions of disarmament and development as two distinct issues. Secondly, the proposal for an international conference on disarmament and development mistakenly presumes that there is an inherent relationship between these two areas. Supporters of the Conference erroneously assert that development requires disarmament, regardless of the implications for international security. Consequently they advocate a transfer of resources among nations at the expense of a necessary prior examination of the impact of national policies upon development.

After extensive consideration of this issue, the Administration concluded that U.S. participation in this conference would contribute unnecessarily to the erroneous linkage of these two subjects.

U.S. non-participation in the meeting stems from our belief that the two matters are not appropriately considered in terms of their inter-relationship. It should not be seen as the sign of a decrease in our support for arms control and disarmament or for international economic development. We believe disarmament should be pursued to the extent it leads to greater security and stability through balanced, verifiable agreements.

Development, too, has its own logic, which depends as much on the policies of developing countries as on the policies of developed ones. The assumptions of this Conference, however, are that there is a link between disarmament and development: that disarmament should be pursued not for its own merits, but for its possible contribution to development; and that the basic engine of development is resource transfers from the developed to the developing world. The U.S. Government decided that participation in the Conference would have lent credibility to those arguments and that the best way of showing our rejection was to absent ourselves.

At a time when the U.S. is urging the United Nations to reduce expenditures, we were also concerned at the figure of $1.2 million which the UN Secretariat estimated was involved in holding the Conference.

I appreciate your interest in this important issue. If you have additional comments, I know that Ambassador Walters would be happy to hear from you.

Sincerely,

HERBERT S. OKUN,
*Ambassador,*
*Acting Permanent Representative.*

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[From the New York Times, Sept. 3, 1987]

### BOYCOTTING GUNS AND BUTTER

By staying away from the current U.N. conference on disarmament and development the United States escapes some simplistic oratory, silly Soviet propaganda and requests to commit funds it can't commit. It also throws away a chance to learn and to lead on critical issues, and moves further down the regrettable path of thwarting rather than encouraging international cooperation.

The State Department's explanation for boycotting the conference, now under way in New York, is: "we believe disarmament and development are not issues that should be considered interrelated." That's not far-fetched. People gathered to talk over these two topics are unlikely to switch easily from spending for guns to spending for butter.

Yet the conference grows out of broader thinking. It's the brainchild not of some radical kook but of France's President, François Mitterrand. The world's resources are limited and arms eat up a towering proportion, nearly $1 trillion a year. The arms industry is the leading money maker in many industrialized countries. Little wonder that human imagination seeks new ways to beat swords into plowshares.

The Soviet Union, with its new public relations skill, came to the conference brimming with ideas on how development might progress if less were squandered on arms. Yet it is the world's foremost arms merchant, having overtaken the U.S. It spends a greater percentage of its resources on arms than any other major power. Its spending on development assistance is dismally small.

Developing countries are coming to see that their future depends on finding their own economic answers. The West has much to gain by encouraging this pragmatism, and by helping governments see their security more in the health, education and opportunities open to their people than in the size of their armed forces. All of America's NATO allies are at the conference valiantly making these points. The U.S. sits out the opportunity.

This boycott is part of a larger trend, which has found the U.S. in the Reagan years resisting international cooperation—in the Law of the Sea treaty, World Court jurisdiction in the Nicaragua conflict, and in withholding funds for family planning. Washington sent such a low-level delegate to a recent U.N. conference on trade and development that he aptly described himself as a "traveling insult."

The insult is to the American people. Encouraging worldwide community and cooperation is very much in the American interest. That does not require saintly acceptance of bombast at international conferences. The U.S. would have had a strong case against some of the glib oratory at this one. Would that it were there to make it.

## MSGR. FRANCIS J. LALLY

Mr. KENNEDY. Mr. President, many of us were saddened to learn of the death earlier this month of Msgr. Francis J. Lally, of Boston.

Father Lally's remarkable life involved a rich tapestry of religious education, public service, civic participation, and spiritual dedication. For more than 20 years, he shared his warm wit and thoughtful perspective as editor of the award-winning Catholic diocesan newspaper, the Pilot. A dedicated public servant, he chaired the Boston Redevelopment Authority for a decade and was active in a wide range of local, State, and national organizations. In private life, no one had a better or more compassionate friend than Frank Lally.

A priest with extraordinary gifts, Father Lally's wisdom and dedication reached far beyond his commitment to his church. He showed great sensitivity and understanding in his writings, his teaching, and his quiet and unassuming example. His exceptional devotion to enriching people's lives brought him widespread respect and affection, and he will be missed by the many people whose lives and hearts he touched with his eloquent faith and determined work. For me and my family, to whom he was a comforting friend and inspiration for many years, his loss is a deep and very personal one.

I ask unanimous consent that the following articles from the Boston Globe and the Boston Herald, which describe the distinguished contributions and career of Monsignor Lally, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Sept. 6, 1987]

### MSGR. FRANCIS J. LALLY

His death leaves a void in the life of this city and of the church he served and loved. Until stricken several weeks ago with cancer, Msgr. Francis J. Lally had for decades been an energetic, constructive and unfailingly urbane participant in the religious, civil and cultural life of Boston.

From the Kennedys and the Cabots to Hispanic immigrants in the South End, where he closed his career as rector of the Cathedral of the Holy Cross, he knew everyone, and countless persons knew him as a warm friend and a wise counselor. He loved music and plays, often attending opening nights at the Huntington Theater. In good weather, he was a familiar figure, tall, silver-haired, his eyes twinkling with curiosity behind his rimmed spectacles, as he strode from the Cathedral to lunch at his club or a favorite midtown restaurant.

A monsignor for 37 years, he preferred the simpler title of Father Lally. He became best known to the public during the 1960's, when he served for nearly 10 years as chairman of the Boston Redevelopment Authority and helped guide such major projects as the creation of Government Center.

A man of realism and practical vision, he could work effectively with politicians and businessmen. At the same time, he never lost sight of the fact that he was a priest and that he was running the BRA because he wanted to bring nearer to reality the dream of a human community that housed and sustained its weakest members. His dream was about people, not about bricks and concrete.

Within the Catholic Church, Father Lally was a man of influence during the quarter-century that Cardinal Richard Cushing led the Boston archdiocese. He wrote many of the cardinal's speeches, advised him during times of crisis, sat with him during illnesses, and was a sounding board for ideas and emotions. Father Lally's acute intelligence and verbal felicity helped focus Cardinal Cushing's broad humanity and titanic enthusiasms.

It can truly be said of both men that they grew in goodness as they grew in power. They shared a fundamental sense of decency and an openness to experience and truth. They significantly helped the work of Dr. John Rock, the Catholic physician who developed the birth control pill, and Rev. John Courtney Murray, the Jesuit theologian whose progressive views on church and state relations were adopted by Vatican Council II.

No newspaper could say farewell to Frank Lally without a word of admiration for his brilliant accomplishments during the 20 years that he edited and wrote for The Pilot, the archdiocesan weekly. A sensitive editor and a pungent writer, he brought to every controversy a saving sense of charity. Much loved, much admired, much needed. Father Lally leaves a lonesome place against the sky.

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[From the Boston Globe, Sept. 4, 1987]

### MSGR. LALLY, 69, DIES; LED BRA, EDITED PILOT

(By Edgar J. Driscoll, Jr.)

Rev. Msgr. Francis J. Lally, rector of the Cathedral of the Holy Cross and one of the best known and most highly respected religious and civic leaders in the city, died last night in Deaconess Hospital. He was 69.

Msgr. Lally died at approximately 7:30 p.m. of undisclosed causes after being hospitalized the past three weeks, said Rev. William Roche of the Cathedral of the Holy Cross.

The distinguished clergyman was a prominent architect of the city's urban renewal and former chairman of the Boston Redevelopment Authority; a longtime editor of The Pilot, the oldest Catholic diocesan newspaper in the United States; and, more recently, secretary of the Department of Social Development and World Peace of the US Catholic Conference in Washington.

Msgr. Lally, who preferred the title of Fr. Lally, was editor of The Pilot from 1952 to 1972. He was the widely admired writer of sparkling, courageous and liberal editorials. Under his leadership The Pilot was a consistent winner in Catholic Press Association competition.

He left to go to Washington to become secretary of the US Catholic Conference, the service and program agency of the National Conference of Catholic Bishops. When he returned to Boston as rector of the cathedral in 1984, he promptly set about, as he put it, "bringing new life to one of our venerable monuments and one of our city's notable treasures."

For years Msgr. Lally was one of the late Cardinal Richard Cushing's closest advisers in civil and religious affairs. Indeed, some considered him a kind of alter ego of the cardinal, to whom he was as devoted as a son would be and of whom he spoke with the same almost filial affection.

He was also known for his vigorous activities in brotherhood movements to bring about better relationships among people of all faiths and races. In him, the black and Hispanic communities had an energetic and deeply committed champion. On the subject of race, he was no theoretician; he was an actionist. He was the first chaplain of the Catholic Interracial Council of Boston, a member of the board of directors of the Urban League, vice chairman of Action for Boston Community Development, and a member of the Religion and Race Commission.

Able and friendly, relaxed and witty, and with a keen mind, the popular monsignor was often called a Man for All Seasons. When he resigned in 1970 as chairman of the Redevelopment Authority after almost 10 years at the helm and another three as a member, a Boston Globe editorial called him:

"A man who never spares himself in the discharge of the hard civic responsibilities he has shouldered and who never loses sight, either, of the purposes to which he committed his life when he was ordained a priest—to befriend men of all faiths, to heal troubled spirits, to show the way, to administer the sacraments. The wonder is that this unhurried priest has either the time or the energy to satisfy the demands that are made of his many talents. The load he carries puts most men to shame."

The editorial went on to say "There is no facet of Boston life that has not absorbed Msgr. Lally's interest. But it is the philosophy, the love of people, which he brought to his thankless BRA chairmanship that makes him a standout even more than do such accomplishments as the Government Center renewal, the many changes in the predominantly black section of Roxbury's Washington Park and the emerging South End and waterfront renewal.

"His rule in every case has been to ignore special interest and selfish considerations and to insist that what must always be served is the greatest number. The bricks and the mortar are not his main concern. People are his concern, people and their needs."

For years Msgr. Lally's pastoral duties were carried out at St. Catherine's Church, Charlestown, where he made a practice of hearing confessions each Saturday and offering Mass on Sundays. Before leaving for Washington, he was pastor of Sacred Heart Church in Roslindale for a year.

He was born in Swampscott and was a graduate of Swampscott High School, Boston College in 1940 and of St. John's Seminary in 1944. Ordained to the priesthood Aug. 10, 1944, he also held a licentiate in social science from Laval University, Quebec, awarded in 1948. He was elevated to the rank of monsignor at the age of 34, the youngest man so honored in the Boston Archdiocese.

He held honorary degrees from Stonehill College, Marquette University, Manhattan College, Boston College, Northeastern University and Rivier College. In 1952 he was named a chevalier in the French Legion of Honor.

A fellow and former vice president of the American Academy of Arts and Sciences, he had served on the boards of trustees of St. Elizabeth's Hospital, the Education Development Center, the French Library, the Opera Company of Boston, the Charles Playhouse and the Institute for Politics and Planning; on the Board of Consultors of the Archdiocesan of Boston and the advisory boards of the National Conference of Christians and Jews and of Assumption College; and on the boards of directors of the Boston Council for International Visitors, the Boston Center for Adult Education, the Cambridge Center for Social Studies, the Civic Education Foundation of Tufts University, the Fund for the Republic, the International Friendship League and the New England Lyric Theater.

He also had been spirited director of the League of Catholic Women and was a member of the Boston Committee on Foreign Relations and the United States Committee for UNICEF.

Msgr. Lally was the author of "The Catholic Church in Changing America," the story of Catholics and their church in this country from the first explorers and immigrants to their first president of the United States. He also wrote numerous articles for various publications including The Boston Globe.

Of Msgr. Lally the U.S. Catholic Magazine once wrote: "He is what he always was—priest of God, friend of people, apostle of the printed word. But he is something else again. He is a witness in the modern world.

"Without meaning to embarrass him, in many, many ways he embodies what Schema 13—the Church in the Modern World—is all about.

"He seems precisely the type person that the schema draft had in mind when it prodded the social nature of Christians and urged them to 'take part in community programs and activities,' lending their cooperation also to the renewal of the agencies for cultural, social and civic activity."

He leaves a brother, John of Swampscott; two sisters, Dr. Catherine T. Lally and Margaret Wilson, both of Swampscott; two nephews, Richard and Robert Wilson; and a niece, Catherine Wilson.

A vespers service will be held at 5 p.m. Sunday in the Cathedral of the Holy Cross, where Msgr. Lally will lie in state until 9 p.m.

A funeral Mass will be said by Cardinal Bernard Law at 11 a.m. Tuesday, Sept. 8, in the Cathedral of the Holy Cross. Burial will be in Swampscott Cemetery.

*(Contributing reporter Doreen E. Indica assisted in preparing this story.)*

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[From the Boston Herald, Sept. 4, 1987]

### POPULAR HUB CLERIC, FRANCIS LALLY, DIES

Monsignor Francis J. Lally, a strong force in Boston's religious and civic affairs, died last night at the Deaconess Hospital after undergoing a recent operation for liver cancer. He was 69.

A personal friend of Cardinal Bernard F. Law, Lally was admitted to the hospital Aug. 22. His condition worsened earlier this week when doctors described him as "grave and critical."

Lally, the former editor of the Archdiocese newspaper, The Pilot, was rector of the South End's Cathedral of the Holy Cross for the past three years, a charge Law saw as one that would turn the Cathedral into "a model neighborhood of worship."

"My job is to restore the Cathedral to its place as the centerpiece of the Archdiocese," Lally said shortly after his appointment in 1984.

And change it he did.

Through his efforts, attendance at the Cathedral increased dramatically, drawing from the South End's Spanish community as well as its growing numbers of young professionals.

He also worked hard to revitalize the South End church by presiding over plans for the cathedral's liturgical and architectural restoration.

"He was a gentleman, who in many ways, in Chaucer's terms, was the town parson," said Fr. Peter Conley, a spokesman for the Archdiocese.

"He was well known, highly respected and quietly effective in the world of religion, culture and the redevelopment of the city of Boston," said Conley, who knew Lally.

A native of Swampscott, Lally served as secretary of the Department of Social Development and World Peace of the U.S. Catholic Conference in Washington before returning to Boston in 1957 to become one of the original members of the Boston Redevelopment Authority.

He served on the BRA for nearly 13 years, 10 of them as chairman.

One of the best-known priests in Boston, Lally was appointed pastor of Sacred Heart Church in Roslindale in 1971 after serving as assistant at St. Paul's parish in Wellesley.

A graduate of Boston College, he completed his clerical studies at St. John's Seminary, Brighton before being ordained on Aug. 10, 1944 at Holy Name Church, West Roxbury.

When Law became Bishop of Boston in 1984, he picked Lally as his first pastoral appointment, assigning him to the Cathedral.

He was spiritual director of the League of Catholic Women and served on a number of public and private boards including several charities.

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[From the Boston Globe, Sept. 9, 1987]

### FRIENDS GATHER TO PAY LAST RESPECTS TO MSGR. LALLY AT HOLY CROSS MASS

(By Paul Hirshson)

Family members, friends, fellow clergy and parishioners filed solemnly into Holy Cross Cathedral yesterday to attend a funeral Mass for Msgr. Francis J. Lally, rector of the cathedral, who died Thursday, Sept. 3.

Msgr. Lally, 69, was best known for his editorship of The Pilot, the archdiocesan newspaper, for 24 years. In addition, he had served as chairman of the Boston Redevelopment Authority and on several other civic boards and committees.

Cardinal Bernard Law said the Mass, attended by about 1,300 clergy and lay persons. Among those attending were Sen. Edward M. Kennedy, former Gov. John A. Volpe, former Boston Mayor John F. Collins and dozens of other state and local dignitaries.

The Mass was said with full pageantry, with dozens of robed clergy taking part, and a full choir and a brass ensemble augmenting the organ music. The concelebrants included Auxiliary Bishops Daniel A. Hart, John J. Mulcahy, Lawrence J. Riley and Robert J. Banks.

Cardinal Law brought up the rear of the procession into the cathedral, wearing his bishop's miter and carrying his gold shepherd's crook.

Other clergy in attendance included David Johnson, Episcopal bishop of Massachusetts; Rev. Thomas Kennedy, rector of St. Paul's Cathedral, Episcopal; Dr. James Nash, executive director of the Massachusetts Council of Churches; Rev. Carl Scovel, of King's Chapel, and Irving B. Levine, representing the American Jewish Committee.

Msgr. Daniel Hoye, executive secretary of the National Council of Catholic Bishops in Washington, gave the homily for his old friend. Msgr. Hoye and Msgr. Lally served together on the US Catholic Conference, the social action arm of the Council.

Msgr. Hoye remembered Msgr. Lally for his broad knowledge of temporal and religious figures and issues and for his friendly demeanor.

"He had style," Msgr. Hoye said. "Frank Lally's style was to be happy, and his goal was to infect others with his happiness.

"He was your friend; he was mine."

During the Mass, the Gospel (Mark 25:31-46) was read in English, German and Spanish to reflect Msgr. Lally's many interests and the parishes he served. Rev. Corbett Walsh, SJ, of Immaculate Conception parish in Boston, read in German, Rev. Lawrence Borges, pastor of St. Stephen's in Framingham, read the gospel in Spanish.

Cardinal Law conducted the graveside services at Swampscott Cemetery, near the Lally family home.

## CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be closed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the time between now and the vote on cloture be equally divided and controlled by the two leaders.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that Senators may speak on any other subject during this time, if they wish.

I also ask unanimous consent that they may introduce bills and resolutions as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield such time from the time under my control as he may desire. How much would he like to have? How much time do I have under my order?

The ACTING PRESIDENT pro tempore. The Senator has 20 minutes.

Mr. BYRD. How much time would the distinguished Senator like to have?

Mr. DIXON. I would like to have 10 minutes.

Mr. BYRD. Mr. President, I yield 10 minutes to my friend.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized.

Mr. DIXON. Mr. President, I thank the majority leader for his usual kind cooperation.

## SENATORIAL ELECTION CAMPAIGN ACT

Mr. DIXON. Mr. President, I am pleased this morning to rise and express my support for S. 2, the election reform legislation that has been before the U.S. Senate now for many months, and upon which my colleagues will again cast a cloture vote this morning.

Mr. President, there has been an evolutionary process in connection with

S. 2. A good deal of the objections that we earlier heard from colleagues on the other side I do not think would be applicable to the present form of S. 2. I first want to address the public financing question on S. 2, because the initial opposition to this bill centered on the public financing question. I can understand how there might be some reluctance on the part of some of my colleagues to support public financing of elections. I think what needs to be noted, though, is what everybody in the Senate already knows; unless you retain some sort of fundamental public financing at least as a triggering device, you cannot answer the Supreme Court's objections to limitations on campaign spending.

I believe I can safely say that there is a substantial majority in the Senate in favor of some kind of "reasonable" limitation on campaign expenditures. Last year I introduced a campaign expenditure bill which included limitations and modified public financing. I had occasion to look at expenditures in a number of campaigns around the country. At that time I believe there was a Congressman who had raised more than $21 a vote to be elected to the House of Representatives. I hope that shocks the conscience of every person in the House and Senate. I hope that everyone realizes there ought to be reasonable campaign limitations on expenditures.

I want to make these two small points. First, conceding that some might have a reasonable objection to public financing, the question is: Have the sponsors of this bill and in particular Senator BOREN of Oklahoma, and the distinguished majority leader fairly answered that objection?

Second, if they have answered that question: Is the present bill reasonable on campaign expenditure limitations? Those are the two questions.

Let me address public financing. I believe everybody here should understand that this is no longer a public financing bill. This legislation speaks about campaign limitation expenditures, but states that there will be no public financing if both of the candidates accept the limitations.

For example, Mr. President, if you run as a Republican, and the senior Senator from Illinois is running as a Democrat, and we both accept the campaign expenditures limitations of S. 2, no public expenditures come into play. The only way that public financing will come into play is if one candidate chooses not to be bound by these campaign expenditure limitations. Such a declaration will bring certain provisions of this legislation into play. First, a candidate would have to print on all literature a disclaimer that reads: "This candidate has not agreed to abide by voluntary spending limits." I get the benefit of the lowest unit broadcast rate for radio and television, and I get the benefit of a reduced first-class mail rate. Those are the things that apply in connection with your unwillingness to abide by the campaign limitation provisions of the law. And thereafter at certain points in the proceeding after you have reached certain spending goals, and I quote:

> At the point a nonparticipating candidate exceeds the general election spending limit, the participating candidate is entitled to a grant equal to 67 percent of the general election limit, and is allowed to raise and spend above the limit.

Second:

> At the point a nonparticipating candidate spends 133 percent of the limit, the participating candidate is entitled to an additional grant equal to 33 percent of the general election limit.

Of course, if both candidates comply with the limitations, public financing does not take place. I say to my friends who have said they oppose the idea of public financing, there does not need to be any under this bill, if we comply. That leaves the second question. Is the limitation a reasonable one?

Mr. President, I believe every Member thinks in terms of their own personal experiences in their own State. I have run for the Senate twice in primaries and twice in general elections, both times with opposition. Therefore, I relate to my own personal experiences when I look at this bill. That is natural. The President would do that in examining his North Carolina experience.

I see my friend, the distinguished Senator from Florida, Senator GRAHAM, is here. He would probably relate to that by looking at his experience in Florida.

What does the law say about Illinois, the specificity of my State, Mr. President? Here is what it says: "The spending limit for Illinois in the primary is $1,815,000. The spending limit in the general election is $2,709,000." That is a grand total of $4,524,000.

The question is whether this amount is reasonable. Allow me to tell you my experience. I ask all Members to judge on the basis of my experience or their own particular experience. In 1980, when I first sought this seat, I ran in the primary against a distinguished Illinoisan by the name of Alex Seith. He was not an unknown. In 1978, he had been our nominee against the distinguished senior Senator from Illinois, Senator Charles Percy. At one time with a week or 10 days left in that campaign he was 12 points ahead in that race. He lost in the close race in 1978. He was a formidable opponent. He had been the candidate for the U.S. Senate, he had been our supported candidate in the fall, he had been 12 points ahead until the last week in the campaign, and narrowly lost. Alex Seith was my opponent in 1980.

Mr. President, let the record show that this Senator from Illinois spent substantially less than $1,815,000 in a primary to defeat a candidate who had almost won only 2 years prior.

In the fall of that year as the secretary of state, a statewide office in Illinois, in the year that President Reagan carried my State against the incumbent President Jimmy Carter, I ran against the Lieutenant Governor of Illinois. He had likewise run statewide a couple of times and spent less than the limit of $2,709,000. In the same election, when President Reagan beat the incumbent President Jimmy Carter by well over 300,000 votes, I won.

I assert, Mr. President, on the basis of my own personal experience, this particular legislation is fair and reasonable. I see my warm friend from Kentucky, who has led the fight against this bill.

I make two points: One, this is not public financing if you comply. It is only the most limited type of public financing imaginable to comply with the Supreme Court. Two, it is reasonable in its scope and reasonable in its limitation.

I want to make this final point, because I see the Senator from Kentucky here: The New York Times this morning has an editorial entitled "The Filibuster and the Smell," in which they candidly say that campaign financing in this country is raising a stink.

We all know this. But I am here to say now that somebody is going to get in trouble, and there is going to be a major scandal in this country if we do not do something about this problem.

My good friend, the minority leader, for whom I have infinite respect, Senator DOLE of Kansas, has indicated that there may be cases where more money is required in some States, such as Illinois or Ohio or Wisconsin or New York; in other words, the deep Southern States, where a Republican candidate, quite frankly, faces massive registration differences—800,000 registered Democrats, 60,000 registered Republicans. I want to say, quite candidly, that he may have a point. However I believe this Senator and others would accommodate the different points of view on how to make a level playing field in such cases. If that is necessary I would vote to change those objectives, so that we have a fair bill.

I see my friend from Florida here. I do not know his experience in his State, which is similar in size to mine, perhaps a little larger. But in some of the smaller States in which the numbers are not high enough, I am in favor of raising those numbers a little to protect those States.

In conclusion, I think it is an outrage for the other side to withhold the votes necessary to get cloture so that

we can get to this bill, because there are many here, like this Senator, who are willing to work to get a fine bill that works. I implore my colleagues to do the right thing that will bring about good, solid legislation to do the job and will put limitations on campaign financing in the future.

Mr. President, I ask unanimous consent to have the editorial from the New York Times printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 15, 1987]

### THE FILIBUSTER AND THE SMELL

> The Senate today gets its seventh chance to correct two offenses against decent governance. The first is the filibuster, once a dubious but rare tactic that has recently been turned into routine obstructionism. The second is the smelly system of Congressional campaign finance, in which members count on fat contributions from PAC's, the political action committees of hundreds of industries and special interests.
>
> The two issues will intersect this morning when the Senate votes to cut off a Republican filibuster that has run since June 3 against a campaign finance reform bill. A majority of senators, perhaps 55, favor reform but to stop debate requiries 60 votes. If today's effort is to succeed, it will require the votes of senators like Alfonse D'Amato of New York who claim to support some such reform. If the vote fails, voters will know whom to blame.
>
> The filibuster was once the way senators made a last-ditch stand against bills of monumental importance—like the civil rights laws of the 1960's. Until opponents could find 67 votes to close off debate, the obstructers would paralyze the Senate with talk. In 1975 the rules were changed; now only 60 votes are needed. Meanwhile, the Senate has devised the two-track filibuster, which permits some action and avoids total paralysis.
>
> The once-rare filibuster has now become routine. Congressional Quarterly counts 15 votes to cut off debate in just this session. The filibuster, says Senator Dan Quayle, Republican of Indiana, has become trivialized. What once could be defended as a rare protection for an embattled minority has become a regular partisan expedient. Republicans who growl at the thought of a Democratic filibuster against Robert Bork's Supreme Court nomination support this filibuster with barely a blush.
>
> There's plenty to blush about. Running for office costs amazing amounts. Television may be blamed unfairly; a recent study for the National Association of Broadcasters shows that TV and radio time account for only a third of Senate campaign costs, much less than some authorities had guessed. Still, total campaign spending keeps shooting up, also reflecting the costs of other techniques like direct mail and polling. The reform bill, sponsored by the Senate majority leader, Robert Byrd, and David Boren, Democrat of Oklahoma, would restrain spending, in part by limiting PAC contributions.
>
> Their original bill would have created a public finance system similar to that in Presidential elections. The bill has since been moderated to meet Republican concerns. Public financing would become a kind of fail-safe. It would be provided only to candidates who accept spending limits but whose opponents refuse.
>
> Passing this bill would start to disperse the noxious cloud over the Capitol, a cloud redolent of money. The manager of one large corporate PAC is willing, anonymously, to explain how:
>
> "Think of a Congressman who raises an issue of great importance about, say, international trade. Then a week later he announces he's having a fundraising breakfast. It's an easy bet that we, and every other affected PAC, will participate. I'm not saying he's corrupt. I am saying you have to have access; you have to have a hearing. The PAC contribution buys that. There's no question that if he can vote for you, he will."
>
> There is no question of that, which is why a vote against the filibuster today is a vote against the cloud. The Byrd-Boren bill, even as diluted, would deserve the title of Political Clean Air Act of 1987.

Mr. McCONNELL. Mr. President, I listened with interest to the comments of the Senator from Illinois with respect to S. 2. If I heard my friend from Illinois correctly, he said that the third version of S. 2, or Boren-Byrd III, was essentially cost-free to the public. Our analysis indicates the complete opposite: That the bill as it was brought to the Senate floor would cost an estimated $30 million of the taxpayers' money; and if applied to the Senate and the House together, which would certainly be the case, Boren-Byrd III would cost up to $150 million. So, clearly, this bill is not free of taxpayer financing. Now, it is just a mix of direct taxpayer financing and rate-subsidized mail benefits: The American workers' money going to finance our campaigns, so that we can take it easy here in Washington.

Second, with reference to the amount of money spent in elections, we have had considerable discussion on the floor about that subject. The Senator from Illinois spoke about previous races in Illinois, and he was very fortunate in 1986. He did not have a very tough opponent, and did not have to spend much money. But in his election there was only a 37-percent voter turnout; a little less than two-thirds of those entitled to exercise their democratic prerogative chose not to bother.

The Senator from Kentucky has carefully examined campaign spending and voter turnout data, and discovered a direct correlation between the amount of money spent in an election—that is, in competitive races, since that is where more money is spent—and voter turnout.

In the 1986 Senate election in South Dakota, the race that is frequently cited for having "outrageous sums" spent in a small State, there was the highest voter turnout in the country. It was a spirited contest between good candidates, in which a good deal of money and effort were put forth on both sides. As a result, the people of South Dakota took a great deal of interest in that race; they contributed, they got involved, they learned the issues, they got to know the candidates, and they voted in unprecedented numbers. With spending limits, that kind of democratic competition and grassroots involvement would be crushed.

In the race of the Senator from Illinois, where there arguably was less interest and less money spent, and 37 percent of the voters turned out—21 percentage points less than the turnout in South Dakota.

From this analysis it is clear that more money is spent when people at home contribute more, and they give more when they care. What makes people care more about their democracy? When they have competitive, challenging, inspiring candidates to choose from. In races when this happens, it is a great thing for our system of government, for public involvement; and the so-called spending limits of S. 2 would put a ceiling on the political enthusiasm and activity that these unique races generate. That is not reform, Mr. President, that is a crime against the democratic spirit.

It seems to me, after 4½ months on this issue, that today we will put S. 2 to bed for this calendar year. It has been an interesting debate, an opportunity to educate all of us and the public about a most vital issue.

Some of the things that have been said on the other side, however, do not add up. One of the greatest misrepresentations on the other side is that this extended debate—or filibuster, if you will—is keeping us from writing a bill. It is not preventing this body from writing a campaign finance reform bill. We have been willing on this side to sit down at any point over the last 4½ months to write a truly bipartisan bill. This debate has been designed, however, to stop us from writing a bill on the floor of the Senate, even though Members from either side are free to offer amendments to S. 2 at any time, as the distinguished Senator from North Carolina did the other day. In fact, we could write a bipartisan campaign financing bill tomorrow and have it passed by 90 to 10, probably, once people are willing to sit down, as we usually work these matters out in this body, off the floor of the Senate, and get down to serious campaign financing reform of a bipartisan nature. Until there is willingness on the other side to do that, we are not going to get any closer to achieving real campaign finance reform. We have indicated our opposition to S. 2; now, the other side must be willing to meet us in a spirit of real compromise, to achieve the reform they say they want so much.

So, as we wind down to the end of this debate for this year, I would like to extend my gratitude to a number of people, on this side at least, who have worked very hard on this matter, making outstanding contributions in terms of research and debate and legislation, and other aspects of this highly complex issue.

First, I wish to thank the distinguished Senator from Oregon [Mr. PACKWOOD], one of the most eloquent speakers in this body, who has done an excellent job—particularly in the early stages of this debate—in outlining powerful objections to the Boren-Byrd approach to campaign finance reform.

In addition, the distinguished minority leader, Senator DOLE, has worked very hard this summer to work out a real bipartisan compromise, which we still hope will be possible next year.

The Senator from Alaska [Mr. STEVENS] has been a leader in campaign finance reform for many years in the Senate, and has made an invaluable contribution to our effort, through his editorials, legislative proposals, and wise counsel.

I also extend thanks to those other Senators who added immensely to the debate through this insightful and often inspiring remarks, particularly Senators GRAMM, DOMENICI, BOSCHWITZ, SYMMS, COCHRAN, and MCCAIN.

Of course, none of it could be done without the staff people, who have proved invaluable in this debate. I list, first, my own legislative assistant, Steven Law, who has sat at my right throughout this often grueling debate, and did a brilliant job of analysis and research as we worked through this process during the last 4½ months. If he was not an expert in campaign financing when we began, he is today, and I thank him for his invaluable assistance.

Others who were involved in our effort all along the way were Mark Braden, general counsel of the Republican National Committee; Ben Ginsburg, counsel of the Republican Senatorial Committee; Sheila Burke, of Senator DOLE's staff; John Colvin and Penny Schiller, of Senator PACKWOOD's staff; Bill Canfield, of Senator STEVENS' staff and the Rules Committee staff; David Gottlieb, of Senator BOSCHWITZ' staff; and Frank Polk, of Senator ROTH's staff.

All played an invaluable part in putting together our combined effort on this most important issue. I offer you my sincerest thanks, and hope we can join together once again, when the other side decides to come to the table and work out a reasonable, bipartisan campaign finance reform bill.

Now, what is the future of campaign finance reform, Mr. President, as we reach the final day of this calendar year for this subject?

First of all, I sense on both sides some frustration from those who have worked hard on the issue over the months. We have spent nearly 20 days on what I would describe as a no-win proposition, a bill that is clearly tilted against one of our two major parties, and against the democratic tradition of grassroots fundraising and political activity.

Some would say that we have passed over other important business of great public concern, to have seven unnecessary cloture votes, which I understand from the distinguished majority leader is a record for the Senate. And thus far, we have not been able to work out an effective bipartisan campaign finance bill.

Yet there are a number of problems in the current system that I think we can address in a bipartisan way.

I actually have great hope for the future, now that we can begin to work on a joint bill without the pressure of cloture votes and floor amendments constantly weighing down on us. We should have done this months ago, and I believe it is possible to start the process anew, at the beginning, and create a meaningful reform bill which we all can agree upon.

What are the things that we can agree upon? There are quite a few matters. I think we can agree on a reasonable limit on PAC's and special interest money in campaigns. We can agree on the disclosure and monitoring of soft money contributions, something S. 2 does not deal with in any significant way.

We can agree on closing the millionaires' loophole. We all know that Buckley versus Valeo created a loophole through which many wealthy candidates have marched into office. They have been allowed to spend unlimited amounts of their own money on their own behalf, whereas anyone else must painstakingly build up campaign funds through $1,000 maximum contributions.

That problem can be solved, but it will take a constitutional amendment to do so. Some have said, however, this is just too trivial a matter to warrant a constitutional amendment.

Mr. President, I do not think it is a trivial matter that someone who has amassed great wealth in this country can spend everything they have on behalf of their own campaign. It distorts the system and tilts the playing field toward the wealthy and the so-called aristocracy of the moneybag. This is the kind of inequity worthy of a constitutional amendment, and I have introduced such an amendment, Senate Joint Resolution 166, which would cure that inequity.

Some have said, however, that you cannot ratify a constitutional amendment very quickly. I would predict, Mr. President, that this kind of constitutional amendment, which says that the Congress has the same authority to limit what one puts into his own race as it has to limit what one puts into others' races, would go speeding through the Congress and the State legislatures, and soon become part of our Constitution.

For those who want to extend this constitutional amendment to do something about so-called independent expenditures, I have included a limit on that abuse as well, in Senate Joint Resolution 166. Once again, I invite my colleagues to review this resolution and to cosponsor this needed reform measure.

Finally, on things that we ought to be able to agree on, there is no question that the cost of television has driven up the cost of campaigns. I believe we can agree on requiring a meaningful discount on media advertising. I have suggested, in legislation that I advocated earlier this year, that we require broadcasters to sell us advertising time at the lowest unit rate for the previous year, during the 30-day period immediately preceding primary and general elections.

There has been a tendency on the part of broadcasters to raise the lowest unit rate charge toward the end of campaigns. That of course, hits the campaigns and candidates very hard. It is not unreasonable to suggest that they sell us that time at a reasonable price.

What do all these proposals add up to, Mr. President? They add up to meaningful reform of our election laws; meaningful reform that would pass this body by a tremendous margin.

This would be a comprehensive reform bill, a bill that cut back PAC's that closed the millionaire loophole, that reduced the cost of television for compaigns. It would be meaningful campaign finance reform, without taking taxpayers' money and without limiting expression, for that is exactly what a spending limit is. It is like saying to a candidate: you can only get this much support and no more, only this much and no more. The reform I propose today would not fleece the taxpayers or rob them of their political rights. Mr. President, and could pass the U.S. Senate, on a bipartisan basis, by a vast margin to become law.

As the months unfold, and we look to the beginning of 1988, these discussions will continue off the floor, in an atmosphere that could foster a truly bipartisan campaign finance reform bill.

I want to repeat how I appreciate the contributions made by many people on this side of the aisle, both Senators and staff, toward this debate. We will continue to work together in the coming months to fashion a bipartisan campaign finance reform bill that has a real chance of passing the U.S. Senate.

Mr. President, how much time do we have remaining on this side?

The ACTING PRESIDENT pro tempore. Seven minutes and sixteen seconds.

Mr. McCONNELL. I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. BOREN. Mr. President, I yield myself 3 minutes.

Mr. President, we have an opportunity in just a few minutes to take a step toward meaningful reform of the campaign finance process.

Others on the other side, including my distinguished friend from Kentucky, have just found fault with various parts of the proposal before us, Senate bill 2.

If we invoke cloture at 11 o'clock this morning, the amendments of the Senator from Kentucky and others will be in order.

All we are asking is that the Senate be allowed to proceed by the invoking of cloture on this bill to consideration of meaningful campaign finance reform before this year's work of Congress is completed. We would have a full airing of the entire matter. Agreements could be reached. Amendments could be offered. Undoubtedly some changes in the pending legislation would be made. But we should have a chance, Mr. President. We should have a chance before this year ends to proceed to take up this fundamentally important matter, important to the functioning of this institution, important to our constitutional system of government in the bicentennial year of the Constitution.

Mr. President, I am pleased to announce this morning that two additional Senators have joined as cosponsors of Senate bill 2, and I ask unanimous consent that Senator DODD of Connecticut and Senator BREAUX of Louisiana be added as cosponsors of this legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BOREN. Senator GLENN has previously been added as a cosponsor and that means, Mr. President, a clear majority of the Members of the U.S. Senate, 52 Senators are now cosponsors of Senate bill 2.

Mr. President, in the name of fairness, I believe with this kind of expression of support, with 52 Members of this body, a clear majority, favoring meaningful reform, that we should have an opportunity to proceed to take up this matter.

How long are we going to wait, Mr. President, before we act?

In the brief time that I have been a Member of the U.S. Senate, less than a decade, the average cost of running for the U.S. Senate has gone from $600,000 for a winning campaign to $3 million for the average successful candidate.

How long are we going to wait, Mr. President? Are we going to wait until it costs $6 million before we act or $9 million or $15 million? It is not slowing down. It continues to increase. Can those who want to thwart the will of the majority of the Senate to take up this issue honestly look at themselves and say that it is good for this country or good for the U.S. Senate and good for the constitutional process that the average Member of the U.S. Senate must raise $10,000 every single week of a 6-year term, every single week for 6 years, in order to raise sufficient funds to run for reelection?

Can they honestly say that that is good for the constitutional process; that the time spent raising that money is well spent, as opposed to its being spent on grappling with the serious problems facing this country and that the constituents of those sent to the Senate sent them here to deal with challenges that they wanted them to face? Can they honestly say that it is healthy for the system that competition for the highest offices of this land——

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. BOREN. I yield myself 1 additional minute.

That that is based primarily upon which candidate can raise the most money instead of upon the qualifications, ideas and ideals of those candidates? Can they honestly say that it is good for this country that more and more of the vast sums of money needed for campaigns are not coming from people at the grassroots, not coming even from people who have any connection with the home State or district of the Member of Congress, but coming from interest groups with their own special economic interests who rate Members not on their overall performance but on how they vote on those particular economic interests? Can it be said that that is good for the political system of this country?

We are killing the election process itself, the heart and soul of the democratic process in this constitutional form of government. How long are we going to wait to face this clear and present danger to the integrity of our constitutional system before we act?

How much longer are we going to be derelict in our duty as guardians of the constitutional process to do something about it? Mr. President, how many scandals will have to occur? How much public confidence will have to be eroded? How many young people will be discouraged from entering public service? How many good public servants will be discouraged from staying in public service before we act to stop this unhealthy, monstrous, skyrocketing of the costs of campaigns in this country?

All we say to those on the other side who have suggestions for improving this legislation is: Give us a chance. The majority of the Members of the Senate have now sponsored this bill. Give us a chance to bring it up. Offer your amendments. Let them be voted up or voted down. If you have improvements to make, if you convince the majority of the Members of the Senate that they are improvements, they will be made. Give us a chance to deal with this important problem before the year is out.

Mr. President, I hope we will have a chance to do it this year. But let it be clear: if we do not, this issue will not go away. This bill is headed for ultimate victory, whether it is today, whether it is next January, next February, or after that. This bill is headed for ultimate victory, because it is right, because it deals with a serious problem that is recognized by the American people as a problem that cries out for a solution.

The effort will not stop until the problem is corrected. And it must not stop, because we have an obligation to the system of government to make sure that the effort is ultimately successful.

The ACTING PRESIDENT pro tempore. The time under the control of the majority leader has expired.

Mr. BYRD. Mr. President, I would like to say a few words on the subject. I ask unanimous consent that I may have 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I would be happy to extend the time on the other side, too, if Mr. MCCONNELL would desire.

Mr. McCONNELL. Mr. President, I say to the distinguished majority leader, I was just going to take a couple of more minutes and after that I probably would yield back my time. I have 7 minutes left.

The ACTING PRESIDENT pro tempore. Yes.

Mr. McCONNELL. I probably will have yielded back the 5 minutes you are going to take, anyway.

Excuse me a minute. I am advised that I probably better reserve the entire 7 minutes. I certainly have no objection to the Senator going ahead.

Mr. BYRD. I thank the distinguished Senator.

I ask unanimous consent that both sides have an additional 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, today I want to offer an international perspective on election financing. I believe it would be useful for my colleagues, who may not be aware, to know how some other governments, such as those in Israel, West Germany, Canada, and Great Britain, deal with their elections and election financing. With the assistance of the Congressional Research Service of the Library of Congress, I have prepared some material on this subject, which I believe should be a part of the Record, and I ask unanimous consent, therefore, that the material be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

[See exhibit 1.]

Mr. BYRD. Mr. President, I understand that another Senator has already asked to have printed in the Record today the excellent editorial that appears today in the New York Times, the editorial being titled "The Filibuster and the Smell."

Mr. President, on that score, I want to compliment and thank the New York Times, the Washington Post, and the scores of other newspapers throughout this country, including many newspapers in West Virginia, that have strongly supported in such a fine way this effort by Mr. Boren and other Senators and myself to clean up our campaign financing system. We maintain that this system is destroying faith in this institution and destroying the faith of the American people in our representative democracy.

Mr. President, I do not think that it would be amiss to predict that unless the Senate comes to grips with this political AIDS virus, it is going to destroy the confidence in this institution and it will ultimately result in a scandal of tremendous proportions that will further shake the faith of the American people in the electoral system as well as in the institution. The day will come when some of the Senators who have steadfastly opposed cloture on this measure are going to regret their votes. The American people are going to hold them responsible.

This is a virus. It is a money chase. I have referred to it as the aristocracy of the money bag. It is dragging down this institution and is going to ultimately damage seriously the faith of the American people in our constitutional system of representative democracy, because they will not view ours as truly a representative democracy. They are not going to view themselves as being represented by us. They are going to view us, those of us who have to go out and engage in this money chase and leave our work here and leave our families to raise money for our reelection campaigns, they are going to perceive us as being beholden to the special interest groups that contribute to our campaigns.

Now we are all victims of the system. I have said this a number of times. I am a victim of it. There are others here who are victims of the system. We are trying to clean it up. The only way we can clean it up is to do so from the inside. We will have tried seven times as of today to do that.

I have no illusion as to the outcome of cloture today. I have a feeling that unless there is a great conversion, on the other side of the aisle where those who have been voting against cloture will come to the mourners' bench and admit their political sins, if I may put it that way, in voting against cloture, we will not get cloture today.

We will have some absentees, I know. But we will come back. General Douglas McArthur said: "We will return." Mr. President, we, too, will return. We will not be back this year; that is obvious, because we have too many other things to try to do. But we will return, next year. We will revisit this subject. It will still be on the calendar.

I hope that, in the meantime, the outside groups that have been so supportive of the effort to get action on campaign financing reform will continue their active work out in the country, and continue to call to the attention of the great public out there the importance of this issue. I hope that they will continue to contact our friends, most of whom are on the Republican side, here, of the Senate, who have consistently voted against coming to grips with this disease which is rapidly spreading and developing deeper into the body politic which I have referred to as the acquired immunodeficiency syndrome; the political AIDS virus.

I am sorry to have to use that term but as time goes on we are going to find that it is an apt term to use in this political situation.

So we will return and I hope that our editors and columnists throughout the country who have been so supportive of this effort will continue therein because this is not the omega of the effort.

Mr. President, I thank all Senators who have supported the effort to invoke cloture, and I particularly thank those Republican Senators, few in number at the moment, who have shown the courage to stand up and vote for cloture in the face of the almost solid opposition of the leadership on the other side. I do not cast any animadversion with respect to the leadership, but the Republican leadership is opposed, as we saw. The Republican conference, in full view, laid its cards right on top of the table recently in saying it would be opposed to anything that would put a limit on campaign spending.

There can be no campaign financing reform if there is not a limit on campaign spending. That is a hardcore opposition when the Republican conference takes that view. But the question remains, and again I compliment and thank those noble and courageous souls who have been willing to stand up in the face of that conference position, and still vote for cloture.

Obviously, the bill can be changed and approved and amended. Those who are voting for cloture probably will want to amend the bill and improve it if cloture can be invoked.

But, in any event, Mr. President, nobody is kidding anybody when they maintain that we can have campaign finance reform and still continue with any system which requires Senators to go out and leave their work and raise money, money, money in the millions for reelection. Give me more and more and more of your money.

How much are you willing to pay for a Senate seat? How much money can you raise? How much can you raise for a Senate seat? How much money is it going to require to win a Senate seat?

Those of us who are victims of the system, who want to change it, cannot ignore our own reelection efforts in the meantime so we have to raise the money. I hope that our friends will continue, our supporters on the outside and on the inside, will continue their support because we will revisit this matter early next year.

I will guarantee that. I yield the floor.

## Exhibit 1

## Election Finance: An International Perspective

"No man is an island, entire of itself." So said the poet, John Donne. Neither is any nation, or political system, complete and self-contained in these last decades of the 20th century. The advent of radio and television, jet travel, and more recently, the instantaneous transmission of vast amounts of automated data, have made us inhabitants of a new world, an interdependent world, once characterized by media philosopher Marshall MacLuhan as "the global village."

No American corporation engaged in business, manufacturing, or finance today would dream of operating in a vacuum, or choose deliberately to ignore world-wide developments in science, technology, communications and marketing. To do so would not only be self-defeating and economically dangerous; it would deprive a business enterprise of access to the vast body of creative thought, experience, and innovation taking place beyond our borders. We need only look at the example of Japan: much of that nation's economic success is directly attributable to their practice of examining, adapting, and adopting practices and policies that have proved successful in other countries.

In much the same way, it is in our interest, as elected representatives of the American people, to be aware of, and receptive to political trends and developments in other democratic nations. As Americans, we take just pride in the success and durability of our democratic institutions of self government, particularly our great Constitution, whose bicentennial anniversary we celebrate this year. It has been a document, and ours a system, which other nations around the world have studied and emulated. But, by the same token, we would be guilty of extreme naivete if we were to think that our structure and practice of public affairs is complete and self-sustained, or if we

thought that the experiences of other democratic societies had nothing to offer for our own experience.

Our own actions as an institution confirm this truth. Many of us have, over the years, developed fruitful relationships with the freely elected lawmakers of other democratic nations. Many of us in this chamber today have experienced the invigorating exchange of ideas that accompanies such events as meetings of the Interparliamentary Union. We know our sister democracies have much to offer us in the way of innovative political ideas and different approaches to the attainment of similar goals.

I think it may be beneficial for us to pause, examine, and reflect on the practices of other democratic societies in an area that has vexed this body as greatly, during the course of recent months, as did any of the constitutional questions which confronted the long-suffering delegates to the Philadelphia Convention of 1787. I refer specifically to the question on which so much of the Senate's precious time has been spent during the course of the 100th Congress: how we, as an institution, are to govern ourselves in the matter of campaign funding. It is not my purpose today to go over ground that has been covered, eloquently, and at length, by supporters and opponents of the bill before the Senate (S. 2). We are by now familiar with the facts, figures, and practices of financing congressional election campaigns in the 1980s. I intend, rather, to review briefly the experiences of several other democratic societies in addressing questions similar to those we have faced here in the United States.

Perhaps the most fitting place to begin is with our trans-Atlantic cousins, the British, whose political institutions and processes so strongly influenced the decisions of our founding fathers, and whose own legislature proudly bears the title "Mother of Parliaments". Let us be quick to notice that not everything in the British political experience is applicable to our own circumstances. The United Kingdom has a population about one-fourth the size of America's, and covers only a tiny fraction of the area of the United States. Its political system is largely unitary, rather than federal, and its political parties are generally regarded as much stronger and more cohesive than our own. Nonetheless, there is much to admire in the conduct of British elections. Those of us who have worked over the years to reduce the evergrowing length of Presidential election campaigns look with wonderment, and sometimes envy, at a system that can conduct a national election in 28 days, rather than 28 months. Moreover, the British people, for whatever reason, turn out in substantially higher percentages to cast their votes in national contests for parliament: a mean of 77 percent of the voting age population has gone to the polls in post-war elections. This compares favorably with the mean turnout of 59 percent for the United States for Presidential elections over the same period, and dwarfs our own embarrassing 36 percent participation in the 1986 congressional elections.

The difference in election costs between our two countries is equally striking. British Information Services, a department of the British Embassy, estimates that the 1983 general election in Britain cost $10,300,000, at current exchange rates, as compared to an estimated $211,000,000 for our own 1986 Senate elections alone.

In Great Britain, total expenditures are regulated per constituency, or per district. The government does provide assistance in the election process, which takes the form of indirect aid. Get-out-the-vote activities, which are consuming an increasing share of party expenditures in the United States, are unnecessary in the United Kingdom, where all costs associated with registration are absorbed by local governments. Moreover, candidates of all three parties are provided with free use of public facilities, such as schools and meeting halls.

Perhaps most important, paid political television and radio spots, which constitute the largest single category in American election expenditures, are prohibited under the British system. Instead, broadcasting authorities, in a non-statutory agreement with the political parties, provide free radio time, and television time at a nominal expense, on a nationwide basis.

In addition, unlike in our congressional campaign financing system, Britain sets a ceiling for election expenditures by individual candidates for parliamentary districts (which comprise a population of about 90,000), providing a base figure, plus a given amount for each registered voter. In the national election of 1983, the average expenditure for urban constituencies was less than $8,000, that of rural districts, slightly less.

Another of our NATO allies, the Federal Republic of Germany, has demonstrated an impressive record of stable and democratic government since its foundation in 1949. Rising from the rubble of World War II, against the background of a long tradition of authoritarian rule, West Germany has provided a remarkable example of democratization.

The Federal Republic, since 1967, has operated with a mixed system of public and private financing of elections. The recognized political parties, that is those which attained more than five percent of the votes cast in the most recent election, qualify for an annual subsidy direct from government revenues to meet their election and administrative expenses.

Funds are allocated to the parties by the Federal Accounting Office, with the total amount determined by the number of popular votes received in the last federal election. In addition, German law empowers the component States of the Federal Republic to reimburse the parties directly for expenses incurred in State election campaigns. Contributions to political parties by private citizens are also encouraged under German law.

The State of Israel has established a comprehensive program of assistance for its multi-party democracy, as well as subsidizing other activities designed to encourage public participation in the elections process. And their system has clearly been successful: in nine national elections held between 1948 and 1981, Israelis turned out at a mean rate of 81.4 percent of eligible voters.

Direct grants are provided to the parties represented in the Knesset, or Parliament, as compensation for election expenses. Funds are allocated on the basis of the number of seats held in the Knesset by each party. Israel also places limits on the expenditure of funds raised by the parties from private contributions to not more than one-third the amount received by each party in its official allocation. All political expenses by the parties are subject to inspection by the Israeli State Comptroller, and, in fact, each party receives only 70 percent of its campaign allocation prior to an election. The remaining 30 percent is allotted only after the Comptroller's office has inspected party financial records and judged them to be complete and accurate.

While Israeli television and radio provide free time for party political broadcasts during election campaigns, additional program time is devoted for non-partisan voter education broadcasting; government funds are also provided for non-partisan newspaper and magazine advertisements publicizing the elections, and encouraging all citizens to vote. Finally, the Israeli Government provides free transportation to and from the polls for voters whose designated polling places are outside their communities.

Our neighbor, Canada, also has some useful examples for her neighbors to the south of how a democratic society can deal with the problems of campaign finance. Her institutions of government resemble ours in many ways—we both have federal systems and bicameral legislatures. Our two nations also share long traditions of democratic self-government, and what are, basically, two-party systems. Moreover, while Canada's population is only a tenth that of the United States, she is also a large, continent-spanning nation, sharing the same costs and logistical problems associated with conducting political campaigns in such extensive geographical areas.

In 1969, the Canadian Parliament passed the Canada Election Act, which provided public campaign subsidies on the Federal level for the first time in Canadian history. The Canadian system differs from the general European practice in that allotments are made directly to candidates for the Federal House of Commons, rather than to political party organizations. The amount received by each candidate is based on the population and area of his district or riding, as they are called. Special allowances are granted to candidates running from Canada's huge and sparsely populated prairie and arctic constituencies.

The payment takes the form of a reimbursement made after the election, and is paid to candidates only after their campaign expenditures have been reviewed by Federal auditors. In recent elections, campaign subsidies have amounted to about one-third of the cost of an average House of Commons election campaign.

In addition, Canadian law also limits the total amount which can be spent in election campaigns. For individual constituencies, which typically include about 50,000 voters, candidates were originally authorized to spend up to one dollar, Canadian, for each of the first 15,000 voters residing in the district, 50 cents for each of the next 10,000, and 25 cents each for the remaining votes. These figures, which were originally set in 1969, have since been adjusted to account for inflation.

The political parties' national expenditures are also limited under the Canada Elections Act: the parties are authorized to spend an amount not greater than 30 cents for each registered voter in constituencies in which the party has designated an official candidate for the House of Commons. National party spending limits have also been adjusted from this original limit to allow for inflation.

Canada has also retained private funding as part of its election finance system, by permitting contributions from corporations and private individuals to both individual candidates for office, and the national political parties.

Britain, West Germany, Israel, Canada: four countries with different approaches to campaign finance. Some of the alternatives include public financing to the parties or the candidates, providing free television and radio time, and subsidizing the costs of voter education and registration.

Each of these democratic nations I have so briefly surveyed has had at least a decade of successful experience under its current arrangement. In no single case has their political system been debased, or altered beyond recognition. Political power in each has changed hands peacefully within the past decade, demonstrating that incumbent parties and legislators are not automatically benefited by a system of public finance of elections or parties or of limitations on campaign expenditures. Moreover, in each of these nations, the rate of voter participation has been, and continues to be, well above our own.

My purpose in making these remarks has been to suggest that systems of election spending limitation and public election finance have worked well and fairly in other democratic nations over the past two decades. We would do well to take a page from their book, and craft a system of election finance for this body that will make us proud as Senators, one that will be fair and honest, will restore dignity to, and confidence in, the election process, and will stimulate our fellow citizens to fuller participation in the fundamental right of democratic government: the popular election of our chosen representatives.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Kentucky controls 12 minutes, 8 seconds.

Mr. McCONNELL. Mr. President, I do not believe I will use the 12 minutes. I am checking now to see if the distinguished Republican leader would like to add to the RECORD at the end of the debate.

I listened with interest, as I have over the months, to the distinguished majority leader. It has been interesting to observe how we differ on the same set of facts. I look at the same system the majority leader looks at, and yet I see something quite different. For example, I see a system in which not everyone is forced to raise a lot of money. As a matter of fact, many Members of this body choose not to raise much money: Senator PROXMIRE, for example, has made a principle out of not raising much money, and he has been able to succeed quite well.

There is a Congressman from my home State of Kentucky, Congressman NATCHER, who spent about $1.95 last year on his campaign. It did not seem to diminish his electoral prospects.

The early fundraising that the majority leader decries has really not happened. Just look at the facts: if we consider the class of 1990, which presumably would be the ones involved in early fundraising.

Mr. SANFORD. Mr. President, I wonder if the distinguished Senator from Kentucky would yield for two short questions.

The PRESIDING OFFICER. Would the Senator from Kentucky yield to the Senator from North Carolina?

Mr. McCONNELL. No, I would like to finish my statement. We are anxious to have the vote; Senators are standing around waiting.

The PRESIDING OFFICER. The Senator from Kentucky does not yield for a question.

Mr. McCONNELL. Out of 33 candidates from the class of 1990, 17 have raised less than $100,000. Twenty-four have raised less than $200,000. Only nine have raised in excess of that, and much of that money comes from leftover funds of previous races. The political AIDS virus that the distinguished majority leader refers to is simply not occurring. There are some problems out there, but I do not think you cure them by passing a bill that limits expression and raids the Treasury. This is what S. 2 would do in all of its versions, Mr. President.

The majority leader said that the supporters of S. 2 will return. Let me say confidently that the opponents of S. 2 will return as well. I hope that we can avoid another stalemate on the floor by agreeing to sit down and write a bipartisan campaign finance reform bill; a bill that does something about PAC's and special interest soft money—for if there is any scandal out there waiting to happen, Mr. President, it is in the area of PAC contributions and special interest soft money.

Just looking at a newspaper article here, from the Wall Street Journal, I read that Democrats outstrip Republicans in PAC funds by two to one. Two to one. Mr. President, I certainly hope that this grim statistic is not the real reason why the other side has refused to come to the bargaining table and talk about real campaign finance reform. Because if that is the case, then we already have the scandal in this Chamber, and it will be very difficult to root it out.

I ask unanimous consent that the articles to which I have referred may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Monday, Aug. 10, 1987]

### 51 SENATORS LIST $1 MILLION IN AID

(By Richard L. Berke)

WASHINGTON, Aug. 9—More than half the current United States senators have received at least $1 million each from political action committees in their Congressional careers.

The senators' financial reports show that six of them reached the $1 million mark in the first half of this year, bringing to 51 those who have collected at least that much from the committees.

Although Congressional campaigns are financed mostly by direct, individual contributions, opponents of political action committees say the groups exert undue influence on elected officials. Proponents say the committees, which can give $5,000 to a candidate and accept $1,000 from an individual in both the primary and general election, reflect the many legitimate interests of those who contribute to them.

Some members of Congress take PAC money but would curb the PAC's. A Senate bill that would further restrict contributions from PAC's has been stalled by a Republican filibuster. Several bills have been introduced in the House but are not as far along.

In some cases, the financial reports show PAC money collected over nearly 15 years. But the committees have played a much greater role in recent years. By the end of 1984, 17 senators had received more than $1 million; two years later 46 had received more than $1 million.

In all, the sitting senators have received $109 million from PAC's since 1972, when the Federal Election Commission began tracking the contributions. That figure is based on contributions to the members' campaigns for seats in the Senate, earlier campaigns for the House and on other political committees the senators may control.

This year alone, senators raised $10 million from the committees. Even so, contributions by the committees play only a supporting role in financing Congressional campaigns. They raised 25 percent of the money spent by and for candidates elected to the Senate last year and 41 percent for candidates elected to the House, according to the Congressional Research Service of the Library of Congress.

Bob Dole, the Republican leader who was first elected to the Senate in 1968, led his colleagues by collecting a total of $3.3 million from political action committees since he entered Congress. In his re-election campaign last year, Mr. Dole raised $2.6 million, of which $1 million, about 40 percent, came from the committees.

"We're not apologizing for PAC money," said Walt Riker, spokesman for the Kansas Senator. Mr. Dole favors some curbs on PAC's, Mr. Riker said, so long as "across the board" restrictions are placed on other financing sources, such as labor groups. While Mr. Dole's Senate campaign received $1 million from PAC's last year, his 1980 campaign received $422,531 and his 1974 campaign only $82,555.

"I find it embarrassing," said Senator Phil Gramm, Republican of Texas, when told he had received a total of $2.4 million from PAC's, ranking him third among his colleagues. "I should be No. 1 because of the work I do in promoting work and jobs and opportunities for our people. I am proud of the broad-based private support."

Fifteen of the 51 Senators are in their first Senate terms. Senator Thomas A. Daschle, a South Dakota Democrat elected last year, has raised $1.9 million from PAC's since he entered the House in 1978. More than $1 million of that was given for his election last year.

Senators David L. Boren of Oklahoma, a principal sponsor of legislation that would restrict PAC's, and William Proxmire of Wisconsin, both Democrats, are the only two Senators who have never accepted PAC money while in Congress.

Financial reports filed over the last week with the Federal Election Commission show that overall fund-raising for the senators' 1988 re-election campaigns has begun in earnest. The 33 incumbents who face election next year got more than $20 million in total contributions in the first half of 1987. Those senators' reports show they have more than $27 million that is unspent.

Of those incumbents, Lloyd Bentsen, Democrat of Texas, chairman of the Senate Finance Committee, collected the most money this year and has the most on hand. He has raised $3.8 million this year, nearly 30 percent from PAC's.

Senators Donald W. Riegle Jr., of Michigan, Frank R. Lautenberg of New Jersey and Senator Jim Sasser of Tennessee, all Democrats, were the next most successful fund-raisers this year, each accepting slightly more than $1 million.

Other senators who are facing election in 1988 and already have more than $1 million on hand are Howard M. Metzenbaum, Democrat of Ohio, $2.2 million; Pete Wilson, Republican of California, $2.1 million, Paul S. Trible, Republican of Virginia, $1.4 million; Daniel Patrick Moynihan, Democrat of New York, $1.3 million; John C. Danforth, Republican of Missouri, $1.2 million, and John Heinz, Republican of Pennsylvania, $1.1 million.

The finance report of Senator Daniel J. Evans, Republican of Washington, was most noticeable. While most Senators up for re-election in 1988 raised hundreds of thousands of dollars this year, he collected only $26,330 and has $125,597 in the bank.

Senator David Karnes, Republican of Nebraska, appointed in March to fill the term of the late Senator Edward Zorinsky, a Democrat, has already collected $152,955, $48,600 of it from PAC's. Senator Alfonse M. D'Amato, the New York Republican who won relection in 1986, got $555,777 this year, and has $446,034 available to spend.

### SENATE PAC'S IN THE MILLIONS

Political action committee receipts of sitting senators who received a million dollars or more from 1972 through June 1987

| | |
|---|---|
| Bob Dole (R-Kan.) | $3,366,305 |
| Alan Cranston (D-Calif.) | 2,606,585 |
| Phil Gramm (R-Tex.) | 2,499,984 |
| Lloyd Bentsen (D-Tex.) | 2,434,597 |
| Steve Symms (R-Idaho) | 2,261,761 |
| Pete Wilson (R-Calif.) | 2,037,808 |
| Charles Grassley (R-Iowa) | 2,019,748 |
| Thomas Daschle (D-S.D.) | 1,949,843 |
| Tim Wirth (D-Colo.) | 1,833,942 |
| Arlen Specter (R-Pa.) | 1,790,384 |
| David Durenberger (R-Minn.) | 1,774,048 |
| Paul Simon (D-Ill.) | 1,671,664 |
| Ernest Hollings (D-S.C.) | 1,606,431 |
| Dan Quayle (R-Ind.) | 1,604,622 |
| Alfonse M. D'Amato (R-N.Y.) | 1,595,150 |
| John Breaux (D-La.) | 1,581,610 |
| Alan Dixon (D-Ill.) | 1,575,864 |
| Orrin G. Hatch (R-Utah) | 1,575,608 |
| John Glenn (D-Ohio) | 1,558,367 |
| Richard Shelby (D-Ala.) | 1,545,682 |
| Bob Packwood (R-Ore.) | 1,540,751 |
| Robert Kasten (R-Wisc.) | 1,536,870 |
| Jim Sasser (D-Tenn.) | 1,528,868 |
| Robert Byrd (D-W. Va.) | 1,507,710 |
| Donald Riegle (D-Mich.) | 1,484,271 |
| Christopher Bond (R-Mo.) | 1,430,233 |
| Harry Reid (D-Nev.) | 1,421,511 |
| Rudy Boschwitz (R-Minn.) | 1,405,597 |
| Jesse Helms (R-N.C.) | 1,385,885 |
| Tom Harkin (D-Iowa) | 1,359,036 |
| Wyche Fowler (D-Ga.) | 1,300,235 |
| Edward M. Kennedy (D-Mass.) | 1,284,538 |
| Thad Cochran (R-Miss.) | 1,278,560 |
| Paul Trible (R-Va.) | 1,235,734 |
| Don Nickles (R-Okla.) | *1,221,847 |
| Bill Bradley (D-N.J.) | 1,214,675 |
| Daniel Patrick Moynihan (D-N.Y.) | 1,211,503 |
| Patrick Leahy (D-Vt.) | 1,189,389 |
| Wendell Ford (D-Ky.) | 1,180,574 |
| William Armstrong (R-Colo.) | 1,172,070 |
| Pete Domenici (R-N.M.) | 1,116,536 |
| Richard Lugar (R-Ind.) | 1,093,335 |
| Max Baucus (D-Mont.) | 1,080,825 |
| Howell Heflin (D-Ala.) | 1,076,436 |
| Albert Gore (D-Tenn.) | 1,075,803 |
| John Melcher (D-Mont.) | 1,070,239 |
| Ted Stevens (R-Alaska) | 1,068,003 |
| Christopher Dodd (D-Conn.) | 1,061,501 |
| Barbara Mikulski (D-Md.) | 1,051,560 |
| John Warner (R-Va.) | 1,035,530 |
| John McCain (R-Ariz.) | 1,007,766 |

*Figures as of Dec. 31, 1986.

Source: Federal Election Commission.

[From the New York Times, Feb. 23, 1987]

### RAISING 1990 FUNDS AND SOME HACKLES

(By Richard L. Berke)

WASHINGTON, Feb. 22.—In politics, money buys access. But Stanley K. Sheinbaum, a leading Democratic fund-raiser, has grown so frustrated by the demands of money-hungry politicians that last week he did not even want such access.

He told Senator Tom Harkin, who sought an appointment with him in Los Angeles, that he would see him only under one condition.

"I saw Harkin privately on the proviso that money not be discussed," he said.

The Iowa Democrat, who is up for re-election in 1990, consented, and Mr. Sheinbaum reports that the two had a fine conversation. Money was never mentioned.

Even so, money is increasingly discussed among disgruntled fund-raisers, directors of political action committees, lobbyists and individual contributors.

They are troubled not so much by how much Republican and Democratic candidates, particularly incumbent senators, have come to expect in donations, but by the nagging solicitation letters and phone calls from senators who do not face re-election for several years.

In the words of Ann F. Lewis, national director of Americans for Democratic Action, a liberal policy group, fund-raising has become "a perennial preoccupation" for senators who no longer wait until the end of their six-year terms to seek funds.

And some donors are fed up.

"There's a real anger developing," said Mr. Sheinbaum. "Prior to right now, a senator with a race for four years hence would have been casual about it. But now they're getting fierce. They're obsessed. It's distracting them from their jobs. It's wearing them out."

Mr. Sheinbaum, who is an investor and a University of California Regent, said he considered Mr. Harkin a good friend but just did not have patience with him and two other senators seeking re-election in 1990 who were looking for funds on the West Coast last week. He said that he was still recovering from the dozen fund-raising events he held for 1986 contenders and that his view was more toward 1988's elections than 1990's.

Mr. Harkin collected $53,000 last year, four years before he goes before the voters again, and he is not alone in raising money early. In all, the 33 senators who face re-election campaigns in 1990 took in more than $5.2 million last year, including more than $350,000 from political action committees. Only eight had debts to pay off from previous campaigns, and some still had leftover cash from their successful campaigns in 1984.

#### THEY'RE GETTING BUGGED

Representative Bill Frenzel, a Minnesota Republican who is a leading advocate of changes in Federal election law, said political action committees were also feeling the squeeze. "I think the PAC community feels kind of put upon to do what they consider to be excessive amounts of fund-raising, particularly for incumbents who aren't going to have very tough elections and often in years in which no election occur," Mr. Frenzel said. "And I think they're getting bugged by it."

One PAC director said he was so fed up by constant solicitations that he sent an anonymous letter to other contributors suggesting that the situation was so bad it could trigger a "donor revolt." He did not sign his name because he said he feared being cut off from the politicians his committee supports.

By soliciting funds earlier, the senators are not, in most cases, seeking larger contributions per individual donor. No matter when they collect funds, they remain bound by the Federal election law, which limits an individual's contributions to a candidate to $1,000 for the primary and another $1,000 for the general election. The comparable limit for PAC's is $5,000.

#### DISCOURAGING CHALLENGERS

But money in the bank early helps candidates discourage potential challengers and gives them time to develop a broader pool of contributors. The money also earns interest.

Donors say they generally do not like being hounded for cash for campaigns more than two years away. One reason is that donors with limited resources are finding themselves contributing to campaigns years in the future, with current candidates receiving less.

That was a problem last year, when some Senate campaign aides complained that those seeking contributions, for 1988 and 1990, were competing with their candidates, who had a more urgent need for the money.

Donors also say they often do not have such faith in the future performance of candidates to feel comfortable making such advance contributions. But, to assure continued access and influence in Washington, they find they have no alternative.

Senator Mitch McConnell, a Kentucky Republican who raised $317,300 last year for his 1990 campaign, defended the practice, saying raising money early "is just the intelligent thing to do" now that successful Senate races cost several million dollars to wage.

"The process is not demeaning, or offensive or overly time-consuming," he said. "The limits on contributions require us to deal with a lot of folks. Of course, always in politics you want to scare off other candidates early."

The alternative, Mr. McConnell said, is to wait until the eve of an election to raise funds and "be completely snowed by it."

Rather than holding huge pre-election fund-raising extravaganzas, many senators routinely hold annual events through which they incrementally build their campaign coffers.

Senator Bill Bradley, a New Jersey Democrat, raised $1.1 million last year, the most of any candidate up for re-election in 1990. Some was collected from such events as his annual theater party, annual women's lunch and annual fund-raising dinner.

Those who do contribute early express mixed feelings about how they benefit. Former Representative Alvin J. Baldus, a Wisconsin Democrat who now supervises the political action committee of Cenex, a farm cooperative, said elected officials appreciated early contributions and gave "a lot of Brownie points" to the contributors.

But Jack Owen, who is on the board of the American Hospital Association's PAC, said, "The value of giving money early doesn't help us because the candidate forgets that we gave."

Some donors have little sympathy for those who do object. They say donors would not contribute if it were not to their advantage.

### THE WAY OUR SYSTEM WORKS

"It's kind of a shame, but that's the way our system works," said Darrell Brown, a thoroughbred breeder who gave $2,000 last year for Mr. McConnell's 1990 campaign. "To be in politics you have to plan ahead and raise your money."

And William J. Grant, manager of the political committee of Consolidated Freightways Inc. in Palo Alto, Calif., said, "It's part of the game."

Mr. Sheinbaum, for one, disagrees. He vows never to raise funds before a candidate's two-year election cycle.

"I won't do it," he said, "How do I know he won't turn fascist on me? How do I know he won't be dead?"

PLANNING AHEAD

[Campaign funds raised in 1986 by Senators whose terms expire in 1991. Figures are as of Jan. 1, 1987, except where noted]

| | Total raised in 1986 | Portion from PAC's | Cash on hand |
|---|---|---|---|
| William Armstrong, R-Colo.[1] | $8,093 | $0 | $102,551 |
| Max Baucus, D-Mont. | 28,788 | 17,859 | 2,870 |
| Joseph Biden, D-Del. | 614,160 | 7,950 | 421,624 |
| David Boren, D-Okla. | 21,408 | 0 | 51 |
| Rudy Boschwitz, R-Minn. | 323,040 | 5,530 | 167,665 |
| Bill Bradley, D-N.J. | 1,132,200 | 91,192 | 659,251 |
| Thad Cochran, R-Miss. | 17,729 | 6,450 | 174,683 |
| William Cohen, R-Me. | 8,955 | 1,250 | 144,557 |
| Pete Domenici, R-N.M. | 17,729 | 5,550 | 51,215 |
| James Exon, D-Neb. | 5,832 | 0 | 40,803 |
| Albert Gore, D-Tenn. | 23,678 | 7,865 | 69,611 |
| Phil Gramm, R-Tex. | 804,170 | 42,221 | 281,462 |
| Tom Harkin, D-Iowa | 53,103 | 31,450 | 44,872 |
| Mark Hatfield, R-Ore. | 36,486 | 0 | 176,410 |
| Howell Heflin, D-Ala. | 35,485 | 0 | 467,585 |
| Jesse Helms, R-N.C.[1] | 414,643 | 2,000 | 652 |
| Gordon Humphrey, R-N.H. | 40,395 | 10,500 | 12,021 |
| J. Bennett Johnston, D-La. | 187,800 | 2,950 | 1,602,420 |
| Nancy Kassebaum, R-Kan. | 12,898 | 1,750 | 175,010 |
| John Kerry, D-Mass. | 471,195 | 1,325 | 0 |
| Carl Levin, D-Mich. | 56,352 | 2,305 | 64,501 |
| James McClure, R-Ind. | 40,123 | 1,600 | 257,843 |
| Mitch McConnell, R-Ky. | 317,300 | 17,050 | 564,502 |
| Sam Nunn, D-Ga. | 38,975 | 0 | 570,743 |
| Claiborne Pell, D-R.I. | 33,681 | 0 | 373,330 |
| Larry Pressler, R-S.D. | 49,317 | 11,500 | 230,291 |
| David Pryor, D-Ark. | 20,580 | 0 | 65,285 |
| Jay Rockefeller, D-W.Va. | 7,729 | 2,000 | 6,459 |
| Paul Simon, D-Ill. | 241,762 | 34,225 | 15,543 |
| Alan Simpson, R-Wyo. | 87,068 | 3,000 | 154,246 |
| Ted Stevens, R-Alaska[1] | 36,145 | 29,000 | 66,007 |
| Strom Thurmond, R-S.C. | 14,745 | 8,095 | 50,130 |
| John Warner, R-Va. | 9,163 | 1,750 | 21,672 |

[1] Funds raised as of June 30, 1986.

Source: Reports filed with Federal Election Commission.

Mr. McCONNELL. Clearly, the majority party is not particularly interested in doing anything about PAC contributions because they do better with PAC's. The point I want to make though, is we shouldn't write a bill that is to the partisan advantage of one party or the other. Let us write a bipartisan bill. Let us do something meaningful about PAC's and special interest soft money. Let us do something about the millionaires' loophole and independent expenditures and the cost of campaigns. We can write a campaign finance reform bill off the floor of the Senate and have it ready by the first of next year. If we can cooperate, we will have a legitimate reform to present to the public.

Mr. President, I yield back the remainder of my time.

## CLOTURE MOTION

The PRESIDING OFFICER. The time for debate under the unanimous-consent agreement having expired, pursuant to rule XXII of the Standing Rules of the Senate, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Brock Adams, John Glenn, David Boren, Jim Sasser, Tom Daschle, John F. Kerry, Wyche Fowler, Jr., Christopher Dodd, Wendell Ford, Terry Sanford, Edward M. Kennedy, Robert C. Byrd, Dennis DeConcini, Bob Graham, John Melcher, Claiborne Pell, and John C. Stennis.

## WAIVER OF AUTOMATIC QUORUM CALL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

## VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the committee substitute as modified for S. 2, a bill to amend the Federal Election Campaign Act of 1971, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. RUDMAN (when his name was called). Mr. President, on this vote I have a pair with the distinguished Senator from Nebraska [Mr. Exon]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. CRANSTON. I announce that the Senator from Florida [Mr. Chiles], the Senator from Nebraska [Mr. Exon], and the Senator from Tennessee [Mr. Gore] are necessarily absent.

I also announce that the Senator from North Dakota [Mr. Conrad] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 51, nays 44, as follows:

[Rollcall Vote No. 242 Leg.]

YEAS—51

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Cranston
Daschle
DeConcini
Dixon
Dodd
Ford
Fowler
Glenn
Graham
Harkin
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Stafford
Stennis
Wirth

NAYS—44

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Humphrey
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Rudman, against

NOT VOTING—4

Chiles
Conrad
Exon
Gore

The PRESIDING OFFICER. On this vote, the yeas are 51, the nays are 44. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

## ORDER OF BUSINESS

Mr. BYRD. Mr. President, the cloture motion that was entered on the Department of Defense authorization bill automatically is vitiated, is it not, by virtue of the fact that the Senate has taken up that bill?

The PRESIDING OFFICER. It is vitiated.

Mr. BYRD. I thank the Chair.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

Mr. BYRD. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

The bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Glenn Amendment No. 678, to prohibit the awarding of contracts for research and development in connection with the Strategic Defense Initiative program to foreign countries and foreign firms.

(2) Warner-Dole Amendment No. 679 (to Amendment No. 878), of a perfecting nature, to declare that the Congress of the United States fully supports the President in his negotiations with the Soviet Union.

## ABSENCE OF SENATOR LAUTENBERG FROM THE SENATE

Mr. BYRD. Mr. President, the distinguished Senator from New Jersey [Mr. Lautenberg] has received news of the death of his mother, and he will have to be absent from the Senate for a few days. I therefore have been asked by Mr. Lautenberg to ask unanimous consent, in accordance with paragraph 2 of rule VI of the Standing Rules of the Senate, that Mr. Lautenberg be permitted to absent himself from the work of the Senate over the next 3 days.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## CAMPAIGN FINANCE REFORM

Mr. DOLE. Mr. President, today, with a seventh cloture vote, we again revisit so-called campaign finance reform.

The debate on this issue, which has gone on sporadically since November of 1985, has had the benefit of airing the views of many on all sides of the matter. It is not that we disagree on the need for some reform, it is the nature of the solutions that divide us.

As I noted last week prior to the sixth cloture vote, people have suggested that the Republicans are simply opposed to any change in the status quo; and given the coverage of our efforts by the press, I am not surprised they hold that view.

But that simply is not the case, as evidenced by our introduction of a measure last week which mirrored much of the work done last year by Senators Boren and Goldwater.

While the Boren/Goldwater bill was much heralded upon its introduction, it is interesting to note that our efforts received little or no attention by the media, a somewhat disturbing fact. It is almost as if our suggestions, important enough when first proposed, were no longer relevant. But even more disturbing is the change in tone in the current debate.

In a November 1985 editorial, the Washington Post suggested the following: reforms should not unduly restrict the amount of money that candidates, including challengers to incumbents, can raise. The Post further suggested that reforms should not impinge on freedom of political expression, and that the arguments that PAC's are a vehicle for voters self-expression cannot be casually dismissed. Finally it suggested, wisely in my view, that we should proceed carefully with reform.

An August 11, 1986, article in the New York Times suggested that the provisions of the Boren/Goldwater bill were both reasonable and clear and should thus be supported by all sides.

But given the lack of reaction to our proposal, and the seemingly broad media support for the new Boren/Byrd measure, these opinions seem to have radically changed.

### GIVE POWER BACK TO THE VOTER

The great strength of the earlier Boren/Goldwater measure was its emphasis on the need to get the individual involved in the political process and place some limits on PAC's.

We have disagreed over the imposition of an aggregate cap on PAC contributions largely because we are concerned that such a limit might prove a hindrance to the less affluent and less well-organized interest groups, who may not be able to raise and target their campaign money. Of course, as a result, the political leverage of the better organized, the groups Senator Boren is most concerned about, might become even more pronounced. The measure could also, we believe, work as an incumbent protection measure by denying an important potential source of funds to challengers.

Finally, our third major objection to the PAC limit is that any effort to curb PAC's could serve as an incentive for more PAC's to engage in independent expenditures.

But beyond this one key problem, there is much agreement over the value of increased disclosure, particularly with respect to soft-money, and increased participation of individuals.

### INDIVIDUAL NOT TAXPAYER PARTICIPATION

While most of the agruments made last year by Senator Boren and in the press focused on the problems with PAC's, there was corresponding emphasis on the individual voter. But somehow in the last year the emphasis has slipped away from the individual to the taxpayer.

Suddenly the solution to our problems, instead of increasing individual contributions, is the introduction of taxpayer financing, and limits on the overall amounts spent on campaigns.

In none of his statements that I have reviewed from last year, nor in the old editorials that I have obtained, is there any mention of the value of public financing. In fact, in an interview with the New York Times in September of 1986, Senator Boren states that he has very mixed feelings about public financing. And that, Mr. President, is at the heart of our disagreement today.

The bottom line is that we should concentrate our efforts on the real problems, be it lack of involvement of the individual, over-involvement on the part of PAC's, or lack of disclosure with respect to soft-money. Boren/Goldwater was good enough for many last year. I believe the Dole, Stevens, McConnell, Packwood bill is worthy of our consideration now.

On another subject, Mr. President, let me indicate that——

Mr. BYRD. Mr. President, if the distinguished Senator will yield, I ask that the time taken by my comments and his response, if he wishes to respond, not come out of his time.

The PRESIDING OFFICER. Without objection, it is so ordered. However, the Senator's 5 minutes have expired.

Mr. BYRD. Mr. President, I ask unanimous consent that the Republican leader may proceed for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I welcome the opportunity to work with the Republican leader as we look toward next year when we will indeed revisit this subject in the effort to try to develop and pass meaningful campaign reform.

The distinguished majority leader has introduced legislation and he has stated today that there ought to be a limitation on PAC spending, and I believe I heard him say that the bill which Mr. Boren and other Senators and I have introduced does not limit PAC spending.

Mr. President, may I ask the distinguished Republican leader two questions: does his legislation limit campaign spending? Second, does his legislation limit the overall total of PAC contributions? I am not talking about just limiting what a simple PAC may give, which is $5,000 as of now, but does his legislation propose a ceiling on the total that PAC's may contribute to any candidate?

Would he answer those two questions?

Mr. DOLE. Let me first address the PAC. There is no aggregate cap in the PAC.

Mr. BYRD. That is the flaw, looking at it from our standpoint.

Mr. DOLE. I think that is now without some hope, that we might come together.

What we have done is instead of a $5,000 contribution, limit that to $3,000. We have not included a cap for a couple reasons. First, we think limits are not in the interest of many candidates in many parts of the country; and, second, only well-organized PAC's, the ones that had an ongoing PAC organization, as many of the companies do, would have the chance to contribute. Someone starting up a PAC or someone who took more time to get his PAC's, maybe smaller groups are disadvantaged because, by the time they got ready to make a contribution to, say, Senator Dole or some one else, the candidate would have already reached that limit.

I think there is some reason in that argument.

To answer the first question, there is no overall limit on spending. We try to achieve that by limiting how much individual PAC's can give. We do raise the individual contribution $1,000 or $1,500, and we do call for disclosure of so-called soft money, and there are other provisions, so I do not think there is really any basic disagreement.

My view is, I would guess on 80 percent of the issues, there is no problem. We just have to find a way to come together on the other 20 percent.

Mr. BYRD. Mr. President, I thank the distinguished minority leader.

I close my remarks by saying the Boren-Byrd, et al., approach is to have a limitation on the aggregate contributions that PAC's may give. The distinguished Republican leader proposes a limitation on PAC's. He proposes, I believe, lowering the limitation on the amount that any particular PAC can give, which now is $5,000 for a primary and $5,000 for the general.

But the distinguished Republican leader does not put a ceiling on the aggregate that PAC's may give. In other words, a candidate, under the distinguished Republican leader's proposal, could have his entire election costs financed by PAC's because there is no ceiling on the aggregate. That is one flaw. The Boren-Byrd bill does put a ceiling on the aggregate.

Second, the distinguished Republican leader in his proposal does not have any limitation on campaign expenditures. Mr. President, that is part of what this whole debate is about. Unless there be a limitation on campaign expenditures, then any legislation we would pass to the contrary, unless it has a limitation on campaign spending, is not genuine campaign finance reform.

So, these are two major differences in our approach, I would say, to begin with. But I will look forward to working with the Republican leader and so will Mr. Boren and other Senators as we take a look at next year, and hopefully we can find legislation on which we can get a majority of the Senate to come together.

I thank the distinguished Republican leader.

He wishes to speak on another subject, so I should sit down.

## THE RESIGNATION OF SECRETARY DOLE

Mr. DOLE. Mr. President, I would just say very quickly that I have noted with interest that the Secretary of Transportation has resigned effective October 1.

I just wanted to indicate to my colleagues that I think she has done an outstanding job. Of course, there is no bias or prejudice on my part. But I will be making a fuller statement for the Record. I would just say to the Secretary of Transportation that you have done an outstanding job. It is a very difficult job that she has had for these 4½, almost 5, years. And I certainly wish her the best in whatever she may do hereafter.

Mr. BYRD. Mr. President, I join with the distinguished Republican leader in complimenting our very distinguished Secretary of Transportation.

I have said on previous occasions, and I reiterate it today, that as far as this Senator is concerned Elizabeth Dole has been and is my all-time favorite Secretary of any Department in my lifetime.

Now this raises a question which I think also could give some of us on this side considerable hope, and that is whether the distinguished Republican leader will help us to now extend unemployment compensation benefits—that did not go over so well.

Mr. DOLE. Pretty good. I liked that.

Mr. BYRD. Would he help me to explain that?

Mr. DOLE. No. That is OK.

Mr. BYRD. Because the Republican leader without the income of his lovely wife is probably going to need some financial help, and I know that he is against public financing of campaigns, even though it will not be very long until, I daresay, as I look back upon the events of last weekend, that Mr. Dole will be one of those announced Republican candidates for the Presidency and so, therefore, even though he may be against public financing of senatorial campaigns I have a feeling he probably will not back up to the window when he seeks the check for public financing of Presidential campaigns.

But more than that he is going to need some Government assistance, and I think this would be a good time, Mr. President, for us to introduce legislation and to ask unanimous consent to proceed with it immediately to extend the unemployment compensation benefits so as to help our good friend, the minority leader, to sustain himself.

Aside from those facetious remarks, I ask unanimous consent that I may proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I close by again commending Elizabeth Dole for the excellent performance that she has given. The President will lose a good Department Secretary, while the distinguished Republican leader will not only gain a strong continuing supporter, but Mrs. Dole will be able to be at her husband's side in the effort which I assume he will announce before too long, and I think it is quite proper and I commend her.

Mr. DOLE. Thank you, Bob.

Mr. BYRD. Yes, indeed.

## ORDER OF PROCEDURE

Mr. BYRD. The Senate is on the Defense Department authorization bill, is it not?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. I yield the floor.

The PRESIDING OFFICER. The Senator has yielded the floor.

The Senator from Ohio.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The Senate continued with the consideration of the bill.

### AMENDMENT NO. 680

(Purpose: To prohibit the awarding of contracts for research and development in connection with the Strategic Defense Initiative program to foreign countries and foreign firms.)

Mr. GLENN. Mr. President, I withdraw my Amendment No. 678 and send an amendment to the desk.

The PRESIDING OFFICER. The Senator has the right to withdraw his amendment.

The clerk will report the amendment which has been offered.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. Glenn] for himself, Mr. Exon, Mr. Bingaman, Mr. Bumpers, and Mr. Mitchell, proposes an amendment numbered 680.

Mr. GLENN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the appropriate place in the bill, insert the following new section:

#### SEC. . PROHIBITION AGAINST CERTAIN CONTRACTS

(a) In General.—Funds appropriated to or for the use of the Department of Defense for any fiscal year pursuant to an authorization contained in this or any other Act may not be used for the purpose of entering into or carrying out any contract with a foreign government or a foreign firm if the contract provides for the conduct of research, development, test, or evaluation in connection with the Strategic Defense Initiative program.

(b) Temporary Suspension of Prohibition Upon Certification of the Secretary of Defense.—The prohibition in subsection (a) shall not apply to a contract in any fiscal year if the Secretary of Defense certifies to Congress in writing at any time during such fiscal year that the research, development, testing, or evaluation to be performed under such contract cannot be competently performed by a United States firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm.

(c) Exceptions for Certain Contracts.—The prohibition in subsection (a) shall not apply to a contract awarded to a foreign government or foreign firm if—

(1) the contract was entered into before the date of the enactment of this Act;

(2) the contract is to be performed within the United States; or

(3) the contract is exclusively for research, development, test, or evaluation in connection with antitactical ballistic missile systems.

(d) In this section:

(1) The term "foreign firm" means a business entity owned or controlled by one or more foreign nationals or a business entity in which more than 50 percent of the stock is owned or controlled by one or more foreign nationals.

(2) The term "United States firm" means a business entity other than a foreign firm.

Mr. GLENN. Mr. President, I yield the floor.

### AMENDMENT NO. 681

Mr. BYRD. Mr. President, on behalf of Mr. Nunn and myself, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will read the amendment.

The bill clerk read as follows:

The Senator from West Virginia [Mr. Byrd], for himself and Mr. Nunn, proposes an amendment numbered 681 to amendment No. 680.

In the amendment by Mr. Glenn strike the word "firm" in the last line of subsection (d), and insert in lieu thereof the following: "firm.

(e) Since the United States and the Soviet Union are currently engaged in negotiations to conclude a Treaty on Intermediate Nuclear Forces (INF) and are continuing serious negotiations on other issues of vital importance to our national security;

Since the current discussions are a culmination of years of detailed and complex negotiations, pursuing an American policy objective consistently advocated over the past two Administrations regarding nuclear arms control in the European theater, and which reflect delicate compromises on both sides;

Since the Senate recognizes fully, as provided in clause 2, Section 2, Article II of the Constitution, that the President has the "power, by and with the advice and consent of the Senate, to make treaties."

Since the Senate also recognizes the special responsibility conferred on it by the founding fathers to give its advice and consent to the President prior to the ratification of a treaty, that it is accountable to the people of the United States and has a duty to ensure that no treaty is concluded which will be detrimental to the welfare and security of the United States.

Since in recognition of this responsibility, the Senate established a special continuing oversight body, the Arms Control Observer Group which has functioned over the last 2½ years to provide advice and counsel, when appropriate, on a continuing basis during the course of the negotiations;

Since the Senate and the President both have a constitutional role in making treaties and since the Congress has a constitutional role in regulating expenditures, including expenditures on weapons systems that may be the subject of treaty negotiations;

Since the Senate will reserve judgment on approval of any arms control Treaty until it has conducted a thorough examination of the provisions of such treaty, has assured itself that they are effectively verifiable, and that they serve to enhance the strength and security of the United States and its allies and friends;

Therefore the Senate hereby—

(1) Declares that the Senate of the United States fully supports the efforts of the President to negotiate stabilizing, equitable and verifiable arms reduction treaties with the Soviet Union;

(2) Endorses the principle of mutuality and reciprocity in our arms control negotiations with the Soviet Union and cautions that neither the Congress nor the President should take actions which are unilateral concessions to the Soviet Union;

(3) Urges the President to take care that no provisions are agreed to which would be harmful to the security of the United States or its allies and friends.

(Mr. BREAUX assumed the chair.)

### SUPPORT FOR ARMS CONTROL

Mr. BYRD. Mr. President, today we are continuing our consideration of the defense authorization bill. The Senate has struggled throughout the summer to bring up this bill.

First, we had that far less than enjoyable morning some several weeks ago—as a matter of fact, I suppose it must have been 3 months ago—when I attempted to make a nondebatable motion during the morning hour and our dear friends on the other side of the aisle, exercising their rights under the rules, ran the clock out on me. So I was unable to make that nondebatable motion. We had a series of contentious motions and a contentious debate with respect to that effort.

Then we had three cloture votes on a debatable motion to proceed and our high-water mark was 59 votes.

Now, there was to have been a cloture motion today but, on last Friday, I was able to get myself into a position where I could make a nondebatable motion and our Republican friends could not do anything about it. They could not run the clock out. I did not have to have unanimous consent, did not have to have cloture. It was a nondebatable motion and I had the floor and that was it. I could go either to the defense bill or to the catastrophic illness bill. So the result was that the Senate voted on that nondebatable motion and the Department of Defense measure was made the pending business and it is now the business of the Senate.

Incidentally, had we voted on cloture to take up the defense bill today and all Republicans who had heretofore voted against the motion to invoke cloture, had they voted against the motion to invoke cloture today, we would have again failed. Counting the absentees on all sides, the vote today would have been 56 to 40, with 4 absent.

So the high-water mark today would have been 56 votes and would not have matched the last high-water mark which we achieved on May 20, that being 59 votes.

Now, Mr. President, we will have a full debate on the subject matter, on the bill itself, and there will be some debate in connection with any treaty which may be presented to the Senate at any time in the future. It is important that the Senate address these issues—the role of the Senate in advising and consenting to the making of a treaty.

The Constitution says that the President, with the advice and consent of the Senate, will make treaties.

So the Senate has a role in advising and consenting to any international treaty. It is a critical constitutional function of the Senate that has never been more apparent than in the past few months. And the Senate's role in ratification will be an essential element of any future arms control treaty.

Because of the importance which the Senate attaches to these issues, a bipartisan arms control observer group has been established in the Senate. That group has been active now for over 2½ years. Its creation had the strong support of both leaders. It is a bipartisan group and it has been highly complimented by Secretary Shultz and other high-ranking officials in the administration. It has followed the arms control process in Geneva closely. It has provided valuable insights to the Senate on the negotiations process, and will have a role to play, along with the standing committees of the Senate, in the Senate's performance of its duty under the Constitution to advise and consent in treaty ratification.

Today the Soviet Foreign Minister, Mr. Shevardnadze, and administration officials are beginning 3 days of discussions concerning the arms control talks in Geneva, with special attention to the talks on limiting intermediate range nuclear forces, the INF missiles. Yesterday, the United States presented its latest proposals on this subject in Geneva. According to statements by administration officials in news reports, it may be possible to reach an agreement on INF in the near future. If and when such an agreement is reached, it will be subjected to careful and rigorous examination in the Senate. And Mr. Shevardnadze, as well as Mr. Reagan and Mr. Gorbachev and others on both sides of the ocean, our NATO allies, as well as the Soviets and ourselves, should understand that this agreement, if it is reached, is going to be subjected to careful and rigorous examination in the Senate. This body is not a rubberstamp. Thorough exploration of all issues associated with the treaty will be conducted.

I think it is appropriate for me to mention at this time that when the SALT II Treaty was about to be taken up in the Senate, I went to see President Brezhnev, the leader of the Soviet Union in 1979.

I visited him on Independence Day, July 4, 1979, and I met with him for approximately 1 hour and 45 minutes. In that meeting, there was only Mr. Brezhnev, one aide, and an interpreter, on one side of the table, and myself, as majority leader of the Senate, at that time, one aide, and one interpreter on my side of the table.

My message to President Brezhnev was—and the next day I gave the same message to Mr. Gromyko at that time—namely, that the Senate is not a rubberstamp to any President. At that time, at the White House was a President of my own party. I made it clear that the threats and intimidating statements coming out of the Soviet Union at that time as to the dire consequences of rejection of the SALT II Treaty would not be anything but counterproductive as far as the Senate was concerned. The Senate was not a rubberstamp to any President and under our Constitution two-thirds of the Senate would be required to approve the ratification of any treaty.

I made it clear that, unless the Soviet Union and the high officials there, through their news media, stopped making statements that were apparently intended to intimidate the Senate, there would be no treaty because, there would be no Senate ratification of approval. That was the message I gave to Mr. Brezhnev and I gave the same message to Mr. Gromyko.

I was told by both Mr. Brezhnev and Mr. Gromyko that those inflammatory statements would cease. Mr. Gromyko said, "Henceforth, Mr. Leader, may I say to you if I feel the compulsion to make a strong, inflammatory statement, and I am about ready to dictate that statement, I will say to my secretary, 'You are sick. Go home for the rest of the day.' Henceforth, if I am prepared to write a statement that is critical of the U.S. Senate, as I reach my right hand forward I will take my left hand and draw it back."

So the message got across. Other events, of course, scuttled action on the treaty.

When the Soviets invaded Afghanistan later in that year, that was the end of the treaty. I called the President from my home and asked to see him. I told him we could not get the votes for that treaty in light of the invasion of Afghanistan by the Soviet Union, particularly following on the heels of what had happened to American hostages in Tehran, and therefore it was my recommendation that we just forget about the treaty. He concurred and stated that he would like to make that clear in public. So that was the way it happened that the treaty was never called up by me.

Mr. Shevardnadze may well be reminded, and so may our own administration officials, that this Senate is not going to be a rubber stamp to any President on any treaty. We will fulfill our role under the Constitution.

It is most appropriate for the Senate to begin its discussion of the DOD bill by considering arms control. Mr. Shevardnadze should see for himself the process of democracy in the U.S. Senate and understand that the opinion of this body on important arms control issues does matter.

The amendment which we are now considering today is designed to express the support of the Senate for vigorous and careful negotiations of arms control agreements. It is clear that the amendment offered by our friends on the other side of the aisle is based on the assertion that actions taken by the Congress during the normal course of considering the important issues of our budget for national defense could somehow be construed as inappropriate and detrimental, and "unilateral concessions."

Moreover, the amendment offered by the other side appears to contend that the Senate should never express its will on any policy position currently under negotiation between the United States and the Soviet Union, and that we should be very quiet now right now while these negotiations are being discussed between our two leaders, between Mr. Shevardnaze and Mr. Shultz, the President and Mr. Gorbachev, through their representatives; while those discussions are going on, the Senate should roll over and play dead, say nothing, just be quiet and be good.

But the Senate has a role under the Constitution and it does not just begin when treaties are sent to the Senate. The Constitution does not say that the President shall make treaties by himself. It says by and with the advice and consent of the Senate—advice. When does the Senate give advice? After the event? By and with the advice and consent of the Senate the President shall make treaties.

So it is a partnership of both the Senate and the President in the making of treaties.

This attempted constitutional emasculation, and I am referring to the amendment in the second degree offered by our friends on the other side of the aisle, this attempted emasculation of the Senate and its proper role must be rejected out of hand. That amendment has now been removed and there is now the Byrd-Nunn amendment in its place. I might add that the point of view that was expressed in the amendment in the second degree which has been offered by our friends on the other side is certainly not applied by the other side to issues affecting Central America.

The amendment which I have offered today, with the cosponsorship of Mr. Nunn, is designed to reaffirm the Senate's well-established role in the treaty-making process, and its role in authorizing and appropriating national expenditures. It also expresses the strong support of the Senate—the strong support of the Senate—for the arms control negotiations process, and urges the President to conclude a treaty which is effectively verifiable and in the interests of the United States and its allies. This amendment is a positive statement which I am confident Senators on both sides of the aisle can support and I urge its adoption.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the Senate will recess at 1 o'clock today until 2 o'clock p.m. to accommodate the conferences of the two parties. There remain 40 minutes, therefore, for Senators who may wish to speak on the pending amendment. It is agreeable with me if we could reach a time agreement as to when a vote might be had on that amendment. So I urge Senators, if they wish to speak on the amendment, to come to the floor and do so.

In the meantime, I hope that we can perhaps, through our staffs, and through ourselves, explore the prospects of having a vote on the amendment in the second degree up or down shortly, or on a tabling motion if a Senator tries to table it. But we, hopefully, can get on with action sooner rather than later. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is noted. The clerk will call the roll.

Mr. BYRD. Mr. President, I withdraw my suggestion.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the majority leader, and I thank the Chair. I have no remarks to make, but I do have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. I would ask the Chair if the pending amendment is germane. I understand there is no germaneness rule until cloture is voted. I am talking about post cloture.

The PRESIDING OFFICER. The Chair will state to the Senator from

North Carolina that the Chair has not adequately looked at the amendment in terms of germaneness. The Chair assumes by the question that the cloture question would be presented to the Chair, at which time the Chair would make a determination on the germaneness of the amendment.

Mr. HELMS. I understand the Chair's reluctance to rule considering the fact that it is the majority leader's amendment, but let me ask——

Mr. BYRD. Mr. President, will the distinguished Senator yield? Mr. President, I hope—will the Senator yield?

Mr. HELMS. Sure.

Mr. BYRD. Mr. President, I do not want the record to stand like that because the implication of what the distinguished Senator from North Carolina is saying, and he is my friend, is that the Parliamentarian, who advises the Chair, is going to rule as the majority leader would have him rule.

Mr. President, that is not accurate. This Parliamentarian is not going to do that. We have had some pretty lively discussions, the Parliamentarian and I, about certain matters and he is under no compunctions to take a stand for what he thinks is right. I expect him to be strong in his independence of this majority leader or any other. It is not fair for the record to stand like that.

Now, I will say this, that the Chair is not obligated to follow the Parliamentarian's advice. The Chair might do otherwise. But I do not think the present occupant of the Chair is going to do that.

If the amendment is not germane and cloture is invoked, the Byrd amendment will fall. I have no problem with that. Let the amendment fall. But if this amendment falls, certainly the amendment by Mr. Warner which was earlier in place and which has now been displaced would not have been germane by any stretch of the imagination. I would be happy to have a vote on this amendment today while we have no rule of germaneness. We do not have to worry about cloture right now. Let us go ahead and have a vote on the amendment.

I thank the Senator for yielding.

Mr. HELMS. Let me say to the Senator from West Virginia, if this had been introduced as a bill for referral, there is no question about where the bill would have gone. It would have gone to the Committee on Foreign Relations. The Committee on Armed Services has no jurisdiction over this. That is the only point I am making. I did not imply, nor should anybody infer, anything about the Parliamentarian, but facts are facts and reality is reality about the operation of the Senate. In that regard, I agree that the Chair, which is occupied by the Vice President when he is present, need not follow the advice of the Parliamentarian. I suggest the absence of a quorum.

Mr. BYRD. Mr. President, before the distinguished Senator suggests the absence of a quorum, may I ask the Senator a question without his losing his right to the floor.

Mr. President, would the Senator, my friend, respond to this question. He has indicated that the amendment which I have offered on behalf of Mr. Nunn and myself would go to the Foreign Relations Committee rather than the Armed Services Committee, of which Mr. Nunn is the chairman. May I ask the question of the distinguished acting Republican leader, Mr. Helms, as to where the amendment would have gone which was introduced earlier by Senators Dole, Warner, Quayle, Symms, Lugar, Mr. Helms, and Mr. Gramm. Where would that amendment have gone, in his opinion?

Mr. HELMS. I will have to take a look at it. I do not have it before me. Does the Senator have a copy of it?

I do not think there is any question about this amendment going to Foreign Relations, and I made the point at the outset of my remarks that there is no germaneness rule, as he well knows, precloture. I just simply raised the question about the germaneness of the amendment of the Senator from West Virginia, and I would raise the same question about this amendment. But I think we have each made our point. The Senator's amendment does not belong on this bill and the Senator can argue that the other amendment does not belong on it, too, and I expect that is what the argument is all about. But I appreciate the point about the advisory role of the Parliamentarian. Now, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is noted. The clerk will please call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the distinguished Senator from Florida wishes to introduce a bill.

I should say before the two conferences meet that this Senate has reached the stage at which we are all going to have to work very, very hard to complete the work of the Senate before Christmas, certainly before Thanksgiving. We have this DOD authorization bill now before the Senate. There are 13 appropriations bills, 9 of which have been sent over by the House, and the 10th will be coming over from the House before long. The Senate Appropriations Committee will be meeting today to report appropriations bills, so shortly there will be appropriations bills on the calendar.

In addition to these matters, the Senate and the House both have to deal with the extension of the debt limit. The debt limit expires on a week from tomorrow, September 23. The reconciliation measure is coming down the pike. The catastrophic illness legislation is of great importance to this country, and of great importance to the elderly people of this country. The taking up of that measure has been filibustered by the minority of the Senate. The Bork nomination is going to be reported from the Judiciary Committee at some point in time. I assume it will be reported from the committee. I can assure the Senate that that nomination will not be killed by the Judiciary. Let me put it that way. The Senate may kill it and the Senate may not. But that nomination will not be killed by the Judiciary Committee regardless of how many members in the Judiciary Committee may vote against the nomination.

I want the Senate to have its say. I think that will meet with the general approval of Senators from both sides of that committee. I think already we should do what we can to avoid that matter becoming overly partisan. But in any event, we are going to have to have a vote of some kind on the Bork nomination, or in relation to the Bork nomination, at least, in the Senate. There may be several votes. And the Senate should not be unduly delayed in getting around to action one way or the other in regard to the Bork nomination. But before that, the Senate has to come to grips with the DOD authorization bill and other legislation as well.

I think it is becoming more clear from day to day that those downtown, the President being No. 1, who are constantly pressing for the Bork nomination to be confirmed—and I do not blame the President for pressing for that confirmation, and it is a matter that is extremely important to the country. But they just might as well understand that there are other important matters here that first have to be disposed of. And the sooner the administration and the minority in the Senate cooperate with the Democratic leadership in this Senate to get legislation up and to dispose of it—I am not saying it has to be done by unanimous consent, but dispose of it—after reasonable debate, the sooner the Senate will be able to deal with the Bork nomination.

It is absolutely imperative that the Senate dispose of the authorization bill. The Defense Department authorization bill is extremely important to the country. This is a defense bill. And it needs to be dealt with before we deal with the appropriations. There are a great number of controversial issues involved in this bill. We are going to have to deal with them, and the sooner we deal with them the better.

Mr. President, I hope we will not run into a filibuster on the bill itself. I am not charging that we are running into a filibuster yet. But I want to say these words before the two conferences take place today so that both leaders will know and the Senators who are listening will know the kind of clock and calendar that we have to contend with.

Mr. President, I should say that this leadership will not tolerate, lying down, a filibuster on this DOD bill, or an overly prolonged extended debate, if one wants to use a more euphemistic term. I may not be able to invoke cloture, but I will say this: The cots will be brought out if necessary in order to get on with action on this bill. And Senators might as well understand—and nobody dislikes hearing this any more than I dislike saying it. Saturday sessions are not out. Saturday sessions are not out. And night sessions are not out. It is my intention to move this bill along one way or another. And Senators should count on late sessions in the evenings. They can even count on round-the-clock sessions if necessary. They can also count on Saturday sessions if necessary. I have made commitments that there will be no Monday sessions through September and October. I want to keep those commitments but after all, the Nation's business comes before my comfort and comes before my commitments. Even if it becomes absolutely necessary to break the commitment with respect to the Monday sessions, I will just have to live with having broken my commitment. I do not intend, if I can at all avoid it, to break my commitments as to Monday sessions. I do not intend that at all. But if I find that that makes the difference in breaking a filibuster, then I will break my commitment on the Monday business because I have always left a little condition, that condition being that unless there is an emergency there will be no Monday sessions. I intend to keep that. But there can be an emergency that would develop.

As to Saturday sessions, I am saying for the record now so that I will not be charged with having sprung something on anybody that Saturday sessions are not out, as we look down the road, to deal with this bill and the bills that come after it because it is my full intention to deal with this bill, to deal with appropriations bills, to deal with catastrophic illness, to deal with airline legislation, and to deal with the budgetary and fiscal matters that confront us—debt extension, et cetera, et cetera—and to deal with the Bork nomination before this Senate adjourns sine die.

I say what I have said not as a threat. I say it regretfully, but hopefully. I think all Senators are entitled to be reminded of the kind of calendar we face and the shortness of time that we have left, and my conscience is clear.

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## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois, Senator Dixon.

Mr. DIXON. Mr. President, we now have before us, after 3 months of contentiousness, an important piece of legislation, that Congress is called upon every year to consider, the Department of Defense authorization bill. I think everybody here knows that after the lengthy period involved in discussing the issues in this bill and the consideration of all the amendments that will be offered to this bill, assuming the passage of the bill, which I do ultimately foresee, it then becomes the responsibility of the Armed Services Committees in the respective Houses to iron out their difficulties in a conference between the two Houses, I want to say, Mr. President, that there are substantial differences between the authorization bill that has emerged from the markup in the Senate, and the House Department of Defense authorization bill. There are substantial differences in acquisition priorities in the two bills. There are substantial differences in the authorized amounts in the two bills and so on—a number of very, very important and unique questions.

There is substantial difference between the two Houses that will require an inordinately long, complex, and difficult conference between the two Houses before the differences can be resolved and a bill can ultimately be sent to the President.

Why do I say that? I say that because the majority leader was exactly right in what he said moments ago, when he said it was time to bring out the cots. Nobody likes to discuss that. It is not a pleasant thing to contemplate. But I ask that those who doubt my position look at the Congressional Record of last week, when, in a colloquy with the majority leader, I suggested that it was time to bring out the cots.

In a meeting this morning with the majority leader, the distinguished chairman of the Armed Services Committee, the senior Senator from Georgia, and I, as one of the managers of this bill, indicated to the majority leader that we were ready for the bitter medicine.

I would like to suggest that I think by colleagues on this side accept the fact that it is time for the bitter medicine. It is time to pass this bill, no matter how long it takes, because it is the single most important fundamental issue before the Senate at this time. It is something we must resolve, if we are ultimately going to resolve the differences in a conference between the two Houses that will lead to legislation that can go to the President's desk.

I have every understanding of the different attitudes by different Members of the two sides concerning this legislation. We spent a long and very arduous markup period on this legislation. Members on both sides agreed that this was one of the finest work products in years of the Armed Services Committee.

There is one issue that deeply divides us. I understand that. It is regrettable that we are divided in that way. But I think we have to deal with it on the floor here. There has to be the necessary debate on the issue, and then the ultimate votes to resolve those conflicts. But I think it is clear that we have to continue on this bill until we complete it.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. DIXON. I am delighted to yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, let me suggest a way we can pass the DOD bill in 2 or 3 days, and that is for both sides to back off from this business of trying to handle the treaty business on the DOD bill. Both sides are wrong with their amendments, as I tried to emphasize a while ago. But it is this fact of life that is delaying the Senate.

I suggest that if we leave the treaty business to the relevant committee, which is the Foreign Relations Committee, of which I happen to be the ranking member, then this DOD bill will pass in 2 or 3 days. But there will be a lot of problems as long as there is an insistence from either side that arms control be a part of the Department of Defense, because that is not properly a part of this legislation.

So far as costs are concerned, fine. I do not think it is bitter medicine, as the Senator put it. All of us came to the Senate with the understanding that there would be some hard work from time to time, and I have never complained about it. As to Saturday sessions, that suits me fine. Most of the people who pay our salaries work on Saturdays. That part does not worry me.

I think it is needlessly delaying the process of the Senate to put nongermane or to attempt to put nongermane material in this bill. I would feel equally strong if the Foreign Relations Committee tried to preempt the province of the Armed Services Committee.

That is what is wrong. It is this business of trying to have irrelevant legislation on this particular bill. I say that if both sides back off, the bill can pass in 2 or 3 days.

I thank the Senator for yielding to me.

Mr. DIXON. I thank the Senator from North Carolina for the expression of his point of view. I understand his concerns and his reservations about what was done in the Armed Services Committee.

I might say, though, that there is a profound feeling among some on this side—particularly the sponsors of that amendment, the Senator from Michigan [Mr. Levin] and the chairman of the committee, the Senator from Georgia [Mr. Nunn]—that the amendment which was adopted in the committee after very careful discussion, is an entirely appropriate amendment. It is appropriate because the DOD authorization bill deals with the authorization of funding for the strategic defense initiative. In this case, it is the amount of $4.5 billion allocated for the strategic defense initiative work this year.

There is a very strong feeling by many in the Senate, not only on this side but also some on the other side, that it is appropriate to suggest that when there is contemplation of testing that is beyond the interpretation generally supported in the Senate and in Congress, the administration should consult with Congress before undertaking that sort of thing.

These are matters that need to be debated. I am sure that at the appropriate time, some from that side—I do not know whether it will be the distinguished senior Senator from North Carolina or whether it will be others—will offer an amendment to remove the so-called Levin-Nunn amendment. The debate will be lengthy and very informative, but, there is nothing the matter with that. A debate is appropriate in connection with this legislation.

I think that the point that the majority leader has made, that certainly this Senator from Illinois supports, is that it is time to get on with the business of disposing of the Department of Defense authorization bill on this side, so that we can go into a conference with the House, and ultimately resolve the differences between the two Houses.

We may have to consider the question of discussing the Levin-Nunn amendment and the authorization of funding for the strategic defense initiative together as a separate entity from the body of the DOD authorization bill that is presently before us.

I do not know that is still a viable alternative that our side will offer, may I say to my distinguished friend from North Carolina, but it is certainly a matter that the distinguished chairman of the committee, myself and others have discussed in private and publicly, and on other occasions, on the floor of the Senate. So there are different ways to address this.

I think the point that some of us want to make here, and I doubt that my friend from North Carolina has great difficulty with that, is that ultimately we have to move forward with the business of the Senate, and in particular with this business. There are some of us, as an example, who are not committed on the question of Judge Bork. I happen to be uncommitted. I think there are about 20 people in the Senate who have not yet indicated what they ultimately will do. Frankly, I will not know what I will do until the hearings are over with on the question of Judge Bork.

I very much dislike tying one issue into the other, and I even said I did not warm to the idea suggested by the distinguished chairman of this committee, that we ought not to go to that until we finish the business before us.

I strongly feel this business has been before us for a very long time. We did a lot of work in committee, and, I think in all fairness to everyone on that committee, they will all say that we devoted substantial time to this bill. We spent a lot of time on the floor on this bill. I think it is time to get rid of the bill.

I do not say that has to be disposed of today. I do not say it has to be disposed of this week; but, I think we ought to stay on this bill until we dispose of the DOD authorization bill.

Mr. HELMS. If the Senator will yield further, and I thank him for doing so, it is not quite fair to imply, and I know the Senator is not doing this, that only one side wishes to proceed with the schedule and specifically this bill. I do.

On the other hand, and the Senator probably understands my feeling, there appears to be the suggestion that we will proceed on somebody else's terms regardless of the rules of the Senate or the precedents, and I hope that there will not be any trampling of the rules or the precedents of the Senate as we wade through this thicket.

We all know a little bit about the rules. I do not know as much as most other Senators. I know a little bit. I can think up ways to do things and have.

But I think we ought to fundamentally look at the question of germaneness when there is this kind of issue and find a way to deal independently with such a thorny issue as the Levin-Nunn amendment.

As long as that persists, and I am not speaking for anyone but myself, I see some rough days ahead. I think we ought to go ahead and complete the Senate's business on this bill and all others and then go home and live a while under the laws that we passed. That would be just punishment for us.

Mr. DIXON. Will my friend accommodate me by letting me respond to that?

Mr. HELMS. Yes.

Mr. DIXON. I hope my friend knows I served on his committee for 6 years and we had a good relationship.

Mr. HELMS. We sure did.

Mr. DIXON. I have the finest personal regard, not only for the Senator from North Carolina as an individual but for his views, even when we differ. This Senator would never suggest anything that would trample on the rights on any individual Senator or disregard the rules of this body. I do not suggest that at all.

Mr. HELMS. I know that.

Mr. DIXON. I want the Senator to understand that, while we have an honorable difference of opinion about a certain section of this bill, we both are committed to the passage of this kind of legislation, the authorization for the Department of Defense and the support of the national security interest of the United States of America against all her enemies in the world. There is no quarrel about that between these two Senators.

All I am trying to suggest to the Senator is that enough time has passed; we have to get down to the business of passing this bill. Basically my side supports the Levin-Nunn amendment; Senator Helms' side does not. That is not in any way to criticize any Member as to her or his opinion about that particular amendment. I say it has been a long time and we should dispose of the bill. A long time has past.

Probably more time was spent on this bill by the Armed Services Committee, with all due respect, than any other committee this year, with the exception perhaps of the Finance Committee on trade legislation.

It is a massive piece of legislation. Many hours have been spent on it.

We have spent 3 months here on the question; and, I do not accuse that side of a filibuster although there has been excessive discussion for a long time. Here we are, it is the middle of September and the fiscal year ends at the end of this month. We have not done the debt limit finally. We have not done reconciliation. There is a very contentious issue about the final question of whether we are going to have some additional revenue, I understand that. We have not dealt with catastrophic health insurance. There are a great many other issues we have not dealt with. There is the question of Judge Bork, which will take a long time.

Here we are still on this bill.

It is just, I think, as my good friend felt when he was in the majority; and certainly, when he was in the majority he wanted to move the business of his committee. Those of us on this committee want to move this business. It is important business.

Incidentally, I think I have heard the Senator who is my friend across the aisle from me, some time suggest, that the most important single question was the defense of this Nation against her enemies, I mean above all other questions, regardless of what the philosophical differences might be.

There is an issue before the Congress from time to time which is a paramount and high-powered issue. Here is a paramount and high-powered issue. It is time to move it.

There is going to be argument on this amendment. There is going to be a vote. Maybe those of you who differ with the Levin-Nunn amendment have the votes. I really do not know that. I do not suspect you have them; but I do not know that.

But the point is that sometimes we can have a long debate, and we can resolve that.

Let us say you do lose. Then you always have the President of the United States as the final arbiter of this question when the final bill from the conference goes to the President, and that is another opportunity for your point of view to be heard.

Beyond that, I am open, and I think the chairman clearly is open to further discussions about how we might handle this.

I think the only thing we are saying is, this is not my amendment, so I am not the principal advocate of it. But, I think what the chairman has said is this: We don't want to separate out the question of the authorized funding for the strategic defense initiative and all those questions which are directly pertinent to the question of testing laser particle beams, whatever it might be, in space out of this bill. We do not want to say there is no relationship between the two when we see that there is. That is all that this Senator is saying.

Finally, all this Senator is saying—in conclusion is that I think it is the resolution of our side, and I think shared privately by most of Senator Helms' side that we ought to dispose of this bill.

Mr. HELMS. Mr. President, I ask unanimous consent to proceed for just 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, the Senator alluded to his and my service together on the Agriculture Committee. I remember we spent 13 months producing a farm bill. I kept track of the time or had the timekeeper do so, and I spent about 42 hours-plus waiting for a quorum. Senators would not show up. So one thing Senators have to learn around this place is patience. And I hope that Senators do not need to learn that the traditions and the precedents and the rules of the Senate must continue to prevail lest we have a form of anarchy here.

But I say again that we could pass the DOD authorization bill in 2 or 3 days if we could set aside this issue and let it be considered properly in the committee of jurisdiction.

I thank the Senator.

Mr. DIXON. I thank my friend from North Carolina. It would appear, Mr. President, that it is appropriate now to conclude the morning session by virtue of the fact that the conferences between the two parties will take place from now until 2 o'clock.

### RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the hour of 1 o'clock having arrived, the Senate will stand in recess until 2 p.m.

Thereupon, the Senate at 1:01 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Dodd].

The PRESIDING OFFICER. The Chair in his capacity as a Senator from Connecticut will note the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I find myself a bit troubled by what I acknowledge to be a minor matter, and I desire to engage the Chair in a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will proceed.

Mr. HELMS. Mr. President, I allude to the fact that on the daily Calendar of Business, the pending business is identified as S. 1174, Order No. 120. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I thank the Chair. The Parliamentarian may wish to follow me.

On Friday, as I recall the sequence of events, the distinguished majority leader made some statements regarding the unfinished business, and I ask the Chair if on page 1103 of Senate procedure it does not state that a matter "would remain the unfinished business until disposed of, or until the Senate should displace it by taking up another matter on motion made after the morning hour."

Is that what is stated? Is that what the rule says?

The PRESIDING OFFICER. The rule does not say that. The rule says the Senate will proceed.

Mr. HELMS. That the Senate will proceed.

The PRESIDING OFFICER. The motion to proceed was not a privileged matter agreed to outside of the morning hour.

Mr. HELMS. Will the Chair specify for me where the language refers to agreed to?

I do not think the words "agreed to" are there. That is the point I am making.

The PRESIDING OFFICER. That has been a uniform interpretation of the Chair through several Parliamentarians.

Mr. HELMS. I am sorry?

The PRESIDING OFFICER. That has been a uniform interpretation of the Chair through several Parliamentarians.

Mr. HELMS. I do not believe that is correct. Maybe I can approach it this way: may I ask the Chair to turn to page 1103 and read what it says, particularly in the third paragraph under unfinished business. It begins "Any business when taken up on motion after the morning hour," if that will be helpful to the Chair. Will the Chair indulge the Senator from North Carolina by reading the entire paragraph?

The PRESIDING OFFICER. It reads:

> Any business when taken up on motion after the Morning Hour, or by motion or unanimous consent after the Morning Hour when there is no unfinished business, or when taken up by unanimous consent or on motion during the Morning Hour when there is no unfinished business would become the unfinished business of the Senate if still before the Senate at the end of that day when the Senate adjourns, and would remain the unfinished business.

Mr. HELMS. If the Chair will allow me, the phrase that the Chair is about to read is the meat of the coconut.

The PRESIDING OFFICER. To continue: "until disposed of, or until the Senate should displace it by taking up another matter on motion made after the morning hour."

Mr. HELMS. Precisely.

Let me ask the Chair, what is the unfinished business?

The PRESIDING OFFICER. There is no unfinished business at this time.

Mr. HELMS. I ask the Chair what the Calendar of Business says is the unfinished business from Friday. I will be glad to send my copy to the desk.

The PRESIDING OFFICER. The Calendar of Business states that S. 1174 is the pending business before the Senate.

Mr. HELMS. So unlike the Calendar of Friday there is today on the calendar no unfinished business?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. When was S. 2 displaced as the unfinished business?

The PRESIDING OFFICER. S. 2 was displaced with a motion to take up S. 1174, which was agreed to.

Mr. HELMS. When was that motion made?

The PRESIDING OFFICER. The motion was made during the morning hour.

Mr. HELMS. And in the paragraph the distinguished occupant of the Chair just read, it concludes by saying "or until the Senate should displace it by taking up another matter on motion made after the morning hour."

I have no further parliamentary inquiry. I think I made my point. I thank the Chair.

I suggest the absence of a quorum.

Mr. BYRD. Mr. President, will the distinguished Senator withhold his suggestion for a moment?

Mr. HELMS. Certainly. I would be delighted.

Mr. BYRD. I believe the Chair wants to respond.

The PRESIDING OFFICER. That is correct. The motion was agreed to after the morning hour.

Mr. HELMS. I understand that.

The PRESIDING OFFICER. It has been the uniform interpretation of the past three Parliamentarians that a motion agreed to after the morning hour, regardless of when made, would displace the unfinished business.

Mr. HELMS. Would the Chair care to identify the three previous Parliamentarians?

The PRESIDING OFFICER. That is not a proper parliamentary inquiry.

Mr. HELMS. I do not know why it is not proper. The Chair himself raised the question. But I will let that go.

What is the precedent for varying from this very clear procedure?

The PRESIDING OFFICER. The synopsis in the book, to the extent that it does not cite precedent, is not in itself a precedent.

Mr. HELMS. I find myself in an interesting position. The Chair has just stated that the past three Parliamentarians took the position that the Chair took on Friday and yet the Chair will not identify those three Parliamentarians, nor will the Chair allude to any precedent for the action which purports to have been taken on Friday. Is that the predicament in which I find myself?

The PRESIDING OFFICER. The Chair has stated that the request to name the three former Parliamentarians is not a proper parliamentary inquiry.

Mr. HELMS. Let me ask this: Does the Chair refer to the immediately prior Parliamentarian plus his two predecessors?

The PRESIDING OFFICER. I think the Chair stated three previous Parliamentarians have held that view and that is the rationale or the reason for the precedent.

Mr. HELMS. Well, it is not clear to me whether the Chair is alluding to the three Parliamentarians immediately preceding the present Parliamentarian. Is that what the Chair is saying?

The PRESIDING OFFICER. The Chair was not saying that. I would state once again that the request to name the three Parliamentarians is not a proper parliamentary inquiry.

Mr. HELMS. I thank the Chair for his nonanswer. Let me just allude to one, the immediately prior Parliamentarian. Does the Chair say that he took the position that the present Parliamentarian, but not I might say the Senate, took Friday?

The PRESIDING OFFICER. The Chair did not say that.

Mr. HELMS. What did the Chair say?

The PRESIDING OFFICER. The Chair stated that the inquiry as to the previous Parliamentarians was not a proper parliamentary inquiry.

Mr. HELMS. It is not a proper parliamentary inquiry to ask the Chair to respond to a question that the Chair himself raised when he referred to the three previous Parliamentarians. All I am asking is, is the Chair referring to the immediately prior Parliamentarian and the two preceding him?

The PRESIDING OFFICER. The Senator from North Carolina asked the Chair a parliamentary inquiry. The Chair responded to that parliamentary inquiry and really as evidence to support that decision cited the fact that there had been previous Parliamentarians who held that view. It was merely cited as evidence, or as background for the decision reached by the Chair.

Mr. HELMS. So? I am not making a point of order on this issue nor has one been made now or before on any of this matter. But I do not want to be flippant, I do not understand why the Chair will not answer one simple question when he himself raised it.

The PRESIDING OFFICER. The Chair merely cited it as evidence of the decision reached by the Chair.

Mr. HELMS. Yes, I have made no point of order on these matters now or before, but he made a statement which seemed to me to be very specific as to positions taken by previous Parliamentarians, and now the Chair is reluctant to define much less identify even one of the previous Parliamentarians so called with reference to the purported decision. All I am asking is, did he include the immediately previous Parliamentarian in those three that he mentioned?

The PRESIDING OFFICER. The Chair would state to the Senator from North Carolina that the inquiry as to who were the previous Parliamentarians is not a proper parliamentary inquiry. However, the Chair would respond to the Senator from North Carolina by saying that in fact the previous Parliamentarian did hold such a position.

Mr. HELMS. I think the Chair is in error, but I will not debate the Chair, of course. That would absolutely be improper. I thank the Chair for his courtesy. I suggest the absence of a quorum.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, for the record, let me say that the motion to proceed to take up the DOD bill on last Friday was made at a time and under a set of circumstances during the morning hour which made that motion nondebatable. So the motion was entered before the expiration of the first 2 hours on Friday. After the running of the 2 hours, if the vote had not been completed, the motion would still have been nondebatable, because once it is made and is nondebatable, it is nondebatable from then on, no matter when the Senate finally gets around to voting.

Now, the vote itself was not announced until after the 2 hours had run.

Mr. HELMS. Right.

Mr. BYRD. Which means that the 2 hours had run their course when the nondebatable motion was approved by the Senate, and the then unfinished business was at that moment and by that action displaced and went back to the calendar.

Now, when the Senate went out of session on Friday, I believe it went out in morning business. Otherwise, if it had gone out while the then-pending business and the still-pending business has been before the Senate, by virtue of the adjournment, that pending business as of that time would have become the unfinished business and would have been so stated on the calendar today.

In view of the fact that the Senate went out in morning business, that pending business remained the pending business and is still the pending business. But a call for the regular order at this time will not bring back the then—when I say "then," I mean the business that was the unfinished business during the morning hour. A call for regular order now will not bring that back because that business has been displaced and has been put back on the calendar. So we still have the DOD bill as the pending business at the moment. But there is no way to displace it except by unanimous consent or a successful motion to take up some other matter.

That would take care of the pending business for now. That would displace it. But this pending business is before the Senate unlike the pending business often before the Senate. It was not brought up by unanimous consent. It was brought up by motion, approved by the Senate. So it is the pending business as of now, and when the Senate adjourns today, it will be the unfinished business then on tomorrow.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. BYRD. I thank the Senator for his courtesy.

Mr. HELMS. I thank the Senator. The distinguished majority leader has made my point. He said that the motion was made before the end of the morning period, and that is what I had the Chair state in reading from the procedures of the Senate.

Now, the situation Friday was that the distinguished majority leader made his motion at a time when it would be nondebatable. But then we went out of the morning hour; the motion, however, was made before the conclusion of the morning hour.

Now, the procedures, as the distinguished Chair read at my request, say "until the Senate should displace it by taking up another matter on motion made after"—after—"the morning hour."

Now it is no big thing. A lot of people on my side are delighted with this, too, because it was displaced. And I have made no call for the regular order, nor has anyone, nor have I made a point of order.

Mr. BYRD. A lot of people on the Senator's side were not delighted to take up the DOD bill.

Mr. HELMS. Well, whatever. But I felt obliged to call this to the Senate's attention because the motion was not made after the morning hour and this situation is not in conformity with the procedures of the Senate because the procedures clearly stipulate that the unfinished business would remain the unfinished business—I am reading—until disposed of or until the Senate should displace it by taking up another matter on motion made after the morning hour.

I thank the Chair. I thank the Senate majority leader.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, a further explanation for the record: Had the Chair announced the vote on the motion to proceed even though the motion to proceed was nondebatable—there is no doubt about it, it was nondebatable—had the Chair announced the outcome of that vote before the end of the 2 hours, then the Senate would have been on the Department of Defense authorization bill. But at the conclusion of the morning hour, which consists of 2 hours, the first 2 hours in a new legislative day, at the end of that 2 hours, then the then unfinished business would have automatically come back before the Senate. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. So that the important thing at that time was, first, getting a motion, a nondebatable motion, entered; second, not have it ripened, the Senate vote on it, and the Chair announce the vote until the 2 hours had expired because otherwise the entering of the nondebatable motion and the Senate's adoption of that motion would have meant nothing because the Senate would have been on it just the remaining time between the time of its adoption of the motion and the running of the 2 hours until the then unfinished business, the campaign financing reform bill, would have automatically come back before the Senate. But the fact that the vote occurred on the motion after the 2 hours had run had the same effect as a motion if it could have been made not debatable, or even if it were debatable and the Senate voted on it, it would have had the same effect by virtue of the motion having been made after the end of the 2 hours and the announcement of the Chair having come after the 2 hours had run had the same effect as a motion made and adopted following the expiration of the morning hour. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. So that the language that the distinguished Senator from North Carolina has read into the RECORD, while accurate in itself, does not constitute an argument that—I do not know what the purpose of the distinguished Senator was—the pending business before the Senate is not legitimate pending business before the Senate, nor does it constitute an argument that somehow or other the unfinished business as of last Friday for some reason or other has been inappropriately displaced and ought to be back before the Senate today for some reason.

I finished my statement. I yield to the distinguished Senator, if he wishes to respond.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, I do not believe I have said anything contrary to what the distinguished majority leader has said with respect to the effect, that is where we are now at this moment. If I did, I want to strike it from the record.

Mr. BYRD. I did not say the Senator said that.

Mr. HELMS. OK. The point is that I had an amendment pending to S. 2. The distinguished Senator from Idaho had an amendment in the second degree to my amendment. We were foreclosed by this action and this ruling from even having a chance to have our amendment considered.

I do not know how anybody can say what the effect would have been—where we would be now—if the motion had been a debatable one made after the morning hour. One can only speculate about that. But at least this Senator and the Senator from Idaho would not have been absolutely foreclosed as to the consideration of our amendments. But it is fait accompli. I would ask the distinguished majority leader if he intended on Friday to change the meaning of the Senate procedure with regard to a motion made before the end of the morning hour or after.

Mr. BYRD. Oh, no. What I did does not change the meaning of anything. The rules are the precedents. What I did is perfectly legitimate, is recognized by the precedents and by the rules. And the record should stand on that point.

Insofar as the amendments which are pending to the then unfinished business, the campaign finance reform bill, which has now been displaced and put back on the calendar quite appropriately by the operations of rules, the Senator's amendments are still on there. Is that accurate?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. The Senator's amendments are still on that bill. At such time as hopefully I will be able to return to that bill in the early part of next year, and if I am able to get it back up before the Senate, those amendments will be pending at that time. So nothing has happened to the status of those amendments to the bill once it is brought back.

The Senator did not ask that. That was not part of his question.

But as to the question that he asked, have I responded appropriately or does he wish to ask further?

Mr. HELMS. I just expressed the hope. Do I still have the floor?

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. I thank the Chair.

I will just say to my friend, and he knows I am his friend, and I hope he will always be mine, that both he and I are attentive to the possibility of precedents. I do not know of any precedent that supports the ruling of the Chair. I will take the Senator's word for that. I would like to see what the precedents are because I have looked diligently for them and have found none. If the Senator says they are there, then I am sure they are there. I do not doubt it for 1 minute. But I would like for either/or the Senator and the Parliamentarian to supply me with such precedents as may support the ruling made on Friday.

And I say again, Mr. Leader—and I say this with all sincerity—that I am prompted only by a concern for inadvertently changing the rules or setting a precedent that might deprive you or me or some other Senator of a right later on. What we have now is a fait accompli. I have no quarrel with that. I say that in all fairness.

Mr. BYRD. Yes. I understand that. I do not doubt it.

Mr. HELMS. But if he will supply me with the precedent, that will be most helpful. That will be another chapter in my learning experience around here. Because I must say that it seems to me that the logic behind not displacing the unfinished business by privileged actions is sound.

Mr. BYRD. I know the Senator well knows that whether there is a precedent or not, there comes a time when the Senate reaches a set of circumstances that are not on all fours with any previous situation that can be researched and therefore the Senate has to make a decision, and a precedent is indeed set. That is how these precedents, all of which we highly regard and have great respect for and revere, are all set, because there was a time when a precedent had to be set.

So the book of precedents that we have now constitutes the long litany of precedents that have been set at one time or another by the Senate. Those precedents may be set by a ruling of the Chair which is not challenged, or they may be set by the decision of the Senate itself. So at sometime or other those precedents were set. It was the first occasion, a case of first exposure by the Senate or by the then-sitting Parliamentarian, of that situation. So if this falls into that category, it is perfectly in accord with the history, tradition, custom, and procedures of the Senate. To say that there was a precedent on all fours, I am not absolutely sure there was. But the Parliamentarian can research that and provide the answer. But that is the very thing, as I said about the distinguished Senator from North Carolina the other day, when he sought to refer to an 1861 action by the Senate, which I said was not on all fours with the set of circumstances we were dealing with on that particular day last week. So those times come and go, and I am glad to have this discussion.

I commend the distinguished Senator from North Carolina for his reverence for the rules and precedents of this institution. He is not a neophyte. He is not a Johnny-come-lately on rules and precedents.

One of the things that has amused me over the years is how fast Senators become suddenly schooled in the rules and precedents of the Senate when a matter arises, having cracked the book on procedure for the last year or 2 years or 10 years.

That is not to be said about the Senator from North Carolina. There are few Senators here who are very adept at the rules. We all have a lot to learn. I do. I have to go to the Parliamentarian. I do not have the computer sitting in front of me. I did not write the book. He has precedents on that computer that I have never read.

He is able. His most immediate predecessor is now on the floor, sitting beside the distinguished Senator from North Carolina. They all have gone back to the CONGRESSIONAL RECORD to see what the raw data were in connection with the precedents that were set. I have not been able to do that. I am not the Parliamentarian. I cannot spend my full time on the matter. Therefore, I have to go to the Parliamentarian, just as everyone else does.

I want to compliment our Parliamentarian. Alan Frumin is an excellent Parliamentarian. He is independent. He has a high degree of intellectual honesty and integrity and independence that I admire, and I hope he always attains it.

His immediate assistant, the young lady—I was saying to someone last week: "That lady has become an excellent Parliamentarian. She has not been here a long, long time, but I have complete confidence in her." I have to go to them.

I commend the Senator from North Carolina, and I respect him for his zealous regard for the precedents of this institution. I do not study those precedents as much as I used to, but I studied them a good deal. I think the fact that I know a little something about them was pretty evident on last Friday when I was able to get my friends on the minority side over the barrel and see them squirm a little bit. They might make me squirm one day, the same way.

When the late Dick Russell was here, he told me: "For every rule there's another rule. For every motion, there's a countermotion." That was pretty good advice to me.

I asked him about the Rules of the Senate and he said: "Well, Robert, those are just the Rules of the Senate." This book on Senate procedure is probably more important on many occasions than the printed Rules of the Senate.

It is like the old common law that grew up over the years and decades and centuries, and it formed a body of law that gave us the doctrine of stare decisis. That is what I am sure the Judiciary Committee of the Senate will want to query Judge Robert Bork about, on what his judicial philosophy is with respect to the doctrine of stare decisis. In other words, stand by the decision that has already been made. Just as that body of law was built up, the Senate precedents have been.

It is somewhat amusing at times—and I am sure the Senator from North Carolina will share this recollection with me—this amusement as to how fast Senators come out of the woodwork when there is a fight that arises over a rule, how fast they come out of the woodwork, and how many experts on the rules there are who have suddenly sprung up overnight, like the prophet's gourd; and, just like the prophet's gourd, they go back in the woodwork for the next 6 or 8 months.

Mr. HELMS. If the Senator will yield, this Senator does not pretend to be an expert. I marvel at the distinguished majority leader. I am not conceding that a decision has been made, but if anybody in the Senate knows the rules and the precedents, it is he.

Mr. BYRD. I do not know the rules and the precedents.

Mr. HELMS. You put on a good show, then, because you could have fooled me.

Mr. BYRD. I have to call on the Parliamentarians just as does any other Senator. But a good lawyer knows where to go to find the law, what the law is. A good lawyer knows where to find it.

Mr. HELMS. That is why I had the Chair read the passage from Senate procedure. That is right.

Mr. BYRD. And I know where to go to find the rules and precedents of the Senate.

Mr. HELMS. I think we have taken up enough time on this. I thank the majority leader for his indulgence and patience, and I thank the Chair.

I yield the floor.

Mr. NUNN. Mr. President, we have before us now, I understand, thanks to the majority leader and the Senator from Ohio, an amendment to the Glenn amendment which I believe expresses rather well what I feared was expressed rather poorly in the amendment that had been pending to the Glenn amendment preceding the noon hour. This amendment is one I had coauthored with Senator BYRD, and I hope the Senate can vote on it in the next hour or so. I am not trying to rush the debate, but I think it is important that we move on.

This amendment is to the Glenn amendment, and I hope we can get to the Glenn amendment this afternoon and debate it and vote on it. I hope we can finish both these amendments this evening and use the afternoon to take up other amendments. I hope that Senators and staff who are following the floor debate will be in the stage of preparing their amendments so that we can take them up today.

Let me explain the pending amendment. Maybe I should ask the Chair: What is the pending business before the Senate at this time?

The PRESIDING OFFICER. The pending business before the Senate is S. 1174.

Mr. NUNN. What amendment is pending before the Senate?

The PRESIDING OFFICER. The pending amendment is the amendment of the Senator from West Virginia to the amendment offered by the Senator from Ohio.

Mr. NUNN. Mr. President, that amendment of the Senator from West Virginia states:

> (e) Since the United States and the Soviet Union are currently engaged in negotiations to conclude a Treaty on Intermediate Nuclear Forces (INF) and are continuing serious negotiations on other issues of vital importance to our national security;
>
> Since the current discussions are a culmination of years of detailed and complex ne-

> gotiations, pursuing an American policy objective consistently advocated over the past two Administrations regarding nuclear arms control in the European theater, and which reflect delicate compromises on both sides;
>
> Since the Senate recognizes fully, as provided in clause 2, Section 2, Article II of the Constitution, that the President has the "power, by and with the advice and consent of the Senate, to make treaties."

It goes on to say—and I to come back during the course of this debate again and again to the role of the Senate; the Constitution is very clear on that:

> Since the Senate also recognizes the special responsibility conferred on it by the Founding Fathers to give its advice and consent to the President prior to the ratification of a treaty, that it is accountable to the people of the United States and has a duty to ensure that no treaty is concluded which will be detrimental to the welfare and security of the United States.
>
> Since in recognition of this responsibility, the Senate established a special continuing oversight body, the Arms Control Observer Group which has functioned over the last 2½ years to provide advice and counsel, when appropriate, on a continuing basis during the course of the negotiations;
>
> Since the Senate and the President both have a constitutional role in making treaties and since the Congress has a constitutional role in regulating expenditures, including expenditures on weapons systems that may be the subject of treaty negotiations;
>
> Since the Senate will reserve judgment on approval of any arms control treaty until it has conducted a thorough examination of the provisions of such treaty, has assured itself that they are effectively verifiable, and that they serve to enhance the strength and security of the United States and its allies and friends;
>
> Therefore the Senate hereby—
>
> (1) Declares that the Senate of the United States fully supports the efforts of the President to negotiate stabilizing, equitable and verifiable arms reduction treaties with the Soviet Union;
>
> (2) Endorses the principle of mutuality and reciprocity in our arms control negotiations with the Soviet Union and cautions that neither the Congress nor the President should take actions which are unilateral concessions to the Soviet Union;
>
> (3) Urges the President to take care that no provisions are agreed to which would be harmful to the security of the United States or its allies and friends.

Mr. President, I think it is important for the Senate to understand, because I hope we can come to a vote on this in the next few minutes, the difference between this resolution and the resolution that was sponsored and introduced last Friday by Senators DOLE, WARNER, QUAYLE, SYMMS, LUGAR, and HELMS. In putting together this substitute resolution, we acknowledged the points in the Dole-Warner amendment that we felt were valid and tried to incorporate as much of the Dole-Warner resolution as possible and also strengthen it, in my view, in terms of presenting the entire picture.

One of the key provisions in that resolution which was before us and may come before us again in some other form before this debate is concluded states and I quote the following:

> The Congress recognizes fully the constitutional role of the President as the sole voice of the United States in matters during the delicate course of treaty negotiations; and the Congress must not intrude in this process by acting to constrain a President's flexibility in reaching agreement with foreign nations.

Mr. President, the President of the United States is not the sole voice of the United States in matters concerning the delicate course of treaty negotiation. Every time the Congress acts on any expenditure relating to national security, we have some effect on the President's flexibility in dealing with foreign nations. Every time we cut one penny out of the defense budget, we have some effect. So I could not have supported the Dole-Warner resolution.

We have gone through, Mr. President, a 4-month filibuster on this bill by members of the minority, and it is interesting to me as one who has tried to get the bill up over and over again, to review the reason they were filibustering. They said that there is a provision in this bill that should have gone on the State Department bill. Yet that provision is both germane and relevant to the armed services bill. They said it should have gone to the Foreign Relations Committee and that we should wait for the State Department legislation.

It was also somewhat of a paradox for me to see that the first amendment that our friends wanted to vote on was a foreign policy amendment after we finally got the bill up.

The Dole-Warner resolution is basically foreign policy. I do not object to it on this bill, but after saying for months that we should not have anything on this bill that relates to foreign policy, and filibustering primarily on that ground, they now introduce an amendment which would certainly be more appropriate, more germane, and more relevant to a foreign relations bill.

We now have before us, though, another amendment—I hope that our colleagues will support that amendment—instead of the Dole-Warner amendment. I found some things I agreed with in the Dole-Warner amendment but I saw others that I would very much be opposed to. Really, if you read it and took it literally, it would repeal the constitutional provision for the Senate to give advice and consent to the President of the United States in treaty matters. If you took it literally and the Senate really abided by the Dole-Warner amendment—and we may vote on it before we conclude this debate or something similar—the Dole-Warner amendment said that we should not have any arms control discussion or legislation at all on the DOD bill, It did not want any arms control discussion on any other bill, including the State Department bill. It really did not want any arms control discussions in the Senate of the United States, period.

I do not go along with that. I am not going to vote for all the amendments that come up. I am going to oppose some of them. Some of them I will support. But I will certainly say any Senator has the right to propose an amendment on the floor of the Senate that gives his view in the form of a legislative proposal as to what this Nation should do in terms of where we are going with our foreign policy, defense, and arms control.

It is also interesting to me that the Dole-Warner amendment would not have been germane to the DOD bill if we had been under cloture.

So it was a foreign policy amendment that was not germane to the DOD bill, which was basically the first amendment offered. I am a little bit puzzled by that.

I particularly take exception to the Dole-Warner resolution, which reinterprets, as I view it, the Constitution of the United States, that advocates that the President is the "sole voice" in the national security area. I cannot find anything in the Constitution—I have read it recently; I have read some of the Federalist Papers recently—and I cannot find a single phrase in the Constitution that says anything about "sole voice." I do not find it mentioned one time.

I do not find anything in the Constitution that in any way indicates directly or indirectly that the President of the United States is the only voice. He is an important voice and probably the most important voice in our Nation under our structure in foreign policy matters, but he is not the sole voice.

We all know that the Founding Fathers founded this Nation on the premise that we would not have a monarchy. If there was anything loud and clear in the U.S. Constitution, it is that they did not want another king. They did not want King George III. They did not want King Ronald XVI. They did not want any king. We are not going to have a king, at least not with the vote of this Senator.

I suppose that if you look at the Dole-Warner amendment and read it carefully and take it literally, you would conclude that in the foreign policy field the Senate of the United States could perhaps be seen but not heard. We might appear at receptions and gatherings and maybe occasionally a few of us at State Department dinners or White House dinners, but we were not to be heard. There was nothing supposed to be said by the Senate of the United States if you took the Dole-Warner amendment literally.

I would describe the Dole-Warner amendment, using the language we heard this summer in the Iran-Contra hearings, as the "potted plant" amendment. Under that amendment, the Senate of the United States would become the potted plant. We would basically be seen but not heard. We would be an ornament. The Senate would be an ornament in the national security arena, adorning but having no influence.

I have grave difficulties with that. Mr. Sullivan made it clear when he was representing Col. Oliver North before the Iran-Contra Committee that as a lawyer he was not going to be viewed as a potted plant.

President Reagan later said even though his term was expiring and he would not run again he was not going to be a Presidential potted plant.

And we will decide in this Senate before this bill is over whether the Senate of the United States wants to declare itself a potted plant or whether we want to exercise responsibly, carefully, prudently with a great deal of oversight the role that the Founding Fathers envisioned for the U.S. Senate, and that is to advise and consent in the area of treaties and to raise appropriations and provide for the national security.

As this debate proceeds, and I hope we will be able to conclude it in the next hour or so, on this particular part, I think it is important for our colleagues to understand the difference between the Byrd-Nunn amendment and the Dole-Warner amendment.

The Dole-Warner amendment, first of all, declares that the Congress "fully supports the President in his negotiations with the Soviet Union." I think that is accurate as far as it goes. It just does not go very far, and it really does not prescribe the proper role that the Senate of the United States plays and that the Congress plays. This is where the Byrd-Nunn amendment differs from the Dole-Warner amendment.

(Mr. DIXON assumed the chair).

Mr. NUNN. Byrd-Nunn declares that the Senate "fully supports the efforts of the President to negotiate stabilizing, equitable, and verifiable arms reduction treaties with the Soviet Union."

The difference that is important, even though I suppose, no one could really say they disagree with the sentiment of it. I support the President of the United States when he negotiates with a leader of the Soviet Union or the Foreign Minister of the Soviet Union. I support Secretary Shultz in his meetings with Foreign Minister Shevardnadze taking place this week. All of us want those to be successful.

But we do not want to pay any price. We do not support them no matter what they come up with. We do not support an agreement that is not stabilizing. I will not and I do not believe a majority of our colleagues will. I will not support anything the President suggests to Mr. Shevardnadze unless I know what it is and I hope he will suggest nothing that I will not fully endorse. I do not anticipate he will.

But he did at Reykjavik. He proposed some things at Reykjavik that I would not support. Not only would I not support them, but I came out in several days, as soon as I found out about them, and said I hope they would withdraw them. Because the President basically said that we would agree to abolishing all nuclear weapons if the Soviet Union would agree to abolishment of all nuclear weapons and never talked about what was going to be left, never talked about tank armies in Europe, never talked about the fact that NATO for 30 years has depended on nuclear weapons to make up for, a very unfortunate conventional imbalance.

So I am not going to support a resolution that says we support the President no matter what. I do not think our colleagues would support Dole-Warner under that condition.

Maybe I am misinterpreting it, but I think a lot of people on both sides of the aisle, Republicans and Democrats, had serious misgivings about some of the tentative proposals made at Reykjavik.

In the Byrd-Nunn resolution, we support the President in his negotiations with the Soviet Union and in his effort to negotiate an agreement, a stabilizing agreement, that would make war less likely—an equitable and verifiable arms reduction treaty. That is what we support. We do not support anything that might come out of the executive branch.

There are several other differences here between the Byrd-Nunn amendment and the Dole-Warner amendment. Dole-Warner states that Congress recognizes the role of the President as the sole voice of the United States in treaty negotiations. Byrd-Nunn differs from that. We recognize that the Senate and the President of the United States both have a constitutional role in making treaties. Both of us do.

The book "Miracle at Philadelphia" goes through considerable detail about the debate that transpired in Philadelphia 200 years ago by our Founding Fathers. That convention framed this great Constitution, which has been the hallmark of the free world, the beacon of freedom for 2 centuries to all the people of the world. They debated a long time about whether the President would have any right to negotiate treaties. There were a number of them who felt that the President should not have any role in treaties since treaties were the law of the land and the President was not a lawmaker—he was an executive to carry out the laws and faithfully execute the laws. They felt that treaties ought to be made strictly by the people who were elected.

If you want to get a little reference to how that was resolved, read James Madison; read what he says in the Federalist Papers. I wish the Senator from Virginia were here because I know he is a great Virginian and I know he follows the career and words of the great Virginians. James Madison said over and over again that the President and the Senate make the treaties together. The Senate of the United States does not simply ratify treaties. We are considered a part of the making of the treaties. Those people who felt the President should not have any role in making treaties eventually lost their point of view. The President is given a role, a very important role, under the U.S. Constitution. He is primarily responsible for negotiating treaties, but with the advice and the consent of the Senate.

What does "advice" mean? It does not mean that once a treaty is completed and sent up to the Senate, the Senate then tells the President, "Mr. President, we think we should have done this." It means more than that. We have had a history of Senators participating actually in negotiation. I do not advocate that. I think we are much better served to have the executive branch carrying out the negotiations. But I think the observers appointed by Senator BYRD and Senator DOLE have had a very important role to play. Senator STEVENS has done a tremendous job. When the Republicans were in the majority, he was the leader of the arms control delegation. Senator PELL is following that pattern.

The Senate of the United States has had an official group of designated Members participating in advising the administration in the making of treaties.

Let us remember the Founding Fathers' views. For us to have a resolution before us in our year of celebrating the Constitution declaring that the President of the United States is the sole voice in treaty negotiations reflects a total misreading of the Constitution of this country.

There are other differences between the Dole-Warner amendment, which was pending, and Byrd-Nunn, which is now pending. I think everyone should understand this is probably going to be voted on either directly or indirectly.

Dole-Warner declares that the Congress "must not take actions equivalent to unilateral concessions to the Soviet Union." How could anyone disagree with that? I agree with that.

But I think it is much more accurate to say, as we do in the Byrd-Nunn amendment, that neither the Congress nor the President should take actions which are unilaterial concessions to the Soviet Union.

If you look back at the history of arms control negotiations, most of what anyone might term unilateral concessions—and that is a very debatable point—have not come from the legislative branch, they have come from the executive branch.

I think it is a lot easier to express this in the affirmative because, in any arms control negotiation, every side has to make some concessions at some point. What we really are saying in the Byrd-Nunn amendment in a more affirmative sense than in Dole-Warner—is that we believe in mutuality and reciprocity in arms control. We believe if we are going to make certain concessions, the Soviets ought to make certain concessions. We believe that agreements ought to be equitable. We believe they ought to be stabilizing. We believe they ought to be verifiable. That is what we mean by not making unilateral concessions.

But if you look at the unilateral concessions, the executive branch, under a more extreme interpretation, which I would not agree with, has made unilateral concessions on verification, just in the last few weeks. We had a position on verification. We decided we wanted to change that position on verification, on INF. How do you verify an intermediate nuclear force agreement? You could say the administration's position on verification was a unilateral concession because the Soviets did not do anything in return that I know of, although, from time to time, they made what some might call unilateral concessions themselves; not many, but some.

When we are talking about concessions and negotiations, it is important to state clearly, in a more positive way rather than negative, that what we believe in is reciprocity and mutuality. We believe the concessions we do make should be ones that are in our own best interests, considering what we get in exchange. That is what we are really talking about.

So I think that the Byrd-Nunn amendment is much more expressive of our views intended in that regard.

In terms of other differences, the Byrd-Nunn amendment goes beyond what the Dole-Warner amendment sets forth. The Byrd-Nunn amendment urges the President to take care that no provisions are agreed to which would be harmful to the security interests of the United States or its allies and friends. We also state that the Senate will ensure that any arms control treaty submitted to it enhances the strength and security of the United States and its allies and friends.

I note the Senator from California is on the floor. He was in the committee yesterday afternoon when we had the testimony of the arms control advisers on the INF, START, and space agreements that are being negotiated.

One of the things that the Senator from California mentioned in that hearing, and several of us mentioned, was that we wanted to make very sure that the INF Treaty takes into consideration the security of our allies, the NATO alliance. I think we all agree with that.

So I think when we are expressing the general view of the Senate on treaties, it is most appropriate that we have a reference to our allies because they are also part of our national security.

The Dole-Warner amendment declares that the Congress "should not seek to establish in U.S. domestic law positions on matters such as ASATS, nuclear testing, SALT II compliance, ABM Treaty interpretation, and the role of chemical weapons."

Congress should not say anything about antisatellite systems, which are enormously important to our security? Congress should not say anything about chemical weapons? I am one who supported chemical weapons over and over again on the floor of the Senate. I know the Chair has. But I do not think we would say to our colleagues who are on the other side of that, "Do not ever bring up another amendment that has anything to do with funding on chemical weapons because the President of the United States is the sole voice of it. He takes care of chemical weapons. He takes care of ASATS. He decides all the issues on testing. Just send them the money downtown and they will take care of it.

That is what it says here.

Congress "should not seek to establish in U.S. domestic law positions on matters such as ASATS, nuclear testing, SALT II compliance, ABM Treaty interpretation," even though we are makers of treaties. Dole-Warner says, "Do not say anything about it, folks. You just ratify it, and we will tell you over time what it means. If what it means is different from what the Nixon administration said it means, do not worry about it. We went back and looked in these carloads of negotiating records, all those little notes that negotiators wrote to each other, about a barrel full, and we found out what it really means. Leave it to us. Send us the money. Send us the money. But do not bother us with telling us what it means. Finance the weapons systems, but do not give us any advice about how we spend the money."

On the most conservative side of the aisle, the most conservative side of the Democratic side or Republican, either one, I cannot imagine any Senator voting for this.

By the time this debate is over, I am going to have a full record of actions that have been taken by our colleagues on the Republican side of the aisle over and over again. They have been the most assertive of the constitutional prerogative of the U.S. Senate. There is no party that has given more advice and—I would not use the word consent here. There is no party that has given more advice to the Presidents of the United States over the last 20 years than our Republican colleagues. President Carter got more advice from the Senate of the United States than probably any President in history. I joined in some of that. I felt he needed advising from time to time. I also think that President Reagan needs a little advice from time to time. I do not agree with everything that is going to be proposed, but I defend the right of any Senator to set forth their advice in the form of legislation and let the Senate vote on it.

I had frankly hoped that we could have this bill completed long before Foreign Minister Shevardnadze got to town. It was not my choice to have debate on the defense bill during the week when important discussions going on between Foreign Minister Shevardnadze and Secretary Shultz. But we may be fortunate in a way. The schedule was dictated by those who filibustered the bill for 3 months. For some reason, I guess they wanted to debate the arms provision while the Soviet Foreign Minister was in town. I have a little uneasy feeling about it, but maybe we can demonstrate to Foreign Minister Shevardnadze what glasnost means in this country. Maybe we can explain the role of the U.S. Senate while he is in town. Maybe it will be clearer when this debate is over that the Senate of the United States is not a potted plant. I hope so, because our Senators here are going to get to vote. They are going to get to vote on whether they want to declare the advise and consent role of the Senate is an outmoded concept in this year, the 200th anniversary of our Constitution. If you believe that the Senate is here just to adorn and make the whole process look pretty, but not to be heard from, then we are simply potted plants.

I hope we will not do that, but we are going to find out this week.

Mr. President, the Dole-Warner amendment states that Congress "should not seek to establish in U.S. domestic law positions on matters such as ASATS, nuclear testing, SALT II compliance, ABM Treaty interpretation, and the role of chemical weapons."

You know, there is one thing I really wonder about. Maybe some of the staff who helped draw up this amendment can explain it. Why in the world did they not mention INF, the intermediate nuclear forces? That is the negotiation that is nearly completed.

Why was INF not mentioned, I say to our capable and effective staff members who are on the back bench but who have a front bench seat in terms of influencing the body? Where is INF in here? Does that mean that, even as potted plants, we can bring up any INF amendment and advise the President on INF?

I will tell you why INF is not in here. Because one of the cosponsors wants to give the President some advice on INF. The Senator from Indiana, one of the most valuable members of our committee, has a barrel full of advice for the President of the United States on intermediate nuclear forces, and he has introduced an amendment which is going to give the President more than just advice. He is going to tell him what he can and cannot do. I do not know whether I am going to be for that amendment or not. I have to think about it. I have to hear it debated. I have enormous respect for the Senator from Indiana. When they were drawing up this potted plant amendment, I believe the Senator from Indiana went over and told one of the subcommittee people, "Look, we do not want to be a potted plant on that subject. I have an amendment. I want to do more than just be seen on INF. I want to be heard."

Maybe I am wrong, but we will find out. Maybe the next time the amendment is drafted in another form we will see INF in here and we will see that the Senate is also a potted plant on INF and we are not supposed to say anything about it. "Sh, sh, sh, do not talk about INF."

.But right now, we are given the full go-ahead on the INF. We can march right off and give all sorts of advice. The Senator from Indiana is going to do that.

The Dole-Warner amendment does not mention verification. I know that is certainly not something we have any disagreement on, but Byrd-Nunn does make it clear that we support the President's efforts to negotiate "verifiable arms reduction treaties."

We state that the Senate will reserve its judgment on approval of any arms control treaty until it has assured itself that they are "effectively verifiable."

Mr. President, wrapping up the comparison of these two amendments, the Dole-Warner amendment makes no reference to the constitutional role of the Senate in providing advice and consent to a treaty. The Byrd-Nunn amendment quotes the constitutional duties of the Senate to provide its advice and consent to a treaty. It also recognized "the special responsibility conferred on the Senate by the Founding Fathers." It states that the Senate is "accountable to the people of the United States and has the duty to ensure that no treaty is concluded that will be detrimental to the welfare and security of the United States."

Mr. President, this is a pretty good comparison, I think, of where we differ. I really believe that we can get a unanimous vote on this Byrd-Nunn amendment because I really think that the Dole-Warner sponsors have made some inadvertent oversights here and a few misstatements. I think they probably have not reexamined the Constitution lately and they just slipped up and did not put anything in here about the Senate role.

The Senator from North Carolina was on the floor a while ago. I certainly do not believe, based on past records, that we have ever had a Senator in the history of this body who has given more advice to the President of the United States on foreign policy than the Senator from North Carolina. Some of that advice is good. Some of it I agree with. Some of it I do not agree with. I have always said he had a right to give it. But the Senator from North Carolina has sponsored this amendment and he says the President is the sole voice on foreign policy.

The Senator from North Carolina is certainly bipartisan in his advice. He gives advice to every President, not just a Democratic President. He has probably given President Reagan more advice than any four or five people in the Congress. Again, some of it has been good, some of it I would not agree with, but he has every right to do that and will continue to do that.

I cannot believe the Senator from North Carolina has read this amendment. I cannot believe the Senator from North Carolina says the President of the United States is the sole voice on foreign policy. How about the appointment of Ambassadors? Does the Senate have anything to say about that? How about the Panama Canal Treaties? We are going to have a little recitation of history before this debate is over. There were an awful lot of things said in the Panama Canal debate when we had a Democrat in the White House that I want to see if our colleagues agree with while we have a Republican in the White House.

I want to also talk a good bit about what happened back when President Carter abrogated the defense treaty with Taiwan. We had a lot of advice being given to President Carter back then. The Senate of the United States was not a potted plant when it came to the Panama Canal Treaties. The Senate of the United States was not a potted plant when it came to the Taiwan Treaty abrogation.

Oh, we had a lot of advice. In fact, one of my best friends and I think one of the great Members I have served with, Senator Goldwater, former chairman of the Armed Services Committee, felt very strongly about the Taiwan Treaty. There is one thing about Barry Goldwater. He was consistent; whether it was Democratic or Republican, he went by his own principles, and I admired that. I think a lot of people in this country still do. Barry Goldwater decided that he did not believe the President of the United States could abrogate a treaty without coming back to the Senate, and he went to the Supreme Court of the United States on that point back in the late 1970's under the Carter administration. The Supreme Court decided that case on the ground of no standing because the Senate and the House had not acted legislatively. They did not decide on the merits.

But before this debate is over, I want to read some of those quotes from the petition Senator Goldwater filed with the Supreme Court, because a good many of my colleagues on the Republican side of the aisle were on that petition, they were part of it, they were coplaintiffs in that case, and some of those same Senators have cosponsored this resolution that we had before us a few minutes ago, saying the President of the United States is the sole voice on foreign policy, arms control, and all of those sensitive matters.

There are some real contradictions between what was said in that petition back in the Taiwan Treaty abrogation days and what is being said now. Mr. President, I think we need some degree of consistency. All of us move in the legislative process. There is no one who is absolutely consistent. I am sure I have contradicted myself in the course of 14 years. But you try to keep the contradictions within manageable terms. You try to keep them narrow. You try to keep them at the margin. You try not to have something that just jumps out and is absolutely, totally opposite of what you said 3 or 4 years ago when there was another President in the White House on another matter. There are some things that are immutable in this country and the Constitution of the United States is one of them.

I think it is important to note, as we begin this debate—and some of it is going to get on the ABM provision itself, the President of the United States said, I believe it was yesterday—I heard it on CBS Morning News—in support of that nominee President Reagan quoted with approval Judge Bork's views: "Laws should govern our country, and if you want them changed you should convince elected legislatures to change them, not unelected judges."

That was on a different matter but we have the same kind of situation with the ABM debate. We have a treaty that was ratified. We have testimony from the Nixon administration explaining what that treaty meant. President Ford's administration agreed with that. President Carter's administration agreed with that. And until 1985, President Reagan's administration agreed with that. The strategic defense program started under an interpretation of the ABM Treaty that was given the Senate by the Nixon administration in 1971 and 1972. And the appropriations that have been made under that program have been pursuant to that traditional interpretation. But lo and behold, in 1985, we had an unelected official who decided that the law could be changed.

A treaty is the law of the land. If you believe in our constitutional system of Government, that is what the Constitution says. When we ratified this treaty, it became the law of the land.

Now the question is, what does that law mean? It means what the Senate of the United States was told it meant back in 1971 and 1972. If not, what is the ratification process all about? What is the role of the Senate in advise and consent? So the Senate of the United States is not only going to decide in the next few days whether we are potted plants; we are also going to decide whether laws of the land can be changed by the President without coming back to the Congress. If that is what we decide, then we are basically reversing 200 years of history. We are reversing the intent of the Founding Fathers, and we are beginning a monarchy because a monarchy can make those decisions without coming back to Congress. That is what this country is all about. We founded a country where we wanted the elected representatives of the people to have something to say.

That does not mean we are always right. The Senate has made a lot of decisions with which I do not agree. I voted for things I would not now vote for if I had them before me. But we have the right to make decisions based on our form of government.

The President of the United States has an enormously important role. He is our principal spokesman in foreign policy. He is our principal negotiator of treaties. But he is not the only voice in foreign policy. He is not the only maker of treaties. We have a partnership in this country. There is a separation of powers. We have our duties. The President has his duties. The country can only work if we work together. But we cannot work together when one branch of the Government says to the other, "We're taking your power." We cannot be effective as Senators and as a body when we have respected voices of opinion saying the opposite of what they have stood against for years and years, that the President of the United States is the sole voice in arms control, the sole voice in foreign policy.

We have had negotiations going on now on arms control since, I suppose, way back in the 1960's. We are going to have negotiations on arms control going on at least for the next 20 years, probably the next 30 years, and I hope we can make progress. I am one of those who is skeptical but always hopeful we can make progress, hoping we can do something about the dangers facing this country. This morning I was a guest at the White House. I commend President Reagan, General Secretary Gorbachev, Secretary Shultz, and Foreign Minister Shevardnadze because they arrived at a very important agreement which was signed this morning on risk reduction, trying to begin to work together as superpowers to mitigate the risk of war by accident or war by miscalculation, war by misperception, they have begun a communication process that will last all of my lifetime. If we achieve the most successful arms control agreement anyone can imagine we will reduce nuclear weapons by 6,000. If we get an INF Treaty that stabilizes, is verifiable, and reduces the missiles in Europe, we are still going to have thousands of nuclear weapons. We are going to have thousands of tanks. We are going to have a danger of war for a long time, and God forbid that we have one. But we certainly have a mutual interest with the Soviet Union in doing everything we can to make sure that we do not have one by accident or miscalculation.

So we are going to have treaties, we are going to have agreements, and we are going to have continuation of discussion in arms control for a long time. If we take the position in this body that as long as there are arms control negotiations going on the Senate of the United States is out of the picture, we are basically changing the fundamental role of this body.

We are going to hopefully enter into a period where we have conventional arms control, doing something about tanks, artillery tubes, and divisions. That is where the big money is. That is where 80 percent of the money is. It is not in strategic nuclear weapons as expensive as they are. The big money is in conventional. If we are going to really save money, we will have to do something in the conventional arena. Those negotiations may go on for 10 or 20 years. Are we saying here with the Dole-Warner resolution that as long as we have conventional arms control we are not going to talk about tanks, we are not going to talk about artillery tubes, we are not going to talk about ships, and we are not going to talk about planes? If that is the case, the Senate of the United States is forfeiting its role under the Constitution. And we are helping create a monarchy in this land intentionally or unintentionally. I do not believe that is what our colleagues really want.

So I hope we can have a unanimous vote on the Byrd-Nunn resolution. I hope we can move on to other matters. But I believe that this is very important beginning point in this debate. We will have a lot more worries before the week is over.

Mr. President, I yield the floor.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. WILSON. Thank you, Mr. President.

Mr. President, I sat here listening patiently and with characteristic interest and respect for my good friend from Georgia. But I think very candidly that as many times as I have admired him this is not his finest hour. I would have to say that I think there is a fundamental flaw, a fundamentally flawed premise upon which his entire argument this afternoon rests. No one is for a moment contesting that the Senate of the United States does not have a role in the treaty process. The Constitution is quite clear as to what that role is. It is ratification. But what is totally beyond me is how anyone can possibly confuse the legitimate role of the Senate to participate in advising the President privately, in advising even negotiators privately as do members of the arms control observer team, and with participation in that ratification process with the actual negotiation of treaties. That is the fundamental point.

And I would have to say with all due respect that what is before us now in the form of the Byrd-Nunn amendment is innocuous. It is nothing that anyone should vote against unless they are simply outrated by the weakness of the statement. There is nothing in there that will kindle passionate disagreement, but it is not a substitute for facing the facts, the confrontation of this specific point, this central issue as to whether it is Congress that will insert itself in the negotiation process that is posed by the Dole-Warner amendment.

I will simply say to my friend and to all of my colleagues that this amendment may very well pass. It probably should pass by a voice vote and not take the time of a rollcall. But it will be no substitute for the Dole-Warner amendment. That I promise. If a dozen Dole-Warner amendments are tabled, then more and more will be offered because the Senate of the United States must face this issue and not be confused for one moment with what the proper role of the United States Senate is. Let us just compare these two proposals, that before us now, the so-called Byrd-Nunn amendment with the Dole-Warner amendment.

There is much in the Byrd-Nunn amendment that is word for word lifted from the Dole-Warner amendment. Obviously, there can be no quarrel with that. And the statements that are contained in it are all right as far as they go. The point is they do not go far enough because they do not confront the issue as to the proper limits on the insertion, the intrusion, to use the word of the Dole amendment, into the negotiation process by the Senate. And that is something that the Constitution does not provide for.

If we are interested in history, Mr. President, I would suggest that we should examine history for any precedent where the Senate has inserted itself in the negotiation process as opposed to its traditional role of being an active participant in ratification, and indeed where it is called for adding reservations to a treaty during that ratification process; qualifying a treaty. That is a proper role; one specified by the Constitution and by history.

There is no precedent. There is no constitutional authority for anyone but the President of the United States to be the negotiator—not just the chief negotiator, Mr. President, but the sole negotiator. What that means is that it is the President, and not the Congress and not the Senate that appoints negotiators to represent the United States in Geneva and sit across the bargaining table from the Soviets. That is not our function. Yes, we have an arms control observer group. They are to serve as a liaison between the President's designees, those to whom he has delegated the function of negotiation and the Senate, so that if, hopefully, a wise arms control agreement can be fashioned we will be that much ahead in our consideration of it at the time we are asked to ratify it—not negotiate it.

Comparing these two amendments, I find nothing in the Byrd-Nunn amendment that addresses that central point. It states instead that there is a shared responsibility. We all know that. What is not shared is the role of negotiator. That is the exclusive role, responsibility, and prerogative of the President of the United States.

The Byrd-Nunn amendment drops reference to Congress not intruding into the President's negotiation role. And my friend from Georgia seems to take deep umbrage at the suggestion that by involving ourselves in public debate, and certainly by enacting provisions of the Defense authorization bill that undercut the position of those negotiators, he seems to think that anyone that finds that unwise and calls it intrusion into the negotiation process is somehow relegating the Senate to the role of potted plant.

Nothing could be further from the truth. Mr. President, is it not obvious to anyone, student of government or passive observer, that we cannot have 535 Presidents of the United States? We cannot have 535 negotiators. Not every Member of Congress can be Secretary of State; cannot even if he thinks himself admirably equipped to do so be the one that actually negotiates the treaty. That role is specified exclusively by the Constitution as the role of the President.

It is an intrusion and nothing less, Mr. President, when the Congress, be it the House of Representatives or the Senate or both, seeks to actually engage in the kind of domestic legal changes that cannot be construed as anything but an undercutting of the stated position of the United States at those bargaining tables in Geneva or elsewhere. What else can it be? If we enact such provisions, provided they are duly enacted and do not otherwise violate the Constitution, they are entitled to the respect accorded by law. They are the law. And that domestic law which will be adhered to in the courts of the land, even though not adhered to as a matter of international agreement, can impose upon the United States unilaterally a duty not shared by those with whom we have negotiated a treaty.

That is precisely the situation that we must avoid if we are not to put ourselves at a hopeless disadvantage with the other superpower in the world. Like it or not, the Soviet Union is one and the United States is the other, and these negotiations are of immense importance to the entire world.

We cannot afford the kind of kibitzing that is being suggested as a proper role for the Senate. Frankly, what is being proposed goes far beyond the role of the Congress of the United States. It is, in fact, setting up the Senate and the Congress of the United States as a substitute for the negotiators in Geneva by indicating to those across the bargaining table from them, those representing the Soviet Union, what the parameters of the debate will be in Geneva.

Do not take my word for it. The chairman indicated in his comments that we were privileged to be addressed yesterday afternoon by those representing the United States at the bargaining tables, those who are the chiefs of our official negotiating mission there.

I do not know whether he recalls it, but the record states—and this is not classified—that I asked what would be the effect were the Congress of the United States to enact as law the so-called Levin-Nunn amendment. And that is what this whole debate is really all about. Indeed, if we want to get on to a discussion of ships, planes, and tanks, the chairman knows that all we need do is drop the Levin-Nunn amendment, and we can be on the rest of it in no time flat. The rest of it is a pretty good bill. Indeed, it would have unanimous consent to go to the floor without the Levin-Nunn amendment. But rather than get into the merits of that, let me simply describe it for the audience, who may not understand what is at stake.

The Levin-Nunn amendment seeks to usurp the authority of the President of the United States, assigned him by the Constitution, and says that there will be no further funding for the Strategic Defense Initiative Program unless the President agrees to accept the so-called narrow interpretation of the Antiballistic Missile Treaty; or, to put it in simpler terms, unless the President agrees not to engage in development or testing of the antiballistic missile defense.

Mr. NUNN. Mr. President, if the Senator will yield for a question on that, where is that provision? That one has escaped me.

Mr. WILSON. I say to the Senator that that is clearly the effect of a one-House vote that is possible under the Levin-Nunn amendment.

Mr. NUNN. If the Senator says a one-House veto is affirmative legislation, having passed both Houses, that is the law of the land. You could call anything a White House veto, because unless the House and the Senate pass this bill, it is a one-House veto. It is not a one-House veto under the Supreme Court decision. That is a different matter. I am mystified as to how the Senator from California could be talking about a one-House veto. You are talking about the legislative process.

Mr. WILSON. I will explain to my colleague.

What I am talking about is a very great departure from the tradition and history of the United States under our Constitution, in which only the Senate of the United States is given the role of ratification of treaties. Here, in effect, by the legislation that you have proposed, we would give to the House of Representatives, which has no such authority under the Constitution, the ability to take from the hands of the President and his negotiators that negotiating authority and to set a ceiling, a limit, on what they can do at the bargaining table. That is the effect of the amendments; I think it is quite clear to everyone.

Mr. NUNN. If the Senator will yield, does the Senator believe that the Constitution of the United States states that a treaty is the law of the land?

Mr. WILSON. Have you finished your statement?

Mr. NUNN. I just asked a question. Does the Senator agree that the Constitution of the United States provides that a treaty, when it is ratified, becomes the law of the land?

Mr. WILSON. Of course, it does, but the point——

Mr. NUNN. How do you repeal a law?

Mr. WILSON. Just a moment, since you have asked the question.

The point is that although the law that we are here debating does not become a law until it has passed both

Houses and is signed by the President, what it does is that when the Congress of the United States, either House, enacts a provision that is totally at odds with the expressed position of the negotiators at Geneva, it undercuts their ability to negotiate there.

Mr. NUNN. If the Senator will yield for a question, is the Senator familiar with the amendment that Senator QUAYLE submitted last Friday, which would prohibit the United States——

Mr. WILSON. The answer to the Senator's question is no, I am not.

Mr. NUNN. Because the Senator from Indiana submitted, the same day the Dole-Warner amendment was submitted, last Friday, an amendment that would put the Senate on record in reversing a recent decision by President Reagan to accept a Soviet proposal in INF that would prohibit the United States from deploying land-based missiles of a range of 300 to 3,000 miles.

Would the Senator put the Quayle amendment in the same category as he places the ABM amendment?

Mr. WILSON. I am unfamiliar with the amendment, so I cannot do that.

I say that any amendment that seeks to enact constraints upon the United States by law at a time when U.S. negotiators are negotiating a treaty obviously undermines the negotiating position of the negotiators.

Mr. NUNN. Would the Senator say the same about the Panama Canal treaties?

Mr. WILSON. I am glad the Senator brought that up, because the Senator's keen interest in history should have taken him to remember that the comments that were made and the advice and consent so freely given on that occasion occurred at the appropriate time, which was during the ratification.

Mr. NUNN. The Senator is not correct. The Senator from South Carolina had a petition that went around the Senate that had over 35 signatures, stating to the President of the United States that any Panama Canal treaty submitted would not be ratified by the Senate during the time that treaty was being negotiated.

Mr. WILSON. However unwise the treaty may have been, I have to say that I think that was improper, because it was in fact not the appropriate time and place to do that.

Mr. NUNN. I hope the Senator will look at the Quayle amendment because that says to the President of the United States: "Do not agree with anything relating to ground-based cruise missiles." The President has already done that. So the Senator from California would have to put the Quayle amendment in the same category as the ABM amendment.

Mr. WILSON. That remains to be seen.

Right now, we have three amendments before us. We have your amendment—or, more accurately, the Byrd-Nunn amendment, which is a palliative designed to avoid a vote on the Dole-Warner amendment; the Dole-Warner amendment that confronts the intrusions of Congress in the negotiation process and the Levin-Nunn amendment by which the President of the United States, through his negotiators in Geneva, is necessarily undermined by the kind of conduct on the part of Congress that narrows the range of negotiations. That is plain and simple.

Mr. NUNN. Will the Senator from California explain why the intermediate nuclear force agreement or negotiation is not set forth in the Dole-Warner amendment?

Mr. WILSON. I can tell you one reason. I do not think the Dole-Warner amendment, which I did not draft, was intended necessarily to deal with that agreement. It is intended to deal with all the other misfortunes that the House of Representatives would visit upon us in their bill, having to do with the prohibition of the use of funds for ABM systems or components, space-based or land-based, and the imposition of SALT II numerical limits. Those are not the business of the House of Representatives, nor do I think the Levin-Nunn amendment is either well advised nor, in my judgment, really a constitutional provision.

Mr. NUNN. So the Senator would like us to send $4.5 billion downtown and say to the President, "Mr. President, you can spend this any way you want to on SDI."

Mr. WILSON. No. That is a strawman argument, because, as the Senator knows, that is not what happens.

Mr. NUNN. That is what would happen.

Mr. WILSON. With all respect, I have yielded to a question, but I will not yield to the creation of strawmen that have no bearing on the real issue.

The real issue here, I say to the Senator, is whether or not the Senate of the United States is going to substitute its judgment for that of the negotiators, whether Senators are going to perform the role of the negotiators, and that is a role that is not properly ours.

Mr. NUNN. I thank the Senator for yielding, and I will not interrupt again at this point, but I hope the Senator will listen very carefully as I recite the role of the Senate of the United States over the last 25 years, particularly the role of those on his side of the aisle who have cosponsored this amendment, because they have been very assertive about foreign policy. They have given a tremendous quantity of advice to this President, the President who preceded him, and other Presidents during negotiations. Advice has been forthcoming over and over and over again. So we will have those historical examples pretty vividly before us during the course of the debate.

Mr. GRAMM. Mr. President, will the Senator from California yield briefly?

Mr. WILSON. I will in one moment.

I simply say advise and consent is one thing; negotiation is quite a different thing. I would also say that ratification and negotiation are quite different things.

It is perfectly proper for the Senate of the United States to advise the President as well as to advise one another with regard to what they perceive to be flaws in a negotiated treaty or one that is in the process of negotiation. It is not appropriate for them to undermine by enactment of domestic law provisions that are in direct conflict with the very substance of the negotiation.

Mr. GRAMM. Mr. President, will the distinguished Senator yield?

Mr. WILSON. I will yield for the purpose of a question.

Mr. GRAMM. I will say the distinguished Senator from Georgia, the chairman of the Armed Services Committee, can give us lots of examples of tomfoolery that has taken place in this great body and examples of poor policy.

The real issue here is not whether people have made mistakes in the past, not whether there is a precedent for poor policy, but whether we want to add to that precedent, and that is where I am in great agreement with the distinguished Senator from California.

I have no doubt that there are those who have served in this body in the past and some in the present who have tried to inject the Senate into foreign policy matters at a very delicate time where the national interest was not promoted. I do not doubt that there is a long list of such actions.

The question is at the very time that we seem to be on the verge of a breakthrough in negotiating with the Soviets should we add another to this long list of precedents?

I think we should not and, therefore, I strongly agree with the distinguished Senator from California that we can debate the issue of the Nunn-Levin amendment from a lot of different perspectives but as I see it the bottom line gets down to one basic thing. At this point in our negotiations with the Soviets where there is no debate about the fact that the thing that brought the Soviets to the bargaining table is the fact that they fear our tremendous technological superiority and our ability to apply that to build our defense which would lessen the effective force of their offensive weapons at a very time that that is the driving force behind our whole promise, and whether there is precedent or not precedent,

I am loath for us at this time to come in and enact into law negotiating positions of the Soviet negotiators in Geneva. I do not think we ought to be giving the Russians through actions in Congress what they are negotiating for in Geneva. I think that is a fundamental point and really what is at issue.

The PRESIDING OFFICER. The Senator from California had the floor. After the Senator yields the floor, the Chair will recognize whoever will want to be heard.

The Senator from California has the floor.

Mr. WILSON. Thank you, Mr. President.

Mr. President, when the Senator from Georgia asked if I would yield for a question I was about to make the point that yesterday when we had before us in the Senate Armed Services Committee our distinguished negotiators, I asked the question what would be the impact of the enactment by the Congress of the Levin-Nunn amendment, and the very distinguished Ambassador Paul Nitze said it would be most unhelpful, most unhelpful.

Mr. NUNN. Mr. President, will the Senator yield briefly?

The PRESIDING OFFICER. Will the Senator from California yield to the Senator from Georgia for a question?

Mr. WILSON. For a question.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. I will ask the question while the Senator from Texas is on the floor. I hope he does not leave now for just a moment.

Mr. GRAMM. I will not leave.

Mr. NUNN. Does the Senator from California remember June 19, 1985, where there was a Helms-Symms amendment which basically was to provide that no funds appropriated by the Fiscal Year 1985 Supplemental Appropriations Act may be obligated or expended to deactivate or remove from operational service any Minuteman ICBM or any Poseidon missile or missile submarine for any purpose, including specifically that of complying with any provisions of the unratified SALT II Treaty.

At that time there was a motion to table. The Senator from California and the Senator from Texas voted against the motion to table. The motion to table passed 79 to 17.

It is interesting because the President of the United States had decided that he wanted to observe SALT II. He felt that the continued observation of SALT was necessary even in the face of the Soviet violations. He did not want the negotiating climate to be upset in Geneva. That was one of the reasons he was doing that. Senator DOLE said in opposing this amendment, quoting him:

> * * * I think it possible that this amendment—while undoubtedly not so intentioned—could also undermine the President's standing, as leader of our Nation and as our spokesman on international security matters. The President has spoken on this issue, and he has spoken wisely; to now move to reverse the President's decision, in my view, would be a mistake.

Do the Senator from Texas and the Senator from California remember voting to undermine President Reagan's position on that important matter which was then pending in Geneva?

The PRESIDING OFFICER. The question was asked of the Senator from California. The Senator from California is recognized.

Mr. WILSON. Thank you, Mr. President.

I would be happy to respond to such a sophistry. It clearly did not undermine the President, since he was subsequently persuaded it was correct and in fact changed his position.

I think if memory serves the Senator from Georgia will recall that the President had given fair warning, in fact the phrase "extra mile" was used repeatedly.

As far as voting against the motion to table I frequently do that simply to afford the other side an opportunity to debate as I have been liberal in entertaining questions this afternoon from my friend from Georgia.

Mr. GRAMM. Mr. President, will the Senator yield?

Mr. WILSON. For a quick question.

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Texas?

Mr. WILSON. For a question.

The PRESIDING OFFICER. Is he yielding for a question from the Senator from Texas, or the floor?

Mr. WILSON. I am most definitely yielding only for a question.

The PRESIDING OFFICER. The Senator from Texas is recognized to ask a question of the Senator from California.

Mr. GRAMM. Is the distinguished Senator from California aware of the fact that the distinguished Senator from Georgia is commingling two entirely different issues? What is being debated here is not the fact that the distinguished Senator from Georgia is doing something the President opposes. If we did not do anything in the Senate that the President opposed this would be an awfully dull place and there would be little in the way of checks and balances.

What is at issue here is undercutting the position of our negotiating on a treaty that is being negotiated.

Mr. WILSON. Yes.

Mr. GRAMM. I remind our colleagues, and I am asking if the distinguished Senator from California is aware that we were voting directions relating to a treaty that has been negotiated, but it had never been ratified, it was not the law of the land, and as a result we were stating a position that, as the distinguished Senator from California notes, is a position that was subsequently accepted by the President.

So he in fact was to some extent affected by the wisdom of our position. I do not see any comparability.

The PRESIDING OFFICER (Mr. HARKIN). What is the answer of the Senator from California to the question of the Senator from Texas?

Mr. WILSON. Mr. President, the question is a good one. My response to it is that I am very much aware, and I have been trying to share my awareness with others who do not share it. The point really is not only that that treaty was not ratified by the Senate of the United States, and indeed the Senator from Georgia participated in preventing its ratification and wisely so.

The point really is that this amendment that is before us does not confront the proper role of the Senate. It ducks that question. It is a palliative that seeks to offer those who wish to avoid the vote on the Dole-Warner amendment the opportunity to do so. But it will not do so. Let this pass by a voice vote; it is nothing.

But then, at some point, we must come back and face the issue. We must vote on the Dole-Warner amendment and confront the proper limits upon the role of the U.S. Senate in the treaty-making process. It is not a role of negotiation. It is a role of advice; it is a role of consent, one of ratification.

Now, a point made implicity by my colleague from Texas which I thought was clear, perhaps explicit, and that is timing is everything. When in fact a negotiation is in progress on a prospective treaty, to then at that moment undercut the position of your negotiators is obviously to be a house divided. And that is precisely to what the Dole-Warner amendment speaks when it says that we must not, the Congress must not actively further the interests of the Soviet Union by unilaterally adopting negotiating positions that have been rejected by the United States Government. And that, of course, is the fault of the Levin-Nunn amendment.

So in the example asked about by the Senator from Georgia, that having to do with the SALT II Treaty, the SALT II Treaty not only was not ratified by the Senate but it was not being then negotiated by the Senate at the time that we offered that advice to the President of the United States. It was history.

This is quite different. At this very moment we are locked in negotiations with the Soviet Union and, indeed, whatever the prospects are for an INF agreement, far more important would be reaching a good agreement, a wise and workable agreement, on strategic weapons, weapons of a great range, an intercontinental range, not just those stationed in Europe.

And the Soviets—and this is not any breach of classified information because you can read about it in the newspapers and in the journals—the Soviet Union has explicitly linked any progress on those negotiations to our backing away from our own position on the Strategic Defense Initiative.

Now, we are not going to do that, Mr. President. But the Levin-Nunn amendment would bring us perilously close to a position that would encourage that. Because after having asked Ambassador Nitze yesterday afternoon what the enactment of the Levin-Nunn amendment would mean and after he had replied it would be most unhelpful, I asked Ambassador Cooper. Ambassador Cooper said, "It would inevitably have the effect of narrowing the range of our negotiations so that they would span a spectrum from a restrictive interpretation to an outrageously restrictive interpretation." Now, what he is telling us is to butt out. He was being polite.

And it is quite clear that this kind of an enactment would necessarily send the clearest possible signal. Instead of the Congress of the United States being perceived as fully in support of the President in negotiations for a workable arms control agreement of any kind, Congress would be perceived, quite accurately, as undercutting him. That is what this is all about. That is what the Levin-Nunn amendment is all about. And I think that it would be absolutely a dereliction of duty on our part either to enact that provision or to pretend that somehow the passage of this political palliative, this Byrd-Nunn amendment, is in some way an adequate substitution for facing squarely what is our duty and what the limits of our duty are.

That is why I promise that as many times as it may take we will get a vote of some kind on this amendment. And I hope it will be up or down. If we have a dozen motions to table the Dole-Warner amendment or its equivalent, then it will simply mean that those who are voting to table are unwilling to face the issue, unwilling to state what the proper role of the Senate is.

They are stating instead that they quite agree that they fully sanction the position that the Senate of the United States is not restricted to ratification, to reservation, but that we are, by God, able to intrude into the negotiation process itself. Now if that happens, Mr. President, we the people of the United States, are in deep trouble. There are limits to the wisdom of this body. We need not be potted plants to fulfill our constitutional responsibility.

Indeed, that same thought must have occurred just last year, Mr. President, at the very time that we were almost at this moment in conference on the fiscal year 1987 defense authorization bill and the House of Representatives sought to enact similar arms control provisions that would have similarly emasculated the United States position. And, indeed, to his great credit, the chairman, who was then the ranking member, participated in a negotiation with the House conferees and got them to drop that foolishness rather than being perceived as being in the position of undermining the President of the United States on the eve of a negotiation in Reykjavik.

Now what I do not understand is how his memory has grown clouded, why he does not see it just as clearly now as he did then when we performed that valuable service.

I cannot answer that. I can only tell you this: what we have before us would not warrant the discussion and debate that it has had this afternoon were it not for the fact that it is being presented as an avoidance of our duty to precisely define the role of the U.S. Senate in the treaty-making process. That is what Dole-Warner does. That is what Byrd-Nunn avoids doing. Now that is no service.

And for those who will repeatedly seek to table a Dole-Warner amendment or some equivalent, let the American people understand what is going on. Just as they probably need some explanation for the sleight of hand that occurred this morning, the little parliamentary legerdemain which subsequently took the Dole-Warner amendment down and substituted for it this palliative. That was no service.

Let me just conclude, Mr. President, by stating that the reason that this deserves the kind of attention that it has had this afternoon is not because there is anything wrong with the Byrd-Nunn amendment, save that it is weak, in that it does not go far enough, it does not confront precisely the issue that is indeed placed before us by the Levin-Nunn amendment which has been the cause of the delay in consideration of the rest of the defense authorization bill.

The record of this body is replete with assurances from virtually every member of the minority on the committee that we were long since prepared to vote on the bill if that offending provision, that usurping provision that seeks to take the authority of the President of the United States and give it to the Senate, if that were removed. But, that is apparently a persistent desire of the majority.

And I cannot think that if their President were on the eve of an important negotiation that they would not experience the same solicitude, that they would not be concerned, as in fact we should all be without regard to party, without regard to partisan gamesmanship, in seeing to it that we present a united front when we are dealing with as determined and clever and flexible an adversary as the Soviet Union who are very, very skilled negotiators and who daily read and digest the American news.

When this body undertakes not its duty but to usurp the President of the United States, it will not escape our adversaries, and they are in fact our adversaries.

May God let the day come when in fact we are all able to live in peace and trust. But that day has not yet come. Recent history is unhappily too instructive that that day has not yet come.

So I will say advice and consent is not negotiation. Ratification, even reservation, is not negotiation. Only the President of the United States is permitted by the Constitution to conduct negotiations. So let us not talk about shared foreign policy and blur the distinction that is so clearly made by the Constitution itself. That is what this amendment would do.

Let us pass the thing, get rid of it, and then let us be honest and come back and have an up or down vote on the Dole-Warner amendment, because this is no substitute for it.

I thank the Chair.

Mr. QUAYLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

MR. QUAYLE. Mr. President, before I begin, let me at the outset state once again for the record my deep respect and affection for our chairman of the Senate Armed Services Committee. He knows that without my having to say it. We agree on far more things than we disagree on. Although some people my dispute that after we go round and round today and tomorrow and for probably several weeks, but it is true, we do.

Mr. WILSON. Will the Senator yield for a question?

Mr. QUAYLE. I yield.

Mr. WILSON. Is the Senator aware that I share that affection that he shares for the distinguished chairman?

Mr. QUAYLE, I am sure the record notes that.

Mr. WILSON. I would seek to give assurance so there is no doubt, that however misguided his judgment of this issue, I have great affection for him.

MR. QUAYLE. He is really a good guy, we are trying to say, most of the time, with just a few aberrations we all have. We all make mistakes. Even the Senator from California has probably made a few mistakes in his life. Maybe the Presiding Officer——

Mr. NUNN. If the Senator will yield briefly, the Senator from Indiana is a valuable and effective member of our committee. The Senator from California is also very effective. Both are my colleagues and my friends and they do a superb job on the Armed Services Committee.

The Senator from Indiana was not here earlier, but I spent considerable time in the last 30 minutes making clear to this body that neither the Senator from Indiana nor the Senator from California have been potted plants in this body. They have been very assertive in foreign policy. The Senator from California has given the President a lot of advice and he has voted for legislation that, according to the minority leader, Senator Dole, would have given the President too much advice and impaired his standing in international affairs. I spent a good deal of time describing the Senator from Indiana's amendment on INF which he offered last week.

Mr. QUAYLE. You ought to support that.

Mr. NUNN. There are attractive features to it. But the Senator from California was not aware of that amendment. He gave several reasons why amendments like that should not be introduced during this crucial negotiation period. I hope the Senator from Indiana will explain to the Senator from California the nature of his INF amendment and how it does have an impact on the negotiations. The Senator from Indiana is an assertive power and not a potted plant in this body.

Mr. QUAYLE. I want the last part of that statement to be amplified, that we will continue to be assertive. That was the third or fourth point I was going to make in my remarks, but since the Senator made his statement, let me state it briefly.

There is one substantive, significant difference between the resolution I introduced and the Levin-Nunn amendment. That is, mine is a sense-of-the-Senate resolution. It is not binding. It is expressing, hopefully, the will and sentiment of the Senate on where the negotiators ought to go. Quite frankly, if the Levin-Nunn amendment were a sense-of-the-Senate, if it simply said "Here is what I think the interpretation of the ABM Treaty ought to be," and it was debated as a sense of the Senate, we would have a debate and I would disagree with the distinguished chairman, we would vote on it and have a feeling of what the Senate is. I have no problem with doing this from time to time, and I will continue to voice my feelings both publicly and privately to this administration or any other successor administration. But there is a critical difference between a sense-of-the-Senate resolution such as my INF resolution and the binding legislation of Levin-Nunn.

We have waited for months for this debate. We have had a filibuster. As a matter of fact, as the majority leader said today, the filibuster could have continued because even the high water mark today would only have had 57 votes, but the distinguished minority leader decided it was time to get on with the Department of Defense bill, conferred with the White House and others, and they said, "OK, let us go ahead and begin the debate."

I am not sure where we will go in this whole debate, because of what we have before us, 99 percent deals with the substance of the Senate Armed Services Committee procurement of weapons, pay, operation, and maintenance, what a normal defense authorization bill deals with. But, it is the 1 percent that deals with arms control that has now received 99 percent of the attention.

What we have on the floor today, unfortunately, is an arms control bill, and that is what we are going to be debating, or the arms control resolutions. We are going to be debating what the interpretation of the ABM Treaty ought to be. We are going to be debating SALT limits, ASAT and nuclear weapons testing bans, chemical weapons freezes, all sorts of things.

We may never get off the arms control debate. It is going to go on and it is going to be lengthy. A lot of people will want to speak.

But after 3 or 4 months of delay, we are now confronted with the very first issue that is before us, which is a sense-of-the-Senate amendment by the majority leader and the chairman of the Senate Armed Services Committee.

It goes on and says:

> Therefore, the Senate hereby establishes: 1, it declares that the Senate of the United States fully supports the efforts of the President to negotiate stabilizing, equitable, and verifiable arms reduction treaties with the Soviet Union.

I do not believe anybody, in fact, would disagree with that.

Then it says:

> Endorses the principle of mutuality and reciprocity in our arms control negotiations with the Soviet Union and cautions that neither the Congress nor the President should take actions which are unilateral concessions to the Soviet Union.

I happen to agree with that second statement, that we should be cautious that neither the Congress nor the President should take actions which are unilateral concessions to the Soviet Union.

I think that goes to the heart of the debate, I might tell my friend from Georgia. I suppose from time to time we all make miscalculations on sensitive feelings on certain issues. I know I have had a number of people on this side and that side come and say, "It is really not that big of an issue, is it?"

I say, "Well, maybe it is for just a few of us."

But I would like to say, as I have said in committee and I will say it again, that these issues which we perceive to be unilateral concessions, whether they may be in disagreement, there are very intense, strong, deep convictions, not concerning personalities but concerning the basic policy and the principle of what the Constitution is, the role of the Senate, the role of Senators and Congressmen, the role of the House and the Senate in our legislative process.

There are some very deeply held feelings—and they are deeply held feelings I know on the other side—on policy, on principle, on the Constitution. There is deep concern about how we interpret our constitutional role. But this issue really divides us.

I was listening, somewhat haphazardly I must confess, because I had a meeting in my office I could not reschedule, to our chairman go through the discussion of the role of the Senate and the role of the Congress on how it is to deal with the executive branch. I am not sure I caught all of it but the gist of it was that, well, the President is not what he called the sole voice; he is more of a collective voice.

Certainly the President is the one who is going to represent us at the negotiating table, he and his designees. We do have observers. We do have people who go abroad and make statements and participate off the record and behind the scenes as to where we are in fact going. Certainly we speak with many voices. Sometimes I imagine our allies around the world, particularly as we have elections every 2 years and a Presidental election every 4 years, sometimes wonder which voice is in our pluralistic society that is really going to be the voice of the future. We have those debates on the floor from time to time on whose voice is the voice of the future.

But in listening to that discussion, a couple things come to mind, and I think they are worth noting, as to how I at least as one Senator from Indiana interpret what our constitutional responsibilities are and how, in effect, we work in the ratification process and the adoption of treaties and, furthermore, in the interpretation of the treaties.

I concede to the executive branch of Government and the President of the United States that he in fact is the Chief Executive Officer of this country, that he is the primary negotiator for arms control treaties or any other treaties, that he and his representatives will sit down at the table and hammer out a treaty. Furthermore—and this goes to the point of the Levin-Nunn proposal—I basically believe it is wrong, I think there are some serious constitutional questions that would be raised by the Congress' imposing unilaterally, by statute, certain things that are presently being negotiated. I am not talking about a sense of the Senate. I am not talking about going out and expressing oneself. I am not talking about holding hearings. I am talking about binding legislation.

Now, you have to go back—and we are going to go back and dig into the Federalist Papers, into the Philadelphia Constitutional Convention in this bicentennial year and try to find some instruction on what in fact we should be doing today. You will find that our earliest precedents and debates upon the role of the President of the United States make it clear that he is the Commander in Chief, but that the Congress of the United States is the one that declares war and that appropriates money. What else does past practice make clear?

Well, the confirmation of Ambassador Jay to Great Britain during the first government formed under our Constitution involved a lot of discussion. As a matter of fact, many in the Senate at that particular time wanted to impose certain specific instructions to Ambassador Jay before he was confirmed by the Senate on what President George Washington would do in the negotiations of the treaty with Great Britain. That was brought up. It was discharged. It was defeated. It came down to, no, before a treaty is negotiated we are not as the Senate going to establish nor should we—and this is the first constitutional government—bind our President with instructions to Ambassador Jay. That is the first precedent, and a very important precedent, I might add, that the Senate in the first constitutional government of the United States of America said no, we are not going to do that. That goes to the Levin-Nunn amendment as far as sending specific instructions on the interpretation of a treaty.

Let me give you another example that happened in the first administration of Washington, the Paris Treaty. It was debated and it was argued in the Cabinet, Hamilton and Jefferson picking and choosing sides, on what the Paris Treaty said as far as whether we would in fact have to go into conflict on the side of France. The President of the United States at that time, George Washington, said, "I as the Commander in Chief have the sole power to interpret what that Paris Treaty says, and I interpret it that we can be neutral and therefore do not have to go into conflict on the side of France."

In the very first administration, two important things that we are discussing on the floor of the Senate today are instructive. One, sending binding, specific statutory requirements on how a treaty should or should not be negotiated.

Mr. NUNN. Will the Senator yield at that point?

Mr. QUAYLE. Just a moment. And, two, who has the power to interpret—to interpret—a treaty that has already been put forward? In both of those, the Levin-Nunn amendment is binding—before a treaty on space starts when we are potentially looking at the ABM Treaty—with specific messages as to how the President shall not interpret it and how Congress is going to intepret it. Both of those precedents were discussed and acted on in the first constitutional government of the United States of America.

I yield to the Senator for a question.

Mr. NUNN. Will the Senator yield for a brief observation? We are getting right down to the fundamental interpretation of what this does and if the Senator really believes that is what this amendment does, then I understand his opposition because I would not be in favor of that either. I would not be in favor of that if that is what the Levin-Nunn amendment does.

It does not do that. The Levin-Nunn amendment only provides that if the President of the United States tries to go to the broad interpretation, departing from the traditional interpretation for purposes of testing under the SDI program, he first has to get permission of the House and Senate. It does not say one word about what the President's negotiating position should be in Geneva. It does not say anything about binding the President in arms control negotiations. It does not preclude the President from taking any position he wants. He could take the position that he has the right to abrogate the treaty himself without coming back to the Senate. The Senator from Virginia said President Carter did not have that right under the Panama Canal Treaty, and I am going to quote that later. But he can take that position. The President could take any position he wanted to under the Levin-Nunn amendment. The only thing the Levin-Nunn amendment is intended to do is to say, "Mr. President, if you are going to change the testing program on SDI, from what your representatives testified to, if you are going to depart from the traditional interpretation, you first, sir, have to come back and get the Senate and the House to agree." That is all it does.

I keep reading newspaper articles which say that I am trying to force the administration to change their interpretation. I am not trying to force them. I would like them to change their interpretation because I think they are wrong. But this legislation does not force them to do anything. It simply, like we have done hundreds of other times, says you cannot do certain things with certain weapons systems until you get further approval of the House and Senate. We did that with the MX. We have a lot of provisions in this bill and other bills that say you cannot do certain things with this money.

That is what the Congress of the United States is all about. We appropriate the money. So the Senator is totally misinterpreting the amendment, because it does not do what the Senator said. If the Senators position was correct, I would be opposed to the amendment. I am not in favor of passing an amendment on the floor of the Senate at this point interpreting the ABM Treaty. I am saying that this is the traditional interpretation. This amendment reflects what the general in charge of SDI said they were going to adhere to. I would ask the question of the Senator, how can the Senator conclude——

Mr. QUAYLE. I was waiting for the question.

Mr. NUNN. How can the Senator conclude that this Levin-Nunn amendment binds the President of the United States in negotiations with the Soviet Union? The President of the United States can say to the Soviet Union, "We are in favor of the broad interpretations. I am going back and convince the House and the Senate that the broad interpretation is correct." We even give him an expedited procedure in this amendment.

The Senator from Virginia said when we first started this debate in May that the interpretation of the Senator from Indiana was not correct. He did not say it in those words but he said we did not try to interpret the treaty. We basically said, Mr. President, if you are going to change and test in a different way than your representatives describe, you have got to come back and get permission. That is all we are trying to do. So if the Senator want to draft an amendment that does that, if he agrees with that purpose, then we already have that in our amendment and this problem is settled.

Mr. QUAYLE. Mr. President, let me try to answer that very short direct question on how the Senator from Indiana can construe that. I think the chairman of the Senate Armed Services Committee and I are in total agreement that we are getting down to, and my discussion is going right to, the basic differences that the two of us have on this proposal. And the two issues are, one, binding statutory legislation, binding statutory legislation dealing with treaties, dealing with advanced negotiations of treaties, and, two, who has the power to interpret these treaties. And I cited the Jay Treaty, and I cited the Paris Treaty. And I went through the whole precedent of the first constitutional government of this country because in the Federalist Papers you can dig and dig and come to different conclusions. So, therefore, since it was not clearly spelled out as perhaps it should have, you have got to look at precedent. You have to look at what took place. Believe me, the President, many in the Senate, and many in the Cabinet were the same ones who were at Philadelphia. So their precedents are far more instructive than perhaps something that would take place 209 years later as far as defining what the intent of the framers of this Constitution had in mind.

Let us not talk, and I am not trying to misinterpret the Senator's amendment that is before us. It is certainly not my desire at all, I do not mean to, and I do not think that I am. But let us be honest about this debate. What precipitated the Levin-Nunn amendment? What precipitated the Levin-Nunn amendment is the interpretation of the ABM Treaty. Let us not kid ourselves. I feel certain that the chairman of the Senate Armed Services Committee would agree with me. That is what precipitated this amendment.

When the administration announced—as a matter of fact, it was when former National Security Adviser Bob McFarlane on a national newscast talked about Agreed-Statement D of the ABM Treaty. All of a sudden—and I cannot recall the specifics but I know the chairman was interviewed afterward—what was meant by Agreed-Statement D was the issue. And all of a sudden we all got interested in what Agreed-Statement D meant in the ABM Treaty.

It started on one of the Sunday network talk shows when Bob McFarlane in answer to one of the questions said of course we could go to testing and development of space-based defenses because of Agreed-Statement D in the ABM Treaty. That is what set this roller coaster off on who is right on the interpretation. And that is the genesis, that is the background of why we are now in a box in the U.S. Senate.

In fact, some of us are adamantly opposed to having the U.S. Senate—and I might add, having the House of Representatives where I came from and the President in the chair came from—inserting themselves into treaty matters with binding legislative language on what the interpretation of an ABM Treaty. I go back to the discussion in the Washington administration that the interpretation, and I think the court cases will bear this out, and we can have this debate, that the interpretation of treaties rests with the executive branch.

Certainly, the Congress of the United States has the power of the purse. And if the President of the United States says, "I am going to test the kinetic vehicle in space, and I want to do that and I am doing it," and the Congress can say, "Yes, you can go ahead and do it, but we are going to deny you funds to do that," Congress can do that. The Congress can deny the President the funds to do that. The Congress can deny the President funds for MX. The Congress can deny the President funds for B-1. We can deny funds for SDI.

Mr. NUNN. Will the Senator yield?

Mr. QUAYLE. For how long?

Mr. NUNN. Just for a brief question.

Mr. QUAYLE. If it is a fairly brief question.

Mr. NUNN. That is really the only principle that we are trying to establish here. We may reach an agreement right here on the floor, because the Senator just conceded exactly the point. All we are saying in this amendment is if you are going to change the testing programs you presented to the Armed Services Committee and do something different, you have to come back and get permission. That is all we are trying to do.

Mr. QUAYLE. The chairman of the Senate Armed Services Committee knows full well that the administration said even though they say the legally correct interpretation is the one that is legal, which is the broad interpretation, they have said for the time being that they are going to stay with the restrictive interpretation. Quite frankly, I think that decision to stay with that restrictive interpretation has done quite a bit of damage to the SDI Program because that is the underlying debate—we will get to that later—the SDI Program. My own personal judgment is they should have moved to the legally correct interpretation. But they have not.

They also said, and they told the chairman of the Senate Armed Services Committee and others, "When we do, we will in fact give you advance notice." They have, in fact, asked for specific notice on this. They are going to go out and do it. Then the Congress should do it through a supplemental bill. You can do it through separate legislation. You can do it whenever you want to. They have said they will give advance notice in the spirit of consultation and communication. They said, "We will tell you, Congress, because you are interested in it, because we believe in working with the Congress, and because we are not going to sit there and run off on a one-way street, that we are simply going to have to sit down and talk. We will tell you when we move to the legally correct interpretation," which I have been advocating privately and publicly. They should have done it a long time ago. They will tell us.

If you do not like that, you are the chairman, then get a bill out of the committee. Run a bill through here. It may get filibustered. But you have a lot of votes. That is the process. It may get vetoed. You can override the veto. That is the process. This is the fundamental thing.

Mr. NUNN. Would the Senator yield for a brief observation? The problem is we are giving the money here. We give $4.5 billion and they want to just come back and give us advanced notice of how they plan to spend the money. The statute on intelligence oversight requires the President to give the Congress timely notice of certain intelligence operations. We spent 3 months in the Contra hearings establishing that timely notice can be as much as a year or 18 months. It can be anything the lawyers downtown say it is. Advanced notice is not exactly comforting.

What we want is advanced consultation and participation by the makers of the treaty, who are both the President and the Senate. That is all.

Mr. QUAYLE. The President, his advisers and I suppose maybe we can resolve this right here on the floor as far as advanced consultation which they have said they would in fact give. They have no problem with giving advanced consultation before they go to the legally correct interpretation.

Mr. NUNN. One minute, one day, one hour?

Mr. QUAYLE. I think the Senator knows full well that when you give notice that you are going to go forward with the testing program, that there are literally weeks and months and perhaps even sometimes years of work that has to be done, and the Senator has full knowledge and has enough information, not only on his personal staff but within the Department of Defense, to know full well when the program is going to go beyond the restrictive interpretation.

Mr. NUNN. So you have a complete understanding, if we had drawn the amendment in that way, we could not carry this out. The only thing we are trying to say is, "here is $4.5 billion for SDI, Mr. President." You laid out a testing program. That testing program showed that you were going to stay within the traditional interpretation of the treaty. We want you to come back to us if you depart from what you have testified to. We do that over and over and over again in legislation. We have legislation in this bill, section 121; relating to the lightweight tactical fire support system. That does not permit them to go forward unless they get approval of the House and the Senate again. We have section 123 that relates to the T46 aircraft. It has the same effect.

Mr. QUAYLE. What treaties is the Senator referencing?

Mr. NUNN. I am not referencing treaties.

Mr. QUAYLE. That is the point. That is the point, Mr. President.

Mr. NUNN. Why did the Senator not get up a substitute?

**Mr. QUAYLE.** That is the fundamental point here.

Sure, we do this and we sit there and deny funds. I said you can deny funds for MX or SDI. Congress has the power of the purse. But what the Senator's amendment is doing is basically saying: "Mr. President, you don't have the authority, and we're not going to give it to you, to interpret what the ABM Treaty says and act on it, unless you come back and have the Senate agree to that interpretation and the House of Representatives agree to that interpretation." Both Houses have to agree to that.

I think that as Senators, before we rush pell-mell in this direction—notwithstanding how you feel about the ABM Treaty, whether you are for the restrictive interpretation and the legally correct interpretation, or a restrictive treaty forever—before we begin inviting the House of Representatives to participate in the interpretation of treaties, we ought to think, we ought to stop and think about it, because that is precisely what we are doing. This goes to the gut issue of the Levin-Nunn amendment.

According to Levin-Nunn amendment, the only way the President can act on his interpretation is to come back and get agreement by majority vote of the House and the Senate.

**Mr. WARNER.** Mr. President, if the Senator will yield for an observation, it is not the House participating. It is a simple majority of those in attendance having the power to overrule the judgment of the Senate of the United States.

**Mr. QUAYLE.** The Senator is correct. They could overrule the judgment of the Senate.

I do not even go so far as to say that the Senate has the constitutional responsibility. I can stand up and cite the Court cases. I will cite my precedents, and you cite your precedents. Show me where the Senate unilaterally interprets the treaties after they render advice and consent and approve them. There is no such precedent. The Supreme Court decisions are absolutely to the opposite, saying that the President interprets the treaties.

I have said all along that the power of the purse is right here.

As a matter of fact, a more straightforward amendment would be to offer an amendment and say let us have only $1 or $2 billion, rather than the $3.4 or $3.7 billion, whatever is in the authorization bill. Just cut it back, because what we are going to do by this amendment, in a de facto way, is basically to only allow basic research in the laboratory. That is what this goes to. The debate is ultimately about the fate of SDI. We must ask if supporters of this amendment are for or against the SDI. If it passes, we can certainly know what the net result is going to be so far as SDI is concerned—the crippling of SDI.

Mr. President, we are going to have a long debate on this issue. We are going to be debating this for quite some time, the arms control issues.

I just want to talk for a moment about the two resolutions that have been discussed—the so-called Byrd-Nunn and the Dole-Warner resolutions.

What is meant by the Dole-Warner resolution is that Congress should basically not take binding actions and bind the President to positions that the Soviet Union is advocating at the bargaining table—in other words, that the U.S. Congress should not impose by statute what the Soviets are demanding at the bargaining table. In other words, the President needs flexibility. Some of those positions he may agree to, he may compromise with, but the Congress of the United States should not unilaterally impose those restrictions.

That is why the Byrd-Nunn resolution is a bit curious here, because the second item of the "therefore" clause of the Byrd-Nunn resolution says that it endorses the principle of mutuality and reciprocity in our arms control negotiations with the Soviet Union and cautions that neither the Congress nor the President shall take actions which are unilateral concessions to the Soviet Union.

I happen to agree with that and believe that an interpretation of what we are doing and what we said we were going to do by the Dole-Warner amendment is not to unilaterally adopt those positions.

Some of us believe, although we will get an argument, that the Levin-Nunn amendment is an interpretation of the ABM Treaty that is presently being advanced by the Soviet Union. That is a position that is being advanced by the Soviet Union. If we want to debate and argue a sense of the Senate, fine. Maybe a majority want to do it. We can have a debate. But what we are doing here is taking that position and putting it in statute.

So I think that some of the amendments that are going to be argued over after the Byrd-Nunn amendment might be somewhat, on the face of it, contradictory.

The Dole-Warner resolution was basically geared toward giving the President as much flexibility as possible.

It is a bit ironic that on this September 15, Shevardnadze is beginning his 3-day visit with the President, the Secretary of State, and others; that we are having this debate; that you have a Senate that is divided; that we in fact do not have and are not speaking with one total voice in this. The President will speak unequivocally on this issue. Congress will be split.

I just want to conclude on this discussion by saying that as we look at this, not only to filibustering, but also going to great lengths to not let this ever become law—in fact, my personal preference is not to let it go out of the Senate because of the precedent that will be established in the Senate if we start adopting binding, statutory treaty interpretation amendments.

Good God, who knows what else would come, if all of a sudden we say this one is going to pass? We would have SALT, probably some binding thing on ASAT. Who knows? We would get a host of amendments.

So it would be my desire not to let this go through as is. We will have a lot of votes, but we have a lot of ability under the rules to talk. Some of the talk may be illuminating; some of it may be rather dull from time to time. I guess that is the essence of unlimited debate in the Senate. I hope we will not be too dull. But from time to time we may have to indulge the Chair, our colleagues, and those who are watching us, in a great recipe of dullness, reading certain things.

Go back and read some of the Supreme Court decisions on interpretations. Go back and read the treaty. I guarantee that at some time I am going to read the relevant parts of the ABM Treaty and we will get into that debate.

Read that treaty. I am not asking a lot. Just read the treaty. I want you to read what is called agreed-statement D. It will not take too long. It is not a long treaty. You do not have to read the whole thing, just read article II, article V, and agreed-statement D, and maybe article III. If you read those, you have it. You will almost be an instant expert.

Then come over and tell me what that treaty says and how you can get out of that treaty that somehow testing and development and other physical principles—in other words, future technology that we did not know about in 1972—is prohibited. You are going to be scratching your head, doing a dance, trying to figure out why that treaty says that. You will probably say, "Someone told us that is what that meant. In the past, people have said that is what it meant."

As I said, read it. Just read it. I am not going to read it now. I have it in front of me, but I intend to read it. We will get to those parts of that treaty and have a discussion of that at sometime as well.

Mr. President, I yield the floor.

**Mr. WARNER.** Mr. President, will the Senator just indulge me a moment to compliment my distinguished colleague from Indiana on one of the finer statements that I have been privileged to hear since I have been in the U.S. Senate?

The **PRESIDING OFFICER.** The Senator from Illinois.

**Mr. DIXON.** Mr. President, I think the debate in the course of this day on the amendment in question has been a very enlightening one.

I would join my friend and colleague from Virginia, the distinguished ranking member of the Armed Services Committee, in saying that the remarks of our friend from Indiana, as usual, are very enlightening, very helpful, in connection with this debate.

I would like very briefly to return to the central question here, Mr. President, so that those who may be observing in their offices what we are saying preparatory to the ultimate question when we vote on the Byrd-Nunn second-degree amendment to the Glenn amendment would remember that all of this relates to the original Levin-Nunn amendment discussed at great length and ultimately adopted in a close vote in the Armed Services Committee. And so notwithstanding all the very important things that have been said here, I would like to return in a kind of simplistic way to the central question just so every Member of the Senate can fix on that once again, Mr. President:

This administration requested no funds in 1988 or fiscal 1989 to restructure the Strategic Defense Initiative to conform to the broader interpretation of the ABM Treaty, that is, to conduct development and testing of space-based ABM systems and components using exotic technologies.

As a matter of fact, during the committee's hearings on this bill, General Abrahamson testified that all SDI research projects and all planned major experiments for the 2 years, have been designed to be fully compliant with the traditional interpretation of the treaty.

As a matter of fact, Mr. President, in response to a question from the distinguished senior Senator from Alaska, Senator STEVENS, in a March 19, 1987, in a defense appropriations subcommittee hearing as to whether he could, and this is a direct quotation, "assure the Congress that the fiscal year 1987–88 money will be spent in accordance with the President's current decision of the narrow interpretation," General Abrahamson replied, "That is the way the budgets were put together and is the way our plan is presently laid out. The answer is, yes, sir."

Now that is the direct testimony of the distinguished general in charge of the SDI program in answer to a question of the Senator from Alaska, the former distinguished majority whip of this body on the subject matter about how the funds would be expended in the next couple of years.

Now, notwithstanding the very fine debate, and I again agree with my distinguished colleague from Virginia, this has been a very enlightening, almost an ennobling debate in many ways, I would like to call attention of the Senate and those who may be paying attention to this bill. This is the bill, Mr. President, S. 1174, the Department of Defense authorization bill under debate.

The issue may, I say to my colleagues, involves page 23 of the bill, section 233, and it is entitled "Limitation on Development or Testing of Space-Based and Other Mobile Antiballistic Missile Systems," and then, Mr. President, in lines 10 through 14 on page 23 here is what we say:

> Funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test anti-ballistic missile systems or components which are sea-based, air-based, space-based, or mobile land-based.

That is the issue here. After that there is some more language that goes for another brief few lines advising how the President can correct that by submitting to the Congress on an expedited basis authorization to change the fencing.

So the truth is, Mr. President, what this issue comes down to is, pure and simple, the right of the Congress to control the purse. This is our right. We have the right. Congress could say, Mr. President, that we will appropriate no money for SDI. This Senator does not want to do that. We have in fact authorized in this bill $4.5 billion, substantially more than the House. I imagine in the course of the debate when we ever get to it, Mr. President, the sum will be less than the $4.5 billion that is in this bill, and it will be somewhat more than the House's number, and I expect in the conference we will have a compromise and get some number everybody can live with, somewhere in the high three's, I suspect.

But the point here is our power of the pause and when you depart from all this marvelous rhetoric, some of it as enlightening as any I have heard here, and I have been here all day. When we finish all of the rhetoric we come back to the simple question as to whether under the DOD authorization bill we have the power to say how this money will be spent and I say that we do. I say that General Abrahamson has said to us how it will be spent and we are saying we authorize that the money be spent in that way and in no other way.

That is not a very sophisticated thing, involving very esoteric interpretations of the treaty or anything of that sort.

In fact, my friend from Virginia 3 months ago corrected this Senator, rightfully, corrected this Senator. When I got up here and started to make the speech about the narrow and broad interpretation, he said that is not the question here. He is absolutely right. It is not the question here at all. The question here is the right of the U.S. Senate or the Congress, as the case may be, the legislative branch, to control the purse and determine how the money is going to be spent. We have that right. We have said that in this bill. We have said that on the basis of what the administration promised us. We gave them, in response to their request, not as much as they asked—we gave them $4.5 billion in this bill in the Armed Services Committee. But we responded and said in that response we place limitations upon it. We have that right, Mr. President. We have that right. We have exercised the power of the purse. We have fenced as we have fenced so many times and as we will do so many times in the future, Mr. President. You, as a Member of the House before you come to the Senate, know that. And I say that that is a right that we will continue to exercise.

When we are in the minority and they are back in the majority, they will exercise it. We hope that never happens, of course. But the point is that the majority will always exercise those powers on issues in disagreement with the Chief Executive. And I find no problem with that at all. I say that is the central issue here. When we have that power, we are going to retain that power and we are going to exercise that power many times in the future as we have many times in the past.

So Mr. President, I would simply, at the request of my distinguished colleague, the distinguished senior Senator from Georgia, the chairman of the Armed Services Committee, ask for the yeas and nays on the amendment that is pending before the body at this time.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

**Mr. WARNER.** Mr. President, I see the distinguished Senator from South Carolina about to rise. I was just going to take a few minutes, but if you have an inquiry——

The **PRESIDING OFFICER.** The Senator from Illinois still has the floor.

**Mr. DIXON.** I have no desire to cut off debate, Mr. President. I was simply asking for the yeas and nays.

The **PRESIDING OFFICER.** Does the Senator from Illinois yield the floor?

**Mr. DIXON.** Yes; I do yield the floor.

The **PRESIDING OFFICER.** The Senator from Virginia.

**Mr. WARNER.** Mr. President, I will just take but a few minutes and then I would be very pleased to hear from our distinguished colleague from South Carolina, who indeed has spent a great deal of time on this issue.

I would just like to pose a question to my distinguished colleague from Illinois. He was reciting the incident in which he and I were engaed in a colloquy and he very thoughtfully acknowledged that my position was well taken.

I will pose this question: As I read the Levin-Nunn amendment, the drafters, either intentionally or unintentionally, appear to have failed to recognize the unique role of the U.S. Senate in matters relating to treaties and have reposed in the House of Representatives indeed a simple majority of the House present and voting, the authority, Mr. President, to overrule the judgment of all 100 Senators on this issue, the assumption being that we would engage—and I am certain all 100 would come forth and express their views on this provision.

Yes; a simple majority of the House could come forward and by that inaction, perhaps through some sort of their rather unique procedures in the Rules Committee, prevent the President of the United States from taking certain action.

I see my distinguished colleague from Illinois is nodding his head. Do you likewise read the amendment?

Mr. DIXON. I apologize to my colleague. I was talking to others.

Mr. WARNER. Would you kindly use the microphone, because there are many listening.

Mr. DIXON. I said I apologize to my colleague. I was talking to my colleagues here about another matter. I am always interested in what my colleague says. I did not mean to imply that I agreed.

Mr. WARNER. Let me restate the question. Do you read the amendment as reflecting the intention, either intentionally or unintentionally, of the drafters of the amendment of giving to the House of Representatives the power of a simple majority being present and voting of overruling the judgment of the Senate?

Mr. DIXON. Well, it is certainly necessary for both Houses to pass a resolution that would authorize expenditures for testing in that regard. And that would be, or course, necessary in any law that we pass, that, both bodies would affirmatively pass such a law or adopt such a resolution.

Mr. WARNER. So the answer is yes?

Mr. DIXON. My answer would be what my answer was.

Mr. WARNER. Mr. President, his answer is very clear.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from South Carolina is recognized.

Mr. HOLLINGS. Madam President, a moment ago I heard the distinguished Senator from Indiana, DAN QUAYLE, make one of the most eloquent statements I have heard in a long time. He was speaking from knowledge and commitment on the subject of the ABM Treaty's integrity—a commitment that this Senator shares. I admire his statement.

I have been hoping that the Senator from Georgia and the Senator from Michigan would join us in debate today. And, remember, consult me before we get any kind of unanimous-consent agreement. I am not engaging in delaying tactics. But it is important that we debate and rebut the raft of shibboleths and misconceptions without misplaced concern about stepping on each other's toes or violating senatorial courtesy. We must be under no illusions as to the purposes and objectives of Senator NUNN and Senator LEVIN. They took the floor for 3 days to regale the Senate with their purportedly scholarly presentation on the ABM Treaty.

I heard earlier today in an exchange with Senator NUNN that he wanted to make sure how SDI funds were being expended. Defense Daily printed it for him. Here's a copy of the SDI 1988-89 budget. Mr. President, I ask unanimous consent to have this printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STRATEGIC DEFENSE INITIATIVE, 1988–89 BUDGET

[In millions of dollars]

| Program | 1986 | 1987 | 1988 | 1989 |
|---|---|---|---|---|
| SURVEILLANCE, ACQUISITION, TRACKING AND KILL ASSESSMENT | | | | |
| Radar discrimination and data | 21.0 | 12.7 | 22.6 | 34.7 |
| Optical discrimination and data | 117.7 | 90.6 | 87.9 | 80.1 |
| Imaging radar technology | 30.5 | 26.2 | 32.0 | 38.1 |
| Laser radar technology | 75.4 | 96.4 | 148.3 | 177.6 |
| IR sensor technology | 82.2 | 78.7 | 93.7 | 98.8 |
| Boost surveillance and tracking | 81.1 | 130.1 | 256.1 | 344.7 |
| Space surveillance and tracking | 49.0 | 47.6 | 191.8 | 242.2 |
| Airborne optical surveillance | 134.9 | 99.5 | 104.0 | 140.7 |
| Terminal imaging radar | 31.8 | 26.3 | 117.0 | 136.4 |
| Interactive discrimination | 7.6 | 4.5 | 32.2 | 61.7 |
| Signal processing technology | 94.7 | 105.9 | 134.6 | 145.1 |
| SATKA integration and support | 95.0 | 149.6 | 248.0 | 311.2 |
| Countermeasures | .7 | .8 | 0 | 0 |
| Innovative science and technology | 25.4 | 42.1 | 24.5 | 48.4 |
| Shuttle recovery (memo) | 0 | 13.6 | 0 | 0 |
| Total SATKA | 847.0 | 911.0 | 1,492.7 | 1,859.5 |
| DIRECTED ENERGY WEAPONS | | | | |
| Technology base development | 435.5 | 339.7 | 340.5 | 408.6 |
| ATP technology | 51.9 | 39.8 | 39.8 | 51.5 |
| Chemical laser devices | 108.6 | 79.9 | 80.0 | 58.0 |
| Excimer lasers | 39.1 | 12.4 | 12.4 | 30.0 |
| FEL technology | 41.5 | 23.4 | 42.0 | 48.5 |
| Other | 93.1 | 27.0 | 32.3 | 28.0 |
| Particle beam technology | 34.8 | 38.5 | 57.8 | 46.0 |
| Skylite | 46.5 | 43.0 | 45.0 | 20.0 |
| X-ray laser | 20.0 | 8.0 | 30.0 | 25.0 |
| Reserve | 0 | 67.8 | 1.3 | 101.6 |
| Tech. integration experiment (TIE) | 329.4 | 402.1 | 587.9 | 646.1 |
| ATP TIE's | 185.9 | 137.6 | 147.0 | 198.5 |
| FEL TIE | 84.8 | 158.0 | 158.0 | 201.5 |
| SBL TIE | .5 | 2.0 | 0 | 42.0 |
| Integrated space experiment | 58.2 | 104.5 | 142.2 | 204.0 |
| TIE acceleration | 0 | 0 | 139.2 | .1 |
| Reserve | 0 | 0 | 1.5 | 0 |
| Concept formulation and technical | 18.7 | 26.8 | 32.3 | 28.0 |
| Support programs | 19.7 | 62.4 | 115.0 | 128.2 |
| Innovative science and technology | 0 | 12.7 | 28.0 | 35.0 |
| Total directed energy weapons | 803.4 | 843.6 | 1,103.7 | 1,245.8 |
| KINETIC ENERGY WEAPONS | | | | |
| SBKKV systems | 134.4 | 126.8 | 303.5 | 357.4 |
| SBKKV experiments | 117.2 | 107.0 | 250.7 | 305.7 |
| SBKKV technology | 17.1 | 19.8 | 52.8 | 51.7 |
| Exo KKV systems | 61.6 | 107.6 | 220.6 | 307.6 |
| Exo KKV experiments | 53.7 | 102.8 | 186.1 | 259.4 |
| Exo KKV technology | 7.9 | 4.8 | 34.5 | 48.2 |
| Endo KKV systems | 76.7 | 111.3 | 237.6 | 238.8 |
| Endo KKV experiments | 45.6 | 100.7 | 198.7 | 179.9 |
| Endo KKV technology | 31.1 | 10.6 | 38.9 | 58.9 |
| Mini projectiles | 56.0 | 74.5 | 102.9 | 134.7 |
| EML technology | 32.4 | 16.1 | 14.4 | 32.2 |
| Low endo | 18.7 | 53.2 | 76.4 | 82.6 |
| Laser guided HV projectiles | 4.9 | 2.0 | 6.9 | 11.9 |
| Advances endo projectiles | 0 | 3.2 | 5.3 | 7.9 |
| Test and evaluation | 185.9 | 252.1 | 109.3 | 46.9 |
| STM | 174.0 | 176.4 | 63.1 | 0 |
| Range instruments support | 0 | 18.0 | 10.6 | 6.0 |
| Spec. instruments/support | 0 | 4.1 | 2.2 | 3.6 |
| Targets | 9.8 | 14.8 | 21.7 | 21.7 |
| HWIL and simulation | 2.1 | 10.6 | 9.6 | 15.6 |
| Special data collection | 0 | 28.1 | 2.1 | 0 |
| Allied/theater defense | 69.9 | 44.3 | 72.9 | 79.2 |
| Theater missile defense | 69.5 | 39.2 | 66.3 | 68.4 |
| Innovative science and technology | 11.4 | 13.0 | 28.0 | 35.0 |
| Total kinetic energy weapons | 595.8 | 729.6 | 1,074.7 | 1,199.7 |
| SYSTEMS ANALYSIS AND BATTLE MANAGEMENT | | | | |
| SDI strategic architecture | 63.5 | 58.4 | 91.0 | 78.0 |
| System concept analysis | 21.6 | 28.0 | 41.0 | 32.0 |
| Architecture analysis | 18.3 | 8.9 | 15.9 | 12.4 |
| Architecture evaluation | 7.3 | 6.0 | 10.1 | 7.9 |
| Mission analysis | 0 | 8.7 | 12.6 | 13.9 |
| Threat analysis | 16.4 | 1.0 | 1.3 | 1.6 |
| Program planning | 0 | 4.7 | 9.0 | 9.1 |
| Technology requirements | 0 | 0 | .3 | .4 |
| SDII | 0 | 1.1 | .8 | .6 |
| SDI systems engineering | 12.1 | 20.2 | 39.0 | 53.6 |
| Industrial base | 0 | 0 | 1.3 | 1.3 |
| Affordability and cost | 8.6 | 6.5 | 9.2 | 6.5 |
| Logistics | 3.2 | 8.3 | 14.1 | 11.4 |
| Systems integration | .2 | 5.0 | 13.9 | 33.8 |
| Systems requirements | 0 | 0 | .2 | .2 |
| SDII | 0 | .4 | .3 | .4 |
| Theater architecture | 1.7 | 39.8 | 38.4 | 37.9 |
| Architecture | 1.7 | 39.1 | 38.1 | 37.6 |
| SDII | 0 | .7 | .3 | .3 |
| BM/C³ technology | 70.9 | 88.5 | 121.8 | 134.1 |
| BM/C³ technology | 70.9 | 86.7 | 120.8 | 133.0 |
| SDII | 0 | 1.8 | 1.0 | 1.1 |
| BM/C³ experimental systems | 23.4 | 80.7 | 172.9 | 203.5 |
| BM/C³ experimental systems | 23.4 | 79.2 | 171.5 | 201.9 |
| SDII | 0 | 1.6 | 1.4 | 1.6 |
| National test bed | 12.0 | 60.6 | 119.2 | 228.4 |
| National test bed | 12.0 | 59.4 | 118.2 | 226.5 |
| SDII | 0 | 1.2 | 1.0 | 1.9 |
| Countermeasures | 5.1 | 5.0 | 0 | 0 |
| Innovative science and technology | 13.4 | 18.1 | 28.0 | 35.0 |
| Civil applications | 0 | 2.0 | 2.0 | 2.0 |
| Medical free electron laser | 9.2 | 13.5 | 15.0 | 15.0 |
| Total SA/BM | 212.3 | 386.9 | 627.3 | 787.5 |
| SURVIVABILITY, LETHALITY, AND KEY TECHNOLOGIES | | | | |
| Systems survivability | 59.4 | 60.0 | 94.2 | 98.3 |
| Studies and analysis | 8.5 | 8.7 | 14.4 | 14.9 |
| Special studies | 3.6 | 3.6 | 7.0 | 7.5 |
| Advanced development | 46.1 | 46.3 | 72.0 | 75.1 |
| Program management | 1.2 | 1.4 | .9 | .8 |
| Lethality and target hardening | 78.3 | 78.0 | 102.5 | 98.4 |
| Thermal lasers | 20.6 | 21.3 | 12.1 | 9.4 |
| Impulse lasers | 16.9 | 12.3 | 30.9 | 29.6 |
| Particle beams | 5.3 | 12.0 | 17.7 | 15.5 |
| Kinetic energy | 19.4 | 16.5 | 24.3 | 21.2 |
| High power microwave | 13.1 | 2.7 | 0 | 0 |
| Lethality validation | 0 | 0 | 1.7 | 6.0 |
| Rep. pulse power | 2.0 | 10.4 | 14.5 | 15.3 |
| Program management | 1.1 | 2.8 | 1.3 | 1.3 |
| Power and power conditioning | 50.0 | 85.7 | 158.0 | 186.9 |
| Tech development | 41.4 | 79.5 | 144.5 | 125.4 |
| Studies and analysis | 5.2 | 3.8 | 3.0 | 5.0 |
| Flight demonstration | 0 | .4 | 9.0 | 55.0 |
| Program management | 3.3 | 2.0 | 1.5 | 1.5 |
| Space transportation and support | 20.7 | 36.4 | 433.8 | 606.2 |
| Transportation analysis | 9.8 | 5.5 | 6.0 | 4.0 |
| Transportation assessment | 0 | .7 | 2.2 | 9.6 |
| Transportation technology | 0 | 19.5 | 281.7 | 327.7 |
| NASP | 9.0 | 10.0 | 0 | 0 |
| HLLV | 0 | 0 | 140.0 | 260.0 |
| Program management | 1.9 | .7 | 4.0 | 4.9 |
| Materials and structures | 0 | 14.2 | 22.5 | 40.5 |
| Advanced development | 0 | 13.1 | 20.6 | 38.3 |
| Space structures | 0 | .3 | .4 | .4 |
| Requirements analysis | 0 | .5 | 1.3 | 1.4 |
| Program management | 0 | .3 | .2 | .3 |
| Countermeasures | 8.7 | 26.7 | 42.8 | 78.4 |
| Innovative science and technology | 0 | 18.2 | 28.0 | 35.0 |
| HELSTF | 0 | 18.8 | 18.5 | 18.5 |
| Total SLKT | 217.1 | 338.0 | 900.4 | 1,162.2 |
| Headquarters management | 13.1 | 19.9 | 22.0 | 27.3 |
| Total RTD&E resources | 267.1 | 3,229.0 | 5,220 | 6,282.0 |
| Military construction | 3.0 | 10.0 | 125.0 | 18.0 |
| Total Department of Defense | 2,678.1 | 2,239.0 | 5,345.8 | 6,300.0 |
| DOE SDI Program | 285.0 | 514.0 | 569.0 | 390.0 |
| Total SDI Program DOD/DOE | 2,963.1 | 3,753.0 | 5,914.8 | 6,690.0 |

Mr. HOLLINGS. There it is in great detail and specificity. The Armed Services Committee has attached more restraints and limitations on the SDI program than the Lilliputians put on Gulliver. So the intent of Senators NUNN and LEVIN here is not to spell out limitations on SDI. That would be redundant. No, the real intent is to change the ABM Treaty. They say the funds do not really need to be expended for 2 years. And when they are ready to spend them, they can come back to us, and we will be reasonable. That is malarkey.

The Senator from Illinois is the best practical politician we have in the U.S. Senate. Senator DIXON knows exactly what's going on here. They are saying, "For SDI we give you 4.2 billion bucks. All we ask is you not expend it, by the way, until you come back and see us." We will get credit with the defense crowd—the chairman of the Defense Authorization Committee is being pro-SDI—and get credit with the anti-SDI crowd for killing the Strategic Defense Initiative.

I remember back in the days when I was Governor, a contest was held by an insurance company. They had just organized Capital Life and they wanted a new corporate slogan. The winning slogan was "Capital Life will surely pay if the small print on the back don't take it away."

Today, Senators NUNN and LEVIN offer us the same kind of insurance policy. They advocate an SDI budget of $4.2 billion and they strike a macho pose, saying, "Look how much money we put in for SDI." Then they turn their face and say, "Look here, you can't spend that money and the reason you can't spend it is because we have changed the treaty."

As the Senator from Indiana has pointed out, that is exactly what they have done. They have unilaterally altered the treaty. I will develop this point at length, but I put Senators NUNN and LEVIN on notice here and now, that their attempt to alter the treaty will not be permitted to go unchallenged by this Senator. I go right back to the distinguished Senator from Georgia's presentation on March 11, on page 5302 of the RECORD. Therein the Senator from Georgia talks about the alleged traditional intepretation.

> Article II defines the term "ABM system" generically as a system which has the function of countering strategic ballistic missiles. The definition then lists, as an illustration, the components "currently" in use at the time of the agreement. Because the clause listing the components is only illustrative, it does not limit the term "ABM systems" to those containing such components. It also means that the term implicitly covers future systems. Consequently, future ABM systems that might use different components (i.e., exotics) are within the definition.

Now, if you want to read a prime example of bafflegab, that passage is surely it. Therein lies the crux of the Nunn-Levin position and it must be exposed and debunked. Because what they claim, Mr. President, is that "current" means "future" and "future" means "current." They claim that what is precise is imprecise, and that what is explicit is implicit, and around and around they go.

Let me cite at this point the Ambassador who drafted the ABM Treaty, Ambassador Gerard Smith. Ambassador Smith wrote a book entitled "Doubletalk" in 1980.

As the chief negotiator and drafter of this particular treaty writing of the ABM Treaty, he said and I quote:

"It is a comprehensive, precisely-drafted contract."

There is nothing said about implicit. Listen to the kinds of words that the opponents of SDI put in here to try to change the treaty. They talk about generic systems but the treaty doesn't speak of generic systems. The systems are clearly defined in article II. There is nothing there implicitly covering future systems when the words with precision and specificity spell out that they relate to current systems, that is those systems existing in 1972.

I will show you exactly what I am talking about and I refer to article II of the treaty.

Article II, "For the purpose of this treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flights from trajectory currently consisting of interceptor missiles," and radars, and paraphrase.

Then article II, paragraph 2 reads, "The ABM system components listed in paragraph 1 of this article includes those which are, (a) operational; (b) under construction; (c) undergoing testing; (d) undergoing overhaul, repair or conversion; and (e) mothballed."

All of these conditions refer to those that were current in 1972, that is, presently mothballed, presently operational, presently under construction. There is no language referring to "future under construction," "future mothballed" and "future operational." You do not get the future systems tied to article II at all. Senators NUNN and LEVIN try to do that and confuse everything with article V.

Read on in the treaty, in article VI, and you can see the word future. There you have the word spelled, f-u-t-u-r-e, in article VI. So they knew how to spell future when the treaty was negotiated.

Article V says that each party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, space-based or mobile land-based. Note it says ABM systems, that is the systems defined in article II, which relate to present systems.

What did General Allison, a member of the negotiating team, say about future systems. Mr. President, I happened to go with the majority leader, Senator Mansfield, to Helsinki and there we saw General Allison, Harold Brown, Paul Nitze, and Ambassador Smith among our negotiators.

General Allison said on June 21, 1972, regarding future ABM systems, and I use his exact quote:

> (a) Constraints in the treaty apply to deployment only. Research and development are not constrained.
>
> (b) The U.S. delegation, under instructions, sought a clear-cut ban on deployment of future ABM systems, but the Soviets would not agree. Hence, they finally agreed and initialed interpretive statement * * *

and he quotes agreed statement D, and still quoting,

> "* * * The upshot is that, to be accurate, we must avoid the connotation of an absolute ban in discussing future ABM systems. We should say that there is an obligation not to deploy such systems without taking certain specified and agreed steps, i.e., in the event such systems are created in the future"—

And by emphasis I get back to that phrase quoting from General Allison.

> In the event such systems are created in the future, specific limitations on them would be subject to discussion and agreement.

But not the ban sought by the amendment of Nunn-Levin in the defense authorization bill, not that particular ban. No, General Allison was categorical on that score.

If you think that is a casual comment by one of the particular negotiators, I will go to statements of another negotiator, Mr. Garthoff, and in a memorandum dated December 20, 1971. Mr. President, Senators have been misled in the biggest charade and fraud pulled on this body successfully. That members of the press have already departed, they do not want to hear an opposing view. Their minds are made up without evidence. I have sent articles to the Washington Post and they refuse to print them. Nor will they report opposing points of view. But they have to listen when debate occurs here in the Senate.

Let me continue with Garthoff's statements of December 1971.

I say to the Senator from Indiana, the opponents of SDI use Rhinelander and Garthoff as their disciples and to rewrite history. Here is what Garthoff actually said:

> Grinevsky stated that the second problem was the absence of a connective between the

> subparagraph defining ABM systems and the three subparagraphs following which define components. His delegation strongly believed that there should be some connective such as namely or consisting of. Garthoff stated that the American side did not consider that a connective of this kind was either necessary or desirable. If, however, there were to be one, it should be precise.

Does the Senator see how he stated that? He said it should be precise. It took a year to fashion the agreement and it is only a few pages long. He said it should be precise, not be implicit, not like a Senator coming along 15 or 17 years later arguing that it is implicit and generic, and all that. No, they labored hard over each and every word.

Mr. QUAYLE. Will the Senator yield for a question?

Mr. HOLLINGS. Yes.

Mr. QUAYLE. As usual, the Senator has put his finger on a vital point, as he always does. This treaty is very precise.

Mr. HOLLINGS. Exactly.

Mr. QUAYLE. Do you know what we ought to do, read the treaty. If Senators do not want to read the whole thing, at least read article II, and read article V. As the Senator points out, in article II they are very precise, using the words currently consisting of, which means technology currently consisting of in 1972.

Mr. HOLLINGS. Exactly.

Mr. QUAYLE. The Senator is absolutely right when he says that it was the United States who wanted to ban future systems but the Soviets would not go along with it. Gerard Smith was precise and he was accurate and it is right in the treaty. I just make that observation. I go to the very point. It is precise.

Mr. HOLLINGS. I have never seen a bigger strawman than about the negotiating record, the ratification record, and the subsequent practice record. Look at the document itself. That is the contract. Let the treaty speak for itself. Let the treaty speak. In a court of law, Madam President, I can tell you here and now that under the parole evidence rule, you could not cite any of this unless there was an ambiguity, and in the case of the ABM Treaty there is no ambiguity.

Now, someone might talk of an ambiguity but it would only be about whether deployment of future systems can occur unless there is agreement. But there is no ambiguity whatsoever about testing and developing. I made a living practicing law and interpreting contracts for clients. I can tell you now, we better not get into drawing up a straw man of the negotiation record and the like. All of those records, incidentally, backup and reinforce my position. I do not resent them. I am happy to talk about the ratification record, the subsequent practice and the negotiation record. I do not mind that a bit.

But let me complete the Garthoff statement. I quote: "Therefore, he suggested we might consider use of the phrase 'currently consisting of' as a connective. This was clearly a new thought to Grinevsky and Kishilov. And they appeared uncertain of the reaction of their side. Garthoff noted that the Soviet side as well as the Americans recognized that there could be future systems." Madam President, this is back in December 1971. And the memo continues, "And while the question of constraints on future systems would be settled elsewhere than in article II, the correct way of indicating a valid connection between components and systems in article II would be to include the word 'currently,'" which they did. Get that again. Here is Garthoff back there saying, "And while the question of constraints on future systems would be settled elsewhere than in article II," but the Senator from Georgia says, "Oh, no, it is implicit in article II, future systems is implicit." He said that on March 11 with his unique interpretation of the Treaty.

Senator Nunn's definition lists "currently" as an illustration of the components currently in use at the time of the agreement because the clause listing the components is only "illustrative." Where do they get that "only illustrative nonsense? Who thought that one up? It does not limit the term "ABM systems" to those containing such components. The drafter of that particular article representing the American side, quoting the Soviet side said, look, future systems will be covered elsewhere in the treaty and only those currently in use, mothballed, being developed, stored, or otherwise, will be in the description of ABM systems under article II.

So the SDI opponents have absolutely misrepresented this ABM Treaty, and it is they who are amending the treaty with this language in the defense bill.

Now, let us get to the Senators. The Senator from Georgia quotes eight in the so-called ratification process. By the way, we have 100 Senators. He does not quote the other 92. One swallow does not make a spring. He quotes Senator Buckley. I never knew Senator Buckley voted for or against the ABM Treaty. I never heard him and it wouldn't have made a difference. I never paid any attention to him. He did not pay any attention to me. So what? What kind of record is that about what the treaty itself contains? Comments of Senators don't prescribe or change the meaning of a treaty. Few of us were on the floor. We intermittently came to the floor much like we have today. I was not bothered about testing and developing in the future because we were assured of it. We did not debate it. We never talked about a broad interpretation. We never talked about a narrow interpretation. Barry Goldwater asked negotiator Smith, and I quote, "Under this agreement are we and the Soviets precluded from the development of the laser as an ABM?"

Mr. Smith said, "No, sir."

I have to put that in your head again because you all are misrepresenting it otherwise.

I am getting you the record as of that time. Senator Barry Goldwater asked negotiator Smith, and I quote, "Under this agreement, are we and the Soviets precluded from the development of the laser as an ABM?" Mr. Smith said, "No, sir." Senator Nunn quotes Gen. Bruce Palmer, and I believe it is a very misleading quote of him. Senator Nunn pulls one sentence out of his testimony and says it supports the narrow interpretation. Let me quote General Palmer: In testimony before the Senate Armed Services Committee on July 19, 1972 he stated, "My understanding is, in the defensive area, R&D on such systems is basically prohibited." But realizing he made a mistake he later stated, and I refer to that testimony, I say to the Senator from Virginia, and I quote General Palmer to rebut the misleading quotes in other presentations in the Senate: "I would like to correct my statement. I was referring to the deployment of such systems. There is no limit on R&D in the futuristic systems."

That is General Palmer. But they have put in this defense authorization bill a limit on futuristic systems, their testing and developing and they are saying, "Oh, that is just to maintain our position so we won't be potted plants and so we can look out for the Senate." I am trying to maintain the position of the Senate and not have it changed and joined in by spurious amendments of a majority vote of both Houses. It is the Nunn-Levin amendment that amends the treaty that I voted for. I realize that I am in a minority, but at least the record has to be made so we will not engage in these shenanigans much further. I hope the President will veto this bill and not waffle around saying he is going to use the narrow intepretation and use the broad interpretation. There is no narrow and there is no broad. There is one legal interpretation.

The treaty is there. That is the weakness we have in this situation, I say to the Senator from Indiana, because we have the administration acting indecisively like they do not know. You have Judge Sofaer and the Senator from Georgia said he changed his mind. I have not followed that intramural scrimmage. I am not here for Judge Sofaer. I am not here for President Reagan. I am for the integrity of the ABM Treaty which speaks for itself.

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And back to the number of Senators, three of the eight Senators referred to by Senator Nunn referred to testing in the future. Four of those Senators referred to ABM systems as described in article II. Read that testimony. We have time. We have the file. We will go over it. And, yes, Senator Buckley said that, but so what? He tied his comments to article V and not Agreed Statement D. Certainly, if he wanted to amend the treaty, he could have amended it. If he wanted to put in a reservation or an understanding the distinguished Senator from New York [Mr. Buckley] could have. He did not put in either.

Defense Secretary Harold Brown, in his 5-year summary report, which is required under the treaty to be given to the administration, said that you could do it. I am going to get that particular reference, as soon as I put my hands on it, because we will have to get that letter.

In the 5-year periodic review of the treaty, Secretary of Defense Harold Brown said, "The Soviet Union did not believe the treaty precluded the development and testing of future ABM systems." That is what he said in September 1977.

Yes, I will yield.

Mr. NUNN. Will the Senator yield? I think we can stipulate right here on the floor that the ABM Treaty does not prohibit the testing and development of futuristic ABM systems.

Mr. HOLLINGS. Why do you then try to amend the treaty in your defense authorization bill?

Mr. NUNN. Because the Senator from South Carolina, as Judge Sofaer did to begin with in this deliberations—and he has clarified a lot of that since then—fails to distinguish between ground-based and mobile-space-air testing. Everyone agrees—and that was an American position in the talks all along—that we were going to protect our ability to test exotics as long as they were ground-based exotics, not mobile, not space, not air. This record is so confusing because people do not distinguish between the two. There is no doubt that exotics can be tested, but it is only a certain kind of exotics, and that is mobile, air, and space, that cannot.

The Senator from South Carolina continually goes through this as if there is no difference, and that is the fundamental difference in the whole thing.

Mr. HOLLINGS. The Senator from Georgia got to the fundamental difference. If he will point out the word exotic in this treaty, I will jump off the Capitol dome. Where is it?

Mr. NUNN. I will call it whatever you want to call it; laser for example.

Mr. HOLLINGS. What is the future and what is the present? All right. Let us do that. Article II talks about present and current. As I have gone over it, that was precise language, and suggested as current at that particular time, and then my words of specificity in the five particular categories—those that are operational, under construction, undergoing testing, undergoing overhaul, or mothballed. We are not talking about exotic land-based and exotic air-based and sea-based, and all that.

If the Senator wants to get to the future, turn to Agreed Statement D. As Garthoff said, and as the treaty requires:

> ". . . in fulfillment of the obligation not to deploy—and they are talking about deploying in this Agreed Statement D—ABM systems and their components except as provided in article III of the treaty."

The parties agree that in the event ABM systems based on other physical principles—there it is. That is where future systems are discussed—including the components capable of substituting for the ABM interceptor missiles, ABM launchers, ABM radars, are created in the future.

Therein, Senator, show me your exotics about distinguishing between land-based, air-based, and sea-based. That is not the debate. the debate is whether they are current at the time of the treaty or whether they are in the future.

Now we are operating in 1987 in the future. That is the confusion that the Senator planted in the minds of the Senators when he made his presentation.

Mr. NUNN. Will the Senator yield for another brief observation?

Mr. HOLLINGS. Yes.

Mr. NUNN. If the Senator will read Agreed Statement D very carefully, he can see it refers to article III. Article III authorizes the deployment of certain fixed land-based systems.

Mr. HOLLINGS. Article III refers to deployment and relevant criteria and conditions and to those systems described and defined in article II.

Mr. NUNN. That is right.

Mr. HOLLINGS. That is right.

Mr. NUNN. Exotic fixed land-based systems can indeed be tested and developed. Agreed Statement D keeps them from being deployed.

Mr. HOLLINGS. The treaty does not use the words fixed, land-based systems. The Senator talks about testing and deploying. The language on page 23, line 10, of the defense bill says funds appropriated or otherwise made available to the Department of Defense may not be obligated or expended to develop or test. We are not talking about deployment.

Mr. NUNN. Go ahead and read the rest of it.

Mr. HOLLINGS. That is right. Antiballistic missile systems or components, which are sea-based, air-based, space-based, and mobile land-based.

Mr. NUNN. Exactly. The Senator just made the point. Fixed land-based ABM's are not covered in section 233 nor are they covered in the Senator's distinction. But the Senator has to distinguish between fixed land-based systems and the mobile, sea-based, air-based, and space-based systems. If he does not, the whole context of the treaty comes apart. That is where the Senator is off base. That where Judge Sofaer was off base the first time when he went through the ratification record. When he came back, though, he changed a lot of that. Now he is relying not on the Senate ratification record, which the Senator from South Carolina is relying on, but rather on the negotiating record.

The Senator from South Carolina really stands alone in terms, as far as I know, of legal analysis, believing the Senate of the United States was not given the traditional interpretation. I do not know whether the Senator is relying on Judge Sofaer. I was pointing out Judge Sofaer's opinion.

Mr. HOLLINGS. As the Senator was. He has given me the responsibility of Judge Sofaer.

Mr. NUNN. I am not.

Mr. HOLLINGS. Wait a minute. The Senator is saying that I misled. I have not misled, and I have not gotten that land-based, sea-based, and air-based. We are talking about the treaty, and I am not referring to any Record as the Senator from Georgia did. I am referring to the treaty.

The treaty distinguishes those currently, and those in the future based on other physical principles. That is my point. The Senator from Georgia is the one interjecting about air, sea, and so on and attempting to manufacture that kind of situation of exotics. The Senator's whole discussion focused on exotics, and that immediately translates in senatorial minds to mean laser beams, particle beams, and everything else which we are testing.

Mr. NUNN. We can use any term the Senator desires, "other physical principles," or "exotics," or "futures." All of those have been used. We can use any term the Senator desires. I do not see that that is a debatable point. What term does the Senator want to use for future systems?

Mr. HOLLINGS. I want to use just this treaty.

Mr. NUNN. That is fine.

Mr. HOLLINGS. That is not what I want to use. That is what I have to use.

The Senator from Georgia does not choose to cite the treaty itself. Instead, the Senator has tried to dance around the fire in every instance, with complete disregard to the history of this treaty, its ratification, and what both sides have adhered to. And the Senator is the one amending the treaty. The Senator from Georgia is trying to do it in such a way that he can simultaneously be credited for being in favor of SDI and against SDI. And within 2 years as the Senator indicated because we cannot do too much testing before then we will have cut ourselves off, with this particular amendment. And in 2 years, when SDI technology is really advanced—we will hear its opponents say "we had that big debate 2 years ago. Let us not go through that again."

Unless we develop and test, we will never be able to assess whether it is wise or not to continue our course with a strategic defense initiative. Accordingly, to block developing and testing would be a disaster for the security of this Nation.

Mr. NUNN. I understand the Senator has some doubts about my position. I think he established that with our colleagues. The main point I wanted to interject here is that the Senator does not distinguish between fixed land-based exotics and those that are mobile, sea, and space air-based. The Senator has missed the heart of the ABM Treaty, and the rest of the Senator's analysis falls flat on its face.

Mr. HOLLINGS. We do indeed make that distinction. But it does not fall flat on its face because the Senator from Georgia moves on to his next plateau of confusion where he talks of that which were fixed land based or which were not fixed at the time of the treaty. He talks of mobile land based, air based, sea based, space based, in article V and incorrectly ties ABM systems or components based on other physical principles to mean only land based. That's outlandish. That is where the Senator fails to follow. He is trying to stop, and trying to raise the technicality with all this analysis of exotics. When does he see as it is written here, where does the distinguished Senator see, and please explain it to me, where something is implicit? How can article II implicitly cover future systems? That is what he stated. Why doesn't it say future systems. Why doesn't Agreed Statement D say land based. There's not one bit of discussion in the negotiating record that says ABM systems or components based on other physical principles relates solely to land based. It wasn't discussed. As a matter of fact, I will show later that the negotiations concisely pointed out that future systems meant all types and basing modes of systems.

I wish the Senator would explain to the Senate how it does. How does that implicitly cover future systems? Well, the Senator from Georgia does not answer.

Mr. NUNN. I know the Senator would like to put the answer on a bumper sticker but that is not possible. I would be glad to give him a detailed answer right now if he wants to yield for that purpose.

Mr. HOLLINGS. I yield for that, certainly.

Mr. NUNN. Article II reads:

> For the purpose of this Treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory. currently consisting of . . . [ABM missiles, launchers and radars]." The negotiating record reveals that on December 20, 1971, the U.S. side proposed a word change, adding the connective phrase "currently consisting of" after noting explicitly that both sides recognized that there were going to be "future systems"

That is, as I mentioned, exotics or futures or whatever you want to call it

> . . . and therefore the connective phrase used in the article had to take account of this fact. Moreover, the negotiating record reveals that when Grinevsky, the senior Soviet negotiator tasked with reaching agreement on this provision, accepted the U.S. proposal the next day, he confided in his American counterparts that the U.S. proposal had been accepted by the Soviet side over the strong opposition of some members within his delegation.

That was the Soviet military.

> In his May 11, 1987 report, Sofaer insists that even though he now concedes that exotics are covered under Article III, and

That goes back to the same definition under Article II, but, quoting from Sofaer's report, he says:

> This fact does not establish, however, that Article II(1) defined ABM systems, as used in the Treaty text, to include all OPP devices.

So Judge Sofaer would agree with the Senator on that point, although he has now conceded that article III bans the deployment of exotics, which does not follow unless they are covered under article II.

Mr. HOLLINGS. No. How is Judge Sofaer agreeing with me at all? The Senator from Georgia did pretty good until he raised the canard of Judge Sofaer.

Mr. NUNN. Just a minute. If I can finish——

Mr. HOLLINGS. Where is the future systems, and article II, without mentioning Judge Sofaer's analysis. Where does the Senator from Georgia find it?

Mr. NUNN. I am going to complete my answer, if the Senator will give me a chance.

This assertion, which is the same assertion the Senator from South Carolina made, flies not only in the face of logic but it is also inconsistent with yet another significant concession in Judge Sofaer's report, that the language of article II is functional.

> In his May 11, 1987 report, Sofaer states:
>
> The Parties intended ultimately to regulate all ABM devices that could perform the ABM function, as reflected in the functional language of Article II(1).
>
> In short, Sofaer is now conceding that Article II was expressly drafted by the two sides to reflect their recognition that there were going to be exotic ABM systems and that Article II was therefore made "functional" in scope. This concession forces Sofaer to try to reconcile his admission that the Soviets intended Article II to be "functional" in scope with his insistence that they did not intend Article II to limit "any ABM system other than the ones currently consisting of ABM missiles, launchers, and radars."

There is about a 10-page section in my report dealing with this. I could read every bit of it if the Senator wants to hear it. It is long, but the summary can be stated this way. The phrase "currently consisting of" was added to cover exotic ABM's—and certainly this is substantiated by everything I have read in the negotiating record, and also what Senator Jackson brought out in the Committee on Armed Services in specific detail. That Senator Jackson was presented with the traditional interpretation is conceded by Judge Sofaer, by Richard Perle, and a lot of other people who disagree on the meaning of the negotiating record, including this Senator.

Mr. HOLLINGS. That is absolutely wrong. I have listed the instances where everybody said that. I quoted Gerald Smith, who said no. I quoted Paul Nitze, who said no. I quoted General Allison, a negotiator, who said no. I quoted Secretary Brown, who at the time was assigned as a negotiator, in August of 1971, who said no. The negotiators speak with one voice. Senator Nunn's response is to resort to this canard about Judge Sofaer.

Again, permit me to quote what Garthoff said on December 20, 1971, and I am going to quote him directly:

> Grinevsky stated that the second problem was the absence of a connective between the sub-paragraph defining ABM systems, and the three sub-paragraphs following which defined components. His delegation strongly believed that there should be some connective such as 'namely' or 'consisting of'. Garthoff stated that the American side did not consider that a connective of this kind was either necessary or desirable. If, however, there were to be one, it should be precise. Therefore, he suggested, we might consider use of the phrase 'currently consisting of' as a connective. This was clearly a new thought to Grinevsky and Kishilov and they appeared uncertain of the reaction of their side. Garthoff noted that the Soviet side, as well as the American, recognized that their (sic) could be future systems * * *.

I call this to the Senator's attention:

> * * * and while the question of constraints on future systems would be settled elsewhere than in article II * * *.

I repeat this:

> * * * and while the question of constraints on future systems would be settled elsewhere than in Article II, the correct way of indicating a valid connection between components and systems in Article II would be to include the word "currently."

There it is. That is what the Americans agreed to and that is what the Soviets agreed to. That is not the shibboleth about what is sea based, land based, and air based. It is what was present at the time of the treaty and what is future, and that is exactly what the Levin-Nunn amendment tries to inhibit. There it is.

The Senator said his analysis is not complicated. I read every page, every word of his statement back in March. I had others read it, and I still say, "It just doesn't make sense."

I have the highest respect for the distinguished Senator from Georgia, and I know he is dedicated and knowledgeable on defense matters, but I was here when the treaty was debated, and I have not found anybody who voted for it in 1972—with the possible exception of James Buckley—who believed that it banned research and testing of future systems. And James Buckley simply misinterpreted the treaty because he tied his version of the ban to article V that deals with the ABM systems in article II and not the systems based on other physical principles in Agreed Statement D.

I can tell you here and now that during the ratified debate on the floor, Majority Leader Mansfield could not get anybody to talk. The whole debate was completed between shortly before noon and 6 or 7 o'clock p.m., and most of that time consumed by quorum calls. Senator Mansfield complained that we were twiddling our thumbs. There was simply no real debate or controversy.

I have quoted General Palmer. I will quote others as well.

Senator Barry Goldwater asked precisely the question we are all interested in. He asked at that time: "Look, can we use a laser beam?" He was interested in what we would be able to do in the future. Everybody knows that Goldwater was a particularly astute authority with respect to defense and on communications. Goldwater asked Ambassador Smith, the chief negotiator, "Under this agreement, are we and the Soviets precluded from development of the laser as an ABM?"

Mr. Smith said: "No, sir."

That is the answer. Senator Nunn is representing to the Senate and everybody that we were misled and, by cracky, what we are going to do now is that we are not going to mislead anymore, and we are going to get negotiations, and if you do not quit your filibustering, I am going to ask for the whole negotiations record on your new treaty.

If you get an intermediate nuclear force arms control agreement, I can tell the President right now he will have to give us the negotiation record, because we are entitled to it. It is no threat. We are supposed to look at that. We are supposed to ask the questions. We did that in the Armed Services Committee. We did that in the Foreign Relations Committee. We talked with our colleagues in those committees and we went into it.

I can tell you here and now that the treaty speaks for itself, and this is what the Soviets have adhered to—the correct broad interpretation, plus their violations at Krasnoyarsk and otherwise.

In essence, they thought that way; everybody thought that way, and to say now that the Senate is misled and we in the Senate cannot trust the Executive is the manufacture of a charade to kill SDI. That is what happens. If you go along with this particular amendment, everyone should know that that ends SDI, because we are trying to play catchup ball with the Soviets. They have spent years and billions of dollars, and they believe SDI can work.

You have the bitter-enders who want mutually assured destruction—MAD—rather than mutually assured defense and come bobbing and weaving in. They will not see that we live in a different world.

The American people want to defend themselves against missiles and not this lawyer talk and changing treaties after they have been ratified, which this Senator and other Senators voted for, on a spurious record, where article II includes future systems. It has generic terms we hear. It is not generic; it is specific. It includes the future. Absolutely not. Article II refers to the current systems.

I have much more to get into. The Senator says he is only putting restrictions on. He sure knows how to put restrictions on.

I have already included in the Record the SDI budget for 1988-89.

Earlier today, the distinguished Senator from Louisiana said they would not tell us what was in it. Well, I put it in the Record for him and it has been available. There are literally dozens of categories and spending levels listed.

General Abrahamson has been absolutely candid with the U.S. Senate. He has not played any games with us, and that is why he has the confidence of both sides of the aisle.

Madam President, I am not one of those who wants to deploy now, before we have completed a prudent course of R&D. We simply do not know whether deployment is feasible. It is going to be some 5 to 7 years or more, even with the full court press of research and testing and developing, before we can make an informed decision with regard to deployment. Likewise, it is irresponsible to scare everybody to death and say, "If you vote for this, you're going to spend $2 trillion by 1990."

I tell you, Madam President, that we have spent $2 trillion for strategic offensive weaponry over the past two decades. Look at your defense budget commitments. I work on the Defense Appropriations Subcommittee and the Budget Committee, and if you include the B-1, the Stealth, the cruise missile, the D-5 and the MX and all the rest, you are committed as a Senator, like it or not, to expending $2 trillion over the next 15 to 20 years on strategic offensive weapons.

What we are trying here is to develop strategic defense weaponry that is far more economical than offensive systems. We are talking in the range of $4.2 billion and $3.2 billion for SDI in 1988 between the House and Senate bills. There is a $1 billion difference. But that is a significant $1 billion difference. And with that particular difference we can take the momentum we have got and continue research and test so the DOD can make a presentation and say, "We are sorry, it looked promising, but it doesn't work. We think it can work, but no use to get all these scientists in to say, 'It can't work, it can't work.' "

A lot of them said we could not get to the Moon, I say to the Senator, but this Congress had faith in John F. Kennedy, and we got to that Moon and that is the kind of confidence we need now in our research and technology in this land.

I see the distinguished majority leader wants me to yield.

Mr. BYRD. Madam President, will the Senator yield without losing his right to the floor and without showing in the Record interruption of his statement?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Madam President, I hope that the debate will continue on this matter and we might be able to reach a vote on this amendment at some point this evening or on something. There is an event going on down on the Mall and some Senators or all Senators certainly have been invited.

I think I should state that there will not be any rollcall votes between now and 7:15 this evening.

Mr. WARNER. Madam President, will the distinguished majority leader yield?

Mr. BYRD. The Senator has the floor.

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. HOLLINGS. I wanted to ask the courtesy of the distinguished majority leader because I have a hard time finding people to debate. I am the Rodney Dangerfield of SDI. I get no respect. In any event, I would like to be present any time they make a unanimous-consent agreement. I am not in a filibuster. I voted for cloture so we could bring up this bill, and that is my intent to follow right along. But I need a little bit of time to catch up with the magnificent work that the Senator from Georgia has done. I keep writing articles, and he gets his printed and they throw mine away.

But when you make those agreements I will be trying to keep an attendance at the debt limit conference, the trade conference, and the budget conference—I am on all three. I would request that you please let me know so I can come to the floor before the majority leader makes any unanimous-consent agreement on any time limitation relative to these amendments because I will have amendments to strike out Nunn-Levin and several others. I accept that we may not prevail, but maybe we will educate this body about the dangerous course Senator NUNN is embarked on.

Mr. BYRD. Does the Senator wish me to respond?

The PRESIDING OFFICER. The Senator from Virginia will withhold.

Mr. HOLLINGS. Please, and then I will yield the floor to Senator WARNER so the majority leader can respond.

Mr. WARNER. Madam President, my purpose in seeking recognition is to address the majority leader.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Virginia?

Mr. HOLLINGS. I think I can yield the floor and then cut the confusion out.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Madam President, as a courtesy to the majority leader I wish to advise that there are Senators on this side who wish to speak extensively on the pending amendment and it will be my judgment that a vote could not be reached today on this amendment as presently before the Senate.

Mr. NUNN. Could I inquire of the Senator from Virginia, could we set aside this amendment and come back to it and take up other amendments because we have 48 or 50 amendments pending. A lot of them have nothing whatsoever to do with arms control. I would be glad to try to work with the Senator from Virginia and the leadership to avoid arms control amendments until we can get rid of all the other amendments and then make sure the Senator from South Carolina and others involved in this will have plenty of time to debate this matter and any other arms control matters as they come up.

Is there any way we can proceed on that line and use this week to take up other amendments and get this business going?

Mr. WARNER. Madam President, it would be my judgment that option is not available at this time. The intensity and the interest on this side of the aisle and the issues raised by the pending amendment are such that we wish to continue to address that matter.

Mr. NUNN. So what we've got is unfortunately a continuation of the filibuster; is that right?

Mr. WARNER. Madam President, I simply stated the facts as I know them. The distinguished chairman and Senator from Georgia can draw his own conclusion.

Mr. NUNN. I thank the Senator from Virginia.

Mr. WARNER. Madam President, I yield the floor.

Mr. BYRD. Madam President, may I assure the distinguished Senator from South Carolina in response to his statement that before any agreement is entered into with respect to time on an amendment, especially any amendment in which he is interested——

Mr. HOLLINGS. This one, yes.

Mr. BYRD. We will give him the assurance that he will be contacted wherever he is and in whatever committee—and he is tied up in a number of committees.

Mr. HOLLINGS. It is only SDI, the one right now. I have other amendments and what have you, but I am particularly interested in this ABM Treaty and I want to see it.

Mr. BYRD. All right. Madam President, I assure the Senator that any agreement that may be entered into with respect to that subject area will not be entered into until the Senator from South Carolina is apprised of the type of request that is about to be made at that time and so he will have an opportunity to object or come to the floor and help shape the agreement.

Mr. HOLLINGS. I thank the leader.

Mr. BYRD. Madam President, it disturbs me to hear the truth spoken as we have heard it. We are told the truth shall make us free, but the truth in this instance is not going to make anybody free.

The distinguished Senator from Virginia has laid it on the line. As I understood him, he indicated that objections would be made to setting the pending amendment aside and that in the meantime we would not be able to reach a vote on the amendment and that in the meantime there was going to be considerable discussion of it. A good many Members on the other side of the aisle wanted to discuss it.

Have I misstated what I thought the Senator was indicating?

Mr. WARNER. Madam President, indeed the amendment crafted by the distinguished majority leader and the chairman of Armed Services Committee has language in it which is absolutely vital to the security interest today, tomorrow, and in the future of this Nation, and on this side of the aisle we view—we do not say we disagree—but we view the contents of this amendment to be of such magnitude and importance it will require extensive debate.

I am not here with my good friend from West Virginia trying to hint, but I am just stating the facts. There is extensive debate desired on this side of the aisle because of the importance of the issues raised in this amendment. I am giving the majority leader my judgment that even if we were to continue throughout the day that debate could not be concluded on this day, nor in my judgment on tomorrow.

Mr. BYRD. Do I understand the Senator to say that there will be objection to setting this amendment aside and taking up other amendments such as the distinguished chairman of the Armed Services Committee has referred to?

Mr. WARNER. Madam President, I would advise the majority leader that, yes, if a parliamentary move were to be made to set the pending amendment aside there would be objections to the unanimous consent, of course, on this side, again the reason being the importance of this amendment in the present and future security interests of this Nation.

Mr. BYRD. Madam President, I will not at this moment seek to inquire of the distinguished Senator from Virginia—for whom I have the greatest and genuine respect—as to what it is about this amendment that is so dangerous to the security of the Nation, but I do inquire of him as to when he thinks we may get to a vote on the amendment. Is it because of the discussions that are going to be going on between Mr. Shevardnadze and Secretary Schultz and the President, or are we waiting until that distinguished visitor comes to the country, is received with all due courtesies and leaves the country; is that what we are worried about?

Mr. WARNER. Madam President, the distinguished chairman and I were privileged today to join with the President, the Secretary of State, and indeed Mr. Shevardnadze. And while we are cognizant of the importance of that visit to this country and there could well be some relationship, and indeed there is, with the content of this amendment and other issues that could arise in connection with the consideration of this bill, I would not want to tie specifically the debate on this bill to that visit. There is a relationship, but I would not say there is direct linkage.

Mr. BYRD. Well, Madam President, does the able Senator wish to move to table the amendment?

Mr. WARNER. Madam President, it is not the intention of this Senator at this time to move to table the amendment. Again, I reiterate the importance of the contents of this amendment. It is of such a magnitude that there are many on this side of the aisle that wish to continue to address the issues.

Mr. BYRD. Madam President, I think we have had the gauntlet thrown down. And I do not mean in saying that that the distinguished Senator from Virginia has any intention of issuing a challenge here. When we hear the words "the gauntlet has been thrown down," it sounds like

somebody is challenging somebody else. That is not the case. I do not mean it in that light.

But I think we have been made clearly to understand that we are not going to vote on this amendment today. And I assume the Senator is talking about the amendment in the second degree.

Mr. WARNER. Madam President, the majority leader is correct. If I may say, I have not thrown down the gauntlet, I say respectfully to my leader. I simply advised you of the facts as I see them.

Mr. BYRD. Then we are made to understand that we will not vote on this amendment today or tomorrow and that there is indeed some relationship between the visit of Mr. Shevardnadze and the culmination of action by the Senate on this amendment in the second degree—at least some degree of relationship. We are also told that there will be an objection to setting it aside to permit the Senate to move on to other amendments while our distinguished visitor is in the greatest city on Earth, the seat of the Federal Government of the United States.

We are left to believe that this Senate, that its action, its work, is going to be delayed for some unknown reason, but having something to do with the visit of this eminent Soviet representative of the Soviet Government.

I am rather unused to having the Senate adapt its schedule to the presence or the absence of any distinguished visitor from abroad, except for a few minutes. If we were going over to have a joint session to hear the late Winston Churchill, were he still alive, that would be a different matter, and we would suspend the activities of the Senate until we could hear that visitor.

But this is the first time in my 29 years that I have been put in this kind of position.

Mr. WARNER. Madam President, will the distinguished majority leader yield?

Mr. BYRD. Yes.

Mr. WARNER. I hope you have not misinterpreted anything I have said. I said there was no linkage in my judgment and nobody on this side of the aisle has indicated to me that there is a linkage. But I cannot sit here and tell you positively that in the minds of some Senators at some point, at this course of this debate, that they might not link this visit or the statements made in connection with this visit with the pending matter.

I must say I take some umbrage of my good friend's use of the word that this is a delay. I said out of respect for the content of the amendment, the magnitude of the importance is such that it dictates a continuation of the consideration of the issues, not the delay.

(Mr. ROCKEFELLER assumed the Chair.)

Mr. BYRD. Mr. President, if my good friend takes umbrage at something I have said, may I get down on my knees, figuratively speaking, and ask him to forgive me and say to him as the Pope said, "Thou wert my guide, philosopher, and friend."

I hope the able Senator will not take umbrage in anything I have said.

Mr. WARNER. Mr. President, I simply say to my good friend, I am your neighbor. We have a common border between our two States. And I accept your very gracious remarks.

Mr. BYRD. Mr. President, I will sleep, if I get any sleep at all tonight, I will now sleep more easily.

Mr. President, I think it has been made very clear that we are not going to vote on this amendment today, and that we are not going to set it aside by unanimous consent, and that there is a good bit yet to be said on the other side of the aisle with respect to this amendment.

Therefore, let us get out the cots. Let us let Senators who wish to speak on this amendment speak on it. I do not intend to any longer subordinate the work of the people and the work of this Senate to the comfort of the few Senators who may want to filibuster in a very easy fashion—filibuster by going out at 6 o'clock or 7 p.m., coming in tomorrow and start in a very casual way a new day of filibustering. Whatever can be said, let us have it out, get it off our chests tonight. Let the American people see who is holding up the defense bill. Let them understand fully that this is a filibuster. A rose by any other name smells just as sweet, and a filibuster by any other name is still a filibuster.

So, Mr. President, I suggest to the distinguished Senator from Virginia that he ask his colleagues to come to the floor when they are ready, when one Senator speaks and finishes for another one to be there, and somebody on this side will accommodate Senators and be here to listen. But also, I say to the Chair, that if no Senator seeks recognition, the Chair has a duty to put the question on the pending amendment.

I am sorry that this is a filibuster, but that is exactly what it is. I thank the Senator from Virginia for stating it as he has. I do not cast any reflections on him. He is not acting only on his own behalf, he obviously knows what the leadership on that side of the aisle has decided to do.

So we broke the filibuster on taking up the Department of Defense authorization bill and now we have a filibuster going on the bill itself. That is plain. That is pure and simple. We might as well face up to it. The American people might as well know it. So we will be in tonight.

I would ask the distinguished chairman to not let any vote occur until after, I would say, 7:15. If there is a change in the disposition to have a vote or set this amendment aside, that is fine. But if there is going to be any vote, any vote to ask that the Sergeant at Arms or request the Sergeant at Arms to seek the attendance of absent Senators, I would hope that would not occur before the hour of 7:15 today, so that all Senators who have to go down to this event may go and they may know that they will be safe in not missing a vote in the meantime.

Mr. NUNN. I thank the majority leader. Who has the floor, Mr. President?

The PRESIDING OFFICER. The majority leader has the floor.

Mr. NUNN. I would be prepared to stay as late as necessary to try to conclude this debate and hear from every Senator who wants to be heard on the debate.

I think that we have got to take care of this bill. I am told by staff that we now have 80-some-odd amendments pending and we are having a filibuster on an amendment which, strangely enough, everybody who has spoken on it said they agree with it. That is what is so strange. The filibuster is taking place on an amendment which everyone agrees with.

So there has got to be some kind of reason here that we have not heard and do not understand at this point. Because the Senator from California spoke, said he wanted a vote on the Warner-Dole amendment but said he had no objection to this amendment. I have not heard anyone who objected to the Byrd amendment.

So I would just say to the majority leader, it would be my view as floor manager that we stay as long as the majority leader believes we should stay in session and start as early as possible tomorrow. I would not like to get in a situation where we, for instance, stay over here until 2, 3, 4 o'clock in the morning and then come in at 1 or 2 in the afternoon. I think it is much better to get up and be here early in the morning and stay as late as necessary.

So I am prepared to go around the clock if that is what the majority leader wants to do.

Mr. BYRD. If I have the floor, Mr. President, this is a filibuster; that is what we have going on right here. I know one when I see one and the Senator does, too.

I have read that the filibuster is being trivialized. I also have read that the majority leader would not get the cots out because he might lose his leadership position.

Mr. President, the distinguished chairman has said that he would be willing to stay as late this evening as the majority leader would recommend and come in as early tomorrow. I am not suggesting we go out at all this evening. I am suggesting that we stay right here and hear those Senators who have something to say about this amendment.

The distinguished Senator from Virginia says this will be, I believe, a lengthy debate or that there are others on the Senator's side who wish to talk on the amendment, and that we cannot set it aside.

So I say, right up here is the television camera. Let the American people see that this is a full-fledged filibuster. On what? On the defense bill. And a filibuster of sorts has been going on for months on this bill—on the motion to take up. Now we have it on the bill itself.

Mr. NUNN. Would the majority leader yield just for a brief observation?

Mr. BYRD. Yes.

Mr. NUNN. I have made it clear in the last couple of days to officials in the State Department and Defense Department and my colleague from Virginia that if there is any sensitivity about debating arms control amendments or any of these amendments during the Shevardnadze visit I would, as floor manager, cooperate in every way if we got consent from the other side of the aisle to defer the amendments, and we probably have 70 amendments that do not relate to anything to do with arms control; take those up and utilize the time. I have issued that invitation and I have not heard anything back that indicates anyone from the State Department or Defense Department or anyone on the other side of the aisle wants to delay anything concerning arms control amendments.

So, when the Senator from Virginia indicated that maybe some people are concerned about that, I think it ought to be abundantly clear, at least it is to me, that there is a reason that I do not detect for the other side of the aisle to want to debate those amendments while the Foreign Secretary of the Soviet Union is in town.

We have had 3 months of delay. We finally get it up last Friday. I make an offer to the administration not to debate any of these matters this week while Shevardnadze is in town if they think it is sensitive. I tell my colleague that and yet here we are with a filibuster going on on an amendment which everyone agrees to. It seems to me if you put all that together, there is a strong case that there are reasons that I do not detect that there is a desire on that side of the aisle, perhaps on the part of the administration—I do not know—to have this kind of holdup and tie up the Senate while the Foreign Minister of the Soviet Union is in town. I do not know why because it does not seem to me that is good for our country. Yet it is part of our freedom that we are going to demonstrate that the Senate is, and the institution here, while we have this distinguished foreign visitor.

But it is not my choice and I think everyone should understand.

Mr. WARNER. May I join in this colloquy?

The PRESIDING OFFICER. Does the Senator from Virginia wish to ask a question of the majority leader?

Mr. WARNER. I would simply like to—yes. I will put it in the form of a question.

I am somewhat taken aback by the sudden characterization of this debate in the Senate as being a filibuster. I defer to your extensive experience; far greater than mine. But it seems in a sense that you almost, by the nature of that accusation, denigrate the very amendment itself. Thus far, according to my count, only four Members on this side have spoken: the distinguished majority leader, the distinguished chairman, the Senator from Illinois, the Senator from South Carolina.

On this side, the Senator from California, the Senator from Indiana, I spoke to it myself. The Senator from Texas. Eight, nine Senators on an issue of this magnitude of importance.

Let us give the rest of our colleagues the opportunity to come forth and state their views and not so quickly go to a judgment that this is a filibuster.

I am not about to be presumptuous enough to suggest to the leader, when he wants to roll out the cots—I have been here many a night. I am prepared to stay this one. But I would not, as yet, in my humble judgment, characterize this debate—which has been a very excellent debate, particularly the statement by the distinguished Senator from Indiana, statements by the distinguished chairman, the statements by the distinguished majority leader—I do not think that it has been a dilatory period for the Senate.

Mr. BYRD. Mr. President, "A word fitly spoken is like apples of gold in pictures of silver."

The gentle Senator just said a moment ago that there are a good many other Senators on his side who wish to speak. I do not want to do anything that could deprive them of an opportunity to speak on this amendment. But the distinguished Senator also said we will not be allowed to set this amendment aside by unanimous consent.

The reason I am saying it is a filibuster is that the Senator couples the statement that other Senators wish to speak on this amendment with the rather flat statement that we will not be able to set it aside to take up other amendments so that we can get on with action on other parts of the bill that are not so offensive to Senators on the other side of the aisle.

That is what troubles me. We should take up other amendments, get on with the actions, have some votes, make some progress in carrying out the people's business and come back tomorrow. Each time we set the pending amendment aside by unanimous consent it is set aside only temporarily, and upon the disposition of the amendment that takes its place the pending amendment as of now will automatically come back before the Senate and we can then hear the Senators on the other side who wish to elucidate on what they have been cogitating.

So, Mr. President, as long as the Senator says that we will not be able to set this amendment aside, I can only believe in my poor little heart of hearts that this is, indeed, a filibuster. The American people need to know it.

Why cannot we set aside this amendment? Why cannot we set it aside?

The Senators who want to enlarge our understanding concerning their objections to this amendment may do so. But let us get on in the meantime. If there is some arcane reason why we cannot hear them tonight, let us get on with other amendments.

I am going to keep on here until I miss the event that I was talking about, so I am going to beg my leave, leave the floor and depend upon the distinguished Senator from Georgia and other Senators to keep this debate going or try to get, in the meantime, this amendment set aside to take up other amendments. I will be back.

Mr. WARNER. Mr. President, I will be here.

Mr. BYRD. The Senator will be here.

Mr. WARNER. And we still will not set this amendment aside, I say this most respectfully, because of the importance of the amendment.

Mr. BYRD. Oh. Because of the importance of the amendment. Then, Mr. President, I have no recourse but to have the Senators listen to what Senators have to say about this important amendment. He pays me a great tribute, the Senator from Georgia and me, by the way. It is our amendment.

Can the Senator from Georgia, for a moment, consider the tribute that is being paid to us as authors of the amendment? It is so important that we cannot set it aside and Senators have a great deal to say on it, but we cannot vote on it. It is a bit overwhelming.

I must go.

Would the Senator take care of the situation while I go?

Mr. NUNN. I will be glad to.

I say that I do not see any line of Senators wanting to speak on this important amendment. Maybe the line is outside the door?

Mr. WARNER. Mr. President, the majority leader said there was an important function on the Mall. The

Senators are present. I mean I just learned of this and it is the first time I learned of that statement that you made an offer to the administration not to bring up arms control this week. That is the first time I heard it.

Mr. NUNN. No, I thought I mentioned that to you.

Mr. WARNER. No, I carefully listened.

Mr. NUNN. I thought I mentioned it.

Mr. WARNER. So there is a certain value to keeping this colloquy going because I am learning things, Mr. President.

Mr. NUNN. I think it is obvious that the Senator from Virginia wants to debate arms control this week and wants to debate it while the Foreign Minister is in town. There are probably good reasons for that. I do not know what the reasons are. We have about 70 other amendments that have nothing to do with arms control that we can go to, or we can debate arms control while the Foreign Minister is in town. The Senator from Virginia obviously wants to debate foreign relations and arms control during this period. That is his choice.

I do believe that our colleagues ought to understand that as floor manager I want to stay in until we move this bill. If it takes around the clock, as the majority leader says, I think we will do that, not just tonight, but all nights and weekends, whatever it takes. We have waited a long time. The military men and women in this country depend on this bill. Their pay raise depends on it, their military supplies, the Army, Navy, Air Force, and Marine Corps. It is really something that should not be delayed. It is very important for our national security. I know the Senator from Virginia agrees with that. I hope at some point we will get some cooperation from the other side of the aisle and move this legislation.

Mr. WARNER. Mr. President, I assure my distinguished friend and chairman of the committee that we are prepared to go toe to toe for whatever periods you wish. Again, I repeat, so far as I know, there is no linkage at all between the interest on this side in the pending amendment and the visit to the United States by Foreign Minister Shevardnadze.

Mr. NUNN. Would the Senator care to reflect on our conversation earlier today? It was a very private conversation, but I thought it was in the form of an offer to delay amendments on arms control until this trip was over and go ahead and move on other amendments.

Mr. WARNER. Mr. President, I made it clear to the majority leader and the distinguished chairman from this side of the aisle that it was the desire on this side of the aisle to debate the pending business.

Mr. NUNN. I thank the Senator.

Mr. WARNER. I would be happy to discuss with the chairman at the appropriate time the conversation we had today. I have always tried to be as straightforward as I know how to be in all of our conversations.

Mr. President, I yield the floor. I see our distinguished colleague from Nebraska seeking recognition.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, while my good friend from Virginia is on the floor, I wanted to explain to the Chair that this Senator, like other Senators, has been engaged in his office meeting with constituents and taking care of other important matters, awaiting resolution to the stalemate we have at hand. I came on the floor 15 or 20 minutes ago after hearing some of the discussion and debate. Let me see if I can clarify for myself and possibly some of the other Senators who may have not been listening to this discussion as intently as the Senator from Georgia, the majority leader, and my colleague, Senator DIXON, from Illinois.

As I understand it, we had a great deal of difficulty bringing up the Defense Department authorization bill. It was filibustered by those on the other side of the aisle so we could not bring it up. We finally broke the filibuster the other day after four, five, or six attempts, I forget the number. Now it seems since we have brought it up they are right back to the position they were in before only they are filibustering after the measure has been brought up on the floor of the U.S. Senate.

I have been listening to the offer by both the majority leader and the distinguished chairman of the Armed Services Committee, on which I am proud to serve, that they do not want to have any discussion whatsoever with regard to any part of any controversial amendment that might be offered either by Senator BYRD or Senator NUNN and/or Senator LEVIN. They do want that brought up this week. Neither do they want to move off of the present amendment which has been offered by both Senator NUNN and Senator BYRD. I guess the question that I am trying to ask the Senator from Virginia is, is it the disposition of the Republican minority that you are simply going to tie up the U.S. Senate since you are filibustering? We should lay it on the line. You are delaying the most important bill that I think we have to deal with involving the national security interest of the United States, the so-called defense authorization bill. You will not allow this amendment to be set aside, which would seem to be a reasonable approach, because, in the words of the Senator from Virginia, the people on that side of the aisle feel so strongly about this that you will not let it come up. Nor will those on that side of the aisle allow this amendment to be set aside temporarily to take up other amendments that obviously would not be as controversial as the one before us.

Does that mean that it is the intention of the Senator from Virginia and those on that side of the aisle to tie up the U.S. Senate all week so we cannot do any thing other than to go through the laborious process of day and night sessions, sleeping on cots out there in the lobby when we could be working on something constructive?

I know the Senator from Virginia very well. We are good friends. We have worked together on very, very many things, generally, I guess, more in agreement than in disagreement. For the life of me, Mr. President, I do not understand what possibly can be accomplished with all the work that we have to do to waste another week here in the middle of September by not proceeding with constructive action. I would like to appeal to my friend from Virginia for a little reason, a little understanding. It does not sound like the JOHN WARNER, the distinguished Senator from Virginia, that I know, to be as unresponsive to the request by the majority leader and the chairman of the Armed Services Committee by simply saying what can we do to move forward? Or is it your desire to so highlight this dispute on this particular amendment that that is a most important thing in your mind and those of your colleagues on that side of the aisle at this time? Where are we and where are we going to go?

Mr. WARNER. Mr. President, I do not know anyone who has suggested that we will drag our feet for a week. I do not know the extent to which our distinguished colleague from Nebraska has followed the debate today. But I, for one, state clearly that it has been a good debate. I have learned some things. As closely as I have followed these issues for years, I freely acknowledge having benefited from the debate today by some eight Senators. I do not consider it a waste of time. I know others on this side are anxious to participate in the debate. Perhaps they thought that normally when a bill is first brought up, such as this one, on a Tuesday, given the activities outside of the Senate this evening, stated in some fashion by the distinguished majority leader, they are not present, but that we would pick up in an orderly fashion on tomorrow morning after a reasonable session here tonight. I am not here to suggest how the body should be run. That is up to the leadership. I simply refute the characterizations that the debate today have been dilatory, that we are trying to drag our feet. That is not the case.

I put the question to my distinguished colleague, have you followed the debate today? Have you had the opportunity?

Mr. EXON. I have followed the debate in my office to some extent. I think we have debated this matter very thoroughly. It is very clear in the debate today the situation we find ourselves in right now. I suggest to my friend from Virginia, why do we not get cracking? What is the possible objection of the Senator from Virginia and those on that side of the aisle, if, as I think you have indicated indirectly in your comments—and I wish we could be a little more direct on the floor of the U.S. Senate—what is it that the Senator from Virginia and the minority want?

They would like to adjourn tonight, I take it, then come in in the morning, and I am not in position to make those decisions. That is up to the majority leader. I have listened to the debate very clearly, and in my mind I am not sure I understand what it is the Senator wants. I take it that what he wants is to adjourn tonight, start anew in the morning and at that time might agree to set aside the amendment offered by the majority leader and the chairman of the Armed Services Committee. Is that right?

Mr. WARNER. Mr. President, I have stated very clearly what the desire of this Senator is; namely, that we continue the debate in a constructive way on the pending matter. I do not suggest, infer in any way how the leadership wants to run the Senate—stop, start; that is their prerogative.

Mr. EXON. May I ask my friend from Virginia, who is it who wishes to debate the matter that he says is so vitally important he feels it should be debated further tonight? Does the Senator from Indiana wish to make a speech on this subject?

Mr. QUAYLE. Will the Senator yield?

Mr. EXON. I yield for an answer to my question.

Mr. QUAYLE. We will be debating more. I talked a little bit this afternoon, some probably think too long.

Mr. EXON. No one would suggest that, I say to the Senator.

Mr. QUAYLE. Some might think that. But I say to my distinguished friend from Nebraska that we have put this thing off now for 3 or 4 months and we are going to talk about arms control. We will have to wait and see. In my judgment, we will talk about arms control this week, probably all of next week. This has basically, unfortunately, turned into, even though I said a small part of it is delegated to arms control, an arms control bill, so we are going to talk about arms control. Whether it is this amendment or other amendments, I do not know. It is going to be a long, lengthy, deliberate debate on arms control. That is that this authorization bill is, an arms control bill, so we will talk about arms control. This is just the beginning.

Mr. EXON. I thank my friend from Indiana and for his answer to my question. Is the Senator from Indiana one of those that the Senator from Virginia referred to as anxiously wanting to debate the pending matter?

Mr. QUAYLE. As the Senator knows, I have debated it. I am prepared, if pushed. I presume that it may be debated even further. I just got wound up this afternoon. Maybe the Senator missed it. It was a lot of fun. Myself, Senator Nunn—we got Senator Hollings involved a little bit—we had a good, thorough discussion, but there are a lot of other people I know who will want to discuss arms control as such. I do not know if they are prepared to do it now, but I suppose you can force them to come over at some time. We could have quorum calls or whatever it may be. But there is just no desire to vote on this tonight, nor is there any real desire to enter into any type of unanimous-consent agreement to set it aside to take up other amendments. The amendments are arms control amendments and that is on what the discussion is going to focus.

Mr. EXON. I thank my friend from Indiana for his response. I would say, Mr. President, that Senator Nunn is on the floor at the present time. My colleague from Indiana, who just spoke, is on the floor at the present time. The Senator from Nebraska is here. None of us evidently are so wrapped up in this issue that we want to make further comments. The Senator from Wyoming has come on the floor. Maybe he, indeed, is one of those many Senators who have been anxiously awaiting their opportunity to address the Senate on this matter. So not wishing to hold up any further the legitimate and I suggest maybe nonsense deliberations of the Senate, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, as the acting majority leader, I ask unanimous consent, so I can talk on the subject of the bill, that the quorum call be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator is recognized.

Mr. EXON. I yield to the Senator from Colorado.

Mr. WARNER. Mr. President, parliamentary inquiry. The Senator from Nebraska has the floor. Am I correct in that?

The PRESIDING OFFICER. The Senator is correct.

Mr. WARNER. And the Senator from Nebraska is yielding for what purpose?

Mr. EXON. I am yielding to the Senator from Colorado for the purpose, and for which he wishes to make a request of the Chair, a unanimous-consent request, so he can get a staff member on the floor of the U.S. Senate.

The PRESIDING OFFICER. During consideration of the bill.

Mr. WARNER. Mr. President, I did not get the Chair's response to the Senator from Nebraska.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Nebraska.

Mr. EXON. Does the Senator from Nebraska have the floor?

I apologize to my colleague from Colorado. There are often unusual things happening on the floor of the U.S. Senate these days, and never before have I seen objection to a request for a staff member to come on the floor of the U.S. Senate during consideration of a bill.

I would ask the Chair at this time, maintaining my right to the floor, if all of the other staff members on the floor at the present time are properly cleared by the Chair.

The PRESIDING OFFICER. The Chair would have fundamentally no knowledge as to how to answer that question.

Mr. EXON. Would the Chair ask the Sergeant at Arms to please appear on the floor of the U.S. Senate and to check and see whether or not the staff members currently on the floor are on the floor by proper authority granted by the Presiding Officer?

The PRESIDING OFFICER. The Chair will endeavor to do exactly that.

Mr. EXON. I thank the Chair.

Mr. WIRTH. If the Senator will yield, during that process, for a brief—and I am sorry it is so troublesome—unanimous-consent request, I have a defense fellow, Michael Landrum, who has been working for them, and unless I do it by unanimous consent, he cannot be on the floor during any part of the deliberation on the defense authorization bill. Why he might want to be here during these deliberations, I do not know; but I am sure there will be others that will be of significance to Mr. Landrum. I ask unanimous consent that he be able to be on the floor during the consideration of the legislation before the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WIRTH. I thank the distinguished acting majority leader for his willingness to yield, and I thank the distinguished Senator from Virginia.

Mr. EXON. I thank the Senator from Colorado.

Mr. President, I rescind the request I made of the Chair a few moments ago with regard to the Sergeant at Arms coming down to inspect the credentials of the other staff members on the floor, and I ask that that be set aside.

The PRESIDING OFFICER. It will be set aside.

Mr. EXON. Mr. President, I rise in support of S. 1174, the Department of Defense authorization bill for fiscal years 1988 and 1989. My enthusiasm derives from the bill's efforts to meet real defense shortfalls and seriously consider future defense needs. Rather than trying to fund all defense programs, it places greater emphasis on sustainability, readiness, and our technology base. It targets the most important defense needs; those that are particularly weak or offer potential military advantage and leverage. It acknowledges that the defense budget will grow only slightly, if at all, by identifying priorities, planning for the phased introduction of major new programs, and restoring weapons productions to more economic rates. Additionally, for the first time, we prepared a 2-year authorization bill. This will streamline budget decisionmaking and provide greater economic stability.

This is a much needed and noteworthy accomplishment. Senators Nunn and Warner, the chairman and ranking minority member of the committee, largely deserve the credit for this. Their leadership and hard work led the way for the committee. It has been a pleasure and honor working closely with them and their staffs these past months. I would also like to express my appreciation for the hard work, cooperation, and dedication of Senator Strom Thurmond as we worked together on the Subcommittee on Strategic Forces and Nuclear Deterrence. Our subcommittee held 19 hearings to consider many of the most controversial programs and policy decisions in this bill.

During the subcommittee markup, I offered a funding package on the most controversial strategic programs. The subcommittee and full committee eventually approved this plan. It represents a general consensus among the committee members as the best approach to these complex and controversial programs.

It was decided to allow research to continue on both the Rail Garrison MX Program and the small ICBM, commonly known as the Midgetman. Funding for research on both missiles was reduced but will continue. I would like to see a final resolution to the ICBM Program, and I am very concerned about the $50 billion price tag associated with the Midgetman. In fact, at this time, I would rate the need for the Midgetman as one of our lowest strategic priorities. However, I recognize that we are not yet at a point at which we can make a final decision on ICBM modernization. The funding for the ICBM's in this bill preserves our future options.

A funding growth of 23 percent was authorized for the strategic defense initiative. While this was a reduction from the President's requested 55 percent growth, the $4.5 billion authorized will allow for a vigorous SDI Program. This figure is $1 billion higher than last year's amount.

The committee also provided a role for the Congress in any future interpretation of the ABM Treaty. The bill does not require the President to adhere to the traditional or restrictive interpretation. But if he decides to move to the "broad" interpretation, the Congress would play a role in the decision. I think this is reasonable. The Senate has the constitutional responsibility for approving the ratification of treaties. In my opinion, that means the Senate should be an active participant in any decisions affecting the subsequent interpretation of treaties.

Also included in the bill was an amendment I offered on the control of overseas training of the National Guard. In a recent decision, the U.S. District Court in Minnesota rejected the appeal of that State's Governor that the current law dealing with this matter is unconstitutional. The court decided the Congress has the right to control overseas training of the Guard. My amendment clears ambiguity in the standing law. Under my amendment, if a Governor objected to the overseas training of his or her National Guard for whatever reason, the President could, on a case-by-case basis and for national security reasons, override that objection. This clears up the ambiguity of wording in current law, restores the role of Governors with regard to decisions affecting the Guard, leaves the final determination for national security reasons in the hands of the President and allows for a clear way of resolving disagreements between Governors and the President. I believe that my approach is a reasonable, middle-of-the-road solution to this complex and controversial issue.

While I have some concerns on specific parts of this bill, I can support it overall. It is the product of long and thoughtful work, fair debate, and genuine concern for the future security of our Nation.

The PRESIDING OFFICER. Who seeks recognition?

Mr. WARNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, it really is sad to see the majority party trying to force upon the Government of the United States, the executive branch, and its negotiators that position which the Soviets have failed to achieve. I do not know why the majority party does that. It is, nevertheless, the absolute truth that what Senator Nunn and Senator Levin are doing in their amendment is, in fact, that which the Soviet negotiators have failed to accomplish through negotiation.

It is hard to imagine why any body politic within this country would seek to do that and yet that is what we are witnessing.

It is also hard to imagine why any body politic within this country would overthrow the entire history of treaty obligations, understandings, and procedures that have been enforced in this country since its inception until these past few months.

Make no mistake about it: The Senate has one job in treaty making and only one job, and that job is to ratify treaties or fail to ratify them, or at the time of the debate, attach such understandings and reservations to them as it will, and which if they do not offend the other negotiating party, the other country, they become part and parcel of the understanding of the treaty.

Treaties are agreements between states and not agreements between parliaments, and no amount of blathering on the part of the Democratic majority here will change that issue unless, if they succeed, we will find no other country in the world willing to make a treaty or enter into a treaty with this country.

It is possible, Mr. President, that before this whole debate is over, before this bill goes to whatever fate it may have, I will seek to see what the majority wishes to do on this issue by proposing an amendment. This amendment will state that in arms control treaties with the Soviet Union—past, pending, and future—the Senate shall be the sole arbiter of the interpretation of those agreements. Moreover, the interpretation of the Senate shall be binding upon both parties, the United States and the Soviet Union, and that, since it was arrived at Senate debate, that future debates from future Senates can impose their will, at will, upon the interpretation of treaties.

If I do not miss my guess, the Senate will find such an amendment offensive but that is precisely what in this one instance the majority seeks to do.

Many Senators have said on both sides of the aisle that there are pieces of this legislation which are urgent and important, and so they are, and so they should be acted upon. But sometimes and in some places there comes a time when this country must have somebody, willing to stand up for first principles, the traditional means of handling relations between states, and in this case how treaties ought to be made.

Let me get to this so-called Byrd resolution. Let me say from the beginning that it is yet again one of the unfortunate characteristics of this body, the U.S. Senate, which so blatantly boasts of its ability to be the world's greatest deliberative body, that we seek above all to make high-sounding statements that are "full of sound and fury, signifying nothing." That characterizes the resolution of the majority leader offered as a substitute to the Dole-Warner resolution, which had at least some semblance of reason attached to it.

If this resolution is an improvement over the Dole-Warner language, and everything that is before us is open for improvement, it would find no objection from this Senator. But this resolution reads as if it is water; all the vinegar has been taken out.

I note with interest that before beginning to say that we do not want to do anything and we are willing to postpone debate until Shevardnadze has left town, does anyone here suppose Shevardnadze and the Soviet Embassy and people guiding their foreign policy are not aware of what is the business in front of the Senate? Does anyone here suggest that for a minute they do not know absolutely and precisely what it is that the Senate is about to do as soon as the Foreign Secretary leaves town?

(Mr. REID assumed the chair.)

Mr. WALLOP. The fact that this resolution is in front of us and the fact that the Nunn-Levin amendment is part of the DOD bill is part and parcel of the very thing which achieves for the Soviet Union that which they have not been able to achieve for themselves at the negotiating table.

I note that the so-called Byrd resolution no longer contains the original statement of the Dole-Warner resolution that the Congress must "not make unilateral concessions to the Soviet Union on arms control that which the Soviets themselves cannot achieve at the bargaining table."

I wonder what is wrong with that statement? Is there some kind of feeling that perhaps if that were the resolution before the Senate, we would be called upon to question what it was that we were about?

How can it be that the majority party objects to a statement saying that the Congress must not make unilateral concessions to the Soviet Union on arms control that the Soviets themselves have been unable to achieve at the bargaining table?

Would anyone, I suppose, propose that we, the Senate, ought to make such concessions, or that in an act of carelessness if we made such a concession, we ought to be excused from it? I mean, we really ought to go back and make the statement that the Congress must not make unilateral concessions to the Soviet Union.

Would anybody object if that language were put back into the resolution?

Let me note also the absence of the following passage from the original resolution, and I quote, "The Congress must not act to further the interests of the Soviet Union by unilaterally adopting Soviet negotiating positions that have been rejected by the U.S. Government."

It is curious that this was dropped. Why would we drop that? Why would the majority party insist that this Senate in a resolution not mention the fact that we would not further the interests of the Soviet Union by unilateral adoption of Soviet negotiating positions that have been rejected by the U.S. Government? Why would we do that?

Perhaps, Mr. President, perhaps it is because the House armed services bill in fact contains provisions that do exactly and precisely that. Already passed are provisions in the House armed services authorization that do precisely that.

Maybe it is because certain Senators intend to introduce amendments coming up that would enshrine Soviet negotiating objectives on such issues as SALT II, or ASAT, or nuclear testing, or chemical weapons. Or is it indeed perhaps because the Nunn-Levin amendment is such a provision.

At any rate, Mr. President, its absence from the resolution before us makes rather hollow the language at the end of the Byrd resolution that neither the Congress nor the President should take actions which are unilateral concessions to the Soviet Union.

Why have we replaced something meaningful and specific with something meaningless and vague? Perhaps to make ourselves feel good and perhaps to make it possible for everybody under the Sun to vote for something which, once again, signifies nothing. Something that shows the American people that indeed the Senate is full of people with care and concern and that we all of one mind. And we are all of one mind. We want to survive in peace, but not be weak to threaten the peace. So perhaps at one moment in time we ought to put that language back into the resolution.

Now, then, we talk about all the benefits that have been mentioned by a variety of people of both sides of the aisle that are contained in the armed services budget authorization. And I agree with that. They are there and they are important. But fundamentally they are less important to this country than the proper and appropriate and responsible behavior of the Senate of the United States with this in mind: that this country's survival and not the politics' survival is the purpose for which we meet here.

If there is an overriding special interest which guides this place, Mr. President, it is not the oil companies and it is not labor unions or a host of other things. It is reelection. And one of the ways to reelection is to keep, if possible, the American people from understanding what is at issue. We are seeking to bring this fundamental issue before the American people.

What is at issue is national survival. Here what is at issue is some other nation, including the Soviet Union's willingness, once again, to negotiate with us. But if the Senate seeks to assert itself as the sole arbiter of the interpretation of treaties, it is not conceivable that nations will negotiate with us.

So, what the benefits in the armed services budget authorization are held hostage to is not a filibuster on the part of the minority party. They are held hostage to an adamant intrusion on logic by the two authors of an ABM interpretation amendment. And make no mistake about it, while Shultz and Shevardnadze are meeting, Shevardnadze knows that this Senate as a body seeks to work his will while his nation has not been able to achieve it at the negotiating table.

So if it is a filibuster, so be it. I do not think it is. I think it is a debate. But if it is, it is for the very important reason that some of us stand behind the President of the United States and his negotiators. Some of us hope to see some kind of a diminution of the level of terror. Some of us would like to see the majority party take as strong a stand against the Soviet Union's violations as they do against the interpretations of treaties of this Government.

Why is it, I wonder, that when this country sees major violations of arms control agreements by the Soviet Union that the action of the Congress first is to constrain the actions of our own country? We have seen it in ASAT, we see it in SALT II, we are now seeing it in ABM interpretations. But time and time and time again the Soviet Union violates and we are forced to prove our sincerity by further restriction on our ability to act in the defense of the people our oath swears us to defend.

So, while the rules and the law requires us to act on the authorization

for armed services—and it is a good rule, it is a good law, but neither our rules nor the law contemplates the Senate's infringement on the jurisdiction of the Foreign Relations Committee nor the unconstitutional approach to our seeking to assert our will in the interpretation of treaties.

It is ironic in the extreme that those who seek to force this interpretation say that it comes about in part at least by findings and judgments of the standing consultative committee.

Mr. President, is that not the body that was designed to resolve disputes of interpretation between the Soviet Union and the United States? Some of us think it has done an utterly miserable job. Some of us think that a committee of two never comes to a conclusion. But there are those who seek to force this interpretation upon us who quote that body. And yet they are unwilling to have that body function. They seek to assert their independent view over and above what kind of a dispute may be raised within the Standing Consultative Commission between the two countries.

I do not know how much more foolish you can get. Either it has some relevance to the process of interpretation of treaties and can be quoted or leave their quotes out of it. In either instance, I do not think that the actions of the Standing Consultative Committee of and by themselves sustain the arguments of those who would seek to impose upon us their interpretation of the ABM Treaty.

I think that it is unconstitutional.

Let me just toss out an idea to the Senate to see what might take place. Suppose, for an example, we take one of the many treaties with Canada. Let us suppose, for example, we had a binding treaty, at least we thought it was when we entered into it, that Canada could not fish in certain waters of the United States if we would not fish in certain of theirs. And suppose for some reason that the body politic of this country came to the conclusion that we ought to have more fishing rights in Canadian waters and they took a look at the treaty and they decided, the Senate on its own decided, that we would have more access to Canadian waters and, by the way, the Canadians were probably fishing too much in ours and we would reduce theirs.

Now does anyone here for a minute think that the Canadian Government would stand by the interpretation of the Senate of a treaty or agreement like that and force the Senate's conclusions upon itself?

Let us turn it around and let us suppose that the Canadian Government, taking a look at this very same treaty, felt that in the reading of the Parliament they had more access to waters than they traditionally were using and they came down and started fishing in them because the Parliament said that their interpretation of the treaty says they could.

Now, who in this Senate would feel bound by an interpretation arrived at by a debate on the floor of the Parliament? While we are at it, who in this Senate would feel bound by a debate in the Supreme Soviet on a new interpretation of the ABM Treaty?

Now, Mr. President, these are relations between the executive branches of government, not the parliaments of government.

To seek to bind all these things together is to do precisely what the Soviet Union has failed to do.

Now we have a treaty already in negotiation and we see the Soviet Government day-by-day reneging on postures that they had already allowed us to believe were genuine; for example, they are calling now for the destruction of warheads when, make no mistake about it, Mr. President, they have never had the slightest intention of destroying any of their warheads.

Somewhere along the line there may be a treaty that actually comes in front of this Senate. Somewhere along that line we may pay a little more attention to it than did the Senate in consideration of the ABM Treaty. Maybe that is even too much to hope for.

But whatever happens, should it be that it is ratified, should it be that it satisfies this Senate that it can be enforced as well as verified, it will not be possible for the Senate to change what the Senate that ratifies it thinks it means by a debate in 1995. It would not be possible. And it is not possible now.

These are relations between governments, to be conducted by and between Secretaries of State and Foreign Ministers, not between the deliberation debating bodies.

It is something of a compliment, I guess, to the Soviet Union to think that there is a debate about anything or that it even could happen, but make no mistake about it, were they to indulge in one of the processes they label government over there and they sought a new interpretation of that treaty, we in the Senate would not be bound by that. We would take offense at it. The most unfortunate part of it is that what we seek to do here is to do the Soviet Union's bidding. We seek to enforce not their interpretation but their stated desire upon ourselves.

We see them strangely in violation of several dimensions of the ABM Treaty. What is the response of the majority? Restrict the United States.

It is absurd when you hear it, but that is what the response is: to restrict us in the face of their violations. And it begs the question of whether America is safer or more at risk. That has sadly not been part of the debate.

It has not been part of the debate that nowhere in the armed services of the United States is there a mission to defend this country. No branch of the Government, no branch of the armed services has the mission to defend us from Soviet missiles. In fact, no branch of it has the mission to defend us in wartime from Soviet bombers either.

The North American Aerospace Defense Command has a peacetime mission. Its mission is to maintain the peacetime sovereignty of U.S. air space.

While the Soviet Union violates the terms and provisions of SALT II with two new, three new missiles, and while they go to missiles that are rail mobile and road mobile that cannot be located by our intelligence, cannot be targeted for retaliation by our fixed or sea-based or air-based retaliatory forces, we seek an interpretation that keeps us from ever going to the point where we might be able to defend the American people.

They do not want to get us involved in the business of defending the American people, even in ways which we know how, even in the face of egregious violations of the ABM Treaty; even in the face of the failure of Soviet negotiators to achieve this at the bargaining table where we are on the threshold of having, we are told, some kind of an INF agreement. Even in this moment in time when the Soviet Foreign Minister is engaged in talks with the Secretary of State—even in those moments we seek further to constrain the actions of our country by agreeing to the principles of the Soviet Government and the Soviet negotiators.

On its face, Mr. President, it is absurd. But more importantly is what is at issue: Not the rules that say the authorization has to be passed; not the rules which say that this is appropriately the business of the Foreign Relations Committee; not any of those rules. What is at issue is the survival of our Nation and the morality of seeking to defend the people from nuclear terror.

Some of us have thought for a long time that it is the morality alone, yet alone the military value, which ought to guide the decisions of this country. Many people have decried the advance in weaponry, the weaponry of death and destruction. Here, all of a sudden, is the weaponry of safety, the weaponry of defense.

Many people have thought that that was the more defensible thing in democracies and probably more defensible strategically because, in a missile-for-missile building contest with the Soviet Union, we lose. They already have hot production lines and we have just politics.

Politics indulges the Senate and the Congress in great debates about the future weaponry of this country. Politics saw us drop the MX at a moment in time when it could achieve major, real safety, for the promise of Midgetman. And when Midgetman comes off the drawing boards and into the decisionmaking processes, politics will have some other kind of "man," Maximan or McDonaldsman or some other kind of "man," some new weapon system to replace it, because we want to hold ourselves hostage to the promises of tomorrow for fearing to offend the Government of the Soviet Union.

Well, in time of great struggle, Mr. President, we ought to worry less about offending the Soviet Union than defending, according to our oath, the people of the United States.

We see people seeking to force us out of that concept. I hope they do not succeed. Should they succeed, I hope it is vetoed, and I know that veto—just given the debate and the votes we have had to date—that veto will be sustained. It means a lot to the survival of this country that it should be.

The saddest part of it is that we do not have the two parties at least thinking in terms of survival on the same wave length.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there further debate? The majority leader has the floor.

Mr. BYRD. Mr. President, I will suggest the absence of a quorum. It will be a live quorum. I think that Senators ought to understand what we have here is a filibuster and we all ought to govern ourselves accordingly and, therefore, I would suggest that both cloakrooms put the word out that there will be a rollcall vote on requesting the Sergeant at Arms to seek the attendance of absent Senators.

Mr. WARNER. Mr. President, would the distinguished majority leader withhold for a few moments?

Mr. BYRD. Yes.

Mr. WARNER. I wish to advise the majority leader and other Senators that I know of two additional speakers and the likelihood of several more during the course of the evening. I just pass that on by way of information.

Mr. BYRD. I thank the distinguished Senator.

Mr. President, I suggest the absence of a quorum.

### CALL OF THE ROLL

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the role, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 20]

Byrd
Nunn
Quayle
Reid
Wallop
Warner

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk resumed the call of the roll.

Mr. BYRD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Tennessee (Mr. GORE), the Senator from Michigan (Mr. LEVIN), the Senator from Alabama (Mr. SHELBY), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. LAUTENBERG) is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Washington (Mr. EVANS), the Senator from Utah (Mr. GARN), the Senator from Texas (Mr. GRAMM), the Senator from Nebraska (Mr. KARNES), the Senator from Kansas (Mrs. KASSEBAUM), the Senator from Oklahoma (Mr. NICKLES), the Senator from South Dakota (Mr. PRESSLER), the Senator from Vermont (Mr. STAFFORD), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The PRESIDING OFFICER (Mr. DASCHLE). Are there any other Senators in the Chamber desiring to vote:

So the result was announced—yeas 67, nays 14, as follows:

[Rollcall Vote No. 243 Leg.]

YEAS—67

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Cochran
Cohen
Conrad
Danforth
Daschle
Dixon
Dodd
Dole
Domenici
Exon
Ford
Fowler
Glenn
Graham
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kennedy
Kerry
Leahy
Lugar
Matsunaga
McCain
McClure
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Simon
Simpson
Thurmond
Trible
Warner
Wirth

NAYS—14

Armstrong
Bond
Boschwitz
D'Amato
Kasten
McConnell
Murkowski
Packwood
Quayle
Specter
Stevens
Symms
Wallop
Wilson

NOT VOTING—19

Chafee
Chiles
Cranston
DeConcini
Durenberger
Evans
Garn
Gore
Gramm
Karnes
Kassebaum
Lautenberg
Levin
Nickles
Pressler
Shelby
Stafford
Stennis
Weicker

So the motion was agreed to.

The PRESIDING OFFICER. A quorum is present.

Mr. BYRD. Mr. President, the Senate is engaged in a filibuster.

Earlier this evening, the distinguished ranking manager of the bill stated that consent would not be given to temporarily setting aside the pending Byrd-Nunn amendment, which is the amendment in the second degree to the amendment by Mr. GLENN in the first degree. So we know that we cannot get unanimous consent to set that amendment aside and go to other amendments.

The distinguished manager of the bill, Mr. NUNN, indicated that he would be willing, as the manager on this side, to set this amendment aside, the one that is pending, and not take up any arms control amendments but go instead to non-arms-control amendments—Mr. NUNN indicated that there were a good many of them to be disposed of—so that the Senate could work its will on those amendments, and the arms control amendments would be called up and disposed of at a later date.

There was some indication that a stall on this amendment is related in some way perhaps to the visit of Mr. Shevardnadze. The indication also was that several Members on the other side of the aisle wish to discuss the pending amendment at length. Discussing the pending amendment is one thing. Senators have a right to discuss the pending amendment. I would not call that a filibuster, if they discussed it this evening and tomorrow. But when that is coupled with the fact that we will not be allowed to set aside the pending amendment to take up other amendments which are non-arms-control amendments, then it goes beyond a mere discussion of the pending amendment.

We have seen a filibuster on the motion to take up the Department of Defense authorization bill. We all remember that contentious morning—

weeks and weeks ago—when I sought to get a nondebatable motion in during the morning hour, so that we could take up the DOD bill. Those on the other side of the aisle who wished to filibuster the motion ran out the clock, and we were unable to achieve our goal of getting a nondebatable motion to proceed. Consequently, I moved to proceed at another time when the motion was debatable.

We sought to get cloture on that motion to proceed, and three times we failed to get cloture on the motion to even take up the Defense bill.

So, having tried for the third time, having only gotten 59 votes and lacking 1 vote, with 54 Democrats voting for cloture on taking up the DOD bill, only getting 5 votes from the other side, we still lacked 1 vote, the necessary 60th vote.

So, last Friday I was able to reach a point under the circumstances where a motion that would not be debatable to take up the bill could be made to that bill or any other bill. It could have been catastrophic illness or any other bill. We took up the Defense Department bill. Had we not taken it up on Friday—get this.

Mr. President, may I have the attention of Senators?

The PRESIDING OFFICER. The Senate will be in order. Senators will cease audible conversation.

Mr. BYRD. Mr. President, had we not gotten the Defense Department bill up last Friday, we would not have gotten it up today on the cloture vote; because had the same Senators who voted against cloture heretofore and the same Senators who voted for cloture heretofore voted today on a cloture motion precisely as they voted before, the vote would have been 57 votes to take up, not 59, because of absentees.

The bill is now up, but it is clear that had we not gotten it up on Friday, we would still have an ongoing filibuster on taking the bill up.

I have every respect for the distinguished Senator from Virginia, the ranking member of the committee. He has done a good job—he and our chairman of the committee—in bringing this bill to the floor.

This is a good bill. There are some parts of it, some provisions, that some Senators do not agree with. But why do we not get on with the bill and let Senators offer amendments? If they want to knock out the provisions they do not like, they can do it, if they have a majority of the votes.

But here is the position that we are in now. We cannot set aside the pending amendment. We cannot go to the non-arms-control amendments, and we are told that other Senators on the other side of the aisle wish to speak at length on the pending amendment.

Mr. President, this is a filibuster, pure and simple, and we might as well face up to it now.

We have been accustomed to two kinds of filibusters in the Senate. The easy kind where we come in at a reasonable hour, say 9 o'clock, and stay in to 6 o'clock or 7 p.m. and go home, come back the next day and renew the same old pedestrian filibuster. Some Senators get up and speak on matters other than the subject matter before the Senate and we dilly-dally and maybe put in a cloture motion and go home and come back the next day and do the same thing.

But this will be a different kind of filibuster. We are just going to have at it, and if Senators on the other side who are opposed to this bill—not all of them are opposed to it—but if Senators on the other side are opposed to this bill, or are opposed to something in it will not let us get to the amendment on it and will not let the Senate work its will on at least the non-arms-control amendments, if they have a point to make let them make it the old fashioned way. Let them earn it.

Senators should be on notice to be here all night. There may be rollcall votes. These old fashioned filibusters are not easy. They are hard on everybody. But our Republican friends have made it difficult for the Democratic majority to get certain legislation up now for months. This has been going on for months.

We have ended two filibusters since we have been back from the recess—one on Melissa Wells to be Ambassador to Mozambique, and the other on taking up the DOD bill.

Now we have a new one. This is the Republican record on which that party will have to run in next year's election. It is pure and simple—delay, obstruct, veto, threaten to veto, vote "no," and filibuster. That is it, as we see it.

So there is no point in our making it easy on the filibusterers by going home now.

We will all suffer together. We will just be here all night, and I do not say that as a threat. I am just facing up to reality.

I have tried to be patient. I try to make it as easy on all of my colleagues as I can, but the majority leader has a responsibility at some point in time to try to move legislation and the minority has the responsibility along that line as well.

But it looks like it is up to the majority alone. We cannot get up catastrophic illness. We cannot act on the defense bill. We could not act on campaign financing reform. And so here we are. We are facing appropriation bills coming down the pike. There are 13 of them. Nine of them are already over from the House. A 10th is to come over soon. The Appropriations Committee reported out its first bill I believe today, and that bill will be on the calendar soon. And we have the extension of the debt limit which we have to do something about by midnight Wednesday of next week, a week from tomorrow. We have reconciliation. We have this Department of Defense authorization bill that ought to move before we take up an appropriation for the Department of Defense.

I do not care who is in town, whether it is Shevardnadze or whether it is Gorbachev. The Senate has its own job to do, and we ought to run on our schedule and we should not be delayed just because a distinguished visitor may be in town or whatever the reason is. We have to do our work, and we are going to have a hard time. If the Republicans want to make us have all-night sessions, if they want to filibuster, we will do it the old-fashioned way and let everybody see what a filibuster really is.

I have been on both sides of filibusters. I have been a filibusterer myself, but I have long since decided that the majority of the Senate ought to be allowed to work its will at some point.

We hear all this outcry about the Bork nomination. The Judiciary Committee of which I am a member got started on the Bork nomination today, and those hearings are going forward. I, myself, want to see the Bork nomination taken up in the Senate at some point. I am committed to that.

I will say here and now that the Bork nomination will not be killed in the Judiciary Committee. It will not die there. It does not make any difference how many Senators there vote it down. It will not die there. What the Senate will do to it when it gets here, I do not know. Whether cloture can be invoked on a filibuster I cannot say, but the Senate is going to have a vote of some kind pertaining to the Bork nomination, in relation to the Bork nomination. There will be a vote in this Senate.

Mr. NUNN. Mr. President, will the majority leader yield?

Mr. BYRD. Yes, in a moment.

It is going to be before the year is out. But if the Republicans are not going to let us vote, if they are going to persist filibustering the defense bill—and they have been filibustering the defense bill for months—every day that they persist in prolonging final action on this bill is a day later that Mr. Bork will have to wait before his nomination gets up on this Senate floor.

We are merely pushing that nomination on back and back and back.

So I plead with the White House and our friends on the minority side of the aisle, to cooperate with the majority. We only have 54 votes. We cannot invoke cloture with Democrat votes alone. But I plead with them to answer to the call to get on with the public business. Whatever there is that they do not like about this defense bill, let them offer amendments. Or are they afraid to offer amendments? Are they afraid to have votes? What is it they are afraid of? What is it they are waiting on? Who is calling the signals? Is it the White House? We ought to have an answer.

Yes, I yield to the distinguished Senator from Georgia.

Mr. NUNN. I thank the majority leader.

I would just like to inquire of the majority leader, because I completely agree with his description of the situation. We have been trying to get this bill up for 4 months. For 4 months we have been trying to get the bill up. This is the national security of our Nation. It involves the military pay of every man and woman in uniform. It involves all the ships, all the planes, all the ammunition, everything about the protection of our Nation, and we have had a 4-month filibuster by those on the other side of the aisle.

First, I would like to agree with the majority leader and thank him for his dedication and diligence in getting this bill up.

The second point I would like to inquire about committees meeting tomorrow and what the rule of the Senate is because I share his view on the Bork nomination. I have made no decision on the Bork nomination. I am going to listen to all the testimony. I will not be in on the committee but I will listen to it as best I can. I will judge it on its merits. Nothing that my colleagues do on this bill will affect my judgment on the Bork nomination on its merits.

But I do very much, and I have said this, object to moving the Bork nomination in front of this defense bill, and I will not agree as one Senator, one vote, to put the Bork nomination in front of the national security of our Nation.

The Supreme Court is important, but the national security of our Nation is more important than a Supreme Court Justice. They can get by a lot better with eight Justices over there on the Supreme Court than they can with no defense bill as far as I am concerned; and "they" being the American people and the security of our Nation.

So I ask the majority leader about the hearing schedule tomorrow because as one Senator I assume complete responsibility for this. I have not asked anyone else to assist in this. It is not part of any Democratic plan.

It is the Senator from Georgia who is very frustrated with the responsibility as chairman of a committee that has a bill that was brought out in good faith. Every amendment was debated a long, long time. The one that is the subject of this filibuster was given more consideration than any other amendment or any five amendments that we had in our committee, and the minority was given every courtesy in dealing with this in committee.

So I would suggest to the majority leader that, as a Senator from Georgia, I will object to any committee meeting tomorrow morning beyond the required time, the time allocated under the Senate rules after we come in. So I think that while we are serving notice to Senators about an all-night session tonight, as far as I am concerned as the manager, it is up to the majority leader, I can go tomorrow night all night, I will go Thursday night all night, I will go Friday night all night, and I hope we are in Saturday. If we have to stay the weekend, then that is the way it will be. I think we are going to get the mattresses now and we might as well keep them here.

I will object to any consideration of any committee or any committee meeting after the allocated time required by the Senate rules tomorrow morning. I will do that from now on until our friends on the other side of the aisle understand that the Nation's security is very important. I believe, as Judge Bork has been reported to believe, I believe in judicial restraint. If that is the only allegation against Judge Bork, he will be in pretty good shape as far as I am concerned.

But I also believe in senatorial restraint. And we have not seen much senatorial restraint in the 4 months we tried to get this bill up.

I also believe in the Nation's security. I believe our young men and women who are serving in the Persian Gulf, who are serving in Korea, who are serving in Europe deserve a little consideration. They at least deserve this body getting the bill up that provides the means for them to help defend this country and have a legitimate debate. Let the votes fall where they may.

Mr. Leader, I would then ask—it is a rather long question, I know—but I would ask the majority leader what are the rules and where are we regarding committee meetings tomorrow morning?

Mr. BYRD. Certain committees, such as the Appropriations Committee, have standing consent to meet. But the Judiciary Committee will be able to meet from 8:30 until 10:30 tomorrow morning because the order has already been entered that if the Senate goes out it will convene again at 8:30 tomorrow morning, and it will convene again at 8:30 the following morning, and it will convene again at 8:30 the following morning. So if the Senate is in all night—and I fully intend to have the Senate in all night. This is a filibuster and I am going to deal with it as a filibuster and we will all learn what the old-fashioned filibuster is. I have heard the filibuster has been somewhat trivialized and the majority leader may have to give up his job if he has the cots brought out. But I will at least get to sleep on the cots.

But, in answer to the Senator's question, if the Senate is in all night, at 8:30 tomorrow morning, the convening time that has already been set by order, the Senate will be deemed to have convened. And, under the rule, any committee may meet for 2 hours after the Senate convenes, so the Judiciary Committee will meet for 2 hours. After 10:30 it will require unanimous consent to continue its meeting. The same thing will be true the next day.

May I say further, that this is not the only night we will be in all night. I am saying here and now we are going to stay in all night tonight, all night tomorrow night, all night Thursday night, and all night Friday night, and we will be in Saturday if we do not break this filibuster and get some understanding that we can get on with this bill. And it will not just be an understanding. We have got to see some tangible evidence.

I have had my fill of being jerked around by the minority, letting us just have a little bit of rope, you see, just a little bit. We have got to beg for that. We cannot get consent to take up certain vital matters.

Mr. NUNN. Mr. Leader, I have been here 14 years in this body, and it takes quite a bit to frustrate the Senator from Georgia. I think I have had about as much patience as anyone around this body. I believe that I have voted, as the record will display, on the issues regardless of party and regardless of who is in the White House as much as most anyone in this body.

But I want my colleagues to know that when I object to committee meetings, it is going to continue as long as this filibuster continues. Because I really do feel that we have been abused in this process, "we" being those who have tried to get this bill up. I believe that 4 months is long enough.

I would ask the majority leader, I know we have an 8:30 rule this week, but if this filibuster lasts next week, I would serve notice that I would at least ask the majority leader to make sure that we do not have any committee meetings because, until we get this bill taken care of, as far as I am concerned, the other agendas in this town can also get a portion of the frustration that those of us who have tried to get this bill up have had for the last 4 months.

I will object. I have not consulted with anyone. I want everyone to understand that. This is not any kind of position that anyone is responsible for except the Senator from Georgia. I will take whatever responsibility is in order.

But I would like for our friends on the Judiciary Committee to recognize that they will meet for only 2 hours for the rest of this week. And as long as this filibuster continues, I will be here when the unanimous-consent request is made, and I will object.

Mr. BYRD. Mr. President, on the Bork nomination, neither will my decision on the merits of the nomination itself be affected by this filibuster. I am going to give Mr. Bork a fair hearing in my own mind and I want to reach a fair judgment with respect to Mr. Bork. He is not responsible for what is going on in the Senate right now.

But if the President wants some cooperation on getting the Bork nomination up, let us have some cooperation from the White House on getting the minority to help the leadership here in the Senate to get up some of the bills that have to be taken care of, and time is running out and the calendar is running out.

So, Mr. President, I wonder if we could get consent to vote on this amendment within an hour or 2 hours or whatever.

Mr. DOLE. Mr. President, would the majority leader yield?

Mr. BYRD. Yes, I am glad to yield.

Mr. DOLE. Mr. President, I thank the majority leader for yielding. I must say I have not been on the floor all afternoon.

Having been in the spot the majority leader is in, I think I can smell a filibuster. I am not certain there is one here yet. I think I learned a little about the frustrations of trying to get something done.

The truth of the matter is we had an amendment pending which we could have voted on and there would not have been any filibuster. But that amendment, the underlying amendment was withdrawn and took the Dole-Warner amendment with it. Had we voted on that, I would guess we would be substantially along with other amendments. So we would have been able to vote on that today, which was pending at 2 o'clock, in fact, earlier. The majority leader did precisely what he had a right to do and the distinguished Senator from Ohio. We had not asked for the yeas and nays and the amendment was withdrawn and another Glenn amendment was offered with a second-degree amendment by the distinguished majority leader. That is precisely why we are discussing the amendment now.

I must say I do not think we have a filibuster going. The bill came up on Friday. We were not in session yesterday. This is only Tuesday. I know for a few months ahead of that time there was a lot of frustration.

Mr. NUNN. The bill came up on May 13. We have had 4 months of this.

Mr. DOLE. The bill came up Friday.

Mr. NUNN. We tried to get the bill up.

Mr. DOLE. Right. I do not quarrel with that. I think what we might do, I have not had a chance to discuss this with Members on this side. I do not want to stay here all night if I can avoid it.

Mr. NUNN. We said earlier this afternoon—I know the minority leader was not on the floor—that we would be glad to vote on this amendment, the Byrd-Nunn amendment, which no one really has raised any objection to and go right on to other amendments. I would be glad to get to the Dole-Warner amendment.

Mr. DOLE. Would you give us a vote on that?

Mr. NUNN. Absolutely. I would give you a vote on both of them tonight; glad to vote on them.

Mr. DOLE. We were just discussing that quietly. It might be good, if it is all right with the majority leader, not for a very long time, if we could have a chance to discuss this on our side. That might be a good trade. You would get your vote and we would get our vote.

Mr. DIXON. Vote on all three; the Glenn amendment, too. We voted on that before.

Mr. DOLE. Does the majority leader have any objection if I had about 15 or 20 minutes in my office with the members of the Armed Services Committee on this side?

Mr. BYRD. None at all.

Mr. DOLE. Either a quorum call or just a brief recess?

Mr. BYRD. Mr. President, unless a Senator seeks recognition, wishes to speak, I will be happy to put in a quorum call.

Does the Senator from Wyoming wish to speak? I will delay.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I do not want to just come in here and throw some incendiary material out into these smooth waters. But I just have to say something. I have been here 9 years and I know the frustration of the leadership.

It is interesting to me, this continual tossing up to the Republicans on this side of the aisle—that somehow we are the ones destroying and obstructing everything the majority leader is trying to do; or that the fine Senator from Georgia is trying to do. That just will not wash in any kind of form.

I am not involved in a filibuster. I have not heard anybody over here talk about a filibuster. I have heard them talk about two things. I heard them talk about a Senate campaign finance bill which, if passed in its present form, would assure that there would not be a Republican majority in this body for another 40 years. It is a stupid reason to filibuster a bill, I know, over there, but we think it is kind of valid for us to do that.

If somebody gets together with us and says: What is it we are trying to do? Originally, it was trying to get rid of PACs; remember? So half of our membership said let us get rid of PACs. And then they said: "Wait a minute; that is kind of an impossible idea. Where did you get that?"

So, here we are; we are ready to do a lot of things there, but we are not ready to take our lumps and let "soft money" go on the bypath and "in-kind" contributions go on the bypath, and that is why we have stiffed that bill. There are a couple or three Democrats who have helped us stiff that bill and it is probably worth stiffing. I hope we can continue to do that.

OK, that is number one. The other one is the Department of Defense authorization bill. The strange reason there, it does not have to do with anything else—we are not objecting to the Department of Defense bill. We are objecting to the Levin-Nunn amendment. Period.

You give us a vote on the Department of Defense bill alone and we will not have to listen any more to how the ships will not steam or that Republicans are not going to do their part for the military or that nobody will be in uniform next month. That is guff. Give us an up and down vote on the Department of Defense authorization and we will pass it 100 to nothing in here. What in the world is this? Goofy.

But that Levin-Nunn amendment, with the technical aspects of it that have been pored over by Senator NUNN and we all admire him—there is not a person I admire more in this place. It has never been more frustrating for him in all the years he has been here. This is the most frustrating one for me too.

Nunn-Levin is an amendment that is going to mess us up, while we are making real progress in seven-league boots on arms control.

Why do we want to throw that amendment in here now while we are making more progress than we have ever made in the history of any President at any time? That is what we are talking about.

Two things. Now that is it. If we had really wanted to do a lot of nasty things that I keep listening to all the time in here, we would have done something with the highway bill, because we knew we were going to get that rammed down our gullet. We would have done something with the clean air bill, because we knew we were going to get that rammed down our gullet. We would have done something with regard to the appliance standards bill, which was a sure loser. And guess what was presented to us when we came back, you know, into this new session? Those three babies were right on the top of the stack. With a lot of glee, they were on the top of the stack, because they were three losers for us. I would not have sustained the President's veto on clean water and I told him that and we knew where we were going to lose with the highway bill and we took our lumps. We never pulled any kind of tricks on those three bills at all, and we knew we were going to lose all three of them. I hope people remember that.

So this is one Senator, and I am a pretty reasonable chap and slow to ire. But, by gad, I am not a boob. And I do not have to sit here, day after day after day, and listen to how the Republicans are destroying the U.S. Senate and we cannot do our will.

The first crack out of the box when I was assistant majority leader was a filibuster by my dear friends DAVE BOREN and JIM EXON, men I was elected with, who I came into this place with, and I cannot admire them more. That was pretty tough, to sit and talk about farm credit for 10 days when we were trying to move something else.

Does anybody remember that? I remember it. It was the most vexing thing I had ever seen.

I just wanted to explain, at least from this Senator's opinion, as to why these hideous souls on this side of the aisle just happen to want to talk about two things and why we have done what we have done on DOD. You give us DOD without Levin-Nunn, we will pass it like a dose of salts through this place.

And one other thing. There have been some very steady nuances in the last few days procedurally that we have not brought to the attention of the body which must be embarrassing and will be, eventually, if this is the way it is going to go.

If we are going to have this game of the dueling parliamentarians, which I have described before—if you think you have got problems now, wait until later. I think that has got to be an embarrassment to this fine gentleman in the Chair, this Parliamentarian. I think he is in a very, exceedingly uncomfortable position.

And then we have our own parliamentarian, the former Parliamentarian Emeritus, who is in an exceedingly tough position.

So is that the way it is going to be? Is that the way it is going to be on into the night? I am in rather trim health. I will be here all night every night. That matters not a whit to me.

But these are called, I guess, threats. I do not know what else you call them. I do not know how Judge Bork got into the game, but I do not think that is very becoming.

You know, we had better deal with Judge Bork, but if we are going to hold up Bork to show who ate the cabbage, who is being the obstructionist on that?

Mr. NUNN. I will answer the Senator's question: I am.

Mr. SIMPSON. Well, fine.

Mr. NUNN. I am going to continue to be, because we have more than one agenda here. We have been waiting 4 months, I say to my friend. Four months.

You said you waited 10 days and you said that was the most frustrating experience you ever had. We have been waiting 4 months to get this bill up, and the first day we get it up, we have a filibuster on an amendment which everybody agrees to. So I think we have to consider that everyone here can play this game. I have never played it before. But I am going to have to if I am going to get a defense bill. That is apparent.

Mr. SIMPSON. Mr. President, I have never played it before either, but I know I can get good at it and I want you to know that I can just hone up my skills in this area and I can get awfully good at that.

What we settled when I talked about my 10-day excursion sometime ago, was settled through accommodations of the Members. I do not know what happened to the relationship of Senator SAM NUNN of Georgia and Senator JOHN WARNER of Virginia, but it used to be pretty remarkable. I do not know where it went. But I am saddened to see it go. That is what I want to say.

If we had an executive session around this place we could sit down and talk about the phantoms of the Chamber which match the Phantom of the Opera in that other format. Because if we started to say the same things in private that we say in public around here, we could get something done.

But I will tell you this, I know what a threat is when I see it. And I know what we can do, parliamentarywise. Let us then really do it the "old-fashioned way." It is called that every time we get a good amendment that you know is going to pass, let us vote on it. That is called the old-fashioned way. It is called losing a vote.

When we talk about the old-fashioned way, I like that way. It is when SAM NUNN used to put up an amendment, we would say that baby is going to pass. And then we did not lose sleep or go to a parliamentarian and say: How do we trick this so that we do not get to a vote on this because it is going to pass?

I do not play that kind of music. I never have. I do not intend to.

So it is the same old business. You might let us vote, even when you lose every now and then. It would not harm you too much. We will be right here to do the same. But every time we come up with an amendment that is going to pass this place we then watch this subtle song and dance; subtle shunting; subtle little ways where we are left holding the bag, that is not the way to gain the assistance of, certainly, this Senator. I am not one that has any reputation for playing that game but I know—I am not going to sit here and listen to threats. It is not becoming. It is almost like, if you do not do it our way we are going to take our marbles and go home. And that is not very becoming either.

What we object to is the heavy-handed tactics and not one attempt at reconciliation or accommodation. Nothing but nothing.

We say, you know, could you change a paragraph there? Could you separate this? Could you divide the question?

[Indicating.]

No. And that is what you are going to get out of this side of the aisle as long as you do that. I hate that. I think it is disgusting but I am sure going to get good at it.

The PRESIDING OFFICER. The Senator from West Virginia, the majority leader.

Mr. BYRD. Mr. President, the distinguished Senator from Wyoming has made a statement about threats. We have just heard one, my friend. He talks about playing games.

I am not interested in playing games. I am interested in getting on with the work of the Senate.

He talks about dueling parliamentarians. I am not aware of any dueling parliamentarians. The only Parliamentarian is that one at the desk. I do have to go and ask the Parliamentarian a question. But I do not go to this Parliamentarian and ask, "How can we trick that? How can we top that trick?"

I have topped some tricks around here and never even said hello to the Parliamentarian. I do not have to have the Parliamentarian. I have a lot to learn, but I do not live or die on the presence of a Parliamentarian. There are no dueling parliamentarians here.

I have not been making threats, but I am telling you that I am up to my neck, up to my chin, with this stall that is going on, and we all have seen it. The Senator from Wyoming can hone up all he wishes to. I have a great deal of respect and genuine fondness for the Senator from Wyoming, but when he talks about what was said about the "old-fashioned way," he was talking about me. I was the Senator who used the term the "old-fashioned way."

We are having a filibuster. That is what is happening. That is what we have.

I am not interested in playing games. I have as much interest in getting on with business as anybody else does, or I would be found not doing my duty. I hope I have demonstrated

my concern and willingness to work things out time and time again in the Senate over a period of more than 20 years' time on this floor, if not as majority leader, then as minority leader; if not as minority leader, then as majority whip; if not as majority whip, then as secretary of the Democratic Conference.

Talk about patience and having patience strained. I am a living example of having had all kinds of pressures, all kinds of lectures and all kinds of finger pointings and all that, but I still try to maintain a good humor. I am patient with my friends here because I know when this battle is over there will be other battles and maybe those who fought against us in this instance will be with us the next time.

I do not like to get personal. I want to avoid that.

We talk about the other side, the Republican Party filibustering. I am stating what I think is a fact. When I said the distinguished Republican ranking member said thus and so I have stated the fact the best I could repeat his words. I am not saying it with any animus toward that Senator. I do not have any animus against any Senator on the Republican side because of the filibuster. I say that to my friend from Wyoming. The Senator has been here 9 years and he knows there are two political parties in the Senate. While he continues to speak about how the Democrats held something up, I do not recall that the Democrats ever laid down what appears to me as a party strategy to filibuster bill after bill after bill. We cannot do business that way.

Never do I impugn the good intentions, the good faith of any particular Senator here, and I am not going to begin tonight.

But as to dueling parliamentarians, I have never heard of such a thing. As far as I am concerned, we have one Parliamentarian and he has two assistants, and they are all on the Senate payroll as Parliamentarian and Assistant Parliamentarians, and they serve all of us.

As to the former Parliamentarian, I supported the resolution which designated him as Parliamentarian Emeritus. I have no animus toward the former Parliamentarian. But I have not the slightest knowledge of dueling parliamentarians.

If I have not been here long enough to learn some rules and precedents myself without calling on the Parliamentarian, I had better walk out now and go to my wife. She needs me.

I am not fully dependent on the Senate Parliamentarian; nor have I anything to do with the former Parliamentarian.

Once in a while I may duel and I go to the only Parliamentarian here if I have any questions, but forget about "dueling parliamentarians." There are none.

Mr. WARNER. Mr. President, is the distinguished majority leader agreeable to suggest the absence of a quorum and perhaps some of us can meet with the minority leader and discuss the pros and cons of the statements made by the majority leader?

Mr. BYRD. Yes, Mr. President. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that a vote occur immediately, up and down, on the pending Byrd-Nunn amendment in the second degree to the Glenn amendment. I ask unanimous consent that upon the disposition of the pending Byrd-Nunn amendment to the Glenn amendment, a vote occur on the amendment that was offered by Mr. WARNER, Mr. DOLE. Mr. HELMS, and other Senators to the Glenn amendment which was displaced by the Byrd-Nunn amendment, and that that be an up and down vote.

I ask unanimous consent that it then be in order for Mr. WARNER to make a motion to strike the Nunn-Levin language from the bill, and that meanwhile the pending Glenn amendment in the first degree be set aside temporarily and remain set aside until such time as the motion to strike the Nunn-Levin amendment has been disposed of; provided further that no amendment be in order to the amendment by Mr. WARNER et al.

Mr. President, before the Chair puts the request, the Senate upon disposing of the two second-degree amendments would go out, and would come in tomorrow morning at 8:30 under the order that is already entered. At 9 o'clock, it would be my intention to suggest the absence of a quorum after having some morning business, and that would be a live quorum.

I think we have reached the stage now on the calendar that we have to get on the business early every day, and the best way to do that is to have a live quorum so that Senators will get here, and we can proceed with debate.

I have said we would have the live quorum beginning at 9 a.m. so it would not disrupt the meetings of committees, the Judiciary Committee being one of those committees that would be meeting. It will meet at 10. That is my understanding in discussing the matter with Senator BIDEN.

So we would have rollcall votes daily, if possible. We will be meeting early as I have already indicated and the Senate will be meeting late. We have to get out of the mode into which we have fallen during these several months this year, namely, that we go home early in the evenings and on Fridays we have 2 or 3 hours of sessions and a lot of Senators skip out, and we are stymied then.

So we should have a full day Friday. The managers of the bill, Senator DOLE, and I have met. As I read them, they feel that we should have a full day Friday, and that we should not at this point say that there will not be a session Saturday. We want to say that there may be a session Saturday because we are into a situation which is kind of between us and the Lord, namely, we only have October, November, and December left in the year. This is the 15th day of September, so we are at the halfway mark in September.

I guess that is about all I need to say.

Mr. DOLE. Mr. President, I wonder, too, if we might provide there be no amendments in order to the language to be stricken. Otherwise somebody could amend that.

Mr. BYRD. Mr. President, the request would include the proviso that there be no amendment, period. That means no amendment to the underlying language that is to be stricken.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Ohio.

Mr. GLENN. Mr. President, I wonder. I am agreeing to bring my amendment down, as I understand. I have not heard the whole agreement. But I understood a few moments ago on the telephone that I would be pulling mine aside. Could there be an agreement on that, that there be no amendment in order on my amendment when we finally do bring it up?

Mr. QUAYLE. I had hoped we might be able to talk the Senator from Ohio out of that.

Mr. GLENN. I thought the Senator might be asking that.

Mr. DOLE. Mr. President, if the Senator will yield; I guess the majority leader has the floor.

Mr. BYRD. I yield.

Mr. DOLE. We discussed that. It is not I think that some are flatly opposed to amendments. Some thought there might be some modifications that could be agreed upon or maybe not agreed upon. So they did not want to make that agreement.

Mr. GLENN. OK. I do not want this whole thing to come down. But I thought I would try because I would like to get a straight vote on that if we possibly could.

Mr. BYRD. Mr. President, I add to the request the proviso that a call for regular order not bring back the Glenn amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none. It is so ordered.

The text of the agreement follows:

> *Ordered*, That during the consideration of S. 1174, a bill to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes, the Glenn amendment No. 680 be set aside until the disposition of a Warner motion to strike the Nunn-Levin language from the bill; Provided, that no amendment be in order pending the disposition of the Warner amendment; Provided further, that no call for the regular order would bring back the Glenn amendment.

Mr. BYRD. Mr. President, I thank all Senators.

Have the yeas and nays been ordered on both?

Mr. NUNN. Mr. President, I ask for the yeas and nays on the Byrd-Nunn amendment and on the Warner-Dole amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered on the pending second degree amendment.

### VOTE ON BYRD-NUNN AMENDMENT NO. 681

The PRESIDING OFFICER. The question is on agreeing to the Byrd-Nunn amendment in the second degree, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. Gore] is necessarily absent.

I also announce that the Senator from New Jersey [Mr. Lautenberg] is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Durenberger], the Senator from Kansas [Mrs. Kassebaum], the Senator from Vermont [Mr. Stafford], the Senator from Virginia [Mr. Trible], and the Senator from Connecticut [Mr. Weicker] are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota [Mr. Durenberger] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 92, nays 1, as follows:

[Rollcall Vote No. 244 Leg.]

YEAS—92

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Hollings
Humphrey
Inouye
Johnston
Karnes
Kasten
Kennedy
Kerry
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Wallop
Warner
Wilson
Wirth

NAYS—1

Helms

NOT VOTING—7

Durenberger
Gore
Kassebaum
Lautenberg
Stafford
Trible
Weicker

So the amendment (No. 681) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### VOTE ON DOLE-WARNER AMENDMENT NUMBER 679

The PRESIDING OFFICER. Under the previous order, the question recurs on the amendment of the Senator from Virginia.

Mr. GRAMM. Mr. President, I ask that the Dole-Warner amendment be read.

The assistant legislative clerk read as follows:

> At the end of the amendment add the following:
>
> The United States and the Soviet Union may be on the verge of reaching agreement on Intermediate Nuclear Forces (INF) and are continuing serious negotiations on other issues of vital importance to our national security; and since,
>
> The September discussions between our Secretary of State and the Soviet Foreign Minister represent the culmination of years of detailed and complex negotiations between our countries that reflect delicate compromises on both sides; and since,
>
> Chief U.S. negotiator Max Kampelman has announced that he has been instructed by the President to place special emphasis on START talks, now that an INF accord may be close at hand;
>
> Therefore, the Senate declares that:
>
> The Congress of the United States fully supports the President in his negotiations with the Soviet Union.
>
> The Congress recognizes fully the constitutional role of the President as the sole voice of the United States in matters during the delicate course of treaty negotiations; and the Congress must not intrude in this process by acting to constrain a President's flexibility in reaching agreement with foreign nations.
>
> At this critical point, the Congress must not take actions equivalent to unilateral concessions to the Soviet Union on arms controls, and specifically on issues that the Soviets cannot themselves achieve at the negotiating table.
>
> The Congress must not act to further the interests of the Soviet Union by unilaterally adopting Soviet negotiating positions that have been rejected by the United States government.
>
> The Congress should not seek to establish, in U.S. domestic, law, positions on matters such as ASAT, nuclear testing, SALT II compliance, ABM Treaty interpretation, and the role of chemical weapons, at the very moment that such sensitive arms control subjects are being negotiated by Secretary Shultz and Foreign Minister Shevardnadze and by the negotiators in Geneva. Such action would inevitably disadvantage and undermine the United States Government in such negotiations.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 45 seconds to make an announcement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, this will be the last rollcall vote today unless there is a tight, very close vote here and there is a motion to reconsider which might necessitate a second vote.

On tomorrow, the Senate will come in at 8:30. There will be a live quorum beginning at 9 o'clock. The Senate will meet at 9:30 a.m. or earlier daily for the rest of the week and daily there will be a live quorum at 9 o'clock in order to get the Senate moving and get Senators in here for debate. There could very well be a Saturday session and there will be long sessions daily, coming in early staying in late. Hopefully we can make progress in the bill in that fashion. I thank all Senators and I yield the floor.

The PRESIDING OFFICER. The Chair informs the body that the yeas and nays have not been ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 679. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. Gore] is necessarily absent.

I also announce that the Senator from New Jersey [Mr. Lautenberg] is absent because of death in the family.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Durenberger], the Senator from Vermont [Mr. Stafford], the Senator from Virginia [Mr. Trible], and the Senator from Connecticut [Mr. Weicker] are necessarily absent

The PRESIDING OFFICER. (Mr. Wirth). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 35, nays 59, as follows:

[Rollcall Vote No. 245 Leg.]

YEAS—35

Armstrong
Bond
Boschwitz
Cochran
D'Amato
Dole
Domenici
Evans
Garn
Gramm
Grassley
Hatch
Hecht
Helms
Humphrey
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Simpson
Stevens
Symms
Thurmond
Wallop
Warner
Wilson

NAYS—59

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Graham
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stennis
Wirth

NOT VOTING—6

Durenberger
Gore
Lautenberg
Stafford
Trible
Weicker

So, the amendment (No. 679) was rejected.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HEFLIN. I move to lay it on the table.

The motion to lay on the table was agreed to.

## PEACE IN CENTRAL AMERICA

Mr. LEAHY. Mr. President, with the possible exceptions of trading arms to the Ayatollah for American hostages, and maybe the disastrous sending of U.S. Marines to Beirut, no issue better exemplifies this administration's capacity for self-delusion than its policy toward Central America.

Six weeks ago, on the eve of the Guatemala meeting of all five Central American leaders where a promising peace initiative was signed, Secretary of State Shultz said, and I quote:

> The Central Americans asked us to let them try to solve their own problems. We have a great deal of confidence in them. We don't want to push a Yankee solution at the situation.

That came of something of a surprise to those of us who have been paying attention to events in Central America for the past 6 years. If this administration is so eager to let the Central Americans solve their own problems, why have we been funding a proxy war to overthrow the Government of Nicaragua—a policy Central American leaders working for peace say has only made their task more difficult?

Be that as it may, last week Secretary Shultz told the Foreign Relations Committee:

> The Guatemala agreement commits the five Central American signatories—including Nicaragua—to democratization. This is to include complete freedom of the press, full political pluralism and the lifting of all states of emergency. The governments of the region commit themselves to undertake all the necessary steps for achieving an effective ceasefire.
>
> The signatories commit themselves to denying the use of their national territories for logistical or military aid to forces destabilizing other governments. All assistance to irregular forces shall cease.

Secretary Shultz went on to ask "Can the United States make the Guatemala agreement work?"

His answer was that "it is certainly in our interest to try. We are and must give it our fullest and strongest support." He urged all members of Congress to "call for full implementation of the Guatemala agreement."

He then calmly announced that the administration will ask for an additional $270 million for the Contras so they can continue their 5-year hopeless war against the Sandinistas.

Apparently, the Secretary of State is not bothered by the total contradiction between his words of support for the Guatemala peace initiative, and his declaration that the administration plans to ask for yet another $270 million for rockets, bullets, and bombs to kill more Nicaraguan peasants.

For the fragile negotiations in Central America, this announcement could not have come at a worse time. It came on the heels of a plea from Costa Rican President Arias that the administration not ask for Contra aid until the peace process he initiated has had a chance to succeed. It was timed a few days before President Arias was to come to Washington to meet President Reagan to discuss the peace plan, and just before the Central American foreign ministers where scheduled to meet again to continue the peace negotiations.

Maybe this was just another case of the administration's ideological blinders preventing it from thinking through clearly the implications of its actions. Or, perhaps it was not just another blunder such as those we have come to expect, and was actually timed to achieve exactly what the hardliners in the White House, the Pentagon, and in the halls of Congress really want—to torpedo the Guatemala process before it can achieve results which would make further aid to the Contras unnecessary or at least politically unattainable.

Perhaps we have a clue to the truth in some further statements over the weekend. On Saturday, a mere 2 days after Secretary Shultz called on Congress to support the Guatemala initiative, in his weekly radio address President Reagan said he cannot support the Guatemala plan because it differs from the plan he and Speaker Wright proposed last month.

The same administration that 6 weeks ago piously insisted that it wanted the Central Americans to solve their own problems, is today acting as if the Guatemala meeting never even happened. Since the Central American leaders unanimously rejected the Reagan-Wright plan and proposed their own, it looks like the administration has decided that letting the Central Americans chose their own fate is not such a "neat" idea.

Sometimes I wonder if the White House thinks we're deaf or suffering from memory loss up here—that we won't remember this week what they told us last week.

We do remember.

We remember administration "assurances" about its dedication to a negotiated settlement given just before each Contra aid vote in the past. We remember the promises about reforms in the contra political and military organizations, elimination of the Somocistas, and an end to their appalling human rights abuses.

We remember the bland statements that the Contra war is not intended to overthrow the Government of Nicaragua, with which we maintain diplomatic relations, but to "pressure" the Sandinistas into negotiation.

We remember the absurd declaration that there is no need for the United States to talk to the Nicaraguan Government about the war because it "is a civil war between the Sandinistas and the Democratic Resistance"—as if we in Congress could not remember that it was the administration which created, trained, armed, funded, and advised the Contras from the beginning.

I am convinced that the administration's announcement to seek a huge increase in funds for the Contras is a calculated attempt to calm its constituency on the right who fear the Contras will be abandoned, without actually saying what is only too obvious—the President desperately wants the Arias peace initiative to fail. Because it does not want to weaken its already poor chances of getting more money for the Contras, the administration dare not blatantly torpedo the talks in Central America. This would allow the President to say to some waverers in Congress that we need more pressure from the Contras before the Sandinistas will negotiate seriously.

Secretary Shultz carefully refused to say when the administration will formally request more Contra aid. To do so before November 7, the date the peace plan is scheduled to take effect, would in all probability destroy the current negotiations. It would smother the only real chance the Central

Americans have to deal with their own problems on their own terms.

I join Chairman Pell and other members of the Foreign Relations Committee who urged Secretary Shultz not to make the request before that date.

As long as the administration continues to stubbornly insist that peace in Central America can only be achieved by continued U.S. support for the Contra insurgency, it sends exactly the wrong message to the Central American leaders and the people of that region.

A month ago in Guatemala, the leaders of Central America took an extraordinary step toward peace. That agreement presents the United States and its southern neighbors with both an opportunity and a challenge—to chart a new course in Central America.

Deliberately or through mismanagement, the administration is preparing to miss this opportunity—even though the Contra policy has been a disaster for the United States. By any objective, standard support for the Contras has achieved the opposite of what was intended.

It has strengthened—not weakened—the grip of the hard-line Marxists among the Sandinistas.

It has opened the door for increased—not reduced—Soviet and Cuban influence in Central America, by leaving the Sandinistas no alternative but to turn to the Soviet bloc.

It has intensified—not lessened—tensions in a dangerously unstable region, and provided the worse possible atmosphere for the shaky democracies struggling to take root there.

It has divided—not unified—the American people, and prevented the establishment of a broadly based consensus that could provide the foundation for an enduring policy toward that region.

It has caused unspeakable suffering in Nicaragua, where thousands have died in the Contra insurgency.

And, in stimulating the Iran/Contra diversion it led to the most serious assault on our democratic system of checks and balances and accountability in recent history.

The President has never said what his goals are in Nicaragua. In one breath he says we need the Contras to pressure the Sandinistas to restore democracy, and in the next he says the Sandinistas will never agree to democracy. At one moment he denies the goal is to overthrow the Sandinistas, and at another he says the Sandinistas are a beachhead of communism on the American mainland which must not be tolerated. He now insists that anything less than complete American-style democracy in place by midnight on November 7 justifies new funds for the Contras.

That is a recipe for disaster.

What other Central American country, with the possible exception of Costa Rica, has achieved geniune democracy? Not one, including Mexico, a country with 25 times the population of Nicaragua, a one-party political system, a largely state-owned economy, and a thousand-mile border with the United States. As Senator Helms pointed out last week, Mexico wouldn't know democracy if it fell out the sky. If there is an unstable, shaky regime to our South where we have fundamental interests at stake and where we should be devoting intense attention, it is Mexico. Yet that does not seem to be of much concern to the ideologues in the basement of the White House. They would rather be obsessed with a tiny, impoverished country of 3 million peasants who have suffered centuries of oppression and injustice, several decades of that under a brutal dictatorship propped up by the United States.

The President wants the Guatemalan Peace Plan to fail because it would not automatically oust the Sandinistas from power.

I reject the administration's premise that our security and the security of Central America cannot be protected short of supporting a war to reverse the 1979 revolution in Nicaragua and restore the corrupt oligarchy to power. As long as that remains the central premise of United States policy toward Nicaragua, we are inviting failure.

The people of Nicaragua are fundamentally Western. Most of them don't know where the Soviet Union is, nor do they care. They are not interested in Marxism or even capitalism. They have known only repression and degrading poverty. As Secretary Shultz said last week, they want freedom and prosperity. Now that the dictatorship is gone, they should be left to work out their own system of government by themselves.

That is not to say the United States has no legitimate security interests in Central America. Every Member of Congress knows that it does. So do the Sandinistas. We cannot permit the Soviet Union or any hostile nation to establish a military presence there from which to threaten the security of this hemisphere. Preventing that possibility should be the cornerstone of our policy toward Nicaragua.

If we can negotiate a verifiable INF treaty with the Soviet Union, we and Nicaragua can negotiate a verifiable agreement that the Soviets and Cubans will not establish a military threat in Nicaragua. The Sandinistas have offered to sign such an agreement for the past 4 years.

Our other principal security concern is that Nicaragua not support guerrilla insurgencies to destabilize its neighbors. There will be no peace if the other Central American leaders are not satisfied that Nicaragua will accept this limitation. The Guatemala Peace Plan says that an end to aid to insurgencies is "indispensable" to peace, and we should support the Central Americans in formulating a comprehensive, verifiable agreement on this point. With our superb national technical means of verification, as they are called in arms control, we could help the Central Americans verify Sandinista compliance with the ban on aid to the Salvadoran insurgents.

If the United States and Nicaragua can resolve these concerns, we should be able to begin to improve relations on a wide range of issues. That is in the interest of both countries. Without our help, Nicaragua will never get its economy back on track. Its economic isolation and siege conditions leave it little choice but to seek assistance from the Communist bloc. The time for rhetorical denunciations has passed. We cannot dictate the outcome of events in Nicaragua, but if the Sandinistas are prepared to recognize our security concerns, we can influence events in that country in positive ways.

We can do that by treating Nicaragua the same as we do other small countries we don't agree with. Not by trying to overthrow their government, but by offering its people opportunities to travel and study in the United States and learn about our democratic system, and by offering the kind of help that they so desperately need.

By improving trade and supporting private enterprise.

By sending doctors, teachers, engineers, veterinarians, and other professionals to improve the standard of living of the hundreds of thousands of Nicaraguans who live in poverty.

By keeping a dialog going, recognizing that like every other country in Central and South America and no matter what we do, Nicaragua's political system will never be just like ours.

Nor can we expect to erase overnight a half century of resentment for our support of Somoza and the Contras. Secretary Shultz himself has said that successful diplomacy requires time and patience. Patient diplomacy ultimately reversed decades of hostility and mistrust between the United States and China. Today, this administration is following that course with Mozambique, a Marxist government which nevertheless has indicated a willingness to get along with the West.

We are at a historic crossroad. We can continue a senseless war and shatter the first glimmer of hope for peace in Central America. Or we can stop the hypocrisy and start talking and acting like we truly want peace. I am convinced that only then the freedom and prosperity Secretary Shultz speaks of will finally come to Nicaragua.

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## MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on September 14, 1987, received a message from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on September 14, 1987, are printed in today's Record at the end of the Senate proceedings.)

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1833. A communication from the General Counsel of the Securities and Exchange Commission transmitting, pursuant to law, a Report of the U.S. Securities and Exchange Commission on the Financial Guarantee Market: The Use of the Exemption in Section 3(a)(2) of the Securities Act of 1933 for Securities Guaranteed by Banks and the Use of Insurance Policies to Guarantee Debt Securities; to the Committee on Banking, Housing, and Urban Affairs.

EC-1834. A communication from the Assistant Attorney General, transmitting, pursuant to law, the Attorney General's 1986 Annual Report to Congress on the administration of the Equal Credit Opportunity Act for calendar year 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-1835. A communication from the Comptroller General, transmitting, pursuant to law, a Financial Audit on the Export-Import Bank's 1986 and 1985 Financial Statements; to the Committee on Banking, Housing, and Urban Affairs.

EC-1836. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report for the design and construction of a Spacecraft Solid Rocket Motor (SRM) High Energy X-Ray Facility at Kennedy Space Center, Florida; to the Committee on Commerce, Science, and Transportation.

EC-1837. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the U.S. Consumer Product Safety Commission 1989 Budget Request; to the Committee on Commerce, Science, and Transportation.

EC-1838. A communication from the Deputy Associate Director for Royalty Management, U.S. Department of Interior, transmitting, pursuant to law, a report on proposed refunds of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1839. A communication from the Deputy Director for Royalty Management, Department of Interior, transmitting, pursuant to law, a report on proposed refunds of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1840. A communication from the Administrator of General Services, transmitting, pursuant to law, information copies of lease prospectuses; to the Committee on Environment and Public Works.

EC-1841. A communication from the Acting Secretary of the Treasury, transmitting, pursuant to law, notification of a two-month delay of the Statement of Liabilities and Other Financial Commitments of the U.S. Government; to the Committee on Finance.

EC-1842. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the Third report of the Maternal and Child Health Services Block Grant Act for the Fiscal Year 1986; to the Committee on Finance.

EC-1843. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a report on travel advisories issued by the Department of State for certain countries, which have security implications for Americans traveling or residing in those countries; to the Committee on Foreign Relations.

EC-1844. A communication from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, notification of a proposed Computer Matching Program Between the Department of Defense and the Department of Education; to the Committee on Governmental Affairs.

EC-1845. A communication from the Assistant Attorney General (Office of Legislative and Intergovernmental Affairs), transmitting for the information of the Senate, U.S. Department of Justice objections to S. 1293; to the Committee on Governmental Affairs.

EC-1846. A communication from the Executive Secretary of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, a report on the establishment of a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1847. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled, "Audit of the Public Service Commission and the Office of the People's Counsel Miscellaneous Taxicab Accounts"; to the Committee on Governmental Affairs.

EC-1848. A communication from the National President of the Women's Army Corps Association, transmitting, pursuant to law, a report on the Financial Statement of the Women's Army Corps Veterans Association for the fiscal year July 1, 1986 through June 30, 1987; to the Committee on the Judiciary.

EC-1849. A communication from the Chief Immigration Judge, U.S. Department of Justice, transmitting, pursuant to law, a report of certain grants of Suspension of Deportation; to the Committee on the Judiciary.

EC-1850. A communication from the President of the National Safety Council, transmitting, pursuant to law, a report of the audit of the financial transactions of the National Safety Council for the fiscal years ended June 30, 1987 and 1986; to the Committee on the Judiciary.

EC-1851. Not assigned.

EC-1852. A communication from the Secretary of Health and Human Services, transmitting pursuant to law, a report on the implementation of the Age Discrimination Act of 1975 during the fiscal year 1986; to the Committee on Labor and Human Resources.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute and an amendment to the title and with a preamble:

S.J. Res. 26. A joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes (Rept. No. 100-156).

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

H.R. 1567. A bill to provide for the use and distribution of funds awarded to the Cow Creek Band of Umpaqua Tribe of Indians in U.S. Claims Court docket numbered 53-81L and for other purposes (Rept. No. 100-157).

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

William S. Sessions, of Texas, to be Director of the Federal Bureau of Investigation for the term of ten years (Exec. Rept. No. 100-6).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRAHAM (for himself and Mr. Chiles):

S. 1684. A bill to settle Seminole Indian land claims within the State of Florida, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. HEINZ:

S. 1685. A bill to temporarily suspend the duty on N-methyl aniline and m-chloro aniline; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. Dole, and Mr. Karnes):

S. 1686. A bill to amend the Internal Revenue Code of 1986 to defer the tax consequences of the repayment of a Commodity Credit Corporation loan with a generic commodity certificate; to the Committee on Finance.

By Mr. SARBANES (for himself, Mr. Adams, Mr. Chiles, Mr. Cochran, Mr. EVANS, Mr. GRAHAM, Mr. HEFLIN, Mr. INOUYE, Mr. JOHNSTON, Mr. KERRY, Mr. LEVIN, Ms. MIKULSKI, Mr. NUNN, Mr. SANFORD, Mr. STENNIS, Mr. TRIBLE, and Mr. WARNER):

S.J. Res. 188. A joint resolution designating the week of November 1 through November 7, 1987, as "National Watermen's Recognition Week"; to the Committee on the Judiciary.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HEFLIN:

S. Con. Res. 72. A concurrent resolution authorizing a bust or statue of James Madison to be placed in the Capitol; to the Committee on Rules and Administration.

## STATEMENT ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself and Mr. CHILES):

S. 1684. A bill to settle Seminole Indian land claims within the State of Florida, and for other purposes; to the Select Committee on Indian Affairs.

### SEMINOLE INDIAN LAND CLAIMS SETTLEMENT ACT

Mr. GRAHAM. Mr. President, my colleague, Senator CHILES, and I are pleased to introduce today a bill which settles a longstanding dispute involving the Seminole Tribe, the State of Florida, and the Federal Government.

The Seminole Indian Land Claims Settlement Act of 1987 will compensate the Seminoles for land taken by the Federal Government.

It will resolve a Seminole grievance over a critical water flowage easement controlled by the South Florida Water Management District. It will secure the continued use of that easement which is essential for the provision and regulation of the water supply for the residents of South Florida coastal cities, including Miami and Fort Lauderdale, and of large agricultural areas.

By monetary compensation and by the transferral of some lands to the United States to be held in trust for the tribe, an 11-year legal dispute over water rights and land claims will be put to rest, that action will remove the cloud over many land titles in Florida, and the attendant hardship to present landowners.

Under the act, a 9,600-acre tract of land which is now in the East Big Cypress Reservation, will be added to an existing Seminole reservation and held as a Federal reservation for the Seminole Tribe, those lands will be subject to Florida civil and criminal law, specifically, Florida laws on alcoholic beverages, gambling and cigarette sales.

Seminole land and water rights in Florida have been disputed since before the 1939 Presidential Executive order which attempted to resolve the claims the Seminoles had nearly 150 years ago.

Both Senator CHILES, who is an enthusiatic cosponsor of this legislation, and I are relieved to have at last reached an accommodation agreeable to all parties.

I urge my distinguished colleagues to support and vote for the Seminole Indian Land Claims Settlement Act so that we may expeditiously resolve these complicated issues without further delay.

Mr. President, I ask unanimous consent to submit a section-by-section analysis of this bill for printing in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

### SECTION-BY-SECTION ANALYSIS OF THE SEMINOLE INDIAN LAND CLAIMS SETTLEMENT ACT OF 1987

In general, the bill follows the form of the Florida Indian Land Claims Settlement Act, approved by Congress in 1982, which settled Miccosukee land claims in Florida.

*Sec. 1* names the Act the "Seminole Indian Land Claims Settlement Act of 1987."

*Sec. 2* defines various terms for the purposes of this legislation. Specifically *Subsections (a)* through *(d)* provide identifying definitions for the Seminole Tribe, State of Florida and South Florida Water Management District—the three parties to the Settlement Agreement—and for the Secretary of the Interior. *Subsection (e)* defines the phrase "lands or natural resources" allinclusively, specifying interests or rights in minerals, timber, water, hunting and fishing. *Subsection (f)* defines "Settlement Agreement" as the negotiated agreement between the parties. It establishes the parties' intent to settle a pending lawsuit and extinguish other pending or potential claims of the Tribe to lands or natural resources in Florida. It notes that the agreement provides for the State and District to buy certain real property interests from the Tribe. *Subsection (g)* defines "settlement funds" as those the State and District will pay to the Tribe for these interests under the agreement. *Subsection (h)* defines "Compact" as the Water Compact incorporated into the Settlement Agreement. The Compact defines precisely Seminole water rights and how they may be used within the Water District.

*Sec. 3* recites findings and declarations by Congress which explain the need for the legislation and the congressional purpose in enacting it. Specifically, the legislation will settle the 1978 lawsuit entitled *Seminole Tribe of Indians of Florida v. State of Florida, et al*, involving a Seminole claim to certain lands within Florida. The pending suit challenged the District's right to a flowage easement, granted by the State in 1951 over lands reserved to the Tribe under State law, without the consent of the Tribe or the United States and without compensation to the Tribe. The District uses the easement for a water flowage and storage area, part of a federally-authorized flood control project in central or southern Florida. This area is essential for the provision and regulation of the water supply of residents of south Florida coastal cities, including Miami, Hollywood and Ft. Lauderdale, and of large agricultural areas.

The Tribe also has unresolved claims to other Florida areas, based on an 1839 Presidential Executive Order, and on tribal aboriginal possession rights never extinguished. The Tribe has asserted—but not filed suit on—these additional claims. The pending lawsuit and unresolved claims could cloud many land titles in Florida, even to land not involved in the present lawsuit, resulting in economic hardship for present landowners.

Congress in 1976 appropriated $16 million to pay a judgment won by the Seminole Nation for compensation for land taken *by the United States*. The Settlement Agreement, which all parties have signed, resolves any remaining unfiled Seminole land claims *against the State and District*, and settles the pending lawsuit. It provides for both money payments and conveyance of land in trust for the Tribe to the United States, and requires implementing legislation by both Congress and the Florida legislature. Congress shares the desire of the parties to settle the lawsuit and other Seminole land claims without imposing new cost burdens on the United States.

The water rights claimed by the Tribe are disputed, and amicable settlement is desirable. The Tribe and District have reached agreement—detailed in the Compact—which when Congress approves it, will substitute precisely defined water rights for the Tribe's undefined and disputed water rights claims.

*Sec. 4* requires the Secretary to make findings that the State and District have paid the settlement funds to the Tribe, and waived certain claims against the Tribe (required by Section 5c of the Settlement Agreement), and that the State has enacted the required implementing legislation. It prevents Section 5 from taking effect until 180 days after enactment, or after the Secretary has made the required findings, whichever occurs last. *Subsection 5(a)* requires the Secretary—*after* making the required findings—to publish them in the Federal Register with the Settlement Agreement. On this publication, the Tribe's commitments become effective. The land and resource transfers made by the Tribe are deemed constitutional and in conformity with applicable federal law, including the so-called Indian Non-Intercourse Act. Congress specifically approves the Indian land and resource transfers in the Settlement Agreement, including the Compact and related exhibits.

Under *Subsection (b), Paragraph (1),* all Seminole tribal aboriginal title claims in Florida are extinguished, unless specified as an excepted interest in Paragraph 4a of the Settlement Agreement. All prior land or resource transfers by the Tribe to the State or federal government pursuant to statute or treaty are validated. Under *Paragraph (2),* any Seminole tribal land and resource claims arising *after* the transfers validated by Paragraph 1 which depend on retention of interest in rights to the land or resources transferred are extinguished. Specifically extinguished are damage claims for trespass or use and occupancy. *Paragraph (3)* leaves *unaffected* any individual Indian claims not derived from or through the Seminole (or some other) Indian tribe. *Paragraph (4)* sets out the exclusive procedure under which an individual Indian or non-Seminole tribe, claiming a loss of property by extinguishment of a claim or validation of a transfer under Section 5, may seek relief. The claimant must, within 180 days of the Secretary's publication of findings, bring suit against the State and the United States in the U.S. District Court for the Southern District of Florida. The only remedy afforded in any such action is a proportionate share of the $16 million Seminole Judgment Fund previously appropriated by the Congress.

*Subsection 6(a)* authorizes and directs the Secretary to take immediately into trust—regardless of clouds on title—approximately 15 sections of land in the northwest corner of Broward County, Florida, presently part of the East Big Cypress (State) Reservation. The land will be held as a federal reservation for the use and benefit of the Seminole Tribe, subject to the criminal and civil jurisdiction of the State (assumed under Florida Statutes Section 285.16, which permits the civil and criminal laws of Florida to obtain on all Indian reservations within the State to the same extent as elsewhere throughout the State).

*Subsection 6(b)* requires the Secretary within two years of enactment to conduct a cadastral survey of all Seminole reservations in Florida—including the 15 sections described in subsection 6(a)—and publish correct legal descriptions in the Federal Register within 180 days after completing the survey.

*Subsection 6(c)* authorizes and directs the Secretary—if the parties subsequently agree that additional lands exchanged with, or acquired by, the Tribe under Paragraph 6 of the *settlement agreement* should be held in federal trust as a reservation for the Tribe—to accept such lands under the agreed terms and conditions subject to the same assumption of jurisdiction by the State as the lands in Subsection 6(a), unless the State eventually retrocedes jurisdiction to the Tribe. Specifically, Florida laws on alcoholic beverages, gambling, and sale of cigarettes will be enforceable within the transferred lands. Tribal sovereignty over the lands, except for these three specified areas, will be the same as for other Indian reservations.

The legislation leaves unchanged applicable federal restrictions on alienation, encumbrance and taxation of Indian trust property; leaves unaffected any federal hunting, fishing or trapping rights, privileges or immunities the Tribe or its members now enjoy; and grants no new civil jurisdiction to the State over Indian property. The transfer conveys no new water rights to the Tribe, except as defined in the Compact.

*Sec. 7* provides that the Water Compact shall have the force and effect of federal law.

*Subsection 8(a)* bars any action to contest the constitutionality of this legislation, unless filed within 180 days of enactment in the U.S. District Court for the Southern District of Florida. *Subsection (b)* provides the same Federal court with exclusive jurisdiction over any controversy arising under the Settlement Agreement, Compact, or private agreement between the Tribe and any third party, notwithstanding any immunity from suit enjoyed by any of the parties, but the Court has no jurisdiction to award money damages against any of the parties to the settlement agreement. Expedited court proceedings are mandatory within sound judicial discretion.

*Sec. 9* provides that if part or all of the Settlement Agreement is ever invalidated, affecting any of the commitments made by the State or District, the Compact shall no longer be of any force and effect, and the Tribe and its members will be released of its commitments as if never enacted, and the approvals of transfers and extinguishment of claims and aboriginal title will be void retroactively.

*Sec. 10* provides that the Act becomes effective upon enactment.

● Mr. CHILES. Mr. President, I am pleased to join with my colleague from Florida [Mr. GRAHAM] in introducing the Seminole Indian Land Claims Settlement Act of 1987.

The bill we introduce today is not only vitally important to the Seminole Tribe of Florida, but also to many Floridians whose water and property rights are beneficially affected by the settlement this legislation approves. One unique aspect of the water rights compact, part of the settlement, is that it is the first large-scale water rights settlement anywhere between tribal and State authorities before litigation was filed. As such, it offers an alternative for solving future water rights disputes.

This settlement apparently benefits all parties involved; that is, the Indian tribe, the State of Florida, and the South Florida Water Management District. Agricultural and urban customers of the South Florida Water Management District, including residents of Miami, Hollywood, and Fort Lauderdale, also stand to benefit from approval of the settlement. The settlement also enjoys the enthusiastic support of conservationists and environmentalists throughout Florida who are concerned about the restoration of the Everglades.

According to dictates of law, the settlement must be approved by many entities, including the U.S. Congress and finally the Federal court. The package has already been approved by Governor Martinez of Florida, the Cabinet (which functions independently under Florida law), both Houses of the Florida legislature, the Seminole Tribe, and the South Florida Water Management District.

I particularly want to mention the instrumental role played by my friend and colleague, BOB GRAHAM, who, as Florida's Governor, helped create an atmosphere conducive to successful completion of negotiations. I pay tribute to Senator GRAHAM's continuing leadership in bringing this legislation to the Senate for approval.

Similar legislation is being introduced in the House of Representatives.

As chairman of the Committee on the Budget, I am very pleased to report that this settlement will impose no new costs on the United States. But if the litigation continues because Congress does not approve this legislation promptly, the United States would be obligated, under its responsibility to protect the trust resources of the Seminole Tribe, to support financially the tribe's suit. This could be expensive.

This settlement arises out of a 1975 dispute between the Seminole Indians and the Trustees of the Internal Improvement Trust Fund [TIITF], an entity primarily responsible for developing State lands. However, under Florida law, the TIITF is also charged with preserving the Seminole Tribe's use and benefit of the East Big Cypress Reservation lands, "forever". (The Department of Interior holds three Seminole reservations, Brighton, West Big Cypress, and Hollywood, in trust for the Seminoles.) The conflicting duties assigned the TIITF came to a head when the trustees conveyed a water flowage easement over Seminole lands in the East Big Cypress Reservation to the South Florida Water Management District. The trustees conveyed the easement without compensating the Seminole Tribe nor obtaining Seminole approval.

The Water Management District uses the easement for water flowage and storage, as part of a flood control project in Central and Southern Florida. The easement has become essential to the district in providing water and regulating water supplies to South Florida coastal cities and agricultural areas.

The District subsequently flooded the lands within the easement, including those within the East Big Cypress Reservation, denying the Seminoles any use of the lands.

The Seminole Tribe sued the State and the Water Management District in 1978, and the case continued through years of litigation. In early 1985, negotiations for a settlement began, culminating in this agreement.

I would like to summarize the primary components of the agreement. First, the lawsuit and claims it presents against the State of Florida and the South Florida Water Management District would be settled. Of course, the settlement is subject to Federal court approval following congressional action.

Second, the Seminole Tribe will convey some 14,470 acres within the water conservation area to the State of Florida, thereby surrendering its rights to this property.

Third, the Tribe will sell to the State, at a mutually agreed upon price representing its present fair market value, the part of the East Big Cypress State Reservation which is in Palm Beach County, FL, and not subject to the flowage easement. The State wants this land for the Rosenberger Tract Everglades restoration program, and agrees as part of the settlement to maintain this land in its natural state in perpetuity.

Fourth, the tribe will waive its asserted but never filed claim to a 5 million acre reservation set-up by Presidential Executive order in 1839, and to any other claims to Florida land resulting from unextinguished aboriginal title—with one specified exception.

Without the settlement, the unresolved claims and pending lawsuit could cloud many Florida land titles, including land not involved in the present suit, thereby causing economic hardship for present landowners.

Fifth, the Tribe would receive approximately $7 million from the State of Florida and another $500,000 from the Water Management District, the latter in the form of in-kind technical services for waste development on the West Big Cypress and/or Brighton Reservation, to help the tribe develop an agricultural base.

Sixth, the remaining approximately 16 sections of the East Big Cypress State Reservation, including three sections now subject to the disputed water flowage easement, but not necessary to the flood control project, would be transferred by the State into Federal trust for the continued benefit of the Seminole Tribe. The district would release any rights it may have obtained under the disputed flowage easement to these three sections. This land transfer is subject to the restrictions that bingo operations and tax exempt cigarette sales may not be conducted on them. State liquor laws would also continue to apply on these lands.

Seventh, an integral part of the settlement is a separate water rights compact, which probably completely avoids otherwise inevitable, imminent, large scale litigation involving the nature of Seminole tribal water rights and their relationship to Florida water law.

Mr. President, this litigation alone would probably have cost the United States millions of dollars, and have delayed any coordinated water use, conservation or quality improvement plans for the area, which has frequent critical water shortages. And, it would have tied up the restoration of the Everglades.

Upon congressional approval, the compact will have the force of Federal law. Under it, the tribe will regulate its own water use through a newly created Tribal Water Office. The tribe will not need permits nor be subject to district processes, but it must follow the essential aspects of Florida's ground water management plans, and, of course, Federal environmental laws, which would apply in any case. The Tribal Water Office must seek advance approval for its water development and use plans, and must use processes equivalent to those of the district's for plan approval and for dispute resolution.

Attached to the compact is a criteria manual detailing the required processes along with technical provisions. The parties may amend the manual any time by agreement, but any compact amendment requires the consent of both Congress and the Florida Legislature.

Under the compact, the tribe will get an immediate preference for development of its ground water, and, in the future, the highest priority permissible under Florida law. The Seminole water rights defined in the compact will be perpetual, not subject to renewal by State authorities.

The district guarantees the tribe 15 percent of the available surface water in the Brighton area and a comparable percentage on the Big Cypress Reservation. And the tribe gives up its claim to any other water rights except those defined in the compact. The compact requires the district to conduct an investigation of recent tribal water shortages in the Brighton area by year's end and produce a proposal to cure those shortages a month later.

Congress is required to approve this settlement because of the provisions involving purchase of tribal lands by the State, and those which entail extinguishing various land claims.

I urge my colleagues to put this legislation on the fast track. If it is not approved by the end of this session, it may begin to unravel, costing the tribe, the people of Florida, and taxpayers of the United States.●

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By Mr. GRASSLEY (for himself, Mr. Dole, and Mr. Karnes):

S. 1686. A bill to amend the Internal Revenue Code of 1986 to defer the tax consequences of the repayment of a Commodity Credit Corporation loan with a generic commodity certificate; to the Committee on Finance.

### TAX TREATMENT OF PIK TREATMENT

Mr. GRASSLEY. Mr. President, joining with my colleagues Senator Dole and Senator Karnes, I would like to introduce a bill today amending the Internal Revenue Code to eliminate an inequity thrust upon American farmers.

In March of this year, the Internal Revenue Service published revenue ruling 87-17 regarding the tax treatment of generic commodity certificates. The regulation stated that upon reduction of a CCC loan with commodity, or, as more commonly called, PIK certificates, the producer is required "to redeem and sell to the CCC a quantity of the commodity pledged as collateral for the CCC loan."

The redemption of CCC loans with PIK certificates, a procedure called PIK and roll, is a standard practice in agriculture. The purpose of the PIK and roll procedure is to enable farmers to utilize the advantage of the Government farm programs and to also free up available on-farm storage. The program benefits farmers, grain merchandisers, and the CCC by allowing held grain stocks to move toward terminal markets.

The IRS ruling, however, could virtually eliminate the use of the PIK and roll as farmers learn of the devastating consequences involved.

The most severe of the consequences concerns farmers who have redeemed a commodity loan and also utilized the PIK and roll procedure within the same year. Consider an example. A farmer places his grain under Government loan in 1985 and receives payment. According to the law, he can defer treating this as taxable income until the end of the 9-month loan period—for purposes of our example—the next year. If a farmer utilizes this option and then uses the PIK and roll procedure on the 1986 crop, the harmful tax consequences of 87-17 are triggered. By deferring payment until 1986, the farmer has made a sale within 1986. In addition, according to 87-17, the redemption of the CCC loan is another sale the farmer must record for 1986. Although the farmer has only received one payment for the crop, the IRS has recorded the transaction as two sales instead of one. The bottom line is that although the farmer's actual income stays the same, his IRS income is reported as being doubled, and as a result his tax bill skyrockets.

If people utilizing the PIK and roll procedure had been notified by the ASCS that the redemption of their CCC loan would be treated as a sale for tax purposes, it is possible alternate plans could have been made. Until recent publicity, however, State and county ASCS personnel had not clarified to farmers the true nature of the loan redemption.

This should be a simple matter to correct. It is evident that when a farmer is repaying a Government commodity loan, the procedure does not involve a sale of the grain which had been under loan. I urge my colleagues to join me in amending the Internal Revenue Code so people utilizing the PIK and roll procedure will not be subject to this unfair double taxation.

Mr. DOLE. Mr. President, today Senators Grassley, Karnes, and I are introducing legislation to prevent unfair tax treatment for farmers who use the so-called PIK and roll procedure.

### BACKGROUND

Last spring, after most farmers had completed their tax returns, the IRS issued a ruling on the tax treatment of commodity certificates. The ruling, based on USDA regulations, effectively results in treating PIK and roll transactions as a sale of grain to the Commodity Credit Corporation [CCC] and repurchase of that grain from the CCC. This means that farmers who redeem their loans could find the redemption of the loan treated as a sale for tax purposes.

If the IRS ruling considers PIK and roll as a sale of grain to the Government rather than a redemption or paying off of the loan, then farmers could face a tax liability at the time the farmer uses PIK and roll, rather than at the time a farmer actually

markets the grain, which in many cases is the following calendar year.

Many ASCS offices had not been apprised of this interpretation of PIK and roll tax treatment. We need to ensure that farmers do not face a surprise tax as a result of using PIK and roll. PIK and roll has been a valuable marketing tool, allowing grain to flow through market channels and opening storage space in many Midwestern States. We need to be sure we do not cause any unintended disruptions, especially when we are preparing for this fall's harvest.

### CONCLUSION

Mr. President, the farmer who redeems his loan using PIK and roll is simply trying to pay off his loan and acquire the grain which he had pledged as collateral for the loan. The legislation we are introducing would give him an option as to when he would face a tax liability—either the earlier of when the commodity securing the loan is sold or when the loan would normally have matured.

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By Mr. Sarbanes (for himself, Mr. Adams, Mr. Chiles, Mr. Cochran, Mr. Evans, Mr. Graham, Mr. Heflin, Mr. Inouye, Mr. Johnston, Mr. Kerry, Mr. Levin, Ms. Mikulski, Mr. Murkowski, Mr. Nunn, Mr. Sanford, Mr. Stennis, Mr. Trible, and Mr. Warner):

S.J. Res. 188. Joint resolution designating the week of November 1 through November 7, 1987, as "National Watermen's Recognition Week"; to the Committee on the Judiciary.

### NATIONAL WATERMEN'S RECOGNITION WEEK

● Mr. SARBANES. Mr. President, today I am introducing a joint resolution which would designate the week of November 1 through November 7, 1987, as "National Watermen's Recognition Week."

The American watermen, a group consisting of commercial fishermen, crabbers, oystermen, lobstermen, and all other persons who earn a living on the waters, contribute significantly to the Nation's economy and our traditions through their expertise and skill.

In 1986, the United States ranked fifth among world producers of fishery products, with a product value of $5.2 billion. Furthermore, in 1986, the consumption of edible fish and shellfish meat in the United States reached a high of 14.7 pounds per capita, the national supply of edible fishery products reached a record high of 9.8 billion pounds, and the total export value of domestic fishery products increased 25 percent from 1985 to $1.4 billion.

In Maryland, the watermen and women have from colonial times contributed to the economic foundation of the State. The harvesting of fish, crabs, oysters, and clams, each in its season of abundance in the pristine waters of early America became both a way of life and an important industry which has grown in importance ever since. Through backbreaking work in often dangerous waters under all weather conditions, America's watermen and women have built the multibillion-dollar fisheries which bring high quality protein to America and the world.

Today, the waters are no longer pristine. Often the watermen are the first to notice changes in water quality, for it means lighter nets and empty bushel baskets. In Maryland, the entire striped bass fishery had been closed in the hope of reversing the dramatic decline in numbers of this important commercial species. The watermen who depended on the striped bass were called upon to give up their livelihood and find another.

Under the leadership of Larry Simns, president of the Maryland Watermen's Association, those who make their livings on the water continue to meet the demand for high quality seafood. The Chesapeake Bay is resilient and is responding to efforts directed at improving water quality. It will require a sustained and comprehensive cleanup program to restore the full vitality and abundance of the Chesapeake Bay.

"National Watermen's Recognition Week" will symbolize the maintenance and husbandry of the natural resources on which watermen depend for their future well-being. The resolution will urge and empower the President to issue a proclamation requesting that the people of the United States observe that week with suitable ceremonies and festivities.●

● Ms. MIKULSKI. Mr. President, I am very pleased to join my colleague, the senior Senator from Maryland, Senator Sarbanes, in introducing a resolution to honor our Nation's commercial watermen. Designating the week of November 1 through November 7, 1987, as "National Watermen's Recognition Week" will bring to the attention of all the work done by the many American men and women who earn a living on oceans, bays, and rivers.

The resolution highlights the importance of watermen to our Nation's economy. Due to their efforts, the United States ranks fifth among all the world producers of fishery products. Seafood and fishery products were valued at $5.2 billion in 1986.

Fish consumption has reached a record high in the United States. In 1986, per capita consumption was 14.7 pounds of fish and shellfish.

Watermen play an especially important role in Maryland since the Chesapeake Bay cuts across our State. The Chesapeake Bay is the largest estuary in North America, bordered by some 8,000 miles of shoreline. Generations of Chesapeake Bay watermen have reaped rich harvests of finfish, oysters, clams, and crabs.

Mr. President, we in Maryland are proud of our bay and our watermen. The bay and the watermen are part of our history and our heritage. We have the bluest crabs, the finest oysters, and the best watermen to be found anywhere. That is the legacy we want to pass on to our children and our grandchildren.

Watermen work long hours in difficult and hazardous conditions. Many learned to be crabbers, clammers, shrimpers, oyster and lobstermen from their fathers, who learned from their fathers. I hope that the watermen of today will teach their sons and daughters the ways of the commercial fishermen.

This resolution not only acknowledges and pays tribute to these fine American workers but also reminds the American people of the importance of saving our waterways threatened by pollution. We need to secure to future generations of watermen and the industries they support a livelihood and a way of life.●

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## ADDITIONAL COSPONSORS

### S. 2

At the request of Mr. Byrd, the names of the Senator from Connection [Mr. Dodd] and the Senator from Louisiana [Mr. Breaux] were added as cosponsors of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

### S. 9

At the request of Mr. Cranston, the name of the Senator from Alabama [Mr. Shelby] was added as a cosponsor of S. 9, a bill to amend title 38, United States Code, to increase the rates of disability compensation and dependency and indemnity compensation for veterans and survivors; to provide additional eligibility for certain educational or rehabilitation assistance to veterans and other eligible individuals with drug or alcohol abuse disabilities; to increase the maximum amount of a home loan which is guaranteed by the Veterans' Administration; to improve housing, automobile, and burial assistance programs for service-disabled veterans; and to extend and establish certain exemptions from sequestration for certain veterans' benefits; and for other purposes.

### S. 39

At the request of Mr. Moynihan, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of S. 39, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance permanent.

### S. 129

At the request of Mr. Domenici, his name was added as a cosponsor of S. 129, a bill to authorize and amend the Indian Health Care Improvement Act, and for other purposes.

### S. 303

At the request of Mr. Bradley, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of S. 303, a bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities, and for other purposes.

### S. 889

At the request of Mr. Karnes, his name was added as a cosponsor of S. 889, a bill to amend the Communications Act of 1934 to provide for fair marketing practices for certain encrypted satellite communications.

### S. 998

At the request of Mr. DeConcini, the names of the Senator from Mississippi [Mr. Cochran] and the Senator from New York [Mr. D'Amato] were added as cosponsors of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

### S. 1260

At the request of Mr. Bumpers, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of S. 1260, a bill entitled the "Federal Land Exchange Facilitation Act of 1987."

### S. 1346

At the request of Mr. Matsunaga, the names of the Senator from Michigan [Mr. Riegle] and the Senator from New York [Mr. Moynihan] were added as cosponors of S. 1346, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

### S. 1370

At the request of Mr. Bumpers, the name of the Senator from Iowa [Mr. Harkin] was added as a cosponsor of S. 1370, a bill to provide special rules for health insurance costs of self-employed individuals.

### S. 1397

At the request of Mr. Cranston, the names of the Senator from Tennessee [Mr. Gore] the Senator from Kentucky [Mr. Ford], and the Senator from Montana [Mr. Baucus] were added to cosponsors of S. 1397, a bill to recognize the organization known as the Non Commissioned Officers Association of the United States of America.

### S. 1437

At the request of Mr. Nickles, his name was added as a cosponsor of S. 1437, a bill to make certain members of foreign diplomatic missions and consular posts in the United States subject to the criminal jurisdiction of the United States with respect to crimes of violence.

### S. 1490

At the request of Mr. Sarbanes, the name of the Senator from Washington [Mr. Adams] was added as a cosponsor of S. 1490, a bill to designate certain employees of the Librarian of Congress as police, and for other purposes.

### S. 1554

At the request of Mr. Fowler, the names of the Senator from Mississippi [Mr. Cochran] and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of S. 1554, a bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy conservation, and for other purposes.

### S. 1561

At the request of Mr. Bond, the names of the Senator from Georgia [Mr. Fowler], the Senator from Alabama [Mr. Heflin], and the Senator from Minnesota [Mr. Boschwitz] were added as cosponsors of S. 1561, a bill to provide for a research program for the development and implementation of new technologies in food safety and animal health, and for other purposes.

### S. 1562

At the request of Mr. Stevens, the name of the Senator from Louisiana [Mr. Breaux] was added as a cosponsor of S. 1562, a bill to implement the provisions of annex V to the International Convention for the Prevention of Pollution from Ships.

### S. 1575

At the request of Mr. Kennedy, the name of the Senator from Washington [Mr. Evans] was added as a cosponsor of S. 1575, a bill to amend the Public Health Service Act to establish a grant program to provide for counseling and testing services relating to acquired immune deficiency syndrome and to establish certain prohibitions for the purpose of protecting individuals with acquired immune deficiency syndrome or releated conditions.

### S. 1578

At the request of Mr. Stevens, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 1578, a bill to amend chapter 83 of title 5, United States Code, to provide civil service retirement credit for service performed under the Railroad Retirement Act, and for other purposes.

### S. 1673

At the request of Mr. Chafee, the names of the Senator from Hawaii [Mr. Matsunaga], and the Senator from New Hampshire [Mr. Humphrey] were added as cosponsors of S. 1673, a bill to amend title XIX of the Social Security Act to assist individuals with a severe disability in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes.

### SENATE JOINT RESOLUTION 26

At the request of Mr. Pell, the name of the Senator from Kentucky [Mr. Ford] was added as a cosponsor of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

### SENATE JOINT RESOLUTION 76

At the request of Mr. Nickles, his name was added as a cosponsor of Senate Joint Resolution 76, a joint resolution to designate the week of October 4, 1987, through October 10, 1987, as "Mental Illness Awareness Week."

### SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from Connecticut [Mr. Dodd] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

### SENATE JOINT RESOLUTION 134

At the request of Mr. Nickles, his name was added as a cosponsor of Senate Joint Resolution 134, a joint resolution to designate the week commencing on the third Sunday in May 1988, as "National Tourism Week."

### SENATE JOINT RESOLUTION 147

At the request of Mr. Levin, the names of the Senator from Missouri [Mr. Danforth], the Senator from Nebraska [Mr. Exon], the Senator from New Hampshire [Mr. Humphrey], the Senator from Wisconsin [Mr. Kasten], the Senator from Alabama [Mr. Shelby], and the Senator from Vermont [Mr. Stafford] were added as cosponsors of Senate Joint Resolution 147, a joint resolution designating the week beginning on the third Sunday of September in 1987 and 1988, as "National Adult Day Care Center Week."

### SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from Texas [Mr. Gramm], the Senator from Colorado [Mr. Armstrong], the Senator from Delaware [Mr. Biden], and the Senator from Montana [Mr. Baucus] were added as cosponsors of Senate Joint Resolution 148, a joint resolution designating the week of September 20,

1987, through September 26, 1987, as "Emergency Medical Services Week."

### SENATE JOINT RESOLUTION 168

At the request of Mr. Melcher, the names of the Senator from Wyoming [Mr. Simpson], and the Senator from West Virginia [Mr. Rockefeller] were added as cosponsors of Senate Joint Resolution 168, a joint resolution designating the week beginning October 25, 1987, as "National Adult Immunization Awareness Week."

### SENATE JOINT RESOLUTION 172

At the request of Mr. Bradley, the names of the Senator from Nebraska [Mr. Exon], the Senator from Missouri [Mr. Danforth], the Senator from Georgia [Mr. Nunn], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of Senate Joint Resolution 172, a joint resolution to designate the period commencing February 21, 1988, and ending February 27, 1988, as "National Visiting Nurse Association Week."

### SENATE JOINT RESOLUTION 174

At the request of Mr. Simon, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of Senate Joint Resolution 174, a joint resolution designating the week beginning November 15, 1987, as "African American Education Week."

### SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as a American national treasure.

### SENATE CONCURRENT RESOLUTION 43

At the request of Mr. Stevens, the names of the Senator from West Virginia [Mr. Rockefeller], and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of Senate Concurrent Resolution 43, a concurrent resolution to encourage State and local governments and local educational agencies to provide quality daily physical education programs for all children from kindergarten through grade 12.

### SENATE RESOLUTION 219

At the request of Mr. Daschle, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of Senate Resolution 219, a resolution expressing the sense of the Senate with respect to the use of ethanol, methanol, and other oxygenated fuels as an accepted air pollution control strategy in nonattainment areas designed by the Environmental Protection Agency.

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## SENATE CONCURRENT RESOLUTION 72—AUTHORIZING A BUST OR STATUE OF JAMES MADISON TO BE PLACED IN THE CAPITOL

Mr. **HEFLIN** submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

### S. Con. Res. 72

*Resolved by the Senate (the House of Representatives concurring),* That the Joint Committee on the Library is authorized and directed to procure a bust or statue of James Madison and to cause such sculpture to be placed in a suitable location in the Capitol as determined by the Joint Committee on the Library.

Sec. 2. Expenses incurred by the Joint Committee on the Library in carrying out this concurrent resolution, which shall not exceed $25,000, shall be paid out of the contingent fund of the Senate on vouchers approved by the chairman of the joint committee.

Mr. HEFLIN. Mr. President, I rise today to submit a concurrent resolution which would commission and erect a statue or bust of James Madison in the U.S. Capitol.

On September 17, we will celebrate the signing of our Nation's Constitution—a miracle that happened in Philadelphia 200 years ago. Many powerful statesmen of the day objected to changing the Articles of Confederation, a form of government that for 6 years had loosely united the Thirteen Colonies. But fortunately, in the end, several brilliant young theorists emerged—including James Madison, who without question is the Father of the Constitution—to bridge the divisions and create a new form of government.

In giving thought to the Constitution and Madison's role in its creation, I have walked the halls and corridors of the U.S. Capitol in search of a statue, bust, or portrait of James Madison but discovered there were none.

I, then, turned to the Senate Curator's office which confirmed my findings. According to the Curator's Office, the only remnants of this great man's service to our country, a portrait and medallion, were burned in an 1851 fire of the U.S. Capitol. In light of the upcoming celebration of our Nation's Constitution, I would deem it an appropriate time to erect a statue or bust of James Madison in the Capitol.

James Madison has made an extraordinary impact on this Nation's history. During his distinguished career, he served in both the Virginia and national legislatures, supervised the construction of the United States Constitution and the Bill of Rights, coauthored the famous Federalist Papers, served as Secretary of State to President Thomas Jefferson, and completed two terms as President of the United States. His lifelong friend and colleague, Thomas Jefferson, once called Madison "the greatest man in the world."

As we all take time to reflect on the bicentennial of the Constitution, we should remember those Founding Fathers, who created a document that has wisely guided us for 200 years through the crises of wars, social unrest, and economic depression and the productive, stable years of peace and economic prosperity.

Mr. President, I would like to share with my colleagues the life history of James Madison, one of our greatest Founding Fathers.

A scion to the planter aristocracy, James Madison was born the eldest of 10 children in 1751 at Port Conway, King George County, VA. In his youth, Madison received his early education from his mother, private tutors, and at a private school. An avid scholar and diligent student, Madison received his BA degree from the College of New Jersey (Princeton University) in 1771. There, Madison became intrigued by British philosophers, including John Locke. In Locke's writings, then about 100 years old, Madison found confirmation of many of his beliefs: Property holding as means to ensure liberty, insistence on religious tolerance, and the right of men to rebel against an oppressive government. Madison stayed an additional year to study Hebrew and ethics, which many believe an indication that he considered the ministry as a career.

However, Madison abandoned a career in the ministry and returned to his lifelong home, Montpelier, where he contemplated his future. Embracing the patriot cause, Madison became interested in the political struggle of the day and immersed himself for the next several years in State and local politics, serving on the Orange County Committee of Safety, as a delegate to the Virginia Constitutional Convention, in the Virginia House of Delegates, and on the Council of State.

From 1780 to 1783 Madison served in the Continental Congress and again from 1786–88. He later took a prominent role in bringing about the series of conventions which led to the Annapolis Convention of 1786 and was also instrumental in the convening of the Constitutional Convention in 1787.

It was perhaps at the Constitutional Convention that James Madison was most influential in his political career. During that long, hot summer in Philadelphia in 1787, James Madison, who was no doubt a preeminent figure at the Constitutional Convention, and the other 55 delegates struggled to create a more perfect Union.

The framers of the Constitution engaged in the arduous task to create a union that embraced the thought of the 18th century "Age of Enlightenment"—that the government comes from below, not from above; that power comes from the consent of the governed, of the people; that men are born equal before the law and have certain inalienable rights; and that it is insightful and practical to distribute and balance the powers between local and national governments.

Since 1781, the Articles of Confederation had governed the Thirteen Colonies. This form of government left the colonies weak and inefficient; therefore, a change in governmental structure was essential.

Determined to achieve a revision in the government and prevent the establishment of a monarchy or breakup of the Confederation into "three more practicable and energetic Governments," Madison busily prepared himself for the convention.

His years of study of the history of ancient and modern forms of government prepared him for the difficult task that lay before him and his colleagues. Madison's eventual suggestions, drawn up by the Virginia delegates and submitted to the Convention in its early days, were embodied in what is known as the Virginia or Randolph Plan. Madison was not the actual author of this plan, but the influence of his ideas are evident.

Early on, Madison emerged as the leader of the group advocating a strong central government. One delegate wrote of Madison: "Every person seems to acknowledge his greatness. He blends together the profound politician with the Scholar. In the management of every great question he evidently took the lead in the Convention, and tho' he cannot be called an Orator, he is a most agreeable, eloquent and convincing Speaker * * * (of) The affairs of the United States, he perhaps, has the most correct knowledge of any Man in the Union."

Though many of his proposals were rejected, his effect on the Convention's work was so astronomical that he was described as the "master-builder of the Constitution." Madison was quite practical in his approach to forming the Constitution: He sought solutions based on past experience rather than on untried theory. One of his greatest contributions to American history is the daily journal that he kept describing the Convention's work. To this day, it is the best single record of the event. The result of these deliberative writings, the "Journal of the Federal Convention," was published in 1840.

One of the most clearly written explanations of the Constitution can be found among the notes from Madison's diary:

> It may be a reflection on human nature, that such devices should be necessary to control the abuses of government. But what is government itself, but the greatest of all reflections on human nature. If men were angels, no government would be necessary. If angels were to govern men, neither external or internal controls on government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed: and in the next place oblige it to control itself. A dependence on the people is, no doubt, the primary control on the government; but experience has taught mankind the necessity of auxiliary precautions.

Madison also played a key role in the adoption of the Constitution by the Continental Congress and was instrumental in overcoming powerful opponents such as Patrick Henry, George Mason, and Richard Henry Lee. In 1787 and 1778 Madison collaborated with Alexander Hamilton and John Jay in a series of essays later published in a book as "The Federalist Papers," which brought the discussions of the Constitutional Convention before the public and resulted in one of the most important contributions to American political theory.

In 1789 Madison was elected to the House of Representatives where in the ensuing years he played a key role in passing certain revenue legislation, establishing the executive branch, and framing the Bill of Rights. During the second session, Madison became critical of Hamilton's financial policies and soon became a leader of the opposition—the Jeffersonians or the Democratic-Republican Party.

Over the course of his congressional term, Madison remained at odds with Hamilton and even criticized President Washington for his subservient relationship with Great Britain. However, until the end of his term, he maintained a cordial relationship with Washington, who spoke of Madison as a possible successor.

In 1794, Madison entered one of the happiest periods of his life, marrying Dolly Payne Todd of Philadelphia. After 2 more years in Congress, he retired from public office, and he and Dolly moved to Montpelier where Madison expected to engage in the study of agricultural science and enjoy the pleasures of rural Virginia lifestyle.

However during this period of semiretirement, the Nation called upon his legislative skills once again. Madison authored the Virginia resolutions in response to congressional approval of the Alien and Sedition Acts which discriminated against aliens and even those who were critical of the Federalist administration then in full control of the Federal Government.

In the Virginia resolutions, Madison argued that both acts were unconstitutional and that the States had the right to judge the constitutionality of such acts "in case of a deliberate, palpable, and dangerous exercise of other powers not granted by the said compact, the States * * *"

With the defeat of the Federalists in the election of 1800 and the inauguration of Jefferson as President, Madison was once again thrust in politics full time. His long-time association with Jefferson both personally and professionally naturally afforded Madison the opportunity to serve as the new President's chief advisor and Secretary of State. Although he lacked experience in diplomacy, he cultivated good relationships with foreign diplomats in Washington primarily because of his intellect, good humor, and knowledge of man and human nature.

Since both the President and Vice-President were widowers, Madison's wife, Dolly, assumed the duties of hostess, giving lavish parties at the White House that charmed Washington society for many years.

During his stint as Secretary of State, Madison encountered the hostilities of a faction within the Republican Party which would later cause bitter defeats during his own Presidency.

Secretary Madison also faced serious foreign policy problems, most notably the country's relation to the war between Great Britain and Napoleonic France. Madison believed that the prospects for peace with both countries were good in part because of each country's dependence upon the service of the United States. The Peace of Amiens put a brief stop to the European war, and during this relief, the United States purchased the Louisiana Territory from France in 1803.

The European war resumed in 1803, and American commerce and seamen were once again subjected to losses and aggression by both countries. American seamen—many of whom were deserters of British ships, naturalized American citizens still considered British subjects by the Crown, or native Americans—were captured and forced to serve in the Royal Navy. Britain and France invoked several orders which continued to disrupt American trade and commercial shipping. As Secretary of State, Madison responded by drafting several legal arguments against the Governments of Britain and France—which eventually failed—and finally, in 1807 in conjunction with President Jefferson, Madison formulated the Embargo Act of 1807, closing American ports and forbidding American ships to go to sea.

In 1809, Jefferson chose Madison as his successor. Madison faced little opposition, but James Monroe, indignant by what he regarded as the administration's failure to recognize his diplomatic service to the United States, was supported by a minority of Virginians for President. Monroe's support was weak, and Madison took office in 1809.

Like his three predecessors, Madison contended with European wars. When he took office, the United States had no trade relationship with either Britian or France, but did engage in unlimited trade with the rest of the world. Diplomacy failed to prevent the further seizure of U.S. ships, goods, and men on the seas; and even worse, the country was in the throes of an economic depression. Madison continued to negotiate and invoke economic

sanctions, but to no avail. Britain's continued interference with American ships created strong congressional support for war. A group of young Democratic-Republican Congressmen from the South and West, who were known as favoring territorial expansion as much as nationalism, endorsed naval action to penalize the British, the conquest of Canada, and military measures to stop the British encroachment of the Indians in the West. Finally, after recognizing that the national interest was in peril, President Madison in 1812 asked the Congress to declare war on Great Britain.

The United States could not have been more unprepared for war, and President Madison encountered much adversity during the next 2 years. The Federalists of the Northeast alienated themselves from the war effort, paralyzing the Nation's energies, and incompetent military leaders weakened the Nation's Armed Forces. Poor troop strength and supply and transportation problems further contributed to the United States' failure, specifically in its conquest of Canada.

The United States was just as weak at sea. The American Navy found itself unable to take on the Royal Navy which blockaded the east coast.

In the next 2 years, the British captured Washington, burned the White House and Capitol, and forced President Madison and his family to flee to the woods in Virginia. In 1814, the war finally stalemated and the Treaty of Ghent was signed, restoring prewar conditions.

During the final 3 years of his administration, Madison focused on domestic issues. Congress, concurring three of Madison's proposals, strengthened land and naval forces to avoid the repetition of raids previously made on the Capital City and generally to protect the country and its economic interests. He approved a new Bank of the United States and signed the Tariff Act of 1816 which protected American "infant industries" from British competition.

Madison retired from the Presidency in 1817, leaving the office to James Monroe. This brought to an end his political career, but Madison remained active in public affairs, serving as cochairman of the Virginia Constitutional Convention of 1829-30 and as rector of the University of Virginia after 1826. He also acted as a foreign policy advisor to President Monroe.

Aside from these public service activities, Madison led a very quiet life at Montpelier, entertaining guests in the traditional Virginia style. Social occasions at Montpelier were just as eventful as those held at the White House during Madison's Presidency. Since the beginning of their marriage, James had entrusted the daily regulation of the household to Dolly. One visitor noted in 1828 that Madison's friends, who came to visit experienced warm hospitality and described his conversation as "a stream of history * * * so rich in sentiments and facts, so enlivened by anecdotes and epigramatic remarks, so frank and confidential as to opinions on men and measures, that it had an interest and charm, which the conversation of few men now living, could have * * *. His little blue eyes sparkled like stars from under his bushy grey eyebrows and amidst the deep wrinkles of his poor thin face."

In the years prior to his death in 1836, Madison arranged and prepared his notes from the Constitution for publication. In a note found amongst his papers following his death, Madison left advice for his Nation; The Nation whose government he worked so tirelessly to create and serve: "The advice nearest to my heart and deepest in my conviction is, that the Union of the states be cherished and perpetuated. Let the open enemy of it be regarded as a Pandora with her box opened, and the disguised one as the serpent creeping with his deadly wiles into paradise."

Mr. President, as we look back on the outstanding career of this great statesman, the absence of a statue of James Madison is a disservice to this distinguished statesman's memory. Despite the historical impact, Madison still is not as familiar to the American people as George Washington or his friend and colleague, Thomas Jefferson. He remains the least popular and the least understood of all the Founding Fathers of America. President John F. Kennedy once said that Madison was the most underrated of all the Presidents.

We have long had a Washington Monument, a Jefferson Memorial, and a Lincoln Memorial in our Nation's Capital, and it was only in 1980 that the annex to the Library of Congress was built commemorating James Madison. I have attended the annual Jefferson-Jackson day dinner in my home State of Alabama and have always thought it an omission not to have Madison's name linked to those Democrats.

Madison was a meek, fragile, quiet man not known for his oratory skills, and he often refused to be identified with one, simple idea. This no doubt contributes to his lack of notoriety in American history. Other statesmen, unlike Madison, have gone down in history as folk heroes and are usually associated with one specific event or idea: George Washington, the Father of our Country; Thomas Jefferson, the author of the Declaration of Independence; or Abraham Lincoln, great emancipator and savior of the Union.

We cannot continue to perpetuate this critical failure to recognize and appreciate Madison's major contributions to our Nation. He served his country with dedication and commitment even through years of war and economic hardships demonstrating courage, wisdom, and tenacity. His political beliefs and theories have cast him as one of the greatest political scientists our country has even known, and it is those theories—still relevant to modern America—that have made and will continue to make a lasting impression on America.

As the historian Irving Brant wrote:

> The verdict of James Madison depends in part upon the future of the American people—upon their continued devotion to liberty, self-government, and personal honor. But, granted this fidelity, I have no doubt of the final verdict. Madison the diplomatist, Madison the President, will be found to measure up to the father of the Constitution. Washington, Jefferson, Jackson, Lincoln, Roosevelt. Move over a little, gentlemen.

## AMENDMENTS SUBMITTED

## DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

### GLENN (AND OTHERS) AMENDMENT NO. 680

Mr. GLENN (for himself, Mr. EXON, Mr. BINGAMAN, Mr. BUMPERS, and Mr. MITCHELL) proposed an amendment to the bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . PROHIBITION AGAINST CERTAIN CONTRACTS

(a) GENERAL.—Funds appropriated to or for the use of the Department of Defense for any fiscal year pursuant to an authorization contained in this or any other Act may not be used for the purpose of entering into or carrying out any contract with a foreign government or a foreign firm if the contract provides for the conduct of research, development, test, or evaluation in connection with the Strategic Defense Initiative program.

(b) TEMPORARY SUSPENSION OF PROHIBITION UPON CERTIFICATION OF THE SECRETARY OF DEFENSE.—The prohibition in subsection (a) shall not apply to a contract in any fiscal year if the Secretary of Defense certifies to Congress in writing at any time during such fiscal year that the research, development, testing, or evaluation to be performed under such contract cannot be competently performed by a United States firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm.

(c) EXCEPTIONS FOR CERTAIN CONTRACTS.—The prohibition in subsection (a) shall not apply to a contract awarded to a foreign government or foreign firm if—

(1) the contract was entered into before the date of the enactment of this Act;

(2) the contract is to be performed within the United States; or

(3) the contract is exclusively for research, development, test, or evaluation in connection with antitactical ballistic missile systems.

(d) In this section:

(1) The term "foreign firm" means a business entity owned or controlled by one or more foreign nationals or a business entity in which more than 50 percent of the stock is owned or controlled by one of more foreign nationals.

(2) The term "United States firm" means a business entity other than a foreign firm.

## BYRD (AND NUNN) AMENDMENT NO. 680

Mr. BYRD (for himself and Mr. NUNN) proposed an amendment to amendment No. 680 proposed by Mr. Glenn (and others) to the bill S. 1174, supra; as follows:

In the amendment by Mr. GLENN strike the word "firm" in the last line of subsection (d), and insert in lieu thereof the following: "firm.

"(e) Since the United States and the Soviet Union are currently engaged in negotiations to conclude a Treaty on Intermediate Nuclear Forces (INF) and are continuing serious negotiations on other issues of vital importance to our national security;

"Since the current discussions are a culmination of years of detailed and complex negotiations, pursuing an American policy objective consistently advocated over the past two Administrations regarding nuclear arms control in the European theater, and which reflect delicate compromises on both sides;

"Since the Senate recognizes fully, as provided in clause 2, Section 2, Article II of the Constitution, that the President has the "power, by and with the advice and consent of the Senate, to make treaties."

"Since the Senate also recognizes the special responsibility conferred on it by the founding fathers to give its advice and consent to the President prior to the ratification of a treaty, that it is accountable to the people of the United States and has a duty to ensure that no treaty is concluded which will be detrimental to the welfare and security of the United States.

"Since in recognition of this responsibility, the Senate established a special continuing oversight body, the Arms Control Observer Group which has functioned over the last 2½ years to provide advice and counsel, when appropriate, on a continuing basis during the course of the negotiations;

"Since the Senate and the President both have a constitutional role in making treaties and since the Congress has a constitutional role in regulating expenditures, including expenditures on weapons systems that may be the subject of treaty negotiations;

"Since the Senate will reserve judgment on approval of any arms control Treaty until it has conducted a thorough examination of the provisions of the treaty, has assured itself that they are effectively verifiable, and that they serve to enhance the strength and security of the United States and its allies and friends;

"Therefore the Senate hereby—

"(1) Declares that the Senate of the United States fully supports the efforts of the President to negotiate stabilizing, equitable and verifiable arms reduction treaties whith the Soviet Union;

"(2) Endorses the principle of mutuality and reciprocity in our arms control negotiations with the Soviet Union and cautions that neither the Congress nor the President should take actions which are unilateral concessions to the Soviet Union;

"(3) Urges the President to take care that no provisions are agreed to which would be harmful to the security of the United States or its allies and friends."

## NOTICES OF HEARINGS

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place September 29, 1987, 2:30 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on measures currently pending before the subcommittee—

H.R. 2121, a bill to authorize and direct the National Park Service to assist the State of Georgia in relocating a highway affecting the Chickamauga and Chattanooga National Military Park in Georgia;

H.R. 1983, a bill authorizing the Secretary of the Interior to preserve certain wetlands and historic and prehistoric sites in the St. Johns River Valley, FL and for other purposes; and

S. 858, a bill to establish the title of States in certain abandoned shipwrecks, and for other purposes.

Those wishing information about testifying at the hearing or submitting written statements should write to the Subcommittee on Public Lands, National Parks and Forests, U.S. Senate, room SD-364, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Tom Williams at 224-7145 or Beth Norcross at 224-7933.

### SUBCOMMITTEE ON GOVERNMENT CONTRACTING AND PAPERWORK REDUCTION

Mr. BUMPERS. Mr. President, I would like to announce that the hearing scheduled for Tuesday, September 15, 1987, by the Subcommittee on Government Contracting and Paperwork Reduction, has been rescheduled for Monday, September 21, 1987. The purpose of the hearing is to receive testimony concerning the expected impact of a series of amendments to the Small Business Act contained in Public Law 99-661, the fiscal year 1987 Department of Defense Authorization Act. The hearing will commence at 9:30 a.m. and will be held in room 428A of the Russell Senate Office Building. For further information, please call William B. Montalto, procurement policy counsel for the committee at 224-5175, or Christine Lundregan of Senator DIXON's staff at 224-5334.

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to meet during the session of the Senate on September 15, 1987, to hold an executive meeting on the nomination of Judge Sessions to be FBI Director.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to hold a hearing during the session of the Senate on September 15, 1987, on the nomination of Robert H. Bork to be Associate Supreme Court Justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON RESEARCH AND DEVELOPMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Energy and Natural Resources Subcommittee on Research and Development be authorized to meet during the session of the Senate on Tuesday, September 15, 1987, to receive testimony concerning S. 1480, the Department of Energy National Laboratory Cooperative Research Initiatives Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## FLORIDA SHERIFFS' YOUTH RANCHES

● Mr. GRAHAM. Mr. President, the Florida Sheriffs' Youth Ranches are 30 years old this year. The Youth Ranches were conceived to prevent juvenile delinquency and to provide residential programs, summer camping, and a statewide family counseling service.

Over the years, Boys' Ranches and Youth Villas have helped more than 3,500 troubled and homeless boys and girls to dream of and work toward healthy, productive lives. During their association with the law enforcement officers who sponsor the program, these young people learn to cooperate with, trust and respect law officers. Many of the Boys' Ranch residents have gone on to become outstanding citizens of Florida.

I am pleased to have this opportunity to salute the Florida Sheriffs for their initiative and enduring commitment to the Boys' Ranch project. It is an extraordinarily successful example of an entirely voluntary effort contributing immeasurably to a better society.●

## CERTIFIED PROFESSIONAL SECRETARIES

● Mr. STAFFORD. Mr. President, I would like to call to the attention of my colleagues the new 1987 CPS who received their certification by successfully completing the certified professional secretaries' examination administered under the sponsorship of the Institute for Certifying Secretaries, a department of Professional Secretaries International.

The District of Columbia chapter of PSI has been actively engaged in providing classes to prepare candidates for this exam. Certificates will be presented to the newly certified CPS at a D.C. chapter dinner meeting this evening, Tuesday, September 15, 1987. The attendees will be fortunate to have as guest speaker, Shirley Englund, editor of the Secretary magazine, published monthly by PSI.

I commend the following secretaries who have been certified by the institute: First, my special congratulations to Maureen Hill, CPS, a valued member of my personal staff for the last 12 years, on having attained her CPS rating. I also extend congratulations to Gladys Elaine Atkinson, CPS, Howard University College of Allied Health Sciences; Janice Dupper, CPS, General Conference of Seventh-day Adventists; and Bunny Gwiazda, CPS, Dewey, Ballantine, Bushby, Palmer & Wood.

The CPS examination was instituted in 1951. To attain the CPS rating, a secretary must meet certain education and work experience requirements and pass the 2-day, six-part examination on behavioral science in business, business law, economics and management, accounting, office administration and communication, and office technology.

In bringing the CPS rating to the attention of my colleagues today, perhaps my remarks will help to open the door through which we here in the Congress, as well as members of management throughout the business world, will come to recognize the merits of the certified professional secretary.

I hope you will join me in congratulating the new CPS recipients.●

## CRACK ABUSE

● Mr. DECONCINI. Mr. President, I would like to insert into the RECORD an article written by Dr. Mark S. Gold, titled "Crack Abuse: Its Implications and Outcomes." The article, given to me by my daughter, a doctor herself, appeared in the July edition of Resident & Staff Physican. Dr. Gold is director of research, Fair Oaks Hospital, Summit, NJ, and Delray Beach, FL. This excellent article outlines the critical mental and physical health problems that can result from the use of crack, a form of cocaine, that has become popular among young people in the United States during the past 2 years. I ask that the text of the article appear in the RECORD.

The article follows:

### CRACK ABUSE: ITS IMPLICATIONS AND OUTCOMES

Crack, the most deadly form of cocaine, has exploded onto the American drug scene adding a new dimension to the problems of diagnosing and treating cocaine addiction. After explaining what makes crack more addicting than cocaine powder, the author discusses the physiological effects of smoking crack and the importance of treatment through prevention.)

Over the past few decades, illicit drug use, especially cocaine abuse, has climbed steadily. The number of people hospitalized for full-blown addictions has outstripped the number of available beds, and the number of the "walking-impaired" entering outpatient treatment has spiraled upward. From data collected by our 800-COCAINE national helpline, we know that over 25 million Americans have tried cocaine and that perhaps five to six million of these are regular users. We have given help and referral information to over 1.75 million callers since May 1983. In this period, we have published reports of death, disability, accidents, addiction, and a wide variety of medical, psychiatric, and social repercussions stemming from this epidemic. We also have reported on the neurochemical basis of cocaine addiction (the so-called dopamine depletion hypothesis), which, as a result, has led to newly proposed detoxification treatments.

Until this past year, however, cocaine abuse was never the economic and social issue that it is now. In 1987, crack, the most deadly form of the drug, seemingly has exploded onto the American drug scene. This low-priced form of freebase cocaine, sold in tiny "rocks" for $10 to $20, has swept into both urban and rural drug marketplaces. It has brought with it new and frightening dimensions to the ongoing cocaine epidemic that we've been fighting in our clinics and treatment centers.

Before crack, most adults believed that while the cocaine epidemic was important to them, it could not affect their children. Crack has sent the average age of the user spiraling downward rapidly and has caused addiction to cocaine to develop as rapidly as that previously associated with intravenous cocaine use. Worse, crack has increased the severity of medical effects that previously were seen only in long-term intranasal users.

Unique among drugs, it is instantly compelling and captivating, only to be followed by addiction. Crack's relative purity and its route of administration increase its potency to many times that of cocaine hydrochloride, its popular powdered form. For the first time, people who have never before been affected by drug abuse have seen their families jeopardized, their careers damaged, and their loved ones virtually devoured by this drug.

One result has been an overwhelming amount of publicity and media coverage. Crack has been a front-page story in virtually every newspaper and magazine and, spurred by the publicity surrounding the death of college basketball player Len Bias, has become a true source of national concern. Is this concern justified? What are the implications for the general practitioner? This is what doctors must know about identifying and treating the crack user.

### WHAT IS CRACK?

Crack is cocaine that is sold in the form of small, creamy-colored chunks resembling rock salt. Crack is different from cocaine hydrochloride in only three ways:

It is smoked, rather than sniffed. This leads to a reaction (a high) in less than ten seconds, rather than one to two minutes. The crack high lasts from 5 to 15 minutes.

Because it is smoked, the effect is far more powerful than that created by powder. The drug is absorbed rapidly from the lungs to the heart and then to the brain, rather than passing incompletely and slowly through the nose on the long route to the brain.

Crack seems to be less expensive because it is sold in small quantities at a low price. A vial sometimes will contain three to four small rocks and costs from $10 to $20.

No one is quite sure how or why crack developed. Cocaine smoking has been prevalent in the drug culture for several years, but the extraction process was both dangerous and time-consuming. Shortly after comedian Richard Pryor's well-publicized, ether-related freebase explosion, freebase users discovered that the cocaine base could be extracted by a safe process using simple baking powder. Once this process spread (probably by word of mouth), crack was born. The name, by the way, derives from the crackling sound the rocks make as they burn in the user's water pipe.

### WHY DO PEOPLE USE CRACK?

Crack users take the drug for many of the same reasons that intranasal cocaine users take cocaine. The widespread use of cocaine is a result of the intense, but fleeting, feelings of competency that it temporarily affords the user. This so-called "rush" is what the user seeks from repeated use. Along with the physiological response, the drug itself is associated with power and wealth and is still widely believed to be nonaddicting.

A decade ago, cocaine was an expensive drug, used ony by the wealthy, glamour set. This fact provided the status necessary to market the drug to other groups. Today, the drug in all its forms, has increased in supply and purity while the price has fallen dramatically. Cocaine in powdered form is available in virtually every city, town, and rural area in America.

The widespread distribution of cocaine geographically has changed the demographics of the user. Even though its use is still glamorized, recent surveys conducted by 800-COCAINE reveal an increased percentage of lower-income and younger users. This is directly attributable to crack. Cocaine use among teenagers doubled from 1975 to 1983, and today 17% of high school seniors say they have used cocaine. Invariably, they say using the drug is "cool," "glamorous," and "safe."

The roots of crack extend back to the mountains of Peru and Bolivia, but it also is found in Central America. Cocaine is the only alkaloid extract from the coca plant (Erythroxylon coca) that has any value. Chemically, cocaine is a tropane related in chemical structure to the psychoactive drugs atropine and scopolamine. The behavioral effects often mimic those of amphetamines, causing it to be misclassified as a sympathetic amine.

Drug smugglers bring the cocaine into this country in a pure form, which is then mixed with adulterants (known as "cuts") such as glucose, inositol, or mannitol. Since cocaine is sold by weight, this increases the bulk, literally stretching the profits. Frequently, cocaine is adulterated with dangerous ingredients, such as lidocaine, procaine, amphetamine, phencyclidine (PCP), phenylpropanolamine (PPA), ephedrine, heroin, or quinine, which increase the risk of medical complications for the user. There is virtually no cocaine sold on the streets of this country that is uncut. As a result, a profitable business has grown up around the paraphernalia that is used to help coke abusers determine the purity of their purchase.

One of the myths that has grown up around crack is that, unlike cocaine powder, it is pure cocaine. This is not true. If the cocaine used to make crack contains impurities, these will remain in the freed base (the crack), often in a more intense state. This is another reason for the increased danger to crack users who think they finally are getting a "pure" drug. The effect of the cuts combined with the powerful freed cocaine base can threaten heart rhythm, blood pressure, and important central nervous system (CNS) functions.

Other crack myths contribute to its use. The price of crack, which is seemingly less expensive than cocaine hydrochloride, has been the major factor contributing to first time use of the drug. Crack, however, is actually more expensive than cocaine powder in several respects. Even though it is sold in inexpensive quantities, a $10 rock of crack usually weighs about 100 mg, which translates to around $100 per gram. Cocaine powder usually costs between $60 and $100 per gram. However, because the drug encourages its own taking, use patterns are extreme. Crack users generally binge on the drug for days at a time, stopping only when their entire bankroll is gone or they are too exhausted to continue.

Crack also is not a "fun" drug. Cocaine's initial spread was spurred by reports that it was a "great party drug," which gave rise to its glamour image. Crack's rush is so intense that most users report to us that they only want to use it when alone. This has given rise to "crack houses," 1980s versions of opium dens.

### WHAT HAPPENS WHEN CRACK IS SMOKED?

Crack is smoked in a water pipe, and the effect is felt even faster than if the drug were injected. When the crack smoke enters the body, it is absorbed through the highly vascularized lung surface. The effect is ten times greater than that achieved by absorption through the nasal mucous membranes.

When crack is smoked, the user experiences an intense rush, which lasts for a few minutes and is followed by a state of lesser excitement. Within 5 to 15 minutes, however, the feeling is gone, replaced by an irritable, restless, and depressed state. Although cocaine powder users often can glide through this period, the downside is so intense for crack users that they almost immediately will try to repeat the experience. Both infrequent and long-term users will turn to other substances, such as marijuana, alcohol, or even heroin, to extend the high period or to cushion the resulting crash.

Crack use rapidly becomes a cycle of chasing the high through continued repeated use despite the obvious adverse consequences. The euphoric well-being that the user feels results from a general CNS sympathetic discharge that is similar to the well-known "flight or fight" response. The user is alert, full of self-confidence, and seemingly immune to external reality. However, the CNS activity is short-lived. The cocaine remains in the blood, increasing in toxicity as more is used. The increased intoxication leads to decreased sleep, anorexia, increased sex drives, and hyperactivity. Among the other common side effects of increased crack use are aggressiveness, feelings of grandeur, poor social judgment, and malnutrition.

Physiologic signs of cocaine intoxication include increased cardiovascular arousal, profuse perspiration, dilated pupils, and elevated body temperatures. This often is accompanied by lethargy, insomnia, irritability, depression, fatigue, impotence, and reduced memory or concentration abilities.

The patterns of use among cocaine abusers can lead swiftly to crack intake, since the tolerance and drive for more and more just to feel normal are rapid. In general, the cocaine user begins with sniffing, which may lead to smoking or even injecting the drug to recreate the high. The increasing dose combined with the more powerful form increases the risk of neurological seizures. Crack smoking has been linked to heart palpitations, angina, arrhythmia, and heart attack. Other risks are route-related and include nasal-tissue destruction, sinus and lung damage, AIDS, and hepatitis.

Until recently, cocaine overdose was thought to be rare. This is not the case and, in fact, is far more common than believed. The increased potency of crack has created an even greater risk of sudden cardiovascular or respiratory collapse. It is now clear, however, that cocaine overdose can result from any form of use. In fact, as illustrated by several recent notable public cases, cocaine overdose need not even follow long-term use but may result at any time. Furthermore, crack use is at the root of many other deaths not directly related to the drug, such as suicide, automobile- and work-related accidents, domestic arguments, and violence. Pregnant mothers and nursing mothers can do great damage to their fetus or newborn infants through cocaine use, since the drug seems to pass through the placenta and/or breast milk.

Although the dangers of crack use are obvious, many still believe it is not addicting. Yet, even at low doses, cocaine causes dependence. Furthermore, cocaine's cravings lead to compulsive and repeated use despite obvious and ongoing adverse effects. Further evidence of cocaine's power in all its forms comes from 800-COCAINE data that clearly show that victims will sacrifice their friends, families, jobs, and health before giving up the drug. Classic studies have shown that laboratory monkeys will self-administer the drug before food or sex and until death. No other drug has this effect on animals or humans.

The actual mechanism of addiction to cocaine in any form appears to occur through dopaminergic transmission within the reward or pleasure centers of the brain. Continued use of cocaine causes unusual activation of the dopamine (DA) systems and blocks reuptake. This traps the DA in the synapse, where it is metabolized rather than reused. An efficient dopamine system will replenish itself, but one disturbed by cocaine introduction quickly becomes and remains severely depleted. The result is that normal, basic instinctive drives, such as hunger, thirst, sexual drives, and other everyday needs, cannot be met without cocaine. The brain is literally dopamine-deficient, and a short period of cocaine abstinence results in a very real withdrawal state. The ultimate effect is exactly the opposite of that produced by the cocaine itself. Instead of euphoria, there is depression, irritability, sleep and appetite changes, sexual dysfunction, and, worst of all, a craving for more.

The crack addict uses cocaine not to feel good, since without it, he finds it almost impossible to live. Use stimulates use. Further use only helps the user to not feel bad. The cycle begins very quickly with crack abusers, usually after the first few uses. That first experience may be so powerful, and the downside so depressing, that only more can reverse the depression.

Being addicted to crack is like riding a bike downhill without any brakes. You pick up speed, careen out of control, and then ultimately crash. The process is slower among cocaine powder users, but for crack users, the process of addiction can develop so quickly that it's like riding an ever-rapidly spinning merry-go-round. Soon, you'll be hurled off no matter how hard you hang on.

Patients who do experience withdrawal because they cannot obtain more of the drug, often present with such symptoms as decreased energy, excessive sleeping, irritability, depression, nausea, vomiting, and decreased motor or mental abilities.

### HOW CAN A CRACK USER BE HELPED?

Helping someone with a cocaine or crack addition, which is developed so much more rapidly, is a difficult task for several reasons:

Drug abusers rarely seek help early on. Crack use is a special problem because the "early on" period is often so brief. Our data show that the majority of users visited an emergency room or physician at least once for symptomatic relief of cocaine-caused complications without revealing the cause of their problem. A physician attuned to the outward complications of abuse could make an early diagnosis, which would lead to immediate treatment. Early detection of cocaine abuse allows for treatment of an individual who still has his family and job support systems intact. This makes treatment potentially more successful. Another method of early detection is through urine testing of certain individuals, even if they do not present outward evidence of drug use.

Crack and cocaine addicts tend to deny their addictions or rationalize their need for the drug as long as possible. They will do anything to hide their addiction, but it must be remembered that this is a normal part of the addiction. It is up to the physician to identify those groups of people who are most at risk and link the symptoms to potential addictions. These symptoms include attempted suicides, headaches, seizures, panic attacks, wide mood swings, sexual impotence of unknown etiology, major personality changes, unusual job problems, marital stress, and unexplained financial problems. Often, it is important to look at symptoms such as these in the context of other events, such as a car accident, nasal damage requiring surgery, or repeated requests for tranquilizers or sleeping pills. Too often, the diagnosis of cocaine addiction is made after the fact or after the victim has died. Frequently, complaints like arrhythmias, hypertension, angina, or nosebleeds with no apparent etiology are drug-related but are overlooked as evidence of cocaine use.

Diagnosis in younger patients is more difficult. Too frequently, diagnosis is made by the police or school teachers after a major disaster in the life of the patient. Today, with crack use increasing among the young, early intervention is even more critical. Often, the less clinical symptoms are the most telling. Changes in friends, extracurricular activities, grades, dress, mood, and other subtle behavior alterations are the best indicators that some drug use is ongoing. In addition, since young people rarely use only a single drug, it is important to act immediately on anecdotal information, such as an overheard conversation or the discovery of drug-related paraphernalia in a child's room or among his belongings. Physicians who suspect that their young patients are involved with drugs should not hesitate to order a urine or blood test for evidence of drug use. In fact, parents should be encouraged to ask their children to take drug tests at an early age, so that the tests become a deterrent when regularly administered as they grow up.

### CAN THE CRACK USER BE SAVED?

Cocaine is much like a parasite that first inhabits its host and then kills it. Frequently, crack users describe themselves as nothing more than a vessel for the drug. Stopping this parasite without killing the host is not easy, but it can be done successfully. The sooner a patient is in treatment, the more effective the treatment is. The greater the patient's family support system and motivation, the greater the chance for success.

Treatment is indicated in any person using drugs who cannot stop without physiologic, psychological, or social problems. Although most individuals can be treated on an outpatient basis, hospitalization is indicated in cases of chronic crack or freebase use, intravenous use, severe psychosocial impairment, medical complications, severe polydrug abuse, or an inability to stop through outpatient use.

The goal of all treatment is total abstinence from all mood-altering chemicals, including crack, marijuana, alcohol, and prescription drugs. Total abstinence can be achieved only through an outpatient program that includes regular urine testing. The most successful outpatient programs involve both individual and group therapies over a specified period of time. These sessions involve discussions about drug urges, addictive thinking, and methods of avoiding relapses. The group sessions provide positive role models, a ready-made support network, and a forum for discussing critical problems.

Some success has been achieved with pharmacologic approaches to treatment during the early stages when the cravings and urges are at their most intense and often lead to continued use. Recent trials using bromocriptine (Parlodel®), adopamine agonist, have indicated that this drug can be of use in eliminating urges and cravings during the immediate postdrug abstinence period.

### CONCLUSION

In general, drug abuse, especially with a rapidly addicting drug such as crack, is best treated through prevention. We know that young adults and especially teenagers are at greatest risk for crack abuse. We spend millions of dollars educating the people who smoke cigarettes about the dangers of smoking. We continually educate the public about the importance of diet in preventing cardiovascular disease and offer programs to help reduce the risks. However, in comparison, we do little for drug users before they reach the crisis stage. We must begin helping the potential drug users by identifying them and educating them about the true dangers of drugs like crack.

Physicians who understand the effects of crack can play a role in their own communities. They should participate in community organizations and school programs to prevent and reduce drug abuse. Community groups are always receptive to physicians who wish to help prevent drug abuse.●

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## THE 250TH ANNIVERSARY OF THE BIRTH OF CHARLES CARROLL OF CARROLLTON

● Mr. SARBANES. Mr. President, as all Americans celebrate this week the signing of the U.S. Constitution 200 years ago on September 17, 1787, we in Maryland will mark an additional milestone in our State and Nation's history. A week long series of events beginning today will commemorate the birth 250 years ago on September 19 of a very important Marylander and national figure, Charles Carroll III of Carrollton.

The people of Maryland are very fortunate to call as our own many great Americans who participated in the independence of the country and in the founding of the Republic. Among them, Charles Carroll of Carrollton was an extraordinary leader and dedicated patriot as well as a remarkably successful planter and businessman. One of four Marylanders to sign the Declaration of Independence, this Charles Carroll—one must distinguish as there were several—was the only Roman Catholic signer, the last of the 56 signers to survive, and the longest lived. Charles Carroll holds a distinguished place in the history of the body in which I stand, having served as one of Maryland's two U.S. Senators in the First Congress. His selection by Maryland as one of two Maryland citizens to be memorialized in Statuary Hall is eloquent testimony to his eminence and his stature in Maryland history.

Born of Irish descent September 19, 1737, in Annapolis into one of the wealthiest families in colonial America, Charles Carroll III began living during a time—1718–74—when Roman Catholics were penalized financially and did not enjoy the rights to vote, hold public office, practice law, worship publicly, or be educated in their religion. A number of Maryland's Catholic families became Protestants but the Carrolls would never desert Catholicism. Hence, Charles left Maryland at the age of 10 to begin a rigorous 16-year education abroad including 11 years in France where under the Jesuits he studied humanities, philosophy, and Roman law, and 5 years in London where he studied the common law.

Charles Carroll III became a scholar of some of the world's greatest thinkers—Hume, Locke, Voltaire, and particularly Baron Charles Montesquieu, the father of the separation of powers principle which is so firmly embedded in our Constitution. Above all, Carroll, a devout Catholic steadfast in his own religious beliefs, was a strong believer in religious freedom.

Having completed his education, Charles returned home in 1765 to his father's house in Annapolis, settling into the life of a wealthy planter at the age of 28. Although Charles III never lived at "Carrollton," a 10,000-acre land tract in Frederick County, his father gave him rental income from the property and Charles added the words "of Carrollton" to his name to distinguish himself from his father and other relatives. Three years after his return to Maryland, Carroll married his cousin Mary Darnall and together had seven children of whom only three lived to adulthood.

Carroll's political career of 27 years did not begin until 1773 as his religion barred him from public life. His strong loyalties to family and to religion and his vigorous scholarship based upon a classical education were qualities which he used brilliantly in support of the American Revolution.

Although already prominent and influential, Carroll won public acclaim and established himself as a popular leader as the result of his successful 6-month debate in the Maryland Gazette regarding the pay of Lord Baltimore's government appointees. Carroll's role in public affairs became increasingly important as the dispute between Great Britain and the Colonies worsened in 1774. As one of the wealthiest men in America, he risked his fortune as well as his life when he joined the Revolutionaries.

In the years 1774–76, Carroll was appointed to the Annapolis Committee of Correspondence, acted as unofficial observer at the First Continental Congress, was elected as delegate to the Maryland Convention of 1776, and became a member of the Maryland Committee of Correspondence and the Council of Safety. Early in 1776 Charles and his cousin John Carroll, a Jesuit priest who later became the first Catholic bishop in the United States and Baltimore's first archbishop, traveled to Canada with Benjamin Franklin and Samuel Chase on a congressionally appointed committee which sought but failed to obtain a union of Canada with the Colonies. Following his return, Carroll used his growing influence to help persuade the Maryland Convention to instruct its delegates to Congress to vote in favor of independence from Great Britain.

Elected a delegate to the Continental Congress on July 4, 1776, Carroll journeyed to Philadelphia and took his seat on July 18. He joined his colleagues in signing the Declaration of Independence on August 2, an action of such immense danger that the names of the signers where kept secret for an entire year. His signature on this instrument as a Roman Catholic can be viewed as a victory for religious liberty and freedom of conscience.

From this time on, Carroll took a prominent part in the assembly of his State and the Continental Congress. He helped to prepare the first draft of the Maryland Declaration of Rights and Constitution in the fall of 1776 and was a member of the Maryland Senate from the beginning of State government in 1777 until 1800. He served as president of that body during the last year of the American Revolution 1783-84 and as councilman and alderman of Annapolis that same year.

Although selected as a delegate to the Constitutional Convention in 1787, he declined the appointment because of pressing issues in Maryland. A Federalist, he supported a strong Federal constitution and Central Government. Although he did not win his bid the following year for a seat in Maryland's ratifying convention, he worked privately for the adoption of the Constitution, a document he believed capable of "curbing the excesses of an uncontrolled democracy" and of producing "respectability abroad and stability at home."

In 1789 Carroll and John Henry, Jr., became Maryland's first U.S. Senators, a role Carroll served in from March 4, 1789, to November 30, 1792. In 1792 the Maryland assembly passed a law making it illegal to serve simultaneously in the State and Federal Government. Carroll demonstrated his affection for his native State when he chose to remain in the Maryland Senate:

> Despite years on the national stage, Charles Carroll of Carrollton remained first, last, and always a Marylander. . . . The Senate was an essential element in Carroll's philosophy of government for he saw it as a counterweight to the popularly elected House of Delegates and to the democratic aspirations that the Revolution encouraged among the common folk. Carroll, it should be emphasized, was not a democrat, but he did manage to guide an enormously difficult revolution to a successful conclusion. (Remarks prepared for the senate of the State of Maryland on March 11, 1987, by Prof. Ronald Hoffman, editor, the Charles Carroll of Carrollton Papers.)

By 1801 Carroll retired from politics to concentrate on his business affairs which included agricultural pursuits and investing. An astute businessman, Carroll held shares in the Susquehanna and Potomac Canal Cos., the Georgetown Bridge Co., and the Baltimore Water Co. He purchased securities that helped build the Baltimore & Ohio Railroad, was on its first board of directors, and helped lay the cornerstone in 1828. With the almost simultaneous deaths of John Adams and Thomas Jefferson on July 4, 1826, Charles Carroll of Carrollton became the only surviving signer of the Declaration of Independence and one of the Nation's most revered citizens. On November 14, 1832, at the age of 95, he died at the home of his daughter Mary Carroll Caton at 800 East Lombard Street in Baltimore, where he had lived since 1821. This house is a museum open to the public today. After a splendid ceremonial funeral attended by foreign, State, and local dignitaries, Charles was buried in the chapel of his family's ancestral plantation, Doughoregan Manor, near Ellicott City in Howard County, MD.

Mr. President, I would like to take this opportunity to show my appreciation to the Charles Carroll of Carrollton 250th Anniversary Committee which has worked so hard to focus our attention on this occasion. The able leadership of committee chairman, Dr. Robert Worden; vice chairman, Dr. Ronald Hoffman; and secretary treasurer, Mr. Leslie M. Adams has garnered my support and participation for this observance as well as that of the following individuals: Hon. William Donald Schaefer, Governor of Maryland; Hon. Barbara A. Mikulski, U.S. Senator; Hon. Tom McMillen, U.S. Congressman, Maryland's Fourth District; Hon. Thomas V. "Mike" Miller, president, Senate of Maryland; Hon. Gerald W. Winegrad, State senator, Anne Arundel County; Hon. John C. Astle, State delegate, Annapolis; Hon. O. James Lightizer, county executive, Anne Arundel County; Hon. Maureen Lamb, county council member, Annapolis; Hon. Dennis Callahan, mayor of Annapolis; and Hon. John R. Hammond, alderman, ward 1, Annapolis. I would like to acknowledge here the efforts of Dr. Hoffman and his associate, Sally Mason, toward making public available Carroll's rich literary treasure, the Charles Carroll of Carrollton Papers.

I also wish to express my thanks to Dr. R. Cresap Davis and the Maryland Humanities Council that he chairs for awarding the 250th Anniversary Committee outright and matching funds for the project entitled, "Archaeology and the Political Meaning of Charles Carroll of Carrollton." This includes a comprehensive archeological survey and excavation at the Charles Carroll House in Annapolis, work that is currently being conducted by Archaeology in Annapolis, a group sponsored by the University of Maryland School of Urban Archaeology. The school has been excavating at several sites in the capital city during the past 6 years in cooperation with Historic Annapolis, Inc. The house is situated on the largest archeologically intact 18th century property in Annapolis' historic district.

The Charles Carroll House, a stately 35-room Georgian mansion dating back to the 1720's located off the Duke of Gloucester Street, was Charles Carroll III's birthplace and primary home until 1821. The property was owned by the Carroll family from 1701 until 1852 when it was conveyed to the Congregation of the Most Holy Redeemer, an order of Roman Catholic priests and brothers better known as the Redemptorists who still own the property. The house is historically significant not only because of the important role it played in the lives of the Catholic Carrolls of Annapolis and in Charles Carroll's political and social life, its is also the site of the first Roman Catholic chapel in Annapolis and Anne Arundel County. My gratitude extends to the Maryland General Assembly and the Maryland Historical Trust who have been responsible for recently restoring the mansion's exterior; St. Mary's Parish and Anne Arundel County deserve thanks for their contribution to the ongoing fundraising effort for interior restoration.

Mr. President, I want to close simply by saying that it is heartwarming and inspiring to see once again the dedication of so many Maryland citizens too numerous to list here, whether in the private, public, or nonprofit sector, to the preservation of a part of Maryland's heritage. Due to the efforts and commitment to history by so many individuals we are able centuries later to pause, reflect, and learn of how our Nation was born and has survived.●

## POW/MIA "RUN FOR FREEDOM"

● Mr. LAUTENBERG. Mr. President, September 19 marks a special day in my State. The Elizabeth Police and Fire Departments are sponsoring a "Run for Freedom" in honor of Douglas L. O'Niell, of Bayonne, NJ.

Mr. O'Niell has been missing in action since April 3, 1972. The Elizabeth Police and Fire Departments have made a personal commitment each year to hold this event to honor a different POW/MIA until not only the 63 men from New Jersey are accounted for, but all 2,413 American service personnel still listed as POW/MIA's.

Mr. President, the Senate shows the concerns of the Elizabeth Fire and Police Departments and of all Americans concerned about our POW/MIA's. On July 28, I joined my colleagues in unanimously adopting a resolution in support of Gen. John Vessey's trip to Vietnam to resolve the fate of Americans missing in Southeast Asia. It is our strongest hope that negotiations by General Vessey will lead to some progress in this most difficult area. The families and friends of the missing have waited too long.

On Saturday, the police and firemen of Elizabeth will sponsor a 2K and 5K race at the Warinanco Park Stadium in Elizabeth. I would like to take this opportunity to commend the police and fire departments for undertaking this endeavor. We are a nation committed to finding those who were dedicated in defending our country.

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I would like to encourage and congratulate everyone participating in the run. The runners are supporting an excellent cause of which we are all concerned. September 19 will be a day to remember those who are missing and a renewal of our dedication in finding these fine men.●

## FANNIE MAE'S REMICS

● Mr. CRANSTON. Mr. President, on August 17 Fannie Mae issued $500 million of REMICs—a multiple class mortgage security created by the Tax Reform Act of 1986. Fannie Mae's authority to issue REMICs was extensively considered both in Congress and by HUD and this is the first REMIC Fannie Mae issued under specific authorization granted by HUD last April.

As the author of Recovery Act for Mortgage-Backed Obligations, precursor of the REMICs legislation, I have long believed that this kind of multiple class mortgage-backed security can provide benefits to lenders, investors, and, most importantly, home buyers.

It is interesting to note that the Fannie Mae REMICs was sold out almost immediately. The first tranche to sell out was a piece designed primarily for thrift institutions. This response is further proof of the value of REMICs as an investment for thrift institutions. In addition, REMICs provide all mortgage lenders with an efficient instrument for selling mortgages. Finally, REMIC efficiencies accrue ultimately to the home buyer reducing the cost of mortgage financing.

Fannie Mae's REMICs included several innovative twists and the response has been overwhelmingly favorable. This is the kind of leadership that the secondary market agencies have brought to mortgage finance in the past. I am pleased to see this kind of creativity brought to the mortgage market by REMICs and the positive response from the market to the new activity. This will only help REMICs to serve the purpose for which it was created.●

## HISPANIC HERITAGE WEEK

● Mr. RIEGLE. Mr. President, on September 16, Mexico will commemorate the 177th anniversary of its independence. That date will also mark the beginning of National Hispanic Heritage Week.

Throughout the country, Hispanic Americans will celebrate this anniversary of Mexico's independence and will honor the special contributions which members of their community have made to the growth and development of the United States. The large community of Hispanic Americans residing in my own State of Michigan deserves special mention. As the fastest-growing minority group in our country today, we must pay special attention to the challenges facing Hispanic Americans.

A recent editorial in the Washington Post, notes the growth of the Hispanic population in the United States and points out some of the problems they face. In 1970, 9.4 million Americans were Hispanic. Today 18.8 million—or 1 in every 12 Americans—considers himself Hispanic. To quote the editorial:

> Overall, Hispanics in the United States have relatively low education levels; only a bare majority have 4 years of high school. But their incomes have increased, and their poverty level has decreased since the 1981-82 recession despite the arrival of hundreds of thousands of newcomers. Unemployment among Hispanics is not vastly higher (9.5 percent in March 1987) than among non-Hispanics (7 percent): families are larger and only a bit less likely to be headed by a married couple. Family incomes of Hispanics have risen in pace with those of other Americans but are still about one-third lower; about one-quarter of Hispanics live below the poverty line.

It is clear that Hispanic Americans can have a real impact in shaping this country's destiny. As the Washington Post editorial goes on to point out:

> One way of looking at these numbers is to say that * * * [Hispanic Americans] are moving up rapidly, especially when you consider that many started off living elsewhere, in circumstances you will not find statistically replicated anywhere in the United States. Hispanics are moving up the many ladders of success in America.

As a nation we must continue our efforts to address the many problems which threaten to prevent Hispanic Americans from participating fully in our society. We must work to ensure that linguistic and cultural barriers do not block movement toward greater prosperity, and that Hispanic Americans are afforded equal opportunities in the areas of employment, housing, and education.

As we take time this week to celebrate the achievement of Mexican independence and to acknowledge the important contributions of Hispanic Americans, let us also reaffirm our commitment to ensuring that equality of justice and opportunity are enjoyed by all Americans.●

## SMALL TOWNS

● Mr. SIMON. Mr. President, a former colleague in the House of Representatives, Bob Krueger, writes a column that appears in several Texas newspapers.

Recently he had a column on small communities that is important for us to consider if we are serious about preserving small town life in America.

I am also inserting in the Record a column I wrote on the same subject.

I ask that Bob Krueger's column and my column be inserted in the Record, and I urge my colleagues to read these columns.

[From the Dallas Morning News, July 3, 1987]

### Mutual Trust Still Thrives in Small Towns

(By Bob Krueger)

A few weeks ago, CBS television gave an hourlong retrospect of correspondent Charles Kuralt's *On the Road* programs. A paean to small-town America, it celebrated the simple values and pleasures to be enjoyed in places where the word "community" still has its root meaning, and where the flash of electronic media is balanced by the gentle rhythms of life near the soil and near one's neighbors.

I reflected on that program yesterday as I parked in front of Naegelin's Bakery, located for the past century by the main plaza in my hometown of New Braunfels. Its sign, "100 Years of Service," conveys a simple truth that reminded me of a daily routine in my boyhood. At noon, my sister and I walked from school to my father's business, from where the three of us drove home for lunch. On the way, dad always stopped across from the bakery, bolted from the car and strode across the street. If Mrs. Naegelin saw him coming, she would meet him at the door to hand him a fresh loaf of bread, with occasionally a few cookies for the children, before we proceeded home for our noon meal.

In those days, she and Mr. Naegelin lived over the bakery, and rose at 3 a.m. to begin their day. Their only son assisted in the baking and delivery, but, being a small family endeavor, the Naegelins could bake only enough for their regular customers. Thus, if you were a stranger to the town, or to Mrs. Naegelin, and entered the store, chances were you'd be quizzed extensively by this sharp-minded, sharp-tongued woman in her 70s before she decided whether or not to sell you a loaf of German pumpernickel or French white. "Well, who told you to come here to buy bread, then?" I've heard her ask. After all, she had to keep enough on hand for the customers who had relied on her for years.

They trusted her, and she trusted them—in many ways. Once a year, before Christmas, she gave dad a bill for the entire year's purchases. She claimed she liked to do that because she used the money to buy her Christmas gifts. But I suspect she really did it to save time for my father, a businessman in a hurry. She was more thoughtful than she let people know.

With thoughts of Kuralt and Naegelin in my head, I drove home to find a message from Mr. Kraft, the repairman, on my recorder. I had called him two days earlier when a window air conditioner went out—because we had always called Mr. Kraft with such problems. Now in semi-retirement, he had nonetheless come the same day to remove and check it. The message now was that it could be repaired; I wouldn't have to buy a new one. Our family had trusted Mr. Kraft for 30 years: If he said it could be fixed, he'd fix it; if he said it needed replacement, it did.

With Mr. Kraft, as with the Schuberts who are putting new wallpaper in our bedroom, there is no need to ask the price in advance. Harvey Schubert and his son are repapering the same room that his father had papered for my parents when they lived here. The Schuberts and Mr. Kraft would no more overcharge us today than Mrs. Naegelin would have overcharged my father on the yearly bread account. And I would no more need to oversee their work than to watch the Naegelins bake bread. They respect their craft and their customers; their pride is in their work, their community and their relationship to it.

And it's the same with Mrs. Ott. One of my wife's happiest phone calls this year was when Mrs. Ott called to say that she could add Kathleen to the group of people for whom she ironed. The rules were simple: "If I'm not here, just come in the kitchen. Leave the clothes to be ironed, and pick up your clothes from last week. You'll find them hanging in the back room." The ironing, of course, is faultless.

It all seems so simple on the surface. Just come in the kitchen if I'm not there; just pay the bakery bill once a year; just leave it to Mr. Kraft or Mr. Schubert to do the repairs right. What makes it different from so many of our day-to-day business dealings is that bond of simple trust exists—often it has existed over generations.

My work sends me to Washington, Dallas, Houston and San Antonio regularly. I would not want to see America without the vigor and energy of their business, legal, political and academic lives. One senses that important things are happening there, and that, being involved, one's life there can make a difference for many people.

But I would equally be reluctant to see America lose what the Naegelins, Schuberts, Otts and Krafts offer in New Braunfels: not just their craftmanship and pride in their work, but more importantly, that their craftsmanship is conveyed in an atmosphere of mutual trust. One is not just "doing business," but is exchanging values.

The reason, of course, that one can trust them to charge fairly, and to perform excellently, without either written contracts or advance price agreements, is because one intuitively knows, and has found by long experience, that they would never cheat because they value some things more than money. Their pride is as much in their work as in what they are paid for it, and is more in who they are and how they live with their neighbors than in their dollars.

One can't put a definite monetary value on what it means to live in a community with people like that, because their lives remind us that living well in a real "community" has non-monetary values. Charles Kuralt was right when he said that our small towns are just as important as our major cities to the greatness of America, and to creating an environment that makes life well worth living.

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### The Shrinking of Small Town America

(By U.S. Senator Paul Simon of Illinois)

Travel across Illinois and the rest of the Midwest and one painful sight you will see over and over is the shrinking of small towns. A few are thriving, many more are barely surviving, and many are gradually dying.

It is not good news for America.

I speak with prejudice because most of my life has been spent in small-town America. My address is Route 1, Makanda, Illinois—population 400.

Small towns are not paradise. You will find in them the same prejudices and fears and shortsightedness that exist in larger communities, and because they are small towns, sometimes those warts are more visible.

But in these small towns you will usually find more concern for one another. The economic segregation of urban and suburban America has not hit these small towns. The son and daughter of the wealthiest person in the community go to school with the son and daughter of the school custodian and the son and daughter of the person who is unemployed. We learn from each other.

When these small towns shrink, where do people go? They head for the big cities, hoping for opportunity, often ill-equipped to cope with the sudden new environment of the urban area, compounding the problems of urban America.

What can be done?

First, the problems of rural communities cannot be separated from the problems of American agriculture. So long as we continue policies that do not encourage better prices through greater use of our agricultural producing capacities, farm families and the small towns they surround will not prosper.

Second, we need federal policies that encourage the development of a small and varied industrial base in rural communities so that young people who grow up there will have more of a chance for working and staying in those communities.

Are both of these goals idle illusions that have no chance to become reality?

Not at all.

Let me give you just one example of what can be done for each of these goals.

Sen. Tom Daschle of South Dakota has joined me in introducing a bill that calls for a gradual increase of ethanol in our gasoline. Right now 7 percent of the gasoline sold in the nation has 10 percent ethanol. Just that 7 percent has raised the price of corn about 11 cents a bushel. Our proposal would require that by 1992, 50 percent of the gasoline sold in the nation would be 10 percent ethanol.

One estimate shows that would raise the price of corn about $1 a bushel—still leaving it lower than a few years ago but a substantial improvement over the present price—and it would make us less dependent on Middle Eastern oil, save the federal treasury billions of dollars, and make our air cleaner.

That one step would be a substantial help to this nation's farms and small communities.

To encourage small companies that manufacture products in these smaller communities, we could—and should—take steps to stimulate more export sales. Today a handful of corporations do about 60 percent of our nation's export sales. A major reason is that smaller corporations, particularly those in rural communities, have a difficult time getting bank credit for export expansion.

If the federal government were to provide a partially guaranteed loan for companies that expand exports, we would create more American jobs, particularly jobs in the smaller communities where exports seem like a distant dream because of the credit hurdles.

That is one example of what can be done for each goal. Many other examples could be given. If we have leadership that is concerned and creative we can do much, much better.

Small town America is not thriving.

But the present shrinking of small town America can be reversed.

And the nation will be much better off when it happens.●

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## BELLARMINE OKTOBERFEST DRIES UP

● Mr. ADAMS. Mr. President, I want to take this opportunity to call to the attention of my colleagues a principled stance taken by the administrators at Bellarmine Preparatory School in Tacoma, WA.

For a number of years, Bellarmine has staged an Oktoberfest event to help raise funds for the school year. Last year, beer gardens at the event accounted for over one-half of the proceeds.

Despite the fact that beer sales raised over $30,000 for the school last year, Bellarmine administrators have banned alcohol at this year's Oktoberfest. School leaders concluded that they were sending students a mixed message when they taught them about the dangers of drug and alcohol abuse during the week and sold alcohol over the weekend to raise money.

I applaud the decision made by Bellarmine Prep. All too often, we parents tell our children to "do as I say, not as I do." I hope that people throughout the country will hear the message sent by the faculty and parents at Bellarmine Prep. They are doing more than teaching their students that principles are more important than profits; they are acting in ways which demonstrate that motives matter more than money.

I ask that several articles about this decision be made a part of the RECORD.

The articles follow:

[From the News Tribune, July 14, 1987]

### Bellarmine Oktoberfest Dries Up

(By Kim Severson)

The Rev. Daniel Weber calls Bellarmine Preparatory School's annual Oktoberfest one of the best parties around. The three-day event also has remained a steady and lucrative source of income for the parochial high school.

But come this fall, the event will be less of a fund-raiser, and some might consider it less of a party.

The 1987 Oktoberfest will be dry.

Nary a drop of alcohol will be available at the annual fall bash because school administrators think plying patrons with beer sends the wrong message to students and parents battling drug and alcohol abuse.

The decision to ban alcohol was a tough one, administrators said. Last year, just more than half of the $70,000 made during Oktoberfest came from the sale of alcohol and admission to the event's two beer gardens.

"When I started this (10 years ago), the time was right for a beer garden. Believe me, this has been one of the best parties you've been to in your life," said Weber, who as school president found himself in the middle of the beer-garden dilemma.

"In our own efforts to ask kids to say no, adults had to say no in a dramatic way," said Weber. "I guess we're starting to realize we've got an excess in this society and it's time to say that this excess has gone too far."

Over the past few years, parents and students both told the Bellarmine administration that the beer gardens were causing problems. There were a few minor fights, and stories surfaced about students who had to go into the gardens to retrieve drunken adults.

Concerns over the beer gardens have arisen every year of Jack Peterson's six-year tenure with the school. As vice president for development, Peterson is in charge of

efforts that last year amounted to $1.27 million raised or donated.

"I had the most to lose with this decision," he said. "But what it boils down to is we spend a lot of time teaching (students) about drug and alcohol abuse. The beer gardens were sending them a mixed message."

The beer-garden ban comes with a big price tag. In the 10 years the sales have occurred, about a quarter of a million dollars has been raised on alcohol and alcohol-related sales. The school uses the money to help subsidize about $1,000 in annual tuition per student. Next year, more than 900 students will pay $2,890 to attend the school.

With the exception of a handful of people, most seem to be glad the event is changing, said Carol Colleran, the mother of six children, all of whom have or will graduate from Bellarmine.

"As far as raising money, it was a good idea, but it got to be a problem," she said.

Colleran believes the Oktoberfest may not make a lot of money this year, but eventually will be restored to its former level.

Peterson believes offering other activities including dances and other entertainment can help make up the money lost with the beer-garden ban. The increasing popularity of the school's rummage sale held during Oktoberfest also may make a difference, he said.

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[From the Progress, July 16, 1987]

### Bellarmine Prep Bans Sale of Alcohol at Annual Fund-Raising Oktoberfest

TACOMA—Does no beer in the garden mean no fest in October? Tacoma's Bellarmine Preparatory School hopes not.

Despite the fact that the sale of alcoholic beverages at the school's annual Oktoberfest has raised a quarter of a million dollars over the past decade, the school has decided to stop selling alcohol at the event.

"It was an educational decision," said Jesuit Father Daniel Weber, school president. He said the policy was made to support Bellarmine's alcohol and drug abuse programs.

Without fund-raising events such as Oktoberfest, annual tuition would be about $1,000 more than its current $2,890, Father Weber said.

"Because we are committed to keeping people of average and medium income here," he said, "we have made this commitment to raise money on the side."

Father Weber hopes that other Oktoberfest attractions, such as the international food booths, dances and all-family events such as volksmarch will make up the difference.

The 11th annual Oktoberfest will be held Oct. 2-4.

He said the proposed addition of cultural events, such as an arts show, will more properly reflect the school'a academic achievements.

"My original idea of an Oktoberfest was to have family fun and to pull people together," Father Weber explained. Along with the fun, money was raised for the school and for church groups which sponsored booths or events.

Last year 51 percent of the $70,000 gross income of the feast was related to alcohol sales and admission to the beer gardens. During the 10 years of Oktoberfest, $267,880 of the $535,760 gross was alcohol-related.

The decision to ban alcohol was not an easy one, Father Weber said. The church has no ban on alcohol use, so long as it is in moderation, he said. Alcohol is sometimes brought onto school grounds when school facilities are used for wedding receptions and is sometimes served at post-game gatherings and at Booster Club meetings. Those practices are unaffected by the Oktoberfest alcohol ban, he said.

There have been a few alcohol-related incidents at the fest, in part because its popularity led to overcrowding inside and out of the beer gardens.

A fight in the gardens last year caused Father Weber "to assess what we were sponsoring," he said. "I began to reflect: What are we trying to do at this school? We realize that the Oktoberfest was in a certain sense giving permission for something we were trying to curtail in other areas."

At the same time, some parents were expressing misgivings about the excesses involving alcohol at Oktoberfest.

Father Weber met with a parents' committee to consider the impact of the alcohol presence on the educational values of the school.

The problem of drug and alcohol abuse among Bellarmine students is "like any other school," Father Weber said. He felt, however, that Bellarmine had a better handle on it than some other schools because of three programs: "Impact," which is teacher-oriented to intercept abuse; "Natural Helpers," which trains students to help their peers; and a follow-up program to help students return to the mainstream after abuse treatment.

"What we had here was a situation where we're asking kids not to drink at all, because they're not of age, and they're not grown up," Weber said. Then the students see adults getting out of hand while drinking at a school-sponsored event.

"Kids are basically scandalized by us drinking," Father Weber said. "I think they're wrong in their assessment. I don't buy the Puritan ethic that you can't drink. I never have . . . but we want people to do it in moderation."

Paul Sherry, a senior who was president of the Bellarmine chapter of Students Against Drunk Driving, wrote Father Weber an open letter in the school newspaper questioning school-sanctioned alcohol use.

Sherry said: "Bellarmine has a problem with too many students drinking too often. You have made an admirable stand against Bellarmine students drinking. For that I commend you." However, he said that in action, "the school's example is still very poor and hypocritical."

Adult drinking at school events shows a "lack of responsibility . . . regarding their moral obligation to be positive models and to use discretion when exercising their right to drink," Sherry said. "Most teen-agers see this lack of discretion as an excellent excuse to ignore the advice or demands from adults."

After the school's decision was announced in a spring newsletter, Sherry said its shows "that trying to stop the abuse of alcohol is more important than the (school's) economic situation. It is too bad that we depended on that so much for money."

Acceptance of the new policy was not immediate, nor was it unanimous, Father Weber said.

Some students are openly skeptical that Oktoberfest will survive without the beer, and at least one athletic fan told Father Weber he would not help put on the event if beer was banned.

"Some kids said, 'Oh, you can't do that, Father.' You see they were looking forward to coming back here as adults when they could get inside that beer hall and have some fun," Father Weber said.

"It is a fun place. That's why I liked it," he said. "I had a heck of a good time down there."

Dan Wombacher, president of the Booster Club, said he believes the school administration was wrong to ban the alcohol sale at Oktoberfest.

"Sure, there were problems," he said. "Instead of trying to cure the problems, they just threw the whole thing out."

"If people want to come to this thing, they will come," Father Weber believes. "But they won't come here to drink booze, because it won't be here."

"It was a hard decision for me to make because I liked the fun," he added. "But I've never regretted it."●

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## COERCIVE POPULATION CONTROL IN CHINA

● Mr. HUMPHREY. Mr. President, the Senate Appropriations Committee recently heard compelling testimony from Mr. Steven W. Mosher of the Asian studies center at the Claremont Institute. His testimony centered around the current state of China's population control program which, according to Mr. Mosher and a number of other sources, still employs coercive methods such as mandatory sterilization and forced abortion.

Thankfully, the committee voted to continue the U.S. funding boycott of China's population control program; nevertheless, I believe that Mr. Mosher's testimony is worthy of a much wider audience, and therefore I ask that it be entered into the RECORD.

The testimony follows:

### Statement of China's Population Control Program

(By Steven W. Mosher)

China's basic population control policy, what it calls its "technical policy of birth control," was promulgated in 1983 and is still in effect today. It is contained in a directive of the Central Committee of the Chinese Communist Party, whose pronouncements have the force of law in China. Its principal content is: "Those women who have already given birth to one child must be fitted with IUDs, couples who already have two children must undergo sterilization of either the husband or the wife, and women pregnant outside of the plan must adopt remedial measures [i.e., abortion] as soon as possible." (NANFANG RIBAU, May 15, 1963, p. 3)

This directive, the operant passages of which have appeared repeatedly in the Chinese press, makes a bow in the direction of "voluntarism," by which is meant that the formal consent of the person involved must be obtained prior to any operation. But the directive is written in the imperative, and is in fact a prescription for mandatory IUD insertion, for mandatory sterilization and, when the policy on childbirth is violated, for mandatory abortion.

What is called "the policy on childbirth" is in reality two policies, one for officials and workers, and one for peasants. Like the policy on birth control, the policy on childbirth for officials and workers, who comprise perhaps 20 percent of the population, has remained unchanged for the past five years. It reads: "All state cadres, workers and employees, and urban residents, except for special cases which must be approved, may have only one child per couple." (NANFANG RIBAU, May 15, 1983, p. 3; for a recent restatement of the same policy by Henan party leader Yang Xizong see Foreign Broadcast Information Service (FBIS), CHI-87-133, July 13, 1987, p. P4) In the cities, second children are simply not allowed, and tremendous pressures (about which more below) are brought on pregnant women to submit to "remedial measures."

The rural policy on childbirth has, from the beginning, been less strict than this. Instead of being strictly enforced, the one-child policy is merely to be "vigorously advocated." In practice, however, the "vigorous advocacy" of undereducated, overzealous rural officials often resulted in forced abortions and sterilizations.

To combat growing rural discontent a major exception to the policy of promoting one child in the countryside was made in 1984. Couples facing "real difficulties," it was announced, could apply for permission to have a second child. The "real difficulties" in question were never spelled out clearly in documents, perhaps because the Central Committee recoiled at putting a clearly sexist policy in writing, but were widely understood to be those caused by the birth of a girl, namely, that she could neither carry on the family name nor support her peasant parents in their old age. (See, for example, FBIS-CHI-87-133, July 13, 1987, p. P4)

It was stressed that that exemptions to the one-child rule were not to be made indiscriminately to all rural couples with first-born girls. The quotas on births handed down to each province were to be respected, and second-child exemptions were to be contingent upon a wait of four to seven years after the first child. The "technical policy on birth control" was also not to be violated, so that the prior agreement of the couple, usually the women, to accept sterilization following the birth of their second child was required. Women who met these conditions would, at the appropriate time, be allowed to have their IUDs removed. (Personal Communication)

This policy put local officials in the difficult position of having to grant second-child exemptions to some but denying others. Although perfectly ready to impose uniform rules concerning the spacing of births and the timing of sterilization, some refused to interpret a deliberately ambiguous Central Committee policy in the expected manner. Rather, they chose to consider that all of the one-child couples in their communities had "real difficulties" and licensed them to conceive and bear a second child. As a result the 1986 birth rate is the highest in four years, although at 1.4 percent it remains extremely low by the standards of the Third World. Recent remarks by government officials indicate that the number of exemptions to the one-child policy allowed in the countryside will be reduced. (FBIS-CHI-87-135, July 15, 1987, p. T1; FBIS-CHI-87-133, July 13, 1987, p. P4) This will necessarily mean an increase in the level of coercion as peasants attempt to bear second children without permission.

Overall, the key to understanding the degree of coercion in China is not the "policy on childbirth," but in the technical policy on population control." Both urban and rural women with one child are required to have IUDs inserted, the removal of which is a crime. (FBIS-CHI-87-133, July 13, 1987, p. Q1) Both urban and rural women who bring a second child to term continue to be sterilized, sometimes involuntarily. Both urban and rural women pregnant with second children for which they have not been given exemptions are pressured to get abortions, and sometimes force is used. Even if the one-child policy were abandoned tomorrow in favor of a "two-child," policy, the program would remain painfully coercive as IUDs insertions, sterilizations, and abortions continued.

Unapproved births do occur, mainly by a means called "childbirth on the run." Women who are pregnant with "illegal" children go to live with relatives in distant villages or towns. Away from their native place, they are often able to escape detection by the local authorities. Only after they have actually given birth do they dare return home. This is because abortions are performed in China up to the very time of parturition. As the child descends headfirst in the birth canal, it is given an injection of formaldehyde or alcohol into the fontanel, or soft spot, causing instantaneous death.

Couples who succeed in bringing such "illegal" children into the world are subject to heavy fines. Typically, a family will have to pay a fine equivalent to a year's income, and face monthly penalties as well, for having a second child without permission. Such fines are intended to deter, not merely dissuade, young couples from having children outside the plan.

In Guangdong, women who refuse the operations they are ordered to undergo are arrested and taken in police vans directly to clinics. These vans have become popularly known as "pig basket" vans, after the large wicker baskets in which pigs are taken to the slaughterhouse.

To bring together these disparate parts of China's population control program into a coherent whole and illustrate how the program actually functions, I have chosen one of the numerous interviews I conducted while in China in later May of this year. The case of the Wangs, a young couple living in Zhuhai, China, follows:

Like most women in rural China, Chen Suxiang wasn't content with the one child she was allowed under the state's birth quota system. With her husband, a truck driver, on the road much of the time, and her only child, a boy, set to enter primary school the following year, she wanted another baby.

Sitting in the living room of his modest house in Zhuhai, a Special Economic Zone in Guangdong Province designated for foreign investment, her husband recalled that he at first tried to dissuade her, pointing out the pressures they would be subjected to—fines, meetings, and even heavier penalties. "As a permanent employee in a state factory, there are no exceptions allowed to the one-child quota," Chen said. "I told her I could be fired from my job, but she wouldn't listen."

Chen's wife found a midwife who, for a fee of $20, was willing to perform an illegal procedure: remove the steel IUD that had been inserted following the birth of her first child. After several months, in September 1986, she became pregnant.

By staying home most of the time, Suxiang was able to hide her pregnancy from the population control workers for several months. Her growing reclusiveness eventually made them suspicious, however, and they finally ordered her to go in for a pelvic examination.

Chen explained what that meant. "If they discovered that my wife was pregnant, they would order her to have an abortion." By this time, fully supportive of his wife's plan, he decided that she would go to live with a cousin in a neighboring county until she gave birth. Called "childbirth on the run," her response was a common last resort of couples under government pressure. Though his wife was safely out of reach, Chen was not, and was taken aback at the onslaught that followed. His superiors at the factory missed no opportunity to pressure him to end his wife's pregnancy. Each day the vice director of his factory sought him out and lectured him. Each evening he would be visited by a birth control delegation. And each week at political meetings he was singled out as a bad example to the rest of the workers, and even his friends felt obligated to criticize him in public. The message was always the same: "For the sake of the nation, the community, the factory, and the Four Modernizations, he and his wife must give in."

Chen, an angular-faced man with a shock of unruly black hair, refused to buckle under this pressure. She has left me, he protested, because I would not allow her to keep the child. I do not know her whereabouts. He was not believed, and the pressure continued.

The factory director, seeing that Chen could not be budged, resolved to find his absent wife by other means. He ordered the factory's dozen purchasing agents and sales representatives to make inquiries, promising a bonus to the one who located Chen's wife. It was one of their number who, discovering that Chen frequently detoured to the neighboring county on his runs, began making inquiries there. Chen's wife was found and brought back in February, seven months pregnant.

Afraid that she would escape again if she were allowed to go home, the factory director ordered the runaway confined to a factory dormitory, under the supervision of birth control workers, who missed no opportunity to badger her to accept an abortion. Separated from her husband, so distraught that she was unable to eat and sleep, she was no match for the "thought work committee" that was assigned to reeducate her into accepting an abortion. Going into the ninth month of pregnancy, she bowed to the pressure.

She was immediately taken to the local medical clinic and given an injection of an abortifacient drug. Her child was born dead 48 hours later. "They didn't even tell me she was in the clinic until they had already given her the shot," Chen said. She was four weeks from term.

Despite the stringent controls, however, there are still couples who manage to bring a second child to term, like Wang Guohan and his wife, both of whom worked in a state-run retail store. The Wang's story begins like the Chen's. Like Mrs. Chen, Wang's wife paid a midwife to illegally remove her IUD and conceived a child. Again like Mrs. Chen, when she was discovered by the authorities she decided upon "childbirth on the run."

Here the similarity ends, however. Unlike Chen's wife, Mrs. Wang shuttled between the homes of several relatives, making it impossible for her unit to find her. A midwife helped with the birth, so she was able to avoid the fate that her "illegal" child would have met in the hospital. She returned home with a strong, healthy boy in her arms, and was of course allowed to keep him. Her "little treasure" did not come free of charge, however.

The party committee of the department store fined the Wang's 3,000 renminbi, or $500, an amount equivalent to two years income. His monthly income was also slashed from $30 a month to $9, as his bonus, cost-of-living allowance, expense allowance, and overtime were cut off. They had family members in Hong Kong willing to help with the bills, Mr. Wang said, otherwise they would starve.

There is a final note to their story. Mrs. Wang, having borne a second child, was ordered to report to the hospital for sterilization. She refused. Several times she was warned. Still she refused. One day a police van pulled up in front of her house. She was taken against her will in this "pig basket" van to the hospital and given a tubal ligation. She was still in the hospital recovering from this unwanted operation on the day I interviewed her husband.

Peking is continuing a population control program which, despite its advertised "voluntarism," relies heavily on coercive abortion and coercive sterlization and the threat of same. The United Nations Fund for Population Activities, for its part, continues to support this program in word and deed.

For example, the UNFPA representative in Peking recently praised China's program. "China is actively working to set up a model of how social and economic factors can be harnessed in a harmonious way," he was quoted as saying. "The government has shown its full commitment to a family planning program that has been internationally acknowledged as one of the most successful efforts in the world today." (Peking, New China News Agency, July 11, 1987, FBIS-CHI-87-133, July 13, 1987, p. A1) Such comments call into serious doubt whether the UNFPA is capable of distinguishing between legitimate family planning, as defined by its charter, and coercive population control.

It is not consonant with America's commitment to human rights to support, directly or indirectly, a Chinese program that violates the right of couples to decide for themselves the number and spacing of their children.

To resume AID funding to the UNFPA at a time when that organization has not shown the slightest intention to distance itself from the coercive abortion and sterilization practices of what is one of its largest grant recipients would be a mistake. It would send the message to the world that America care little about violations of human rights in population control programs.●

## INFORMED CONSENT: KENTUCKY

● Mr. HUMPHREY. Mr. President, informed consent is the name for a general principle of law that a physician has a duty to disclose to his patient all of the facts needed to make an intelligent decision as to whether consent should be given or withheld. According to Black's Law Dictionary, this includes giving the patient information about the risks as well as alternatives to the proposed procedure.

The purpose of informed consent is clear: to give a patient the ability to reasonably balance the probable risks against the probable benefits of a procedure.

I urge my distinguished colleagues to support my informed consent bills S. 272 and S. 273.

I ask that a letter from the State of Kentucky be inserted in the Record.

The letter follows:

June 3, 1987.

Dear Senator Humphrey, I am writing in support of "The Informed Consent Bill" which you are presenting on behalf of those of us who had abortions without being adequately informed.

My abortion was 8½ years ago. I was alone and frightened. I had nowhere else to turn for help. I trusted the clinic staff to help me, after all they are supposed to be trained medical personnel—aren't they? But they did not help. The abortion procedure was not explained to me in terms that I could understand. I was not informed what harmful effects the abortion could have on my body. I was not informed about the possible emotional problems that could result. I was not offered any other alternative except abortion. And I was too scared to say no. Abortion is the choice of a frightened woman who is reaching out for help, why is there no one to help her? Abortion is irreversible—it can't be undone.

No one prepared me for the sudden personality change that took place. I hated myself and everyone else. My relationship with my baby's father ended within 3 months of the abortion. Full of bitterness and resentment, depression was my constant companion. I cried a lot and slept little, although I spent a great deal of time in bed. I suffered intense migraine headaches. I could not cope with everyday living. I lost interest in men and sex, and gained over 60 lbs. Nobody would ever hurt me that bad again.

If I had really known what was going to happen in my life as a result of my abortion, I doubt that I could have gone through with it. I lost my only child. And I have to live with that knowledge the rest of my life.

Thank you for caring. God bless you.

Sincerely,

Carla J. Smith,
Kentucky.●

## PARENT-TEACHER ASSOCIATIONS

● Mr. McCONNELL. Mr. President, today I want to commend the important activities of parent-teacher associations throughout our great country. In particular, I want to recognize the Kentucky Congress of Parents and Teachers, Inc., for their membership drive that is currently taking place and will run throughout October. Since school has just started, it seems timely to discuss the significant role the PTA plays in the education of our children and to encourage membership in the PTA. The PTA is a cooperative venture between parents and teachers. It gives parents and teachers a chance to share information and expertise on children. Membership in the PTA is open to anyone, you don't even have to have children to be a member.

It is interesting to note that there are over 6 million members of the PTA across the United States and that the PTA has been in existence since 1897. This organization has been working toward better conditions for America's youth by securing child labor laws; supporting compulsory public education; developing health and nutrition programs; promoting education for handicapped children and children with special needs; establishing a juvenile justice system; raising minimum drinking ages in the States; and enacting State seat belt safety laws. In brief, they have been an advocate for children in a variety of ways. The PTA is one of the leaders in the preservation and enhancement of public education.

I have had the honor of being asked to serve as the honorary cochairman of the membership drive for the Kentucky Congress of Parents and Teachers, Inc. I am looking forward to working with the president, Mrs. Jane Boyer and Mrs. Karen Jones, membership chairman, on increasing their membership. Last year the Kentucky Congress won the Region 3 Traveling Silver Bowl Award for a 13-percent increase in membership, and a national award for having 47 percent of their local units recruiting 25 or more additional members over their previous year's total. In the spirit of competition, Georgia has challenged Kentucky to a membership race with the winner receiving the coveted silver bowl. I plan to help the PTA in Kentucky achieve their membership goal and keep the silver bowl in the Bluegrass State. I hope that all Senators will work along with me to promote the PTA and encourage people to become involved in their local parent-teacher association.●

## INDIAN HEALTH CARE AMENDMENTS OF 1987

● Mr. DOMENICI. Mr. President, during the 98th Congress, and again in the 99th Congress, I cosponsored legislation to improve the delivery of Indian health services.

The 98th Congress passed our bill. But after the Congress adjourned, the President vetoed our bill. The Senate did not pass a second version of this bill during the 99th Congress.

Despite this inaction, the need to improve the Indian Health Service remains. I am pleased to cosponsor the Indian Health Care Amendments of 1987, S. 129. This bill is essentially the same as the one we tried to pass before the 99th Congress adjourned. It is responsive to the administration's concerns, and it makes important improvements in the Indian Health Service.

The major objectives of S. 129 are:

First. To raise the health status of American Indians and Alaska Natives to the highest possible level by eliminating existing IHS backlogs and augmenting the ability of IHS to meet vital service needs, such as preventive health, clinical care, dental care, mental health, emergency medical services, alcohol and drug treatment, and home health care;

Second. Establish an "Indian Catastrophic Health Emergency Fund" to meet the extraordinary medical costs for victims of disasters or catastrophic illnesses;

Third. Improve the IHS health facilities construction program by requiring tribal consultation concerning size, location, type, and other characteristics of any newly planned facility;

Fourth. Reauthorize the Indian Health Professions Scholarship Program;

Fifth. Implement a 10-year plan to provide safe water supply, sanitary sewers, and solid waste disposal facilities to existing Indian homes and communities;

Sixth. Establish the Community Health Representative [CHR] Program and urban Indian health programs as permanent components of the Indian health system. The CHR Program provides for the training of Indians as health paraprofessionals, and employs such paraprofessionals in the provision of health care to Indians;

Seventh. Authorize comprehensive health promotion/disease prevention and diabetes control programs; and

Eighth. Expand the types of service facilities that may receive reimbursement from Medicare for providing health services to eligible Indian people.

The bill authorizes these activities for fiscal years 1988 through 1991, at annual authorizations of $39,750,000; $38,576,300; $39,003,800; and $41,966,500, respectively.

Mr. President, I believe that these and the other changes provided by this legislation are essential to improve the health care status of Indian people. I am proud to be a cosponsor of S. 129, and I urge my colleagues to support this important improvement to the health care system that is now in place for American Indians and Alaska Natives.●

## THE GREATEST THREAT TO PEACE AND FREEDOM

● **Mr. SYMMS.** Mr. President, Notwithstanding the detente-at-any-cost mentality of the U.S. State Department, communism is still the greatest threat to peace and freedom in the world.

And while we are in the midst of negotiating with the Communists for reductions in nuclear weapons in Western Europe and for a so-called peace plan in Central America, we would do well to remember just what we are dealing with.

Mr. President, communism is more than a political system, more than an economic system. It is a system of belief that has been imposed on millions of people since Karl Marx and Frederick Engels formalized the doctrine more than a century ago.

That system is build upon the idea that the state should have absolute power over the individual, and the mechanism by which it is spread throughout the world is brute force—exactly what is happening in Afghanistan, Angola, Mozambique, Nicaragua and elsewhere.

What follows is the misery that exists in the Soviet Union and its satellites today.

I have here an article written by Doug Wilson, a columnist in Moscow, ID, and published in the Lewiston (Idaho) Morning Tribune earlier this month. It describes the type of life that naturally follows the imposition of communism and asks some important questions about U.S support for movements resisting communism today.

I ask that it be printed in the RECORD, and I encourage my colleagues and all others to read it, consider its implications, and take a stand for freedom.

The article follows:

### WHERE WILL THE LIBERALS DRAW THE DEFENSE LINE?

(By Doug Wilson)

What happens when a nation falls to communism? What does it mean for the people of that nation, and what does it mean in the rest of the world?

Communism purports to stand for social justice, and promises to establish a state where capitalism will no longer be able to take advantage of the poor.

For the sake of this discussion, never mind the fact that free market capitalism has raised more people out of poverty than any other economic system in history. The purpose here is not to examine communism's claims about freedom, but rather the immense gap between what communism promises to deliver and what actually shows up on the doorstep.

Because of economic incompetence, an immediate result of communism is an explosion of poverty. For example, more cars are owned by blacks in South Africa than are owned by whites in the Soviet Union. And the Marxists want to liberate the blacks in South Africa from economic oppression? It is sort of like Typhoid Mary trying to get into med school.

Another result of communist control is that the affected nation turns into one great big concentration camp. Walls go up, barbed wire goes up and the guards are posted and it is certainly not to keep all the envious foreigners out.

Still another result is the systematic imprisonment and/or slaughter of political dissenters. This bloodshed is done on a scale that makes Attila the Hun look like a Quaker. It is hard to keep your eyes on the Marxist vision for a peaceful future when the bodies keep piling up. They obstruct the view.

All of the above indicate that a country overrun by the communist horror is indeed miserable. But what does this have to do with the rest of the world? How does it concern us?

For some reason the fanatical followers of the communist ayatollahs seem unable to learn from history. No sooner is one disastrous revolution in place than their eyes turn to the next unhappy victim.

And for some stranger reason, the liberals among us are baffled by the whole thing. The closer the communist threat gets to our southern border, the more we hear liberals calling for negotiations, balance, justice, international understanding and peace in our time. The typical liberal sentence addressing the communist problem in Central America looks like a string of wet sponges.

If the communist revolution came as far north as San Antonio, no doubt some liberal congressman would rise to the occasion and solemnly warn us about the lessons of Vietnam.

So my questions for the liberals in the Democratic Party are these:

At what latitude do you believe American troops should be deployed to deal with the communist threat? Is this latitude south or north of the Rio Grande?

Your arguments for tolerating the communists in Nicaragua are similar to your arguments for tolerating communism in Cuba. Will you use these same arguments when the fighting breaks out in Costa Rica? Honduras? Mexico?

Do you believe that communist expansion should ever be resisted with military force? If so, under what circumstances? Please give specifics. If not, why not?

The answers to these questions should not be difficult. The fact that liberals struggle with them indicates that they are in the grip of an ideology which cannot recognize any threat to the left. They resolutely turn away, and they are going to be blindsided.

The conclusion? The Contras in Nicaragua need our help. Those who refuse the help are, at best, naive. At worst, they are fellow-travelers with the communists.●

## NAUM MEIMAN

● **Mr. SIMON.** Mr. President, once again, I turn to an issue that affects us all and appeals to our ideals of freedom. I bring to your attention the plight of Naum Meiman and the thousands of refuseniks like him who remain in the Soviet Union against their will.

The persecution thousands of people suffer as a result of their desire to speak out and be heard is a reminder to us all. Their relentless pursuit of a better life is an inspiration for us all. We, who live in freedom, able to practice our respective faiths, able to live under a government that was based upon a doctrine of tolerance, can only begin to imagine a life of daily persecution and repression.

It is our duty to remain vigilant on behalf of the hundreds of thousands of Jews and people of other religions that remain in the Soviet Union. We must also continue to fight for the freedom of those hundreds of thousands of people, whether they have spoken out and been refused or have chosen to remain silent to preserve their few remaining privileges. Our silence in the face of such obvious injustices is intolerable. When we stop

speaking out for those who cannot and when we feel unable to fight for what we know is right, we are defeated.

In this spirit and on behalf of Naum Meiman, I strongly urge us all to do whatever is in our power to help the Soviet refuseniks who are in such desperate need. Perhaps our collective efforts can accomplish what our individual efforts have not yet been able to achieve.●

## ORDERS FOR WEDNESDAY

### ADJOURNMENT UNTIL 8:30 A.M.

**Mr. BYRD.** Mr. President, the motion was entered earlier that when the Senate convenes on tomorrow, it would convene at 8:30 a.m., I believe.

Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment under the order to 8:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER OF PROCEDURE

**Mr. BYRD.** Mr. President, I ask unanimous consent that on tomorrow the call of the calendar be waived and all motions and resolutions over under the rule not come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

### MORNING BUSINESS

**Mr. BYRD.** Mr. President, I ask unanimous consent that after the two leaders are recognized under the standing order, there then be a period for the transaction of morning business not to extend beyond the hour of 9 a.m., that Senators may speak therein for not to exceed 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

### UNFINISHED BUSINESS

**Mr. BYRD.** Mr. President, at the hour of 9 a.m., I ask unanimous consent that the Chair lay before the Senate the then unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## BICENTENNIAL CELEBRATION

**Mr. BYRD.** Mr. President, tomorrow on the west front of the Capitol, there will be a celebration of the Bicentennial of the Constitution which will be attended by the President, Cabinet, members of the Supreme Court, and the Congress. At 12:40 p.m., the Senate will have a short quorum call and at 12:45 p.m., the Senate will depart as a body for the west front.

Now, Mr. President, I think I had better strike that about a short quorum call because there is no way that I can guarantee that a quorum call can be called off in 5 minutes; it can be objected to.

So I would suggest that Senators come to the Senate at 12:40 p.m., that they be ready to leave the Senate no later than 12:45 p.m. to depart as a body for the west front. Senate wives will be welcomed to join the Senate delegation. Those wives wishing to accompany the Senate delegation should be in the Senate Reception Room at 12:30 p.m. The main portion of that program will occur between 1 p.m. and 2 p.m. And I plan to reconvene the Senate at 2:15 p.m. tomorrow.

## PROGRAM

**Mr. BYRD.** Mr. President, this will mean then that the Senate will come in at 8:30 tomorrow morning. The two leaders will speak as usual under the standing order. There will be a period for the transaction of morning business during which Senators may introduce bills and resolutions and, under the order, may speak for not to exceed 3 minutes each. That period will end at 9 a.m., at which time the Chair will lay before the Senate the unfinished business, the DOD authorization bill. At that time, as I have indicated to all Senators, I will suggest the absence of a quorum. That will be a live quorum, and there will be a rollcall vote on instructing the Sergeant at Arms to request the attendance of absent Senators.

Following the establishment of a quorum, the Senate then will proceed to debate the amendment by Mr. WARNER and others to strike the Nunn-Levin language in the bill and no amendment to the underlying language will be in order. There is no time agreement on the motion to strike. That motion or amendment will be subject to a tabling motion. There is no agreement that waives any Senator's right to table the amendment.

## ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

**Mr. BYRD.** Mr. President, I thank the Chair. I thank all Senators and officers of the Senate for their patience and indulgence. I thank all Senators, and if there be no further business to come before the Senate, I move in accordance with the order previously entered that the Senate stand in adjournment until the hour of 8:30 tomorrow morning.

The motion was agreed to; and, at 11:19 p.m., the Senate adjourned until tomorrow, Wednesday, September 16, 1987, at 8:30 a.m.

## NOMINATIONS

Executive nominations received by the Secretary of the Senate September 14, 1987, under authority of the order of the Senate of February 3, 1987:

### DEPARTMENT OF STATE

RICHARD NOYES VIETS, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PORTUGAL.

### THE JUDICIARY

DEAN WHIPPLE, OF MISSOURI, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF MISSOURI VICE ROSS T. ROBERTS, DECEASED.

ALFRED M. WOLIN, OF NEW JERSEY, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY VICE ROBERT E. COWEN, ELEVATED.

Executive nominations received by the Senate September 15, 1987:

### UNITED NATIONS

VERNON A. WALTERS, OF FLORIDA, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 42ND SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

PATRICIA MARY BYRNE, OF OHIO, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 42ND SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

HUGH MONTGOMERY, OF VIRGINIA, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 42ND SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

LESTER B. KORN, OF CALIFORNIA, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 42ND SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

### THE JUDICIARY

ARTHUR L. BURNETT, SR., OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR A TERM OF 15 YEARS, VICE LUKE C. MOORE, RETIRED.

### OFFICE OF PERSONNEL MANAGEMENT

FRANK Q. NEBEKER, OF VIRGINIA, TO BE DIRECTOR OF THE OFFICE OF GOVERNMENT ETHICS FOR A TERM OF 5 YEARS VICE DAVID H. MARTIN, RESIGNED.

### FEDERAL EMERGENCY MANAGEMENT AGENCY

GRANT C. PETERSON, OF WASHINGTON, TO BE AN ASSOCIATE DIRECTOR OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY, VICE SAMUEL W. SPECK, JR., RESIGNED.

### IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE OF LIEUTENANT GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

*To be lieutenant general*

ERNEST C. CHEATHAM, JR., 555-30-9378, U.S. MARINE CORPS.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE OF LIEUTENANT GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

JOHN PHILLIPS, 036-20-8679, U.S. MARINE CORPS.

# EXTENSIONS OF REMARKS

## LET'S SET THE RECORD STRAIGHT WITH REGARD TO THE CALIFORNIA DESERT

**HON. JERRY LEWIS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. LEWIS of California. Mr. Speaker, I rise today to bring to the attention of all Members a document which was prepared by the Bureau of Land Management in response to accusations made in a Sierra Club and Wilderness Society briefing book. This briefing book was distributed during the Senate's July hearings to review S. 7, the California Desert Protection Act. Unfortunately, it contained a great deal of misinformation that could mislead the public and the Congress on the current management of the California Desert. Since legislation to designate wilderness in the California Desert will someday reach the floor of the House of Representatives, I believe it is appropriate that Members are given the full and complete story, so that initial judgments can be based on fact and reason, not parody and rhetoric.

Mr. Speaker, because the entire BLM response is extremely lengthy, I will submit for the Record a synopsis of 11 highlights included in the complete document. Those who are interested in reviewing the entire document are encouraged to contact myself or my staff.

Allegation: Only wilderness designations can provide lasting protection for the region's diverse ecosystems. (BLM Wilderness, p. 32)

BLM Response: The statement is false. BLM has been protecting sensitive areas through various means for many years, even before the Federal Land Policy and Management Act and the Desert Plan. Furthermore, BLM has recommended wilderness designation for 44 areas in the California Desert Conservation Area (CDCA)—approximately 1.9 million acres—as well as nine areas totaling 104,000 acres outside the CDCA, but within the S. 7 boundaries. Other areas have been designated by BLM as Areas of Critical Environmental Concern (ACECs), or given other special designations. Sensitive and significant values as recognized in the Desert Plan were placed in the limited use class. These special designations total approximately 8 million acres in all. In addition, BLM has acted to protect and preserve the region's ecological integrity and its native flora and fauna by: designating routes of travel and limiting or closing others; regulating mining and other mineral activities through required plans of operations, performance bonds, reclamation, and special stipulations to protect resource values; preparing environmental studies on projects; patrolling and taking law enforcement action when necessary (on the average 1,000 citations per year issued).

Allegation: The briefing book states that a common "myth" is that proposed wilderness areas contain many miles of roads used by thousands who will lose access. It then states as a "fact" that the proposed wilderness areas are "roadless" as required by Federal law. There may be some primitive trails.

BLM Response: Actually, the myth is true. The confusion lies in the definition of what constitutes a road and how important roads are for access to desert areas. For wilderness inventory purposes, the term "roadless" is officially defined as "the absence of roads which have been improved and maintained by mechanical means to insure regular and continuous use." Although the areas proposed for wilderness designation in S. 7 contain no improved or mechanically maintained roads, they do contain many "ways" which are maintained solely by the passage of vehicles. These ways (which are the "miles and miles of roads" referred to in the briefing book) currently provide essential access for recreational and other users of these areas—access that is permitted under BLM's Interim Management Policy but would not be permitted under wilderness designation. Such access is especially important in desert areas where severe environmental conditions often make nonvehicular means of access impractical and even dangerous.

Allegation: Activities in the desert have been abusive. OHV (off-highway vehicle) use has stripped more than a million acres in the desert. (Desert Protection Act, p. 7)

BLM Response: This allegation lacks any supporting scientific data whatsoever. In fact, a respected study done by Dr. Peter Rowlands and Dr. John Adams in 1980 for the Desert Plan documented only 60,000 acres heavily impacted by OHV use. Dr. Rowlands, a botanist now with the Death Valley National Park and Dr. Adams, a soil scientist, intensively studied aerial photos and estimated that at most, one-half percent of the 12 million acres in the CDCA had been impacted by OHVs. They added that this was a "worst case" analysis and that the figure was probably even lower.

The total designated "open" area acreage is slightly more than 500,000 acres of the 12.1 million acres of public lands in the desert. A relatively small percentage of many of the open areas are actually used. While some resource impacts do occur in these areas, the environmental assessment and planning process ensures these areas have properly been set aside for this type of purpose.

Finally, the Bureau has nearly completed its route designation process. This accomplishment is another milestone of a 20-year effort by BLM to limit proliferation of routes and enhance the agency's ability to reduce resource damage.

Allegation: S. 7 is permanent protection; plan has left the areas vulnerable to damage. (Desert Plan Not Enough, p. 44)

BLM Response: While the proposed legislation would shift management responsibilities for portions of the California Desert from BLM to National Park Service, there would be no significant change in the protection provided for the sensitive and unique resource values recognized. The California Desert Plan identified these areas as having special characteristics ranging from sensitive resources to unique assemblages of many resource values. As a result of these special characteristics, the areas are managed under the Class C (controlled) and Class L (limited) multiple use classes and the guidelines for the specific elements established in the plan. The Class C areas are "preliminarily recommended" as suitable for wilderness designation by Congress and are currently managed under the BLM's Interim Management Policy Guidelines for wilderness to ensure protection of the sensitive resource values. The Class L areas are managed to provide for low intensity, carefully controlled multiple use of resources, while ensuring that sensitive, natural, scenic, ecological, and cultural resource values are not significantly diminished.

Furthermore, by providing "permanent park protection" for these areas, other special resource values that support widlife, livestock grazing, mining, and recreation opportunities would be lost. No further protection of the sensitive resource values would be provided by the proposed park designations, while opportunities presented by other special resources would be diminished or eliminated. The California Desert Plan provides guidelines for the BLM to manage and protect all special resources within the California Desert.

Allegation: Original plan was heavily biased toward consumptive interests. (Desert Plan Not Enough, p. 43)

BLM Response: The plan certainly cannot be considered biased toward resource consumptive interests. More than half the land base (65.8%) was designated in 1980 as "to be recommended for wilderness" or as limited use to protect sensitive, scenic, natural, ecological, and cultural values. These two land classes focus management attention to protect sensitive resource values. After six years of planning amendments, fully 66.1% of the land base is within these two limiting/protective land use classes. This led to a court suit from consumptive interests shortly after the Plan was completed. The fact that the plan was endorsed by both Republican and Democratic Administrations further indicates that the decisions reflect a balanced public interest.

Allegation: Plan has been weakened further by amendments. (Desert Plan Not Enough, p. 43)

BLM Response: The amount of protection for sensitive values has actually gone up during the annual amendment process. In addition several new ACECs have been established along with a major change to establish the Coachella Valley Fringe-toed Lizard Preserve. The amendment process has actually strengthened the plan by resolving, on a site specific basis, conflicts among resource users and better defining resources and boundaries for permissible use within the framework of Federal Land Policy Management Act. All amendments which are considered have received full public review and advice through the California Desert Advisory Council. This has created a public trust and understanding that consequently has enhanced enforcement efforts.

One final observation on amendments. It is critical to keep in mind the advice of Dr. Harvey Perloff, dean of the School of Architecture and Urban Planning, UCLA, and a member of the original California Desert Advisory Board: "a plan must be flexible, it must be capable of accepting change. Inflexible plans become obsolete in a relatively short time and usually wind up on the shelf."

Allegation: Secretary of the Interior is not protecting wilderness as required by law; many new and expanded land uses being allowed, causing damage. (Implementation Flawed, p. 47)

BLM Response: The Wilderness Interim Management Policy (IMP) permits actions which do not impair wilderness values, provided that any impacts are reclaimed to the point of being substantially unnoticeable by the time the Secretary transmits his recommendations to the President. BLM has authorized 555 actions since 1980 in the California Desert. All these actions received full environmental analysis before being approved. To ensure that the public is kept informed of any prospective actions, the Secretary has directed BLM to notify interested parties prior to authorizing any IMP action, and when practicable, provide 30 days for public comment. BLM also maintains a rigorous IMP monitoring and surveillance program, which includes inspecting each WSA at least monthly and more frequently during high use seasons, and maintaining detailed logs of IMP monitoring/surveillance. BLM has 22 uniformed Desert Rangers on the ground, as well as other BLM resource specialists and other staff who assist in WSA monitoring/surveillance.

When authorized activities occur (68 have been reported since 1980—most are minor), BLM acts promptly to halt the unauthorized action and repair any damage. Given the fact that pressures on the desert are increasing, and that we are responsible for 5.6 million acres of WSA lands distributed over an area one-quarter the size of California, the low number of IMP violations is evidence of BLM's sound management and the public's respect for these areas.

Allegation: S. 7 will not significantly impact minerals industry. Boundaries minimize conflicts. (Mining and Minerals, p. 41)

BLM Response: This is a totally misleading statement. Although S. 7 boundaries exclude numerous existing mines, little or no consideration is given to future mineral development potential of the desert. The bill fails to provide for future expansion of existing mines, as ore bodies are depleted, and fails to consider future changes in market and other economic conditions which can change a mineral resource into a mineral reserve virtually overnight.

Numerous mineral resource deposits have been identified within the boundaries of S. 7 by the U.S. Geological Survey, the U.S. Bureau of Mines, BLM and in recent studies by the State of California. Exploration interest is on an increase today in the CDCA, as indicated by submission of over 1,200 mining plans to BLM since 1980. Many of the mineral deposits of potential economic significance are in WSAs, but because of the nonimpairment restrictions imposed by BLM's Wilderness IMP, many major exploration and development plans have been rejected since 1980.

Allegation: S.7 would not lock up mineral resources. All valid rights are legally protected and current operators with economic deposits will have continued rights to access and production (Desert Protection Act, p. 8)

BLM Response: S.7 will lock up substantial mineral resources. The California Desert is one of the most highly mineralized regions of the world, including 24 minerals considered to be strategic to this country and 3 rated as critical. Known mineral values exceed $300 billion. What may be even more important are those deposits that are unknown or remain undeveloped today because of economic or technological reasons. With changing technology in the exploration for mineral resources and ways in which minerals are used, it is impossible to anticipate what mineral may be of particular value in the future. It is predictable, however, that the California Desert's mineral deposits, discovered or still undiscovered, will contribute to this changing technology. As an example, roughly 65% of the Desert is covered by alluvium and as a consequence potentially conceals about two-thirds of the mineral deposits that are likely to occur in the desert. Because of this, we can anticipate that many new discoveries are likely in the Desert area with the application of new exploration tools and more intensive surveys.

S.7 would close more than 8 million acres to new discoveries. The assertion that S.7 will protect valid existing rights of mining claimants is misleading because those rights must be perfected on the date of passage of the bill. What this means is that a mining claimant who may have located a mineral deposit, but who has not had a chance to "prove up" on it, cannot meet the "valid existing right" test because he/she has not proven that a "valuable mine" is a reality. The mere existence of a mining claim does not constitute a "valid existing right"—so for all practical purposes, S.7 will erase any hope for new discoveries on mining claims. A very important factor is that all claims under S.7 must be subject to the valid existing right test—a project that could cost the taxpayer some $400,000,000. There are about 43,000 claims under S.7 and BLM calculates that the cost to challenge one claim is about $10,000. The mining claimant may, and sometimes does, appeal his/her case all the way to the Supreme Court. Of course, any appeals by the claimant will increase this estimated cost to challenge a claim. Finally, S.7 also includes provisions to purchase valid or patented claims within the new National Parks, which could amount to tens of millions of dollars of additional costs to the Federal Treasury.

Allegation: The briefing book states that a common "myth" is that S.7 will stop all mining in the Desert. It states that the "fact" is that the boundaries were drawn to exclude all currently producing mines. All valid existing rights would be legally protected.

BLM Response: S.7 will have a substantial impact on mineral production in the Desert, a minerally rich area with 65 mineral commodities known to exist. Even expansion of existing mines could be significantly reduced under S.7. Cheaper fuel prices and better financing allowed Gold Fields to discover and develop a major (150,000 oz. gold/year; Mesquite Project) mine for disseminated (microscopic) gold on land thought to be worthless for a hundred years. It is the potential for new discoveries, expansion of existing mines, and development of known reserves not currently economical to develop that is at stake with S.7.

This statement is confirmed by the late Dr. Vincent McKelvey, former Director of the U.S. Geological Survey. He said, "Appraising mineral resources is an emerging science. A final, once and for all "inventory" of any mineral resource is nonsense. Mineral reserves and resources are dynamic quantities and must constantly be appraised. As known deposits are exhausted, unknown deposits are discovered, new extractive technologies and new uses are developed and new knowledge indicates new areas and new environments are favorable for mineral exploration."

For example, Imperial Valley, which includes seven known geothermal resource areas, is second only to the Geysers geothermal area in Northern California in geothermal energy potential in the United States. Also of critical importance is the Coso Known Geothermal Resource Area near China Lake. It is assumed to be the third most significant geothermal field in the western United States. There is high potential for additional geothermal resources in other parts of the Desert.

The discovery of a new type of superconductor materials (made from rare earths) capable of transmitting electric current without the resistance that ordinarily wastes energy in the form of heat has opened the door to a host of futuristic applications. The Desert produces 97% of this country's rare earths from Mountain Pass. There is excellent potential for rare earths to occur in other parts of the Desert.

Allegation: The briefing book states that a common "myth" is that S.7 will be bad for wildlife and will deprive hunters. It states that the "fact" is that availability of suitable habitat unmolested by vehicles and humans are most important factor to wildlife; bighorn sheep in particular need large areas of wilderness to survive; most wildlife programs can continue in park and wilderness units; hunting will be allowed on wilderness lands and most hunters welcome additional protection; parks will be closed to hunting.

BLM Response: Bighorn sheep require large areas of suitable habitat relatively free from disturbance. They do not require wilderness. Since 1980, desert bighorn populations have increased from 3,000 to 4,200 (40%) without wilderness designation. The primary reasons for this are the removal of 20,000 burros and the construction of 45 water developments. Opportunities to continue water development would be reduced in wilderness areas and eliminated in new park units. Maintenance would be reduced or eliminated on 21 of these existing water developments and no new waters would be developed in the parks.

Included in the proposed park additions which would be closed to hunting, is one of two bighorn sheep herds for which hunting was authorized in 1987 for the first time in over 100 years. This is one of the healthiest, most productive herds in the state and is used as the main source of animals to reestablish historic herds in other areas. A single bighorn permit was auctioned for $70,000 in 1987. This money will be used to further enhance bighorn populations. Elimination of limited hunting and capture operations on this herd would reduce the potential for increasing bighorn populations throughout the desert.

The eastern Mojave also provides some of the best deer and upland game hunting available for a large area. Park establishment would close this area to hunting while wilderness designation in other areas would severely limit hunter access to hunting areas.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## GLOUCESTER COUNTY VETERANS CELEBRATE 50TH ANNIVERSARY

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. FLORIO. Mr. Speaker, on October 17, 1987, the Townsend C. Young Post 3620 of the Veterans of Foreign Wars in Gloucester City, NJ, will celebrate its 50th anniversary. On that day, they will mark the many years of service that they have offered to their Nation in its time of need.

But on that day as well, they will mark over 50 years of continuous, uninterrupted service to the Nation. With the contributions that these servicemen have given in war, they have enabled the Nation to enjoy many years of peace, prosperity, and freedom.

For 50 years, these men and women have continuously worked for the cause of veterans and have sought after the improvement of the welfare and opportunities available to veterans and their families.

Often, it is important to take the time to recognize the contributions of the men and women who have given their time and their lives in the service of their fellow citizens. Over the years, these men and women have been honored with memorials.

Most recently, I was pleased to have played a part in helping establish the Korean War Veterans Memorial. With the appointment of the Advisory Board and the continued support of the Federal Government, private individuals, and corporations, the Korean War Veterans Memorial is coming closer to completion.

Sometimes, that gratitude is a simple "Thank you."

On the occasion of the Townsend Young Post's 50th anniversary, the families and friends of those veterans will gather together to remember the time that they spent together heeding the call to defend the Nation.

I would like to take this opportunity to express myself in the simplest way possible by saying, "Thank you."

The freedoms that are enjoyed by all in the United States are kept alive by the sacrifices that these veterans and the many other veterans in the towns and posts across from coast to coast made.

For the many years of peace that these veterans have given to our Nation, I wish them another 50 years of peace.

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## IMPORTANCE OF THE U.S. ROLE IN THE PERSIAN GULF

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring the following editorial from the respected weekly news magazine, U.S. News and World Report, to the attention of my colleagues. Since the attack on the U.S.S. *Stark*, some have criticized the U.S. presence in this very strategic region—a presence, incidentally, that began on a permanent basis following World War II. I agree with the magazine's editor, while there may have been mistakes in the way we strengthened our presence in this region, there are many solid reasons for us to stay and continue to show our strength and commitment. As I have frequently said in this Chamber, the risks of our presence in the Persian Gulf are high, but the costs of retreat are substantially greater. I urge my colleagues to take a few minutes to review this insightful commentary.

PREVAILING IN THE GULF

(By David R. Gergen, Editor)

It's difficult to believe, but America's military presence in the Persian Gulf may yet turn out to be a dramatic success.

Certainly, it is about time that events there broke in our favor. So far, there have been plenty of surprises, but most of them have been nasty. The Reagan administration's initial attempts to open a door to Iran through clandestine arms sales backfired both in this country and in the Middle East. As the sales came to light, Kuwait—an Iranian foe—scurried to the Soviet Union asking for protection of its oil tankers. Scared by the prospects of the Soviets coming in, the United States hurriedly agreed to reflag Kuwaiti ships and escort them through Gulf waters.

Since then, published accounts have shown that when President Reagan decided to help the Kuwaitis, his advisers assured him that there would be little danger to U.S. troops and that no buildup of U.S. ships would be needed. Literally out of the blue, the Iraqis then struck the U.S.S. *Stark*, taking the lives of 37 American seamen and forcing the administration to send in an armada of some 40 ships. So much for good forward planning.

By providing escorts and insisting upon freedom of navigation in the Persian Gulf, the U.S. obviously thought it was also helping Iraq, which partly depends on Kuwait for money. Again, a surprise: Keeping the Gulf open turned out to help Iran more than Iraq, since the Iranians vitally need to get their own tankers safely through the hazardous waters (the Iraqis can ship oil overland through pipelines). Thus, Iraq—over American objections and possibly to suck the United States deeper into conflict—launched a major attack on Iranian shipping late in August. What followed last week were the heaviest attacks on Gulf shipping in seven years.

Meanwhile, the Soviets have been unexpectedly skillful in their own diplomacy in the region. A recent visit by Soviet Deputy Foreign Minister Yuli Vorontsov won two prizes for Moscow: Agreements to build an oil pipeline and a railroad from the Soviet-Iranian border to the Gulf.

How can there be hope for the U.S. to gain anything from this witches' brew? The answer is clear: If the United States perserves, it could still emerge as the predominant and most respected power in this strategically important region.

The chief threat to stability in the Gulf today is Iranian expansionism driven by a fanatical leader. Iraq is ready to end the long, bloody conflict with Iran; it is the Ayatollah who has refused. Moreover, Iranian militants are casting a dark shadow across the small coastal states to Saudi Arabia, an indispensable friend of the United States.

By projecting its military presence into the Gulf, the United States is the first major power to try to contain Iranian madness. And since the U.S. reflagging began, Iran has shown extreme reluctance to hit American targets, suggesting—as John Keegan has written—that Iran could soon be exposed as a paper tiger. If so, that would bring as much relief to the region as the puncturing of Muammar Qadhafi's balloon last year.

By sticking it out, the United States can also prove to Arab nations that it has more staying power than it showed in Lebanon, still a symbol of ignominious retreat. Convincing moderate Arab states that the United States is at long last reliable would also help to minimize Soviet influence there. A firm U.S. hand could even yield benefits in NATO by showing that, for once, the allies can act in concert outside the European theater. It is highly encouraging that three European nations have now signaled they will help to bolster Western military forces in the Gulf.

Whatever mistakes were made getting into the Gulf, there are thus paramount reasons for the U.S. to stay in now. To be sure, the commitment of U.S. ships must be accompanied by stepped-up diplomatic efforts to end the Iran-Iraq War. The United Nations may provide one avenue to peace; putting more pressure on nations like China to cut off arms to Iran could be another. But the greatest vulnerability could be a lack of resolve here at home. The U.S. now faces a major test of its will; if it can only hold steady through the nasty surprises and bloodshed that probably still lie ahead, it could greatly advance the cause of peace.

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## PEACETIME REGISTRATION IS INDISPENSABLE

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. SOLOMON. Mr. Speaker, peacetime registration is a straightforward and vital contribution to the maintenance of our Nation's defense. A successful Soviet/United States nuclear arms control agreement will increase the need for the United States to possess the capability to quickly mobilize and to augment conventional forces in Europe and elsewhere. Peacetime registration gives America this capability. The Selective Service peacetime registration and mobilization programs contribute up to 2 months to our national readiness posture in the event America must mobilize for war or national emergency.

Today, I wish to insert into the RECORD a recent article from the New York Times (August 25), by the current Director of Selective Service, Jerry Jennings. I recently met with Jerry Jennings, who was previously the Executive Director of the Office of Science and Technology Policy at the White House, and more importantly is an ex-Marine, and was impressed with the outstanding job he and the Selective Service team are doing to ensure our Nation's defense readiness.

[From the New York Times, Aug. 25, 1987]

DRAFT REGISTRATION IS INDISPENSABLE

(By Jerry D. Jennings)

Since the end of the Vietnam War, Congress and two administrations have agreed that the demands of common sense and national security argue in favor of continued

draft registration. Nevertheless, critics of the Selective Service System have little trouble gaining an audience for their argument that registration represents an intolerable abridgement of freedom. Invariably, their overdrawn critiques miss the essential role of the draft in our free society.

While the past must serve as our guide, we must also study the lessons of modern conventional warfare being learned in other parts of the world.

We know that another national emergency may well be one whose character and dimensions are dramatically different from those we imagine now.

We know that with the attrition of men and materiel in modern warfare—and the relatively small size of America's armed forces—quickly increasing the size of our standing Army and other service branches could mean the difference between meeting a national crisis or suffering a national disaster—between our survival as a nation or our extinction.

While it is easy to overlook, meeting a national emergency may involve an even more complicated problem than the large-scale job of training and transporting military forces.

Our military establishment, after all, has a proved history of expanding exponentially and efficiently its capacity to train and transport. However, the task of keeping track of the manpower pool from which those troops would come, and making them available in case of emergency, could be a bureaucratic nightmare if the nation allowed itself to be unprepared.

Indeed, history shows that perhaps America's most burdensome and difficult part of responding to a national emergency has been identifying, locating and calling up those first young men eligible for the draft. But this is not true today.

A fair and equitable system is in existence, thanks to the Selective Service System and modern technology. A vital part of our mission at Selective Service is to insure that 100,000 young men are available and ready for processing into the armed services within the first 30 days after a draft is reinstated.

It is perhaps this vital contribution to national security that our military leadership, the Congress and many Administrations have found so very necessary.

For critics, Selective Service is primarily a symbol of Government grown too intrusive.

Keeping the balance between too much and too little government has occupied a good part of the political debate in recent years, and it is not necessary to review that debate here. However, even while a few critics may see in the Selective Service System a symbol of intrusive government, a vast majority of Americans see something else: a symbol of national consensus and resolve. And our adversaries see it, too.

Over 96 percent compliance with any program, public or private, is a startling statistic, yet that is the percentage of 18- to 25-year-old men who are currently registered with Selective Service.

Our research indicates that the nation's youth are cognizant of the law, that young men want to fulfill their responsibilities. No matter what feelings they may have about the possibility of being called to serve in a crisis, they recognize the concept of the common good and, further, the common sense of the idea of draft registration.

They understand that while Government receives its power from the consent of the governed, the very principle of consent of the governed must be protected from foreign enemies.

It is more than curious that in my work with Selective Service I have found little objection to this idea, even among the most active conscientious-objector groups. Recently, when I met with a representative group, I assured it that Selective Service wants to meet the letter and spirit of the law with regard to conscientious-objector status, and that I personally have deep respect for those who sincerely hold such beliefs.

But while conscientious objectors might refuse to take lives, they do not disagree that, however individualistic our personal morality or mentality, as members of the same society we owe each other something. We need institutions to protect and embody this relationship of mutual debt, on partnership and community, and than the only way to preserve our individual rights is to sometimes stand together as a group.

Critics of Selective Service, especially libertarians, give such insights a much lower priority than the rest of us on the scale of political order.

Their primary interest lies in arguing an intricate but narrow set of political beliefs that sees not just little good from government but almost no good from government. The rest of us however, must live in the real world, and we must make provision to protect our nation from the traumas that are the hallmark of the century.

That is why Selective Service registration is obviously worth keeping. Perhaps it could mean the difference between victory or defeat. But most of all, today Selective Service is symbol of America's resolve to be ready—the very symbol that might help discourage foreign aggressor and prevent what all of us fear most the sight of the young men we know having to put aside family and job as some of us have done, to march to the sounds of war and to an uncertain future.

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## A CONGRESSIONAL SALUTE TO THE UNITED CEREBRAL PALSY AND MAL WEAVER BARTRAM

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to the United Cerebral Palsy of Pottsville as they celebrate their 35th anniversary this October. To commemorate this important milestone, the organization will host a gala dinner and banquet on Friday, October 16, paying tribute to all those who have made the organization strong through their myriad contributions, with special recognition being paid to Mrs. Mal Weaver Bartram. Mrs. Bartram, who has served as executive director, will be retiring from the organization and will be honored for her distinguished service.

The United Cerebral Palsy of Pottsville has a rich history, starting as a small consumer provider and advocacy agency, housed in a single room with several volunteers and a one-person staff. Since 1952 the organization has grown substantially and is now a major force behind both the provision of services to the developmentally disabled citizens and the inception and development of new and innovative programs. They are also staunch advocates and defenders of the rights of the disabled. Today the dedicated efforts of the organization are certainly well-known in the county and throughout the State and Nation. They provide an invaluable service to those afflicted with cerebral palsy, their compassionate care and commitment deserving of the highest commendation and praise.

One of the people who has played a leading role in ensuring for the success and prominence of the United Cerebral Palsy of Pottsville is Mrs. Mal Weaver Bartram. She has been an integral part of the organization serving almost since its beginnings. Mrs. Bartram has had a record of achievement that is unparalleled in the field of human services. She exemplifies the very best in a public servant, having shown a selfless and seemingly boundless devotion to helping others. She has never been afraid to take action and during her tenure has proven herself to be an outstanding and effective leader. Her presence will be sorely missed though her efforts long remembered and revered. She has well-paved the way for future success and I have every confidence the organization will continue to flourish.

In closing, Mr. Speaker, I know that my colleagues will join me in congratulating both the United Cerebral Palsy organization and Mal Bartram for their 35 years of community service. To Mrs. Bartram, I further offer my sincere thanks for a job well done and wish her continued success and good fortune in the years to come.

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## HEROIN IS NOT THE ANSWER

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. RANGEL. Mr. Speaker, in 1984, by a vote of 355 to 55, the House of Representatives firmly rejected legislation to make heroin available to treat intractable pain in terminally ill cancer patients. A number of recent editorials and news columns, however, have once again called upon Congress to enact such a measure.

I was a strong opponent of that legislation then and remain strongly opposed to it today. I oppose this legislation for a number of sound reasons. First, there is simply no scientific evidence that heroin offers any advantages over currently approved medications in relieving cancer pain. Absent such evidence, the risks of making this popular street drug available are not worth taking.

In addition, the overwhelming majority of health and medical professionals oppose the therapeutic use of heroin. They understand that the real problem is not the lack of heroin but the need for more training and education of health care professionals in the proper use of existing pain relievers and new techniques for managing pain. Heroin is not the answer to chronic cancer pain, and to suggest otherwise only holds out false hope to cancer victims and their families.

Just recently, I received a letter from the American Society of Hospital Pharmacists [ASHP] on this issue. The ASHP represents the pharmacists who would be expected to stock heroin if this legislation were to become law. They have carefully reexamined this proposal and have reaffirmed their strong opposition to it. Their reasons for opposing this legislation are most instructive, and I ask that a copy of the ASHP's letter be included in the RECORD at this point for the information of other Members and the public.

The material follows:

AMERICAN SOCIETY OF
HOSPITAL PHARMACISTS,
*Bethesda, MD, September 8, 1987.*

Re the Compassionate Pain Relief Act (H.R. 1470, S. 143)

DEAR REPRESENTATIVE: During the past several Congresses, the American Society of Hospital Pharmacists (ASHP) has been a leading opponent of legislation intended to authorize the use of diacetylmorphine (heroin) in the treatment of terminal cancer patients. Recent newspaper columns advocating support for current legislation (H.R. 1470 and S. 143) has sparked renewed interest in this subject, however, and many of your colleagues have requested information on ASHP's position.

In fairness to patients who suffer from interminable pain, ASHP has reexamined the issues associated with this important subject but determined again that the enactment of legislation authorizing the use of heroin would offer no appreciable benefits to pain management therapy and ASHP has reaffirmed its strong opposition to H.R. 1470 and S. 143. The principal reasons for our continued opposition include:

1. the continued absence of any evidence indicating any advantages associated with the use of heroin;
2. the rapidly growing acceptance by health care professionals of what is truly needed in effective pain management—the necessary training and education in the appropriate use of those alternatives already available.
3. the decreasing use in Britain and apparent rejection in Canada of heroin as an alternative for pain management.
4. the unwillingness of most patients to even participate in a federally sponsored study of heroin at Sloan-Kettering Hospital, indicating the unlikely acceptance of the drug even if approved for use; and,

advantages claimed by proponents of its legalization, we believe strongly that any Congressional action on the proposed bills before the results of the study are available would be premature. Furthermore, the reported reluctance of patients even to participate in the study suggests that the potential use of heroin as an alternative would be questionable even if the study does reveal some marginal benefit.

Technological advances are providing patients with more effective and convenient methods of pain management.

Proven alternatives to pain management are not only available in liquid form but, for patients who need prompt relief, patient controlled analgesia systems are being used increasingly as a means of infusing intravenous analgesics on patient demand, but within physician prescribed dosages and time intervals. In this way patients are able to obtain immediate relief through self administration by merely pushing a button. The frequency of administration is controlled by an adjustable lockout mechanism that prevents the patient from receiving any more of the drug for a period of time pre-determined by the physician. This technology allows patients to overcome one of the more important problems associated with pain management—i.e., ensuring that a patient receives the right dose at the right time.

For these reasons, ASHP reaffirms its strong opposition to any legislative effort to make heroin available in the treatment of patients suffering from intractable pain due to cancer. The evidence in support of its use is non-existent and warrants no federal support. Instead, ASHP urges Congress to support the more productive and promising efforts of those health professionals who understand that the key to effective pain management is found in the appropriate use of pain management therapy. If further information on this subject is needed, please contact ASHP's Legislative and Regulatory Director, Gerald F. Hogan, at 657-3000.

Sincerely,

JOSEPH A. ODDIS, Sc.D,
*Executive Vice President.*

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## A TRIBUTE TO CARMEN AMADIO

### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Carmen J. Amadio, Jr., a very special resident of my 17th Congressional District. I am pleased to inform my fellow Members of the U.S. House of Representatives that Mr. Amadio has been awarded the Eastern Silver Cup in the 1987 Shoe Service magazine Silver Cup Contest. I am proud to say that Mr. Amadio also won the Silver Cup Contest's 1986 Eastern Blue Ribbon.

It was an extremely wonderful experience for Mr. Amadio to be honored by his peers for his outstanding, high-quality workmanship. For this contest, he worked diligently at repairing a man's shoe with an invisible resole and new heel, and worked tirelessly and with great care at repairing a woman's shoe with an invisible resole and new heel. When the judges compared the repaired shoes with their unrepaired mates, the were astounded at the great skill of Mr. Amadio's work. Once they recovered from their amazement at seeing that the repaired shoes had been restored to their original, factory condition, the judges realized they have no choice but to given the award to Mr. Amadio.

Mr. Amadio received his prize at the 40th National Shoe Service Convention and Exposition in Oak Brooks, IL. All of Mr. Amadio's neighbors in Youngstown, OH, are very proud of his honors, and it is with deep humility that I also salute him. Thus, it is pride and special thanks that I join the residents of the 17th Congressional District in paying tribute to the great accomplishments and admirable character of Mr. Carmen J. Amadio, Jr.

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## WOMEN AT WORK

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. MILLER of California. Mr. Speaker, the Bureau of Labor Statistics has issued findings which suggest that the revolution in labor force participation by women with children is continuing at a rapid pace. BLS reported for 1987 the highest proportion ever of mothers with infants under age 1 in the labor force—52 percent—an increase of 21 percent since 1982, and 63 percent since 1977. The rate for married mothers is now almost 53 percent.

In 1984, the Select Committee on Children, Youth, and Families reported that 1990 would be the first decade to begin with a majority of married mothers with children under 6 in the labor force. But 3 years ahead of schedule, the rate we predicted—55 percent—has already been surpassed at almost 57 percent.

More mothers are returning to work sooner after giving birth than ever before. More mothers are working to keep family income steady, and even so, we know that average family income declined during the 1970's. And given the increased demand for labor, the Nation is relying more heavily on women as an integral part of the work force. But our policies have yet to recognize these facts.

I suggest we get in touch with reality and focus the remaining months of this Congressional session on supporting the Family and Medical Leave Act, and new child care and family policy that makes a difference. We are well beyond the point of having to document the need. The time for action is now.

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## A SALUTE TO LESLIE SHOUP—FIRST PLACE WINNER IN THE NATHAN BURKAN MEMORIAL COMPETITION

### HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. STOKES. Mr. Speaker, it is a pleasure to salute Ms. Leslie Shoup, a resident of my congressional district. Ms. Shoup was recently awarded the first prize for a paper submitted in the Nathan Burkan Memorial Competition held at the Franklin Thomas Backus School of Law of Case Western Reserve Univesity.

The competition which is sponsored by the American Society of Composers, Authors and Publishers, is designed to enhance interest in the impartial study and analysis of copyright and related laws. The work submitted by Ms. Shoup, "Forging a New Attack Against Criminal Copyright Offenders Via Civil RICO", is an excellent analysis of the copyright issue and I am pleased to share her paper with my colleagues.

### FORGING A NEW ATTACK AGAINST CRIMINAL COPYRIGHT OFFENDERS VIA CIVIL RICO

#### I. INTRODUCTION

If not caught, there is much clandestine profit to be made by the crafty copyright in-

fringer. Although the risks involved in such Machiavelian activities are high, many engage in infringement activities anyway, tempted by the fat returns. Despite the staggering financial harm which is imposed by these offenders, their private victims lack the substantial weaponry against them which has been provided to the victims of several other offenses by the civil provisions of the Racketeer Influenced and Corrupt Organization Act (RICO).

Amidst the numerous criticisms of the expansive use of civil RICO, and the proposed amendments to restrict its use, this note advances the presently unpopular proposition that the civil RICO remedy should be further expanded to encompass copyright infringement. It will be shown that such a proposition need not be inconsistent with the prevailing attitude. As civil RICO was intended to provide a "major new tool in extirpating the baneful influence of organized crime in our economic life," one must question why, in light of the extent to which organized crime is involved in the profitable business of copyright infringement, the statute is almost wholly inapplicable to the victims of such activity.

This note will discuss the effects of criminal copyright infringement, the relatively new criminal statutes pertaining to the offense, and the case law which has addressed it. Next it will briefly explore the history of civil RICO and the proposed amendments which are intended to limit its application. While this author whole-heartedly supports the amendments which will serve to weed out "garden variety" frauds as target offenses for civil RICO, the note will conclude that the enumeration of predicate offenses contained in section 1961 of the Act should be expanded to include offenses which will encourage private victims of organized criminal copyright infringement activity to force these pirates to walk the plank.

#### II. CRIMINAL COPYRIGHT OFFENDERS: PRIVATE AND PUBLIC HARM, CONGRESS AND THE COURTS

##### *A. New Age Pirates: Leaving Pillage and Plunder in their Wake*

Who are these dastardly swashbucklers, and how are they exploiting today's artists, business community and general public? In this context, "piracy" means any "unauthorized duplication of original commercial products", pirates being those who devise and implement schemes to profit from such conduct. In recent years, the business of piracy has grown at a phenomenal rate. It is estimated that pirates enjoy profits in excess of one billion dollars a year from the sale of unauthorized copies of audio and audiovisual products. In 1980, the Attorney General's office declared unauthorized reproduction of copyrighted materials to be the third most distressing problem posed by all white collar crimes.

An important factor contributing to the rapid growth in pirating activities is the advances which have been made in audio and visual recording technology. The audio cassettes developed in the 1960's, and VCRs of the 1970's have greatly enhanced the ease and quality with which commercially recorded products may be reproduced. New methods of distribution have also served to advance this trend, especially within the motion picture industry. Video cassettes distributed for the purpose of sale or rental for private use have provided new opportunities to pirates which were not available when the distribution of initial releases was accomplished through licensing them to theaters for public viewing.

The harm imposed by piracy impacts on every level of the market. Of course, record and motion picture companies suffer the greatest estimable financial loss. It is estimated that recording companies lose in excess of $600 million annually due to the diversion of profits by pirates. Motion picture companies lose a comparable amount. The artists and performers, on whose talent the entire industry is based, feel the impact, perhaps more intimately, due to the loss of royalties and other income. One may argue that this loss of income acts as a disincentive to the artists and performers, depriving the general public of substantial creative productivity. It is wise to recognize, however, that the loss to society of culturally significant creative input is also effected through more indirect channels. Because record companies derive great profits from the sale of hit records, they are able to invest a portion of that income in new artist development, and also in less profitable areas, such as classical or experimental music. By diverting a significant amount of profits which are generated by hit records from record companies, pirates are rendering the companies less able to make such investments thus depriving the public of access to new artists and alternate forms of expression.

The related offense of counterfeiting has additional detrimental effects on the market. Counterfeiting deceives consumers, leading them to believe that they are purchasing legitimate commercial products. Often, consumers buy counterfeit products from equally unknowing retailers, only to discover that they quality of the recording is far below that of the legitimate product. The innocent retailer suffers losses as many of these purchases are returned. Artists and production companies are injured because the purchaser may blame them for the poor quality of the product which may adversely affect future marketability. Overall, the loss to society, both culturally and economically, imposed by the extensive unauthorized reproduction of commercial products, is immeasurable.

##### *B. Congressional Response: Stronger Criminal Sanctions*

Section 506 of the 1976 Copyright Act defines criminal infringement as willful infringement "for the purposes of commercial advantage or private financial gain." This broad definition encompasses all forms of copyright infringement, not only commercially recorded audio or audiovisual products. Sanctions for violation of section 506 include a fine of up to $10,000 or imprisonment for up to one year. Stronger sanctions, however, are imposed for violations involving commercially recorded audio or audiovisual products. These sanctions proved to be little impediment to those realizing millions in profits from the operation of sophisticated pirating schemes.

Distressed by the situation, the Motion Picture Association of America, Inc. and the Recording Industry Association of America, Inc. urged Congress to provide harsher sanctions against those who were wreaking havoc in their respective businesses. The Associations pointed out that because first offenses received only misdemeanor status, prosecutors rarely prosecuted offenders, and of those who were prosecuted and convicted most received only suspended sentences.

In response, Congress enacted The Piracy and Counterfeiting Amendments Act of 1982 (hereinafter "PCAA") in hopes of deterring the growth of pirating operations. By imposing heavier sanctions, Congress sought to show that it was serious about directly confronting the problem by developing "a deterrent that pirates . . . cannot ignore. . . ." In addition, Title 18 of the United States Code had long been the primary focus of federal prosecutors. By including the new piracy provisions in Title 18, Congress intended to encourage more vigorous prosecution of these crimes.

Section 2318 of the PCAA deals with the offense of pirating and articulated no new offenses. The provision refers to the Copyright Act of 1976 in order to define the offenses which will result in it's proscribed penalites,

Section 2319 of the PCAA defines and proscribes penalties for the offense of counterfeiting. Reflecting Congressional recognition that counterfeiting defrauds not only recording companies and artists, but the general public as well, the penalties for counterfeiting are greater than those for piracy, and without the quantity requirements necessary for piracy charges.

##### *C. Judicial Treatment of Pirates and Counterfeiters*

Prior to the enactment of the PCAA, actions for piracy were brought primarily under the criminal provision of the National Copyright Act, though in some cases the government also alleged violation of National Stolen Property Act (NSPA). The way in which the government used the NSPA against those involved in piracy schemes is well illustrated in *United States v. Sam Goody Inc.* In *Goody*, the defendant was one of the oldest and largest record store chains in the country. During a country wide FBI investigation of piracy, Goody was found to have bought and sold over one million dollars' worth of counterfeit recordings. This led to Goody's indictment for twelve counts of copyright infringement, three counts for violation of the NSPA and one count for a RICO violation. The focus of the argument by the defendant was that the NSPA was not applicable to the shipment of counterfeit recordings and that if anything, he had violated 18 U.S.C. section 2318 (as it existed prior to the 1982 amendments contained in the PCAA), which imposed much lighter sanctions than it does since the PCAA was enacted. While the NSPA provided for a maximum fine of $10,000, it allowed for imprisonment of up to ten years, as opposed to one year under the present section 2318. The defendant supported its argument by first alleging that the misdemeanor status of Section 2318 reflected Congressional recognition that the offense essentially amounted to mere "unfair competition" and was therefore not within the scope of the NSPA. The defendant further argued that because Congress enacted section 2318 instead of amending the NSPA to include counterfeiting, Congress clearly intended counterfeiting to constitute an offense wholly distinguishable from the NSPA. To support this argument, Goody contended that recorded music could not be construed as being "goods, wares, or merchandise," which is a material element of the NSPA. The defendant also relied on the federal judicial tradition of construing criminal statutes narrowly.

Despite these arguments, the court affirmed the convictions under the NSPA. First, the court found that the offense committed by Goody satisfied the elements of the NSPA as well as those of section 2318 and the copyright act provisions. To arrive at this conclusion, the court addressed: (1)

whether the aggregation of sounds taken in violation of the copyright laws, as distinct from the tangible recording tape itself on which the sounds are contained can be said to constitute "goods, wares, [or] merchandise"; and (2) if the answer to the first question is affirmative, whether the unauthorized duplication in violation of the copyright laws constitutes a "stealing", "converting" or "taking by fraud".

In response to the first inquiry, the court adopted a "subject of commerce" test. In response to its inquiry of whether such recordings could be properly considered a subject of commerce, the court determined that counterfeit tapes fit the designation of "goods, wares and merchandise" and therefore satisfied that element of the NSPA. As to the second inquiry, the court applied a "broad common-sense" interpretation of "stolen, converted or taken by fraud" rather than a narrower more "technical" interpretation. Through this analysis, the court arrived at the conclusion that the unauthorized duplication of an audio or audiovisual recording was included within the scope of the NSPA.

Of the courts which addressed this issue, both before and after the enactment of the PCAA, all have concluded that the interstate transportation of unauthorized copies of audio and audiovisual recordings fell within the scope of the NSPA. It may be argued that such unanimity indicates a belief by the federal courts and federal prosecutors that the sanctions imposed by the PCAA were not severe enough to have a meaningful impact on the flourishing business of privacy and counterfeiting.

In 1985, the Supreme Court addressed this issue in *Dowling v. United States. Dowling* had been convicted on several counts of criminal copyright infringements based on his involvement with an extensive interstate "bootlegging" operation. The Supreme Court granted certiorari solely to determine the issue whether trafficking in bootleg and pirated audio and audiovisual materials were within the scope of the NSPA.

The Court first considered the nature of "goods, wares or merchandise" within the meaning of the NSPA. Applying a "common sense" interpretation, the Court determined that in order to come within the application of the statute, the "goods, wares and merchandise" which were transported logically must be the same as those "stolen, converted or taken by fraud." The Court reasoned that this "contemplated a physical identity between the items unlawfully obtained and those eventually transported."

The Court then compared the property interest protected by a copyright with that of the possessory interest of the owner of a physical item. The Court found that within the complex of interests protected by copyright, the copyright owner is not granted absolute exclusive control over the use of the copyrighted material as is granted with the ownership of a physical item. Based on this, the Court found that while a strained interpretation of the copyright statutes in relation to the NSPA may result in a "fitting of language (albeit 'awkward')", it went on to interpret the NSPA narrowly.

In its analysis of whether the NSPA applied to criminal copyright infringement, the Court began with the question of "whether the history and purpose of [the NSPA] evince a plain congressional intention to reach interstate shipments of goods infringing copyrights." After giving a brief legislative history, the Court found that if Congress desired to impose stricter penalties for criminal copyright infringement, it had the authority to do so under the express language of the United States Constitution. It found no explanation for Congress choosing the "circuitous route" via the NSPA to penalize infringement. The Court supported this reasoning by examining congressional action which pertained specifically to copyright infringement. In its analysis of the first criminal copyright provision passed in 1909 through the current PCAA, the Court found that Congress gave careful consideration to the sanctions it would impose for the offense. The Court's final supporting argument was based on the tradition of construing criminal statutes narrowly.

Contrary to the near unanimity of the federal circuits, the Court held that the scope of the NSPA did not encompass copyright infringement. Indeed, the logic and depth of the opinion exposed the many logical gaps of the lower courts in reaching the opposite conclusion. In addition, to interpret the NSPA in such a way as to encompass copyright infringement would intrude upon the power of Congress to proscribe penalties for offenses; as well as impose penalties upon the offender without clear statutory notice of the penalties. A final consideration is that no criminal copyright statute mentions the interstate transportation of infringing materials and subjects intrastate transportation to the same penalties to which interstate transported materials are subject. If the NSPA, which requires interstate transportation, were interpreted to include copyright infringement, a distinction between the penalties prescribed for intra- and interstate transportation of infringing materials would be created.

By concluding that the NSPA does not encompass criminal copyright infringement, there is virtually no means by which a private victim of criminal copyright infringement is provided with the substantial incentive under civil RICO to aid the government in its fight against organized crime.

## III. RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS: A BRIEF LOOK AT CIVIL ENFORCEMENT

### *A. High Hopes for a New Weapon Against Organized Crime*

RICO was enacted as Title IX of the Organized Crime Control Act of October 15, 1970. One purpose underlying RICO was the need to bolster the weapons against organized crime by providing new evidence gathering techniques, sanctions and remedies.

RICO's civil provision, modeled after section four of the Clayton Act was viewed as one of RICO's most powerful weapons against the harm inflicted by organized crime. In addition, private treble damages were made available to afford victims of organized criminal activity a legal remedy, while increasing the effectiveness of RICO's prohibitions.

### *B. RICO: The Elements*

The application of RICO has been the subject of numerous articles and a vast amount of case law because of its complexity. Section 1962 contains RICO's operative provisions and prescribes the way predicate offenses must be committed in order to constitute a RICO offense. Section 1962 also prohibits the investment of money obtained from the commission of predicate offenses into any enterprise affecting interstate commerce.

A plaintiff, to allege that he was the victim of a RICO offense, must allege that he was injured in his property or business through a "pattern of racketeering activity" which had been conducted through investment, control or employment through an enterprise which had been engaged in or affected interstate commerce. The proper allegation of these elements was the subject of many conflicts within the federal court system.

The requirement of a "pattern of racketeering activities" is defined by the statute as the commission of two acts, within ten years, included in the list of the predicate offenses. A conflict developed because some courts required that the acts be connected to each other by a common scheme, and not merely two or more disconnected, independent acts: according to the plain meaning of the word "pattern." The majority of courts, however, interpreted the elements of Section 1962 according to the plain meaning of the language used, finding that any two offenses within ten years constituted a "pattern of racketeering activity." In 1985, the Supreme Court put an end to this dispute, adopting the view that any two predicate offenses committed within the statutory time frame constitutes a "pattern of racketeering activity."

Another conflict arose concerning whether the statute's term "enterprise" pertained only to legitimate enterprises or also encompassed strictly criminal enterprises. This dispute was settled in *United States v. Turkette,* which concerned an enterprise formed for the purpose of narcotics trafficking. The Court found that the definition of "enterprise" as used in the statute encompassed both "legitimate" and "illegitimate" enterprises, recognizing that its very broad language imposed no restrictions on or distinctions between the types of enterprises to which RICO applied. The Court stated that to adopt any other interpretation would exclude whole areas of criminal activity from the scope of RICO; thus weakening its effectiveness in eradicating organized crime.

Whether section 1962 required that a special kind of injury be alleged was also a source of dispute. Prior to 1985, a majority of the courts required that some kind of racketeering type injury be alleged rather than an injury caused directly by a predicate act. What was meant by an injury resulting from something other than the predicate offenses was not quite clear.

### *C. Sedima: The Last Word on Civil RICO? Sedima S.P.R.L. v. Imrex Co., Inc.*

Many of the problems faced by the federal courts were settled by the much criticized recent Supreme Court decision in *Sedima S.P.R.L. v. Imrex Co., Inc.* By holding that (1). a criminal conviction is not a prerequisite to bringing a private RICO action under section 1964(c), and (2). a plaintiff need not establish a "racketeering type" injury distinct from an injury resulting directly from a predicate act, the Supreme Court opened the door to a wide range of actions which, arguably, were not anticipated by RICO's drafters. As a result of the *Sedima* decision, the only restriction on bringing a private RICO action remaining is that a plaintiff first must establish a "pattern" of racketeering activity.

In its rationale for holding that a prior criminal conviction need not be alleged, the Court focused primarily on what the effects of an opposite holding would be. First, it cited the problems which would arise due to the differing burdens on proof required between a civil and criminal action. Next, it found that requiring a prior criminal conviction would "create peculiar incentives for plea bargaining" whereby a defendant

might plead guilty to only non-predicate offenses to avoid the threat of a civil suit. The Court also recognized that a plaintiff would be forced to wait until the possibility of reversal on appeal no longer existed. Such a requirement would result in obstacles related to state claims and time limitations. Finally, it noted that such a requirement would conflict with the Congressional purpose of section 1964(c) to bolster the effectiveness of the RICO statute by "fill[ing] prosecutorial gaps."

The Court further expanded the application of section 1964(c) by holding that a plaintiff could bring a private RICO action based on an injury which resulted directly from the predicate acts. To support this holding, the court cited the problems which would arise from requiring that something as vague and undefined as a "racketeering type" injury be alleged. Further, the Court pointed out that nothing in the statutory language or legislative history indicated that Congress even recognized the existence of such an injury.

In response to the argument that the Court's broad reading of RICO would provide the opportunity for widespread abuse of civil RICO, the Court stated that the reading urged by the defendant would render section 1964(c) meaningless. Any foreseeable abuse would arise from the broad scope of the predicate offenses, particularly from the inclusion of mail, wire and securities fraud. The Court felt that it was Congress' responsibility to remedy the generous predicate offenses.

### *D. Congress Responds to the Clamoring for Change*

*Sedima* has been widely criticized for extending the reach of civil RICO to acts which the drafters had never intended to be included. Critics have attacked *Sedima* because it allows plaintiffs in ordinary commercial breach actions to include a RICO claim in the complaint, intimidating defendants with the treble damages provision. By tacking on RICO claims, plaintiffs may gain access to the federal court system for claims which are normally reserved to state courts. Also, it is argued that a civil RICO claim stigmatizes legitimate business people because racketeering, which is commonly associated with the criminal underworld, must be alleged, causing irreparable harm to the reputations of the putative defendants. Finally, *Sedima*'s critics have expressed the well-founded fear that tort and contract claims, which should properly be heard in state courts, will be bootstrapped into federal courts as civil RICO claims are added to the complaints.

The underlying defect, however, does not lie within the *Sedima* decision, which was loyal to the letter and spirit of civil RICO. The *Sedima* Court merely refused to impose judicial restraints not indicated by the statute. The problem is with the statute itself; which allows a mail, wire or securities fraud predicate offense to form the basis of a RICO claim as readily as murder, arson or drug trafficking.

In response, Congress has proposed amendments to RICO. One of the proposed amendments would require a prior criminal conviction of a RICO offense as a condition for recovery under civil RICO.

Another proposed amendment would leave section 1964(c) unchanged and instead focus on sections 1961 and 1962. To alleviate the stigma attached to a racketeering charge, the amendment would strike all "racketeering" references and substitute "predicate criminal" activity. The name of the Act would also be changed from "Racketeer Influenced and Corrupt Organizations" to "Criminal Enterprises and Corruption of Enterprises."

The definitional portion of section 1961 will clarify the meanings of both "enterprise" and "pattern of criminal activity." The "pattern" requirement would be stricter, requiring that the acts be separate in time and place and that they occurred within five, not ten years. According to the definition of the term "pattern", two or more acts in violation of the second paragraph of section 2314 (relating to transportation of stolen goods, securities, moneys, fraudulent State tax stamps, or articles used in counterfeiting), section 1341 (mail fraud) or section 1342 (wire fraud) will not satisfy the pattern requirement. The definition would further require that the predicate acts be "interrelated by a common scheme, plan, or motive, and are not isolated events."

The amended section 1962 would also add a new section prohibiting "any person knowlingly to organize, own, control, finance, or otherwise participate in a supervisory capacity in a criminal syndicate." The amendment, however, would strike the present section 1962(c) by which mere employment or association with an enterprise engaged in racketeering activity constitutes a violation.

Of the two proposed amendments, the latter is more responsive to the underlying defect of the present RICO statute, while preserving the potential effectiveness of civil RICO as a weapon against organized crime. The proposed amendment to require a former criminal conviction would seriously undermine this effectiveness for the reasons stated in the *Sedima* opinion. It is imperative that Congress act to restrain the abuse of civil RICO, yet it need not do so in a way which would cripple RICO's ability to eradicate organized crime.

## IV. TAKING THE WIND OUT OF THE PIRATES' SAILS VIA RICO: PROPOSED AMENDMENTS TO EXPAND RICO

In light of Congress' recognition of organized crime's extensive involvement in the profitable business of audio and audiovisual piracy and counterfeiting, it is curious that the statute expressly enacted to combat organized crime provides weak means by which counterfeiting and piracy victims may fight these black market profiteers. Looking forward to the probable elimination of mail and wire fraud as predicate acts by themselves (which is necessary to prevent further abuse of civil RICO), such victims would be required to show that the illegal pirating or counterfeiting operation was financed by funds obtained and tracing the pirated or counterfeit products to its source, and subsequently proving that such were the products of a "pattern" of criminal activity, imposes a heavy burden on the victims. Requiring the victim to further prove from what acts the funds used to finance the operation were obtained would impose a burden impossibly high, consequently discouraging even the most vehement victim.

The proposed amendment to define holding a supervisory position in a criminal syndication as a violation would theoretically provide another means by which victims could fight back. However, besides the obvious difficulty of proving the existence of such a syndication, history has shown that those in supervisory positions of criminal syndicates have become quite adroit at protecting themselves.

Before *Dowling*, it was possible to avoid the problem of fitting pirating and counterfeiting into one of the enumerated offenses by characterizing unauthorized reproductions as stolen property, thus using the NSPA as the predicate act forming the basis for a RICO claim. The *Dowling* Court exposed the illogical reasoning behind the decisions which had allowed such a claim, and wisely left it for Congress to decide the issue.

To include sections 2318-19 of the Piracy and Counterfeiting Act in the list of predicate offenses would provide the private victims of criminally operated piracy and counterfeiting schemes with greater incentive to diligently seek out and attack offenders. Not only would the victims benefit from the proposed amendments, but society as a whole would benefit. With the elimination of large scale pirating and counterfeiting operations, recording and motion picture companies will be able to invest undepleted profits from "hit" records and video recordings into less profitable but equally culturally rich forms of entertainment. Small-time operators would not fall within the reach of RICO if the stricter definition of the word "pattern" is adopted, and retailers unknowingly dealing in the sale of counterfeit products would be protected as the proposed definition includes the world "knowingly."

Although propositions urging the further expansion of RICO are hardly fashionable at present, this proposition is not inconsistent with the proposed amendment to restrict RICO's application in order to restrain its abuse. Using RICO to attack "garden variety" business fraud is inappropriate, yet its letter and spirit almost cry for its application to the widespread pirating and counterfeiting operations for which organized crime has become notorious.

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# THE 200TH ANNIVERSARY OF SLATE LICK, PA

## HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. KOLTER. Mr. Speaker, the community of Slate Lick in Armstrong County, PA, in my Fourth Congressional District, is celebrating 200 years of prosperity.

Located between Kittanning and Freeport on the Allegheny Valley Expressway, Slate Lick began its history with a Post Office, several shops, a hotel, a Classical Institute and an Academy. The town received its unusual name from the fact that deer would gather to lick salt from outcroppings of slate in the area.

Slate Lick educational facilities have produced future lawyers, judges, doctors, ministers, missionaries, and a college president. Some local residents still hold "sheepskin patent deeds" bearing the signature of Benjamin Franklin.

Today, Slate Lick is home to a metal-crafting factory, a glass-bending works, two printing firms, a Bible school, grocery store, and other businesses. But Slate Lick is an agricultural community. In earlier times, smaller farms prevailed there. Now, a few farmers till most of the land.

Although Slate Lick was not incorporated, the Presbyterian Church there goes back to

1797 and the United Presbyterian Church dates to 1811.

In 1887, hundreds gathered in Slate Lick at Brown's Grove to celebrate the village's centennial. This year, a committee was organized in April to plan the 200th anniversary and reunion. This was held August 29 and 30, also at Brown's Grove.

It is with great pride that I take part in this celebration and, before the U.S. House of Representatives, note the history and progress of this American community. I ask my colleagues to join me in congratulating all of the citizens of Slate Lick at this bicentennial, and to join me in wishing the town continued success.

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## A TRIBUTE TO THE U.S. AIR FORCE ON ITS 40TH ANNIVERSARY

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. McEWEN. Mr. Speaker, few of man's dreams have changed a nation as significantly as our quest to fly. During this century, Americans have witnessed the remarkable flight of the *Kittyhawk* and the historic landing of man on the Moon. And our dreams hold even more for us in the future.

This year, America celebrates another milestone in our aviation history—the 40th anniversary of the U.S. Air Force on September 18. Wright-Patterson Air Force Base, OH, has been selected as the official site to commemorate this noteworthy event. It is indeed fitting that this "Festival of Flight" is taking place adjacent to Dayton, OH, "The Birthplace of Aviation."

However, this 40th anniversary represents more than the passing of time. It symbolizes the commitment and dedication of the men and women of the Air Force who have accepted the challenge of their service, and in turn, they have challenged the Air Force to continue to dream and reach beyond the heavens and the stars.

Mr. Speaker, this anniversary is also a celebration of freedom, and it serves as a poignant reminder of the heartfelt gratitude we owe to the servicemen and women who have helped keep America free. The nobleness of this cause and the significant and individual contribution of these men and women have enabled the United States and its allies to reap the democratic fruits of their labor.

So as we pause and reflect on the importance and significance of this special occasion, I say to the families of the U.S. Air Force, please accept my personal and most sincere appreciation on behalf of a grateful nation.

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## ESSAY WINNER CAPTURES CONSTITUTION'S SPIRIT

### HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. SUNDQUIST. Mr. Speaker, a young constituent of mine, Anne McGrew of Memphis, was recently selected as Tennessee's first-place winner in the National Bicentennial Writing Competition. I found her essay on our constitutional separation of powers to be timely and interesting, and I request that it be printed in its entirety in the CONGRESSIONAL RECORD.

THE CONSTITUTION: HOW DOES THE SEPARATION OF POWERS MAKE IT WORK?

(By Anne McGrew)

From the black southern sharecropper only three generations from slavery to the poverty stricken Cuban refugee, from the western grain farmer to the northern Amish school girl, America's great people span the continent. They are a conglomeration unique to this planet—full of vivacity, hope, and freedom. This freedom represents the diversity within man's boldest and most durable experiment with democracy. Without this freedom, the black would remain a slave, the refugee would be denied entry through America's portals, the farmer would be unprotected from economic uncertainty and the small Amish girl persecuted until the extinction of her religion. We are different, still we are all the same—one people, a free people. But within the multitudes of origins from our freedom, one element prevails—the United States Constitution. It is the Constitution that enables us, the people, to speak out without fear of persecution, to strive for personal achievement without the stifling restraints of a socialized society. For it is the basis of our Constitution and its separation of powers that enables Americans to live freely. Without this Newtonian concept of politics (Smith, 193), we would surely all be suffocated by an overly oppressive governing force.

As early as 1783, two prominent Americans, Alexander Hamilton and George Washington, began to verbalize their conceptions concerning a new American government based upon a new constitution. Hamilton, concerned with the longevity of such a document, assembled a national convention in Philadelphia for "the sole and express purpose of revising the Articles of the Confederation"—Confederation Congress (Rossiter, 128). The members of this Congress relied heavily on their own personal dealings with government in order to learn from their trials and tribulations. Benjamin Franklin, although away on diplomatic business when the actual Convention occurred, relied on his own dealings in the Albany Crisis of 1754 in influencing the outcome of the Congress. The Constitution was brought forth out of hundreds of years of "trial and error" (Rossiter, 128). This cauldron of American democracy had its origins from English liberalism when the English nobility forced King John to sign the Magna Carta at Runnymede (Smith, 193).

Reflecting on the framing of our great Constitution, one can clearly see the ever so vivid separation of governmental powers. George Washington stressed in his farewell presidential address that there existed a "love of power and proneness to abuse it which predominates in the human heart." He recognized this lust for power and insisted on the necessity of having a system of checks and balances (Richardson, 213). The framers of the Constitution chose to model their new "document of freedom" after the English system. This British ideal was based on the concept of equal representation of three estates, none of which would be able to completely dominate the others (Smith, 192). This system particularly appealed to the once oppressed New Englanders who were searching for a controlled yet democratic form of government. Some framers often disagreed with this system. They could not help but cite their own previous oppression in England under such a system. Benjamin Franklin, one of the premier advocates for the separation of powers, quelled many of their dissatisfactions in his statement, "the government should be strong enough to meet its obligations and safe enough to respect the liberties of the people" (Rossiter, 126–130). It was this fusion of Federalist and Anti-Federalist beliefs that forged the solid framework of the Constitution. Needless to say, by 1787, the separation of powers within the Constitution was considered as necessary to the document itself as a democratic government was to our nation (Smith, 193). In effect, it was James Madison who addressed the real obstacle in the construction of the Constitution. He stated ever so simply that, "in framing a system which we wish to last for ages, we should not lose sight of the changes which ages will produce" (Rossiter, 128).

Although the Constitution concerns all facets of society that affect American independence, it is the separation of powers within the Constitution that has become the safeguard of our democracy. The judicial branch of the government, headed by the Supreme Court, is able to confront the executive and legislative orders by declaring them to be "unconstitutional" and therefore null and void (Rossiter, 130). This concept of constitutionality has always existed within the system but was no better exhibited than by the Supreme Court's ruling in the first major challenge of constitutionality of a legislative act—Marbury vs. Madison. The Supreme Court refused to rule on Marbury's appontment to the Court because the Supreme Court was undertaking powers not provided to it by the constitution and therefore the court declared it unconstitutional. The Supreme Court referenced the concept that its duties were expressly judicial whereas adding executive or legislative privileges would be against the terms of the Constitution and therefore constitute it as void (Smith, 190). In this way, the legislative and executive branches are never permitted to achieve total control of our democratic government, for the powers of the judicial branch will always keep the other two branches from veering off the proverbial Constitutional path.

The legislative branch of the government also holds a check over the balance of powers. Congress holds a bearing over the powers of the executive with its ability to make government appropriations. Although it takes the President's approval to sign these appropriations into law, it is the legislative sector that determines the content of this legislation. Congress also has within its abilities the power to organize the judicial system and develop rules for its procedures (Rossiter, 78). In doing so, Congress can prevent a major upheaval within the court system. Clearly, without the legislative

branch's "checks", the other two branches of power would most assuredly strive for complete control and in the process destroy one another.

The executive branch of the government, although equal in terms of power to the legislative and judicial, often garners the most publicity in the governmental society. The most impressive power held by the President is his power to veto legislation. This idea of an executive veto was first voiced by John Adams, the strongest advocate for the veto. Adams was convinced that the President required a means of defense against "the legislature's persistent attempts to arrogate all power to itself" (Smith, 273). Although the legislative branch does have the power to over-ride the executive veto, this blatant disregard for the executive's voice only seldom occurs. The only fundamental constitutional debate the United States ever had culminated in the Civil War. This major exception resulted in a disagreement so bitter that an entire section attempted to dissolve this great union. But out of this arose a Phoenix with a common purpose and aspirations of greatness, and within three decades emerged as a formidable world power.

The executive also affects the judicial system. It is the President who chooses the judges who are appointed to our Supreme Court. The legislative branch of the government holds special hearings with the new appointee to assure that the President has chosen the most esteemed persons for the Supreme Court (Rossiter, 78). Without such a "counter check" made by both branches, the selection of judges would prove to be a one sided, unequal representation of the American people.

Controversies still exist as to the executive's prerogative for armed foreign intervention without congressional authority. From Jefferson's war against the Barbary Pirates in 1801 through Ronald Reagan's Iranian and Nicaraguan policies in 1987, the Constitution has enabled the United States to speak with one voice in a specific foreign situation. The War Power Resolution was enacted despite President Richard Nixon's veto, and more recently the 1980 Intelligence Oversight Act and the Boland Amendments of 1983 '84 '85 are examples of this continuing controversy and may ultimately require the intervention of the Supreme Court (Wall Street Journal, 7).

Even as we enter the third century of history's boldest experiment with freedom, the dynamic nature of the separation of power persists. The legal challenge to the appointment of a special prosecutor for the Iran-Contra Affair represents the most current point of Contention involving Presidential power. Yet even though all branches were created under the assumption of equality, power flows increasingly toward the executive end of the scale. The executive must act quickly on behalf of the welfare of all Americans (Nikolaiff, 4). He is no longer an individual, for now he becomes the voice of millions. The executive power of our government resides in his grasp alone. He receives all credit, good or bad, for governmental actions, regardless of whether or not he had a part in the affair itself. What better way to express this concept than former United States President Harry S. Truman's desk top sign "The Buck Stops Here!" Little did he know his cliche would later be used to characterize the Presidency for years to come.

Devices such as the separation of duties and the "checks and balances" within the heart of our government are essential in the prevention of the destruction of political, social, and most importantly, personal freedoms. Without the separation of powers, the Constitution would be emasculated and the governing forces we know today would lose all coherence and stability. This separation guarantees that no single branch of the government will ever prevail over the other two. The freedom and political liberty gained by the balance of power is immeasurable by any tangible means. Yet it can be witnessed even today. Whenever you hear a politician speak out, a refugee become a citizen, a farmer regain his prosperity, or an Amish elder recount "his story" to his posterity, you are witnessing the separation of powers, a guarantee of freedom in our living Constitution.

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## CONSIDERING REDRESS FOR JAPANESE AMERICANS

### HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. COURTER. Mr. Speaker, much has been said and written in favor of H.R. 442, a bill to offer financial redress to Japanese Americans who were interned in this country during World War II for what the Franklin Roosevelt administration thought to be important national security reasons. Less, however, has been said of the problems associated with the bill. And yet the precedent it would set—in trying to right an old alleged wrong, done in the crisis of wartime, with modest money payments—is troublesome for a number of reasons.

Dr. Ken Masugi, now a Special Assistant to the Chairman of the Equal Employment Opportunity Commission, is the son of parents who were among the internees, and so for him the question of redress is of personal as well as scholarly interest. Dr. Masugi testified against proposals for redress before our Judiciary Committee's Subcommittee on Administrative Law and Governmental Relations in 1984, and subsequently wrote an article for New Perspectives, the magazine of the U.S. Commission on Civil Rights. In the interest of balanced discussion of this significant legislative proposal, today's RECORD will include part of that essay—edited for purposes of economy—entitled "The Duties of Citizenship." Members interested in the entire text of the Masugi article, or in the opposing view as advanced by Peter Irons, are invited to consult the Winter/Summer 1986 issue of New Perspectives.

THE DUTIES OF CITIZENSHIP

(By Ken Masugi)

Because America made human equality its founding principle, it can have an ethnic dilemma. That fact should inform reflection on the World War II relocation from the West Coast of 112,000 ethnic Japanese, two-thirds of whom were American-born, and the rest resident aliens. Today, redress for the relocated ethnic Japanese—through individual payments, pardons, apologies, educational funds, and community grants—has gained national attention, largely through Personal Justice Denied, the report and recommendations of the Commission on Wartime Relocation and Internment of Civilians (CWRIC). But the CWRIC's work, and other criticism of the relocation, rests on dubious historical, political, and ethical premises. If adopted, redress legislation would erode our ability to practice democratic self-government at home and to defend it from tyrannical forces abroad, for it distorts our understanding of the military and civil conditions for successful struggle against tyranny.

The flaw in relocation criticism and redress advocacy brings us far beyond a squabble over spoils for an ethnic group, to our contemporary inability to comprehend politics in terms of regimes and citizenship. The concepts of regime and citizenship are omitted from contemporary political discussions. Regimes constitute political ways of life, with distinctive answers to the question of human purpose. And citizenship involves, as any child knows, both rights and duties. It is not only that today rights have been prized above duties. Civil rights—previously held to be the rights of all citizens—have come to mean the rights of racial, ethnic, and other minorities. Sophisticates regard citizenship as the exercise of the rights of a claimant, the demand for perfect or "total justice." But when justice is forced to be perfect, and when citizens are reduced to claimants, we have perfect despotism. The recent lower Federal court overrulings of cases such as *Korematsu* v. *U.S.* (the 1944 exclusion case) and *Hirabayashi* v. *U.S.* (the 1943 curfew case), and the reinstatement of a $24 billion lawsuit by former evacuees, should give us pause. Military, political, and judicial decisions, treated out of historical context, are made to conform to present-day standards of fairness.

I will argue that citizenship in a regime honoring the founding principle of equality should be the principal focus of discussions of civil rights. And this means exercise of duties, especially the ultimate duty of military service in time of war. But redress, as with many other afirmative action proposals, would balkanize America and divide Americans against each other. It would undermine the feeble notion of citizenship that still exists and distract from the true focus of civil rights policies: the development of mature citizens.

Common sense and experience affirm that immigrants have a politically significant affection for the land of their ancestors. Moreover, in the case of the ethnic Japanese born in America, this conflict of loyalty was heightened by dual citizenship imposed on them by the government of Japan. Many renounced their Japanese citizenship, but some did not. For all Asians not born in America (except the Chinese, our allies in the war), American citizenship would be unattainable until the McCarren-Walter Act of 1952. Discriminatory state legislation (such as alien land laws and anti-miscegenation laws) resulted in a separation of ethnic Japanese from the mainstream of American life, which was racially segregated in many other respects. Segregation and discrimination no doubt increased ethnic Japanese isolation, as well as attachment of Japan and its institutions.

The issue is not "racism" but rather what statement might reasonably have concluded was necessary in order for a war against tyrannical, racist powers to be won. Let us turn to what Army Chief Historian David Trask said he was "unable to certify . . . as a credible piece of history," that is, the CWRIC report. The CWRIC maintains that the best evidence available to the Roosevelt administration—the testimonies of Lieutenant Commander K.D. Ringle of Naval Intelligence and civilian investigator Curtis B. Munson—showed that ethnic Japanese were loyal for the most part, and that relocation was unnecessary. Government suppression of such evidence from its briefs in the Korematsu and Hirabavashi case forms the basis for the coram nobis petitions. But in fact the Ringle and Munson reports, only two out of many, contain cautionary as well as exonerating testimony. Consider the following statement by Ringle:

"Of the Japanese-born alien residents, the large majority are at least passively loyal to the United States. That is, they would knowingly do nothing to the injury of the United States, but at the same time would not do anything to the injury of Japan. Most of the remainder would not engage in active sabotage or insurrection, but might well do surreptitious observation work for Japanese interests if given a convenient opportunity."

Ringle's remarks about the first-generation Japanese (Issei) take on a greater significance when it is recalled that they were the community leaders. The testimony of Munson is also mixed:

"The Japanese are loyal on the whole, but we are wide open to sabotage on this Coast and as far inland as the mountains, and while this one fact goes unrectified I cannot unqualifiedly state that there is no danger from the Japanese living in the United States which otherwise I would be willing to state."

The CWRIC report goes on to maintain, in circumspect language, that "There was no evidence that any individual American citizen [of Japanese ancestry] was actively disloyal to his country." First of all, there are numerours examples of Japanese Americans, in Japan, who aided the Axis cause during World War II. Consider as well the freakish yet instructive Niihau episode in which a downed Zero pilot occupied a tiny, isolated Hawaiian island for a week after the Pearl Harbor attack. The downed Japanese pilot acted with the aid of a Japanese American, who later committed suicide when a Hawaiian killed the pilot. Hawaii, unlike the mainland, was put under martial rule for the duration of the war. To this we can add the evidence of the top-secret cable traffic code-named MAGIC, which took place between Japanese consulates in the U.S. and Tokyo and referred to ethnic Japanese contacts. The Anit-Defamation League of B'nai B'rith supported relocation after discovering that, while the English sections of ethnic Japanese newspapers here took a strong pro-American stand, the Japanese sections favored Japan's aggression in Asia. Would the strong ethnic Japanese support for Japanese aggression in China extend to Japanese aggression on the United States? A perfectly legitimate question, considering the times.

Certainly many relocated ethnic Japanese showed strong signs of disloyalty which cannot be explained away by frustration at relocation. Some ethnic Japanese rioted. The most notable case was at the Tule Lake relocation site holding 18,000 persons. Tule Lake was primarily a segregation center for many of those expressing strongly pro-Japanese feelings. Others openly indulged in pro-Japanese activities; 4,724 individuals returned to Japan. About 3,000 resident aliens were interned, which was more drastic than being relocated. These individuals were so strongly suspected of being pro-Japanese that they were imprisoned under Justice Department direction. Advocates of redress frequently use internment and relocation synonymously, in an effort to prejudice the issue.

Though deemphasized in the CWRIC report, there were pro-Japan factions in the relocation centers as well who denounced American sympathizers as inu or "dogs," and in many cases intimidated or beat them. It is no exaggeration to say that the greatest danger to patriotic Japanese Americans in the relocation centers came not from army guards or local citizenry but rather from their fellow evacuees loyal to Japan.

Who today has both the resources (such as the $1.5 million the CWRIC had at its disposal), and the interest in exposing ethnic Japanese who harbored disloyal thoughts and may even have acted on them? Clearly what we lack is a history of the West Coast ethnic Japanese relocation by an objective, professional historian who understands the actors in the events as they understood themselves. We need a work on the order of University of Hawaii history professor John J. Stephan's "Hawaii Under the Rising Sun: Japan's Plans for Conquest After Pearl Harbor," which concluded of the Hawaiian Japanese that their loyalty to Imperial Japan was far stronger than current conventional wisdom supposes. It may be, after all, that many ethnic Japanese in this country would have found the pressure to support Japan overwhelming following a successful Japanese invasion. Finally, we must not excuse those who offer only passive loyalty or are passively disloyal in time of war. War—and even more so, war against a tyrannical power—justly demands proof of active loyalty. America is no different from any other regime in this regard. The detachment of many ethnic Japanese from Japan would ordinarily be remarkable, but in the situation of war it became merely what was expected: a citizen's duty. If such reasonable doubt exists today, then consider the reactions of policymakers in 1941, faced with Pearl Harbor and the need to deal effectively with a ruthless enemy.

A word at least should be said about the "camps." Movement in and out of the centers was casual. Private car ownership was permitted. Jobs were made available. Provision was made for property to be moved from home to the centers. Ted Morgan's summary is apt: The centers were "like small towns, with churches, hospitals, post offices, stores, schools, gambling, and prostitution." The War Relocation Authority early on (July 20, 1942) adopted a leave policy, following loyalty clearance, which permitted departures for work or college. As early as May 21, 1942, assembly centers (to which evacuees reported before being taken to relocation centers inland) had been releasing evacuees so they could go to agricultural jobs. Taking seasonal leaves, thousands periodically went out to work and then returned. Many of those relocated were reluctant to leave the security of the centers, and not enough evacuees would take advantage of the government's program to fill the vast demand for labor inland. In light of this, it would be chutzpah to dwell, as one redress bill does, on the "enormous damages and losses . . . and . . . incalculable losses in education and job training" during World War II. To say that America had its own concentration camps, differing only in degree from those of the Nazis (the allies of the Japanese) not only grotesquely distorts history but invites trivialization of the Holocaust.

Finally, the Evacuation Claims Act of 1948, with subsequent revisions, provided for financial compensation for property damaged or lost as "a reasonable and natural consequence of the evacuation or exclusion" from the West Coast. Under the Act approximately $37 million was paid out to approximately 25,000 claimants.

## IN HONOR OF THE JEWISH COMMUNITY CAMPUS OF GREATER LOS ANGELES

### HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. LEVINE of California. Mr. Speaker, I rise today to share with my colleagues in the U.S. House of Representatives the exciting news of the official opening of the Jewish Community Campus of Greater Los Angeles on Sunday, September 20, 1987. Many years of planning and hard work have made this dream a reality. The following will give you some insight into that dream.

For over 8 years the Federation's Jewish Community Building at 6505 Wilshire Boulevard has served a wide spectrum of Jewish needs, not only in Los Angeles, but across the State and the Nation, in Israel and around the world. The new Jewish Community Campus will lie just west of Topanga Canyon Boulevard in Canoga Park. The campus itself will consist of three buildings and landscaped courtyards, providing office and programming space.

The Jewish Federation Council and its 500 affiliated organizations have become visible and effective members of the city, establishing a multidimensional sphere of Jewish services and committees that broaden and touch every aspect of daily life. They stand as the heart of a vibrant Jewish community, a strong institution that sustains the activities and dreams of millions of people.

The organization of Jewish agencies and committees operating under the auspices of the Jewish Federation Council represents one of the largest social service delivery systems in the country. It has long represented the full scope of available services, providing the planning and budgeting for over 16 essential health, welfare, educational, and social agencies for the entire community.

These organizations provide aid and support to Jews and non-Jews throughout the city, regardless of denomination, synagogue affiliation, or religious observance. The providing of charitable services to all has long been a tradition of Jewish communities everywhere.

The Jewish Community Campus will touch something singular and vital in each of us by promoting and encouraging Jewish life. It will develop an influence that must exist and continue to grow if we, as a community, are to survive and flourish.

The Jewish Community Campus is a new, comprehensive model of service delivery to the Jewish community and is expected to be the prototype for future communal facilities throughout Los Angeles County. There is almost no problem or issue confronting us today which some agency or department of Jewish Federation does not address. Programs and projects to aid senior citizens, parents, youth, and families are all a part of the fabric of Jewish organizations, and will be represented at the Jewish Community Campus.

A few of the services and programs available at the new campus will be the San Fernando Valley Region of the Federation, the West Valley Community Center, the Federation's Community Relations Committee, the Bureau of Jewish Education, Jewish Family Service, Jewish Vocational Service, Jewish Free Loan Association, Bet Tzedek Legal Services, and the B'nai B'rith Youth Organization.

It is a pleasure to bring to the attention of my colleagues the fine work and special services of the Jewish Community Campus, and I ask that they join me in extending to all those involved our best wishes for all future success.

## KILDEE PAYS TRIBUTE TO TRINITY ASSEMBLY OF GOD CHURCH

### HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. KILDEE. Mr. Speaker, I would like to bring to the attention of my colleagues and the Nation an event that will be held September 20, 1987, in Flint, MI, commemorating the founding of the Trinity Assembly of God Church. On this day, the Trinity Assembly of God Church will celebrate its 50th anniversary.

The strong devotion of the church can be traced back to its origins, to those who first realized their aspirations to found a holy place of worship. In 1937, after the close of a tent revival campaign, Rev. J. Claude Moss was approached by a group of people interested in forming a permanent church. It was during this time that the famous UAW sit-down strike was taking place in Flint. Mrs. Jessie Bailie, one of three original church members, recalls being stopped by soldiers with guns, and questioned before being allowed through the blockades to attend services. Mrs. Bailie along with Mrs. Mildred Crites and Mr. John Gambill, the other original church members, joined with a group and rented a building formerly known as the Spinning Wheel Saloon. That summer a huge tent was erected on property on Holtslander Street and many souls were saved in a continual revival conducted by several evangelists. A penny march was held in each service, with all money collected going into a fund for a church building. This proved to be a wise decision because very soon the tent blew down in a heavy windstorm, and the need for a permanent structure became immediate. Mr. and Mrs. Silas Farnsworth mortgaged their home to help finance a new building. The first church was large and crude but offered, finally, a permanent place to worship. The church became known as People's Tabernacle, and was nondenominational.

Two years later, in 1940, due to a succession of problems and difficulties, only a dedicated dozen of the original group remained. The parishioners found themselves with no pastor and under heavy debt. They remained, however, determined to stay together and preserve their heritage.

In the providence of God, the group was led to contact a devout Christian, Mr. Rollin Severance, owner of the Severance Tool Co. in Saginaw. He paid off all debts and arranged for fill-in speakers for the Sunday services. When he could not find anyone to speak, he came and led the services himself. Under Mr. Severance's leadership, the congregation was brought into fellowship with the Assemblies of God. When the resourceful parishioners repaid their debt to Brother Severance, he directed the funds toward the establishment of a district camp. In the next few years the church grew and prospered, and became known as Trinity Tabernacle. Siding was put on the building, windows and a floor installed, and many other improvements made.

There has been a number of great leaders throughout the history of the church, many of those being pastors. Rev. Carl Ausbury served as the first permanent pastor after Mr. Severance assisted the congregation in establishing a building. Reverend Ausbury was followed by Rev. Lawrence Perrault who was followed by Rev. Leonard Nowell, Rev. John Burgess, and Rev. Glenn Snook. Under Reverend Snook's ministry, the word "tabernacle" was deleted from the name of the church, and it became Trinity Assembly of God. Reverend Snook was followed by Rev. Kenneth Norcross who in turn was followed by the church's current pastor Rev. David Krist. The services of these men have been absolutely essential to the progress of the church over the years.

Mr. Speaker, God has blessed and has provided prosperity to the Trinity Assembly of God since those early days. Many souls have been saved, many members have joined this dedicated congregation, and many lives have been blessed and enriched. I hope that you and my colleagues in the House of Representatives pause for a moment on Sunday, September 20, to reflect upon and appreciate the pride and joy of the parishioners of the Trinity Assembly of God as they celebrate their 50th anniversary.

## USE OF FALSE CLAIMS ACT TO SAVE MEDICARE MONEY AND PREVENT MALPRACTICE

### HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. STARK. Mr. Speaker, last year, the Congress was able to pass some major improvements in the False Claims Act, also known as the qui tam law.

I would like to report an example of that new law. The Los Angeles Times of September 9, 1987, reports on a qui tam lawsuit filed by Dr. Paul Michelson against the Scripps Clinic and Research Foundation and one of its former eye doctors for defrauding Medicare through excessive and unnecessary cataract surgery.

I do not know if the facts in the suit are correct or whether the filer of the suit will win, but I hope it will be a message to health providers and professionals around the Nation: If a health professional is providing unprofessional, dangerous, and unnecessary surgery and if the management of that health facility does not act to stop the abuse, then an individual can file a false claims suit and receive monetary rewards for being a whistleblower.

The days of old-boy-network coverup of incompetent and dangerous colleagues should be over. The rewards and incentives of the qui tam law will help improve the ability of doctors, nurses, and others to ensure that incompetent and abusive practitioners are removed. The result can be millions in savings for Medicare—and untold savings in human pain and misery from unnecessary medical procedures.

#### Whistle-Blower's Lawsuit Accuses Scripps Clinic, Eye Doctor of Fraud

(By Claire Spiegel)

A unique lawsuit that accuses the prestigious Scripps Clinic and Research Foundation in LaJolla and one of its former eye doctors of defrauding Medicare in treating hundreds of elderly patients was unsealed in Los Angeles federal court Tuesday.

An unusual feature of the multimillion-dollar action is that it was filed by another former eye doctor at the clinic, who stands to receive up to $1.5 million under a new law that gives whistle-blowers important legal clout and financial incentives for reporting overcharges in federal government programs.

U.S. Atty. Robert Bonner announced Tuesday after reviewing the allegations that his office will intervene in civilly prosecuting the case, which seeks between $3.7 and $6.3 million in damages and penalties.

The whistle-blowing doctor is entitled under the federal False Claims Amendments Act of 1986 to receive between 15% and 25% of any judgment.

Lawyers at the Center for Law in the Public Interest, who filed the lawsuit on behalf of the doctor, said this is one of the first actions in what they foresee as a flood of lawsuits by whistle-blowers buoyed by significant incentives to report fraud that has occurred within the last 10 years in all kinds of federal programs, ranging from defense contracts to school lunch programs and construction jobs.

At least two similar lawsuits targeting the defense industry for a total of more than $200 million in damages are pending in Colorado and Washington, D.C.

In the Scripps case, ophthalmologist Raymond Y. Chan is accused of defrauding the federal Medicare program between 1984 and 1986 by billing for eye surgery that he did not perform on his elderly patients or by billing for operations that he did perform but that were medically unnecessary.

The lawsuit estimates that Chan overcharged Medicare by $300,000 during a two-year period, with both the doctor and the Scripps Foundation sharing in the windfall. Based on complex provisions for double and triple damages as well as fines allowed in the False Claims Amendments Act, the lawsuit seeks recovery of between $3.7 to $6.3 million.

Reached for comment, Chan said that he had never defrauded Medicare and that he did not want to comment on the lawsuit because "this is the first I've heard of it."

Scripps spokesman David Gollaher said that Chan's bills have recently been scrutinized by administrators and that "we're not saying whether there were or there weren't irregularities."

Ophthalmologist Dr. Paul E. Michelson, who used to work with Chan at the Scripps Clinic Medical Group, accused Chan of abuses after he randomly examined records for 37 of Chan's hundreds of patients and documented $47,000 in Medicare overcharges, said attorney John Phillips at the Center for Law in the Public Interest.

According to the complaint, Chan allegedly used lasers to treat patients suffering from glaucoma or cataracts and then defrauded Medicare by billing as if he had performed surgery with a knife, which is almost three times as expensive.

Chan is also accused of performing unnecessary laser procedures on patients who either did not suffer from glaucoma or who were not first treated with the "the accepted, appropriate, safer and far less expensive medication therapy" mandated by the American Assn. of Ophthalmology.

"This is one of the most clear-cut cases of unnecessary treatment. There is no dispute," center attorney David Huebner said. "The [patient] charts show that a person would come into the office one day and two days later be zapped with a laser."

He said Michelson filed the lawsuit because "he wanted to protect the patients and was appalled by the idea of unnecessary [laser] procedures being performed on patients who could be helped by just eye drops."

Michelson, now in private practice in San Diego, said in an interview, "My own concerns were strictly the ethics involved here." He said he filed the lawsuit "as a matter of conscience" and that "the financial aspect of the law was of no consideration in my case."

He said that he will donate "a significant percentage" of any of the money he receives to the center's nonprofit subsidiary, Taxpayers Against Fraud.

### NO ACTION WAS TAKEN

The complaint says that Michelson attempted to bring the alleged Medicare abuse to the attention of his superiors, including a member of the foundation's Clinical Board of Governors, but that "no action was taken by these Scripps officials to stop the misrepresentations or to inform the government of the overcharges."

Michelson was terminated from Scripps in July, 1986—for "incompatibility," the lawsuit said—and filed his complaint under seal in April, 1987.

Under the law, the complaint automatically triggered a federal inquiry.

"This law allows a private plaintiff to bring a lawsuit to get the ball rolling," Assistant U.S. Atty, Howard Daniels said. "Then the U.S. government investigates, and if we find likely violations, we step in."

Daniels said, "We don't know yet what the total bill will be."

Chan's earnings at Scripps depended to a large degree upon the bills he generated according to the lawsuit. Chan submitted his bills to Scripps administrators who in turn billed Medicare. Chan then received a percentage of his total billings, with the Scripps Foundation receiving most of the rest.

"For every $1 fraud, Scripps Foundation got 50 cents and the doctor got 50 cents," Phillips said.

Phillips said that neither Scripps nor Medicare officials appear to have noticed Chan's "disproportionate number of laser procedures. . . . It appears Medicare doesn't do a very good job of policing."

The Center for Law in the Public Interest lobbied hard for passage of the federal False Claims Act, an updated version of a law passed during the presidency of Abraham Lincoln to crack down on fraudulent government contractors. The newly amended measure gives whistle-blowers larger financial rewards, better legal standing and greater job protection than the old law, Phillips said.

Since the new law passed two years ago, the center has received more than 350 calls from whistle-blowers. Based on the most solid evidence, Phillips said, the center has filed three complaints and five others are being drafted.

A lawsuit in Colorado, which seeks to recover up to $10 million, accuses officials of Rockwell International Corp. and Lawrence Livermore National Laboratory of using Department of Energy dollars to manufacture more than 4,000 items for their personal use, including a wine press and racks, belt buckles, coffee mugs, automobile parts, clocks, jewelry and foot massagers. The complaint was triggered by an engineer at Rockwell's nuclear weapons plant in Rocky Flats, Colo.

Critics of the law have suggested that it will lead to numerous frivolous or vexatious lawsuits and might allow the architect of a fraudulent scheme to reap a windfall by filing a claim, Phillips said this is unlikely but that the center is nevertheless working on possible "technical amendments" to the law that would prevent it.

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## HANDICAPPED CHILD'S RIGHT TO LIFE

### HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. DORNAN of California. Mr. Speaker, the House resolution I am offering today declares "That a handicapped child's right to life should not be abridged or denied on account of age, health, defect, or condition of dependency."

It is simple, but necessary legislation. No handicapped person should be denied the right to life guaranteed by the United States Constitution. America has made great strides in the past several years to accommodate the special needs of her handicapped citizens. We are all aware of the ramps that have been built, special parking places that are reserved, audio and video advancements that improve television enjoyment for the handicapped, et cetera.

With such efforts being made to improve the lives of our handicapped, it is also essential that we understand that preborn children who are found, through medical advancements, to have handicaps, not be denied the right to life.

There are contact groups and individuals all across the country who are ready and willing to adopt handicapped infants. Mothers who are considering abortion because of a known handicap can give life to their babies and know that they will be loved and cared for all of their lives.

I urge my colleagues to recognize that handicapped children have a God-given right to life and join me in firm resolve that such right shall not be denied.

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## PROPOSED WELFARE LEGISLATION

### HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. DOWNEY of New York. Mr. Speaker, for the benefit of the Members, I am today placing in the CONGRESSIONAL RECORD a comparison of the various welfare reform bills introduced during the 100th Congress. This document, titled "Highlights of Congressional Welfare Reform Bills," describes the major provisions of three bills: First, H.R. 1720 as reported by the Committee on Ways and Means, the Committee on Education and Labor, and the Committee on Energy and Commerce; second, S. 1511, the Senate welfare reform bill introduced by Senator MOYNIHAN; and third, H.R. 3200, the Republican welfare reform bill introduced by Congressmen MICHEL and BROWN of Colorado.

HIGHLIGHTS OF CONGRESSIONAL WELFARE REFORM BILLS

| H.R. 1720, Ways and Means | H.R. 1720 Amendments, Education and Labor—Energy and Commerce | S. 1511/H.R. 3148, Moynihan-Gradison | H.R. 3200/S. 1655, Michel-Brown-Dole |
|---|---|---|---|
| I. WORK, EDUCATION, AND TRAINING | | | |
| Authorization and funding: | | | |
| Entitlement under Title IV–A (AFDC) | Authorization under Title IV–C (WIN); also permits limited services under the IV–A entitlement. | Entitlement under Title IV–A (AFDC). Repeals IV–C | Authorization under Title IV–A. |
| Federal share of education, training and other non-administration costs at 65%. Administrative costs at 50%. | The Federal share varies between 90 and 70% depending on level of effort and type of expenditure. | Federal share of education training and employment activities and employment activities is 90/60 percent depending on funding source. Administration costs at 50%. | Federal share varies depending on amount of funds appropriated. |

HIGHLIGHTS OF CONGRESSIONAL WELFARE REFORM BILLS—Continued

| H.R. 1720, Ways and Means | H.R. 1720 Amendments, Education and Labor—Energy and Commerce | S. 1511/H.R. 3148, Moynihan-Gradison | H.R. 3200/S. 1655, Michel-Brown-Dole |
|---|---|---|---|
| No ceiling on funds | Authorizes $650 million in FY 88 (such sums in later years). Once $200 million is appropriated, the next $150 million goes for day care and related activities. Also permits AFDC entitlement funds to be used at 65% match for any IV–C activity. | Authorizes $140 million with a 90% Federal match. Creates an open-ended Federal match under Title IV–A of 60% for States who spend their share of the $140 million. Federal share drops to 50% under certain circumstances. | Authorizes $500 million for fiscal year 88 (such sums in later years). First $160 million of funds that are appropriated would be Federally matched at approximately 79% (varies by State). Remainder is 50% Federal. |
| Administration: | | | |
| Federal administration by HHS | Federal administration by DOL | Federal administration by HHS | Federal administration by HHS. |
| State administration by the AFDC agency | State administration by whichever agency is selected by the Governor. | State administration by the AFDC agency | State administration by the AFDC agency. |
| Range of services: | | | |
| Requires States to provide: H.S. and remedial education, ESL, job search, skills training, job readiness activities, counseling and info and referral. | Similar requirements | Does not mandate services. Range of services is similar to Ways and Means version. | Permits States to require H.S. or GED for parents age 16–19. All other education services must only be remedial. No specific list of services. Current program options—WIN, WIN demo, CWEP, job search—remain. |
| Requires States to offer two of the following: OJT, grant diversion, CWEP, and other education and training activities. | Similar requirements except CWEP is not included | Does not mandate services | Training must be directed toward immediate employment. |
| Target population: (1) teenage parent families; (2) families receiving AFDC for 2 or more years; and (3) families with children under 6. | Strikes targeting requirement. Encourages "special efforts" to the Ways and Means target population plus families with a parent who has not been employed during the preceding 12 months or who lacks a H.S. diploma or has special educational needs. | Four target groups: (1) received AFDC for 30+ consecutive months and youngest child is 3+ years (or 1+ at State option); (2) received AFDC for 30 of 60 months and youngest child is 3+ (or 1+ at State option); (3) parent is age 21 or younger and H.S. dropout; and (4) two-parent families. | Funding is based on the number of high priority clients placed defined as: (1) under age 21; (2) school dropout; or (3) parent of child under age 3. |
| Service priorities: Serve volunteers in target groups first, then mandatory participants, then other volunteers. | Serve all volunteers first | No provision | Establishes participation requirements: in fiscal year 1988, 15 percent of mandatory registrants must participate increasing to 70 percent by FY 1996. Also, after 3 years, State must have 80% of teenagers and teen parents participating. |
| Age or youngest child: Participation required by parent of child over 3. Younger by waiver; never below age one. | Same as H.R. 1720 | Similar provision | Participation required by parent of child over 6 months of age and on AFDC for at least 6 months. |
| Job search: All States must operate a job search program | The AFDC agency may offer job search. Job search is also limited as one of the services the State work initiatives agency must provide. | State option | State option. |
| CWEP (workfare): | | | |
| Limited to 6 months, must be combined with training. Hours determined using the current pay scale. No reassignment. No working in exchange for child support payments. | Prohibits workfare. Repeals current law authority for CWEP | Retains current law (no limit on length of participation) except recipient may not be required to work in exchange for child support payments. | Retains current law. Hours of work may be determined including the value of food stamps. |
| Also authorize: 3 month work experience program | Permits 3 month work experience program; can be extended to 6 months under certain circumstances. | No provision | No provision. |
| Case management: Assessment, agency-client agreement and case management required. | Similar requirements. Case management is called case assistance. | State option | Permits employment plan for recipients. Contracts and case management at State option. |
| Wage rates and working conditions: | | | |
| Wages must equal current pay scale, otherwise minimum wage. | JTPA benefit and labor standards would apply (prevailing wage). | Wage rates must equal the greater of the Federal or State minimum wage. | JTPA benefit and labor standards would apply except that wages must be equal to the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938. |
| Recipient cannot be required to take a job if it results in lost income, including health benefits, to family. | Similar provision | Similar provision | Similar provision, but limited to earned income. |
| College attendance: A person who is already attending a school or vocational training may satisfy the education or training requirement. States may also offer specialized advanced education as they determine appropriate. | Adds postsecondary education for recipients attending school on their own. Prohibits those attending college from being required to participate in any other program activity. | Similar to Ways and Means version | No provision. Education activities may only be remedial. |
| Reassignment: Prohibits reassignment to CWEP; requires persons who do job search without finding a job to participate in another activity designed to lead to employment. | Prohibits persons who have participated in the education or training components from being required to participate in that component again (regardless of whether they are employed). | No provision | No provision. |
| Transitional employment: No provision although grant diversion can serve similar purpose. | Permits States to operate a transitional employment program which would provide subsidized jobs with public or private employers for 6 months. | No provision (allows grant diversion) | No provision. |
| Transition from current law to new program: New program is effective October 1, 1989. States may opt in once proposed rules have been issued. No provision for FY 88 funding. | Funds are authorized for fiscal year 1988 and beyond | Funds are authorized for fiscal year 1988 and beyond | Funds are authorized for fiscal year 1988 and beyond. |
| II. DAY CARE, TRANSPORTATION AND WORK-RELATED EXPENSES | | | |
| Day care guarantee: Parents of children under the age of 6 must be guaranteed child care before they may be required to participate. | Parents of children under the age of 14 must be guaranteed appropriate child care before they may be required to participate. | If the recipient requires child care, the State must assure that child care is provided. | State agency shall provide necessary child care. If child care is unavailable, the individual may not be required to participate. State or local agency must demonstrate availability if challenged. |
| Day care transition: | | | |
| All AFDC families who leave the program with earnings are entitled to day care transition. | Similar provision | Families who leave AFDC due to an increase in earnings are entitled to the day care transition. | Authorized for families who leave AFDC due to increased earnings or termination of disregard. Funding is provided as part of the employment and training program ($500 million). |
| Transition lasts for 6 months after leaving AFDC | Transition lasts for 12 months | Transition lasts for 9 months | No time limit. Eligibility continues until income exceeds 150% of poverty. |
| Delivery mechanism: Contracts, certificates (vouchers) or reimbursement through disregard. | Reimbursement only | Similar to Ways and Means version. Cash is also an option | Transition services by certificate only. Recipient day care expenses are reimbursed through disregard as under current law. |
| Maximum reimbursement: $175 per month for a child over 2; $200 per month for a child under 2. | No provision | Up to $160 per month per child | Up to $160 per month per child. |
| Matching rate: The Federal AFDC benefit match which varies by State (currently 50–78%). | Federal match of 80% subject to appropriation | Similar to Ways and Means version | The work program matching rate would apply. Most child care would be reimbursed at 50–50. |
| Standards: Must meet applicable standards of State and local law. Also, care for more than 2 children must meet health and safety standards. | Prohibits relaxation of child care licensing requirements. Requires training of caregivers. Permits States to use funds for construction or renovation of day care centers. Adds standards. | Must meet applicable standards of State and local law | Requires State agency to take steps to insure that child care meets acceptable standards of health and safety. Day care providers must register and meet any standards within 3 years. |
| III. REWARDS FOR WORK | | | |
| Earnings disregards: | | | |
| In place of current law, disregard first $100 plus 25% of remaining earnings as a work incentive. No time limit. | If a job pays less than current benefits, State must make supplementary payment for 12 months to make up the difference. | No provision. When a job pays less than current benefits, State must make a supplementary payment if the State requires the recipient to take the job. No limit on duration. | No provision. |
| Also disregard the earned income tax credit | | No provision | No provision. |
| IV. TRANSITION HEALTH CARE | | | |
| Eligibility: | | | |
| All AFDC families who leave the program with earnings are entitled to the Medicaid transition. | All AFDC families who leave the program due to earnings are entitled to the Medicaid transition. | Certain families who leave AFDC due to earnings are entitled to Medicaid. | No provision. Retains current law. |
| Medicaid benefits are extended for 6 months | Medicaid benefits are extended for 6 months. In subsequent 18 months, States must extend benefits, choosing from several options. Recipient copayment permitted. | Medicaid benefits extended for 4 months. State option for an additional 5 months. Flexibility is similar to Energy and Commerce. | |

HIGHLIGHTS OF CONGRESSIONAL WELFARE REFORM BILLS—Continued

| H.R. 1720, Ways and Means | H.R. 1720 Amendments, Education and Labor—Energy and Commerce | S. 1511/H.R. 3148, Moynihan-Gradison | H.R. 3200/S. 1655, Michel-Brown-Dole |
|---|---|---|---|
| V. CHILD SUPPORT ENFORCEMENT | | | |
| Wage withholding: Federal match remains at 70% (it is scheduled to drop to 66% over time) for States that elect to implement immediate wage withholding. | | Requires immediate wage withholding for new cases after 2-year phase in. Existing cases only by request. | Requires immediate wage withholding. |
| Guidelines for awards: Child support guidelines used to set awards would be a rebuttable presumption, and would be reviewed every 3 years. Awards would be updated at least every 2 years. | | Guidelines binding as a rebuttable presumption and reviewed every five years. Awards adjusted at least every 2 years. | Guidelines a rebuttable presumption; no provision for updating guidelines. Awards adjusted at least every 2 years. |
| Paternity establishment: Sets performance standards for paternity establishment and creates incentives for States. | | Different provisions, similar purpose | Different provisions, similar purpose. |
| Performance standards: Requires the Secretary to set time limits for State response to CSE requests. | | Similar provision | Similar provision. |
| Automated systems: Required by 1992 | | Similar provision | Same as Ways and Means provision. |
| Access to employment service data: CSE given access to INTERNET data. | | Similar provision | Similar provision. |
| Social Security numbers: No provision | | Required in birth records | Similar to S. 1511. |
| VI. PRO-FAMILY WELFARE POLICIES | | | |
| AFDC-UP: Mandates AFDC-UP beginning January 1, 1989 | | Mandates AFDC-UP beginning October 1, 1989 | No provision. |
| Minor parents: | | | |
| Requires minor parents to live with their parents under most circumstances. | | Similar provision | Similar provision. |
| Eliminates the counting of the grandparent's income | | No provision | No provision. |
| VII. BENEFIT IMPROVEMENTS | | | |
| Annual evaluation: Requires States to reassess the AFDC need and payment standards annually. | | Requires evaluation of the need and payment standards once every five years. | No provision. |
| Enhanced match: Increases the Federal match by 25 percent for benefit increases. | | No provision | No provision. |
| VIII. OTHER | | | |
| General waiver authority: No provision | | Authorizes up to 10 demonstration projects, similar to those proposed by the President, including the following programs: AFDC (including the work program), child welfare services, child support enforcement, foster care and adoption assistance, social services block grant, and any State poverty program. Demonstrations extend up to 5 years. States may not reduce recipient benefits below the level available without the demonstration. | Authorizes demonstration projects as proposed by the President. 22 Federal programs could be included. Permits legislative veto. |

Note: Prepared by the staff of the Committee on Ways and Means.

## DEFENSE ACQUISITION CORPS

### HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. HERTEL. Mr. Speaker, the resignation of Under Secretary of Defense Richard Godwin underscores the persistent, institutional failure of management at the Department of Defense.

Today I am introducing legislation to address many of the critical problems with procurement in the Department of Defense. This legislation creates a Defense Acquisition Corps.

We can only improve the acquisition process in relationship to the availability and efficient use of a talent and qualified professional work force. We must attract the best individuals and retain their respect, security, and reward.

The Packard Commission stated in its report that the:

> DoD must be able to attract, retain, and motivate well qualified acquisition personnel * * * the Secretary of Defense should have increased authority to establish flexible personnel management policies necessary to improve defense acquisition. An alternate personnel management system * * * should be established to include senior acquisition personnel and contracting officers as well as scientists and engineers. Federal regulations should establish business-related education and experience criteria for civilian contracting personnel, which will provide a basis for the professionalization of their career paths. Federal law should permit expanded opportunities for the education and training of all civilian acquisition personnel. This is necessary if DoD is to attract and retain the caliber of people necessary for a quality acquisition program.

The shining highlights of our massive military expenditures over the past 5 years has been our continued efforts to improve the quality of our military combat personnel and the quality of their lives. This commitment has ensured our national security more than any other recent change.

We need to make the same commitment to our acquisition work force. Only by creating genuine a career path for acquisition professionals can we make good management ideas work.

The legislation I am introducing today authorizes a Defense Acquisition Corps to be organized with professional requirements, special salary scales to attract and keep top performers, special bonus systems and grievance procedures. It includes a special senior acquisition executive rank similar to the executive service. It gives the Secretary of Defense the flexibility to assign corps members as urgent acquisition needs arise. Finally, it authorizes the Secretary to establish a Defense Acquisition University to upgrade the training of procurement personnel and provide continuing education in acquisition specialties. It also authorizes the Secretary to send corps members to our Nation's many colleges and universities which have programs on procurement related disciplines.

I believe as the quality of our procurement work force increases, our acquisition system will be more controlled and effective. Consequently, bureaucratic inertia, redtape, and long leadtimes will decrease and our national security will be improved.

The resignation of Under Secretary Godwin is a dramatic setback for procurement reform. We must move ahead with solutions and provide all the tools for meeting acquisition reform.

## INSURANCE NEEDED FOR THE NATION'S ELDERLY

### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. FLORIO. Mr. Speaker, as the Congress sets about debating the need for insurance for the elderly, there should be agreement on one point, that is that our Nation's elderly need insurance.

Even as the Nation approaches the 21st century, the number of elderly citizens is increasingly becoming a growing and important part of our society. As the Nation grows greyer, many of our citizens find themselves in need of long-term care.

As a reminder of the dramatic growth in the number of aged, one need only look at the occupancy rates of nursing homes today. Today, the nursing homes are packed to capacity, averaging a 92-percent occupancy rate.

If the demand for space in nursing homes is great now, it will increase even more dramatically in the next few decades as the baby boomers, the middle aged, and the youth of 1987 continue to grow.

And that demand is only part of the reason why there is such a need for the Federal Government to step in and take care of the elderly. With the costs of health care expected to jump significantly, even fewer of the elderly will be able to afford care in nursing homes.

With the advances in medical science, better care is, indeed, available to the elderly. But in order for the elderly to have a chance to lead meaningful lives, whether it is under the care of a physician or in the long-term confines of a nursing home, they must have access to the facilities and the equipment.

And the access to long-term care is expensive.

The system that currently exists is inadequate. There is not enough coverage of expenses by the Medicare system and the system is set up to help the elderly only after they have already spent their life savings.

Bankruptcy should not be a prerequisite for health care for our Nation's elderly. And health care is what the entire debate is all about.

In fact, as the number of citizens in the nursing homes across the Nation is expected to quadruple in the next half century, the Congress must contend with raising enough funds to cover this necessary benefit for the elderly.

I have been an original cosponsor of legislation introduced by Congressman CLAUDE PEPPER that would alleviate much of the financial burden now carried by the Nation's elderly.

My home State of New Jersey ranks second in the rate of increase in the number of elderly. As the ranking majority member on Mr. PEPPER'S Subcommittee on Health and Long-Term Care, I recently requested hearings in New Jersey to determine the extent of the insurance crunch for the elderly.

And the need to examine both the extent of this crunch and to remedy it is becoming more readily apparent not only in New Jersey but all across the Nation.

The bills currently before the Senate on catastrophic health care address a part of the problem, providing for acute care. The focus of these bills is to plug in the gaps in insurance for the elderly and to make sure that those who cannot afford to pay for the health care that they need will, indeed, be covered.

If insurance is left to the private insurance companies, then only a third of the Nation's elderly today could afford to get that coverage. What happens to the millions of other elderly who cannot afford the insurance? Is income to be a determinant for who gets health care and who does not?

The elderly of our Nation deserve better. When they were able to work, they built this Nation from its foundation up. Now the Federal Government is called upon to protect the elderly when they are least able to protect themselves.

I am including below an article reprinted from the National Journal, examing the scope of the catastrophic health insurance problem:

[From the National Journal, Aug. 29, 1987]

HEALTH CARE 1988

As America ages, new issues inexorably find their way onto the political agenda. The 1988 presidential campaign could well mark the first time candidates grapple with how to pay for long-term health care for the elderly.

The situation is as follows: Next year, public expenditures for nursing and home health care for the elderly will top $20 billion. By the year 2040, the number of people in nursing homes is expected to be four times the number reported in 1980. Medicare pays only about 2 percent of these costs, and medicaid, which picks up 41 percent, requires that individuals first bankrupt themselves to be eligible. As a result of the tight restrictions on, and low compensation for, such care, nursing homes are in short supply, with occupancy levels at 92 percent. In this seller's market, quality homes are overbooked, and medicaid patients are often turned away.

Long neglected but potentially explosive, the issue is now coming to center stage as the result of a confluence of legislative events and demographic trends.

This year's introduction of catastrophic health care legislation, it seems, has had the added effect of hastening the day of reckoning on long-term care. While President Reagan and Congress had hoped to defuse concern over the vulnerability of senior citizens to high health care costs, the bills now working their way through Congress deal mainly with short-term, acute illnesses, which immediately affect a relatively small number of the aged. Rep. Claude Pepper, D-Fla., dropped his bid to tack on a long-term care amendment with a five-year price tag of $28 billion (which most believed would doom the bill) only after extracting a promise from House Speaker Jim Wright, D-Texas, that long-term care would get full consideration at a later date.

Furthermore, many Members touting the catastrophic bill back home have found constituents more concerned with what it fails to do. Worried about the possible backlash if seniors learn the hard way that medicare still won't cover their nursing home bills, several Members have raised the red flag. Senate Finance Committee member Donald W. Riegle Jr., D-Mich., for example, who is up for reelection next year, has held four hearings around his state to explain the bill and has pointedly included discussions of long-term care.

At the same time, senior citizens' groups are launching a sophisticated campaign to get the issue before the presidential candidates. Led by the American Association of Retired Persons (AARP) and the private, nonprofit advocacy group for low-income elderly known as the Villers Foundation, a group of six organizations, including nursing and religious groups, has launched "Long Term Care '88." It has hired Stephen R. McConnell (former minority staff director of the Senate Special Committee on Aging), commissioned an extensive public opinion poll and enlisted experts to help with a long-term care proposal. It hopes to launch an advertising campaign in key primary states. The AARP plans to make long-term care one of three issues to be addressed at its Iowa candidate forums as well as a key part of its voter education drive. Villers has made a grant to a New Hampshire public radio station working with a local television station to hold a series of candidate forums this fall and winter exclusively on the issue of long-term care.

The goal isn't merely to get the issue on the agenda. The proposal of Republican presidential candidate and former Delaware Gov. Pierre S. (Pete) du Pont IV for tax/exempt individual medical savings accounts, for example, is anathema to most seniors' groups, who view it as ineffective and inequitable. Instead, they're hoping to get candidates to do what Sen. Paul Simon, D-Ill., has already done—endorse the concept of a federally run, universal social insurance program offering a range of long-term-care services, including nursing home and home care.

Besides seniors, the baby boom generation that so many of the candidates are courting is likely to add impetus to the issue. As their cohort begins to enter middle age, many boomers are being called upon to help out parents—and even grandparents—who have trouble paying for care. Watching parents run through their savings to end up on a medical welfare program is not only a wrenching experience, it means that even with two incomes, some struggling families can't expect much of an inheritance and serves as a foretaste of what they themselves can look forward to.

The downside for politicians, however, in the era of record federal deficits, is talking about financing. The private sector probably can't solve the problem. While new private long-term-care insurance policies show promise, the 30-40 per cent of seniors who could afford them aren't the ones pushing medicaid costs up anyway, said Brookings Institution senior fellow Joshua M. Wiener. "Unless you wanted a very minimal program, you're going to need a broad-based tax" to finance it, he said. Adding long-term-care insurance benefits to the medicare program, Wiener estimates, would require a 2.5 per cent payroll tax (to be split between employers and employees and levied with no cap on the amount subject to the tax), compared with a 1.6 per cent payroll tax required to finance current medicare and medicaid programs.

Keeping proposed benefits modest could trim the estimate a bit, and the finance burdens could be spread around by charging the elderly premiums, increasing "sin taxes" on alcohol or tobacco, or raising inheritance taxes. But the remaining costs would still be large, and meeting them would raise sticky political questions.

Difficult as these issues are, the fact remains that the costs will have to be covered somehow. Expenses for existing programs are growing, and their inadequacies, in turn, are exacting social costs. With wives, the traditional care givers, as well as husbands now in the work force, employers are starting to encounter losses in productivity when employees take time off or burn out from caring for and worrying about elderly parents.

Are people willing to shell out for an overhaul of the system? Villers public policy coordinator Ed Howard said that the still-unreleased poll conducted for Long Term Care '88 indicates that they are, and that the issue draws concern among all age groups. If activists have their way, candidates on the trail will find the long-term-care issue marching along beside them.

## PROUD SERVICE OF AMERICANS IN EL SALVADOR

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. LAGOMARSINO. Mr. Speaker, for many years I have been a strong supporter of American assistance to the democracy of El Salvador. If we truly believe in democracy, freedom, and liberty, we should assist those who are committed to these same ideals. That is why we are committed to stopping the expansion of communism and other forms of totalitarianism. Recently, I received the following letter from my constituents, Dr. and Mrs. Craig Larson of Solvang, CA, regarding the untimely death of their nephew, Douglas Lee Adams. Douglas was the crew chief on the American military helicopter that crashed in El Salvador while on a medical mission.

Unfortunately, Douglas's hometown newspapers in Corvallis, OR, wrote about his "dying for a ghost cause." I do not believe that helping the Salvadorans strengthen their democracy, defend their freedom and liberties, and improve their standard of living is a ghost cause. Nor do I believe that helping stem Communist expansion in Central America, our southern neighbors, is a ghost cause. As Douglas Adams' family states, he "gave his life for his country in one of those small battles for peace." I urge my colleagues to read the letter I received from Douglas's aunt and uncle and get a better understanding of what we are really supporting in Central America. I am afraid that too often some of my colleagues listen too closely to the slick Communist apologists and sympathizers and not patriotic American citizens like the family of Douglas Adams.

Representative Robert J. Lagomarsino,
*House Office Building,*
*Washington, DC.*

Dear Representative Lagomarsino: This is the letter we sent to the Corvallis Oregon Gazette-Times in response to their opinion as expressed on Wednesday, July 22, 1987 in the editorial entitled "Dying for a Ghost Cause". We want you to know the reason our nephew went to El Salvador, so you can represent us.

The same people who moan and groan about the United States of America in El Salvador will moan and groan when Communisium is at our Mexican border. Moaning and groaning in lament "why didn't WE do something to protect ourselves before "they" are at our borders?"

22 year old Douglas Lee Adams, was the crew chief on the helicopter that went down July 15th while on a medical mission in El Salvador. He was wise beyond his years. His last statement as he left home, bound for El Salvador, was "this is my choice of where to go in defense of my country, and if something happens to me rest assured I am right with God." Douglas Adams knew we Americans must start our defense in the 1st hour, not the 11th.

Americans—LAMENT NO MORE—fighting in the 1st hour of defense is far less bloody, more wise and honorable than in the 11th hour.

If America and her soldiers can't fight the "small" fights with your support then we surely won't be able to fight the big ones with or without your support.

Working for peace is like life itself, made up of many small decisions and many small everyday tasks and battles that must be faced in order to prepare for, or hopefully prevent, the major problems.

Douglas Lee Adams gave his life for his country in one of those small battles for peace. A small battle in some people's eyes, but large and honorable in ours.

The Family of Douglass Adams:
Ingrid Adams
Dr. Craig & Carolyn Larson
Craig & Carrie Adams
Tonia & Mike Warren
Anna K. Larson
Jani & Bob Bergdahl
Judi Larson
Donna & Larry Reed
Richard & Christine Larson
Bill & Wilma Okerstedt
Louis L. Larson

P.S.—Write your delegates to the Senate and Congress—let them know for true peace we need to teach small countries how to care for and fight for themselves. If not, as our Douglas knew, it will be on our soil soon.

## HAVE NOT AMERICA'S VETERANS EARNED CABINET LEVEL STATUS?

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. SOLOMON. Mr. Speaker, I am very pleased to announce today that a majority of the House of Representatives—over 218—have joined in sponsoring legislation—H.R. 1707—to make the Veterans' Administration a Cabinet level department.

I hope the Government Operations Committee in the House and the Governmental Affairs Committee in the other body will now consider conducting hearings on this important legislation.

This bill is strongly supported by every major veterans organization in the United States. It is a bipartisan effort with little or no cost to the Federal Treasury.

Although the size and importance of the VA justifies upgrading it to Cabinet level, there are even more compelling factors to consider. Veterans programs and benefits have been earned through great pain and sacrifice, and oftentimes by loss of lives.

In recognition of the contributions to freedom made by service men and women, we as Americans have placed a high priority on the welfare of our veterans.

By authorizing Cabinet status for the Veterans' Administration, we will ensure that its chief executive officer will participate in top level discussions and policymaking on issues having a direct effect on America's veterans.

Again, I urge all my colleagues to join in the effort to elevate the Veterans' Administration to a Cabinet level department by cosponsoring H.R. 1707. Our veterans have earned the right to be heard at the highest level of Government.

## A SALUTE TO ROBERT W. BERG

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to Mr. Robert W. Berg. On October 25, 1987, Mr. Berg will be retiring after 30 years of involvement with the Cub Scouts and the Boy Scouts. He will be honored by his colleagues and the Cub Scouts of Pack 790 of Frackville, PA, where he has served as Cubmaster since 1970.

Mr. Berg has had a distinguished career in Scouting. As a Scout himself, he received Scouting's highest honors, including the Eagle Scout Award and selection to the Order of the Arrow. He also had the honor of serving in the color guard for then-President Harry Truman at the second national jamboree held in Valley Forge in 1950.

Mr. Berg continued his commitment to Scouting as the years went by. He became Cubmaster of Pack 790 in 1970, leading the pack to numerous awards. He was also instrumental in arranging events for Cub Scouts throughout the Broad Mountain District. These events included the Pinewood Derby and the Broad Mountain Olympics. In recognition of his outstanding efforts, Mr. Berg was awarded the Scouter's Key and the Broad Mountain District Award of Merit. In 1980, he was honored with Scouting's highest tribute, the Silver Beaver Award.

As he reaches his retirement from Scouting, Bob Berg can look back with pride on his many outstanding achievements. I know that my colleagues will join me in honoring Mr. Berg for his 30 years of dedicated service and in wishing him the best of luck and continued good fortune in the future.

## MINORITY ENTERPRISE DEVELOPMENT WEEK

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. RANGEL. Mr. Speaker, the President has again declared a week to recognize the outstanding contribution of minority businesses to the American society. Minority Enterprise Development Week will be celebrated during the week of October 4 with activities honoring minority enterprises taking place all over the country. I am extremely pleased that the President, in conjunction with the Minority Business Development Agency, has seen fit to use his executive decree to honor this most worthy group of entrepreneurs.

In New York City, minority businesses are an integral part of our communities. They offer a wide range of job and training opportunities for the citizens of our communities. Most notable is the inspiration and positive role model minority enterprises provide to the minority community.

Unfortunately, many minority businesses are not aware of the vast opportunities available through many of the Government agencies. The celebration of Minority Enterprise Development Week will serve as an important education device for businesses that are interested in participating in the wide range of programs available through Federal agencies.

The official Minority Enterprise Development Week kickoff for the New York region will take place on September 14. While I am not able to attend this celebration, I wanted to share with my colleagues my strong support for this

event. The celebration of Minority Enterprise Development Week highlight the activities of these individuals bringing their good works to the attention of all Americans.

I am committed to the successful growth of the minority business community. As Americans we are free to participate in the economic development of this country and it is necessary that we do participate. In furthering the goals of minorities in America, I am convinced that it is necessary to have a solid economic base—without it, true freedom is elusive. I encourage minority enterprise development because it is important to the stability of the minority community and the continued development of the American society.

## A TRIBUTE TO MS. JULIE VICTOR

### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Ms. Julie Victor, a very special resident of my 17th Congressional District. Ms. Victor is a junior at Austintown Fitch High School in Austintown, OH, and it is my strong belief that 1 day we will be watching Ms. Victor represent the United States in the Olympics. Allow me a few moments to outline the basis of this deep hope that I have for her future.

Ms. Victor is an all-around athlete with an outstanding mind. While maintaining a 3.7 grade point average in high school, she is a standout on her high school's basketball team and has won two national championships in barefoot water skiing. Last year she was the Steel Valley Conference champion in the shotput, high jump, and discus, and won the Junior Olympian national championship in both the shotput and the discus. In addition, she won four major events at the International Meet of Champions for A.A.U. and Junior Olympic hopefuls in Chicago the discus, javelin, high jump, and shotput. In only her first 2 years of high school she has qualified for the Ohio State finals in the shotput, high jump, and discus.

Ms. Victor has won numerous other championships too numerous to mention. As her Congressman, I am bursting with pride over her accomplishments. It is my most heartfelt desire that she continue her great athletic strides and victories all the way to the 1992 Summer Olympics. Julie, you have all of my hopes and best wishes for success. Thus, it is with thanks and special pleasure that I join with the residents of the 17th Congressional District in saluting the great athletic career and inspiring life story of Ms. Julie Victor.

## A SALUTE TO WARREN JACKMAN

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. MILLER of California. Mr. Speaker, I rise to pay tribute to a great leader of the labor movement in California, and especially in my district, Warren Jackman.

This Friday, hundreds of friends and colleagues will honor Warren on the occasion of his retirement after more than 35 years on the front line of the labor movement in our region. Since first becoming active in public affairs, and long before I won election to the U.S. House of Representatives, I have valued the friendship, the guidance, and the support of Warren Jackman, and I have admired the commitment with which he has provided leadership to tens of thousands of working people.

Thirty-nine years ago, Warren Jackman joined the International Brotherhood of Electrical Workers, local 302. Like many of his fellow apprentice electricians, Warren was a veteran of the Second World War. Wages were low, pension, health and welfare plans were nonexistent, and paid vacations were rarely even discussed. While the national economy was growing dramatically, in many cases the average working person was unable to enjoy many of the fruits that an expanding society could offer.

Warren understood that working people would have to secure those rights and benefits for themselves, through organized economic and political activity. Their vehicle was the union, and Warren soon became a significant force for change.

In 1956, Warren became the assistant business manager for local 302, a position in which he served for 23 years. It was an important period of expansion and modernization for local 302, which initiated programs for training union representatives, for skill improvements, and a farsighted course on the uses, hazards and controls of atomic materials.

After 13 years as assistant business manager, Warren moved on to become business manager in 1969, a position he held for a decade. As the principal representative of the union in dozens of negotiations, Warren developed a reputation as a tough bargainer who maintained his good-natured attitude toward those sitting on the other side of the table even as he vigorously fought for the best interests of his membership.

For the past 8 years, Warren has served as the secretary-treasurer of the Contra Costa Building and Construction Trades Council. In that capacity, he has helped lead the labor movement of our country, and of California, through some of the most difficult economic and political periods in recent history. He has done so admirably, always displaying the personal graciousness and the hard-nosed combatativeness which have been his hallmark as a labor leader for four decades.

But there is more to Warren's life than the labor movement, though some may not believe it possible knowing the unlimited hours he spends on union business. He has been an active leader in the Business in Support of Career Development, Concerned Citizens for Improved Quality Water, the California Council for Environmental and Economic Balance, the YMCA Board of Directors, and the Concord Convention Bureau.

Warren has been married for 40 years to Della, and together they have raised two sons, Steven and Dee. His real family, however, is a much bigger one than that: it includes his friends, colleagues and coworkers in the labor movement and in the business community, too, who have known and respected Warren Jackman's intelligent and committed leadership.

I am proud, Mr. Speaker, to consider myself a member of that extended family of Warren Jackman. And I know that you and all Members of the House join me in wishing him many years of enjoyable travel, of additional time with his grandchildren, and hopefully, of continued activity in the causes of labor and political action.

## THE ROBINSON-NAYLOR-HARRIS FIRST FAMILY REUNION

### HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. STOKES. Mr. Speaker, the tradition of family unity reaches back to our earliest moments as a people, and it lives on in all the many cultures we embrace today. From August 14–16, 1987, the Robinson-Naylor-Harris family celebrated its first family reunion in Centreville, VA. I am a distant relative of the family by marriage and had the honor of addressing this special gathering. Families members assembled from all parts of the world to renew family bonds in celebration of its 200-year legacy. It was an unforgettable occasion.

The Robinson-Naylor-Harris family gathered together with a sense of history—past and future. Although the family has endured many trials and tribulations over the years, they have maintained their love, devotion and commitment to one another.

Centre View Newspaper reporter, Carol Friedman, captured the true spirit of the reunion in an article which she wrote for the paper. I am pleased to share this article with my colleagues in the House.

Mr. Speaker, I would like to commend the Robinson-Naylor-Harris family for the success of their first family reunion. I am proud to be a part of this family and I am looking forward to our next reunion.

[From the Centre View, Aug. 29, 1987]

A Family Celebrates

(By Carol Drake Friedman)

The Robinson-Naylor-Harris family gathered on the weekend of Aug. 14-15-16 for their first family reunion. They came from 20 states, and from England and Germany, 700 strong, to renew family bonds and establish new ones, to update the family geneology, and to celebrate their family's 200-year history in the Bull Run area.

The family is descended from James (Gentleman Jim) Robinson (1799-1875), his wife

Susan Gaskins Robinson (1805-1902), and their five children, Alfred, Bladen, Etta, Tasco, and Jamimi (there may have been two other children, Diana and James, but little is known of them).

Eventually, major portions of the land on the south side of Lee Highway between Rocky Run in Centreville and the Robinson house on the Manassas Battlefield was owned by members of the Robinson family. The history of this area and the Robinson family history are inseparable.

Although Gentleman Jim was born free, his wife Susan and their children were born in slavery. Jim was able to buy his son Tasco out of slavery before the Civil War, but his son Alfred, was sold at the stone house (corner of Lee Highway and Sudley Road) to slave traders who took him to Alexandria, where he was put aboard a ship and taken to New Orleans. He was resold there to a sugar plantation owner and put to work cutting sugar cane. He told of his experiences when in 1888, he made his way back to Virginia, and rejoined his family. Several of his descendants attended the reunion.

Jim's son Bladen was just sixteen when the battle of Manassas raged through the corn fields of the Robinson farm. He hired himself as a personal valet to Yankee Captain Hill, and followed him through many battles. When the war was over, Capt. Hill paid him with $1, $10, and $20 gold coins. The coins were carefully preserved and have been handed down to several members of the family; Marguerite C. Robinson, of Washington, D.C. proudly wore her three coins, made into a necklace and earrings, to the reunion. (Oswald Robinson is also a descendant in the Bladen line, see "Profile," page one).

The descendants of Tasco and his sister Jamimi, have left a strong imprint of the history of Centreville. It was Jamimi's son, James Pendleton Robinson, who operated a gristmill and store at the fork of Cub Run and Rocky Run in the early 1900s. Lillian Robinson, also from the Jamimi line, was a midwife for many years, attending at the births of numerous babies in the Centreville area. Lillian was also one of the organizers of the reunion, and was presented with a special award from the family for her dedicated efforts.

The reunion began at the Holiday Inn at Fair Oaks, with a Friday night "get acquainted" buffet. Family members, arriving throughout the evening, were greeted with happy hugs, and children scampered up and down the halls, meeting relatives they had never seen before! Dr. Fred Crosby, a family member from Cleveland, Ohio, who conceived the idea for the reunion, and who was foremost in carrying out the plans for it, was busily collecting family history from everyone. He is a professor of African Studies at Kent State University.

Everyone was up early on Saturday to tour the original Robinson house on the Manassas Battlefield, The house was opened for the family, and Jim Burgess of the National Park Service was on hand to give a short talk and answer questions. Several family members from New York, who had never seen the house before, said they felt connected to their roots when they stood at this place. This was where it all began.

The chimney on the east side of the house bears the initials of many former Robinson tenants. Mothers pointed them out to their children, and others, looking at the worn letters, found it a time to reminisce.

After a visit to the family cemetery, everyone hurried to Bull Run Regional Park for a picnic. Ribs, chicken, salads, baked beans and cakes of all kinds were on the menu, and lines at the serving tables formed quickly. Plates were piled high and juggled to picnic tables under the trees. Adults visited and caught up on news of absent members, while children ran off their excess energy, laughing in the sunshine.

At 9 p.m. the crowd once again met in the ballroom of the Holiday Inn. The evening festivities started with an invocation by Oswald Robinson, a musical selection by Mr. and Mrs. Lawrence Coleman, and speeches by several family members, including Congressman Louis B. Stokes of Cleveland, Ohio, a member of the Congressional Select Committee on the Iran-Contra Hearings, (and a distant relative of the family).

Specially honored were the family members who were over 80 years of age. Present to accept awards were: Hedy Harris 87, Ernest Harris 90, Mavoreen Hargrove 80, Beatrice Fox 84, Julia Fields 92, Viola Payne 89, and Ruth Robinson 96. Honored, but not present, were: Annie Allen 80, Marie Johnson 86, Florence Garrison 93, Grace Barnes 82, Mary B. Robinson 85, Thomas Robinson 82, Melvin Thomas 82, and Gertrude H. Turner 97.

The awards ceremony was followed by a banquet and ball. Ruth Robinson, 96, who had arisen that morning at 4 a.m. to do her daily reading, attended all the events and was dancing at midnight—she was at church the following morning too! A gracious and lovely lady, she is an inspiration to all.

The Mt. Olive Baptist Church in Centreville was overflowing with Robinsons on the last day of the reunion. Rev. Blackmon led the congregration in a joyous service dedicated to the celebration of family. There was thankfulness too, gratitude that the family had survived through many hard times, had endured to find success, and was here, together, for this celebration.

Of special note, was family member Stefon Barbour's rendition of "Forever More" during the service. Romaine Lewis and Ben Naylor, both family members from Centreville, presented $400 to the church as a gift from the family.

At a "farewell Luncheon" served at the church following the service, amid all the reluctant goodbyes, plans for the next reunion were already underway . . . "Next year, in Ohio" . . .

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[From the Centre View, Aug. 29, 1987]

### PROFILE

(By Carol Drake Friedman)

From the living room of his home which overlooks the Manassas National Battlefield at Groveton, Oswald Robinson often watches the rising sun clear the morning mist from the battleground. Cannons sit quietly now where scenes of desperate combat between the sons of North and South once bloodied the soil.

During the first battle, heavy fighting centered around the original home of the Robinsons; it was a landmark on Military maps. Soldiers from both sides fell wounded in the Robinson yard, and members of the family gave what aid they could to all. The dead were buried where they fell as soon as the battle was over. Later, they were re-interred in proper cemeteries. "But there were so many that were not found," says Robinson, "when I was a boy we would plow up skulls and bones all the time. Sometimes, I would find a skull and scare smaller kids with it, my mother would really skin me for that."

Robinson's parents demanded respect for all the human relics found, and after trying to determine the soldier's allegiance by buttons or buckles, they carried the remains to the Confederate cemetery and buried them there in a common grave. There are an estimate 500 unknown soldiers in this grave.

Robinson traces his lineage from Landon Carter, a grandson of Robert "King" Carter, who took as his mistress, one of the slaves on his plantation "Pittsylvania," which was located on the north side of Lee Highway, between Bull Run and Sudley Road. A son was born in 1799, and he was named James, later known as "Gentleman Jim." James was born free. (Registration of Free Negroes—book #2, Fairfax County C.H. Archives)

When James was a boy, he was educated by an English tutor named Robinson, who was brought to this country to teach Landon Carter's two daughters, Bladen and Tasco. When he became a man, James remembered the kindness of this tutor and chose the name Robinson, for his surname.

Carter gave James four acres of land on which to build a house, and the right to go into the woods and fell trees for the purpose. James Robinson built his house, it still stands on the Manassas battlefield. Though reconstructed by the National Park Service, part of the original house is embodied in the present structure. the four acres with which James had started grew to 284 acres over the years, and was handed down from father to son until 1935, when the Robinsons sold their land for the creation of the National Battlefield Park.

Oswald Robinson was born on January 8, 1910, to James (grandson of Gentleman Jim) and Edna Ratcliff Robinson, in a 14-room house his grandfather built near the original homestead. His father and grandfather farmed the land together when Oswald was a boy, raising corn where soldiers once fought and died.

Robinson grew up in a family of nine children, with parents who were determined to have their children well educated. Eventually seven of those nine received college degrees and three went on to complete their Master's degrees.

He began his education at the one-room Manley Colored School, at the corner of Bethlehem and Balls Ford Road near Manassas, where his future wife, Adria Berry, was a classmate. there were no public high schools for black children in those days, so his parents sent him to the private Manassas Industrial High School. It was a six mile walk from his home.

Robinson has many happy memories of his childhood, but there are bitter memories too. One memory of the dark days of segregation still brings pain. Robinson had an epileptic brother who was severely ill and hospitalized at Johns Hopkins Hospital in Baltimore. When the Robinsons received word that their son was slipping away, they hurried to board a train at Manassas, hoping to reach their son to comfort him before he died. Young Oswald had gone along to bring the horse and buggy home after they were on their way.

Mrs. Robinson had a very fair complexion and when she began to board the waiting train with her husband, the conductor barred her way. "That conductor would not let that train leave Manassas until my mother went on into the white coach, and my father went into the colored coach," said Robinson, "it was the first time I ever saw my father cry; going to see their dying child and they could not be together."

In 1928, Robinson graduated from high school, and took a job teaching at the little one-room school he had attended earlier. The pay was terrible, $45 a month, but, Robinson says, "I just got hooked on teaching, I had found what I wanted to do with my life."

During the summers, he attended Virginia State College (a land-grant college for blacks in Petersburg), returning to teach at Manley every Fall. At last he completed his undergraduate work and received his degree.

When World War II came, Robinson enlisted in the Navy. He was sent to the Naval Training Center at Great Lakes, Ill., where he was chosen honor man of his training company upon graduation from boot camp. When his company debarked, to fight on the high seas, Robinson remained behind to face a different enemy—illiteracy.

The Navy had started the U.S. Navy Remedial School to educate new recruits who had little or no education. In 1943, when Robinson joined the staff, his division had 2,440 students in day and night classes; 1,789 were classified illiterate, 468 were near illiterate, 256 were remedial, and 27 were volunteer students who felt they might benefit from the classes. "After six weeks of schooling, they would be replaced by a new group," explains Robinson, "minorities in my division, whites in another division, but all victims of an educational system that did not answer to their needs." He never did get aboard a ship, but spent the war years doing what he did best—teaching.

When Robinson was released from service at the end of the war, he went back to school to earn his PhD at Catholic University in Washington, D.C., the only institution in the area that would accept a black graduate student. However, the university would not accept all of his credits; they required him to complete four more undergraduate courses before qualifying him for their doctoral program.

In 1948, when he became Principal of the Louise Archer school in Vienna, he was still spending summers at Catholic University. He completed everything but his dissertation, giving it up when he realized there would be no job in the county school system for a black with a Ph.D. It was time to enjoy a summer with his wife Adria, and his two children, Richard and Edna.

Louise Archer was destined to be the only black school in Fairfax County to survive integration, the rest were closed. The integration of Virginia schools as scheduled to take place in September 1965. Robinson would stay on as principal, and a full complement of white teachers would replace the all black faculty. He speaks with passion about this time. "When integration came, I thought it was the best thing ever to happen! I was determined to do everything I could to make it work smoothly. I couldn't help but feel, why hadn't it been that way all along? But, it did no good to look back, we had to start here and go forward."

In March of that year, Robinson and his wife were asked to attend a local citizen's association meeting to answer questions about the forthcoming integration. "There was a lot of ugly and nasty talk at that meeting, so much so, that I became physically frightened," says Robinson. "The tension was terrible, we were finally escorted out by a schoolboard member and the Assistant Supervisor."

In a conversation with the School Board Superintendent the following morning, Robinson admitted that he had had a rough time, but, he said, "I'm not going to dig a hole to hide in, I'll ride out the storm. I'll just be sure to keep my car keys in my pocket at all times!"

During the summer he demanded new furniture and text books. The parents of the children who would be attending classes in the fall were coming to inspect the school and Robinson wanted no reasons for complaints on that score. He also appointed a PTA committee to take the school census, and when it was completed, Robinson and his wife invited the seven members to their home for cocktails and dinner. "They came, and they had a wonderful time," says Robinson, "they went back to Vienna and did the best selling job that you could imagine." As September drew near Robinson and his wife sent a welcoming post card to every child who would attend the school.

Early, on opening day, Robinson met the three men who were sent by the Superintendent for his protection, and they waited for the children to arrive. Soon the buses pulled up, the doors opened, and they were happily relieved by sounds of happy, healthy children, hurrying into classrooms. There were no racial incidents—ever. In fact, the school became known for the warmth and harmony that existed between students, teachers, and administration.

Robinson remained at Louise Archer until he retired from the Fairfax County Public School system in May 1970. At his retirement dinner he presented a check of $5,000 to the school, to be used for books in the school's "Robinson Library," which was named in his honor.

Robinson has treated retirement not as a chance to rest, but as an opportunity to serve in other ways. Phi Delta Kappa, a fraternity of educators of which he is a member, asked him to visit Russia to examine and report on education in that country for a study on socialist education being conducted at Kent State University. It was the first of two trips he made to Russia; the second time, he crossed Russia on the Trans-Siberian Railway, also visiting Mongolia, then China and Japan.

In 1972 he was chosen "Citizen of the Year" by the Prince William Federation of Civic Associations, and was awarded the Washington Star Trophy for his leadership in preventing the Marriott Corp. from building a theme park adjacent to the Manassas Battlefield Park.

Among his many awards, he especially treasures the honorary life membership in the PTA, "in recognition of devoted and distinguished services to children and youth," given to him in 1974.

Virginia Governor John Dalton appointed Robinson to serve on the Governor's Biracial Advisory and Monitoring Committee in 1978. This committee reviewed and kept an eye on desegregation in the educational field. He was commended for his service.

In 1982 he visited seven countries in Africa with his son-in-law, Dr. George Jones, a Washington D.C. urologist who had performed surgery on Tanzanian Vice-President, Aboud Jumbe. In Tanzania, they were guests of President Julius Nyerere. Always the educator, Robinson walked in the late afternoon with the sandal-clad President to a grassy spot near his home; they talked at length about the educational needs of that country, and what could be done to improve it. As usual, a written report of this tour was sent to Phi Delta Kappa.

He has cut back a bit on his commitments this year, but still finds time to serve his community. He had been appointed to the Prince William Hospital Board in 1970, was elected Chairman in 1983, and today is the President of the Executive Board. He is also a member of the Executive Board of the Didlake Training Center in Manassas, which finds and gives employment to the handicapped.

Oswald Robinson's handsome stone house, which he built in 1962, and the eight acres of land surrounding it, have recently been sold to the National Park Service, but Robinson and his wife, Adria, have life tenancy. There is a garden and grape arbor to tend, and in the back yard sits a 15 foot picnic table with 17 foot benches, made with solid, giant slabs of stone. "That table weighs seven tons," he says, "I built it to last." And last it will, just as Robinson has lasted, through a kaleidoscope of experience.

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## ANGELINE M. "JULIE" VENDITTO

### HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. KOLTER. Mr. Speaker, today I rise to pay tribute to a constituent of my Fourth District of Pennsylvania, Angeline M. "Julie" Venditto.

A retiring teacher after 45 years, Angeline, of New Castle, PA, has contributed greatly to her community, being especially active since 1942.

Angeline started her teaching career at Union Elementary School, where she worked for 11 years before entering the the New Castle Area School District in 1953. She has been teaching sixth grade at Lincoln Garfield Elementary Schol for the past 34 years.

Angeline graduated from Slippery Rock State College in 1942 and did graduate work at Penn State University, Geneva College, and LaVerne College in California. She was also instructed in basic correctional training—and became a certified parole officer—at George Junior Republic in Grove City, PA.

Her professional school activities include service as treasurer of the NCAEA for 2 years and chair lady of the education committee for 4 years.

She served as president of Lincoln Garfield PTA for 3 years and served as coordinator of volunteer and parental involvement in the Head Start Program. She served as principal's aide in charge of discipline in the Humanizing Education Program.

As cooperating teacher, Angeline has supervised student teachers from several Pennsylvania colleges. Aside from teaching, Angeline has made other outstanding contributions to the community.

Her community and church activities include membership in the St. Joseph the Worker Church and service on the education committee of the parish council. She is a member of the New Castle Police Civil Service Board. Angeline is also a member of Delta Kappa Gamma, where she has served as second vice president, president, and chair lady of the professional affairs and recruitment council.

The dedicated service of Angeline M. Venditto has been a valuable asset to the New Castle Community and I am proud to introduce her and her achievements to my colleagues in the full House of Representatives.

## SALUTE TO THE OHIO NATIONAL GUARD ON ITS 200TH ANNIVERSARY

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. MCEWEN. Mr. Speaker, the Ohio National Guard celebrates its 200th anniversary on July 25, 1988. Over the last 200 years, the Ohio National Guard has demonstrated its rich heritage of service to Ohio and the United States of America.

The Ohio National Guard has never failed to answer the call of the President of the United States to provide trained military units to defend the national security interests of our country and our allies. Througout its rich history, the Ohio National Guard has been recognized for its valor and sacrifice in combat through Presidential citations. In addition, it has among its ranks recipients of the Congressional Medal of Honor, the Nation's highest military award.

During natural disasters and other emergencies, the members of the Ohio National Guard have unselfishly given their time and energy in service to scores of communities across the State of Ohio. These men and women have accepted the challenge of their service and have contributed much to the welfare and safety to these stricken communties.

Mr. Speaker, in "The Adjutant General of Ohio—Annual Report FY 1986," Raymond R. Galloway, major general, the adjutant general, expressed his assessment of the Ohio National Guard:

> Boasting a fiscal year-end strength of over 20,000 citizen soldiers and airmen, the Ohio National Guard continues to grow in size, responsibility and achievement. Through time-honored tradition and demonstrated performance, we stand ready to serve, at a moments notice, our community, our state and our nation.

Mr. Speaker, it is with great pride that I share with my colleagues in the U.S. Congress this noteworthy anniversary. On this special occasion, I salute the members and families of the Ohio National Guard for their professionalism, their dedication and their commitment to the people of Ohio and America.

H. CON. RES. 187

Whereas the Ohio Territorial Militia Act of July 25, 1788, established the Ohio National Guard;

Whereas the Ohio National Guard has never failed to answer the call of the President for trained military units to defend the national security interests of the United States;

Whereas the Ohio National Guard has been recognized for its valor and sacrifice in combat through Presidential citations and has among its ranks recipients of the medal of honor, the highest military award of the United States;

Whereas the members of the Ohio National Guard have unselfishly given their time and energy in service to the State of Ohio during natural disasters and other emergencies; and

Whereas the Ohio National Guard continues to carry on the fine and honorable tradition of loyal service to the people of the State of Ohio and the people of the United States: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),* That, on the occasion of the bicentennial of the establishment of the Ohio National Guard, the Congress—

(1) recognizes the distinguished service of the Ohio National Guard; and

(2) commends the members of the Ohio National Guard for meritoriously serving the noble causes of freedom and justice as they preserve and protect the laws and people of the United States, Allies of the United States, and democracies throughout the world.

## EXCHANGE CLUB CONTRIBUTIONS MANY

### HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. SUNDQUIST. Mr. Speaker, while the House was in recess, an important anniversary was observed by a respected civic group in my district. For 10 years now, the Exchange Club of Nonconnah-Memphis has been serving our community with spirit and enthusiasm and touching the lives of many with its fund raising and programs.

The Nonconnah-Memphis chapter has played a leading role in establishing the Exchange Club Center for the Prevention of Child Abuse in the Greater Memphis and Shelby County Area, Inc. The chapter continues to play an active role in raising the money needed for the center's annual operation.

In addition, the Nonconnah-Memphis Exchange Club has been recognized for its ongoing programs for the community's youth, for its efforts to reward and encourage patriotism, and for it's emphasis on community efforts to fight crime and prevent fires.

Mr. Speaker, the members of the Nonconnah-Memphis Exchange Club have, for 10 years, exhibited what is best for America—the caring spirit of its people for their community and for one another. I ask the Members of this House to join me in saluting their achievement.

## TURKEY BEARS MORE THAN ITS SHARE OF NATO BURDENS

### HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. COURTER. Mr. Speaker, despite the budget constraints we face, I was disappointed to see that our military aid to Turkey is likely to be sharply reduced. That NATO ally is surrounded by radical regimes—including the Soviet Union, Bulgaria, Syria, and Iran—and yet it fields the world's sixth-largest military establishment for the benefit of the free world. At a time when we have serious concerns about the fact that Canada and some of our allies in Europe won't spend even 3 percent of their GNP for defense, it is worth remembering that Turkey spends far more than that every year, and without any exhortation from the rest of us.

Mr. Robert Hunter of the Center for Strategic and International Studies here in Washington has written a good article on the strategic importance of Turkey and its current military situation for the Army Times. I ask that it be included in today's RECORD:

#### TURKEY BEARING MORE THAN ITS SHARE OF NATO BURDENS

ISTANBUL.—The Bosporous, 20 miles of sparkling blue waterway that connects the Black Sea with the Sea of Marmara, cuts through Turkey and separates Europe from Asia. It represents the only territory wholly belonging to a NATO member through which military assets of the Soviet Union, in this case warships, move at will. Thus, the Bosporous and the Dardanelles strait, which joins the Sea of Marmara to the Aegean Sea, are of immense strategic value. It is a key reason that Turkey is vital to U.S. interests in this part of the world.

For the western part of the Soviet Union, the route through the Turkish straits provides the only year-round acess to the open sea. Turkey, a staunch member of the Western alliance has control of an effective choke-point against major commercial and naval resources. A sizable fraction of Soviet seaborne trade passes through here—along with that of Bulgaria and Rumania—as well as the Soviet Mediterranean fleet.

The Soviet Union, like imperial Russia before it, long has been concerned in maintaining unimpeded passage between the Black Sea and the Aegean. The most recent international agreement covering this waterway was signed at Montreux in 1936. That convention guarantees free passage for merchantmen and the warships of any state with which Turkey is not formally at war.

There are limits, however, such as the requirement that foreign warships pass through the Bosporous in daylight. That requirement is maintained today as a matter of principle regarding the Montreux Convention although, as a practical requirement, it is less important than it was in 1936.

Now, sophisticated sensors give Turkey and its allies a clear record of Soviet naval activities in this part of the world. Thus, during the 1973 Middle East war, the United States was apprised of unusual amounts of radiation being emitted from some Soviet ships passing through the Bosporous. That gave rise to fears that Moscow was sending nuclear weapons to the Egyptian port of Alexandria. There was no nuclear confrontation, but the information provided by Turkey was invaluable.

Soon, one principle will be placed under strain: limitations on warship tonnage. The Soviets are building their first true aircraft carrier at the Odessa yards and will need to move it through the Bosporous and Dardanelles en route to Murmansk and final outfitting.

That passage will violate the Montreux Convention. But the Turkish government is unlikely to object; nor is the U.S. government pressing Ankara to take a different stand. Some facts of power in the world cannot be ignored and, should Turkey object, the rest of a valuable convention could come tumbling down. To preserve

legal niceties, however, it is likely that the Turks will not ask for, nor the Soviets volunteer, information about the carrier's tonnage.

Turkey's strategic importance to the West and the United States is not limited to the political peculiarities of an accident of geography that places a significant part of Soviet maritime activity at the mercy of the Turkish government's forbearance.

With 790,000 men under arms, Turkey fields the world's sixth largest military establishment. And save for a sliver of land in northern Norway, Turkey is the only NATO country with a front line on the Soviet frontier—miles and miles of it. Peaceful now, that frontier has seen its share of Soviet-Turkish struggle, plus Moscow's claims at the end of the Second World War to large sections of Turkish territory.

Despite its strategic importance, especially to see that the southeastern flank of NATO remains quiet, Turkey has had a checkered relationship with the United States in terms of military and economic aid. Following Turkey's invasion of Cyprus in 1974, the U.S. Congress cut off all assistance for several years.

Today, total U.S. aid, almost all military, is only $490 million. It comes with strings attached. For instance, no U.S.-supplied equipment can be deployed with Turkish forces that still occupy a section of northern Cyprus. The Turks also bridle at the requirement that their aid and that to Greece must be denominated in the ratio of 10 (for Turkey) to 7 (for Greece). But the ratio is less important than the limits on Turkey's share, which the Turks believe is niggardly in view of its importance to U.S. security.

The United States cannot, of course, be indifferent to Turkey's relations with Greece. The two nations formally are allies, as both belong to NATO, but their history of feuding is measured in centuries rather than years. Washington, various alliance officials, and the European states have not been particularly effective at sorting out a host of Turkish-Greek problems—including Cyprus, NATO command arrangements, sovereignty over much of the Aegean Sea, and maritime economic zones.

The United States also is engaged in a squabble with Greece over allegations that the U.S. ambassador in Athens has accused the Greek government of trafficking with terrorists. Athens rejects the charge and—in a bit of play-acting—threatens to expel U.S. bases in Greece.

Whatever the upshot of these conflicts, however, the strategic imperative remains with regard to Turkey. Nor is it profitable to succumb to the view that Turkey has nowhere else to go—that its natural antipathy to the Soviet Union will keep it a loyal U.S. ally no matter what Washington does. In theory, that may be correct. In practice, there is too much at stake on the southeastern flank of the NATO alliance to risk that, somehow, Turkey could be lost to the United States and its Western partners.

Most important, at the moment Turkey is struggling to succeed in a major experiment to return to the ranks of stable democracies in Western Europe. That has not been easy. A quarter-century ago, a Turkish military regime hanged a civilian prime minister—a point cited by today's leaders when they ask for patience by outsiders in judging their performance.

The military most recently intervened in 1980, and civilian rule was reestablished only four years ago. Thus, Turkish democratic political institutions, plus the hopes invested in them by the United States, remain fragile.

On the evening of June 29, the civilian government of Prime Minister Turgut Ozal challenged the military and won. In a successful power play, Ozal rejected the military's preferred choice for the next chief of staff and designated his own. By the next morning, the new designee had accepted his appointment and the opposing generals were on their way to retirement. In a moment unprecedented in modern Turkish history, civilians had stood firm against military doubts, to everyone's benefit.

For the United States, the success of Turkey's democratic and economic experiment is of utmost importance in this part of the world. Prime Minister Ozal has made some remarkable strides in dealing with an economy that lags behind virtually all others in Europe. He is helping to make his country ready for full-fledged membership in the European Community. But there is still a considerable distance to be covered before Turkey can be counted as safely within the camp of stable, progressive, Western states that can bear their share of the security burden. The United States recently has supplied surplus F5-E fighter aircraft, but that is not enough.

Turkey now also plays a role between the West and the nations of the Middle East—especially Iraq and Iran, continually at war with one another but on good terms with Turkey. This, plus Turkey's NATO responsibilities, clearly calls for a much greater Western commitment to this allied nation. But it should not be the responsibility of the United States, alone. In 1979, West Germany proposed a division of labor within the alliance and, for its part, assumed added responsibilities for Turkey. That pledge has never been adequately redeemed. Similarly, the United States is seeking help from Japan in protecting Middle East interests held in common. Turkey is a likely candidate for a major expansion of Japanese economic aid.

In sum, in this obscure corner of the Western alliance, Turkey is bearing more than its share of burdens on behalf of U.S. and other Western interests. If it will make the right appeals, Washington can mobilize required support for Turkey from other countries—in Europe and Japan—whose future depends on what happens here on the shores of the Bosporous. As the Soviet ships glide by, the stakes are too important for Western indifference.

## IN HONOR OF HENRY FISCHER

### HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. LEVINE of California. Mr. Speaker, I rise today in honor of Henry Fischer, a Holocaust survivor who went on to become a distinguished Los Angeles businessman and community activist widely recognized for his charitable endeavors. Mr. Fischer has unanimously been voted 1987 "Man of the Year" by the Gateways Hospital Men's Club.

It is for his particular care and devotion in assisting the emotionally disturbed at Gateways Hospital and Mental Health Center in Los Angeles as well as his numerous other charitable activities that Fischer will be honored at the club's 22d annual "Heal-A-Mind", Sunday, November 1 at the Century Plaza Hotel.

Henry Fischer is both an active director of the hospital and the Gateways Hospital Men's Club. He is also cited for his work as a four-time president of the Lodzer Organization which has raised millions of dollars for various charitable institutions in Israel. Mr. Fischer's charitable contributions and personal efforts for B'nai B'rith, American Heart Association, Variety Club, Congregation Beth Israel, Friars Charities, UJA, United Way and Histadrut among others, have been numerous and very generous.

As a Holocaust survivor from Poland, Henry Fischer, with his wife, Bess, arrived in Los Angeles in 1959 and immediately became involved in assisting other survivors while taking part in many community endeavors on behalf of the needy.

Henry Fischer gives his eternal blessing and gratitude for the opportunities that America has extended, for his wife, and for their daughter, Denise and her three children.

Henry Fischer, feeling, caring and giving has been a life-long trait, as he has dedicated his energies to helping others.

It is a pleasure to share the outstanding accomplishments with my colleagues in the U.S. House of Representatives. I ask that the Members of this body join me in saluting this special man.

## KILDEE HONORS MS. MAXINE KRONICK

### HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to Maxine Kronick, a spirited woman whose talents and devotion to the city of Flint, MI, have profoundly improved the quality of life in my hometown.

Maxine will be leaving Flint soon to start a new life in Israel. But her enthusiasm, creativity, and love of Flint ignited a spark in our community and will leave a legacy of achievement never to be forgotten.

Maxine came to us 26 years ago from New York and embraced Flint as her own. She was born in the Adirondacks and studied theater, speech, and merchandising at the University of Bridgeport in Connecticut. At heart, however, she is a New Yorker with a Big Apple appetite for fun and the passion and energy to make it happen.

As director of Riverfests, Ms. Kronick's talents brought joy to thousands in our community and helped to revitalize downtown Flint. A ready smile and classy flamboyance are Maxine's signature and it was imprinted on every project she so proudly and professionally handled. When she went on to become promotions director of Windmill Place, a downtown marketplace, Ms. Kronick's energy and marketing knowledge boosted business and set a high standard for the job.

Her achievements, however, are much broader. She is the first woman to have achieved the B'nai B'rith Humanitarian of the Year Award and she filmed a widely acclaimed documentary on modern day Eastern European Jewry. Ms. Kronick is a former chairperson of the United Jewish Appeal Women's Division and in 1981, she received the Woman of Achievement Award from the Flint YMCA. She is also a member of B'nai B'rith Women, Congregation Beth Israel and Temple Beth El.

Mr. Speaker, as Maxine Kronick prepares to leave Flint I am honored and privileged to pay tribute to this fine woman whose heart beats with joy, whose mind races with creativity, and whose soul is guided by respect for human dignity and love.

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## FOOD AID TO LEBANON

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. HAMILTON. Mr. Speaker, on August 19, 1987, I wrote to the Secretary of State concerning a request from the Government of Lebanon for 200,000 tons of wheat and 25,000 tons of rice under the Public Law 480 program.

The worsening economic crisis in Lebanon has created a situation in which the country can no longer afford to import its minimum food requirements. The low value of the Lebanese pound has made it increasingly difficult for lower- and middle-income Lebanese to maintain a staple diet. This situation has lead militia of various Lebanese factions to seek to expand their influence among the general population by promising wheat and flour to families in areas under their control. To help remedy this disturbing situation, the Government of Lebanon has requested United States food assistance under the Public Law 480 program. The State Department indicates in its September 9 reply that the United States is contributing $15.2 million dollars worth of emergency food assistance to the Government of Lebanon in 1987. The Government of Lebanon in turn will have this aid distributed to needy Lebanese citizens through the Save the Children Federation.

The correspondence follows:

Congress of the United States,
Committee on Foreign Affairs,
*Washington, DC, August 19, 1987.*

Hon. George P. Shultz,
*Secretary, Department of State, Washington, DC.*

Dear Mr. Secretary: I write concerning Lebanon. Although the United States Administration continues publicly to state its policy of supporting a free and sovereign Lebanon, the Central Government and the withdrawal of all foreign forces, we have, since 1984, been able to do little to influence events.

The current worsening economic crisis in Lebanon presents, I believe, an opportunity as well as a challenge. Until two years ago, despite the civil war and foreign invasion, the Lebanese Government managed to keep the value of the Lebanese pound stable—from three to five to the dollar. During the past two years, however, the value of the pound has collapsed. A year ago the exchange rate was forty to the dollar. On the Fourth of July the dollar bought one hundred and forty-nine pounds. Now, the dollar is worth more than two hundred and twenty-five pounds.

The overwhelming majority of Lebanese—the lower and middle class—apparently can hardly afford food. Almost all wheat and rice, the staple of the Lebanese diet, are imported. With the collapse of the value of the Lebanese pound, the cost of these imports is prohibitive.

Traditionally, I gather the government purchases wheat abroad, stores it in Beirut storage facilities and sells it to millers, who, in turn, sell it to bakers. The private sector, despite all of the turmoil, continues to perform remarkably well. The current crisis, however, could undermine the system. Hizballah, the Lebanese Forces, and other militias are apparently taking advantage of the crisis and are providing wheat and flour to families in areas they control, with the clear intention of expanding their influence among the general population.

Against this background, I understand the Government of Lebanon has requested a minimum of 200,000 tons of wheat and 25,000 tons of rice under PL-480 Title I. I believe honoring this request is in the interest of the United States because it would provide commodities through the traditional system of distribution and strengthen the national private sector, because it can help stem the growth of Hizballah's influence, and because the funds generated by the sale of the grain can be used to help pay the salaries of government employees throughout Lebanon.

In the past, U.S. efforts to support the Government of Lebanon have foundered on the inability of the government to provide services throughout the country. Provision of PL-480 commodities can avoid this difficulty. The Lebanese private enterprise system of millers and bakers continues to function and the provision of commodities would strengthen it.

I realize the Lebanese situation may well be beyond redemption but I believe we are not without some influence. When we have the opportunity to try to push events in the right direction, we should do so. I urge you to support the Lebanese Government request for PL-480 Title I food commodities.

With best regards,

Sincerely yours,
Lee H. Hamilton, *Chairman,*
*Subcommittee on Europe and the Middle East.*

U.S. Department of State,
*Washington, DC., September 9, 1987.*

Hon. Lee H. Hamilton,
*Chairman, Subcommittee on Europe, and the Middle East, House of Representatives.*

Dear Mr. Chairman: Thank you for your letter of August 19 regarding the recent Lebanese Government request for PL-480 Title I food commodities.

We share your concern about the current worsening economic crisis in Lebanon and its tragic impact upon the Lebanese people. It was this deep concern which prompted the Administration to contribute $15.2 million of PL 480 Title II emergency food assistance for Lebanon earlier this year. Through this additional assistance, the United States will provide a full year of food ration distribution of basic food commodities (rice, lentils, non-fat dried milk and vegetable oil) to 100,000 needy displace and war-affected families. Target beneficiaries of this program are located in all parts of Lebanon, and this food aid is being distributed to them regardless of their confessional affiliation. Special attention will be given to help nutritionally vulnerable groups such as childiren and the elderly.

This program will be implemented in consultation with the government of the Republic of Lebanon through Save the Children Federation (SCF). Under SCF's supervision, food will also be distributed through local private voluntary organizations and coordination committees.

We also have a modest but important ESF program in Lebanon which demonstrates our continuing support for the central government of President Gemayel. We would hope to continue this program in future years.

We are in the process of reviewing this latest request for a PL-480 program. We appreciate your comments and expression of support for continued assistance to Lebanon. Without Congressional interest, our assistance program to Lebanon could not continue.

Sincerely,
J. Edward Fox,
*Assistant Secretary,*
*Legislative and Intergovernmental Affairs.*

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## THE VA'S HOSPITAL COMPUTER SYSTEM

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. MONTGOMERY. Mr. Speaker, Veterans' Administration employees continue to write to me about the ongoing debate in the Congress regarding the VA's decentralized hospital computer system [DHCP]. They strongly support the DHCP and believe it supplements the provision of quality medical care by quickly providing vital data on veteran patients.

That support is pointed out in a letter I received from Dr. Peter V. Tishler, associate chief of staff/education, VA Medical Center, Brockton/West Roxbury, MA.

Brookline, MA,
*June 18, 1987.*

Hon. G.V. Montgomery,
*Cannon House Office Building,*
*Washington, DC.*

Dear Sir: I deplore recent decisions by the Appropriations Subcommittees to impede the full deployment of the Veterans Administration's Decentralized Hospital Computer Program (DHCP). Currently, the Veterans Administration lags behind the private sector in data processing and communication, because of the delay in creating a system-wide computer capability. The Decentralized Hospital Computer Program offers the precise technology that will permit the VA to remedy this problem. It is an excellent system for storing and making available vital data on our patients, and it has the whole-hearted support of VA physicians.

It is not in the best interest of our veteran patients that the Decentralized Hospital Computer Program be modified or replaced. I urge you to assist us in fulfilling our mission, by ensuring the full and rapid implementation of this fine computer system.

Sincerely.
Peter V. Tishler, MD.,
*Associate Chief of Staff/Education,*
*Brockton/West Roxbury VA Medical Center.*

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## TAX ON SECURITIES TRANSACTIONS

### HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. HUBBARD. Mr. Speaker, I have recently received an August 17 letter from my good friend and constituent John J. Chewning of Hopkinsville, KY, which I would like to share with my colleagues.

John Chewning, an attorney and partner in the Hopkinsville law firm of Chewning, Underwood & Cotthoff, has contacted me about his strong opposition to a proposal under consideration by the House Committee on Ways and Means which would levy a tax on securities transactions. He has expressed a number of disadvantages the proposal would have if enacted.

I hope my colleagues will take a few minutes to read and consider his timely comments. The letter to me from John Chewning is as follows:

August 17, 1987.

Re: Tax on securities transactions.

Hon. Carroll Hubbard, Jr.,
*U.S. House of Representatives,*
*Washington, DC.*

Dear Congressman Hubbard: I have just been informed that Congress is now considering levying a tax on securities transactions, one when you buy and again when you sell, even if you sell at a loss. Aren't we taxed enough? When is there going to be an end to the needless taxes?

I ask you, if the larger institutional investors escape the tax through moving their transactions and securities investments to other countries, will this help raise revenues or the nation's ability to compete internationally? I know it won't help economic growth, create jobs, or encourage savings and investments. We small investors have already paid the tax on the money earned to pay for the securities. Congress should be encouraging people to save their money and invest it to provide for their retirement rather than finding some other way to tax them. Won't you please help the small investor?

Sincerely,
John J. Chewning.

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## SUPERCONDUCTIVITY

### HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Miss SCHNEIDER. Mr. Speaker, as a result of rapid advances made in the field of superconductivity, our scientific communities are once again on the brink of a major technological breakthrough that could allow the United States to assume a leadership role in the international high-tech arena.

Superconductivity is the ability of electricity to pass through materials without resistance and with no loss of energy. Until recently, superconductivity had no practical applications because it could only be achieved at extremely low temperatures. Early this year, however, Dr. Paul Chu of the University of Houston was able to raise the superconducting temperature to 98K—283°F.—a high enough level to make practical applications a reality. Applications could range from levitated trains that can travel in excess of 300 miles per hour, electric cars, energy transmission, imaging medical diagnostic devices, as well as superconducting electronic circuits that contain a hundred times more information power.

Dr. Roland Schmidt, Chairman of the National Science Board and senior vice president of General Electric, stated at a Congressional Competitiveness Caucus luncheon: "Superconductivity is the greatest technological breakthrough since the invention of the transistor." At the recent Federal Conference on the Commercial Applications of Superconductivity, attended by more then 1,400 scientists, business leaders and Members of Congress, President Reagan echoed Dr. Schmidt's sentiments by pledging Federal support for the research of superconducting ceramics.

Although the United States is leading in the international race to develop a practical superconductor, we must take note that there has been substantial interest in Japan. It has been painfully clear in the past that the Japanese have been able to commercialize new discoveries by having in place a well positioned implementation mechanism. The Japanese have committed a total of $9 billion over the next 3 years to conduct research on superconductivity and are redirecting resources from other programs to meet the superconductivity challenge. At the Cabinet level, advisory groups are being formed through the Science and Technology Agency, a subsidiary of the Ministry of International Trade and Industry [MITI], to consider strategy. Moreover, the Japanese Government has already instituted a series of conferences and meetings to exchange and discuss information.

Mr. Speaker, it is time for the U.S. Government to assist our industry to take advantage of the technology—from the development stage through the commercialization process. U.S. industry must devise manufacturing processes for producing advanced superconductor ceramics and other critical materials, establish on-line information gathering systems that allow for new breakthroughs to be shared by the research facilities and redirect existing research grants.

I am an original cosponsor of H.R. 3048 recently introduced by Congressman Dave McCurdy, and H.R. 3217 introduced by Congressman Don Ritter. Each of these bills establishes a national Federal program in cooperation with the private sector to develop potential applications of superconductivity that will contribute to our Nation's economic competitiveness and strategic well-being.

As cochair of the Competitiveness Caucus, I believe that the development of superconducting materials is an essential component of our effort to regain our competitiveness. I urge my colleagues to join me in support of legislation to establish a national superconductivity effort. Let us regain the competitive edge by tackling the future of superconductor research with a Japanese-style commitment.

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## REAGAN STILL RATES WELL ABOVE A 75 PERCENT

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of the American people a recent article by Hank Cox entitled "Reagan Still Rates Well Above a 75 Percent." With many of my colleagues on the other side of the aisle trying to convince the American people that our country is on the economic skids, Mr. Cox correctly states that "the fact remains that this President has been one of the effective in modern history. His economic policies certainly require no defense."

Mr. Speaker, I encourage my colleagues and the American people to review Mr. Cox's article and start putting the rhetoric to rest:

#### REAGAN STILL RATES WELL ABOVE A 75 PERCENT

President Theodore Roosevelt was once asked how often he expected to be right in his decisions. Roosevelt replied that if he were right 75 percent of the time, he would be doing very well indeed.

For the past year, President Reagan has been taking it on the chin for his decision to send arms to Iran. It is clear the president, in making that decision, permitted his heart to rule his head, an option political leaders accept at their peril. He has acknowledged his error.

Having said all that, however, the fact remains that this president has been one of the most effective in modern history. His economic policies certainly require no defense. Come October, we will celebrate the longest sustained period of economic growth in our country's peacetime history. Unemployment continues to fall and the soaring stock market strongly suggests we are still on an upward curve.

Reagan has rebuilt our nation's defenses and slapped a lid on communist expansion. Indeed, under his leadership, it's the communists who are on the defensive, contending with anti-communist guerilla wars in Afghanistan, Africa and Central America. Even the communist nations themselves are taking lessons in economics from Reagan, loosening state controls of their economies and encouraging private initiative.

During his six and one-half years in office, Reagan has made hundreds of crucial decisions. By my count, two of them were conspicuously wrong-sending the Marines into Lebanon and sending military aid to Iran.

Any way you figure it, Reagan is well ahead of the 75 percent rate deemed praiseworthy by Roosevelt. Still, critics continue their relentless battering of our chief executive, as if those two isolated errors were the only entries on the ledger. History will afford him a more rational, and balanced, assessment.

#### A FORMIDABLE TASK FOR THE DEMOCRATS

Speaking of politics, the Democrats are falling all over each other trying to convince the American people our country is on the economic skids. It is a formidable task. The stock market continues to set new records, unemployment continues to decline and more Americans are working than ever before. Exports are on the rise, having jumped 15 percent in volume during the last year. And our 3.5 percent jump in productivity in 1986 was the best in the world—the first time we have enjoyed that status in 27 years.

Perhaps most significant of all were the latest data on poverty. According to the Census Bureau, the number of our citizens living in poverty declined in 1986 for the third consecutive year as some 700,000 Americans left the poverty rolls.

Overall, the poverty rate in the U.S. fell to 13.6 percent in 1983. But the real picture looks even better than that. The official statistics are based upon family income and government programs that provide non-cash assistance aren't figured into the equation. When benefits like food stamps, Medicare and subsidized housing are included, the poverty rate drops as low as 9 percent.

Still, the Democratic presidential aspirants range to and fro regarding their audicences with grim tidings of economic despair. Their complaints are eagerly amplified by journalists who apparently see nothing absured or contradictory about them.

Well, of course you could hardly expect the loyal opposition to go about saying. "You never had it so good," and it is true that not everyone has shared in the economic revival. Still, no honest person can deny that the overall situation is inestimably better than it was in 1981. That may be why they don't call it Reaganomics anymore.

## A SALUTE TO THE LAVELLE VOLUNTEER FIRE CO.

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to the Lavelle Volunteer Fire Co. of Butler Township, PA, who celebrate their 50th anniversay this year. To commemorate this event, the fire company will host an anniversary dinner on September 19, recognizing at this time the firemen of past and present who have provided such outstanding service and protection to the townspeople.

The Lavelle Volunteer Fire Co. has a proud and impressive history. It was incorporated on January 4, 1937, with its first order of business to purchase a fire truck. They did so with $100 collected from the citizens and bought a used truck, housing it in a one-car wooden garage. There were 93 original charter members and their efforts then, as they are today, were brave and tireless. Presently, the firefighting force consists of 168 members, three of which are original members who will be honored on September 19. They have expanded to two buildings and have three fire trucks allowing for even more effective and professional fire prevention and protection. In their 50 years, they have done a commendable job in saving the lives and possessions of many and for this they have the community's and my own gratitude and thanks.

Under the current leadership of Fire Chief Bruce Bitting, the fire company continues to thrive. With years of experience and a committed and dedicated membership, the Lavelle Volunteer Fire Co., is a most respected institution. I know that my colleagues will want to join me in offering congratulations on their 50th anniversary and in wishing them continued success and good fortune in the years to come.

## MORE LOW BIRTHWEIGHT BABIES

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. MILLER of California. Mr. Speaker, during the summer, the National Center for Health Statistics [NCHS] released new and disturbing findings about the status of maternal and child health in this country, which should command our attention.

For the last several years, the rate of decline in the infant mortality rate has slowed, and there has been little improvement in the low birthweight rate over the last decade. Low birthweight is the leading determinant of infant mortality and childhood disabilities.

Consequently, it is particularly disheartening that, in 1985, the low birthweight rate actually increased to 6.8 percent of all live births. While only a slight increase, it seriously jeopardizes our ability to reach the Surgeon General's 1990 goal for reducing low birthweight to 5 percent of all births.

Another NCHS finding may explain why so many babies continue to be born underweight. For the fourth year in a row, there has been no improvement in the rate at which mothers received late or no prenatal care. For some groups, such as black mothers ages 15 to 34, the levels of delayed or no care actually rose by 3 to 6 percent between 1984–85. In addition, in the majority of States—29—and the District of Columbia, the proportion of white mothers receiving delayed or no care increased between 1984 and 1985; for black mothers, the proportion who received delayed or no care went up in 21 States and the District of Columbia.

These are facts we should hardly be ignoring, especially when we know that early, comprehensive prenatal care reduces low birthweight, and saves more than $3 for every $1 invested.

We in Congress have the opportunity to continue expanding Medicaid eligibility to more low-income pregnant women by supporting the Infant Mortality Reductions Amendments of 1987. I urge my colleagues to join me in supporting this critical legislation.

## WHO FIGHTS FOR OUR FREEDOM?

### HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. EVANS. Mr. Speaker, I offer the following excellent article to my colleagues in hopes that we will all truly remember who in our country fights to maintain our freedom. I commend Mark Shields for his very accurate depiction of our Nation's current system of defense and hope that my colleagues closely review the following:

[From the Washington Post, Aug. 4, 1987]

"VOLUNTEERS" FOR AMERICA

In the mined waters of the Persian Gulf, the men and ships of the United States gamble with death. But here in Washington, there is toward that gathering crisis a conspicuous absence of concern. On Capitol Hill and among the leading commentators, the dominant attitude with few exceptions in one of detached passivity. This is not because of preoccupation with the Iran hearings, nor is it a sign of a more worldly tolerance of the use of organized force by the United States. No, the explanation for the disinterest of the powerful is more base: the American establishment has no direct, personal stake in the armed forces of this country.

The American establishment—political and journalistic—lives in a different country from those Americans whose lives are at risk off Farsi Island or those whose lives were ended in a bombed Marine barracks in Beirut. They belong to different classes in proudly classless America. It's a sure bet that any Washington dinner party guest—conservative or liberal—does not personally know a single one of the nearly 2 million enlisted Americans currently in our armed forces, but that the same guest does personally know at least one of the 20,000 Americans who have died of AIDS.

This is an indisputable legacy from Vietnam, the war that imposed no home-front shortages or rationing and demanded no civilian sacrifices. It was a war that made few Americans uncomfortable and no Americans poor. Of course, Vietnam did make 58,135 Americans dead.

In any war, most of the fighting and the dying are done by the youngest soldiers holding the lowest rank. Vietnam was no exception: more than three out of four of the Americans killed there were enlisted men between the ages of 17 and 22 and under the rank of staff sergeant. And they came, as do our current defenders, disproportionately from the working-class neighborhoods of our nation.

South Boston was just such a working-class neighborhood of approximately 2,000 draft-age young men during the 1960s. In Vietnam, 25 South Boston sons and brothers died in the service of their country. Between 1962 and 1972, Princeton graduated more than 8,000 men; six of them died in Vietnam. MIT graduated 8,998 during the same period, and two alumni were killed in Southeast Asia. Harvard graduated 12,595 men during those years, and 12 of them were killed in the war. For Notre Dame the numbers were 13,501 graduated and 38 killed.

Public pressure eventually forced U.S. withdrawal from Vietnam. That public pressure mounted then because young men from every social and economic background were at least threatened with service in that war. That particular political reality has been lost on today's peace advocates who make common cause with the Nixon-Reagan policy which rests on the flimsy moral premise that the rich and the educated ought to be exempt from defending the country.

A few passionate opponents of the "all-volunteer" military had earlier warned that such an isolated military establishment, absent the constant civilian infusion of draftees, would be a potential force in American life. Antimilitary alarmists hinted darkly at the prospect of a "Seven Days in May" type takeover of the government.

Such fears proved groundless. But the saga of Lt. Col. Oliver North suggests how a veteran Marine might intimidate a nonveteran like Assistant Secretary of State Elliott Abrams, who as a 1969 Harvard graduate supported U.S. presence in Vietnam for those young men from South Boston.

An exponent of military escalation with personal participation, along with Patrick Buchanan and a number of syndicated anti-communists, Abrams was almost certainly an easy mark for buffaloing by a swaggering combat hero like North, who survived the killing fields of Vietnam while Abrams was viewing the action from the London School of Economics.

We act as a nation when, as a people, we share the obligations and the perils of our common defense. The most fortunate have now imposed a policy that the burden of defending the country is to be in effect the exclusive burden of the less fortunate. Implicit in that policy is the premise that defending our nation is dirty work to be avoided by those who have been given more. Until we repeal the current system, which requires that the nation's defense be provided by young men and women whose names and identity are unknown to the nation's establishment leadership, that establishment will be able to treat national strategy as a theoretical abstraction, not as a specific policy option that could entail the life or death of their own sons and loved ones.

## TRIBUTE TO THE LATE CARMEN N. AUGUSTA, MASTER BARBER OF PATERSON, NJ

### HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. ROE. Mr. Speaker, it is with the deepest sadness and the most profound admiration that I rise today to honor the memory of a former constituent who left an indelible mark on the city of Paterson, NJ, during his more than seven decades there as a dedicated husband, father, neighbor, and public servant. I speak of the late Carmen N. Augusta, who passed away in Florida last month at the age of 80. He will be dearly missed by all who knew him.

Mr. Speaker, Carmen N. Augusta was a model of selfless devotion to his family and community. A barber by trade, and an outstanding one at that, until the time of his death last month, he was the only living charter member of Chapter 855 of the Associated Barber/Stylists and Beauticians of America [AMBBA]. Before he retired to Florida in 1980, Carmen's barber shop on Paterson Street was an institution in Paterson, and one of the city's most popular gathering places.

Carmen N. Augusta was born January 8, 1907, and attended Public School 15 in Paterson and, later, Paterson High School. He also spent 16 months in school in Italy from 1921–1923. He and his wife, Angie, who were married on June 1, 1929 at St. Anthony's Church in Paterson, have one son, Carmen, Jr., who is married to Ann Devine; two grandchildren, Raymond and Patricia Ann, and three great-grandchildren, Melissa, Nicholas, and Ann Michele.

Mr. Speaker, Carmen N. Augusta served his community in many ways and was never too busy to lend a helping hand to those who needed it. Active in many phases of community service, his was the guiding spirit behind the organization of the first PTA of St. Anthony's R.C. School, and he served as its first president, as well as drum major of the St. Anthony's Fife and Drum Corps. Mr. Augusta, who also served 4 years with the 113th Infantry of the New Jersey National Guard, was a past governor of Chapter 553 Loyal Order of Moose, executive board member of St. Anthony's Catholic Club and was president for 17 years of the Santa Croce Society of Paterson. He also served as secretary-treasurer of the Franklin Lakes Lions Club and was an active member of B.P.O.E. Lodge 60, Paterson Elks.

Carmen N. Augusta also served his community in other ways. He spent 6 years as a city commissioner on the Paterson Human Rights Commission, serving as chairman for 2 years. He also was appointed to the Mayor's Advisory Commission on Urban Renewal, to which he devoted 4 years of his time.

In the field of labor, as well being a charter member of Paterson Chapter 855 AMBBA, he also served many years as president, past president and advisor of Associated Master Barbers of New Jersey; 9 years as educational chairman for the State of New Jersey AMBBA; chairman of educational and trade shows for his chapter and State association; legislative committee member and chairman of the State association and he helped establish Chapter 1191 AMBBA in the city of Paterson.

Carmen N. Augusta retired to Florida in 1980 where, as membership representative for that State, he formed six AMBBA chapters.

Mr. Speaker, Carmen N. Augusta made so many contributions to his community, State and Nation that there would not be enough time to recount them all here. His was the kind of involvement and enthusiasm which makes communities thrive and is ultimately the backbone of our great country. All of us from the State of New Jersey salute Carmen N. Augusta and the many accomplishments which make us deeply proud to have known him.

## ISSUES RAISED TO BORK NOMINATION

### HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. DELLUMS. Mr. Speaker, today my colleagues in the other body begin their confirmation hearings on the nomination of Robert H. Bork to be an Associate Justice of the U.S. Supreme Court.

During these confirmation hearings I would ask them to consider at length the important issues raised by Michael Ratner and Margaret Ratner in yesterday's Los Angeles Times. Judge Bork's views on the nature of the imperial Presidency need to be examined in depth, because of the implicit danger they present to the checks-and-balances system of Government laid out in our Constitution.

The full text of the Ratners' article is printed below.

[From the Los Angeles Times, Sept. 14, 1987]

BORK WOULD RUBBER-STAMP THE IMPERIAL PRESIDENCY

(By Michael Ratner and Margaret Ratner)

One of the central issues that the Supreme Court will face in the near future is whether a President's actions are limited by law and subject to the will of Congress and the American people.

The Iran-*contra* scandal has exposed a President and a staff with an exaggerated view of the power of the executive branch of government. This is especialy true in the realm of foreign affairs, where the Administration asserts that the President has exclusive power over foreign policy, including the power to support a war against Nicaragua contrary to the intent of Congress as expressed in the Boland Amendment. It has actually taken the position, moreover, that the independent-counsel law—possibly the only means of checking presidential and Administration abuse of authority—is unconstitutional. It has reregistered Kuwaiti ships to protect them in the Persian Gulf without complying with the explicit requirements of the War Powers Resolution.

Under these circumstances, this country cannot afford to have Robert Bork as a Supreme Court justice.

Bork believes that the President should have expansive and unlimited powers over foreign affairs and the war powers. He believes that the courts should have no role in keeping the President within his constitutional limits, even when such power entrenches on congressional prerogatives.

Bork has set forth his views on the plenary power of the executive to conduct foreign affairs unfettered by legislative or judicial constraint. This view allows the President to assert much of the war power that the framers specifically reserved for Congress.

In his dissent in Abourezk vs. Reagan, Bork said that special deference must be given to the President's authority to make and implement decisions relating to the conduct of foreign affairs, and noted that the power over foreign affairs is "fundamentally executive in nature." For this proposition Bork relied on the Supreme Court case of United States vs. Curtiss-Wright Export Corp., and its much criticized language regarding the "plenary and exclusive power of the President" over foreign relations. It was this case and language that Lt. Col. Oliver L. North relied on in his congressional testimony when he said that the President and the National Security Council could disregard the Boland Amendment and make war against Nicaragua.

Bork's position on the bombing of Cambodia during the Vietnam War also reflects this expansive view of the President's powers. When Richard M. Nixon launched an intensive bombing and ground attack against neutral Cambodia without congressional authorization, Bork testified before Congress that the President had ample authority for his action. Bork explained that it was merely a tactical operation, that Congress was powerless to stop the invasion of Cambodia and that any such efforts would "constitute a trespass upon the power the Constitution reposes exclusively in the President."

This position is also a highlight of Bork's testimony in opposition to congressional efforts to impose a warrant requirement to protect private conversations from wiretapping. This testimony occurred after the Church Committee, in the mid-1970s, had detailed serious abuses on the part of intelligence agencies. Nonetheless, Bork said that a warrant requirement would be unconstitutional because it would interfere with the President's power over foreign affairs and that the "conduct of intelligence activities is basically a function of the executive branch and comes within the constitutional powers of the President." In other words, Bork would provide carte blanche to the President to use the intelligence agencies as he chooses, and with no controls.

In testifying against the constitutionality of the independent-counsel law, he said that it would be unconstitutional for Congress to pass legislation insulating the special prosecutor from the power of the President to hire and fire law-enforcement officers. Thus, if he should be on the Supreme Court, no one should be shocked if Bork votes to strike down the laws authorizing independent counsels to investigate the Iran-contra scandal. Bork, after all, was in charge of the "Saturday night massacre" in which Archibald Cox, the special prosecutor appointed by Nixon, was fired.

Bork's narrow view on the role of the courts in deciding controversies concerning the allocation of power between Congress and the President has the direct effect of increasing presidential powers.

His views about judicial review are contrary to almost 200 years of American jurisprudence. In the bedrock case of Marbury vs. Madison, Chief Justice John Marshall said, "It is emphatically the province and duty of the judicial department to say what the law is." Without such a role for the courts, we would not have a government controlled by the Constitution, but one that could easily degenerate into tyranny.

Bork's views on the Imperial Presidency are well documented. We do not need to guess how he would decide the legal issues arising from the Iran-contra scandal. His appointment to the Supreme Court would guarantee a further erosion of the constitutional scheme of separation of powers. He is not the justice whom we need on the court today.

*Michael Ratner is the legal director for the New York-based Center for Constitutional Rights. Margaret Ratner is the organization's education director.*

## A TRIBUTE TO THE INFORMATION, PROTECTION, AND ADVOCACY CENTER FOR HANDICAPPED INDIVIDUALS, INC. [IPACHI]

### HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. MFUME. Mr. Speaker, I rise today to bring to the attention of my colleagues the work of the Information, Protection, and Advocacy Center for Handicapped Individual's (IPACHI), formerly the Information Center for Handicapped Individuals [ICHI]. IPACHI is a public interest, community-based, nonprofit agency designed as the protection and advocacy system for both developmentally disabled individuals and individuals with mental illness, who reside in the District of Columbia, as mandated by Public Law 98-527 and Public Law 99-319, respectively.

The center has had, as its primary purpose since its inception in 1969, the representation of, and advocacy for, the interests, needs and rights of handicapped individuals.

On September 18, 1987, IPACHI will hold its annual conference at the Grand Hyatt Washington. This year's theme is Advocacy—A Shared Responsiblity.

Keynote speakers are: Mr. Vernon Hawkins, acting commissioner, D.C. Commission on Social Services; Dr. Robert Washington, commissioner, D.C. Commission on Mental Health and Dr. Reed Tuckson, commissioner, D.C. Commission of Public Health.

The morning workshops will address issues in special education and advocacy. Afternoon workshops will focus on children in residential facilities and AIDS. The luncheon speakers include Parren J. Mitchell, former Member of Congress, now chairman, Minority Business Enterprise Legal Defense and Education Fund, Inc. The mistress of ceremonies is Angela Owens, editorial director, WRC-TV, Channel 4 News.

The Second Annual Roland J. Queene, Sr. Memorial Award will be presented to Dr. Jacqueline McMorris, pediatrician and clinic director, Developmental Evaluation Clinic, D.C. Commission of Public Health, Crippled Children's Services. Catherine Liggins Hughes, owner-manager, WOL-AM will receive IPACHI's Community Service Award for outstanding service to the Washington community. First Lady of the District of Columbia, Mrs. Effi Barry will bring greetings from the Mayor.

The executive director for the Information, Protection, and Advocacy Center for Handicapped Individuals, Inc. is Mrs. Yetta W. Galiber. Under her direction, the center produces the following publications: the Directory of Services for Handicapping Conditions, a contemporary and exhastive directory of services for handicapped conditions; Access Washington, a guide to Metropolitan Washington for physically disabled individuals containing information on accessibility of recreation facilities, restaurants, sites of interest, and theaters; and Here Comes the Sun, a directory of summer programs for handicapped children, youth and adults.

In 1971, Mrs. Galiber initiated the Christmas Store for Needy Handicapped Children. Last year, more than 15,000 children were served by the store, purchasing toys with play money. The center also sponsors the Ms. Wheelchair D.C. Pageant, which recognizes the accomplishments of disabled women in the District of Columbia, despite the attitudinal and architectural barriers which confront them.

## THE LIABILITY INSURANCE CRISIS

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. LAGOMARSINO. Mr. Speaker, lawsuits and awards have significantly escalated during the past 10 years. The impact of this on business and the consumer is devasting. Many of us in the Congress and the administration feel strongly that this is an important national issue.

In my conversations with small businesses in my district they have expressed to me their great concern. For example, between 1974 and 1985, the number of product liability lawsuits filed in Federal district court increased by 758 percent. The number of medical malpractice lawsuits per 100 physicians doubled between 1979 and 1983 and tripled for obstetricians/gynecologists. Furthermore, between 1975 and 1985 the average medical malpractice jury verdict increased from $220,018 to $1,017,716 and the average product liability verdict increased from $393,580 to $1,850,452.

This is a big problem for small businesses that, in too many cases, are forced to close down operations, lay off employees or discontinue product lines. As a member of the House Liability Task Force I believe that Congress must address this problem without further delay.

## NEW POVERTY FIGURES

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. MILLER of California. Mr. Speaker, recent reports have trumpeted the decline of poverty for America's families, according to the Census Bureau's annual work on income and poverty. Poverty in America dipped slightly in 1986, measuring 13.6 percent compared to 14.0 percent in 1985. While the administration points to these numbers as proof that the recovery is working, a closer look reveals a different story for millions of American families.

While poverty rates across-the-board have declined very slightly, the number of poor mother-only families has continued to increase. In 1986, 34.6 percent of female-headed households lived in poverty compared to 34 percent in 1985. Female-headed households have increased their share of poverty as well. Last year, 51.4 percent of families below the poverty line were made up of female single-parent families, compared to 48 percent in 1985 and 45.7 percent in 1982.

What is so disturbing about these trends is that poverty persists among mother-only families despite increased work effort and fewer children. Over 40 percent of female heads of families worked in 1986 yet were still poor—a 10.5-percent increase over 1982. In addition, the average number of children in poor families headed by women declined from 2.19 in 1982 to 2.13 in 1986.

This year's Census Bureau scorecard on poverty informs us that, contrary to popular opinion, poverty persists among women with children despite their efforts to work more and have fewer numbers of children.

As Congress focuses on welfare reform and other efforts to improve the economic security of poor families, we must recognize that requiring women with children to work will not, in and of itself, lift their families out of poverty. Effective welfare reform must include affordable, safe child care, education, and job training. And it should be combined with other efforts to improve the lives of the working poor—an increased minimum wage, mandated health benefits, and pay equity. If Congress cannot fashion legislation to improve the quality of jobs available to this group, then we will have failed in our stated goals to achieve their independence.

## ELDERLY CARE: A CASE OF CATASTROPHIC CONFUSION?

### HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. DONNELLY. Mr. Speaker, I am submitting for the RECORD today an article from Business and Health magazine titled "Elderly Care: A Case of Catastrophic Confusion?". This excellent article points out what the "catastrophic" bill we recently passed and that the Senate is taking up this week doesn't cover.

As I said on the floor the day I voted against that bill, it doesn't address the long-term care needs of America's elderly, and it doesn't stop physicians from balance-billing senior citizens. But those legitimate concerns were brushed aside in a game of legislative one-upmanship with the White House.

I believe that the Congress should seriously reconsider the entire catastrophic issue and focus on where the real needs of America's elderly lie. To that end, I am submitting this article to continue the debate:

### ELDERLY CARE: A CASE OF CATASTROPHIC CONFUSION?

(By Judith R. Peres)

After nine months of congressional debate, there is widespread misunderstanding as to what is catastrophic coverage. It is clear that there are unmet needs for health and long-term care coverage and they will still go wanting after so-called catastrophic legislation is passed. The current confusion stems from various interpretations of what constitutes a financial catastrophe. Questions need to be asked about the current catastrophic proposals. First, what are the health care coverage gaps that result in catastrophic costs for Americans' citizens? Second, who will receive the benefits and who will pay its costs?

#### WHAT IS CATASTROPHIC TO WHOM?

Protection against financially catastrophic health care expenditures has been considered in one form or another for decades, but no consensus has been reached on the definition of catastrophic. Catastrophic medical costs are large and unpredictable health care expenses that can be measured either in flat dollar amounts, for example, $5,000 in medical costs in a 12-month period, or in percentage of gross income, generally defined as costs exceeding 10 percent gross income. What is critical in this first differentiation of catastrophic is that a medical cost of $5,000 can be devastating for a lower income family but not account for 10 percent of a more affluent family's $60,000 income. An additional difficulty in understanding this issue is that large out-of-pocket health care costs are not associated solely with rare illness events. A 1986 study using data from the 1977 National Medical Care Expenditure Survey (NMCES) found that low income and poor health insurance coverage accounted for catastrophic expenditures in four out of five families who spent 10 percent or more of their income on medical care. Therefore, there is a tension between the notion of a high cost catastrophic illness event and the severe catastrophic financial burden on a particular individual or family. Since incomes, debts and savings are unequal, one person's inconvenience can be another person's catastrophe.

The Reagan administration has focused on a flat dollar amount of out-of-pocket burden for the Medicare population in its catastrophic illness coverage proposal. Congress has modified that proposal by enhancing coverage and varying the financing by ability to pay but has not endorsed the idea of defining catastrophic as a percentage of income. Economists, such as Martin Feldstein, chairman of the Council of Economic Advisors under President Reagan, have examined this issue and concluded that a percentage of income is more equitable from a social welfare perspective.

In his November 1986 Catastrophic Illness Expenses Report to the President, Department of Health and Human Services (HHS) Secretary Otis R. Bowen found the most useful definition of catastrophic expense to be a flat dollar cap that allows for the identification of illness costs that can be borne by individuals and families without having to "significantly change their expectations of living standards in the future." It dismisses a percentage of income threshold as not satisfactory because, for extremely low income populations, it would define as catastrophic the expense levels associated with routine and normally budgetable health care costs. The report goes on to say that the problem of low income levels is different from the problem of health care expense coverage, and is dealt with appropriately by different public policies. In defining catastrophic in this way, the Bowen report fails to acknowledge financially devastating levels of out-of-pocket expenses for lower income persons and limits its discussion to acute and post-acute health care.

Bowen's recommendations addressed three major parts of the catastrophic illness coverage problem: acute care catastrophic protection for the elderly; long-term care protection alternatives; and catastrophic protection for the general population. Yet as introduced later by the President, the narrowly crafted plan only proposes to mandate improvements for Medicare. It merely "aims to improve protection for the general population and for the long-term care of the elderly" through suggestions for private industry and state governments. Nonetheless, it provided a springboard for the current catastrophic care debate.

#### POOR ELDERLY AT GREATEST RISK

Today, older Americans are spending a higher proportion of their incomes on health care than was the case when Medicare was first enacted in 1965. Twenty-two years later, catastrophic health care costs have been identified once again as a major problem for the nation's elderly. The real issue is in the way the root of the financial hardship is understood and approached. According to the Congressional Budget Office (CBO), not including nursing home and other long-term care, the elderly spent an average $1,055 on their own medical expenses in 1984—more than three times the amount ($310) spent by persons under age 65. Counting nursing home costs, average out-of-pocket health expenses reached $1,705 per year for the elderly—more than five times the cost experienced by others. As alarming as these figures are, they provide little insight into the distribution of economic pain experienced by this nation's seniors.

Except for nursing home needs and unusually long hospitalizations, Medicare has been an effective cornerstone in meeting daily medical needs of the elderly with incomes above $20,000. Used in conjunction with private supplemental insurance, Medicare has kept health care costs for the higher income elderly to a very manageable portion of their budgets. The opposite is true for lower income seniors. Contrary to beliefs about the greening, that is, the growing wealth of the aged, millions of older Americans are experiencing dwindling resources as a result of out-of-pocket medical costs frequently ranging from one-quarter to one-third of their incomes. This certainly is true for a large portion of the 3.3 million elderly poor. It also is the case for a substantial portion of an additional 8.1 million economically vulnerable seniors, whose incomes fall below 200 percent of the poverty line, which, for an elderly person living alone, is $5,360 per year. For these 11.4 million lower income aged, who comprise 42 percent of the elderly population, catastrophically high health care costs are common occurrences. These hardship conditions may be exacerbated, not ameliorated, by most of the pending catastrophic health care proposals.

#### MEDICARE GAPS WIDENING

Medicare out-of-pocket expenses fall into two categories: services that Medicare does not cover; and expenses such as deductibles, premiums and coinsurance. Medicare fails to cover a wide array of health care needs that are essential to the aged population, such as prescription drugs, dental care, basic preventive services, prosthetic devices, eye glasses and hearing aids. Chronic nursing home and other long-term care also are excluded.

Although the scope of Medicare's protection has not changed materially in recent years, the effects of its coverage gaps have been exacerbated by skyrocketing health costs. This is clearly evident for prescription drugs. The elderly account for 28 percent, or approximately $8 billion per year, of all prescription drug costs even though they constitute only 11.7 percent of the population. From January 1980 through 1985, prescription drug costs rose by 66 percent. It is not unusual now for an elderly person with a common health problem like angina, diabetes or arthritis to pay $50 or more per month for drugs. For lower income elders particularly, prescription drug costs alone can represent a very significant percentage of their income. This summer, the House of Representatives approved an amendment to the catastrophic bill that allows for some prescription drug coverage.

Also, the services that are covered by Medicare—hospital care (Part A) and physician services (Part B)—require elders to share the costs and these out-of-pocket expenditures have increased dramatically in recent years. For example, for each "spell of illness" in a hospital, Medicare requires the patient to pay a deductible of $520. This figure—up 189 percent in the last seven years—is a significant burden, especially for approximately 20 percent of beneficiaries who have no supplemental insurance.

Ironically, congressional efforts to control Medicare's hospital costs have had the unintended effect of increasing the Part A deductible and other out-of-pocket costs for elders. In 1983, Congress introduced the prospective payment system (PPS), which forced hospitals to be much more cost conscious in their patient care. As a result, hospital administrators have every incentive to discharge Medicare patients much sooner. Since PPS began, average hospital stays by Medicare patients have decreased by approximately two days. Patients discharged earlier now must shoulder a wide variety of health related costs in the home—costs that previously were picked up by Medicare's hospital coverage. In a 1987 report, the Prospective Payment Assessment Commission (ProPAC) identified a $550 million cost shift to beneficiaries as a result of PPS.

Elderly individuals also are paying a substantial amount under Part B, and pending catastrophic proposals would add to that cost sharing in the future. To receive Part B coverage, seniors must pay a premium, which has risen from $115.20 in 1981 to $215 currently—an increase of 86 percent. Once enrolled, Medicare's coverage starts only after beneficiaries pay a deductible of $75, up from $60 in 1981.

Beyond these initial costs, patients covered by Part B must pay 20 percent of all physicians' bills up to Medicare's reasonable charge levels. The federal government does not prohibit physicians from charging fees in excess of those levels, and approximately 70 percent of all physicians charge some or all of their Medicare patients higher amounts, called balance billing. These patients must pay the full amount of the excess. In fact, in Bowen's report, Health Care Financing Administration (HCFA) actuaries indicated that 22 percent of the out-of-pocket costs for beneficiaries expending $2,000 or more was a result of balance billing. The rock bottom cost experienced by a hospitalized beneficiary—involving only Medicare's deductibles and premium—is currently $810. Add to this the normal 20 percent coinsurance, plus the full brunt of physician charges above the reasonable charge level, and the expenses are likely to be considerable. When prescription drug bills and costs associated with the services uncovered by Medicare are factored in, the potential for economic catastrophe is significant.

The impact of these costs is dramatically different for lower income seniors than it is for their brethren who are better off. For the higher income aged, these out-of-pocket expenses may be an undesired irritant, but generally are a fraction of annual income. Additionally, the vast majority of higher income seniors purchase private supplemental—that is, Medigap—insurance, which, although not usually cost-effective, insulates them against Medicare's deductibles, copayments and in some cases prescription drug costs. Thus for higher income elders, adequate protection exists if they do not need nursing home or other long-term care, and if they are not in the one percent of the aged who require hospitalization for more than 60 days a year.

### CONSTRAINTS UNDER MEDICAID

Perhaps the least understood facet of lower income elderly's health cost problems, however, is the inadequacy of Medicaid, the health care program for the poor. It is mistakenly believed that Medicaid covers impoverished and economically vulnerable elders for virtually all medical costs and thereby acts as an effective wraparound policy to Medicare. Unfortunately, this assumption generally is not true. Although Medicaid provisions vary from state to state, for a majority of the aged poor, Medicaid provides no relief at all. According to the U.S. Census Bureau 1984 Current Population Survey, only 36 percent of the noninstitutionalized aged poor participate in Medicaid. This means that two out of three impoverished elderly not in nursing homes receive no Medicaid assistance, thus bearing the full brunt of Medicare's deductibles, premium, cost sharing and uncovered services.

Medicaid coverage does eliminate the out-of-pocket physician and hospitalization costs for some elderly in most states. Currently 2.8 million seniors are dual eligibles, that is, Medicare at least has purchased the Part B premium on their behalf but does not necessarily pay the deductibles and coinsurance. In general, aged Medicaid beneficiaries are likely to receive help for some of the services not covered under Medicare, such as the partial prescription drug coverage offered under Medicaid in 46 states and the District of Columbia. Thus, the potential for significant health care relief is present under Medicaid.

Usually, seniors must meet the extremely low income and liquid asset levels set for the Supplemental Security Income (SSI) program to qualify for Medicaid assistance. In most states the annual income eligibility limit for a person living alone is $4,080 and, in the minority of states that have higher limits, only three—California, Connecticut and Massachusetts—have eligibility standards above the poverty line. Additionally, an aged person fails to qualify for SSI if his or her liquid assets exceed $1,800, a standard that limits program eligibility to the financially destitute. Of those who fall within these standards, many do not participate because they are unaware of the program's existence and requirements. Hence, senior participation in SSI and in Medicaid is limited to some of the poorest of the poor. Most impoverished elders, and an even larger portion of the economically vulnerable, receive no protection from growing catastrophic health care costs.

Most Americans generally are unaware that neither Medicare nor their private Medigap insurance covers the high costs of long-term care. Of the $35.2 billion in nursing home expenditures in 1985, Medicare paid only 1.7 percent; the rest came from Medicaid and personal resources. The reason for Medicare's small contribution to financing nursing home care lies in the very nature of the program's nursing home benefit, which limits coverage to hospital extended acute care and does not include custodial care.

Although Medicare does pay for unlimited numbers of home health visits without a prior hospitalization requirement, coverage is restricted to those who are homebound and are in need of skilled nursing care, physical therapy or speech pathology under physician supervision. In addition, because it recognizes only a medical model of home health care, Medicare does not pay for many of the social support services that might allow more elderly impaired individuals to remain in their own homes.

Medicaid, on the other hand, is the largest public financing mechanism for long-term care. Accordingly, Medicaid payment for nursing home services in 1985 amounted to almost $15 billion. Added to the personal pain and suffering individuals experience as they decline in their ability to perform even the basic activities of daily life is the fact that long-term care is the leading cause of catastrophic health care expenditures. Data from CBO show that an estimated 47.5 percent of elderly receiving Medicaid in nursing homes were not eligible when they first entered. This figure alone illustrates the number of individuals who have spent down to poverty levels to receive any type of coverage for their nursing home care. Many find the notion of exhausting a lifetime of savings and applying for public assistance a severely demanding and overwhelming prospect in their old age.

### PITFALLS OF CURRENT PROPOSALS

Other than financing, the catastrophic coverage plans being considered by the administration and Congress closely resemble each other in design, but none goes far enough to meet elders' needs. Under the administration's plan, beneficiaries could pay an additional $6.10—rising to $8.70 in 1992—a month above the regular Part B premium of $17.90. In return, they would be guaranteed that their out-of-pocket costs would not exceed $2,000 a year in 1988 for hospital and physician costs covered by Medicare.

Legislation proposed by the House of Representatives (H.R. 2470) and the Senate (S. 1127) also attempts to provide some insurance against catastrophic illness. The House bill sets the catastrophic cap at $1,784 in 1989. The Senate version sets the cap at $1,700. Both caps limit beneficiary cost sharing for Medicare covered services only. They differ slightly in coverage design.

An out-of-pocket cap that applies only to expenses specifically covered by Medicare does not address the burden for most beneficiaries. Only 5 percent of Medicare beneficiaries experience out-of-pocket spending in excess of $2,000. However, according to health care analysts John R. Gabel and Thomas Rice, of beneficiaries experiencing out-of-pocket expenses greater than $2,000, 80 percent of cases are a result of nursing home costs. In addition, The Urban Institute has calculated that based on the March 1984 Current Population Survey data, 43 percent of all elderly had liquid assets of less than $2,000.

The major difference among these proposals is their financing. The administration's plan is financed with an across-the-board increase in the Part B premium. The House plan sets a basic premium of $1 a month and a supplemental premium or surcharge on the income of tax paying elders. Estimates indicate that in 1988 the maximum charge of a supplemental premium would be $580 and $930 in 1992. The premium would rise each year to reflect the increase in the cost of Medicare benefits. Most important, the House plan requires Medicaid to pay for all Medicare copays, deductibles and premiums for beneficiaries at or below poverty levels. The Senate bill calls for financing the program with an additional $4 a month premium and a $12 surtax on each $150 in income tax an individual may owe. In 1988, the maximum surtax would be held to $880 for an elderly couple. That limit would rise to $1,000 by 1992. The lack of mandated Medicaid protection for those beneficiaries actually may be harmed by the Senate proposal. The flat premium would be taken out of Social Security checks and would reduce Social Security benefits by $48 in 1989 and by $82 in 1992.

These proposals and the current debate on catastrophic coverage highlight the major conflict between the escalating acute and long-term care health needs of a growing elderly population. This crisis thus must be viewed as an opportunity for change. To reduce the incidence of financial catastrophe for economically vulnerable elders, caps on out-of-pocket spending must not only take income into account, but also must apply to spending for a broader range of services than Medicare now covers. At the very least, the House version, which protects poor elders by mandating Medicare out-of-pocket payments to be paid through Medicaid, offers a provision that must be maintained.

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## CHILD CARE AND THE ECONOMIC EQUITY ACT

### HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Ms. SNOWE. Mr. Speaker, I would like to call your attention to a serious dilemma facing America's working parents today. Providing adequate out-of-home day care for our Nation's children has become a necessity as increasing numbers of women continue to enter the work force. If current trends continue, by 1995, more than three-fourths of children ages 6 to 17 will have a mother in the labor force. The number of these children will reach 34.4 million, a 37-percent increase over the 1980 amount and a 34-percent increase over the 1985 figure.

With more women working and more children to be cared for, the need for affordable, reliable day care becomes obvious. Presently, however, this type of day care is scarce in many areas of the country, and it can be extremely costly when available. The cost of day care for one child can range from $1,500 to $10,000 per year. Most parents using day care today spend approximately $3,000 per child per year. Parents who cannot afford this expense tend either to reduce their work hours or leave their children unattended. For most of these parents, it is imperative that they work in order to support themselves and their families. However, it is also necessary that their children be given the proper amount of nurturance that is so essential to their development as healthy, well-adjusted individuals.

An insightful article in the July 31 Washington Post summarized this problem and outlined what some of today's corporate executives are doing to aid their employees. Presently, several corporations are attempting to meet the changing needs of their employees by providing onsite child care. Company executives who formerly did not recognize the child care problem are now using their increased awareness of the situation to the benefit of themselves and their employees. Recent studies have shown that, by providing corporate-sponsored child care, employers have improved recruiting and personnel relations, as well as stabilized their work force. Additional studies have shown that this child care is a positive factor in the acceptance of employment by parents. That is, by providing care for children, corporations are helping their employees to enter and remain in the work force.

Mr. Speaker, in light of this information, I would like to bring the attention of my colleagues in the House to legislation that Representative SCHROEDER and I have introduced, the Economic Equity Act of 1987, H.R. 2577 which currently has 91 cosponsors.

This measure aims to ensure that America's youth are properly cared for while their parents can still remain in the labor force. The Economic Equity Act of 1987 includes provisions that would allow for training for family day care providers, improvement of State child care standards, a dependent care tax credit, mortgage financing of family day care centers, and a latchkey provision which would ensure the maintenance of before- and after-school programs for children whose parents work. I strongly urge my fellow colleagues to help secure the well-being of American workers and their children by cosponsoring this important piece of legislation.

The above-mentioned article follows:

[From the Washington Post, July 31, 1987]

#### SELLING CHILD CARE

(By Judy Mann)

Cheri Sheridan, founder and president of Play and Learn Corporate Child Care, has been involved with setting up corporate-sponsored child care for more than three years. Part of the way she makes her living is by persuading people who run companies that their work force might be better off if the company gave them a hand with child care. And she's figured out a way to do it.

"I use quotes from other CEOs who say it is worth doing," she says. "You really have to be able to demonstrate that other people are doing it. There's a certain sense of wanting to stay current. Very often the conversation starts out with: 'We don't have a child care problem here.' Then you start asking questions about how many men they have, how many women, what's the average age. And slowly the light may dawn that day care may be an issue here."

Then she brings out a summary sheet that tells employers what day care can do for them. There is the 1982 survey of 204 companies asking why employers offered day care. The number one reason was it helped with recruitment; the second reason was that it improved personnel relations, and third, was it stabilized the work force.

Sheridan, who has been involved with setting up the corporate-sponsored child care center at Tysons Corner, helped conduct the survey of businesses there to determine what their problems were. "Their number one problem was recruitment and morale was second." Day care suddenly looked like a good fit.

Her summary sheet cites a 1984 survey of 178 companies about the impact that provision of child care had on their work force; 90 percent of the companies said morale was positively affected, 85 percent said it had helped with recruitment, 83 percent said workers' satisfaction was improved, 65 percent said it reduced turnover and 53 percent said it reduced absenteeism.

Then there is the study of 700 employees of companies offering some sort of child care: 38 percent said the child care was a factor in their accepting the job, 69 percent said it was the reason they stayed with their employer and 63 percent said it created a more positive attitude toward their employer.

"At a Harvard seminar, they asked the CEOs what their work force was composed of," says Sheridan. "Seventy percent said it was dad at work and mom at home with the kids at the playground. The reality of it is that less than 25 percent of American families conform to that model. There was a recent Department of Labor study that showed that two-thirds of women in the work force are working to be self-sufficient: 25 percent are single, 12 percent are divorced, 5 percent are widowed, 4 percent are separated and 17 percent are married to men earning less than $15,000 a year. That sort of bypasses the comment that we wouldn't have this problem if women stayed at home.

"A lot of the decision makers have never had a day care problem in their life," says Sheridan. "One of my goals for PAL is to improve the quality of day care by making the CEOs aware."

PAL is presently operating two centers in large office complexes that offer the benefits of on-site day care without burdening companies with running a center. "Something that's been the most astonishing thing to me has been the impact on the kids," says Sheridan. Instead of having tears in the morning when a child is dropped off at a center, the children know their parents are nearby. "When the kid is hurt and needs stitches and mom or dad are there in 2 minutes it builds a sense of trust."

Sheridan has been working with children in day care for 10 years and has seen a shift that disturbs her. "I've seen so many kids that are screwed up. When I first started I worked with economically disadvantaged children. These kids had seen some pretty brutal things. The kids were withdrawing, they had temper tantrums and problems with aggressiveness. Now I'm working with more upscale children and you're seeing some of the same problems. You have a 5-year-old who has had 12 different day care givers," and no consistency in his upbringing.

"It costs an average of $3,500 to put a child in day care and it costs $30,000 a year to put a teen-ager through court-committed rehabilitation. By the time a child is 4 years old, 50 percent of what he's going to be as an adult has already been established in things like problem solving, curiosity, attitudes toward learning. It's a time when we really foul up by putting them in less than optimal care." And this should be of concern to communities and business leaders, as well as to parents, because this is the future work force.

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## HONORING THE NATIONAL HISPANIC UNIVERSITY

### HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. TORRES. Mr. Speaker, I am proud to bring to the attention of my colleagues the continued success of the National Hispanic University [NHU]. On June 21, 1983, I first reported the achievements and accomplishments of NHU. I believe it is timely that we recognize the contributions of the National Hispanic University during Hispanic Heritage Week.

As NHU approaches its sixth anniversary, the trustees, administrators, and faculty members continue their mission of providing higher education opportunities to students who require multicultural or multilingual knowledge, expertise, or perspective in business administration, education, or health science. While the National Hispanic University has worked toward enhancing and implementing crucial programs for Hispanics, NHU reaffirms its commitment toward equal education for all Americans. The school's student body remains geographically and ethnically diverse. The National Hispanic University does not discriminate on the basis of race, color, sex, religion, national or ethnic origin, age, or physical handicap. The diversity of the university is reflected in its board of trustees and its national advisory board.

The National Hispanic University has made important progress toward full accreditation. On July 4 of this year the National Hispanic University learned that the Western Association of Schools and Colleges had granted the school eligibility status for advancement to candidacy. This classification is an important step toward accreditation as a 4-year institution of higher education. When the university was established in 1981 it gained authorization to grant degrees that same year. Subsequently, the school was granted full approval in 1985 as a degree granting institution from the California Office of Private Post Secondary Education.

The National Hispanic University enrolls 300 students annually. However, enrollment figures are not the only indication of a strong institution. The quality of any university is reflected in the students it graduates. Over 130 graduates of National Hispanic University are working in hospitals, community medical clinics, and doctors' offices. These graduates are helping alleviate health problems experienced by the Hispanic community.

Mr. Speaker, I am pleased during Hispanic Heritage Week to bring to the attention of my colleagues an update on the progress and accomplishments of the National Hispanic University. I look forward to continued success and academic excellence for the students, faculty, and staff of the National Hispanic University.

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## DIRECTOR OF EL PASO JOB CORPS LAUDED BY THE WASHINGTON POST

### HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. COLEMAN of Texas. Mr. Speaker, I want to take this opportunity to bring to the attention of my colleagues the September 10, 1987, feature by the Washington Post on the director of the El Paso Job Corps, Mr. David Carrasco.

Mr. Carrasco directs the Nation's No. 1 Job Corps Center, whose accomplishments have helped me each year in the battle against the administration's annual attempts to eliminate the program. It is not surprising, therefore, that his successes and those of the El Paso Job Corps have attracted national attention and acclaim, and I want my colleagues in the House to learn about what a successful program we have in El Paso and how the programs in their own communities might benefit.

The article is as follows:

SUCCESSFUL COACH FINDS WINNERS IN JOB CORPS—CARRASCO, FORMERLY OF BLAIR AND AU, DIRECTS PROGRAM FOR DROPOUTS IN EL PASO

(By Jon Wilner)

Four flags fly high above the El Paso Job Corps, overlooking Interstate 10. The American flag stands tallest, with the Texas state flag and the Job Corps flag following in order. The fourth is dwarfed by the others. A three-foot red, white and blue pennant with a "No. 1" inscribed, it recognizes the El Paso center as the best Job Corps in the country, and it has been flying since 1979.

David Carrasco runs this highly efficient organization. He is used to first place. He lived in Montgomery County from 1946 to 1964, and during that time coached Montgomery Blair High School to three Maryland Class AA state basketball championships. He then switched to American University and coached the Eagles to three Eastern Regional Division II NCAA basketball championships in the late 1950s.

Carrasco, 68, became director of the El Paso Job Corps when it opened, in September 1970. It took him nine years to get to the top, but now he has the best retention rate (95 percent) of any Job Corps in the country. And 98 percent of his graduates find jobs or enter college or the military.

Financed by the Department of Labor, the Job Corps works with high school dropouts between the ages of 16 and 21. Some come from poverty-ridden or broken homes; some have learning disabilities. Carrasco explains it as a "situation in which something went wrong and the child's discipline is not there."

Yet he is quick to note that the Job Corps is not a center for juvenile delinquents.

"Our mission at the Job Corps is to provide new direction through the teaching of basic skills, be they reading, writing, social or technical, and help the kids get jobs when they graduate [from the year-long program]. We try to turn welfare recipients into tax-paying citizens. We reconstruct the lives of the 'corps members' who are going nowhere."

But how do street kids find Carrasco's open arms at the Job Corps, 15 miles east of downtown El Paso? Why would a high school dropout want to put up with a stringent daily schedule, mandatory dress code and strict discipline? "The kids come through the Texas Employment Commission," Carrasco said. "They go there looking for work, and they are referred to the Job Corps for training. Our good record helps in the recruiting.

"Most of the time, the youngsters want to be in the Corps. Our center is strict, and they want that, because until then they've done a lot of running around. But a lot of them have weak social skills. If they misbehave, fight or steal something, they get one or two chances, then they are thrown out."

Carrasco's attraction to the Job Corps stems from his background, which is similar to many of his students. He was born in an El Paso barrio. Carrasco's family had little money, but the difference between his upbringing and that of his students is that his parents, who were teachers, kept him in school.

"Basically, though, I'm a barrio guy," he said, "so I can relate well to the kids. Sure, I got out of the barrio because I got an education, but as I like to say, I don't live in the barrio, but the barrio lives in me."

After graduating from the University of Texas-El Paso, Carrasco served in the Navy in Bainbridge, Md. (near Havre de Grace) from 1943-45, where he met and married Marge Partin. (The family includes a son, David.) He then moved to Rockville and received his masters in education at Maryland. At the same time, he coached basketball at Blair, from 1951-55. In his five years there, Blair won three state championships. The Blazers were 22-0 in his last season, against a cross-city schedule that included private and D.C. and Virginia public schools.

In 1956, Carrasco became head basketball coach and athletic director at American. The Eagles, led by Will Jones, won three eastern regionals, but each time lost in the first round of the national championships in Evansville, Ind. But he was an effective athletic director, and was in part responsible for moving up American to Division 1.

"Also, I helped integrate AU athletics," Carrasco said. "when I came to AU, there were no black basketball players at any of the area schools. I went to President Hurst R. Anderson and recommended that we integrate. He agreed."

Carrasco left American in 1964 and joined the Peace Corps in Ecuador. Three years later, he was appointed Olympic attache to the U.S. Embassy in Mexico City. Carrasco helped the State Department monitor and supervise the American coaches and served on the Mexico City Olympic Organizing Committee.

In 1969, he returned to El Paso. It was there he heard about the opening of the El Paso Job Corps. He applied for the job and was accepted. His 18-year tenure is the longest of any Job Corps director in the country. He plans to continue at least until he is 70.

"I feel very fulfilled with what I have done," Carrasco said. "When I came in 1970, my goal was to assure that the youngsters left the center as enriched people. Of course, I'd like to someday have 100 percent retention, and also bring a day-care center in for the girls who have young children."

Carrasco said he feels one of the Job Corps' most important functions is the family planning program. Of the 430 participants, approximately 130 are married or have children. The program, which attempts to prevent teen pregnancies and provides counseling for young parents, is controversial "because the families these kids come from don't want the schools to deal with the sex education issues. But I think it's essential."

Carrasco's favorite success story is Carlos Porras, a fourth-grade dropout. Porras, who was fatherless and extremely poor, came to the Corps in 1971, barely able to speak English. He took cooking classes, received his general education diploma and, upon graduating, got a job at the local Kentucky Fried Chicken franchise. For a few years, Porras jumped between the Army and the Job Corps, returning several times to work for Carrasco as a cook. Porras now works in the food distribution business for Phillip Morris International. He travels, has a new home with a swimming pool, and a family.

"He was going nowhere and now he has a great job with a family," Carrasco said, his voice becoming more spirited. "There are a lot of stories like that.

"Sometimes, kids come up to me and say they want to grow up and be just like me. That's such a great feeling. The kids are smart. They can tell who really cares for them."

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## TRIBUTE TO CHARLES HARTSHORNE WESTON, "PIONEER" IN THE FAMED HENDERSON CASE "SEPARATE BUT EQUAL" AND ANTITRUST LAWS

### HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. GRAY of Pennsylvania. Mr. Speaker, Charles Hartshorne Weston, 95, a retired attorney who served more than 30 years in the U.S. Antitrust Division of the Department of Justice, died Sunday, August 2, of respiratory arrest at his home in Washington, DC. Mr. Weston was known as one of the Nation's leading legal scholars in constitutional laws. He wrote more than 100 briefs for arguments in the Supreme Court. The brief for which he most wanted to be remembered was the Henderson case when he persuaded the Justice Department to enter the case in opposition to the Interstate Commerce Commission [ICC]. The [ICC] argued that blacks traveling on Southern trains cculd be served meals behind a curtained partition. Weston argued that the "separate but equal" doctrine did not meet constitutional requirements. This was the first time in a Government brief that the psychological aspects of segregation were develped and extensively documented. This made it possible for arguments before the Supreme Court on the "separate but equal" issue in the famed school desegregation case to build on the psychological aspects of segregation so well documented in the Weston brief in the Henderson case.

Many of the cases which Mr. Weston prepared for the Government have had lasting impact on the quality of life in the United States, especially in the freedom and advancement granted black Americans and other disenfranchised minorities. He successfully challenged the American Medical Association [AMA] in the early 1940's when the [AMA] conspired to prevent physicians and hospitals from serving the members of the country's early group prepayment medical plans, the Washington Group Health Association. He challenged the Associated Press [AP] in 1942 arguing successfully that the [AP] had acted to monopolize the collecting and distributions of news by allowing any [AP] member to block a nonmember paper from joining the organization.

Mr. Weston was a member of many established clubs and organizations. Among those which he spent most of his time was the Hikers and the Cosmos Club of Washington, DC. His wife or more than 60 years, Virginia Ross, died in 1983. Her brother, Charles Ross, was Press Secretary to President Harry S. Truman. He is survived by his distinguished family of two daughters, Amy Weston Firfer of Bethesda and Virginia Weston Slaughter of Tappahannock, VA, a son, Charles H. Jr., of Macomb, IL, a sister, Esther B. Weston King, humanitarian and patron of the arts of Philadelphia, five grandchildren and one great grandchild.

Mr. Weston was born in Merion, PA, the son of S. Burns Weston, the founder over 100 years ago of the Philadelphia Ethical Society and Mary Hartshorne. He graduated from Phillips Exeter Academy and from Harvard College in 1914, where he was editor of the Harvard Monthly, the college literary magazine, and a member of Harvard Soccer Team. In 1916, he received an LLB cum laude from Harvard Law School.

In 1918, Mr. Weston joined the Antitrust Division of the Department of Justice, but resigned 2 years later in opposition to the policies of then Attorney General A. Mitchell Palmer. After several years in private practice, principally with the law firm of Rushmore, Bisbee & Stern in New York City, Mr. Weston returned to Washington and the Antitrust Division in 1929 and he was Chief of the Division's appellate section from 1943 to 1961. In 1956, Mr. Weston received a national merit citation from the National Civil Service League.

Mr. Weston was on the frontlines in the development of antitrust laws. Both the old Interstate Commerce Act and the Sherman Act had become ineffective tools in regulating trade abuses when the Clayton Act, passed during the Wilson administration, put teeth into the regulatory legislation. Mr. Weston's tenure at the Antitrust Division coincided with the Government's most active attempts to bar practices in restraint of trade. Justice Felix Frankfurter once remarked that he always recognized a Weston brief because it was so meticulously and cogently prepared and reasoned.

Yes, the Honorable Charles Hartshorne Weston has charted a noble pathway for present and future Americans to follow and enjoy: a safeguarded free enterprise system, free and equal opportunity for the press, free and equal opportunity for all Americans, without discrimination in travel, lodging and services, and a protector for entrepreneurs of tomorrow and he should never be forgotten.

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## THE PARENT DRUG AWARENESS ACT

### HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. DORNAN of California. Mr. Speaker, the legislation I am introducing today, "The Parent Drug Awareness Act," amends the Federal Food, Drug and Cosmetic Act to require that any "drug which is derived from an organ or tissue, cells, or any other material from a human fetus" be so labeled and that "such label be made available to the consumer of the drug and, if the consumer is a minor, the parent or guardian of the consumer."

State legislation is uniform in requiring parents to take care of the physical health and welfare of their children, including several types of innoculations, either as a curative or preventive public health measure. It is therefore proper that responsibilities which parents have for their children (whether ethical, religious, medical or personal) be taken into consideration with regard to the composition of such medications which may be administered as required by law. This is especially the case where the substrate for such vaccines may be derived from human tissue.

Current Federal food and drug legislation does not mandate that parents or guardians be informed by medical personnel that a medication or innoculation contains human tissue.

On April 2, 1985, I was informed by Henry H. Dausch, Acting Associate Commissioner for Legislative Affairs for the Food and Drug Administration (FDA), that "with reference to biological products used in humans there are two established cell lines used in rabies vaccine production, called WI–38 and MRC–5 diploid human cell lines. . . . These cell cultures serve as substrate for the manufacture of rabies, rubella, chicken pox and some type of poliomyelitis virus vaccines."

The MRC–5 cell tissues "were derived from the trypsinised lungs of a 14-week-old male fetus which had been removed from a woman aged 27 years for psychiatric reasons." (Some Comparative Characteristics of WI–38 and MRC–5 Cells and Their Suitability for the Production of Viral Vaccines, J.P. Jacobs, Proc. Symposium on Human Diploid Cells, Yugoslav Academy of Science, pp 43–55 [1970]).

The WI–38 cell tissues [and others] originated as follows: "WI–26 was derived from male fetal human lung and WI–38 and WI–44 from female human fetal lung. All embryos were obtained from surgical abortions and were of approximately three months' gestation." (The Limited In Vitro Lifetime of Human Diploid Cell Strains, L. Hayflick, Experimental Research, 37, 614–636 [1965]).

Parents have the right to know this information, so that if they wish, they may seek alternative medication or exercise state statutory or other Constitutional exemptions to such innoculations.

My bill simply asserts the right to know. It does nothing more.

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## TRIBUTE TO RECIPIENTS OF WOMEN FOR

### HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to the 1987 recipients of WOMEN FOR's Women of Achievement Award. Each year WOMEN FOR, a volunteer organization active in local, national, and world issues, honors outstanding women who have made significant contributions to the advancement of progressive and feminist goals.

This year's honorees are recognized for their outstanding work in the areas of civil and human rights, public education, environmental protection, and world peace. The 1987 honorees are: Gloria Allred, a prominent Los Angeles attorney, for her work against sexual discrimination in the workplace; Jo Caines, director of community relations at KOEC–TV, for her long history of community service; Susan Clark, star of theater, stage, and television, for her commitment to the elimination of nuclear weapons and her ardent support of feminist issues; Laura Lake, an internationally respected scholar of environmental policy implementation, in recognition of her work in environmental issues; Brianne Murphy, a noted photographer, for her work to promote women in the entertainment and photographic industries; Laura Balverde-Sanchez, president and CEO of the New El Rey Sausage Co., Inc., for her remarkable achievement in taking over a bankrupt plant and creating a profitable and strong family business; Silvia M. Siegle, executive director of TURN [Toward Utility Rate Normalization], in recognition of her efforts against arbitrary and unfair utility rates; Stacy Winkler, President, of United Friends of the Children, for her tireless work on behalf of abused, abandoned, and neglected children; and Peg Yorkin, a theatrical producer and activist, for her work in politics and the arts.

It is my honor and pleasure to join with my colleagues in congratulating these women, who have dedicated their efforts not only to promote the advancement of women, but to work toward equality and justice for all humanity.

## FLORIDA SHERIFFS YOUTH RANCHES

### HON. EARL HUTTO

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. HUTTO. Mr. Speaker, I am pleased to relate to you today a story of a lesson well learned. A gentle old man walked into a Florida sheriff's office who had quite a past. This 72-year-old gentleman had shot and killed a grocer in an armed robbery when he was 19 years of age. However, on this particular day he told the sheriff that, because he knew he was dying, he wanted to donate his life savings of $100,000 to help youngsters stay out of trouble. The money was given to the Florida Sheriffs Youth Fund. This man had learned the importance of teaching youth how not to make a mistake similar to his own.

Over the weekend of October 2, 3, and 4, the Florida Sheriffs Youth Ranches will celebrate 30 years of service to Florida's dependent, neglected, and troubled boys and girls. In 1957 the Florida Sheriffs Association conceived the idea for the boys ranch and in 1959 admitted its first camper. This organization now operates four year-round residential programs, a summer camping program, and a statewide counseling service. Each summer, between 300–400 youth from around the State attend a 10-day summer camping session at the youth camp near Deland.

The reason the Florida sheriffs started the boys ranch back in 1957 was to help prevent juvenile delinquency, and they have not been disappointed. During their 30 years of operation, over 3,500 boys and girls and their families have been given assistance in solving their problems. The sheriffs have proven to these youth that law officers are their friends.

I join with other members of the Florida delegation today in commemorating the occasion of the 30th anniversary of the Florida Sheriffs Youth Ranches.

## A CONGRESSIONAL SALUTE TO DICK AND MYRNA WIGOD

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. ANDERSON. Mr. Speaker, it is an honor to rise today to pay tribute to Dick and Myrna Wigod. Dr. and Mrs. Wigod will receive the prestigious 1987 Humanitarian Award at a special dinner in their honor to benefit the Long Beach Lung Association Friday, September 18, 1987.

Dr. and Mrs. Wigod have done much to contribute to the success of the Long Beach community. As outstanding citizens, they have contributed their time and wisdom to the city. Through their involvement in community services, volunteer work, and hospital and medical causes, they have received recognition and awards from their friends and colleagues.

Myrna Wigod enjoys great success in a variety of commitments to her community. Among the long list of Myrna's impressive accomplishments: president of the Long Beach City College Library Associates, and president of the Long Beach Civic Light Opera Women's Guild; serves on the board of directors of: the Los Angeles County Medical Association Auxiliary; the Long Beach City College Foundation; and the California State University, Long Beach Athletic Foundation. Myrna also chairs the Los Angeles County Medical Association Regional Poison Center, the Long Beach Community Hospital Foundation, the United Way Region III Medical Professional Division, and the United Way Special Gifts Division. Her accomplishments have not gone unnoticed as she has been the recipient of the Service to Community Award, Long Beach; the Rick Racker Woman of the Year Award in 1982; the Sparkplug Award, American Cancer Society; and the Long Beach City College Hall of Fame in 1985.

Dr. Richard Wigod is also a model of success and has served the medical community well. Dr. Wigod is a member of the California Medical Association, the American Medical Association, and the Los Angeles County Medical Association. He was also the president of the LACMA, Long Beach Medical Association from 1977 to 1978. Dr. Wigod has served as the chief of staff, chief of medicine, and vice chief of staff for the Long Beach Community Hospital. He has also served on the staff at Memorial Hospital and St. Mary Medical Center, as well as chairman of my Congressional District Medical Advisory Committee.

Dr. Wigod's commitment to people and his community is also exemplified in his commitment to community involvement. He is a board member of the Long Beach Civil Light Opera, the Wilson High School Booster Club, and the Long Beach Community Hospital Foundation. Dr. Wigod has served as the team physician for Woodrow Wilson High School, Belmont Bears Youth Football, and Lakewood High School, and is a member of the American Heart Association, American Cancer Society, and the Long Beach Lung Association.

Mr. Speaker, Dick and Myrna Wigod have done so much to help make their community such a beautiful place in which to live and work. My wife, Lee, joins me in congratulating Dick and Myrna on their many accomplishments. We wish them and their children, Jane and Robert, as well as Dr. Wigod's mother, Helen, happiness and all the best in the years ahead.

## THE 30TH ANNIVERSARY OF FLORIDA SHERIFFS YOUTH RANCHES

### HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. IRELAND. Mr. Speaker, I would like to bring to the attention of my colleagues in the House, that we in Florida are about to celebrate the 30th Anniversary of the Florida Sheriffs Youth Ranches. Established in 1957 to help prevent juvenile delinquency, it remains, as far as I know, the only program dedicated to helping dependent, neglected, and troubled boys and girls which is sponsored by a law enforcement agency.

The Florida Sheriffs Youth Ranches now operate four year-round residential programs, a summer camping program, and a statewide family counseling service. I am particularly familiar with one of the residential units, Youth Villa, located in my district, Florida's 10th, in Bartow.

The key to the sheriffs program is that parents of the children must be involved. Boys and girls, ranging in age from 8 to 18, stay with the program an average of 14 months. During that time they are given guidance counseling and taught to accept responsibility for themselves and their surroundings.

However, the program's philosophy is that ultimately the children should be reunited with their families. Each 6 months while the young person is in residential care, parents are asked to attend a family review conference at the facility. The conference includes the parents, the young person, and the Youth Ranch team—includes a unit director, social worker, and residence counselor—and reviews the child's progress and sets new goals as necessary. In addition, one of the program's family social workers works with the parents on an on-going basis while the child is in the care of the facility. Further, there is followup aftercare and adoption services are available on a case-by-case basis.

Mr. Speaker, 65 to 70 percent of those children who go through the villa program are eventually reunited with their parents. Furthermore, this is a program which is supported almost entirely through voluntary gifts. I would like to commend this most admirable record and congratulate all those involved in this program over the years for its outstanding achievements.

## IMPORTS THREATEN U.S. MOBILIZATION PLANS

### HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. NICHOLS. Mr. Speaker, part of the global strength of the United States is derived from the ability of our country to arm, clothe and prepare for battle great forces of men and material. The potential might of a determined and fully mobilized United States is awesome to consider.

The fact is, mobilization for a conflict similar to Korea may be awesome only on paper. This is because the U.S. lacks the capacity to produce critical defense items such as uniforms, shoes, tents, and protective chemical equipment in quantities sufficient to meet the demands of mobilization.

Mobilization isn't just a process to ensure the production of more tanks, guns, bullets, ships, airplanes, and submarines. It is the period during which the training base for recruits expands radically, and with it, the demand for more shirts and trousers and hats and belts and tents.

Mr. Speaker, sometimes we forget that at the heart of our national defense are the men who carry the guns, fly the jet fighters, and sail our warships. History is full of examples of battles lost and nations toppled because troops didn't have the equipment they needed for sustained engagements.

I know, therefore, that you will share my alarm that in 5 years, probably, and 10 years, certainly, the U.S. textile and apparel industry will be so ravaged by imports that meeting the clothing and personal equipment requirements of mobilization will be impossible.

That is the conclusion of a compelling study on the subject of mobilization and textiles by Lt. Col. Joseph W. Kemodle of the Industrial College of the Armed Forces at Fort McNair. The study is entitled "Clothing, Individual Equipment and Textile Support Capabilities During Mobilization."

Colonel Kemodle approached mobilization with the understanding that the term implies that battle uniforms and critical field equipment ought to be made in America because we cannot rely on imports landing on our shores in time of war.

Now that, I think is a reasonable goal. The Kemodle report defined just how far we are from reaching that goal.

For example:

80 percent of the footwear sold in the United States is imported.

Most tents sold in America today are produced off shore. Fewer than 12 domestic companies produce tents for the military.

Imports have reduced the capacity of the textile industry 10 percent and have severely reduced the capability of the apparel industry to manufacture clothing.

From a list of 500 apparel manufacturers identified for military production, 80 went out of business in 1985 alone.

There are four manufacturers of protective clothing. Fifty such manufacturers employing 500 workers each would be needed for mobilization.

The author of the mobilization report observed, "There is serious doubt that (Vietnam) production levels could be met today. There will be no doubt if the industry is permitted to disappear like the domestic shoe industry."

In summarizing his research, Col. Kemodle says: "The industrial base for clothing, individual equipment and textiles is less capable of supporting mobilization today than at any time in the past. Imports and off-shore production have reduced the tentage, woolen and footwear industries to the point where they are not capable of providing sufficient products. Unique capabilities and large requirements of chemical protective clothing (45 times annual peacetime purchases) have surpassed the capability of the domestic industry. The apparel industry is diminishing rapidly and the textile industry is consolidating, eliminating operations and reorganizaing to avoid dependence on the domestic apparel industry. These industries will not have the capacity to support mobilization within 5 to 10 years if imports continue to increase at the same levels they have for the past 5 years."

Mr. Speaker, I would like to remind my colleagues that our Government believes that second to steel, textiles is most essential to the national defense. In a speech at the annual meeting of the American Textile Manufacturers Institute March 16, 1984, Secretary of Defense Casper Weinberger said, "The Army Quartermaster General declared that textiles were second only to steel as the most vital product in the successful conduct of our war efforts: Today, with our Armed Forces using more than 20,000 different textile items, from parachutes to advanced synthetics, our reliance on the textile industry remains great."

When Secretary of Labor William E. Brock was U.S. Trade Representative, he said in a speech at the National Press Club in April of 1983, "Every industry insists it is essential for national defense. Textiles is the only one we accept, and that goes back 20 years."

It is time that we ensure that uncontrolled imports do not undermine our textile and apparel manufacturing base and jeopardize the national security of the United States.

That is why it is so urgent that we enact H.R. 1154, The Textile and Apparel Trade Act of 1987.

## HONORING HANDS OF SHARED TIME

### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mrs. MORELLA. Mr. Speaker, I am proud to honor HOST, Hands of Shared Time, for their outstanding service to Montgomery County, MD. This effective and dynamic community service organization has provided vital companionship to the elderly since March 1986.

HOST matches young volunteers with dependent elderly individuals, providing them with companionship and assistance. The time spent by these volunteers can help to prevent a sense of isolation which often is a major cause of deteriorating health. It can be especially important to families who are caring for elderly relatives—these families often work during the day and may have to leave the older people alone, confined to one room.

Volunteers are 15 years of age or older and are drawn from churches, synagogues, and schools in the community; they agree to make weekly visits, spending at least 1 hour per week. The program offers a 12-hour training course, to teach volunteers how to provide companionship, perform various household chores, and maintain contact with the individual during the week.

HOST is funded by a grant from the W.K. Kellogg Foundation in Michigan, and the headquarters are located in Olney, MD. Through a comprehensive outreach effort, HOST serves a 100-square-mile area of northeastern Montgomery County.

The program is the brainchild of Teddy Marcot, who now serves as the director. A registered nurse with a master's degree in gerontological nursing from Georgetown University, Teddy has provided the special leadershp needed to guide this program and to make it the success which it has become in such a short time. I congratulate Teddy and the many HOST volunteers for their important contributions to the elderly of Montgomery County and the community as a whole.

Mr. Speaker, I hope my colleagues will share HOST's valuable work with aging and community organizations in their districts and look to the program as an example of the opportunities for volunteer action at the local level.

## A CELEBRATION OF CITIZENSHIP

### HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. LOTT. Mr. Speaker, this year we celebrate the bicentennial of the U.S. Constitution, a document that has been passed from generation to generation and has stood the test of time. James Wilson, at the time of the signing, said: "We should consider that we are providing a Constitution for future generations and not merely for the circumstance of the moment." The U.S. Constitution is the legacy of our heritage and will guide the course of our future. We must pass it down to our children, as it was passed on to us.

On September 16, at 1 p.m., on the west front steps of the Capitol, "A Celebration of Citizenship" will unite national and community leaders with the youth of America. I invite all Members of the 100th Congress to join with President Reagan, retired Chief Justice Warren E. Burger, Senate and House Democratic and Republican leaders, Chief Justice William Rehnquist, members of the Cabinet, and the youth of America for the patriotic salute to our governing document.

DISTINGUISHED PUBLIC

Management Plan, a project of vital interest to

an annual operating budget approaching $10

pany this honor for Congresswoman SMITH. I

THE 100TH ANNIVERSARY OF

cated efforts of Kenneth A. Pippein, president

## DISTINGUISHED PUBLIC SERVANT RETIRES

### HON. WALTER E. FAUNTROY

OF DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. FAUNTROY. Mr. Speaker, on Thursday, September 17, 1987, the family, friends and colleagues of Mr. Alphonso DeShields will celebrate his retirement from the Federal Government after 42½ years on the job.

A native of Spartanburg, SC, Mr. DeShields became a resident of the District of Columbia in 1942. During that same year, he joined the Office of Price Administration where he remained until 1946, when he joined the Office of Housing Expeditor. After leaving that office, he worked for a decade for the President's Committee on Equal Employment Opportunity. From there, in 1966, he joined the U.S. Department of Labor, where he has served for the past 21 years.

During his more than four decades on the job, he has assumed a variety of responsibilities, and he has always been conscientious, supportive, hard working and efficient—the kind of Federal employee every employer dreams about. He is especially known as a courteous and friendly person, able to get along with everyone.

On August 3, 1987, Alphonso DeShields went for a final time to his job in the Office of the Assistant Secretary for Administration and Management, Directorate of Administrative and Procurement Programs, Departmental Library, U.S. Department of Labor. The U.S. Government and the people of America will miss Alphonso DeShields.

His friends and those who worked with him are asked to join him and his lovely and talented wife, Valeria Spivey-DeShields in Conference Room N-3437, U.S. Department of Labor Building, 200 Constitution Avenue, N.W., in the District of Columbia, at 11:30 a.m.

Alphonso DeShields has earned our respect, admiration and applause.

## A TRIBUTE TO LT. COL. ROY PRINCE ON HIS RETIREMENT FROM THE ARMY CORPS OF ENGINEERS

### HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. JENKINS. Mr. Speaker, often, the people who work diligently daily receive little recognition during their tenures. Today, I would like to recognize a man who worked diligently in the U.S. Army Corps of Engineers for 21 years.

Lt. Col. Roy Prince retired August 31 from the Corps of Engineers. During my more than 11 years in the U.S. House of Representatives, I have had several occasions to call on the corps for assistance in which Lieutenant Colonel Prince responded. He has been a credit to the corps at all times.

During his tenure, he has been involved in the revision of the Lake Lanier Lakeshore Management Plan, a project of vital interest to the Ninth District of Georgia. He also worked on the start-up and dedication of the Tenn-Tom Waterway, the post disaster recovery efforts along the Mississippi gulf coast following Hurricane Elena, replacement of the Oliver lock, and the A-C-F drought of 1986.

Before his assignment with the Mobile district as deputy district engineer for civil works 3 years ago, he was a staff engineer in Eujongbu, Korea, with the combined field army, served 2 years of duty in Vietnam, 2 years as a project engineer building roads in Brazil, as project engineer at the corps' San Francisco district, and as an advisor to a National Guard Engineer Battalion in Jonesboro, AR. During his career, he has been awarded three Bronze Stars, three Meritorious Service Medals, three Army Commendation Medals, and the Air Medal.

Now that Lieutenant Colonel Prince has retired, perhaps he, his wife, Marsha, and daughter, Laura, can spend more time with us in the north Georgia mountains where they have escaped occasionally to enjoy the outdoor life.

Wherever his retirement takes him, Lieutenant Colonel Prince can be proud of the service he has given to his country.

## FLORIDA SHERIFFS YOUTH RANCHES CELEBRATING 30-YEARS OF SERVICE

### HON. BILL GRANT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. GRANT. Mr. Speaker, I am proud to announce that we have as visitors at the Capitol a group boys and girls representing the Florida Sheriffs Youth Ranches, a unique charitable organization that is currently celebrating its 30th anniversary as a private child care agency dedicated to helping neglected, unsupervised, and troubled youngsters.

It is a point of pride with me that the Youth Ranches project began in my district when the Florida Sheriffs Association established the Florida Sheriffs Boys Ranch on the banks of the Suwannee River.

At that time, there were skeptics who viewed the Boys Ranch as an impulsive, impractical venture because the Sheriffs Association had only $5,000 and 140 acres of donated land, and the members of the organization were completely lacking in residential child care experience.

As a former banker sensitive to the underserved public image of bankers as hard-nosed realists, I am delighted to point out that two Live Oak, FL, banks came to the rescue by lending the Boys Ranch sufficient funds to finance the first buildings.

This was not exactly textbook banking, and it is likely that the bank officials had some restless nights while the Boys Ranch was getting off to a sometimes sputtering and shaky start.

However, the loans were paid off ahead of schedule, the Boys Ranch prospered, and an impulsive dream eventually developed into a statewide network of child care facilities with an annual operating budget approaching $10 million, real estate holdings totaling over 6,000 acres, a net worth of over $20 million, and a lineup of professional services that ranges from couseling families that are falling apart to providing a good home and prospects of a brighter future for unfortunate boys and girls.

Over 3,500 boys and girls have received help through the five residential programs of the Florida Sheriffs Youth Ranches, and its statewide network of family social workers.

In this year when our Nation is celebrating the 200th anniversary of one of the greatest documents ever devised in mankind's search for freedom, I am grateful for this opportunity to bring to the attention of my colleagues an outstanding example of free men exercising their charitable impulses within the framework of a free society.

The Florida Sheriffs Youth Ranches represents voluntarism at its absolute best simply because this highly successful project has been financed almost entirely by voluntary contributions. It also serves as a dramatic reminder that gruff, tough law enforcement officers have tremendously compassionate impulses under their stern, no-nonsense exteriors.

In 1957 Florida's sheriffs were deeply concerned about the many boys and girls who were becoming juvenile delinquency statistics simply because bad breaks had deprived them of a stable and desirable home life. These sheriffs responded by writing a new chapter in the history of human compassion, and now, 30 years later, I invite my colleagues to join me in saluting them; and also in expressing deep gratitude to the citizens whose generous contributions have made the Florida Sheriffs Youth Ranches an inspiring example of Americans helping Americans the American way.

## A TRIBUTE TO NEBRASKA'S GENTLELADY FROM THE THIRD CONGRESSIONAL DISTRICT

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. BEREUTER. Mr. Speaker, on September 4 in Lincoln, NE, a very special individual was honored by the Nebraska Hall of Agricultural Achievement.

Our colleague from Nebraska's Third Congressional District was inducted into the Nebraska Hall of Agricultural Achievement, making her the first woman to be honored by that organization. She was an outstanding choice, and I know my colleagues share that view as well.

As a person who watches VIRGINIA SMITH's performance on a day-to-day basis, I can think of no person who better deserves this honor than our colleague from Chappell, NE. She is one of the foremost, effective, and tireless spokespersons and leaders for American agriculture and for our State's agriculture and agri-business sectors.

This Omaha World Herald editorial of September 10, 1987, provides a tribute to accompany this honor for Congresswoman SMITH. I wish to include the text of that editorial in the RECORD and offer my personal congratulations to my colleague.

VIRGINIA SMITH DESERVED THE HONOR

"There is no excellence without great labor." That statement from a valedictory speech at Shenandoah, Iowa, in 1928 hasn't lost its meaning to the person who made it. Virginia Smith, Nebraska's 3rd District representative in Congress, said she still lives by the philosophy she expressed in high school.

Her work for agriculture is a case in point. Recently, she was inducted into the Nebraska Hall of Agricultural Achievement, making her the first woman to be honored by that organization.

As a farm wife, years before she became the first woman elected to a full term in Congress from Nebraska, Mrs. Smith was active in 4-H and cooperative extension service programs. She eventually became national chairwoman of the American Farm Bureau Women. She won awards for speaking and traveled widely in this country and abroad to make speeches, often about agriculture.

She is a member of Appropriations Committee subcommittees dealing with agriculture and energy and water development.

Mrs. Smith's involvement in agriculture helped qualify her to represent the 3rd District in the House. In her 12 years in Congress, her reputation as an advocate for agriculture has grown. She was a deserving recipient of the Hall of Agricultural Achievement honor.

## THE 100TH ANNIVERSARY OF THE BALTIMORE AND ANNAPOLIS RAILROAD COMPANY

### HON. THOMAS C. McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to honor and to celebrate the 100th anniversary of the Baltimore and Annapolis Railroad Co.

Marylanders may remember the pleasure of boarding an electric train in downtown Washington and riding swiftly to downtown Baltimore or the Annapolis statehouse. After running for over 50 years, the Washington, Baltimore & Annapolis Railroad, gave up running trains between two of the three cities that were in its name. The Baltimore & Annapolis Railroad, however, maintained service between those two cities until 1950. Once a railroad that linked Baltimore, Washington, Fort Meade and Annapolis, the Baltimore & Annapolis Railroad provided passenger service on the line from 1887 until 1950.

Although it no longer carries passengers, the railroad serves many in several ways. A 7-mile remnant of the old B&A line still is used to transport freight from South Baltimore to just north of Dorsey Road. The southern port of the B&A railbed has been converted to a 14-mile hiking and bike trail. For 100 years, the Baltimore and Annapolis Railroad has served its passengers with distinction and dignity.

Numerous proposals for additional uses have been entertained. The Mass Transit Administration has explored the possibility of starting light-rail passenger service between downtown Baltimore and its Anne Arundel county suburbs. Through the diligent and dedicated efforts of Kenneth A. Pippein, president of the Baltimore & Annapolis Railroad, the railroad has remained with us to continue its service to the State of Maryland.

March 9, 1987 marked the 100th anniversary of this historical treasure. On September 16, many will gather to celebrate this event. Mr. Speaker, it is an honor to help celebrate the operations of the Baltimore & Annapolis Railroad, past and present.

## GROSS TAX INEQUITY

### HON. FRED GRANDY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mr. GRANDY. Mr. Speaker, today along with several colleagues I am introducing legislation which will stop a gross inequity. Farmers using pik and roll could be subject to paying taxes twice in 1 year.

According to an obscure USDA rule, when a pik certificate is used to redeem a Commodity Credit Corporation loan, the grain in storage is considered to have been "sold" to the Commodity Credit Corporation. The U.S. Treasury [IRS] considers this to be an income-producing commodity at that time. However, many farmers used existing law to defer income until they actually sold the grain.

Because of this "double-taxation," producers could possibly see a popular "pik and roll" program not be utilized. My legislation gives farmers a fair option, by allowing farmers to either declare the loan option as a sale or wait until they sell their grain before declaring it as income.

My bill is aimed at breaking the bureaucratic snafu and overriding USDA and IRS paper shuffling.

# HOUSE OF REPRESENTATIVES—*Wednesday, September 16, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, as we think on the glories of Your spiritual world, may we also see how those glories can be realized in our daily lives. We recognize, O God, that we so easily separate our spiritual gifts from our worldly tasks. Teach us to see how good deeds done for the needy, the hungry, the hostage and the forgotten can be our way of responding to the spiritual blessings You have provided to us. This we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## CALL OF THE HOUSE

The SPEAKER. Without objection, a call of the House is ordered.

There was no objection.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 317]

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Armey
Atkins
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bellenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Montgomery
Moody
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

☐ 1010

The SPEAKER. On this rollcall 399 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

## LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked to proceed for 1 minute for the purpose of inquiring of the distinguished majority leader the program for the balance of the week, and might I indicate to the distinguished majority leader that while we have a good rapport in discussing the schedule from time to time, I know the gentleman is always under pressure from various quarters, just as this gentleman is, and now we begin what will be a series of kind of unpredictable events into September and October and Thanksgiving and the Members are talking about how close to Christmas and really particularly for our west coast Members on transportation and all of the rest, we need as definitive a schedule as we can possibly give to these Members and if the gentleman would be so good as to respond to that particular inquiry, what are we going to do for the balance of the week and beyond?

☐ 1025

Mr. FOLEY. Will the distinguished Republican leader yield?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, first to address the more specific schedule of this week and early next week, the House will be considering the textile legislation today, and tomorrow the House will meet to consider H.R. 442, the Civil Liberties Act, which deals with the Japanese relocation issue. The Japanese-American relocation issue has been scheduled for a period now of many months for September 17, and it is expected that this legislation will be concluded by 2 p.m. or close to 2 p.m. in the afternoon.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

So we have scheduled no other legislation tomorrow and Members can generally believe, I think, that they can have an early departure. There will be no other legislation scheduled for the week.

Next Monday, however, I repeat, next Monday, however, the House will be in session and we will be considering the Farm Credit Act. There will be votes. That is an important legislative proposal and a major agricultural proposal, the major agricultural proposal, for this year. The reason we are scheduling legislation Monday as well as Tuesday and Wednesday is that next week the House will adjourn on Wednesday for the Jewish holidays and there will be consequently only a 3-day work week next week. But it will be 3 days.

Once again, a full schedule on Monday with the farm credit bill and H.R. 442, the Civil Liberties Act on tomorrow.

As far as the rest of the schedule next week is concerned, that will be announced tomorrow. But there will be, as I say, legislation on Tuesday and Wednesday.

We hope there will be a fairly early departure time on Wednesday to accommodate Members who need to have an early departure and be home early.

Broadly speaking, we intend to keep the Members advised on the schedule as precisely as possible. But I think it is clear that the legislation which remains before us and in the other body require a session that will go into the middle or latter part of November. It would be unrealistic for Members to expect adjournment much prior to Thanksgiving.

The problem presented here is not so much the work of the House of Representatives, which frankly has been diligent and on time, but the problems have existed in the other body, and I will not elaborate on those. But we intend to keep pressing forward to complete the work of the House of Representatives so ably begun under the speakership of our distinguished Speaker. And we hope for the continued cooperation of our friends on the minority side.

Mr. MICHEL. Mr. Speaker, might I ask two specific questions.

Today, could the gentleman be a little bit more specific on how we take up that textile bill timeframewise because of the celebration on the west front?

Mr. FOLEY. The House gave approval last evening for the Speaker to declare a recess at approximately, I believe, 1:15 and resuming at 2:30. That will be for the purpose of Members attending the Constitution bicentennial observation on the west front. But we will resume at 2:30 and take up the textile bill until completion.

Mr. MICHEL. Would the gentleman suspect that would run late this evening?

Mr. FOLEY. I do not think so. I think probably 5 or 6 o'clock.

Mr. MICHEL. Finally, next week would those be late evenings?

Mr. FOLEY. The farm bill will be completed on Monday and Members would have to assume that Monday will be a full day. I would assume, we have about 5 hours on the farm bill, so going in at noon and accommodating the procedures of going in, I would think 6 or 7 o'clock would be what Members should assume for the farm bill on Monday.

Again, I think Wednesday we will make every effort to conclude legislation early because of the pending Jewish holiday.

Mr. MICHEL. I thank the distinguished majority leader.

## ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Let the Chair announce that the Celebration of Citizenship which will be observed on the west front of the Capitol commencing at 1 o'clock will last for approximately 1 hour. The latter half of that time will be nationally televised.

This is an occurrence for the purpose of observing the 200th anniversary of the Constitution. Therefore, it will be the purpose of the Chair to declare a recess at approximately 12:45 in order that Members may take the seats reserved for Members of the Congress on the west front for this ceremony commemorating the 200th anniversary of our Constitution.

We would then expect to be back in session at approximately 2:15.

The Chair also would like to announce that at 10 a.m. next Tuesday morning an informal meeting will be held here on the House floor. The House Democratic Caucus, having invited the Republican conference and others who may wish to come will hear an address by the President of Costa Rica, the Honorable Oscar Arias.

## RECESS

The SPEAKER. Pursuant to the provisions of House Resolution 255, the Chair announces that he has designated this time for the taking of the official photograph of the House in session.

Without objection, the House will stand in a brief recess while the Chamber is being prepared for the photograph. The House will be in order when the photographs are taken. Members will please face the cameras. There will be about 10 flashes of the strobe lights and the process will take about 10 minutes. About 5 minutes after that the House will proceed with the business of the House.

There was no objection.

The SPEAKER. The Chair declares a recess.

(Accordingly, at 10 o'clock and 34 minutes a.m., the House stood in recess subject to the call of the Chair.)

☐ 1040

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 10 o'clock and 47 minutes a.m.

## REMOVING AVIATION TRUST FUND FROM CONGRESSIONAL AND PRESIDENTIAL BUDGET

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, for the past months, as chair of the Aviation Subcommittee, I have heard time and time again from my distinguished colleagues about airline delays and aviation safety. My colleagues have spoken to me on behalf of their constituents and from their own experience.

I am here today to let this body know that the solutions to most of these problems are within reach. By spending the $5.6 billion surplus that now sits in the aviation trust fund and its future receipts, we can expand the Nation's airports and air traffic control system to handle growing passenger traffic.

We have the funds to replace FAA's vacuum tubes with state-of-the-art computers that will be able to keep air traffic moving. We have the money to ensure safe operation of the airways. We have the dollars to increase the efficiency of our airports and our air traffic control system.

Users of the aviation system have been contributing to the trust fund. Inexcusably, the Congress and the administration have not allowed the users' contributions to be spent.

Rather than fund the needed aviation improvements, the trust fund surplus continues to grow, balancing the overall budget deficit instead of financing projects to reduce air delays and increase aviation safety.

The obvious and final remedy we have been forced to advocate is to remove the aviation trust fund from the congressional and Presidential budget. The House as a whole deserves the chance to decide whether or not we will spend the funds we keep collecting to improve and develop the aviation system and to reduce delays.

I ask for your support in the Rules Committee and on the floor.

### NATIONAL POW/MIA RECOGNITION DAY

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, the fate of the men still unaccounted for in Southeast Asia weighs heavily on the heart and minds of all Americans, and especially upon the families and friends of these brave heroes.

On Friday, September 18, Americans will pause to remember those 2,417 men—24 of them Nebraskans—on National POW/MIA Recognition Day.

During the August recess, I was privileged to attend the annual Nebraska Vietnam Veterans Reunion, where the families of the 24 Nebraska POW/MIA's were the guests of honor.

I told the families that although there are many, many foreign-policy issues on which the Congress—and the people of this Nation—are divided, this is one foreign-policy issue on which we are completely united.

All Americans, after all, share this common goal: freedom for any American who may still be held in Southeast Asia, and justice for all of the families who have worked so long to resolve the fate of our POW's and MIA's.

On National POW/MIA Recognition Day and on every other day in the year, the Congress must continue to do everything in its power to ensure that this remains an issue of the highest national priority and that it be quickly and completely resolved.

### SUPPORT H.R. 1154, THE TEXTILE BILL

(Mr. RAY asked and was given permission to address the House and 1 minute and to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, today the House will begin to consider the textile bill, which if passed into law will provide relief for the textile industry.

I rise in strong support of this industry which is one of a few that is exemplifying the intestinal fortitude that is inherent in Americans when their very survival is threatened.

This bill is under attack by the so-called free traders who seem to be having problems recognizing the facts of life.

The administration wants trading policy left under their jurisdiction and control, however their dismal track record which has brought us to an annual trade imbalance of $165 billion including the worst last quarter in history, is not trustworthy.

I was astonished to learn just recently that the most-favored-nation status, negotiated during the reign of the Shah of Iran, continues during the Ayatollah Khomeini's reign.

It is unbelievable that a country which daily refers to America as the "great Satan" and one who engineered the bombing of the United States Embassy in Beirut, and one who engineered the suicide attack on our Marine barracks in Lebanon killing 242 marines, is able to dump 600,000 square yards of fabric on the American market in a favored nation status.

The Soviets also got in their licks in 1986 by dumping over 12 million square yards of fabric on American markets with only a 3-percent tariff and at a rate of 33 cents per yard, less than American prices.

My colleagues, the free traders cannot be trusted. Enough is enough. Therefore I urge support of H.R. 1154, the textile bill.

### NATIONAL EDUCATION SAVINGS TRUST ACT

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, I have introduced the National Education Savings Trust Act, which establishes a national trust fund to assist families to save for their children's postsecondary education.

During the past 10 years while average college costs have increased 100 percent, Federal aid programs have actually declined in relative value. Families all across the Nation are concerned about the way to finance the education their childen must have to compete in tomorrow's increasingly complex work place.

This bill would allow parents to contribute up to $2,000 per child per year into a national education savings trust which would become available to cover the costs when a child is enrolled in a postsecondary institution. Contributions to this fund would have varying rates of deductibility based on a family's income level. If the funds are withdrawn for educational purposes, interest would be tax free.

Many States and postsecondary institutions have developed their own educational savings plans. However, only the Federal Government can offer a family the portability of a plan that applies to all postsecondary institutions and can guarantee equal tax treatment for all.

The National Education Savings Trust Act offers a practical way to meet the future costs of higher education. I urge all Members to give this plan serious consideration.

□ 1055

### MEDICARE PREMIUM INCREASES

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONNELLY. Mr. Speaker, the Washington Post reported yesterday that the Medicare part B premium would increase by 38 percent next year. Medicare part B covers all nonhospital services, and many people are asking "why such a huge increase?"

The answer is simple: drastic increases in physician charges. Even though the inflation rate is only 4 percent, physician charges are increasing at nearly 10 times that level.

Mr. Speaker, these increases will only end when this Congress gets serious about reforming the physician payment system under Medicare and starts to clamp down on physician charges. What we need is a whole new payment system—possibly a set fee-for-service—coupled with a prohibition on the practice of "balance billing." With such a law, we would limit premium costs for beneficiaries and prohibit physicians from billing patients above the exceedingly generous Medicare level, that will be true protection for the elderly, and I will continue to advocate and work for such a system on the Ways and Means Committee.

### SEPTEMBER 16, 1787—DELEGATES RECESS PENDING SIGNING OF THE U.S. CONSTITUTION

(Mr. GEKAS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, it is now September 16, 1787, and I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia. The delegates are all in their own lodgings at this hour preparing to go home, knowing that when they come back to the hall tomorrow after this short recess they will be signing the document now known as the Constitution of the United States, to complete the mandate of the Congress of the United States which had sent these delegates to Philadelphia for the express purpose of revising the Articles of Confederation, but who have devised the new wonderless document called the Constitution.

The only delegates who are scurrying around the hall today are those who have specific duties to accomplish concerning that final day which is scheduled for tomorrow. Among them is James Madison. I have interviewed him extensively, and I have just now asked him why he continues, as he has throughout every single day of this convention, to take notes and to revise those notes and to make memoranda concerning those notes. He has told me that he thinks 100 years from now or 200 years from now, in 1887 or 1987, Members of Congress and people who are history-minded and those who

want to celebrate a centennial for the Constitution of the United States will be referring back to his notes to determine what the delegates said, what they thought, what their course was, and what was the nature of the debate that went into the final compilation of the greatest document the world has ever seen, the Constitution of the United States.

### PEACEFUL INTERVENTION IN HAITI

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, peaceful intervention in Haiti is desperately needed now. Following the leadership of our Government, the people of Haiti removed Francois Duvalier and proceeded step by step to prepare for the institution of a democracy. They confounded everyone and wrote a constitution, and the people came out and 90 percent of them voted for that constitution.

That constitution has a timetable for elections in it. However, military outlaws and armed terrorists are seeking to overthrow that process, to stop that process.

First, the military junta tried to take over the electoral process and the electoral commission that was set up to guide it. When the people rose up against that, they backed down. But they have instituted a policy of terrorism. The army, in concert with local terrorists, have actually hacked to death a candidate who was campaigning for the Presidency. In broad daylight, campaigning before a crowd of people, he was hacked to death, and nobody did anything about it.

Within this atmosphere, free elections cannot go forward. There is a desperate need, in order to have free elections in Haiti, for the United States Government and the Organization of American States to intervene on the side of the people. Peaceful intervention could guarantee a free election. We can guarantee that election, and we can keep to the timetable. If we keep to the timetable, by November 29 the Haitian people will have elected a President step by step. If we do not intervene, then the outlaws of the military and the terrorists will guarantee that there will not be a peaceful democracy established in Haiti.

Haiti is only 90 minutes away from the shores of our democracy. Haiti needs our help desperately. Haiti needs it now. I call upon the United States Government, the State Department, and the Organization of American States to take steps right now to intervene to guarantee a peaceful election in Haiti.

### BELLS ACROSS AMERICA

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, tomorrow, September 17, the United States will observe the 200th anniversary of the signing of the U.S. Constitution. On that day, Mr. Madison and 38 other courageous men dared to put their names to a document that would revolutionize the science of government. It established the world's first government of the people, by the people, and for the people.

To commemorate this historic event, on behalf of the Commission on the Bicentennial of the U.S. Constitution, I urge my colleagues to invite every American and every institution, from religious and educational to social and professional, to sound bells, chimes, and carillons on this memorable day at 4 p.m. eastern daylight saving time. At the same time, organizations are encouraged to release red, white, and blue helium-filled balloons. An official bicentennial certificate will be given to participating groups. This will enable Americans to reflect on the blessings of liberty, the ideal of justice, and equal opportunity made possible by the Constitution.

The "Bells Across America" ringing will be led by retired Chief Justice Warren Burger at a special ceremony in Philadelphia as part of the Constitution Day activities to be held in that city at 4 p.m. eastern daylight saving time. Nine children representing all of America's children and the Nation's future leaders will join in ringing a replica of the Liberty Bell.

Mr. Speaker, I urge all the Members to participate and to have their constituents participate as well.

### DISCLOSURES FOR HOME EQUITY LOANS

(Mr. PRICE of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, in the September 15 Federal Register, the Federal Reserve Board proposed a change to regulation Z—Truth in Lending—to implement changes required by the FSLIC recapitalization bill recently signed into law by President Reagan.

During discussion of the ruling, the Board noted that it is "currently studying the broader issue of whether the Truth in Lending disclosures for open-end equity plans should be revised to take account of the special characteristics of these programs, which differ in many ways from the more traditional open-end credit programs. The terms and conditions of these programs are generally more complex and the consequences for consumers greater if they fail to understand the program."

I commend the Federal Reserve's willingness to explore whether additional disclosures are needed for home equity credit lines. I have introduced H.R. 3011, the Home Equity Loan Consumer Protection Act of 1987, because I believe these open-end equity or home equity plans do require additional disclosures for consumers. My bill would bring these disclosures for home equity loans more in line with disclosures which will soon be required of every other loan secured by someone's home. I urge my colleagues to add their name to the 45 other House Members who have joined with me to make these disclosures required of all financial institutions.

### U.S. TRADE DEFICIT WORSENS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute.)

Ms. KAPTUR. Mr. Speaker, last week another all-time record was announced for the trade deficit of this country with the rest of the world—a whopping 16.5 billion additional dollars, despite a 39-percent drop in the value of the U.S. dollar, which this administration said would solve all of our problems. This means more lost jobs in the United States and more lost profits for U.S.-owned companies.

The waiting game of this administration is simply intolerable. Reversing our country's trade deficit does not signal the closing of our doors to imports. Instead, we need to demand that other countries open their doors to us. No industry in any country has the right to shut out U.S. competition. We must have reciprocal access.

Our strong comprehensive trade bill is a good place to begin building on, but we also need an administration that will stand up for America, and we need a trade policy that will restore the United States as a key player in the international economic marketplace.

### NASA VICTIMIZED BY COMPUTER CRIME

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute.)

Mr. NELSON of Florida. Mr. Speaker, the morning news chronicles that some computer hackers in West Germany over long-distance lines have broken into a NASA computer network that contains technical information from space shuttle flights and obtained the ability over a 4-month period to manipulate at will this data.

I do not need to share with the Members of the House of Representatives how dangerous this is in manipulating data in our computers that are linked to information being received from the space shuttle. Besides the space program, I have an interest in this, in that I had the privilege of shepherding through the House the computer crime legislation, along with the gentleman from New Jersey [Mr. Hughes], the chairman of the Crime Subcommittee.

Mr. Speaker, our prosecutors should prosecute these individuals with the full force of law, and where, because there might be foreign citizens involved that our law would not extend to, our State Department should enact and propose the appropriate treaties to see that these people are brought to justice.

## SMALL COMMUNITIES TREATED UNFAIRLY BY FARMERS HOME ADMINISTRATION ACTION

(Mr. JONTZ asked and was given permission to address the House for 1 minute.)

Mr. JONTZ. Mr. Speaker, on previous occasions I have spoken on this floor to alert the Members to plans by the Farmers Home Administration to sell off community development loans in their portfolio at a discount to large financial institutions, while denying the right to the affected communities to purchase these loans themselves at a similar discount rate.

My fears became reality just a few days ago when the Department of Agriculture announced that an agreement had been reached to sell about $1.9 billion of loans to the investment community at the unbelievable price of 58 cents on the dollar—after having offered the communities the right to repurchase their loans at the much less favorable discount of 65 to 75 cents on the dollar.

Mr. Speaker, for whose benefit is the Farmers Home Administration being operated? In this case, certainly not that of our Nation's rural communities, who are being charged as much as 22 percent more to purchase these loans.

The conditions which the FmHA set on the sale of loans to our small cities and towns—the unfair discount rates, a requirement that communities purchase all of their loans if they purchase any, a prohibition against use of tax free financing for repurchase of loans—we are designed to prevent these communities from having a fair chance to benefit from the sales.

At a time when rural America faces many economic problems, and when a few thousand dollars saved can make a big difference to the town's or city's budget, our Government ought to be helping small communities, whenever possible. In the case of the recent loan sales by FmHA, that wasn't done. I hope that Congress can take steps to remedy the situation.

## TRADE POLICY RESULTS IN EXPORT OF MORE JOBS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, General Electric Corp. has hired more than 35,000 people in Mexico and foreign countries in the last 20 years. The General Electric Corp. has terminated over 25,000 American workers in the last 20 years and moved substantial amounts of their operations overseas.

□ 1110

Let us face it today. Competitiveness in America comes to mean that if you want to be competitive, you fire Americans, and you move overseas.

That is the mentality that has taken hold in Washington; and believe me, with this mentality, we will be lucky to have a manufacturing job in America in the next 10 years.

Today we start the debate on the textile bill, and I wonder for what, because the ITC ruled in 1985 unanimously that foreign manipulations were ruining the footwear industry, and the President did absolutely nothing.

While he talks about the Orient Express, America does not even make footwear, so today is the litmus test in Congress. If you are going to change the Nation around and bring some of our jobs back, then take a look at the good old USA instead of a lot of this Harvard rhetoric that seems to be abounding around here.

## EXTENDING STATE ELIGIBILITY REQUIREMENTS FOR CHILD ABUSE AND NEGLECT ASSISTANCE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1596) to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuse and neglect assistance, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. Gray of Illinois). Is there objection to the request of the gentleman from New York?

Mr. BARTLETT. Reserving the right to object, Mr. Speaker, I do not intend to object, and I will use this time to yield to the gentleman from New York [Mr. Owens] to explain the gentleman's request.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, today I ask for unanimous consent for the passage of S. 1596. This bill provides for the continued funding under the Child Abuse Prevention and Treatment Act for two States that are presently out of compliance with one aspect of this legislation. S. 1596 would provide an additional 1 year waiver to two States that have yet to conform with the "guardian ad litem" provisions of the act, Arizona and Alaska.

Because these States continue to make good faith efforts to come into compliance with the relevant sections of the Child Abuse Prevention and Treatment Act—it is important that we retain flexibility in allowing vital programs under the aforegoing legislation to retain funding.

In passing S. 1596 we are acting with the full agreement of the administration and in the same bipartisan spirit that has characterized our dealings to date with the minority concerning the Child Abuse Prevention and Treatment Act.

Mr. BARTLETT. Mr. Speaker, further reserving the right to object, under my reservation, I do support the passage of S. 1596.

Mr. Speaker, this noncontroversial bill simply extends the current waiver authority in the Child Abuse Act. As a result the States of Arizona, Alaska, and Oregon, will receive their fiscal year 1987 funding allocations. These States have had unforeseen difficulty satisfying the guardian ad litem requirement contained in current law. The bill does not contain any new spending authority, and earlier this year the House passed a bill, H.R. 1900, reauthorizing the Child Abuse Program, that contained a similiar provision in recognition of the progress and difficulties experienced by these few States.

This bill is being considered today because the other body does not expect to pass its Child Abuse Act reauthorization in fiscal year 1987, thereby rendering inoperable the extension contained in H.R. 1900 for fiscal year 1987 funds. In the 1984 amendments, States were given extensions until the end of fiscal year 1986 to meet the requirements of the law, including the enactment of their guardian ad litem programs. A small number of States contacted the Committee on Education and Labor during our reauthorization of the Child Abuse Program to request that they be given more time to comply.

After examining evidence to indicate that these States were in fact facing unforeseen difficulties, and more importantly making progress toward enacting the requirement of the legislation, the House agreed in H.R. 1900 to provide limited extensions to these States.

The legislation we are presently considering will allow for an extension only for the purpose of receiving fiscal year 1987 funds. This limited extension will exert a reasonable amount of

pressure on the other body to complete its work on the authorization in a timely manner, and ensure that needy social service agencies in the States affected receive their fiscal year allocation.

Mr. Speaker, our ranking Republican member, the gentleman from Vermont, Mr. Jeffords, has indicated his support for the measure we are now considering. I would urge my colleagues on both sides of the aisle to vote for passage of S. 1596.

Further reserving the right to object, I yield to my good friend and colleague, the gentleman from Arizona [Mr. Kolbe], who was instrumental in bringing this matter to the attention of the committee.

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding to me.

I thank the gentleman from New York [Mr. Owens] for his support of this bill, which is important to my State, along with the State of Alaska.

The House reauthorized the Child Abuse Prevention and Treatment Act (Public Law 94-247, as amended by Public Law 98-457). The act provides child abuse prevention funds to States which meet 11 delineated requirements. During the act's reauthorization in 1984, provisions were included for a 2-year waiver of the requirements. This waiver allowed States to receive funds in order to make a good-faith effort, with substantial progress during the second year, to comply with the act's mandates.

Arizona had not received grant funds prior to the waiver because the State did not meet the guardian ad litem requirement in section 4(2)(6) of the act. Grant funds received during the past 2 years have helped to establish a guardian ad litem program entitled CASA, court appointed special advocates. During this period of Federal funding, great strides have been taken to make the CASA volunteers available to abused and neglected children involved in dependency procedures in juvenile court. The 2-year period, however, had not been sufficient time to implement this program statewide.

An additional waiver provision will help assure that Arizona meets the act's requirements and secures these needed Federal funds for our child abuse treatment and prevention efforts. Alaska, another waiver State, is also in need of the extension. The absence of a waiver and the consequential defunding would be a severe destructive blow to the momentum States have gained toward accomplishing compliance.

Thus it is necessary for this legislation to be approved to ensure that the great gains that have already been accomplished can be continued without interruption. I urge my colleagues to support S. 1596.

Mr. BARTLETT. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Arizona [Mr. Rhodes], who was also quite helpful in this process.

Mr. RHODES. Mr. Speaker, I thank the gentleman for yielding to me.

I too rise in support of S. 1596.

As the gentleman has pointed out, the difficulty we have run into in Arizona is that we have been slow in being able to acquire the necessary volunteers in rural counties. I am advised by the Arizona Department of Economic Security that they are making good progress; and with this extension, they will be able to complete the requirements under the act, and continue to be eligible for funding without a waiver.

For that reason, I urge support of S. 1596. The gentleman from Arizona [Mr. Kyl], my colleague from the Fourth Congressional District, joins me and the gentleman from Arizona [Mr. Kolbe] in requesting the support of the Members from both sides of the aisle in favor of S. 1596.

Mr. KYL. Mr. Speaker, I rise in support of S. 1596 which will allow the States of Arizona and Alaska to continue to receive Federal funding from the Child Abuse Prevention and Treatment Act while working to comply with all of the act's mandates.

In 1984, the House reauthorized the Child Abuse and Prevention Act which provides Federal funding for child abuse prevention to States that meet 11 delineated requirements. Provisions were made in the reauthorization to allow States working in good faith and with substantial progress to continue to receive funding for 2 years while working to fulfill the 11 requirements.

This year the waiver expired and Arizona has not yet received its funding because it did not meet the Guardian ad litem requirement in section 4(2)(6) of the act. Grant funds received from the two previous years have been instrumental in establishing the highly successful, but not yet statewide CASA, [Court Appointed Special Advocates] Program. The State of Arizona has worked in good faith and with substantial progress, but the 2-year period has not been sufficient time to implement this program throughout the State.

The CASA Program has made great strides in providing support for abused and neglected children involved in dependency procedures in my State's juvenile courts. The additional waiver provided by S. 1596 will allow Arizona to receive its much-needed fiscal year 1987 funding, thus ensuring that progress will continue to be made, and that important ground will not be lost. I urge my colleagues to support S. 1596.

Mr. BARTLETT. Mr. Speaker, I would like to once again express my gratitude to the gentleman from New York [Mr. Owens], the chairman of the subcommittee, for the gentleman's diligence in this matter; and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1596

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

QUALIFICATIONS FOR CHILD ABUSE AND NEGLECT ASSISTANCE

Clause (i) of section 4(b)(3)(A) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5103(b)(3)(A)(i)) is amended by inserting before "or" at the end thereof the following: "and for a third one-year period if the Secretary makes an additional finding that such State is making substantial progress to achieve such compliance,".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1596, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## PROVIDING FOR CONSIDERATION OF H.R. 1154, TEXTILE AND APPAREL TRADE ACT OF 1987

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 256 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 256

*Resolved,* That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1154) to remedy injury to the United States textile and apparel industries caused by increased imports and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provisions of section 311(a) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order except the amendments recommended by the Committee on Ways and Means now printed in the bill and said amendments shall be considered as having been adopted in the House and in the Committee of the Whole. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The **SPEAKER** pro tempore. The gentleman from South Carolina [Mr. Derrick] is recognized for 1 hour.

Mr. **DERRICK**. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. Quillen], pending which I yield myself such time as I may consume.

Mr. Speaker, this resolution is a modified closed rule providing for the consideration of H.R. 1154, the Textile and Apparel Trade Act of 1987. The rule provides for 3 hours of general debate, with the time equally divided between the chairman and ranking minority member of the Committee on Ways and Means. The rule waives section 311(a) of the Budget Act against consideration of H.R. 1154. Section 311(a) prohibits consideration of legislation which would cause the ceiling on new budget authority or outlays set by the budget resolution to be exceeded or the revenue floor to be breached. Since this legislation would reduce the amount of imports brought into the United States it would slightly reduce revenues by decreasing the amount of import duties collected. Because secondary effects such as increased taxes resulting from more employment in the domestic textile and apparel industries are not counted in determining Budget Act points of order, a waiver of section 311(a) is necessary.

Mr. Speaker, the rule provides that no amendment is in order to H.R. 1154 except the Ways and Means Committee amendments now printed in the bill. The rule provides that, upon adoption of the rule, these amendments are considered as having been adopted in the House and in the Committee of the Whole, so that no separate vote on these amendments will occur. Finally, the rule provides for one motion to recommit.

Mr. Speaker, passage of this bill is critical to the existence of the textile, apparel, and footwear industries in the United States. For the past 6 years, these critical industries have endured the onslaught of a flood of cheaply produced imports. While growth in the domestic market has followed a steady and relatively stable course, growth in the percentage of foreign-produced goods that make up the market has skyrocketed. If this pattern is to continue, we face the further deterioration of our domestic capacity to produce textile, apparel, and footwear products necessary to clothe and equip our Armed Forces as well as civilians.

In light of this situation, I hope you will agree with me that it is imperative that we take immediate legislative action. The administrative fix that has been promised to us so many times simply has not come true. There is documented evidence that some of our trading partners exercise careless disregard for the administratively imposed quotas. I am sorry to say, our Commerce Department has not been especially eager to enfore their own mandates. This attitude, coupled with an insufficient number of Customs agents, has resulted in a textile trade policy which is an unworkable sham.

The trade deficit continues to soar to unprecedented heights, in large part due to the textile and apparel deficit. As long as foreign imports continue to take over our market, U.S. jobs and job opportunities become our exports.

This legislation that I and 247 of my colleagues have introduced will adequately stem the tide of imports with a minimum of disruption to the current market. We simply want to hold the growth in imported goods to a reasonable pattern that is fair to importers, manufacturers, our trading partners, textile workers, and consumers.

H.R. 1154 achieves this goal by limiting growth to 1 percent per year for each product. Footwear imports are frozen at the 1986 levels. H.R. 1154 does not prescribe discrimination against any individual country. Within the 1-percent cap, the administration is free to negotiate any bilateral or multilateral agreement on any product. Furthermore, if any country suffers injury, the bill provides for compensation to be negotiated in the form of a tariff reduction.

This proposal is the result of great compromose, and is desperately needed by the general economy as well as the industries directly involved. I urge you to vote yes on this rule and yes on final passage of H.R. 1154. Ultimately, I urge you to vote "yes" to override the inevitable Presidential veto later this year.

Mr. **QUILLEN**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule sets up a straight "YES" OR "NO" vote on the textile and footwear bill and it should be adopted. So should the bill.

Since the rule provides for 3 hours of debate on the bill and since most Members are familiar with the bill's provisions, I will not describe it in detail. I do want to ask Members for their votes for the measure, and to tell the House the reasons why I am asking for a strong, bipartisan "YES" vote on final passage.

Those of us representing areas where textiles and apparel plants and shoe factories have been an important part of our local economies for generations know firsthand the devastation that imports have inflicted on these industries. In recent years we have seen textile plants and shoe factories shutdown and a great number of workers thrown out of work. We have tried over the last 7 years to enact a law that would allow these industries to survive. Up to now we have failed. Likewise, the industries are failing. We are here again to make our case and ask for help to save these two great American industries from collapse.

In the last 7 years, over 350,000 people have lost their jobs to foreign textile and apparel imports, which now control about 54 percent of the domestic market. Many more hundreds of thousands of people who used to work in industries which supply and service the textile and apparel industry have also been thrown out of work. The condition of the footwear industry is also desperate. In 1981, imported footwear took 51 percent of the domestic market. Today, they have 82 percent. Three hundred eight factories have closed since 1981. Seventy closed last year, and about 57,000 jobs have disappeared in the footwear industry alone. I could go on and cite grim fact after grim fact in this regard but the situation is bleak and getting worse—we all know this.

What I ask is this: Since we have a national trade policy which is causing the ruin and ultimate destruction of the textile and apparel industry, the footwear industry, and many, many other industries, and since this policy has produced the greatest trade deficits in our history, and since we are now the world's greatest debtor nation, then surely this policy must be producing magnificent results in other areas of our national effort to succeed and prosper.

Since any policy's value is measured by the results it produces, surely this trade policy must be producing terrific results in other areas that outweight the devastation and ruin so apparent to all. So, I ask: What are these magnificent and beneficial results, and where are they to be found?

Members will answer this question as they bring to bear their considered views and thoughts on the results our national trade policy has produced. I have asked myself this question, have given it serious thought, and have concluded that our trade policy is not producing good results and should therefore be changed substantially.

I am not an economist or an expert on international trade, but just a businessman who later entered public service. I claim no special expertise or wisdom in these matters. I do feel, however, that I can tell when policy decisions and actions are producing good resusits and when they are not. In my view the evidence is in, things

are not going well, and it is time for a change.

This bill provides an opportunity to begin changing things today, here and now on the floor of the House. After all, the Congress is charged with the responsibility to regulate trade by the Constitution. Let us step forward confidently to accept this responsibility and enact the necessary changes in our trade policy while there is still time to save some of our basic industries from total destruction.

It is time to write a new chapter in the book of American trade policy, and the theme of this new policy must be realism and fairness with the interests of American industries and American workers first.

It has been a long time now since America emerged victorious from the Second World War with few international trade competitors standing out there to challenge us. Over the years we have opened our domestic markets and we have exerted every effort to assist the trading nations of the world, great and small, to recover economically and to expand their export markets. Our policy has achieved its purpose. It was a policy which produced good results operating under a particular set of conditions existing in the world during the post-World War II era.

That era is now history. It is time to fashion a new trade policy to fit our times. Change is constant. Everything moves on. All conditions are dynamic and in flux, not static. Those who cling to ideas which under prior conditions produced wholesome results, but which under present conditions produce unwholesome results, are heading for failure and defeat.

Let us face the truth. We have grown complacent and have allowed the old ideas of so-called free trade to continue to operate, even though as presently applied in the conditions of the world today, these old ideas are causing the industrial ruination of America. We have raised an economic theory to the status of a national theology and we have followed its doctrines as if they were divinely inspired. We have been following these doctrines wherever they have led us, even when this means marching over the cliff to our economic and industrial ruin.

The evidence is now clear to all who will look at it without prejudice. Our faithfulness to the doctrines of so-called free trade, while formerly they produced good results, now threatens our national standard of living and our economic future.

When we hand over our domestic markets to unfair import penetration, we are sentencing ourselves and our children to a bleak future of fewer competitive business enterprises, fewer good jobs, less economic opportunity, and a lower standard of living. As we are now practicing the theology of so-called free trade, we are producing profoundly destructive results for the country because this theory is not based on the actual conditions of today's world. This theory, as it is now operating, relates to an imaginary world in which all nations engage in totally unregulated and unsubsidized trade.

The rest of the world is not playing by our free trade rules. America has opened many of its markets to the world, while most of the world has imposed greater restrictions on imports from us. They are practicing unequal competition. So-called free trade has placed us in direct competition with low-wage nations, such as Thailand, for example, where children are paid 4 cents an hour in sweatshops. It should be clear by now that by allowing other nations to seize large parts of our domestic markets, we are encouraging the permanent interruption of the crucial relationship between supply and demand that has been the main engine of economic and industrial growth in American history. This is a ruinous policy which is producing a disaster for ourselves, and which will eventually produce a disaster for our trading partners.

At this time, a new trade policy is urgently required. Two kinds of policy action need to begin at once. First, we must hold the line, we must keep what we have. We must halt the erosion of the American economy. Textiles and apparel and footwear are a good place to start. Let's be realistic. Isn't 54 percent of the American textile and apparel market enough for our trading partners? Isn't 82 percent of our footwear market enough for them? Second, America must proceed diligently in the direction of fair and balanced trade based on the conditions of world trade as they really are.

A new and realistic trade policy in tune with the actual conditions of our times must bring to a halt the underselling of American industrial production by foreign producers. We must set reasonable and fair limits on the percentage of our domestic markets that can be taken by imports, and we must ensure for American industry a home market on which it can rely in order to rebuild and resume its advance.

Finally, while it is essential to place America first—for who else will if we do not—it is also necessary to declare to ourselves and to the world that we have been in error. In our incessant and tiresome preaching of this theology of so-called free trade, we have not only invited our own industrial and economic ruin, we have also misled other countries.

It is time to step forward and forthrightly admit our error. It is time to state that the idea that the rest of the world can achieve sustainable and ever-increasing economic growth through unbalanced export sales to the American markets is false.

We must put an end to the fantasy that the entire underdeveloped world can copy Japan and achieve economic progress through a parasitic relationship with the American markets.

Let us begin today here in the House of Representatives to make a new beginning. The American textile and apparel and footwear industries are a good place to start moving to a new, realistic trade policy. They employ over 2 million workers found in all 50 States. That is more workers than the steel and auto assembly industries combined. They need the help of their Congress. They have a right to expect it. Let us provide it.

Let us pass this bill today by a strong, bipartisan vote. Let us pass this bill to save our textile and appearel and our footwear industries. Much remains to be done. Let us begin to take up the task now. I ask for a "yes" vote on H.R. 1154.

□ 1125

Mr. **DERRICK**. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from South Carolina [Mr. Spratt] for purposes of debate only.

Mr. **SPRATT**. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the rule and in support of the bill that it will permit us to consider, H.R. 1154, the Textile and Apparel Trade Act of 1987.

Passage of this bill is critical to saving our Nation's textile and apparel industry and it is critical to many of our constituencies, as evidenced by the fact that we have nearly 250 cosponsors on this bill.

Since this is the only bill that really is specific that we have considered in trade legislation this year, I think it is useful if I take just a minute to dwell on the fact of the reason we are addressing specifically the textile and apparel industry.

In 1980, just a short time ago and just before Mr. Reagan became President, the United States imported $9½ billion in textile and apparel goods, but we also had offsetting exports. In fact, in terms of basic textile products, we literally had a near balance in textile trade in that year, 1980.

I say that because it is hard to believe how much the situation has deteriorated in 6 short years. Last year, the textile and apparel trade deficit had skyrocketed to $21 billion. Textile and apparel imports had gone up to $24.7 billion. That is an overall increase of 250 percent over 6 years. It is a compounded annual increase of 20 percent. That is how bad the situation is and it shows no signs of slackening.

This year, imports are projected to reach $27.6 billion and that represents again an increase of 20 percent. Each year we have had, since 1981, a record increase. We thought we had peaked out, we had topped out, only to find that the next year we had set a new record on the heels of the old record.

While imports have been increasing at a rate of 20 percent per year compounded annual rate, the domestic market has gone along at a snail's pace of 1 to 2 percent a year.

Now, since 1955–56 when we had our long-term cotton arrangement with the Japanese, every President, every government since President Eisenhower, through President Carter, has assured this industry something that we call today managed trade. You cannot say that the industry has been protected, because I think it is a joke to say that any industry suffering this kind of import competition and a deficit of $22 billion in trade is a protected industry. That is comical; but it has at least been promised managed trade and every President has assured the industry that they would have that kind of protection.

President Reagan himself specifically promised in writing that he during his administration would seek to relate the growth of imports to the growth of our domestic markets. Well, the proof of the pudding is there to be tasted. We have had increases every year of 20 percent compounded annually. We have had an increase in our domestic market of 1 percent. The growth rates simply have not been related.

The administration has at hand the tools necessary to deal with this problem. It has the legal authority to do just what this bill would do, that is, implement global quotas.

Now, I will be the first to admit that it would be better and far more efficient if the administration would just use its authority under domestic law and international law, use its authority and come to grips with this problem.

The administration has an example it can follow. Our European allies in 1981, the European common market, was suffering about the same trade deficit that we had in textile and apparel goods, $3 to $4 billion.

□ 1140

That is what our deficit was then. That is what their deficit was.

They cracked down, they determined that they were not going to allow their deficit to grow and, as a consequence, today the Europeans last year had a deficit last year of about $3 billion. They reduced their deficit in textile apparel trade by about 40 percent, whereas we last year had a deficit of $21 to $22 billion and ours had grown by 500 percent.

The Europeans do not have at their disposal any tools, any implements, any legal authority other than what we have. The only difference is they had the will to do something; our administration did not.

What we are simply supplying in this bill is the will to do something about a serious problem.

One other point. The European Economic Community, certain members of it, have been critical of this bill. But it ought to be remembered and recalled, and people who want to vote on this bill ought to know that we in this country buy three times more clothing and apparel products from Third World countries and lesser developed countries than do the Europeans. We buy five times more than the Japanese. If this is a slowdown in the rate of growth, we will still have far more liberal trade with those countries than will the Europeans and the Japanese who might be critics of this particular bill. We take up 50 percent of all the exports of lesser developed countries; the Europeans take up 20 percent.

Mr. Speaker, without our help, without the passage of this bill, the future of the domestic textile industry runs from bleak to bad. Since 1980, record import levels have contributed to the loss of 350,000 jobs in this country and 1,000 plants in the American textile industry have been shutdown.

My colleagues will be painted in the debate of this bill a picture of prosperity in the current industry. They will be told they are enjoying record profits. Their profits are up, utilization is up, but utilization is up because plant capacity has been cut back by a third. Jobs are up, the percentage of textile workers employed is greater simply because 350,000 textile jobs have been removed from that particular base.

This bill comes before us on a timely occasion. This past weekend we learned that our trade deficit is still running at a rate of $160 to $170 billion a year. We have been told be patient. Rectify the exchange rate of the dollar and that simple macroeconomic solution will take care of everything.

Now we are waking up to the fact that it will not happen, and if we are serious about doing something about our trade deficit, our overall balance of payments deficit, then we have to be serious by stopping the hemorrhage in textile apparels because that is the second largest component of it. The two objectives go hand in hand.

Let us pass this bill, and let us send a message both to the administration and to foreign governments that we are not going to stand by and let our single largest manufacturing industry, the largest employer of minorities and of women in this country, disappear.

I urge my colleagues to support the rule and to vote for H.R. 1154.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Gekas].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, sad as it may seem, I have not yet, as I stand here, determined how I am going to vote on this bill. I have always been wary of protectionist measures, and this is without question another protectionist measure.

What is wrong with a protectionist measure? What it does is it pits two sets of our fellow Americans against one another.

On the one hand, one set of our fellow Americans whose concerns are ours are those in the textile industry in this particular protectionist measure. On the other hand are sets of American citizens who would be hurt by the imposition of quotas and protectionist measures in textiles; namely, our farmers, our clerical workers and those who deal with exports and imports.

So who are we? Can we exert the wisdom of Solomon to determine which of these two sets of our fellow Americans we should choose in any debate on a protectionist measure? That is why we should for the most part allow these matters to be settled by free trade and by the marketplace.

However, I do have hesitations in this particular atmosphere in which we find this bill, and yet may vote for the bill because of two or three other reasons. One is that it is prospective in nature, unlike last year's bill, and it will only apply to numbers and figures and quotas yet to come, which is different from last time. The other reason is based on the fact that the shoe industry, which is a part of this, is separate and apart from the textile industry in so many ways, and the numbers are so horrible there that even I, a staunch free trader, have pause when it comes to the footwear industry.

But that debate is yet to come, and my final vote on the bill is of course yet to come as is that of my colleagues.

But there is no question about where I stand on the rule. We must defeat the rule so that we can try to separate the footwear from the textile industry. They are really apples and oranges in this bill, and we are doing a disservice to the Congress of the United States and a disservice to the people if we cannot have separate considerations of these two industries.

Mr. DERRICK. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. Traficant] for purposes of debate only.

Mr. TRAFICANT. Mr. Speaker, sometimes I listen to the speeches and I am not quite so sure how people are going to vote. When it is over, I assure my colleagues when I am done they will know how I am going to vote, and they will know why.

Mr. Speaker, my district lost 55,000 jobs in the steel industry since 1977. In

fact, we had 44,000 card-carrying, dues-paying steelworkers, and that is now down to 2,200.

During the great 1984 election campaign Mr. Reagan said do not worry, I will bring those steel mills back. He further said my policies will allow your children to continue to own a piece of the rock.

I say here today that I agree, the President's policy still allows our children in Youngstown, OH, an opportunity to get and own a piece of the rock. The only difference is our kids, to get it, have to import a boulder from Mount Fuji, and that is about what the policies have been.

In fact, the only thing the Reagan administration has given areas like mine has been rustproof paint. I firmly am convinced as I stand in the well of the House today that this President has not finished yet. He will not be satisfied until he has a full grown rice paddy on the east lawn of the White House.

Now let us get off this protectionist business. L.B.J. warned us. He said Congress, if we do not rebuild our factories and take care of our industries, America will be a paper tiger in international trade. Ladies and gentlemen, welcome to confettiville. This is the real Hallmark Hall of Fame Congress because we have done nothing while we let a President do worse. He has taken us the other way.

Let us talk about what the programs are. This administration started the Mequilladora process. Our Commerce Department sent out 12,000 letters to businessmen and corporations around America to teach them how to develop businesses offshore, in Mexico, for example.

My God, what happened to America where our Commerce Department would have seminars in their own land teaching our people how to make a profit in America?

I keep hearing it is good for America if we lose jobs. Pensions are lost, well, that is good for the country. Health benefits, life insurance benefits, for seniors are lost. That is good for the country. Our manufacturers are moving overseas. That is good for the country.

I say what is good for the country would be to send Mr. Reagan and the IRS to Japan. No. 1, that is where all of the jobs are, and that is where all of the money is. That is exactly the way people in my area feel.

Let me explain this to my colleagues. My area has gone from steel to basically autos. When the steel industry demise came about, Congress could see it. It was almost 30 percent import penetration. Now in the auto industry in October 1985 32 percent of every new car sold in America was made overseas. In November 1985 35 percent of every new car sold in America was made overseas. The Chevy Sprint and the Dodge Colts are stone cold imports, and we are talking about protectionism.

Korea will export 1 million cars to America this year and they have a 35-percent tariff against our cars. What is wrong with us down here?

In Iacocca's book, and I read it, there is a professor from Japan who says that he cannot figure out what is going on in America. We in Japan take care of our country first. Why does America not do that?

We take a look at the textile industry. God Almighty, if this is not the litmus test for Congress in future battles on trade, I do not know what is. But it takes me to a little man who was never even elected in India, and everybody may have seen the movie "A Man Named Gandhi" and under British rule all of the imported cloth was coming in and all of the Indians were not working, hunger and pain. This little man stood up and made a little speech, and maybe everybody in Congress should listen too. He said to all of the people in India burn all of that imported cloth from Manchester and Leeds, and if you have but only one piece of homespun, wear it with pride and dignity because there is no beauty in any cloth if it causes hunger and indignation.

Let us face it. The textile industry is getting wiped out, the footwear industry almost wiped out. I think it has come to the point now that Congress has to look at the real trade issues. There is no free trade out there and this administration is selling the farm piece by piece, and what they are not selling the foreign countries are taking it from us.

We do not have to worry about a missile. Khrushchev was exactly right. Let them go ahead and go forward with all of that high-powered sophisticated mentality and they will give the country away.

I say today vote for this rule, vote for this bill and send a signal to the administration that Congress is going to stand here and take them on.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. Frenzel].

Mr. FRENZEL. Mr. Speaker, it has been known for some time that the House would be voting on the textile bill. Those of us who believe that it is bad for the United States believe so just as strongly as its passionate proponents believe that it is good, but we will make that case during the debate on the bill.

I for one have certainly not tried to hold up the bill. It has gotten very speedy treatment from our committee, both in subcommittee and in full committee. I am glad that it is on the floor for consideration.

There is one point about the rule that bothers me. I suppose that the problem is unavoidable. The rule waives the Budget Act. The House waives the Budget Act over and over, in nearly every piece of legislation that it takes up. That is unforgiveably.

This House has simply decided that the budget proces is an object of scorn and derision rather than a standard which we will follow.

In this particular case, the customs duty effect is to lose $5 billion of revenue over the next 5 years. The net revenue effect is to lose $3.2 billion. None of those losses are included in the congressional budget which this House adopted, and, nevertheless, I am sure that the rule is going to be accepted overwhelmingly.

I would just invite Members' attention to the fact that the vote on the rule is a fiscal vote. It is a $3.2 billion net vote, and it is a $5 billion gross vote. The right vote is "no."

Mr. QUILLEN. Mr. Speaker, I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. Gray of Illinois). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. Gray of Illinois). Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 305, nays 111, not voting 18, as follows:

[Roll No. 318]

YEAS—305

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Baker
Ballenger
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clinger
Coble
Coelho
Coleman (TX)
Combest
Conte
Cooper
Coyne
Daniel
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank

Frost
Gaydos
Gejdenson
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lott
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schuette
Schulze
Schumer
Sharp
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Denny (OR)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—111

Archer
Armey
AuCoin
Badham
Bartlett
Barton
Bereuter
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Carper
Chandler
Cheney
Coats
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
DeLay
DeWine
Dornan (CA)
Dreier
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Goodling
Gradison
Grandy
Green
Gunderson
Hansen
Hastert
Hefley
Herger
Hiler
Hopkins
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kolbe
Kyl
LaFalce
Lagomarsino
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Lowry (WA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
Meyers
Michel
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Nielson
Oxley
Packard
Penny
Petri
Porter
Rhodes
Ridge
Roberts
Roth
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Sensenbrenner
Shaw
Shumway
Smith (NE)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stump
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Whittaker
Wolf
Wortley

NOT VOTING—18

Biaggi
Clay
Collins
Conyers
Crockett
Dymally
Edwards (OK)
Garcia
Gephardt
Gregg
Kemp
Latta
Leland
Lloyd
Pursell
Roemer
Spence
Tauzin

☐ 1210

Mr. HALL of Texas changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 442, CIVIL LIBERTIES ACT

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 100-301) on the resolution (H. Res. 263) providing for the consideration of the bill (H.R. 442) to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, which was referred to the House Calendar and ordered to be printed.

## VIEWS OF CONGRESSMAN BILL FRENZEL ON H.R. 1154, TEXTILE AND APPAREL TRADE ACT OF 1987

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the views of Congressman Bill Frenzel on the bill, H.R. 1154, the Textile and Apparel Trade Act of 1987, which were inadvertently omitted from the committee report, be inserted at this point in the Congressional Record.

The SPEAKER pro tempore (Mr. Gray of Illinois). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The text of the material referred to is as follows:

### Additional Views by Congressman Bill Frenzel, August 6, 1987

If you don't like competition, you will love this year's textile bill, H.R. 1154. It is different from last year's vetoed version, but it is just as harmful to the U.S.

The Trade Subcommittee reported the legislation and the full Ways and Means Committee reported it without recommendation, and without enthusiasm. It was an idea whose time has come and gone.

Textile legislation used to be a Holy War. Now it has become an annual ritual. Textiles already have the broadest protection of any U.S. industry. By any standard, textiles is a profitable, high employment industry. Despite its great success, the industry knows only one battle cry, "more."

During the 99th Congress, the industry came close to passing a bill that would have drastically cut back imports, even to many of the least developed countries which are very minor suppliers. When the Congress failed to override a Presidential veto, the industry came right back with a different version which added footwear restraints. Because the bill is different, not better, the industry and its apologists allege that it is GATT and MFA consistent.

The bill is being hyped as the great compromise of the year—the bottom line for the survival of the textile/apparel/footwear industry. Without it, its authors say, there will be no textile/apparel industry by the year 2000. The Institute for International Economics textile study by William R. Cline analyzes that even with the lower tariffs and the phase out of quotas it recommends, the annual rate of employment reduction would be 2% for textiles and 2.5% for apparel—about the same as the annual rate of retirement in the industry.

To look at the current state of the industry is to challenge the statements that the industry is on its last legs. Textiles is the healthiest dying industry in sight. Production has been increasing since the early 70's, up 10% in 1986 and 3% for apparel. Productivity growth, sales and profits are over that of manufacturing as a whole. Capacity utilization is up to 96% currently in textiles. Textiles is the envy of other industries.

Employment is up, 3.4% in textiles and .4% in apparel from May of 87 over 86. Industry employment rose by 25,800 jobs between the same time frame. Unemployment figures in the major textile states are below the national average. Unemployment in the textile industry fell to 5.6% in 1987 from 7.4% in 86. Overall unemployment rate is 6.7%. In the main textile states unemployment rates are 4.8% in North Carolina, 6.1% in South Carolina, and 5.6% in Georgia.

A Kurt Salmon Associates survey of 35 textile companies showed net income increasing by 83% in 1986 with sales increasing 16%. 1987 first quarter profits of 8 textile companies were up 110%. Total industry profits were up 67% in 1986. Every broker in town is touting textile stocks.

The OTA says that between 1975-85 productivity grew at 5.6% average rate per year—twice that for manufacturing as a whole. Apparel was at 2.7%—still above the overall rate. Exports have increased in 1986—13% for textiles, 22% for apparel, according to the USTR. New and expanding plants are being built, further creating job opportunities in the industry. Few industries are enjoying such prosperous times.

The footwear industry is adjusting on its own and stabilizing in areas where it can be competitive. Voluntary labor turnover in the footwear industry is over 30% per year, permitting an adjustment without forced layoffs. While imports are high, domestic producers still control a high percentage of the value of the footwear market. The U.S. footwear industry is dominated by profitable companies concentrating on high quality brands. Quotas would force the importation of higher quality footwear that would directly compete with that.

Import penetration in textiles is high, but not alarming. The Institute for International Economics says that combined import penetration was 22% in 86 by value. Commerce shows a combined import share of 33%. ATMI shows much higher figures not accepted by DOC.

There has been a steady rise in imports, but no big surge, except in 1983-85 when the strength of the dollar injured many U.S. industries by encouraging imports. Slower consumption growth in the 70's and early 80's has also taken its toll on the industry. In the last year, imports have risen due to increased consumer demand and the inability of the U.S. industry to supply all of that demand.

Before we agree that the current level of import penetration is worthy of additional import restraints, we need another look at the industry. While it is true that the industry has made some productivity improvements, particularly in textiles, and has been far more effective lately at developing market niches, most of these improvements have occurred too late to recapture the share of U.S. consumption lost to imports.

A complacent textile industry suddenly had to face competition from abroad in the 1970's. Outmoded equipment had to be replaced, and an adjustment shock spread throughout the industry as factories either closed down, unable to raise the capital needed to adjust, or laid off workers no longer needed with new productivity improvements. The question is, are imports to blame, or did they provide a positive stimulus to an industry that badly needed revitalization? Throughout the continuing adjustment process, the industry has been protected as has no other in the U.S. Unsurprisingly, the industry and its employee groups found they loved the insulation from competition the 1,400 quotas had given them. So they have repeatedly asked for more.

When considering the need for more import restraints, we must also consider the impact on U.S. consumers. H.R. 1154 would have a disproportionate affect on lower-income consumers, both in textiles and footwear. The protection in place now, the 1,400 quotas, forces consumers to pay $20 billion annually to protect a prosperous industry and preserves 220,000 textile and apparel jobs. That is $82,000 per job saved in the apparel industry and $135,000 for each textile job saved.

Consumers for World Trade says that $27 billion is the current protection to the textile industry at the wholesale level, and $54 billion at retail level. That level of protection is unconscionable and unnecessary.

The CEA estimates that consumer cost of H.R. 1154 in textiles would be $25-37 billion over 5 years. It estimates a $52,000 cost per job saved in the footwear industry. ITC estimates $6.9 billion in consumer cost for footwear over the first 10 years of the bill.

The Institute for International Economics estimates an average $7.1 billion consumer cost for textiles in H.R. 1154 for each of the first 10 years of the bill. International Business and Economics Research Corporation estimates that H.R. 1154 would increase consumer cost by $10 billion annually and result in the loss of 52,000 retail jobs. It estimates that $223,000 consumer cost would be paid for each of 47,000 jobs protected, a net job loss of 5,000 jobs should the bill pass.

Those costs would be rated extreme by any rational judge. Even if those estimates are off by 100%, they are still too expensive to lay on to the backs of American consumers. Protection for a struggling industry is one thing; H.R. 1154 by this analysis, looks like an exercise in pure greed. We must also review the current protection of the industry. In 1961 the first textile agreement, the Short Term Arrangement, was negotiated as a temporary protection to the industry. 26 years later, the industry is still being protected under the successor agreement, the MFA.

The MFA has been extended three times, each time the rules tigthened, growth rates restricted and coverage broadened. Now, nearly all fibers are covered. We have bilateral agreements with 39 countries which have also become stricter and broader. Those for the major suppliers have an average growth rate of 1%. The Taiwan bilateral includes a 7% rollback. Textiles and apparel have the highest tariffs of any U.S. industry—tariffs averaging 18% versus 3% for all other U.S. industries.

Textile protectionism is not creeping; its galloping. The U.S. government has also automated its system of calls on particular non quotas categories in which market disruption is alleged. This has resulted in far more calls and new quotas than has been the case previously. There are over 1,500 quotas, 200 of which were made in 1986. Over 80% of all low-cost imports are under quotas. Customs enforcement of imports for possible circumvention has stepped up to the point where its efforts are sadly lacking in the general commercial area, and importers complain of lengthy delays and mistreatment of their merchandise. A special rule of origin for textiles and apparel has been devised, and country of origin labeling requirements have been strengthened. Textile exemptions have been granted to our CBI and GSP laws. The 807(A) program provides tariff relief to apparel sewn in 807 plants, if domestic fabric is used.

I would submit that the information submitted above does not justify further textile protection. Even as a so-called compromise measure, H.R. 1154 does not make any sense. The bill calls for quotas on imports from all countries, including Canada and the EC, which were never envisioned under the MFA. (The EC has increased its imports of U.S. textile and apparel by 45% in 1986). It unilaterally limits all quota growth to 1%, and zero growth for footwear. It provides for some compensation to injured countries in the form of tariff cuts, but not even a small percentage of what would be actually required. The bill would also continue the trend towards encouraging increased value imports which more directly compete with U.S. apparel and footwear and results in fewer lower cost imports for low-income consumers.

The bill, in the opinion of the Administration, violates both the MFA and the GATT. It violates the MFA by requiring global quotas, by determining quotas without the usual consultation and market disruption finding, and would violate all of our bilaterals. It would violate the GATT by determining injury for an entire industry, by assigning permanent not temporary quotas, and by not providing adequate compensation. The Europeans, and others of our trading partners, have stated that they will retaliate if this bill passes. The effect of retaliation against U.S. agriculture and high technology products could be devastating.

If the bill passes, we can expect the collapse of the MFA. Even more devastating, we could see the end of the Uruguay Round as well. The U.S. made a standstill commitment with our trading partners during the period of the negotiations. H.R. 1154 would violate that commitment.

If the Congress believes that the industry should receive further protection, it should continue on the same course and speed as we are on now rather than to provide the additional protection of H.R. 1154. We should allow the MFA and the new bilaterals to work, gradually covering more categories as they become disruptive. We should provide more Customs enforcement of possible violations by granting Customs the additional inspectors Congress has long sought to authorize. H.R. 3 also has several sections which deal with circumvention and stiffer penalties for violators, not at all of which I agree, but is a more positive way of getting at the problem than H.R. 1154. The dollar decline is also beginning to make imports more unattractive.

The industry itself must make further commitments to modernization and flexibility as well. There has been a lot of complaint that the industry is inflexible and often refuses to or cannot manufacture many items. Failure to meet production deadlines is another problem, all of which has forced many retailers and U.S. interests offshore.

With an improved macroeconomic picture in the U.S., with adequate enforcement of existing law, and a concentrated effort by the industry to become further competitive, there will be no need for a bill as disruptive as H.R. 1154.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Before proceeding with the textile bill, the Chair desires to announce that Members who wish to attend the ceremony on the west terrace of the Capitol in honor of the bicentennial of the Constitution can either meet at the center door to the Chamber at 12:45, where they will be escorted to the Member's designated area on the terrace; or, they may go directly to the west terrace from the second floor of the Capitol by walking through the rotunda, and down the stairs to the center west front door or from the first floor by walking through the crypt to the center west front door.

Members should be in their seats by 1 p.m.

## TEXTILE AND APPAREL TRADE ACT OF 1987

The SPEAKER pro tempore. Pursuant to House Resolution 256 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the consideration of the bill, H.R. 1154.

☐ 1218

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, with Ms. Kaptur in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Illinois [Mr. Rostenkowski] will be recognized for 1 hour and 30 minutes and the gentleman from Tennessee [Mr. Duncan] will be recognized for 1 hour and 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Rostenkowski].

Mr. ROSTENKOWSKI. Madam Chairman, I yield 45 minutes of my time to the gentleman from Georgia [Mr. Jenkins].

Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, H.R. 1154, the Textile and Apparel Trade Act of 1987, was reported by the Committee on Ways and Means without recommendation on August 6.

The bill would establish permanent global import quotas on more than 180 categories of textile products and 30 categories of footwear products. The quotas would apply to products from all countries, and would be effective retroactively to January 1 of this year.

For calendar year 1987, the various quotas on textile products would be set at 1 percent above actual levels of 1986 imports for each product category. After 1987 the textile quotas would increase by 1 percent each year.

The import quotas on nonrubber footwear would be frozen indefinitely at actual 1986 levels of imports in each category.

Other provisions of the bill include a grant of compensation authority to the President, a requirement for an annual report to Congress, and a review of the quota programs after 10 years by the Secretary of Commerce.

The one amendment adopted by the committee provides a limited exemption for certain products of U.S. insular possessions.

Madam Chairman, due to strong divisions of opinion within the Committee on Ways and Means on this bill, the committee chose to report the bill without any recommendation on whether it should pass.

I am, however, strongly opposed to this legislation, for reasons I will identify at the close of debate.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. Gibbons].

Mr. GIBBONS. Madam Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. Duncan].

Mr. DUNCAN. Madam Chairman, I yield 45 minutes of my time to the gentleman from Illinois [Mr. Crane].

Madam Chairman, I yield 6 minutes to the gentleman from New York [Mr. Horton].

Mr. HORTON. Madam Chairman, I thank the gentleman for yielding this time to me.

Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987.

As we all know, this legislation passed overwhelmingly in the last Congress but was vetoed by the President. Then as a result of those objections the measure was changed in order to meet those objections, and the present bill would establish quotas on a global basis. Thus no trading partner would be singled out for preferential treatment. The administration would be given complete flexibility to engage in bilateral agreements to enhance the status of any trading partner when it is deemed in the national interest to do so.

In addition, H.R. 1154 provides for no rollbacks of trade. Finally, the measure is consistent with GATT since it includes a congressional finding of injury to the domestic industry, global import quotas, and authorization to negotiate a reduction of tariffs as compensation for affected countries.

Madam Chairman, we have heard a great deal about textiles these past few years. Supporters say that H.R. 1154 is eminently fair, GATT-legal, sets global limitations, provides jobs, reduces Federal expenditures, and generally accelerates our country's economic growth. Opponents claim it will cost consumers billions, that the industry is too protected already, that it will invite retaliation, and that it will cost tens of thousands of dollars for each textile job saved. The information is available out there to support any of these claims. By now, most Members have decided for themselves which arguments have merit.

Today let me offer another point that should be considered—the critical role textiles play in our national defense. Our current Secretary of Labor, Bill Brock, when he served as U.S. Trade Representative, summed up the tremendous importance of textiles. Secretary Brock stated that "Every U.S. industry insists it is essential for national security. Textiles is the only one we accept, and that goes back 20 years."

Secretary Brock is not alone. Dr. Steven Kennedy of the U.S. Army's Natick Laboratories agreed of the importance, saying "it is doubtful if what is left of the woolen and worsted industry can continue for the indefinite future even at its present limited capacity, or be able to supply even peacetime requirements of uniform fabrics for the Armed Forces in the face of price competition from low-wage countries." That, Madam Chairman, is a compelling indictment of our inaction.

The Federal Government spends about $1.5 billion each year on clothing and textiles. The Pentagon admits there are more than 300 different "combat essential" items provided by the textile and apparel industries—things such as chemical-protective suits and gas masks as well as traditioanl textile products like pants and shirts.

But we cannot forget the many nontraditional uses of textile products, and the critical role they play. Grenade decelerators. Bomb decelerators. Fuel cells for helicopters and airplanes. Parachutes. Truck tire components. Helicopter blades and fuselages. Submarine launch tubes. Airplane brakes. Tiles for the "belly" of the space shuttles. Processed materials for the Stealth bomber and fighter, the F-15, F-16, the B-1, the Apache helicopter, and many other military aircraft. In every branch of our Armed Forces, textiles are vital.

While the footwear industry is less pervasive, it is equally important. In World War II, Gen. Omar Bradley noted that 45,000 soldiers were evacuated with trenchfoot. None could return for combat, and some were incapacitated for life. In the sixties and seventies Vietnam was a harsh reminder that sophisticated weaponry has not supplanted the need for basic preparedness in jungle combat.

In the 1980's, one of our greatest allies shared the same problems. At the end of the Falklands war, one-half of all British troops were suffering from trenchfoot due to poorly designed footwear. A recent Army report gave us the sad conclusion. It said, "The lessons learned in pervious wars about the seriousness of trenchfoot * * * never seem to get passed on to the next generation. They have to be relearned in each war by amputations, deaths, loss of battles, and low morale." The report also noted that U.S. trade policy was destroying domestic sources of procurement. That was in 1984, when our domestic footwear market share was 29 percent. Today, it's 17½ percent, the lowest in American history.

And let's not fool ourselves into believing we can replenish our supplies with current stockpiles. Right now, less than one-third of our mobilization requirements can be met with existing reserves. That, Madam Chairman, is a military tragedy.

We are all concerned about national defense. And we all want a strong economy. Well, we can take a huge step toward both of these goals with the passage of the bill before us today. H.R. 1154 is a reasonable, responsive bill that addresses the needs of our domestic textile industry while ensuring minimum disruption in the global economy.

Bill Brock says the textile industry is the only industry we accept as being vital to national security. The Department of Defense now ranks textiles second only to steel. There are simply no acceptable substitutes for textile

products. Not a truck could roll, not a plane could fly, not a soldier could march without U.S. textile, apparel, and footwear producers. Ensuring America's troops are properly equipped is not a special interest issue, Madam Chairman, it is a national obligation.

□ 1225

Mr. JENKINS. Madam Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. Derrick].

Mr. DERRICK. Madam Chairman, I thank the gentleman for yielding me this time.

Let me explain basically what this textile and apparel bill does and the changes from the last time, and there have been substantial changes since the last time.

The last bill had a rollback to 1983 levels. Most, or a large part of the increase in imports into this country has taken place since 1983, so last session's bill would have meant a substantial immediate cutback in textile imports into this country.

Also, the last bill was only applicable to the Asian-rim countries, and there were those that felt it was unfair because of that. These two major things were dealt with in the new bill and in the new bill it has global applications.

The administration has the authority to designate and make that application on a global basis. Further, we do not have a rollback. We go back to the last available figures, and that would be 1986 figures.

After that, textile imports are held to an overall figure of about 1 percent, which is about the growth that the domestic market has shown over the last few years.

Back in the 1980 election, both then-President Carter and candidate Reagan signed letters to the textile people indicating if they were elected or reelected, as the case may be, that they would keep textile imports down to about 1 percent, which would be comparable to what the domestic market was doing.

President Reagan and the administration have simply not done that. We have seen 20, 25 percent increases in textile imports into this country. I think we have a right—yes, this legislation is protective, but the GATT signators and other nations around the world decided textiles needed protecting back years ago, and entered into the Multifiber Agreements because of that.

Our problem is that our part of the agreements are not being enforced, whereas Taiwan, Japan, the European Common Market, and others are enforcing their part of the agreement.

It leaves our American market open to all the Third World nations because of the relatively low capital investment and high labor intensity of apparels which have flooded our markets and taken away jobs in this country.

It is a very legitimate concern of ours, and we cannot affort to let a basic industry slide as we have in other instances, and steel comes to mind.

That is basically what the bill does, and I ask for the Members' close consideration to the debate.

I yield back the balance of my time.

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. Ballenger].

Mr. BALLENGER. Madam Chairman, I thank the gentleman for yielding me this time.

I represent a district in North Carolina that has 60,000 textile workers. Ten years ago we had 80,000 in that district. One thousand plants have closed.

People say, "Why is business good in the textile industry?"

You close a thousand plants and see how the ones that are left will do.

I have often thought of comparing it to lawyers. This body is full of lawyers; and if we could cut half the lawyers out, think how much better the business would be for the other half.

It is really not fair, because our Government is presently equipped to do something about this problem, and I would agree with the Democrats that they have not done it.

The multifiber agreement that everybody says is such a great thing, leave it alone, we will regulate it that way, that agreement would have allowed textiles to grow in the period I am speaking of by 26 percent. In reality, it has grown by 100 percent.

I do not know whether you know it or not, but Korea has an allotment of polyester cloth they are allocated to ship into this country. The allotment is 95 million yards a year; and yet by going around through Japan, who probably does not produce their proper amount, they are shipping another 80 million yards of polyester cloth into this country.

We need this bill. We are allowing every country in the world to ship into our area now. The textile market, half of it, belongs to the people overseas. That is enough.

Let us vote for H.R. 1154.

Mr. GIBBONS. Madam Chairman, will the gentleman yield?

Mr. BALLENGER. I yield to the gentleman from Florida.

Mr. GIBBONS. Madam Chairman, I thank the gentleman for yielding.

I really challenge the gentleman's figures. The official figures compiled by the administration come nowhere near the figures that the gentleman has quoted.

Mr. BALLENGER. Which figures?

Mr. GIBBONS. All of the gentleman's figures, the import-penetration figures, the share of the market.

They do not come anywhere near that, and I do not challenge the gentleman's veracity; but whoever gave the gentleman those figures did not tell the gentleman the truth.

Mr. BALLENGER. I am sorry that the gentleman disagrees with me, but I am quite sure that the people that gave me the statistics believe them very seriously.

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. Pease], a member of the Subcommittee on Trade and a member of the Committee on Ways and Means.

Mr. PEASE. Madam Chairman, I thank the gentleman for yielding me this time.

When I spoke against the veto override vote last year, I made three points:

First, the United States has a textile and apparel import problem with enormous human dimensions;

Second, this problem was caused by the Reagan administration's maladministration of trade policy earlier in the decade; and

Third, in the absence of legislation, we have no assurance that the mistakes made by this administration will not be repeated in the future.

I voted to sustain the President's veto because enactment of last year's legislation would have broken our international obligations many time over. It would have jeopardized jobs in manufacturing and agriculture by giving our our trading partners justification under international law to retaliate.

In my view, the textile and apparel industry and—and still has—a problem deserving a legislation response. Unfortunately, H.R. 1562 was the wrong response.

I commend those who crafted this year's legislation for their efforts to improve the bill. However, H.R. 1154 is still too flawed to receive my support. Regrettably, a number of serious problems remain.

The revised bill would still force the United States to violate trade agreements, potentially trading jobs in export industries for those in the textile, apparel, and shoe industries. I remain reluctant to support a zero sum game trade policy.

In addition, this vote comes at an inopportune time. Enactment of the bill would have serious consequences for the new GATT round. Moreover, the House-Senate conference on the omnibus trade bill is just getting underway.

For more than 2 years, I and, I suspect, other Members of Congress have been forced to choose between doing nothing and going overboard. I have found this to be a frustrating predicament. Imagine how frustrated workers in these industries must feel.

In my view, an appropriate and successful strategy would consist of the following:

First, tightened administration of textile and apparel import policy to ensure that import surges beyond MFA guidelines ar quickly identified and analyzed to determine whether they are disrupting markets and warrant calls;

Second, accelerated negotiations to eliminate barriers to U.S. textile exports in countries that enjoy access to U.S. textile and apparel markets; and

Third, enhanced adjustment assistance to workers and communities affected by the great shakeout in the industry during the past several years.

Madam Chairman, my vote against H.R. 1154 is not a vote in favor of doing nothing. Rather, I vote against a cure that I fear would be worse than the disease.

☐ 1235

Mr. CRANE. Madam Chairman, I yield myself 5 minutes.

Madam Chairman, there are many who would persuade you this morning that we must build an Iron Curtain around our textile, apparel, and footwear industries. Those possessing siege mentality see an army of imports surging on the horizon with battering rams and fear too many are overrunning our already excessive protective barriers. Problems are seen as unresolveable without further protection. They see plants closing, people out of work, and barrages of imports wounding those remaining domestic producers frantically bobbing and weaving to stay alive. They refuse to recognize newly created employment, profitability and high capacity utilization. They appeal to all of us to support H.R. 1154 as the only solution to save the United States from losing its domestic textile industry entirely, with dire national security and economic consequences if we do not.

But before you harken to the drumbeat of the H.R. 1154 brigade, let me urge you to consider that this is not a losing battle with a bleeding industry on its deathbed. Instead, this industry is alive, well and the most protected in U.S. history. Rather than helping the economy, the restrictive quotas in H.R. 1154 will cause mayhem—more jobs will be lost than gained and lower- and middle-income consumers hardest hit.

Since 1948, industry spokesmen have demanded ever inceasing layers of protection, claiming, as today, that catastrophe is imminent unless immediate government intervention occurs. In response to these pleas we now have nearly 1,400 quotas regulating more than 80 percent of all textile and apparel imports. And only last year, the multifiber arrangement [MFA] was expanded to cover silk blends, ramie, jute, linen, and other fibers. Yet this overanxious industry still howls for more protection.

Examine this so-called weakling before you agree to buy it another suit of armor. According to the Federal Reserve and industry analysts the industry had a banner year in 1986 and looks to be racking up another one in 1987.

From the first quarter of 1985 to the first quarter of 1987, textile production increased 20 percent; and capacity utilization increased steadily from 78 percent in 1985 to 92 percent in 1987. Apparel production is up 8 percent over the last 6 years and capacity utilization climbed to 90 percent.

Now it is certainly true plants may be closing, but more so to move production to more up to date, modern, automated facilities than for lack of business. In fact, with such capacity utilization, manufacturers and retailers have had to turn to imports when our domestic industry was oversubscribed with too many orders to supply their needs.

Employment in the industries continues to rise, with 24,000 more employed in August 1987 than in 1986, and unemployment rates in the leading textile States below the national average of 6.6 percent. North Carolina's rate in the first quarter of 1987 was 4.7 percent, South Carolina's was 5.5 percent and Georgia's 5.1 percent. Further, the textile industry also enjoys greater profitability than manufacturing as a whole, with a 12-percent return on equity in the first quarter of 1987 versus manufacturing's 10.8 percent. And this follows 1986's 24.6 percent return on equity in textiles versus manufacturing's 14.9 percent.

So profits are up, plants are booming at capacity, employment is increasing, yet we are asked to pass emergency legislation for a desperate industry. Nothing will suffice but restrictive quotas limiting growth to 1 percent annually in textiles and apparel, and permanently freezing footwear imports at 1986 levels. This added protection carries a hefty price tag. Consumer costs will rise an estimated 20 percent in escalating prices, or at a consumer cost of $33,000 per job saved. And given higher consumer prices, 52,000 retail jobs will probably be lost. U.S. exports may suffer $6 billion in retaliatory measures. And there will be shortfall of 90 million athletic shoes per year prohibited from entering the U.S. market—and this footwear is not even manufactured domestically.

Finally, if lost jobs and higher prices are not enough, this bill is a blatant violation of international agreements given the unilateral findings and actions required. Its passage will surely result in retaliation, with other industries, especially agriculture, asked to pay the price so textiles and apparel can bask in further benefits.

Lastly, I remind you that the United States launched the Uruguay round of the General Agreement on Trade and Tariffs [GATT]. We are attempting to strengthen our global competitive and economic position through a stronger GATT organization, with all participants opening markets and taking down trade barriers. The supporters of H.R. 1154 would throw this away, showing the world we will not uphold our agreements and that we're out to protect ourselves alone. The result will be a hamstrung GATT round, and disorder in the world marketplace as everyone seeks to follow our shabby example and fend for themselves.

Another wall of protection is not what the U.S. economy requires. If we are to grow, we do not restrict the very supply chain our manufacturers require to meet demand and profit. Our factories are hungry for fibers to produce finished goods and 80 percent of fibers are domestically produced. If we limit imports under this bill, what will occur when manufacturers cannot acquire the remaining 20 percent of fibers they require, especially with U.S. mills already at 92 percent capacity and oversubscribed with orders? Do we shoot ourselves in the foot restricting imports and by consequence doom more manufacturers to shut plants and layoff workers when they cannot get raw materials? Consumption is up 29 percent in the first quarter of 1987, and this bill would restrict annual growth to 1 percent. Clearly that is to move in the wrong direction.

Raising ever higher walls around the United States will cost dearly in lost jobs, more expensive goods, a weakened U.S. economy and a damaged global trading system, all of which will further fuel the spiraling U.S. trade deficit. The root cause of our trade difficulties is not addressed here, no more than in our mammoth trade reform bill to be considered soon in conference. These bills are not the answer to our record trade deficits. They will merely mask it, restructure it, or quite possibly make it worse. We must muster the political will to cut our top heavy budget deficit and reform our tax structure if we expect to restore confidence in our economy, stabilize the dollar, negotiate from strength and cure our trade ills.

I urge my colleagues to vote "no" on H.R. 1154.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Crane] has expired.

Mr. DUNCAN. Madam Chairman, I yield the gentleman from Illinois 1 additional minute.

Madam Chairman, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from Tennessee.

Mr. DUNCAN. Madam Chairman, as the gentleman knows, I have the highest respect for him, but the gentleman's numbers are a little different from the Commerce News which was put out just yesterday. It shows that the second quarter textile income was down, and also profits were down 12 percent.

Mr. CRANE. In the second quarter of 1987?

Mr. DUNCAN. 1986 and 1987, it shows a comparison that they were down in 1987. The gentleman quoted some figures. I just wondered where the gentleman got those figures, because the Commerce News, which was printed day before yesterday, shows that the profits are down 12 percent.

Mr. CRANE. The gentleman is talking about down 12 percent in the second quarter of 1987 over the second quarter of 1986?

Mr. DUNCAN. Yes. The gentleman was quoting those quarters a moment ago.

Mr. CRANE. Well, I was not comparing the 2 years. I was talking about second quarter increases over the first quarter of this year.

Mr. DUNCAN. And also, the Commerce News says they were down for those quarters.

Mr. CRANE. But it is the second quarter sales and your figures suggest profits were down over the first quarter of this year?

Mr. DUNCAN. I think that is correct, but the gentleman was quoting the two quarters a year ago and 1987, but they are down and continue to be down.

Mr. CRANE. Well, if I was comparing 1987 with 1986, I retract that and stand corrected.

I thank the gentleman.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. Donnelly].

Mr. DONNELLY. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. Despite what its opponents claim, this legislation is necessary to end the crisis in the textile and footwear industry.

Although I support the bill in its entirety, one of its best features limits "nonrubber footwear" imports to their 1986 levels. There is precedent for this action; from 1977 to 1981, limitations were placed on footwear imports from Korea and Taiwan.

Despite the cries of those in this Congress that say we must have free trade, I contend that free trade must be fair trade. Foreign competition caused 70 "nonrubber footwear" factories to close in 1986, along with another 19 so far this year. Foreign competition cost 9,600 jobs in this industry in 1986. Foreign competition caused imports to rise to the historic high of 941 million pairs in 1986 and foreign competition caused import penetration to hit 82 percent in 1987.

The simple problem is, we cannot compete with unfair and subsidized foreign manufacturers. All the free traders on this floor will talk this afternoon about the need for global competition and international commitments, but the fact of the matter is that our country has a much more noble commitment to its workers than many of our trading partners. We respect the dignity of our workers. We will not let them work at poverty wages and work 18 hours a day. We will not put them in sweatshops and we cannot compete with countries that do.

Madam Chairman, the fact of the matter is that we are better than that. The time has come for action, and this bill will provide it. Stand up to the theorists who tell you that things will get better after this and after some time, and that the principles of free trade are worth more than the dignity of the American worker.

H.R. 1154 is a reasonable and rational solution to a real problem and deserves the support of this House.

Mr. GIBBONS. Madam Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Donnelly] having assumed the chair, Ms. Kaptur, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, had come to no resolution thereon.

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## RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of yesterday, the Chair declares the House in recess subject to the call of the Chair. Bells will be rung 15 minutes prior to convening following the ceremonies at the west front of the Capitol.

### PARLIAMENTARY INQUIRY

Mr. GIBBONS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GIBBONS. Mr. Speaker, can the Chair inform us about what time we will reconvene?

The SPEAKER pro tempore. The Chair will state that the House will reconvene at approximately 2:15. Bells will be rung 15 minutes prior to the reconvening of the House.

The House will be in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 48 minutes p.m.), the House stood in recess subject to the call of the Chair.

☐ 1430

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 34 minutes p.m.

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## SUPPLEMENTAL APPOINTMENT OF CONFEREES ON H.R. 3, TRADE AND INTERNATIONAL ECONOMIC POLICY REFORM ACT OF 1987

The SPEAKER. On August 7, 1987, the Chair appointed conferees on H.R. 3, the omnibus trade bill. Pursuant to the order of the House of that day, the Chair will now supplement that initial appointment.

Accordingly, the Chair appoints the following Members from the committees designated, including both the Members initially appointed and Members newly appointed, as conferees and specifies particular portions of the House bill and Senate amendment as the subjects of the various appointments.

Without objection, the appointment will appear at this point in the Record.

There was no objection.

The list of conferees is as follows:

### CONFEREES ON THE OMNIBUS TRADE BILL (H.R. 3)

From the Committee on Ways and Means, for consideration of titles I, II, VIII, and XV and sections 704 and 906 of the House bill, and titles I, II, III (except sections 308 and 310), IV (except sections 412 through 415), V through VIII, IX (except sections 963, 967 through 972, 974, 975, and 977) of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Jenkins, Downey of New York, Pease, Russo, Gephardt, Guarini, Matsui, Duncan, Archer, Vander Jagt, Crane, and Frenzel.

From the Committee on Ways and Means, for consideration of sections 321, 323, 363, 907 through 909 of the House bill, and title XXXVII and sections 308, 310, 412, 977, 2002, and 3871 of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Jenkins, Downey of New York, Pease, Russo, Crane, Frenzel, and Schulze.

From the Committee on Ways and Means, for consideration of sections 613, 626, 627, 671 through 675, 681, 682, 691, and 692 of the House bill, and sections 974, 975, 2112, 2128, 2171, 2173 through 2175, 2191, 2193, and 2194, of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Jenkins, Pease, Russo, Matsui, Archer, Thomas of California, and, Daub.

From the Committee on Ways and Means, for consideration of sections 605 through 607, 611, and 663 of the House bill, and sections 2113, 2114, and 2136 of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Jenkins, Matsui, Thomas of California, and Daub.

From the Committee on Ways and Means, for consideration of title X of the House bill, and section 3911 of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Gephardt, Guarini, Crane, and Frenzel.

From the Committee on Ways and Means, for consideration of sections 351, 901, and 902 of the House bill, and sections 968 through 972, 1030 through 1033, and 3811 through 3824 of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Downey of New York, Archer, and Schulze.

From the Committee on Agriculture, for consideration of title VI and sections 318 through 321 of the House bill, and title XXI (except sections 2178 through 2180A and 2185 through 2187) and sections 601, 602, 604, 605, 974, 975, and 4706 of the Senate amendment, and modifications committed to conference:

Messrs. de la Garza, Brown of California, Panetta, Glickman, Stenholm, Volkmer, Roberts, Morrison of Washington, Gunderson, and Grandy.

From the Committee on Agriculture, for consideration of section 308 of the Senate amendment and modifications committed to conference:

Messrs. de la Garza, Brown of California, Glickman, Roberts, and Morrison of Washington.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 126 (insofar as it would add new sections 311(g) (1) and (2) to the Trade Act of 1974), sections 401 through 427, and 431 through 452 of the House bill, and titles XIII and XVII and sections 108, 2008, 2012, and 2178 through 2180A of the Senate amendment, and modifications committed to conference:

Messrs. St Germain, Fauntroy, Garcia, LaFalce, Schumer, Morrison of Connecticut, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 322 of the House bill, and section 1106 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. Garcia, Vento, Schumer, Morrison of Connecticut, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 341 and 344 of the House bill, and modifications committed to conference:

Mr. Fauntroy, Ms. Oakar, and Messrs. Garcia, LaFalce, Schumer, Morrison of Connecticut, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 428 of the House bill, section 1506 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. Vento, Barnard, Schumer, Morrison of Connecticut, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 461 through 471 of the House bill, and sections 3801 through 3809 of the Senate amendment, and modifications committed to conference:

Messrs. St Germain, Fauntroy, and Garcia, Ms. Oakar, and Messrs. LaFalce, Vento, Wylie, Leach of Iowa, McMillan of North Carolina, and Roth.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 476 and 477 of the House bill, and sections 1101 through 1103 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Mr. Fauntroy, Ms. Oakar, and Messrs. Garcia, LaFalce, Vento, Wylie, Leach of Iowa, Bereuter, and Roth.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 907 of the House bill, and modifications committed to conference:

Mr. St Germain, Mr. Fauntroy, Ms. Oakar, and Messrs. Garcia, Vento, Schumer, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 911 of the House bill, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. LaFalce, Vento, Schumer, Morrison of Connecticut, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 959 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Mr. Fauntroy, Ms. Oakar, and Messrs. Garcia, LaFalce, Schumer, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 1026 and 1027 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. LaFalce, Vento, Schumer, Morrision of Connecticut, Wylie, Bereuter, Roth, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 1501 through 1504 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. Vento, Barnard, Schumer, Morrison of Connecticut, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1805 of the Senate amendment, and modifications committed to conference:

Messrs. St Germain, Fauntroy, Garcia, Vento, Schumer, Morrison of Connecticut, Wylie, Leach of Iowa, Bereuter, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of title XIX and section 2001 of the Senate amendment, and modifications committed to conference:

Messrs. St Germain, Fauntroy, Garcia, LaFalce, Vento, Schumer, Wylie, Leach of Iowa, Bereuter, and McMillian of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 313 of the House bill, and sections 1201 and 1203 of the Senate amendment, and modifications committed to conference:

Messrs. Fauntroy, Garcia, Morrison of Connecticut, Leach of Iowa, and Bereuter.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 326 of the House bill, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. Garcia, Wylie, and Leach of Iowa.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 345 of the House bill, and modifications committed to conference:

Ms. Oakar, and Messrs. LaFalce, Vento, Leach of Iowa, and Bereuter.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 664 of the House bill, and sections 1801, 3903, and 3906 of the Senate amendment, and modifications committed to conference:

Messrs. St Germain, Fauntroy, Garcia, Wylie, and Bereuter.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 702 of the House bill, and modifications committed to conference:

Mr. St Germain, Mr. Fauntroy, Ms. Oakar, Mr. Wylie, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 902, 905, and 912 of the House bill, and title XIV and sections 3811 through 3824, 3861 through 3867, and 4501 of the Senate amendment, and modifications committed to conference:

Ms. Oakar, and Messrs. LaFalce, Vento, McMillan of North Carolina, and Roth.

From the Committee on Banking, Finance and Urban Affairs, for consideration of secton 1303 of the House bill, and modifications committed to conference:

Ms. Oakar, and Messrs. Fauntroy, Garcia, Leach of Iowa, and McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1105 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. Garcia, Wylie, and Bereuter.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1505 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. Vento, Wylie, and Leach of Iowa.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 3854 of the Senate amendment, and modifications committed to conference:

Mr. St Germain, Ms. Oakar, and Messrs. Vento, Wylie, and McMillan of North Carolina.

From the Committee on Foreign Affairs, for consideration of title III (except sections 322, 326, and 351) and sections 451, 601 through 612, 621 through 623, 625, 631 through 637, 641 through 651, 653, 663, 701, 903, 907 and 912 of the House bill, and titles X (except sections 1030 through 1033), XII, XVI, XVIII (except section 1801), XX (except sections 2001 and 2008), and XLVII and sections 311, 413 through 415, 958, 963 through 972, 977, 1104, 1304, 1504, 2111, 2113 through 2127, 2129, 2132 through 2136, 2138, 2139A through 2166, 2180B through 2182, 2184, 2192, 3851, 3881, 4501, and 4901 of the Senate amendment, and modifications committed to conference:

Messrs. Fascell, Bonker, Mica, Berman, Levine of California, Bilbray, Broomfield, Roth, Bereuter, and Miller of Washington.

Except that:

For consideration of section 331 of the House bill, Messrs. Wolpe, Feighan, and Lagomarsino are appointed, vice Messrs. Levine of California, Bilbray, and Miller of Washington;

For consideration of sections 318 through 321, 345, 451, and 912 of the House bill, Mr. Gejdenson is appointed, vice Mr. Levine of California;

For consideration of sections 301 through 317 and 323-326 of the House bill, Mr. Feighan is appointed, vice Mr. Levine of California;

For consideration of section 325 of the House bill, Mr. Solarz is appointed, vice Mr. Levine of California;

For consideration of title XLVII and sections 311, 958, 968 through 972, 2002 through 2007, 2009 through 2012, and 4901 of the Senate amendment, Mr. Solarz is appointed, vice Mr. Levine of California;

For consideration of sections 2111, 2113 through 2127, 2129, 2132 through 2136, 2138, 2139A through 2166, 2180B through 2182, 2192, and 4501 of the Senate amendment, Mr. Gejdenson is appointed, vice Mr. Levine of California;

For consideration of title XII and sections 1802 through 1805, and 1807 through 1809 or the Senate amendment, Mr. Feighan is appointed, vice Mr. Levine of California;

For consideration of title XLVII of the Senate amendment, Mr. Gilman is appointed, vice Mr. Miller of Washington; and

For consideration of section 1020 of the Senate amendment, Messrs. Wolpe, Feighan, and Lagomarsino are appointed, vice Messrs. Levine of California, Bilbray, and Miller of Washington.

From the Committee on Foreign Affairs, for consideration of sections 322, 326, 351, 461 through 471, 664, 702, 703, 901, 902, 905, 1303 through 1306, and 1310 of the House bill, and title XIV and sections 308, 412, 1105, 1505, 1801, 3801 through 3824, 3854, 3902 through 3907, 3910 and 3912 of the Senate amendment, and modifications committed to conference:

Messrs. Bonker, Mica, Berman, Roth, and Bereuter.

Except that:

For consideration of section 664 of the House bill, and sections 308, and 2178 through 2180A of the Senate amendment, Mr. Gejdenson is appointed, vice Mr. Berman; and

For consideration of sections 1303 through 1306 and 1310 of the House bill, and sections 3902 through 3907, 3910, and 3912 of the Senate amendment, Mr. Broomfield is appointed, vice Mr. Bereuter.

From the Committee on Foreign Affairs, for consideration of sections 1030 through 1033 of the Senate amendment, and modifications committed to conference:

Messrs. Fascell, Bonker, Mica, Broomfield, and Roth.

From the Committee on Energy and Commerce, for consideration of title II and section 703 of the House bill, and sections 901 through 913 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Florio; Markey, Sharp, Swift, Bryant, Synar, Eckart, Slattery, Lent, Moorhead, Rinaldo, Dannemeyer, and Ritter.

From the Committee on Energy and Commerce, for consideration of sections 104, 181, 183, 324, 701, 703, 903, 904, 906, and 909 of the House bill, and title XVI and sections 1503, 1802, and 3851 through 3853 of the Senate amendment, and modifications committed to conference; for consideration of sections 121 and 124 of the House bill, and sections 306 and 307 of the Senate amendment, and modifications committed to conference, except for those matters relating to suspension, withdrawal, or prevention of trade agreement concessions or to imposition of duties or other import restrictions on goods; and for consideration of section 201 of the Senate amendment (insofar as it would add new sections 204(d)(1)(B)(ii) and 204(d)(2) (B) through (E) to the Trade Act of 1974), and modifications committed to conference:

Messrs. Dingell, Florio, Markey, Sharp, Swift, Bryant, Lent, Moorhead, Rinaldo, and Dannemeyer.

From the Committee on Energy and Commerce, for the consideration of section 198 of the House bill and sections 2185 through 2188 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Florio, Markey, Sharp, Swift, Bryant, Lent, Moorhead, Dannemeyer, and Coats.

From the Committee on Energy and Commerce, for the consideration of sections 908, 910, and 911 of the House bill and section 310 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Florio, Markey, Sharp, Swift, Bryant, Lent, Rinaldo, Dannemeyer, and Ritter.

From the Committee on Energy and Commerce, for consideration of sections 311 through 316, 345, 461 through 471, 901, 902, 905, 907, and 912 of the House bill, and titles XII (except section 1207) and XIV and sections 968 through 972, 1801, 1802, 3801 through 3824, and 4501 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Florio, Markey, Lent, and Dannemeyer.

From the Committee on Energy and Commerce, for consideration of section 331 of the House bill, and modifications committed to conference:

Messrs. Dingell, Florio, Markey, Lent, and Moorhead.

From the Committee on Energy and Commerce, for consideration of section 702 of the House bill, and sections 1505 and 3854 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Florio, Markey, Lent, and Rinaldo.

From the Committee on Energy and Commerce, for consideration of sections 3861 through 3867 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Florio, Markey, Lent, and Ritter.

From the Committee on Education and Labor, for consideration of title V (except subtitle B) of the House bill, and titles XXIII through XXXII of the Senate amendment, and modifications committed to conference:

Messrs. Hawkins, Ford of Michigan, Biaggi, Kildee, Williams, Jeffords, Goodling, and Coleman of Missouri.

From the Committee on Education and Labor, for consideration of subtitle B of title V of the House bill, and title XXII of the Senate amendment (except the portion of section 2202 that would add new part B to title III of the Job-Training Partnership Act), and modifications committed to conference:

Messrs. Hawkins, Ford of Michigan, Gaydos, Clay, Martinez, and Jeffords, Mrs. Roukema, and Mr. Gunderson.

From the Committee on Education and Labor, for consideration of section 2202 of the Senate amendment (insofar as it would add new part B to title III of the Job-Training Partnership Act), and modifications committed to conference:

Messrs. Hawkins, Ford of Michigan, Gaydos, Clay, Martinez, Murphy, Owens of New York, and Jeffords, Mrs. Roukema, Mr. Gunderson, and Mr. Bartlett.

From the Committee on Education and Labor for consideration of section 904 of the House bill, and modifications committed to conference:

Messrs. Hawkins, Ford of Michigan, Gaydos, Jeffords, and Goodling.

From the Committee on the Judiciary, for consideration of title XIV and sections 166, 171 through 173 of the House bill, and titles XXXIII through XXXVI and sections 201 (insofar as it would add new section 203(f) to the Trade Act of 1974), 401, 415, 416, 1107, 1808, 1908, and 1910 of the Senate amendment, and modifications committed to conference:

Messrs. Rodino, Kastenmeier, Edwards of California, and Hughes, Mrs. Schroeder, and Messrs. Crockett, Fish, Moorhead, Hyde, and Lungren.

From the Committee on the Judiciary, for consideration of sections 872 and 873 of the House bill, and modifications committed to conference:

Messrs. Rodino, Kastenmeier, Edwards of California, and Hughes, Mrs. Schroeder, and Messrs. Crockett, McCollum, Lungren, Fish, and Moorhead.

From the Committee on the Judiciary, for consideration of sections 326, 905, and 912 of the House bill, and titles XIV, XLVIII and sections 1105 and 3861 through 3867 of the Senate amendment, and modifications committed to conference:

Messrs. Rodino, Edwards of California, Hughes, Fish, and Moorhead.

From the Committee on the Judiciary, for consideration of sections 351 of the House bill, and modifications committed to conference:

Mr. Rodino, Mr. Kastenmeier, Mrs. Schroeder, Mr. Fish, and Mr. Moorhead.

From the Committee on the Judiciary, for consideration of section 701 of the House bill, and sections 1603 through 1605 of the Senate amendment, and modifications committed to conference:

Messrs. Rodino, Hughes, Crockett, McCollum, and Lungren.

From the Committee on the Judiciary, for consideration of section 703(h) of the House bill, and sections 1603 through 1605 of the Senate amendment, and modifications committed to conference:

Messrs. Rodino, Hughes, Crockett, Fish, and Moorhead.

From the Committee on Government Operations, for consideration of titles X and XVI of the House bill, and title XLVIII of the Senate amendment, and modifications committed to conference:

Messrs. Brooks, Conyers, Neal, Frank, Weiss, Horton, Walker, and Clinger.

From the Committee on Government Operations, for consideration of sections 461 through 471 of the House bill, and sections 1030 through 1033 and 3801 through 3809 of the Senate amendment, and modifications committed to conference:

Messrs. Brooks, Conyers, Neal, Horton, and Walker.

From the Committee on Merchant Marine and Fisheries, for consideration of title XI of the House bill, and title XLVI and section 2011 of the Senate amendment, and modifications committed to conference:

Messrs. Jones of North Carolina, Biaggi, Anderson, Studds, Bonker, Hughes, Davis of Michigan, Lent, Young of Alaska, and Shumway.

From the Committee on Public Works and Transportation, for consideration of title XII of the House bill, and section 4502 of the Senate amendment, and modifications committed to conference:

Messrs. Mineta, Oberstar, Nowak, Rahall, Applegate, de Lugo, Hammerschmidt, Stangeland, Gingrich, and Clinger.

From the Committee on Small Business, for consideration of title XIII and section 186 of the House bill, and titles XXXVII and XXXIX and section 1804 (insofar as it would new section 661(d)(2)(B) to the Foreign Assistance Act of 1961) of the Senate amendment, and modifications committed to conference:

Messrs. LaFalce, Smith of Iowa, Skelton, Mavroules, Bilbray, McDade, Ireland, and Conte.

From the Committee on Small Business for consideration of section 314 of the House bill (insofar as it would add new section 203(c) to the Export Administration Amendments Act of 1985), and modifications committed to conference:

Messrs. LaFalce, Smith of Iowa, Skelton, McDade, and Ireland.

From the Committee on Science, Space, and Technology, for consideration of section 911 of the House bill, and modifications committed to conference:

Messrs. Roe, Walgren, MacKay, Valentine, Brown of California, Scheuer, Lujan, Boehlert, Ritter, and Packard.

From the Committee on Science, Space, and Technology, for consideration of sections 3852 and 3853 of the Senate amendment, and modifications committed to conference:

Messrs. Roe, Walgren, MacKay, Brown of California, and Scheuer, Mrs. Lloyd, Messrs. Lujan, Morrison of Washington, Ritter, and Mrs. Morella.

From the Committee on Science, Space, and Technology, for consideration of section 3871 of the Senate amendment, and modifications committed to conference:

Messrs. Roe, Walgren, MacKay, Brown of California, and Scheuer, Mrs. Lloyd, and Messrs. Lujan, Boehlert, Walker, and Sensenbrenner.

From the Committee on Science, Space, and Technology, for consideration of sections 3881 through 3884 of the Senate amendment, and modifications committed to conference:

Messrs. Roe, McCurdy, Glickman, Nelson of Florida, McMillen of Maryland, Hayes of Louisiana, Lujan, Lewis of Florida, Walker, and Ritter.

From the Committee on Science, Space, and Technology, for consideration of titles XL through XLIV and sections 4503 through 4505 of the Senate amendment, and modifications committed to conference:

Messrs. Roe, Walgren, Brown of California, and Scheuer, Mrs. Lloyd, and Messrs. Glickman, Lujan, and Boehlert, Miss Schneider, and Mr. Ritter.

From the Committee on Science, Space, and Technology, for consideration of section 4902 of the Senate amendment, and modifications committed to conference:

Messrs. Roe, Walgren, Brown of California, and Scheuer, Mrs. Lloyd, and Messrs. Glickman, Lujan, Lewis of Florida, Packard, and Buechner.

From the Committee on Science, Space, and Technology, for consideration of sections 461 through 471 and 904 of the House bill, and sections 2305, 3801 through 3809, and 3909 of the Senate amendment, and modifications committed to conference:

Messrs. Roe, Walgren, Brown of California, Lujan, and Boehlert.

From the Committee on Science, Space, and Technology, for consideration of section 411 of the Senate amendment, and modifications committed to conference:

Messrs. Roe, Hall of Texas, Torricelli, Lujan, and Sensenbrenner.

From the Committee on Science, Space, and Technology, for consideration of sections 3861 through 3867 of the Senate amendment, and modifications committed to conference:

Messrs. Roe, Walgren, Valentine, Lujan, and Ritter.

From the Committee on Rules, for consideration of title XVI and sections 114(d) and (e) of the House bill, and sections 104, 107, 110, and 2131 of the Senate amendment, and modifications committed to conference:

Messrs. Pepper, Moakley, Derrick, Hall of Ohio, Wheat, Lott, and Taylor.

From the Committee on Armed Services, for consideration of sections 1030 through 1034, and 4901 of the Senate amendment, and modifications committed to conference:

Messrs. Aspin, Stratton, Mavroules, Badham, and Hunter.

From the Committee on Armed Services, for consideration of section 1021 of the Senate amendment, and modifications committed to conference:

Messrs. Aspin, Mavroules, and Hunter.

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## TEXTILE AND APPAREL TRADE ACT OF 1987

The SPEAKER. Pursuant to House Resolution 256 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1154.

□ 1436

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, with Ms. Kaptur in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, there were 2 hours and 37 minutes remaining in general debate. The gentleman from Florida [Mr. Gibbons] has 41 minutes of general debate remaining, the gentleman from Tennessee [Mr. Duncan] has 36 minutes remaining, the gentleman from Georgia [Mr. Jenkins] has 40 minutes remaining, and the gentleman from Illinois [Mr. Crane] has 40 minutes remaining.

The Chair recognizes the gentleman from Florida [Mr. Gibbons].

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from Oregon [Mr. AuCoin], who is a very distinguished Member of this body and one who has devoted a great deal of time and expertise to the study of this matter.

Mr. AuCOIN. Madam Chairman, I rise in opposition to this bill.

We've heard how this bill is going to get the American textile industry back on its feet again. But the truth is: this bill would actually knock several American companies off of their feet instead.

My congressional district is the home of the corporate offices of Nike and Avia. These are two companies founded in America that employ thousands of my constituents—Americans—who design, market, test, and distribute their athletic footwear.

These companies spotted a change in the tastes of consumers, and began reaching a new market, made up of consumers who liked high-tech, athletic shoes. Domestic companies closed their eyes to that change, and they forfeited the market. Whose fault is that? Not Nike, Avia, or Reebok. Yet this bill penalizes them by including their products in the shoe quota.

And what really galls me is that this protectionism is being imposed when there is no American producer of this type of athletic shoe! How can it make sense to protect an industry that doesn't exist—and injure American companies that do exist?

Do you know what the shoe companies seeking this protection say to that? They say that even though they're not in the athletic shoe market, the companies who are, are indirectly guilty of unfair competition. Alan Wainberg of G.H. Bass Co. explained it this way: "People who used to buy Bass sandals now buy athletic shoes." I say to Mr. Wainberg and other supporters of this bill: What right do you have to come running to Big Daddy government to legislate what kinds of shoes Americans put on their feet? Are you going to mandate that everybody wear Hush Puppies? Nike and Avia are true American success stories. And I remember when I was growing up being told that one's potential for future success was dependent only on one's energy and vision.

But this bill before us takes a different approach to free enterprise.

This bill actually stops the growth of these American companies dead in their tracks by freezing the amount of shoes that they can import.

The fact is that demand for these shoes is increasing. Avia, for example, imported and sold 2 million pairs of shoes in 1986. For the fall 1988 season, they have already ordered and purchased 10 million pair of shoes. In the meantime, the number of people employed in their corporate headquarters has risen to about 200 people in just a few years, and there are plans to employ even more people in the future.

This bill threatens that economic growth. If it had been law a few years ago, companies like Avia would never have started. And, on top of everything else, the bill invites retaliation—against farm products, electronics products, and many other American exports.

What is free enterprise all about? Doesn't it mean rewarding a company that is clever enough to capture the imagination of the American consumer? I think it does.

But the authors of this bill have a different view. They believe that the American consumer's tastes cannot be trusted. And they have so much faith in the Congress' ability to micromanage our economy that they believe they can actually decide what kind of shoes the American public should be wearing.

Madam Chairman, there are dozens of other reasons why we should reject this legislation. But I just wanted to take my time to point out how protectionism is not a free ride. You try to prop up one sector of our economy and there are shock waves elsewhere, not just internationally but domestically as well.

I therefore urge my colleagues to vote against the textile bill.

Mr. CRANE. Madam Chairman, I yield 6 minutes to the gentleman from Texas [Mr. DeLay].

Mr. DeLAY. Madam Chairman, I have with me today a familiar face to many of us here on Capitol Hill—his name is Dennis Gill. Dennis and two of his cardboard friends were kind enough to visit every congressional office here in Washington. They all have these same sad puppy dog faces. They all work in textile plants and are here to tell us that they are going to lose their jobs if we don't pass today's textile bill.

What they may not know, however, is how this bill is going to hurt them if it passes. More importantly, though, is how it is going to hurt the other 238 million American's that don't work in a textile plant.

H.R. 1154 is a textbook example of "special interest legislation." The definition of "special interest legislation" is—a bill in Congress that benefits a well organized, well funded, person or group at the expense of others who are either not special or not of interest. This bill, for the first time, will set global quotas for textile, apparel, and footwear imports into this country. This means that more consumer choices about what consumers buy and how much consumers pay are going to be made on the floor of this House rather than in the store by the consumer.

And not only will we be removing those choices, we will be eroding the meager living standards of millions of poor Americans across the country. This bill will undoubtedly be the most regressive bill we will pass this Congress. Today, the poor people of this country are the ones that aren't special to the proponents of this bill.

Let me illustrate just what I mean by regressive:

Dennis has a nice blue jean outfit on today that was undoubtedly made in the U.S.A. Because of the textile bill, his clothes, and everyone else's clothes, will go up in cost regardless of where they were made.

According to a just released study by Dr. William Cline at the Institute for International Economics, Dennis and the rest of us have had to pay 19-percent more for our U.S. made clothes and 35-percent more for our imported clothes because of restrictions on textiles and apparel imports. And what's worse, these figures will double after this bill passes.

Dennis paid $37 for his jacket. If he had bought it in a free market, he would have only paid $30. And if he buys it after H.R. 1154 is enacted, he will pay $44 for that same jacket. Even worse, if his $37 jacket is imported, he will pay almost $50 for that same jacket after the textile bill is enacted.

Dennis paid $26 for his flannel shirt. If he had bought it in a free market, he would have only paid $21. If he buys a shirt after today's bill, he will pay $31. If his $26 shirt happens to be made in Taiwan, he will pay $35 after today's bill.

Dennis paid $60 for his shoes. If he had bought them in a free market, he would have paid only $48. And if he buys them after today's bill takes effect, he will pay $71.34. If his $60 shoes are imported, he will pay over $80 because of the textile bill!

Dennis also has five children that he has to clothe and feed. According to the Department of Agriculture, he will spend over $30,000 to buy the five of them clothes from the time they are born to age 18. If Dennis didn't have to open his pockets to protect his industry, the textile industry, and the footwear industry—he would save $7,244 on those clothes! And if this bill passes, Dennis will pay over $14,000 for protectionism on his children's clothes!

For $14,000, Dennis could buy a college education. He could tithe to the church. He could put a down payment on a house. He could buy a new car.

But he won't. He, unfortunately, doesn't live in a fantasy land of free markets and unprotected goods. He lives in the land of special interests. The special interests, like the textile and apparel industry, will profit from this bill at the expense of most other Americans—Americans who are not special to the people of this body who vote for this bill.

Vote "No" on this bill. Send a message to the poor and the homeless that you care more about them than selfish special interests.

□ 1445

Mr. GIBBONS. Madam Chairman, I yield 5 minutes to the gentleman from Washington [Mr. Bonker], who, as all of the Members know, is chairman of the Subcommittee on International Economic Policy and Trade of the Committee on Foreign Affairs.

The gentleman has been head of the Export Task Force of this Congress for many, many years.

Mr. BONKER. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in opposition to H.R. 1154. I would like to take this opportunity to commend the gentleman from Florida [Mr. Gibbons], the chairman of the subcommittee, as well as the gentleman from Minnesota [Mr. Frenzel], for the gentlemen's leadership demonstrated and the commitment the gentlemen have devoted to this important issue.

There are clearly four good reasons why we should oppose this special-interest legislation.

First, this House adopted a comprehensive trade bill a few months ago; and we took great pains to make sure that there were no protectionist features in that bill, that the emphasis would be on export promotion, that we would attempt to deal with our trade deficit in a very positive way.

What we are about to do here, if the House were to adopt this legislation, is really an affront to that good effort to put forth a comprehensive trade bill.

Second, the textile industry today is prospering. There is plenty of evidence in their employment numbers, in their profits, and the very fact that this industry has striven to restore its competitive position.

I congratulate them, but it is no basis whatsoever to extend even more protection to that industry.

Third, I am concerned about the precedent that we may establish by favorable action on this legislation. Indeed we would open the door and extend an invitation for other segments of the American industry to come to us looking for special favors, special protection, if you will.

In October 1985 and again in August 1986 when we spoke about the override issue, I made the case in the well of the floor that the timber industry which I represent is in far graver danger than the textile industry; and if a case could be made for the textile industry, an even better case could be made for the timber industry, the aluminum industry, the automobile industry and all the others that make up the mighty economy in the United States.

We would set a very dangerous precedent for others to come knocking on our door, and let us take a lesson from history. The Smoot-Hawley Tariff Act of 1929 was a good example of what is about to occur here today.

When Herbert Hoover traveled around the country as a candidate for President, he promised that if elected, he would convene a special session of the Congress for the purpose of taking up a limited tariff bill, and before the House concluded its work over 20,000 items, import items, became subject to higher tariffs; and that, if anything, precipitated the collapse of the world trading system.

Madam Chairman, my gravest concern has to do with our international obligations.

The gentleman from Florida [Mr. Gibbons] has made available information on how H.R. 1154 would unilaterally violate our sacred agreements under GATT, would violate the bilateral agreements negotiated under the multifiber arrangement.

Mr. Speaker, the United States has worked hard since World War II to establish institutions and rules which would restore the world trading system.

We have very much at stake in maintaining those institutions; but if the United States were to violate the agreements, if we were to abandon our commitments to these agreements, what kind of standard would this set for other countries?

The only hope for the world trading system, especially in a world of overcapacity and intense competition and greater protectionist tendencies, is to have global institutions that can deal with these problems. If the United States, the most powerful economy in the world, were to turn her back on GATT and other agreements and treaties, what hope is there for other countries to adhere to them?

We have a responsibility to uphold those commitments and to uphold America's honor.

I urge opposition to this special-interest bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. Clarke].

Mr. CLARKE. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. The textile industry is the No. 1 industry of my State of North Carolina.

Primarily because of the competition from low-wage countries of the Far East and Latin America, we have seen numerous textile plant closings in recent years, with the loss of thousands of jobs. This trend continues today.

A major part of the problem is weak enforcement of our existing trade agreements. Under the Multi-Fiber Arrangement, textile and apparel imports into the United States were due to rise at a rate of 6 percent during the 1980's. In reality they rose more than five times this much in 1983 and in 1984. Last year the total U.S. trade deficit due to textile and apparel imports was over $20 billion.

This situation cannot continue unless we are willing to let whole sections of our textile industry be eliminated.

H.R. 1154 sets limits on overall imports of a wide range of textile, apparel, and footwear. An annual increase of 1 percent a year in these imports is permitted in line with the growth of the American market. H.R. 1154 calls for strong enforcement of our existing trade agreements and strong action to stop the evasion of quotas which has been accomplished so successfully by some textile-producing countries.

The bottom line of the textile bill is not a textbook theory of free trade but a measure to save the jobs and the livelihood of thousands of American workers, many of whom are older persons who would find it very difficult to retrain for any other work.

On behalf of these people and their families, I urge your strong support for H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. Jones].

Mr. JONES of Tennessee. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, today I come before this House again to support legislation that will control the textile, apparel, and footwear imports coming into our country, H.R. 1154.

I would like to take this opportunity to stress the necessity of the passage of this legislation. The statistics clearly show the devastating impact of imports on both the domestic textile and footwear industries. Imports now comprise over one-half the U.S. apparel market and 81 percent of the domestic footwear market. In the past 6 years, foreign nations have more than doubled their textile and apparel imports into our market resulting in a loss of over 400,000 jobs and more than 1,500 factories in those domestic industries. The footwear industry has certainly fared no better. In 1986 alone, 70 shoe factories have closed and footwear unemployment averaged 15.4 percent in 1986.

Not only have I watched the statistics showing jobs and industries lost in our country over the years as a direct result of increasing textile and footwear imports, but I have also seen these effects firsthand in my congressional district and in my State. My State, Tennessee, is the fifth largest footwear producing State in our country. In 1986, however, our State alone had six footwear plants close, and in 1985, eight footwear factories closed.

It is important to understand the negative impact of these domestic industries to an area and to our country as a whole. The textile, apparel, and footwear industries are traditionally located in rural communities where that factory may be the largest employer. This fact makes these manufacturers vital to those rural economies in which most are located. In a county where the total work force may be around 6,000 people, one plant closing is deterimental to not only those who lost their jobs, but also to those small businesses and communities who depend on their support for survival. Many of the employees of these industries are women and provide the only source of income for an entire family. It is obvious, therefore, that once a factory is closed, no alternative employment for those in need of a job may be found.

The Textile and Apparel Trade Act of 1987 would establish much-needed quotas on all textiles and textile products imported based on the level of those imports for 1986, with 1 percent growth allowed each year. Footwear imports will also be limited to 1986 levels. Not only will this legislation help curb the large number of imports in these industries, it would reduce our Federal deficit by as much as $500 million while creating over 150,000 new jobs in the second year after its enactment.

Factories continue to close in our country and jobs continue to be lost as a direct result of foreign imports. Our current trade policies regulating textile, apparel, and footwear imports have failed and a legislative remedy is imperative.

H.R. 1154 can provide our domestic textile and footwear industries a market in which they may be competitive. The future of these domestic industries and the jobs they provide are at stake.

I urge my colleagues to vote "yes" on H.R. 1154.

□ 1455

Mr. DUNCAN. Madam Chairman, I yield 4 minutes to the gentlewoman from Maine [Ms. Snowe].

Ms. SNOWE. Madam Chairman, I rise in support of this legislation so critical to America's footwear and textile industries.

Madam Chairman, those who think the current trade relief process is sufficient should reflect on the shoe industry, a case in point that should be regarded in this legislation.

In 1981, when the Orderly Marketing Agreements expired, the level of import penetration for shoes was 51 percent.

In 1985, when the ITC unanimously recommended relief for the industry and the President denied it, the level was 75 percent.

And what has happened since the last time we considered this legislation in this House? Import penetration is at an alltime high—84 percent. Restrictions were placed on imported automobiles when the levels were but one-fourth of the level the footwear industry endures today. Yet that 84 percent level is the level at which this legislation freezes imports.

I would have supported a rollback to 75 percent in light of the International Trade Commission's decision.

Nonetheless, we do have to draw the line in the sand somewhere, even if it is 84 percent, while we still have shoes on our feet to draw that line. Factory closings and dislocated workers due to patently unfair trading practices and imports have become all too familiar in my State. The familiarity, however, does not yield acceptance of these unfair trade practices.

Failure to enforce the existing trade laws has culminated in this situation. And enactment of the trade reform bill will not resolve the plight of these industries. Whatever its merits or demerits, that bill is prospective in focus—it won't take care of the problems at hand today with both of these industries; [the problems created by the combination of weak trade laws, weaker enforcement, and unfair trade practices.]

My concern is that this Congress and the American Government are no longer capable of recognizing that there is such a thing as a legitimate trade grievance. I worry that blind adherence to the free trade concept at whatever costs has produced a de facto surrender to other nations who are more than willing to use unfair or disruptive practices.

As Commerce Department official William Perry wrote,

> There is a growing perception among those who do not rely on such laws that U.S. trade laws are protectionist in a negative sense * * *. In fact, they are designed to eliminate the effect in the United States of certain foreign practices which the international community recognizes as commercially unfair and injurious.

In part because of the broad sweeping free trade perception, the textile and apparel industries are in a plight similar to footwear.

They, too, have suffered from tremendous production increases in developing nations, a lack of response to this huge, targeted export growth by our government, and the ineffectiveness of current restraints under the Multifiber Arrangement.

In the State of Maine, alone, we have lost one-third of our work force in this industry since 1970. By doing nothing, according to a recent Office of Technology Assessment report, domestic sales of U.S. apparel will be virtually negligible by the year 2000, because the United States will not be taking any action. Two-thirds of the U.S. textile market would be served by foreign interests. As that report has indicated, an absence of action by this Government means the future of these industries will be dictated by foreign governments because they are willing to go the extra mile at any length and at any cost to preserve their industry.

Madam Chairman, if we do not enact this legislation in 1987, I fear that next year we will be considering a memorium resolution for the shoe industry. The situation is that bad and that critical. If we cannot give assistance to those industries under our existing trade laws, protecting their rights as enacted by this House and this Senate, then I fear for the future of other industries as well, because they cannot rely on their government for any kind of legitimate lead under legitimate circumstances.

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Madam Chairman, I rise in opposition to the textile bill.

This legislation blatantly disregards free trade practices and clearly smacks of protectionism. We are all concerned about the loss of jobs in the domestic shoe industry, but in solving this problem we must not destroy jobs in the import shoe industry.

A freeze on shoe imports would stunt the growth of small and medium size companies all across America. The Volume Shoe Corp., a major importer of footwear in this country, is representative of companies that would become economic casualties if this bill becomes law.

The growth of the Volume Shoe Corp. would come to a screeching halt if this legislation is passed.

Today, Volume Shoe employs 1,250 people in its headquarters in Topeka, KS, and provides 12,000 more jobs in its Payless Shoe Stores across the country.

Left alone, the import shoe industry will continue to create thousands of jobs each year. On average, Volume Shoe opens one new retail outlet each day, employing five people in each store on the retail level in addition to many other jobs created in shipping, distribution, and the construction operation that has to support that incredible expansion.

Does free trade threaten the domestic shoe industry? The evidence suggests that it does not. Growth of the U.S. shoe market is largely attributable to the increase in the number of inexpensive imported shoes.

The fact is market growth of 40 percent in recent years has been due to lower income Americans buying more inexpensive shoes, and these are imported shoes which cannot be produced profitably in this country.

I have strongly supported tough action to help open U.S. markets abroad and to prevent U.S. workers and companies from being victimized by the subsidies of foreign governments. That is why I supported the Gephardt amendment, but I do not support or condone protectionism, and that is what we are dealing with today.

The U.S. shoe industry has frequently sought Federal protection, but has failed to show that their problems stem from unfair trade practices.

Madam Chairman, I am also concerned that this bill would trigger retaliation against American agricultural exports.

The cost of this bill will ultimately be felt in the pocketbooks of Americans, both through higher retail prices and the loss of American jobs, especially in the import shoe industry in this country.

I strongly urge my colleagues to oppose this legislation.

Mr. CRANE. Madam Chairman, I yield 3 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Madam Chairman, what we have here is a bill that when you strip away all the details raises barriers against importing primarily textiles into this country. That is what it does.

Now, the proponents of the bill know that if this bill passes it will hurt our port and shipping and apparel industries. It will mean that people in those industries will lose jobs, but the proponents say, "Well, it's too bad, but we've got to help the textile industry because the textile industry is hurting."

Now, if this bill passes, the aircraft, the high technology or agricultural sectors are going to be hurt. Jobs are going to be lost there when other nations retaliate and the proponents of this bill know that, but they say, "Well, it may be tough, but we've got to help the textile industry because the textile industry is hurting."

The proponents know that if this bill passes, regions of our country such as the gulf coast and the Pacific coast and the Northwest are going to be hurt, but they say, "Well, we've got to help the textile industry because the textile industry is hurting."

Well, what about our friends abroad? Several of us visited the Philippines recently. President Aquino told us how in the Philippines they were reducing and eliminating tariffs. That is one of her big planks in her economic recovery program, and then she turned to us and said, "While we do that, why are you considering hitting us in one of our major exports to the United States, textiles?"

Of course, the proponents of this bill know that this bill will hurt this friendly struggling democracy in the Philippines, but they say, "Well, the U.S. textile industry is hurting and needs help."

Well, let us look at the U.S. textile industry. Are jobs down in that industry in the past year? No, jobs are up, up 30,000.

Are hourly earnings down? No, hourly earnings are up.

Is production down? No, production over the last year is up.

Are profits down? No, profits are up.

Madam Chairman, this industry does not deserve relief. It deserves congratulations. As one of the chief executives in the textile industry says, and I quote from a recent article in the news media.

> The only thing that worries us is getting people to fill the jobs. There are just more jobs than there are people. We are running at 100 percent capacity.

Madam Chairman, this is not a bill whose time has come; oh, no. Instead, time has passed this bill by. We should defeat it.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Madam Chairman, I thank the gentleman from Georgia.

I salute the leadership that he and the gentleman from South Carolina have provided for this bill.

If hyperbole were legal tender, this debate would have put a substantial dent in the national deficit. The amount of harm that people have threatened is going to be done by this bill greatly exceeds reality.

I have heard it suggested that this bill will help textiles and damage the apparel industry. Well, I represent an area where the apparel industry very much wants this bill. This is a bill that will help the apparel industry.

The bill will have good and bad aspects, as does every piece of legislation I have ever seen come here. If it were amendable—a thought that I know causes great distress to our friends at ways and means—I would vote for some amendments. I would exempt athletic footwear; but the thrust of the bill is very important. There may be Members in this Chamber entitled to speak from an undiluted free trade position. I do not know who they are. We get from our debates on these issues an operational definition of protectionism. Protectionism is help for an industry that is not present in your State. Protectionism may be what some people think of this bill, but when timber is involved, suddenly protectionism looks a little different.

When other commodities are involved, people switch sides. That is entirely legitimate.

It has become very popular to condemn special interests. I guess special interests are economic groups that do not vote for you.

I do not find any recognizable difference between the special interest groups that are sometimes denounced and the constituencies that are sometimes applauded.

I want to talk about an important aspect of this, the garment workers, very hard working men and women who are underpaid and do excellent work and for reasons outside their control, they are threatened with obliteration by a flood of imports.

This is not a bill to stop imports. This is a bill that regulates the flow. With the passage of this bill, we will still, in my information, be one of the major importers in the world of both garments and textiles.

What we are saying is does the Government simply stand by and neglect completely hard working people who are threatened with a flow and a pace of imports that will overwhelm them, or do we attempt some regulation which will continue a serious flow of imports, and from the competitive standpoint the flow of imports plays the role of providing price competition, but at the same time we keep some domestic capacity.

One of the greatly exaggerated arguments we have had here is how many retail jobs this is going to do away with. Apparently the notion is that if people cannot buy imported clothes, they will go naked. Now, there may be very limited areas where people are allowed to do that. In most of the country, my view is that people will continue to be clothed, and if they cannot buy imported goods in the numbers that they want to buy imported goods, then they will buy goods that are made domestically.

Equity is a very legitimate concern. We have hard working people here who are threatened by a flow of imports that would overwhelm them and this bill will give them some help.

□ 1510

Mr. GIBBONS. Madam Chairman, how much time remains?

The CHAIRMAN (Ms. KAPTUR). The gentleman from Florida [Mr. GIBBONS] has 28 minutes remaining; the gentleman from Georgia [Mr. JENKINS] has 35 minutes remaining; the gentleman from Tennessee [Mr. DUNCAN] has 29 minutes remaining; and the gentleman from Illinois [Mr. CRANE] has 35 minutes remaining.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Alabama [Mr. NICHOLS].

Mr. NICHOLS. Madam Chairman, I rise today in support of H.R. 1154, the Textile and Apparel Act of 1987, and would like to focus on two aspects which I hope my colleagues will consider prior to today's vote. first, part of the global strength of the United States lies in our ability to arm, clothe, and prepare great forces of men and materials for battle. In the past we have had great success in deploying these men and materials because we could turn to a strong textile industry to aid in the war effort. My distinguished colleagues, the textile industry has been there when we needed them, now I ask that congress stand in this industry's corner in its time of need. Our Constitution reads that congress has the power "to provide for calling forth the militia to execute the Laws of the Union." I also wish to emphasize the responsibility that we must assume before we have to call on our forces.

The textile and apparel industries' ability to provide adequate amounts of uniforms and critical individual equipment during mobilization is being directly threatened by the vast amounts of foreign imports. In the past engagements such as Korea and Vietnam it has taken this industry 1 full year to meet the minimal amount of uniforms and individual equipment required during the transition from peace to war. This even includes the warstock reserves.

Lt. Col. Joseph W. Kernodle of the Industrial College of the Armed Forces at Fort McNair has conducted a compelling study on the relationship between textiles and mobilization. He concludes that in 5 to 10 years the U.S. textile and apparel industry will not be able to support the mobilization of U.S. forces. According to Colonel Kernodle 80 out of 500 manufacturers identified for military production closed in 1985. It doesn't take a pile of facts and figures to show there will not be an adequate textile industry to meet the needs of quality products for the armed services to be successful in the near future.

Second, Madam Chairman, I have the privilege to represent one of the largest textile districts in the United States. These thousands of employees are dedicated hard working men and women, black and white, and from all walks of life, and they love their country and respect our Nation's great democratic traditions. Their employers cannot be accused of having failed to modernize—the facts will show that the U.S. textile industry is one of the most modern and efficient in the world. All my constituents ask for is a level playing field—a fair chance to compete against an ever-increasing onslaught of foreign competition which has cost some 1.7 million jobs from 1981 through 1985!! Adoption of this important bill would create 152,000 jobs after the second year of enactment. The textile and apparel trade deficit alone jumped 22 percent the first 6 months this year over last year. clearly this fact, alone, shows that the problems remain unsolved. I want to see a strong, healthy American economy with people working. I urge my colleagues to vote for H.R. 1154.

Mr. DUNCAN. Madam Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Madam Chairman, if I had the power in this Congress to eliminate the use of one word in these Halls and throughout the Halls of Congress, that would be "retaliation." It is a devastating word. It is a cowardly word.

For 10 years before I came to the Congress of the United States, I watched young men being killed in Southeast Asia based on a policy that somehow or other we were going to win if we feared the retaliation of China and the retaliation of the Soviet Union.

That is what our whole policy was based on, the policy of the Congress, maybe the policy of some of the military leaders. So it was a hopeless case because we were worried about retaliation.

Madam Chairman, I have been here for 13 years and all I have heard over and over and over again is that word "retaliation." Whenever we needed an excuse we used it.

It is a devastating word, it is a cowardly word. When we couple it with agriculture, that is the most mystifying thing that I ever heard. Where is it that we cannot send products that we are going to send products if we do not pass this legislation?

Is it to the EEC? What are we sending to the EEC? In what quantities?

Is it Japan? What agricultural products do we sell to Japan and in what quantities?

Madam Chairman, I represent an agricultural community. I represent a State that has more agriculture, small farms, than any other State. I represent a county, as a matter of fact, that is the fifth in the State of Pennsylvania in agriculture production. They are going to retaliate, oh yes, yes, the President got a little strength a couple of months ago and he said I am going to do a little something in relationship to the EEC. Oh, they yelled retaliation. But what did they do? They came to the United States to negotiate. That is what they did.

Then they got a little more courage, boy, he is getting courageous, and all of a sudden he determines I will needle Japan a little bit, and they said there would be retaliation, retaliation. What did the Japanese do? They came here to negotiate. That is what they did.

They will come here to negotiate now if we pass this piece of legislation. Let us not worry about retaliation.

What do we talk about when we talk about defense? The same people who get up and talk about retaliation are up here saying we need a strong defense. How can you have it if you do not have an industrial base? I would like to know that.

How could we have fought World War II if we did not have the industrial base. We could not have. We could not have won.

Let us think about America for a change.

Mr. GIBBONS. Madam Chairman, I yield myself such time as I may consume to respond to the last speaker.

Madam Chairman, in 1986 the United States exported more than $52 billion in American goods to the European Community, of which $2 billion was in just animal feed and fruits and nuts. In 1986, we exported to Canada almost $45 billion, of which $348 million was fruits and nuts alone.

We exported to China significant quantities of agricultural products.

We exported to Taiwan huge quantities of agricultural products.

We exported agricultural goods to Korea, to Hong Kong, and to Japan. In fact, 40 percent of all the food that the Japanese eat is raised and produced in the United States.

I respect the gentleman from Pennsylvania [Mr. Goodling] but I am afraid his informant is terribly misinformed.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Yatron].

Mr. YATRON. Madam Chairman, this is an extremely important vote we will cast today. Last year, we attempted to provide assistance to our beleaguered textile, apparel and footwear industries through passage of a textile bill. Unfortunately, this effort was defeated by a Presidential veto.

It is now a year later and the situation faced by these industries has not changed. In fact, the situation has worsened. America's textile and apparel firms are still plagued by an influx of subsidized imports originating in countries where the labor force is paid as low as 20 cents a day. At the same time, these countries place severe restrictions on American products. From 1980 to 1986, imports grew at an annual level of 17 percent. More recently, the period from January to June 1987 showed a record increase in imports—over 5 percent higher than last year's figures for the same period. These figures translate to 300,000 jobs lost since 1980.

Madam Chairman, it is time for action. H.R. 1154 is a fair proposal which will greatly assist America's textile, apparel and footwear industries. It gives the administration sufficient flexibility to address this problem and also sends a message to importers that unfair trade practices will not be tolerated. It tells them that we will not abandon America's textile workers who have built one of the world's most efficient and productive industries. H.R. 1154 will offer these workers a chance to fairly compete with foreign imports. Let's give them this opportunity. I urge my colleagues to support the Textile and Apparel Trade Act.

Mr. CRANE. Madam Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. Madam Chairman, for many of my colleagues, today's debate is not about shaping our best textile, apparel, or footwear policy for the Nation. It is about protecting jobs, particular jobs, and at any cost.

No matter how you look at this bill it spells trouble for America. It will hurt consumers, it will result in a loss of retail and export employment, and it will invite retaliation on the part of our trading partners. Ironically, passage of this bill will hurt the very people it aims to protect and at a time when the textile, apparel industry is making the changes necessary to become competitive.

Madam Chairman, let me address each of the points I have just made.

The Council of Economic Advisers estimates that this bill would cost the consumers of America between $25 and $37 billion over 5 years in the form of higher prices. Particularly hard hit would be the low-income consumers of America.

A textile tariff of this nature is a tax and a regressive tax. Some studies peg the costs as high as $10 billion per year, not including the inflation ripple throughout the rest of the economy.

While sponsors of this bill will try to protect the textile industry, how will it affect employment elsewhere? The best information I have seen indicates that this bill will result in the loss of some 52,000 retail jobs. The consumer costs per job saved is $32,894 next year; and at a cost of $41,561 in 1991.

The above figures represent the most conservative estimates I have seen of consumer costs per job saved.

The International Business and Economic Research Corp. estimates the cost per job at an almost unbelievable $223,000. They also point out that 5,700 more jobs will be lost in the retail sector than would be protected in the manufacturing sector. These estimates are static and they cannot fully predict the full cost to America.

It is no wonder that farmers, aerospace employees, retail employees, and others resist this legislation. They know that for every job protected in the textile and apparel industries there will be dozens of jobs put at jeopardy in their industry.

Madam Chairman, let us look at the beleaguered textile industry and apparel industry that we are hearing so much about. Since last session's heated debate on this textile bill, I was amazed to learn that 11 textile manufacturers in Fortune 500 offered their shareholders a 36 percent total return on investment. For the same period, apparel manufacturers offered their shareholders 21 percent. Both are well above the average for all manufacture.

Listen to these headlines regarding the industry, "Labor Shortage Frustrates Textile Firms." "Cotton Biz Had a Ball in '86; 1987 Looks Better," "U.S. Fiber Execs Optimistic for Strong Performance in 1987," "Increase in South Carolina Apparel Jobs Seen Continuing; New Plants on Horizon."

This is not exactly gloom and doom stuff.

We are contemplating imposing a regressive tax on the poor consumers in America. We will be jeopardizing jobs in areas across the economy that do not have this special interest thrust. We will be risking inflation for the American economy to provide protection for an industry that is currently thriving.

I think an earlier speaker was correct, the time when a case could have been made for this bill has passed the industry by. It is not needed. It will be counterproductive. If you have a special interest constituency that will benefit, certainly you may feel an obligation to vote yes on this legislation. If you do not, if you represent farmers, if you represent consumers, if you represent Americans who want stable prices and free access to goods for their children, you must vote no.

I urge a "no" vote on this legislation.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. Staggers].

Mr. STAGGERS. Madam Chairman, a couple of months ago I came on the floor with some pictures, and these pictures were from a plant in Parsons, WV. The message I had at that time was that these are real people behind this message, or behind the message they are trying to get to us that there is a problem in their industry.

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Madam Chairman, here we go again. Last year Congress attempted to combat the textile and apparel trade deficit through the passage of responsible legislation, but the President vetoed it. Textile and apparel industry unemployment has worsened, yet the administration continues to spoof a policy that does not exist in the real world. We have another chance to address the trade deficit problem before our economic seams are stretched to the splitting point.

Since 1981, the U.S. textile and apparel market has been increasingly eroded by foreign manufactured goods. This foreign invasion has cost nearly one-half million American jobs.

The apparel industry in West Virginia has seen 1,000 jobs lost to foreign nations since 1980. Between July 1985 and July 1986 alone, West Virginia lost 600 jobs from its manufacturing base.

Opponents of this bill say it is protectionist and that we have too much to lose. In West Virginia we have very few jobs left. We have only 3,600 apparel jobs left, 2,000 of which are in the manufacture of women and children's clothing, which is the industry most vulnerable to imports. We have only 1,500 footwear jobs left. Madam Chairman, I respond to opponents by asking: What's left to protect, what's left to lose. Doing nothing is seldom a solution, it is clearly not in this case, and yet there are some who continue to ask us to do nothing.

The textile and apparel trade deficit for January through July increased 21.4 percent. This is indicative of a problem that is growing, not one that is near remedy.

Madam Chairman, the Bible says that we will reap that which we sow. This legislation will allow hard-working Americans to compete in a fair, competitive, and worldwide marketplace. I urge my colleagues to sow the seeds that will begin to reap economic recovery in this industry that is vital to West Virginia and America.

The CHAIRMAN. The Chair would like to announce that the gentleman from Georgia [Mr. Jenkins] has 31 minutes remaining, the gentleman from Florida [Mr. Gibbons] has 27 minutes remaining, the gentleman from Tennessee [Mr. Duncan] has 27 minutes remaining, and the gentleman from Illinois [Mr. Crane] has 29 minutes remaining.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. Alexander].

Mr. ALEXANDER. Madam Chairman, on behalf of Arkansas workers, I rise in strong support of passage of H.R. 1154, the Textile and Apparel Trade Act. The importance of this bill is underlined by the fact that 243 Members of this House, well over half, have signed on as consponsors.

I want to thank the committee and its leadership for the diligent and clear thinking work that has gone into bringing this bill to us for consideration.

When this bill becomes law it will not only help Americans working in apparel, footwear and textile factories, it will help their communities by saving jobs and it will help U.S. farmers.

During my service in Congress I have worked for and supported efforts to make sure that companies that keep their plants open in our State and country get a fair shake when it comes to competing for sales against imported goods.

U.S. plants hire Arkansas and American workers. The jobs they provide help families support themselves, improve their lives and take advantage of educational opportunities. And, at least some of them use American farm products such as cotton and wool.

When they get a fair chance, U.S. manufacturing plants using Arkansas and American workers can compete with any companies and workers from any where in the world.

Some changes in our laws have been made. Others are needed, H.R. 1154 provides urgently needed changes.

Arkansans are good workers for three basic reasons that are very important to employers. They want to work. They appreciate having jobs. They take pride in the work they do.

The Federal Government, including the President, has a responsibility to protect American workers, American companies and the American economy from damge caused by unfair competition from imports.

Under our existing trade laws, the President has substantial opportunity to act to support the interests of our workers, businesses, and the industries threatened by import competition.

This includes bringing about voluntary restraint agreements. Instituting countervailing duties against unfairly priced imported goods and services. And, changing economic policies which encourage imports to flood into the United States and threaten jobs of Arkansas and American workers.

I have worked, and continue to work, to persuade Presidents to act on international trade issues in the best interests of U.S. workers. The unvarnished truth is that throughout the 1980's President Reagan and his representatives have put their foreign policy wants ahead of the jobs and needs of American and Arkansas workers.

This callous attitude and the tidal wave of imports it has encouraged has cost hundreds of thousands of Americans jobs. When a President will not use his authority to insure that American workers get a fair chance on a level playing field, the Congress has a responsibility to act.

Passage of this bill will make clear to the American people, the President and foreign suppliers that this Congress does not intend to see U.S. workers put on unemployment lines by unfair competition from imports.

Madam Chairman, during the period of time between 1950 and 1980, Arkansas attempted to balance its agricultural economy with industrial jobs. Between 1981 and 1986 in my district we lost 20 percent of all manufacturing jobs in the textile, apparel and leather footwear manufacturing industries. Eighty percent of the textile jobs are gone during this period. Four hundred fifty jobs are gone in apparel manufacturing and 1,600 footwear jobs. This has happened all across America because of the lack of a trade policy by the United States. Just today I heard an announcement of the Craddock-Terri Co. of Lynchburg, VA, closed its gates, once providing 2,200 jobs for footwear manufacturing to the people of that economy. We cannot continue to amble along endlessly without a trade policy. It is time for us to stand up for the people that we represent and vote for the textile bill that is pending here today.

In addition to benefits for U.S. textile and apparel factory workers, this it also contains critically needed provisions in support of our footwear manufacturing workers. Its provisions will also help strengthen the markets for U.S. farmers.

Imported textiles and textile products contain cotton equal to nearly 40 percent of the annual U.S. cotton production. Eight of every ten bales of cotton used in imported textiles and clothing is grown in foreign fields. The average annual market revenue loss to American cotton producers is more than $1 billion. Depressed U.S. cotton markets have driven farmers to shift to other crops which are already in surplus—adding to price depression for these commodities.

The International Multifiber Arrangement, to which the United States is a party was intended to hold textile and apparel import growth to a reasonable, logical level.

I believe any fair-minded person will agree that when the U.S. market is growing, as it is, at a 1 percent rate annually and the imports are growing, as they are, at an average of 21 percent annually the situation has become unreasonable, illogical, and unfair.

Imports have gobbled up 52 percent of the U.S. clothing market.

The situation is even worse in the U.S. footwear market.

More than 2 years ago, the U.S. International Trade Commission found that footwear imports are seriously damaging the American footwear manufacturing industry. It recommended restrictions on footwear imports. President Reagan has refused to grant this protection to U.S. footwear workers.

Thanks to deliberate, outrageous decision by the current President, foreign footwear makers control 81 percent of the American footwear sales. In 1986, American footwear production fell down to the levels of the Great Depression of the 1930's.

I am proud that the House recognized the gravity the need for this kind of legislation when we passed a similar bill last year. I am honored to be an original cosponsor of today's bill, which is even better than last year's. I urge my colleagues to join me and other cosponsors in voting for passage of H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. Valentine].

Mr. VALENTINE. Madam Chairman, while many sectors of the economy have been crippled by the current world trade practices, I do not believe that any industry has suffered more than the beleaguered textile industry. And while every sector of the country has been adversely affected by the current trade imbalance, I do not believe that any State has suffered more than North Carolina.

Today, we have the means at hand to begin reversing the downward trend for the embattled textile industry. The Textile and Apparel Act of 1987 is needed now.

Autos, steel, video recorders, semiconductor chips, machine tools, timber, copper, and electronics are just a few industries in which the United States is losing its leadership or is being driven out of the marketplace. Our traditional manufacturing and industrial bases are being devastated each day by unfair competition from foreign nations.

Virtually every week, House Members take the floor to discuss the need to reach arms reductions agreements to avoid World War III. Madam Chairman, we are already engaged in World War III, only it is not being fought on the military battlefield; it is being fought on the economic battlefield. In this trade war, we do not measure the tide of battle by the number of individual casualties; instead we use abstract measurements such as the size of the trade deficit.

But no matter how abstract or impersonal the measurement, the individual human casualties are real. American workers are losing their jobs, and their families are losing their income, their standard of living, and eventually even their hope.

Madam Chairman, in the footwear industry, 80 percent of the U.S. market has been lost to imports, and 341 American plants have closed since 1980. More than 1,000 textile and apparel plants have shut down since 1980. And more than 400,000 American textile and apparel workers have lost their jobs.

Figures released during July by the Commerce Department show that the January-May 1987 textile and apparel trade deficit increased to $9.6 billion. This record level was reached despite the administration's self-proclaimed intention of negotiating tighter bilateral trade agreements with foreign suppliers. The increase in textile and apparel imports from 1981 through 1986 represents the export of nearly 700,000 American job opportunities overseas.

Some critics of the legislation we are considering today claim that the American textile industry, and indeed other American industries devastated by the flood of foreign imports, are victims of their own outdated technology and methods. Like most generalizations, there is a small element of truth in this charge. American manufacturers do need to modernize.

But to portray American textile manufacturing as an antiquated industry is to promote a myth. The industry is modernizing, and American textile workers are extremely productive.

But not even the most modern, high technology plant can compete with overseas factories that are subsidized by their governments. And not even the most efficient, productive work force can compete in foreign markets that are virtually closed to imports.

The problem is not just technology or productivity. The problem is fairness. American producers should not be forced to compete under unfair conditions.

A new study by the widely respected ICF Inc., using methods of estimation employed by the Congressional Budget Office and the Office of Management and Budget, found that enactment of the Textile and Apparel Trade Act of 1987 would in its second year save the Federal Government as much as $500 million in reduced unemployment payments and AFDC, food stamp, and Medicaid benefits.

Additionally, ICF estimates that enactment of this legislation would result in an increase in employment of 82,000 jobs in 1987 and 115,200 jobs in 1988. These estimates are based on growth rates for textile and apparel imports ranging from 6 to 17 percent annually in the absence of the Textile and Apparel Trade Act of 1987.

I urge my colleagues to weigh the fiscal benefits of supporting this legislation. In the long run, this bill will strengthen the U.S. economy, lower the trade deficit, reduce the budget deficit, and perhaps more important, keep Americans working. It is clearly in our national interest to have a strong, healthy domestic textile and apparel industry.

We cannot help the economy by continuing a failed policy. But we can help the economy, we can save American jobs, we can create new employment opportunities, and we can ensure the American consumer a continuing supply of high quality domestic textile and apparel products by passing the Textile and Apparel Trade Act of 1987.

American workers can compete effectively. But the rules must be fair. Free trade must be free and fair for every nation or it is free and fair for none. This bill starts the essential process of restoring fair competition in the international textile marketplace.

The Textile and Apparel Trade Act is a reasonable, moderate step in the right direction. It deserves to be passed by a wide margin.

I urge my colleagues to support passage of this bill. The hour is late.

Mr. DUNCAN. Madam Chairman, I am pleased to yield 2 minutes to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. My comments regarding this legislation will be brief but heartfelt.

For nearly 3 years now, we have had the opportunity to examine an ever-expanding library of information about this industry and the problems confronting it. This much can be established from the reports and statistics:

First, the current multifiber arrangement and bilateral accords are not working. Import penetration into our domestic markets currently exceeds 50 percent and is growing annually.

Second, there is a direct cause-and-effect relationship between this import penetration and a loss of American jobs. Since 1980, the industry has lost 350,000 jobs and 700,000 job opportunities. Passage of H.R. 1154 will halt this trend and, according to a recent study, create 152,000 new jobs.

Third, the problems plaguing the industry are not self-inflicted. Foreign exporters, playing under their own set of street-smart trade rules, are using tariffs, quotas, import bans, tax breaks, and other subsidies to take over our markets.

And fourth, a national interest—not a special interest—is being served with passage of this legislation. Who in this body wants to rely and depend upon foreign sources of textiles and apparels to clothe and equip our Armed Forces in time of war? Not I.

Madam Chairman, I would like to conclude by invoking Dwight Eisenhower, who once said that only Americans can hurt America. I hope that each Member, each American in this Chamber today will choose to help an industry so vital to our Nation's prosperity and future.

Mr. RIDGE. Madam Chairman, will the gentleman yield to me?

Mr. COBLE. I yield to the gentleman from Pennsylvania.

Mr. RIDGE. Madam Chairman, I thank the gentleman for yielding, I commend him for his strong statement and I join him in his statement.

Madam Chairman, I rise in support of this important piece of legislation, the Textile and Apparel Trade Act of 1987. With more than 2 million workers, the fiber, textile and apparel industry is the largest in the manufacturing sector—larger than auto and steel combined. Until 1984, the fiber industry was one of the largest employers in my district. My only regret is that this bill comes too late for the hard-working men and women who worked at the Meadville Avtex Fibers plant.

This bill alone may not have saved those jobs and will not resurrect that plant. So, I'm not a cosponsor of this bill because I want to protect a plant in my district. But, I most certainly understand that this bill is in the best

interest of American manufacturers and American workers.

The job loss numbers are frightening with an avalanche of 390,000 jobs lost in 7 years. Foreign textile imports have been increasing at a rate of 19 percent since 1981. The U.S. footwear industry's share of the U.S. market has declined from 49 percent in 1981 to 18 percent today.

Still, 2.4 million Americans depend on textiles and apparel for their jobs. Every day, some of these 2.4 million Americans lose their jobs while the Federal Government equivocates. It is truly sad that most of these jobs will not be lost because of worker productivity but, instead, because the United States is the world's preferred trade dumping ground.

The Congressional Office of Technological Assessment's recent report clearly states that developing countries are using export subsidies to promote exports and are paying their textile and apparel workers wages far below those paid to U.S. workers. Interestingly, the European Economic Community [EEC] and Japan have limited the growth of imports from developing nations. Once again, the United States is isolated in its willingness to sacrifice its own interests and jobs to the philosophy of free trade.

Since the President's veto in December 1985, the Ways and Means Committee has worked hard to address the administration's concerns and I congratulate them on this effort. Although the administration still opposes the bill, it should be duly noted that the bill now is consistent with the general agreements on tariffs and trade, provides the administration with flexibility in implementing quotas and with flexibility on the multifiber agreements, and it eliminates rollbacks and discrimination.

Opponents are now focusing on the possibility of increased consumer prices, a very important concern. But, in my view, the level of concern is unwarranted. First, it must be clear that this bill will allow the same level of imports as in 1986 plus 1 percent growth. There will be no rollbacks. Second, the Office of Technology Assessment clearly states that the benefits of cheap foreign labor rarely reaches the consumer and, instead, only the middlemen benefit. Consumers usually pay the same price for equivalent imported and domestic products. Third, we must not ignore that this bill will save U.S. taxpayers an estimated $500 million in unemployment programs by the second year. Best of all, more Americans will not have to be dependent on food stamps, Medicaid, and other programs. Finally, a nationally recognized economic consulting firm has estimated that 152,000 jobs would be created by the second year. More Americans working, contributing and paying taxes.

My colleagues, today's vote presents an opportunity to do something about the decline in our manufacturing base and do something about the survival of America's largest manufacturing employer. In my opinion, providing American workers and businesses with the opportunity to fairly compete is appropriate and desirable. Ignoring a foreign strategy of subsidized exports combined with cheap labor is just the opposite. I urge my colleagues to support this bill.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Madam Chairman, at this time I would like to enter into a colloquy with the chairman of the textile caucus, the Honorable BUTLER DERRICK of South Carolina.

There has been a lot of talk here today about the consumer aspects of this bill, but nobody has focused on the safeguards built into this bill for the consumer, especially low-income consumers. Look at the footwear provisions. These portions keep footwear imports at 1986 levels, when they accounted for over 80 percent of the U.S. market—the highest levels ever recorded in history. In addition, there is a special set aside for the cheapest shoes, those imported at $2.50 or less, so that they should be imported at the same high levels as last year. The bill as I read it, prevents price increases in these products, because it makes no allowance for borrowing volume from this category, and making it available for imports of higher priced shoes. The legislation, therefore, encourages importers to fill up this lower priced category. I believe that these provisions do not hurt our consumers, in fact, they protect our low-income consumers. I think that the bill should be applauded for having such safeguards for our low-income consumers.

I ask the gentleman for his comments.

Mr. DERRICK. Madam Chairman, will the gentleman yield?

Mr. MOAKLEY. I am pleased to yield to the gentleman from South Carolina.

Mr. DERRICK. I thank the gentleman for yielding.

Madam Chairman, the gentleman is absolutely correct. The bill does protect our low-income consumers by ensuring an adequate supply of the cheapest shoes because it doesn't allow the foreign countries to shift into higher priced footwear. We fully expect that the agency administering these quotas will develop a program that ensures that any shortfall in the amount of low-priced footwear imports is not made up by bringing in additional higher priced footwear.

Mr. MOAKLEY. I thank the gentleman for that clarification.

Madam Chairman, I have a special interest in this bill as chairman of the House footwear caucus, which numbers 105 members. The footwear industry in this country is losing ground fast. To survive, it must have this bill enacted. No major manufacturing industry in this country has been so hurt by imports as has the nonrubber footwear industry. Since 1981, over 300 U.S. footwear plants have closed their doors, and some 51,000 jobs have been lost.

The industry needs a legislative solution to its problems because its attempts to seek remedy under existing trade statutes have been repeatedly denied. The Reagan administration has twice refused to grant this industry import relief under the escape clause. The industry's section 301 case, documenting numerous unfair trade practices against other countries, was the subject of benign neglect by this same administration. Former administrations do not have much better track records in this regard. This industry's import problems have been ignored, papered over, and callously disregarded for too, too long. It now has only one avenue open if it is to survive, and that is the enactment of this bill.

This industry can be competitive if given a chance and the opportunity presented in this bill. There is a lot of technology available to footwear manufacturers; much of it developed in the last few years. However, the tremendous import surges of the last 5 years are depriving U.S. companies of the financial resources to invest in new technology. These import surges also have robbed the industry of its confidence that these investments will pay off in increased production levels.

The industry deserves a chance to survive. Its workers deserve a place to work. We have only one way to ensure that this happens, and that is the passage of this bill today. I urge my colleagues to support passage of this bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Madam Chairman, it is time we came to our senses. Wishful thinking and dated views have clouded our understanding of the realities of textile and apparel trade.

Despite stated efforts by the administration, the textile, apparel and footwear industries are being battered by cheap labor imports. More than $15 billion has been spent in making our textile workers the most efficient and productive anywhere in the world. But they cannot compete against foreign governments that subsidize their industries, pay workers as little as 16 cents per hour and impose severe restrictions on imports from the United States and other countries.

The American textile and apparel industry is fighting for its life. If the current trend persists, the annual textile and apparel trade deficit will exceed $23 billion. From 1980 to 1986, there has been a 20-percent growth in textile imports. With the domestic market growing at a rate of just under 1 percent during the last decade, it is easy to understand how, since 1980, the industry has lost more than 1,500 factories, 40,000 jobs, and 750,000 job opportunities to foreign nations. These foreign markets are literally stealing the shirts off our backs. Without our action, the textile industry will face only increased import penetration and disruption. That is why I urge my colleagues join me in strong support of H.R. 1154, the Textile and Apparel Trade Act.

This bill will help to sustain America's producers of textile, apparel, fiber, and footwear and their nearly 2 million workers by controlling the relentless growth of foreign imports. It will provide them with the market certainty needed to invest the substantial financing needed to continue their modernization efforts.

In South Carolina, we are seeing entire towns shut down in the face of the textile deficit leaving families jobless and hopeless. Yet, last year we handed over $612 million to Iran to pay for textiles, carpets, pistachio nuts, caviar, and crude oil. The pace continues full tilt this year, with Iranian textile imports soaring. What does this say about our administration's commitment to opportunity, to hope, to a future for America's workers?

If there is one word that encompasses all that America stands for, it is opportunity. But for American textile and apparel workers, it is a word that rings hollow these days. American workers want and deserve the opportunity to compete with foreign workers on an even footing—nothing more, nothing less.

I urge my colleagues to join me in strong support of H.R. 1154.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Madam Chairman, these debates on trade issues unfortunately usually come down to debates between those who will win under the terms of the legislation and those who will lose. That is unfortunate but at least we ought to get the record straight and correct. There are losers under this bill.

Contrary to what we have heard previously in this well, the biggest loser will probably be American agriculture.

This bill invites retaliation specifically from the Pacific rim. The Pacific rim is one of our major agricultural importing regions. Forty percent of all the food the Japanese people eat comes from the United States. They are our No. 1 soybean customer in the whole world and they have the greatest potential in terms of beef and citrus imports. The rest of the Pacific rim is almost as important and it is in some ways more so because of greater growth potential. Korea is our seventh largest agricultural customer.

Furthermore, to argue they will not retaliate flies in the face, first, of their own statements directly to the contrary and, second, of experience.

A couple of years ago this administration did impose restrictions on textile imports from the People's Republic of China. Within the month the People's Republic of China reacted by canceling their entire corn and wheat purchases for that year. The People's Republic of China is not a large importer of American agricultural commodities. So its impact on our agricultural economy was not substantial.

If the Japanese or the Koreans or the rest of the Pacific rim countries were to take similar actions it would be devastating to an agricultural economy that is terribly fragile right now today.

Madam Chairman, nobody wishes ill for the American textile industry, but the evidence is that that is an industry which after some very difficult years is beginning to get back on its feet. We certainly all hope so. And if there are constructive things we can do here today to help them we would like to do that.

But American agriculture has been through, if anything, even more difficult times in the last few years. This year after 6 years of decline we are seeing a turnaround in the volume of American agricultural exports. Let us not cut that short before it even has a chance to get started. There are victims intended if this bill passes and the No. 1 victim will be the American farmer. Let us defeat this bill.

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. MCMILLAN].

Mr. MCMILLAN of North Carolina. Madam Chairman fair and free trade is a good goal in world trade. But it's not a reality in textiles, as in most other segments of world trade. Textile markets are tough and competitive with heavy government involvement by our trading partners. World textile trade has long operated under a negotiated global system. The multifiber agreements are testimony to that fact even though not every nation has participated.

Under those existing but inadequate agreements, the United States has tolerated import penetration of its domestic textile and apparel markets up to 53.8 percent by 1986. Textile-apparel imports have grown at an average rate of 17 percent per year over 7 years while the domestic market grew at only 1 percent and has resulted in the closing of 1,000 textile and apparel plants with a loss of 350,000 jobs.

That unacceptable situation has not been corrected by the new multifiber agreements nor by the decline in the value of the dollar.

The textile trade deficit increased 21 percent in the first 6 months of 1987.

Some argue that earnings have improved. Since 1980 earnings in textiles have always been cyclical—ranging from a low of $851 million in 1982 to a high of $1.7 billion in 1986 but averaging $1.3 billion over the 7 years. Returns at even the highest levels are not adequate to support the heavy reinvestment required to remain competitive. The average return on investment for the eight leading publicly held companies was only 9 percent in 1986 the best year in the last 7 and half that in the lowest year. Much of this improvement has resulted from a shake-out in the domestic industry.

If the strategically important textile apparel industry and its 2.4 million jobs is going to survive in this country the Textile and Apparel Trade Act of 1987 is a necessary guideline to make multifiber agreements effective.

I urge my colleagues to support this bill.

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Mr. GIBBONS. Madam Chairman, I yield myself 1 minute and 30 seconds only for the purpose of putting in the RECORD the figures supplied by this administration's Department of Commerce, with reference to the figures that are collected and published by the Office of Textiles and Apparel in the U.S. Department of Commerce, based on census figures. If anybody's figures are right, I would say that these are more nearly right than anyone else's.

Of all textile finished goods—the total textile market—the import share for 1986 was less than 24 percent. Now, that is the whole market; that includes everything—garments, textile products and everything else. The import share of the domestic market: 24 percent, not 52 percent.

The import share of the apparel market only, according to the Commerce Department figures, was 33.1 percent last year, not 52 percent. That is the highest figure we are going to find—33.1 percent.

The nonapparel segment of the market for textile finished goods, 1986 figures, had import market share at 13.1 percent; not 52 percent as we just heard.

If you weigh these goods, whether you count them by dollars or by square yard equivalents, none of the figures reach some of the ridiculous figures we have heard today. I hope that my colleagues, however they decide to vote on this legislation, will at least keep the figures straight in accordance with the published figures of our own Government.

Mr. JENKINS. Madam Chairman, I yield 2 minutes and 30 seconds to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Madam Chairman, I thank the gentleman for yielding me this time.

A number of our colleagues have expressed a very important concern about doing what is right in this bill for rural America, for our friends in agriculture. Many have correctly noted that agricultural America is about at the bottom now and really cannot afford another severe economic blow.

I agree with that. So out in my district in western Montana, I have stopped by the grain elevators and sat down in the coffee shops and discussed it. I have tried to talk with our wheat and feed grain people, our wool growers, and our cattlemen, and I find that indeed they are divided about this bill. But they all tell me this: they say, "Pat, it's a big country. Everybody has got to try to benefit, and we all do a little better if someone else is doing a little better." One guy put it to me this way: "Pat," he said, "you know, I have come to find out in the last 6 or 8 years that there is no such thing as, 'Friend, your end of the boat is sinking.' So," he said, "as this textile bill comes up, try to get it in a way that doesn't hurt us. We don't want to be hurt. We can't stand that, but if it can help others in America, that would be good."

Just this week I got a letter from the Montana Wool Growers. Let me read the last paragraph of it to you:

> In closing it is proper to note that President Reagan in 1980 made a pledge to the U.S. Textile industry that, if elected, he would take action to relate import growth to the growth of the domestic market. Two years after taking office he reiterated that pledge. But sometime between then and now he has changed his mind and has sat idle while imports have more than doubled the domestic market. In 1980, the U.S. competed with 16 countries importing quantities of wool, but today, in 1987, we compete with 40 and no control. That unfair competition has closed mills, lost U.S. jobs and lost market outlets for the buyers of the Montana wool clip. Congress can stop that trend by passing and probably having to override the President's veto of the Textile legislation.
>
> Sincerely,
>
> BOB GILBERT,  
> *Secretary-Treasurer,*  
> *Montana Woolgrowers.*

Madam Chairman, the woolgrowers are just one part, but one important part of rural America. They are one very important part of the agricultural community. They do want to pull together. No, they do not want to be hurt, but they know that there is no such thing as saying, "Hey, farmers," or "Hey, textile workers, your end of the boat is sinking."

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Madam Chairman, we are hearing a lot lately about the health and the well-being of the textile industry. Many people have forgotten about the apparel industry, which is certainly not healthy and certainly not in a condition of well-being. I would invite them to my district, the Lehigh Valley in Pennsylvania, to see the hundreds of shops and plants that have closed down over the years and the 10,000 to 15,000 jobs we have lost over the last 10 years or so.

In my district, the apparel industry is hurting. If the textile industry is to prosper, we had better have an apparel industry in this country. The figures the gentleman from Florida [Mr. GIBBONS] has presented to us, referring to the 33.1-percent penetration, is less than the 52 percent, but it is enormous, and if we do not have apparel manufacturing in this country, we will not have textile manufacturing. To a very large degree the health and well-being of the textile industry is dependent on the health and well-being of the apparel industry.

Many of the manufacturing industries are going through transitions in this country. Textiles is one of them, apparel is another, and we need time to make the accommodation. We need the manufacturing base to apply a lot of the high technology. We are getting programs in computers, in robotics, and in integrated manufacturing. This technology is coming into apparel manufacturing much as they have already entered into textile manufacturing, but it takes time. If we are overwhelmed with a flood of imports coming in from all over the world, we will not have this time. And then where will the computer industry be? Where will the software industry be, and where will all these high technology industries be if we lose the manufacturing base?

We need that manufacturing base. In the Lehigh Valley, R&D programs to develop new technologies in robotic sewing are right on the horizon, and have the potential to substantially increase sewing productivity. There is also the potential, through "quick response" information technology, to unite the textile and apparel network, resulting in a more efficient system.

The industry currently invests an average of $1.5 billion per year in new plants and equipment. New technology and innovation are being introduced. For example in Lehigh Valley the Ben Franklin Partnership Program and Lehigh University are assisting the American apparel industry to improve productivity via the application of advanced technology. They are currently working on several areas. First they are working on applying technology with the help of a startup company—On-Line Data Systems, Inc.—to develop computer software packages for the apparel and will be the software supplier recommended by IBM for use with its mainframe computers.

Second, the Ben Franklin Center is developing a technology demonstration site for the apparel industry to transfer new technology to the private sector. The center and the university have led an initiative in response to a request from the Department of Defense to create a demonstration site where representatives from all aspects of the apparel manufacturing industry can observe state-of-the-art technology and manufacturing methods at work.

Finally, the center is working to improve manufacturing processes through the Ben Franklin Challenge Grant Program. The project, entitled "Computer Aided Manufacturing and Commercial Sewing/Stitching," received a $62,000 Ben Franklin grant to develop a system within their plant to computer control all the sewing machines by programming each operation of each machine so that the number of stitches is controlled by the program, thus improving efficiency and simultaneously monitoring the work flow.

But if there is no apparel industry left—there is no market for the infusion of this high technology. Clearly these are the types of technological advances which could make us more competitive in our own domestic market and in the world apparel if we are given the opportunity to sell these products overseas. With this in mind, I urge my colleagues to support this legislation. The textile and apparel industries have exhibited the potential to compete in global markets with the aid of a fair trade environment vital to the textile and apparel industries in America.

Mr. JENKINS Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE of North Carolina. Madam Chairman, I rise to express my strong support for the passage of H.R. 1154. The people of North Carolina and the people of the Fourth District, which I represent, understand the urgency of this legislation. In my State, 304 textile and apparel plants either had to close or lay off significant numbers of their employees between 1981 and March of 1987. During this period, 31,500 people in the textile industry and 11,500 people in the apparel industry lost their jobs to layoffs or plant closings, for a total of almost 43,000 North Carolinians—displaced largely by a flood of foreign imports. In North Carolian's Fourth District, from 1981 through January 1987, 13 plants closed or had to lay off employees and almost 2,500 people lost their jobs.

Imports of textile and apparel products have doubled since 1980, increasing nearly 20 percent annually, and now account for more than half of the domesitc market. This translates into 350,000 actual jobs lost to foreign competitors who often pay as little as 20 cents an hour to their workers, and 700,000 lost job opportunities.

The omnibus trade bill is not sufficient to maintain these essential manufacturing jobs; the Textile and Apparel Trade Act of 1987 is a necessary complement to the omnibus bill. The bill would establish a total, global quota for foreign textile, apparel and footwear products based on the record-setting 1986 levels. Based on the 1986 market share, there would be no mandatory rollback of any country's share, and the administration would be given maximum flexibility in implementation. Imports would be allowed to increase at 1 percent a year, consistent with the growth of the domestic market. Compensation for countries affected would be allowed through reduced tariff levels. The bill is also consistent with the General Agreement on Tariffs and Trade [GATT] principles and with this country's existing international agreements.

H.R. 1154 represents significant concessions by the textile and apparel industry and its workers relative to last year's bill. The stable trade environment it would create is essential if we are to keep American jobs at home and are to continue the modernization of this industry, which reinvests 80 percent of its retained cash flow.

As the Office of Technology Assessment [OTA] concluded in a recent study, the American textile industry "is one of the most productive in the world * * * [but] technology alone may not be able to salvage major parts of the industry." It is critical to moderate the flow of imports in the near term while the industry continues its revolutionary technical improvements. This is exactly what H.R. 1154 provides.

Madam Chairman, these are only a few of the arguments that can be made in support of this bill and I encourage my colleagues to listen carefully to this debate today. This measure is a necessity to save an essential American industry. It takes a moderate and balanced approach. It is time to get past the rhetorical abstractions of "free trade" and "protectionism" and to deal with the realities of the situation we face. Those 350,000 lost jobs are not an abstraction, and H.R. 1154 is a fair and reasonable response.

Mr. FRENZEL. Madam Chairman, I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Nebraska [Mr. Daub].

Mr. DAUB. Madam Chairman, when this bill came before the House Ways and Means Committee, we allowed it to emerge without a recorded vote, amendment or recommendation.

I did not oppose this bill in committee out of deference to those who worked so hard to argue their case on the floor. Now that the bill is here let's look at the merits.

A number of major farm groups believe this legislation is like the pitch of a boomerrang which will return and strike at the heart of an infant recovery in ag exports.

Why do they have these fears? Because of past experience. In 1983, when textile negotiations broke down with China, we unilaterally restricted $50 million of Chinese textiles. China canceled a grain agreement. We lost $500 million in wheat sales. Who do you think won this battle?

It's not just past experience, it's also the commonsense notion that we can't expect foreign nations to purchase our major exports like farm products, if we unfairly and unilaterally cut back on their major exports.

The textile and apparel industry operated at 95 percent capacity in the first quarter of 1987. In fact, domestic textile production has increased 10 percent in 1986. Agriculture will idle 70 million out of 300 planted acres this year. This tremendous undercapacity has taken its toll not just on farmers, but rural businesses across the board.

Does it make sense to give more protection to an industry running at nearly full capacity and pay for it out of sales from an industry like agriculture whose exports are barely limping along?

There are a lot of people afraid about losing their jobs in this industry, and I couldn't be more sensitive to these concerns. Nobody wants more jobs lost. But from January to July of this year, employment in this industry went up by 25,000.

In my own State of Nebraska, employment has held steady since the early seventies. There are about 2,000 Nebraskans employed in this sector during 1987. That is above the 1,900 jobs the industry provided in 1970. While the levels have fluctuated during the period, there hasn't been the wholesale decline in employment and capacity that agriculture has seen.

It isn't as if the industry doesn't have protection: it has over 1,500 quotas covering 80 percent of all low-priced imports and at 18 percent, a tariff rate far above the 3 percent for all other industries.

Ambassador Yeutter's opinion is that this bill violates the GATT and the multi-fiber agreement. We are trying to get agriculture on a fast track in the new GATT round—that is, completed first—to avoid a brewing ag trade subsidy war.

Does anybody think that foreign nations will cooperate in trade liberalization efforts under a new GATT round if we are violating the existing one?

I urge rejection of the bill.

Madam Chairman, I include with my remarks the following letter from the National Association of Wheat Growers:

> National Association of Wheat Growers,
> *Washington, DC, July 16, 1987.*
>
> Dear Congressman: You will soon be voting on legislation that, if enacted, will be detrimental to a large segment of U.S. agriculture. That legislation, which we strongly oppose, is the Textile and Apparel Trade Act of 1987 (H.R. 1154).
>
> Congressional and other national trade leaders should recognize that this bill is not an export-oriented piece of legislation. Nor is there any assertion that the imports it would restrict are being unfairly traded. Furthermore, contrary to statements made by several supporters of this bill, it would not help us sell farm products abroad; instead, it would seriously undercut our ability to carry on tough and market-expanding multilateral trade negotiations in the Uruguay Round, reduce the ability of many developing countries to buy our products and bring prompt retaliation against U.S. farm exports by many of our trading partners.
>
> The trade-restrictive thrust of H.R. 1154 would result in retaliatory and counter-retaliatory actions which would seriously disrupt the world trading system and threaten to trigger a world economic crisis. U.S. trading policy should be directed toward greater export and trade growth. It would be counter-productive for the United States to go beyond the import-restrictive Multi-Fiber Agreement (MFA) of 1986, as these bills propose, greatly increasing the risk of bringing on a world-wide recession. Instead, the United States should continue to regulate textile and apparel trade through the internationally accepted multilateral and bilateral processes now being used.
>
> When H.R. 1154 is brought up for consideration, we encourage you to vote against this unduly trade-restrictive proposal, which would damage U.S. farmers, other exporters, consumers and our long-term national interest.
>
> Sincerely,
> American Soybean Association,
> National Association of Wheat Growers,
> National Soybean Processors Association,
> Millers National Federation National Grange.

☐ 1555

Mr. FRENZEL. Madam Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. Oxley].

Mr. OXLEY. Madam Chairman, I thank the gentleman for yielding me this time.

Here we go again, or, as like Yogi Berra said, "This is like deja vu all over again."

We are talking about the same bill, old wine and new bottles, that we had the last session. Many of the Members from the industrial Midwest are a little put out that those who represent States with unemployment levels at least half of what we have in Ohio, Michigan, Pennsylvania, Indiana and others would come to the floor again with this same proposal that would invite retaliation against our agricultural districts, would invite retaliation against some of the other areas of our economy. For what reason, I frankly do not understand.

We had a letter recently delivered to all of our offices, and I would like to quote a couple of things from that letter sent jointly by Clayton Yeutter, the U.S. Trade Representative, the Secretary of State, George Shultz, and the Acting Secretary of Commerce, Bruce Smart.

They say the following:

> The European Community has already indicated that it will take countermeasures if this legislation is passed, and others are likely to follow. Some of our most sensitive and competitive export industries, such as agriculture and high technology, would be likely targets for retaliation. This is not an idle threat; it will happen. The compensation provisions of this bill (a ten percent duty reduction from, say, 18 percent to 16.2 percent over a five-year period) are grossly inadequate to remedy the damage or avoid retaliation by our trading partners.
>
> In sum, this bill is nothing more than pure protectionism for a couple of special-interest groups with seemingly insatiable appetites for limiting competition from abroad.

If a Member represents any agriculture whatsoever, or if that Member represents any of the other groups that could potentially be victims of this retaliation, then there is no choice, it seems to me, but to reject this legislation.

Some people say this bill is another exercise in futility. It is a freebie, and you can vote for it, because we know the President is going to veto it and perhaps there will be no attempt to override.

We do not have to have long memories to remember the last time this came up and the efforts were almost successful.

It was six or eight votes that spelled the difference. We have a chance now to kill this monster in the cradle where it belongs, and not have it pass on to the other body.

I ask the Members to take a close look at this protectionist legislation, defeat it once and for all.

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from New York [Mr. Schumer].

Mr. SCHUMER. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in reluctant but deeply felt opposition to this legislation.

To me this bill really is a battle between the heart and the mind. The heart says vote for it.

In my district we have apparel workers. We have textile workers. They have come to see me. They are working people. They are good people.

They are people set adrift by powerful economic forces that they do not comprehend, but they know that their jobs are on the line, and one looks into their eyes and feels a great deal of sympathy, sympathy that I know the Members have, sympathy that says vote for this legislation; but my mind says do not vote for this legislation.

Do not vote for it, because this is a different America we are in. We are in the throes of great economic change.

This is a new world of competition. We can no longer ignore the rest of the world.

What happens in far parts of this Earth, in Brazil, in Japan or Germany affects us very deply, and to build up walls is simply an admission that we cannot compete.

Now, some maintain the illusion that the walls will only be one-way walls, that perhaps we can keep goods out, but we can continue to export. That is not going to happen.

Common sense tells us it is not going to happen, and history tells us that it is not going to happen.

You cannot build a one-way wall, and so we have a choice. Is America going to become a self-contained unit?

If we do that, our standard of living will plummet. Or is America going to rise to the new challenge of international competition and say we can compete, we can win?

Can we win on every item we produce? No. That is not how it is going to be, no matter what we do; but if we buckle down, if we meet the new challenges of the world, we can win.

To pass this bill is an admission of defeat. It is saying America cannot be the leading economic power in the world, because smaller countries that have far fewer resources than we do can beat us.

I do not think we should admit defeat. We must do everything we can for displaced workers, everything we can with the exception of building those walls that will not hurt their colleagues in other industries, but will ultimately hurt them and their families, though they do not see that today.

In this new sea-changed world, if we reduce the alluring temptation to build those walls, and if we force ourselves to keep to the grindstone and compete, I am convinced that America will remain the leading economic power in the world.

The choice is ours, the choice of difficulty and struggling but of prevailing, or the choice of turning our back on that struggle, running away and admitting defeat.

I urge the Members to vote against this bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentlewoman from South Carolina [Mrs. Patterson].

Mrs. PATTERSON. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, during this week of bicentennial celebrations, it is important to remember that in just a few years, the American textile industry will celebrate its bicentennial. This industry has been producing products that were crafted with pride in the U.S.A. since George Washington was President.

Yet, there are those who argue that it is not in the best interests of the United States to insure that our textile industry can compete fairly with other nations. I don't agree!

I don't agree that it was in the best interests of the United States to lose 400,000 American jobs since 1980, over 33,000 of those in my State of South Carolina.

I don't agree that it was in the best interests of the United States to have 1,000 textile and apparel plants close their doors in the past 7 years, 88 of them in South Carolina.

I don't agree that it is in the best interests of the United States to have a textile and apparel trade deficit this year that is 21 percent greater than last year's.

I don't agree that it is in our best interest for the administration to fail to aggressively enforce existing agreements.

And I certainly don't agree that it is in the best interests of the United States to be importing textile goods from Iran at the same time that nation is threatening American sailors in the Persian Gulf.

Madam Chairman, American textile producers are as good as any in the world. Through innovation, hard work and a commitment to quality, they produce exceptional products at a reasonable price. All they ask in return is that their own Government give them a chance to compete fairly against foreign competitors with heavy government subsidies and closed markets. I urge my colleagues to give them that chance by passing H.R. 1154.

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from New York [Mr. Houghton].

Mr. HOUGHTON. Madam Chairman, I thank the gentleman for yielding me this time.

Most of my life I have been a businessman. I know the importance of trade. I know the importance of open trade, and I realize the importance of the economy base of this country.

I am well aware that this country could produce a knee-jerk reaction to try to solve the trade gap in the wrong way.

☐ 1605

Furthermore, I have felt for many years that the concept of the level playing field was right, meaning, of course, that Americans can compete with anyone anywhere in the world, given a reasonable break and given the same rules.

At the same time, there are variations on that theme, the most important being time; but the buck changes and currency values change, country practices for a variety of economic actions, one industry in one country might need something special to give it a boost, to give it, if you will, time.

To use the umbrella ideology of free trade or protectionism in cases like this, of course, to me is wrong.

So it is with the textile industry. The textile bill is not perfect. I wish the conditions that prompt it did not exist, but they do, and this is not a perfect world, but put side by side with the alternatives, I am going to support this bill.

We can philosophize about trade. We should not shackle it. We need trade for others to be able to pay their debts. We do not want to go back to the old days of the Smoot-Hawley debacle and certainly there are temporary economic surges in sales and employment, if not in our profits in the textile industry, along with shouts of greed; but they are temporary and intellectual arguments.

The real world says that the industry is slowly slipping away. The problem is very simple. There are three parts. There is the fiber, the textile, and the apparel. The fiber and the textile are highly technical and lead any other industry similar to it in any part of the world. The apparel industry is not that way. It is very labor intensive.

So in theory you could say let the apparel industry go. The problem is that you and I are not members of the apparel industry, and also, who are going to be our customers?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DUNCAN. Madam Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. HOUGHTON. Madam Chairman, the very people who flood our markets with apparel from abroad in many cases will not permit the imports of our fiber and our textiles; so the textile industry, two-thirds of which is more advanced than any in the world, says, "Help us for a period of time. Don't cut back imports. Let them grow, but give us a chance to adapt."

So I say, why not? Why are we afraid to watch out for our own interests as other people watch out for their interests? As a citizen, as a Member of this body and as a former businessman, I ask, why is this wrong?

Mr. FRENZEL. Madam Chairman, I yield 1 minute to the distinguished gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Madam Chairman, I rise in strong opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987.

Since last session's debate on the textile bill, I was surprised to learn that the 11 textile makers in the Fortune 500 offered their shareholders a 36 percent total return on investment in 1986. For the same period, apparel manufacturers returned their shareholders 21 percent. July employment in the textile industry is up by 30,000 jobs over the last year, while apparel employment is up by 24,000 jobs. At the same time, average weekly earnings in textiles are up a whopping 8.6 percent over last year's, compared with a national average earnings gain of 2.7 percent. These figures prove that the textile and apparel industry is already among the most protected and profitable of all American industries.

I am concerned, Madam Chairman, that this bill puts at risk recent gains and further expected growth in export earnings for the American farmer. Today, our farm exports are beginning to rebound from 5 consecutive years of decline. The forecast for 1987 is for an increase in export volume of 16 percent from 1986. This is still below past export levels. However, we cannot hope to regain export markets by expanding our trade barriers—which this bill does.

Our farmers have gone through the adjustments necessary to make themselves competitive again in world markets. It makes no sense for us now to throw up a trade barrier inviting retaliation against U.S. agricultural exports, especially when it is one sector of our economy that is contributing positively to the Nation's trade balance.

If you don't believe these countries will retaliate against our agricultural exports, just recall when we restricted $37 million in textile imports from China. That country canceled $500 million in U.S. wheat purchases.

The textile and apparel bill previously considered by the House in the 99th Congress affected countries representing 40 percent of our overseas agricultural markets. Now, the 40 or so countries that would be affected by the textile quotas of this bill represent over 70 percent of U.S. agricultural exports. Obviously, with this kind of exposure, American agriculture will make a very attractive and likely target from these countries for retaliation.

Some have said this legislation is more reasonable than the bill passed by the last Congress. They claim it provides for import growth, treats all suppliers equally, and has a compensation provision. This is simply not the case. This bill, like its predecessor, violates our international obligations by arbitrarily restricting imports; our trading partners do not consider this bill reasonable and they will likely retaliate.

In addition, I am concerned that the passage of this bill would open the door to other industries to seek import relief through Congress rather than through the normal injury investigation procedure. Most of such efforts would come from the manufacturing sector at the expense of agricultural exports.

In my home State of Nebraska, one out of every three farm acres is dedicated to production for export. Thus, it is hard to overemphasize the importance of overseas trade to farm and ranch income.

Moreover, economists estimate each 1 billion dollars' worth of farm exports creates agricultural jobs for as many as 35,000 workers.

An additional 60,000 nonfarm jobs are created with each $1 billion in farm export sales, proving that the entire economy has a stake in agricultural trade.

What worries me is that we might become the victims of U.S. trade policies that are actually directed at other nations. Should agriculture be asked to bear economic hardship so that textiles can reap more benefits? Let us find a way to build markets for those commodities, and other U.S. exports, before we throw barbed wire up on our shores.

I strongly urge my colleagues to defeat this measure.

Mr. GIBBONS. Madam Chairman, I yield myself such time as I may use.

The question has arisen about who is opposed to this bill and what kind of economic retaliation do we face if this bill becomes law?

I have received personal statements from the Government of India, the Government of China, and we have received written communications from Bromidi, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Now, people will ask, well, who is Thailand? Thailand is a huge market. We are celebrating our 200th anniversary today and the Thais were the first Asian nation to recognize the United States. They have stood by us in every war, including the one that is now going on. They are a poor nation, but they are our friends.

In addition, to that, we have received written threats to retaliate from Antigua and Barbadoes, from the Commonwealth of the Bahamas, from Bermuda, from Belize, from Costa Rica, from the Dominican Republic, from San Salvador, and from Grenada. You remember Grenada. We just liberated Grenada from the Cubans or the Russians or somebody.

We have heard from Guatemala, from Haiti, from Honduras, from Jamaica, from Panama, from Saint Kitts and Saint Lucia, from Trinidad, from our finest trading partner, Canada, our biggest trading partner; the European Community, our third largest trading partner, from our ally, the Republic of Turkey, from all of the Nordic countries, including Finland, Norway, and Sweden.

The only people we have not heard from are the Japanese and they are probably sitting back laughing, because they are going to pick up all the markets we lose.

We have not heard from the Russians, because they realize we are shooting ourselves in the head, not the foot.

Mr. FRENZEL. Madam Chairman, I yield such time as he may consume to the distinguished gentleman from Ohio [Mr. GRADISON], a member of the committee.

Mr. GRADISON. Madam Chairman, I rise in opposition to H.R. 1154, the domestic textile and apparel industry's

latest effort to protect itself at the expense of the American consumer. Apparently not content with taxing American consumers at the rate of $27 billion a year, the industry wants an additional $25 to $27 billion over the next 5 years. According to the Chairman of the Council of Economic Advisers, the bill will increase the cost of living of every family in the country by $280 to $420 over the next 5 years. Surely the time has come to say, "Enough is enough."

Let's look at how this bill hurts our constituents. First, as a result of the restrictions that will be imposed, many products simply will no longer be available. Domestic manufacturers either cannot or will not be able to fill this void. I understand that the availability of lower priced children's wear and budget department items in particular will be substantially reduced.

Second, as foreign manufacturers change their product mix to adjust to the new quota limits, they will increasingly concentrate on producing higher priced items. As a result, many lower priced items will not be available and those that will be available will cost much more. That will hit our poorest constituents hardest.

Finally, reduced supply and higher prices will generate inflationary pressures. In the past year alone, import prices have increased substantially as the market has felt the full force of recently imposed quotas. Enactment of H.R. 1154 will only compound the problem.

I've heard it said that consumers won't suffer. Allegedly, it's the retail community that profits at the expense of consumers by buying foreign goods. Nothing could be further from the truth. Retailing is one of the most fiercely competitive industries we have in the United States. Price is dictated by consumers. No retailer can afford to try and make an extra buck in the way proponents of this legislation assert. Indeed, a study prepared for the domestic industry in 1984 showed that there is little difference in the actual profit earned on domestic and imported women's sweaters. In fact, retailers often found domestic sweaters more profitable to sell.

We as a nation cannot afford to provide further relief to what is already one of our most protected industries. Consumers already pay enough and shouldn't be forced to stretch their budgets further merely to accommodate the appetite of the domestic textile and apparel industry. For the sake of consumers, our constituents, vote "no."

Mr. FRENZEL. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the 1987 textile/apparel protection bill, while different from last year's vetoed version in that it does not contain rollbacks, is just as harmful to the United States and just as likely to provoke retaliation by our trading partners.

The bill seeks further protection for the most heavily protected industry we have at a time when the industry is racking up record profits—an increase of 46 percent in 1986 for textiles. Capacity utilization in the industry is far higher than all manufacturing industries, 92 percent for textiles and 90 percent for apparel in 1987.

Even though unemployment in the textile industry has decreased from 9.9 percent in 1985 to 4.9 percent the first half of 1987, and a corresponding 1 percent unemployment decline for the apparel industry, the industry only knows one battle cry, "more protection". Unemployment in the textile states is lower than the national average. Employment increased by over 30,000 in the textile industry during the last year. In July alone, apparel employment increased by 20,000 jobs.

The Institute for International Economics predicts that even with lower tariffs and a phase out of quotas, the annual employment reduction rate would be 2 percent for textiles, and 2.5 percent for apparel, which equals the retirement rate in the industry. This does not appear to be a dying industry to me. It is easy to see why industries in states suffering far greater unemployment have sought similar protection or have opposed this bill.

While it is regrettable that so many textile/apparel workers have lost their jobs, it was inevitable that the industry had to be restructured to become competitive. All U.S. industries have had to face this fact, particularly after the 1982 recession, and the high value of the dollar in the mid-1980's.

In a global economy, no U.S. industry can insulate itself from competition from abroad. Most job losses in the industry were due to plant modernization, productivity improvements, and the strength of the dollar rather than imports. In my judgment, we should work with the States to develop higher paying jobs for unemployed textile workers, such as those established in the North Carolina Research Triangle. In fact, the latter is working so well that one chief executive officer of a textile company in North Carolina complains that there are not enough people to fill jobs created by a new textile plant.

The U.S. industry has done quite well finding market niches for itself. However, it has also forced many U.S. customers offshore by inability or refusal to manufacture certain items, or by constantly ignoring shipping deadlines. While exports have increased in 1986–13 percent for textiles and 22 percent for apparel, exports would have been greater in the cotton yarn industry, but that industry is too busy supplying the domestic market.

When reviewing the footwear industry which is also covered in this bill, there is even less reason for protection under this bill. A high voluntary labor turnover of 30 percent has permitted adjustment without forced layoffs. The industry is profitable on high priced footwear where it can compete. Quotas could force more higher priced footwear imports which would displace U.S. production.

Cost to consumers is one of the major reasons for opposing this legislation. CEA estimates $25 to 37 billion consumer cost over 5 years for textiles/apparel. Institute for Interntional Economics estimates $7.1 billion consumer cost for each of the first 10 years of the bill.

International Business and Economics Research Corp. estimates a $10 billion annual cost and loss of over 52,000 retail jobs, a net job loss of 5000. Consumer cost per job would be $223,000 for jobs paying less than $15,000 per year. For footwear, a $52,000 cost per job. This consumer cost is on top of the current $20 billion per year for textile/apparel protection.

H.R. 1154 violates the MFA, our bilateral agreements, and the GATT. It would install global quotas without a finding of market disruption by product, it would not permit the consultation and negotiation required under the MFA, and it does not provide favorable treatment to developing countries. It violates GATT article XIX (safeguards), by ignoring the requirements that serious injury must be found on a particular item, that relief should be temporary and that adequate compensation must be granted. The bill arbitrarily assigns an unsubstantiated finding of injury on all textile/apparel imports, it does not have an expiration date and it does not grant adequate compensation. It would also violate our Uruguay round standstill agreement, and would probably end those negotiations.

Let's give the 1986 extension of the MFA a chance to work. Nearly all fibers are now included. Bilaterals for our major suppliers have an average growth rate of 1 percent, and in actual rollback for Taiwan. New calls and quotas are being made constantly on categories that threaten market disruption. There are over 1,500 quotas now; 200 were issued in 1986.

The system works, if we give it a chance.

The textile/apparel industry has been protected since 1961 in what was to be temporary protection. Successor agreements have continued until today's MFA. There is enough criticism of our textile/apparel restrictions globally now. This bill would definitely result in retaliation by our trading partners, some of which has already been announced.

The textile/apparel industry is thriving. It receives far more protection than other industries, including the highest tariffs we have. To further compensate this industry is a slap in the face to other industries far more deserving. I urge my colleagues to oppose this bill.

Mr. DUNCAN. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the Philippines were referred to by one of my colleagues awhile ago, I am not sure which one, but according to the information that I have from the State Department, the Philippines has a 50-percent average tariff on apparel and a 40-percent average tariff on fabrics.

Korea has a 35-percent average tariff on apparel and a 22-percent average tariff on fabrics.

Peru, they do not allow any imports to come in.

Thailand, which has nice people and is a good ally, they have a 60-percent average tariff on apparel and textiles.

Colombia has 60 to 70 percent, and China has a 65- to 120-percent tariff on apparel, 30- to 90-percent tariff on textiles.

I represent a diversified district. The people I represent are sophisticated and well educated in many ways. I have some who are not; but even the most uneducated person in my district knows what being fair is, and when you tell him that a country can sell 50 or 60 percent of their exports into our country and that we have these high tariffs, then he knows that is not fair, and so do I.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Madam Chairman, I thank the distinguished gentleman from Georgia for yielding me this time.

Madam Chairman, I just want to rise and add my voice and take just a minute to make this brief statement in support of H.R. 1154, the Textile and Apparel Trade Act of 1987, which is a measure that is merited and timely. With nearly 250 cosponsors, it is clear that this legislation has broad support across this country and that a desired policy direction is clear.

Only Monday, Treasury Secretary James Baker said that the administration was "a little late" in addressing our tremendous trade deficit. Madam Chairman, it is far better to be late in action, than not to take any action at all. Let Congress take the lead in correcting the disastrous effects of the administration's inaction which has meant an average industry job loss of 17-percent per year since 1981 in the textile and apparel industries.

I do not believe we are taking a protectionist position in support of this bill, but rather correcting a flaw in our international trade mechanics and operating structure. The elements of the textile bill are indeed GATT compatible, and provides the administration with provisions to reduce tariffs in compensation for the effects of the imposed quotas, a provision which should please the administration.

Madam Chairman, too many U.S. jobs have been lost within the Southeast and a major U.S. industry suffers. I am proud to be a cosponsor of this bill and urge my colleagues to dismiss the protectionist rumors and vote yes on the passage of the textile bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Maine [Mr. BRENNAN].

Mr. BRENNAN. Madam Chairman, I rise today as a cosponsor and strong supporter of the Textile and Apparel Act.

The State of Maine has lost more than 7,000 jobs since 1980 in the textile and apparel industry.

I have received boxes full of photographs from mill workers in Maine, standing proudly by their press, their lathe, or their cutting board. This Nation's trade policies are not abstract to these hard-working men and women. They have watched the rise in shoe imports from 50 percent in 1981 to over 80 percent today eliminate their jobs. They urge me to support this legislation to help save those jobs that are left.

I believe this measure represents a practical approach to managing the tide of imports that threaten employment and communities.

It does not call for a rollback nor a reduction of current import levels, nor does it discriminate against any nation.

It gives the President flexibility to negotiate a reduction of any tariff on a country-by-country basis.

I am familiar with the arguments of those who oppose the bill—that it is protectionist—that it will cause retaliation—that this industry is booming and doesn't need any more support.

The fact is that U.S. trade competitors in the textile and apparel business carefully regulate their markets. It is estimated that tariffs on textiles in some countries range from 25 to 70. The fact is that more efficiency alone cannot ensure the survival of America's manufacturers—not when the shoe-making competition pays an hourly wage of 72 cents—like in Brazil.

The choice we face is simple:

We can responsibly manage our trade with other nations, or we can pay millions of dollars in unemployment compensation.

President Reagan recently visited a Harley Davidson plant where he supported trade relief to help the motorcycle industry.

I submit, Madam Chairman, that shoes and textiles are certainly as important as motorcycles.

If we can help the motorcycle industry, I believe we can help the shoe and clothing industries.

I urge you to join me in supporting this bill.

Mr. JENKINS. Madam Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987.

It's clear that the U.S. textile industry is bearing the brunt of unfair trade practices. Unbalanced trade agreements, passive enforcement of bilateral arrangements, and artificial barriers to free trade are ravaging our industry and putting Americas out of work.

Madam Chairman, the U.S. textile industry work force has declined from 848,000 workers in 1980 to 727,000 workers today. Combined textile apparel, and related industry job losses since 1980 are more than 300,000. Import penetration of the U.S. market increased during that 6-year period from about 28 percent to over 50 percent, and the annual trade deficit in textiles and apparel has passed the $18 billion mark. In my State of North Carolina alone, more than 45,000 textile industry employees have lost their jobs since 1980.

This alarming trend is not the fault of the American textile industry. Indeed, our industry is one of the most productive in the world. It reinvests 80 to 85 percent of its retained earnings and leads the world in modernization. But even with great strides toward increased productivity, employment figures and market share continue to decline.

To a large extent, Madam Chairman, the culprit is our own administration. It has refused to enforce the bilateral textile and apparel agreements negotiated during the late 1970's. And while many foreign nations take advantage of America's open borders, many continue to erect barriers to U.S. products, creating a double disadvantage for American textile workers.

Madam Chairman, my preference is always free trade, but the fact is, trade in textiles and apparel is manipulated throughout the world. Trade in textiles and apparel is not free and our failure to recognize this reality and respond appropriately has been very costly for our country.

H.R. 1154 is a much better bill than the textile bill this House passed by an overwhelming vote in the 99th Congress. I strongly support H.R. 1154 and I urge the Members of this House to vote for it.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND of Georgia. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, America's textile and apparel industries have taken a severe beating. The effect of cheaply made foreign imports on this industry has been devastating.

In my home State of Georgia, the textiles and apparel industry is the largest manufacturing employer in the State. It is literally the manufacturing backbone of our State. Over the past 5 years, Georgia has lost more than 20,000 jobs in this sector of our economy.

Opponents of this legislation point to statistics showing that the textile industry has increased its profits and is in better shape. At first glance, this may sound convincing. However, upon closer inspection, we find that this does not hold water.

When labor costs are decreased through layoffs and capacity is increased by plant closings, the situation can be made to look a lot better than is actually the case. While remaining plants may be more profitable this "downsizing" is economically unhealthy. The fact remains that the industry cannot compete under current conditions.

Additionally, profits rise and fall due to the cyclical nature of this industry. If you want to look at statistics, the latest Department of Commerce figures show that textile profits are down 12 percent for the second quarter of this year from 1986 levels.

Madam Chairman, this is a bill that is consistent with the General Agreements on Tariffs and Trade [GATT]. Let's act now to insure that stability of this industry and the many hardworking Americans who depend on it for their livelihood. Vote "yes" on H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield such time as he may consume to the gentleman from Virginia [Mr. DANIEL].

Mr. DANIEL. Madam Chairman, I rise in strong support of the pending legislation.

As many of you know, textiles and footwear are both significant industries in the district I represent, but even if this were not so, even if not one individual who resides within the Fifth District of Virginia were affected, I would still stand for passage.

There is a basic issue of equitability here. The American people have seen industry after industry swallowed alive by foreign manufacturers, primarily in the Pacific rim area. The textile, apparel and footwear workers, and the companies which employ them, have fought with every weapon available to them to maintain their jobs and to insure that American consumers have available to them American-made wearing apparel. Management has invested billions of dollars in new plant and equipment, in design and technology, and employees have cooperated in every conceivable way.

It is now time for the Congress to recognize this, and to accord to the textile, apparel, and footwear industries additional tools to make certain that these products do not join the long list of others which no longer are made in this country.

At the end of this week, the largest manufacturer of footwear in my district will close its doors. Hopefully, a way can be found to reopen them, but in the meantime hundreds of workers in these plants face a bleak time.

This Nation does not need a continuing cycle of plant closings and local economic depressions, and it no longer can afford to see such wholesale layoffs.

I urge all Members of this body to support H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Madam Chairman, we have heard much debate from the opponents of this legislation. They have charged that it will be costly to consumers. They have said it is GATT illegal and will violate bilateral agreements. They have said it will evoke retaliation.

We also hear a lot about huge profits for the industry, but figures from the Department of Commerce reveal that profits are down for the second quarter by 12 percent from the second quarter of 1986.

And any profits for the period January to June 1987 are less for textiles as compared to all manufacturing—3.3 percent for textiles/apparel and 4.8 percent for all manufacturing. And they also tell the real truth of what has happened to the domestic textile industry. The few manufacturers that are left would be expected to make a little profit when numerous others have closed their doors due to imports. These profits cannot make up for the tremendous losses in jobs and productivity for the U.S. economy.

But I don't need to elaborate on profits and GATT and retaliation. These issues are already being addressed very well by other very illustrous Members of this body.

However, I would like to say to this House that unless this country makes courageous decisions on this Nation's enormous trade deficit, the standard of living for our children and grandchildren will be seriously and irreparably reduced.

This administration says it is slowing textile import growth. If that is the case, why is the textile/apparel trade deficit up 21.4 percent over July 1986?

Why is the administration allowing more textile imports from Communist countries, in 1987 alone up 17 percent from the People's Republic of China, 127 percent from Hungary, and over 8,000 percent from the Soviet Union?

And why in the name of heaven are we standing still for import surges in textiles from Iran? Indeed, why are we importing anything from Iran, and why do we continue to extend most-favored-nation status. If the administration does not act on its authority to revoke MFN, the Congress should do so.

We are financing Iran's war effort while spending millions of dollars to protect shipping in the Persian Gulf against the tyranny of this government. This is an absolutely ludicrous situation and it is time to put a stop to the ineffective implementation of textile and apparel trade policy by this administration.

Because of these policies our marketplaces are being deluged with foreign imports, our domestic manufacturing base is eroding at alarming rates and, even more alarming, our industry is increasingly owned by foreign investors.

In 5 years, we have gone from being the world's No. 1 creditor to being the world's No. 1 debtor.

While foreign investment is not responsible for the trade deficit, it is indicative of our growing dependence on foreign productivity and not our own.

While the rest of the major industrialized countries of the world subsidize their industries and erect trade barriers which shut out U.S. exports, we continue to espouse policies which allow our trading partners to flood our markets, often with illegal shipments or through other means that undermine even those restrictions that are on the books with regard to trade.

Madam Chairman, we cannot afford "free trade." In reality it does not exist. In the words of noted international economist John Culbertson,

> By sacrificing our home market on the altar of free trade, we are condemning ourselves and our children to a future of fewer competitive businesses, fewer good jobs, less opportunity, and a lower standard of living.

I join Mr. Culbertson in his assessment that it is time to rethink this issue and insist on a mutually beneficial and balanced international trade.

I strongly urge the passage of this legislation.

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Madam Chairman, we cannot afford free trade. In reality it does not exist.

In the words of noted international economist John Culbertson, by sacrificing our home market on the altar of free trade we are condemning ourselves and our children to a future of noncompetitive businesses, fewer jobs, less opportunity, and a lower standard of living.

I would join Mr. Culbertson in his assessment that it is time to rethink this issue and insist on a mutually beneficial and balanced international fair trade to protect our folks that want to work so hard and produce to do these things that they so sorely need for their families.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Madam Chairman, protectionism is bad policy. It is nothing more than an economic Maginot Line, a 20th-century Great Wall. It is the politics of scarcity, in a growing world economy.

Here in this country prosperity has been enjoyed by investors and managers and workers alike because our policies have not only accommodated, but encouraged growth.

Protectionism is the opposite of a policy of growth. It is a policy of surrender: a signal to the world that we can't compete. The message to the rest of the world is that even though our consumers want your goods, you can't sell them here. Your goods aren't welcome, and we don't care to explore your markets.

But, Madam Chairman, this bill is worse than protectionism. It seeks to protect industries that don't need help. It is not only a bad bill, it provides a bad solution to a problem that doesn't even exist.

Business in the domestic textile industry is so good that producers can't keep up with the demand. The textile industry isn't marketing its products overseas because it is overextended.

For instance, in July an industry executive testified before a hearing in the other body that import quotas have cut off any further supply of foreign rayon, while domestic mills have indicated to buyers that they are fully booked on production of rayon through 1987 and into 1988.

In the meantime, prices have risen roughly 50 to 60 percent in 6 to 8 months.

We've received similar reports about shortages in cotton.

According to Charles E. Battaglia, president of Yarn Sales,

> Business is so strong, and cotton supply so tight, we can't take on any new customers for cotton yarns * * *. We would like to export more, but * * * we are too busy supplying the domestic market.

A representative of Nike, Inc. testified that his company would like to expand its domestic apparel production, but has been forced to take its business offshore.

Here's what he said:

> Price is not the controlling factor that has caused Nike, Inc. to seek production sources in foreign countries.

If price isn't the reason, what is? Again, in the words of Carl Davis:

> All too often we have found American apparel manufacturers to be inflexible in their production and unable to meet production deadlines. We would like to expand our purchases of apparel in the United States, but unfortunately cannot risk doing so.
>
> Trade barriers in the form of more restrictive quotas would only enhance these problems as the domestic production facilities found themselves with increased orders. In the long run, the ones who will suffer will be the American consumers.

Madam Chairman, there are many reasons to oppose this bill, but surely one of the most important is that it will inhibit, not expand, trade. And it simply isn't needed.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Madam Chairman, I would like to respond to several of my colleagues today. Most of them seem to be from the Far West. I do not understand why they have information that is so different from ours.

The last speaker, the gentleman from Washington [Mr. CHANDLER], seems to indicate that the textile and footwear industry in this country is in such good shape that we do not need any protection and we cannot really fulfill the orders.

I have to extend an invitation to my friends from the West and from the other areas of the country that do not have this problem in their districts, to come and visit Pennsylvania and northeastern Pennsylvania in particular, and see what the problem is.

I would like to respond to another colleague from the West, from the State of Oregon, who earlier today referred to the athletic footwear industry and he said there is not any athletic footwear produced in the United States.

I was really shocked when I heard this statement this afternoon. And I can assure you that the 400 workers I visited over the weekend who were manufacturing athletic footwear were really surprised to learn that we had discharged them from their jobs. I assured them they had not been discharged and there is a great deal of misinformation brought to the House of Representatives. But I want to assure my friend from Oregon that there are 400 workers in the 11th District of Pennsylvania working today manufacturing athletic footwear.

If anyone else tells the Members of the House that that is not true, that is just pure mistaken fact.

Madam Chairman, today is an important day in the life of our Nation, for today we celebrate the 200th anniversary of the Constitution of the United States.

Article I, section 8 of the Constitution gives the Congress the right and the responsibility to "regulate commerce with foreign nations" and to "lay and collect taxes, duties, imposts and excises."

Today the House of Representatives will honor the Constitution by passing H.R. 1154, the Textile and Apparel Trade Act of 1987, which I am proud to be a consponsor of. In passing H.R. 1154 the House will be exercising its responsibilities under article I, section 8 to protect the future of two industries which are as old as the Constitution itself and vital to the American economy: the American shoe and textile industries.

Madam Chairman, in recent years hundreds of thousands of American shoe and textile workers, including tens of thousands in northeastern Pennsylvania, have lost their jobs as a result of a flood of foreign imports made in countries that subsidize their industries, pay slave labor wages, and which have little or no health, safety, labor or environmental protection laws. If we do not take action now to make our trade laws fairer to American workers, we risk losing these entire industries. We also cannot expect American exports to increase if we do not use our trade laws to encourage other nations to pay their workers a living wage.

The case for this legislation is clear. Employment in the industries is way down. Profits are down 12 percent in the last year alone. The trade deficit is up to record levels, $16.5 billion in 1 month alone, and shoe and textile imports make up a full 16 percent of that deficit. The bill is compatible with our international trade obligations under GATT and it gives the President all the flexibility he needs to comply with bilateral agreements.

Last month the United States imported 1.25 billion square yards of textiles and apparels. That is roughly enough to make 500 million pairs of pants—enough to give every man, woman, and child in the United States two new pairs of pants every month.

Madam Chairman, we cannot allow foreign manufacturers who pay their workers as little as 18 cents an hour to take American shoe and textile workers to the cleaners. As their elected representatives we have the responsibility under the Constitution to provide for the general welfare by making sure that our trade laws give American workers a chance to earn a decent living.

Madam Chairman, my home State, Pennsylvania is proud to be the birthplace of the U.S. Constitution and one of the largest shoe and textile producing States in the Nation. We Pennsylvanians are proud of our workers, and their heritage, and we know that if they are given a chance to compete on an even basis they will win. I intend to enthusiastically vote for this bill which will give them that chance.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to my colleagues the gentleman from Georgia [Mr. RAY].

Mr. RAY. Madam Chairman, I respect the views of my friends who oppose restrictions on trade, but I do not understand their thinking, particularly when we have a $165 billion trade deficit. This morning's report indicated that we have broken all records in the last quarter with a $41 billion trade deficit. It has been said that for each of these billions of dollars, 5,000 U.S. jobs are lost.

We are not just talking about textile jobs, my colleagues. We are also talking about hundreds of other categories of goods. Many industries are gone and are out of business. But there is one industry which has lost 50 percent of its manufacturers and does have the gumption and intestinal fortitude to fight for its life. That is the textile industry. Steel, shoes, gloves, automobiles, certain high tech and electronics

industries and others have already lost out.

Another reason why many of us are concerned about our industries and our jobs is that we have lost confidence in our Commerce Department, our State Department, trading negotiators, and those who advocate free trade.

Contributing to our dismay is the fact that we continue to do business with Iran under the most-favored-nation status, despite the destruction of our Embassy in Lebanon, which took about 7 lives, and the suicide truck bombing of our marine barracks that killed 241 of our young American marines. Iran recently dumped 600,000 square yards of cloth with a low cost and low tariff on this Nation that they often refer to as the Great Satan.

The Soviet Union, after buying our submarine technology from the Toshiba Co.—which by the way has taken thousands of American jobs and transferred them to foreign countries—dumped 12,000 square yards of cloth on American markets at 43 cents per square yard plus a tariff of only 3 cents. American prices for similar cloth is 73 cents per square yard.

I suppose, Madam Chairman, that this was done with the consent of many of our people in the State Department.

Despite the interest of this country in trying to keep its markets open, we have to work to protect those markets in certain areas, such as the textile industry. I urge my colleagues to vote for this bill.

Madam Chairman, I rise today in strong support of the textile bill. This legislation will establish import quotas on each category of textiles and textile products from all exporting nations. These quotas would be based on the level of imports from each nation for the year 1986 and would create no rollback of trade.

The legislation we are considering today will not discriminate among countries. It will set global limits which would not single out a specific producer, but it will send a strong signal that at last one segment of our industrial base has the courage and the intestinal fortitude to say enough is enough. The textile bill will give the administration full flexibility within prescribed global limits and will be consistent with present trade arrangements.

To illustrate the need for such trade support, I would like to draw your attention to a situation involving textiles from Iran—which the Commerce Department, the administration and the so-called free traders have ignored.

Since January of this year, 600,000 square yards of fabric at a cutrate price have been shipped here from Iran. Not only are they dumping textiles on our markets, but they are doing it with most-favored-nation trade status negotiated with the Shah of Iran. Can you imagine the delight of the Ayatollah knowing they are dumping their goods on the markets of a nation that they consider to be the great satan.

It is unbelievable that we continue to offer them these trade terms when we know without question that Iran engineered the bombing of our Embassy in Beirut and destroyed our marine quarters there killing 242 young marines and are presently creating mischief in the Persian Gulf.

It's bad enough when the administration will not slow down the textile imports from our allies and trading partners, such as Hong Kong, Taiwan, South Korea, the Philippines, and Central America and others. But it is beyond belief to think they would allow our worst enemies to undercut our own producers.

This type of carelessness and disregard has caused the need for such legislation as H.R. 1154.

I, along with Congressman JENKINS, will this week, introduce a bill to strip away Iran's most-favored-nation status and we already have 50 cosponsors. Iran, through its terrorist tactics, has kidnapped Americans, killed Americans, and unless we take away their most-favored-nation status, they will take away more and more American jobs—which by the way represents 5,000 jobs for each billion dollars of trade deficit.

To further illustrate the need for textile trade protection, I would like to draw your attention to textile imports from the Soviet Union.

The Soviets are the cheapest producers of cotton sheeting in the world. American producers are now selling their cotton sheeting at 73 cents per yard. The Soviets are able, with heavy subsidies, to produce and ship their sheeting to the United States at a cost of 33 cents per yard. Our import duties add only 3 cents to the cost allowing the Soviets to undercut our goods by 40 cents per square yard—a price at which no American producer is able to compete.

Last year the Soviets began exporting a small amount of cotton sheeting into the United States. Beginning in March they increased their exports by 2 million square yards. In the months that followed, the Soviets doubled their exports each month.

The American textile industry petitioned for the implementation of the textile agreement as early as May 26 of this year and again on June 4. The administration had the authority to curb these imports. However, no action was taken. The attitude of the administration was summed up by one official who was quoted as saying, "We can wait and negotiate with them and then take action."

When the exports exceeded 12 million square yards, the administration finally took action—it called for negotiations.

The subsequent negotiations in Washington were a complete failure. Since no pressure had been placed on the Soviets they came to the negotiations with outrageous demands and no desire to reach common ground.

With no agreement from the Soviets, the administration imposed a 4.4-million-square yard limit of cotton sheeting from the U.S.S.R. for the coming year. This did nothing to protect our producers from the 12 million yards that the Soviets had already dumped on our market.

The Soviets are also mounting a campaign to join Western trade and financial agreements. Last year the Soviet Union tried to join the 54-member Multifiber Arrangement which is administered by the General Agreement on Tariffs and Trade. Their membership was blocked by the administration largely from pressure by the Pentagon.

Within the administration there is a battle concerning the use of trade with the Soviet Union as a bargaining chip. The State Department has argued that the best road to an arms agreement is through stronger economic ties with the Soviets. It appears that this argument is winning the debate. At an East-West forum, Deputy Secretary of State John C. Whitehead replied when asked about Soviet membership, "We would like to see the Soviet Union become a member of all these international bodies."

Apparently the Toshiba incident, whereby U.S. Navy submarine technology was sold to the Soviets, has been forgotten, even though $30 billion invested in our submarine fleet has been compromised.

Madam Chairman, how can we continue to allow nations such as Iran and the Soviet Union to flood our markets and undercut our own producers. The time for action is now. I urge my colleagues to support the textile bill.

Mr. SCHULZE. Madam, Chairman, I am happy to yield 3 minutes to the gentlewomam from Maryland [Mrs. BENTLEY], one who is very much concerned about this topic.

(Mrs. BENTLEY asked and was given permission to revise and extend her remarks.)

Mrs. BENTLEY. Madam Chairman, we hear the many rationales for "giving away the American market" to every foreign manufacturer under the Sun—and in the process to give away those American jobs—which I see as a constitutional birthright celebrated today. Once again we are told how much more it will cost American consumers to save these jobs.

Why are we not told the hidden costs to every American for the loss of these jobs? No matter how much the lobbyists for free trade push the idea that foreign manufacturers are somehow doing us a favor with cheap products, the statistics on the cost of unemployment to every American prove it's just not so.

ICF Inc., in a recent study, estimates that enacting H.R. 1154, the Congress will enable the Federal Government to save as much as $500 million in reduced outlays to unemployed workers in the second year.

This estimate is based on the costs to unemployment insurance and other unemployment-sensitive programs plus reduced Federal interest costs that would result from cutting the deficit by these amounts.

There are many communities across the country—where well-paying manufacturing jobs have been lost to foreign imports—who could tell us on this floor of the costs in human suffering and the many tragedies which spin out of the cruel numbers of a balance-of-payments deficit.

The officials of these States and communities could also tell of losses to their tax rolls and to their services from the loss of these jobs.

You want to peddle cheap blue jeans on this floor today? There'll be markets aplenty among the unemployed—they'll need them, if this bill does not pass—if they make enough on unemployment compensation to buy them.

There's another aspect to this: national security. Any military force needs uniforms for its troops. When we were briefed by Pentagon officials last year, I was stunned when the admiral agreed that the United States did not have an industrial base equal to that which it had at the beginning of World War II, after which even the U.S.S.R. had credited our industrial base for its victory.

He added the United States could not buy in this country today what it could in 1941 and proceeded to list military uniforms among those items. Isn't it frightening that our military may have to fight in an emergency inadequately uniformed—because we can't get product here.

When I challenged the admiral about buying boots overseas rather that from a boot factory on the edge of my district, he responded they were cheaper in Korea.

My retort was that Navy admirals also are cheaper in Korea.

But more importantly, the workers in the Korean boot plant do not contribute to our tax base, do not help pay to keep the Pentagon in operation.

The overseas workers do not help reduce our operating deficit.

One more point that I want made in this debate—on the day we celebrate our great Constitution's birthday—what about the plight of the foreign workers in all the textile sweatshops being operated in these poor nations to supply our consumers with cheap products? Is that what we want to perpetuate?

Have we lost all conscience in this country? Is it OK for women and children to work 7 days a week to supply our runaway consumerism? Does any one of you on this floor suggest that our own workers could compete with these poor exploited people? You have said they must be more competitive. And for what? Are we a nation of peacocks?

There are other questions, too—on paying for all of this—since we have a large balance-of-payments deficit, maybe—just in order to cut our borrowing from the world to pay for consumer products is justification enough to support this bill.

Look at us. Look at what we are doing to ourselves. We go in debt to buy goods which are worn out or out of fashion before the bill for them is ever paid.

We put our own workers out of jobs in order to buy the goods and then, in all too many cases, we are supporting the exploitation of women and children in order to get the cheap products.

And every day we move deeper and deeper into the position of being a colony.

I urge you all today to vote for a stronger America. Vote for H.R. 1154—save our jobs. Save our money. Save this country.

Mr. GIBBONS. Madam Chairman, I yield myself 9 minutes.

Madam Chairman, first of all I would like to rebut the gentlewoman about being prepared. That young admiral that she quoted was not even in the Service when World War II began. I can assure her that having been a soldier before Pearl Harbor and at Pearl Harbor time, I wore World War I uniforms, I fired World War I ammunition, and World War I rifles. I carried those weapons all the way through the war.

Some of our stuff that we fought with in World War II actually came from the Spanish American War.

Today, however, we are very much better prepared. There is enough law now on the books that if there is any shortage of ability to meet our wartime needs, all kinds of drastic things can be levied against foreign industry and foreign imports.

That is a bunch of hokum and the admiral that said that either ought to be retired or demoted.

Madam Chairman, let us look at where we are today and what is happening in America. I hear these cries of gloom and doom and the facts just do not support them.

□ 1635

What nation on Earth exceeded all other nations, all other industrialized nations on Earth in growth between 1982 and 1986? Would somebody want to answer that?

It was our United States of America. The OECD figures, the official world figures show that industrial production grew faster in the United States than it did in any other industrialized country on Earth, including Japan, Canada, all of Europe, all of the other nations.

Now what has that got to do with this debate? We are talking about textiles, we are talking about garments. If you examine the economic figures and the employment figures in these industries as compared to the rest of American industries you will find that as far as profits are concerned, as far as stock value is concerned, as far as return on equity is concerned, that the textile industry and the garment industry is doing real well.

Here are the figures. These are not industry figures. These are official figures of this Government.

The profits in the textile industry increased by 62-percent last year to more than $1.7 billion, its highest level of profit in a decade. And on top of that 62 percent increase last year which is phenomenal and cannot be sustained, during the first quarter, which is as close as we can measure this year, in addition to the 62 percent the profits went up another 12 percent.

Now is that a sick and dying industry? That is the textile industry.

In the textile and apparel industry employment went up 25,000 jobs this year from January 1 to June 1, 1987, versus the same period in 1986.

Now is that a dying industry? No it is not a dying industry.

Now I admit that overall employment in the textile and garment industry has gone down, not by the drastic figures that you see or hear here, which have been heard on the floor, but they have gone down and why have they gone down? Because the textile and apparel industry have modernized.

That is what modernization is all about; you get greater production out of fewer people and therefore you become more efficient and you become more profitable.

If anyone could go into a modern textile mill today, and we have some in this country, versus some antiquated ones and we have a few of those left too, you would notice that the difference between what a spinning machine can do, what a modern spinning machine can do and what an antiquated one, post-World War II technology can do. There is no comparison. The total number of people required to spin the same amount of thread is vastly different.

If you go into the weaving end of the textile business where the cloth is put together from thread and you look at the old post-World War II, some American machines but mainly European machines, you will find the old shuttles working back and forth. But you go into the very modern plants and I was privileged to do in South Carolina and North Carolina, you will find the water jet loom and the air jet loom weaving cloth at 10 times as fast and with far less defects than the old machinery. So certainly the employment rate in these areas to produce the same amount of goods is going to be far down. But overall the industry is profitable.

Now there are some, I believe 15,000 to 18,000 individual business units in this industry, these two industries together. And in those there are going to be some eliminations.

Some of them are going to be because of obsolescence, some of them are going to be because of poor management and some of them are going to be by foreign competition.

But let us remember that the highest official figures of penetration that we have are in the garment area and

they have finally reached about 33 percent.

Now I am not a stand pat fellow. We are not talking about free trade. We have heard that thrown around here. This is not free trade that I am even defending here. I am just asking us not to go further.

Estimates are that it will cost $20 billion, a $20 billion tax out of the American economy if we adopt this program. The current program of protection that we have already is costing $20 billion which means we are costing every household in the United States about $300 per household. This program will increase that to $600 per household.

Now we are not talking about free trade. There has not been any such thing as free trade in the textile industry ever in the United States. The protection began really in earnest in 1957 and it has escalated up so that now we have not only a multifiber arrangement with all the world but we have 41 different separate bilateral trade agreements going into 1991 around the world covering almost every product, 140 different categories of products, that you can think of.

We are not talking about free trade. We are already talking about the industry that has the highest protective tariff in the United States on an average 18 percent. We are talking about an industry that is doing relatively well compared to its fellow American industries.

When you look at American industry, I have already cited OECD figures that showed that American industry has grown faster than any other industrial country in the world in the last 5 years.

Now what are we belly-aching about? We just want more. It is impossible. No country on Earth has ever been able to raise its standard of living, and that is what we are talking about here, the American standard of living, by closing its markets. It never has happened in 6,500 years of recorded history and it is not going to happen now. It is impossible. You cannot do it.

Now all that is going to happen is that we are going to lose other markets to the Canadians, to the Europeans, to the Japanese, to the Russians, if we pass this legislation. We are going to hurt ourselves.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. Derrick].

Mr. DERRICK. In answer to what Mr. Gibbons has said, I will also tell him that in 6,500 years no country has ever increased their prosperity by giving away one of their basic industries. And these figures that we have been arguing about all afternoon, that Mr. McMillan said earlier, the 53-percent penetration versus the 33-percent penetration.

Mr. GIBBONS. Madam Chairman, will the gentleman yield to me for a minute? I will yield additional time to the gentleman later.

Madam Chairman, will the gentleman yield to me for 1 minute?

Mr. DERRICK. I certainly will yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Madam Chairman, I am not talking about giving away our industry.

We already have agreements with all of the textile producing nations on Earth and we are already protecting that industry and we have made commitments and they have made commitments that go to 1991. I just think that to renege on those commitments now, to say we have got to have more is, first of all, not the way to do business, and, second, it is not going to hurt our country.

I am not asking for free trade, I am asking though that we do live up to our commitments.

Madam Chairman, I yield 1 additional minute to the gentleman from South Carolina.

Mr. DERRICK. Mr. Gibbons, either you or I, one, is missing the whole point of this argument.

Mr. GIBBONS. I know you are.

Mr. DERRICK. The point of it is this: Sure, we have all these agreements, of course we do. But the point of the whole legislation is that we are not enforcing them, we are not enforcing them. Now you talk about the penetration figure. If we were enforcing our Multifiber Agreements we would not be standing here this afternoon.

Now you talk about a 33-percent penetration versus a 53-percent penetration. Mr. Gibbons, I respect you as being one of the better minds of the House and you know as well as I do that you are both using different facts. You are using dollars, Mr. McMillan was using yardage.

Mr. GIBBONS. No.

Mr. DERRICK. And it is done in two different ways. The fact of the matter is that whatever figures you use, if you use the yardage it is increased from 30 percent in 1980 to 53 percent.

Now let me tell you, we hear a lot about protection. Well, so what? You know why I am sent to Washington? I was sent to protect, as one of the things that I have been sent to do is to protect the living standard and the ability of the people that I represent to make a living. We have lost 350,000 jobs in the textile apparel industry and we have lost approximately 700,000 job opportunities.

My State has been particularly hard-hit by the loss of some 35,000 jobs.

Now are you going to stand there and tell me that I do not have a right to get up here and to try to hold these jobs for my constituents? Of course not. I know you are not.

I think it was Brock who was reported on the floor earlier who said that the textile and apparel and fiber industry is second only to the steel industry and our defense needs. What are we going to do if we continue to give away these basic industries? The gentleman was down in South Carolina and, you know, we were delighted to have you down there. We would like to have you back. We might have to get a bulletproof car when you come back but we still would like to have you. We will provide it.

We would love to have you come back—I am being facetious of course—we would love to have you come back and we will treat you I hope with the same cordial hospitality that you received before.

You know, you need to remember those towns that you went through that were just so bleak and grey because jobs that had been there for 100 years were no longer there.

So you know my suggestion is let us go ahead and pass this bill. If there is anything, any bill that I have seen that we can really help our country, not only in our defense needs but in our standard of living, it is this bill. I would like to see us go ahead and pass it. And maybe get enough to have a veto override.

Madam Chairman, the following members were inadvertently excluded from the cosponsor list of H.R. 1154: Herbert Bateman of Virginia, Larry Hopkins of Kentucky, Buddy Roemer of Louisiana, and Lamar Smith of Texas.

Mr. JENKINS. Madam Chairman, I yield 1½ minutes to the gentleman from North Carolina [Mr. Lancaster].

Mr. LANCASTER. I thank the gentleman for yielding time to me.

Madam Chairman, among the most fallacious arguments against the Textile and Trade Act is the constant wimpering about fear of retaliation. What kind of retaliation is going to be more harmful to America than the record U.S. trade deficits; closed textile mills and idle shoe factories, once the pride of the Northeast? What kind of retaliation, adopted at the discretion of the administration, can worsen the plight of the unemployed textile workers in my district?

Madam Chairman, can it be that this same policy, dictated by some fear of retaliation, is the reason why Iran keeps its most-favored-nation trading status with the United States? As my colleague from Georgia pointed out, our textile imports from Iran soar while we spend millions to protect shipping in the Persian Gulf from Iranian missiles, torpedo boats, and aircraft. The Iranian trade situation seems to be indicative of a general fear and lack of backbone to take meaningful action on the economic front when our cause is just.

H.R. 1154 is a reasonable and orderly approach to a very real and costly problem that is going to get worse, much worse, if we refuse to act because of a lack of backbone. For the past 30 months the drumbeat from the administration has been, "the trend is to lower the trade deficit." However, the trade deficit continues to rise alarmingly with the administration blaming other nations' economic mistakes, bad weather, unreliable statistics, and Congress. Other nations have always made mistakes; we've always had bad weather, unreliable statistics, and Congress.

The remedies are contained in this bill. The policy so far has resulted in 300,000 lost American jobs since 1981; a fourfold increase in the trade deficit from $40 billion in 1981 to nearly $170 billion now. Despite the claims of opponents of import relief—the facts are that profits continue to fall for the once mighty U.S. textile industry.

I urge my colleagues to support H.R. 1154, a reasonable, moderate tool to help restore our balance of trade and put American manufacturers back in business and American workers back on the job.

☐ 1650

The CHAIRMAN. The Chair wishes to indicate that the gentleman from Georgia [Mr. JENKINS] has 9 minutes remaining, the gentleman from Florida [Mr. GIBBONS] has 9 minutes remaining, the gentleman from Pennsylvania [Mr. SCHULZE] has 13 minutes remaining, and the gentleman from Illinois [Mr. CRANE] has 18 minutes remaining.

Mr. SCHULZE. Madam Chairman, I yield 4 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Madam Chairman, I thank the gentleman for yielding this time to me.

Madam Chairman, this bill insists on nothing more than a fair fight. It recognizes that the sweatshops of the world are flooding the United States with two-thirds of the world's output, and we are expected to hold our own against that flood tide while complying with the humane work requirements that the U.S. law and regulations require, something that is not required in most of the sweatshops of the world where these products are manufactured.

I will make three points. First, there is a serious textile import problem in this country. It was serious last year when we voted strongly to revamp our textile trade policy. It was serious in each of the 5 years before today, formative years in terms of our textile problems, because during that period of time textile imports actually doubled.

Second, the textile and apparel industry is not brimming with health. Oh, some few companies may be, but I am talking about the hundreds of companies that no longer exist, companies whose statistics will not show up in our records because they have gone bankrupt and their plants have closed. And if Members do not believe that, they can come and take a trip with me sometime in my district and around my State and around the South, and we will show them the hulks sitting there empty. Those people cannot speak now in the statistical battles because they statistically do not exist.

We hear all this talk from both sides on the subject of profit margins, capacity utilization, productivity, and the like, and I have to say that the American textile industry as a whole is apparently doing somewhat better as a general rule, with a few big companies. It is an industry that is lurching back, though, from a coma. Some large companies are doing well, but many, many small companies are not, and many have gone out of existence. The industry is over 1,000 plants smaller than it was in just 1980 and nearly 300,000 jobs smaller than it was in 1980 because of imports.

Our textile and apparel trade deficit has increased many times over since 1980, and it shows not one sign of slowing down, meaning we will see the eventual complete erosion of this industry in this country.

It is estimated that nearly half of the clothing purchased in this country comes from China or Korea or Brazil or other countries of the world. So try telling our remaining workers that things are finally on the mend and things are better. They are unemployed. They disagree with you.

This is the third point: The fundamental problem plaguing American textiles and apparel is not whether our industry has failed to take competitive steps. No matter how hard our workers work or how much we improve our productivity, no matter how many millions our industry pours into our retooling efforts and the like, we cannot compete against the sweatshops in the Far East that are paying hardly any wages, that are working children in places where the electric wires bristle on the floor, with no air-conditioning and hardly any ventilation. You have been there. So have I. We do not allow that in this country, nor should we. Yet we cannot compete against that kind of competition without some sort of protection.

Our textile trade policies have left our people to the wolves. It is short and simple. Since the early 1970's almost all textile and apparel trade has operated under the multilateral textile trade agreement, which states among other things that individual countries should not make it subject to import surges that disrupt the markets, and also, last but not least, import growth of textiles should be expected but at moderate levels.

In essence, the MFA is unique. It acknowledges that we should allow imports, but it allows up to protect our industry and its workers.

Madam Chairman, I ask the Members to stand up for American workers and support this bill. If we do not, if this bill does not pass, I have great fears that the American textile and apparel industry will disappear.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I have heard a lot of talk about rapid growth recently in the textile and shoe industry. I say to the Members, if you have been cut off down to the ankles and you have grown back to the knees, I guess you are looking OK, but you are still far, far away from being at eye level.

That is exactly the situation we have in this country. I want to talk about real jobs lost, not about projected jobs lost. I want to talk about the Kinney shoe plant in Glenville, WV, just about 2 months ago, with 250 textile workers. I had the sad experience of going to that community meeting to organize some plan as to how we would try to get trade adjustment assistance benefits.

This was not a high-paying plant. They were low wages, barely above minimum wages, but with high productivity because they took pride, and yet because 80 percent of the shoes sold in this country are foreign and because they cannot sell their shoes abroad like anyone else can sell their shoes in this country, they lost their jobs and the plant.

We are trying to find a new buyer, but it is pretty tough when they know that there is 80 percent of the market lost already and nothing better to come. This bill will not save those Kinney workers today, but it may put a buyer in that plant. It may guarantee that others will not have the same sad experience that we had recently.

Madam Chairman, I urge the Members to support this legislation.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Madam Chairman, since December 1986, over 10.6 million square yards the equivalent of textile and apparel exports from South Africa—worth over $6.6 million—have been admitted for consumption into the United States in violation of law—Public Law 99-440. Although the sanctions the Congress legislated on South Africa last session prohibited textile imports from that country, for South African exporters, United States importers, American

textile workers, and the Reagan administration, it has been a case of "business as usual."

Madam Chairman, the U.S. Trade Representative has written to me opposing H.R. 1154, the Textile and Apparel Trade Act. He writes, "the administration has already done an enormous amount in recent months to assist the U.S. textile and apparel industries." I disagree. I would suggest that compliance with U.S. law would be a good place to begin and that passage of H.R. 1154, the Textile and Apparel Trade Act, is a necessary action to protect American textile jobs.

I urge my colleagues to support H.R. 1154.

Mr. SCHULZE. Madam Chairman, I yield 1 minute to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Madam Chairman, I rise today in strong support of the Textile and Apparel Trade Act of 1987—and I do so as one who is also a strong supporter of fair and open trade policies.

All across the country, and particularly in areas such as my own State of Missouri, tens of thousands of shoe and textile workers are watching anxiously today to see if we in this body will turn our backs on them, of if we will grant them the temporary import relief they so desperately need—and deserve.

Last year alone, 70 nonrubber footwear factories in the United States closed their doors. Five of those factories were in Missouri, and I can tell you that the communities who are losing those jobs are rural communities in which every paycheck counts, and in which other jobs are few and far between.

Why are these jobs being lost? In 1968, only 1 in 5 pairs of shoes worn in the United States were made overseas. Today, only 1 in 5 pairs of shoes bought by Americans is not made overseas. This disastrous trend is the direct consequence of the kind of unfair trade practices we all profess to condemn. While our own market has remained wide open to foreign-made shoes, virtually all other major shoe-producing nations in the world have closed their markets and done everything possible to shut out imported footwear. The result: we have long been the best target anywhere for the shoe salesmen of other countries. Those nations, as we all know, have no qualms about providing whatever subsidies are necessary to claim an ever-greater share of the U.S. market.

We have here crafted a bill that is reasonable, responsible, and effective, I urge my colleagues to support H.R. 1154, and by so doing, give thousands of American workers a real chance to revive an industry that is a vital part of our economy.

Mr. SCHULZE. Madam Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Madam Chairman, I rise in strong opposition to H.R. 1154.

Madam Chairman, this Member cannot support H.R. 1154 as it is reported to the floor today by the Ways and Means Committee.

As I promised my constituents who have asked me to support H.R. 1154, I have taken considerable time studying the information concerning this legislation. I had hoped that in substance the bill would be an improvement over previous textile legislation that has been considered by Congress.

In some instances the bill is an improvement. For instance, H.R. 1154 discriminates against specific countries less than previous legislation, and it does allow for modest growth in imports which it is argued, would lessen the likelihood of retaliation by other countries.

In other respects, however, H.R. 1154 is as bad, if not worse, than the textile legislation considered by Congress in 1986. The following are a few of the major reasons why I believe that H.R. 1154 is not in the best interests of most of my constituents, or the Nation:

### ACTIONS HAVE ALREADY BEEN TAKEN TO HELP THE U.S. TEXTILE AND APPAREL INDUSTRY

Major steps have already been taken to strengthen the position of the U.S. textile apparel industries. The American textile and apparel industry has experienced the greatest level of protection afforded any industry, as evidenced by the recently extended coverage of the Multifiber Agreement [MFA], the tightening of our major bilateral textile agreements, and the continually increasing volume of restraints on new and midlevel supplies.

The Multifiber Agreement has been renegotiated to extend coverage to virtually every type of fiber. Many of our bilateral agreements have also been renegotiated to restrict annual import growth to only 1 percent, from major suppliers, and 6 percent from other suppliers. In 1986 alone, the United States negotiated or imposed more than 200 quotas. These agreements and quotas should limit imports of most products to nominal growth in 1987.

In addition to strict quotas, the textile and apparel industries benefit from tariffs that average 18 percent, compared to 3 percent for other manufacturing industries.

### ECONOMIC CONDITION OF THE TEXTILE AND APPAREL INDUSTRY

Contrary to statements we have read, production and profit levels are increasing and employment levels of the textile and apparel industry are stabilizing.

Profits of textile companies increased 97 percent during the first three quarters of 1986. Capacity utilization was 95 percent through December. Domestic production and exports increased and inventories decreased in 1986.

The unemployment rate of textile and apparel workers combined has dropped from 14.6 percent in 1982 to a low of 6.7 percent in June 1987. Unemployment in the textile sector alone in June 1987 was 3.5 percent—the lowest rate recorded in recent history, and considerably below the national average.

Most of the recent loss in textile and apparel employment has resulted not from import competition but from management decisions on the part of the industry reflecting improved productivity and competitiveness.

### RETALIATORY IMPACT ON OTHER U.S. EXPORTING INDUSTRIES

Because of the tight quota restrictions of H.R. 1154, we can expect significant retaliation from our trading partners, especially from the European Community and Canada, which in effect were not affected by the last bill.

H.R. 1154 would have an especially heavy impact on American agriculture. The countries supplying textiles to the United States were the markets for almost three-quarters of our total agricultural exports in 1986. Because H.R. 1154 affects all textile supplying countries, it will adversely affect countries that together comprise more than 70 percent of our agricultural export markets; the bill previously passed by Congress only affected countries representing 40 percent of our overseas agricultural markets.

The bill H.R. 1154 would put at risk the recent gains and further expected growth in export earnings for the American farmer. U.S. agricultural exports are increasing in both volume and value. Compared with 1986, U.S. agricultural exports are expected to climb 16 percent in volume to 127.5 million tons, and 5 percent in value to $27.5 billion.

### IMPACT ON U.S. CONSUMERS

By restricting textile, apparel, and shoe imports, H.R. 1154 would raise clothing costs for consumers. Low- and middle-income citizens would be particularly affected.

The Council of Economic Advisers is quoted as estimating that the restrictions imposed by the bill would raise wholesale textile and apparel costs by up to $37 billion over 5 years. Costs ultimately paid by consumers at the retail level would raise by an even larger amount.

### IMPACT ON CURRENT TRADE NEGOTIATIONS AFFECTING THE GENERAL AGREEMENT ON TARIFFS AND TRADE

Finally, H.R. 1154 would damage, if not destroy, chances for a successful round of GATT negotiations. Those negotiations, just now beginning in Geneva, Switzerland, represent our best chance to increase United States exports and the sale of services. By strengthening the system of rules and disciplines that govern trade. Violating the MFA and the GATT at this point would flagrantly undermine U.S. credibility in these negotiations and compromise our efforts to use the talks to eliminate unfair trade practices and open foreign markets for U.S. exports. We cannot ask others to open their markets when we are closing our own, or to effectively negotiate new commitments when we are busily breaking existing ones.

Mr. GIBBONS. Madam Chairman, I yield such time as he may consume to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Madam Chairman, I rise in opposition to H.R. 1154.

Madam Chairman, I am in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. Although this measure differs substantially from the bill passed by this body last year, the adverse consequences of this legislation upon the Hawaii textile industry remain unchanged.

In Hawaii, more than 3,350 people are employed in 145 textile and apparel manufacturing companies. The textile and apparel industry is my State's second largest manufacturing concern behind agriculture, experiencing a 1986 growth rate exceeding 13 percent.

The proposal of separate global quotas for each Department of Commerce textile category, permitting 1 percent annual growth rate in each textile and apparel classification, could be devastating to Hawaii industries. Implementation and distribution of quota allotments and growth allowances would be entirely at the discretion of the administration. This proposal creates a situation of great unpredictability for Hawaii's small, specialized manufacturers. Most of the fabrics utilized in the Hawaiian textile and apparel industry are impossible to procure from American mills. Dependent upon foreign textile companies for small orders and intricate, detailed, multicolored prints, any administration reduction or freeze in the quota allocated a specific nation could eliminate Hawaiian access to these specialized fabrics, decimating a flourishing industry and eliminating needed jobs.

Additionally, confronted by a restrictive growth quota, Asian, and other suppliers, could refuse the relatively small, costly orders of Hawaii manufacturers, opting instead to satisfy the more profitable demands of larger customers. Small American textile and apparel industries, including Hawaii businesses, may fall victim to larger orders if forced to compete in a restrictive market with large firms.

I share my colleagues concern over the serious trade difficulties experienced by the United States. However, Congress needs to address these concerns in a manner that strengthens the U.S. economy, increases American industrial competitiveness, and benefits the American worker and consumer. Unfortunately this bill falls short on these goals. For these reasons, I must oppose H.R. 1154.

Mr. SCHULZE. Madam Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. Porter].

Mr. PORTER. Madam Chairman, I thank my distinguished colleague for yielding this time to me.

Madam Chairman, it is ironic that while competitiveness is the theme of the 100th Congress, we consider this legislation, H.R. 1154, the Textile and Apparel Trade Act of 1987. This bill will damage our exports abroad and shelter our domestic industries from the competition they ultimately must meet.

The bill will limit the growth of textile imports to 1 percent above a 1986 base. While this might sound like fair protection to our important textile industry, the use of import quotas in this fashion once again demonstrates trade policy formulated in a vacuum. Countries which are struggling to enhance their own democracies and which generally support American foreign policy will now have their growth in the U.S. textile market limited to just 1 percent annually.

The Philippine Government of Corazon Aquino, which is struggling with Communist insurgents and whose exports have grown to $441 million last year, or 11 percent, under this bill will face the prospects of growth limited to just 1 percent. Like the ill-advised Sugar Program of 1985, these quotas are not just economically unwise, they will thwart attempts to earn foreign exchange necessary to meet debt obligations and stunt the prospects for growth in many countries like the Philippines fighting for democracy.

Proponents of the bill claim it will reduce unemployment in the industry and thus reduce government unemployment outlays. But their figures are based on the assumption that displaced workers never get rehired, and they ignore the additional costs that consumers will pay as a result of higher prices. In fact, the Council of Economic Advisers estimates consumers would pay an additional $25 to $37 billion over 5 years. Tragically, lower income consumers would pay the heaviest penalty as product upgrading will reduce the availability of less expensive merchandise.

In addition, as the gentleman from Minnesota [Mr. Frenzel] has so accurately stated, this bill violates existing trade agreements, including the General Agreement on Tariffs and Trade [GATT] and the Multifiber Agreement [MFA] in at least seven different instances. How can our negotiators in Europe and Asia seek to pry open foreign markets while we continue to erect new barriers here at home?

Madam Chairman, the danger of this bill, as well as other trade legislation, is that it diverts attention away from the true ills of our economy. We suffer today from a government which continues to spend without constraint. Our budget deficit undermines our negotiators in Bonn and Tokyo, makes financial markets unstable, and threatens the future of the next generation of young Americans. Passage of this legislation will send yet another signal to the world that our country prefers to raise new walls against the outside, rather than doing some necessary housecleaning here at home.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Washington [Mr. Morrison].

☐ 1705

Mr. MORRISON of Washington. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise today in strong opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. During the 99th Congress, I voted against similar legislation as well as supported the President's veto of the bill. Nothing has significantly changed in the last year that has convinced me to change my mind this time around.

In fact, the domestic textile industry seems to be doing relatively well. Employment is up—profits are up—wages are up—compared to last year's levels. The United States has also completed its bilateral negotiations, under the Multifiber Agreement, with its Far Eastern trading partners—Korea, Taiwan, and Hong Kong. Compared to the struggle my constituents face in a district so dependent on agriculture, I would have a difficult time supporting legislation designed to further protect an industry that seems to be in relatively good health.

More importantly, passage of this bill sends a dangerous political message to our trading partners in the world who will be encouraged to retaliate by closing their markets. U.S. agricultural exports will be the first to feel the doors shutting. U.S. agriculture, not to mention the U.S. economy, cannot afford this—especially since export markets provide a potentially profitable future for U.S. farmers if expanded and developed.

For Washington State especially, retaliation signals a devastating future. The Fourth District in Washington, which I represent, has been increasingly dependent on foreign markets for their exports. Our Pacific Rim trading partners, as a result of our farmers' marketing efforts, have demonstrated a committed interest in opening their markets to our products. Protectionist legislation at this point of the cycle would have a costly effect, damaging positive and progressive efforts targeted at adjustment to the international economy of the future. Washington State provides a demonstration of the success in store if our export markets are allowed to respond to market forces in a fair trade environment.

Apple, potato, Timothy Hay, and wheat growers are a few examples of the commodity groups that have been very successful at educating consumers in the Pacific Rim of the quality of Washington State agricultural products. These markets have grown, and continue to grow. The success in developing these markets overseas has served as a model for the future of American agriculture and has been allowed to prosper in an environment where international trade has been encouraged.

In Washington State, agriculture is the No. 1 industry, worth $3.3 billion to the economy. Since many of our products are grown specifically for the export market, the Northwest has grown crucially dependent on international trade. Commodities totaling $1.2 billion move through Washington State ports, creating many agriculture-related as well as ag-dependent jobs. Finally, 5 billion dollars' worth of processed foods are exported abroad. Together these efforts have made 1 in 5 jobs in Washington State dependent on international trade. The textile bill threatens this profitability.

I think it's time that the United States take on the challenge the international economy brings rather than continue to protect domestic industries for historic, political, and emotional reasons. Washington State agriculture has met this challenge face on and can serve as a model to the rest of the Nation. This is much more positive for the U.S. economy in the long run.

Closing markets has never been a productive or efficient answer, as history taught us in the 1930's. If we pass the textile bill today, we do so at the direct cost of farmers, consumers, and America's economic health. I urge my colleagues to reject the move in this direction and vote against H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Gaydos].

Mr. GAYDOS. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I have heard repeatedly on the floor of the House, "I was doing other things, I could not be here."

There is a supposition and a principle involved here that we have to modernize American industry, because they cannot compete internationally; and forget about unfair subsidization, border taxes, and equalization taxes, the suits that we have had.

There has been repeated fining, sub-substantial fines at one time or another, never collected, though, foreign countries being fined for evading reasonable requirements under the international agreements, dumping into this country, the whole lot of things which we on the steel caucus have lived with over the last 10, 12, 15 years.

I see the same thing happening to the textile, apparel, and the footwear business that this particular legislation is trying to help.

Let me make this one point. It has been said that we have to modernize. Everybody knows, and this is true from the Nixon administration all the way through President Ford and through President Carter, and up until the present President, who has extended limitations on specialty steel coming into this country, all those Presidents have done that.

We have been respected internationally as the most modern specialty steel industry in the world, no question about it. Yet, they cannot compete, and every one of those Presidents had to put a limitation on imports coming in. There is a reason for it.

The specialty steel industry has modernized. Japan recognizes it; everybody does. Yet that most modern industry cannot compete internationally. Why? Because there are unfair trading practices going on.

I just want that particular point to be clear on record, and that is a bunch of baloney, for want of another term, that we are not modern. Yes, sure we have nonmodern and nonrefurbished mills in existence. That does happen, but that is not the principle involved, and that is not the answer.

I wish I had more time, and I urge my colleagues to support this bill. It is very important or the textile people and the footwear people and apparel people will follow what the steel industry has done, and that is to cut their production in half.

I have lost 30,000 steelworkers in my district and a lot of other places have, too.

Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. I believe that Congress needs to control textile, apparel, and nonrubber footwear imports to prevent further disruption and job losses in these important U.S. industries.

I know about the negative impact of imports. I know that imports cost workers' jobs and disrupt industry, and I have seen the effects of uncontrolled steel imports on America's steel industry.

In my district near Pittsburgh, 40,000 steelworkers have lost their jobs in the last 10 years, and my hometown of McKeesport is still suffering from an unemployment rate of over 9 percent—3 percent higher than the national average.

As the chairman and a founder of the Congressional Steel Caucus, I know that the Pittsburgh steel industry isn't the only one that's suffering from low-priced foreign steel. Wherever Americans make steel, they are affected by the flood of foreign steel, which now captures about 23 percent of our domestic market.

And, like the steel industry, imports are now battering the U.S. textile, apparel, and footwear industries.

The most recent trade figures show record-breaking levels of imports, including a 7-month trade deficit in textiles and apparels of $16.8 billion.

Last year, these imports also contributed over $21 billion to the U.S. trade deficit, and this year's figures will be even worse.

Imported footwear captures an incredible 81 percent of the U.S. market, and Taiwan alone manufacturers 37 percent of all of the footwear sold in the United States.

Last month I was in Taiwan and I learned a great deal about why their businesses are so successful. The Taiwanese Government offers very special privileges to their exporters, including duty-free importation of raw materials and manufacturing equipment as well as reduced tax rates. In addition, Taiwanese workers don't enjoy the freedom to bargain collectively, and so their wages are much lower than those of their counterparts in the United States.

Madam Chairman, the same unfair trading practices which have hurt the U.S. steel industry are about to eliminate our textile, apparel, and footwear industries. I urge all of my colleagues to control the damage before it's too late. I urge you to support H.R. 1154.

Mr. SCHUETTE. Madam Chairman, today the House is considering the second major piece of trade legislation to come before this Chamber in this session of Congress. I will support H.R. 1154, because I believe it is a reasonable and measured response designed to put the lid on an ever rising tide of foreign textile, apparel, and footwear products into this country. Since 1980, imports in these industries have more than doubled, and I urge my colleagues to join with me and the more than 250 cosponsors of H.R. 1154 to support this important measure.

I do so because this legislation involves much more than a simple esoteric question about what to do to address our Nation's burgeoning trade deficit. It is about dealing with a national tragedy that has robbed an estimated 400,000 Americans and their families who once worked in these industries of their livelihoods.

In my district, I have 400 reasons in Big Rapids, MI, to vote for this bill. It is a vote for 400 people and their families who receive their daily bread from a footwear manufacturing facility in that city. Unfortunately, for the people of Ithaca, MI, this bill comes too late. Last year, 1986, marked the end of a 3-year tragedy of a plant closing that cost more than 250 10th District residents their jobs. It robbed the fragile farm economy of Gratiot County of an almost $350,000 annual payroll, and cost the people the benefit of services bought with $35,000 in property taxes.

In many ways, those workers, their families and their neighbors know firsthand what many of us are speaking about here today. I for one believe these hard-working Americans deserve a chance to compete and earn a living. I ask that my colleagues to give full consideration to the nearly 2 million Americans, their families and their communities who today depend on these industries. Having done so, the only choice is to vote for fairness and reciprocity in world markets on behalf of these industries.

If the House fails to pass this bill, I believe we will be turning our backs on these deserving Americans. We will be ignoring Americans and their families in difference to modern sweat shops in far away lands where workers earn only a very small fraction of what is considered a barely livable wage by our Nation's standards.

Make no mistake, the question of what to do about our soaring trade deficit and how to reduce the increasingly dangerous loss of U.S. jobs to overseas producers is a highly complex, often times confusing matter. Particularly difficult is the unenviable balancing act of accepting the challenge of addressing the job-robbing increase textile, apparel and footwear imports without crossing the always unclear line of protectionism. Indeed, this effort represents an exercise in deft policymaking of the highest order for this body.

Because of these complexities, there can be no doubt that H.R. 1154 is far from a perfect bill. I personally have reservations about many provisions and aspects of this bill. In particular, we must recognize that the enormous trade deficit is a product of more than just unfair trade practices. Other factors that can be directly traced to job losses include a strong U.S. dollar—largely because of macroeconomic policies and international economic developments—and an unprecedented amount of investment in automation by these industries.

Therefore, leveling the playing field through the passage of H.R. 1154—perhaps in combination with H.R. 3—will at best provide only temporary and partial relief. In a broader sense, this legislative effort must also be accompanied by a thoughtful change in our country's fiscal and monetary policies, designed to both reduce the Federal budget deficit and promote stability in international monetary exchange rates, if we are to be successful in meeting our policy goals.

I also am concerned by the possibility that this measure will substantially reduce customs duty revenues—by an estimated $3.9 billion over the next 5 years—and that this bill may provoke retaliation on the part of our trading partners. This possibility is particularly worrisome from the standpoint of our Nation's agricultural producers and exporters. Far too often, our Nation's farmers have been punished in international export markets as this Nation pursues other nonagricultural policy goals.

Not surprisingly, H.R. 1154—like H.R. 3 before it—is a very emotional issue. It has often been the subject to misinformation. On one side, the textile and apparel industries are once again seeking "temporary" restrictions on imports, despite almost three decades of protection. At the same time, it is misleading to portray this industry as a coddled industry, one that is a picture of economic health because it is experiencing record profits and is operating at 90-plus percent of capacity.

The fact of the matter is that I take little comfort in the fact that more than 50 percent of our domestic textile and apparel demand is served by manufacturers located abroad. In addition, reports that U.S. producers are utilizing nearly all of their capacity, fails to properly take into consideration that this industry's capacity has been reduced by nearly 10 percent—in part due to numerous plant closings—over just the past 5 years.

It is ludicrous to suggest that "free trade" exists today in the global textile and apparel industry. Few, if any, of the roughly 170 countries who export to the United States engage in "fair trade," much less free trade. Those who suggest that there is reciprocity in these industries, are at best, selectively filtering the facts. At worst, they are intentionally looking the other way. I for one do not intend to look the other way when it comes to American textile and apparel workers.

Perhaps the most overlooked aspect of H.R. 1154, however, is the crisis in our Nation's footwear industry. A total of 9,600 jobs were lost in the footwear industry in 1986 under the pressure of the never ending onslaught of foreign imports. Production fell by 9 percent as we imported a record 941 million pairs of nonrubber shoes. As a percentage of the U.S. market, imports claimed more than 80 percent of U.S. footwear demand, and most importantly, 70 communities around this Nation—1 of which was Ithaca, MI—had to endure the tragedy of a footwear plant closing its doors forever under the pressure of these imports.

Moreover, these alarming figures show no signs of ebbing. Through the first 6 months of 1987, another 19 factories have closed, and production has fallen by 11 percent. Nonrubber footwear imports have risen by 3 percent so far this year over last year's record level, and foreigners now claim almost 83 percent of the U.S. market.

With H.R. 1154, we are telling our trading partners that enough is enough. We are saying that more than half of our textile market and 83 percent of our footwear market is all that we can afford to have go overseas. It is about putting an end to the lack of reciprocity and unfair trading practices that are so pervasive in these industries around the world today.

Given an even playing field, America can compete. H.R. 1154 gives the American textile, apparel, and footwear industries a total of 10 years to become competitive. The industry says it can compete, if only given a fair and reasonable opportunity to do so. I for one take them at their word and want to give them a chance.

But perhaps even more important than giving these victimized companies a chance is the question of giving the hard-working Americans and their families who derive their livelihoods in these and dependent industries a chance. I want to be on record as saying that they deserve nothing less than the opportunity afforded under this bill. I, therefore, urge my colleagues to support H.R. 1154, and pass this urgent measure into law during the current session of Congress.

Mr. FAWELL. Madam Chairman, the textile and apparel industries do not need the protection provided under H.R. 1154. Several factors exist which do not merit the establishment of global import quotas on textiles, apparel products, and nonrubber imports.

The textile industry has made great economic strides during the past few years. Contrary to what proponents of H.R. 1154 would have us believe, the textile industry is not on the brink of economic ruin. Domestic textile and apparel production increased by 10 percent and 3 percent, respectively, in 1986. Textile industry profits dramatically rose by 67 percent in 1986. On the trade front, textile exports increased 13 percent in 1986 and apparel exports increased 18 percent.

Capacity utilization, a good indicator of any industry's economic performance, was a remarkable 95 percent in the first quarter of 1987—well above the 81-percent capacity utilization for all other industries. Textile and apparel employment is also up. During the period of January through July of this year, employment increased by 25,000 over the same period last year.

The unemployment rate in the textile and apparel industry is about 3 percent—the lowest level since 1968. A major problem today in the textile industry is not unemployment, but labor shortages. The Journal of Commerce recently reported that North and South Carolina textile firms are having a difficult time filling jobs. According to the Journal:

> Plants that once limped along on three- or four-day-a-week schedules are now bursting at the seams with orders. Practically all segments of the industry—denim, fleece, and yarn—are enjoying healthy sales.

The Journal also reported:

> The search for workers can be frustrating in areas like Gaston County, North Carolina. In Gaston, which leads the state in textile employment, the jobless rate is low (4%), and mills are competing with other thriving industries for workers.

Why then does the textile and apparel industry clamor for import protection? Unfortunately, this is not clear. What is clear, however, is that someone else will foot the bill for the tremendous costs associated with quotas on textile and apparel. That someone, of course, is the American consumer.

The International Business & Economic Research Corp. [IBERC] estimates that H.R. 1154 would add $10.4 billion annually to consumer costs at the retail level. According to the Institute for International Economics, this cost increase is on top of the $27 billion consumers already pay each year to protect the textile, apparel, and footwear industries.

If H.R. 1154 is approved, a family of four would pay $617 annually for the cost of protecting the textile, apparel, and footwear industries. These costs would fall hardest on low-income families. Textile and apparel protection already costs the poorest 20 percent of American families 3.6 percent of their income, compared to 1 percent for middle-income families. Emptying the pockets of consumers to protect industries which are economically quite robust is insidious.

Consumers, however, are not the only losers under this quota bill. The IBERC estimates that 52,000 retail jobs would be lost due to decreased consumer spending on textile products, apparel, and footwear whose prices would be inflated by quotas. Incredibly, 5,000 more jobs would be lost in the retail sector than would supposedly be "saved" in the textile and apparel industries.

Often overlooked in the debate on this legislation is the Government protection already provided to the textile and apparel industries. In fact, these industries are the most heavily protected of all American industries. The multifiber agreement, which was supposed to be temporary, has been renewed three times since its enactment in 1974. The most recent extension, agreed to in 1986 among 53 countries, is the most restrictive MFA ever negotiated. The 1986 renewal extended the MFA to cover practically all fibers, such as ramie, linen, and silk blends.

The administration has also negotiated tough bilateral agreements that are more restrictive than the MFA. Bilateral agreements with Hong Kong, Taiwan, South Korea, and Japan limit their import growth to 1 percent annually. Agreements reached with smaller suppliers, such as India, Pakistan, and Malaysia, limit their textile and apparel exports to 6 percent annual growth.

When will the textile and apparel industries be satisfied with what they already have? One thousand five hundred quotas cover 80 percent of all low-priced exports. Tariffs on textile and apparel imports average 18.6 percent—much higher than the 3.6-percent tariff on all other imported products.

Congress must also take into account the effect this legislation would have on our trade relations. According to the U.S. Trade Representative, H.R. 1154 would: "violate the MFA by unilaterally imposing global quotas. It would breach the safeguard provisions of GATT by indiscriminately granting permanent protection to a huge array of textile and footwear products without a product-specific determination of serious injury. And the bill would set global quotas at levels that would force us to abrogate a host of bilateral agreements. What better way to destroy our international credibility."

This quota bill obliterates U.S. obligations under existing trade laws in such a way that will no doubt result in retaliation. In Illinois, where manufacturing and agricultural exports are vital to the State's economy, retaliation will be painfully felt. Furthermore, our efforts to seek GATT reforms at the Uruguay round of trade negotiations will be undermined if we enact GATT-illegal legislation such as H.R. 1154.

Finally, H.R. 1154 is not cost-free to the Government. Because the United States will have to compensate trading partners for import restrictions which adversely affect them, the bill reduces tariffs on textile and apparel imports by 10 percent. These tariff reductions will cost the U.S. Treasury $3.9 billion over 5 years.

Our trade laws should only be used to remedy unfair trade and prevent serious injury to domestic industries. The textile and apparel industries, presently enjoying robust growth, have not demonstrated that they have been seriously injured by increased exports. My colleagues should reject attempts by advocates of H.R. 1154 to manipulate our trade laws to provide even greater protection to the heavily protected textile and apparel industries.

Mr. DENNY SMITH. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. We can no longer afford to stand on the sidelines and hope that our record trade deficits will disappear on their own. We are moving into a new era of world trade, and we must do what we can to guarantee free and fair trade for everyone.

My decision to cosponsor and support this measure was a difficult one. I voted against similar legislation during the 99th Congress, and I voted against H.R. 3, the "omnibus trade bill," because many of their provisions were counterproductive to the problem. I also voted against these measures, in large part, because of assurances by the administration and our trading partners that they would do better in enforcing our bilateral and multilateral agreements. We were told that everything possible was being done to open foreign markets to our goods and services, much in the same way that we have operated for years.

But what we have seen over the past few weeks are new records being set in our quarterly trade deficits. We can not get Oregon potatoes into Korea, or Oregon beef into Japan. Today, in Japan, a major exposition of new audio and viewing systems to be sold in the United States has opened. The Soviet Union is trans-shipping textiles into this country in increasing numbers. And Sri Lanka, located in the balmy Indian Ocean, has become one of the leading exporters of sweaters to this country. We seem to have lost control of our trade situation in much the same way that the Congress has lost control of the budget process, and we will pay an enormous price unless something is done.

H.R. 1154 is not a perfect bill, and it was a difficult decision on my part to support it. There is a great deal of pressure to oppose this legislation.

But when I ask the opponents of this legislation what their alternatives are, they don't say much. I hear of our multilateral and bilateral agreements and ongoing negotiations. Yet, these agreements have been, and continue to be, violated on a regular basis. I heard from the administration that we would resolve this problem if we were able to bring down the value of the dollar. We now hear that any further drop in the value of the dollar threatens our own economy. I keep hearing on the floor of the House that we will reduce our budget deficits. But CBO and OMB have just said that our inability to control spending will cause a dramatic increase in our deficit over the next 2 years. I hear of the fear of retaliation against our products. I don't think that our trading partners will be so quick to turn their backs on their best customers.

Madam Chairman, we can no longer afford to wait for more broken promises. No matter what trade legislation comes before the House, there will be the threat of retaliation. While we must be wary of that threat, we can not let that fear dictate our policy or bully us into inaction. If we are to address our trade deficits, then we must do it by taking actions, not relying on others. We have to address all of the causes of the problem, including unfair practices.

This legislation is GATT and MFA legal in that it does not target countries like the Gephardt amendment. It allows for an increase in imports of textiles and apparel in accordance with signed agreements. It allows the President to compensate those countries that may be hurt as a result of our actions.

Most importantly, it sends a message to the administration and our trading partners that the time for talk has passed. We can no longer stand by and let rhetoric dictate policy. Our trading partners must live up to the agreements they signed after negotiations. The White House must use the regulations already legal under GATT and MFA to look out for U.S. interests at home and abroad.

H.R. 1154 is not a perfect bill; no trade bill is. People on both sides of this issue have come up with widely conflicting numbers to prove their point. But if more of these individuals would turn their attention and efforts toward addressing the problem than belittling the possible cures, then perhaps the problem could be solved.

Mr. LIGHTFOOT. Madam Chairman, today we are being asked to enact a global quota on imports of virtually all textile products. A number of arguments have been raised in support of such a quota, including the need to save American jobs, the need to preserve our manufacturing base for national security, and need to halt the loss in revenue caused by imports displacing domestic production. I am not unsympathetic to these concerns. But while restricting imports may seem a remedy, I cannot help but believe that such protection is shortsighted. This legislation does not solve our trade deficit problems.

The textile industry currently has more quotas on imports than any other domestic industry—there currently are over 1,400 quotas in place covering approximately 80 percent of the textile industry. Tariffs and quotas now raise imports costs by 25 percent for textiles and, in some cases, 50 percent or more for apparel.

Meanwhile, textile and apparel industries, according to William Cline, a senior fellow at the Institute for International Economics, "have not experienced major declines in production. Profits relative to capital have been consistently high in apparel, and profit rates were above the manufacturing average in textiles in 1986 as well."

Also of concern to me are the provisions of H.R. 1154 which would violate our existing trade agreements. According to my respected colleague, the gentleman from Florida who is the chairman of the House Ways and Means Subcommittee on Trade, in a letter to Members of the House of Representatives, "This bill will flagrantly violate U.S. obligations under various international agreements." Many of the 40 or more bilateral agreements we have with other countries would be violated if we enact H.R. 1154.

The August 7, 1987, Wall Street Journal, in its quarterly survey of industry earnings began its report on the textile industry stating,

> * * * profits were up an average of 33 percent in the second quarter of 1987 over the same period in 1986. This is the same industry in which profits soared by over 100 percent for the largest textile manufacturers in the first quarter of 1987 over the same year-earlier period.

This information was circulated the other day in a "Dear Colleague" letter from members of the House Ways and Means Committee.

As well, U.S. Labor Department statistics show that in July alone, apparel industry employment grew by more than 20,000 jobs over the previous month. In the textile production industry, 6,000 new jobs were created in July. Furthermore, an article in the Durham Sun newspaper in Charlotte, NC, cited a shortage in workers in the textile industry. The chairman of Stowe Mills in Gaston County, NC, was quoted as saying, "There's just more jobs than there are people * * * we're running at 100 [percent] capacity."

As a representative of the second most rural congressional district in the country—a district heavily dependent upon agriculture and agricultural exports—I also must be concerned about the impact of reducing imports from our best agricultural trade customers. Those nations most severely affected by this bill are our largest customers of commodities. When their exports, and thus their earnings are reduced, they have less capability to purchase our exports.

Let me say once again: I am not unsympathetic to my constituents and others who are employed in the domestic textile and apparel production industry. I certainly understand that people want to keep their jobs. However, I can see nothing in this legislation that will, over the long term, preserve their jobs. It is a temporary restriction that does not prescribe a remedy for increased U.S. competitiveness in the international arena. In my view, H.R. 1154 would create more problems than it would solve. I cannot in good conscience support the bill.

Mr. RAHALL. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. There are those who argue that this bill is a protectionist measure; I would point out to them that the intent of the bill is to ensure the fair treatment of American workers who are victims of an international marketplace which is often neither free nor fair. How can we expect the U.S. textile, apparel, and shoe industries—among the most productive and efficient in the world—to compete against foreign nations that provide government subsidies to export industries, pay workers incredibly low wages and impose severe restrictions on imports from the United States? I feel that it past time to intervene on behalf of American workers—including many in my home State of West Virginia—who are steadily losing their jobs due to foreign imports while the products they make are excluded from foreign markets.

It is exceedingly clear that negotiations and bilateral treaties have been inadequate to deal with the problems caused by unfair foreign trade. The current administration has failed miserably to enforce the multifiber agreement and to respond to foreign violations in a timely manner. Although the MFA was intended to hold growth in imports from developing countries to 6 percent each year, since 1980 imports have grown an average of 17 percent every year. Additionally, the 1986 renegotiation of the MFA by the administration has proved no relief and, in fact, has allowed testile and apparel imports to increase.

The authors of H.R. 1154 have worked hard to ensure that the bill is nondiscriminatory and consistent with international trade laws and U.S. trade obligations. There have been four major changes made in the legislation to address concerns expressed last Congress. The bill sets global limits rather than country-specific limits to eliminate the possibility of discrimination against any individual country. The bill does not reduce imports but does reduce the rate of import increases. The bill authorizes the President to compensate foreign suppliers for the import restrictions by cutting tariffs on textiles, textile products, and footwear. The threat of foreign retaliation, therefore, has been eliminated with compensation directly provided for in the bill. Finally, this version of the bill provides the administration with greater flexibility: As long as a 1-percent growth level is maintained for each product category, the administration is completely free to determine how to apportion the quotas.

To reiterate, the U.S. textile, apparel, and footwear industries and workers desperately need this legislation. If steps are not taken to restrain imports, we will continue to lose out to foreign firms and this country will be left without a domestic textile and apparel industry. I urge my colleagues to support H.R. 1154 and to help the workers of this country who are desperately trying to hold onto their jobs and way of life.

Mr. ROEMER. Madam Chairman, I would like to make my constituents in Louisiana and my colleagues in the House of Representatives aware of my support for H.R. 1154, the Textile and Apparel Trade Act of 1987. I should have been listed on the bill as a cosponsor, but my name was inadvertently left off.

As you know, I voted for last year's version of this legislation which passed both Chambers of Congress but was vetoed by the President. Since then, we have had an opportunity to address some of the objections voiced last year and substantially clean up the textile and apparel bill. Three provisions of H.R. 1154 that make it more palatable are: First, it established global, not country-by-country, quotas; second, the limits would restrict the growth of textile and apparel imports to 1 percent per year and hold footwear imports to 1986 levels; and third, to protect other American industries and agriculture, it provides the administration with more flexibility and authority to compensate countries for these quotas by reducing tariffs on textiles and textile products.

Since 1981, the United States has experienced record trade deficits as a result of sharply rising imports and falling exports. In 1986 the trade deficit skyrocketed to about $170 billion—four times the $40 billion deficit in 1981.

The U.S. textile, apparel, and shoe industries and their workers are among the most productive and efficient in the world. But they cannot compete against foreign nations that provide government subsidies to export industries, pay workers as little as 16 cents per hour and impose severe restrictions on imports from the United States and other countries.

During the past 7 years, more than 350,000 Americans have lost their jobs to foreign textile and apparel imports, which now control 53.8 percent of the American market. Hundreds of thousands of workers employed in industries which supply and service the textile and apparel industry have also lost their jobs.

The passage of H.R. 1154 is crucial to the long-term economic health of our domestic economy as a whole, not just a specific industry. A recent study conducted by ICF Inc., an economic consulting firm, concluded that enactment of this bill could result in a net gain of 152,000 jobs over a 2-year period. In addition, the ICF study found that the bill would reduce Federal outlays of $500 billion because of lower unemployment compensation, AFDC, food stamps, and Social Security payments and lower Federal interest payments. That's good news to a Congressman from a State that has the highest unemployment rate in the country.

H.R. 1154 is fair. It is fair to consumers, fair to importers, fair to industry and, perhaps most important, it's fair to American workers.

Mr. LAGOMARSINO. Madam Chairman, I rise today in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. This bill is opposed editorially by such diverse papers as the Wall Street Journal and the Washington Post, by members of the President's Cabinet, the chairman of the Council of Economic Advisors, the American Farm Bureau and the National Association of Wheat Growers.

This legislation is a blatant violation of U.S. commitments and obligations under the GATT and the fundamental principles of the multifiber agreement [MFA] and would put a new round of congressionally supported Uruguay multilateral trade negotiations in jeopardy. In addition, it will invite certain retaliation by many of our free world allies threatening thousands of jobs in agriculture, aerospace and semiconductor parts. The United States is still the world's largest exporter and consequently we will have the most to lose in a trade war.

Madam Chairman, many of these countries are important U.S. foreign policy, military, and economic allies. The House should remember that Asia is our largest and fastest growing export market. However, the United States will be unable to sell our products overseas if other nations are denied export earnings. Also, some of these nations are deep in debt to U.S. banks and need to have a sound base for foreign exchange earnings or else increased U.S. foreign aid assistance may become necessary.

This bill will damage fledgling democracies in Central America and help to put in jeopardy our interests there.

This bill will raise the price of clothing and shoes by nearly $37 billion at the retail level over the next 5 years. Low income families would be the ones most affected by the unavailability of low priced imports. Supporters of this legislation say that this is a way to save American jobs and prevent irreversible damage to the textile industry. Textile/apparel industry statistics tend to point in a different direction. Domestic textile production increased by 10 percent in 1986 and apparel production was up 3 percent. Factory utilization in textiles is at 95 percent in the first quarter of 1987. Finally, average unemployment in the main textile States is lower than the national average. It is interesting to note that stock prices of 7 of the largest textile companies were up 76 percent in 2 years.

The textile/apparel industry is already the most highly protected industry in the Nation. It has and will continue to benefit from the Nation. It has and will continue to benefit from the decline in the dollar and improved domestic productivity. I have always felt that it is better to negotiate than legislate and this administration already has negotiated favorable Multifiber Agreement with many of our textile supplier nations.

Madam Chairman, I would remind my colleagues who think that retaliation is not likely, to just ask our wheat farmers about the retaliation they suffered the last time we restricted Chinese textile exports or the computer products industry when we placed a stiff tariff on imported Canadian cedar shingles. I urge my colleagues to oppose this dangerous piece of legislation.

Mr. BORSKI. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act.

Since 1980, foreign textile and apparel imports have more than doubled. Over 350,000 workers have lost their jobs and more than 1,000 plants have been closed. Two million more America textile workers face the unemployment lines unless the tide of imports is stopped.

The Reagan administration has taken little action to stem rising textile and apparel imports. It has not adequately enforced existing agreements or acted aggressively to get other countries to open up their textile markets.

Without the import restraints contained in H.R. 1154, the United States will continue to

lose out to foreign firms and this country will soon be left without a domestic textile and apparel industry.

The Textile and Apparel Trade Act establishes limits on overall imports on a wide range of textiles, apparel, and footwear. It would limit the growth of textile and apparel imports to 1 percent each year, and hold footwear imports to 1986 levels.

H.R. 1154 will send a strong message to our trading partners that we will no longer tolerate the steady erosion of American jobs, industry and economic prosperity. The time to insist on fair trade is long overdue; the time to approve the Textile and Apparel Trade Act is now.

Mr. LAFALCE. Madam Chairman, it is now almost 2 years since the House last voted on textile and apparel legislation. The issue is not going to go away, nor should it. American workers in these industries remain under serious pressure. I share their concerns about the fate of their companies and their own economic future. Despite these concerns, I must continue to oppose this legislation. I can only hope the bill's supporters will try to appreciate the sincere and serious reservations I continue to have about the approach they are advocating.

Proponents argue that the latest bill is substantially different from the one the House previously considered. The legislation's supporters have made a serious effort to address some specific problems. But, in fact, the bill is only superficially changed from the version vetoed by President Reagan more than a year ago. From a policy standpoint, its basic thrust is no less troublesome.

In my view, the solution that is being advanced will not ultimately solve those problems facing the industry or its workers. By papering over serious adjustment problems we cannot continue to evade, the bill puts other more competitive sectors of our economy at risk and places our trading relations with other countries in serious jeopardy.

Let us make no mistake about the kind of solution we are considering—additional protection for an industry that is already the most extensively protected of all American industries. Protection is a very dangerous weapon for us to wield; so dangerous that it must applied, if at all, only with surgical precision. First of all, it must be a time-limited, short-term solution. Second, it must be designed to promote ultimate liberalization of the sector, either through revitalization or humane adjustment programs.

The protection afforded in this bill meets neither of these criteria. What the proponents offer is a continuing program of protection from competitive pressure with no prospect of either revitalization or ultimate liberalization. The bill provides only for a cursory review of the program by the Commerce Department after 10 years. Nothing in the bill would ensure that the industry will be in any better shape, or any better able to adjust, in 1997 than it is now.

Protection is a form of Government benefit. In exchange for that benefit, Government has a right to expect what it got under the Chrysler Loan Guarantee Program—industry action that will ultimately improve the competitive position of the industry and of the U.S. economy as a whole. We will not get such action through this legislation. What we can expect in the future is what we have received to date—requests for more and more protection.

Many words and much paper have been expended on the issue of whether this bill is or is not "GATT-legal." As we might expect, a decent legal argument can be made on both sides of that issue. But legality is not finally the point. The issue is whether this bill is good public policy for the industry and the U.S. economy. I believe it is not.

There is no question that this industry has suffered severely, and will be under continuing pressure. The year 1985 was one of the worst years ever for the industry. It capped a 6-year period in which more than 1,000 plants were closed and hundreds of thousands of people were laid off.

But it is time we acknowledged that some such adjustment has to occur, and will never be easy. The textile and apparel industry is not alone. A wide variety of American industries, ranging from steel and auto parts to semiconductors and computers, are under serious competitive pressure. Such pressure is inevitable as many of our trading partners move up the scale of development.

If we are to compete in the changing world economy, the role of public policy must be to facilitate and reduce the pain of necessary adjustment, not to prevent it. This administration has been seriously remiss in this regard. It was the lax enforcement of the MFA that created the push for this legislation in the first place. This administration has done nothing to ease the transition to other jobs in other sectors through training and retraining programs or to secure health and pension benefits for the economically vulnerable. The "social dumping" by other countries in the form of poverty-level wage rates that make it impossible for us to compete have been given short shrift by our trade negotiators.

This indifference has created the problem. But the answer cannot be a program of protection designed to insulate the industry and ensure a certain number of positions in particular sectors.

### THE POSITION OF THE INDUSTRY

It is difficult to argue that the textile and apparel industry is more deserving of protection than other hard-pressed U.S. industries. In many respects, it is actually in a stronger position and has received far more attention from the Government.

In 1985, I warned against the dangers of constructing permanent solutions under changing circumstances. Circumstances have changed for the industry, rather dramatically. Domestic textile production increased 10 percent in 1986, while apparel production was up 3 percent. U.S. textile exports were up 13 percent in 1986 and apparel exports increased 18 percent. Textile industry profits rose 67 percent in 1986. Capacity utilization reached 95 percent in the first quarter of 1987.

Textile and apparel employment has even risen somewhat. Employment figures from January to July 1987 represent an increase of 25,000 jobs over the same period last year. New textile and apparel plants are opening. In fact, the chief problem at the moment is not a flood of imports but rather supply shortages caused by the inability of U.S. industry to keep up with demand for its production.

The U.S. textile and apparel industry now benefits from some 1,500 quotas, covering 80 percent of all low-priced imports, and tariffs averaging nearly 18 percent as compared with 3 percent from all other industies. This makes the industry by far the most protected in America.

When this legislation was under consideration 2 years ago, industry representatives raised legitimate complaints about the lax enforcement and inadquate coverage of the multifiber arrangement [MFA]. I believe that serious efforts have been made to address those concerns.

Last year our Government renegotiated the MFA to extend coverage to virtually all textile and apparel production by including previously-uncontrolled products. We also negotiated bilateral agreements with Hong Kong, Taiwan, Korea, and Japan—countries which supply 40 percent of our textile and apparel imports—which will limit their import growth to 1 percent annually. In addition, the United States concluded agreements with some of our mid-level suppliers, such as India, Pakistan, and Malaysia which limit their textile and apparel exports to the United States to approximately 6 percent annual growth.

We have barely begun to implement these agreements. Yet this legislation presumes their inadequacy and forces the United States into the position of breaching them.

### IMPACT OF THE LEGISLATION

In fact, what I find most disturbing about this bill is its cavalier disregard for our international obligations.

Legalisms aside, I believe that common sense argues that this bill clearly violates the spirit of the GATT and the Multifiber Arrangement [MFA] which is itself an exception to the GATT designed to give the textile and apparel industry even greater protection.

It is true that the GATT does contain an "escape clause" provision allowing for protection in cases where a domestic industry is seriously injured by imports and requires time for adjustment. But there are key differences between what GATT would allow and what this bill would effect.

The GATT provision provides for temporary protection; the bill, for permanent, indefinite restrictions. GATT requires product-specific findings of serious injury; the bill covers a sweeping range of products in an array of industries without an injury finding. Import restrictions under GATT must be carefully tailored; the bill provides for the same, constant level of protection for an indefinite period, across product categories. GATT requires adequate compensation; the bill places arbitrary restrictions on the amount available. Under U.S. law, the method for implementing the GATT safeguard provision is a section 201 action. It is a remedy the industry is choosing to ignore.

But the MFA which governs textile trade is itself an exception to the GATT, a structure of protection, which has been negotiated in recognition of the special problems facing this industry. The MFA provides for the negotiation of bilateral import quotas. This bill would violate the MFA by unilaterally imposing global quotas. And the bill would set those quotas at levels that would force us to abrogate a host of bilateral agreements already negotiated.

The European Community has already indicated that it will take counter measures if this legislation is passed, and others are likely to follow. Some of our most sensitive and competitive export industries, such as agriculture and high technology, would be likely targets for retaliation.

Passage of this bill would also undermine the Uruguay round of trade negotiations and compromise our efforts to use those negotiations to open foreign markets to our exports. Textiles and footwear are among the most important items in world trade—to our trading partners as well as ourselves. We cannot ask others to open their markets when we are closing our own, or to negotiate new commitments with us when we are busily breaking existing ones. We have achieved some hard-won concessions from the developing countries regarding the inclusion of services and investment in the new round, concessions very important to this country's economic future. We can expect the developing countries to take a second look at this issue if we pass this bill.

Finally, we cannot be indifferent to the tremendous impact of this bill on American consumers. Consumers pay $20 billion annually in added costs as the result of higher import prices and induced increases in prices of domestically produced textiles and apparel. The cost amounts to some $100,000 per job saved in the direct production of textiles and apparel. The net costs to the economy are approximately $8 billion annually. The burden of this protection is borne disproportionately by the poor, since many imports are in the low price ranges.

### CONCLUSION

In my view, neither the condition of the industry nor the policy goals we should be pursuing would justify enactment of this legislation. That is very regrettable. We have spent considerable time on this issue over the last several years. Yet, while the industry and its workers continue to feel the pain of international competition, we are no closer to a real program of adjustment.

This legislation has failed before, and for good reasons. I believe it will fail again. When it does, I would welcome the opportunity to work closely with the industry to formulate a program that will be truly responsive to the concerns raised about the present proposal and that will work to the ultimate benefit of the industry, its workers, and our economy as a whole.

Mr. DICKINSON. Madam Chairman, I am concerned over the loss of 300,000 textile related jobs since 1980, thus I have cosponsored H.R. 1154 to fight the decline of the textile industry.

This new act is patterned after legislation introduced in the 99th Congress but is a more appealing measure as it complies with GATT rules. It sets quota levels on textile products from all countries, while tying the growth of future imports to the growth of America's domestic textile industry.

We should focus our debate on the importance of fair trade and the ability of American industry to compete with others on an equal footing. In the area of textile and apparel imports, the footing as it exists today is not equal, and foreign nations have taken advantage of American generosity by abusing the provisions of international trade agreements to make raids into the American marketplace.

What is at stake are 4 million direct and indirect textile and apparel manufacturing jobs throughout the United States. The textile industry is a mainstay of the U.S. economy, representing over 5 percent of the total manufacturing work force in 36 States and 10 percent of total U.S. manufacturing employment.

In 1986, the textile and apparel trade deficit was over $21 billion, or 12 percent of the overall merchandise trade deficit. In fact, imports of apparel and apparel fabrics have increased an average of 8 percent annually while the domestic market has increased an average of 1 percent annually since 1973. Since 1982, such imports have increased by 21 percent annually, nearly doubling the share of the domestic market captured by imports to 52 percent in 1986.

To counter the flood of imports, the textile bill fixes the import level of textiles and textile products from all countries at 1 percent over 1986 levels. Imports after 1987 are only allowed to increase by 1 percent each year. Enforcement of limits is assigned to the Secretary of Commerce, who is also required to enforce reasonable spacing of imports throughout each year. In addition, the President is required to report to Congress annually on the administration of the act. Ten years after the act becomes law, the Secretary of Commerce is instructed to begin a review of its operation and report his findings to Congress within 6 months.

This legislation will help the textile industry survive, which will help save jobs and promote economic growth for our own country.

Mr. TOWNS. Madam Chairman, today we again have an opportunity to protect the American labor force. It has been projected that 550,000 more textile and apparel workers will lose their jobs in the next 6 years. These unemployed workers would be in addition to the 300,000 who have become unemployed since 1980. We had an opportunity, today, Madam Chairman, to preserve these jobs for American workers.

The 2 million workers in this industry are largely women and minorities—one-third black, 17 percent hispanic, and 8 percent Asian American. In an industry where 67 percent of the workers are women, we are talking about jobs which support children and families. If imports are allowed to continue unabated, it is fairly clear that these jobs will cease to exist. In the face of last year's agreement to expand South African textile imports and the recent revelations about imports from Iran, we can hardly expect the administration to negotiate stronger bilateral textile agreements difficult to accept the notion that the administration is serious about protecting the interests of our domestic textile and apparel industry.

Where will these workers, these women and men, who represent the working poor in this Nation, find alternative employment? The answer is: There is little chance of entry level jobs replacing the employment offered by the textile and apparel industry.

Madam Chairman, today I hope that we will look beyond regionalism. This is not a bill for the special interests of the Northeast and Southeast; this is a bill for the American worker. Just as many of us consider the family farmer to be a national treasure, I hope that we will view the domestic textile and apparel industry in the same vein. I urge my colleagues, regardless of the local industries' interest, to support H.R. 1154 and protect the jobs of these American workers.

Mr. SUNDQUIST. Madam Chairman, relief for the textile and footwear industries is long overdue. I applaud the House leadership's tenacity in bringing this important legislation to the floor today.

Madam Chairman, hundreds and hundreds of jobs have been lost in west Tennessee and middle Tennessee in textiles and footwear. And hopefully this legislation will preserve the remaining jobs that are currently in jeopardy—and might revitalize the industries so that those who have lost jobs can return to work.

As chairman of the Republican Task Force on International Trade, I take no pleasure in fighting the President on this issue. I agree with the President's goal of free and open trade. But unfortunately the administration has not aggressively enforced existing trade laws to prevent unfair practices and assist with temporary import relief.

We have lost 37 percent of our footwear jobs since 1981—and the unemployment rate in the industry averaged 15.4 percent—almost three times the national average! Imported footwear currently holds 81 percent of the total domestic market, compared to 51 percent in 1981. We've lost a whopping 30 percent of marketshare in just a few years to foreigners. Because of this, 308 shoe factories have shut their doors in the past 6 years—70 of these in the last year. Half the footwear factories in my district alone have been closed.

Nonetheless, the President made a decision in 1985 to decline relief for the industry, even though there was a unanimous injury determination by the ITC. Clearly the trade law system on the books is not working for American footwear and textile workers.

After countless efforts—the textile industry filed 21 antidumping and countervailing duty petitions—without one positive finding in their favor.

Since the system is not working, it is totally appropriate for this body to intervene with H.R. 1154—to make our own injury determinations for footwear and textiles, and grant the relief that the administration has refused. H.R. 1154 is completely consistent and justified according to the trade laws that have existed for 13 years.

In 1974 Congress passed, and the President signed into law, the trade laws under which U.S. trade policy has since been operating. For the last 13 years, we have had a law on the books—section 201—which sets guidelines for import relief under certain injury findings.

Specifically, section 201 states that it's purpose is "for import relief for the purpose of facilitating orderly adjustment to import competition * * * which may include such objectives as facilitating the orderly transfer of resources

to alternative uses and other means of adjustment to new conditions of competition."

For some unknown reason, the administration has chosen not to enforce or apply this law—as it was intended—in the cases of footwear and textiles. Therefore, this body is justified in making an injury determination on its own—it is our responsibility to enforce the intent of the trade laws where the administration has failed to.

Footwear is the most blatant example of this administration's refusal to apply section 201. The 201 system was brought to its knees with the President's choice to overrule the ITC's 4-to-1 decision for relief. What is the point of having the relief language if it is never going to be used? What is the point of having the 201 system if it can be overturned on a whim after the judicial process?

I submit to this body that had our original trade laws been enforced to their fullest and proper extent—we would not be facing the trade crisis we are today.

Of the 65 201 petitions which have been initiated since 1974 only 12 have been granted relief. I can only wonder why the executive branch is so reluctant to provide temporary breathing space—which is entirely within the legal context of GATT and the intent of the law—when other countries are so blatant with their unfair trade practices. This is not a question of carrying a big stick, or protectionism, or even fair trade—it's a question of enforcing the laws of this country!

It is not necessarily important to argue any more why the footwear and textile industries are in trouble—or who is at fault. What is important is to grant fair and reasonable—and long overdue relief. It is critical that this body implement the intent of the law by passing the Textile and Apparel Trade Act of 1987 today.

Mr. EDWARDS of California. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987 and urge our colleagues to vote in favor of it. I commend the distinguished gentleman from South Carolina, BUTLER DERRICK, for his leadership on this important issue.

Madam Chairman, the solution to the trade problem we find ourselves in requires leadership and hard work. H.R. 1154 embodies those tools necessary to make the tough decisions to attack this very difficult issue.

H.R. 1154 represents fairness. The 2 million American workers in the textile industry need a fair chance to make a decent living for their families. They deserve the right to know that hard work and productivity will translate into job stability.

H.R. 1154 does not single out specific countries. It sets global limitations in a nondiscriminatory manner. This comprehensive, generic approach reintroduces fair trade in the relationship between domestic manufacturers and our trading partners.

This measure is consistent with our international treaties and compacts, fulfilling our obligations both at home and to other nations.

Madam Chairman, I reiterate my strong support for H.R. 1154 and urge my colleagues to give this legislation their full support.

Mr. COURTER. Madam Chairman, Congress is once again being asked to consider legislation that would address the textile and apparel import problem. This year's bill contains very few changes from last year's highly protectionist measure. There are numerous reasons why I cannot support this latest bill. First, during the 1980's, New Jersey has added 179,000 jobs in the trade sector. There are a total of 859,000 trade jobs, which makes trade the second largest job sector in my State's economy. The New Jersey area has become a major distribution center for both domestic and imported apparel, textile, and footwear products. This important and growing job sector would be threatened by a wave of protectionism that legislation such as this would certainly unleash.

Second, 33 percent of all U.S. textiles, apparel, and footwear imports passed through the New York-New Jersey region's gateway in 1986, 13 percent of the region's total sea and air import trade are textile, apparel, and footwear products, and 25,200 jobs and over $1 billion of the gross regional product is generated by this aspect of our trade. While reduced imports would have a positive but limited impact on the region's apparel, textile, and footwear manufacturers, a reduction in imports would likely undermine the wholesaling position of the region and likely lead to a loss of employment in the apparel and textile wholesaling industry. Further, of the region's 10 leading trading partners, including both Asia and European nations, 9 are among the largest exporters of textiles, apparel, and footwear to the region.

Third, restrictions on imports will lead to higher costs to regional consumers. Census estimates indicate that in 1986 regional retail sales of apparel and shoe stores amounted to approximately $7 billion or 9.2 percent of national retail sales of apparel and shoe stores. Between 1980 and 1986, as the value of the dollar rose, the total national CPI rose by 33 percent while the prices of apparel commodities increased by only 12 percent. Finally, in the New York-New Jersey region over the same time period, while the total CPI grew by almost 37 percent, the prices of apparel commodities grew by less than 6 percent.

In real terms, prices for apparel commodities in the region dropped by 30 percent, as the strong dollar led to increased imports of foreign apparel.

Mr. FIELDS. Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987.

I do not oppose the textile bill because I am insensitive or uncaring. I care about the textile workers in this country. But, I also care about the families struggling to feed, clothe, and educate their children. Many families simply cannot afford the higher clothing and shoe prices the textile bill will bring.

I care about the chemical workers in the 8th District of Texas. The textile bill's global import quotas are in clear violation of the General Agreement on Trade and Tariffs. If the textile bill becomes law, foreign nations will retaliate and chemicals will be a target of that retaliation.

In 1986, chemicals topped the list of United States exports to Europe, Canada, China, Taiwan, South Korea, Hong Kong, Japan, Mexico, and many other nations. The chemical industry is one of the few major industries in which the United States still has a positive trade balance worldwide. My district and much of the Texas gulf coast area depend heavily on the chemical industry. Neither Texas nor the Nation, as a whole, can afford to lose chemical markets abroad.

Chemical workers will not be alone in feeling the effects of foreign retaliation. Dock workers at the Port of Houston, which I represent, will feel the sting of foreign retaliation, too. Organic chemicals, in dollar value, are the top exports through the Port of Houston.

Grain and grain products rank third in dollar value and first in tonnage among items exported through the port. Agricultural products will certainly be targets of foreign retaliation, too. American farmers along with dock workers, railroad workers, and others whose jobs are linked to farm products will suffer.

Does the condition of the textile industry merit the costly protection contained in this legislation? I believe the answer is clearly, "no." The textile industry is already the most protected industry in the United States. Tariffs on textile products average 18 percent compared with a 3-percent average for other industries' products. Eighty percent of all textile imports are covered by an incredible 1,500 textile and apparel quota agreements. Textile quotas already cost the consumer $27 billion per year. This legislation would force consumers to pay another $10 billion per year.

Unfortunately, many textile workers lost jobs in the early 1980's. However, modernization shared the blame with foreign competition as a major culprit in those textile job losses. Despite the difficult years of the early 1980's the textile industry began to improve in 1985. In 1986, domestic textile production rose 10 percent. Unemployment among textile workers fell from 9.9 percent to 7.5 percent. Capacity utilization rose from 84 percent in 1985 to 91.4 percent in 1986; textile profits skyrocketed 67 percent.

In the first quarter of 1987, textile capacity utilization rose, again, to 95 percent. Twenty thousand new textile jobs were created and unemployment fell to 6.9 percent. First quarter 1987 profits for the major textile manufacturers soared 100 percent over 1986 first quarter profits.

I cannot vote for legislation which would force American families to pay billions more to clothe their families while textile industry profits are soaring. I cannot vote for legislation which could cost the jobs of chemical workers, of farmers, of railroad workers, of dock workers, and many others when jobs in the textile industry are increasing, not decreasing.

Madam Chairman, the textile bill is the wrong solution at the wrong time. I urge my colleagues to vote against this unwarranted protectionism.

Mr. GILMAN. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. I thank the gentleman from South Carolina [Mr. DERRICK] for introducing this necessary legislation and for his fine work as chairman of the Congressional Textile Caucus, of which I am a member. I would also like to thank the Textile Caucus vice chairman, my distinguished colleague from New York, Mr. HORTON, for his tireless efforts to preserve the vitality of domestic textile industries both in our home State of New York and throughout the Nation. Finally, Madam Chairman, I commend the distinguished gentleman from Massachusetts [Mr. MOAKLEY] who, as chairman of the House Footwear Caucus, has skillfully lead the effort to assist that manufacturing community which is so important to the economies of the Northeastern States.

H.R. 1154 has been characterized by its opponents as benefiting only a small particular special interest. Madam Chairman, the facts do not bear out this argument. H.R. 1154 is fully endorsed by groups as diverse as the United Auto Workers and the National Farmers Union. Legislation similar to the one before us now was passed by the Congress last year. The current version of H.R. 1154 has been amended to conform with objections raised at that time, and I believe that it is a better bill than the one we passed a year ago. The support of 242 of my colleagues, all of whom have joined me in cosponsoring H.R. 1154, attests to the support for this legislation not only throughout the Congress but also throughout the country.

Textile industries are highly important to our economy, In recent years, these industries have been under attack from the rising surge of foreign imports. In the domestic footwear industry, for example, production of nonrubber footwear has fallen to an 18-year low of 241 pairs per year. Imports to the United States have meanwhile risen to an 18-year high of 941 million pairs per year, enough to capture 80 percent of the U.S. nonrubber footwear market. In 1985 alone, 58 nonrubber footwear factories closed throughout the country. At least one of these factories, Middletown Footwear, Inc., was in my own 22d Congressional District. In 1986 the number rose to 70 closings, and there were another 19 during just the first half of this year. The Congress cannot permit this process to continue. It may be too late for the 15 production workers at Middletown Footwear, but it is not too late for the 6,000 footwear employees throughout New York, and the more than 80,000 employees throughout the Nation.

Madam Chairman, I have described the detrimental effects of excessive foreign imports only in one segment of the textile industry. My colleagues will undoubtedly furnish examples from other segments of the market and their own congressional districts. Suffice it to say that it is well past time for Congress to recognize the inherent inequities which smother productivity in our domestic textile industries. It is past time for Congress to ensure effective competition in the world marketplace. It is past time for Congress to enact the Textile and Apparel Trade Act. Accordingly, I urge my colleagues to vote in favor of this legislation.

Mr. TALLON. Madam Chairman, recently I was shocked and dismayed to learn that our Nation continues to grant most-favored-nation status to Iran. And that same morning headlines reported yet another mining incident further jeopardizing our soldiers in the Persian Gulf. The irony is bitter and inescapable.

We must put an end to this crazy sequence. It's quite possible that Iranian ships bringing into this country have literally steamed past United States warships filled with United States servicemen headed to the Persian Gulf to protect access to the Western world. Now who is the greater fool?

I believe it is high time we came to our senses. That is why I am joining in support of legislation introduced by Congressman RICHARD RAY and ED JENKINS to revoke Iran's most-favored-nation status.

Last year, Iran exported $611.6 million worth of goods into the United States, while the United States, we exported only $34.1 million. With most-favored-nation status, Iran has also been able to flood our markets with goods that are half the cost of those produced by our domestic manufacturers. In 1987, we handed over $612 million to Iran to pay for textiles, carpets, pistachio nuts, caviar, and crude oil. The pace continues full tilt this year, with Iranian textile imports soaring. Last year, Iran exported 15,000 square yards of textiles into this country. By August of this year, they had exported 600,000 square yards.

Meanwhile, the American textile and apparel industry is fighting for its life against a flood of cheap imports. In South Carolina, we are seeing entire towns shut down in the face of the textile deficit, leaving families jobless and hopeless.

Madam Chairman, I don't understand it. We know for certain that Iran has been responsible for the kidnapping of our citizens, the bombing of our Embassy in Beirut, and the suicide truck bombing of our Marine barracks in Lebanon which killed 241 marines. And, as I speak, American lives are in danger from mines and attacks in the Persian Gulf.

I urge all my colleagues to join in support of this legislation so that Iran, the most fatal nation, is no longer ranked as a most favored nation.

Mr. PANETTA. Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Act of 1987. While I share in the frustration of my colleagues with regard to the $170 billion merchandise trade deficit that is draining America's economy, this legislation is no solution to the problem. We must resist the temptation to apply quick-fixes to a situation which demands a comprehensive, long-term approach. While the time is clearly overdue for action on trade, this is just as certainly the wrong action.

Trade has become a dominant issue on Capitol Hill and around this Nation as constituents have focused on the devastating economic and social impact of this enormous trade deficit. Industries which cannot compete in the world market are forced to close down, battered by foreign imports and unfair trade practices and haunted by a $160 billion budget deficit which creates an overvalued dollar and makes U.S. exports prohibitively expensive abroad. Thousands of Americans are losing their jobs each month. Few in our Nation are left untouched.

With this scenario, both Houses have done something very constructive on the trade crisis facing us today., After both bodies passed comprehensive trade bills in the last few months, scores of Members are furiously working on a compromise package. Whatever the merits of the two different bills, they reflect legitimate frustration with the trade deficit and with the Reagan administation's apparent indifference to the problem. Unfortunately, it appears that many of the administration's recent trade initiatives were simply a reaction to congressional determination to take the lead on trade.

Although there are many factors contributing to the rising trade deficit, the No. 1 culprit is the overvalued dollar. How are we to expect our products to compete with foreign goods when they are marketed with a price tag that reflects an inflated dollar figure? We are, in effect, slapping a surcharge on every product that is in competition with a foreign-made counterpart, both here and abroad. The textile bill proposes to restore the competitiveness of our industry by limiting the number of imports that enter our borders in an attempt to reduce foreign competition.

This approach simply will not work. First, such an action constitutes an open invitation for retaliation. Members of the European Economic Community as well as Canada have explicitly proclaimed that upon enactment of this proposed law they will commence inkind action against our agricultural exports. Other nations will certainly follow suit. Who would profit by such an escalation of trade war? Certainly not the consumer, nor the American family and especially our lower and middle income citizens. Only the rich may be able to afford the increased prices when goods are even available.

Another concern of mine is that this legislation would severely undercut the Uruguay Round of GATT negotiations to extend and confirm existing agreements. It would violate the safeguard provisions of GATT by indiscriminately granting permanent protection to a hugh array of products. Countless existing bilateral agreements would be abrogated. It would also violate the multifiber arrangement by imposing unilateral, global quotas on all textile products. We must enter a new round of international trade negotiations from a position of strength, able to persuade our trading partners to open up their markets as we have opened ours.

The cost of this bill to American consumers has been estimated at over $20 billion with the possibility of inviting retaliation of up to $29 billion of U.S. exports. While approximately 46,000 would be saved through this added protection, 58,000 jobs would be eliminated in the retail industry, thereby resulting in a net loss of 5,700 jobs. Furthermore, some segments of the industry currently enjoys a tarriff rate of 22 percent as compared with an average of 5 percent for all other domestic industries. There are over 1,000 quotas already in place for textile and textile products.

Instead of providing further protection for this industry, I believe we must concentrate our efforts on sending a comprehensive trade bill to the President to relieve our current trade crisis. With the House passing H.R. 3, the Trade and Economic Policy Reform Act of 1987, on April 30, 1987, and the Senate passed S. 1420, the Omnibus Trade and Competitiveness Act of 1987, on July 21, 1987, the Congress has developed two very strong and viable comprehensive trade bills. The Reagan administration has proposed minimal changes in U.S. trade laws and has lead our Nation down the road of trade disaster having inherited a trade deficit of $34 billion in 1981 to $170 billion over 6 years. Currently, the administration's most important goal in trade legislation is to persuade Congress to extend authority for the President to enter into international trade agreements. The President needs an extension of negotiating authority to complete successfully the ongoing negotiations in GATT. Since the administration needs congressional cooperation to carry out its trade agenda, it will be forced to compromise on congressional initiatives for trade reform.

The House and Senate bills, while similar in their basic thrusts, have many important differences. There are, for example, significant differences in their provisions regarding trade remedies and authority for trade negotiations. Also, each bill has provisions that have not been addressed in the other House. Consequently, the conference committee has the complex task in reconciling the two bills. Between 150 to 200 legislators will represent the 9 Senate committees and 13 committees of the House that have some jurisdiction over the issues.

My greatest concern is that the work of the conference committee is futher complicated by administrative threats to veto legislation containing certain controversial provisions in the House and Senate bills. In late July of this year, President Reagan stated that if either bill came to him in present form, he would have no choice but to veto it. It is precisely this continued uncooperative and unrealistic attitude that would allow me to join my House colleagues in supporting the override of an anticipated Presidential veto of the textile bill when it passes later today.

For too long I have seen this administration simply give lip service to working with Congress on important legislative matters facing our Nation. The facts are that whether we are formulating a solution to our budget problems or the trade deficit, the administration takes on the role of tattle-tale running to the American people to claim that the Congress is the enemy of this or that when the fact is the President and his administration take no part of forging compromises on important issues. The President either wants it all his way or else he'll take his toys home and play by himself.

My first goal remains passage of a strong, comprehensive trade bill this year, not a piece-meal trade bill for various industries. However, should the administration continue to thwart the work of Congress on a trade package, I will then join my colleagues in passing this textile bill over the alternative of no trade bill at all.

Madam Chairman, the trade crisis we are facing will not be resolved by the President alone nor the Congress by itself, but rather bipartisan leadership to push the final compromise trade bill over the hump to enactment into law. If the President continues to be the roadblock to arriving this year on a comprehensive strategy to relieve the trade crisis, then I look forward to supporting the override of the certain Presidential veto of this legislation.

I am under no illusions that this prescription is an easy one to follow. However, the trade situation in our Nation has so deteriorated that there simply are no painless solutions, neither for the affected industries and their workers, nor for the politicians called upon to solve the problem overnight.

We must not attack the trade crisis on a piece-meal basis. America is best-served by a comprehensive policy designed to place our Nation's manufacturers and industries back on a sound economic footing. Glossing over the problem by applying another coat of industry-specific protectionism will hurt all of us in the long run.

I urge my colleagues to vote "no" on H.R. 1154, but carefully monitor the administration's actions on a possible veto of this legislation and more importantly, the administration's cooperation on passing a comprehensive trade bill this year.

Mr. CRANE. Madam Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL], a member of the Subcommittee on Trade.

Mr. FRENZEL. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, we have an interesting debate here. Unfortunately, we are restricted to 3 hours. On the other hand, we have had much discussion among ourselves through the medium of "Dear Colleague" letters and through committee hearings, so that the subject has been rather fully aired.

Despite the full discussion, it is my opinion that our discussion is still dominated by myths. We have the proponents of H.R. 1154 telling us that this is a very sick industry, that there are regions of the country which have been badly hurt.

I think many of the Members would agree that that has been the case in the past, but I think, it has been quite clearly shown that we have a very healthy textile industry, that its rate of return on investment is greater than that of manufacturing in general, and that it is enjoying its third straight very wonderful year.

We have also been told that the American concept of free trade does not work with respect to textiles; and therefore, we must get protectionist.

May I say that there is no industry in the United States more protected than textiles, and it has never been subjected to free trade, at least in my lifetime.

We have the highest tariffs in the industrialized world, and I will refer the Members to some other writings in the committee hearings with respect to the number of protocols, and our quotas, and our bilateral arrangements with our trading partners.

With respect to unemployment, I am told that the July figure for the Nation is 6.1. The three textile-producing States who are telling the Members how down on their luck they are, South Carolina with 5.5, and that is 10 percent under the national rate; North Carolina with 4.7, 20 percent under the national rate; and Georgia with 5.1, somewhere in between, but well under the national rate, a little less than 10 percent under.

If one is to look at the shoe States like Maine and Massachusetts, one finds even lower unemployment rates, 2.6 in Massachusetts, 4.9 in Maine, while in the industrial heartland of Illinois, Michigan, and Ohio, we have unemployment rates of 7.1, 8.8, and 6.7; and the perpetrators of this bill would tell us that those States with high unemployment should pay for the bad luck of those who have low unemployment.

That is a little hard sell to make, I think, to rational people in this day and age. We have been told that import penetration is skyrocketing. The import penetration in textiles is 13.3 percent. In 1986 it will be about the same, maybe a little less in 1987.

The apparel penetration is 33 percent. It is a high number, but the surge that is occurring now is occurring by reason of people being afraid this bill is going to be passed, and they are trying to get in under the wire.

We have been told that somehow we will help the consumers if we ask them to pay a couple hundred bucks more per family than they are now paying. They are now paying $300 per family additionally because of tariff and quota protections already in place for textiles.

The Chairman of the Council of Economic Advisers says the cost to consumers is $25 billion, $37 billion over the next 5 years. That doubles the protection already in effect.

If we look at GATT, we have been told that there is some sort of myth circulating, that this is in accordance with the GATT.

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It is clearly violative of article 19 of the GATT, which calls for restrictions when used to be temporary and to be phased out, caused by serious injury, that they be limited to the amount necessary for the remedy, and that there be compensation to trading partners to equal the restrictions. In every one of those categories, this bill falls short and violates article 19.

In addition, it violates 41 bilateral agreements and would ruin the MFA and throw that into shambles internationally.

It would hurt our friends in the Caribbean Basin, particularly Haiti, Costa Rica, and the poorest nations in the world that we are trying to help now by rolling back 30 percent what they are shipping into the country. The same is true in the Far East.

The retaliation, of course, would fall on those industries which have done a good job, agriculture, high tech, airframes, computers, chemicals, papers, those industries that have worked hard and are exporting, they are the ones that would be hurt. The successful industries will have to pay for the unsuccessful.

If there was ever a time for such a bill, this not it. I have not given up on America. I do not think the textile industry is a cripple. I do not think Americans are nonproductive. I believe that we can compete in the world without the necessity of the extra crutch, the extra wheelchair, and the extra iron lung. I do not think we have to cry poor for an industry that is enjoying better profits than the rest of manufacturing generally.

I think we need to beat this bill. There is a feeling, as a previous speaker indicated, that you can give a vote to the labor unions today and the bill will go away because it is obvious that the industry is in such good condition that the bill will never find its way to the President. If this bill gets two-thirds of the votes of this House today, I guarantee that we will be voting on it again and again, once on a conference report and once on a veto message.

The place to stop this bill is here and now. The vote is "nay."

Mr. CRANE. Madam Chairman, I have one final request for time. I yield 1 minute to the gentleman from California [Mr. Dreier].

Mr. DREIER of California. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. I do not want to get bogged down in a discussion of all the trade violations contained in this bill, nor do I want to list the startling figures on industry productivity and increased profits over the past 2 years. Many of my colleagues have made these arguments against H.R. 1154 very succinctly, and I believe very convincingly.

The bottom line is that the domestic textile and apparel industries are experiencing a strong comeback. Just consider that textile manufacturers' profits rose 67 percent in 1986 over last year and then rose nearly 12 percent in the first quarter of 1987. In addition, these industries have mounted a successful consumer awareness campaign which has American consumers paying more attention to the origin of the finished products they purchase. However, while enjoying the greatest level of protection afforded any industry, these manufacturers are asking for tougher sanctions against their foreign competitors.

Unfortunately, our trading partners—especially those in the developing world—will not be easily convinced that these American industries are still on the verge of collapse. We have just recently reached new bilateral trade agreements concerning these products with four of our major trading partners. Should H.R. 1154 be enacted, these same countries would surely retaliate.

The major problem with H.R. 1154 is that it provides protection for jobs in one industry at the expense of workers in other activities. For example, workers in agriculture, aerospace, high technology electronics, chemicals, and pharmaceuticals would be the first to feel the retaliatory backlash. However, the damaging effects would soon be felt by every American in the form of lost jobs, higher prices, and shrinking economic growth.

While I am sympathetic to the situation of many workers who have lost their jobs in these industries, I feel H.R. 1154 takes the exact opposite approach to furthering our trade objectives. For several years now we have stressed job creation, competitiveness, and negotiations to open markets in other countries for American goods. I am convinced that enactment of H.R. 1154 will destroy jobs, inhibit innovations in these industries, and close existing and potential export markets.

Mr. JENKINS. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, I yield to the gentleman from North Carolina [Mr. Rose].

Mr. ROSE. Madam Chairman, I thank the gentleman for yielding to me.

Briefly, I would like to say that our good colleague, the gentleman from Oregon [Mr. AuCoin] said that there were no domestic manufacturers of athletic footwear in the United States. I just want the record to show that in my district there are 2,000 hard working people in the Converse plant that make a very high quality canvass sneaker.

Madam Chairman, I would like the record to show that I support this legislation and I urge my colleagues to vote for H.R. 1154.

Mr. JENKINS. Madam Chairman, I thank my colleague.

Let me say very briefly that I wish that it were not necessary that I reappear today, because we have had a vote before that was ultimately vetoed that would have given us some relief.

The industry has attempted to be responsible and reasonable. Last time you indicated that there were real problems with this bill, that it discriminated against certain countries. The industry and the members of the textile caucus headed by my friend, the gentleman from South Carolina, Mr. Butler Derrick addressed that issue.

We said, "All right, if that concerns you, we will make it apply to everyone."

Now, my friend, the gentleman from Florida, does not like that, but it would not make any difference what type of a textile bill we ever brought before this House, the gentleman would never support any of them. I have served on the gentleman's committee for 10 years and I can assure you of that.

Now, many Members did not like the fact that last year's bill was directed primarily to the major producers. We addressed that issue. We attempted to do so in a responsible way.

Who are we trying to fool by saying that suddenly we are a protectionist industry? We have had quotas in this industry. This is nothing new. We have had them for over 20 years. We are attempting to make a set of quotas work.

Whom are you trying to help? Where are the increases coming from? Certainly we have bilateral agreements with some of the major producers. Let me name a few of them that you are trying to protect.

The increase from Bulgaria, 126,000 square yards in 1980, to 1,895,000 square yards last year. Is that whom you are trying to protect?

Cambodia, Czechoslovakia, let me give you this figure: 2,359,000 square yards in 1980, up to this year 4,019,000.

Do you want to help Hungary? It went from 2,200,000 in 1980 to 18,600,000 square yards last year.

The People's Republic of China that we have heard a great deal of talk about, 324 million square yards to 1 billion 739 thousand square yards.

Is your concern about Romania? That goes from 19 million square yards in 1980, to 63 million square yards in 1986.

Now, I understand that if the administration or this Congress, or whoever it may be, wants to trade, which I happen to support, I have no objection to trading with Communist countries, that is one way to try to resolve a lot of difficulties; but if you are concerned, according to the last figures, that we may penalize Bulgaria, Czechoslovakia, Hungary, the People's Republic of China, Poland, Romania, the Soviet Union that has gone from 19 million to 63 million square yards in the last 10 years, is that our concern?

And yes, there was a considerable number of imports from Iran.

Now, I would like to be reasonable in this as anyone else. Intellectually, I would like to be for free trade totally.

My friends, if you think you are going to rely upon services to get us out of this trouble, we have lost 8 of the 10 largest banks. We are no longer even in that category.

The largest insurance company, you want to sell insurance around the world and make up the trade deficit, we no longer have the largest insurance company in the world.

You see data processing, high technology, agriculture, where are you going to move to?

Unfortunately, as much as we intellectually want to be for free trade, if we are realistic with ourselves, if we are honest with ourselves, we know it is not working.

You said if we devalued the dollar, if the dollar was decreased in value in the international financial market, it would change. It has gone down over 40 percent against most currencies in the last 2 years. Our deficit goes up.

You say the industry is profitable. Let me tell you something. If you eliminate 20 percent of the market, the other 80 percent is going to do fairly well for a little while, and then we will ultimately be right back in the same situation.

I know that no debate is going to change anyone's vote. I recognize that, but all of you people who feel very confident from the port areas of Washington and other States, you will be down here and my industry will have moved offshore because they will have to do so in order to compete. I think that is a mistake for America.

Mr. SCHULZE. Madam Chairman, I urge an affirmative vote on the question about to be put, and I yield back the balance of my time.

Mr. GIBBONS. Madam Chairman, I yield all our remaining time to the gentleman from Illinois [Mr. Rostenkowski], the chairman of the Ways and Means Committee, to close debate.

Mr. ROSTENKOWSKI. Madam Chairman, this month the Congress embarks on the final leg of a 3-year effort to reform U.S. trade policy. When the conference on the omnibus trade bill begins its work, a desire for real reform will guide our deliberations.

Many important themes are emerging from that legislative effort. But among them, the most basic is the view that the United States must take a firm stand against the artificial trade barriers of other nations. That has become the rallying cry of the 100th Congress! We want the governments of the world to break down their trade restraints. And we want all nations to play by the rules. This is a lofty goal, which can only be achieved if the United States maintains a strong commitment to free and fair trade.

Today, we face a vote which tests whether the push for fair trade is real or just political hype. The bill we are now considering establishes permanent restrictions on all textile and footwear imports. It invokes the very kind of trade policy we find so offensive in other nations. If it becomes law, we are, in effect, notifying the world that we aren't really serious about fair trade.

I think each of us should ask a basic question about this textile quota bill. What underlying principle of fairness does it uphold? If other nations were to follow suit, what system of trade rules would emerge from the multitude of bitter recriminations which would inevitably occur in its wake? I believe the answers to these questions are clear.

Many Members have voted for this bill because it "sends a message" that we are unhappy with our trading partners and this administration. But I think many of us know that if it ever became law the message to the world would be "every man for himself."

A few months ago, we voted on the Gephardt amendment. I sat and listened as Member after Member took to the well to condemn the protectionist policies of Japan, Taiwan, Korea and other nations. "Its time to get tough," they said. The House endorsed their arguments and passed the amendment.

But how does one square this bill with the Gephardt amendment? The Gephardt amendment speaks of reciprocity, fairness, and tough negotiations. The textile bill speaks of plain, old-fashioned protection for a few selected industries.

I know America's workers have been severely injured by our own inept trade polices. But the solution is not to single out one group for protection. The solution is to have overall policies which assert our long-term interests.

So I urge my colleagues—let's stop voting for ill-advised trade bills just to send messages. Let's get serious about this country's trade problems and start crafting an omnibus trade bill which has some sound principles behind it. That's the right thing to do! Until we stop advocating politically popular but unrealistic trade measures and start developing sensible legislation that has a chance of becoming law, Congress is not going to be viewed as a serious player in the effort to stabilize world trade.

I urge you to vote no on this legislation.

Mr. WEISS. Madam Chairman, as a cosponsor, I rise in strong support of the Textile and Apparel Trade Act of 1987 (H.R. 1154).

There is a lot of controversy about the effect of this bill, which has been condemned as a protectionist evil by its opponents.

To get to the truth of the matter, I think it is necessary to view this bill in the context of the overall economic situation in this country today.

The current state of the American economy is cause for serious concern. Joblessness remains at epidemic levels. The Nation's infrastructure is in disrepair. We are accumulating unprecedented debt at all levels of our society—personal, corporate, Federal, and international. The Federal deficit remains at astounding levels, contributing to a trade deficit that is out of control—it grew by $16.5 billion in July alone. We are facing the decline and collapse of basic industries and a long-term decline in national productivity.

By now the reasons for these failures are well known. Ronald Reagan campaigned for office by promising to balance the budget in his first term. Instead, he borrowed more heavily than all previous Presidents combined. This opened up a huge trade imbalance with our trading partners and made us a debtor nation. As a result, basic domestic industries have suffered from decline and collapse. And the workers in those industries have been thrown out of work or forced to live with less.

With 1 year left in his administration, President Reagan is probably thinking more and more about his place in history. One thing can be certain: The term "Reaganomics" will almost certainly become synonymous with neglect, decline, and failure. The rosy predictions of the White Hosue notwithstanding, President Reagan's chickens will come home to roost. Who will pay the price? We will; our children will; and their children will.

The Reagan administration's record on trade is abysmal. Since 1981, the trade deficit has more than quadrupled—from $40 billion to nearly $170 billion. The administration has said little and done less in response to a flood of imports and a sharp decline in exports. It has stood by as entire industries have been imperiled.

Do we need the Textile and Apparel Trade Act?

Textile and apparel imports have risen 17 percent a year since 1981—400,000 jobs have been lost.

In 1981, we imported 376 million pairs of footwear. In 1986, the figure was 941 million pairs—57,000 jobs have been lost.

The textile, apparel and footwear industries are efficient and productive. They have spent billions to modernize. But they simply cannot compete against the unfair trading practices, including government subsidies, extraordinarily low wages, and import restrictions that bar U.S. products. The result is that imports account for a larger and larger share of the domestic market for these goods.

The Reagan administration simply has not responded to this problem as it should have. Under the Multi-Fiber Agreement, growth in imports from developing nations was to be limited to 6 percent a year. Yet actual growth has far exceeded this level. The administration has failed to enforce existing agreements, and it has failed to pressure other nations to open their markets to U.S. goods.

There is a recourse. The Textile and Apparel Trade Act will help the textile, apparel and footwear industries compete in the world market. And its provisions have been carefully drawn to meet the objections that were raised about earlier versions of this legislation.

The bill restricts the growth in textile and apparel imports to 1 percent a year, and it restricts footwear imports to 1986 levels. However, the bill will permit the administration to apportion these quotas among all nations instead of discriminating against specific nations.

In addition, the bill gives the administration the authority to enter into agreements to reduce tariffs on these products in order to compensate foreign nations for the effect of the quotas. Thus, the likelihood of retaliation will be minimized.

Finally, the bill requires yearly reports to Congress and permits Congress to remove these quotas at any time.

In short, this bill will do what the Reagan administration has consistently failed to do: it will improve our economy. The bill will help preserve basic American industries in the face of unfair trading practices. It provides fair treatment to American workers, and it will actually increase overall employment. And it will reduce Government outlays.

Most important, this bill will be a major step forward in the fight to get our Nation's trade deficit under control. And that, in turn, will be a major step toward economic revitalization of our overall economy.

Our Nation's civilian economy has always been one of our greatest assets. We cannot stand by as it is destroyed through neglect and failed policies. The Textile and Apparel Trade Act will make a real contribution at a time when a contribution is sorely needed.

I urge all of my colleagues to support this bill and to pledge to take whatever other actions prove necessary to get our trade deficit down and our economy back on track.

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Mr. **GIBBONS**. Madam Chairman, I yield back the balance of my time.

Mr. **CRANE**. Madam Chairman, I have no further requests for time, and I yield back the balance of my time.

The **CHAIRMAN**. Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of H.R. 1154, as amended, is as follows:

### HR. 1154

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Textile and Apparel Trade Act of 1987".

### SEC. 2. POLICY.

The policy of this Act is to—

(1) relate the growth of textile and clothing imports to the growth of the domestic market in order to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and clothing manufacturers, and loss of job opportunities for United States textile and clothing workers; and

(2) maintain a viable United States nonrubber footwear industry by preventing further damage to United States nonrubber footwear manufacturers and loss of job opportunities for United States nonrubber footwear workers.

### SEC. 3. FINDINGS AND DETERMINATIONS.

(a) Findings.—The Congress finds that—

(1) with respect to textiles and textile products—

(A) the current level of imports of textiles and textile products from all sources, more than one hundred and sixty-five countries, reached nearly 12.7 billion square yard equivalents in 1986, an increase of 17 per centum over 1985 imports; this level of imports is 2.5 times the level of imports in 1980, a rate of increase that was not foreseen when the United States granted trade concessions benefiting foreign suppliers of textiles and textile products, and represents over 1.2 million job opportunities lost to United States workers;

(B) imported textiles and textile products contain four million bales of cotton which is equivalent to 39 per centum of annual cotton production in the United States; eight out of every ten bales of cotton contained in imported textiles and clothing are foreign grown cotton; sustained massive increases in imports of cotton textile and clothing products are causing a declining market share for domestic cotton producers, depressed prices, and an average annual market revenue loss of over $1,000,000,000; another result is that a market development program voluntarily funded by United States cotton producers actually benefits foreign growers; finally, as imports of textiles and clothing increase, domestic cotton acreage is shifted to produce other agricultural products which are already in oversupply thereby adding to the problems of United States agriculture;

(C) imports of textiles and textile products made of wool have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; because import penetration in the domestic wool textile and clothing market is nearly 70 per centum, it is critical that action be taken to halt further erosion of the domestic industry's market share;

(D) imports of textiles and textile products made of manmade fiber and competing fibers, other than cotton or wool, have more than doubled since 1980 resulting in substantial reductions in domestic manmade fiber production capacity and job losses;

(E) the textile and clothing trade deficit of the United States exceeded $21,000,000,000 in 1986, an increase of 18 per centum over 1985, and accounted for 12 per centum of the Nation's overall merchandise trade deficit;

(F) import growth of clothing and clothing fabrics has averaged 8 per centum annually since 1973; over that same period, the domestic market for clothing and clothing fabrics has grown only 1 per centum annually; import growth has recently accelerated and, since 1982, has averaged 21 per centum annually; the result is that import penetration in the domestic clothing and clothing fabric market has nearly doubled in the last six years, reaching a level of 52 per centum in 1986;

(G) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products competitive with those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to the Federal and local governments;

(H) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring new measures;

(I) unless the import growth rate of textiles and textile products is slowed to the long term rate of growth of the United States market, plant closings and job losses will continue to accelerate, leaving the United States with reduced competition benefiting domestic consumers and leaving the Nation in a less competitive international position;

(J) a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States; and

(K) actions taken by the United States under the Arrangement Regarding International Trade in Textiles of December 20, 1973, as extended (commonly referred to as the "Multi Fiber Arrangement" or "MFA") have failed to avoid disruptive effects in the textiles and textile products markets in the United States; and

(2) with respect to nonrubber footwear—

(A) nonrubber footwear imports in 1986 reached a record level of nine hundred and forty-one million pairs; this volume of imports is 2.5 times that of 1981, the year that import relief for the nonrubber footwear industry terminated, and is 11.6 per centum above 1985 levels, the year in which the International Trade Commission issued its third finding that the domestic nonrubber footwear industry has been seriously injured by increased imports;

(B) since 1981, import growth of nonrubber footwear has averaged more than 20 per centum per year, gaining market share at the expense of the domestic industry; in 1981, import penetration of the domestic nonrubber footwear market was 51 per centum; by 1986, import penetration reached an unprecedented 80.7 per centum;

(C) as a direct result of imports, domestic nonrubber footwear production has declined every year since 1978, reaching two hundred thirty-four million pairs in 1986, a production level matched only during the Great Depression in the 1930's;

(D) domestic nonrubber footwear employment has steadily declined every year since 1981, and is down 37 per centum from 1981 levels and 7.3 per centum from 1985 levels; unemployment in the nonrubber footwear industry averaged 15.4 per centum in 1986, more than double the national average; and

(E) domestic nonrubber footwear production facilities are closing at an alarming rate, with three hundred and eight factory closings since 1981 and seventy closings in 1986 alone.

(b) Determinations.—Congress determines that, for the foregoing reasons—

(1) textiles and textile products are being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of textiles and textile products in the United States, and

(2) nonrubber footwear is being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of nonrubber footwear in the United States,

within the meaning of article XIX of the General Agreement on Tariffs and Trade.

### SEC. 4. LIMITS ON IMPORTS.

(a) Calendar Year 1987.—Notwithstanding any other provision of law—

(1) the aggregate quantity of textiles and textile products, from all countries, classified under a category that is entered during calendar year 1987 shall not exceed an amount equal to 101 per centum of the aggregate quantity of such products classified under such category, from all countries, that entered during calendar year 1986, and

(2) the aggregate quantity of nonrubber footwear, from all countries, classified under a nonrubber footwear category that is entered during calendar year 1987, and during each calendar year thereafter, shall not exceed an amount equal to—

(A) the aggregate quantity of nonrubber footwear classified under such category, from all countries, that entered during calendar year 1986, and

(B) in the case of low priced nonrubber footwear, notwithstanding subparagraph (A), the aggregate quantity of low priced nonrubber footwear classified under such category, from all countries, that entered during calendar year 1986.

(b) Growth Adjustment.—For calendar years after 1987, the aggregate quantity of textiles and textile products, from all countries, classified under each category that may be entered during each such calendar year shall be increased by an amount equal to 1 per centum of the aggregate quantity that could be entered under such category during the preceding calendar year. If the aggregate quantity that could be entered under a category for a calendar year after 1987 is reduced under section 9(b), then, in the first calendar year in which there is no such reduction, this subsection shall be applied as if there had been no reduction under section 9(b) in previous calendar years.

(c) Exceptions.—

(1) The limitations in this Act on the aggregate quantity of articles of textiles and textile products and nonrubber footwear that may be entered during any calendar year do not apply to articles of that kind that are the product of any insular possession of the United States if the articles are—

(A) exempt from duty under general headnote 3(a) of the Tariff Schedules of the United States (19 U.S.C. 1202); and

(B) manufactured or produced in such possession by individuals who are either—

(i) United States citizens;

(ii) United States nationals; or

(ii) permanent residents of such possession in accordance with its laws.

(2) Notwithstanding any other provision of law, the aggregate quantity of sweaters that are—

(A) made of cotton, wool, or manmade fibers; and

(B) assembled in Guam from otherwise completed knit-to-shape component parts;

and that may be entered—

(i) during calendar year 1987, may not exceed 163,216 dozen; and

(ii) during any calendar year after 1987, may not exceed the aggregate quantity that is authorized to be entered under this paragraph during the preceding calendar year, increased by 1 per centum.

(d) Enforcement.—The Secretary of Commerce shall prescribe such regulations as may be necessary or appropriate for the efficient and fair administration of the provisions of this Act, including regulations governing entry, or withdrawal from warehouse, for consumption of the products covered by this Act. Such regulations shall provide for reasonable spacing of imports over the calendar year.

### SEC. 5. TARIFF COMPENSATION.

(a) Compensation.—

(1) The President may (A) enter into trade agreements with foreign countries or instrumentalities to grant new concessions as compensation, to the extent required under international trade agreements of the United States, for the import limits imposed under section 4 of this Act to maintain the general level of reciprocal and mutually advantageous concessions under such agreements; and (B) proclaim such modification or continuance of any existing duty on textiles and textile products and on nonrubber footwear as he determines to be required or appropriate to carry out such agreements.

(2) No proclamation shall be made under paragraph (1) decreasing any rate of duty to a rate of duty which is less than 90 per centum of the existing rate of duty.

(3) Before entering into any trade agreement under this subsection with any foreign country or instrumentality, the President shall consider whether such country or instrumentality has violated trade concessions of benefit to the United States and such violation has not been adequately offset by the action of the United States or by such country or instrumentality.

(b) Staging Requirements.—The aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to subsection (a) shall not exceed the aggregate reduction which would have been in effect on such day if a reduction of one-fifth of the total reduction under subsection (a) had taken effect on the effective date of the first reduction proclaimed to carry out such trade agreement, and at one-year intervals after such effective date.

(c) Prohibition.—Except as provided in subsection (a) and notwithstanding any other provision of law, the President may not enter into trade negotiations with any foreign country or instrumentality with respect to duties on textiles and textile products and on nonrubber footwear and may not decrease, or propose a decrease, in any such duty by any means, including an implementing bill under section 151 of the Trade Act of 1974 or a proclamation.

### SEC. 6. ANNUAL REPORT.

Not later than March 15, 1988, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of this Act during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 4. All departments and agencies shall cooperate in preparation of this report, as requested by the President.

### SEC. 7. REVIEW.

The Secretary of Commerce shall commence ten years after the date of enactment of this Act a review of the operation of this Act. The Secretary shall consult representatives of workers and companies in the textile and textile products and nonrubber footwear industries, the United States Trade Representative, the Secretary of Labor, and other appropriate government officials. Within six months after the commencement of the study, the Secretary shall submit to Congress his findings.

### SEC. 8. DEFINITIONS.

For purposes of this Act—

(1) The term "textiles and textile products" includes, but is not limited to, all articles covered by a category;

(2) The term "nonrubber footwear" means nonrubber footwear articles classified under items 700.05 through 700.45; 700.56; 700.72 through 700.83; and 700.95 of the Tariff Schedules of the United States (19 U.S.C. § 1202) (as in effect on January 1, 1987) and includes, but is not limited to, all articles covered by a footwear category;

(3) The term "category" means each of the following—

(A) each category identified by a three-digit number in the Department of Commerce publication "Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated", dated January 1987, and in any amendments to such publication correcting clerical errors or omissions;

(B) each subdivision of a category described in subparagraph (A) with respect to which the United States has (i) an agreement with any country on the date of enactment of this Act limiting exports of textiles and textile products to the United States that includes a specific limit on such subdivision, or (ii) taken unilateral action to limit products from any country entered under such subdivision; and

(C) a category consisting of the manmade fiber products not covered by a category described in subparagraph A and classified under subpart E of part 1 of schedule 3 to the Tariff Schedules of the United States.

The Secretary of Commerce shall determine, after consultations with the United States Trade Representative and the United States International Trade Commission, whether comparable subdivisions described in subparagraph (B) are consistently defined; if the Secretary determines that such subdivisions are not consistently defined, then the Secretary shall prescribe by regulation an appropriate definition of the category covering such comparable subdivisions;

(4) The term "nonrubber footwear category" means each of the following—

(A) men's leather;
(B) men's vinyl/plastic;
(C) men's other;
(D) women's leather;
(E) women's vinyl/plastic;
(F) women's other;
(G) juvenile leather;
(H) juvenile vinyl/plastic;
(I) juvenile other;
(J) athletic leather;
(K) athletic vinyl/plastic;
(L) leather work footwear;
(M) other leather footwear;
(N) miscellaneous vinyl/plastic; and
(O) miscellaneous other.

(5) The term "low priced nonrubber footwear" means nonrubber footwear with a customs value of $2.50, or less, per pair.

(6) The term "country" means a foreign country, a foreign territory, an insular possession of the United States, or any other territory, possession, colony, trusteeship, political entity or foreign trade zone, whether affiliated with the United States or not, that is outside the customs territory of the United States;

(7) The term "duty" includes the rate and form of any import duty, including but not limited to tariff-rate quotas;

(8) The term "existing" means the nonpreferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) set forth in rate column numbered 1 of Schedules 1 through 7 of the Tariff Schedules of the United States (or the comparable rate of duty set forth in any law that may supersede such Traffic Schedules) existing on the day before the date of enactment of this Act; and

(9) The term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

### SEC. 9. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b), the provisions of this Act shall apply to textiles and textile products and to nonrubber footwear entered, or withdrawn from warehouse, for consumption on and after the date of enactment of this Act.

(b) Calendar Years 1987 and 1988.—The Secretary of Commerce shall prescribe by regulation the aggregate quantity, if any, of textiles and textile products and of nonrubber footwear that may be entered under section 4(a) under each category and each nonrubber footwear category during the period beginning on the date of enactment of this Act and ending on December 31, 1987. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products or of nonrubber footwear entered under a category or nonrubber footwear category after December 31, 1986, and before the date of enactment of this Act exceeds the quantity permitted entry for such products under such category during calendar year 1987 under section 4(a), then the limit that would otherwise apply under section 4(b), in the case of textiles or textile products, or under section 4(a), in the case of nonrubber footwear, for such category for calendar year 1988 shall be reduced by the amount of such excess quantity. If such excess quantity exceeds the limit that would otherwise apply under section 4(b), or section 4(a), as appropriate, for such category for calendar year 1988, then the limit for such category for calendar years after 1988 shall be reduced until such excess is accounted for.

The CHAIRMAN. No amendments to the bill are in order except the amendments recommended by the Committee on Ways and Means now printed in the reported bill, which are considered as having been adopted in the House and in the Committee of the Whole.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Ms. KAPTUR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, pursuant to House Resolution 256, she reported the bill back to the House with sundry amendments printed in the reported bill adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The amendments printed in the reported bill are considered as having been adopted in the House.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SCHULZE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 263, nays 156, answered "present" 1, not voting 15, as follows:

[Roll No. 319]

YEAS—263

Ackerman
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Baker
Ballenger
Barnard
Bateman
Bentley
Bevill
Bilbray
Billey
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Boucher
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clinger
Coble
Coelho
Coleman (MO)
Combest
Conte
Conyers
Cooper
Coughlin
Coyne
Daniel
Darden
Davis (IL)
Davis (MI)
de la Garza
Dellums
Derrick
Dickinson
Dingell
DioGuardi
Dixon
Donnelly
Dowdy
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kolter
Kostmayer
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Lewis (GA)
Lipinski
Lott
Madigan
Manton
Markey
Martin (NY)
Mavroules
McCloskey
McDade
McGrath
McMillan (NC)
McMillen (MD)
Mfume
Miller (OH)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Parris
Pashayan
Patterson
Pelosi
Pepper
Perkins
Pickett
Price (IL)
Price (NC)
Quillen
Rahall
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Roukema
Rowland (GA)
Russo
Sabo
Savage
Schneider
Schuette
Sharp
Shays
Shuster
Sikorski
Sisisky
Skeen
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
Spratt
St Germain
Staggers
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swindall
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wright
Yates
Yatron
Young (AK)

NAYS—156

Akaka
Anderson
Archer
Armey
AuCoin
Badham
Bartlett
Barton
Bates
Beilenson
Bennett
Bereuter
Berman
Bilirakis
Bonker
Bosco
Boulter
Boxer
Broomfield
Brown (CO)
Bunning
Burton
Chandler
Cheney
Coats
Craig
Crane
Crockett
Dannemeyer
Daub
DeFazio
DeLay
DeWine
Dicks
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Edwards (OK)
English
Fawell
Fields
Foley
Frenzel
Gallegly
Gallo
Gibbons
Glickman
Gradison
Grandy
Green
Hansen
Hastert
Hefley
Herger
Hiler
Hyde
Inhofe
Ireland
Johnson (CT)
Kasich
Kennelly
Kleczka
Kolbe
Konnyu
Kyl
LaFalce
Lagomarsino
Leach (IA)
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Marlenee
Martin (IL)
Matsui
Mazzoli
McCandless
McCollum
McCurdy
McEwen
McHugh
Meyers
Mica
Michel
Miller (CA)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nelson
Nielson
Owens (UT)
Oxley
Packard
Panetta
Pease
Penny
Petri
Pickle
Porter
Pursell
Rhodes
Roberts
Rostenkowski
Roth
Rowland (CT)
Roybal
Saiki
Sawyer
Saxton
Schaefer
Scheuer
Schulze
Schumer
Sensenbrenner
Shaw
Shumway
Skaggs
Slattery
Smith (IA)
Smith (NE)
Smith, Robert (OR)
Solarz
Stallings
Stangeland
Stark
Stump
Swift
Synar
Tauke
Udall
Upton
Vander Jagt
Vucanovich
Walker
Waxman
Weber
Whittaker
Wolf
Wortley
Wyden
Wylie
Young (FL)

ANSWERED "PRESENT"—1

Martinez

NOT VOTING—15

Biaggi
Clay
Coleman (TX)
Collins
Courter
Kemp
Latta
Lloyd
Rangel
Roemer
Schroeder
Skelton
Spence
Tauzin
Weldon

☐ 1745

The Clerk announced the following pair:

On this vote:

Mr. Spence for, with Mr. Courter against.

Mr. MICA changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill just passed.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Florida?

There was no objection.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2260

Mr. PETRI. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2260.

The SPEAKER pro tempore (Mr. LEHMAN of California). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 5 minutes.

[Mr. LIVINGSTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

## THE NUCLEAR ENERGY REORGANIZATION ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, today I am introducing the Nuclear Energy Reorganization Act of 1987, which will improve the effectiveness of nuclear safety regulation by restructuring the Nuclear Regulatory Commission [NRC] and establishing both an Inspector General within the NRC and an independent Nuclear Safety Board.

Title I of my bill would replace the Commission with the Nuclear Energy Regulatory Agency (Agency) headed by a single administrator who would be appointed by the President with the advice and consent of the Senate.

In the aftermath of the accident at Three Mile Island both the Rogovin and Kemeny investigations into the accident recommended replacing the Commission with a single administrator. I know that there are those who believe that the Commission structure provides advantages over the single administrator, but I have come to believe that the Commission's effectiveness as a safety regulator—its primary function—is hampered by the Commission structure itself. I believe that a single administrator would more efficiently manage the agency and more effectively regulate the nuclear industry.

Title II of my bill would establish an Office of Inspector General within the Agency. Inspectors general are a common feature in nearly all executive departments. Although the NRC has established an Office of Inspector and Auditor [OIA] within the Commission, the director of OIA is appointed by the Commission rather than the President and it does not report to Congress on its activities or deficiencies in NRC programs.

The OIA's track record does not inspire confidence in its ability to perform the duties of an inspector general. Both the current director and her predecessor have been investigated for alleged wrongdoings. In 1981 the General Accounting Office issues a report critical of OIA's management and independence and recommended that Congress consider establishing a statutory Office of Inspector General.

Mr. Speaker, we are all aware of the current allegations of misconduct within the NRC. I have long believed that public confidence in the safety of nuclear power depends upon the integrity of the NRC. A statutory inspector general is necessary to restore credibility to and insure the integrity of the Commission.

Finally, Mr. Speaker, title III of my bill would establish an independent Nuclear Safety Board [NSB] composed of three members appointed by the President with the advice and consent of the Senate. The Board would have broad duties and authority regarding the safety of nuclear facilities and activities.

The idea for an NSB gained attention in 1979, in the aftermath of the accident at Three Mile Island when investigations into the accident uncovered disturbing facts. The investigations showed that prior to March 28, 1979 a series of seemingly modest mishaps at TMI and other Babcock & Wilcox [B&W] reactors had resulted from significant weaknesses in the B&W design. Had these events been properly investigated and if the lessons learned had been acted upon, the March 28 accident would not have occurred. TMI thus demonstrated the need to assure comprehensive inquiries into relatively innocuous reactor malfunctions.

Hal Lewis, a physics professor at the University of California at Santa Barbara and an early and articulate supporter of the NSB concept, proposed that an NSB be established to fulfill the need for improved investigations. Our colleague MICKEY EDWARDS, displaying his usual wisdom and foresight, saw the merits of the concept and he enlisted Professor Lewis to work with him in converting it into a legislative proposal.

The underlying rationale for setting up an independent agency was that the NRC, the agency responsible for licensing nuclear facilities and assuring compliance with regulations, could not be fully objective in assessing the causes of reactor malfunctions and accidents. At the same time it seemed to many of our colleagues that the argument for an NSB was not so overwhelming as to warrant setting up a separate agency.

As a compromise between a fully independent agency and reliance for investigations upon NRC line staff, the Commission established the Office for Analysis and Evaluation of Operational Data [OAEOD] within the NRC. Although the OAEOD has served a useful purpose it has not been accorded the stature necessary to assure that the lessons of reactor malfunctions will be incorporated into the Commission's regulations. Potentially dangerous events have continued to occur at operating reactors and the efforts of the OAEOD and other Commission investigating groups have left unanswered the important question as to why neither utilities nor the NRC had detected and corrected beforehand the weak links in the safety chain that caused these events. I believe that an independent nuclear safety board would fulfill this function.

Some of the Nuclear Safety Board's functions would be analogous to the National Transportation Safety Board, which investigates transportation accidents independent of the Department of Transportation [DOT] and recommends corrective measures to DOT. The Board would also assess the adequacy of Federal laws and standards relating to nuclear safety and make recommendations to the Agency and DOE as to specific safety measures which should be adopted.

Mr. Speaker, the time has come to make much needed changes in the NRC so that those responsible for regulating nuclear facilities and activities can concentrate on safety first. My bill, establishing the Nuclear Energy Regulatory Agency, an Office of Inspector General and an independent Nuclear Safety Board, would go a long way toward achieving effective nuclear safety regulation.

I will include in the RECORD a brief summary of the bill.

NUCLEAR ENERGY REORGANIZATION ACT OF 1987 SECTION-BY-SECTION SUMMARY, SEPTEMBER 9, 1987

Section 1 entitles the bill the "Nuclear Energy Reorganization Act of 1987."

Section 2 declares that the purpose of the bill is to enhance the effectiveness of nuclear safety regulation.

Section 3 contains the definitions for terms used in the Act.

### TITLE I—NUCLEAR ENERGY REGULATORY AGENCY

Section 101 is the Table of Contents for Title I.

#### ESTABLISHMENT

Section 102 would establish the Nuclear Energy Regulatory Agency (Agency) as an independent regulatory agency to replace the Nuclear Regulatory Commission (NRC), and to assume all of its functions except for those reserved to the Inspector General in section 207 and the Nuclear Safety Board in Section 312.

#### OFFICERS

Section 103 would mandate a single Administrator to head the Agency, along with one Deputy Administrator and six Assistant Administrators whose functions the Administrator would prescribe. The Administrator, as well as the Deputy and Assistant Administrators, would be appointed by the President with the advice and consent of the Senate.

#### ABOLITION OF NRC

Section 104 would abolish the NRC.

#### TRANSFER OF APPROPRIATIONS, PERSONNEL AND INCIDENTAL TRANSFERS

Sections 105 and 106 would transfer the employees and assets, liabilities and property of the NRC to the Agency, while protecting the salaries of the affected employees.

Section 107 would provide for determinations of incidental transfers of NRC functions and disposition of assets by the Office of Management and Budget.

#### SAVINGS PROVISIONS

Section 108 would cause all effective orders, regulations, permits, licenses, etc. issued by the NRC to remain effective according to their terms.

This section would also (i) establish that this Act would not affect pending proceedings or actions commenced prior to its effective date, (ii) provide for appropriate substitution of parties in such actions, and (iii) subject the Administrator's actions to judicial review to the same extent at NRC actions.

### REFERENCES TO NRC

Section 109 would establish that all references to the NRC in laws, rules, regulations, etc., regarding functions transferred to the Agency, would be deemed to refer to the Agency or Administrator.

## TITLE II—OFFICE OF INSPECTOR GENERAL

Section 201 is the Table of Contents for Title II.

### ESTABLISHMENT

Section 202 would establish an Office of Inspector General within the Agency, to be headed by an Inspector General (IG) appointed by the President with the advice and consent of the Senate. The IG would report to the Administrator or the Deputy Administrator, who could not interfere with the conduct of any audit or investigation undertaken by the IG. The IG may be removed by the President for cause.

Section 202 would also provide for Assistant Inspectors General for Auditing and Investigations.

Section 202(e) would place restrictions on the Inspectors General and Assistant Inspector General, prior to and during their terms, regarding certain financial or employment relationships with businesses involved in the generation of nuclear power.

### DUTIES AND RESPONSIBILITIES

Section 203 would establish the duties and responsibilities for the IG, including:

To provide policy direction for and to conduct audits and investigations relating to programs and operations of the Agency;

To review existing and proposed legislation and regulations and to make recommendations as to their impact on the efficiency of the Agency's programs and operations, and to prevent and detect fraud and abuse in those programs and operations;

To recommend policies to improve efficiency or to prevent and detect fraud and abuse within the Agency;

To act as a liaison between the Agency and other governmental and nongovernmental entities in matters relating to efficiency or detecting fraud and abuse;

To keep the Administrator and Congress fully informed concerning its activities and investigations and to recommend corrective action.

Section 203 would also require that audits be conducted in conformance with the standards established by the Comptroller General of the U.S., and that the IG report to the Attorney General when he has reasonable grounds to believe there has been a violation of Federal criminal law.

### REPORTS

Section 204 would require the IG to prepare reports summarizing the activities of the Office every 6 months. Each report must include: significant problems and abuses discovered; recommendations for corrective action; updates as to implementation of previous corrective action recommendations; a summary of prosecutions referred to authorities and resulting convictions; a summary of reports to the Administrator under section 204; and a listing of every audit report completed.

The reports would be furnished to the Administrator and the Nuclear Safety Board by April 30 and October 31 of each year and transmitted by the Administrator to the appropriate Congressional Committees within 30 days, along with the Administrator's comments.

The reports would be available to the public on request within 60 days after transmittal to Congress.

Section 204 would also require the IG to report immediately to the Administrator those problems, abuses or deficiencies which are "particularly serious or flagrant." The Administrator would be required to transmit such a report to Congress within 7 calendar days, along with the Administrator's comments.

### INVESTIGATIVE AUTHORITY

Section 205(a) would provide that the IG, in carrying out his functions: have access to all relevant documents and materials available to the Agency: investigate, make reports and request information and assistance from other governmental agencies as necessary; have subpoena power (enforceable by court order) to require production of documents and information; have direct and prompt access to the Agency; select and employ such people as necessary; and enter into contracts in amounts provided for in advance in appropriation Acts.

Section 205(b) would require the cooperation or assistance of other Federal agencies upon the IG's request.

Section 205(c) would provide for appropriate office space and equipment at the Agency's offices.

### EMPLOYEE COMPLAINTS

Section 206(a) would allow the IG to receive and investigate employee complaints or information regarding illegal activities, fraud, waste, mismanagement, abuse of authority and specific danger to the public health and safety.

Sections 206 (b) and (c) would protect the confidentiality of the employee(s) providing such information or complaints and protect such employee(s) from reprisals unless their actions were made with knowledge of the falsity of information or willful disregard for its truth or falsity.

### TRANSFER OF FUNCTIONS

Section 207 would transfer the present NRC Office of Inspector and Auditor to the Office of Inspector General, along with any other functions or duties the Administrator may determine are appropriate, except for any program operating responsibilities.

## TITLE III—NUCLEAR SAFTY BOARD

Section 301 is the Table of Contents for Title III.

### ESTABLISHMENT AND COMPOSITION

Section 302 would establish the Nuclear Safety Board (Board) as an independent agency. The Board would be composed of 3 members appointed by the President, with the advice and consent of the Senate, with no more than 2 members from the same political party.

Section 302(b) would place restrictions on Board members, prior to and during their terms, regarding certain financial or employment relationships with businesses involved in the generation of nuclear power or businesses involved in nuclear activities under contract to the Department of Energy.

Section 302(c) would require the President to name a Chairman as chief executive officer of the Board, with organizational and administrative duties. The Chairman would name an Acting Chairman to act in the Chairman's absence.

Section 302(d) would establish terms of 6 years for Board members (with the first Board serving staggered 2, 4 and 6 year terms). All members may be reappointed and may be removed by the President for cause.

Section 302(e) would provide that two members constitute a quorum of the Board and that actions of the Board would be determined by majority vote. Any number of Board members would have the authority to hold hearings.

### GENERAL DUTIES AND AUTHORITY OF THE BOARD

Section 303 would give the Board broad duties and authority including:

Reporting to the President and Congress on the safety of nuclear facilities and activities, including legislative proposals;

Assessing the adequacy and effectiveness of Federal laws, regulations and standards relating to nuclear safety, including reports to the President and Congress;

Investigating events at nuclear facilities, or involving nuclear material, which the Board determines to be significant in terms of potential effects on public health and safety. This would include the power to request the Administrator of the Nuclear Energy Regulatory Agency (Agency) or the Secretary of Energy to investigate such events and report findings to the Board for analysis and recommendations;

Analyzing operational data from any nuclear facility for potential safety implications;

Conducting studies or evaluating suggestions pertaining to nuclear safety;

Making recommendations to the Agency or DOE as to specific safety measures which should be adopted;

Establishing reporting requirements binding on those who are involved with nuclear facilities or nuclear material regulated by the Agency; and

Reviewing and reporting on safety studies and facility license applications referred to it.

### SPECIFIC POWERS OF THE BOARD

Section 304 would allow the Board to hold hearings, take testimony and other evidence, summon witnesses, issue subpoenas, conduct inspections of facilities or property where a significant event (see section 303) has occurred, obtain autopsy and other medical information about deaths occurring as a result of a nuclear accident, and seek enforcement of its subpoenas or other orders in Federal court.

Section 304(f) would prevent any report of the Board relating to a nuclear accident or investigation of the Board from being used as evidence in any action for damages arising from matters mentioned in the report.

### GENERAL ADMINISTRATIVE POWERS OF THE BOARD

Section 305 would allow the Board to obtain official data from other federal agencies or instrumentalities, including material classified or protected from disclosure under the Atomic Energy Act of 1954. This section would also allow the Board to require federal, state or local governmental agencies, or any person engaged in interstate commerce, to respond to requests for information.

Section 305 also would authorize the Board to delegate its authority to employees or agents of the Board, to enter into contracts, to establish liaison with other agencies, to appoint advisory committees and to establish rules and regulations necessary to the exercise of its functions.

### PUBLIC ACCESS TO INFORMATION

Section 306 would require the Board to make all information it receives available to the public, except trade secrets, safe-guards

or classified material, or other information protected from disclosure by law.

### RESPONSE TO BOARD RECOMMENDATIONS

Section 307 would require the Administrator of the Agency or the Secretary of Energy to respond in writing to each Board recommendation regarding nuclear safety within 90 days of receiving the recommendation. Such responses would have to describe the procedures to be used to implement the recommendation or contain a detailed explanation as to why the recommendation was not being adopted. The recommendation and responses would be available to the public.

### CIVIL PENALTIES

Section 308 would require the Board to impose civil penalties for violations of reporting requirements (established under section 303), after written notice and an opportunity for hearing.

### JUDICIAL REVIEW

Section 309 would subject all Board orders to judicial review if appealed within 60 days.

### ANNUAL REPORT

Section 310 would require the Board to submit an annual report to Congress, including:

Finding required under section 303(1) and (2);

A summary of investigations conducted and recommendations made;

An evaluation of Agency and DOE efforts to investigate and prevent nuclear events affecting the public health and safety;

Recommendations for legislative and administrative actions regarding nuclear safety.

### STAFF AND SUPPORT SERVICES

Section 311 would allow the Board to hire a staff of not more than 50 full-time equivalent officers and employees and to employ up to the equivalent of 12 full-time experts or consultants. This section also would allow the Board to borrow, on a reimbursable basis, personnel, facilities, and equipment from other government agencies, and to use the mails like other federal agencies.

Section 311 also would allow the Board to accept donations of services, money or property.

### TRANSFER OF NRC FUNCTIONS

Section 312 would transfer to the Board the functions of the NRC Office for Analysis and Evaluation of Operational Data, and other functions the Administrator deems appropriate except for program operating responsibilities, and the functions of the Advisory Committee on Reactor Safeguards. The Advisory Committee on Reactor Safeguards would be abolished by Section 312.

## TITILE IV—CONFORMING AMENDMENTS AND EFFECTIVE DATE

### COMPENSATION

Section 401 would amend federal executive compensation schedules to provide compensation of the Administrator, Deputy Administrators and Assistant Administrators of the Agency, the Inspector General and the members of the Nuclear Safety Board.

### EFFECTIVE DATE

Section 402 would make the Act effective 120 days after the date of enactment, or on an earlier date if the President so prescribes and publishes in the Federal Register.

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 5 minutes.

[Mr. LUNGREN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

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## REFORM OF McCARRAN-WALTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, today I am introducing, by request, and executive branch proposal to revise the ideological grounds of exclusion of the Immigration and Nationality Act.

My introduction should not be construed as total support, but it is the first step by this administration to recognize that the exclusion provisions of the McCarran-Walter Act are outmoded and in urgent need of revision.

Congressman FRANK has also proposed legislation to revamp the 33 grounds of exclusion (H.R. 1119), including the grounds covered by this bill. His legislation was the subject of hearings by the Subcommittee on Immigration, Refugees, and International Law in 1984 and again this year.

The administration bill will be an important component in the processing of remedial legislation. The Select Commission on Immigration and Refugee Policy in 1981 also recommended comprehensive revision of the grounds of exclusion.

I am pleased to see this significant step by the administration and I look forward to their continued cooperation as the Congress considers necessary changes in this area.

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## SAN BENITO LITTLE LEAGUE ALL-STARS HAVE BANNER SEASON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, It is my pleasure to bring to the attention of my colleagues the marvelous baseball season recently completed by the San Benito Little League All-Stars, who represent San Benito County, CA, in the 16th Congressional District.

The San Benito All-Stars were 1987 champions of northern California and came within one game of going to the Little League World Series in Williamsport, PA. Only a loss to Northwood Little League of Irvine, CA, in the final of the Western Regionals at San Bernardino prevented them from going all the way to the World Series, but not before the San Benito team had defeated squads from Colorado, Montana, and Hawaii to set up their appearance in the regional final.

The team members are Fred Avalli, Anthony Bautista, Jose Castillo, Eddie DeLuna, Anthony Escamilla, Abram Pasillas, Joey Pena, Felipe Quintero, Mikey Razo, Mondo Razo, Mark Salcido, Bryan Smith, Randy Solano, and Chad Stevens. The team manager is Beto Ramirez, and the coach is Alan Thomas.

I would like to include in the RECORD a news article from the Hollister Free Lance which provides some additional background on the San Benito All-Stars' exciting season. I hope my colleagues will find it interesting, and I know they join me in extending heartfelt congratulations to the team.

### THE DREAM SEASON

(By Greg Rudder)

The dream for San Benito Little League's All-Stars is over, but not before 21 games of memories and emotions that will be talked about for years were played.

The Hollister stars finished 17-4, champions of District 9, Section 4 and Northern California. No Hollister team has ever accomplished what the 1987 all-star club did in finishing second in the 14-team, 13-state Western Region of the United States.

In last week's Western Regionals at San Bernardino, SBLL lost 15-0 to Northwood LI, of Irvine in the final before a crowd of 10,000 people. The winner earned a spot as the West representative in the 8-team Little League World Series in Williamsport, Pa.

Manager Beto Ramirez' club matched solid, balanced hitting with three top hurlers. The club was labeled "San Burrito" by some misguided opposing fans at the sectionals in Mission San Jose and the "Eliminators" after coming back from the losers' bracket to win the NorCal crown. All in all, the stars were made of a lot beef.

The squad of 13 12-year-olds and one 11-year-old buried the ghost of the 1983 SBLL All-Star team, which lost in the NorCal final.

Not only did the boys learn a lot more about themselves and baseball from the tournament exposure, but they also were able to visit Disneyland, go to a professional baseball game at Angels Stadium and live life on the road away from home for about two weeks. They meet many new friends.

During all-star play, SBLL ripped 23 homers and relied on the pitching of Jose Castillo, who was 7-1 on the mound, Mikey Razo (6-2) and Anthony Bautista (4-1). Ironically, in the end, the Hollister stars—weary and tired form an active pressure-filled slate of games including nine in nine days at one point—ran out of pitchers for the regional final.

Right fielder Mondo Razo ripped seven homers in the tourneys and smacked three roundtrippers against Billings Heights Nationall LL of Montana at the Western Regionals. Third baseman Abram Pasillas smacked four homers.

Through each step and level of the all-stars' play, there always emerged a new hero, Castillo pitched four straight complete games through the hardest part of the rise. Mondo Razo ripped the three homers in one game. Catcher Anthony Escamilla won two games with thrilling late-in-the-game homers. First baseman Chad Stevens knocked home a winning run and injected adrenalin into a "flat" Hollister team at the NorCal tourney. Mikey Rizo hit a homer and was one walk from a perfect game in the Western Regional opener. The list can go on.

It was a season of highs—peaks that were almost obscured by how often and many games the stars had to play and win—culminating with the club finishing just one 8-inning win short of a trip to the Little League World Series.

## REPORT ON TESTIMONY HEARD JULY 27 IN MIAMI, FL, BY THE COMMITTEE ON EDUCATION AND LABOR

The **SPEAKER** pro tempore. Under a previous order of the House the gentleman from Indiana [Mr. Jontz] is recognized for 60 minutes.

Mr. **JONTZ**. Mr. Speaker, I have requested this special order so that my colleagues and I might come before the House to report on the testimony we heard last July 27 at a hearing held by the Education and Labor Committee in Miami, FL. Representative Owens of New York, Representative Hayes of Illinois, and I traveled to Miami to hear testimony from average working people: telephone workers, airline pilots, flight attendants, airline mechanics, bus drivers, and construction workers. The common element connecting their stories was that they were all, in one way or another the victims of the economic policies of our Federal Government.

Now we have often heard over the past several years about victims of Federal Government policy. We have heard most often about the businessmen, the corporate citizens, overwhelmed by Government forms or plagued with Government requirements. No doubt some of those victims deserved relief. However, the victims we heard from in Miami were different. They were the average working people who have suffered the brunt of the administration's policy. And they deserve help too.

In 1981 when President Reagan took the helm, he began instituting a wide range of policies designed to release American business from the fetters of Government regulation. The President's theory was to get the Government out of the way of business and let the free market work.

The administration's approach rested on three major tenets: deregulation, privatization, and investment and regulatory policies which allow and promote unrestrained mergers, buyouts, and acquisitions by corporate America. Last week in Miami, we heard evidence of the drastic effects that these policies have had on working people and the American public.

That testimony was helpful, first of all, in pointing out how the public suffers from the current climate with regard to working people in this country; how the public suffers from unsafe buildings and unsafe buses, from higher taxes, from delays and risks in the airline industry. There is no question that the public is paying a very high price for these policies which the Federal Government is now pursuing.

The testimony also pointed out how individual workers and their families pay a high price for these policies. The death of a construction worker, the stress put on an airline pilot, setbacks for Hispanic and black employees: It is clear that the individual worker is bearing much more of the burden than should be the case.

Those testifying perhaps emphasized less the economic cost than some other kinds of costs that workers are paying; which is good because it is all too easy for us to put these things in solely economic terms. But it seems to me, coming from the Midwest, that when you have a loss of good jobs, when you have a two-tiered compensation system for flight attendants, when you have layoffs and people working only part time, that we all pay a great deal from the perspective of our national economy.

In my district we produce lots of things, from popcorn to automobiles. Probably anyone who has bought an American-made car has a part in it coming from my district. When people who live and work in Miami are not earning a good income, that diminishes their capacity to purchase those products.

On the other hand, when we lose those good jobs in Indiana—and we have lost about 150,000 manufacturing jobs since the late 1970's—that reduces our ability to get on an airplane and travel to Florida and contribute to the economy there. So the entire country suffers when a worker is set back anywhere. When a worker is laid off or hired at a lower wage or when an experienced worker quits his job because of stress and takes another job at a lower wage, the entire country suffers.

Our country needs good jobs. We do not need workers and their families subjected to the stress and the difficulties we heard described in Miami. I would not describe those jobs as good jobs. I think we should have a system politically and economically in this country where Americans have a chance to work hard at a good job.

One of the major subjects of our Miami hearing was deregulation of the airline industry. Deregulation has brought low airfares for those people who live in the largest cities, who fly between 11 a.m. and 3 p.m., Tuesday through Thursday, stay over Saturday night, and buy their ticket in advance forfeiting any possibility of a refund. For many others deregulation means higher fares, cancellations, flight delays, lost luggage, and decreased safety.

For airline employees, deregulation has lengthened working hours, cut pay and benefits, canceled pension funds, and disrupted labor-management relations. Many employees have lost their jobs outright through layoffs, mergers, or lockouts. Many others have been stressed to the breaking point resulting in deteriorating health, breakup of their families and, in some cases, suicide.

We listened, in Miami, to the testimony of a flight attendant who was disciplined for missing work after being assaulted, raped, and held hostage in her apartment.

We also heard an Eastern mechanic with 7 years seniority who lost his job because he missed work for 1 day and 5 minutes due to a diabetic condition.

Probably most disturbing of all, we learned of a pilot required to fly a plane he considered unsafe.

Texas Air's approach to labor relations at Eastern has resulted in a dramatic rise in employee grievances, disciplines, and terminations.

Texas Air is going after its Eastern employees through their pocketbooks too. Although Eastern has been profitable in the first two quarters of 1987, management is now planning to cut wages and benefits by $490 million. This reduction is in addition to $238 million in concessions already made by flight attendants, pilots, and other employees.

At the same time we should ask whether, even if the brunt of deregulation has fallen hardest on airline employees, does the public have a better, safer, cheaper air transportation system today? No Member of this body who depends on air transportation to and from their district will think twice about that answer.

Robert Crandall, chairman of American Airlines, has recently called on Congress to enact a "bill of rights" for employees in the airline industry. He reasons that such a law would prevent carriers from competing at the expense of their employee's wages, benefits, and job security. He specifically called on Congress to mandate pension programs and medical coverage for retirees. I agree with Mr. Crandall.

The second industry addressed at the Miami hearing was the telecommunications industry, in particular the divestiture of AT&T, and its effects on employees. Since divestiture, jobs in basic telephone service have been reduced at the rate of 5 percent a year, more than 53,000 jobs in an industry which is expanding. These reductions means a reduced commitment to quality telephone service. There are simply fewer telephone workers to take orders, test lines, perform repairs, answer billing questions, install new service, or do the other jobs necessary to the maintenance of quality service. At the same time, basic telephone service rates have escalated sharply.

The human toll of divestiture is not limited to lost jobs. A never ending program of job shifting and consolidation has made insecurity a way of life for telephone employees. We heard from Thomas Carrao, a 17-year employee at an AT&T Miami distribution facility. When the decision was made to close that facility, Mr. Carrao was denied transfer to a comparable job in Atlanta while other less senior and lower paid Miami employees were

transferred there. Mr. Carrao was instead offered the choice of a job in Orlando at half his current salary or layoff.

Unable to support a wife and four children at the lower paying job, Mr. Carrao was forced to look for work elsewhere. After weeks of frustration looking for a job at a decent wage, Mr. Carrao began drinking heavily, and his wife suffered a nervous breakdown.

Fortunately, he finally found a job with a company contracted to AT&T. Mr. Carrao was highly qualified for this work; it was the same job he'd worked before his layoff. The only difference was the salary was 25 percent less.

This kind of story has been repeated across the Nation. In my district, David Musall of Marion had 14 years with Indiana Bell at the time of the divestiture, and he was transferred to ATTIS—AT&T Information Services—in Fort Wayne. He sold his home and moved the 50 miles to Fort Wayne. Two months later he was laid off from the Fort Wayne job and offered a job in Carmel, IN, 100 miles in the other direction.

Again, a Federal policy promoting the unfettered decisions of corporate America made no provision for the devastation heaped on the lives of American workers.

Another of Federal policy we looked at was privatization, the transfer of traditional Government sector work to private industry.

Testimony we heard in Miami illustrates that contracting out work frequently costs more, not less than apparent savings are often an illusion because many real costs are not considered. A new layer of bureaucracy is created to deal with the bidding process, administering the contract, and monitoring results.

We heard testimony about the Metro-Dade Transit System where the push is on to contract out mechanical repair. Management says that inhouse inventory costs are too high and turnaround time on repairs is too long. Yet, the employees testified that the high in-house costs result in large part from the necessity of reworking repair jobs returned from contractors.

Theoretically, it may be possible for Government to spend a similar amount of money to provide similar services either directly or through a contractor. However, when Government does the work itself, it is more likely to create a number of jobs for middle-class workers with the attendant fringe benefits. In the private sector, on the other hand, adequate salaries and fringe benefits will likely be sacrificed to provide greater profit for the contractor company. Jobs with lower wages and benefits are created, and middle-income jobs are eliminated.

When you come from the Midwest as I do, the economic problems we face often seem synonymous with those of the auto and steel industries, industries short on capital, long on outmoded capacity, and faced with growing international competition. I think, perhaps, when we see these problems we tend to look at the trade bill and say, well this is the answer. But, in fact, privatization, corporate mergers and acquisitions, and deregulation are affecting us too, and the Miami hearing certainly helped to broaden my perspective on the problems working people are facing.

I would like to put forward another idea as a way of looking at these problems. That is the idea that we ought to try to get Government back on the side of the average citizen. It seems to me that what we heard in Miami were stories of people who were quite willing to go out and put in a fair day's work to try to make a better life for themselves and their families, but who were thwarted—not because they were not willing to make the effort—but because the rules were stacked against them.

Under these circumstances, I think we have to ask is our Government functioning to help the average citizen, or is the Government standing in the way of the average citizen?

Clearly, in these cases, where we see the effects of deregulation and privatization, and the effects of a national labor relations system that is not working, and all of the other situations we heard testimony on, Government is not on the side of the little guy.

Maybe too often, Mr. Speaker, we get caught in the wrong debate when we try to move new legislation. Whether it is on plant closing, or family leave, or whatever, we get accused of trying to bring about more Government; that we are trying to increase the role of Government, and we know that that is not a popular thing.

I would suggest that what we ought to do is reframe these questions into a debate over whose side is the Government going to be on? Is our Government going to be on the side of the flight attendant? Is our Government going to be on the side of the mechanic? Or is this Government going to side with the vested interests, who certainly do not need another, extra, voice? They have plenty of means to get their point of view heard.

I think that one idea this country was founded on was the idea that the Government exists to further the rights and well-being of the average citizen. That when the average citizen does well, the country does well.

No, Mr. Speaker, the overall effect of deregulation, privatization, and merger mania has not been to revitalize American industry. The effect has been to degrade work in America. The strength of America has always been vested in its middle-class working people, in their aspirations for a better future for themselves and their children. Today we are frustrating those aspirations, and in doing so we are gambling with our future.

We seem to have forgotten how much the well-being of our Nation depends on the strength and welfare of its working people. In the name of free enterprise, we have allowed the protections of our labor laws to lapse. We have adhered to a philosophy which praises the entrepreneurial spirit, but ignores the social cost. For our efforts we have reaped a stagnant economy where the gap between rich and poor is widening; an economy where the standard of living of the American worker is slipping backward, and where parents can no longer assume a better life for their children.

Thank you, Mr. Speaker.

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Mr. Speaker, I yield to the gentleman from Illinois [Mr. Hayes] for the gentleman's comments on our hearing.

Mr. **HAYES** of Illinois. Mr. Speaker, I thank the gentleman for yielding.

I rise today with my distinguished colleagues, Major Owens and Jim Jontz, to share with all the Members of the House of Representatives a short summary of the Committee on Education and Labor's hearing in Miami, FL, on July 27, 1987.

The Industrial Union Department of the AFL-CIO coordinated "Jobs With Justice" campaign with the active participation of eight major affiliates. Their campaign is aimed at exposing and correcting growing corporate abuse of American labor law which has had very serious consequences for millions of American working people. The hearing explored and documented corporate threats to the employment security and existing living standards of working people. Some of the testimony focused on corporate America's offensive on the right of working people to organize to protect these fundamental rights.

The Miami hearing also focused on the impact of deregulation on working people, labor-movement relations, and the community. Many prominent union leaders and economists gave testimony on the impact of deregulation on their members, followed by individuals who shared their personal experiences and suffering as a result of deregulation in their industry. Among other things, the witnesses stated that:

While Texas Air and Eastern are spending hundreds of millions on takeovers, they have asked and received permission from the IRS to forego their $70 million pension payment which they owe to their employees' pension funds. Why must retired workers subsidize corporate profits for shareholders?

Deregulation has led to insignificant deterioration of labor relations, the quality of workers' lives, and threatens the economic welfare of the entire community.

Pilots at Continental are stripped of human dignity and are intimidated into signing documents stating that they are happy employees.

Black or Hispanic transit workers are forced to work 14-hour days without lunch—paid or unpaid—whose pay will be cut by $6,000 per year as a result of privatization.

A Gainesville maintenance mechanic earned a middle-class living until his work was privatized. As a result, he continued in the same job, in the same work location, earning near minimum wage. The private contract experiment failed and the worker started as a public employee again at the bottom.

Middle-age telephone workers with 20 years' seniority are now facing uncertain futures as a result of deregulation.

Members of the Committee on Education and Labor and other Members of Congress have become increasing aware of the recent negative impact of corporate mergers, acquisitions, buyouts, and sellouts, that have resulted in an increasing hostile environment for the working people in America.

Many of those who advocated deregulation of particular industries argue that deregulation would produce economic opportunities for more companies to participate in rewards and profits of American business. It was suggested that this greater corporate participation would increase the number of new jobs created and raise wages of working people.

Early in 1986, as part of the take over at Trans World Airlines [TWA], concessions were sought and agreed to with several of the unions, but the negotiations with the Independent Federation of Flight Attendants [IFFA] fell apart when twice as much in salary reductions and increased workloads were demanded. In a recent hearing held by the Subcommittee on Labor-Management Relations, Committee on Education and Labor, Victoria Frankovich, president of IFFA, stated that Mr. Icahn stated that "flight attendants did not need the money because they were 'second income' earners and not 'breadwinners' like the male employees." IFFA has about an 85-percent female work force and many are single-parent households. I find Mr. Icahn extremely insensitive to the needs of working women, in particular and working people in general.

I believe that it is a very important part of our oversight responsibility to be sure that the laws enacted by the Congress are being implemented in the manner intended by the Congress. It was not our intent to create a business environment where the rights of working people to negotiate and bargain collectively with an employer would be eroded. These field hearings provided a focal point for the growing concerns and need of American working people.

The "Jobs With Justice" campaign asks for three simple opportunities:

The right to job security for all American workers, both union and unorganized;

The right to an adequate and fair standard of living; and

The right to organize on the job.

America is wealthy and powerful. There is enough opportunity for business and working people to prosper in this positive environment. But I am concerned by the increase of these negative incidents in the American business world. I want my colleagues and the American people to know that concerned Members of Congress are becoming increasingly aware of the plight of working people and we stand firm in our resolve to protect working peoples rights.

Mr. Speaker, in addition, I would like to include a copy of the Communications Workers of America, AFL–CIO, CWA News, "The Faces & Stories Behind Jobs With Justice" dated August 1987.

The article referred to follows:

[From CWA News, August 1987]

### CWA, Union Leaders Kick Off "Jobs With Justice" Campaign

CWA President Morton Bahr and the leaders of some of the nation's largest labor unions held a news conference on June 23 to announce the kick-off of "Jobs with Justice: A Campaign for Workers' Rights."

The campaign, aimed at restoring workers' rights, will focus on local actions. Union members throughout the country will be circulating cards asking co-workers to pledge to participate in five workers' battles during the last year.

The unions are calling for the right to job security for all American workers, both union and unorganized; the right to an adequate and fair standard of living; and, the right to organize on the job.

"For far too long workers and their unions have been on the defensive," Bahr declared. "Well, today we draw the line and say, enough is enough.

"There are 15 million American workers organized in unions. We're asking these workers to sign a pledge, to make a commitment," Bahr explained. "The pledge is simple, it says, " 'I'll Be There at least five times during the course of the next year to support other workers' battles for justice as well as my own.' "

United Auto Workers (UAW) President Owen Bieber said that the Jobs with Justice campaign is designed "to mobilize, agitate, and educate" the American public. He said, "The time is now to act against unfair trade competition, plant closings and corporate takeovers which devastate lives."

Bieber stressed that the goal of the campaign, which is being spearheaded by the Industrial Union Department (IUD) of the AFL–CIO, is to mobilize tens of thousands of union members and all workers into a positive campaign to restore workers' rights.

International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (IUE) President William Bywater said, "Corporate America is involved in an onslaught against working people. We have all witnessed and felt the erosion of workers' rights in this country over the last decade. But, the American people are waking up, there is a change of attitude."

By joining in these actions, union members and the general public "can demonstrate support for a positive vision of Americans' future for themselves and their children," noted Bywater.

The union leaders explained that the campaign would consist of a series of activities including rallies and congressional hearings, to build unity and support for workers' rights.

Richard Trumka, president of the United Mine Workers of America (UMW), added, "Our way of life will not be maintained by a national policy that decrees, by design or default, the destruction of millions of jobs in our basic industries, and their replacement by dead-end, minimum-wage employment that can only bring poverty to American working people."

Bahr emphasized the goals of the campaign:

To raise the issues important to working people to the front burner;

To mobilize tens of thousands of workers around the country through the "I'll Be There" pledge; and,

To call for a series of activities including rallies and congressional hearings throughout the country to help build unity and support for workers' rights.

In conjunction with the Washington, D.C., news conference, a Jobs with Justice rally, led by the International Association of Machinists (IAM), was held in Miami. The rally was called to demand congressional hearings into worker abuse and to draw public attention to the erosion of job security and the standard of living in Florida.

Over 3,500 union workers, in coalition with community and religious organizations, attended the noon demonstration at Eastern Airlines on June 23.

"I'm glad that Miami has been chosen as the launch site for this campaign. Good, secure jobs have been disappearing rapidly in that area of the country," said IAM President William Winpisinger. "Miami's economy is heavily dependent on the airline industry. Workers and communities all over South Florida have seen the devastating effect of opening our skies to pirates like (Eastern Chairman) Frank Lorenzo and the like."

Florida AFL–CIO President Dan Miller, addressing the press conference via telephone from the rally in Miami, reported, "There is something very powerful going on here. Today's action was great, but it is just the beginning."

Miller noted that 63 unions and 23 community, religious, women's and civil rights organizations were involved in the Florida rally. "We have touched a nerve among workers in this city," he declared.

The next action is also planned for Miami where a mass rally will be held on July 29 during CWA's annual convention.

Other unions supporting the campaign are: American Federation of State, County and Municipal Employees (AFSCME), Amalgamated Clothing and Textile Workers Union (ACTWU), Service Employees International Union (SEIU), Transport Workers

Union (TWU), United Food and Commercial Workers Union (UFCW), United Paperworkers International Union, and United Steel Workers of America (USW).

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[From CWA News, August 1987]

### Hard Hit CWA Members Tell Why We Need "Jobs With Justice"

#### WE'RE READY TO FIGHT BACK

Jobs with Justice demands:

The right to job security for all American workers, both union and unorganized;

The right to an adequate and fair standard of living;

The right to organize on the job.

CWA is part of "Jobs with Justice," a nationwide coalition of labor unions, religious, civil rights and women's organizations, community groups, elected officials, and other citizens working together to build unity and support for workers' rights in America.

As the following personal CWA members' stories demonstrate, no one is safe from today's management tactics, no matter what their age, years of service, or job status. Some workers are losing secure jobs through divestiture and deregulation. Others are seeing their jobs contracted out to lower-paying, non-union firms. Still others are facing continual employer pressure for contract concessions.

These stories are representative of the millions of workers whose living standards and ability to provide for their families are under attack by a new generation of corporate robber barons.

#### AFTER DIVESTITURE: ONE WORKER'S ODYSSEY

Tracy Stintzcum grew up in a Bell System family, with her mother and stepfather each having more than 25 years of service with Bell of Pennsylvania. So it was only natural that, in 1974, she went to work for that company as a storekeeper.

"I grew up with the idea that working for the phone company meant that you did a good job and in return you had some security," she said. "But with divestiture, that sure has changed."

For more than eight years, Stintzcum worked happily for Bell of Pennsylvania, enjoying the positive work atmosphere that strong union representation created. Then for personal reasons she moved to Arizona and her trouble began.

Despite her years of experience, Mountain Bell wouldn't hire her. "They said things were too uncertain because of divestiture coming," she recalled.

Eventually, she found a job with AT&T in Denver as a general clerk, sorting mail for customer billing. The company said it couldn't give her any wage credit for her past Bell System service, and that seniority credit for other purposes would not be added for five years.

"I had been making $450 per week at Bell of Pennsylvania," Stintzcum said, "and now I was getting less than $200 per week."

In December, 1984, she transferred to a Customer Service and Support Operations center, handling repair service calls. But AT&T soon closed the center and moved the work to Dallas.

"Since I was considered to be low in seniority, I didn't have many options for work in Denver, so I took a job with ATT–COM as an operator, with another pay cut of $25 per week," she said.

Next, ATT–COM began to circulate papers for operators to transfer to Mountain Bell as part of the reorganization resulting from divestiture.

"After the papers were all signed, they told us we actually would be working for a new, unregulated subsidiary called Mountain Bell Service Link," Stintzcum said, "I also found out I was stuck with another pay cut." (Ed Note: CWA is protesting this pay cut.)

"It is not just the lower pay and the fact that if there is a layoff today I am considered to have three years seniority rather than fourteen. But, the whole attitude of management has changed a lot too."

Stintzcum's first job with AT&T in Denver was non-union, and she remembers working there as a "nightmare. There was no such thing as due process," she said. "Discipline was applied left and right without any sense of fairness."

Stintzcum helped organize the data center, and became an area representative after the election. "I can remember giving a grievance to a supervisor and having him ball it up and throw it in the trash," she said. "Another time I insisted that we get a relief period when we were working six hours of forced overtime, and they tried to put something in my file accusing me of starting a work slowdown.

"In a lot of cases the philosophy of 'treat people well and they'll work hard' seems to be gone," she added. "Even though out west here we're surrounded by right-to-work country, we have to take on the challenge of organizing people, because that's the only way we can protect ourselves."

#### BATTLING RACISM AND "PRIVATIZATION"

For 20 years, Jerlean Hunt has been serving the food for banquets at Stephen F. Austin University (SFA) in Nacogdoches, Texas. The typical banquet she serves is organized as a thank-you to people active in school or civic organizations.

But there is never a thank-you for Hunt and her co-workers. Instead, the university has contracted out their jobs. While they were able to work through CWA to win promises of continued employment, their pay has been cut and dozens of workers have been fired or forced to quit by management harassment tactics.

"When I first hired in at the cafeteria, I was young and I didn't know anything about my rights," Hunt remembers. "I was bringing home maybe $100 a month, and that was that. Later on, some of the people filed a lawsuit over discrimination, and that brought a lot out into the open."

The lawsuit showed that black and female workers were not given promotional opportunities, but instead were used to train white males for higher paid positions.

University personnel officials even were told to circle the "n" in Stephen or Austin to indicate a "Negro" job applicant. Those applicants then were offered only low-paid jobs.

"I went to a meeting in November, 1983, where we decided to organize a committee of the Texas State Employees Union (an affiliate of CWA)," Hunt recalls. "TSEU helped us reach a settlement of the discrimination lawsuit and set up a system to enforce it."

The settlement is expected to bring the workers about $15 million in back pay. Job openings must now be posted and career ladders developed.

Throughout 1984, TSEU committee members successfully gained the support of other workers and monitored management practices on the job. The university responded in January, 1985, by announcing that it would contract out the food service operation to ARA Services, a private firm, even though the existing work force was generating up to $1 million per year in revenue. This tactic of "Privatization" has become popular among public employers throughout the nation, threatening the jobs of many of CWA's 80,000 public worker members.

TSEU members responded with a grass-roots campaign of lobbying university officials and the legislature, educating the news media, building a coalition with groups like the local NAACP and NOW chapters, and demonstrating solidarity on the job.

"Through the union, we were able to win an agreement that ARA would use the same people and preserve our pay and working conditions, but the university hasn't made them live up to it," Hunt reported.

"They kept my pay rate the same, but for most of us they cut our hours way back, and they did things like not paying us for breaks anymore, so my paycheck is about half what it used to be. I'm working another job too, as a maid in private homes, or my husband and I would really be in trouble," says Hunt.

ARA has cut the work force in half through a variety of tactics. Workers were fired for going on maternity leave or using their sick leave rights. Others were subjected to harassment that forced them to quit.

"As they started to cut back on the help, people were having to do the work of two or three jobs at a time," Hunt said. "My brother-in-law had his supervisor riding him all the time, saying 'you are going too slow.' "

"Then they cut his hours to about 12 hours a week, and he had to quit. He has a family with a bunch of kids, and he's been looking for another job now for a year and a half. They're just getting by on his wife's salary."

With the work contracted out, the university claimed that TSEU couldn't represent the workers because they weren't state employees. The workers then collected 124 out of 142 cards asking the National Labor Relations Board to hold an election so ARA would have to bargain with CWA. But ARA argued that the NLRB did not have jurisdiction, and the union's petition was tied up for nearly two years of NLRB proceedings.

Finally, the NLRB scheduled an election for July 15.

[Editors note.—As the CWA News was going to press, the NLRB once again delayed the election for at least a month as a result of further management stalling efforts.]

"Since the election date was announced, we've been visiting everybody at home to talk about the union," Hunt said. "The first time I walked into somebody's house like that, I was kind of shy, but now I'm used to it and it's fun. People see that we've all got the same problems.

"We've given the university our best service for a long time, but they didn't appreciate it. No matter how long it takes us, we're going to keep working through the union until they start treating us right."

#### BEATING UNION-BUSTERS "BY THE BOOK"

On Monday morning, March 2, as the early morning sun rose on San Francisco Bay, Ken Collmer and his fellow customer service technicians reported in for what they knew would be a very unusual work day.

To start with, their employer, PacTel InfoSystems, wasn't expecting to see them. With their contract having expired the previous Friday, the company thought it had provoked a strike and had replacements on the scene ready to work.

Ignoring the scabs. Collmer and the regular technicians prepared to do their normal duties—but with a difference. Always a highly committed, dedicated group of workers, the techs came to the job this day having decided to do only what was required . . . no more, no less. There would be no extra effort, no favors for the company, no shortcuts, no overtime.

"We had a more effective strategy than a strike in this situation," said Collmer, "and considering what the company was trying to pull on us, we had no choice but to do something."

The dispute began in November, 1986, when the Northern Telecom western sales and service operation, whose technicians were represented by CWA Local 9415, was purchased by Pacific Telesis.

Telesis, which employs more than 44,000 CWA members, bought the Northern Telecom operation through its unregulated subsidiary, PacTel InfoSystems (PTIS).

Telesis and its regulated subsidiary, PacBell, claim to be model employers with a philosophy of "cooperation" with workers and their unions. But when negotiations began on a new bargaining agreement to cover the PTIS technicians, management made demands which would destroy the union contract.

For example, their proposals would have given management near-total control over working conditions and work rules, essentially eliminated seniority rights for layoffs and job bidding, eliminated management's duty to provide specified training, and allowed individual workers to enjoy the benefits of union representation without paying dues.

"We wore buttons to work to show we were solidly against these kinds of changes, and two days before the contract expired we had a demonstration at Telesis headquarters," Collmer recalled. "The company saw that the strategy of beating us at the bargaining table wasn't going to work."

The next day, management broke off negotiations and filed a petition with the National Labor Relations Board, claiming that an election should be held to see if workers wanted CWA representation. The voters, in addition to the 92 technicians, would include more than 90 non-union service managers. A quick election involving service managers who had no previous contact with the union appeared to be a surefire way to eliminate CWA entirely.

"We had a membership meeting to discuss our options," said Collmer, who serves as a CWA steward. "The company seemed to want a strike, but we didn't think that would be in our best interest. So we came up with our CPR plan."

*First-Aid Against Union-Busting.*—CPR stood for "Creative Persistent Resistance," a program of non-cooperation with management.

"We stopped taking our trucks home at night, and instead made the company inventory everything at the end of each shift and again when we went out the next day," Collmer said.

"So if I had a job 80 miles away, by the time I actually got there it might be 11 o'clock, and then I'd have to stop at 2 o'clock to be back in time to return the truck."

Other elements of the CPR program included grieving every violation of the contract or past practice, refusing overtime, using personal days and vacation time, and refusing to do tasks which should be management responsibilities.

"This tactic of just going by the book was a new concept for us and it wasn't easy to do, believe me," Collmer said. "It puts a lot of stress on people, because everybody feels much more comfortable doing the best job they possibly can for the customer. But we realized that we couldn't serve the customers in the long run if our contract was destroyed."

In addition to the on-the-job pressure, the technicians organized support from other CWA locals throughout District 9. Unions in San Mateo County, for example, persuaded the county board of supervisors to hold up a $40,000 contract with PacTel. A potential $2.5 million job upgrading the county's communication system was also in jeopardy.

After an eight-week campaign, and just days before demonstrations were to take place at Pacific Telesis' annual shareholders meeting, management agreed to a settlement.

The technicians won an extension of their contract plus a retroactive wage increase. A union representation election involving the technicians and service managers was set for August, giving CWA members time to campaign. The company also agreed that it couldn't stack the voter list with new hires or make threats or promises to discourage unionization. A neutral third party was chosen to oversee the election.

CWA supporters like Ken Collmer are now busy visiting the service managers at home to discuss the need for unity.

"We're working hard at listening to them and giving them facts, because we figure that if Pacific Telesis can get rid of CWA on the deregulated side, the next step will be to go after the union on the regulated side as well," says Collmer. "We've got to show right now that CWA members are not going to accept that."

### A CRUEL CHRISTMAS GREETING FROM MCI

Karen McJimpson had big plans for the holidays last Christmas. Earlier in the year, she and her 10-year-old son had finally moved into a house of their own after years of renting apartments around the Detroit area. It was going to be a special Christmas season, topped off with a trip to California to visit family.

Her income of about $16,000 per year as a salesperson for MCI wasn't what she once made as an installer for Western Electric, but she had saved what she could.

Then, on Dec. 2, as she and several hundred co-workers were completing their work day, they were told to report the next morning to meeting rooms at one of six area motels. There, they were told that they were fired as of that moment.

"The meeting only took a few minutes," McJimpson recalled. "We'd been trying to get the union in so we'd have some rights, but without that there really wasn't much we could say."

About 3,000 MCI workers were fired in the Christmas Massacre. The company chose to include McJimpson and her telemarketing colleagues among their targets, only a few days after management had been notified by the National Labor Relations Board that the workers had filed enough cards to force an election for CWA representation.

McJimpson had been a strong supporter of the CWA organizing drive. "I had been a CWA member for three years at Western Electric, and during that time I found out what it means to have a union," she said.

#### *Value of Union Representation*

"When I was hired around 1979, there were very few women hired as installers, and management gave us a very hard time. At one point, I was fired for refusing to do work that a doctor had said not to do because of a back injury I'd had on the job.

"For seven months I had no income, but the union got everything back—my job, my back pay, medical expenses, everything. We also had problems getting women promoted, and the union stepped in a number of times and won grievances on that."

After being laid off by Western Electric, McJimpson searched for three years for a job as an installer, making ends meet in the meantime by working at a department store, drug store, and similar jobs.

Then she heard that MCI was interviewing.

"They told me that if I was willing to start in telemarketing, in a few months they would move me to installation," she said. "That was the first of many promises they never kept."

Besides the lower pay and benefits, McJimpson was struck by the lack of enforceable rights in the non-union environment. "There were no guidelines, not even an employee handbook," she said. "There was a quota system for how many sales you had to make per month, but the quota changed whenever they felt like it. There was no set attendance policy, guidelines for promotion, or anything like that."

The union card-signing campaign forced the company to withdraw the quota system temporarily, but when it was reinstated, workers asked CWA to file for an NLRB-supervised election.

Then came the firings, and CWA officials launched efforts to assist the workers. They established a relief fund, made plans to arrange training and assist with job placement, and helped workers obtain unemployment benefits. The union filed NLRB charges over the firings, and drew national attention with a rally led by Rev. Jesse Jackson and U.S. Rep. John Conyers.

McJimpson and many of her coworkers have continued their connection with the union by signing up under CWA's new Associate program.

While on unemployment, McJimpson took classes in computer technology and attended more than 25 job interviews.

"The problem is that most of the jobs that are available these days are minimum wage or close to it, and you can't live on that," she said. "They keep looking at past jobs I've had and say, 'You realize that we're not going to pay you what you've been used to making.'

"I can't understand this system of ours," she said. "It seems like for someone like me who wants to work and has some skills and experience, there ought to be a decent job."

### ZURBRUGG: CASE STUDY IN UNION-BUSTING

At age 54, one of Betty Watson's big worries is that she will become a burden to her two grown children who live nearby in Burlington County, N.J.

She has been out of work since April, when she was fired from her $5.14 per hour job servicing bathrooms at Zurbrugg Memorial Hospital.

"I was actively working to get people to sign cards so we could vote in the union," Watson said, "so management found a reason to get rid of me. Now it's a question of how long it will take the Labor Board to review the charge we've filed."

Watson went to her first CWA organizing meeting last year, shortly after management cancelled raises for workers with 10 or

more years of service and reduced pay increases for others.

"Someone had asked the company vice president how people with many years of seniority were supposed to live without any pay increase, and he said, 'They can always leave if they want to make more money.'" she recalled.

"That was the way we were treated—we were nobodies, and if there was a problem, it was never resolved in our favor."

Watson became convinced that she and her co-workers needed CWA representation.

"I tested CWA * * * I watched to see if they lied to us, if they made promises they couldn't keep, because I know unions aren't necessarily perfect," she said.

Impressed with what she saw, Watson gave the campaign her full support. "I understood that a union is only as good as what the people themselves put into it," she said. "You can't sit at home, watch TV, stay silent, and expect things to change.

"There were a lot of times when I'd been working hard all day and I didn't feel like going to meetings, but I believed in what we were doing so I went."

To help coordinate its anti-union campaign, the company hired a $200 per hour law firm.

Management threatened to close the hospital or lay off many of the workers, and even stooped to trying to stir up racial trouble to divide the work force, Watson said.

Despite the intimidation tactics, 300 workers voted for the union, but an identical number voted against. CWA supporters decided to circulate new cards to set up a second election.

"After we started getting new cards signed I went on vacation," Watson recalled. "When I got back, management said they didn't have the form they had signed giving permission for me to be gone, and they fired me."

While the National Labor Relations Board considers her case, Watson is continuing to actively support the organizing drive.

"You're not going to break me over a $5 an hour job," she said. "I've been working since I was 12 years old and I've learned two things. One is that the only reason management is there is to make money. That's all they worry about.

"The second is that all the stuff about people in this country having 'freedom of this' and 'freedom of that' is just propaganda to keep the common people satisfied. The fact is that the only freedoms we have, the only rights we have, are the ones we organize for."

If she can't get her job back, Watson said, she and her husband will face a difficult decision. "I'd like to stay near my grandchildren, but we might have to move to Florida where my brothers and sister live," she said.

"But I can tell you this * * * no matter where we go I'm going to be involved with the unions. They're all we have."

**Mr. JONTZ.** Mr. Speaker, I yield to the gentleman from New York [Mr. OWENS], a member of our Committee on Education and Labor, who was present at the hearing in Miami.

**Mr. OWENS of New York.** Mr. Speaker, I thank the gentleman for yielding.

I would first like to commend the gentleman from Indiana [Mr. JONTZ] for coordinating this special order on Jobs with Justice.

The story needs to be told. The American people have no idea of what our workers are going through; and this is only a prelude, only a preamble of what is to come.

Every American worker is threatened by the attitude of this administration, by the accepted norms of the business world.

We have entered a whole new phase in America. Today we voted on a bill related to textiles. We have had debate all afternoon with respect to the problem of the flight of jobs overseas, and the fact that our markets are open and being invaded constantly by products from overseas, while at the same time overseas markets of other countries are not open to ours. Jobs are being stolen. We have been swindled. Fair trade has become a gross swindle.

Here is a situation where most of the jobs that were discussed in the Miami hearing were jobs which cannot be exported, jobs which cannot be taken overseas. They were talking about jobs in transportation, jobs with the airlines. The airlines cannot pick up and go overseas.

We have routes here in this country that must be serviced. The most lucrative routes in the world are here in this country. Airline traffic is increasing. The business of the airlines is booming. Bus companies are going out of business.

There are fewer trains, but the one part of the transportation network that continues to grow is the airline traffic, and yet the workers for airlines, the people who work in the airlines industry, were among those who told the most horrifying tales at this hearing.

We have a situation where jobs in industries that are not threatened by overseas competition are also being put into a vise. Workers are being squeezed in order for better profits. We are into the economics of cruelty. We are into the economics of exploitation of workers, workers who have already been organized and have gone through the cycle, paid their union dues. They have fought for organization.

They have used collective bargaining for years, but now they find themselves in a squeeze where they are losing most of what they have gained, and cruelty reigns supreme.

All of the kind of cruelty that was prevalent in Europe for so many years that led to the upheavals in the European economy for so many years, they are here now.

There is a whole series of laws to protect their workers, and workers have a much better situation with respect to plant closings, occupational hazards, parental leave in Europe than we have. They have much better working conditions than our working conditions here.

The economics of cruelty and the economics of exploitation have come to our shores. One of the people who is pushing a new movement, Jobs with Justice, what are they looking for? It is an organized counterattack against the economics of cruelty, against the economics of the Ronald Reagan administration which boasts that it has created hundreds of thousands of jobs. Hundreds of thousands of jobs have been created by this administration, but they are jobs which pay minimum wage, and even with two members of the family working, it is hard for a family of four to survive, given the minimum wage jobs that have been created.

Jobs with Justice wants to make certain that the good jobs that do exist and have for years continue. They want the right to job security. They want the right to an adequate and fair standard of living.

They want the right to organize on the job, and to be able to proceed with collective bargaining, to deal with conditions on the job. Those are not just union members. They have been joined by a coalition of religious groups and consumer rights groups.

Consumers feel that they have a lot to lose. I do not have to stretch anybody's imagination to tell you that an airline consumer and an airline worker have a common bond, a common interest.

We heard the tale of one airline worker in Florida who had gone through a situation when he was fired when Eastern and Continental merged. He was fired and squeezed out really, because when he was told he had to transfer, he decided yes, I will transfer and go to Atlanta. The people in Atlanta told the people in Miami that they did not have a job for him. He was squeezed out.

He found himself in a situation where for months he had no job. He went through a very serious situation with his family, and finally he came out, and he was given a job with the company, the company which Eastern Air Lines now contracts with to do their maintenance work.

Here is a man who is a mechanic, and he was working for a substantial wage plus fringe benefits, health plan, vacation, pension, all of that; and he lost his job, went back to the very same job at a wage rate that was half the wage rate he had before with no fringe benefits.

□ 1830

Now, what do you think this mechanic who day-by-day is involved in maintaining airplanes will do? I do not question the integrity of workers in the airline industry, but I do think that the man's mind has been impacted and affected. Through no deliberate sabotage, I suspect that workers who have been treated like that will forget to turn a screw until it is tight enough or forget to put a bolt on sometimes or be careless about the job. I cannot see how they would not be bitter, how there would be some bitterness and how they would not be less concerned about their jobs.

As a consumer, as a person who rides airlines frequently and all the other consumers, we ought to be concerned with the security of those workers. We ought to be concerned with the mind set and the attitude of the workers. We ought to be concerned that they get a fair wage, that they have job security, that they are able to organize, that they are satisfied workers who will produce the very best every time they work on a part on an airplane, because once you get into the air if something goes wrong just because some small nut is not there or some bolt is missing or some screw is not tight, it is too late then. As consumers, we are all in a catastrophe that is unnecessary.

So consumers have united with the unions, with the religious groups and with the civil rights groups.

It is not only airlines in private industry that are part of the problem, although that is bad enough. We have a situation where the airline industry in the pursuit of mergers for the purpose of maximizing profits, and we read about the millions of dollars that are made on Wall Street by people who do no work at all, they just shift papers and frighten each other and badger each other back and forth and scare each other into deals and they end up making tremendous profits.

Well, somewhere the squeeze has to come so that somebody pays for those profits that are made and the squeeze is on the workers. The squeeze is on the workers in private industry.

But here we have a situation which extends beyond private industry. In the transportation industry at the local level, we found that we have another kind of exploitation. Again, transportation is one of those industries that we cannot blame Japan or Europe. We cannot blame anybody outside the country for having affected the workers and the workers' environment. We cannot blame them for stealing jobs. We have got to have bus service at the local level. We have got to have local transportation.

In Florida, as in a number of other places, the move is on to privatize, take the publicly operated transportation systems and hand them over to the private sector and let the private sector proceed to do with the local bus companies what the airlines are doing with the airline industry. Let them squeeze to get as much as they can out of them. Let them force the workers to their knees so that the same workers who worked in the bus companies as public employees will end up maybe getting their jobs back without fringe benefits at a much lower wage or without the same working conditions.

You have wholesale contracting out of jobs that is promoted by the local government as a way of saving money.

It all comes out of the White House. Privatization is pushed from Washington. They even have some clauses in the contracts that are put out by the Department of Transportation which require that local transportation companies must consider privatization. They must move at least to consider privatization and they are rewarded by the Federal Government, the Department of Transportation, the one headed by Elizabeth Dole who just retired recently. They require that we must consider privatization at the local level.

The push starts in Washington. So that is another form of workers exploitation.

At the worker level there are people who would like to show some immediate gains in the political arena, so they rush to make the kind of deals that are going to show the biggest profit with the least amount of resources outlay by the taxpayers. They rush into these deals with private companies, and frequently it is a swindle. It is not cheaper.

In Dade County, FL, it bills itself as the most privatized county in the Nation. Dade County is proud of the fact they have followed the Reagan Administration push into privatization. It has continued to privatize and privatize; however, what has been the cost in savings to the taxpayer? The taxpayer has not found any reduction in the cost of government services. In fact, the opposite has been true.

In Dade County, FL, government services have gone up 30 percent over the last 3 years, 30 percent. I assure you the unions did not get it. I assure you the workers did not get it. Where is the money going? It is going to pay the profits of the privatized companies.

Once a company is privatized, I assure you it is not easy to make the transition back.

Private contractors cut every corner to make a buck. They give poorer service, and yet the service costs more.

Contracting out invites corruption as politicans seek to pay off their friends and supporters in reward for these contractors. Contracting out is another way of pushing patronage to a new level. Instead of those nickle and dime jobs that members of the other party do not care as much about, because their patronage exists on a higher level, they have to give out contracts for millions. So privatization has become a new form of patronage. Millions of dollars in patronage are being passed out not only at the local level, but also here in Washington. Privatization is an avenue for paying off friends.

Large numbers of jobs are lost and the jobs that remain are usually lower paying, lower skilled positions.

Career ladders are wiped out. They do not mind trapping workers at the bottom of the heap. In fact, they like that. The less a worker earns, the least amount of time the worker stays with the company, the better for them in terms of pensions and fringe benefits.

This has a devastating effect on minority women workers. The minority women workers have usually relied heavily on service careers in the public service. This has been the path of the middle class for large numbers of minority persons by working in the public sector where due to discrimination and prejudice they found it easier to get jobs and they found it easier to deal with organizing and improving their working conditions in those situations. All that goes out when privatization begins.

So the merger mania and privatization combined are taking place in two areas where we are not threatened at all by overseas competition, where nobody is going to steal our jobs by doing what is being done, using the almost slave labor wages of Hong Kong, Korea and other places, in order to steal the industrial jobs. They are going to wipe out the workers and take away the decent jobs, even in situations where we have to have the services here.

In the merger mania, Frank Lorenzo, the Texas air robber baron, has become obsessed with acquiring an airline monopoly. He is part of the problem, most of the problem in Miami, and in this hearing, of course, there was one story after another about the cruelty that has been inflicted on workers as they attempt to wring wage concessions and also destroy the working conditions of the workers.

The harassment and the dehumanization of workers that takes place is unbelievable. Lorenzo and his cohorts are trying to drive out the senior employees and replace them with lower paid new hires. Sick leave policy now is ridiculous. Workers are allowed to get sick only three times a year. If you are sick three times a year, after that you are fired.

The committee heard from a mechanic with diabetes who was fired after he had an attack. He blacked out as he was driving to work.

A mechanic with Lupus who suffered from severe headache attacks was reduced to hiding in the bathroom at work because he was afraid he would be fired if he stayed at home.

A flight attendant, we heard from a flight attendant who was disciplined after she missed work because she had been raped. They had a letter from the police and had the whole horrible story. The airline officials still dismissed her because she did not report to work immediately after the grisly incident took place.

Then there is all kinds of petty harassment that is organized. Lorenzo had overloaded the grievance system. The grievance system still exists. You can always file for a grievance, but the way they have overloaded the system, you have to wait forever. You are fired and then you have to wait for months, sometimes years, before the case is heard.

This is all happening in America. This is all happening in the land that gave the best deal to the working people. This has all happened in a country that built its economy on creating a massive class of consumers, people who had good jobs and money to spend and some sense of security, who went out and bought products and built the market that is still the prize of the world. We are still the economic engine of the world. Our consumer economy still is what makes all the free world economies go, yet we are threatening that economy. We are threatening to destroy it. We are making our workers cannon fodder.

There is a process in motion now that will come to fruit. The chickens will come home to roost in a very terrible way. After we have wiped out those consumers, after we have created a class of very bitter workers, we are going to find our whole economy is going to grind to a standstill.

Again I commend the gentleman from Indiana for coordinating this special order. This is a story that has to be told. This is a story that is not told in the Wall Street Journal. This is a story that is not told properly in the New York Times or the Washington Post. The networks seem not to be able to find out the terrible things that are happening. They seem not to want to report them.

This is a story that must be told in a nation where the President says, "What are you worried about? If nine people are working and one is without a job, why should you worry? If one-tenth of the population is unemployed, why worry? If another tenth of the population is employed at wages which do not allow them to survive, why worry? If another tenth are employed in jobs that are being constantly harassed and being pushed about and threatened, and their sense of security is being lost, why worry?"

Well, we must worry. First of all, they are human beings. They are the secret ingredient of our economy.

Finally and most of all, they are the American citizens who made this country great. There are more workers than there are anybody else. These workers must not continue to be sacrificed in a process that makes the rich richer, that makes merger manias successful, that makes for a situation where millions and millions of dollars are made each time the Wall Street people play their games. We think the workers deserve a better deal than they are getting. This is America. We have not only led the world in building a powerful industrial economy, we have led the world in fairness to our workers. We have led the world in building the largest labor unions, the best deals for workers. We need to retain that leadership. We need jobs with justice. We can have jobs with justice.

Mr. Speaker, I congratulate the gentleman for helping to push forward the fight for jobs with justice.

Mr. JONTZ. Mr. Speaker, I want to thank the gentleman from New York for his observations this afternoon and his summary of the testimony that our committee heard in Miami.

I think the gentleman from New York, again as the gentleman from Illinois, has a long record of being an able spokesman for the working people in this country and his observations are quite on the mark in my opinion in terms of the problems that the working people face.

Mr. Speaker, coming from the industrial heartland of our Nation, I look around at the many of the residents of my district and the problems we have had with plant closings and the difficulties people have getting good jobs, it is often easy to conclude that this economic growth that we hear a lot about has simply bypassed us in the Midwest and the industrial heartland and that somehow we have been the victim of economic policies that have not had the same effect on other parts of our country, and to some extent indeed that is true; but the testimony that we heard at Miami, traveling to the coast, traveling to an area of our country that is growing, very much convinced me that in fact working people in other parts of the country are suffering a great deal as well.

We can see the effects of privatization, of deregulation, of merger mania, on the average working people in Miami, and it was not a very pleasant picture that we saw.

My hope is that our Education and Labor Committee can listen to the voice of working people in other parts of our country and examine the policies that our Nation has pursued in these past few years and that we in the Congress can assume the responsibility that we should to speak up for the interests of the average people in this country, because as we said here his afternoon the well-being of our Nation really does depend on the well-being of our working people and the citizens that we heard from in Miami are not getting the sort of break from our Government which is their due.

☐ 1845

## HAITI NEEDS ASSISTANCE

The SPEAKER pro tempore. (Mr. LEHMAN of California). Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 10 minutes.

Mr. OWENS of New York. Mr. Speaker, I rise to speak on an issue which I consider myself somewhat of an authority. I have the largest Haitian American constituency in this country in my district. There are more people of Haitian descent living in my district than anywhere else in the country. The second largest is in Miami, FL, but in Brooklyn in my district, the 12th Congressional District, we have the largest number of Haitian Americans and probably the largest number of Haitian refugees. These Haitians are in constant contact with their brothers and sisters and mothers and fathers and the people they left behind in Haiti. They know like nobody else knows what is happening in Haiti.

Mr. Speaker, they tell me daily of stories of terror and fear and they are worried about the process of democracy that is supposed to be going forward in Haiti. They have a lot to be proud of. The people of Haiti have a lot to be proud of. After several decades of exploitation of the worst kind, of terror of the worst kind, the people of Haiti rose up and they threw out the dictator Jean Claude Duvalier, who had succeeded his father, Francois Duvalier. They threw him out and then it was said there would be nothing but chaos. But the people of Haiti again showed that they understand far better than they have been given credit for what is at stake. The people of Haiti agree that for a group to write a Constitution and after that Constitution was written they turned out in an overwhelming turnout, 90 percent of them and they voted to support that Constitution. That Constitution was ratified by a large majority of the Haitian people.

In the Constitution there was a timetable for the election of officers at the local level, an assembly, for senators and finally at the conclusion of the electoral process timetable they would elect a President.

They also set up an election commission. It is written into the Constitution.

So the people, the majority, and I am talking about the majority of the people in Haiti, the overwhelming majority are on the right track. They love democracy, they know how to get democracy, but the great fear of the people who live in my district, the relatives of people who live in Haiti, is that terror and guns and the military will prevent the democratic process from going forward.

Mr. Speaker, they have good reason to be afraid. They have good reason to be afraid. Immediately after the Constitution was passed the military junta tried to abrogate the whole process. They wanted to obliterate the whole process and come in and take over the role of the election commission. The military junta, the people in charge, they wanted to be in charge of the election themselves and although they professed to have no ambitions with respect to being elected to public office it is clear that they do want to control the elections and decide who would be elected.

Only after the people of Haiti again rose up with demonstrations and strikes did the military junta back down and give the electoral process back to the election commission. But in the meantime hundreds of Haitians were slain not only in the demonstrations in the city but in the hillsides, in the provinces, hundreds of people were slain. Most of the time they were slain by terrorists, the old remnants of the Tontons Macoutes, a terrorist organization established by Francois Duvalier. The Tontons Macoutes hacked people to death while the Omnies stood by and did nothing.

The most grizzly example of what was going on was reported in most of the papers here in this country. That is that a politician campaigning for President on a sunny day in the middle of the day before a crowd of people was leaped upon, he and his assistants, by these Tontons Macoutes, hacked to death in front of the crowd, and they walked away and nobody still to this day has apprehended them.

That was a Presidential candidate, a person running for office who was hacked to death along with his assistant.

Under these conditions can democracy go forward? No. The people of Haiti need help. They have shown that they can do part of a job. It is up to us to give them the help to do the rest of the job. We must have peaceful intervention in Haiti. We must have intervention on the side of the majority. We must help the majority.

We have stood by all over the world, and we have seen the democratic processes go forward. We have seen governments elected by the people and then we have seen military outlaws come in and take over, declare that things are not running properly, and they come in and take over.

Something has to be done on the international level. Haiti is just 90 miles from our shores and I say we should do something first in Haiti.

There is no reason why the Organization of American States and the U.S. Government should stand by and allow the democratic process, which the majority of the people of Haiti want to go forward, to be taken over by a band of thugs, military outlaws, and armed terrorists.

They are the ones that we have to fear.

I want to congratulate Arthur Schlesinger for an article which appeared on this subject in the New York Times on Wednesday, September 9, 1987. As we all know, Arthur Schlesinger is presently professor of humanities at City University of New York. We all know that Arthur Schlesinger, Jr., is one of the greatest historians alive, that he played a major role in shaping American policy for many years.

I want to thank Arthur Schlesinger for his brilliant article which states the case very well, and I would like to read it into the RECORD. It is entitled, "Yes, Washington, there is a Haiti."

I think every American ought to hear this and understand the kind of abandonment that we are guilty of. It is immoral to neglect Haiti the way we have neglected Haiti over the years and now we are into the same thing, we are neglecting Haiti at a crucial moment in the history of the country and allowing it to sink back into the morass of confusion and terror.

Mr. Schlesinger begins as follows:

> What a collection of fakes we Americans are! We endlessly proclaim our devotion to democracy and human rights. We endlessly rebuke the rest of the world for falling short of the high standards of liberty and probity that we unfailingly achieve ourselves (or do we?). And with our self-congratulatory habits of the heart and undaunted lack of self-knowledge, we overlook the fact, evident to others, that our concern for democracy is, to say the least, partial and selective.
>
> So we block a peace settlement in Central America because of our alleged commitment to the future of democracy in Nicaragua—a commitment not visible to the naked eye when the Somozas ruled Nicaragua and hardly visible today in our policy toward, say, the Pinochet dictatorship in Chile. And we righteously denounce lapses from democratic purity in Angola, Mozambique and Yemen.
>
> Our capacity to shed tears for oppression and misery in the Communist world appears unlimited. But we remain marvelously oblivious to the tragedy overtaking a forlorn country well within our own sphere of influence.
>
> Haiti was once one of the most prosperous islands in the Antilles. It was once France's richest Western Hemisphere colony. It was the first country in the Americas after the United States to gain independence. But its history since independence has been pathetic—never more pathetic than today, after 30 years of misrule by first, the demonic "Papa Doc," Francois Duvalier, and then his feeble, luxury-loving son, "Baby Doc," Jean-Claude Duvalier.
>
> The tyranny rested on terror and magic. Between Papa Doc's pretorian guard of official thugs, the notorious Tontons Macoutes, and his voodoo doctors, the Haitian people, already miserably poor, undernourished and demoralized, were reduced to almost hopeless passivity.

Mr. Speaker, I want to conclude by saying that Arthur Schlesinger concluded his article with a call for intervention into Haiti, peaceful intervention on the side of democracy. We should heed the call of Arthur Schelesinger before it is too late now while the democratic process is going forward, while the candidates are campaigning, and the vote is to be taken on November 29, 1987.

We need peaceful intervention in Haiti.

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## THE SHULTZ/SHEVARDNARDZE SUMMIT AND SOVIET JEWRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. STOKES] is recognized for 60 minutes.

Mr. STOKES. Mr. Speaker, I would like to thank my distinguished colleague, Mr. KEMP, for joining with me in reserving this time to discuss the issue of emigration for Soviet Jewry, on the occasion of meetings being held between Secretary of State George Shultz, and Soviet Foreign Minister Eduard Shevardnardze.

Mr. Speaker, I was privileged yesterday, to receive in my office, Irena and Michael Cara-Ivanov, who were previously refuseniks in the Soviet Union. Currently, Irena and Michael live in the State of Israel and they are visiting the United States on a special mission to meet with officials in our government. They are traveling with Avital Shcharansky. During their meeting with me they delivered a thoughtful and serious appeal for the release of Dr. Vladimir Dashevsky, a world-renowned astrophysicist, and the father of Irena Cara-Ivanov.

In very warm and moving terms, these young people, who had experienced life in the Soviet Union on a day-to-day basis, provided me with a very real example of how the Soviet system continues to make a mockery of human rights in its treatment of Jewish people seeking to emigrate. In Dr. Dashevsky's situation, we are offered in human terms, an illustration of how the Soviet bureaucratic machine relentlessly takes whatever steps it deems necessary to frustrate and prevent a Jewish citizen from exercising a fundamental human right—the right to freedom of movement.

As an astrophysicist, Dr. Vladimir Dashevsky has distinquished himself both in the Soviet Union, and throughout the world community. He has published numerous articles in respected scientific journals, and is one of only three Soviet scientists to be selected to serve in the American Astronomical Society.

Dr. Dashevsky began his distinquished career as a researcher at the Institute for Terrestrial Magnetism, located near the Soviet capital of Moscow. While conducting himself as a respectable citizen, contributing to

the good of the Soviet state through his scientific research, Dr. Dashevsky also continued to develop and pursue readings and activities which enhanced his understanding of his own unique culture. Dr. Dashevsky pursued this interest diligently, studying the works of the Jewish existential philosopher, Martin Buber, teaching himself Hebrew, and studying classical Aramaic and Hebrew texts in the original.

Reaching a point in his life that was both natural and understandable for any individual, Dr. Dashevsky developed a strong yearning for closer ties to his own culture and people which led him in 1976 to request an exit visa to the State of Israel.

It is unfortunate, however, that shortly after Dr. Dashevsky's request to emigrate, Soviet authorities responded in a manner that is all too familiar, and has been repeated all too often. Dr. Dashevsky was immediately forced to give up the prestigious position he had held at the Soviet Institute for Terrestrial Magnetism, and is now only able to make a living by tutoring high school students in physics.

Such a harsh response by the Soviet Government, however, has not succeeded in breaking Dr. Dashevsky's spirit. During the period following his first refusal, he became active in the refusenik movement, providing a role model for a large and growing group of young Jews, who, at the risk of being reprimanded by the Soviet Government, have chosen to gather together regularly, to study Jewish texts under the direction of Dr. Dashevsky.

In recent months, a great number of his most successful students, many of whom had assisted him with both the organizational and teaching responsibilities for Jewish cultural gatherings, have received permission to emigrate to Israel. This action has increased the burden facing Dr. Dashevsky, leaving him virtually alone to assume the teaching burden, and overall leadership for a great many young Jews in Moscow, who have committed themselves to pursuing the practices of their own unique culture. In addition to this great responsibility, Dr. Dashevsky must provide for his wife and three youngest children.

Because Dr. Dashevsky has chosen not only to dedicate his life to science, but to devote himself to his Jewish heritage as well, his group's activities have been disrupted by the KGB on repeated occasions, and he has been placed under constant and harassing surveillance.

In examining the rationale used by the Soviet Government in support of its refusal to grant Dr. Dashevsky an exit visa, we are presented with an active example of how an archaic and repressive system can bend to serve its own ends, instituting whatever policies it deems necessary to deny individual freedom. The Soviet bureaucracy had developed the practice of denying Jews the right to emigrate to Israel and the West if they cannot produce signed statements from their relatives who are to remain in the Soviet Union proving that they will leave no outstanding debts nor obligations to the family members remaining.

This tactic intimidates relatives who will not be leaving the country, in that they are required to sign documents which support emigration, and which will be placed in the files of the KGB.

These statements are requested even though there is not a Soviet law on record which requires an individual to provide such a statement. Soviet authorities claim that their purpose for requiring such statements is to ensure that financial matters between emigrees and their relatives are settled expeditiously. Government authorities have refused, however, to consider affidavits indicating that an emigree will assume full responsibilities for all outstanding financing obligations even where these have been notorized in accordance with Soviet law.

Another problem occurs when relatives refuse to provide these statements. Under Soviet law, Soviet authorities are obliged to demand necessary statements from relatives. The Soviet authorities, however, have refused to make such demands, and have in effect given an individual's relatives the power to veto his or her exit from the Soviet Union. Therefore, the situation facing Dr. Dashevsky and thousands of Jews seeking to emigrate, is a problem that stems not from faults in current internal Soviet law, but from the Government's refusal to implement its own regulations.

While General Secretary Gorbachev has announced a new policy of glasnost, and proclaimed to the world "the beginning of a new era of openness," the numbers of Jews being allowed to emigrate from the Soviet Union are still fewer than in previous times, and are certainly as yet not significant enough to proclaim a new era. In 1986, the emigration of Soviet Jews was at its lowest in 15 years.

Although approximately 260,000 Jews have been allowed to leave the Soviet Union since 1968, at least 400,000 more continue to fight for the fundamental right to relocate to a place of their choosing. In 1979, 51,320 Jews were permitted to emigrate from the U.S.S.R., while in 1982, only 2,688 were allowed to leave, more than 48,000 less than the 1979 figure. In 1986, the number of Jews allowed to emigrate was at its lowest in 15 years, with only 914 being allowed to leave.

These numbers are not idle figures. As the case of Dr. Dashevsky exemplifies, we're talking about human lives and the basic rights of freedom. It is time for the Soviet Union to stop treating the lives of Jewish people as a tool of foreign policy, and end the game of treating the issue of Jewish emigration as a convenient political yo-yo, letting the numbers go up and down based solely on the political whims of the Soviet leadership.

Mr. Speaker, on August 1, 1975, the Soviet Union joined 34 other countries in the family of nations, in signing the Helsinki accords. This important document, committed signatory states to the pursuit of human rights—to opening the doors to free speech and movement, to family reunifications, to uninhibited religious expression, and to a toleration of individual ideas. By signing the accords, the Soviet Union placed its international credibility on the line, and the world continues to watch in the hopes that the Soviets will follow this agreement with substantive action.

Mr. Speaker, I call upon the Soviet Government to abide by the Helsinki accords, on the occasion of this week's very important meetings between Secretary of State Shultz and Soviet Foreign Minister Shevardnardze, to end these intolerable practices, and to cease treating the issue of emigration for Soviet Jewry as a convenient political tool. As Dr. Dashevsky's situation clearly points out, the current methods being employed by Soviet authorities are arbitrary, and in violation of fundamental human rights that have been fully endorsed by the global community.

Mr. KEMP. Mr. Speaker, I would like to thank my colleague, the new co-chairman of the Congressional Coalition for Soviet Jewry, the gentleman from Ohio, LOU STOKES. I want to compliment him for the fine work he's done in taking the lead on the issue of Soviet Jewry, and on this special order in particular. The National Conference on Soviet Jewry must also be recognized here for their advice, support, and impressive coordination and energy.

Today, United States Secretary of State George Shultz and Foreign Minister Eduard Shevardnadze of the Soviet Union are meeting in Washington to discuss relations between our two countries. This seems like a good time to review the issue of Soviet Jewry under the much-acclaimed policy of glasnost, which should be one of the topics for discussion.

Is glasnost working? Let's look at how it's failed. The figures clearly indicate movement in the wrong direction. Under General Secretary Gorbachev, Jewish emigration is a mere one-tenth of what it was under Secretary Brezhnev in 1979. Without glasnost.

Let's look at some specific examples of glasnost at work.

Under glasnost Natan and Etya Tkach, an elderly couple in their seventies, continue to be refused permission to join their daughter, Klavdia Fridman, her husband Ezik, and their son, Leonid first in Israel, then in the United States. They have been denied 20 times. The reasons vary, but the results are the same;

this couple is in ill health and separated from their family for an unconscionably long time.

Glasnost permits emigre Leonard Terlitsky to return for a heartbreaking visit to the Soviet Union on his new American passport to visit his elderly mother, Fanya, and his brother Mark. Both say they will not last another 11 years in refusal.

Glasnost permits Inna Meiman to come to the U.S. for necessary medical treatment after more than two decades of outside pressure. Only the Soviets waited too long; tragically Inna died within 2 weeks of her arrival, surrounded by friends and separated from her family. Glasnost continues to keep her husband, Naum Meiman, 76, alone, a prisoner in the Soviet Union and a refusenik for 25 years.

Will glasnost permit former refusenik Leonid Feldman, now a rabbi, about to become a United States citizen, to return to his hometown in the Soviet Union to lead a congregation and teach Hebrew?

Will glasnost permit Ida Nudel, Vladimir and Maria Slepak, Alexei Magarik to join their families in Israel and the United States? Both Alexei and Ida are now out of jail, but how did glasnost permit them to be arrested and sentenced in the first place?

What of new applications, encouraged by the vast publicity surrounding glasnost and the recent emigration of small numbers of well-known refuseniks? Well, there aren't many to speak of. Not because people haven't applied, but because the government will not accept their applications and therefore can say "We have no new applications." Is this glasnost at work?

Yes, under Secretary Gorbachev and his policy of glasnost, a few friends for whose release we have been fighting have recently been informed that they will be permitted to emigrate; the Beguns, the Brailovskys, the Siedels, the Landsmans, and four others. Rumours flew for years that pianist Vladimir Feltsman and his family would be released, only to have it happen last month, after an 8 year wait. But these are barely a dozen people out of nearly half a million.

Each visa should not be an event of international importance. Emigration of Soviet Jews should be a daily occurrence. By international treaties, signed by the Soviet Union, citizens of the Soviet Union are guaranteed the right of free travel, of cultural exchange, of family reunification. Jewish, and other, emigration from the Soviet Union should be treated as the right which it is, under the law of God and the laws of man, and not the miracle it has become.

Why should there be a classless class called "refuseniks?" A class of people created and defined solely by the fact of their having applied to emigrate and been refused, thereby sentencing them to social and economic purgatory. Why should applicants have to wait at all to emigrate? Why should anyone have to produce an invitation from an immediate relative outside the Soviet Union? If there is a country, such as Israel or the United States, willing to open our arms and make these people welcome, absorb them fully into the fabric of their own society, why should the Soviet Union prohibit this reunification, repatriation, or simple emigration? These are rights guaranteed by the Helsinki accords, and other international agreements to which the Soviet Union is a party. Glasnost working would mean complete freedom of movement, and compliance with agreements to which the Soviet Union is a party.

And if the Soviets so consistently violate agreements which they have already signed, should we be entering into new ones without indication that they are complying with existing agreements? We must seek some assurance that they will not extract an additional high price for compliance.

I believe in free trade, but until these questions are favorably answered, until compliance is assured, the United States should be more restrictive in its commercial negotiations with the Soviet Union. United States banks should be discouraged from lending vast sums of money in untied, unrestricted, unsupervised loans to the Soviet Union.

Glasnost cannot be deemed as anything more than a public relations success. Until there is some substantive movement in the area human rights and Soviet Jewry, our two nations cannot come to a real understanding in a true spirit of cooperation. Substantive improvement is necessary. The policy—the placebo—of glasnost is not enough.

Our strongest moral weapons are our will, our system of democracy, our unshakeable belief in individual freedoms as guaranteed by our Constitution, which has been our governing document for 200 years, and the Bill of Rights, which sets forth the inalienable rights of all men and women. It is our responsibility as freedom-loving people, to ensure that others share our blessing of freedom. Our refusenik and dissident friends in the Soviet Union know that they can continue to count on us to exercise our strength in their behalf.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. STOKES. Mr. Speaker, I am happy to yield to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. Mr. Speaker, I would like to thank my colleague from New York, Mr. Kemp, and the gentleman from Ohio [Mr. Stokes] who, as co-chairs of the Congressional Coalition for Soviet Jews, have arranged today's special order. Their leadership on behalf of the National Conference on Soviet Jewry, which sponsors the Congressional Coalition, is highly appreciated on this important human rights matter.

By now, everyone has become familiar with the term "glasnost" as openness, which has come to symbolize the new Soviet reforms and attitudes. We do not yet know the full scope of this glasnost, nor its duration. And its impact on Soviet Jews, and their lives and their rights, continues to remain clouded.

With the visit this week in Washington of Soviet Foreign Minister Eduard Shevardnadze have come discussions of many issues. Paramount among these is the current and future status of Soviet Jews, thousands of whom remain in refusal. That certain prominent individuals have been given permission to leave is indeed a welcome sign, yet contradictions continue to surface.

We appreciate and applaud the permission granted to Josef Begun, Lev Elbert, Col. Lev Ovsishcher, and several other long-term refuseniks. We hear that refusals based on secrecy matters are being reconsidered, in view of the fact that the vast majority of individuals categorized in this manner have not been involved in any kind of secret work for a decade or more. It is only right and proper that these individuals be allowed to be reunified with their families, pursuant to the principles set forth in the Helsinki final act. So it is compliance that we seek, and compliance that we acknowledge when it occurs.

Yet what we are witnessing at this time, Mr. Speaker, is not full compliance with either the letter or the spirit of the Helsinki accords. In the past several months I have been informed of a number of disturbing situations which I would like to bring to the attention of my colleagues.

Cases where all but one member of the family is given permission, thereby separating families.

Numerous reports of individuals whose applications to emigrate are not even being accepted by the OVIR office, thereby creating a subgroup of Soviet Jews who cannot even be refused.

Manifestation of a new situation whereby initial reasons for refusal are removed, while new bureaucratic obstacles imposed.

Although 4,700 Soviet Jews have emigrated through August of this year, there remain many thousands and thousands more whose long-term refusal status lingers on. Ida Nudel and the Slepaks are just two of the more prominent cases. Not as well known is the plight of the Terlitsky family, the Dashevsky family, the Khassinas, the Chernobilskys, and Lev and Lean Shapiro, to name just a few. Each of these Soviet Jews has a legitimate right to family reunification under the Helsinki final act, but are thwarted repeatedly in their efforts to claim that right. We in Congress remain committed to their cause for religious and cultural freedom and human dignity. We must continue to press forward on behalf of these individuals, and the many hundreds of thousands of other Soviet Jews who have indicated the desire to exercise their rights under international agreements.

Mr. Speaker, Soviet Foreign Minister Shevardnadze has been welcomed to this country. We hope his meetings here are fruitful and productive. Progress seems to have been made in recent months, and we look forward to an eventual summit meeting between our two heads of state. Yet, we cannot rest until family reunification permission is granted to all who seek it, and full compliance with the Helsinki accords is achieved. The new excuses for denying emigration and the posturing taking place at OVIR offices all across the Soviet Union must be quelled, and an honest and forthright position assumed instead.

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Mr. Speaker, I thank the gentleman for yielding this time and commend him for his continued efforts in this human rights battle.

Mr. STOKES. I thank my distinguished colleague from New York for his excellent statement here this evening. In turn I want to express my appreciation to him for the stalwart manner in which he has continued to fight on behalf of Soviet Jews.

Mr. Speaker, I also want to commend the National Conference on Soviet Jewry for the excellent work that they do on behalf of those who seek to emigrate from the Soviet Union. I worked with them for a number of years now and I am deeply moved by the commitment and deep sincerity with which that organization works on behalf of those who desire to leave the Soviet Union.

Mr. Speaker, at this time I would like to yield to the distinguished gentleman from Ohio [Mr. Thomas A. Luken].

Mr. THOMAS A. LUKEN. I thank the gentleman for yielding. I congratulate the gentleman for this special order and compliment those other Members who have shown their dedication to the cause of the refuseniks, those patriots in Russia who continue to be oppressed despite some of the favorable reports which come out.

I think the purpose of this special order is to distinguish between the good and the bad which is emanating from Russia and from the international meeting.

Mr. Speaker, the meeting between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze provides a wonderful opportunity to raise the issue of human rights in the Soviet Union. The movement on behalf of Soviet Jewry is a unique struggle for emigration in the context of a tradition of 4,000 years. It is the struggle to reunite and redeem one-sixth of world Jewry, the remnant of east European Jewry after the Holocaust. It fits within the tradition of the people who have returned to the land of Israel from exodus, exile, and dispersion. Since 1968, there have been approximately 644,000 requests for emigration by Soviet Jews. Understandably, only the bravest risk the perils of repeated requests. During this period of glasnost, it is imperative for the Congress to maintain its commitment to the issue of Soviet Jewry. Despite the fact that several well-known refuseniks have recently received permission to emigrate, scores of other Jews continue to wait for permission, many of whom have suffered the anguish of family separation and religious and cultural harassment for a decade or more.

While we are gratified that former prisoners of conscience and refuseniks will now be allowed to emigrate, we must remember that there still remain in the Soviet Union other former prisoners and long-term refuseniks, as well as thousands of other Jews who wish to exercise their basic human right of freedom of emigration.

While it is our hope that the Shultz-Shervardnadze arms talks will be successful, we send a message to the Soviet leadership and the Jewish minority that our concern for human rights has not waivered and our support will remain ever strong. I urge my colleagues to continue to work together to secure human dignity and human rights throughout the world.

Again, I thank the gentleman from Ohio [Mr. Stokes], who is always in the forefront in worthy causes of this kind.

Mr. STOKES. I thank my distinguished colleague from Ohio for his excellent contribution to this special order. I am pleased at this time to yield to my distinguished colleague from the State of Washington [Mr. Miller].

Mr. MILLER of Washington. I thank the gentleman.

I first want to express, Mr. Speaker, to the distinguished Congressman from Ohio my appreciation for his leadership in the cause of human rights and in the cause of human rights behind the Iron Curtain.

There are many Jews in the Soviet Union today who know of Congressman Stokes' efforts. I think it is especially appropriate that we have this special order tonight. One reason it is especially appropriate is that the Union of Councils for Soviet Jews is holding its annual meeting in Washington, DC, this week. I have been privileged to cochair along with Congresswoman Collins of Illinois the union's congressional call to conscience this year.

There is a second reason why this special order is appropriate and that is the presence of Foreign Minister Shevardnadze in the United States.

We welcome Mr. Shevardnadze. I know that we all hope that his talks with Secretary of State Shultz will be most productive. But we must also express to the Soviet Foreign Minister our deep concern over the lack of real movement on Jewish emigration and religious freedom in his country.

We appreciate the release of several leading refuseniks. I am especially gratified to hear this week from Vladimir Magarik who visited me in Seattle this past spring. I learned this week that his son, Alexei, has returned from labor camp to Moscow. However, I was saddened to hear from Khaya Beinus, who lives in the Seattle area that her daughter has now received her 21st refusal to emigrate, her 21st refusal over 13 years. That family still remains divided.

Mr. Speaker, there are more than 150,000 Jews in the United States with relatives inside the Soviet Union. These families have suffered long enough the torment of separation from their loved ones. It is time for the immediate reunification of such divided families.

While there has been a slight increase in the number of Jews leaving, there are still 400,000 Jews in the Soviet Union who wish to emigrate. They languish without jobs, without protection, without freedom to live fully as Jews. We ask for consistent emigration procedures. We ask for the abandonment of the emigration decree of January 1, 1987. We ask for the removal of fabricated "state secret" refusals. We ask for an increase in emigration figures to at least match the 1979 figures. We ask for freedom of choice of destination, and last but not least we ask for a dramatic upswing in freedom of Jewish study and expression inside the Soviet Union.

Mr. Speaker, I hope the Soviets will put this nagging issue behind them. I hope that Secretary Gorbachev, Foreign Minister Shevardnadze will in the spirit of glasnost put this issue behind them. For it is time for them to live up to international law, it is time for the gates to open so that Jews can be free.

Until the Soviet Union releases those who are trapped against their will, it will be very difficult for our Government and our citizens to increase trade and cultural contacts with the Soviet Union.

Mr. Speaker, I thank the distinguished Congressman from Ohio for yielding and am happy to turn the floor back over to him.

Mr. STOKES. I thank the gentleman for yielding back and thank him for his participation in the special order this evening. He has certainly made an articulate and eloquent statement.

I am sure that not only do I appreciate his participation but these human beings who are caught behind the curtain in the Soviet Union are indebted to him for his contribution here this evening.

Mrs. MORELLA. Mr. Speaker, my recent trip to the Soviet Union brought me face-to-face with both the positive significance and also the limits of the new openness or glasnost. I met with most of the top leadership of the Soviet Jewish refusenik movement, with Soviet officials, and with a group of divided spouses.

Among the refuseniks I met with are Lev Shapiro, Vladimir Slepak, Ida Nudel, and Arkady, and Helen Mai. I also met with the

Deputy Chief of Human and Cultural Affairs at the Soviet Ministry of Foreign Affairs, Mr. Yuriy Reshetov, and the First Deputy Director of the Soviet Customs Administration, Mr. Vitaliy Boyarov. As a member of the House Post Office and Civil Service Committee, I focused in my discussions with Mr. Boyarov on Soviet interception of mail to and from the West.

My 8-day stay in the Soviet Union convinced me that refuseniks have become pawns of Soviet foreign policy, the most famous among them to be set free only when the Soviets wish to sweeten the atmosphere before a high-level meeting. Last week's releases are clearly tied to this week's discussions between Secretary of State Shultz and Soviet Foreign Minister Shevardnadze.

I was reminded that efforts on behalf of Soviet Jewry are not limited to their role in reminding both ourselves and the world of the essential differences between the Soviet system and our own. Those activities are both a carrot and a stick with which to encourage better treatment of Soviet Jews and a concomitant freeing up of the general atmosphere in the Soviet Union.

I am reminded of the words of Vladimir Slepak, who I met during my stay. Vladimir Slepak is a refusenik who still waits. Waits, as he has waited for 17 years now, to be free. To be free to practice his religion and to teach it to his children. To be free to speak his conscience and to write it. Vladimir Slepak has said to us, his friends in America, "If you turn your eyes from us, even for a moment, we will cease to exist." Mr. Slepak makes it clear that the fate of Soviet Jewry is tied to Western pressure. I share his assessment.

There has been talk of the priority of rescuing those 12,000 Soviet Jews who are, like Mr. Slepak, refuseniks. These people have, by definition, been repeatedly refused an exit visa, many for 10 years or longer. I am concerned that the Soviets will let these 12,000 go and then shut the gates. This concern is heightened by rumors that Jews who are now visiting Soviet visa offices for the first time have been turned away without being allowed to apply.

We must be concerned with not only the 370,000 who have at great risk already taken the first step toward leaving, but also the estimated 2 million Jews who remain in the Soviet Union. By preventing these people both from freely practicing their religion and from teaching it to their children, the Soviet Government is subjecting these Soviet Jews to cultural genocide. One can only wonder how many of these 2 million would leave if the gates were opened wide and they could ask for visas without fear. We must work to give them that chance.

We must continue to stress, through letters, phone calls, and demonstrations, that we will not rest until the Soviet Union frees all who wish to live in freedom. The struggle for Soviet Jewry is far from over.

Mr. DURBIN. Mr. Speaker, the recent release of 15 refuseniks from the Soviet Union is cause for much joy for those released and their families. That joy, however, is tempered by two important facts.

First, while these 15 refuseniks and their families rejoice today, their release follows years of suffering in the Soviet Union, waiting and hoping that they might be released. All those released have been waiting for exit visas for at least a decade. In addition, they leave behind tens of thousands of refuseniks who are still denied permission to emigrate. Soviet officials have allowed 4,700 Jews to emigrate this year, a figure much higher than the 1,000 exit visas approved annually in recent years. However, 51,000 were allowed to leave in 1979.

Second, their release comes only days before Secretary Schultz is to meet with Foreign Minister Shevardnadze in Washington. As such, it is unlikely to signal any kind of genuine change in Soviet emigration policy. Instead, it appears to be a diplomatic gesture, trying to generate good will in the upcoming talks and in the possible United States-Soviet arms control summit.

How should we respond to the Soviet Union's gesture? I believe it demonstrates the value of pressuring Moscow to adhere to the fundamental principles of human rights. If the release to refuseniks was not important to the West, then the Soviets would not have released them in order to generate a feeling of good will. There can be no doubt in their minds about the importance of the release of refuseniks and its impact on public opinion in the West.

We must not delude ourselves that the Soviets have had a change of heart and have decided to adopt more humanitarian emigration policies. Instead, we should see these gestures for what they are—carefully thought out steps designed to achieve an explicit goal. We must continue to exercise the leverage we have by exerting steady pressure on the Soviet Government to release refuseniks through letters, telegrams, et cetera, in order to achieve these limited responses and offer hope to those still awaiting release.

Mr. LEVIN of Michigan. Mr. Speaker, first of all I want to commend my colleagues LOU STOKES and JACK KEMP for initiating this special order and to the rest of my colleagues who agreed to participate. The only thing worse than losing one's freedom of movement is losing one's voice, and our brothers and sisters in the Soviet Union have lost both. So we must be their voice.

Clearly, there has been some progress made in sheer numbers of emigration—from a few dozen a month to a few hundred. But this is not nearly enough. The only number that matters is 100-percent emigration for those who seek it.

Just yesterday I spoke on the phone with Alexi Bronshtein who lives in Leningrad and has been refused an exit visa. Alexi is also a divided spouse who was married last year to a Swedish woman in an official Soviet ceremony. His wish is to be reunited with his wife so they may perhaps settle in Israel where he has family.

When Alexi requested permission to leave he was dismissed from medical school where he had already completed 4 years of study. He now faces the threat of conscription. Alexi told me yesterday that he had just returned from Moscow to speak with emigration officials about his status. Every time he goes, Alexi talks with a different Soviet official, but yesterday, as in each previous attempt, he was told nothing of substance.

We've heard much about glasnost these last few months but this is unassailable evidence that thus far glasnost has meant a great deal as a marketing tool, but has had limited practical application.

When I asked Alexi what more we could do, he said we need to keep sending letters. He said we must do everything in our power to make the Soviets aware that the United States will not stop fighting for him.

And we will press on; not just on behalf of the 400,000 Soviet Jews who have applied for and been refused exit visas, but on behalf of those countless prisoners of conscience who have been locked up, and often beaten, humiliated, and tortured.

Soviet Foreign Minister Eduard Shevardnadze is in Washington this week to negotiate a new arms control treaty. Above all, an arms treaty arms reduction depends on faith in each other's respect for the most basic human right, the right to exist.

Every step toward respect for other basic human rights—freedom of religion, association, speech, and travel, to name a few—directly increases our confidence in each other's respect for this fundamental human right of survival. In this context, it's doubly imperative that we stress in all our negotiations with the Soviets the need for a completely open human rights policy.

That policy, of course, includes the right for people like Alexi Bronshtein to live and work where they choose, and how they choose.

Mr. TRAFICANT. Mr. Speaker, In light of the ongoing meetings between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze, I would like to recognize the opportunity for negotation in the sensitive areas of arms control and human rights. I believe that the 3-day session between the leaders will produce concrete negotiations and hopefully a decision to convene a summit scheduled for a future date.

In addition to the optimism for and energy expended on behalf of a nuclear arms resolution between the United States and the Soviet Union, I would also like to draw attention to the continually hedged issue of human rights. During this period of glasnost, it is particularly important that we stress the need to improve the plight of Soviet Jewry. I am not negating the fact that refusenik releases have increased during the past year—3,092 as of June, compared to 914 during all of 1986—however these figures cannot compare to 28,864 in 1978, or 51,320 releases in 1979. We must not overlook the fact that human rights policies under Gorbachev remain bleak, and we in Congress must reaffirm our efforts to work toward eliminating the tragic abuse of human dignity under the Communist Soviet regime.

Mr. Speaker, as Americans we recognize and enjoy the benefits of living in a free and democratic nation. As we commemmorate the 200th anniversary of the signing of our Constitution, let us not forget the situation of those who are denied freedoms associated with basic human rights. I hope my colleagues will join me today in recognizing the importance of human rights negotiations during the Shultz-Shevardnadze humanitarian standards within the Soviet Union.

Mr. MOLINARI. Mr. Speaker, I rise to commend the gentlemen from Ohio [Mr. STOKES] and from New York [Mr. KEMP] for reserving this special order dealing with the plight of Soviet Jewry. The timing of this special order is particularly appropriate since it coincides with the visit of Soviet Foreign Minister Eduard Shevardnadze. What better time to raise the plight of Soviet Jews than when our Secretary of State and Soviet Foreign Minister are talking about agreements in the arms control area. We must constantly remind the Soviets that we will not ignore their violations of international human rights agreements. Such violations, as Natan Sharansky rightly notes, raises the question of their credibility.

The Soviets not only violate the human rights of well-known dissidents and refuseniks such as Ida Nudel, Vladimir Slepak, and my own adopted refusenik Aleksandr Paritsky of Kharkov, but even those of elderly sick couples like Natan Tkach and his wife Etya of Moscow.

Aleksandr Paritsky and his wife, Polina and daughters, Dorina and Anna, first applied fo exit visas to Israel in 1976 in order to be reunited with Aleksandr's brother Itzhak. Most recently, in May, Aleksandr and his family were again denied permission to emigrate.

Aleksandr and his family have been continually harassed for their quest to emigrate. Aleksandr was even jailed—resulting in a heart condition—because of his wish to emigrate. In 1981, Aleksandr was arrested, tried, and sentenced to 3 years in a labor camp for allegedly circulating fabrications known to be false which defame the Soviet state and social system.

But the Soviets not only harass those that are outspoken about their desires to emigrate but even afflict the frail, elderly, and sick. Natan and Etya Tkach first applied for permission to leave the Soviet Union over 10 years ago. Since then they have been refused 20 times, most recently on March 23, 1987.

For many years the Soviets gave no reason for their refusal other than it was not advisable. The reasons given for refusal in the last few years, however, were for the alleged security risk of Natan. Even if at one time Natan was a security risk, and that is doubtful since he worked as a manual labor distributing overalls in a machine factory, he retired over 15 years ago. Today, it is sad to report, Natan, 75 years old, is almost completely deaf, very ill, and going senile. Security risk is obviously not the reason for their denial.

The health of Etya is also a great concern to the family. The Tkach's daughter, Klavdia Fridman, a U.S. citizen residing in my district on Staten Island, NY, has related to me that her mother suffers from myocardial ischemia and pancreatitis. She further reports that Etya has undergone surgery several times and has been in and out of the hospital most of this year. Both Etya and Natan need the warmth and care of their family here in the United States.

The Tkach's situation is truly a case of family reunification. For without this family being reunited, I am afraid that the hope of this elderly sick couple will run out shortly. It is bad enough to be kept in a country against one's will. It is even worse when one's medical condition is fragile and one's family is not around to provide the psychological and physical assistance needed to carry on. We must remind the Soviets that reunification of families is one of the paramount purposes of the Helsinki accords to which they are a signatory and we expect them to fully abide by that agreement.

I am encouraged by the recent Soviet increase in Jewish emigration and the announced release of several prominent refuseniks. I am also heartened by the fact that Dorina Paritsky, Aleksandr's eldest daughter, has recently received permission to emigrate. We must not halt, however, in our insistence that all of those that wish to emigrate be granted such permission. We will not tolerate the Soviets disregard for basic human rights or their misuse of alleged security risks as a reason for denial of emigration. Until the Soviets allow the over 400,000 Soviet Jews who have indicated their desire to emigrate permission to do so we can not and will not be still.

Mr. MANTON. Mr. Speaker, I would like to commend the leaders of the Congressional Coalition for Soviet Jews for organizing today's special order. Today is an appropriate occasion to call attention to the plight of Soviet Jews because Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze are meeting in Washington. While there are many important topics to be discussed during their meetings, none are more important than the Soviet Union's emigration policies.

We have all been encouraged by the recent release of many prominent refuseniks and prisoners of conscience, but we must not let these cases overshadow the fact that there are still approximately 400,000 Jews who wish to leave the Soviet Union. It is still extremely dangerous for the Jewish people of the Soviet Union to learn Hebrew and to practice their religion. Rabbinical training, essential to the future of Judaism, is still forbidden. Furthermore, to even apply for emigration in the Soviet Union is to invite demotion or dismissal from one's job, the loss of academic degrees, and other acts of harassment. Recent changes in the Soviet Union's emigration laws have also made it more difficult for Jews to receive permission to emigrate.

Mr. Speaker, while many prominent refuseniks have been allowed to leave the Soviet Union, there are too many unknowns who remain. Secretary General Gorbachev recently told a congressional delegation that denying an exit visa on the basis the applicant has been in possession of state secrets should be a relevant concern for only 5 or 10 years. In 1977, one of my constituents was forced to divorce her husband so that she and her son could emigrate. Her husband was not allowed to emigrate because of his supposed access to sensitive information. Although his employment and supposed access ended 14 years ago, his requests for an exit visa have been repeatedly denied.

Mr. Speaker, the United States must continue to press the Soviet Government to reform their emigration policies. I am hopeful that Secretary Shultz and Foreign Minister Shevardnadze will discuss these issues and come to a favorable resolution. The Soviet Union must understand that while the United States will not allow Soviet Jews to be used as pawns, neither will we cease our efforts on their behalf.

Mr. BUSTAMANTE. Mr. Speaker, I want to thank Congressmen STOKES and KEMP for sponsoring this special order on behalf of Soviet Jews on occasion of the Shultz–Shevardnadze meetings.

As the United States and the Soviet Union have been moving closer to an arms control agreement on medium-range nuclear weapons and a summit is in the offing, the Soviet Union has acted to resolve a few well publicized human rights cases. The Soviet Union has continually used these goodwill gestures to show their good faith efforts at promoting world peace and freedom. However, when these cosmetic moves are seen in proper context, they prove to be calculated and ominous. The case of Yosef Begun, whose recent permission to emigrate was announced with much fanfare before Mr. Shevardnadze's meetings with Secretary Shultz, illustrates the Soviets' cynical approach to human rights. After a 16-year struggle to emigrate and to maintain his Jewish culture and religion, ex-prisoner of Zion Begun has become a hostage of détente, a pawn to be used by the Soviet leadership to project an image of openness to the West. The reality that Yosef Begun embodies is that of the Soviets' denial of cultural rights which their Constitution purports to protect and their noncompliance with international agreements guaranteeing free emigration.

We in the West yearn to see a real opening in the Soviet Union and a genuine respect for human rights since totalitarian regimes pose the greatest threat to freedom loving people. Therefore, if Mr. Gorbachev is serious about political reform his policies should reflect a positive departure with the past. Releasing celebrated human rights victims before summit meetings in exchange for American political concessions does not represent real Soviet political reform, it merely reflects a calculated move to project a positive image in the West.

Mr. Speaker, is Gorbachev's glasnost real or is it wishful thinking on our part? It is best to compare today's glasnost with previous attempts at Soviet political reform. Under Nikita Khrushchev hundreds of thousands were released from the gulag, exonerated and rehabilitated. Artists and writers were allowed to travel abroad and to express themselves in an unprecedented manner. In comparison, today's reforms are meager. Despite the spectacular releases of celebrated prisoners, the Soviet authorities have not repudiated the policy that created the modern day gulag. Moreover, Gorbachev has not exonerated and rehabilitated the few political prisoners that have been released. Many still linger in prisons and psychiatric wards. Cultural exchanges with the West are still tightly controlled by Soviet authorities who determine whether Soviet artists are reliable to appear in the West and who chose who from the West is acceptable for Soviet audiences. The emigration of Jews has increased from less than 100 a month in recent years to 500, but it is still a fraction of the annual rate of 50,000 under Brezhnev. When the actual numbers of Soviet Jewish emigration are measured against the demand by 400,000 Soviet Jews to leave, one can appreciate that the Soviets are only allowing a trickle to leave. To make matters worse, the Soviets promulgated a new emigration law which would exclude 90 percent of the Jews who have indicated their desire to leave from emigrating. In addition, Soviet authorities are not even accepting applications to emigrate, thereby eliminating the need to refuse applications and thereby eliminating future refuseniks. As the record shows the freeing of Yosef Begun cannot hide the paltry reality that glasnost is so far. Mr. Gorbachev has still a long way to go until he can demonstrate concrete political reform in the Soviet Union.

Mr. Speaker, Mr. Shevardnadze should convey the following message to Mr. Gorbachev: The American people have heard your rhetoric of openness or glasnost, they are waiting for you to act on your promises. They want to see significant improvements in human rights and, at least, similar levels of Jewish emigration which were achieved in the late seventies. Failing that you will forfeit the trust necessary for significant change in superpower relations.

Mr. WEISS. Mr. Speaker, I am pleased to participate today in the special order, sponsored by the Congressional Coalition for Soviet Jews, to address the issue of human rights and Jewish emigration in the Soviet Union.

It is particularly appropriate to speak about this issue at this time—for not only does it coincide with the much-awaited visit of Soviet Foreign Minister Eduard Shevardnadze, it also coincides with the celebration of the 200th anniversary of the U.S. Constitution. Thanks to the Constitution, American citizens are guaranteed basic human rights—rights which are systematically denied to Soviet citizens by their government.

The introduction of the glasnost policy by General Secretary Gorbachev has been accompanied by encouraging progress in United States-Soviet relations. The two governments are near to reaching an agreement to eliminate short and intermediate-range nuclear weapons. Soviet authorities are allowing unprecedented educational exchanges with the United States. There is even diplomatic cooperation between the United States and the Soviet Union, as in the recent U.N. Security Council resolution calling for a ceasefire in the Iran-Iraq War.

Within the Soviet Union, issues previously considered off-limits are now openly being debated. Countless prisoners of conscience have been released, and a number of prominent refuseniks have received permission to emigrate.

While these steps taken by the Soviet Government are indeed encouraging, they are not enough. The Soviet Government continues to unjustly detain too many of its citizens. Soviet Jews are still subject to religious discrimination. Although the rate of emigration has increased in comparison to the last 2 years, it is not nearly what it should be.

Since January 1, 1987, approximately 4,700 Soviet Jews have been allowed to emigrate. At the current rate, a total of 10,000 to 20,000 Jews will be given permission to leave the Soviet Union in 1987. But there are an estimated 350,000 to 400,000 Jews left in the Soviet Union who have indicated that they want to emigrate. In 1979, approximately 51,000 Jews were allowed to leave. A return to such levels would be a significant sign that the Soviet Government is committed to improving its treatment of Soviet Jews.

After much fanfare about a new, supposedly more liberal policy of emigration, the Soviet Union enacted a new highly restrictive emigration decree, in effect since January 1, 1987. The decree limits letters of invitation to emigrate to individuals who have close relatives in other nations. It thus effectively excludes thousands of Jews wanting to leave the Soviet Union.

Lastly, there is an apparent increase in the number of emigration visas refused by Soviet authorities on the basis that the individuals involved were privy to "state secrets." Such claims are absurd—one woman was refused a visa because she had worked part-time studying low-temperature refrigeration in a chemical institute!

In short, despite glasnost, the Soviet Government has yet to fulfill its obligations to preserve the basic human rights of its citizens—obligations which is voluntarily accepted when it signed the 1948 Universal Declaration of Human Rights and the 1975 Helsinki Final Act.

I ask my colleagues today to join me in sending a strong message to Foreign Minister Shevardnadze that we will not cease in our demands that the Soviet Government take further steps toward the fulfillment of its obligations to protect human rights. We must make Secretary Gorbachev realize that further improvements in United States-Soviet relations—improvements which are desired by the peoples of both our countries—cannot be divorced from a fundamental commitment to human rights.

Today, when we celebrate an American tradition of upholding human rights let us rededicate ourselves to the cause of improving human rights around the world. Let us loudly declare our belief that human beings have a right to think and speak freely, to live with dignity and to observe their religious beliefs without interference by the State. History—American history in particular—has shown that persistence and passion in pursuing a just cause can shake the most powerful nations in the world.

Mr. FIELDS. Mr. Speaker, I thank my colleagues in the Congressional Coalition for Soviet Jews for their leadership in the issue of human rights in the Soviet Union, and for providing the Members of Congress with the opportunity to talk about human rights and Jewish emigration in the Soviet Union during the meetings between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze.

Recently brought to my attention was the plight of a Soviet refusenik, Abram Kagan who has been denied permission to emigrate from the Soviet Union. Abram is an internationally known statistician who has received several invitations to scientific meetings outside the U.S.S.R., he has never been able to attend these seminars or to emigrate to Israel, although he and his family have been in refusal for more than 10 years. He has consistently been denied permission to emigrate because of secrecy, despite the fact that his employers at the Steklov Institute of Mathematics have led him to believe that there was no reason for him to be denied permission to emigrate. In actuality, Abram never had any contact with State secrets, having worked only as a theoritical mathematician whose papers have all appeared in the open scientific press. Just recently, the Soviet authorities granted permission to emigrate to everyone in his family, with the exception of Abram. To separate this loving father from his wife and two children is the ultimate cruelty of the Soviet Government.

Sometimes the story of a single person or family can tell more about a system of government than all the statistics in the world. Abram Kagan is only one of thousands of people who have been victims of anti-Semitism in the Soviet Union.

Until the end of June 1987 it seemed to be better for Soviet Jewry than the recent past. However, it should be noted that while Jewish emigration increased significantly in the first 6 months of 1987, the following situation remained: If Jewish emigration this year would continue at the current rate, the year's total would reach only 7,000—less than one-seventh of the peak year of 1979 when 51,320 Jews arrived in Vienna, almost all of those granted permission are drawn from a list of 11,000 documented refuseniks, with little evident breakthrough concerning the thousands of others who are known to seek to emigrate, very few applicants are being approved, or even processed, and virtually no one who lacks first degree relatives abroad, whether parents or siblings, can get new applications accepted.

General Secretary Mikhail Gorbachev has been seeking to project an image of openness and flexibility on human rights issues. He has taken some dramatic steps to demonstrate that the Soviet regime's policies on these matters are changing. He has released several prominent refuseniks. This is welcome news. Yet, for most Soviet citizens, there has been no general improvement in Soviet human rights practices under Gorbachev.

During his recent visit to West Berlin, President Reagan challenged the Soviets by calling for the dismantling of the Berlin Wall. In anticipation of another meeting between President Reagan and General Secretary Gorbachev, we must implore the Soviet Union to dismantle another wall, a wall which surrounds the Soviet Union by denying Soviet Jews a chance for freedom.

Mr. Speaker, it is our duty as freedom-loving people to throw the public spotlight of international concern on Soviet human rights performance. For the thousands of Soviet refuseniks, we remain their only hope.

Mr. GREEN. I would like to thank Representatives KEMP and STOKES, the House cochairs of the Congressional Coalition for Soviet Jews, for organizing this special order.

This special order comes at a very special time. Not only is Soviet Foreign Minister Sheverdnadze now meeting with Secretary Shultz, but just yesterday I had a visit from Vladimir Magarik, father of Prisoner of Conscience Alexei Magarik. Magarik met me with the happy news that Alexei had just Monday been freed from a Soviet labor camp. Vladimir referred to himself as the joyful father of a

"newborn son" and said he attributed his son's release, a year and a half early, to presure from the West.

Also, this month we have had word that a dozen well-known refuseniks, including Iosif and Inna Begun, Victor and Irina Brailovsky, Lev Sud, and others have been given permission to emigrate. These same people had been told just a few months ago that their cases would never be considered and that they would never be allowed to emigrate.

The numbers, too, are encouraging. In the first half of 1987, 3,092 Soviet Jews were allowed to emigrate. Just last month, 782 Jews left the Soviet Union. Those are startling numbers considering that in all of 1986 only 914 Soviet Jews were given exist visas.

And yet our work is far from over and our vigilance cannot yet be relaxed. Alexei Magarik, who first applied to emigrate in 1983, is still in the Soviet Union and not in Israel with his father. Lev Elbert, who is one of the well-known refuseniks, expected to be given an exist visa with the Beguns and Brailovskys, still has not officially heard that he will be allowed to leave. Ida Nudel, the Guardian Angel of Refuseniks, is still in internal exile and kept from her ever hopeful sister in Israel. Semyon Gluzman, a psychiatrist and former prisoner of conscience whom I first adopted 9 years ago, is still waiting in Kiev.

So while the Soviets have allowed for increased emigration and the miraculous releases of the now-famous refuseniks, for which we are grateful, the Soviets have still not outlined a clear and consistent policy. Immigration and compliance with the Helsinki Agreements cannot be on an ad hoc basic. The Soviet Government must adopt a well-defined and consistent review process for handling emigration requests. That review process must include, for instance, a responsible definition of what constitutes "access to state secrets" and must produce a clear guideline for documentation from family.

The Soviets must be made to understand that such a change in immigration policy would not go unrewarded, that such actions would inevitably lead to better trade relations and ultimately even to MFN status.

Next week is the Jewish New Year, Rosh Hashanah. What better time to push for these new and hopeful policies than now as Jews all over the world prepare to celebrate freedom and new beginnings.

Mr. HUGHES. Mr. Speaker, I want to commend the gentleman from Ohio, Mr. Stokes, for organizing today's special order on the plight of Russian refusenkiks. In light of the current visit of Soviet Foreign Minister Shevardnadze, this special order is particularly timely. I hope we can convince the soviet leadership that, even though the attention of our country is concentrated on the prospect of an arms agreement, we still mean business when it comes to respect for fundamental human rights.

I would like to take just a moment to mention the situation of a Russian family that is of particular interest to the people of my own Second District of New Jersey. Alexander and Rosa Joffe, Russian citizens who wish to start their lives over again in another country, have been denied the right to leave the Soviet Union and be reunited their family. The Board of Chosen Freeholders of Cumberland County, NJ, have taken notice of the Joffe family's ordeal, and have taken it upon themselves to adopt the Joffe family's cause as their own. As part of their worthy campaign to bring the Joffes to the world's notice, the members of the Cumberland County board have asked me to use this special order to spotlight the Joffes' fight to emigrate.

Of course it is entirely proper to focus this special order on the plight of individual families, such as the Joffes, in their quest for freedom. But while we draw attention to the Joffes, we must not ignore the fact that they represent more than just one family—they are a sympol for all oppressed persons who seek to exercise their rights as human beings to emigrate.

I implore General Secretary Gorbachev to review the Joffe family's case in the spirit of glasnost, and allow these people to be reunited with their loved ones. If Mr. Gorbachev really means to take his country in a new direction, he should start by exercising his sense of compassion and statesmanship and breaking the bonds that hold the Joffes, and tens of thousands like them, as virtual prisoners in their native land.

Mr. CLARKE. Mr. Speaker, much attention is rightly focused on Soviet Foreign Minister Shevardnadze's visit to Washington this week. I hope very much that Secretary of State Shultz placed human rights high on the agenda of his talks with Mr. Shevardnadze, and that our Government will continue to insist on observance of basic human rights in the Soviet Union in accordance with international agreements. I welcome recent Soviet gestures in releasing a few refuseniks, and I hope we will see a great deal of further progress. For those not already familiar with the problem of Jewish emigration from the Soviet Union, it may be useful to review the background of the issue.

It is not difficult for free Americans to imagine why anyone would want to emigrate from the Soviet Union, despite the hardship of leaving friends and relatives behind and starting over in a foreign country. We should remember, however, that Soviet Jews have special reasons for leaving, in part because they are singled out for special treatment.

Jews are officially considered as a nationality in the Soviet Union, like Russians and Lithuanians and Uzbeks. Jews were even given an artificial national homeland in the Sovet far east. Like all Soviet citizens over 16, Jews must carry their internal passports everywhere they go. Each passport gives the bearer's nationality. That means that in every contact with the police, bureaucrats, housing officials, and employers, a Jew is not just a citizen, but a Jewish citizen. This is not as blatant as sewing yellow stars of David on people's clothes, but in a country with a long tradition of anti-Semitism, it is harsh.

What does anti-Semitism mean today in the Soviet Union? Cossacks no longer slaughter Jewish villagers, and even Stalin's chillingly clear references to "cosmopolitan elements" have not been officially encouraged in recent years. Present-day Soviet anti-Semitism is usually more subtle. One Moscow women has spent her life reading and translating American literature. Her real passion, however, is the great classical literature of her own country. When in her youth she told university officials she wanted to major in that area, they said it would be inappropriate for a Jew to be an expert in Russian literature and firmly suggested American studies instead. It is no accident that Jews, althouth they tend to be more urban and educated than others in the U.S.S.R., are hard to find in Moscow's most prestigious professional and graduate schools. Prejudice shows its face at all levels, from playgrounds to the Kremlin.

In view of the discrimination and occasional hostility they face, Mr. Speaker, it is hardly surprising that some Jews try to assimilate to Soviet society and forget their Jewish heritage. Indeed the Soviet propaganda campaign against Zionism, as they define it, means in essence that the only good Jew is one who has lost all his Jewishness. It is clear that the average Russian knows that Zionism is a code word for Judaism. He therefore understands the real message of the television programs, newspaper articles, and books, condemning Zionism and Israel. Any Jew who asserts his heritage, or—worse still—decides he must emigrate to be free to assert it, immediately steps into the prepared role of Zionist and traitor.

The chief instrument of this official campaign is the state Anti-Zionist Committee. Among its members is Moscow's only rabbi. Little wonder that the city's 100,000 or more Jews regard him as the state's representative, not their own. Yet any Jews who seek religious life together but avoid the official synagogue risk breaking laws against belonging to unregistered religious bodies. Teaching Hebrew is not illegal, but many Hebrew teachers have been imprisoned on trumped-up charges like possession of drugs. Hebrew teacher Leonid (Ari) Volvovsky was sent to a labor camp in part for owning a copy of the novel "Exodus."

All this takes place, Mr. Speaker, in a totalitarian society where there is no effective way to appeal actions of state and party officials. We see potential in Gorbachev's policies for eventual basis improvements, but meanwhile glasnost has helped encourage a Russian nationalist movement which apparently has influence very high in the Kremlin. A central element of this movement is anti-Semitism.

Our policy, therefore, should be to maintain the pressure on the Soviet Government to do two things: First, to allow Jews and other Soviet citizens the right to practice their religion and cherish their heritage free of state interference; and second, to fulfill the U.S.S.R.'s international obligation to pose no barriers to free emigration.

Mr. SMITH of Florida. Mr. Speaker, as Secretary Shultz and Soviet Foreign Minister Eduard Shevardnadze begin their scheduled talks, I am hopeful that the plight of human rights and Jewish emigration will be discussed. With this in mind, I rise today to highlight the case of my adopted Soviet refusenik, Yakov Rabinovich. Mikhail Gorbachev's glasnost policies recently have been credited with an array of new reforms. Although the Soviet Union is rapidly progressing in many domestic aspects, the question of Soviet Jewry still remains unresolved. Unlike all citizens in our

American democracy, Soviet Jewish refuseniks live with uncertainty, harassment, and intimidation, and they are treated brutally by the Soviet system. Their only crime is their desire to live as Jews and to emigrate to Israel.

Gorbachev has been credited with the release of a number of Jews and political prisoners. Unfortunately, 400,000 known Jews still seek freedom from the Soviet Union. Their attempt is a long and tedious process which is usually culminated with denial. These individuals then lose their citizenship, residence, and even their occupations. Furthermore, they are often separated from their spouses and children.

One case, in particular, involves my adopted refusenik, Yakov Rabinovich, who first applied for permission to emigrate with his family in 1978. Three years after he first requested a visa, permission was granted to only his wife and two children. Rabinovich encouraged them to leave in the hope that he would soon follow. Since 1980, he has been denied permission to emigrate by an arbitrary Soviet bureaucracy, that unjustly accused him as having access to state secrets.

Probably the most tragic aspect of his torture is his forced separation from his wife and family. Rabinovich was advised to divorce his wife in order to make the emigration process easier for one of them. While he unwillingly remained in the Soviet Union, his son graduated from Brandeis University in 1985. Even their communication has been limited; often phone calls from Rabinovich's wife and children have been withheld.

Rabinovich now resides in Leningrad. Not only does he lead a dismal and lonely life, but he also has been cruelly deprived of his professional career and livelihood. Once a shipbuilding engineer, Rabinovich now works in a shoe factory earning a mere 130 to 150 rubles a month—equivalent to $130 to $150 in the United States. He must deal with the professional and personal humiliation of a pay decrease of 100 rubles from his once prestigious career.

The Soviets justify this treatment by accusing Rabinovich of having access to state secrets. In reality, the ships which Rabinovich helped design travel worldwide. Obviously, this Soviet citizen, as well as 11,000 others, is being denied an emigration visa only because he is a Jew. This bureaucracy can refuse him his freedom, but it cannot deny his Jewish identity. He will never forget his studies, or his heritage, regardless of his forced separation from his family.

The Soviet Government can isolate him, but even they are unable to restrict his religious convictions. As he patiently awaits a reunion with his family, Rabinovich serves as an active member of the Leningrad refusenik community where he studies Hebrew and Jewish culture. He is unafraid to stand up for what he believes and is dedicated to helping others. Rabinovich is an individual who actively seeks knowledge of Judaism as well as the freedoms found in our great democracy.

The primary dilemma is that the Soviets refuse to admit that there is a Jewish problem. With glasnost, Gorbachev is modernizing many internal policies, yet he does not necessarily intend to improve his position on the human rights issue. The Soviet Jewry question cannot be overlooked by this welcomed and much needed openness. Gorbachev may be trying to initiate an economic revolution, but we must be skeptical of his underlying intentions. As far as I am concerned, this is just an attempt to appease us and ignore the true problem at hand. As American citizens, we must continue to administer to the dire needs of the Soviet Jews which they are denied while living in this hostile country.

According to the Soviet Government, everyone who wants to leave has done so. Therefore, the family reunification provisions of the Helsinki Final Act are no longer needed. On the contrary, their services are seriously needed. Emigration statistics have never been so low. Gorbachev has addressed this topic, but thus far no substantial action has been taken.

As this public relations game persists, basic human rights are being violated. The only way to force the Soviets to release the Jewish refuseniks and to incorporate human rights is through a unified front. We cannot remain on the sidelines and passively watch this unjustice. Families are separated and innocent citizens are treated as prisoners. We must put a end to Soviet religious persecution.

The United States must continue to press the relaxation of harsh Soviet emigration policies to allow refuseniks such as Yakov Rabinovich the freedom to emigrate. As Members of Congress, it is our responsibility to take the initiative and pressure the Soviet officials until all dissidents are released. Soviet Jews must be granted their freedom and be protected from Soviet persecution and separation from their loved ones. The only hope for the Soviet Jewish refuseniks is the Western efforts, such as the congressional call to conscience vigil for Soviet Jews, sponsored by the Union of Councils of Soviet Jews. I am pleased that my colleagues have set time aside today to continue to speak out on behalf of the denial of human rights, so that the Soviets will realize Soviet Jewish emigration is a priority and a commitment of the United States, not a propaganda tool.

Mr. RICHARDSON. Mr. Speaker, the meetings currently taking place between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze provide a unique opportunity to raise the issue of human rights in the Soviet Union. As a member of the Helsinki Commission, I would like to express my concerns about the new Soviet emigration legislation and the plight of the Soviet Jew.

### NEW SOVIET EMIGRATION LEGISLATION

We welcome the publication of your new regulations on entry into and exit from the U.S.S.R. and some of the provisions which are geared toward speeding up the decision-making process on applications for exit visas. Nevertheless, many Americans are troubled by other provisions, including the requirement that the invitations from abroad necessary for application can only come from close family members. We are concerned that the definition of family is so narrow as to exclude many who would like to emigrate. We are also concerned about the requirement that family members must grant approval of close relatives' emigration requests.

The new Soviet emigration policy merely creates some possibility for limited numbers of people to leave. The regulation makes no mention of emigration as a right, and continues to leave Soviet authorities with absolute power to reject applications for emigration.

The regulation, citing formal new rules on who may leave, essentially codifies existing restrictive practices in effect since 1980. These practices allowed departure on the basis of family reunification only, rather than as a fundamental human right.

The decree continues the Soviet practice of withholding permission from those who have "knowledge of state secrets." While a state may have legitimate security concerns, and limit exit permission to those exposed to military secrets, the decree does not define the term and has no ceiling on time.

The decree also spells out eight other reasons for denying requests for emigration, Including a catch-all provision that gives Soviet authorities the right to reject applications on grounds of "insuring the protection of social order, health, or the morals of the population."

The publication of this decree can be seen as a positive step. However, it should be kept in mind that the regulation disregards provisions of various international documents, particularly the international covenant of Civil and Political Rights, which guarantee the right to leave one's country.

### JEWISH EMIGRATION

Since the signing of the Helsinki Final Act, the level of Jewish emigration, after an initial and marked increase, has declined rapidly.

In the 1980's, emigration declined to a low of 896 in 1984, 1,140 in 1985, and 914 in 1986. However, the number of Jews permitted to emigrate in March of 1987, 470, represents the highest monthly level since late 1981.

It is estimated that 383,000 Soviet Jews are in possession of a Vyzov—invitation to emmigrate. While it is not known how many have actually applied or would apply if given the opportunity, it is probable that many are awaiting a more favorable climate before taking the risk to emigrate.

There are over 11,000 known Jewish refuseniks, although some estimates run as high as 20,000. Over 1,000 have been waiting to emigrate for more than 10 years.

We welcome the increase in emigration so far this year and are encouraged by Indications that emigration will continue to increase substancially. However, hundreds of religious believers of all faiths are imprisoned, exiled, or incarcerated in psychiatric hospitals for attempting to practice their faith. Thousands of evangelical Protestants in the Soviet Union have expressed the intention to emigrate from the U.S.S.R. to escape religious persecution.

The release of all these religious prisoners of conscience would demonstrate that the Soviet Government really intends to live up to its international human rights obligations. We would urge your Government to permit all citizens, regardless of ethnic or religious origin, to emigrate if they wish to do so.

Mr. GRADISON. Mr. Speaker, in recent weeks, a number of well-known Soviet Jewish refuseniks have received notice from the Soviet Government that they have been granted or will be given permission to emigrate. For example, long-term refuseniks, such as Iosif

Begun and Victor Brailovsky, have been alerted that they may immigrate to Israel.

Overall, there has been a substantial increase in Jewish emigration from the U.S.S.R. In 1986, 914 Jews were allowed to leave the Soviet Union while 4,699 Jews had emigrated as of August 1987.

These statistics, as well as reports that some of the more famous refusenik cases will be resolved, have raised hopes that the Soviet Government may be changing its policy toward Jews who have expressed a desire to leave the Soviet Union. Indeed, United States State Department officials and United States negotiators who have brought up human rights cases with the U.S.S.R. recently report that the Soviet Government has been willing to discuss this issue, a noticeable change from previous years.

Nevertheless, administration officials and human rights experts caution that it is too soon to tell whether Soviet policy is undergoing a fundamental change. It is widely believed that the Soviets have been receptive to resolving cases of concern to the West in order to improve agreement prospects for the Soviets in other areas, whether it be on INF or trade.

Without question, Soviet advances on human rights issues should be applauded and encouraged. But, progress and continued improvement in the rate of Soviet Jewish emigration can only be ensured through persistent effort. If meaningful change in the treatment of Jews in the Soviet Union is to occur, Soviet Jewry activists, human rights supporters, and Congress must continue to publicize human rights issues and press the Soviet Government for reforms.

## GENERAL LEAVE

Mr. STOKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. Lehman of California). Is there objection to the request of the gentleman from Ohio?

There was no objection.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. Lloyd (at the request of Mr. Foley), for today and the balance of the week, on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Armey) to revise and extend their remarks and include extraneous material:)

Mr. Lungren, for 5 minutes, today.

(The following Members (at the request of Mr. Glickman) to revise and extend their remarks and include extraneous material:)

Mr. Udall, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mr. Panetta, for 5 minutes, today.

Mr. Gaydos, for 60 minutes, on September 22.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Weiss, to revise and extend his remarks just prior to the vote on final passage on H.R. 1154 in the House today.

(The following Members (at the request of Mr. Armey) and to include extraneous matter:)

Mr. Green in two instances.
Mr. McGrath in two instances.
Mr. Gallo.
Mr. Ritter.
Mr. Solomon in three instances.
Mr. Wortley in two instances.
Mr. Daub in two instances.
Mr. Michel in two instances.
Mr. Burton of Indiana.
Mr. Saxton.
Mr. Fields.
Mr. Weldon.
Mr. Crane.
Mr. Inhofe.
Mr. Conte.
Mr. Roth.
Mr. Lightfoot.
Mr. Denny Smith.
Mr. Lewis of Florida.
Mr. Courter.

(The following Members (at the request of Mr. Glickman) and to include extraneous matter:)

Mrs. Boxer.
Mr. Howard.
Mr. Tallon.
Mr. Fascell in two instances.
Mr. Vento in two instances.
Mr. Hoyer.
Mr. Kleczka.
Mr. Murtha.
Mr. Rangel.
Mr. Evans.
Mr. Frank.
Mr. MacKay.
Mr. Morrison of Connecticut.
Mr. Montgomery.
Mr. Hamilton.
Mr. Pepper.
Mr. Coleman of Texas.
Mr. Hertel.
Mr. Yatron in two instances.
Mr. Ackerman.
Mr. Lipinski.
Mr. Dingell.
Mr. Miller of California.
Mr. Dorgan of North Dakota.
Mr. Kolter.
Mr. Dwyer of New Jersey.
Mr. Bruce.

## SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuses and neglect assistance;

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; and

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month."

## ADJOURNMENT

Mr. STOKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Thursday, September 17, 1987, at 10 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2099. A letter from the Secretary of Agriculture, transmitting the Department's views concerning H.R. 3030, the Agricultural Credit Act of 1987; to the Committee on Agriculture.

2100. A letter from the Secretary of the Interior, transmitting a report of the Department's progress in negotiating an agreement for the redevelopment of the southern end of Ellis Island, pursuant to section 5 of the Department of the Interior fiscal year 1987 Appropriations Act as contained in Public Law 99-591 (100 Stat. 3341-251); to the Committee on Appropriations.

2101. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of September 1, 1987, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 100-106); to the Committee on Appropriations and ordered to be printed.

2102. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting a list of Navy functions which will be the subject of cost studies under the Commercial Activities [CA] Program pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2103. A letter from the General Council, Department of the Treasury, transmitting a draft of proposed legislation to amend the Federal Deposit Insurance Act; to the Committee on Banking, Finance and Urban Affairs.

2104. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting the annual report of the Bank's operations for fiscal year 1986, pursuant to 12 U.S.C. 635g(a); to the Committee on Banking Finance and Urban Affairs.

2105. A letter from the Auditor, district of Columbia, a report entitled "Review of the Procedures, Utilized by the Baseball Commission, for the Receipt, Disbursement and Accounting of Funds," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

2106. A letter from the Secretary of Education, transmitting a copy of final regulations for secondary and transitional services for handicapped Your Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2107. A letter from the Chairman, Railroad Accounting Principles Board, transmitting the Board's final report on recommendations for integrating cost accounting principles and the cost accounting system certification process into existing rail carrier rate regulation under title 49 of the U.S. Code, pursuant to 49 U.S.C. 11167; to the Committee on Energy and Commerce.

2108. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of transmittal No. B-87 which relates to enhancements or upgrades from the level of sensitivity of technology or capability described in section 36(b)(1), AECA certification 86-28 of 8 April 1986, pursuant to 22 U.S.C. 2776(b)(5), AECA, section 36(b) (90 Stat. 741; 93 State. 708, 709, 710, 94 Stat. 3134; 94 Stat. 1520); to the Committee on Foreign Affairs.

2109. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. A-87 which relates to enhancements or upgrades from the level of sensitivity of technology or capability described in section 36(b)(1), AECA certification 84-20 of 26 January 1984, pursuant to 22 U.S.C. 2776(b)(5), AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 94 Stat. 1520); to the Committee on Foreign Affairs.

2110. A letter from the Acting Director, Defense Security Assistance Agency, transmitting an addendum to the listing of all outstanding Letters of Offer to sell any major defense equipment for $1,000,000 or more, and an addendum to the Listing of all Letters of Offer that were accepted, as of June 30, 1987, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

2111. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of certain FMS quarterly reports for the third quarter of fiscal year 1987, April 1, 1987 to June 30, 1987, pursuant to AECA, sections 36(a) and 26(b) the March 24, 1979 report by the Committee on Foreign Affairs and the seventh report by the Committee on Government Operations; to the Committee on Foreign Affairs.

2112. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting the Department's notice of proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2113 A letter from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting the Department's notice of a proposed new record system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2114. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2115. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2116. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the Council's annual report for fiscal year 1986, pursuant to 16 U.S.C. 470(b); to the Committee on Insular Affairs.

2117. A letter from the Comptroller General of the United States, transmitting a report on the proposed guidelines of the U.S. Sentencing Commission, pursuant to Public Law 98-473, Section 235(a)(i)(B)(ii)(II) (98 Stat. 2032); jointly, to the Committee on Government Operations and the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLAND: Committee on Appropriations. Supplemental report on H.R. 2783 (Rept. 100-189, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR: Committee on Rules. House Resolution 263. Resolution providing for the consideration of H.R. 442, a bill to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians (Rept. 100-301). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. Report on subdivision of budget totals agreed to in the Concurrent Resolution on the budget (H. Con. Res. 93) for Fiscal Year 1988 (Rept. 100-302). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JACOBS:

H.R. 3280. A bill to amend the Fair Labor Standards Act of 1938 to exempt from the overtime requirements of that act certain individuals employed in the cleaning of carpets or fabrics; to the Committee on Education and Labor.

By Mr. KLECZKA (for himself, Mr. St Germain, Mr. Schumer, Mr. LaFalce, Mr. Kanjorski, Mr. Petri, Mrs. Collins, Mr. Owens of Utah, and Mr. Smith of Florida):

H.R. 3281. A bill to amend section 235 of the National Housing Act to encourage the refinancing of mortgages, loans, and advances of credit for which assistance payments are provided under the lower income homeownership program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. NELSON of Florida:

H.R. 3282. A bill to reform the laws relating to former Presidents; jointly, to the Committees on Post Office and Civil Service and the Judiciary.

By Mr. PEPPER:

H.R. 3283. A bill to allow the obsolete submarine United States ship Turbot to be transferred to Dade County, FL, before the expiration of the otherwise applicable 60-day congressional review period; to the Committee on Armed Services.

By Mr. RITTER:

H.R. 3284. A bill to direct the Secretary of Transportation to carry out a highway demonstration project to extend Pennsylvania State Route 33 to provide a limited access highway to connect Interstate Routes I-78 and I-80; to the Committee on Public Works and Transportation.

By Mr. UDALL:

H.R. 3285. A bill to amend the Atomic Energy Act of 1954 to reorganize the functions of the Nuclear Regulatory Commission by abolishing the Commission and in its place establishing the Nuclear Energy Regulatory Agency, an inspector general thereof, and a Nuclear Safety Board in order to promote safer and more effective and efficient nuclear regulation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:

H.R. 3286. A bill to amend the Carl D. Perkins Vocational Education Act to clarify the distribution of assistance under such act to single parents and single pregnant woman; to the Committee on Education and Labor.

By Mr. WORTLEY (for himself, Mr. Lagomarsino, Mr. Schulze, Mr. Petri, Mr. McGrath, Mr. Hughes, Mr. Donald E. Lukens, Mr. Courter, Mr. Hansen, Mr. Dwyer of New Jersey, Mr. DioGuardi, and Mr. Spence):

H.R. 3287. A bill to amend the Ethics in Government Act of 1978 to require legislative branch employees who are cleared for access to classified information to file an annual financial disclosure statement; to the Committee on Rules.

By Mr. BRUCE (for himself, Mr. Markey, Mr. Bryant, Mr. Leland, Mr. Swift, and Mrs. Collins):

H.R. 3288. A bill to require the Federal Communications Commission to reinstate restrictions on advertising during children's television, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GARCIA (for himself and Mr. Leach of Iowa):

H.R. 3289. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEWIS of Florida:

H.R. 3290. A bill to settle Seminole Indian land claims within the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER (for himself and Mr. Wyden):

H.R. 3291. A bill to amend title XVIII of the Social Security Act to limit the rate of increase of the part B Medicare premium to the rate of increase in Social Security benefits; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RANGEL (for himself, Mr. Gilman, Mr. Ackerman, Mr. Akaka, Mr. Biaggi, Mr. Conyers, Mr. Crockett, Mr. de Lugo, Mr. Fascell, Mr. Fauntroy, Mr. Flake, Mr. Frank, Mr. Fuster, Mr. Guarini, Mr. Kildee, Mr. Levin of Michigan, Mr. Matsui, Mr. Pepper, Mr. Rodino, Mr. Stark, Mr. Stokes, Mr. Sunia, Mr. Towns, Mr. Traficant, and Mr. Weiss):

H.R. 3292. A bill to establish certain grant programs relating to acquired immune deficiency syndrome among intravenous substance abusers, and for other purposes; to the Committee on Energy and Commerce.

By Mr. RODINO (by request):

H.R. 3293. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. WHITTAKER (for himself, Mr. Bates, Mr. Synar, Mr. Scheuer, Mr. Ritter, and Mr. Wyden):

H.R. 3294. A bill to amend the Federal Food, Drug, and Cosmetic Act to regulate the sale and distribution of tobacco products containing tar, nicotine, additives, carbon monoxide, and other potentially harmful constituents, and for other purposes; to the Committee on Energy and Commerce.

By Mr. JACOBS:

H.J. Res. 358. Joint resolution proposing an amendment to the Constitution of the United States permitting the President to grant a pardon to an individual only after such individual has been convicted; to the Committee on the Judiciary.

By Mr. RICHARDSON (for himself, Mr. Lujan, Mr. Ortiz, Mr. Torres, Mr. Bustamante, Mr. Roybal, Mr. Fuster, Mr. Garcia, Mr. de la Garza, and Mr. Martinez):

H.J. Res. 359. Joint resolution designating April 8, 1988, as "Senator Dennis Chavez Day"; to the Committee on Post Office and Civil Service.

By Mr. SHUSTER:

H.J. Res. 360. Joint resolution designating October 1988 as "Pregnancy and Infant Loss Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. WATKINS (for himself, Mr. Towns, Mr. Evans, Mr. English, Mr. Horton, Mr. Dyson, Mr. Udall, Mr. Volkmer, Mr. Hughes, Mr. Coelho, and Mr. Chapman):

H.J. Res. 361. Joint resolution recognizing, encouraging, and supporting the National Rural Crisis Response Center; to the Committee on Post Office and Civil Service.

By Mr. CONYERS (for himself, Mr. Wolpe, Mr. Crockett, Mr. Gray of Pennsylvania, Mr. Conte, Mr. Dymally, Mr. Udall, Mr. Leland, Mrs. Schroeder, Mr. Dellums, Mr. Mavroules, and Mr. Edwards of California):

H. Con. Res. 189. Concurrent resolution condeming the indiscriminate killing of innocent and unarmed civilians and other acts of sabotage committed by the Mozambique National Resistance [RENAMO] and urging President Reagan to continue to recognize the Mozambican Government; to the Committee on Foreign Affairs.

By Mr. JACOBS:

H. Con. Res. 190. Concurrent resolution condemning the use of rapid decompression as a method of animal euthanasia; to the Committee on Agriculture.

## PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOEHLERT:

H.R. 3295. A bill for the relief of Nancy L. Brady; to the Committee on the Judiciary.

By Mr. WYLIE:

H. Res. 264. Resolution to commemorate the 25 years of service of the Reverend Father Anthony P. Sarris as priest of the Annunciation Greek Orthodox Church of Columbus and its parish; to the Committee on Post Office and Civil Service.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 51: Mr. Jacobs, Mr. Traficant, Mr. Sawyer, and Mr. Walgren.

H.R. 190: Mr. Wortley, Mr. Foglietta, and Ms. Slaughter of New York.

H.R. 245: Mr. Baker, Mr. Cardin, and Mr. Martinez.

H.R. 372: Mr. Marlenee.

H.R. 514: Mr. Foglietta and Mr. Torricelli.

H.R. 592: Mr. Bilirakis, Mr. Goodling, and Mr. MacKay.

H.R. 594: Mr. Daniel, Mr. Blaz, Mr. Howard, and Mr. Ireland.

H.R. 622: Mr. Kleczka.

H.R. 666: Mr. Barton of Texas.

H.R. 782: Ms. Pelosi.

H.R. 791: Mr. Conte.

H.R. 807: Mr. Carr.

H.R. 906: Mr. Ford of Tennessee.

H.R. 907: Mr. Edwards of Oklahoma, Mr. Akaka, Mr. Martinez, and Mr. Torricelli.

H.R. 1036: Mr. Oxley and Mr. Pashayan.

H.R. 1082: Mr. Mollohan.

H.R. 1093: Mr. Hayes of Louisiana, Mr. Staggers, Mr. Robinson, Mr. Montgomery, Mr. Oxley, Mr. Frost, Mr. McEwen, Mr. Clinger, Mr. Chappell, Mr. Dowdy of Mississippi, Mr. Cheney, Mr. Hall of Ohio, Mr. Stokes, Mr. Schuette, Mr. Bustamante, Mr. Neal, Mr. Miller of Ohio, Mr. Bereuter, Mr. Fish, Mr. Tauke, Mr. Wortley, Mr. Burton of Indiana, Mr. Dyson, Mr. Hansen, Mr. Yatron, Mrs. Smith of Nebraska, Mr. Gregg, Mr. Jenkins, Mr. Skeen, Mr. Wise, Mr. Hoyer, Mr. Kanjorski, Mr. Perkins, Mr. Armey, Mr. Ravenel, Mr. Gunderson, Mr. McMillen of Maryland, Mrs. Vucanovich, Mr. Wilson, Mr. de la Garza, Mr. Evans, Mr. Hastert, Mr. English, Mr. Leath of Texas, Mr. Dicks, Mr. Bunning, Mr. Brennan, Mrs. Patterson, Mr. Madigan, Mr. Towns, Mr. McCloskey, and Mr. Derrick.

H.R. 1115: Mr. Gregg, Mr. McEwen, Mr. Smith of New Jersey, and Mr. Weldon.

H.R. 1442: Mrs. Bentley.

H.R. 1481: Mr. Neal.

H.R. 1495: Mr. Derrick and Mrs. Patterson.

H.R. 1694: Mr. Pursell.

H.R. 1707: Mr. Badham, Mr. Rodino, Mr. Fazio, Mrs. Boggs, Mr. Daub, Mr. Price of Illinois, Mr. Lehman of California, and Mr. Gordon.

H.R. 1709: Mr. Bliley.

H.R. 1770: Mr. Stark.

H.R. 1782: Mr. Lott, Mr. Thomas of Georgia, and Mr. Gejdenson.

H.R. 1987: Mr. Nichols.

H.R. 2041: Mr. Rahall.

H.R. 2091: Mr. Foglietta and Mr. McMillen of Maryland.

H.R. 2168: Mr. Fauntroy and Mr. Gejdenson.

H.R. 2171: Mr. Owens of New York and Mr. Levine of California.

H.R. 2183: Mr. Hayes of Louisiana, Mr. Cooper, Mr. Evans, Mr. Carr, and Mr. Espy.

H.R. 2248: Mr. Mrazek, Mr. Levin of Michigan, Mr. Quillen, Mr. Volkmer, and Mr. Daub.

H.R. 2260: Mr. Bennett, Mr. Grant, Mr. Torres, Mr. Gordon, Mr. Evans, Mr. Bereuter, Mr. Roth, Mr. Roberts, Mr. Tauzin, Mr. English, Mr. Fish, Mr. Lancaster, Mr. Bates, Mr. Ford of Tennessee, Ms. Kaptur, Mr. Lott, and Mr. Jones of Tennessee.

H.R. 2276: Mr. Scheuer, Ms. Pelosi, Mr. Owens of New York, and Mr. Berman.

H.R. 2423: Mr. Solarz, Mr. Lantos, Mr. Dymally, Mr. Savage, Mrs. Boxer, Ms. Pelosi, Mr. Levine of California, Mr. Atkins, Mr. Owens of New York, Mr. Morrison of Connecticut, and Mr. DeFazio.

H.R. 2487: Mr. Dornan of California, Mr. Bates, Mr. McCloskey, Mr. Foglietta, Mr. Vento, Mr. Atkins, Mr. Gregg, Mr. Boner of Tennessee, and Mr. Lehman of California.

H.R. 2510: Mr. Atkins.

H.R. 2585: Mr. Lowery of California and Mr. Yates.

H.R. 2641: Mr. Petri, Mrs. Morella, Mr. Atkins, Mr. Mrazek, Mr. Conte, and Mr. Studds.

H.R. 2675: Mr. Shaw, Ms. Kaptur, and Mrs. Bentley.

H.R. 2676: Mr. Atkins.

H.R. 2692: Mr. Ford of Michigan, Mr. Leland, Mr. Conte, Mr. Florio, Mr. Donnelly, Mr. Mavroules, and Mr. Levine of California.

H.R. 2699: Mr. Duncan and Mr. Barnard.

H.R. 2776: Mr. Biaggi, Mr. Obey, Mr. Grandy, Mr. Daub, Mr. Bustamante, Mr. Marlenee, and Mr. Foglietta.

H.R. 2791: Mr. Rinaldo.

H.R. 2844: Mr. Bonior of Michigan and Mr. Gejdenson.

H.R. 2878: Mr. Staggers.

H.R. 2883: Mr. Feighan, Mr. Gregg, Mr. Bonker, Mr. Akaka, Mr. Young of Florida, Mr. Mfume, Mr. Gray of Pennsylvania, Mr. Eckart, and Mr. Coughlin.

H.R. 2911: Mr. Levin of Michigan.

H.R. 2922: Mr. Neal and Ms. Oakar.

H.R. 2977: Mr. Andrews, Mr. Livingston, Mr. Donnelly, Mr. Grandy, Mr. Nowak, Mr. Leach of Iowa, Mrs. Morella, Mr. Coble, Mr. Ballenger, Mr. Dowdy of Mississippi, Mr. Jones of North Carolina, Mr. Boehlert, Mr. Vento, Mr. Price of North Carolina, Mr. Conte, Mr. Shumway, Mr. Hawkins, Mr. Torricelli, Mr. Walker, Mrs. Kennelly, Mr. Kostmayer, Mr. Yatron, Mr. Natcher, Mr. McDade, Mr. Gordon, Mr. Derrick, Mr. Montgomery, Mr. Mfume, Ms. Oakar, Mrs. Byron, Mr. Jacobs, Mr. Anderson, Mr. Bartlett, Mr. Combest, Mr. Hefner, Mr. Wise, Mr. Denny Smith, Mr. Buechner, Mr. Oxley, Mr. Sawyer, Mr. Roemer, Mr. Rinaldo, Mr. Saxton, Mr. Gilman, Mr. Espy, Mr. Armey, Mr. Hefley, Mr. Roe, Mr. Durbin, Mr. Borski, Mr. McEwen, Mr. Ravenel, Mr. Lott, Mr. Sharp, Mr. Coughlin, Mr. Badham, Mr. McCloskey, Mr. Levin of Michigan, and Mr. Barton of Texas.

H.R. 2983: Mr. Bartlett, Mr. Mineta, Mr. DeWine, Mr. Lagomarsino, Mr. Mrazek, Mr. Nielson of Utah, Mr. DioGuardi, Mr. Wyden, Mr. Frost, Mr. Wortley, Mr. Fazio, Mr. Atkins, and Mr. Walgren.

H.R. 2985: Mr. Stokes and Mr. Pepper.

H.R. 3011: Ms. Slaughter of New York, Mr. Hughes, Mr. Dwyer of New Jersey, Mrs. Roukema, Mr. Atkins, Mr. Vento, and Mr. Howard.

H.R. 3021: Mr. Lancaster.

H.R. 3026: Mr. Burton of Indiana, Mr. Bevill, Mr. Davis of Illinois, Mr. Oxley, Mr. Henry, Mr. Martinez, Mr. McEwen, Mr. Brown of Colorado, Mr. Gregg, Mr. Frost, Mr. Fawell, Mr. Smith of Florida, Mr. Lagomarsino, and Mr. Schuette.

H.R. 3069: Mr. Madigan.

H.R. 3101: Mr. Smith of Florida, Mr. Alexander, Mr. Shumway, Mr. Berman, Mr. Owens of New York, Mr. Espy, and Mr. Blaz.

H.R. 3161: Mr. Bilirakis.

H.R. 3169: Mr. Lancaster.

H.R. 3175: Mr. Beilenson, Mr. Oxley, and Mr. Penny.

H.R. 3176: Mr. Beilenson and Mr. Oxley.

H.R. 3179: Mr. Howard, Mr. Horton, Mr. Mfume, Mr. Towns, Mr. Fish, Mr. Hochbrueckner, Mr. Gejdenson, and Mr. Fauntroy.

H.R. 3229: Mr. Lagomarsino.

H.J. Res. 144: Mr. Hastert, Mr. Hertel, Mr. Foley, Mr. Mineta, and Mr. Lowry of Washington.

H.J. Res. 234: Mr. Wylie, Mr. Grandy, Mr. Holloway, Mr. Donald E. Lukens, Mr. Fauntroy, Mr. Chappell, Mr. Hammerschmidt, Mr. Hubbard, Mr. Bliley, Mr. DioGuardi, Mr. Stokes, Mr. Kemp, Mr. Molinari, Mr. MacKay, Mr. Dicks, Mr. Regula, Mr. Watkins, Mr. Bilirakis, Mr. Cardin, Mr. Grant, Mr. Stark, Mr. Applegate, Mr. Mollohan, Mr. St Germain, Mr. Pursell, Mr. Chandler, Mr. Markey, Mr. Kennedy, Mr. Boucher, Mr. Berman, Mr. Wilson, Mr. Anderson, Mr. Bosco, Mr. Synar, Mrs. Lloyd, Mr. Wise, Mr. Yates, Mr. Gunderson, Mr. Lantos, Mr. Gejdenson, Mr. Denny Smith, Mr. Jeffords, Mr. Solomon, Mr. Petri, Ms. Kaptur, Mr. Hoyer, Mr. Guarini, Mr. Duncan, Mr. Jones of North Carolina, Mr. Frank, Mr. Bateman, Mr. Conyers, and Mr. Swindall.

H.J. Res. 260: Mr. McDade, Mr. Madigan, Mr. Lagomarsino, Mr. Fazio, Mr. Boner of Tennessee, Mr. Dixon, Mr. Lipinski, Mr. Horton, Mr. Volkmer, Mr. Atkins, Ms. Oakar, Mr. Robert F. Smith, Mr. Anderson, Mr. Torricelli, Mr. Fields, Mr. Mrazek, Mr. de Lugo, Mr. Pepper, Mr. Denny Smith, Mr. Gray of Illinois, Mr. Kostmayer, Mr. Martinez, Mr. Livingston, Mr. Kennedy, Mr. Fish, and Mr. Moakley.

H.J. Res. 272: Mr. Stratton, Mr. Bateman, Mr. Nelson of Florida, Mr. Matsui, Mr. Hayes of Louisiana, Mr. Sabo, Mr. Wyden, and Mrs. Vucanovich.

H.J. Res. 287: Mr. Bennett, Mr. Conte, and Mr. Chandler.

H.J. Res. 315: Mr. Emerson.

H. Con. Res. 97: Mr. Foglietta.

H. Con. Res. 101: Mr. Weiss, Mr. Mollohan, Mr. Crockett, Mr. Sunia, and Mr. Schuette.

H. Res. 114: Mr. Marlenee and Mr. Nielson of Utah.

H. Res. 188: Mr. Ravenel, Mr. Barnard, and Mr. Moorhead.

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2260: Mr. Petri.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

72. By the SPEAKER: Petition of Harry E. and Ruth B. Saxton, Lorimor, IA, relative to medical assistance to cattle; to the Committee on the Judiciary.

73. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to the Endangered Species Act and western water projects; to the Committee on Merchant Marine and Fisheries.

74. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to dams with safety problems; to the Committee on Public Works and Transportation.

75. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to water quality certification; jointly, to the Committee on Public Works and Transportation and Energy and Commerce.

## AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

### H.R. 3030

By Mr. BROWN of Colorado:

—At the end of Sec. 109 insert the following:

(h) Section 1.9 (12 U.S.C. 2017) is amended—

(1) by striking out "85" and inserting in lieu thereof "80".

(2) Effective date.—The amendment made by paragraph (1) shall apply to loans applied for and made after the date of enactment of this Act.

### H.R. 3030

By Mr. DINGELL:

—Page 144, beginning on line 10, strike out all of title III of the bill through page 177, line 19, and redesignate the succeeding title and sections and conform the table of contents accordingly.

### H.R. 3030

By Mr. JEFFORDS:

—Page 170 on line 4, strike the close quotes and period at the end of the sentence and insert the following after line 4:

"Sec. 5.92. Borrower Rights.—The provisions of section 4.13, as amended by the Agricultural Credit Act of 1987, and sections 4.14A, 4.14C through 4.14F, 4.21, and 4.22 as added by such Act shall apply to any loan that is originated by a non-Farm Credit System institution and that is subject to this title to the same extent that such provisions would apply to such loan had it originated with an institution of the Farm Credit System under regulations prescribed by the Farm Credit Administration"."

—Page 170, line 20: strike all after "TITLE IV—REORGANIZATION OF THE FARM CREDIT SYSTEM" through page 181, line 16.

—Strike Subsection 8.3(b) and insert in lieu therof the following:

Sub(b):

Within 90 days after the creation of the bank for cooperatives, borrowers which were stockholders of the district banks for cooperatives operating under title III on the date of the enactment of this Act shall vote either to remain part of the bank for cooperatives or to have the Service Bank located in the same regional area as such stockholders retain the authorities of a bank for cooperatives as provided under title III.

Sub(c):

A majority vote of stockholders and contributors to guaranty funds described in title III shall be required for each Service Bank regional area in order for the Service Bank in that regional area to retain the authorities of a bank for cooperatives as provided under title III. The majority vote shall be required based on both (1) the one-man one-vote provisions of section 5.2(c) and (2) a majority of the total equity interests (not including unallocated surplus and reserves) held by voting stockholders and contributors to guaranty funds in the district bank(s) for cooperatives covered by each Service Bank regional area.

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# SENATE—*Wednesday, September 16, 1987*

The Senate met at 8:30 a.m., and was called to order by the Honorable Harry Reid, a Senator from the State of Nevada.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

*The Lord is my shepherd, I shall not want. He leadeth me* * * *.—Psalm 23:1.

Mighty Lord, in the pragmatic world of politics, it is easy to treat the words of the Shepherd's psalm as beautiful and irrelevant to hard, harsh reality. But in so doing, we deprive ourselves of the solid promise, "I shall not want"—we compound our confusion in rejecting Your promised leadership. We walk in darkness because we refuse Your light. Gracious Shepherd, the Senate confronts an impossible agenda. The mountain of legislative responsibility—plus the atmosphere of controversy and conflict—the relentless shadow of a faraway national election—the critical urgency of momentous issues impose a superhuman reality demanding superhuman wisdom, direction, energy, and effort. Patient God, forgive us for our indifference to Your word and awaken the Senate to the availability of the Good Shepherd and His faithfulness to fulfill His promise. Teach them to walk in His way for their own satisfaction, the good of the Nation and the glory of God. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
*Washington, DC, September 16, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Harry Reid, a Senator from the State of Nevada, to perform the duties of the Chair.

John C. Stennis,
*President pro tempore.*

Mr. REID thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE ACTING DEMOCRATIC LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the acting Democratic leader, the Senator from Wisconsin, is now recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the majority leader and the minority leader be reserved for their use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. I understand that under the order, we now have time for morning business. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

## WHY WE CAN HAVE EITHER ARMS CONTROL OR SDI, BUT NOT BOTH

Mr. PROXMIRE. Mr. President, President Reagan has announced that after the agreement between the two superpowers eliminating intermediate and short-range nuclear weapons from Europe has been reached, the next step on the arms control agenda is a mutual United States-Soviet 50-percent reduction in strategic nuclear missiles. Sounds great. Is such an agreement possible? Would the Soviets agree to cut their 10,000 strategic nuclear warheads in half, if we agreed to do the same with our 10,000 strategic warheads? The answer is almost certainly an emphatic "No!" Why no? Because there is one sure way the Soviet Union could lose the credibility of its deterrent.

Here's what it would require: First, it would take a sharp reduction in the Soviet strategic nuclear warheads. The 50-percent reduction would constitute a good first step. It would require an intense development and deployment of an advanced United States missile defense, a strategic defense initiative [SDI] that might work if the Soviets could be persuaded to reduce their strategic warheads enough. How much is enough? Perhaps down to 1,000 or 2,000 or, if possible, less. This reduction of Soviet warheads is the one absolutely prime prerequisite for the success of SDI. If through arms control we could persuade the Soviets to limit their nuclear arsenal, if we could further persuade them to confine their arsenal to stationary land-based missiles, and if we could find a way to limit the missiles that carry the Soviet warheads to the present slow-burn launchers, we just might be able with our SDI kinetic kill vehicles to convince the Soviets that we could stop enough of their missiles in any preemptive attack that much of the United States could survive and the once great Soviet nuclear deterrent might no longer be able to deter an American nuclear attack.

Is this scenario ridiculous? Of course, it is. There is no way the Soviets will agree to a 50-percent reduction in their offensive nuclear deterrent or, indeed, to any reduction or even a limitation on expansion of their deterrent as long as we appear to be on the verge of deploying SDI. The Soviets surely understand that they can overcome SDI by simply expanding their nuclear deterrent by whatever multiple they calculate SDI can reduce their penetration to U.S. targets. If SDI can stop 50 percent of their penetration, they double their warheads; 90 percent, they increase their warheads by a factor of 10. This is the way the other side neutralizes any SDI progress. An administration that wants an arms control agreement with the U.S.S.R. to reduce both arsenals abides by the ABM Treaty and keeps SDI in its research phase. An administration that wants the U.S.S.R. to reject United States offers to cut both arsenals by 50 percent can achieve that by simply pushing ahead with SDI. This is precisely what the Reagan administration is doing. So how do we persuade the Soviets to cut their nuclear arsenal from the present 10,000 down to 5,000? We agree to continue to keep the ABM Treaty with its strict formal interpretation in effect.

Some argue that the Soviets could agree to cut their nuclear warheads to 5,000 with no significant risk no matter what we do with SDI. They would contend that no conceivable SDI that we could develop in the next 25 or 30 years could possibly prevent more than 90 percent of the U.S.S.R. warheads from penetrating the SDI defense. A 10-percent penetration by U.S.S.R. warheads would mean that 500 warheads would strike United States cities. The National Academy of Science experts tell us that 100 Soviet warheads reaching American targets would devastate our cities and kill between 35 and 55 million Americans. So why wouldn't 5,000 Soviet warheads be enough to continue a credible Soviet deterrent? The answer is because neither the Soviet nor the American experts have any real idea how effective SDI might be. We wouldn't know until a few minutes after the first preemptive strike.

So, what do nations do when faced with the kind of terrible uncertainty that their deterrent might lose credibility? They assume the worst. So they keep building their nuclear arsenal. They certainly do this when the cost of multiplying their offensive nuclear warheads is so much less than the SDI cost of defending against such an endless offensive buildup.

In conclusion, it is clear that to put a cap on this terribly dangerous race to build up offensive nuclear arms is an essential first step to preventing an accidental or calculated catastrophe. It would be even better to actually reduce these insanely redundant arsenals as the President has said he wishes to do. But to take either of these steps, it is critical that both sides recognize that attempts by either to weaken or destroy the credibility of the other's deterrent by an antimissile defense—an SDI—is sure to destroy any prospect of an offensive nuclear limitation or reduction agreement by the other side. We must make up our minds. We can have a comprehensive arms control, limiting nuclear weapons on both sides, or we can have a strategic defense initiative that will threaten the other side's deterrent. We cannot have both.

## MORNING BUSINESS

**Mr. KARNES.** Mr. President, a parliamentary inquiry. What time allotments do we have this morning?

The **ACTING PRESIDENT** pro tempore. Under the previous order, there will now be a period to transact morning business, not to extend beyond 9 a.m., with Senators permitted to speak therein for up to 3 minutes each.

**Mr. KARNES.** I thank the Chair.

## PROTECTING "PIK" FROM THE IRS

**Mr. KARNES.** Mr. President, I am pleased to take the floor today to discuss an important piece of tax legislation designed to protect farmers from the Internal Revenue Service attempt to "pick away" at the PIK and Roll Program. I would like to thank my good friends and colleagues, Senators GRASSLEY and DOLE, for their assistance and cooperation in moving this matter to the attention of the Senate. I am confident that this bill will help many farmers in Nebraska, Iowa, and Kansas, as well as other farm States.

Mr. President, the problem farmers face is based on an IRS revenue ruling, issued earlier this year, the day after the income tax filing deadline for most farmers and months after the time they had to make their tax planning decisions. Potentially, it affects every farmer in this country that participates in the PIK and Roll Program. The IRS ruling would have the effect of increasing this year's income tax burden of those farmers. It would not increase their actual income, but it would tax them as though they had suddenly given themselves a large pay raise.

The bottom line is that farmers would be effectively forced to pay higher income taxes—substantially higher—for this year than they planned for. I think this is wrong. I think it is counterproductive. I think it is bad for planning. Worst of all, I know it is bad for the financial condition of many of our farmers who have weathered the storm of the farm economy and are looking forward to keeping some of the money they earn in their own pockets for a change.

My legislation would reverse the recent ruling, restoring the more favorable tax treatment for PIK and roll transactions.

The Revenue ruling, 87-17, has a significant impact on cash basis taxpayers who declare Commodity Credit Corporation loans as loans rather than as income. Normally, if the loan is forfeited at the time of maturity, the loan proceeds are taxed at that time. If the loan is repaid in cash before its maturity, no taxable event occurs.

But the Revenue ruling treats the loan as a forfeiture when PIK and rolled. The IRS takes the position that CCC loan redemptions with PIK certificates constitute a sale of grain, making the transaction fully taxable immediately. Prior to this ruling, producers presumed that the transaction did not result in taxable income until the grain was sold, unless the taxpayer elected to treat the loan as income.

Of course, the irony of this situation is that if a farmer pays back his Commodity loan with a cash payment, no income is realized at the time the payback is made. However, the ruling requires that if that same payback is made with a PIK certificate, then income is realized at that time. Mr. President, it would seem to this Senator that such a distinction in the law will not do much for the confidence of farmers in the PIK certificates they hold—not when those certificates may cost them at tax time.

The ruling will have a dramatic impact upon those farmers who last year forfeited the grain securing their 1985 Commodity loan, then PIK and rolled the 1986 crop with the expectation that it would be counted as 1987 income. Under the new ruling, these farmers will have income from 2 crop years upon which they will have to pay taxes.

Mr. President, the answer is clear. We should allow the farmers to consider their certificates "as good as cash" for the purposes of paying back their Commodity loans. We should take out the uncertainty and, in their case, the punishment involved in participating in PIK and roll.

I hope the Senate will expedite consideration of this legislation so that the farmers of this Nation may continue their operations without the prospect of paying an inordinate amount of their income to the Treasury next year based on Revenue ruling 87-17.

I yield the floor.

The **ACTING PRESIDENT** pro tempore. The Senator from Idaho is recognized.

## ON DISREGARD FOR CONSTITUTIONAL PRINCIPLES IN THE CLEAN AIR ACT AMENDMENTS BEFORE THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

**Mr. SYMMS.** Mr. President, two centuries ago, representatives from the original American Colonies convened in Philadelphia in an effort to bring unity and order out of their newly won freedom. Four months later, on September 17, they submitted to the Nation a Constitution. Benjamin Franklin, George Washington, James Madison, and the 36 other signers of this new document testified to its lasting value. They firmly believed it contained the principles of good government needed to safeguard liberty, creating a rule of law and not of men or tyrants.

As the convention closed, Franklin expressed his hope that this Constitution would rise like the Sun on a bright new day for human freedom and balanced government. For the first time in centuries, limited power was being granted by the people to the government, and not vice versa. It was the first step in one of the greatest experiments of history, an experiment known as the United States of America.

I, for one, believe that experiment has proven a success. If you want proof, all we have to do is just look around. In the course of the Constitution's bicentennial celebration, Americans across the Nation are thanking in word and song the Founding Fathers who bequeathed to us today a free and properous nation.

But we must remember, Mr. President, that freedom and prosperity don't come without a price. In 1852, a Boston abolitionist named Wendell Phillips accurately noted that the price of liberty is eternal vigilance. Our freedom will not survive if we ignore the principles embodied in the Constitution. On occasions, I have seen this very Congress deviate from those principles with devastating effect. There is no better example of such constitutional abandonment than the Clean Air Act amendments currently being considered by the Senate Environment and Public Works Committee.

I do not want to impugn any of the motives of my colleagues, Mr. President, and let me first credit the bill's authors with having the best of intentions, and I repeat that they have the highest intentions to protect the quality of America's most shared resource, air. But as Justice Marshall said of Federal laws, it is not enough that their "end be legitimate"; the means to that end chosen by Congress must not contravene the spirit of the Constitution.

Mr. President, the committee's clean air legislation not only contravenes but outright tramples on the spirit of our Constitution. James Madison, the noted father of that revered document wrote, "The powers delegated by the proposed Constitution to the Federal Government are few and defined." He further pointed out that one of the greatest tasks of government was to oblige it to control itself—oblige it to control itself. I repeat that, Mr. President.

And yet the proposed clean air bill that is before the Environment and Public Works Committee today places nothing beyond the grasp of oppressive Federal regulation. Would you believe, Mr. President, it even goes so far as to control the baking of bread. Deeming the fumes rising from baking bread—not from the combustion heating the oven, but from the bread itself—to be an air pollutant, this bill would force bakeries to either install million-dollar emissions control devices, or bake only wheat breads that do not ferment as much.

Such an intrusion of the Government into the lives of Americans is as contrary to the spirit of the Constitution as can be imagined. What limits to Federal power exist if Government is permitted to control aspects of private American life as intrinsic as the baking of bread? And it is not just bakeries that would bear this burden. The bill comes down hard on many already heavily regulated industries such as automobile manufacturers, oil and gas companies, and chemical plants. It goes even further to regulate dry cleaners, paint companies, farmers, and countless other industries whose contribution, if any, to overall pollution is insignificant.

Certainly King George himself was never as intrusive of people's lives as this bill would purport to be. What would General Washington and his compatriots have thought had they know they had defeated the heavy hand of Britain only to be subjugated to a government as burdensome as that proposed in this clean air bill.

I find it difficult to understand how legislation that would drive independently owned bakeries out of business for no significant reason could even be considered by this Congress. Thomas Jefferson certainly knew the fallacy of such a policy. He commented in his time that, "Our legislators are not sufficiently appraised of the rightful limits of their power—that their true office is to declare and enforce only our natural rights and duties, and to take none of them from us."

It is interesting to note that on one occasion as President, Mr. Jefferson wrote: "The path we have to pursue is so quiet that we have nothing scarcely to propose to Congress. A noiseless course, not meddling with the affairs of others, unattractive of notice" was his preferred mode of operation.

Mr. President, the proposed clean air bill which is now pending before the committee, which will be brought up this morning in that committee for markup, as a matter of fact, is far from unattractive of notice. My office has been flooded with calls and letters from individuals who are in fear of losing their livelihoods. I have heard from many in the automotive industry who are concerned with the 10-year/100,000-mile warranty mandated by the bill. Let me share a typical comment and statement from one of those, who express his concern, from a letter that I received:

> This bill with its extended warranty period would present a tremendous problem to everyone in the automotive aftermarket, which I am sure you will agree, adds greatly to America's economy. Not only is this bill anticonsumer, it is also anticompetitive, granting new car dealers a virtual monopoly on parts and service which is something that they have never been able to come close to achieving in an open marketplace. The business community in this country became the greatest in the world by utilizing a free and open competitive market. I feel that this bill is taking a stone from the very foundation of American business that it has taken over 200 years to build.

Mr. President, I have received hundreds of letters making similar comments. Nothing could be further from Mr. Jefferson's advice to Congress: that it pursue noiseless courses that do not meddle in the affairs of others. These automotive repair shops and parts stores are not begging for money, or for special tax treatment, or even for lenient environemtnal regulation. They are merely pleading for the freedom to compete, to be allowed to sell their goods and services free of Government interference. One of the underlying and fundamental axioms of our Constitution is, as Alexander Hamilton wrote, that "an American's entitlement to freedom is incontestible." I repeat that: "An American's entitlement to freedom is incontestible." What are we even proposing legislation like this for, legislation that would put small bakeries out of business, legislation that would preclude small, independent repair shops from working on automobiles, that would fix into law that they have to go to a certain dealership in order to have their car repaired or fixed to comply with Federal regulations.

In the words of Thomas Jefferson: "The freedom and happiness of man * * * [are] * * * the sole objects of all legitimate government." I am as concerned with air pollution as any of my colleagues, and dealing with it will undoubtedly bring about happiness. But if there is a lesson taught by our Constitution, it is that true happiness is not obtained by Government at the expense of freedom. I am convinced that free people safeguarding their constitutionally recognized property rights will breath cleaner air than a people coerced by the whips and chains of Government, an oppressive government.

Mr. President, let us put aisde legislation such as these supposed "clean air" amendments and celebrate the bicentennial of the Constitution by remembering its main purpose, "To secure the blessings of liberty to ourselves and our posterity." May our intention be, as President Reagan has said, "To renew the meaning of the Constitution. To rescue from arbitrary authority the rights of the people. Together, then let us restore constitutional government. Let us renew and enrich the power and purpose of States and local communities and let us return to the people those rights and duties that are justly theirs."

Mr. President, I yield the floor.

Mr. President, I note the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

**Mr. BYRD.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

## THE JOURNAL

**Mr. BYRD.** Mr. President, I ask unanimous consent that the Journal of the proceeding's be approved to date.

The **ACTING PRESIDENT** pro tempore. Hearing no objection, that is the order.

## PROGRESS ON THE DEFENSE BILL

**Mr. BYRD.** Mr. President, late last night the Senate was able to begin acting on the Department of Defense authorization bill. Our friends on the other side of the aisle thought better of their filibuster strategy, and we were able to have rollcall votes on amendments and proceed with the important work on this bill.

I hope the action which began last night will accelerate today, and that amendments can be debated, voted on, and disposed of. It is high time that this important bill which authorizes the programs vital to our national defense be enacted by the Senate, sent to a conference with the House, and put on the President's desk.

Debate will occur today on an amendment which relates to the section of the bill which has attracted the most attention and generated considerable controversy. I assume there will be considerable debate on this amendment or motion offered by the Senator from Virginia [Mr. WARNER]. This debate will be enlightening, it will be vigorous, and then the Senate will decide this important issue concerning the ABM Treaty.

Mr. President, the debate on this amendment could very well go on all day. But again I want to say that it is important that the Senate act on this bill. Time is running out and the calendar is running out. There is no longer any reason to believe that this Senate can complete its work in October or in early November or perhaps even late in November. Through necessity, the Senate is now at a point where it is going to be forced to stay in session for very long days. And as long as this Defense authorization bill is before the Senate, I intend for the Senate to stay in for many hours every day.

As long as there is no filibuster there will not be any all-night session. But the Senate will be coming in early every day and it will be staying in late every day. There is no way around it. We have too much to do. There are too many amendments and too many of them are controversial and, therefore, will require some considerable time for legitimate debate.

### WHAT KIND OF SIGNAL ARE WE SENDING?

Some Senators were given to understand yesterday that the actions of the Senate might send signals to the Soviet Union since the Soviet Foreign Minister, Mr. Shevardnadze, is currently in town for discussions with the administration. What kind of signals are we sending with prolonged filibusters on this bill? First, the bill is important.

The bill is for a strong defense for the United States. The chairman and the ranking member and other members of the Armed Services Committee have produced a bill that allocates over $300 billion to our national defense. It funds vital programs at levels sufficient to ensure that our defenses will remain strong for the rest of this century. Mr. Shevardnadze should recognize that a broad consensus exists in the Senate for a strong national defense.

The second signal that Mr. Shevardnadze should be given is that this Senate is in favor of a responsible approach to arms control, one which advances the security of the United States and its allies and friends, one which reduces the risks of war. That is what the amendment that was offered by the Senator from Georgia [Mr. NUNN], and I, and which was adopted last night by a vote of 92 to 1, means. That is its signal.

Signal No. 3: The Senate takes the treaty obligations of the United States seriously. It does not look lightly on decisions which could affect the obligations of the United States under international law and, more to the point, which are part of the law of the land of the United States. This signal has relevance for any treaties currently under negotiation, any future ratification debate in the Senate. In that sense, Mr. President, we are sending a positive signal about the Senate and about the United States. It is a signal which should help the arms control process move forward.

There will be further debate about arms control in this bill and it could go on for days. Some of the issues are controversial in the Senate, but Mr. Shevardnadze and the Soviets should understand that this Senate takes its arms control responsibilities seriously, that these issues are debated fully and openly, and that the United States Senate is an equal branch of our Government and has an equal role in the making of our international treaties. By "equal role," I mean that it gives its advice and its consent to the making of treaties. And when it comes to the approval of the ratification of treaties, while the Senate does not ratify treaties, as we often hear, the Senate must give its approval to the resolution of ratification of treaties before ratification can occur, and that requires a two-third vote.

Mr. President, as I indicated on last evening, at 9 o'clock this morning I shall suggest the absence of quorum and it will be a live quorum.

Does the Chair have any message which it wishes to lay before the Senate or any statement?

I yield the floor.

## BICENTENNIAL MINUTE

### SEPTEMBER 16, 1859: SENATOR BRODERICK KILLED IN DUEL

Mr. DOLE. Mr. President, 128 years ago today, on September 16, 1859, a Senator died in California. What made this death remarkable was the fact that the Senator, David Broderick, had been shot 3 days earlier in a duel with David Terry, the former chief justice of the California Supreme Court. A number of early 19th century Senators, including Andrew Jackson, Henry Clay, and Thomas Hart Benton, had attempted to settle personal grievances on the dueling ground, and some had actually killed their opponents, but no sitting Senator, before or after Broderick, would himself meet so barbaric an end.

Broderick, a tough, self-made Democrat, had migrated to California in 1848. Also moving to California that year was Congressman William Gwin of Mississippi, a patrician lawyer and physician. Both men quickly became embroiled in the turbulent politics of the region: Gwin, a slave owner, leading the "chivalry" or pro-slavery wing of the California Democrats, while Broderick's faction vigorously opposed the extension of slavery in California. When California became a State in 1850, the legislature sent the two enemies to the Senate, where they constantly traded insults on the floor.

Back in California in the summer of 1859 to campaign for local candidates, Broderick loudly announced in a hotel dining room that one of Gwin's closest allies, Chief Justice Terry, was corrupt and unfit for office. Terry immediately resigned from the bench and challenged Broderick to a duel. Their first attempt on September 12, was interrupted by the police, but the next morning at sunrise the two men faced each other on a secluded beach beside the Pacific. At the command to fire, Broderick prematurely touched the hair trigger, firing his bullet into the sand at Terry's feet. Terry coolly aimed, fired, and shot Broderick in the chest. Broderick lingered in great pain for 3 days until he died on September 16.

## CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The ACTING PRESIDENT pro tempore. Under the previous order the hour of 9 o'clock having arrived the Senate will now resume consideration of unfinished business which is S. 1174. The clerk will report the pending business.

The legislative clerk read as follows:

> The bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

## CALL OF THE ROLL

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 21]

| | | |
|---|---|---|
| Byrd | Hecht | Kennedy |
| Dole | Johnston | Reid |

The ACTING PRESIDENT pro tempore. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk resumed the call of the roll.

Mr. BYRD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators and I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. LEVIN], and the Senator from Rhode Island [Mr. PELL], are necessarily absent.

I also announce that the Senator from New Jersey [Mr. LAUTENBERG] is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

The PRESIDING OFFICER (Mr. DIXON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 83, nays 10, as follows:

[Rollcall Vote No. 246 Leg.]

YEAS—83

| | | |
|---|---|---|
| Adams | Garn | Mitchell |
| Baucus | Glenn | Moynihan |
| Bentsen | Graham | Murkowski |
| Biden | Gramm | Nickles |
| Bingaman | Grassley | Nunn |
| Boren | Harkin | Pressler |
| Bradley | Hatfield | Proxmire |
| Breaux | Hecht | Pryor |
| Bumpers | Heflin | Reid |
| Burdick | Heinz | Riegle |
| Byrd | Helms | Rockefeller |
| Chafee | Hollings | Roth |
| Chiles | Humphrey | Rudman |
| Cochran | Inouye | Sanford |
| Cohen | Johnston | Sarbanes |
| Conrad | Karnes | Sasser |
| Cranston | Kassebaum | Shelby |
| D'Amato | Kennedy | Simon |
| Danforth | Kerry | Simpson |
| Daschle | Leahy | Specter |
| DeConcini | Lugar | Stafford |
| Dixon | Matsunaga | Stennis |
| Dole | McCain | Symms |
| Domenici | McClure | Thurmond |
| Durenberger | McConnell | Trible |
| Exon | Melcher | Warner |
| Ford | Metzenbaum | Wirth |
| Fowler | Mikulski | |

NAYS—10

| | | |
|---|---|---|
| Armstrong | Hatch | Wallop |
| Bond | Kasten | Wilson |
| Boschwitz | Packwood | |
| Evans | Quayle | |

NOT VOTING—7

| | | |
|---|---|---|
| Dodd | Levin | Weicker |
| Gore | Pell | |
| Lautenberg | Stevens | |

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

### AMENDMENT NO. 882

The PRESIDING OFFICER. Under the previous order, the Glenn amendment is temporarily set aside, and the Senator from Virginia, Mr. WARNER, is recognized to offer an amendment to strike the Nunn-Levin language from the DOD authorization bill.

The Chair recognizes the Senator from Virginia, Senator WARNER.

Mr. WARNER. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Virginia (Mr. WARNER) proposes an amendment numbered 682.
>
> On page 23, strike out line 7 through page 24, line 19.

Mr. WARNER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, first I would like to express my appreciation to the distinguished majority leader and the distinguished minority leader, and my good friend, the chairman of the Senate Armed Services Committee. During the deliberations last night, under the guidance of two strong leaders here in the U.S. Senate, we worked our way through an impasse. I think we have reached a point now where the bill can move forward. I wish to express my appreciation to the leadership for making that possible.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. WARNER. Yes.

Mr. BYRD. I want to make that a two-way street. I express my appreciation to the chairman and the ranking member for the work, the hard work, the good work, the excellent work, that they have done in the committee in developing this legislation and in the leadership that they are giving to all of us on the floor with respect to this bill.

I particularly want to salute the distinguished Senator from Virginia for his unfailing courtesy, patience, and cooperation. He never ceases to give all his devotion.

Mr. WARNER. Mr. President, I thank the distinguished majority leader. I also thank my distinguished minority leader, who worked right with us through the late hours of the evening.

I felt, Mr. President, that the debate yesterday was a very constructive debate. While we may have had different perspectives later on in the day as to the course of that debate, unquestionably the earlier hours of the day, I think, contributed greatly to the knowledge of the Members of this body and others who have followed the debate.

Mr. President, we are now at the focal point. With this amendment, we move to take out of the bill that portion which regrettably led all but one Republican, with great reluctance, to vote against the committee action on this bill coming to the floor.

This Chamber has heard, and will continue to hear, the reasons for that action being taken. It is now my opportunity this morning to come directly to the point of my personal concerns, and I think, concerns shared by many others with regard to this amendment.

The debate on the Levin-Nunn provision has been unprecedented in the annals of the annual defense authorization bill. The provision was the only reason why eight of nine Republican members of the committee voted against favorably reporting out an otherwise remarkably balanced defense bill. The provision has been at the center of Republican opposition to taking up consideration of the defense authorization bill on the floor.

Finally, the President has stated publicly his strong opposition to this amendment and has stated—I think with reluctance but nevertheless unequivocally—his intention to veto any bill containing this provision as now drawn.

The Levin-Nunn provision would prohibit the expenditure of funds for development and testing related to the Strategic Defense Initiative [SDI]. It would require a joint resolution of the House and Senate before the President could proceed with any development or testing of SDI systems which could not be conducted under the so-called narrow interpretation of the ABM Treaty.

Last night, the Senate adopted the Byrd-Nunn amendment whereby the Senate "cautions that neither the Congress nor the President would take actions which are unilateral concessions to the Soviet Union." Mr. President, the Levin-Nunn in my judgment, would have the effect of requiring by statute that the President follow the more restrictive of two plausible interpretations of the ABM Treaty, at the particular time when the Soviet Union is seeking an even more restrictive interpretation at the negotiating table.

The Soviets have publicly stated that they recognize neither the narrow interpretation that has been discussed here nor the broad interpretation, but that they have a third interpretation unlike either being considered here in the United States Senate.

The Levin-Nunn provision would have the effect of binding the United States to an interpretation under the ABM Treaty to which the Soviet Union is not bound. Mr. President, the effect of the Levin-Nunn provision seems to this Senator to take the very course of imposing unilateral restrictions that over 90 Senators cautioned against last night—the very words in the Byrd-Nunn amendment.

Embedded in the Levin-Nunn provision are a number of issues, all of which have been addressed during the course of over 4 months of floor debate and floor speeches. There are the legal issues having to do with the interpretation of the ABM Treaty with respect to so-called future systems. Senators on both sides have spent countless hours studying the records that have been available to the Senate and have reported their findings.

The administration, at the direction of the President, has undertaken to study the negotiating record, the ratification record, and the record of subsequent practice, and made these studies available to Senators.

The administration studies of the treaty and the negotiating record concluded that the treaty is ambiguous, and that the negotiating record establishes that the Soviet Union refused to agree to prohibit the development and testing of mobile ABM devices based on other physical principles.

Administration studies of the ratification record concluded that no change occurred in the international obligations undertaken in the treaty through any condition, reservation, or understanding, nor did they find any basis in the Senate record to conclude that the Senate's consent to ratification was premised on a generally held intention that the treaty prohibited development and testing of mobile ABM devices based on other physical principles. The study found in the Senate record, however, representations by executive officers that support the restrictive interpretation upon which Senators could justifiably have relied in granting advice and consent.

The administration study of subsequent practice details the conduct, bilateral agreements, exchanges, and public statements of both the United States and the Soviet Union between 1972 and 1985 relating to future ABM systems. The study concluded that the record of subsequent practice fails to establish a domestic or international legal obligation binding the United States to the restrictive interpretation.

Mr. President, the Levin-Nunn provision also has embedded within it questions related to the conduct of the SDI Research Program and questions related to the most effective use of critical defense dollars. The Congress in last year's defense authorization bill requested an assessment of the impact of the broad interpretation of the ABM Treaty on the SDI Program. In addition to the program related issues, which would allow the program to proceed more quickly, more confidently and with less cost, this study noted that the broad interpretation would permit us to delay a decision on fundamentally altering the ABM Treaty regime by several years until we had confidence that the technologies which we had developed would meet the criteria for deployment. Under the restrictive interpretation, the United States would be forced to make a decision to alter the treaty regime simply to complete the testing portion of the research program.

Mr. President, I note these studies, both by way of underscoring the depth and breadth of the issues that underlie our opposition to the Levin-Nunn provision and to make the point that the President has been, and remains committed to continuing consultations with the Congress and our allies before reaching any decision to restructure the SDI program in accordance with the broad interpretation. Let me make it clear. The President has not made any decision with respect to restructuring the SDI Testing Program. And, might I add, the Pentagon, in its recent review of the readiness of portions of the SDI Program to proceed to the demonstration/validation phase of the acquisition process, has considered a program plan that is consistent with the restrictive interpretation of the treaty.

Mr. President, the legal and program arguments against the Levin-Nunn provision have been and will be detailed by other Senators who share my opposition to their position. Other Senators have spoken on the constitutional questions raised by the provision. Let me conclude my remarks here by underscoring the principal reason for my opposition, and that is its impact on negotiations.

I believe that there is little argument that the SDI Program brought the Soviets back to the negotiating table, and this Senator believes that by hanging tough on the SDI Program, the President has been able to bring the negotiations to the point today where we are very close to an agreement on INF, and there is a more favorable prospect than ever before on reaching agreement on strategic nuclear weapons in START.

We have been told by our negotiators that the Soviets have been insisting on an even more restrictive interpretation than the ABM Treaty as one of their conditions in the course of these negotiations and that the so-called narrow interpretation, to which the Levin-Nunn provisions would bind this program, is not indeed their objective. In the judgment of this Senator, the leverage needed by our negotiators to achieve agreements that are in our national security interest are gravely undermined when the President is effectively forced by statute to follow the more restrictive of two plausible interpretations of the ABM Treaty, The Congress would effectively be establishing a new starting point for the negotiations, and one decidedly in the favor of the Soviet Union.

I therefore urge my colleagues to consider the caution against imposing unilateral constraints on the United States, particularly at this critical time. Last night we overwhelmingly supported that objective by voting for the majority leader's amendment.

Mr. President, the Levin-Nunn provision represents a unilateral constraint on the United States and grants a substantial concession to the Soviets at a critical juncture in the arms control negotiations in Geneva.

Mr. President, later today, I will take up another aspect of this treaty.

If I may have the attention of the distinguished chairman of our committee, I have stated that later today I would like to engage in a colloquy on another aspect of the amendment that troubles me a great deal.

That is the concept of having a joint resolution which would allow the House of Representatives by the presence of a simple majority on the floor of the House to cast a vote which could override the judgment of all 100 Senators who presumably would have at one time or another expressed their views on the floor and quite possibly have cast a vote on this issue. We would be giving to the House, which does not have the constitutional responsibility that the Senate has in the area of treaties, a veto over the judgment of the Senate, and that issue, I say most respectfully to my distinguished colleague, is a troublesome one for this Senator.

Mr. NUNN. I might say to my friend from Virginia in response to that I think it is a legitimate area of inquiry. The Constitution of the United States says that when a treaty is ratified it becomes the law of the land. It is just written as clear as a bell. There is no ambiguity about that. So this treaty is the law of the land.

We can debate what the treaty says, but we know it has been ratified and we know what the Constitution says, and we know that it is the law of the land.

The President said yesterday that laws have to be changed or made by legislatures. The Constitution also sets up a House and a Senate.

Many times we in this body would prefer we have only one body and there are, amazing to me, the ones who feel most strongly in that direction are those who have come here from the House. They seem to believe that many times the House is not on the same course as the Senate and we would be better off with only one body. I get frustrated, too. I know we have problems in conference. Everything we do in regard to weapons, everything we do in regard to laws, requires both the House and the Senate. That is the way our system works.

I would be absolutely adamantly opposed to any infringement on the Senate's constitutional duty to advise and consent. The House does not have that. The Senator is right. There is a unique role for the Senate in treaties. The question is this is not just a treaty now. It is also the law of the land.

So the Senator's concern I understand, but I do not know of any answer to that that is constitutional.

Mr. WARNER. Mr. President, let me suggest to my good friend to pause a moment and reflect on the statement he just made. If I could paraphrase it, a treaty is the law of the land. In my judgment it is in a separate category, and I will address that later, but the Senator from Georgia said everything we do in connection with the law takes the action of the House and the Senate. Was that basically what the Senator said?

Mr. NUNN. In creating law.

Mr. WARNER. In creating law.

But let us pause for a moment to think how a treaty becomes law. A President negotiates that treaty. That is his sole province.

Mr. NUNN. With the advice of people like my friend from Virginia, who are exercising daily their right under the Constitution to advise and consent.

Mr. WARNER. But we are careful, the two of us being in that group traveling periodically to Geneva to meet with the negotiators, to meet with them here, not to try and dictate any of the instructions or the terms and conditions.

But if I may just continue my train of thought and come back to that.

Mr. NUNN. I would like to come back to that and I will.

Mr. WARNER. But pause with me. The President negotiates that treaty. Then it is sent to this body and this body alone under the advise and consent clause, and it is the action of this body which then enables the treaty to become law.

In my judgment that procedure sets the category of treaties apart in the generic term of the law of the land.

I thank the Senator.

Mr. NUNN. May I respond to my friend from Virginia? Let us assume something here. Let us just hypothetically assume we have the right to under the ABM Treaty—I do not think there is any dispute on this—to deploy, I believe it is 100 fixed land-based ABM interceptors. The Soviets have that right also.

Now, that is in the treaty and that has been passed.

Let us assume the President decides that he is going to ask the Congress or the Senate under the treaty for the right to deploy those 100 interceptors. He is going to ask for funding. Would the Senator from Virginia believe that only the Senate should approve the funding for that?

Mr. WARNER. Mr. President, quite logically the purse strings of the United States are controlled by both Houses.

Mr. NUNN. The Senator is exactly right. This amendment is a control of the purse string. This amendment is not a writing into law of the ABM interpretation.

The Senator from Virginia acknowledged that when we first started the debate way back in May. If we wanted to draft a piece of legislation that said what the narrow interpretation was and said that was the law and we are going to put it into law, we could have done that. We did do that. What we did do is we made it plain that these tests that the administration has come forward and asked for the funding on, $5.5 billion, $5.7 billion, and we put $4.5 billion in this bill, these tests have been laid out by the administration in their own words as in keeping with the traditional interpretation of the treaty.

Jim Abrahamson testified to that before the Appropriations Committee and the Armed Services Committee.

As I said to my friend from Virginia, the only thing we are saying is if the administration departs from what they said they were going to use this money for, they have to come back and as they would on any other weapon or any other tests where we are concerned about it and get approval of the Congress.

So it is a purse-string issue. That is what we are talking about. We are not trying here to write into the law what the treaty means. We are saying if the administration deviates from the testing program that they have set up which is in keeping with the traditional interpretation as interpreted by the Nixon administration, Ford administration, Reagan administration, and Carter administration, that they have to come back to the Congress for that funding. In other words, we are not giving them a blank check. That is the reason that I have agreed over and over and still would agree to take the $4.5 billion in this provision and remove them from the bill and go forward with everything else and sit on this SDI money until we can come to agreement with the administration about how it is going to be used.

So it is a matter of purse strings, and the House of Representatives is not only involved in purse strings, the House of Representatives originates all the appropriations bills. That is to me the answer to the Senator's concern. I think it is a concern and let me come back just briefly——

(Mr. PROXMIRE assumed the chair.)

Mr. WARNER. Mr. President, if I might interrupt my distinguished colleague, I had allocated to other Senators time to also address this question. We will have the privilege, the two of us, of being on the floor for some extensive period.

I would only point out, and will pursue this later, the language the Senator rather skillfully quotes in the provision itself is the very language from the ABM Treaty, and that says the limitations shall cease and then the Senator places the conditions. He has incorporated the language of the treaty into this provision and that was the stroke, intentionally or unintentionally, when he in my judgment let the House have a one-House veto over the action of the Senate.

Mr. NUNN. May I say to my friend from Virginia that the language of the treaty was very precise in what was limited and I think the language is clear as to what was limited. Otherwise, the Senator from Virginia would not be concerned about it.

That raises the question, if the language is so clear, why is the big debate between the broad and the narrow?

Mr. WARNER. Mr. President, we shall develop this in the course of the day.

Mr. NUNN. If I could just pursue with my friend from Virginia, this is the exact language of the treaty and this is what the opposition side says is to be interpreted broadly.

If that is the case, why are you concerned about it being written into the bill?

Mr. WARNER. I do not want to see written into the statute any implicit interpretation of a treaty and allow the House of Representatives to make that interpretation.

Mr. NUNN. I say to my friend that is not an interpretation. That is the exact language.

Mr. WARNER. Mr. President, we will deal with that as the day unfolds.

The PRESIDING OFFICER. Who seeks recognition?

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. WILSON. Thank you, Mr. President.

Mr. President, later today there will be a ceremony on the west steps in which the President and Members of Congress participate in a ceremony celebrating the bicentennial of our Constitution. And yet last night, Mr. President, the Members of this body celebrated it in a very strange fashion. You might say, to quote from Hamlet, they honored it in the breach.

Interestingly enough, earlier that day, yesterday, some of those who voted last night to place themselves above the Constitution had participated in the hearings of Judge Bork where they were quite critical of his conduct, finding it to be in conflict with their interpretation of the Constitution.

Let me be specific and come directly to the point, Mr. President, because last night we had two votes, one on the so-called Dole-Warner amendment, which put forth a very simple proposition that the Senate of the United States should refrain from intruding upon the prerogative, in fact, the exclusive responsibility assigned by the Constitution to the President for the negotiation of treaties.

It ignored the language which I think is virtually irresistible that, "The Congress must not act to further the interests of the Sovet Union by unilaterally adopting the Soviet negotiating positions"—I underscore "negotiating"—"that have been rejected by the United States Government."

Then Mr. President, what they did pass, which passed with a single dissenting vote, was an amendment offered by the distinguished majority leader and the chairman of the Armed Services Committee which said, in language that did not quite address the point, that the Congress and that the Senate "endorses the principle of mutuality and reciprocity in our arms control negotiations with the Soviet Union and cautions that neither the Congress nor the President should take actions which are unilateral concessions to the Soviet Union."

Mr. President, having just voted last night for an amendment that cautions the Senate not to take actions which are unilateral concessions to the Soviet Union, we have this morning before us a motion to strike precisely such a concession.

And let no one be in any doubt as to the actual character of the Levin-Nunn amendment. It represents a unilateral concession to the Soviet negotiating position which has been rejected by the U.S. Government, specifically by our Geneva negotiators who for a very long time have been engaged in talks not just on intermediate range missiles, not just on strategic weaponry, but also on space. And let no one be in any doubt that this intrusion by the Levin-Nunn amendment would have a very dramatic impact upon those negotiations.

Now what the Levin-Nunn amendment does, simply stated, is to condition all future funding of the strategic defense initiative upon the administration's acceptance of the narrow interpretation of the Antiballistic Missile Treaty. Or, to put it in layman's language, we cannot spend further to implement the goals of the strategic defense initiative unless we agree that the money is going to be spent only for research and not for the development and testing of the kind of defenses against a missile attack that the whole ABM concept is designed to achieve. We are constrained to research. We cannot go forward with certain development and testing.

That is a strange constraint. It is one that is consistent only with the idea that we are safe only if we guarantee our vulnerability. The doctrine of mutually assured destruction is a doctrine of mutual vulnerability. However, is it indeed mutual? Have the Soviets thought so?

Contrary to what my friend from Georgia would have us believe, there is no clear and consistent understanding of what this ABM Treaty has meant, either on our side of the Atlantic or on the other side of the Urals. And in fact, the Soviet interpretation has changed. Why is it, Mr. President, that as late as 1985, the Soviet Union put forward a proposal that would in fact give rise to the very suspicion that, until that moment, they believed in a broad interpretation. In March 1985, the Soviets in Geneva proposed to prohibit all testing, development, and deployment of space-based ABM systems. Now, why would they do that if in fact it was everyone's understanding that such a prohibition was already in effect?

Very clearly, the only logical answer to that question is that until that moment, they did not feel a need, but they felt a need to make it clear that there had to be such a prohibition. That bespeaks very plainly on their part in the broad interpretation, the broad interpretation meaning one that would permit the development and testing of so-called, future or exotic antiballistic missile systems.

I said, "Let no one be in doubt as to the impact of the Levin-Nunn amendment on negotiations in Geneva." Let me explain that.

We have had, as I say, negotiators trying to achieve a breakthrough with respect to strategic weapons. We are all hopeful that later this fall there may be the announcement of an agreement as to a wise and workable agreement that will reduce for the first time offensive weapons of an intermediate range. But, candidly, what would be far more important would be an announcement that we were able to achieve a wise and workable agreement that would reduce strategic weapons. But is that likely? It is unlikely, Mr. President, for the very reason that the Soviet negotiating strategy—and there is no secret to anyone who reads the newspapers—has been to establish a linkage between progress in reducing strategic arms and progress, as they term it, in constraining the U.S. SDI program.

Now, this, of course, is hardly mutuality and reciprocity of the kind envisioned by the Byrd-Nunn amendment last night because the Soviets themselves have, for many years, been engaged in precisely the kind of research that they would have us abandon altogether. But, Mr. President, if one is in any doubt that this, as a practical matter, is having an impact upon those negotiations, then we should listen to the words of our negotiators in Geneva.

Two afternoons ago, before the Senate Armed Services Committee, we had those negotiators present. In response to my question to them as to what the passage of the Levin-Nunn amendment would bring to their negotiating posture, Ambassador Paul Nitze stated that the passage of the amendment would be, to quote him, "most unhelpful."

Ambassador Henry Cooper spelled it out a little more clearly. He said it would necessarily narrow the range of our negotiations so that the spectrum would span from a restrictive interpretation of the treaty to an outrageously restrictive interpretation.

What he is saying is that we are moving, by this unilateral concession, ever nearer to the Soviet position and, in fact, moving so near to the Soviet position that we would so constrain our own strategic defense initiative policy that according to a study requested in the 1987 defense authorization bill we would engender a cost to that program of several years' delay, at least 3 years' delay, and $3 billion in the costs of the program.

Why do we do this to ourselves? Mr. President, there is no good answer. The only answer that makes any sense is that we must continue to make ourselves vulnerable.

You know, it is an extraordinary thing—I do not know if your experience has been what mine has been—going into town meetings or meetings with service clubs, intelligent audiences who read, who try to keep informed. It is a very interesting thing that when you ask the question of that kind of an audience, "How many of you think that we have an adequate system of antiballistic missile defense here in the United States?" You will get maybe half the room raising their hands.

I no longer ask the question because I no longer wish to embarrass the audiences because the answer is, and the audiences are shocked by the answer, we have no defense against ballistic missiles; none.

Mr. President, that is a perilous situation. I hope that we will see a time in the near future when in fact we do reduce the missile inventory, of both superpowers, to a point where we can safely assume that we will not be compelled to continue relying exclusively upon a very precarious balance of nuclear terror, when, in fact, we can have reasonable assurance that there will be no Soviet first strike because such a

first strike would be utterly irrational, not just under the theory of the deterrence that underlies the doctrine of assured destruction but rather because we will have added to that very significantly a defense against preemption.

Mr. President, that is not an impossible dream. A first generation system, we are advised by very competent scientific and engineering authority, is a possibility, even a probability, if it is adequately funded and given sufficient resources before the turn of the century. That, coupled with an offensive deterrent, would give us an assurance that we do not now have. Not now—not now, Mr. President, in a nation that has no defenses against ballistic missile attack.

What Ambassador Nitze and Ambassador Cooper were telling us is that we are undercutting their position by the passage of the Levin-Nunn amendment. It is not simply a fencing, as we have so often engaged in as we attach conditions to the production of a particular weapons system. This amendment contains language, it quotes the treaty, but it does not quote all of the treaty; it is selective in that regard and it ignores the fact that the negotiating history and the record of negotiations of the ABM Treaty makes clear that the Soviet position with respect to so-called futuristic ABM systems, those based on "other physical principles" would be governed by the provisions of Agreed Statement D, which is to say that before they could be deployed there would have to be discussion and, presumably, some agreement between the superpowers. But no constraint is placed by Agreed Statement D upon the development and testing of such futuristic systems based on "other physical principles."

So, Mr. President, what we could do by the enactment of the Levin-Nunn amendment, if it were actually to become a domestic law of the United States, is that we would bind ourselves—and understand that this is no sense-of-the-Senate resolution, this is binding upon the United States—we would bind the American people to an interpretation of the ABM Treaty and so constrict our own progress on achieving those defenses that we do not now have that the likelihood is that we would never attain them. And that, perhaps, is, after all, the goal of this provision.

Indeed, some will concede that it is the goal of putting this kind of roadblock in the path of achieving a strategic defense initiative to safeguard the United States from nuclear missile attack.

It is a strange view in my judgment that our safety depends upon our giving absolute guarantees to the Soviet Union of our vulnerability.

Mr. President, this is not something that we can simply dismiss as business as usual because this is a landmark decision. It is the first time that we have actively intruded upon the negotiating process. It very well may be the first time that we have sought to interpret, after the facts, a treaty usurping the responsibility of the President of the United States and competent constitutional authority gives that responsibility to the President, not to the Congress, not to the Senate.

Yes, the Senate has a role. Clearly, we have a role in treaty making. But it is not negotiation. It is ratification and the two are not to be confused.

Yes, clearly, the Senate and for that matter the House of Representatives, which does not have that ratification responsibility of the Senate—both Houses have the responsibility to enact defense authorization statutes and, in so doing, they may condition spending upon a weapons system or even, as in this case, a defensive system. But what this amendment does, Mr. President, that is so different is that it quite clearly, quite expressly, conditions further funding of a particular system upon acceptance of an interpretation of a treaty. It is not the responsibility of Congress nor does Congress have the authority to impose that interpretation upon the administration. That is the difference. This is not like conditioning funding for the MX on the agreement between the administration and the Congress of an acceptable basing mode.

That was and remains a decision about what is the best mechanical means of basing a weapons system. It did not depend upon a treaty. It did not interpret a treaty. It did not reinterpret a treaty. It had nothing to do with the treaty. And neither had any of the other constitutional fencings engaged in by Congress. This is a departure. It would set a dangerous precedent.

But most dangerously, it would impact present negotiations in Geneva. Indeed, it might well be said that if we enact the Levin-Nunn amendment the conference between the House and the Senate might just as well occur in Geneva. We might as well tell the negotiators for both the Soviet Union and the United States to sit and watch while we decided what constraints we will impose upon the United States.

Is this not precisely, Mr. President, what 92 Senators last night cautioned against, against taking the kind of action that amounts to unilateral concessions to the Soviet Union? How far toward their negotiating position should we go? Negotiation, in my understanding of the word, and I have had some experience, involves people sitting across the table from one another and making concessions to gain concessions. It does not exist, Mr. President, when one side begins the negotiation by saying, "Well, this was our position, but here we will go 90 percent of the way toward yours. Now we will negotiate the balance of the 10 percent that remains on the table."

That is what Ambassador Cooper meant when he said enactment of the Levin-Nunn amendment would necessarily narrow the range of negotiation. Narrow it? It would almost close the window so it is barely open a crack. It would not be sufficient that anyone could expect that through it could come any kind of reasonable or meaningful defense initiative, at least not within a timeframe within which it might be necessary.

For those who might be so concerned about achieving a breakthrough on arms control, do they really think that the Soviets have returned to the bargaining table for any reason other than the fact that we were firm in making good our promise that if they did not accept the zero option, we would in fact put missiles, reluctantly, on European soil to match the SS-20's that threaten our NATO allies? Or that they have come back to the table because suddenly, in March 1983, the President of the United States indicated a new resolve to pursue ballistic missile defenses just as the Soviets themselves have been pursuing them for decades, spending more on defense than on offense.

Mr. President, for those interested in arms control, let me put it as simply as possible. This is the greatest lever we have ever had or ever will have within the foreseeable future. If we are interested in the reduction of offensive inventories, if we are interested in reducing ballistic missiles that threaten the United States, it will be because we have enormous leverage with the Soviets perception that the United States has the ability and the resolve to achieve a system of antiballistic missile defenses.

Are we to give that away? Are we to give away the leverage that has brought about a return to the negotiating table of the same Soviets who stalked off vowing not to return, who have now returned, having dropped all their preconditions? Are we to now make this incredible unilateral concession to the Soviet Union?

I would not want that on my conscience.

Mr. President, I will confess that, to an extent, we may have all been engaged in an academic exercise here because it is no secret that the President of the United States has made clear that should a defense authorization bill reach his desk with the Levin-Nunn amendment in it, let no one be in any doubt, he will veto it. Let no one be in any doubt that he will be sustained in that veto because there is a letter which I have circulated and on it are 36 signatures of Senators who have pledged to sustain him on that veto.

For those who may not be familiar with this Levin-Nunn amendment and may not understand the passion that it kindles, let me just recite a little recent history.

The rest of this bill, the defense authorization bill, even though it might undergo substantial amendment because it embraces a complex of highly complicated subjects, is essentially a good bill. It would have passed out of the Senate Armed Services Committee with a virtually unanimous, bipartisan vote, as have defense authorization bills every year in the time that I have been in the Senate.

But this year, for the first time, we had that kind of bipartisan agreement right up to the last moment and then at the last moment there was added to this legislation the Levin-Nunn amendment and that immediately transformed that bipartisan support for this bill into an almost straight party line division.

The Republicans, who for years have, been accused by our brothers on the other side of the aisle as being almost jingoistic in our passion for a strong defense, were the ones who voted against this measure. My Democratic colleagues, many of whom have confessed to me some sensitivity about how their party is being perceived on defense, were the ones who sent this bill to the floor with this amendment in it.

What is more important, Mr. President, is that the reason for this division is the seriousness with which we must regard the Levin-Nunn amendment. It is quite different from anything that we have seen before, except, Mr. President, for the same kind of nonsense that was present in the House Armed Services version of the 1987 defense authorization bill.

There was a similar provision that related to a demand, a mandate, that the administration accept the numeric sublimits of the SALT II Treaty, unratified though it may be by the U.S. Senate, and, therefore, not binding upon the United States.

The House Armed Services Committee took it upon themselves to demand that the President of the United States accept the SALT II Treaty. That created a very similar impasse. When we went to conference, the Senate refused to accept that outrageous provision in the House bill, and the conference very nearly foundered on that point. We almost had no defense authorization bill last year.

Mr. President, it is a shame that we did not have it out right then and there. But, instead, the Members of the House finally decided that they had better withdraw that amendment because they did not wish to be accused of undermining the President of the United States on the eve of his meeting with General Secretary Gorbachev in Reykjavik. They did not wish to be perceived as being those who had undercut the ground from the President of the United States in what might be a crucial arms control negotiation.

Well, however belated, that was a responsible view, and the same responsible view would impel reasonable and responsible Members of the Senate on this day to recognize in this the same mischief—and to call it mischief is to understate it—the same peril, Mr. President, that was present except that this is so far more dangerous because what we are talking about is a defensive system so far more important to the United States that it almost defies comparison.

Why is it that those who finally came to their senses and understood that they should not undermine the American President on his way to arms control negotiations with the Soviet Union a year ago now are perfectly willing to undermine the same President of the United States dealing through his delegated negotiators in Geneva when they are engaged in crucial arms control negotiations with the Soviet Union? Why is that? There is no consistency there. There is no explanation.

Mr. President, it does not make sense, but it is not simply a foible of the Congress like so many others that the public can afford to ignore, to shrug off. It is a perilous, tragic error. It is, in the words of the Byrd-Nunn amendment of last night, the kind of unilateral concession to the Soviet Union against which we all voted last night.

Now, Mr. President, if the Members of the Senate are willing to usurp the function of the President, which the Constitution assigns exclusively to him, the responsibility for the negotiation of treaties, then perhaps they are willing to arrogate to themselves further power, and that is the control of those negotiations. We are not all going to crowd into the room with the Soviet negotiators, but instead we will simply set the parameters for what the discussion will be. We will narrow the range, as Ambassador Cooper has put it, and that will effectively control what occurs.

There are any number of arguments that could be made in favor of this motion to strike. The ranking member of the Foreign Relations Committee has protested the presence of this amendment on the defense authorization bill, saying that if it should appear anywhere it should be on a Foreign Relations Committee bill. He is right. This committee really has no jurisdiction over matters dealing with treaties, and that fact cannot be disguised or papered over by saying this is a customary fencing arrangement in which the Armed Services customarily engage. That is not true. This is expressly a conditioning of further spending for the defenses of the United States upon the acceptance of a particular interpretation of a treaty, a treaty which constitutionally says the President of the United States shall interpret. But evidently, this body, which later this morning is going to celebrate the bicentennial of our Constitution, does not have time for such nice distinctions.

I will tell you what we did last night, Mr. President. We put ourselves above the Constitution. We said to those who were wise enough, so that we are celebrating their wisdom 200 years later, to craft a Constitution based upon a separation of powers, we have decided that in our wisdom we can ignore that long tradition, that wise and honored tradition of the separation of powers and we will arrogate to the Senate of the United States and even to the House, and in fact to a majority of those present and voting in the House, the responsibility which the Constitution gives to the President of the United States and not to the Senate, not to the House, nor to both Houses combined.

If that does not persuade people, Mr. President, then I do not suppose the idea that this will cost several years and several billion dollars in delay and added costs on a strategic defense initiative program will matter much to them either. Perhaps it should not. Because what they will do by adding this constraint and making this unilateral concession is to so constrain the program that it cannot achieve what technologically it is capable of achieving, which is to say the safeguarding of the United States from ballistic missile attack, from attack by those missiles that can leave the Soviet Union and once launched be beyond man's ability to recover and land 26 minutes later in the United States, touching off what we all have feared, the horror of nuclear holocaust.

Mr. President, this is so much more than mischief that really it is difficult to find words adequate to describe how ill-advised, how arrogant, how unwise it will be if we are in fact guilty of enacting the Levin-Nunn amendment. There will be people who follow me on the floor who will tell you, "Well, listen, it could be a lot worse. It could be as arrogant as the House version." Yes, it could. It will not make a great deal of difference. Style is not the issue here. Substance is the issue. And observance of the Constitution of the United States.

There are probably many who are listening who think, "Oh, come on. All of this talk about the Constitution, what does it really mean."

Well, what it really means, very simply Mr. President, even to those who might take the Constitution lightly, not be very much concerned with things like separation of powers, is

that by putting ourselves in the business of being the negotiators, or at least by setting the parameters for negotiation, we have not only arrogated to ourselves the power that the Constitution assigns to the executive, but substantively we will have so constrained the Strategic Defense Initiative Program that it will never be able to produce the set of defenses, even a first generation system of defenses, that hold infinite promise for safeguarding our children and their children. That system in combination with some offensive deterrent, even one as minimal as we presently possess, offers real promise that there will never be a Soviet first strike, and therefore never be a nuclear holocaust, never be the kind of mutually suicidal nuclear exchange about which so many books and articles and movies have been produced.

(Mr. ADAMS assumed the chair.)

Mr. WILSON. Mr. President, it is not often that the men and women of this Senate, who are I think uniformly of good will, are so moved that they will undertake the kind of action that the members of the Senate Armed Services Committee did when they converted what was bipartisan support for an otherwise good bill into a virtually straight party line division. Not quite party line. There was one Republican vote. There is a reason for that departure from history. It is because of the seriousness of this matter, and it is for that reason the President has said he will veto this legislation, as important as the defense authorization bill is. We will hear much—we have heard much already, yesterday and last night—about the need for the ships and planes and tanks, and about the need for the pay raise.

Well, no one on this side of the aisle quarrels with that. To the contrary, I think that we have been at least as assertive as our brethren on the other side of the aisle. Certainly we are so characterized by the popular media and we do not shrink from that characterization.

We are for a strong defense. We are for it now. We would have voted for this bill months and months ago if this amendment, the Levin-Nunn amendment, had not been contained in it.

There is no question about that. There cannot be any reasonable question about it. We have made that offer repeatedly months ago and virtually at every point in the interval at which the majority has sought to bring this measure to the floor.

This is an unaccustomed role for the Republicans. Those of us who believe in a strong defense do not like the idea of delaying the defense authorization bill. We like even less the necessity for a President, this President in particular, having to veto this bill because it contains so pernicious an amendment as to taint the entire bill. That is a remarkable step for a President to have to take. I am not sure there is any precedent for that. But this President, who if he had stood for anything, has stood for rebuilding America's credibility by rebuilding her defenses neglected through the years that preceded his administration, is now suddenly placed in the position by the majority in both Houses where they seek to bring to his desk and ram down his throat a defense authorization bill that contains an amendment that he cannot and should not swallow.

Mr. President, he will not swallow it. He will veto it and we will sustain. But I do not think he should be put to that particular test. Candidly I am a little tired of the kind of politics that continually seeks to play partisan games and put on the President's desk a bill that he must veto. That is not serving the interests of the American people.

However much we may deplore the partisan gamesmanship in the domestic arena, at the very least I would hope that when we are talking about something as important as the survival of the American people and threats to their survival from ballistic missile attack, we would have the same good judgment that the American people do. They are sick to death of this kind of partisanship. They think that it ought to end at the water's edge, that we ought to have a unified defense and foreign policy, the kind that we had when an Arthur Vandenberg worked with a Harry Truman to save Greece and Turkey from becoming Communist, when a Democratic President pleaded with a Republican Senate to support him in taking the measures necessary to prevent a Communist takeover of Greece and Turkey in the years immediately following World War II.

It would be a very fine thing, Mr. President, if we saw a return to that. And there are Members on both sides of the aisle who are hungry for a return to that time and that temper. We cannot return to that time. But we certainly can return to that temper.

I heard a very fine speech by my friend and colleague, the Senator from Oklahoma [Mr. BOREN], when he received an award this year from the Washington Times, and it contained a very plaintive theme; and, that was, simply stated that the business of the United States in the area of foreign policy is simply too important and of such overriding importance to give way to the petty concerns of partisanship.

Mr. President, I am not holier than thou. I have been partisan. I will be again. It is part of our two-party system, hopefully a competition that benefits the public. But there is, I hope, in the perception of most men and women a reasonable limit to the kind of partisanship that we should engage in. I think this provision clearly exceeds it. If I am intruding upon honest conviction by my brethren, I will apologize for that. But I must say that I have to ask again if they had the wisdom to withdraw this kind of a provision last year when the President was going to Reykjavik, what makes this different? It is different. This is vastly more important. But the principle is the same. The principle is do not undercut the negotiations of the United States when they are negotiating with a skilled and determined adversary as the Soviet Union is in a matter as crucial as that having to do with arms control.

Mr. President, let me touch a few other bases here because there have been a number of questions raised by colleagues not on the Armed Services Committee who have not been party to the debate either in committee nor heretofore the debate on the floor.

They have asked a number of questions. One of these: Is the Levin-Nunn amendment even Constitutional? It is not, because, unlike other fencing arrangements, it expressly conditions further spending upon an interpretation of the treaty, the ABM Treaty and treaty interpretation is not a role given by the Constitution to the Senate of the United States or to the Congress of the United States.

My colleagues have asked, "Cannot the Senate interpret the treaties?" There is a very limited role given to the Senate even interpreting treaties that they have once ratified. Constitutional law says that it is the role of the President to interpret treaties. I can assure you that will not always make me happy. It has not in the past. It will not in the future. But it is the fact. It has to do with the thing we call separation of powers.

Colleagues have asked, "Does the Levin-Nunn amendment actually interpret the treaty; is it guilty of an unconstitutional overreaching?" And the answer to that, my friends, is yes.

Again, this is not a matter of style. It is a matter of substance and the language of the amendment expressly conditions further funding of the SDI Program upon acceptence by the administration of the narrow interpretation of the ABM Treaty when the President and his administration have announced that we are fully entitled to adopt the broad interpretation, one that does permit development and testing.

I have been asked, "Well, does it in fact afford the House of Representatives a unilateral one-House vote, a unicameral veto?" Yes, it does because in order to undo the constraint that is placed upon further spending, a joint resolution would have to be adopted and that can be frustrated by a majority of those present and voting in the House of Representatives, that House to which the Constitution has given no foreign policy role similar to that conferred upon the Senate. And, of course, the Constitution gives to neither House the role of negotiation.

But the answer is, yes, it permits a majority of those present and voting in the House to defeat the kind of joint resolution that would be necessary to remove the block to further spending for the Strategic Defense Initiative.

Now the argument will be made, and the question has been asked me by colleagues, "Well, but is it not true that without the Levin-Nunn amendment, we would be handing the President a blank check giving him $4.5 billion to spend as he chooses?" Well, that goes back to the difference between the fence upon the MX, for example, and this purported fence which is nothing less than an ill-disguised usurpation of the Presidential authority because it conditions the action upon an interpretation of a treaty.

It is not giving a blank check. It is saying that we can go forward with the Strategic Defense Initiative in concert with an interpretation to which the Soviet Union evidently gave credence as late as March 1985. We have every reason to believe that they have conducted their own research policy with a view toward achieving a capability for development and testing, if they have not in fact engaged in some.

My colleagues, who have had the opportunity to go into the secure room, S-407, and avail themselves of the negotiating record of the ABM Treaty, have in most cases chosen not to do so, but they have at least asked. "Isn't the treaty itself ambiguous?" Parts of it are; parts of it are not, which means that, on the whole, on the face of it, the context of the treaty is ambiguous. It gives rise to different interpretations. The more reasonable interpretation of Agreed Statement D, just on the face of it, is that those systems that are devised in future on other physical principles will be governed by the provisions of Agreed Statement D, rather than the articles of the treaty itself. What Agreed Statement D provides is that if in future some clever fellow devises a system based on other principles than those in effect when the treaty was signed or those defined in the other articles of the treaty, any future deployment—not the development and testing, but the deployment—of that kind of system would depend upon consultation and agreement between the superpowers.

However, the fact of the matter is that the negotiating record of this treaty makes quite clear, and Judge Sofaer's analysis of it makes quite clear, as does Ambassador Nitze's analysis of it—and he was a participant in the 1972 negotiations that led to the ABM Treaty—that the proper interpretation is the broad interpretation.

Mr. President, does it make sense to spend billions of dollars engaged in pure research knowing that we will never use the research to develop and test the system that we are researching? Academic research is a splendid thing. The pursuit of truth is a splendid thing. But if we do not intend to develop and test this system, does it make sense to spend billions on it?

We will be told by those who were pushing the Levin-Nunn amendment that all this amendment does is say not that the President cannot go to the broad interpretation but that if he is going to spend any money going to it, he first has to get the consent of Congress, which is another way of saying that if the President is going to be able to spend money on it as he and the Joint Chiefs of Staff have requested, they will have to acquiesce to a mechanism whereby a majority of those present and voting in the House can deny them the right to go forward and implement the Strategic Defense Initiative under the broad interpretation.

That is what this is all about, and let us not try to delude anyone. This has been carefully fashioned to give an absolute veto of the broad interpretation to those who wish to exercise that veto, and they can be a very small number in the House of Representatives, and that is a mistake of tragic dimensions.

Mr. President, we will also be told that the Strategic Defense Initiative office, itself, has said that their present program is one that does not require the broad interpretation, that they can operate within the constraints of the narrow interpretation. All that statement means is that because they have been so constrained, they have, in response, designed their program to fit the constraints. It is a self-fulfilling prophecy.

However, what this document, entitled "A Report to Congress on the Antiballistic Missile Treaty," states very clearly is that it will cost us years of delay and billions of dollars in added costs if we are so artificially constrained—constrained not by technology but by imposing upon ourselves a unilateral concession that makes no sense.

This report, I remind my colleagues, is one that we requested. It says: "A Report to Congress on the Antiballistic Missile Treaty, as requested by section 217 of the fiscal year 1987 authorization act." We ask for advice, we get it, and we ignore it at our peril; because we are so wise that on the day that we celebrate the bicentennial of our Constitution, we celebrate it by trashing the separation of powers doctrine and by engaging in an unconstitutional act, as we intrude upon a function of the U.S. President, assigned to him exclusively by the Constitution, and that is the responsibility for the negotiation of treaties with foreign powers.

Mr. President, strange as it may seem, we have only scratched the surface here. There is much more to be said. But I would think that members of the public would probably conclude that quite enough has been said. Between what was said yesterday and what has been said today, I hope it is clear that what we have done has been not only to violate the Constitution, if we enact this Levin-Nunn amendment, but also, immediately after 92 Senators voted last night for an amendment by the majority leader which cautions us against Congress or the President taking actions which are unilateral concessions to the Soviet Union, that is precisely what we will have done.

Mr. President, I do not want that on my conscience; but, much more to the point, I do not want the United States to be placed in the position where we are artificially constrained, not by technology but by an interpretation for which there is much, much doubt. I will only tell you that the Soviets will not be so constrained.

Mr. President, we live in a world where, whether we like it or not, there are two superpowers. If those who believe that the superpowers have avoided nuclear conflict by a doctrine of mutually assured destruction—genuinely believe that—if they believe in the mutuality and reciprocity which is expressly stated as the goal, the principle endorsed by the Byrd-Nunn amendment of last night, then it is a contradiction in terms to say that we support the principle of mutuality and reciprocity, caution against unilateral concessions, and then engage in precisely the most glaring unilateral concession in the history of arms control. That is what this is about, Mr. President. That is why the Republicans on the Armed Services Committee, who were prepared to vote enthusiastically for this otherwise good bill, voted against it. It is why we will vote against it if this amendment is entered on the floor. It is why the President will veto it, and why it will be sustained.

Mr. President, I inquire of my colleague from Texas, if I can gain his attention, as to whether he is ready to take the floor. I am advised that he wishes to be heard on this matter.

Mr. WARNER. Mr. President, if the Senator will yield, I advise Senators who are following this matter that there are several Members on our side who are prepared to come forward. I have so advised the distinguished chairman of the Armed Services Committee. We are here to accommodate as many Senators as wish to speak this morning on this side of the aisle. We have a roster of those who are willing to come forward.

Seeing no Senator seeking recognition, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAMM. Mr. President, we have had a great deal of debate. I personally found it beneficial as we tried to focus on this issue. I would like to just touch on a few things that I think are important to the debate, and that I hope individual Members will look at, as we deal with this issue, which has become to some degree sort of charged with partisanship. I think these issues are critical, as we make what I believe is going to be a very fundamental decision that is going to affect not only whether we adopt a defense authorization bill this year or not, but how we are going to deal with the Soviet Union in the future, and that will have an impact on the overall relationship between the President and the Congress in terms of the conduct of American foreign policy.

I am opposed to the Nunn-Levin amendment for a lot of reasons. I am opposed, first of all, because this is a unilateral action. It never ceases to amaze me as we debate all of these issues in Congress, and I would note to our colleagues, that this is not the first time that we have had a debate concerning arms control and disarmament related to the armed services authorization bill. This debate has been going on for a couple of years as those of us who served on the conference committee and tried to work out our differences with the House are aware. Every time we go to conference we have these provisions, at least in the last 2 years, that have been adopted by the House that try to impose on the U.S. Government restrictions in some cases related to SALT II, a treaty that was never ratified, that the Soviets never abided by, and that has expired. We have had the broad versus narrow interpretation of the ABM Treaty as part of this ongoing debate. We have it here at a very critical time.

But the fact is that there has been a continuing confusion in the House as to what the jurisdiction of the Armed Services Committee is. It is not the duty of the Armed Services Committee to tame the Russian bear. There are other committees that have jurisdiction. We are an armament committee. Our goal is to keep the bear back from the gate.

So I would argue, first, that this is not an item which really belongs in this debate. It is an item that belongs somewhere else, I would argue not now, not in the Congress, but clearly not here.

But what has been missed for the whole 3 years that we have debated foreign policy and arms control and disarmament on the armed services authorization bill is, that actions taken in this great body and across the way in the House of Representatives do not bind the Soviet Union.

If we undertake an interpretation of a treaty here, we are doing so on a unilateral basis. What we might impose in the way of restrictions on the President, what we might write into the law in terms of restrictions on the Pentagon in expenditures for SDI, in no way will bind the Soviet Union.

So, first, I object because this is unilateral action.

Now, we have heard a great deal of debate, and I came today prepared to read all kinds of statements that were made in the midst of the ABM Treaty and in the wake of the negotiations in the Senate before, during, and after Senate ratification, and I could read extensively quotes from Mel Laird, quotes from Admiral Moorer, the Chairman of the JCS, quotes from Secretary Rogers, and the list goes on and on.

And I could by selecting from the record of public and private statements, if we could submit on the public record here, the negotiating records which are secret, I believe I could make an ironclad case for the broad interpretation of the ABM Treaty.

But I do not deny the fact that someone equally diligent could make a case for the narrow interpretation.

As I read the record, which is available upstairs, which is secret, the negotiating record, it is clear to me that while we sought a narrow interpretation of an ABM Treaty, the Soviet Union wanted no part of the narrow interpretation. That is why we had the provision related to new and exotic types of weapons systems, something we tried to prohibit, the Soviets refused, and here today because we are blessed with a free enterprise system and individual freedom that has unleashed the creativity of our people we now have had very important technological breakthroughs related to national defense and to defense against intercontinental ballistic missiles in particular that have now become very relevant to the arms control debate and to the defense debate.

Now we are in a position where we are approaching the types of new systems that the Soviets refused to limit under the ABM Treaty.

But there is no doubt about the fact that by picking and choosing, in looking at the negotiating records, in looking at public statements, in deciding to look at one section of the treaty and not the other, someone could make the case for the narrow interpretation.

I submit, Mr. President, that we are not going to settle this issue here. This is an issue that is ultimately going to be settled, I would guess, when the Soviets have gone so far into the broad interpretation that no one thinks it is a relevant debate. It just so happens that while the Soviets have huge leads in conventional forces and in other areas, in the area of high technology and SDI, we have a clear advantage. That is our cutting edge in terms of providing security for ourselves and for the free world. Because of that, this debate is relevant here today.

(Mr. SHELBY assumed the chair).

Mr. GRAMM. Now, one other thing that I object to about the Nunn-Levin amendment is that it gives a degree of control to an individual House of Congress, to in essence impose its interpretation of a treaty. This is not your normal appropriations provision whereby we say you can spend the money within these specified constraints. This is not a normal authorization for an appropriation where we say you will spend money in this broad category on these particular items.

This is a provision that says that if the President decides to move in the direction of an interpretation of a treaty he does not have to move in that direction; he simply has to begin to make plans on the basis of that interpretation, and I remind my colleagues we are not talking about a prohibition against testing. We are not talking about a prohibition against moving SDI outside the laboratory. We are talking about a prohibition of planning to move in that direction.

It is almost that you are taking a broad interpretation if you think about it. If there is anybody in the Pentagon doing planning on the broad interpretation, then Congress wants to have a right to vote on whether to release the funds or not.

Now, one of the problems is—and it has always been a problem with regard to public opinion and misunderstanding—I would hope with all the people we have got in the Pentagon that there are people over there today who are working on every possible scenario.

We are all amazed when we read in the Sunday paper, when there is no real news and they have to dig up something, that there is some guy deep down in a hole somewhere in the Pentagon planning for what a chemical war would be like. And we see a big headline, "Pentagon Plans Chemical Conflict."

Well, I hope to God that there is somebody in the Pentagon who is looking at what such a terrible conflict would be like, because the Soviets have chemical weapons. We do not have enough to carry on any kind of conflict, but they do. And surely there has got to be somebody over in the Pentagon making plans on that basis.

Well, surely, since the Soviets any day could take action related to a broad or narrow interpretation of the ABM Treaty—in fact, the Soviets have made it clear from the beginning that they have always taken the broad interpretation, except now when it is to their advantage to impose their interpretation on us—surely we have got to have people working in SDI who are looking at the expenditure patterns and research related to the broad interpretation. In fact, if that is not going on today, we are making a tragic mistake.

But the Nunn-Levin amendment says if you are undertaking activities as a requisite for moving to the broad interpretation, even if you are not doing it during the year that this authorization bill will be in effect, if you are just planning it, if you are just looking at it in an outyear. And what constitutes looking at it? If you have got a team working on SDI and you have got a team that is working on the basis of a Soviet breakout. And I hope my colleagues will look at this problem. We know the Soviets are spending money on nuclear missile defense. In the history of the nuclear era, they have spent ten times as much money on nuclear defense as we have. We know they are spending money on SDI and probably more than we are even on the narrowly-defined SDI project, substantially more than we are on any kind of broadly-defined definition of strategic defense.

But one might argue under the Nunn-Levin amendment that if we have got people who are working to be prepared for a Soviet breakout and therefore that are working on a schedule of testing and even deployment in the event that suddenly we woke up tomorrow morning and discovered that the Soviets had made a technological breakthrough in laser technology or guidance technology or computer software and that they are moving toward a partial or total deployment, surely we have people in SDI who are looking at that possibility who would immediately be able to put a plan before the Congress, before the Pentagon that would accelerate our program. In fact, I would think that every person who is supporting the Nunn-Levin amendment would support such contingency.

But as I read the Nunn-Levin amendment it is not clear to me that that kind of planning, that those kinds of preparations would not by some interpretation mean that we are taking action and spending money related to the broad interpretation of the treaty.

Now, I ask my colleagues, if suddenly in the morning we woke up and discovered that the Soviets were beginning to deploy an SDI system, do we all of a sudden want to have in law a provision that prohibits even the planning for a breakout moving toward the broad interpretation? But that is not really the relevant question. People would argue, "Well, at that point we will vote to break out." But if we do not have plans, if we had not looked at that option, if we do not have contingency plans, we are going to be starting from scratch. This is part of the nonsense of this whole amendment. It says do not test SDI. Even though the Soviets have spent 10 times as much on nuclear defense as we have since World War II, we do not want you testing it. It might be provocative. Even though they are spending more money on it than we are, because we have technological advantages, we do not want it tested.

Now, you can view that as nonsense or tomfoolery or wisdom depending on your perspective. To me it is pretty clear, but to others obviously it is not, or my view is not clear to them.

But to take the position that we do not even want anybody looking at the potential of a breakout and therefore testing and deployment, that we do not want work being done that would pave the way for a broad interpretation of the treaty with testing or deployment, that is not in my opinion prudent public policy.

And what has happened here, in the desire to limit the flexibility of the President with regard to SDI, we are writing into law a nonsensical position that if carried to its logical extreme would say "Don't even plan for testing or deployment no matter what may happen at any moment in time."

That is what happens when you get into these situations where you do not want to vote on an issue but you do not want a decision made. And I guess one of my complaints here is that in foreign policy we in Congress are masters at telling the White House to not make a decision.

I remember on the reflagging incidents—and I have to admit I have shared concerns about reflagging in the Persian Gulf—the proposal was not to not do it, the proposal was to delay it. With 535 Members of Congress, none of whom have to take direct responsibility, we are masters at saying to Presidents who do have to take the responsibility: "Don't make the decision. Now we do not want to make the decision. We do not want to be answerable if the decision fails, but we don't want you to make the decision."

We are standing on the sidelines. We are throwing rocks. We are putting up roadblocks. But we do not want to share any responsibility.

This amendment is the result of that kind of mentality, because we are not voting here on language that says, "Don't do something." We are voting here on language that says if you decide to do something, then Congress wants to come back with what in essence is a one-House veto and we would have to approve it at that point. And what we are saying you cannot do is so poorly defined that what we are potentially precluding here is the actual ongoing work that should be done today about eventual testing and eventual deployment.

Can you imagine spending $4.5 billion of the taxpayers' money on a Strategic Defense Initiative and saying, "Oh, by the way, out of $4.5 billion, we don't want anybody to be thinking about how we test it. Out of $4.5 billiion we don't want anybody doing any planning about how you deploy it."

No. 1, that does not make sense, technically. If fact, until you have done some plans for testing, how do you design it? Until you have done plans for deployment, how do you test it? How do you design it?

What we are imposing here is a nonsensical position that says, "Go out and spend all of this money on pure research, but don't be looking at any kind of practical testing or implementation because we don't want you to do that. And if you decide to do it, if anybody is even going to think about doing it in its extreme form, we want to be able to vote on it."

Well, I think everybody knows that that does not make any sense. Science does not work that way. You can imagine trying to design an automobile where you said to people: Now, you can do all the designing you want to and we are designing—we at least expect some day we might build this car—but we do not want you to go out and test any of it; we do not want you to be planning to test any of it. We just want you to be designing it. That is imposing limitations that squander the taxpayers' money. It is not smart.

If we are not going to have SDI, then let us do not fund it. But if we are going to fund it, let us not shackle it to such an extent that we do not get our money's worth.

My view on this thing is clear. The Soviets are going to build an SDI system. They are going to build it as soon as they can get technology in place to do it. We have got several options.

We can wait around until they do it and then decide at that point that we are going to get serious. I do not think that is wise policy, in part because they have got such superiority in conventional weapons and in throw weight on nuclear weapons, that we need that technological cutting edge of SDI to maintain the balance of power to keep the peace.

Second, that kind of approach, of waiting until the Soviets do it, not only did not make sense because of the imbalance in other areas but it did not make sense because they may have a breakthrough, gain an advantage, and then what would our situation be?

There are those near and those around the country who argue: It would not be good for the United States to be able to defend itself against Soviet intercontinental ballistic missiles; that that would be destabilizing; that that would represent a

provocation that would make this bear angry and God knows what he would do if he were angry.

The problem with that logic is the bear is already angry. The Soviets are trying to build this system. Their problem is, however, that they do not have the technology to do it.

If we wait around until they develop the technology to do it, we are going to lose our comparative advantage and, in the process, we are going to pay billions of dollars and incur risks to the life and freedom of every person who lives on this Earth.

So, clearly, I believe that we ought to get on with the job and build SDI. There are those who say we should not. But I guess my frustration here is we are not debating the issue, again. We are debating the debate. We are debating language that says you could do research but you cannot even do any effective planning to test and deploy it. That makes no sense. That is the kind of hobbling that guarantees that our runner will not win the race. It is inefficiency. It is a waste of the taxpayers' money at the very time that not only is Ivan at the gate, but the wolf is at the door.

I do not know whether Members of the Senate are aware of the fact that we are working—in fact I just came from a conference, trying to deal with this wolf at the door, trying to revitalize the Gramm-Rudman-Hollings balanced budget law.

We all know that we are looking at a budget which has been adopted by this Congress that takes us back to the level of defense spending as a percentage of GNP that we had when Jimmy Carter was President and we all remember that unhappy era. We all remember the bipartisan support that strengthened defense but at the same time we are moving back to that direction. We are saying, let us hobble our most important and innovative defense program, SDI. It does not make sense economically, it does not make any sense militarily.

But there is another problem altogether. Even if everything that I have said were not true, this is still a bad idea. Even if this was not a nonsensical position, to say we do not want people planning for testing and deployment and if you go and do that we have got to come back and get a separate congressional approval on whether to go to the broad interpretation or not—not doing it, but just planning it. Even if hobbling defense expenditures at a time when we are broke made any sense, there is still an overwhelming reason why the Nunn-Levin amendment ought to be rejected. It ought to be rejected because it gives the Soviets, through action in the United States Senate, those things that they cannot win at the bargaining table in Geneva.

Can you imagine what a difficult position we put our negotiators in when we are trying to write into law the demands of the Soviet Union at the bargaining table? What kind of cooperation between the legislative and executive branches of Government is that? Sure the Soviets must be mystified as how nonsensical this whole process is.

I do not think there is anybody here that would argue that the Soviets have come back to the bargaining table because suddenly their longing for peace and tranquility on this Earth has been rekindled. In fact, the Soviets said they would never come back to the bargaining table unless we stopped SDI. Everybody remembers that. They were pounding on the table and they walked out and they said they would not come back.

But guess what? They came back to the bargaining table.

Why did they come back? They came because of SDI, and they came back because of what we have done since 1981 in modernizing our conventional and strategic forces. They came back because it was in their interest to come back, and the Soviet Union is motivated by only one set of interests and that is Soviet interests. We continually forget that, to our great peril.

The Soviets came back to the bargaining table because they fear SDI.

As the distinguished Senator from South Carolina, STROM THURMOND, said when he came back from his meeting with Gorbachev: You know, the one thing I came away from that meeting absolutely convinced about is that SDI scares that man to death. In fact, the Soviets have done for SDI what Ronald Reagan, the Great Communicator, could not do. They are so adamant against SDI that they have about convinced the American people that if they are so much against it, that despite all these "experts" who say it could never have worked, it is a silly idea, it is a waste of money, it is a boondoggle—if the Soviets are so convinced that it represents peril to them, there must be something good about it.

You do not need a Ph.D. in nuclear physics or in aeronautical engineering to know that if the Soviets continually desperately want us not to invest in SDI, they probably are not trying to promote efficiency in our defense budget. They are probably not trying to keep us from going down a technological dead end.

They are fearful of what we will be capable of doing in defending ourselves. The plain truth is, and everybody knows it, the Russians are back at the bargaining table because of SDI. That is why they are back.

They are back because they fear American technology; because, by having a repressive government that denies human freedom they cannot unleash that spark of creativity that has done more than anything else in the postwar period to preserve our freedom and to keep the peace.

We do not have peace today because we are more dedicated to spending money on defense than the Soviets. The truth is, totalitarian societies have an advantage in defense because they can force their people to spend the money. Defense has declined as a percentage of GNP and as a percentage of the budget almost by 50 percent since John Kennedy was President, because democracies and the political constituencies that are built around programs, tend to rob defense to give money to constituencies who then vote for those who give them the money.

What has maintained the edge that has kept the peace is technology. The Soviets cannot match it because creativity comes from freedom. And they cannot give that without having their system destroyed internally, and that is their dilemma.

What we are doing here is taking away the one advantage that we really have. The Soviets are back at the bargaining table because they fear SDI; because they fear American technology.

Now, what does this amendment say to the Soviets? The Soviets reading this RECORD—and it must be terribly boring through most of the long debates—but when they get down to the Nunn-Levin amendment, it must produce some, "Look, Comrade," response. And they say: What the Congress is saying to the American President is we are not sure we are serious about this SDI business. You can do all the testing you want to. You can test, you can theorize, you can use test tubes, you can work within a laboratory. But do not even think about testing on any kind of operational basis. Do not even do any planning about deployment. And, if you think about doing one of those things, you have got to notify Congress and then both Houses of Congress have to vote to say it is OK.

Either House of Congress can say, no, we are not going to let you do anything with this SDI research. You can do all the pure research you want to, but either House of Congress, by this amendment, is reserving a privilege on a one-House veto basis, of saying: No, we do not want to do anything practical. Spend the money, but do not let it be directed toward the actual defense of America.

What does that say to the Soviets? That says to the Soviets: Here we are, speaking now on behalf of these Soviets—something I am not qualified to do—but here they are, spending all this energy trying to negotiate treaties that in some cases represent giving up advantages to themselves to try to have an impact on SDI, and Congress is doing, through votes, what the Rus-

**sians are negotiating to get the United States Government** to do.

I do not know most people in the Senate feel about bargaining, but I feel that if a fellow is likely to give me what I want without me having to give him anything if I will just wait long enough, I am not going to be in any hurry to try to cut a deal with the fellow.

I have not dealt much with the U.S. Congress in any kind of representation of foreign powers, so, quite frankly, I have never had any dealings with anybody who was that dumb. But if I ever did, and I figured if I just waited they were going to do what I wanted them to do, why should I negotiate dismantling nuclear missiles? Why should I negotiate the START talks? Why should I negotiate losing something that I have an advantage on when Congress is going to make the President do what I am negotiating with him to try to get him to do?

Even if everything I have said here is nonsense, and I do not believe that it is, but even if it were, the reason that we ought to defeat this Nunn-Levin amendment is that it gives the Russians, through action in Congress, what they cannot get at the bargaining table.

Why should we give away our technological edge, limit our ability to look at putting that technology to use, when the Soviets are willing to negotiate on the basis of giving up some of their advantage for what we are in the process in this very room, in this very debate, in giving?

Our negotiators are at the table today, negotiating a treaty in the final phases with regard to nuclear missiles in Europe. The final dotting of the i's and crossing of the t's is occurring even as we speak. The beginnings of a potential movement beyond that to start talks that would reduce the number of nuclear weapons in this world is in its infancy even as we speak. We should defeat the Nunn-Levin amendment if for no other reason than because it undercuts our negotiators in Geneva by giving the Soviets for nothing what they are willing to negotiate for. It is poor policy. It wastes the taxpayers' money. It is nonsense as a policy of defense to invest in something but commit not to do anyting that will allow you to ever use it. It gives unacceptable power to one House of Congress to veto a decision that the President has the right to make in terms of interpreting the treaty. The Supreme Court has ruled over and over again that when in doubt concerning the meaning of an international obligation or treaty, the broad interpretation should always be taken.

But all of those things aside, do we in the Senate want to be giving the Soviets what they cannot win at the bargaining table? I answer that, "No." This is bad policy. We are not going to have a full-scale testing of SDI this year. Let us debate the issue. Let us not hobble this program.

We all know that if you look at these votes, increasingly there is a partisan tone. I believe the President will veto this bill if these restrictions are in it. I will urge him to do that. I will vote to sustain the veto. This issue is not going away. It is going to be back. It is going to be debated. I think it is important that people understand this is bad policy. This undercuts the President. This does not promote the interest of world peace. It does not protect our people. Our people are paying tremendous costs to be protected. Our people are paying very high taxes. The working men and women in this country today are seeing government at all levels take 40 cents out of every dollar of income. I do not believe enough of that money is going to defense, but, for God's sake, when we are going to spend the money on defense, let us not hobble ourselves to guarantee that the money is not well spent.

If the Congress does not want SDI, cut out the funding and spend it on something else. But if we are going to spend the money on SDI, let us not so hobble the process that we cannot get our money's worth. And if we are going to do that, if tomfoolery is so prevalent in the Congress that we cannot resist doing it, let us at least wait until we are away from the bargaining table so that we do not encourage our enemies to think that we are so foolish that if they will wait long enough, we will do everything they desire.

Those are the issues. I hope Members will look at this amendment; that Members will look at it not on a partisan basis; that they will weigh the full issues, and that they will make a choice in the American interest.

While I respect every Member of this body and recognize, as Jefferson said long ago, that good men with the same facts can still disagree, I believe, if you look at all the facts, that we should not be doing this now. I urge my colleagues to vote to strike the Nunn-Levin amendment.

I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I wish to commend the distinguished Senator from Texas, a very valuable member of our committee. Obviously, he has invested a great deal of time in dealing with this issue. We owe him a debt of gratitude for sharing with us today his wisdom.

Mr. President, we have other speakers. However, we do not want to monopolize the floor if there are speakers on the other side. We also recognize the presence of the majority leader on the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. May I first inquire whether the majority leader has any other matter?

Mr. BYRD. I thank the Senator. I do wish to proceed for about 30 seconds.

Mr. DIXON. I yield.

### ORDER FOR RECESS FROM 12:30 P.M. UNTIL 2:15 P.M. TODAY

Mr. BYRD. Mr. President, the ceremony recognizing the Bicentennial of the Constitution will occur today on the west side of the Capitol.

I ask unanimous consent, in order to allow Senators to attend that ceremony, that the Senate stand in recess from 12:30 p.m. today to 2 p.m.

Mr. WARNER. Mr. President, I was just thinking, if the ceremony is over at 2, should we allow, say, 10 or 15 minutes for Senators to return to their places?

Mr. BYRD. Very well. I think that is a good idea.

Mr. WARNER. That 15-minute period would be satisfactory, so I would suggest 2:15.

Mr. BYRD. Very well. Let us make it 12:30 to 2:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Senators.

Mr. DIXON. I thank the majority leader.

Mr. President, I will not speak at length. I see my distinguished friend, the senior Senator from Louisiana, is here. Many know that in the last session of the Congress the Senator from Louisiana was a leader in the debate concerning the funding level of the Strategic Defense Initiative, and my recollection is that it was his efforts which ultimately achieved the level of funding that the Senate provided in the DOD authorization bill which went to conference.

So I am sure my colleagues will be interested in hearing the observations of the distinguished senior Senator from Louisiana, who has been a student of this issue and I am sure will make a valuable contribution to the discussion.

May I say, Mr. President, that as a member of the committee I have appreciated the remarks of the ranking member, the Senator from California, the Senator from Texas, and others on the other side who have discussed this question. I am delighted to see my friend and colleague, the distinguished Senator from Alabama, in the chair because he is a valued member of the committee and he remains well informed on this subject matter from the considerable amount of time spent in committee on the issue.

I want to come back once again as one of the managers of this bill to the central theme, which is this, Mr. President.

We are not arguing the broad interpretation of the ABM Treaty or the narrow interpretation of the ABM Treaty. We are arguing here Congress' power of the purse over all or any expenditures and, in the context of what we are doing here specifically, the Congress' power of the purse in connection with authorization and appropriation of funds in the interest of our national defense.

The President knows that in this session of the Congress where we have very difficult fiscal constraints, one of the main responsibilities of those of us in the Armed Services Committee and particularly those of us who are chairmen of major subcommittees is to meet our obligations and to reach those reductions that were necessary under the directions given us by the Congress. And my friend from Texas, who spoke so eloquently just a moment ago and has now left the floor, is the father of Gramm-Rudman-Hollings, one of the strongest fiscal constraints that forces us to bring about these kinds of reductions that are called for in the process we are going through right now.

Now, let me read again, so that my colleagues who are not on the floor will understand what we are debating, Mr. President.

This is the bill, S. 1174, Mr. President. Page 3 of the bill. I read lines 10 through 15.

> Funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test antiballistic missile systems or components which are sea-based, air-based, space-based, or mobile land-based.

Now, that is what we are arguing here, and that is nothing more than an exercise of the fundamental power of the purse by the Congress.

May I say further, Mr. President, that the amount of money that you and I voted for in that committee, $4.5 billion, for SDI is substantially more than I suspect the Senate will give us in the end, is substantially more than the House has funded, and is substantially more than the conference will authorize ultimately. And some on our committee—and, incidentally, not necessarily the present occupant of the chair or this Senator—would not have voted for the $4.5 billion but for the fact on page 23 we exercised the power of the purse over how that $4.5 billion would be used.

During the committee's hearings on this bill, Mr. President, General Abrahamson testified that all SDI research projects and all planned major experiments for these 2 years have been designed to fully comply with the traditional interpretation of the treaty.

Now, listen to this. This is a matter of record. In response to a question from the distinguished senior Senator from Alaska [Mr. STEVENS] at a March 19, 1987, Defense Appropriations Subcommittee hearing as to whether he could assure the Congress that the money will be spent in accordance with the President's current decision of the narrow interpretation—now, that is a direct quote of Senator STEVENS—General Abrahamson replied, a direct quote:

> That is the way the budgets were put together and that is the way our plan is presently laid out. The answer is yes, sir.

Now, Mr. President, we took General Abrahamson—at his word, and we said, "Good, we are going to give you $4.5 billion in authorized funds in this committee." That is a lot of money. That is substantially more than last year—I think 22 percent more than last year. Twenty-two percent, Mr. President. Name me any other program in the Congress we are talking about that has been increased 22 percent. Name me one. We said we will give you 22 percent more. Now, I do not think that will hold up on the floor. I am here to confess that. But that is what we did in the committee. Spare parts, ammunition, and other things were shorted so that SDI could get a 22-percent increase. And we said but we are going to put in the Nunn-Levin language, and here it is.

Here is an article in Aviation Week, August 17 of this year, "SDI Programs Face Delays Due To Fiscal 1988 Cutbacks."

We protected most of those delays by this language to which our colleagues now take exception.

But I want to return to the final simplistic theme before I yield my time. This is not a discussion of the broad or narrow interpretation of the treaty. There have been some marvelous speeches made here by some very learned Members on that subject. That is not the issue.

I want to make this argument just to be a devil's advocate, Mr. President. If you conceded the broad interpretation, if you conceded that, this would still be entirely appropriate. We have a right under the broad interpretation to say look, you will not spend any money on these kinds of experiments over the amount that we appropriated this year. We have that right. That is part of the exercise of the power of the purse. I am involved in all kinds of fencing activities in this place.

This Senator is exceedingly proud and thinks one of my main contributions is the time that we fenced the money for the divad gun that could not hit anything until they completed the test and they gave up the gun. If I spend the rest of my life here I may never save $4.5 billion for the taxpayers like I did in one fencing sentence that one time, Mr. President. There is nothing the matter with fencing money.

So I conclude because it will be my pleasure, Mr. President, to yield to my warm friend who has made such an important contribution on this same issue, the distinguished senior Senator from Louisiana, by saying that this is not an exercise in the interpretation of the treaty. The treaty is a law. A lot of different people can interpret that. That is their power to do that in any manner they see fit. I support the interpretation of the Senator from Georgia, my warm friend, the chairman of the committee. But this is an argument over our power over the purse. I call upon the membership on this side which believes in exercising fiscal constraint in a responsible way to exercise that fiscal constraint and to support the committee, Mr. President, in connection with the language on page 23, lines 10 through 15 which says that you cannot do that kind of testing under the $4.5 billion we have authorized. I would hope that we defeat the amendment offered to strike the Nunn-Levin language.

I thank the President and I yield to my colleague from Louisiana.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. McCAIN. Will the Senator yield for one comment to my distinguished friend from Illinois concerning his remarks?

Mr. JOHNSTON. Yes.

Mr. McCAIN. I would like to express my appreciation for some very strong remarks and very cogent argument on the part of my friend from Illinois.

I would like to remind him, however, that at least from the view of this Member, and I believe those on this side, the Levin-Nunn amendment had no connection to the amount of money that this Member voted to authorized for SDI. In fact, the Nunn-Levin amendment came at the very end of the deliberations of the committee, long after we had decided the level of funding to be authorized for SDI. I think that is an important point to be made here. At least Members on this side had made no connection whatsoever. In fact, we hoped the good judgment of the committee would prevail. We would not have such a restrictive limitation placed in the authorization bill which has led us to the impasse we are in here today which has delayed the approval of this authorization bill for now over 5 months and portends, at least to this Member, a much longer delay.

Mr. DIXON. Would my friend yield for this kind of response? I do not want to take the time of my friend from Louisiana. I only want to respond by saying that notwithstanding what the Senator said about that, there were Members on our side who had the greatest reluctance to support the funding level for SDI in this bill without this kind of language. However, it turned out chronologically the Nunn-Levin amendment and SDI funding were linked together in the final bill. I hesitate to impose upon the time of my friend from Louisiana.

Mr. McCAIN. I appreciate the time of the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana has the time.

Mr. JOHNSTON. Mr. President, first of all, I want to commend the minority part for letting this bill get back on track. I think the plan now is to vote on the various amendments and let the Senate work its will, let the President exercise his veto if that is his will. And I will guess it is, and in any event, to let the Senate go on record on this matter.

I think that is good sense. I think it is good government. I might say it is somewhat inevitable because we could have put ourselves through all of these loops and hoops and delays and ended up on the appropriation bill with the exact same vote. A vote on these matters cannot be avoided because they come finally on the appropriation bills. I can guarantee you that we would vote on the appropriation bills if we did not vote here. So this makes good sense.

I commend the minority party for their wisdom in this matter even if it is wisdom late acquired.

Mr. President, I want to respond to two points which the distinguished Senator from Texas made with respect to SDI and with respect to the Nunn-Levin amendment.

First of all, let me repeat here what I have said before; that is, I am a very strong supporter of the Nunn-Levin amendment. The Senator from Texas said that the Nunn-Levin amendment prevents planning and research on SDI technologies. The very clear fact is, Mr. President, it does not prevent planning and research. Indeed, planning and research is going on right now in a whole host of weapons systems, with beam weapons, with the free electron laser, with the Eximer laser, with the neutral particle beam, with the nuclear shotgun, with the rayogun, with the improved BAMBI Program, that is a rocket space-based kinetic kill vehicle, and with a whole range of weapons. That research and that planning is proceeding. That is not prevented by the Nunn-Levin amendment.

All that is prevented by the Nunn-Levin amendment is testing and development. Testing is the predecessor of development. You cannot develop until you have tests, and both testing and development are prevented by the ABM Treaty. As a matter of fact, those are the terms that are used in the ABM Treaty that are specifically prohibited along with deployment but testing and development are prohibited. The obvious reason that they are prohibited in the Nunn-Levin amendment is that we do not want some member of the executive branch making the decision on this own to break the ABM Treaty, and to get off into a new space race without the Congress even knowing about it.

The reason that this kind of amendment is necessary is because of the broad latitude given by the Appropriations Committee and by this Congress through the appropriations process to the SDI Program.

In effect, what we have done, Mr. President, is given very broad latitude to General Abrahamson and the Office of Strategic Defense Initiative. We have done that for a very good reason. First of all, we are not scientists in the Congress, and we cannot and we should not micromanage that program. We should not divvy out every dollar as we do in other defense programs saying what can be built, what can be tested, and how many dollars for each contract on each research program. Rather, we have given the money in very broad categories.

It is not only within our constitutional power to micromanage, and to give line items for every item to be spent within the SDI budget, but it is usually done with most appropriations programs. But we felt that they ought to be given broad latitude because it is a fast-moving research field where something which in January seems like a good idea by July would not be a good idea. So it is our desire to give very broad latitude and the greatest degree of flexibility to the SDI goal that has made necessary the Nunn amendment. If we did not pass a Nunn amendment, then indeed we could achieve the same purpose by carefully limiting each line item so as not to include any of these tests, and so as to require a reprogramming decision, which in turn would have to be approved by Congress, in order to achieve the purpose of breaking the ABM Treaty.

So, Mr. President, the statement of the Senator from Texas that this prevents planning and research simply does not comport with the facts and the very same language of the Levin-Nunn amendment. All that prevents is development and testing. Those are the words used in the amendment: "No funds may be obligated or expended to develop or test antiballistic missile systems." It is just as clear as anything could be that that is all that is prevented.

Point No. 2 of the statement of my friend from Texas, Mr. Gramm: He said that the Senator from South Carolina [Mr. Thurmond] talked to Mr. Gorbachev, and he came back and said it is clear that this "scares the bejesus out of Mr. Gorbachev."

The answer is, So what? I might say that it also scares me. The idea of getting off into a multibillion dollar spending program that does not make the country safer scares me a great deal. If you can figure where that money would come from, I can tell you that it would take very large amounts of taxes and would get us off into a new space race.

Mr. President, the idea that what scares the Soviets has to be good for us, and what is bad for them has to be good for us simply does not hold water. It is the kind of mentality which now has produced over 10,000 nuclear weapons on each side, which has seen those nuclear weapons grow by a factor of four since the first SALT treaty was entered into. It is the space race mentality.

The Soviets do not like us to build more nuclear weapons, so therefore we build them. I guess the reverse mentality is that we do not like them to build them, and therefore they build them, and you have these huge stockpiles of weapons that make the world a less safe place and do not give the United States additional security.

So, Mr. President, I think the fact of whether this scares or does not scare the Soviets is irrelevant. The question is, Does it contribute to our security? I think the answer is that a premature deployment of SDI and a breaking of the ABM Treaty would be the very last thing this country should do in terms of its own security, let alone whether the Soviets like or do not like that action.

No. 3, Mr. President, let me speak about the treaties. I had the honor of being one of the observers at the Geneva arms talks. There are really three separate negotiations going on in Geneva. One has to do with the intermediate range nuclear weapons. That is the treaty that is ready to sign, with the exception that the issue of the 72 Pershing 1-A missiles has not been fully worked out, at least as of the last time I have received information. That treaty is thought to be ready to go.

The intermediate range treaty has never depended upon SDI. It has not been driven by SDI. It has not been made possible by SDI. It will not be prevented by a failure to agree on SDI. That was implicitly clear on both the American side and the Soviet side in Geneva. I think it cannot be argued to the contrary, because no agreement in SDI is possible in the next few months, and yet we are going to get an intermediate range treaty.

The Soviets want an intermediate range treaty because the flight time of those missiles, some 10 to 12 minutes to Moscow, would put at risk the leadership of Moscow. The Soviets value their leadership, the safety of their leadership, much greater than the United States does. To put it another way, in a democratic society, elected members of a society cannot protect themselves—or, should we say, ourselves—greater than the ordinary population.

In a totalitarian system such as the Soviet system, the ruling politburo, the ruling bureaucrats, can and do put their own protection as their first priority. The Pershing I-A missiles threaten that leadership, and that is what has driven the intermediate-range treaty. The START talks—the Strategic Arms Reduction Treaty—does depend on SDI; and I can tell this body, as common sense would dictate, that no START treaty is possible until an SDI agreement is made.

The reason for that is very simple, and it is that if you can stop 25 percent of the ICBM's that are coming into a country, the obvious response for the country which does not have the SDI is to increase their warheads by 25 percent. So the Soviets are not going to be reducing their warheads by 50 percent while we are deploying an SDI. It simply does not make sense, and it will not be done. We can argue about that all we want, but it is very clear that the Soviets are not going to fly in the face of common sense.

Item No. 4, Mr. President, has to do with the question of the narrow versus the broad interpretation of the treaty. The narrow and the broad interpretations of the treaty deal with what we call agreed statement D, which contains certain expectations for weapons or antiballistic missiles based upon other physical principles. The phrase "other physical principles" has come to be described as exotic principles; and to the extent that a technology is thought to be exotic, the broad interpretation of the treaty would say that you can test and develop weapons based upon an exotic technology.

Mr. President, exotic technology in this context is thought by Judge Sofaer and others to mean beam weapons. Those are the laser weapons and the neutral particle beams and the other kinds of beam weapons.

The interesting thing is that those beam weapons are really not ready for testing at this point. The beam weapons are some years away from development to the point of real testing. There might be a small subcomponent test of an underpowered laser that could be done, not as an antiballistic missile but as a discrimination device. But in terms of using the beam weapons as antiballistic missiles, that is many years away, if it can ever be done. Most experts would say that that is probably the late 1990's or after the turn of the century, before that would be ready.

What these tests are about, and what the controversy is about, is what we call space-based kinetic kill vehicles. Space-based kinetic kill vehicles are simply, as some would describe them, smart rocks—that is, a warhead that does not contain an explosive charge but which disables the antiballistic missile by the force of its own kinetic energy; hence, the phrase "space-based kinetic kill vehicle."

There are varied iterations of that. One is a shotgun, which literally shoots bits and pieces of material. Another is a space-based rocket. The space-based rocket, the SBKKV, is really very old technology.

(Mr. GRAHAM assumed the chair.)

In the early 1960's we began a program called BAMBI. I forget what BAMBI stands for but it is one of these acronyms that the Air Force had. But it was more than just a paper study. It was indeed a paper study. I hold in my hand the BAMBI study which has been submitted to us by the Department of Defense, and in this BAMBI study they developed a very thorough, well-though-out system of space-based rockets with heat-seeking guidance systems which would actually collide with the incoming ICBM and that was a program which was thought worthy of deployment by some at that time.

In 1962, actual tests were done with rockets fired from airplanes at incoming ICBM's with again the heat-seeking device, detecting the warhead as it entered the outer atmosphere and colliding physically with the warhead.

I mentioned this, Mr. President, because this is precisely the technology that is thought to be the subject of early deployment by SDI and by others in the administration.

No other technology is ready. That is the architecture that is being discussed. That is what the controversy is all about—space-based kinetic kill vehicles with orbiting rocket pods. It has been testified to before our committee, on the Defense Appropriations Committee. It had been written about in the literature.

So, the question is, Mr. President, is that a system based on other physical principles? Is it exotic technology? Why, Mr. President, the question answers itself. How could it be other physical principles, how could it be exotic technology when it is well thought out, when you have a study of this thickness and this thoroughness and when you had actual tests, actual tests?

Why, Mr. President, it is absurd, it is absolutely absurd to say that that kind of system meets the criteria of agreed statement D as based on other physical principles.

And, indeed, when Ambassador Nitze came before our committee, I showed Ambassador Nitze a letter which he had written in 1977 in which in correspondence to—I forget who his letter was to, but it is in the record. But I asked him, "Do you agree that BAMBI was a space-based KKV, that it was well understood at the time, and that at least as of 1977 you said it was your clear intention that it bar engineering development, it being the treaty, bar engineering development of BAMBI?"

Ambassador Nitze said "That is correct."

"Now, would you tell me, Mr. Nitze, has anything happened since 1977 to change your view of that?"

Ambassador Nitze said, "I still think that is a correct view if you want my opinion."

That was testimony earlier this year before the Defense Appropriations Subcommittee.

The predicate for those questions and in the Defense Appropriations Committee was the fact that he had written a letter in 1977 to Donald G. Brennan—I have the answer now—of the Hudson Institute, that letter being July 8, 1977, in which he had said in that letter and I quote:

> This brings me to the operative questions, what can we properly do under the treaty and what could the Soviets arguably get away with?
>
> It was our clear intention that article V bar engineering development of a BAMBI type ABM system.

So, Mr. President, common sense says you cannot deploy, test or develop a BAMBI-type system. Ambassador Nitze said then, said in 1977, and says now, that it was the clear intention of that treaty to bar a BAMBI-type system, and the question is: Is this space-based KKV a BAMBI-type system and the answer is unquestionably so. It is based upon the same physical principle, a rocket fired from an orbiting pod with a heat-seeking finder and with a kinetic killing device.

In virtually every single principle, it is not only similar, it is identical. As a matter of fact, Mr. President, even the shape of the system is the same. In the Washington Post of April 2, 1987, we supplied from that study the shape of the system and put it next to the present system and it is virtually identical in design.

Mr. President, it is beyond question that what I am saying is correct.

Now, what does the administration say? They do not say that a BAMBI-type system, that the space-based KKV is not barred by the treaty. They do not say that. They said, "We do not know."

What you get out of the administration is doubletalk. As a matter of fact, if I recall correctly, we asked this question to Secretary Weinberger and he being unaware of the extent I guess of the BAMBI study said in effect that, well, we are studying that but we think it is different because BAMBI had an exploding warhead whereas we are talking about a kinetic kill warhead.

Excuse me. That was not Secretary Weinberger. That was Richard Perle, the Assistant Secretary of the Department of Defense.

But I think that it is correct to say that the administration either has not made up its mind on this question or that it speaks with several voices, or at least it is unpredictable as to where the administration will come down on this question of is the space-based KKV a BAMBI-type system.

So, Mr. President, if it is a BAMBI-type system, and there is just not any doubt that it is, it is prevented by the broad interpretation of the treaty and by the narrow interpretation of the treaty. It has nothing to do with that because it is not based upon other physical principles. It is based on principles that are as old as 1962 which have been tested indeed in 1962.

So, that leads to the ineluctable conclusion, Mr. President, that if the administration is in doubt about something so fundamental as that decision, then we in the Congress better put something in so at least we will have some control over whether that treaty is broken, maybe inadvertently. Maybe the administration has a lack of information in spite of our assiduous efforts to show the administration what is in their own studies, or maybe some read and do not understand. None is so blind as he who will not see or so deaf as he who will not hear.

And the plain words are there. But maybe they are being ignored simply on the basis of—I do not know on what basis. In any event, Mr. President, it is very clear that what the administration or what some in the administration have in mind would violate the treaty under a broad or narrow interpretation and we must, therefore, have the Nunn-Levin amendment in order to prevent that.

If the Congress does want to get into a testing program or a deployment program or a development program, then we ought to go into that with our eyes wide open. Just yesterday the administration said, "Well, the cost of this space-based KKV program has now doubled." Instead of being about $40 billion to $60 billion, the first estimate, they say it is now around $100 billion.

I have news for them, Mr. President. They cannot touch it for $100 billion. And do you know, Mr. President, how effective that architecture would be? If it worked and if it were deployed at whatever cost, even if you could get it at $100 billion, you are only talking about a system that would shoot down about 1 in 5 of the Soviet incoming ICBM's. And you are also talking about a system that could be easily defeated at much less cost and on a much quicker timeframe by the fast-burn rockets.

Now, why do I say that? I say that because the administration's own experts say that. In other words, if you have got a space-based KKV based upon orbiting rocket pods with sensors that sense the plume of that rocket as it comes up through the atmosphere, then it has got to be able to get to that plume before the plume burns out. And if you put a fast-burn rocket—by fast-burn, I mean something in the neighborhood of 100 seconds, maybe even 150 seconds would do it. The SS-18 now has a burn time of 300 seconds, so that is a long time within which that plume can be observed by the heat-seeking orbiting battle station. But if they reduce that by half, and that is, according to all the experts, known technology. It is not exotic technology. It is known.

So if the Soviets put in that fast-burn system then it defeats catastrophically, according to the lead scientist at Lawrence Livermore Laboratory, it defeats catastrophically the space-based kinetic kill vehicle. So, oops, there goes your $100 billion if you could build it for that amount. So if we are going to make those kinds of decisions, Mr. President, we ought to be brought into it because you know if the administration breaks the treaty and starts the race, then you are into it. Once you start that race and then the Soviets are doing their thing, then you have got to do your thing and then it is a tit for tat and we are off to the races.

For example, do we have any choice now as to whether to go to MIRV missiles, multiple independent reentry vehicles, where you put 10 or maybe as many as 20 independent nuclear bombs, warheads, on a rocket? No, we do not have any choice because we chose not to enter into a treaty back when we could have. Back in the late 1960's and early 1970's, we could have had a treaty which could have said do not put, I think it is, 12 warheads on the SS-18 or 10 warheads on the MX missile. We could have chosen not to do that which would have vastly reduced the number of warheads. We chose not to do it. Once you are in the race, you do not have a choice. And that is what would happen with respect to SDI.

Once you are in the race, you do not have a choice. You can say, well, it may or may not work or $100 billion is too expensive, but when you are in that race, Mr. President, it is too late to talk about "Shall we do it or shall we not do it?" We would have already done it. The credit card would have already been charged and the bill would be on the way. Now is the time, before we break the treaty, to make those kinds of decisions.

Now, finally, Mr. President, I would like to deal with the question of why should anybody object to this great defensive system, this astrodome that the President wants to put over the country. Why should the Soviets be scared to death, if that is a correct statement of what Gorbachev says? Or why, conversely, should we be afraid if the Soviets develop such a system? Well, the reason is plain, Mr. President, that SDI is more useful as an offensive system than it is as a defensive system. It may not work. In my judgment it probably will not be effective, at least not for over a decade, no matter how much money we want to spend on it, as a defensive system. Because you simply could not get enough of the warheads. Where it is very, very useful is as an offensive system. Why is that so?

First, because it would be a wonderful ASAT system. In other words, we have got sensors and we have got orbiting rocket pods. All we would have to do is point those rockets at Soviet satellites and we could in effect blind the Soviet system. Both the Soviet Union and the United States depend upon satellites for all kinds of information—for battle management, of course, for intelligence, as well as for such mundane things as the weather. And an SDI system would be able to shoot those down.

Well, now, is that a good thing? Well, Mr. President, I submit it is not a good thing because it is destabilizing; because the Soviet Union would know we had the ability to blind them at any moment and therefore they would be tempted to make a first strike on us before we put the first strike on them. In other words, the slightest aberration in the world of politics, any crisis that came up, the Soviets would immediately go into a huddle and say, "Look, is this going to develop into a real crisis? If so, we better push our nuclear button now."

The whole question, Mr. President, in my view, of arms control is really a question of crisis management. Nobody thinks, or very few people think, that it is even conceivable that the President or the Pentagon would get together and say, "Let's push the button right here on this beautiful Wednesday morning and obliterate the Soviet Union and get rid of that threat." Nobody thinks that, including the Soviet Union.

Conversely, we are not worried about that for the Soviet Union. We are not worried about Gorbachev and his people saying, "Let's do it now."

What we are worried about, and both sides worry about, is the development of a crisis, a Cuban missile crisis, for example, where the chances of war, according to Kennedy, were about one in two, I believe is the figure that they used. I mean the idea, if that were true, that we had a one-in-two chance of obliterating the world or a good portion of it in 1960 is mind-boggling. We had only a fraction of the nuclear weapons at that time as we have now. We probably have 50 times as many now as we did then. But the crisis, the possibility of a crisis developing into the kind of situation

where either side is thinking about pushing that button, is still there.

Just in today's paper, they reported an event which happened yesterday in which the distinguished Senator from Georgia and the distinguished Senator from Virginia were able to finally get a crisis management center jointly manned by Soviets and Americans so that in this time of crisis they can trade information, because of bad information being the real enemy of stability in times of a crisis.

Now the ability of either side suddenly and without warning to decapitate the other side with respect to information by doing away with our satellites is destabilizing, because there is no time to talk, there is no time to do anything. You have to "shoot 'em or lose 'em." In other words, you are going to lose all your rockets, you are going to lose your ability to see unless you shoot them now. And at the time of a crisis, that is a very great danger.

So SDI is first useful as an ASAT system to blind the other side. Second, it is useful as an offensive weapons system because it would be good against what we call the ragged response, maybe not against the first strike.

What I mean by that is this. Mr. President, if we fire off, say, 5,000 warheads at the Soviet Union as a first strike and take out as many of their rockets and their bombers and their military installations and all the rest as we can, then there will be some remnants of the Soviet nuclear force which could be fired at us. Submarine-launched ballistic missiles come to mind immediately. There is no way, probably, we could take those out. So here comes a second strike or response from the Soviet Union.

For that purpose the strategic defense initiative would be very useful.

Mr. President, The Congressional Research Service at my request prepared a report called "Project Defender," which I believe deserves the attention of my colleagues. This 24-page document is a description of a classified research and development effort undertaken by the DOD from 1958 to 1968 on ballistic missile defense technologies. A subset of that general research was Project BAMBI which explored the use of satellite-based interceptor rockets to destroy enemy ICBM's in their boost phase.

The reports compiled in that research effort are so old, Mr. President, that they have been declassified. Now why is this research important today? Why is this report, a descriptive summary of research undertaken a quarter century ago, worthy of my colleagues' attention?

Mr. President, the entire defense authorization bill is held up because the administration wants to be free to adopt their so-called broad interpretation of the ABM Treaty to accelerate testing and development of the strategic defense initiative in pursuit of an early deployment. The essence of that reinterpretation is that exotic ballistic missile defense systems, those "based on other physical principles," may be tested and developed even if those systems would be based in space.

In contrast, under the traditional interpretation the testing and development of space-based ballistic missile defense systems are prohibited.

The crucial question becomes, what is an exotic system, because the so-called "broad interpretation of the ABM Treaty broadens the permissible testing and development only for exotic systems. Well, laser weapons are generally considered exotic, but they won't be ready in time for an early SDI deployment in the mid-1990's. The SDIO admits that.

The only defensive weapons system SDI has proposed for deployment in space in an early SDI deployment to destroy Soviet ICBM's in their boost phase where they are most vulnerable is the space-based kinetic kill vehicle or SBKKV. The term "SBKKV" is fancy terminology for a guided missile that would collide at high speed with the Soviet ICBM. These guided missiles would be based by the thousands on satellites orbiting the Earth. The fact of the matter is, Mr. President, if SBKKV is not exotic then neither the narrow nor the broad interpretation of the ABM Treaty permits it to be tested and developed. And without SBKKV, early SDI deployment is dead in the water. In short, if SBKKV is not exotic, then this contentious fight over the broad interpretation of the ABM Treaty is, for all practical purposes, a useless bloody exercise.

I began to think SBKKV was less than exotic several months ago when I obtained a 1,000-page report entitled, "A Review of Project Defender for the Director of Defense Research Engineering," dated July, 1960. That 27-year-old report included a picture of an SBKKV that was a dead ringer for the model of the SBKKV that General Abrahamson, the SDIO Director, was exhibiting at hearings this year.

Richard Perle, former DOD Assistant Secretary, told the House Armed Services Committee on March 13, 1987, that SBKKV are exotic because they collide with their targets rather than destroying them with a fused warhead. However, the interceptor rockets being researched in Project BAMBI 25 years ago were also so-called kinetic kill weapons.

Mr. Perle suggested SBKKV are exotic because they will have an infrared guidance system rather than being guided by radar. But the systems being investigated a quarter century ago were also intended to be guided by an infrared guidance system.

Then on May 19, 1987, Secretary Weinberger told the Defense Appropriations Subcommittee that this 25-year-old research was "simply a program on paper." In other words, we never got far enough in the technology on SBKKV back then to conclude that SBKKV is not exotic.

This Congressional Research Service report on Project Defender proves that the technology for SBKKV had proceeded much further than mere paper studies long before the ABM Treaty was signed. This CRS report shows that SBKKV vehicles were designed, built, and even tested under simulated space conditions in the early 1960's.

As for kinetic kill weapons the report indicates that well before the ABM Treaty we actually intercepted real missile warheads at White Sands using small rocket interceptors launched from an aircraft. So there is nothing exotic about killing a missile warhead with a kinetic kill vehicle.

Interestingly enough, Mr. President, the administration has not officially concluded that SBKKV is exotic. They admitted that in their May 19 report to Congress on the ABM Treaty. In other words, we do not know that adoption of the broad interpretation of the ABM Treaty will permit the testing and development of SBKKV.

One can understand the difficulty of asserting that SBKKV is an exotic technology given the thousands of pages of research and test results on SBKKV dating back to 1958 that are stored in Government vaults.

I commend this CRS report to my colleagues and I thank the authors of the report, Charles Gellner, senior specialist in international affairs, and Terri Lehto, for their efforts here in retrieving a valuable historical record.

Mr. NUNN. Mr. President, I ask unanimous consent that we might have an additional 2 minutes before the previous order is implemented.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. I join in that request for purposes of acknowledging my appreciation to the Senator from Louisiana for his thoughtful statements on the work done by the Senator on nuclear risk reduction efforts. I understand the Senator from Georgia has a statement which, after stated, I will indicate my concurrence with.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. I want to thank the Senator from Louisiana for his remarks. I want to commend him for doing an exhaustive and very detailed study of the strategic defense initiative and for enlightening the Senate on the facts about that, including the kinetic kill vehicle; including, I think, the very strong case that broad versus narrow definitions of the treaty do not really have a bearing at all on whether they are going to be able to test the kinetic kill vehicle that they have in mind.

The Senator has done tremendous work. The Senator from Wisconsin has joined him. I commend the Senator and his capable staff.

Mr. JOHNSTON. I thank the Senator from Georgia very much.

Mr. NUNN. I believe this has been cleared by the Senator from Virginia and the other side. I would like to request amendment 681, the Byrd-Nunn amendment adopted last night, be separated from the underlying Glenn amendment which is amendment 680 and treated as if it had been enacted as a first-degree amendment to be inserted in the bill at the appropriate place.

Mr. WARNER. Mr. President, I earlier indicated my concurrence. Indeed, that is the case. I have now just been notified by the minority leader that at this time on his behalf I am to interpose an objection.

I express my apologies to the chairman. I have just at this moment been informed. Certainly it reflects what my understanding was of the agreement that we reached last night.

The PRESIDING OFFICER. Objection is heard.

Mr. NUNN. I thank the Senator from Virginia for making that clear.

Perhaps we can work it our later on in the day, because this is an accommodation to the Senator from Ohio.

Mr. President, if there is any remaining time of the 2 minutes, I would waive that back and ask that the previous order be completed.

### RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. The Senator has yielded back any remaining time. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

There being no objection, the Senate, at 12:33 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. EXON).

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## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The Senate continued with the consideration of the bill.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I rise to discuss the pending amendment and the entire scenario which has existed these last couple of days. I have been paying careful attention to the debate on this very important issue. I would like to spend a few moments, with the indulgence of this body, to review a little bit the factors which I think have led us to the situation we are in today.

I think it is important to note, Mr. President, that this is the first time in history that we have ever had a Department of Defense authorization bill in this Senate held up for the length of time that it has been held up, some 5 months. We continue to fail to address some very important amendments, of which there are many which must be addressed before this body can approve of the authorization bill for the very important and most critical function of spending for this Nation and its vital national interests throughout the world.

Why has this legislation been held up for the length of time that it has been? I think the answer to that is obvious to those who have been following the course of actions that have taken place concerning this legislation. It all has to do with one single amendment, the so-called Nunn-Levin amendment, which we all know dramatically circumscribes the President's authority to conduct what he feels is important testing of the SDI.

I think it is important to recognize the depth of feeling on this side for a variety of reasons, including a basic and fundamental one. That is that there is no place on the authorization bill appropriate for this kind of an amendment. There are, indeed, other vehicles.

As my distinguished colleague from Louisiana mentioned earlier today, this will probably be part of an appropriations bill which will probably be voted on one way or another as well.

Instead, we find ourselves locked in sometimes acrimonious dispute over this particular amendment, not only as far as the basic thrust of the amendment is concerned, but the nonapplicability of this amendment as part of the defense authorization bill.

I regret it frankly, Mr. President. I have a couple of amendments to offer that I think are important to this bill. I regret that we have been unable to give the men and women who serve in the military of the United States the assurance as to how they will be taken care of in issues ranging from a pay raise to the kinds of equipment with which they will be supplied to defend this Nation's vital national security interests throughout the world.

I again would appeal to my friends on the other side of the aisle to set aside this amendment. Let us get about the important aspects of the defense authorization bill, address those issues, and get this bill passed.

Presently we all know that if this authorization bill reaches the President's desk with the Nunn-Levin amendment contained therein, it will surely be vetoed. So when charges of obstructionism are leveled at this side of the aisle, I think there is no greater testimony to the tactic of obstructionism than that of approving a bill that is sure to be vetoed, not vetoed because of 98 percent of the bill which has been agreed upon in a rare degree of unanimity on the Armed Services Committee but because of one single amendment.

So I think, Mr. President, that it would serve the interests of the body, but more importantly the country, if we dispensed with the so-called Nunn-Levin amendment and went on with the rest of this bill. It obviously appears as if we are not. It obviously appears as if this body will be spending very long and perhaps late hours debating this single amendment and disregarding, unfortunately and unintentionally, the rest of the authorization bill, which inevitably will lead to a lack of attention to certain amendments and certain aspects of the bill which I believe deserve the attention of this body. Of course, the Nunn-Levin amendment circumscribes the authority of the President to conduct testing of SDI.

I think it might be in the interest of this body again to review the strategic defense initiative and what it is all about and the contribution it has already made in the opinion of many to this Nation's security. I think there is one basic fact that is well worth recognizing and appreciating—and I think it is appreciated by the overwhelming majority of informed opinion on arms control issues. It was the strategic defense initiative which brought the Soviet Union to the bargaining table and is leading us to the threshold of a landmark agreement which will for the first time in the history of arms control negotiations do away with an entire generation of nuclear weapons.

That is a major and singular contribution that the strategic defense initiative has made, and in my opinion renders it of enormous value as a program and an initiative, the benefits of which have already far outweighed its costs.

It was interesting to hear my distinguished friend, the chairman of the Armed Services Committee, say that he had offered to the administration he would withhold debate of this amendment as long as Mr. Shevardnadze was in Washington negotiating with Secretary Shultz over the possibility—we hope probability—of a summit meeting between Mr. Gorbachev and President Reagan.

If that is the logic my distinguished friend and chairman of the Armed Services Committee is using, then it would be far more profitable for this amendment to be dropped until such time as the summit meeting is complete, because I think it is very clear that SDI will play a role in the negotiations at the summit, which we hope will take place within the next couple months. I hope that a couple months delay would not impair the ability of my friend and colleague from Georgia to impose his will and that of what appears to be the majority in this body that the authority of the President on testing SDI be circumscribed as is described in his amendment, or to more accurately describe the amendment until such time as there is a positive vote of both bodies.

I think it is also very important to point out that the strategic defense initiative is for the first time in the history of nuclear weapons a chance to erect a defensive barrier rather than a continued buildup of offensive nuclear weapons which for all intents and purposes has continued unabated since the detonation of the first nuclear weapon at Hiroshima and Nagasaki in 1945.

There are a number of arguments concerning the strategic defense initiative, and I will not review them all; it is the subject of another debate. But I think it is abundantly clear to most Americans, and the reason why there is overwhelming support amongst the American people for the strategic defense initiative, that it gives us an opportunity to erect a defensive shield in space as opposed to the continued buildup of offensive nuclear weapons on the ground, in some cases outside Tucson, AZ, and other parts of the State of Arizona.

Will the strategic defense initiative work? I certainly, Mr. President, do not have the scientific knowledge and talent to make that judgment, nor do I believe, many people in this country. But to reject out of hand the possibility of not an impenetrable shield, but a sufficient defensive system which would place sufficient uncertainty in the minds of the Soviet war planners about the success of a first-launch strike, I think is wrong. Obviously, it is not achievable without sufficient expenditure of time, money, and effort on the part of the scientific community in this country. But it appears to me that if the Nunn-Levin amendment is, indeed, adopted, we will be precluded for all intents and purposes from finding out if there is a viable SDI system that can be built at a reasonable cost in a reasonable length of time, because we are all aware that any weapons system sooner or later arrives at a point where it must be tested. Research and development, work in the laboratory is an important, crucial, fundamental aspect of any weapons system but sooner or later we have to test.

Given my experience in the other body, which was only 4 years, it is highly unlikely that the body would approve the kind of testing necessary for SDI to become a reality, or even parts of SDI, which leads me to another aspect of this amendment that is exceedingly disturbing to me.

As a Member of the Senate, I cherish the differences between the Senate and the House. In fact, I am deeply grateful that I have the opportunity to speak at length on this issue on the floor of the Senate as opposed to the extremely restricted debate due to the number of Members in the other body.

But I am loath to give up the constitutionally mandated obligation of the Senate, and that is to ratify treaties, to provide advice and consent. We can certainly go into a later time the extent of the advice and consent which is constitutionally mandated. I believe my colleague from Indiana pointed out that the early Members of this body, many of whom were parties to the Constitution of the United States, had a different view of the meaning of advice and consent. But I do not think in their wildest imagination the Framers of the Constitution contemplated a treaty-making role for the House of Representatives as would now be consigned to it by the Nunn-Levin amendment. The Nunn-Levin amendment clearly states that unless there is a vote of approval by both Houses, then the President will be prevented from further testing of SDI. Not only is that unlikely from a practical standpoint, given the makeup of that body, but, most importantly, it is a clear abrogation of the rights and responsibilities of the Senate. I hope that in their deliberations my colleagues will take that into careful consideration.

On the subject of negotiations, it has been a long, hard road for this administration to reach the brink of a significant arms control agreement. It is not this Senator's opinion that this amendment will be a severe handicap in our negotiations. That is the opinion of the negotiators. The negotiators themselves appeared at a hearing of the Senate Armed Services Committee and stated that the passage of this amendment will impair the ability of our negotiators to arrive at a meaningful arms control agreement in Geneva.

And by the way, I did not need, nor did the committee I hope need, that information from those negotiators because common sense dictates that because that is what the Soviets have been seeking for years and years and years ever since SDI became a possibility.

It seems almost incomprehensible that this body would give away to the Soviet Union something that they have been unable to achieve at the bargaining table. In fact, in an act of great political courage, perhaps one of the most courageous acts, was the reason why the Reykjavik negotiations foundered because our President refused to sacrifice SDI on the altar of promised arms control agreements.

Mr. President, I am not one who would never negotiate away SDI. I think I could draw a scenario at some time in history of negotiations where there would be significant, meaningful, and indeed draconian reductions in offensive nuclear weapons, that at that time it would be entirely appropriate for the strategic defense initiative to be part of that tradeoff. But I certainly would suggest that at this time in these negotiations not only is it an inappropriate time, it could be incredibly damaging to the ability of our President and our negotiators to reach that point in the negotiations.

I think, Mr. President, that as we continue this debate it would be very important for us to try to remember why this legislation is before us. This legislation is before us so we can provide the equipment, the pay, the material, and all the requirements for the Armed Forces to take care of the United States' vital national security interests throughout the world. It is not—it is not, I repeat—a vehicle for various arms control provisions so that we can carry out some kind of, or impose some kind of arms control negotiations on the President of the United States and his negotiators. I think it is important when we discuss this amendment to know what we are talking about. We are talking about the strategic defense initiative, the funding for which when we look at the overall funding for defense is rather small. It has been significantly reduced over the last few years from the President's requests. And yet many Americans believe, and I think accurately, that this SDI provides an opportunity to end the unending and tragic arms race in which we have been involved with our adversaries since 1945.

Mr. DIXON. Would my friend yield for a brief question?

Mr. McCAIN. I am more than happy to yield to my friend and distinguished colleague from Illinois, a man very dynamic and knowledgable on this issue, and one who has spent a great deal of time and effort on this subject. And I am sure I will be more than illuminated to hear from him.

Mr. DIXON. May I say to my friend that what I hear, and what he says about the funding for the SDI Program, is that it has not grown as much as the President requested. That the Senator would concede. But would my friend from Arizona, who happens to be a member of my Subcommittee on Readiness, Sustainability and Support, and has seen what has happened to the preparedness and readiness programs and how they have dwindled over the years, concede that the 22-percent growth that we gave over last year for SDI in our Armed Services Committee is considerably more formidable than what even he would expect to obtain, either from this body or the Congress as a whole?

Mr. McCAIN. I suggest that the point of the Senator from Illinois is very well made. But it all depends on the matter of priorities. If the Senator feels, as many of us do, and obviously the administration does, that a viable SDI Program can lead to significant reductions in expenditures in other areas, such as the never-ending new generations of offensive nuclear weapons over time, then many feel that it is an investment well made.

I would also, before I yield again to my friend from Illinois, like to say I share his deep concern and his commitment to the readiness and preparedness of the Armed Forces of the United States. I also share his view that we are in danger now for the first time since the late seventies of leaving the men and women who man the Armed Forces of the United States unprepared for the defense of this Nation's vital national security interests.

I would be glad to yield back to my friend.

Mr. DIXON. May I only say, and I hesitate to interrupt the remarks of a dear and respected friend like the Senator from Arizona, but I know about his concerns in the same area where I have concerns. The fact is that all of those charts on ammunition, charts on depot, real property maintenance, all those things, spare parts, show us getting back down in 1991 to about where we were in 1981 at the beginning of the Reagan administration. All those things say to me that we have profound problems everywhere from a fiscal standpoint and a financial standpoint.

I only wanted to say that while I have the highest personal regard for my colleague from Arizona, and believe in a lot of what he is saying about the strategic defense initiative, yet I say to him given the priority problems that we had in that committee to give a 22-percent growth in SDI, while either cut or held at the same level, and on the whole bill itself permitted only growth at zero percent inflationary experience, I think no one can complain about how we treated the Strategic Defense Initiative Program.

So when this Senator comes back, may I say to my friend, and it says on page 23 all we are doing is exercising the power of the purse, having treated this program pretty generously, I at least think by comparative analysis there is a value in what the Senator says.

I thank the Senator for letting me interrupt.

Mr. McCAIN. I thank my friend from Illinois for that important statement and to a large degree I share his view. And I share his deep concern that we have made significant reductions in cooperation with the Defense Department, I might add, that place us at some risk. I would also like to repeat my point, and that is that when we look at the amount of money we have spent on strategic weapons systems—and I am not just talking about missiles, I am talking about submarines, I am talking about multi-billion-dollar pieces of equipment—if we can achieve a viable strategic defense initiative, the requirement for those enormously expensive strategic systems will go down. And therefore I believe we can spend more money in the areas which are so vital to maintaining our defense posture, and those are the "non-sexy items" such as bombs, bullets, pay, uniforms, gasoline, and spare parts.

So I think the point of my friend from Illinois is well made. But I also would like to point out that we also have the long-term view that we must take which many of us share; that is, if this program is successful, it can in the long term reduce the requirement for what has been a substantial part of the defense budget over many, many years. My recollection is somewhere around 30 percent of the defense budget has been devoted to strategic weaponry.

My goal is to see SDI become a reality which would then reduce dramatically or even eliminate the requirement for offensive strategic weapons.

Mr. President, I hope that we will continue this debate. I think it has been illuminating to many of our colleagues. I think it is an important issue.

I hope that in retrospect we might examine how we got to where we are today with the 5-month delay, and all of us around here at 11 o'clock last night with sometimes acrimonious debate, and recognize that the best way to avoid a repetition of this in the future is if we would leave arms control amendments off the defense authorization bill.

There are many vehicles for these kinds of amendments. We will see other vehicles used for these kind of amendments. But this Nation's defense is not the place to play around with the kind of argument and debate which we have been in which has precluded us from addressing the important aspects of this bill and which has precluded us from taking up some very important amendments to this bill which will be offered by many of my colleagues.

I also would like to finally say I understand how difficult this has been for my friend and chairman of the committee who has been through some very difficult times. I respect his opinion on this issue as I do many others. He has a degree of expertise behind him in this country, much less this body but on this issue I respectfully disagree and hope in the future we can continue to agree as we do on about 99 percent of the other issues regarding national defense.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, in view of the fact that my distinguished friend, Senator McCAIN, who apparently now will be managed on that side—at least for a brief period—has placed a quorum call in operation, I wonder if I could have unanimous consent to discuss a slightly related matter, but a matter that does not pertain to this amendment, for perhaps 4 or 5 minutes, while we wait for the next person on his side to come to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

### RESIGNATION OF RICHARD GODWIN

Mr. DIXON. Mr. President, last Friday, on the floor of the Senate, I expressed concern about an article I had read in a defense newspaper concerning Under Secretary Godwin of the Department of Defense. On Monday, I read a front-page article in the Washington Post about Under Secretary of Defense Godwin's pending resignation.

I am profoundly concerned about what I believe the situation is with respect to that position in the Department of Defense, because the resignation of Mr. Godwin, the Under Secretary of Defense for Acquisition, has occurred. The chairman of the committee, Senator NUNN, and the chairman of the jurisdictional subcommittee, Senator BINGAMAN, have scheduled a hearing on the question of how the Department of Defense, and specifically the Secretary of Defense and the Deputy Secretary of Defense, are ignoring the plain directions of the Department of Defense reorganization bill and the 1987 defense authorization bill that we passed last year.

My friend on the floor remembers that I was the sponsor of the amendment to the DOD reorganization bill that set up the Under Secretary of Defense for Acquisition, pursuant to the Packard Commission report. I can say that I was at every subcommittee hearing where that matter was discussed. I was at every committee hearing of the Armed Services Committee where that subject was discussed. I was on the floor of the Senate when the DOD reorganization bill was debated and that subject was discussed.

Throughout every proceeding pertaining to that legislation, it was agreed, I think, by everyone that we were creating a czar, a procurement czar, an acquisition czar, for the Department of Defense who would be the one, single person who would make those finite determinations about acquisition and procurement policy in the Department of Defense.

There is $185 billion—that is no small change—spent on military procurement. We have all the services competing with one another. The system is in place that has always been in place: the duplication, the waste, the mismanagement, and I regret to say even sometimes the fraud, that flourished in this country, through all administrations, for decades.

Here was a man who is trying to do something about it. I never will forget, after the reorganization bill became law—Senator Goldwater and Senator NUNN did a tremendous job on that bill—I remember going to breakfast with Secretary Godwin after his nomination had been confirmed. Senator LEVIN, as I recall, was there, as well as Senator BINGAMAN.

We said: "We really mean this; Congress really means this. We really want to give a free hand to you to be the acquisitions czar in the Department of Defense. We will back you. We will give you all the support you need."

Everything has been downhill since that wonderful morning at that breakfast, because he has not had the support, or cooperation from his friend the Secretary of Defense. The Secretary of Defense, the Deputy Secretary have done everything in the world to avoid the law. After everybody gave all their tributes to Mr. Packard and the Packard Commission, none of that is meaningful. It is all forgotten. The same old system is in place: business as usual, every man for himself, everything duplicated, get what you want.

I think it is a tragedy. I am surprised that the great national media, which sometimes can be concerned about small matters, has been so unconcerned about what I consider to be a really big matter taking place in the Defense Department right now which will lead to substantial continued abuses in that system.

It is a tragedy, and I hope more Members on both sides will ultimately be concerned about it and raise their voices against what is obviously occurring and say: "Look, the Packard Commission was right. We meant what we said in the DOD reorganization bill. We really want one czar in charge of all procurement and acquisition controlling what happens with American defense dollars."

As I stand here on the floor, proud of my friendship with the distinguished Senator from Arizona, who had a great and distinguished career in the military service, I think of the genuine heroes in America like him who have given so much for their country while many people in the present system are trying to figure out a way not to follow the law of the land.

All we were trying to do in that bill, with that particular provision, was to see to it that for the buck we spent we got a buck worth of bang to defend the United States of America.

I think it is a shame that there is not more understanding in the Department of Defense of the clear intention, positively expressed, of Congress when the DOD reorganization bill was passed.

Incidentally, I do not know that much about Under Secretary Godwin personally. I have met him and like him. I am an old trial lawyer. We always used to try the other guy in a lawsuit, and I understand that individuals in the Department of Defense and others are saying it was the problem of the individual, not the system. I will guarantee that it does not matter who we confirmed for that job. He would have the same problem, in my view, that Under Secretary Godwin has had.

I send word to the Pentagon that, so far as I am concerned, I meant what I said when we passed that bill, and the law means what it says. I think that like-minded people such as myself, on both sides, will ultimately try to see that there is a correction made soon in the policies of the Department of Defense with respect to the position of the Under Secretary of Defense for Acquisition.

Mr. McCAIN. Mr. President, will the Senator yield?

Mr. DIXON. I yield.

The PRESIDING OFFICER. The Senator yields the floor. The Senator from Arizona [Mr. McCAIN] is recognized.

Mr. McCAIN. Mr. President, I ask unanimous consent that I may address the issue that my distinguished friend and colleague from Illinois previously addressed.

The PRESIDING OFFICER. The Senator is recognized.

Mr. McCAIN. Mr. President, I appreciate the remarks made by my friend from Illinois and I would repeat again, as I am sure I will many times in the future, I do not know of a Senator here who has dedicated more of his time and effort to the preparedness and the capabilities of this Nation's Defense Establishment than my friend from Illinois. He has done a super job and I appreciate the opportunity of serving with him on not only the committee but the subcommittee which he so ably chairs.

I agree to a large degree with the remarks that my colleague just made.

Let me point out a little caution here because before we rush to judge the events that took place, I think it is important that we see if there is another side to the argument. I would direct the attention of my colleagues to an editorial that was in the Washington Post this morning, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### EMPTY OFFICE AT DEFENSE

Richard Godwin has resigned as Pentagon weapons czar, saying he wasn't given the backing he needed to bring sweet reason to the acquisition process, the job for which he was hired a year ago. The depressing likelihood is that too much will be made out of the resignation on all sides. Those who continue to think the answers to the Pentagon's procurement problems lie in its table of organization will say, with reason, that his throat was cut by the very networks his job was created to supplant. The opposing school will say, perhaps also rightly, that the main fault lay not with the system but with him—that the former Bechtel Group executive, too used to having his own way, lacked the finesse this job required.

The real problem lay in relying on a reorganization plan to achieve a substantive result. We never learn. The vast and complex weapons acquisition process will never be efficient; we put too many conflicting demands on it. Its shifting foundation is the Threat, which continually changes with perceptions. Huge theological disputes develop about which threats are the most serious, what weapons should be built to meet them, how many different roles should be grafted onto each weapon.

These half-metaphysical, half earthy inter- and intra-service debates are complicated by the lack of any fully realistic way to test most of the doctrines and weapons. Most of them are built precisely so that they will never *have* to be used. The system is riddled with both conflicts of interest and adversarial relationships; careers and profits both depend on it. Atop all these are what might be called managerial questions. In developing a weapon—always in part a reach into the unknown—do you try to move as fast as you can, or as cautiously? Where do you come out in the daily trade-offs between sophistication and simplicity? Would you rather run a few production lines at optimum rates or a lot of lines at once but inefficiently?

The alluring idea of reorganization is that if only you could centralize this welter of decisions, you could achieve greater order. But that is an illusion. First, there is no agreement on what greater order consists of; if there were, the disorder would likely not exist. Some critics define reform as stripping weapons of gold plate, but others see it as hauling the auditors out of the defense plants and stripping the process of red tape.

Second, and more important, these decisions are in a sense already centralized—in the defense secretary. They are policy decisions, perhaps the most important the secretary is called upon to make. He cannot delegate them. The secretary has no shortage of subordinates now—the deputy secretary, the service secretaries. He can tell them what to do, just as readily as he can tell an undersecretary for acquisition to tell them what to do. Reorganization is always among the answers when a problem arises in government. But reorganization cannot paper over substantive differences; nor is it a substitute for will.

Mr. McCAIN. The editorial is entitled "Empty Office at Defense." It starts out:

> Richard Godwin has resigned as Pentagon weapons czar, saying he wasn't given the backing he needed—

Et cetera.

It goes on to say:

> Those who continue to think the answers to the Pentagon's procurement problems lie in its table of organization will say, with reason, that his throat was cut by the very networks his job was created to supplant. The opposing school will say, perhaps also rightly, that the main fault lay not with the system but with him—that the former Bechtel Group executive, too used to having his own way, lacked the finesse this job required.

Mr. President, I do not know which of those statements is correct because I, although familiar with the series of events that have taken place, obviously am not privy to the events that have taken place that led to Mr. Godwin's resignation.

I believe, though, there are two sides to this story, and I would hope that one of the hearings that our committee could have in the near future would have Mr. Godwin as one of the witnesses and perhaps have someone from the Pentagon, Secretary Weinberger, if necessary, to present evidence not for the purposes of either violating or vindicating Mr. Godwin, because let us face it he has resigned and that chapter is over, but perhaps to carryout, to achieve the goal which my esteemed friend and colleague from Illinois so greatly desires as do I which is the implementation of the Defense Reorganization Act which clearly has failed to a large degree to this point.

Whether that is due to personalities, whether it is due to the bureaucratic resistance, which we are all aware can be very intense, I do not know. But I believe that one of the services we can provide to the American people is to hold a hearing, and I know that my friend from Illinois would probably be very interested in that kind of a hearing so that we can inform the American people not only what happened but how we can prevent recurrence in the future.

Would my friend from Illinois like for me to yield to him?

Mr. DIXON. I only say and I thank my colleague from Arizona, I join him in saying that the best thing we can do is have some hearings on this. I am delighted to indicate to my friend from Arizona that there will be a hearing next Tuesday, I understand that Under Secretary Godwin has been invited, that the Secretary of Defense and the Deputy Secretary can present their views if they desire.

The only point I wanted to make here was I am just amazed at the lack of interest in the matter that I think is of fundamental importance, quite frankly, and central to the question of the Department of Defense reorganization bill that we passed. Last year everybody was saluting the flag and praising the Packard Commission report.

Now, I just suspect a lot of it is forgotten, and I regret that very much because I think there was a very strong intention upon many of us on both sides of the aisle of different political persuasions to really make this thing work.

Senator Barry Goldwater is down there in Arizona right down there today with or without a beard. I am sure Barry agrees with what I am saying here. I believe that great Senator, who was a great, great American leader, believes that we ought to do something about this.

Mr. McCAIN. I agree with my friend from Illinois.

If my distinguished predecessor, Senator Goldwater, were here, he would describe, in much more graphic terms than Senator Dixon and I can imagine, his displeasure, I am sure, at this turn of events.

I would also like to reiterate my agreement with my friend from Illinois. Perhaps the greatest problem in defense today is the perception, unfortunately to a large degree accurate, on the part of the American people that their defense dollars which are earmarked for defense are fraudulently or inefficiently wasted and abused. All too often we hear the story of a $200 hammer and a $400 toilet seat which in the words of my friend from Maine gave new meaning to the word "throne." All those horror stories we heard about in the weapons acquisition process.

Here we are in the situation where the post that was created to address this problem in large part is now being vacated under less than pleasant circumstances and it does generate so very little attention.

I would suggest to my friend from Illinois that one of the answers here, unfortunately, is that the issue is so complex, the question of acquiring a viable weapons system and taking it from the drawing board and getting it in operation is so enormously difficult that it is impossible to grasp, that we seem to focus on the simplistic aspects of it and not on the more difficult and complex aspects of weapons acquisition, which is exactly the job that Mr. Godwin held.

So I also would suggest that until we get full attention to this issue, we will not be able to cure the problem, and perhaps the hearing which we are now assured will take place will not only bring attention to this specific incident but perhaps give us better understanding as to how we can address the most formidable issue of defense acquisition.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized.

Mr. LEVIN. Mr. President, the fundamental issue involved in section 233 of the committee bill is whether Congress will have a say in how SDI dollars are going to be spent. The issue is not which interpretation of the ABM Treaty is correct. Section 233 does not legislate any particular interpretation of the ABM Treaty. It does not express the sense of the Senate even that the traditional interpretation is the legally correct one.

Nothing in section 233 prohibits the President from stating that he believes the broad interpretation is legally justified as he has already done. He can continue to do so.

The President presumably in the future will decide whether or not he wishes to apply a new broad interpretation to the ABM Treaty.

What this language in the committee bill does is to preserve a congressional role in the expenditure of billions of dollars that we are authorizing for SDI.

The committee report perhaps states it as well as anyone.

The report reads:

> The decision to authorize expenditure of funds for the Armed Forces is one of the most significant constitutional responsibilities assigned to the Congress. The strategic defense initiative is one of the most controversial and costly programs ever to be presented to the Congress. Without prejuding the wisdom and desirability of undertaking testing, development and deployment of mobile space-based ABM's using exotic technologies, it is imperative that Congress in general and this committee in particular examine in detail any proposed expenditures that would involve such a substantial change in policy.

That is what the committee report in support of section 233 provides, and I believe that Senator Warner, on May 13, stated it accurately when he said, in response to a Senator who was stating that the committee report adopted the narrow interpretation, the following:

> The authors of the amendment

That is myself and Senator Nunn—

> Have tried very carefully to point out that we did not do that. We indirectly may have framed the debate for that, but in a sense all we did was to put in a technical restriction on the expenditure of funds thereby limiting the President's option at some future time if he so desired to make a shift in the direction of the program.

Mr. President, if we delete this language, we will be allowing the executive to decide unilaterally how to spend these SDI billions. Many of us, indeed, I believe most of us, want to exercise the responsibility which the

Constitution places upon us to decide how money is spent, not just how much money is spent.

The bottom line is this: Section 233 preserves a congressional role without prejudging how we will exercise it. If we delete the language, we will be abdicating the responsibility which the Constitution places upon us to control the expenditure of funds pursuant to the Constitution and laws and treaties of the United States.

Will the President later on say that he wants to apply a broad interpretation of the ABM Treaty? We do not know yet. But what we do know is this: The narrow interpretation has been in effect since the ABM Treaty was explained to the Senate in 1972 and ratified by the Senate at that time.

There were many exchanges during the committee proceedings at the time of ratification which made it clear that the development and testing of mobile, including space-based, ABM systems or components were prohibited. That interpretation carried right through 1985. The arms control impact statement, for instance, in 1985, an impact statement written by this administration, provided that—

> The ABM Treaty prohibition on the development, testing, and deployment of space-based ABM systems or components for such systems applies to directed energy technologies or any other technologies used for this purpose.

Mr. President, we also should note, in terms of the importance of this issue and the importance of Congress maintaining a role in the expenditure of funds relative to the ABM system, that six former Secretaries of Defense in March of 1987 wrote that:

> We believe that the United States and the Soviet Union should continue to adhere to the traditional interpretation of article V of the ABM Treaty.

So we are talking about an interpretation which carried forward at least to 1985, the so-called traditional, or the narrow, interpretation of the ABM Treaty. And now some say that despite that record, which is that important and significant, that we should now give the President the untrammeled right to move to a new interpretation or not as he sees fit.

Mr. QUAYLE. Will the Senator yield?

Mr. LEVIN. For a question, I would be happy to yield.

Mr. QUAYLE. For a question. In the Senator's judgment, which I value, and he is one of the most thoughtful Members of this Senate, I would like to ask him who does he believe has the constitutional responsibility to interpret the treaty after it is approved by the U.S. Senate by a two-thirds vote? Is it Congress, the Senate and the House by a majority vote, or is it the Commander in Chief, the President of the United States, that has the constitutional right to interpret the treaty?

Mr. LEVIN. The Congress is required to appropriate money pursuant to the Constitution of the United States. That includes the laws and the treaties of this country. We should not be appropriating money in a way which is unconstitutional. We have a right to be sure and to be confident and analyze and to think through what we are doing when we appropriate money.

And that is the issue. The issue here is not which interpretation is correct at this point. The issue here is if the President decides that he wants to spend money that we are appropriating pursuant to a new or a broad interpretation, that the Congress has a right, indeed, we think a duty, that it make sure that its appropriations comply with the law of the land. The law of the land includes the treaties.

So, my answer to the Senator—and he indeed is a thoughtful Senator—is that we have an obligation in the appropriations process to comply with the law of the land, which includes treaties. For instance, many of us when it came to dense pack in that appropriation, the MX dense pack, were very much concerned that it would violate a treaty—an unratified treaty, may I say, but a treaty which had been entered into by the United States.

Many of us had concerns that any money which goes to the Contras might violate the Rio Treaty. We seek defense money in order to make certain that our appropriations comply with the law of the land which includes treaties.

So I cannot give you an either/or answer. It is not that the President has the sole authority or that the Congress does. Each branch has its own duties. Our duty is to appropriate money. And we have the right and, indeed, I believe we have the obligation, to make sure our appropriations are compliant with the law.

Mr. QUAYLE. Let me just indulge my friend for one moment on a question. This is the thing I am trying to get before the Senate. I do not dispute the fact that the Congress of the United States, by a majority vote of the House and Senate, has the constitutional right, prerogative, to appropriate money for anything. You know, if they want to cut it off for MS, if they want to cut it off for revenue sharing, whatever it may be, they have a right to do that.

What I am trying to establish here and what I am trying to get is a direct answer. In the only Supreme Court case that I have been able to find on this point, the Fourteen Diamond Rings, which I am sure the Senator is familiar with, versus the United States. It says that, after the ratification, the power, the constitutional power of interpretation, rests with the President not the Congress. I am not talking about spending money.

You know, this amendment is predicated on article V of the ABM Treaty. It does not reference agreed statement D because those that propose the narrow interpretation of the ABM Treaty do not give much credence to agreed statement D.

But what I am trying to establish—and I think the Senator will agree with me—is that the constitutional responsibility, as adjudicated by the U.S. Supreme Court, in fact lies in the executive branch and the Commander in Chief. Obviously, if he interprets a certain treaty and asks for money, the Congress can tell him to go you know what and cut it off. Congress can tell him in polite terms, sometimes impolite terms, what to do.

But the fundamental point, and this is the thing that I ask my distinguished friend who is a very, very thoughtful and deliberate person—very precise, I might add—that I do not know how they can skirt the issue that the constitutional responsibility for interpretation rests with the executive branch. And that is the basis and that is the fundamental principle that drives this Senator and other Senators to speak long and hard on this issue.

I concede Congress' clear powers, and I believe political science 101 is clear on them as a matter of fact, and they teach them in the grade schools. It is even set out in our celebration—such as the power of the purse, the right to declare war. The power of the purse belongs right here and over there in the House. But not the power to interpret treaties once they are approved and become, as the Senator from Michigan says, the law of the land.

So I ask my friend once again: Is not the constitutional responsibility of interpretation of treaties, upon approval by the advice and consent of the Senate, with the President of the United States and the executive branch?

Mr. LEVIN. First of all, in terms of the Fourteen Diamond Rings case, that case stands, really, for the unremarkable proposition that a resolution which is approved by Congress cannot change the meaning of a prior law, including a treaty.

But let me now get to what your real point is——

Mr. QUAYLE. A resolution which is similar to the Levin-Nunn amendment. It is similar to the Levin-Nunn amendment.

Mr. LEVIN. We are not trying to change a treaty.

Mr. QUAYLE. Sure you are.

Mr. LEVIN. Let me try to answer your question.

Mr. QUAYLE. OK. You have the floor.

The PRESIDING OFFICER. The Senator from Michigan has the floor.

Mr. LEVIN. First of all, I am glad that my good friend from Indiana acknowledges that Congress controls the power of the purse.

Mr. QUAYLE. Never in dispute.

Mr. LEVIN. Also, I am glad my friend from Indiana would acknowledge that we can set restrictions on the expenditure of funds, we can fence the expenditure of funds. As a matter of fact, we have fenced the expenditure of funds and my friend from Indiana has voted for such fencing.

We have said that Congress will not allow you to spend these funds until you, for instance, come back to us with a report. We did that with the dense pack basing mode. We said you may not produce MX missiles until you come back and tell us about the survivability of a dense pack basing mode and what the other alternatives are.

We fenced the production money of MX missiles. Why did we do it? Many people did it for this reason—let me finish. Many people did it because they felt the dense pack basing mode violated a treaty, albeit an unratified one. When you look at the debates you will find that a number of people expressed the concern that dense pack would violate both SALT I and SALT II.

Now, it is clear to me in answer to your question—I am going to give you a direct answer—that the Congress need not appropriate money if it believes that appropriation will violate the law of the land. And, if it does not know whether or not the President is going to proceed in a certain direction or another in terms of his desire to spend money in one way or another, they may wait. Congress may wait.

It may fence the money and say, "Look, if you want to proceed in a certain way, you come back and you report to us and then we will decide whether or not we want to spend money in that way."

Why? Any number of reasons. We may decide we do not want to spend money in the way that the President now wants to spend money. We have a right to do that. That is our appropriation process. We have fenced the money in this language. There is no reason why we cannot build a fence around the expenditure of money. We do it regularly in the Congress.

We do not adopt any interpretation in this language. I have repeated that over and over again and I am kind of surprised that my good friend from Indiana doubts that because again I think even my friend from Virginia has acknowledged this. We have made it clear and the committee report makes it very clear that there is no intention here to prejudge the correctness of the narrow versus the broad interpretation. The background of this amendment is as follows: That since 1972 through 1985, the so-called narrow interpretation was followed by one administration after another—from President Nixon on, including the Reagan administration. And it is in their arms control impact statements.

All we are saying in this language is this: We do not know if you are going to move to a broad interpretation or a new interpretation, Mr. President. We do not know if you will or not. If you are, going to if you want to apply a new interpretation to the expenditure of these funds, you have to come back to us so that we can approve the expenditure of the funds. We may like the way you want to do it. We may not like the way you want to do it. But we want a role. We are not going to write you a blank check for $4.5 billion of SDI money, and then say you spend it under any interpretation you want, because there are some people who want a role in the expenditure of that money. That is all it says.

(Mr. WIRTH assumed the Chair.)

Mr. QUAYLE. Will the Senator yield?

Mr. LEVIN. Go ahead.

Mr. QUAYLE. I appreciate the Senator's indulgence. Let me just say a couple of things. First, an observation about comparing what you are doing with Levin-Nunn with what you did with dense packs or MX, there may have been some questions raised in debate, but I can tell you—I will go get the amendment, I don't have it—the amendment on dense pack and MX in no way referenced SALT II. In no way did it reference SALT II.

This amendment makes direct reference to article 5 of the ABM Treaty. That is a very big difference. Furthermore, as the Senator so properly points out, SALT II was unratified and therefore not the law of the land. The ABM Treaty has been ratified and is the law of the land.

But I can follow the Senator's logic and I can agree with him on a couple of points. Congress does have the power of the purse. But the Senator's resolution and the Senator's amendment is cutting off funding based upon an interpretation for a possible future action, a future action by the President of the United States.

So this is not saying we are going to deny you funds for the MX missile. You are denying them funds specifically for an interpretation of the ABM Treaty. And I have a very difficult time saying how this is not an interpretation of the amendment.

I mean, the very first paragraph:

> Funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test antiballistic missile systems or components which are sea based, air based, space based, or mobile land based.

That is almost identical language to that which is in article 5 of the ABM Treaty.

So I say to my friend from Michigan: Sure, I can follow you and agree with you that Congress has the right to cut off funds for certain ongoing programs. This is not an ongoing program. This is an interpretation of a treaty and what really makes matters worse, is that it invites the House of Representatives by majority vote to undo what the U.S. Senate could say was the interpretation of the treaty we are going to invite far more involvement on interpretation of treaties and other treaty matters from our friends over in the House.

Mr. LEVIN. Are you really suggesting that the House of Representatives has an obligation of appropriating funds which it believes violate the law of the land? Are you suggesting that treaties of this country are not binding on the House? Are you suggesting that when appropriating money the House does not have to consider the law of the land—including treaties which are part of the law of the land? Is that what your suggestion is?

Because I tell you I reject it. I think your problem really is not with this language, it is with the Constitution, which requires that appropriations of funds be by both Houses.

Mr. QUAYLE. I have absolutely no problem with that.

Mr. LEVIN. I think your other problem is that you do not consider treaties to be part of the law of the land.

Mr. QUAYLE. I certainly do.

Mr. LEVIN. Well, if you accept both of those, then the House in appropriating funds pursuant to the law of the land must consider treaties and has a right to. They are not interpreting treaties——

Mr. QUAYLE. Let me ask my friend this——

Mr. LEVIN. In any way other than in the appropriation of funds. And now let me read you the amendment on the MX basing mode.

> None of the funds appropriated in this resolution may be obligated or expended to initiate full-scale engineering development of basing modes for the MX missile until such basing mode is approved by both Houses of Congress in a concurrent resolution.

And now let me read you from some of the debate.

Senator MITCHELL supporting this:

> A third reason for stripping this resolution of MX missile production funding relates to the fact that the Dense Pack basing arrangement may violate the letter and spirit of the SALT I Agreement to which the United States is a party and the provisions of the SALT II Agreement which President Reagan is pledged to follow as long as the Soviets do likewise.

Let me read you another statement of Senator BYRD in this case, in terms of supporting this restriction on MX production money.

> The administration overlooks the fact that its Dense Pack proposal may reasonably be interpreted as a violation of the SALT II Treaty draft which the administration has said that it, and the Soviets, are both abiding by.

So there were many people in this debate who felt we should restrict those funds because they wanted money to be spent consistent with the law of the land. The law of the land includes treaties. That is the most direct answer I can give to my dear friend from Indiana, I may say, that the law of the land includes treaties and that when it comes to the appropriation of funds we should act pursuant to the Constitution.

Mr. QUAYLE. As I had said before, there are a number of things up to a certain point where I wholeheartedly agree with my friend from Michigan. I agree that the Congress has the power of the purse, to agree to condition or disapprove treaties. Furthermore, on this particular resolution, you are not denying money for a specific program for a specific test or development, because the administration has said, somewhat improperly, that they are not moving to the legally correct interpretation. So we are cutting off money based on a prospective, down the road, hypothetical situation that the President may not go to. There is not a specific program, so it is not a specific appropriation.

The Senator knows full well that once the President made that decision to go to the legally correct interpretation——

Mr. LEVIN. They have not made that decision.

Mr. QUAYLE. That is what I am saying, that this amendment is not attempting to deny funds to a specific program because there is not a specific ongoing program under the legally correct interpretation.

Mr. LEVIN. We do not know yet whether the administration will move to a broad interpretation. All we are saying is that we do not want to write a blank check that will give them the right to unilaterally move to that without our having a role in the process. What you want us to do is to write a check for $4.5 billion this year for SDI and then tell the administration to take the money and run: "You can do whatever you want and we will not have a role."

It is very possible that if the administration decided to interpret this treaty in a new way, the broad way, that the Congress might not appropriate $4.5 billion or authorize $4.5 billion. There are a whole lot of us who would never vote $4.5 billion if the administration were going to move to a new or broad interpretation of the ABM Treaty.

In other words, it is contingent. We put the $4.5 billion in but that is on the understanding of the representation that has been made to us, that they will continue to operate under the traditional or narrow interpretation of the ABM Treaty. You are saying, "What the heck, write the check. If they want to move to the new interpretation, that is our tough luck."

It is not our tough luck. It is the Constitution's tough luck if we allow that to happen.

Mr. QUAYLE. It is the Constitution's tough luck, which this Senator is preparing to do, to pass an arms control bill and decide what the majority of the Senate wants to have as an interpretation of the treaty, which I submit is not constitutionally proper for the Senate to do. I do not think the Senator from Michigan has disputed that, that the interpretation power rests with the executive branch. But the Senator's amendment is premature at best, premature because, as he well knows, we get into all sorts of line items. The SDI account has line items for all sorts of programs and there is no line item in there to go to the legally correct interpetation on testing and development of SDI. The administration has further said when, in fact, they move to such tests, not only will they tell Congress, but in Congress we pass laws all the time, and I am sure the chairman of the Armed Services Committee can pass out a bill in the matter of hours, if he wants to, and send it to the President saying, "We do not want you to spend money on this specific program."

But that is not what we are engaged in. We are engaged in the interpretation amendment. SALT II debate included people who had an anxiety about the dense pack, who did not think it was going to work, who had all sorts of names for that. Some called it the dunce pack, things like that. That is a debate I remember. The Senator referred to it in the debate concerning Senator MITCHELL and others, where you and others had concerns about the SALT Treaty and the ABM Treaty.

A far more proper way to voice such concerns is to make it a sense-of-the-Senate resolution to have our voice heard, rather than binding interpretation language on a defense authorization bill, which I believe is absolutely the wrong way to go. There is a serious question of the constitutional issues. We, by a majority vote, will interpret it as the law of the land, the majority here, and on the other side, will interpret what that treaty is as the law of the land. Do you want the Senate to start interpreting court cases? Absolutely not. I know the Senator does not want that. But that is exactly the type of direction we are going.

Mr. LEVIN. We appropriate money all the time and we all the time determine whether the money is for a legal purpose. We make those determinations all the time around here. We do not appropriate money for purposes which are illegal. At least, I hope we do not.

Let me conclude. We do not know, and I am glad the Senator says at best it is premature, but premature, it seems to me, is the argument that the President is going to move to a broad interpretation. We do not know that he will. The point is that we cannot give him the unilateral right to do that. We have a role in the appropriation of money. We do not have to write the check and say, "Here," and then allow him to expend or obligate those funds under a totally different set of circumstances than existed when we appropriated the money, or appropriate the money the way he has come to us, which is that he is continuing at this moment to abide by the traditional interpretation. We are not under the obligation to say, "Here is the money. You can now spend it any way you want, broad or narrow." We are not obligated to do that.

We can say this. There is nothing in the Constitution which prevents us from putting a restriction on the appropriation of funds. There is nothing in the Constitution which says we cannot tell the President of the United States, "If, if, if you want to move to a different interpretation of this treaty, then we want you to come back and see whether or not we will approve the expenditure of these funds because we might or might not have approved $4.5 billion if you told us you were going to operate under a broad or new interpretation of the ABM Treaty."

That is all we are saying.

You want to label that, if you want to label that, if you want to, that that means we are interpreting a treaty. The way I label that is that we are appropriating funds and we want to do it in a way which is legal, and we have a right to do that.

I think we have taken an oath to do it in the way which is legal.

I will go further with my friend from Indiana. I think our oaths require us to authorize and appropriate funds which are legal. You have conceded that the treaty that we entered into and ratified is part of the law of this land.

Mr. QUAYLE. Now, I think we are getting to another very fundamental difference that the two of us have, not only what this amendment is, what I perceive to be an interpretation amendment, and not an appropriation amendment, because there is no broad interpretation program that the President has yet requested. It is prospective. It is premature at best. But the Senator has just said that if you want to give a blank check to do something, that is illegal.

Mr. LEVIN. That some of us think may be illegal.

Mr. QUAYLE. I do not see that to be illegal.

Mr. LEVIN. There are many of us in the Congress, perhaps a majority, who believe that the interpretation which was in effect from 1972 until 1985, which was announced on television might not be the correct interpretation. Many people believe in this Congress that that is the correct interpretation of the law which binds us, and by the oath we have taken we have said we will comply with that.

Mr. QUAYLE. That goes back to the fundamental question I asked at the beginning: Who is going to be the interpreter of treaties? Will it be the majority of the House and the Senate or the President? Once the President interprets a treaty, if the Congress disagreed with the interpretation, they can delay funds to implement that interpretation, because what the Congress cannot do is to sit there and say, "That is illegal and that you cannot do." Certainly, they can delay funds for a specific request, but they simply cannot interpret the treaty.

I believe what the Senator has said is very important, because he said it may be illegal. What he is asking the Senate to do is to make the interpretation of what they believe the interpretation of the treaty ought to be. That is something that many of us feel is fundamental to the Constitution in the separation of powers in giving flexibility to the executive branch in this very important issue. There are major differences on those two very, very fundamental points.

Mr. LEVIN. I think that the Senator from Indiana has actually in the last few moments said pretty close to what I think this amendment does, which is once the President decides that he wants to move to a new interpretation, then we can deny funds. That is exactly what this amendment keeps open as an option. Without this amendment the President can move to a new interpretation. If he decides to do that and could spend this money immediately, it would then require congressional action in order to block the expenditure of funds. Clearly if we can do that, we can say in advance that if you move to a new interpretation, you ought to come back to us.

Mr. QUAYLE. Will the Senator yield for a question at that point?

Mr. LEVIN. That is a distinction without a difference. And the way you have phrased it is really pretty close to the purpose of this amendment. You have said once the President interprets, we can deny the funds. That is very close to saying——

Mr. QUAYLE. You can deny the funds for a request that the President makes.

Mr. LEVIN. It is very close to saying if the President interprets we can deny the funds and that is exactly what we are doing here. We are not denying the funds. We are simply saying if the President interprets, we then want you to come back and get approval for the funds. So the Senator's description of what he thinks we can do—this two-step process of once the President interprets, then we can deny the funds—is pretty much the intention of this amendment. I would point out in subsection (b) of this amendment we say that:

> The limitation of subsection (a) shall cease to apply if the President submits to Congress a comprehensive report on the systems or components which the President proposes to develop for test; and after such report is received by Congress a joint resolution described in subsection (c) is introduced and such joint resolution is enacted.

I think my good friend from Indiana would concede we cannot have here a one-House veto or a one-House action. That would violate the Chadha decision. You must have a two-House action if anything is going to be legal. It has to be two Houses not only because the appropriations process requires two Houses, it requires two Houses because any veto or any action required by Congress must under the Chadha decision be with two Houses.

If I can just add one other thing which is really important I believe, it is that we want to give Congress the chance to act. What we have put in here is expedited procedures to be sure that Congress can decide. The reason that that is so important is that it confirms what I have said. Along with Senator NUNN, I am a cosponsor of this amendment and this is legislative history we are creating. What I have said is we do not prejudge which interpretation is correct. Now, the author of the amendment is here representing that to you. We did not prejudge which interpretation is correct. What we do prejudge and we do insist upon is a role for the Congress in the appropriation of funds. We want to know, if the President is going to move to a new interpretation, that he is going to do so, and then we want to decide whether we want to allow $4.5 billion to be spent under that new set of circumstances.

That is a very, very different set of circumstances than exist now for many—I will not say all, not for my friend from Indiana—for many Members of the Congress.

Mr. QUAYLE. Will the Senator yield on that point?

Mr. LEVIN. I would be happy to yield.

Mr. QUAYLE. He says this amendment does not prejudge what the interpretation of the treaty should be. If that is the case—as a matter of fact, there might be a way out of it—why not add agreed statement D into the resolution and allow us to go ahead and use money under article V and agreed statement D? Agreed statement D is not part of the resolution.

Mr. LEVIN. I think my friend would agree——

Mr. QUAYLE. Would you add that, agreed statement D, to the resolution?

Mr. LEVIN. No. And I think my friend would be the first to agree that the opinion of the State Department legal counsel is that this new interpretation of agreed statement D would allow funds to be spent for the developments and testing of mobile ABM systems and components. So if you put that in, you are then saying that you are wiping out the whole point of this, which is if you want to move to a new interpretation or broad interpretation of the treaty, come back to the Congress under expedited procedures and get our approval. If you put the language from agreed statement D in there, you completely wipe out the efficacy of this amendment. The point of this amendment——

Mr. QUAYLE. Why not put in the whole treaty?

Mr. LEVIN. The point of this amendment is not hidden. It is a very clear amendment.

Mr. QUAYLE. I know. That is why I am opposed to it.

Mr. LEVIN. It is a very clear amendment and it should not be misconstrued by anyone. It does not prejudge. It does not state what is the correct interpretation. And again, it is important in terms of legislative history.

My good friend from Indiana may some day want to rely on history because if this language stays in the bill, I would guess that if the President wants to move to a broad interpretation of the treaty, my good friend from Indiana will be coming back here saying we should allow him to do it under those expedited procedures. I do not think then you are going to want to argue that the Congress by the adoption of section 233 put itself on record as committing itself to the narrow interpretation of the ABM Treaty. Do you really want to say now that, if we adopt section 233, we are committing ourselves to the narrow interpretation of the ABM Treaty? Are you saying if we adopt section 233 you are not going to come back here if the President decides to move to a broad interpretation and argue under those expedited procedures that we ought to let him spend the $4.5 billion under the new interpretation? Is that what you are saying?

Mr. QUAYLE. There is no doubt in my mind that the Senator from Michigan and the chairman of the Senate Armed Services Committee, who are authors of this amendment, believe in the narrow interpretation. The reason we have this amendment is because of

your belief in the narrow interpretation and you do not want to see the administration go to the legally correct interpretation. So therefore, I presume people will be voting for that and will be voting for the narrow interpretation, which is an interpretation amendment, which is something that I fundamentally object to and that is the whole argument.

I think the Senator is stating it perhaps better than I. It is the interpretation that I object to, not the spending of money.

Mr. LEVIN. We believe it is Congress having a role in the appropriation of funds. Now, obviously we believe that the narrow interpretation was the correct one. We have made that clear. But the issue is this amendment does not take the position that the narrow interpretation is the correct one.

Now, I am a cosponsor of this amendment. All I can do is repeat to my friend from Indiana what our intention is. It was crafted very, very carefully to avoid putting Congress in the position of saying that the narrow interpretation is the correct interpretation. It was crafted to give Congress the right, if and when the President moves to a broader interpretation, to then decide whether we want $4.5 billion to be spent under those circumstances. That is all the amendment does.

Now, then you say, "Well, gee, Senator NUNN and Senator LEVIN have already expressed themselves in support of the narrow interpretation." And that is true. But this amendment does not adopt the narrow interpretation as the interpretation of Congress.

Let me ask my friend a question he has not answered. If and when we adopt the language of this bill, section 233, are you then waiving your argument later on on this issue? Later on, when the President comes to us under these expedited procedures, will you then be conceding that we have already adopted the narrow interpretation in this language? Are you going to waive that right now?

Mr. QUAYLE. Absolutely not, because if in fact the President goes to the legally correct interpretation, I will be advancing and hoping that the Congress in fact will approve that.

Now, under this resolution the majority of the Senate might be convinced but a minority in the House can undo what the majority of the Senate just did. I would say that that is, in my view, somewhat of a one-House veto.

Let me say one thing. The Senator keeps saying that his intention is not to interpret the treaty. I accept that. I have worked with the Senator long and hard on many issues and when he tells me that is his intent, I accept that. Let me just tell him something. In expressing your intent, you could do it a lot easier than by saying you do not want a reference to the treaty by instead putting in the whole ABM Treaty, or at least put in agreed statement D. What the Senator has done is to take out the most restrictive part of the ABM Treaty that happens to be compatible with the narrow interpretation and it is certainly very difficult for me to believe that you have not got some bias and prejudice and you want people to vote on your interpretation because that is the only provision that is referenced in the resolution that is before the Senate in the DOD bill. That is my difficulty.

Mr. LEVIN. That is the obvious way of making reference to a narrow interpretation of the treaty, which is exactly what the amendment does. It says if you want to move to a different interpretation, come to us for approval. That is all it says. That is the easiest way of making reference to a narrow interpretation of the treaty. The words "narrow interpretation of the treaty" are not words of art that can easily fit to a statute.

Would my friend from Indiana be happier if we said, if the President wishes to move from a narrow to a broad interpretation of the treaty, then he should come back to the Congress and get approval of the Congress? Would he not be standing there then?

Mr. QUAYLE. No. My desire would be that when and if—and who knows when this administration is going to move toward the legally correct interpretation. It has been quite some time. It has slipped for a long time. We have not gotten too far. But when they do that, the Senator from Michigan, the chairman of the Senate Armed Services Committee, has plenty of time, opportunity, power of persuasion, and other things I might add to get their thought across in a very proper way. They can deny the funds for a specific request of this President or any President.

I do not have any problem with that. I may oppose it. I am sure I would oppose it. But I would face head-on the denial of funds for a specific request that the administration has. It would be a line item in the DOD bill or the appropriation bill. We would have not a hypothetical situation or a theoretical situation way in advance. We would have something up front right now, we would debate it, argue whether we want to go ahead with a test, and maybe it would be the space-based kinetic kill vehicle. Maybe they say they want to test that. They can test if they want to move toward testing and development. It is all right with me.

We can sit there and say hey, wait a second. They are for a narrow interpretation. We do not like that. If you do not like it, strike it out. Delete it if you do not like it. Whatever you wipe out in the committee, try to restore on the floor or whatever it may be.

We can have a special bill. We do not have to wait for the DOD authorization bill.

This is a very important issue. I am sure there are ways we can get it before the Senate. I am sure the House would help you out. They pass everything quickly. If I understand you, they ought to be equal parties in these treaties particularly in the interpretation. We will have some new constitutional delegation of authority going on around here.

Mr. LEVIN. The whole point is without this language, the section 233, the President can spend for testing and development of the mobile system without even a request. I am very much intrigued by the Senator's position that it is consitutional. If the President reaches a new decision, interprets the treaty in a broad way, then says that is the way he is going to start spending money, then the Congress can say, "No, you are not." The Senator would say that that is not interpreting the treaties. The Senator says Congress can do that.

Mr. QUAYLE. Yes, denying funds.

Mr. LEVIN. Fence the funds in advance is what the Senator is saying. I know of no constitutional authority for that statement. I know of no constitutional authority for the position that we cannot put a fence around the expenditure of money when we can block the expenditure of those funds.

Mr. QUAYLE. What program is the Senator fencing the money from?

Mr. LEVIN. I am just saying the Senator has said we can block the expenditure of funds based on our interpretation of a treaty if it is different from what the President just announced yesterday.

Mr. QUAYLE. It is not based on it. It would be a denial of funds which the Congress can tell. Tell me what program the Senator is denying funds for. He cannot tell me. There is not one.

Mr. LEVIN. It can be anything.

Mr. QUAYLE. I wish there was one. I wish we could have a debate on this program. I have been telling the administration for a year that they ought to get on with it. They have not. I have lost that argument within the administration thus far.

Mr. LEVIN. The Senator lost another argument in the administration, too, because Judge Sofaer does not call this the legally correct interpretation.

Mr. QUAYLE. What is it called?

Mr. LEVIN. He says, "I have never used that phrase, never."

Mr. QUAYLE. What does he call it?

Mr. LEVIN. "It is a primitive phrase, don't you think. It is silly to talk about this treaty, this ambiguous treaty with phrases like that." That is what Judge Sofaer says about the Senator's description of this as the legally correct interpretation.

**Mr. QUAYLE.** I am delighted that the Senator agreed, and congratulates Judge Sofaer——

**Mr. LEVIN.** I do not congratulate.

**Mr. QUAYLE.** The Senator talked about Judge Sofaer.

**Mr. LEVIN.** I did not congratulate.

**Mr. QUAYLE.** I am going to reference the Senator's admiration for his ability to interpret words and things of that sort.

So I thank my dear friend from Michigan.

**Mr. LEVIN.** He is balanced, in my view.

**Mr. QUAYLE.** I know. Maybe we can get more balance as Judge Sofaer becomes more known to other Senators around here.

**Mr. LEVIN.** I want to show the Senator when Judge Sofaer comes up with something that is credible, as he has with this comment, I am the first to be espousing the wisdom of the particular comment that he has made. This one it seems to me is.

He has a lot of wisdom and things of that sort, and I certainly concur and want to be associated with the Senator's remarks.

**Mr. LEVIN.** Appropriating funds is Congress' province. How many dollars are spent on a program is Congress' business, as is the question of how those funds are spent.

Section 233 doesn't tell the President how to interpret the treaty. It tells him how we are willing to spend taxpayers' dollars.

Congress regularly considers limits on spending to conform that spending to its view of the requirements of the law of the land.

This was the case during the debates on the MX basing mode called dense pack. This was the case during debates on aid to the Contras. This was the case during the debates on funding for the mining of Nicaraguan harbors.

In all those cases, Congress wanted a role in funding programs which some felt violated a treaty which the United States had freely entered or agreed to comply with even in absence of ratification.

There's nothing new in what we are doing here. The bill language simply preserves Congress' say in how SDI dollars are spent. Section 233 simply provides that Congress won't hand over to the President the unilateral decision on how those SDI dollars will be spent.

The administration testified repeatedly that the SDI budget includes no plans for the testing or development of mobile ABM systems or components. Based in part on that testimony, the Armed Services Committee recommended the authorization of $4.5 billion for SDI. Should we not be able to rely on that if we want to? Surely we can say that if the President changes his mind and decides to apply a new interpretation, he should come back to Congress for our approval.

The committee included section 233 in the bill to ensure that if the administration changed its mind, the Congress would preserve its constitutional prerogative to approve or disapprove the expenditure of funds.

Section 233 does not impinge on the President's constitutional prerogatives. Rather it preserves the constitutional prerogative of the Congress to approve, disapprove, or limit the expenditure of Federal funds.

There are a number of reasons why Congress might decide to limit the expenditure of funds for testing or development of mobile ABM systems and components.

We might decide that a move toward near-term deployment of SDI is not wise, regardless of what is permitted or prohibited by a treaty to which we are a party. We might decide that near term technologies offer little hope for an effective defense, and that therefore the SDI budget should be spent on those technologies that offer more promise in the long term. Or, we might decide that such activity would constitute a violation of specific U.S. treaty commitments, and thus the law of the land.

Some say a congressional effort to exercise judgment on this issue would be tying the President's hands or pulling the rug out from under our negotiators. I'm afraid the rug rhetoric is threadbare. We were told not to constrain the MX missile or its basing mode—that we would thereby pull the rug out from under our negotiators. We were told not to cut the administration's annual SDI requests—that would pull the rug out from under our negotiators.

Well, we did both because our view of national security led us in good conscience to that conclusion. Our negotiators are still standing firmly on a stable rug. They are on the verge of entering into significant agreements with the Soviets and the administration admits we are powerful and strong.

Opponents say that section 233 gives the House of Representatives a one-House veto. It's not section 233—it's the Constitution which requires both Houses of Congress to approve spending. This provision, section 233, does not give the Congress any more authority than the Constitution provides: it preserves the congressional power to limit the way in which the President spends money. It is the Constitution which provides that both Houses approve not just how much is spent, but how Treasury funds are spent.

As we celebrate the 200th anniversary of the Constitution, we must recognize that all parts of the Constitution deserve celebration—not just the Executive powers provision. No Congress worth its salt would give up the power of the purse and turn over the purse strings to the executive branch. There is nothing unusual about Congress making certain that funds are spent according to law.

Under our Constitution, no President can demand a postdated blank check and claim he is entitled to it.

No Congress worthy of the constitutional grant of power over the purse should write such a check.

I think our colloquy with Senator QUAYLE has brought out some of the issues that I was going to go into. But the important issue here on this day we are celebrating the 200th anniversary of the signing of our Constitution is that this Congress has the right, the obligation, the sworn duty to appropriate funds. Senator QUAYLE I am afraid wants to jump right to article III or article II, get right to the executive and judicial branches of the Constitution. There is an article I. It comes first. It has to do with the Congress of the United States. It has to do with appropriation of funds. It has to do with the purse strings.

We are not obligated to hand over the money and allow the executive branch to spend it any way it wants to. We are both entitled and indeed obligated to make sure that money is spent in a way which is lawful and in compliance with the laws of this land including the treaty of this land. And there is no distinction that I know of in the Constitution between restricting the expenditure of funds as we have and between doing what Senator QUAYLE suggests he could accept, which is to block the expenditure of funds the day after the President announced a new interpretation of the treaty. We are saying if and when the President interprets the treaty in a broad way, we want you to come back to us for approval. That is all we are saying.

I know of no doctrine in the Constitution, no theory which would stop us from placing a restriction on the expenditure of funds in this way. We have done it repeatedly in the past. We did it in 1983 when it came to a basing mode for the MX missile. We said you cannot produce MX missiles until you come back to us with a report on a basing mode. We fenced that money. We made the administration come back to the Congress. We put in expedited procedures as we do in this language in section 233 to make certain that Congress could act following a decision by the administration if this administration decides to adopt a broad interpretation of this treaty, and again we do not know that they will. If they do, all we are saying is come back to us. We want a role. We do not want to cut off those purse strings and hand you the purse. We want to keep those purse strings where this glorious Constitution which we are celebrating today put them, which is in the Congress of the United States.

**Mr. WARNER.** Mr. President, at some point would the distinguished Senator from Michigan entertain a question?

**Mr. LEVIN.** I am yielding the floor.

**Mr. WARNER.** I just much prefer if he would just accept a question.

**Mr. LEVIN.** Sure.

**Mr. WARNER.** I have listened with great interest to the Senator's analysis of this amendment, and he repeatedly said we want just to look at it. He keeps referring to the "we" and the role of the Congress.

In the drafting of this amendment did the Senator from Michigan, perhaps the distinguished chairman of the committee and others who collaborated, look at an option whereby both Houses proceeded to address the issue in much the same way we address other issues; namely we have to collaborate between the two Houses?

Mind you, by raising this question in no way am I acceding to the propriety or the advisability of the amendment. But I am just interested.

Did you consider the option whereby both Houses would participate, as we do on other bills, and perhaps have a conference, so that there is some jointness between the two Houses, comparable to the manner in which we pass other laws? As has been pointed out by the distinguished Senator from Indiana and myself and many others, we do read into this clearly a one-House veto. It is of great concern to this Chamber that the House of Representatives, just a handful, could override the judgment of all 100 Senators on this issue and, indeed, the President.

Hypothetically, suppose the President decided on a course of action in accordance with the Levin-Nunn amendment and came to Congress, as specified in the amendment, and the Senate, which is very knowledgeable on this amendment now, debated it, and all 100 Senators participated one way or another, at least by voting on it, and supported the President. Then the House of Representatives—and I do not say this in any pejorative sense—summarily handles it. A handful of Members of the House happen to assemble, and a majority present and voting decide the issue and, in effect, overrule the judgment of the President of the United States and the judgment of this Chamber.

My question to the Senator is this: In devising this amendment, did you consider an option—and I am not certain I can sit down and draft it right away—by which both Houses collaborate, go to conference, and then there is some joint action of Congress, which it seems to me would be more consistent with your repeated use of the words, "We want you, Mr. President, to come back and seek our approval."

**Mr. LEVIN.** This language was patterned after the Jackson approach in the dense pack basing mode.

**Mr. WARNER.** Mr. President, I realize that there are precedents, but now that I reflect on them, the distinguished Senator from Indiana raised one which did not relate to any treaty, but we made a mistake perhaps in that mechanism. We are in a critical situation. Some of us feel strongly that the action of a single Chamber is tantamount to the interpretation of a treaty, so it is different from dense pack and MX.

**Mr. LEVIN.** I am glad you acknowledge that there is precedent for this, because the dense pack approach was exactly this. It required a concurrent resolution of Congress.

There is a very simple basis for this. The Constitution requires that money be spent only after both Houses of Congress approve. So you may not like the fact that both Houses of Congress have to approve the expenditure of funds, but your problem is with the Constitution.

**Mr. WARNER.** Mr. President, I do not object in any way. I am proud to be a Member of the Senate, and I recognize that both Chambers have to act jointly on money bills. But I ask my colleague: If you are going to do it, why did you not try to devise a statutory procedure by which both Houses, acting together, have a conference, and there is some jointness in the action, before we overrule the Commander in Chief of the Armed Forces, the individual who under the Constitution is given what I regard as preeminent responsibility for this Nation beyond its shores?

**Mr. LEVIN.** I know of no better word for "joint" than "joint." It requires a joint resolution, under expedited procedure.

**Mr. WARNER.** Is there a conference? Is there collaboration?

**Mr. LEVIN.** You say "collaboration." The only way you can have expedited procedures—one way legally is to have a joint resolution, which is what we provide for, which is perfectly constitutional, my friend will acknowledge.

Perhaps you can devise some other approach to achieve a joint resolution. There are perhaps many other approaches. Under the Constitution, a joint resolution is what this language requires, under expedited procedure. So perhaps the Senator from Virginia could devise another way to a joint resolution, but this is the way this particular language reads.

**Mr. WARNER.** It seems to me that on money bills, we go to conference and send them to the President. This issue is far more important, in my judgment, than the money bills. This goes to the very heart of the security of this Nation, this particular ABM Treaty.

I am not pronouncing whether I am for the broad, the narrow, or the third position enunciated by the Soviets. Why should we adopt a procedure that preempts the work of the two Houses together to share the views as to any differences of opinion between the two Houses?

**Mr. NUNN.** Mr. President, if the Senator will yield, would the Senator from Virginia prefer us to drop that resolution and just leave that out, so that it would just be an ordinary law of Congress?

**Mr. WARNER.** We are looking at a lot of options.

**Mr. NUNN.** That would just be the normal procedure. We thought we were putting something in that would help the President, help the administration, and help the overall feeling on this subject by expedited procedure. We can drop that, if that gives the Senator concern, and we can have a regular law, which is subject to debate and filibuster and all that.

I am puzzled by the Senator's objection to something which expedites the President's move.

**Mr. WARNER.** Mr. President, I am talking about this Chamber working on it. Then perhaps 30 or 40 Members of the House might show up some day, with a simple majority present and voting, and could overrule the majority of this Chamber.

**Mr. NUNN.** Is that not the case with the $4.5 billion in SDI? Is that not the case of funding of every test in SDI, every ship, every submarine, every bullet, every pay raise? For everything we provide for the military, we have to have two Houses. The Senator being from Virginia, I thought he would be in favor of having the Senate and the House.

**Mr. WARNER.** It would be nice to go to conference and perhaps share the views of the two Chambers.

**Mr. NUNN.** The way to do that is to knock out the resolution and have it go through the normal procedure of having anyone on the floor of the Senate being able to filibuster and having 34 Senators being able to block consideration of the resolution. The Senator really does not want that, does he?

**Mr. WARNER.** Mr. President, we will work on that during the course of the debate.

**Mr. NICKLES.** Mr. President, I join my colleague and friend, Senator WARNER, in his amendment to strike out section 233, limitation on development or testing of space-based and other mobile antiballistic missile systems, which is included in the Department of Defense authorization bill.

I, like many other Senators, have been chagrined that we have been on this bill so long and have spent a lot of time on this amendment. But this amendment, which deals with restricting SDI, or the strategic defense initiative, is very important. It is one that may have very long and lasting implications, not only in the Congress, but also in our negotiation process with the Soviets, in the efforts we make and the abilities we have in being able to come up with systems designed and capable of protecting the American people, capable of protecting our country, capable of protecting our defense capabilities.

As I have told the President and some of my constituents, I think it is high time we start working on developing systems that are capable of destroying weapons, not people. That is really the essence of what the strategic defense initiative is all about.

Quite a few people are excited about the fact that we are involved in negotiations with the Soviets in Geneva and Washington, DC, with Soviet Foreign Minister Shevardnadze visiting with Secretary Shultz; and people are optimistic and hopeful that an agreement can be reached on the INF talks. I hope so, as well.

Also, there have been discussions going on for a couple of years dealing with the START talks and in the space and defense technology talks.

I have visited with the Soviets and know that the Soviet Union is concerned about SDI. I have been pleased and honored to participate as a Senate observer for the arms control process. The Soviets, in my mind, do not care so much about the definition of what you call a broad or a narrow interpretation of the ABM Treaty. They are interested in whether we design components or systems capable of destroying their missiles.

They are interested in what kind of progress has been made by the United States on strategic defense. The Soviets take a very broad view of the ABM Treaty. If there is any ambiguity in any treaty, they will drive it to the hilt. If it is to their advantage to do so they will abrogate the treaty or violate the treaty. Many times we have been too silent dealing with treaty violations.

Is it not interesting that the United States and the U.S. Senate will spend so many hours, days, and months discussing the treaty, discussing one clause of a treaty, article V in the treaty, which is now inserted in this DOD authorization bill? Is it not interesting that we will spend so much time and legal effort by the State Department attorneys, by legal counsel, in trying to define what we can do or cannot do, and so little time in saying what are the Soviets doing? Does it really make any sense whatsoever for the United States to impose restrictions on ourselves while the Soviet Union does not.

A treaty, Mr. President, is supposed to be mutually binding, but time after time, we find that the Soviets have not bound themselves. But, we end up unilaterally binding ourselves.

That is not a wise course of action to follow, but yet we have seen it happen time and time again.

The net result of the language that we have dealing with section 233 is exactly that. We are imposing restrictions on ourselves by taking a piece of the ABM Treaty out, placing it in the middle of this authorization bill, saying "funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test antiballistic missile systems or components which are sea based, air based, space based, or mobile land based," unless a joint resolution of Congress agrees to such thing.

Certainly the Soviet Union's aggressive ABM effort is not self-restricted. If they are able to come up with a system that increases their defense capability certainly they will do so.

I echo the comments of Senator QUAYLE who asked, is it not ironic that we take only the one section of the ABM Treaty and insert it into the DOD bill? I will read article II, Mr. President which we did not put in the DOD bill, which says:

> For the purposes of this Treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of—

And then it enumerates several specific components. It did not say all future systems. You might ask why did it not include future systems. That concerns the agreed statement D, which was agreed upon there are some disagreements on what agreed statement D would do, but certainly this question has been researched by Judge Sofaer and many others. Paul Nitze, Richard Perle, and many others who were involved in the negotiations say that it limited deployment. Agreed statement D did not limit testing or development.

If you read agreed statement D, it says:

> . . . the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future . . .

Which implies to me that the negotiators anticipated that other systems to substitute for launchers and missiles would be created in the future—

> . . . specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

In other words, in agreed statement D it really says that, yes, there are going to be future systems and we will talk about them later. It did not prohibit the systems. It did not prohibit the development of those systems.

Yet by the language that we have in the bill before us with the Levin-Nunn amendment we are basically saying we are not going to do that; for the next 2 years let us not spend any money in testing and development. I think it is more restrictive, much more restrictive than what we have in the ABM Treaty.

Can it be done?

I would say, yes, Congress has the power of the purse. Congress can put all kinds of amendments on how we are going to spend money. The House of Representatives went much further. It said, "We will not spend any money dealing with sublimits of SALT II."

Yes, language such as that can be done.

So in a backward way which bothers this Senator and should bother all Senators, we basically have one or both Houses by the power of the purse say whether or not we are going to implement the treaties. Certainly that is possible. Yes, it is the President's responsibility, the administration's responsibility to conduct the negotiations of a treaty. It is the Senate's responsibility under the Constitution to ratify the treaty. It takes both Houses of Congress to fund those treaties, and there is no doubt that both Houses, yes, if they want to place undue restraints on those treaties they have the power to do so, and it will all be constitutional.

What seems ridiculous to me, though, is for the Senate to place arbitrary restraints on the United States, on our country, through the funding process when the Soviet Union does not. The Soviet Union has an aggressive SDI Program, and ABM Program. They are very active in an antiballistic missile defense system, very active. The United States has not been as active as they have. They have not only been active, they have not only interpreted the treaty to the broadest extent possible, but they have also violated the treaty, violated the treaty time and time again.

We hear statements on the floor, we even had a few Congressmen visit the Krasnoyarsk radar. We hear some say we think maybe it is a violation of the letter of the law, maybe not the intent, or vice versa.

The ABM Treaty, article VI, paragraph (b) says, "the United States and the Soviet Union agree not to deploy in the future radars for early warning of strategic ballistic missile attack except in locations on the periphery of national territory and oriented outward."

Krasnoyarsk fails in both those categories. It is a violation of the treaty.

We are nitpicking, arguing over this broad-versus-narrow, and whether or

not we are going to constrain scientists and developers of the SDI Program with very technical legal constraints. There may be a legitimate difference of opinion—I do not argue that, and I certainly do not question the sincerity of the sponsors of the amendment. But as a net result, if this amendment is implemented we will be constraining the United States and we will not be constraining the Soviet Union in any way.

Now that makes no sense. That does not work to the defense capabilities of the United States. That does not make the United States any safer. It actually increases our vulnerability. That is not a smart thing to do. That is not something we should do in this DOD bill. It is not something we should do on any other bill.

The President has stated he will veto this bill if the Levin-Nunn language is in it. He will be exactly correct in doing so. I would hope and pray that he would.

Again, let us look at what the Soviets have said. In 1972 Soviet Defense Minister Grechko proclaimed that ABM Treaty imposed "no limitations on the performance, the research, and experimental work aimed at resolving the problem of defending the country against nuclear missile attack."

Basically, he said that this treaty will not stop the Soviets from protecting their country. They adamantly protected their right to be able to develop and test systems, so they could work on developing an ABM system.

Actually, the United States negotiators sought an agreement to limit future systems. They wanted to ban testing. They wanted to ban development. They wanted to ban deployment. All they received from the Soviets was banned deployment. That was all they received. And even that part is somewhat ambiguous as far as an agreed statement D. But, they did not receive an agreement to ban all future systems.

We are getting ready to give it to them. We are getting ready to impose that limitation on the United States, but we are not going to impose it on the Soviet Union. That is what is really absurd.

The Levin-Nunn amendment is not the only thing which alarms me. It may be the only amendment we are discussing right now, but if you look at the House language on arms control issues, they want to further restrict the United States. There is no limit to the desire of many people in Congress to place restrictions on the United States without getting any comparable restrictions on the Soviet Union.

I happen to think arms control treaties can be good if you can actually get some real reductions in weapons systems and if you can make sure that both sides comply. And if they do not comply, maybe we do more than just say, as we have in the past, "Oh, they didn't comply, but we are going to continue complying."

In the case of the ABM Treaty, the Soviet Union is not complying, and is in gross violation of the treaty. They even invite a group of Congressmen to visit the grossest violation of the treaty, the Krasnoyarsk radar, and the Congressmen come back singing the praises of it.

At the same time, we have our Congress, both the House and now the Senate, trying to impose very strict interpretations of the treaty. We do not want to violate one iota of the treaty even though the Soviet Union is violating it every single day and we know it and they know it.

In my opinion, that makes it very difficult for us to be successful in the negotiating cycle, which, again, I hope that we are. We have a very competent team in Geneva and have made real progress. I hope we do come up with a treaty that really does reduce the tension and that really does reduce nuclear weapons.

But it has to be a treaty that is mutually agreed to and mutually observed. And if it is not mutually observed, if the Soviets grossly violate it or continue to violate others, I think we should note that and not take action to restrict our own development, or restrict our testing. At the same time as we are negotiating new agreements, they are wantonly, aggressively expanding their testing, expanding their development, may even be expanding their deployment in various categories while we sit on our hands. That does not increase our stability, our security, or our national interests.

The timing for this amendment and those amendments coming from the House, particularly the one dealing with SALT II sublimits, could not have come at a worse time. SALT II was never ratified. You go through the constitutional process. Yes, the Carter administration signed the SALT II Agreement, but it had to be ratified by the Senate. It was not ratified by the Senate, even though it was strongly controlled by the President's same party.

Many people, Democrats and Republicans, felt that treaty left a lot to be desired. They did not think it was equal. They did not think it would help the security of the United States. So we did not ratify the treaty. But now we have one House that is trying to mandate compliance with a particular section of the treaty, with just one section of the treaty.

Just like this language that is in this bill right now quotes from article V of the treaty, but, as Senator QUAYLE pointed out, it left out agreed statement D which dealt with future systems. In other words, we put in language that said no money whatsoever for development or testing of SDI. I will mention the language again:

> No money to test, deploy, or develop ABM systems or components which are sea-based, air-based, space-based or mobile land-based.

But it does not talk about what ABM systems are as defined in article II. It does not mention future systems as discussed in agreed statement D. So we take the most restrictive portion of the ABM Treaty and insert it in the DOD bill.

The House has done the same thing on SALT II. They have said, "Well, numerical sublimits, we mandate that. Of course we won't mention the fact that, yes, the Soviets have deployed new missiles outside the range of the treaty. We won't mention other areas where they violated the SALT II Treaty. We are going to just impose on the United States one particular section."

Again, I just fail to see the wisdom in that type of logic and the timing. The timing of this amendment absolutely could not be worse.

One of the reasons why several Senators on this side, myself included, did not want to see the DOD bill come up with this type of restriction was because we really are hopeful or optimistic that maybe we can conclude a positive, real arms reduction treaty with the Soviet Union on INF, intermediate range missiles, zero-zero. We actually want to bring down a whole category of missiles. The Soviet Union has a lot of SS-20 intermediate range missiles. They are threatening all of Europe and a lot of Asia. Let us reduce those down to zero-zero. The President made that proposal several years ago. A lot of people from time to time say it is not realistic. It is realistic. It is happening because we are persistent.

It can actually enhance security, in my opinion, if it is real. If we actually know they are destroying those missiles, not just moving them back, not redeploying them somewhere where we do not see them. We have to make sure. We have to verify. We have to actually witness those missiles being destroyed or dismantled. But we can do that. We are close to being able to do that.

I think the negotiators have made real progress in strategic systems, in the long-range systems, those that threaten the United States. And that really is in the interest of the people of the United States. That has a lot of positive appeal. And they are talking about really reducing the number of warheads. That is positive.

Some people come back and say, "Well, wait a minute. The big hangup is SDI."

The reason why the Soviets are really interested in doing something on the strategic systems is that they are concerned about SDI. They are very concerned about SDI.

I know that my colleagues and the chairman of the Armed Services Committee, when we have gone to Geneva, we have heard the Soviet negotiators tell us time and time again, "You are not going to get anything on the strategic systems, the long-range systems, if you do not give something on SDI."

That tells you that they are concerned about SDI. They want SDI in on the table. They want to be able to negotiate it.

Well, if we are not careful we are going to give it to them.

We are not going to negotiate it, we are just going to give it to them. What sense does that make?

Do you remember canceling the B-1 bomber? Did we get them to cancel the Backfire bomber when we canceled the production of the B-1 bomber back in the late seventies? We did not get anything for it. That is what we are doing here when we end up basically handcuffing the SDI program in this manner without getting anything in return.

I happen to be an advocate of SDI. I happen to think it makes sense for us to try to develop systems capable of protecting American people, American cities, American weapons. Let us protect ourselves. Let us have weapons to destroy weapons, instruments to destroy weapons, instruments to protect our people. That makes sense. It makes eminent good sense. I do not want to see us negotiate or throw that away. I do not think we should. I certainly do not think we should throw it away without getting anything in return.

If we handicap ourselves by placing undue restrictions on ourselves that the Soviet Union does not have placed on them, that is exactly what we are doing.

I have visited with General Abrahamson. He said,

> Yes, we can conduct an SDI program under the narrow interpretation. But, yes, it is going to also be much more expensive, a lot costly, a lot more time consuming.

For what reason? Again the Soviets do not impose that kind of restraint on themselves.

For treaties to be positive they have to be mutual. It has to apply to the Soviets as well to ourselves. Frankly, in the ABM Treaty we negotiated for a strict treaty. We negotiated for a treaty that would limit future testing, development, and deployment. We did not get it.

The Soviet Union knows that and they have acted all along that this is quite obvious. The strictness is not in the treaty. But yet we are getting ready to impose it upon ourselves. I do not think that makes sense.

We should help our negotiators. They are making real progress. They have been negotiating for years. They are getting close, very close, on INF. They are not all that far away on doing something real on long-range weapons systems, as well, on the START talks.

Ambassador Lehman, in my opinion, has done an outstanding job; an outstanding job.

And I would encourage any Senator on the floor and any Senator who might be listening to contact the negotiators. Call Ron Lehman, call Ambassador Cooper, call Paul Nitze, call Max Kampelman. Ask those individuals who have been negotiating across the table from the Soviet Union what this amendment means. Ask them if we should be placing restraints on the SDI Program without even negotiating, without getting anything in return. If you will ask them, I think that they will tell you that they would much prefer to see Congress not tie their hands; to give them as much flexibility as possible.

The Soviets are concerned about this SDI Program. They are very concerned. They would love to see us limit it either through appropriations or through legislation like we are getting ready to do.

They would like to see the restraints. Do they have to trade anything? Do they have to say: We will limit any testing in these areas? The Soviets do not have to give up anything.

Did we negotiate and say, well, wait a minute. We do not want you to enhance your capabilities for defensive systems; we do not want you to be doing any testing or development for ABM systems, so we will both do this together?

Are they giving up one iota for our putting this language in? No. We are constraining ourselves. We are not constraining the Soviet Union.

To me, that is a very serious mistake; a serious mistake dealing with ABM. It would be a serious mistake if we acquiesced with the House language dealing with SALT II. It would be a mistake if we acquiesced in the House language dealing with ASAT, putting restrictions on ASAT.

All these are very important questions. The Soviets have an aggressive ASAT program. I hate to see us take unilateral positions that put us in an inferior position, either negotiating or strategically or in defense posture with the Soviet Union.

I very much want and pray to have a safer world. I happen to think we are going to be much safer when we have comparable systems and the Soviet Union knows that we possibly have systems capable of protecting ourselves.

I was shocked when I learned that we do not have systems capable of destroying incoming Soviet ICBM's. A lot of Americans do not know that. They do not know that we cannot destroy an intercontinental ballistic missile [ICBM's] coming over the polar area. We can monitor it, we can retaliate, but we cannot destroy it, and that is what we are really talking about trying to develop with SDI. We are talking about coming up systems able to destroy missiles coming over. Let us do that. Let us work on this.

You know, this is one of the things that has disappointed me concerning debate on this issue and all the technicalities dealing with broad versus narrow. This may be great for the legal counsel. They may love poring over these voluminous negotiating records. I myself have gone up, I have read some of these negotiating records. You can become tired of it very quickly.

What really bothers me is we have not spent the time talking about what enhances the security of the United States; what enhances the security of free people. What can we do?

I wonder how many Senators have really spent some time with General Abrahamson or other people in the Department of Defense asking what can we do to protect ourselves? Can we come up with capabilities, if we had an early warning system or notice that, yes, they are launching or preparing to launch? Would a President have an option? Would a President even have an option to try and destroy those incoming missiles? Or is his only option whether or not to retaliate and possibly retaliate before those incoming missiles strike? Launch before we are stricken.

This is not really a very good option. I would not want to be a Commander in Chief and have my only option be retaliation. I, personally, would like to have a defensive option. I would like it, if we had the Department of Defense be for defense, not for more and more offense. I think the mutual assured destruction [MAD] theory, which really evolved in the early sixties, is absurd.

The MAD idea that we are going to have so many offensive weapons and you have so many and we both know it will be so horribly destructive, so let us not engage in nuclear hostilities—that is dangerous. It is dangerous when you have individuals like Qadhafi or Khomeini, who may have in their hands, some day, a nuclear weapon. What kind of option does that give us?

Oh, yes, they can inflict a lot of damage on us and we can inflict more damage on them. So the population will suffer a tremendous pain and penalty because we can retaliate in a manner that is just as bad as theirs.

Would it not be much better to give the Commander in Chief an option of saying: Yes, we understand they have a weapon, but we also have some systems capable of destroying that weapon, destroying that weapon before it does significant damage to our interests, to the interests of the free people of the world?

We have a lot of responsibility in this body, determining the outcome and course of this issue. I just think it would be a very, very serious mistake if we handicapped those persons conducting the trials, testing the efforts to develop these systems, to place constraints on ourselves that greatly exceed any constraint imposed on the Soviet Union. I think it would be a serious mistake.

So that is the reason why I think this debate has gone on and on. I, for one, will tell my colleagues that I question whether or not we should filibuster.

I think it is important for people to know this issue; to know it is important. I feel confident the President would veto.

If we do not have the votes to strike this language, although I hope that we do, let us hurry up and pass the bill. Let us let the President veto the bill and let us take it up again without it on there. I am confident we have the votes to sustain his veto. The checks and balances can work.

I think, again, the time of bringing forth this issue could not be worse. We are negotiating. There is a short period of time when we can come up with, I think, a significant INF treaty. Possibly we could do more.

I think this language, by constricting our negotiators, by constricting our SDI Program, without getting anything in return at the bargaining table, is a very, very serious mistake.

So I hope that my colleagues will join with me in support of the Warner amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized, Senator Hollings.

Mr. HOLLINGS. Mr. President, in joining the debate at this time, let me express a genuine regret, Mr. President, that no longer is the U.S. Senate the world's most deliberative body.

I was privileged to be here when it truly was deliberative. Debates in those days were both educational as well as inspirational. They educated this Senator.

Indeed, that was the original purpose of the Senate. As Jefferson told Washington, out at Mount Vernon, in rejecting the idea of a unicameral legislature in favor of a bicameral legislative branch, the Senate would serve to cool passions and permit dispassionate decisionmaking. Jefferson said that just as we pour scalding tea into a saucer to cool it before drinking, so the Senate would be a body where the political passions are cooled and tempered, where issues are decided deliberatively for the good of the country.

Likewise, the intrusion of television has decreased the occasions and opportunities for genuine debate among Senators on the floor. Instead, we are either back in our offices watching floor action on TV, or we are on the floor mugging for the cameras. The other day, after I had raised a point with a fellow Senator, instead of answering me he kept looking high up to the corner of the gallery. I asked my assistant, "Where in the world is he looking—who is he talking to?"

They answered, "Don't you know, he is talking to the camera up there."

These days, we couldn't care less what a fellow Senator thinks, sees, hears, or understands. We in the South cannot learn from the North, nor the East from the West. We in rural areas cannot learn the problems and lessons of metropolitan areas. We each retreat into our parochial concerns.

Oh sure, we all agreed on the idea of government in the sunshine. Senators got elected by taking the doors off the offices. But now we have gone too far, we have become sunburned. We have gone to the extreme, to the point where you cannot get Senators' attention—particularly on matters as complex as the ABM Treaty and the strategic defense initiative.

As concerns the debate now at hand, Mr. President, the issue is not whether the administration will have a blank check. The Senator from Georgia and the Senator from Michigan 2 years ago began their backchannel assault on the strategic defense initiative. They have never supported it, Senator Levin has actually voted against SDI at critical junctures.

Senators have had to fight tooth and nail, not just in the authorization process, but also through the appropriations process and into the continuing resolution. Never mind the Soviets, it has taken a battle royal just to defend the United States of America here in this august body.

We have heard all this scare talk about boondoggles, costs amounting to $2 trillion, and so on. Yet all that is hoped for and all that could be hoped for at this early stage is research, development, and testing to see whether it makes any sense to even consider deployment.

We can argue ad infinitum about whether SDI will work. But, Mr. President, the best evidence on that score is what Mr. Gorbachev thinks. You might not think it will work, I might not think so, another man might have doubts but Gorbachev is a true believer. Twenty scientists cannot explain to me how a plane flies, much less how we got to the Moon, but we did it. I remember how they ridiculed Kennedy when he said we were going to the Moon.

Likewise, now we have a whole crew of self-styled peace activists. How nice to be wrapped in the mantle of peace in contrast to us warmongers.

Patrick Henry said, "peace, peace, everywhere they cry peace"—200 years ago—"but there is no peace." Well, there is peace today only because of our nuclear deterrent on the one hand, and our superiority of technology on the other hand.

I heard the Senator from Michigan talking about how his amendment was just a modest little limitation. I said, "That cannot be allowed to pass unchallenged." So here I am, and he has beat a retreat.

"If you wish for peace," as George Washington said, "you must prepare for war."

President Kennedy was a young lad in 1940, a senior at Harvard. His father was Ambassador to the Court of St. James. Traveling to Europe that summer of 1940, the question in young J.F.K.'s mind was how, after World War I and in a short 20-year period, the vanquished could have risen to challenge the victor, how the great British Empire could be brought to its knees by an aggressive Germany. Young Kennedy wrote this in his senior thesis and later published it in a book titled "Why England Slept." Kennedy noted that the argument by Germany's neighbors in the 1930's was "don't worry." After all, they said, it is just a manifestation of the humiliation that the Germans suffered in defeat. It is just German macho, nothing to worry about. Sure, they have a bunch of arms, but they haven't any place to use them. Well we soon found out that they knew exactly how and where to use these massive stockpiles of arms. The illusion was shattered by the occupations of the Sudetenland and Poland in 1939.

Today we hear striking similar arguments on the floor of the Senate. They say we need not defend ourselves or match the Soviet buildup. After all, they say, the Soviets will never use those arms.

Here in 1987, America sleeps. The peace activists are fatalistic. They say you cannot defend yourself against a missile attack. But Mr. Gorbachev believes you can. He has spent billions of rubles and 10 years of research. They have a decade-long jump on us. They are far ahead in space stations. Their astronauts stay in space for nearly a year at a time. Meanwhile, we are floundering around trying to play catchup ball amidst an obstacle course of budget constraints.

The half-thinking and wishful thinking of the 1930's is now heard here in the U.S. Senate. Kennedy wrote about it in "Why England Slept."

Likewise I hear echoes of Sir Herbert Lawson on the House of Commons saying that arms bleed social programs. Here in the Senate, they protest that we cannot affort SDI. Yet the difference in the argument is between funding at $3.2 billion or funding at $4.2 billion. How can we say, in a $3.5 trillion economy, we cannot find an additional $1 billion for research to defend ourselves?

Another shibboleth—Kennedy wrote of it in 1940 and today many in America believe it—is that arms cause war, rather then prevent war. If only we would set the example by laying down our arms and hugging and loving, we would have an international love-in. Give Gorbachev a bear hug. Kiss his glasnost. Whoopee. In this spirit, we have a delegation of Congressmen visiting Krasnoyarsk and pronouncing it harmless.

Any honest Congressman would have acknowledged he didn't know what he was looking at. They are not physicists. In contrast, our Government has action pictures from our overhead satellites. We know exactly what Krasnoyarsk will do and exactly what the violations are.

But the attitude is one of hear no evil, see no evil. We are all swept up with glasnost.

Jerry Ford said, when he was President in 1985, "Do not mention that word détente anymore." Here we are, a decade later, proclaiming whoopee, glasnost, and, after all, arms cause war.

Down in Nicaragua, they said back in 1979 that Danny Ortega was well intentioned, that we should give him aid. So we gave him aid and he kicked us in the groin, he shut down democracy. Now our entire hemisphere is threatened, but we hear the cry, "Leave Nicaragua alone. We don't want to start a war."

Similarly on trade, they fret that we might start a trade war. Well, let the record show that the first bill to pass the National Congress 198 years ago on the Fourth of July 1789 was a tariff bill on some 700 imported items. We started the trade war two centuries ago in order to build the industrial backbone of America.

So how naive can we be today? Do we not read history? Do we not understand anything about the greatness of this land?

Will we get into an arms race by researching SDI? The fact is, we are already in an arms race and we will continue to be in it. Hopefully, we will always be able to best our adversary thanks to our technology. After all, there are not as many Americans as there are Russians or Chinese. SDI is fundamental to our security.

Mr. President, I can tell you here and now that Mr. Gorbachev knows what he is doing. Gorbachev is like Louisiana politicians; they are smart; they don't just wander into office. The Presiding Officer did not get here via a beauty contest. He got here with his wits. But Brezhnev was not that smart. He thought he could terrorize and cow Europe, imposing hegemony with his SS–20 intermediate-range missiles. And he almost succeeded. He almost succeeded. You have got to give President Reagan credit for sticking to his guns, deploying Pershing II's and cruise missiles. Meanwhile, all you heard in Congress was a great hue and cry that we must not deploy the Pershing II's because it would start an arms race. Well, we deployed the Pershings and now we are on the verge of an arms-reduction agreement.

But Mr. Gorbachev with his glasnost and PR skills is infinitely more shrewd and savvy. He is going to win hegemony over Europe by taking away all of our missiles. That will leave only his 144 Red Army divisions against our 40. That is how he is going to do it. He is out to destroy political will.

That is why I voted against the Dole-Warner proposal. After all, if the Soviets can get rid of those missiles with inspections, and thereafter get rid of chemical weapons with inspections, then they have checkmated Maggie Thatcher. Meanwhile, they convert a fertilizer factory and in 6 months' time, they have built up a 10-year supply of chemical arms.

So let us not hear this story about how the Soviets are trying to save money and how their economy is in such bad shape. Let us not think that SDI has brought the Soviets to the bargaining table. They are at that arms control table because they want to be, because they have a strategy to leave the West vulnerable. We never should have toyed at Reykjavik with the idea of complete nuclear disarmament. Conventional arms have never prevented war. Nuclear weapons have.

The United Kingdom knows the value of a nuclear defense. Their conventional deterrent is negligible. But they are a secure nation thanks to their nuclear missiles. That is the only way they are going to be able to protect the British Isles, and they know that. It is no surprise, then, that they have grave misgiving about the current pell-mell rush to repair President Reagan's political standing by crippling Europe's nuclear defense. He will get his summit on arms control, and as a result we are going to sap and demoralize NATO.

Back in 1971, Senator Mansfield and I had a debate in the Senate about bargaining chips. The SALT and ABM negotiators told us categorically, "Never vote for anything as a bargaining chip. If you need it, vote for it. Support it." I repeat, the Soviets are sophisticated these days. They know what they want, what they need. They will recognize a bargaining chip and they simply will disregard it." They have far more sense than we give them credit for and here we talk naively like we are trying to protect a bargaining chip in the current negotiations over an INF Treaty. That is not the issue.

The issue plain and simple is whether we are going to trash the strategic defense initiative program. As I said, the Senator from Michigan started his anti-SDI activism 2 years ago. He persuaded our distinguished colleague, the Senator from Georgia to join him. It is dismaying to me, at this crucial hour in our history, that our leadership is writing this language in the bill: "Funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test antiballistic missile systems."

Well, heaven's above, the armed service crowd is supposed to be defending the United States and they say we cannot spend any money to defend ourselves. They know that what is prevailing here will be done by a majority vote rather than a two-thirds vote. They will give us a new treaty. They also know that 2 years from now they can say "Well, we debated that and now that you are ready to do some testing, but our new, unique, restrictive interpretation of the ABM Treaty says you can't test." And, yes, SDI will be eliminated as a bargaining chip. But more important, it will be gone from our security. Look what lies ahead of us. We will have an INF Treaty that disarms Europe. There will be the overwhelming strategic offensive weaponry that already exists in the Soviet Union; there will be a Soviet defensive system in space which they are now beginning to develop. We will see the Soviet lead, we will know the Soviet lead, and we will understand the Soviet lead. And we will be subject to hegemony here in the United States. Who thinks we are going to end the world in order to save Berlin? Who thinks we are going to end the world to save any of those countries which will not defend themselves because they will not appropriate a lot of their GNP because the United States does not have a draft to show its commitment? But by that time, the Soviets will have Finlandized Europe and destroyed the United States' influence. We can then forget about Angola and our commitments in Africa. We can forget about our commitments in the Far East. We can forget about our commitments in this hemisphere because they will have taken over down in Latin America. You know, Mr. President, we cannot even find $100 million, to save freedom in the Americas, I am going to have an amendment on that based on a GAO study which I had conducted. It examines our costs in the Persian Gulf. We can find $100 million to protect oil about 7,000 miles from here, but we cannot find $100 million for freedom in our hemisphere. It is a sad thing. It is a very sad thing that we have to observe.

So the issue here is not all of these little nice sounding words in the defense bill that we want the President to come back and report to us. No, no. They do not want any kind of testing or developing of SDI technology. We will get into more of that debate later on—the successes that we have had in SDI. But I am surprised at the technology developing so far on SDI. It is very encouraging. We ought to appropriate more money to assure its continued success. That would be appreciated, and the validity of the program and various technology can either be proved or disproved.

So the issue is very, very clear here. It is not our distinguished friend Sofaer. I do not know him as well as I should. But what I do know of him, he is a professional. He is not a shield. He is not a political tool to give the administration a politicized decision. He is proud of his profession. He is proud as a former judge of the Federal courts, and he has come to the Department of State, and was given a charge. He has fulfilled that charge in a very intelligent and thorough fashion. He realized his staff had made a halfway report. The Senators from Michigan and Georgia continue to attribute to him what he corrected. And Judge Sofaer has done his job in a professional fashion.

Various Senators and I have been up on the fourth floor of the Capitol listening, learning, reading, and studying the record of the treaty. I can tell you here and now that the argument is erudite and is professional as Sofaer is, and his presentation is not the Sofaer-Nunn controversy because I know who wins on that score. Senator NUNN is popular and respected in this body, and the subject is complicated. And it is too easy to roll over and say SAM spent 3 days on this thing, presented it to the body. My colleagues tell me "I know what you are saying, but I am going to stick with the chairman of the Armed Services Committee."

So that would end the entire debate. I am afraid that is the point where we are because we cannot get, with live quorums and time given, the attention of the body. They are tied up in trade, budget, debt limit, and all the other particular bills, and in markups in the Appropriations Committee. So it is very, very easy to take this involved matter and—just as with the Judge Bork nomination—there is a parade that has already passed town. We will vote with the chairman of the Armed Services.

But I say most seriously this is a dark day for the defenses of our country. Look at what people are saying. Take Paul Nitze, whom I met I think as Secretary of the Navy for Lyndon Johnson. Here is a chief negotiator saying that you can test and develop SDI technology. Then there is Ambassador Smith saying that you can test and develop. There is General Allison saying that you can test and develop. There is Harold Brown having written that you can test and develop. There is Secretary of State Rogers at the time saying you can test and develop. There is the chairman of the Joint Chiefs of Staff, Admiral Moorer, saying you can test and develop. There is General Palmer, and he is testifying—which incidentally was left out of the Nunn presentation—saying you can test and develop the system. All of those witnesses and all of the subsequent practices go out of the window, and the Senator from Georgia is ahead because the Members won't come and listen.

I and the anti-SDI crowd won't debate. But they are good at confusing. Senator NUNN comes and says exotics. If you can find the word "exotics" in this treaty, I will jump off the dome. Now we will make a second jump off the dome. I am getting a little bit more assured because they cannot show me otherwise. I do not mind if I am wrong. Just tell me, and we will all quietly go away.

But the other strategy here is, as the Senator said on yesterday, to confuse fixed land-based and mobile systems. And the inference is from the Senator from Georgia in this confusion, that article II controls fixed land-based and article V controls mobile-based.

If we can find fixed land-based and if we can find the mobile-based systems, treated in that fashion in this treaty, I will jump off the dome.

Mr. NUNN. Will the Senator yield? I do not contend, if I may, to my friend from South Carolina, that article II controls fixed land-based. Article II is only the definitional section. It does not differentiate between fixed land-based and mobile, sea-based and air-based. Article V defines what is limited for testing and development purposes, and article V excludes fixed ground-based.

Mr. HOLLINGS. How does it exclude it? I have the treaty.

Mr. NUNN. If the Senator will read article V——

Mr. HOLLINGS. I read article V.

Mr. NUNN. I do not have it in front of me. But if the Senator will read it out loud.

Mr. HOLLINGS. All right. We will read it out loud for the distinguished chairman. Article V says each party undertakes not to develop, test or deploy the ABM systems or components which are sea-based, air-based, space-based, mobile land-based.

Mr. NUNN. That is right. The Senator just made it clear that it does not include fixed land-based. That was purposeful.

Mr. HOLLINGS. That's because fixed land-based systems are those current in 1972—defined in article II—and article V is tied to variants of those. Agreed statement D deals with futuristic systems.

Mr. NUNN. It does not say fixed land-based. Why does it say mobile land-based? Because it is fixed land-based. That is what the heart of article V means. It excluded fixed land-based but the United States wanted to be able to test and develop our fixed land-based laser systems. That was one of the goals President Nixon gave to the negotiators. So in article V we very cautiously and very carefully excluded fixed land-based.

The Senator, if he reads that, read it again and again, he will see fixed land-based is excluded there because we wanted to test and develop the land-based and we retain that right. We still retain that right.

I thank my friend for yielding.

Mr. HOLLINGS. I thank the chairman for fashioning the debate his way. As I said yesterday he confuses by throwing in ground-based exotics, not mobile, and fixed land-based. The issue is current versus future—plain and simple.

The entire argument and I am going to elaborate again, was present and future, not fixed land-based. Article II says that for the purposes of this treaty—and this defines the ABM systems—and ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory currently—currently—consisting of talking about the present 1972 as distinguished from agreed statement D, which treats the future—ABM interceptor missiles, which are interceptor missiles constructed and deployed for an ABM role or a type tested by an ABM mode, ABM launchers, which are launchers constructed and deployed for launching ABM interceptor missiles, and ABM radars, which are radars constructed and deployed for an ABM role or of a type tested in an ABM mode.

Paragraph 2 of article II further defines the ABM system components listed in paragraph 1 of this article as including those which are (a) operational, (b) under construction (c) undergoing testing, (d) undergoing overhaul, repair or conversion, or (e) mothballed—which are currently operational, currently under construction, currently undergoing testing, currently undergoing overhaul, repair, or conversion, or currently mothballed.

Now that we have gotten away from exotics, we have gotten to the crux of the argument. So let us see whether the negotiations were talking about fixed land-based as compared to mobile.

It is clear that the U.S. delegation was instructed, "Don't agree to flexibility for the future. We want a controlled future."

The entire argument was whether or not the future versus the current could be controlled—it was not the issue of mobile-based versus land-based.

We can look at the negotiating record made at the time, because this is extremely important. The Senator from Georgia says agreement was reached on September 15, 1971 whereby future systems were controlled forever. It is in the record, and I want to get the exact quote. I quote Senator Nunn:

> The negotiating record shows that the parties explicitly agreed that the restrictions on testing and deployment of mobile space-based ABMs applied to any type of present or future component of ABM systems, and this included exotics.

That was subsequent to the paragraph where he was talking about the debate they had as evidenced by the negotiating record with respect to United States and Soviet decisions on articles VI between September 15 and September 24. It is headed: "Sofaer finds that parties fail to agree on limiting exotics," in this article.

Pay close attention. Senator Nunn says,

> Oh, no, that is wrong. The negotiating record said that those restrictions applied to any type of present or future components of ABM systems.

That was on September 15, and that is the distinguished chairman's categorical statement on which he bases his argument. I am going to show you the categorical U.S. memorandum of the negotiating record plus the statements made at that time.

I have looked at the record and found out first that the debate on future systems begins before September 15.

(Mr. CONRAD assumed the chair.)

On August 17, 1971, Harold Brown, one of the U.S. negotiators, and later Secretary of Defense is quoted from a U.S. ABM staff memorandum as follows:

> Had we made it clear that in the first paragraph we were talking about a ban on deployment, but not on the development and testing of future kinds of systems.

He was talking about future kinds of systems, using the word "future" and not fixed land based.

Academician Shchukin of the Soviet staff said that if one could not point to specific systems in or near development status, the politicians and diplomats would probably not be interested in possibilities.

He was trying to say, "Tell me what you are talking about."

On August 24, again quoting from that record:

> The sides had achieved an understanding that limitation should cover such systems of ABM defense as radars, launchers, and ABM interceptor missiles. . . . In other words, the treaty should have for its subject ABM systems which could be technically described and determined . . .

Remember the Nunn language, in his presentation, about inferentially, generically describing and implicitly inferring—I am going to get back to that. Remind me, please.

Here is Shchukin saying that it has to be technically described and determined.

"What did the U.S. have in mind in speaking of such systems as devices?"

That is the quotation from the U.S. memorandum, the negotiating record, on Shchukin, in 1971.

Here's Ambassador Smith, on August 27: "If future systems were not covered, uncertainties would increase."

Ambassador Smith was carrying out his charge, in charge of the negotiating team. He said, "Let us cover the future."

Harold Brown, on August 27, with regard to U.S. article VI—it later became V, indicated that—

> Our objective in this Article 6 is to establish a commitment that neither side will deploy ABM systems—including future types of ABM systems—which might not use ABM interceptor missiles, ABM launchers, or ABM radars . . .

Again, he was trying to include future systems. He was not talking about the difference between fixed land-based and mobile systems. This is a straw man they put up and they blamed Sofaer for it. He is not responsible for it, because that is not the treaty and that is not in the record and that is not even in the treaty. The argument was over current and future. That was the entire argument.

On August 31, 1971, General Trusov:

> A provision of the kind which the U.S. side has proposed would add an undesirable element of vagueness to our ABM agreement . . .

Remember what I said yesterday, that Garthoff said, "Be precise." Remember when I said Ambassador Gerard Smith said in his book it was precise. Here they are arguing a year before ratification. We ratified the treaty in August 1972, and in August 1971, when joining in this ABM Treaty, the Soviets said, "Let us not be vague."

These were lawyers. These were very careful draftsmen. They did not want vagueness, and they were not talking about fixed, land-based versus mobile-based.

I quote what Senator Nunn said yesterday. He said:

> Because the Senator from South Carolina, as Judge Sofaer did to begin with in this deliberations—and he has clarified a lot of that since then—fails to distinguish between ground-based and mobile-space-air testing. Everyone agrees—and that was an American position in the talks all along—that we were going to protect our ability to test exotics as long as they were ground-based exotics, not mobile, not space, not air. This record is so confusing because people do not distinguish between the two.

If you want to study this record as thoroughly as I have, do not get confused by Senator Nunn's gymnastics.

I quote Senator Nunn again:

> There is no doubt that exotics can be tested, but it is only a certain kind of exotics, and that is mobile, air, and space, that cannot.

He forms a treaty that never was ratified. You cannot find that in this treaty.

Mr. President, I ask unanimous consent that the full text of the treaty be printed at this point in the Record.

There being no objection, the treaty was ordered to be printed in the Record, as follows:

## Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems

[Note—Signed at Moscow May 26, 1972; Ratification advised by U.S. Senate August 3, 1972; Ratified by U.S. President September 30, 1972; Proclaimed by U.S. President October 3, 1972; Instruments of ratification exchanged October 3, 1972; Entered into force October 3, 1972.]

The United States of America and the Union of Soviet Socialist Republics, hereinafter referred to as the Parties,

Proceeding from the premise that nuclear war would have devastating consequences for all mankind,

Considering that effective measures to limit anti-ballistic missile systems would be a substantial factor in curbing the race in strategic offensive arms and would lead to a decrease in the risk of outbreak of war involving nuclear weapons,

Proceeding from the premise that the limitation of anti-ballistic missile systems, as well as certain agreed measures with respect to the limitation of strategic offensive arms, would contribute to the creation of more favorable conditions for further negotiations on limiting strategic arms,

Mindful of their obligations under Article VI of the Treaty on the Non-Proliferation of Nuclear Weapons.

Declaring their intention to achieve at the earliest possible date the cessation of the nuclear arms race and to take effective measures toward reductions in strategic arms, nuclear disarmament, and general and complete disarmament,

Desiring to contribute to the relaxation of international tension and the strengthening of trust between States,

Have agreed as follows:

### ARTICLE I

1. Each party undertakes to limit anti-ballistic missile (ABM) systems and to adopt other measures in accordance with the provisions of this Treaty.

2. Each Party undertakes not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense, and not to deploy ABM systems for defense of an individual region except as provided for in Article III of this Treaty.

### ARTICLE II

1. For the purpose of this Treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of:

(a) ABM interceptor missiles, which are interceptor missiles constructed and deployed for an ABM role, or of a type tested in an ABM mode;

(b) ABM launchers, which are launchers constructed and deployed for launching ABM interceptor missiles; and

(c) ABM radars, which are radars constructed and deployed for an ABM role, or of a type tested in an ABM mode.

2. The ABM system components listed in paragraph 1 of this Article include those which are:

(a) operational;

(b) under construction;

(c) undergoing testing;

(d) undergoing overhaul, repair or conversion; or

(e) mothballed.

### ARTICLE III

Each Party undertakes not to deploy ABM systems or their components except that:

(a) within one ABM system deployment area having a radius of one hundred and fifty kilometers and centered on the Party's national capital, a Party may deploy: (1) no more than one hundred ABM launchers and no more than one hundred ABM interceptor missiles at launch sites, and (2) ABM radars within no more than six ABM radar complexes, the areas of each complex being circular and having a diameter of no more than three kilometers; and

(b) within one ABM system deployment area having a radius of one hundred and fifty kilometers and containing ICBM silo launchers, a Party may deploy: (1) no more than one hundred ABM launchers and no more than one hundred ABM interceptor missiles at launch sites, (2) two large phased-array ABM radars comparable in potential to corresponding ABM radars operational or under construction on the date of signature of the Treaty in an ABM system deployment area containing ICBM silo launchers, and (3) no more than eighteen ABM radars each having a potential less than the potential of the smaller of the above-mentioned two large phased-array ABM radars.

### ARTICLE IV

The limitations provided for in Article III shall not apply to ABM systems or their components used for development or testing, and located within current or additionally agreed test ranges. Each Party may have no more than a total of fifteen ABM launchers at test ranges.

### ARTICLE V

1. Each Party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based.

2. Each Party undertakes not to develop, test, or deploy ABM launchers for launching more than one ABM interceptor missile at a time from each launcher, not to modify deployed launchers to provide them with such a capability, not to develop, test, or deploy automatic or semi-automatic or other similar systems for rapid reload of ABM launchers.

### ARTICLE VI

To enhance assurance of the effectiveness of the limitations on ABM systems and their components provided by the Treaty, each Party undertakes:

(a) not to give missiles, launchers, or radars, other than ABM interceptors missiles, ABM launchers, or ABM radars, capabilities to counter strategic ballistic missiles or their elements in flight trajectory, and not to test them in an ABM mode; and

(b) not to deploy in the future radars for early warning of strategic ballistic missile attack except at locations along the periphery of its national territory and oriented outward.

### ARTICLE VII

Subject to the provisions of this Treaty, modernization of ABM systems or their components may be carried out.

### ARTICLE VIII

ABM systems or their components in excess of the numbers or outside the areas specified in this Treaty, as well as ABM systems or their components prohibited by this Treaty, shall be destroyed or dismantled under agreed procedures within the shortest possible agreed period of time.

### ARTICLE IX

To assure the viability and effectiveness of this Treaty, each Party undertakes not to transfer to other States, and not to deploy outside its national territory, ABM systems or their components limited by this Treaty.

### ARTICLE X

Each Party undertakes not to assume any international obligations which would conflict with this Treaty.

### ARTICLE XI

The Parties undertake to continue active negotiations for limitations on strategic offensive arms.

### ARTICLE XII

1. For the purpose of providing assurance of compliance with the provisions of this Treaty, each Party shall use national technical means of verification at its disposal in a manner consistent with generally recognized principles of international law.

2. Each Party undertakes not to interfere with the national technical means of verification of the other Party operating in accordance with paragraph 1 of this Article.

3. Each Party undertakes not to use deliberate concealment measures which impede verification by national technical means of compliance with the provisions of this Treaty. This obligation shall not require changes in current construction, assembly, conversion, or overhaul practices.

### ARTICLE XIII

1. To promote the objectives and implementation of the provisions of this Treaty, the Parties shall establish promptly a Standing Consultative Commission, within the framework of which they will:

(a) consider questions concerning compliance with the obligations assumed and related situations which may be considered ambiguous;

(b) provide on a voluntary basis such information as either Party considers necessary to assure confidence in compliance with the obligations assumed;

(c) consider questions involving unintended interference with national technical means of verification;

(d) consider possible changes in the strategic situation which have a bearing on the provisions of this Treaty;

(e) agree upon procedures and dates for destruction or dismantling of ABM systems or their components in cases provided for by the provisions of this Treaty;

(f) consider, as appropriate, possible proposals for further increasing the viability of this Treaty; including proposals for amendments in accordance with the provisions of this Treaty;

(g) consider, as appropriate, proposals for further measures aimed at limiting strategic arms.

2. The Parties through consultation shall establish, and may amend as appropriate, Regulations for the Standing Consultative Commision governing procedures, composition and other relevant matters.

### ARTICLE XIV

1. Each Party may propose amendments to this Treaty. Agreed amendments shall enter into force in accordance with the procedures governing the entry into force of this Treaty.

2. Five years after entry into force of this Treaty, and at five-year intervals thereafter, the Parties shall together conduct a review of this Treaty.

### ARTICLE XV

1. This Treaty shall be of unlimited duration.

2. Each Party shall, in exercising its national sovereignty, have the right to withdraw from this Treaty if it decides that extraordinary events related to the subject matter of this Treaty have jeopardized its supreme interests. It shall give notice of its decision to the other Party six months prior to withdrawal from the Treaty. Such notice shall include a statement of the extraordinary events the notifying Party regards as having jeopardized its supreme interests.

### ARTICLE XVI

1. This Treaty shall be subject to ratification in accordance with the constitutional procedures of each Party. The Treaty shall enter into force on the day of the exchange of instruments of ratification.

2. This Treaty shall be registered pursuant to Article 102 of the Charter of the United Nations.

Done at Moscow on May 26, 1972, in two copies, each in the English and Russian languages, both texts being equally authentic.

For the United States of America:

Richard Nixon,
*President of the United States of America.*

For the Union of Soviet Socialist Republics:

L.I. Brezhnev,
*General Secretary of the Central Committee of the CPSU.*

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## Agreed Statements, Common Understandings, and Unilateral Statements Regarding the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missiles

### 1. AGREED STATEMENTS

The document set forth below was agreed upon and initiated by the Heads of the Delegations on May 26, 1972 (letter designations added);

Agreed statements regarding the treaty between the United States of America and the Union of Soviet Socialist Republics on the limitation of anti-ballistic missile system.

[A] The Parties understand that, in addition to the ABM radars which may be deployed in accordance with subparagraph (a) of Article III of the Treaty, those non-phased-array ABM radars operation on the date of signature of the Treaty within the ABM system deployment area for defense of the national capital may be retained.

[B] The Parties understand that the potential (the product of mean emitted power in watts and antenna area in square meters) of the smaller of the two large phased-array ABM radars referred to in subparagraph (b) of Article III of the Treaty is considered for purpose of the Treaty to be three million.

[C] The Parties understand that the center of the ABM system deployment area centered on the national capital and the center of the ABM system deployment area containing ICBM silo launchers for each Party shall be separated by no less than thirteen hundred kilometers.

[D] In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XII and agreement in accordance with Article XIV of the Treaty.

[E] The Parties understand that Article V of the Treaty includes obligations not to develop, test or deploy ABM interceptor missiles for the delivery by each ABM interceptor missile of more than one independently guided warhead.

[F] The Parties agree not to deploy phased-array radars having a potential (the product of mean emitted power in watts and antenna area in square meters) exceeding three million, except as provided for in Articles III, IV and VI of the Treaty, or except for the purposes of tracking objects in outer space or for use as national technical means of verification.

[G] The Parties understand that Article IX of the Treaty includes the obligation of the US and the USSR not to provide to other States technical descriptions or blue prints specially worked out for the construction of ABM systems and their components limited by the Treaty.

### 2. COMMON UNDERSTANDING

Common understanding of the Parties on the following matters was reached during the negotiations.

A. Location of ICBM Defenses—The U.S. Delegation made the following statement on May 26, 1972:

"Article III of the ABM Treaty provides for each side one ABM system deployment area centered on its national capital and one ABM system deployment area containing ICBM silo launchers. The two sides have registered agreement on the following statement: "The Parties understand that the center of the ABM system deployment area centered on the national capital and the center of the ABM system deployment area containing ICBM silo launchers for each Party shall be separated by no less than thirteen hundred kilometers." In this connection, the U.S. side notes that its ABM system deployment area for defense of ICBM silo launchers, located west of the Mississippi River, will be centered in the Grand Forks ICBM silo launcher deployment area. (See Agreed Statement [C].)"

B. ABM Test Ranges—The U.S. Delegation made the following statement on April 26, 1972:

"Article IV of the ABM Treaty provides that "the limitations provided for in Article III shall not apply to ABM systems or their components used for development or testing, and located within current or additionally agreed test ranges." We believe it would be useful to assure that there is no misunderstanding as to current ABM test ranges. It is our understanding that ABM test ranges encompass the area within which ABM components are located for test purposes. The current U.S. ABM test ranges are at White Sands, New Mexico, and at Kwajalein Atoll, and the current Soviet ABM test range is near Sary Shagan in Kazakhstan. We consider that non-phased array radars of types used for range safety or instrumentation purposes may be located outside of ABM test ranges. We interpret the reference in Article IV to "additionally agreed test ranges" to mean that ABM components will not be located at any other test ranges without prior agreement between our Governments that there will be such additional ABM test ranges."

On May 5, 1972, the Soviet Delegation stated that there was a common understanding on what ABM test ranges were, that the use of the types of non-ABM radars for range safety or instrumentation was not limited under the Treaty, that the reference in Article IV to "additionally agreed" test ranges was sufficiently clear, and that national means permitted identifying current test ranges.

C. Mobile ABM Systems—On January 29, 1972, the U.S. Delegation made the following statement:

"Article V(1) of the Joint Draft Text of the ABM Treaty includes an undertaking not to develop, test, or deploy mobile land-based ABM systems and their components. On May 5, 1971, the U.S. side indicated that, in its view, a prohibition on deployment of mobile ABM systems and components would rule out the deployment of ABM launchers and radars which were not permanent fixed types. At that time, we asked for the Soviet view of this interpretation. Does the Soviet side agree with the U.S. side's interpretation put forward on May 5, 1971?"

On April 13, 1972, the Soviet Delegation said there is a general common understanding on this matter.

D. Standing Consultative Commission—Ambassador Smith made the following statement on May 22, 1972:

"The United States proposes that the sides agree that, with regard to initial implementation of the ABM Treaty's Article XII on the Standing Consultative Commission (SCC) and of the consultation Articles to the Interim Agreement on offensive arms and the Accidents Agreement,[1] agreement establishing the SCC will be worked out early in the follow-on SALT negotiations; until that is completed, the following arrangements will prevail: when SALT is in session, any consultation desired by either side under these Articles can be carried out by the two SALT Delegations; when SALT is not in session, ad hoc arrangements for any desired consultations under these Articles may be made through diplomatic channels."

Minister Semenov replies that, on an ad referendum basis, he could agree that the U.S. statement corresponded to the Soviet understanding.

E. Standstill—On May 6, 1972, Minister Semenov made the following statement:

"In an effort to accommodate the wishes of the U.S. side, the Soviet Delegation is prepared to proceed on the basis that the two sides will in fact observe the obligations of both the Interim Agreement and the ABM Treaty beginning from the date of signature of these two documents."

In reply, the U.S. Delegation made the following statement on May 20, 1972:

"The U.S. agrees in principle with the Soviet statement made on May 6 concerning observance of obligations beginning from date of signature but we would like to make clear our understanding that this means that, pending ratification and acceptance, neither side would take any action prohibited by the agreements after they had entered into force. This understanding would continue to apply in the absence of notification by either signatory of its intention not to proceed with ratification or approval."

The Soviet Delegation indicated agreement with the U.S. statement.

### 3. UNILATERAL STATEMENTS

The following noteworthy unilateral statements were made during the negotiations by the United States Delegation:

A. Withdrawal from the ABM Treaty—On May 9, 1972, Ambassador Smith made the following statement:

"The U.S. Delegation has stressed the importance the U.S. Government attaches to achieving agreement on more complete limitations on strategic offensive arms, following agreement on an ABM Treaty and on an Interim Agreement on certain measures with respect to the limitation of strategic offensive arms. The U.S. Delegation believes that an objective of the follow-on negotiations should be to constrain and reduce on a long-term basis threats to the survivability of our respective strategic retaliatory forces. The USSR Delegation has also indicated that the objectives of SALT would remain unfulfilled without the achievement of an agreement providing for more complete limitations on strategic offensive arms. Both sides recognize that the initial agreements would be steps toward the achievement of more complete limitations on strategic arms. If an agreement providing for more complete strategic offensive arms limitations were not achieved within five years, U.S. supreme interests could be jeopardized. Should that occur, it would constitute a basis for withdrawal from the ABM Treaty. The U.S. does not wish to see such a situation occur, nor do we believe that the USSR does. It is because we wish to prevent such a situation that we emphasize the importance the U.S. Government attaches to achievement of more complete limitations on strategic offensive arms. The U.S. Executive will inform the Congress, in connection with Congressional consideration of the ABM Treaty and the Interim Agreement, of this statement of the U.S. position."

B. Tested in ABM Mode—On April 7, 1972, the U.S. Delegation made the following statement.

"Article II of the Joint Text Draft uses the term "tested in an ABM mode," in defining ABM components, and Article VI includes certain obligations concerning such testing. We believe that the sides should have a common understanding of this phrase. First, we would note that the testing provisions of the ABM Treaty are intended to apply to testing which occurs after the date of signature of the Treaty, and not to any testing which may have occurred in the past. Next, we would amplify the remarks we have made on this subject during the previous Helsinki phase by setting forth the objectives which govern the U.S. view on the subject, namely, while prohibiting testing of non-ABM components for ABM purposes: not to prevent testing of ABM components, and not to prevent testing of non-ABM components for non-ABM purposes. To clarify our interpretation of "tested in an ABM mode," we note that we would consider a launcher, missile or radar to be "tested in an ABM mode" if, for example, any of the following events occur: (1) a launcher is used to launch an ABM interceptor missile, (2) an interceptor missile is flight tested against a target vehicle which has a flight trajectory with characteristics of a strategic ballistic missile flight trajectory, or is flight tested in conjunction with the test of an ABM interceptor missile or an ABM radar at the same test range, or is flight tested to an altitude inconsistent with interception of targets against which air defenses are deployed, (3) a radar makes measurements on a cooperative target vehicle of the kind referred to in item (2) above during the reentry portion of its trajectory or makes measurements in conjunction with the test of an ABM interceptor missile or an ABM radar at the same test range. Radars used for purposes such as range safety or instrumentation would be exempt from application of these criteria."

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[1] See Article 7 of the Agreement to Reduce the Risk of Outbreak of Nuclear War Between the United States of America and the Union of Soviet Socialist Republics, signed Sept. 30, 1971.

C. No-Transfer Article of ABM Treaty—On April 18, 1972, the U.S. Delegation made the following statement:

"In regard to this Article [IX], I have made a brief and I believe self-explanatory statement to make. The U.S. side wishes to make clear that the provisions of this Article do not set a precedent for whatever provision may be considered for a Treaty on Limiting Strategic Offensive Arms. The question of transfer of strategic offensive arms is a far more complex issue, which may require a different solution."

D. No Increase in Defense of Early Warning Radars—On July 28, 1970, the U.S. Delegation made the following statement:

"Since Hen House radars [Soviet ballistic missile early warning radars] can detect and track ballistic missile warheads at great distances, they have a significant ABM potential. Accordingly, the U.S. would regard any increase in the defenses of such radars by surface-to-air missiles as inconsistent with an agreement."

Mr. HOLLINGS. Mr. President, I thing it is good that you can see the treaty and hear from the record because you can see the entire debate was between current and future.

I want to go a little further. On September 8, 1971, Karpov told him it was wrong to limit means not known to anyone. You see, as to future systems, they did not know what they were. They were differentiating between fixed land-based and mobile. They were thinking of lasers, particle beams, and fixed-base stations.

But the issue was not fixed land-based versus mobile whatever—absolutely not. He was talking about things he did not know, and you can tell throughout the debate that the Soviet team was trying to get to the point under the U.S. would be definative in its statement.

They said; "We are not going to cover those uncertainties; tell us what you are talking about."

Karpov said he believed it was wrong to limit means not known to anyone. Up to now, he noted, the subject of our discussions was limitations on concrete and specific ABM systems which might exist and could be verified by national means. We should adhere to this subject in the future too. He noted that appropriate procedures for handling these questions are envisaged. The Standing Consultative Commission would consider additions and amendments.

And that is what they finally put in agreed statement D.

Graybeal on that same date, September 8, 1971, says—well, he felt also you can go ahead. He felt that an operative article indicating clearly the objectives with regard to future systems would be far more useful than merely referring these questions to the Standing Commission.

He still is trying hard on behalf of the United States and trying to get the future included.

On September 13, 1971 Col. Fedenko reiterated the standard Soviet arguments against including any general provisions on future undefined ABM systems.

That is not fixed land based versus mobile. That is a whole big bollix of argument here that just does not pertain. There is no evidence for that.

Admittedly they use that expression from time to time. The military comes up and still talks in these military kinds of terms. But the great thing in issue between the negotiating teams was whether future systems could be controlled, and our team was charged to control the future, and the Russians were saying absolutely not and they succeeded.

On September 17—after the September 15 date that Senator Nunn said settled the issue—Ambassador Smith had the feeling that the Soviet position on article II reflected a desire that nothing be done to prejudice the Soviet position on the issue treated in paragraph 1 of article VI which concerned future systems.

The Soviet negotiator, Semenov, on that same date, stated that ". . . bearing in mind that inclusion of uncertainties in an agreement would surely lead to all sorts of misunderstandings in the future," . . . with reference to the U.S. position on article VI, ". . . where we were trying to control the future, . . ." he would not care to say any more. This problem would be kept in his field of vision for the next Vienna phase.

Then on September 20, the U.S. negotiator Garthoff, stated that there would remain seven points of difference, including a provision to cover future "unconventional" ABM systems.

They talk of unconventional. It was not fixed land-based and mobile. That is not the argument here that Senators Levin and Nunn put out. No. We should not bite on that bait whatsoever. It concerns future systems versus current systems. That was the whole debate and that is on September 20 when Senator Nunn said it was all settled on September 15.

And Shchukin on November 30, the Soviet side, and I quote from the United States negotiating memorandum, "The Soviet side cannot recognize as well-founded the proposal of the United States involving an obligation not to deploy ABM systems using devices other than . . . missiles, launchers, radars. The subject of a treaty could only be a specific and concrete limitation on ABM systems."

And so there you were. I could also include the statements from memoranda of December 7, 10, 14. Paul Nitze noted in connection with Shchukin's comments on future systems that the Soviet had emphasized the inappropriateness—of this subject for treaty language.

On December 14—3 months after Senator Nunn said it was settled in his presentation, the scholarly presentation—the negotiators are still arguing. Semenov said "Although Dr. Brown said the question of future ABM systems, which do not include launchers, radars and interceptors . . . I would like to ask what this is all about in concrete terms." This is Semenov, the Soviet negotiator. "In what does the U.S. side see a danger in the absence of a provision on this account in the treaty?" he asked.

I quote again, "If these systems cannot be defined now"—Senator Nunn defines them—here is a negotiator, the Soviet one, and I quote, "If these systems cannot be defined now, except that they are not something known today, and, at the same time, the draft treaty includes a number of clear limitations and constraints not to deploy territorial ABM systems, not to give the capability for rapid reload, et cetera, is it not sufficient to have such limitations?"

Quoting still from Semenov, "To be sure, including in the treaty a provision covering something that is not known cannot be justified by any considerations, and therefore this proposition cannot be the subject of a treaty."

They would not agree to future systems. They just would not agree. We tried all that fall period. You remember the President went over to Europe, I think it was early in 1972. Henry Kissinger was there and they worked over the SALT I Treaty overnight. They worked to 5 o'clock in the morning.

On December 17, Garthoff, our man said, and I quote from the staff memorandum, "On future ABM systems, I suggested to Kishilov the possibility of a new approach to meeting the issue. Perhaps it would be possible to have a clear and explicit understanding, for example, in an agreed minute, that neither side would deploy a future ABM system or components without prior consultation and mutual agreement in the Standing Consultative Commission.

Now you see how they are beginning to come around to agreed statement D, that they finally agreed on in May. They started thinking in these terms, having put it off all fall, in December 1971, and they sealed it in May 1972.

Garthoff said again on December 17, "Grinevsky referred to the conversation I had had that morning with Kishilov concerning a possible alternative approach to handling future ABM systems . . . handling these matters through the Standing Consultative Commission, rather than through explicit treaty provisions, offered a possible resolution to our differences."

Then, Mr. President, I am not going through the entire thing—I will put it all in the Record here.

But the December 20, U.S. staff memorandum quotes Semenov as follows:

> Suppose that the draft treaty . . . had a provision on limiting systems other than those now known which use interceptors and launchers . . . such a provision would create the grounds for endless arguments, uncertainties. . . . He asked if the goal of the two delegations isn't just the opposite, that is to reach agreement on limiting known ABM systems. . . . Certainly such limitations on known ABM systems constitute a factor for relaxing international tension and curbing the race in strategic arms and limiting them. . . . How then could an ABM Treaty include a provision about whose content the sides do not have the vaguest notion?

Oh, oh under Senator Nunn they had a notion, it was fixed land-base versus mobile. That is absolute nonsense. These negotiators said "We just don't know whatever they would come up. How can we limit the unknown?"

The Soviets demurred.

I quote still from Semenov:

> The sides cannot and must not engage in discussion of questions not known to anyone. The task faced by the two sides is to erect reliable barriers against deployment of known ABM components in excess of the levels defined by the ABM Treaty. . . . If it should appear necessary to supplement the ABM Treaty by a provision prohibiting or limiting other ABM components in addition to those now known, this can be done in accordance with the procedures provided for in provision on review.

And I will jump now to January 11, 1972, to save the time of the Senate.

> January 11, 1972. Grinevsky said that the treaty referred to ABM systems which were defined in Article II. It could not deal with unknown other systems.
>
> Garthoff challenged this interpretation on two grounds: first, the treaty dealt not only with ABM systems compromising components identified in Article II, but all ABM systems;

That is what he was trying to contend.

> Second, the issue did not concern "other" systems but rather future ABM systems . . . .

See, even our own negotiators were talking about future. They were not talking about fixed land-based versus mobile.

I am quoting again from Garthoff on January 11:

> However, what Garthoff was referring to—and the U.S. was particularly concerned about—was precisely ABM systems and components of some new kind in the future. Garthoff repeated his reference to laser ABM interceptors as an example.

See, now fixed land-based, not mobile. After the Senator from Georgia said it was all agreed to back in September and that is what we should deal with in fixed land-based and mobile. Here in January, our own negotiator is talking about laser ABM interceptors. That is what Senator Goldwater asked General Palmer. That is what was in the Armed Service report. That is what we were talking about.

Grinevsky, on January 14, the statement reads—and, let me read it exactly.

> January 14, 1972, Grinevsky produced a Soviet draft, based closely upon (but not identical with) the statement made in the meeting that morning by Academician Shchukin. The statement read:
>
> "With a view to ensuring the implementation of the provisions contained in Articles I and III of the Treaty on the limitation of ABM systems, the Parties agree that in the event of the emergence.

They were talking about the emergence and they intermittently used the word "create" where we would use "test and development."

> In the event of the emergence of ABM systems based on other principles questions of their limitation may be discussed further in accordance with Articles XIII and XIV of the ABM Treaty."

And then from General Allison, on February 1, 1972:

> We also appear to agree that substituting a different component for one of these three in the future would result in a "future" or "other" ABM system. It seems that . . . our Delegations should be able to agree on a set of words for the interpretive statement.

Mr. President, I know I have belabored the Senate, but you have to be specific. We are asked to interpret the treaty and this bill gives us a new treaty to ratify with this little amendment. And it is an awfully, awfully dangerous precedent and dangerous to the security of the country.

Let me read one final quotation from Garthoff, on February 1. You can see how he got to agreed statement D.

> February 1, 1972. Garthoff: Grinevsky called to say that he believed his Delegation could accept the proposal if the words "based on other physical principles and" were included before the phrase "including components."

So we got to Agreed Statement D to the treaty, and I will read it:

> In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such system and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Mr. President, I ask unanimous consent that all of the references herein be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Future ABM Systems

Soviet Rejections/Questions From Negotiations Record—Regarding Future ABM Systems Leading to Development of Agreed Statement D.

1. August 17, 1971. Brown: Had we made it clear that in the first paragraph we were talking about a ban on deployment, but not on the development and testing of future kinds of systems. (No mention of fixed, land-based systems.)

Shchukin: If one could not point to specific systems in or near development status, the politicians and diplomats would probably not be interested in future possibilities.

2. August 24, 1971. Shchukin: The sides had achieved an understanding that limitations should cover such systems of ABM defense as radars, launchers, and ABM interceptor missiles. . . . In other words, the treaty should have for its subject ABM systems which could be technically described and determined. . . . What did the U.S. have in mind in speaking of such ABM systems (refers to other devices in U.S. proposed Article VI) and such devices?

3. August 27, 1971. Minister Semenov: It was his impression that it was doubtful if it (the U.S. proposal on other devices) properly applied to the subject matter of an agreement on ABM limitations.

Ambassador Smith: If future systems were not covered, uncertainties would increase.

Brown: Our objective in this Article 6 is to establish a commitment that neither side will deploy ABM systems—including future types of ABM systems—which might not use ABM interceptor missiles, ABM launchers, or ABM radars.

4. August 31, 1971. General Trusov: Did not consider it reasonable or necessary to include a provision covering what he called undefined ideas, maintaining that the provision in both the U.S. and Soviet drafts for review and amendment would be sufficient . . . a provision of the kind which the U.S. side has proposed would add an undesirable element of vagueness to our ABM agreement.

5. September 3, 1971. General Trusov: The U.S. side's objective in including a paragraph in Article 6 to provide obligations not to deploy ABM systems, including future systems, which use components other than ABM launchers, interceptors, and radars is not clear. What is, in fact, involved is conjectural systems, i.e., some possible future systems not now known to anybody . . . the U.S. side proposes to include in a draft treaty limitations on the deployment of such systems or components not known to anybody. The Soviet side does not believe that it is correct to include such limitations.

Smith: Without an agreement on future systems . . . it would be a cruel illusion to the peoples of both nations to say that we had concluded an agreement on ABM systems.

6. September 8, 1971. Col. Fedenko: If ABM means different from those presently known . . . should be detected by national means, the problem could be examined by the Standing Commission.

7. September 8, 1971. Karpov: Believed it was wrong to limit means not known to anyone. Up to now, he noted, the subject of our discussions was limitations on concrete and specific ABM systems . . . which might exist and could be verified by national means . . . we should adhere to this subject in the future too. . . . He noted that appropriate procedures for handling these questions are envisaged . . . the Standing Consultative Commission would "consider" . . . additions and amendments.

Graybeal: He felt that an operative article indicating clearly the objectives with regard . . . to future systems would be far more useful than merely referring these questions to the Standing Commission. . . . He noted that the texts (referring to paragraph 2 of U.S. proposed Article VI and Soviet Article V) were similar with two exceptions . . . the U.S. text refers to future devices, and reflects the basic difference in view (referring to future ABM systems) which we have been discussing in relation to paragraph 1 of the U.S. Article 6.

Graybeal: Asked whether the language of the Soviet working paper (responding to U.S. Article VI.2.) covered devices other than ABM launchers, interceptors, and radars . . . and whether transportable systems or components would be considered as mobile systems or components.

Barlow: "Said that by transportable systems" we mean interceptors, launchers, and radars.

Karpov: Said he would review the U.S. remarks . . . wished to ask however whether the term mobile included the term transportable . . . asked if this also applied to sea-based, air-based, and space-based systems. Graybeal responded affirmatively.

8. September 13, 1971. Col. Fedenko: Reiterated the standard Soviet arguments against including any general provisions on future undefined ABM systems.

9. September 15, 1971. Karpov: Argued that the new formulation of Soviet paragraph 1 (U.S. paragraph 2) of Article 6 (V) obviates the requirement for the phrase "other devices for performing the functions of these components" appearing at the end of U.S. paragraph 2.

10. September 17, 1971. Smith: Had the feeling that the Soviet position on Article 2 reflected a desire that nothing be done to prejudice the Soviet position on the issue treated in paragraph 1 of Article 6.

Semenov: Bearing in mind that inclusion of uncertainties in an agreement would surely lead to all sorts of misunderstandings in the future . . . with reference to the U.S position on Article VI . . . he would not care to say any more . . . this problem would be kept in his field of vision . . . for the next Vienna phase.

11. September 20, 1971. Garthoff: Stated there would remain seven points of difference including a provision to cover future "unconventional" ABM systems.

12. November 30, 1971. Shchukin: The Soviet side cannot recognize as well-founded the proposal of the U.S. involving an obligation not to deploy ABM systems using devices other than . . . missiles, . . . launchers, . . . radars . . . The subject of a Treaty (Agreement) could only be a specific and concrete limitation of ABM systems.

13. December 7, 1971. Garthoff: On Article V, both sides reiterated the strong positions which they hold on the question of the paragraph relating to future systems. . . . Kishilov and Grinevsky flatly asserted that they were certain there would be no change in the position of the Soviet side.

14. December 10, 1971. Brown: The Soviet side has objected to limits on possible future ABM systems on the basis that such systems are defined only in general terms.

15. December 14, 1971. Nitze: Noted in connection with Shchukin's comments . . . on future systems he had emphasized the inappropriateness of this subject for treaty language.

16. December 14, 1971. Semenov: Although Dr. Brown said that the question of future ABM systems, which do not include launchers, radars, and interceptors . . . I would like to ask what this is all about in concrete terms. In what does the U.S. side see a danger in the absence of a provision on this account in the treaty? If these systems cannot be defined now, except that they are not something known today, and, at the same time, the draft treaty includes a number of clear limitations and constraints not to deploy territorial ABM systems, not to give the capability for rapid reload, etc., is it not sufficient to have such limitations? To be sure, including in the treaty a provision covering something that is not known cannot be justified by any considerations, and therefore this proposition cannot be the subject of a treaty.

17. December 17, 1971. Garthoff: On future ABM systems, I suggested to Kishilov the possibility of a new approach to meeting the issue. Perhaps it would be possible to have a clear and explicit understanding, for example, in an agreed minute, that neither side would deploy a future ABM system or components without prior consultation and mutual agreement in the Standing Consultative Commission.

18. December 17, 1971. Garthoff: Grinevsky referred to the conversation I had had that morning with Kishilov concerning a possible alternative approach to handling future ABM systems . . . handling these matters through the Standing Consultative Commission, rather than through explicit treaty provisions, offered a possible resolution to our differences.

19. December 20, 1971. Semenov: Suppose that the draft treaty . . . had a provision on limiting systems other than those new known which use interceptors and launchers . . . such a provision would create the grounds for endless arguments, uncertainties . . . He asked if the goal of the two Delegations isn't just the opposite, that is to reach agreement on limiting known ABM systems . . . certainly such limitations on known ABM systems constitute a factor for relaxing international tension and curbing the race in strategic arms and limiting them . . . how then could an ABM treaty include a provision about whose content the sides do not have the vaguest notion? . . . Could the sides include in an ABM treaty the unknown without risk of making the treaty indefinite and amorphous? . . . The sides cannot and must not engage in discussion of questions not known to anyone. The task faced by the two sides is to erect reliable barriers against deployment of known ABM components in excess of the levels defined by the ABM treaty . . . If it should appear necessary to supplement the ABM treaty by a provision prohibiting or limiting other ABM components in addition to those now known, this can be done in accordance with the procedures provided for in the provision on review.

20. December 20, 1971. Grinevsky: Raised the question of dealing with future ABM systems through statements on the record.

Garthoff: noted that the suggestion he had advanced in this respect was for an agreed minute . . . there must be a clear agreed mutual understanding that, prior to any deployment of future systems . . . there would be consultation and agreement in the Standing Consultative Commission.

21. December 21, 1971. Grinevsky: Asked if the American side had proposed language for the suggested separate agreed understanding on future ABM systems.

Garthoff: Said he could provide an illustrative draft statement . . . as a possible solution to the impasse over the American proposal for a third paragraph in Article V. The Soviet Delegation has said on several occasions that it is opposed to the proposal by the United States to include a provision in the ABM agreement prohibiting ABM systems in the future which would use devices other than ABM interceptor missiles, ABM launchers, or ABM radars to perform the functions of those components. In order to contribute to negotiating progress, while maintaining our basic position on this matter, the U.S. side is willing to drop Article V(3) if there is a clear agreed understanding as part of the negotiating record. An Agreed Minute could read as follows:

> The Parties agree that the deployment limitations undertaken in Article I and Article III are not to be circumvented by deployment of components other than ABM interceptor missiles, ABM launchers, or ABM radars for countering strategic ballistic missiles in flight trajectory. They agree that if such components are developed and the question of deployment arises, neither side will inititate such deployment without prior consultation and agreement in the Standing Consultative Commission.

22. January 11, 1972. Shchukin: The Soviet side continues to believe that only quite specific ABM system components of which each side had a clear idea could be included in an ABM treaty. . . . For this reason the Soviet delegation continues to consider this point "not suitable" for inclusion in the draft ABM treaty we were negotiating.

Nitze: Said he had understood from Shchukin's remarks that he believed that if ABM components other than radars, interceptors and launchers were developed, they could appropriately be the subject of consultations under Article XIII. However, if such components were developed and could, in fact, be deployed in a manner to circumvent the specific limitations of Article III of the treaty, would it not be appropriate that they also be subject to agreement between our Governments?

23. January 11, 1972. Grinevsky: Said that the treaty referred to ABM systems which were defined in Article II. It could not deal with unknown other systems.

Garthoff: challenged this interpretation on two grounds: first, the treaty dealt not only with ABM systems compromising components identified in Article II, but all ABM systems; second, the issue did not concern "other" systems but rather future ABM systems. . . . However, what Garthoff was referring to—and what the U.S. was particularly concerned about—was precisely ABM systems and components of some new kind in the future. Garthoff repeated his reference to laser ABM interceptors as an example.

24. January 14, 1972. Trusov: Affirmed the Soviet position that it is premature to discuss limiting systems which are now nonexistent, and that if and when such systems appear then limitation would be subject to discussion under the provisons of Articles XIII and XIV of the Draft ABM Treaty.

25. January 14, 1972. Shchukin: Said he had a very brief comment to make. At the January 11 meeting, Mr. Nitze had asked the question whether so-called "other ABM means" would be a subject not only for appropriate consultation but also for agreement. Both sides agree that they should assume obligations not to deploy ABM systems except as provided in Articile III of the draft ABM Treaty. In order to insure implementation of this provision of the Treaty, the sides could, in the event of the emergence of ABM systems constructed on the basis of other physical principles, further discuss the question of their limitation in accordance with Articles XIII and XIV of the draft ABM Treaty.

26. January 14, 1972, Grinevsky: produced a Soviet draft, based closely upon (but not identical with) the statement made in the meeting that morning by Academician Shchukin. The statement read:

"With a view to ensuring the implementation of the provisions contained in Articles I and III of the Treaty on the limitations of ABM systems, the Parties agree that in the event of the emergence of ABM systems based on other principles questions of their limitation may be discussed further in accordance with Articles XIII and XIV of the ABM Treaty."

27. January 26, 1972, Grinevsky: in response to the latest proposed U.S. language on the Agreed Interpretive Statement on future ABM systems strongly urged that the American side not pursue this proposed addition, i.e., a clause reading to perform the functions of ABM interceptor missiles, ABM launchers, or ABM radars. He also commented that his side had now accepted the earlier American formulation completely, and in fact had accepted the American position on the subject entirely, save only that it would be a jointly agreed interpretation rather than a paragraph in the treaty.

Draft Interpretive Statement on Future ABM Systems: In order to insure fulfillment of the obligation not to deploy ABM system components except as provided in Article III of the Treaty, it is agreed that in the event ABM system components other than ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such system components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

28. January 31, 1972, Garthoff: I suggested that perhaps we need a fresh approach, first survey the problem and see if we agreed on the substance of the matter—which I believed we did—and then find appropriate language to express this agreed position. Grinevsky saw that I was speaking from prepared notes and seemed interested. I thereupon gave him a copy . . . after reading the talking points, Grinevsky said that he believed there was complete agreement.

Garthoff Talking Points: It is understood that both sides agree that:

1. ABM systems and their components, as defined in Article II, should not be deployed except as provided for in Article III.

2. The deployment of ABM system components other than ABM interceptor missiles, launchers, or radars to perform the functions of those components is banned.

3. Devices other than ABM interceptor missiles, ABM launchers, or ABM radars could be used as adjuncts to an ABM system provided that the devices could not perform the functions of and substitute for ABM interceptor missiles, ABM launchers, or ABM radars. For example, a telescope could be deployed as an adjunct to an ABM system, whereas a laser for performing the function of an interceptor missile by rendering ineffective a strategic ballistic missile in flight trajectory could not be deployed.

4. Article III should be drafted so as not to permit the deployment of devices other than ABM interceptor missiles, ABM radars to substitute for and perform their functions.

5. If such devices are created in the future, their deployment could be provided for by limitations subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV.

29. February 1, 1972. Allison: I observed that both sides have had a clear understanding for some time that within the context of our negotiations when we speak of an ABM system we are referring to a system made up of three components—ABM launchers, ABM interceptor missiles, and ABM radars. We also appear to agree that substituting a different component for one of these three in the future would result in a "future" or "other" ABM system. It seems that . . . our Delegations should be able to agree on a set of words for the interpretive statement.

30. February 1, 1972. Nitze: It seemed to me to be most likely that if something new were to become possible in the future, that this would be of such a nature as to substitute for either launchers or interceptors or radars, but not for all three.

Shchukin: said that if a new system were developed which could substitute either for radars or for interceptor/launchers, this would be a new system and, as such, subject to Articles XIII and XIV.

31. February 1, 1972. Garthoff: Grinevsky called to say that he believed his Delegation could accept the proposal if the words "based on other physical principles and" were included before the phrase "including components."

### AGREED STATEMENT D TO THE TREATY

In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Mr. HOLLINGS. Mr. President, I have as thoroughly as I know how gone down chapter and verse to clear up this nonsense about exotics. I have also tried to clear up this nonsense that we do not understand the treaty because mobile is the thing or land-based is or fixed land-based is not or mobile is not and the like.

The debate is on current or future systems. That is the differentiation.

Now, what happens: We go into all of the language and to the Senators in the ratification. And I could go at length, but maybe we will speak a little bit more after we join in debate here.

We had the distinguished Senator from Mississippi as the chairman of the Armed Services Committee when the treaty was ratified. And if there is any doubt about what Congress had in mind and whether or not future systems were limited, let me point out one interesting fact. The very same Senate that ratified the treaty—the restrictive treaty we are told—provided just the opposite. I say this because we continued after the treaty to appropriate funds for future R&D technology without limiting it to fixed land-based systems. For fiscal year 1973, for the Army's Laser Technology Program, we appropriated $11.9 million for the Navy's high energy laser, $18.2 million; for the Air Force; strategic laser technology, $1.3 million; and for the DARPA short-wave laser technology program; $20 million.

Now, Mr. President, we continued funding and we still hear that Senator Jackson had been told "no future systems." Let us assume that they are correct—and I know they are incorrect. In fact, on the debate, Senator Jackson never even mentioned the ABM Treaty. He did ask some questions. He used the phrase fixed land-based at times, as the generals did from time to time. But, generally speaking, all of the negotiations were on current and future. Senator NUNN only quotes eight Senators who asked about future systems and the majority of them agreed with the Senator from South Carolina if you look carefully at the words used. In all candor I did not listen to them. I came to the floor, and they did not listen to me. The entire debate was 6 hours on August 3, 1972.

There was none of this, whether it is a broad interpretation or the narrow interpretation; never all that nonsense about exotics. That is not in the treaty. The debate was and is current and future.

But there could not be any doubt. That same Congress, Senator Jackson, Senator STENNIS, handling the defense authorization bill, the very one that we are discussing now for fiscal 1988, they provided all of these amounts for all of the future systems, that now the Senator from Georgia says in his amendment you cannot test and you cannot develop, which we could in 1973.

And what about 1974? Army laser technology, I say to Senator STENNIS, Army laser technology, $11.7 million. The Navy's high energy laser, $19.5 million; The Air Force's strategic laser technology, $3 million; DARPA's short wave laser technology, $17 million, that's $51.7 million.

I will never forget, because we argued this on another particular point relative to President Reagan's Strategic Defense Initiative Program.

He certainly made SDI exotic, we used to call it the Ballistic Missile Defense Program. Senator WALLOP, and I were vitally interested in the BMD Program. I was on the Defense Appropriations Subcommittee. By the time President Reagan took office in 1981–82, I say to the Senator, we had nearly $1 billion in research and development for BMD.

We have an entirely new technology now. But we were pressing and shoving President Carter to get into space because we could see the Soviets in space.

That is why we were so vitally interested in it and why we were pressing the subject at that time. All of a sudden, President Reagan comes in and takes the ball and calls it the Strategic Defense Initiative [SDI] Program. He is going to have an umbrella. He is going to end all nuclear—peace in our time. He overdescribed it and everybody said that is unrealistic and everything else. He, in his zeal and over-description about the particular subject, almost killed it.

The DOD took the Army BMD Program from Huntsville, AL, upgraded it, put it in the Air Force's hands, labeled it SDI and peace in our time, and we had an umbrella defense. And we are going to give our research to the Soviets. Well, that is nonsense. And that is why you cannot make sense, because the client, President Reagan, cannot make up his mind now.

Give me a client like Ollie North. He knows what he is doing. That is why North was so good. He had clearance. He knew what his mission was and he did it. In this whole debate, I cannot tell you whether President Reagan agrees with the ABM Treaty or not. I do not know. I would love to find out because I could make a powerful argument one way or the other. He leaves me in limbo.

What kind of nonsense do we have here with the chairman of the Armed Services Committee coming along and saying you cannot commit yourselves—the President himself says about a treaty: "I can't make up my mind, but by the way, I am going to veto it." I do not know what he is going to veto, because he might, by then, agree with it.

Mr. President, this whole nonsense started back in March. I want to quote this one thing so everybody will understand exactly what the distinguished Senator from Georgia contended and he cannot change it. Here is what he says.

I refer, if you please, Mr. President, to March 11 the CONGRESSIONAL RECORD of the U.S. Senate on page S2975. It is in the middle of the page, right at the top—talking about ABM(c).

> ABM radars, which are radars constructed and deployed from an ABM mode.

And so forth.

Then next Senator NUNN says under the title "Traditional interpretation."

> Article II defines the term ABM system generically.

False, absolutely false. It does not do it generically. It does it explicitly.

Garthoff said, and I put it in the RECORD: "We have got to be precise."

Ambassador Gerald Smith in his book said, "precisely drawn." The Soviets complained as we negotiated, let us not put anything in that is vague. Everything was precise. Nothing is generic but I will read on. We have got to correct this.

Senator NUNN says:

> Article II defines the term "ABM system" generically as a system which has the function of countering strategic ballistic missiles. The definition then lists as an illustration the components "currently" in use at the time of the agreement.

Not as an illustration but to specify. Words of specificity. Not just an illustration. You have to go along with the dance. You have to get in the rhytlım to read this particular interpretation. I quote:

> Because the clause listing the components is only illustrative—

Who said only illustrative?

> It does not limit the term ABM systems to those containing such components—

When it did. He says it does not limit ABM systens to those containing such components. "It also means,"—listen to that—

> It also means that the term implicitly covers future systems.

There is the treaty. We put it in the Record. We will read it again for you because, if you cannot find anywhere therein, Mr. President, where it says, as the distinguished chairman of the Armed Services Committee contends, that it only means that the term "implicitly" covers future systems. Let me quote again from Senator NUNN:

> Consequently, future ABM systems that might use different components, that is exotics, are within the definition.

That is totally false. Totally false. Absolutely misleading.

Any study of this record will reveal, be it the ratification records be it the negotiation record be it the subsequent practices record; and more than anything else, be it the treaty itself, that there is nothing about exotics and that Article II does not cover future systems. It is misleading to state the opposite.

If article II covered futures, then what is the agreed statement D for? Why did they go from August—from July, really, of 1971 over this same point, until May of 1972, and finally get the argument concluded by this particular provision?

> In order to ensure fulfillment of the obligation not to deploy—

It does not say testing and developing.

> not to deploy ABM systems . . . the parties agree that in the event ABM systems based on other physical principles—

It does not say land-based, fixed land-based, mobile-based—it said "other physical principles." That means they did not know what it could be—"created in the future." Why would they put in "created in the future" to be controlled by agreed statement D if article II covers future systems, We know it does not cover future systems.

I just cannot go along with this charade. They have been caught off base. They know it because they are not out here arguing against what I am saying.

They will not take the floor and argue against what I am saying. I want to hear them. I am right here. I will be glad to stay here all evening and I want to hear their arguments against the presentation I have made because there has been a lot of work in this thing. It is conscientiously done. If I am wrong, I will apologize, but I can tell you here and now, I am afraid I am not.

What we are doing is rewriting a treaty with a simple amendment in an authorization bill. What the Constitution requires by a two-thirds vote, this amendment will do by a simple majority vote and allow the House of Representatives to join in where it does not belong. If this is not the destruction of the process, I do not know what it is.

The 1972 Antiballistic Missile Treaty is a remarkably straightforward document—a model of "precise"—negotiator Garthoff—English as spoken by very careful lawyers, meticulously crafted over a year's time. For a decade and a half, there was no significant argument concerning its meaning and intent.

Today, however, that placid unanimity has been shattered. Debate rages between two creative new "interpretations" of the ABM Treaty—one tailored to suit the political agenda of the left and another championed by the right. The left's "narrow" view is that the treaty bans development, testing, and deployment of ABM systems such as the strategic defense initiative. The right counters with the interpretation that, in effect, anything goes; we can deploy SDI next week and still abide by the Treaty.

What is lost sight of in this debate is the explicit, commonsense text that was agreed to in 1972. The ABM Treaty is not a bolt of cloth we can cut to fit this or that political fashion. As one who voted for the ABM Treaty, I am dutybound to speak up for the integrity—the explicit meaning—of the Treaty as it was originally negotiated and understood by the Soviet and United States negotiators.

The treaty interpretation touted by the "deploy now" faction failed to gain a wide following and has been successfully beaten back into its cave. But the "narrow" view, championed by Senator Sam Nunn is alive and kicking. It is mischievous nonsense that cries out for rebuttal.

Senator Nunn bases his new interpretation on statements made during the 1972 ratification process in the Senate. He insists that the treaty's meaning is determined not by the literal text of the treaty or by the negotiating record, what the Soviet and American negotiators actually said and aagreed to, but by the ratification record, for example, what Senators said during debate on the treaty. This deference to the ratification record—questionable on its face—is made doubly dubious by the fact that there was next to no floor debate on the ABM Treaty. Senators debated the treaty for less than 8 hours. Majority Leader Mike Mansfield complained that no Senators wanted to speak and that the Senate was "twiddling its thumbs."

Surely commonsense dictates that the negotiating record, in concert with the explicit text of the treaty itself, must hold precedence over various Senators' "interpretations" or "readings" offered in the course of ratification debate. Let us briefly examine the text and the negotiating record.

Article II of the treaty clearly differentiates between ABM systems current at the time of the signing of the treaty and ABM systems based on "other physical principles" in the future. Development, testing, and deployment of mobile-based versions of "current" ABM technologies, for example, those existing in 1972, are clearly banned by the treaty. However, there is no such ban on the development and testing of future technologies. The treaty's agreed statement "D" says only that deployment of such future technologies is subject to negotiation and agreement.

Negotiator Dr. Raymond Garthoff stated in 1971:

> The question of constraints on future systems would be settled elsewhere than in Article II.

In concert with this assertion, agreed statement "D" says—the emphases are mine:

> In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Former Chief ABM Treaty Negotiator Gerard Smith, testifying in 1972 on the nature of restrictions on futuristic ABM systems, virtually restated agreed statement "D":

> * * * one of the agreed understandings says that if ABM technology is created based on different physical principles . . . development work, research, is not prohibited, but deployment of systems using those new principles . . . would not be permitted unless both parties agree by amending the treaty.

During ratification, Senator Barry Goldwater asked Negotiator Smith:

> * * * under this Agreement are we and the Soviets precluded from the development of the laser as an ABM?

Mr. Smith replied tersely: "No, Sir."

More recently, in testimony March 19, 1987, before the Senate Appropriations Committee, former ABM Negotiator Paul Nitze stated:

> In sum, my recollection of the negotiating process leaves me convinced that the Soviets agreed in a binding manner to prohibit only the deployment, not the creation, of systems based on other physical principles.

Indeed, it is all but forgotten that the United States negotiating team worked doggedly to get the Soviets to ban future ABM technologies. Again and again, the Soviets responded with a flat "nyet." Regarding future ABM systems, former Negotiator Lt. Gen. Royal Allison stated on June 21, 1972:

> Constraints in the Treaty apply to deployments only. Research and development are not constrained. The U.S. delegation, under instruction, sought a clear-cut ban on deployment of future ABM systems but the Soviets would not agree.

Gen. Bruce L. Palmer, testifying in 1972 before the Senate Armed Services Committee, stated flatly:

> There is no limit on R&D in the futuristic system.

Yet, despite the crystal clear text of the treaty and the equally unambiguous testimony of our ABM negotiators, Senator Nunn and his allies continue to push amemdments in Congress that would shackle the United States to his "narrow" interpretation. This is wrong. In effect, he seeks to ratify a new treaty by a majority vote of the Senate instead of the constitutional two-thirds. He further corrupts the Constitution by inviting House participation in this new "ratification process."

Senator Nunn would unilaterally bind the United States to a "narrow" interpretation that the Soviets' own aggressive SDI program left in the dust long ago. At the other extreme, militant conservatives are hell-bent on immediate deployment of an SDI system that, by any assessment, still requires a thorough program of research and development. Both sides are wrong. We must say no to the distortion and politicization of the ABM Treaty, whether from the left or the right. We must defend the integrity of this excepitonally valuable treaty.

I yield the floor for a moment, Mr. President.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I shall be brief in the remarks that I make here. I show up at this time, mainly because I have been on the committees there, both those committees, for a period of years.

This is a very difficult matter. It has been attended on both sides by a number of our very best Members on each side. Among our very best Members, not only in the field, but in the general field.

That has not included me. I have never had the privilege of working on it. I am not a specialist in that field either, so I do not take any credit in correctness about what my conclusions are.

I do know that it is a very delicate matter. It is difficult to deal with, particularly a new change in the rule, modifying it some.

I am pressured now, as we all are, by time. This is beyond the middle of September already, beyond the 16th day of September, and here are these bills that something has to be done with. They are major, far-reaching bills. With all deference to everyone, I think it is highly incumbent on us, knowing the responsibility that we have, to carry across-the-board these large sums of money around the world. I think we better clear up and clean up and pass these appropriations bills at the money levels chosen by the membership and continue to work on this question about missiles and all. We should not abandon that in the least, but we cannot hold up these major parts of our necessary items. As I say, on these far reaching and broad programs we cannot hold here, except to a degree.

I am very much concerned as a Member of this body that we let this matter pass on in some form, with that suggestion, and straighten out whatever we finally decide should be straightened out about this main question.

The Senator from South Carolina is very well versed in the subject and always makes a good speech. I always listen to him when I am around.

I will conclude with this statement, Mr. President:

As I see it, Mr. President, this amendment requires the United States to stick with the traditional, or narrow interpretation of the treaty as has existed for the past 15 years since its enactment in 1972, unless the Congress, our Congress, approves a change.

This issue has been scrupulously studied and carefully analyzed by the chairman of our committee, Senator Nunn, together with the Senator from Michigan [Mr. Levin], who is a man of great and deep ability, and in both of whom I have the utmost confidence and respect, and by the very able committee staff. They have all gone into

the matter in great depth and given it along and thoughtful consideration.

As I said, I voted in favor of the amendment during the full committee markup of the defense authorization bill this spring, and committee markup of the defense authorization bill this spring, and I will continue to support it in any way I can on the Senate floor.

I know this has to be straightened out. It should be done as soon as we reasonably can. That means delaying the rest of the budget, almost, in order to get some kind of a settlement.

In addition, Mr. President, changing the interpretation of the ABM Treaty now would raise very serious institutional questions, it seems to me, about treaty making as a whole and in particular the Senate's role in this important function.

While I believe that this whole matter should be reviewed in the light of the current day situation, and changes made, if they are appropriate, I do not believe that going back on an old treaty and reinterpreting it is the way to settle this issue. A change now in the traditional interpretation of the ABM Treaty could cause a grave misunderstanding, I think and raise all sorts of questions not only by other countries but by our own people concerning America's international dealings and our whole process of foreign affairs.

As I said, I will vote in favor of the amendment as reported by the committee. I want to encourage, thought that the matter be considered as briefly and ask rapidly as we can on the broad facts.

As I just said, if we should bring it up to date, so to speak, then that is what should be done.

Mr. WARNER. Mr. President, in a few minutes, I wish to say that while I may differ from the ultimate conclusion of our distinguished former chairman, indeed I was deeply moved by the reasoning that he provided. I have the utmost respect for his historical perspective. I hope he has observed, as I have, that to date we have had good, sound debate. We recognize the urgency to move on with this bill, the chairman's desire, and a view which I share, and we are doing our very best.

I also would acknowledge that the distinguished Senator from South Carolina has again made a very important contribution to this important debate.

Mr. STENNIS. I thank the Senator for his generous words. I appreciate the fine work he has been doing.

Mr. WARNER. Mr. President, at some point I would hope our colleague from Missouri would be given an opportunity to speak.

Mr. NUNN. Mr. President, I, too, want to commend the Senator from Mississippi. He has been my hero for a long time, even before I got to the U.S. Senate. That image of the chairman of the Armed Services Committee before I got here, meaning the Senator from Mississippi, was an image that inspired me to run for the U.S. Senate. When I arrived here, under his chairmanship, one of the great pleasures of my life has been learning in his footsteps, and watching him serve as chairman with not only ability but with absolute integrity. As far as I am concerned, the Senator from Mississippi is a Senator's Senator. I say that when he is on my side and I also say it when he and I do not agree, which is not very often because I usually follow his guidance and advice. I do not know of any other person I would rather have on my side on such an important issue as this. I commend him for his exemplary service both as chairman of the Senate Armed Services Committee, as Senator pro tempore, and as a Senator we look to for character and integrity, and as the Senator we look to when we try to define to people outside this institution what this institution is all about.

Mr. WARNER. While the manager of the bill is here, there is the pending matter of the unanimous consent request that goes to the clarification of the standing of the Glenn amendment.

As far as I know, there is no objection on this side.

Mr. NUNN. Mr. President, I thank my colleague from Virginia. We talked about this last evening. I believe the minority leader was there when we talked about it. The Senator from Ohio has been most patient. It is his amendment. He has been somewhat of a punching bag. We have not debated his amendment but we have used it as a vehicle to which other amendments were attached. He desired that his amendment be judged on its own merits. The unanimous-consent request is in three parts.

Mr. President, I ask unanimous consent that the Byrd-Nunn amendment, No. 681, adopted last night, be separated from the underlying Glenn amendment, No. 680, and treated as if it had been enacted as a first-degree amendment to be inserted in the bill at the appropriate place.

Mr. WARNER. Mr. President, after consultation with the minority leader and other Members on this side, that correctly recites the understanding that was reached last night in the nature of a refinement. We have no objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. NUNN. Mr. President, I further request unanimous consent that the word "firm" be stricken from the first line of the Byrd-Nunn amendment and be inserted after the word "foreign" in the last line of subsection (d)(2) of the Glenn amendment.

I say by way of explanation that this is a further technical amendment in putting the Glenn amendment back where it was. My colleague and I have discussed this. I would hope he would have no objection.

Mr. WARNER. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Along the same line, Mr. President, I finally request that the subsection designated (e) be stricken from the Byrd-Nunn amendment as adopted.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. No objection.

The PRESIDING OFFICER. The Senator from Virginia indicates there is no objection. Is there objection from any Member of the body? No objection being heard, it is agreed to.

Mr. NUNN. Mr. President, may I say to my friend from South Carolina, I commend him for the diligence he has applied to this task because he has gotten into this in detail. He and I have a fundamental disagreement on this matter, but I know how many hours are required to get into the detail the Senator from South Carolina has gotten into on this matter. It is a mind boggling, complex task and with his usual diligence he has gotten into it in great detail.

So we do not agree on the conclusions, but I do commend him for his diligence, for his efforts, for his dedication to the Nation's security, which has been longstanding, and for his overall contribution to this debate.

Mr. HOLLINGS. I thank the Senator.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER (Mr. Bingaman). The Senator from Missouri.

Mr. BOND. Mr. President, I have been listening to the debate that has taken place today and has continued on and off for the past 4 months. I share the concern of many of my colleagues regarding the Levin-Nunn language which prohibits the Department of Defense from conducting tests of the strategic defense initiative without the prior approval of both Houses of Congress.

Mr. President, I find the Levin-Nunn language unacceptable for several reasons. We have heard many of these reasons mentioned during today's very informative debate, but I believe this issue is so critical to our Nation's security that all interested Senators' opinions should be thoroughly and completely aired.

I agree with the interpretation of the distinguished ranking member, the Senator from Virginia, that the amendment raises constitutional concerns. This provision represents an unacceptable intrusion by Congress into the President's conduct of foreign policy. The Constitution sets forth the roles the different branches of Government are to play in the conduct of foreign policy. It provides that the President is to be the sole representative of the United States in the making of treaties. With this amendment Congress attempts to take a bigger piece of the pie by encroaching on the President's area of responsibility.

In addition, I oppose this amendment for the same reason I have opposed other arms control provisions that have been proposed in Congress, because it and they represent a unilateral constraint upon the United States.

Mr. President, when Congress enacts into domestic law provisions which unilaterally prohibit the United States from taking action which would be in our national security interest, that is not an arms control measure. That is a concession. Whether or not we conduct tests into various aspects of the strategic defense initiative should be the subject of negotiations between the United States and the Soviet Union, just as measures relating to nuclear testing or antisatellite weapons or nuclear warhead limits should be the product of negotiations between the two countries. These types of conditions should not be imposed unilaterally on our country by the Congress. The practical effect of the Levin-Nunn language is that our negotiators are forced to adopt a restricted position regarding the testing of strategic defense systems. This is similar to what Soviet arms control negotiators have been trying to accomplish at the bargaining table.

As the distinguished junior Senator from Texas said earlier today, and he said it very eloquently, the Soviets are deeply concerned about the possibility of the United States developing a strategic defense system. They do not want to see it researched, they do not want to see it tested, and they certainly do not want to see it deployed. SDI has brought the Soviets back to the bargaining table and it has kept them there. It would be a great mistake for the Congress to force our negotiators to give up the very leverage that appears to be the force behind the recent movement in arms control negotiations.

It seems clear to me that the last thing we want to do is give the Soviets the very thing they have been seeking during the past few years of negotiations without getting compensating concessions from the U.S.S.R. Regardless of whether individual Senators support SDI research, SDI deployment, or abandonment of the SDI program altogether; and regardless of whether they believe SDI should be used as a bargaining chip or that it must be deployed at all costs, simple common sense should tell us that it is a mistake to relinquish SDI as a lever at the negotiating table.

The whole point of the give and take of a negotiation is to get the best deal we can. When we show our cards before we even get to the table, we relinquish our ability to protect our interests.

Mr. President, it would be a mistake for us to enact a provision like the one we are considering today especially at a time when it appears that we are very close to concluding an arms control agreement with the Soviets. Passage of this provision can only result in the President losing leverage in his talks with Soviet leader Gorbachev.

Mr. President, today following the suggestion of our distinguished colleague the junior Senator from Oklahoma, I had the pleasure of talking with an arms negotiator. I called Dr. William Van Cleave. Dr. Van Cleave, a member of the 1969 through 1971 SALT I negotiating team, as many of my colleagues know, is a distinguished professor of strategic studies and recognized expert on arms control issues. He was a lead witness before the committee and spoke in opposition to the treaty. He said at that time that some U.S. negotiators wanted a restrictive interpretation but the U.S.S.R. rejected that interpretation.

Recently I had the honor of welcoming Dr. Van Cleave to Southwest Missouri State University in Springfield, MO, where he is establishing his center for defense and strategic studies.

What he told me today was, first, that the article by Senator Dan Quayle, our distinguished colleague from Indiana, which appeared in the June 15, 1987, Los Angeles Times, was completely accurate. Dr. Van Cleave states that the Levin-Nunn amendment would hold us to a unilateral interpretation of the treaty which the Soviets do not accept. It would treat the ABM Treaty as if it were effective and as if it were being observed when in fact the ABM Treaty has failed to prevent the establishment of a defensive capability by the U.S.S.R. and it has failed to prevent a buildup of offensive weapons by that country.

Professor Van Cleave reminded me that a book by the distinguished scholar Walter Lippmann, in 1947, said that "disarmament treaties tragically have usually been effective in preventing the armament of that side which does not want to arm." And that would be the impact of the Levin-Nunn amendment today.

Professor Van Cleave has pointed out the Levin-Nunn amendment assumes that both sides are equally complying with the ABM Treaty, but it ignores the fact that it has not prohibited, as it was intended, the development of a base for national defense of the country. First, it was to have prevented phased array radar systems, but we know in fact that the Krasnoyarsk radar and the other mobile radar systems are providing that kind of coverage. Second, it was to prevent the development of surface-to-air missiles that could be used in countering ICBM's, but the President has found probable and his advisory commission has found certain a violation of the dual testing of air defense in an ABM mode.

Third, it was to prevent the development of ground-based mobile missile components. Once again the President has found probable violation, the General Advisory Commission has found outright violations because the Soviets have proceeded to develop ABM capable mobile radars. The President has concluded that the sum of these separate violations raises the very real probability that the U.S.S.R. is developing a national ABM defense.

Professor Van Cleave urged that the Members of this distinguished body consider a comparison of what the two countries have done since the conclusion of this treaty. First, the U.S.S.R. has developed the Moscow defensive system, the ABM system for Moscow, which is permitted by the treaty. The United States has none. But to go beyond that, the U.S.S.R. has embarked on a very rigorous, expensive, and continuing program to modernize the Moscow system which has been thoroughly redone and brought up to date with radars, launchers, and interceptors.

On the U.S. side, since we do not have a system we obviously have not upgraded.

Third, what is most disturbing is the U.S.S.R. has opened production lines. They are turning out equipment to be used in ABM defenses. They have set up, in modernizing the Moscow system, a production line that allows them to store, stockpile, and to prepare for prompt deployment the equipment they would need in a full-fledged nationwide ABM defense system.

The United States obviously has gone nowhere nearly so far.

What about the existing system? The U.S.S.R. has 6,000 radars and 12,000 launchers, most of them ready for speedy reload. They have been upgrading their SS–10 and their SS–12, blurring the difference between a surface-to-air missile and an antiballistic missile.

Here, the United States has some radars and has some F–15's but we have virtually no defensive capability going beyond the aircraft intercept.

In the final area, the U.S.S.R. has a research program. And here so does the United States. We have what we are calling the SDI, the strategic defense initiative. Professor Van Cleave suggests that it really is kind of the other way around. The U.S.S.R. has

more heavily funded the longstanding research into a program which General Abrahamson and Admiral Crowe said give them a lead. They have the strategic defense initiative. They are on the initiative. What we have is a strategic defense response.

Finally, Professor Van Cleave points out that, as the Wall Street Journal said in its July 15 editorial, the U.S.S.R. has targeted and tracked an ICBM with a laser. This would be in violation of the Levin-Nunn amendment. They have already done the things that the Levin-Nunn amendment would prohibit us from doing.

Based on his views, those of Professor Van Cleave, and what we have heard and learned from others, Mr. President, I ask how we in this Congress can impose on our country a more restrictive interpretation of the ABM Treaty when the Soviets are not even sticking to it now, and seem willing to go beyond the limits of even what the broadest interpretation would permit.

It is for all of these reasons that I joined with 33 of my colleagues in writing the President on May 6 to tell him that I would oppose the Levin-Nunn amendment during the Senate consideration of S. 1174, and that if necessary, I would, and I shall, vote to sustain his veto of the entire defense bill.

This debate has been almost absent of any discussion of what the Soviets are up to. And I do not think the American people understand the duplicity of the Soviets with respect to every treaty in which they have engaged.

Mr. President, I share the concern of all Members of this body regarding the importance of passing a defense authorization bill. Providing for the defense of our Nation is the most important duty of the Federal Government. Passage of a defense authorization bill this year is important to our continued ability to maintain our defenses.

I hope we will be able to remove or to at least separate this amendment from the bill so that we can proceed with the consideration of critical national security issues.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, before the distinguished Senator from Missouri leaves the floor, I want to compliment him for what he just said. He has given good advice to the Senate, and I might add, the Senator himself has received good advice from a man whom I respect highly, Bill Van Cleave, and the Senator is indeed fortunate to have Bill as a resident of his State, and a professor of a fine institution in Missouri.

I thank the Senator.

Mr. BOND. I thank the Senator.

### SOVIET ABM TREATY VIOLATIONS

Mr. HELMS. Mr. President, I want to extrapolate a little bit on what the distinguished Senator from Missouri had discussed. I will not take long. When I conclude, I am going to ask—I do not do so now—that a listing of the confirmed Soviet arms control treaty violations be printed in the Record.

First of all, just for example, and I am going to ask Mr. Sullivan to hold up a drawing, I call the Senate's attention to a drawing of the Soviet Krasnoyarsk radar and a map of the Soviet Union showing ABM radar coverage.

Mr. President, the Soviet Krasnoyarsk radar is a clearcut violation of the ABM Treaty; no question about it. It is so clearcut as to be startling. It shows the high degree of arrogance of the Soviet Union. Apparently they have decided that we are not going to protest anything, and that certainly the Congress of the United States is not going to take any firm action.

The map shows that the Krasnoyarsk radar is in the interior of the U.S.S.R. and it is oriented inward. The ABM Treaty states that it must be on the periphery of the Soviet Union and oriented outward.

The Krasnoyarsk radar pictured in the drawing is a clearcut violation itself. The recent U.S. congressional visit to inspect Krasnoyarsk confirmed the U.S. assessment that it is indeed a violation, and previously both the Senate and the House went on record that the Krasnoyarsk radar is a clear violation of the ABM Treaty—and, as such, that it is an important obstacle to any new arms control treaty.

I have arrived at the conclusion that instead of debating U.S. unilateral interpretations of the ABM Treaty, we should be debating withdrawal from ABM Treaty due to the Soviet breakout.

That, it seems to me, is inevitably the ultimate notice to the Soviet Union—that we are not going to put up with their violations any more.

Second, I call the Senate's attention to the drawing of the SAM–12. The President has reported to the Congress six times that it is "highly probable" that the Soviets have tested the SAM–12 in an "ABM mode" in violation of the ABM Treaty. This violation is particularly serious, because it could contribute to a Soviet nationwide ABM defense, which is the key prohibition of the ABM Treaty.

Mr. President, I ask that an annex entitled "Confirmed Soviet SALT Violations," be printed in the Record. I might add, Mr. President, that I have made certain that all information herein has been declassified and cleared for my public use by the CIA.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Annex: Confirmed Soviet SALT Violations

### A. Presidentially Confirmed Expanding Pattern of Soviet SALT II Breakout Violations—Total of 24:

I. SS-25 road mobile ICBM—prohibited second new type ICBM:

1. Development since 1975;

2. Flight-testing (irreversible) since February, 1983;

3. Deployment (irreversible) since October, 1985—over 100 mobile launchers—"direct violation":

4. Prohibited rapid-refire capability—doubles or triples or quadruples force;

5. Reentry Vehicle-to-Throw-Weight ratio over 1 to 2 (and doubling of throw-weight over the old SS-13 ICBM)—probable covert SS-25 two or three MIRV capability—"direct violation";

6. Encryption of telemetry, "direct violation".

II. Excess Strategic Nuclear Delivery Vehicles (SNDVs):

7. Strategic Nuclear Delivery Vehicle de facto limit of 2,504—Soviets have long been at least 75 to over 600 SNDVs over the 2,504 SNDV number only they had when SALT II was signed in 1979, thus illustrating the clear fact that SALT II was fundamentally unequal.

III. Prohibited SS-N-23 Heavy SLBM:

8. Heavy throw-weight prohibited—conclusive evidence (irreversible);

9. Development since 1975;

10. Flight-testing (irreversible);

11. Deployment on Delta IV and probably on Delta III Class submarines (irreversible);

12. Encryption of telemetry.

IV. Backfire Intercontinental Bombers Excess Number and Extended Range:

13. Arctic basing, increasing intercontinental operating capability;

14. Probable refueling probes, also increasing intercontinental operating capability;

15. Production of more than 30 Backfire bombers per year for an estimated period of over five years, making more than an estimated 12 extra Backfire bombers;

V. Camouflage, Concealment, and Deception:

16. Expanding pattern of camouflage, concealment, and deception (Maskirovka), deliberately impeding U.S. verification.

VI. Encryption:

17. Reported almost total encryption of Soviet ICBM, IRBM, SRBM, SLBM, GLCM, ALCM, and SLCM telemetry.

VII. Concealment of ICBM Launcher and Missile Relationship:

18. Reported probable concealment of relationship between SS-24 missile and its mobile ICBM launchers, and concealment of the relationship between the SS-25 missile and its mobile ICBM launchers.

VIII. Prohibited SS-16 Mobile ICBM:

19. Confirmed concealed deployment of 50 to 2000 banned SS–16 mobile ICBM launchers at Plesetsk test and training range, now reportedly probably being replaced by a similar number of banned SS–25 mobile ICBM launchers.

IX. Falsification of SALT II DATA Exchange:

20. Operationally deployed, concealed SS-16 launchers not declared;

21. AS-3 Kangaroo long-range-air-launched cruise missile range falsely declared to be less than 600 kilometers, and not counted.

X. Excess MIRV Fractionation:

22. SS-18 super heavy ICBM—NIE reportedly states that SS-18 is deployed with 14 warheads each instead of the allowed 10, adding over 1,230 warheads.

XI. Exceeding SALT II MIRV Missile Sublimits:

23. and 24. The Reagan Administration confirmed on August 7, 1987, that:

"The Soviets exceeded the SALT II sublimit of 1,200 permitted MIRVed ICBMs and MIRVed SLBMs when the 5th Typhoon submarine recently began sea trials. Moreover, some SS-X-24 MIRVed ICBM railmobile launchers should now be accountable under the SALT II sublimit on MIRVed ICBMs. It appears that the Soviets have not yet compensated for any of the SALT II-accountable SS-X-24 launchers. Therefore, the Soviets may also have exceeded the SALT II sublimit of 820 MIRVed ICBM launchers." This judgment has been further confirmed as accurate.

The Soviets reportedly informed U.S. arms control negotiators in Geneva in late 1983 that they intended to exceed the SALT II sublimits of 820, 1200, and 1320, which they are now in fact doing. And Soviet leader Gorbachev confirmed to President Reagan at the Iceland Summit on October 11, 1986, that the SS-24 was deployed.

Moreover, the Soviets are reportedly flight-testing the even heavier throw-weight follow-on to the super heavy SS-18 ICBM, in violation of the SALT II absolute ceiling on SS-18 throw-weight. This SS-X-26 ICBM, the follow-on to the SS-18, will certainly result in further excess MIRVing on the SS-18, because it will probably carry 20 warheads.

. B. Presidentially Confirmed Expanding Pattern of Soviet SALT I Interim Agreement Break Out Violations—5 Violations:

1. Soviet deployment of the Heavy SS-19 ICBM and the Medium SS-17 ICBM to replace the Light SS-11 ICBM was a circumvention defeating the object and purpose of the SALT I Interim Agreement. Article II of the Interim Agreement prohibited Heavy ICBMs from replacing Light ICBMs. This violation alone increased the Soviet first strike threat by a factor of six.

2. Soviet deployment of modern SLBM submarines exceeding the Limit of 740 SLBM launchers, without dismantling other ICBM or SLBM launchers, which the Soviets actually admitted was a violation.

3. Soviet camouflage, concealment, and deception deliberately impeded verification.

4. Circumvention of SALT I by deploying SS-N-21 and SS-NX-24 long range cruise missiles on converted Y Class SLBM submarines which "is a threat to U.S. and Allied security similar to that of the original SSBN."

5. "The United States judges that Soviet use of former SS-7 ICBM facilities in support of the deployment and operation of the SS-25 mobile ICBM is a violation of the SALT I Interim Agreement."

As Defense Secretary Weinberger stated on December 11, 1986, "SALT I and SALT II have been largely irrelevent to the Soviet military buildup. Both agreements merely codified and authorized large increases."

C. Presidentially Confirmed Expanding Pattern of Soviet SALT I ABM Treaty Break Out Violations—Nine Violations.

1. The siting, orientation, and capabilities of the Soviet Krasnoyarsk ABM Battle Management Radar "directly violates" three provisions of the SALT I ABM treaty. The Soviets have privately admitted this violation to themselves.

2. Over 100 ABM-mode tests of Soviet SAM-5, SAM-10, and SAM-12 Surface-to-Air Missiles and radars are "highly probable" violations of the SALT I ABM Treaty. Two high Soviet officials have even admitted that their SAMs have been tested and deployed with a prohibited ABM capability. The Joint Chiefs of Staff have stated that the SAM-5, SAM-10, and SAM-12 all have a prohibited ABM capability.

3. The Soviets may be developing and deploying both a territorial, and a nationwide ABM defense, which violates the SALT I ban on developing even a base for a nationwide defense. President Reagan has stated that "this is a serious cause for concern." The Secretary of Defense has testified that the "Soviets have some nationwide ABM capability" already.

4. The mobility of the ABM-3 system is a violation of the SALT I ABM treaty.

5. Soviet rapid relocation without prior notification of an ABM radar, creating the Kamchatka ABM test range, and mobility of the ABM-3 radar, were violations of the ABM treaty.

6. Continuing development of mobile "Flat Twin" ABM radars, from 1975 to the present, is a violation of the prohibition on developing and testing mobile ABMs. The Soviets are now mass producing the ABM-3 system for rapid nationwide deployment.

7. Soviet ABM rapid reload capability for ABM launchers is a serious cause for concern. The State and Defense Departments state that the Soviets may have a prohibited reloadable ABM system.

8. Soviet deliberate camouflage, concealment, and deception activity impedes verification.

9. Confirmed Soviet falsification of the deactivation of ABM test range launchers is a violation of the ABM treaty dismantling procedures.

As Defense Secretary Weinberger stated on December 11, 1986, there has been: "The recent discovery of three new Soviet large phased-array radars of this type [the Pechora-Krasnoyarsk class]—a 50 percent increase in the number of such radars. These radars are essential components of any large ABM deployment. . . . The deployment of such a large number of radars, and the pattern of their deployment, together with other Soviet ABM-related activities, suggest that the Soviet Union may be preparing a nationwide ABM defense in violation of the ABM Treaty. Such a development would have the gravest implications on the U.S.-Soviet strategic balance. Nothing could be more dangerous to the security of the West and global stability than a unilateral Soviet deployment of a nationwide ABM system combined with its massive offensive missile capabilities."

D. Presidentially Confirmed Expanding Pattern of Soviet Violations of Nuclear Test Bans—Over Seventy Violations:

1. About twenty atmospheric nuclear weapons tests, August through September 1961, in violation of the 1959 Mutual Test Ban Moratorium, including a fifty-eight megaton shot.

2. Over thirty conclusively confirmed cases of Soviet venting of nuclear radioactive debris beyond their borders from underground nuclear weapons tests, in violation of the 1963 Limited (or Atmospheric) Test Ban Treaty.

3. Twenty four cases of Soviet underground nuclear weapons tests over the 150 kiloton threshold in probable violation of the 1974 Threshold Test Ban Treaty.

E. Presidentially Confirmed Expanding Pattern of Soviet Violations of Biological and Chemical Weapons Bans:

1. "The Soviets have maintained an offensive biological warfare program and capability in direct violation of the 1972 Biological and Toxin Weapon Convention." The United States has no defenses against this capability. The Sverdlovsk Anthrax Explosion of April 1979, killing several thousand Soviets, is direct evidence of this capability.

2. "Soviet involvement in the production, transfer, and use of chemical and toxic substances for hostile purposes in Southeast Asia and Afghanistan are direct violations of the 1925 Geneva Protocol." Tens of thousands of innocent men, women, and children suffered horrible deaths from these Soviet atrocities, which are also violations of the Genocide Convention.

F. Soviet Violation of the Kennedy-Khrushchev Agreement:

The Soviets are violating the 1962 Kennedy-Khrushchev Agreement prohibiting Soviet offensive weapons in Cuba because of the reported presence of 4 to 12 or more TU-95 Bear intercontinental bombers, more than 43 nuclear-delivery-capable Mig-27 Flogger fighter-bombers, several types of strategic submarines, over 200 nuclear-delivery-capable-Mig-21 fighter-bombers, and the Soviet Combat Brigade. President Reagan, the CIA director, the JCS chairman, and the Under Secretary of Defense for Policy have all charged that the Soviets are violating the agreement.

## THE ABM TREATY—SUBSEQUENT PRACTICE

Mr. HELMS. Mr. President, along another line, last week the legal advisor of the Department of State, Judge Abraham D. Sofaer, issued the third and final portion of his study dealing with the negotiating record and the proper interpretation of the ABM Treaty. Considering the debates and the votes yesterday in this body on our role in treaty-making and its relationship to the ABM agreement, as well as our current consideration of S. 1174, I believe it is essential at this time at least to have a portion of Judge Sofaer's report made available for the RECORD, so that Senators, if they care to, can read it, and I hope they will, because Judge Sofaer's comments thus far, except for a few contrived, controversial aspects, have been pretty well kept secret in this town, particularly in the news media.

Part III of the legal adviser's overall study centers on the subsequent practice following the ratification of the ABM Treaty, particularly the conduct of the parties, the bilateral agreements and exchanges, and the public statements made by both sides between 1972, when the treaty was concluded and ratified, and 1985, when the President announced the results of a reexamination of the treaty in light of the negotiating record. It is the conclusion of the legal adviser, Judge Sofaer, with which I agree, because I believe it is a sound conclusion, well argued, and well presented, that the record of subsequent practice between the United States and the Soviet Union fails to validate the restrictive or narrow view of the ABM Treaty, as expounded by my good friend the distinguished Senator from Georgia [Mr.

NUNN]. Other critics of the administration have been perhaps even more vociferous than Senator NUNN.

As I have pointed out on several occasions, Mr. President, the ABM Treaty is ambiguous in the wording of the articles and clauses relating to future testing. That was also the conclusion of the distinguished Senator from Indiana [Mr. QUAYLE] in his excellent analysis delivered on the floor yesterday. It is clear that subsequent practice reveals that the meaning of the treaty language, especially the provisions resulting from last-minute compromises, such as agreed statement D, were not all that clear. For example, article II of the ABM Treaty contains the language: "of a type tested in an ABM mode." But there is no Russian language equivalent for the word "mode" and in the Russian text the phrase "of a type tested for ABM purposes" was substituted. These two statements do not mean the same thing, Mr. President, and the result is ambiguous. That is true of other parts of the treaty as well, if Senators will take the opportunity to look at it. That is why subsequent practice must be taken into account in the interpretation of the treaty and how it is to be applied.

As a general rule of international law, when there is a disagreement between the parties to a treaty as to the meaning of that document, as in contract analysis, subsequent practice is to be taken into account. Section 325 of the Restatement of the Foreign Relations Law of the United States (Revised), which represents the views of leading American scholars and jurists in the field of international law, declares that "subsequent practice between the parties in the application of the agreement is to be taken into account in interpreting the agreement." I.M. Sinclair, the former senior legal adviser to the British Foreign and Commonwealth Office, states that if the terms of a treaty are not clear, or are capable of more than one interpretation, than the context of the treaty, which includes subsequent arrangements or subsequent practice is relevant to determining the intent of the parties and the meaning of the treaty's terms. He adds that these additional factors have to be taken into account. As the legal adviser points out, in the conclusion of his study, during the 13-year period between 1972 and 1985, at no point "did the views stated by the United States and Soviet Union on the interpretation of the treaty coincide."

Mr. President, Judge Sofaer has made an important contribution to the legal analysis of the application of the ABM Treaty and its operation according to the rules of international law. It should be available to all interested Senators and others. As a matter of fact, I think it ought to be made available to the general public. It is extremely important that we be aware of this study in our debate on S. 1174. Unfortunately, the total document runs 133 pages and is too long to print in its entirety. The complete document has been sent to all Senators.

I ask, Mr. President, unanimous consent to have printed in the RECORD part III of the legal adviser's unclassified study of the ABM Treaty and its subsequent practice.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### THE ABM TREATY—PART III: SUBSEQUENT PRACTICE SEPTEMBER 9, 1987

### I. INTRODUCTION AND SUMMARY OF CONCLUSIONS

This is the third of three parts of a study of the ABM Treaty's application to so-called "future" ABM systems. The purpose of this three-part study is to ascertain the Treaty's meaning on this issue. The first part, originally prepared in October 1985, and completed in May 1987, examined the Treaty language and negotiating history. It concluded that the Treaty text is ambiguous, and that the negotiating record establishes that the Soviet Union refused to agree to prohibit the development and testing of mobile ABM devices based on other physical principles ("OPP").

The second part, also completed in May 1987, examined the ratification record of the Treaty. It concluded that no change occurred in the international obligations undertaken in the Treaty through any condition, reservation, or understanding. It also found no basis in the Senate record to conclude that the Senate's consent to ratification was premised on a generally held intention that the Treaty prohibit development and testing of mobile OPP devices, or that the Senate had taken any action that would bind the President to the "restrictive" interpretation as a matter of domestic law. The study found, however, that the Senate record contains representations by Executive officers to the Senate which support the restrictive interpretation, upon which Senators could justifiably have relied in granting advice and consent. It concluded that the President should give appropriate weight to such representations and to any understandings reflected in the ratification record even though they may not be binding as a matter of law.

This third and final part of the ABM study examines the agreements and practices of the parties subsequent to ratification of the Treaty. It then describes and applies to the record of subsequent practice the controlling principles of international and domestic law.

This part covers all forms of subsequent practice potentially probative of the parties' intentions with respect to the regulation of OPP systems. It begins with the period immediately following the ratification of the Treaty, and proceeds up to the President's announcement in October 1985 of the results of a re-examination, in light of the negotiating record, of the meaning of the ABM Treaty as it applies to ABM systems and components based on OPP. An analysis of materials beyond October 1985 would in general have limited utility, because those materials have been widely published and because after that date the relevant materials largely consist of defenses of the interpretations presently at issue. It is noteworthy, however, that Soviet positions advanced since October 1985 differed in material respects from the restrictive interpretation held by the U.S. prior to that time.

This version of the study is unclassified in its entirety. A classified version has also been prepared, including material and appendices which could not be publicly released because of the need to protect intelligence sources and methods, and the confidentiality of certain diplomatic exchanges. The full classified version has been provided, under appropriate arrangements, to the Senate for examination by Senators.

### *A. The record of subsequent practice*

An evaluation of the significance to be accorded any particular evidence of subsequent practice must be based on controlling legal principles, which are discussed below. One circumstance, however, deserves mentioning at this point. In general, actual conduct by the parties reflecting a common understanding of treaty obligations is entitled to much greater weight than mere statements separated from actual conduct. Likewise, conduct based on a consistent, common understanding of obligations is entitled to much greater weight than actions which cannot clearly be attributed to treaty considerations, or which are based on shifting, vague or inconsistent understandings. Despite the extensive collection of relevant materials in this study, there is little evidence of a pattern of conduct based on a consistent, common understanding of treaty obligations. Most of the evidence examined in this study consists of statements, usually unconnected with any action having probative worth. A principal reason for this has been the fact that the parties have not had the programmatic need or technological capacity for very long to develop and test OPP systems or components that are ABM-capable.

Further, it has often been impossible to ascertain whether conduct by the U.S. has been common with conduct of the Soviets. Soviet practice cannot be analyzed or evaluated in the same manner as U.S. practice. The Soviet Government publishes no reports of its BMD activities, and internal debates over the scope of Soviet obligations, if they occur, are never revealed. U.S. officials hold a variety of views concerning Soviet behavior in interpreting treaties. One view describes the Soviets as determined to construe their treaty obligations narrowly, but also to avoid or disregard such obligations whenever desirable, as reflected by construction of the Krasnoyarsk radar. Soviet statements concerning the ABM Treaty, moreover, must be regarded as potentially reflecting Soviet interests as perceived at the time each statement is made; this is clearly demonstrated by the variety of inconsistent positions taken by Soviet negotiators between 1972 and 1985.

For the purpose of analysis, the record of subsequent practice has been divided into four periods: (1) 1972–74, when the parties were initiating their compliance with the Treaty and sorting out basic issues; (2) 1974–78, when the parties conducted their first formal five-year review of the Treaty and negotiated important clarifying interpretations of some of its provisions; (3) 1978–83, when the Executive Branch began publicly to articulate the restrictive view of the Treaty, and to state its applicability to the pre-SDI research program on ballistic missile defense; and (4) 1983–85, when the President announced the SDI program and the U.S. stated that the restrictive interpretation applied to the accelerated U.S. effort, while the Soviet Union began to attack SDI on various legal grounds and doubts as to the validity of the restrictive interpretation began to be expressed more widely within the USG.

Between 1972-74, a few public statements were made by either government concerning the ABM Treaty. During Soviet ratification proceedings, Soviet Defense Minister Grechko stated that the ABM Treaty did not preclude research and experimentation aimed at solving the problem of defending the country against nuclear missile attack. Other Soviet statements stressed the Treaty's ban on deployment of new systems, and disclaimed any binding effect to unilateral, U.S. interpretations.

A strong divergence of views within the Executive Branch, as to the proper interpretation, became evident during the formulation of the internal directive on compliance by the U.S. Government with the Treaty. This directive proceeded from a draft which would have embodied the restrictive interpretation in critical provisions, to a final version which was consistent with either view and left the issue of development and testing of mobile OPP devices for policy-level decision at such time as an OPP system became ready for testing. These changes resulted from disagreement or doubt about the restrictive interpretation in several offices within the Department of Defense; in particular, the three military branches expressed or suggested the view that the restrictive interpretation had been unilaterally assumed by the U.S.; at the same time, the Joint Staff stated that the instruction "appeared more restrictive than called for by the agreements and in other instances appeared ambiguous." Statements of Executive Branch officials before Congress in this period varied, but were essentially ambiguous. The former legal adviser to the SALT I delegation, John Rhinelander, articulated the restrictive interpretation in an unofficial published commentary.

Between 1974-78, the two sides engaged in bilateral discussions in various contexts which demonstrated the differences and uncertainties which still characterized their thinking on the OPP question. During the early phases of SALT II, the Soviets tabled a proposal regarding new strategic offensive systems based on other physical principles. The U.S. representative reported (after extensive discussion) that he could not ascertain whether the Soviets believed that all such arms should be banned in the absence of agreement to permit them, or permitted in the absence of agreement to ban them; the proposal was later dropped by the Soviets. In the course of these discussions, the U.S. representatives recalled that Agreed Statement D banned the deployment of OPP systems in the absence of agreement to the contrary, but the Soviet representative (Semenov, who led the USSR ABM Treaty Delegation) suggested that this might not be a correct reading of the Treaty.

During the negotiation in the SALT II Treaty of the definition of independently targetable reentry vehicles, the Soviets accepted the phrase "other devices" for the purpose of including in the provision's regulatory scope future, unknown devices that could serve the functions involved. The Soviets had rejected identical language proposed by the U.S. for the ABM Treaty, stating then that they opposed coverage in the ABM Treaty text of unknown, future devices. The Soviet SALT II negotiator explained that coverage of current and future ABM devices was achieved in the ABM Treaty through a combination of Article II(1) and Agreed Statement D.

USG preparations for the first formal ABM Treaty Review Conference in 1977 resulted in extensive interagency consideration of a proposal to seek clarification of the OPP question from the Soviets at the Conference. The records associated with this exercise show: (1) that no uniform interpretation of the Treaty existed within the USG, with ACDA advancing the restrictive interpretation, the DCI and the JCS Chairman questioning or rejecting such restraints, and OSD expressing uncertainty as to what the Soviets had agreed; and (2) that the U.S. remained unclear as to whether or not the Soviet Union agreed with ACDA's "understanding" of the Treaty's limitations on future ABM systems. The USG decided against raising this issue with the Soviets at the Conference. The issue of future systems was raised informally on instructions with a Soviet negotiator, however, who failed to confirm that any obligation existed under the Treaty concerning future systems beyond the obligation to discuss them in the SCC.

In 1978 the two parties concluded clarifying interpretations that dealt, among other things, with the meaning of "tested in an ABM mode" in Article II(1) of the Treaty. In this Agreement, and in many prior exchanges, the Soviets emphasized their view that ABM systems regulated by the Treaty were comprised exclusively of the three conventional components listed in Article II. In one provision of the clarifying interpretations, the parties agreed that, if an ABM interceptor missile were given the capability to carry out interception without the use of ABM radars for guidance, application of the term "tested in an ABM mode" would be subject to additional discussion and agreement in the SCC. The record of the discussion of this provision does not clearly indicate a mutual understanding by the parties of its implications: the Soviets made clear that they considered that if an ABM interceptor were given such a capability it would be part of a system based on OPP. The interpretation contemplates that the creation of such a system would be permitted, though the issue of the application of the phrase "tested in an ABM mode" would be subject to discussion and agreement. (Under either interpretation of the Treaty creation would be permitted, but under the restrictive interpretation testing would be limited to a fixed land-based mode.)

Three former U.S. SALT I negotiators made statements during this period supportive of or implying the restrictive interpretation in a written public debate on the issue; protagonists from the Hudson Institute and the Rand Corporation disagreed. Official publications of the USG for the period prior to 1978, including ACDA's "Arms Control and Disarmament Agreements" are ambiguous, and refer to the treatment of OPPs in Agreed Statement D as a matter separate and distinct from the treatment of mobile and space-based systems in Article V.

Between 1978-83, the Executive Branch stated its position on the interpretation of the ABM Treaty in various public Arms Control Impact Statements ("ACIS") published during that time. The 1979 ACIS (submitted on February 28, 1978) was prepared in ACDA, and articulated the restrictive interpretation of the Treaty. No legal study or memorandum concerning the Treaty or its negotiating history has been located that might have been used to support this result; a DOD suggestion that the conclusion representing only the "U.S. position" (and, presumably, not necessarily the Soviet position) was rejected on the ground that a public suggestion that the Soviets were not bound wold be misleading and unconstructive. Some additional ACIS—particularly those submitted between 1981 and 1983—also supported the restrictive interpretation in varying degrees, as did other Executive Branch reports to the Congress and some legal memoranda in the Department of State. Personnel at the Institute for Defense Analysis objected to early ACIS drafts for incorporating the restrictive interpretation. Some support for these objections was expressed in DOD, but in 1981 a staff-level DOD official prepared an internal review that confirmed the restrictive interpretation, which was approved by other staff-level officials in DOD. A decision was made against referring the issue to appropriate senior, policy-level officials for consideration. The 1981 internal DOD memorandum relied on incomplete study of the negotiating record. Similarly, the State Department legal studies relied on incomplete excerpts from the negotiating record, compiled within ACDA in 1980, and were conclusory on key issues.

During this period, Soviet negotiators noticed public reports of U.S. BMD activities, as well as commentary on possible future plans. They complained that such activities and plans were undesirable. They did not, however, articulate a coherent view of the Treaty consistent with the restrictive interpretation.

President Reagan's announcement of the SDI program in March 1983 promised that the program would be conducted within the confines of the Treaty, but did not address which activities beyond research but short of deployment were lawful. Some Executive Branch statements after the SDI announcement supported the restrictive interpretation. These statements indicated that the Executive Branch held the restrictive view, and that the SDI program was consistent with it. Other Executive reports and statements during the same period were ambiguous.

Actions taken by the U.S. in the SDI program through October 1985 were consistent with the restrictive interpretation. During this period, the U.S. stated that its development and testing activities had been designed to be consistent with that interpretation. Those involved in the management of SDI programs found: that the tests planned or conducted required no adjustments for reasons related to the Treaty because the devices involved either were of a type that did not require exceeding the restrictive interpretation or were not ABM components (lacked ABM capability and were not tested in an ABM mode); that the objectives of the SDI program could be met during this period within the restrictive interpretation; and that in any event the U.S. was not technically capable at that time of changing the test program in ways that would go beyond the restrictive interpretation and at the same time offer significant program advantages.

Prior to October 1985 only one series of SDI tests arguably involved an ABM system or device based on OPP (the Homing Overlay Experiment, or HOE); that test would not have been conducted differently under the broad interpretation because it involved the testing of a fixed land-based ABM system. Otherwise, only planning for future

tests (such as the Delta-180 test in September 1986) was affected by the restrictive interpretation during this period.

During 1984 and 1985, certain developments led to a determination within the Executive Branch that the OPP question deserved greater study than it had previously been accorded. DOD officials charged with SDI responsibilities sought guidance on the Treaty's scope and received conflicting advice. U.S. negotiators in talks with the Soviets were puzzled by certain Soviet positions and advised further study of the negotiating record. These and other activities led to substantial differences of views within the Executive branch, causing Secretary of State Shultz to order the Legal Adviser to prepare a report on the subject. The Legal Adviser's October 1985 review of the Treaty text and negotiating record, and the opinions on that study of all relevant policy-level officials in the Administration, formed the basis for President Reagan's decision of October 1985 that a broader interpretation of the Treaty was fully justified. The President also decided, as a matter of policy, that is was then unnecessary to restructure the SDI program in a manner consistent with the broad interpretation.

Congress responded to the President's Strategic Defense Initiative by adopting appropriations for the SDI program that were not conditioned on any interpretation of the Treaty. Congress did, however, legislate and appropriate funds after Executive representations were made that the program would be consistent with the restrictive interpretation.

The SDI announcement caused a dramatic increase in the attention given by the Soviets to the OPP issue. They reformulated their position on the ABM Treaty and advanced several different arguments in an effort to attack the SDI program. Their position has consistently been in support of an interpretation narrower than the restrictive interpretation. They have stated, for example, that research, as well as development and testing, on space-based OPP systems and components, is inconsistent with the Treaty. They advanced other more restrictive interpretations, which would limit in various ways the scope of research permitted on space-based OPP systems, and prohibit all research, development and testing intended ultimately to provide a territorial defense.

These different viewpoints were argued at length in bilateral discussions, but were never resolved. At no time have the Soviets accepted the restrictive interpretation. Furthermore, while the Soviet positions would have the effect of prohibiting development and testing of space-based OPP devices, the Soviet argument regarding Article II(1) was consistent with the broad interpretation, and its views of Article V(1) were, before October 1985, inconsistent with any position ever held by a U.S. official and have no basis in the Treaty text or negotiating history. Since October 1985, they have adopted a functional definition for ABM systems consistent with the restrictive interpretation of Article II(1). However, their interpretation of Article V(1) prohibitions remains more restrictive than the restrictive interpretation.

No clear evidence has been developed as to what interpretation the Soviets have applied in practice to their own BMD programs. Existing evidence does not convincingly establish that the Soviets have advanced to the development stage with respect to mobile OPP ABM systems; but in light of existing limitations, a confident judgment on this issue is presently impossible. Available evidence clearly establishes, however, that Soviet BMD activities have included research, development and testing of types which they have characterized as inconsistent with the Treaty. The Soviets also plainly violated the Treaty in proceeding with deployment of the Krasnoyarsk radar.

### *B. Legal conclusions*

#### 1. *International legal obligations*

International law requires consideration of subsequent agreements and conduct of the parties in construing a treaty, particularly to resolve ambiguities. The strength to be accorded such practice depends upon the evidentiary value of particular activity on the issue being examined. In general, concurrent conduct, reflecting agreed understandings, is entitled to much greater weight than unilateral statements communicated by one party to another; internal deliberations are entitled to little if any weight in ascertaining an agreed understanding. Written agreements represent a particularly valuable source of subsequent conduct, and conduct tends to have greater weight when it is closer in time to the agreement being construed.

The record of subsequent conduct of the parties to the ABM Treaty does not establish that the parties had intended in 1972 to prohibit the development and testing of mobile OPP devices. It does, however, provide important insight into the parties' understandings of these issues, at various points, and as they developed over time. These understandings must be considered in arriving at any final judgment on the interpretation of the Treaty.

During negotiation of clarifying interpretations and at other times between 1972 and 1978, the Soviets repeatedly expressed the view that the Treaty was intended to regulate conventional ABM systems. U.S. negotiators disagreed with this view, but accepted the Soviet text in this respect for purposes of the interpretations. These agreed provisions may be read as lending support to the broader interpretation and are entitled to substantial weight in the interpretation of the Treaty. One of the interpretations also contains a provision that deals with an ABM missile that is guided without an ABM radar. The Soviets insisted upon treating the substitute guidance system in the same manner as OPP, making the testing in an ABM mode of such a system subject to discussion and agreement. These agreements relate only to particular aspects of the OPP problem, however, and therefore establish no definitive interpretation of the Treaty's application to development and testing of mobile ABM devices based on OPP.

Apart from the formal agreements of the parties, their exchanges, statements, and conduct on matters relating to the OPP question do not evidence a common and consistent understanding of the Treaty interpretation question. The U.S. position in bilateral discussions before October 1985 appears to have been consistent with the restrictive interpretation throughout this period; U.S. negotiators on several occasions indicated a view consistent with reading Article II(1) and the Treaty proper to regulate OPP systems and components.

Substantial doubt and disagreement, nevertheless, was expressed within the USG at various times throughout this period on the OPP question. These internal doubts and disagreement show that positions implying the broader interpretation were supported throughout the period by knowledgeable individuals. The doubts expressed concerning the restrictive interpretation principally took the form of questioning whether the Soviets had agreed to it. Soviet statements and contentions, particularly during the 1972-79 period, lent credible support to these internal USG doubts, since these statements indicated that the Soviets did not share the restrictive interpretation. Internal evidence is entitled to little, if any, weight under international law, however, as it cannot be treated as common or concordant conduct, establishing agreement as to what the parties meant in 1972 with respect to the interpretation of the Treaty. But the evidence of internal doubt, combined with a lack of Soviet confirmation, reflected the absence of any commonly held view.

The Soviet position in bilateral discussions has changed substantially between 1973 and 1985, evidently in response to the Soviet perception of its national interests. During the period from 1972 to 1978, Soviet negotiators repeatedly took the position that Article II(1) of the Treaty defined ABM systems within the Treaty text as only those consisting of ABM interceptor missiles, launchers, and radars; they never during this period indicated agreement with the restrictive view, and on at least two occasions failed to respond to opportunities to confirm that even the deployment of OPP devices was banned. Soviet statements began to change only around 1979, when the U.S. published extensive descriptions of its expanded BMD activities and plans; Soviet views shifted dramatically in 1983 after President Reagan announced SDI, when Soviet negotiators expressed views of the Treaty, based primarily on Article I(2), more restrictive in material respects than those of the U.S., and on an interpretation of Article V(1) which lacks any basis in the Treaty or its negotiating record.

Actions taken by the U.S. in its BMD programs through October 1985 (including the SDI program) have been consistent with the restrictive interpretation. This fact does not necessarily indicate a subsequent practice establishing agreement of the parties. During this period, the U.S. explicitly stated that its development and testing activities had been designed to be consistent with the restrictive interpretation. These tests required no adjustments for reasons related to the Treaty, however, because the devices involved either were of a type that did not require exceeding the restrictive interpretation or were not ABM components (lacked ABM capability and were not tested in an ABM mode). The objectives of the SDI program could be met during that period, moreover, within the restrictive interpretation, and the U.S. in any event was technically incapable at that time, in the view of SDI officials, of changing the test program in ways that would go beyond the restrictive interpretation and at the same time offer significant program advantages. Prior to October 1985, only planning for future tests was affected by the restrictive interpretation. Finally, these activities were conducted consistent with the restrictive interpretation because that view of the Treaty was reflected in the FY79 ACIS, and supported in some subsequent ACIS, without sufficient study.

No comparable record exists with respect to Soviet structuring of its BMD program. We have insufficient evidence to determine whether the Soviets reached the stage at which development and testing activities inconsistent with the restrictive interpretation would have been feasible and useful, but were not undertaken for reasons of Treaty compliance; the Soviets may, moreover, have conducted tests or advanced devices without U.S. detection. Soviet BMD activities, including research and experimentation clearly oriented toward possible future mobile OPP systems, have certainly been inconsistent with the more restrictive views advanced by the Soviet side since announcement of the SDI program (e.g., that the Treaty prohibits research into ABM devices the deployment of which is prohibited). They have also deployed a radar at a place where radars of that type are prohibited under any interpretation of the Treaty.

This record of subsequent practice establishes no binding international legal obligation by the U.S. and the USSR to follow the restrictive interpretation. At no time have U.S. and Soviet views coincided on the application of the Treaty to OPP systems. During the period from about 1983 to October 1985 the statements of the U.S. and the Soviet Union, though based on different theories, would both have had the result of precluding development and testing of space-based (and presumably other mobile) OPP systems, despite their disagreement on other aspects of the problem. The Soviet view during that period, however, was based on a reading of Article II(1) that is inconsistent with the restrictive interpretation, and in fact supports the broader view, and on a reading of Article V(1) which is radically different from any advanced by the U.S. and which lacks support in the Treaty language or negotiating history. Only after October 1985 when the broad interpretation was found fully supported by the U.S. Government did the Soviets adopt a functional definition for Article II(1). However, their interpretation of Article V(1) prohibitions remains more restrictive than the restrictive interpretation. Furthermore, this period represents less than three of the fifteen years since the entry into force of the Treaty. Finally, insufficient proof exists that the parties engaged in conduct probative of the restrictive view that was consistent and common. The parties appear to have been incapable of the most probative forms of conduct during most if not all the period from 1972 to 1985; and we have insufficient evidence in any event to judge whether Soviet behavior was in fact consistent with the restrictive view.

### 2. *Domestic legal obligations*

As discussed in pp. 42-55 of Part II of this study, the interpretation of a treaty for purposes of domestic law is based, in the first instance, on the principles of international law that govern treaty interpretation. In some respects, however, the obligations of the President under U.S. law with respect to the interpretation of a treaty may draw upon additional considerations, due to the allocation of governmental powers under the U.S. Constitution.

No special preference is given under international law to the interpretations of a treaty made by governmental authorities of either party. In applying the provisions of a treaty for purposes of domestic law, however, U.S. courts will typically give great weight to any reasonable interpretation articulated by the U.S. Executive Branch. As explained in Part II, this results both from the normal deference given to Executive agencies in interpreting federal statutes, and from the special deference given to the President in the interpretation of treaties as an aspect of conducting the nation's foreign affairs. While longstanding interpretations by the Executive Branch must be accorded great weight, the Supreme Court has also accorded great weight to an interpretation even though it had not been previously maintained by the Executive Branch.

The President is obliged under U.S. law to comply with constitutionally valid legislation enacted subsequent to the ratification of a treaty, even if it is inconsistent with U.S. international obligations under the treaty. Similarly, communications between the Executive Branch and Congress subsequent to ratification, while usually of little weight under international law, are likely to be given more serious consideration by U.S. courts in the interpretation of treaty provisions for domestic law purposes.

As noted in Part II, the interest in avoiding non-mutual international obligations should be weighed against finding that the President has domestic-law obligations different from those that are binding on the other treaty partner. Furthermore, the President's powers to interpret treaties and to conduct foreign affairs should not be limited absent clear indication that such limitations were specifically intended. On the other hand, while legally binding limitations on Executive discretion are disfavored, the President must give proper weight in exercising his powers to all relevant matters and evidence, including Executive Branch representations to Congress, and indications of legislative reliance on such representations.

Nothing in the record of subsequent practice of the ABM Treaty binds the President as a matter of domestic law to the restrictive interpretation. Nonetheless, a substantial number of Executive representations have been made to Congress, beginning with the 1979 ACIS, and lasting until late 1985, which support the restrictive interpretation to one degree or another. Relevant statements include those made by SDIO in its 1985 annual report (completed while the Executive Branch was beginning its first comprehensive review of the negotiating record). Congressional appropriations for SDI during FY 1985-86 were not expressly conditioned on any interpretation of the Treaty; however, Congress has legislated and appropriated funds with these representations on the record, arguably creating an expectation that the restrictive view would continue to be followed. Since October 1985, Congress appropriated funds for FY87, but did not condition their expenditure on continued observance of the restrictive interpretation. The body of substantial evidence that supports the broader interpretation has been essentially internal, and only after completion of a legal review in October 1985 has the Executive clearly articulated the broader view and communicated to Congress the evidence and arguments that support it.

The President should give appropriate weight to Executive representations made to Congress, and expectations developed by legislators, during the post-ratification period, in determining and exercising his lawful discretion to interpret the ABM Treaty. Congress, on the other hand, is also constitutionally obligated, in exercising its constitutional powers, to weigh in good faith the full record of evidence relevant to the ABM Treaty's lawful interpretation, and to defer to reasonable Executive judgments as to the meaning of such evidence, including evidence of subsequent conduct.

Mr. HELMS. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I have listened to the debate and speeches in this body over the past 5 months about the correct interpretation of the ABM Treaty, and whether the development and testing of advanced strategic defense technologies are permitted by this treaty. We have also heard a great deal about the constitutional role of the Senate in giving its advice and consent.

In my judgment, what the Levin-Nunn amendment comes down to is what course of action best serves our national security interests. What effect will this provision have on the Strategic Defense Initiative [SDI] Program, and on the prospects for achieving deep reductions in the numbers of nuclear weapons?

During the discussion of his legal analysis of the ABM treaty, my friend and colleague from Georgia, Senator NUNN, said "* * * the American public and our allies need to understand that if we cannot solve current strategic vulnerabilities through arms control or our own strategic programs, we may have no recourse but to consider deploying some form of strategic defense." I think it is already clear that strategic defenses must be an essential and permanent element of the strategic balance. I thought so 15 years ago when I noted during the ABM Treaty ratification debate that the treaty "effectively prevents us from ever having the means to protect our population from a Soviet first strike."

When the ABM Treaty was signed in 1972, Ambassador Gerard Smith asserted on behalf of the United States that the limitations on ballistic missile defenses contained in the treaty would not serve our strategic interests unless strategic offensive arms were significantly reduced within 5 years. It is now 15 years later, and we all know that the promised follow-on reductions in offensive forces have not been realized. Instead, Soviet strategic offensive capabilities have multiplied, not decreased, as has the threat these systems pose to our own deterrent capability. In view of the failure of the SALT I/ABM Treaty formula to provide adequately for our security, we must now reconsider the contribution that strategic defenses can make in our deterrent posture.

There is another compelling reason for us to reconsider the role of strategic defenses in our security posture—that is the vast Soviet strategic defense research, developments, and deployment program. Again, during the ABM Treaty ratification debate, I noted that the "Treaty overlooks the fact that present ABM deployment in the United States and the U.S.S.R. is not symmetrical." The situation is far worse today. In the past 10 years, the Soviets have spent an estimated $150 billion on strategic defense—15 times as much as the United States has spent. The Soviets have the world's only operational ABM system around Moscow, which they have been modernizing and expanding. They have also violated a central provision of the ABM Treaty with the Krasnoyarsk radar. Taken altogether, Soviet strategic defense activities raise the concern that they may be preparing an ABM defense of their national territory—the very thing the ABM Treaty was designed to prevent.

If we fail to respond to the threat posed by Soviet strategic offensive and defensive programs, the implications for our security will be very grave. To respond, we must be able to explore and develop our own strategic defense technologies in the most expeditious and effective manner possible. In the current budget environment, we should insist on no lesser standard of performance from the SDI program. It is in this regard that requiring by statute that the President follow the more restrictive of two plausible interpretations of the ABM Treaty, which would be the practical effect of the Levin-Nunn proposal, becomes very important.

The broad interpretation would permit us to delay a decision on fundamentally altering the ABM Treaty regime by several years until we had confidence that the technologies which we had developed would meet our criteria for deployment. Under the restrictive interpretation, the United States would be forced to make a decision to alter fundamentally the treaty regime simply to complete the testing portion of the research program.

Under the broad interpretation the United States is allowed to conduct research, development, and testing to maximize confidence in the feasibility of strategic defenses. Specifically, this interpretation would allow the program manager to design realistic tests to integrate fully capable weapons, sensors and battle management/command, control and communication.

The broad interpretation would reduce costs significantly and allow for greater efficiency. This is accomplished through integrated testing using the most capable hardware, as opposed to piecemeal testing. We estimate that it would save 2 years in the research program and at least $3 billion dollars in establishing the feasibility of an initial defense against ballistic missiles.

Under the broad interpretation, confidence in defense feasibility would increase much faster than under the restrictive interpretation, thereby permitting an earlier decision on the desirability of defenses.

The broad interpretation of the treaty would significantly reduce program uncertainty caused by the inherent ambiguities of the treaty under the restrictive interpretation.

The broad interpretation of the ABM Treaty would allow the United States to retain the option to deploy strategic defenses in the mid-1990's. Even under ideal conditions, the restrictive interpretation would delay deployment until the late 1990's.

In addition to the greater expense of the restrictive interpretation, each month this Nation continues under the restrictive interpretation imposes a 1½ to 2-month delay in the deployment of defenses based upon the results of SDI research.

These findings, which have been presented in briefings and testimony to the Subcommittee on Strategic Forces and Nuclear Deterrence, make clear that restructuring the SDI program to take advantage of the broad interpretation of the ABM Treaty provides advantages from the point of view of cost, schedule, and confidence in the results of our SDI program. While we debate these legal technicalities, there can be little doubt that the Soviets are pursuing their own version of the SDI program unimpeded by such internal debate.

Mr. President, in the end, SDI testing is not primarily a legal or constitutional question but a political one. Should the United States pursue the development of strategic defenses for deployment as quickly and as efficiently as possible, or should we be unilaterally bound to an interpretation of the ABM Treaty that costs us time and money? I think the answer to this question is clear—we should enhance our security through strategic defenses as quickly as we can.

The Levin-Nunn amendment, by requiring as a practical matter that the President follow the more restrictive of two plausible interpretations of the ABM Treaty, would legislate inefficiency in the program at a time when we should be getting the most for our scarce defense dollar.

Mr. President, I urge the adoption of the amendment to strike the Levin-Nunn amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. EXON are printed later in the RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, thank you very much.

Mr. President, section 233 of the Department of Defense authorization bill for fiscal year 1988, as reported by the Senate Armed Services Committee, prohibits the use of funds for the development and testing of anti-ballistic missile [ABM] systems or components which are sea-based, air-based, space-based or mobile land-based, unless the President submits a report to Congress specifying the systems he proposes to develop and test, and Congress passes a joint resolution to so authorize. The provision is based on language in the 1972 ABM Treaty.

### OPPONENTS OF THE LEVIN-NUNN PROVISION ARGUE

Passage of the Levin-Nunn provision would represent a major concession to the Soviets by preventing development and testing of systems the Soviets fear without extracting similar concessions from them. Critics further argue that Levin-Nunn undercuts the administration's hard bargaining line in other ongoing negotiations.

### THE LEVIN-NUNN PROVISION DOES NOTHING OF THE SORT

The administration has not requested funds for the development and testing of mobile land, sea, or space-based ABM weapons. In fact, the administration indicated in hearings that it did not intend to request funds for such systems. The Levin-Nunn provision simply asserts the right of Congress to consider such a request before approving the expenditure of funds for such purposes. Asserting Congress' right to authorize and appropriate funds for national defense in no way undermines the administration's bargaining position on arms control. Indeed, this provision provides for expedited consideration of requests to authorize funds for the strategic defense initiative in the event that the arms control climate changes.

### OPPONENTS OF THE LEVIN-NUNN PROVISION ARGUE

The provision is unconstitutional because it interferes with the President's "sole authority" to the implement and abrogate treaties. Furthermore, opponents of the provision contend it gives the House of Representatives authority in the treaty making process, something for which the Constitution does not provide.

### THE LEVIN-NUNN PROVISION DOES NOTHING OF THE SORT

The Levin-Nunn provision does not interpret the treaty, it simply limits the expenditure of funds—a power well within the authority of the legislative branch. It is a power the House shares with the Senate. The provision does not grant the House a veto of any interpretation of the ABM Treaty or any other treaty. This argument is a red herring dragged across the trail of this debate to divert attention from the fact that the administration is seeking carte blanche on SDI spending.

If, on the other hand, this provision does have the effect of blocking an attempt by the current administration to reinterpret preemptively a treaty ratified by the Senate, then so be it. If this administration is successful in such an endeavor, the constitutional role of the Senate in the treatymaking process—one of the brilliant checks and balances our forefathers wrote into the Constitution to guard against the excesses of an overmighty executive—would be undermined, and the credibility of the United States in the international arena would be eroded. How could our allies—and even more importantly, our adversaries—be assured that they could securely enter into agreements with a country that reserves to itself the option to reinterpret treaties purporting to have the force of law. I detect some irony in the fact that this administration, that has repeatedly advocated restraint and conservatism in interpreting the Constitution, and which has emphasized its claim that it is nominating a strict constructionist to the Supreme Court, is attempting to broadly interpret a treaty and thereby remove the Senate from its constitutional role in the treatymaking process.

### OPPONENTS OF THE LEVIN-NUNN PROVISION ARGUE

The provision prevents planning of and research on systems integral to SDI, thereby effectively slowing development of SDI and forcing us to continue to rely on the doctrine of mutually assured destruction. They further argue that this provision leaves the United States naked to a Soviet breakout in the field of ABM technology.

### THE LEVIN-NUNN PROVISION DOES NOTHING OF THE SORT

The Levin-Nunn provision prevents the expenditure of funds for the development and testing of mobile land, sea or space-based weapons prior to congressional consideration of a specific authorization request. Opponents of the Levin-Nunn provision would have us believe that this means no money can be spent on research for these kinds of systems. Since 1985 SDI has received $8.6 billion for research and has used it to advance research on directed energy weapons—laser beams, kinetic energy weapons—rockets and other projectiles that destroy by impact, sensors for identifying and tracking targets, and computers and communications systems for controlling an ABM system. Enactment of the Levin-Nunn provision will not do a thing to halt these efforts. Neither will that provision prevent a United States response to a Soviet breakout from the terms of the 1972 ABM Treaty. To the contrary, this bill directs the Strategic Defense Initiative Office to fully fund near-term deployment options for just such a contingency. By the same token, we should be careful not to rush into premature development and testing of these costly technologies. The expense of development, testing and early deployment of near-term SDI technologies may well, in our current circumstances of fiscal constraint, have the unintended consequences of freezing further research of future technologies on which could be built an effective ballistic missile defense system and not some fictional "star wars" system that some would have us believe is just around the corner. Sometimes you have to start slow to go fast. Burning rubber at the start just wears out the tires.

The Levin-Nunn provision does none of these things its detractors claim. It is prudent legislation that imposes modest restriants on a program that otherwise threatens to be a runaway train—a potential black hole—that could consume an increasingly disproportionate share of defense dollars. I have concluded that the real objections to the Levin-Nunn provision by the administration and its supporters are that it constrains their ability to pursue their SDI objectives without consulting Congress, and that it blocks an effort by the executive branch to play fast and loose with the treatymaking provisions of the Constitution.

I ask to speak at this point, having sat in the Chair for a good period of time this morning and again yesterday as we were discussing the filibuster. And I was struck on this day of the 200th anniversary of the Constitution by themes that were being debated and are being debated here today which are more than familiar and are an absolute reflection of the wonders of our political system and the strengths of our constitutional system.

Three issues have come up over and over and over again in this debate, three issues that we can I think all be proud to debate whether we are on one side of the issue or another. I happen to agree with Senator Levin and Senator Nunn. But let me just touch on those three as I was sitting, particularly in the last 2 days, and observing them and particularly on this historic day.

First, the suggestion that we in the Congress ought to provide the funds to the administration, sort of put it on the stump in the middle of the night and get out of there or that they would like to take the money and run.

The administration—and this country for 200 years—has always wanted it that way. And the Congress has always said, "Wait a minute, we have a responsibility to put our stamp on it." The conflict has existed for 200 years and I hope it will exist for 200 years more as to who has the power over the purse. That was in part this debate yesterday and today—take the money and run, or the power of the purse.

The second major issue that is being debated today and last night was the issue of the power, the strength and the role obviously of the U.S. Senate, and the issue of advise and consent. On foreign policy and arms control it is very clear that we in the Senate believe that there is an extraordinarily powerful and important role for us to play. The administration would like—and if you were the administration, I suspect you would argue the same thing—to diminish that role. How powerful should we be; what is our role; how much do we have to say? That is also a theme that has been debated for 200 years, and I hope will be debated for 200 years more.

The third issue which perhaps may be long term—long term being the next year, 2 years, 3 years, 5 years—and the most important relates to the authority of the Senate and the role of the Senate in treaties. What would be the perception around the world? I think if the United States singularly through the executive branch were able to change the meaning of treaties, what is the role of the U.S. Senate in conducting our foreign policy?

Three themes have been debated, Mr. President, in the last day, and many others as well. But again I get up to comment on this point. I hope we are going to come to a vote pretty quickly but I get up to comment on observing what has been going on for this period of time on this special day in our Nation's history, issues that we have been debating here that go right to the heart of our constitutional system, right to the heart of the whole question of balances between the executive branch and the congressional branch.

I thank you very much for your indulgence while I made these very brief remarks.

### LEVIN-NUNN LANGUAGE TO LIMIT TESTING OR DEPLOYMENT OF SDI IN VIOLATION OF THE ABM TREATY

Mr. LEAHY. Mr. President, I rise in support of the Nunn-Levin language in the defense authorization bill. Before turning to the substance of this extremely important arms control issue, I must state for the Record that the 4-month filibuster of the motion to take up the defense bill is one of the most bizarre and disturbing exercises I have witnessed in my dozen years in the Senate.

For months, loyal, patriotic members of the Republican Party refused to allow the Senate to consider the 1988 defense budget—the bill that provides over $300 billion to defend the United States. There is real concern that some may even yet attempt to kill the Levin-Nunn provision, as well as other arms control measures, by stalling the defense bill until the Senate is forced to move to other urgent items, such as the debt limit extension, the reconciliation bill, and other matters.

Their objection is not that the bill authorizes too little ammunition for our troops, or too few nuclear missiles or bombs, or not enough destroyers or fighter planes. The reason for this extraordinary filibuster is a single sentence relating to the ABM Treaty in a 218 page bill.

The sentence—the so-called Levin-Nunn language—reads:

> Funds appropriated or otherwise made available to the Department of Defense during Fiscal Years 1988 and 1989 may not be obligated or expended to develop or test anti-ballistic missile systems or components which are sea-based, air-based, space-based, or mobile land-based.

There is more, setting up a way for the President and Congress to set this restriction aside. But this is the heart of the issue.

I urge my colleagues to read that sentence closely, because maybe there is some large misunderstanding which is causing the Senate to spend so much time on an issue which should cause little or no controversy.

As I look at this language, three things are apparent to me:

First, it requires the President to obey the law.

The ABM Treaty, signed in May 1972, and ratified by the Senate, is international law and the law of this land.

That treaty permits each side to develop, test or deploy only ABM systems or components which are land-based and fixed. It allows each side to defend one site with 100 land-based, fixed ABM launchers and interceptors.

Everything else—nationwide ABM defense, development, testing or deployment of mobile land-based, air-based, sea-based or space-based ABM systems or components, or development, testing or deployment of exotic ABM technologies based on "other physical principles" not known in 1972—is prohibited.

You do not have to be a constitutional scholar or strategic expert to see at once that this is a huge legal barrier to the President's dream of a space-based, nationwide, death ray defense against ballistic missiles. As long as the ABM Treaty is accepted to prohibit what its words convey, star wars cannot get very far out of the laboratories.

The U.S. Senate—and our entire Nation—owes a great debt to the chairman of the Armed Services Committee, Senator Nunn, for making this point so abundantly clear in his authoritative studies on the subject.

Second, it withholds funding for 2 years for activities that the administration concedes could not be carried out during this period in any event.

A Martian who suddenly dropped by to observe the Senate in action could be forgiven for being a little puzzled about this cosmic debate.

The bill would not authorize funds for certain SDI tests that the administration says it could not conduct within the next 2 years anyway.

General Abrahamson, the head of the SDI Program, testified to Congress that he can carry out the President's research and development program for at least the next 2 years without violating the so-called traditional interpretation of the ABM Treaty.

Third, it defers—rather than settles—the issue of the traditional versus the broad interpretation of the ABM Treaty.

The original Levin amendment, as I understood it, would have prohibited funding for any activity which would violate the traditional interpretation of the ABM Treaty, this is any development or testing of the space based kinetic kill system the administration has fixed on.

The Levin-Nunn compromise draws back from the flat prohibition on violating the traditional interpretation of the ABM Treaty. It in effect defers the issue of which interpretation is correct, and provides a mechanism for the President to set aside the funding restriction and carry out tests, with the approval of Congress, that would go beyond the traditional interpretation.

Frankly, I consider this dodging of the basic issue a flaw in the Levin-Nunn language. It fails to quash once and for all the Reagan administration's attempts to rewrite the meaning of a treaty that was ratified by the Senate 15 years ago. If the U.S. Senate's role in ratifying treaties is to remain more than a formality, I believe we should be reaffirming our equivocal commitment to the ABM Treaty as presented to the Senate during the ratification process in 1972.

However, I will join my good friends, the Senators from Michigan and Georgia, in voting against efforts to strike or weaken their provision in this defense bill. Deferral of the issue for 2 years and continuation of the traditional meaning of the ABM Treaty for that period is certainly far better than leaving the administration a free hand to gut the treaty. But, let the record be clear that I would rather settle the issue here and now that the ABM Treaty means what it says, and the United States has entered into a solemn international commitment to abide by that clear meaning.

Mr. ADAMS. Mr. President, for the last few months we have been debating, in one form or another, a number of critically important questions related to the role of the Senate in the treaty making process and to the proper interpretation of the ABM Treaty. Those are interesting questions, and I would be delighted to join that discussion, but I would submit that neither question is relevant to the specific language proposed by Senators Levin and Nunn or to the motion by Senator Warner to strike that language.

I have looked carefully at the Levin-Nunn language. I have studied the report of the Armed Services Committee on this language. I have listened to the two authors of the language discuss it on the floor. And while one can certainly agree that the language is a response to the administration's new interpretation of the ABM Treaty and their advocacy of the broader reading of the treaty, the Levin-Nunn language does not seek to endorse or reject the administration's interpretation. All it says is that the administration must come to the Congress and get specific authorization for funds to be spent on projects which are allowed under their reading of the treaty but prohibited under the traditional interpretation of the ABM agreement. It does not say that the administration is precluded from making such a request. It does not say that the Congress will not approve such funds. In short, it does not in any way prejudge the issue; it simply protects the right of the Senate, at the appropriate time, to make a judgment.

That is all it does, and that is what the Congress has always done.

We did this on the MX missile and dozens of other weapons systems. We have done it in other policy areas. And hopefully we will continue to do it. This is nothing more than using the power of the purse—the unquestioned power of the Congress.

I can understand why supporters of the broad interpretation of the ABM Treaty and supporters of early deployment of SDI might oppose the Levin-Nunn language, but I would tell them that the Levin-Nunn language does not prevent early deployment nor does it deny the possibility that the President's interpretation of the treaty is correct, even though I do not accept or agree with the President's attempts to reinterpret this treaty.

Earlier this year, Senator Biden introduced legislation, which I was pleased to cosponsor, which did reach the conclusion that the President's interpretation is incorrect. But the Levin-Nunn language does not do that.

Listen to the language of the Committee report: "Without prejudging the wisdom and desirability of undertaking testing, development and deployment of mobile/space-based ABM's using exotic technologies, it is imperative that Congress in general—and this committee in particular—examine in detail any proposed expenditures that would involve such a substantial change in policy." That does not say that the President is wrong in his reading of the treaty or that Senators Levin and Nunn are right. It says we do not want to make that choice now.

Beyond that, as the committee report indicates, we do not need to make that choice now. As the committee report makes clear, delaying a decision in this bill does not have a practical impact on existing plans. The committee report indicates that "the administration has stated that its research and development program for the Strategic Defense Initiative complies with the prohibition on testing and development . . . [and] the administration has not requested any funding for fiscal years 1988 or 1989 to test or develop mobile/space-based ABMs using exotics." In short, even if the Levin-Nunn language was a prohibition—and, again, I do not believe that is an accurate characterization—it would prohibit something which the administration does not intend to do anyway.

There are, however those who claim that even if the Congress is acting within its constitutional right to exercise the power of the purse in this regard, it ought not use that power. They believe that such an action unjustly restricts the President's ability to negotiate with the Soviets. Well that is not the conclusion of the committee. Their report indicates that "the committee believes this feature [the waiver of the prohibition by a vote of both Houses of Congress] will give the President flexibility in arms control negotiations." Indeed, the comittee was so concerned about the negotiating flexibility that the Levin-Nunn language gives the President that it warned that "it would be a serious mistake, however, for the administration to view this section as an invitation for it to implement the so-called new interpretation of the ABM Treaty or to proceed with an early deployment scheme for SCI." On balance, then, I believe the Levin-Nunn language gives the President the authority and flexibility he needs while retaining for the Congress the right to exercise its obligations under the Constitution.

Mr. President, I have been discussing the "neutrality" of the Levin-Nunn language. I want to close by expressing, briefly, my own lack of neutrality on the underlying issue of SDI. My opposition to SDI is, I hope well known. For a variety of practical and philosophic reasons, I simply do not think that SDI is a viable addition to our national defense strategy. Beyond that, I am not neutral on the interpretation of the ABM Treaty. I have studied Judge Sofaer's analysis of the treaty, I have studied the analysis of Senators Levin and Nunn as well as the studies submitted to the Senate by others who support the reinterpretation. I am convinced, on the merits of the case presented, that the traditional interpretation is correct and that is why I have co-sponsored the Biden bill. But again, I urge my colleagues to look beyond the rhetoric and the merits of the underlying issue: the Levin-Nunn language does not reach that issue and does not employ that rhetoric. It does not pass judgment on the merits of one interpretation or the other; it simply affirms the judgment made by our Founding Fathers that the Congress of the United States has the authority and the responsibility to use the power of the purse to guide national defense policy. And that is what this debate should be about.

Mr. KENNEDY. Mr. President, I rise in opposition to the motion by Senator Warner to strike the Levin-Nunn language from the Department of Defense authorization bill. This language simply imposes an obligation already required by the ABM Treaty. It would establish a 2-year prohibition on the Defense Department from using funds to develop or test any antiballistic missile [ABM] systems that are sea-based, air-based, space-based, or mobile land-based.

In my view, this is the most important provision in the Defense authorization bill. It is a crucial brake on the Reagan administration's ill-advised and obscenely expensive strategic defense initiative. This amendment simply seeks to uphold the law of the land. It would bar the administration from expending funds on ABM systems prohibited by the traditional interpretation of the ABM Treaty without the prior consent of the Congress.

This provision would not be necessary if the administration had followed the interpretation of the ABM Treaty that every previous administration has endorsed and operated under. The Nixon administration, the Ford administration, the Carter administration, and even the Reagan administration through its first 4 years in office recognized that the ABM Treaty prohibited the development and testing of space-based ABM systems.

But, in late 1985, the Reagan administration announced a new interpretation of the 15-year-old treaty that would allow such development and testing. This vital decision was taken without consulting Congress—despite the Senate's constitutional role in the ratification of treaties. It was taken without consulting the allies—despite the treaty's critical importance to their defense. It was taken without consulting the Soviet Union—despite the existence of the standing consultative commission for the resolution of treaty interpretation disputes.

No one here who supports the Levin-Nunn language argues against research to explore promising avenues in antimissile technology that have opened up in recent years. But at the point that star wars research turns into star wars testing and deployment, we must draw the line.

In fact, the ABM Treaty already draws that line. That treaty is as much in the interest of the United States in 1987 as it was in 1972 when the Senate ratified it by the overwhelming margin of 88 to 2.

That treaty eliminated one entire arena of competition between the superpowers. Without that treaty, we would have spent the past 15 years in a full-throttle drive to develop complex, costly and ultimately ineffectual nuclear defenses.

But now the administration wants to take off the brakes. Propelled by the hocus-pocus of the star wars fantasy, this administration is engaged in an unseemly and unprecedented attempt to circumvent the Senate, to reinterpret the ABM Treaty without withdrawing from it, to wriggle out of it without repudiating it, in other words to violate the law of the land.

I urge the administration to stop hiding behind false loopholes and to speak honestly to the American people. If they believe that the ABM Treaty no longer serves the interests of the United States, let them say so. Let them be candid with the American people, and let them abrogate the ABM Treaty in the way that its language provides. and then let the American people judge for themselves which course to follow—by casting their votes at the polls. I am confident that the choice will be clear—nuclear arms control on Earth, not a nuclear arms race in space.

In the life of every Congress, there are moments of historical choice, moments when the votes that are cast change the course of our Nation's history. This is one of those moments, I urge my colleagues to look into the future to a time when we will be called to account by the next generation of Americans and by succeeding generations. Let us cast this vote to reaffirm the rule of law in our own country and to stand behind our solemn commitments—with friends and adversaries alike. This is one vote that truly will be heard around the world.

Mr. BYRD. Mr. President, I have the following unanimous-consent request which has been cleared with both managers and Senators on both sides of the aisle:

It is ordered that the Senate proceed immediately to the consideration of an

amendment by Mr. Quayle dealing with the Krasnoyarsk radar, that there be 30 minutes time limitation thereon to be equally divided in accordance with the usual form, that the amendment by Mr. Glenn be temporarily set aside, and that the vote in relation to the pending amendment by Mr. Warner occur tomorrow morning at 9:30 a.m.; and provided further that no amendments be in order to the amendment to be offered by Mr. Quayle.

The PRESIDING OFFICER. Is there objection?

Mr. NUNN. Mr. President, reserving the right to object and I shall not object.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I am sure the way the majority leader worded that unanimous-consent request in reference to the Warner amendment it would permit a motion to table to be made.

Mr. BYRD. It would.

Mr. NUNN. I could be recognized.

Mr. WARNER. Mr. President, that part of the unanimous-consent request remains intact. It is just a question of sequencing it.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Mr. President, I see the proponent of the amendment here and I wonder if the majority leader and others will recognize him for a moment.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the Quayle amendment which has not been offered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, does the Senator want to order the yeas and nays on the amendment?

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The foregoing request is agreed to.

### AMENDMENT NO. 683

Mr. QUAYLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Indiana [Mr. Quayle] proposes an amendment numbered 683.

At the appropriate place insert the following:

SEC. SENSE OF CONGRESS ON THE KRASNOYARSK RADAR.

(a) Findings.—The Congress finds the following:

(1) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying ballistic missile early warning radars except at locations along the periphery of its national territory and oriented outward.

(2) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying an ABM system to defend its national territory and from providing a base for any such nationwide defense.

(3) Large phased-array radars were recognized during negotiation of the Anti-Ballistic Missile Treaty as the critical long lead-time element of a nationwide defense against ballistic missiles.

(4) In 1983 the United States discovered the construction, in the interior of the Soviet Union near the town of Krasnoyarsk, of a large phased-array radar that has subsequently been judged to be for ballistic missile early warning and tracking.

(5) The Krasnoyarsk radar is more than 700 kilometers from the Soviet-Mongolian border and is not directed outward but instead, faces the northeast Soviet border more than 4,500 kilometers away.

(6) The Krasnoyarsk radar is identical to other Soviet ballistic missile early warning radars and is ideally situated to fill the gap that would otherwise exist in a nationwide Soviet ballistic missile early warning radar network.

(7) The President has certified that the Krasnoyarsk radar is an unequivocal violation of the Anti-Ballistic Missile Treaty.

(b) Sense of Congress.—It is the sense of the Congress that the Soviet Union is in violation of its legal obligation under the 1972 Anti-Ballistic Missile Treaty.

Mr. QUAYLE. Mr. President, parliamentary inquiry. I presume the time is equally divided between the two sides; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. QUAYLE. I yield myself 5 minutes.

Mr. President, this sense-of-the-Congress resolution is relevant to the debate and one that is probably more necessary tonight given the recent publicity on whether the Krasnoyarsk phased-array radar is in fact a violation of the ABM Treaty. It is exceedingly relevant to this debate to consider this because tomorrow morning we are going to be voting on an amendment dealing with what kind of interpretation we are going to have on the ABM Treaty.

I, quite frankly, believe the votes on the first round will favor having the narrow interpretation be the interpretation that the Senate wants to side with. That will be a narrow interpretation of a treaty that the Soviet Union clearly violates. So this is a very relevant and important issue that the Senate is going to vote on. I imagine the vote will be unanimous or close to unanimous.

Second, Mr. President, I think it is very important and timely at this opportunity to once again affirm that the Krasnoyarsk phased-array radar presently located is, without any question a violation of the ABM Treaty; that the only way that they are not going to be in violation of this treaty is to take it down.

We had a couple of Congressmen that were over there recently that came back and made a number of public statements and said they were not certain that this was a violation of the treaty. They said, "Well, it was not really operational," and there was all sorts of hedging and hemming and hawing. And the Soviet Union was very adroit in being able to allow them to go out and see this and to get all sorts of publicity on whether it was or was not a violation of the ABM Treaty.

I believe tonight what the Senate will do is go on record once again affirming what the President has certified, that this Krasnoyarsk phased-array radar is a clear violation of the ABM Treaty.

Now it says this: It says that that treaty is being violated not by the United States.

As a matter of fact, this administration still adheres to the narrow interpretation of the treaty. But the Soviets have violated it. That is what, Mr. President, one might logically conclude as a little bit of a double standard.

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. The Senator from Indiana has a right to be heard and will be heard.

The Senator may proceed.

Mr. QUAYLE. Mr. President, what we have is somewhat of what one might logically perceive to be a little bit of a double standard, as our administration presently has a narrow interpretation rather than a broad legal interpretation of the ABM Treaty.

I yield myself an additional 2 minutes, Mr. President.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. QUAYLE. As I said, the United States of America adheres to a narrow interpretation, even though we could go to a broad or legal interpretation and the Soviet Union unilaterally violates this treaty.

Now, at least in my home State in the coffee shops, if you lay out the facts, they would say, "Yeah, that is a double standard. No doubt about it." Not only do we adhere to it, we adhere to it in a very narrow, restricted basis and yet the Soviet Union can unilaterally violate it without any response. They can just callously do this. They have gotten away with it in the past and I presume they will probably get away with it in the future.

But this amendment is an amendment that will confirm once again that we consider this is a violation of the ABM Treaty. It passed the House in May by 418 to 0.

I believe, particularly in light of all the publicity, front-page news stories in the news that raised some question, possibly some question about whether this is a violation of the ABM Treaty, I think the Senate will make it clear just what the real truth is.

There is no question, despite what the Congressmen may have in fact suggested, that it is a violation and I think everybody knows that.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, does the manager of the bill have the control of the time?

Mr. NUNN. I yield such time as the majority leader may desire.

The PRESIDING OFFICER. The manager of the bill controls the time if he is opposed to the amendment.

Mr. BYRD. Suppose nobody is opposed to it.

Mr. NUNN. What if the manager of the bill is undecided?

Mr. WARNER. Mr. President, I have time, do I not, on this side?

The PRESIDING OFFICER. If the manager of the bill does not oppose the amendment, the time is controlled by the minority leader or his designee.

Mr. NUNN. Mr. President, I do not oppose the amendment. As a matter of fact, I agree with the amendment. I intend to vote for the amendment. So I fall under that set of conditions. I forfeit my time under my control to the majority leader, who I am delighted to yield to.

Mr. BYRD. Mr. President, I believe, under the usual form, the distinguished Senator from Virginia would control the time. By virtue of the fact that the manager supports the amendment and the minority leader is not here, his designee is here and has control of the time.

Mr. WARNER. Mr. President, I yield such time as is desirable to the majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on the motion to table the pending Warner amendment, which motion will be made tomorrow morning at 9:30 a.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. I thank all Senators.

Mr. WARNER. Mr. President, I wish to speak in behalf of the amendment by my distinguished colleague from Indiana. It is my understanding—and, forgive me, while I was engaged in the colloquy with the majority leader, did the Senator not mention the action the House has taken on a comparable measure? I think it would be very helpful to this body if you would recite the history of this amendment, which I join in supporting, by the House of Representatives.

Mr. QUAYLE. The Senator is correct. I did refer to the vote in the House, which was 418 to 0. I also pointed out the relevancy of this amendment, particularly on the vote that is going to take place tomorrow. Beyond being relevant to the debate on what the interpretation of the ABM Treaty should be and how we have a narrow interpretation and yet they violate it, this amendment speaks to the recent visit of a few Congressmen who went over there and came back and placed in doubt, at least in public statements, whether this was a violation or not. I think it is very appropriate that the Senate go on record and once again confirm what the President has certified that we do find a clear violation of the ABM Treaty.

Mr. WARNER. Mr. President, I yield the floor.

Mr. President, I yield such time as the Senator from California may desire. And with the concurrence of the Senator from Indiana, we should urge any other of our colleagues who may wish to speak on this amendment to come forth. Otherwise, in a few minutes we could presumably yield back such time here that may be remaining.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. I thank the Chair and I thank the distinguished manager.

I rise to support the Quayle amendment and to commend the Senator from Indiana for bringing this amendment before us. We need not take much time because he has, with succinctness and eloquence, expressed very clearly the importance of this measure. It very forthrightly simply states that the radar at Krasnoyarsk is a flat violation of the Anti-Ballistic Missile Treaty.

What we have there is a violation both by location and though there seems to be some doubt on the part of recent observers, there seems to be little doubt on the part of others, certainly by intelligence agencies, that it is also a violation in terms of the battle management capability of that radar.

Mr. President, the significance of that violation is very great. I think what this indicates is that we have laboring, as Senator QUAYLE has put it very well, under a real double standard.

I would only hope that we not aggravate that double standard by an imprudent action with respect to the Levin-Nunn amendment. Because we risk very greatly, aggravation of that double standard and the consequences that flow from it are that we will be put at a considerable disadvantage.

But that, I think, is enough for the present time. What we have seen is that those who have been pressing the United States to observe the letter of the law and who have pressed us to accept a narrow interpretation of the treaty have themselves been guilty of a very clear violation of even the unambiguous parts of the treaty.

Mr. President, that speaks volumes. It is very difficult for us to trust someone who urges a course of action and then follows, themselves, an entirely contradictory course. Indeed, I do not think we can engage in trust. The stakes are too high. The past performance is too clear.

This is an unhappy, recent, and very significant addition to the list of instances of Soviet cheating on arms control agreements.

What that means is that we are not exempted from dealing with the other superpower, but it imposes on us an absolute duty to do so with very clear eyes; with no illusions; and with the kind of very hard-headed realism which makes it clear we will be interested only in a very wise agreement that actually safeguards the interests of the United States and that we will not seek agreement purely for the political advantage of having an agreement.

So, to my friend from Indiana, I express my gratitude. I would ask that he add me as a cosponsor to his amendment.

I thank the Chair.

Mr. QUAYLE. I ask unanimous consent that Senator WILSON be added to the cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. QUAYLE. Mr. President, I ask unanimous consent that a number of articles regarding the Krasnoyarsk radars be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 13, 1987]

### THE KRASNOYARSK RESOLUTION

The House voted last week to put strict limits on U.S. strategic-defense spending to avoid any violation of the Anti-Ballistic Missile Treaty with the Soviet Union. But in a separate action that attracted almost no notice, the very same members of Congress unanimously agreed that the Soviets already have broken the ABM accord.

By a vote of 418-0, the House Thursday resolved: "It is the sense of the Congress that the Soviet Union is in violation of its legal obligations under the 1972 Anti-Ballistic Missile Treaty."

The resolution, offered by freshman Rep. Curt Weldon (R., Penn.), focused specifically on the Soviet Union's ABM radar at Krasnoyarsk. It noted that the ABM radar at Krasnoyarsk. It noted that the ABM treaty prohibits early-warning radars except along the periphery of a nation's territory and only if they are oriented outward, and also bans deployment of an ABM system to defend national territory. (Only one ABM site, either covering a missile field or the nation's capital, is permitted under the accord.)

The House then went on to recognize that the Krasnoyarsk radar is "for ballistic missile early warning and tracking" and is "not directed outward but instead faces the northeast Soviet border more than 4,500 kilometers away." It also said that the radar is "ideally situated to fill the gap that would otherwise exist in a nationwide Soviet ballistic-missile early-warning radar network." The House further accepted President Reagan's certification that Krasnoyarsk is "an unequivocal violation" of the ABM treaty.

House liberals and conservatives, SDI opponents and proponents, arms controllers and arms-control doubters are now jointly on record as finding that the Soviet Union is in violation of its "legal obligation" under the ABM treaty. No one any longer accepts the Kremlin's propaganda that the Krasnoyarsk radar is merely for spacecraft tracking. It is, rather, part of a developing Soviet ABM network.

The Senate now has an obligation to address a similar resolution on the Krasnoyarsk radar. It was, after all, the Senate and not the House that ratified the ABM treaty in the first place. It is, therefore, the Senate's responsibility to determine whether the Soviets are complying with its provisions, instead of arguing about legalistic "narrow" or "broad" interpretations of the ABM negotiating record.

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[From the Wall Street Journal, Apr. 13, 1984]

### AN ARMS-CONTROL CRAVING

(By Carnes Lord)

Four years ago, there was every reason to believe that the 1980s would be marked by a new realism in the American approach to arms control. The failure of arms control to constrain the Soviet military buildup of the 1970s had become generally apparent; the Soviet invasion of Afghanistan shattered whatever hopes continued to be harbored for detente and stopped in its tracks the second strategic arms limitation agreement (SALT II). The election of Ronald Reagan brought to power an administration that was deeply concerned about the deterioration in the U.S.-Soviet military balance and was disposed to lay at least some of the blame for this on the exaggerated expectations generated by the advocates of arms control and on the political dynamics of the "arms-control process." This skepticism about the virtues of arms control seemed to be in harmony with the mood of the American public and Congress. To the incautious observer, it very much looked as if the Reagan administration had a clear mandate to take the problem of arms control and fix it.

Instead, of course, the past four years have witnessed a surge of anti-nuclear feeling in the country at large. And among the intellectual and policy elite there has been a renewal of enthusiasm for arms control that seems remarkably untempered by the experience of the recent past. As the 1984 presidential election approaches, the Democratic hopefuls have vied with one another in support for new arms-control initiatives of varying degrees of irresponsibility. More surprisingly, the president has come under steady pressure from Republicans in Congress and from elements of his own administration to demonstrate ever new flexibility, including unilateral concessions, in arms-control talks with the Soviet Union. This is in spite of the demonstrative Soviet walkouts from negotiations on nuclear weapons, and in spite of the mounting evidence of Soviet violations of existing agreements.

#### VERIFICATION AND COMPLIANCE

Nothing is more revealing of the dubious impulses animating the unilateralist arms-control revival than the failure of its champions to come to grips with the problem of verification and compliance. For many years, arms-control enthusiasts have paid lip service to the need for effective verification of agreements, but have failed to devote serious attention to the operational and political difficulties (as opposed to the technical limitations) that face any verification effort. On the contrary, the efficacy of existing verification methods and approaches has been consistently overstated, while compliance problems have been played down.

Above all, the evidence that has accumulated over the past decade or so of Soviet violations, near violations, exploitation of loopholes and negotiating deception has been treated in cavalier and exculpatory fashion, when it has not been simply ignored. As if the purpose and context of agreements were wholly irrelevant to the issue, the U.S. government has been asked to concern itself only with violations in a strictly legal sense. Moreover, it has been expected to employ standards of legality which, though proper in a criminal prosecution under domestic law, are wholly inappropriate to a situation where (Russian) witnesses cannot be forced to appear, evidence is incomplete for deliberately withheld), sources cannot always be revealed because of intelligence sensitivities, and the law itself lacks an authoritative neutral interpreter. Ambiguities in factual evidence or in the language of agreements have been taken by many as sufficient reason for disregarding possible violations. Not only have Soviet explanations been credited that were palpably false: arms control advocates have actually constructed briefs for hypothetical Soviet positions of greater ingenuity than anything the Soviets themselves were able to come up with. And even where a legal violation is recognized as certain or highly probable, its significance tends to be dismissed. In all cases (but most notably in the area of Soviet anti-ballistic missile activity), evidence for violations has been dealt with in piecemeal and isolated fashion, with little attempt to see it in the broad context of Soviet compliance behavior generally or of Soviet strategic intentions.

This complex of attitudes is currently facing its most severe test. A report submitted by President Reagan to Congress on Jan. 23 lays out the results of an intensive study of the evidence for Soviet noncompliance with arms-control agreements in seven areas. In one of these areas—chemical and biological warfare—the U.S. has for some time formally accused the Soviets of violating the relevant agreements. Despite strenuous and continuing efforts to discredit these charges, they have been confirmed by refugees and by independent analyses carried out in a number of European countries. Of the other issues, the most significant concerns the Anti-Ballistic Missile Treaty of 1972. The construction of a phased-array ballistic missile early warning (BMEW) radar by the Soviets near Krasnoyarsk in southern Siberia—in contravention of the treaty requirement that such radars can only be deployed at locations on the national periphery and oriented outward—opens an entirely new chapter in the history of Soviet compliance behavior. If Soviet activities in the chemical and biological area may be said to be the first unambiguous treaty violation whose military significance bears importantly and directly on the U.S.-Soviet strategic nuclear balance.

The intent of the relevant provision of the ABM Treaty was to prevent either party from creating the base for a territorial ABM system by building a network of BMEW radars that could be used not only to warn of a missile attack but also to aid in the tracking and interception of incoming nuclear warheads. While there is room for disagreement as to the extent to which this and similar radars already in operation on the Soviet periphery were specifically designed to perform an ABM "battle management" function, they have an inherent capability to perform that function. And the characteristics of the new radar as well as its location near a number of ICBM deployment areas suggest that its primary purpose is indeed ballistic missile defense.

A recent report by the Federation of American Scientists contained a claim that the Krasnoyarsk radar is primarily for space tracking rather than early warning or missile defense and is thus allowed under the treaty. That is simply false. While the president's report stops short of simply calling the radar a violation (it uses the phrase "almost certainly"—for reasons that have not been explained).

In assessing the significance of the Krasnoyarsk radar, it is necessary to consider both how it fits into the overall picture of Soviet ABM-related activities and what it reveals about Soviet intentions. What is worrisome is not the Soviet BMEW radar net by itself, but its potential when linked with other air defense and ABM radars and interceptor missiles. For years, the Soviets have taken advantage of ambiguities in the ABM Treaty to develop and test air-defense systems against ballistic missile targets, and they have developed small ABM radars that probably could be rapidly deployed throughout Soviet territory. Should the Soviets choose to free themselves from the treaty's constraints, they would now have in place the long lead-time elements that would permit rapid expansion to an effective nationwide ABM system. As for Soviet intentions, the very fact that they seem to have been prepared to face the consequences of a deliberate and massive violation of the ABM Treaty must raise ominous questions about their next moves.

#### BANKRUPT APPROACHES

What is to be done? While no one will deny that it is difficult to devise effective strategies for response to violations, it is also clear that current approaches have proved to be bankrupt and are no longer an effective deterrent to further violations. To continue to pretend that all compliance issues can be resolved simply through patient discussion with the Soviets in confidential channels such as the Standing Consultative Commission is perfectly idle. This view assumes that all compliance issues rest on misunderstanding and that both parties are dealing in good faith, whereas nothing could be further from the truth.

What are needed are real penalties—withdrawal from agreements or suspension of particular provisions, and political and military countermeasures. The U.S. has never exacted such penalties for any Soviet action in any arms-control area. Unless and until we do, the Soviets will grow more brazen yet in their disregard for treaty obligations, and the U.S. will approach ever more closely that condition—familiar from the annals of Western disarmament efforts in the 1930s—

where generous forbearance and blind hope give way to impotence and appeasement.

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[From the New York Times, Jan. 28, 1987]

### RADAR TRAP, AND OPPORTUNITY

The United States is building missile warning radars at Thule in Greenland, a Danish territory, and Fylingdales in Britain. Soviet officials and some Americans assert these violate the Antiballistic Missile Treaty. The issue is being debated this week in Denmark, too. American critics suggest halting construction if the Russians will stop building an almost certainly illegal missile-sensing radar at Krasnoyarsk in Siberia. The proposal is both a trap and an opportunity.

A straight trade is the wrong idea. The American radars do not appear to violate the treaty. But the recent Soviet acknowledgment of a problem at Krasnoyarsk needs to be explored, not spurned.

Built inland, the Krasnoyarsk radar affronts the ABM Treaty, which permits such radars only on the edge of a nation's territory. The device is a large phased array radar, in which the beam is moved electronically instead of by a steerable dish. These powerful instruments can serve several uses, like space tracking, early warning of missile attack and direction of interceptors against missiles aimed at targets within their beam.

That's why the framers of the ABM Treaty specified that all early warning radars should be on a country's borders facing outward, physically precluding them from serving in an antiballistic missile role. If the Krasnoyarsk radar can space-track, the legal function for which the Russians say it is designed, it can also do early warning and maybe missile defense. By any reasonable reading of the treaty, the radar is in the wrong place

Only after the United States complained did the Soviet Union object to the new Thule and Fylingdales radars. It suggested work on all three radars should cease. But the seeming symmetry of this clever suggestion vanishes on inspection. The ABM Treaty permitted the early Warning radars then existing at Thule and Fylingdales. As a general rule, it permits modernization. Following a decision of President Carter's, the Administration is replacing the old steerable dish radars at the two sites with large phased array radars. This will, true, vastly increase the radars' coverage and capacity to define targets. Still, the raders are at sites covered by the treaty with the same early warning function as before.

Critics now argue that the new radars are impermissible Replacing a steerable dish with a phased array radar they say, is like building a nuclear power plant in place of a wood stove and calling it modernization. More specifically, a section of the ABM Treaty, called Agreed Statement F, prohibits phased array radars as large as those planned for Thule and Fylingdales. But modernization is generally permitted, regardless of technology, and one of the exceptions to Agreed Statement F accepts early warning radars at both sites.

Given the Aministration's folly in repudiating the second stratetic arms treaty, its critics are right to fear it may seize on the Krasnoyarsk radar to undermine the ABM Treaty, too. But contriving to equate the Thule and Fylingdales upgrades with Krasnoyarsk is not the answer.

The Administration's lofty dismissal of the Soviet offer is not the right response either. With creative diplomacy, Krasnoyarsk could be the lever for clearing up other doubtful Soviet activities as well as questions about Thule and Fylingdales. Fixing these issues in existing arms treaties would be the best preparation for any new agreement.

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[From the Washington Post, Feb. 5, 1985]

### THE KRASNOYARSK RADAR

A year's further discussion of whether the Soviet Union is respecting its arms control obligations has produced more of a consensus than most people had thought possible. The release of President Reagan's latest congressionally mandated report on "Soviet noncompliance with arms control agreements" makes this clear.

The main thing that has happened since the last report is that public attention has focused on one alleged violation—the Krasnoyarsk radar. Most of those who previously hesitated to call it a violation of the 1972 Antiballistic Missile Treaty (ABM) have stopped hesitating. It has become very hard to deny that the Soviets set out shortly after the treaty was signed on a course specifically blocked by the treaty, that they stone-walled through years of American efforts to induce them to admit it or correct it and persist on that course to this day. Fewer people remain to say that it really doesn't matter all that much and that, in any event, it's wrong to talk about it in public.

Some Americans feared—others hoped—that official efforts to nail the Kremlin on this violation would unravel the whole arms control process. This has not happened: President Reagan and the Russians are headed back to full-scale negotiations at Geneva. But there have been other major consequences. The American standards for verification of new agreements have been toughened. And major impetus has been given to the idea of an American defense against ballistic missiles—this is the idea embodied in the president's Strategic Defense Initiative. Unlike the Soviet radar at Krasnoyarsk, this program, in its current, research phase, is entirely consistent with the ABM Treaty.

A few Soviets have hinted that, if Moscow felt it could avoid public embarrassment, it might find a way to halt construction on the radar or otherwise signal that it understood American sensitivities. But of course Moscow had years to do just that, and so far has chosen not to, even though it was being discreetly pressed on the matter by Americans of very different political persuasions.

Is there not someone in the Kremlin with the wit to recognize the immense Soviet interest in quietly unfolding a few tarpaulins at the Siberian construction site? What a pity that its political radar is so inferior to that huge electronic radar being built at Krasnoyarsk.

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[From the Wall Street Journal, Apr. 23, 1985]

### VIOLATIONS AND DOUBLE STANDARDS

Release of a Pentagon report on the Reagan strategic-defense initiative has uncovered a theological rhubarb over arms control. The narrow issue is whether testing for the U.S. "Star Wars" program will violate the 1972 Anti-Ballistic Missile Treaty, which by now nearly everyone agrees has already been broken by the Soviet Union. The argument illustrates the double standards that dominate the arms-control discussion. And it raises the question of how you get out of a treaty that threatens the strategic balance and national security.

With Star Wars, Mr. Reagan wants to actually defend against nuclear missiles, which is what the ABM treaty seeks to prevent. The treaty bans deployment of certain ABM components, does not seek to prevent research, but does have some provisions limiting testing. So far, Mr. Reagan has asked for research and testing but not deployment. The issue is what tests are allowed by a treaty that bans tests of ABM "components" without exactly explaining what is a "component."

The Pentagon report describes the tests and avers that while testing involves "gray areas," it plans to "make certain" that "the U.S. is in compliance." A detailed section explains the difference between a "component" and a "sub-component," and how U.S. testing involves the latter.

Arms controllers warm that breaching the "gray areas" may wreck the treaty. Yet almost all factions now concede the Soviets have already violated it, apparently without wrecking it as far as U.S. tests are involved. For years some of us have been complaining about Soviet testing and deployment of surface-to-air missiles, some reloadable; mobile radars tested in an "ABM mode"; and all the other components needed for a breakout into a nationwide defense. Arms controllers dismissed these isolated developments as strategically insignificant, only "gray-area" violations.

With the ABM treaty—which tries to limit technology, an ambigious and changing thing—nearly everything is . . . So under the double standard that arms controllers seek to apply, Soviet activity right up to the point of a nationwide ABM capability is "gray" and therefore allowable. But at the same time U.S. research is also gray—but therefore not allowable. That there can even be a heated debate on whether this-or-that test is a violation point illustrates the inherent, object flaw of the ABM treaty.

The Pentagon's report rightly question this "double standard," but it also embodies a double standard or two of its own. For example, if the Soviet research and testing really is aimed at a large capability to break out of the treaty quickly, why should we worry about whether our research and testing comply? More fundamentally, why are we spending all this money on research if we are going to abide by a treaty that outlaws deployment of the weapon if the research is successful?

There is a strong case to be made for a ballistic-missile defense program, but it cannot be made hiding behind contradictory rationales. A serious case would probably start from the premise that, even if not violated, the ABM treaty is a bad thing, for us and the Soviets. It seeks to limit defense; real arms control ought to allow for unlimited defense and try to limit offensive forces.

Likewise, the Reagan administration has been bold enough to point the finger at the Soviets, at Geneva and elsewhere for violating the treaty. But if the administration wants Americans to take such charges seriously, it will have to act as if it believed this were true. The Pentagon report at least notes that the treaty does have a withdrawal clause, and that when it was signed, negotiator Gerard Smith said that the U.S. would consider its "supreme interests" jeopardized if further limits were not placed on offensive arms. And the Pentagon further remarks: "We do reserve the right to respond to those violations in appropriate ways, some of which may eventually bear on the treaty constraints as they apply to the United States."

In this oblique and bureaucratic way, the Pentagon report does start to open the right issue: If a treaty is built on wrong principles in the first place, if the Soviets are already violating it, at what point does the U.S. stop twisting its own programs to comply, and simply and honestly say the treaty is void?

Mr. QUAYLE. Mr. President, I do not believe I have any requests for other speakers. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Will the Senator yield just a couple of minutes?

Mr. QUAYLE. I will be glad to yield however much time the Senator needs.

Mr. NUNN. Mr. President, I support the Quayle amendment. I think the Krasnoyarsk radar is a violation. I think it violates the location and orientation of ballistic missile early-warning systems that is clearly set forth in the treaty, so I urge our colleagues to vote for this amendment.

I would also just add that the connection between this and the Levin-Nunn amendment, it seems to me, is not appropriate, the reason being the President of the United States has not asked for the proportionate response nor has he proposed a proportionate response though he has clearly said this is a violation.

I would think the normal course of order would be for the President of the United States to not only ask for the proportionate response but to explain what proportionate response he would anticipate and what proportionate response to this violation he envisions.

I must also add that I think the administration has every obligation to go to the standing consultative commission and to empower our representatives there to try to pursue a solution to this violation, in the sense of having the violation eliminated.

I believe that should be done. I am not sure how much of that has been done but we do have a standing consultative commission and they are charged with this responsibility and I would hope that there would be the kind of authority needed there to deal with that and the kind of direction to insist the Soviets do clear up that violation. We have made it clear we do feel it is a violation. The House has. The Senate has, I hope, after we vote on this; so I agree with the amendment of the Senator.

The PRESIDING OFFICER. Who yields time?

If neither side yields time, the time will be divided equally.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, would the manager for the bill yield me 3 minutes?

Mr. NUNN. Mr. President, this manager did not have time under the rules, so if the Senator from Indiana will yield 3 minutes——

Mr. QUAYLE. I will be glad to yield 3 minutes to the distinguished chairman of the Finance Committee.

Mr. BENTSEN. I will be prepared to offer an amendment in a few minutes. I understand from both sides there is no objection to it. I understand you are checking on that point at this moment.

What we are seeking is communities along the gulf coast that are preparing—that is they are trying to decide what they have to do in the way of sewer lines, all the public facilities that have to be prepared. This would provide up to $300,000 may be expended for that purpose. It would assist those along the gulf coast.

I frankly do not know an objection to it and this is a standard procedure that takes place in this kind of public installation for Federal Government planning.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, I know of no objection to it on this side, but I might just say we are checking, particularly checking with the junior Senator from Texas.

Mr. BENTSEN. The junior Senator will be a cosponsor of it.

Mr. QUAYLE. Well, that clarifies that, if he is a cosponsor of it. I do not see there will be any problem at all. If we can run just a couple of checks and we will set this aside and be able to take it in due course.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, our staff has been over this with the Senator from Texas. He has been very diligent in pursuing this amendment. As I recall, this amendment was accepted by the Senate last year.

Mr. BENTSEN. I believe that is correct. That is correct, a very similar amendment was accepted.

Mr. NUNN. I know the Senator from Texas is concerned about the homeporting and planning for the homeporting. It is a good amendment. And we will be delighted to recommend that our colleagues accept it at the appropriate time when the amendment is pending before the Senate.

The PRESIDING OFFICER. Who yields time? If neither side yields time, the time will be divided equally.

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## PROGRAM

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed with the program for time and that the time be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDERS FOR THURSDAY

### ADJOURNMENT UNTIL 8:30 A.M.

Mr. BYRD. Mr. President, the order has been entered that the Senate will come in at 8:30 tomorrow. I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until the hour of 8:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

### MORNING BUSINESS

Mr BYRD. Mr. President, I ask unanimous consent that tomorrow after the two leaders have been recognized under the standing order, that there be a period for the transaction of routine morning business not to extend beyond the hour of 9 o'clock a.m. and that Senators may speak during that period for not to exceed 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

### UNFINISHED BUSINESS

Mr. BYRD. Mr. President, the unfinished business automatically will come back before the Senate at what time tomorrow?

The PRESIDING OFFICER. The unfinished business will reoccur after the morning business has been concluded.

Mr. BYRD. So we will come in at 8:30, have the orders for the leaders and then we have morning business from that point until the hour of 9 o'clock. The unfinished business would automatically come back before the Senate at 9 o'clock.

Mr. President, I will not ask for a live quorum tomorrow morning at 9 o'clock in view of the fact that there will be a rollcall vote at 9:30 tomorrow morning on the motion to table the Warner amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, this may or may not be the last vote tonight. The managers have indications that other Senators wish to call up amendments tonight. If the managers wish to entertain those amendments, there may or may not be additional rollcall votes this evening.

Mr. WARNER. Mr. President, I had to step out to the cloakroom, but it was my understanding of the parliamentary situation that at the conclusion of the vote on the pending Quayle amendment that the Senate will go back to the amendment of the Senator from Virginia and that is the pending business. We have entered into a unanimous-consent agreement that is quite explicit that that amendment would be voted on at 9:30 tomorrow morning, at which time the Senator from Georgia would make a motion to table. Therefore, I am perplexed at how we can have other votes tonight, given that unanimous consent agreement.

**Mr. BYRD.** Mr. President, if the managers are willing to entertain other amendments tonight by Senators who wish to call them up, if they can get unanimous consent to temporarily lay aside the Warner amendment, they could proceed.

**Mr. WARNER.** Mr. President, I believe I have the floor.

The **PRESIDING OFFICER.** The Senator is correct.

**Mr. BENTSEN.** If the Senator will yield, I have such an amendment and I understand it has been cleared by both sides. It should not take over a couple of minutes. I would appreciate obtaining unanimous consent to temporarily lay aside the amendment under consideration and consider my amendment.

**Mr. WARNER.** Mr. President, I do wish to accommodate the Senator from Texas. The Senator from Indiana, of course, was acting on my behalf, and I concur in whatever decision he made. It seems to me fair not only to the Senator from Texas but to other Senators that we should have some idea of the quantum that the majority leader and the chairman want to achieve tonight.

**Mr. NUNN.** Mr. President, will the Senator yield?

**Mr. WARNER.** I will propound that to the manager of the bill as a formal question.

**Mr. NUNN.** Mr. President, I would like to take as many amendments as we possibly can tonight. I think the nature of things is such that they would have to be noncontroversial amendments. I would hope that the Senator from Virginia will agree that the amendments which have been cleared on both sides, and I understand the Senator from South Carolina has such an amendment and the Senator from Texas has such an amendment that could be taken up, those which have been cleared on both sides, that we could take them up and move on. We have over 80 amendments to this bill. Even noncontroversial amendments take 15 to 20 minutes.

If we could have an understanding under these circumstances, since we do not have another amendment at the moment that would demand a rollcall vote that we have been able to get over here, that we have tried, I would suggest that we try to take several noncontroversial amendments, if they are cleared on both sides, take them tonight, and then move on tomorrow morning to the other business of the bill.

**Mr. WARNER.** Might I suggest to the manager of the bill and others that we have discussed this, of course, with the hope of enabling us to get some sort of consensus. I have not been able to acquaint my colleagues with the other items. We have settled the issue that the Senator from Indiana spoke on, and we can dispose of that one, but on any other further amendments, I would like to have the opportunity to talk with the managers.

**Mr. BENTSEN.** Mr. President, if I understand the colloquy, I am now in a position to ask unanimous consent that the amendment under consideration be temporarily set aside and ask that an amendment that has been cleared on both sides of the aisle be given immediate consideration.

AMENDMENT NO. 684

(Purpose: To set aside certain sums for community planning assistance for certain Gulf Coast communities in connection with the Naval Strategic Dispersal Program)

**Mr. BENTSEN.** I send the amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER** (Ms. MIKULSKI). Is there objection? Without objection, it is so ordered.

The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Texas [Mr. BENTSEN], for himself, Mr. GRAMM, and Mr. COCHRAN, proposes an amendment numbered 194.

**Mr. BENTSEN.** Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 198, between lines 4 and 5, insert the following:

PART C—MISCELLANEOUS PROVISIONS

SEC. 2831. COMMUNITY PLANNING ASSISTANCE

The Secretary of Defense may expend not more than $300,000 from funds appropriated to the Department of Defense for fiscal year 1988 pursuant to an authorization contained in this division and not more than $300,000 from funds appropriated to the Department of Defense for fiscal year 1989 pursuant to an authorization contained in this division to provide planning assistance to communities located near Gulf Coast homeports proposed under the Naval Strategic Dispersal Program, if the Secretary determines that the financial resources available to the communities (by grant or otherwise) are inadequate.

HOMEPORT COMMUNITY PLANNING ASSISTANCE

**Mr. BENTSEN.** Madam President, I am pleased that the Armed Services Committee has endorsed continuation of the Navy's strategic dispersal program. Despite past controversy, the Congress has supported the homeport program in the firm conviction that the military advantages greatly outweighed the added costs.

Along the gulf coast, communities are working steadily and eagerly to prepare for the arrival of the Navy ships and personnel in the next few years. In the Corpus Christi area, for example, the South Texas Homeport Steering Council has been established and has hired staff and named task groups to study the impact on housing, roads, schools, and so forth. Federal planning funds have already helped in this process, and more is needed.

In Pascagoula, MS, a coordinator for homeport activities has been named, and the community is hoping to receive funds to help defray the costs for the coordinator and consultants which will be hired to perform the necessary impact studies.

These are just two of the cities which need and have qualified for the community planning assistance regularly approved in the past for major new military installations. I have been advised, however, that the defense authorization bill reported by the Senate Armed Services Committee does not contain formal authorization for funds for community planning assistance for gulf coast home port sites. I am also advised that such legislation is necessary to ensure that Federal support to ongoing local planning efforts can continue on schedule.

To correct this oversight, I am proposing an amendment, using language suggested by the Office of Economic Adjustment of the Department of Defense, to provide $300,000 for each of the next 2 fiscal years for such community planning assistance. Such legislation, similar to that enacted by the Senate last year, would establish clear legal authority for this assistance. The Defense Department anticipates that the Ingleside/Corpus Christi area would receive approximately $200,000 of that amount for each of the next 2 years; that Pascagoula, MS would get about $50,000 each year; and that the remaining $100,000 would be available for other home port sites that might submit justifiable requests.

My amendment would guarantee that local communities will have the benefit of Federal planning assistance so that the roads and schools and housing are anticipated and ready when the ships arrive. I hope that the committee agrees on the need for these funds.

I urge adoption of the amendment.

The **PRESIDING OFFICER.** Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 684) was agreed to.

AMENDMENT NO. 683

**Mr. QUAYLE.** Madam President, I ask unanimous consent that Senator HELMS be added as a cosponsor to my amendment.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The Chair wishes to advise the Senator from Indiana that he has 1 minute remaining. The Senator from Virginia has 3 minutes remaining.

**Mr. QUAYLE.** Madam President, I yield back the remainder of my time.

**Mr. WARNER.** Madam President, we yield back the remainder of our time.

The **PRESIDING OFFICER.** All time having been yielded back, the question is on agreeing to the amendment of the Senator from Indiana. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

**Mr. CRANSTON.** I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from Tennessee [Mr. GORE], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I also announce that the Senator from New Jersey [Mr. LAUTENBERG] is absent because of death in the family.

**Mr. SIMPSON.** I announce that the Senator from Maine [Mr. COHEN], the Senator from New York [Mr. D'AMATO], the Senator from Kansas [Mr. DOLE], the Senator from South Dakota [Mr. PRESSLER], and the Senator from New Hampshire [Mr. RUDMAN] are necessarily absent.

I also announce that the Senator from Vermont [Mr. STAFFORD] is absent on official business.

The **PRESIDING OFFICER.** Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 89, nays 0, as follows:

[Rollcall Vote No. 247 Leg.]

YEAS—89

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—11

Boren
Cohen
D'Amato
Dole
Gore
Lautenberg
Pressler
Rudman
Simon
Stafford
Wirth

So the amendment (No. 683) was agreed to.

**Mr. NUNN.** Madam President, I had hoped to get up other amendments this evening. I still hope we can get up some amendments which will be of a noncontroversial nature. There will not be any more rollcall votes.

We are open for further debate on the ABM amendment, and I have notified Senators that if there is further debate, we will continue that debate. We want a thorough debate. We do not want anyone to feel they are cut off.

We had debate all day yesterday. Perhaps 3 or 4 hours of it were on the ABM amendment. We also had 6 or 7 hours of debate today on that amendment, and we are prepared to have more.

So I do not want anyone to feel that there has been a premature motion to table, although we have a unanimous consent agreement tonight that will be in effect tomorrow morning. We will vote at 9:30 in the morning.

I do serve notice that if there are any other Senators who would like to debate that this evening, as floor manager, I will accommodate them.

**Mr. WARNER.** Madam President, I join the distinguished chairman in observing that we had a very good debate on the pending issue, on the ABM amendment, as he has characterized it, against which I have lodged a motion to strike.

We do urge our colleagues to come over. The leadership has provided this opportunity for any additional debate, in view of the fact that we have now established a fixed time tomorrow morning for the vote.

**Mr. BYRD.** Madam President, may I add this postscript: Tomorrow morning, at 9 o'clock, the Senate will turn to the consideration of the pending question, which is the amendment by Mr. WARNER, and there is a 30-minute period between 9 and 9:30 before the tabling motion occurs.

There will be 30 minutes at that juncture if Senators wish to have further comment on the Warner amendment. Otherwise, if they do not, we can go ahead at 9. We have the time set for the motion to table. That will be at 9:30. We could come in at 9 and have the two leaders fulfill their standing orders and then have the morning business at 9:30. But we could leave it as it is, which leaves a window of 30 minutes if Senators wish to comment on the pending question.

**Mr. DOMENICI.** Madam President, I ask unanimous consent that I be permitted to proceed for 2 minutes as in morning business.

## MORNING BUSINESS

**Mr. BYRD.** Madam President, I ask unanimous consent that there be a period for morning business and that Senators be permitted to speak therein, and that the period not extend beyond 20 minutes.

**Mr. WARNER.** Madam President, it is not my intention to object, but I am wondering, so that we could advise other Senators, whether we could agree now to go into morning business and not proceed further on the pending matter. In that way, many staff members and others can begin to prepare for tomorrow.

**Mr. BYRD.** That will be fine.

Does the Senator want 5 minutes?

**Mr. DOMENICI.** That is plenty for this Senator. I do not need any more than 5 minutes.

**Mr. BYRD.** Madam President, within that time, if there are other Senators who have anything further to say on the pending question, they have been notified and they should be here promptly.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The Senator from New Mexico may proceed.

## FIRST ANNUAL LIEBER PRIZE FOR OUTSTANDING ACHIEVEMENT IN MENTAL HEALTH RESEARCH

**Mr. DOMENICI.** Madam President, today is a special day in the history of mental health research. Today Dr. Benjamin Stephenson Bunney, professor of Psychiatry and Pharmacology and vice chairman of the Department of Psychiatry at Yale University School of Medicine, became the first recipient of the annual Lieber Prize of $50,000. The Lieber Prize was endowed by Stephen and Constance Lieber of New York State and is awarded for outstanding achievement in research on mental illness. This prize is particularly significant because it marks a new initiative to raise private funds for expanding our Nation's research into serious mental illness.

The exciting new technologies and discoveries for mental health research, largely funded by the Federal Government, have sparked a private sector interest in helping to find more answers to the problems of understanding and treating major mental illness not only in our country but for anyone anywhere.

The organization formed last year to raise private resources to advance the study of mental illness is NARSAD, the National Alliance for Research on Schizophrenia and Depression. Four energetic citizens' groups helped to form NARSAD. They are the National Alliance for the Mentally Ill, National Mental Health Association, National Depressive and Manic Depressive Association, and the Schizophrenia Research Foundation.

NARSAD is the sponsor of the first annual Lieber Prize. In addition, NARSAD is giving 10 research grants of $25,000 each to research scientists. These are scientists who have a record of accomplishment and a promise of future achievement. Our hopes are with them. Our search is for new knowledge in the understanding and treatment of schizophrenia and depression.

My wife Nancy and I have each been honored to be named honorary chairmen of this private sector fund raising initiative, The Mental Illness Research Campaign, to raise $10 million over the next 3 years. The other honorary chairman is Barry Bingham, Sr., former publisher of the Louisville Courier Journal.

NARSAD sponsors include Katherine Graham, Rosalynn Carter, Carl Sagan, Senator Daniel Patrick Moynihan, Arnold Palmer, Peter Ueberroth, Sally Struthers, Julian Bond, Ted Turner, Joanne Woodward, the Rev. Theodore Hesburgh, and Rabbi Alexander Schindler.

In a fairly short time, we have raised $1,000,000.

The honorary chairmen of the NARSAD Scientific Council are equally eminent: Nobel Laureate Dr. Julius Axelrod and Dr. Eli Robins. Dr. Herbert Pardes of Columbia University is president of the distinguished NARSAD Scientific Council. The Scientific Council selects the Lieber Prize winner and the grant award winners.

Research in mental illness has been starved. As a nation, we spend about $7 in research for each American with schizophrenia or depression. The comparable amount for each cancer patient is $203, and $88 is spent in research for each heart patient. Currently, less than 15 percent of mental illness research is privately funded. By comparison, 42 percent of cancer research funds come from the private sector.

The NARSAD Mental Illness Research Campaign is designed to channel increased private funding into investigations of the origins, causes, and possible cures of mental illness.

Schizophrenia and depression afflict more than 14.5 million Americans, at best disabling them for a period, at worst shattering their lives and those of their families. About 40 percent of the homeless on our city streets have serious mental illnesses. In our Nation's hospitals, mentally ill patients occupy more beds than those with any other illness, more than the victims of heart disease, cancer, and respiratory illness combined.

The estimated cost to the United States of America for providing medical and social services to these unfortunate victims exceeds $20 billion annually.

The prestigious Lieber Prize's first winner, Dr. Benjamin S. Bunney, of Yale University, has dedicated his life to understanding the origins and, possibly, the cure for schizophrenia. Dr. Bunney's research career has focused on the brain's dopamine system, which has been implicated as a part of the major neuronal dysfunction in schizophrenia.

Dr. Bunney, 48, has conducted all of his research at Yale University. He has been on the faculty of the Yale School of Medicine since 1971. His work has included pioneering research on the effects of antipsychotic drugs in the brain and the effect of these drugs on the transmissions in the dopamine system.

To quote Dr. Bunney: "This is a particularly exciting time to be working in the area of brain function. There has been an explosive growth in both the fields of neuroscience and population and molecular genetics. Because of this, the tools are now becoming available which allow us to answer questions that we did not have the means to answer before."

After honoring Dr. Bunney for his excellent work, we at NARSAD awarded 10 grants of $25,000 each for the continuation of fine research into schizophrenia and depression. The 10 grants were awarded to:

First. Davangere Devanand, M.D., Columbia University.

Second. David Miklowitz, Ph.D., University of California at Los Angeles.

Third. J. Frank Nash, Ph.D., Case Western Reserve University.

Fourth. Sergio Starkstein, M.D., Johns Hopkins University.

Fifth. George Volger, Ph.D., Washington University.

Sixth. Royce Waltrip II, M.D., University of Maryland.

Seventh. Steven Faux, Ph.D., Harvard University.

Eighth. Ezra Susser, M.D., M.P.H., New York State Psychiatric Institute, Columbia.

Ninth. Scott Cain, M.D., Duke University.

Tenth. Sari Gilman, M.D., University of Pittsburgh.

Mrs. Gwill Newman, president of the NARSAD Board of Trustees, expressed our pride in the early successes of this fine organization when she said, "We are very proud of the young researchers from outstanding universities who have won these first NARSAD awards. We are certain their accomplishments and their investigative focus, will encourage other scientists to move seriously into the field of mental illness research."

Because NARSAD is so new and because we will be hearing more from this spirited organization in the coming years, I would like to inform my colleagues about NARSAD's goals:

First. Raising funds for creative research into the causes, prevention, and cure of severe mental illnesses;

Second. Discovering. encouraging and supporting young investigators so that research into mental disorders becomes competitive with other fields;

Third. Supporting university-based research centers where vital interaction of a variety of disciplines can be brought to bear on the profoundly complex problems of brain disease; and

Fourth. Making the most advanced technology available to mental illness researchers so that they can gain a clear image of the brain's activity in their efforts to diagnose and treat the body's most complex organ.

Mr. President, I applaud NARSAD and its committed and talented leadership. I applaud Dr. Benjamin S. Bunney for his commitment to a most worthy cause. His work will be an inspiration to young researchers who are considering committing their lives and talents to this worthy cause. They are needed, Mr. President, and they can make a difference in the daily lives of many suffering human beings.

I also applaud our 10 outstanding research grant recipients and wish them all the best. We can all be proud of their efforts to push back the frontiers of knowledge in a very complicated but exciting field.

Finally, Mr. President, I would like to thank the Members of the Senate and the House of Representatives for seeing the value of research into serious mental illness and for committing important but scarce resources to this purpose. This commitment has come at a time when additions to domestic spending are more difficult to make.

It is indeed heartening to see this fine private effort come into being. NARSAD will help carry the financial burden for research. We, as a Nation, are looking for answers to one of the most puzzling problems to ever face humanity—serious mental illness. With continued congressional support and fast growing interest outside of Government, Americans can expect accelerated gains in this noble effort.

Until we understand more about our own brain and nervous systems, we will remain unable to bring sufficient help to many who suffer from schizophrenia and serious depression. We are now able to relieve the symptoms and stabilize many patients, but each patient who remains beyond our assistance is another spur to dig deeper into the causes and cures.

The potential is tremendous. The challenge has been made. Our technologies can be refined and our knowledge sharpened. We are at the crossroads of new discoveries. The next 10 years can bring the most important breakthroughs yet. We will know more about the forces that direct our mental energies than we have ever known in the history of mankind.

Mr. President, today's Lieber Prize marks the beginning of a new partnership. The public and private research communities can enrich each other. We can be more optimistic about the next decade of truly exciting research and treatment possibilities for the serious mentally ill.

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Madam President, even though I have not used my 5 minutes, I yield back the remainder of any time I might have and yield the floor at this time.

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## DANGEROUS ADDITION: AMERICA'S CRAVING FOR FOREIGN CAPITAL

Mr. EXON. Mr. President, I call the Senate's attention to a most interesting article that appeared in American Politics magazine, the August 1987 issue. It is written by Mr. Jonathan Paul Yates. The title of the article is "Dangerous Addiction: America's Craving For Foreign Capital."

Mr. President, I will quote briefly from the article and then at the proper time ask that the entire article, a short article, be included in the Record. I think this is probably the best summation of the very dangerous road that America is traveling down these days with regard to our reliance on foreign capital to carry our budget deficits in these United States.

Mr. Jonathan Yates, who is a staff member of the House of Representatives, opens his article in this fashion:

> In its attempt to convince Japanese investors to place $1 billion in its debt and equity offerings, Bank-America has followed the lead of the U.S. government in relying on foreign capital to meet its operating costs. Because of this reliance on foreign investors—particularly from Japan—to buy treasury bonds and underwrite the Federal budget deficit, the Reagan Administration has come to realize that decision makers for U.S. economic policy can no longer confine their travels to the financial houses of New York and the government institutions of Washington, but must increasingly interact with the Bank of Tokyo in Japan and the Bundesbank in Bonn, West Germany.

To further quote from the article:

> Once in office, the Reagan Administration set out to achieve three major goals through its economic programs: slash taxes, reduce the size of the Federal government and increase defense spending. The Administration hoped that government spending cuts, coupled with economic growth stimulated by the tax cut, would compensate for lost revenue and the $2 trillion cost of the defense buildup. When this scheme failed, the Reagan Administration—on a scale never witnessed before—turned to deficit financing to underwrite its economic programs.

Mr. President, I would like to read the closing two paragraphs of this excellent article, as follows:

> Steps must be taken to reduce America's dependence on capital from abroad. Relying on foreign capital to meet American economic needs is as dangerous as relying on foreign oil to meet American energy needs. The Federal budget deficit must be decreased to reduce the need for foreign capital. Moreover, measures must be taken to encourage Americans to save more in order to increase the supply of domestic capital.
>
> If our dependence on foreign capital persists, the United States, in the words of one Treasury Department official, will find itself in Brazil's condition, "beholden to overseas creditors . . . always worrying about rolling over its foreign debt and its creditors' reactions when it makes policy."

Mr. President, I ask unanimous consent that the entire article from which I have just quoted and referred to in my remarks from American Politics of August 1987, written by Mr. Jonathan Paul Yates, be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Dangerous Addiction—America's Craving for Foreign Capital

(By Jonathan Paul Yates)

In its attempt to convince Japanese investors to place $1 billion in its debt and equity offerings, Bank-America has followed the lead of the U.S. government in relying on foreign capital to meet its operating costs. Because of this reliance on foreign investors—particularly from Japan—to buy treasury bonds and underwrite the Federal budget deficit, the Reagan Administration has come to realize that decision makers for U.S. economic policy can no longer confine their travels to the financial houses of New York and the government institutions of Washington, but must increasingly interact with the Bank of Tokyo in Japan and the Bundesbank in Bonn, West Germany.

Once in office, the Reagan Administration set out to achieve three major goals through its economic programs: slash taxes, reduce the size of the Federal government and increase defense spending. The Administration hoped that government spending cuts, coupled with economic growth stimulated by the tax cut, would compensate for lost revenue and the $2 trillion cost of the defense buildup. When this scheme failed, the Reagan Administration—on a scale never witnessed before—turned to deficit financing to underwrite its economic programs.

Relying on domestic capital formations to finance record budget deficits would have pre-empted private needs, escalating interest rates and enervating both recovery from the deep recession of 1982 and Republican election hopes for 1984. In 1985, for example, total private savings in the U.S. were $114 billion short of the $809 billion needed for business investment and government borrowing. The Administration has been so successful in attracting foreign capital to compensate for the shortfall that foreign purchases of treasury bonds have increased 2,000 percent over the last decade, to over $75 billion annually. Financing the U.S. Federal budget deficit has become a joint economic venture of Japan, Inc. and the Reagan Administration.

At first, high real-interest rates attracted foreign funds into secure, profitable U.S. Federal and corporate debt. Real yields on bonds—the rate earned minus inflation—increased 10 points from 1978 to 1982. As a result, foreign purchases of U.S. Federal debt soared from $3.6 billion in 1979 to $28 billion in 1983 to over $75 billion in 1986.

As inflation subsided in the United States and interest rates were lowered, the yield on treasury bonds fell. Since 1985, when the finance ministers from the five industrialized nations agreed to lower the dollar in value, the superior yield of U.S. Federal debt to Japanese bonds has declined by 60 percent. Because of the dollar's decrease in value and the resulting strength of the yen, a $1,000 U.S. treasury bond that cost 285,000 yen in 1985 is worth less than 150,000 yen today (and its yield is 40 percent greater than it would have been had the dollar held its value). "Talking down" the dollar has made U.S. stocks and bonds 60 percent cheaper for foreign investors and has compensated for the lower yield. As a result of this discount, foreign investors provided two-thirds of the net investment capital in the United States last year and will buy more U.S. stocks and bonds this year than American investors.

This growing role in providing investment capital for the United States and purchasing massive quantities of treasury bonds has given foreign institutions, especially those in Japan, increasing influence in U.S. economic matters. Their expanding influence was evident in a series of events that occurred after the United States affixed $300 million in tariffs to Japanese imports in April, which was followed by the passage of a major trade bill in the House.

It took only treasury bond auctions and a visit by Prime Minister Nakasone of Japan before Reagan began to talk of lifting the tariffs and vetoing the trade bill. And, as an inducement to Japanese investors to buy U.S. treasury bonds, Reagan raised interest rates in the United States while Tokyo cut its prime to make U.S. bonds more attractive to Japanese investors. Later, U.S. officials said that future rate changes could be tied to policy actions—including an end to the $300 million worth of sanctions on Japanese goods.

At the treasury bond auction in February, prior to the American tariffs on Japanese goods and the passage of the trade bill, Japanese investors purchased about 40 percent of the offering at an average yield of 7.49 percent. In April, after the sanctions were announced, Japanese investors bought only 20 percent of the bonds being auctioned, forcing the yield to 8.9 percent at the next treasury auction. They also dumped stocks the next day the market was open, driving the Dow Jones average down by 57 points. The cost to Wall Street investors and American taxpayers in higher interest rates on treasury bonds and losses on their stock and bond holdings was in the billions of dollars.

At the treasury bond auction that followed Nakasone's May 1 visit to this country, the Administration's talk of lifting sanctions and the rise in U.S. interest rates in conjunction with Tokyo's interest rate cut, Japanese investors—with strong government encouragement—bought over half of the bonds offered, bringing the yield back down to 8.76 percent. The next day, the White House indicated that a trade bill similar to legislation approved by the House and Senate Finance Committees would be vetoed.

Japan's ability to manipulate the U.S. stock and bond market has been demonstrated before. Last year, four Japanese institutions applied to the Federal Reserve to become primary dealers in U.S. treasury bonds, which would give them the ability to market the bonds directly rather than through an American brokerage house. At the May 1986 treasury bond auction, while their applications were pending. Japanese investors demonstrated their ability to manipulate the U.S. bond market by engineering distortions that resulted in huge losses for several American firms. Shortly thereafter, the Federal Reserve approved the Japanese applications.

Both Washington and Tokyo have countenanced this trans-Pacific flow of funds into U.S. treasury bonds. In 1984, after heavy lobbying from the Administration, Congress ended tax withholding on interest payments to foreign investors. In 1985, the dollar was "talked down" to allow foreign investors to purchase U.S. stocks and bonds at a discount. Eight months later, the Finance Minister of Japan relaxed restrictions on the amount of foreign securities that Japanese investors could hold as a percentage of their portfolios. And, of course, Japanese institutions were given approval to deal directly in U.S. treasury bonds.

Steps must be taken to reduce America's dependence on capital from abroad. Relying on foreign capital to meet American economic needs is as dangerous as relying on foreign oil to meet American energy needs. The Federal budget deficit must be decreased to reduce the need for foreign capital. Moreover, measures must be taken to encourage Americans to save more in order to increase the supply of domestic capital.

If our dependence on foreign capital persists, the United States, in the words of one Treasury Department official, will find itself in Brazil's condition, "beholden to overseas creditors . . . always worrying about rolling over its foreign debt and its creditors' reactions when it makes policy."

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## COMMEMORATING NATIONAL HISPANIC HERITAGE WEEK: HISPANIC AGENDA FOR 1990 AND BEYOND

Mr. WIRTH. Mr. President, this is "National Hispanic Heritage Week"; September 13–19. Yesterday also marks the anniversary of Mexico's independence from Spain—September 16—a special day for millions of Hispanic Americans to pause and celebrate their unique culture and history as a people.

Recent statistics indicate that Hispanic Americans are rapidly becoming one of the Nation's most dynamic and fastest growing minority groups. America's Hispanic community is not only emerging as a potent economic force, it is also growing in political strength and as a source for constructive change and prosperity in the country.

To underscore the vitality of America's Hispanic community and to give special meaning to National Hispanic Heritage Week, I am pleased to bring your attention to the work of people in my State who have unveiled a 21-page report entitled, "Hispanic Agenda: 1990 and Beyond." This report is the culmination of work that began more than a year ago when Hispanic community leaders in Colorado decided to engage the community in a broad-based effort to identify issues of concern and solutions to specific problems. In essence, the report is a blueprint for progress in the Hispanic community.

Although the agenda is largely the work of the Latin American Research and Service Agency [LARASA], it draws heavily from the active participation of more than 200 people throughout the community who gathered together on October 18, 1986, at St. Catejan's Center at the Auraria Higher Education Center in Denver, CO, to discuss the economic, social, educational, and political future of Colorado Hispanics. Under the leadership of State Senator Tony Hernandez, Fred M. Acosta, Juana M. Bordas, and Audrey R. Alvarado, the agenda was published and released this week.

I commend it to my colleagues and all interested persons as a thoughtful and articulate summary of concerns and goals that Coloradans—both Hispanic and non-Hispanic—wish to share with the Nation as a whole, and, therefore, ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD.

(Note: The charts in the following report are not reproducible in the RECORD.)

### HISPANIC AGENDA: 1990 AND BEYOND

(Colorado 1987)

#### EXECUTIVE SUMMARY

The ultimate goal of the Hispanic Agenda is to enhance the quality of life for Colorado Hispanics and all other Coloradans. To achieve this improved quality of life, the Hispanic community and its leaders must take responsibility to insure that there is a coordinated, integrated and systematic approach to positive change.

The Hispanic population continues to face socioeconomic difficulties. We must now begin to address these issues. As society continues to change at an ever increasing pace, we must employ creative approaches and seek long term solutions to the problems Hispanics encounter in our society. The Hispanic Agenda is a statement of goals and objectives, endorsed and supported by the Hispanic community. When the Agenda is fully implemented, it will allow the Hispanics of Colorado to participate more fully in the economic, social, educational and political mainstream of the state.

The Hispanic Agenda Steering Committee began work in January, 1986, to develop the structure and process for the Agenda. Futuristic and optimistic in its orientation, the Hispanic Agenda addressed eight major components:

Education: kindergarten-12th grade,
Higher education,
Labor and employment,
Economic development,
Housing and neighborhood,
Health and human services,
Political participation and leadership, and
Media,

These components were identified by building a consensus among representatives of the Hispanic community, its leadership and experts who work in each of these areas. Subcommittees were formed to identify specific problem areas and collect information with regard to each of these topic areas. The next step in the process was the development of draft position papers containing short and long term goals and objectives.

On October 18, 1986, the Hispanic Agenda Conference took place at St. Cajetan's Center at the Auraria Higher Education Center, Denver, Colorado. Over 200 participants reviewed the draft position papers and revised the goals addressing the future direction of the Hispanic community and the state of Colorado. The goals were developed with the intention of achieving them within the next five years.

The Hispanic Agenda Steering Committee combined the information contained in the draft position papers with the input from the Conference to arrive at this finalized Hispanic Agenda. The Hispanic Agenda is not meant to be all inclusive. As other issues become priorities, they will be included in the Agenda. This is just the beginning.

This publication renders the blueprint to a vision of the future. It belongs to everyone, Hispanic and non-Hispanic. It is the property of the community. All of Colorado's citizens have the responsibility to see that it is implemented to the fullest measure.

We anticipate that Hispanics throughout the state will make a personal and professional commitment to the Agenda's goals and objectives. It is the hope of all who developed the Hispanic Agenda that this organized effort will be an on-going process which will broaden opportunities and improve the quality of life for Hispanics in Colorado.

#### HISTORICAL OVERVIEW

The concept of pluralism so beautifully inscribed on the dollar bill E Pluribus Unum—"out of many comes one"—has been the dream and promise of America since the Declaration of Independence, 200 years ago. The state of Colorado, with its rich multicultural heritage has the opportunity and challenge to fulfill this dream. The very name Colorado was given by the Conquistadors, who in search of additional northern territory for the Spanish crown came across Texas, Arizona and New Mexico to a land they named for its vibrant natural beauty and the red clay that colored its majestic mountains—Colorado. Although many people who emigrate here are sometimes surprised by the state's pronounced Hispanic flavor, an understanding of history makes clear the important role, contributions and historical impact Hispanics have had on the settlement and growth of Colorado.

The Spanish heritage of the Southwest is a prominent one, rooted in more than 400 years of history and culture, and dating back almost 200 years before the signing of the Declaration of Independence and 300 years before Colorado became a state. It was in 1598 that Juan de Onate led the official expedition that spread the Spanish Empire's cultural and political presence into what is now the Southwestern United States.

The Spanish colonists synthesized their culture with the Native American people who had lived on the land for centuries. The marriage of the Spanish and Indian cultures resulted in a new, dynamic and creative ethnic blend which produced unique institutions, art, literature and values. The Spanish introduced ranching and stock raising, public schools, silver-working, architectural style, citrus fruits, Christianity, water laws and community property concepts. The Indian culture brought its knowledge of the land, cultivation for preparation and preservation, crafts and art design, folk medicine, hunting and tribe or community consciousness. The descendants of this culture marriage are the Hispanics of Colorado and the Southwest today.

In 1821, Mexico gained its independence from Spain, and Anglo-Americans were allowed legal entrance into Colorado and the Southwest. A healthy trade developed between the United States and Mexico. A major trade route included the Mountain

Branch of the Santa Fe Trail that utilized Bent's Fort through Raton Pass into Santa Fe.

While trapping and trading had brought Spanish and Mexican incursions into Colorado before 1821, land grants and the sprouting of trading posts along the Arkansas River encouraged the development of permanent settlements. Mexicans and Anglos were pulled together into compatible relations as the Anglos came in to "Settle the West." Mexicans acted as guides, translators, merchants, packers and soldiers and taught the "new immigrants" how to survive in this beautiful land.

In 1846, the United States went to war against Mexico and resulting with the Treaty of Guadalupe Hidalgo, annexed almost half of the Mexican Hidalgo. The following states or portions thereof became part of the United States; New Mexico, California, Oklahoma, Kansas, Nevada, Utah, Arizona, Texas, Colorado, and Wyoming. The Mexican residents of the ceded territories were granted United States citizenship and became "charter members" of the state. As a standing tribute to their previous history, the communities of the Southwest often retain the Spanish "plaza" plan, architecture, and construction of adobe. Southwestern arts, crafts and food have remained an integral part of this area's cultural distinction.

The Civil and Indian wars, combined with the Gold Rush, attracted soldiers, prospectors, settlers, and land speculators from California and eastern United States. As these new people arrived, they too were taught how to survive and earn their livelihood by the Hispanic people. Skills taught included; mining by use of the batea and the arrastra methods; ranching and animal herding; farming and cultivation; trading and trapping. The integration of the state of Colorado, with the diversity of people it has today, had begun.

In the territorial period and into statehood in 1876, Colorado Hispanics entered political arenas and played substantive roles. Casimiro Barela, for example, known as the "Perpetual Senator," not only led the southern Colorado delegation in protecting the rights of the "charter members," but assisted in writing the Constitution of the state. So great was his influence that his likeness is preserved in the State Capitol dome today.

Industrialization and development in Colorado during the latter half of the nineteenth century attracted additional "charter members," as well as Mexican immigrants who came to work on the railroads, in the mining industry, in agriculture, (e.g., Great Western Sugar) and, ranching (e.g., sheep and cattle). Many migrant workers whose origins in Texas placed them on a migrant trail to eastern Colorado decided to remain and relocated in numerous communities along the front range. Hispanics, through their hard work and contributions to the labor force, built the state of Colorado and forged the foundation of today's economic base.

Intensive immigration from Mexico during the first decades of the twentieth century was caused in part by the active recruitment of a cheap labor force and by the political turmoil of the Mexican Revolution (1910–1934). New organizations emerged during this era that expressed concerns for cultural preservation and political status. Mutualistas (mutual-aid societies) provided services throughout Colorado and formed alliances throughout the nation with like-minded groups. This included "charter members" who were here before Colorado became part of the United States, recent immigrants from Mexico, and also many supportive people like former Colorado Governor Bill Adams.

World War II marked renewed economic development as industries moved inland in response to the threat of invasion. Colorado Hispanics became an urban population as emigrants moved near their war-related industries. In response to a need for an enlarged labor force, legislation encouraging Braceros, Mexican national workers in the United States, answered this demand for labor. Serving with great distinction in the military during World War II, Colorado Hispanics continued their contributions in defense of their nation. A patriotic people, Hispanics today have more Medal of Honor recipients per capita than any other group.

The nation's long and challenging history of border problems and illegal aliens has had a powerful impact on Colorado. Starting with the "charter members" who were here before Colorado became a state and again during World War II, there has been an open and then closed door policy toward aliens. This "revolving door" let people in when cheap labor was needed and then closed again when economic times necessitated a tight labor market. Nevertheless, this emigration pattern has had some beneficial effects on Colorado Hispanic culture, which has been constantly revitalized by the contributions of recent immigrants, particularly in language, customs and values. It has also produced backlash and prejudice against undocumented workers and accusations that Hispanics do not assimilate into the dominant culture.

Yet today, in the aftermath of the Civil Rights movement, which promoted the rights of Blacks, Hispanics and other people of color, Hispanics have made great strides in advancing socially and economically. Hispanics today are better educated, and can be found in all levels of business, government and society. Hispanics are beginning to exert the same strong influence on this state that they did in the early days of Colorado's history. One reason for this is that Colorado Hispanics actively participate in politics. Hispanics are also a growing population. As their numbers increase, they will have a greater impact on Colorado and the nation as a whole.

Colorado Hispanics bring a unique cultural blend integrating the individualism and hard work of the Western settlers with the rich heritage of Native American people. Colorado Hispanics have contributed much to the development and growth of Colorado, standing as an example of a people who love their country and their culture and who have assimilated without losing their cultural identity. The success of Hispanics in Colorado will contribute to the success of the entire state.

#### DEMOGRAPHICS

While the nation's total population increased by 11.5 percent between 1970 and 1980, the total Hispanic population increased by 61 percent, totaling 14.6 million (a 6 percent annual growth rate). The Mexican origin Hispanic subgroup increased by 93 percent, followed by Cubans at 48 percent, Puerto Ricans at 41 percent, and "Other Spanish" origin peoples at 21 percent. Current census reports estimate a 16 percent growth rate from 1980 to 1985 for Hispanics nationally (16.9 million), in contrast to 3 percent for the total U.S. population.

In 1980, Colorado ranked ninth nationally in its concentration of Hispanics. Hispanics constituted 11.8 percent of Colorado's total populations (see Chart 1). As the following map of Colorado counties illustrates, two of 63 counties in Colorado has a Hispanic majority (Costilla—77 percent, and Conejos—61 percent). The bulk of Hispanics in Colorado self-identified as Mexican/Mexican-American/Chicano (61 percent). The second largest hispanic subgroup identified as "other Spanish" (37 percent). Puerto Ricans and Cubans constituted less than 2 percent. State projections estimate the Hispanic growth rate at nearly 16 percent between 1985 to 1990, contrasted to 10 percent for Colorado's state population.

In 1980, slightly more than half of Colorado's Hispanics lived in the Denver metro area, with 53 percent of those having lived in the city and county of Denver. That is, over one-fourth of Hispanics in the state resided in a single urban area. In line with national statistics, Colorado Hispanics are an urbanized population, with 85 percent residing in major urban areas.

The educational status of Hispanics in Colorado closely parallels other states with a high concentration of Hispanics. In 1980, 51 percent of Hispanics 25 years or over did not complete high school, and less than 10 percent completed college. Estimates on Hispanic high school dropouts range from as low as 11 percent to as high as 50 percent.

The median family income of Colorado Hispanics in 1979 was $15,412 compared to $21,940 for non-Hispanics. When the number of persons per household is taken into account, the disparity in income is amplified. The per capita income for Hispanic persons per household was $4,714 in contrast to $8,585 for non-Hispanics. In other words, the average income per person in a non-Hispanic household was nearly two times that of Hispanics.

One of the most striking characteristics of the Hispanic population, both nationally and locally, is its youthfulness. The age pyramid in Chart 2 graphically shows the difference in age distribution between Hispanics and non-Hispanics. The contrast in age is particularly evident in the "less than 20 years of age" categories. In 1980, 40 percent of Hispanics were under 18 years of age in contrast to 26 percent of non-Hispanics. Overall, Hispanics are considerably younger than non-Hispanics. In 1980, the median age of Hispanics in Colorado was 22.5 years in contrast to 29.4 years for non-Hispanics. Furthermore, fertility is higher for Hispanic women (2,428 children per 1000 women 15 years and older) than for total Colorado women (1,752/1000). The fertility rate for Hispanic women is projected to remain unchanged through the mid 21st century.

#### SUMMARY

Given the Hispanic population's youthfulness, high fertility rate and continued growth, Hispanics will become an increasingly more vital segment of Colorado's population. Efforts to integrate Hispanics into the economic and political mainstream would benefit not only the Hispanic community, but the state of Colorado as well.

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### HISPANIC AGENDA: 1990 AND BEYOND (MAJOR COMPONENTS)

#### KINDERGARTEN THROUGH 12TH GRADE EDUCATION

Hispanics are a young, vibrant and energetic population. Forty-five percent are under the age of nineteen. Hispanic youth are and will continue to be a valuable resource for employers. This youthful Hispanic population will be working longer and contributing more dollars into the federal social security system than any other ethnic population. Therefore, it is in the best interests of both the Hispanic and majority populations to improve achievement levels of our Hispanic youth on the elementary and secondary levels. The result will be an improved quality of life for all citizens of our state.

### *Issues*

The following areas are key concerns for the Hispanic community: Academic performance of Hispanic youth; Attendance rate of Hispanics; Drop out rate; Institutional racism in the education system; Current school finance method.

Based on statewide assessment of student achievements, Hispanics are performing at a lower level than Anglo students. Specifically, utilizing the Iowa Tests of Basic Skills/Tests of Achievement and Proficiency, Form G, Hispanic performance ranged from 14 to 21 percentile points below all students. The areas tested included vocabulary, reading and language skills, work-study skills, mathematics skills, social studies and science. (See Chart 5 from "Status of K-12 Public Education in Colorado, 1986," published by the Department of Education.)

Hispanic youth are challenged to survive in the current educational system. Part of the responsibility for the lower performance of Hispanics rests with the structure and method of teaching in Colorado school systems. Historically Colorado's education system has received a failing grade in promoting academic success of ethnic minorities. Absence of a "climate of excellence" in the classroom contributes to this shocking educational ineffectiveness. Teachers who have low expectations of Hispanic achievement get the results they expect. There has been minimal commitment to preventive, early intervention efforts or encouragement of innovative teaching methods. The emphasis has been on remedial-type programs reaching students at a later stage in their schooling. To bring about improved student performance, early intervention needs to become a priority.

Hispanics are also dropping out of school in dangerously large numbers. Some studies estimate that 50 percent of Hispanics do not complete high school. Chart 3 dramatically shows the educational completion differences between Hispanics and non-Hispanics across urban and rural areas. For Hispanic adults 25 years and older, 40.9 percent in rural and 47.8 percent in urban areas completed high school. In contrast, 80.1 percent of non-Hispanics living in rural and 81.2 percent living in urban areas completed high school.

As reported by the Colorado Department of Education in a 1986 study which only includes data from 10th to 12th grade, the Hispanic drop out rate is 11.3 percent. The 1980 census data also show that Hispanic youths in the 18–24 age group were far less likely to have completed high school than non-Hispanics. For Hispanics living in rural areas the completion rate was 59 percent compared to 60 percent for urban Hispanics. For non-Hispanics the completion rate in rural areas was 77.4 percent compared to 82.7 percent for urban non-Hispanics. (See Chart 4.)

A recent Stanford University study estimated the lifetime cost to society of dropping out to be about $200,000 per drop out—approximately $20,000 for social services, $50,000 in lost tax revenue and $130,000 in lost net income to the individual. The drop out situation is at crisis proportions.

Failure is compounded by the lack of acceptance of the pluralism that characterizes our state and our nation. As a result, institutional racism continues to exist in the education system. Racism is evident in lower expectations by teachers and educational administrators of the Hispanic child. Racism is demonstrated in the lack of Hispanic role models in the class-room, a higher discipline and suspension rate among Hispanic students, and a curriculum that ignores Hispanic historic contributions to the development of Colorado and our country. The call for excellence in our schools must be applied across the board.

The current financing method of public education is a major problem affecting all of our children in Colorado. First, financing for education is decreasing. As reported by the Colorado Legislative Council, the financial support of K-12 education in constant dollars has decreased each year for the last five years. The state contributes 47 percent of the total funds, and the local property tax burden is 53 percent. The current school finance law is not meeting the needs of Hispanic students. It requires revision, not only to ensure educational opportunity, but also to prevent educational opportunity from being solely a function of local property tax.

### *Responsibility*

The primary responsibility for increasing the academic success of Hispanic youth lies with the Hispanic Community. However, parents, students, the state and private sector must all participate wholeheartedly in this undertaking. The quality of life for all citizens of Colorado will be enhanced by the success of Hispanic youth in K-12 education.

### *Kindergarten through 12th Education Goals*

Decrease by 15 percent the number of class days missed.

Increase by 3–5 percent per year the compentency test scores for Hispanic students in each test component.

Increase by 10 percent per year the number of Hispanic students who pass the competency test(s) the first time.

Decrease by 10 percent per year the drop-out rate.

Institute a multi-cultural curriculum in Colorado's K-12 education system.

Rewrite the School Finance Law and base it on educational need.

Increase to a minimum of 50 percent the financing contribution of the state for K-12, thereby reducing the local property tax burden significantly under 50 percent.

Develop and implement standard state accountability measurements for each school district in Colorado.

Increase parental and community participation in the educational system through tutoring, mentoring and role model programs.

Increase by 40 percent early intervention education.

## HIGHER EDUCATION

Colorado depends on a highly educated and trained labor force. Higher education and Colorado's future growth are inextricably intertwined. The Hispanic population will serve as a major pool from which to draw faculty, staff and students. Unfortunately, to this date, Hispanic participation in institutions of higher education has been minimal. Efforts must be made to turn the tide in order to lay the groundwork for the future growth of our state and the success of its citizens.

### *Issues*

There are three major issues in higher education affecting Hispanics:

Recruitment, retention and promotion of qualified Hispanics in institutions of higher education.

Recruitment and retention of Hispanic students and financial assistance to help them complete their education;

Lack of involvement and participation of Hispanics in influencing policy through employment and appointments on policy-making boards of government and commissions in higher education.

The numerous higher education issues relating to Hispanic faculty and staff are intertwined. Hispanics are under represented at the levels of faculty and staff personnel. In 1984–85, it was estimated by Western Interstate Commission on Higher Education (WICHE), that less than one percent of executive, administrative and managerial positions were held by Hispanics in Colorado and that fewer than two percent of higher education tenured faculty positions were held by Hispanics. Chart 6 shows that of Hispanics working in institutions of higher education, 58 percent are in non-tenured or other faculty positions.

The lack of support systems for Hispanics working within higher education has hindered the entry and retention of Hispanics into higher education institutions. Fewer networks exist to inform individuals of upcoming vacancies. Attempts to increase the numbers of Hispanics by enforcement of Affirmative Action guidelines has not been successful because of a lack of commitment by institutions of higher education and the State Legislature.

Many Hispanic students rely on financial assistance to obtain an education. Along with a decline in aid, there has been a corresponding decline in recruitment efforts directed at minority students. According to the latest available data, Hispanics received 3.2 percent of the baccalaureate degrees conferred in 1983. Chart 7 shows that in 1980 less than 10 percent of Hispanics, 25 years and older, residing in urban and rural areas, completed four years of college. In contrast 24.7 percent rural non-Hispanics and 31.3 percent urban non-Hispanics completed four years of college. In 1990, it is projected that only 5.6 percent of higher education degrees will be conferred to Hispanics, despite the fact that Hispanics between the ages of 15 to 19 will represent 11 percent of the total school population.

The decline of the traditional white, 18–24 years old student has renewed interest among higher education institutions in recruiting non-traditional students. If colleges and universities are to contribute to the quality of life, they must begin to work more aggressively in the areas of recruitment and retention of Hispanics in all institutions of higher education. Chart 8 shows that one of four Hispanics are enrolled in two year colleges in 1985. Hispanic representation must be expanded to four year and graduate institutions to enable Hispanics to compete in the areas requiring high technology degrees.

Elementary and secondary educators also are responsible for expanding the pool of qualified and interested college-bound students. Kindergarten through twelfth grade educators have not uniformly focused on encouraging and preparing Hispanic students for college.

At the system level Hispanics have not been represented on governing boards and commissions related to higher education. The few that have been appointed have not been as effective as they could be because of limited support systems and a lack of commitment of the governing bodies to the Hispanic community. Affirmative action policies and plans have been developed without a strong commitment to enforcement. This has contributed to the continuation of a laissez-faire attitude toward the educational needs of Colorado's Hispanic community.

### *Responsibility*

There are a number of responsible parties that could positively influence change in the area of higher education. The Hispanic community must continue to play a major role in promoting and encouraging our youth to pursue their education. Hispanic faculty and staff must work together to promote themselves and others in the system. State governmental entities must accept responsibility for implementing affirmative action policies, that are more than plans with good intentions and possess a strong enforcement component. The private sector, with much to gain from a highly educated work force, must begin to invest in higher education and the future Hispanic leaders of Colorado.

### *Higher Education Goals*

Increase by at least 10 percent recruitment/retention efforts of Hispanics in higher education.

Increase from 3.2 percent to at least 10 percent baccalaureate degrees earned by Hispanic students.

Increase by 15 percent the numbers of Hispanic faculty personnel in higher education.

Increase by 10 percent annually financial aid for qualified Hispanic students.

Increase the representation of Hispanics on governing boards and commissions to achieve at least parity.

Develop a state-wide student transition support program.

Establish a communication clearinghouse regarding higher education opportunities for students and faculty.

## LABOR AND EMPLOYMENT

Hispanics represents a growing proportion of the U.S. labor force. They are a youthful population in an aging society. Today, about 6.7 percent of our nation's workers are Hispanic. This proportion will increase to about 10 percent by the year 2000.

The employment status of Hispanics and other minorities will be increasingly important in the future. In 1952, there were 17 workers for every retiree on Social Security; by 1992 demographers project that there will be only three—and one of these will be a minority group member. Thus the employment skills of minority workers will be critical not only for the nation's productivity and competitiveness in the world market, but also for the solvency of the Social Security system, according to a 1987 report of the National Council of la Raza.

Unemployment and underemployment have been chronic problems in the Hispanic community. Double-digit unemployment has been a reality during both good and bad economic times; in 1985, Hispanic unemployment in Colorado averaged 12.2 percent, compared to 5.8 percent for whites.

### *Issues*

There are three major issues in labor and employment affecting the Hispanic community:

Hispanic unemployment rate is twice the rate of Anglos;

Significant numbers of Hispanics lack formal education and skills training for changing labor force demands.

Hispanics are over-represented among occupations likely to suffer from high job losses.

The Hispanic unemployment rate during the last ten years has remained about two times that of Anglos. In 1980 Hispanics in rural Colorado were close to three times more likely to be unemployed than non-Hispanics (as shown in Chart 9).

The single most important barrier to success in the labor market for Hispanics is their low level of educational attainment. There is no doubt that the typical job or occupation of the future will require advanced education and/or training. Increasing workers' job readiness skills is a prerequisite to reducing the unemployment rate. In the future illiteracy will no longer mean a low paying, labor intensive, menial type of employment—it will mean no job at all.

Hispanics also suffer from serious inequities in occupational distribution. Both Hispanic men and women are strikingly under represented in white-collar jobs and over represented in low-skill blue-collar jobs with low wages and limited opportunities for advancement, as shown in Chart 10. It is no surprise then that Hispanics in the work force receive the lowest weekly wages of any major group in the labor market, with Hispanic women reporting the lowest wages. Hispanic families experienced a decline in real income in 1985.

Employment training must be two-pronged: first, it must increase literacy to enable the worker to begin to earn a living; secondly, as a condition of employment, the worker will be provided with continuing training. The latter protects workers who are engaged in occupations that will see significant losses because of technology improvements.

According to recent studies, Colorado ranks 13 out of the 50 states with regard to "climate of growth" in terms of jobs and new companies. Yet this growth essentially excludes Hispanics who lack the formal education and training for a hi-tech, service-sector economy. At the same time because of the youthful composition of the Hispanic community, Hispanic workers can and will be a driving force for industries of the future.

### *Responsibility*

Colorado's human resource investments represent a critically important commitment. Expanding opportunities for Hispanics and non-Hispanics can be achieved through a partnership of state and local government and the private sector, utilizing economic development strategies, education and employment training programs. In addition, Hispanic workers must be endowed with the motivation and self-resolve to improve their current plight. The community can assist in this process and set high standards, provide leadership, raise consciousness and provide the necessary accountability. The end result will be greater prosperity for all Coloradans.

### *Labor and Employment Goals*

Increase by 40 percent the literacy of Hispanic workers.

Increase by 30 percent the private and public partnership training program funds.

Increase by 40 percent the number of Hispanic workers in training programs.

Increase by 40 percent the utilization of the Job Training Partnership Act program in the Hispanic community.

Reduce by 5 percent the Hispanic unemployment rate.

Increase by 30 percent labor force participation of low income Hispanic female heads of household.

Expand by 20 percent the educational opportunities available to underemployed and high risk loss occupations.

## ECONOMIC DEVELOPMENT

America has one of two choices. We can accept a lower standard of living by cutting the wages of blue and white collar workers, or we can raise our standard of living through effective public/private investment. The goal of such investment would spur the growth of new high-paying, high-tech and information based industries. The Hispanic Agenda chooses the later approach.

The economic success of Hispanics is dependent on America's ability to compete in the world. Conversely, America's ability to compete in the world is also heavily dependent on the effective and successful investment in her Hispanic citizens. Obviously, the education of America's youth, including a soaring population of young Hispanics, plays a crucial role in our nation's ability to compete and prevail in today's and tomorrow's world economy.

The U.S. Census Bureau reports that the number of Hispanic-owned businesses in the United States increased by 53 percent between 1972 and 1977. Receipts from those firms totaled $15 billion in 1982, a substantial increase over a five year period. On average and in almost all cases, Hispanic businesses are small businesses.

### *Issues*

There are four major issues confronting the Hispanic business community;

Limited access to capital and management/technical assistance;

Revitalization of neighborhood Hispanic business;

Internal coordination of Hispanic community;

Systematic and institutional racism.

The fate of small businesses and future employment opportunities are closely linked. Between 1981 and 1985, Colorado added an estimated 80,000 net new jobs. Small, independently owned new business played a key role. Over 59,000 of these net new jobs were in firms with less than 20 employees and over 51,000 in local, independently owned firms. Firms with less than 100 employees now account for over half the jobs in Colorado.

Start-ups have and will continue to dominate the state's growth in employment. As a result, a sound Hispanic economic development strategy should nurture the successful growth of Hispanic-owned small businesses. Such an approach will result in a significantly increased number of high-quality jobs for Hispanics.

Like all small businesses, potential and existing Hispanic enterprises require start-up and consecutive rounds of financing to grow. An individual small business often has almost all the right pieces in place—right product, right market and right time. Frequently, the only pieces missing are available and/or affordable capital, and management and specialized technical assistance.

Revitalized neighborhood retail/service businesses are needed in the community. Many small businesses in Hispanic neighborhoods are owned by non-minorities. Hispanic entrepreneurship must be promoted. Hispanic consumers should be encouraged to patronize Hispanic business; in too many cases, they are required to shop and buy goods and services outside the neighborhood.

While some progress has been made, the Hispanic business community must coordinate its efforts. More collaboration is needed in areas of joint venturing, subcontracting, and purchasing products and services. A lack of coordination causes many Hispanic enterprises to lose significant business with the following types of potential customers: major local corporations, state and municipal governments and federal government.

Systematic, institutional racism remains a barrier to Hispanic progress. Significant economic "mainstreaming" of Hispanics remains to be done. The level of participation in our state's economy is not satisfactory. We need more Hispanic business people serving as role models.

### *Responsibility*

The Hispanic community as a whole must take responsibility, including obtaining the cooperation of local corporations, other Chambers of Commerce, and state and local government. Significant economic success can be achieved if the community effectively coordinates and executes their plans. The Hispanic Chamber of Commerce can provide a focal point for revitalization of the Hispanic business community. The executive and legislative branch of government must involve Hispanics in the state's economic development planning, as well as advocate opportunities for Hispanics in the plan's implementation.

### *Economic Development Goals*

Establish 100 new Hispanic owned businesses.

Increase by 100 percent Hispanic business receipts.

Increase by 300 the number of employment opportunities within each Hispanic neighborhood.

Create through the State Legislature Small Business Development Credit Corporations that will provide financing and management/technical assistance.

Unbundle contracts with local corporations thus providing more opportunities for Hispanic Small Business Owners.

Centralize the minority certification/guideline education and information process.

Increase knowledge of the bidding process among Hispanic Small Business Owners.

Initiate and establish a Hispanic Small Business Owners resource information clearinghouse in cooperation with the Hispanic Chamber of Commerce.

Establish an annual Hispanic Small Business Owners Trade Fair for public and private sector organizations.

Increase by 35 percent funds raised for neighborhood economic development organizations.

Implement a one-stop regulation and certification office.

Establish a statewide minority small business council.

## HOUSING AND NEIGHBORHOOD

The breadth and diversity of housing issues facing Colorado . . . the price at which the private market system can provide housing and the ability of low-income households to pay for the housing. Until recently the federal government has taken the lead in addressing the needs of those residents whose housing requirements were not being met by the private sector. Today there is a new opportunity for state and local government working together with the Hispanic community to improve the housing and neighborhoods in Colorado.

### *Issues*

There are four key housing and neighborhood issues that affect Hispanics;

The lack of affordable housing throughout the state of Colorado;

The need for revitalization of Hispanic neighborhoods and existing housing units;

Freedom of choice for Hispanics to live anywhere;

The need to identify and purge regulations and priorities that negatively impact the affordability and the quality of housing.

The main housing issue is affordability. In 1985, 32 percent of Colorado renter households and 10.6 percent of owner households were living in inadequate units or paying too high a proportion of their income for shelter. A significant portion of the Hispanic population is unable to afford adequate housing.

Secondly, revitalization of Hispanic neighborhoods is essential to our quality of life. The owner occupied housing stock in the state is aging. The combination of aging housing with a lower-income owner, particularly in rural Colorado, often results in deterioration of the unit and its eventual * * * taken, affordable housing units deteriorate until they are eventually abandoned or demolished. Too often the results is complete retrogression of the neighborhood.

Assuring that Hispanics have the freedom of choice to live anywhere within the metro area and the state of Colorado is critical. A recent study of affordable housing in the metro area and the state indicated that Hispanic families whose income does not exceed $25,000 per year are required to live in areas where the housing stock is less than adequate for their needs.

The last issue impacting Hispanic housing and neighborhoods addressed the regulations and priorities of a variety of state agencies and commissions that directly affect housing costs. We need to identify and revise regulations within state and local governments as well as private housing regulations that negatively impact affordability and quality of housing.

### *Responsibility*

The responsibility of remedying the housing situation and revitalizing Hispanic neighborhoods lies with the Hispanic community. We must promote and take direct action to improve the quality of shelter and quality of life in Hispanic neighborhoods. Businesses, including—but not limited to—banks, savings and loan associations, insurance companies, private developers, foundations, private and quasi-public corporations, have a major responsibility in playing a positive role in improving the quality of shelter and life in Hispanic neighborhoods. The federal government should also continue to play a significant financial role in housing, especially ensuring that low and moderate income individuals, State and local governments must also concern themselves with housing policies to insure that adequate and affordable housing is an achievable goal.

### *Housing and Neighborhood Goals*

Establish a Housing Trust Fund to provide a source of funds to Hispanics throughout Colorado and to support housing initiatives in Hispanic communities.

Establish a blue ribbon committee to identify resources available for housing to promote neighborhood rehabilitation.

Activate a "fairshare allocation" model in which local governments agree to provide affordable housing in their communities accessible to Hispanics.

Insist that local governments offer incentives to private developers to build a percentage of units for low and moderate income individuals.

Explore the utilization of employee pensions as a source of revenue for housing, rehabilitation and/or development.

Support legislation that positively addresses the issue of Warranty of Habitability (standard living conditions for renters).

Insure that all economic development policies responsibly address housing development and the impact on the quality of life of residential neighborhoods.

Demonstrate the economic benefits of affordable housing initiatives and neighborhood rehabilitation programs to the state legislature, emphasizing the positive role legislators can play in housing development.

## HEALTH AND HUMAN SERVICES

The relationship between education, job training and employment, housing and economic development is closely linked to the need for public human services and health programs. Because of socioeconomic factors, Hispanics are disproportionately represented as consumers of public programs in health and human services. Like all other consumer populations, Hispanics have the right to receive quality services provided in a sensitive and professional manner. Hispanics must be afforded equal and open access to programs which will address their needs. Any cultural or language barriers which may impede or prohibit the delivery of services must be addressed and solutions implemented to assure quality care for Hispanics.

### *Issues*

The following are four major concerns for the Hispanic community;

Poverty of Hispanic women and teenage pregnancy;

Lack of preventive health care;

Alcohol and drug abuse;

Accessibility to quality health care.

In 1984, the U.S. Civil Rights Commission reported that women were quickly becoming the largest poverty group in the nation. A large percentage of these impoverished women are Hispanic. In Denver as Chart II shows, approximately half of the families headed by Hispanic women live in poverty, compared with one-third families headed by white women. If day care were more available, female heads of households would be less dependent on Aid to Families with Dependent Children (AFDC). Although having a job does not in every case bring an end to poverty, women would have a better opportunity of fighting poverty through job training and employment.

As reported by the Piton Foundation in A Profile of Poverty in Metropolitan Denver, "teenage pregnancy, which occurs at a higher rate in neighborhoods where poverty is concentrated, contributes to the growing number of female-headed families. Many teenage mothers drop out of school, attempt to rear their children by themselves and need long-term public assistance. Half of the families receiving Aid To Families with Dependent Children (ADFC) in Denver are headed by women who were teen mothers. Among teenagers in Denver, Hispanics had the highest pregnancy rates (114 per 1000 women) . . ."

In addition, poverty has a significant affect on availability of prenatal care. Because of a lack of prenatal care, newborns have a higher incidence of illness and birth defects and mothers have a higher occurrence of delivery and post delivery health problems.

Another factor contributing to the poverty of single parent families is the absence of child support. As reported by the Federal Office of Child Support Enforcement in 1983, 8.7 million women in the United States were raising children without fathers in the home. Of these, 58 percent, or five million, had court orders or agreements establishing a right to child support. Only half of these mothers, 2.5 million, received the full amount owed. Another quarter, 1.3 million, received only partial payments, while the remaining 1.2 million received nothing at all. Although specific ethnic data is not available for Colorado, lack of payment of child support is a problem in the Hispanic community, as well as for the total community.

Child abuse and neglect are present in the Hispanic community. In 1980, Colorado's statistics showed 4,775 cases of reported abuse; of these cases, 1,409 were non-white; 17.6 percent or 843 were Hispanic. The State Department of Social Services notes several factors that should be taken into account in interpreting the higher reporting rate for Hispanics, in particular, the effects of poverty. Hispanic families, on average, experience greater economic stress which in turn may result in increased risk for abuse or neglect. Also, a higher proportion of Hispanics live in inner-city neighborhoods, and the stresses of inner-city living may increase risks for abuse and neglect.

Further, the higher rate may be due to reporting phenomena rather than to actual differences in levels of abuse or neglect. Higher levels of contact with public social agencies and health clinics increase the odds that a "suspicious" injury will be referred to protective services. Prejudice, perhaps operating subtly among both professionals and nonprofessionals, may increase the odds that a referral will be made in a "questionable" situation. In sum, socioeconomic factors in combination with reporting goals seem to explain much of the difference in rates.

The third issue, alcohol and drug abuse, is a serious and costly problem. According to the 1984 State Plan for Alcohol and Drug Abuse Treatment, Hispanics constitute 18.6 percent of the Denver population, but accounted for 25-31 percent of the Denver DUI arrests from 1973-1981. It is estimated that Hispanics accounted for 22-26 percent of statewide involuntary commitments to alcohol treatment, while representing only 11.8 percent of state population. However, these high statistics could be attributed to the variance in the application of alcohol related laws in Hispanic communities.

Mortality rates for Hispanics are 33 percent greater than that of Anglos. Comparisons show that on the average the life expectancy rate for Hispanics is five years shorter than that for Anglos. The major causes for lack of preventive health care to Hispanics are poverty, the rising cost of health care, lack of insurance benefits, physical accessibility and mobility (i.e., elderly), cultural barriers, the dehumanization of our health delivery systems, and lack of information on disease prevention and health care.

### *Responsibility*

To positively impact Health and Human Services for Hispanics, the Hispanic community must take responsibility to advocate for improved and expanded services. The private and public entities responsible for health care and human service delivery throughout the state of Colorado must improve delivery systems, accessibility and quality of care to expand services to the Hispanic Community.

### *Health and Human Services Goals*

Increase by 10 percent the AFDC allotments for all children and families who have no other source of income.

Increase by 25 percent the availability of low cost/subsidized day care and other supportive services for low income women.

Increase by 30 percent the number of educational and training programs for low income female heads of households.

Increase by 40 percent child support payments and/or collection.

Increase by 25 percent the number of prenatals and parenting programs for teenage single parents.

Encourage health and human services delivery systems to reduce cultural and language barriers.

Increase preventive health care educational programs focused on the Hispanic population.

## POLITICAL PARTICIPATION AND LEADERSHIP

The population growth of Hispanics and their increasing participation in the political process has and will continue to impact national and statewide elections. Currently Hispanics are the second largest ethnic group in the United States. By the year 2060, Hispanics will become the largest ethnic group. Sheer numbers will give Hispanics enormous political clout.

Influencing public policy decision-making requires active and vigorous participation in the political process. Hispanics must continue to intensify their level of political participation to advocate and defend their community interest.

### *Issues*

There are three major issues that affect the Hispanic community:

Lack of political sophistication and internal coordination within the Hispanic community;

Deep and widespread sense of political apathy within the community;

Systematic and institutional racism.

Hispanic representation in public office has increased significantly in recent years. Colorado has over 160 Hispanic elected public officials. Hispanics currently serve as state legislators, mayors, municipal officials, assesors, sheriffs and school board members. While such individual successes are impressive, incumbent Hispanic office holders need to start identifying, recruiting, working with and developing future political leaders. In addition "state of the art" political campaign techniques, now widely known and understood throughout the community, need to be employed. Further, there needs to be improved communication vehicles enabling Hispanic public officials to report on the impact of legislation and policy on Hispanics.

A sometimes unresponsive political structure has resulted in a significant level of apathy among Hispanics. Many believe that the political process and public policy issues are irrelevant to them individually and to the future of the community as a whole. Although the number of Hispanics registered to vote has significantly increased, more Hispanics need to be encouraged to register. In addition, more effort to increase voter turnout is critical.

The Hispanic vote can and will decide elections. As reported by the National Association of Latino Elected and Appointed Officials Education Fund (NALEO), when a candidate for statewide office captured 14.6 percent of the Hispanic vote in Colorado, his or her overall total vote increased by one percent. To increase voter turnout among Hispanics, we need to demonstrate the power the Hispanic community can bring to bear on improving their quality of life by exercising their right to vote.

Systematic and institutional racism remain significant obstacles to increasing the impact of Hispanics in the political process. In many areas of Colorado, at-large elections prevent Hispanic citizens from holding public office. Frequent attempts are made during the reapportionment process to "gerrymander" existing and potential Hispanic districts. Furthermore, economic discrimination, combined with the growing financial requirements of politics, preclude many Hispanics from conducting viable election campaigns.

### *Responsibility*

Significant political successes can be achieved if the Hispanic community takes responsibility, plans and acts in an effective and coordinated manner. Colorado has a great opportunity to engage, challenge and utilize the leadership available in the Hispanic community. By electing Hispanic leaders to public office, the Hispanic community can more fully realize its vision and dedication to improve the quality of life for Hispanics and all Coloradans.

### *Political Participation and Leadership Goals*

Identify and implement strategies to eliminate at-large state and local elections across Colorado.

Facilitate increased Hispanic representation by ensuring the appointment of at least two Hispanics to the 1990 reapportionment commission.

Develop a "think tank" that communicates public policy and political positions of direct interest of Hispanic individuals and the community.

Utilize the "think tank" to promote closer collaboration between existing and potential public office holders and the community.

Increase by 20 percent Hispanic voter registration.

Increase by 30 percent the Hispanic voter turnout for elections.

Coordinate fund raising within the community by creating a Hispanic Political Action Committee.

Encourage Hispanic elected officials to report the potential impact of public policy to Hispanic organizations.

## MEDIA

As the Hispanic population grows, the influence of media coverage and Hispanic representation in the media will have enormous impact in shaping opinion and projecting images of the Hispanic community. Print, radio and television media have a fundamental responsibility to report on community events, as well as to inform the community about national and international events.

### *Issues*

There are two major issue areas related to the media:

Under-representation of Hispanics in the media;

Coverage of Hispanics by the media.

There are only a few Hispanic, on-air/on-camera personalities on major radio or television stations in Denver. Although Hispanics comprise about 12 percent of Colorado's population, less than two percent of news room staffs are Hispanic. A major concern of Hispanics in the media is they often become the lone booster of Hispanic events and activities and are typecast as "the Hispanic reporter." The limited number of Hispanics in the media also results in a paucity of role models for Hispanic youth.

The need to improve news coverage of the Hispanic community is essential to developing a more positive image of Hispanics. By focusing on positive aspects of the community, the media could develop a constructive working relationship and gain a more respectful perception of the Hispanic community.

There is also a need to increase the media's interest in covering newsworthy Hispanic events. Far too often, the media has not been notified in advance of newsworthy events. The Hispanic community generally distrusts the media to cover events objectively and accurately. This has hampered dissemination of news promoting a positive image of Hispanics.

### *Responsibility*

The Hispanic community has responsibility for its image and presence in the media. Organized efforts led by local community-based groups and leaders to work with the media can improve the current relationship between the media and Hispanic community.

The media itself has a responsibility to project a realistic view of society, as well as of particular ethnic communities. The media's power structure must create opportunities for advancement and promotion of Hispanics in the media, in addition to promoting a policy of covering news about Hispanics and the Hispanic community.

Hispanics in the media have a responsibility to ensure that positive Hispanic images are projected; Hispanic professionals are promoted; the Hispanic community is served; and to act as role models to Hispanic youth.

### *Media Goals*

Identify Hispanic media persons to become role models for the Hispanic community and its youth.

Coordinate recruiting efforts of Hispanic youth to increase the numbers of qualified Hispanics in the media.

Revitalize the Community Affairs Seminars educating the Hispanic community about how to better utilize the media.

Develop a "Who's Who" Hispanic Resource Directory that includes names and phone numbers of Hispanics in all areas of expertise.

Develop a constructive working relationship between the Hispanic community and the media to promote positive media coverage.

Achieve equal representation across all levels of employment of Hispanics in the media by 1990.

Establish community networks to create the exchange of information, expertise, and resources.

Create a partnership between Hispanics in the media and the Hispanic community at large to insure media accountability for program contents, hiring practices and other issues related to Hispanics.

### BUILDING ACCOUNTABILITY

A reading of the summaries of each of the major components demonstrates that the Hispanic community perceives itself as a key player in promoting change. Change will only occur if our community takes action—NOW.

This Agenda is only the beginning. Action committees will be created to develop strategies to achieve our stated goals. No one has more invested in the success of this Agenda than the Hispanic Community.

The community at large and the Hispanic community must now begin to build bridges to open up opportunities for greater involvement of Hispanics in decision-making positions. It is through this open process that we will begin to accept our interdependence on each other to obtain a better quality of life for all of Colorado's people. This Hispanic leadership is eager and willing to address the issues identified in this report to usher in a new dawn for Colorado's Hispanics. We move forward, not forgetting the past, but buliding on it, to achieve the goals we have developed that will secure a better future for Hispanics and Colorado.

### STRATEGIC APPROACH AND CRITERIA

The following is a standard set of criteria we used to provide an organized approach to identifying goals and objectives, developing plans and establishing time frames for achievement of this component of the Hispanic Agenda.

Goals are defined as our long-term vision of what we want the Hispanic Community to achieve. Objectives can be thought of as accomplishments required prior to achieving the established goals.

Task 1: Identify the key issues, needs and problems in your specific socioeconomic area.

Recommended criteria:

A. How do these issues, needs and problems specifically impact Hispanics?

B. How does this situation compare to the total population?

C. What are the current issues and/or barriers that hinder success?

D. How should these issues/barriers be "prioritized"?

Task 2: Identify who has the ultimate responsibility in this socioeconomic area.

Recommended Criteria:

A. Who are the individuals, organizations, agencies and groups responsible for addressing this socioeconomic area?

B. What is their relative role?

C. How successful are they in addressing this area?

Task 3: Provide recommendations, including goals and objectives that will positively impact the issues identified in Task 1.

Recommended Criteria:

A. What are the goals/objectives in the short-term (one-three years), 5 years, 10 years?

B. What specific policies, do you suggest to achieve realistic, clear and measurable objectives?

C. Should the roles of the current key players (identified in Task 2) be altered? If so, how?

D. Who else should be involved in addressing this area?

E. Is public/private sector cooperation necessary to impact this area? If so, in what specific form?

F. How should the achievement of these goals and objectives be evaluated and measured?

Task 4: Identify the interrelationships of your suggested recommendations with the other components of the Hispanic Agenda.

## THE NEW INTERNATIONAL FINANCIAL SERVICES CENTER IN DUBLIN

Mr. KENNEDY. Mr. President, I wish to draw the attention of my colleagues to the ambitious plans of the Government of Ireland to build an International Financial Services Center, covering an area over 1 million square feet, and projected to cost $400 million, at the Customs House dock site on the north bank of the River Liffey in Dublin.

Dedicated to strengthening Ireland's economic contacts around the globe, the new center will make Dublin a vital hub of economic activity. Designed to be a focal point for business, commerce, and tourism, the Customs House Center will develop a new Irish financial services industry—one which will be able to compete internationally by use of advanced telecommunications technology. Already, these plans for new financial services have sparked the interest and enthusiasm of the American business community. In fact, several American banking institutions have indicated they wish to be major participants in the endeavor.

It is no secret that Ireland has faced severe difficulties during the economnic recessions engendered by the world's two major oil crises. The attempts by successive Irish Governments to maintain the standards of living and services enjoyed by the Irish people resulted in the imposition of a great strain on the budget. The new Irish Government elected last February has taken disciplined and energetic measures to restore balance in the budget and has reiterated and renewed Ireland's commitment to export-led growth. Already there are several very positive indications that these corrective measures are bearing fruit. Public borrowing has been contained, inflation is at its lowest level in 20 years, and in the first half of this year, Ireland has enjoyed its best-ever export figures. A record Irish trade surplus is being forecast for 1987.

These optimistic indicators do not alter the fact that Ireland is experiencing difficulties in providing jobs and livelihoods for all its people, especially for the youth who make up a large proportion of the population. It would be a tragedy if, after Ireland had invested so much in its youth and especially in education throughout the 1960's and 1970's, the country were to see the cream of its highly educated graduates forced to seek a living and a future outside their own country in the 1980's.

That is a major reason why the Irish Government has decided to establish this International Financial Services Center, which will provide as many as 7,500 jobs, will open new opportunities for young Irish men and women to use their talents, to practice their hard-earned technological skills and to demonstrate their initiative and enterprise for the benefit of their own country. It was the Irish people who made the initial investment and effort to produce a technologically advanced work force, and it is only right that the Irish people should reap the eventual rewards of this investment.

The Irish Government's remarkable initiative deserves encouragement by the United States. It offers a real possibility for a resurgence of hope and opportunity in a land that has given much to America. Over the centuries, Ireland's greatest contribution to the world has been its people. Throughout our history, the United States has been enriched by the contributions of Irish Americans, and America has not forgotten its Irish roots. Since the 1960's, American business leaders and industrialists have invested much time and money in establishing plants and in developing industries in Ireland.

America's involvement has been fruitful, productive, and beneficial to both countries. It shows that Ireland, the Irish people, and the Irish work force have much to offer American investors and corporations. It also shows that America has the ability and the willingness to help an old friend in a practical and economically realistic way.

This new project presents a fresh opportunity for America and Ireland to work together, and establish Dublin as a hub of the international financial services network. The Irish Government is especially interested in the participation of American firms in this enterprise, and such participation deserves to be in command—for this financial services initiative makes sense for Ireland and for the United States as well.

## A CENTURY OF SERVICE TO THE CITIZENS OF OGDEN, UT

Mr. HATCH. Mr. President, Let me take this opportunity to congratulate the Ogden, UT, Chamber of Commerce on its 100th anniversary which it celebrates this year. This organization embodies the spirit of American business and community involvement.

The Ogden Area Chamber of Commerce was first organized in 1887, when Utah was still a territory. It is the oldest chamber of commerce in the State of Utah and the model for many similar organizations in the State.

The chamber has a distinguished history of service to the community of Ogden. It has been actively involved in the development of Ogden from the very beginning. While chamber records from the early days are few, we do know that in 1908 there were 198 members, and it is worth noting that three businesses still operating today were among those members then.

Throughout its 100 years of existence, the Ogden Area Chamber of Commerce has been involved in local and regional projects to improve business and community life in Ogden. Business has banded together more than once in the town of Ogden to initiate necessary positive change. In 1926, chamber president James Devine led a successful fight to keep the Internal Revenue Service from moving its center out of Ogden. Today, the IRS is a regional service center employing more than 3,000 Ogden area residents. During that same year, the chamber listed as major projects a new hotel, a new industrial business, a viaduct extension, a dam, and a railroad track extension.

Over the years the Ogden Chamber of Commerce has been directly involved in a number of local and regional projects to enhance commercial life in the area. Among those are the Golden Spike Livestock Coliseum, the National Guard Armory, the first Credit Bureau, two new high schools, and numerous others.

Mr. President, the Ogden Area Chamber of Commerce boasts a membership of 1,245, and the people who constitute this membership strive to improve the business life in Ogden. These Utahns are directly involved in encouraging a strong convention business, improving the image of Ogden, encouraging residents to shop locally, attracting industry to the area, and building a stronger membership.

Congratulations to the Ogden Area Chamber of Commerce on a century of service. I suspect this chamber will be around for another 100 years.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

## MESSAGES FROM THE HOUSE

At 11:47 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; and

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month".

At 4:14 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuse and neglect assistance.

The Message also announced that the House has passed the following joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 34. Joint resolution to authorize the President to issue a proclamation designating the week beginning on November 22, 1987, and ending November 30, 1987, as "National Family Week";

H.J. Res. 224. Joint resolution designating the week of October 18, 1987, through October 24, 1987, as "Benign Essential Blepharospasm Awareness Week";

H.J. Res. 255. Joint resolution designating the third week in May 1988 as "National Tourism Week";

H.J. Res. 331. Joint resolution designating October 1987 as "National Cosmetology Month"; and

H.J. Res. 338. Joint resolution designating October 15, 1987, as "National Safety Belt Use Day".

### ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 7:08 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuses and neglect assistance;

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; and

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month".

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore (Mr. STENNIS).

## MEASURES REFERRED

The following joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 34. Joint resolution to authorize the President to issue a proclamation designating the week beginning on November 22, 1987, and ending November 30, 1987, as "National Family Week"; to the Committee on the Judiciary.

H.J. Res. 255. Joint resolution designating the third week in May as "National Tourism Week"; to the Committee on the Judiciary.

H.J. Res. 331. Joint resolution designating October 1987 as "National Cosmetology Month"; to the Committee on the Judiciary.

H.J. Res. 338. Joint resolution designating October 15, 1987 as "National Safety Belt Use Day"; to the Committee on the Judiciary.

## MEASURES PLACED ON THE CALENDAR

The following joint resolution was read the first and second times by unanimous consent, and placed on the calendar:

H.J. Res. 224. Joint resolution designating the week of October 18, 1987, through October 24, 1987, as "Benign Essential Blepharospasm Awareness Week".

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BUMPERS, from the Committee on Appropriations, with amendments:

H.R. 2714: A bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 1988, and for other purposes (Rept. No. 100-158).

By Mr. JOHNSTON, from the Committee on Appropriations, with amendments:

H.R. 2700: A bill making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes (Rept. No. 100-159).

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

C. William Verity, Jr., of Ohio, to be Secretary of Commerce.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nonimee's commitment to repond to request to appear and testify before any duly constituted committee of the Senate.)

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GARN (for himself and Mr. HATCH) (by request):

S. 1687. A bill to correct historical and geographical oversights in the establishment and development of the Utah component of the Confederated Tribes of the Goshute Reservation, to unify the land base of the Goshute Reservation, to simply the boundaries of the Goshute Reservation, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHILES:

S. 1688. A bill to allow the obsolete submarine U.S.S. *Turbot* to be transferred to Dade County, FL; to the Committee on Armed Services.

By Mr. EXON (for himself and Mr. KARNES):

S. 1689. A bill to amend section 127 of title 23, U.S. Code (relating to vehicle weight), to permit the operation of vehicles in the State of Nebraska which could be lawfully operated within such State on May 1, 1982; to the Committee on Environment and Public Works.

By Mr. CONRAD:

S. 1690. A bill to amend the Historic Sites, Buildings, and Antiquities Act of 1935, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRANSTON (for himself and Mr. MURKOWSKI):

S. 1691. A bill to provide interim extensions of collection of the Veterans' Administration housing loan fee and of the formula for determining whether, upon foreclosure, the Veterans' Administration shall acquire the property securing a guaranteed loan; by unanimous consent, placed on the calendar.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HELMS:

S. Con. Res. 73. A concurrent resolution calling on the President to place the Chinese human rights situation on the agenda of the U.N. Commission on Human Rights; to the Committee on Foreign Relations.

S. Con. Res. 74. A concurrent resolution calling on the President to retaliate against the expulsion of Western journalists from China; to the Committee on Foreign Relations.

S. Con. Res. 75. A concurrent resolution calling for the release of Yang Wei; to the Committee on Foreign Relations.

By Mr. INOUYE (for himself, Mr. EVANS, Mr. DECONCINI, Mr. BURDICK, Mr. MCCAIN, Mr. ADAMS, Mr. BOREN, Mr. CONRAD, Mr. CRANSTON, Mr. D'AMATO, Mr. DOLE, Mr. FORD, Mr. FOWLER, Mr. LEVIN, Mr. PELL, Mr. PRYOR, Mr. REID, Mr. RIEGLE, and Mr. STAFFORD):

S. Con. Res. 76. A concurrent resolution to acknowledge the contribution of the Iroquois Confederacy of Nations to the Development of the United States Constitution and to reaffirm the continuing government-to-government relationship between Indian tribes and the United States established in the Constitution; to the Select Committee on Indian Affairs.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GARN (for himself and Mr. HATCH) (by request):

S. 1687. A bill to correct historical and geographic oversights in the establishment and development of the Utah component of the Confederate Tribes of the Goshute Reservation, to unify the land base on the Goshute Reservation, to simplify the boundaries of the Goshute Reservation, and for other purposes; to the Committee on Energy and Natural Resources.

### MODIFICATIONS TO GOSHUTE INDIAN RESERVATION

● Mr. GARN. Mr. President, I am pleased to introduce this legislation with Senator HATCH which is designed to clarify and correct numerous matters affecting the status of the land of the Confederated Tribes of the Goshute Reservation, which lies along the west-central border of Utah. I introduced virtually the same bill at the end of the last term, but time constraints made passage impossible. I am optimistic that the Senate will be able to consider this matter and act favorably on it this year.

Since the creation of its reservation over 80 years ago, the small, 400 member Goshute Tribe has been plagued by problems relating to its reservation boundaries.

Most obvious of all of these problems is a strip of land approximately one-quarter mile wide and 8 miles long which cuts through the middle of the reservation, but does not belong to the tribe. This strip resulted from an error in the Executive order legal descriptions originally establishing the reservation. Technically, the strip is now held by the United States as a part of the Bureau of Land Management inventory. This bill will change the status of the title so that the United States will hold it in trust as a part of the Goshute Reservation.

Among the other provisions of the bill are sections which will place the tribal cemetery—now owned privately by the tribe—in trust status along with surrounding BLM land. Other sections will combine surface and subsurface interests where such are now split between tribal and Federal ownership.

I believe that this bill is noncontroversial and will meet with the support of the tribe, the non-Indians in the area, and affected Government agencies. Last year, my staff met with members of the tribal government and with members of the non-Indian community. Their concerns and interests have been carefully noted and are reflected in the draft of the bill which I introduce today. Through this process of gathering and evaluating comments from the public, we have been able to eliminate the possibility of local objections to the bill.

In addition, we have worked closely with representatives of the Department of the Interior in the Bureau of Indian Affairs and the Bureau of Land Management and have accepted their suggestions to improve the bill. We have also incorporated the suggestions of the representatives from the interested departments of the State of Utah.

I hope that this bill will see prompt action by the Senate to make passage possible this year.

Mr. President, I ask unanimous consent that a memorandum in support of the legislation and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### MEMORANDUM IN EXPLANATION AND SUPPORT OF GOSHUTE RESERVATION IMPROVEMENT LEGISLATION

#### INTRODUCTION

The main body of the Goshute Indians resides on an arid and remote 95,000-acre reservation which straddles the Utah-Nevada border, approximately 40 miles south of the city of Wendover. This small tribe of about 400 members has occupied the lands in this general area since time immemorial. After the creation of their reservation, however, the members of the tribe have been beset by boundary problems which plague the administration of tribal affairs on their lands.

A review of the history of the creation of the various components of the Goshute Indian Reservation has revealed a number of problems in the historical and geographical development of the reservation. The proposed legislation has been introduced in an effort to cure many of these problems and to simplify and streamline the boundaries of the reservation.

In recent years, Congress has passed a number of acts to simplify, unify and otherwise improve the boundaries of other existing Indian reservations. See, for example, the Acts codified in the following sections: 25 U.S.C. §§ 463-463c (Papago Indian Reservation), 25 U.S.C. §§ 463d-g (Umatilla Indian Reservation), 25 U.S.C. §§ 459-465 (general), 25 U.S.C. § 465a (Klamath Tribe), 25 U.S.C. § 467 (general), 25 U.S.C. § 487 (Spokane Indian Reservation), 25 U.S.C. § 501 (Yakima Indians), 25 U.S.C. §§ 610-610e (Swinomish Tribe), and 25 U.S.C. §§ 621-624 (Pueblo and Canoncito Navajo Indians). *See also* F. Cohen, *Handbook of Federal Indian Law*, pp. 477-480 (1982 ed.). The proposed Goshute reservation improvement legislation is similar in purpose to these acts and includes much of the legislative language which has become standard in such acts.

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### SECTION BY SECTION ANALYSIS

#### SECTION 1

President Wilson created the first small Goshute Indian Reservation by means of an executive order in 1914.

Current federal Indian law holds that presidential exeuctive orders which created reservations do not in and of themselves create property rights within the meaning of the Fifth Amendment in the Indian occupants of those reservations. The Goshute Tribe now desires Congress to officially recognize President Wilson's executive order of 1914 and thereby vest the Tribe with Fifth Amendment property rights in the 1914 reservation In Section 1 of the bill, Congress expressly recognizes and confirms the title of the Goshute Tribe to the reservation created by President Wilson's Executive Order. The section also specifies the effective date for determining water rights and priorities for the entire reservation to be the same as that of the respective executive orders (or such earlier dates as may be indicated by any applicable order or law).

#### SECTION 2

Section 2 guarantees third parties all valid rights they may have in any of the lands affected by this bill. This section also covers implementation matters such as transition of responsibility for leases, improvements, and so forth. The section also provides for the Secretary of the Interior to review the validity of all mining claims existing on the reservation, and the section further delineates the rights attendant with any valid claim.

#### SECTION 3

Subsection (a). When President Wilson created the first Goshute Indian Reservation in 1914, his executive order did not extend the western boundaries of this "Utah" reservation all the way to the Utah-Nevada state line. This omission or oversight left a strip of land about one-quarter mile wide and eight miles long between the western boundary of the reservation and the Utah-Nevada state line.

In 1938, Congress created a second small reservation for the Goshutes in east central Nevada. In doing so, Congress extended the eastern boundary of this 1938 reservation all the way east to the Nevada-Utah state line. This left the Utah and Nevada reservations or the Utah and Nevada "halves" of the "one" reservation separated by the thin strip of federal but non-Indian land on the Utah side of the state line. The lands in this strip consist of 1,753.51 acres of BLM land and an enclave of some 320 acres of private land.

The Goshute Indian Tribe believes the United States always intended that both the eastern (Utah) and western (Nevada) sides of the Goshute reservation be physically joined and that the historical accident which resulted in the omission of this small strip from the reservation in 1914 and which prevented the unification of the reservation lands in 1938 can and should be remedied. Subsection 3(a) provides for the addition of the BLM lands in this "Goshute Strip" to the rest of the reservation. The private lands are not affected.

Subsection (b). In 1921, the United States, pursuant to the General Allotment Act, alloted 160 acres of the 1914 Executive Order Reservation to the heirs of Pon Dugan, a Goshute Indian. A few years later, the Department of the Interior discovered that the land it had allotted Dugan included various agency buildings. The Department subsequently arranged to re-acquire the acreage upon which the buildings stood, and, accordingly, bought back half or 80 acres of the original allotment acreage. This reconveyance was finalized in 1926. Unfortunately, none of the legal documents which effectuated this reconveyance indicates that the United States took these 80 acres in trust for the Goshute Indians. Thus, these 80 acres right in the middle of the reservation are in a status akin to the "Goshute strip"—federal but not reservation land. The purpose of Section 3 is to correct this situation.

Subsection 3(b) provides for the addition of this small parcel of federal but non-Indian land within the 1914 Executive Order Reservation area to the Goshute reservation. (The remaining acreage of the original allotment is apparently still in the hands of the heirs of Pon Dugan; the bill does not affect these 80 acres.)

Subsection (c). Since the creation of the first Goshute reservation in 1914 and pursuant to authority contained in the Indian Reorganization Act, 25 U.S.C. § 461m, et. seq., the United States has acquired several hundreds of acres within and outside of the boundaries of the 1914 and 1938 reservations which it holds in trust for the Goshute Indians. The government concentrated its efforts in acquiring lands for the Tribe in an area approximately 6 miles north of the Utah half of the reservation and 4 miles east of the Nevada half of the reservation. This area now consists of approximately 1,440 acres of land. In recent years, the Tribe has constructed various buildings, a community center with a gymnasium, and a steel welding plant on this acreage. The area has become known as the "lower" (in elevation) or "headquarters" area of the reservation.

The Indian Reorganization Act, Section 7 (25 U.S.C. § 467), reads in part: The Secretary of the Interior is hereby authorized to proclaim new Indian reservations on lands acquired pursuant to any authority conferred by . . . this title, or *to add such lands to existing reservations*. [Emphasis added.]

This section has been interpreted and applied to the effect that unless the Secretary takes some affirmative action to officially add lands acquired pursuant to the Act to a reservation, the lands so acquired, even though they may be held in trust, are not officially part of existing reservations.

The Secretary has never taken any action to officially add the above mentioned lands which are held in trust for the Goshute Indians to the Goshute Indian Reservation. Thus, these IRA lands, although within or adjacent to the reservation and held by the United States in trust for the Goshute Indians, are not technically part of the reservation. The purpose of this subsection is to remedy this oversight or omission. In this subsection, Congress officially declares the lands described therein to be part of the Goshute Indian Reservation.

Subsection (d). From time to time and for various reasons, the United States in its own capacity and not in trust for the Goshute Indians, has reserved various subsurface resources in the Ibapah area.

Unfortunately, whenever the United States has taken the subsurface of such lands in trust, it did not always take the subsurface rights previously reserved in such lands by the United States in trust. The result has been that in many cases, the surface and subsurface estates of such lands are split, the surface being held in trust, the subsurfaces being held by the United States but not in trust. This subsection will unify the surface and subsurface estates and place them in trust for the tribe as a part of the reservation. Presently, there are no mineral resources known to exist on the lands in question.

Subsections (e) and (f). Pursuant to the provisions of the Cemetery Act of March 1, 1937, 43 U.S.C. § 682, the Goshute Tribe acquired a cemetery, consisting of 5 acres, in Section 4, Township 10 South, Range 19 West. These lands held by the Goshute Tribe as a private entity (not held by the United States in trust), are not now a part of the reservation. Subsection (e) calls for the addition of this 5 acre cemetery (and any other land which the Goshute Tribe may own in its own right as a private party) to the reservation.

In order to provide unrestricted access to the Goshute Tribal Cemetery and to further streamline reservation boundaries, Subsection (f) provides for the addition of the acreage in Section 4, Township 10 South, Range 19 West, which surrounds the cemetery (plus the northwest ¼ of the northwest ¼ of Section 9) to the headquarters part of the reservation.

Subsection (g). This subsection directs the Secretary of the Interior to prepare and publish a legal description of the subject lands, correct any technical errors in legal descriptions, and prepare a map depicting the lands added to the reservation.

#### SECTION 4

In 1896, when Utah became a state, the federal government sought to alleviate the consequences of the federal government's control of large parts of the state (the main consequence being there was proportionately less land in private ownership subject to taxation) by granting the State of Utah four sections of each 36 section township; the idea being that by leasing such sections, the State could generate revenues to help support the public schools. Accordingly, the Enabling Act that permitted statehood provided:

"That upon . . . admission . . . Sections numbered 2, 16, 32, and 36 in every Township of said proposed state . . . are hereby granted . . . for the support of common schools."

Pursuant to this Act, the State of Utah presently holds several sections of land within, adjacent to or in close proximity to the Goshute Reservation.

Section 4 simply provides that if any enclaves of state land (surface or subsurface) within the present boundaries of the Goshute reservation ever become federal land pursuant to a federal land—state land exchange such as that contemplated by PROJECT BOLD, they will automatically become reservation lands. The Section merely provides that if a certain contingency happens, then the Tribe would not be faced with the existence of what currently plagues the Tribe, that is, enclaves of federal but non-reservation land within the reservation. This section provides that in the case such state land ever becomes "federalized" such newly formed federal enclaves will be automatically added to the reservation.

### SECTION 5

Section 5 allows the Secretary of the Interior to acquire by donation, exchange, or purchase other lands in close proximity to the reservation. The advice and consent of the tribe is required in any such transaction with the following limitations: only tribal funds are to be used and any exchange is to be of equal value.

### SECTION 6

This Section requires the Secretary of the Interior to consider the needs and wishes of the tribe in the event the United States intends to divest itself of approximately 640 acres of land which borders the tribal headquarters area.

### SECTION 7

Section 7 extinguishes the reserved right of the United States to construct ditches and canals on the lands described in the act and any other lands acquired for the tribe in the future.

### SECTION 8

This Section contains "boiler-plate" language concerning the application of the laws of the United States relating to Indian land.

### SECTIONS 9 AND 10

Section 9 sets forth definitions of the terms "reservation," "Secretary," and "Tribe." Section 10 contains the legal descriptions of the lands referred to in the foregoing sections.

### CONCLUSION

The thrust of this proposed legislation is to perform several tasks of a "housekeeping" nature, to correct certain historical oversights in the creation and development of the reservation, and to simplify and streamline the boundaries of the reservation.

In sum, the proposal calls for the immediate attention of approximately 2,198.51 acres of land to the reservation. All of this land was at one time a part of the aboriginal area of the Goshutes. In 1977 the tribe concluded a lengthy case against the United States under the Indian Claims Act. That case determined that the government had taken approximately seven million acres of tribal land in the late 1800's. Under that case, the tribe was compensated for the taking at a rate of approximately one dollar per acre. An offset was made from the total due the Goshutes for the reservation areas that were granted back to the tribe. It appears from the calculations of those areas, however, that the "strip" running through the middle of the reservation was included in determining the offset even though the lands in the strip were not then included in the reservation. Consequently, the return of this land to the tribe as a part of their reservation should not have any monetary implications because the value of the strip has already been included in the value of the offset deducted from the claims judgment.

The bill has been the subject of much correspondence, meetings, informal hearings, and more than four years of work by the Goshute Tribe. The Goshute Tribe believes that the present form of the bill resolves in a satisfactory way all the questions and concerns which have been raised by federal and state government agencies and local non-Indians neighboring the subject area. It is anticipated that the bill will have no budgetary, regulatory, or paperwork impact.●

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By Mr. CHILES:

S. 1688. A bill to allow the obsolete submarine U.S.S. *Turbot* to be transferred to Dade County, FL; to the Committee on Armed Services.

### TRANSFER OF "TURBOT" SUBMARINE TO DADE COUNTY

● Mr. CHILES. Mr. President, today I am introducing a bill to expedite transfer of the U.S. Navy's obsolete *Turbot* submarine to Dade County, FL for use in their Artificial Reef Program.

The county has agreed to all of the Navy's terms for the transfer, including liability for all costs associated with the transfer. I know of no opposition to this action.

The Navy will be soon forwarding to Congress notice of the intended donation of the *Turbot* as required by title 10 of United States Code 7308. This code requires that the proposal remain before Congress for 60 continuous days.

Mr. President, the timing of this transfer is critical. It must take place before the windy, winter months to ensure a smooth move operation. Congressman PEPPER is offering an identical measure today, and I am hopeful that we can secure timely action on this bill.●

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By Mr. EXON (for himself and Mr. KARNES):

S. 1689. A bill to amend section 127 of title 23, United States Code (relating to vehicle weight), to permit the operation of vehicles in the State of Nebraska which could be lawfully operated within such State on May 1, 1982; to the Committee on Environment and Public Works.

### VEHICLE WEIGHTS WITHIN THE STATE OF NEBRASKA

Mr. EXON. Mr. President, I am introducing legislation today for myself and for Senator KARNES to correct a problem that has caused difficulty for the State of Nebraska, the Nebraska Department of Roads, and the trucking industry.

The issue involves the interpretation of current Federal law on the authority of Nebraska to set weight limits above 80,000 pounds on its interstate system. The State of Nebraska Department of Roads has allowed certain weight limits of 95,000 pounds on its interstate system only if a vehicle has sufficient axles and sufficient axle spacing to conform to the bridge formula set out in law. The raising of the Nebraska interstate weight limits benefited the farming, construction, and trucking industries of Nebraska at no cost to the highway system based on the opinion and studies of the Nebraska Department of Roads.

This conclusion evidently is not unique to Nebraska. Other Midwestern States allow weight limits greater than 95,000 pounds, including South Dakota, Wyoming, and Michigan.

My bill would amend the United States Code to clarify the "grandfather rights" under current Federal law of the Nebraska Department of Roads to permit higher weight limits and place Nebraska on the same footing as other States which have higher limits and are not being threatened with loss of their Federal highway funds. The Federal Department of Transportation is attempting to unfairly penalize Nebraska in this case.

Mr. President, this is an important bill and a fair and equitable bill for Nebraska. I am pleased to have the original cosponsorship of my colleague, Senator KARNES, in this endeavor. I look forward to working with my colleages on this issue.

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By Mr. CRANSTON (for himself and Mr. MURKOWSKI):

S. 1691. A bill to provide interim extensions of collection of the Veterans' Administration housing loan fee and of the formula for determining whether, upon forclosure, the Veterans' Administration shall acquire the property securing a guaranteed loan; placed on the calendar by unanimous consent.

### HOME LOAN PROGRAM PROVISIONS

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I, together with the committee's distinguished ranking minority member [Mr. MURKOWSKI], have today introduced S. 1691, a bill to provide 3-month, interim extensions of two provisions relating to the Veterans' Administration's home loan guaranty program which would otherwise expire on September 30, 1987.

First, our bill would extend through December 31, 1987, the general requirement in section 1829 of title 38, United States Code, for the collection of a 1-percent fee on those receiving a housing loan guaranteed, insured, or made by the Veterans' Administration.

Second, our bill would extend for the same 3-month period the provisions of section 1816(c) of title 38 establishing a statutory formula—known as the "no-bid formula"—for determining whether the VA shall, or shall not, acquire at a liquidation sale the property securing a VA-guaranteed loan that is in default.

These provisions were enacted in section 2512(a) of the Deficit Reduction Act of 1984 (Public Law 98–369) and, as noted, are scheduled to expire on September 30.

On August 3, 1987, the House of Representatives passed in sections 3 and 6 of H.R. 2672 2-year extensions of the fee-collection requirement and, with certain revisions, the formula, respectively. Likewise, on July 30, 1987, the Senate Committee on Veterans' Affairs ordered reported in S. 9, the proposed "Omnibus Veterans, Benefits and Services Act of 1987," a 2-year extension of the fee and 1-year extension of the formula with revisions different from those in the House bill. It is clear that there is insufficient time between now and September 30 to obtain Senate passage of the provisions in S. 9, resolve the differences with the House, and enact an extension in the context of those bills.

The administration strongly supports extensions of, indeed making permanent, the collection of a VA loan fee and the "no-bid" formula.

I would note that the extension of the fee is assumed in baseline figures underlying the fiscal year 1988 congressional budget (H. Con. Res. 93). Moreover, any hiatus in the collection of the fee would both be inequitable to those required to pay the fee before and after the hiatus and would jeopardize the solvency of the VA's Loan Guaranty Revolving Fund and create a need for additional appropriations—about $25 million for each month the fee is not collected—to pay the claims of the holders of defaulted VA-guaranteed loans.

Mr. President, the formula governing VA acquisition of properties securing loans being foreclosed has been in effect for 3 years and provides principles, well-known throughout the housing and banking industries, by which the VA must abide. I believe that it is important to extend the termination date of this current "no-bid" formula in order to allay concerns among mortgage bankers and various other concerned parties that the rules governing VA acquisitions may be changed during the period between September 30 and the enactment of legislation to extend and, possibly, revise the formula.

Mr. President, I am seeking to put this bill immediately on the calendar today and will seek Senate action tomorrow on this interim legislation. I wish to express my gratitude to Senator MURKOWSKI for his support and cooperation in this effort. We are both hopeful that our good friends and counterparts in the House of Representatives, House Veterans' Affairs Committee Chairman "SONNY" MONTGOMERY and ranking minority member GERALD SOLOMON, will find this bill acceptable and obtain House action sending it to the President for signature in a timely manner.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1691

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) notwithstanding section 2512(c) of the Deficit Reduction Act of 1984 (Public Law 98–369), the provisions of section 1816(c) of title 38, United States Code, shall continue in effect through December 31, 1987.

(b) Notwithstanding subsection (c) of section 1829 of such title, fees shall be collected under such section with respect to loans closed during the period beginning October 1, 1987, and ending December 31, 1987.

Mr. MURKOWSKI. Mr. President, I am pleased to join with my colleague from California in introducing legislation which would ensure the continued financial integrity of the Veterans' Administration Home Loan Guaranty Program.

No veterans' program has a wider impact on American society and the American economy than the Veterans' Home Loan Guaranty Program. Since 1944, the mortgages used to purchase over 12 million homes have been guaranteed by the VA. Through this program, millions of veterans have gained the stability and economic benefits that flow from home ownership. Millions of families have started matured in a stable secure environment.

It is not without reason that home ownership is widely defined as "the American Dream."

It is not without reason that the Congress has acted to ensure the benefits of this "American Dream" are available to those who served our Nation in uniform.

Mr. President, the impact of the Veterans' Home Loan Guaranty Program extends far beyond the ranks of America's veterans.

This program benefits those who build the homes; those who supply the builders; those who sell the land; those who finance the sales; those who broker the sales, and beyond.

All of these beneficiaries, and therefore the entire Nation, have a stake in the continued economic health of the Veterans' Home Loan Guaranty Program. The economic health of the program is in turn dependent upon measures the Congress has enacted to protect the financial integrity of the loan guaranty revolving fund. The authority for two of these measures, the 1-percent loan origination fee and the so-called no bid formula, will expire at the end of this month. The legislation we are introducing today would extend this authority for 90 days.

Mr. President, this fall, both bodies of Congress will have the opportunity to consider legislation which would reform and improve this critical veterans' program. The temporary legislation we are today introducing is needed to ensure the program will continue to operate in a stable and financially sound manner until the Congress has time to consider more comprehensive reforms.

Failure to adopt this legislation will deprive the loan guaranty revolving fund of the income from the 1-percent loan fee now paid by homeowners who benefit from this program.

Mr. President, this event would quickly exhaust the loan guaranty revolving fund and jeopardize the program's continuation. Congress would be forced to either provide additional funds by means of appropriations, or allow the Veterans' Home Loan Guaranty Program to cease operation. At a time of enormous fiscal constraints, we can no longer be assured that additional appropriations in excess of $300 million would be available.

For these reasons I urge my colleagues to join me in supporting this legislation which will allow the current situation to continue for 90 days until we have more comprehensive legislation before us.

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## ADDITIONAL COSPONSORS

### S. 461

At the request of Mr. MITCHELL, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 461, a bill to prohibit the implementation of certain regulations of the Secretary of Health and Human Services and the Secretary of Agriculture respecting irradiated foods, to amend the Federal Food, Drug, and Cosmetic Act to prescribe labels for irradiated food, and for other purposes.

### S. 660

At the request of Mr. DURENBERGER, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 660, a bill to create a fiscal safety net program for needy communities.

### S. 936

At the request of Mr. DURENBERGER, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 936, a bill to amend title

XVIII of the Social Security Act to permit certain individuals with physical or mental impairments to continue Medicare coverage at their own expense.

### S. 998

At the request of Mr. DeConcini, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

### S. 1019

At the request of Mr. Riegle, the name of the Senator from Oklahoma [Mr. Boren] was added as a cosponsor of S. 1019, a bill to amend the Internal Revenue Code of 1986 to clarify the tax exempt treatment of self-insured workers' compensation funds.

### S. 1220

At the request of Mr. Kennedy, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of S. 1220, a bill to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome.

### S. 1393

At the request of Mr. Heinz, the name of the Senator from Colorado [Mr. Armstrong] was added as a cosponsor of S. 1393, a bill to amend title 39, United States Code, to designate as nonmailable matter any private solicitation which is offered in terms expressing or implying that the offeror of the solicitation is, or is affiliated with, certain Federal agencies, unless such solicitation contains conspicuous notice that the Government is not making such solicitation, and for other purposes.

### S. 1440

At the request of Mr. Evans, the name of the Senator from Kansas [Mrs. Kassebaum] was added as a cosponsor of S. 1440, a bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid, and Food Stamp Programs; to impose a temporary moratorium for the collection of penalties under such programs, and for other purposes.

### S. 1483

At the request of Mr. Heinz, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 1483, a bill to reestablish food bank special nutrition projects, to establish food bank demonstration projects, and for other purposes.

### S. 1489

At the request of Mr. Moynihan, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of S. 1489, a bill to amend section 67 of the Internal Revenue Code of 1986 to exempt certain publicly offered regulated investment companies from the disallowance of indirect deductions through pass thru entities.

### S. 1522

At the request of Mr. Riegle, the names of the Senator from Alabama [Mr. Shelby], and the Senator from Arkansas [Mr. Bumpers] were added as cosponsors of S. 1522, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage certificates may be issued.

### SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from Georgia [Mr. Fowler] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

### SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

### SENATE JOINT RESOLUTION 184

At the request of Mr. Riegle, the names of the Senator from Florida [Mr. Chiles], the Senator from Virginia [Mr. Warner], the Senator from Illinois [Mr. Simon], the Senator from Idaho [Mr. Symms], the Senator from Virginia [Mr. Trible], the Senator from North Dakota [Mr. Conrad], the Senator from Arkansas [Mr. Bumpers], the Senator from Utah [Mr. Hatch], the Senator from Wisconsin [Mr. Proxmire], the Senator from Ohio [Mr. Metzenbaum], the Senator from Maryland [Mr. Sarbanes], the Senator from Rhode Island [Mr. Chafee], the Senator from Texas [Mr. Bentsen], the Senator from North Dakota [Mr. Burdick], the Senator from Wisconsin [Mr. Kasten], the Senator from South Carolina [Mr. Thurmond], the Senator from Idaho [Mr. McClure], the Senator from Washington [Mr. Adams], the Senator from California [Mr. Wilson], the Senator from Tennessee [Mr. Gore], the Senator from West Virginia [Mr. Byrd], and the Senator from Vermont [Mr. Stafford] were added as cosponsors of Senate Joint Resolution 184, a joint resolution designating October 15, 1987, as "National Safety Belt Use Day."

### SENATE CONCURRENT RESOLUTION 15

At the request of Mr. Heflin, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of Senate Concurrent Resolution 15, a concurrent resolution expressing the sense of the Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the 99th Congress have been received and evaluated.

### SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the name of the Senator from Delaware [Mr. Biden] was added as a cosponsor of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

### SENATE CONCURRENT RESOLUTION 32

At the request of Mr. Grassley, the name of the Senator from Kansas [Mrs. Kassebaum] was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

### SENATE RESOLUTION 246

At the request of Mr. Moynihan, the names of the Senator from Arkansas [Mr. Pryor], the Senator from Texas [Mr. Bentsen], the Senator from North Dakota [Mr. Conrad], the Senator from Wisconsin [Mr. Proxmire], the Senator from Ohio [Mr. Glenn], the Senator from Tennessee [Mr. Gore], the Senator from South Carolina [Mr. Hollings], the Senator from Mississippi [Mr. Stennis], the Senator from North Carolina [Mr. Sanford], and the Senator from Nebraska [Mr. Exon] were added as cosponsors of Senate Resolution 246, a resolution to honor Irving Berlin for the pleasure he has given to the American people through almost a century of his music.

### AMENDMENT NO. 591

At the request of Mr. Danforth, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of amendment No. 591 intended to be proposed to S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

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## SENATE CONCURRENT RESOLUTION 73—RELATING TO HUMAN RIGHTS ISSUES IN CHINA

Mr. HELMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

### S. Con. Res. 73

Whereas Mr. Liu De, Editor of the Jianan Literature and Art Journal has been imprisoned for 7 years by the Peoples Republic of China Ministry of State Security;

Whereas the principal charge against Mr. Liu was his advocacy of "democracy and freedom", for his native country;

Whereas Mr. Xue Deyun, a poet, has been arrested for the nonviolent expression of his fundamental right to freedom of opinion, expression and demonstration;

Whereas Mr. Liu Binyan, Vice Chairman of the Chinese Writers Association has been dismissed form his position and has become the target of a public campaign of vilification and abuse;

Whereas the said Mr. Liu Binyan is best know to Chinese readers as an investigative reporter who uncovered abuses of power by local Communist Party secretaries, extortion, bribery, intimidation of intellectuals and persecution of ordinary people;

Whereas Mr. Liu Xinhu, director of the magazine "People's Literature" has been dismissed from his position for having advocated pluralism in literature;

Whereas Mr. Wang Ruowang, the former Deputy Editor of Peoples Daily, has been dismissed from his position and has become the subject of a public campaign of vilification and abuse;

Whereas the said Mr. Wang, a Communist Party member for 50 years, was accused of having said, "If I am not given freedom, I will fight for it";

Whereas Mr. Fang Lizhi, the Vice President of the University of Science and Technology at Hefei, Anhui, and one of China's leading scientists, has been dismissed from his position and has become the subject of a public campaign of vilification and abuse;

Whereas the said Mr. Fang has been accused of arguing that "the starting point of democratic ideology is from the lower levels of higher";

Whereas Mr. Guan Weiyan, the President of the University of Science and Technology at Hefei, Anhui, has been dismissed from his position for not having censored the said Mr. Fang;

Whereas Mr. Lu Jiaxi and Mr. Yan Dengsheng, the President and Vice President, respectively, of the Chinese National Academy of Sciences, have been dismissed from their positions for having advocated freedom of scientific inquiry;

Whereas Mr. Liu Zaifu, Director of the Institute of Literature at the Chinese Academy of Social Sciences has been purged and vilified for advocating freedom of expression in literature;

Whereas Mr. Wu Zuguang, a noted playwright, has been purged and is the subject of a public campaign of vilification and abuse;

Whereas Mr. Wang Ruoshui, former deputy chief editor of People's Daily has been purged for having advocated freedom of the press;

Whereas Mr. Su Shaozhi, Director of the Academy of Social Sciences Research Institute of Marxism-Leninism-Mao Zedong Thought has been dismissed from his position for having advocated freedom of expression in ideological debate;

Whereas Mr. Zhang Xianyang, Director of the Marxism-Leninism-Mao Zedong Thought Laboratory under the Chinese Academy of Social Sciences Research Institute of Marxism-Leninism-Mao Zedong Thought has been purged for having advocated freedom of expression in ideological debate;

Whereas Mr. Sun Changjiang, deputy chief editor of the Beijing Keji Bao has been purged for having advocated freedom of the press;

Whereas Mr. Yu Haocheng, editor of the Peoples' Publishing Company has been purged for allowing his company to print materials favorable to democracy;

Whereas Mr. Yang Wei, a 1983 graduate of the University of Arizona has been imprisoned and charged with unspecified counterrevolutionary activities by officials of the Shanghai Public Security Bureau;

Whereas the principal accusation against the said Mr. Yang is advocacy of political freedom in China;

Whereas Dr. Che Shaoli, Mr. Yang's wife and a student at Baylor University in Houston, Texas, has been refused information about her husband's whereabouts by Chinese authorities;

Whereas the treatment of Mr. Yang and his family is frightening to all Chinese students now studying in the West and meant to be so by Chinese authorities;

Whereas Mr. Zhu Houze, the Chief of Propaganda for the Chinese Communist Party has been dismissed from his position for advocating "democratic pluralism";

Whereas Mr. Wei Jing-sheng, one of the leaders of the Chinese "Democracy Wall" movement of 1978–80, has been transported to a strict regime labor camp in Qinghai Province;

Whereas Mr. Liang Jimen, Director of the Chinese State Family Planning Commission has admitted that coercion is still being used to force Chinese women to have abortions;

Whereas the Chinese Communist Party's Propaganda Department has assumed direct control of the heretofore independent Chinese Federation of Literary and Arts Circles;

Whereas a new office has been established directly under the Chinese State Council to tighten control and censorship of the press.

Whereas Mr. Song Muwen, Vice Director of the People's Republic of China State Media and publication Office has bragged that 10 million copies of 1,000 titles of books and periodicals have been suppressed in the first 5 months of 1987;

Whereas Chinese censors have suppressed 39 publications in the Province of Guangxi alone;

Whereas the Shenzhen Youth News in southern China has been ordered closed by officials of the Peoples Republic of China;

Whereas the scholarly journal DuShu ("Reading Books") has been suppressed for translating Western literature and philosophy;

Whereas the said Shenzhen Youth News was accused by Chinese officials of promoting Western democratic ideals;

Whereas the Shenzhen newspaper Special Zone Workers has been closed for having advocated Western democratic ideals;

Whereas the Shenzhen monthly Special Zone Literature has been closed for having advocated Western democratic ideals;

Whereas the Society newspaper of Shanghai has been ordered closed by officials of the Peoples Republic of China;

Whereas the Society newspaper of Shanghai was accused of advocating Western democratic ideals;

Whereas the Hubei Youth News in central China has been closed for having advocated Western democratic ideals and its reporters are under investigation by political authorities;

Whereas the Anhui Science Journal in eastern China has been closed for having advocated Western democratic ideals;

Whereas the Anhui Journal of Scientific News in eastern China has been closed for having advocated Western democratic values;

Whereas radical elements within the Chinese Communist Party are reported to be targeting the World Economic Herald of Shanghai, a newspaper that has published a wide variety of views over the past year;

Whereas the People's Republic of China is a member state of the United Nations;

Whereas the People's Republic of China has adopted the United Nations Charter and accepted its priniciples in authoritative declarations and resolutions including the Universal Declarations of Human Rights;

Whereas the activities of the People's Republic of China authorities described above violate such principles in the United Nations Charter as are presented in the Preamble (emphasizing fundamental human rights); Article 2 (2) (pledging all members to a good faith commitment to Charter obligations): Article 55(a)(b)(c) (promotion of human rights and fundamental freedoms); and Article 56 (pledge to carry out said principles);

Whereas the activities of the People's Republic of China authorities described above violate the basic standards found in the Universal Declaration of Human Rights via the Preamble (pledge of respect for human rights and fundamental freedoms); Article 2 (guarantee of all rights to every citizen of signatory member state); Article 3 (guarantee of life, liberty and security of the person); Article 7 (equal protection before the law); Article 8 (trial by competent tribunal); Article 9 (prohibition against arbitrary arrest or detention); Article 10 (fair public trial); Article 18 (freedom of thought and conscience); Article 19 (freedom of speech and expression); Article 20 (freedom of peaceful assemble and association); and Article 29 (limitation of state intrusion on individual rights);

Whereas the People's Republic of China by the action of its Government and Communist Party authorities violated Article 13(1)(b) (promoting international education and assisting human rights) of the United Nations Charter;

Whereas the People's Republic of China has violated the Universal Declaration of Human Rights in Article 26 (right to an education directed at full development of personality) and Article 27(1)(2) (right to participate in cultural life with protection of moral and material interests resulting from one's own intellectual labors);

Whereas cultural relations between the United States and the People's Republic were established by the United States-People's Republic of China Cultural Agreement signed in Washington on January 31, 1979;

Whereas under the terms of the said Cultural Agreement the People's Republic of China guaranteed the encouragement and facilitation of the exchange of information and cooperative programs (Articles I, II, and III);

Whereas exchanges of scholars and students between the United States and the People's Republic of China were established by the Understanding on the Exchange of Students and Scholars reached in Washington in October 1978 and the United States-People's Republic of China Agreement in Science and Technology signed in Washington January 31, 1979;

Whereas under the terms of the said agreement on the exchange of students and scholars, the People's Republic of China guaranteed a two-way scientific and scholarly exchange for students, graduate students and scholars, offering full study support and research opportunities for the purpose of improving contracts in science, technology and education;

Whereas under the terms of the said agreement on Science and Technology the People's Republic of China promised cooperation, exchange of information and documentation, joint research, contacts between scientific entities and cooperation among the scientific communities of each nation;

Whereas, the Government and Communist Party officials of the People's Republic of China are in violation of the aforesaid Cultural, Scientific and Technology and Exchange of Students and Scholars Agreements by the arrest and continued detention without trial of returned University of Arizona student Yang Wei;

*Resolved by the Senate, (The House of Representatives concurring)* that it is the sense of the Congress that the current urgent situation in human rights in the People's Republic of China should be placed on the agenda of the United Nations Commission on Human Rights at its next meeting in Geneva, Switzerland.

*Be it further resolved* that the Congress of the United States calls upon the government of the People's Republic of China to release Mr. Yang Wei.

*Be it further resolved* that until the human rights situation in the People's Republic of China clarifies, the United States Government should offer Chinese students studying in the United States participation in the Extended Voluntary Departure Program.

*Be it further resolved* that it is the sense of the Congress that the United States Government should reexamine its technology (including nuclear) and arms transfer policies towards the People's Republic of China.

Sec. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the chief of the diplomatic mission of the People's Republic of China to the United States.

### SENATE CONCURRENT RESOLUTION 74—RELATING TO JOHN FISHER BURNS

Mr. HELMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con. Res. 74

Whereas Mr. John Fisher Burns, a British subject and Beijing correspondent for the New York Times was accused of espionage by officials of the People's Republic of China Ministry of State Security;

Whereas the said espionage consisted of having photographed a 1,000 year old marble bridge;

Whereas Mr. Burns was expelled from China on July 23, 1986;

Whereas Mr. Lawrence MacDonald, an American citizen and Beijing correspondent for the Agency French Press was accused of espionage by officials of the People's Republic of China Ministry of State Security;

Whereas both Mr. MacDonald and Agency French Press formally denied the accusations of espionage;

Whereas the charges against Mr. MacDonald were totally unfounded and Mr. MacDonald had never transcended the standards of professional ethics;

Whereas Mr. Shuitsu Henmi, a Japanese citizen and Beijing correspondent for the Kyodo News Service was accused of espionage by officials of the People's Republic of China Ministry of State Security;

Whereas both Mr. Henmi and the Kyodo News Service formally denied the accusations of espionage;

Whereas Mr. Henmi was expelled from China on May 9, 1987;

Whereas these actions taken by the People's Republic of China Ministry of State Security were intended to intimidate both Chinese sources and Western Journalists;

Whereas the expulsion of Mr. MacDonald came in retaliation for legitimate broadcasting by the Voice of America, an agency of the United States Government;

Whereas press relations between the United States and the People's Republic of China were established by the United States-People's Republic of China Cultural Relations Agreement signed in Washington January 31, 1979;

Whereas Article II of the said agreement commits the Chinese Government to encourage and facilitate the development of contacts and exchanges between the two countries including news organizations;

Whereas the United States Information Agency is the lead agency on the said cultural agreement for the United States Government;

Whereas the expulsions of Mr. Burns and Mr. MacDonald were contrary to the spirit and intent of the said cultural agreement;

Whereas the expulsions of Mr. Burns and Mr. MacDonald were meant to discourage the development of contacts and exchanges between the two countries and, thus, specifically contrary to Article II of the said cultural agreement;

Whereas Article 19 of the Universal Declaration of Human Rights declares "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers";

Whereas the expulsions of Mr. Burns, Mr. MacDonald and Mr. Henmi from the People's Republic of China were intended to and had the effect of denying Chinese citizens rights guaranteed to them under Article 19 of the Universal Declaration of Human Rights;

Whereas Article 19 (2) of the International Covenant on Civil and Political Rights declares, "Everyone shall have the right to freedom of expression; this right shall include freedom to seek, receive and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any other media of his choice";

Whereas the expulsions of Mr. Burns, Mr. MacDonald and Mr. Henmi from the People's Republic of China were intended to and had the effect of denying Chinese citizens rights guaranteed to them under Article 19 of the International Convenant on Civil and Political Rights;

### SENATE CONCURRENT RESOLUTION 75—RELATING TO YANG WEI

Mr. HELMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con. Res. 75

Whereas, Yang Wei, a Chinese national, studied at the University of Arizona from 1983 until he received his Masters of Science degree in microbiology in 1986;

Whereas, in May 1986 Yang Wei returned to China to marry Dr. Che Shaoli and arrange for funding for his continued studies under a Ph.D. program at the University of Arizona;

Whereas, on January 11, 1987 while still an official student at the University of Arizona, Yang Wei was arrested by the Shanghai Public Security Bureau;

Whereas, Yang Wei has been held without charge or trial since January 11, 1987;

Whereas, Mr. Yang's wife, a student at Baylor Medical College in Houston, Texas, has been refused any information about her husband's whereabouts or condition by Chinese authorities;

Whereas, Mr. Yang's father, Yang Jue, and his mother Bi Shuyun, have been denied all contact with their son;

Whereas, the Chinese Criminal Procedure law of 1979, Sections 92, 97, 125 and 142 provides for a maximum of four and a half months of detention without charge or trial and Yang Wei has now been held over eight months, contrary to Chinese law;

Whereas, Yang Wei has not committed any crime under United States or Chinese law;

Whereas, Yang Wei and his wife only aspire to freedom and democracy;

Whereas, the treatment of Mr. Yang and his family is frightening to all Chinese students now studying in the West and meant to be so by Chinese authorities; and

Whereas, recently more than two thousand Chinese students signed an open letter to express their concern about recent political developments in their country; be it

Resolved by the Senate and House of Representatives concurring, That—

(1) The People's Republic of China should immediately release Yang Wei and provide compensation for his illegal detention; and

(2) Until the human rights situation in the People's Republic of China clarifies, the United States Government should offer Chinese students studying in the United States participation in the Extended Voluntary Departure Program.

#### CONCURRENT RESOLUTIONS RELATING TO HUMAN RIGHTS VIOLATIONS IN COMMUNIST CHINA

Mr. HELMS. Mr. President, tomorrow morning, September 17, at 10 o'clock the Senate Foreign Relations Committee will address the issue of human rights violations in Communist China. I am grateful to the distinguished chairman of the committee, Senator Pell, for scheduling this important committee hearing.

Last winter and spring, Mr. President, I addressed this body four times on the issue of human rights violations in Communist China. I was by no means alone. Almost 2,000 Chinese students in the United States have signed an unprecedented letter of concern to their Government. One hundred and sixty distinguished American China scholars sent an open letter of concern. The University of Michigan's China Studies Center sent an open letter. Distinguished Chinese American scholars and colleagues from Hong Kong sent a fourth letter.

We all had hoped that these indications of concern would turn Communist Chinese authorities away from their anti-intellectual, anti-foreign political campaign known as the campaign against bourgeois liberalism. However, we have not been successful. The campaign has only intensified. Last month the Communist Party

propaganda chief declared that the struggle against Western notions of democracy and human rights remains "tense and serious" thereby providing the basis for the continuing purge of intellectuals with different points of view on political reform.

Mr. President, it is China's intellectuals, its brightest and its best, who have paid the price for this latest round of barbaric madness. Educators, scientists, poets, journalists, newspaper editors, the list goes on and on. Just last month there was a new round of purges—a well-known playwright, more newspapermen, social scientists. This is a Chinese roll of honor, Mr. President.

As the principal purpose in this campaign is the suppression of ideas it follows that the Communists would turn their attention to the press and publications. A new office has been established for the direct purpose of tightening control and censorship of the press. Filled with leftists who prospered during the misbegotten Cultural Revolution, this office, unlike other Government offices in Communist China, is very efficient. The Vice Director of the office bragged in June that 10 million copies of 1,000 titles of books and periodicals have been seized and destroyed.

Let me repeat that figure, Mr. President: 10 million copies of 1,000 titles of books and periodicals seized and destroyed.

Similar to the honor roll of Chinese patriots who have been purged this year, there is a list of Chinese publications which have been suppressed. Unfortunately, we do not have all the names. We know that there have been literary, scientific, and economic journals suppressed. Thirty-nine publications were closed in one small province alone.

Mr. President, during the Senate discussions over the Soviet Government's suppression of the human rights among the peoples it controls, the question often comes up, "Why devote so much attention to the fate of one man when millions are suffering?" The answer is twofold: One man can symbolize millions and sometimes totalitarian regimes will release one man. These are the reasons that Natan Shcharansky is free today.

Today I am submitting a concurrent resolution on one man—University of Arizona student Yang Wei. As I informed the Senate last spring Yang Wei was arrested on January 11, 1987, and is still being held. His crime is an aspiration to freedom and democracy for his native land. My resolution calls for the release of Yang Wei and the opportunity for other Chinese students to remain in the United States temporarily while the current political campaign runs its course.

On March 25 I submitted Senate Concurrent Resolution 39 and Senate Concurrent Resolution 40. Today I am resubmitting them as modified to adjust to changed circumstances. The circumstances which have changed are the continuation of the current anti-intellectual political campaign. Since March 25 another Western reporter has been expelled from Communist China, at least 40 newspapers and journals have been suppressed and many more intellectuals have been purged.

Mr. President, I ask unanimous consent that two articles from the May/June 1987 issue of China Spring Digest and two lists of purged Chinese intellectuals and suppressed publications be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

#### Chinese Publications Suppressed 1987

"Dushu" (Reading Books).
Society (Shanghai).
World Economic Herald (Shanghai).
Shenzhen Youth News.
Hubei Youth News.
Anhui Science Journal.
Anhui Journal of Scientific News.
Special Zone Workers (Shenzhen).
Special Zone Literature (Shenzhen).

#### Chinese Intellectuals Purged 1987

Fang Lizhi, scientist/educator.
Liu Binyan, journalist.
Lu Jiaxi, president, Chinese Academy of Sciences.
Yan Dongsheng, vice-president, Chinese Academy of Sciences.
Zhu Houze, party official.
Yang Wei, micro-biologist.
Wang Roushui, journalist.
Yu Guangyuan, economist.
Liu De, journalist.
Liu Xinwu, newspaper editor.
Wang Ruowang, literary critic/poet
Guan Weiyan, educator.
Wu Zuguang, playwright.
Su Shaozhi, social scientist.
Yu Haocheng, newspaper editor.
Liu Zaifu, novelist.
Zhang Xianyang, social scientist.
Sun Changjiang, newspaper editor.
Xue Deyun, poet.

#### Please Help Save My Husband, Yang Wei—A U.S.-Educated Student Arrested in Shanghai

(By Dr. Che Shaoli)

I am Yang Wei's wife, Che Shaoli. I was born in Shanghai in 1956. I graduated from First Medical School of Shanghai in 1983. I married Yang Wei in the summer of 1986 and came to the United States in November of the same year. I am studying for my Ph.D in Baylor college of Medicine in Texas.

Now, I must tell the plight of my husband, Yang Wei, who was secretly arrested in Shanghai, and I appeal for help.

#### A BRIEF BIOGRAPHY OF YANG WEI

Yang Wei was born and grew up in Shanghai in 1955. He graduated from the Biology Department of Fudan University in 1981. In 1983, he came to America to study microbiology at the University of Arizona. He received his master's degree in 1986, and returned to China to marry me in May of the same year. Yang Wei waited in China for the approval of a fellowship to continue his Ph.D. studies in the U.S.

Yang Wei's home address is: Apt 404. #13 the 5th Guang Zhong Village, Guang Zhong Rd., Shanghai, China.

#### THE ARREST OF YANG WEI

On January 11 of 1987, Yang Wei was arrested at his parents' home in Shanghai. Several points are noteworthy about his arrest.

1. The police had illegally searched Yang Wei's parent's home, and they found some leaflets supporting the students movement, and some of Yang Wei's personal notes about the students movement.

2. The police did not have a search or arrest warrant, nor did they show any proof that Yang Wei had broken the law. They took him into custody, saying it was a "detention check."

3. The police threatened Yang Wei's parents not to make it public, especially not to let me know because I am studying in the United States.

4. Since then Yang Wei's whereabouts has been unknown. His family members have not been allowed to visit him.

#### OUR FAMILY BACKGROUND

Yang Wei's father, Yang Jue, is a senior cadre of the Chinese Communist Party. He was a department head at Shanghai Railway College.

Yang Wei's mother, Bi Shuyun, also a member of the Chinese Communist Party, is now secretary of the General Party Branch of the Department of Secretariat in Shanghai University.

My parents are also Communist Party Officials. My father was the deputy commander of the Jiangsu Province's military region.

Both Yang Wei and I are not against the Government, however, we stand for China's current reforms, and we aspire to freedom and democracy.

#### PURSUIT OF LIBERTY AND DEMOCRACY IS NO CRIME

Yang Wei's arrest is related to his involvement in the students movement in Shanghai in December, 1986. To my knowledge, he is deeply concerned about China's four modernizations and reforms. He always stands by the reformists Hu YaoBang and Zhao Ziyang, and firmly supports students' demands for freedom and democracy. He kept a close contact with the students movement. But all of his activities were within the limits of law. He met students from various colleges, made notes and took pictures of the development of the movement. He did all this is keeping with his rights as a citizen.

#### MY POINTS

1. Yang Wei did not commit any crime.

2. The Shanghai Public Security Bureau did not follow legal procedures in their arrest and detention of Yang Wei.

3. The Bureau has shown themselves guilty while threatening Yang Wei's parents not to reveal Yang Wei's arrest to the public. The fact that they tried to keep it a secret to me shows that they don't trust Chinese students abroad.

4. It is illegal and inhumane not to inform Yang Wei's family members of his whereabouts to this day.

5. Students abroad are frightened at the treatment some overseas students received upon their return. Recently, more than one thousand overseas students signed an open letter to express their concern about recent political developments in the country. Yang Wei's arrest means that all of the students who have signed the letter could face political persecution. As far as I know, many stu-

dents who returned to China have been interrogated and investigated. If this practice is not changed, how can returning students have any sense of safety?

MY DEMANDS

1. The truth of Yang Wei's case must be given immediately.

2. Yang Wei must be released immediately.

Once again I appeal to media around the world to pay attention to my husband's case and show sympathy.

### Living for Human Dignity—An Interview With Yang Wei's Wife and Relatives

(By Qiu Chun)

Yang Wei, who was a graduate student at the University of Arizona between 1984 and 1986, went back to China in June 1986 to get married. While waiting for a grant to continue his study in the United States, Yang Wei was secretly arrested by the Shanghai Public Security Bureau on January 11 for his participation in the students movement at the end of 1986. After his arrest was publicized, the case aroused strong public reaction at home and abroad. Responding to it, Senator Helms has proposed a draft resolution, which would allow Chinese students extended voluntary departure, lest the students who have been associated with the democracy movement be endangered upon their return to China.

The following article is an interview with Yang Wei's wife Che Shaoli, sister Yang Xiaobei and her husband Yu Mang. The interviewer, Ms. Qiu Chun, is a personal friend of the family. She had submitted this interview to many Chinese publications in an effort to win sympathy and support for Yang Wei.

Qiu. Yang Wei was secretly arrested by the Public Security Bureau in January because of his participation in the students movement. After his case was reported by the press, it attracted extensive attention from the concerned public. People want to know more about you. Would you please tell us how you met, fell in love and got married?

Che. Our marriage was considered unusual by most people. We had never seen each other before our marriage. So when we were just married, my family felt that Yang Wei was a stranger.

Qiu. How did you get to know each other? Were you introduced by someone?

Che. Yes, it was Yu Mang who introduced us to each other. They were classmates in college. Later, Yu Mang and I went to the same graduate school. He knew both of us quite well.

When Yang Wei was in the United States, he studied very hard. However, he was always able to take time to write to me. His letters were very interesting and full of in-depth thinkings. In his first letter to me he talked about his ideas "About Wife." A good wife should, he thinks, be well educated, kind and ready to help people. Also, she should preferably be healthy and like sports. People who enjoy sports are relatively more magnanimous and optimistic. To him, her appearance is not important. He said his wife should have the new ideas of the 1980s.

Qiu. How long did you know each other before you got married? And when did you come to the United States?

Che. We had corresponded for one year. He came back to China to marry me after he had got his master degree. I came to America in November, 1986, six months after we got married while Yang Wei was still waiting for his grant to continue his Ph.D studies in the United States.

Qiu. Xizobei, you are Yang Wei's sister, would you please tell us about yourself and your family?

Yang. I was among the students who were allowed to take the college entrance examination admitted for the first time after the Cultural Revolution. After graduation, I taught at a very small school before coming to the United States in 1985.

My parents are both retired now. My Father, Yang Jue, used to be a director in the Shanghai Railway College. My mother, Bi Shuyun, worked on a variety of jobs. Before the Cultural Revolution, she was a teacher in the Chinese Language Department at Fudan University. During the Cultural Revolution, she was sent to work in the countryside. After the Cultural Revolution, she came back to Shanghai to work in the college of arts at Fudan University.

Qiu. Did your parents have any special expectations for you and your brother? How did they raise you?

Yang. My parents expected more of my brother than me, especially in the academic field. They hoped that we could study well. During the Cultural Revolution, getting into college depended on "recommendations." Surely we didn't have any chance. After Deng Xiaoping reinstated the college entrance examination system, we had already interrupted schooling for several years.

Qiu. Did they instill in you a sense of responsibility toward the country and the society?

Yang. Of course they did. Both of my parents are members of the Communist Party. They taught us to enjoy working and love socialism. The Communist party had liberated the people, therefore, they said, we should obey the Party.

Qiu. How do you think about your brother?

Yang. I think my brother would be nothing special if he were in America. But in China, things are different. In the thirty years since the liberation, the people have not been able to develop their individualities. Comparatively, Yang Wei is active and creative. Many people feel Yang Wei is different from them. Some people say he is odd, some call him a bookworm, some think he is honest. One thing they have in common is that he is different.

Qiu. Shaolee, what in Yang Wei is special attractive to you? What is his outlook on life?

Che. His own words tells his outlook on life. He said a person's existence is trivial, one must strive hard to make this existence significant, and to be recognized. He said, striving is a lonesome endeavor. But he is also a very confident person. It seems he knows exactly what he is doing; he is not one bit nihilistic about life. I admire him a lot, and consider him a very happy man.

Qiu. Yu Mang, you went to college with Yang Wei. Would you please tell us about your study environment and what is your knowledge and evaluation of him?

Yu. Not only were we classmates for four years at Fudan University, we were also roommates. I knew him quite well. It was the first time after the Cultural Revolution we were able to enter college through entrance examinations. All of us earnestly hoped to make the best out of college. We also felt the backward state of our country must change. Yang Wei was even more eager than others. We could say that he was a very independent thinker. He had his own method of studying, he had his own opinions about learning and about the problems of the country. He cared about what was happening around him and he cared about politics.

A small episode demonstrates not only my, but the whole class' opinion about Yang Wei. Just before graduation, we all got together chatting, someone had an idea, to write some comments for each one in the class year book, entitling the book "The Class' Most . . ." Most of us got comments which were somewhat superficial and not quite true. Only the comment on Yang Wei "The Most Strange Thinker" was agreed by everybody.

Qiu. Does it mean that at first you felt he was odd, but after some time, you began to agree with him?

Yu. Yes, I really do feel this way. Besides, everybody knew Yang Wei was very warm-hearted. While we kidded at his oddness, we still admired him deep down. We were also convinced that Yang Wei will become an accomplished person, whether in science or in some other area.

I had mentioned that he was always ready to help others. The old bicycle of his was always free for anyone to use. One summer, our class had an outing to Mt. Huang. Yang Wei was in excellent physical condition from a love for boxing and gymnastics. He volunteered to carry all the supplies up the mountain, and still ran in front of us. He studied hard, and strived for efficiency. Even going up the mountain, he would not waste time. He kept in front of us and took a lot of scenic pictures. He told us that we were too slow and had missed lots of beautiful scenes. After he had reached the top of the mountain, he would sit in a pavilion, took out his book on "Relativity" and start to read. Yang Wei wanted to make every minute useful.

Qiu. Yang Wei studied microbiology at the University of Arizona. He was planning to pursue his doctorate in this field. What was his attitude toward his field of study.

Yu. His major in college was biochemistry. He did well, although he felt it was too specialized. Basically, he loved science. He had taken courses in systematic engineering and computer sciences. He did very well in all of them.

Qiu. Has he enjoyed reading since childhood?

Che. Yes. I think he was born to enjoy reading.

Qiu. What does he mostly read?

Che. According to himself, he loved mathematics when he was child. But he has also read a lot of literary works. I feel that books are his life.

Yang. He reads a variety of books, and he is very interested in philosophical readings. During the Cultural Revolution, the so-called philosophy was nothing but Marxism and Leninism. Seldom could we find a book dealing with western philosophy. He had read quite a lot of Marxist and Leninist works, and really did some research about them. My mother worked in the literary field, so we had western novels at home. During the Cultural Revolution, my mother asked us not to tell anybody about these books. She even asked us not to read them, lest we would be poisoned by these western novels. In fact, my mother was afraid that we would be punished for reading these novels.

Qiu. What do you think has shaped and influenced Yang Wei's attitudes and thinking?

Che. I think his family has exercised a great influence on him. His parents are enlightened and open-minded. But his family probably never imagined that Yang Wei could be involved in politics. He has always had an inclination and aptitude for science. Another important influence was his father. His father was considerate and understanding. Yang Wei discussed everything with him. Yang Wei's experience in America has also had an important effect on him, he felt America is efficient society.

Qiu. What do you think, Xiaobei?

Yang. I think the Cultural Revolution had a significant influence on him. During that time, both of my parents were subjected to humiliations such as being forced to make confession to made-up charges and going through unreasonable investigations. Students put up large-character posters attacking them. They spent several years of exile in the countryside. At that time, we lived in a workers' quarter. My brother and I were discriminated by people there and we could not make friends with other children. We were very repressed, so we stayed at home and found consolation in books.

Qiu. What was Yang Wei's attitude toward our country's four modernizations and the reform?

Che. He supports China's reform. He hoped that the reform would bring more opportunities to more people. He said, Taiwan has no satellites in space, no rockets, but the people have higher living standard than us. He thinks, at present, it is not the priority for China to pursue the most advanced technology.

Qiu. Xiaobei, do you understand your brother's motivation in supporting the democratic movement?

Yang. Sure, my brother was very concerned about the country's important events. He hopes our country to be prosperous and strong. He hopes that every Chinese will enjoy human dignity.

Yu. I consider it quite normal for Yang Wei to get involved in the students movement. Originally, we all saw that the reform was having positive effects, but now it is rolling back. Anyone who has conscience and a little ambition would be concerned about the country, concerned about the reform. We cannot just watch the reform being pulled back. As an old Chinese saying puts it, "Every man is responsible for the country's up and down." I think it's normal, reasonable and patriotic for young people to take part in the demonstration activities.

Qiu. Shaoli, do you support him for what he has done?

Che. What Yang Wei has done are those things every responsible and righteous Chinese should to. I have no reason to stop him. But at the same time I am very worried about him.

Qiu. Is it for love that you respect his belief and goals in life?

Che. Yes, I think so. I think to love a person means to help that person to accomplish what he wants to do, and to help him become the most perfect person possible that he himself wants to be, not the one I want.

Qiu. Xiaobei, how do you feel about your brother's arrest?

Yang. Naturally I feel very sad. My brother and I have been attached to each other since childhood. In my memory, we have never quarreled even once. My brother has always taken good care of me. I think he is very knowledgable, and I have a great respect for him.

Yu. The bond between them is very strong. In my experience, brothers are seldom willing to talk about their sisters in the presence of peers. But Yang Wei frequently showed his feeling of concern for his sister. His love for his sister was what called my attention to Xiaobei.

Qiu. Don't you think he tried to match you on purpose?

Yu. No. Yang Wei was a bookworm. He would not go out and look for a husband for his sister. Besides, Yang Wei did not know about it until we had dated for about one year. The affection Xiaobei has for him is also very special. She is always telling me that when they were kids, her brother held her hands and took her to play. In her little girl's mind, a lover's image was just her brother.

Qiu. Shaoli, how did you feel after learing of Yang Wei's arrest?

Che. Yang Wei is a sensitive person, but he always controlled himself by reason. I have been worried that he couldn't hold out in jail, that his defense of reason would fall apart. It was hard on him to remain in China and wait for the approval of his fellowship. To him waiting is a waste of time. Later, he found something worthwhile to do, and he was arrested for it. I think his life is more valuable than mine, I wish I could change places with him in jail.

Qiu. The Chinese authorities has declared Yang Wei was arrested for putting up "counter-revolutionary posters," "spreading counter-revolutionary propaganda." What do you think of these charges?

Che. I think the Chinese government is wrong in outlawing Yang Wei's thoughts and activities. There is no legal basis to the charge of counterrevolutionary. I consider his thoughts are rather revolutionary. They are for the betterment of the Chinese society. In China, everybody is thinking about the problems Yang Wei thinks about, but only a few people would really do something about it. It is as if Yang Wei didn't know it is o.k. to think, but not to act. That is the reason for his arrest.

Qiu. In view of what has happened to Yang Wei, what do you think about the safety of the returning Chinese students, especially those who have signed the open letter to the Chinese government?

Yu. In my opinion, what Yang Wei thought and did then are no different from what the students did when they signed the open letter. Yang Wei's arrest means that all of those who signed the letter are at risk. I believe the students who signed the open letter, if they were in China at that time, would also have done what Yang Wei did. In this sense, Yang Wei's fate is relevant to all of us. I think the overseas Chinese students should act to support Yang Wei, because to save Yang Wei is to save themselves.

Qiu. After Yang Wei's case was publicized by several newspapers, what kind of response did you receive?

Yu. I got phone calls through the night. People expressed their concern about Yang Wei. And they were angry with the Shanghai Public Security Bureau.

Che. I received a lot of calls. All showed sympathy for Yang Wei. Besides, some people voluntarily took action on behalf of Yang Wei. Now, we are getting some results. The Shanghai Public Security Bureau has softened its attitude toward Yang Wei's parents, the authorities publicly admitted that they arrested Yang Wei. I am very grateful for everyone's efforts.

Qiu. Yu Mang, what kind of help do you expect of the public?

Yu. I hope people from all walks of life, including the overseas students, will write letters and make telephone calls to the concerned authorities, to express their concern about Yang Wei's case.

## SENATE CONCURRENT RESOLUTION 76—TO ACKNOWLEDGE THE CONTRIBUTION OF THE IROQUOIS CONFEDERACY OF NATIONS TO THE DEVELOPMENT OF THE U.S. CONSTITUTION AND TO REAFFIRM THE CONTINUING GOVERNMENT-TO-GOVERNMENT RELATIONSHIP BETWEEN INDIAN TRIBES AND THE UNITED STATES ESTABLISHED IN THE CONSTITUTION

Mr. INOUYE (for himself, Mr. Evans, Mr. DeConcini, Mr. Burdick, Mr. McCain, Mr. Adams, Mr. Boren, Mr. Conrad, Mr. Cranston, Mr. D'Amato, Mr. Dole, Mr. Ford, Mr. Fowler, Mr. Levin, Mr. Pell, Mr. Pryor, Mr. Reid, Mr. Riegle, and Mr. Stafford) submitted the following concurrent resolution; which was referred to the Select Committee on Indian Affairs:

S. Con Res. 76

Whereas, the original framers of the Constitution, including most notably, George Washington and Benjamin Franklin, are known to have greatly admired the concepts, principles and governmental practices of the Six Nations of the Iroquois Confederacy; and,

Whereas, the Confederation of the original thirteen colonies into one Republic was explicitly modeled upon the Iroquois Confederacy as were many of the democratic principles which were incorporated into the Constitution itself; and,

Whereas, since the formation of the United States, the Congress has recognized the sovereign status of Indian Tribes, and has, through the exercise of powers reserved to the Federal Government in the Commerce Clause of the Constitution (art. I, s8, cl. 3), dealt with Indian Tribes on a government-to-government basis and has, through the Treaty Clause (art. II, s2, cl. 2), entered into 370 treaties with Indian tribal nations; and,

Whereas, from the first treaty entered into with an Indian nation, the Treaty with the Delaware Indians of September 17, 1778, and thereafter in every Indian Treaty until the cessation of treaty-making in 1871, the Congress has assumed a trust responsibility and obligation to Indian Tribes and their members to "exercise the utmost good faith in dealings with the Indians" as provided for in the Northwest Ordinance of 1787, (1 Stat. 50); and,

Whereas, Congress has consistently reaffirmed these fundamental policies over the past 200 years through legislation specifically designed to honor this special relationship; and,

Whereas, the judicial system of the United States has consistently recognized and reaffirmed this special relationship: Now, therefore be it

*Resolved by the Senate (the House of Representatives concurring),* That:

(1) The Congress, on the occasion of the 200th Anniversary of the signing of the United States Constitution, acknowledges the historical debt which this Republic of

the United States of America owes to the Iroquois Confederacy and other Indian Nations for their demonstration of enlightened, democratic principles of government and their example of a free association of independent Indian nations;

(2) The Congress also hereby reaffirms the constitutionally recognized government-to-government relationship with Indian Tribes which has historically been the cornerstone of this nation's official Indian policy;

(3) The Congress specifically acknowledges and reaffirms the trust responsibility and obligation of the United States Government to Indian Tribes, including Alaska Natives, for their preservation, protection and enhancement, including the provision of health, education, social and economic assistance programs as necessary, to assist Tribes to perform their governmental responsibility to provide for the social and economic well-being of their members and to preserve tribal cultural identity and heritage; and

(4) The Congress also acknowledges the need to exercise the utmost good faith in upholding its treaties with the various Tribes, as the Tribes understood them to be, and the duty of a Great Nation to uphold its legal and moral obligations for the benefit of all of its citizens so that they and their posterity may also continue to enjoy the rights they have enshrined in the United States Constitution for time immemorial.

## AMENDMENTS SUBMITTED

## DEPARTMENT OF DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

### WARNER (AND OTHERS) AMENDMENT NO. 682

Mr. WARNER (for himself, Mr. THURMOND, Mr. HUMPHREY, Mr. QUAYLE, Mr. WILSON, Mr. GRAMM, Mr. SYMMS, Mr. MCCAIN, Mr. HELMS, Mr. HOLLINGS, and Mr. WALLOP) proposed an amendment to the bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes; as follows:

On page 23, strike out line 7 through page 24, line 19.

### QUAYLE (AND OTHERS) AMENDMENT NO. 683

Mr. QUAYLE (for himself, Mr. WILSON, and Mr. HELMS) proposed an amendment to the bill S. 1174, supra; as follows:

SEC. SENSE OF CONGRESS ON THE KRASNOYARSK RADAR.

(a) FINDINGS.—The Congress finds the following:

(1) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying ballistic missile early warning radars except at locations along the periphery of its national territory and oriented outward.

(2) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying an ABM system to defend its national territory and from providing a base for any such nationwide defense.

(3) Large phased-array radars were recognized during negotiation of the Anti-Ballistic Missile Treaty as the critical long lead-time element of a nationwide defense against ballistic missiles.

(4) In 1983 the United States discovered the construction, in the interior of the Soviet Union near the town of Krasnoyarsk, of a large phased-array radar that has subsequently been judged to be for ballistic missile early warning and tracking.

(5) The Krasnoyarsk radar is more than 700 kilometers from the Soviet-Mongolian border and is not directed outward but instead, faces the northeast Soviet border more than 4,500 kilometers away.

(6) The Krasnoyarsk radar is identical to other Soviet ballistic missile early warning radars and is ideally situated to fill the gap that would otherwise exist in a nationwide Soviet ballistic missile early warning radar network.

(7) The President has certified that the Krasnoyarsk radar is an unequivocal violation of the Anti-Ballistic Missile Treaty.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Soviet Union is in violation of its legal obligation under the 1972 Anti-Ballistic Missile Treaty.

### BENTSEN (AND OTHERS) AMENDMENT NO. 684

Mr. BENTSEN (for himself, Mr. GRAMM, and Mr. COCHRAN) proposed and amendment to the bill S. 1174, supra; as follows:

On page 198, between lines 4 and 5, insert the following

PART C—MISCELLANEOUS PROVISIONS

SEC. 2831. COMMUNITY PLANNING ASSISTANCE

The Secretary of Defense may expend not more than $300,000 from funds appropriated to the Department of Defense for fiscal year 1988 pursuant to an authorization contained in this division and not more than $300,000 from funds appropriated to the Department of Defense for fiscal year 1989 pursuant to an authorization contained in this division to provide planning assistance to communities located near Gulf Coast homeports proposed under the Naval Strategic Dispersal Program, if the Secretary determines that the financial resources available to the communities (by grant or otherwise) are inadequate.

## EXTENSION OF PHYSICIAN'S COMPARABILITY ALLOWANCES AND SPECIAL PAY FOR PSYCHOLOGISTS IN THE PUBLIC HEALTH SERVICE

### STEVENS AMENDMENT NO. 685

Mr. CHAFEE (for Mr. STEVENS) proposed an amendment to the bill (S. 1666) to amend title 5, U.S. Code, to provide for the extension of physicians comparability allowances and to amend title 37, U.S. Code, to provide for special pay for psychologists in the commissioned corps of the Public Health Service; as follows:

On page 2, strike out lines 4 through 6, and insert in lieu thereof: Section 5948(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out "$7,000" and inserting in lieu thereof "$14,000";

(2) in paragraph (2) by striking out "$10,000" and inserting in lieu thereof "$20,000"; and

(3) by adding at the end thereof (after and below paragraph (2)) the following:

"For the purpose of determining length of service as a Government physician, service as a physician under section 4104 or 4114 of title 38 or active service as a medical officer in the commissioned corps of the Public Health Service under Title II of the Public Health Service Act (42 U.S.C. ch. 6A) shall be deemed service as a Government physician."

## NOTICES OF HEARINGS

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The field hearing will take place October 12, 1987, from 9 a.m. to 12 noon, and 1:30 p.m. to 4:30 p.m. The hearing will be held in the Carlsbad Civic Center at 4012 National Parks Highway, Carlsbad, NM.

The purpose of the field hearing is to receive testimony on S. 1272, the Waste Isolation Pilot Plant [WIPP] Land Withdrawal Act of 1987.

Those wishing further information about the hearing should contact Julie Thompson or Lynn Ditto in Senator JEFF BINGAMAN's office in Roswell, NM, at (505) 622-7113 or Beth Norcross of the subcommittee staff in Washington, DC at (202) 224-7933.

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a hearing during the session of the Senate on September 16, 1987, at 10 a.m. on the nomination of Robert H. Bork to be Associate Supreme Court Justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON AGRICULTURAL CREDIT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Credit, of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Wednesday, September 16, 1987, at 10 a.m. and 2 p.m. to mark up farm credit legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BYRD. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on September 16, until 12 noon to mark up clean air legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resoures be authorized to meet during the session of the Senate on Wednesday, September 16, 1987, at 9:30 a.m. to consider the response to the reconciliation instructions under the budget resolution; S. 1145, amendments to the Alaska Native Claims Settlement Act of 1971; S. 1084, and amendent No. 176, United States Uranium Enrichment Act; S. 1100, and amendment No. 177, Uranium Revitalization and Tailings Reclamation Act of 1987; S. 247, to designate the Kern River as a national wild and scenic river; H.R. 799, Kings River in California; S. 253, to convey Forest Serviceland to Flagstaff, AZ; H.R. 1205, to direct the Secretary of Agriculture to release a reversionary interest of the United States in certain land located in Putnam County, FL, and to direct the Secretary of the Interior to convey certain mineral interests of the United States in such land to the State of Florida; H.R. 1744, to amend the National Historic Preservation Act to extend the authorization for the Historical Preservation Fund; H.R. 797 to authorize the donation of certain non-Federal lands to Gettysburg National Military Park and to require a study and report on the final development of the park; H.R. 990, to direct the Secretary of the Interior to convey a certain parcel of land located near Ocotillo, CA; H.R. 242, to provide for the conveyance of certain public lands on Oconto and Marinette Counties, WI; S. 1297, to amend the National Trails System Act to provide for a study of the De Soto Trail; S. 575, Land Conveyance to the Catholic Diocese of Reno/Las Vegas; H.R. 1366, to provide for the transfer of certain lands in the State of Arizona; S. 574, entitled the "Battle Mountain Pasture Restoration Act of 1987; S. 1259, to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas; S. 578, to amend the National Trails System Act to designate the Trail of Tears as a National Historic Trail; S. 1012, to increase the amount authorized to be appropriated for property acquisition, restoration, and development, and for transportation, educational, and cultural programs, relating to the Lowell National Historical Park; to continue the term of member of the Lowell Historical Preservation Commission pending the appointment of a successor; to adjust a quorum of the Commission in the event of a vacancy; and to delay the termination of the Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 16, 1987, at 10:30 a.m. to hold hearings on Ambassadorial nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 16, 1987, at 2 p.m. to hold a hearing on Ambassadorial nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation and the National Ocean Policy Study, be authorized to meet during the session of the Senate on September 16, 1987, at 10 a.m. to hold hearings on S. 849, the Commercial Fishing Industry Vessel Safety and Compensation Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## UNITED STATES POLICY TOWARDS THE TWO KOREAS

● Mr. DECONCINI. Mr. President, the U.S. Congress is always in vital need of objective, informative, and advisory research in order to keep appraised of situations both at home and abroad. This information should come from our own governmental services as well as the academic world.

I have been fortunate to receive a report from Prof. Yung-hwan Jo of the Arizona State University Political Science Department. The paper, "U.S. Policy Towards the Two Koreas," is an indepth study covering a broad spectrum of issues pertaining to South Korea, including its recent history, the North Korean threat, and the effect of United States policy toward the region. This is both a timely and provocative paper, especially given the ongoing political unrest and labor disputes.

I am personally very interested in the issues affecting South Korea, and successfully passed a resolution this spring regarding their transition to democracy. With United States political, economic, and military interests involved in this country, I feel that insightful works such as Dr. Yung-hwan Jo's paper are extremely beneficial in reaching a greater understanding of the South Korean society. I hope my colleagues have an opportunity to read this.

Mr. President, I ask that the text of this paper be inserted in the RECORD.

The text follows:

### U.S. POLICY TOWARD THE TWO KOREAS

(By Yung-hwan Jo)

Korean Institute for Human Rights has done a lot for the causes of human rights and democracy in Korea. To most of you who have expended your valuable resources for the movement, permit me to take my hat off in deference. I am honored by your invitation to be a part of commemorating the third anniversary of this Institute.

#### INTRODUCTION

Shortly after students occupied the U.S. Information Service Library in Seoul in May 1985, demanding a U.S. apology for the Kwangju incident and a halt to U.S. support for the Chun regime, the U.S. Embassy staff and student leaders as well as junior professors who were close to the students had a get-together at Onyang Hot Spring Hotel. The U.S. not only denied its involvement in the incident but also pointed to the limits of U.S. ability to shape the South Korean domestic situation. The Korean students countered the U.S. position by arguing that, irrespective of the real American influence on Korea, the U.S. is perceived by most Koreans as dominating and penetrating Korean affairs in a wrong direction and can easily shape the course of Korean politics in the direction of democratization, if willing. As I was told in Korea,[1] both sides assessed the conference differently and there appears to be a cognitive dissonance between the American embassy and the South Korean students. Yet, this could not be a minor irritant in the otherwise solid foundation of the Washington-Seoul alliance.

Radicalization of Korean students has been attributed to several sources: 1) students' acceptance of the "dependency" theory in sequence to earlier exposure to nationalistic values; 2) rising income gap and expectations plus relative deprivation stimulated by rapid economic growth, (in other words, any newly industrializing countries with per capita income of $2,000 or more tends to have a greater level of student activism.);[2] 3) Use of South Korea mainly as a frontline base of U.S. global strategy against the Soviet Union, and a "high-handed" policy of Washington in pressuring Seoul to remove trade barriers; and importantly, 4) the always yielding, accommodating and often knee-jerk responses of the "unpopular" and "illegitimate military" government in Seoul. However misconceived they may be, they were once the perceptions of only a small number of "radical" students. But today these views have become increasingly popular among a large number of students and others in the public. Is Korean student activism beyond control? If the military elite in South Korea can somehow convince the public of their adherence to the principle of civilian su-

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Footnotes at end of article.

premacy and their personal disinterest to rule, by some concrete measures comparable to the civilization of the Brazilian military regime, a major root cause of both the increasing student unrest and the newly emerging anti-American sentiment would be eliminated, therein also removing one linkage of alleged North Korean incitement.

As for the U.S.-North Korean relations, there is even a worse perceptual gap. To the U.S. and its allies, the policies and conditions inside North Korea hold the key to the detente and reunification process of Korea. To North Korea, however, the major obstacle to the solution of the Korean problem is held by Washington. Although the basic zero-sum relationship of U.S.-North Korea has not been altered, their respective major allies (Japan and China) have normalized their traditionally hostile relations. In the second half of the post-war era, more favorable changes have taken place than in the first half. A Chinese-U.S. rapprochement as well as North-South Korean talks though often interrupted did take place which no one would have thought possible until the end of the 1960's.

Can the lessons of the recent and on-going Sino-American detente be relevant, if, not transferable, to future U.S.-North Korean relations? Washington's policy toward the two Koreas cannot be analyzed unless we take into account Washington's overall ties with Japan and its increasing ties with China.

The strategic interdependence and economic complimentarity between China and Japan will in turn make it necessary for them to play closer and more cooperative roles in influencing the external relations between the two Koreas. Washington consults both China and Japan on Korean issues, and North Korea is interdependent with China for its defense and with Japan for its economy, while South Korea is interdependent with Japan and the U.S. for its investment and security and with China for its bourgeoning commercial relations.

First, let us turn to the U.S., the main actor and the sources of its Korean policy.

### AMERICAN IMAGES OF KOREA AND ITS POLITICAL DYNAMICS

Unlike China or Japan, Korea had no Western reservoir of repute on which to fall back. According to the Potomac Surveys,[2] the American people do not hold South Korea and its people in very high esteem. North Korea is relegated to the status of parish. Major economic achievements of South Korea have been recognized in recent years, but the images of Korea in general are still influenced largely by the "Koreagate," Reverend Moon, political unrest, and human rights violations of the South while to a lesser extent by the behaviors of the North such as narcotic smuggling and the Burma barbarism committed by its agents. While the majority of Americans oppose the idea of defending South Korea should the North decide to attack, many of the leadership figures approve of the security link between Seoul and Washington.

It might be worth noting that the future of America's presidential politics in 1988 is as uncertain as their Korean counter part. A recent study[4] of a leading authority on presidential elections shows that the Republican landslide of 1984 "rested entirely on the votes of the less sophisticated; Mondale actually 'won' the vote in the more sophisticated sector by a narrow 52/48 margin." The conservative wing is firmly in control of the Republican party. Can George Bush, who is less conservative and less charismatic than Reagan, be acceptable to leaders of the dominant wing of the party whose difference from the national population of the Republican party identifiers was a resounding 58%? "If the Democratic left created sufficient ideological space between it and the nations' voters to permit Republican victories, so the Republican move to the right may have opened the way for an immediate resurgence of Democratic strength en route to the White House in 1988."[5]

Although the Reagan policy has been more supportive of Seoul's security needs than Carter, there is no evidence that the educated, if not the majority, American electorate has become more conservative in recent years. As a matter of fact, the above study argues that by 1984 the national electorate had moved slightly to the left of their 1980 positions.

### THE U.S. ROLE IN SOUTH KOREA: AN INTERPRETIVE HISTORY

The past U.S. policy toward Korea disappointed Koreans by acquiescing in Japan's colonization, dividing Korea and placing South Korea outside the U.S. defense zone. But Koreans owed their independence from Japan and survival of the South during the Korean war to the U.S. U.S.-South Korean relations, which were dominated in its earlier phase by security concerns has expanded into the development of political, human (immigrants), cultural and especially economic ties.

1. Although the U.S. viewed the deterioration of democracy under the Rhee government with misgivings, it did not attempt to influence the situation until the students took it upon themselves.[6]

2. The U.S. was closely involved in the diplomatic normalization between Korea and Japan in 1965 and the dispatch of ROK troops to Vietnam a few years later.[7]

3. The "Koreagate" (lobbying) scandal of 1978 was related to Korea's primary concern with the U.S. plan of troop withdrawal which was to be completed by Carter in 1981 or 1982, although this idea was conceived by Nixon. The incident caused strain between Seoul and Washington but contributed toward reversing the withdrawal plan. Many in the U.S. and Japanese executives and security communities feel uncertain about Pyongyang's intentions. The South Korean opposition even feared losing the protective U.S. influence on Korea's politics.

4. A case of role change: The role partnership of the South with the U.S. was cemented far more than that of the North with its partners; in fact, "South Koreans were adverse to any kind of change or anything that smacked of change in their relationship with the Americans."[8]

Thus, even when the Nixon Doctrine aroused misgivings on the part of the officials in Seoul, it was probably beyond their imagination that the new Nixon would seek a visit to China, a staunch ally of North Korea. After all, the real breach between Washington and Beijing was caused by the Korean war. Seoul was apprehensive that China might give "false assurances" to the U.S. that would facilitate U.S. military withdrawal from the South earlier than necessary. After all, it was the wish of Seoul that Beijing would accept and that the U.S. would agree to the continued presence of American troops in South Korea for an indefinite period. On the one hand, the necesssity of continued American involvement in South Korea was argued for as a force to keep China, the Soviet Union, and Japan from warring against each other,[9] and on the other hand, it was argued perhaps for the audience of Beijing as a possible check on resurgent Japanese militaries.[10]

In the context of its dual relationship with China and China's most feared foe, the Soviet Union, North Korea can be hypothesized to have developed its role enactment vis-a-vis these two great powers to a fine art. By making each other aware of the expectations imposed upon it by the other, and in a historical/geographical situation which obviously obliges it to avoid antagonizing either, North Korea has been able to assume a degree of autonomy in its international relations which stands out in stark contrast to the condition of the South.[11] As a result of the extremely dependent relationship between Seoul and Washington as well as the rigidity and unidimensionality of the South's past role playing vis-a-vis both the U.S. and the North, South Korea has only since developed a practical repertoire of role change, self-reliance, and detentism.

Probably nowhere will the impact of the Sino-American and the Sino-Japanese détente be more strongly felt than in the two Koreas, where each regime claims its legitimacy in a cold war exclusiveness far more intense than that which separates China from the U.S. and Japan. In the past, great power intervention intensified contention in Korea. None of the four powers would today actively intervene in the "Koreanization" of efforts to manage crisis and/or unify the country.

5. U.S. economic assistance ceased by 1970 and steady and remarkable economic growth during the past two and a half decades has forced Seoul to look far beyond the U.S. and Japan. This not only reduced its economic dependence on the U.S. but also created a source of tension with it. In having become America's seventh largest trade partner, it became one of the largest contributors to the U.S. trade deficit.

6. In spite of its earlier concerns over the realignment (role change) of the U.S. and China, South Korea has become its beneficiary. It has given Seoul an opportunity to seek contacts with China and the U.S.S.R. Seoul's diplomatic success which surpasses Pyongyang's has given it confidence and a sense of independence in its foreign policy so that America may find it difficult to ride roughshod over the growing nationalism there.

7. Up to this moment, May 1986, the U.S. appears to be far more willing to work with the authoritarian South Korean government rather than to jeopardize its authority. Korea's economic and strategic importance are viewed to be too great for Washington to risk its stability for the sake of democraticization.

### SECURITY ASPECTS AND THEIR IMPLICATIONS

Security developments on the Korean Peninsula affect the security interests of the Soviet Union, China, and Japan as well as the U.S. As for U.S.-South Korean relations, they have been providing the shield behind which economic development of the South has taken place and the relationship is expected to assist in the achievement of a more democratic political life. After all, national consensus of a sort is the foundation of true security.

Washington's threat perception of Pyongyang is based on the view that the North has "the largest commando force in the world [which is] compounded by factors of time and distance." The security situation is viewed by the U.S. to be potentially unsettling with "one of the most . . . severe imbalances in military power anywhere in the world."[12] America's security emphasis based on such a perception has undoubtedly served as an effective deterrence against North Korea and has even given South Korea confidence to deal with not only Pyongyang, but also its allies. At the same time, has it not also contributed to the arms buildup in South Korea and recently of the Soviet Union in North Korea and in its vicinity? Can these developments serve the interests of the U.S. in the region?[13]

Korea divided has meant confrontation and an escalation in the arms race. The Korean reunification may not be achieved by peaceful means. The Korean war has shown the absolute impossibility of the reunification of Korea by armed forces. And the advent of Sino-American detente has reduced the possibility of the U.S. or China intervening in another Korean war. These being the case, the rational choice of a logical and calculated mutual interest of both Koreas might suggest the inevitability of an inter-Korean detente and cooperation as is the case of the two Germanys. At a minimum, arms competition of the past must be replaced by peaceful competition.

The key to reducing arms competition and tension lies in a step-by-step building of confidence and reduction of fear and distrust on both sides. Since the past proposals to exchange observers during military exercises (team spirit) and to increase the role of the Neutral Nations Supervisory Committee, etc., has not produced any results, might it not be useful to provide Pyongyang with some basis to remove its deep sense of psychological insecurity by way of GRIT?[14] In the long run, it might also be useful for Washington to urge Seoul and Tokyo to work out their economic and security problems with regard to Pyongyang and also to urge Tokyo and Beijing to work together to limit Soviet expansionism around Korea and the Sea of Japan. It will be more desirable to pursue these multilateral approaches while seeking improvements in U.S.-North Korea relations. It is almost inconceivable that the U.S. could be drawn into talks with North Korea at the South's expense. Seoul should know this.

Some current bilateral security issues include: 1) Seoul's continuance to press for a larger amount of Foreign Military Sales credits at concessory rates (the amount being in the range of $220-$230 million in recent years); 2) the transfer of American military technology which is of a proprietary nature; and 3) sales to third countries of military equipment with a U.S. component.[15] In addition to these smaller technical issues, there is a larger negative aspect of U.S.-South Korea security developments. America's Korean policy is viewed today by the opposition, and many others, in the South to have been influenced more by the Pentagon, especially the military-industrial complex, than by the State Department and the Congress. South Korea's anti-Americanism is therefore attributed to Washington's support and tacit approval of the authoritarian military regimes of Park and Chun, especially to the latter's "alleged" involvement in the Kwangju incident of 1980.[16]

### ECONOMIC ASPECTS AND THEIR IMPLICATIONS

South Korea's economic development over the last 30 years has been so rapid that today "two-way U.S.-Korean trade each year ($17 million in 1985) exceeds in value the total of all American economic aid ever provided to Korea." Such a booming economy is a U.S. foreign assistance success story.[17]

However, the current trade imbalance, created by the still small threat posed by South Korean competition, has resulted in U.S.-Korean trade frictions. This threat has the possibility of greatly intensifying in the near future. As a residual product of the Japanese trade threat, South Korea is treated like a new Japan, which exacerbated their anti-American sentiment in recent years.

Intellectually, South Korean anti-Americanism can be traced to the nationalistic emphasis of Korean education in the '80's and '70's as well as the pervasively popularized works of "dependency" theory among students and intellectuals.[18]

Lastly, it may be worth noting that Korean investment in the range of $200 million or more in the U.S. built factories and created jobs for American workers. Some 700,000 hard-working Koreans in America are also contributing toward American economy, however small it may be in terms of the totality of America.

### POLITICAL ASPECTS AND THEIR IMPLICATIONS

To Washington, its influence on the Korean political situation, while greater than other powers, is limited, and many Koreans have an exaggerated notion of Washington's ability to influence events in Korea. Thus, on his visit to Seoul, May 8, 1986, U.S. Secretary of State, George Shultz said that while the U.S. is not taking sides in Korea's internal political debates he reaffirmed the U.S. support of the efforts by the Chun government to realize an orderly transition of political power. He urged the government to be basically responsive to the will of people and the opposition not to adopt violent means in the process of democratization.[19] Gaston Sigur, U.S. Assistant Secretary of State told four Korean opposition politicans that security and democratization should be pursued simultaneously in Korea.[20]

Mr. Shultz seemed to go out of his way not to indicate any loosening of Washington's backing for President Chun Doo Hwan. He emphasized ties to the U.S. by stating that the "Seoul government will only move ahead if it feels secure in its military, economic, and political ties to the U.S."[21] In addition, Shultz's praise of Chun's efforts for "smooth" transfer of power, emphasis of security and economic development over democratization goals as well as extraordinary emphasis on the difference between the Philippines and Korea, and his unwillingness to meet with Kim Dae-jung and Kim Young-som, two most-powerful opposition leaders etc. have convinced most observers, to say nothing of the Korean opposition, that he favored a "great political compromise" in favor of the military-backed Democratic Justice Party. Even if he had an intention to be neutral, his visit to Seoul has had a consequence of boosting those in power and alienating the major opposition party, New Korea Democratic Party, and many more. Mr. Secretary might have been misled about the mass and intellectual support the opposition party commands in contrast to the party in power.

In the past six years, student activism has increased dramatically with a dozen separate attacks against the U.S. establishment. These attacks took place in a country where "Yankee Go Home" was never heard before and their purpose was to pressure Washington to seek political liberalization in South Korea.[22] South Korean opposition has asked two things: one is that the U.S. declare its firm support of the cause of Korean democratization and restoration of human rights. The other is that the U.S. commander in Korea, who controls the Korea-U.S. Combined Forces Command, should endeavor to ensure the political neutrality of the Korean Armed Forces. Kim Dae-jung said, "We'll take care of the rest."[23]

Will South Korea become another Vietnam or another Philippines? Although the likelihood of the latter scenario is greater than before, most policy-makers in the U.S. and elites in South Korea might like to promote democratic transition before the country is engulfed by the kind of violence that has over taken the Philippines. The issue is "how" to promote it. The opposition wants to avoid Chumism without Chun which the party in power seems to perfer to preserve. The U.S. role is very delicate, limited or not, Reagan's disassociation from the Kirkpatrick theory[24] in favor of opposition to dictatorships on the right as well as on the left and Shultz's emphasis of democracy over military bases are commendable but appear to be less applicable to South Korea than Haiti and Philippines at last minutes. This shift as expressed in the March 14, 1986 message to the Congress appears to have been aimed at getting Congressional support for "contras."

Koreans are better educated and their economy is far superior to that of the Philippines, but the political atmosphere is more repressive in Seoul than it was in Manila under Marcos. Another Chun after 1988 under the existing seven-year term would mean thirty-five years of military supremacy over the civilians. For these reasons, Korea might have a justification for "enlightened" U.S. intervention better than, if not as much as, the Philippines. American intervention in Manila was judicious and it could be repeated in Korea when the opposition becomes stronger and united. Timing was important in the former and so was the free press.

### NORTH KOREA AND INTER-KOREAN RELATIONS

U.S. policy toward the two Koreas was analyzed in terms of its policy toward Seoul, since there has not been much interaction between Washington and Pyongyang except occasionally at the Panmunjom table. Hence the U.S.-North Korea relations can be discussed initially in terms of Washington's relations with Tokyo and Beijing.

Japan is expected to extend opportunities for economic and other interactions to the North. Its role in shaping the future of Korea is larger than that of any other power, and Pyongyang knows Japan better than any other Western Power. Pyongyang's need for Japan's technological know-how and economic cooperation and Seoul's dependence on Japanese investment are increasing Japan's weight in Korean settlement. The U.S. might explore new concepts and opportunities in dealing with the North but not at the expense of Tokyo and Seoul. Japan might initiate a Tokyo-Pyongyang detente and encourage the North-South dialogue short of reunification of the two Koreas.

American leaders have not hesitated to ask the Chinese leaders to intercede with North Korea. The strategic interdependence and economic complimentarity between China and Japan/U.S. will lead China to consult Japan and the U.S. in the settlement of Korean problems. These developments favor China's establishing more ties with the South, though unofficial, and they also facilitate an improvement in inter-Korean relations. Most nations including Moscow would welcome the relaxation of tensions in the Peninsula and a favorable external environment gives them the freedom to make accommodations to the changing economic environment in East Asia.[25]

Almost all of the policy-makers in Seoul, Tokyo, Washington, Beijing, and even Moscow hope for the gradual erosion of the rigid styles and objectives of the Northern policy. Yet, many of them, especially the U.S. and the South are still opposing the only peaceful means of approaching such an end. The U.S. should take an active role in revising Pyongyang's image and perception of the West which have been distorted by a long period of isolation from the Western world. This can be done by encouraging the North to turn outward and the outside world, especially U.S. allies, to interact with the North. The psychological environment of North Korea might also be improved in the process of its communication with Japan and the U.S., more than through contacts with the South.

Washington's unwillingness to deal with Pyongyang is based on the U.S.-South Korea assumption that the North's policy has not changed, including its willingness to attack the South at a most opportune moment and that Washington-Seoul should therefore continue the "negotiation from strength" policy toward Pyongyang. Are these assumptions still valid? The only time North Korea seriously considered a military risk was probably during the American preoccupation with the Vietnam War, not afterward. With a GNP today almost five times that of the North, a trade volume 17 times greater and military balance between the two Koreans approaching an adequate level especially with hundreds of strategic nuclear warheads, Pyongyang may not be "willing or capable" of launching an attack against the South unless there is a political turmoil of unmanageable proportion. Therefore can it not be argued that a danger that a real war would pose to the North (in view of a probable nuclear response) and its weakened competitive position compared to the South, could account for the North's substitute war and the Burma tragedy? Besides, in recent years, Pyongyang policies toward Seoul and Washington have become less rigid than Washington policy toward Pyongyang. For example, North Korea no longer insists on solving the Korean issue by the Koreans themselves. Nor does it insist on dealing directly with Washington thereby bypassing Seoul. It is now promoting the Tripartite talks which was initiated by the Carter administration; it also asks for a joint declaration of non-aggression which was originally initiated by the Park Chung Hee administration. Are not these changed overtures worth some probing?

### CONCLUSION

As long as the North-South dialogue is being resumed, a precondition to any Washington-Pyongyang dialogue, there is an excellent chance for the U.S. to accede to the proposed three-way talks as a byproduct of the current Panmunjom dialogue. Would not the talks provide the U.S. an opportunity 1) to show the North Koreans about the Washington-Seoul consensus on U.S. presence; 2) to begin the slow process of making Pyongyang's system more open on the model of China; and 3) to induce China and the Soviet Union into contact with South Korea thereby leading to a de-facto cross-recognition as in the case of more than fifty nations having diplomatic relations with both Koreas?

Had there been no war experience of 1950–53 or were there a reduction of half of the mutual suspicion, we could have by now a Korean version of the Camp David Accord reached in 1978 at a tripartite conference consisting of Israel, Egypt, and the U.S. What concrete steps can we take to eradicate or at least to reduce the roots of suspicion, fear, and tension across the 38th parallel?

We must propose various confidence-building measures, otherwise both Koreas could fight like two scorpions within a bottle, locked in a vicious embrace. As psychologists Charles Osgood and Roger Fisher suggested years ago, we could experiment with: 1) "GRIT," a graduate plan calling for reciprocation in tension reduction; 2) incremental maximization of concessions with a veto power; and 3) a series of actions to be taken without incurring risk to security.[26] The Austrian Peace Treaty of 1956 was a surprise and so was the Four-Power Agreement of 1971 on access to Berlin. We should ask ourselves how and why these surprises came about and what can be learned from these events that applies to the Korean Peninsula, although obstacles to the latter case might be more severe than the former. It is important to understand that surprises always occur and that we should be imaginative while realistic.[27]

Today and hereafter, the United States faces new challenges vis-a-vis Korea including problems born of economic failure in the North and success in the South. Both Koreas are going through a precarious phase of political succession. Washington may have to leave old policies behind in order not only to accommodate these changes but also to take an initiative in Korean settlement.

Lastly, it may be worth noting for those of you who have been involved in the movement of democraticization along with Kim Dae-jung that:

1. You should be prepared for all kinds of worst case scenarios in South Korea, including: (a) a radicalized popular uprising calling for a direct involvement of Kim Dae-jung; (b) any drastic action that might be taken by the military, a coup or an attempt against his life etc. and (c) a public demand initiated by Cardinal Kim Soo-Hwan and the church leadership, if not the NKDP, that Kim Dae-jung should not seek a candidacy for the highest office.

2. A strategic importance of Korea has been elevated from a local to global level in the policy-making community of the U.S. Government. But there has not been a corresponding increase on the part of public for U.S. military commitment to South Korea. (In fact public opposition to U.S. military involvement has been two to one in case of a war in Korea.) Hence the Congressional support could fluctuate. Hence the over-all U.S. commitment to the defense of South Korea might be about half of the U.S. commitment to any major European or Japanese allies. That being the case, the current or next administration of Washington might make a short-sighted cost-benefit analysis regarding Korea. Any surprising variable could intervene in the on-going negotiation for the so-called "Great Political Compromise."

3. The political change in the Philippines has inspired the Korean opposition but Washington is not likely to have Seoul repeat the drama of Manila. Hence the pressures for reforms and compromises. Washington seems to know the Democratic Justice Party is powerful but not popular while the New Korean Democratic Party is popular but not powerful. Only if the army and the student refrain from meddling in the process of negotiation between the two, can the opposition remain solidly united and widely supported, thereby contributing toward having Washington tilt from a pro-DJP side to a neutral if not a pro-NKDP side. Students radicalization should not be allowed to become an excuse for the military to intervene.

### FOOTNOTES

[1] In December, 1985, I had a chance to talk to participants of both sides.

[2] See "Analysis of Student Activism," *The Korean Herald*, November 27, 1985 for 1) and consult the "J" curve theory and the works of Douglas Price and Samuel Huntington for 2).

[3] See William Watt, *The United States and Asia: Changing Attitudes and Policies*, Lexington, Massachusetts: Lexington Books, pp. 80–82, (1982); and also Yung-hwan Jo (ed.) *U.S.Foreign Policy in Asia: An Appraisal* (Santa Barbara, CA: ABC-Clio Press, 1978).

[4] Warren E. Miller, "A New Context for Presidential Politics in the U.S.: The Reagan Legacy," a paper proposed for meeting both at Academia Sinica, Taipei and Stanford University, May and June, 1986.

[5] *Loc. cit.*

[6] Yongsoon Yim (ed.) *Handbook on Korea-U.S. Relations*, (New York: The Asia Society, 1985), p. 7.

[7] *Ibid.* and see Yung-hwan Jo, "Japanese and Korean Relations and Asian Diplomacy," *ORBIS*, Summer, 1967, pp. 582–589.

[8] U.S. Congress, House of Representatives, Committee on Foreign Affairs, *American-Korean Relations: Hearings before the Subcommittee*, 92nd Congress, 1st Session, (Washington, DC.: GPO, 1971), p. 6.

[9] Pyong-choon Huhn, "Korea and the Emerging Asian Power Balance," *Foreign Affairs*, (January 1972), pp. 339–350.

[10] *The New York Times*, September 2, 1971.

[11] See K.J. Holsti, "National Role Conceptions in the Study of Foreign Policy," and Carl W. Backman, "Role Theory and International Relations: A Commentary and Extension," *International Studies Quarterly*, Vol. 14, No. 3 (September 1, 1970), pp. 233–309, 310–319 for discussion of changing the level of analysis from individual to nation. A nation's role is seen in this paper as providing a setting for decision-making, and so establishing the parameters for acceptable policy.

[12] Paul D. Wolfowitzu, "Recent Security Developments in Korea," State Department Current Policy #731, August 12, 1985.

[13] Eugene Kim's paper at the Indian Lakes Resort Conference on Peace, Security and Unification of Korea, October 1985, pp 13–14.

[14] Charles Osgood, *An Alternative to War or Surrender*, (Urbana, Illinois: University of Illinois Press, 1962); Walter Isard, "The Veto Incremax Procedure," *Vietnam*, ed. by W. Isard (Cambridge, Massachusetts: Schemenkan, 1969).

[15] State Department Briefing Paper, "Korea: U.S.-ROK Security Relationship, December 17, 1985.

[16] This view is based on my several contacts with ruling elites of the opposition.

[17] Department of State Briefing Paper "Korea's Economic Performance," December 17, 1985, and The Heritage Foundation Asian Studies Center Background #16, "How a Booming South Korea Exports Jobs to the U.S." October 15, 1984.

[18] State Department Briefing Paper, "Korea: U.S.-ROK Security Relationship," December 17, 1985.

[19] *The Korean Republic*, May 9, 1986; *The New York Times*, May 8, 1986.

[20] *Ibid*, May 10, 1986.

[21] *The New York Times*, May 8, 1986.

[22] For *Eastern Economic Review*, December 28, 1985.

[23] *The Washington Post*, May 5, 1986.

[24] For Jeane Kirkpatrick's preference of right-wing dictators over left-wing, see her article "Human Rights and American Foreign Policy" in *Commentary*, November 1981.

[25] Nathaniel B. Thayer, "The U.S., Japan, and the East Asian Order," a paper presented at *The International Symposium on the Reunification of Korea and Peace in Asia*, Yokohama, July 1985.

[26] Charles Osgood, *An Alternative to War or Surrender*, (Urbana, Illinois: University of Illinois Press, 1962); Walter Isard, "The Veto Incremax Procedure," *Vietnam*, ed. by W. Isard (Cambridge, Massachusetts: Schemenkan, 1969).

[27] See Hudson Institute Workship on *Future Prospects for the Korean Peninsula in a World Context*, (RI-3541/2-RR, November, 1982).

## THE PASSING OF FLOYD LEE

● Mr. DOMENICI. Mr. President, I rise today to express my sorrow upon the death of a legendary man of New Mexico.

Floyd Lee died on August 21, 1987, at the age of 91. A man of selfless activities and aspirations, Floyd Lee's life resembled that of a Western Horatio Alger hero.

A World War I veteran, Floyd Lee decided to return to college. In order to defray tuition costs, he became a cowboy, and was soon promoted to the position of ranch manager. Twenty years later, Floyd Lee purchased that ranch.

He combined the tradition of the family farmer with the vision and foresight of an inventor. His innovative experiments produced such things as a new strain of sheep and a machine designed to measure the density and quality of wool.

And for his pioneering work, he was awarded many honors. Among them, he was named "Agriculturist of Distinction" by New Mexico State University in 1962, "Cattleman of the Year" by the New Mexico Cattlegrowers Association in 1965, "Farmer of the Year" by the Valencia County Farm and Livestock Bureau in 1967, and "Man of Year" by the Record Stockman in 1968.

Floyd Lee's pioneering spirit extended to politics. A 12-year State senator, Mr. Lee focused much of his interest on issues such as range management, State growth, economic progress, and educational quality. He bypassed the opportunity to run for Governor, stating that a gubernatorial campaign would drain too much of his time from family fellowship.

He added much to New Mexico through his service on the board of the Bataan Memorial Methodist Hospital, the Albuquerque Production Credit Association, and advisory boards of the Bureau of Land Management. He served as chairman of the New Mexico Wool Growers' Association.

The range of Floyd Lee's achievements reflects the complexity of his amiable character. In addition to his ranching innovations and political accomplishments, Mr. Lee had another lasting influence on our State. He captured the wolf that is the mascot of the University of New Mexico's Lobos.

In remembrance of his dedication to attaining the highest quality education in New Mexico, Mr. Lee's family has established the Floyd Lee Memorial Scholarship at both the University of New Mexico and New Mexico State University.

Floyd Lee was a pioneer. His occupational innovations, his diverse interests, his principled political involvement, and his perpetual altruism assure that Floyd Lee will hold a place among America's western legends.

Mr. President, I know that my colleagues join me in sending our most sincere condolences to Mr. Lee's daughter, Harriet Lee, to his sister. Margaret McCarthur, and to his surviving grandchildren.

New Mexico and America will miss Floyd Lee.●

## THE P&L RAILROAD

● Mr. McCONNELL. Mr. President, a year ago two Kentucky businessmen, Jim Smith and David Reed, purchased trackage to be abandoned by ICG Railroad between Paducah and Louisville, KY. Since start up of the new company, the P&L Railroad has increased rail employment from 270 to 315 jobs and shop employment from 35 to 150 jobs. The company made a profit in the first month of operations and recorded revenues exceeding $45 million in the first year. The P&L's rates have helped to make area shippers more competitive thus contributing to the economy of western Kentucky.

I mention these facts, Mr. President, because it shows what can be achieved with vision, planning, and a large degree of risk. That risk was great but it has paid off in dividends for area shippers and workers. One of the owners is now contemplating an even larger undertaking; one that boggles the imagination by its scope—a $1 billion private development in Livingston County, KY—$1 billion.

The extraordinary nature of this project is best understood by its individual components:

First. A 100-acre lake and island to be completed within 30 days. The 3-acre island will be the site of a 150 to 200 room vacation lodge accessible only by boat.

Second. A 300- to 400-room hotel located on the Ohio River with convention and entertainment facilities.

Third. A 6,500-foot airport runway which is currently under construction.

Fourth. A 10-story office complex with 100,000 square feet per floor.

Fifth. A housing project of 2,000 homes.

Sixth. A theme park rivaling the scale of Opryland.

Seventh. An 18-hole golf course and hunting preserve.

Eighth. Several thousand acres of site development for heavy industrial, light industrial, warehouses and distribution centers.

In addition, to these ambitious projects, Jim Smith and his partner in the P&L Railroad, David Reed, will donate a $3.5 million office complex for the city and county and renovate the Livingston County courthouse. Plans also include rebuilding and repairing Smithland's baseball park at a cost of $150,000.

These plans are all extraordinary. But what is equally incredible is that not $1 of State or Federal money will be used. That, Mr. President, is a feat in and of itself.

Jim Smith is creating opportunities for his western Kentucky "family." He has recognized the key elements for economic development in his own backyard, a strong work force and central location, and is providing the investment to capitalize on the inherent positive attributes of the area. I applaud his vision; may his actions inspire others to risk for a better future.●

## INFORMED CONSENT: LOUISIANA

● Mr. HUMPHREY. Mr. President, today I would like to insert into the RECORD a letter in support of my informed consent legislation, S. 272 and S. 273. I urge my colleagues to support my informed consent bill so that future women will not be subjected to needless pain and suffering because of a lack of information.

I ask that the letter from the State of Louisiana be printed in the RECORD.

The letter follows:

JUNE 5, 1987.

DEAR SENATOR HUMPHREY: As a young person I chose abortion as a "solution" to a problem with no alternatives. Although I thought it was a solution I was not prepared for the actual "after" problems. No one offered a true description of fact or the long term emotional trauma or any alternatives. The Bible says, "My people perish for lack of knowledge"

Lets inform women before the fact and offer alternatives.

Respectfully,

SHARON LOGAN.

LOUISIANA.●

## GLOBAL ECONOMIC REALITIES

● Mr. BOSCHWITZ. I recently reread an article by Peter Drucker, Clarke professor of social science and management at the Claremont Graduate School, CA regarding the changed world economy.

Dr. Drucker pulls together in this article from the spring 1986 issue of Foreign Affairs evidence that we are part of a global village where the actions of other nations affects our everyday living. He traces the decline of manufacturing jobs with the rise in information oriented jobs and predicts that in 25 years industrial nations like the United States and Japan will have no more of their population in manufacturing than we do in agriculture. In this light, the need for knowledge becomes paramount if America is to retain a competitive advantage.

I found the arguments and themes particularly revealing and ironically similar to the relation that farmers and agricultural leaders have had to come to terms with the past decade. Dr. D. Gale Johnson published a now famous book in the early 1970's entitled "World Agriculture in Disarray." Both Johnson and Drucker describe how the United States can no longer control our destiny by trying to fool global economic realities. The realities of our world are that each nation is to a greater or lesser degree dependent on other nations for their wellbeing. This is painfully clear for American farmers and increasingly clear for everyone else in our society.

I recommend this article to all persons intersted in the future of our country and, indeed, the future of our world and I ask it be printed in the RECORD.

The article follows:

## THE CHANGED WORLD ECONOMY

(By Peter F. Drucker)

The talk today is of the "changing world economy." I wish to argue that the world economy is not "changing"; it has already changed—in its foundations and in its structure—and in all probability the change is irreversible.

Within the last decade or so, three fundamental changes have occurred in the very fabric of the world economy:

The primary-products economy has come "uncoupled" from the industrial economy.

In the industrial economy itself, production has come "uncoupled" from employment.

Capital movements rather than trade (in both goods and services) have become the driving force of the world economy. The two have not quite come uncoupled, but the link has become loose, and worse, unpredictable.

These changes are permanent rather than cyclical. We may never understand what caused them—the causes of economic change are rarely simple. It may be a long time before economic theorists accept that there have been fundamental changes, and longer still before they adapt their theories to account for them. Above all, they will surely be most reluctant to accept that it is the world economy in control, rather than the macroeconomics of the nation-state on which most economic theory still exclusively focuses. Yet this is the clear lesson of the success stories of the last 20 years—of Japan and South Korea; of West Germany (actually a more impressive though far less flamboyant example than Japan); and of the one great success within the United States, the turnaround and rapid rise of an industrial New England, which only 20 years ago was widely considered moribund.

Practitioners, whether in government or in business, cannot wait until there is a new theory. They have to act. And their actions will be more likely to succeed the more they are based on the new realities of a changed world economy.

First, consider the primary-products economy. The collapse of non-oil commodity prices began in 1977 and has continued, interrupted only once (right after the 1979 petroleum panic), by a speculative burst that lasted less than six months; it was followed by the fastest drop in commodity prices ever registered. By early 1986 raw material prices were at their lowest levels in recorded history in relation to the prices of manufactured goods and services—in general as low as at the depths of the Great Depression, and in some cases (e.g., lead and copper) lower than their 1932 levels.[1]

This collapse of prices and the slowdown of demand stand in startling contrast to what had been confidently predicted. Ten years ago the Club of Rome declared that desperate shortages for all raw materials were an absolute certainty by the year 1985. In 1980 the Carter Administration's Global 2000 Report to the President: Entering the Twenty-First Century concluded that world demand for food would increase steadily for at least 20 years; that worldwide food production would fall except in developed countries; and that real food prices would double. This forecast helps to explain why American farmers bought up all available farmland, thus loading on themselves the debt burden that now so threatens them.

Contrary to all these expectations, global agricultural output actually rose almost one-third between 1972 and 1985 to reach an all-time high. It rose the fastest in less-developed countries. Similarly, production of practically all forest products, metals and minerals has gone up between 20 and 35 percent in the last ten years—again with the greatest increases in less-developed countries. There is not the slightest reason to believe that the growth rates will slacken, despite the collapse of commodity prices. Indeed, as far as farm products are concerned, the biggest increase—at an almost exponential rate of growth—may still be ahead.[2]

Perhaps even more amazing than the contrast between such predictions and what has happened is that the collapse in the raw materials economy seems to have had almost no impact on the world industrial economy. If there was one thing considered "proven" beyond doubt in business cycle theory, it is that a sharp and prolonged drop in raw material prices inevitably, and within 18 to 30 months, brings on a worldwide depression in the industrial economy.[3] While the industrial economy of the world today is not "normal" by any definition of the term, it is surely not in a depression. Indeed, industrial production in the developed non-communist countries has continued to grow steadily, albeit at a somewhat slower rate in Western Europe.

Of course, a depression in the industrial economy may only have been postponed and may still be triggered by a banking crisis caused by massive defaults on the part of commodity-producing debtors, whether in the Third World or in Iowa. But for almost ten years the industrial world has run along as though there were no raw material crisis at all. The only explanation is that for the developed countries—excepting only the Soviet Union—the primary-products sector has become marginal where before it had always been central.

In the late 1920s, before the Great Depression, farmers still constituted nearly one-third of the U.S. population and farm income accounted for almost a quarter of the gross national product. Today they account for less than five percent of population and even less of GNP. Even adding the contribution that foreign raw material and farm producers make to the American economy through their purchases of American industrial goods, the total contribution of the raw material and food producing economies of the world to the American GNP is, at most, one-eighth. In most other developed countries, the share of the raw materials sector is even lower. Only in the Soviet Union is the farm still a major employer, with almost a quarter of the labor force working on the land.

The raw material economy has thus come uncoupled from the industrial economy. This is a major structural change in the world economy, with tremendous implications for economic and social policy as well as economic theory, in developed and developing countries alike.

For example, if the ratio between the prices of manufactured goods and the prices of non-oil primary products (that is, foods, forest products, metals and minerals) had been the same in 1985 as it had been in 1973, the 1985 U.S. trade deficit might have been a full one-third less—$100 billion as against an actual $150 billion. Even the U.S. trade deficit with Japan might have been almost one-third lower, some $35 billion as against $50 billion. American farm exports would have bought almost twice as much. And industrial exports to a major U.S. customer, Latin America, would have held; their near-collapse alone accounts for a full one-sixth of the deterioration in U.S. foreign trade over the past five years. If primary-product prices had not collapsed, America's balance of payments might even have shown a substantial surplus.

Conversely, Japan's trade surplus with the world might have been a full 20 percent lower. And Brazil in the last few years would have had an export surplus almost 50 percent higher than its current level. Brazil would then have had little difficulty meeting the interest on its foreign debt and would not have had to endanger its economic growth by drastically curtailing imports as it did. Altogether, if raw material prices in relationship to manufactured goods prices had remained at the 1973 or even the 1979 level, there would be no crisis for most debtor countries, especially in Latin America.[4]

### III

What accounts for this change?

Demand for food has actually grown almost as fast as the Club of Rome and the Global 2000 Report anticipated. But the supply has grown much faster; it not only has kept pace with population growth, it has steadily outrun it. One cause of this, paradoxically, is surely the fear of worldwide food shortages, if not world famine, which resulted in tremendous efforts to increase food output. The United States led the parade with a farm policy of subsidizing increased food production. The European Economic Community followed suit, and even more successfully. The greatest increases, both in absolute and in relative terms, however, have been in developing countries: in India, in post-Mao China and in the rice-growing countries of Southeast Asia.

And there is also the tremendous cut in waste. In the 1950s, up to 80 percent of the grain harvest of India fed rats and insects rather than human beings. Today in most parts of India the wastage is down to 20 percent. This is largely the result of unspectacular but effective "infrastructure innovations" such as small concrete storage bins, insecticides and three-wheeled motorized carts that take the harvest straight to a processing plant instead of letting it sit in the open for weeks.

It is not fanciful to expect that the true "revolution" on the farm is still ahead. Vast tracts of land that hitherto were practically barren are being made fertile, either through new methods of cultivation or through adding trace minerals to the soil. The sour clays of the Brazilian highlands or the aluminum-contaminated soils of neighboring Peru, for example, which never produced anything before, now produce substantial quantities of high-quality rice. Even greater advances have been registered in biotechnology, both in preventing diseases of plants and animals and in increasing yields.

In other words, just as the population growth of the world is slowing down quite dramatically in many regions, food production is likely to increase sharply.

Import markets for food have all but disappeared. As a result of its agricultural drive, Western Europe has become a substantial food exporter plagued increasingly by unsalable surpluses of all kinds of foods, from dairy products to wine, from wheat to beef. China, some observers predict, will have become a food exporter by the year 2000. India is about at that stage, especially with wheat and coarse grains. Of all major non-communist countries only Japan is still a substantial food importer, buying abroad about one-third of its food needs. Today most of this comes from the United States. Within five or ten years, however, South Korea, Thailand and Indonesia—low-cost producers that are fast increasing food output—are likely to try to become Japan's major suppliers.

The only remaining major food buyer on the world market may then be the Soviet Union—and its food needs are likely to grow.[5] However, the food surpluses in the world are so large—maybe five to eight times what the Soviet Union would ever need to buy—that its food needs are not by themselves enough to put upward pressure on world prices. On the contrary, the competition for access to the Soviet market among the surplus producers—the United States, Europe, Argentina, Australia, New Zealand (and probably India within a few years)—is already so intense as to depress world food prices.

For practically all non-farm commodities, whether forest products, minerals or metals, world demand is shrinking—in sharp contrast to what the Club of Rome so confidently predicted. Indeed, the amount of raw material needed for a given unit of economic output has been dropping for the entire century, except in wartime. A recent study by the International Monetary Fund calculates the decline as one and one-quarter percent a year (compounded) since 1900.[6] This would mean that the amount of industrial raw materials needed for one unit of industrial production is now no more than two-fifths of what it was in 1900. And the decline is accelerating. The Japanese experience is particularly striking. In 1984, for every unit of industrial production, Japan consumed only 60 percent of the raw materials consumed for the same volume of industrial production in 1973, 11 years earlier.

Why this decline in demand? It is not that industrial production is fading in importance as the service sector grows—a common myth for which there is not the slightest evidence. What is happening is much more significant. Industrial production is steadily switching away from heavily material-intensive products and processes. One of the reasons for this is the new high-technology industries. The raw materials in a semi-conductor microchip account for one to three percent of total production cost; in an automobile their share is 40 percent, and in pots and pans 60 percent. But also in older industries the same scaling down of raw material needs goes on, and with respect to old products as well as new ones. Fifty to 100 pounds of fiberglass cable transmit as many telephone messages as does one ton of copper wire.

This steady drop in the raw material intensity of manufacturing processes and manufacturing products extends to energy as well, and especially to petroleum. To produce 100 pounds of fiberglass cable requires no more than five percent of the energy needed to produce one ton of copper wire. Similarly, plastics, which are increasingly replacing steel in automobile bodies, represent a raw material cost, including energy, of less than half that of steel.

Thus it is quite unlikely that raw material prices will ever rise substantially as compared to the prices of manufactured goods (or high-knowledge services such as information, education or health care) except in the event of a major prolonged war.

One implication of this sharp shift in the terms of trade of primary products concerns the developed countries, both major raw material exporters like the United States and major raw material importing countries such as Japan. For two centuries the United States has made maintenance of open markets for its farm products and raw materials central to its international trade policy. This is what it has always meant by an "open world economy" and by "free trade."

Does this still make sense, or does the United States instead have to accept that foreign markets for its foodstuffs and raw materials are in a long-term and irreversible decline? Conversely, does it still make sense for Japan to base its international economic policy on the need to earn enough foreign exchange to pay for imports of raw materials and foodstuffs? Since Japan opened to the outside world 120 years ago, preoccupation—amounting almost to a national obsession—with its dependence on raw material and food imports has been the driving force of Japan's policy, and not in economics alone. Now Japan might well start out with the assumption—a far more realistic one in today's world—that foodstuffs and raw materials are in permanent oversupply.

Taken to their logical conclusion, these developments might mean that some variant of the traditional Japanese policy—highly mercantilist with a strong de-emphasis of domestic consumption in favor of an equally strong emphasis on capital formation, and protection of infant industries—might suit the United States better than its own tradition. The Japanese might be better served by some variant of America's traditional policies, especially a shifting from favoring savings and capital formation to favoring consumption. Is such a radical break with more than a century of political convictions and commitments likely? From now on the fundamentals of economic policy are certain to come under increasing criticism in these two countries-and in all other developed countries as well.

These fundamentals will, moreover, come under the increasingly intense scrutiny of major Third World nations. for if primary products are becoming of marginal importance to the economies of the developed world, traditional development theories and policies are losing their foundations.[7] They are based on the assumption—historically a perfectly valid one—that developing countries pay for imports of capital goods by exporting primary materials—farm and forest products, minerals, metals. All development theories, however much they differ otherwise, further assume that raw material purchases by the industrially developed countries must rise at least as fast as industrial production in these countries. This in turn implies that, over any extended period of time, any raw material producer becomes a better credit risk and shows a more favorable balance of trade. These promises have become highly doubtful. On what foundation, then, can economic development be based, especially in countries that do not have a large enough population to develop an industrial economy based on the home market? As we shall presently see, these countries can no longer base their economic development on low labor costs.

### IV

The second major change in the world economy is the uncoupling of manufacturing production from manufacturing employment. Increased manufacturing production in development countries has actually come to mean decreasing blue-collar employment. As a consequence, labor costs are becoming less and less important as a "comparative cost" and as a factor in competition.

There is a great deal of talk these days about the "deindustrialization" of America. In fact, manufacturing production has risen steadily in absolute volume and has remained unchanged as a percentage of the total economy. Since the end of the Korean War, that is, for more than 30 years, it has held steady at 23-24 percent of America's total GNP. It has similarly remained at its traditional level in all of the other major industrial countries.

It is not even true that American industry is doing poorly as an exporter. To be sure, the United States is importing from both Japan and Germany many more manufactured goods than ever before. But is also exporting more, despite the heavy disadvantage of an expensive dollar, increasing labor costs and the near-collapse of a major industrial market, Latin America. In 1984—the year the dollar soared—exports of American manufactured goods rose by 8.3 percent; and they went up again in 1985. The share of U.S.-manufactured exports in world exports was 17 percent in 1978. By 1985 it had risen to 20 percent—while West Germany accounted for 18 percent and Japan 16. The three countries together thus account for more than half of the total.

Thus it is not the American economy that is being "deindustrialized." It is the American labor force.

Between 1973 and 1985, manufacturing production (measured in constant dollars) in the United States rose by almost 40 percent. Yet manufacturing employment during that period went down steadily. There are now five million fewer people employed in blue-collar work in American manufacturing industry than there were in 1975.

Yet in the last 12 years total employment in the United States grew faster than at any time in the peacetime history of any country—from 82 to 110 million between 1973 and 1985—that is by a full one third. The entire growth, however, was in non-manufacturing, and especially in non-blue-collar jobs.

The trend itself is not new. In the 1920s one out of every three Americans in the labor force was a blue-collar worker in manufacturing. In the 1950s the figure was one in four. It now is down to one in every six—and dropping. While the trend has been running for a long time, it has lately accel-

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Footnotes at end of article.

erated to the point where—in peacetime at least—no increase in manufacturing production, no matter how large, is likely to reverse the long-term decline in the number of blue-collar jobs in manufacturing or in their proportion of the labor force.

This trend is the same in all developed countries, and is, indeed, even more pronounced in Japan. It is therefore highly probable that in 25 years developed countries such as the United States and Japan will employ no larger a proportion of the labor force in manufacturing than developed countries now employ in farming—at most, ten percent. Today the United States employs around 18 million people in blue-collar jobs in manufacturing industries. By 2010, the number is likely to be no more than 12 million. In some major industries the drop will be even sharper. It is quite unrealistic, for instance, to expect that the American automobile industry will employ more than one-third of its present blue-collar force 25 years hence, even though production might be 50 percent higher.

If a company, an industry or a country does not in the next quarter century sharply increase manufacturing production and at the same time sharply reduce the blue-collar work force, it cannot hope to remain competitive—or even to remain "developed." It would decline fairly fast. Britain has been in industrial decline for the last 25 years, largely because the number of blue-collar workers per unit of manufacturing production went down far more slowly than in all other noncommunist developed countries. Even so, Britain has the highest unemployment rate among non-communist developed countries—more than 13 percent.

### V

The British example indicates a new and critical economic equation: a country, an industry or a company that puts the preservation of blue-collar manufacturing jobs ahead of international competitiveness (which implies a steady shrinkage of such jobs) will soon have neither production nor jobs. The attempt to preserve such blue-collar jobs is actually a prescription for unemployment.

So far, this concept has achieved broad national acceptance only in Japan.[8] Indeed, Japanese planners, whether in government or private business, start out with the assumption of a doubling of production within 15 or 20 years based on a cut in blue-collar employment of 25 to 40 percent. A good many large American companies such as IBM, General Electric and the big automobile companies have similar forecasts. Implicit in this is the conclusion that a country will have less overall unemployment the faster it shrinks blue-collar employment in manufacturing.

This is not a conclusion that American politicians, labor leaders or indeed the general public can easily understand or accept. What confuses the issue even more is that the United States is experiencing several separate and different shifts in the manufacturing economy. One is the acceleration of the substitution of knowledge and capital for manual labor. Where we spoke of mechanization a few decades ago, we now speak of "robotization" or "automation." This is actually more a change in terminology than a change in reality. When Henry Ford introduced the assembly line in 1909, he cut the number of man-hours required to produce a motor car by some 80 percent in two or three years—far more than anyone expects to result from even the most complete robotization. But there is no doubt that we are facing a new, sharp acceleration in the replacement of manual workers by machines—that is, by the products of knowledge.

A second development—and in the long run this may be even more important—is the shift from industries that were primarily labor-intensive to industries that, from the beginning, are knowledge-intensive. The manufacturing costs of the semiconductor microchip are about 70 percent knowledge—that is, research, development and testing—and no more than 12 percent labor. Similarly with prescription drugs, labor represents no more than 15 percent, with knowledge representing almost 50 percent. By contrast, in the most fully robotized automobile plant labor would still account for 20 or 25 percent of the costs.

Another perplexing development in manufacturing is the reversal of the dynamics of size. Since the early years of this century, the trend in all developed countries has been toward even larger manufacturing plants. The economies of scale greatly favored them. Perhaps equally important, what one might call the "economies of management" favored them. Until recently, modern management techniques seemed applicable only to fairly large units.

This has been reversed with a vengeance over the last 15 to 20 years. The entire shrinkage in manufacturing jobs in the United States has occured in large companies, beginning with the giants in steel and automobiles. Small and especially medium-sized manufacturers have either held their own or actually added employees. In respect to market standing, exports and profitability too, smaller and middle-sized businesses have done remarkably better than big ones. The reversal of the dynamics of size is occurring in the other developed countries as well, even in Japan where bigger was always better and biggest meant best. The trend has reversed itself even in old industries. The most profitable automobile company these last years has not been one of the giants, but a medium-sized manufacturer in Germany—BMW. The only profitable steel companies, whether in the United States, Sweden or Japan, have been medium-sized makers of specialty products such as oil drilling pipe.

In part, especially in the United States, this is a result of a resurgence of entrepreneurship.[9] But perhaps equally important, we have learned in the last 30 years how to manage the small and medium-sized enterprise to the point where the advantages of smaller size, e.g., ease of communications and nearness to market and customer, increasingly outweigh what had been forbidding management limitations. Thus in the United States, but increasingly in the other leading manufacturing nations such as Japan and West Germany as well, the dynamism in the economy has shifted from the very big companies that dominated the world's industrial economy for 30 years after World War II to companies that, while much smaller, are professionally managed and largely publicly financed.

### VI

Two distinct kinds of "manufacturing industry" are emerging. One is material-based, represented by the industries that provided economic growth in the first three-quarters of this century. The other is information- and knowledge-based: pharmaceuticals, telecommunications, analytical instruments and information processing such as computers. It is largely the information-based manufacturing industries that are growing.

These two groups differ not only in their economic characteristics but especially in their position in the international economy. The products of material-based industries have to be exported or imported as "products." They appear in the balance of trade. The products of information-based industries can be exported or imported both as "products" and as "services," which may not appear accurately in the overall trade balance.

An old example is the printed book. For one major scientific publishing company, "foreign earnings" account for two-thirds of total revenues. Yet the company exports few, if any, actual books—books are heavy. It sells "rights," and the "product" is produced abroad. Similarly, the most profitable computer "export sales" may actually show up in trade statistics as an "import." This is the fee some of the world's leading banks, multinationals and Japanese trading companies get for processing in their home office data arriving electronically from their branches and customers around the world.

In all developed countries, "knowledge" workers have already become the center of gravity of the labor force. Even in manufacturing they will outnumber blue-collar workers within ten years. Exporting knowledge so that it produces license income, service fees and royalties may actually create substantially more jobs than exporting goods.

This in turn requires—as official Washington seems to have realized—far greater emphasis in trade policy on "invisible trade" and on abolishing the barriers to the trade in services. Traditionally, economists have treated invisible trade as a stepchild, if they noted it at all. Increasingly, it will become central. Within 20 years major developed countries may find that their income from invisible trade is larger than their income for exports.

Another implication of the "uncoupling" of manufacturing production from manufacturing employment is, however, that the choice between an industrial policy that favors industrial production and one that favors industrial employment is going to be a singularly contentious political issue for the rest of this century. Historically these have always been considered two sides of the same coin. From now on the two will increasingly pull in different directions; they are indeed already becoming alternatives, if not incompatible.

Benign neglect—the policy of the Reagan Administration these last few years—may be the best policy one can hope for and the only one with a chance of success. It is probably not an accident that the United States has, after Japan, by far the lowest unemployment rate of any industrially developed country. Still, there is surely need also for systematic efforts to retrain and to place redundant blue-collar workers—something no one as yet knows how to do successfully.

Finally, low labor costs are likely to become less of an advantage in international trade simply because in the developed countries they are going to account for less of total costs. Moreover, the total costs of automated processes are lower than even those of traditional plants with low labor costs; this is mainly because automation eliminates the hidden but high costs of "not working," such as the expense of poor quality and rejects, and the costs of shutting down the machinery to change from one model of a product to another. Consider two automated American producers of televisions, Motorola and RCA. Both were almost

driven out of the market by imports from countries with much lower labor costs. Both subsequently automated, with the result that these American-made products now successfully compete with foreign imports. Similarly, some highly automated textile mills in the Carolinas can underbid imports from countries with very low labor costs such as Thailand. On the other hand, although some American semiconductor companies have lower labor costs because they do the labor-intensive work offshore, e.g., in West Africa, they are still the high-cost producers and easily underbid by the heavily automated Japanese.

The cost of capital will thus become increasingly important in international competition. And this is where, in the last ten years, the United States has become the highest-cost country—and Japan the lowest. A reversal of the U.S. policy of high interest rates and costly equity capital should thus be a priority for American decision-makers. This demands that reduction of the government deficit, rather than high interest rates, becomes the first defense against inflation.

For developed countries, especially the United States, the steady downgrading of labor costs as a major competitive factor could be a positive development. For the Third World, especially rapidly industrializing countries such as Brazil, South Korea or Mexico, it is, however, bad news.

In the rapid industrialization of the nineteenth century, one country, Japan, developed by exporting raw materials, mainly silk and tea, at steadily rising prices. Another, Germany, developed by leap-frogging into the "high-tech" industries of its time, mainly electricity, chemicals and optics. A third, the United States, did both. Both routes are blocked for today's rapidly industrializing countries—the first because of the deterioration of the terms of trade for primary products, the second because it requires an infrastructure of knowledge and education far beyond the reach of a poor country (although South Korea is reaching for it). Competition based on lower labor costs seemed to be the only alternative; is this also going to be blocked?

### VII

The third major change that has occurred in the world economy is the emergence of the "symbol" economy—capital movements, exchange rates and credit flows—as the flywheel of the world economy, in place of the "real" economy—the flow of goods and services. The two economies seem to be operating increasingly independently. This is both the most visible and the least understood of the changes.

World trade in goods is larger, much larger, than it has ever been before. And so is the "invisible trade," the trade in services. Together, the two amount to around $2.5 trillion to $3 trillion a year. But the London Eurodollar market, in which the world's financial institutions borrow from and lend to each other, turns over $300 billion each working day, or $75 trillion a year, a volume at least 25 times that of world trade.[10]

In addition, there are the foreign exchange transactions in the world's main money centers, in which one currency is traded against another. These run around $150 billion a day, or about $35 trillion a year—12 times the worldwide trade in goods and services.

Of course, many of these Eurodollars, yen and Swiss francs are just being moved from one pocket to another and may be counted more than once. A massive discrepancy still exists, and there is only one conclusion: capital movements unconnected to trade—and indeed largely independent of it—greatly exceed trade finance.

There is no one explanation for this explosion of international—or more accurately, transnational—money flows. The shift from fixed to floating exchange rates in 1971 may have given an initial impetus (though, ironically, it was meant to do the exact opposite) by inviting currency speculation. The surge in liquid funds flowing to petroleum producers after the two oil shocks of 1973 and 1979 was surely a major factor.

But there can be little doubt that the U.S. government deficit also plays a big role. The American budget has become a financial "black hole," sucking in liquid funds from all over the world, making the United States the world's major debtor country.[11] Indeed, it can be argued that it is the budget deficit that underlies the American trade and payments deficit. A trade and payments deficit is, in effect, a loan from the seller of goods and services to the buyer, that is, to the United States. Without it, Washington could not finance its budget deficit, at least not without the risk of explosive inflation.

The way major countries have learned to use the international economy to avoid tackling disagreeable domestic problems is unprecedented: the United States has used high interests rates to attract foreign capital and avoid confronting its domestic deficit; the Japanese have pushed exports to maintain employment despite a sluggish domestic economy. This politicization of the international economy is surely also a factor in the extreme volatility and instability of capital flows and exchange rates.

Whichever of these causes is judged the most important, together they have produced a basic change: in the world economy of today, the "real economy of goods and services and the "symbol" economy of money, credit and capital are no longer bound tightly to each other: they are indeed moving further and further apart.

Traditional international economic theory is still neoclassical, holding that trade in goods and services determines international capital flows and foreign exchange rates. Capital flows and foreign exchange rates since the first half of the 1970s have, however, moved quite independently of foreign trade, and indeed (e.g., in the rise of the dollar in 1984-85) have run counter to it.

But the world economy also does not fit the Keynesian model in which the "symbol" economy determines the "real" economy. The relationship between the turbulences in the world economy and the various domestic economies has become quite obscure. Despite its unprecedented trade deficit, the United States has had no deflation and has barely been able to keep inflation in check; it also has the lowest unemployment rate of any major industrial country except Japan, lower than that of West Germany, whose exports of manufactured goods and trade surpluses have been growing as fast as those of Japan. Conversely, despite the exponential growth of Japanese exports and an unprecedented Japanese trade surplus, the Japanese domestic economy is not booming but has remained remarkably sluggish and is not generating any new jobs.

Economists assume that the "real" economy and the "symbol" economy will come together again. They do disagree however—and quite sharply—as to whether they will do so in a "soft landing" or in a head-on collision.

The "soft-landing" scenario—the Reagan Administration is committed to it, as are the governments of most of the other developed countries—expects the U.S. government deficit and the U.S. trade deficit to go down together until both attain surplus, or at least balance, sometime in the early 1990s. Presumably both capital flows and exchange rates will then stabilize, with production and employment high and inflation low in major developed countries.

In sharp contrast to this are the "hard-landing" scenarios.[12] With every deficit year the indebtedness of the U.S. government goes up, and with it the interest charges on the U.S. budget, which in turn raises the deficit even further. Sooner or later, the argument goes, foreign confidence in America and the American dollar will be undermined—some observers consider this practically imminent. Foreigners would stop lending money to the United States and, indeed, try to convert their dollars into other currencies. The resulting "flight from the dollar"would bring the dollar's exchange rates crashing down, and also create an extreme credit crunch, if not a "liquidity crisis" in the United States. The only question is whether the result for the United States would be a deflationary depression, a renewed outbreak of severe inflation or, the most dreaded affliction, "stagflation"—a deflationary, stagnant economy combined with an inflationary currency.

There is, however, a totally different "hard-landing" scenario, one in which Japan, not the United States, faces an economic crisis. For the first time in peacetime history the major debtor, the United States, owes its foreign debt in its own currency. To get out of this debt it does not need to repudiate it, declare a moratorium, or negotiate a "roll-over." All it has to do is devalue its currency and the foreign creditor has effectively been expropriated.

For "foreign creditor," read Japan. The Japanese by now hold about half of the dollars the United States owes to foreigners. In addition, practically all of their other claims on the outside world are in dollars, largely because the Japanese have resisted all attempts to make the yen an international trading currency lest the government lose control over it. Altogether, Japanese banks now hold more international assets than do the banks of any other country, including the United States. And practically all these assets are in U.S. dollars—$640 billion of them. A devaluation of the U.S. dollar thus would fall most heavily on the Japanese.

The repercussions for Japan extend deep into its trade and domestic economy. By far the largest part of Japan's exports goes to the United States. If there is a "hard landing," the United States might well turn protectionist almost overnight; it is unlikely that Americans would let in large volumes of imported goods were the unemployment rate to soar. But this would immediately cause severe unemployment in Tokyo and Nagoya and Hiroshima, and might indeed set off a true depression in Japan.

There is still another "hard landing" scenario. In this version neither the United States, nor Japan, nor the industrial economies altogether, experience the "hard landing"; it would hit the already depressed producers of primary products.

Practically all primary materials are traded in dollars, and their prices might not go up at all should the dollar be devalued (they actually went down when the dollar plunged by 30 percent between summer 1985 and February 1986). Thus Japan may be practically unaffected by a dollar devaluation; Japan needs dollar balances only to pay for primary-product imports, as it buys little else on the outside and has no foreign debt. The United States, too, may not suffer, and may even benefit as its industrial exports become more competitive. But while the primary producers sell mainly in dollars, they have to pay in other developed nations' currencies for a large part of their industrial imports. The United States, after all, although the world's leading exporter of industrial goods, still accounts for only one-fifth of the total. And the dollar prices of the industrial goods furnished by others—the Germans, the Japanese, the French, the British, and so on—are likely to go up. This might bring about a further drop in the terms of trade for the already depressed primary producers. Some estimates of the possible deterioration go as high as ten percent, which would entail considerable hardship not only for metal mines in South America and Zimbabwe, but also for farmers in Canada, Kansas and Brazil.

One more possible scenario involves no "landings," either "soft" or "hard." What if the economists were wrong and both the American budget deficit and American trade deficit continue, albeit at lower levels than in recent years? This would happen if the outside world's willingness to put its money into the United States were based on other than purely economic considerations—on their own internal domestic politics, for example, or simply on the desire to escape risks at home that appear to be far worse than a U.S. devaluation.

This is the only scenario that is so far supported by hard facts rather than by theory. Indeed, it is already playing.

The U.S. government talked the dollar down by almost one-third (from a rate of 250 yen to 180 yen to the dollar) between summer 1985 and February 1986—one of the most massive devaluations ever of a major currency, though called a "readjustment." America's creditors unanimously supported this devaluation and indeed demanded it. More amazing still, they responded by increasing their loans to the United States, and substantially so. International bankers seem to agree that the United States is more creditworthy the more the lender stands to lose by lending to it!

A major reason for this Alice-in-Wonderland attitude is that the biggest U.S. creditors, the Japanese, clearly prefer even very heavy losses on their dollar holdings to domestic unemployment. And without exports to the United States, Japan might have unemployment close to that of Western Europe, nine to eleven percent, and concentrated in the most politically sensitive smokestack industries in which Japan is becoming increasingly vulnerable to competition from newcomers such as South Korea.

Similarly, economic conditions alone will not induce Hong Kong Chinese to withdraw the money they have transferred to American banks in anticipation of Hong Kong's reversion to Chinese sovereignty in 1997. These deposits amount to billions. The even larger amounts—at least several hundred billion—of "flight capital" from Latin America that have found refuge in the U.S. dollar will also not be lured away by purely economic incentives such as higher interest rates.

The sum needed from the outside to maintain both a huge U.S. budget deficit and a huge U.S. trade deficit would be far too big to make this the most probable scenario. But if political factors are in control, the "symbol" economy is indeed truly "uncoupled" from the "real" economy, at least in the international sphere. Whichever scenario proves right, none promises a return to any kind of "normalcy."

## VIII

From now on exchange rates between major currencies will have to be treated in economic theory and business policy alike as a "comparative-advantage" factor, and a major one.

Economic theory teaches that the comparative-advantage factors of the "real" economy—comparative labor costs and labor productivity, raw material costs, energy costs, transportation costs and the like—determine exchange rates. Practically all businesses base their policies on this notion. Increasingly, however, it is exchange rates that decide how labor costs in country A compare to labor costs in country B. Exchange rates are thus a major "comparative cost" and one totally beyond business control. Any firm exposed to the international economy has to realize that it is in two businesses at the same time. It is both a maker of goods (or a supplier of services) and a "financial" business. It cannot disregard either.

Specifically, the business that sells abroad—whether as an exporter or through a subsidiary—will have to protect itself against three foreign exchange exposures: proceeds from sales, working capital devoted to manufacturing for overseas markets, and investments abroad. This will have to be done whether the business expects the value of its own currency to go up or down. Businesses that buy abroad will have to do likewise. Indeed, even purely domestic businesses that face foreign competition in their home market will have to learn to hedge against the currency in which their main competitors produce. If American businesses had been run this way during the years of the overvalued dollar, from 1982 through 1985, most of the losses in market standing abroad and in foreign earnings might have been prevented. They were management failures, not acts of God. Surely stockholders, but also the public in general, have every right to expect management to do better the next time around.

In respect to government policy there is one conclusion: don't be "clever." It is tempting to exploit the ambiguity, instability and uncertainty of the world economy to gain short-term advantages and to duck unpopular political decisions. But it does not work. Indeed, disaster is a more likely outcome than success, as all three of the attempts made so far amply indicate.

In the first attempt, the Carter Administration pushed down the U.S. dollar to artificial lows to stimulate the American economy through the promotion of exports. American exports did indeed go up—spectacularly so. But far from stimulating the domestic economy, this depressed it, resulting in simultaneous record unemployment and accelerated inflation—the worst of all possible outcomes.

President Reagan a few years later pushed up interest rates to stop inflation, and also pushed up the dollar. This did indeed stop inflation. It also triggered massive inflows of capital. But it so overvalued the dollar as to create a surge of foreign imports. As a result, the Reagan policy exposed the most vulnerable of the smokestack industries, such as steel and automobiles, to competition they could not possibly meet. It deprived them of the earnings they needed to modernize themselves. Also, the policy seriously damaged, perhaps irreversibly, the competitive position of American farm products in the world markets, and at the worst possible time. Worse still, his "cleverness" defeated Mr. Reagan's major purpose: the reduction of the U.S. government deficit. Because of the losses to foreign competition, domestic industry did not grow enough to produce higher tax revenues. Yet the easy and almost unlimited availability of foreign money enabled Congress (and the Administration) to postpone again and again action to cut the deficit.

In the third case the Japanese, too, may have been too clever in their attempt to exploit the disjunction between the international "symbol" and "real" economies. Exploiting an undervalued yen, the Japanese have been pushing exports—a policy quite reminiscent of America under the Carter Administration. But the Japanese policy similarly has failed to stimulate the domestic economy; it has been barely growing these last few years despite the export boom. As a result, the Japanese have become dangerously overdependent on one customer, the United States. This has forced them to invest huge sums in American dollars, even though every thoughtful Japanese (including, of course, individuals in the Japanese government and the Japanese central bank) has known all along that these investments would end up being severely devalued.

Surely these three lessons should have taught us that government economic policies will succeed to the extent to which they try to harmonize the needs of the two economies, rather than to the extent to which they try to exploit the disharmony between them. Or to repeat very old wisdom, "in finance don't be clever; be simple and conscientious." I am afraid this is advice that governments are not likely to heed soon.

It is much too early to guess what the world economy of tomorrow will look like. Will major countries, for instance, succumb to traditional fears and retreat into protectionism? Or will they see a changed world economy as an opportunity?

Some parts of the main agenda, however, are fairly clear by now. Rapidly industrializing countries like Mexico or Brazil will need to formulate new development concepts and policies. They can no longer hope to finance their development by raw material exports, e.g., Mexican oil. It is also becoming unrealistic for them to believe that their low labor costs will enable them to export large quantities of finished goods to developed countries—something the Brazilians, for instance, still expect. They would do much better to go into "production sharing," that is, to use their labor advantage to become subcontractors to developed-country manufacturers for highly labor-intensive work that cannot be automated—some assembly operations, for instance, or parts and components needed only in relatively small quantities. Developed countries no longer have the labor to do such work, which even with the most thorough automation will still account for 15 to 20 percent of manufacturing work.

Such production sharing is, of course, how Singapore, Hong Kong and Taiwan bootstrapped their development. Yet in Latin America production sharing is still politically unacceptable and, indeed, anathema. Mexico, for instance, has been deeply committed since its beginnings as a modern nation in the early years of this century to making its economy less dependent on, and

less integrated with, that of its big neighbor to the north. That this policy has been a total failure for 80 years has only strengthened its emotional and political appeal.

Even if production sharing is implemented to the fullest, it would not by itself provide enough income to fuel development, especially of countries so much larger than the Chinese "city-states." We thus need a new model and new policies.

Can we learn something from India? Everyone knows of India's problems—and they are legion. Few people seem to realize, however, that since independence India has done a better development job than almost any other Third World country: it has enjoyed the fastest increase in farm production and farm yields; a growth rate in manufacturing production equal to that of Brazil, and perhaps even of South Korea (India now has a bigger industrial economy than any but a handful of developed countries); the emergence of large and highly entrepreneurial middle class; and, arguably, the greatest achievement in providing schooling and health care in the villages. Yet the Indians followed none of the established models. They did not, like Stalin, Mao and so many leaders of newly independent African nations, despoil the peasants to produce capital for industrial development. They did not export raw materials. And they did not export the products of cheap labor. Instead, since Nehru's death in 1964, India has followed a policy of strengthening agriculture and encouraging consumer goods production. India and its achievement are bound to get far more attention in the future.

The developed countries, too, need to think through their policies in respect to the Third World—and especically in respect to the "stars" of the Third World, the rapidly industrializing countries. There are some beginnings: the debt proposals recently put forward by Treasury Secretary James A. Baker, or the new lending criteria recently announced by the World Bank for loans to Third World countries, which will be made conditional on a country's overall development policies rather than on the soundness of individual projects. But these proposals are aimed more at correcting past mistakes than at developing new policies.

The other major agenda item is—inevitably—the international monetary system. Since the Bretton Woods Conference in 1944, the world monetary system has been based on the U.S. dollar as the reserve currency. This clearly does not work any more. The reserve-currency country must be willing to subordinate its domestic policies to the needs of the international economy, e.g., risk domestic unemployment to keep currency rates stable. And when it came to the crunch, the United States refused to do so—as Keynes, by the way, predicted 40 years ago.

The stability supposedly supplied by the reserve currency could be estblished today only if the major trading countries—at a minimum the United States, West Germany and Japan—agreed to coordinate their economic, fiscal and monetary policies, if not to subordinate them to joint (and this would mean supranational) decision-making. Is such a development even conceivable, except perhaps in the event of worldwide financial collapse? The European experience with the far more modest European Currency Unit is not encouraging; so far, no European government has been willing to yield an inch for the sake of the ECU. But what else can be done? Have we come to the end of the 300-year-old attempt to regulate and stabilize money on which, after all, both the modern nation-state and the international system are largely based?

We are left with one conclusion: economic dynamics have decisively shifted from the national economy to the world economy.

Prevailing economic theory—whether Keynesian, monetarist or supply-side—considers the national economy, especially that of the large developed countries, to be autonomous and the unit of both economic analysis and economic policy. The international economy may be a restraint and a limitation, but it is not central, let alone determining. This "macroeconomic axiom" of the modern economist has become increasingly shaky. The two major subscribers to this axiom, Britain and the United States, have done least well economically in the last 30 years, and have also has the most economic instability.

West Germany and Japan never accepted the "macroeconomic axiom." Their universities teach it, of course, but their policymakers, both in government and in business, reject it. Instead, both countries all along have based their economic policies on the world economy, have systematically tried to anticipate its trends and exploit its changes as opportunities. Above all, both make the country's competitive position in the world economy the first priority in their policies—economic, fiscal, monetary, even social—to which domestic considerations are normally subordinated. And these two countries have done far better—economically and socially—than Britain and the United States these last 30 years. In fact, their focus on the world economy and the priority they give it may be the real "secret" of their success.

Similarly the "secret" of successful businesses in the developed world—the Japanese, the German carmakers like Mercedes and BMW, Asea and Erickson in Sweden, IBM and Citibank in the United States, but equally of a host of medium-sized specialists in manufacturing and in all kinds of services—has been that they base their plans and their policies on exploiting the world economy's changes as opportunities.

From now on any country—but also any business, especially a large one—that wants to prosper will have to accept that it is the world economy that leads and that domestic economic policies will succeed only if they strengthen, or at least do not impair, the country's international competitive position. This may be the most important—it surely is the most striking—feature of the changed world economy.

FOOTNOTES

[1] When the price of petroleum dropped to $15 a barrel in February 1988, it was actually below its 1933 price (adjusted for the change in the purchasing power of the dollar). It was still, however, substantially higher than its all-time low in 1972-73, which in 1986 dollars amounted to $7-$8 a barrel.

[2] On this see two quite different discussions by Dennis Avery, "U.S. Farm Dilemma: The Global Bad News Is Wrong," *Science*, Oct. 25, 1985; and Barbara Insel, "A World Awash in Grain," *Foreign Affairs*, Spring 1985.

[3] The business cycle theory was developed just before World War I by the Russian mathematical economist, Nikolai Kondratieff, who made comprehensive studies of raw material price cycles and their impacts all the way back to 1797.

[4] These conclusions are based on static analysis, which presumes that which products are bought and sold is not affected by changes in price. This is of course unrealistic, but the flaw should not materially affect the conclusions.

[5] Although the African famine looms large in our consciousness, the total population of the affected areas is far too small to make any dent in world food surpluses.

[6] David Sapsford, *Real Primary Commodity Prices: An Analysis of Long-Run Movements*, International Monetary Fund Internal Memorandum, May 17, 1985, (unpublished).

[7] This was asserted as early as 1950 by the South American economist Raul Prebisch in *The Economic Development of Latin America and its Principal Problems* (E/CN. 12/89/REV.I), United Nations Economic Commission for Latin America. But then no one, including myself, believed him.

[8] The Japanese government, for example, sponsors a finance company that makes long-term, low interest loans to small manufacturers to enable them to automate rapidly.

[9] On this see my book, *Innovation and Entrepreneurship: Practice and Principles*, New York: Harper & Row, 1985.

[10] A Eurodollar is a U.S. dollar held outside the United States.

[11] This is cogently argued by Stephen Marris, for almost 30 years economic adviser to the Organization for Economic Cooperation and Development (OECD), in his *Deficits and the Dollar: The World Economy at Risk*, Washington: Institute of International Economics, December 1985.

[12] Stephen Marris, *Deficits and the Dollar*, cited above, gives the clearest and most persuasive presentation of the hard-landing scenarios.●

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## TRIBUTE TO BANDELIER ELEMENTARY SCHOOL

● Mr. DOMENICI. Mr. President, I am very proud to tell my colleagues about seven students from Bandelier Elementary School in Albuquerque, NM, who recently won first place at the National Olympics of the Mind competition. I know the Senate joins me in wishing the students and Bandelier Elementary our congratulations.

This national program often called simply OM, is a problem solving competition for elementary, middle, and high school students. The competition attracted over 600 teams from across the country. By challenging students to be creative, and by encouraging students to test their intellectual powers in competition, the program encourages the development of skills for creativity and problem solving.

Teams compete throughout the school year before reaching the national competition. Early in the school year, board members devise five long-term problems for teachers to present to their students. Student teams then choose one of those problems and work together to solve it. Each school chooses a team to compete at the State level, and those State winners advance to the national competition.

In this year's national competition, the team of fourth and fifth graders from Bandelier Elementary School enacted a 7-minute caveman scene. This included a fire discovery scene and musical instrument creation skit. In addition to taking first place in their division, the Bandelier youngsters won the Ranata Fusca Award for outstanding creativity in problem solving.

Mr. President, I am very pleased to recognize before the Senate today the Bandelier team members: Cathy Csepregi, Claire Johnson, Michael Feferman, Matthew Jackson, Amee Marsjanik, Tim Scott, and Todd Windes.

I also would like to commend the parents of the students, as well as the team choaches, Sandy Lethem and Frank Csepregi, and Bandelier Elementary School principal Joe Groom.

The hard work and creativity demonstrated by these students, and the support and encouragement given the students by their parents and teachers, makes me and all New Mexicans so very proud of our schools.

## NAUM MEIMAN

● Mr. SIMON. Mr. President, I am pleased to hear that Foreign Minister Shevardnadze's visit to our country has allowed President Reagan to raise the issue of human rights directly with a high-ranking official in the Soviet Government.

I have told and retold the story of my good friend Naum Meiman. Yesterday gave new hope to those of us struggling for Naum and his many comrades in the Soviet Union. Naum is still trying unsuccessfully to leave the Soviet Union, Naum is still trying to be reunited with his daughter whom he has not seen for 11 years, and Naum is still suffering from constant harassment and religious persecution. Most importantly, Naum is still suffering from the loss of his wife, Inna, who died prematurely as a consequence of inadequate medical care in the Soviet Union.

The progress made yesterday toward making the world safer from the threat of nuclear destruction is welcome. However, it should not allow us to forget those individuals in the Soviet Union who continue to suffer and whose basic human rights continued to be denied.

We must not forget the plight of Naum Meiman. Yesterday's meeting was a step, a single step, that must be followed by many more.●

## THE CALENDAR

Mr. BYRD. Madam President, I ask the distinguished acting Republican leader, Mr. CHAFEE, if two items on the Calendar of Business, Calendar Order No. 297 and Calendar Order No. 303, have been cleared on his side of the aisle.

Mr. CHAFEE. Madam President, I say to the majority leader that he is absolutely correct. No. 297 has been cleared and available for passage at his convenience. On No. 303, I have an amendment by Senator STEVENS that, at the appropriate time, I would like to offer. But if the majority leader would like to proceed with 297, we might do that if he is agreeable.

Mr. BYRD. Madam President, I thank my friend.

I ask unanimous consent that the Senate proceed seriatim to the consideration of Calendar Orders numbered 297 and 303.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REVISION OF PENALTIES RELATING TO CERTAIN AVIATION REPORTS AND RECORDS OFFENSES

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 1163) to amend section 902(e) of the Federal Aviation Act of 1958 to revise criminal penalties relating to certain aviation reports and records offenses.

Mr. HOLLINGS. Mr. President, I rise in support of H.R. 1163, legislation to strengthen the criminal penalties for those airlines not complying with Federal Aviation Administration safety recordkeeping and reporting requirements. It is badly needed to ensure the airlines are not cutting corners on their operations and maintenance activities—and therefore remain safe to fly.

I want to commend the Chairman of the Aviation Subcommittee, Senator FORD, for taking the necessary steps to ensure that this bill—which was passed by the House of Representatives earlier this year without objection—is enacted into law. And I want to commend its sponsor, DAN GLICKMAN, for his efforts to introduce this bill as a means of ensuring that there is no compromising aviation safety.

Mr. President, there are several reasons why increased penalties are needed. But the principle one remains the safety of those who fly. Only last month we once again say the tragedy caused by a crash of an airliner in Detroit—and the loss of scores of lives.

That accident reinforces the need for us to take every conceivable action to ensure that in this deregulated environment, the airways remain safe.

We did not deregulate aviation safety in 1978. Everyone will agree on that. Yet, under deregulation, there are increasing pressures for the airlines to focus on competitive demands—which can result in a diminution of attention on necessary activities such as preventative maintenance. In today's deregulated environment, there is no assurance that the costs of running an airline will be covered, and the possibility of not performing such maintenance is very real.

As such, there exists the incentive for an airline to cut corners. And because of the minimal penalties now on the books for falsifying records and reports required by the FAA—a misdemeanor punishable by a fine of between $100 and $5,000—an airline CEO, in an extreme case, may find it in his best interest to falsify or not report such information. The fact that it does occur was made clear by recent in-depth inspection by the FAA of the major air carriers and the identification of record numbers of recordkeeping and reporting violations.

Mr. President, this bill, which will increase those criminal penalties for the failure to file or intentional falsification of FAA-required safety reports, will help ensure that that incentive is eliminated. H.R. 1163 would do this by imposing the threat of penalties that could reach $10,000 for every violation—as well as imprisonment—steps that should ensure that adequate records are kept and that safety is not compromised.

Mr. President, I urge the Senate to move swiftly on this bill. It should be passed today and sent to the President for his signature.

Mr. FORD. Mr. President, H.R. 1163, legislation to establish criminal penalties for commercial air carriers in violation of aviation safety reporting and recordkeeping requirements is timely legislation and it should be passed. I urge my colleagues to join me in supporting it and sending it to the President so that it can be expeditiously signed into law.

The past 2 years have shown an increasing need for criminal penalties related to the Federal Aviation Administration's recordkeeping and reporting requirements on airline safety matters. Increasingly, the FAA has found that airlines are guilty of not complying with current requirements on maintaining and proper reporting of records on operational and training activities, maintenance, flight time, weight and balance calculation, hazardous material training, and the processing and certification of flight crews. The best and most recent example of this was last year when the FAA identified some 78,000 violations by Eastern Airlines of the agency's safety recordkeeping and reporting requirements.

Mr. President, it is not news to anyone when I say that public confidence in our Nation's air transportation system has never been lower. Recent accidents and increasing reports of safety problems necessitate our taking every action possible to increase the margin of aviation safety.

Clearly, action is needed. In this case that translates into legislation to ensure increased compliance with FAA recordkeeping and reporting requirements—and correspondingly, I believe, increased safety among commercial air carriers.

H.R. 1163 would establish fines of not more than $5,000 in the case of an individual and not more than $10,000 in the case of an air carrier for the failure to file or falsification of a report, account, record, or memorandum required by FAA safety-related rules or regulations. It would also require that any air carrier or employee who intentionally falsifies or conceals a material fact, or invites reliance on a false statement or representation concerning a material fact in a report, account, record, or memorandum required by the FAA would be punish-

able by fine, imprisonment of up to 5 years, or both.

This legislation, which was introduced by Congressman DAN GLICKMAN, has already unanimously been approved by the House of Representatives. And it was approved in late July without objection by the Commerce Committee. I therefore see no reason why it should not pass today with the same kind of support.

Mr. President, H.R. 1163 is needed to ensure increased compliance with the FAA's safety rules and regulations. It is needed to improve aviation safety. I urge my colleagues to join me in supporting its passage.

The PRESIDING OFFICER. Are there amendments? If not, the question is on the third reading and passage of the bill.

The bill (H.R. 1163) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## PAY AND ALLOWANCES OF CERTAIN MEMBERS OF THE COMMISSIONED CORPS OF THE PUBLIC HEALTH SERVICE

The PRESIDING OFFICER. The clerk will report the next measure.

The assistant legislative clerk read as follows:

A bill (S. 1666) to amend title 5, United States Code, to provide for the extension of physicians comparability allowances and to amend title 27, United States Code, to provide for special pay for psychologists in the commissioned corps of the Public Health Service.

The Senate proceeded to consider the bill.

### AMENDMENT NO. 685

(Purpose: To amend title 5, United States Code, to increase the minimum amount of the physicians comparability allowance)

Mr. CHAFEE. Madam President, I send an amendment to the desk and ask it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE], for Mr. Stevens, proposes an amendment numbered 685.

Mr. CHAFEE. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection, it is so ordered.

The amendment is as follows:

On page 2, strike out lines 4 through 6, and insert in lieu thereof:

Section 5948(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out "$7,000" and inserting in lieu thereof "$14,000";

(2) in paragraph (2) by striking out "$10,000" and inserting in lieu thereof "$20,000"; and

(3) by adding at the end thereof (after and below paragraph (2)) the following:

"For the purpose of determining length of service as a Government physician, service as a physician under section 4104 or 4114 of title 38 or active service as a medical officer in the commissioned corps of the Public Health Service under Title II of the Public Health Service Act (42 U.S.C. ch. 6A) shall be deemed service as a Government physician."

Mr. STEVENS. Mr. President, the Federal Physicians Comparability Allowance Act of 1978 enabled the heads of executive agencies to offer service agreements to certain categories of Federal physicians and dentists in order to alleviate recruitment and retention problems experienced by the agencies. The allowance which was reauthorized in 1979, 1981, and 1983 is used only where there is a significant recruitment and retention problem. Currently it may not exceed:

The $7,000 per annum if, at the time the agreement is entered into, the physician has served for 24 months or less; or $10,000 per annum if the physician has more than 24 months' service.

The act will expire September 30, 1987.

Recent statistics show that in the last 3 years, the percentage of physicians receiving the bonus has grown from 53 percent to 61 percent Governmentwide. The largest category of physicians receiving the allowance are researchers—92 percent. Even with the comparability allowance these physicians have a pay gap with private sector physicians ranging from 28 to 75 percent. Consequently, the agencies are still experiencing recruitment and retention problems. Mr. President, we are living in a time when we must attract the very best physicians to the Federal Government. We need top academicians to attack national problems such as AIDS and cancer. We cannot always provide the benefits and modern facilities commonly available in the private sector, but we can do something to narrow the pay gap.

The bill I introduced August 7, 1987, would reauthorize the act until September 30, 1990. It will also raise the maximum allowance to $20,000 in lieu of the current $10,000. I would still expect that the $10,000 limit would be used in most cases, but additional incentive would be available for extraordinary recruitment and retention problems. The bill will also expand special pay coverage to psychologists in the commissioned corps of the Public Health Service who have been board certified by the American Board of Professional Psychology. It is comparable to the board certified pay given to Public Health Service medical officers.

The amendment I am offering today would also raise the $7,000 per annum maximum for physicians who have served for 24 months or less to $14,000 maximum. Following further discussions with the administration, I have concluded that it would be appropriate that the maximum also be raised for those with less than 24 months' service. While I would expect that the maximum allowance would not be routinely used, it would allow agencies the flexibility to offer higher salaries to attract exceptionally qualified physicians from the private sector.

Mr. President, we are nearing the expiration date of the Federal Physician's Comparability Allowance Act. I urge my colleagues to support this important legislation.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment (No. 685) was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

The question is on the engrossment and third reading of the bill.

The bill (S. 1666) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

### S. 1666

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. FEDERAL PHYSICIANS COMPARABILITY ALLOWANCE AMENDMENTS.

(a) PHYSICIANS COMPARABILITY ALLOWANCES.—Section 5948(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out "$7,000" and inserting in lieu thereof "$14,000";

(2) in paragraph (2) by striking out "$10,000" and inserting in lieu thereof "$20,000"; and

(3) by adding at the end thereof (after and below paragraph (2)) the following:

"For the purpose of determining length of service as a Government physician, service as a physician under section 4104 or 4114 of title 38 or active service as a medical officer in the commissioned corps of the Public Health Service under Title II of the Public Health Service Act (42 U.S.C. ch. 6A) shall be deemed service as a Government physician."

(b) EXTENSION OF AUTHORITY.—The second sentence of section 5948(d) of title 5, United States Code, is amended to read as follows: "No agreement shall be entered into under this section later than September 30, 1990, nor shall any agreement cover a period of service extending beyond September 30, 1992.".

#### SEC. 2. SPECIAL PAY FOR PSYCHOLOGISTS IN THE PUBLIC HEALTH SERVICE CORPS.

(a) SPECIAL PAY.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302b the following new section:

**"§ 302c. Special pay: psychologists in the Public Health Service Corps**

"(a) A member who is—

"(1) an officer in the Regular or Reserve Corps of the Public Health Service and is designated as a psychologist; and

"(2) has been awarded a diploma as a Diplomate in Psychology by the American Board of Professional Psychology,

is entitled to special pay, as provided in subsection (b).

"(b) The rate of special pay to which an officer is entitled pursuant to subsection (a) shall be—

"(1) $2,000 per year, if the officer has less than 10 years of creditable service;

"(2) $2,500 per year, if the officer has at least 10 but less than 12 years of creditable service;

"(3) $3,000 per year, if the officer has at least 12 but less than 14 years of creditable service;

"(4) $4,000 per year, if the officer has at least 14 but less than 18 years of creditable service; or

"(5) $5,000 per year, if the officer has 18 or more years of creditable service.".

(b) CONFORMING AMENDMENTS.—(1) Section 303a of title 37, United States Code, is amended by inserting "302c," after "302b," each place it appears.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302b the following new item:

"302c. Special pay: psychologists in the Public Health Service Corps.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1987 or on the date of the enactment of this Act, whichever is later, and shall apply with respect to pay periods beginning on or after that effective date.

Mr. BYRD. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. CHAFEE. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### ORDER FOR STAR PRINT—S. 705

Mr. BYRD. Madam President, I ask unanimous consent that a star print be made of S. 705, a bill to convey federally held lands to the Sioux Nation and I send a corrected copy of the bill to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER TO PLACE BILL ON CALENDAR

Mr. BYRD. Madam President, I ask unanimous consent that S. 691, a bill introduced earlier today by Senators CRANSTON and MURKOWSKI dealing with veterans' guaranteed loans be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

### EXECUTIVE SESSION

Mr. BYRD. Madam President, may I ask my distinguished friend if the three nominations on the Executive Calendar on page 2 under the Department of Agriculture have been cleared on the other side of the aisle.

Mr. CHAFEE. Madam President, I wanted to report to the distinguished majority leader that, indeed, those three nominations have been cleared on this side.

Mr. BYRD. Madam President, I thank the distinguished Senator. I ask unanimous consent that the Senate go into executive session to consider the nominations on page 2 under the Department of Agriculture, there being 3; that they be considered en bloc, confirmed en bloc, the motion to reconsider be laid on the table, the President be immediately notified of the confirmation of the nonminees and that the Senate return to legislative session.

The PRESIDING OFFICER. There is no objection. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows.

Milton J. Hertz, of North Dakota, to be a Member of the Board of Directors of the Commodity Credit Corporation.

Ewen M. Wilson, of Virginia, to be an Assistant Secretary of Agriculture.

Ewen M. Wilson, of Virginia, to be a Member of the Board of Directors of the Commodity Credit Corporation.

### ORDER WAIVING THE CALL OF THE CALENDAR AND THAT NO MOTIONS AND RESOLUTIONS OVER, UNDER THE RULE, COME OVER

Mr. BYRD. Madam President, I ask unanimous consent that on tomorrow the call of the calendar be waived under rule VIII and that no motions and resolutions over, under the rule, come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER OF PROCEDURE

Mr. BYRD. Madam President, I ask my distinguished friend, the acting leader on the other side, if he has any further statement to make or further business to transact.

Mr. CHAFEE. Madam President, I want to thank the distinguished majority leader.

I would like to ask one question, a brief question, if I might. It is my understanding regarding tomorrow that the time for debate on the Warner amendment will be from 9 until 9:30, with a vote at 9:30, no earlier than or no later than 9:30. Am I correct on that?

Mr. BYRD. Yes, Madam President; that is correct.

Mr. CHAFEE. So anybody who wishes to participate in any debate, if that individual Senator comes to the floor at 9 o'clock, can speak during the time between 9 and 9:30.

Mr. BYRD. Yes.

Mr. CHAFEE. What will happen to the time of the leaders?

Mr. BYRD. I will proceed to state the program and answer the distinguished Senator's question.

### PROGRAM

Mr. BYRD. Madam President, the Senate will convene tomorrow morning at 8:30. After the two leaders have been recognized under the standing order, there will be a period for the transaction of morning business, not to extend beyond the hour of 9 o'clock a.m. During that period for the transaction of morning business, Senators may speak therein for not to exceed 3 minutes each.

At the hour of 9 o'clock a.m., the Senate will resume consideration of the unfinished business, the DOD authorization bill.

Between the hour of 9 o'clock and 9:30 a.m. tomorrow, Senators may speak on the DOD authorization or may speak on the pending Warner amendment, and at the hour of 9:30 a.m., Senator NUNN will be recognized and he will be the Senator who will move to table the Warner amendment. Senator NUNN will be recognized at 9:30 a.m. to make the motion to table the amendment by Mr. WARNER. There will be a rollcall vote on that tabling motion, the yeas and nays already having been ordered.

Mr. CHAFEE. I was going to ask the majority leader, if I might—and I am not necessarily sure this is going to occur, but there might be a couple of people though they have not shown evidence tonight that they wish to debate it—I know there is not a time limit on this bill but there is a time certain to vote. I wonder if it is possible to agree that the time between 9 and 9:30, if there are more than one individual present who wishes to speak, might be equally divided between the managers of the bill.

Mr. BYRD. I think that is a good suggestion. I ask unanimous consent that the time between 9 o'clock and 9:30 a.m. tomorrow be equally divided and controlled by the manager and ranking member. The ranking member is the offeror of the amendment. I ask unanimous consent that the time be equally divided between Mr. WARNER and Mr. NUNN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Madam President, following the vote on the motion to table the Warner amendment, and I have no way of knowing what the outcome will be, necessarily, may I express the hope that throughout the day Senators will have amendments to call up. Today, in discussing amendments with Senators, I felt certain that Senators had amendments but they were not quite ready to call up their amendments. I hope they will be ready to call up their amendments because these opportunities do arise. The managers are on the floor and they are ready to debate amendments, but Senators are not ready to call up their amendments.

To save the time of Senators and especially the managers of the bill, Senators who have amendments would accommodate those managers if they have those amendments ready so we can have a steady flow of the amendments and upon the disposition of one, another amendment can be taken up.

I should say that upon the disposition of the amendment by Mr. WARNER, the pending question then will recur on the amendment by Mr. GLENN, so there will be an amendment after the amendment by Mr. WARNER has been disposed of, that being the Glenn amendment. Then we will see where we go from there.

That amendment will be open to amendments and all Senators are urged, if they have amendments, to let the managers know, and I am sure the managers will be eager to get on with amendments. I urge Senators to be prepared for a long day tomorrow and a long day the following day so that we can make good progress on this bill.

I reiterate my earlier statement that there may be a Saturday session. The calendar is facing us and we are daily becoming victims of the calendar and our inability to move the legislation forward, and so the events are crowding in on us with appropriations bills being reported from the Appropriations Committee and with the debt limit extension facing us very soon. The debt limit will expire on next Wednesday at 12 midnight, a week from today, and we will have to take some action prior to that.

I understand, talking with Mr. BENTSEN, may I say, that he feels good progress is being made on both sides with respect to the Gramm-Rudman-Hollings fix. So let us hope that that good news will continue to hold and that we may be able to handle all of these matters in due course.

I thank my friend on the other side of the aisle.

In closing, I am told that the nomination of William Sessions to be Director of the FBI, which is on the calendar, will be ready for consideration before the week is out, and also the nomination of Mr. Verity to be Secretary of Commerce hopefully will be ready and cleared before the week is out.

Does my friend have anything further?

Mr. CHAFEE. No. I thank the distinguished majority leader.

There is nothing that restores the soul and spirit more than a restful weekend with one's family.

Mr. BYRD. That is true. That is what I have been saying for a long time.

Mr. CHAFEE. So I hope that we can move along and dispose of these matters. I am obviously anxious to see these nominations considered and hopefully approved rapidly.

Just out of curiosity, might I ask the majority leader what his intention would be with those nominations? Would it be his thought that he might possibly bring them up this week?

Mr. BYRD. I would hope so, yes.

Mr. CHAFEE. Would it be required that the DOD authorization bill be disposed of or could we intervene?

Mr. BYRD. No. A motion to go into executive session can be made at any time. It is not debatable. We can go to any nomination on the calendar, but that nomination, once it is reached, is debatable. So we will try to work those things out and hopefully clear these nominations and act on them before the week is out.

Mr. CHAFEE. That is good news.

### ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

Mr. BYRD. Now, Madam President, that we might go home and engage in some "sleep that knits up the ravell'd sleave of care," I move, in accordance with the order previously entered, that the Senate stand in adjournment until 8:30 tomorrow morning.

The motion was agreed to and the Senate, at 9:03 p.m., adjourned until Thursday, September 17, 1987, at 8:30 a.m.

### NOMINATIONS

Executive nominations received by the Senate September 16, 1987:

INTERNATIONAL ATOMIC ENERGY AGENCY

THE FOLLOWING-NAMED PERSONS TO BE THE REPRESENTATIVE AND ALTERNATIVE REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE THIRTY-FIRST SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY:

REPRESENTATIVE:

JOHN S. HERRINGTON, OF CALIFORNIA.

ALTERNATE REPRESENTATIVES:

RICHARD T. KENNEDY, OF THE DISTRICT OF COLUMBIA.

BRUCE CHAPMAN, OF WASHINGTON.

LANDO W. ZECH, JR., OF VIRGINIA.

### CONFIRMATIONS

Executive nominations confirmed by the Senate September 16, 1987:

DEPARTMENT OF AGRICULTURE

MILTON J. HERTZ, OF NORTH DAKOTA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

EWEN M. WILSON, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE.

EWEN M. WILSON, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

# EXTENSIONS OF REMARKS

## INTRAVENOUS SUBSTANCE ABUSE AND AIDS PREVENTION ACT OF 1987

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. RANGEL. Mr. Speaker, today I have introduced the "Intravenous Substance Abuse and AIDS Prevention Act of 1987."

Acquired immune deficiency syndrome—AIDS—is perhaps the most pernicious enemy ever faced by this Nation. This disease could literally destroy us from within. AIDS, however, is not only a direct threat to our national health and well being, it is also a deadly indicator of another disease infecting our society—intravenous [IV] drug abuse. Intravenous drug abuse is the second most frequent means of transmitting the human immunodeficiency virus [HIV], which causes AIDS. The legislation I have proposed would authorize Federal funds for grants to expand drug abuse treatment, establish prevention programs, and provide services to reduce the spread of AIDS through intravenous drug abuse.

The Centers for Disease Control report over 40,000 cases of AIDS. They project 270,000 cases by 1991. Since there is no known cure for the disease, most of these individuals will die.

Among the reported cases of AIDS, heterosexual intravenous drug abusers constitute 17 percent. If the cases of AIDS among homosexuals who are also IV-drug users are added to the heterosexual IV-drug users, intravenous drug abuse accounts for approximately one-fourth of all AIDS cases.

AIDS is transmitted among intravenous substance abusers through the use and sharing of needles, syringes, swabs, or other drug-related implements, contaminated with HIV infected blood. AIDS can be transmitted rapidly among intravenous substance abusers in a given geographic area. These individuals are only the first of the victims in the IV-drug use/AIDS chain. Once a group of intravenous substance abusers becomes exposed to the HIV virus, they become the primary source for heterosexual and perinatal transmission of AIDS.

Although female and perinatal AIDS cases constitute only a small proportion of AIDS cases, the association between these cases and IV-drug use is startling. More than 50 percent of women with AIDS are intravenous drug abusers. The second largest group of women at risk for contracting AIDS are women who are the sexual partners of intravenous substance abusers. There are currently more than 500 pediatric AIDS cases. The overwhelming majority of pediatric AIDS patients, infected through maternal transmission, were children of intravenous drug users.

On July 27, the Select Committee on Narcotics Abuse and Control, which I chair, held a hearing on "Pediatric AIDS" at Harlem Hospital in New York City. To date, Harlem Hospital has cared for at least 60 children infected with the HIV virus. At any one time, there are 8 to 12 such children in the hospital.

In Harlem, as in the Nation, most of these children contract the AIDS virus from their mother during pregnancy or during the process of delivery. Most of the infected mothers are either past or present intravenous drug users or have had sexual relations with someone who has the virus, usually an intravenous drug user. It is easy to judge these women and simply condemn them for their behavior. Such posturing, however, will not prevent more babies from becoming infected; it will not help those babies already afflicted with the disease; and it will not change the behavior of the adults who are transmitting this plague.

Preventing and reducing the transmission of AIDS among intravenous drug abusers is one of the most effective ways to prevent and reduce the heterosexual or perinatal transmission of AIDS. For that reason, I have introduced the "Intravenous Substance Abuse and AIDS Prevention Act of 1987." This legislation would provide $400 million for grants to expand drug abuse treatment services for intravenous drug abusers, for demonstration projects to reduce and prevent the incidence of AIDS in infants and to provide support to infants who have AIDS, and for prevention programs to arrest the spread of AIDS related to intravenous drug abuse.

Specifically: The bill authorizes $200 million for the Secretary of Health and Human Services to make grants to public and private nonprofit entities to provide treatment services to intravenous substance abusers.

The grants will enable these programs to make available to such abusers, and to their sexual partners, counseling and education services to prevent the transmission of HIV and testing to determine HIV infection.

Priority for the services will be given to geographic areas where the incidence of intravenous substance abuse is substantial relative to the incidence in other areas and, simultaneously, the incidence of HIV infection is relatively substantial. Seventy-five percent of the funding under this section of the act will be reserved for such areas. Another 25 percent of the funding will be directed toward communities where the incidence of intravenous drug use is substantial and the incidence of HIV is not, but the development of HIV may be prevented if sufficient treatment, counseling, and education services are provided to intravenous drug users; $100 million is authorized for demonstrated projects to reduce or prevent the incidence of HIV infection in infants and to provide support to infants who have such infections.

Priority will be given to communities where the incidence of infant HIV infection is substantial and the incidence of HIV among intravenous drug users is high. Secondary consideration will be given to communities where the incidence of HIV infection among intravenous substance abusers is substantial.

Services that may be provided under this grant program include:

Prenatal care for women who are intravenous drug users;

Services and financial assistance to parents of children infected with HIV;

Services and financial assistance to encourage foster care for infants with HIV;

Counseling, education, and testing services for women who are intravenous drug users and who are pregnant or at risk of becoming pregnant, to prevent the transmission of HIV; and

Counseling, education, and testing services for women who are the sexual partners of intravenous drug abusers and who are pregnant, or at risk of becoming pregnant, to prevent the transmission of AIDS; $100 million is provided for grants to prevent the spread of AIDS related to intravenous drug abuse.

Because minority communities are being disproportionately affected by AIDS related to intravenous drug abuse, the bill preference to programs providing services to minority populations in any geographic area where there is substantial intravenous substance abuse.

Projects funded under this provision would include education and counseling outreach projects for intravenous substance abusers and school based and mass media efforts.

AIDS will not simply disappear. If we wait for a cure, many will die unnecessarily. It is only through a concerted effort on the part of all segments of the community and all levels of Government that we can purge our Nation of this disease. AIDS, like small pox and polio, must become a disease of our past, not our present and future. To ensure that this happens, we must recognize the important link between intravenous drug abuse and the spread of AIDS. We must provide treatment for intravenous substance abusers and we must reach out to immunize those communities and populations most threatened by intravenous drug abuse. My bill would respond specifically to these needs.

In closing, I urge my colleagues to join me as a cosponsor of this legislation. It is essential to the preservation of our national health and national security.

Mr. Speaker, I include the Intravenous Drug Abuse and AIDS Prevention Act of 1987 at this point in the RECORD:

H.R. 3292

To establish certain grant programs relating to acquired immune deficiency syndrome among intravenous substance abusers, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Intravenous Substance Abuse and AIDS Prevention Act of 1987".

**SEC. 2. FINDINGS.**

The Congress finds as follows:

(1) More than 38,000 cases of acquired immune deficiency syndrome (AIDS) have been reported to the Centers for Disease Control, and more than 270,000 such cases are expected to be reported by 1991.

(2) Intravenous substance abusers are the second largest group in the United States that has AIDS. Of the cases of AIDS reported to the Centers for Disease Control, 17 percent are attributable to intravenous substance abuse and such abuse was a risk factor in an additional 8 percent.

(3) HIV (the virus causing AIDS) is transmitted among intravenous substance abusers through the use and sharing of needles, syringes, swabs, or other drug-related implements that are contaminated with blood infected with HIV.

(4) HIV can be transmitted rapidly among intravenous substance abusers in a given geographic area. Once a group of intravenous substance abusers becomes exposed to HIV, such abusers become the primary source for heterosexual transmission and perinatal transmission of HIV.

(5) A disproportionate number of cases of AIDS has occurred among members of minority groups. More than 80 percent of such cases attributable to intravenous substance abuse have occurred among Blacks and Hispanics and more than 90 percent of heterosexual and perinatal transmission AIDS cases related to such abuse have occurred among Blacks and Hispanics.

(6) More than 50 percent of women in the United States who have AIDS developed the disease as a result of intravenous substance abuse. The second largest group of women who are at risk with respect to infection with HIV are women who are the sexual partners of intravenous substance abusers.

(7) Most women with AIDS are in their child-bearing years, and women infected with HIV may transmit HIV to any of their children born subsequent to the mother's infection. In July 1987, the Centers for Disease Control reported a cumulative total of 460 cases of AIDS among children under 5 years of age at the time of diagnosis. Approximately 80 percent of children with AIDS who were infected through perinatal transmission were children of intravenous substance abusers.

(8) Preventing or reducing the transmission of HIV among intravenous substance abusers is essential with respect to preventing or reducing the heterosexual and perinatal transmission of HIV in the United States.

(9) To reduce and prevent the spread of AIDS related to intravenous substance abuse, additional Federal leadership and support is urgently needed to expand treatment for intravenous substance abusers, to promote efforts to prevent pediatric AIDS and provide better care for infants with AIDS, and to establish effective school and community-based AIDS prevention programs.

**SEC. 3. ESTABLISHMENT OF GRANT PROGRAM FOR TREATMENT SERVICES WITH RESPECT TO INTRAVENOUS SUBSTANCE ABUSE.**

(a) IN GENERAL.—The Secretary of Health and Human Services may make grants to public and nonprofit private entities for the purpose of enabling grantees to provide, in accordance with subsection (b), treatment services to intravenous substance abusers.

(b) REQUIREMENTS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that, in providing pursuant to subsection (a) treatment services to intravenous substance abusers, the applicant will—

(1) make available to such abusers, and to the sexual partners of such abusers, counseling and education services with respect to preventing the transmission of the etiologic agent for acquired immune deficiency syndrome; and

(2) make available to such abusers testing for the purpose of determining whether such abusers are infected with such etiologic agent.

(c) CONSENT TO TESTING.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that the applicant will not, as a condition of the receipt of substance abuse treatment services, require that an individual undergo testing described in subsection (b)(2).

(d) REQUIREMENT OF PROVISION OF SERVICES IN CERTAIN GEOGRAPHIC AREAS.—The Secretary may make grants under subsection (a) only to applicants that will provide services under the grant in a geographic area in which, in the determination of the Secretary—

(1) the incidence of intravenous substance abuse is substantial relative to such incidence in other geographic areas; and

(2) the incidence, among intravenous substance abusers, of infections with the etiologic agent for acquired immune deficiency syndrome—

(A) is substantial relative to such incidence in other geographic areas; or

(B)(i) is insubstantial relative to such incidence in other geographic areas; and

(ii) may be prevented from becoming substantial if sufficient treatment, counseling, and education services are provided to intravenous substance abusers.

(e) ALLOCATION OF AMOUNTS AVAILABLE FOR GRANT PROGRAM.—Of amounts available pursuant to subsection (f), the Secretary shall—

(1) reserve 75 percent for grants under subsection (a) to applicants that will provide services under the grant in geographic areas described in paragraphs (1) and (2)(A) of subsection (d); and

(2) reserve 25 percent for grants under subsection (a) to applicants that will provide services under the grant in geographic areas described in paragraphs (1) and (2)(B) of such subsection.

(f) FUNDING OF GRANT PROGRAM.—Of the amounts appropriated pursuant to section 7, the Secretary shall reserve 50 percent for the purpose of carrying out this section.

**SEC. 4. ESTABLISHMENT OF GRANT PROGRAM FOR SERVICES AND ASSISTANCE FOR REDUCTION AND PREVENTION OF ACQUIRED IMMUNE DEFICIENCY SYNDROME AMONG INFANTS.**

(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities for the purpose of enabling grantees to carry out demonstration projects for reducing or preventing the incidence in infants of infections with the etiologic agent for acquired immune deficiency syndrome and for providing support to infants who have such infections.

(b) PREFERENCES IN MAKING GRANTS.—The Secretary shall, in making grants under subsection (a)—

(1) give first priority to qualified applicants that will provide services under the grant in any geographic area in which, in the determination of the Secretary—

(A) the incidence in infants of infections with the etiologic agent for acquired immune deficiency syndrome is substantial relative to such incidence in other geographic areas; and

(B) the incidence, among intravenous substance abusers, of infections with the etiologic agent for acquired immune deficiency syndrome is substantial relative to such incidence in other geographic areas; and

(2) give second priority to qualified applicants that will provide services under the grant in any geographic area described in paragraph (1)(B).

(c) PROVISION OF CERTAIN SERVICES.—Grantees under subsection (a) may expend grant funds—

(1) to provide for prenatal care for women who are intravenous substance abusers;

(2) to provide for prenatal care for women who are the sexual partners of intravenous substance abusers;

(3) with respect to the parents of infants infected with the etiologic agent for acquired immune deficiency syndrome, to provide services and financial assistance to parents for the purpose of aiding parents in caring for, and providing support to, such infants;

(4) to provide services and financial assistance with respect to encouraging foster care for such infants and other means by which such infants can receive care and support in settings other than hospitals;

(5) with respect to women who are intravenous substance abusers and who are pregnant or at risk of becoming pregnant, to make available to such women counseling and education services with respect to preventing the transmission of the etiologic agent for acquired immune deficiency syndrome and to make available to such women testing for the purpose of determining whether such women are infected with such etiologic agent; and

(6) to make such services and such testing available to women who are pregnant, or at risk of becoming pregnant, and who are the sexual partners of intravenous substance abusers.

(d) FUNDING OF GRANT PROGRAM.—Of the amounts appropriated pursuant to section 7, the Secretary shall reserve 25 percent for the purpose of carrying out this section.

**SEC. 5. ESTABLISHMENT OF GRANT PROGRAM FOR PREVENTION OF ACQUIRED IMMUNE DEFICIENCY SYNDROME RELATING TO INTRAVENOUS SUBSTANCE ABUSE.**

(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities for the purpose of enabling grantees to provide counseling and education services with respect to preventing the transmission of the etiologic agent for acquired immune deficiency syndrome directly or indirectly through intravenous substance abuse.

(b) PREFERENCES IN MAKING GRANTS.—The Secretary shall, in making grants under subsection (a), give preference to qualified applicants that will provide services under the grant to minority populations in any geographic area in which, in the determination of the Secretary, the incidence of intravenous substance abuse is substantial relative to such incidence in other geographic areas.

(c) PROVISION OF CERTAIN SERVICES.—Grantees under subsection (a) may expend grant funds—

(1) to provide counseling and education services described in such subsection through outreach services to intravenous substance abusers; and

(2) to provide education services described in such subsection through the dissemina-

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tion of information throughout the geographic area involved, including dissemination in school systems and through means of mass communication.

(d) FUNDING OF PROGRAM.—Of the amounts appropriated pursuant to section 7, the Secretary shall reserve 25 percent for the purpose of carrying out this section.

SEC. 6. GENERAL PROVISIONS.

(a) REQUIREMENT WITH RESPECT TO INCREASE IN SERVICES.—The Secretary may not make a grant under any of sections 3 through 5 to an applicant unless the applicant agrees that the applicant will not expend amounts received under the grant involved to supplant any funds otherwise available to the applicant for the purpose for which such grant is to be made to the applicant.

(b) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under any of sections 3 through 5 to an applicant unless the applicant has submitted to the Secretary an application for the grant involved. The application shall, with respect to carrying out the purpose for which the grant is to be made, provide assurance of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information and agreements as the Secretary determines to be necessary to carry out such purpose.

SEC. 7. AUTHORIZATIONS OF APPROPRIATIONS.

For the purpose of carrying out this Act, there are authorized to be appropriated $400,000,000 for fiscal year 1987 and such sums as may be necessary for each of the fiscal years 1988 through 1990.

SEC. 8. DEFINITIONS.

For purposes of this Act:

(1) The term "intravenous substance abuse" includes substance abuse through subcutaneous injection and intramuscular injection.

(2) The term "Secretary" means the Secretary of Health and Human Services.

## FINANCIAL DISCLOSURE FOR CONGRESSIONAL STAFF WITH SECURITY CLEARANCES

### HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. WORTLEY, Mr. Speaker, over the last few years, our country has faced a distressing number of espionage cases as well as the continuing problem of leaks of national security secrets. The debacle at the U.S. Embassy in Moscow is still another reminder that we are not vigilant enough when it comes to our Nation's security.

We expect other governmental institutions to maintain strict oversight of their employees who hold security clearances. Why shouldn't Congress keep track of its own employees with security clearances? It's time we in the Congress set an example for a standard of conduct and put our own house in order to help prevent future breaches of security. To that end, I am reintroducing legislation amending the 1978 Ethics in Government Act to require that all legislative branch employees with a security clearance of secret or higher file a financial disclosure statement with the appropriate officials in the Congress.

Financial disclosure will help prevent the temptations involved in having access to national security secrets which could be extremely valuable to our enemies. Disclosure forms are filed under oath, and an intentional falsification or omission could subject the filer to criminal penalties. This would help discourage congressional employees from engaging in even the most casual agreement with foreign agents. At the very least, the forms could disclose to the appropriate officials information that could cause a reinvestigation of an individual.

I believe financial disclosure statements are a basic way to keep track of those persons with security clearances. To be sure, most employees who are granted security clearances would not dream of compromising our national security, but it often only takes one person to do a lot of damage. I believe a financial disclosure statement would keep a check on those individuals who may be tempted by the promise of big money or who are being manipulated, possibly blackmailed, to divulge secrets.

The privilege of receiving a security clearance carries with it a responsibility to our country. Financial disclosures are presently required by law for Members of Congress and a key staff member of each Member. Is it any less important to require an annual disclosure from those individuals who are exposed to our country's most valuable secrets?

It is time for the Congress to take a first step in stopping the flow of sensitive information to our adversaries. I hope my colleagues will join me in support for this legislation.

## AN INTERVIEW WITH COMMANDANTE DANIEL ORTEGA

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. SOLOMON. Mr. Speaker, the Associated Press tells us that the next issue of Playboy magazine will publish an interview with Commandante Daniel Ortega, who is quoted as saying he "would really like to be doing what Che (Guevara) did"—in other words, spreading Marxist revolution throughout the Western Hemisphere.

We've also been reading that Commandante Ortega plans to visit his masters in Moscow November 7, the very day that the Guatemala City peace plan is to take effect. And now we read that you, Mr. Speaker, think this display of utter contempt for the West will, and I quote, "have the effect of producing less dependence on Moscow and Havana."

Mr. Speaker, I'm sure you treat mules in Texas the same way we treat them in upstate New York. Sometimes we have to hit them in the head with 2-by-4's a few times before they get the message. I really don't know how many times Communists have to tell us they are Communists, dedicated to world revolution, before we believe them. Perhaps it will be when the Sandinistas show up at your district office, which is a lot closer to Managua than it is to Albany. You might want to keep that in mind when you read the interview.

## IN HONOR OF THE 40TH ANNIVERSARY OF THE SCHOOL OF VISUAL ARTS

### HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. GREEN. Mr. Speaker, it is my pleasure and honor to report that the School of Visual Arts, located on East 23d Street in my district, is celebrating its 40th anniversary this year, and began its observance Monday in fine fashion with an exhibition of poster art at the Cooper-Hewitt Museum (also within the district), the Smithsonian Institute's National Museum of Design.

The Nation's largest degree-granting, independent art college with over 6,000 students, the School of Visual Arts pioneered, and maintains today, a teaching philosophy of hiring only working professionals. With a faculty of 650, the school boasts an instructor-pupil ratio of better than 10:1, and has numbered among its teachers some of the most renowned design artists of this century, such as Milton Glaser, Marshall Arisman, Paul Davis, and Bob Giraldi to name but a few. With the benefit of such caliber of instruction, it is no wonder that 87 percent of every graduating class are working in their major fields within a year. Some 2,200 full-time undergraduates, the most talented of whom are offered generous scholarships, take courses in six major subjects: art education, film, fine arts, media arts, photography and journalism. The master's of fine arts degree is also offered, and the school is admirably committed to continuing education, with some 4,000 adults enrolled.

Perhaps most important, however, has been the SVA's contribution to art in the public domain, especially in the subways. While "underground" in the most literal sense, this art could hardly have a more broad-based audience since the subways are ridden by millions daily. The posters have moved beyond their original forms of simple institutional advertising to take on wider concepts, with the most outstanding of the diverse array of the past four decades going on display this week. I expect that the decades to come will feature more innovation and creativity from the cream of the country's design talent, and under the guidance of Silas Rhodes, the founder and current chairman of the board, and his son David, the current president, the School of Visual Arts will continue to flourish as one of New York's most vital artistic forces.

## BERLIN, PA, SESQUICENTENNIAL

### HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. MURTHA. Mr. Speaker, I am very pleased to recognize the celebration of the 150th anniversary of Berlin, PA.

In recognizing such historical moments, we remember our past as a way to learn about our present and future. We have underway in Somerset County and eight other counties in western Pennsylvania, a major historical tourism project that recognizes the contributions of that area to America's industrial growth. The people of Berlin made a major contribution to that growth.

In this ceremony we remember the people of those 150 years who contributed to our region and to America. These are our ancestors that mined the coal that fueled our Nation, started the farms that made us the breadbasket of the world, labored in the mills and factories that made us an industrial power, and started the traditions of family, loyalty, and honor that are the cement of America's character.

It is always amazing to me to think back and realize that over the last 150 years, the people of a community like Berlin have seen America withstand a Civil War, send its young men to fight in two World Wars and other conflicts, suffer through depression, recession, and natural disaster, and see America and the region challenged from a hundred different directions. But in seeing what the ancestors of Berlin have overcome and the challenges they have met, it is a reminder to us all that deep in the American fabric rests the characteristics to see us through whatever present and future crises we face.

My congratulations to the Berlin community on its sesquicentennial, and continued good wishes for the people of the community.

## WINPISINGER CALLS FOR FAIR TRADE

### HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. VENTO. Mr. Speaker, the national debate on how to effectively restore fair trade and reduce our unprecedented trade deficit continues. There are, of course, many different views on how our Nation should respond to this serious problem. Many different points of view were recently expressed at the Second Annual Global Logistics Symposium at Princeton University. During this symposium, more than 20 leaders from business, labor, academia, and government met to discuss international trade issues and how they affect our Nation's economic future.

One of the more provocative and throughtful addresses to the symposium was delivered by William W. Winpisinger, president of the International Association of Machinists and Aerospace Workers. Mr. Winpisinger's call for "a level playing field" in international trade is compelling and persuasive. I ask unanimous consent that Mr. Winpisinger's remarks be printed in the RECORD.

The remarks follow:

NOTES FOR REMARKS BY WILLIAM W. WINPISINGER

(International President, International Association of Machinists and Aerospace Workers)

We thank the Center for Logistics and Transportation for this opportunity to present a trade union view on global logistics and international economics. It will be an unaccustomed experience to attempt to beard the lion in its den.

I'll waste no time in putting our position up front.

We detect not a little chicanery and hypocrisy in discussing the current competitiveness craze in terms of economic nationalism, when, in fact, the primary actors and agents in the game are multinational corporations (MNCs). Certainly, U.S.-based MNCs claim no allegiance to country or government. Rather, they fly a flag of convenience in bottom-line quest for market penetration or domination, resource control, cost-minimization/profit-maximization, or all of the above.

Here's a viewpoint that seldom—almost never—gets presented to officialdom or the public at-large. When U.S. based MNCs buy into; co-produce with; transfer capital, technology and management to; invest in or otherwise make direct foreign investment for production offshore (goods or services); but for sale back in the home market, then in terms of economic nationalism, America's "competitiveness" is enormously deprived, while that of our "competitors" is greatly enhanced.

As long as this uninhibited free flow of largely private capital and technology persists for purely private reasons, then U.S. "competitiveness will remain anemic, for the obvious reason that U.S.-based MNCs are also foreign competitors.

Their corporate balance sheet and income statement compete against our national income accounts and balance of payments. Those MNC ledgers also compete against the bottom-line standard of living of most working and unemployed citizens here in the home economy.

With the trade deficit currently standing at somewhere around $170 billion and probably another third of that amount escaping Customs and Census Bureau accounting—which red ink continues to hemorrhage and coagulate on the Special Trade Representative's doorstep—then the "competitiveness" craze seems likely to become chronic and maybe even deteriorate into some severe form of economic psychosis. (For whatever its worth, we don't expect the Federal Reserve Board with Alan Greenspan, Barbara Walters, and a new brand of Broadway Economics to escape the phychosis. A Right Wing Reaganite majority on the FRB, seems determined to continue to keep Economics a nasty and brutish pseudo-science—a new media star Chair notwithstanding).

Within the parameters of orderly and fair trade—fair meaning that labor as a factor of production has at least equal priority with capital and management—we believe corporate sovereignty and behavior must be licensed in the national interest in terms of national needs, priorities and values. U.S. International trade policy ought to be complementary, not contradictory, to our domestic policies and priorities.

Our major trade competitors play the game that way, and they're enjoying trade surpluses, not trade deficits.

On the other hand, Newly Industrialized Countries (NICs) and Lesser Developed Countries (LDCs) in almost all cases enjoy an authoritarian's "comparative advantage" of substandard civil, human, political, labor and trade union rights. Environmental, safety, health and protections against hazardous and toxic industries are lacking or substandard, too.

In all trade deals, agreements, and treaties, uniform and parity standards to raise ecological, environmental, human and labor rights, and to enhance living standards ought to be a condition precedent to free entry of goods and services into the U.S. market. Specifically, we believe signatory nations of the General Agreement on Tariffs and Trade (GATT) should impose trade sanctions on the products of nations whose businesses and corporations violate fundamental economic, political and social rights.

It is ironic that some 73 nations have agreed to trade sanctions on countries that violate agreements to protect wild animal life, but none has yet been willing to strike a similar bargain to protect human beings.

Without those measures, the global economy will continue to be exploited rather than developed. And the new MNC global sovereignty linked and allied with authoritarian regimes in NICs and LDCs, will continue to undermine effective demand—not to mention democracy—in our domestic economy, while failing to build and expand new consumer-based markets in the exploited ones.

It is a "zero-sum" game, the rules of which can and must be changed.

We notice that much of this current competitiveness craze is based on a cost-cutting binge. Academics and management officials alike will surely pardon us if we point out that it is a basic economic principle that cost-cutting in and of itself creates no economic growth nor new wealth. Cost-cutting, too has its point of diminishing return and optimal effect. In particular, when cost-cutting is applied almost universally to labor and to substituting other factors for labor, maximum efficiency equations and goals may be achieved at the expense of aggregate effective demand and a market that can buy that which it produces.

In other words, how many cars, TV sets and personal computers can Koreans, Indonesians and Mexicans buy for personal consumption on wages of 50 cents an hour or less and some food rations? And assuming this globalization of production process continues over another decade—as most MNC moguls and their free-trader allies in academia and government vow it will—how long before low-wage deindustrialized U.S. workers cannot buy imports—cheap or otherwise?

Alabama, after all, implemented a cheap-wage, anti-union economic development strategy in 1936. It was an undeveloped economy then, and it is still undeveloped fifty years later.

Globally, struggling people in the Southern Hemisphere are not apt to wait 50 years more for a free-trade system to improve their lot.

For those who protect MNCs and international capital by raising the twin spectres of protectionism and Smoot-Hawley tariffs, we suggest they dig a little deeper into modern economic history. The causes of economic protectionism and Smoot-Hawley legislation were directly linked to a fanatical free-market dogma that espoused the primacy of capital and management, supply-side economics, extensive substitution of technology for human labor, and a massive almost universal cost-cutting binge against wages.

More than one economic historian has long since concluded that long term and persistent destruction of the labor economy, and, hence, the undercutting of effective demand and the consumption function, were what really led to economic protectionism at the onset of the Great Depression.

Then, as now, the federal government in the U.S. abdicated responsibility for establishing rules of the trade game and left international commerce to the fates of a free market mythology and the whims of purely private interests, the public interest be damned. It didn't work in the 1920s and it won't work in the 1980s.

There must be government intervention to protect labor and consumer interests, as well as capital, management and producer interests. We note that intervention apparently is not a bad move when it comes to correcting the excesses of fluctuating exchange rates and shoring up battered currencies, including the dollar. Indeed, the notion that a purely competitive world exists is silly in the face of reality. The reality is that transnational oligopolistic enterprises and international cartels are the dominant players in world-wide markets. They're not moving to promote competition. They're hell-bent on eliminating it.

So all the flak we hear about "competition" and "competitiveness" is illusory, if not downright deceitful and hypocritical.

What this country really needs right now is not less government and more corporate ramboism. It needs something like a Temporary National Economic Council to examine and reconsider the theoretical underpinnings, the institutional relationships and structures, and, above all, the practices of the international trading system. We need more systems analysis and less blind dogma guiding our trade apparatus and trade policies.

And that systems analysis must factor-in human values as well as the amoral equations of bionic economists and their econometric models.

In calling for this analysis and examination, we can look to at least one of the Big Three bionic economists to support us. Data Resources International's (DRI) own Otto Eckstein called for just such a thoroughgoing analysis in a 1984 report on U.S. manufacturing industries.

Said Mr. Ekstein in that report, "There are so few exceptions to the decline of the international positions of the U.S. manufacturing industries that one must seek . . . general causes that act on the entire American economy." There's a call for trade systems analysis if ever we've heard one.

Perhaps none in academia has made the point quite as forcefully or succinctly as Bruce Scott and George C. Lodge in their boo, "U.S. Competitiveness in the World Economy." "Declining U.S. competitiveness is evident in a shift from decades of trade surpluses to substantial deficits, eroding market share in almost all sectors, and declining profitability since the late 1960s.

"In addition, real, after-tax earnings of American workers have been declining since they peaked in 1972-73."

Scott and Lodge continue to make our point, when they declare, "A clear concept of national competitiveness is essential to diagnosing the problem. U.S. competitiveness means the ability to employ U.S. resources, both human resources and capital resources, so that Americans earn increasing returns while in open competition with other countries."

Finally, Scott and Lodge call for our analysis and examination of the relationships and linkages of our domestic economy with the emerging global one: "Unless the United States re-examines and modifies its basic economic strategy, it cannot expect to finance its commitments to leading the Western Alliance, increasing the domestic standard of living, and improving the distribution of income."

There you have it. We trust it isn't too disturbing to Princetonians that we've cited Harvard scholars and alumnus to back our cause. Point is, learned scholars in the rarefied reaches of academia are beginning to cut through the fog and smokescreen of free market mythology and are discovering reality to be remarkably similar to the way Machinists and working people have been describing it these past half-dozen years or more.

If Harvard can begin to see things our way, Princeton can't be far behind. Or is it already ahead?

That last line of Scott and Lodge's, about the U.S. continuing to lead the Western alliance brings up an increasingly key component of international economics, which is seldom included in the academic, corporate or government discussions. (Or any phalanx thereof, to be more precise). The neglected component of the analysis and discussion of international trade and the global economy is the link between disarmament and development.

In her annual series of excellent statistical study, entitled, "World Military and Social Expenditures," Ruth Sivard tells us that since 1960, world military expenditures have increased faster than the world's aggregate GNP per capita.

Military expenditures have more than doubled per capita (in 1983 dollars) since 1960, while GNP per capita has barely increased by half. The increase in the world's economic product over the 1960 to 1983 period amounted to a net $8.6 trillion. The growth in military expenditures during the same period was $14 trillion.

This means that military expenditures have outpaced the economic expansion on which rapidly growing population depends for improved living conditions.

The gap between the pace of the arms build-up and the growth in GNP per capita has become even more pronounced in the last three years.

As Ms. Sivard tells us, "Behind the numbers is the pain of millions of lives lost to neglect as well as to violence."

Last year, under the auspices of the United Nations, a joint declaration by a panel of 15 internationally renowned economists, which included Nobel Prize Laureate Lawrence Klein of the U.S., Walter Scheel of the Federal Republic of Germany and Inga Thorsson of Sweden, concluded that in a world of increasing interdependence, global politics is being reshaped in a way that defines security as much in economic as in military terms.

"The time has come to take into account the existence of an array of non-military threats to security in such forms as sharply dimished prospects for economic growth and social development, large scale unemployment, resource scarcity, threats to food security and severe environmental degradation," the panel stated.

"Scarce resources are better put to the formidable task of improving living standards than to military build-up."

Therefore, ". . . there is sufficient civilian need in the world which, if turned into effective demand, is a viable instrument of economic stimulation in recessionary conditions, and a feasible stimulator of research and development," according to those distinguished observers.

Still, too many policy makers and policy advisors here in the U.S. continue to think and act as if only the military sector can promote economic development. Tell that to the Vietnamese. Tell it to Central Americans. Tell it to Grenadians. Tell it to those Middle Eastern and South African and South American people who are and have been subjected to military models of development.

Certainly, the Reagan Administration puts all its stock into a military version of Lord Keynes' model. What's more, The Reagan Administration has refused to participate in the UN General Assembly's International Conference on the Relationship Between Disarmament and Development scheduled in Paris from July 15 to August 2 this year. The Administration's argument is that disarmament and development are separate issues, with no connection.

We reject that line out of hand. In a world of finite resources, and the threat of nuclear armageddon (with smart "conventional" weaponry no less destructive when taken in totality) the sensible assumption for a global political and economic strategy must be to reallocate resources away from military purposes towards socio-economic development.

Now that the U.S. is dependent on foreign credit to sustain its excessive militarism, conversion from a military to a civilian-based domestic economy and international trade system is no longer solely a moral imperative. It is a political and economic imperative. And that dependency on foreign credit inextricably links development with disarmament.

In an interdependent world, neither the developed nor the Newly Industrialized nor the Less Developed nor the Undeveloped countries can escape the consequences of global militarism and its economic costs.

Excessive militarism is responsible for much of U.S. "competitive" problems. The folks who are beating our socks off in the trade sweepstakes don't have to devote 55 percent of their public revenues to building and sustaining a gold plated Rube Goldberg military machine.

And that too has to be considered in any intelligent discussion about the world economy and the current competitiveness craze.

Thank you.

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## TAX TREATMENT OF PICK AND ROLL GRAIN

### HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. DAUB. Mr. Speaker, yesterday I introduced a bill to more fairly deal with the income earned when a farmer does the "PIK and roll." No, it's not a new basketball play done in the corn field, but when it comes to describing the IRS's ruling on the topic I can't help but cry foul. Revenue ruling 87-17 requires a farmer who uses PIK certificates to redeem Commodity Credit Corporation [CCC] loan grain, to treat the transaction as though the certificates had been sold to the CCC. In short, the IRS considers this transaction to be income producing, requiring the farmer to pay income tax on the amount during the year of the loan repayment. Clearly, this is not income to the farmer, but rather is the repayment of a loan. Taxable gain should not be recognized by the farmer until the underlying collateral, the grain, is sold and not when a loan is repaid.

The ruling is particularly unfair because it was not announced until March 1987, after many farmers had already relied on the old rules and completed their PIK and roll transaction. The result is that many 1986 tax returns should include income from farmers' 1985 and 1986 crop. The 1985 crop would have been deferred until 1986 under section 77 of the Internal Revenue Code. If a farmer did a PIK and roll in 1986, under the ruling the repayment of the loan would also be included in their 1986 return, resulting in a doubling-up of income in 1 year.

My bill would place the farmer back in the position he was in prior to the IRS ruling, with one addition; that is, the farmer could elect to have the tax apply 9 months after the date the loan was originally received. This election is based on the similar rule which requires a CCC loan to be included in income after 9 months when the loan lapses. Under my bill, the farmer can also elect to take the gain into income when the loan is repaid, as in the IRS ruling, or when the commodity used to collateralize the loan from the CCC is finally sold. Most importantly, without the passage of this bill many farmers will be faced with the unexpected and unfair result that they will have to recognize income from two crop harvests in a single year.

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## GLASNOST

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. YATRON. Mr. Speaker, today the United States and the Soviet Union signed a pact in an attempt to reduce the risk of war. Certainly, all of us who value peace and human life cannot help but be encouraged by initiatives such as these. Soviet Foreign Minister Eduard Shevardnadze quoted in the September 16 edition of the Washington Post said, "I would like to think that this small gulp of hope is a prelude to a quenching of the global thirst for peace and security." Even though I long for this gulp of hope, in fact many gulps of hope, there are reasons why my thirst will not yet be satisfied.

I remain concerned about the human rights situation in the Soviet Union, in particular, the plight of Soviet Jews. Although the number of Jews emigrating from the Soviet Union is increasing and anti-Semitism is not as evident in current official policy, the issue of Jewish emigration and national rights has yet to be fully resolved. "Glasnost" will have positive effects on Soviet Jewry if it is fully implemented, but international pressure must continue so this goal can be realized.

The Soviet Union is sensitive to external criticism of its domestic practices. Mr. Gorbachev is very aware of Western concern about Soviet Jewry. He understands that compliance with the provisions of the Helsinki accords pertaining to emigration and family reunification are important to the image of the Soviet Union he seeks to export to the free world. It is, therefore, incumbent upon us to make sure human rights remains a priority in our negotiations, and to continually remind Soviet authorities of their obligations to their citizenry.

Before we can trust the word of any government, we must look to those who are governed. If the promise of liberty and justice has been denied them, how then will the promise of a reduction in arms be afforded to us.

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## TAKE THE AVIATION TRUST FUND OFF BUDGET

### HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. HOWARD. Mr. Speaker, the Committee on Public Works and Transportation will seek a waiver from the Rules Committee on Tuesday to allow an amendment to be offered on the floor to remove the airport and airway trust fund from the congressional budget process.

The increasing frustration of the American public with flight delays as well as the growing concern with safety problems make this move imperative. The unobligated balance of almost $6 billion should be spent on airport expansion and safety projects and the modernization of the antiquated air traffic control system.

The aviation trust fund is fully funded by dedicated taxes paid by users and benefiters of the eviation system. The money cannot be spent for any other purpose and it is deceptive bookkeeping to attempt to use each year's unspent surplus for deficit reduction purposes.

The increasing support for increased aviation spending has been demonstrated in newspaper editorials throughout the country. In the latest, which I submit for the RECORD, the New York Times on September 13 endorsed removing the aviation trust fund from the budget.

The article follows:

[From the New York Times, Sept. 13, 1987]

#### FREE THE AVIATION BILLIONS

Stung by charges that she has mismanaged the nation's air transportation system, Secretary of Transportation Elizabeth Dole blames Congress. It is responsible for the unspent $5.6 billion in the Aviation Trust Fund, she says, and thus for increased congestion and delay.

Mrs. Dole is partly right. But so are her critics. The nation's interest lies less in refereeing the dispute than in clarifying how the trust fund is to be used and *using* it. The best way would be to move the fund entirely out of the Federal budget.

About $3 billion a year collected through an 8 percent tax on airline tickets and other aviation consumption feeds the trust fund, which is sequestered by law for use in the nation's aviation system. Most of the money goes for capital purposes—equipment and facilities; airport construction and improvement; research and development. But the fund also pays for nearly half the Federal Aviation Administration's operating budget.

Despite the restrictions, however, Congress still must appropriate money from the fund each year, just as it does the Government's other funds, and the appropriation counts in the general deficit accounting. Mrs. Dole says Congress has appropriated less than the Administration has requested and less than the law authorizes for equipment and facilities. This has triggered a penalty provision designed to assure that the fund is used mostly for capital expenses as opposed to operations. For every dollar that capital spending falls below authorized levels, the F.A.A. loses two trust fund dollars for operations and must draw on the general Treasury.

Congressional spokesmen, Democratic and Republican, reply that Mrs. Dole's charge of underfunding ignores the realities of the appropriations process. The President can get away with offering a budget that gives nothing for some functions and fully funds others, like the F.A.A. But politically, Congress could not pass a budget that didn't give something to each function, even if that means funds for all fall short.

It is absurd that an issue of such importance to so many should come down to a debate over the arcana of Federal budgeting. Setting up a trust fund but leaving it subject to annual appropriation invites confusion, abuse and backbiting. The Aviation Trust Fund ought to be taken entirely out of the budget, perhaps put in a new quasi-governmental agency. That would finally let the nation's travelers buy the air transportation system they thought they had been paying for.

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## MEDICARE HOSPITAL PAYMENT POLICIES

### HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. HUBBARD. Mr. Speaker, I have recently received a July 27 letter from my friend and constituent Michael L. Graue, administrator of HCA Logan Memorial Hospital in Russellville, KY, which I would like to share with my colleagues.

Mike Graue has contacted me about his views with regard to the budget reconciliation package as it relates to Medicare. His views have merit and deserve the attention of my colleagues.

I hope my colleagues will take a few minutes to read and consider his excellent and thoughtful comments. The letter to me from Mike Graue is as follows:

July 27, 1987.

Hon. Carroll Hubbard,
*Congress of the United States, House of Representatives, Washington, DC.*

Dear Representative Hubbard: With Congress near agreement on the fiscal year 1988 budget resolution, it is my understanding that authorizing committees soon will meet to draft substantive provisions needed to meet budget savings targets in the resolution.

I am writing to express my views and concerns about matters likely to be considered during reconciliation regarding Medicare hospital payment policies. Decisions on these issues are of critical importance to our hospital, its future and its ability to serve the community. Logan Memorial Hospital is a 100 bed acute care facility that is classified as a rural hospital. Since you were a part of the dedication program for our new hospital 2 years ago, I know you are familiar with the community and the service area. Our patient load at present is 61 percent Medicare. These issues are vital to our existence.

First, hospitals must be provided with a reasonable increase in Medicare prices under the prospective payment system [PPS], at least equaling inflation in the hospital marketplace minus 2 percent. Moreover, efforts to "rebase" PPS, and drastically cut payments by recalculating the base used to set prices, must be avoided. Rebasing would be predicated on inadequate and invalid data and would undermine the system's incentive for efficiency.

PPS price increases have been extremely small over the past few years—0.2 percent in fiscal year 1986 and 1.15 percent in fiscal year 1987. In fact, inflation in the hospital marketplace has totaled 19.5 percent since fiscal year 1984 when the system began, but PPS prices have risen only 9.0 percent—10 percentage points or 50 percent less than initially promised by Congress.

Second, current Medicare payment methodology for hospital capital expenses should be maintained. Congress should defer action to incorporate capital in PPS for at least 2 years and prohibit the Secretary of Health and Human Services from issuing regulations that accomplish such an objective. Without specific congressional action to bar implementation of these regulations, HHS rules will take effect automatically and radically change the method Medicare uses to reimburse hospital capital expenses.

When PPS was enacted, capital costs were excluded because no one knew how best to fold such costs into prices. A solution is no closer today. Currently available information suggests that the only method of paying for capital that provides reasonable assurance of adequacy and equity is a continuation of current methodology. None of the proposed methods of paying for capital yields adequate and equitable payments.

Moreover, incorporation of capital in PPS is not needed to control new capital expenditures. Just last year, through enactement of the Omnibus Budget Reconciliation Act of 1986 (Public Law 99-509), Congress took steps to restrain hospital capital payments. PPS incentives to control operating expenditures, combined with private-sector efforts to limit health care spending growth, already have limited capital expenditures to necessary projects.

Also realizing PPS potential depends on whether the system can offer assurance that payment will be adequate and equitable. Continuation of a 21 percent differential between urban and rural PPS prices is inequitable given changes in utilization patterns since 1982. Consequently, the rate of increase in fiscal year 1988 PPS prices for rural hospitals should be approximately 4 percent more than the increase in urban hospital prices to appropriately reduce the differential.

Because of declining volume, changing case mix and other factors, rural hospitals have a definite disadvantage. Essential hospitals should qualify for sole community provider designation—granted when an institution is the sole source of inpatient hospital services reasonably available to individuals in the area. Medicare payments also should reflect these hopitals' special needs, particularly when patient volume drops substantially and increased funds are needed to cover fixed costs to keep the facility open.

Criteria for determining whether a hospital is a sole community provider should be expanded to include all hospitals in counties where there are no other hospitals, or that are more than 25 miles or 40 minutes from another hospital. The sole community provider should have the option of selecting from two payment alternatives for a three year period: (1) current law retaining the 25 percent hospital-specific/75 percent regional price blend and special low-volume adjustment; or (2) full national rates with low-volume adjustment protection.

Periodic Interim Payments should be maintained for all providers now eligible. A policy change will result in a claims reimbursement slow-down.

Diagnosis Related Groups [DRG's] should be refined to more accurately reflect patients' severity of illness.

I appreciate your taking the tme to read this letter and consider my views and concerns. If you have questions or require additional information, I trust that you or your staff will feel free to contact me.

Sincerely,

Michael L. Graue,
*Administrator.*

## QUIZ ON THE U.S. CONSTITUTION

### HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. FASCELL. Mr. Speaker, we are currently celebrating the 200th anniversary of one of our Nation's most remarkable and lasting achievements—the Constitution. During my recent Labor Day picnic in Miami, an annual tradition which I have celebrated with my constituents for the past 37 years, I distributed a quiz on the constitution for all to enjoy. This challenging quiz was prepared by Mr. Pat Collins, a highly respected teacher of 11th grade U.S. Government classes at Belen Jesuit Preparatory School in Miami. I am submitting the quiz for the Record today for the education and enjoyment of our colleagues here in the House. I hope that many of you will take the opportunity to research these challenging questions. For those of you who need a little extra assistance in mastering these important constitutional questions, I will provide the answers to the quiz at some future date.

Constitution Trivia Quiz

(Skill Level: "Juniors")

1. The first part of the United States Constitution is called:
1. The Preamble
2. The Introduction
3. The Opening

2. The first words of the Constitution are:
1. "In the beginning . . . ."
2. "Once upon a time . . . ."
3. "We the People . . . ."

3. The Constitution was written in the year:
1. 1776
2. 1787
3. 1812

4. The Constitution was written in the city of:
1. New York
2. Washington, D.C.
3. Philadelphia

5. The number of Articles in the original Constitution is:
1. Seven
2. Ten
3. Twenty

6. The first Article of the Constitution is about the:
1. Congress
2. President
3. Courts

7. The first ten Amendments to the Constitution are called the:
1. Articles of Confederation
2. Northwest Ordinance
3. Bill of Rights

8. Secretary William Jackson and —— delegates signed the Constitution.
1. 39
2. 42
3. 55

9. The number of states in the United States of America at the time of the Constitution was:
1. 48
2. 27
3. 13

10. The oldest constitution in the world today belongs to:
1. Italy
2. The United States
3. France

(Skill Level: "Patriot")

1. The "Father of the Constitution" is:
1. George Washington
2. John Hancock
3. James Madison
4. Thomas Jefferson

2. Complete the phrase: "We the People of the United States, in Order to form a more perfect ————, establish ————, insure domestic ———— . . ."
1. Country, Justice, Peace
2. Union, Justice, Tranquility
3. Union, Liberty, Welfare
4. Nation, Justice, Tranquility

3. The Great Compromise at the Federal Convention resulted in:
1. 3 branches of government
2. a bicameral legislature
3. the electoral college
4. preserving the slave trade

4. The delegate who proposed to have a President with a lifetime term:
1. Alexander Hamilton
2. George Mason
3. George Washington
4. Elbridge Gerry

5. The Constitution was completed and signed on:
1. September 17, 1787
2. September 7, 1787
3. July 4, 1787
4. July 4, 1776

6. The 85 essays written by James Madison, Alexander Hamilton and John Jay in support of ratifying the Constitution are called:
1. Common Sense
2. The Social Contract
3. The Federalist Papers
4. The Centinel

7. The first state to ratify the Constitution was:
1. Pennsylvania
2. Virginia
3. Connecticut
4. Delaware

8. The Constitutional principle of establishing three branches of government (Executive, Legislative, and Judicial) is called:
1. federalism
2. separation of power
3. parliamentary
4. popular sovereignty

9. The First Amendment to the Constitution provides for:
1. freedom of speech and press
2. freedom of asembly and petition
3. freedom of religion
4. all of the above

10. Today the United States Constitution is preserved in:
1. The Library of Congress
2. The Museum of American History
3. The National Archives
4. The White House

(Skill Level: "Founding Father")

1. The Secretary of the Federal Convention of 1787 was:
1. James Madison
2. George Washington
3. William Jackson
4. Charles Pinckney

2. The number of delegates who attended the Federal Convention was:
1. 74
2. 55
3. 42
4. 39

3. The Virginia Plan was introduced to the Convention by:
1. William Paterson
2. Edmund Randolph
3. John Blair
4. George Mason

4. "The United States shall guarantee to every State in this Union a ———— form of government." (Article IV):
1. republican
2. democratic
3. federal
4. fair

5. The Committee of Style and Arrangement put the Constitution in its final literary form. The delegate most responsible for that work:
1. Gouverneur Morris
2. William Jackson
3. Rufus King
4. William Samuel Johnson

6. George Mason of Virginia refused to sign the Constitution because:
1. the states were weakened
2. he hated Alexander Hamilton
3. there was no Bill of Rights
4. all of the above

7. The only "Founding Fathers" to sign the Declaration of Independence, the Articles of Confederation, and the Constitution were Robert Morris and:
1. Benjamin Franklin
2. Oliver Ellsworth
3. George Washington
4. Roger Sherman

8. The three authors of The Federalist Papers all signed their names:
1. Richard Saunders
2. Publius
3. The Committee
4. Revere

9. The term "due process of law" is found in Amendments:
1. I and VI
2. III and XXV
3. IV and XII
4. V and XIV

10. On July 16, 1987, members of the 100th Congress met in Independence Hall to honor the Great Compromise of 1787. The presiding officer of that ceremony this summer was:
1. Speaker Jim Wright
2. Senator Robert Byrd
3. Congresswoman Lindy Boggs
4. former Chief Justice Burger

## CIVILIANS WHO CANNOT REMAIN NEUTRAL

### HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. MOAKLEY. Mr. Speaker, for the last 4 years, I have sponsored legislation which would temporarily suspend the deportations of Salvadoran and Nicaraguan refugees currently in the United States. On July 28, the House of Representatives passed my bill by a strong margin of 237-181. The Senate is expected to consider a similar bill sponsored by Senator Dennis DeConcini of Arizona in the very near future.

Mr. Speaker, I believe that Salvadoran and Nicaraguan refugees deserve temporary protection due to the violence and turmoil which has engulfed both countries. The Salvadoran and Nicaraguan refugees who have sought safety in the United States are not economic migrants, as some have contended. They are war refugees. They need our help.

Holly Burkhalter, the Washington, DC, representative of Americas Watch, Asia Watch and the Helsinki Watch has written an excellent article for the Christian Science Monitor about the special dangers that civilians of both El Salvador and Nicaragua must currently face. I think it further dramatizes the need to offer those who have fled these a temporary helping hand. Mr. Speaker, I highly recommend Ms. Burkhalter's thoughtful article to my colleagues.

Civilians Who Cannot Remain Neutral

(By Holly Burkhalter)

Insurgency and counterinsurgency have a particularly crude dimension in Central America, where there have been a number of attacks on civilians in recent months.

In El Salvador and Nicaragua, guerrillas and government forces are forcing civilians to aid them or are taking reprisals against civilians believed to be helping the other side. In both countries, it is difficult for civilians to remain neutral, as rebel and government forces attempt to deprive each other of civilian support.

A recent case of five killings by the Salvadorean Army illustrates the problem. In May, guerrilla combatants forced five young men from northern San Miguel Province to accompany them and armed them with guns. The men were released several days later. They sought to return to their homes without the weapons, but were captured and killed by government soldiers. The Salvadorean Army first claimed to have killed a group of guerrillas in combat, but later changed its story to accuse the guerrillas of killing the five and dumping their bodies into a well. Family members insist the unarmed victims were executed by the armed forces.

The Salvadorean guerrillas also carry out selected assassinations of civilians believed to be assisting the Army. A recent increase in such incidents appears to be a response to the Army's stepped-up efforts to recruit civilian collaborators in combat areas. From the standpoint of the Army, however, the risks run by its informers may not be a matter of great concern. As one Army officer in San Miguel was reported in April as telling a US journalist: "It makes the guerrillas nervous, because they do not know who is working for us. If they kill the person or an innocent civilian they terrorize the population, but if they do not, then we may get information."

In Nicaragua, both the Army and the contras depend upon civilians for military intelligence. Where contra forces have attempted to operate, murders of Sandinista activists and, in some cases, of their family members, are frequent. Such attacks eliminate some who might inform the government of the whereabouts of the contras, and terrorize others into silence. The contras have also kidnapped civilians and forced them into military service or into providing logistical support. Many Nicaraguan civilians have been forced to serve as bearers of supplies for the contras, or as unarmed scouts and human minesweepers who walk ahead of the contra troops.

For their part, Sandinista military units are antagonistic to civilian supporters of the contras who, they believe, provide information that makes Nicaraguan government forces vulnerable to ambushes. Accordingly, the Sandinistas have arrested hundreds of alleged contra supporters in conflict zones, denied them due process, and jailed and mistreated them. Abuses have included beatings, mock executions, deprivation of sleep and food, and threats against family members.

While the laws of war allow a government to take legal action against civilians supporting its enemies, they do not permit trumped-up charges, kangaroo courts, physical abuse, or threats against family members.

Many would argue that it is in the nature of insurgency and counterinsurgency that warring armies compete for civilian support in conflict areas and often punish those believed to have aided the opposing side.

Yet this does not mean that it is futile to try to protect human rights in the context of such wars. The parties to these conflicts also seek international legitimacy and support. By making it plain that practices which victimize civilians are not tolerable, the international community can force changes.

The armed forces were required to curb the death squads and aerial bombardments of civilians; the Nicaraguan armed forces were required to curb abuses against the Miskito Indians; the guerrillas in El Salvador and the contras in Nicaragua are being required to curb their use of land mines that kill and maim civilians. All of these curbs were forced by international public opinion.

That same pressure should be directed against both sides in El Salvador and Nicaragua who are abusing civilians they consider supporters of their enemies.

## BEHAVE OR BE DAMNED

### HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. WORTLEY. Mr. Speaker, I would like to call the attention of my colleagues to a radio address about corporate morality given by the renowned Paul Harvey on August 22, 1987, for the ABC radio network. I submit a transcript of the address for the RECORD.

Paul Harvey is right on target with his timely report, and I hope his message is heeded. The free market system serves us well, but it is not to be confused with the free-for-all market system envisioned by the inside traders and racketeers of current infamy.

As a member of the House Committee on Banking, I am acutely aware of the role of moral abuses in the failure of financial institutions. Recent testimony before our committee by the Federal Deposit Insurance Corporation revealed that serious insider abuse, fraud, and/or apparent criminal activity contributed significantly to about one-third of the bank failures in recent years. Such offenses are an assault on our moral culture as well as on innocent taxpayers, investors, and consumers.

[Paul Harvey News, ABC Radio Network, Sept. 22, 1987]

BEHAVE OR BE DAMNED

There is a new awareness in the corporate board room that industry without morality has lost its rudder.

American leaders in politics, industry and finance have been cutting corners, bending rules, cheating.

Recently the Chairman of Chase Manhattan addressed a graduating class at Tulane with what he labeled up front as a "sermon."

Mr. Willard Butcher was appalled—and he thought those students should be—at insider trading scandals which have converted some Phi Beta Kappa graduates of the finest schools into convicted felons.

And even in the pristine halls of academia, embarrassing revelations of rule-breaking in amateur athletics.

One college president recently remarked, wryly, "We're trying to build a university that our football team can be proud of."

Scandals are not new to our nation. Ethical abuses have been with us since the Grant administration and the Teapot Dome scandals in government—through the Black Sox scandal of 1919 in sports—to the Salad Oil and Equity Funding scams in business.

But Mr. Butcher says the recent difference is that ethical abusers came to be treated like celebrities.

Recently the New York Times said the best way to ensure the success of your next dinner party is to invite Ivan Boesky, Dennis Levine or the Mayflower Madam.

The attitude seems to be, "If you're indicted—you're invited." Where Americans formerly outpaced the world in producing quality goods and reliable service, recently the short-term objectives came to be make money, get rich and get out.

But more significant than all the hanky-panky that's been going on is the response of such men as Willard Butcher. His company now has a Corporate Code of Conduct—spelling out the value standards which his employees are expected to live up to.

Motivation seminars which used to stress convince the customer, sell the sizzle, close the deal—are now espousing ethical behavior and ethical principles, "behave or be damned."

Corporate leadership is looking beyond quarterly profits to long-term societal concerns: Reg Jones at G.E., Dan Burke of ABC, Bill Pollard at Servicemaster, Irving Shapiro at DuPont, David Rockefeller and Jim Burke and John Shad. And Harvard's business school has now made the study of ethics an integral part of the curriculum.

From recent painful headlines has come a new commitment to "ethical excellence." We've discovered that if only in our own enlightened self-interest, being better and doing better is better.

## UNITED STATES SHOULD NOT ABANDON YET ANOTHER ALLY

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. SOLOMON. Mr. Speaker, for some reason best explained by psychoanalysts, some individuals, including, regretably, Members of this House, have chloroformed themselves into thinking negotiations with the Marxist masters of Nicaragua will guarantee peace for all time. These people, some of them well-meaning, seem to believe that if one wishes for peace hard enough, it will materialize, that if we can get people who hate us to sign a treaty, they then will love us.

One of the best newspapers in the Northeast, the Times-Union of Albany recently exposed that dangerous mentality, warning us to keep up pressures on the Sandinistas until they prove their interest in peace.

If they do, it will be a first. There is not one case in history, not one, in which a peace agreement with Communists has been worth the paper it was written on. No agreement with the Communists has ever resulted to our benefit.

Not everyone is fooled. The editors of the Times-Union, at least, can see through the wishful thinking that threatens to reach epidemic proportions these days:

STICKING WITH THE CONTRAS

Irrespective of the wisdom of Costa Rican President Arias' peace plan for Central America, the United States is more or less stuck with it. The President himself had pretty much committed himself to a negotiated settlement when he, in effect, authorized Jim Wright to draw up a plan in the administration's name. As soon as Mr. Arias' peace train left the station, however, Jim Wright jumped aboard and so—at least with one leg—did President Reagan.

The problem with the Arias plan, however, is that it might too easily permit the Sandinistas to violate its main principles while the anti-communist forces are abandoned and dissolved. The Sandinistas, that is to say, may not be serious about restoring civil and political rights and moving toward a multi-party system and open government.

It is for precisely this reason that President Reagan has so far insisted that the contras not be abandoned by the United States until the Sandinistas live up to their part of the accord and liberalize that nation's politics. Commandant Daniel Ortega, contrariwise, has lately been insisting that the peace accord, which was signed by several Central American nations last week, would not be binding unless the United States first ended its support of the contras.

There will undoubtedly be pressure from many in the United States, including many in Congress, for President Reagan to cut the contras off. The President should resist.

The fact of the matter is, Mr. Ortega and the rest of the Sandinista directorate have given little reason for the world to believe they would voluntarily move in the direction of freedom and democracy—and much reason to doubt it. In 1979, it will be remembered, the Sandinistas were also called upon to compromise with their political opponents, mostly because of heavy political pressure. The agreement that was reached included guarantees for freedom for all political parties, opposition groups and the media, as well as a system for protecting private property against arbitrary confiscation.

While agreeing to all of this in the abstract, however, the Sandinistas were busy undermining each principle in practice. All this happened, it should be recalled, when the Carter administration still looked favorably on the revolution—and was even prepared to send $75 million in aid to help out the Sandinistas. Since then, Nicaragua has gradually been converted into a quasi-totalitarian state.

Does anyone really believe that Mr. Ortega would even be talking about freedom and democracy if the contras, backed by the United States, had not all along been pressuring him in the field? Does anyone seriously believe that if left alone now the Sandinistas would quit their Marxist program for Nicaragua? Indeed, does anyone believe that the Sandinistas are any less Marxist or any less beholden to Cuba and the Soviet Union today than they were last year?

When Mr. Ortega was finally pressured into signing this latest peace accord he immediately flew to Havana to confer with Fidel Castro. Strangely, Mr. Castro gave the Sandinista leader the green light—an even more curious development than the Sandinistas agreeing to an open government.

But, as Lawrence Harrison, the former director of the U.S. Agency for International Development's mission to Nicaragua has written, "That Mr. Castro has now endorsed the Central American peace agreement is particularly telling: Does anyone believe that he really wants democratization in Nicaragua?"

Before the United States can afford to halt aid to the contras, the Sandinistas must take specific steps. These include reducing their military forces, ousting Cuban and Soviet military advisors and guaranteeing free and open elections that would provide the contras the opportunity to take part in a democratically elected government.

It is certain there will be no move toward democracy in Nicaragua without some pressure being applied. The United States cannot abandon the contras now because the contras are the only source of pressure that could force Nicaragua to reform. A

piece of paper by itself, no matter how many signatories, will not do the job.

## IN HONOR OF THE ANNUAL THIRD AVENUE FESTIVAL

### HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. GREEN. Mr. Speaker, what is described as "the largest 1-day event in America" will be held in my district on Sunday, September 27. The annual Third Avenue Festival attracts more than 2½ million people to its activities. The festival this year returns to the direction of its originator, Ed Kayatt, owner of Our Town community newspaper.

Extending along Third Avenue from 68th to 96th Streets, neighborhood merchants as well as other vendors line both sides of the avenue with booths offering a variety of foods and merchandise reflective of the rich cultural diversity of New York City itself.

The Daily News will officiate over the live entertainment and celebrities that will be on hand. There will be five bandstands, one featuring Skitch Henderson's 86-piece New York Pops Orchestra. The list of celebrities include the "infamous" Morris The Cat, who claims to be running for President. the "candidate" will be accompanied by a former candidate's daughter, Eleanor Mondale.

Festival proceeds are donated to charitable and community not-for-profit organizations such as local senior groups, including Stanley Isaacs Senior Center, Burden Center for the Aging, Lenox Hill Neighborhood Association, as well as the Yorkville Common Pantry, Asphalt Green Recreation Center, the 19th Precinct Community Council and the Neighborhood Coalition for the Homeless to name but a few.

I ask my colleagues to join with me in recognition of the Third Avenue Festival organizers and of Mr. Kayatt, for their continuing commitment to the community and its organizations.

## PENNSYLVANIA DAIRY FARMS OF DISTINCTION

### HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. MURTHA. Mr. Speaker, agriculture remains the No. 1 industry in the State of Pennsylvania, and this year the Commonwealth set out to choose some dairy farms from the nearly 15,000 in the State as Dairies of Distinction.

I am very pleased to recognize five of those farms that are within Pennsylvania's 12th Congressional District. Those recognized from the area are: George C. Stahl of Somerset; Mark and Merle Mishler of Hollsopple; Tom Walker of Somerset; Donald Kalp of Acme; and John and Scott McIlvaine of Greensburg.

One of the pleasures of representing a diverse area in Congress is learning about its people and its distinctions. Over the years I have represented our area in Congress, I have learned a great deal about agriculture and the farming families of our region. Among these farms recognized are lands that have been in the family since the 18th century, and these are families that have been dedicated to preserving the land, working long, hard hours, and caring about their community.

I thought an article written about one of the farms summarized much of the feeling I have found to be a key to farming in the area. The reporter wrote that the family was "pleased the Commonwealth has recognized their farm for its beauty as well as for its usefulness. It cannot increase their sense of pride in their farm, however, because a deep devotion to the land has always been there. They will display their road sign, but they will also go about their daily chores with the same fierce determination to make the land better for the next generation."

It is a pleasure for me to extend this recognition to these special farm families, and to wish them well with their continuing farm and community activities.

## LABOR STILL FIGHTS FOR FREEDOM

### HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. VENTO. Mr. Speaker, although we celebrated Labor Day on September 7, I would like to call my colleagues' attention to an article which was published recently in the St. Paul Pioneer Press Dispatch, September 1, 1987, by David Morris, a consultant, author, and lecturer from St. Paul.

Mr. Morris observes that "Wherever one finds a budding democracy, organized labor is usually sowing the seeds." The examples of trade union activity in such diverse nations as Poland, the Philippines, South Africa, South Korea, El Salvador, and others, are a testament to the power of ordinary people when they become organized for political and social change.

The common demand of labor movements in all of these countries and indeed here in the United States is respect for the dignity of labor and human rights. It is certainly appropriate that we reflect upon this never-ending struggle, not only on our officially celebrated "Labor Day" but every day.

I include Mr. Morris' article at this point in the RECORD:

[From The St. Paul Pioneer Press, Sept. 1, 1987]

DESPITE PERILS, BAD PRESS, LABOR STILL FIGHTS FOR FREEDOM

(By David Morris)

Trade unions are the engine of liberty. Wherever one finds a budding democracy, organized labor is usually sowing the seeds. In the Philippines, South Africa, South Korea, El Salvador, yes, even in the United States, ordinary workers have been a powerful force for justice and decency.

Three hundred fifty thousand black miners have been on strike in South Africa. Their immediate concerns were for better wages and working conditions. But Cyril Ramaphosa, general manager of the National Union of Black Miners, knows it won't stop there. So does Prime Minister Pieter Botha.

"You organize the workers and once you've organized them they take their lives into their own (hands)," says Ramaphosa. They start using that power in issues that concern the wider society.

Which is why ordinary people coming together threatens unjust regimes. And why labor organizers and leaders like Ramaphosa live in a world of constant and immediate danger. In 1980 alone 1,000 union members were killed or abducted in Guatemala. In El Salvador this spring the president of the National Association of Agricultural Workers was "detained" by soldiers. His decapitated body was found floating in the river. Shortly thereafter the president of the teachers union was shot to death.

New leaders emerge despite this brutality, a testament to the indomitability of the human spirit and to the human need for dignity and pride and respect. Ferdinand Marcos found out what happens when a people get angry and organized. Anastasio Somoza did too. So did the Polish government. In August 1980 electrician Lech Walesa led a Gdansk ship-yard strike for better working conditions. By early 1981 the strike had mushroomed into Solidarity—10 million members, 50 percent of the labor force, legal recognition from the government. For one heady moment the working class was negotiating directly with the state.

The workers demanded authority to hire and fire their own managers. They demanded free elections. When negotiations faltered Walesa declared, "The situation forces us to take upon ourselves responsibility for the fate of the nation." He made that remark in September. In December the state fought back. Martial law was declared. The army took control.

Our own history is studded with examples of workers helping us to form a more perfect union. In the great social movements of the day—civil rights, women's right to vote, child labor, Social Security, medical care for the elderly—organized labor played an instrumental role.

Next Monday is Labor Day. Our history books tell us that a national day of celebration in September was first proposed by the fledgling American Federation of Labor in 1884. What is less known is that at the same convention the AFL declared May 1, 1886 the day American workers would unilaterally declare the eight-hour day to be the legal working day. "Eight hours for work; eight hours for rest," was their cry.

On May 1, 1886, the first May Day was celebrated not in Europe or in Russia but in the United States. Three hundred fifty thousand workers in almost 12,000 businesses went on strike to demand an eight-hour day. Half of those won that demand almost immediately. The movement had a ripple effect. Fourteen-hour days were reduced to 12. Saturday became a half day in many businesses.

This spectacularly successful demonstration of worker power scared the authorities of the time as much as did Poland's Solidarity a century later. On May 4, 1886, the police killed a dozen demonstrators in Chicago's Haymarket Square. Hundreds of labor leaders were arrested throughout the country.

In the 1880s, America's political leaders called the strikers "communists." In the 1980s, Polish authorities called them "capitalists." In neither case could the label hide the workers' desire for freedom.

Recently, 40,000 South Korean workers occupied Hyundai's shipyards and engine manufacturing plants. In El Salvador, two dozen unions are on strike. In both cases the workers are demanding legal recognition. In both cases they also demand democracy.

South African miners, Hyundai auto workers, Gdansk shipyard employees, Salvadoran teachers, all want the same thing: a recognition of their value as people. Consideration. Respect. Liberty.

Unions are rarely viewed with favor by those who run our factories, our television stations, our newspapers, our governments. For a union is, by definition, an independent source of power, rooted deeply in the collective ability of those who produce our wealth. It is a subversive force in the best sense of the word. Thus we grow up not knowing that May Day began in the United States. We come to view unions as a necessary evil.

But today's headlines belie this distorted picture. Around the world, at great personal risk, millions of people are saying to the most violent, repressive regimes on earth: "Enough! We will toil no longer until we have rights."

So, to those who mine the earth and build our cars and ships, and teach our children, a toast. To liberty and justice, and solidarity.

## CONSTITUTION SACRED

### HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. DAUB. Mr. Speaker, I include the following tribute to the Constitution for the RECORD. It is a prize-winning piece written by Roy Palmquist from Omaha, NE.

CONSTITUTION SACRED

The following is my tribute on prayer for the U.S. Constitution.

Almighty God, from this document of humanity we inherit our birthright to liberty. Inscribed in the blood of those who died for such liberty. Almighty God, grant us always the wisdom to safeguard it. The Constitution is the culmination of the Magna Carta, the Declaration of Independence and the Bill of Rights (first 10 amendments—it is the passport to human happiness and a plan of life altogether fitting and proper to truth and justice.

The Constitution is sacred. A spiritual creation conceived by God-endowed men who were deliberate and far sighted, who combined balance, flexibility and stability to make it a useful device. It endures because it embodies Christianity.

The Constitution is the vehicle which America has utilized to become the greatest nation in the world; the compass which has guided us through stress and storm; through peace and progress. By experience, it is the only way to liberty. Almight God, I pray, keep it that way.—Roy A. Palmquist.

## BOLIVIA'S MONETARY REFORM LEADS TO SUPPLY-SIDE REVOLUTION

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. YATRON. Mr. Speaker, the Bolivian Government, which only 2 years ago had an inflation rate of 20,000 percent, has made exemplary progress in bringing inflation under control. The annual inflation rate is now 12.5 percent.

One major project assisting that government in stabilizing the fiscal situation was established by the United Nations Development Program [UNDP]. UNDP is reforming and implementing a new tax structure and has contributed to the creation of a new Ministry of Revenue. This is a typical effort by UNDP, where important basic infrastructural work is being implemented to assist an impoverished nation.

Mr. Speaker, I would like to commend to the attention of our colleagues an article published in the Wall Street Journal that details those efforts and successful results. The article is entitled "Bolivia's Monetary Reform Leads to Supply-Side Revolution," and was published in the Journal on July 24, 1987.

The article follows:

[From The Wall Street Journal, July 24, 1987]

BOLIVIA'S MONETARY REFORM LEADS TO SUPPLY-SIDE REVOLUTION

(By William N. Raisord)

LA PAZ, BOLIVIA.—In 1985. Bolivia's 20,000% annual inflation rate tended to over-shadow all other economic statistics. So it was no surpirse when the newly elected democratic government of President Victor Paz Estenssoro, faced with economic chaos, concentrated its efforts first on monetary control—or, rather, decontrol. The peso was devalued 93% and exchange rate controls were removed. The market now determines the value of the new currency, which was renamed the *Boliviano* on Jan. 1, 1987. The free-floating Boliviano has been trading at two to one to the dollar ever since. The government also stopped spending money it didn't have.

These short-term measures have had a dramatic effect on Bolivian economic statistics: The government's budget deficit dropped from 28% of gross domestic product in 1984 to a respectable 4% of GDP last year, and the 20,000% rate of inflation now is holding steady at a 12.5% annual rate.

However, lost in the fuss over inflation was a related, fiscal statistic: During the period of super-high inflation, the tax resource base, traditionally a low 7% to 11% of GDP, dropped to less than 1%. Thus, along with an anti-inflationary program, the new Bolivian administration had to adjust its fiscal accounting. The old tax law was progressive, and had many different codes. "It was not only confusing, it was easy to get around, Many of us, including myself, paid little or no taxes," one businessman told me.

The government had to move fast. In less than 10 months, it developed and passed a new tax law. It also asked the United Nations Development Program (UNDP) to help reform and implement the new tax structure. In addition to revamping the tax structure, UNDP helped create a new Ministry of Revenue.

Ramiro Cabezas, the new minister of revenue, says: "The previous system was eroded, corruption was generalized, the tax base destroyed. We completely discarded the old system of more than 400 codes and replaced it with seven new codes."

A basic criterion was to design a system that was as easy as possible ito enforce. For example, businesses pay taxes on "presumed" income, calculated as the difference between assets and liabilities, rather than on profits. "It's a blind tax," admits Mr. Cabezas, "but assets are easier to identify than profits."

Manuel Vivado, president of an agricultural consulting firm, doesn't believe the tax is fair. "Farmers and ranchers need land, cattle, machinery and often make small profits," he says. "Banks, on the other hand, can make huge profits with relatively fewer assets. I'm examining these differences for the cattlemen's association and we will present our case to the Ministry." Yet even Mr. Vivado concedes, "In general, we support the new tax system but we believe some inequities need adjustment. I'm optimistic. It's a give-and-take process. The whole country is moving toward a more rational system."

The centerpiece of the new code is a 10% value-added tax (VAT) on all sales of goods and services. VATs have a terrible track record in Latin countries. Argentina's 18% VAT, for example, is so widely violated that shopkeepers invariably quote two prices: one with a receipt, in which the VAT is included, and one without (the latter, of course, being the cheaper).

The new Bolivian administration, however, has tried to encourage cooperation by permitting VAT taxpayers to deduct 10% of the value of their purchases from their personal-income taxes. At the same time, the top marginal rate for personal-income tax has been reduced from 35% to a flat rate of 10%. In other words, it's conceivable that many Bolivians will pay only the 10% VAT tax and no personal-income taxes! "We are not interested in taxing income," says Mr. Cabezas, "but in forcing the buyers and sellers to issue the invoice in order to have a better control on the value-added tax."

"One of the most important characteristics of the new system," notes Mr. Cabezas, "is that private banks have been contracted as collection agents. Bolivia's experience has been that when government revenue officials and taxpayers were in direct contact with each other, tax revenues fell off sharply." Banks will receive a flat fee for every form processed plus a negotiated commission (around 2%).

To implement this unique system, the UNDP team is developing a computerized software system that will enable the banks to accurately and efficiently process payments and then turn the records on tape over to the Ministry. For the first time in its history, the government will have a system of record keeping that will enable it to quickly identify those who haven't paid their correct taxes. Moreover, says Omar C.M. Spinelli, director of the UNDP team, identification by computer further reduces the possibility of corruption.

The customs tax also was rewritten. The old system yielded only an estimated 4% to 5% of the estimated value of imports. The rates varied, but typically were quite high, topping off at 80% for luxury items. They also encouraged wholesale smuggling. Also, legitimate businessmen were forced to give

up their sale of imported goods and switch to locally made products. A small-business man I knew in the 1960s had a thriving business selling imported kitchen and bathroom fixtures—sinks and tubs. Now his shop is filled with small locally produced items ranging from cosmetics to hair lotion. Why? "I couldn't pay the import tax and still make a profit," he told me.

The new tax is a flat 20% across-the-board levy. It is designed to encourage legal imports, reduce the incentive to smuggle and realign incentives to import with market factors. Perhaps it's too early to say that the flat rate has had a supply-side effect in stimulating growth. But officially registered imports were up 30% in 1986, and a further increase is projected for this year.

Preliminary data also show that customs and revenue taxes have already significantly expanded government income. "Our goal," says Mr. Cabezas, "is to collect 4% of GDP in taxes this year and 7% by 1989." That should give the government the revenues it needs while leaving business with enough savings to take the lead in economic reactivation.

Bolivia still has major problems. The principal source of foreign-exchange earnings comes from the cocaine traffic. Bolivia's foreign debt is equivalent to GDP and real interest rates are 35% to 45% (interest on deposits is fixed at 18%). One-quarter of the workers are unemployed, including two out of three (20,000) miners from a once-powerful mining industry whose costs now far exceed earnings.

Carlos Mesa, a respected newsman and executive director of a private TV station here, says. "Yes, an outsider who looks at our foreign debt, weak economy and powerful narcotics trafficking could say that we are living on the edge of an economic precipice. But if you had lived here for the past few years, you would now see hope. The critical fact is that the government has put on the brakes. It has a coherent economic policy. Moreover," he adds with relief, "we have had five years of democracy and there is now a strong orientation to resolve the problems of the country within the context of democracy."

## CPA'S DESERVING OF PRAISE

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. FRANK. Mr. Speaker, recently, the Governor of Massachusetts, Michael Dukakis and the General Court of Massachusetts, which is the formal name for the Massachusetts Legislature, gave appropriate recognition to the important work done for all of us by certified public accountants. 1987 marks the 100th anniversity of this important profession in its current organizational form, and the proclamation by the Governor and the resolution by the legislature point out how important their work is, and correctly notes that the members of this profession are entitled to congratulations on the work they do.

I wish to extend my congratulations to the 6,700 members of the Massachusetts Society of Certified Public Accountants for their part in commemorating this important anniversary. And I include the proclamation of Governor Dukakis and the resolution of the General Court of Massachusetts in honor of CPA's at this point:

THE COMMONWEALTH OF MASSACHUSETTS—A PROCLAMATION

Whereas the Massachusetts Society of Certified Public Accountants, Inc. joins The American Institute of Certified Public Accountants in celebrating the 100th birthday of the public accounting profession in the United States; and

Whereas the Massachusetts Society of Certified Public Accountants, Inc. whose 6,700 members are trained to provide accounting and auditing services, management advisory services, tax advice, personal financial planning and other services; and

Whereas certified public accountants are employed in public practice, industry, business, government and education; and

Whereas certified public accountants play a crucial role in the business and financial community in the Commonwealth of Massachusetts; and

Whereas the Massachusetts Society of Certified Public Accountants, Inc. encourages members to adher to high professional standards of conduct and participation in continuing professional education program; and

Whereas the public accounting profession is celebrating its centennial commemorating "A Century of Progress in Accounting" in meeting the changing needs of corporations, investors, credit grantors, labor, government, and the general public;

Now, therefore, I, Michael S. Dukakis, Governor of the Commonwealth of Massachusetts, do hereby proclaim September 20–26, 1987 as "Certified Public Accountants Week" and urge the citizens of the Commonwealth to take cognizance of this event and to participate fittingly in its observance.

RESOLUTIONS CONGRATULATING THE PUBLIC ACCOUNTANCY PROFESSION ON ITS CENTENNIAL

Whereas nineteen hundred and eighty-seven marks the one hundredth birthday of the certified public accountancy profession in the United States; and

Whereas the sixty-seven hundred members of the Massachusetts Society of Certified Public Accountants, Inc., are celebrating this milestone; and

Whereas certified public accountants provide important services in the business and financial community in the Commonwealth of Massachusetts; and

Whereas certified public accountants are employed in public practice, industry, business, government, and in education; and

Whereas certified public accountants are trained to provide accounting and auditing services, management advisory services, tax advice, personal financial planning, and many other services; and

Whereas accurate financial information plays an important role in the continuing well-being of business, industry and government; and

Whereas the Massachusetts Society of Certified Public Accountants, Inc., is dedicated to promoting and maintaining the highest professional standards of practice; now therefore be it

*Resolved,* That the Massachusetts General Court hereby commends and congratulates the men and women in the public accountancy profession on the occasion of their centennial and for their contributions to society; and be it further

*Resolved,* That a copy of these resolutions be transmitted forthwith by the clerk of the Senate to Jere St. Angelo, president, and Theodore J. Flynn, executive director, of Massachusetts Society of Certified Public Accountants, Inc.

## IN HONOR OF THOMAS J. D'ALESANDRO, JR.

### HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 15, 1987*

Mrs. BOXER. Mr. Speaker, I feel very privileged today for the opportunity to honor the memory of Thomas D'Alesandro. While serving the people through years in public office as a Congressman and as the mayor of Baltimore, he always remained one of the people. He lived his life as we should hope to live ours, with integrity, with compassion, with care for the common person. A staunch supporter of the New Deal, the world is a better place for his having graced it. Thomas D'Alesandro made a difference. His life calls to mind what we should hope to do, and his memory lives with us as a reminder of what we can accomplish.

I had the pleasure of meeting Mr. D'Alesandro here on the House floor at his daughter's swearing-in ceremony. He was an extremely warm man, a very gracious man. He asked me to look after his daughter, Nancy. Well, I told him I would, but after watching the newest Representative from San Francisco at work, I should add, Mr. D'Alesandro, we'll look after each other.

## IN COMMEMORATION OF THE 225TH ANNIVERSARY CELEBRATION OF THE TOWN OF ATHOL AND THE VISIT OF THE DUKE OF ATHOLL

### HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. CONTE. Mr. Speaker, I rise today to commemorate the 225th anniversary of the town of Athol's incorporation. I also want to take this opportunity to honor the Duke of Atholl's visit to the town that his family helped found many years ago. The grandeur of the celebration planned by the residents of Athol should serve to tell us here in the U.S. Congress that Americans have not forgotten "the rock from whence they were hewn."

The early settlement in the area now known as Athol was originally referred to as Pequoig. Among the residents—and perhaps the largest landowner in Pequoig—was Col. John Murray. When the residents met in 1762 to incorporate the township, Colonel Murray suggested the name "Athol," as the terrain of the area reminded him of his father's dukedom in Scotland.

Since the departure of Colonel Murray, no member of the Duke's family has returned to visit the township. However, the invitation extended and accepted by the present Duke of

Athol, George Iain Murray, is a sign of the strong value that continues to be placed on tradition by the town's residents.

Upon reflection of the importance of this reunion, I am moved. So often the history of our people and our Nation is seen as a determined traveler that never looks back. Because of our Nation's rapid growth through numerous developmental stages, it is often thought that ambitions for the future blinded us to the importance of experiences with the past. This is not true of the people of Athol.

Mr. Speaker, in Athol's 225th anniversary celebration I have rediscovered the warmth that is felt in the reunion with one's past. For the residents of Athol, this visit is an opportunity to cultivate intimacy with the very foundations of their community. For the Duke, this reunion is a chance to witness the growth of the seeds planted by his family. For both, it is a chance to reflect on the inherent value of tradition.

This event is truly deserving of a grand celebration. In fact, both the residents of Athol and the Duke have determined that the importance of this visit merits the accompaniment of the Duke's private army. The Duke is the commander of the last private army recognized in Europe—an army dubbed the "Highlanders." The training and splendor of this ceremonial entourage will, no doubt, add immensely to the pride and joy that will be felt throughout the visit.

Reflection on the events of next week's ceremony calls to mind a ceremony of the past. In 1983 I attended the dedication of the newly renovated Pequoig Hotel. At that point Athol was experiencing tough times. The town had one of the highest unemployment rates in the State and the only resource available to Athol was the town's people. The completion of the Pequoig project marked a crucial first step in Athol's recovery. Since then, the downtown area has undergone a revitalization that includes the Dumont project, the renovation of the Delta building, and the upgrading of the cityscape. The strength of the revitalization required the construction of almost 200 new parking slots—and even this addition will barely meet the demands of increased business downtown.

Today, Athol's unemployment rate is significantly below the national average and civic leaders continue to plan for increased economic activity. Underlying this recent development is a strong sense of cooperation among everyone involved with Athol. While I have fought for Federal funds, State government officials, shopkeepers, industries from the area, and, of course, Athol's residents have all worked hard to fuel the momentum of this revitalization.

The celebration planned for the 225th anniversary is yet another example of the commitment felt by the residents of Athol to their community. Without a doubt the people of Athol are still the greatest resource available to the area. And I know that the 225th anniversary will not be the last concerted effort by Athol's residents. There are more projects to be undertaken and I am confident in Athol's capabilities to meet upcoming challenges.

Mr. Speaker, the ceremony and regalia that will take place during the next week will be exciting for everyone involved. Yet the strongest message from this reunion will be the warmth of kinship and community that will forever glow.

## JUSTICE MARSHALL'S MEAN-SPIRITED REMARKS

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. SOLOMON. Mr. Speaker, when Supreme Court Justice Thurgood Marshall rated President Reagan the worst President ever on civil rights, he not only violated all rules of courtesy and decorum, he violated the truth.

In a recent television interview, Justice Marshall exposed the frustration he must feel at the prospect of a future Supreme Court more in tune with mainstream America. All the excuses being used to oppose President Reagan's nomination of Robert Bork to the Supreme Court are being stripped away, one by one, leaving only the most blatantly partisan attacks. And to this partisanship, sadly enough, Justice Marshall is making his contribution.

President Reagan was genuinely hurt when he heard of Justice Marshall's remarks, and understandably so. Ronald Reagan, more than any man I've ever known, has never had a prejudiced bone in his body, which makes Marshall's remarks all the more mean-spirited.

I would ask Justice Marshall this question: Which has really benefited blacks more, the "Great Society" approach which nearly made blacks permanent wards of the state, or the Reagan approach, which honors the 1964 Civil Rights Act by enforcing a color-blind society and gives blacks the dignity they deserve?

I would add, Mr. Speaker, that thanks to Ronald Reagan, we have enjoyed the longest peacetime prosperity in this Nation's history. A rising tide lifts all boats, and the Reagan revolution has lifted the prospects of every man, woman, and child in this country.

## OKLAHOMA HAS ANOTHER WORLD CHAMPION

### HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. WATKINS. Mr. Speaker, Oklahoma, which has long been a State of champions such as Jim Thorpe, Freckles Brown, Mickey Mantle, Pepper Martin, Carl Albert, and many others—again has fielded a champion and John Smith has returned my alma mater, Oklahoma State University, to international acclaim in wrestling.

John lives in Del City, OK, which is just about 20 miles too far west to be considered a part of the Third Congressional District, and he is now a senior at Oklahoma State University in the Third Congressional District of Oklahoma.

In August, John defeated Kahser Isaev of the Soviet Union, 5–4, in the 136-pound gold medal match, at the World Freestyle Wrestling Championships at Clermont-Ferrand, France, giving the United States its second and final individual title. Isaev, the defending world champion, lost to Smith 5–3, in the finals of last summer's Goodwill games in the Soviet Union. Smith's only other close match in these world championships was a 6–2 decision over a Mongolian wrestler.

This summer's events were a repeat of John's activities last year when he won two titles in the Goodwill Games.

He is believed to be the first U.S. wrestler to ever win a world title while a student in college.

Mr. Speaker, last March he won the College NCAA National Championship and was selected the Nation's Outstanding Wrestler. In July 1987, he won the gold at the Pan American games held in Indiana.

In addition, John Smith has been nominated for the Sullivan Award, which goes to the outstanding amateur athlete in the Nation.

I'm sure that my colleagues and the Nation will join me in sharing pride in John Smith's wrestling accomplishments. He brings honor to Oklahoma, to OSU, and to the United States.

## JUDY HARBIN: MODEL CITIZEN

### HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. DONALD E. LUKENS. Mr. Speaker, I would like to honor today a young lady from Ross Township, OH who tragically lost her life in an automobile accident this past year.

Miss Judy Harbin was a very bright, personable young lady who truly epitomized the phrase "model citizen." She strove to be a better person each day and was willing to push her limit as far as possible. Her spirit was one that burned bright and touched everyone who came into contact with her. A natural leader, Judy was successful not only with her school work but also with the many outside activities and other projects that helped her community and those less fortunate than she.

Never one to say no, she also possessed a very strong and aggressive attitude. Judy was always available to give help to anyone in need of it and simply put, served as a beautiful example to other young people.

Our Nation would be much better served if we had more Judy Harbins among our young people. Judy lived a productive and fruitful, but tragically short life. She accomplished more in her few years on Earth than many people accomplish in a lifetime. I am proud that Judy called me a friend.

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## BICENTENNIAL CELEBRATION SPONSORED BY HEWLETT ELEMENTARY SCHOOL

### HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. McGRATH. Mr. Speaker, it is my pleasure to bring to the attention of this body the outstanding program being conducted by an elementary school in my district to commemorate the Bicentennial of the Constitution of the United States.

In recognition of this important day in the history of the United States of America, administrators, teachers, and students of Hewlett Elementary School will be participating in a 2-day educational celebration of patriotism and citizenship. On September 16, 1987, the students will be involved in an all-day "teach in" on the Constitution which will include local political leaders as guest speakers. The students will also join President Ronald Reagan in a nationwide Pledge of Allegiance and then proceed to recite the Preamble to the Constitution led by retired Chief Justice Warren Burger.

The second day of this patriotic celebration will be highlighted by a red, white, and blue balloon launch and a moving speech by a local appellate court judge. The students will also demonstrate their respect and admiration for the Constitution and their Nation by joining together to sing a variety of patriotic songs and hymns.

I wish to commend Hewlett Elementary School and those individuals who have made this outstanding program a reality. Stella Pompa, Rose Weinstein, Clare Lenz, and Principal Dr. Mildred David, I applaud your outstanding efforts in bringing this important moment in the history of the United States to the attention of the young people of our community. The program you have designed will certainly serve to foster increased awareness and respect among the young people of Hewlett Elementary School for this Nation and this important document which has a profound impact on all our lives.

## CLARIFYING THE INTENT FOR DISTRIBUTING ASSISTANCE TO SINGLE PARENTS AND SINGLE PREGNANT WOMEN UNDER THE VOCATIONAL EDUCATION ACT

### HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. WILLIAMS. Mr. Speaker, I rise today to introduce amendments to the Carl D. Perkins Vocational Education Act. These amendments clarify the intent of the Congress regarding the distribution of assistance to single parents and single pregnant women under this act.

These amendments are necessary because the Department of Education has interpreted the act to prohibit service to single pregnant women under the set-aside for single parents. The amendments I am introducing today will permit service to single pregnant women.

Surely, if we can provide training to single pregnant women before they deliver, we are that much ahead of "the curve" in making these women more competitive in the labor market.

I am hopeful that these amendments can be added in conference to the House passed School Improvement Act of 1987, since it is my understanding that the Senate will include similar language to these amendments when it acts on its version of the bill.

H.R. —

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. CLARIFICATION OF DISTRIBUTION OF ASSISTANCE TO SINGLE PARENTS AND SINGLE PREGNANT WOMEN.

(a) USES OF FUNDS.—Section 201 of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2331) is amended—

(1) in subsection (b)(4), by striking out "or homemakers;" and inserting in lieu thereof ", homemakers, or single pregnant women;"; and

(2) in subsection (f), by striking out "and homemakers" each place such term appears and inserting in lieu thereof ", homemakers, and single pregnant women".

(b) DISTRIBUTION OF ASSISTANCE.—Section 202(4) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2332) is amended by striking out "and homemakers;" and inserting in lieu thereof ", homemakers, or single pregnant women;".

## LOOKING BACK TO THE CONSTITUTION'S CENTENNIAL

### HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. GALLO. Mr. Speaker, as we celebrate the bicentennial of the U.S. Constitution, I would like to look back to a point in our history that is halfway between today and the day in 1787 when the delegates from the 13 States signed the U.S. Constitution and formed our current system of government.

The centennial celebration in 1887 has a special meaning to me and to my constituents, because our President at the time of this celebration was the only New Jersey born Chief Executive to serve in this high office during our first 200 years as a nation.

In tribute to the U.S. Constitution, the fundamental law of the land, and the role of President Grover Cleveland, 100 years ago on September 15, 1887, the town of Caldwell, the residents and neighboring communities will celebrate U.S. Constitution Week, from September 14 through the 21 of September, with American flags displayed at residences and business sites, and with the displaying of the specially designed Constitution flag on the town's green.

Grover Cleveland was born in the Golden Anniversary, the 50th anniversary year of the U.S. Constitution in Caldwell, NJ, and was the 22d President of the United States, presiding at the centennial celebration, the 100th anniversary of the Constitution, in Philadelphia, PA, and in the year when the Nation marks the bicentennial of the U.S. Constitution, the sesquicentennial or 150th birthday of President Cleveland is marked in his home State of New Jersey, and in his hometown of Caldwell, in northwest Essex County.

On September 15, 1887, at the official ceremony marking the centennial of the U.S. Constitution, President Grover Cleveland, the 22d and 24th President of the United States, a native of New Jersey, born in the town of Caldwell, presided at the centennial ceremony at Constitution Hall in Philadelphia, PA, surrounded by members of his Cabinet, the Supreme Court of the United States, Members of Congress, elected State and local officials, and the general public.

He spoke these words on behalf of the people of America on this historic occasion:

> When we look down upon 100 years and see the origin of our Constitution, when we contemplate all its trials and triumphs, when we realize how completely the principles upon which it is based have met every national need and national peril, how devoutly should we say with Benjamin Franklin, "God governs in the affairs of men," how solemn should be the thought that to us is delivered this ark of the covenant, and to us is given the duty to shield it from impious hands.

Although President Cleveland's style of oratory is more typical of his time than of our own, his basic belief in our Constitution as a document that has survived because it continues to meet the needs of a free people is as true today as it was in 1887.

As Caldwell and surrounding communities celebrate this day of great meaning to our Nation by honoring the man who presided over the centennial event with such grace and flare, it is appropriate to recognize the special contributions of Mayor George T. Imperial and local historian Jacqueline A. Beusse who had the foresight and dedication to make this celebration possible.

As the Member of Congress who represents these fine people in the town of Grover Cleveland's birth, I commend to your attention their efforts on this special day in our Nation's history.

## VA HONORS OUTSTANDING VOCATIONAL REHABILITATION AND COUNSELING PERFORMANCES

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. MONTGOMERY. Mr. Speaker, the Veterans Administration's Department of Veterans Benefits recently established an awards program to formally recognize outstanding accomplishments in vocational rehabilitation and counseling and to commend individuals for performing their duties in a clearly superior manner. The awards also recognize severely disabled veterans who, against great odds, successfully complete their rehabilitiation programs. Three individuals have won this first annual Vocational Rehabilitation Award.

Dr. James S. Porter, counseling psychologist at the VA's Jackson, MS, regional office, is being cited for his expertise in counseling seriously disabled and impared veterans, many of whom otherwise could not have obtained suitable and gainful employment.

Mr. Norbert E. Horak, vocational rehabilitation specialist at the VA's Des Moines, IA, regional office, is being cited for his examplary work in providing rehabilitation services to disabled veterans. In one case, he helped a seriously disabled combat-injured Vietnam veteran overcome physical, academic, and financial obstacles to complete his program goal of becoming a high school teacher, Mr. Horak's persistence with this veteran was rewarded and the veteran is now rehabilitated. Another severely injured combat veteran has progressed beyond the bounds of his severe physical limitations due in large measure to Mr. Horak, who will not let him give up on himself.

Finally, Mr. Errol G. McCall is VA's Disabled Veteran of the Year. Mr. McCall is a 100 percent service-connected veteran whose rehabilitation program at the VA's Hartford, CT; regional office took several years to accomplish. Although his combined disabilities could have totally excluded him from employment consideration, his determination to prepare for and acquire a suitable job motivated his case manager to work with him toward realizing his ambition. Mr. McCall is now employed at the VA regional office in Hartford as a finance division employee, and his prospects for continued employment are excellent. The Hartford regional office considers itself privileged to have Mr. McCall as a member of its work force.

The VA's vocational rehabilitation and counseling divisions around the country practice what they preach. They rehabilitate our disabled veterans and, in many cases, hire them as productive, competent employees.

Mr. Speaker, these three fine Americans will be honored on Tuesday, September 22, 1987, at a reception sponsored by the Disabled American Veterans. I know my colleagues will want to join me in offering our deep appreciation to Dr. Porter and Mr. Horak for their outstanding services. We also congratulate and applaud Mr. McCall's determination in overcoming the limitations of his disability.

## A JOLT TO ARMS CONTROL

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. SOLOMON. Mr. Speaker, as the United States and the Soviets move closer to signing an intermediate Nuclear Arms Control Agreement, it is crucial that we carefully evaluate the impact this agreement will have on the overall military balance.

The American people should be mindful of the serious discrepancies which exist between NATO and Warsaw Pact conventional forces, as well as the instability in the strategic balance created by Soviet strategic advances. The recent deployment of the mobile SS-24 missiles by the Soviets and our inability to deploy a similar system is the case in point. In this regard I wish to submit for the RECORD the August 17, 1987, editorial from the Providence Journal entitled "Soviet SS-24s on the move: a jolt to arms control."

[From the Providence Journal, Aug. 17, 1987

SOVIET SS-24S ON THE MOVE: A JOLT TO ARMS CONTROL

The Soviet Union has beaten the United States to the goal both nations have had of mobility for their big intercontinental ballistic missiles. The USSR has managed to put its 10-warhead, SS-24 missiles on railroad cars, thus making it difficult to pinpoint their locations. Unless the country can match the feat soon—and being a democracy rather than a totalitarian state is one of the difficulties in doing so—a period of nuclear instability looms, during which time arms control agreements may be harder to come by.

The Kremlin acknowledged its new deployment Wednesday after the White House confirmed revelations of it by Sen. Jesse Helms, R-N.C. So far, U.S. satellites have detected only five of the missiles, but since they are meant to elude detection, there probably are others hidden. How many only Moscow knows.

The SS-24 rolls around on 62,000 miles of railroad track, hiding in a thousand tunnels scattered throughout the Soviet Union. It can hit any major target in Europe or America as accurately as the immobile SS-18, now the bulk of the Soviet arsenal.

The White House called this development—which has long been anticipated by U.S. intelligence—"sobering." That understates the case.

Mobile missiles are designed to enhance nuclear stability because, as moving targets, they reduce the ability of an enemy to launch a successful first strike. This mobility makes them harder to verify, complicating arms control, but since the goal of arms control is to enhance stability by deterring first-strike adventurism, the trade-off is considered worthwhile.

Unfortunately, this trade-off in pursuit of stability assumes that mobile missiles are deployed by both sides. If done by one side alone, the effect is extremely destabilizing. And while the Kremlin has the political capacity to run the SS-24 through the streets of Moscow without worrying how Muscovites might react, the mobility of the MX—once intended as America's mobile missile—was sidetracked by the "not in my back" yard syndrome that scuttles reasonable discourse in too many areas of American politics.

One alternative to the MX, the single-warhead Midgetman, remains on the drawing board. Another, strategic defense, is years off. Neither may ever be deployed. So while the SS-24 plays hide and seek with U.S. satellites, the MX will sit defenseless and expose in old Minuteman III siloes.

Whether the SS-24 deployment violates the defunct SALT II Treaty, as Senator Helms alleges, is debatable. In any event, the U.S. can hardly complain: it abandoned the unsigned treaty last year. However, the problem is less one of treaty violations than of threats to U.S. security which were increasing regardless of SALT II.

Deployment of the SS-24 ushers in an era of superpower uncertainty in which U.S negotiators will find verifiable treaties virtually impossible to negotiate. Ultimately this means either the Kremlin must become trustworthy, or future U.S. presidents will have to rely yet more heavily on military than on diplomatic strategies to ensure the nation's securtity.

## THE SANDINISTA'S SECRET AGENDA

### HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. DONALD E. LUKENS. Mr. Speaker, I am inserting for the record an editorial by Morton Kondracke which appeared in today's edition of the Washington Times.

Mr. Kondracke, who is by no means a conservative, nevertheless recognizes the Sandinista's true agenda in recent "peace talks"—consolidation and expansion.

When even moderate-to-liberals like Morton Kondracke see through the false peace plans now being considered in Central America, it is time that the U.S. Congress does.

When Congress accepts that fact, they will also understand that without the pressure the Contras put on the only Communist government in Central America, the freedom of Central Americans is in jeopardy.

Peace, democracy and hemispheric security might be advanced by the Arias plan if democrats outside Nicaragua force the Sandinistas to live up to the accord they signed.

A debacle is more likely—the dismantling of the Contras in exchange for some token steps toward democracy. If this occurs, the United States will be seen as abandoning yet another force of indigenous fighters who depended upon us.

The third possible outcome is the likeliest: that the Guatemala plan will fall apart.

The peace plan's author, Costa Rican President Oscar Arias, said that on Nov. 7 he will "pass judgment" on whether the Sandinistas are following the plan's terms, but he is not optimistic about their compliance.

Various U.S. officials insist that when Mr. Arias met with President Reagan on June 17, he said that if the Sandinistas failed to democratize, "you will be free to do your thing." Mr. Arias denied this to me, but all over Latin America there is evidence that leaders and populations expect the United States to act like a great power and deal with the Sandinista threat.

A poll conducted by an affiliate of Gallup International—and published in Guatemala the day the Arias agreement was signed—strongly suggests that the Contra policy has public support in Central America and the Sandinistas do not.

The Sandinistas' strategy for dealing with the Arias plan seems directed straight at the U.S. Congress. They want the Contras off their backs at the cheapest possible price in terms of democratization—perhaps at no cost at all, if collapse of the Arias plan can be blamed on the Reagan administration and if furious Democrats in Congress then cut off Contra aid in revenge.

The Guatemala agreement also contains ambiguities that the Sandinistas are free to exploit in order to torpedo the pact.

The Sandinistas are spreading word that they are ready to comply with the pact's democratization requirements, and that they are likely to take steps showing good faith in advance of Nov. 7.

With respect to the Contras, the Sandinistas want it both ways: They say the force is

less than a third as big as the United States claims, that it's demoralized and having no success on the battlefield, yet also that it's the cause of Nicaragua's economic misery and suspension of the constitution under the state of emergency.

Their bottom line is that Sandinismo stands for political pluralism, a mixed economy and a non-aligned foreign policy, and that only the enmity of the United States prevents its pacific success. The logical conclusion is that the United States should cut off the Contras and give peace a chance.

But by the evidence of history and the testimony of honest people who try to live under the Sandinistas, all of this is a colossal deception.

The truth is that the Sandinistas are Marxist-Leninists, allies of the Soviet Union and believers in world revolution. Far from making life better for the Nicaraguan people, the Sandinistas have made it worse for almost everybody.

Hiding behind a "democratic mask," the Sandinistas have always acted like ruthless communists. They killed some 800 persons after taking power. Peasants in the countryside suspected of collaborating with the Contras are often jailed for years, tortured and sometimes killed. During the 1984 elections, rallies and speeches of opposition candidates were broken up by Sandinista toughs.

Amid all this, Managua is a desperate and sad city.

The Sandinistas blame their woes on the Contras and America, but they have caused most of their economic problems themselves by confiscating land and turning most of it over to collectives. The economy is ostensibly 50 percent in private hands, but the government tells businesses what to produce, what prices to charge, what to pay workers and furnishes materials—which are almost always in shortage—on the basis of political loyalty. The annual inflation rate is more than 1,000 percent.

One gets the strong feeling that the Sandinistas signed on to the Arias plan out of desperation. What the Sandinistas want is a respite from the Contra struggle, which, by their own accounts, is costing the lives of 100 soldiers a month and driving the economy to the brink of ruin.

The Contras create leverage for the United States and other democracies—almost certainly there would be no Arias pact without them—and they provide the only hope there is of making the Sandinistas live up to the terms of the Guatemala agreement.

To make this goal a reality requires determined action on the part of the world's democrats. This effort needs private financial and moral support. The fractured internal opposition needs to unify and it needs training that could come from the political parties in the United States—or, better yet, the democracies of Europe and Latin America.

Above all, the internal opposition, the Contras, the Reagan administration and the Latin American democracies need to develop lists and timetables spelling out standards of conduct that they expect the Sandinistas to meet. Watchdog groups, American and international, need to be formed to monitor Sandinista compliance, and groups such as the Organization of American States need to be ready to inflict strong sanctions if the Sandinistas show signs of cheating.

For the world's democrats to demand that Nicaragua live up to its pledge of 1987 would be a far more humane and moral way to deal with Sandinismo than the military means employed by the Reagan administration. But until such a concerted effort is under way, the United States needs to maintain the military option.

If House Speaker Jim Wright and the other Democrats are going to abandon Nicaragua, they had best get a plan ready to house the Contras, their relatives and hundreds of thousands of other refugees in the United States. The better plan is for Congress to re-fund the Contras, put the military aid in escrow, and give peace a real chance.

## PUBLISHERS WAGE BATTLE AGAINST ALCOHOL AND DRUG ABUSE

### HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. McGRATH. Mr. Speaker, I would like to bring attention to the significant contribution the Association of Free Community Papers of Long Island has made the battle against drug and alcohol abuse in our society. The group which is made up of publishers from Nassau, Suffolk, and Queens Counties, sponsored and publicized a series of special meetings throughout the region to focus public attention on the growing threat that drug and alcohol abuse poses to our society. Officials of government agencies in the three county area made special presentations on various aspects of substance abuse in many communities.

The publishers also devoted a considerable amount of conspicuous editorial space to the promotion of drug abuse education and prevention activities.

Newspaper space, particularly in weeklies, is a valuable commodity. I commend the members of the Association of Free Community Papers for their generosity. I also congratulate them for their community involvement and commitment to helping eradicate the horrors of substance abuse. The publications involved reach nearly every home in an area of more than 4 million people. Thus, the association's campaign against drug and alcohol abuse has been a tremendous public service and resource to help deal with a critical national problem.

## ON THE NATIONAL RURAL CRISIS RESPONSE CENTER

### HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. WATKINS. Mr. Speaker, I have today introduced a House joint resolution calling on the Congress to recognize, encourage, and support a National Rural Crisis Response Center, which is sponsored by the American Family Farm Foundation, a not-for-profit 501-3-C tax-exempt foundation formed in 1985 to promote the concept of the American family farm as an integral part of America's way of life.

There are some who say the crisis on the farm is over. They are wrong. On August 17, the New York Times reported in a page 1 story that in the past 2 years, 100 farm-stress deaths have been recorded in Oklahoma alone.

I have asked the Rules Committee to make my resolution in order as an amendment on H.R. 3030, the farm credit bill this body will be addressing Monday.

And, I have just been informed that Willie Nelson has decided to feature support of the National Rural Crisis Response Center at Farm Aid III, which will be an event of Saturday, September 19, in Lincoln, NE.

Mr. Speaker, as I said, the crisis in rural America and on the farm has not passed.

Let me share with my colleagues some facts:

The deep and severe crisis in rural America and on the American family farm is continuing.

Families are leaving the farm in record numbers and as the agriculture economy declines.

Stores are being boarded up and abandoned in rural towns and communities all across the United States.

A national survey conducted by Dr. Luther Tweeten, Oklahoma State University Regents agricultural economics professor, and agricultural economists from other southern land-grant colleges, revealed that 82 percent of Americans surveyed feel the family farm is a vital part of our heritage and should be preserved.

In August, Mona Lee Brock, a constituent of mine who lost first her farm, then her husband, stated at a Capitol grounds press conference, that during the past year there had been 54 suicides documented in Oklahoma because of the agriculture depression.

Mrs. Brock has, since her husband's death, been associated with a crises hot-line, AG-LINK, initiated by the Oklahoma Council of Churches, to respond to crisis calls from farm and rural families who have financial, legal, emotional, and medical problems associated with the farm crisis.

The National Rural Crisis Response Center is being established to serve as a national link responding to the needs of these thousands of rural and farm families. The National Rural Crisis Response Center works like this:

A person in distress will call a toll-free telephone number which will be answered by a volunteer.

Using a computer data bank, the National Rural Crisis Response Center volunteers will be able to refer the call to an appropriate local agency in the farmer's geographic area throughout the Nation to try to meet the financial, legal, spiritual, emotional, medical, shelter, or food needs.

The National Rural Crisis Response Center will be funded by private an corporate contributions with no Federal funding involved. Its neighbors helping neighbors; and

There will be no direct Federal costs involved in enacting the provision.

Mr. Speaker, I urge that my colleagues—both rural and urban—join me in cosponsoring this legislation and that it move, either as an amendment, or as a separate piece of legislation to call attention to the needs of the farm and rural community.

## DIRECTOR WICK'S ADDRESS ON PUBLIC DIPLOMACY

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### HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. COURTER. Mr. Speaker, yesterday, the U.S. Advisory Commission on Public Diplomacy began holding an important conference on "Public Diplomacy in the Information Age." U.S. Information Agency Director Charles Z. Wick spoke to the assembly today on the topic of "Public Diplomacy in the Global Marketplace of Ideas." Because his address was significant, far sighted, and I believe, very well received by the audience of experts present, I think it should be reprinted in the CONGRESSIONAL RECORD so that my colleagues may give it their consideration.

PUBLIC DIPLOMACY IN THE GLOBAL MARKETPLACE OF IDEAS

(By Charles Z. Wick, Director, U.S. Information Agency)

I am delighted and honored to have the opportunity to address you this afternoon. On this 40th anniversary of the U.S. Advisory Commission on Public Diplomacy, I feel a deep sense of gratitude to those men and women who, over the years, have served on the Commission. Their advice and counsel have made an invaluable contribution to America's overseas information and cultural programs.

Over the past several years, it has been my privilege to work with Ed Feuiner—a man who as Chairman of the current Commission has worked unstintingly with great dedication. And, Bob Wallach, Vice Chairman, the other members—Tom Korologos, Priscilla Buckley, Richard Scaife, Hershey Gold, and Herbert Schmertz—to each of you, let me say that your generous and productive efforts are deeply appreciated. You have performed an important service, and we salute you!

The world today is very different from what it was 40 years ago when the Commission was formed. At that time, the international structure and order inherited from the 19th century had collapsed and attempts to replace it were directed from two philosophically distinct and antagonistic power centers. This was the era of the Cold War.

America met those challenges with a sense of daring and determination. The Truman Doctrine, the Marshall Plan, NATO—these all stand as testimonials to imaginative leadership and effort. The renewed vitality of Western Europe and Japan—protected by the shield of a strong of a strong and effective deterrence—are a measure of its success.

Almost immediately, America began to move boldly beyond traditional diplomacy, and speak directly to the citizens of the world. Noteworthy were our efforts to make allies of former enemies. By 1950, twelve hundred public diplomacy professionals were running 25 information centers in the Federal Republic of Germany alone. The results were significant! Most FRG cabinet members over the past 30 years have participated in the exchange programs of those early days—long before their incumbency.

Our strong effort rested on the belief that modern diplomacy would soon have less to do with the carpeted corridors of foreign ministries than with public opinion. As Chairman Dante Fascell observed over a decade ago:

"Today the success or failure of foreign policy undertakings is frequently affected more profoundly by what people think and say than by the workings of traditional diplomacy."

America's post-war public diplomacy effort was a major success, but it was limited. Time soon ran out on the political will to sustain a large financial burden. And, the effort to reach mass populations overseas was severely limited by the technical means available.

Eventually, the financial fuel of the effort dwindled and the public diplomacy machine started to sputter. My predecessors did the only sensible thing: with fewer resources stretched over more countries, they focused and targeted. Over 97% of our cultural and information representatives came home from Germany. In Italy, all were removed from Bari, Catania, Trieste, Genoa, Palermo, and Florence.

But, in spite of these reductions, we were still able to accomplish our mission by targeting influential journalists, scholars, commentators and the like. These so-called elites carried America's message to their world—often with greater credibility than the direct voice of the U.S. government.

It was while this somewhat narrow performance was on stage that two new actors entered from the wings.

The first was the dramatic information revolution. The second—coming more recently and striding along in its wake—was Mikhail Gorbachev. Both have had a profound influence on our thinking about the future of public diplomacy.

Although the Information Age is upon us, its full and powerful sweep is still unfolding. Its force—which began as the Medieval scribes were replaced by Gutenberg's mechanical printing press—has gathered momentum and is now shaking the social, economic, political, and ideological foundations of our world.

In increasingly rapid progression have come the steam printing press, the telegraph, telephone, tape recorder, radio, television, videocassette recorder, computer, and most recently, the dazzling array of fiber optic and international satellite communication technologies.

At each stage, the limitations of time and space have been reduced to the point now where instantaneous communication from any point in this "electronic global village" can be received by hundreds of millions of people simultaneously.

The impact on our strategy has been dramatic. The inherent need to communicate with mass publics—a desire we had to suppress as we trimmed our sails and targeted only elite influentials—was suddenly able to be fulfilled. Modern technology was making it economic and efficient to reach millions upon millions of people in all corners of the globe. No longer did we have to rely solely on indirect communication through elites. Now we could reach mass audiences directly.

The global reach of the new communications technology has generated a global marketplace of ideas. And, like most markets, it is marked by disorder, conflict and the opportunity for great gain and loss.

For this reason, our failure to employ this new technology—and to use it strategically—can destroy the traditional advantages that America has had in this marketplace: the advantage of freedom; the advantage of democracy; the advantage of diversity.

Reflect for a moment! What would history say of a great nation such as ours—a nation born with these advantages—which squandered its resources and failed in the marketplace of ideas?

We can fail you know! The competition, although not naturally at home in a marketplace of ideas—or any other marketplace, for that matter—is learning fast, is unafraid to invest, and freely uses the huge advantage of deception.

This is why we have moved decisively with the expansion of major programs and the launching of new technologies: doubling Fulbright exchanges; expanding our international visitors program; modernizing and expanding the Voice of America, and starting Radio Marti; creating the global satellite television network—WORLDNET using satellite communications to send our Wireless File direct to foreign media, and to speech information to important foreign groups through our libraries abroad; and our major new overseas book development and English language programs.

We know only too well—as does Gorbachev—that, fed by a steadily improving system of instantaneous global communication—world public opinion is gradually emerging as a potent force capable of decisive influence over the policies and conduct of governments—no matter how popular or how dictatorial.

Consider the following: Audio cassettes—recorded in Paris by Khomeini and smuggled into Iran—helped overthrow the Shah. And with disastrous consequences! Fundamentalist Moslem ideas are threatening the power balance in the Middle East. A $100 million Soviet disinformation campaign stopped the U.S. deployment of the neutron bomb. False claims—trumpeted over the Soviet Union's National Radio of Iran—that America desecrated the Holy Place at Mecca led to the burning of the U.S. Embassy at Islamabad.

But, Free World radio broadcasting to the Polish people helped forge the united front of Solidarity. International telecommunications helped the bright lure of a democratic future sweep through El Salvador, the Philippines, and South Korea.

And the litany goes on!

Every day—from any where—a new story unfolds, ripples through the marketplace of ideas, and brings the force of public opinion to bear on the emerging events.

Today, in Beirut, Seoul, or Chernobyl in Johannesburg, in Geneva, or Managua. Millions of people—separated by geography, but united through the modern miracle of telecommunications—are swept into the rite of participation. As in a Greek drama—and often guided by the loudest chorus— a moral sense envelopes the participants, crying out for action and eventual resolution. And, increasingly, those in responsible positions are compelled to respond.

It is this modern: drama that we must understand. We must understand the choruses, the actors, and those who move them.

There is no doubt that Gorbachev does. Utilizing the most modern means of satellite telecommunications, he has embarked on an adventurous public diplomacy campaign, a campaign assigned to present a new image of openness to the world.

His tactic is clear—it is to have Soviet-informed world public opinion pressure free world governments—particularly those of Western Europe, Japan, and the United States—to act in a way favorable to Soviet interests.

His strategic-objective remains the same—it is to resurrect the credibility of Marxism-Leninism, to achieve political legitimacy in

the West, and to bring about the rupture of the Western: Alliance by employing Lenin's own dictum that "ideas are much more fatal than guns."

Ideas? America also believes in ideas—the ideas of freedom, democracy, and diversity—and they give us a decided advantage. Gorbachev is limited by the oppressive bureaucratic rationalism of Marxism-Leninism.

In truth, Gorbachev's campaign of "glasnost," or openness, disguises an essentially closed society. "Glasnost" continues to be "gloss-over-nost," and seeks the triumph of deceit and deception over truth and honesty. A taste of Soviet "openness" does not always work to his benefit. Those with a taste of freedom should not learn too much about this new "glasnost."

Faced with these limitations, Gorbachev has focused international attention on a myth—the myth of "openness"—and he has raised the manipulation of truth to new heights. Novosti—the Soviet world-wide wire service—TASS, and Radio Moscow daily blast outrageous falsehoods about the United States, its officials and institutions.

And his reach is growing. Moving decisively to employ the latest communications technology, he has established an extensive system of earth receiving stations and geosynchronous satellites.

Today, Soviet television can be received in Western Europe, North and Central America, Southwest Asia, North Africa, and the Middle East. Just this past March, an agreement was signed with two television companies in Argentina to relay Soviet television programs to that country, and 20 other Latin American countries. Cable News Network now brings Soviet news and programs into this country.

Fortunately, USIA had begun to deploy the new satellite technology prior to Gorbachev's rise to power. By combining this new technology with our traditional programs, we forged a powerful instrument for peace.

And, we have aggressively shown that, while America continues to offer the hope of freedom, the Soviet Union—despite the vague promises of "glasnost"—offers little more than oppression.

We began this satellite effort in late 1983 with the creation of WORLDNET. Through WORLDNET, we have been able to project by satellite around the world foreign media interviews with Administration spokesmen, and news, educational and cultural programs. With a Congressional mandate, we created Radio Marti to beam the truth about America and the truth about Communism to people trapped behind Cuba's "sugar cane curtain."

The modernization of the Voice of America's transmitting facilities—now being jeopardized by an interruption of funds—will insure that its message, in 44 languages, can reach virtually all of mankind more clearly.

The slow, uncertain radio telephone—bedeviled by atmosphere conditions in transmitting our news service, the wireless file—has been replaced by instantaneity and the accuracy of modern satellite telecommunications.

We can now deliver this resource by satellite—not only to our embassies and posts—but directly to newsroom editors overseas who influence public opinion. This greatly strengthens our ability to try to compete with TASS and Novosti.

With material underwriting from the Federal Republic of Germany, we are establishing a television counterpart to our radio station in Berlin—RIAS or Radio in the American Sector. Through RIAS-TV, we will be able to vault the "wall of suppression" which surrounds that city and to broadcast the message of freedom to the people of East Berlin and the German Democratic Republic.

Notwithstanding these dramatic developments; USIA continues to stress the importance of communicating through people-to-people programs.

Indeed, during the Reagan Administration, these programs have been enhanced considerably. USIA's budget for educational and cultural exchange programs—including Fulbright scholars and International Vistors—has increased by 115% since Fiscal Year 1981. Under the President's Youth Exchange Initiative—a program designed to correct misimpression in the critical formative years—over 22,000 additional exchanges have been stimulated by USIA grants.

We have established the Central American Undergraduate Scholarship Program to address the misperceptions about America which exist throughout the region.

We are implementing the President's U.S.-Soviet Exchange Initiative to raise mutual understanding with our principal adversary to a new level.

We are training Afghan journalists so they can report the appalling truth of their struggle to the rest of the world. We have strengthened our worldwide English teaching effort. We have developed—in partnership with MacMillan Company—a new audio visual English teaching program which can be used in homes, classrooms, and over radio and television stations around the world.

We have expanded our book translation programs—particularly in Central America—and are lifting the veil of ignorance about America.

Yes, we are doing our best to propel America into this new era. But, to successfully execute a coherent strategy, all the available means at our disposal must be part of a single institutional entity. USIA has the central responsibility for American public diplomacy. The Advisory Commission has been a forceful advocate—and constructive critic—on our behalf.

The significance of a unified public diplomacy effort has also been recognized in the Congress. Through the untiring efforts of Congressmen Dante Fascell, Dan Mica and Congresswoman Olympia Snowe, the wise leadership of Congressmen Neal Smith and Harold Rogers, for whom USIA can only be most grateful—the inspiration of Senators Pell, Lugar, Hatfield, Rudman, and so many others—we now have that unity of purpose and unity of resource to be effective.

Yet, there exists a misunderstanding of the real need for a unified public diplomacy mechanism—a viewpoint that would splinter the effort and destroy the possibility for a well-designed, comprehensive strategy to meet the challenges of the information age. They would dismantle USIA into its component parts and: create an independent broadcasting entity; move educational and cultural exchanges to other institutions; relocate information and advocacy programs elsewhere in the Government.

I strongly disagree. To do so would weaken the effectiveness of all the programs. The strength of our public diplomacy depends upon utilizing the synergism of many different resources in a coordinated manner so as to effectively present the broad spectrum of American society, American political opinion, and Administration policy.

Any one of our initiatives often puts in service a variety of USIA capabilities—VOA editorials, TV, AMPARTS, Wireless File, electronic dialogues, conferences, exchanges—not to mention the coordinated relationship they all have with 217 USIA posts worldwide, State, the NSC, Defense, and other branches of government.

To fragment these resources will only fragment our purpose and lead to a deterioration of overall effectiveness.

Finally, let me remark that the success of America's public diplomacy depends—ultimately—on the kind of people we as Americans are. The moral sense of honesty and fair play that lies at the root of American life is the basic foundation for all the Agency does.

America's commitment to truth and justice, mandates USIA to pursue effective advocacy and dispassionate scholarship side by side. These principles allow us to distinguish news from editorials without diminished effect.

These principles allow us to conduct a bold defense of U.S. policy, and yet be forthright. These principles allow us to broadcast the Iran-Contra hearings as a testimony to the strength of our society. These principles allow us to send our Artistic Ambassadors overseas to be compared with professional performing artists anywhere.

Without a sense of fidelity to those two principles of truth and justice, we would fail as advocates. And we would certainly hear about it from the Congress, the President, and most certainly, from Ed Feulner and his Advisory Commission colleagues.

In closing, let us cast our gaze on the new emerging communications technology.

The prospects it offers America's public diplomacy stimulate the imagination. And yet—even the most creative imagination will probably fall short of the dazzling future.

One can see the President communicating instantly at the flip of a switch—over thousands of miles—with any government leader.

One can see our alliances made closer, more immediate, and our conflicts made less prone to dangerous accident and misunderstanding.

One can see people everywhere—people who can never hope know America firsthand—relaxing in their homes, hearing words and seeing pictures about life in America.

One can see these same people—men, women, and children—thus better able to withstand the wrenching impact of deliberate falsehood and distortion of America.

Yes, one can see a new era. Imagine with me for a moment.

The new emerging technology is opening hitherto closed windows and doors. It is allowing freedom to shine in radiant splendor. Distances collapse. . . . Time evaporates. . . . Men and women pause. . . . Fresh breezes blow and warm the imagination with manifold visions of a true spring.

The landscape becomes alive with promises for a better tomorrow.

Human passions begin to stir and a sense of excitement and anticipation grips the soul.

For a "brief, shining moment" the cold, dark winter clouds of spiritual oppression and human misery—usually broken by only an occasional, but retreating ray of hope—those dark winter clouds . . . begin to recede.

I see that for so many individuals—in so many parts of the world—the new technology has become a light, a light that illumines the mind and warms the heart, a light that slowly, but inexorably germinates the seeds of freedom that lie in the inner recesses of the spirit.

Yes, I see a light that draws men and women closer together, uniting them in that often painful march to the dawning of a new spring—realizing at last the promise of "peace on earth and good will toward men."

## SEMINOLE INDIAN LAND CLAIMS SETTLEMENT ACT

### HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. LEWIS of Florida. Mr. Speaker, as the House Member who represents two of the three Federal Seminole Indian Reservations in Florida—Brighton and West Big Cypress—I am proud to introduce the Seminole Indian Land Claims Settlement Act of 1987.

This legislation is not only of vital importance to the Seminole Indian Tribe of Florida, but also to a variety of non-Indian Floridians whose water and property rights are beneficially affected by the settlement this bill approves. Under this precedent-setting agreement, long-standing claims of the Seminole Tribe to land and water rights will be amicably settled, to the benefit of the tribe and its members, as well as the people of Florida.

Specifically, the Seminole Indian Tribe has agreed to sell to the State of Florida, at its appraised value, six sections of land in Palm Beach County from the northeast portion of the East Big Cypress State Reservation. The State has agreed to preserve this land perpetually in its natural state.

The tribe will also relinquish claims to 19 whole or partial sections of land in Broward County on the east end of the East Big Cypress State Reservation, to be included in conservation 3A and managed by the South Florida Water Management District [SFWMD]. In turn the State will transfer in trust to the United States, for the benefit of the Seminole Tribe, some 15 sections of land on the western end of the East Big Cypress State Reservation, three of which are presently subject to a flowage easement. The SFWMD has agreed to release this flowage easement on these three sections.

The dispute about rights to the flow of water across the State-recognized Seminole Reservation has prevented the tribe from developing its land, and the SFWMD and the State from implementing a flood control plan in neighboring Hendry County. Under the terms of this settlement or compact, the tribe has agreed to drop its lawsuits and its opposition to the flood control plan, and to preserve specified wetlands in the land area which will be placed in Federal trust for the tribe. The SFWMD will provide technical assistance to the tribe needed in developing a surface water management system for farmlands in the Big Cypress and Brighton Reservations.

The settlement which this bill is intended to ratify will impose no new costs on the United States. However, if litigation were to continue because the Congress does not act promptly to approve this legislation, the results could be very expensive indeed. Under its responsibility to protect the trust resources of the Seminole Indian Tribe, the United States would be obligated to financially support the tribe's suit.

This compact has already been approved by Florida Governor Bob Martinez and the cabinet of Florida, both houses of the State legislature, by the South Florida Water Management District and by the Seminole Indian Tribe themselves. Companion legislation was introduced in the Senate yesterday. My legislation merely expresses necessary congressional approval of these land transactions, and as I have stated previously, will involve no Federal payments.

If not fully approved soon, this settlement could begin to unravel, costing the tribe, the people of Florida, and the taxpayers of the United States significant amounts of money. Therefore, I urge all my colleagues to join with me in moving this legislation expeditiously through the Congress.

## IN HONOR OF JUDGE MARY F. McDEVITT

### HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. HERTEL. Mr. Speaker, I rise today to mark 30 years of dedicated service by the Honorable Mary F. McDevitt, 39th District Court Judge in Roseville, MI.

Mary McDevitt was raised in an atmosphere of law and justice, with her father an attorney and her mother an elementary school teacher and principal in Roseville. She attended school locally and received her law degrees from the prestigious Detroit College of Law.

Her dedication to her law career began early as she worked full-time while taking prelaw classes at night. She continued with part-time work during law school. After graduation, Mary McDevitt took a position with the legal department of a local company and was appointed as an aide to the Macomb County Probate Court. She continued this through 1956, when she opened a private law office and later began serving as part-time judge.

In 1957, Mary McDevitt was elected Erin Township Justice of the Peace. The next year, she became Roseville Municipal Judge and served in that capacity until 1968. In 1969, Hon. McDevitt began serving as 39th District Judge and has been elected every 6 years since then.

In addition to her duties as judge, Mary McDevitt has participated in a number of civic and professional organizations. A few of these include the American Bar Association, the State Bar of Michigan, the Macomb County Bar Association, the American Judges Association, the Women Lawyers Association, and the American Judicature Society.

I would like to ask my colleagues to join me and her many friends in honoring Judge McDevitt's 30 years of community service and dedication. Her contributions have been more than appreciated.

## ROAMIN' DAKOTA

### HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. DORGAN of North Dakota. Mr. Speaker, a North Dakota columnist named Wayne Lubenow writes a weekly column entitled "Roamin' Dakota".

In a recent column, he commented on the Persian Gulf, the minesweepers, the U.S. Navy and Abdul and Ali.

Sometimes, a tongue-in-cheek column contains a powerful message and I decided I wanted to share Wayne Lubenow's column with the rest of my colleagues by having it inserted in the CONGRESSIONAL RECORD.

ROAMIN' DAKOTA

(By Wayne Lubenow)

If it weren't for my advancing years, a touch of arthritis in my right shoulder, a left knee that pops in & out & a wife who won't let me cross the street without guidance, I'd join the Navy again.

See, the first time I joined the Navy—it was in 1943—they put me on an aircraft carrier & sent me to the South Pacific & people shot at me & crashed airplanes into us & stuff like that.

This time I would promptly volunteer for duty on a U.S. Navy minesweeper. Frankly, I'm surprised that thousands of young men aren't lined up at Navy recruiting stations demanding to serve on a minesweeper.

That's because our minesweepers don't go nowhere.

No, they sit in ports along the East Coast where there ain't no mines & the crew gets to go on liberty every night & the livin' is easy.

Meanwhile, our Kuwaiti-turned-American supertankers are hitting mines in the Persian Gulf. (Well, one mine, anyway.)

It is mystifying to an old sailor like me why we don't have minesweepers where the mines are.

(Of course, for 3 years the whole Navy chain of command was mystifying to me.)

In World War II we always had minesweepers leading an assault on an enemy-held island or almost anywhere our fleet went.

That was so none of our ships would hit mines which I thought was sound strategy.

I guess it's different in this electronic age of push-button warfare.

Still, the scenario seems like something right out of the Keystone Kops.

President Reagan announces that America will put American flags on Kuwaiti oil tankers & that our fleet will escort them through the Persian Gulf.

So here's the Pentagon people in a huddle, all the top-ranked admirals & generals & a passel of collegebred civilian advisors who got more degrees than a thermometer.

"Here's how it stacks up," says Admiral A.J. ("Old Blood & Guts") Barnacles, "Them Iranians got some Silkworm missiles from China, but we can smack 'em. Yes sir, boys, we got the capability to destroy their missiles or any suicide planes that come in or any suicide gunboats. That's because we got the ultra-super, neon-colored, heat-seeking, radar-lock, brain-cell guided, teflon-coated, Vitamin-enriched FHT4987 anti-anti missile-missile."

Well, this so encouraged the gang in the Pentagon that they broke into a couple of choruses of "Anchors Aweigh" & began hollering things like, "Remember Pearl Harbor."

One old admiral, who apparently had too much lunch, lurched to his feet & toasted, "Back to Grenada, boys."

So in a well-publicized maneuver, our fleet began convoying those 2 Kuwaiti tankers through the Persian Gulf. Our boys were ready & loaded for bear.

Over on the beach a couple of Iranians were talking. "Hey, Ali," said one, "Have we still got a mine left & have we still got that old boat with the 40-horse Johnson motor?"

"Yeah, Abdul," Ali says, "It's laying around somewhere."

"Good," Ali says. "Hey, let's go put a mine in the path of that American convoy."

"Why not?" Abdul shrugs, "but how do we know they'll hit it?"

"Are you kidding?" Ali says, "We know their course & they're steaming in a straight line. They ain't even zig-zagging. What's more, they ain't got no minesweepers."

"Geez," Abdul says, "That's hard to believe. We been mining this gulf for 7 years & a lot of ships have gone down. The Russians are using minesweepers. Are you sure they ain't got none?"

"Trust me," Ali says, "They ain't got none. All they got is the ultra-super, neon-colored, heat-seeking, radar-lock, brain-cell guided, teflon-coated, vitamin-enriched FHT4987 anti-anti missile-missile."

"Wow," Abdul says, highly impressed, "What if they hit our boat with that?"

"Don't worry," Ali says, "They probably ain't got it turned on."

## FIGHT FOR HUMAN RIGHTS MAY FIRE POLITICAL REFORM

### HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. SAXTON. Mr. Speaker, I would like to bring the following article to the attention of my colleagues who may not have seen it yet. In this article, Natan Sharansky warns us against separating human rights issues from other dealings with the Soviet Union. This is a very timely piece, in light of Soviet Foreign Minister Shevardnadze's visit to Washington.

FIGHT FOR HUMAN RIGHTS MAY FIRE POLITICAL REFORM

(By Natan Sharansky)[1]

At 11 one night in 1982, my wife, Avital, called a friend of Prime Minister Margaret Thatcher's. It was my fifth year in the gulag and she had just heard through the grapevine ominous reports about my health. She wanted Mrs. Thatcher to bring up my case with a Soviet official scheduled to meet with the prime minister the next morning.

Obviously peeved at being awakened, Mrs. Thatcher's friend demanded, "Do you think the whole world revolves around your husband?" Avital retorted: "You should thank God for the opportunity to participate in this struggle. Without freedom for people like my husband, there is no freedom for anyone. Not for you, not for me." He seemed to agree. And so did Mrs. Thatcher, whose efforts for Soviet Jewry and human rights in the Soviet Union have been consistent and forceful.

Yet the question of the primacy of the human-rights issue in dealing with totalitarian countries is nevertheless a nagging one—and one that is highlighted this week by Soviet Foreign Minister Eduard Shevardnadze's visit to the U.S.

The Soviet treatment of human rights is so much a part of its policy toward the West that it is impossible to view it as a separate issue. Throughout Soviet history there have been periodic "openings" to the West, dictated by the need to salvage a chronically tottering economy by harnessing Western resources. They are usually accompanied by internal reforms, whose aim is to make Soviet bureaucracy less corrupt and inefficient, and Soviet society more palatable to the free world. But Soviet leaders are always careful to restrict reforms to the superstructure. Free access to Western ideas and real freedom of speech, action and movement are viewed as threats to the foundations of the system.

Regardless of the degree of "openness" toward the West at any given time, the Soviet Union has supported violent movements and regimes. It is as comfortable with such regimes as it is uneasy with democracies. In this, nothing has changed.

In other areas there have been some dramatic changes. Mikhail Gorbachev has instituted reforms intended to decimate the bureaucracy and increase productivity. And in an effort to forestall American strategic superiority and eliminate the threat of the Strategic Defense Initiative, he has adopted a conciliatory attitude in arms talks.

He has recognized the need to placate artists and intellectuals, chafing at the sight of fewer restrictions in other communist countries, and has allowed the publication of some of the books formerly on the Soviet Index. Most of these are, however, by dead authors. The dissenting living are still banned.

Some political prisoners have been released, but unlike their predecessors in Khruschev's time, they have not been rehabilitated; others still linger in prisons and psychiatric wards. The emigration of Jews has increased from less than a hundred a month in recent years to 500, but it is still a fraction of the annual rate of 50,000 in 1979, and a trickle when measured against the 400,000 who have expressed their desire to leave. A new draconian emigration law restricts applicants to those with relatives of the first degree living abroad. It thus disqualifies more than 90% of potential Jewish emigrants.

Image-building is enjoying top priority today. Soviet officials are no longer evasive and elusive. They seek the press with Madison Avenue savvy, with protestations of friendship and flexibility.

Image-building was also a primary concern in the detente of the 1970s. It permitted the Soviets to exploit public pressures created in the open societies of the West while nipping in the bud any such pressures at home. And while the West was preaching and implementing disarmament and disengagement, the Soviet Union was making violent forays into Ethiopia, Angola, the Middle East, Afghanistan and Nicaragua. When such groups as Helsinki Watch, Amnesty International and Free Trade Unions, supporters of nuclear-free zones inside the Soviet orbit, and Eurocommunists began to sprout in the Soviet Union, the KGB arrested them with ruthless dispatch. One of my fellow prisoners then named us "the hostages of detente," predicting that we would be used as bargaining chips and released at the next detente.

It was during the detente of the '70s that the U.S. Congress recognized the need to link adherence to human-rights agreements with trade agreements. In 1973 it passed the Jackson Amemdment, which is based on the premise that liberalization of Soviet human-rights policies is an indication of Soviet good faith and that the absence of such good faith makes helping the Soviet economy unacceptably risky.

This concept of "linkage" was expanded in the 1975 Helsinki accords, which packaged commitments to human rights with security arrangements in Europe and Western recognition of the postwar borders. Not surprisingly, the Soviets have been trying to unlink these ever since. Now, in the euphoria of *glasnost*, they are trying to implement their own version of linkage; extorting concessions on policy in exchange for releasing some of the hostages of detente. If the West permits itself to fall into this trap, there will be no end to it; the political price for each hostage will rise with each transaction.

The West must realize that Soviet non-adherence to human-rights contracts is not merely a humanitarian problem. On the simplest and most pragmatic level, it raises the question of credibility. Is it wise to rely on any agreements with a government that has shown nothing but contempt for its own signature on numerous agreements? Just as questionable is the West's readiness to do business with a regime whose trampling of human rights is inseparable from its global anti-Western aggression. Under such circumstances, when business dealings, technology transfers and scientific exchanges are separated from the human-rights issue, it is indeed a case of selling the Soviets the rope with which to hang the democracies.

Fighting for human rights in the Soviet Union is as politically prudent as it is morally right. It can give an impetus to the carefully controlled reforms until they acquire a momemtum of their own and bring about real change, and it can ultimately moderate Soviet foreign policy at a point where cooperation between the superpowers will be safer than playing Russian roulette.

## REPRESENTATIVE MEL LEVINE PROPOSES "INVESTING IN A NEW AMERICA"

### HON. BUDDY MacKAY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. MACKAY. Mr. Speaker, our colleague MEL LEVINE recently delivered a thoughtful and visionary speech to the San Francisco Rotary Club about the future of America's economy.

While noting such healthy economic indicators as today's low inflation and unemployment rate, Representative LEVINE cautioned that today's prosperity is based upon growing and unsustainable debt. "How long can the world's largest debtor remain the world's greatest power?" he asked.

Congressman LEVINE proposed a different course in his speech: "Investing in a New America."

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[1] Mr. Sharansky was imprisoned for nine years in the Soviet Union. He now lives in Jerusalem.

He stressed that America is undergoing a fundamental economic transition which requires major investments in our education, job-training, and technology commercialization systems. He particularly emphasized the need to focus our attention on long-term solutions to these problems and on the discipline to accomplish these focused goals.

Representative LEVINE also rightly noted that the key to changing America's present economic course is ethical and moral, not technical. Quoting Norman Lear's observation that "the societal disease of our time is America's obsession with short-term success," Mr. LEVINE called for a return to an "older ethic built upon the ties between the generations, and a commitment to those who will follow us."

Mr. Speaker, these insights speak to us in Congress as much as to the American people, and I hope as many of my colleagues as possible will find time to read this speech, which I insert in the RECORD at this point:

### INVESTING IN A NEW AMERICA

#### INTRODUCTION: THE BEST AND WORST OF TIMES

Many of us are confused by today's economic news. On the one hand, we are heartened by reports that today's 6 percent unemployment rate is the lowest since 1980, inflation appears under control, and the Dow Jones has passed 2600. We're in the 57th month of one of the longest recoveries of the post-war era, and it was even reported last week that the poverty rate had fallen to the lowest level since 1980.

But if we are heartened by the good news, most of us are also troubled when we read that America has become the world's largest debtor in just the last three years; that we today owe some $350 billion to foreigners, and could owe as much as $800 billion by 1990; that 31 states have been in a near-recession, and that hundreds of thousands of farmers, energy, auto and steel workers have lost their jobs and livelihoods; that a presidential commission reports America has lost its lead in 7 out of 10 new sectors like electronics and semiconductors, as well as autos and steel; and that recent trade deficits mean that Americans have consumed $500 billion more goods than they produced during the last 4 years.

What are we to make of all this? How can we be enjoying such a long recovery while simultaneously piling up debt and losing our competitiveness? Can these simultaneously be the best and worst of times?

The answer, I'm afraid, is yes. Experts of all political persuasions agree that today's strong recovery is a result of a borrowing binge threatening serious trouble in the years ahead.

It is as if you or I spent a $50,000 bank loan on clothing, cars and vacations this year. We would have enjoyed a dramatic personal "recovery" now. But future years could see our standard of living drop dramatically as we were forced to use large portions of our salary to meet loan repayments.

As Paul Volcker testified to Congress last year, "we are living beyond our means. That might be acceptable if we (had) a surge in productive investment, but we (do) not. These are not conditions that are sustainable for long".

Conservative professor Alan Meltzer says that "America's main economic problem is that we consume too much relative to what we produce. Since our borrowing is used mainly to finance consumption, we live better now but leave a debt to be serviced and paid in the future (by us) or our children".

Liberal investment banker Felix Rohatyn writes that "American fiscal folly, coupled with the inability to coordinate economic policies with Europe and Japan, has created an ever-increasing worldwide pyramid of debt that cannot withstand a major recession."

History will regard with special irony the fact that a Republican Administration that speaks so much of renewing American strength may have done more to weaken this nation than any Presidency since Calvin Coolidge. To those who doubt this, I ask one simple question: how long can the world's largest debtor remain the world's greatest power?

The answer is self-evident, and I suggest to you today that it is time to seek an alternative.

It is time to launch new initiatives to rebuild America. Our top national priority must be to strengthen our economy. With a strong economy, we can meet such other national goals as cleaning up the environment, ensuring a strong defense and ending poverty. Without a strong economy, we can do none of these things.

And the key to a strong economy is to invest in America.

We cannot borrow our way to prosperity—both history and logic suggest that no nation can indefinitely go into debt.

Nor can we become strong at home by engaging in foreign scapegoating abroad. Yes, the Japanese and others have engaged in unfair trade practices. But even if they ended these practices overnight, it would not have a major impact on our trade deficit. We will solve our trade crisis only when Americans themselves are offered high-quality American cars superior to Hondas, or top-flight video cassette recorders that are better than Sonys. A strong economy must begin at home.

And so does a strong foreign policy. America became a great military power because of its strong economy—not vice versa. If we continue to dissipate our national wealth on foreign adventures and a nuclear arms race at the expense of investing in our own economic strength at home, we will decline as a great nation as have all other great powers before us—and for precisely the same reasons.

Clearly the time has come to once again invest in ourselves—turning from foreign scapegoating to a far more exciting endeavor: seeing our schools unleash the creativity and imagination of our young people and once more become a model for the world; ensuring that we become a nation of life-long learners, learning challenging new skills and information as frequently as we change jobs and careers; re-igniting the "Yankee ingenuity" that has been our national pride, as we rebuild our manufacturing prowess and once again experience the satisfaction of knowing that the world is turning to products and services that are "Made in America."

The reason why investing in ourselves is the key to our future is simple, but profound: the world today is in the early stages of an economic transition that will transform our lives as dramatically as did the Industrial Revolution.

At home, America is switching from a resource to knowledge-based economy, in which success depends upon small, entrepreneurial service and flexible manufacturing firms rather than the large resource-based corporations which powered our previous mass manufacturing growth. Cheap oil and abundant land once powered our growth. Today it is knowledge—the skills and adaptability of our workers, the brainpower of our scientists and engineers, and the literacy of our population.

Abroad, we are increasingly part of a global economy in which our strength depends upon allied cooperation and Third World development.

This transition to a global knowledge economy offers tremendous promise of America. We may have lost our former competitive advantage in cheap resources, and face stiffer competition from the increased sophistication and cheaper labor of foreign competitors. But we possess something far more important: the world's most innovative workforce and technology base. America, in short, has precisely the knowledge base needed for success in a knowledge economy.

If America's future can be bright, however, getting there will not be easy. For any transition requires disruption and change.

There is no single magic policy bullet that can save the American economy. If supply-side tax cuts were not the answer, for example, neither are tax increases. Instead, we need to reorient dozens of policies towards productive investment which, together, will unleash the massive new wave of investment needed to remake the American economy.

Increasing productive investments is not simply a question of "spending more money." The sad fact is that much of our present investment is misdirected. Overall American spending on education, for example, has risen steadily in the past decade—even as Scholastic Aptitude Test scores dropped 74 points between 1963 and 1986. Too much education spending has gone into increasing administrative personnel rather than targeting an increase in the quality and quantity of classroom teachers. There must be a major focus on redirecting existing investment.

At the same time, however, we cannot delude ourselves that simple redirection of investment will solve our problems. America must also increase its overall investment levels if it is to remain a great power.

And we must move also beyond the stale debate which sees some Americans focus on attacking government and others on attacking business. When America has moved forward—whether during World War II, or our post-war success in space, aerospace and agriculture—government, business and academia have joined together to do their respective jobs better. The issue for the '90s is not more or less of government or business, but better government and business.

The time has come to lift our sights beyond the debates of the past and instead set a great national goal for the future: this nation should commit to ensuring that America has the world's finest workforce and technology base in the year 2000. A comprchensive economic strategy is needed to: (1) boost investment in people; (2) promote technology commercialization; (3) create an overall climate for investment and entrepreneurialism; and (4) remake the world economy.

#### *Investment in people*

We need to increase our investment in creating the world's finest workforce by (a) improving education by increasing the number of hours our students learn, raising classroom teacher salaries, providing incentives to schools to perform better—particularly in communication, math, science, foreign language and engineering skills—tripling Head

Start and compensatory education programs to reach all those in need, and developing a new system of financing college and post-secondary vocational education; (b) upgrading job-training by increasing our commitment to the Job-Training Partnership Act, ensuring that its focus on involving employers also applies to high school and community college programs, and increasing training and aid to displaced workers; and (c) improving on-the-job productivity by promoting pay-for-performance standards, redesigning jobs to give employees more say over their conditions of employment, providing family support such as parental leaves for an increasing number of workers who do not have anyone at home to look after their infants.

#### *Investment in technology*

At the same time, we also need to do more to commercialize new technologies. The challenge is to ensure that the U.S. has a civilian capacity to bring these breakthroughs to the marketplace by developing joint industry-government commercialization efforts.

The semiconductor industry, for example, has recently developed a trail-blazing proposal called "Sematech," which would be a joint effort between private industry and government to develop the generic manufacturing technologies needed to regain our lead in semiconductor production. What is important about this proposal is that (1) industry is putting up significant amounts of its own funds before asking for governmental assistance, and is taking responsibility for the project's success or failure in a sector where they have a proven track record; and (2) it can be demonstrated convincingly that this project is necessary because its top competitors have successfully used government aid to take market share from U.S. companies. I believe that Sematech should not only be supported, but become a model for industries across America that can meet similar criteria.

Another top priority is ensuring that America has the capacity to aid projects like Sematech. The only place to look for such funds today is the Defense Department, which obviously is not in the business of commercializing new technologies. I think the time has come to develop a civilian capacity to support our manufacturing sector. Accordingly, I have introduced along with Senator Glenn a proposal for an Advanced Civilian Technology Agency or ACTA, which would give the Department of Commerce the capacity to commercialize new technologies. At a time when the Japanese are poised to make new commercial breakthroughs in everything from superconductors to supercomputers, I believe that America has no higher priority than supporting this proposal.

A national commitment to creating the world's finest workforce and technology base in the year 2000 can only work, however, if we also move to create a new national climate to support savings, entrepreneurialism, and long-term thinking by both business and government.

Reducing the fiscal deficit is an essential first step toward increasing the pool of capital available for investment. But we also need to increase incentives for individuals to save, rethink pension fund investment priorities to promote more productive investment, and discourage the kind of excessive takeover activity that breeds short-term rather than long-term thinking. It is particularly important that we do more to spur the small business and entrepreneurial risk-taking upon which so much of our future job and economic growth depends. And while it is premature to talk of further tax reform at this point, we may also eventually have to consider doing more to ensure that our tax code equitably encourages investment and discourages consumption.

Finally, it is particularly important in this age of growing global interdependence that we do more to remake the world economy so that it comprises a growing market for our goods.

If America's economy is to expand in the 1990s it will have to be by developing markets in the Third World to replace the European and Japanese markets to which we once sold. We need to develop a new international regime, as we did at Bretton Woods after World War II, that sees the Third World end its debt crisis, resume growth, and serve as an expanding market for our goods. The time has come to develop policies that will see increased Third World demand for American products, and increased private investment flows to replace reduced foreign aid and commercial bank loans.

#### CONCLUSION: OUR CHALLENGE IS MORAL NOT ECONOMIC

The fact that most economists would agree with most of the policies suggested above suggests perhaps the most important point about our present economic condition: our problems are political and moral, not economic and technical.

We need as a nation, of course, to discuss economic policy. But we need even more to discuss the moral and political shifts needed to make such policies a reality.

There is no more important strain in American history than the focus on the individual and, yes, individualism. I personally believe that if there is one single cause of America's greatness, it is both its respect for individual rights and its encouragement of individual initiative.

But if America was built by individuals standing alone, it was also built by individuals standing together. As important as individualism has been as a theme during our history, so too has been the importance of community—from the frontier wagon-trains that settled America to the New Deal which saved it from the Great Depression to voluntary organizations such as this which make so great a contribution to the quality of American life.

There was, I believe, much that was healthy in the early '80s reaction against "too much government," including the need to cut bureaucracy, dependence and over-regulation. Now, however, the pendulum has swung too far towards a narrow kind of individualism that threatens each of us as individuals. It is time for the pendulum to swing back towards the middle, towards a better balance between the individual and community, rights and responsibilities.

Such a new American community will need to be guided, it seems to me, by three basic principles:

(1) Growth requires discipline:

This generation of Americans has enjoyed a unique historical moment in which the destruction of our allies after World War II, our access to cheap resources, and our superior know-how created the world's first consumer society. Today, however, this moment is passing. Allies have been rebuilt and often out-compete us, and resources are no longer cheap nor the key to growth. It is time to return to the values which built this country: hard work, discipline, duty to nation over self.

Students need to study more, managers manage better, and workers work harder. It is time to return to an ethic that asks what we can do for our country, beginning with making whatever national investments are necessary to ensure America's continued greatness. This is the kind of patriotism that will save America rather than continuing to see its treasure dissipated in foreign adventures and a nuclear arms race we cannot win.

(2) Growth requires participation and equity: No one group of Americans is rich enough to finance America's rebirth. If all Americans are going to be asked to pitch in, however, they will want to be assured that commitments to invest are shared fairly, and that they have a greater say in the basic decisions that affect their lives—particulary in the workplace.

(3) Growth requires concern for the future:

Above all, the new American community requires a new focus on long-term thinking—not only about where we will be a decade from now but what kind of society we are leaving our children.

Norman Lear has recently written, "the societal disease of our time, I am convinced, is America's obsession with short-term success, its fixation with the proverbial bottom-line * * * America has become a game show. Winning is all that matters. Cash prizes. Get rich quick. We are the captives of a culture that celebrates instant gratification no matter what the larger costs.

I believe it is time for the pendulum to swing back towards an older ethic built upon the ties between the generations, and a commitment to those who will follow us.

Our grandparents and great-grandparents took it for granted that they would leave a better society for us than the one they found. They were willing to work hard, save, invest and do whatever else was necessary to make sure that we were better educated, clothed and housed than were they.

That was America. That was investing in a new America.

We can, we must, do no less for our children.

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## INTRODUCTION OF THE CHILDREN'S TELEVISION ADVERTISING PRACTICES ACT

### HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. BRUCE. Mr. Speaker, it is my pleasure today to join with five members of the House Subcommittee on Telecommunications and Finance in introducing the Children's Television Advertising Practices Act. This bill will encodify the pre-1984 FCC guidelines regarding children's television advertising.

In 1981, The FTC's final staff report and recommendation in the matter of children's advertising noted that out of respect, or a desire to please, children are prone to accept any role model. Consequently, children place indiscriminate trust in television advertising. Also, until children reach an age at which they can understand that a commercial is a selling tool they are clearly being deceived.

Frankly there was nothing new about this finding. Mainstream psychological research had long ago found that young children believe that fictional characters appearing in television advertising want to help them, that they perceived the selling figures as friendly, sincere, honest, and worthy of imitation.

Realizing this, the National Association of Broadcasters published its "children's television advertising guidelines." This code responsibly outlined the public service responsibilities of broadcasters and weighed them against the practical necessities for broadcasters to raise revenue from advertising.

Based on this input from the industry the FCC issued its children's television policy statement in 1974, which essentially provided practical standards which protected first amendment rights, allowed stations to earn a profit and enhanced broadcasters ability to realize their legal, public-interest responsibility to protect children from excessive advertising.

Unfortunately, in 1984 the FCC attempted to graft pure free market economics onto the social responsibility for broadcasters to serve the public interest. This has been significantly detrimental to serving our Nations children.

Now I believe that allowing market forces to operate is essential to economics. In fact the first bill I introduced in the 100th Congress was the Regulatory Fairness Act which amends the Federal Power Act to allow market forces to more closely determine consumers utility rates.

In the Regulatory Fairness Act, I was joined by several members of this subcommittee from both sides of the aisle including Mr. MOORHEAD, Mr. SWIFT, Mr. TAUKE, Mr. LELAND, Mr. OXLEY, Mrs. COLLINS, Mr. NIELSON, Mr. ECKART, Mr. RICHARDSON, Mr. BOUCHER, Mr. COOPER, as well as Chairman MARKEY.

We all supported the Regulatory Fairness Act because we want to see the free market help make an economic determination regarding setting utility rates, but today we are dealing with a social responsibility, the free market is a viable theory of economic regulation. But the free market is a bankrupt theory of social regulation.

Relying on a marketplace of children to determine the course of children's programming is about as wise as allowing a marketplace of children to determine their courses in school. In fact it could be more dangerous.

The FCC experience with using the free market to regulate children's television since 1984 has proved ineffective. If the free market were working in children's television, quality programs, like quality products, would receive increased consumer support and therefore superior ratings. These ratings would determine the commercial success of programs. The inferior programs would be driven from the market by dissatisfied consumers.

But as the Wall Street Journal reported in May:

> A glut of programming and declining ratings is turning the world of animated children's shows into a battlefield.

The Journal also reports that while ratings of such programs are down a whopping 20 percent in the past year, the number of these programs for next year has increased by nearly 30 percent. The reason for this is that the free market does not work with a consumer, like the small child, who is incapable of making qualified market judgments, and therefore needs special care.

Instead of a free market, we now have a chaotic market which is being polluted by artificiality in the form of commercial tie-ins between toy manufacturers and the cartoon show producers. These tie-ins drive out quality programming and therfore make it impossible for a free children's TV market to work, even in an economic sense. As Michael Brockman, who oversees daytime programming at CBS, recently pointed out—

> There's more attention being given to the best deal than to the best program.

Now I am aware that there have been cases of commercial tie-ins for years. But the problem has grown increasingly worse since the FCC abandoned the guidelines which my bill would reinstate. In this regard I would like to associate myself with the views expressed in the Advertising Age editorial entitled "A TV License To Steal, From Kids."

> You can hardly tell the commercials from the programs, especially if your too little to comprehend what adversiting is and certainly to be sophisticated to know a licensing deal when you see one. . . . Actually in the trend's early stages we didn't mind so much . . . but the small fry (is now) being bombarded . . . six days a week with product themed shows. . . .
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> Children's TV sorely needs innovation, diversity and substance, but unhappily with would be sponsors flooding the airwaves with tailor made vehicles, there is little room for program producers who might want to sell more shows that make children think and grow up gracefully. . . .

And Advertising Age concludes by warning,

> Those responsible for the building avalanche of toy licensed TV should get themselves ready for even greater consumer group—and consumer—outcries. Although it takes the American public a while to react to excesses, reaction is sure to come, and many voices will be heard.

Today I am adding my voice to that of Chairman MARKEY'S, Mr. BRYANT, Mr. LELAND, Mr. SWIFT, and Mrs. COLLINS by introducing the Children's Television Advertising Practices Act which will require the FCC to limit the duration of advertising in children's programs to the pre-1984 level of 9½ minutes per hour on weekends and 12 minutes during the week. Our bill will eliminiate host selling and tie-in practices, and assure adequate separation between content and commercial messages.

Mr. Speaker, advertising without governmental oversight endangers children. Regulation is necessary to balance broadcasters need for revenue with the public interest. Yet despite the policy to protect children, the FCC's effort to deregulate and the Justice Department's abolition of the NAB Code eliminated the mechanism for protection. Our bill will establish that mechanism. I hope my colleagues in the House join us in our effort.

Once again I thank you for this opportunity, and I yield back the balance of my time.

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## PRICING AGRICULTURAL WATER

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. MILLER of California. Mr. Speaker, I want to bring to the attention of my colleagues a September 19, 1987 editorial in the San Francisco Chronicle which outlined the need to redefine how agricultural water is priced.

Water supplied from Federal irrigation projects has never been priced at its market value. The refusal to intelligently price water has led us to other, more costly solutions such as large water projects.

However, the Chronicle correctly points out that if "California combined new market pricing policies for water with effective water conservation programs, enough surplus water could be found and sold to ease concern over future water supplies."

The Chronicle also congratulates the Berrenda Mesa Water District and the Environmental Defense Fund for their recent agreement to seek a buyer for 50,000 acre feet of surplus water the district is unable to use. The proceeds from this sale will be used to reimburse farmers for letting land lie fallow.

Mr. Speaker, I join with the Chronicle in "cheering" the District and EDF in their pioneering effort. This innovative, cooperative approach illustrates that there is more to water policy than pouring concrete, opening the floodgates, and signing away subsidies that cost taxpayers billions of dollars and damage the competitiveness of farmers in nonreclamation areas.

#### PRICING WATER

The best things in life are free, so the saying goes. And those words have a strange application in California agriculture, which has enjoyed decades of subsidized water provided by federal and state water projects.

When the federal government's huge Central Valley Project in California was undertaken years ago, a primary objective was to provide water for irrigation and for domestic consumption. The water was not treated as a true commodity, priced at what the market would pay, but sold at negotiated prices below market value. For years, there has been general support for the idea of providing low-cost water to family farmers.

But attitudes toward water pricing policies have changed in recent years for a variety of reasons. The family farm has become an endangered species. And the cost of energy to deliver cheap water often prices the water beyond the reach of farmers.

In an era of tight government budgets, there has also been a general shift of philosophy toward user fees, charging those who benefit from a governmental service a fee equal to what the service costs.

Putting a market-oriented price on agricultural water is a radical concept, not quickly accepted. It has its strong opponents, even though it would undoubtedly result in "finding" water that is surplus to farming needs and could substantially slow down, if not eliminate, the drive to build massive new water projects.

If California combined new market pricing policies for water with effective water conservation programs, enough surplus water could be found and sold to ease concern over future water supplies. It might also bring an end to the savage water wars between Northern and Southern California that have been fixtures of the Sacramento legislative scene.

The Legislature, which has just concluded its session, witnessed once again a divisive battle because Assemblyman Jim Costa of Fresno and Senator Ruben Ayala of Chino pushed legislation to divert an unknown, but massive, amount of water from Northern California to the Central Valley and Southern California. The bills had no protection for the bay and delta habitats.

While the fight over water in the Legislature received all the media attention, another important water event was taking place out of the limelight. A Kern County water district said it had rights to far more state water than it needed, and it proposed to offer its surplus for sale at market rates. This almost unprecedented event has substantial implications.

The Berrenda Mesa Water District of Kern County signed an agreement with the Berkeley office of the Environmental Defense Fund to cooperate in seeking a buyer for some 50,000 acre feet of water to which the water district is entitled each year from the State Water Project. The water is enough for the yearly domestic requirements of more than a quarter of a million people. Berrenda Mesa has surplus water, a spokesman said, because growers of row crops, such as cotton, garlic, onions and potatoes, can not pay the current price of water, $100 an acre foot, and return a profit. Proceeds from the sale of the water will be used to reimburse farmers for promising to let their lands lie fallow permanently.

Putting water up for sale to the highest bidder is virtually unknown in California, although it is going on elsewhere in the West. In California, the idea is generating major resistance. The Kern County Water Agency is reportedly opposed to the sale of water entitlement, taking the view that water that is in Kern County must not be shipped elsewhere. Others resist the idea because the concept could doom the era of comparatively cheap water subsidized by the taxpayers.

We cheer on the pioneering Berrenda Mesa Water District and the Environmental Defense Fund, and we wish them well in the litigation that inevitably occurs when water and money are mixed.

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## IN HONOR OF THE CONSTITUTION

### HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. ECKART. Mr. Speaker, I would like to take a moment to pay tribute to the U.S. Constitution. On this occasion of the celebration of our Constitution's 200th birthday it is important to examine what, in fact, was created 200 years ago in Philadelphia. In one sense it is a collection of roughly 2,000 words that created a system of governmental institutions for the newly liberated United States of America. However, in another sense, it is, as Woodrow Wilson stated, "a vehicle of life, and its spirit is always the spirit of the age."

The dual nature of the Constitution has given it both the durability and the resilience necessary to survive a Civil War, World Wars and 200 years of social change and growth. The document, although amended 26 times, has remained remarkably similar in form to its original conception; yet it has expanded in ways that the Framers could never have imagined in 1787. The words have grown to incorporate a myriad of meanings and ideas. Woodrow Wilson perhaps best captured this characteristic of the Constitution when he said, "the Constitution was not meant to fit us like a straitjacket. In its elasticity lies its chief greatness."

As we look back this week on the birth of our Government we must remember the true genius that was summoned during that historic summer in Philadelphia. We must remember the remarkable nature of the document and the destiny that is written into those 2,000 words.

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## WELFARE REFORM

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 16, 1987, into the CONGRESSIONAL RECORD:

#### WELFARE REFORM

Last year the President and the Congress agreed that a simple and effective way to help the working poor was to reduce their taxes. This year another important antipoverty step is underway. Welfare reform has risen to the top of the national agenda. Studies have been conducted, states have experimented, and now the President and Congress are considering significant changes in federal welfare programs.

The two largest federal cash welfare programs are Aid to Families with Dependent Children (AFDC) and the earned income tax credit. Federal funds pay for about 70% of all welfare benefits. Most observers agree that welfare programs are not working. Poverty in America, by some measures, has actually worsened, and concerns about program inefficiencies continue. But disillusionment with welfare did not, until recently, translate into serious reform efforts. Few voices called for reform; the prevailing political climate discouraged new social policy initiatives. Suddenly all that has changed. There is a loose consensus among liberals, moderates, and conservatives on the major problems with our welfare system, and on the general direction reforms must take. This consensus embodies both liberals' concern for the poor and conservatives' concern about welfare dependency.

One area of broad agreement is to place more emphasis on work and responsibility. Welfare recipients should be required to work after a period of training and education, if jobs can be found for them. A requirement that recipients obtain work was thought to be impractical for women with young children, but two factors have increased the acceptability of work in welfare. First, much evidence suggests the debilitating effect of welfare. Almost one-third of all persons who enroll in AFDC are on public assistance for eight years or longer; most recipients do not develop the basic skills they need to find employment. Second, with most mothers now working, it is only fair to require work from those who receive welfare benefits, including women with children. Today the view is that jobs will speed recipients' reentry into the mainstream of society. Under this approach, welfare programs should offer skills training, remedial education, job placement programs, day care and transportation services.

Another common theme in welfare reform plans is the need to strengthen the family. Rising divorce rates and out-of-wedlock births contribute substantially to poverty and welfare dependency. Three out of four new AFDC cases result from either marital disruption or an out-of-wedlock birth; over 40 percent of unwed mothers who have a child under three when they first receive AFDC remain dependent on it for ten or more years. Current welfare programs both ignore and aggravate the plight of the poor family. For instance, 26 states, including Indiana, currently limit AFDC and Medicaid benefits to single-parent households entirely, and the remaining states restrict eligibility so that only a small fraction of all poor, intact families receive AFDC benefits. Some evidence suggests that denying support to two-parent families encourages one parent to leave and may even encourage divorce. Pro-family welfare reforms include strengthening enforcement of child support laws, withholding child support payments directly from wages, providing education and counseling to reduce out-of-wedlock births, and extending welfare benefits to two-parent families. Welfare programs are meant to serve children primarily. It helps to think principally about how proposed reforms impact on children.

A third element of consensus is to allow the states greater discretion and flexibility in the way they handle federal welfare funds. In the past, state governments have been criticized because many showed insufficient commitment to providing adequate, non-discriminatory benefits. But criticism has largely disappeared as the states have proven themselves willing and able to administer welfare. The states have become the innovators in welfare policy, taking the lead on such issues as childcare, education and training, and work programs. Since economic and social conditions vary widely from state to state, it makes sense to give the states greater flexibility to tailor welfare programs suited to the particular needs of their citizens.

Despite the widespread agreement on these major issues, several areas of disagreement must be resolved before a welfare reform bill becomes law. Cost is the principal obstacle to fundamental reform. Although a welfare program based on work and training may reduce costs eventually, it may raise them initially. The new proposals would raise costs by $1 billion to $10 billion during the next 5 years, and their high cost has allowed action on welfare reform bills in Congress.

Advocates of reform also disagree about whether benefits should be increased and whether the scope of current programs should be expanded. Unanswered questions include: Should a national minimum benefit be established? Should day care be provided and for how long? Should public sector jobs be created for welfare recipients? Should sanctions be imposed on recipients who choose not to participate in new work programs?

Finally, many still have doubts about transforming the existing welfare system, with its emphasis on income support, to one that emphasizes work. Writing a check to welfare recipients is easy. It is much harder to assess the employability of welfare recipients, train them, and place them in permanent jobs. Many welfare recipients have serious deficiencies in basic skills. Even if those deficiencies are overcome, private-sector jobs may not be available.

As welfare reform unfolds, we must be careful not to promise too much. Even the word "reform" might be too optimistic. Past experience suggests that progress will be marginal and slow, and no one should expect a dramatic reduction in poverty. The reforms would not radically alter welfare, but they would make a new attempt to move people off welfare and into jobs. That would be a welcome change in welfare policy.

NOTE: Much of the information used in this report was drawn from an article by Robert Reischauer entitled "Welfare Reform: Is Consensus Enough?" which appeared in the September 1987, edition of the Brookings Review.

## WILLIAM C. DOHERTY

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. MICHEL. Mr. Speaker, many of us who have spent quite a bit of time in Congress or in Washington remember William C. Doherty, former president of the National Association of Letter Carriers and at one time U.S. Ambassador to Jamaica. On August 9, Bill Doherty died and I know I speak for many of those who remember him with fondness that he will be missed.

At this time I wish to insert in the RECORD the obituary of William C. Doherty that appeared in the Washington Post, August 11, 1987.

[From the Washington Post, Aug. 11, 1987]

WILLIAM C. DOHERTY

Mr. Doherty, 85, former president of the National Association of Letter Carriers who later served as U.S. ambassador to Jamaica, died of congestive heart failure Aug. 9 at the Collingswood Nursing Center in Rockville.

Mr. Doherty was president of the letter carriers association from 1941 until 1962, and was said to have been an effective lobbyist on Capitol Hill for pay raises.

During that time he also served as a vice president and executive committee member of the AFL-CIO.

He was ambassador to Jamaica from 1962 to 1964, then led a drive to raise money to build a retirement community for letter carriers, NALCREST, near Lake Wales, Fla. He had lived there since the mid-1960s.

A former resident of Bethesda, Mr. Doherty was born in Glendale, Ohio. He began work as a messenger for the Postal Telegraph Co., in Cincinnati when he was 14. He participated in an unsuccessful strike by the Commercial Telegraphers Union of America in 1919, then served three years in the Army.

Mr. Doherty became a letter carrier in Cincinnati in 1923, and at the same time became active in union affairs. He was president of the Cincinnati chapter of the letter carriers association—and later the Ohio chapter—before coming to Washington in 1941, after he became president of the national association in a bitterly contested election.

During Mr. Doherty's term as president, membership in the union grew from 67,000 to 155,000, and a health insurance plan that remains in effect today was implemented. In 1960 he wrote a book, "Mailman USA," a history of the union's struggles.

His first wife, Gertrude Helen Dacey Doherty, died in 1967, and his second wife, Oza Howell Barlow Doherty, died in 1983.

Survivors include five sons by his first marriage, William Charles Doherty Jr. of McLean, John Timothy Doherty of Winchester, Va., James Francis Doherty of Silver Spring, and Joseph Patrick Doherty and Thomas Aloysius Doherty, both of Rockville; four daughters by his first marriage, Mary Seton Doherty Puglisi of Gaithersburg, Catherine Ellen Doherty Stewart of McLean, Gertrude Patricia Doherty Boswell of Silver Spring, and Margaret Frances Doherty Rieger of Rockville; 53 grandchildren, and 30 great-grandchildren.

## THE TEXTILE AND APPAREL ACT OF 1987

## HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. CRANE. Mr. Speaker, I rise to address the issue of the Textile and Apparel Act of 1987. Despite the likely consequences of the bill, and despite the administration's efforts to substantially increase protection to their industries in 1986, the domestic textile and apparel industries have come to Congress seeking additional protection. The American textile industry actually fared better than the rest of the economy in 1986, and prospects are good for another strong showing in 1987. Clearly this is not an industry in need of additional protection.

Furthermore, passage of the bill would harm U.S. consumers, provoke retaliation, violate our international obligations, and undermine U.S. efforts to secure a more open trading system for all U.S. exports.

The bill would violate the safeguards provision of the GATT by indiscriminately granting permanent protection to a huge array of products. It would violate the Multifiber Arrangement created by U.S. industries to protect them from imports, by imposing unilateral, global quotas on all textile products. The quotas would, in turn, be set at levels that would force the United States to abrogate our bilateral agreements.

It is my opinion that the short-term benefit of increasing protection to the already overly protected domestic textile and apparel industries is by far outweighed by the potential damage to our entire economy. Therefore, I urge my colleagues to carefully consider Ambassador Gotlieb's letter, and to join me in the attempt to forestall the passage of the Textile and Apparel Act of 1987.

CANADIAN EMBASSY,
*Washington, DC, July 31, 1987.*

Hon. PHILIP M. CRANE,
*Longworth House Office Building,*
*Washington, DC.*

DEAR CONGRESSMAN CRANE: I am writing in connection with the Textile and Apparel Act of 1987 that the Committee on Ways and Means is to consider shortly. The Canadian Government is of the view that this legislation would very seriously impair the world trading system. In particular, my Government is concerned that the passage of such legislation would threaten the future of the Multifibre Arrangement, thereby placing further pressure on an international trading environment already jeopardized by mounting protectionism.

Canada also has experienced disruptive levels of clothing imports over the past few years. Thus, we appreciate the circumstances giving rise to this proposal and are aware of the difficulties involved in formulating policies that will address such problems without unduly disrupting Canadian and U.S. bilateral and multilateral objectives. The Canadian Government itself has been under heavy pressure to intensify the border protection currently afforded Canadian textile and clothing industries by imposing a global import quota. On a number of occasions, Canadian Ministers have received representations from their U.S. counterparts with respect to the unfortunate consequences any such Canadian action would have on bilateral trade and on our mutual efforts to resist protectionism and to stabilize and enhance the multilateral trading environment. The Canadian Government has determined that solutions to these problems must be found within the context of an international agreement. However, passage of the textile legislation currently before Congress would make it extremely difficult for the Canadian Government to resist taking action to intensify protection in this area.

I also wish to emphasize my Government's concern about the negative impact on Canada/U.S. trade that would result from restrictions on Canadian exports under this legislation. The United States has traditionally enjoyed a surplus in trade in textiles and clothing with Canada. This surplus has been maintained in spite of a major decline in the relative value of the Canadian dollar, which has made Canadian exports more attractive in the United States. In 1986, the U.S. surplus amounted to $504 million, on a two-way textile and clothing trade of approximately $1.6 billion. In addition, the proposed legislation would affect Canadian exports of footwear which were valued at $50 million in 1986.

The compensation provided for in the bill is inadequate at best, and could not begin to meet the claims of affected countries, including Canada. Enactment of this legislation, therefore, would force such countries to consider mirror legislation or retaliatory actions that would affect United States exports of textiles, clothing and footwear, and perhaps other products.

More important perhaps than simple bilateral retaliation would be the irreparable damage that the proposed legislation would wreak on the international trading system. It could destroy the MFA and irrevocably prejudice the Uruguay Round of multilateral trade negotiations. Developing countries, heavily dependent on textiles and apparel exports, could not agree to negotiate an opening of their markets to our exports of manufactures, nor could they be expected to cooperate in meeting our objectives in such new areas as trade in services and the protection of intellectual property rights.

Yours sincerely,

ALLAN GOTLIEB,
*Ambassador.*

## RELIGIOUS FREEDOM

## HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. FROST. Mr. Speaker, tomorrow, as we honor the document and the amendments which have given us religious freedom, let us sound the horn for those who cannot practice their religion. In particular, as the High Holy Days—Rosh Hashanah—approach, let us awaken to the plight of Jews in the Soviet Union.

Denied the right the practice their religion, they will not be able to participate in the 10 holiest days of the year when Jews around the world celebrate the creation and prepare for the new year through prayer and atonement. Although supposedly living in an open society, noted for its glasnost, few will have access to a synagogue, the place of worship which is so important in Jewish life especially during these 10 days. They will not hear the sound of the ram's horn calling them to self-judgment, self-improvement and atonement. Nor will they be able to gather together on Yom ha-Zikaron—the Day of Remembrance—when the millions who were persecuted and died for their religion are honored.

Let us not be taken in by the recent granting of permission for some Soviet Jews to emigrate. Although the number has increased this year, it is only a fraction of those who have requested to leave—most because they wish the right to practice their religion.

Much has been made of the Soviet authorities willingness to permit the development of Jewish religious and national life, but Soviet Party leaders have stated they would continue to lead the struggle against religion until it finally disappeared.

As we celebrate the many freedom granted us under the Constitution and the Bill of Rights, let us remember the Soviet Jews who still cannot worship. For in reality, we cannot truly celebrate as long as they are not allowed to join with us in proclaiming the message of the High Holy Days—the reaching out to men and women of every faith and creed in the spirit of forgiveness, good will, and peace.

## PEACEFUL SOLUTION TO THE PROBLEMS IN PUNJAB

## HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. BURTON of Indiana. Mr. Speaker, on September 10, 1987, four of the five chief priests of the Sikh religion declared support for the Sikhs fighting for a separate Sikh nation in India's Punjab state. The announcement from the Golden Temple, seat of the Sikh religion, called on Sikhs worldwide to give "tan, man, dhan," or body, soul and wealth, to the Sikh's "decisive war for liberation." They said the Indian Government was oppressing Sikhs all over India.

This statement was the strongest yet by Sikh religious authorities. I urge the Indian Government to use restraint in resolving this dispute. Most Sikhs want a peaceful solution in the Punjab and the Indian Government should respect their human rights and freedoms. There is evidence that the Indian authorities are currently suspending basic freedoms in the Punjab and that increasingly harsh police tactics are only aggravating the situation. Sikhs around the world will never submit to oppression.

The U.S. State Department refuses to recognize the systematic and routine suppression of human rights in the Punjab. I would like to submit for the RECORD recent articles from the Christian Science Monitor, the Economist, the Tribune, and a statement by the president of International Sikh Organization, Dr. Gurmit Singh Aulakh. These articles shed light on the problems Sikhs are encountering in India. I hope the international community, especially the UN Human Rights Commission, will put pressure on India to bring a fair and peaceful solution to the problems in the Punjab.

[From the Christian Science Monitor, Sept. 8, 1987]

TOUGH INDIAN SECURITY LAWS DRAW FIRE FROM CIVIL-RIGHTS GROUPS

(By Brahma Chellaney)

NEW DELHI.—Tough new laws adopted by the Indian parliament to combat escalating Sikh terrorism are sparking acrimonious debate between the government and civil liberties groups.

The legislation strengthens a preventive detention law and gives authorities wide powers to combat activities that they judge anti-national. It was adopted late last month by the upper and lower houses of the Indian Parliament—where Prime Minister Rajiv Gandhi's ruling Congress (I) party holds a large majority of the seats.

Civil liberties groups contend such laws abridge civil liberties and would be misused against political opponents, thus threatening the world's largest democratic system. They claim that the series of extraordinary laws enacted since Mr. Gandhi succeeded his assassinated mother Indira Gandhi in late 1984, are Draconian, and provide no safeguards against their misuse by government officials or security forces.

The government cites the "unusual and serious situation" prevailing in Sikh dominated Punjab State to justify the controversial powers. Sikh extremists from this prosperous agricultural state have been waging a violent campaign for an independent homeland.

Over the last four years, Sikh terrorists have been responsible for killing hundreds of Hindu civilians and politicians, as well as Sikhs seen as "collaborating" with the New Delhi government. Hundreds of Sikhs have been detained for varying periods under the different laws to combat terrorism. And, in recent months, security forces claim they have daily killed two or three alleged Sikh terrorists in what are termed "encounters."

About 1,400 people have been killed in terrorist-related violence in India since last year. The situation has rapidly deteriorated in recent weeks, with police reporting at least half-a-dozen slayings almost daily.

Speaking in Parliament two weeks ago, Deputy Interior Minister P. Chidambaram argued that the administration needs extraordinary powers, not weapons, to fight terrorism.

But, contends noted jurist V.M. Tarkunde, "These sweeping laws, though intended to combat terrorism, are proving counterproductive."

Mr. Tarkunde is president of Citizens for Democracy, a civil rights group. "Sikhs think the laws are aimed at them, and since anyone now can be arrested arbitrarily and denied bail, Sikhs feel like second-class citizens," he says. "These laws are indeed encouraging terrorism."

Last month's Terrorist and Disruptive Activities' Prevention Bill is regarded as the toughest antiterrorist legislation passed since India's independence from Britain in 1947. Like most of the other recent controversial laws, it is applicable nationwide. Among other things, it seeks to provide for minimum imprisonment of from five years up to life for unauthorized possession of certain arms. Critics say it shifts the onus of proof from the prosecution to the accused. Human rights activists are concerned that the act may allow the use of police torture to extort confessions that can be used as evidence.

The act provides the death penalty for terrorist killings and long prison terms for a wide range of "disruptive activities," covering songs, paintings, books, and audio cassettes deemed to undermine India's unity.

The other legislation approved this week amends the 1980 National Security Act to permit authorities not to disclose to a detainee for up to 15 days the reasons for his arrest. This was necessary to relieve pressure on local authorities because of "the large number of detention orders" being issued, Mr. Chidambaram said.

Hundreds of people have been jailed across India under the Security Act, which provides for imprisonment without trial for up to two years in Punjab and one year elsewhere in India. They include suspected Sikh extremists, petty criminals, and political dissidents. The act has been strongly criticized by London-based Amnesty International.

"So idolized has the State become that we no longer think creatively of political or judicial solutions to a crisis like the one confronted in Punjab; instead the itch is to arm the State with more and more power," wrote a magazine the columnist recently, adding that the country is experiencing "a subtle variety of incremental authoritarianism."

Late last year, Parliament passed controversial legislation empowering the government to open private mail "in the interest of public safety." The former President Zail Singh, who retired in July, refused to sign it into law. But new President Ramaswamy Venkataraman is expected to give his assent shortly.

Several analysts, however, say that India has an independent judiciary and a fearless press, and that there is no immediate danger to the Indian democracy.

[From the Economist, Aug. 29, 1987]

SIKHLY HOPES

Is Punjab sliding towards chaos? Since the central government dismissed the state government and began running Punjab in May, Sikh terrorists have killed more than 500 people. That is three times as many as they killed in the first three months of this year. Now Mr. Darshan Singh Ragi, the top Sikh priest with authority over temporal matters, has left the Golden Temple and retired to his village home. This leaves the Sikhs' holiest shrine in the hands of extremists who will accept nothing less than a separate state of "Khalistan". The shadowy "panthic committee" which runs the separatist movement has announced that it will call a meeting of all Sikhs to appoint a new head priest and depose Mr. Singh. Their move may not work, but it if does Punjab will come a step closer to civil war.

Mr. Rajiv Gandhi, the prime minister, imposed direct rule on Punjab because he wanted to give the police a free hand, unhindered by local politicians, to mop up terrorists. The results have not been encouraging. The Delhi-appointed police chief of Punjab, Mr. Julius Ribeiro, had claimed in the spring that there were only about 100 hard-core terrorists left in the state, and that one big push would break them. The imposition of direct rule gave Mr. Ribeiro his chance. In the very first month of it, the police killed or captured 404 suspected terrorists. Since then they have been killing two to three alleged terrorists every day, and catching two or three times as many. Despite this the number of terrorist killings and attacks has risen dramatically: up at least fourfold since this time last year.

One reason is that some police tactics have aroused sympathy for the terrorist groups—and stimulated recruits. For the past four years the terrorists have been making a special point of attacking judges, witnesses, informers and the families of policemen and politicians (on August 16th six close relatives of India's Sikh home minister, Mr. Burta Singh, were murdered). As a result, almost no one is willing to give evidence against the terrorists. The police have therefore taken to murdering the worst of the captured terrorists in what are officially described as "encounters". The police claim that they do no such thing. But these denials are hard to take seriously in the cases of encounters, increasingly frequent, in which no policeman is killed or injured despite prolonged exchanges of gunfire, and no terrorist is injured, only killed.

Faked encounters have come as a propaganda godsend to the separatists. Yet the real difficulty is not that the government's policing has taken on certain attributes of a "dirty war". It is that the government has not joined to its toughness any policy of giving support to the moderate Sikhs who are trying to resist the drift to extremism.

This failure began last year when Mr. Gandhi reneged on certain important promises—notably to give Punjab sole control of the city of Chandigarh—in the accord he signed in 1985 with a moderate leader of the Sikhs. The government has made things worse by its failure this year to back Mr. Darshan Singh. Ever since December 1986, when he became acting high priest of the Akal Takht (the "timeless throne"), Mr. Singh has used his considerable authority to condemn the killing of innocents, to bring all Sikh factions including the terrorists on to a common platform for talks with the central government, and to press the government to open talks with the militants.

In February Mr. Singh succeeded in getting almost all the Sikh political parties to agree on a programme to satisfy Sikh grievances with the framework of the Indian constitution. In the following weeks several major terrorist leaders gave their support to the high priest. This encouraged the central government, which had been watching Mr. Singh closely, to open indirect talks with him and with some of the militant leaders in April.

By the end of April a four-point peace plan had been drawn up which had the support of all moderate Sikh groups and all but two of the terrorist groups. But in a sudden reversal, Mr. Gandhi's home minister went to parliament to repudiate the government emissary who had agreed to Mr. Singh's peace plan. Two weeks later Mr. Gandhi imposed direct rule.

Mr. Singh made a second attempt to get talks started on August 4th, when he held a convention at the Golden Temple of all Sikh groups including the terrorist ones. Opinion had seriously hardened against the idea of a deal with the central government. The high priest was unable to get even the more moderate groups to agree that any autonomy for Punjab should be within the existing Indian federation. A few days later he invited the militants to take over responsibility for looking after the Sikhs and left the Golden Temple.

It was a tactical dare, intended to reassert his authority. But the government in Delhi needs to reflect on it. If Mr. Singh goes for good, there soon may be nobody left in Punjab for Mr. Gandhi to do business with. That vacuum could be even more dangerous than it sounds: a Punjabi Hindu organisation calling itself the "national defence force" has already been set up, with the aim of recruiting a 10,000-strong sacrificial squad" to "fight terrorists and protect the lives of innocent people in the state".

[From the Tribune, Aug. 24, 1987]

BHAJAN LAL FOR VP'S ARREST

HISAR.—The Union Environment Minister, Mr. Bhajan Lal, today demanded immediate arrest of a former Defense Minister, Mr. V.P. Singh, and registration of a case of sedition against him.

Addressing a public meeting here in connection with the forthcoming municipal elections, he said Mr. V.P. Singh was trying to create "disaffection in Army ranks" and lowering the morale of the force by describing the recently purchased arms as substandard.

Mr. Bhajan Lal criticized Mr. V.P. Singh for his anti-corruption campaign and described it as a "political stunt." The former Defense Minister had collected "politically frustrated" persons around him and was trying to malign Prime Minister.

Referring to the Punjab problem, Mr. Bhajan Lal said terrorists should be shot dead. They did not deserve to be arrested and tried by courts of law. Only a tough posture against such elements could help resolve the Punjab problem, he added.

He appealed to the people to vote for the nominees of the Congress (I) in the August 30 poll.

STATEMENT BY DR. GURMIT SINGH AULAKH

Today the International Sikh Organization pledges the support of the Sikh community outside of India in response to "tan, man, dhan," or body, soul and wealth to the Sikh Freedom Fighters opposing the Government of India as called for by the Head Sikh Priests from the highest religious seat of the Sikh Nation, the Golden Temple. This pledge of support will increase the aid sent to Sikh freedom fighters from the International Sikh Community.

A little known civil war has been taking place in the Punjab State of India for the last four years. Yet report of this war has been slight due to the news blackout imposed by Rajiv Gandhi. The call by the Head Priest of the Sikh religion is significant because it shows a unifying of the Sikh people against the New Delhi Government. Prior to this call, Sikhs have been divided between those who wanted more Sikh control within the Punjab State and those who wished to secede from India entirely. The action by the Priests indicates that even Sikh moderates have leaned toward full secession from India.

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## THE 350TH ANNIVERSARY OF THE BIRTH OF FATHER JACQUES MARQUETTE

### HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. ROTH. Mr. Speaker, 1987 is a year of historical significance, most notably the 200th anniversary of our Constitution. This year, 1987, also commemorates another event, the 350th anniversary of the birth of Father Jacques Marquette. As a Jesuit priest, explorer, missionary, teacher, and discoverer, Father Marquette's contribution to our history and Nation are significant.

As a graduate of Marquette University, I am duly aware of the importance of his search for truth and discovery of knowledge. Also significant are his contributions to the historical and cultural development of the Northern Midwest and the Mississippi Valley.

Born in Laon, France, in 1637, Marquette quickly advanced through his studies to become a teacher and entered the Jesuit order at the age of 17. Though teaching was to remain his occupation for the next several years, Marquette never denied his cherished hope that his ultimate calling would be that of an overseas missionary.

At 29 years of age, Marquette was designated by his superiors for service in Canada, then New France. On September 20 of 1666, he landed in Quebec.

The next stage of his life was dedicated to working among the Indian tribes located around the Great Lakes. Quickly he mastered their languages, introducing them to Christianity, medicine, and science. Marquette's reputation and popularity quickly spread. Moving to the mission vacated by Father Allouez's departure to Green Bay, Marquette relocated to La Pointe. Here, he was visited by many tribesmen from far away, among others, the Illinois, who had crossed a great river on their way. Marquette, like no other, was able to reach these tribesmen, both teaching and learning from them.

Continuing to contact additional Indian tribes, in 1671 Father Marquette founded the Mission of St. Ignace on the straits of the Mackinac. It was here that Marquette teamed up with a Canadian explorer, Louis Jolliet—the team that, accompanied by five men in two bark canoes, would discover and explore the Mississippi River.

In 1673, this first expedition to the Mississippi River began by way or Green Bay, through the Fox River Valley and into the Wisconsin River, down the Mississippi to the Arkansas. Geographically, Marquette's discovery and exploration of this area confirmed eventual navigational passage to the Gulf of Mexico. Culturally, this discovery enabled the growth of the Mississippi Valley, also named the Valley of Democracy. This designation is appropriate if one considers the effect its settle-

ment had on 17th and 18th century Europe. As a discovery into the rich interior of North America, opportunities were provided the common man to raise his status from dependence and poverty to one of independence and property. If we examine the many and varied communities that have developed along the Mississippi all the way from Wisconsin down South, we realize the vast differences and cultural contributions these areas have made to our Nation.

The journey down the Mississippi and back to De Pere, WI, had taken a physical toll upon Marquette, and he died only 2 years later.

Of all the Jesuit missionaries who have come to explore the Western World, Marquette is perhaps the most renowned, partly because of his early death, partly because of his drive for truth and knowledge, partly because he and Jolliet were the first to follow the course of the Mississippi River. Rightly so, many Americans commonly hold the missionary-explorer in esteem.

How appropriate that, in 1881, a university was founded that bears his name. Recognized throughout the Nation as a leading academic institution, Marquette University charters its students on an exploration in discovery of truth, knowledge, and justice. Marquette graduates not only have a significant and important influence in Wisconsin, but throughout the Nation and the world.

How appropriate that, in 1896, the people of Wisconsin chose Father Marquette as one of their citizens to be commemorated in the Statuary Hall of our Nation's Capitol.

How appropriate that, in 1987, we join in commemoration of the birth of one of the greater explorers—the discoverer who enabled the growth and cultural contributions of the Valley of Democracy to flourish in America's heritage.

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## ROUTE 33 HIGHWAY EXTENSION

### HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. RITTER. Mr. Speaker, today I have introduced legislation to carry out a highway project in Northampton County, PA, of approximately 3 miles to extend Pennsylvania Route 33 on the Federal-aid primary system. The construction will proceed from Route 33's terminus at U.S. Route 22, between Bethlehem and Easton, to Interstate Route I–78. This bill, if enacted, will provide a four-lane limited access highway connecting Interstate Routes I–78 and I–80 and will demonstrate methods by which connection of two interstate routes will:

Foster significant economic development and job creation by providing high speed, limited access motor vehicle transportation to an area in dynamic economic transition;

Appreciably decrease the use of local roads by through traffic particularly by heavy trucks and thereby promote highway safety;

Reduce intraregional and interregional travel time and reduce transportation costs; and

Perhaps most importantly, Mr. Speaker, Route 33 and other interconnects will increase the efficiency and optimize the value of interstate routes—I–80 and I–78—and other Federal investments—in this case, the Lehigh Valley Industrial Parks, Inc., whose economic value amounts to some $109 million annually with over 7,000 jobs created as recipients of $2 million in EDA grants.

Mr. Speaker, if the Lehigh Valley Industrial Parks and other businesses are to remain competitive, a recent market analysis shows that the completion of the Route 33 extension and I–78 will provide the infrastructure to attract new and expanding businesses.

The economic impact study without the Route 33 extension shows the economic impact loss as follows: jobs—16,834; income—$333 million annually; and taxes—$16.7 million annually. An optimistic case was also projected for the completion of the Route 33 extension projecting the attraction of more businesses offering higher payrolls including high technology firms and similar companies that occupy New Jersey's growth corridors. For this scenario, demand for industrial land is projected to reach: 39 acres in 1995; 381 acres in 2000; and 1,055 acres in 2020. Employment is projected to total over 500 jobs in 1995, 5,000 in 2000 and 15,0000 in 2010.

Mr. Speaker, I know that the next highway reauthorization will not be considered until, perhaps 1991, at which time additional demonstration projects will be authorized and funded. I would expect the Route 33 extension would meet with the same favorable response from the committee and the Congress as was the case with our Basin Street Bridge project, included in the highway reauthorization enacted earlier this year.

Further, the people of the Lehigh Valley literally waited for years at the crossing and for the Congress to include Basin Street as a demonstration project. The time to consider the next reauthorization will be here before we know it and I want the Congress and the citizens of the Lehigh Valley to know that I will go all out once again to obtain this valuable demonstration project that will be of benefit to the entire Nation.

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## THE AGRICULTURAL CREDIT ACT OF 1987

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. DINGELL. Mr. Speaker, there is broad and growing concern about the provision in title III of the Agricultural Credit Act. This legislation proposes to create a secondary market for farm real estate loans which would be exempt from the disclosure and reporting requirement of State and Federal securities laws. Some believe that it may even be exempt from important criminal fraud statutes.

The measures is scheduled for consideration by the House next week, at which time I plan to offer an amendment to strike title III. I would like to share with my fellow Members several "Dear Colleague" letters, a letter from Treasury Secretary James Baker, and an August 27 editorial which appeared in the Washington Post, which detail the reasons for my opposition to title III.

I ask unanimous consent to insert these materials in the RECORD to assist my colleagues as they prepare for consideration of H.R. 3030 and, I hope, join me in an amendment to delete title III of the bill:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, DC, September 14, 1987.*

DEAR COLLEAGUE: The Agricultural Credit Act of 1987, H.R. 3030, is scheduled for floor consideration later this week. We support many of the bill's provisions, but must call your attention to our serious concerns about Title III, which would create a secondary market for farm real estate loans.

The provision would enable banks, insurance companies and others to "package" and resell to investors farm real state loans.

Contrary to some assertions, Title III would not assist farmers, nor would it shore up the Farm Credit System. Indeed, as now structured, Title III would likely result in further damage to the FCS—just as the rest of H.R. 3030 is seeking to restore its health. In allowing the "packaging" of farm real estate loans for resale to investors, it is a virtual certainty that only the best loans would be bought, thus leaving the FCS holding the least credit-worthy loans.

There is taxpayer risk, too. Included in the Title III provisions is a Federal guarantee; to the extent there is any failure, there would be a $1.5 billion liability for the Government. And, if any of those whose loans are *not* resold into the "pool" end up in default, there is additional—and significant—risk to the Treasury in further bailout of the Farm Credit System.

Claims of resemblance to "Ginnie Mae," "Freddie Mac," and "Fannie Mae" to the contrary notwithstanding, the provisions of Title III would provide investors with none of the protections of those programs. With no requirements for even minimal capitalization, buyers of the "packaged" loans would have no idea whatsoever as to their value or worthiness. Worse, Title III waives reporting and disclosure requirements of all State and Federal securities laws, and Federal and State agencies have expressed concern that Title III may even waive criminal fraud statutes!

All of us want to alleviate the problems of the Nation's farm economy, and all of us want to help farmers. The problem with Title III is that it is, unfortunately, wide of the mark. The people who would benefit from Title III are NOT farmers; they are the individuals and institutions doing the loan packaging and sale—and making handsome fees on the deal.

There are better ways to restore health to our farm economy and to the Farm Credit System. Because of a lack of time for careful consideration of these highly complex issues, we are offering an amendment, together with other Members, to strike Title III when the bill comes up this week. We hope you will join us in striking "Farmer Mac" when the measure comes up.

Sincerely,

TRENT LOTT,
*Minority Whip.*
JOHN D. DINGELL,
*Chairman, Committee on Energy and Commerce.*

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, DC, September 11, 1987.*

DEAR COLLEAGUE: As members of the Committee on Banking, Finance and Urban Affairs, we want to express our concern about H.R. 3030, the Agricultural Credit Act of 1987 scheduled for floor action next week.

The bill will provide relief for the Farm Credit System's banks and local lending associations, which have reported losses of about $4.8 billion over the past two years. The measure also provides Federal guarantees for the more than $4 billion in system stock held by farmer-borrowers. American farmers have suffered severe losses, and they need and deserve assistance from Congress.

However, Title III of the bill establishes a secondary market for securitized real estate loans. Under the bill, the market would be exempt from Federal and state securities laws—laws which currently provide a significant amount of protection against fraud and abuse in financial transactions. Moreover, the secondary market might tend to skim off the Farm Credit System's best loans and to compete for investment dollars with banks outside the System. If that happened, the System would be left holding substandard loans, requiring more outreach and servicing than the loans sold in the secondary market.

We believe that this plan could saddle taxpayers with the unnecessary responsibility of making good on any losses yet will not help those farmers already burdened with debt. It is clear that Congress and the Committees with jurisdiction—including the Banking Committee and the Committee on Energy and Commerce—need more time to consider the implications of this Title of the bill.

Please join us and the leadership of the Energy and Commerce Committee in supporting an amendment to delete Title III from the bill.

Sincerely,

Fernand St Germain,
*Chairman.*
Bruce Morrison,
Barney Frank,
Charles E. Schumer,
Bruce Vento,
Marcy Kaptur.

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Look Out for "Farmer Mac!"

Congress of the United States,
House of Representatives,
*Washington, DC, September 10, 1987.*

Dear Colleague: Next week the House will be asked to consider H.R. 3030, the Agricultural Credit Act of 1987. It contains a badly flawed provision.

That bill creates a bailout package of financial assistance to shore up the Farm Credit System's 37 banks and 387 local lending associations, which together have reported losses of $4.8 billion over the past two years and are projected to lose up to $3 billion more over the next three years. It also would provide federal guarantees for more than $4 billion in system stock held by farmer-borrowers. We strongly support this assistance package. Our farmers have suffered grievous losses.

However, Title III of H.R. 3030 sets up a secondary trading market for securitized real estate loans. As structured in the bill, that market would be exempt from federal and state securities laws, exposing investors to great potential chicanery. As a recent *Washington Post* editorial clearly points out, it would also expose the Farm Credit System, the Treasury and the American taxpayer to unlimited costs.

In order to compete for investment dollars with banks outside the system, "Farmer Mac" would have to skim off the Farm Credit System's best quality loans. The Farm Credit System would be left holding large numbers of substandard loans, demanding continuous, expansive servicing. The secondary market will do little to help farmers already burdened with System debt. We are supposed to be helping the Farm Credit System, not putting a gun to its head. The banks see lots of fee and trading income in all this. All the American public will see is more red ink. We oppose this result and you should too.

Please join us in supporting an amendment to delete Title III from the bill. If you need more information, or would like to help, please contact Consuela Washington (Dingell—52927), Stuart Kaswell (Lent, Rinaldo—63400), or Howard Homonoff (Markey—62424).

Sincerely,

John D. Dingell, Chairman, Committee on Energy and Commerce; Edward J. Markey, Chairman, Subcommittee on Telecommunications and Finance, Committee on Energy and Commerce; Norman F. Lent, Ranking Minority Member, Committee on Energy and Commerce; Matthew J. Rinaldo, Ranking Minority Member, Subcommittee on Telecommunications and Finance, Committee on Energy and Commerce.

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[From the Washington Post, Aug. 27, 1987]

Farmer Mac

The farm credit bill that awaits the House on its return contains a provision that was only put there as a sop to the influential commercial banks, insurance companies and others that make farm loans. It transfers much of the risk in such lending from these private institutions—every one a champion of free enterprise in other contexts—to the taxpayer. The government is already too deeply involved in the farm economy as guarantor of price and income. Its additional role as guarantor of credit should be minimized rather than enlarged. The provision should be stricken from the bill.

The bill is meant to bail out the Farm Credit System, a little-known but long-established network of several hundred lending institutions that now makes about a third of U.S. farm loans. So many of the system's loans have gone bad that without a federal infusion it will apparently have to default on its bonds. But the banks and other lenders that compete with the system have also suffered grievous farm losses, and their argument is that if Congress helps the system it should help them too.

The bill would do that by creating a secondary market for all farm loans (not just the system's). The market would be similar to those the government has helped develop over the years for home mortgages. The farm loans would be marketed under the auspices of a new corporation. In housing, these corporations—the Government National Mortgage Association, Federal National Mortgage Association, Federal Home Loan Mortgage Corp.—have come to be known as Ginnie Mae, Fannie Mae and Freddie Mac. Now Farmer Mac would join them.

Only loans with Farmer Mac's seal of approval could be sold in the new market. The government would then help guarantee their repayment. A bank could make a loan, sell it at a slight profit in the secondary market, replenish its coffers and wipe out its risk, all in almost the same stroke. No wonder the banks like the idea.

The administration, which doesn't, says the proposal may end up draining the Farm Credit System, supposed beneficiary of the bill, of its better loans, thereby compounding rather than solving its problems. But the argument against it is more fundamental. Proponents say the secondary market—and federal guarantee—will attract more money into farming at lower interest rates. Sure it will, but where do you stop? Why not a Steely Mac for hurting steel, a Greasy Mac for dear old oil, a Threaddie Mae in case of need in textiles? Congress should tell the banks no on this one.

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The Secretary of the Treasury,
*Washington, DC, September 14, 1987.*

Hon. John D. Dingell,
*Chairman, Committee on Energy and Commerce, U.S. House of Representatives, Washington, DC.*

Dear John: The Agricultural Credit Act of 1987 (H.R. 3030) contains several provisions that should help to minimize the cost of taxpayer assistance to the Farm Credit System (FCS) and at the same time strengthen the FCS. These are goals that the Administration strongly supports. However, it also contains sections with which we have significant problems. Chief among these are Title III, the secondary market provisions, and Title II, the Farmers Home Administration (FmHA) provisions.

For the past two years, we have strongly opposed the creation of a federally-backed secondary market for agricultural loans because: (1) it will do little to help farmers, particularly struggling ones; (2) the FCS itself already effectively acts as a secondary market; (3) the necessary government guarantees will increase the federal government's exposure to losses of up to several billions of dollars each time the agricultural sector falls on hard times; and (4) it seriously damages the FCS by giving a government subsidy (in the form of the guarantee) to private sector lenders who can then take over the System's best borrowers. This loss of good loan volume would be a problem in itself, and would also increase the System's cost of lending to its remaining farmer-borrowers.

Moreover, as former Federal Reserve Chairman Paul Volcker pointed out last year, while a secondary market could increase the liquidity of lenders, there is ample credit available at this time. There simply is a short supply of creditworthy lending opportunities.

The FmHA provisions, through overly lenient loan restructuring and "borrower rights" requirements, are expected to increase the FmHA's cost by up to $900 million in FY88.

Another provision that we oppose is directing FCS institutions that have received needed capital from healthy institutions in the System to return this capital. We believe that the FCS institutions should continue to share their capital in the spirit of self-help before taxpayer assistance is required. In addition, we believe the forbearance and borrowers' rights provisions mandated by the bill for System lenders will prove to be cumbersome to administer, expensive, and damaging to the System's recovery.

We have supported the legislative effort which started as an attempt to help bolster the Farm Credit System and all farmer-borrowers. Unless the problems I have mentioned are corrected, however, I will be forced to consider recommending that the President not sign the bill that has resulted.

Sincerely,

James A. Baker III.

## CRISIS IN INDIA WORSENS

## HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. DWYER of New Jersey. Mr. Speaker, on several occasions over the last several months, I have taken to the floor of this Chamber to call the attention of this body to the tragic situation which exists in the Punjab region of India. As you know, Mr. Speaker, the Punjab is dominated by Sikhs, who have been involved in a long-running and deteriorating battle with the Indian Government.

It is difficult to report precisely what is happening in the Punjab. The Indian Government has imposed a virtual news blackout and limited traffic in and out of the region. But the reports which have filtered out are not good.

There are reports of fighting, riots and killings in this region. The violence which is ongoing in the Punjab should be of concern to all freedom-loving people. It is a tragedy which shows no signs of improvement. To the contrary, there is reason to suspect it could get worse.

In the face of this tragedy, the Indian government has seen fit to continually crack down on the Sikhs, to not respond to their grievances and to intensify political and martial pressure on them.

Responding to this 4-year siege, the high Sikh priests have now declared their independence from India. Yet, because of the major role which the Punjab region plays in the economy of India—it is its most productive agricultural region—it seems unlikely that the government could allow such a secession to occur if it is able to prevent it. The prognosis can only be more oppression, more bloodshed, more death.

Each time that I have come before the House to discuss this issue, Mr. Speaker, I have called for a laying down of arms and a greater dialog between the Sikhs and the Indian Government. That has not happened and the situation has gotten progressively worse.

As a representative of a congressional district in which both Sikhs and Hindus are making valuable contributions to the political, economic, and cultural life, I again urge my colleagues to be aware of this tragic civil war, of the death and destruction which has already occurred and to join with me in urging both sides to seek a negotiated settlement—one which will bring a lasting peace and freedom to this troubled region.

## DEBT CEILING EXTENSION

## HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. COLEMAN of Texas. Mr. Speaker, I am concerned that this House will soon be presented with a debt ceiling extension sometime in the next month or so amended in a way that completely abdicates the forthright position we have taken over the past difficult year. We made a promise to the American people when we passed the Gramm-Rudman deficit reduction amendment in 1985: A promise that we would stick to tough, responsible deficit-reduction targets regardless of the political fallout.

Sticking to those targets—which for this next fiscal year is a deficit of no more than $108 billion—is what Gramm-Rudman was originally all about. We promised the American people that we would bite the bullet when the time came, if necessary, to tackle this deficit head-on and not back down to political expediency.

Mr. Speaker, the proposed compromise would be a slap in the face of the American people after making this promise. Instead of lowering the deficit to $108 billion, it would be allowed to slip to $144 billion or so. In my opinion, this would be an act of collective hand-washing of the tough choices it takes to get this deficit under control.

The so-called compromise doesn't stop there, either. The Office of Management and Budget would be given permission to cook the numbers for maximum political gain, all of which adds up to complete contravention of the spirit and the letter of the original Gramm-Rudman process.

The problem, of course, is that we all realize that the Gramm-Rudman target of $108 billion cannot be reached with spending cuts alone. President Reagan himself asked for $22 billion in revenue increases in his budget request earlier this year, and the House of Representatives, while reducing the President's revenue request by $4 billion, recognizes this need as well.

Even if Congress were to cut $20 billion in spending and raise $20 billion in new revenue, President Reagan will veto the $20 billion in new revenue. The target will be missed, and this compromise proposal if passed will force the Congress to vote for sequestration, and worse, it will force the President to sign the sequestration order, regardless of the economic impact on America.

The President has requested all year that the Congress present him with a clean debt limit extension. That 's what I would vote for, given the chance, and that's what this House ought to do. An unencumbered debt limit would permit the original Gramm-Rudman amendment, as modified by the U.S. Supreme Court, to be in place and force us to deal directly with a tough deficit target.

The truth, as I have said since 1982, is that you cannot achieve meaningful deficit reduction through spending cuts alone, but it will take a combination of revenue increases and spending cuts, with the revenue increases dedicated to deficit reduction. We should also quit reducing taxes while increasing spending.

One reason I opposed the tax reform legislation in 1986 was that it permitted huge reductions in the top rates for those wealthy taxpayers making more than $100,000 a year. Those rates have dropped from 50 percent to 38 percent, and they are scheduled to drop another 10 percent next year.

Those are the tax cuts that we should consider freezing at the current rate to prevent further losses in tax revenues that are desperately needed to fight the deficit.

The problem with raising the deficit target from $108 billion to $144 billion is that it gets us off the hook. It means that we don't have to cut spending quite as much, and we don't have to raise as much revenue. Cutting spending and raising revenues are painful choices, but they are necessary. The old saying "no pain no gain" is true, and we are not going to make progress toward balancing the budget if we allow the targets to be manipulated to avoid making the tough choices.

If there's no recognition by this Congress that the American people already understand that the national debt is the single greatest concern in the country today, then we will surely find out that is the case in the 1988 elections. The interest on the national debt is second only to defense and Social Security as the single largest item in the budget that we can control, and more and more Americans recognize it for the looming crisis it is.

Mr. Speaker, we should have become convinced by our constituents that we must stick to the fundamentals of the original Gramm-Rudman legislation. Those principles are tough but fair. We have no business fudging the target numbers. Each year we put off the tough choices, we will only have them come back twice as tough the next time around. Let's honor our promise to the American people by sticking to the original Gramm-Rudman amendment and meet our deficit targets through real budget reform and a responsible combination of spending cuts and revenue increases.

## TEXTILE AND APPAREL TRADE ACT

## HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. TALLON. Mr. Speaker, it is time we came to our senses. Wishful thinking and dated views have clouded our understanding of the domestic effects of international trade and competition.

The world of 1987 is far different than that of 1950. Modern management and finance, technology, and the worldwide increase in the education and skills of workers have created a global economy. This new International economy has raised standards of living around the world and opened our vast domestic markets to determined competitors. And as the mountain of global productivity has grown, we are sliding farther and farther away from the pinnacle.

Lacking a strategic response, we have watched our great manufacturing enterprises falter and our industrial work force suffer the worst employment shocks in 50 years. While our market—the world's largest—is relatively open, other countries have protected their own industries from our exports. No where is this more evident than in the textile and apparel industries.

Despite stated efforts by the administration, the textile, apparel, and footwear industries are being battered by cheap labor imports. More than $15 billion has been spent in making the textile industry among the most efficient anywhere in the world. Still the flood of imports continues.

If the current trend persists, the annual textile and apparel trade deficit will exceed $23 billion. In square yards, imports reached their highest levels ever in May, increasing to more than 1 billion square yards for the month. Second profits in the second quarter of 1987 were down 12 percent from those of the second quarter of 1986. We cannot allow this to continue. That is why I believe it is imperative that my colleagues join me in strong support of H.R. 1154, the Textile and Apparel Trade Act.

This bill will help to sustain America's producers of textile, apparel, fiber, and footwear and their nearly 2 million workers by controlling the relentless growth of foreign imports. It will provide them with the market certainly needed to invest the substantial financing needed to continue their modernization efforts.

H.R. 1154 calls for a total limit on foreign textile, apparel, and footwear imports. However, it mandates no specific import restrictions on individual nations. These controls will be based on 1986 levels. This measure does not target specific nations or regions, and will allow the Government considerable flexibility in implementing its provisions. It does not discriminate among countries and provides compensation for newly established controls consistent with the General Agreement on Tariffs and Trace [GATT]. Finally, H.R. 1154 provides for a 1-percent annual import growth which is the long-term growth of the U.S. market.

This bill addresses a number of the concerns expressed by its former opponents. It provides the administration considerable flexibility. It is not inflationary and will not result in higher consumer costs. It will not provoke retaliation since it does not roll back trade. It authorizes compensation to our trading partners for the quotas by permitting textile and apparel tariffs to be reduced.

The U.S. textile and apparel industry and its workers are the most productive and efficient in the world, but they cannot compete against foreign governments that subsidize their industries, pay workers as little as 16 cents per hour, and impose severe restrictions on imports from the United States and other countries.

We cannot sit idly by and watch developing nations steadily overtake American manufacturers at home and abroad. The threat from these foreign competitors is an empty one, not because they won't start one, but because they already have. For a decade or more textile and apparel products are dumped in the U.S. market on a consistent and widespread basis. The goal is simple: the elimination of U.S. competition.

The American textile and apparel industry is fighting for its life. From 1980–86, there has been a 20-percent growth in textile imports. With the domestic market growing at a rate of just under 1 percent during the last decade, it is easy to understand how, since 1980, the industry has lost more than 1,500 factories, 40,000 jobs, and 750,000 job opportunities to foreign nations. And, without our action, the textile industry will face only increased import penetration and disruption.

In South Carolina, we are seeing entire towns shut down in the face of the textile deficit leaving families jobless and hopeless. Yet, last year we handed over $612 million to Iran to pay for textiles, carpets, pistachio nuts, caviar, and crude oil. The pace continues full tilt this year, with Iranian textile imports soaring. What does this say about our administration's commitment to opportunity, to hope, to a future for America's workers?

Mr. Speaker, I am tired of drifting and I'm tired of tiptoeing. We've got to get a program and then get with it. We cannot postpone passage of the textile bill any longer. In South Carolina and across the Nation, a flood of imports are stealing the jobs of our textile workers and the futures of their children. Passage of the textile bill will reaffirm our commitment to opportunity, to U.S. industry, to the American dream. The time for talk is past, now we must act.

If there is one word that encompasses all that America stands for, it is opportunity. But for American textile and apparel workers, it is a word that rings hollow these days. American workers want and deserve the opportunity to compete with foreign workers on an even footing. Nothing more. Nothing less.

## A CONGRESSIONAL SALUTE TO DR. JOHN STUART LINK

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. ANDERSON. Mr. Speaker, it is my honor to rise today to pay tribute to Dr. John Stuart Link. Dr. Link will be honored at a dinner fundraiser September 19, 1987.

Dr. John Stuart Link was born December 2, 1946 in San Diego, CA. Upon graduating from Hilltop High School, Dr. Link attended the University of Southern California where he majored in English literature. Dr. Link demonstrated his strong work ethic and commitment to excellence as he graduated from USC cum laude in 1968. After completion of his studies at USC, Dr. Link attended USC Medical School receiving his doctorate in 1972. His internship was served at Los Angeles County USC Medical Center. He practiced at the Long Beach Memorial Hospital from 1974 to 1975, and is currently on staff at the San Pedro Peninsula Hospital.

Dr. Link has a long list of great accomplishments and impressive degrees. His degrees are a tribute to his integrity and determination to succeed, and fulfill his own personal standards. From July 1976 through 1977, he was a Fellow of the American Cancer Society. From July 1975 to July 1977, he earned a fellowship from the USC Department of Medicine in medical oncology. Dr. Link is a member of the Certified Board of Internists and Diplomate on the Board of Internal Medicine.

Dr. Link is truly known for his gentleness and untiring efforts in dealing with the terminally ill. He demonstrates his commitment to the ill everyday, and has a remarkable ability to instill hope in all.

Mr. Speaker, as you can see, Dr. John Stuart Link has done much to make his community a beautiful place in which to live and work. My wife, Lee, joins me in congratulating Dr. Link on all his accomplishments. We wish him and his wife, Victoria, and his four daughters, Erin, Ashley, Amanda, and Rebecca, happiness and all the best in the years ahead.

## HONORING ARMAND D'ANGELO

### HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. ACKERMAN. Mr. Speaker, I rise today on the occasion of a dinner-retirement party sponsored by the officers and members of the joint industry board of the electric industry in honor of their chairman, Armand D'Angelo.

Ever since he was a young man, Armand D'Angelo has been dedicated to serving the electrical industry. He began his career as an apprentice and was gradually promoted to general foreman. Over the years, Armand continued to advance and serve the industry in a memorable fashion.

In 1957, New York City Mayor Robert F. Wagner appointed Armand D'Angelo as the commissioner of water supply, gas, and electricity, a position he held until 1965. The following month, Armand was elected to become the first full-time and salaried chairman of the joint industry board [JIB]. For the first time in its 80 year history, the electrical industry had a person with a union background as both its chief representative and its administrator.

During his tenure as chairman, the joint industry board has seen not only the maintenance and monetary increase in many established programs, but also the creation of new benefits in areas previously unheard of. The JIB annual report, begun by D'Angelo, recalls the events of the past year, illustrates the industry's progress, and provides valuable information about JIB's developments. Another innovation of Armand's was the creation of a one-stop procedure for retirees. Under this system, JIB assists members in filing for Social Security as well as other negotiated benefits in the familiar surroundings of the industry. This process tends to ease the difficulties felt by most workers who in preparing for retirement were required to make trips to different agencies often succumbing to an avalanche of forms and procedures.

With his experience as a public servant, Chairman D'Angelo was able to institute many new administrative policies to streamline the operation of the JIB and thereby enhance a more productive structure to benefit both labor and management. Throughout his tenure, great strides were made to rid the industry of its previous racial imbalance and father-son policy that hinders entrance into the apprenticeship program. To remedy this situation, JIB in 1966 participated in open-comprehensive testing, administered by the Department of Labor, to determine which applicants were best suited for the apprenticeship program. Another milestone was recorded in the annals of the JIB when in 1975 the first group of women were admitted into the apprenticeship training program.

Armand D'Angelo has left a legacy of charismatic leadership which will serve as a guidepost and goal for future generations to emulate.

Mr. Speaker, I call now on all of my colleagues to join me in congratulating Armand D'Angelo, his wife Yolanda, their two sons, Carl and Joseph, their daughters-in-law Patricia and Olga, and their seven grandchildren on his day of retirement after many years of dedicated service to the electrical industry, joint industry board, and the community, and in wishing him the best as he begins a new phase in his life.

## HEROINE FOR THE UNEMPLOYED

### HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. OWENS of New York. Mr. Speaker, I rise in memory of Lucille Rose, an outstanding administrator of federally funded job development programs in New York City who later served as deputy mayor of the city of New York. Job training legislation represents one of the most significant and pragmatic achievements of the U.S. Congress.

Despite a considerable number of problems, across the country federally funded employment programs achieved a practical, bread and butter impact on the lives of thousands of Americans. New York City supplemented its Federal funds with city tax levy funds in amounts far greater than the matching sums required. The result was a gigantic program far greater than any comparable undertaking elsewhere in the country.

Lucille Rose guided the New York City Department of Employment through its most tumultuous and expansive years. Mrs. Rose was an early champion of the hard-core unemployed. She insisted that the lion's share of the training resources and the first available jobs should go to those who needed them most. For her tenacity in defense of this principle Lucille Rose was once publicly called a "liar" by a major New York City labor leader. But history has vindicated Lucille Rose. The failure to heed her pleas led to a steady erosion of the Comprehensive Employment Training Act [CETA] Program. Public officials who opposed granting first preference to the hard-core unemployed laid the groundwork for massive corruption within the CETA Program. Abuses escalated to the point where CETA became indefensible and CETA was destroyed.

The vision and courage of Lucille Rose, if it had been appreciated, could have saved this vitally needed program. Today we are faced with a pressing necessity to re-create the CETA Program. Because local and State officials who held the reins of power refused to heed the wisdom of civil servants and administrators like Lucille Rose, we must now reinvent a program that was destroyed by clubhouse greed.

Lucille Rose was not only competent and creative, she was also practical and compassionate. Her family background, education, and on-the-job training prepared her to thoroughly understand the people in need and the clientele served as well as the government bureaucracy.

Lucille Rose was born on September 27, 1918, in Richmond, VA, and died in New York on August 15, 1987, of a heart attack at the age of 67.

She was a resident of Brooklyn, NY, from the time she and her family moved to the area. She attended and graduated from Public School 3, Girls High School, and Brooklyn College. She received her master's degree from the New School of Social Research in New York City.

Lucille Rose began her long and outstanding career in public service as a fiscal clerk in the department of social services in 1949. After earning a degree in economics from Brooklyn College in 1963, she was named director of the Bedford-Stuyvesant field office of the city's department of labor. By 1970, her responsibilities increased to the degree that New York City Mayor John Lindsay appointed her the first deputy commissioner of the city's manpower and career development agency.

In 1972, Mrs. Rose became the commissioner for the department of employment. While she headed the agency, its budget grew from $55 million to $300 million.

The highlight of Mrs. Rose's career came in 1977, when New York City Mayor Abraham Beame appointed her to the post of deputy mayor, an appointment which made her the first woman in that position.

She also distinguished herself in the various posts she held in a number of political and civic organizations. She was the first woman president of the Catholic Interracial Council; a member of the National Association for the Advancement of Colored People; the National Democratic Committee; the Salvation Army Advisory Committee; and Saint Mary's Hospital. Prior to her death, she had been elected president of the Bedford-Stuyvesant Brooklyn Chapter of the Lioness Club.

Throughout her life, Lucille Rose worked unceasingly to promote racial justice, quality health care, and educational and employment opportunities for everyone. It is altogether fitting and proper that all people who care about the unemployed and the people on the bottom who are struggling to help themselves mourn her passing and salute the outstanding contributions of Lucille Rose.

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 17, 1987, may be found in the Daily Digest of today's RECORD.

### MEETINGS SCHEDULED

### SEPTEMBER 18

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
Business meeting, to mark up H.R. 2712, appropriating funds for fiscal year 1988 for the Department of the Interior and related agencies.
SD-116

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on product liability.
SR-253

Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold oversight hearings to discuss the National Coal Council reserve data base report and the state of information relating to the quality and recoverability of U.S. coal reserves.
SD-366

Judiciary
To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.
SR-325

Labor and Human Resources
Education, Arts and Humanities Subcommittee
To hold hearings on S. 303, Jacob K. Javits Gifted and Talented Children and Youth Education Act, and S. 1348, Office of Comprehensive School Health Education Act.
SD-430

10:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
Business meeting, to mark up H.R. 3058, appropriating funds for fiscal year 1988 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-192

### SEPTEMBER 21

9:30 a.m.
Small Business
Government Contracting and Paperwork Reduction Subcommittee
To hold hearings to examine the impact of a series of amendments to the Small Business Act as contained in the Department of Defense Authorization Act for fiscal year 1987 (P.L. 99-661).
SR-428A

10:00 a.m.
Judiciary
To resume hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice

of the Supreme Court of the United States.

SR-325

### SEPTEMBER 22

8:45 a.m.

Armed Services

To hold hearings on the effectiveness of legislation enacted last year establishing the position of the Under Secretary of Defense for Acquisition.

SR-222

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

10:00 a.m.

Foreign Relations

To hold hearings on the nomination of M. Alan Woods, of the District of Columbia, to be Administrator of the Agency for International Development.

SD-419

Judiciary

To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

Small Business

To hold oversight hearings on the Small Business Administration small business development center program.

SR-428A

11:00 a.m.

Environment and Public Works

Business meeting, to mark up proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.

SD-406

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

### SEPTEMBER 23

9:00 a.m.

Rules and Administration

Business meeting, to consider S. 1490 and H.R. 2249, bills to designate certain employees of the Library of Congress as police for duty with respect to the Library buildings and adjacent streets and to require the rank structure and pay for such employees to be the same as that for the Capitol Police, H.R. 60, to authorize the Architect of the Capitol to accept gifts and bequests of personal property and money for the benefit of the Capitol Buildings Art Collection, and H.J. Res. 309, to establish the Speaker's Civic Achievement Awards Program to be administered under the Librarian of Congress.

SR-301

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Credit Subcommittee

Business meeting, to resume markup of S. 1665, Farm Credit Act of 1987.

SR-332

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Business meeting, to mark up proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.

SD-406

Governmental Affairs

Federal Spending, Budget, and Accounting Subcommittee

To hold hearings on proposed legislation authorizing funds for Federal procurement policy programs.

SD-608

Governmental Affairs

Federal Services, Post Office, and Civil Service Subcommittee

To hold hearings on the impact of proposed catastrophic health legislation on the Federal Employee Health Benefit program and the Federal annuitant.

SD-342

10:00 a.m.

Judiciary

To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

2:00 p.m.

Energy and Natural Resources

Research and Development Subcommittee

To hold hearings on S. 1294, to promote the development of technologies which will enable fuel cells to use alternative fuel sources, S. 1295, to develop a national policy for the utilization of fuel cell technology, and S. 1296, to establish a hydrogen research and development program.

SD-366

Select on Indian Affairs

Business meeting, to mark up S. 1475, to establish a clinical staffing recruitment and retention program within the Indian Health Service, and H.R. 2937, to make miscellaneous technical and minor amendments to laws relating to Indians.

SR-485

### SEPTEMBER 24

9:00 a.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

### SEPTEMBER 25

9:30 a.m.

Governmental Affairs

Federal Spending, Budget, and Accounting Subcommittee

To resume hearings to examine the results of a General Accounting Office survey regarding the accounting procedures and processing of seized cash and properties by Federal agencies.

SD-342

10:00 a.m.

Judiciary

To resume hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

### SEPTEMBER 28

9:30 a.m.

Governmental Affairs

To hold oversight hearings to review inventory control and surpluses by Federal agencies.

SD-342

### SEPTEMBER 29

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings in conjunction with the National Ocean Policy Study to review coastal zone management consistency provisions.

SR-253

Governmental Affairs

Oversight of Government Management Subcommittee

To resume oversight hearings on Federal procurement decisions concerning Wedtech Corporation.

SD-342

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

2:30 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on H.R. 2121, to authorize and direct the National Park Service to assist the State of Georgia in relocating a highway affecting the Chickamauga and Chattanooga National Military Park in Georgia, H.R. 1983, to authorize the Secretary of the Interior to preserve certain wetlands and historic and prehistoric sites in the St. Johns River Valley, Florida, and S. 858, to establish the title of States in certain abandoned shipwrecks.

SD-366

### SEPTEMBER 30

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To continue oversight hearings on Federal procurement decisions concerning Wedtech Corporation.

SD-342

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

### OCTOBER 1

2:00 p.m.

Energy and Natural Resources

To hold closed hearings on the status of the Department of Energy's efforts to address issues concerning the defense materials production reactors located in the United States.

S-407, Capitol

### OCTOBER 6

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on pipeline safety.

SR-253

### OCTOBER 7

9:30 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To resume hearings on S. 1600, to create an independent Federal Aviation Administration.

SR-253

### OCTOBER 8

9:30 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings on government handling of Soviet and communist bloc defectors.

SD-342

### OCTOBER 9

9:30 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To continue hearings on government handling of Soviet and communist bloc defectors.

SD-342

### OCTOBER 20

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on S. 816, S. 1026, and S. 1040, bills relating to the construction, acquisition, or operation of rail carriers, and to review the Interstate Commerce Commission consideration of railroad line sales.

SR-253

### NOVEMBER 5

9:30 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To hold oversight hearings on activities of the Federal Aviation Administration, Department of Transportation.

SR-253

### NOVEMBER 10

9:30 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To resume hearings on S. 1600, to create an independent Federal Aviation Administration.

SR-253

### NOVEMBER 12

9:30 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To resume hearings on S. 1600, to create an independent Federal Aviation Administration.

SR-253

## CANCELLATIONS

### SEPTEMBER 17

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

### SEPTEMBER 24

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

# HOUSE OF REPRESENTATIVES—*Thursday, September 17, 1987*

The House met at 10 a.m.

The Reverend Charles Mallon, permanent deacon, Holy Family Church, Mitchellville, MD, offered the following prayer:

*May God be gracious to us and bless us and make His face to shine upon us, that Thy way may be known upon Earth, Thy saving power among all nations.*—Psalm 67:1-3.

Father, in thankfulness for the opportunity to serve the people of this Nation, we turn to You in prayer. We ask You to bless our labors and to allow the fruits of these labors to yield a rich blessing. Guide us, that we might direct the bounty of this Nation to the benefit of our youth, our elderly, our poor, and our seriously ill. We ask You to be our strength in the peacekeeping efforts to balance the struggle for nuclear and technical supremacy.

Father, in Your mercy, forgive us any misuse of the resources which You have placed within us and in Your justice restore and make whole all who might have suffered as a consequence of our actions.

We ask this through Christ our Lord. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PERSONAL EXPLANATION

Mr. SCHULZE. Mr. Speaker, I was informed this morning that my vote yesterday was recorded as being opposed to the textile bill.

I have to assume a malfunction in the computer caused this error, but I am aware of the fact that we cannot change the computer tally, so I ask that the RECORD reflect my support for that legislation.

## ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to announce that it is the intention of the Chair to forgo 1-minute speeches today until disposal of today's business.

## CIVIL LIBERTIES ACT OF 1987

Mr. BONIOR of Michigan. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 263 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

### H. RES. 263

*Resolved,* That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 442) to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill as an original bill for the purpose of amendment under the five-minute rule and said substitute shall be considered as having been read. The amendments printed in the report of the Committee on Rules accompanying this resolution shall be considered as having been adopted in the House and in the Committee of the Whole. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR] pending which I yield myself such time as I may consume.

Mr. Speaker, the consideration of House Resolution 442, the Civil Liberties Act of 1987, implementing the recommendations of the Commission on Wartime Relocation and Internment of Civilians, will be before the Members shortly.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Judiciary Committee. The rule also makes in order the consideration of the Judiciary Committee amendment in the nature of a substitute now printed in the bill as an original bill for the purpose of amendment.

The rule is an open rule allowing for the consideration of germane amendments. The rule also provides that the bill need not be amended in order, by title and by section.

The rule also provides that the amendments printed in the report of the Rules Committee accompanying House Resolution 263, shall be considered as having been adopted in the House and in the Committee of the Whole. There are six technical amendments in the Rules Committee report and all the amendments have been agreed upon by all the committee chairmen involved in this legislation.

Finally, the rule allows for one motion to recommit with or without instructions.

Mr. Speaker, the Civil Liberties Act of 1987 acknowledges the fundamental injustice of the evacuation, relocation, and internment of United States citizens and permanent resident aliens of Japanese ancestry during World War II. It apologizes on behalf of the people of the United States for the actions taken and provides for an education fund that would finance efforts to inform the public about the internment in order to prevent the recurrence of any similar event. Importantly, the act makes restitution to those individuals of Japanese ancestry who were interned and, furthermore, discourages the occurrence of similar injustices and violations of civil liberties in the future.

☐ 1010

Enactment of this legislation would provide more credibility and sincerity to all declarations of concern by the United States over violations of human rights committed by other nations.

This day, September 17, 1987, is significant for we celebrate today the 200th anniversary of the signing of the U.S. Constitution.

We also have the historic opportunity to make amends for one of the ugliest episodes in our Nation's past.

Mr. Speaker, over 40 years ago, 120,000 people of Japanese-American ancestry were forced to give up their livelihoods, their jobs, their belongings, and their homes, and were moved to so-called "relocation" centers in the western United States for the duration of World War II. This action flagrantly disregarded the civil liberties of loyal Americans, young and old, wealthy and poor.

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

What is more shameful is that the action was based largely on racial prejudice and wartime hysteria.

Many Americans would rather forget the torment of those thousands of people who were incarcerated, but forgetting is not the answer. To forget, I think, is to fail once again. What we must do is admit our errors, work to correct them, and ensure they are never allowed to happen again.

This bill accomplishes these worthy goals.

The House of Representatives has two distinguished Members who were interned in the camps as young children. My good friends from California, Representatives NORM MINETA and BOB MATSUI, both still carry the pain and the anguish that resulted from forced relocation.

Imagine, if you can, a young boy, an American citizen, thrown into an isolated camp, forced from his home and his friends, separated from all but a few who could care for him.

In 1942, criminals had the right to a trial, the right of appeal, but these 120,000 individuals were not given a trial. They had no right of appeal. In fact, they were not even told what they had done to cause their isolation. They were only told that their ancestry made them noncitizens.

What sense of justice were we hoping to teach our children by this fact? How did the interned parents explain to their children the purpose of the Constitution and what it was supposed to stand for?

Since World War II, our Nation, to its credit, has made great strides to guarantee the civil rights of all Americans. The Civil Liberties Act of 1987 is another step toward redressing the injustices against those who were interned. Those 120,000 people suffered economically, socially, educationally, and especially emotionally. We have, it seems to me, a moral responsibility to compensate the internees as best we can for their hardships and to reaffirm our commitment to justice under the law.

Mr. Speaker, let us make September 17, 1987, historic not only for its significance as the 200th anniversary of the signing of our Constitution, but also let it be historic as the day that we righted a terrible wrong and embraced wholeheartedly our dedication to protecting civil liberties for all Americans.

Mr. Speaker, last night in reading several articles about what happened during this period of the war to American citizens, I ran across an article done by a woman named Susan Faludi. I would like to quote one paragraph, and end by quoting one paragraph. In it she says:

> A hallucinatory quality clings to the story of the internments of the Japanese-Americans, as if the events themselves make sense only when perceived as imaginary. There is too much dissonance, too many contradictory chords resisting reconciliation. There are the contradictions of stripping civil liberties from people—two-thirds of them U.S. citizens—as a way of safeguarding American freedoms. There are the contradictions of incarcerating an entire race while fighting a war against a nation incarcerating an entire race. When the Jews were freed from Dachau, it was the Japanese-American 442nd Regiment, the most decorated U.S. Army regiment in World War II, that threw open the gates—while their relatives waited for them at home behind barbed wire.

Mr. Speaker, this is a very good and very long overdue bill and I urge my colleagues to support the rule and eventually to support the bill that follows.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 263 is an open rule under which the House will consider authorizing $20,000 in tax-free restitution payments to approximately 60,000 people of Japanese ancestry who were relocated or interned by the Federal Government during World War II.

The bill made in order by this rule, H.R. 442, admits that President Franklin Roosevelt's administration—the Government at that time—fundamentally violated the basic civil liberties and constitutional rights of citizens of Japanese ancestry when it evacuated, relocated, and interned them on the basis of their ancestry.

Mr. Speaker, the bill contains a statement of the Congress recognizing that this was a grave injustice. It also contains a congressional apology on behalf of the Nation.

The bill does not include, however, any findings about the history leading up to the relocation and internment of civilians. This is major flaw, it seems to me.

If the 100th Congress is going to apologize for Government actions taken legally over 40 years ago, it seems to me, we ought to have some examination of why it happened.

For several years now, the gentleman from California [Mr. LUNGREN] has pressed the point that the Government decisions made in the weeks following the Japanese attack on Pearl Harbor were caused by race prejudice, war hysteria, and a failure of political leadership.

Mr. Speaker, since this an open rule, the gentleman from California will be able to offer his amendment to bring the bill into conformity with the findings of the Commission on Wartime Relocation and Internment of Civilians concerning the historical factors.

The bill advances a theory that, after 40 years, a formal apology is not enough and that American taxpayers should make financial payments to individuals on a wholesale basis.

Mr. Speaker, the United States has long ago recognized and acknowledged that the personal hardships experienced by people who were interned were unjustified, both Americans and Japanese.

In 1948, when the history of this period was still fresh, Congress established a comprehensive and reasonable program for financial restitution. Further payments, especially in the broad fashion of the bill, are simply not warranted.

Mr. Speaker, the gentleman from California [Mr. LUNGREN] will be allowed under this rule to offer his amendment striking the authorization for $20,000 payments to individuals.

I have some requests for time, and I reserve the balance of my time.

Mr. BONIOR of Michigan. Mr. Speaker, I have no more requests for time.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. Mr. Speaker, I think there can be no doubt about the fact that a very grave and severe injustice was done to American citizens of Japanese descent during the early years of World War II. I think for that reason it is very appropriate that we consider some of the causes of that injustice and that we try to address those questions in a way that might somehow try to make amends for what was done and perhaps of more significance, assure that it will not be done again in the future; so I think that the apology portion of this bill is very much in order and I certainly support it.

I believe an apology is due. At the same time, I believe that apology should be very profound and it should be lasting in its nature. I do not think it is going to be memorialized in that sense by the simple payment of $20,000 to each internee during World War II.

I felt it would be more appropriate to symbolize this apology on a grander scale and on a continuing basis perhaps by the construction of a monument or the setting up of a trust fund for scholarships or a study of civil rights, so that we could keep the memory of what happened in World War II before us and remain faithful to our pledge to learn from the past and to not permit that kind of injustice to occur again.

☐ 1025

So I prepared two amendments, one which would establish a scholarship fund, and the other which would direct the Park Service to erect an appropriate monument. The Parliamentarian decided that those amendments would not be germane.

I, therefore, went to the Rules Committee and asked for a waiver of that particular objection so that I could offer them on the floor today. Because the amendments were not considered in the Judiciary Committee, the waiver was not granted.

I do not intend to pursue the matter on the floor today. Since I did send out a "Dear Colleague" letter announcing that I intended to offer three amendments, and two will not be offered now, I simply wanted to take this opportunity to explain to Members the reason why.

It seems to me that the amendment dealing with the education trust fund, particularly setting up scholarships for the study of human rights and the promotion of the kind of knowledge, would indeed be germane. The bill does call for a civil liberties public education fund, and one of the purposes of it is to prevent similar kinds of events in the future. Setting up a scholarship fund, I think, would certainly carry out that purpose and could be conducted with the same funds, and it seems to me a very appropriate and even germane amendment to offer.

Particularly I am concerned about the fact that the bill authorizes $1,250,000,000 primarily for the purpose of giving redress, but of that sum only $50 million is allocated to the fund which would provide education in the direction that I have indicated. It seems to me that if indeed our purpose is to prevent this from happening again and to keep the memorial of it before us we should have such a study, and it should be funded in a much larger amount than the bill provides for.

So, Mr. Speaker, I simply want to say that I am sorry that my amendments are not germane today. I will not offer them. But I do think as we consider this subject further in the debate today and as we pursue it in the months and years ahead that perhaps we might keep in mind that there are better solutions than the simple paying of money damages to those who are claiming that their civil rights were violated.

Mr. BONIOR of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Mineta].

Mr. MINETA. Mr. Speaker, I respectfully urge my colleagues to approve the rule for the Civil Liberties Act of 1987.

Now, after 45 years, Congress has the opportunity to close the book on one of the most shameful events in our Nation's history: The internment, beginning in 1942, of 120,000 loyal Americans simply on the basis of their ethnic ancestry. There was no trial; there was no jury.

Those interned were not foreign spies disloyal to the United States. Many had sons or brothers fighting with the 442d Regimental Combat Team, which was comprised of Americans of Japanese ancestry and which is the most highly decorated unit in the history of American fighting forces.

Among those interned were old men and women who had toiled in the fields of California. Their hard labor made barren lands productive, lands that many would lose as a result of the internment.

Those interned were not unscrupulous agents of a foreign power: They were business people who had worked long and hard to build small businesses and to become respected members of their communities. And, those interned were not recent immigrants of uncertain loyalty; most were born in this country and were proud citizens from birth.

I was one of those interned. I was 10 years old. If someone, anyone, could show me how by any stretch of the imagination any reasonable person could suspect me to have been a security threat, I would abandon this effort here and now.

The fact remains that no Americans of Japanese ancestry committed any acts of treason or disloyalty, and the fact remains that the internment was not a mere inconvenience to Japanese-Americans.

Evacuated with little notice and little explanation, thousands of Americans lost their homes, their businesses, their farms. And we lost 3 years of our lives. The financial losses were enormous. But the losses of friends, education, opportunity, and standing in our communities were incalculable.

The internment was not, as some say, "regrettable but understandable." It was wholly unjustified in light of what we know now and, even more distressing, unjustified in light of what anyone who had wanted to know the truth could have known in 1942. As a consequence, our entire Nation was and still is shamed by the internment.

Yes, it was a time of great national stress. But moral principles and rules of law are easy to uphold in placid times. But are these same principles upheld by great nations under great difficulty and stress? Sadly, we as a nation failed such a test in 1942.

Congress enacted legislation in 1942 to implement the internment, and it is now up to Congress to demonstrate our national—and natural—capacity for justice and wisdom. Let us show the strength of our Nation and our system of laws by admitting the errors of 1942, apologizing for these errors, and making some efforts toward redressing the damage we have done.

Let us state clearly and unequivocally our commitment that such a wholesale abuse of civil rights will never again happen in this land. H.R. 442 will state such a commitment and redress these wrongs.

Mr. Speaker, I urge my colleagues to approve the rule.

Mr. TAYLOR. Mr. Speaker, I yield 10 minutes to the gentleman from California [Mr. Lungren].

Mr. LUNGREN. Mr. Speaker, I think it is a shame that we have a bill of this significance on a day when our time constraints are so difficult. Many Members want to leave today so they can get to Philadelphia this afternoon for the celebration of the Constitution. I understand that. I will not call for a vote on the rule. I will not belabor the point, but unfortunately a lack of debate does not allow the time necessary to fully discuss this issue.

This bill is known as the Civil Liberties Act. It was placed on the calendar on Constitution Day for a purpose, in my judgment, and that is to make it very difficult for anyone who has a difference of opinion with the committee's report and the bill here to be able to offer that in a seriousness of discussion.

It is to be taken as a gesture in support of the Constitution if one supports the bill in all of its glory, and if one has a dispute with a portion of the bill it makes it rather difficult to discuss that.

Nonetheless, I would like to discuss on this time my reasons for opposing a major portion of this bill.

During the 96th Congress, Mr. Speaker, I cosponsored H.R. 5499, which established the Commission to investigate this question, the Commission on Wartime Relocation and Internment of Civilians. I did that because as a Californian growing up I was unaware of the way Japanese-Americans and Japanese nationals who lived in the United States, particularly in my home State of California, were treated during World War II. As I learned about it, as I began to understand some of those things, I thought it was necessary and that we as a nation had a responsibility to clear the record of any insinuation that those who were involved, that is, those Japanese-Americans and those Japanese nationals living in the United States, were anything else than loyal Americans. For that reason I considered it to be an honor to be selected from this House to serve on that Commission and to spend 2 years studying this matter.

As the only Member of this body, the only Member of either the House or the Senate, the only currently elected official sitting on that body, I felt that I had a responsibility not only to review the historical record, but to also place it in the context of today's imperatives and today's priorities with respect to the spending of taxpayer funds. In that regard I suppose I was in a different position than most of the other members of the Commission.

I must say that I felt that the Commission's findings, that is that the decision was the result of three major factors, a lack of political will, some race prejudice and war hysteria, that those findings were accurate. Nonetheless, I do believe that we have not given a full emphasis to all of those elements and a full appreciation and understanding of the circumstances and what we intend to do by our response in this Congress.

It seems to me it is extremely important for us to investigate what happened some 40 to 45 years ago, attempt to take lessons out of that and apply those lessons to the present as

well as to the future so that we do not repeat those mistakes. If we believe or we lead our Nation to believe that this decision by Franklin Delano Roosevelt was primarily in response to racial prejudice, we mistake his decision, we do ourselves a disservice because we take no lessons out of this to apply to the future. If it is as simple as that, we did not need a commission. If we in fact believe that to be true, it will give us no lessons for the future because we are all against race prejudice.

The question is, How could someone seemingly without race prejudice, how could someone with the interests of America at heart make this decision? How could F.D.R. make that decision? To me that means we have to look in the historical record and see it is a far more complex thing than to say it is racial prejudice, that is it, and let us be against racial prejudice because we will not avoid the tough questions in the future. It is more complex than that, I think, when one gets into wartime situations and therefore it seems to me it is extremely important to set the record straight. Yes, to say absolutely that no single Japanese-American or Japanese national living in the United States was ever found guilty nor was there evidence of the fact that they were involved in being disloyal to the United States, we ought to set that record straight.

Therefore, I believe we ought to have an official policy of the U.S. Government in the nature of a piece of legislation passed by this Congress and signed by the President of the United States. We ought to recognize it was a major error. We ought to make an official apology. And if we really mean it in terms of making sure we do not repeat this or something similar in the future, we ought to have an educational fund where we continue to fund studies of this period and the lessons that arise out of it.

Those who think that the generation that made these decisions did so merely out of racial prejudice and we will not do that in the future ought to remember what occurred in the United States when we had our hostages in Teheran. There were cries in the Nation and including this body and the Senate that we ought to round up all Iranians whether or not they had done anything wrong and in effect hold them hostage until we had our hostages released in Iran.

The problem is how to make sure we do not fall into that trap. How do we set aside mechanisms so that discussions will come forward so that a President of the United States will have the ability and the obligation to receive information from all parts of our society in order that he or she will avoid that in the future?

Mr. Speaker, one of the things I think we have to recognize is that we are judging a previous generation with the ability of 20-20 hindsight. I think the one major shortcoming of the Commission was that we ignored what was known as the MAGIC cables. Any student of World War II knows what the MAGIC cables are. Those are the cables of the Japanese Government during World War II, the code we broke and they unknowing that we had broken the code continued to send their messages. The information that was made available to Franklin Delano Roosevelt at the time he made this decision gave quite a different view of things than what we found subsequently. I will address that later on when we are discussing the bill itself.

All I am saying is what we ought to do is take a very careful historical review of this.

Last, I would say this: I will be offering an amendment to knock out the individual reparations. I could go back and show my colleagues the debate that took place in the Senate, that took place in the House, where prime sponsors of the legislation in the Senate to establish the Commission said they would not support the establishment of the Commission if monetary reparations were the outcome of that legislation. We were told that was not the indicia of whether we were doing a serious job, rather when we began as a commission we were supposed to study the historical record and make any recommendations we thought were appropriate. Now we hear, however, the argument that unless we have an apology accompanied by money the apology means nothing.

I hope we address that seriously. We are talking about $1.25 billion. Have we come so far in this country that we say nothing is of value, even legislation, even an official apology, unless it is accompanied by monetary reward? I hope not. But that is the argument that has been made. If we do not have individual reparations involved what we are doing is hollow, it is phony.

The other thing we have to consider is this: As elected officials we have the obligation to establish priorities, and that means a priority for $1.25 billion has to be determined. Is it more appropriate in this circumstance than for Social Security recipients, for those on welfare, for those receiving food stamps, for our men and women who are in the Armed Forces today and do not have adequate housing or for a whole host of other things? It seems to me what we have to do is as elected officials not say $1.25 billion sound like a good sum, let us do it, but where does it stack up with respect to other priorities? It seems to me that is a more difficult decision, but nonetheless it is a decision we have to make.

There is no one here I think that would suggest that $20,000 is the value of having been denied one's liberties for a period of time. I have never heard that argument. There is no one that suggests $20,000 makes things right. There is no one that suggests $20,000 is adequate compensation for the time one spent away from home and in a camp. So what is it? It is taken as the indication of the significance, of the symbol, of the sincerity of our action.

I ask my colleagues, does it make sense that we in America have come to a point that sincerity can only be judged by a dollar sign accompanying any piece of legislation?

Mr. BONIOR of Michigan. Mr. Speaker, I yield myself such time as I may consume to respond to my colleague, and then I will move the previous question.

Mr. Speaker, I have a deep amount of respect and admiration for my friend from California, Mr. Lungren, but I would like to take exception to one particular thing that he said, and that is the timing of this piece of legislation. I cannot think of a more appropriate way for Members of this institution to celebrate the 200th anniversary of this Constitution than to be discussing this legislation which gets to the heart of that Constitution.

□ 1040

This piece of legislation that we will have before us in just a few minutes to be talked about in this institution, to be talked about in this Chamber, the Chamber of free speech that is admired by every people and country of the world, it seems to me is the best way to celebrate this very important day, to talk about the right to liberty, as he has just talked about, the right not to be lifted from your home in the middle of the night, the right to be compensated, the right to grow up without fear; all of these issues that are at the heart of the Constitution, particularly the Bill of Rights and the first 10 amendments will be discussed today.

So I am pleased that the leadership has decided along with others to schedule this bill and I am hopeful that we can talk to America in a very important and significant way through this bill this afternoon.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. BONIOR of Michigan. On that I will yield for purpose of debate only.

Mr. LUNGREN. I thank the gentleman for yielding.

Mr. Speaker, my point is not that this is not an appropriate day. My concern is because we have a national celebration in Philadelphia to which a number of Members wish to attend and because we are under time constraints, and I think the gentleman recognizes that as much as I do, I am not sure we have the ability to give attention to it for the full debate and to gain the attention of the Members that something of this seriousness ought to have. That is my only point.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. BONIOR of Michigan. I yield on that point briefly to the gentleman from Massachusetts [Mr. Frank].

Mr. FRANK. I thank the gentleman for yielding.

Mr. Speaker, I admire the seriousness with which the gentleman from California has approached this, though I disagree with him in one aspect. But I must say I think we have left adequate time. We started this early, we did away with 1-minutes, we are not going to rollcall on the rule because I believe it is an open rule that puts no constraints on Members. I believe we will have several hours to debate because what emerged from the subcommittee and committee process was the general sense that our disagreeement here focused on this major question of the compensation. The gentleman has a language amendment, as he knows many of us agree with him, that language amendment—Members legitimately may differ about that but it is not a major difference of opinion. There is difference on both sides of the aisle. We have one central issue, the question of money. We will have debated that for probably 2 hours or so and I do not think if you look at the way this House deals with things that that is an inadequate amount of time.

I thank the gentleman from Michigan.

Mr. BONIOR of Michigan. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. Coelho). Pursuant to House Resolution 263 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 442.

□ 1043

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 442) to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, with Mr. Gray of Illinois in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Massachusetts [Mr. Frank] will be recognized for 30 minutes and the gentleman from Florida [Mr. Shaw] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. Frank].

Mr. FRANK. Mr. Chairman, it is a great privilege for me to be able to yield such time as he may consume to the gentleman from New Jersey [Mr. Rodino] the distinguished chairman of the Committee on the Judiciary who has done so much to bring us to this moment today.

Mr. RODINO. Mr. Chairman, today as we celebrate the signing of our Constitution 200 years ago, we have an opportunity to reaffirm that this great document of human liberty applies to all Americans by favorably considering H.R. 442, the Civil Liberties Act of 1987.

The preamble of the Constitution speaks eloquently about the blessings of liberty, the most basic and fundamental of our civil rights. All American citizens enjoy these rights and they expect to be protected from arbitrary imprisonment by the Federal Government. Some 40 years ago, during World War II, the Federal Government without providing any due process under law, sent nearly 120,000 loyal American citizens and resident aliens of Japanese ancestry to remote internment camps. Many of these individuals, in the panic of sudden departures, lost their businesses, farms, and homes. Most of all they were deprived of their personal freedom. This great wrong to this day remains uncorrected. A truly great nation is worthy of its greatness when it recognizes that it has made mistakes. We now have the opportunity to recognize and to redress this grave injustice by passage of H.R. 442.

On June 17, 1987, the Committee on the Judiciary ordered reported H.R. 442 with a single amendment in the nature of a substitute by an overwhelming vote of 28 to 6. The provisions of H.R. 442 as reported by the committee are as follows:

The bill contains an apology by Congress on behalf of the Nation to those of Japanese ancestry who were subject to evacuation, relocation, and internment during World War II. The Congress states in the apology that the actions of the Government were carried out without adequate security reasons and were motivated in part by racial prejudice and wartime hysteria. The Congress further states that individuals of Japanese ancestry suffered enormous damages both material and tangible, all of which resulted in significant human suffering for which appropriate compensation has not been made.

The bill also authorizes the establishment of a trust fund of $1.25 billion to be used for two purposes:

The primary purpose of this authorization is to provide $1.2 billion to make payments of $20,000 to each surviving individual of Japanese ancestry deprived of liberty during the relocation program.

The second purpose is to provide $50 million for the establishment of a civil liberty public education fund to publish the hearings of the Commission and to sponsor research and public educational activities about the internment period so that it causes and circumstances may be understood.

The Committee on the Judiciary concluded that it is difficult to provide adequate, financial compensation to the individuals of Japanese descent who were relocated from the west coast during World War II for the fundamental violations of their civil liberties and constitutional rights they suffered, but that the restitution payments provided in H.R. 442 represent a strong affirmation by the Congress that a very grave mistake was made by the Government in the relocation program. In recommending restitution payments to eligible individuals, the committee, which regularly considers the claims of individuals who have been wronged by the Federal Government, followed precedents in awarding damages to those who have been convicted or detained without due process of law. The committee concluded that restitution payments demonstrate a tangible commitment by the Government of the United States that such wrongs should not be committed again. Although a formal apology is important and the education fund is needed, these actions alone, without compensation, are not adequate to redress the wrongs.

The committee recommends that the House act favorably on H.R. 442, as amended, to remedy the grave injustice done by the U.S. Government during the internment period to U.S. citizens and to permanent resident aliens of Japanese ancestry.

I want to commend Representative Barney Frank who has provided real leadership on this bill as chairman of the Subcommittee on Administrative Law and Governmental Relations of the Judiciary Committee. As will as to commend the gentleman from Florida [Mr. Shaw] for his contribution.

I urge this House to act favorably on H.R. 442. These Americans, all loyal individuals, suffered tremendous losses through the disruption of their lives and loss of their freedom. It is long past time for us to redress these wrongs—and it is particularly fitting that we do so on this day when we celebrate the signing of that great document of freedom and justice, our Constitution. I urge your support of H.R. 442.

Mr. SHAW. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the ranking member of the subcommittee that convened the hearings on H.R. 442 and the subcommittee that initially consid-

ered this bill for markup, I am pleased to see that this issue has finally come to the floor of the House for consideration. As many of my colleagues are aware, this issue has been considered in subcommittee for several Congresses and has considerable legislative history behind it. I think it will be healthy for us as a nation, for this Congress to finally consider this issue and put it behind us.

As many of you know, H.R. 442 contains a statement of the Congress with regard to the factual history surrounding the U.S. Government's relocation and interment of American citizens of Japanese ancestry during World War II. That statement includes a recognition by Congress that the Government's decision to evacuate, relocate, and intern U.S. civilians during World War II was a decision made and carried out without adequate security reasons, and was a decision motivated in part by racial prejudice and war hysteria. The bill further makes a formal apology on behalf of the people of the United States for these particular actions carried out by the U.S. Government during World War II. This bill further requires a review of all criminal convictions which resulted in the implementation of the decision to evacuate, relocate, and intern these civilians; and requests pardons, where appropriate, for those convictions.

H.R. 442 establishes a fund to be called the "civil liberties public education fund" which among other things will be used to make restitution to each individual under the bill in the amount of $20,000. This fund will further be used to sponsor research and public educational activities regarding the events surrounding the relocation program in part so that the causes and circumstances of these events may be better understood. In order to implement these programs and make the restitution required in the bill, H.R. 442 authorizes $1.25 billion.

The Administrative Law Subcommittee, over the past several Congresses, has held a total of 6 days of hearings on this issue and those hearings have provided some very compelling and effective testimony, including the testimony of Members of this very body which have built a very strong record in favor of this legislation. I believe the internment of Americans of Japanese ancestry was an injustice and I believe our Government's ability to recognize it as such and address it under these unique circumstances and particularly on this historic day is noble and just. However, I do not say this without some serious reservations about any precedent we may be setting in passing this bill because I do not believe this Government or any government can or should attempt to apologize or make restitution for every wrong committed during a time of war.

There are Members who will be introducing some very substantive amendments here this morning and I would like to encourage all of the Members to examine these amendments very carefully and vote according to their own feelings as they come up and we will be looking forward to the final passage of this bill.

□ 1055

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I consider being able to serve in this body an enormous privilege, and at no point in my service here, which is now in its seventh year, have I felt more privileged. What we are about to do today, I hope, is an act of greatness for a Nation.

This is a great Nation. It is a nation, more than any other in the world, that is struggling successfully with the obligations of being a leading world power in the most humane and democratic and open way. We are not perfect. There are no perfect human societies. But we have in this country under the Constitution we celebrate today mechanisms whereby we can improve. We are improving, and one very clear example of that is this bill today.

Members have said, some critically, that what we are doing is judging the past by the standards of the present. Yes, we are. This is not to say that people of the past were bad people. None of us can be confident today that we would necessarily have acted differently 45 years ago. We all hope we would have, but none of us, I think, can be absolutely certain that we would have. What we are saying is that given the evolution in the ideals of this country, we believe we would have.

There has been discussion of racism. This country in the 1940's was a country much more tainted by racism than today. One of the great triumphs of America in this postwar period is the extent to which we have confronted the racism that was not peculiar to America. That is a human problem. But we have confronted it, I think, more forthrightly and more successfully than most other societies. We continue to have work to do.

What we are saying is that we have an obligation as a people in charge of the Government today, a government which, by the way, was the financial beneficiary of what happened. That was not the motivation for it, but there were seizures and expropriations which financially benefited the Government 40 or more years ago.

What we are saying is that as part of our effort to use our Constitution to improve ourselves we are going to admit that we made a mistake, and I think it is part of being a great Nation to be able to admit that we made a mistake. I think we ought to contrast ourselves with the Soviet Union. The Soviet Union during World War II engaged in massive resettlements of its populations. It was big news in the Soviet Union because some of those who had been so cruelly resettled were allowed to have a protest demonstration.

Let us let that be a contrast for the world. They are proud of the fact that they allowed people who had been brutally mistreated to object to it. We have long since passed that point. What we are saying today is, yes, we made a mistake. We understand that, and we apologize for it. I think that sentence in this bill that says, "the Congress apologizes on behalf of the Nation" is not only a great statement, it is a great example for the rest of the world that a strong and powerful and free Nation is not embarrassed about saying that we are not perfect and we are getting better, and we acknowledge that we made that mistake. That is what we are doing today.

As for the money, it is not strictly compensation because, frankly, if we were compensating people for the pain and loss and the suffering, by any legal standard I am aware of we would be paying far more than this. In fact, people ought to understand that a lawsuit is now pending. Some of those Japanese-Americans who were victimized have filed a lawsuit, and while the executive branch of the Federal Government tried to have it thrown out, they were unsuccessful. The Supreme Court did say it had been brought in the wrong court. The court where it was brought, the circuit court, allowed it and said the staute of limitations should not be a bar. There is a suit pending.

Under this bill, people who accept the compensation offered—and I should not say, "compensation," because it is not meant to be and it is not by any means full compensation—people who accept that settlement may not proceed with the lawsuit. So this might well save the Government money. Nobody can be sure. I would not bet on the success of that lawsuit, but there is a lawsuit pending, and what we are saying is that here is an offer of a settlement, and if you accept that, then you are out of the lawsuit. It is an absolute bar to people pursuing the lawsuit, where if they are allowed to sue the Government and the Government is admittedly at fault, the damages would be far greater than anything in here.

If we look at this $20,000 in 1945 dollars, we are talking about a much, much smaller sum. Why the money? It is not because money is the only measure of sincerity, but because a simple apology alone does not seem to us to convey the full force of what we are trying to do here.

Yes, we want to make it very clear that we are in effect imposing a penalty on ourselves to show and to demonstrate in fact how sincere we are. It is a figure arrived at by the commission, and we think it is an appropriate one.

Mr. Chairman, I am very proud to be a part of a democratic legislative body, Representatives of a very great Nation, that says to the world that we made a mistake and we are now, I believe, if we do this, in a stronger position to play the role that many of us are proud to have America playing.

We in this Chamber from time to time criticize other governments for their failure to recognize human rights, and I am glad to participate in those efforts, whether it is on behalf of Soviet Jews or blacks in South Africa or others who are being denied their rights.

Acknowledging the mistake that we have made, saying that national security ought not to be invoked inaccurately as a basis for condemning fellow citizens for no good reason, I think that strengthens our ability to be a strong voice for freedom across the world.

Mr. Chairman, we will go further into this, but at this point I will yield to the gentleman from Alaska [Mr. Young].

Mr. YOUNG of Alaska. Mr. Chairman, I want to compliment the gentleman from Massachusetts [Mr. Frank] for his leadership on this issue.

I strongly support H.R. 442, but I noticed that in this legislation the Aleuts of Alaska who were not Japanese but who were incarcerated and put in concentration camps, who lost their churches and their homes and were actually used as slave laborers by the U.S. Government, are not included in this bill, and yet they have been and were in the past.

I would like to have the gentleman's comment because I know that I have introduced that legislation and we have had lengthy hearings on that legislation. What is going to be the outcome of that particular piece of legislation?

Mr. FRANK. Mr. Chairman, I thank the gentleman for bringing the point up. He deserves a great deal of credit as the Representative of Alaska for fighting hard on behalf of the Aleuts, as he mentioned.

As the gentleman noted, there was originally legislation which encompassed all of this. We decided after discussion that it would be best to deal with this in different bills. As the gentleman is aware, there were some technical problems involving the Aleut situation because there were some land transfers involved and it involved other committees. It involved the Ways and Means Committee and the Interior Committee.

I am pleased to be able to report to the gentleman that I know he has received a letter from the chairman of the Judiciary Committee, the gentleman from New Jersey [Mr. Rodino], to this effect. The subcommittee which I chair passed this bill out unanimously with the strong support of the gentleman from Florida and others on both sides of the aisle. There was a period in which some technical work had to be done. The first-rate staff of our committee and the gentleman's staff and others did a good job on this. I can report to the gentleman, as the committee chairman has informed him by letter, that that bill is now awaiting action by our full committee. I know of no objection to it on our full committee. As far as we can tell, it was supported unanimously, and I believe I have the support of the ranking minority member here. We supported that unanimously, and the gentleman is right, it is a companion piece of legislation here. It involves a much, much smaller amount of money because we are dealing with many fewer people. But is is equally a matter of justice. It deals with the same period, and I very much hope that within a short period of time we will be standing on this floor, the gentleman from Alaska, the gentleman from Florida, the gentleman for New Jersey, and myself, passing this bill as well.

Mr. YOUNG of Alaska. Mr. Chairman, again I want to thank the gentleman for his leadership on this issue, and I thank him for his assurance that the Aleut bill will arrive on the floor.

Mr. FRANK. Mr. Chairman, I reserve the balance of my time.

Mr. SHAW. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. Fish], the ranking minority member of the Judiciary Committee.

Mr. FISH. Mr. Chairman, I rise in support of the Civil Liberties Act of 1987, and I compliment the subcommittee chairman for his leadership in bringing this to the floor. At this time I would simply like to associate myself with the remarks of the gentleman from Massachuesetts [Mr. Frank] and commend him for his eloquence in underscoring the principles behind this legislation.

Mr. Chairman, I rise in support of the Civil Liberties Act of 1987 (H.R. 442). This legislation would make restitution to those Japanese-American citizens and permanent resident aliens of Japanese ancestry who were evacuated from the west coast during World War II.

Soon after the outbreak of World War II, 120,000 Americans of Japanese ancestry, two-thirds of whom were actually United States citizens, were either interned in camps or otherwise deprived of their civil rights. H.R. 442 is omnibus claims legislation that attempts to redress that historical wrong in two fundamental ways. First, H.R. 442 contains a formal apology by Congress on behalf of the Nation of the Japanese-American community. Second, the bill establishes a trust fund of $1.25 billion, the bulk of which will represent onetime $20,000 payments to each living Japanese-American or permanent resident alien deprived of liberty. Approximately $1.2 billion will be used for these payments and the remainder—approximately $50 million—will be used for educational and humanitarian activities to further study the causes, effects, and implications of these events. The estimates are that there are approximately 60,000 individuals now living who would be eligible for this onetime payment.

It is important to emphasize that this $20,000 payment per person is not reimbursement for the loss of property or employment. Rather, it is in the nature of "liquidated damages"—these individuals are being partially compensated for the violation of their civil rights. The concept of monetary damages in compensation of violations of constitutional rights is not unusual or unprecedented. In 1971, the Supreme Court recognized a citizen's right to be compensated for violations of fourth amendment rights; that is, unreasonable searches and seizures. *Bivens* v. *Six Unknown Agents of the Federal Bureau of Investigation*, 403 U.S. 388 (1971). Since that time, the Supreme Court has expanded this "constitutional tort" concept to include violations of the fifth and eighth amendments as well. Lower Federal courts have applied the constitutional tort principle to claims based upon a variety of other constitutional rights including those protected by the first and sixth amendments. The deprivation of due process here was fundamental; the individuals who were evacuated and relocated had not been convicted of any crime. As the Members of this House know, our Constitution explicitly protects citizens against false arrest, false imprisonment, and abuse of process.

In 1980, Congress established the Commission on Wartime Relocation and Internment of Civilians to review the facts and circumstances surrounding the decisions made with respect to persons of Japanese ancestry during World War II. That Commission conducted 20 days of public hearings and in December 1982, published its final report. H.R. 442, in large part, would implement the recommendations made by that Commission. The Committee on the Judiciary favorably reported H.R. 442, as amended, on June 17, 1987. The vote on final passage was a bipartisan 28–6.

Mr. Chairman, H.R. 442 concerns a difficult and disquieting subject. Difficult because it relates back to a time of great stress in our Nation's history. Disquieting because the official decisions made at that time—evacuation, relocation, and internment—do not, in retrospect, appear to have been justified by either military necessity or valid national security reasons. H.R. 442 is also difficult and disquieting because it requires this House to determine what is the appropriate way to provide "redress" or "restitution" for the wrongs done.

In reality, there is no way to fully compensate persons who lost their homes, their jobs, their businesses—and their freedom—because of hasty and emotional judgments that proved to be wrong. Lives were not only terribly disrupted; they were indelibly altered. It is true that these injuries cannot ultimately be measured in dollars alone. But that, to me, is not an argument against any form of monetary relief. The funds contained in H.R. 442 are a significant and tangible gesture on behalf of the U.S. Government. Frequently, Congress acts favorably on claims legislation that is only partially compensatory, but nevertheless represents the final settlement of the claim involved.

Most importantly, what this legislation and its historical origins require us to do is to confront the real meaning of being an American. This year is the 200th anniversary of our Constitution and the rights contained in that wonderful document are not just legalisms or precepts on paper. They are supposed to be guarantees—against an arbitrary government as well as public and private prejudice. America went to war in 1941, but the principles contained in our Constitution should not have gone to war as well.

Before ending, I would like to add a personal note. For 18 years—1969 to 1987—my personal secretary and office manager was Mrs. Aya Honda Ely. Mrs. Ely was more than an employee—she was and is a treasured friend of mine and my family. Aya is a native-born American citizen of Japanese ancestry. At the outbreak of World War II, she was a young woman living and working in California. In early 1942, she was dismissed from her job with the State of California, simply because she was of Japanese descent. She and the rest of her family were subsequently evacuated and relocated under the exclusion order to a camp in Arizona where whe remained until 1944.

Many on Capitol Hill know Aya, a charming and dedicated woman, certainly as loyal an American as any of us. She now is enjoying a well-earned retirement. Rarely did she refer to her experience during World War II, and never was there an expression or trace of bitterness. But she, and thousands like her, are symbols of the tenuous nature of our democratic society. Aya Ely and the others who endured these events deserve this recognition and national apology.

Mr. FRANK. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Pashayan].

Mr. PASHAYAN. Mr. Chairman, I rise in support of H.R. 442.

Mr. Chairman, this bill draws a conclusion to one of the most shameful episodes of American history.

On February 19, 1942, President Franklin Delano Roosevelt himself, by Executive Order 9066, ordered that all Americans of Japanese descent be forcefully removed from their homes, places of business, schools, and churches, and be taken to military detention camps to live in confinement—men, women, and children. Thus did F.D.R. coldly and calculatedly conceive and executive a policy of national racial discrimination. And thus did F.D.R. commit his own act of infamy, staining forever the pages of American history, an act of infamy for which he and his party must forever bear full responsibility.

□ 1110

These Japanese-Americans had committed no crime against the United States. The history of World War II does not document a single act of espionage or sabotage by a Japanese-American. Thus did F.D.R. open one of the saddest chapters in American history. For 3 years the U.S. Government, under F.D.R.'s Executive order, deprived these Japanese-Americans not of their lives, but of their liberties and properties. In the internment camps they lived without comfort or privacy, while their children learned the rituals of American life, including the daily pledge of allegiance to the American flag, which stands for justice and liberty for all. After nearly a year of confinement, the Government gave internees the opportunity to earn their freedom by signing a declaration of absolutely loyalty to the United States, a requirement not levied on other American citizens. Many internees who signed the statement later joined the American war effort as part of special Japanese-American regiments that fought in some of the most bitter battles of the war. The Government further isolated into a separate camp those internees who expressed their bitterness and resentment by refusing to sign a pledge of loyalty.

H.R. 442 acknowledges the injustice done to the Japanese-Americans who were interned during World War II and aplogizes to them on behalf of the Nation. It also directs the Department of Justice to review the criminal convictions of individuals who were convicted of violating the law imposed under the internment, with a view of exonerating them.

I question whether provisions in the bill for individual redress are the most appropriate remedy. In light of Congress' efforts to reduce Federal spending, I tend to favor a monument or a library dedicated to all the internees that will stand as an enduring reminder to succeeding generations of Americans of what F.D.R.'s government did to some of its own citizens, and that it must never be done again.

Nevertheless, I rise in support of H.R. 442 because I believe that Congress must act to bring this painful issue to a responsible conclusion.

I ask my colleagues on our side of the aisle to rise above partisan considerations, and to assist our colleagues on the other side. After all, it was their President who locked up American citizens without cause. Let us vote today to right the wrong, to be an enduring reminder of how wrong a righteous political party can be.

It seems to me that if he were here today among us as a colleague, Abraham Lincoln would surely vote "aye" on the bill.

Mr. SHAW. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. Morella].

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, yesterday our Nation participated in a celebration of citizenship in which we pledged allegiance to the flag and to the Nation for which it stands. That pledge ends with the simple words "* * * with liberty and justice for all." Let us give substance once again to these words by passing the Civil Liberties Act of 1987 which will recognize and apologize to Americans of Japanese ancestry who were treated with grave racial and economic injustice by being taken from their homes and interned in camps during World War II.

Passage of H.R. 442, without amendments, will stand as an eloquent testimony to the importance of the U.S. Constitution whose 200th anniversary we celebrate today. It is now time to admit a mistake caused by fear and bigotry. The trust fund authorized in this bill will be used for a modest restitution to each survivor of that internment and for public education to make sure similar events do not occur ever again.

Let us learn from the lessons of history. We do not want an atmosphere that tolerates civil rights abuses, even in wartime, which eventually caused the German clergyman Martin Niemoeller to say,

> In Germany they came for the Communists, and I didn't speak up because I wasn't a Communist. Then they came for the Jews, and I didn't speak up because I wasn't a Jew. Then they came for the trade unionists, and I didn't speak up because I wasn't a trade unionist. Then they came for the Catholics, and I didn't speak up because I was a Protestant. Then they came for me, and by that time no one was left to speak up.

Mr. Chairman, let this Congress speak up today to demonstrate that the kind of wholesale abuse of civil and constitutional rights such as was found in the internment camps will not happen again in the United States.

Mr. Chairman, let us continue our celebration of the U.S. Constitution by passing the Civil Liberties Act of 1987.

Mr. Chairman, I would like to add my commendation to the gentleman from Massachusetts [Mr. Frank], the chairman of the subcommittee, and to the gentleman from Florida [Mr. Shaw], the ranking minority member on the subcommittee, for their leadership on this very important bill.

**Mr. FRANK.** Mr. Chairman, I yield 2 minutes to the gentleman from Hawaii [Mr. Akaka].

**Mr. AKAKA.** Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I look upon this as a bill that every Member should vote "yes" on; and I rise in favor of H.R. 442, and ask my colleagues to support it without any amendments.

Mr. Chairman, I understand that there have been some misperceptions moving through the House that persons of Japanese ancestry living outside the west coast and in Hawaii were not subject to evacuation orders.

I simply want to stress to this body that this is not true. I know that at least 1,000 individuals of Japanese-American ancestry were residing in Hawaii, were in fact interned during this period.

I want to engage in a colloquy with the gentleman from Massachusetts [Mr. Frank], and ask the gentleman, does the gentleman agree that in fact certain persons of Japanese ancestry who resided in Hawaii and were interned, whether the relief envisioned under this bill would apply to those individuals?

**Mr. FRANK.** Mr. Chairman, will the gentleman yield?

**Mr. AKAKA.** I yield to the gentleman from Massachusetts.

**Mr. FRANK.** I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's concern; and I can say, and I have checked with the staff and with the experts on this, it is our information that there were Americans of Japanese ancestry living in Hawaii who were interned; and under the terms of this bill, they would be covered.

I do not know of the exact number, but Americans of Japanese ancestry residing in Hawaii who were in fact interned would be treated in this bill like anyone else who was interned, subject to the same offer, and they could accept the compensation in return for giving up their right to sue and have that same right as everyone else.

**Mr. AKAKA.** I thank the gentleman for the gentleman's response, and again I urge the Members to support the bill without amendments.

Mr. Chairman, 200 years ago today our forefathers adopted a Constitution in Philadelphia which they presented to the States for ratification. That Constitution is now the law of the land.

As stated in the preamble, the Constitution was established to secure the blessings of liberty to ourselves and our posterity. I can think of no better way to honor the bicentennial of our Constitution than by passing H.R. 442 and correcting the injustice of Japanese internment.

H.R. 442, the Civil Liberties Act of 1987, will implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians. The passage of this legislation is long overdue.

H.R. 442, which I have proudly cosponsored, would implement the five recommendations proposed by the Commission. First, the bill recommends Congress to pass a joint resolution, signed by the President, recognizing the grave injustice that was done and offering the apologies of this Nation. Second, it would recommend a Presidential pardon for those Japanese Americans convicted of violations of statutes regarding curfew, evacuation, and relocation. Third, it would provide restitution of position, status, or entitlement lost because of exclusion and relocation. Fourth, a special foundation would be established to fund research and public educational activities regarding the internment. Finally, monetary restitution would be provided to those Japanese Americans deprived of their liberty or property as a result of internment.

I strongly support passage of H.R. 442, because it will begin to redress the wrong perpetrated on these innocent people. We cannot begin to compensate interned Japanese Americans for the indignity and humiliation they suffered. This legislation will not turn back the clock on internment, but it offers an apology that is long overdue.

Using his powers as Commander in Chief, President Roosevelt issued Executive Order 9066, which provided that "the successful prosecution of the war requires every possible protection against espionage and sabotage to national defense material, national defense premises, and national defense utiities * * *" Under this Executive order, "all persons of Japanese ancestry," regardless of citizenship or loyalty, living in specified military zones were interned in the interior of the United States. Japanese Americans living in California, and the western halves of Oregon and Washington, and the southern half of Arizona were placed into internment camps. Let me point out, however, that between 1942 and 1944, no Japanese Americans were convicted of espionage. In contrast, 18 Caucasians were charged with spying, during the same period, 10 of whom were convicted. As the Commission stated, internment of the Japanese Americans was based on, and I quote, "race prejudice, war hysteria and a failure of political leadership. A grave personal injustice was done to the American citizens and resident aliens of Japanese ancestry."

History cannot be changed. Today, however, Congress has the opportunity to formally recognize that the internment of Japanese Americans was a reprehensible event. Justices William O. Douglas, Earl Warren, and Tom C. Clark, in retrospect, have expressed their remorse about Japanese internment. Approximately 120,000 Japanese Americans had their lives disrupted, and were unjustly incarcerated. These individuals were guilty of no crime but were sentenced to internment without a trial. Throughout the Second World War the Federal Government deceived the public by refering to internment camps as relocation centers or assembly centers. Internees were referred to as "nonaliens." In fact, the internment camps were not relocation centers or assembly centers. These camps were circled by barbed wire fences and movement was restricted by armed guards. Individuals were not free to leave internment camps to "relocate" to another State. Instead, these citizens were forced to spend 2 to 3 years of their lives as prisoners of war in their own country.

In addition to having liberty denied, other basic constitutional guarantees were denied. The first amendment right of freedom of speech and assembly were denied to internees. The right to vote was also denied. Religious freedom guaranteed all citizens by the Constitution was denied to the internees. Shinto religious practices were prohibited in the camps on the grounds that they represented Japan. Buddhist priests were placed in separate Justice Department internment camps, thereby limiting the practices of Buddhism.

The Commission on Wartime Relocation and Internment of Civilians issued their report, "Personal Justice Denied," in December 1982. Congress has been debating this issue for the past 5 years. Will we continue to deliberate this issue until it is forgotten and put aside? I hope not, for to do so would be more of an injustice to these Japanese Americans. We must never forget that this event happened; rather, we need to remember and learn from this experience. It is this type of attitude toward our mistakes that makes America what it is today—a democracy.

Once again, I strongly urge my colleagues to support H.R. 442, so that all Americans may believe in our Constitution and its system of justice. Americans of all races and color should know by our action today that we have faith in and are prepared to defend "liberty and justice for all."

**Mr. SHAW.** Mr. Chairman, I yield 2 minutes to the gentlewoman from Hawaii [Mrs. Saiki].

**Mrs. SAIKI.** Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, as a cosponsor of H.R. 442, the Civil Liberties Act, I would like to express my strong support for this legislation and urge my colleagues to support this measure as passed by the Judiciary Committee.

As a young person growing up in Hawaii, I witnessed firsthand the forced relocation of many friends, neighbors, and relatives. Loyal American citizens, many of whose sons were fighting for our country in Europe, were placed in internment camps without sufficient legal recourse. Families were separated, and people lost homes

and businesses for which they had worked their entire lives.

Mr. Chairman, while I realize there are those who will oppose the financial commitment in the bill, I feel this section is fair and just. The money is hardly adequate to compensate for the loss of civil liberties. We can never fully repay people for the loss of their dignity and their legal rights under the Constitution. However, financial payment is an appropriate means by which to provide some restitution. While I understand that the internment was ordered under an atmosphere of war hysteria, the action was wholly unjustifiable.

In closing, Mr. Chairman, I would like to thank the Members of the Judiciary Committee for moving this bill to the floor, and I urge my colleagues to support H.R. 442.

□ 1120

**Mr. SHAW.** Mr. Chairman, I yield 5½ minutes to the gentleman from California [Mr. Shumway].

**Mr. SHUMWAY.** Mr. Chairman, I thank the gentleman from Florida for yielding me this time.

I am opposed to the bill. I think it is important that I set forth before the entire body the reasons for that opposition.

I have studied this bill over the course of the past several years during which it has been pending here in the House of Representatives. I have a very keen interest in the subject and I have therefore devoted considerable time and effort to looking at the facts surrounding this bill.

Certainly the testimony presented before the Commission initially and more recently before the Judiciary Committee, as well as the books that have been written and published about the ordeal that Japanese-American citizens were put through during the World War II years are very touching, very emotional, and certainly are provocative of some kind of response; but it seems to me a sad thing that much of the debate about H.R. 442 has revolved around emotional arguments, rather than the more rational arguments that I think should prevail.

I think, for example, the very title of the bill, the very number of it, H.R. 442, named after the regimental combat team which was made up of Nissei's that fought so valiantly in Europe and the fact that it is being brought up today, September 17, those are neat devices to bestow some magic upon the bill; but I think that the merits of the bill need to be discussed and looked at in a very careful way. I think if we do that, we would decide that the redress provisions of this bill really are not well taken.

First, there was a claims procedure for Japanese who had lost property. There were payments made. There were releases signed. We can now go back and question the adequacy of those payments, but the procedure was a thorough one and it prevailed for some years after Congress enacted the procedure in 1948.

Second, there are many cases of legal wrongs in America where we do not respond with money damages. Often we do, to be sure, but cases of declaratory relief, cases of injunctive relief, are cases where we cure a wrong other than by putting money in the pockets of those victims.

This particularly bothers me here, because I really believe that in this case we are judging the actions of the past by applying standards of today. Certainly today in the area of civil rights and civil liberties we have a much greater sensitivity than we had 45 years ago in 1942.

I do not know anyone yet anyway who is advocating that we go back and pay $20,000 to each of the black schoolchildren of this country who may have been victimized by the separate but equal education policies that prevailed in the South before the Supreme Court decision in 1954 declaring that to be unconstitutional.

The Constitution also in the fourth amendment says that we shall not permit unlawful searches and seizures. Pursuant to that, we developed the Miranda warning. Are we going to now go and say that those who were incarcerated after convictions that did not entail the reading of Miranda rights should now be paid $20,000 because that civil right was violated?

The eighth amendment of the Constitution says that we shall not allow cruel and unusual punishment, and yet we know that there were prisoners detained at Alcatraz who were kept in dungeons and chained. Shall we go back and reward them now because their civil liberties were violated?

I just suggest that actions that may at one time have appeared to be either legal or justified, may not be legal or justified under today's standards. These were all cases of Government actions, maybe not occurring during wartime, but nevertheless actions which resulted in civil rights violations. To go back now and say this particular area of civil rights violations should be addressed with money damages I think sets a very dangerous precedent and I think is a procedure that up to now, at least, has not been part of our law.

I also object to this means because it is obvious from reading the bill that the $20,000 payment is not intended to have any testimentary effect. It is payable only to those still living who were incarcerated in camps. If really the purpose of this is to demonstrate to the Government that it did something wrong, then I believe there should be some testimentary effect; that is, there ought to be the ability to inherit on the part of those heirs of those who were unlawfully incarcerated.

The wrong that we are seeking to redress, if indeed this bill passes, is not contractual, but a wrong that should have testimentary benefit to it.

Finally, Mr. Chairman, I believe that this bill may revive some of the bias that we saw during World War II and the years shortly thereafter against good Japanese-American citizens.

Mr. Chairman, I think that we do not want to do anything to revive that bias. We now count Japaness-American citizens as some of the most respectable, hard-working, loyal Americans that we have in our country. To separate them in this fashion, to make them the recipient of a stipend which is an effort to pay them for something I think could revive some bias and I think the bill is dangerous for that reason.

Let us not try to resolve this problem by just throwing money at our problems as a balm to our conscience. Let us do something more meaningful and more constructive that will have lasting effect throughout future generations.

**Mr. SHAW.** Mr. Chairman, I yield 1½ minutes to the gentleman from the Territory of Guam [Mr. Blaz].

**Mr. BLAZ.** Mr. Chairman, one of the best motivators for men in battle is the belief in what they are fighting for. The men of the 442d Regimental Combat Team fought fiercely, violently, and with great distinction, because they believed in what they were fighting for, despite the indignities that were placed upon their brothers and their sisters.

Here we are 45 years later and we have yet to remove this blight from our conscience. If we are to celebrate the 200th anniversary of our great Constitution with a clear conscience, the first order of business is to clear our conscience. We can do this by approving H.R. 442.

There is a great similarity between the experience of the gentlemen from California, Bob Matsui and Norm Mineta, and myself. We spent time in our youth in detention in concentration camps. There is one great distinction. My guards in the American Territory of Guam that was captured were enemy soldiers. Theirs were American soldiers in America.

Mr. Chairman, justice delayed is justice denied.

**Mr. RODINO.** Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. Edwards].

Mr. EDWARDS of California. Mr. Chairman, I rise in strong support of this important bill. I compliment Congressman Barney Frank, the distinguished chairman of the Judiciary Committee's Subcommittee on Administrative Law and Government Relations, and the other subcommittee members, for their work on it.

I especially compliment our colleagues, Congressmen Norm Mineta and Bob Matsui. Their strength and their commitment to the legislation were invaluable in developing and bringing the bill before us today.

Mr. Chairman, as a native Californian, I remember with great sadness when friends and neighbors just disappeared from my own community, sent to so-called relocation camps, their lives and families disrupted, their personal belongings lost and property sold to speculators. It was a tragic time, a blot on our Nation's history.

The country should rightfully mourn for how loyal American citizens and lawful residents were so cruelly deprived of their freedom without the slightest semblance of due process, all because of their Japanese ancestry.

We can never adequately compensate our friends, our neighbors, our colleagues for the enormous losses and suffering they were forced to endure. But, with this bill, we can acknowledge their pain and we can say we're sorry. The redress provided is very, very modest compared to the tremendous losses which they suffered.

As we celebrate the bicentennial of our Constitution, it is a fitting time for the country to acknowledge—and to try to right—the wrongs that were done. I urge all of our colleagues to support this measure today, without amendment.

Mr. RODINO. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. Durbin].

Mr. DURBIN. Mr. Chairman, earlier in this debate one of my colleagues from the other side of the aisle attempted to suggest that the shame of this chapter in American history was a shame that should rest largely on the shoulders of F.D.R. and the Democratic Party. I think that our party must accept primary responsibility in that our President was in power. We were in control of the Congress, but a study of history will suggest that leaders on the other side, leaders in the Republican Party, the Governor of California, for example, also was involved in this tragic chapter in American history.

My colleague also concluded that the reason he would now today vote for this important resolution is in the memory of Abraham Lincoln. His study of history might suggest that even Abraham Lincoln in the throes of the Civil War when a similar panic had hit this Nation, suspended habeas corpus.

I think, frankly, if you study the chapters of history that have been written, you will find that great nations consistently make great mistakes in the heat of war.

This is indeed a shameful and tragic chapter in our Nation's history. It is sad that Americans of Japanese ancestry who were never found to have been disloyal during the entire World War II conflict and many of whom served admirably and courageously during that conflict, were in fact tainted and imprisoned. For many of them their lives were ruined.

I struggled with this bill, nevertheless, because of the suggestion that a $20,000 compensation would somehow close this chapter in American history and that if enough money were spent in compensation, we could put it behind us; but as I reflect on it, this payment is consistent, I think, with our Constitution and the great tradition of our country that suggests that we do have due process and that citizens can petition for redress of grievances. This is an extraordinary way to do it, through the passage of legislation, but I think it is entirely fitting to offer to those who suffered this injustice, this compensation in full settlement of their claim against our U.S. Government.

I think this attempt at settlement is fair and straightforward and it will close a tragic chapter in America's history.

Mr. SHAW. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Lungren].

Mr. LUNGREN. Mr. Chairman, some might believe that since I was the sole dissenter on the Commission and since I will have a major amendment in terms of the money, that I find fault with the basic conclusions of the Commission. I do not.

I believe the history of the period leaves little room for doubt that a grave injustice was done. I fully concur with the finding of the Commission that the implementation of Executive Order 9066 was largely a result of "race prejudice, war hysteria, and a failure of political leadership."

However, I think that there is a difference between self-examination and self-flagellation. They say that hindsight is 20–20. I as one who was born after World War II doubt if my generation has a full appreciation for the difficult circumstances and the plight that the United States was in during the onset of World War II.

In one of the Commission's hearings, we had a military historian from the Department of Defense devote a large portion of the meeting describing the terrible fix that the United States was in. In his book, "Born Free and Equal," published in 1944, Ansel Adams, a vocal opponent of the internment process, refers to these difficult circumstances of the war, when he said:

> The spectacular victories of Japan, the crippling of our fleet at Pearl Harbor, the possibility of invasion of our West Coast—all were facts of tragic import, and at the time, were considered more than ample justification of the mass exodus. In addition, there was the threat of public retaliation against the Japanese American population. We may feel that racial antagonisms fanned the flame of decision * * * but the fact remains that we were in the most potentially precarious moment of our history—stunned, seriously hurt, unorganized for actual war * * *

I might tell you that this was before the Battle of Midway. We had lost every single battle of the war. Americans were facing the fact that we were going to lose.

But please do not misunderstand. I believe the internment and relocation experience of our fellow Americans and resident aliens was wrong; however, when a nation is at war fighting for its very survival, it should come as no surprise that wrong-headed decisions can be made. I think we have to understand the complexity of it.

Another area that I do not believe is receiving the kind of treatment it deserved was the MAGIC cables. It did not receive it in the hearings we had in the Commission and I do not think it has received it in this House as well.

□ 1135

As a Commissioner I can tell you that we did not thoroughly examine the avenue. But let me just give you some of the messages that were going across the desk of President Franklin Delano Roosevelt at the time he made this decision. In retrospect we know this information was incorrect. But the President was up against a potential loss of the United States and these are the messages that came across his desk. These were cables that we had intercepted, official Japanese Government cables.

> Utilization of our second generation and our resident nationals: In view of the fact that if there is any slip in this phase our people in the U.S. will be subjected to considerable persecution and the utmost caution must be exercised * * * We shall maintain connection with our second generation.

This is from the Japanese Embassy in Washington back to the Japanese Government in Tokyo.

> We shall maintain connection with our second generations who are present in the United States Army. We also have connections with our second generations working in airplane plants for intelligence purposes.

Those are just two. There were many, many of these.

We know now in retrospect that they were wrong. Whether the people in the Embassy here were intentionally giving bad information, whether they were giving information based on what their hopes were, whether they were trying to make themselves look good with the Government in Japan, we do not know. But you have a President of the United States who is making decisions about the survival of the Nation, receiving intercepted coded messages of the enemy saying that they have infiltrated the Japanese-American community in the United States.

In retrospect it is a slander against the Japanese-American community. We know now there was no evidence that this ever happened, but the President did not know that. He was faced

with war at a time when we were losing every battle in the Pacific.

The question is do we merely say this was racism on the part of F.D.R., racism on the part of the U.S. Government, racism on the part of all his advisers, and say therefore we owe something; or do we look at the complexity of the situation? Do you want to talk about figures? Earl Warren and F.D.R. were the two biggest advocates of this. Little known is that someone called J. Edgar Hoover said that it was not necessary. He said he had information about those for whom there was reasonable suspicion in the Japanese community. He knew where they were, and he could round them up and we could hold them. In fact, that is what we did in Hawaii as opposed to what we did in the rest of the country.

So we were wrong.

The question is what do we do now?

Little remarked upon has been the fact that in 1948 the Congress did establish a mechanism for recovery of property losses. That act was amended in 1951. It was amended again in 1956.

It was said at that time this would be the final decision, this would take care of it. That was supported by the Japanese-American community at that time.

Twenty years later we now have another bill. It is before us. I do not believe that the apology is wrong; we need an apology. We need an official recognition of error. Not that we do not need an educational fund. I support a $50 million educational fund.

The question is do we need individual reparations? I think it is more complex than has been presented.

I hope Members would take that into consideration.

Mr. RODINO. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. Williams].

Mr. WILLIAMS. Mr. Chairman, America had just observed the Thanksgiving holiday; we were preparing to celebrate Christmas; it was a good year for giving thanks and giving gifts. We had emerged from the depths of the economic depression, tens of thousands of us were back to work, and millions more had regained faith in themselves and in this country.

Then without warning or provocation we were attacked. Americans were killed somewhere on an island in the Pacific called Oahu, in a small blue graveyard known as Pearl Harbor. We were stunned, angered, outraged. In this Chamber President Roosevelt asked the Congress to declare war and was greeted with a panoply of emotion which no President before or since has ever witnessed.

We had been attacked by a truly foreign nation. The American people found the ways of Japan, its culture, its language, its history, its mores, the faces of its people, to be foreign to us here in fortress America.

We were outraged and we had every right to be outraged. We were determined to our souls to defend ourselves and more, to punish.

When the strongest nation in the history of the world leaps up in defiance, slashing forth, it will inevitably sweep from its path and trample upon those things which is calmer, more thoughtful times, it would take great care to respect and to nourish.

Perhaps now almost a half century later we can look back at those times of outrage and determination and try at least to understand why we placed American-Japanese children in prison camps.

Perhaps we as a people who understand the mistakes that are made in confusion and fear, perhaps we can reflect now about why we confiscated the property of our American neighbors of Japanese ancestry. Given the dreadful drama of those times, perhaps we can find some logic for having rounded up and locked up an entire race of American people. Perhaps we can.

But regardless of the reasons for those actions, we now know, each and every one of us, know it was wrong.

Today's decision is simple, will the United States of America with its love of justice say to those of its fellow citizens who were wronged, "We are sorry. You were violated. We will make you whole again as best we can."

Mr. SHAW. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. Horton].

Mr. HORTON. Mr. Chairman, it is somewhat ironic that I have this opportunity to stand here in the well of the House as one of the cosponsors of H.R. 442. Mr. Chairman, 45 years ago I was a company commander of an infantry company that made the combat landing in North Africa. I was with the 9th Infantry Division, and later I was with the 5th Army headquarters and made the combat landing in Italy.

Somewhat later I was serving on the G–3 staff of the Peninsula Base section in Naples, Italy, and it was my responsibility to meet the 442d when they made their entry into the war. They landed in Naples and I went out to meet them and met their officers, met many of them, met many of the enlisted personnel, and then I had the opportunity to witness the heroism of the 442d as it went into combat in Italy.

It was a tremendous contribution to the war in Italy which they made, and I do not think there is any other military operation in which more people distinguished themselves than the members of the 442d. The 442d has stood out in my mind over these 45 years as one of the great combat units of the American Army in World War II.

Then when I learned later, and especially after I came to Congress and learned of the tragedy that had occurred to many of the relatives of these people who were participating as members of the 442d Combat Regiment, it really appalled me. I have been one of the principal sponsors for a number of years in trying to get this bill through and I want to commend the bill's sponsors, particularly the gentleman from California [Mr. Mineta], and others who have brought the bill to the floor today.

Mr. Chairman, four Congresses ago I was a sponsor of legislation which called upon the President to designate May 4 through May 10 of each year as "Asian-Pacific American Heritage Week." That week has been set aside annually to pay tribute to the untold contributions made to the American society by Asian-Pacific Americans.

Our passage of H.R. 442 today will erase a perennial black mark on that commemoration. Today also is the 200th anniversary of the signing of our Constitution. It is very appropriate that we pass this legislation today.

It is time we made amends and recognize the tremendous contributions that the Japanese made to the war effort, and H.R. 442 is one way that we can pay that respect to those people who made that tremendous contribution. The record of the 442d Combat Regiment is one of the Army's proudest moments. H.R. 442's passage today will be one of our proudest moments.

Mr. Chairman, I rise in strong support of H.R. 442, the Civil Liberties Act of 1987, which implements the findings of the Commission on Wartime Relocation. I want to commend the bill's sponsor, Majority Leader Tom Foley, Mr. Mineta, and the many other Members who have committed so much time and energy to this effort over the years.

More than 120,000 Japanese-Americans were incarcerated in internment camps during World War II. For up to 2 years, their basic civil rights were stripped in the name of military necessity. The possibility of a Japanese invasion along our Pacific coast distorted our national judgment and intensified our wartime fears. Quite simply, in our zeal to win the war, the United States overreacted. For that, many are owed an apology.

Now, four decades after the fact, we cannot offer full restitution to the scores of Japanese-Americans forcibly detained. But H.R. 442 makes a statement to the world, and to those interned and their descendants. H.R. 442 acknowledges the fundamental injustice of our actions, apologizes on behalf of the United States, and makes restitution to the 60,000 survivors of Japanese internment camps.

Today is the 200th anniversary of the Constitution. What better celebration of America's open and free society than to come before the world on this important day, admit a serious national mistake, and attempt to make reparations? I urge my colleagues to support this important, overdue legislation.

Mr. FRANK. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Lehman].

Mr. LEHMAN of California. Mr. Chairman, I rise in support of the Civil Liberties Act and in opposition to amendments which would strip all meaning from this gesture.

We cannot change history but we can take this small step towards correcting an injustice to American citizens whose only crime was to have been of Japanese ancestry.

We should, I believe, in this small way attempt to compensate these Americans for the loss of their freedom which was taken in a shameful moment without the due process procedures which we all cherish.

Thousands of loyal Americans were denied most of the basic rights supposedly guaranteed them by our Constitution. Forty-five years later we have the opportunity to take a step toward mitigating that wrong.

There is no conjecture about what occurred. Americans of Japanese descent were prohibited from living, working, and traveling on the west coast. Internment camps where many were forced to live were prison-like and located in inhospitable areas of the West and South. Families were uprooted and homes and businesses sold at drastic losses.

Japanese-Americans were stripped of their most basic human dignities, deprived of all the rewards of American citizenship, and made to live like criminals.

The legislation we have here attempts to give redress and compensation to those who suffered in the internmant camps. While we can never diminish what happened, we can provide compensation as a symbol of justice to the survivors and a legacy they leave their families.

This bill, I believe, is also an important step towards seeing that this never happens again.

The internment policy represents a dark day for our country. Wartime hysteria leading to this policy ran counter to many of the principles embodied in our Constitution. Most of the basic liberties guaranteed to Americans were taken from a select few, each of whom were loyal citizens of this country.

Our constitutional celebration is a celebration of the principles outlined in that document. Therefore, it is fitting that we formally recognize the internment policy as wrong and we now try to correct that policy as best we can.

I only regret, Mr. Chairman, that we cannot compensate those thousands of Japanese-Americans who have already died.

Let us not wait any longer.

Mr. SHAW. Mr. Chairman, I yield the balance of my time to the gentleman from New York [Mr. Stratton].

Mr. STRATTON. Mr. Chairman, I would like to mention that we have had from the gentleman from California [Mr. Lungren] and the gentleman from Montana [Mr. Williams] an opportunity to try to put this item in perspective. The whip advisory in connection with this Civil Liberties Act of 1987 says that it was racial prejudice and "wartime hysteria".

That was no hysteria. That was real wartime, and we Americans were on the receiving end.

Remember Pearl Harbor? That was not hysteria. That was war! That was an act of war and it was carried out as Franklin Delano Roosevelt pointed out at the very time our negotiators, Cordell Hull and the Japanese envoys Admiral Nomevra and Ambassador Kurusu and others were supposedly trying to solve the problem without military action at all.

□ 1150

But we ought to recognize, as Mr. Williams has very properly and effectively spelled out what happened: we had been wiped out at Pearl Harbor and, we had submarines firing on the west coast of Oregon, we had drifting balloons that had been sent over from Japan with bombs on them which started forest fires. So this was no wartime hysteria. This was no drill. We had learned that the consulate in Hawaii had been all along the center of espionage for the Japanese.

If to expect that the Japanese in Hawaii had helped in the espionage, it was reasonable to think that the orders that Mr. Lungren has referred to, our military expected an amphibious landing by the Japanese and it seemed possible that Japanese people might come out and help the landing. They could not ignore any possibility.

So this was not racial prejudice, this was a proper action to contemplate hysteria. Franklin Roosevelt did the right thing. In fact as Commander in Chief, if President Roosevelt had not done this he would have been derelict in his duty.

Mr. FRANK. Mr. Chairman, in the interest of expedition, I yield back my 30 seconds.

Ms. PELOSI. Mr. Chairman, as a strong supporter of H.R. 442, the Civil Liberties Act of 1987, I am pleased to see it brought before the House for consideration. Now, as we celebrate the bicentennial of the Constitution, it is most fitting that we act to rectify one of the most serious violations of constitutional rights in the history of this Nation. The forcible relocation of 120,000 Japanese-American citizens and resident aliens away from their homes during World War II constituted an appalling abuse of civil liberties.

Solely because of their Japanese ancestry and heritage, these loyal Americans were subjected to circumstances and conditions in direct violation of their civil, constitutional, and human rights guaranteed by the Constitution. They suffered, they lost property, finances, and tragically, their freedom. The stress experienced by individuals and families caused untold damage to these Americans. It is up to this Nation to ensure that these losses are adequately redressed.

It is truly unfortunate that we cannot redo that past. Nothing that this Government does could really repay the losses and the harm caused by this relocation. The hardships and injustices took away from these people things that no one can replace. Broken families and disheartened individuals cannot easily be fixed.

This legislation, however, takes major steps to help the Japanese Americans in their 45-year struggle for justice. The least the U.S. Government and we as a people can do for these 120,000 people, mostly native-born Americans, who were denied their basic rights and held against their will in forcible confinement for up to 3 years, is to see that this legislation is enacted. H.R. 442 provides $20,000 compensation to Americans who lost their homes, their farms, and their business, and who were unjustly imprisoned without a trial for up to 3 years. The bill also makes a long overdue formal national apology for the internment. It will correct military and employment records of detainees; and, allocate money for research to protect civil liberties, in order to ensure that this kind of action never happens again.

Mr. Chairman, I have heard first hand of the tragedy of this forcible relocation. A number of the people who personally experienced this blot on the Nation's history came from San Francisco. A number of the former internees now reside there. The absolute least thing we can do for these people is to see that they receive justice. This bill is redress; it is justice. Today, on the 200th anniversary of the signing of the Constitution, we can pay no greater respect to the document and to its principles than by upholding it. Passage of H.R. 442 is a clear message that this flagrant violation of civil liberties was wrong, that it will be corrected, and that it will not happen again. I urge my colleagues to vote "yes" on H.R. 442.

Mr. MOODY. Mr. Chairman, I rise in strong support of H.R. 442, the Civil Liberties Act of 1987, to make restitution to Japanese Americans interned during World War II. I am a cosponor of this bill.

We must formally restore some justice to the loyal, law-abiding Japanese-American citizens who were forcefully relocated and interned 47 years ago. We can never undo the injustice that was done to them, but some financial restitution will help make both symbolic and material amends to the survivors—a small token for the liberties and benefits that they lost during their internment.

These 120,000 Americans, most of whom were born in this country, lost not only their freedom but in many cases also their homes, businesses, and farms. They suffered the humiliation of detention and removal from their communities.

They were incarcerated without trial, without due process. They were denied the basic civil rights that our Constitution guarantees to all Americans. And they were denied these rights simply because of their ancestry.

The very least we can do now as a great and self-correcting country is to formally apologize to the 60,000 survivors for the difficulties, and to offer at least token compensation. The formal apology is long overdue.

H.R. 442 is an effort to right this 47-year-old wrong. It is vital that Congress makes an official acknowledgment of an old mistake. We must make it clear that we as a country do indeed value the rights guaranteed by our Constitution and understand that denial of these rights to American citizens must eventually be acknowledged and redressed.

Mr. DIXON. Mr. Chairman, today, while we celebrate the bicentennial of the Constitution, an entire ethnic group nears the end of its 45-year journey to see justice. On this, the 200th birthday of the signing of the American Constitution, I am proud to join my colleagues who have spoken out in support of H.R. 442, the Civil Liberties Act of 1987.

The framers of the Constitution, recognizing that no institution is perfect, devised a document that could be amended to allow for growth, change and the correction of past errors. The members of the first Congress took advantage of this flexibility and added the first 10 amendments, the Bill of Rights. These amendments emerged from their discussion of one of the more difficult problems of government—balancing national defense and the need for order in society against the rights of individual citizens.

During the opening months of World War II, over 110,000 Japanese Americans and permanent residents were forced to sell their homes and businesses. They were then herded from their communities into detention camps established by the U.S. Government. Many spent the next 3 years of their lives under armed guard, behind barbed wire.

In 1942, racial prejudice and wartime hysteria upset the delicate balance between the rights of the citizen guaranteed under the Constitution and the power of the state, and one of the greatest abuses of civil liberties in American history occurred. H.R. 442, in extending a congressional apology to the internees on behalf of the Nation and offering modest monetary compensation to them for the violation of their civil liberties, seeks to acknowledge and redress the injustice perpetrated 45 years ago.

On this special birthday celebration of the Constitution, when we recommit ourselves to upholding it as a living document, I am proud to cast my vote in favor of an unamended H.R. 442. I urge my esteemed colleagues in the House to cast their votes similarly.

Mr. DELLUMS. Mr. Chairman, I am pleased that the House of Representatives is today considering H.R. 442, the Civil Liberties Act of 1987, which would implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians. I am an original cosponsor of H.R. 442, and have been in each Congress it has been introduced.

The U.S. Government, in total defiance of the Bill of Rights, forcibly removed and detained 120,000 Japanese Americans and resident Japanese aliens during the early days of World War II. However, there was no mass removal or detention of Italian Americans or German Americans. In my mind, the racist motives of wartime relocating are a deep stain on the honor of our Nation. Further compounding the injury caused to Americans of Japanese descent, our court system failed, in Korematsu versus the United States, to uphold its duty to protect the rights of citizens from this illegal executive branch action. Later legislation, such as the Evacuation Claims Act, did not come close to repeying the massive economic hardships imposed upon Japanese Americans.

H.R. 442 would set up a trust fund of $1.5 billion, and a lump sum of $20,000 would be paid out of the trust fund to any individual of Japanese ancestry who was deprived of his or her liberty or property under the internment program. Passage of the legislation is long overdue and is needed to demonstrate to all Americans that our system of government is founded or principles, as reflected in the Bill of Rights, that may not be violated.

I am proud to have this opportunity to vote today in support of the Civil Liberties Act. I only wish that there was a tangible means to restore the lost honor and dignity of our citizens of Japanese descent.

Mr. LANTOS. Mr. Chairman, I rise today in strong support of H.R. 442, the Civil Liberties Act of 1987 which provides redress to Americans of Japanese ancestry who through outrageous injustice were interned during World War II. It is fitting that today, as we celebrate the anniversary of our Constitution, we address one of the most flagrant violations of the principles laid down in this historic document.

The number assigned to this bill is also highly significant—H.R. 442. It is numbered for the famous 442d Regimental Combat Team which fought in some of the fiercest European campaigns of World War II. This entirely Japanese-American military unit was the most highly decorated unit of its size in the entire military history of the United States, earning over 18,000 decorations.

Yet the courage and patriotism of the 442d Regiment did not prevent one of the most discriminatory acts ever taken by the Government of the United States. On February 19, 1942, President Roosevelt signed Executive Order 9066 which was the first step in depriving Americans of Japanese ancestry of their rights as U.S. citizens. Initially, Japanese Americans on the west coast were merely prohibited from entering sensitive military areas. Soon, however, evacuation orders were issued which resulted in the wholesale removal of all Japanese Americans living on the entire west coast to camps further east. Most were forced to remain there for the duration of the war, deprived of their civil rights and constitutional liberties.

Mr. Chairman, I also wish to emphasize my full support for the provision in the legislation to provide monetary restitution to those who suffered. This bill authorizes a total of $1.25 billion in fiscal year 1989 and subsequent years to establish a civil liberties public education fund in the Treasury. Payments of $20,000 are to be made to each person who was subject to confinement or relocation during World War II. No amount of money can adequately compensate these people for the emotional and financial hardship, and loss of liberty they experienced. This payment, however, is the most appropriate gesture we can make. I urge my colleagues to support this provision as the only equitable and reasonable step we can now take.

Recognition of this terrible wrong is long overdue. It was an act based on ill-founded fear and xenophobia. It violated the most fundamental principles of the very document whose writing we are celebrating today. Mr. Chairman, I am an original cosponsor of this legislation, and have been a supporter of this legislation since it was first introduced. I firmly believe that our celebrations today will be complete only if H.R. 442 is approved. In it, we recognize that people of all races and ancestry can be loyal citizens of the United States of America.

Most important of all, we must never permit comparable actions to be taken again, whether in peacetime or in war.

Mr. ATKINS. Mr. Chairman, I am astonished that we are engaged in a debate today to determine a "fair" price for liberty. Forty-five years ago, this Nation committed one of the greatest transgressions of civil rights imaginable. And, on the very day we have been granted the opportunity to apologize to the 120,000 Americans of Japanese ancestry for the enormous wrongs committed against them, it is shameless that we would mire ourselves in a debate over what price we might attach to this apology.

The dollar figure we would make available to each surviving internee was determined by an independent congressionally mandated Commission on Wartime Relocation and Internment of Civilians. Listening as the members of the Commission did to stories of overwhelming economic, social and educational losses, they determined that more was required of us than eloquent words of apology. The losses were too severe and the mistakes of this Nation too great to leave unanswered the question of financial reparations. Hence, the Commission recommended financial remuneration and I believe that our apology today would be vitiated without it.

Mr. Chairman, how can any of us understand what it must have been like to endure imprisonment—imprisonment without due process and, most significantly, imprisonment without any guarantee of safety for oneself and one's family. We rounded up individuals, made them leave their homes and jobs, housed them in horse stalls in race tracks only 4 days after removing the horses and then shipped them off to far off isolated internment camps. We visited upon these people fear and anguish and we tried pretty hard to strip our fellow Americans of their dignity. And, what was our justification—it was never proven that they were a security risk or that any military end was served. So, we now have to acknowledge that we committed this egregious act because we could not tame our own racial prejudice and because we succumbed to wartime hysteria. The irony is that these were among the very things we were fighting against in World War II.

If we believe we are now a more enlightened people, and certainly we must, then we have nothing to fear in setting whatever precedent giving these funds might imply. I was gratified to note that in our judicial history there are examples of compensation being awarded where there have been assaults on civil rights of individual Americans. However, if there were no precedents to draw on, I, for one, would have no fear of establishing one here today. Our Constitution is wise, but the men and women of our Nation are not infallible. Only by creating legal precedent and acknowledging great wrongs where they have occurred can we ensure that we never revisit an era of wholesale racial prejudice.

I, therefore, ask my colleagues to put aside any reservation they may have about financial reparations. Providing such reparations may be dramatic recourse, but the wrongs we are here to redress warrant the most profound apology we can offer. Let us not, therefore, make the hallmark of today's debate one of assessing the cost of civil liberties; let us get on with the business of celebrating our commitment to civil liberties. I urge my colleagues to defeat any amendments to eliminate individual compensation or to alter the means by which such funds are calculated.

Thank you.

Mr. HUGHES. Mr. Chairman, I rise in support of H.R. 442, a bill which I've cosponsored, to indemnify American citizens of Japanese descent who were forcibly relocated during World War II. As my colleagues know, in 1942, some 120,000 individuals of Japanese ancestry, including 77,000 American citizens, were removed from their homes on the west coast, and evacuated to other areas of the country. Indeed, many such individuals were removed to my congressional district in southern New Jersey, where they have made major contributions as outstanding citizens in our community.

This was a wrong of monumental proportions. Even common criminals are given the right to be confronted by their accusers, to be represented by an attorney, and to have a trial by a jury of their peers—but these basic rights were denied to these American citizens and residents during the hysteria of wartime. Indeed, there was no basis for the suggestion that Japanese Americans did anything illegal or wrong or would be disloyal to our country.

To the contrary, many Japanese Americans fought for the United States with valor and distinction during World War II. One person who comes to mind is my friend and colleague, U.S. Senator SPARK MATSUNAGA, who was twice wounded in battle in Europe and North Africa.

Although World War II saw us at war with a number of countries that made up the Axis powers, no other ethnic groups or nationalities were singled out for similar treatment. It was only Americans of Japanese heritage who were rounded up en masse, and forced to abandon their homes, their professions, their farms, and their community ties.

Many Japanese Americans did indeed lose a great deal in the relocation. They were moved hastily and taken to distant locations, losing their homes, businesses, and most importantly their liberties. I feel it is remarkable that these fellow citizens accepted this treatment with grace and dignity, and never flagged in their loyalty to the United States.

I realize that the Federal Government has serious fiscal problems. However, I believe that fiscal problems can be no excuse for not paying our debts, and it is clear from the historical record, that we as a nation owe a debt to these Americans who were denied their liberty and property without due process of law. It would seem that the $20,000 per person payment authorized by H.R. 442 is a relatively small amount, compared to the wrong that was committed. I urge my colleagues to vote for H.R. 442.

Ms. OAKAR. Mr. Chairman, I rise to add my voice to the eloquent entreaties of my colleagues. It is time and past time that we redress the injustices to our own people. We must pass this Civil Liberties Act.

Manzanar, Minidoka, Heart Mountain, Poston, Tule Lake, Gila River, Granada, Topaz, Jerome, Rohwer. These were America's concentration camps.

Unfamiliar names of remote and desolate places, seared permanently in the minds of some, forgotten by too many.

Yet history records in America, the forcible eviction of 120,000 men, women, and children of Japanese ancestry from their homes.

Without trial, without wrongdoing, without the law, Americans were forced into camps by the Government.

Japanese Americans lost their freedom, their careers, their land, their dignity. Some found mental anguish to last a lifetime.

Many would prefer to forget. But as we have healed and moved on we cannot leave behind this harsh lesson. Wherever and whenever liberties can be taken from one, they can be taken from any or all.

They said it can't happen here. Now we hear it can't happen again. Yet, there's talk again of camps here in America. Talk of segregating the ill at their most vulnerable hour. Talk of special circumstances that somehow allow us to forget that these are human lives.

We have learned to listen to the faint whisper of Soviet dissidents. We have experienced what our brothers and sisters felt in Hungary, in Czechoslavia, in Cambodia, Poland, Uganda and South Africa, when they stood for rights and died without mercy. We discovered that the gulag exists and that all the wonderful speeches about human rights could mean precisely what they did not say.

But that is not America. We are somehow something more for ourselves and all who hold hope for our world.

Let us set the example. Let us make our symbolically amends and pledge not that it can't happen again, but that we will not allow it to happen again.

In the end, our commitment to human rights must remain not a political decision, or a legislative decision, or heaven forbid, a financial decision; ultimately we must decide as moral human beings, responding with shock and horror to the pain we inflict upon our brethren.

I urge us to return to fundamental values in framing our answer here today. Please vote for this Civil Liberties Act of 1987 on the 200th anniversary of our Constitution.

Mr. LEVINE of California. Mr. Chairman, I rise today as a cosponsor in strong support of H.R. 442, the Civil Liberties Act of 1987. With this legislation, which is long overdue, we have the opportunity to right a grievous wrong committed against Japanese-Americans over 40 years ago.

The internment of Japanese-Americans during the Second World War is one of the most reprehensible episodes in our history. Without one shred of evidence, for no apparent reason other than their appearance and heritage, more than 120,000 Japanese-Americans were forcibly removed from their homes and incarcerated in what amounted to prisoner-of-war encampments.

No charges were filed. No hearings or trials were held. Yet, when the President signed Executive Order 9066, the constitutional rights of these Americans, whose ancestors happened to be Japanese, were taken from them in an action unprecedented in our history.

This was a case of hysterical racism. Nothing more and nothing less. Because Japanese-Americans looked different, and were easily identifiable by name, the United States Government ignored the Constitution and jailed Japanese-Americans to placate the irrational hate felt by many Americans in the wake of Pearl Harbor.

Of course this attitude ignored the great contributions to our country by Japanese-Americans. Their contributions to business, architecture, science, medicine, education—are all well documented. Some of our greatest scientists, educators, and business leaders are Japanese-Americans.

Anyone familiar with the history or World War II knows that Japanese-Americans fought with great bravery and distinction in our Armed Forces in Europe. Of course they were not allowed to fight in the Pacific Theater. The same racist attitude which led to the internment of Japanese-American civilians convinced our military leaders that Japanese-Americans could not be trusted to fight against Japan. How many German-Americans were told that they could not be trusted to fight against Hitler?

The internment experience was traumatic and humiliating. Those interned suffered many losses. In many cases their personal and professional lives were decimated. They lost friends, lost education, lost opportunity, lost standing in their communities. And, worse, they lost nearly 3 years of their lives.

Although some remedial measures were implemented to redress the war's injustices, it was not until 1980 that Congress began in earnest the process of national reconciliation with the creation of the Commission on Wartime Relocation and Internment of Civilians. The recommendations of this Commission, after hearing from 750 witnesses, are the basis for the bill we are debating today—H.R. 442.

H.R. 442 finds that the evacuation, relocation, and internment of individuals of Japanese ancestry was carried out not because of any documented acts of espionage or sabotage, but because of racial prejudice, war hysteria and a failure of political leadership. It also finds that there was no military or security reason for the actions, and that those who

were excluded suffered enormous damages and losses. Most importantly, this legislation recognizes that the basic civil liberties and constitutional rights of those interned were fundamentally violated by the evacuation and internment.

H.R. 442 seeks to redress this violation of thousands of Americans rights. During my days in the California State Legislature, I coauthored a bill, which became law in 1982, to permit those Japanese-Americans in the civil service, who were dismissed or who resigned during the war because of their Japanese ethnicity, to claim $5,000 as reparation.

As desirable and appropriate as is the intent of H.R. 442, Americans of Japanese ancestry can and will never be adequately redressed for their loss and suffering. However, this bill is a very important expression of the recognized responsibility of the U.S. Government in this shameful chapter in the history of this country.

Mr. Chairman once again, I call on my colleagues to do the right thing by those who suffered so much. I strongly urge a "yes" vote on H.R. 442, to ensure swift passage of this vital bill.

Mr. Chairman, last year I delivered a lengthy speech on this subject to the Japanese American Citizens League in Los Angeles.

I submit it for the RECORD:

### Remarks of Congressman Mel Levin Before the Japanese American Citizens League, Los Angeles, CA, August 24, 1986

Good afternoon. I am very pleased to be with you today and to have the opportunity to speak with you. I am honored to have been invited to speak with you by a marvelous public servant, city councilman George Nakano of Torrance. And I am honored to serve in Congress with two of your members who are known to be two of the finest Congressmen not just from California but from the entire nation, Bob Matsui and Norm Mineta.

Having grown up in California, I have long been familiar with the work of the Japanese American Citizens League, and with your many contributions in the areas of education and civil and human rights. I have a great deal of respect for the work of the JACL, so I am especially happy to be here.

As I stand here today, I cannot imagine a United States without Japanese Americans, any more than I can imagine a United States without Italian Americans, Polish Americans, or—well, you fill in the name. Ours is a diverse culture. This very diversity lends to its stunning complexity, and is part and parcel of the richness and uniqueness of our country. And no matter what our diverse heritages, we all share the same common bond: we are all Americans.

Japanese Americans have made contributions to virtually every profession in every region of the United States. Their contributions to business, architecture, science, medicine, education—are well-documented.

I would like to think things have always been well for Americans of Japanese ancestry. But such is not the case. In truth, there is a dark blot upon this country with respect to them. That dark blot is the internment of 120,000 citizens and permanent resident aliens of Japanese ancestry during World War II.

The decision to intern Japanese Americans followed a long and ugly history of west coast anti-Japanese agitation and legislation. From 1907 through 1948 anti-Japanese bills were introduced in every session of the California legislature. In 1907 an agreement between the United States and Japan halted immigration of male laborers. In 1913 a California law banned purchase of land by aliens "ineligible for citizenship." As Asians, the Japanese were barred from U.S. citizenship. This was perhaps the single most important factor affecting the issei (pronounced E-say)—first generation Japanese immigrants—because it kept them out of the American political process and left them virtually defenseless against discriminatory legislation.

In 1920 aliens were prevented from leasing land. In 1924 a new U.S. immigration law completely slammed the door on Japanese immigration.

It was in that context that the Japanese American citizens league was founded in 1929.

The anti-Japanese hostility stemmed in part from feared economic competition, and in part from outright racism. It was a time of what was so disparagingly called the "yellow peril"—fear of an unknown Asian culture.

The Japanese, small in number and with no political voice, became a convenient target for political demagogues.

In the first months of World War II. Japanese armies in the pacific won a frightening string of victories against the United States. In January and February 1942, the military position of the United States in the Pacific was perilous. There was fear the Japanese would attack the west coast.

As one individual in the government at the time recently explained, "frightened people do frightening things." And it was within that context that, on February 19, 1942, 10 weeks after Pearl Harbor, President Roosevelt signed Executive Order 9066. This order gave to the Secretary of War and the military commanders the power to exclude any and all persons, citizens and aliens, from designated areas in order to provide security against sabotage, espionage and fifth column activities.

President Roosevelt called December 7, 1941, "A day that will live in infamy." One historian has written that February 19, 1942 was a day that "should live in infamy," for shortly thereafter all American citizens of Japanese descent were prohibited from living, working or traveling on the west coast of the United States. The same prohibition applied to the generation of Japanese immigrants who, pursuant to Federal law and despite long residence in the United States, were not permitted to become American citizens.

So began one of the most shameful chapters in the history of the United States.

With no charges filed, with no hearings or trials, and with little notice, Japanese American citizens and aliens were given numbers and herded to "assembly centers." Allowed to bring only what they could carry, they were transported for the duration of World War II to 10 "relocation centers"—barely habitable camps or tar-paper shacks, surrounded by barbed wire fences.

The justification given for this action was military necessity. But the historical causes which shaped the decision to intern Japanese Americans were racism, war hysteria and a failure of political leadership. In fact, not a single documented act of espionage, sabotage or fifth column activity was committed by an American citizen of Japanese ancestry or by a resident Japanese Alien on the west coast.

The internment experience was, to say the least, a traumatic one. Those interned suffered many losses: Tremendous financial and personal losses—lost friends, lost education, lost opportunity, lost standing in their communities—and loss of nearly three precious years of their lives.

There were bitter ironies in the wake of Executive Order 9066. In early 1942 a newspaper ran a photograph of a little Japanese boy on a train headed for an internment camp. He was leaning out the window waving an American flag.

And in its attempt to "Americanize" the already American children in the camps, they had to salute the flag and sing "My Country, 'Tis of Thee, Sweet Land of Liberty." In this context these words ring hollow and exceedingly cruel.

Fourth of July celebrations were bravely held behind barbed wire in the camps, and in the shadow of sentry towers.

Departure from the camps was permitted only after a loyalty review. Many were allowed to leave to go to college outside the west coast or to private employment, or to join the Army. Some 33,000 Japanese Americans served during the war, some drafted right out of the camps. Parents in tar-paper shacks displayed starred banners indicating that their sons were American soldiers.

The irony of Japanese Americans fighting for a nation that confined their people is sharpened by the valor they displayed on the battlefield. For its size and length of service, no other American unit was more decorated than the 442nd Regimental Combat Team. The 442nd has been called the most highly decorated unit in the history of American fighting forces. Made up primarily of Japanese Americans, the unit earned more than 18,000 individual citations for bravery, including a Medal of Honor, 52 Distinguished Service Crosses, 560 Silver Stars, and no fewer than 9,486 Purple Hearts.

But after serving, one member of the 442nd returned home to California to find, as he said, "every store on main street had a 'No Japs Wanted' sign out front."

Hawaii's Senator Daniel Inouye, who lost an arm in combat and earned the Distinguished Service Cross, has said, "we were fighting two wars—one against the Axis overseas and another against racism at home."

And one detainee wrote: "The thoroughly American" internees "realized that Americanism had somehow skipped the Japanese Americans."

It was not until December 1944 that Japanese Americans were freed to return to their homes on the west coast. But many had lost everything. They were the victims of an indignity of tremendous proportions, and they lived with a tremendous stigma.

Although some remedial measures were implemented to redress the war's injustices, it was not until 1980 that Congress began in earnest the process of national reconciliation with the creation of the Commission on Wartime Relocation and Internment of Civilians. The Commission heard the testimony of some 750 witnesses, many speaking about their painful experience for the first time. The commission's lengthy and detailed report is an excellent historical study and a powerful indictment of a shameful wartime policy.

The commission recommended appropriate remedies for the injustices of the internment. Its recommendations are the basis of a bill—HR 442—the "Civil Liberties Act of 1985"—now pending in Congress with 140 cosponsors, of which I am one. This number—442—honors the 442nd Regimental Combat Team.

There are 12 findings in this important legislation, but I want to mention just five.

One, the evacuation, relocation and internment of individuals of Japanese ancestry was carried out without any documented acts of espionage and sabotage, or other acts of disloyalty by any citizen or permanent resident aliens of Japanese ancestry on the west coast.

Two, there was no military or security reasons for the evacuation, relocation or internment.

Three, the evacuation, relocation and internment of individuals of Japanese ancestry were caused by racial prejudice, war hysteria and a failure of political leadership.

Four, the excluded individuals suffered enormous damages and losses, both material and intangible, all of which resulted in significant human suffering for which full and appropriate compensation has not been made.

Five, the basic civil liberties and constitutional rights of those individuals interned were fundamentally violated by the evaucation and internment.

HR 442 seeks to redress the internment in several ways. First, the bill contains a provision which I would like to quote in total. It is titled "Recognition of Injustice and an Apology on Behalf of the Nation." It reads, "The Congress recognizes that a grave injustice was done to both citizens and resident aliens of Japanese ancestry by the evacuation, relocation, and internment of civilians during World War II. On behalf of the Nation, the Congress apologizes."

The bill also directs the United States Attorney General to review all cases in which U.S. citizens and permanent resident aliens of Japanese ancestry were convicted of violations of laws of the United States, and to recommend to the President for pardon consideration those convictions which the Attorney General deems appropriate. The President is requested to offer pardons to those individuals recommended by the Attorney General.

The bill directs executive agencies, to which Japanese Americans may apply, to review with liberality applications for the restitution of positions, status or entitlements lost because of acts or events during the internment period.

The bill establishes a $1.5 billion "civil liberties public education fund." This fund would be used in part to sponsor research and public educational activities so that events surrounding the evacuation, relocation and internment of U.S. citizens and permanent resident aliens of Japanese ancestry will be remembered and understood.

Lastly, the bill requires the Attorney General to identify and locate individuals excluded from their places of residence pursuant to Executive Order 9066 and to provide a one-time per capita compensatory payment of $20,000 to each of these surviving 60,000 people.

Hearings were held in Congress on this bill in both 1984 and this year. HR 442 is pending in the House Judiciary Subcommittee on Administrative Law and Governmental Relations, where members are hopeful that consideration can be completed this session.

There is no question in my mind about the appropriateness of monetary compensation to Americans of Japanese ancestry. During my days in the state legislature I coauthored a bill, which became law in 1982, to permit those Japanese Americans in the civil service, who were dismissed or who resigned during the war because of their Japanese ethnicity, to claim $5,000 as reparation.

The United States Congress supported the policy of removal and detention, and enacted a federal statute which made criminal the violation of orders issued pursuant to Executive Order 9066. The Government of the United States was responsible for the catastrophic damages, and the government therefore has a legal and moral responsibility to compensate the internees for those losses.

Desirable and appropriate as is the intent of HR 442, Americans of Japanese ancestry can and will never be adequately redressed for their loss and suffering. But this bill is a very important symbolic expression of the recognized responsibility of the United States Government in this shameful chapter in the history of our country.

Japanese Americans have had other successes in rectifying the wrongs against them. In February of this year a federal judge overturned the conviction of Mr. Gordon Hirabayashi, who refused to be evacuated to wartime internment camp in 1942, was found guilty, and had fought the conviction ever since.

In June the Washington, D.C. U.S. Court of Appeals upheld the reinstatement of a lawsuit brought on behalf of the 120,000 interned Japanese Americans. The decision upheld a January decision that overruled a 1981 ruling that a six-year statute of limitations on suits against the government barred the lawsuit.

Still, Asian Americans of all backgrounds have felt the brunt of racism over the years, and it has been reported that there has been a rise in both racial tension and violence since the early 1980s. The current discrimination is motivated in part by fears among some Americans that Asians are "taking over" businesses and jobs. The inability of certain U.S. industries to compete effectively against Asian—particularly Japanese—imports has been a factor.

The most gruesome example of this is the 1982 murder of Vincent Chin in Detroit. Two former automobile workers thought Mr. Chin was Japanese, and they blamed Japan for unemployment in the American auto industry. Mr. Chin was beaten to death with a baseball bat the night before his wedding.

Incidents of anti-Asian behavior reportedly increased 40 percent from 1983 to 1984 in the Los Angeles area, the home of the U.S.' largest group of Asians.

As you can see, anti-Asian sentiment continues to exist in this country. This latent tendency rears its ugly head in times of economic stress, providing an excuse to abandon moral and legal principles.

Every one of us has a responsibility to do all we can to ensure that what happened to Americans of Japanese ancestry during World War II never again happens to them or to any other group. Those of us who so dearly cherish the best that America stands for, and who so deeply revere the principles and rights enumerated in our Constitution, must be ever-vigilant to make sure our democratic system and due process is not stampeded again.

The internment experience was a fundamental personal and social tragedy, not only for Americans of Japanese ancestry, but for all of us, for when even one person's rights are tread upon, the rights of all of us are tread upon, and society as a whole is diminished.

I might add that, as a Jewish American, I believe I have a somewhat heightened sensitivity to the curse of racial or religious discrimination. And I believe the historical frame of reference in which I was raised has heightened my interest in fighting against discrimination wherever it might rear its ugly head.

To help ensure that the events of World War II are never repeated, I urge you to be politically involved, for with that involvement comes power. The first Asian American is now serving on the Los Angeles City Council. Others serve in other cities and towns across this country, but not enough. Don't forget that being excluded from the American political process left Americans of Japanese ancestry virtually defenseless against the horrible discriminatory actions of World War II.

Lastly, be vigilant in protecting your rights, because when you do, you help protect the rights of us all and of all citizens of our great nation.

Mr. MILLER of Washington. Mr. Chairman, I rise in support of this important resolution which accomplishes four very important objectives. First, it is a long overdue apology for the injustice our country committed in interning Japanese Americans during World War II. If we are to be the leader of the free world and a strong and persuasive voice for human rights and freedom, then we must set an example for the rest of the world to follow and when we fail to set that example we must admit it and take action to rectify that mistake.

Second, we must not only admit our mistakes, we must make amends for them. This bill does that. It is important that we pay restitution to those we wronged. We owe it to ourselves and we owe it to those interned.

Third, by setting up a public education fund we have taken measures to ensure that we will never again commit such an injustice. It would be far too easy to forget that act as part of our past. By keeping ourselves aware of this injustice we will prevent such a crime in the future.

Mr. Chairman, I applaud this bill and the actions it takes and urge my colleagues to vote for it.

Mr. TORRICELLI. Mr. Chairman, I rise in strong support of H.R. 442, the Civil Liberties Act of 1987. The internment of Japanese-Americans on the west coast during the Second World War is a blemish on the United States' treatment of its citizens. The constitutional rights of an entire American ethnic group were violated because of the action of their native country.

The loyalty of individual Americans, of a whole community of Americans was questioned without due regard to the law. In 1942, our country succumbed to racial prejudice and wartime hysteria and abandoned the Constitution, the document we celebrate today, to deprive the basic civil rights of over 100,000 Americans of Japanese ancestry.

The Civil Liberties Act of 1987 is designed to remedy this grave injustice. Congressional passage of this legislation would put our Government on record acknowledging that its actions in 1942 were carried out without sufficient security reasons and were motivated in part by racial prejudice and wartime hysteria. Congress would go on record as making an

apology on behalf of the Nation to those who were interned.

This act also establishes a trust fund of $1.25 billion to be used for payments of $20,000 for each Japanese-American deprived of his or her constitutional liberties and for educational and humanitarian purposes on behalf of the ethnic Japanese community in the United States. While the level of financial compensation to Japanese-Americans who were interned may be inadequate, the restitution payments provided for in this act represent a strong affirmation by Congress that a mistake was made.

Finally, by passing this act, we provide for further study of the causes and effects of the evacuation of the Japanese-American community on the west coast. History cannot be undone, but we can learn its lessons. We can affirm that the principles and rights contained in the Constitution will never again be abandoned or abridged.

Mr. BOSCO. Mr. Chairman, as an original cosponsor of H.R. 442, the Civil Liberties Act of 1987, I am proud to rise in strong support of this long overdue legislation. Today, as we observe the 200th anniversary of the signing of the U.S. Constitution, it is fitting that we should consider this legislation that begins to redress the profound personal injustices inflicted upon loyal Americans more than 40 years ago. Adoption of this measure not only attempts to compensate Americans of Japanese ancestry who were interned during World War II, but it also reaffirms, in a meaningful way, our faith in the fundamental constitutional principles of liberty and justice for all.

In February of 1942, 2 months after the bombing of Pearl Harbor, some 120,000 persons of Japanese ancestry were evacuated from the west coast of the United States, without trial or jury, and confined to detention camps in desolate areas. Undertaken ostensibly for reasons of military security, this policy of evacuation and internment was carried out despite the fact that no American of Japanese ancestry was ever charged or convicted of any acts of treason or disloyalty. Moreover, no Americans of Italian or German descent were similarly removed or deprived of their civil and constitutional rights. Sadly enough, this shameful policy was motivated entirely by racial prejudice and war hysteria.

The financial and emotional losses suffered by these individuals were staggering. Most lost their homes, farms, possessions, and businesses. But the deprivation of personal freedoms and dignity may be the most enduring loss. Mr. Speaker, the formal apology and payment of $20,000 to each surviving victim provided for under H.R. 442 can never fully or fairly compensate these loyal Americans, but as a Nation that values its democratic principles above all, we are morally bound to reconcile this painful chapter in our history. Passage of H.R. 442 is an essential step toward that end, and I strongly urge my colleagues to join with me in approving this important measure.

Mr. KOSTMAYER. Mr. Chairman, I rise today in support of H.R. 442, the Civil Liberties Act of 1987. This legislation is of great importance to the 120,000 Americans of Japanese ancestry who were held against their will in forcible confinement during World War II.

Mr. Chairman, the legislation before us today would authorize a tax-free $20,000 restitution payment to those who were interned. Anyone acepting the restitution would be required to waive any claim against the Federal Government related to wartime relocation and internment. The Attorney General would be responsible for identifying, locating, and making the payments to eligible individuals.

Most importantly though, Mr. Chairman, this legislation would apologize on behalf of the people of the United States for the evacuation, relocation, and internment of persons of Japanese ancestry during World War II.

Mr. Chairman, some of my constituents in Bucks and Montgomery Counties were interned in these camps. Mr. Ben Ohama, of Willow Grove, PA, was 24 years old when he was forced to relocate from his home in Fresno, CA. He was sent to Poston, AZ, with his family where he was held for a year and a half. When he was released from the camp he came to the defense of his country and fought in the U.S. Army from 1944 to 1946.

Mr. George Nakashima, of New Hope, PA, was also interned in these camps, Mr. Speaker, In 1942 Mr. Nakashima was sent with his wife and 6-week-old daughter to an assembly center in Portland, OR. Mr. and Mrs. Nakashima were forced to raise their infant child in a former livestock building with 4,000 other internees for 3 months. They were then sent to a relocation center near Hunt, ID, where they were interned for over a year. Mr. Nakashima has since received the Order of the Sacred Treasure, 3d class, an honor bestowed for greatly contributing to United States-Japanese relations.

Mr. Ohama and Mr. Nakashima are loyal Americans, Mr. Chairman. They and the 119,998 other Americans of Japanese ancestry should not have been interned during World War II.

The passage of H.R. 442 is long overdue. I urge my colleagues to vote in favor of this legislation. Japanese-Americans deserve nothing less than an apology and redress for the loss of their constitutional rights.

One can make up a variety or arguments to oppose this bill. Yet no argument outweighs the need to redress the terrible injustice and the wholesale abrogation of rights of the evacuation and internment.

An injustice, terrifying in its scope and depth, was committed by our Nation's Government. The question is, What is our responsibility now to deal with such a shameful episode?

Some would say that it is too late, that we should not second guess the past, that people today cannot understand the hysteria of the time.

But is that our policy—not to judge the past? Then truly we will be condemned to repeat the folies we commit. A wise nation knows that if it is to have a future, it must examine and acknowledge its past—both its days of pride and days of shame.

Our Nation was scared, yes, but is that a reason to crush the very freedoms for which we were fighting? Show me the footnote in our Constitution which claims, "Not valid when the going gets tough." The words chiseled in the marble of the Supreme Court Building say, simply, "Equal Justice Under Law," not "Equal justice under law except when things get sticky."

Some people oppose this bill because they actually confuse the Imperial Government of Japan with Americans who happen to be of Japanese ancestry. And people are still making that mistake today. This bill has nothing to do with the nation or people of Japan. It deals with how the U.S. Government treats its own citizens.

It is said that war demands sacrifices of its citizens. That is true. And no sacrifices were braver than those made by the American soldiers of Japanese ancestry who laid down their lives for the very rights which they and their families had been denied. These soldiers fought valiantly for their country at the same moment that their Nation was holding their loved ones behind barbed wire and machine-guns. That is a sacrific beyond measure.

However, the sacrifices which a great nation asks do not include the abandonment of the very rights which its citizens are fighting to uphold. The internment and evacuation were not sacrifices that were the Government's to demand; they were illegal and unnecessary violations of the individual rights which we hold dearest.

The United States did not impose such punitive measures on its residents who were of Italian or German ancestry. Those men and women, those toddlers and grandmothers and grandfathers, did not suffer wholesale scrutiny and distrust. They were not shipped off to prisons en masse.

Some say the camps were for our protection. If that was so, why were the machine-guns pointing in at us?

Some are concerned about setting a precedent. What an odd argument—to say that we had better not do something that is right, because we might set a precedent. But you and I know that H.R. 442 will not do so. And the precedent we will affirm if we do not act is a vile one.

If we do not pass H.R. 442, we will be supporting the precedent that our Government is free to round up its citizens on the basis of race, hysteria, and suspicion. If we do not vote for H.R. 442, we are saying that the Bill of Rights can be suspended at will.

This legislation is not just for those who were directly affected, though it is important that the stain of suspicion they have borne for a generation be erased.

H.R. 442 is for all Americans, including those yet to be born. Let us leave them a legacy in which we are strong enough to admit our wrongs. Let us prove that we do not shrink from the responsibilities that a nation shoulders for its actions. We cannot refuse to uphold our most cherished liberties.

Mr. Chairman, today let us take a giant step toward the ideal of "Equal Justice for all" by dealing bravely and forthrightly with the past. I urge you to vote for H.R. 442.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment, in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and said committee amendment in the nature of a substitute is considered as having been read.

Amendments printed in Report No. 100-301 accompanying House Resolution 263 are considered as having been adopted in the House and in the Committee of the Whole.

The text of the committee amendment in the nature of a substitute, as amended, is as follows:

### H.R. 442

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Liberties Act of 1987".

### SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) acknowledge the fundamental injustice of the evacuation, relocation, and internment of United States citizens and permanent resident aliens of Japanese ancestry during World War II;

(2) apologize on behalf of the people of the United States for the evacuation, relocation, and internment of such citizens and permanent resident aliens;

(3) provide for a public education fund to finance efforts to inform the public about the internment of such individuals so as to prevent the recurrence of any similar event;

(4) make restitution to those individuals of Japanese ancestry who were interned;

(5) discourage the occurrence of smiliar injustices and violations of civil liberties in the future; and

(6) make more credible and sincere any declaration of concern by the United States over violations of human rights committed by other nations.

### SEC. 3. STATEMENT OF THE CONGRESS.

The Congress recognizes that, as described by the Commission on Wartime Relocation Internment of Civilians, a grave injustice was done to both citizens and permanent resident aliens of Japanese ancestry by the evacuation, relocation, and internment of civilians during World War II. As the Commission documents, these actions were carried out without adequate security reasons, and were motivated in part by racial prejudice and wartime hysteria. The excluded individuals of Japanese ancestry suffered enormous damages, both material and intangible, and there were incalculable losses in education and job training, all of which resulted in significant human suffering for which appropriate compensation has not been made. For these fundamental violations of the basic civil liberties and constitutional rights of these individuals of Japanese ancestry, the Congress apologizes on behalf of the Nation.

### SEC. 4. REMEDIES WITH RESPECT TO CRIMINAL CONVICTIONS.

(a) REVIEW OF CONVICTIONS.—The Attorney General is requested to review any case in which an individual living on the date of the enactment of this Act who, while a United States citizen or permanent resident alien of Japanese ancestry, was convicted of a violation of—

(1) Executive Order Numbered 9066, dated February 19, 1942,

(2) the Act entitled "An Act to provide a penalty for violation of restrictions or orders with respect to persons entering, remaining in, leaving, or committing any act in military areas or zones", approved March 21, 1942 (56 Stat. 173), or

(3) any other Executive order, Presidential proclamation, law of the United States, directive of the Armed Forces of the United States, or other action made by or on behalf of the United States or its agents, representatives, officers, or employees respecting the exclusion, relocation, or detention of individuals solely on the basis of Japanese ancestry,

on account of the refusal by such individual, during the evacuation, relocation, and internment period, to accept treatment which discriminated against the individual on the basis of the individual's Japanese ancestry.

(b) RECOMMENDATIONS FOR PARDONS.—Based upon any review under subsection (a), the Attorney General is requested to recommend to the President for pardon consideration those convictions which the Attorney General considers appropriate.

(c) ACTION BY THE PRESIDENT.—In consideration of the statement of the Congress set forth in section 3, the President is requested to offer pardons to any individuals recommended by the Attorney General under subsection (b).

### SEC. 5. CONSIDERATION OF COMMISSION FINDINGS BY DEPARTMENTS AND AGENCIES.

(a) REVIEW OF APPLICATIONS BY ELIGIBLE INDIVIDUALS.—Each department and agency of the United States Government shall review with liberality, giving full consideration to the statement of the Congress set forth in section 3, any application by an eligible individual for the restitution of any position, status, or entitlement lost in whole or in part because of any discriminatory act of the United States Government against such individual which was based upon the individual's Japanese ancestry and which occurred during the evacuation, relocation, and internment period.

(b) NO NEW AUTHORITY CREATED.—Subsection (a) does not create new authority to grant restitution described in that subsection, or establish new eligibility to apply for such restitution.

### SEC. 6. TRUST FUND.

(a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States the Civil Liberties Public Education Fund, to be administered by the Secretary of the Treasury.

(b) RESPONSIBILITIES OF THE SECRETARY OF THE TREASURY.—

(1) INVESTMENT.—The Secretary of the Treasury shall invest such portion of the Fund as is not, in the judgment of the Secretary, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

(A) on original issue at the issue price, or

(B) by purchase of outstanding obligations at the market price.

(2) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

(3) CREDITS TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(c) USES OF THE FUND.—Amounts in the Fund shall be available only for disbursement by the Attorney General under section 7 and by the Board under section 8.

(d) TERMINATION.—The Fund shall terminate not later than the earlier of the date on which an amount has been expended from the Fund which is equal to the amount authorized to be appropriated to the Fund by subsection (e), and any income earned on such amount, or 10 years after the date of the enactment of this Act. If all of the amounts in the Fund have not been expended by the end of that 10-year period, investments of amounts in the Fund shall be liquidated and receipts thereof deposited in the Fund and all funds remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treasury.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund $1,250,000,000. Any amounts appropriated pursuant to this section are authorized to remain available until expended, except that any funds appropriated for payments by the Attorney General under section 7 shall be used for such payments during the fiscal year in which the funds are first made available.

### SEC. 7. RESTITUTION.

(a) LOCATION AND PAYMENT OF ELIGIBLE INDIVIDUALS.—

(1) IN GENERAL.—Subject to subparagraph (4), the Attorney General shall pay out of the Fund to each eligible individual the sum of $20,000, unless such individual refuses to accept the payment. The Attorney General shall, within 9 months after the date of the enactment of this Act, identify and locate, without requiring any application for payment and using records already in the possession of the United States Government, each eligible individual. Failure to be identified and located within such 9-month period shall not preclude an eligible individual from receiving payment under this section. Any eligible individual may notify the Attorney General that such individual is an eligible individual, and may provide documentation therefor. The Attorney General shall designate an officer or employee to whom such notification and documentation may be sent. The Attorney General shall, when funds are made available for payments to an eligible individual under this section, notify that eligible individual of his or her eligibility for payment under this section.

(2) EFFECT OF REFUSAL TO ACCEPT PAYMENT.—If an eligible individual refuses to accept any payment under this section, the amount of such payment shall remain in the Fund and no payment may be made under this section to such individual at any time after such refusal.

(3) PAYMENT IN FULL SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES.—The payment to an eligible individual under this section shall be in full satisfaction of any claim of such individual against the United States arising out of acts done to that individual that are described in section 10(2)(B). This paragraph shall apply to any eligible individual who does not refuse to accept payment under this section within 6 months after receiving the notification from the Attorney General referred to in the last sentence of paragraph (1).

(4) EXCLUSION OF CERTAIN INDIVIDUALS.—No payment may be made under this section to any individual who, after September 1, 1987, is awarded a final judgment or a settlement on a claim of such individual against the United States for acts done to that individual that are described in section (10)(2)(B).

(b) ORDER OF PAYMENTS.—The Attorney General shall endeavor to make payments under this section to eligible individuals in the order of date of birth (with the oldest receiving full payment first), until all eligible individuals have received payment in full.

(c) RESOURCES FOR LOCATING ELIGIBLE INDIVIDUALS.—In attempting to locate any eligible individual, the Attorney General may use any facility or resource of any public or nonprofit organization or any other record, document, or information that may be made available to the Attorney General.

(d) NOTIFICATION AND DOCUMENTATION BY ELIGIBLE INDIVIDUALS.—Any eligible individual who, by September 30, 1989, has not received payment under this section from the Attorney General or has not otherwise been notified by the Attorney General for purposes of payment under this section, may notify the Attorney General that such individual is an eligible individual and may provide documentation therefor. The Attorney General shall designate an officer or employee to whom such notification and documentation may be sent.

(e) ADMINISTRATIVE COSTS NOT PAID FROM THE FUND.—No costs incurred by the Attorney General in carrying out this section shall be paid from the Fund or set off against, or otherwise deducted from, any payment under this section to any eligible individual.

(f) TERMINATION OF DUTIES OF ATTORNEY GENERAL.—The duties of the Attorney General under this section shall cease with the termination of the Fund.

(g) CLARIFICATION OF TREATMENT OF PAYMENTS UNDER OTHER LAWS.—Amounts paid to an eligible individual under this section—

(1) shall be treated for purposes of the internal revenue laws of the United States as damages for human suffering, and

(2) shall not be included as income or resources for purposes of determining eligibility to receive benefits described in section 3803(c)(2)(C) of title 31, United States Code, or the amount of such benefits.

### SEC. 8. BOARD OF DIRECTORS OF THE FUND.

(a) ESTABLISHMENT.—There is hereby established the Civil Liberties Public Education Fund Board of Directors which shall be responsible for making disbursements from the Fund in the manner provided in this section.

(b) USES OF FUND.—The Board may make disbursements from the Fund only—

(1) to sponsor research and public educational activities, and to publish the hearings and findings of the Commission, so that the events surrounding the evacuation, relocation, and internment of the United States citizens and permanent resident aliens of Japanese ancestry will be remembered, and so that the causes and circumstances of this and similar events may be illuminated and understood; and

(2) for reasonable administrative expenses of the Board, including expenses incurred under subsections (c)(3), (d), and (e).

(c) MEMBERSHIP.—

(1) APPOINTMENT.—The Board shall be composed of 9 members appointed by the President, by and with the advice and consent of the Senate, from individuals who are not officers or employees of the United States Government.

(2) TERMS.—(A) Except as provided in subparagraphs (B) and (C), members shall be appointed for terms of 3 years.

(B) Of the members first appointed—

(i) 5 shall be appointed for terms of 3 years; and

(ii) 4 shall be appointed for terms of 2 years, as designated by the President at the time of appointment.

(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which such member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of such member's term until such member's successor has taken office. No individual may be appointed as a member for more than 2 consecutive terms.

(3) COMPENSATION.—Members of the Board shall serve without pay, except that members of the Board shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Board, in the same manner as persons employed intermittently in the United States Government are allowed expenses under section 5703 of title 5, United States Code.

(4) QUORUM.—5 members of the Board shall constitute a quorum but a lesser number may hold hearings.

(5) CHAIR.—The Chair of the Board shall be elected by the members of the Board.

(d) DIRECTOR AND STAFF PERSONNEL.—

(1) DIRECTOR.—The Board shall have a Director who shall be appointed by the Board.

(2) ADDITIONAL STAFF.—The Board may appoint and fix the pay of such additional staff as it may require.

(3) APPLICABILITY OF CIVIL SERVICE LAWS.—The Director and the additional staff of the Board may be appointed without regard to section 5311(b) of title 5, United States Code, and without regard to the provisions of such title governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the compensation of any employee of the Board may not exceed a rate equivalent to the minimum rate of basic pay payable for GS-18 of the General Schedule under section 5332(a) of such title.

(3) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services is authorized to provide to the Board on a reimbursable basis such administrative support services as the Board may reasonably request.

(f) GIFTS AND DONATIONS.—The Board may accept, use, and dispose of gifts or donations of services or property for purposes authorized under subsection (b).

(g) ANNUAL REPORTS.—Not later than 12 months after the first meeting of the Board and every 12 months thereafter, the Board shall transmit to the President and to each House of the Congress a report describing the activities of the Board.

(h) TERMINATION.—90 days after the termination of the Fund, the Board shall terminate and all obligations of the Board under this section shall cease.

### SEC. 9. DOCUMENTS RELATING TO THE INTERNMENT.

(a) DEPOSIT OF DOCUMENTS IN NATIONAL ARCHIVES.—All documents, personal testimony, and other material collected by the Commission during its inquiry shall be delivered by the custodian of such material to the Archivist of the United States who shall deposit such material in the National Archives of the United States. The Archivist shall make such material available to the public for research purposes.

(b)(1) PUBLIC AVAILABILITY OF CERTAIN RECORDS OF THE HOUSE OF REPRESENTATIVES.—The Clerk of the House of Representatives is authorized to permit the Archivist of the United States to make available for use records of the House not classified for national security purposes, which have been in existence for not less than thirty years, relating to the evacuation, relocation, and internment of individuals during the evacuation, relocation, and internment period.

(2) This subsection is enacted as an exercise of the rulemaking power of the House of Representatives, but is applicable only with respect to the availability of records to which it applies, and supersedes other rules only to the extent that the time limitation established by this section with respect to such records is specifically inconsistent with such rules, and is enacted with full recognition of the constitutional right of the House to change its rules at any time, in the same manner and to the same extent as in the case of any other rule of the House.

### SEC. 10. DEFINITIONS.

For the purposes of this Act—

(1) the term "evacuation, relocation, and internment period" means that period beginning on December 7, 1941, and ending on June 30, 1946;

(2) the term "eligible individual" means any individual of Japanese ancestry who is living on the date of the enactment of this Act and who, during the evacuation, relocation, and interment period—

(A) was a United States citizen or a permanent resident alien; and

(B) was confined, held in custody, relocated, or otherwise deprived of liberty or property as a result of—

(i) Executive Order Numbered 9066, dated February 19, 1942;

(ii) the Act entitled "An Act to provide a penalty for violation of restrictions or orders with respect to persons entering, remaining in, leaving, or committing any act in military areas or zones," approved March 21, 1942 (56 Stat. 173); or

(iii) any other Executive order, Presidential proclamation, law of the United States, directive of the Armed Forces of the United States or other action made by or on behalf of the United States or its agents, representatives, officers, or employees respecting the exclusion, relocation, or detention of individuals solely on the basis of Japanese ancestry;

except that the term "eligible individual" does not include any individual who, during the period beginning on December 7, 1941, and ending on September 2, 1945, relocated to a country while the United States was at war with that country;

(3) the term "permanent resident alien" means an alien lawfully admitted into the United States for permanent residence;

(4) the term "Fund" means the Civil Liberties Public Education Fund established in section 6;

(5) the term "Board" means the Civil Liberties Public Education Fund Board of Directors established in section 8; and

(6) the term "Commission" means the Commission on Wartime Relocation and Internment of Civilians, established by the Commission on Wartime Relocation and Internment of Civilians Act.

### SEC. 11. COMPLIANCE WITH BUDGET ACT.

No authority under this Act to enter into contracts or to make payments shall be effective except to the extent or in such amounts as are provided in advance in appropriations Acts. Any provision of this Act which, directly or indirectly, authorizes the enactment of new budget authority shall be effective only for fiscal year 1989 and thereafter.

### AMENDMENT OFFERED BY MR. LUNGREN

Mr. LUNGREN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Lungren: Page 3, line 25, strike out "and wartime hysteria" and insert in lieu thereof ", wartime hysteria, and a failure of political leadership".

Mr. LUNGREN. Mr. Chairman, I would say that this amendment would bring the statement of Congress in this legislation contained in section 3 into conformity with the findings of the Commission on Wartime Relocation and Internment.

The Commission found that the broad historical causes that shaped these decisions were race prejudice, war hysteria, and the failure of political leadership. Unfortunately, the committee bill has dropped the "failure of political leadership" as one of the underlying causes of the relocation and internment.

In my estimation this is belied by the overwhelming weight of historical evidence on this question.

As I indicated before, this was a decision made by Franklin Delano Roosevelt after he had the advice of his counselors. He had various bits of information in front of him. I think that it is difficult, putting yourself in his shoes, to condemn his actions at that time. I think where a larger condemnation would come into place was his reluctance to remove the Executive order at an earlier date. There is evidence in some letters, some correspondence with the President, that he did not allow the Executive order to be lifted as soon as it could have been because of fear of the consequences of the upcoming congressional elections and the impact of his party at that particular time. That, I think, is a failure of political leadership.

What I would like us to do in this situation is to get the complexity of the situation before us, a full amplification of that.

A little earlier, Mr. Chairman, I made reference to several MAGIC cables.

Let me give you an idea of some of the things that the President had before him at that time.

Let me just mention a couple of other MAGIC cables that were before the President so that we have a fuller understanding of the historical record. They said, and this cable was from the Seattle Japanese consulate to Tokyo at one point:

> We are using foreign company employees as well as employees in our own companies here for the collection of intelligence having to do with economics along the lines of the construction of ships, the number of airplanes produced and the various types, the production of copper, zinc and aluminum, the yield of tin for cans and lumber. For the future we have made arrangements to collect intelligence from second generation Japanese draftees on matters dealing with troops as well as troop speech and behavior.

Another cable, from the Los Angeles Council to the Government of Japan in Tokyo: "We are doing everything in our power to establish inside contact in connection with our efforts to gather intelligence materials." Further on it continues, "We plan to establish very close relationships with various organizations and in strict secrecy have them keep these military establishments under close surveillance. Through these means we hope to obtain accurate and detailed intelligence reports. We have already established contact with absolutely reliable Japanese in the San Pedro and San Diego area," both of those areas in southern California along the coast, "who will keep a close watch on all shipments of airplanes and on other war materials and report the amounts and destinations of such shipments. The same steps have been taken with regard to traffic across the United States-Mexico border. We shall maintain connection with our second generation who at present are in the U.S. Army, to keep us informed of various developments in the Army. We also have connections with our second generation working in airplane plants for intelligence purposes. With regard to the Navy, we are cooperating with our naval attaché's office and submitting reports as accurately and as speedily as possible." Then there are a number of other cables in the same regard.

The point I am trying to make is this: as we look back on the decision that was made, we have to recognize the information that was available to the President at that time.

In retrospect we know those cables were in error. They were wrong. For what reason they were wrong we do not know. Whether it was somebody in the employ of the Japanese Government here puffing his position or what he had done or whether they in fact thought they had made those contacts or whatever, we do not know. All we know is that the President of the United States at that time was confronted with it.

My particular amendment would just offer the question on the element of political leadership in the full context of the decisionmaking process. It seems to me if we take this out we make the historical record less than what it is. We reject a major finding of the Commission. And I think we do so in a way that is not accurate.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. Yes, I yield to the gentleman from Massachusetts [Mr. Frank].

Mr. FRANK. I thank the gentleman for yielding. Mr. Chairman, the gentleman is a real scholar on this subject. I think he makes a very relevant point. he puts the bill back to where it was sort of originally but with a very important context. I hope his amendment is accepted.

Mr. SHAW. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in the committee and in the subcommittee, I supported an effort to delete the language that the gentleman is attempting to put back in the bill. After listening to his presentation and knowing of his background and knowledge of this particular subject and pursuit of historic accuracy, I too join the gentleman from Massachusetts in accepting the language.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Lungren].

The amendment was agreed to.

### AMENDMENT OFFERED BY MR. LUNGREN

Mr. LUNGREN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Lungren: Page 3, strike out lines 10 and 11 and redesignate the succeeding paragraphs accordingly.

Page 4, lines 4 and 5, strike out "for which appropriate compensation has not been made".

Page 7, lines 9 and 10, strike out "by the Attorney General under section 7 and by the Board under section 8" and insert in lieu thereof "by the Board under section 7".

Page 7, line 23, strike out "$1,250,000,000" and insert in lieu thereof $50,000,000".

Page 7, line 25, strike out ", except that" and all that follows through page 8, line 3 and insert in lieu thereof a period.

Page 8, strike out line 4 and all that follows through page 11, line 7, and redesignate the succeeding sections accordingly.

Page 17, line 10, strike out "8" and insert in lieu thereof "7".

Mr. LUNGREN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LUNGREN. Mr. Chairman, I suppose this might be considered the important amendment, at least if the debate thus far is any guide.

This amendment would delete one of many sections of the bill. My amendment would strike the language providing restitution for eligible individuals in section 7 of the bill. The effect of this would be to reduce the amount to be appropriated to the fund in section 6 by $1.2 billion leaving $50 million for public education purposes.

As I have said before, let me be clear that the history of the period leaves little room for doubt. I believe that an injustice was done when the U.S. Government implemented Executive Order 9066 compelling the internment of nearly 120,000 Japanese-Americans and resident aliens living on the west coast.

In the 96th Congress I was honored to be an original cosponsor of H.R. 5499 which established the Commission on Wartime Relocation and Internment of Civilians.

It was clear that in creating the Commission there was no understanding that the main or chief purpose was to provide monetary redress. In fact, many of the most ardent proponents of the legislation which gave rise to the Commission went to great lengths to assure us that this was not the case. This is illustrated by testimony before the Senate Committee on Governmental Operations by Mr. William Hori, a proponent of reparations. In his statement to the committee he indicated that a primary cosponsor of the legislation in the Senate had said that:

> The only condition I made the other four Members of Congress to agree to was no monetary reparations would ever be asked. If they had not agreed I would not have endorsed the bill.

Certainly this body has a right to make an independent judgment on this matter. But in my estimation it is an expensive distraction from the seriousness of this tragic episode in our Nation's history.

Mr. Chairman, I find it difficult to accept the argument that unless we have money attached to what we are doing today it has no significance, it is not sincere, it is not genuine; for if that had been the argument the very bill creating the Commission to investigate this whole episode in our Nation's history would never have been passed. At that time at least one major proponent of the bill establishing the Commission made it very clear that if the purpose of the bill was individual reparations he would not support that bill. He was assured by proponents in the Congress and out of the Congress that that was not the case. If that was their position, that is, the proponents of the bill at that time, that in fact they considered it an important gesture to have an investigation of this episode to create an accurate historical record and hopefully have an apology, why now do the proponents say that to do less than give money is either an act of insincerity or an act lacking substance or something which is nothing more than a hollow gesture?

You cannot have it both ways. If in fact the proponents accepted at that point in time that monetary reparations would have blocked consideration of this and they accepted that and thought, nonetheless, it would be an important thing for Congress to act in this regard, I find it difficult to understand now that it is a hollow gesture for us to act.

In this regard I find the rationale for reparations that is contained in the Judiciary Committee report to be, in my judgment, incredible. It states this:

> Although a formal apology is important and the education fund is needed, these provisions alone without compensation will not insure or serve as a disincentive to us as a nation to prevent future denials of fundamental civil liberties.

So in other words, if you read the committee report the reason we must have monetary redress is as a disincentive for us to repeat these actions in the future.

I just want to ask this: Does anyone seriously believe that any future administration will be deterred from making a similar mistake because g' have required compensation 45 years after the fact when most of the people who were within the decisionmaking circle of the Federal Government have long since passed from governmental positions and most, if not all, have long since passed from the Earth? The threat of punishing my 11-year-old daughter 3 years from now would seem to me to do little in the way of encouraging my 14-year-old son now to mow the lawn.

I mean, if you are going to say that we are setting this up so that any future administration will avoid mistakes of this type because they fear 45 years after they have made the decision a future generation will be punished, I think that is folly. Yet I think that is the essence of the committee report if you look at their reasoning for the money damages.

Such an attenuated relationship between the commission of an act that is admittedly wrong and the sanctions related thereto have nothing to do with deterrence.

The CHAIRMAN. The time of the gentleman from California [Mr. Lungren] has expired.

(By unanimous consent Mr. Lungren was allowed to proceed for 5 additional minutes.)

Mr. LUNGREN. Mr. Chairman, I say it has nothing to do with deterrence, but everything to do with the misguided notion that the dollar sign is the only genuine symbol of contrition.

Ironically, the rationale of the Commission report itself eloquently undermines the recommendation for reparations in these words:

> Two and one half years behind the barbed wire of a relocation camp, branded potentially disloyal because of one's ethnicity alone, these injustices cannot be translated into dollars and cents. Some find such an attempt in itself a means of minimizing the enormity of these events in a constitutional republic. History cannot be undone. Anything we do now must inevitably be an expression of regret and an affirmation of our better values as a nation, not an accounting which balances or erases the events of the war that is beyond anyone's power.

Mr. Chairman, grave injustices are often the product of war. Whether we are talking about the loss of limb or life or the loss of property, the result is often agony and human suffering. As Cornelius Ryan has all too well documented, mistakes, admittedly terrible mistakes are made. From "The Longest Day" on the beaches of Normandy to "A Bridge Too Far" in Arnheim, war turns both logic and life upside down. The survival instinct does not always produce well conceived decisions when scrutinized with the benefit of 20-20 hindsight. The result is that lives are shattered and families permanently scarred.

I ask you this, Mr. Chairman, What do we say to the families of our men who died in Sicily not because they were killed by enemy fire but because our bombers mistakenly identified them as the enemy?

□ 1205

Mr. Chairman, I fear the potentially grave consequences of extending the principle of restitution contained in this bill. Many of my colleagues on the other side of the aisle, as well as some on this, have argued that the denial of civil rights by Government can just as easily derive from Government inaction as from Government action. It is not too difficult to think of arguments concerning the need for recompense because of a time lag between Brown versus the Board of Education and the Swann versus Charlotte, North Carolina decision in 1971.

Attempting to put a price tag on misbegotten policies of the past poses the spectacle of unwieldy precedent. The principles of equity involve more than the satisfaction of wrongs in this specific case. Rather, similar treatment for those with similar grievances is required. American Indians and blacks are but two examples of possible claims to recompense under such elevated principles of retroactive justice.

In this country we have a statute of limitations for virtually every crime except murder. We have a statute of limitations for virtually every tort action. Why? Not because we do not think that a wrong was created, not that we do not think that someone was harmed, but because we believe there is a concern for finality, that at some point in time we cannot say to one generation, go back and try to make monetary amends for the previous generation.

We do that consistently in our law on the criminal side as well as on the civil side. If today we say 45 years is appropriate for extending the statute of limitations, why not 90 years? Why not 100 years? Why not 150 years?

This country, as great as it is, has imperfections. We have made mistakes. We have made grievous errors. Never have I thought that we used a bottom-line analysis of it to see if we would balance the fiscal board.

It is indeed folly to try to judge history as an evolving balance sheet. Do we really believe, as one of my fellow commissioners said, that nothing can be genuine unless it involves the coin of the realm? Have we reached such a state in our society that unless money is exchanged, the sincerity of our expression is brought into question? The logic of materialistic reductionism in my judgment not only has the potential of demeaning the gravity of the experience at issue but of subsuming or overcoming the more important task of ensuring that future generations are taught the lessons to be learned from this ignominious episode in our Nation's history.

Mr. Chairman, this issue ought not to be over whether a certain person gets $20,000 or not. It ought to be an acknowledgment of error in the past, an establishment of an educational fund so that we can continue to study this episode, take lessons from it, and hopefully apply it to the future. That is the best bequest we can make to our children and our children's children, not the idea that unless they put a price tag on something, it is a worthless experience.

The CHAIRMAN. The time of the gentleman from California [Mr. Lungren] has expired.

(On request of Mr. Dellums, and by unanimous consent, Mr. Lungren was allowed to proceed for 3 additional minutes.)

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, I tried to listen with rapt attention to the gentleman's presentation. This gentleman from California is not an attorney, but I would like to speak to the question of economic recompense that the gentleman dealt with.

Back in the early 1970's this gentleman was speaking on the steps of the east front of the Capitol. Several thousand human beings had come to the Capitol to present a petition to myself and a few other colleagues calling for peace in Vietnam. All of those persons were arrested on the Capitol steps.

I brought a lawsuit. It became Dellums versus Powell, because Mr. Powell was the chief of the Capitol Police at that time. That lawsuit went through the entire court process to the Supreme Court of the United States. The Supreme Court of the United States acted on Dellums versus Powell. The decision that was made in the Federal courts was sustained through our entire appeal process to and through the U.S. Supreme Court. It said that not only were the first amendment rights of the persons on the Capitol steps violated, but those who were arrested found their fourth amendment rights were violated.

The Court also found that the first amendment rights of this gentleman, Mr. Dellums of California, were violated because I lost the group of people who came to redress their government by presenting the people's peace treaty to me.

In the first instance the judge and the jury ruled in Dellums versus Powell that all of those persons would receive in the aggregate $12 million. That meant that this gentleman, on the basis of the violation of the first amendment rights, was to receive $7,500. All of the other persons whose first amendment rights had been violated and who had been imprisoned overnight or for a day or two were to receive at least $10,000.

Now, what was clearly established, in my humble opinion, in Dellums versus Powell, though I am not an attorney, is that we have a history in this country of providing economic recompense where indeed the Government has violated the rights of its citizens. The only thing that was questionable in the initial ruling was whether or not the $12 million was an appropriate figure, not that economic recompense was in question. That had been dealt with. So they asked the original judge to go back and look at the issue. So they came out with a figure of $1.2 million.

The CHAIRMAN. The time of the gentleman from California [Mr. Lungren] has again expired.

(On request of Mr. Dellums, and by unanimous consent, Mr. Lungren was allowed to proceed for 3 additional minutes.)

Mr. DELLUMS. Mr. Chairman, if the gentleman will yield further, just as a quick aside, this gentleman did not take the resources. He gave the money to the ACLU so they could continue their fine efforts.

The point was that economic recompense is an integral part of the history of this country.

So I find the gentleman's argument on those grounds faulty. To suggest in some way that we somehow distort and prostitute the extraordinary principle of justice simply because we hang a price tag on it belies the history of the decisions of the courts of this land. This gentleman stands as a clear example of that in Dellums versus Powell.

Now, whether $20,000 or whatever is the appropriate figure, that is a judgment call. But as I have said many times on the floor of this Congress, we stand in an atmosphere of judgment. We are required to act, to decide whether it is $20,000 or $200,000 or whatever, but not that the principle should ever be challenged.

Mr. Chairman, I thank my colleague for his genorosity in yielding to me to simply make the response to the gentleman's argument on the question of economic recompense. I think it is wholly appropriate in this situation, and I will oppose the gentleman's amendment for the very reasons that I asserted in my argument.

The CHAIRMAN. The time of the gentleman from California [Mr. Lungren] has again expired.

(On request of Mr. Dellums, and by unanimous consent, Mr. Lungren was allowed to proceed for 3 additional minutes.)

Mr. LUNGREN. Mr. Chairman, I am happy to take this time to respond to the gentleman from California [Mr. Dellums] and I would like to make several points. The first point is that in the instance the gentleman has suggested, he is correct that the court made the determination that there was an unconstitutional deprivation of rights in his particular case. That is not the history of this incident.

The incident was challenged in the courts all the way to the Supreme Court, and it was the judgment of the Supreme Court at that time that Franklin Delano Roosevelt was within his constitutional powers as Commander in Chief to issue this order and to have it implemented. So in fact there was not a violation of constitutional rights as understood at that time.

The gentleman knows the argument now with respect to Mr. Bork in the other body is whether the Constitution is a continuing evolving document. Members of his side of the aisle generally accept that argument. At the time of the acts in question here it has evolved to such a point that in fact the President of the United States was within his constitutional rights, and, therefore, the constitutional rights of the individuals involved were not violated.

What we are doing now is looking back 45 years later. One of the reasons we have economic recompense in a case like that of the gentleman from California is not because there was a financial calculation that it was worth $7,500 for each person to be denied the amount of time they were to be given to consult with the gentleman on the steps of the Capitol, but in essence because that was considered a serious enough financial burden on the Government to be a deterrent to that conduct in the future. And there was a close connection between the violation of civil rights perpetrated by the Government and the penalty placed on the Government, so that those in power or those they represented were immediately punished.

That is very different from what we are talking about now. We are talking about an action that was reviewed by the Supreme Court 45 years ago and determined to be constitutional at that point. Now we are coming in 45 years later and saying, despite the fact that it was constitutional at that time, in retrospect we think it was wrong—incidentally I agree it was wrong—and, therefore, we are going to give recompense.

If we read the committee's own language, they say the reasoning for it is deterrence. I find that faulty reasoning. We are not going to deter somebody from action now by saying 45 years from now that other people unelected, maybe not even alive at this time, are going to suffer the consequences of the decisions we make.

So I think these are very, very different circumstances. What I am saying is, as we correct the historical record, as we make it abundantly clear that there was not disloyalty visited upon this country by any Japanese-American or any Japanese national here, as we make abundantly clear that any shadow of a doubt ought to be lifted, as we try to take the lessons out of that, that is the important thing we ought to be doing. Rather than by saying that the only way to judge the sincerity of our action is by the amount of money behind the dollar signs given to the individuals involved.

So I understand the gentleman's point. I think his point is absolutely relevant to his experience. I have tried to point out the vast difference between his experience and the experience we are judging now.

Mr. GLICKMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, American citizens of Japanese ancestry were imprisoned in the Second World War in this country not because of anything they had done but because of who they were.

It is interesting to note that we were at war with Germany and Italy as well, but German-Americans and Italian-Americans were not imprisoned during that war, and obviously there was a great deal of racial overtones in what was involved.

But I think the key issue here is that American citizens were incarcerated without due process of law because of the way they looked and because of their race.

I try to personalize it. My ethnic background was treated to a similar but far worse scenario in Western and Eastern Europe during the Second World War, and I have tried to imagine whether I, with my ethnic background, or Irish-Americans, Polish-Americans, German-Americans, French-Americans, or black Americans could have the same thing happen to them in America. And as we deal with this 200th anniversary of the Constitution, I say, no, probably not. It could not happen in America as long as due process of law is dealt with.

But a very, very serious wrong was perpetrated on a class of Americans, Japanese-Americans, during the Second World War, and regardless of the circumstances of why it happened, it is still something that we should insure never happens again. So the question is, How do we remedy this wrong that was done? That is the issue.

I believe the gentleman from California [Mr. Lungren], in good faith, believes the way to remedy the wrong is to apologize. I must say that we have talked about this issue before, and I have some sympathy for that standpoint, but I was the chairman of the subcommittee before the gentleman from Massachusetts [Mr. Frank] was, and I listened to the hearings, and my own judgment is that a pure apology and no restitution is not enough.

Why? First of all, I think it depends on the seriousness of the wrong. A minor wrong committed by this government probably deserves no restitution.

□ 1220

A major wrong deserves something extra special. In this case we have an affirmative government action, not a negligent action, not a failure to act, but an affirmative government action to remove American citizens out of their homes and put them in prison camps during a period of time during the Second World War. That is a major, major wrong, and similar wrongs in today's circumstances, nonracially motivated, have resulted in very, very big judgments, big dollar judgments from the United States of America.

In my judgment without restitution, the seriousness is demeaned, the seriousness of this incarceration, not only for Japanese-Americans of today's generation who were in those camps, but for all Americans, particularly Americans who are in minority circumstances.

There is a sign on one of my courthouses that says, "What is Past is Prologue," and I think that is what we do today.

We provide for the future ways to avoid the pitfalls of the past. This issue is a test for the United States of America, the greatest country in the world, a test of historic magnitude. We will never tolerate the denial of due process again, so that Americans of Irish, Polish, French, Jewish, black, and Hispanic descent will know that being different, being different is no grounds to be separated without due process of law.

Now, if you can do this with an apology, that is fine; but it reminds me a little bit like the old contracts were in English law, and you would sign the contract; but without the seal, the contract would not be worth anything.

In my judgment, the money compensation is the seal, so that 30 and 40 and 50 years from now, people will know that the greatest country in history on the face of the Earth was good enough to provide a seal to end the wrong that was done to a class of American citizens.

Two hundred years after the signing of the Constitution, I believe that we will be providing not only the apology, but the seal to ensure that this never happens again.

I hope my colleagues will reject the Lungren amendment. I know it is offered in good faith.

I have the greatest respect for the gentleman from California, but I think it is the wrong way to handle the matter.

Mr. DELLUMS. Will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding.

I want to take a brief moment and respond to the assertion of the gentleman from California [Mr. Lungren] in response to this gentleman's statement.

The thrust of my argument is that economic recompense in the face of injustice is an appropriate response. That injustice does not have to be denied in my humble opinion by the courts of this land. It does not have to be defined by the Supreme Court of this land.

I could be defined in a political context by the people of this land, and I believe that the overwhelming response of the people of this land is that this is with justice, economic recompense.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. Glickman] has expired.

(By unanimous consent, Mr. Glickman was allowed to proceed for 30 additional seconds.)

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, I thank the gentleman for yielding to me.

I rise to express my strong support for H.R. 442, the Civil Liberties Act of 1987 and my opposition to the Lundgren amendment. I can think of no more fitting action for this body to take today, the bicentennial of the signing of our Constitution, than to pass this long overdue measure.

It is impossible to overstate the suffering to which over 120,000 Japanese-Americans were subjected when they were uprooted from their homes and their communities and compelled to live in mass detention camps. As a Californian, I personally know many people who endured this terrible loss of civil liberties, of property, even loss of innocent years of childhood. And we all are colleagues of two of the most distinguished Members of this body, who personally were detained in the camps with their families.

So this bill is our long overdue way of trying in a small, token fashion to apologize, and to make amends. But I find of almost equal importance what this bill does for the rest of us who did not suffer the terrible injustice.

How many Americans have tried to make sense of the internment camps, and have concluded that there must be some unspoken exceptions to the ringing words of our Constitution and the Bill of Rights? And what price does that effort to reconcile the irreconcilable exact from our vigilance in protecting civil liberties and civil rights today?

How many Americans over the past 45 years have had their pride in our Nation as a beacon of human rights shaken by an acknowledgment of this stain on our national record?

We must approve H.R. 442 today not simply for Japanese-Americans, but for all Americans. And to my colleagues who argue that we are setting a costly precedent here today that we can ill afford, let me say God help us if we ever again undertake another policy like Executive Order 9066 that would warrant redress like our action today. That is what we truly cannot afford.

I salute the individual Japanese-Americans and their organizations who have worked so long and so hard to win approval of this measure. Their efforts have not been for themselves alone, but for us all. In that spirit, I urge passage of H.R. 442 on this historic day, in this historic 100th Congress.

Mr. SWINDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, across the street inscribed on the fresco of the Supreme Court Building are the words "Equal Justice Under the Law."

Yesterday afternoon we had the unique occasion, as Members of the 100th Congress, to stand on the plaza and hear the President of the United States close the ceremony there recognizing the bicentennial of the Constitution by leading us as a nation in the Pledge of Allegiance to the flag.

The closing words were "liberty and justice for all."

The essence of the debate here today can be distilled to two words: "liberty and justice."

The truth of the matter is the word "justice" means to do what is right. We pride ourselves as a nation in being a nation not of men, not of individuals, but of laws.

Incidentally, the law to which we refer is the Constitution, the supreme law of the land. For that law to be meaningful, it cannot be easily set aside. It cannot be set aside even under the most extraordinary circumstances, unless we follow the very methodology outlined in the Constitution itself.

There is no debate here today that the Constitution was summarily ignored. I, for one, do not think it is fruitful to go back in 20–20 hindsight and try to judge whether or not that particular judgment was justified or not justified, because the truth of the matter is, war is extraordinary; but I do think it is significant that the Subcommittee on Administrative Law and Governmental Relations of the full Committee on the Judiciary very frequently brings forth particular bills that are to address issues where the statute of limitations has run, where it may be res judicata, where there may be a whole proliferation of legal terms that says to that individual, your legal resource has for all intents and purposes exhausted.

What we do is, we look to the word "justice," and we try to do that which is right. Let me say that this is not an easy issue for this Congress to deal with. It is a very emotional issue, but I, for one, could not stand in the well, as I have done many times, talking about the Constitution, talking about being a strict constuctionist, and today stand here and say that when it comes to the 40,000 or 60,000 individuals that were summarily deprived of their fifth amendment rights, which says no person—notice, it does not say no person, unless the color of their skin happens to be white, nor does it say a person who happens to have already been born, as is the case, of course, with the unborn—the point is, it says no person shall be deprived of their life, their liberty, nor their property without due process of law.

There has been no due process of law here. Certainly the statute of limitations has run but that is not the point.

This body shares the unique ability to even 40 years after the fact redress that role.

I would close by saying, while it is easy to debate this issue academically, I would like to ask the Members to put it in a very personal frame of reference.

I would ask the Members to imagine just for a moment that you are a 19-year-old young man who is serving his country in a time of war abroad, and receive a letter that says your parents have just been picked up under an Executive order, and they are currently being imprisoned in a camp somewhere in the United States of America, and you ask why.

You are told, because a nation thousands of miles away declared war on our country, and because you happen to be remotely descended to that nation, we are going punish your parents. Certainly each Member would say that is not fair. What about their constitutional rights?

There is probably not a single Member of Congress that has not had the opportunity to address a group of immigrants who, because of the ceremony that they go through, are told the significance of becoming U.S. citizens.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. SWINDALL] has expired.

(By unanimous consent, Mr. SWINDALL was allowed to proceed for 2 additional minutes.)

Mr. SWINDALL. One of the points that I always make when I address those groups of immigrants who are on that proud occasion becoming U.S. citizens is to say that from that moment forward, they share the most unique privilege in the world; and that is, they are U.S. citizens with all of the rights, including the constitutional rights, attendant thereto.

If we as a body are desirous of doing what is right in this bicentiennial year of the Constitution, if we are desirous of fulfilling and satisfying the first responsibility our Founding Fathers gave to the Federal Government to establish justice, then it is incumbent on us to right this wrong.

Let me just say in terms of the dollar amount, it is $2,863 in 1945 dollars. Certainly that amount of money is, if anything, too little, not too much.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. SWINDALL. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

I want to express my appreciation to the gentleman from Georgia at the subcommittee and full committee levels today, and for the gentleman's support for this legislation.

The gentleman has shown a great deal of thought, integrity; and I very much appreciate it. The bill is a better bill because of the work the gentleman did in subcommittee in amending some of the language, and I appreciate the gentleman's support here today.

Mr. SWINDALL. Mr. Chairman, one last point, and I would say it to my prolife friends who argue consistently that the Constitution guarantees the right not to be deprived of life or liberty or the pursuit of happiness without due process of law, that that is precisely the issue which we debate here today.

□ 1230

It is a very important point if we are to be consistent in our fight to make certain that those constitutional protections are recognized for all Americans, equal justice under the law.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is obviously a proud day in the history of the United States as we celebrate the 200th anniversary of our Constitution. We could not have a more appropriate bill on the floor to be considering on that day than this piece of legislation. I am proud to have been a member of the Judiciary Committee and of the Subcommittee on Administrative Law when this bill has come before us to consider, because it is at once difficult in many ways, but the message that the Constitution sends to us is clear about what is right.

This is a bill to redress grievances for the deprivation of basic human rights that are recognized in our Constitution of individuals who are imprisoned without cause and without process, deprived of their liberty, liberty which is protected by the United States Constitution, and more than that, singled out for this punishment for no other reason than their ethnic origin, singled out by racism, singled out by that most pernicious form of discrimination that can destroy society and destroy the people within it.

There is no question about the wrong that was done. The challenge is to respond to that wrong in an appropriate and effective manner. We all wish we could go back and do it over and get it right and never have the wrong occur, but we cannot; but that is no reason not to act now when we still have the power and ability to act and when those who suffered the indignity of that false imprisonment and that racist denial of liberty are still alive to hear the words of this Congress and to receive appropriate compensation.

This is a challenge on a great day to a great nation to have the strength that only a great nation can have to recognize when it is wrong and to try to correct its wrong no matter how late in the day that realization comes.

There is in this legislation an apology and a recognition of the causes which led to this injustice, and that is as it should be.

There is also in this legislation money to be paid to those individuals who claim it, who suffered this injustice, and that is as it should be also.

There is a great American expression used by all of us on many occasions, "Put your money where your mouth is." I think that fits this occasion.

The fact is that words are important and solemn words spoken by this body are important, but in America we all know that we deal also with things valued with money, and the willingness to pay compensation in dollars speaks about how absolutely clear we want to be about what is at stake.

There was a constitutional violation. The courts have held repeatedly that just the constitutional violation alone without any other losses is justification for compensation. In no way does the amount of money in this bill compensate individuals for months and years of lost liberty, of lost property. It is a very small amount, but it does say something very clear and it says something clear in the equality of the payment across people who suffered different amounts in different periods of time. It is an equality that says this Constitution is equal for all and deprivation of constitutional rights has a very special place in this Constitution.

It is an amount we can afford, but it will not be easy. We all know of our budget problems. It will cost us. We will feel it. We have said in this bill that it must respect the Budget Act and it must be in the budget process, and that means there will be a sacrifice, and that is appropriate, too. We as a nation are going to make a small sacrifice, to make what amounts to a small payment; but what we are going to say with that payment is not only that our words behind our apology and our recognition of the wrong, but our resources are, too.

We as a great nation really believe this Constitution that we celebrate today. We want it to have reality, not only in our words, but in the lives of the individuals whom we have hurt in the past by our actions.

So, Mr. Chairman, I rise in support of this legislation and in opposition to the pending amendment which would strike the monetary compensation. I think it is of a piece. It is of a whole and it reflects our commitment in the good old American understanding that we are willing to put our money where our mouth is when we have something important to say.

Mr. McCANDLESS. Mr. Chairman, I move to strike the requisite number of words and rise in support of the Lungren amendment.

Mr. Chairman, I rise in support of the amendment offered by my colleague from California, Mr. LUNGREN.

I join with most Americans who sincerely regret the economic, social, and emotional damage done to our fellow Americans of Japanese descent during World War II. However, while I support a formal apology to Japanese-American internees as well as restitution for specific, verifiable losses, I cannot agree that a blanket dispensation of $20,000 to every surviving internee is proper. In a sense, the money is "guilt" money to soothe the collective conscience of our Nation. No amount of money can rectify damage done 40 years ago.

Much has already been done for specific restitution of economic losses. In 1948, Congress passed the Japanese-American Evacuation Claims Act which allowed Japanese-Americans to claim and be compensated for personal property losses. Although not all losses could be verified, approximately $37 million was paid in claims. In 1972, the Social Security Act was amended so that Japanese-Americans over the age of 18 would be deemed to have earned and contributed to the Social Security system during their detention. The Federal civil service retirement provisions were amended in 1978 to allow Japanese-Americans civil service retirement credit for the time spent in detention after the age of 18.

Again, I emphasize that these actions have not "righted" a wrong committed 40 years ago, but neither will a $1.2 billion congressional appropriation. Japanese-Americans were not alone in suffering during World War II. Americans as a whole suffered economic losses and even death during the war. In my view, the best we can now offer surviving Japanese-American internees is the resolve that never again will such violations of basic rights occur in the United States. H.R. 442 does that, and I strongly support that portion of legislation. However, I cannot and do not support the portion of H.R. 442 that provides a $20,000 payment to each surviving internee. That portion of the legislation would have to be removed before I could vote for the passage of H.R. 442.

Therefore, I urge my colleagues to support the Lungren amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

Mr. McCANDLESS. Yes, I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, would the gentleman oppose compensation to American prisoners of war who had been in the Armed Forces?

Mr. McCANDLESS. For what reason?

Mr. YATES. Well, the fact is that this Congress voted to pay compensation to Americans who were prisoners of war during World War II and during the Korean war, for example. These are the equivalent of prisoners of war, were they not? Should they not be compensated for the time they were in the camps?

Mr. McCANDLESS. To the gentleman from Illinois, I do not like to get personal about this, but I was in the eye of the storm in the Los Angeles area during this period, and although looking back on it now I could not justify what took place at the time and under the circumstances, it seemed the right thing to do for both the individuals involved for their personal safety as well as that of the United States.

Mr. YATES. Mr. Chairman, will the gentleman yield further?

Mr. McCANDLESS. I yield to the gentleman from Illinois.

Mr. YATES. But, Mr. Chairman, here we are 45 years later, the storm has abated. We have a more rational approach. We know that what we did at that time was wrong in the heat of the emotion and in the fears that the war generated. Why then does the gentleman not change his mind at this time, now that the storm has abated, and permit some element, some measure of compensation for the people whom I am sure he recognizes as having been wronged?

Mr. McCANDLESS. Because I feel, as I said in my proposal, that soothing the conscience of the United States by giving someone $20,000, whether they spent 1 day or 3 years in internment, is not something that I can go along with.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of H.R. 442. This measure is a long-overdue attempt to atone for one of the most infamous incidents in our country's history. This legislation is aimed at correcting one of the most blatant and one of the most egregious violations of constitutional rights and safeguards. I would like to commend our majority leader, Congressman TOM FOLEY, for sponsoring this legislation. In addition, I would like to acknowledge the endeavors of two of our colleagues of Japanese-American heritage, Congressman BOB MATSUI and Congressman NORM MINETA. Both men have offered eloquent and deeply moving statements about their own experiences and those of their families in the internment camps.

I have already stated that this measure, which includes a formal apology to Japanese-Americans on the part of the Congress, and a system of compensation, is much belated. In hindsight, we can now see that the military "necessity" for the forced "evacuation" and "relocation" of more than 100,000 Japanese-Americans was nonexistent. At the time, many acquiesced in this dreadful denial of the most basic procedural rights and freedoms afforded by the Constitution, a document we are justly praising and celebrating this week. It is fitting that as we mark the bicentennial of the signing of the Constitution, we remember the incarceration of more than 100,000 men, women, and children in internment camps.

Rather than recount the legacy of discrimination and distrust that led to the establishment of the squalid internment camps, I would prefer to focus on a less well-known aspect of the Japanese-American experience in our country. It is ironic that at the same time that the United States Government moved native-born Americans as well as Japanese immigrants who thought of themselves as Americans to internment camps, thousands of other Japanese-Americans served honorably and courageously in the Armed Forces of the United States. Even if no Japanese-Americans had volunteered for military service during the Second World War, H.R. 442 would be an entirely appropriate response to a painful and humiliating experience for Japanese-Americans.

In fact, however, several thousand men of Japanese-American roots served so honorably and courageously that their units received the highest number of decorations and citations per man of any unit in the history of our country. These units were the 100th Battalion of the Hawaii National Guard and the 442d Regimental Combat Team, comprising the 442d Infantry Regiment, the 552 Field Artillery Battalion, and the 232d Engineer Battalion. An additional 6,000 Japanese-Americans, serving in the military intelligence service, saw duty in the Pacific theatre of operations primarily as interpreters.

While their families and friends were uprooted and separated from their homes, these brave men unmistakably demonstrated the loyalty and patriotism of Japanese-Americans. The men of the 442d Regimental Combat Team and other Japanese-Americans who served in the Armed Forces were "NISEI." They were second-generation Americans born to Japanese parents who had moved to this country.

More than 33,000 Nisei wore the uniform of the United States. In this military service, they risked their lives for the same country that had basically imprisoned their families and friends. More than 35 percent of these men became casualties. Approximately 1,000 died in combat.

The legendary 442d Regimental Combat Team, with its "Go for Broke" motto, fought valiantly in North Africa, Italy, and France. Among its heroic deeds, the 442d, while suffering 800 casualties in the process, including 200 dead, rescued the 211 surviving members of the 2d Battalion, 141st Infantry of the All-Texan 36th Division. This would be a pyrrhic victory, except to the members of the "Lost Battalion," trapped by overwhelming forces within German-occupied southern France.

At no time did the total manpower of the 442d top 4,500 men. However, this unit received more than 18,000 individual decorations, including a posthumous Medal of Honor; 52 Distinguished Service Crosses; 500 Silver Stars; 5,200 Bronze Stars; and 9,486 Purple Hearts. The 442d earned seven Presidential unit citations. In addition, members of the 442d Regimental Combat Team received decorations from 18 allied nations, including the French Croix de Guerre and the Italian Croce al Merito di Guerra.

Mr. Chairman, as the House of Representatives debates H.R. 442, let us pause to consider the Congressional Medal of Honor citation for Private First Class Sadao S. Munemori. This medal, our country's highest military accolade, was awarded posthumously. The citation reads:

> [Munemori] took over his squad after the squad leader was wounded.
>
> After some extremely heavy fighting, Munemori worked his way back toward his squad, followed by bursting grenades.
>
> As he neared the crater where his men were waiting, a grenade bounced off his helmet and rolled into the crater.
>
> Without hesitation, Munemori dove on the grenade and smothered the explosion. He was killed. His two squad members escaped with their lives.

When President Harry S. Truman tied the last of seven streamers commemorating Presidential unit citations to the colors of the 442d Regimental Comat Team, he said, "You fought not only the enemy, but prejudice, and you won." President Truman was not entirely correct. This second battle, the one against prejudice, is not over.

Mr. Chairman, the 442d Regimental Combat Team and the thousands of other Nisei members of our Armed Forces fought the enemy on the far-flung battlefields of the Second World War. These men fought courageously, indeed heroically. They fought, often at a truly fearsome cost in lives and limbs. Let us remember their courage, their loyalty, and their patriotism. Remembering the injustices endured by these men, their families, and their friends, merely because of their ancestry, I ask the House of Representatives to pass H.R. 442. Let us "Go for Broke" and say we remember, we are sorry, and we are grateful.

Mr. Chairman, I also rise in opposition to the amendment that is pending before us to combine with an admission that this was a black day in the history of America, in the history of our country, in taking an action that clearly none on the floor of this House would now justify, would perhaps explain in the emotion of passion and prejudice that perhaps existed, but nevertheless, not justified.

Mr. Chairman, I will not repeat the history that some have fully explained, but I rise as Chairman of the Commission on Security and Cooperation in Europe, the Helsinki Commission, an act which all of us in this body strongly support, the provisions of which are discussed regularly on the floor of this House and they are discussed in the context of the Soviet Union and the Warsaw Pact nations, acting against individuals for the sole reason of their ethnic or cultural or religious heritage or background, and we rightly condemn that activity. It is clearly a violation of the provisions of the Helsinki final act.

If the Helsinki final act had been in existence in 1940, 1941, and 1942, our actions would have been clearly in violation of that act. It seems to me very appropriate that America stand up at whatever time, it is never too late, never too late to redress a wrong. It is never too late to attempt in some small way, however inadequate it may be, to compensate for that wrong; so I believe that when I as Chairman of the Helsinki Commission go, as I have gone over the last few months to Bulgaria and talked to the Bulgarians about how they are treating the Turkish minority in Bulgaria, about how they have forcibly tried to have them change their names, and in fact have succeeded, or when I go to Romania and talk to them about treating the Hungarian minority in Transylvania, or when I go to the Soviet Union and talk to them about allowing Jews to emigrate, allowing them to practice their cultural and religious background and heritage, that I will come from a country that says, "Yes, we are not perfect." We understand that, but we are prepared to stand up and say we have made mistakes and we want to make good to the extent we can. Financially we cannot make these people whole, but we can say we recognize the wrong it committed. We are sorry for that wrong, and because the gentleman from California and the gentleman from Georgia, poles apart on many issues, but in agreement on this very fundamental issue, that in America we believe that where there is a legal wrong and where there is damage, there ought to be compensation.

There are cases where no amount of compensation will make the wrong party whole, but it is basic to the American concept of fairness and justice that compensation in some degree is made.

So my colleagues, I would hope that we would reject the Lungren amendment, offered I know in the spirit of good will, but I think sending a very

bad message, not only to those whom we have wronged, but very frankly, to those around the world who want to know whether America does in fact stand for the principles that it so eloquently talks about on this floor and around the world. We are not only sorry for a grievous wrong, but we also want to know that in some small way we are prepared to take some of our treasure and apply it to redressing that wrong.

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That is right and proper that we do so. Support the passage and oppose the amendment to diminish the action that we take today.

Mr. PACKARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from California.

Mr. Chairman, I must preface my remarks by expressing my deep affection and admiration for the two gentlemen from California who are the primary sponsors of this legislation. I consider Mr. MINETA and Mr. MATSUI two of the most responsible and effective legislators in this body. I can think of no one with whom I more reluctantly oppose. Yet, I rise in opposition to portions of this bill.

My colleagues, there are few in this House that followed the events of World War II as they unfolded more carefully than I did. The rights of Japanese-Americans were not treated with the same respect that the rest of our citizens were during World War II. We all agree that injustices were inflicted upon them. Looking back we may wish that we would have done things differently. But President Roosevelt, the Congress, and the courts, did what they, at the time and under the circumstances, felt was the right thing to do.

War, by its very nature, creates an environment where injustices are commonplace. During our history, millions of Americans, even some living and working today, have suffered injustices, have had their civil and personal rights trampled on. Almost all, however, only wish to have these injustices recognized and their civil rights restored. There is not enough money in the Treasury to repay for all the injustices our citizens have sustained.

May I indulge the House with a personal experience during World War II. I was raised in a family of 17 children. My father was a simple carpenter and farmer. We were a very poor family. In 1941, we were about to lose our small farm in Idaho. It was decided my father would accept a job working for a Government contractor to build an airbase on Wake Island in the Pacific. The contract read that workers would be paid from the time they left San Francisco until the time they returned. The contract, of course, didn't anticipate war. Wake Island, as many of you know, was bombed the same day as Pearl Harbor. The island fell 15 days later and dad, along with 1,500 other workers, was taken prisoner. The money stopped coming to the family when he was taken prisoner. I was 10 at the time and 15 when he was released at the end of the war.

No money came for 2 years. Finally, Congress passed a bill that paid $100 a month to the families of prisoners. That didn't even make the payment on the farm, much less feed and clothe the family. At the end of the war there was no back pay, only a token settlement of the contract. An injustice, of course. There are literally hundreds of thousands of families like ours who sustained injustices from wars. Would we now ask our Government or the Japanese Government to satisfy these injustices with a money settlement—never. It would demean a time when our family learned to work together, pull together, and pray together. Money cannot buy the lesson of that experience. That was the beginning of a typical American success story.

I ask my colleagues to support the Lungren amendment. It will appropriately recognize the injustices to our Japanese-American citizens during World War II but not demean that acknowledgment with a payoff. In our attempt to repair these injustices let's not create multitudes of other injustices. There are many deserving of the same treatment but will never get it. Our Japanese friends don't need it, many will not accept it. Our budget can not afford it. And most of you deep inside must feel we ought not to do it. I beg of you, vote for the Lungren amendment and if fails I reluctantly plead with you to vote against the bill.

Mr. PEASE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say at the outset that I strongly support the statement of the Congress which forms the heart of the Judiciary Committee's bill. It is long overdue that Congress acknowledge the Nation's actions in the forcible evacuation and relocation programs and apologize to those Japanese-Americans who suffered as a result.

However, that I must oppose the bill's provision of cash restitution payments to those internees who are still alive. I believe that the provision of tax-free $20,000 payments under the bill is inconsistent with this country's traditional way to redress injuries.

The American legal system generally permits damages to be awarded in order to compensate an individual for the actual losses he or she experiences or in order to punish wrongdoers.

Our system of compensatory damages is based on the premise that we are capable of quantifying the loss suffered by the individual victim and ought to compel the wrongdoer to make restitution. The $20,000 offered under the bill is a purely arbitrary figure which does not attempt to distinguish among the degrees of injury suffered by the individuals involved.

Our legal system also employs the notion of punitive damages, which are meant for the sole purpose of penalizing the wrongdoer and presumably deterring similar behavior in the future. It does not seem to me that the restitution payments could be properly classified as punitive damages since they would impose no painful penalty on the Government nor would they serve as any additional deterrent to similar actions.

Thus, while I understand the generous impulse which gives rise to the restitution provision, I feel compelled to support the amendment of the gentleman from California.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PEASE. Mr. Chairman, I am happy to yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, suppose one of our constituents is wrongly arrested by the police? Does he not have a cause of action and is he not entitled to redress?

Mr. PEASE. He is.

Mr. YATES. How does that differ from what happened in this case?

Mr. PEASE. The court situation, if I may reclaim my time, the court seeks to determine the degree of damage and loss to that particular individual and rewards him for it.

Mr. YATES. Is that not what the Congress seeks to do in this case for wrongful arrest?

Mr. PEASE. No, it does not. The Congress does not seek to do it in this case. The Congress intends, seeks to grant an across-the-board $20,000 payment to each and every person regardless of the circumstances.

The $20,000 payment to each person affected and still living—without any regard to the particular circumstances of individual persons—does not pass the test of the legal principle of compensation for quantifiable loss. The $20,000 payment also does not pass the test of common sense. Does anyone think that $20,000 is adequate compensation for 3 years of internment? Of course not! The $20,000 payment is purely symbolic.

Similarly, the $1 billion cost of this bill surely will not be punitive in the sense of deterring the U.S. Government from such action in the future. That simply is not credible. If the U.S. Government does behave differently in the future—and I hope it will behave differently—it will not because of a fear of having to pay reparations at some point in the distance future.

To conclude, I strongly support the apology to Japanese-Americans for the grievous error made by their Government. I cannot, however, support the cash restitution payments.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when I was first elected to Congress in 1948 the first bill I filed at that time was one which would grant the opportunity to become citizens to the Japanese emigrants, the Issei, who could not become citizens because of the then existing Oriental exclusion laws. It took 4 years for that law to be passed.

In 1952 the Congress passed the bill setting aside the Oriental exclusion laws and providing that no person should be deprived of the opportunity to become an American citizen because of race.

I was a cosponsor of the legislation which created the Redress Commission and I am a cosponsor of the bill before us today. It is a most important bill. This is the first major step this Nation can take in rectifying one of the most unconscionable violations of our Government of the civil rights of any people. Everyone, to whom I've spoken in the Congress considers the action taken by our Government at that time in incarcerating the entire west coast Japanese community behind barbed wire a most flagrant injustice. And the question the legislation raises is whether those who suffered as a result of that injustice are entitled to redress.

The people who were treated so shamefully were among the best model citizens of our community at the time when they were placed in the detention camps.

Obviously ours is a nation of immigrants, and among the immigrants who did so much for our Nation were the Issei, the foreign-born Japanese-Americans, whose determination and great faith in themselves, whose self-discipline and ability, enabled them to turn California deserts into gardens to beautify and feed America. Many of them helped build the railroads that span our great Nation, and many of them went into business and became highly successful. But always, the Japanese Americans were among the most dignified and public spirited citizens in their community.

At the very outset, the Japanese immigrants should have been welcomed to our country in the same manner as the peoples of European nations; and yet they were not. Their contribution to the community was as great, if not greater. They were helpful, they were temperate, they were never troublemakers. They were the model citizens in every community. And yet their reward, much too frequently from their American neighbors, was discrimination and hostility. And, the greatest wrong of all to the foreign-born Japanese, was the fact they were barred from the most precious possession within the province of any nation to give—its citizenship. This was a direct outgrowth of the unfortunate Oriental exclusion laws, and the passage of those laws marked a black period for the Issei in America.

But with all their difficulties and their troubles, the Issei maintained their stoical faith in themselves, expecting that some day the great tradition of America, in providing equal justice to all Americans. And though they themselves were ineligibile for citizenship, they put their time and effort into the development of education of their children so that they would have the benefit and enjoy the right of American citizenship. They were loyal to their new country. When the attack on Pearl Harbor came immediately the people of Japanese ancestry became targets for suspicion throughout the United States and Hawaii without cause or provocation. Japanese who had been living in California for many years were uprooted, homes destroyed, and they themselves placed behind barbed wire detention fences without a hearing or trial.

Mr. Chairman, this should have been enough to kill the spirit of a less responsible group of people. But the reply from the Japanese parents was to sent their children out from behind the wire fences into the American Armed Forces to fight the Nazis and the armed forces of their ancient homeland. It should be of great honor to Japanese Americans that their sons became world famous as members of one of the greatest fighting units of all time, the 442d Regimental Combat Team.

The record deserves mention because it was so outstanding during World War II. There comes to mind the record of Sgt. Ben Kuroki, who flew 58 bombing missions over Europe and Japan and became a national hero. Two Japanese American units, the 442d Regimental Combat Team and the 100th Infantry Battalion, later merged with it, were among the most decorated in the history of the U.S. Army. Fighting in Italy and France, the 442d more than lived up to its regimental motto "Go for Broke," a Hawaiian idiom meaning "shoot the works." It won 10 unit and more than 5,000 individual awards. Six hundred fifty of its Purple Hearts had to be delivered to the next of kin. No man in the 442d ever deserted, a remarkable record. Americans of Japanese ancestry not only fought the enemy abroad but had to bear the brunt of prejudice at home.

Exhaustive investigations by the Army, Navy, and FBI showed that not one act of sabotage was committed in Hawaii, though citizens and residents of Japanese ethenic background comprised one-third of that territory's population, or sabotage by one of them anywhere.

Their citizenship could not have been more exemplary. I know that because following World War II, many came to Chicago rather than return to California. I came to know them in 1948, and I came to know them well because I ran for Congress for the first time that year. They asked only one pledge of me as candidate for that office, and that was that I would consider favorable legislation which would permit their parents to become citizens.

When I was elected to Congress, the first bill I filed was one which would grant the opportunity to become citizens to the Issei, the Japanese immigrants who could not become citizens under the then laws against orientals.

It took 4 years for the bill to be passed. In 1952, the Congress passed the bill setting aside Oriental exclusion laws and providing that no person should be deprived of the opportunity to become an American citizen because of race.

There were so many things that had to be compensated for, and special legislation provided for, because certain Americans happened to be Japanese Americans. War brides they married had to have special legislation. Claims were filed, but the claims allowed by the Congress were only a pittance of the actual losses that took place against those who had been placed in the camps.

I believe that this Nation has a deep moral and special obligation to recognize the need to make right, to the extent it can be righted, this historic injustice to a fine group of Americans. It is agreed that while money cannot compensate for this immense wrong, it can help do so, Mr. Chairman. The great lawyer, Clarence Darrow was asked by a client, whose cause he had successfully prosecuted in court, how she could ever possibly pay for what he had done for her. Darrow replied: "Madam, the Phoenicians evased such questions when they recognized monetary standards for compensation." An apology is appropriate in this bill. Equally appropriate is some monetary compensation for those wronged by this country by improper incarceration. The Congress must meet its responsibilities by recommending appropriate redress.

Mr. Chairman, I am appalled by the suggestion made by some Members of the House that one of the consequences of approval of this bill may be the rebirth of the discrimination against Japanese-Americans that gave rise to this wrong. To my mind that would be a reason for approving this bill, to show that this Congress believes, as I'm sure the American people do—that there is no place for such vicious thinking in our country, that threats or warnings, that such attitudes will rise again if we pass this act cannot be accepted or endorsed.

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For the reasons I have stated, Mr. Chairman, I ask that the Lungren amendment be opposed and voted down.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. I thank the gentleman for yielding.

First of all, let me say I want to congratulate the gentleman for the work he did on removing the Oriental exclusion law. It is a little known piece of history that many of those Japanese nationals who were in the United States in California along the coast at the outbreak of World War II were assumed to be disloyal by other Americans because they had not become American citizens when it was not realized that they were incapable of becoming American citizens because we would not allow them. They could live here 60, 70 years, but if you happened to be born in Japan you could not become an American citizen.

Mr. YATES. And you could not own land in California.

Mr. LUNGREN. And you could not own land in California. And I think what the gentleman did in bringing that to the attention of the Congress and removing that blight on our legal history was extremely important.

I just want to congratulate him for what he did there.

Mr. YATES. I thank the gentleman for his comments.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, everybody agrees that the policy that we are talking about was wrong and unfair and I think everybody in this House agrees that there ought to be a formal apology and that is a part of this bill as well.

We have reviewed the history. One speaker, a proponent of the bill, said he felt badly because there was a Democrat President and a Democrat Congress and that maybe they were responsible in some way. I do not feel that at all, Mr. Chairman. It was a national policy, it was endorsed by most Americans, and for it, as the successors, we are all indicted.

On the other hand, if we could magically transport this Congress back to those days and under those circumstances my suspicion is that we would do about what that Congress did in those days, which was nothing. I do not think we are any wiser than the Congress that was seated at that time.

However, I think it is important to note that none of us here, at least as far as I know, participated in government at that time even though I suspect we all would have let it happen without objecting to it.

I think part of what the bill tries to do is to admit our guilt and to apologize for it. I think that is exactly what we should do today, but I am a little bit disappointed with what the committee is asking us to do.

What a contorted way the committee gives us to show how guilty we feel or how embarrassed we are. What a funny way they ask us to rub ashes on our heads. They are saying that with our current budget situation that our children and grandchildren must pay for mistakes that were made two or three generations before they were born by accepting the debt which the $1.2 billion is going to incur.

The committee is asking us to purge ourselves of somebody else's guilt with another generation's money. Just think of the enormity of that for a minute. It is not anything that we did but because we feel guilty, because we have these noble motivations to right some wrongs, we are going to give away money indiscriminately without respect to the degree of suffering, without respect to whether we take it from the poor and give it to the rich or whatever because we feel a little bit guilty. We are going to put the hairshirt on somebody else and that somebody else is our children and our grandchildren. And remember, they did not make the decision and neither did we make the decisions.

This seems to me to be a perfectly typical congressional action: Whenever we feel badly we give away somebody else's money. Then suddenly we are made whole, we are purged and we all feel wonderful.

Well, I do not think our constituents feel wonderful about that. I do not think if you put this bill to referendum that you would get one objection to admitting guilt. I think you would get nearly 100 percent objection to giving away money indiscriminately, which the Government does not have, to people without respect to the degree of claim they have.

Many Members have said in no way can we compensate for what we did to these people. I believe that is true and I believe in no way should we try to compensate, should we try to pay blood money to cleanse this embarrassment or the guilt that we all feel.

I hate to be curmudgeonly on this subject, I always hate to argue against somebody else's bill. I find it is a role I am cast into frequently. I hate to put my judgment ahead of the people who have studied these things for a long time but for better or for worse that is my job and that is all of our jobs. I do not think I am going to feel one bit better after we have given away our grandchildren's money in this way than I do today. I am still going to feel that we made a mistake, I am still going to hope that we do not make that mistake again, but I am not going to feel fulfilled or purged or cleansed at all. It is $1.2 billion. We do not have that in our budget. That means that should we be lucky enough to get a Gramm-Rudman bill we will have to make up the $1.2 billion somewhere else. Maybe we will have to cut it from a grant to somebody who is poor so that we can pay this to a rich person. I believe this is an act of phonyness and I believe the amendment should be supported. The rest of the bill should be passed. If the amendment is not supported I cannot support the bill.

Mr. MATSUI. Mr. Chairman, I move to strike the requisite number of words.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. MATSUI. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I rise in strong support of the bill and in opposition to the amendment.

Mr. Chairman, 45 years ago, we suspended our laws in a most unfortunate and blatant display of racism by incarcerating or relocating 120,000 Americans of Japanese ancestry. This action was carried out despite the lack of military justification and the fact that the Japanese within our borders were loyal and patriotic Americans. Quite simply, ethnic prejudice and wartime hysteria were responsible for this incredible tragedy.

We have a special pride in our country because it is composed of people of different backgrounds, ethnicities, and heritages. Our Constitution, which is celebrating its bicentennial today, is based on the premise that members of our society should be judged as individuals, not on the basis of race, ethnicity, or any other personal characteristic. Yet 45 years ago we imprisoned without justification, charge, indictment, or trial, Americans of Japanese ancestry precisely on this basis. Incredibly, we did not turn our racism against German-Americans or Italian-Americans and incarcerate them despite the fact that Japanese-Americans posed no greater threat than individuals of these heritages. Further, throughout World War II, those soldiers of Japanese ancestry who fought for the United States were among the most decorated and patriotic soldiers. Plain and simple it was wrong for us to intern any American citizen on the basis of ancestry.

Two distinguished Members of this body were among those personally affected by this tragedy. Congressman BOB MATSUI was an infant and Congressman NORM MINETA, a young child whose unfortunate fate of living in California, and being of Japanese ancestry resulted in their relocation. Had they lived anywhere besides the west coast they would have been spared since only those of Japanese ancestry living on the west coast were subject to this great injustice. And despite the pain that this tragic action personally causes them, it is very much the result of their tireless efforts that we are finally addressing this dark moment in our history.

I wholeheartedly support H.R. 442 for it recognizes that the internment of Japanese-Americans was a racist and wrongful act and offers compensation and an apology that was due some time ago. No sum of money can undo the pain and devastation of this action but we can repay our moral debt. Our sense of obligation leads us to publicly and formally apologize to those of Japanese ancestry who were relocated and interned during World War II. This legislation also serves to remind us of the moral and ethical consequences should we ever be tempted to abrogate the rights of such a group within our borders. Moreover, it sends a clear signal and reaffirms to present and future generations that we do place a high value on civil liberty. For these reasons and the need to finally redress the horrors of this unfortunate action, I strongly support the passage of H.R. 442 and urge the support of my colleagues.

Mr. MATSUI. I would like to first of all thank the leadership of both the majority and minority for holding this bill on the 17th of September.

I would also like to thank both the Republican-Democratic caucus members for being here on a day when this is the only issue before us.

I realize many Members would like to get back to their home districts or their home States for celebrations in their various areas, and that to be here on this day is somewhat of an imposition on the membership.

I would also like to state that this is a very difficult issue for me to speak on today, mainly because it is, I guess, so personal and perhaps some of you may think that I may lack objectivity. That may very well be the case. But I will try to be objective.

I would like if I may for a moment, however, to indicate to all of you perhaps what it was like to be an American citizen in 1942 if you happened to be of Japanese ancestry.

My mother and father who were in their twenties were both born and raised in Sacramento, CA, so they were American citizens by birth. They were trying to start their careers. They had a child who was 6 months old. They had a home like any other American. They had a car. My father had a little produce business with his brother.

For some reason because of Pearl Harbor in 1942, their lives and their futures were shattered. They were given 72 hours notice that they had to leave their home, their neighborhood, abandon their business, and show up at the Memorial Auditorium which is in the heart of Sacramento and then be taken, like cattle, in trains to the Tule Lake Internment Camp.

My father was not able to talk about this subject for over 40 years and I was a 6-month-old child that they happened to have. So I really did not even understand what had happened until the 1980's. It was very interesting because when he finally was able to articulate he said, "You know what the problem is, why I can't discuss this issue, is because I was in one of those internment camps, a prisoner of war camp and if I talk about it the first thing I have to say is look, I wasn't guilty, I was loyal to my country, because the specter of disloyalty attaches to anybody who was in those camps."

And that stigma exists today on every one of those 60,000 Americans of Japanese ancestry who happened to have lived in one of those camps.

They were in that camp for 3½ years of their lives and, yes, they have gotten out and they have made great Americans of themselves and I think if my mother were alive today she would be very proud of what the U.S. Congress hopefully is about to do, because the decision we make today really is not a decision to give $20,000 to the 66,000 surviving Americans, the decision today is to uphold that beautiful, wonderful document, the Constitution of the United States.

You know, because this is the 200th celebration, we have been talking about those 55 individuals who put together that document, and I do not think there is any question that there was some Supreme Being that gave them the inspiration to put that document together. I will also say if you took that same document and put it in the Soviet Union there would be no way that the people of that country would understand what it truly means and the spirit behind it. It is only because of the American people that that document is a living document with meaning, not only 200 years ago, but for 200 years in the future as well. The real issue here today is an issue of fundamental principle. How could I as a 6-month-old child born in this country be declared by my own Government to be an enemy alien? How can my mother and father who were born in this country also be declared a potential enemy alien to their country? That is the underlying issue here. They did not go before a court of law, they did not know what charges were filed against them. They were just told, "You have 3 days to pack and be incarcerated." That is the fundamental issue here.

Now I would like to just, if I may, discuss some of the principles that were raised by the proponents of the Lungren amendment just for a moment.

The gentleman from Minnesota said, "Why should today's generation pay for the tragedies of the past generation?" I do not look upon America in terms of generations. We must look upon this country as a continuous flow and ebb. We are not talking about a generation in the 1940's and a generation today. We are talking about fundamental principles because the Constitution does not change from generation to generation. It is a living document that exists forever, for eternity. So it is not a question of generations. I know that some would say, "Well, we as Americans in time of war have responsibilities and everybody suffers in time of war." You know, that is true. Ron Packard from California gave an eloquent presentation of the fact that his father had been incarcerated during World War II by the Japanese Government, a prisoner of war. Many families lost their husbands and their sons and many families were broken because of tragedies like divorce because of the separations. Everybody suffers during times of war so why should not the Japanese-Americans also share in that suffering? Let me say this: Every one of us, if war were declared today, would volunteer to fight on behalf of our country and our democracy; that is a fundamental principle.

The CHAIRMAN. The time of the gentleman from California [Mr. Matsui] has expired.

(On request of Mr. Yates and by unanimous consent Mr. Matsui was allowed to proceed for 3 additional minutes.)

Mr. MATSUI. That is a fundamental responsibility of a democracy, a fundamental responsibility of our Government that if our security is jeopardized we have a responsibility to defend it.

□ 1315

We have a responsibility to die for our country, but I tell you one thing, that in a democracy, this democracy with out Constitution, a citizen does not have a responsibility to do: every one of us does not have a responsibility to be incarcerated by our own Government without charges, without trial, merely because of our race. That is what our constitutional fathers meant 200 years ago when they wrote the Bill of Rights. That is not a responsibility and an inconvenience of a democracy.

I hope that each and every one of the Members will find it in their hearts to look at these issues not as an individual tragedy for 60,000 Americans of Japanese ancestry but look at it in terms of the real meaning of this country. We are celebrating 200 years

of a great democracy, and I think we can today uphold and renew that democracy with a vote in favor of this bill and a vote against the pending amendment.

Mr. MINETA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I say to my colleagues that I would like to first express my deep appreciation of thanks to the leadership on both sides of the aisle for the opportunity to have this bill brought up on the 17th of September, 1987.

Congressman Jim Wright, the Speaker of the House of Representatives, has been involved in this issue right from the beginning. He was the original author of the bill that created the Presidential Commission on Wartime Relocation and Internment of Civilians. That Commission was appointed in 1981, and it worked on this for 18 months in order to complete its report. Then Congressman Jim Wright went ahead and produced the work product, the legislative recommendations of that Commission, and he has been a strong supporter of this effort ever since. In the 100th Congress, with Congressman Jim Wright becoming the Speaker of the House and unable to sponsor legislation, our majority leader, the gentleman from Washington, Mr. Tom Foley, has been the author of it, and we have had good, strong bipartisan leadership on behalf of this bill all the way through.

But to me this is a very, very emotional day, in sharp contrast to May 29, 1942, when, as a 10½-year-old boy wearing a Cub Scout uniform, I was herded onto a train under armed guard in San Jose, CA, to leave for Santa Anita, a race track in southern California. And here, on the 17th of September, 1987, we are celebrating the 200th anniversary of the signing of that great document, the constitution of our great land. It is only in this kind of a country, where a 10½-year-old can go from being in a Cub Scout uniform to an armed-guard-guarded train to being a Member of the House of Representatives of the greatest country in the world.

Mr. Chairman, I rise now to urge my colleagues' opposition to the amendment offered by our fine friend, the gentleman from California [Mr. Lungren]. Today we can truly celebrate the bicentennial of our great Constitution by passing this legislation without any weakening amendments. H.R. 442, including compensation, will reaffirm and strengthen this very, very vital document that we are celebrating today.

H.R. 442 may not deal with events either as distant or as proud as those in Philadelphia 200 years ago, but the bill does address events just as central and just as fundamental to our rights and to our laws.

The gentleman's amendment would eliminate a key provision of this bill, the payment of monetary compensation to the present-day survivors of a shameful episode in our Nation's long and proud history. Beginning in 1942, the Federal Government ordered and sent 120,000 Americans of Japanese ancestry to isolated camps scattered throughout the Western United States, and those who were interned and evacuated had but days, sometimes only hours, to dispose of their property and set their affairs in order, and then, carrying only what their arms could hold, these Americans were summarily shipped off to parts unknown for up to 3 years.

Because the Government of the United States was responsible for the violation of the rights of 120,000 lives, that Government, our Government, has a legal and moral responsibility to compensate the internees for the abrogation of their civil and human rights.

Now, some are saying that these payments are inappropriate, that liberty is priceless and we cannot put a price on freedom. That is an easy statement to make when you have your freedom, but it is absurd to argue that because constitutional rights are priceless, they really have no value at all. Would you sell your civil and constitutional rights for $20,000? Of course not. But when those rights are ripped away without due process, are you entitled to compensation? Absolutely.

I served on our House Budget Committee for 6 years. I was a member of the conference committee which wrote Gramm-Rudman-Hollings, so I understand and appreciate our budget constraints. But we all know that the funds authorized by H.R. 442 will be appropriated over several years and are but a tiny fraction of our trillion-dollar Federal budget. But the most important considerations in our actions today must be merit and justice, and this authorization is not only just but long, long overdue. If we reject this amendment, history will show that on this bicentennial day, the House of Representatives could not rest until it had redressed the wrong of 1942.

The CHAIRMAN. The time of the gentleman from California [Mr. Mineta] has expired.

(By unanimous consent, Mr. Mineta was allowed to proceed for 3 additional minutes.)

Mr. MINETA. Mr. Chairman, those wrongs will not be righted, those injured will not have been redressed until we have acted to prove, not only in word but in word and in deed, that the evacuation and the internment were tragic mistakes that our Government will never repeat. By keeping compensation in H.R. 442, the House will tell the world that this body is genuine in its commitment to the Constitution and we will be putting our money where our mouth is.

One night in early 1942, when we did not know what events were to come, my father called our family together. I had one sister in San Francisco, but the rest of us, the four of us, were still in San Jose. He said he did not know what the war would bring to my mother and to him since they were resident aliens, my dad having come in 1902 and my mother in 1912, but with the Oriental exclusion law of 1924 they were not able to become citizens because they were prohibited by that racial exclusion law from becoming U.S. citizens. However, he was confident that his beloved country would guarantee and protect the rights of his children, American citizens all. But his confidence, as it turned out, was misplaced.

I was born in this country, as were most of those who were interned, yet at that time even citizenship was not enough if your parents or grandparents had come from Japan. So on May 29, 1942, my father loaded his family upon that train under armed guard which was taking us from our home in San Jose to an unknown distant barracks. He was later to write to friends in San Jose, and he wrote in that letter about his experience and his feelings as our train pulled out of the station. I quote from the letter:

> I looked at Santa Clara's streets from the train over the subway. I thought this might be the last look at my loved home city. My heart almost broke, and suddenly hot tears just came pouring out, and the whole family cried out, could not stop, until we were out of our loved county.

We lost our homes, we lost our businesses, we lost our farms, but worst of all, we lost our most basic human rights. Our own Government had branded us with the unwarranted stigma of disloyalty which clings to us still to this day.

So the burden has fallen upon us to right the wrongs of 45 years ago. Great nations demonstrate their greatness by admitting and redressing the wrongs that they commit, and it has been left to this Congress to act accordingly.

Injustice does not dim with time. We cannot wait it out. We cannot ignore it, and we cannot shrug our shoulders at our past. If we do not refute the shame of the indictment here and now, the specter of this tragedy will resurface just as surely as I am standing here before you, and the injustice will recur.

This bill is certainly about the specific injury suffered by a small group of Americans, but the bill's impact reaches much deeper into the very soul of our democracy. Those of us who support this bill want not just to close the books on the sad events of

1942; we want to make sure that such blatant constitutional violations never occur again.

□ 1330

I must confess that this is a moment of great emotion for me. Today we will resolve, if we can finally lift the unjust burden of shame which 120,000 Americans have carried for 45 painful years.

It is a day that I will remember for the rest of my life. I hope the Members will help me, too, to remember it as a day when justice was achieved, and so with all my heart, I urge the Members to oppose this amendment and to support H.R. 442, the Civil Liberties Act of 1987, and in so doing, to reaffirm our Constitution on this very historic day.

Mr. Chairman, I urge my colleagues to vote for H.R. 442.

Mr. SHUMWAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the two gentlemen from California have both spoken very eloquently about not just this bill, but about their own experiences; and I am sure we have all been touched by their remarks.

Indeed it seems to me that all of the speakers that have spoken in favor of this bill, and against the pending Lungren amendment, have made excellent arguments for an apology being made to those who were aggrieved in World War II.

If that were the only issue before us, it would pass unanimously, and we would all agree and not have this debate. That is not the only issue.

We are talking about money. Mr. Chairman, I cannot yet see a case having been made for the payment of money damages. Why is it we cannot say that we are sorry without paying money with it?

We might call it a seal, or we might call it special treatment; but I just do not know of any precedent for compensation of money in cases like this.

Certainly we have the Civil Rights Act, and it provides remedies for those whose civil rights have been violated, and those remedies include damages. There is no question about that.

We all support that, but those remedies are invoked after the presentation of evidence, after a burden of proof has been sustained, none of which is applying in this abbreviated procedure.

It is ironic that many of my Japanese-American friends have told me that they do not want the money. They are not interested in the $20,000, and I simply ask then, if that is the case, why are we voting money.

Why can we not simply say, we are sorry, and leave it with that matter; and finally, Mr. Chairman, I do not think there is any Member of this body that should realistically believe that the payment of $1¼ billion is going to be any kind of deterrent to the Federal Government.

It is not going to teach us a lesson, particularly a Government like ours that spends $3 billion a day in routine fashion without hardly the blink of an eye.

We need to have something of a more lasting and significant nature. If we want to look for a deterrent, it is not in this bill.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I yield to the gentleman from California.

Mr. LUNGREN. Mr. Chairman, I thank the gentleman for yielding.

As the author of this amendment, I respect the judgment and the sentiment of the two gentlemen from California.

When I took upon the responsibility to represent this House in the Commission investigating it, I did so because of my belief that we had to make it very clear that there should be no shadow of question hanging over the heads of Japanese-Americans, or Japanese nationals who were the subject of this executive order in the 1940's.

I have a disagreement with the gentleman from California as to whether money is necessary to make that genuine, but I do not want anybody to believe that I reject the notion that we ought to apologize, or that I reject the notion that we ought to erase that stigma, if it does exist.

It is extremely important for us as a Congress to do so. At the same time, I would hope we do not believe now the genuineness, as suggested by some, can only be measured in dollars.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment and in support of the bill as it was reported.

Mr. Chairman, I would like to take this time to commend my colleagues for their untiring pursuit of justice for the Japanese-American civilians who were evacuated, relocated or interned during World War II. I appreciate this opportunity to speak on behalf of this bill and urge my colleagues to support passage of H.R. 442 without the inclusion of limiting amendments.

1987—the year that marks the celebration of the Bicentennial of the Constitution of the United States—is a fitting year to redress the terrible wrongs committed against some 120,000 Americans of Japanese descent; Americans whose homes and businesses were lost, whose families were uprooted for up to 3½ years, whose ancestry was the excuse for the betrayal of the principles upon which our Constitution was founded.

H.R. 442 would implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians that was created by Congress to investigate the circumstances surrounding President Franklin Roosevelt's Executive Order 9066 of February 2, 1942. This legislation authorizes a $1.25 billion trust fund in order to give $20,000 to each of the internment survivors. The compensation we offer here today cannot adequately redress the grave injustice done to both citizens and permanent resident aliens of Japanese ancestry. It can communicate, however, the sincerity of our offer to make amends to the victims of this violation of personal liberty.

Through orderly policy, H.R. 442 will avoid court ordered reparations which surely would be awarded if cases or class action suits were carried to fruition. United States law should seek to avoid such confrontation and the negativism that it would spawn. The resources in this measure will provide as timely a compensation as is possible today to those Japanese-Americans that suffered through these experiences without the burden inherent in the judicial process.

Mr. Chairman, I support the establishment of the trust fund and the creation of a civil liberties public education fund. In order to continue teaching the importance of the lessons learned from this tragedy of injustice, we as Americans must make an effort to make the relevant facts readily accessible. Sponsoring research and public education programs is necessary for the reflection that will help us and our children to understand the circumstances and causes surrounding the internment of Japanese-American civilians, and to ensure that a similar incident will not happen in the future.

Mr. Chairman, I rise in support of this bill, and again urge my colleagues to support H.R. 442 in its entirety.

Mr. WRIGHT. Mr. Chairman, anything I or any other Member might say at this point could be quite anticlimactic.

I simply want to suggest that I can think of no finer way to celebrate the 200th anniversary of the Constitution of the United States than to rectify a wrong.

I can think of no better statement of the bona fides of our intention than to admit that we were grievously wrong, to make atonement, and thus to reaffirm our commitment that the Constitution of the United States applies equally to all American citizens.

Forty-five years ago some 120,000 people were uprooted from their homes, taken from their businesses and from their farms, and imprisoned on no other ground or cause than their racial ancestry.

Clearly, that was a violation of the Constitution. There can be no question. Without due process, without any allegation of any individual wrongdoing, they were incarcerated.

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It was one of those grotesque political aberrations in America's political life that have occurred occasionally in moments of extreme national stress, which we later deeply regret, and for which we seek to make amends.

It is quite true that no amount of money can adequately repay for the loss of dignity, loss of face, the insult, the hurt, the denial that was visited upon these American citizens; but we owe it to ourselves to make atonement.

Conrad Adenauer, when head of the Federal German Republic in the 1950's, proposed that Germany should pay substantial economic aid to Israel, then an infant republic attempting to establish itself in the Middle East.

There were those who asked Conrad Adenauer why money was owed, or why money would be any measure of the sorrow and shame that was felt by the German people. Some said this cannot repay those who were so grievously wronged; this cannot restore life or liberty to those lives and liberties were taken by other Germans. And Conrad Adenauer replied, No, perhaps not, but the atonement we owe not to others, but to ourselves. It was in the nature of a penance to cleanse and restore the German soul.

Now on this 200th anniversary of our Constitution, I think all of us know that wrongs were committed, and any of us who have a doubt might try to imagine how he and his family might have felt if—for no other reason than the land from which their ancestors came—they had been seized, taken from their homes, denied their liberties, and incarcerated in prison for the better part of 4 years with the implication that they were disloyal Americans.

I think I know how I would have felt, though nobody can really know who has not been in that position. So I ask the Members to vote down the amendment, though I know the gentleman from California, the author, means well and does not condone what was done.

I ask the Members to vote for the bill. I think it will send a message down the corridors of the future that America is big enough to admit a mistake and honest enough within itself to try to make atonement for the error.

Some still live who were mistreated in this fashion. To them this will say we are sorry. We open our arms to you. We make redress for the wrong that we committed against you, and we offer this as an atonement; and we commit ourselves unequivocally by this act to the official proposition that all Americans, of whatever ancestry or origin or condition, are entitled to the protection of law.

□ 1340

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LUNGREN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LUNGREN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 162, noes 237, answered "present" 1, not voting 34, as follows:

[Roll No. 320]

AYES—162

Applegate
Archer
Armey
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boucher
Boulter
Brooks
Broomfield
Buechner
Bunning
Burton
Byron
Callahan
Carper
Chapman
Clarke
Coats
Coble
Coleman (MO)
Combest
Cooper
Daniel
Darden
Daub
DeLay
Dickinson
DioGuardi
Dorgan (ND)
Dowdy
Dreier
Dyson
Emerson
Erdreich
Fawell
Fields
Flippo
Ford (MI)
Frenzel
Gallegly
Gaydos
Gekas
Goodling
Gradison
Grandy
Grant
Green
Gregg
Guarini
Hall (TX)
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Henry
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hunter
Hutto
Inhofe
Ireland
Jenkins
Kanjorski
Kasich
Kolbe
Kyl
Lagomarsino
Leath (TX)
Lent
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Myers
Nichols
Olin
Packard
Parris
Pease
Penny
Petri
Pickett
Price (NC)
Pursell
Ray
Regula
Rhodes
Ridge
Ritter
Roberts
Robinson
Rogers
Rose
Roth
Rowland (GA)
Schaefer
Sensenbrenner
Shaw
Shumway
Shuster
Sisisky
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Traxler
Upton
Vander Jagt
Walker
Watkins
Whittaker
Wolf
Wylie
Yatron
Young (FL)

NOES—237

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Badham
Bates
Beilenson
Bennett
Berman
Bilbray
Boehlert
Boland
Bonior (MI)
Bosco
Boxer
Brennan
Brown (CA)
Brown (CO)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carr
Chandler
Cheney
Clay
Clinger
Coelho
Coleman (TX)
Conte
Conyers
Courter
Coyne
Craig
Crockett
Dannemeyer
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
English
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (TN)
Frank
Frost
Gallo
Garcia
Gejdenson
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gray (IL)
Gray (PA)
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hawkins
Hayes (IL)
Herger
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hughes
Hyde
Jacobs
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kostmayer
LaFalce
Lancaster
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Moakley
Molinari
Mollohan
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Pashayan
Patterson
Pepper
Perkins
Pickle
Porter
Price (IL)
Rahall
Rangel
Ravenel
Richardson
Rinaldo
Rodino
Roe
Rostenkowski
Roukema
Rowland (CT)
Roybal
Russo
Sabo
Saiki
Sawyer
Saxton
Scheuer
Schneider
Schuette
Schulze
Schumer
Sharp
Shays
Sikorski
Skaggs
Skeen
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Swift
Swindall
Synar
Torres
Torricelli
Traficant
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Waxman
Weber
Weldon
Wheat
Whitten
Williams
Wilson
Wolpe
Wortley
Wyden
Yates
Young (AK)

ANSWERED "PRESENT"—1

Mineta

NOT VOTING—34

Biaggi
Boggs
Boner (TN)
Bonker
Borski
Chappell
Collins
Coughlin
Crane
Dornan (CA)
Gephardt
Gordon
Kemp
Kolter
Konnyu
Lantos
Latta
Lloyd
Mavroules
McCurdy
Neal
Oxley
Panetta
Pelosi
Quillen
Roemer
Savage
Schroeder
Skelton
Spence
Tauzin
Towns
Weiss
Wise

□ 1355

The Clerk announced the following pairs:

On this vote:

Mr. Quillen for, with Ms. Pelosi against.

Mr. Coughlin for, with Mr. Lantos against.

Mr. Crane for, with Mr. Panetta against.

Mr. Oxley for, with Mr. Mavroules against.

Messrs. BATES, BONIOR of Michigan, and GARCIA changed their votes from "aye" to "no."

Messrs. LENT, SHUSTER, and ROSE changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

### PERSONAL EXPLANATION

Mr. BONKER. Mr. Chairman, on the rollcall vote No. 320 I was unavoidably detained and had I been present I would have voted "no" on the Lungren amendment.

(By unanimous consent, Mr. Michel was allowed to speak out of order.)

### LEGISLATIVE PROGRAM

Mr. MICHEL. Mr. Chairman, I have asked for this time for the purpose of inquiring of the distinguished majority leader the legislative program.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. Mr. Chairman, I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Chairman, I thank the distinguished Republican leader for yielding.

We, of course, expect to complete the present legislation within the next hour, I would assume, and there is no further business scheduled for today. The House will not be in session tomorrow.

Mr. Chairman, the House will be in session on Monday to consider H.R. 3030, the Agricultural Credit Act of 1987.

The House will convene at noon and it is expected there will be many recorded votes. Members should not expect an early adjournment on Monday.

We will move to complete the bill which probably will require a fairly late session Monday night and again voting will begin with consideration of the rule early on Monday after the House convenes at noon. Members should expect to be in the House at noon when the House convenes, and to stay late.

On Tuesday, because of the late session on Monday, we have postponed previously scheduled suspensions on Monday until Tuesday.

We will first consider on Tuesday H.R. 2783, the HUD appropriations, fiscal 1988, subject to a rule. The House on Tuesday of course is meeting at noon.

Then there are nine votes scheduled under suspensions:

H.R. 25, Whistle Blower Protection Act of 1987;

H.R. 390, to authorize a gold medal to Mary Lasker;

H.R. 3251, to authorize the minting of coins in commemoration of the bicentennial of the U.S. Congress;

H.R. 2035, to increase the authorization for Lowell National Historical Park;

H.R. 2566, Jean Lafitte National Historical Park and Preserve Amendments;

H.R. 2893, Fishermen's Protective Act reauthorization;

H.R. 1171, to establish a National Ocean Policy Commission;

H.R. 3017, National Sea Grant College Program Act; and

H.R. 3051, Airline Passenger Protection Act of 1987.

On Wednesday, September 23, the House will meet at 10 a.m. to consider an unnumbered House joint resolution for the continuing appropriations for fiscal year 1988, subject to a rule.

Members should be prepared on either Tuesday or Wednesday for the possibility of a debt ceiling conference report, although the conference has not concluded and I cannot predict this, the conference is making good headway and it may be that we will have a conference report ready for Tuesday or Wednesday.

When the House adjourns on Wednesday, the 23d of September, it will adjourn in respect of the Jewish high holidays and we hope to have an early adjournment Wednesday. We will attempt to forgo such things as 1-minute speeches and would hope to have an early disposition of our business for the benefit of the Members who must depart early.

The House though will not be in session accordingly on Thursday, September 24, and on Friday, September 25, we will have a pro forma session, but there will be no votes. The House will not meet on Thursday. We will have a pro forma session on Friday.

We will not have votes on Monday, September 28, Monday week, as the British would say.

Mr. MICHEL. Mr. Chairman, is it expected that that would be a suspension day with rollcalls rolled over, or is that pro forma?

Mr. FOLEY. Mr. Chairman, we assume there may be a suspension day with rollcalls rolled until Tuesday, September 29.

Mr. MICHEL. A week from Monday there will be no rollcalls, but there will be something Monday all day long?

Mr. FOLEY. Yes, but this coming Monday again there will be many rollcalls. The House will meet at noon. The Members should not attempt to arrive late because there will be votes early in the day. We will stay until completion of the bill. It may be rather late on Monday night in order to complete the legislation.

On Tuesday the House will meet at noon and we will consider the HUD appropriations bill and the nine suspensions, and Members are again reminded that Tuesday at 10 a.m., the House will meet informally with Senate guests and the President of Costa Rica, His Excellency, the President of Costa Rica, President Arias.

Mr. MARTIN of New York. Mr Chairman, will the gentleman yield?

Mr. MICHEL. Mr. Chairman, I yield to the gentleman from New York.

Mr. MARTIN of New York. Mr Chairman, with respect to Monday next, I would ask the distinguished majority leader, there had been a hearing that has been scheduled and has had to be changed on a number of occasions relative to the Armed Services Committee. We would like to have an idea as to when that first vote would occur on Monday as best the gentleman can divine. I appreciate that the gentleman cannot give us the exact time.

Mr. FOLEY. Mr. Chairman, I would say there is a possibility of a vote about 1 minute after noon on the Journal, and then I would think a vote on the rule will occur probably between 1 and 1:30, but it could occur without debate on the rule as early as 5 minutes after 12. That is not likely, but there was an hour debate on the rule and any time between an hour and a few minutes there will be a vote.

I would tell the gentleman that, if a Member does not appear at noon, he is probably going to miss a rollcall vote on the Journal; if Members are not here by 12:30, they risk missing a vote on the rule.

Mr. MARTIN of New York. Mr. Chairman, I can understand that, and I do not expect the majority leader or anybody else to be able to say whether or not it is going to be at 10 after 1 or whatever. I do want to point out, and this is not my district or for myself, but something very important for our committee, and it has frustrated one of the Members frankly on your side of the aisle.

Mr. FOLEY. Mr. Chairman, I would give this advice, since we have announced that on September 28 there will be no votes on the House floor except procedural votes, I would suggest the distinguished committee reschedule its hearing for a date on which it is announced there will be no votes, and that is Monday, September 28.

Mr. MARTIN of New York. Mr. Chairman, I thank the majority leader for his guidance.

### AMENDMENT OFFERED BY MR. SHUMWAY

Mr. SHUMWAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Shumway: Page 8, lines 8 and 9, strike out "sum of $20,000" and insert in lieu thereof "amount provided in paragraph (2)".

Page 8, add the following after line 24 and redesignate the succeeding paragraphs accordingly:

(2) Amounts of Payments.—The amount of the payments to eligible individuals under paragraph (1) are as follows:

(A) Except as provided in subparagraph (B)—

(i) an eligible individual who was confined or held in custody (as described in section 10(2)(B)) for a period of 3 years or more shall be paid $20,000; and

(ii) an eligible individual who was confined or held in custody (as described in section 10(2)(B)) for a period of less than 3 years shall be paid $18 for each day of such confinement or custody.

(B) With respect to any period in which an eligible individual, while confined or held in custody (as described in section 10(2)(B)), was less than 18 years of age, that individual shall be paid for each day of such confinement or custody during that period the number of dollars equal to the age (in whole years) of that eligible individual.

Page 16, lines 1 and 2, strike out "confined, held in custody, relocated, or otherwise deprived of liberty or property" and insert in lieu thereof "confined or held in custody".

Page 5, strike out line 19 and all that follows through page 6, line 4 and insert in lieu thereof the following:

(a) Review of Applications By Certain Individuals.—

(1) In general.—Each department and agency of the United States Government shall review with liberality, giving full consideration to the historical findings of the Commission and the findings contained in this Act, any application by an individual described in paragraph (2) for the restitution of any position, status, or entitlement lost in whole or in part because of any discriminatory act of the United States Government against such individual which was based upon the individual's Japanese ancestry and which occurred during the evacuation, relocation, and internment period.

(2) Individuals to Whom Paragraph (1) Applies.—The individuals to whom paragraph (1) applies are—

(A) any eligible individual, and

(B) any individual who would be an eligible individual, except that such individual was relocated or otherwise deprived of liberty or property (but was not confined or held in custody) as a result of any of the laws, orders, directives, or other actions described in section 10(2)(B).

Mr. SHUMWAY [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

☐ 1410

Mr. SHUMWAY. I thank the Chairman.

Mr. Chairman, I realize the hour is late and many Members have obligations to travel very shortly. I would like to speak just briefly about my amendment because I do think it has merit and it is worthy of being considered by the House in earnest.

I recognize also that it has been the position of the proponents of this legislation that they resist all amendments. I recognize the reasons for that position.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I would be happy to yield to the gentleman from Massachusetts [Mr. Frank].

Mr. FRANK. I thank the gentleman for yielding.

I would simply like to say to the gentleman I appreciate his spirit, but, Mr. Chairman, the gentleman is incorrect when he says we are resisting all amendments. We began today with an amendment to the language, a very important amendment offered by the gentleman from California to which the majority willingly acquiesced. So we have not resisted all amendments. We in fact have acquiesced to one.

Mr. SHUMWAY. The gentleman is correct and I appreciate him correcting the record in that regard. But I think otherwise our colleagues have indicated that the proponents of the bill do resist any other amendments.

I simply offer this one, Mr. Chairman, because I sincerely believe it improves this bill. It does not cut the bill, but I think it makes it much more palatable to many Members of this body.

Let me point out in the very beginning that the purpose of this amendment is not to cut costs. It does result in a smaller amount of outlays from the Federal Government, but it is not a cost-cutting effort for which I offer this amendment. Rather, the purpose of this amendment is to achieve some measure of fairness in the bill and indeed I think that goal would appeal to all Members of this body.

Again, let me just reiterate that my purpose in offering this amendment is not to cut costs but to build into the bill a measure of fairness that I think is not there at the present time.

The bill defines persons eligible for the $20,000 payment as being any person that spent any length of time at all in one of the camps that we have talked about. It seems to me, Mr. Chairman, implicit in that definition is an injustice that needs to be rectified. It is not difficult for us to imagine on the one hand an infant who may have been born in camp perhaps toward the end of World War II, maybe spent a week or just a few days in camp and then because his parents were released, exited from the camp with his family, spending only a matter of a few days there. On the other hand, contrasted with that internee is the head of a family who may have been committed to supporting his children with a store or a farm, who had income that he used to provide for his family, that person having to pull up roots, lose his home, lose his possessions, move his family out of the home, obviously posed to him a great deal of hardship especially if he spent as long as 3 years in the camp, as many did.

It seems to me we make a mistake by putting both types of victims in the same category, paying them both $20,000. Obviously, the degree of civil rights deprivation is much greater in the one case than it is in the other case. One of the objections I have had to this bill is the arbitrary nature of that formula. So my amendment suggests, Mr. Chairman, that we build in two factors to the formula which I think will ease away the arbitrariness from it.

Under my amendment we would pay $20,000 to the person who was an adult who spent the 3 years in camp. But for other adults who spent a shorter period of time in camp, the rate of pay would be $18 per day which essentially works out to the $20,000 over the 3 years. For those who were minors or infants under the age of 18, my amendment would pay them at the rate of $1 per day times the age that they were when they were in camp. It seems to me, Mr. Chairman, that this kind of formula is much better geared and tailored to meet the civil rights laws that we've heard described so well here during the debate today.

It is fair, it is one that will not require an overwhelming burden of proof on the part of the Japanese-Americans who were victimized. There are tables, there are lists, there is information available in the archives of the Library of Congress.

The formula I have devised is quite simple. It may not be perfect but I do think it is fair and I urge it upon the Members for that reason.

Mr. DYMALLY. Mr. Chairman, I move to strike the last word and rise in opposition to the amendment.

Mr. Chairman, much has been said about the injustice of the experience of the Japanese-Americans across the United States during World War II. I do not think there is any need to delve any further. However, I do want to respond to two or three points raised by my neighbor, Mr. Lungren, and my friend, Mr. Packard, dealing with the question of compensation which they seem to think is either immoral or illegal.

Mr. Lungren, for whom I have great respect and who moved me when he gave his stirring remarks here about Martin Luther King's birthday holiday bill is someone for whom I have a great deal of respect and I want to respond to his legal premise upon which he opposed the compensation.

He cited the fact that the Supreme Court had made a decision on this issue and therefore it seems somewhat redundant, it seems unnecessary that we should relive that part of history. I want to cite to him here—and I am not a lawyer—the case of Plessy versus Furgeson where the Supreme Court of this land upheld the whole question of separate but equal accommodation.

Subsequently, this Congress corrected that with the Civil Rights Act and therefore it seems to me very appropriate today for this Congress to correct an error on the part of the Supreme Court. The Supreme Court is the highest court in the land but they are not endowed with perfection. From time to time they make very grave and historic mistakes and that is what we are trying to do here, to correct that.

Mr. Packard, my friend from California, also made a very moving statement about the loss of his father and the disorganization of his family. But his father was not discriminated against because he was a white male. He was discriminated against because he was part of the adversary group, he was viewed as part of the enemy. He was captured by the enemy. He was not singled out because he was white and male.

In this case the Japanese-Americans were singled out because they were a Japanese ancestry. So it does not seem to me that the case of Mr. Packard applies here. It is totally in keeping with the nature of war.

This is a case where the United States did not give protection to its own citizens. On the other hand and without attempting to be personal or offend anyone because I strongly opposed the internment, there were several thousand Germans in the Midwest and there were Nazi spies within the United States and the U.S. Government was aware that the Nazis had penetrated the United States. They arrested some of them. They did not put the Germans living in the Midwest in concentration camps.

While the United States was at war with Germany and Italy also, there were no American-German or American-Italian internment camps, yet as I have stated earlier, 120,000 Americans of Japanese ancestry were interned, simply because they were a racially identifiable nationality. The security justification does not stand since there is not one documented case of espionage by a Japanese-American. So here was a case of blatant discrimination. But the point that the opposition to this bill is making is that the monetary compensation is either illegal, immoral, or unnecessary. It seems to me perfectly proper, very appropriate that we should compensate these people who lost their property. As a newcomer to Los Angeles, I ended up in an area which I think most of you know, around the coliseum, University of Southern California.

I have lived in that area and I was haunted very often by the notion that I was living in a house which was taken away by the Government from a Japanese-American and which was sold by real estate developers for very little money. And that notion always haunted me. As a legislator in California I looked to see how I could make a contribution to rectify this wrong, one of which was: Many Californians of Japanese ancestry had become victims of the bombing in Hiroshima and Nagasaki and had developed a peculiar ailment but they were ineligible for Medicare because they were wage earners. I introduced legislation to see if we could open up a research institute at UCLA to look at this peculiar ailment. So we have an opportunity today, Mr. Chairman, to rectify a wrong and to pay compensation in a small amount, not to compensate for an injustice but as a symbolic gesture on the part of the United States.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I am reluctant to rise in this debate for many reasons, first because I myself have such strong feelings; second, because so many strong feelings are expressed by others. But probably more than any other reason, because of the eloquence of the debate has been moving for so many of us and I hesitate to add my clack to that eloquence.

I rise because I feel compelled to rise, Mr. Chairman.

We are here as Representatives of our constituents and as Representatives today we are attempting to do two things. The first is a good thing and a necessary thing, to make a public confession that our Government was wrong and to ask forgiveness for that wrong on behalf of ourselves as Representatives and on behalf of the people that we represent.

I believe that is sincere by all parties. What I worry about is the extent to which we can really do that for our constituents. Can we make our constituents understand what we feel today? And will they feel that?

So I am not sure, Mr. Chairman, whether we can do that or not, but I feel honored that we have been willing to try and make the effort for all American people to make this statement.

The second thing which I do not believe is a good or a necessary thing to do is, strangely enough, what we most certainly can do which is spend the American citizens' money to make restitution. And if we spend that money and we do not have a sincere universal reconciliation of our feelings and our attitudes in the process, it will be a blatant hypocrisy. In that regard, Mr. Chairman, I want to speak about a single word, a word that I find offensive, a word that is a dirty word, a word that is a mean word and a word that is a harsh word, that I once again hear in this town, I am sorry to say, I have heard on this floor and I hear in this country that I thought I would not hear anymore.

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I was around in 1942, 1943, 1944, 1945, 1946, and 1947, and I heard that word. I did not like it then, and I do not like it now. The word I am talking about is the word, "Jap." I hear it in this country too much, and I hear it in conjunction with the trade bill. I want the body to know that I do not take such a word to the well lightly.

But if we use that word, after we have this vote—and we most certainly will, I understand, vote the apology and the money, and we are doing that as Representatives of the people and as leaders of the people—if we do that and if we then, pursuant to this action today, whether it be with regard to trade or any other subject, either use or accept the use of that word or any such word that is an epithet against a race of people, or the spirit within which such language is used, then what we will have done today will have been a terrible hypocrisy.

I will be asking my colleagues to vote against the one thing we can surely do, which is to spend the American taxpayers' money, and I will ask my colleagues to vote for the one thing we must surely do, which is to express the American citizens' regret for past misdeeds and their willingness to accept the responsibility for those deeds, and then go one step beyond this floor and ask my colleagues to join me in once again expressing, in the way we do business with all other Americans and all other citizens in the world, no tolerance for racial prejudice and dirty language, either in our own use or in the use of words by others. If we can do that, we will have done a far, far more important and better thing than to spend somebody else's money for hypocritical efforts.

Mr. CARDIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the pending amendment.

Mr. Chairman, I am very honored to be a member of the committee that has brought H.R. 442 to the floor. This bill, as I think the last vote of this House indicates, will state very clearly that this Nation made a mistake, that it admits its mistake, it makes an apology, and it takes steps to prevent this type of activity from happening in the future, and, most importantly, it provides for compensation.

Mr. Chairman, let me talk a little bit about the compensation because that is the subject of the amendment that is pending before us now. This amendment would do serious damage to the provisions of H.R. 442 as it relates to compensating those people whose rights were violated.

Where does the $20,000 come from? It did not come out of Congress; it came out of the commission that looked into this. It is a figure, Mr. Chairman, that will at least be acknowledged by the group that has been affected as a fair figure of compensation.

I want to compliment the men and women in this House who worked so hard on this particular bill to bring us a figure of compensation so that the group affected would feel that we are in fact making a good-faith effort to compensate those people whose rights were violated. It avoids the painful experience of going through litigation.

The amendment being offered now would set up a bureaucratic nightmare. It would put one more obstacle in the way of compensating people who have been waiting for 45 years to receive compensation.

Mr. Chairman, it is not the length of time that a person spends in one of these camps, it is not the age of the person who is in the camp, it is the fact that that person's rights were violated and we need a fair system to compensate those people. The bill before us provides that fair system.

Mr. Chairman, I urge the Members to reject the amendment.

Mr. SHUMWAY. Mr. Chairman, will the gentleman yield?

Mr. CARDIN. I am glad to yield to the gentleman from California.

Mr. SHUMWAY. Mr. Chairman, may I just ask the gentleman this question: as the gentleman views the measure of compensation now contained in the bill, is it his position that a person who perhaps was an infant and who spent only days in a camp was aggrieved or violated to the same extent as someone who was an adult and who spent 3 years in the camp?

Mr. CARDIN. Absolutely. That person carries the stigma of having his constitutional rights or her constitutional rights violated. That person was in a circumstance where his personal rights or her rights were taken away.

Let me point out that we have developed a system that is fair to a group, that has been recognized by the group, and I urge the Members not to try to pit people against people. Let us end this chapter in our history.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. CARDIN. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I would agree that not everyone was injured absolutely equally, but I would also say this: If we went to anything like a realistic measure of the degree of injury and we tried to come close to compensating people for that, we would have a bill for 10 times as much as this. As the gentleman from Georgia [Mr. Swindall] pointed out, in 1945 dollars we are talking about $2,800. So if we want to go to a more realistic compensation system, first of all, the transaction costs would be enormous in the assessments, but when we go to the harm to people, as our colleague, the gentleman from California, whose hearing was damaged because of inadequate medical treatment in the camps, the people who lost homes and livelihoods and chances of advancement, we would be spending a lot more than $1.2 billion.

So a few people might be getting a little more than we think they should, but a lot will be getting less, and if we were to go away from the uniform form to something where we assess how much each person was owed, we would be spending a lot more money and a lot more time.

Mr. Chairman, this is an element of compromise. It is a compromise that saves the Government money.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the last world.

Mr. Chairman, I would assume only the highest motives should be ascribed to the gentleman's amendment, because I am sure he wants to be ultimately fair or as fair as he can to all those who were injured. But as the gentleman from Massachusetts and the gentleman from Maryland just indicated, how can we be fair if we pit one against the other?

On the technical side, the amendment really is not fair in any event because under the formula there are those who will get much less than the $20,000, but if the time puts them over the $20,000, they are capped anyway. So while there are those who will not reap any benefits, there will be many who will be detrimentally affected.

Secondarily, we heard that the compensation factor may be $2,800 in real terms based on 1942 dollars. What we did not hear and what we ought to hear, because the gentleman from Texas was incorrect, is that this is not taxpayers' money, it is not Treasury dollars, this is the repayment of confiscated property that the Treasury of the United States borrowed, took for no interest for 45 years. In real terms, the confiscated property today is worth literally hundreds of billions of dollars, and to those that had psychological, deep scars inflicted on them, even infants, we are giving a token payment. It is almost to some degree the best we might be able to do under all of the current circumstances, and there are those who will probably say that it is a tokenism.

But it is one way at least that we have of redressing the most bitter example of how people can, under the threat of the possiblity of war, be set upon and pitted against one another even in a democracy, even in this country.

If you want to get some ideas, I say to my colleagues, close your eyes and just imagine yourselves on any given day, a nice warm day, playing out in the yard, 5 years old, and the next thing you know, you and your family are in the back of a truck being taken a few hundred miles away and put behind barbed wire fences, put in the most atrocious housing and held there against your will as American citizens. And these are not Japanese-Americans; these are Americans who are only Japanese by descent.

Everyone of us would today fight viciously to avoid this problem. Yet it happened in this country, and there is no amount of fairness that you can try to overlay that will change the basic reality. We put people behind bars for no reason, we scarred them, we cruelly tortured them, and there is no way to apportion that by a small dollar amount between child and parent.

And if you want to be technical, let us be technical. Where is the legacy that some of those parents would have left their children? It was confiscated. It is gone. So given that the children only spent a few weeks or less behind bars, it is even more cruel because we are depriving them of what they may have gotten from their parents who may be dead now an did not qualify, and we are also taking from them the compensation for that legacy which they no longer have.

This bill is a fine example to some degree of the conscience of Americans who are able to stand up and say that we made a mistake, and even though in its own small way it is inadequate, we will do something to make amends in a small way for what happended before and we will recommit ourselves not to do it again.

Mr. Chairman, as God watches us, this bill as it is written is the right bill to support.

Mr. CHANDLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I disagree with the gentleman from Florida [Mr. Smith] in this respect: Our purpose here today is not to compensate anybody. We could never adequately do that, whether the person was in a concentration camp for 1 day or for the entire duration of the war.

There are times when we as Americans have to make decisions, not with the logic of our minds but with the feelings of our heart. I think that is what we are doing here today. It would be so easy to trivialize this whole issue in an argument over the dollar amounts that are involved. I think we come close to doing that with a $20,000 figure for everyone involved.

The gentleman from California has given considerable thought to this, and I admire him for that. He is an honored Member of this body. But I think this is a time when we reach into our hearts and say, even if it does not appear to make total sense, let us do it because it is ultimately the right thing to do.

Earlier I heard Members on this floor say there was justification for what was done. I was born in 1942. I did not have the advantage of knowing then what was occurring. I have no historical memory of it. But there can never, in an open, free, and democratic society, be a justification for taking people from their homes and taking their liberty. We must never allow it to happen again.

Let us not trivialize this any further by the adoption of amendments to this piece of legislation. I have thought about this with my mind for a long time, and until this week I was undecided. But when I turned to my heart, I realized this is what has got to be done.

Mr. FAUNTROY. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from the District of Columbia.

Mr. FAUNTROY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, in the 16 years that I have represented the citizens of our Nation's Capital in the Congress without a vote on this floor, I don't know when I have wanted more to cast a vote on behalf of my constituents than on this day and on an issue like this where we can right a tragic and historic wrong.

I cannot vote today because, while the citizens who elect me pay more per capita in Federal taxes than the residents of 49 of the 50 States, my constituents alone among Americans still endure the tyranny of taxation without representation. I am here to appeal to my friends in this body to vote for me on this bill. Vote against the Lungren amendment. Vote for the committee bill.

Mr. Chairman, it brings goose pimples to the skin of many of us who truly love this country to think that on this very day 200 years ago, September 17, 1787, the Founding Fathers signed the Constitution of the United States and thus launched it on its historic and magnificent journey down the corridors of time.

I find myself asking the question, "Had I been privileged to be one among them on this day 200 years ago would I, too, have signed the document?" I have concluded that I would have voted with the Founding Fathers, its glaring imperfections to the contrary notwithstanding. Yes, I know that the Constitution they signed extended the right to vote only to those who owned property; it denied women the right to vote altogether. I know that it declared my forbears to be only three-fifth citizens with no rights that white citizens were bound to respect.

But I would have voted yes on this day 200 years ago. I'd have voted yes because the Constitution they drafted was not a perfect document, but a living document. It was not a finished document, but a document that could grow as our Nation grew. It was not a document that embodied justice, but a document that gave us room for the continued pursuit of justice.

Through 24 amendments to that Constitution we have been wise to right historic wrongs and to extend the blessings of liberty to all within our land. We have an opportunity today to right a wrong done our Japanese-American citizens. You will have an opportunity later this fall to right a wrong that we continue to visit upon the citizens of our Nation's Capital.

It is significant, Mr. Chairman, that our Committee on the District of Columbia is on this historic day filing its report on H.R. 51, a bill to extend full citizenship rights to District residents through statehood.

I urge every Member to ask him or herself. "Would I have voted with the Founding Fathers 200 years ago to end the tyranny of taxation without representation for the Thirteen Colonies?"

If your answer to that question is yes; then I hope you will vote "no" on the Lungren amendment, "yes" on the committee bill and "yes" on the D.C. statehood bill this fall to end the tyranny of taxation without representation for the citizens of the last colony.

Mr. SHUMWAY. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from California.

Mr. SHUMWAY. Mr. Chairman, I thank the gentleman for yielding to me.

I would like to respond to the gentleman from Florida that referred to the compensation being given by this bill; and I believe the gentleman referred to the confiscation of property.

Just for correcting the record, I would like to say that there is nothing that I see in the orders that were given, the actions that were taken, that amounted to property confiscation by the Government.

It is true that properties were lost in some cases, sometimes through abandonment, neglect, or sometimes through the fraud of others; but it was not part of the Government relocation program to confiscate property.

I do not think that there is an effort made in this bill to reimburse people for property confiscation; for civil rights violations, yes.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentlewoman from California [Mrs. Boxer].

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I represent a thriving Japanese-American community in the San Francisco Bay area and on behalf of that community may I say how pleased I am at the way this bill is moving forward to completion with dignity and without the amendment to strike the reparations.

I know we all have special relationships with the people of our districts and I have such a relationship with the Asian community in my district. And there isn't a time that I am in that community, at meetings or church gatherings that I am not told by some young and thriving constituents, of the pain and suffering and the trauma felt by their parents and their grandparents because of America's war relocation effort.

The experience of my dear friends from California, Mr. Matsui and Mr. Mineta, strikes a chord deep within my soul. Because of my own ancestry, I had aunts and uncles and cousins and grandparents pulled from their homes in Western Europe because of one reason—their ethnicity.

This kind of ripping apart of humanity must have no place in the world—no place!

Our action here today is very significant not just in this country but all over the world. We are saying no, never again!

Whether it's the Japanese-American relocation, or the Armenian genocide, or the Holocaust or apartheid, or the refuseniks in Russia, or solidarity in Poland, we say "No."

I am proud that as we celebrate the Constitution, we commemorate all of its glory in the best possible way by defeating all crippling amendments and passing H.R. 442, the Civil Liberties Act of 1987.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, I thank the gentleman for yielding to me.

I rise in very strong support of H.R. 442 and against the amendment of the gentleman from California.

Much has been said, and I am not going to repeat it; but let me just say that we could not have a better opportunity to do justice on this most historic day than the bill that is before the Members today, H.R. 442.

That is the essence of the Constitution really that provides rights and remedies, privileges to our citizenry, and a process to redress those rights.

Many of the Members today have alluded to the fact that there was mass hysteria, and indeed I am sure there was back in 1941 and 1942; but some of that hysteria was fed by those who knew differently.

I have looked at the Commission on Wartime Relocation and Internment of Citizens report.

I would like to recite one particular paragraph in there which suggests that our Government did in fact know that there was no substance to these suggestions of disloyalty on the part of our Americans of Japanese ancestry.

> Contrary to the facts, there was a widespread belief supported by a statement by Frank Knox, Secretary of the Navy, that the Pearl Harbor attack had been aided by sabotage and fifth column activity by ethnic Japanese in Hawaii. The government knew that this was not true, but took no effective measures to disabuse public belief that disloyalty had contributed to massive American losses on December 7, 1941. Thus the country was unfairly led to believe that both American citizens of Japanese descent and resident Japanese aliens threatened American security.

So first officials in the Government knew there was no substance to it, and permitted it to go forward. It also has been argued that there is no precedent for us providing reimbursement, but we do that every year by attempting to redress those persons arrested, falsely imprisoned by sums that try to make amends for the wrong done to those citizens.

That is what we are going to do, nothing less.

It was said earlier in today's debate, and it is so true, that justice, justice that is in fact delayed is justice denied.

Let us hope we can get on with the business today of trying to make amends.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. Frank] has expired.

(By unanimous consent, Mr. Frank was allowed to proceed for 2 additional minutes.)

Mr. LEWIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Georgia.

Mr. LEWIS of Georgia. Mr. Chairman, I thank the gentleman for yielding to me.

I rise in strong support of H.R. 442 and in opposition to the amendment.

Mr. Chairman, we must learn from this national mistake, this national disgrace, so this kind of action will never be repeated.

It is not enough to promise never to repeat this mistake. As a nation, we must redress for this error in order to do justice for the ideals for which we stand.

The amount of compensation in this legislation is very small in consideration of the losses incurred by Americans who were singled out on the sole basis of their racial ancestry. While we cannot erase the history of injustice done, national recognition for the wrongs committed can serve to renew our commitment to the ideals of personal justice and basic human rights. The time is always right to do what is right.

I think it is time for the Members to oppose this amendment and to support the legislation.

I urge my colleagues to support H.R. 442, the Civil Liberties Act of 1987. This important legislation would implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians.

During World War II, 120,000 Americans of Japanese ancestry, two-thirds of whom were United States citizens, were incarcerated, some for as long as 2 years, and deprived of their civil rights. None of the Japanese-Americans who were relocated had been convicted of any crime, and the Report of the Commission on Wartime Relocation and Internment of Civilians, published in 1983, concluded that the relocation was not a military necessity. In addition to the loss of jobs, land, and possessions, the relocation presumed disloyalty, shame, and social stigma, and caused tremendous damage to those involved, in terms of loss of personal dignity, identity, and psychological trauma. The scars of this experience are still evident four decades later.

Mr. LOWRY of Washington. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Washington [Mr. Lowry], who introduced this bill in 1979.

Mr. LOWRY of Washington. Mr. Chairman, I thank the gentleman for yielding to me.

I wish to compliment the gentleman from Massachusetts and the other members of the committee for the outstanding work done.

We worked on this for 8 years. This is a tremendous day to be a Member of the U.S. Congress in this great country, because what we are going to do today is something that will make America proud on this 200th anniversary of the Constitution.

I want to thank every Member and urge defeat of the amendment and urge passage of the bill.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, before I tried to caution the body that we ought to be engaged in self-examination rather than self-flagellation, and I am afraid some historical statements have been made on this floor and entered into the Record; and as we reflect on what it was that our country did wrong, we should not hype that, exaggerate that, because we would take the wrong lessons out of it.

To equate what this country did to what happened in World War II, or the Holocaust, or Armenian genocide and other examples of inhumanity to man is, I think, unnecessary. It is not that type of case at all.

Mr. Chairman, the problem is, this debate evidently now is whether or not the money is appropriate or how much money, and little regard is being paid to the historical accuracy of this record.

☐ 1450

That would be as unfortunate in one direction as is the stigma that is still attached to some Japanese-Americans remaining from the wrong Executive order that was issued by Franklin Delano Roosevelt. We do not have to be proud of that decision to say it does not equate with the Holocaust or anything like that. We do not have to be proud of that decision to reject the notion that there was torture.

One of the real problems when you read the history of this is that initially reference was made to concentration camps. That was a term that was used long before we discovered what happened in Nazi Germany and long before the term concentration camp got a different connotation.

Depriving Americans of their civil liberties is bad and we ought to apologize for it and act to set the record straight, but suggesting it was worse than it was is also bad.

Mr. Chairman, it has also been mentioned by some that what we are talking about here is not moneys from the taxpayers of America, the General Treasury; rather, it is a return on investment that was gained somehow by the American Government when these people were required to leave their homes. That is just not true. The losses they suffered were losses they suffered when those lands were abandoned or when they were sold at less than appropriate prices.

The Congress of the United States has responded to those property losses on at least three separate occasions. In 1948 we passed a law which dealt with such property claims. We extended that law in 1951 and in 1956. We not only extended it, but we expanded the amount to be recovered from $2,500 to $100,000.

In 1958 there was a further, as I said, extension and expansion of the program. At the time that that extension was coming about in debate in both the House and the Senate side, those groups that supported something to be done to make some recompense for the damages that had been suffered by those who were under the order of President Delano Roosevelt argued that this was the last request that would be made.

Twenty years later, we find ourselves on the floor dealing with it again. Although I will acknowledge I am against individual reparations, it does appear to me that if you do support individual reparations, you ought to consider whether there ought to be a blanket amount of money or whether we should use some discrimination; that is, make some determination as to the seriousness of the loss suffered by the individuals, those who were in for more than 3 years, those who were in for only a few months; it seems to me we ought to seriously look at this.

Last, I would plead with my colleagues, as much as you wish to revisit history and to apologize for the actions of the United States, do not make them worse than they were. Acknowledge what happened. These were not concentration camps. These were not torture camps. This was not Nazi Germany. This was not the Holocaust. This was not the Armenian genocide, and we do a disservice to those who came before us when we suggest that it was.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words. I rise in support of H.R. 442.

Mr. Chairman, as has been discussed here earlier, we have compensated the victims of this tragic event through damages to their property. The suggestion in this bill, I believe, is a reasonable one. It suggests that we also try and come up with a compensation, even though inadequate, which everyone I think would acknowledge, for the time that they were incaracerated or restrained.

Colorado has a special feeling for this. Out of this tragic event, out of the movement of people involuntarily, Colorado benefited. Some of our finest citizens came from those camps. They are some of our most honest, hardworking and productive human beings, not only in Colorado, but in the Nation.

Mr. Chairman, they are proud people. If we try to compensate them for the insult, other than apologize, I am not sure we can do it. They are not asking for a handout. They are not asking for something that they do not deserve. What they do reasonably feel is that the time they spent in those camps is worth some compensation. It is for that reason that I not only support the bill, but that I support the amendment of the gentleman from California.

Let me suggest how terribly I think this amendment is, because it reaches the very core of why these people are entitled to compensation and why they feel they are entitled to compensation. It is this. They are not asking for a favor or a handout. They are asking only for a portion of what they deserve. This amendment tries to give a reasonable allocation based on the time that they spent in that incarceration.

I would suggest for these very proud people, it is important for this bill not to seem simply like a handout, but to be put in the true perspective which it is, and that true perspective is something they deserve.

We do them a disfavor if we give the person who was in the camp 2 days the same amount that someone who was in there 3 years. We do them a disfavor, because this is not a handout. This is something they are entitled to.

Mr. Chairman, I would urge approval of the amendment of the gentleman from California and approval of the measure as well.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the pleas to go home, but we are here to do business and this gentleman does not speak on the floor every day on every issue and there are few issues, I might say to my distinguished friend, the gentleman from Massachusetts, that are compelling enough that one must speak. Just introducting a few written remarks by the staff is not adequate, or making a few comments with respect to one of my colleague's amendments earlier is not adequate. There comes a moment when one has to speak, to tell his or her own story vis-a-vis the proposition that is before the body.

One of my distinguished colleagues on the other side of the aisle stated that he was born in 1942 and has no recollection of the war. This gentleman was born in 1935, so I do recall the war and felt the war through the body of a child and saw it through the eyes of a child.

My home was in the middle of the block on Wood Street in West Oakland. On the corner was a small grocery store owned by Japanese people. My best friend was Roland, a young Japanese child, the same age. I would never forget, Mr. Chairman, never forget, because the moment is burned indelibly upon this child's memory, 6 years of age, the day the six-by trucks came to pick up my friend. I would never forget the vision of fear in the eyes of Roland, my friend, and the pain of leaving home.

My mother, as bright as she was, try as she may, could not explain to me why my friend was being taken away, as he screamed not to go, and this 6-year-old black American child screamed back, "Don't take my friend."

No one could help me understand that, no one, Mr. Chairman.

So it was not just Japanese-Americans who felt the emotion, because they lived in the total context of the community and I was one of the people who lived in the community.

So I would say to my colleagues, this is not just compensation for being interned. How do you compensate Roland, 6 years of age, who felt the fear that he was leaving his home, his community, his friend, Ron, the black American, who later became a Member of Congress; Roland, the Japanese-American, who later became a doctor, a great healer.

This meager $20,000 is also compensation for the pain and the agony that he felt and that his family felt. This meager $20,000, in 1942 terms $2,800, is also compensation for the thousands of dollars of personal belongings that were strewn on the streets, on 10th and Wood Streets in West Oakland in 1942, because in case you do not know it, they could only take what they could carry.

So the little football that we played with in the streets, the games that we played that took up hours of our time in the streets, the furniture that we walked on and wrestled upon as children in 1942 in the streets; so this $20,000 and this formula that if you were in for 1 day you get a few nickels, if you are in for 3 years you get the whole $20,000, as if we could play that game.

This is not about how long you were in prison. It is about how much pain was inflicted upon thousands of American people who happened to be yellow in terms of skin color; Japanese in terms of ancestry, but this black American cries out as loudly as my Asian-American brothers and sisters on this issue.

So this formula, while well intended, does not in any way address the reality of the misery, Mr. Chairman. It must be rejected out of hand because it does not address the misery.

Vote for this bill without this amendment and let Roland feel that you understood the pain in his eyes and the sorrow in his heart as he rode away screaming, not knowing when and if he would ever return.

Mr. MINETA. Mr. Chairman, I rise in opposition to the gentleman's amendment to H.R. 442. The gentleman has just introduced us to what can only be described as the bell-curve theory of civil rights.

Mr. Chairman, either you have rights or you don't. Our Constitution is based on the principle of "equal rights for all." There is nothing in that fine document which says one's individual rights are somehow proportional to one's age or earning power.

Yet that is precisely what this amendment does: it correlates damages to a person's age and length of time in camp. But let me remind this body that every person who was evacuated from the west coast—from infants right on up to grandmothers—suffered a wholesale abridgment of civil rights. Those who were age 10 suffered the same humiliation as those of 20 or 50 or 80.

The Commission on Wartime Relocation and Internment of Civilians, after thoroughly studing these events, recommended individual compensation of $20,000 per person. The Judiciary Subcommittee on Administrative Law and Governmental Relations approved such compensation by a voice vote. The full Judiciary Committee overwhelmingly saw fit to keep the individual lump-sum compensation to survivors.

The suggestion of some kind of per diem payment for one's loss of rights directly contradicts the intent of the bill. Under H.R. 442, the restitution is not for lost property and wages, as great as those losses were, but for the sweeping loss of individual rights. Every person who was evacuated and interned lost his or her rights. This Congress should not institute a subminimum wage for the civil rights of minors.

In addition to the problems of substance, this amendment would impose horrendous administrative problems in determining individual payments.

Imagine trying to document how many months and days each internee spent in camp, and what the age was—in years, months, and days—for every child upon both entering and leaving camp! Would the administrators need photos of birthday cakes with candles to help gather proof? The identification of every person who is eligible will not be a difficult job; counting birthdays certainly would be an impossible one.

If the gentleman's amendment is an attempt to save money, it will have the reverse effect. More administrative money will be spent on verifying unnecessary data than would be saved with this penny-ante shell game of individual rights.

Mr. Chairman, the Judiciary Committee overwhelmingly agreed that those interned suffered a wholesale abrogation of their rights, and as a result were each entitled to a lump-sum payment. To do otherwise would be to tamper with the scales of justice.

I ask my colleagues to vote against this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Shumway].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SHUMWAY. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred two Members are present, a quorum.

Does the gentleman from California [Mr. Shumway] insist on his request for a recorded vote?

Mr. SHUMWAY. I do, Mr. Chairman.

A recorded vote was refused.

So the amendment was rejected.

### PARLIAMENTARY INQUIRY

Mr. GEKAS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GEKAS. The Chairman counted the number of members on the question of whether or not a recorded vote should be taken, but I did not hear a vote being taken on the issue.

The CHAIRMAN. A voice vote was taken first. The gentleman from California requested a recorded vote and it takes 25 in the Committee of the Whole, and only 21 wcre standing.

☐ 1505

The CHAIRMAN. Are there further amendments?

The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Murtha] having assumed the chair, Mr. Gray of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 442) to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, pursuant to House Resolution 263, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

### RECORDED VOTE

Mr. LUNGREN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 243, noes 141, answered "present" 1, not voting 50, as follows:

[Roll No. 321]

### AYES—243

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Badham
Bates
Beilenson
Bennett
Bereuter
Bilbray
Boehlert
Boland
Bonior (MI)
Bonker
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Brown (CO)
Bruce
Bustamante
Campbell
Cardin
Carr
Chandler
Cheney
Clay
Clinger
Coelho
Coleman (TX)
Conte
Conyers
Courter
Coyne
Craig
Crockett
Dannemeyer
Davis (IL)
Davis (MI)
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
English
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gejdenson
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gradison
Gray (IL)
Gray (PA)
Gunderson
Hall (OH)
Hamilton
Hawkins
Hayes (IL)
Hefner
Herger
Hertel
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hughes
Hyde
Jacobs
Jeffords
Johnson (CT)
Jones (NC)
Jontz
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kostmayer
Lagomarsino
Lancaster
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Moakley
Molinari
Mollohan
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nelson
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Pashayan
Pease
Pepper
Perkins
Pickle
Porter
Price (IL)
Price (NC)
Rahall
Rangel
Ravenel
Rhodes
Richardson
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schuette
Schulze
Schumer
Sharp
Shays
Sikorski
Skaggs
Skeen
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swift
Swindall
Synar
Tauke
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Waxman
Weber
Weldon
Wheat
Whitten
Williams
Wilson
Wolf
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (AK)

### NOES—141

Applegate
Archer
Armey
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bevill
Bilirakis
Bliley
Boulter
Broomfield
Buechner
Bunning
Burton
Byron
Callahan
Carper
Chapman
Clarke
Coats
Coble
Coleman (MO)
Combest
Cooper
Daniel
Darden
DeLay
DioGuardi
Dorgan (ND)
Dowdy
Dreier
Dyson
Emerson
Erdreich
Fawell
Fields
Flippo
Frenzel
Gallegly
Gaydos
Gekas
Goodling
Grandy
Grant
Green
Gregg
Guarini
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hiler
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Inhofe
Ireland
Jenkins
Johnson (SD)
Jones (TN)
Kanjorski
Kasich
Kolbe
Kyl
Leath (TX)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Myers
Nichols
Nielson
Olin
Packard
Parris
Patterson
Penny
Petri
Pickett
Pursell
Ray
Regula
Ridge
Ritter
Roberts
Robinson
Rogers
Roth
Rowland (GA)
Schaefer
Sensenbrenner
Shaw
Shumway
Shuster
Sisisky
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stangeland
Stenholm
Stratton
Stump

Sundquist
Sweeney
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Upton
Walker
Whittaker
Wylie
Young (FL)

ANSWERED "PRESENT"—1

Mineta

NOT VOTING—50

Baker
Berman
Biaggi
Boggs
Boner (TN)
Borski
Bryant
Chappell
Collins
Coughlin
Crane
Daub
de la Garza
Dornan (CA)
Downey
Ford (TN)
Gephardt
Gordon
Henry
Hutto
Kemp
Kolter
Konnyu
LaFalce
Lantos
Latta
Lent
Lewis (CA)
Lloyd
Mavroules
McCurdy
Neal
Nowak
Oxley
Panetta
Pelosi
Quillen
Roemer
Russo
Schroeder
Skelton
Smith (NE)
Spence
St Germain
Tauzin
Towns
Vander Jagt
Watkins
Weiss
Wise

□ 1520

The Clerk announced the following pairs:

On this vote:

Ms. Pelosi for, with Mr. Quillen against.

Mr. Lantos for, with Mr. Coughlin against.

Mr. Kemp for, with Mrs. Smith of Nebraska against.

Mr. Berman for, with Mr. Crane against.

Mr. Lewis of California for, with Mr. Baker against.

Mr. Konnyu for, with Mr. Oxley against.

Mr. JONES of Tennessee and Mr. JOHNSON of South Dakota changes their votes from "aye" to "no".

So the bill was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to implement recommendations of the Commission on Wartime Relocation and Internment of Civilians."

A motion to reconsider was laid on the table.

## AUTHORIZING CLERK TO MAKE TECHNICAL AND CONFORMING CHANGES IN H.R. 442, CIVIL LIBERTIES ACT OF 1987

Mr. FRANK. Mr. Speaker, I ask unanimous consent that the clerk may be allowed to make technical and conforming changes in the bill just passed.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## GENERAL LEAVE

Mr. FRANK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## PERSONAL EXPLANATION

Mr. BORSKI. Mr. Speaker, I was unavoidably absent on September 17 when the House of Representatives considered H.R. 442, the Civil Liberties Act of 1987. Had I been present, I would have voted "aye" on final passage and "nay" on any weakening amendments.

H.R. 442 offers long overdue redress to Americans of Japanese descent whose constitutional rights were violated by our Government during World War II. The legislation is based on the recommendations of the Commission on Wartime Relocations and Internment of Civilians.

It is fitting that the House of Representatives approve H.R. 442 as we celebrate the bicentennial of the U.S. Constitution. Passage of the bill will reaffirm our commitment to the 200-year-old document that is the foundation of our great democracy.

## REPORT ON HOUSE JOINT RESOLUTION 362, CONTINUING RESOLUTION, 1988

Mr. WHITTEN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 100–306) on the joint resolution (H.J. Res. 362) providing temporary restrictive financing not to exceed the current level for the fiscal year 1988 which begins October 1, 1987 for programs covered under the 13 regular appropriation bills, which was referred to the Union Calendar and ordered to be printed.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3030, AGRICULTURAL CREDIT ACT OF 1987

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 100–307) on the resolution (H. Res. 265) providing for the consideration of the bill (H.R. 3030) to provide credit assistance to farmers, to strengthen the Farm Credit System, and for other purposes, which was referred to the House Calendar and ordered to be printed.

## DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. (Mr. WILSON). Is there objection to the request of the gentleman from Washington?

There was no objection.

## ADJOURNMENT TO MONDAY, SEPTEMBER 21, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

## PERSONAL EXPLANATION

Mr. FOLEY. Mr. Speaker, on a personal note, I was absent on votes No. 315 and No. 316 on September 15, 1987. Had I been present I would have voted "aye."

## AMENDING THE EXPORT-IMPORT BANK ACT OF 1945

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be discharged from further consideration of the bill (H.R. 3289) to amend the Export-Import Bank Act of 1945, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. LEACH of Iowa. Mr. Speaker, reserving the right to object, I do not object, but simply would like to make the point that the minority has no objection to this, and in particular we wish to express our appreciation for the leadership of the gentleman from New York [Mr. GARCIA] in bringing to the floor a bill at the request of the administration in such a very timely fashion.

Mr. GARCIA. Mr. Speaker, will the gentleman yield under his reservation?

Mr. LEACH of Iowa. I yield to the gentleman from New York.

Mr. GARCIA. I thank the gentleman for yielding.

Mr. Speaker, section 19 of Public Law 99–472, the Export-Import Bank Act Amendments of 1986, establishes a tied aid credit program at the Bank, and authorizes a $300 million appropriation for fiscal year 1987 and fiscal year 1988 to be used for grants made under the tied aid credit program. The tied aid credit program was designed as a "war chest" for Eximbank to target its own credits in ways which would advance negotiations in the OECD for rules to constrain misuse of tied aid credits by other countries for commercial advantage. It was expected that each Exim tied aid credit package would combine a grant with a standard export credit.

Before authorization of the $300 million fund for fiscal year 1987 and fiscal year 1988 and the initial appropriation of $100 for fiscal year 1987, Eximbank had authorized selected tied aid credits on soft terms for the same war chest purposes. Because no grant funds were yet available, these were 100 percent credits with low interest rates and long repayment term. The 1986 act stated that the fund appropriation is available to reimburse the Bank for the subsidy cost of these war chest tied

aid credits authorized by the Bank in fiscal year 1986.

The Bank has now determined that there may be some instances where it is more appropriate to use a 100-percent soft loan—such as was done in fiscal year 1986—for support of a transaction under the tied aid credit program rather than a combination of a grant and a regular Eximbank loan as originally envisioned. In fact, the Bank has such a case now pending. This legislation would simply permit the Bank to reimburse its account for the amount of the subsidy; that is, grant element, in any such soft loan authorized in fiscal year 1987 and 1988, the same as it is allowed to do for fiscal year 1986. No additional budget authority or funds would be required because the amount would come out of the $100 million appropriation already available for the tied aid credit program in fiscal year 1987 and from whatever Congress provides for the program for fiscal year 1988.

Mr. LEACH of Iowa. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill as follows:

H.R. 3289

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 15(c)(2) of the Export-Import Bank Act of 1945 (22 U.S.C. 635i-3(c)(2)) is amended by striking out "during fiscal year 1986" and inserting in lieu thereof "during fiscal years 1986, 1987, and 1988".

The bill was ordered to be engrossed, and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## EMBARGO AGAINST MEXICAN TUNA FISH

(Mr. ANDERSON asked and was given permission to address the House for 1 minute.)

Mr. ANDERSON. Mr. Speaker, it is with more than the usual forethought that I address the House today and bring before this body my call for an embargo on the part of the United States against Mexico. I ask that this embargo be placed upon frozen, fresh, and canned tuna fish. Recent actions by vessels of the Mexican Navy leave me no choice but to ask for such an embargo.

Allow me to give a background summary. In July 1980, Mexican naval vessels seized an American tuna boat outside the 12-mile territorial jurisdiction of that country and refused to release the boat. The United States retaliated by imposing an embargo on Mexico at that time.

In August 1986, little more than a year ago, the United States finally lifted the 1980 embargo. This action was announced as a gesture of goodwill by the President and was predicated upon the Secretary of State's decision to lift the embargo.

The 1986 decision to lift the embargo on Mexico was based upon the Secretary of State's determination that our southern neighbor was meeting the condition that "sufficient time" had elapsed since a seizure incident. Thus, the Secretary of State decided that, although there had been a seizure in 1983, 3 years from that date represented a sufficient amount of elapsed time to justify lifting the 1980 embargo.

In February 1987, 6 months after the lifting of the embargo of 1980, two American tuna boats were seized off the northern tip of Baja California. There were many calls to my office requesting an immediate reimposition of the embargo but since the position of the tuna boats at the time of seizure was somewhat in doubt, I deferred from a call for an embargo. It was not easy to exercise patience on that occasion for the fines imposed by the Mexican Government were high and it was particularly galling for the owners of the seized vessels to have to buy back their own fishing nets from the authorities who had seized them. For a fisherman, his nets are his livelihood. It is almost as if a person's automobile was released to the owner only to be told that the tires would have to be separately repurchased. The Mexican Government practice of having tuna fishermen buy back their own confiscated nets is an insult to good reason and judgment.

Nonetheless, in February's incident the fines were paid, the tuna boats released and the incident was closed although the request that the United States reimpose the embargo was not forgotten by the captains and the leaders of the southern California tuna fishing industry.

This brings us to the present. On September 3, 1987, the *Mauretania*, a San Pedro based fishing vessel was seized off the coast of Mexico by a Mexican naval vessel. The *Mauretania* was fishing well beyond the recognized 12-mile limit for tuna and was therefore very much engaged in legal fishing. The boat was escorted into the port of La Paz, detained, fined $30,000, suffered the loss of their legal catch of 207 tons of tuna and once again made to undergo the farce of buying back their own nets to the tune of $25,000. If we consider the current cost of tuna at $1,050 a ton, the total loss to the *Mauretania* for legal fishing off the coast of Mexico is close to $275,000. Clearly this violation is an outrage.

Mr. Speaker, on behalf of the tuna fish owners and operators of southern California, I call upon the Secretary of State to take the necessary steps to impose an immediate embargo on the import of any Mexican frozen, fresh, or canned tuna into the United States. This action by the Secretary of State would be no more than what is called for. Any other action on the part of the Secretary of State would be unacceptable to me. I ask that the embargo remain in effect until such time as a workable understanding be reached with Mexico that would once and for all protect the legal activities of the tuna fishermen of this country.

It has to be true that a reasonable approach between reasonable people can bring this nagging problem to a close. All that the fishermen of southern California wish to do is to legally pursue their livelihood. Once that livelihood is not endangered then an embargo is not necessary. Until then an embargo is mandatory.

## TAKE THE AVIATION TRUST FUND OFF BUDGET

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Mr. Speaker, the Federal Government is pulling a scam on air travelers. Twice as many people are flying today as flew in 1978 before deregulation. Each of these air travelers has paid an 8-percent tax on his ticket, supposedly to fund the equipment and personnel necessary to provide a safe trip and the airport development to handle the increased volume of passengers.

Guess again, $5.6 billion of the money raised from these taxes have not been used for the intended purposes. That money is sitting in the trust fund unused in order to make our Federal budget deficit look a little less horrendous than it is. That's deceptive and immoral.

Does our aviation system need all that money? You bet it does. We need more air traffic controllers, we need modern air traffic control equipment, and we need expanded airport capacity.

We have fewer air traffic controllers now than in 1978, but twice as many passengers lives depend on their efforts. We import vacuum tubes from the Soviet Union for our antiquated air traffic control equipment because they aren't manufactured in the United States anymore. The last major airport built in this country was completed 13 years ago, before deregulation and the incredible increase in air traffic.

We've been hearing a lot about delays and air safety this summer. To address those problems, we must expand the capacity of our aviation system. That means freeing the money in the trust fund to be used for what the taxes were intended to be used for. The only way to do that is to take the trust fund off budget. We owe it to air travelers and their families to take this action.

The Reagan administration has been a big proponent, and I think rightfully so, of user fees. It should be the biggest proponent of making sure this user fee is used as the Government promised it would be.

## HAPPY BIRTHDAYS ARE IN ORDER TODAY

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, happy birthdays are in order to our country today. Today is the 200th anniversary of our Constitution in Philadelphia in 1987. Yesterday we celebrated that event with an extravaganza here on the steps of the Capitol. Today our President and many Members of this body are going to Philadelphia to reenact that signing. The Constitution is a living document as exemplified in hearings going on in the other body for confirmation of a Supreme Court Justice. There are some things we can do in this body to insure that it remains a living document here also. Today would be an excellent day to bring to the floor a balanced budget amendment for this body to vote on. There is a discharge petition being readied to make that occur. Today would also be an excellent day to consider some of the reforms that the Republican conference sent to the Speaker of the House dealing with our budget process, rulemaking process, committee ratios, many other activities.

Happy 200th birthday, America. Hopefully we will have another 200 years as strong as the first 200.

## STRONG SUPPORT FOR LINE-ITEM RESCISSION LEGISLATION

(Mr. JOHNSON of South Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of South Dakota. Mr. Speaker, as we pause today to observe the 200th anniversary of our Nation's Constitution, I am reminded of what I heard recently as I traveled across South Dakota, holding a dozen public "Town and Country" meetings in all parts of the State.

More than 500 people took part, and they were nearly unanimous in expressing serious concern about the dangerous Federal budget deficit.

I found strong support for the line-item rescission legislation that I have introduced, for a budget summit conference of Government leaders, and for a balanced budget amendment to the Constitution.

South Dakotans realize that the budget deficit is costing America $135 billion this year in interest on the national debt. This money is coming out of the pockets of middle class taxpayers and going into the vaults of wealthy special interests—both here and overseas—who collect windfall interest payments.

What we've got is a pickpocketing Uncle Sam playing the role of a 20th-century Robin Hood—in reverse.

My South Dakota constituents are saying it's time for us to reduce this deficit with the same spirit of resolve and determination that our forebears demonstrated when they created our Constitution 200 years ago.

□ 1535

## AIR SAFETY LINKED TO FREEING UP TRUST FUND MONEYS

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, the safety and convenience of our Nation's aviation consumers depends upon the removal of the Airport and Airway Trust Fund from the Federal budget. Such action would ensure that the $2.8 billion authorized in H.R. 2310 is spent as intended.

I believe it is fundamentally unfair that the 8-percent ticket tax paid by aviation consumers is not being fully used to improve an air transportation system which is increasingly unsafe and inefficient. Unsettling as it may be, statistics indicate that the planes on which we travel today are more likely to crash than they were a year ago and the aviation consumer is more prone to be the victim of inconvenient delays.

Unfortunately, the situation appears to be getting worse. Plans to modernize the American Air Traffic Safety System are already 2 years behind schedule. Our air traffic controllers are relatively inexperienced and hopelessly overworked. The number of near midair collisions has increased 50 percent in the first half of 1987 compared to the same period last year.

Ironically, dedicated funding already exists which is not being used to correct this situation. In fact, $5.6 billion in unspent revenues is currently sitting in the aviation trust fund which could be used to fund safety, capacity, and noise improvements, and the trust fund surplus continues to grow. At the present rate, the surplus will reach $10 billion by fiscal year 1989 and $12 billion by 1991.

Yet, instead of being used for improvements, the aviation trust fund has essentially become a pawn in a budget game which has nothing to do with air transportation. I believe it is time to put the aviation trust fund to work.

Taking the trust fund off budget is fiscally responsible. The Congressional Budget Office recently reported that the removal of the trust fund from the budget would actually reduce the deficit starting in fiscal year 1990. This fact contradicts many previous assumptions regarding the role of the trust fund in the budget process.

Failure to expend the trust fund for aviation improvements represents a dangerous deception which jeopardizes the lives of the American public. I urge my colleagues to support the release of the trust fund for its intended purpose.

## FIFTIETH ANNIVERSARY OF THE DAVID TAYLOR NAVAL SHIP RESEARCH AND DEVELOPMENT CENTER

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, 50 years ago, in the twilight years before World War II, ground was broken in Carderock, MD, for a new experimental model basin to replace the old one at the Washington Navy Yard. Not long afterwards, the facility was named after Rear Adm. David Taylor, who designed and supervised the construction of the old experimental model basin and spent 20 years as its director.

During World War II and especially thereafter, the facility now known as the David Taylor Naval Ship Research and Development Center has played a crucial role in developing a Navy to match America's commitment to leadership of the free world. It has responded to the challenge of new technology with vigor and enthusiasm, designing, evaluating, and testing many of the ships in the postwar nuclear Navy.

Today, the Taylor Center is the Navy's principal research, development, testing, and evaluation center for naval vehicles and is considered the finest establishment of its kind in the world. Tomorrow, the Taylor Center will be celebrating its anniversary. I know that my colleagues join me in congratulating the center for having reached this milestone.

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## URGING THE REAGAN ADMINISTRATION TO SUSPEND MFN STATUS FOR ROMANIA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I have a very serious matter that I want to bring to the attention of our colleagues here today.

As we know, Mr. Speaker, the House suspended MFN for Romania because, first, a Catholic priest said that Christmas should be a holiday and they beat him and killed him. Second, they bulldozed a synagogue, the last Spanish synagogue. They bulldozed the Seventh Day Adventist Church while the people were in it.

Mr. Speaker, this administration, the Reagan administration, and the State Department, even with all that, does not want to suspend MFN.

Mr. Speaker, I am sad to say today that since the Reagan administration has granted the continuation of MFN, the Romanian Government has knocked down two more churches. They have knocked down two churches to make room for what they call a boulevard, the boulevard which is called Victory of Socialism. So the Reagan administration and the State Department are allowing the Ceausescu administration to continue to bulldoze those churches so they can name a boulevard, and they are calling the boulevard Victory of Socialism.

Mr. Speaker, where is the State Department? Where is the White House when 23 million people are being persecuted in Romania and we get nothing from the Reagan administration except one thing? We get only one thing, Mr. Speaker—silence.

Mr. Speaker, I hope this Reagan administration wakes up and does what is right and, by Executive order, suspends MFN and stands on the side of the people that want freedom and human rights and liberty.

## URGING A RATIONAL CONSIDERATION OF THE ACID RAIN PROBLEM

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, the National Acid Rain Precipitation Assessment Program's interim report has been released today. There is a story in the Washington Post about it, and I think those of us who are interested in the acid rain issue ought to take a close look at its findings.

Only a small portion, a small fraction, in fact, of U.S. lakes and streams have been damaged by acid rain, and the damage is not likely to worsen significantly in the near future. That is the conclusion of this interim report.

Also there is little evidence, the report indicates, to support the theory that acid rain is adversely affecting our forests. Natural stresses and insects and diseases are likely to have more serious effects, according to this report. $SO_2$ projections into the next century are likely to decline as new technology is implemented.

This is not a time to relax our environmental safeguards. I am not advocating that. I am simply saying that as we look at this acid rain question, it is clear there is no need to rush to judgment. Let us give thoughtful, careful, rational consideration as to how we proceed in dealing with the solution to this problem. Let us not rush into a solution that we might all regret later.

## ETERNAL VIGILANCE IS THE PRICE TO SECURE THE BLESSING OF LIBERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, the Government of the United States was organized 200 years ago today, 12 years after our forebears declared independence from England.

It was the first time in history that the principles upon which a nation was to be founded were prescribed in a written document—the Constitution. The preamble clearly defines the purposes of our Government. We all know by heart those immortal words:

> We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

We Americans love freedom. And more than other provisions, we notice the provisions granting freedom. In order to "secure the blessings of liberty * * *" to American citizens the founding fathers divided the powers of Government among three separate branches: legislative, executive, and judicial; reserving to the States those powers not granted to the Federal Government. Equally important, the framers created a laborious process through which the eternal struggle between protecting personal liberty and promoting economic interests may be reconciled.

On the occasion of the signing of the Constitution, Benjamin Franklin admonished future generations when he said: "We have created a Republic if you can keep it."

In walking through the Capitol corridor today to the Hall of the House of Representatives I stopped for a moment to ponder the thoughtful words of the late Mr. Justice Louis Brandeis that are preserved there seemingly in response to Mr. Franklin:

> The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well meaning, but without understanding.

In his genius Thomas Jefferson prescribed the remedy: "Eternal vigilence is the price of freedom."

At separate times Jefferson also suggested:

> Enlighten the people and tyranny and oppression will vanish like evil spirits at the dawn of day.

* * * * *

> If once the people become inattentive to public affairs you and I, and Congress, and assemblies, Judges and Governors shall all become wolves.

Mr. Speaker, indeed we are blessed to be American citizens. It is my hope that everyone of our generation will be vigilant to support the Constitution. It is a miracle and we have an obligation as citizens enjoying the blessings of liberty to pass it intact to future generations.

## JUDGE BORK AND THE RULE OF LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 60 minutes.

Mr. CONYERS. Mr. Speaker, it may be providential that the hearings on the nomination of Judge Robert Bork to the Supreme Court of the United States should coincide with the celebration of the 200th anniversary of the Federal Constitution.

The coincidence of these two events requires us to take a special look at the constitutional views of Judge Bork and to determine whether they are consistent with and likely to enhance and support the constitutional system under which we the people of the United States govern ourselves. Such an examination reveals that Judge Bork is an extremist whose views are outside the constitutional mainstream and threaten the stability of the social compact under which a heterogeneous people coexist.

If there are two principles fundamental to the American constitutional system they are: First, a commitment to the rule of law; and second, a commitment to individual rights. Judge Bork's constitutional ideology is inconsistent with both. His writings over many years, both as an academic and as a jurist, demonstrate an authoritarian contempt for the rule of law as well as a disdain for the rights of minorities.

The "Saturday night massacre" will long be remembered as one of the most serious challenges to constitutional government in our Nation's history. President Nixon ordered the firing of Watergate Special Prosecutor

Archibald Cox, despite a commitment to Congress, in order to evade a court order to reveal incriminating documents. According to the only Federal court to ever review those events, the firing of Cox was an illegal act which engendered "considerable public distrust of government" and precipitated "a lack of confidence in the administration of justice."

We cannot forget that it was Solicitor General Robert Bork who carried out President Nixon's order after the Attorney General and Assistant Attorney General both resigned in protest.

The firing of Cox was one of the offenses listed in the Bill of Impeachment which forced Richard Nixon from office. Shall the man who actually executed the outrageous act be rewarded with appointment to the highest court in the land? Shall we seat on the Supreme Court a man who undermines trust in Government and confidence in the administration of justice?

While others with a more developed sense of constitutional processes were offended by Nixon's action, Robert Bork seems quite at ease with an imperial Presidency claiming immunity from the rule of law. Indeed, to this day, Judge Bork appears to contend that the special prosecutor—independent counsel—law adopted after Watergate in an effort to insulate investigations of executive branch wrongdoing from improper influence is an unconstitutional infringement of Presidential powers. He maintains this position despite the specific and unambiguous provision of article II, section 2 of the Constitution authorizing Congress to vest the appointment of inferior officers in the courts or in Congress itself.

Judge Bork's commitment to an Executive beyond the reach of the rule of law is further exemplified by his narrow views concerning standing to sue, including his negative view of congressional standing to challenge actions by the executive branch.

The case of *Barnes* v. *Klein*, (759 F.2d 21, D.C. Cir., 1984), involved a dispute between Congress and the President over an attempted pocket veto. Judge Bork dissented from the court of appeals' approval of jurisdiction, declaring: "We ought to renounce the whole notion of congressional standing."

It was Judge Bork's position that such disputes ought to be resolved politically. The reality of that position is that the President always wins. Since such disputes involve the legal effectiveness of legislation, and since the President controls the administration and execution of the laws, unless Congress can appeal to a third body to resolve the dispute, the Executive wins by default.

Indeed, the potential defendant always wins when access to a court is denied. That's what is so pernicious about Judge Bork's general views in regard to standing to sue, including his expansive view of sovereign immunity. Sovereign immunity is a medieval doctrine that assumes the sovereign can do no wrong. In its modern form, it protects the Government from suit even if individuals have suffered a violation of their rights. Judge Bork has frequently argued to expand such immunity—despite the fact that under our system it is supposed to be the people, not the Government, which is truly sovereign. For example, in the case of *Bartlett* v. *Bowen* (816 F.2d 695, D.C. Cir., 1984, en banc), Judge Bork argued that the Government was immune from challenges to the Federal Medicaid Program.

Thus, for Judge Bork, a narrow conception of the standing doctrine is another means by which he helps to protect lawless and authoritarian behavior by Government bureaucrats.

In the first great constitutional case, Marbury versus Madison, Chief Justice John Marshall remarked that there can be no rights without remedies. By restricting judicial remedies, Judge Bork eliminates individuals' rights and undermines the rule of law.

Judge Bork's view of our constitutional structure seems to be upside down. He appears to suffer from some rare form of constitutional dyslexia. Rather than a system to maximize individual freedom and keep Government off our backs, his constitutional structure seems modeled after that of totalitarian regimes which believe that Government officials are immune from public scrutiny and accountability and citizens have few rights which Government officials have to respect.

That conclusion is further supported by Judge Bork's record in regard to enforcement of the Freedom of Information Act, another Watergate reform designed to make Government more open and accessible. In seven split decisions involving the FOIA in which Judge Bork participated in the court of appeals, he voted against public access to information and in favor of Government secrecy in every case.

### JUDGE BORK AND IRAN/CONTRA

The Bork nomination is particularly distressing at a time when this Nation faces its greatest challenge to the rule of law since Watergate.

Throughout this past summer, the Nation witnessed the spectacle of White House personnel claiming that they could operate outside the law—with or without the President's approval. We saw a lieutenant colonel assigned to the National Security Counsel claim before the Nation that the President's men were not bound by congressional mandates restricting the use of Government resources and Government funds in the conduct of foreign relations. We saw a string of Executive officials explain that they felt that they could ignore statutory requirements of congressional notification and consultation when they found it inconvenient to comply. And we saw a President smilingly acquiesce in these claims of Executive authority and hail the lawbreakers as patriots.

And when the Attorney General was forced by congressional demands and public outcry to apply to the courts for appointment of independent counsel to investigate some of these executive branch transgressions, we saw the same Attorney General claim, in the name of the President, that the independent counsel law was an unconstitutional invasion of executive authority.

These lavish claims of Presidential power may be anticipated from officials of the executive branch attempting to justify their own actions. Generally, it is left to the judicial branch to resolve such constitutional disputes and to establish the constitutional limits of the powers of the other branches. And the Federal courts have been faithful to their constitutional obligation to contain the other branches within their appropriate limits. More than 100 years ago the Supreme Court said:

> No man in this country is so high that he is above the law. No officer of the law may set that law at defiance with impunity. All the officers of the government from the highest to the lowest, are creatures of the law and are bound to obey it. (*United States* v. *Lee*, 106 U.S. 16, 1882.)

But confirmation of Judge Bork would place on the Supreme Court the foremost exponent of unbridled Executive power, a man who rejects outright any meaningful role for the Congress in foreign affairs. In 1971, then-Professor Bork defended President Nixon's decision to bomb Cambodia, insisting that Congress had no power to limit the President' discretion to stage the attack. In an article in the American Journal of International Law, Bork claimed for the President authority to order the attack on alleged Vietnamese sanctuaries in Cambodia under "the inherent powers of the Presidency" as well as pursuant to congressional authorization which he found contained in the Gulf of Tonkin resolution.

Judge Bork has asserted Executive control over foreign affairs in other contexts as well. Thus, he testified that Congress had no power to require Executive intelligence agencies to obtain a warrant before wiretapping an American citizen suspected of engaging in clandestine intelligence activities.

On the bench, Judge Bork has consistently tried to insulate the President's policies from legal challenge by legislators. In addition to the pocket veto case, Judge Bork contended in Crockett versus Reagan that 29 Members of Congress could not challenge the legality of the President's maneuvers in El Salvador.

In attempting to place Robert Bork on the Supreme Court, President Reagan is trying to pack the Court with a strong advocate of executive power who he can count on to say the President can do no wrong—or at least can't be sued for it.

### JUDGE BORK AND THE SOCIAL COMPACT

Ours is a heterogeneous Nation. Our Constitution takes account of that fact. That social compact empowers the majority to enact and implement those policies essential to protect the general welfare, while guaranteeing to every individual and minority element freedom from unreasonable oppression by temporary or permanent majorities.

For black Americans and other minority groups, the enforcement of the social compact is a matter of survival. But the social compact is not self-executing. Legislatures, which are controlled by electoral majorities, can be generally trusted to watch over the perogatives of those majorities. However, protection of minority rights is uniquely the job of the judiciary.

And that is what gives us, especially, such great concern about Judge Bork. His writings, over a long career, both as an academic and as a judge, make clear that he does not accept the concept of a social compact in which the judicial branch is obliged to protect minorities from the tyranny of the majority. He is a strict majoritarian—at least where minority rights are concerned.

Judge Bork's view of the social compact is at direct odds with those of most of the Justices who have sat on the Supreme Court for at least the past 40 years. Over and over, starting with his now famous exegesis of "Neutral Principles" in the Indiana Law Journal, Judge Bork has insisted that the only individual rights protected against the majority are those explicitly and unmistakably mentioned in the Constitution and Bill of Rights. That, in itself, is a chilling idea for those of us whose ancestors were in slavery at the time of the adoption of the original compact and whose assimilation into the People of the United States under the Constitution required a bloody war and another 100 years of equivocation.

Judge Bork's ideological bent against minority rights is summed up in the phrase from Lord Chesterton he likes to quote deriding the notion that a community has every liberty except the liberty to make laws—his rallying cry in favor of majoritarianism in opposition to minority rights.

Equally disturbing is his willingness to permit false majorities to retain their underserved ruling status by the use of devices which restrict the right to vote. I refer to his public criticism of legislation forbidding certain voter literacy tests which had been used as a pretext for discrimination as well as his denunciation of the Supreme Court decision forbidding poll taxes, which Judge Bork called pernicious. Thus, even his commitment to so-called majoritarianism is suspect—and may be nothing more than a cover for an elitism whose real goal is to protect the dominant status of the wealthy and privileged.

Whatever his real motivation, what is indisputable is that Judge Bork has opposed just about every civil rights advance of the past 40 years.

In 1948, 6 years before Brown versus Board of Education, the Supreme Court decided the landmark case of *Shelley* v. *Kraemer* (334 U.S. 1). A precursor of Brown, the case outlawed judicial enforcement of racially restrictive deed covenants. Bork's Indian Law Journal article denounced the Shelly opinion, thus supporting the right of property owners to divide the country into racial ghettos enforced by the police power. In the 40 years since Shelly, housing integration has advanced at a snail's pace. If Bork had had his way, it would have stood absolutely still.

When Congress, inspired by Supreme Court decisions like Shelley and Brown, as well as the early civil rights movement, passed the Civil Rights Act of 1964 prohibiting discrimination in public accommodations, Bork called it unsurpassed ugliness. There is no record that he ever found racial segregation and discrimination itself so personally obnoxious or offensive.

And for the next 20 years, Mr. Bork took every opportunity to inveigh against proposals to expand rights of racial equality and justice in our land, including his opposition mentioned earlier, to the abolition of poll taxes and literacy tests which were used to deny the right to vote to the poor and members of minority groups:

As Solicitor General, Bork opposed fair housing remedies for low-income black citizens even though the Federal Government had participated in the discrimination. (*Hiss.* v. *Gautreaux*, 425 U.S. 284, 1976).

He found fault with the Supreme Court's decision in *Reitman* v. *Mulkey* (387 U.S. 369, 1967), upholding the California Supreme Court decision invalidating the State's proposition 14, a State ballot measure that overturned California's open housing law.

In 1972, Bork was one of only two law professors to testify in support of the constitutionality of proposed legislation to drastically curtail school desegregation remedies that the Supreme Court had held necessary to cure violations of the 14th amendment. And as Solicitor General, he continued to oppose school desegregation remedies before the Supreme Court.

Regarding affirmative action in medical school admissions, Bork sharply attacked the opinion of Justice Lewis Powell, the man he is nominated to succeed, in *University of California Regents* v. *Bakke* (438 U.S. 265, 1978) for suggesting that universities might take affirmative steps to train qualified blacks as doctors to meet the needs of the medically underrepresented black community. Justice Powell has cited that opinion as the one of which he is most proud.

Judge Bork has gone so far as to say that affirmative action offends "ideas of common justice." I have seen nowhere in his writings a suggestion that he feels racial discrimination "offends common justice."

Judge Bork's public career has spanned the period in which our society has made its greatest strides in extending the promise of equal justice to all its citizens and eliminating many of the vestiges of a polarized past. Millions of Americans played heroic roles in this historic forward movement toward an integrated society. Millions of others who were once skeptical of the civil rights movement have now come to terms with it and endorsed its objectives. During this entire period, Robert Bork has been an active and vocal heckler along every step of the route. And, from all that appears on the public record, remains so to this day.

Nomination of a man with so little regard for the rights of racial minorities to our highest court is an insult to millions of American citizens. This country has come too far in the past 20 years to tolerate on the Supreme Court a person with such views. At a time when we pride ourselves on the advances brought about by the civil rights movement, his confirmation would represent a major step backward into a bygone era when people of color had no rights which a white person was bound to respect.

### JUDGE BORK AND OTHER INDIVIDUAL RIGHTS

It is not only people of color who must be concerned about Judge Bork's view of the rights of the individual. Whether it be rights of personal privacy, religious freedom, freedom of speech or electoral participation, Judge Bork has exhibited a disturbing hostility to claims of constitutional protection. He has condemned the notion of voting equality as set forth in the one-person-one-vote doctrine; he has challenged the long-settled view that the first amendment protects scientific and artistic, as well as political speech, and even narrowly defines the latter; he constrains the establishment clause to permit almost any sort of Government support of religion other than the establishment of an official church; and he considers it judicial usurpation for courts to forbid States from prohibiting birth control by married couples.

He clearly rejects the notion that the major purpose of the U.S. Constitution is to keep Government off our backs, and is apparently ready to authorize the bureaucracy to entwine itself around our necks.

Judge Bork's views in opposition to individual and minority rights and in support of unrestrained executive power have now been well documented in reports issued by several public organizations dedicated to civil liberties and consumer and worker rights. In addition, there have been several especially revealing articles about Judge Bork which have appeared in print recently. In order to provide maximum illumination of Judge Bork's views and record and the threat he represents to us all, I am including in these remarks the following materials:

A report of the NAACP Legal Defense and Education Fund Inc. on "Judge Bork's Views Regarding Racial Discrimination;"

A report of the American Civil Liberties Union on the "Civil Liberties Record of Robert Bork;"

A report by the Public Citizen Litigation Group on "The Judicial Record of Robert H. Bork;"

A statement by the AFL–CIO Executive Council on "Opposition to the Nomination of Robert H. Bork;"

A press release from the Columbia Law Review entitled, "Bork's Voting Record Far More Conservative Than That of Average Reagan Judge, New Study Reveals;"

An article from the New York Review of Books by Ronald Dworkin on "The Bork Nomination."

### JUDGE BORK AND STARE DECISIS

Equally worrisome as Judge Bork's constitutional views are his commitment to an activist political agenda for implementing them and his disdain for constitutional precedent.

The eminent legal philospher Ronald Dworkin concluded from a review of his writings that Judge Bork's decisions are guided mainly by "right wing dogma," that he has no coherent legal philosophy at all. This conclusion is borne out by the analysis prepared by the Public Citizen Litigation Group of nonunanimous Court of Appeals decisions in which Bork participated. That study found that the surest predictor of Judge Bork's decisions is the identity of the parties to a case. Invariably, he voted for Government and business litigants against individual claimants, and that when Government and business clashed, he sided with corporate interests.

Illustrative of Judge Bork's selective use of judicial restraint were two cases involving Federal regulatory activities. In one case, involving the Federal Communications Commission, Judge Bork gave short shrift to a black citizens' committee which wanted the agency to continue a policy of examining a licensee's past programming in connection with renewal applications to determine if it had acted in the past in accordance with the public interest. In the other case, Judge Bork upheld the objection of the Soft Drink Association to the Secretary of Agriculture's attempt to promulgate a rule restricting the sale of junk food in public schools until after the lunch period. In other words, Judge Bork was quite willing to permit the FCC to authorize the poisoning of children's minds, but wouldn't permit the Department of Agriculture to forbid poisoning of their bodies.

Judge Bork's alleged commitment to the principle of deference to the actions of administrative agencies also got misplaced when it came to the effort of the Federal Energy Regulatory Commission to control electric rates charged consumers in Louisiana, Arkansas, and Mississippi by Middle South Energy Inc. While Judge Ginsburg felt it was an appropriate occasion for deference to the decision of a regulatory agency, Judge Bork wrote the majority opinion reinstating the company's rate schedule.

Another example of his result mindedness was revealed recently when a retired Federal judge, James F. Gordon of Kentucky, wrote an unprecedented letter to the Senate Judiciary Committee complaining about Judge Bork's unethical attempt to manipulate the decision of a panel on which they both sat. According to Judge Gordon, Judge Bork attempted to write into an opinion his own view on congressional standing after the other two panel members had specifically disapproved it. That is one more indication of Judge Bork's obsession with implementing his own political agenda through decisionmaking.

As objectionable as that is for a circuit court judge, it is all the more cause for concern in a Supreme Court Justice, who is not bound by precedent and who is answerable to no higher authority. Indeed, Judge Bork has on many occasions publicly declared his belief that a member of the Supreme Court should not feel bound by prior constitutional interpretations with which he disagrees. Owen Fiss, the Alexander Bickel Professor of Public Law at Yale, has specifically commented on Bork's "willingness to denounce, repudiate, even deride decisions" that he does not agree with. And, Professor Fiss adds, elevating him to the Supreme Court "is not likely to instill within him a new reverence for authority, but rather give him the power to write his views into law."

What a Supreme Court with Judge Bork would be like may already have been foretold by recent events in the District of Columbia Court of Appeals, where Judge Bork tried to join together with the five other Republican members of that court in a partisan bloc to override any opinions written by one of the five Democratic appointees. That plan was derailed only because one of the Republicans had second thoughts.

It is thus not surprising that the Bork nomination has generated the largest grassroots movement in the Nation's history in opposition to a judicial appointment. The combination of his hostility to settled constitutional doctrine in regard to individual rights, his disdain for precedent and his overt political partisanship are a recipe for a constitutional disaster this Nation cannot afford. The answer is clear. The U.S. Senate should just say no to Bork.

Mr. Speaker, under leave to include extraneous matter, I submit the following material:

### JUDGE BORK'S VIEWS REGARDING RACIAL DISCRIMINATION

(A Report of the NAACP Legal Defense and Educational Fund, Inc., August 1987)

*(1) Criticism of Supreme Court Precedents.—*

Judge Bork has contended that five major Supreme Court civil rights opinions were wrongly decided. *Katzenbach* v. *Morgan*, 384 U.S. 641 (1966) and *Oregon* v. *Mitchell*, 400 US 112 (1970), upheld the constitutionality of the provisions of the federal Voting Rights Act which prohibit the states from requiring voters to be able to read and write in English. If these decisions were overturned, and the relevant portions of the Voting Rights Act were held invalid, state literacy tests would again become operative, barring non-literate adults from registering, and disenfranchising a large number of existing voters, a substantial proportion of them non-white. In New York State, where an English language literacy requirement is in the State Constitution, approximately 40% of the Puerto Rican population is literate in Spanish rather than English.

Judge Bork has disagreed with the decision in *Shelley* v. *Kraemer*, 334 U.S. 1 (1948), which held that state courts may not enforce racially restrictive covenants requiring that property not be sold or leased to nonwhites. In many instances housing discrimination is now forbidden by federal statute. In those cases to which federal open housing laws do not apply, however, a Supreme Court decision overturning *Shelley* would result in state court enforcement of restrictive covenants. The Supreme Court has construed *Shelley* to ban state courts from awarding damages for violations of contracts requiring racial or other forms of discrimination; if *Shelley* were overturned, such damage actions would become permissible.

Judge Bork has asserted that *Harper* v. *Virginia Board of Elections*, 383 U.S. 663 (1966), which held the poll tax unconstitutional, was wrongly decided. Although the states which once utilized poll taxes have now repealed them, a number of jurisdictions restrict the franchise in certain elections to owners of real property, or impose extremely high filing fees for certain candidates. The Supreme Court, relying on *Harper*, has held that such practices unconstitutionally prevent less affluent citizens from voting or running for office.

Judge Bork has also objected to the decision in *Reitman* v. *Mulkie*, 387 U.S. 369 (1967), which held that a state cannot establish special constitutional obstacles to the enactment of civil rights statutes.

*(2) Congressional Authority To Prohibit Practices with Discriminatory Effects*

Judge Bork's criticism of *Katzenbach* v. *Morgan* and *Oregon* v. *Mitchell* was based on his contention that Congress, in enacting legislation under sections of the Fourteenth Amendment, cannot prohibit conduct that would not itself be unconstitutional under section 1 of the Amendment. In 1972 Judge Bork, in explaining his views regarding the constitutional restrictions on federal civil rights legislation, urged that Congress could not under the Fourteenth Amendment adopt a statute forbidding practices which had a discriminatory effect but which were not adopted for a discriminatory purpose. Bork's analysis was contained in a pamphlet regarding the so-called "Equal Educational Opportunities Act of 1972." [1] This legislation, proposed by President Nixon for the primary purpose of curtailing the use of busing to desegregate public schools, also contained in section 201 a prohibition against various forms of discrimination. Two parts of section 201 forbade practices with discriminatory effects, regardless of whether or not those practices were racially motivated.[2]

Judge Bork argued that these two portions of the proposed legislation, because they required no showing of official discriminatory intent, were unconstitutional:

"Two of the subsections of 201 . . . may be read to impose obligations far beyond any the Supreme Court has seen fit to define. Section 201(c) prohibits the assignment of a student to a school other than the one closest to his home if the result is to increase the degree of segregation by race, color, or national origin. Section 201(f) requires schools to take "appropriate action to overcome language barriers." Since these subsections do not explicitly refer to a forbidden segregatory *intent*, it would be possible to interpret them as imposing obligations upon schools that had never practiced de jure segregation. They could be seen, that is, as an attempt by Congress to legislate in the *de facto* area.

"This reading of 201 (c) and (f) would raise . . . grave issues of constitutional policy. . . . The Fourteenth Amendment . . . seems to be limited to an affirmative policy of denial by the state. . . .

"This difficulty with any interpretation that applies the strictures of the Fourteenth Amendment to *de facto* cases has led to attempts to say that Congress' power under the amendment is broader than that of the courts. Thus it is suggested, the Court may not reach *de facto* situations but the Congress may. . . . The solution seems improper, however, for it leaves the legislative power where it belongs only as between Congress and the Court, and shifts it impermissibly to Congress from the state legislatures. . . . The power to "enforce" the Fourteenth Amendment is the power to provide and regulate remedies, not the power to define the scope of the amendment's command or to expand its reach indefinitely.

"To read 201 (c) and (f) of the equal opportunities bill as dispensing with the need for a forbidden discriminatory *intent* by an agency of government, therefore, is to impute a casual attempt to alter drastically the relation between the federal and state government and to raise a profound issue of constitutionality in the wrong way."

R. Bork, "Constitutionality of the President's Busing Proposals," pp. 19–20 (1972) (Emphasis added).

If the Supreme Court were to accept Judge Bork's position regarding the limited nature of congressional authority under the Fourteenth Amendment, the validity of many federal statutes establishing a discriminatory effect standard would indeed be in doubt. The Equal Protection Clause itself ordinarily forbids only intentional racial discrimination. *Washington* v. *Davis*, 426 U.S. 229 (1976). Congress, however, has enacted a variety of statutes establishing a discriminatory effect rule, despite often strong opposition by the Reagan administration to the utilization of such a standard. Title VII of the 1964 Civil Rights Act, for example, prohibits most employment practices with a discriminatory effect; the application of Title VII to state and local governments has hitherto been based on the Fourteenth Amendment. *Fitzpatrick* v. *Bitzer*, 427 U.S. 445, 453–56 (1976). In 1982 Congress amended Section 2 of the Voting Rights Act to forbid the utilization of election laws and practices with a discriminatory effect, *Thornburg* v. *Gingles*, 92 L.Ed.2d 25 (1986); although this legislation found support in the Fifteenth Amendment as well as the Fourteenth, Judge Bork's constitutional objection seems equally applicable to both Amendments.

*(3) Comments on the Poll-Tax.—*

During his 1973 confirmation hearing, Judge Bork was questioned about his position that *Harper* v. *Virginia Board of Elections*, 383 U.S. 663 (1966), striking down the Virginia poll tax, was wrongly decided:

Senator TUNNEY. How do you feel about the decision. Do you think that as far as the welfare of the Nation is concerned, the *Harper* case was correctly decided?

Mr. BORK. I do not really know about that, Senator. As I recall, it was a very small poll tax, it was not discriminatory and I doubt that it had much impact on the welfare of the Nation one way or the other.

Senator TUNNEY. How about the welfare of those people who had to pay it and might not have been able to afford it, for those people who perhaps would have been inhibited from registering and voting because of the poll tax?

Mr. BORK. Well, I would hope that a state would take some measure to enable those whose means do not permit them to pay a tax like that to pay it or to be relieved of it.

(1973) Confirmation Hearing, p. 17). In 1980 Judge Bork described *Harper* as having invalidated "even . . . racially non-discriminatory poll taxes." [3]

Judge Bork's benign characterization of the poll tax is difficult to reconcile with the facts that were common knowledge long before 1973. In its 1966 decision in *Harper* itself, the Supreme Court expressly found that the "Virginia poll tax was born of a desire to disenfranchise the Negro." 383 U.S. at 666 n.6. *Harper* cited a 1965 Supreme Court decision in *Harman* v. *Forssenius*, 380 U.S. 528 (1965), which had also concluded that the Virginia poll tax was racially motivated. The sponsor of the Virginia poll tax, in a passage quoted in *Harman*, exclaimed:

"Discrimination! Why, that is precisely what we propose; that, exactly, is what this Convention was elected for—to discriminate to the very extremity of permissible action under the limitations of the Federal Constitution, with a view to the elimination of every negro voter who can be gotten rid of, legally, without materially impairing the numerical strength of the white electorate."

380 U.S. at 543. At the 1902 Virginia state convention which enacted the poll tax, "the only real controversy was whether the provisions eventually adopted were sufficient to accomplish the disenfranchisement of the Negro." 380 U.S. at 543 n. 23.

The Supreme Court was not alone in recognizing that the poll tax in Virginia and across the south was adopted for the purpose of disenfranchising blacks. The Senate Judiciary Committee concluded in 1965, as it had in 1943, that the poll tax was racially motivated:

"We think a careful examination of the so-called poll tax . . . and an examination particularly of the constitutional conventions by which the amendments became a part of state laws, will convince any disinterested person that the object of the State constitutional conventions, from which emanated mainly the poll tax laws, were motivated entirely and exclusively by a desire to exclude the Negro from voting."

S. Rep. No. 162, 89th Congress, 1st Session, pt. 3, at 33 (1965). The United States Commission on Civil Rights reached the same conclusion:

"Between 1889 and 1908, the former Confederate states passed laws or amended their constitutions to erect new-barriers around the ballot box. The most popular were: (1) The poll tax . . . [T]heir sponsors made little or no attempt to disguise their chief objective, which was to disenfranchise Negroes in flat defiance of the Fifteenth Amendment."

United States Commission on Civil Rights, "With Liberty and Justice for All," p. 30 (1959).

The Senate's view of the poll tax, which existed only in southern states, was confirmed by repeated judicial findings. In the same year that the Supreme Court recognized in *Harper* the racial purpose of the Virginia poll tax, similar findings were made by lower federal courts regarding the poll taxes in Texas and Alabama. In *United States* v. *Texas*, 252 F. Supp. 234 (W.D. Tex. 1966), a three judge federal court held that "[a] primary purpose of the . . . Texas . . . poll tax . . . was the desire to disenfranchise the Negro." 252 F. Supp. at 245. The court noted a report of the Texas legislature that the poll tax was popular because of "a desire to disenfranchise the Negro," and quoted contemporaneous accounts of the racial purpose underlying the original adoption of the Texas poll tax. 252 F. Supp. at 242–43 n. 44. In *United States* v. *Alabama*, 252 F. Supp. 95 (M.D. Ala. 1966) another three-judge court found:

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[1] R. Bork, "Constitutionality of the President's Busing Proposals" (American Enterprise Institute 1984).

[2] H.R. 13915, 92d Cong., 2d Sess. (1972), stated in pertinent part as follows: "Section 201. No state shall deny equal educational opportunity to an individual on account of his race, color, or national origin, by—

* * * * *

(c) The assignment by an educational agency of a student to a school other than the one closest to his place of residence within the school district in which he resides, if the assignment results in a greater degree of segregation of students on the basis of race, color, or national origin among the schools of such agency than would result if such student were assigned to the school closest to his place of residence within the school district of such agency providing the appropriate grade level and type of education for such student;

* * * * *

(f) The failure by an educational agency to take appropriate action to overcome language barriers that impede equal participation by its students in its instructional programs."

[3] R. Bork, "Justice Douglas; His Politics Were His Law," Wall Street Journal, November 21, 1980.

"[F]rom its inception the Alabama poll tax was illegal and invalid as an attempt to subvert the Fifteenth Amendment to the United States constitution. The necessary effect of the poll tax as adopted in 1901 was to disenfranchise Negro voters. The history of the poll tax leaves no doubt that this was its sole purpose."

252 F. Supp. at 95. The words of the framers of the Alabama poll tax were as avowedly racial as those at the Virginia convention:

"[I]t is our purpose, it is our intention, and here is our registered vow to disenfranchise every Negro in the state." [4]

In Louisiana the President of the state convention commented regarding the new constitution embodying that state's poll tax:

"[D]oesn't it stop the Negro from voting, and isn't that what we came here for?" (applause) [5]

At the South Carolina convention that enacted that state's poll tax, one delegate decried black voting and insisted that the convention's purpose was "to put such safeguards around the ballot in the future to so restrict the suffrage and circumscribe it, that this infamy can never come about again." [6] The Mississippi Supreme Court expressly acknowledged that the state's poll tax was adopted to "obstruct the exercise of the franchise by the Negro race." *Ratliff* v. *Beale*, 74 Miss. 247, 266–67 (1896).

The United States Congress repeatedly recognized the serious harm and injustice caused by the poll tax. Between 1959 and 1962 the House of Representatives passed anti-poll tax bills on five occasions, and the Senate twice . proposed constitutional amendments. *Harmon* v. *Forssenius*, 380 U.S. at 538–39. In 1962 the Congress adopted a constitutional amendment prohibiting the use of a poll tax in federal elections; the proposal was promptly ratified by the states and became the Twenty-Fourth Amendment. The poll tax remained in effect, however, for state elections. In 1965 Congress made a formal finding that continued "requirement of the payment of a poll tax as a precondition to voting . . . precludes persons of limited means for voting." 42 U.S.C. § 1973(h). In *United States* v. *Alabama* the court concluded that, because of its continued applicability to state and local elections, "the poll tax remains one of the last great pillars of racial discrimination. In effect, the tax still bars a large number of Negroes from the polls." 252 F. Supp. at 100.

Contemporaneous accounts of the impact in Virginia of the Twenty-Fourth Amendment, and of the on-going effect of the poll tax on non-federal elections, made clear the subsequent significance of *Harper* in that state and elsewhere. The New York Times reported in 1964 that the ratification of the Twenty-Fourth Amendment brought about a surge in black registration for federal elections, but that few of the new registrants paid the poll tax still required to vote in state elections:

"Norfolk, VA September 19th. Virginia's Negroes, freed from paying a poll tax in Federal elections by a constitutional amendment, are registering in record numbers in several Virginia communities . . . .

"In the Tidewater region around Norfolk and in Richmond, Negroes have been quick to seize advantage of the poll tax demise . . . . [I]n Richmond . . . . Negro registrations totalled 1,279, and white registrations 519 . . . . In Norfolk, 5,325 people, at least half of them Negroes, registered . . . . the city's population is 26 percent Negro . . . . Negro registration in Portsmouth from July 16 through September 16 totalled 2,027, roughly one-third as many as the 6,235 Negroes previously registered in that city . . . . In 1960, from July 16 to September 16, only 224 Negroes registered in Portsmouth . . . .

"The quickened Negro interest in national politics bears little immediate chance of Negro influence in state elections. Registrars in Portsmouth and Norfolk estimate that *10 percent or less of the new Negro voters are also paying the $1.50-a-year poll tax still demanded as a state and local voting requirement.*"

New York Times, September 20, 1964, p. 66 col. 3. (Emphasis added.)

The next spring the Times reported in a front page story that an end to the poll tax still applicable to state and local elections would have a major effect on state politics:

"Byrd's Power in Virginia Periled by Proposed Ban on Poll Tax

"Richmond, May 28th. It is generally acknowledged here that repealing the poll tax for state and local elections would probably speed the demise, or transformation, of the Byrd political organization in Virginia. . . . The removal of all taxes on voting, it is believed, would accelerate the change from a small, controlled electorate to a much broader one in which the urban centers held power that had been centered in the county courthouses. . . .

"In last year's Presidential election, after ratification of the Twenty-Fourth Amendment, more than one million Virginians voted, an increase of 270,000 from the 1960 election . . . Ralph Eisenberg, writing in last month's edition of The University of Virginia Newsletter, said an analyses of the election showed that 'removal of the poll tax as a requirement for voting in Federal elections was the principal factor responsible for the impressive turnout.'

"One observer here said a similar effect could be expected in state and local elections if the poll tax were entirely removed. 'It could blast some of the old-line conservatives out of their seats in the General Assembly and shake up the Governor's office quite a bit. . . .

"[I]n Virginia . . . Texas . . . Mississippi and Alabama . . . there is evidence that the tax keeps down political participation by the poor, Negroes included. . . .

"[W]hen the tax was repealed in Louisiana, Florida, Tennessee, Georgia and Arkansas the voter turnout increased 5 to 10 percent . . . a number greater than the margin of victory in many election contests. . . .

"The Virginia poll tax was adopted by constitutional convention in 1902. In the next Presidential election, participation fell drastically, from 264,000 in 1900 to 130,000 in 1904."

New York Times, May 31, 1965, p.1, col. 1.

*(4) Opposition To Title II of the 1964 Civil Rights Act—*

In 1963, Judge Bork wrote an article opposing adoption of Title II of the 1964 Civil Rights Act, which prohibits racial discrimination in public accommodations. R. Bork, "Civil Rights—A Challenge," *The New Republic*, August 31, 1963, pp. 21–24.[7] Judge Bork offered three distinct reasons for rejecting the proposed legislation.

First, Bork argued that Title II would be difficult or impossible to enforce

"[I]t is . . . appropriate to. question the practicality of enforcing a law which runs contrary to the customs, indeed the moral beliefs, of a large portion of the country. Of what value is a law which compels service to Negroes without closes surveillance to make sure the service is on the same terms given to whites? It is not difficult to imagine ways in which barbers, landlords, lunch counter operators, and the like can nominally comply with the law but effectively discourage Negro patrons. Must federal law enforcement agencies become in effect public utility commissions charged with the supervision of the nation's business establishments or will the law become an unenforceable symbol of hypocritical rightenousness?" (Id. at 23).

Second, Bork contended that Title II was objectionable because the rationale of the bill would, if accepted, lead to other anti-discrimination measures:

"If it is permissible to tell a barber or a rooming house owner that he must deal with all who come to him regardless of race or religion, then it is impossible to see why a doctor, lawyer, accountant, or any other professional or business man should have the right to discriminate. Indeed, it would be unfair discrimination to leave anybody engaged in any commercial activity with that right. Nor does it seem fair or rational, given the basic premise, to confine the principle to equal treatment of Negroes as customers. Why should the law not require not merely fair hiring of Negroes in subordinate positions but the choice of partners or associates in a variety of business and professional endeavors without regard to race or creed . . . It is difficult to see an end to the principle of enforcing fair treatment by private individuals." (Id. at 22).

The 1964 Civil Rights Act had many of the consequences which Judge Bork feared: Title VII was construed to apply to discrimination in the selection of partners, *Hishon* v. *King and Spalding*, 467 U.S. 69 (1984), Title VIII forbade many forms of discrimination in real estate transactions, and Congress enacted a variety of measures dealing with discrimination in the selection of subcontractors. See *Fullilove* v. *Klutznick*, 448 U.S. 448 (1980).

Third, Bork attacked Title II because he believed that it infringed on the freedom of whites to discriminate:

"Few proponents of legislation such as the Interstate Public Accommodations Act seem willing to discuss the cost in freedom which must accompany it . . . There seems to be a strong disposition on the part of the proponents of the legislation simply to ignore the fact that it means a loss in a vital area of personal liberty. That it does so is apparent. The legislature would inform a substantial body of the citizenry that in order to continue to carry on the trades in which they are established they must deal with and serve persons with whom they do not wish to associate . . . Of the ugliness of racial discrimination there need be no argument . . . But . . . [t]he principle of such legislation is that if I find your behavior ugly by my standards, moral or aesthetic, and if you prove stubborn about adopting my view of the situation, I am justified in having the state coerce you into more righteous paths. That is itself a principle of unsurpassed ugliness."

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[4] See *United States* v. *Alabama* 252 F. Sup. at 98.

[5] See *United States* v. *Texas*, 252 F. Supp. at 243 n. 52.

[6] Id. at 243 n. 51.

[7] The article was reprinted in the Yale Law Report (Winter, 1963). Judge Bork also wrote a letter defending the article. "Civil Rights—A Rejoinder," *The New Republic*, Sept. 21, 1963, p. 36.

(Id. at 22). Judge Bork perceived no basis in the Constitution or history of the United States for treating the freedom of whites to discriminate as any less legitimate than the interest of blacks in equal treatment and opportunity.

Judge Bork also denounced in harsh terms civil rights leaders who were sitting in at whites-only lunch counters asking to be served.

"[I]t is possible to be somewhat less than enthusiastic about the part played by "moral leaders" in participating in demonstrations against private persons who discriminate in choice of their patrons. It feeds the danger of the violence which they are the first to deplore. That might nevertheless be tolerable if they were demonstrating against a law that coerced discimination. They are actually part of a mob coercing and disturbing other private individuals in the exercise of their freedom. Their moral position is about the same as Carrie Nation's when she and her followers invaded saloons." (Id. at 23)

Carrie Nation and her followers, it will be recalled, ordinarily entered saloons wielding hatchets and axes, and wrecked the interior of the saloons and their contents. There was, so far as we have been able to ascertain, no incidents in which sit-in demonstrations engaged in either violence or the destruction of private property. The invariable practice of these demonstrations was simply to sit in a whites-only section of a restaurant and politely ask to be served. See, e.g., *Gardner-Louisiana*, 368 U.S. 157, 160 (1961). (Demonstrators sat in whites-only section "and remained quietly in their seats. . . . The arresting officer testified that the petitioners did and said nothing except that one of them stated that she would like a glass of iced tea . . ."); *Bouie* v. *Columbia*, 378 U.S. 347, 348 (1964) (two demonstrators, after entering a whites-only restaurant, "contined to sit quietly in the booth" after being asked to leave). Although violence occurred during this period of the civil rights movement, it was invariably the work of white individuals, mobs or policemen attacking peaceful black and white civil rights demonstrators. The incident most analogous to the practices of Carrie Nation occurred in Atlanta, when a white restaurant owner named Lester Mattox armed himself with a pick handle and chased blacks from his restaurant. As a result of that attack Mr. Maddox became a celebrity, among Southern whites and went on to be elected Governor of Georgia.

In a 1964 article in the Chicago Tribune, Bork reiterated his objection that Title II would interfere with the rights of whites who preferred not to associate with blacks:

"The accommodations law . . . would inform all owners of specified businesses that in order to continue in their established trades they must deal with and serve persons with whom they do not wish to associate. It would similarly, inform all customers of such businesses that they must sacrifice what seems to some of them an important aspect of their personal liberty in order to enjoy the services and goods of any such commercial establishment."

R. Bork, "Against the Bill," Chicago Tribune, March 1, 1964, p. 1 col. 1. Title II, he feared, would lead to other restrictions on freedom of association:

"[T]his law would set a particularly dangerous precedent because of the logical and political impossibility of confining its principle of coercing private associations to the particular areas it covers. If the owners and patrons of the commercial establishments reached by bill [roughly: restaurants, hotels and motels, gas stations, and theatres] are to be denied freedom of association in the name of a larger morality, how can that freedom be left to any seller of goods or services? There is, in fact, no reason to confine the principle of enforced association to commercial relationships."

Judge Bork challenged the constitutional authority of Congress to adopt the Public Accommodations Act:

"Many constitutional problems are raised by the civil rights bill but among the most serious are those raised by the public accommodations section. The House bill rests that section both upon Congress' constitutional power to regulate interstate commerce and upon the 14th amendment. The law would reach about as far as possible under the interstate commerce power. It provides, for instance, that no lunch counter owner can discriminate if a 'substantial portion' of the food he serves has moved in interstate commerce. The results are plain for the concept of federalism, the historic idea that there are important powers wholly reserved to the states and beyond the reach of the national government. If Congress can dictate the selection of customers in a remote Georgia diner because the canned soup once crossed a state line, federalism—so far as it limits national power to control behavior through purported economic regulation—is dead." (Id.)

Judge Bork who also argued that Title II, like Title VII, would prove unenforceable.

In 1973, at the Senate hearing regarding his nomination to serve as Solicitor General, Judge Bork, in response to a question from the committee, stated that he supported Title II. The full text of his statements is as follows:

"I should say that I no longer agree with that article and I have some other articles that I no longer agree with. That happens to be one of them. The reason I do not agree with that article, it seems to me I was on the wrong track altogether. It was my first attempt to write in that field. It seems to me the statute has worked very well and I do not see any problem with the statute, and were that to be proposed today I would support it." (1973 Confirmation Hearing, pp. 14–15)

*(5) Opposition to Title VII of the 1964 Civil Rights Act.—*

In his 1964 Chicago Tribune article Judge Bork also argued rejection of Title VII of the 1964 Civil Rights Act. He urged that Title VII, like Title II, would properly force whites to associate with blacks:

"[T]here are serious and substantial difficulties connected with the public accommodations and employment provisions. Such laws would:

"1. Adopt a principle of enforcing associations between private individuals which would, if uniformly applied, destroy personal freedom over broad areas of life.

* * * * *

"It is not enough to be assured that some people use their freedom badly and that others are thereby affronted or even made to suffer. The same could be said of many other freedoms that we continue to retain.

"Moreover, the intrusion upon freedom represented by a public accommodations and employment practices law would be of an extraordinary nature—for it is extraordinary that government should regulate the associations of private persons."

R. Bork, "Against the Bill", Chicago Tribune, March 1, 1964, p.1. col. 1. The enactment of Title VII, Judge Bork argued, would set a dangerous precedent:

"Recent headlines make it completely clear that the demand for government enforced association does not stop at the boundaries of the commercial world but is being pressed aggressively in other areas of life. The accommodations and employment provisions of the civil rights bill cannot be viewed in isolation but must be assessed as only a modest first step in a broad program of coerced social change.

"If, therefore, the principle of enforced association which underlies this bill were uniformly applied [and, of course, if it is a good principle, it ought to be uniformly applied], we would have a greatly different society from the one we now enjoy. The new one might possibly be more just and moral, but it would quite certainly be far less free." (Id.)

The social costs of enforcing Title VII, he insisted, would be intolerable:

"The difficulty of enforcing the public accommodations and fair employment sections of the proposed law would result from three factors: (1) The sheer number of establishments covered; (2) the difficulty of judging whether the standards imposed by the law had been evaded, and (3) the fact that the law would run directly contrary to the customs and moral beliefs of a majority of the population in a large part of the country . . .

"It must be enforced not only when a Negro is refused employment but when he is discriminated against in more subtle ways on the job.

"Enforcement is made even more impossible because the law attempts to deal with discriminations by reason of religion and national origin as well as race and color. The fair employment section even outlaws discrimination by reason of sex. [The House bill does avoid any appearance of stuffy fairness for absolutely everybody by thoughtfully providing that while you may not refuse to hire a man because of his religion, you may do so if he is an atheist.]

"This attempt to enforce fair treatment for almost every conceivably disadvantaged group would completely overload the enforcement machinery." (Id.)

It would be better, he urged, not to try to prohibit employment discrimination, because if whites succeeded in violating the law it would undermine black confidence in peaceful change:

"Many persons . . . favor the law as a moral symbol and as a weapon for use along with other tactics. The difficulty with this somewhat sophisticated viewpoint is that most supporters as well as opponents of this legislation think they are struggling over a law that is meant to be enforced.

"If it is not, the result on both sides may be disrespect for law and loss of faith in peaceful solutions to this problem. It could be that the most dangerous alternative before us is to enact a law that cannot be enforced." (Id.).

Enacting legal protections for racial and religious minorities, Bork insisted, would necessarily increase rather than reduce hostility among different racial and religious groups:

"The effect of public accommodations and employment practices legislation upon racial and religious tensions may be quite the opposite of what its advocates intend.

"Not only will the law pit persons of different races and religions against each other in litigation [not a notably soothing process], but it will proclaim that law, and hence politics, may properly be explicitly racial and religious.

"Political strugle will increasingly take place between groups bearing racial and religious identifications. Alliances will be sought and enmities formed on such lines.

"The process has begun already, and its implications for the future of our society are nothing short of appalling. The only hope of avoiding it is to deny that law may ever properly confer rights or impose duties upon private individuals on the ground that they are, or are dealing with, whites or Negroes, Protestants, Catholics, or Jews." (Id.)

In a 1971 article Judge Bork again expressed reservations about the feasibility and social costs of enforcing Title VII of the 1964 Civil Rights Act:

"Certain forms of discrimination present the problem of criteria that are real but cannot easily be established by evidence. It is easy enough to establish whether a person has been turned away from a restaurant because of race or sex—the variables are few. But employment discrimination presents a different problem. The decision concerning who is to be hired or not hired, who is to be promoted or passed over, does not always, or perhaps even usually, turn upon objective and quantifiable data. Such decisions also rest upon elements of judgment and intuition. On a case-by-case basis, therefore, the employer's decision will usually turn out to be unreviewable. Unless he admits bias, it is almost impossible to prove that he discriminated. This, it appears, is the reason federal programs in this field, including the President's "Philadelphia Plan" for the building trades, have had to impose quotas in order to be effective . . . .

"We are beginning to see that these are areas in which a government of men rather than laws is to be preferred. Sometimes, as in the case of employment discrimination, we may be willing to pay the costs that the use of law entails, but then we should be skillful enough to frame the criteria in ways that law can handle. We must remember that law is a blunt instrument, and that we cannot use it effectively if we assign it tasks requiring a scalpel."

R. Bork, "We Suddenly Feel That Law is Vulnerable", Fortune, December, 1971, pp. 137–38. The substance of this somewhat delicately phrased comment appears to be that eradicating employment discrimination "may" be important enough to warrant the costs inherent in the use of law, but that detecting whether employment decisions were made on the basis of forbidden criteria, such as race or sex, is so different that Title VII can only be implemented in harsh, perhaps unacceptable, ways.

*(6) Support of the Nixon Anti-Busing Bills.—*

In 1971 the Supreme Court unanimously held that federal courts could direct the use of busing where necessary to desegregate a de jure segregated school system. *Swann* v. *Charlotte-Mackelenburg Board of Education,* 402 U.S. 1 (1971). The next year President Nixon proposed two bills intended to limit the effect of *Swann.* The first, the "Student Transportation Moratorium Bill," would have forbidden any federal court or agency to issue any busing order whatever until July 1, 1973, or until the enactment of congressional standards, whichever occurred sooner. The second measure, the so-called "Equal Educational Opportunities Act of 1972", would have forbidden busing under certain specified circumstances, regardless of whether it might be constitutionally required, and would have established fixed time limits on the period during which desegregation orders, including those involving no busing whatever, could remain in effect. Congress rejected this legislation.

Judge Bork testified that the two bills as originally introduced were constitutional; other constitutional law experts were overwhelmingly of the view that the proposals were unconstitutional. Hearings on the Equal Educational Opportunity Act of 1972, 92nd Cong., 2d sess., pp. 1312–20 (1972); R. Bork, "Constitutionality of the President's Busing Proposals" (American Enterprise Institute, 1972).

*(7) Comments On Affirmative Action.—*

Judge Bork has written two articles regarding affirmative action. The first, published shortly before the Supreme Court decision in *University of California Regents* v. *Bakke,* 438 U.S. 265 (1978), expressed the hope the Supreme Court would hold that the affirmative action plan at issue was forbidden by Title VI of the 1964 Civil Rights Act. Judge Bork did not contend that the original intent of the framers of the 1964 Act was to forbid affirmative action. He argued, rather, that a victory for Bakke under Title VI was desirable because it would force Congress to adopt specific legislation dealing expressly with affirmative action:

"[I]f Title VI is held to authorize private suits, a decision for Bakke on the statutory ground of the Civil Rights Act would reengage the political process in a more focused and self-conscious way in the definition of equality. That ought to happen before the Supreme Court makes the ultimate determination."

R. Bork, "Bakke Should Be Decided by the Political Process", Wall Street Journal, October 22, 1977. Bork expressed concern that it would be undesirable for the Supreme Court, if it reached the constitutional issue, either to permit all forms of affirmative action, or to adopt a sweeping prohibition:

"To enshrine government preference for particular races in constitutional law might damage the Court, transform perceptions of what American society is about and intensify explicit racial and ethnic demands for scarce resources. Declaring racial preferences illegal, however, may cut heavily into minority attendance. . . ." (*Id.*)

The Supreme Court decided *Bakke* on constitutional grounds, and concluded, as a result of the opinion of Justice Powell, that affirmative action was permissible in some but not all instances. Judge Bork expressed satisfaction that "the courageous and badly treated Bakke goes to medical school next fall", and that "the hard-core racists of reverse discrimination are defeated." R. Bork, "The Unpersuasive Bakke Decision", Wall Street Journal, July 21, 1978. Judge Bork, however, criticized Justice Powell's intermediate position:

"As politics, the solution may seem statesmanlike, but as constitutional argument, it leaves you hungry an hour later. The trouble is, it is hard to take seriously. . . . Justice Powell's . . . vision of the Constitution remains unexplained. Justified neither by the theory that the [Fourteenth] amendment is pro-black nor that it is color blind, it must be seen as an uneasy compromise resting upon no constitutional footing of its own." (*Id.*)

This argument was not inconsistent with Judge Bork's earlier suggestion that the case be resolved under Title VI. In both articles Judge Bork made clear that in his view the Supreme Court, in deciding whether or not to address the major constitutional issue involved, should take whichever approach would stimulate consideration in the political process of the policy issues at stake. Several years later Judge Bork, as a member of the Court of Appeals, urged that court base its approach to a controversial case on the same premise. *Planned Parenthood Federation* v. *Heckler,* 712 F.2d 650, 665, 668 (D.C. Cir. 1983).

In his post-*Bakke* article Judge Bork also expresses some of his own views on the constitutional issues raised by affirmative action. Judge Bork denounced position taken by Justices White, Blackmun, Brennan and Marshall that affirmative action might be permissible because of past societal discrimination. Those four Justices had argued that the effects of such societal discrimination had given Bakke an unfair advantage, and that in the absence of that past racial discrimination minority applicants would have outranked Bakke himself even without resort to an affirmative action plan. Bork responded:

"Even granting the speculative premise, we cannot know which individuals under a hypothetical national history would have beaten out Bakke. Justice Brennan appears to mean, therefore, that the particular individuals admitted in preference to Bakke on grounds of race are proxies for unknown others. Bakke is sacrificed to person A because Davis [Medical School] guesses that person B, who is unknown but of the same minority race as A, would have tested better than Bakke if B had not suffered pervasive societal discrimination. A is advanced to compensate for B's assumed deprivation, and Bakke pays the price. The argument offends both ideas of common justice and the 14th Amendment's guarantee of equal protection to persons, not classes." (Id.)

Even though Bakke might have been the white beneficiary of past racial discrimination, Judge Bork urged, Bakke had a constitutional right to keep that benefit unless it was possible to identify the specific black who, but for past discrimination, would have been admitted to medical school. This contention appears to be the precursor of the position subsequently advocated by Assistant Attorney General William Bradford Reynolds that affirmative action is unconstitutional because it is not "victim-specific."

On July 2, 1987, a New York Times story regarding Judge Bork included the following statement:

"Judge Bork has said little if anything *publicly* about current civil rights issues, in particular job preferences for women and minorities.

"Administration officials privately express confidence, however, that he would share its view that racial preferences benefiting women and minorities who cannot personally prove themselves victims of discrimination at the expense of white men are illegal." (Emphasis added). The Times story did not identify the Administration officials who had expressed that view.

*(8) Judge Bork's Record As Solicitor General.—*

When Judge Bork was confirmed in 1973 as Solicitor General, he indicated to the Senate Judiciary Committee that as Solicitor General he would defer to the policies of the Administration, rather than attempting to present to the Supreme Court his own views.

Judge Bork generally adhered to that approach. When the government was a party to a civil rights case that reached the Supreme Court, the Solicitor General's office advocated there the same position which the government had taken in the lower courts, both in cases in which the government's position was pro-civil rights and in cases in which it was not.

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### REPORT ON THE CIVIL LIBERTIES RECORD OF JUDGE ROBERT H. BORK

(Prepared by the American Civil Liberties Union)

Pursuant to ACLU policy, established by the Board of Directors of the American Civil Liberties Union, this report examines the record of Robert H. Bork, Judge on the U.S. Court of Appeals for the District of Columbia Circuit, who has been nominated for the position of Associate Justice of the United States Supreme Court. The memorandum review Judge Bork's authored opinions while on the bench[1] his unpublished speeches (many given in the past five years), as well as his academic writings, congressional testimony, popular articles, speeches, and interviews.[2] Where Judge Bork has disclaimed a position previously taken, that is noted; otherwise, it is assumed that Judge Bork still adheres to these published views.

#### I. INTRODUCTION

Robert Bork's extreme judicial philosophy is reflected in a series of speeches, articles, testimony and court decisions. If his philosophy prevails, it would radically reduce the role of the Supreme Court and seriously diminish the force of the Bill of Rights and the liberties it protects.

Judge Bork's view of the Constitution is that it creates a governmental structure designed, with few exceptions, to promote the majority will at the expense of individual rights.[3] This view is summarized by a quote from Chesterton, which he repeatedly cites:

"What is the good of telling a community that it has every liberty except the liberty to make laws? The liberty to make law is what constitutes a free people".[4]

In Judge Bork's opinion, the Constitution must be interpreted almost exclusively in light of its majoritarian purpose. This means that the only individual rights protected against the majority are those explicitly and unmistakably mentioned in the Constitution and the Bill of Rights. As a result, Judge Bork assigns a sharply limited role to the Supreme Court. Any doubt as to the constitutionality of a statute should be resolved by permitting the legislature to have its way. The Court may strike down a statute only if there is no doubt that a provision of the Constitution is clearly violated. Moreover, legal concepts, such as standing and justiciability, should be defined to reduce substantially the number of cases that the Court may accept for review.

Judge Bork sees the primary role of the Constitution as insuring that the majority is able to impose its moral judgments on the rest of society. His conception of the Court's role is radically different from most, if not all, of the Justices who have sat on the Court in the past forty years. In fact, Judge Bork has specifically rejected a long list of landmark constitutional rulings by the Supreme Court.[5] These rulings, which he has described as "pernicious," [6] "unprincipled,"[7] and "utterly specious,"[8] include the following:

A decision striking down a statute making it a crime for married couples to use contraceptives; [9]

A decision barring judicial enforcement of racially restrictive covenants; [10]

A decision protecting illegitimate children against arbitrary discrimination; [11]

A decision protecting the right to use obscene language for political purposes; [12]

Decisions giving First Amendment protection to speech advocating violence for political reasons as long as there is no clear and present danger; [13]

Decisions striking down state abortion laws; [14]

A decision holding unconstitutional a law requiring the sterilization of habitual criminals; [15]

Decisions striking down state poll taxes and literacy tests; [16]

Decisions upholding affirmative action plans in various circumstances; [17] and,

Decisions striking down state laws permitting prayer in the schools or permitting use of government funds for public employees to teach in parochial schools.[18]

Indeed, Judge Bork questions whether the Framers intended the Court to assume the power to review the constitutionality of statutes.[19] He is sure, however, that the power of judicial review should generally be exercised to facilitate the ability of the majority to impose its moral views on the minority.[20]

As Judge Bork interprets the Constitution, few rights are shielded from the majority's judgments. If confirmed, and if his views prevail, civil liberties in this country would be radically altered and the structure of government radically changed. The majority in each state could impose its moral values on the private lives and decisions of all citizens. Individual liberty would have a radically different meaning in each state.

#### II. JUDICIAL APPOINTMENTS: THE ROLE OF IDEOLOGY

Throughout most of our history, the Senate has engaged in a "practice of thoroughly informing itself on the judicial philosophy of a Supreme Court nominee before voting to confirm him." [21] Indeed, the Framers rejected giving the Senate only a limited veto over the President's nomination, voting down a proposal that the President appoint unless "disagreed to by the Senate." [22] Both the text of the Constitution, as well as the history of the Appointments Clause, demonstrates that the Senate has and should exercise a shared role with the President in the confirmation process.

##### *A. History of the Appointments Clause*

The Appointments Clause expressly provides for consensus by the two elected branches of government in the confirmation process. Article II, section two of the Constitution states that "the President . . . shall nominate, and by and with the [a]dvice and [c]onsent of the Senate shall appoint . . . Judges of the Supreme Court. . . ."

The history of the clause clearly indicates that its language was a compromise between those who wanted appointment by the President alone and those who favored appointment by the Congress or Senate without a presidential role. The original Virginia Plan, introduced at the convention on May 29, 1787, provided that all judges would be appointed by the national legislature.[23] By June 13, the convention had decided that appointment by the whole legislature was unwieldy, and had therefore adopted Madison's proposal that the appointment power be lodged in the Senate alone.[24]

Two attempts to switch the appointment power to the President were defeated. On July 18, 1787, the convention voted down a proposal that the President appoint without congressional approval, and on July 21, the convention rejected a motion that the President appoint unless "disagreed to by the Senate." [25] Only near the end of the convention, on September 7, did the Framers agree to give the president any role in the selection of judges. The president's power to nominate, however, was carefully balanced by the requirement that the Senate advise and consent on every appointment.[26]

Eight years later, in 1795, the Senate rejected Washington's nomination of South Carolina's John Rutledge to the Supreme Court. John Rutledge had been one of George Washington's original appointments to the Court, as well as one of the principal authors of the first draft of the Constitution. He had resigned from the Court to become Chief Justice of South Carolina. The Senate rejected his second nomination in 1795 by a vote of 14 to 10 because Rutledge had attacked the recently ratified Jay Treaty and was regarded as a weak Federalist.[27] For those who find the "original intent" of the Framers persuasive, it is significant that three of the rejecting Senators had signed the Constitution.[28]

##### *B. How The Senate Has Exercised Its Role*

Over 200 years, the Senate has rejected almost 20 per cent of the president's Supreme Court nominees.[29] Beginning with John Rutledge in 1795, the Senate has considered and rejected nominees because of their views on a range of issues, including federal supremacy, civil service, slavery, immigrants, unions, business, and civil rights. Sometimes the Senate has rejected a candidate outright; other times, the Senate has declined to take action or a candidate has withdrawn.[30]

In this century, the Senate rejected President Hoover's 1930 nomination of Chief Justice John Parker of North Carolina, by a vote of 41–39, largely due to Parker's racist campaign speeches and anti-union attitudes. The senate also rejected President Nixon's nomination of Clement Haynsworth and Harold Carswell. Carswell's rejection was based in part on 1948 campaign speeches supporting white supremacy.

##### *C. The Senate's Appropriate Role*

As Professor Charles Black has written:

"The Supreme Court is a body of great power. Once on the Court, a Justice wields that power without democratic check. This is as it should be. But is it not wise, before that power is put in his hands for life, that a nominee be screened by the democracy in the fullest manner possible, rather than in the narrowest manner possible, under the Constitution?" [31]

Those who believe it improper for Senators to reject nominees for ideological reasons would seldom restrict the President in the same fashion. Yet there is nothing in the text of the Appointments Clause or in its application during the past 200 years to suggest that the Senate should be more limited or less diligent than the president in the range of factors it may or should consider. "He who *advises* gives or withholds his advice on the basis of *all* the relevant considerations bearing on [the] decision." [32]

While the President has broad discretion in most Executive appointments,[33] the Senate's role in appointing Justices to the Supreme Court may more aptly be compared to its co-equal partnership in making treaties, or to the President's role in vetoing legislation. In each case, the structure and text of the Constitution make plain that the gov-

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Footnotes at end of report.

ernmental function is so important as to demand the concurrence of two branches.

Thus, constitutionally, the Senate has a shared role in the appointments process that obliges it to consider a broad range of factors, including a nominee's judicial philosophy.

### III. CIVIL LIBERTIES RECORD

Judge Bork has been on the bench since 1982. During that time, he has written opinions involving key civil liberties issues: free speech, government secrecy, sexual discrimination, gay rights. He has not written opinions in many other areas such as church-state relations, race discrimination and its remedies, voting rights or reproductive freedom. However, his extra-judicial writings and speeches, including a series of unpublished speeches delivered mostly in the past five years, provide a clear expression of his views on these and other subjects.

#### *A. Equal Protection and Voting Rights*

Judge Bork's narrow view of the Equal Protection Clause is that it prohibits limited forms of discrimination against racial, ethnic or religious minorities, and very little else.[34] According to Judge Bork, "[t]he equal protection clause . . . can require formal procedural equality, and, because of its historical origins, it does require that government not discriminate along racial lines. But much more than that cannot properly be read into the clause." [35]

He does not believe that the Fourteenth Amendment bars judicial enforcement of racially restrictive covenants.[36] He does not believe that it limits state constitutions from precluding fair housing enforcement.[37] He does not believe that it was intended to provide heightened protection for illegitimate children.[38] He does not believe it entitles Congress to remedy *de facto* discrimination, even against racial minorities.[39]

The Supreme Court's longstanding view of the Fourteenth Amendment is far more expansive. Thus, the Court has repeatedly struck down discriminatory laws supported by nothing more than "a bare . . . desire to harm a politically unpopular group. . . ." [40] It has recognized the propriety of carefully crafted affirmative action plans.[41] And it has rejected the contention that the Equal Protection Clause can or should be limited to race.[42] These Supreme Court holdings are not, as Judge Bork would have it, far-out interpretations of the Court without basis in law. They are the result of the Court's attempt over decades to fulfill its role as the interpreter of broadly stated constitutional provisions. Judge Bork would eviscerate that role, and leave individual liberty primarily in the hands of majorities in state and local legislatures.

Moreover, Judge Bork sees little risk in reducing the Court's role in promoting equality:

"The premise that the poor or the black are underrepresented politically is quite dubious. In the past two decades we have witnessed an explosion of welfare legislation, massive income redistributions, and civil rights laws of all kinds. The poor and the minorities have had access to the political process and have done well through it." [43]

Judge Bork also minimizes the role of Congress in promoting equality, preferring instead to defer to local majorities, which historically have been the major source of racially discriminatory laws and customs. Thus, in 1972, Judge Bork testified that federal legislation dealing with remedies for *de facto* segregation, "would raise . . . grave issues of constitutional policy. . . ." [44] He stated:

"Th[e] difficulty with any interpretation that applies the strictures of the Fourteenth Amendment to *de facto* cases has led to attempts to say that Congress' power under the amendment is broader than that of the courts. Thus, it is suggested, the Court may not reach *de facto* situations but the Congress may. That solution leaves the legislative power where it belongs, in the Congress. . . . The solution seems improper, however, for it leaves the legislative power where it belongs only as between Congress and the Court, and shifts it impermissibly to Congress from the state legislatures. There is no warrant in the language or history of Section 5 to suppose that it is a national police power superior to that of the states. The power to "enforce" the Fourteenth Amendment is the power to provide and regulate remedies, not the power to define the scope of the amendment's command or to expand its reach indefinitely." [45]

This view, which Judge Bork has not repudiated in any material, available publicly, would resurrect the discredited doctrine of states' rights with respect to racial discrimination.

Judge Bork even criticizes a series of Supreme Court decisions upholding the power of Congress to remedy *de jure* discrimination. For example, Judge Bork rejects Supreme Court doctrine that relies on the Fourteenth Amendment to ensure equality of the franchise, criticizing the one-person, one-vote cases as lacking any "constitutional . . . excuse.[46] According to Judge Bork:

"The principle . . . runs counter to the text of the Fourteenth Amendment, the history surrounding its adoption and ratification and the political practice of Americans from colonial times up to the day the Court invented the new formula [of one-person, one-vote]." [47]

Based on his extremely restrictive view of the scope of the Fourteenth Amendment and the role of the Supreme Court in enforcing it, Judge Bork also disagrees with the Supreme Court's decision in *Harper v. Virginia State Board of Elections*, 383 U.S. 663 (1966), invalidating Virginia's use of a poll tax in state elections.[48] He disagrees with the Supreme Court's decision in *Katzenbach v. Morgan*, 384 U.S. 641 (1966), upholding a congressional ban on English literacy tests for voters who had completed the sixth grade in a Puerto Rican school.[49] In short, Judge Bork repudiates key Supreme Court precedent in the voting rights area under the Fourteenth Amendment.

Consistent with his narrow views on the Fourteenth Amendment, Judge Bork has also been a critic of the Supreme Court's affirmative action decisions, describing the *Bakke* opinion [50] (in which Justice Powell cast the critical fifth vote) in the following terms: "As politics, the solution may seem statesmanlike, but as constitutional argument, it leaves you hungry an hour later." [51]

Judge Bork has even suggested that employment and education issues are too subjective for judicial review.

"Certain forms of discrimination present the problem of criteria that are real but cannot easily be established by evidence. It is easy enough to establish whether a person has been turned away from a restaurant because of race or sex—the variables are few. But employment discrimination presents a different problem. The decision concerning who is to be hired or not hired, who is to be promoted or passed over, does not always, or perhaps even usually, turn upon objective and quantifiable data. Such decisions also rest upon elements of judgment and intuition. On a case-by-case basis, therefore, the employer's decision will usually turn out to be unreviewable. Unless he admits bias, it is almost impossible to prove that he discriminated. * * *

"We are beginning to see that there are areas in which a government of men rather than of laws is to be preferred." [52]

#### *B. Sex Discrimination*

Judge Bork has an even more restrictive view of the Fourteenth Amendment and the role of the Supreme Court with respect of sex discrimination.

This flows directly from Judge Bork's radical judicial philosophy. In 1984, Judge Bork wrote: "The Constitution has provisions that create specific rights. These protect, among others, racial, ethnic, and religious minorities." [53] Women are conspicuously absent from this list. Judge Bork's view is that because women are not explicitly mentioned in the Fourteenth Amendment, the amendment offers them no distinct constitutional protection. While Judge Bork would not protect racial minorities from most state and local discrimination, he would not protect women under the Constitution from *any* discrimination, federal, state or local.

Judge Bork has also opposed passage of the Equal Rights Amendment, stating that "the role that men and women should play in society is a highly complex business, and it changes as our culture changes." [54] This leads Judge Bork to conclude that judges should not be asked to decide "all of those enormously sensitive, highly political, highly cultural issues" that are inherent in determining the meaning of equality.[55]

Even where Congress has legislated in favor of sexual equality, Judge Bork has declined to enforce statutory guarantees by adopting narrow rules of construction. Thus, in *Vinson v. Taylor*,[56] Judge Bork argued that Title VII of the 1964 Civil Rights Act does not protect women against on-the-job sexual harassment. His view was unanimously rejected by the Supreme Court in an opinion written by Chief Justice Rehnquist. "*[Without question*," the Court held, "when a supervisor sexually harasses a subordinate because of the subordinate's sex, that supervisor 'discriminate[s]' on the basis of sex." [57]

Judge Bork adopted a similarly narrow construction of the Occupational Safety and Health Act of 1970, which requires an employer to provide "each of his employees employment and a place of employment which are free from recognized hazards that are causing or are likely to cause death or serious physical harm. . . ." [58] Despite the statute's broad remedial goals, Judge Bork rejected a challenge to a company policy demanding that women of childbearing age be surgically sterilized as a condition of employment in certain plant departments.[59] Judge Bork held that relief could be granted only if "the words of the statute *inescapably*" require it.[60]

#### *C. Church/State*

Judge Bork has never been called upon to rule on the religion clauses of the First Amendment. But he has, in a series of recent unpublished speeches,[61] offered an interpretation of the religion clauses that is contrary to traditional legal thought and the weight of historical evidence.[62]

In Judge Bork's view:

"The religious clauses state simply that 'Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.' The establishment clause might have been read merely to preclude the recognition of an official church, or to prevent discriminatory aid to one or a few religions. The free exercise clause might have been read simply to prohibit laws that directly and intentionally penalize religious observance. Instead both have been interpreted to give them far greater breadth and severity." [63]

Far from regarding government support of religion as a violation of the Establishment Clause and a threat to religious freedom, Judge Bork sees danger in maintaining a wall of separation between church and state, a wall which he believes has led to a dangerous "privatization of morality." [64]

"There may be in man an ineradicable longing for the transcendent. If religion is officially removed from public celebration, other transcendent principles, some of them very ugly indeed, may replace them." [65]

Whatever "political divisiveness" may be caused by the presence of religious "symbolism" in public celebrations, Judge Bork believes the "thoroughgoing exclusion of religion is . . . an affront and . . . the cause of great divisiveness." [66] Thus, Judge Bork criticizes well-settled Supreme Court establishment doctrine, calling it "rigidly secularist." [67]

Judge Bork's articulated philosophy suggests that he would not permit the Supreme Court to overrule local laws that have an overtly religious purpose.[68] According to Judge Bork, "[t]he first amendment was not intended to prohibit the *nondiscriminatory* advancement of religion, so long as religious belief was not made a requirement in any way." [69] On those grounds, he has criticized the Supreme Court's decision in *Aguilar v. Felton*, 473 U.S. 402 (1985), striking down the use of public funds to pay teachers in religious schools.[70]

More broadly, Judge Bork supports government action that generally advances religion.[71] He therefore welcomes, "the reintroduction of some religion into the public schools and some greater religious symbols in our public life." [72] He dismisses the threat of entanglement by noting that "government is inevitably entangled with religion." [73]

Judge Bork would even limit the federal court's power to hear First Amendment claims that implicate religion. Well-settled doctrine allows an individual to sue to stop the expenditure of government funds for religious purposes. Judge Bork contends this doctrine is wrong and "bring[s] into court cases in which nobody could show a concrete harm." [74]

If adopted, Judge Bork's position on the establishment clause could return prayer to the schools, allow nondiscriminatory state aid to religious institutions, and use the powerful arm of the state to coerce personal morality in vast and varied ways.

Judge Bork likewise criticizes the "breadth and severity" [75] of the Free Exercise Clause, as interpreted by the Supreme Court. Twenty years ago, the Court stated: "[I]t is too late in the day to doubt that the libert[y] of religion may be infringed by the denial of or placing of conditions upon a benefit or privilege." [76] Justice O'Connor confirmed that test last Term:

"Only an especially important governmental interest pursued by narrowly tailored means can justify enacting a sacrifice of First Amendment freedoms as the price for an equal share of the rights, benefits, and privileges enjoyed by other citizens." [77]

The Court has thus struck down laws that condition government benefits on an individual's relinquishment of the right to free exercise.[78]

Judge Bork apparently rejects this doctrine. He has criticized the Supreme Court for having "require[d] government to make special allowances for activity motivated by religious belief of such scope that, if government had done the same thing, without a court order, it would have violated the Establishment Clause." [79] In short, he does not believe that the Free Exercise Clause bars indirect abridgments of religious freedom, no matter how severe.

#### *D. Freedom of Speech and Press*

Judge Bork believes that the First Amendment protects only speech that relates to the political process mandated by the Constitution, *e.g.*, voting and legislative action. He bases this view on the structure of government established by the Constitution—"a form of government that would be meaningless without freedom to discuss government and its policies." [80]

At one point he wrote that the First Amendment protects only speech that is "explicitly political. There is no basis for judicial intervention to protect any other form of expression, be it scientific, literary or . . . pornographic." [81] More recently, he stated that the First Amendment protects speech that "is essential to running a republican form of government," including "speech about moral issues, speech about moral values, religion and so forth, all those things [that] feed into the way we govern ourselves." [82]

In situations where Judge Bork seeks the First Amendment as applying, he is generally protective of speech.[83] Judge Bork has argued that political dialogue should be absolutely immune from libel claims. Going beyond current Supreme Court doctrine, Judge Bork's concurrence in *Ollman v. Evans* [84] urged absolute immunity for a newspaper report that a Marxist professor "had no status within the profession." [85] According to Judge Bork, the professor was "not simply a scholar," but rather "an active proponent . . . of Marxist politics," [86] and therefore had "to accept the banging and jostling of political debate, in ways that a private person need not . . ." [87] He wrote:

"Those who step into areas of public dispute, who choose the pleasures and distractions of controversy, must be willing to bear criticism, disparagement, and even wounding assessments. Perhaps it would be better if disputation were conducted in measured phrases and calibrated assessments, and with strict avoidance of the ad hominem; better, that is if the opinion and editorial pages of the public press were modeled on the Federalist Papers. But that is not the world in which we live, ever have lived, or are ever likely to know, and the law of the First Amendment must not try to make public dispute safe and comfortable for all the participants." [88]

Judge Bork has similarly criticized those restrictions on campaign finance that were upheld by the Supreme Court in *Buckley v. Valeo* [89] on the ground that they permit the "government [to] regulate ordinary political speech and thus influence the outcomes of democratic processes." [90] And he ruled that a photomontage depicting President Reagan could not be banned from the District of Columbia subways, emphasizing that the poster "conveys a political message" and that the subway had transformed itself into a public forum.[91]

Judge Bork's view that political debate should be unregulated by the government also leads him to reject the fairness doctrine.[92] Contending that "fairness" can better be assured through competition than regulation, he has urged the Supreme Court to "revisit this area of the law and either eliminate the distinction between print and broadcast media . . . or announce a constitutional distinction that is more usable than the present one." [93]

On the other hand, Judge Bork refused to protect the speech of political demonstrators who sought to picket outside foreign embassies in Washington, D.C. He contended that criticism of foreign governments whose embassies we host would produce "ill treatment of ambassadors to the United States . . . [and] adversely affect the interest of the United States." [94]

In addition, Judge Bork excludes from his definition of protected political speech any advocacy of violence or civil disobedience designed to achieve a change in the government. Judge Bork would forbid such advocacy even where it represents no "clear and present danger." [95] He would, therefore, give no constitutional protection to the work of writers advocating civil disobedience, such as Thoreau, Gandhi or Martin Luther King, Jr. "Speech advocating . . . the frustration of . . . government through law violation has no value in a system whose basic premise is democratic rule," Judge Bork has asserted.[96]

He thus disagrees with many of the leading free speech cases of the last half-century in which the Supreme Court has held that speech advocating the overthrow of government is constitutionally protected unless it is intended and likely to produce imminent, lawless action.[97] According to Judge Bork:

"The tradition of support for civil disobedience and even violence is deeply disturbing, particularly disturbing because it is so firmly established in the institutions that mold opinions." [98]

The Supreme Court, by contrast, has firmly adopted the view articulated by Justice Brandeis in his famous concurrence in *Whitney* v. *California*,

"Those who won our independence by revolution were not cowards. They did not fear political change. They did not exalt order at the cost of liberty. To courageous, self-reliant men, with confidence in the power of free and fearless reasoning applied through the processes of popular government, no danger flowing from speech can be deemed clear and present, unless the incidence of the civil apprehended is so imminent that it may befall before there is opportunity for full discussion."[99]

Judge Bork would permit any local community to bar speech it found offensive. At the time of the Skokie case, for example, he said that "the fundamental issue raised by Skokie . . . is whether a creed of that sort ought to be allowed to find voice anywhere in America."[100] He found it "remarkable" that "the legal order" would assume "that Nazi ideology is constitutionally indistinguishable from republican belief." [101]

Furthermore, Judge Bork's view of the First Amendment as limited to "political" speech places the entire realm of artistic expression outside the protection of the First Amendment or, at best, "towards the outer edge." [102] "It is sometimes said," Judge Bork has asserted, "that works of art . . . are capable of influencing political attitudes. But . . . [they] are not on that account immune from regulation." [103] This radically restrictive view of the First Amendment, coupled with Judge Bork's deference to legislated morality, raises the possibility that books like *Ulysses*, or indeed the variety of books that have more recently been the subject of attempted censorship by local school boards, could once again be banned if deemed offensive to the public at large.

Although Judge Bork has an expansive view of the Supreme Court's role in protecting certain forms of expression under the First Amendment, Judge Bork is in fact far outside the broad range of traditional First Amendment jurisprudence. He would narrow the Supreme Court's protection of free expression primarily to political speech. Even within this category, he excludes speech that advocates civil disobedience or "offensive" political ideologies.

Thus, Judge Bork's approach to the First Admendment would diminish the Supreme Court's role in protecting freedom of expression from governmental trespass and once again allow local majorities to determine what is acceptable.

### *E. Privacy*

Judge Bork does not find a right to privacy in the Constitution. It is a right he says, that "strikes without warning" and lacks "intellectual structure." [104]

"[T]he so-called right to privacy cases, which deal mainly with sexual morality and which generally conclude that sexual morality may be regulated only in extreme cases [,] . . . share the common theme that morality is not usually the business of government but is instead primarily the concern of the individual." [105]

Accordingly, Judge Bork rejects Supreme Court doctrine that has recognized, over the last half-century, a constitutional right to privacy in a wide variety of contexts,[106] including: the purchase and use of contraceptives by married people,[107] single individuals,[108] and minors;[109] the decision of a woman, in consultation with her physician, to determine whether to have an abortion;[110] a parent's right to defend his or her relationship with a child, whether the parent is mother or father, married or unmarried,[111] and, the individual's right to possess obscene material in the privacy of the home.[112]

As to *Roe v. Wade*, which upholds a woman's right to control reproduction, Judge Bork has testified: "I am convinced, as I think most legal scholars are, that *Roe v. Wade* is, itself, an unconstitutional decision, a serious and wholly unjustifiable judicial usurpation of State legislative authority." [113]

As a Court of Appeals judge, Judge Bork has refused to enforce claims of privacy that he is empowered to adjudicate, contending that a lower court should not enforce a right unless the Constitution, by its express terms, or a Supreme Court decision squarely on point, prevents the government from taking a challenged action.[114]

Judge Bork's comments about privacy reveal a great deal about his judicial philosophy. Judge Bork grants the community broad power over the individual. The Supreme Court, by contrast, has repeatedly recognized what Justice Brandeis described as "the right to be let alone—the most comprehensive of rights and the right most valued by civilized men." [115] Within that zone of privacy, the individual is protected against unwarranted community intrusion.[116]

Judge Bork denies the right to privacy because it is not explicitly mentioned in the Constitution. However, as Judge Bork has acknowledged in the libel context, "[a] judge who refuses to see new threats to an established constitutional value, and hence provides a crabbed interpretation that robs a provision of its full, fair and reasonable meaning, fails in his judicial duty." [117]

### *F. Criminal Law*

Judge Bork's record in the area of criminal law also reveals a disregard of Supreme Court precedent at the expense of fundamental rights.

It is well-settled, for example, that the Fourth Amendment provides people suspected of crime with a series of protections against unreasonable searches including the exclusion of evidence seized in violation of the procedures mandated by the Amendment. Judge Bork has suggested that the exclusionary rule be abandoned. "The only good argument [for the exclusionary rule] really rests on the deterrent rationale, and it's time we examine that with great care to see how much deterrence we are getting and at what cost."[118] He takes this position in the face of overwhelming evidence that the exclusionary rule has virtually no negative effect on law enforcement or crime rates and would not, if abolished, enhance public safety. Because Judge Bork opposes the exclusionary rule, however, he would impose a heavy burden on those who support it to show that its effects are socially beneficial.

In sharp contrast, Judge Bork endorses the death penalty without any effort to justify its deterrent effect, relying on the references in the Fifth and Fourteenth Amendments to "capital offenses" and the "deprivation of life." He does not believe that the Eighth Amendment, which bars "cruel and unusual punishment," provides any limitations on those clauses, disputing that the standard of what is cruel and unusual should evolve over time.[119]

In general, Judge Bork's approach to criminal appeals reflects little respect for the rights of the innocent who may be mistakenly accused, or for the role of the courts in protecting those rights.[120]

In *United States* v. *Mount*, Judge Bork argued that the court's supervisory power could *never* be invoked to exclude evidence obtained by means which shock the conscience,[121] although the issue was not before the court (indeed the doctrine warranted only a footnote in the majority decision).[122] Judge Bork insisted that the Supreme Court had created a general bar against the use of supervisory power to suppress evidence, stating:

"[O]ur supervisory powers have been substantially curtailed by the Supreme Court's recent decision in *United States* v. *Payner*, 447 U.S. 727 (1980)." [123]

In fact, the Supreme Court had specifically disavowed the construction which Judge Bork placed on its opinion, noting:

"[O]ur decision today does not limit the traditional scope of the supervisory power in any way." [124]

Although criminal law is not an area in which civil liberties has fared well in the Supreme Court in recent years, Judge Bork would go much further than existing Supreme Court rulings to cut back on due process rights.

### *G. Access to the Courts*

Judge Bork has consistently closed the courthouse door to individuals seeking relief for a broad range of constitutional and statutory violations.[125] His radical restriction of federal jurisdiction reflects the limited role he grants the federal courts to vindicate individual rights.

Words like "standing," "Justiciability" and "immunity" may sound far-removed from civil liberties.[126] But as Judge Bork has put it, "[I]n constitutional law philosophical shifts often occur through what appears to be mere tinkerings with technical doctrines." [127] Whether a court denies a civil liberties claim on the merits or refuses to hear a civil liberties claim on jurisdictional grounds, the effect is the same: Civil liberties are denied.

Judge Bork enforces jurisdictional bars in an extreme manner that often places him in a position of dissent from his colleagues.[128] In other cases, where his judicial colleagues have held that a claim is not justiciable, Judge Bork has written separately to urge a broader rule to deny access for civil liberties claims to an even larger group of potential litigants.[129] He gives little apparent weight to the need to enforce the Constitution against violations by the political branches of government or to the central importance of federal courts in enforcing civil liberties.

#### 1. Restrictions on Standing to Sue in Federal Court

Standing is the determination of whether a particular person is the proper party to bring a matter to the court for adjudication. Judge Bork has explicitly stated that standing doctrine should limit "the number of occasions upon which courts will frame constitutional principles to govern the behavior of other branches and of states." [130]

It is not simply that Judge Bork strictly adheres to existing limits on standing.[131] Rather, Judge Bork pushes the law, in dissent and concurrence, beyond existing limits.

For example, Judge Bork has argued in dissent, that "[w]e ought to renounce outright the whole notion of congressional standing." [132] Judge Bork acknowledges that no Supreme Court precedent supports his position. Nonetheless, he insists: "Though we are obligated to comply with Supreme Court precedent, the ultimate source of constitutional legitimacy is compliance with the intentions of those who framed and ratified our Constitution." [133]

Similarly, Judge Bork has argued that associations should not be permitted to sue for monetary damages on behalf of their members.[134] The Supreme Court has expressly allowed associations—for example, environmental and other public interest groups—to sue on behalf of their members under specific circumstances.[135] Judge Bork, by contrast, would "frame a *per se* rule against an association's standing . . . to assert damage claims on behalf of its members." [136]

#### 2. Expansion of Sovereign Immunity Protection for the Government

A second way in which Judge Bork has attempted to limit access to the federal courts is by expanding the scope of sovereign immunity.[137] Sovereign immunity is a medieval doctrine that assumes the monarch can do no wrong. In its modern form, the Executive cannot be sued for illegal action unless consent has been given to suit. Thus, the doctrine protects the government from suit even if individuals have suffered a violation of their rights. Judge Bork has frequently argued to expand such immunity.[138]

#### 3. Narrow Construction of Jurisdictional Statutes

Judge Bork has also urged extremely narrow interpretations of statutes creating federal court jurisdiction. Even where Congress has passed legislation requiring the federal courts to hear certain claims, Judge Bork has declined to find jurisdiction.[139]

In restricting access to the court, Judge Bork firmly rejects the remedial tradition which we have come to associate with the federal judiciary.

### *H. Executive Power*

Judge Bork's judicial philosophy can be understood as an attack on the basic notion of checks and balances. One aspect of that philosophy is the extremely limited role he grants to the courts in mediating disputes between the individual and the government. Another aspect is his willingness to enlarge the power of the presidency at the expense of the legislatures, the judiciary and civil liberties.

As Solicitor General, Judge Bork argued that members of Congress lacked standing to challenge his firing of Archibald Cox. A federal court disagreed and also found the firing illegal.[140]

Judge Bork has also expressed views suggesting that the Independent Counsel Act [141] has serious constitutional defects. Testifying before Congress on bills that would have shifted control over appointment and removal of a Special Prosecutor from the President to Congress, Judge Bork stated: "To suppose that Congress can take that duty from the Executive and lodge it either in itself or in the courts is to suppose that Congress may b[y] mere legislation alter the fundamental distribution of powers dictated by the Constitution." [142]

In an exchange with Senator Burdick, Judge Bork asserted that Congress must be satisfied with the President's "promise" not to remove the Special Prosecutor.

"Senator Burdick. This is one of the things that bother[s] me, Mr. Bork. The President, when Mr. Cox was dismissed, contended that he had the power to do so regardless of the contract. Is that not correct?

"Mr. Bork. The President said he had the power to do so regardless of the charter, yes.

"Senator Burdick. And any charter we make here, at this time, still does not change the powers of the President?

"Mr. Bork. No; it does not.

"Senator Burdick. In other words, regardless of what we do, the President has the inherent power to dismiss the Special Prosecutor?

"Mr. Bork. I admit the President has the legal power. I think he has made a promise to the American people." [143]

Judge Bork did indicate that if the Attorney General were to appoint the Special Prosecutor, without Senate confirmation, Congress might be able to impose conditions on removal. Under no circumstances, however, could Congress *prevent* the President from removing the Special Prosecutor.

Turning to the question of the President's authority to use military force without congressional approval, Judge Bork, in 1971, defended President Nixon's decision to bomb Cambodia, insisting that Congress had no power to limit the President's discretion to stage the attack:

"[T]here is no reason to doubt that President Nixon had ample constitutional authority to order the attack upon the sanctuaries in Cambodia. . . . That authority arises both from the inherent powers of the Presidency and from congressional authorization. *The real question in this situation is whether Congress has the constitutional authority to limit the President's discretion with respect to this attack.*" [144]

Contending that the Gulf of Tonkin Resolution amounted to a declaration of war against North Vietnam, Judge Bork argued that the President could claim a free hand to execute military and strategic "details", including the attack on a third country.

"I arrive, therefore, at the conclusion that President Nixon had full constitutional power to order the Cambodia incursion, and that Congress cannot, with constitutional propriety, undertake to control the details of the incursion. This conclusion in no way detracts from Congress' war powers, for the body retains control of the issue of war or peace. It could end our armed involvement in Southeast Asia and it can forbid entry into new wars to defend governments there." [145]

Judge Bork has asserted exclusive Executive power in other contexts as well. Thus, Judge Bork testified that Congress has no power to require Executive intelligence agencies to obtain a warrant before wiretapping an American citizen suspected of engaging in clandestine intelligence activities on behalf of a foreign country.[146]

On the bench, Judge Bork would insulate the President from challenge in court by legislators. For example, *Crockett v. Reagan* involved a suit by 29 members of Congress challenging the legality of the President's maneuvers in El Salvador.[147] Judge Bork concurred separately, stating that legislator standing would violate the Constitution—notwithstanding two prior panel decisions rejecting that view.

In *Abourezk v. Reagan*,[148] Judge Bork once more advocated deferring to the Executive at the expense of a congressional enactment that sought to protect civil liberties. Responding to the Executive's repeated exclusion from this country of aliens belonging to proscribed organizations, Congress passed the McGovern Amendment, which generally bars exclusion of an alien based on political views or organizational affiliation. *Abourezk* concerned the denial of visas to four aliens, including the Nicaraguan Minister of the Interior and a former NATO general who had become an advocate of nuclear disarmament. The majority held that the visa denials appeared to circumvent the McGovern Amendment. Judge Bork dissented, stating that the majority opinion demonstrated "a lack of deference to the determinations of the Department of State . . . ." [149]

Judge Bork's deference to the Executive, at the expense of Congress, is evident as well in his refusal to find federal jurisdiction over claims based on violations of international human rights, despite a statutory enactment providing for such jurisdiction. Plaintiffs in *Tel-Oren v. Libyan Arab Republic* [150] were Israelis who alleged a violation of international law arising out of the deaths of children in an attack on a school bus by the Palestinian Liberation Organization. Judge Bork argued, in effect, that the 1978 federal statute upon which plaintiffs relied for jurisdiction created jurisdiction only over legal claims that existed in the eighteenth century.

Similarly, in *Persinger v. Islamic Republic of Iran*,[151] Judge Bork wrote a decision refusing to allow a former Iranian hostage to sue Iran in United States courts, despite a provision in the Foreign Sovereign Immunity Act permitting suits against foreign governments for injuries occurring within "all territory and waters, continential or insular, subject to the jurisdiction of the United States." [152] Plaintiff's injuries occurred within the American Embassy. Judge Bork concluded, however, that embassies were not sufficiently within the jurisdiction of the United States to trigger jurisdiction under the statute.[153]

Finally, Judge Bork has relied on a cramped view of the statute of limitations to bar review of the Executive policy that placed Japanese-Americans in internment camps during World War II. The victims of that internment policy sought compensation for lost property in *Hohri v. United States*.[154] Plantiff's claims turned on whether military necessity justified their internment. Had the claims been brought earlier, they would have been dismissed due to the Court's war-time deference to Congress and the Executive. Recently, however, Congress has disclosed documents establishing that military necessity had never existed. Judge Bork nevertheless found plaintiffs' claims to be time-barred.

Judge Bork's views on Executive power also lead him to shield Executive action from the checks-and-balances of public scrutiny.

Thus, Judge Bork has given a narrow reading to the Freedom of Information Act, a statute designed to promote democratic accountability by opening up government processes to review. Judge Bork frequently urges a restrictive interpretation of the statute, which prevents disclosure of information to reporters, research groups, and others.

For example, in *McGehee v. C.I.A.*, 697 F.2d 1095 (D.C. Cir. 1983), Judge Bork argued against even *in camera* inspection of documents pertaining to the "People's Temple" in Guyana, which the C.I.A. had withheld from a journalist for more than two years. The majority wrote: "[W]here, as here, an agency's responses to a request for information have been tardy and grudging, courts should be sure they do not abdicate their own duty." [155] Judge Bork, by contrast, found no evidence of bad faith on the part of the agency, despite its dilatory and evasive behavior.

Second, Judge Bork would insulate the process of administrative deliberation by restricting access to information about the deliberative process and thereby often restrict effective lobbying. Indeed, he has stated that "[c]oncern about the effect of lobbying on agencies may itself" bar access to information.[156]

Third, Judge Bork would enlarge the scope of Executive privilege, which he describes as "an attribute of the duties delegated to each of the branches by the Constitution." [157] He contends that to restrict the privilege "to the President himself" would be "troubling" because it "ignores the President's need, both long-established and all the more imperative in the modern administrative state, to delegate his duties." [158] Judge Bork's judicial colleagues criticized his effort "to extend the privilege . . . to the entire Executive Branch, [and thereby] create an unnecessary sequestering of massive quantities of information from the public eye." [159]

## IV. CONCLUSION

This concludes our report on Judge Bork's record. We believe it fairly characterizes his views, and the judicial philosophy behind it, based on the entire body of his work to the extent it has been available to us.

On the basis of this record, we do not believe it is possible to locate Judge Bork within the broad range of acceptable judicial thought consistent with a commitment to liberty and democracy, and the institutions designed to protect and assure both. Nor do we think it possible to locate Judge Bork within the conservative judicial tradition exemplified by Justices Felix Frankfurter, John Harlan or, lately, Justice Lewis Powell.

Judge Bork may well have strong intellectual credentials, but that is not enough. The Senate has a constitutional responsibility to scrutinize a nominee's judicial philosophy and determine whether it is consistent with the function of the Supreme Court in protecting individual rights. Judged by that standard, Robert Bork's nomination as Associate Justice of the Supreme Court should be rejected.

## FOOTNOTES

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[1] The memorandum focuses on opinions which Judge Bork wrote (whether for the majority, concurring or in dissent), in order to distill Judge Bork's judicial philosophy from his own words. The memorandum does not address opinions which Judge Bork silently joined.

[2] Judge Bork provided texts of his unpublished speeches to the Senate Judiciary Committee. Copies are available from the ACLU Washington Office, 122 Maryland Ave., N.E. (202-544-1681) as are copies of all of Judge Bork's published articles and other writings. A complete list of this material is available from the ACLU.

[3] *See generally* Bork, *Neutral Principles and Some First Amendment Problems*, 147 Indiana L.J. 1 (1971) [hereinafter "*Neutral Principles*"].

[4] Bork, *Morality and the Judge*, Harper's 28, 29 (May 1985).

[5] *See* Notes 10–32, *Infra*.

[6] *The Human Life Bill: Hearing on S. 158 Before the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, 97th Cong., 1st Sess. 308, 310, (1982) (statement of Professor Bork).

[7] Bork, *Neutral Principles, supra*, at 9.

[8] *Id.*

[9] *Griswold v. Connecticut*, 381 U.S. 479 (1965); *see* Bork, *Neutral Principles, supra*, at 11.

[10] *Shelley v. Kraemer*, 334 U.S. 1 (1948); *see* Bork, *Neutral Principles, supra*, at 15.

[11] *Levy v. Louisiana*, 391 U.S. 68 (1968); *see* Bork, *Neutral Principles, supra*, at 12.

[12] *Cohen v. California*, 403 U.S. 15 (1971); *see* Bork, "The Individual, the State and the First Amendment," Unpublished Speech, Univ. of Michigan (1979) (reported as 1977 or 1978).

[13] *E.g., Brandenburg v. Ohio*, 395 U.S. 444 (1969); *see* Bork, *Neutral Principles, supra*, at 23.

[14] *E.g., Roe v. Wade*, 410 U.S. 113 (1973); *see The Human Life Bill: Hearing on S.158 Before the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary, supra*, at 310.

[15] *Skinner v. Oklahoma*, 316 U.S. 535 (1942); *see* Bork, *Neutral Principles, supra*, at 12.

[16] *Harper v. Virginia State Board of Elections*, 383 U.S. 663 (1966); *Katzenbach v. Morgan*, 384 U.S. 641 (1966); *see Nominations of Joseph T. Sneed to be Deputy Attorney General and Robert H. Bork to be Solicitor General: Hearings before the Senate Comm. on the Judiciary*, 93d Cong., 1st Sess. at 5, 16–17 (1973) (statement of R. Bork).

[17] *Regents of the University of California v. Bakke*, 438 U.S. 265 (1978); *see* Bork, *The Unpersuasive Bakke Decision*, The Wall Street Journal, at 8, col. 4 (July 21, 1978).

[18] *Aguilar v. Felton*, 473 U.S. 402 (1985); *Engel v. Vitale*, 370 U.S. 421 (1962); *see* Bork, Unpublished Speech, Brookings Institute, Washington, D.C. (Sept. 12, 1985), at 3.

[19] *See* Bork, *Judicial Review and Democracy*, Society 5 (Nov.-Dec. 1986); Bork, *Styles in Constitutional Theory*, 26 S. Texas L.J. 383 (1985).

[20] Bork, *Morality and the Judge, supra*, at 28.

[21] Rehnquist, *The Making of a Supreme Court Justice*, 29 Harv. L. Rec. 7 (Oct. 8, 1959).

[22] 4 *The Founders' Constitution* 32–33 (Kurland & Lerner, eds. 1987).

[23] *Id.* at 30; *see generally* Black, *A Note on Senatorial Consideration of Supreme Court Nominees*, 79 Yale L.J. 657, 660–62 (1970).

[24] 4 *The Founders' Constitution, supra*, at 31.

[25] *Id.* at 32–33.

[26] *Id.* at 36. This formulation—nomination by the President, and appointment with the advice and consent of the Senate—was apparently patterned after the "experience of 140 years in Massachusetts." *Id.* at 32.

[27] Tribe, *God Save This Honorable Court*, 79–80 (1985).

[28] Schwartz, *The Senate's Right to Reject Nominees*, The New York Times, at A27, col. 3 (July 3, 1987).

[29] *Id.* Until 1900, the Senate rejected more than one out of four presidential nominees; since 1900, only one out of every 13 nominees has been rejected.

[30] The rejected nominees include: John Crittenden, John Quincy Adams' nominee, whose nomination in 1829 was never voted on because of his strong Whig leanings; George Woodward, who was rejected in 1845 by a vote of 29–20 due to his anti-immigrant views; Secretary of State Jeremiah Black, James Buchanan's nominee, whose opposition to the abolition of slavery led to his 26–25 rejection; and Caleb Cushing, Ulysses S. Grant's nominee, who withdrew after discovery of his wartime correspondence with Confederate President Jefferson Davis. Tribe, *God Save This Honorable Court, supra*, at 86–89. The Senate was particularly strong for approximately two decades after 1837, and ten of the 18 nominations made by the presidents serving between Jackson and Lincoln failed to win Senate confirmation. For example, in 1844, when Justice Baldwin died, two presidents sent a total of five nominations to the Senate before his seat was finally filled, two and one-half years later. *Id.* at 58–59.

[31] Black, *A Note on Senatorial Consideration of Supreme Court Nominees, supra*, at 660.

[32] *Id.* at 659 (emphasis added).

[33] Historically, the Senate has adopted a more deferential role in reviewing the President's Executive appointments; it has rejected a higher percentage of Supreme Court nominations than for any other national office. Tribe, *God Save This Honorable Court, supra*, at 78.

[34] Bork, *Neutral Principles, supra*, at 11. Judge Bork has not authored any equal protection cases while on the bench. He has, however, acknowledged in dictum that discrimination based on race, religion or ethnicity is constitutionally prohibited. *See Dronenburg v. Zech*, 741 F.2d 1388, 1397 (D.C. Cir. 1984).

[35] Bork, *Neutral Principles, supra*, at 11. Judge Bork's approach to the constitutional provisions regarding private property—the Contract and Takings Clauses—is significantly different. While admitting that the "intention underlying" these clauses "has been a matter of dispute," he suggests that the clauses "have not been given their proper force" and can be utilized to limit state regulation of private property. Bork, *The Constitution, Original Intent, and Economic Rights*, 23 San Diego L. Rev. 823, 829 (1986). This expansionist view is reflected in his judicial decisions. *E.g., Jersey Central Power and Light Co. v. Federal Energy Regulatory Comm.*, 768 F.2d 1500, 1506, *vacated and remanded*, 810 F.2d 1168 (D.C. Cir. 1987) (en banc) (striking down utility rate regulation); *Silverman v. Barry*, 727 F.2d 1121 (D.C. Cir. 1984) (striking down local zoning ordinance).

[36] Bork, *Neutral Principles, supra*, at 11. The Supreme Court ruled otherwise in *Shelley v. Kraemer*, 334 U.S. 1 (1948).

[37] Bork, *Neutral Principles, supra*, at 11. The Supreme Court ruled otherwise in *Reitman v. Mulkey*, 387 U.S. 369 (1967).

[38] Bork, *Neutral Principles, supra*, at 12. The Supreme Court has ruled otherwise. *See Weber v. Aetna Casualty & Surety Co.*, 406 U.S. 164 (1972); *Levy v. Louisiana*, 391 U.S. 68 (1968).

[39] *Equal Education Opportunities Act of 1972: Hearings on S. 3395. Before the Subcomm. on Education of the Senate Comm. on Labor and Public Welfare*, 92nd Cong., 2d Sess. 1343 (1972). The Supreme Court ruled otherwise in *City of Rome v. United States*, 446 U.S. 156 (1980).

[40] U.S. Dept of Agriculture v. Moreno, 413 U.S. 528, 534 (1973); *Cleburne v. Cleburne Living Center*, 473 U.S. 432 (1985).

[41] *E.g., Johnson v. Transportation Agency, Santa Clara County*, 55 U.S.L.W. 4379 (1987).

[42] *E.g., Frontiero v. Richardson*, 411 U.S. 677 (1973) (sex discrimination). *See also* notes 38 and 40, *supra*.

[43] bork, *The Impossibility of Finding Welfare Rights in the Constitution*, 3 Wash. U.L.Q. 695, 701 (1979).

[44] *Equal Educational Opportunities Act of 1972: Hearings on S. 3395 Before the Subcomm. on Education of the Senate Comm. on Labor and Public Welfare, supra*, at 1343.

[45] *Id.*

[46] Bork, *"The Supreme Court Needs a New Philosophy*, Fortune 138, 163 (Dec. 1968).

[47] Bork, *Neutral Principles, supra*, at 18. Judge Bork suggests that the Guarantee Clause of the Constitution requires "rational" reapportionment to protect majority rule, but does not "easily translate[ ] into the one person, one vote requirement. . . ." *Id.* at 19.

[48] *Nominations of Joseph T. Sneed to be Deputy Attorney General and Robert E. Bork to be Solicitor General: Hearings before the Senate Comm. on the Judiciary*, 93d Cong., 1st Sess. 5, 17 (1973) (statement of R. Bork).

[49] *Id.* at 16.

[50] *Regents of the University of California v. Bakke, supra*, 438 U.S. 265.

[51] Bork, *The Unpersuasive Bakke Decision, supra*, at 8, col. 5.

[52] Bork, *We Suddenly Feel That Law Is Vulnerable*, Fortune 116, 136 (Dec. 1971).

[53] *Dronenburg v. Zech*, 741 F.d 1388, 1397 (D.C. Cir. 1984) (Bork, J.).

[54] McGuigan, *Judge Bork Is A Friend Of The Constitution*, 11 Conservative Digest 91, 95 (Oct. 1985). Judge Bork explained that these were views held ten years ago, and that, as a judge, he no longer feels free to comment on the Equal Rights Amendment.

[55] *Id.*

[56] 753 F.2d 141, *reh'g denied*, 760 F.2d 1330 (D.C. Cir. 1985) (Bork, J., dissenting), *Aff'd*, *Meritor Savings Bank v. Vinson*, 106 S. Ct. 2399 (1986).

[57] *Meritor Savings Bank v. Vinson, supra*, 106 S. Ct. at 2404 (emphasis added).

[58] 29 U.S.C. § 654(a)(1).

[59] *Oil, Chemical & Atomic Workers Int'l Union v. American Cyanamid Co.*, 741 F.2d 444 (D.C. Cir. 1984) (Bork, J.).

[60] *Id.* at 446 (emphasis added).

[61] *See* Bork, Unpublished Speech, Brookings Institute, Washington, D.C. (Sept. 12, 1985) [hereinafter, *Brookings Speech*]; Unpublished Speech, "Comments on Professor Morawetz's Paper," Woodrow Wilson International Center for Scholars, [Princeton University] (June 13, 1985); Unpublished Speech, University of California, Berkeley, Cal. (Apr. 29, 1985) [hereinafter, *Berkeley Speech*]; Unpublished Speech, "Religion and the Law," John M. Olin Center for Inquiry Into the Theory & Practice of Democracy, Univ. of Chicago (Nov. 13, 1984) [hereinafter, "Religion and the Law."]

[62] *See generally*, Levy, *The Establishment Clause: Religion and the First Amendment* (1986); Swomley, *Religious Liberty and the Secular State* (1987).

[63] *Brookings Speech, supra*, at 1.

[64] *Brookings Speech, supra*, at 6.

[65] *Brookings Speech, supra*, at 12; *accord* Bork, "Religion and the Law," *supra*, at 15–16.

[66] Bork, "Religion and the Law," *supra*, at 15–16; *accord Brookings Speech, supra*, at 11.

[67] *Brookings Speech, supra*, at 10. He specifically criticizes the current three-prong test for determining violations of the Establishment Clause, which provides: "First, the statute must have a secular legislative purpose; second, its principal or primary effect must be one that neither advances nor inhibits religion, . . . finally, the statute must not foster 'an excessive government entanglement with religion.'" *Lemon v. Kurtzman*, 403 U.S. 602, 612–3 (1971), quoting *Walz v. Tax Commission*, 397 U.S. 664 (1970).

[68] Bork, "Religion and the Law," *supra*, at 5.

[69] *Id.* at 6.

[70] Bork, *Brookings Speech, supra*, at 3.

[71] *Id.*

[72] *Id.* at 11.

[73] *Id.* at 3.

[74] Bork, "Religion and the Law," *supra*, at 3–4; *accord Brookings Speech, supra*, at 3–4.

[75] Bork, "Religion and the Law," *supra*, at 2; *accord Brookings Speech, supra*, at 1.

[76] *Sherbert v. Verner, supra*, 374 U.S. at 404.

[77] Bowen v. Roy, 106 S. Ct. 2147, 2167 (1986) (O'Conner, J., concurring in part and dissenting in part).

[78] *Hobbie v. Unemployment Appeals Comm. of Florida*, 107 S. Ct. 1046 (1987); *Thomas v. Review Bd. of Indiana Employment Sec. Div.*, 450 U.S. 707 (1981); *Shervert v. Verner, supra*, 374 U.S. at 398 (1963).

[79] *Berkeley Speech, supra*, at 5.

[80] Bork, *Neutral Principles*, at 31.

[81] *Id.* at 20. *See id.* at 26 ("All other forms of speech [than 'explicitly and predominantly political'] raise only issues of human gratification, and their protection against legislative regulation involves the judge in making [illigitimate] decisions . . . ."); *id.* at 27 ("[T]he protection of the first amendment must be cut off when it reaches the outer limits of political speech."); *id.* at 29

("[c]onstitutionally, art and pornography are on a part with industry and smoke pollution.").

[82] Unpaginated Transcript, Public Affairs Television, Inc., *Moyers: In Search of the Constitution #107 Strictly Speaking* (Attorney General Edwin Meese and Judge Robert Bork) (Airdate May 28, 1987).

[83] The principal exception to this speech-protective attitude is Judge Bork's willingness to permit even political speech to be surppressed in furtherance of an alleged foreign policy inteerst. *See Finzer v. Barry*, 796 F.2d 1450 (D.C. Cir. 1976), *cert. granted sub non. Boos v. Barry*, 107 S. Ct. 1282 (1987); *Abourezk v. Reagan*, 785 F2d 1043, 1062, (D.C. Cir.) (Bork, J., dissenting), *cert. granted*, 107 S. Ct. 666 (1986).

[84] *Ollman v. Evans*, 750 F.2d 970 (D.C. Cir. 1984) (Bork, J., concurring).

[85] *Id.* at 996.

[86] *Id.* at 1004.

[87] *Id.*

[88] *Id.* at 993.

[89] 424 U.S. 1 (1976); *see* Bork, "The Individual, the State and the First Amendment," Unpublished Speech, Univ. of Michigan, 1977 or 1978.

[90] *Id.*

[91] *Lebron v. Washington Metropolitan Area Transit Authority*, 749 F.2d 893 (D.C. Cir. 1984) (Bork, J.).

[92] The fairness doctrine requires broadcasters to provide evenhanded coverage of controversial issues. Its constitutionality was upheld by the Supreme Court in *Red Lion Broadcasting v. FCC*, 395 U.S. 367 (1967). However, in August of this year, the FCC declared the fairness doctrine unconstitutional on the theory that the factual premises of *Red Lion* were no longer valid. *In re Syracuse Peace Council* (Aug. 6, 1987).

[93] *Telecommunication Research and Action Center v. FCC*, 801 F.2d 501, 509 (D.C. Cir. 1986), *cert. denied.* 55 U.S.L.W. 3821 (1987).

[94] *Finzer v. Barry*, 798 F.2d 1450, 1459 (D.C. Cir. 1986) (Bork, J.), *cert. granted sub nom. Boos v. Barry*, 107 S. Ct. 1282 (1987).

[95] Bork, "The Individual, the State and the First Amendment," *supra*.

[96] Bork, "The Individual, the State and the First Amendment," *supra*.

[97] *E.g., Brandenburg v. Ohio, supra*, 395 U.S. at 444.

[98] Bork, *We Suddenly Feel That Law Is Vulnerable, supra*, at 116.

[99] 274 U.S. 357, 377 (1927) (Brandeis, J., concurring).

[100] Bork, "The Individual, the State and the First Amendment," *supra*.

[101] *Id.*

[102] Unpaginated Transcript, Public Affairs Television, Inc., *Moyers: In Search of the Constitution, supra*.

[103] Bork, "The Individual, the State and the First Amendment," *supra*.

[104] McGuigan, *Judge Robert Bork Is A Friend of The Constitution, supra*, at 97.

[105] Bork, *Brookings Speech, supra*, at 8.

[106] Bork, *Neutral Principles*, at 7. *See also* Unpaginated Transcript, Public Affairs, Television, Inc., *Moyers: In Search of the Constitution, Supra*.

[107] *Griswold v. Connecticut, supra*, 381 U.S. 479. The Court protected the activities of medical personnel distributing contraceptives, as well as activities in the privacy of the marital bedroom.

[108] *Eisenstadt v. Baird* 405 U.S. 438 (1972), invalidated a Massachusetts law prohibiting distribution of contraceptives to single people.

[109] *Carey v. Population Services International*, 431 U.S. 678 (1977).

[110] *Roe v. Wade, supra*, 410 U.S. 113 (1973); *Thornburgh v. American College of Obstetricans*, 106 S. Ct. 2169 (1986).

[111] *Stanley v. Illinois*, 405 U.S. 645 (1972); *Santosky v. Kramer*, 455 U.S. 745 (1982).

[112] *Stanley v. Georgia*, 394 U.S. 557 (1969).

[113] *The Human Life Bill: Hearings on S. 158 Before the Subcomm. on the Separation of Powers of the Senate Comm. on the Judiciary, supra*, at 310. *See* Greenhouse, *No Grass is Growing Under Judge Bork's Seat*, N.Y. Times, at A18 (Aug. 4, 1987).

[114] Judge Bork refused to recognize a constitutional right to privacy when James L. Dronenburg challenged a government decision dismissing him from the Navy solely on grounds that he engaged in homosexual sex. *Dronenburg v. Zech*, 741 F.2d 1388, 1396 (D.C. Cir. 1984). In *Dronenburg*, Judge Bork speculated that the mere presence of homosexual men in the military causes damage:

"Episodes of this sort are certain to be deleterious to morals and discipline, to call into question the even-handedness of superiors' dealings with lower ranks, to make personal dealings uncomfortable where the relationship is sexually ambiguous, to generate dislike and disapproval among many who find homosexuality morality offensive, and, it must be said, given the powers of military superiors over their inferiors, to enhance the possibility of homosexual seduction." *Dronenburg v. Zech, supra*, 741 F.2d 1398.

Judge Bork's parade of horribles that can result from the presence of male homosexuals on the job stands in sharp contrast to his dismissive attitude toward the problem of male heterosexual harrassment of women. *Vinson v. Taylor, supra*.

Although the Supreme Court in *Bowers v. Hardwick*, 478 U.S. —— (1986), subsequently upheld the constitutionality of state sodomy laws, it specifically did not duplicate Judge Bork's generalized rejection of a constitutional right to privacy.

[115] *Olmstead v. United States*, 277 U.S. 438, 378 (1928) (dissenting opinion).

[116] *See Poe v. Ullman*, 367 U.S. 497, 539 (1961) (Harlan, J., dissenting) ("I believe that a statute making it a criminal offense for *married couples* to use contraceptives is an intolerable and unjustifiable invasion of privacy in the conduct of the most intimate concerns of an individual's personal life.") (emphasis in original).

[117] *Ollman v. Evans, supra*, 750 F.2d at 996.

[118] McGuigan, *An Interview with Robert H. Bork, supra*, at 6.

[119] *Id.* at 5–6.

[120] Similar limitations on access to courts are manifest in Judge Bork's opinions in related areas. *See, e.g., McClam v. Barry*, 697 F.2d 366 (D.C. Cir. 1983) (holding that Section 1983 action alleging police misconduct was barred by plaintiff's failure to comply with local six-month notice requirement); and, *Brown v. United States*, 742 F.2d 1498 (D.C. Cir. 1984) (where majority held that *McClam* was erroneously decided and where Bork dissented, adhering to his reasoning in *McClam*, and taking a more restrictive view of the issue than did Justice Scalia, then a member of the *Brown* majority).

[121] *United States v. Mount*, 757 F.2d 1315, 1320 (D.C. Cir. 1985).

[122] *Id.* at 1318 n. 5.

[123] 447 U.S. 727, 735 n. 8.

[124] 447 U.S. at 735 n.8. In addition, Judge Bork insisted that the Supreme Court had announced a general rule that exclusion of evidence is *never* appropriate unless that remedy would have a deterrent effect on law enforcement practices, 757 F.2d at 1321, attributing to the Court the "holding" that "where the exclusionary rule 'does not result in appreciable deterrence,' its use is not warranted," citing *United States v. Leon*, 468 U.S. 897, (1984).

The cited language is not the holding of *Leon*. It is not even an accurate quotation. Rather, the language appears in a discussion of non-criminal proceedings (in which the exclusionary rule may be less likely to deter misconduct) and is a quotation from an earlier case in whcih the Court declined to extend the rule to civil proceedings:

"[i]f . . . the exclusionary rule does not result in appreciable deterrence, then, clearly, its use *in the instant situation* [federal civil proceedings] is unwarranted." 468 U.S. at 909 [emphasis added], quoting *United States v. Janis*, 428 U.S. 433, 454 (1976).

[125] Bork has also urged Congress to cut back access to the federal courts. He has testified that:

"The only solution to the workload problem is a drastic pruning of jurisdiction of all Federal Courts. . . . So far as the Supreme Court is concerned, part of their [sic] difficulty is self-inflicted. They have, over a period of years, taken on types of cases which the Supreme Court previously did not do and invited a great deal of litigation that previously was not there." *Hearings on S.1847 Before the Subcomms. on Courts and Agency Admin. of the Senate Comm. on the Judiciary*, 97th Cong., 2d Sess. at 9, 13–14 (1982).

[126] A basic principle of American constitutional law requires that federal courts adjudicate only live cases and controversies between parties who have a real stake in the outcome of the litigation. These requirements are central to our constitutional structrue and serve many vital functions: They assure that cases will be decided in a context in which concrete facts can illuminate abstract principle and that the energy of federal judges will be devoted to cases that truly demand judicial resolution. Nevertheless, if requirements of justiciability are enforced with excessive rigor, individuals with legitimate grievances are denied not only their rights but also their day in court.

[127] Bork, "Religion and the Law," *supra*, at 2.

[128] For example, *Barnes v. Kline*, 759 F.2d 21 (D.C. Cir. 1984) (Bork, J., concurring), *vacated*, 107 S. Ct. 734 (1987), involved a challenge to President Reagan's pocket veto of a human rights certification bill. Bork dissented, on grounds that legislators lack standing. *Brown v. United States*, 742 F.2d 1498 (D.C. Cir. 1984) upheld a prisoner's right to bring a damage action in federal court against prison officials for an alleged violation of his constitutional rights. Bork dissented, saying that the prisoner had not complied with state procedural rules. *Hohri v. United States*, 793 F.2d 304 (D.C. Cir. 1986) (en banc) upheld the rights of Japanese-Americans to challenge government action confiscating their property during World War II. Bork dissented, asserting that the claims should have been filed at the time and are now barred by the statute of limitations. *Bartlett v. Bowen*, 816 F.2d 695 (D.C. Cir. 1987) allowed Medicare beneficiaries to present a First Amendment challenge to restrictions on services in Christian Science nursing homes. Bork dissented, on grounds that the statute does not allow any challenge, even on constitutional grounds, where the claim is for less than $1,000.

[129] *E.g. Robbins v. Reagan*, 780 F.2d 37 (D.C. Cir. 1985) held that the government could close a homeless shelter if alternative housing were provided. Bork concurred, arguing that the court had no jurisdiction to hear the case. *Vander Jagt v. O'Neill*, 699 F.2d 1166 (D.C. Cir. 1983) found no jurisdiction. Bork concurred, articulating broader grounds for denying relief. *Telecommunications Research & Action Center v. Allnet Communications Servs. Inc.*, 806 F.2d 1093 (D.C. Cir. 1986) denied an organization standing to claim money damages for its members in the circumstances of the case. Bork concurred, advocating a *per se* rule barring any organization from suing for money damages for its members. *Tel-Oren v. Libyan Arab Republic*, 726 F.2d 774 (D.C. Cir. 1984) denied Israeli plaintiffs access to federal courts to redress a tort committed in violation of the law of nations. Bork concurred, arguing that the 1789 statute creating federal jurisdiction over actions in these circumstances had virtually no modern role.

[130] *Barnes v. Kline, supra*, 759 F.2d at 55.

[131] An example of his narrow reading of current law can be found in his limited view of the types of injuries that are sufficient for standing. The Supreme Court has held that plaintiffs must allege a personal injury to have standing. *see, e.g., Gladstone, Realtors v. Village of Bellwood* 441 U.S. 91, 100 (1979); *Sierra Club v. Morton*, 450 U.S. 727, 735 (1972). Judge Bork has rejected claims of injury in circumstances where current law would seem to allow standing. For example, in *Northwest Airlines v. F.A.A.*, 795 F.2d 195 (D.C. Cir. 1986), an airline sued the Federal Aviation Administration to challenge a decision permitting a pilot who had been suspended for intoxication to fly commercial planes. The Airlines claimed that the threat to traffic safety gave it standing to sue. Although this injury is within the zone of interests protected by the Federal Aviation Act, Judge Bork found the injury "far too speculative and conjectural to provide a basis for standing." *Id.* at 202.

Similarly, in *Citizens Coordinating Committee on Friendship Heights v. Washingotn Area Metropolitan Transit Authority*, 765 F.2d 1169 (D.C. Cir. 1985), the court, in an opinion by Judge Bork, denied standing to a plaintiff alleging violations of the Clean Water Act by the Transit Authority's pollution of a stream. The Supreme Court has explicitly ruled that environmental and esthetic injuries are sufficient for standing. *See, e.g., Duke Power Co. v. Carolina Environmental Study Group Inc.*, 438 U.S. 59 (1978); *United States v. Students Challenging Regulatory Agency Procedures*, 412 U.S. 669 (1973); *Sierra Club v. Morton*, 402 U.S. 727 (1972). Nonetheless, Judge Bork found the alleged noneconomic injury insufficient for standing.

Similarly, where an injury is "indirect," Judge Bork would deny standing to a party challenging government action lest the court become involved "in the continual supervision of more governmental activities than separation of powers concerns should permit." *Haitian Refugee Center v. Gracey*, 809 F.2d 794, 810 (D.C. Cir. 1987). In *Gracey*, a non-profit corporation that exists to help Haitian refugees sued to stop a federal government program designed to interdict undocumented aliens on the high seas. The plaintiff claimed, in part, that it would be injured in that it could not perform its counseling function because the government's program kept Haitains from contacting the Center.

The Supreme Court had allowed standing on an almost identical claim in *Havens Realty Corp. v. Coleman*, 455 U.S. 363 (1982). Moreover, plaintiff alleged that the federal governments program was causing its inability to counsel and that a favorable court decision would allow it to resume couseling, which should have satisfied the requirement that plaintiff allege that the defendant's actions caused the harm and that a favorable court decision is likely to remedy the injury. *See, e.g., Allen v. Wright*, 466 U.S. 737 (1984). Nonetheless, Judge Bork found no standing because of "separation-of-powers principles central to the analysis of Article III." As Judge Edwards argued in dissent, Judge Bork's opinion ignored precedent and created a new limit on standing by ruling that the separation of powers concept leads a court to deny causation where it otherwise factually exists. *Gracey*, 809 F.2d at 826–27 (Edwards, J., dissenting).

[132] *Barnes v. Kline, supra*, 759 F.2d at 41.

[133] *Id.* at 56.

[134] *See Telecommunications Research & Action Center v. Allnet Communication Servs., supra*, 806 F.2d at 1097.

[135] *Hunt v. Washington State Apple Advisory Comm.*, 432 U.S. 333 (1977).

[136] *Telecommunication Research & Action Center v. Allnet Communication Servs., supra*, 806 F.2d at 1097.

[137] *Judge Bork's expansive view of sovereign immunity takes the form of narrowly construing the provisions of the Federal Torts Claims Act, the primary statute where Congress has waived the United States' immunity. See, e.g., Jaycee Brand, Inc. v. United States*, 721 F.2d 385 (D.C. Cir. 1983) (Bork, J.).

[138] For example, in *Bartlett v. Bowen*, 816 F.2d 695 (D.C. Cir. 1987), Judge Bork argued that the government had not waived sovereign immunity with respect to a First Amendment challenge to the administration of a thee federal Medicare program. *See also Brown v. United States*, 742 F.2d 1498 (D.C. Cir. 1984) (en banc) (rejecting Judge Bork's dissenting view that a local ordinance barring damages claims by inmates also barred any claim seeking to vindicate constitutional rights).

[139] *E.g., Tel-Oren v. Libyan Arab Republic*, 726 F.2d 774; (D.C. Cir. 1984) *Persinger v. Islamic Republic of Iran*, 729 F.2d 835 (D.C. Cir. 1984). Both cases are discussed more fully in the section that follows on Executive Power.

[140] *Nader v. Block*, 366 F. Supp. 104 (D.D.C. 1973).

[141] 28 U.S.C. §§ 591-8 (1978).

[142] *Hearings on the Special Prosecutor before the Senate Comm. on the Judiciary*, 93d Cong., 1st Sess. 451 (1973).

[143] *Nominations of William B. Saxbe to be Attorney General: Hearings Before the Sen. Comm. on the Judiciary*, 93d Cong., 1st Sess. 92 (1973).

[144] Bork, *Comments on Legality of United States Action in Cambodia*, 65 Am. J. Int'l. L., at 79 (1971) (emphasis added).

[145] During his confirmation hearings as Solicitor General, Bork responded to questions about *how* Congress could constitutionally act to end the war in Southeast Asia. Bork responded that he had "not studied the question of the particular form your efforts take . . .," reciting the general principle that "the ultimate power of war and peace resides in the Congress." *Nominations of Joseph T. Sneed to be Deputy Attorney General and Robert H. Bork to be Solicitor General: Hearings before the Senate Comm. on the Judiciary, supra*, at 9–10.

[146] *Foreign Intelligence Surveillance Act: Hearings on H.R. 7308 Before the Subcomm. on Courts and Civil Liberties of the House Comm. on the Judiciary*, 95th Cong., 2d Sess. 130, at 134 (1976). Bork also argued that federal courts have no jurisdiction under Article III to issue warrants in this area, although they routinely do so in criminal matters. Moreover, Bork argued that judges should not even ensure that surveillance complies with constitutional standards. *Id.* According to Bork, abuse by intelligence agencies is not a realistic concern: "The possibility of future abuses has been greatly lessened because of [the] exposure [of past abuses]. We have established a new set of expectations, a new tradition, about how we want our intelligence agencies to behave." *Id.* at 132.

[147] The legislators claimed that the President had violated the War Powers Resolution, 50 U.S.C. §§ 1541–48 (1976), and the War Powers Clause of the Constitution by introducing military officals into situations "where imminent involvement in hostilities is clearly indicated by the circumstances." *Crockett v. Reagan*, 720 F.2d at 1355.

[148] 785 F.2d 1043, 1075 (D.C. Cir.) (Bork, J., dissenting) *cert. granted*, 107 S. Ct. (1986).

[149] 785 F.2d at 1076.

[150] 726 F.2d 774 (D.C. Cir. 1984).

[151] 729 F.2d 835 (D.C. Cir. 1984).

[152] 28 U.S.C. § 1603(c).

[153] 729 F.2d 839.

[154] 793 F.2d 304 (D.C. Cir. 1986) (denial of rehearing *en banc*) (Bork, J., dissenting).

[155] 697 F.2d at 114. *See also Meeropol v. Meese*, 790 F.2d 942 (D.C. Cir. 1986) (Bork, J.) (declining to order additional discovery against the F.B.I. based on a sampling of one percent of the pages withheld). Judge Bork also insulates corporate and commercial activity from public scrutiny. *E.g., Greenberg v. Food and Drug Administration*, 803 F.2d 1213 (D.C. Cir. 1986) (dissenting from denial of summary judgment to bar disclosure to publication group of list of health care facilities owning CAT scanner manufactured by particular company).

[156] *Wolfe v. Department of Health and Human Services*, 815 F.2d 1527, 1538 (D.C. Cir. 1987), *ren'g en banc granted*, —— F.2d —— (July 2, 1987) (Bork, J. dissenting). Faced with a request for disclosure of an agency log that recorded the progress of topics considered for regulation, Judge Bork argued that the agency's deliberative process would be seriously harmed by disclosure. Judge Bork contended that the agency had a right to conduct its deliberations, prior to publication of a decision in the *Federal Register*, free and clear of public scrutiny and without being lobbied by interest groups.

[157] *Id.* For a full discussion of Executive privilege, see R. Berger, *Executive Privilege* (1975); Dorsen & Shattuck, *Executive Privilege, Congress and the Courts*, 34 Ohio St. L.J. 1 (1974).

[158] *Id.* at 1539.

[159] *Id.* at 1533.

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## Statement by the AFL-CIO Executive Council on Opposition to the Nomination of Robert H. Bork to be an Associate Justice of the Supreme Court of the United States, August 17, 1987

The AFL-CIO opposes the nomination of Judge Robert H. Bork to be an Associate Justice of the Supreme Court of the United States. We call on the Senate to use its independent "advice and consent" powers to reject that nomination.

It is an open secret that the President is intent on perpetuating the "Reagan revolution's" social and political program beyond his term of office by putting the courts, including the Supreme Court, in the hands of judges whose first fealty is to that program. It is the Senate's right and responsibility to stand up to this ideological court packing and to insist on a Supreme Court nominee steeped in the richer, more complex, more diverse and more humane body of rules, practices and understandings that have historically been recognized to constitute the law.

Our review of Judge Bork's academic work and his public career make it plain that he is a man moved not by deference to the democratic process, nor by an allegiance to any recognized theory of jurisprudence, but by an overriding commitment to the interests of the wealthy and powerful in our society. His agenda is the agenda of the right wing and he has given a lifetime of zeal to publicizing that agenda; that is the stuff from which his nomination was made and that is what requires the Senate to refuse its advice and consent.

Over the past three decades Judge Bork has opposed a variety of initiatives, whether legislative or judicial, to extend social, economic, political, and legal rights more broadly and equitably. So far as we have been able to ascertain, he has never shown the least concern for working people, minorities, the poor, or for individuals seeking the protection of the law to vindicate their political and civil rights. The causes that have engaged him are those of businessmen, of property owners and of the executive branch of government.

Judge Bork's academic work on the Constitution purports to be in praise of "judicial restraint" and "neutral principles," but his work as a whole makes it clear that these phrases are used merely as literary counterpoint to the invective in which he condemns "liberal judges" who allegedly decide cases out of "partisanship," "activism" and reliance on "their personal political values."

The decisions he derides include many of the landmarks guaranteeing civil liberties, racial justice and equal treatment under law: decisions providing for "one man one vote"; outlawing the poll tax; upholding Congress' broad powers to enforce the Fourteenth Amendment; enunciating the "clear and present danger" test to safeguard free speech; and outlawing exclusionary racial covenants. These are not the excesses of judicial imperialists but rather conscientious efforts to plumb the deepest values of the Constitution and to move, in a measured way, toward the realization of its grand plan.

In contrast, we have not found in Judge Bork's writings even a whisper of disapproval of any Supreme Court decision in the last fifty years taking a limited view of individual rights or a broad view of government power, or any suggestion that right-wing judges have ever improperly relied on their personal values in construing statutes or in fashioning constitutional principles. Nothing in logic or experience supports the notion that judges who share Judge Bork's political and social views have been so consistent in their devotion to disinterested reason; and, not surprisingly, the arguments Judge Bork makes do not support his contention that the modern decisions upholding individual rights he attacks are wholly without legal support.

The Constitution is a complex and subtle document phrased in the general terms required in a charter of government meant to endure. The Supreme Court's interpretative efforts are necessarily imperfect and reasoned criticism of those efforts is a purifying force in the evolution of constitutional law. But Judge Bork's polemics, his litany of complaints that the decisions with which he disagrees are the product of willful efforts to distort, have precisely the opposite effect.

Aside from seeking to drain the Bill of Rights of most of its force, Judge Bork has concentrated his energies on attempting to liberate big business from most of the limits on corporate power stated in the antitrust laws. In pursuit of this goal, and in order to further his personal belief in the virtues of Chicago-school economic theory, he is an extreme judicial activist, ready and willing to jump all the hurdles put in his way by legislative enactments and dozens of long standing judicial precedents.

Judge Bork's "dedication" to judicial restraint also disappears where the issue is executive power. With only vague "separation of powers" concepts to rely on he has been quick to condemn both legislative and judicial checks on the Executive branch. That approach cannot be squared with his approach to individual rights cases, where he argues that only the clearest constitutional mandate can ever justify invalidating a legislative act.

Judge Bork's five year record on the federal bench has been characterized by the same tendency to subordinate principle to partisan preference. As the *Columbia Law Review* noted, his record in non-unanimous

decisions in which he participated—in those close cases in which there almost surely was no binding precedent to foreclose the exercise of independent judgment—is far to the right of other Reagan-appointed judges. His actions in those cases, said that Review, display a "one-sided approach to . . . the principles of restraint he espouses," since he voted "consistently in favor of business groups' claims against federal agencies yet opposed most claims by public interest groups." And in non-unanimous constitutional cases the pattern is the same: claims that are not based on property rights rarely won Judge Bork's support while claims of executive authority—whether challenged by Congress or individuals—rarely lost his vote.

President Reagan has justified his choice by arguing that Judge Bork's accomplishments make him a logical successor to Justice Frankfurter. That is a comparison with special meaning to the trade union movement. Felix Frankfurter was a strong and early friend of labor who had worked to expose the evils of the labor injunction, to frame the New Deal and to forward the cause of civil liberties before going on the bench. Yet, once on the Supreme Court, Justice Frankfurter, out of respect for the democratic branches of government, took a relatively narrow view of the Court's authority to invalidate legislation on constitutional grounds and showed a scrupulous regard for following congressional intent in cases involving federal statutes.

Justice Frankfurter's career makes it plain that restraint in the exercise of judicial authority is no vice. Organized labor is committed to making its way by mobilizing the energies of its members and by making their presence felt in the economic, political and legislative processes. We are well aware of the dangers of personal political and social bias in judicial decision-making; we recognize that judges who strive to transcend their parochial limits are the judges who meet the obligation of their office.

Judge Bork is not in the Frankfurter tradition. Justice Frankfurter referred to constitutional adjudication as a process calling for "statecraft," calling, in other words, for a justice able to look beyond his personal predilections and to comprehend the wide range of legitimate interests reflected in the law.

Judge Bork has demonstrated no capacity for statecraft. His skill is the pamphleteer's skill of reducing complex questions to caricatures and of belittling the honor and integrity of his intellectual opponents. His place is on the lawyers' side of the bar openly arguing for the privileged who have been the beneficiaries of his endeavors all along.

For these reasons the AFL-CIO opposes his nomination to the Supreme Court and urges the Senate to refuse its "advice and consent."

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## The Judicial Record of Judge Robert H. Bork

(Public Citizen Litigation Group: Arthur L. Fox II, Eric R. Glitzenstein, Patti A. Goldman, Cornish F. Hitchcock, Paul Alan Levy, Joan S. Meier, Katherine A. Meyer, Alan B. Morrison, William B. Schultz, and David C. Vladeck)

### INTRODUCTION

On July 1, 1987, President Reagan nominated Judge Robert H. Bork to be an Associate Justice of the Supreme Court of the United States. The nomination was instantly controversial because in recent years the man Judge Bork would replace—Associate Justice Lewis F. Powell, Jr.—has been the swing vote in many 5–4 cases.

Both his supporters and opponents have argued that Judge Bork should be evaluated on the basis of his record. An important source of data is Judge Bork's performance as a member of the United States Court of Appeals for the District of Columbia Circuit, popularly known as the "D.C. Circuit." Many legal observers consider this court to be second only to the Supreme Court in terms of influence, primarily because it hears a large number of important cases involving the federal government that can affect people across the nation.

Judge Bork has served on the D.C. Circuit for over five years. Prior to his nomination, he had participated in approximately 400 cases in which there were published opinions, and he had written 144 majority, concurring and dissenting opinions. Shortly after the nomination was announced, the Public Citizen Litigation Group undertook a detailed examination of these cases.

The Public Citizen Litigation Group lawyers were aware of Judge Bork's decisions in cases involving their own clients and knew that in cases involving public interest organizations and government, Judge Bork had regularly sided with the executive branch.[1] Recognizing, of course, that this experience was not necessarily an accurate reflection of his overall record, we undertook a study of all his pre-nomination cases, to discern if any common themes or trends could be identified.

This analysis focuses on Bork's role in those cases where the judges disagreed with each other. We identified 56 "split decisions" in which Judge Bork particiapted—those cases in which one or more judges disagreed with the majority on how the case should be resolved and filed a dissenting statement. Judge Bork's votes in split decisions are significant for several reasons. First, it is likely that these votes made a difference in the outcome. In addition, although most D.C. Circuit cases are decided by a unanimous three-judge panel, the cases in which judges disagree publicly tend to be the more controversial cases, some of which will ultimately reach the Supreme Court for resolution. Finally, these are the "tough cases" because by definition split decisions are cases in which at least one judge disagreed with Judge Bork.

### A. SUMMARY OF FINDINGS

An analysis of Judge Bork's record on the D.C. Circuit demonstrates that:

Judge Bork's performance on the D.C. Circuit is not explained by the consistent application of judicial restraint or any other judicial philosophy; instead in split cases, one can predict his vote with almost complete accuracy simply by identifying the parties in the case;

In split cases where the government is a party, Judge Bork voted against consumers, environmental groups, and workers almost 100% of the time and for business in every such case;

In 14 split cases, Judge Bork denied access to the courthouse every time; among the many losers was the United States Senate, which, according to Judge Bork's dissent, could not bring a case of major constitutional significance to the federal courts;

Judge Bork has expressed a desire to reformulate broad areas of antitrust law, and to narrow the constitutional protections of individuals;

Judge Bork is far less a friend of the First Amendment than some have suggested, as evidenced by four cases in which he voted against the First Amendment claims of political demonstrators;

On several occasions, Judge Bork's colleagues have been extremely critical of him for misinterpreting Supreme Court precedent and going beyond the facts of a particular case.

Judge Bork is widely credited as being a proponent of judicial restraint, a judicial philosophy that in administrative law cases requires courts to defer to the executive branch. Our analysis of his decisions, however, found that Judge Bork generally adhered to this philosophy only in cases brought by individuals or organizations other than a business (referred to as "non-business cases").

In the field of administrative law, Judge Bork adhered to an extreme form of judicial restraint if the case was brought by public interest organizations. His vote favored the executive in every one of the 7 split decisions in which public interest organizations challenged regulations issued by federal agencies. These cases included environmental issues, the regulation of potentially carcinogenic colors in foods, drugs, and cosmetics, the regulation of television and radio licensees, and a requirement that family planning clinics notify parents of teenage girls who sought birth control information and devices. The single non-business general regulatory issue on which Judge Bork voted in favor of the individual involved challenges by President Reagan and Senator Kennedy to a decision of the Federal Election Commission regarding the treatment of campaign expenses.[2]

Judge Bork also deferred to the executive branch in labor cases brought to benefit employees, where he voted for the government in 4 out of 5 cases in which the court split.[3] And in cases brought under the Freedom of Information Act ("FOIA") and related statutes, he voted for the agency and against the requester in all 7 of the cases in which the court split, even though Congress has made it clear in the statute that no deference is to be accorded the executive branch agencies in those cases.

In the areas of constitutional law, the doctrine of judicial restraint has a similar meaning: it requires judges to be reluctant to find new rights in the Constitution or to expand existing ones. Once again, in civil rights and civil liberties cases brought by individuals, Judge Bork adhered to this philosophy. In the 6 split decisions where the government was a party, he voted against the individual every time. The pattern in criminal cases was the same; Judge Bork voted for the prosecution in the 2 split criminal decisions. Indeed, he voted against the criminal defendant in 23 of the 24 criminal cases in which he participated on the D.C. Circuit.

A summary of Judge Bork's votes in split decisions involving the federal government and a party other than a business appears below:

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[1] A list of the Public Citizen Litigation Group cases in which Judge Bork has participated appears in the Appendix.

[2] None of the cases were brought by the "conservative" public interest organizations such as the Heritage Foundation.

[3] In the single vote that favored employees' interests, Judge Bork voted to remand that case to the Merit Systems Protection Board after upholding a worker's discharge on the merits, so that the agency could explain its reasons for a strictly procedural ruling in favor of the executive.

JUDGE BORK'S VOTES IN SPLIT DECISIONS IN CASES AGAINST THE EXECUTIVE NOT BROUGHT BY BUSINESS

| | Private party ¹ | Executive |
|---|---|---|
| Administrative Law: | | |
| General regulatory cases | 1 | 7 |
| Labor cases | 1 | 4 |
| Freedom of information cases | 0 | 7 |
| Constitutional law | 0 | 6 |
| Criminal law | 0 | 2 |
| Total | 2 | 26 |

¹ Public interest group, worker, individual, FOIA requester, candidate.

However, Judge Bork did not consistently adhere to the principles of judicial restraint. To the contrary, when a private corporation or business group (referred to as a "business interest") sued the government, he was a judicial activist. Thus, in the 8 split decisions where a business interest challenged the government, Judge Bork voted for the business every time. Five of these are ratemaking cases where the court's decisions directly affected the cost of services provided to consumers, and 3 are labor cases in which the losers were workers. The other victory by a business interest reversed the Department of Agriculture's so-called "junk food rule," which prohibited the sale of soft drinks and other products in competition with nutritious meals being served in school lunch programs.

Judge Bork's votes in split administrative law cases in which a business interest was a party appear in the table below:

JUDGE BORK'S VOTES IN SPLIT DECISIONS IN ADMINISTRATIVE LAW CASES BROUGHT BY BUSINESS

| | Business | Executive |
|---|---|---|
| Federal Energy Regulatory Commission, Interstate Commerce Commission, Department of Agriculture cases | 5 | 0 |
| Labor cases | 3 | 0 |
| Total | 8 | 0 |

The only split case in which a business interest asserted a constitutional right is *Jersey Central Power & Light Co.* v. *FERC*, 768 F.2d 1500 (1985) and 810 F.2d 1168 (1987) (*en banc*), which also raised administrative law issues. Judge Bork's opinions in favor of Jersey Central in this case, as well as his position in several other cases, suggest that he is much more willing to find a constitutional violation where business is asserting a property interest, such as a taking of property without just compensation, than when individuals are seeking constitutional protection for their non-economic rights.

Not only did Judge Bork consistently rule against individuals and public interest organizations on the merits, but in many cases he did not even let them through the courthouse door. Thus, in the 14 split cases involving questions of access to the courts or to administrative agencies, Judge Bork voted against granting access on every occasion. He voted to dismiss cases against prison inmates, social security claimants, Haitian refugees, handicapped citizens, the Iranian hostages, and the homeless. Judge Bork did not reach the merits in any of these cases; rather, he refused to decide the claims raised. And in one case, he affirmed a decision of the Nuclear Regulatory Commission denying the Attorney General of Massachusetts an opportunity to participate in a proceeding concerning the safety of a nuclear power plant in Massachusetts.

The most significant expression of Judge Bork's views on access are contained in his dissent in *Barnes* v. *Kline*, 759 F.2d 21 (1985). There Judge Bork voted to preclude the United States Senate, the House of Representatives, and 33 Members of Congress from litigating an issue of major constitutional importance (whether the President had effectively exercised the pocket veto), even though the President's attorney had conceded that the plaintiffs could sue. According to Judge Bork, the courts are not available to resolve major constitutional controversies between the President and Congress; instead, those issues must be decided in the political arena.

Judge Bork's opinions in *Barnes* and other standing cases strongly suggest that, if he were on the Supreme Court, he would vote to deny standing in a large variety of cases challenging executive action, including many cases brought by public interest organizations. Because his theory of standing is grounded on his own interpretation of Article III of the Constitution, only a constitutional amendment could alter the result. A summary of Judge Bork's votes on access cases appears below:

*Judge Bork's votes in split decisions in cases involving access to the courts*

| | |
|---|---|
| Granted access | 0 |
| Denied access | 14 |

Taken together, Judge Bork's decisions in the fields of administrative, constitutional, and criminal law and his rulings on access present a clear theme: where anybody but a business interest challenged executive action, Judge Bork exercised judicial restraint either by refusing to decide the case or by deferring to the executive on the merits. However, when business interests challenged executive action on statutory or constitutional grounds, Judge Bork was a judicial activist, favoring the business interest in every split decision in which he participated. In summary, when split cases in which Judge Bork participated during his five years on the D.C. Circuit are combined, on 48 out of 50 occasions (or 96% of the time) Judge Bork voted to deny access, voted against the claims of individuals who had sued the government, or voted in favor of the claims of business which sued the government.

### NATIONAL WOMEN'S LAW CENTER REPORT DOCUMENTS JUDGE BORK'S VIEWS ON WOMEN'S LEGAL RIGHTS

Following the nomination of Judge Robert Bork to the Supreme Court, the National Women's Law Center undertook a review of his legal opinions, writings, and statements bearing on the rights of women. We have now released our 39-page report, *Setting the Record Straight: Judge Bork and the Future of Women's Rights*. A copy of the report's Executive Summary is attached.

*Setting the Record Straight* concludes that Judge Bork advocates legal views that are hostile to women's interests in critical areas, including their constitutional rights to equal protection and to privacy, and important statutory protections. Moreover, our findings show that he is a judicial activist who supports reversing many Supreme Court decisions that establish key rights of women, and who seizes every opportunity to advance his positions.

Copies of *Setting the Record Straight* are available for $5 each from the National Women's Law Center, 1616 P Street, N.W., Suite 100, Washington, D.C. 20036. If time allows, we hope that you will publicize this report in a newsletter or other appropriate mailing. For further information, please contact the Center.

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### SETTING THE RECORD STRAIGHT: JUDGE BORK AND THE FUTURE OF WOMEN'S RIGHTS

Following the nomination of Judge Bork to the Supreme Court, the National Women's Law Center undertook a review of his court decisions, writings and statements that bear on the legal rights of women. Judge Bork has stated that the courts are ill-suited to address problems of sex discrimination. His record reflects that view, both in the approach he has articulated for interpreting the law, and his actual court decisions.

Judge Bork strongly disagrees with Supreme Court cases interpreting the constitutional rights to equal protection and privacy that form the cornerstone legal protections for women. Judge Bork also has interpreted statutes narrowly that afford women critical protections in the areas of employment and health. Finally, Judge Bork is a judicial activist who supports overturning the Supreme Court precedents affecting women's rights, which he believes are wrongly decided, and who as a judge has seized unusual opportunities to advance his positions.

In Judge Bork's view, the Constitution provides no specific protections for women except for suffrage. Women would be left defenseless against government discrimination under his interpretation of the Constitution.

1. Judge Bork believes that the fourteenth amendment equal protection clause is designed to eliminate only discrimination on the basis of race. His theory that the Constitution and its amendments must be interpreted according to their historical context precludes any specific fourteenth amendment protection against sex discrimination.

Instead of the courts giving careful, or "heightened," scrutiny to governmental policies that treat men and women differently, as the Supreme Court has required since 1971, Judge Bork would return to the old standard that any "rational" basis is reason enough to justify discrimination. All claims of illegal sex discrimination considered under the rational basis standard have been rejected by the Supreme Court.

A long line of Supreme Court cases beginning in 1971 used a new "heightened scrutiny" test to invalidate government-sponsored sex discrimination. Cases that would be overturned by Judge Bork's reasoning include: State's automatic preference for males over females to serve as executor of estates held invalid [*Reed* v. *Reed* (1971)]; stricter requirements for servicewomen than servicemen to claim dependents held invalid [*Frontiero* v. *Richardson* (1973)]; different Social Security benefits for women and men held invalid [*Weinberger* v. *Wiesenfeld* (1975); *Califano* v. *Goldfarb* (1977)]; State statute obligating parent to support sons to an older age than daughters held invalid [*Stanton* v. *Stanton* (1975)]; and State statute giving husbands exclusive authority to manage community property jointly owned by the husband and wife held invalid [*Kirchberg* v. *Feenstra* (1981)].

2. Judge Bork believes that there is no constitutionally-protected right to privacy. In his view, the framers of the Constitution did not envision such a right, and therefore landmark Supreme Court cases based on the right to privacy over the last fifty years were wrongly decided.

Judge Bork disagrees with Supreme Court cases that have carved out a sphere of familial privacy and integrity with which the government cannot constitutionally interfere, and would decide them differently. Cases that would be overturned include: State prohibition against teaching of modern foreign languages violates fundamental rights of parents to control their children's education [*Meyer* v. *Nebraska* (1923)]; State law requiring children to attend public schools unreasonably interferes with parents' right to direct the education of their children [*Pierce* v. *Society of Sisters* (1925)]; and school board requirements that pregnant teachers resign at a fixed time early in pregnancy held invalid [*Cleveland Bd. of Educ.* v. *LaFleur* (1974)].

In a court of appeals case, Judge Bork wrote a separate statement that described the right asserted by a noncustodial father to discover the location of his children as "tenuous" and unworthy of constitutional protection [*Franz.* v. *United States* (1983)].

Judge Bork disagrees with Supreme Court cases that have protected access to contraception and abortion on the basis of a constitutional right to privacy, and would reverse cases that include: State law prohibiting the sale or use of contraceptives, even by married couples, held invalid [*Griswold* v. *Connecticut* (1065)]; and State law prohibiting access to abortion held invalid [*Roe* v. *Wade* (1973)].

Judge Bork's narrow interpretation of the Constitution is mirrored by his narrow interpretation of statutes designed to protect women.

1. In the area of employment, Judge Bork has advocated legal positions that would seriously narrow women's statutory protections—protections that have been confirmed by the Supreme Court.

In *Vinson* v. *Taylor* (1985) (op. dissenting from denial of rehearing), Judge Bork questioned whether job-related sexual harassment should be sex discrimination prohibited at all by Title VII of the 1964 Civil Rights Act. In this case, Judge Bork also stated that sexual harassment cases should be harder to prove and subject to different standards than other Title VII discrimination cases.

In a unanimous opinion, written by now Chief Judge Rehnquist, the Supreme Court rejected Judge Bork's reasoning, and held not only that sexual harassment was a violation of Title VII, but that the severe standards of proof Judge Bork would impose were not appropriate.

Judge Bork has expressed the view that the legal theory underlying affirmative action remedies to overcome the effects of past governmental discrimination is wrong.

In contrast to Judge Bork's view, last term in *Johnson* v. *Department of Transportation*, the Supreme Court affirmed the validity and importance of affirmative action to provide women access to highly paid jobs from which they had been excluded in the past.

2. In the area of health, Judge Bork has analyzed statutes inconsistenty, finding no Congressional authority to protect women's health in one statute, while reaching to find Congressional authority to allow restrictions on access to contraceptives in another.

In *Oil, Chemical & Atomic Workers Int'l Union* v. *American Cyanamid Co.* (1984), Judge Bork held that despite the language of the Occupational Safety and Health Act, which he conceded arguably applied, an employer would not violate the Act by having a policy that required female employees to become surgically sterilized in order to keep their jobs.

In *Planned Parenthood* v. *Heckler (1983)*, Judge Bork adopted a very different approach. In a case holding that Congress did not authorize the Department of Health and Human Services (HHS) to require a parental notification rule covering family planning grantees, Judge Bork conceded that the rule was invalid. But he further stated that the case should be remanded to HHS, and developed a theory under which, in his view, HHS could lawfully reissue the rule.

Judge Bork has stated his belief that "mistaken" Supreme Court decisions should not be followed in future cases; has indicated a belief that the Supreme Court cases upon which fundamental rights of women are based are mistaken; and has a record demonstrating that he would actively seek to implement his views.

1. Judge Bork has stated that justices should freely correct prior Supreme Court decisions, unless precedents are so fixed, as under the Commerce Clause, that they should not be overruled.

Judge Bork has given every indication that precedents based on the rights to privacy and heightened protection for women under the equal protection clause should be changed.

Judge Bork has described as unconstitutional or unprincipled the application of the equal protection clause to "non-racial inequalities;" the *Griswold* decision allowing the sale and use of contraceptives; and the *Roe* v. *Wade* decision upholding a woman's right to abortion.

2. While on the Court of Appeals, Judge Bork has taken unusual steps to advance his views.

Although bound by Supreme Court precedent finding a constitutional right to privacy, in an opinion addressing the employment rights of homosexuals in the Armed Forces, he included a review of his general position on the right to privacy and his opinion of the correctness of Supreme Court precedents [*Dronenburg* v. *Zech* (1984)].

In a sexual harassment case, he filed a "separate statement" seeking to limit the reach of an opinion by a panel of which he was not a member, even though rehearing was denied [*King* v. *Palmer* (1985)].

In a case involving privacy rights asserted by a father seeking access to his children, in which he was a member of the panel, Judge Bork filed a statement attacking the constitutional rights afforded the father by the majority, not when the opinion was issued but more than a month later [*Franz* v. *United States* (1983)].

In sum, Judge Bork's record is one of a judicial activist, whose views place him outside the mainstream of jurisprudential thought. These views, if implemented by the Supreme Court, would have profound consequences for the legal rights of women.

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### BORK'S VOTING RECORD FAR MORE CONSERVATIVE THAN THAT OF THE AVERAGE REAGAN JUDGE, NEW STUDY REVEALS

Supreme Court nominee Robert Bork, in a series of contentious cases as an appellate court judge, voted on the conservative side over 90% of the time—making him far more conservative than the average Reagan appointee to the U.S. Court of Appeals, an objective study has concluded.

The year-long study, about to be published in the Columbia Law Review, examined all of the over 1200 nonunanimous decisions by the U.S. Courts of Appeals during 1985 and 1986. This summer, co-authors Timothy Tomasi and Jess Velona conducted additional research to incorporate all of Judge Bork's votes in nonunanimous cases since his appointment to a federal judgeship by President Reagan in 1982.

Overall, the results were that Reagan judges, while much more conservative than Democratic judges, were no more conservative than judges appointed by previous Republican presidents. Democratic judges voted on the liberal side of cases, such as for civil rights plaintiffs, criminal defendants and public interest groups and against business, 62% of the time. Reagan judges did so only 31% of the time, but other GOP judges voted on the liberal side at the same rate—31%. Reagan judges were especially hostile to the claims of criminal defendants, minorities and the disabled, but so were other Republican judges.

Judge Bork did not at all fit this pattern, however. In 18 nonunanimous cases during 1985-86, he never voted on the liberal side. Moreover, since 1982, he cast liberal votes in but 4 of 42 such cases—a rate of just 10%. Many of these were government regulation cases, in which Bork voted consistently in favor of business groups' claims against federal agencies (7 of 8 cases) yet opposed most claims by public interest groups (14 of 15 cases). Thus, he voted on the liberal side of regulation cases only twice in 23 cases studied, only 9% of the time, and far less than the 42% rate of other Reagan judges.

The study also tested whether Reagan judges, when disagreeing with Democratic appointees, took the liberal side of the case more often than did other GOP judges in such situations. Once again, no differences emerged—both Reagan judges and other GOP appointees cast liberal votes 24% of the time. When Judge Bork disagreed with Democrats, however, he never voted on the liberal side in 15 cases during 1985-86, and he did so just twice in 37 cases since 1982—only 5% of the time.

"It is surprising that Reagan judges on the average were no more conservative in their voting behavior than other GOP judges," said Mr. Velona, Articles and Book Reviews Editor of the Columbia Law Review. "If any group of judges would be ideologues, Reagan's appointees fit the bill. But that just hasn't happened."

"As for Judge Bork, people all too often focus solely on his own record and conclude that he is very conservative," said Mr. Tomasi, Notes and Comments Editor of the Law Review. "But the next question is, conservative compared to whom? Our study provides such a unique baseline by examining the voting records of other Republican appointees. Even though the number of cases involving Judge Bork was relatively small, the wide gap between his voting behavior and those of his Republican colleagues cannot be ignored."

"Most strikingly," Velona and Tomasi added, "Judge Bork's voting behavior in regulation cases reflects an apparently inconsistent application of judicial restraint. In the cases with dissents examined in our study, Bork consistently urged that the court defer to agency decisions when a public interest group sued the government. However, in our study, when a business group sued a government agency, Bork very often voted to reverse the agency's decision."

"Of course, the Senate must consider more than these voting patterns in evaluating a judicial nominee," Velona and Tomasi concluded. "We urge that Judge Bork's public statements, academic writings and judicial opinions be closely scrutinized. Still, Judge Bork will need to explain what we have identified as an apparently one-sided approach in at least a significant portion of his judicial decisions. The average Reagan judge may be within the Republican mainstream, but the President's nomination of a man with Judge Bork's record to the nation's highest court can only fuel the current debate about judicial extremism."

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[From the New York Review of Books, Aug. 13, 1987]

## The Bork Nomination

(By Ronald Dworkin)

President Reagan's nomination of Judge Robert Bork to succeed Justice Lewis Powell on the Supreme Court presents the Senate with an unusual problem. For Bork's views do not lie within the scope of the longstanding debate between liberals and conservatives about the proper role of the Supreme Court. Bork is a constitutional radical who rejects a requirement of the rule of law that all sides in that debate had previously accepted. He rejects the view that the Supreme Court must test its interpretations of the Constitution against the principles latent in its own past decisions as well as other aspects of the nation's constitutional history. He regards central parts of settled constitutional doctrine as mistakes now open to repeal by a right-wing court; and conservative as well as liberal senators should be troubled by the fact that, as I shall argue here, he has so far offered no coherent justifications for this radical, antilegal position.

It would be improper for senators to reject a prospective justice just because they disagreed with his or her detailed views about constitutional issues. But the Senate does have a constitutional responsibility in the process of Supreme Court appointments, beyond insuring that a nominee is not a crook or a fool. The Constitution is a tradition as well as a document, and the Senate must satisfy itself that a nominee intends in good faith to join and help to interpret that tradition in a lawyerlike way, not to challenge and replace it out of some radical political vision that legal argument can never touch.

The Senate's responsibility is particularly great in the circumstances of the Bork nomination. Bork is the third justice added to the Court by an administration that has for seven years conducted an open and inflexible campaign of ideological appointments on all levels of the federal courts, hoping to make them a seat of right-wing power long after the administration ends. Reagan made no effort to disguise the political character of Bork's appointment: he said that Bork is "widely regarded as the most prominent and intellectually powerful advocate of judicial restraint," and that he "shares my view" of the proper role of the Court. Conservative pressure groups are already raising money to support the nomination, and the right-wing New York *Post* has challenged liberals to "make our day" by opposing it.

Bork's appointment, if confirmed, promises to achieve the dominance of the right on the Supreme Court that Reagan's previous appointments failed to secure. For Justice Powell has been a swing vote, siding mainly with the right on issues of criminal law but with more liberal justices on other issues of individual rights, and he has provided the fifth and conclusive vote, one way or the other, on many occasions. If Bork votes as those who support him have every reason to expect he will, the Court will have lost the balance that Powell provided, and it will have lost the opportunity for cases to be decided one by one on the issues, rather than on some simple ideological test. So the Senate should not apply the relaxed standards it does when a president seeks merely to have his own constitutional philosophy represented on the Supreme Court. The Bork nomination is the climactic stage of a very different presidential ambition: to freeze that institution, for as long as possible, into an orthodoxy of the president's own design.

Few nominees, moreover, have so clearly and definitively announced their positions on matters they are likely to face if confirmed. Bork has declared, for example, that the Supreme Court's decision in *Roe* v. *Wade*, which limited a state's power to make abortion criminal, was itself "unconstitutional," that the Constitution plainly recognizes the propriety of the death penalty, and that the Court's long string of decisions implementing the "one man, one vote" principle in national and local elections was seriously mistaken. He has called the suggestion that moral minorities such as homosexuals might have constitutional rights against discrimination legally absurd, and has doubted the wisdom of the constitutional rule that the police may not use illegally obtained evidence in a criminal trial. In a dissenting opinion on the Circuit Court, which the majority said contradicted strong Supreme Court precedent, he said that Congress cannot challenge in court the constitutionality of the president's acts.

*The New York Times* reports White House officials as confident, moreover, that Bork will support the administration's extreme position against affirmative action, which the Supreme Court has rejected in several close votes. And Bork has strongly suggested that he would be ready, as a justice, to reverse past Supreme Court decisions he disapproved of. ("The Court," he said, "ought to be always open to rethinking constitutional problems.") Nominees often decline to answer senators' detailed questions about their views on particular issues, out of a fear that public announcement would jeopardize their freedom of decision later. But Bork has given his own extreme views such publicity that senators need not scruple to ask him to defend them.

Most commentators have assumed that Bork has a well-worked-out constitutional theory, one that is evident and straightforward, though very conservative. The Constitution has nothing in it, Bork says, except what the "framers"—"those who drafted, proposed and ratified its provisions and various amendments"—put there. When a case requires the justices to fix the meaning of an abstract constitutional proposition, such as the requirement of the Fourteenth Amendment that government not deny any person "equal protection" of the law, they should, according to Bork, be guided by the intention of the framers, and nothing more. If they go beyond what the framers intended, then they are relying on "moral precepts" and "abstract philosophy," and therefore acting as judicial tyrants, usurping authority that belongs to the people. That, Bork believes, is exactly what the Supreme Court did when it decided the abortion case, the one-man-one-vote cases, the death penalty and affirmative action cases, and the other cases of which he disapproves.

Is that an adequate theoretical explanation of his radical constitutional positions? The idea that the Constitution should be limited to the intentions of the framers has been very popular among right-wing lawyers since Attorney General Meese proclaimed it the official jurisprudence of the Reagan administration. It has been widely criticized, in familiar arguments that neither Bork nor any member of the administration has answered.[1] I shall not pursue those arguments in this article, however, because I am interested, as I said, in a different issue: not whether Bork has a persuasive or plausible constitutional philosophy, but whether he has any constitutional philosophy at all.

In order to explain my doubts I must describe, in some detail, the way Bork actually uses the idea of original intention in his legal arguments. He offered his most elaborate account of that idea in an article written many years ago, discussing the Supreme Court's famous decision in *Brown* v. *Board of Education*, which used the equal protection clause to declare racial segregation of public schools unconstitutional.[2] The *Brown* case is a potential embarrassment to any theory that emphasizes the importance of the framers' intentions. For there is no evidence that any substantial number of the congressmen who proposed the Fourteenth Amendment thought or hoped that it would be understood as making racially segregated education illegal. In fact, there is the strongest possible evidence to the contrary. The floor manager of the bill that preceded the amendment told the House of Representatives that "civil rights do not mean that all children shall attend the same school," and the same Congress continued the racial segregation of the schools of the District of Columbia, which it then administered.[3]

When the Supreme Court nevertheless decided, in 1954, that the Fourteenth Amendment forbids such segregation, many distinguished constitutional scholars, including the eminent Judge Learned Hand and a distinguished law professor, Herbert Wechsler, had serious misgivings. But the decision has by now become so firmly accepted, and so widely hailed as a paradigm of constitutional statesmanship, that it acts as an informal test of constitutional theories. No theory seems acceptable that condemns that decision as a mistake. (I doubt that any Supreme Court nominee would be confirmed if he now said that he though it wrongly decided.) So Bork's discussion of *Brown* v. *Board of Education* provides a useful test of what he actually means when he says that the Supreme Court must never depart from the original intention of the framers.

Bork says that the *Brown* case was rightly decided because the original intention that judges should consult is not some set of very concrete opinions the framers might have had, about what would or would not fall within the scope of the general principle they meant to lay down, but the general principle itself. Once judges have identified the principle the framers enacted, then they must enforce it *as* a principle, according to their *own* judgment about what it requires in particular cases, even if that means applying it not only in circumstances the framers did not contemplate, but in ways they would not have approved had they been asked.

Since the framers of the Fourteenth Amendment did not believe they were making segregated schools unconstitutional, nothing less than that expansive interpretation of "original intention" could justify Brown as a decision faithful to their intent. And Bork has made it plain on many other occasions that the expansive interpretation is what he has in mind. In a recent case in the DC Circuit Court of Appeals, for example, he joined a majority decision declaring that the First Amendment protected newspaper columnists from a libel suit brought by a Marxist political scientist after they had reported that he had no standing in his profession.[4] Bork's then colleague on that court, Antonin Scalia, who has since been promoted by Reagan to the Supreme Court, dissented, and chided Bork and the other members of the majority as being faithless to the intention of the framers of the First Amendment, who plainly did not suppose that they were changing the law of libel in the way the majority decision assumed. Bork replied, once again, by insisting that a judge's responsibility is not to the particular concrete opinions the framers might or might not have had about the scope of the First Amendment principle they created, but to that principole itself, which, in his view, required that the press be protected from libel suits in ways the framers would not have anticipated.

That seems right. If we are to accept the thesis that the Constitution is limited to what the framers intended it to be, then we must understand their intentions as large and abstract convictions of principle, not narrow opinions about particular issues. But understanding their intentions that way gives a much greater responsibility to judges than Bork's repeated claims about judicial restraint suggest. For then any description of original intention is a conclusion that must be justified not by history alone, but by some very different form of argument.

History alone might be able to show that some particular concrete·opinion, like the opinion that school segregation was not unconstitutional, was widely shared within the group of legislators and others mainly responsible for a constitutional amendment. But it can never determine precisely which general principle or value it would be right to attribute to them. This is so not because we might fail to gather enough evidence, but for the more fundamental reason that people's convictions do not divide themselves neatly into general principles and concrete applications. Rather they take the form of a more complex structure of layers of generality, so that people regard most of their convictions as applications of further principles or values more general still. That means that a judge will have a choice among more or less abstract descriptions of the principle that he regards the framers as having entrusted to his safekeeping, and the actual decisions he makes, in the exercise of that responsibility, will critically depend upon which description he chooses.

I must illustrate that point in order to explain it, and again I can draw on Bork's own arguments to do so.[5] In his discussion of the *Brown* case, he proposed a particular principle of equality as the general principle judges should assign to the framers: the principle that government may not discriminate on grounds of race. But he might just as well have assigned them a more abstract and general principle still: that government ought not to discriminate against any minority when the discrimination reflects only prejudice. The equal protection clause of the Fourteenth Amendment does not, after all, mention race. It says only that government must not deny any person equal protection of the law. The Fourteenth Amendment was, of course, adopted after and in consequence of the Civil War, which was fought over slavery. But Lincoln said the war was fought to test the proposition that all men are created equal, and of course he meant women as well. In any case it would be preposterous to think that the statesmen who created the equal protection clause thought that official prejudice was offensive only in the case of race. They thought that official racial discrimination was outrageous because they held some more general principal condemning all forms of official prejudice. Indeed, their views about race would not have been moral views, which they plainly were, unless they held them in virtue of some more general principle of that sort.

Then why should judges not attempt to define and enforce that more general principle? Why should they not say that the framers enacted a principle that outlaws any form of official discrimination based on prejudice? It would follow that the equal protection clause protects women, for example, as well as blacks from discriminatory legislation. The framers apparently did not think that their principle had that range; they did not think that gender distinctions reflected stereotype or prejudice. (It took a later constitutional amendment, after all, to give women the vote.) But once we have defined the principle we attribute to the framers in that more abstract way, we must treat their views about women as misunderstandings of the force of their own principle, which time has given us the vision to correct, just as we treat their views about racially segregated education. That, in effect, is what the Supreme Court has done.[6]

But now consider the case of homosexuals. Bork called the suggestion that homosexuals are protected by the Constitution a blatant example of trying to amend that document by illegitimate fiat. But once we have stated the framers' intention as a general principle condemning all discrimination based on prejudice, then a strong case can be made that we must recognize homosexual rights against such discrimination in order to be faithful to that intention. The framers might not have agreed, even if they had examined the question. But once again a judge might well think himself forced, in all intellectual honesty, to regard that as another mistake they would have made, comparable to their mistakes about school segregation and women. Once again, as in those cases, time has given us the information and understanding that they lacked. Superstitions about homosexuality have been exposed and disproved, many states have repealed laws making homosexuals acts criminal, and those laws that remain are very widely regarded as now based on nothing but prejudice. I do not mean to claim that the argument in favor of homosexual rights would be irresistible if we accepted the broader reading of original intention that I described. But the argument would state a strong case that any opponent would have to answer in detail, not simply brush aside as Bork did.[7]

An appeal to the framers' intention, in other words, decides nothing until some choice is made about the right way to formulate that intention on any particular issue. If we choose the narrowest, most concrete formulation of original intention, which fixes on the discrete expressed opinions of the framers and ignores the more general moral vision they were trying to serve, then we must regard *Brown* as unfaithful to the framers' will; and that conclusion will seem to most people ample evidence that the most concrete formulation is the wrong one. If we assign to the framers a principle that is sufficiently general not to seem arbitrary and ad hoc, on the other hand, like the principle that government must not discriminate on grounds of prejudice, then many of the decisions Bork castigates as illegitimate become proper according to the standards Bork himself claims to endorse.

So everything depends on the level of generality a judge chooses as the appropriate one, and he must have some reason for his choice. Bork chooses a level intermediate between the two I just described. He says that judges should assign the framers a principle limited to the groups or topics they actually discussed. If race was discussed during the debate over the equal protection clause, but neither gender nor sexual behavior was "under discussion," then the original intention includes the principle that government should not discriminate racially. It does not include the more general principle that the government should not act out of prejudice against any group of citizens, because that more general principle would apply to women and homosexuals, who were not discussed. The odd suggestion that we can assign no general principle to the framers whose application would extend to any group or topic not "under discussion" would of course sharply limit the individual rights the Constitution would protect. But it is flatly inconsistent with Bork's other opinions—the framers of the First Amendment did not discuss the law of libel, for example. And it has no jurisprudential or historical merit at all.

There is no more sense in assigning the framers an intention to protect only the groups they actually mentioned than in assigning them an intention limited to the concrete applications they actually envisioned, which Bork agrees would be absurd. The framers meant to enact a moral principle of constitutional dimensions, and they used broad and abstract language appropriate to that aim. Of course they discussed only the applications of the principle that were most on their minds, but they intended their discussion to draw on the more general principle, not eviscerate it. Perhaps they disagreed among themselves about what their principle would require, beyond the issues they discussed. And contemporary judges, with more information, may think it requires legal decisions few if any of the framers anticipated, as in the case of segregated schools and gender discrimination. But Bork's suggestion insults the framers rather than respects them, because it denies that they were acting on principle at all. It reduces a constitutional vision to a set of arbitrary and isolated decrees.

Bork defends this truncated view of original intention only by appealing to the platitude that judges must choose "no level of generality higher than that which interpretation of the words, structure, and history of the Constitution fairly supports." That is certainly true, but unhelpful, unless Bork can produce an argument that his own, truncated conception meets that test; and he has not, so far as I am aware, produced even the beginning of such an argument. His conception yields narrow constitutional rules that protect only a few groups while excluding others in the same moral position. How can a discriminatory rule of that sort count as a fair interpretation of the wholly general and abstract language that the framers actually used when they referred to equal protection for all persons? Most lawyers think that the ideal of integrity of principle—that fundamental rights recognized for one group extend to all—is central to the Constitution's structure. How, then, can Bork's narrow rules be recommended by any fair interpretation of that structure? Unless he can produce some genuine argument for his curtailed view of original intention, beyond the fact that it produces decisions he and his supporters approve, his constitutional philosophy is empty: not just impoverished and unattractive but not philosophy at all.

Judges in the mainstream of our constitutional practice are much more respectful of the framers' intentions, understood as a matter of principle, than Bork is. They accept the responsibility the framers imposed on them, to develop legal principles of moral breadth to protect the rights of individuals against the majority. That responsibility requires judgment and skill, but it does not give judges political license. They test competing principles in the interpretative, legal manner, by asking how far each fits the framers' decisions and helps to make sense of them, not as isolated historical events but as part of a constitutional tradition that includes the general structure of the Constitution as well as past Supreme Court and other judicial decisions. Of course competent and responsible judges disagree about the results of that exercise. Some reach mainly conservative results and others mainly liberal ones. Some, like Justice Powell, resist classification because their views are particularly sensitive to differences between different kinds of issues. Disagreement is inevitable, but the responsibility each judge accepts, of testing the principles he or she proposes in that way, disciplines their work and concentrates and deepens constitutional debate.

Bork, however, disdains these familiar methods of legal argument and analysis; he believes he has no responsibility to treat the Constitution as an integrated structure of moral and political principles, and no responsibility to respect the principles latent in past Supreme Court decisions he regrets were made.[9] In 1971 he subscribed to an alarming moral theory in an effort to explain why.[10] He said that moral opinions were simply sources of what he called "gratification," and that "there is no principled way to decide that one man's gratifications are more deserving of respect than another's, or that one form of gratification is more worthy than another." Taken at face value, that means that no one could have a principled reason for preferring the satisfactions of charity or justice, for example, to those of racism or rape.

A crude moral skeptic is an odd person to carry the colors of the moral fundamentalists. Nevertheless, if Bork is still that kind of skeptic, this would explain his legal cynicism, his indifference to whether constitutional law is coherent in principle. If not, we must look elsewhere to find political convictions that might explain his contempt for the integrity of law. His writings show no developed political philosophy, however, beyond frequent appeals to the truism that elected legislators, not judges, ought to make law when the Constitution is silent. No one disputes that, of course; people disagree only about when the Constitution is silent. Bork says it is silent about gender discrimination and homosexual rights, even though it declares that everyone must have equal protection of the law. But he offers, as I have said, no argument for that surprising view.

He does suggest, from time to time, a more worrying explanation of his narrow reading of the Constitution, because he flirts with the radical populist thesis that minorities in fact have no moral rights against the majority at all. That thesis does recommend giving as little force to the framers' intentions as possible, by treating the Constitution as a collection of isolated rules, each strictly limited to matters that the framers discussed. But populism of that form is so plainly inconsistent with the text and spirit of the Constitution, and with the most apparent and fundamental convictions of the framers, that anyone who endorses it seems unqualified, for that reason alone, for a place on the Court.

There is very little else about political morality to be found in Bork's writings. He did declare an amazing political position long ago, in 1963. He opposed the civil rights acts on the ground that forbidding people who own restaurants and hotels from discriminating against blacks would infringe their rights to liberty. He tried to defend that position by appealing to John Stuart Mill's liberal principle that the law should not enforce morality for the sake of morality alone. He called the idea that people's liberty can be restricted just because the majority disapproves of their behavior an idea of "unsurpassed ugliness."

His analysis of the connection between liberty and civil rights was confused. The civil rights acts do not violate Mill's principle. They forbid racial discrimination not just on the ground that the majority dislikes racists, but because discrimination is a profound harm and insult to its victims. Perhaps Bork realized this mistake, because in 1973 he declared, in hearings confirming his appointment as Nixon's solicitor general, that he had come to approve of the civil rights acts. But in 1984, without acknowledging any change in view, he disavowed Mill's principle entirely, and embraced what he had formerly called an idea of unsurpassed ugliness, the idea that the majority has a right to forbid behavior just because it thinks it morally wrong." In a lecture before the American Enterprise Institute, in which he was discussing the liberty not of racists but of sexual minorities, he dismissed the idea that "moral harm is not harm legislators are entitled to consider," and accepted Lord Devlin's view that a community is entitled to legislate about sexual and other aspects of morality because "what makes a society is a community of ideas, not political ideas alone but also ideas about the way its members should behave and govern their lives." Perhaps Bork's convictions did shift so dramatically over time. But it is hard to resist a less attractive conclusion: that his principles adjust themselves to the prejudices of the right, however, inconsistent these might be.

In any case, the Senate Judiciary Committee should try to discover, if it can, the true grounds of Bork's hostility to ordinary legal argument in constitutional law. It should not be satisfied if he defends his announced positions by appealing only and vaguely to the original intention of the framers. Or denounces past decisions he might vote to repeal by saying that the judges who decided them invented new rights when the Constitution was silent. For these claims, as I have tried to show, are empty in themselves, and his attempts to make them more substantial show only that he uses original intention as alchemists once used phlogiston, to hide the fact that he has no theory at all, no conservative jurisprudence, but only right-wing dogma to guide his decisions. Will the Senate allow the Supreme Court to become the fortress of a reactionary antilegal ideology with so meager and shabby an intellectual base?

FOOTNOTES

[1] The idea of an *institutional* intention is deeply ambiguous, for example, and political judgment is required to decide which of the different meanings it might have is appropriate to constitutional adjudication. (See my book, *Law's Empire*, Chapter 9.) And the original intention theory appears to be selfdefeating, because there is persuasive historical evidence that the framers intended that their own interpretations of the abstract language they wrote should not be regarded as decisive in court. See H. Jefferson Powell, "The Original Understanding of Original Intent," *Harvard Law Review*, Vol. 98, p. 885 (1985).

[2] See Bork, "Neutral Principles and Some First Amendment Problems," *Indiana Law Journal*, Vol. 47, pp. 12-15 (1971).

[3] See Raoul Berger, *Government by Judiciary: The Transformation of the Fourteenth Amendment* (Harvard University Press, 1977), pp. 118-119.

[4] See Bork's concurring opinion in *Ollman* v. *Evans* 750 F2d 970 (1984).

[5] For more general discussions of the same point in different contexts, see my *Taking Rights Seriously* (Harvard University Press, 1977), Chapter 5, *A Matter of Principle* (Harvard University Press, 1986), Chapter 2, and *Law's Empire* (Harvard University Press/Belknap Press, 1986), Chapter 9.

[6] See, for example, *Craig* v. *Boren*, 429 US 190 (1976).

[7] I might have used many other areas of constitutional law to illustrate the point I have been making about the idea of original intention. In the 1971 article I mentioned earlier, for example, Bork offered a theory about the original intention behind the First Amendment's guaranty of freedom of speech. He said that the framers intended to limit constitutional protection to politically valuable speech, and that the First Amendment therefore does not prevent legislators from banning scientific works they disagree with or censoring novels they find unattractive. He recently announced that he long ago abandoned that view, for the somewhat shaky reason that scientific works and novels may relate to politics (most of them do not). But he still apparently believes that the First Amendment has no application either to pornography or to what he regards as advocacy of revolution, on the ground that neither has any political value in his eyes.

He offers no justification, however, for attributing to the framers the relatively narrow principle that only political ideas deserve protection. No doubt they focused on political censorship, which was one of the evils they had fought a revolution against. But since Milton's *Areopagitica*, at least, it had been widely supposed that political speech must not be censored for a more general and abstract reason that applies to other forms and occasions of speech as well: that truth will emerge only after unrestrained investigation and communication. (A tract in favor of free speech published in 1800 argued that "there is no natural right more perfect or absolute, than that of investigating every subject which concerns us.") So once again the choice of which principle to attribute to the framers will be decisive. If we concentrate on their special concern about political speech, Bork's formulation seems more appropriate. If we look instead to the philosophical antecedents of that special concern, it does not. We need an argument to justify the choice, not a flat declaration that one formulation does and the other does not capture the original intention.

[8] He does so in a lecture to the University of San Diego School of Law on November 18, 1985, reprinted in the San Diego Law Review, Vol. 23, No. 4 (1986), p. 823. Bork attempted to reply, in that lecture, to an argument by Dean Paul Brest of the Stanford Law School which was apparently similar to the argument I have made here. Bork does not supply a reference to Brest's argument.

[9] In an earlier article (*The New York Review*, November 8, 1984) I contrasted Bork's methods, as exhibited in the *Dronenbureg* case, with the methods more traditional lawyers would have used.

[10] Bork, "Neutral Principles," p. 10.

[11] Bork, "Civil Rights—A Challenge," *The New Republic* (August 31, 1963), p. 19.

[12] Bork, "Tradition and Morality in Constitutional Law," The Francis Boyer Lectures, published by

the American Enterprise Institute for Public Policy Research.

[13] Bork did not, however, read Devlin very carefully. Devlin thinks the majority has a right to enforce its moral views only in unusual circumstances, when unorthodox behavior would actually threaten cultural continuity, and he does not think that his views would support making private homosexual acts between consenting adults criminal. See Patrick Devlin, *The Enforcement of Morals* (Oxford University Press, 1965).

Mr. FORD of Tennessee. Mr. Speaker, it is my firm opinion that Judge Robert H. Bork is an unsuitable appointee to the U.S. Supreme Court. Far too much is at stake for all of us, and especially for those Americans who are voiceless and disenfranchised, to allow his repressive philosophy to become the law of the land. His appointment has frightening implications for racial minorities, women, and gay people. His restrictive reading of the protections afforded by the first amendment are troubling. His support of the unfettered exercise of Presidential power is disturbing, especially in the time of Contragate. And his promotion of ostensibly principled positions under the rubric of judicial restraint threatens to move our society backward in a gradual retrenchment of many fundamental liberties that as Americans, we consider inalienable rights.

It is clear that Judge Bork would like to restrict the rights of racial minorities. He has questioned the constitutionality of the public accommodations provisions of the 1964 Civil Rights Act, the 1965 Voting Rights Act, and the 1970 Amendments to the Voting Rights Act. He has gone so far as to argue that Shelley versus Kraemer wrongly prohibited State court enforcement of racially restrictive covenants. And he has expressed his opposition to the consideration of race in affirmative action efforts, such as that sanctioned in Bakke decision.

Judge Bork proposes to reduce the scope of the equal protection clause of the 14th amendment, arguing that it does not address matters other than race, and we have seen where he stands on the issue of race. He ruled that sexual harassment is not a form of sexual discrimination in Vinson versus Taylor. Moreover, he has failed to recognize that the constitutional guarantee of liberty encompasses a right to privacy. On this basis, he has expressed his view that Roe versus Wade is an unconstitutional and unjustified usurpation of State legislative authority, thus denying the right of women to exercise control over their own bodies; he has criticized the Griswold versus Connecticut decision permitting married couples to use contraception; and he has taken the opportunity in Dronenburg versus Zech, to deny the right to privacy in the context of homosexual conduct. Judge Bork has also consistently favored the rights of management, in both government and business arenas, over those of labor, by upholding the right to fire an employee who refused to drive an unsafe truck in Prill versus NLRB, and by permitting a restaurant to fire employees for distributing union material during working hours.

Although Judge Bork is a self-proclaimed champion of first amendment freedoms, it is important to examine the restrictive and selective nature of his application of the right to self-expression. We must scrutinize his belief that only speech which is necessary to the political process is protected, for it is clear that some freedom, applied to some people, is not freedom at all. His role in the "Saturday Night Massacre" and his support of broad and ultimately unrestricted Presidential power also merit close attention. In claiming independence from the bounds of precedent and focusing on original intent, he has fashioned out of the Constitution a facile document. For himself, he has shaped a role in which he may exercise his own conservative, indeed, fundamentalist, will.

Because we must seek to protect the individual liberties of each American, and redress injustice through both legislative and judicial action, Judge Bork must be rejected as a candidate for the Supreme Court. The Court's role as the most powerful protector of our rights and the balance between executive, legislative, and judicial power is otherwise jeopardized, trembling on the brink of decades of backward, rather than forward movement.

Mr. EDWARDS of California. Mr. Speaker, the appointment of the next Supreme Court Justice is a critical one, for this moment in history bears a heavy burden for the future of our country.

Does the Senate have the constitutional right and obligation to reject a nominee because they don't like his or her views? The answer is an emphatic "yes."

The text of the Constitution could not be clearer on the authority of the Senate with regard to judges of the Supreme Court. The President "shall nominate, and by and with the advice and consent of the Senate, shall appoint * * * Judges of the Supreme Court. * * *"

The legislative history of the writing 200 years ago of the Constitution is equally clear. The Constitutional Convention almost fell apart because of the fear of giving the President too much power. Many changes were adopted expressly to limit and to balance the powers given to the President.

Both the clear language of the Constitution and the original intent of the framers check the power of the President to shape the Federal Judiciary. Both give the Senate equal responsibility in determining the membership of the Nation's highest court.

He is contemptuous of the constitutional right of privacy as enunciated by the Supreme Court. He criticizes the Supreme Court for its 1965 decision that upheld the right of a married couple to use contraceptives—Griswold versus Conn—and denies the right to reproductive privacy espoused by the Court in Roe versus Wade.

In cases involving the efforts of minorities to be protected from a bullying majority, he takes a view that all who are the least bit familiar with the intent of the framers must find strange. He refers routinely to the "loss of liberty" by the majority whose intrusion the minority is trying to resist.

A most disturbing aspect of Bork's philosophy is this view of the Presidency. Of all the concerns expressed by our Founders in Philadelphia 200 years ago, the fear of a too forceful President, a President unchecked by Congress and the judiciary, obsessed the authors of the Constitution.

They saw in the President's office the foetus of a monarch. They insisted on the system of checks and balances, with no one branch overpowering the others. Bork's history reveals that he believes the President must have extraordinary power, beyond the control of Congress or the Courts.

As a law professor in 1978, Bork asserted that the President as Commander in Chief should have unlimited power to wiretap aliens or citizens suspected of subversive activity.

The constitutional authority of the Senate is advise and consent, and consent means the duty to make the decisions, "yes or no." As the respected legal scholar, Prof. Charles Black of Yale Law School points out, a judicial appointment is not the selection of one of the President's people, like the appointment of a Cabinet Member. There, due deference should be paid to the President's right to pick his or her own team.

But a Supreme Court Justice is not a member of the President's team. That judge must not be selected so as to work for or against the President. He or she is a judge appointed for life.

Presidents certainly have a right to nominate justices who share their philosophy; but, the Senate unquestionably has an equal right to reject them. The philosophy of a nominee to the Supreme Court must be just as relevant for the Senate as it was for the President making the nomnination.

The Senate's absolute right to give or withhold consent for any reason whatsoever was established in 1795 when the Senate rejected John Rutledge for the Supreme Court.

The President was George Washington, the most prestigious and respected chief executive in our history. And why did the Senate refuse its consent to President Washington? Because a majority of that body didn't like Rutlege's public disapproval of a treaty proposed by John Jay.

This solid interpretation of the provision to advise and consent has been followed consistently in the 192 years since then, and 20 percent of the various Presidents' Supreme Court nominations have been rejected. Let's not let anyone tell us that Judge Bork must be confirmed because President Reagan has the right to pick his own team. The Supreme Court is the people's team, not the President's, Democrat or Republican.

Just who is Robert Bork, and why are we so exercised about his nomination? Well, we know he was a professor of law at Yale, that he was Solicitor General under President Nixon, that he fired Special Prosecutor Archibald Cox, and act that was subsequently found by a Federal court to be unlawful. We know that presently he is a judge on a Federeal appeals court, a judge whose duty it is to follow the precedents set by the Supreme Court in all areas of law.

We are learning much about what kind of a man in Robert Bork, and how his mind works, and what we might expect from him as Supreme Court Justice.

Here's Bork on the Bill of Rights: "A hastily drafted document upon which little thought was expended."

On freedom of speech, Bork says, "The words are not necessarily absolute." He believes that only "explicitly political speech" is protected, not scientific, commercial, or even literary speech. He rejected the requirement of a judicial warrant. During the Vietnam war, Bork wrote that President Nixon had the right, uncheckable by Congress, to send troops into Cambodia.

Consistently over the years Bork has made clear his troubling views on the vital subject of the power of the Presidency. And we do not like the image that is presented—unlimited power in the White House, unlimited power in the executive.

In nine cases before the court of appeals where access to Government information was an issue, Bork voted each time to deny access. And, what we are learning from reading his opinions and speeches and articles is alarming us. Day by day, hour by hour, we are becoming more strongly convinced that Bork's confirmation by the U.S. Senate could turn back the clock to some of the darkest days of our history.

For at least 30 years no American institution has served better in protecting our liberties than the Federal courts. Bork has spent the last 25 years denouncing the Federal courts. His presence on the Supreme Court would have tremendous impact on the evolution of constitutional justice and our society as a whole.

Too much is at stake for the Senate to shirk its constitutional obligation in reviewing this pivotal nomination. That duty must be fulfilled with the most extraordinary care.

Ms. OAKAR. Mr. Speaker, the Constitution is in jeopardy.

Robert Bork, President Reagan's pending nominee to the Supreme Court, rejects constitutional protections of our privacy, our civil rights, and our basic freedoms.

In fact, Judge Bork once claimed that the Bill of Rights was only "A hastily drafted document on which little thought was expended."

I say "no," Judge Bork.

No, we will not allow you to take us back.

As the Judiciary Committee of the other body, under able leadership, has noted, throughout his career, Judge Bork has opposed virtually every major civil rights advance. He has opposed:

The public accommodations bill;

The decision advancing open housing;

The decisions establishing the principle of one-person, one-vote;

The decision striking down racially restrictive covenants;

The decisions banning literacy tests;

The decision outlawing poll taxes;

And the decision upholding affirmative action.

Therefore, I say we oppose Judge Bork.

We must oppose a man who indicates women should not be included within the scope of the equal protection clause and who has opposed the equal rights amendment.

We must oppose this man whose unbroken repudiation of the doctrines preventing Government intrusion into the privacy of personal lives ignores the tradition and text of the Constitution.

For Judge Bork's severely limited view of the right to advocate political and social change bars from the courts many whose right to bring suit has been previously recognized.

Even in antitrust, Judge Bork advocates unprecedented judicial activism, proposing that the courts ignore almost 100 years of judicial precedents and congressional enactments.

On labor, Judge Bork's opinions markedly oppose the American worker.

And Judge Bork's overall record demonstrates extremely restrictive views on freedom of the press;

Finally, at this critical juncture in the history of the Court, when fidelity to the basic protections of the Constitution has been thrown into doubt by some in this administration, Judge Bork has supported executive powers essentially unlimited by law.

In the interests of our Nation, I urge all of my colleagues to oppose the elevation of Judge Robert Bork to be an Associate Justice of the Supreme Court.

We are literally one Justice away from injustice.

We must stand together.

Mr. Speaker, I include a copy of the resolution in the Record immediately following my remarks:

### Bork Resolution

Whereas an accurate portrait of Judge Bork's record demonstrates that he is not a Practitioner of Judicial Restraint;

Whereas the Bill of Rights was not, as Judge Bork claims, "A hastily drafted document on which little thought was expended;"

Whereas throughout his career, Judge Bork has opposed virtually every major Civil Rights advance;

Whereas Judge Bork: opposed the Public Accommodations Bill; opposed the decision advancing Open Housing; opposed the decisions establishing the Principle of One-Person, One Vote; opposed the decision striking down Racially Restrictive Covenants; opposed the decisions banning Literacy Tests; opposed the decision outlawing Poll Taxes; and opposed the decision upholding Affirmative Action;

Whereas Judge Bork has indicated that Women should not be included with the scope of the Equal Protection Clause and has opposed the Equal Rights Amendment;

Whereas Judge Bork's unbroken repudiation of the doctrines preventing unwarranted Governmental Intrusion into the Privacy of Personal Lives ignores the tradition and text of the Constitution;

Whereas Judge Bork has a severely Limited View of the Right to advocate political and social change;

Whereas Judge Bork bars from Federal Courts many whose Right to bring suit has been previously recognized;

Whereas in Antitrust, Judge Bork advocates Unprecedented Judicial Activism, proposing that the Courts ignore almost One Hundred Years of Judicial Precedents and Congressional Enactments;

Whereas Judge Bork's opinions on Labor have markedly opposed the American Worker;

Whereas Judge Bork's overall record demonstrates extremely restrictive views on Freedom of the Press;

Whereas Judge Bork has supported Executive Powers essentially Unlimited by Law: Be it therefore

*Resolved*, That in the interests of our nation and to preserve our proud tradition of progress, the Democratic Party opposes the elevation of Judge Robert Bork to be an Associate Justice of the Supreme Court.

Mr. SABO. Mr. Speaker, although I am always reluctant to advise the Senate on how it should perform its duties, there is an issue about which I cannot remain silent. Many actions that Congress takes this fall will be important. But the most important decision to be made concerns the confirmation of Judge Robert H. Bork to the U.S. Supreme Court.

The Senate should exercise its prerogative and reject Judge Bork's nomination. His appointment could usher in a new era in which the Court reverses much of the progress we have made in the past decades. Should the Senate confirm Judge Bork, I fear the Court may roll back many of the important advances for which we have fought for so long.

We have fought and won important battles to protect basic individual rights and liberties, to enhance our democratic processes, and to expand economic opportunities so all Americans can share in the American dream. Now is not the time to retreat from these victories. The American people do not want us to turn back the clock and revisit these issues. Instead we must move forward.

While we have been surprised in the past at the change in philosophy that has occurred in some justices once they joined the Court, we cannot gamble that this will happen with Judge Bork. It is clear—from his writings, lectures, and opinions covering 20 years—he has a unique view of the Court's role in our evolving democracy. He has a radical view of the Constitution itself.

Judge Bork has a hostile attitude toward the role of the Court and the Constitution in ensuring the rights of individuals, minorities, women, and right to privacy. He has opposed every piece of civil rights legislation and Court decisions designed to protect civil liberties. Under his view of the Constitution women and minorities get second class protection. He is biased against the rights of the individual and the public, in favor of big business.

Judge Bork disagrees with numerous landmark court decisions, many of which he would willingly vote to overturn. Many of these decisions are now deeply woven into the fabric of our society. The vast majority of Americans have come to accept these rulings as the established law of the land.

It is especially ironic that as we celebrate the bicentennial of the U.S. Constitution, President Reagan has nominated a man who wants to tear that remarkable document to shreds. It is sad that he has chosen a man who could embark on a major assault against the Constitution.

I am sure that Judge Bork is a smart man. But intelligence is not the only criterion that should be used to evaluate whether he should serve on the highest court in the land. His philosophy and ideology are extremely important. Just as the President would not nominate a man whose views were contrary to his own, the Senate should not approve a man whose philosophy is so radically different from the mainstream of American thought.

The Court was never intended to be a tool by which the President alone could promote his ideology. It is not a subdivision of the executive branch of Government. Instead, it is a vital independent third branch of our Government. That is why the Senate has the authority to review and pass judgment on a President's recommendation.

The Senate in the case of Judge Bork has a grave responsibility to use its veto power over the President's nomination. I urge the Members of the other body to reject President Reagan's nomination of Judge Bork. In doing so, you will have the support and heartfelt thanks of many of us in this body, the American people, and future generations who want to move forward in the pursuit of justice, liberty, and democracy.

Mr. de LUGO. Mr. Speaker, it gives me great pleasure to join my colleagues in speaking up against the nomination of Judge Robert Bork to the Supreme Court, and I commend the Black Caucus for putting this event together. While the Members of the other House have the official power to advise and consent on such nominations, we in "the people's House" also must be heard on this crucial nomination.

The debate over Robert Bork has become, quite appropriately, a debate on the future direction of the Supreme Court and this country. It's a debate on whether we are really committed to full justice for blacks and women and all our citizens.

We've got to tell President Reagan and the country that we are not backing away from our commitment to bring justice to all the people of this country. We don't want or need a Supreme Court that is inclined to dismantle the political machinery and judicial rulings that have brought us this far in civil rights. We don't want or need a Supreme Court that seeks to carry out the overblown "Reagan revolution" long after this President is out of office.

When the President retires in 16 months, he is welcome to return to his romanticized, nostalgic view of American life in the 1930's and 1940's, but he must not take the Supreme Court with him.

The next Supreme Court nominee is just too important to let President Reagan appoint a judge who has challenged the legal rulings that have shut down racial segregation in this country; a judge who has challenged the legal rulings that have expanded women's rights in this country; a judge who, 15 years ago, was willing to fire the Watergate special prosecutor even after his two superiors had preserved their honor by refusing to carry out that Presidential order.

In many respects, Robert Bork represents the very judicial philosophy that we have been fighting against to make progress in civil rights in the last 40 years. We can't afford to give him a hand in the future of the Supreme Court.

I look forward to seeing Judge Bork's nomination defeated. And I look forward to seeing the national debate over this man's judicial philosophy stir up a renewed commitment to civil rights for all in this country.

Mr. RANGEL. Mr. Speaker, I am pleased to join with my colleagues to express opposition to the nomination of Robert Bork to the U.S. Supreme Court. Today, there is nothing that is more threatening to the progress of civil rights, personal freedoms, and the rights of individual citizens in this country than the likelihood of Bork as an Associate Justice to the Supreme Court. This may be the only moment in the history of my tenure as a Member of the House that I long for a vote in the Senate.

I have always known that if the Reagan administration would have a long-term impact on the history of this country, it would most definitely have to be through the courts. As lifetime members, there is basically no control over the actions of a member of the judicial branch once appointed. This is why I urge all individuals who cherish the freedoms expounded in the Constitution to oppose the Bork nomination and oppose it with all veracity.

The administration defends its nomination of Bork as an effort to establish a balance on the Supreme Court, support for judicial restraint. Well, if Bork's judicial restraint is evidenced by his long line of opinions in opposition to individual rights, statements against the rights of minorities, and outright expression of opposition to the controversial Roe versus Wade, then I have long had a misconception of the term judicial restraint.

Former Associate Justice Lewis Powell was the paradigm of judicial restraint. He realized that the Constitution is filled with ambiguities, unintended clauses, and in need of interpretation. Powell was from the school of thought that interpretation should be done according to stringent guidelines, taking into account judicial precedent—Bork has no understanding of these principles.

No, Robert Bork is not from the school of judicial restraint. What he is, is an ideological tool of an extreme conservative movement attempting to force its ideology on an unwilling, unsuspecting public. He has set precedents for not following precedent, and expressed publicly that he does not feel constrained by precedent.

Furthermore, Bork is opposed to key provisions of the Civil Rights Act of 1964; is in favor of a congressional limit on the use of busing as a tool of school desegregation; and is critical of the landmark decision in the Bakke case which endorses affirmative action. Bork is not the right person for the job today. While I see the mood of the country shifting to the center, it is nowhere near the far end of the spectrum where Robert Bork resides.

I have seen the spectrum of change in this country. I saw the Great Depression and World War II. I grew up in the tide of change in the forties and fifties. I served in the Korean war and watched the social revolution of the sixties. I have seen the progress of the people and worked as a Member of this great body to save the economic structure of this beloved country. All of this progress, all of this change will be jeopardized if Robert Bork is appointed to the highest Court of this land, the Court that has the final word on all judicial questions.

Mr. Speaker, it is my fervent desire that Bork will not be nominated to the Supreme Court. His nomination is not in step with the mood of the Nation. I hope my colleagues in the other body will recognize this and vote "no" on Bork.

Mr. HAYES of Illinois. Mr. Speaker, I rise today with my distinguished members of the Congressional Black Caucus and other Members who have opposed the nomination of Judge Robert H. Bork.

Early in July 1987, President Reagan nominated Judge Robert H. Bork to be an Associate Justice of the U.S. Supreme Court. This nomination would replace Associate Justice Lewis F. Powell, who is retiring from the Court.

In evaluating Judge Bork's nomination to the Supreme Court, the U.S. Senate has a constitutional obligation to consider independently whether the nomination is in our Nation's best interest. The framers of the Constitution divided the appointment power between the President and the Senate, just as they divided the treaty power. The U.S. Constitution makes the role of the Senate equal to that of the President. One of the fundamental functions in confirming judicial nominees is to prevent partisan, ideological court packing by a President. Mr. Reagan has tried to remake the Supreme Court to mirror his views. The Senate must reject nominees who represent a drastic shift in the Court's to one extreme if a Senator believes the shift would be harmful to the Nation. The Senate has always acted on broader criteria than just academic and professional credentials.

In the area of civil rights, Judge Bork said that this—

> [Legislation] outlawing discrimination in business facilities serving the public . . . ignore[s] the fact that it means a loss in a vital area of personal liberty. The legislature would inform a substantial body of the citizenry that in order to continue to carry on the trades in which they are established *they must deal with and serve persons with whom they do not wish to associate.* (added) . . ., [T]he simple argument from morality to law can be a dangerous non sequitur. Civil Rights—A Challenge, by Robert Bork, The New Republic, August 31, 1963, p. 22. Judge Bork sums up his view of the anti-discrimination law as coercion and "unsurpassed ugliness."

A recent study in the Columbia Law Review reveals Judge Bork's voting record is far more conservative than that of the average Reagan judge. Judge Bork, in a series of contentious cases as an appellate court judge, voted on the conservative side over 90 percent of the time—making him far more conservative than the average Reagan appointee in the U.S. Court of Appeals, the study concluded.

I believe that evaluating Judge Bork's published opinions, and his record over 5 years which reveals that he participated in about 400 published opinions of the U.S. Court of Appeals for the District of Columbia Circuit, and he had written about 144 majority, concurring, and dissenting opinions, that were examined by the Public Citizen Litigation Group in Washington, DC [Public Citizen] show that Judge Bork's opinions reflect judicial restraint and closed mindedness.

I understand that, Public Citizen focused on Judge Bork's opinions and those cases in which the judges on the court disagreed and identified 56 "split decisions" in which Judge Bork participated—those cases in which one or more judges disagreed with the majority on how the case should be resolved and filed a dissenting statement. Judge Bork's votes in split decisions are significant for several reasons. They made a difference in the outcome and tend to be the more controversial cases, some of which may reach the Supreme Court.

Also, Public Citizen found that Judge Bork's record demonstrates, among other things, that:

His performance on the D.C. Circuit is not explained by the consistent application of judicial restraint or any other judicial philosophy; instead in split cases, one can predict his vote with almost complete accuracy simply by identifying the parties in the case;

In split cases in which the Government is a party, Judge Bork voted against consumers, environmental groups, and workers almost 100 percent of the time and for business in every such case;

In 14 split cases, Judge Bork denied access to the courthouse every time among the many losers was the U.S. Senate, which according to Judge Bork's dissent, could not bring a case of major constitutional significance to the Federal courts;

In addition, it has been reported in the Public Citizen's analysis, "The Judicial Record of Judge Robert H. Bork," August 1987, page 20, that his position in labor cases shows him as no friend of labor.

In the labor area, Judge Bork had been differential to agency decisions that upheld the rights of business institutions but nondeferential to those agencies that ruled in favor of workers of their unions. Of 8 cases in which the members of the court disagreed about the proper outcome, Judge Bork voted against the workers' claim' 7 times (1 of which was a vote against the workers' claim against their union; in another case, the only issue involved an attorneys' fee claim). The only vote in favor of an employee came in a case in which Judge Bork voted against the worker on the principal issue, by upholding an employer's decision to discharge the worker, but remanded the case for the agency to explain a procedural ruling made against the worker, although the terms of the remand were such that defeat for the worker was nearly inevitable. *York v. Merit Systems Protection Board*, 711 F.2d 401 (1983).

I oppose the nomination of Judge Robert H. Bork to be an Associate Justice of the U.S. Supreme Court.

I believe that Bork is an extreme conservative and confirmation of Judge Bork would shift this closely divided Supreme Court sharply to the right.

Judge Bork is a believer and advocate in judicial restraint. Judge Bork may vote simply by identifying the parties in the case.

Judge Bork consistently votes against workers, consumers, environmental groups and for business in cases that come before him, almost 100 percent of the time.

Judge Bork's record reflects strong opposition to the principle of one-person, one-vote; denying the enforceability of racially restrictive covenants; and extending the reach of the equal-protection clause. (Washington Post September 14, 1987, p. A3) Judge Bork is outside the American mainstream on the questions of abortion, civil rights and the rights of individuals against the Government.

Judge Robert H. Bork by his record has never shown the least concern for working people, minorities, the poor, or for individuals seeking the protection of the law to indicate their political and civil rights. Instead, he has consistently protected the rights of businessmen, of property owners, and of the executive branch of the Federal Government.

We're one vote away from losing our most fundamental rights; for example, we are just one Justice away from injustice. We all know that it is the Senate's right and responsibility to stand up to this ideological court packing.

I oppose the nomination of Judge Robert H. Bork and encourage the members of the Committee on the Judiciary in the U.S. Senate to reject Judge Bork for the U.S. Supreme Court.

Mr. DIXON. Mr. Speaker, it is with a measure of irony that I rise on this the 200th birthday of the signing of the American Constitution to oppose the nomination of Robert H. Bork to the Supreme Court of the United States. On this, I find myself compelled to speak out against the nomination of this candidate.

It is ironic because as we pay tribute to the document that "secured the blessings of liberty" for nearly seven generations of Americans, a decision must be made on a judicial nominee who, I strongly suspect, would act to reverse many of the important Supreme Court decisions that have expanded the scope of protections guaranteed by the Constitution.

Justice Thurgood Marshall ignited a thoughtful, necessary constitutional debate last May, when he cautioned Americans against a blind veneration of the original document and its historic framers. In brief, he asked if we should truly applaud the Founding Fathers' vision of American democracy—a democracy that denied basic liberties to major sectors of the Nation's population?

Like Justice Marshall, I believe that the Constitution we are celebrating today is the result of the diligent work of many men and women who worked to erase the serious defects in that original document, working toward the gradual expansion of the Constitution's scope to include protection of all Americans.

It has been relatively recent in American constitutional history that the judicial branch has joined dedicated private citizens and Congress to expand the definition of the Constitution to include all Americans. Beginning with the landmark case, Brown versus the Board of Education of Topeka in 1954, the Supreme Court has handed down decisions expanding civil rights for racial minorities and women. With the Brown decision, the Court struck down racial segregation as unconstitutional; it has since sanctioned the use of affirmative action as a centerpiece for securing the civil rights of historically underprotected minorities. In the latter half of the 20th century, the Supreme Court has played a progressive role in ensuring that the Constitution is regarded as a living document.

Judge Bork, who professes to be guided by the doctrine of "original intent", has reserved special scorn for this type of judicial progressivism.

Bork's reputation for judicial restraint is undeserved, and the Reagan administration's portrayal of him as a mainstream jurist who approaches cases with an open mind, a misrepresentation. His writings and speeches as a teacher and a scholar, and his decisions as an appeals court judge reveal an appetite for conservative activism. His addition to the Supreme Court would virtually ensure a five-vote majority that would undo much of the social progress.

The American people have worked hard in the past 200 years to extend the rights guaranteed by the Constitution to include all citizens. On this special birthday, as we recommit ourselves to upholding the Constitution as a living document, we must reject the Supreme Court nomination of an individual who threatens to drive us backward in our struggle toward the attainment of equal rights and equal protection for all. I urge my esteemed Senate colleagues in the Judiciary Committee to vote against the Bork nomination.

□ 1550

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding.

First I want to thank the gentleman from Michigan for this special order and this discussion.

At the time that the name was proposed, the gentleman from Massachusetts [Mr. FRANK] had a discussion on the House floor that I joined the gentleman in; but I want to thank the gentleman from Michigan for the first very substantial and documented portrayal and narration of the Bork thinking as expressed through the exercise of judicial power.

In our system of democratic government, the people in choosing candidates say that this was a nominee in an open election. The citizens of the United States nowadays, in order to form a properly informed judgment as to the merits and qualifications of an individual seeking public office would, if having that information, evaluate what that individual did when he or she actually exercised power. You have a record, in other words, of performance.

In the case of the judiciary, of course, since it is not in the case of the Federal judiciary, an elective body, and is an appointive organ of the Government, the submission by a President as an appointee or the suggested appointment of a candidate for a judicial post has always been considered a political situation. Therefore, the people's representatives in the other body are the only ones that have some kind of residuum insofar as judgment evaluations of that candidacy.

□ 1605

When President Theodore Roosevelt appointed the then and later great renowned Charles Evans Hughes, and even before Charles Evans Hughes in the case of Holmes, he stated in a letter to the then leaders that the reason he had appointed him was that he considered him very safe politically. In other words, he was an entrusted official who could be trusted that if some out-and-out political type of judgment was going to be exercised by the judge, he would be safe insofar as the President was concerned.

Well, I think every President has always sought that, even in the nomination of the district judges. I can understand the idea and the notion that somehow or other, as President Reagan would like to advance the notion, that this is not a political determination is, of course, absurd.

Therefore, the only thing that I can see that a responsible Senator entrusted with his constitutional grant of power could do would be to examine the record, not Judge Bork's exposition of ideology in some speech or some article for a law review, but what was it that he did at a given moment in a specific case structured in accordance with an issue burgeoning up from the midst of American society, and there the record is limpidly clear, as so ably pointed out by the gentleman from Michigan.

In the Shelly case, I happen to have had a very intimate association with that in my area. After the war we had some returning veterans who had been injured, had disabilities, and some money with which to purchase a home. When the war was over with, we had an upsurge in home construction for some areas in my city of San Antonio were developed out of the old platted subdivisions, some of which had been platted and described in the master deed records of the county courthouse. Even if you were to go today and examine the master deed records, you would still see the evidence of these restrictive covenants in which the original grantor, the developer and proprietor, reserved the right in case the property was attempted alienated, either through sale, deceasance or inheritance or the like, to a person of Negro or Mexican identification. These were the words.

There were some sections in other parts of Texas where there was an additional category in which the word Jew or Jewish was added, but in our area it was very specifically Negro or Mexican.

So after the war I was instrumental in the formation of the only organization of its kind. It was an attempt to try to put together some of the men who had made some money who were of Mexican descent and had made some money during the war and had very little evidence of social consciousness. So I got a few of them together, organized what we called the PAPA, the Pan American Progressive Association. I tried to orient them along the lines of improving through the joinder of this very important new established group a recognition of some badly needed improvements, such as extension of water mains in the very downtown area of San Antonio which for a variety of reasons had not been done.

One day a couple came in, a gentleman by the name of Humphries, a 100-percent disabled soldier, who had served with a young man by the name of Poente. So the young man, Poente, and Mr. Humphries on crutches came in with the elder Poente, Mr. Anton Poente. They had heard about this organization, had heard about me, because I had also worked with some of the garment industry workers in teaching English and citizenship classes and one of his daughters had been involved, so they came to me. They were puzzled. They had a paper. This paper was a restraining order notice that was served on Humphries, advising him that the 37th District Court of Bexar County was scheduling a hearing on that temporary restraining order to prevent the occupation of this little dwelling that Mr. Humphries was attempting to sell and for which he had already accepted $3,000 in cash. At that time you could buy a house for $3,000. He had accepted this from the Poentes. It was all the money they had.

Mr. Humphries had immediately invested that money in doctors and hospitals and whatnot and he did not have a penny left, when suddenly they were confronted with not being able to either occupy or Mr. Humphries maintaining ownership. They were faced with a reversionary clause that said that piece of property would revert to the original owner, one Thurmond Barrett, Sr.

When I explained to them what the paper was about, I said, "You've got to hurry, because this is Thursday and next Monday you have to have some appearance in court. You can't lose by default."

To make a long story short, I got a volunteer lawyer, and through his help, a young man who is now an appellate court judge, who had been a companion of mine in law school and quite a scholar, Mr. Carlos Cadena, and through his help I explained to him that one of the last things I had done in law school was to have made a special study of restrictive covenants, that I had picked up in reading the journals that a group of black citizens in St. Louis, MO, in 1946 had finally put together one quarter of a million dollars and had filed a case with the hope of reaching the Supreme Court.

Finally, in 1947, in effect they did. The then Solicitor General for the government for President Truman's administration, Mr. Perlstein, announced that he was going to join that group as amicus curiae in support of their case before the Supreme Court.

So there you had the Solicitor General of the United States, the Justice Department of the United States, if you please, of Harry Truman's era, going into court in a way that you cannot see Judge Bork, who was advancing the counterargument sustaining the propriety in law of the concept of restrictive covenants based on race, color, or creed.

So I advised Mr. Cadena that it was expected that in the spring term of 1948 the Supreme Court would decide that the odds were very good that the decision would be favorable.

So I suggested that his argument to the 37th District Court judge, the Honorable Judge S.G. Tayloe, would withhold any proceedings until such time as the Supreme Court could be reasonably expected to hand out a decision. It did on May 3, 1948.

Judge Tayloe immediately convened, held in concordance with the Supreme Court. Mr. Barrett appealed to the Fourth Court of Civil Appeals. He went on and appealed it to the Texas Supreme Court. So in the Texas Supreme Court, we now have a corpus or a tradition and a precedent in which the unconstitutionality of restrictive covenants based on race, color or creed, were upheld at the State level; but later when I read of Judge Bork's pronunciamentoes in that respect, I knew then and there that he was tainted with the kind of judicial imperfection that would render him incapable and particularly in the capacity of Chief Justice of the Supreme Court of the United States.

Mr. CONYERS. Well, I knew that the Shelly case would stir my colleague's memory into his important activities, because as the chairman of the subcommittee that deals with housing, I want to let him know that we are grateful for the modest progress that we are hopefully making as we study the plight of the low-income citizens who number in the millions in our country and his work has been done. I deeply appreciate the gentleman's contribution.

Mr. GONZALEZ. I in turn thank the gentleman for his generous expression.

□ 1620

## GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. (Mr. WILSON). Is there objection to the request of the gentleman from Michigan?

There was no objection.

## IN CELEBRATION OF OUR BICENTENNIAL OF OUR CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. Young] is recognized for 10 minutes.

Mr. YOUNG of Florida. Mr. Speaker, Americans throughout our Nation and freedom loving people throughout the world are joining together today to celebrate the bicentennial of our Constitution, which remains the heart of our Nation's Government—the greatest democracy the world has ever known.

Fifty-five delegates met in Philadelphia during 4 hot and steamy summer months in 1787 to draft a document to govern our newly liberated Nation. The product of their efforts was not arrived at easily or without heated debate, and it was very different than any constitution the world had ever known. Finally, on September 17, 1787, the debate was concluded, compromises were completed, and 39 delegates representing 12 States signed the Constitution and sent it to the 13 States for their ratification. It is this historic occasion we celebrate today with ceremonies at Founders Hall in Philadelphia and in each of our 50 States and thousands of communities and schools.

Yesterday I had the privilege of taking part in a Celebration of Citizenship on the west front steps of our Nation's Capitol. This program served as a prelude to today's ceremonies and those of the next 4 years as we mark special events in the early days and months of this great governing document, including its ratification by the States and its implementation by our forefathers. The celebration yesterday was bursting with symbolism and characterized what has enabled the Constitution to endure for two centuries.

Gathered on the steps of our Capitol were the President and his Cabinet members, the Justices of the Supreme Court, and Members of Congress, the leaders of our three branches of Government. The President, Justices, and Members of Congress are delegated three separate but equally important roles in our Government which provide an intricate system of checks and balances to ensure that no one branch oversteps the bounds set forth in the Constitution. This sharing and division of power was unique to the world in 1787 for no nation had ever been governed under such a system.

Our celebrations yesterday and today also provide a time to reflect on the words of the Constitution and to marvel at the resiliency of this document. Although it is but a few pages long, the Constitution was so comprehensive and well drafted that it has had to be amended just 17 times by the American people. The first 10 of the 26 amendments, known as the Bill of Rights, were ratified by the States just 4 years after the Constitution was written and now provide for the basic freedoms and liberties for which our Nation stands.

This document is so enduring, that it is among the oldest constitutions governing any nation today. It is even more remarkable when you consider that two-thirds of all the world's constitutions have been adopted in the past 17 years.

It is most appropriate that during this time of celebration, the work of our Nation's governing bodies goes forth as established in the Constitution. The Senate is in the midst of its consideration of the President's nominee for a seat on the Supreme Court, the Congress is negotiating with the executive branch to reach agreement on a number of our Nation's important fiscal matters, and the President and his key cabinet leaders continue their negotiations with world leaders on a number of major foreign policy questions.

Perhaps just as symbolic as the functioning of our system of checks and balances, is the way in which these matters are considered and debated. Diverse views and sharp rhetoric characterize each of these majors issues before the executive, judicial and legislative branches this week. That is, however, as the Constitution would have it in protecting the rights of free speech for all Americans. The debate was no less heated or at times divisive 200 years ago as the delegates drafting the Constitution sought grounds for compromise to achieve their goal of completing a governing document for our fledgling nation. In fact, three delegates so strongly disagreed with the final product that they refused to sign, and one State refused to even send a delegation to Philadelphia for these proceedings.

Our Constitution promotes debate and the airing of differing viewpoints. And it stands apart from the so-called constitutions of other nations, especially those of the Communist bloc, which say they provide for and protect the freedoms of speech, religion, and the press but are in reality totalitarian states that stifle these basic human rights.

Our Constitution also provides for the orderly transfer of power within the Government and only allows for changes to this governing document with the consent of the governed. This sharply contrasts with many nations where military juntas and coups forcefully bring about a change of power and where constitutions are drafted and discarded like old newspapers at the direction of autocratic rulers or ruling parties.

Certainly the strength of the concepts and words embodied in our Constitution has enabled it to endure the test of time, but these concepts and words are only as strong as the will of the people it governs. This exceptional document, which has served our Nation well in times of prosperity as well as in times of crisis, gathers its strength from the spirit and enthusiasm of the American people. That spirit was in evidence yesterday as millions of people nationwide paused to recite together the Pledge of Allegiance. Children in our schools, workers at construction sites, and brokers on the floor of the New York Stock Exchange joined together "* * * one nation, under God, indivisible, with liberty and justice for all."

The Constitution has so inspired the American people that thousands of men and women have laid down their lives over the years to protect the rights and privileges it guarantees. This great document has also inspired people throughout the world. Millions of men, women, and children have sought refuge in our Nation where they will be free to pray, work, and raise their families. Many more people, living under Communist tyranny, have been inspired by the Constitution to keep alive their dream to live in a land which provides for the same freedoms as we enjoy in the United States.

Under our Constitution, every American plays a role in the governing of our Nation. The most basic right it guarantees is the right to vote on election day. Sadly enough, many people throughout the world will never have the opportunity in their lifetimes to cast a ballot in a free election.

It has been a distinct privilege for me to serve the people of Pinellas County, FL, as their elected representative to the U.S. Congress these past 17 years and it is a special honor to have been one of only 11,000 Americans to have served in this great body. As our Nation begins in earnest its celebration of the Constitution, we are in the midst of celebrating for the next 2 years the convening last January of the historic 100th Congress.

▸ Mr. Speaker, if there is one lesson to be learned from our celebration, it is that we cannot, and must not ever take our Constitution for granted. The struggle to gain and maintain the freedoms and liberties we enjoy today was too long and hard and we have paid a high price over the years to defend these rights. As we have learned from history, the protections afforded us under the Constitution can all too quickly be snatched away and are difficult to regain.

Our Nation must remain firm in its resolve to remain strong to repel any challenge to our freedom. I can assure you that this Member of Congress is committed to uphold his constitutional responsibility to provide for our national security.

The Constitution has served our Nation well for 200 years and it is incumbent upon each of us to ensure that it continues to serve future generations just as well. Today all Americans reaffirm their belief in the greatest document democracy has ever known and give thanks to the many people, the heralded and the unknown, who have fought, served, and strived to protect and carryout its charge.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Hutto (at the request of Mr. Foley), for today after 3 p.m., on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Armey) to revise and extend their remarks and include extraneous material:)

Mr. Burton of Indiana, for 5 minutes, today.

Mr. Wolf, for 60 minutes, today.

Mr. Parris, for 5 minutes, on September 21.

Mr. Parris, for 5 minutes, on September 22.

Mr. Parris, for 5 minutes, on September 23.

Mr. Parris, for 5 minutes, on September 25.

Mr. Jeffords, for 60 minutes, on September 21.

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Mrs. Bentley, for 60 minutes, on September 21.

Mrs. Bentley, for 60 minutes, on September 22.

Mrs. Bentley, for 60 minutes, on September 29.

Mrs. Bentley, for 60 minutes, on September 30.

(The following Members (at the request of Mr. Conyers) to revise and extend their remarks and include extraneous material:)

Mr. Alexander, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Gonzalez, for 60 minutes, on September 28.

Mr. Hubbard, for 60 minutes, on September 30.

(The following Members (at the request of Mr. Coats) to revise and extend his remarks and include extraneous material:)

Mr. Young of Florida, for 10 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Conyers, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $8,592.50.

(The following Members (at the request of Mr. Armey) and to include extraneous matter:)

Mr. Lagomarsino in two instances.

Mr. Packard in two instances.

Mr. Dornan of California.

Mr. Stangeland.

Mr. Goodling.

Mr. Solomon.

Mr. Kemp.

Mr. Davis of Michigan.

Mr. Blaz.

Mr. Fields.

Mr. Courter.

Mr. Hammerschmidt in two instances.

(The following Members (at the request of Mr. Conyers) and to include extraneous matter:)

Mr. Rangel.

Mr. Dorgan of North Dakota.

Mr. Torricelli.

Mr. Eckart.

Mr. Rodino.

Mr. Lantos in two instances.

Mr. Walgren.

Mr. Montgomery in two instances.

Mr. Lehman of California.

Mr. Barnard.

Mr. Torres.

Mr. Solarz.

Mr. Rahall.

Mr. Guarini.

Mr. Hawkins.

Mr. Pepper.

Mr. Synar.

Mr. Edwards of California.

## ADJOURNMENT

Mr. CONYERS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 29 minutes p.m.), under its previous order the House adjourned until Monday, September 21, 1987, at 12 noon.

## EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the second quarter of calendar year 1987 and miscellaneous reports filed with the Committee on House Administration and forwarded to the Clerk of the House concerning the foreign currencies and U.S. dollars utilized by Interparliamentary Unions and other similar groups or delegations during calendar year 1986 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. Walter Fauntroy | 4/12 | 4/17 | Haiti | | 564.00 | | 814.00 | | | | 1,378.00 |
| Hon. Stan Parris | 4/11 | 4/15 | Korea | | 656.00 | | | | | | 656.00 |
| | 4/15 | 4/17 | Thailand | | 294.00 | | | | | | 294.00 |
| | 4/17 | 4/19 | Hong Kong | | 372.00 | | [3] 4,673.00 | | | | 5,045.00 |
| William C. Danvers | 5/21 | 5/25 | Canada | | 632.00 | | [4] 9,664.20 | | | | 10,296.20 |
| Hon. Walter Fauntroy | 6/6 | 6/13 | Egypt | | 686.00 | | [3] 4,093.00 | | | | 4,779.00 |
| Hon. Al McCandless | 6/6 | 6/13 | Egypt | | 686.00 | | [5] 4,093.00 | | | | 4,779.00 |
| John Balder | 6/6 | 6/13 | Egypt | | 686.00 | | [5] 1,881.00 | | | | 2,567.00 |
| Mark Constantine | 6/6 | 6/13 | Egypt | | 686.00 | | [5] 1,996.00 | | | | 2,682.00 |
| Nelle Temple | 6/6 | 6/13 | Egypt | | 686.00 | | [5] 1,857.00 | | | | 2,543.00 |
| Robert Brown | 6/6 | 6/13 | Egypt | | 686.00 | | [5] 1,990.00 | | | | 2,676.00 |
| Hon. Stan Parris | 6/12 | 6/16 | France | | 936.00 | | [3] 3,766.00 | | | | 4,702.00 |
| Hon. Carroll Hubbard | 6/12 | 6/16 | France | | 936.00 | | [3] 3,766.00 | | | | 4,702.00 |
| Committee total | | | | | 8,506.00 | | 38,593.20 | | | | 47,099.20 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military aircraft provided. Figures reflect comparable 1st class commercial rate.

[4] Military air transportation round trip.

[5] Commercial air transportation round trip.

FERNAND J. ST GERMAIN, Chairman, Aug. 19, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| K.C. Bell | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Hon. Mario Biaggi | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Hon. Jim Bunning | 5/14 | 5/15 | Panama | | 97.00 | | | | | | |
| | 5/15 | 5/16 | Costa Rica | | 92.00 | | | | | | |
| | 5/16 | 5/17 | Nicaragua | | 0.00 | | | | | | |
| | 5/17 | 5/18 | Honduras | | 92.00 | | [3] 1,490.93 | | | | 1,771.93 |
| Harry F. Burroughs | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Sharon K. Brooks | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Rudolph V. Cassani | 5/8 | 5/15 | England | 761.90 | 1,280.00 | | [4] 765.00 | | | | |
| | | | | | | 77.40 | [5] 129.63 | | | | 2,174.63 |
| Catherine R. Cooper | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987—Continued

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Gina DeFerrari | 6/22 | 6/28 | England | | [6] 700.00 | | [4] 731.00 | | | | 1,431.00 |
| Hon. Jack Fields | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Wallace J. Henderson | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Thomas J. Manton | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| James McCallum | 6/6 | 6/14 | Scotland/United Kingdom | 593.29 | 968.00 | | [4] 2,555.00 | | | | |
| | | | | | | 18 | [5] 29.34 | | | | 3,552.34 |
| Kurt R. Oxley | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Hon. Owen B. Pickett | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Jeffrey R. Pike | 6/25 | 6/26 | Canada | | 100.00 | | [4] 302.85 | | | | 402.85 |
| Gerald Seifert | 6/24 | 6/28 | Hong Kong | | 600.00 | | [4] 1,946.00 | | | | 2,546.00 |
| Hon. W.J. Billy Tauzin | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| David S. Whaley | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Cyndy Wilkinson | 5/28 | 5/31 | Panama | | 588.00 | | [3] 956.48 | | | | 1,544.48 |
| Lori Williams | 6/20 | 6/28 | England | | [6] 800.00 | | [4] 2,234.00 | | | | 3,035.00 |
| Committee total | | | | | 12,373.00 | | 22,618.99 | | | | 34,991.99 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Prorated portion of military transportation.
[4] Commercial airfare.
[5] Ground transportation.
[6] Cash advance issued by State Department—advance also covered train fare from London to Bournmouth and return.

WALTER B. JONES, Chairman, July 30, 1987.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Samuel G. Wise | 5/3 | 5/13 | Austria | | [3] 630.00 | | 1,134.00 | | | | 1,764.00 |
| Meredith Brown | 5/4 | 5/22 | Austria | | 2,268.00 | | 1,134.00 | | | | 3,402.00 |
| Orest Deychakiwsky | 5/4 | 5/22 | Austria | | 2,268.00 | | 1,134.00 | | | | 3,402.00 |
| John Finerty | 5/8 | 5/30 | Austria | | 2,772.00 | | 1,134.00 | | | | 3,906.00 |
| Lynne Davidson | 5/11 | 6/18 | Austria | | 4,788.00 | | 1,209.00 | | | | 5,997.00 |
| Mary Sue Hafner | 5/20 | 5/25 | Canada | | 790.00 | | [4] 554.59 | | | | 1,344.59 |
| Ronald McNamara | 5/21 | 5/25 | Canada | | 632.00 | | [5] 303.32 | | | | 935.32 |
| Samuel G. Wise | 5/20 | 6/13 | Austria | | [3] 1,512.00 | | 1,286.00 | | | | 2,798.00 |
| Barbara Edwards | 5/31 | 6/13 | Austria | | 1,638.00 | | 1,219.00 | | | | 2,857.00 |
| Commitee total | | | | | 17,298.00 | | 9,107.91 | | | | 26,405.91 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] One-half per diem.
[4] Military and commercial transportation.
[5] Round trip military transportation.

STENY H. HOYER, Chairman, July 31, 1987.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON HUNGER, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1987

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Hon. Mickey Leland | 6/28 | 6/29 | Angola | NA | NA | | 14,199.41 | | | | |
| Committee total | | | | | | | 14,199.41 | | | | |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MICKEY LELAND, Chairman, Aug. 19, 1987.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NORTH ATLANTIC ASSEMBLY, BELGIUM AND FRANCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 13 AND FEB. 18, 1986

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Charles Rose | 2/13 | 2/15 | Belgium | 12,958 | 268 | | 11,910.29 | | | | 12,679.29 |
| | 2/15 | 2/18 | France | 3,608.20 | 501 | | | | | | |
| Robert Garcia | 2/13 | 2/15 | Belgium | 12,958 | 268 | | 11,910.29 | | | | 12,679.29 |
| | 2/15 | 2/18 | France | 3,608.20 | 501 | | | | | | |
| Bart Gordon | 2/13 | 2/15 | Belgium | 12,958 | 268 | | 11,910.29 | | | | 12,679.29 |
| | 2/15 | 2/18 | France | 3,608.20 | 501 | | | | | | |
| Bill Richardson | 2/16 | 2/18 | France | | 501 | | [3] 6,242.23 | | [4] 1,294.00 | | 8,037.23 |
| Ralph Regula | 2/13 | 2/15 | Belgium | 12,958 | 268 | | [3] 5,005.44 | | [4] 884.78 | | 6,158.22 |
| Peter Abbruzzese | 2/13 | 2/15 | Belgium | 12,958 | 268 | | 11,910.29 | | | | 12,679.29 |
| | 2/15 | 2/18 | France | 3,608.20 | 501 | | | | | | |

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NORTH ATLANTIC ASSEMBLY, BELGIUM AND FRANCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 13 AND FEB. 18, 1986—Continued

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Ronald Lasch | 2/13 | 2/15 | Belgium | 12,958 | 268 | | 11,910.29 | | | | 12,679.29 |
| | 2/15 | 2/18 | France | 3,608.20 | 501 | | | | | | |
| Spencer Oliver | 2/13 | 2/15 | Belgium | 12,958 | 268 | | 11,910.29 | | | | 12,679.29 |
| | 2/15 | 2/18 | France | 3,608.20 | 501 | | | | | | |
| Arch Roberts | 2/13 | 2/15 | Belgium | 12,958 | 268.00 | | 11,910.29 | | | | 12,679.29 |
| | 2/15 | 2/18 | France | 3,607.20 | 501.00 | | | | | | |
| Josephine Weber | 2/13 | 2/15 | Belgium | 12,958 | 268.00 | | 11,910.29 | | | | 12,679.29 |
| | 2/15 | 2/18 | | 2,607.20 | 501.00 | | | | | | |
| Delegation expenses | | | Brussels | | | | | | 3,367.37 | | 3,367.37 |
| | | | Paris | | | | | | 3,214.68 | | 3,214.68 |
| Subtotal, military transportation | | | | | | | 106,529.99 | | | | |
| Subtotal, commercial transportation | | | | | | | 2,178.78 | | | | |
| Grand total | | | | | 6,921.00 | | 108,708.77 | | 6,582.05 | | 122,336.90 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military transportation.
[4] Commercial transportation.

CHARLES ROSE, May 13, 1986.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO CANADA-UNITED STATES INTERPARLIAMENTARY CONFERENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 27 AND MAR 3, 1986

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Michael Barnes | 3/1 | 3/3 | United States | | 403.29 | | [3] 430.00 | | | | 1,225.63 |
| | | | | | | | [4] 392.34 | | | | |
| Dante B. Fascell | 2/27 | 3/3 | United States | | 673.54 | | [4] 784.68 | | | | 1,458.22 |
| Bill Frenzel | 2/27 | 3/2 | United States | | 466.80 | | [4] 392.34 | | | | 859.14 |
| Sam Gibbons | 2/27 | 3/3 | United States | | 650.67 | | [3] 560.00 | | | | 1,603.01 |
| | | | | | | | [4] 392.34 | | | | |
| Lee Hamilton | 2/27 | 3/3 | United States | | 692.42 | | [4] 784.68 | | | | 1,477.10 |
| Jim Kolbe | 2/27 | 3/2 | United States | | 453.48 | | [4] 392.34 | | | | 845.82 |
| David Martin | 2/27 | 3/3 | United States | | 656.56 | | [4] 784.68 | | | | 1,441.24 |
| James Oberstar | 2/27 | 3/3 | United States | | 632.48 | | [4] 784.68 | | | | 1,417.16 |
| Bill Richardson | 2/27 | 3/3 | United States | | 683.04 | | [4] 784.68 | | | | 1,467.72 |
| Arlan Stangeland | 2/27 | 3/3 | United States | | 610.94 | | [4] 784.68 | | | | 1,395.62 |
| Bob Traxler | 2/27 | 3/3 | United States | | 620.20 | | [4] 784.68 | | | | 1,404.88 |
| Morris K. Udall | 2/27 | 3/3 | United States | | 745.81 | | [4] 784.68 | | | | 1,530.49 |
| James Weaver | 2/27 | 3/3 | United States | | 618.29 | | [4] 784.68 | | | | 1,402.97 |
| Nancy Agris | 2/27 | 3/3 | United States | | 627.28 | | [4] 784.68 | | | | 1,411.96 |
| Everett Bierman | 2/27 | 3/3 | United States | | 678.14 | | [4] 784.68 | | | | 1,462.82 |
| Elizabeth Daoust | 2/25 | 3/3 | United States | | 1,054.70 | | [3] 189.00 | | | | 1,636.04 |
| | | | | | | | [4] 392.34 | | | | |
| George Ingram | 2/27 | 3/3 | United States | | 620.83 | | [4] 784.68 | | | | 1,405.51 |
| | 8/17 | 8/19 | United States | | 328.23 | | [3] 365.00 | | 106.36 | | 799.59 |
| Robert Kurz | 2/27 | 3/3 | United States | | 724.21 | | [4] 784.68 | | | | 1,508.89 |
| Steve Nelson | 2/27 | 3/3 | United States | | 627.80 | | [4] 784.68 | | | | 1,412.48 |
| Michael VanDusen | 2/27 | 3/3 | United States | | 624.24 | | [4] 784.68 | | | | 1,408.92 |
| Delegation expenses: | | | | | | | | | | | |
| Official delegation functions | | | | | | | | | 20,264.44 | | |
| Inflight expenses | | | | | | | | | 404.05 | | |
| Ground transportation | | | | | | | | | 2,251.05 | | |
| Supplies | | | | | | | | | 767.00 | | 23,686.54 |
| Committee total | | | | | 13,192.95 | | [3] 1,544.00<br>[4] 13,731.90 | | 23,792.90 | | 52,261.75 |

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Commercial transportation.
[4] DOD transportation.

SAM GEJDENSON, Mar. 18, 1987.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO INTERPARLIAMENTARY UNION CONFERENCE, MEXICO CITY, MEXICO, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 3 AND APR. 12, 1986

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Representative Louis Stokes | 4/4 | 4/12 | Mexico | | 935.13 | | 149.74 | | | | 1,084.87 |
| | | | | | | | [4] 581.25 | | | | 581.25 |
| Marty Sletzinger | 4/3 | 4/12 | Mexico | | 886.20 | | 378.00 | | | | 1,264.20 |
| | | | | | | | [4] 581.25 | | | | 581.25 |
| Ellen Rayner | 4/5 | 4/12 | Mexico | | 733.35 | | [3] 1,278.75 | | | | 2,012.10 |
| Julie Ilsley | 4/5 | 4/12 | Mexico | | 527.28 | | [3] 1,278.75 | | | | 1,806.03 |

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO INTERPARLIAMENTARY UNION CONFERENCE, MEXICO CITY, MEXICO, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 3 AND APR. 12, 1986—Continued

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Delegation expenses: | | | | | | | | | | | |
| Official meals | 4/3 | 4/12 | Mexico | | 1,219.47 | | | | | | 1,219.47 |
| Control room | 4/3 | 4/12 | Mexico | | 816.36 | | | | | | 816.36 |
| Transportation | | | | | | | 1,029.41 | | | | 1,029.41 |
| Miscellaneous | | | | | | | | | 64.27 | | 64.27 |
| Committee total | | | | | 5,117.79 | | 5,277.15 | | 64.27 | | 10,459.21 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] DOD transportation provided pursuant to 31 U.S.C. 22A.

CLAUDE PEPPER.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO BRITISH-AMERICAN PARLIAMENTARY GROUP, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 17 AND APR. 20, 1986

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Charles Rose | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Thomas S. Foley | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Berkley Bedell | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Wyche Fowler | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Webb Franklin | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Sala Burton | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Lawrence J. Smith | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| John Spratt | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Bart Gordon | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Don Sundquist | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Peter Abbruzzese | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Spencer Oliver | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Arlene Atwater | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Jane Fonvielle | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Judith Lamons | 4/17 | 4/20 | Bermuda | | 528 | | 1,908 | | | | 2,436 |
| Control room | | | | | | | | | 599.20 | | 599.20 |
| Committee total | | | | | 7,920 | | 28,620 | | 599.20 | | 37,139.20 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHARLES ROSE, May 16, 1986.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NORTH ATLANTIC ASSEMBLY, LUXEMBOURG, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 22 AND MAY 26, 1986

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Frank Annunzio | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Sherwood L. Boehlert | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Jack Brooks | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Sala Burton | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Norman D. Dicks | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 1,965.82 | | 482.16 | | 3,019.98 |
| Don Fuqua | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 1,965.82 | | 482.16 | | 3,019.98 |
| Robert Garcia | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Bart Gordon | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 1,965.82 | | 482.16 | | 3,019.98 |
| Frank Horton | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Mary Rose Oakar | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Charles Rose | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Patricia Schroeder | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Peter Abbruzzese | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Arlene Atwater | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Jack Brady | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.16 | | 5,370.41 |
| Jennifer Grant-Fohl | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.26 | | 482.16 | | 5,370.42 |
| Billie Gay Larsen | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.26 | | 482.17 | | 5,370.43 |
| Ron Lasch | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.26 | | 482.17 | | 5,370.43 |
| Spencer Oliver | 5/22 | 5/26 | Luxembourg | 12,870 | 286.00 | | 1,965.81 | | 246.96 | | 2,498.77 |
| Curt Prins | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.17 | | 5,370.42 |
| Arch Roberts | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.17 | | 5,370.42 |
| Dara Schlieher | 5/22 | 5/26 | Luxembourg | 25,740 | 572.00 | | 4,316.25 | | 482.17 | | 5,370.42 |
| Committee total | | | | | 12,298.00 | | 85,555.30 | | 10,372.37 | | 108,226.17 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

Note.—"Transportation" reflects expenditures for military transportation expenses. "Other purposes" reflects expenditures for local transportation, control room, and Embassy personnel overtime and per diem expenses.

CHARLES ROSE, June 2, 1986.

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### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO INTERPARLIAMENTARY CONFERENCE ON EUROPEAN COOPERATION AND SECURITY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 24 AND JUNE 2, 1986

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Vance Hyndman | 5/24 | 6/2 | West Germany | | 1,144.00 | | 1,280.00 | | | | 2,424.00 |
| Committee total | | | | | 1,144.00 | | 1,280.00 | | | | 2,424.00 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CLAUDE PEPPER.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 29 AND JUNE 2, 1986

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Ronald Coleman | 5/28 | 5/31 | United States | | 518.26 | | [3] 332.00 | | | | 850.26 |
| E de la Garza | 5/28 | 6/2 | United States | | 1,437.36 | | [3] 189.00 | | | | 2,015.63 |
| Tom DeLay | 5/29 | 6/2 | United States | | 504.00 | | [4] 528.24 | | | | 1,279.24 |
| | | | | | | | [3] 247.00 | | | | |
| David Dreier | 5/29 | 5/31 | United States | | 259.73 | | [3] 220.00 | | | | 479.73 |
| Benjamin Gilman | 5/29 | 6/1 | United States | | 353.90 | | [4] 528.24 | | | | 882.14 |
| William F. Goodling | 5/29 | 5/31 | United States | | 241.20 | | [4] 528.24 | | | | 954.44 |
| | | | | | | | [3] 185.00 | | | | |
| Jim Kolbe | 5/29 | 5/30 | United States | | 115.00 | | [3] 178.00 | | | | 293.00 |
| Robert J. Lagomarsino | 5/29 | 5/30 | United States | | 253.17 | | [4] 917.51 | | | | 1,170.68 |
| | 6/1 | 6/2 | | | | | | | | | |
| George Miller | 5/30 | 5/31 | United States | | 116.00 | | [3] 634.00 | | | | 750.00 |
| Charles B. Rangel | 5/29 | 5/31 | United States | | 246.29 | | [4] 528.24 | | | | 1,329.53 |
| | | | | | | | [3] 555.00 | | | | |
| Gus Yatron | 5/29 | 6/2 | United States | | 1,123.25 | | [4] 917.51 | | | | 2,040.76 |
| Elliott Brown | 5/29 | 6/2 | United States | | 460.00 | | 460.00 | | [4] 917.51 | | 1,377.51 |
| Mario Castillo | 5/29 | 6/2 | United States | | 460.00 | | [4] 917.51 | | | | 1,412.26 |
| J.C. Chester | 4/22 | 4/25 | United States | | 491.62 | | [3] 274.00 | | | | 765.62 |
| | 5/29 | 6/2 | United States | | 478.35 | | [4] 917.51 | | | | 1,395.86 |
| John Cusack | 5/29 | 6/2 | United States | | 474.30 | | [4] 917.51 | | | | 1,391.81 |
| Elizabeth Daoust | 4/22 | 4/25 | United States | | 508.69 | | [3] 274.00 | | | | 782.69 |
| | 5/27 | 6/2 | United States | | 818.05 | | [3] 370.00 | | | | 1,577.32 |
| | | | | | | | [4] 389.27 | | | | |
| Jim Davis | 5/29 | 6/2 | United States | | 617.10 | | [4] 917.51 | | | | 1,534.61 |
| Shelly Livingston | 4/22 | 4/25 | United States | | 461.99 | | [3] 274.00 | | | | 735.99 |
| | 5/27 | 6/2 | United States | | 744.51 | | [3] 370.00 | | | | 1,503.78 |
| | | | | | | | [4] 389.27 | | | | |
| Mark Tavlarides | 5/29 | 6/2 | United States | | 521.19 | | [4] 917.51 | | | | 1,438.70 |
| Hillel Weinberg | 5/29 | 6/2 | United States | | 499.62 | | [4] 389.27 | | | | 888.89 |
| Delegation expenses: | | | | | | | | | | | |
| Official delegation functions | | | | | | | | | 22,354.18 | | |
| Interpreting and translations services | | | | | | | | | 5,190.16 | | |
| Transcripts | | | | | | | | | 1,161.98 | | |
| Supplies | | | | | | | | | 1,109.70 | | |
| Inflight expenses and ground transport | | | | | | | | | 638.36 | | 30,454.38 |
| Committee total | | | | | 11,738.33 | | [3] 4,102.00<br>[4] 11,010.12 | | 30,454.38 | | 57,304.83 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la GARZA, Chairman, Mar. 10, 1987.

### REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO INTERPARLIAMENTARY CONFERENCE, BUENOS AIRES, ARGENTINA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 2 AND OCT. 6, 1986

| Name of Member or employee | Date | | Country | Per diem [1] | | Transportation | | Other purposes | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Arrival | Departure | | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] | Foreign currency | U.S. dollar equivalent or U.S. currency [2] |
| Rep. Jim Moody | 10/2 | 10/6 | Argentina | | 586.88 | | 3,516.00 | | | | 4,102.88 |
| Marty Sletzinger | 10/2 | 10/6 | Argentina | | 465.69 | | 3,603.00 | | | | 4,068.69 |
| Delegation expenses: | | | | | | | | | | | |
| Transportation | 10/2 | 10/6 | | | | | 80.12 | | | | 80.12 |
| Miscellaneous | 10/2 | 10/6 | | | | | | | 76.55 | | 76.55 |
| Committee total | | | | | 1,052.57 | | 7,199.12 | | 76.55 | | 8,328.24 |

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CLAUDE PEPPER.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2118. A letter from the Acting Secretary of Commerce, transmitting a copy of the annual executive branch assessment of the economic condition of the automobile industry, "The U.S. Automobile Industry, 1985," pursuant to 15 U.S.C. 1871; to the Committee on Banking, Finance and Urban Affairs.

2119. A letter from the Secretary of Education, transmitting a draft of proposed legislation to improve the administration and enhance the utility of the national assessment of educational progress; to the Committee on Education and Labor.

2120. A letter from the National Commander, American Ex-Prisoners of War, transmitting a copy of the 1987 audit report as of June 30, 1987, pursuant to 36 U.S.C. 2111; to the Committee on the Judiciary.

2121. A letter from the Inspector General, Department of Health and Human Services, transmitting a copy of a report entitled "Social Security Client Satisfaction," to determine what effects, if any, staff reductions at the Social Security Administration were having on the quality of services to the public; to the Committee on Ways and Means.

2122. A letter from the Secretary of Energy, transmitting a copy of the Department's report on the activities and progress of the compact regions and nonmember States in 1986 leading to the development of new low-level waste disposal facilities, pursuant to 42 U.S.C. 2021g(b); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

2123. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to repeal health maintenance organization authorities; jointly, to the Committees on Energy and Commerce and Ways and Means.

2124. A letter from the Assistant Attorney General, Office of Legislative and Intergovernmental Affairs, Department of Justice, transmitting. a report on the status of alleged and actual violations of the Foreign Agents Registration Act by representatives of governments or opposition movements in sub-Saharan Africa, pursuant to 22 U.S.C. 5101; jointly, to the Committees on the Judiciary and Foreign Affairs.

2125. A letter from the Secretary of the Treasury, transmitting, notification that with the expiration of the temporary public debt limit at midnight on September 23, the Secretary will be unable to invest or roll over maturing investments of trust funds and other Government accounts, including the civil service retirement and disability fund and the thrift savings fund of the Federal employees' retirement system, pursuant to 5 U.S.C. 8348(1)(2); 5 U.S.C. 8348(l)(2); jointly, to the Committees on Ways and Means and Post Office and Civil Service.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2035. A bill to increase the amount authorized to be appropriated for property acquisition, restoration, and development, and for transportation, educational, and cultural programs, relating to the Lowell National Historical Park; to continue the term of a member of the Lowell Historic Preservation Commission pending the appointment of a successor; to adjust a quorum of the Commission in the event of a vacancy; and to delay the termination of the Commission; with amendments (Rept. 100-303). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2566. A bill to amend the National Parks and Recreation Act of 1978, as amended, to extend the term of the Delta Region Preservation Commission, and for other purposes (Rept. 100-304). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELLUMS: Committee on the District of Columbia. H.R. 51. A bill to provide for the admission of the State of New Columbia into the Union; with an amendment (Rept. 100-305). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. House Joint Resolution 362. Joint resolution making continuing appropriations for the fiscal year 1988, and for other purposes (Rept. 100-306). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR: Committee on Rules. House Resolution 265. Resolution providing for the consideration of H.R. 3030, a bill to provide credit assistance to farmers, to strengthen the Farm Credit System, and for other purposes (Rept. 100-307). Referred to the House Calendar.

Mr. MONTGOMERY: Committee on Veterans' Affairs. Report on Section 302(b) of the Congressional Budget Act of 1974 (Rept. 100-308). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of Indiana (for himself, Mr. Hyde, Mr. Courter, Mr. Gingrich, Mr. Armey, Mr. Davis of Illinois, Mr. Young of Alaska, Mr. Dornan of California, Mr. Swindall, Mr. Ballenger, Mr. DeLay, Mr. Dannemeyer, Mr. Bliley, Mr. Craig, Mr. Lungren, Mr. Packard, Mrs. Saiki, Mr. McCandless, Mr. Kyl, Mr. Combest, Mr. Thomas of California, Mr. Oxley, Mr. Nielson of Utah, Mr. Hefley, Mr. Hunter, Mr. Daniel, Mr. Stratton, Mr. Crane, Mr. Bunning, Mr. Fields, Mr. Weber, Mr. Mack, and Mr. Kasich):

H.R. 3296. A bill to provide for military assistance for the Nicaraguan democratic resistance after November 7, 1987, if the Government of Nicaragua has not completely complied with the requirements of the agreement signed in Guatemala on August 7, 1987; to the Committee on Foreign Affairs.

By Mr. DAVIS of Michigan:

H.R. 3297. A bill to amend the Merchant Marine Act, 1936, to establish a new system of operating differential subsidy contracts for vessels in liner service, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 3298. A bill to provide for central recordation of recreational vessel mortgages; to the Committee on Merchant Marine and Fisheries.

H.R. 3299. A bill to establish within the Department of Transportation a new Federal Maritime Administration, to consolidate within that Administration certain functions of the Federal Government relating to maritime transportation, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. BOXER (for herself, Mr. Berman, Mr. Dellums, Ms. Pelosi, Ms. Kaptur, Mr. Leland, Mr. Savage, Mr. Fauntroy, Mr. Stokes, Mr. Blaz, Mr. Conyers, Mr. Howard, Mr. Neal, Mr. Swift, Mr. Dymally, Mr. St Germain, Mr. Akaka, Mr. Mrazek, Mr. Solarz, Mr. Towns, Mr. Owens of New York, Mr. Dyson, and Mr. Crockett):

H.R. 3300. A bill to direct the Director of the Office of Technology Assessment to prepare a report regarding hazardous waste reduction and management; to direct the Administrator of the Environmental Protection Agency to prepare a hazardous waste reduction and management plan; and for other purposes; jointly, the the Committees on Energy and Commerce; Merchant Marine and Fisheries; Public Works and Transportation; and Science, Space, and Technology.

By Mr. DORNAN of California:

H.R. 3301. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that the labeling of drugs which are derived from materials from a human fetus shall include notice of the source of such materials and the labeling shall be made available to the consumer and the parent or guardian of the consumer; to the Committee on Energy and Commerce.

By Mr. HALL of Texas:

H.R. 3302. A bill to clarify the exemptive authority of the Securities and Exchange Commission; to the Committee on Energy and Commerce.

By Mr. HAMMERSCHMIDT:

H.R. 3303. A bill to amend the National Trails System Act to designate the Trail of Tears as a national historic trail; to the Committee on Interior and Insular Affairs.

By Mr. HENRY (for himself, Mr. Daniel, Mr. MacKay, Mr. Howard, Mr. Lagomarsino, Mr. Fawell, Mr. Lewis of Florida, Mr. Grant, Mr. Dannemeyer, Mr. Upton, Mr. Florio, Mr. Shumway, and Mr. Bateman).

H.R. 3304. A bill to provide that the exception from the hospital insurance tax for service performed by an election official or election worker shall apply where renumeration for such service is less than $500 in a calendar year; to the Committee on Ways and Means.

By Mr. MICA:

H.R. 3305. A bill to amend title 38 of the United States Code to require the Administrator of Veterans' Administration to consider the number of veterans residing in each State, and the projected changes in the number of veterans residing in each State, in acquiring and operating medical facilities; to the Committee on Veterans' Affairs.

By Miss SCHNEIDER:

H.R. 3306. A bill to extend the temporary suspension of duty on a certain chemical; to the Committee on Ways and Means.

By Mr. SYNAR:

H.R. 3307. A bill to provide for an orderly transition to the taking effect of the initial set of sentencing guidelines prescribed for criminal cases under section 994 of title 28, United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. WHITTEN:

H.J. Res. 362. Joint resolution making continuing appropriations for the fiscal year 1988, and for other purposes.

By Mr. GONZALEZ (for himself, Mr. St Germain, Mr. Wylie, and Mrs. Roukema):

H.J. Res. 363. Joint resolution to provide for the extension of certain programs relating to housing and community development, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KLECZKA (for himself, Mr. Frank, and Mr. Frenzel):

H.J. Res. 364. Joint resolution proposing an amendment to the Constitution of the United States to permit Congress to grant power to bodies in the judicial branch to remove judges for cause; to the Committee on the Judiciary.

By Mr. CRAIG (for himself and Mr. Carper):

H. Res. 266. Resolution providing for the consideration of the joint resolution (H.J. Res. 321) proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation; to the Committee on Rules.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

201. By the SPEAKER: Memorial of the Legislature of the State of California, relative to the aviation trust fund; to the Committee on Public Works and Transportation.

202. Also, memorial of the Legislature of the State of California, relative to the Elk Hills Naval Petroleum Reserve; jointly, to the Committees on Armed Services and Energy and Commerce.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 32: Mr. Dornan of California.

H.R. 372: Mr. Jeffords.

H.R. 384: Mr. Dicks.

H.R. 387: Ms. Pelosi.

H.R. 388: Mr. Alexander, Mr. DeWine, Mr. Shaw, and Mr. Smith of New Jersey.

H.R. 458: Mr. Boulter and Ms. Pelosi.

H.R. 671: Mr. Ford of Tennessee.

H.R. 792: Ms. Pelosi.

H.R. 817: Mr. Bliley, Mr. Brown of California, Mr. Rhodes, Mr. Howard, Mr. Grant, Mr. Coble, and Mr. Skeen.

H.R. 938: Mr. Bliley.

H.R. 940: Mr. Brown of California, Mr. Bustamante, Mr. Lagomarsino, Mr. Owens of Utah, Mr. Bonker, Mr. Mfume, Mr. Lehman of Florida, Mr. Gray of Illinois, Mr. Hutto, Mr. Edwards of California, Ms. Pelosi, and Mr. Johnson of South Dakota.

H.R. 955: Mr. Dannemeyer and Mr. Buechner.

H.R. 957: Mr. Gilman and Mr. Rinaldo.

H.R. 1076: Mr. Fish, Mr. Gilman, Mr. Marinez, and Mr. Lewis of Georgia.

H.R. 1244: Mr. Lowry of Washington and Mr. Morrison of Washington.

H.R. 1428: Mr. Lagomarsino.

H.R. 1516: Mr. Tauke, Mr. Smith of New Jersey, Mr. DeWine.

H.R. 1583: Mr. Chandler.

H.R. 1729: Mr. Ortiz, Mr. Hiler, Mr. Stallings, Mr. Kildee, Mr. Quillen, and Mr. Henry.

H.R. 1734: Mr. Dicks and Mr. Lowry of Washington.

H.R. 1808: Mr. Gejdenson and Mr. Daub.

H.R. 2113: Mr. Donald E. Lukens and Mr. Hansen.

H.R. 2116: Ms. Kaptur and Mr. Donald E. Lukens.

H.R. 2248: Mr. Ballenger, Mr. DeLay, Mr. Gregg, Mr. Regula, Mr. Sunia, and Mr. Jeffords.

H.R. 2270: Mr. Staggers.

H.R. 2328: Mr. Penny.

H.R. 2417: Mr. Richardson.

H.R. 2500: Mr. Levin of Michigan.

H.R. 2532: Mr. Leland and Mr. Callahan.

H.R. 2587: Mr. Fields, Mr. Boulter, Mr. Bunning, Mr. Yates, Mr. Hall of Texas, Mrs. Saiki, and Mr. AuCoin.

H.R. 2609: Mr. Pease, Mrs. Boxer, and Mr. Foglietta.

H.R. 2611: Mr. Solomon, Mr. Kolbe, Mr. Wylie, Mr. Hammerschmidt, Mr. Ireland, Mr. Nelson of Florida, Mr. Gingrich, Mr. Carper, and Mr. Mica.

H.R. 2669: Mr. Slaughter of Virginia and Mr. Saxton.

H.R. 2725: Mr. Owens of Utah, Mr. Rogers, and Mr. Emerson.

H.R. 2727: Mr. DeFazio, Mr. Weiss, and Mr. Foglietta.

H.R. 2773: Ms. Pelosi, Mr. Owens of Utah, Mr. Atkins, Mr. Levin of Michigan, and Mr. Levine of California.

H.R. 2774: Ms. Pelosi, Mr. Owens of Utah, Mr. Atkins, Mr. Levin of Michigan, and Mr. Levine of California.

H.R. 2833: Mr. Hyde and Mr. Shumway.

H.R. 2866: Mr. Hochbrueckner.

H.R. 2908: Mr. Campbell.

H.R. 2920: Mr. Coelho and Mr. English.

H.R. 2928: Mr. Neal and Mr. Bunning.

H.R. 2934: Ms. Snowe and Mr. Bilirakis.

H.R. 3069: Mrs. Johnson of Connecticut and Mrs. Smith of Nebraska.

H.R. 3129: Mr. Frenzel, Mr. Nelson of Florida, Mr. Stenholm, Mr. Hansen, Mr. McEwen, Mr. Daub, Mr. Daniel, Mr. DeLay, and Mr. Shumway.

H.R. 3132: Mr. Frank, Mr. Dymally, Mr. Pepper, Mr. Fauntroy, Mr. Leland, and Mr. McCloskey.

H.R. 3175: Mr. Owens of Utah.

H.R. 3176: Mr. Owens of Utah.

H.R. 3180: Mr. Daub and Mr. DeLay.

H.J. Res. 199: Mr. Kostmayer, Mr. Savage, Mr. Applegate, Mr. Lantos, Mr. Fazio, Mr. Hoyer, Mr. Bonior of Michigan, Mr. Kennedy, Mr. Fish, Mr. Panetta, Ms. Pelosi, Mr. Crockett, and Mr. Matsui.

H.J. Res. 240: Mr. Oberstar, Mr. Aspin, Mr. Biaggi, Mr. Vento, Mr. Crockett, and Mr. Campbell.

H.J. Res. 274: Mr. Atkins, Mr. Bilbray, Mr. Bosco, Mr. Brown of California, Mr. Bryant, Mr. Coble, Mr. Dreier of California, Mr. Fawell, Mr. Fish, Mr. Foglietta, Mr. Gekas, Mr. Grandy, Mr. Gunderson, Mr. Hastert, Mr. Hochbrueckner, Mr. Kolbe, Mr. Lent, Mr. Levin of Michigan, Mr. Thomas A. Luken, Mr. McCloskey, Mr. McMillen of Maryland, Mr. Manton, Mrs. Meyers of Kansas, Mr. Parris, Mrs. Patterson, Mr. Rangel, Mr. Richardson, Mr. Roberts, Mr. Rose, Mr. Sabo, Mr. Schuette, Ms. Slaughter of New York, Mr. Taylor, Mr. Torricelli, Mr. Vento, Mr. Volkmer, Mr. Walgren, Mr. Wolpe, and Mr. Young of Florida.

H.J. Res. 314: Mr. Fish, Mr. Morrison of Connecticut, Mr. Owens of Utah, and Mr. Rinaldo.

H.J. Res. 328: Mr. Lungren.

H.J. Res 349: Mr. Edwards of California, Mrs. Boxer, Mr. Hall of Ohio, Mr. Panetta, Mr. Daub, Mr. Brown of California, Mr. Badham, Ms. Kaptur, Mr. Neal, Mr. DeFazio, Mr. Oberstar, Mr. Pease, Mr. Martinez, and Mr. Fazio.

H.J. 355: Mr. Volkmer, Mr. Nichols, Mr. Yatron, Mr. McEwen, Mr. Sundquist, Mr. Durbin, Mr. Hochbrueckner, Mr. Hastert, Mr. Miller of Ohio, Mr. Early, Mr. Fish, Mr. Pursell, Mr. Daniel, Mr. Parris, Mr. Fields, Mr. Denny Smith, Mr. Dannemeyer, Mr. Moakley, Mr. Frank, Mr. Coelho, Mr. Wyden, Mr. Shaw, Mr. Gunderson, Mr. Molinari, Mr. Visclosky, Mr. Stark, Mrs. Boxer, Mr. Cheney, Mr. Hoyer, Mr. Carr, Mr. Lipinski, and Mr. Sunia.

H. Con. Res. 108: Mr. Hubbard, Mr. Montgomery, Mr. Upton, Mr. Donald E. Lukens, and Ms. Kaptur.

H. Con. Res. 126: Mr. Hyde.

H. Con. Res. 148: Mrs. Meyers of Kansas and Mr. Lightfoot.

H. Res. 62: Mr. Cardin, Mr. Vander Jagt, Mr. Sabo, Mr. Bonior of Michigan, Mr. Davis of Michigan, and Mr. Howard.

H. Res. 131: Mr. Evans, Mr. Kildee, Ms. Kaptur, Mr. Leland, Mr. Wheat, and Mr. Gray of Pennsylvania.

H. Res. 144: Mr. Rangel.

## AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

### H.R. 162

By Mrs. BYRON:

—Page 29, strike out line 4 and insert the following (and indent lines 5 through 13 accordingly):

(b) Discrimination Prohibited.—

(1) No employer or

Page 29, after line 13, insert the following:

(2) An employer with 15 or fewer employees may transfer an employee who is or has been a member of a population at risk to another job without violating this subsection so long as the new job has earnings, seniority, and other employment rights and benefits as comparable as practicable to the job from which the employee has been removed. In providing such alternative job assignment, the employer shall not violate the terms of any applicable collective bargaining agreement.

Page 32, after line 2, insert the following:

(5) An employer is not required to provide medical removal protection for employees if the employer—

(A) has 15 or fewer full-time employees at the time medical removal protection is requested, and

(B) has made or is in the process of making a reasonable good faith effort to eliminate the occupational health hazard that is the basis for the medical removal decision.

# SENATE—*Thursday, September 17, 1987*

The Senate met at 8:30 a.m. and was called to order by the Honorable John B. Breaux, a Senator from the State of Louisiana.

### PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

You shall know the truth, and the truth shall set you free. Eternal God, in whom is all truth, yesterday we celebrated the law which has governed our land for 200 years. Today we celebrate the Lawgiver, the Eternal God, author of truth, justice, and order. With profound gratitude we praise You for the Constitution crafted to ensure the fundamental convictions of the framers. We praise and thank You for their belief in certain self-evident, indisputable truth—all men are created equal; they are endowed by their Creator with certain inalienable rights. To secure these rights governments are instituted among men. Forgive us, Father, for the times we honor the law forgetting the Lawgiver, the One who inspired and guided in its conception and birth. In His name, who is incarnate truth, we pray. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
*Washington, DC, September 17, 1987.*

*To the Senate:*

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable John B. Breaux, a Senator from the State of Louisiana, to perform the duties of the Chair.

John C. Stennis,
*President pro tempore.*

Mr. BREAUX thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Chair recognizes the acting majority leader, Senator Proxmire.

## RESERVATION OF THE LEADERS' TIME

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the majority and minority leaders be reserved for their use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## THE JOURNAL

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## LET'S HEAR IT AGAIN FOR THE CONGRESS

Mr. PROXMIRE. Mr. President, recently I spoke on the floor of this body about the overwhelming and consistent attacks on the Congress. I said that it was time that some of us—particularly some of us in the Congress—spoke out on behalf of this institution. Throughout our 200-year history it has been a good institution, and often a great institution. Thirty years from now historians will look back on recent Congresses. In my judgment they will find serious fault in our handling the deficit, but solid virtue elsewhere.

So why is it that so many Members of the Senate and House make a career out of attacking the Congress? Listen to the remarks by Members of this body criticizing Congress—on the floor, in committee, on television, and radio broadcasts to the folks back home. The criticisms of Congress pour out in a flood. And how many statements do you ever hear—ever—by a Member of this body telling the truth that Congress—for all its failures, and they are serious—is a body of men and women who are doing a reasonably good job under very difficult circumstances. Oh, yes, we have failed dismally in bringing the budget deficit under control. And that is a major shortcoming. But Congress is struggling hard in this issue. Meanwhile in the last few years Congress has eliminated a raft of gaping loopholes and truckholes from the Tax Code. It has twice brought lying, deceiving, and law breaking administrations to account in Watergate and Irangate. It has begun to provide substantial protection for our environment. It has enacted legislation that will significantly improve the Nation's health. It has greatly strengthened the Social Security system by buttressing retirement benefits with a more adequate payroll tax. It has made steady progress in consumer protection. It has moderated the Reagan administration's excessive military buildup. It has fought a gallant, if losing, fight to advance arms control in this dangerous nuclear world.

And yet, the Congress as such, continues to get no praise, no support, no recognition of its solid achievements. It gets no encouragement to continue its struggle in those areas where it has tried but failed. The one simple fact that no one ever acknowledges is that the Congress is no more and no less than the Members of Congress. If the membership of Congress is good individually the Congress must be good. If the Congress as a body is not good, the same can be said for individual Congressmen. So how can it be that so many Members of Congress always say such good things about their colleagues? But never—and I mean never in their career, not once—have they said a good thing about the Congress in which they serve. It is ridiculous.

Mr. President, there are at least two vital elements in the Congress that go beyond the quality of the individual membership of the Congress. One is the remarkable history of this great place. When we, as individuals, come as Members to the Congress, we are strongly affected by the habits, the traditions, the memories, the examples of those who preceded us as Congressmen and Senators. Our leaders in this body, Senators Byrd and Dole, regularly remind us of the really great traditions of the Senators who preceded us. All of us become better legislators as we strive to live up to the great examples of the past.

There is a second element that makes the Congress more—and I mean much more—than the sum of its parts. And that is the leadership. The House and Senate over the years have both been blessed with solid, constructive leadership. That leadership has made the Congress a more positive, a more cohesive and cooperative body than it could have been as just an assembly of 535 individual Members.

In the Senate today consider the quality of our leaders Robert Byrd and Robert Dole, and their top assistants. And in the House Speaker Wright and the two party leaders—Foley and Michel. Leadership with its challenges and pitfalls always invites criticism but congressional leadership today continues as it has throughout

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

the 30 years this Senator has served in this body to be honest, responsible, sure footed and constantly working in the interest of our country. So, sure, there is a great deal to criticize about the Congress—criticism we hear and we should. But there is also much about Congress to praise, and this we never hear.

So let us hear a few cheers—amid all those boos and catcalls. Boos and catcalls are about all the Congress ever, and I mean ever, gets.

## ADDITIONAL COSPONSOR TO S. 1201

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Senator Thad Cochran be added as a cosponsor to S. 1201.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I yield the floor.

## BICENTENNIAL MINUTE

### SEPTEMBER 17, 1787: U.S. SENATE CREATED

Mr. DOLE. Mr. President, as we all know, today we celebrate a most historic anniversary. Two hundred years ago, on September 17, 1787, 39 delegates to the Federal Convention signed the Constitution of the United States. Among the many significant consequences of their action was the creation of the U.S. Senate.

Benjamin Franklin was one of the few Convention delegates to oppose a two-House legislature. It is fitting, then, on this most historic occasion, to read from his final statement to the Convention. "I confess," he said, "that there are several parts of this Constitution which I do not at present approve, but I am not sure that I shall never approve them: for having lived long, I have experienced many instances of being obliged by better information, or fuller consideration, to change opinions even on important subjects, which I once thought right, but found to be otherwise it is therefore that the older I grow, the more apt I am to doubt my own judgment, and to pay more respect to the judgment of others.

"In these sentiments sir, I agree to this Constitution with all its faults, if they are such; because I think a general government necessary for us * * * I doubt, too, whether any other convention we can obtain may be able to make a better constitution. For when you assemble a number of men to have advantage of their joint wisdom, you inevitably assemble with those men, all their prejudices, their passions, their errors of opinion, their local interests, and their selfish views. From such an assembly, can a perfect production be expected? It therefore astonishes me, sir, to find this system approaching so near to perfection as it does; and I think it will astonish our enemies, who are waiting with confidence to hear that our councils are confounded * * * thus, I consent, sir, to this Constitution because I expect no better, and because I am not sure, that it is not the best."

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend past the hour of 9 a.m., with Senators permitted to speak therein for 3 minutes each.

Who seeks recognition?

The Senator from Alabama is recognized.

## BICENTENNIAL OF THE CONSTITUTION

Mr. SHELBY. Mr. President, as we continue to celebrate today the bicentennial of the Constitution, I would like to read to you the preamble of the Constitution and to share with you the meaning of the words to me, and I believe, the meaning of these words to most Americans.

> We the people of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity. do ordain and establish this Constitution for the United States of America.

I am humbled by the simple eloquence of these words written 200 years ago by men representing such diverse interests. In spite of their different visions, these men recognized the significance of the Nation they were about to create. The framers have left us with a rich legacy which remains a source of pride and strength for our people. This legacy focuses on a belief that we can overcome any obstacle and a belief that we can accommodate diverse viewpoints within a framework of laws.

There are some who would say that our Constitution was a flawed document on the day it was signed, that the Union was not perfect and that justice did not prevail throughout the land. Yes, there was slavery in this country at that time. And white women did not have the right to vote. Perhaps our Founding Fathers realized that nations do not have perfect beginnings and that a new nation—the United States of America—would have been stillborn if necessary compromises were not made.

There are others who would say that our Constitution was a flawed document because it did not prevent a divisive and bloody war between the States. And that the Constitution was radically refined by the 14th amendment. Civil wars were not new to humanity 200 years ago and they are not uncommon to us today. However, in spite of our Civil War and the expansion of individual rights under the 14th amendment, the basic structure of our Government as adopted on September 17, 1787, 200 years ago today remains unchanged.

To everyone who would say that our Constitution is imperfect, I say that it is only in America that a Catholic named John F. Kennedy could become President of the United States. It is only in America that a woman named Sandra Day O'Connor and a black man named Thurgood Marshall could sit on the Supreme Court of the United States. Finally, I say that it is only in America that a descendent of former slaves, Martin Luther King, Jr., could inspire so many Americans, both white and black, to see the inconsistencies between our behavior and the moral imperative of the words of our Constitution written 200 years ago.

This discussion, I believe, demonstrates that the Constitution of the United States is more than a written document. It is more than a collection of beautiful words. I believe that our Constitution is an ideal, etched in the minds and hearts of Americans. We believe that our Government, though imperfect, is the best that humanity has developed. And that every American has a duty, if not an obligation, to contribute toward making our Government one of a more perfect Union, and to ensure that justice prevails throughout the land. I believe that it is this vision of America which has caused our constitutional Government to endure for 200 years. It is this vision which will keep our Nation strong as we find solutions to the difficult problems facing us today.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Nevada, Senator Reid.

## JAPANESE INTERNMENT REPARATIONS

Mr. REID. Mr. President, from time to time there arise issues which test not only the conscience of a man but that of mankind. They deal, almost always, those great questions, with the rights of an unpopular minority.

The response to that test is the true measure of any nation which has pretentions to civilization. When the roar of the mob provokes a government into curtailing individual rights, then that government has failed in its basic duty.

The Declaration of Independence, as usual, says it best. It is to secure basic rights. The magnificent document tells us that "* * * governments are instituted among men."

Our Nation has not, of course, always been successful in securing those rights. Lynch mobs have on occasion prevailed, and for long periods State, local, or Federal governments denied basic rights to segments of our population.

And yet, Mr. President, in the darkest of times, and at the most hysterical of moments, there was always a calm bulkwark for our liberties. That rampart was the U.S. Supreme Court.

Aberrations occurred, of course, in our history. There was the infamous Dred Scott decision declaring blacks to be noncitizens, and Plessy versus Ferguson which upheld the segregation doctrine. But by and large, the Court could be relied upon to protect the innocent individual or group against the tyranny of the majority.

It could be relied upon; that is, until December 7, 1941. When the air and naval forces of the Japanese empire struck suddenly and without warning at Pearl Harbor, our Nation was shocked, outraged, and furious. And rightfully so.

Cries for revenge immediately rang out. Demands were made that Japan be punished for her attack. And rightfully so.

What was not right, what could not be justified, was the wellspring of ugly racism which burst to the surface in the Western United States. Over 100,000 American citizens of Japanese origin were dragged from their homes by the forces of the Government and interned in concentration camps.

No examination was made of their loyalty; no distinction was invoked between legitimate enemy aliens and innocent citizens. That the action taken was blatantly racist is demonstrated by the fact that the same actions were applied neither to Americans of German origin nor to those whose families came from Italy.

One wonders if anyone in Government considered the incongruity of applying to citizens of Japanese origin the same tests of parentage and grandparentage that Hitler was applying in his despicable war of extermination against European Jewery.

There stood between those citizens and their oppressors in and out of government only that one bulwark of our liberties; the Supreme Court. The Court failed the test miserably. It permitted the forced relocation and interment of American citizens on a purely racial basis over the dissent of only one Justice. That one Justice, Robert Jackson, who was later to prosecute war criminals at Nuremberg, demonstrated the importance of one judge as the conscience of a nation.

One of the citizens forced from his home is a friend of mine, Wilson Makabe, who lives in Reno, NV. Wilson's response to that degradation and humiliation was magnificent. He enlisted in the U.S. Army. He enlisted from his new home, which was a concentration camp. When he went home on leave from his military base, he had to visit his family also in a concentration camp. Before that American soldier could go home to visit his father and sisters in their barracks, he was subjected to searches by his fellow GI's who were their guards.

Wilson fought with the famous 442d with many people, including Senators Inouye and Matsunaga. He fought in Italy. He lasted on the battlefield less than 30 days before he was so badly shot up they had to ship him back from the front in a body cast up to his arms. They took his leg off, eventually, and sent him home.

He got off the boat and called one of his brothers. That is when he learned he had a welcome home present. The neighbors had set fire to his family's home in California. It was burned to the ground.

Mr. President, we as a Congress are now considering a piece of legislation to apologize and offer reparations to survivors of this dark chapter in our history. Apologies and reparations, of course, are not enough. They will not be enough. But they are at this time all we can do.

I will vote for this legislation and so, I am sure and most hopeful, will the majority of my colleagues. Before we vote on this legislation, though, Mr. President, I want to say something to my friend Wilson Makabe. I want to say thank you, Wilson, and I am sorry.

Mr. President, I yield the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator yields the floor.

Does the Senate note the absence of a quorum?

Mr. REID. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

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## THE BORK NOMINATION

Mr. RUDMAN. Mr. President, Senator Thurmond, in his opening statement at the hearings on the nomination of Judge Bork to the Supreme Court, gave a brilliant exposition on the role of the Senate in the confirmation process. In addition, he gave the best statement in support of Judge Bork that I have heard to date. Although I will not make a final decision as to how I will vote on Judge Bork's confirmation until after the hearings have concluded, I believe Senator Thurmond's statement should be read by anyone interested in this matter.

Accordingly, I ask unanimous consent that the text of his statement be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Statement by Senator Strom Thurmond

Mr. Chairman, today, the Committee begins consideration of the nomination of Judge Robert H. Bork to be Associate Justice of the United States Supreme Court. This is the fourth Supreme Court nomination that this Committee has considered in the past six years. (In fact, I might say that it is the 20th such nomination that I have had the opportunity to review during my 33 years in the Senate.) On earlier occasions, I have set forth the qualities I believe a nominee to the Court should possess:

Unquestioned integrity;

The courage to render decisions in accordance with the Constitution and the will of the people as expressed in the laws of Congress;

A keen knowledge and understanding of the law; in other words, professional competency;

Compassion, which recognizes both the rights of the individual and the rights of society in the quest for equal justice under law;

Proper judicial temperament—the ability to prevent the pressures of the moment from overpowering the composure and self-discipline of a well-ordered mind;

An understanding of, and appreciation for, the majesty of our system of government—in its separation of powers between the branches of our Federal government; its division of powers between the Federal and State governments; and the reservation to the States and to the people of all powers not delegated to the Federal Government.

There is no doubt that the nominee before us today meets these qualifications. His intellectual credentials are impeccable: Phi Beta Kappa, distinguished professor of law at Yale Law School, and respected author. His experience is extraordinary: in academia, as a general practitioner, as Solicitor General, and as a Judge for the United States Court of Appeals for the D.C. Circuit (felt by many to be the second most important court in this country). Judge Bork has a longstanding reputation for integrity and judicial temperament. On two occasions, Judge Bork has had his professional qualifications and personal character specifically examined and carefully scrutinized by the American Bar Association. On both occasions, the ABA has given Judge Bork the highest possible rating for his professional competence, integrity, and temperament.

Judge Bork is not a new or unknown quantity. He has been before this Committee twice previously, and both times the Committee and the Full Senate have deemed him worthy of confirmation: to be Solicitor General and to be a Judge of the U.S. Court of Appeals for the D.C. Circuit. It is also worthy of note that both times Judge Bork was confirmed by the Full Senate—once when Democrats controlled the Senate, and once when Republicans did—there was not a single dissenting vote.

In fact, if we were to put aside questions of philosophy and ideology, Judge Bork would in all likelihood already be sitting on the Court. However, it is apparent that some would have the issue of philosophy become the standard for whether or not we confirm this nominee for the Supreme

Court. This nomination has been delayed longer—by any standard—than any other Supreme Court nomination in the last 25 years, while opponents mount an ideological campaign against him. Because so much has been said about the question of philosophy and ideology, I believe we should examine that issue within the context of the nominating process.

Some have said that philosophy should not be considered at all in the confirmation process (In Fact, I have been incorrectly aligned with that position), and others say that philosophy should be the sole criteria. I reject both of these positions. I believe that a candidate's philosophy may properly be considered, but philosophy should not be the sole criteria for rejecting a nominee, with one notable exception. The one exception is when the nominee clearly does not support the basic, longstanding, consensus principles of our Nation.

I want to be very clear about this point: I do not believe that philosophy alone should bar a nominee from the Court unless that nominee holds a belief that is so contrary to the fundamental, longstanding principles of this country that the nominee's service would be inconsistent with the very essence of this country's shared values.

Such a nominee's position should be unequivocal and in violation of a basic belief. For example, freedom of speech is a fundamental, accepted principle in this Country—but exactly what constitutes "speech" and whether or not there are limitations on any particular activity, are issues on which reasonable people can disagree. Freedom of religion is an accepted tenet of this Country—but whether freedom of religion means that a person in the military can wear religious garb rather than his uniform is a matter that can be, and is, openly debated. That there should be no government-established religion in America is a fundamental principle—but whether that prescribes prayer in our schools is a matter of accepted public debate and commentary. That discrimination based on race or national origin is unacceptable is a basic tenet of this Nation—but there certainly is no such agreement on the use of preferential quotas. I raise these examples not to launch into a substantive debate on any of these issues, but merely to point out that we should not confuse core, fundamental principles with evolving and debatable applications of those principles.

In applying this standard, which could lead to automatic rejection of a nominee, we must be reasonable. We must apply it in a manner which also protects the basic American interest of free and open debate on important issues. As the courts, and all Americans, grapple with new applications of our principles and new doctrines are created and offered, these evolving decisions are not sacrosanct and above criticism. In fact, debate and discussion of these new ideas is not only welcomed, it is essential. This is a stringent standard, but in my tenure in the Senate, this test has never been used to disqualify a nominee because no President has ever sent such a nominee to the Senate. To apply a broader philosophical litmus test would put a nominee in jeopardy of being labeled "un-american" or "unfit" if he has ever been in a minority position on any issue.

It has been said that since the President uses philosophy to pick a nominee, the Senate can use philosophy in evaluating a nominee. A corollary statement should be just as true: when the President does not solely use philosophy to choose his nominee, the Senate should not solely use philosophy to reject that nominee. Historically, Presidents do consider philosophy when appointing nominees to the Supreme Court. That is part of our system of government; it is the manner in which the American people have an opportunity to influence the Court which so greatly affects them. Not only is that generally accepted, but this President was re-elected overwhelmingly when the issue of such appointments was a major, well-discussed campaign issue.

Because this process is well understood by the American people, any nominee selected by a President comes to the Senate with a presumption in his favor. Accordingly, opponents of the nominee must make the case against him. That is why opponents of Judge Bork are trying to fit him into some accepted basis for disqualification or create a new one to defeat him.

First, Judge Bork's opponents will try to raise questions about his character and integrity. Failing this, they will assert that he is disqualified by virtue of his philosophy, by labeling him as an extremist or "outside the mainstream." This, in essence, refers to the purely philosophical test which I have discussed. A review of Judge Bork's record indicates that he indeed is well within the mainstream of legal debate and discussion in this Country. His record on appeals is perhaps the best in the Country.

However, even if a nominee occasionally dissents from a majority view, that should not disqualify him. Although Judge Bork has been in the accepted majority position almost without fail, there is a grand tradition of legal dissent in this country. As Justice Felix Frankfurter said, "In this Court, dissents have gradually become majority opinions." There certainly is nothing wrong with writing a dissent at any judicial level if it is called for; in fact, integrity demands it.

Opponents of this nominee have also surfaced a new theory of "balance" on the Court; that somehow there is a mandated, immutable balance on the Court. This theory has an inherent problem: when did the Court reach the perfect balance—was it the Warren Court, or the Courts which preceded the Warren Court and which were so greatly overturned by the Warren Court? Further, does anyone really believe that these proponents of a "balance theory" would oppose a liberal nominee solely because he had been named to replace a conservative Justice? Of course not. More fundamentally, such a theory presupposes that the Supreme Court is infallible, when clearly it is not. Do we really want to enshrine, for all time, every decision the Court makes? History gives us many examples of the Supreme Court overruling itself and correcting its own errors. Usually, those who argue "balance" have certain decisions that do not want reconsidered under any circumstances. On the other hand, I believe the Court should be allowed to correct errors it has made.

Finally, there is one other issue that should be addressed. I believe, as I have stated before, that the Full Senate should make the final determination on all nominations. The confirmation process should not stop at the Committee level. The Constitution requires the advice and consent of the Senate, not simply the opinion of any one Committee. I am pleased that both Chairman Biden and the Distinguished Majority Leader, among others, have indicated that they agree that this nomination should be dealt with by the Full Senate.

Judge Bork, welcome again to the Committee, and we look forward to your testimony.

## POLAND

Mr. KASTEN. Mr. President, I rise today to draw attention to the voice of liberty being heard from within Communist Poland.

Last weekend, 40,000 Polish young people gathered in Warsaw to enjoy one of the world's most democratic art forms: Rock music. Just as rock 'n roll has become one of the most potent expressions of America's spirit of individual freedom, the Polish version has given an outlet to the suppressed energies of Poland's youth.

The Polish regime, like all repressive totalitarian governments, seeks to deny the personal creativity at the heart of all human endeavor and achievement. The ideology of the few supplants the spirit of the many; bureaucratic uniformity threatens to deaden the genius of the people.

Zbigniew Holdys, leader of the rock band "Perfekt," made clear how Poland's youth feels about the inhumanity of the Polish regime, and he did so in words that compare favorably with the defiant-youth lyrics of our own Chuck Berry, and with the protest songs of Bob Dylan.

He sang:

> A lot of us—few of them. They are afraid of us, they are afraid to sleep at night * * * they are afraid of themselves.

Mr. President, when Holdys sang these words, he was wearing a cape with a letter "S" emblazoned on it, to show his support for the outlawed Solidarity trade union.

Mr. President, I ask unanimous consent that the front-page article in the Washington Post of September 14, the article in which this extraordinary peaceful protest is described, be entered in the Record.

The youth of Poland give us hope, and deserve our respect.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 14, 1987]

### Rock Around the Regime—40,000 Cheer as Lyrics Twit Polish Rule

(By Jackson Diehl)

Warsaw, Sept. 13—It was billed as the biggest, freest, most daring rock concert ever staged in Poland. And sure enough, when the home-grown group Perfekt hit the stage of a huge outdoor stadium here last night, 40,000 waiting young people jumped up to dance, shout, and sing out their frustration with communist rule.

"I'm not dead yet," shouted Perfekt leader Zbigniew Holdys, to the opening bars of a three-hour hard-rock show driven by the twin themes of alienation and defiance. At its end, his band was nearly drowned out by the crowd as thousands held up flames and sang out the words of the group's anthem, "We want to be ourselves."

What happened in between was a distinctively Polish show, where a base of blasting guitars was topped by gestures of protest ranging from the ironic to the explicit. At one point, thousands in the crowd added a word to a Perfekt chorus and repeatedly sang, "Don't be afraid of that Jaruzelski," Poland's ruling general and Communist Party chief.

During another song, the bearded, beret-capped Holdys segued into a guitar rendition of "Yankee Doodle" as the stage lights turned red, white and blue, bringing a huge roar of approval from his fans.

"You may have heard that the 'Days of Polish Culture' are going on in Moscow now," Holdys told the crowd, referring to an official communist-sponsored cultural event. "All the [party] guys went there, so we are free to jump around up here."

In fact, the concert marked a breakthrough for the Polish rock scene, six years after it came to life—during the era of the Solidarity union movement. Politically explicit lyrics were banned after the union's suppression under martial law.

Subsequently, the groups were condemned by state music agencies to a wasting regimen of low wages and punishing schedules. This produced a crisis of declining quality and public interest in recent years.

Now, as a new wave of liberalization in Poland eases censorship and controls on private initiative, rock groups are hoping to make a comeback with a younger generation yearning to articulate its frustration and hopes. "Young people now know that something is wrong with the system in Poland, although they are not sure what," said Holdys. "To be credible with them, we have to say so straight out."

Perfekt is one of several rock groups that mixes protesting words and gestures with its music and is tolerated by authorities anxious to show that Poland has embraced the policy of *glasnost*, or openness in public life, promoted by Soviet leader Mikhail Gorbachev. Although the references to Jaruzelski and other explicit lyrics led to the groups' banning in earlier years, Holdys and other rock activists said communist authorities now seemed willing to tolerate rock as a relatively harmless, if irritating, outlet for youth.

With last night's concert, Holdys and the Perfekt group intended to kick off the new era. Banned from performing in much of Poland during the early 1980s, the five-member group—which sold an astonishing 1 million records at its peak of popularity in 1982—reassembled several months ago and began preparing a new set of songs.

Perfekt formed its own private musical agency to escape from the tutelage of state agents and planned last night's concert to burst through the small-town, small-hall restraints enforced by the state on rock until now. "We wanted to play what we never were able to do before," said Holdys in an interview. "We wanted to give the biggest concert ever given in Poland, to do what is done by rock groups all over the world—but was never allowed in Poland."

Remarkably, official waivers proved the least of the group's problems. Although Poland had never before seen a rock concert in a stadium, Warsaw officials readily agreed to book the city's huge Dziciencolecia stadium, which holds 100,000 for soccer games and censors cleared all but one of the group's new songs.

Holdys, who has spent most of his 17-year career struggling to get permission for performances, said authorities may have felt obliged to be compliant. "It was easier to give us permission than to have it get out that Perfekt was banned again," he said. "That would have upset a lot of youth and made it look like nothing has changed here."

The real trouble, Holdys said, proved to be obtaining sufficient electronic, sound and lighting gear in technology-starved Poland, and setting it up properly. "We had to borrow practically every speaker in Poland, and 90 percent of them didn't work," he said. "There are only five cordless microphones in Poland—we got three of them."

In the end, the group's hard work seemed to pay off. Despite sprinklings of rain before and during the concert, the sound system held up. Colored stage lights, swirling smoke and a climactic fireworks display made up a respectable spectacle. Most importantly, the hoped-for crowd of teens, students and young couples turned out, many of them riding in on trains and buses from outside Warsaw.

Holdys, although never a member of Solidarity, dressed for the occasion in a long black cape adorned on the back with a huge letter "S." "That's [illegible]es," he said with a grin. "Everybo[illegible]nows what it stands for."

Although not overtly political, the songs were blunt in their messages. "A lot of us—few of them," began one of Holdys' songs premiered at the concert. "They are afraid of us, they are afraid to sleep at night . . . they are afraid of themselves."

Another new song playfully focused on Warsaw's huge and popularly despised Place of Culture, a gothic Stalinist skyscraper placed in the center of the city as a "gift" from Soviet ruler Joseph Stalin in the early 1950s. In a bitter comment on the failures of communist rule, the song speculates that the building, "that palace of ours," could soon collapse, "mixing the blood of the latest generations with that of the guy who falls from the 30th floor."

## TRIBUTE TO DR. HENRY D. STOKES

Mr. BOSCHWITZ. Mr. President, in August, I went back home to say goodbye to an old friend, a fine American, Dr. Henry D. Stokes.

His was a remarkable life, built on his very genuine love of country and clear belief in the vitality of the American dream, in the ability of the individual to make a difference, to preserve the best of the past and prepare for the best kind of future.

Doc Stokes' influence extended far beyond his small community of Cambridge, MN, where he practiced dentistry and political activism—both full time—from the Minnesota Legislature to the U.S. Senate and the White House. His political involvement was a partnership shared with his wife, Evie, and eventually his children. I never saw Doc without Evie; and, as I said at the funeral, the roads of Minnesota will be a bit quieter now because Doc will not be moving incessantly and loyally from one meeting to another—influencing the course of events in his State and indeed in his Nation.

He served with enthusiasm and great skill, helpin[illegible]ng a community college to his city and a new Veterans' Administration hospital to his State. He died in the care of the VA hospital in Minneapolis, where he was treated with the same love and consideration he brought to every veterans' concern. He was instrumental in the election of scores and scores of State legislators, three Governors, two U.S. Senators and an American President, Ronald Reagan, for whom he campaigned from the earliest moment.

My colleague, Senator DOLE, noted that impressive record and, early this year, recruited Doc to serve as Minnesota chairman of his Presidential campaign, a post for which, by experience and philosophy, he was ideally suited. His death came as he began once more to translate his vision of America into the kind of practical, positive action that made him a leader in Minnesota and on the national scene as well.

I am proud to have known Doc Stokes. I will always count him and his wife among the best friends of my life.

## BICENTENNIAL OF THE CONSTITUTION

Mr. HATCH. Mr. President, as we celebrate the bicentennial of the Constitution today, we have the right to feel good as Americans. We can be very proud of our achievements. It is my pleasure to present for the CONGRESSIONAL RECORD the following lyrics to this patriotic song in honor of the 200th anniversary of the signing of the Constitution.

We come from everywhere
we're called Americans
From every distant shore,
but what matters more
is we're Americans.

United by the promise etched beneath the flame
that says beyond this golden door you enter
everyone's the same.

So many voices sing America's song.
So many dreamers come from different shores
to proudly sing along.
So many colors in our rainbow choir.
So many hearts from many homelands
all with one desire
to raise their voices in a country that's free.

To blend their music with America's
from sea to shining sea.
So many voices from
so many lands
make one great song
when we join voices,
hearts and hands.

So many voices sing America's song,
So many dreamers come from different shores
to proudly sing along.
So many colors in our rainbow choir.
So many hearts from many homelands.
All with one desire.
To raise their voices in a country that's free.
To blend their music with America's from
sea to shining sea.
So many voices from so many lands
make one great song,
make one great song
when we join voices, hearts and hands.

Lyrics by Bruce Belland
Music by Robert F. Brunner

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## CONCLUSION OF MORNING BUSINESS

THE ACTING PRESIDENT pro tempore. Morning business is concluded.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The ACTING PRESIDENT pro tempore. The hour of 9 o'clock having arrived, the Senate will now resume consideration of the unfinished business, S. 1174, which the clerk will please report.

The legislative clerk read as follows:

A bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

Pending: Glenn Amendment No. 680, to prohibit the awarding of contracts for research and development in connection with the Strategic Defense Initiative program to foreign countries and foreign firms;

Warner Amendment No. 682, to strike the limitation on development or testing of space-based and other mobile anti-ballistic missile systems.

Mr. WARNER. Mr. President, it is my further understanding that at the hour of 9:30 a.m. the Senator from Georgia will be recognized for the purpose of making a motion to table the pending amendment offered by the Senator from Virginia, and thereafter there will be an immediate vote.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is correct.

Mr. WARNER. Mr. President, throughout this debate—and indeed I think it has been a very good debate—the proponents of this amendment have characterized it simply in the context of being a matter relating to funding and that therefore it is the jurisdiction of both Houses of the Congress to deal with matters relating to the expenditures of funds. I concur in that obervation.

But I further observe that this amendment is historic in that it invokes indirectly, impliedly or otherwise, the interpretation of a treaty. That has been at the center of debate here for some days.

I would like to bring to the attention of the Senate a letter that was sent by the distinguished majority leader, ROBERT C. BYRD, to the President of the United States. It is printed in the CONGRESSIONAL RECORD of August 25, 1978. And I now ask unanimous consent the letter in its entirety be printed in the RECORD immediately following my opening remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WARNER. Senator BYRD, who has spent a good deal of his career studying the precedents and the history of this body and who has diligently assembled through the years a history which will be very valuable to future Members of this body, scholars and others, was deeply concerned that the President was considering forwarding a strategic arms pact to the Congress in a form not as a treaty but as an agreement. The letter spells out very carefully the Senator from West Virginia's deep concern over establishing a precedent on a matter so serious.

Implied in this letter, if not directly stated in this letter, is the admonition to the Congress, and particularly the Senate, that to forward this agreement, that is the pact in the form of an agreement, would begin to take away the special jurisdiction of the Senate in the matter of treaties.

I would like to read a paragraph from Mr. BYRD to the President, under a letter dated August 15, 1978.

> An international pact which is so significant to the security interests of the United States must, I believe, receive full status as a treaty which meets the full and only Constitutional definition of a treaty: one which is submitted to the Senate and must obtain a "super majority" in that body before it may be ratified by the Executive.

And this is the particularly pertinent part that I am about to read:

> As discussed at the Constitutional Convention and in the Federalist Papers, Article II, Section 2 was intended to impart a "peculiar propriety" to the union of the Executive and the Senate in the treaty area. It is incumbent upon both the Senate and the Executive to maintain this special relationship. If such an arms limitation pact is successfully negotiated, I strongly believe that the basic document should be submitted to the Senate in the form of a treaty.

Mr. BYRD goes on to point out clearly the peculiar jurisdiction of this body in relation to treaties and, in addition, the relationship between this body and the executive branch.

I suggest that this amendment, either intentionally or unintentionally, is drawn in such a way as to set a landmark, if not a foundation, precedent that would begin a slow erosion of that peculiar relationship between this body and the executive branch as it relates to treaties of the United States.

EXHIBIT 1

OFFICE OF THE MAJORITY LEADER,
*Washington, D.C., August 15, 1978*

The PRESIDENT,
*The White House,*
*Washington, D.C.*

DEAR MR. PRESIDENT: I understand that consideration is being given to the submission of a strategic arms pact with the Soviet Union—if and when one is successfully negotiated—to the House and Senate for their joint action. This course of action would involve treating the pact as an "agreement" rather than a treaty.

With great respect for your prerogatives as Chief Executive, I must strongly urge you not to take this course. In the field of foreign affairs the roles of the Executive and the Congress are restricted by the principles of the Constitution. The limitations, indeed the requirements of Article II, Section 2, with regard to the treaty-making power cannot be lightly waived. As set forth unambiguously in that section, the United States may become a party to a treaty only through the action of the President, by and with the advice and consent of two-thirds of the Senate.

An international pact which is so significant to the security interests of the United States must, I believe, receive full status as a treaty which meets the full and only Constitutional definition of a treaty: one which is submitted to the Senate and must obtain a "super majority" in that body before it may be ratified by the Executive. As discussed at the Constitutional Convention and in the Federalist Papers, Article II, Section 2 was intended to impart a "peculiar propriety" to the union of the Executive and the Senate in the treaty area. It is incumbent upon both the Senate and the Executive to maintain this special relationship. If such an arms limitation pact is successfully negotiated, I strongly believe that the basic document should be submitted to the Senate in the form of a treaty.

A strategic arms pact with the Soviet Union is of such consequence that it must merit the confidence of the American people and broad support within the Senate.

I hope that a good SALT treaty, fully protective of our security interests and those of our allies, can be negotiated. I believe this to be a matter of highest importance. We want to do all in our power to reduce the threat of nuclear conflict. However, such a pact must be sound in every respect and able to withstand the Constitutional test of advice and consent.

Sincerely,

ROBERT C. BYRD,
*Majority Leader.*

The ACTING PRESIDENT pro tempore. The Senator from Virginia has 7 minutes 20 seconds remaining. The Senator from Georgia controls 13 minutes.

Mr. NUNN. Mr. President, how much time does the Senate majority have?

The ACTING PRESIDENT pro tempore. The Senate majority has 13 minutes.

Mr. NUNN. I would ask the Chair to notify me when I have 6 minutes remaining.

The ACTING PRESIDENT pro tempore. The Chair will so notify the Senator from Georgia.

Mr. NUNN. Mr. President, I agree with my colleague, my friend from Virginia, about the debate we have had on this matter. I think it has meaningful. I think it has been enlightening to both sides. I am pleased that we are able to come to a conclusion on this matter and move on to other matters after the vote at 9:30 this morning.

Mr. President, one recent statement on the relationship between the President and Congress in the area of foreign and military affairs—and that is what the heart of this debate is all about, that is, the relationship between the two branches of Government—is set forth in the petition for review filed in the Taiwan Treaty case by a number of leading Members of this body.

A former chairman, an individual who all of us who work with him and knew him came to admire greatly, Senator Goldwater, filed a petition to the Supreme Court of the United States. He was joined by 25 other Members of Congress. In that petition he asserted a role for the Congress in deciding the fate of the Mutual Defense Treaty with the Republic of China when President Carter terminated that treaty. That was in the late 1970's.

A number of current Members of this body participated as plaintiffs with Senator Goldwater in that case, including Senators THURMOND, GARN, HATCH, HELMS, HUMPHREY, MCCLURE, SYMMS, and QUAYLE.

Nothing, as far as I know, has changed regarding the separation of powers since that petition was filed.

Yet we find that a number of Members who filed that petition as coauthors have taken, as I view it, exactly the opposite position; diametrically the opposite position, in the debate that we have had over the Levin-Nunn provision.

At this time they are asserting vast powers for the President. In fact, we voted on an amendment here the other day that said the President was the sole voice under the Constitution in regard to treaty negotiations; the sole voice.

As I said then, and I will not repeat the argument, I think that ignores the fact that there is nothing about "sole voice" in the U.S. Constitution. Nowhere does that appear, but there are a few words about the Senate's role in treaties, including "advice" and "consent."

If advice means anything, it means giving advice while the advice would be timely.

So, what we have is, perhaps, a change of mind; perhaps changed circumstances; but, nevertheless, a diametrically opposed view emerging from some of our colleagues in this body. That view is totally contradictory to the view they had a few years ago when we had a Democrat in the White House and the issue was on another treaty.

Senator WARNER did not, as far as I know—and I searched very carefully on this point—I know he recognizes that——

Mr. WARNER. It is not there.

Mr. NUNN. He did not join in that position, but a number of Senators did. But I think Senator WARNER made one of the most profound statements on the floor of the Senate in June 1979 on this overall subject, although he was not a signatory.

First I think we ought to give a little background here. My colleague from Virginia, on September 15, in a Senate floor statement regarding the Levin-Nunn amendment said, and I quote him—September 15, 1987, Senator WARNER attacked the Levin-Nunn amendment on the ground that it would:

> Repose in the House of Representatives indeed a simple majority of the House present and voting, the authority, Mr. President, to overrule the judgment of all 100 Senators on this issue.

Continuing the quote:

> Yes; a simple majority of the House could come forward and by that inaction, perhaps through some sort of their rather unique procedures in the Rules Committee, prevent the President of the United States from taking certain action.

On June 6, 1979, my dear friend from Virginia said in a speech on the floor which was in reference to the Carter decision to terminate the Taiwan Treaty, although he was not a member of that group that petitioned the Supreme Court, he stated, and I am going to quote him on that—Senator WARNER said on June 6, 1979:

> [A] treaty may be terminated only by a subsequent statute or by a subsequent treaty or by some subsequent instrument of similar status and force.
>
> Any other conclusion would of necessity contemplate the termination of law by some action not accord with the basic concepts of democratic government since it would imply that, although law is to be made only with the participation of the people's representatives, it can be unmade without the same form of popular consent.
>
> Those of us from Virginia, whenever confronted with an interpretation of our Constitution, understandably look to the wisdom and guidance of none other than Thomas Jefferson [who wrote in] the manual of parliamentary practice for the use of the Senate of the United States, found in every desk in this Chamber [that] "the legislature alone can declare [treaties] infringed and rescinded."

Now, I ask my friend from Virginia whether he sees any contradiction between those two views?

Mr. WARNER. Mr. President, I am happy to reply to my good friend, although I want to provide some time for my colleagues to respond on this issue.

I think the distinguished Senator from Georgia has correctly stated my earlier remarks in this general area. But at that time my attention was focusing on the issue of a termination as opposed to an interpretation, and I think there is a distinction in there. As you note quite accurately, and I appreciate the courtesy in that, because I did not join in that because I do have a continuing concern in that area.

I would ask my friend from Georgia, do you feel that there is, as stated by the distinguished majority leader in his letter, a peculiar relationship between the Senate of the United States and the executive branch in the area of treaties, and that relationship is not shared——

The ACTING PRESIDENT pro tempore. The Chair will state you have 6 minutes remaining.

Mr. WARNER. And that relationship is not shared by the House of Representatives.

Mr. NUNN. I certainly agree with my friend from Virginia as that applies to the making of treaties. But where I draw the line and I think the Senator drew the line in his statement in 1979 is that once a treaty is made it becomes the law of the land.

The Senator said very articulately in 1979, that once a treaty is the law of the land only the peoples' representatives, that is the Congress, that is the House and the Senate, can change that law. So I think that the Senator is correct. The Senate does have a unique role.

The House has nothing to do with the ratification or making of treaties, but they have a role in the repealing of law. Once a treaty becomes the law, it, indeed, has to be addressed by both the House and the Senate.

Mr. President, I would yield the floor at this time and reserve the balance of my time.

The ACTING PRESIDENT pro tempore. The Senate majority has 5 minutes remaining.

The Senator from Virginia.

Mr. WARNER. I will yield the floor in a moment. I want to just make one observation about the role of the Members of Congress as stated by the Senator from Georgia in the course of negotiating the treaty. I stand by my statement that the President is the sole negotiator and the sole voice on matters external for this country in relationship to the negotiation.

I think my good friend from Georgia knows and I know when we, the two of us and other Members, go to Geneva in connection with the current negotiations, we are exceptionally careful never to involve ourselves in any of the negotiating process. Not even to be present. We go to the extreme of not even to be present in the same room at the time negotiations take place for fear of giving the impression to others that we are participating.

Mr. NUNN. If the Senator will yield very briefly? I think the record should indicate the Senator is absolutely correct. The record should also indicate that the observer group under Senator STEVENS asked for the ability to participate by sitting in and observing negotiations and we were turned down by the State Department.

Also, if you look in history—I agree with him, the President should be the principal negotiator, but not the sole negotiator. If you look in history, Senators have participated, actually, as negotiators. I do not recommend that, but that is not unprecedented.

Mr. WARNER. Mr. President, we should continue that at a later time and I now yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. WARNER. I ask that my time be equally divided between the Senators from Indiana and California.

The ACTING PRESIDENT pro tempore. Three minutes.

Mr. WILSON. Let me respond to my friend from Georgia. The Goldwater petition which he mentioned was dismissed by the Supreme Court of the United States and, in fact, judgment was given that the district court should dismiss the action at that level as well.

The cite is 444 U.S. 996 (1979).

Much more to the point, Mr. President, the Levin-Nunn amendment seems to condition funding for the strategic defense initiative upon an interpretation of a treaty, specifically, the narrow interpretation of the ABM Treaty, one which would prohibit the development and testing of ABM systems.

That is not simply the fencing with which we are so much accustomed in defense authorization bills. However much the authors of the amendment may seek to disguise it, it is, by its very language which quotes the treaty, necessarily made dependent upon an interpretation.

It says that the President may not expend money, or that no moneys may be expended on an interpretation of the ABM Treaty, which would permit the development of space-based and other things that are permissible under a broad interpretation of that treaty.

Mr. President, yesterday we gave lip-service to a celebration of our bicentennial anniversary of the U.S. Constitution. By the passage of Levin-Nunn, we will do the greatest violence to the doctrine of separation of powers. We will do so by intruding on the powers of negotiation that are given exclusively by the Constitution to the President of the United States.

My friend from Georgia says that he agrees that the President is the principal negotiator. He is the sole negotiator, Mr. President. If Senators had participated in any past treaty-making sessions, it was at least with the implicit understanding that they were the delegates of the Executive.

Mr. President, you cannot say that the language of this leads to any other interpretation but that this is, in its requirement of a joint resolution approved by both Houses the President's interpretation of the ABM Treaty, anything but an intrusion upon the power of negotiation given exclusively by the Constitution to the President. It is an intrusion upon the powers of negotiation because it sets parameters to the negotiation, exactly as we were told by Ambassador Cooper 3 days ago in response to the question, What would passage of Levin-Nunn do to the negotiations in Geneva having to do with START and space?

He said it would necessarily narrow the range of those negotiations.

Mr. President, we may not do lip-service one day and violence the next without living long to regret it.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Indiana.

Mr. QUAYLE. Mr. President, how much time have I?

The ACTING PRESIDENT pro tempore. The Senator has 2 minutes 30 seconds.

Mr. QUAYLE. I thank the Chair.

Mr. President, as my colleague from California just pointed out, there are a number of problems with this. First, there is a serious constitutional question. The Senate, in my judgment, has the power of the purse but not the power to interpret treaties. That remains with the President of the United States. We are treading on the constitutional responsibility of the executive branch. I know we can rule by majority vote and I know it will be vetoed. The veto will be sustained. I think the constitutional principle will be affirmed. I do not know why the Senate at this time wants to do something when they know this is a question of interpretation. Further, we have in the debate over the last couple of days decided that the interpretation rests with the executive branch. There is a dispute on what this amendment actually does.

Second, at this time what a slap in the face to our negotiators, just a slap in the face. We are saying to them, "You do not know how to negotiate and we are going to establish a Soviet Union position on the interpretation of the ABM Treaty."

On the front page of the paper today Gorbachev talks about a START proposal. a START proposal which could lead to any kind of defense talk. We know SDI will play an important role. SDI is linked to the ABM Treaty. And this, today, with that discussion, what a slap in the face to negotiators who worked hard, long and tireless hours, who have gotten this country with the Soviet Union in a close position to get an INF accord, to have the United States Senate get in and start to interpret treaties for the executive branch and our negotiators.

We ought to be ashamed of ourselves.

Third, Mr. President, this amendment holds hostage SDI. SDI is something I strongly believe in. In fact, the men who will vote for this amendment believe in it, too. But I am telling you the effect of this amendment is holding SDI hostage. There is absolutely no way you can go forward with a legitimate SDI Program without testing and developing. You have to do that at some time if you are going to deploy defenses. This is not going to be a program that you will research forever. If you are going to research forever, you do not need as much money as we have in the budget. We could do with a lot less, to satisfy a desire than just research. We want to get beyond research sometime. It is like driving an automobile. Will we drive an automobile that we have not tested and developed? Of course not. We have to test and develop that.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

The Senator from Georgia.

Mr. NUNN. Mr. President, I must say the Senator from Indiana and I have worked very closely, and he is a valued member of our committee. After listening to his vehement position on the Levin-Nunn amendment, I was shocked the other day when he introduced a resolution on the INF negotiations. I do not know of anyone, when we are negotiating here in Washington——

Mr. QUAYLE. Will the Senator yield?

Mr. NUNN. I do not have time. Mr. President, who has the floor?

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. NUNN. I was shocked to find he was introducing that kind of a resolution, asking the Senate to repudiate a recent decision on INF by the President of the United States right while the Foreign Minister of the Soviet Union was in town to negotiate on INF. I may end up——

Mr. President, do I have the floor?

The ACTING PRESIDENT pro tempore. The Senator from Georgia has the floor.

Mr. NUNN. I may end up agreeing with the Senator, but I was shocked because it was so totally contradictory to everything the Senator has been vituperating on.

Mr. President, I ask for order in the Senate.

The ACTING PRESIDENT pro tempore. The Senate will be in order.

Mr. NUNN. Mr. President, I was also amazed when I went back and read the RECORD in 1979. The same Senator from Indiana at that time was one of the petitioners in the case of Goldwater versus Carter, and said in the petition:

> It is beyond dispute that the framers were distrustful of executive power and shrank from placing kingly authority anywhere.

Quoting again from the petition:

> Madison emphasized at the constitutional convention that the Framers meant "to fix the extent of executive authority," not to confer open-ended powers * * *.

Madison added that:

> Executive powers (should) be confined and defined—if large we shall have the evils of elective Monarchies.

Has the Constitution changed between 1979 and 1987?

That same Senator from Indiana said, on May 14, 1987:

> The role of the Senate is not one to interpret and implement ratified treaties. That is not the role of the Senate. That is a constitutional role that is fundamentally and exclusively reserved to the President of the United States.

On December 3, 1979, the same Senator in the Taiwan Treaty petition said:

> A power to change the law (whether established by statute or treaty) is * * * a contradiction rather than a corollary of the responsibility for seeing to its faithful execution. (Quoting Professor Arthur Bestor.)

Senator Quayle, in his Taiwan Treaty petition, also said:

> If the President alone is allowed to make for the Nation the final decision of when he "must take immediate action" in order to conduct foreign affairs "in a rational and effective manner," he becomes the ultimate arbiter of his own powers free of any judicial responsibility to say what the law is.

So I think the Senator from Indiana has obviously changed his views completely on the Constitution of the United States and changed in the last 8 years on this point. I would submit it is not correct.

Mr. President, how much time have I remaining?

The ACTING PRESIDENT pro tempore. Thirty seconds.

Mr. NUNN. Mr. President, I yield to the Senator from Maine.

Mr. COHEN. I thank the Senator for yielding.

Mr. President, the debate we have been holding on section 233 of S. 1174—the Levin-Nunn amendment—is of profound significance for both the security policy of our Nation and the constitutional prerogatives of this body. Our vote on this motion to strike section 233 will not end this debate, since Senators and Members of the other body will have the opportunity to address the issue during later consideration of the authorization bill and during the appropriations process. Moreover, the restrictions of section 233 presume a continuing dialog with the executive branch on this critical matter.

As is evident from the debate over the past several years, the issues are enormously complex. I would like today to present a summary of my views on these difficult and important issues.

S. 1174, the National Defense Authorization Act for fiscal years 1988 and 1989, authorizes appropriations for the Department of Defense and the defense activities of the Department of Energy for the coming 2 years. The Armed Services Committee drafted this legislation after giving careful consideration to the President's budget requests for fiscal year 1988 and 1989.

This legislation authorizes and provides funding for a great number of programs. It also restricts the expenditure of funds for numerous programs. This exercise of control over the use of Federal funds, of course, is the job of the committee, the Senate, and the Congress as a whole.

One such provision restricting the use of funds is section 233, which states that funds made available to the Department of Defense during fiscal year 1988 and 1989 may not be used to develop or test antiballistic missile systems or components which are sea-based, air-based, space-based, or mobile land-based. I supported this provision during the markup of the authorization bill in the Armed Services Committee, and it was approved on a 12-to-8 vote.

Let me reiterate at this point that I am a supporter of an SDI Program. I know that other Senators who supported this provision in the Armed Services Committee are also SDI advocates. These include the chairman of the committee, who has never been described as anything but a vigorous and thoughtful supporter of a strong national defense posture.

This is not a debate over support or opposition to a well-funded, robust SDI Program. Nor is it a debate over what is the correct interpretation of the ABM Treaty. Section 233 does not seek to answer that question, but rather ensures that the executive branch does not attempt to preemptively answer the question.

The principal questions at issue are, "Does the Congress have the authority to control the Federal Government's purse strings?" and "Does a President have the authority to unilaterally implement an interpretation of a treaty that is contrary to that which was the basis for the Senate's advice and consent to ratification of that treaty?"

The answer to the first question is clearly "yes"; I cannot imagine any Senator arguing the opposite. And, as has been pointed out by the chairman of the Armed Services Committee, if the President insists on seeking to answer the second question in the affirmative, then he and his successors should anticipate that, in the future, the Congress will feel obliged to impose restrictions far more stringent than the type incorporated in section 233 on funding and on materials necessary for administrations to provide to the Senate in future requests for advice and consent to ratification of treaties.

During the committee's markup and in the ongoing floor debate, a number of objections to this provision have been raised. These objections have been cloaked in a host of arguments. Let me briefly address some of these objections.

First, some of my colleagues assert that section 233 will interfere with Strategic Defense Initiative Office [SDIO] plans and prevent it from pursuing its important mission. I would note that the President did not request any funds in fiscal year 1988 or 1989 to test any ABM elements such as mobile or space-based ABM systems or components which would go beyond the traditional interpretation of the ABM Treaty. Department of Defense [DOD] and SDIO officials testified to the Armed Services Committee that no tests of mobile or space-based ABM systems or components are planned for fiscal year 1988 or 1989. Accordingly, section 233 will not interefere with current SDI plans.

Claims by some Senators that this section will strangle SDI or prevent SDIO from carrying on its important work are refuted by the President's budget and the testimony of General Abrahamson. The research, development, and testing activities of SDI can go forward as envisioned in the President's budget request and the plans presented by SDIO to the Armed Services Committee.

Second, some of my colleagues have argued that since ballistic missile defense is the subject of negotiation in the nuclear and space talks in Geneva, we should not legislatively address the SDI Program. The Dole-Warner amendment stated that "the Congress should not seek to establish, in U.S. domestic law, positions on matters * * * (which) are being negotiated" with the Soviet Union.

It is not exactly clear what those advancing this argument intend. Does it mean that the Congress should not authorize or appropriate funds for SDI and other programs affected by the Geneva negotiation? I doubt that this was the intention, yet when the Congress approves funding for SDI it certainly is adopting a position on SDI, and the level of funding it provides indicates something about the Congress' position on SDI. In fact, section 231 of the committee's bill mandates that in fiscal year 1988, "not more than $4,120 million may be obligated for the strategic defense initiative" by the Pentagon. This cap on SDI spending at a level more than $1 billion below what the President requested can only be described as establishing in U.S. domestic law a position on SDI. I have heard none of my colleagues call that provision an unconstitutional intrusion upon the President's powers—as it certainly is not.

Even more to the point, let us examine the fiscal year 1987 supplemental appropriations bill, which was approved by the Congress and signed into law by the President as Public Law 100-71. Incorporated into the bill language of the supplemental appropriations was the following language with regard to DOD funding for the heavy-lift launch vehicle, a program funded in part by the SDI:

> None of the funds appropriated by this Act may be obligated or expended for research, development, test, and evaluation intended to facilitate early deployment of a ballistic missile defense.

It would certainly appear that the Senators, the Members of the other body, and the President, himself, accept the authority of the Congress to impose restrictions on the use of funds for the SDI program.

Mr. President, there are other examples of legislation approved by the Congress and signed by the President that affected military matters that were at the time the subject of negotiations with the Soviet Union. For example, in June 1984, the current chairman of the Armed Services Committee initiated a debate on NATO conventional defenses and the failure of some of our European allies to fulfill commitments they had made to bolster their contributions to the common defense. The Senate voted to substitute for Senator Nunn's amendment one that I sponsored and that the then-chairman, Senator Tower, had a large role in drafting. This latter amendment wrote into law a binding cap on the number of troops the United States could deploy in Europe.

Many of those who now argue that the Senate should not legislatively address matters under negotiation supported this European troop strength amendment despite the fact that the United States was then engaged in negotiations in the MBFR talks on the number of troops the United States and the Soviet Union would be permitted to station in central Europe. While the amendment addressed the level of troops stationed in all of Western Europe as opposed to the NATO territory of immediate interest to the MBFR talks—West Germany, Belgium, Luxembourg, and the Netherlands—there is a definite connection between the subject of the amendment's provision and the MBFR talks.

Mr. President, I would also point out that there have been other occasions when the Senate legislatively addressed matters being negotiated with the Soviets, with the intent of influencing the course and outcome of those negotiations. Moreover, I will point out that a number of the Senators who oppose the Levin-Nunn provision or who supported the Dole-Warner amendment have in fact been among those who earlier supported legislation whose purpose was to affect such negotiations. A good example of this is the Jackson amendment to the resolution authorizing President Nixon to approve the Interim Agreement on the Limitation of Strategic Offensive Arms—the SALT I Interim Agreement of 1972. The Jackson amendment, which was approved, was supported by Senators Dole, Hollings, Thurmond, Stevens, as well as by our former colleagues, Senators Howard Baker and Barry Goldwater.

Senator Jackson made clear that his purpose in offering the amendment was to influence the course and outcome of the SALT II negotiations. On August 7, 1972, on the floor of the Senate, he stated that:

> My amendment puts the Congress on record in opposition to follow-on SALT agreement in which the United States is limited to levels of intercontinental strategic forces inferior to the level accorded to the Soviet Union.

Jackson went on to tell a colleague that:

> The amendment accomplishes what I thought the Senator wanted to accomplish—that Congress—the Senate in particular—should not only give its consent, but give its advice.

Finally, Jackson concluded:

> I believe that what we have done here with this amendment is to exercise our constitutional obligation of giving our advice and consent.

The intent of section 233 is not to influence the Geneva negotiations. But I think that the history of this body's action lays to rest the argument that the Senate is obligated to not adopt a position on a matter because it is under discussion with the Soviet Union.

Mr. President, there will be future debates on whether the Reagan administration's attempt to reinterpret the ABM Treaty is justified. There are many factors which need to be considered in addressing that issue. Both Judge Sofaer and the chairman of the Armed Services Committee have submitted extensive reviews of the negotiating history, the ratification proceedings, and the record of subsequent practice.

Other informed individuals who played critical roles during the period in which the ABM Treaty was negotiated, was the subject of the Senate's advice and consent, and has been implemented have also expressed their views on this matter. Former Secretaries of Defense Melvin Laird, James Schlesinger, Elliot Richardson, and Harold Brown have all stated their support of the traditional interpretation of the treaty. Others taking issue with the administration's reinterpretation include Ambassador Gerald Smith, chief U.S. negotiator of the ABM Treaty; John Rhinelander, legal advisor to the U.S. delegation; and Lt. Gen. Royal Allison, the senior U.S. military officer on the U.S. delegation.

I believe that the evidence clearly favors the traditional interpretation. However, that is not the question before the Senate as it considers the motion to strike section 233. What is in question is whether the President will unilaterally implement the reinterpretation. The State Department Legal Advisor, Judge Abraham Sofaer, testified on this matter to the Senate Armed Services Committee on November 21, 1985. In a written answer for the record he stated on behalf of the administration:

> The President has affirmed that he intends to pursue the SDI research program as currently structured, which is consistent with the restrictive interpretation. Should a future Administration seek to implement the broader interpretation, the Congress would have a voice in that decision.

The question on which we are being asked to vote is whether the Congress will have a voice in that decision, and whether the administration will live up to its commitment of coming to the Congress should it seek to implement its reinterpretation during fiscal year 1988 or fiscal year 1989.

Given the clear indications coming from the executive branch that it is anxious to move to implement the broad interpretation, this body has little choice but to incorporate into legislation the administration's commitment to consult with us first.

Accordingly, I urge my colleagues to vote to maintain the Levin-Nunn provision.

The ACTING PRESIDENT pro tempore. The Senator from Georgia has 20 seconds remaining. Does he yield back the time?

Mr. NUNN. Mr. President, I thank the Senator from Maine. No one is more diligent, no one is more aware of the implications of arms control, no one studies it with a more absolute bipartisan approach than the Senator from Maine. I commend him for his work.

Mr. CHAFEE. Mr. President, for the past several months I have been observing and listening to the arguments in the Chamber about the Nunn-Levin amendment, and I must say that I am disturbed by this dispute. The amendment has resulted in a profound division of opinion, not only between disagreeing Senators, but also between the Congress and the President.

To be sure, without disagreements we would have little to do in this body. But this particular disagreement over the meaning of one of our Nation's most important treaties goes to the heart of foreign policymaking in this country. As we have seen over and over in recent years, some kind of consensus about the most significant issues is essential to effective foreign policy. It is unfortunate that we in the Senate and in the U.S. Government in general lack a consensus on such a basic foreign policy issue as the ABM Treaty.

In some ways, this entire matter is a little baffling to me since, in my view, the meaning of the ABM Treaty and the correctness of the traditional interpretation are clear. There is no doubt that the language to the treaty itself, like the language of any law or agreement, is open to interpretation. And there are indeed provisions of the treaty that, on the face of it, can be interpreted in a number of ways.

According to international law, particularly the Vienna Convention of the Law of Treaties, the treaty text itself is the first place you look when interpreting a treaty. Most of the ABM Treaty is clear enough. Article I sets out the overall purpose of the treaty: "Each party undertakes not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense * * *." Article V then takes the treaty's reach a few steps further with an agreement "not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based." The question now being debated here is whether this latter prohibition was meant to apply to future ABM systems or components—the so-called exotics, the category into which much of today's SDI program would have fallen at the time the ABM Treaty was negotiated.

I believe that the plain language of the treaty leaves little doubt on the answer to this question. But whatever doubt remains in the mind of the reader of the treaty is dispelled by examining the negotiating record and the subsequent practice of the two parties to the treaty. As John Rhinelander, legal adviser to the SALT I delegation, points out in a recent article, President Nixon's instructions to the negotiators were unambiguous:

> Our objective is to reach agreement on the broad principle that the agreement should not be interpreted in such a way that either side could circumvent its provisions through future ABM systems or components.

And as the distinguished senior Senator from Georgia has proven in his exhaustive analysis of the negotiating record and the Senate's consideration of the treaty, our delegation achieved what President Nixon asked them to achieve. The treaty that was presented, explained, and defended before the Senate by the Nixon administration clearly prohibited testing and development of "exotic" ABM systems and components.

International law says that the second place, after the treaty text, to which one turns for the correct interpretation of a treaty is the subsequent practice of the parties. Here it is again obvious how the treaty was and should be interpreted with regard to testing and development of futuristic space defenses. The Nixon, Ford, Carter and—until late 1985—Reagan administrations, issued numerous and consistent statements over the course of 13 years that left no doubt that the United States was interpreting the treaty strictly with regard to testing and development of exotic ABM defenses. On the Soviet side, the distinguished Senator from Georgia has identified a number of "smoking guns," proving that the Soviets shared the traditional United States interpretation. In particular, statements by Victor Karpov, one of the Soviet ABM negotiators, and Lt. Gen. Viktor Starodubov, former Soviet Commissioner to the Standing Consultative Commission, point directly to the Soviet espousal of the strict interpretation.

Yet in the face of all this evidence for the traditional interpretation, where do we find ourselves? Now, suddenly, as a result of a desire by some to put the SDI program on the fast track, we find ourselves divided over a treaty which, until quite recently, everyone agreed had a definite meaning. I believe strongly that the broad interpretation of the ABM Treaty is a wrongheaded attempt to dump the ABM Treaty by means of legalistic arguments. I share the view of many who have spoken here in the last few days, that if the United States is going to dump that important treaty—the Magna Carta of arms control, as it has been called—the Congress must have its say in the decision. The Nunn-Levin amendment will give us that say, and I fully support it.

The ABM Treaty is the law of this land and I for one want the United States to stand by it. We may have concerns about violations, including the Krasnoyarsk radar violation on which the Senate so forcefully spoke last night. But we have a mechanism for resolving such disputes and I am disappointed and frustrated that the administration has not used that mechanism, the SCC, for resolving these problems.

I would have preferred that the Nunn-Levin amendment had not been necessary, that we would have worked cooperatively with the administration to set the course of the strategic defense initiative while remaining in compliance with the ABM Treaty; and that we could have supported vigorous administration efforts to resolve the Krasnoyarsk violation within the SCC. Unfortunately, this administration has proven basically hostile to preserving the integrity of the ABM Treaty, and therefore I have decided that the Nunn-Levin amendment is a wise and necessary step for the Senate to take. I urge my colleagues to support the amendment and vote against striking it from the bill.

Mr. DOLE. Mr. President, this morning the Senate will vote on a motion to table Senator Warner's amendment to strike the so-called Levin-Nunn language from the Defense authorization bill. This matter was debated throughout yesterday. There may be Senators who still wish to be heard on the subject, or there may be others who would like to hear more. Nevertheless, we vote at 9:30, so the time to face this issue has arrived.

Although there are certainly additional arguments to be made, I am sure that I am not alone in having heard enough to support the Senator from Virginia. In fact, I believe that yesterday's debate only corroborated the view I have had of this issue for some time. The Senator from South Carolina, [Mr. Hollings], the Senator from California, [Mr. Wilson], and several others, ably reviewed the legal situation. Here is how I see it:

First, as the ABM Treaty was negotiated in 1971 and 1972, the United States repeatedly suggested, but the Soviet Union steadfastly refused, clear language to prohibit development and testing of ABM systems based on "other physical principles." In fact, there is no such prohibition in the treaty.

Second, the ratification proceedings here in the Senate cannot, and did not, alter the treaty between the United States and the Soviet Union.

Third, since 1972, the United States and the Soviet Union have said and done various things, but at no time did their view of the ABM Treaty's meaning coincide. This finding of the third Sofaer study, which was delivered last week, shows that subsequent practice does not cast any light on what the mutual intent of the parties was.

Fourth, after all is said and done, it is the President who must ultimately interpret the international obligations of the United States. In this case, the President has conducted an exhaustive analysis which supports his earlier conclusion.

Yesterday's debate also brought out another point which has been made before, but I think bears repeating. While some of us sit here splitting legal hairs, trying to deny the President a perfectly justifiable interpretation of our international obligations, the Soviet Union—the other party to this treaty—proceeds exactly as it pleases. The Soviets are not interested in our "broad versus narrow" debate. They would like to bind us to an even narrower treaty interpretation. In fact, they would do anything to stall American technology while they race ahead, violating any and every interpretation of the ABM Treaty. In short, what Levin-Nunn seeks to do is to impose an amazing double standard on the United States, while the Soviets do as they please.

Let's not forget that this double standard imposes very real costs on America's defense. It forces us to proceed with SDI in a way which costs more time and money than necessary. Furthermore, proceeding under these constraints may not yield us the confidence in SDI systems which we would normally require to make a full-scale engineering and development decision on a major defense system. That this comes at a time of tight budgets and demands for more and more testing of defense items makes the situation all the more absurd.

A headline in this morning's Washington Post underscores another point made yesterday. "Gorbachev Says Second Arms Pact Possible" it reads. The Senator from Oklahoma, [Mr. Nickles], suggested we make a phone call to our negotiators to seek their advice on Levin-Nunn. Every one of them will tell you that this sort of measure at this critical time is going to undercut them, thus lessening their chances to achieve a good arms control agreement.

That is about where it stands. We have made our point on this legislation. If it stays in the bill, the President will soon make his point. Make no mistake—if Levin-Nunn stays in the bill, the President will veto it, and his veto will be sustained.

I urge all my colleagues to vote against tabling Mr. Warner's amendment.

Let me just add one final note of thanks to the Senator from Virginia. He has led the opposition to Levin-Nunn from the first moment it appeared. He has been an articulate spokesman for America's security.

Mr. GORE. Mr. President, so much has already been said on this subject that I shall begin with a pledge to be brief.

The proposition before us is that the Senate ought to do away with the Levin-Nunn amendment on SDI, because: First, it infringes upon the President's authority to negotiate with foreign powers, by imposing certain constraints on the manner in which he may use public money authorized and appropriated by Congress; and second, because action at this time would be embarrassing to the President as he meets with the Foreign Minister of the Soviet Union.

The first argument amounts to a radical interpretation of the powers of Congress which would essentially demote it to a permanently subordinate relationship with the executive branch. It astonishes me that anyone could seriously challenge the Levin-Nunn amendment on the grounds that it oversteps Congress' constitutional authority, if they have given any thought at all to the implications of such a doctrine for everything else the U.S. Congress does, day in and day out, regardless of which party is in the majority.

The second argument is transparently self-serving. If the administration had wished to avoid any potential embarrassment of the sort described by some of my colleagues, it ought to have allowed the Senate to work its will before now. It is, in fact, regrettable for us to have a display of disagreement at this time, but that cannot be considered a matter of serious enough consequence to expect that the Senate should be silent on what—I trust—a majority of its Members believe to be a vital policy issue.

As for the substance of the matter, the issue is similarly clear. The Levin-Nunn amendment seeks to assure that the administration, having secured funding for SDI under one set of assurances as to the content and pace of the program, cannot switch signals at will—but instead must announce its intention and make the case for it. It is emphatically not a measure designed to damage SDI. On the contrary, a more statesmanlike attitude on the part of the White House might have accepted this measure as a way to build confidence between the executive branch and Congress: a good thing to do at any time; a vital thing under present circumstances.

We should sustain the Levin-Nunn amendment and move on, at last, to consideration of the rest of the Defense authorization bill.

Mr. DANFORTH. Mr. President, my reasons for voting for the Warner amendment are somewhat different from the reasons of my colleagues.

It is my understanding of the history of the ABM Treaty that the so-called narrow interpretation was the intention of our negotiators and was the accepted understanding of the Treaty since its adoption in 1972. Therefore, on the issue of broad versus narrow interpretation, I agree with Senators Levin and Nunn. However, I do not agree that the issue should be resolved in the Defense authorization bill and, therefore, I shall vote to strike their amendment from this bill.

My reasons for concluding that this is not the time or place to decide the issue are as follows:

First, the President has stated flatly that he would veto a bill which included the Levin-Nunn provision. I see no purpose in turning this bill into a dry run.

Second, the issue of broad versus narrow interpretation need not be decided at this time. The SDI Program has not yet and will not in the immediate future reach a level of development which would exceed the narrow interpretation of the treaty.

Third, many have suggested that Congress should not render what amounts to a legal interpretation of the meaning of the ABM Treaty while negotiations on arms control are in progress as such an interpretation may affect the bargaining position of our negotiators.

Fourth, the application of the Levin-Nunn amendment would be mechanically difficult, if not impossible. Congress would be in a position of passing on each proposed test of the SDI to determine whether that specific test would or would not exceed the narrow interpretation of the treaty. Such specific review of each test goes far beyond a general participation in arms control policy and constitutes micromanagement of the details of our national defense.

Mr. GLENN. Mr. President, I rise in support of the Levin-Nunn amendment which places a 2-year ban on funds for testing and development of SDI systems not consistent with the narrow, traditional interpretation of the ABM Treaty, unless the President submits a report to Congress on the systems he proposes to test or develop, and Congress passes a joint resolution repealing the prohibition. As a member of the Senate Armed Services Committee, I supported the Levin-Nunn amendment during the committee markup of this year's DOD Authorization Act. I believe that it was not only the committee's responsibility but duty to take this action.

Also, I am a cosponsor of Senate Resolution 167 which states that the traditional interpretation of the ABM Treaty is the correct interpretation. I feel very strongly about what is involved in this issue. It is nothing less than the protection of the Congress' legitimate role in national security and the importance of retaining U.S. credibility in the world.

The recent congressional Iran-Contra hearings highlighted the damaging effects to our national security policy which may occur when members of the executive branch of Government take it upon themselves to make commitments in foreign policy without the input of the Congress. Incidents such as the Iran-Contra scandal as well as the reinterpretation of the ABM Treaty contribute to waning confidence in American foreign policy. Nothing is as important to a nation as its reputation for integrity in the international arena. We would gravely imperil America's good name in the world if we renege on our international obligations by permitting the President to unilaterally reinterpret the ABM Treaty.

The 1972 ABM Treaty prohibits both the Soviet Union and the United States from building nationwide ABM systems or their components. The treaty allows research, but bans development, testing, and deployment of all ABM systems, except those that are fixed and land-based. The ABM Treaty enhances U.S. national security by preventing a costly and dangerous arms race in antiballistic weapons, and the subsequent offensive arms race to overcome such defensive weapons. The treaty is a critical element of our arms control efforts.

What we now find, however, is that the ABM Treaty has come under assault by the Reagan administration. For almost 15 years under Democratic and Republican administrations, the U.S. Government has considered the narrow, traditional interpretation of the ABM Treaty as the correct interpretation. In October 1985, the Reagan administration manufactured its reinterpretation of the treaty, which the administration has promoted but not yet adopted as policy.

This reinterpretation contradicts the negotiating record as understood by all the American negotiators at the time except for Mr. Nitze who is a member of the current administration. It contradicts the explanation of the ABM Treaty made to the Senate by the Nixon administration. And it contradicts the Senate's understanding of the treaty when it gave its overwhelming support of the treaty by a vote of 88 to 2.

The reinterpretation seems to be motivated by the administration's apparent desire to deploy the first phase of the strategic defense initiative and provide a legal rationale for doing so by manufacturing a reinterpretation of the 1972 ABM Treaty.

The SDI early deployment craze is clearly not based on any threatening change in the strategic status quo, but is instead motivated by myopic political factors—primarily the desire to lock future administrations into support of the SDI Program. Unfortunately, a premature decision for early SDI deployment will also lock the American people and our allies into an enormous change in national security strategy that could have dangerous implications for international stability.

Should we, then, continue funding for SDI? Absolutely. I support the SDI research program to determine the long-term feasibility of strategic defense. Research cannot be verified and we must continue with a strategic defense research program if only as a hedge against a Soviet breakout of the ABM Treaty to deploy their own SDI system. Indeed, U.S. strategic defense research has gone on long before President Reagan's March 1983 speech elevating strategic defense as the primary American national security goal.

I believe that the Reagan administration has grossly oversold the status of the SDI Program, sometimes implying that a fully developed SDI system is imminent, and other times claiming that we can somehow develop a "leakproof" shield that would protect our major population centers from nuclear attack. Neither assertion is correct.

I have met with many of the scientists involved with SDI research and, without exception, they have told me that we are still at least 10 to 15 years away from making the scientific breakthroughs necessary to even know whether we could or should deploy an effective SDI system. Clearly, any talk of early SDI deployment is premature.

In my view, the decision as to whether we should deploy an SDI system can only be answered after continued research demonstrates that an SDI program is technically feasible, we can determine its cost, and whether it is truly in the national security interests of the United States.

Until that day in the distant future, and I emphasize distant future, I firmly believe that the United States and the Soviet Union should commit themselves to maintaining compliance with the ABM Treaty within the treaty's narrow, traditional interpretation which will permit research and limited testing of new SDI technology.

Mr. President, I would like to join my colleagues who have expressed disagreement with those who imply that the Congress does not have a legitimate role to play in formulating American foreign policy and assessing our national security priorities. This is a sad outlook on our system of government in this year of the bicentennial of the Constitution.

The Congress is empowered and indeed obligated to play a significant role in setting the national security priorities of the United States. We must be willing to exercise our constitutionally mandated prerogative by determining how our increasingly limited national resources are to be spent in the area of national security in SDI.

We in the Congress would be derelict in our responsibilities to our constitutional oath of office and the people we represent if we were to blithely acquiesce to the wish of the Chief Executive to unilaterally reinterpret a treaty that has already been ratified by the Senate. I need not remind my colleagues that in our system there are three branches of government, of which the executive branch is only one.

Mr. President, Congress does have a legitimate role to play in the area of foreign policy and I urge my colleagues to vote against the Warner amendment to strike the Levin-Nunn provision.

Mr. NUNN. Mr. President, this is a power of the purse question: Does the Congress have the power of the purse? If so, we ought to support Levin-Nunn amendment. Mr. President, I move to table the Warner——

Mr. STEVENS. Mr. President, will the Senator hold that up for just 1 second?

The ACTING PRESIDENT pro tempore. All time has expired.

Mr. STEVENS. I ask to have 30 seconds to ask the Senator a question.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. May I ask, does this provision apply only to this budget cycle, to the period of 1988-89?

Mr. NUNN. The Senator from Alaska is exactly correct.

Mr. STEVENS. It will not be permanent legislation?

Mr. NUNN. It will not be permanent legislation. It covers only the cycle that General Abrahamson testified to where he said they had no plans for any efforts that would go beyond the President's directive which is the traditional interpretation.

The ACTING PRESIDENT pro tempore. All time has expired.

Mr. NUNN. I move to table the Warner amendment.

The ACTING PRESIDENT pro tempore. The question now occurs on the motion of the Senator from Georgia to table the Warner amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. Boren] and the Senator from Illinois [Mr. Simon] are necessarily absent.

I also announce that the Senator from New Jersey [Mr. Lautenberg] is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Vermont [Mr. Stafford] is absent on official business.

I further announce that, if present and voting, the Senator from Vermont [Mr. Stafford] would vote "yea."

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 58, nays 38 as follows:

[Rollcall Vote No. 248 Leg.]

YEAS—58

Adams
Baucus
Bentsen
Biden
Bingaman
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Heinz
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Stennis
Weicker
Wirth

NAYS—38

Armstrong
Bond
Boschwitz
Cochran
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gramm
Grassley
Hatch
Hecht
Helms
Hollings
Humphrey
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Rudman
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—4

Boren
Lautenberg
Simon
Stafford

So the motion to lay on the table amendment No. 682 was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NUNN. Mr. President, I know that the Senator from South Carolina desires recognition. I hope he can get that recognition in a moment.

Let me inform all Senators that now, if I am correct, the Glenn amendment is pending.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. NUNN. I am informed that the Senator from Ohio would like to take up his amendment in about an hour. I anticipated that it would come now. We have an amendment by the Senator from South Carolina which is ready to be taken up, and we are looking for other amendments in the next hour. We would like to be able to move on with this bill. We have about 80 amendments pending. We are going to be here all day and into the evening, and we will be voting into the evening. I do not anticipate any windows, because once we have windows, we end up wasting hours. We all know that.

I do not anticipate anything other than a full session tomorrow, a full session going into the evening on Friday—assuming all this is consistent with the majority leader's wishes.

The Senator from Virginia and I have talked. We would like to have Saturday business because we have so many amendments pending, and I think all Senators ought to be prepared to be here Saturday. We are going to get meaningful amendments up Saturday; and I say to my colleagues that if we are going to come in on Saturday, we should have meaningful amendments.

We want to get this bill moving. We have a number of amendments, and it is going to take considerable time to dispose of them. We have a number of important amendments which will take considerable time.

I would like to hear the views of my colleague from Virginia, but I hope we can get people in this morning to offer amendments. The more we get up in the morning, the less time we will spend here at night. If we spend from 10 a.m. until 2 p.m. productively, we can avoid going to 12, 1 or 2 o'clock at night. If we do not use the early afternoon hours productively, we will have to be here very late this evening.

Mr. WARNER. Mr. President, I assure the distinguished chairman that this side of the aisle wants to be cooperative and wants continual momentum at this point in the consideration of the bill. Nevertheless, we have been under this UC agreement for some time, and I must add——

Mr. BYRD. Mr. President, may we have order in the Senate? It is important to hear what the managers have to say.

The ACTING PRESIDENT pro tempore. The Senator is correct.

All Senators will take their seats. The Senate will be in order.

The Senator from Virginia.

Mr. BYRD. Mr. President, there is not order in the Senate yet.

The ACTING PRESIDENT pro tempore. The Senate will please be in order. Senators who desire to converse will please retire from the Chamber. Senators in the rear of the Chamber who are in discussion will please retire from the Chamber. The Senate will be in order.

Mr. WARNER. I thank the distinguished majority leader.

Mr. BYRD. Mr. President, I think the Chair ought to be respected in the Senate.

The ACTING PRESIDENT pro tempore. The Chair is trying to get the Senate to come to order.

Those Senators conversing in the rear of the Chamber will please retire from the Chamber.

Mr. BYRD. Mr. President, I will insist on Senators respecting the Chair. The Chair has the duty to get order in the Senate and have Senators take their seats, and I will take mine.

The ACTING PRESIDENT pro tempore. The Senate will please be in order, so that we can conduct the business of the Senate. Those Senators desiring to engage in conversation will please retire from the Senate Chamber.

The Senator from Virginia.

Mr. WARNER. I thank the distinguished majority leader.

Mr. President, this side of the aisle is anxious to cooperate with the manager, the distinguished chairman of the committee. Nevertheless, we are under a unanimous-consent agreement, and until this moment, Senators were being guided by that agreement in connection with their activities this morning, other than those related to the floor. I am wondering if we might have a short quorum call for the purpose of allowing this Senator to canvass Members on this side of the aisle.

Mr. NUNN. We have an amendment by the Senator from South Carolina which has been cleared. I suggest that we go ahead with that.

Mr. WARNER. The Senator from Georgia informs me it has been cleared. I do not have knowledge of the amendment of the Senator from South Carolina being cleared. Do other Senators have a knowledge of that being cleared?

Mr. QUAYLE. Why does the Senator not tell us what the amendment is?

Mr. HOLLINGS. The amendment on the CHAMPUS clause. It is the monitoring device. It has been cleared on the minority side. It relaxes the communications.

Mr. WARNER. Mr. President, as far as I know the ranking member of the subcommittee that has jurisdiction over that has not come over to advise me with respect to the clearance procedure, and that is the Senator from California.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point before we take up the amendment on the question of schedule?

Mr. WARNER. Mr. President, we are still trying to resolve the issue of what the Senate should do here. The request of the Senator from Virginia is a brief quorum call so we can assess the interest of the Members on this side of the aisle, which Members have been operating under the guidance of the pending unanimous-consent agreement.

So what I am asking is for a brief interlude here while we make an assessment of our membership. First, I think it would be helpful, if we want to specifically address this amendment, to listen to the distinguished ranking member of the subcommittee that has jurisdiction over the substance of the amendment.

Mr. WILSON. I thank my friend from Virginia.

It will not take long because I have no knowledge of it and I think the interval will be useful.

Mr. WARNER. The statement has been made it has been cleared on this side of the aisle. As manager, I have no knowledge of the clearance.

Mr. WILSON. I have to challenge that. No one has talked to me about it.

Mr. NUNN. Mr. President, I withdraw that comment. We understood at the staff level it had been cleared on both sides of the House. So it will have to be looked at. We talked about this amendment last night and I thought it was cleared.

I apologize to the Senator from South Carolina. My side informed the staff level it had been cleared.

Mr. WARNER. Mr. President, I would suggest if a quorum call would be put in for a period not to exceed 5 minutes, I would then be able to address that.

Mr. BUMPERS. I would urge just a moment before a quorum call is asked for to make this observation: This is just from my standpoint. I am going to be offering two of the most controversial amendments I suppose on this bill, one dealing with the Persian Gulf and the other on the SALT II Treaty.

It seems to be one way to get momentum going here is to get time agreements on them. The amendments are going to be offered. I do not know whether we are going to get a time agreement or not.

If we are going to have a quorum call to discuss how to get this bill moving, it seems to me a good way to start is to agree to time agreements on those amendments. I am prepared to make an offer of a 2-hour time limitation equally divided on the Persian Gulf amendment, and 3-hour time limit equally divided on SALT II. We might be able to cut that down. Those have been debated here before. There is not much new information going to be shared on either of those. That is a couple of controversial amendments you could get out of the way on agreement.

Mr. QUAYLE. Mr. President, will the Senator yield?

Mr. WARNER. Mr. President, if I may address the distinguished manager of the bill, we want to be cooperative. As far as I know, we do not have a copy of the amendment of the Senator from South Carolina. The pending business of the Senate at the moment is under the control of the unanimous-consent agreement. The request of this Senator is for a period of about 5 minutes to assess the interest on this side of moving away from the unanimous-consent agreement to other matters. I respectively ask for a period of 5 minutes within which to make that assessment and then I will be glad to proceed.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. WARNER. I yield.

Mr. NUNN. Mr. President, I respect that request and certainly think that would be in order. Perhaps it would save us some time. There are three or four Senators who have asked for a brief period to stand up and make unanimous-consent requests, and I request that the Senator from Virginia withhold the quorum call and let us see if we can accommodate our colleagues here, after which I will put in a quorum on the Senator's behalf.

Mr. WARNER. Mr. President, perhaps a brief period of morning business.

Mr. NUNN. What is the pending business and the order of the Senate?

The PRESIDING OFFICER [Mr. DASCHLE]. The pending question is the amendment of the Senator from Ohio [Mr. GLENN].

Mr. NUNN. Is there any time limit?

The PRESIDING OFFICER. There is no time limit.

Mr. NUNN. There is no control over time, then.

The PRESIDING OFFICER. That is correct.

Mr. NUNN. Mr. President, am I recognized? Do I have the floor?

The PRESIDING OFFICER. The Senator from Virginia currently holds the floor.

Mr. WARNER. Mr. President, I will momentarily yield the floor. I am delighted there is this much interest now and momentum in the bill and I simply ask for the opportunity, given the fact that the distinguished Senator from Georgia just approached me 1½ minutes ago to inform me we could not proceed in his judgment in accordance with the unanimous-consent agreement. So give me 5 minutes and I am sure we can proceed.

Mr. NUNN. The Senator's request, as always, is very reasonable. I would like to be recognized or perhaps the Senator from Virginia could retain the floor and yield to Senator JOHNSTON.

Mr. WARNER. Mr. President, I yield the floor.

Mr. NUNN. Mr. President, the Senator from Louisiana asked me to yield.

Mr. JOHNSTON. Yes. I simply wanted to ask and urge the distinguished Senator from Georgia and the majority leader that if we have to work an extra day I would hope we could make that Monday and not Saturday. Just from my standpoint, and I know a number of other Senators have longstanding commitments on Saturday and simply must go home, to work Saturday and then be off Monday is something akin to bizarre to me and I would just hope we can avoid that Saturday session.

Mr. NUNN. I might say to my friend from Louisiana, if we can make enough progress and get the bill really rolling, that is something to be taken into consideration. As far as the Monday session, I must confess that is over my pay grade limit. I have no jurisdiction to discuss that situation; it is a matter that would have to be taken up with the majority leader.

But we will take into account the feelings of the Senator from Louisiana.

Mr. JOHNSTON. There are others as well that share my view.

Mr. BYRD. Mr. President, will the Senator from Georgia yield to me?

Mr. NUNN. I yield the floor.

Mr. BYRD. Mr. President, I fully support what the Senator from Georgia has said with respect to the prospect for action on this bill and the need for action, the need for Senators to get up their amendments, and the possibility that there might have to be a Saturday session.

I have indicated before today that there may be necessity for Saturday sessions at some point. I hope we can avoid them.

There are two problems here that I noted on yesterday. The Senator from Georgia asked Senators if they could call up their amendments. They say, "I've got one but I am not ready to call it up." He tried that last afternoon late and last evening. "I've got one but I am not ready to call it up."

I hope that the Senator from Georgia will have the cooperation of Senators who have amendments and that they will be ready to call them up and go into the evenings.

A Saturday session can be avoided. I am sure the distinguished Senator from Georgia did not mean to imply, and I did not hear him say and I did not infer, that he was saying we would have a Saturday session. He indicated that if there were amendments and we could get votes and make progress we would not have a Saturday session or something to that effect.

Mr. NUNN. Unless we made such tremendous progress by Friday.

Mr. BYRD. Ahead of time.

There is another thing about our friends. All of the Senators are my friends. But I have run into this for a long, long time. The Senator from Georgia runs into it occasionally whenever he has to manage a bill. This is the same with other Senators. There is a great proclivity around this place for Senators to bail out around 11 o'clock in the morning or 11:30 on Fridays. I made a commitment many months ago that we would not be in session on Mondays.

I am trying to keep that commitment. But it means we do not have votes on Fridays except in the early part of the day—and we have this problem often on the other side where Senators will somehow ask other Senators to protect them and not have any votes and they get out of here.

We cannot take a month on this bill. We only have 3 months left in the year. This month is more than half gone. We cannot take a month on this bill. We have other important business coming along.

I fully support the Senator from Georgia. I am going to be right at his elbow in supporting for late night sessions and Saturday sessions if he and the other manager feel that we have to have them. Senators can avoid them by cooperating, working long evenings, and working long and productive Fridays.

Mr. NUNN. I thank the Senator.

I think the Senator from Alaska would like to be recognized.

Mr. STEVENS. Mr. President, I ask unanimous consent to be recognized to speak out of order for not to exceed 5 minutes.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

[Mr. STEVENS' remarks will appear later in the RECORD under Statements on Introduced Bills and Joint Resolutions.]

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read.

Mr. BYRD. Mr. President, has consent been given to setting the other amendment aside?

The PRESIDING OFFICER. The Chair had attempted to have the clerk read it. Does this amendment pertain to the Glenn amendment?

Mr. DIXON. It does not, Mr. President.

I first ask unanimous consent that the amendment by the distinguished Senator from Ohio [Senator GLENN] may be set aside to consider this relatively minor amendment. Of course, I will give a moment to the other side to consider the amendment before I present the amendment. But we are trying to get something moving here, Mr. President, on a bill that will require a considerable amount of time.

So I do ask unanimous consent that the amendment by Senator GLENN, who is chairing another committee at the moment, be set aside so that we can consider this amendment. I ask that a copy of the amendment be given to the ranking member and others on the other side to examine it.

The PRESIDING OFFICER. Is there objection to the amendment consent request?

Mr. WARNER. Mr. President, I object. It was the understanding of this Senator when I departed the Chamber that I asked for the opportunity to have a caucus, which we are in the midst of conducting right now, to determine the flexibility on our side in response to the request of the distinguished manager of the bill to set aside the Glenn amendment for the purpose of an amendment of the Senator from South Carolina. I am now prepared to accede to that request if he wishes to repeat it, that the Glenn amendment be set aside for the purpose of the consideration of an amendment by the Senator from South Carolina.

But I must ask my good friend from Georgia to allow common courtesy for me to finish an amendment before another amendment is brought up, because we were proceeding on an understanding that we were going to set aside the Glenn amendment for the purposes of considering the Hollings amendment, a copy of which we just received a few minutes ago. We all want to achieve an orderly process and I know the manager of the bill was endeavoring to do that.

Mr. DIXON. If I may interrupt my dear friend of Virginia, I will withdraw my amendment for the time being, Mr. President. We will proceed in the manner that the ranking member suggested. I will offer my amendment at the conclusion of the business on the amendment of the Senator from South Carolina. So I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. The Chair will inform the Senator from Illinois that the amendment has no standing since there was an objection.

The Senator from Georgia.

Mr. NUNN. Mr. President, I continue to have a problem. The Senator from South Carolina was present and ready. He was ready last night, he was ready again this morning, and he was informed twice that our staffs had talked and that his amendment had been cleared. Now that it has been cleared, he is no longer here. So while I suspect that the Senator from South Carolina may be able to be recruited, the process has become a comedy of errors. I have to ask staff to communicate better because when they tell me matters have been cleared, I have to assume they were talking for Senators. Obviously, in this case they were not.

We will do our best to get the Senator from South Carolina back. In the meantime, I hope the Senator from Virginia would be willing to take a look at the Dixon amendment and see if that one can be brought up. We are not asking that each one of these be cleared. But we do need some amendments. We are going to have a lot of amendments requiring a vote. Under the unanimous consent now, the only way we can bring an amendment up is to set aside the Glenn amendment. I anticipated that the Senator from Ohio would be here, but he is chairing a very important hearing and we have got to allow about an hour for that. We simply cannot afford to waste the next hour and 15 minutes. I know the Senator from Virginia is doing his utmost to see that that is not done.

Mr. WARNER. I am not so sure I will concur that this has been a comedy, because we are trying to make earnest efforts to accommodate those Senators wishing to raise amendments. We were under the clear request that we set aside the Glenn amendment for the purposes of the amendment of the Senator from South Carolina, a copy of which we just received. We have now looked at it and we are ready to proceed on that.

How soon might we determine whether or not the Senator from South Carolina would be available? I am not trying to be dilatory.

Mr. NUNN. I have never seen the Senator from South Carolina on anyone's leash. He does not wear any other Senator's leash. He is a free and independent Senator. I do not know how long it will be before he comes back, because he has been here twice now wanting to bring his amendment up. We will send word and we will do our very best to get him back.

Mr. WARNER. In the meantime, Mr. President, we will be happy, if you put in a momentary quorum call, to examine the amendment from the Senator from Illinois to see whether or not that is an appropriate piece of business in that the Senators on this side, who are familiar with the text of the amendment and the substance, are available to be present during the course of the debate.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

Mr. DIXON. Mr. President, may I ask my colleague, the distinguished manager, to temporarily set aside his request for a call of the quorum. I wonder if I can proceed for a few brief moments, while the ranking member is examining my amendment, to make a statement that does pertain to armed services business but does not pertain to an amendment?

Mr. WARNER. Mr. President, I will be pleased to hear the amendment.

Mr. DIXON. I am handing a copy of the amendment to the distinguished ranking member while I make the other statement.

## UNITED STATES MILITARY DAMAGE CLAIMS IN WEST GERMANY

Mr. DIXON. Mr. President, this week I sent a letter to the General Accounting Office requesting GAO to conduct a thorough investigation of the way the United States pays military damage claims in West Germany. This request is prompted by recent allegations that the United States may be paying property damage claims resulting from United States training exercises in West Germany that are highly inflated and sometimes even fraudulent.

As my colleagues are aware, United States military troops stationed in West Germany conduct extensive training exercises and maneuvers to maintain a high state of combat proficiency and readiness. Unfortunately, these military maneuvers inevitably result in damage to private and public property in the areas in which these training exercises and maneuvers take place.

As a result, financial claims for damage to German property from United States military training exercises amount to millions of dollars each year. These claims are filed by German citizens or municipalities, and are adjudicated and paid through cost-sharing arrangements set forth in the NATO Status of Forces Agreement.

Back in 1980, GAO conducted a review of the process by which the Defense Department, and in particular the Army, reviewed and paid training and maneuver damage claims in West Germany. GAO concluded in that report:

> The Army does very little to verify damage claims payments and relies on the FRG [Federal Republic of Germany] to investigate and adjudicate the claims and pay the claimants. The (U.S. Army) Claims Service, together with Army units, merely establish that U.S. units were present when and where the damage occurred. The almost total lack of U.S. involvement in verifying even very large dollar amount claims is questionable. The United States needs to assume a more direct role in the investiga-

tion of high-cost claims, especially those involving road damage.

GAO went on to recommend that the Secretary of Defense should strengthen the United States Army Claims Service's capability to verify high-cost damage claims in West Germany through the use, whenever possible, of qualified engineering personnel stationed in West Germany.

Mr. President, it has come to the Armed Services Committee's attention that the Department of Defense has taken very little action to implement the GAO recommendation to increase the involvement of U.S. personnel in the damage claims verification process. In addition, as I indicated at the outset of my remarks, recent press reports allege that the United States may be paying damage claims in West Germany that are highly inflated and in some cases even fraudulent.

A July 5, 1987 article in the San Jose Mercury News quoted knowledgeable current and retired Defense Department personnel involved in administrating United States damage claims in West Germany. According to that article, these officials say that their own spot-checks in West Germany during the past 4 years have disclosed repeated examples of fraudulent claims by West German cities, public agencies and private landowners.

This same article goes on to quote a military official in the West German Embassy here in Washington as saying "That is quite possible. We have the saying in Germany 'The oldest boy gets the farm, the next one gets the maneuver damage.' This is a pretty old game."

I don't know if this is an accurate quote, or whether this West German diplomat was just being facetious. But I don't consider the payment of millions and millions of dollars every year in U.S. damage claims to the West Germans a game. The United States is and should be liable for damage claims resulting from training exercises by United States soldiers stationed in West Germany. But we should have confidence that the millions of dollars the U.S. Government is paying each year for these claims are valid and properly documented.

I ask unanimous consent that the July 5, 1987 article from the San Jose Mercury News which I referred to in my remarks be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See Exhibit 1.)

Mr. DIXON. Mr. President, according to GAO the damage claims paid by the U.S. Government to West German individuals and municipalities are costing between $18 and $24 million of U.S. taxpayers' money per year. GAO also noted that there is currently a backlog of approximately $28 million in claims that are being postponed for payment until the next fiscal year for lack of funds. These claims are paid out of an account known as the Defense Claims Account which comes under the jurisdiction of the Subcommittee on Readiness, Sustainability and Support which I chair.

Mr. President, at my request the GAO interviewed one of the former DOD claims officials mentioned in the recent press reports. Based on the results of this preliminary review, I have asked GAO to update their 1980 report in this area and to conduct a full review of the procedures the Defense Department uses to validate military damage claims in West Germany before they are paid.

I am not interested in denying payment for any properly documented, valid claims for property damages from U.S. military maneuvers or training exercises. But I am interested in putting a stop to any notion that these types of claims are going to be paid to anyone who takes the trouble to file one, whether or not real property damage from a U.S. military exercise actually occurred.

I ask unanimous consent that my letter to the Honorable Charles A. Bowsher, the Comptroller General, requesting this GAO review be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
*Washington, DC, September 14, 1987.*

Hon. CHARLES A. BOWSHER,
*Comptroller General, U.S. General Accounting Office, Washington, DC.*

DEAR MR. BOWSHER: I am writing to request that the General Accounting Office update its 1980 report on military damage claims in Germany. Claims, amounting to millions of dollars of damage to German property, arise each year from training exercises involving U.S. troops. Claims are filed by German nationals and are paid through cost sharing arrangements set forth in the NATO Status of Forces Agreement.

The 1980 GAO report recommended that the Defense Department strengthen the capability of the U.S. Army Claims Service to verify damage claims in Germany through the use of qualified engineering personnel already stationed in-country. It has come to the Committee's attention that little has been done to increase the involvement of U.S. personnel in the damage claims verification process. In addition, recent press reports suggest that the U.S. may be paying claims that are highly inflated and in some cases even fraudulent. Consequently, I request that GAO determine what DoD is doing to validate military damage claims before they are paid. Members of my staff have already met with your staff in the National Security and International Affairs Division to discuss this issue in detail.

I would appreciate your providing at least preliminary results of your review to the Committee staff no later than February 15, 1988. If you have further questions do not hesitate to contact me or Mr. David Lyles of the Committee staff.

Thank you for your attention to this matter.

Sincerely,
ALAN J. DIXON, *Chairman,*
*Subcommittee on Readiness, Sustainability and Support.*

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EXHIBIT 1

[From the San Jose Mercury News, July 5, 1987]

### OUTMANEUVERING THE U.S. ARMY—W. GERMANS BILK PENTAGON WITH CLAIMS OF WAR GAME DAMAGE, OFFICIALS SAY

(By Pete Carey)

The U.S. government is paying millions of dollars in fraudulent claims for damage done by American forces on maneuvers in West Germany, according to several knowledgeable military officials who say the Defense Department has ignored their complaints.

The officials—who are on active duty or recently retired—say their own spot-checks in West Germany during the past four years have disclosed repeated examples of fraudulent claims by West German cities, public agencies and private land owners.

Last year, for example, they looked into 91 claims from a single small area of West Germany totaling $362,346, all of which had been approved by the West German government and submitted to the U.S. command for payment. When local officials were confronted with evidence that their claims were false or inflated, they reduced or withdrew most of them, and the United States paid only $40,828—about 11 percent of the original claim.

"That is quite possible," acknowledged Gen. Hasso Von Uslar, a military official in the West German Embassy in Washington, D.C. "We have the saying in Germany, 'The oldest boy gets the farm, the next one gets the maneuver damage.' "

"This is a pretty old game."

The U.S. Army's Judge Advocate General's Office, which administers maneuver-damage claims, said it was checking the allegations after it was asked for comment last week. In the past, the Defense Department has declined to consider altering its payment system because doing so might require renegotiation of other NATO treaty provisions advantageous to the United States.

The examples of fraudulent and exaggerated claims against American forces were gathered by U.S. Army officers. One such claim, from the city of Gelsenfeld, was "grossly inflated or fictitious," according to a report signed by an investigator in the Judge Advocate General's Office. The investigator was present when a city official was grilled last year about his city's damage claim. The city later withdrew its claim.

In another case uncovered by American officials last year, a forest service in southern Germany withdrew its claim that 800 trees had been damaged. Investigation by U.S. officials revealed that the trees didn't exist. That claim also had been approved by the West German government and sent to U.S. forces for payment, the officials said.

A $57,217 damage claim from a village near Frankfurt last year was approved by West German officials and forwarded to the U.S. forces for payment, said Willi Segeth, a retired Defense Department maneuver-damage officer now living in Denver. After Army officials investigated, the village lowered its claim to $6,933.

Claims fraud "has gotten so public that the abuses of maneuver damage payments are the subject of jokes at parties and public

gatherings of city officials," Segeth said. "The Americans are just paying and paying without knowing what is going on."

Segeth said he is acting as a spokesman for several military officials, including active-duty personnel who say they fear disciplinary action if they speak publicly. One officer spoke off the record, and another said he would testify before Congress, if asked. Other officers already have filed official reports discussing the problem.

"All of us are willing to sing like birds," Segeth said, if Congress investigates the abuses.

U.S. forces spent $23.4 million in 1985 satisfying claims the U.S. troops and vehicles on maneuvers have damaged public and private property. The U.S. government concedes that damage is done by its forces on maneuvers from time to time and has agreed to a reimbursement program for farmers whose crops are run over by Bradley Fighting Vehicles or M-1 tanks, for cities whose pavement is damaged and for parks and forests whose trees are knocked down. The payments could rise to $50 million this year, according to congressional officials, in part because of the declining value of the dollar.

"Essentially it's bribe money," said an aide to Rep. Stephen Solarz, D-N.Y., a member of the House Foreign Affairs Committee, who has looked into the matter. "We pay the German farmer off, and he doesn't get aggravated. It's hush money, and it's lots of dough."

Under NATO rules governing U.S. forces in Europe, the claims are investigated by the West German government, which pays them and then bills the United States for 75 percent of the total, plus up to 14 percent in tax. No Americans investigate the claims.

The West German military also receives maneuver damage claims, said Von Uslar, the West German general in Washington. But the American's problems are compounded by their unfamiliarity with the language and the fact that U.S. units usually aren't stationed in the maneuver areas.

"I think every claim should be eyeballed by a responsible representative of both sides," said Lt. Gen. R.L. "Sam" Wetzel, retired former commander of the U.S. Army Fifth Corps from 1984 to 1986. "They could then put a proper judgment on the value of the claim."

Wetzel declined to comment on the extent of fraudulent claims but said "tremendous efforts" are being made to prevent maneuver damage in the first place.

The U.S. General Accounting Office, a branch of Congress, recommended in 1980 that the treaty covering NATO forces in Europe be amended so that U.S. officials could jointly investigate the claims. But the Defense Department said it would be unwise for the United States to bring a single issue into renegotiation.

"The whole agreement is on the table for renegotiation, and the Germans and others would bring lots of things into it, too," said a Defense Department official. "It might end up costing tremendously more in other areas."

And in a 1983 study, the Army inspector general said Army headquarters believed that the fact that West Germany pays for 25 percent of the maneuver damages "provides a strong incentive for its agents to hold down the claims awards."

But a 1986 memorandum obtained by the Mercury News suggests otherwise. In the memo, an officer in the U.S. NATO claims branch in Europe reported that his personal investigation "establishes the failure" of German officials "to deal with apparent systemic problems in the processing of maneuver-damage claims." The officer, Capt. Michael D. Waldrop, said that German officials told him they don't have time to investigate every claim, and that "90 percent of all the claims are inflated."

The evidence that something is wrong with the claims system was gathered from 1982 to 1986 by suspicious U.S. Army officers who checked damage claims with the help of Segeth, 53, a native of Germany who became a U.S. citizen and served 22 years in the Army before becoming a civilian Army employee.

Segeth was assigned by his brigade commander, Col. Robert S. Fiero, to probe claims for maneuver damage that were suspected of having been inflated. Fiero observed in a memorandum that "currently, no claims are ever surveyed by U.S. personnel, and German officials randomly check the claim several months later, resulting in needless dollars being spent for maneuver damage."

By the time he retired in October, Segeth said, he had found numerous examples of inflated and fraudulent claims by various agencies and citizens. Two such claims were described in memos written by U.S. Army officers who investigated suspicious claims.

A "memorandum for record," dated March 1986 and signed by infantry Maj. Jasper L. McBride, reports on his and Segeth's investigation of a $13,414 claim by a forestry agency near the city of Gelnhausen for damage allegedly done to the forest by U.S. troops.

"We found no maneuver damage in any of the areas alleged to have been damaged except one," McBride reported. At a subsequent meeting, the forestry official who filed the claim "was made to discuss the findings and resolve the discrepancies between his damage claim and the complete absence of damage in the areas claimed to have been disturbed."

"Following a somewhat heated discussion he admitted that, although he had filed the highly detailed damage claim specifying exact numbers of trees destroyed and precise (locations), he must have made an error."

A U.S. Army Judge Advocate General's "memorandum for record," dated May 27, 1986, reported on an inspection tour in Bavaria to view about $200,000 in damage claimed by the city and local forestry agency of Geisenfeld. The document was signed by Capt. Waldrop of the Army's NATO Claims Branch.

"After viewing the first few damage sites of the city," Waldrop wrote, "it became apparent that the claimed damages were grossly inflated or fictitious. . . . As the day wore on, (a city official) began to admit that the city's claim was based on the mere sighting of maneuvering vehicles on a given street." The city eventually "withdrew entire portions of claims for damage," the officer reported.

During an inspection of alleged damage to the forest "it was soon evident that the same type of problems existed in the Forstamt (Department of Forestry) claim as in the city of Geisenfeld," Waldrop reported. "Inflated claims and possibly fictitious claims.

"The statement of the director of the Forstamt that his credibility has never been challenged before was also a clear indictment of the existing system."

In a continuing series of spot checks, Segeth said, he found repeated instances of fabricated claims, damage done by others but billed to the U.S. forces and inflated claims. One claim, approved by the West Germans for billing to the United States, involved a private landowner who submitted a claim for a damaged corral, which investigation showed had collapsed from dry rot.

"I can give you a hundred cases like this," Segeth said. "Every year, we could save at least $20 million to $25 million by tightening our system. . . . In the last four years, we could have saved $100 million."

The United States has at least 60 German nationals working in its claims office in West Germany, Segeth said, "and all they are doing is writing checks all day long."

Segeth said he was able to convince his brigade, division and corps commanders that there was a serious problem but was blocked by higher-ranking officers in the U.S. Army Europe headquarters in Heidelberg.

Last year. Segeth said, he flew to Washington with the intention of meeting with Senate Armed Services Committee members. A Pentagon general persuaded him to present his case to the Army Judge Advocate General's Office in Washington, he said, and an official there promised action on his request that more U.S. personnel be assigned to verify claims of damage done by U.S. forces on maneuvers.

Segeth said nothing was done, and now, nearly a year later, he and the others have decided to make their case public.

Said one high-ranking officer who asked not to be identified:

"Our whole concern is not in trying to do anything vindictive but to try to look at it as a taxpayer and say, 'Wait a minute; we're getting taken to the cleaners.' Nobody wants to rock the boat or change the system."

Mr. DIXON. Mr. President, I thank the Chair. I thank the distinguished ranking member. I have concluded my statement.

If my colleague has examined my amendment and is prepared to proceed to it, I would like to get the business of the Senate going by offering the amendment—by first requesting that we set aside the Glenn amendment.

Mr. WARNER. Mr. President, I am perfectly prepared to answer the distinguished Senator's question. I just wonder if we might momentarily wait until the manager of the bill——

The PRESIDING OFFICER. If the Senator would suspend, the Senator from New Mexico has been seeking recognition.

Mr. BINGAMAN. Mr. President, I would seek recognition just to give an opening statement and to speak to the Glenn amendment which is the pending amendment, but I certainly do not want to interrupt the flow of business.

Mr. WARNER. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, let me take just a few moments to rise first, or course, in support of the defense authorization bill.

I have a lengthy statement describing some of the concerns we have tried to address in that bill, particularly in the defense industry and technology subcommittee which I chair in the Armed Services Committee.

I would like to commend the chairman of the committee and the majority leader for their persistent efforts over the past 4 months which have finally resulted in bringing this bill to the floor. This is a good bill, the result of a very fair and open markup process which focused on major issues, not line item micromanagement. I think the committee can be justly proud of our product.

Mr. President, in urging this bill be expeditiously adopted, I would like to emphasize several actions taken by the committee in the jurisdiction of the Defense Industry and Technology Subcommittee, which I chair and on which Senator GRAMM serves very ably as ranking minority member.

First, let me address a stituation I believe is approaching crisis proportions for our country. That situation is the steadily eroding technological and industrial bases that underpin our national defense effort. Senators WIRTH, DIXON, GORE, and GLENN have all been active in the committee pointing out various elements of the challenge we face in this area. Furthermore, I believe a direct linkage can be made with the declining competitiveness of U.S. industry in general in the world marketplace. Overall, the result is a declining defense industry capability to produce the high quality, technologically superior equipment, at reasonable costs, needed by the Armed Forces.

Why is this happening? Part of the reason, I am convinced, lies in the fact that the technology base share of DOD funding has been declining since 1965, and that the Department, outside the Air Force, is not adequately funding industrial base modernization programs. This lack of positive action by the Department, combined with a highly adversarial Government-industry relationship, a topic which I will address later in the debate on this bill, has badly eroded the foundations of national defense.

Another area that concerns me is the deficiency in the conventional defense technology base. Congress established the balanced technology initiative last year, under the leadership of Chairman NUNN and Senator COHEN, to be part of a broad-based, balanced U.S. technology initiative to address the entire range of nuclear and conventional deficiencies in our defense posture. Its goals are to expand research on innovative concepts for enhancing conventional defense capabilities. Its focus is on establishing a coherent program of research on ways to exploit the West's advantage in technology, specifically to increase the rate of obsolescence of Soviet and Warsaw pact equipment, doctrine, and tactics.

DOD has stated that approximately 250 candidate projects, with a total fiscal year 1987 cost of more than $2 billion, were nominated within DOD for consideration in implementing the BTI program last year. The fiscal year 87 program, however, included only 35 programs because the total funding was limited to $183 million. This indicates that a tremendous potential exists, but adequate funding does not. Furthermore, the Department has requested no money in the fiscal year 1988 and fiscal year 1989 budget request for the BTI program, although the Department asserts it will carry out the 35 projects begun in fiscal year 1987.

It became evident to me as we worked on this bill that positive action is needed by the Congress to reverse the steadily eroding technological and industrial underpinnings of defense, and that strong support must be shown for the conventional technology base in particular. The long-term adverse funding trends for these three areas—the tech base, the industrial base, and the conventional force "leapfrog" technologies—make it apparent that the first thing we must do is reverse those trends by adequately funding these areas. The bill before the Senate today does just that—it starts the funding trend in these areas upward toward the level needed to insure our long-term ability to produce the future defense systems needed by this country.

Because the United States depends upon technologically superior systems to offset the numerical superiority of our adversaries, this bill adds $200 million to the President's request for the defense technology base and the defense industrial base. Of this $200 million, $50 million is directed to the technology base for the university research initiative—an initiative with significant potential for defense, as well as the commercial sector of our economy.

Another $150 million of the $200 million will provide resources to undertake a defense manufacturing initiative to improve manufacturing technologies in the industrial base. This defense manufacturing initiative will establish a manufacturing technology research program in the Defense Advanced Research Projects Agency—a long-term, high payoff investment in such areas as high temperature superconductivity and flexible manufacturing and assembly. And to address broad national concerns about the loss of technological and manufacturing leadership of the U.S. semiconductor industry, this initiative adds $50 million to the $50 million budget request for the semiconductor manufacturing technology institute or Sematech.

I urge my colleagues to support these measures—this relatively small investment in our defense technology and industry will be returned many times over. I appreciate the strong support which the committee's chairman, Senator NUNN, has given me as I have argued for adequate funding for these programs which are so important to our long-term ability to maintain qualitative advantages in weaponry over our potential adversaries.

Finally, I am convinced that the defense research effort remains imbalanced, with too much growth in the strategic defense initiative and too little in our conventional defense technology base and on innovative "leapfrog" technologies to improve our conventional capabilities. To provide a better balance, this bill authorizes $300 million to continue programs, projects, and activities initiated in fiscal year 1987 under the balanced technology initiative, and directs that $200 million be obligated from other RDT&E accounts for new and innovative research and development under the balanced technology initiative. By adopting this bill, the Senate will have played a crucial role in refocusing our research and development efforts. Again, I commend Senator NUNN and Senator COHEN for the leadership they have shown on the balanced technology initiative.

Mr. President, before I conclude my remarks, let me briefly note the hard work which the dedicated committee staff has done in preparing this bill for floor action. Kent Bankus and Andy Effron for the majority staff and Jon Etherton and John Wildfong for the minority staff have very ably supported all of the members of the Defense Industry and Technology Subcommittee. I am sure we all are grateful for the work they have done already and the work they will do during floor debate and conference consideration of the bill. I also want to commend Arnold Punaro, the committee's staff director, for the orderly markup process we concluded in May. He saw to it that all committee members had the information they needed with plenty of lead time. That made the markup of this bill flow better than any I had participated in up to now.

Mr. President, let me conclude by urging my distinguished colleagues to expenditiously debate this bill. We need a good debate on some of the bill's provisions, but I hope we will not see any further delaying tactics. They simply serve no useful purpose that I can see.

### AMENDMENT NO. 680

Mr. BINGAMAN. Mr. President, let me also just take the opportunity here to speak to the Glenn amendment, dealing with the issue of SDI contracts with our allies.

I understand that Senator GLENN has not yet debated that amendment. It is an amendment that was offered

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in essentially the same form last year and one which I supported then and which I support now. I want to give a statement explaining to my colleagues the reasons why I think this is an important amendment and one that deserves their support as well.

I am proud to be a cosponsor of this very important amendment which is designed to prevent the United States from getting into the untenable position of funding both sides of a race to develop new technologies of commercial importance to our country.

Mr. President, many times before on this Senate floor, I have talked about the concern that the Armed Services Committee and many in the Senate have with regard to the erosion over the past 20 years of our defense technology base and our defense industrial base.

We concluded that the problem was threatening to reach crisis proportions and we added funding this year in this bill to try to reverse some of the adverse trends we saw in such critical industries as the semiconductor industry. We urged DARPA to get involved in a defense manufacturing initiative and to focus in particular on the new breakthrough in high temperature superconductivity and in such areas as applying computer research, artificial intelligence research, to the manufacturing and assembly processes. We fully funded the administration request to launch a major effort in the area of focal plane array technology, and especially the manufacturing in volume of focal plane arrays detectors. The bottom line is that the committee took some very serious steps to try to address the problem we see in the erosion of our defense technology base and our defense industrial base.

At the same time that we are working to strengthen that effort, Mr. President, my concern and the reason that I strongly support the Glenn amendment is that I see what the strategic defense initiative organization is doing.

They are going around the world offering research contracts to our allies in precisely the same areas where we believe that it is critical for America to maintain its technology base. They are offering these contracts in return for some sort of tacit political support from our allies for the strategic defense initiative. And let there be no mistake about the motivation of most of our allies. They want our SDI research dollars in order to gain a competitive edge in key high technology developments of commercial importance. The Germans have put their Economics Ministry in charge of their cooperation with the United States. In the case of the Japanese, the Ministry of International Trade and Industry is heavily involved on the Japanese side. Recently, the Dutch became the sixth of our allies to sign an MOU on SDI joint research. And in signing the agreement, the Dutch made it clear that their interest was in generic applications of technologies outside the realm of SDI.

When the Japanese signed on in July to a memorandum of understanding with the Strategic Defense Initiative Office, the Defense Department put out a list of 16 examples of Japanese technological capabilities which could be tapped for the strategic defense initiative in this country. I ask unanimous consent that the list be put in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

### LIST RELEASED BY THE PENTAGON OF 16 EXAMPLES OF JAPANESE TECHNOLOGICAL CAPABILITIES TO BE TAPPED BY SDIO

Surveillance, Acquisition, Tracking and Kill Assessment (SATKA).

Radar Transmit/Receive Modules.

Mercury Cadmium Telluride Focal Plane Array Development.

Real-Time Signal Processing Technology Optical Data Storage.

Manufacturing Processes for Electro-Optical and Electronic Devices.

Survivability, Lethality and Key Technologies (SLKT).

Gallium Arsenide Technology for Semiconductors.

Superconductivity.

Kinetic Energy Weapons (KEW).

Miniaturization of Inertial Guidance Units and Accelerometers.

Microwave and Millimeter Wave (Large and Small) Circuit Integration.

Window/Radome Materials.

Radar Absorbing Materials, Paints, Aerosols, Ferrites.

Guidance System Software.

Directed Energy Weapons (DEW).

Nonlinear Optical Techniques for Atmospheric Compensation.

Advanced Metallic Glass Materials for Magnetic Acceleration Cores.

Composite Materials for Large Optics.

Mr. BINGAMAN. These are technologies in which SDIO proposes to fund Japanese Research. Let me read some of the examples from that list. You will see a remarkable similarity to the technologies in which the Defense Department is trying to foster an industrial base and a technology base in this country. Here are some of the examples: Gallium arsenide technology for semiconductors, high temperature superconductivity, mercury cadmium telluride focal plane array development, real-time signal processing technology, optical data storage, manufacturing processes for electro-optical and electronic devices, composite materials for large optics, advanced metallic glass materials for magnetic acceleration cores, radar absorbing materials, paints, aerosols, ferrites, microwave and millimeter wave—large and small—circuit integration, and guidance system software.

I think it is clear, Mr. President, that these are the exact areas of technology where we fear that America may be falling behind, and they are the exact areas where we need to be doing more rather than funding our allies to do more.

Mr. President, this is an extraordinary list to say the least. The implication is that SDIO plans to turn to the Japanese to provide these technologies which are critical, not only for defense, but for commercial development as well and we should be very clear on that. As soon as they get one millimeter ahead in the race with the U.S. industry and U.S. universities and U.S. national laboratories to develop these technologies, they will use those for other purposes. We will spend tens of millions of dollars on focal plane array development in this country while SDIO spends money in Japan funding their efforts. We will spend tens of millions of dollars in this country developing guidance system software within the various software initiatives of the Defense Department and SDIO will be funding Japanese software development. We will be spending over $50 million a year on high temperature superconductivity research and development in this country in the defense and energy budgets and SDIO will be funding Japanese high temperature superconductivity research efforts. We will be spending tens of millions of dollars developing semiconductor manufacturing technology and SDIO will be funding Japanese semiconductor manufacturing technology. We will be spending tens of millions of dollars on radar absorbing materials development.

And that is stealth technology, just a fancy word for stealth. And SDIO will be turning to the Japanese to fund their efforts in developing radar absorbing materials. I cannot think of anything that makes less sense from the point of view of preserving this Nation's industrial base and technology base than what the Strategic Defense Initiative Organization is contemplating in doing in these instances.

Mr. President, let me make it clear that I am not opposed to research cooperation with our allies. When the allies bring something to the table to which they are committing their own resources in approximately equal proportion with ours, I have no objection to such cooperation. I support the Nunn-Warner NATO and non-NATO cooperative arrangements with our allies which are carried out under the condition that both sides are making contributions and investments. The goal of those programs is perfectly rational, namely to seek standardization and to avoid duplication within the allied research and acquisition efforts. The idea is that by putting the best of our allies' technologies together with our technologies we can produce better weapon systems which can be produced on both sides of the Atlantic and strengthen the industrial and technology bases of both sides.

But that is not what we have here. Sentor GLENN's amendment simply says stop subsidizing our allies' research efforts in these technologies of importance to SDIO but also of tremendous importance commercially, when there is no allied commitment to investing their own resources in these efforts. I can assure my colleagues that our allies are not subsidizing our semiconductor or high temperature superconductor or other high technology research efforts.

Senator GLENN cites the interview in the August 31 edition of Defense News, with Sir Raymond Lygo, chief executive of British Aerospace. It is worth citing it again. Mr. Lygo states in the interview when asked about the Glenn amendment and I quote:

> I must say I have a great deal of sympathy with Congress in this matter. I have always made my own views very clear. Unless the Europeans themselves are prepared to put money into SDI, I really didn't understand why the American taxpayer was suppose to put money into European industry. It didn't seem to me to be a particularly fair arrangement.

Mr. President, Mr. Lygo has gotten to the heart of the matter in his interview. I simply do not believe that we should be subsidizing our allies' commercial research efforts in order to buy their acquiescence in our SDI research program. I use the term "acquiescence" rather than support, because I do not sense any great allied support for the purposes or goals of the President's strategic defense initiative effort.

As each of these countries have signed agreements with us, they have all sought in those agreements to distance themselves from SDI and its goals. The Dutch did that most recently and the Japanese and Germans have done it before them.

If you believe that it is ridiculous for the United States to be funding both sides of this technology race to develop high temperature superconducting materials and both sides in the race to improve the semiconductor technology and both sides in the race to develop focal plane array technology, then you should be supporting the Glenn amendment.

I hope that most Members of this body will agree and that the meager political benefits in alliance acquiescence in SDI are not worth the cost of subsidizing allied research efforts in technologies of commercial importance at a time when this Nation is running at $170 billion annual trade deficit.

Mr. President, if we want a strong technology base in this country and a strong defense industrial base, I would urge my colleagues to support the Glenn amendment.

Mr. President, I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, the manager of the bill has approached the Senator from Virginia and asked there be some momentum forward. We have done the very best we can. We are now prepared, as we have been this morning, to receive amendments. As I understand it, there is a pending—if it is not pending, it will be momentarily—a unanimous-consent request that the Glenn amendment be temporarily laid aside for the purpose of bringing up an amendment by the Senator from Illinois. If that is propounded to the Senate, it is the intention of this Senator not to raise an objection. I see no other Senators present on my side seeking recognition, so I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. I thank the distinguished ranking member.

Mr. President, I ask unanimous consent that the pending Glenn amendment to the DOD authorization bill be temporarily set aside so that the Senator from Illinois may offer an amendment.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. Is there objection?

The Senator from Virginia.

Mr. WARNER. I do not intend to object, but I want to make it eminently clear to other Senators listening that upon completion of action of this body on the amendment of the Senator from Illinois that the Glenn amendment recurs.

The PRESIDING OFFICER. The Chair informs the body that that is automatic.

Mr. WARNER. I just wish to make that clarification, Mr. President.

### AMENDMENT NO. 687

Mr. DIXON. Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] proposes an amendment numbered 687.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 114, between lines 13 and 14, insert the following new section:

**SEC. . PROCUREMENT OF MANUAL TYPEWRITERS.**

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 2410. Procurement of manual typewriters**

"Funds appropriated to or for the use of the Department of Defense may not be used for the procurement of manual typewriters which contain one or more components manufactured in a country which is a member of the Warsaw Pact unless such country has a most favored nation trading status with the United States."

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end of the following new item:

"2410. Procurement of manual typewriters.".

Mr. DIXON. Mr. President, this is a very short and brief amendment. It simply provides in the case of manual typewriters purchased by the Department of Defense that members of the Warsaw Pact countries that have a most-favored-nation trading status with the United States may compete for the provision of manual typewriters.

Now, I must admit that in the sense of the overall acquisition and procurement policies of the United States of America, which involve about $185 billion, this does not involve a great deal of money. But the fact is that no manual typewriters are manufactured in the United States, and in recent years almost all the acquisition and procurement of manual typewriters in this country has been from Brazil. My information is that they manufacture a typewriter that we purchase in large quantities. However, the Polish people manufacture a typewriter that is superior in quality, that can be purchased, believe it or not, for about $4 a typewriter less.

Now, in the numbers that these typewriters are purchased, which is in the thousands, there is some incremental amount of money that can be realized to the Treasury by the adoption of this amendment.

This amendment does not require DOD to buy Polish typewriters. It only states that because Poland is a favored nation behind the Iron Curtain, a Warsaw Pact nation, it may bid competitively to sell these typewriters to the Department of Defense.

The Brazilian typewriter that we are now buying costs $141 a unit. Most of its construction is plastic and thereby not very durable. The Polish-made typewriter costs $137, $4 less per unit, and is completely constructed of metal.

Now, I am not arguing the case for what typewriter we ought to buy, but there is apparently substantial evidence that the Polish typewriter would be of superior quality for less money. All I am saying is that we ought to decide this matter through

competition. That is what this amendment would accomplish.

I would be glad to yield to any questions.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I think the Senator has brought up a fascinating amendment because it is trying to undo a little legislation that a former Member of Congress, now deceased, in the House of Representatives put in some several years ago, I think about 1983, for the purpose of encouraging a certain ethnic group within his constituency.

Now, I am not here to debate the question of how we accommodate several ethnic groups or whatever ethnic composition we have in our various States and districts, but my understanding is that this was put in to favor a certain Brazilian firm, the headquarters of which was in the district of this particular Member of Congress, and that our distinguished colleague from Illinois is now seeking to undo that in the hopes that certain firms associated with the eminent nation of Poland could come in now and play a competitive role.

There may well be some cost saving, but, Mr. President, I hope the Senator would go into this with some thoroughness. I am not here in an effort to consume time because if the Senator from Illinois will recall, this body went on record in the trade bill in terms of a Warsaw Pact nation—Romania—which would be eligible under this amendment to compete.

What we are doing here is setting a precedent which would enable Warsaw Pact nations, and my understanding is there are only two now, Poland and Romania, which have the most-favored-nation status, to come in and bid first on typewriters. This is a very narrow amendment. It is on manual typewriters. But nevertheless it would establish a precedent that this body should note with some care before we rush to decision on the amendment. As a matter of fact, it seems to me in view of the action taken in the trade bill by this body with reference to Romania, which also would be eligible under this amendment, I think every Member of the Senate should address this issue. And for that purpose, Mr. President, I ask for the yeas and nays at this time on the amendment.

The PRESIDING OFFICER. Is there sufficient second?

Mr. DIXON. I would like to ask the ranking member to withhold his request for the yeas and nays for the moment, please.

The PRESIDING OFFICER. There is not a sufficient second at this time.

Mr. WARNER. Very well, Mr. President. I will accede to the ruling of the Chair. It is an unusual one. But I will accede to it for the moment. But I point out that this is not a simple amendment, that it goes to a principle with respect to the nations in the Warsaw Pact which have the most-favored-nation status, and that principle was addressed by this body during the course of the trade bill. This body is on record. So I am not going to sit here and allow this to go unnoticed by every Member in this body.

Mr. President, would like to ask the distinguished proponent of the amendment, the Senator from Illinois, if he might advise this Senator how, should this body adopt the amendment and it would become law, the procedure by which the Department of Defense would determine that a manual typewriter contains or does not contain "* * * one or more components manufactured in the country which is a member of the Warsaw Pact unless such country has a most-favored-nation trading status with the United States," specifically how, do they take a typewriter and determine whether or not one or more components could be made in one of these nations? I myself, Mr. President, freely acknowledge I am not familiar with the composition of typewriters or how many parts are in the typewriters.

Mr. DIXON. I am advised, may I say, by staff that in these contracts, the contract does reveal where the manufactured components are manufactured so that the Department of Defense can readily determine that question.

As the Senator has so correctly pointed out, all we are saying in this amendment is that Poland, which has a favored-nation status, may compete. As I understand it, other nations do compete, incidentally. I am told Brazil, Japan, and a few others do compete.

Mr. WARNER. I want to be careful. I do not read the amendment saying Poland may compete.

Mr. DIXON. The amendment does not say that.

Mr. WARNER. I want to be explicit about that. The amendment simply says those nations having the most favored nation trading status may compete.

Mr. DIXON. That is correct.

Mr. WARNER. The amendment does not specify Poland.

Mr. DIXON. That is absolutely correct.

Mr. WARNER. Mr. President, as a courtesy to another Member of the body I wonder if the distinguished Senator from Illinois and the Senator from Virginia might—he seems to desire to seek recognition here.

Mr. HOLLINGS. I was wondering if we could at an appropriate time set the amendment aside. I do not want to interrupt.

Mr. DIXON. May I say to my friend from South Carolina that I am more than happy to withdraw this amendment so we can go to the Senator's amendment. I was trying to usefully occupy our time when Senator GLENN was otherwise engaged until we can get to his amendment. This amendment is one that I can present again at any appropriate time. So I will be glad to withdraw the amendment and to yield the floor so that the Senator from South Carolina can present his.

I ask unanimous consent at this point to withdraw the amendment.

Mr. WARNER. Mr. President, I object for the moment. Mr. President, this side of the aisle is endeavoring in every way to accommodate the distinguished manager of the bill and those Senators desiring to bring up amendments. And I am prepared to at an appropriate time lay the pending amendment, which is the Glenn amendment, aside and go to the amendment of the Senator from South Carolina. But I do need the opportunity to bring to the floor the distinguished ranking member of the subcommittee which has jurisdiction over the amendment of the Senator from South Carolina, and we must ask as a matter of courtesy for a minute or two as we rapidly shift from one amendment to another.

Mr. DIXON. I do not have any objection at all as the manager of the bill, Mr. President, to give a few minutes to the other side to prepare to respond to the Senator from South Carolina. But I do have a perfect right to withdraw my own amendment.

Mr. WARNER. The Senator does have a right to withdraw.

The PRESIDING OFFICER. The Senate will suspend. The Chair will inform Senators that while the Senator from Virginia retains the floor, the Senator from Illinois does not have the authority to withdraw the amendment. It does not take unanimous consent. If the Senator from Illinois retains the floor he then has the right unilaterally to withdraw his amendment. But it does take recognition in order to do that.

Mr. DIXON. Have you recognized the Senator from Virginia?

The PRESIDING OFFICER. The Senator has retained the floor.

Mr. DIXON. I will do that at the conclusion of his remarks, Mr. President.

Mr. WARNER. Mr. President, I simply want to indicate to those present and those listening that this side of the aisle is prepared to cooperate. We simply need a little sense of direction. We were on the Dixon amendment. I asked for the yeas and nays. The Chair has ruled that there was an insufficient second. Then suddenly the Senator desires to withdraw his amendment which he has a perfect right to do. I have indicated that we need just a little advance notice, maybe but a minute or two as we shift from one amendment to the other as a courtesy to those on this side of the aisle who have specific knowledge of the various issues to be present. I am going to yield the floor for the purpose, I presume, of allowing this Senator to withdraw his amendment and then others can seek recognition.

I now see the distinguished ranking member who has knowledge of the amendment to be offered by the Senator from South Carolina, and I presume the Senate can proceed to take up that amendment.

Mr. President, I yield the floor.

Mr. DIXON. Mr. President, I am perfectly willing to accommodate in every way the minority side, the ranking member. I hope my reputation for courtesy in the time I have been here is well known to all Members.

I am delighted to accommodate the ranking member and to give him a reasonable amount of time to prepare for the amendment by the distinguished Senator from South Carolina. In the certain knowledge that the Senator from South Carolina is equally courteous and will give the time, I withdraw my amendment and leave the future course of this matter at this time in the tender care of the Senator from South Carolina. I do withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. HOLLINGS. The Senator from Virginia has been most gracious. I appreciate it. I thank the managers of the bill, the Senator from Illinois, and the Senator from Virginia.

### AMENDMENT NO. 688

(Purpose: To provide for CHAMPUS coverage for Sudden Infant Death Syndrome [SIDS] treatment)

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the amendment of the Senator from Ohio [Mr. GLENN] be temporarily set aside so that I can send to the desk an amendment and ask that it be reported.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Carolina, (Mr. HOLLINGS) for himself, Mr. GLENN, and Mr. WILSON, proposes an amendment numbered 688.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following: "Subsection 1079(a) of title 10 is revised by striking the word "and" at the end of clause (13) an inserting therein a "semicolon", and by striking the "period" at the end of clause (14) and inserting therein the word "and", and by adding a new clause (15) as follows:

"(15) Coverage may be provided for electronic cardio-respiratory home monitoring equipment (apnea monitors) for home use when a physician prescribes and supervises the use of the monitors for infants who have had an apparent life threatening event, who are subsequent siblings of a Sudden Infant Death Syndrome victim, or whose birth weight was 1500 grams or less, in which case the coverage may include the cost of the equipment, hard copy analysis of physiological alarms, professional visits, diagnostic testing, family training on how to respond to apparent life threatening events, and assistance necessary for proper use of the equipment."

Mr. HOLLINGS. Mr. President, this amendment is presented on behalf of myself, Senator GLENN, and the distinguished manager of this section of the bill on the other side, the Senator from California [Mr. WILSON].

Mr. President, this amendment is one that is urgently needed. Quite simply, it corrects a serious oversight in CHAMPUS regulations by permitting reimbursement for the cost of electronic cardio-respiratory home monitoring equipment—in other words, apnea monitors—used by infants identified as being at increased risk to sudden infant death syndrome.

Every year in the United States, 7,000 to 8,000 infants die suddenly, for no apparent reason. These infants are victims of sudden infant death syndrome [SIDS] the No. 1 cause of death for infants between the ages of 1 month and 1 year.

In May 1985, Marine Sgt. Reese and Belinda Picklesimer lost their infant daughter, Amanda, to sudden infant death syndrome. This unexplained and unexpected death was very difficult for the Picklesimers to accept, as it is for all families who share this tragic experience. But, with the help of support groups, they picked up the pieces and continued with their lives. And, Mr. President, in February 1986, Mrs. Picklesimer gave birth to another daughter, Bonne Leigh.

Elated over the birth of their child, but frightened by the thought of another life-threatening episode of sleep apnea, Sergeant and Mrs. Picklesimer looked for ways to prevent its recurrence. The only proven prevention of sudden infant death syndrome involves the monitoring of an infant's heart rate and respiration. And this, Mr. President, is very simple—apnea monitors consist primarily of a belt that easily wraps around a child's chest during sleep or when the infant is otherwise unattended. When the baby experiences an episode of prolonged sleep apnea—an interruption in breathing of 20 seconds or longer—an alarm sounds and immediate resuscitation can begin.

The device is highly effective but, regrettably, it is also relatively expensive—rental fees range as high as $300 per month. As a consequence, it is not feasible to provide home apnea monitors for every infant—indeed, it is probably unnecessary. However, it is imperative that home apnea monitoring be available to all babies who are identified as high risk, especially the siblings of infants who have been stricken by sudden infant death syndrome.

CHAMPUS does cover the use of home monitoring equipment, Mr. President, but only for infants who have suffered medically recorded apnea episodes. It does not reimburse the use of monitors for infants that appear healthy. This is a kind of medical catch 22: Many infants die from their first attack of sleep apnea, but an infant is not eligible for a CHAMPUS-funded apnea monitor until after the first attack. In other words, you have to have an apnea crisis before you can qualify for the monitor under CHAMPUS. If you do not qualify for it, you have to die in order to qualify, and by that time, obviously, it's too late. I hate to speak so crudely, but those are the facts. Clearly, this is an unacceptable situation—especially in the case of siblings of SIDS victims, who are known to be more vulnerable to sleep apnea than non-SIDS siblings.

Mr. President, we must act to correct this shortcoming in current CHAMPUS regulations. Previously, in denying coverage for a seemingly healthy sibling of a SIDS victim, CHAMPUS claimed that "there is no medical or clinical evidence that shows a higher risk for a sibling of a SIDS victim." Yet, I submit for the record, Mr. President, citations from seven research studies whose data consistently demonstrate that subsequent siblings are at 4 to 10 times greater risk of SIDS than infants in the general population.

This Senator's family has suffered experiences along this line. Yet, thanks to apnea monitors, a grandchild has been saved and has grown into a very healthy child, and another grandchild is also coming right along.

Mr. President, CHAMPUS has worked with me to modify its rules and look at the clear medical evidence on subsequent SIDS siblings. It is true that we cannot afford to pay for home monitoring for all babies. But, as I have pointed out, there is no need to monitor all children, only those we have good reason to believe are at special risk—especially SIDS siblings. Other health insurance plans recognize this risk and permit reimbursement for apnea monitors. We have a duty to provide this same coverage to members of our Armed Forces and their families. I am grateful to the DOD for the reversal of its policy and I urge adoption of this amendment.

I ask unanimous consent to have printed in the RECORD the citations to which I referred.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 1.—INCIDENCE OF SIDS IN SIBLINGS OF SIDS VICTIMS

[Per 1,000 live births]

| Study | Sibling | |
|---|---|---|
| | Prior born | Subsequent born |
| Froggatt et al ([1]) | * 11.1–22 (2.3) | |
| Peterson et al ([2]) | | 19–21 |
| Beal ([3]) | * 20 (2.1) | |
| Irgens et al ([4]) | | * 5.6 (1.3) |

* Number in parentheses refers to the incidence (per 1,000 live born) in the general population.

[1] Froggatt P, Lynas MA, MacKenzie G: Epidemiology of sudden unexpected death in infants ("cot death") in Northern Ireland. Br J Prev Soc Med. 25: 119, 1971.

[2] Peterson DR, Chinn NM, Fisher LD: The sudden infant death syndrome: Repetitions in families. J Pediatr. 97: 265, 1980.

[3] Beal SM: Some epidemiological factors about sudden infant death syndrome (SIDS) in South Australia. In, Sudden Infant Death Syndrome. Tildon JT, Roeder LM, Steinschneider A. (eds.) New York: Academic Press, 1983.

[4] Irgens LM, Skjaerven R, Peterson DR: Prospective assessment of recurrence risk in sudden infant death syndrome siblings. J Pediatr. 104: 349, 1984.

TABLE 2.—INCIDENCE OF PROLONGED APNEA IN SUBSEQUENT SIBLINGS

| Study | Sample size | Prolonged apnea (percent)* |
|---|---|---|
| Orlowski, Lonsdale, Nodar ([5]) | 10 | 50 |
| Duffty, Bryan ([6]) | 50 | 24 |
| Kelly ([7]) | 70 | 23 |

* Percentages of siblings who developed episodes of prolonged apnea.

[5] Orlowski JP, Lonsdale D, Nodar RH: Predictions of apnea in siblings of sudden infant death syndrome victims using brainstem auditory evoked potentials. J Pediatr. 98: 1018, 1981.

[6] Duffty P, Bryan MH: Home apnea monitoring in "near-miss" sudden infant death syndrome (SIDS) and in siblings of SIDS victims. Pediatrics, 70: 69, 1982.

[7] Kelly DH: incidence of severe apnea and death in infants identified as high risk for sudden infant death syndrome. In, Sudden Infant Death Syndrome, Tildon JT, Roeder LM Steinschneider A. (eds.) New York: Academic Press, 1983, pp. 607–613.

I will be glad to yield if the Senator from California has any questions.

Mr. DIXON. Mr. President, speaking for this side, I congratulate the Senator from South Carolina on the very fine, humanitarian purposes of his amendment. This amendment has been cleared on this side and we are delighted to support it.

Mr. HOLLINGS. I thank the distinguished Senator from Illinois.

Mr. WILSON. Mr. President, I commend my distinguished colleague from South Carolina for what I think is a very good amendment. He has stated, not crudely but eloquently, the need for this extended coverage of CHAMPUS.

The heartbreak visited upon parents of infants who are victims, who have succumbed to sudden infant death syndrome, is not only understandable, but also, it is avoidable. Happily, modern technology has given us the means whereby an alarm can detect the cessation of breathing; and by means of that alarm, in some cases the infant is awakened and breathing is resumed. In other cases, the parent is alerted, so that corrective action may be taken and this totally needless tragedy averted.

As the Senator from South Carolina has correctly indicated, there are now valid indicators of the presence of this affliction. It does seem to be a thing that runs in families. Siblings are more likely to suffer this.

So what he has done is a very simple but very necessary thing—CHAMPUS coverage, by which we seek to assure health benefits to the dependents of active-duty military personnel. Obviously, if it does not contain coverage of this kind, it has a significant omission.

Most of the active duty personnel of the Armed Forces are relatively young people, families of childbearing age. So this is a particularly desirable change in the law.

In fact, I think this is such a desirable thing that I ask my colleague if he intends to seek a rollcall vote. I think a number of people would like to cast a vote on this measure.

Mr. HOLLINGS. I would be pleased to have the yeas and nays, but I do not want to delay the bill. I do not know what the disposition is of the managers of the bill. I think we may adopt it by a voice vote, but a rollcall vote would suit me.

Mr. DIXON. We would be delighted to adopt it on a voice vote, unless the other side wants a rollcall vote.

Mr. WILSON. I think a number of people would like to be on record.

Mr. NUNN. Mr. President, I ask my colleague from California to withhold the yeas and nays unless there is a real desire. We have 80 amendments, and I hope we can dispose of a number of them. If we have rollcall votes on these kinds of amendments, we are going to get further and further behind. I hope we can accept this amendment on a voice vote, unless the Senator from South Carolina desires a rollcall vote.

Mr. HOLLINGS. I will be glad to cooperate, and I appreciate the cooperation of the managers of the bill. I certainly appreciate the support of the Senator from California.

Mr. DIXON. Is there a request for the yeas and nays? There is none on this side.

Mr. WILSON. I yield to the wishes of the sponsor. I think a number of people would like to be on record.

Mr. DIXON. If there is no request for the yeas and nays, I suggest that the Chair put the question.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 688) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. I thank the distinguished manager.

The PRESIDING OFFICER. The question now recurs on the Glenn amendment.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. WARNER. Mr. President, I object. First of all, we have to be consistent with the unanimous consent agreement. We have to set the pending amendment aside, and this Senator will accede to that. We have to be procedurally accurate.

### AMENDMENT NO. 687

(Purpose: To permit the Department of Defense to procure manual typewriters from Warsaw Pact countries that have a most favored nation trading status with the United States)

Mr. DIXON. Mr. President, I ask unanimous consent that the Glenn amendment be set aside for the purpose of considering an amendment, and I have sent the amendment to the desk subject to the unanimous consent being obtained.

Mr. WARNER. There is no objection on this side, Mr. President.

Mr. DIXON. I thank my distinguished friend.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON Mr. President, I ask unanimous consent that my distinguished colleague from Illinois, Senator PAUL SIMON, be listed as a principal cosponsor with me on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for himself and Mr. SIMON, proposes an amendment numbered 687.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 114, between lines 13 and 14, insert the following new section:

SEC. . PROCUREMENT OF MANUAL TYPEWRITERS.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410. Procurement of manual typewriters

"Funds appropriated to or for the use of the Department of Defense may not be used for the procurement of manual typewriters which contain one or more components manufactured in a country which is a member of the Warsaw Pact unless such country has a most favored nation trading status with the United States.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2410. Procurement of manual typewriters.".

Mr. DIXON. Mr. President, we are back again on the amendment regarding the Polish typewriters. The present law provides that Warsaw Pact nations may not compete in connection with the procurement and acquisition of manual typewriters by the Department of Defense.

This amendment would obviate that requirement of the law so that most-favored-nation status, Warsaw Pact nations may participate in competition in respect to the purchase of manual typewriters by the Department of Defense.

Mr. President, the Department of Defense is being forced to buy high priced, lower quality manual typewriters. Since 1983, our Army has been forbidden from even accepting bids from the manufacturers of the cheapest, highest quality typewriters available; the Polish made Predom manual typewriter. My amendment would end this practice and allow DOD to consider bids that would save them and the taxpayers money.

Manual typewriters are not made in the United States. They are mainly produced in Brazil and Eastern Europe. The Government has no choice but to buy imported machines.

DOD mainly purchases Brazilian-made Olivetti typewriters. Current language, annually included in the DOD appropriations bill forbids any member of the Warsaw Pact from competing for the $1.15 million contract.

My amendment proposes that we open bidding to Warsaw Pact countries who possess most-favored-nation trading status. This group includes Poland, Yugoslavia, and Hungary.

I do not propose that we allow Warsaw Pact countries to compete for the manual typewriter contract. There are good reasons for disallowing many of the countries from benefiting from U.S. Government procurement.

The most important reason is the failure to observe human rights. Most-favored-nation trading status in the case of Communist countries is a privilege granted only to countries who choose to observe human rights. Nations who do not follow this course will not retain their most-favored-nation trading status. For example, this Congress, with myself included, recently voted to revoke Romania's MFN status because of its terrible human rights record.

So, Warsaw Pact countries who do possess most favored trading status and observe human rights should not be denied an economic advantage based on this rationale.

There is no reason for the United States Government to continue to subsidize a Brazilian company. Considering that the volume of purchases each year is about 5,000 to 10,000 units, the cost of this subsidy is substantial.

No American jobs or industry are saved through this subsidy. It only serves to increase the cost passed on to the taxpayer.

The Brazilian typewriter costs $141 per unit. Much of its construction is plastic and thereby not very durable.

The Polish-made Predom typewriter costs $137, $4 less per unit, and is completely constructed of metal.

The Predom manual typewriter is cheaper and more durable. This product should be allowed to compete in DOD's bidding process.

In addition, national security will not be affected by the potential purchase of Polish typewriters. The Predom typewriter is licensed for production to Poland by a Swedish company. Consequently, parts for the typewriters are available from Sweden, West Germany, and Switzerland. Also, parts to cover any contingency are stocked by the American distributor. In the event of war, typewriters already purchased by DOD will be easily serviced.

Finally, the Department of Defense is not adverse to allowing more competition in the manual typewriter bidding process. In a letter addressed to me, Mr. Robert B. Costello, the Assistant Secretary of Defense Production and Logistics, stated that the Department of Defense "views the continuance of the restriction"—on Warsaw Pact typewriters—"as a matter of congressional discretion."

My amendment would not grant the contract to the Polish typewriter. It would only allow them to engage in the bidding process. Olivetti would still be able to compete.

There is no reason to subsidize a Brazilian manufacturer and to not allow the Polish typewriter to compete. American jobs are not at stake. National security would not be impaired. The U.S. Government would not be providing business to a country that violates our human rights standards. I urge my colleagues to join me in saving the taxpayers money and in establishing a fair bidding process by supporting my amendment.

Mr. President, there are two most-favored-nation status, Warsaw Pact nations now—Poland and Romania. The Senate is familiar with the fact that in the trade bill we removed the most-favored-nation status of Romania. This Senator voted in favor of doing that. I would hope that that provision in the trade bill is enacted into law so that the only nation that would be affected by this amendment should that occur would be Poland. If that is not the case, then I would suggest that we would want to further modify this amendment to the DOD authorization bill in the conference to see to it that the law applies only to Poland.

Again, the sole and only purpose for the offering of this amendment is to give the Department of Defense the opportunity to accept competitive bids and so to determine what is the best quality typewriter for the least price. This is the reason why I am offering this amendment.

I yield the floor.

Mr. WARNER. Mr. President, it is the intention of this Senator to be supportive of the amendment and to vote in favor of it. I renew at this time, having had a discussion with the distinguished manager of the bill, the request for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. WARNER. Now, Mr. President, the purpose for asking for the yeas and nays by the Senator from Virginia is as stated earlier in our colloquy that as I interpret the amendment, and the Senator from Illinois has now confirmed my interpretation, there are two Warsaw Pact nations—Romania being one of those nations. In the context of the trade bill, this body adopted an amendment which would have the effect of revoking the most-favored-nation status of Romania.

I was supportive of that amendment and therefore—I think it is important that all Senators recognize, one, that as now drafted, Romania could enter the competition, and the distinguished Senator from Illinois has acknowledged that, and therefore—recognizing that the opportunity which I interpret to be in conflict with the overall long-term objectives of this body as expressed in the amendment on the trade bill, there is a conflict and, therefore, Senators should be allowed to address that as they vote on this bill and they may wish to put in statements in connection with that vote to clarify their positions on the Dixon amendment, so as it is not to be in conflict with their position on the trade bill. I think we owe that to them.

I appreciate my colleagues agreeing that a record vote is in order on this. I personally, Mr. President, favor additional trade with Poland. I had the privilege of visiting Poland earlier this spring with the chairman, the Senator from Georgia, at which time we had very productive talks with the leaders of that nation. I have high hopes for the people of that nation, high hopes that they will eventually begin to achieve greater freedom and civil rights, and perhaps this is but a small step forward, but an important step forward in that direction.

Basically, I concur in the objectives of the Senator from Illinois to try to

find every means within the Department of Defense to save a nickel. And this might well have that effect. It could be that Brazil and other nations could come in and begin to compete, but nevertheless the cost savings would incur to the taxpayers of the United States.

Mr. President, I see the Senator from Georgia seeking recognition. I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I share the views expressed by my colleague from Virginia. We did visit Poland this year. We had a number of conversations with governmental officials. Some of the talks were productive, some of them were not.

But we had inspiring conversations with Polish citizens and with church leaders. And they were uniformly not only enlightening, but they were also inspiring. The people of Poland are indeed proud, noble, productive, and energetic people. And if that system will simply give these people of Poland some flexibility and unleash them, they will be one of the very productive nations of Europe.

So I hope that this amendment passes. There is the complication which I believe has been discussed about the Senate having taken a position regarding Romania on the trade bill. That position basically takes away the most-favored-nation treatment for a period of time hoping to give incentive to Romania to ease up on some of the abuses of the people in that nation.

This amendment, of course, is generic and "most favored nation" would include both of those countries. I can assure our colleagues, however, that we will watch what happens in the conference on armed services and what happens in the conference on trade, because I think it is much better not to single out countries in regard to most-favored-nation status. But I do think those two things have to be coordinated, otherwise the Senate could end up taking inconsistent positions.

We will watch that very carefully, and I am sure the Senator from Illinois will watch it carefully. I congratulate him on this amendment. I know that there are people here who follow Eastern European affairs in this country that will also be proud of the lead the Senator is taking, because this amendment is not only in keeping with trying to help the Polish people, but also saves money for the Department of Defense.

Mr. WARNER. Mr. President, I thank the distinguished manager of the bill, and I thank him for supporting this Senator in seeking the opportunity for all Members to express their will on this amendment so as to protect them in connection with their prior votes on the trade bill.

I think we should make it clear in the colloquy on this amendment that it is not the intention of any Senator to discriminate against Brazil or any other country that wants to come in and compete. It simply broadens the base of competition. If the Brazilians can come in and compete on this at a lower cost and profit, that opportunity remains.

Mr. DIXON. Mr. President, I thank the distinguished ranking member for his comments. I thank the distinguished chairman for his comments.

I have no further comments.

Mr. President, I suggest the absence of a quorum temporarily while we have a further discussion.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 689

(Purpose: To reduce from 60 to 55 the age for nontermination of the annuity of a surviving spouse under the Survivor Benefit Plan after the remarriage of the surviving spouse)

Mr. NUNN. Mr. President, I have a technical amendment here that I would like to offer at an appropriate time which makes a technical correction to a provision enacted into law in the Fiscal Year 1987 Defense Authorization Act. This provision adjusted the age at which a surviving spouse of a military member is entitled to certain benefits under the survivor benefit plan. The age was changed from 60 to 55 in this provision.

Due to a drafting error, this change from 60 to 55 was inadvertently omitted from one pertinent section of the statute.

So this technical correction changes that and corrects this omission.

I ask unanimous consent that the Dixon amendment, which is now pending, be temporarily laid aside for the consideration of this amendment, at which time we would revert to the Dixon amendment.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Mr. President, I do not intend to object, I just bring to the attention of the manager, the Senator from Georgia, that I believe parliamentarily we would have to set aside the Dixon amendment and set aside the Glenn amendment, and on both of those actions there will be no objection on this side, then proceed to the technical amendment.

The PRESIDING OFFICER. In the Chair's judgment, it is sufficient at this time to just set aside the Dixon amendment.

Mr. WARNER. There is no objection on this side.

Mr. President, I ask unanimous consent that the Senator from Virginia and the Senator from California [Mr. WILSON] be made cosponsors of this amendment. It is an important technical correction, and we are quite prepared to act on it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the request of the Senator from Georgia to temporarily set aside the amendment of the Senator from Illinois? Hearing no objection, the clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for himself, Mr. WARNER and Mr. WILSON, proposes an amendment numbered 689.

On page 77, between lines 6 and 7, insert the following new section:

SEC. 644. AGE FOR NONTERMINATION OF SBP SURVIVING SPOUSE ANNUITY AFTER REMARRIAGE.

(a) RESUMPTION OF ANNUITY UPON TERMINATION OF DIC FOR REMARRIAGE.—Section 1450(k)(1) of title 10, United States Code, is amended by striking out "60" and inserting in lieu thereof "55".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply as if included in the amendments made by section 643(a) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3666).

On page 77, line 7, strike out "SEC. 644" and insert in lieu thereof "SEC. 645".

Mr. NUNN. Mr. President, I move the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 689) was agreed to.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DIXON. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 687

Mr. DIXON. I understand the distinguished ranking member and chairman are prepared to proceed with the rollcall on this amendment.

Mr. WARNER. That is an accurate statement, Mr. President. I once again call to the attention of all Senators the fact that the pending amendment would enable Romania to participate in this competitive contracting for the manual typewriters. While I intend to vote in favor, I wish to say at this time for the purpose of the record that I continue to adhere to the position that I expressed in my vote on the trade bill when the subject of most-favored-nation status with respect to the nation of Romania arose. It may well be in the interest of other Senators who are about to vote on this to likewise indicate for the purpose of the record, should there be any possibility of inconsistency in their votes.

This Senator asks for the yeas and nays. Indeed, I think the manger of the bill and distinguished Senator from Illinois will take precautionary steps to protect my colleagues.

Mr. DIXON. Let the record show I voted to remove the most-favored-nation status for Romania. I continue to support that position. We will support it as conferees on the trade bill. Should that trade bill not emerge as law I will, in the conference, take the necessary steps, working with the chairman and the ranking member and those on the House side to prevent the Romanian favored nation status in this bill.

The PRESIDING OFFICER. Is there further debate? There being no further debate, the question is on agreeing to the amendment of the Senator from Illinois. the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announced that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

I further announce that the Senator from Michigan [Mr. LEVIN] is absent due to illness.

I also announce that the Senator from New Jersey [Mr. LAUTENBERG] is absent because of a death in the family.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

I also announce that the Senator from Vermont [Mr. STAFFORD] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 41, as follows:

[Rollcall Vote No. 249 Leg.]

YEAS—53

Adams
Armstrong
Baucus
Bentsen
Biden
Bond
Bradley
Bumpers
Burdick
Chafee
Cranston
Danforth
Daschle
Dixon
Dodd
Dole
Durenberger
Evans
Exon
Fowler
Glenn
Gore
Graham
Harkin
Hatch
Hatfield
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Leahy
Lugar
Matsunaga
McCain
McConnell
Melcher
Mikulski
Moynihan
Murkowski
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Simon
Stennis
Warner
Wirth

NAYS—41

Bingaman
Boschwitz
Breaux
Byrd
Chiles
Cochran
Cohen
Conrad
D'Amato
DeConcini
Domenici
Ford
Garn
Gramm
Grassley
Hecht
Heflin
Helms
Hollings
Humphrey
Karnes
Kasten
McClure
Metzenbaum
Mitchell
Nickles
Pressler
Proxmire
Quayle
Rudman
Sarbanes
Sasser
Shelby
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Weicker
Wilson

NOT VOTING—6

Boren
Heinz
Lautenberg
Levin
Specter
Stafford

So the amendment (No. 687) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

The PRESIDING OFFICER. The Senate will be in order. Senators will cease audible conversations.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senate cannot proceed until the Senate is in order.

Mr. NUNN. Mr. President, I hope that we can have the Senator from Ohio here very shortly. I hope we can begin on the Glenn amendment in about 5 minutes. I have been requested to put in a quorum call. There are a couple of meetings going on. We can discuss the order of business here on the defense bill. I will send word to the Senator from Ohio that we are ready to take up his amendment. I understand that is the pending business.

The PRESIDING OFFICER. That is correct.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. I ask unanimous consent to add Senator Riegle as a cosponsor of my SDI-related amendment No. 680.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, last Friday I proposed an amendment to the fiscal 1988 and 1989 Department of Defense Authorization Act which places certain restrictions on the award of SDI-related research contracts overseas.

Identical legislation has already been passed by the House of Representatives on May 12.

Let me give just a little bit of background about why I think this is an important amendment.

Mr. President, if we all had to stand here today and pick one or two or three items that we think are important because it is for development of our Nation ahead of other nations, for it to leapfrog in progress ahead of other nations around this world in a short, little timeframe in history, I am sure there would be some who would rise to address the Senate and say, "Well, we had great resources and we had flowing rivers, we had purple mountain majesties, we had fruited plains, we had all the things that we sing about that made this country great and of which we are justifiably proud.

But I would submit there are other places around this world, Mr. President, that have great resources. They did not develop the way the United States of America developed. I would submit there are two very basic, fundamental factors that permitted the United States to develop the way we did. One of them has a great deal to do with this amendment this morning.

The first I mention, however: We set up an educational system in this Nation of ours that came to be for everybody. It was not for just the selected few. It was not for the rich kids. It was not just for the politically well-connected. It was not just for the kids from the castle, as it might have been in other lands before our Nation was formed and before we had a Constitution that said that we, the people, wanted to do certain things. One of those certain things was that we wanted to make sure that our people were educated. So education in this Nation of ours came to be for everyone. It came to be for all of our people and now that became and educated citizenry.

This amendment deals only peripherally with that. It is not addressed basically to education but it is addressed to the second thing that I believe made this Nation of ours preeminent in a short time period in history; why we leapfrogged ahead of other nations. That second point is: We were willing to put more of our gross national product back into basic, fundamental research, breakthrough Nobel laureate type research; more basic, fundamental research than any nation in history.

We learned those new things first and put them to work with that educated citizenry across the world. We created the new jobs and new industries.

That little combination there of education and of research, those two things, is what I believe were more responsible than anything else for the advancement of the United States of America.

What does that have to do with SDI? The strategic defense initiative is the greatest research project ever put together in the history of this world. That is what it is, a research project. It is not ready to be a deployment system yet. It is not ready to be a full-blown system ready to go into action today, even though the administration

would like to get some of them deployed in their waning years, get them locked in, even though they are not ready to go.

I spent 10 days in the last two summers going around to some of our leading scientists in this country to get their opinion of whether we are on the verge of breakthroughs and what would be necessary to make SDI go, to let it go.

There are three areas basically: Laser projection, particle beam area, and radar detection. We need major breakthroughs in those areas before we can even consider here in the Congress whether we want to exercise the option to deploy or not.

What do they say? They say before we make breakthroughs in those areas they would estimate with even all of our research we have going, billions of dollars of research, the biggest project ever put together, that it will be at least 10 years and maybe as many as 15, and some say perhaps even 20 years, before we really have all of this developed in the particular beam area, in the laser projection area, and in the computer area.

So we have a huge research project going. There will be many civilian spinoffs from that as we learn better how to control laser, micro and macro; how we control orientation of units in space for roll, pitch, and yaw to a degree never achieved before; what that means to inertial guidance and application to airplanes, and a whole host of things. New techniques and materials have to be developed for mirrors in the SDI Program. That has spinoffs to the civilian economy.

We could go on talking all afternoon about the potential for civilian spinoffs that we have in this program.

What is the history of SDI? The President proposed SDI, better known as star wars, back in 1983. There was a lot of interest, a lot of pro and con on it in our country, a lot of people for it and a lot of people against it.

What was the reaction of our allies? The reaction of our allies was nil. At best, some of them kept quiet and others were very critical of the whole thing. They thought it would upset the chances for arms control. They did not want to see it. They thought it was a whole new concept that changed the mutually assured destruction concept over the one of mutually assured protection, which is a nice thing to think about. It is one difficult to attain. They were very skeptical about it.

So we went along for 2 years with our allies not really supportive of this whole program. Nobody jumped on board. To be charitable, we could say some of them just kept quiet and others were openly critical of the whole thing. Some of our allies at best just kept quiet.

So the President felt he was out there alone, hung out to dry by our allies. What did he do?

In 1985, he proposed that we share these research dollars with our allies, that we give some of this research money to our allies and see whether they would support us then.

Well, that was a big sales job even at that point. Some of the leaders of these foreign nations had a tough time even at that saying, "Well, we will accept your research dollars. We want to spend them in our country, certainly. We want to get in on this. We want to build our laboratories, we want to build our technicians, our scientific infrastructure in our countries, but not necessarily because we are that much in support of star wars but because we know this is going to be of great value to our country."

Lo and behold, the United States of America, the U.S.A., is going to supply all of the money for this. Blessings on the United States of America.

"Will we then say," speaking as a foreign government head, "well, I better get behind this because I may get several hundred millions of dollars out of this to help build my own research structure in my own country; my own technicians, who will develop their capability. We will have a lot of spinoffs from this kind of scientific advancement. It will be of benefit to our economy."

And what does it look like on our side of the ocean?

What we see right now are foreign governments, the Japanese, German, French, British, others, beginning to outcompete the United States in certain selected fields already. We know they are pouring more money into research to build up their research establishments. It is a big priority for them. Well it might be, because they have seen what the goose was that laid the golden egg in the United States. They are putting more money into education and research.

Are we behind yet? No, no, we are not behind yet in the research area. We are still well ahead.

But the trend is wrong. We are cutting back. In the first year of this administration, they proposed cutting back almost 29 percent in basic research funding at the time period when all of these other nations were beginning to put more and more into basic research.

We were able to hold that to some 16 to 17 percent cut in the first couple of years of this admininstration. So our basic research funding has not been decimated.

Here we are knowing that foreign nations are beginning to put more into research, the key to the future, the key to our competitiveness in the future, that big buzzword we have now, competitiveness in trade, and here we are going to send out hundreds of millions of dollars, potentially, to help them build up their scientific infrastructure, their research capability, to outcompete the United States of America down the road 5, 10, 15, 20 years and on into the future.

These nations are not even participating in SDI. They have yet to put the first dollar into SDI. Yet they want to share in the research. Why would they not? That is a big freebee for Uncle Sam to send over to help them out, help build up their laboratories to outcompete us in the future. Does that make any sense?

Well, it does not to me. That is why I am addressing it with this amendment.

This amendment very basically says that they are not participating. It says we do not see any reason why we should in fact send our research dollars over there, when they are not even participating in the program, and help them build up their scientific infrastructure to outcompete us in the future.

Mr. President, this legislation requires that funds appropriated for research in the Strategic Defense Initiative Program during any fiscal year be spent in the U.S.A., unless, and it makes some exemptions in this. I do not want to be unreasonable about it. Unless the Secretary of Defense certifies to the Congress in writing at any time during such fiscal year that the work to be performed under the contract "cannot be competently performed by a U.S. firm at a price equal to or less than the price at which the research, development, testing or evaluation would be performed by a foreign country."

In other words, if we have a foreign firm that says, "Here is the capability we have with regard to optics, mirrors, computers," whatever it is, and they come in and bid on this and they are going to be able to come in and outbid an American company and do that research cheaper than an American company, I say, bless them, let them go. Let them be paid. It will help build up their research. They are doing it cheaper than our own firms are willing to do it. I would not restrict that, so long as our own firm is not competent to perform.

I would say if it is in our own country, it should be performed in the United States unless they can undercut us on price or we cannot meet them on price.

There are some things the amendment does not do. It does not affect contracts awarded before enactment or contracts awarded in the United States. If a foreign company has an interest in this country with the work to be done here, OK, we will make an exception. This will be done with foreign-owned firms located in the United States that employ American citizens.

The amendment does not affect contracts awarded exclusively for research, development, test, or evaluation in connection with the ATBM, a program of very special concern to our allies.

We had some debate about this whole thing on the floor last year. So it exempts that. There were many people concerned about that so we have exempted that program completely.

This measure is similar to legislation that I introduced last year on the floor of the Senate during consideration of the 1987 Department of Defense authorization bill.

Last year's amendment, I would say to you, was a little more restrictive. It prohibited DOD expenditure of SDI funds overseas unless the Secretary of Defense certified to Congress in writing that the contract could not be "reasonably performed in the United States by a U.S. firm." That was much more restrictive than what we have in the language this year.

So to all those people who voted with me last year on this, I say vote with me again if you want to follow exactly the same logic, the same rationale we had last year, but it is even more attractive this year. I hope it would attract more votes than we had last year. Last year's vote was a very, very definitive vote. A motion to table my amendment last year was defeated overwhelmingly by a vote of 64 to 33. And then as a result of that overwhelming 2 to 1 vote the amendment was subsequently approved on a voice vote. However, we lost it in conference last year. The House did not have similar legislation.

So we took that up with them this year. They have now passed legislation that is identical to the language of my amendment. I am hoping we cannot only have that 2-to-1 vote on this amendment this year but perhaps can even improve upon that.

So very clearly, Mr. President, at a time when our own research base is hurting, trending in the wrong direction, we should use SDI research to build up our own infrastructure, not that of our economic competitors, in the future. There is not a single person in this room who does not have an interest in some college or university—every Senator certainly does—where they want research funding. They are crying for research funding. They want the upgrading of their labs. They want the upgrading of equipment. They would love to share in some of this research. I want to see us building up our own scientific infrastructure, not that of our allies who are not even willing to participate in the SDI Program.

An unpopular kid can be very popular out on the school ground if he has a big bag of candy and he is willing to pass it out, but how long is that popularity going to last—and is it really popularity that is deserved and believed in? Have you gained some really true friends by giving them pieces of candy out of this bag? We do not have a single one of these nations participating in SDI and yet they want the gravy, they want the benefits of SDI research. I do not blame them.

Let me give you an example. The opposition of Helmut Kohl in Germany, after having been ambivalent if not hostile toward the SDI Program when it was announced, was diminished somewhat by the Reagan administration's invitation to participate in the program. The Federal Republic of Germany's Kohl government, for instance, in order to overcome resistance to participation in the SDI Program, emphasized the enormous commercial benefits to be derived from SDI research. They talked openly about building up their own economic infrastructure with this kind of research which would be financed from the United States of America. They would not have to put one single dollar into it, either into the basic SDI Program or into the research itself—no matching fund requirement or anything like it.

Out of our largesse and to buy support, to bribe support for the SDI Program, we give them money to run certain parts of research that should be done in our own country. Is there any doubt about how the Germans view this? No, I do not think there is, for another reason. They administer the program out of their economics ministry. They do not even put it in their defense ministry. The Federal Republic of Germany's economics ministry is managing West Germany's participation in SDI. That is what they think of it. I think it reflects the nature of their country's interest in this program.

There was another interesting quote, too, that we noted the other day. A European view on this amendment was recently expressed by Sir Raymond Lygo, who is a 36-year veteran of the British Royal Navy and currently the chief executive officer of British Aerospace. In the August 31 edition of Defense News, he stated, when he was asked a question about this:

> I must say I have a great deal of sympathy with Congress in this matter. . . . Unless the Europeans themselves are prepared to put money into SDI, I really didn't understand why the American taxpayer was supposed to put money into European industry. It didn't seem to me to be a particularly fair arrangement.

That is not some person off the street. That is the chief executive officer of British Aerospace, as quoted in the August 31 edition of Defense News.

So we in Congress, I feel, must be willing to determine how our increasingly limited national resources are to be spent on SDI research. I do not like to see us gain support for this program with out allies solely on the basis of research money they are willing to receive from us, with no other indication of support for the program other than, sure, they would like to build up their own research structure and reap the benefits at our expense, at the very same time we should be building up our own research in this country.

Mr. President, I would only close these remarks and respond to any questions anyone may have about this by saying I think this Nation became what it is because of the education of all of our people and because we were willing to put more of our gross national product back into basic research. We learned those new things first. That is what has built this country, whether it came out of defense research or other civilian labor research, Bell Labs, Monsanto, 3/M, DuPont—the very few companies that really put a lot of money, big money on a consistent basis into basic fundamental research. Blessings on them for doing it, but by far most of the very basic, fundamental research money in this country has come from Government contracts.

That to me is important. And this is the biggest research project ever, dealing with some of the most fundamental physical laws of nature in which we are trying to make breakthroughs. This deals with some of the most fundamental research that may well give us for generations to come a leg up on other nations in these particular areas—computers, lasers neutral particle beams, and so on. We should not say to the American taxpayer that your tax dollars will go to help foreign nations that will not even support the SDI Program but we will now give them research money so that in decades hence they can be more competitive with the United States with all of our trade problems, with the concern we have about fair trade and equal trade and making sure that we stay ahead and that we are the preeminent Nation in this world. We set out under this program to buy support for SDI from our allies, buy support, support that they were not willing to give until we held out this big carrot, this sack of candy, if you will. So they have gone along with it because they are getting something out of it. They certainly are. It is some of the most basic research we could possibly be funding and we are paying for it en toto, 100 percent on each project awarded. That is what we have. That is what this amendment addresses, in summary.

I would be glad to answer any questions on it.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER (Mr. Wirth). The Senator from Virginia.

Mr. WARNER. Mr. President, indeed, with some reluctance, I raise in opposition to this amendment. The distinguished Senator from Ohio has articulated a very persuasive case. He articulated his case against a background of success last year when, indeed, the votes were heavily in favor of a proposition not dissimilar in many respects to the one that is now pending before us.

Mr. President, I am compelled to indicate my opposition and encourage others to at least first consider this amendment once again from a fresh perspective before deciding to cast their votes.

I will momentarily send to the desk an amendment, one which I think is eminently fair. I first wish to generalize the content of that amendment and afterward to respond to any inquiries of my distinguished colleague from Ohio, and then I will endeavor to give a very precise and technical definition of what the amendment seeks to achieve.

First, the nature of the amendment. Intentionally or unintentionally, our good friend from Ohio has taken out SDI and sort of set it in a special category apart from a wide range of contracts for weapons of all types.

This Nation does not stand alone in the area of research and development on weaponry. As a matter of fact, for many of the weapons that we are using today certainly parts of those systems have been researched and developed by our allies and other friendly nations.

The Glenn amendment is going to the very heart of this rather lengthy program originating perhaps long before this Senator came on the Earth—who knows? But, anyway, today we have a vast network interlocking arrangements with countries concerning weaponry.

This amendment has the effect, of course, undoing at least four agreements that we have made with four of our most valued allies, and then establishing a precedent that our Nation can carve out from this vast range of weaponry one segment of weapons and deny them the opportunity to equally and very competitively offer as their technology.

That is a bad precedent. We can anticipate some of our allies and friendly nations coming forward and saying, well, if America is going to do that, then we will likewise cut out that area of expertise where perhaps we are preeminent and not let American firms compete.

Our good friend addressed the question of jobs, one of the most sensitive issues in this Nation today other than a person's church, his home, or his family. The job is one of the most valued things not just for the economics, but for the pride of being a working man or woman in this Nation of ours. But I forewarn those that are anxious to climb aboard the Glenn amendment that while this may protect a certain segment of jobs, it could well result in the loss of jobs in other areas.

So the purpose of the amendment which I will send forth shortly is simply to put the contracting in SDI on an equal footing with the contracting in all other weapons systems. Through the years, the Congress and indeed Members of this body and one in particular, the former Senator from Indiana, Birch Bayh, devised laws which would protect American interests and at the same time establish a balance with the competition from other nations. It is known as the Bayh amendment. And my amendment simply states that SDI should be treated fairly and equally under the existing law along with all other contracts. It prevents my good friend from Ohio using this amendment pending as a vehicle to segregate SDI and treat it differently.

My amendment says the existing law gives adequate protection for defense contracting, let us keep SDI contracts in that posture, as they are being treated today under the Bayh amendment and the principles embraced therein. That seems to me to be imminently fair and equal.

Now, Mr. President, I will proceed to address this in a more technical manner. As I stated, SDI contracts today are being awarded strictly on the basis of technical merit and cost in accordance with the procurement policies that Congress has mandated for all types of defense contracts.

Contracts with allies have been compliant with the Bayh amendment that provides no DOD research and development contracts may be awarded to foreign firms if a U.S. firm is equally competent and willing to work at a lower cost. That is a fair standard. We should apply it equally to all contracts.

SDI contracts have also been compliant with the provision in the fiscal year 1987 Defense Appropriation Act that prohibits any set-aside of SDI research funds for foreign firms, and further states that U.S. firms should receive SDI contracts unless degraded results would occur. That is degraded results. Not only does that bear on the effectiveness of the weapons system, but let us not open up opportunity where the American taxpayer, contributing to the defense of America with their tax dollars, is compelled by this amendment offered by the Senator from Ohio to spend those dollars on areas of research and development that are less technically competent than can be acquired from abroad.

These previous acts of Congress set forth the principle for contracts with foreign nations that the pending amendment changes in a most dramatic and significant way. That principle is that we should not accept lower standards in the interest of favoring U.S. firms. It is a principle that is applied across the board for DOD contracting with foreign firms.

This amendment reverses that principle for SDI, and only SDI. Regrettably SDI has been picked out as the whipping boy here, picked in this Chamber now for many years, and here is another step forward. And I think we should move with great caution.

Mr. President, the amendment would damage important U.S. economic interests by inviting similar action by foreign nations. We just voted not more than an hour ago on a provision—oh, yes, relating to manual typewriters, but nevertheless to allow another nation, in this instance Poland, to compete fairly in the arena of contracts.

Now we are about to address an amendment which just does the reverse, namely creates a situation of unfairness for foreign nations in the area of SDI contracts.

I would hope the Senate would not be inconsistent on votes within just a matter of hours.

Foreign governments invest considerable sums on defense R&D in the United States. The United Kingdom alone has spent over $1 billion in the United States for this purpose over just the past 5 years.

Mr. President, in the rush again to assault SDI, we may well be losing sight of the advances that we are making in terms of R&D contracting in the conventional weapon area with our allies and other friendly nations. One of the issues that is currently on the forefront of the national security agenda—and how many times has the distinguished chairman of the Senate Armed Services Committee, acknowledged leader on this principle, spoke of the imbalance of conventional weaponry that exists between this Nation and the Warsaw Pact—is the issue of force imbalance in Europe. Always a high priority, the conventional imbalance has taken on added importance in view of the prospects for significant reduction in intermediate-range nuclear missiles. The negotiations as we know are going on at this very moment. And we are all hopeful and expect a fruitful result. But that result could have dramatic impact in the area of conventional weaponry. So we had better look at our rear guard as we are again assaulting SDI.

It is against this background that cooperation with our NATO allies which Senator Nunn, I and others in this Chamber have urged to be a matter of the highest priority for several years is even a more urgent priority.

I see on the floor the distinguished Senator from Delaware. He is recognized in this Chamber as being one of the experts in this area of the imbalance of conventional weaponry and the need for research and development and contracts with many of our allies.

This amendment strikes at the very heart of that cooperation. It directly undermines the allied cooperation that we have secured with memoranda of understanding with four allied governments on SDI research and undermines the cooperation we are seeking in other areas of defense cooperation, especially the enhancement of conventional defenses.

Mr. President, the call of "Buy American" is loud and persuasive and one which we all want to join in, with the heartfelt sense that we are doing the right thing. But in this instance, we would be doing the wrong thing. It is for that reason that I urge my colleagues to consider carefully the implications of the Glenn amendment and, likewise, consider carefully this amendment, which is advanced in the spirit of fairness.

The Glenn amendment singles out SDI. It unwinds and I think virtually breaks the cooperative agreements with several of our allies who are now working on R&D. It threatens U.S. economic interests should allied nations similarly restrict their substantial U.S. investments in R&D.

We must remember that R&D in weaponry is an across-the-board situation; and if we begin to adjust it in one category, such as SDI, there is a reaction in the other categories of conventional weapons.

My hope and expectation is that those nations that join the United States in SDI contracting are likewise considering investing added dollars in the areas of conventional weaponry and R&D research in this country. Were the Glenn amendment to prevail, they would have to say to themselves: "We had better take a second look at whether or not we should make that investment in conventional R&D in the United States, since now we have been virtually blockaded from a fair playing ground in the area of SDI."

The amendment undermines cooperation with our allies at a time when this cooperation is most urgent to redress conventional force imbalances in Europe.

Congress already has legislation in place that establishes an appropriate policy—a level playing field, which is a favorite phrase in this Chamber—for contracting with our allies and our friendly nations. It protects U.S. interests, while at the same time recognizing that the United States does not enjoy technical leadership in every area of technology. It enables U.S. taxpayers to contribute their dollars in a manner in which the decision-makers will best apply them and get the greatest sales.

Mr. President, I believe that the Glenn amendment can be perfected—and I say that respectfully to my good friend—in a manner that addresses the concerns which he legitimately has. This amendment, as I have outlined, is to improve certain technical aspects of the Glenn proposal.

Therefore, I now send to the desk a perfecting amendment and ask for its immediate consideration.

AMENDMENT NO. 690 TO AMENDMENT NO. 680

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Virginia [Mr. Warner] proposes an amendment numbered 690 to the Glenn amendment numbered 680.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the amendment numbered 680 strike out subsections (b) and (c) and insert in lieu thereof the following:

"(b) Exclusion of Prohibition Upon Annual Certification of the Secretary of Defense.—The prohibition in subsection (a) shall not apply to those contracts in any fiscal year for which the Secretary of Defense certifies to Congress in writing before the end of such fiscal year that the research, development, testing, or evaluation performed under such contracts cannot be performed with equal competence by a United States firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm.

(c) Exception for Certain Contracts.—The prohibition in subsection (a) shall not apply to a contract awarded to a foreign government or foreign firm if——

(1) the contract was entered into before the date of the enactment of this Act;

(2) a significant part of the contract is to be performed within the United States; or

(3) the contract is for research, development, test or evaluation in connection with anti-tactical ballistic missile systems.".

Mr. WARNER. Mr. President, I will now, as carefully as I can, go through precisely the effect of this amendment. Bear with me, because this is a matter that is considerably technical in nature.

First, rather than have a Secretary of Defense reporting the requirement for each and every contract for which an exclusion of the prohibition in the Glenn amendment is invoked, the perfecting amendment would make the report an annual one. A review of the number of SDI contracts existing as of August 1987 suggests that they are primarily a collection of very small-value contracts. A reporting requirement on each contract individually would impose, as a practical matter, an administrative barrier to taking advantage of the suspension provision in the Glenn amendment.

I call to the attention of my colleagues the efforts time and time again in this Chamber to try to reduce the amount of paperwork, the number of reports that various segments of the executive branch must make.

Second, and most important, the perfecting amendment brings the Glenn language into conformity with existing law, the language of the Bayh amendment—that is, the Secretary must certify that the SDI research contracts with allies cannot be performed with equal competence by a U.S. firm at equal or lesser price. This change ensures that the Senate does not legislate against a technologically superior allied proposal costing the same as a "competent" but inferior U.S. proposal. The change is entirely consistent with the procurement policies that the Congress has mandated, and with the terms of the memorandums of understanding negotiated with four of our allies in which free and open competition was an underlying assumption.

Third, the perfecting amendment makes two minor changes to the "exceptions" provisions of the Glenn amendment. One would except contracts where a "significant" part of the contract is to be performed in the United States. Under the Glenn amendment, contracts with allies where a significant part of the work would be done in the United States would be prohibited unless the contract met the suspension terms. Second, the perfecting amendment excepts contracts for ATBM research, even if they are not exclusively for such research. This change reflects the fact that most ATBM related contracts are not exclusively dedicated to ATBM research.

Mr. President, at a time when the prospects of an arms control agreement is putting even greater focus on the conventional balance in Europe, I find it unwise in the extreme to change the ground rules by which our allies can participate in cooperative research efforts. That would be the effect of this amendment. The SDI program has no monopoly on the arguments made by the Senator from Ohio with respect to the role of research in America's economic and security infrastructure. What is to prevent the extension of the Glenn prohibition to other areas of allied cooperation? I believe that the perfecting amendment would not have these adverse effects. I strongly urge its adoption, in a sense of fairness, and let us create a level playing field for all those who have played these many years in contributing to America's defense in all areas of weaponry, including SDI.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. GLENN. Mr. President, I welcome the opportunity to respond to the comments of my distinguished colleague and good friend from Virginia.

It is difficult to oppose him. He has been on the Armed Services Committee and has taken an active role in all these matters of defense for a long time, and I do respect his judgment. We have significantly different views in this particular situation.

Let me comment on what this does first with regard to our other defense contracts and our mutual research contracts with our European allies in particular, although this amendment applies all over the world, Germans, Japanese, French, Taiwan, whoever we may have arrangements with or not as far as relations and the possibility of doing research under these contracts.

But I would submit that our situation with NATO in regard to SDI defense is entirely different from our regular cooperation in NATO and all the things we try to work with them on interoperability, on mutual research, on tanks, on aircraft, on engines, on fuels, on a whole host of things that I support. I have supported strongly in the Armed Services Committee, have supported on the floor of the Senate, have supported in principle, and I still do support that.

I would like to see this sharing interoperability. It means we are going to work together if war comes. But SDI to me is a very, very special case because SDI does not fit under the general title of what we agree upon with our NATO allies. They disagree with us in this area. They were against it. And those who were not against it at least would not speak out for it. And so it was only after we started offering the potential of these huge research contracts directly attributable to SDI that they at least did not oppose it any more.

So research in other areas where that is involved in areas such as tanks, aircraft, rifles and communications equipment, and so on, I am 100 percent for the sharing of research in those areas and if we want to put research dollars into some European firm where we have a mutual interest on things that we mutually agree are defense items that we want to see developed and they want to see developed, OK, fine, and nothing in here would have anything to do with that at all.

Now, my good friend from Virginia said this is an assault on SDI. I do not look at it that way at all for this reason. If the Europeans or any other nation around this world want to work out a memorandum of understanding with us in this particular situation, if we are proposing contracts and research contracts to do a certain job, and they come in with a cheaper price, the contract can be awarded. That is it. Nothing in this amendment of mine prevents that at all. Nothing prevents that. If they can do the research cheaper then we would not even have to put any magic funds in. There would be no requirement for anything except to work out the memorandum of understanding. They have a cheaper offer on this thing than an American firm to do the same job, and they get the contract.

It does not disturb in any way, shape or form, any the memorandum of understanding that have already been agreed to.

So I do not see how this is an assault on SDI. It is an offer, quite frankly, to let them go ahead and bid on these contracts if they want to, and if they win the contract, they win the contract and it goes.

But what is prevented is if the same cost comes up, we give preference to the American firm. Or if the American firm comes in with a cheaper cost, we are not going to say in the interest of SDI and in the interest of buying our allies' cooperation on this, we will even pay more to have it done over there. If they come in and outbid us, it is their contract, and I would not prohibit that, and there is not any language in this amendment that says that we would do that.

I do not see that this damages U.S. interest. Quite the opposite. That term was used. If anything, I think it is in support of U.S. interest because we are doing basic research that is going to undoubtedly have a lot of civilian spinoffs into the future. I think we help American interest.

As far as the typewriter example that was used here that we just voted on a few moment ago, it is my understanding, while this is a little different technical level than typewriters, it is my understanding that there is no longer any U.S. firm that makes manual typewriters.

Let us compare that back to SDI research. If there is a certain type research that is needed, and no U.S. firm supplies that kind of research, let us contract for it with a foreign firm. That is fine, and nothing within this amendment of mine would change that whatsoever.

So am I in favor of "buy American?" Yes. That is a thing we use all the time now with regard to consumer products and we check labels in our clothes and everything else to see if we are buying American and I hope people do buy American.

In this particular instance I really want to buy American.

I can guarantee you if it means building up our scientific capability, our own laboratories and I would repeat once again this does not prevent foreign firms from competing. If they come in with the same proposed research project, have a cheaper cost than an American firm, then the contract can be awarded to them.

But to say award contracts to foreign firms just to in effect buy their support for SDI or at least hush money to keep them quiet, when our own laboratories and scientists want this kind of capability ourselves, is to me just the wrong way to go.

So I do not prohibit them from competing on contracts. There is nothing in this that says we will not have them competing on contracts here.

Now, I also rise in opposition to the amendment offered by my distinguished colleague and friend from Virginia for all of those other reasons, plus the reason that the House of Representatives has already passed the exact language that I have in my amendment. That means that we will not take the chance of losing this which was supported by two-thirds of the Senate last year. This year we worked this out. The House has already passed it. So when we go to conference, it will be in the Defense authorization bill. So I would like obviously to keep this in the same language that we have in this bill.

Let me comment, however, directly, on the amendment as sent to the desk by the distinguished Senator from Virginia.

He said that we want to cut back on paperwork. I agree with that 100 percent. And what my amendment says—he made a point out of that, and it is a good point to be made, but it is just flat wrong, because what I say in my amendment is if the Secretary of Defense certifies to Congress in writing at any time during such fiscal year that the research is such and cannot be performed. It does not say we have to report every time there is a project. He can accumulate them and report them all at one time during the year if he likes. That is fine with me. or with his option, he thinks it is a large contract and he wishes to have some sort of a guidance working with us over here, if at his discretion in the Pentagon the Secretary of Defense wishes to report one to us because it is big and important and he wants to know how we feel about it, he can do that.

I would let this legislative history show what is intended in this is if he wants to accumulate them and report them all at one time at the end of the year or any time during the fiscal year he determines is appropriate, that is his option to do so. So I do not want that wording in my amendment to indicate that I want to create a mass of paperwork in the Pentagon every time one of these things comes up for consideration.

Mr. WARNER. Mr. President, I readily accede to the wishes of the Senator from Ohio on this particular part of my amendment. I defer to him on this. I think our minds are alike in terms of the goal to be achieved. it is a question as I and others read the amendment we did not interpret it quite as the Senator from Ohio has not articulated. It may well be we have created a legislative history that clarifies it. If not, the Senator would consider whatever modest technical amendment and syntax it might be necessary to clarify it.

Mr. GLENN. In response to my good friend from Virginia I did not want to lock it in that he had to report on April 1 or 60 days or 90 days, or anything else. I do not want to create that kind of situation for the Pentagon either.

So if he has one he wishes to report because it is a big one and is important, he can do that so we will know about it. But as far as all the minutiae of smaller contracts, and so on, he can accumulate those and report them once a year or whatever time period he would desire. That would be fine with me.

Another comment and that is the change in language that said cannot be performed with equal competence by U.S. firm. My view on it is this, that if we have a certain project and if we know there is a technical competence well beyond anything that we have available to us in this country, then I would presume that the people writing the contracts or writing the proposals would write it in such a way that it reflects that, that we do not have that competence. But to do otherwise it seems to me would be unfair to the American firm. If we have a project and a certain level of competence is required to accomplish, computer breakthrough, laser breakthrough, the particle beam breakthrough, or control systems, or whatever we are talking about, if we have American firms competent to deal with that, why would we want to give it to a foreign firm even though they may be a bigger firm? I do not know. Maybe they have done more past work in optics, for instance. But if we have that firm that is responding to a request for proposal and they are a competent firm to do the level written out in that RFP, why would we not give it to an American firm?

If the breakthrough we need is at a higher level and there is only a foreign firm that has the capability of performing that research, then the contract, under my amendment, would still go to the foreign firm, because the contract would be written or the request for proposal would be written to require that higher level of performance under the contract.

It gets rather technical there, but I think the distinguished Senator sees what I mean. If we write our contract for a certain function to be done under that research project, it should reflect exactly what we want. If what we want is something that is not available by American firms, then fine, good, we contract with the foreign firm. Let them perform the research and they get the benefit of whatever buildup their capability was there, or whatever.

Mr. WARNER. Would the Senator entertain——

Mr. GLENN. Let me just finish that thought.

But if we write that contract where American firms have a competence for what is exactly required under that request for proposal, the RFP, for a certain research capability, then why should it not go to the American firm?

Mr. WARNER. Mr. President, I am delighted that the Senator begins to focus on this, because this is where my perfecting amendment, in my judgment, tries to really improve what the Senator from Ohio is striving to achieve.

First, I think we have mutual agreement here that we are not arguing the cost of performance. In other words, whoever comes in at the lower cost may have an edge, but what we are trying to do in the area of the dollars there is on, so to speak, a level plain. They can compete in terms of how they write their final clause.

But where there is a difference is in this area of technical competence. As I interpret the Senator's amendment, if a foreign firm and a U.S. firm comes along, you have established a standard whereby the U.S. firm is judged to be competent, and even though the foreign firm is, let us say, quite superior and competent and the price is the same, the U.S. firm is going to get it. And our Nation and our taxpayers are just automatically denied the advantages associated with a firm with a considerably higher technical competence of doing that work.

It seems to me that we have had so much experience through the years now with the Bayh amendment and on the other areas of weaponry that we ought to keep this level playing field the same for all the categories of weapons and not single out SDI and try to build a new set of standards of competence which would just grant the contract and deny superior technical competent firms from achieving that.

Mr. GLENN. If the Senator will yield, I will take that situation he described. We have an American firm that is competent. We have a foreign firm that has greater competence. And that might occur in some areas.

It seems to me, then, that that could well be reflected in the request for proposal for whatever the research is to be done, that we are going to get a higher level of competence, and we would write the contract to a higher standard if that is what is needed. If it is not needed, if it is something that can be equally performed by both companies, whatever their competence, then I say award it to the American firm. And that is the difference.

Mr. WARNER. Mr. President, I would simply reply to my distinguished colleague that, having some knowledge of defense contracts, having spent a number of years in the Department of Defense, we are really treading into a dangerous area if we are trying to write contracts in such a way that they are targeted toward one or two or perhaps several firms. I think the Senator in stressing that point underlines one of the basic weaknesses in his approach.

If we are going to be drafting contracts tailored for special firms, then we are headed for big trouble.

Mr. GLENN. Mr. President, I would only respond by saying that the whole SDI effort is a research effort. Although they are trying to make it a deployment effort, it is not a deployment effort yet. It has not been approved. It is a research effort. And research contracts are difficult to write, I would give my distinguished colleague his due on that.

I have been involved with research, too. The Senator, having been in the contracting area in the Pentagon with years of experience as Secretary of the Navy, has had a lot more experience in it than I have as far as the contracting goes. But I have been around in the research——

Mr. WARNER. Mr. President, I yield the floor to the Senator's execution in research and development.

Mr. GLENN. I was a user and not a contractor at that point.

But the point I wanted to make is this: The research contracts are specific. And I do not see this as being any big area of contention here between us. I think where there is an equal competence, where the competence of an American firm is equal to the task to be performed under the RFP and you may have a foreign company that has the capability to even operate at a higher level on a different contract basis, then if they do they would get a contract to operate on that different or higher level, whatever it is. But as long as the research to be performed is at a certain level and an American firm is capable of doing that, I see no reason why we should give our research money then to nations that are not even basically in support of the SDI program to begin with.

I see my distinguished colleague, Senator SHELBY, over here. I would like to yield the floor to him.

Mr. WARNER. If I could make just one brief reply to that observation. Again, it seems to me you are arguing my case, I say respectfully to my good friend. You say in the R&D area we are searching for the best that is achievable. And as we proceed in this dramatic and challenging area of research, we should let the superior technology, the firm that has the superior technology, not just the competent, but the superior technology seize that opportunity and move with it.

In essence, I say the Senator from Ohio is right. It is unique. Let us not put a set of handcuffs on those firms that have superior technology and say to them, "Sorry, we have here at home one that is competent and has a base level that ought to be able to do it." Therefore, the superior technical firm would be denied the opportunity.

Mr. GLENN. Mr. President, before I yield the floor, let me explain this a little bit on how I see this contracting taking place, because the contracting that could be done under this is not going to be done on the basis of a lot of money being given to some foreign research group and saying, "OK, develop the optics system and you have the whole job for SDI." That is a $5 billion job over 4 years, or whatever it is.

If that was the way the contract were to be awarded, then I would tend to agree much more with the Senator from Virginia's view on this. But they are not going to be that big an award for a whole portion of this SDI concept, as such.

The contract to be awarded will be for a certain development on a computer chip. It will be for a certain gyro with certain capabilities of control. It will be for certain specific thrusters to control the spacecraft in roll, pitch, and yaw so that you can direct this directed energy across thousands of kilometers of space and have it very actively controlled. It will be for very specific forms of material or hardware or a specific development that we then can use in the overall picture for SDI.

Now, that means that if we have the specifics like I am talking about on material or gyros or directions controls or thrusters or whatever, if we have that kind of thing that we are contracting for, then an American firm that has a level of competence in a specific area like that is just as capable of making a contribution as a foreign firm that might have the capability in gyros and thrusters and all sorts of other things not being contracted for.

So I would just submit that I think if is a whole different thing than giving great portions of the SDI to a firm that might have a better competence overall than an American firm given a very specific job to do which they could do very well.

Mr. WARNER. Mr. President, I am anxious for other Members of the Senate to participate in this debate and at a later point I would like to, given time, have the opportunity to go into many of the really interesting things that are being done which are just narrow segments of research and development. They are not great, big dollars. They are relatively small dollars.

But here is a list of universities and firms in several areas of the world—in other words, nations closely allied with ours—that are doing small segments and doing it because of their superior technology.

I hate to stand on the floor of the Senate and acknowledge that any firm abroad has a technology base superior to the U.S. firms. But, pragmatically, it is a state of fact and I think we must acknowledge it.

Mr. President, I yield the floor.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise in support of the Glenn amendment and in opposition to the amendment by the Senator from Virginia, Senator WARNER.

I want to make it clear early that I am not opposed in any way to working with our allies on technological research. We have been doing this and we have come a long way in this regard.

Our allies, as most of you here know, have worked with, among other agencies, the Army Missile Command for years on joint research projects, and I support this and similar efforts.

However, the strategic defense initiative is the largest research project of our time. Should we share this with everybody? It is the American taxpayer that is paying for this—most of it, if not all. I believe that we now need this program to build our own technological infrastructure, just as in the space program where NASA's advance led to a technological revolution. SDI, now, can result in commercial applications that can be even further reaching than we can imagine.

Time and time again the United States has made technological breakthroughs, only to have our allies who happen also to be our economic competitors today, use this technology to what? To develop products of their own at the cost of American jobs.

More importantly here today, though, my opposition to the awarding of the SDI-related research contract overseas stems from national security; from the standpoint of national security.

All of you are aware of the recent revelations regarding CoCom violations that have placed the whole business of technology transfer into the limelight. The administration has just entered into a memorandum of understanding with the Japanese Government concerning a joint SDI program.

I do not believe, however, that the timing of this agreement could have come at a worse time. Japan is certainly not alone in sending sensitive information to the Soviet Union. CoCom violations are widespread.

The now infamous sale of illegal propeller technology to the Soviet Union by the Toshiba Machine Co. points to the fact that some of our allies cannot be trusted to withhold sensitive technology from the Soviet Union.

The Soviets are years behind the United States in a number of areas of technological development. The Soviets and our allies are behind in areas of computers, microelectronics, and machine tools.

Though their own SDI Program has been under way for years, the Soviet technology basically is well below that of the United States. I think, therefore, that the only way they get the technology needed to compete with the United States is on the open market. They have been doing a lot of this.

I do not believe that we can take the chance of SDI and SDI-related technology getting into the hands of other nations where it is so easily transferred.

Let us look at some of the stats here. We are already awarding a number of contracts to foreign countries. The United Kingdom, 24 contracts, $29.963 million; West Germany, 17 contracts, $48.336 million; Israel, 6 contracts, $10.653 million; Italy, 11 contracts, $2.249 million; France, 4 contracts, $3.408 million; Canada, 2 contracts, $.42 million; Belgium, 1 contract; The Netherlands, 1 contract.

But I submit to you that it is time that we start looking for our technological research like this inward. We have the people in this country. We have the scientists.

You talk about competence. We have been able to attract it in this country. The Senator from Ohio is right. I do not think we can afford to water this down. We continue to do it. Not only are we losing our technological grasp, we are losing our technological national security. We should not do this.

I support the efforts on the part of the Senator from Ohio. I hope that we can adopt his amendment.

I yield the floor.

Mr. ROTH. Mr. President, I rise in opposition to the so-called Glenn amendment. I do so reluctantly because I think all of us are supportive of the idea that, to the maximum degree possible, the American dollar for defense should be spent at home.

Unfortunately, because of the changes in the security area, I do not believe that it is any longer practical for the United States or any other country to try to entirely base their security on domestic industry.

Let me tell you why. It seems to me, as we approach the problem of security, the most important factor is to ensure that American soldiers, American men and women, have the best weapons, the best systems available anywhere in the world and that if necessary, we shall secure the services of scientists, industries, anywhere that they are available in the free world.

Several years ago a number of us proposed on the Senate floor, on May 13, 1982, that to achieve this goal of a better common defense, that it was important that we promote cooperation in the securing of weapons among the NATO alliance.

At that time we provided that the financial burden of providing for the defense of NATO Europe, and for the protection of the interests of NATO member states in areas outside NATO's geographic boundaries, has reached such proportions that new cooperative approaches among the United States and NATO are required to achieve and maintain an adequate collective defense.

What we were saying then, and I think it is just as true now, that each of the 16 countries within the North Atlantic Alliance cannot continue to produce a question of national military forces that is qualitatively uneven, quantitatively inferior, and has only a limited ability to rearm, repair, reenforce, support, supply, or even communicate with one another.

Under our resolution it was said that a decision to pool the enormous technological, industrial, and economic resources of NATO member countries will not only lead to lower-than-otherwise net costs, but will provide a powerful inducement for the Soviet Union to bring about meaningful arms reduction agreements.

Mr. President, this amendment was proposed by myself, Senator GLENN, and Senator NUNN and it was enacted or adopted by the Senate unanimously with the exception of one dissent. I think the arguments that supported that resolution then apply to the situation today. I am concerned if we would try to make a special exception to SDI, because again I think in this area, for the reasons outlined by my distinguished colleague from the State of Virginia, that it is important that we utilize the very best scientific facilities for research; the very best contractors to produce any materials that we see are necessary for our common security in the future.

One of the things that I think concerns all of us is the cost of defense and, if we continue along the road of each of the NATO countries developing its own facilities to produce every bullet, every tank, and every plane within each country, we shall continue along the course of an inadequate conventional defense.

I think we are all aware that the Soviet Union and ourselves are approaching agreement in the area of nuclear arms reduction, at least in the intermediate field if not the strategic, and that to the extent that we are successful in doing so of greater importance becomes conventional defense.

Many military experts are concerned about this development from the standpoint of the importance the strategic arms reduction will place, will impose, upon conventional defense.

The question is, how are we going to develop a viable conventional defense, particularly in view of the reluctance of most NATO countries to spend additional sums for security purposes?

So we are entering a period where arms cooperation or acquisition, beginning with the research and development as well as the ultimate production, will increasingly depend upon cooperation between the allies.

I think it is a recognized factor that the cost of weapons is so high, so expensive, and particularly those in the area of scientific development, that if we are unable to cooperate with our friends and allies we could well end up bankrupting each of our countries.

It seems to me that we have no choice but to attempt to bring about cooperation.

I would like to refer back to what Senator Tower said at the time the Roth-Glenn-Nunn amendment was offered. At that time he said:

> We are prepared to support this amendment, but I would like to say to my colleagues that if we support this, we better understand what we are talking about is a two-way street in defense procurement. We cannot expect West European nations to purchase all of its defense requirements in the United States. We are going to have to purchase things from them. If we are going to preserve in the various European capitals the climate which supports increased NATO spending, which we have urged our NATO partners to do, we have to be willing to make some purchases from those countries.

He pointed out that in the last 5 years NATO and Europe bought on the average six times as much military hardware in the United States as the United States purchased from NATO Europe.

I believe that today we want to continue along the road of cooperation. Thanks to the initiative of my distinguished colleagues, Senator NUNN and Senator WARNER there are a number of areas where we have cooperative agreements.

I would hope as we embark in the area of SDI we would continue the cooperation in the same manner. Thus, for this reason, I am very supportive of the amendment that has been offered by Senator WARNER to the Glenn proposal, as I think it helps to correct the basic deficiencies in the Glenn amendment.

Let me state also, Mr. President, that at an appropriate time I am going to ask Senator WARNER to agree to a further addition to his perfecting amendment.

I believe that it is important that as part of the Glenn amendment we contain language that would provide that the prohibition in subsection (a) of the Glenn amendment shall not apply in circumstances where the Secretary of Defense determines that application of such a prohibition would be contrary to the national security interest of the United States; provided, that the Secretary of Defense communicates to the Armed Services Committees of the Senate and House of Representatives his reasons for so determining within 30 days of awarding a contract to a foreign firm not exempted under subsection (c).

It seems to me that where there are circumstances that it is not in our national security interest to be bound by the Glenn amendment, leeway should be provided for the Secretary of Defense to make such a finding because, again, I want to emphasize, I want to underscore, that in matters of security the ultimate criteria must be that American soldiers have the best weapons, the best systems, available, irrespective of where they are developed or what they cost. I think none of us want to send American boys and girls into wartime conditions up against an enemy better armed.

Admittedly, the Warner amendment is an important one that I strongly support. I also think it is important that if the SDI Program should serve national security, it should have access to the best technology and broadest R&D base. Any attempt to restrict the program's technology access or R&D, research and development base is harmful to U.S. security. I fear that restricting SDI contracts to the United States, for example, could do damage if we, for example, lost access to German expertise in optics, for example, British expertise in mirror technology. That does not say that U.S. firms cannot do work in these areas competitively, but I think we all have to admit that there are some scientific areas where foreign firms and foreign scientific centers can do it better. Why should we deprive SDI projects of the best technology? Why should, for example, NATO, Europe, or Israel put any effort into any aspect of SDI other than tactical defense when they know that they are to be effectively excluded from the overall SDI Program?

It seems to me that rather than trying to deny ourselves the cooperation, the cost sharing, the working together in this area, we should be working just the opposite.

What does the Glenn amendment do for the international image of the United States? I have already mentioned a number of MOU's have already been negotiated. Signatories presume that these agreements give them limited access to R&D in SDI. Yet, that would be reversed.

Mr. President, I think it is critically important as we seek to improve on the defense of the Western alliance, on the security of the United States, that we move in the direction of NATO cooperation because it is through cooperation that we can provide a bigger bang for every dollar spent.

As I said, Mr. President, at the appropriate time it is my intention to offer the paragraph I referred to above as part of the amendment of the senior Senator from Virginia.

I yield the floor.

The PRESIDING OFFICER. Is there further debate of the amendment of the Senator from Virginia?

Mr. DIXON. There is no further debate on this side, unless the distinguished Senator from Ohio wants to close, Mr. President.

Mr. GLENN. I do not believe we have anyone else coming over to speak unless Senator SHELBY wishes to speak again. I do not know whether the other side has any people coming to speak or not.

At the appropriate time I will move to table the amendment of the Senator from Virginia, but I would certainly withhold if anyone else wishes to speak. I do want to make some remarks in reply to my distinguished friend.

This has been a very good discussion this afternoon. Let me just say to my distinguished colleague from Delaware that I do not see this situation as the same as the general defense cooperation we have with NATO because SDI is significantly different from buying tanks. It is not like having interoperability problems with rifles. Those are all areas where we have mutual interests. They have been long standing and worked out. We keep 350,000 people in Europe all the time in support of our mutual efforts in NATO. We do research together in NATO on conventional warfare. That has been the history ever since World War II.

In SDI we have a different situation. We have the biggest research project ever put together and we have our allies that basically were opposed to it. That is not part of the regular, routine conventional warfare support that we give each other within NATO and our allies.

So this is a completely separate situation. This is totally a research project, and I will not go back through all the things I indicated earlier on how I feel about that. I do see my distinguished friend from Virginia is back on the floor now and I would reply also as to how the contracting would be different.

Overall, NATO has specific stated requirements, but the RFP's we referred to awhile ago are very detailed specifications to meet those stated requirements.

I say to my good friend that if there are higher specifications to be written, then that will, indeed, preclude firms that are not competent from being selected. And that would permit such foreign firms to have the contracts granted to them.

Now, we have a list, and I am sure there is a similar list on the other side. The status of SDI allied contracts as of August 1987. These were all completed. We could go down through this whole list and I will not do that, but we are talking about $159,000 for optical electron computing that is going to a university in the United Kingdom. Would we not rather see that at the University of Virginia? Would we not rather see it at the University of Connecticut, seeing my good friend in the Chair, than at a United Kingdom university? How about West Germany, where a study of membrane tool technology costs $400,000. I can tell you right now that I would prefer to see that contract at the University of Alabama, or at the University of Ohio, or at the Ohio State University.

I would rather see it in this country. There are a large number of these contracts going to the United Kingdom, West Germany, and Italy. I do not want to disturb those. I want to see that kind of basic, fundamental, breakthrough research they were not willing to even participate in as a whole project, the European nations, until we in effect bought them off with promises that we would help build up their scientific infrastructure and award these contracts overseas even though American firms could well do that same research in this country.

So to summarize once again, I think that the Warner amendment as proposed would gut the Glenn amendment. At the appropriate time I will move to table the amendment. I will give my distinguished colleague or anybody supporting his side the floor. I do not wish to cut off debate, but I am prepared to move to a vote whenever he is ready.

Mr. WARNER. Mr. President, I thank the distinguished Senator from Ohio. As I did earlier, I note the presence of the distinguished Senator from Delaware [Mr. ROTH], who has an amendment which would fit on mine, and I am about to ask by way of unanimous consent, even though I established the yeas and nays, if this amendment, which Mr. ROTH would shortly send to the desk, could be added to my amendment and therefore the Senate would consider both the Warner perfecting amendment and the Roth amendment at the same time.

Mr. GLENN. Mr. President, if I might inquire, is there a copy of that available so we might see it before the question is put?

Mr. WARNER. Absolutely. My request would be, Mr. President, that I yield the floor, allowing the Senator from Delaware to address his amendment, during which time the Senator from Ohio can review it.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. I thank the distinguished Senator from Ohio as well as my distinguished colleague from Virginia.

Mr. President, what I have suggested be added is a paragraph (d) for what I call a national security exemption. It seems to me that from the standpoint of our security interests it is important that there be an exception to the Glenn amendment which would permit the Secretary of Defense to determine that that amendment does not apply in those circumstances that would be contrary to the national security interests of the United States.

What we are concerned about today is the security interests of this country. It seems to me that as important as we all agree it is we carry on research and development, we carry on the acquistion of weapons and new systems in the United States, it is important we do so in the way that best protects our security.

As I have already indicated, I believe our top consideration in acquisition should be to ensure that the United States is acquiring the best weapons, the best systems, the best defenses available for the American soldier. So it is for that reason I urge that an additional exception be added to the Glenn amendment which would enable the Secretary of Defense to determine that application of such a prohibition would be contrary to the national security interests of the United States. We would further require that the Secretary of Defense communicate any such decisions to both the Senate and House of Representatives within the 30 days of awarding a contract to a foreign firm under this special clause.

So I hope that my distinguished colleagues will agree to Senator WARNER's proposal of unanimous request that a paragraph (d) be added to his amendment.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER [Mr. DODD]. The Senator from Virginia.

Mr. WARNER. I welcome and thank the distinguished Senator from Delaware for his participation. That is a very valuable addition to my amendment in the nature of a perfecting amendment. It would be my hope that the proponent of the amendment will agree to it. I see at the moment he is engaged in perhaps some analysis.

Mr. GLENN. What is the question? Whether I would agree to amend your amendment?

Mr. WARNER. Really two steps. Step one would be to acquiesce to the unanimous-consent request that it just be added as a section at the end of mine, and also it is my hope that we can accommodate the leadership to conclude our debate and initiate a vote on the amendment, which I understand will be in the nature of a motion to table, before 2:30 because of the hearing on the Bork nomination.

Mr. GLENN. May I have 1 minute to reply to the change? I agree to the change that the Senator wants, and then I will move to table.

### AMENDMENT NO. 690

Mr. WARNER. Let us first perfect the amendment.

Mr. President, I ask unanimous consent that the pending amendment by the Senator from Virginia be amended to include as a last section the amendment which I send to the desk on behalf of Mr. ROTH.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, the modification is agreed to.

The amendment (No. 690), is as follows:

In the amendment numbered 680 strike out subsections (b) and (c) and insert in lieu thereof the following:

"(b) EXCLUSION OF PROHIBITION UPON ANNUAL CERTIFICATION OF THE SECRETARY OF DEFENSE.—The prohibition in subsection (a) shall not apply to those contracts in any fiscal year for which the Secretary of Defense certifies to Congress in writing before the end of such fiscal year that the research, development, testing, or evaluation performed under such contracts cannot be performed with equal competence by a United States firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm.

"(c) EXCEPTIONS FOR CERTAIN CONTRACTS.—The prohibition in subsection (a) shall not apply to a contract awarded to a foreign government or foreign firm if—

"(1) the contract was entered into before the date of the enactment of this Act;

"(2) a significant part of the contract is to be performed within the United States; or

"(3) the contract is for research, development, test or evaluation in connection with anti-tactical ballistic missile systems.".

(d) NATIONAL SECURITY EXEMPTION.—The prohibition in subsection (a) shall not apply in circumstances where the Secretary of Defense determines that the application of such a prohibition would be contrary to the national security interests of the United States. *Provided*, That the Secretary of Defense communicates to the Armed Services Committees of the Senate and the House of Representatives his reasons for so determining within 30 days of awarding a contract to a foreign firm not exempted under subsection (c).

Mr. GLENN addessed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. We will try to finish before the 2:30 deadline. I think we can do that without any problem. I rise again to oppose the amendment by the distinguished Senator from Virginia, as modified by the distinguished Senator from Delaware, and as added as a perfecting amendment. On this basis it seems to me that what the distinguished Senator from Delaware has done is basically leave things as they are. It would not really restrict anything.

What would be required would be for the Secretary of Defense to say that a particular SDI contract overseas is necessary, then he would notify the congressional committees, and that would take care of that. I would not find that acceptable. I think they have already exercised poor judgment in awarding these contracts overseas when they could be awarded here. That is what we are trying to stop.

I will not elaborate further. I see my distinguished friend from Alabama who may wish to speak on this briefly. We are trying to meet a 2:30 deadline here because one of the other committees is going in at 2:30. I will move to table after the remarks from Senator Shelby.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. I am looking at this amendment that was just offered a few minutes ago. I think this is worse than what we had on the floor earlier. The amendment originally written by the Senator from Virginia was not this bad. What does this basically say? I will share it with you.

The prohibition in subsection (a) shall not apply in circumstances where the Secretary of Defense determines that application of such a prohibition * * *.

Well, let us think about that just a minute.

This administration, as you all know, has just entered into an agreement with the Japanese regarding SDI research. Who is going to be doing a lot of that in Japan? I have shared with you on the floor earlier today some of my thoughts regarding the giant company Toshiba. We talked about what they had done as far as selling technology to the Soviet Union in conjunction with a Norwegian firm to make quiet propellers for the Soviet Union. It has done irreparable damage. I think this is worse. I would oppose it.

I agree with the Senator from Ohio, Senator GLENN. We have people here in this country that are in the forefront of research. I think we can get people from around the world to come here. If these people from around the world who are our allies want to do the research, let them fund it. Do not let the American taxpayer fund it, fund their jobs, and fund their universities. It was pointed out, some by me but more by my colleague from Ohio, that various schools around the world, not in the United States, are benefiting from the American taxpayer.

I am coming from the standpoint of national security, the transfer of national security. You get into SDI. They are not going to be transferring it. They are going to be privy to it at the beginning. This is a bad amendment in my opinion. I ask you to oppose it. I join with my colleague from Ohio.

The PRESIDING OFFICER. Is there further debate?

Mr. ROTH. Mr. President, I will be very brief. I think it is important to understand that in principle what I am proposing and what my distinguished Senator from Virginia is proposing is something that we adopted almost unanimously on May 13, 1982 by a vote of 87 to 1.

We agreed at that time that it was important that there be a decision to pool the enormous technological industrial and economic resources of the NATO countries in order to lower costs and have better security. There is no ground for making an exception to that general provision of SDI. Again, we want to have the best resources available to us because the ultimate of what we want to achieve is the best security measures, the best defense systems, the best weapons for American soldiers irrespective of where they are developed.

I yield back my time.

The PRESIDING OFFICER. Is there further debate on the amendment by the Senator from Virginia?

Mr. GLENN. Mr. President, may I inquire of my distinguished floor manager? Does anyone else wish to speak? Mr. President, I move to table the Warner amendment, as modified by the distinguished Senator from Delaware, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the motion of the Senator from Ohio to lay on the table the amendment of the Senator from Virginia, as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

I also announce that the Senator from New Jersey [Mr. LAUTENBERG] is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

I also announce that the Senator from Vermont [Mr. STAFFORD] is absent on official business.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. HEINZ] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 50, nays 45, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—50

Adams
Baucus
Bentsen
Biden
Bingaman
Breaux
Bumpers
Burdick
Byrd
Chiles
Cohen
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Glenn
Gore
Grassley
Harkin
Hatfield
Hollings
Inouye
Johnston
Kasten
Kennedy
Kerry
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Proxmire
Pryor
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Weicker

NAYS—45

Armstrong
Bond
Boschwitz
Bradley
Chafee
Cochran
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Fowler
Garn
Graham
Gramm
Hatch
Hecht
Heflin
Helms
Humphrey
Karnes
Kassebaum
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Quayle
Reid
Roth
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Wirth

NOT VOTING—5

Boren
Heinz
Lautenberg
Specter
Stafford

So the motion to lay on the table was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 680

Mr. RIEGLE. Mr. President, I rise as a cosponsor of the Glenn Amendment, which requires that U.S. taxpayer dollars appropriated for the SDI research program be spent in the United States, unless the Secretary of Defense certifies to the Congress that the work to be performed under the contract "cannot be competently performed by a U.S. firm at a price equal to or less than the price at which the work would be performed by a foreign firm."

I have serious reservations about the wisdom of pursuing the President's SDI Program, which carries with it a price tag of $1 to $2 trillion over the next 10–15 years. However, if a decision is made to commit research dollars to that effort, they should go to U.S. firms whenever possible. They should not be used to build up the infrastructure of our economic competitors.

The SDI Program involves revolutionary, state-of-the-art technology which is sure to have significant spinoffs both for conventional military applications and for civilian uses.

I was particularly struck by the point made by Senator GLENN in his opening remarks, that the Economics Ministry of West Germany—rather than the Defense Ministry—is managing that country's participation in SDI. The nature of the West German's interest in the program is clear. In fact, the Kohl government, in order to win support in his country for the SDI Program, emphasized the enormous commercial benefits to be derived from SDI research.

Mr. President, like the Senator from Ohio and others who support this amendment, I believe that allied cooperation in defense efforts is essential to strengthening the alliance. But if our allies want to compete for SDI research contracts funded with U.S. taxpayer dollars, they should be willing to help us pay for the program.

Despite the fact that none of our allies has contributed to the cost of the SDI Program, as of last month, 74 SDI contracts, worth more than $96 million, had been awarded to eight of our allies. In addition, Memorandums of Understanding have been signed between the United States and several of our European allies and Japan, setting the stage for future allied competition for SDI contracts.

While the remarks of the chief executive of British Aerospace, Sir Raymond Lygo in a recent Defense News interview, have already been referred to in this debate, I think they bear repeating. He said:

* * * Unless the Europeans themselves are prepared to put money into SDI, I really didn't understand why the American taxpayer was supposed to put money into European industry. It didn't seem to me to be a particularly fair arrangement.

Mr. President, the strategic defense initiative is one of this administration's highest military priorities, and is the largest single weapons request in the fiscal year 1988 military budget. Some $5 billion has already been spent on the program, and the defense authorization bill now before us provides for an additional $4.5 billion in new funding.

The substantial investment which we have made in the SDI research program, and the potential applications of that research for other military and nonmilitary efforts, requires that we allow competent American firms to benefit from those research dollars. Only by providing opportunities for U.S. firms to conduct high-tech research can we keep pace with the technological advances being made by our economic competitors.

Mr. President, last year, 64 Senators voted against tabling a similar Glenn amendment. I urge the Senate to stand by the position it took last year, and support this important amendment.

The PRESIDING OFFICER. Is there further debate on the Glenn amendment?

Mr. GLENN. Mr. President, if there are no further amendments, I move the amendment.

The PRESIDING OFFICER. Is there further debate on the Glenn amendment? If not, the question is on agreeing to the Glenn amendment.

The amendment (No. 680) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### ORDER OF PROCEDURE

Mr. NUNN. Mr. President, while Senators are here, let me just try to give some idea of where we are going. I have an amendment that is sponsored by Senator QUAYLE, Senator WARNER and myself. I see the Senator from Alaska is here. My amendment deals with the Glenn amendment, but it is not an amendment to the Glenn amendment. The Glenn amendment has been adopted.

I would defer to my friend from Alaska if he prefers to go next. I believe this amendment that relates to the Glenn amendment could be handled rather quickly. I may not be correct in that assessment. I will defer to my friend from Alaska if he is prepared to proceed.

I would suggest that if I could provide a brief explanation of this amendment, with Senator GLENN's attention, we could determine very quickly whether it is going to require extensive debate or not.

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order.

Mr. NUNN. Mr. President, if I could give a brief explanation, it would give us some idea about whether this amendment is going to take much time.

I see my friend, the Senator from Alaska, is on the floor. If it is going to take much time, I would be glad to wait.

Mr. STEVENS. Will the Senator yield?

Mr. NUNN. I am happy to yield.

Mr. STEVENS. I certainly defer to the Senator from Georgia, as the manager of the bill, as to his desire.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. The majority leader is correct. All conversations in the Chamber please cease. Those conducting conversation please remove themselves to the cloakroom.

The Senator from Alaska.

Mr. STEVENS. Mr. President, I do have an amendment to strike the Exon amendment from the bill. I would be more than willing to enter into a time agreement with regard to that or a time certain as to when to vote as soon as the Senator would determine how long his amendment would take.

I note that Secretary Shultz will brief the Senate at 4, and some of us have a very important meeting at 6. I know that is not going to interfere with the process on the floor, but this Senator would like to be present at both of those.

I would be happy to proceed anytime the Senator wishes me to proceed. I would like to see the vote on our amendment take place before 6 o'clock.

Mr. NUNN. Mr. President, may I ask my friend from Alaska whether he would be prepared to suggest a time? I have not discussed this with Senator EXON. Perhaps we could get a time agreement right now on that amendment. I think that would be helpful.

Mr. EXON. In response to the question, I think it is time we start reaching some time agreement on everything. I am ready to start with a time agreement of anything that is reasonable—a half-hour, equally divided; an hour, equally divided, anything that is the wish of my friend from Alaska. And we can vote at any time. I would hope that that would not be the only vote between now, at 3 o'clock, and 6 o'clock. We have got an awful lot to do.

I would ask the managers of the bill when do they want to schedule a vote. But it is going to depend on what happens now. First, can we get a time agreement on the next amendment? Is the next vote to be on the Glenn amendment that we have been debating most of the day?

Mr. NUNN. Let me suggest to my friend from Nebraska the order in which I would like to proceed. If I could explain this amendment without introducing it, we could tell in about 4 or 5 minutes whether there is going to be a big debate or not. If there is to be a significant debate, I will not introduce the amendment at this time, and we could go directly to the amendment of the Senator from Alaska. If there is not going to be much debate on the amendment that Senator WARNER, Senator QUAYLE, and I will sponsor, then it would not even require a rollcall vote. I do not have a way of gauging that right now.

In the meantime, the Senator from Alaska and the Senator from Nebraska could try to get a time limitation on Senator STEVENS' amendment.

If we could get an indication now of how much time would be required on the Stevens amendment, we could move very rapidly to that amendment right now if that is required.

Mr. STEVENS. Mr. President, I would suggest the Senator try his approach and see how much time his amendment is going to take and the two of us will confer and have a timeframe for him when he is finished.

Mr. NUNN. When the two Senators get together on a timeframe, I am willing to be interrupted at any time so we can come to an agreement immediately.

Mr. BYRD. Mr. President, the distinguished Senator from Alaska referred to the Shultz meeting in 407 at 4 o'clock. I am informed now that that is being delayed at Mr. Shultz' request until 5 o'clock.

Mr. STEVENS. Fine; I thank the Senator.

Mr. NUNN. Mr. President, I would like the particular attention of the Senator from Ohio because I would like to explain this amendment. I am not going to send it to the desk at this point, but I would like to explain it.

I am in great sympathy with what the Senator from Ohio is trying to do and yet I have concerns about his amendment. I voted against the motion to table the Warner amendment thereto. In other words, I was in favor of the Warner amendment.

The reason I was in favor of the Warner amendment was because for a long time we have tried to get Europeans involved in cooperative projects. Cooperative projects require good faith and equal competition; that is, a level playing field. We are trying our best to get firms on both sides of the Atlantic Ocean to work together. We are trying to avoid the duplication of weapons systems, the pervasive inability of weapons systems to function together on a battlefield, and the huge waste of resources this entails.

Now, I did not speak vigorously against the Glenn amendment because I think there is validity to his assessment that, in effect, some of the SDI contracts have been awarded on a political basis for support around the globe rather than strictly on the basis of merit. It is hard for me to gauge how many of them fall into that category, very hard to say. But I do have that real doubt.

This amendment—and I would hope to get a vote on it at some point—says that the Glenn amendment prohibition shall not apply to any contract awarded to a foreign government or a foreign firm by the strategic defense initiative organization if that foreign government or foreign firm agrees to fund a substantial portion of the total contract cost.

The Senator from Indiana had an amendment almost identical to this one as a possible amendment to the Glenn amendment. Mine is not an amendment to the Glenn amendment, which has already been adopted; it would be an exception to the Glenn amendment. This amendment would assure that any European country that wanted to participate in the strategic defense initiative and put a portion of its own money in one of the strategic defense initiative-type projects, that government, or a company who did a similar thing, would be able to compete on a completely equal playing field.

I would hope the Senator from Ohio would look favorably on this amendment. I would now yield the floor to the Senator from Indiana and welcome his comments.

The PRESIDING OFFICER. As I understand it under unanimous consent we are not discussing the amendment as yet. This is a general discussion on the floor.

The Senator from Indiana.

Mr. QUAYLE. Mr. President, let me speak to the amendment that the distinguished chairman of the committee will be offering. It is an amendment, I think, that goes a long way toward facilitating the cooperation with our allies rather than any confrontation and that is what we want. We want to have cooperation.

He has been very involved in the cooperative arrangements. Where we have the bilateral contracts, and where we are trying to, in fact, encourage the cooperative arrangements between the United States and our NATO allies, I believe that ought to be facilitated and expedited as much as possible.

Furthermore, Mr. President, it is important to point out that the United States in this area of defense expenditures, R&D, or procurement, is on the positive side of the balance of trade. We have heard a lot about trade deficits, not necessarily on this debate but overall, where it becomes restrictive and we say hey, everything is going to be done in America, where we would like it to be done. But we have international responsibilities, an international global economy. We want our allies to buy things from us and from time to time, particularly when they have a good product, competency and costs, we ought to go ahead and purchase from them and have these joint arrangements.

The Senator from Ohio for the last couple of years has voiced a very legitimate concern and inquiry in the whole SDI scheme. I have heard him say time and again: Do you know what they are doing over there? He would point across the Potomac River. Do you know what they are doing over there? They are selling SDI. In other words, they are playing Santa Claus with the strategic defense initiative; with our good tax dollars, plus robbing the R&D account in this country. Some of us would scratch our heads and say: Now wait a second. We would look and see if they are really giving it away.

He has been on the forefront, and he says we should not peddle SDI to get a constituency. I think we ought to let it stand on its own merits. SDI ought to stand on its own two feet—because it will. We will find defense is compatible with offense.

I can go to the point that Senator GLENN has raised time and time again. It would not be any more playing Santa Claus or going around and selling SDI, because this amendment that will be offered, the host country, the country that is going to be in the R&D, will have to make a substantial contribution to that contract. I believe that answers, hopefully, in a positive way, a very legitimate concern that the Senator from Ohio has had. Quite frankly, I think that was much of the motivation for the amendment that he has offered in the past, which I have unfortunately had to oppose.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I want to speak in favor of the Glenn amendment and in reluctant opposition to the amendment of my friend from Georgia.

Mr. President, one of the biggest problems with SDI is that the Office of SDI and the administration had had a hype that has been associated with SDI. There has been an effort to sell this throughout the United States and throughout the world, through locating contracts.

Mr. President, our NATO allies, for the most part, think SDI is not a very good idea. That is not true with every member of NATO. That is not true with every member of the defense establishment of each country. But, by and large, Mr. President, the members of NATO view SDI very much like our scientific community, and that is, it is an R&D program which ought to be pursued in a robust way. But they view this talk of premature deployment and this rush toward the kinetic kill vehicle as being just what our scientific community does, just what the American Physical Society does, and that is not a very good idea.

So in case my colleagues do not know, please check around with what we have tried to do. We have, in effect, been trying to buy the support of foreign countries: Italy, Germany and so forth.

You know, in Germany, do you know where they have located the Office of SDI? In their Defense Department? No. In the Economics Ministry. Because they see this as an economic boon for Germany which, in turn, has led Germany to go to a very sort of left-handed, tepid, lukewarm support of SDI. Otherwise, I think they would come out and call it just what it is and that is an ideological program under the cloak of a scientific program. It is an ideological program.

Mr. President, that is why I think the amendment of the Senator from Ohio is such a good idea. We have the capability in this country, believe me, to pursue all of the scientific research that needs to be done on SDI. The finest work in the world, the pioneering work in R&D is in Livermore labs, Los Alamos labs, in American industry.

We do not have to go exporting hard-earned American taxpayers' dollars and American jobs in order to buy the support of the Italians and the Japanese.

I mean, can you imagine with a trade deficit like we have with the Japanese to be exporting more jobs in the guise of expanding our capability with R&D?

Mr. President, the Japanese are great in manufacturing. They take almost all the American ideas developed here with American money, with American research, and they do them very well from automobiles to copying machines to VCR's. That is all American technology.

America leads the world, certainly in defense R&D. Clearly in defense R&D.

Mr. President, if we are going to have this SDI Program, and I think we should, even if it is funded at a higher level, even if it is cannibalizing more worthy defense programs in order to increase that SDI Program, if we are going to do that, Mr. President, at least let us keep it at home where we have the best research and development in defense that there is. Let us not go exporting American jobs simply to get our NATO allies to sort of keep quiet.

You know, do not let them speak as the American Physical Society, which is the supreme court of physics in this country, which will call SDI, or at least the premature deployment of kinetic kill vehicles which this administration or parts of this administration seem intent on doing, wrong.

So, Mr. President, let us stick with the Glenn amendment. This proposed amendment says it is OK to go abroad if a substantial amount of research is going to be paid for by Italy or by Germany. What in the world is a substantial amount? Well, it is whatever the SDI office says is substantial. Five cents on the dollar? Six cents? What is substantial? Nobody knows.

The reason they want to locate these contracts over there is, as I say, in order to buy their support. You can be sure that the word "substantial" will be as de minimis as the SDI Office can make it. And, believe me, the SDI office will make it very slight.

I would yield to my dear friend from Indiana for a question.

Mr. QUAYLE. The Senator has stated he does support SDI as a program.

Mr. JOHNSTON. Indeed.

Mr. QUAYLE. But the Senator would want to deny a research contract from going overseas if, in fact, you could have better quality and price at the same level than the United States; is that correct?

Mr. JOHNSTON. In the first place, I do not think the premise that they do better research in SDI abroad than they do here—I think that premise is all wrong. I do not know whether the Senator has been through our labs and our research of our American contractors. I have been all over and the best work in the world is done right here.

I do not know of one field where they do better work than we do right here. This is research and it is in its very early stages. Frankly, most of it is not done at all, yet. They are trying to create it. They are trying to learn how to build an Excimer laser with sufficient power, or a neutral particle beam. They do not have it yet.

I say we have the greatest capability and clearly equal capability with any country in the world.

I say what has motivated the SDIO to try to put these contracts abroad, and they are putting them abroad pell mell, is, in effect, to get their support or at least to quiet their opposition to what we are doing. That is what I think it is all about.

Mr. QUAYLE. Will the Senator yield?

Mr. JOHNSTON. Yes, indeed.

Mr. QUAYLE. I have no dispute with the Senator's categorical assessment that we have the best research base in our laboratories in the world.

I do think there are probably some things in research that we could, in fact, get from some of our allies. I can think of one particular thing in relation to SDI that the Germans do quite well, German optics. I believe that the Senator will probably agree with that. We can do it, but they do it very, very well. With just the fact that they can do it very, very well on a quality and competence basis, plus making a contribution from their own government as we try to facilitate cooperation rather than confrontation, I really do not see the problem in the Nunn-Quayle amendment.

Mr. JOHNSTON. We are not buying German lenses. It brings to mind the great Leica lenses on cameras. We are not buying that existing product, which is very good. We are doing the R&D, in effect creating an industry. I say if we are creating an industry, like in this new kind of optics—and these are different kinds of optics than used on cameras, the kind of optics that go into the infrared lenses and that sort of thing—I say, let us create it here if it does not exist. Frankly, it exists here as well as it does anywhere in the world. We have the capability in R&D.

If you looked at the trade deficit lately, we cannot afford, in R&D, to be exporting those jobs and to be increasing that trade deficit anymore.

I think the Senator made a very good talk when he was imitating Senator GLENN. It sure sounded convincing to me. I think he hit the nail right on the head. I hope under their guise of whatever SDI considers to be substantial, which is an absolutely meaningless term, that we will stick with Senator GLENN's amendment.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I realize we have not had the amendment formally submitted and there has only been discussion in general terms.

The distinguished Senator from Indiana is absolutely correct on my view on this in recent years. I enjoyed the characterization he made a few minutes ago. I thought it was particularly good.

My objection is twofold: One, that we are passing out 501 contracts for political support. I want to see the money spent in this country, unless they can do it cheaper over there. As I said, that is what my amendment provides.

My question is much like the question of the Senator from Louisiana: What is substantial? I do not know. Substantial? Is that 50 percent cost sharing? I would presume something like that.

I think in the legislative history we can establish what we expect to be a substantial amount. I know there is no percentage figure in there and maybe there cannot be. But I am dubious.

I am not opposed to this amendment at this point, but I have some of the same questions the distinguished Senator from Louisiana has. Can they buy in for 5 percent and get 95 percent funding? Does substantial mean 50 percent of the funding and an even split? I do not know what is meant by substantial, quite frankly.

I know that substantial is supposed to have a generic meaning, but I do not know what it is. Can I have a definition of substantial?

Mr. QUAYLE. The Senator can correct me if he wishes to, but I believe the language in this amendment comes from the substantial portion language in the CDI arrangement we have with our allies. That is where we took that language from.

I think possibly the Senator from Louisiana has supported that in the past.

That is where I have a problem in drawing the line, because we want cooperation in advanced conventional R&D, but somehow in SDI we have to set up different ground rules. A different ground rule we will have in the SDI to make sure they do have the same kind of cooperation arrangements as they do have in the CDI, the conventional defense initiative. That is the best definition I can give.

Mr. NUNN. Will the Senator yield for one point? There is no doubt that "substantial contribution" is not precisely defined. I am hesitant to define it precisely because in NATO we have a wide variation of countries and a wide variation of financial abilities.

In the cooperative project to which the Senator from Indiana referred—in which, by the way, Senator QUAYLE, myself, and others, including the Senator from Ohio, have been very active—I have been told by staff in the last few minutes that the contribution lies somewhere in the range of 20 or 25 percent. But it varies depending on who is getting the main benefit.

There are some of those cooperative projects that overwhelmingly benefit the United States, where the allied country involved does not have a whole lot of interest, but, nevertheless, has enough interest to make a contribution. Of course, their contribution tends to be lower in those cases.

There are other projects that are much more beneficial to the European nations involved, and their contributions tend to be correspondingly higher.

I would imagine that in this highly technical area, the allied contribution would be 50 percent or more, with a number of them somewhere between 10 and 30 percent. I think it will vary.

I would say that the Senator from Louisiana expressed some of the apprehension I have about the SDI office. I have not quite reached the stage of cynicism he has reached, but I am on the same ladder down and getting deeper all the time. Nevertheless, he is below me on that ladder. Recognizing that we will be watching this carefully, however, I still believe that the SDI office, the Secretary of Defense, and others would be making a very bad mistake if they played games with this "substantial contribution" language, and used it, as the Senator says, to put a nickel or dime in and thereby comply with the Glenn amendment. I think that would be an enormous error and would cost them a lot in credibility.

So, yes, there is some discretion, there is some room for cynicism, some room for manipulation. But I really believe that the combination of this amendment and the Glenn amendment will do precisely what ought to be done for SDI: separating those countries who want to participate economically from those who want to participate in a military undertaking. We will separate the wheat from the chaff.

Mr. WARNER. Mr. President, I have examined this with great interest. It is really just a very narrow margin here as compared to a very substantial margin the year before. I say that in recognition of the serious concern held in the minds of many Senators.

The reason that I cosponsored this, the principal reason, is that this amendment will help salvage, and I say that respectfully, the five existing agreements we have with five of the closest allies and friends we have. I am quite certain that they will step up and readily accede to the congressional will as expressed in the proposal submitted by Mr. NUNN, Mr. QUAYLE, and myself.

And so for the sake of trying to preserve the modest ground that has been made in advancement of this area of R&D contracting abroad, I certainly would hope that just a few more Senators would join and make this possible.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I apologize in a sense for coming into this debate late. I did not realize how strong the Glenn amendment was. Are my colleagues aware that the Glenn amendment says that this prohibition may be suspended "if the Secretary of Defense certifies to the Congress in writing that such contracts cannot be competently performed by a U.S. firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm"?

Mr. President, if there are optics that are superior and cannot be obtained in the United States, you can do it under the Glenn amendment. Now, what in the world are we trying to do, Mr. President? Under the Glenn amendment, if it cannot be performed in this country at a competitive price, you can send it abroad. But do you know what the SDI Office is doing? We have 24 contracts in the United Kingdom totaling almost $30 million, $29,963 million, more contracts than we have in 41 of the 50 States. American jobs are being exported, almost 30 million dollars' worth. Do you know what we are doing with West Germany? $45 million, almost 46 million dollars' worth of American jobs are being exported to Germany in order to get their support, in my view, for SDI.

Now, if we cannot do it in the United States, sure, send it to West Germany, send it to Italy, send it to the United Kingdom. But if we can do it here, as the Glenn amendment says, at a price equal to or cheaper, please, the Senator from Virginia, somebody, tell me why we ought to export those American dollars and American jobs.

Mr. WARNER. Take, for a moment, a dispassionate look at this equation that we are working on.

Mr. JOHNSTON. I have been for some time.

Mr. WARNER. In terms of the exchange rate, it is an objective of this country to try to get ours down, and that makes it exceedingly difficult for a foreign firm to come in here and do an equal-price arrangement.

Mr. JOHNSTON. Is the Senator suggesting that we ought to subsidize the exchange rate in order to export these American jobs?

Mr. WARNER. Mr. President, I say to my good friend from Louisiana, he misses the point. As we achieve a goal of taking our exchange rate down, it makes it exceedingly difficult for a foreign firm to come in at the same or less price and we are going to lose, particularly in the area of research, what we are striving for, and that is the very best of technology.

Mr. JOHNSTON. If the Senator will yield, the Senator I am sure has read this language.

Mr. WARNER. Many times.

Mr. JOHNSTON. It says if it cannot be competently performed in the United States by a firm at a price equal to or below, then you can send it out. Now, is the Senator telling me if we can do the work in the United States at a price equal to or below, that we ought necessarily therefore ship the contract out if they are willing to put up 10 cents on the dollar?

Mr. WARNER. Mr. President, I will make one point and then I will be glad to yield. Before the distinguished Senator from Louisiana joined us, earlier in this debate the Senator from Ohio and I sort of put the finances to one side recognizing there was a fairly even playing field there, although I dispute that in view of the exchange rates now. But to return again, the uneveness is in the area of competent versus the higher technology that could be achieved from a foreign firm. That is the problem.

Mr. NUNN. Will the Senator yield just briefly?

Mr. JOHNSTON. Yes, indeed.

Mr. NUNN. I do not pretend to be an expert on research contracts but the way they work, according to my understanding, is different from going out and bidding on an automobile or hammer or pile of tin or steel or anything else that is a known and finished product. It is based instead primarily on making a certain amount of money available and basically saying to various firms I have x number of dollars for this general area of research; you give me a proposal and tell me what you can do for that primarily in terms of qualitative research. So the quality and the technological capability of these research firms in the high-tech areas is really what the measuring is all about.

Now, I am all for price competition. Price competition enters into it because you try to see what kind of product you can get. But it is really a qualitative measure rather than a quantitative measure, and therefore it is much more important in my view to worry about Senator GLENN's "competence" language than to worry about cost competition. From our national point of view it is worthwhile to encourage European companies that have high expertise in certain areas to participate—and there are companies in Europe that have optical, for instance, and other technological capabilities that are better than ours.

I am not saying their technology overall is better than ours. The Senator is correct on that. But I do not think the Senator would assert that in this broad array of technology relevant to SDI, America has the best technology in every single field—better than the Japanese, better than the Germans, and so on. There are some technologies at which they are really better. I think that qualitative measurements are very important.

But let me just pose this. The Senator from Alaska has been patient. If the Senator from Ohio and the Senator from Louisiana are willing, in a specified timeframe, to really wrap up and have a rollcall on this, I would like to do so becuase all of this important debate is connected. If they are not willing, if it is going to take extended debate to get to a vote, I would not even introduce the amendment at this time. I would go to another amendment and come back on this one later, because I am interested in moving the bill.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. I guess I am willing to vote on it now, but I would like a better definition of "substantial." Even a 50-50 sharing in this would seem better to me. I would much prefer, if these people really have had a change of heart and are now in favor of the whole SDI project, that they put some of their money into the whole project and we start this as a sharing of project expenses, not just of the research itself. That would be a much better basis, it seems to me, on which to share research funding. All of the reasons put forward by the distinguished Senator from Louisiana I agree with. And the distinguished Senator from Indiana is absolutely correct in his characterization of me a few moments ago of what I have said on the floor about all of this in the past, that if they would share in the cost of SDI or even if they were sharing in the costs of the research, that would make a great difference. But where they are just flatly accepting American taxpayer dollars to do research to outcompete us with their scientific infrastructure, it seems to me preeminently preposterous and that is what this Glenn amendment is all about.

Now, I do not know what "substantial" is. If they are going to do all the research and all the payment for it, then "substantial" is 50 percent or maybe even more than that. The distinguished Senator from Georgia, the chairman of our committee, indicates that in a lot of our other sharing we say substantial sharing in conventional weaponry with these people under our NATO contracts and understandings is more on the order of 25 percent. Well, now, that gets down to a little lower level than I think we should be going and that is the reason I am a little bit hesitant.

I am all for moving ahead on this. I do not want to delay it. I do not want to start any filibuster or anything like that. I do not know whether anyone can give me a better definition of "substantial." In something like this where they are not even supporting SDI, are we talking about 50 percent, 50 cents on the dollar where they share? It seems to me that would be about the minimum since we would be putting up the large amount and they are not even basically supporting the whole SDI Program. We are helping them build up their research establishment. If it comes to a vote here, I probably will vote with you on this. I do not know. But it worries me I do not have a better definition of "substantial."

Mr. QUAYLE. Will the Senator yield?

Mr. GLENN. Yes.

Mr. QUAYLE. I think it is very difficult to put a percentage on this, whether you are talking about 10 percent, 50 percent, 30 percent, 25 percent. I think basically you have to say a substantial portion, which we do.

Now, let me just tell you what this means, at least in my view. I think you have to go back and see how the SDI and Nunn-Quayle contracts are working, and I think the Senator said somewhere around 25 percent. That may be where the SDI contracts are. It may be higher; it may be lower; it may be significartly higher. But the problem with putting in a percentage is that you have to look at the overall slice of the pie. The United States expenditures in just aggregate dollars on R&D, not total defense dollars, but R&D, specifically SDI and R&D, is several times higher than any other allied country. If you start saying that you have to have dollar for dollar with our additional expenditures, "substantial" might mean less than 50 percent. But substantial is substantial.

We are not saying that there will be 5 cents on the dollar or 2 cents. No.

Mr. GLENN. The Senator says "significantly higher." That is a misnomer because they are not putting anything into the program. We are putting all the funding into SDI. There is nobody supporting SDI but us.

Mr. QUAYLE. We are going to correct that because the Senator has brought up, as I said, a legitimate point. These SDI contracts are, I think, very important. And I think we will see which ones want to stand up and be counted. Do you know what may happen with this requirement? I think there is a lot of apprehension that maybe other nations are not that interested in it.

The Senator from Louisiana started talking about the SDI account in Germany, for example, being done through the Ministry of Economics. Maybe they will not want to come forth with their own substantial portion of contribution. Do you know what? We are going to demand a substantial portion of their contribution which I think is a very legitimate way to proceed.

But is it almost impossible for us to specify what percent share this should be. When we get into the size of our economy versus others, the size of our defense budget, the size of our R&D account, who is going to benefit from the R&D, it is difficult to be able to determine what percentage share is substantial and, thus, fair.

I hope we will not push for a specific percentage.

I am also reluctant to talk about a specific percentage because all of a sudden it becomes sort a regulation, and we have to get that amount.

I think we ought to see what happens without setting the percentage. Let us see what the response is.

Mr. GLENN. If the Senator will yield, I wish I had more faith in my friends across the river in the Pentagon. I do not want to build in a loophole where they can drive a hole through the SDI budget. I am afraid that is what might happen. That is why I was pushing to get a definition of "substantial." I do not want them saying we will let a big contract to Italy, it is a mammoth one, we know we can do it in this country, but as long as we get them to put in 5 percent, that takes care of Congress. And we will go ahead and do this because they have political support. Everybody knows about political support. Between 1983 and 1984, the SDI Program was first proposed, and for a couple of years thereafter got no support from any nation in Europe. Most of them said they were threatened. Some did not oppose it. That is all they did.

In 1985, President Reagan said to the allies that we will share SDI contracts with them, and Helmut Kohl and his people went to work over there convincing them that there was going to be a big economic benefit with lots of spinoff benefits. Do you know where they put it? They put it in the Ministry of Economics. That shows what they think of it.

It is helping them to build up their infrastructure. We doublechecked that with the West German Embassy.

So we are helping them eventually with the trade from all of the spinoffs. If they are willing to put in a sizable contribution, that is fine. I would even bend over backward and go along with that. If it is going to be a mere 10 or 15 percent. I do not see that as a basis where we should match with 85 percent of our money to benefit them. If they are willing to share 50 cents on the dollar, maybe I could bend that far. But I was hoping we could get a better definition of this. That was my point.

I may well vote with the Senator on that if it is submitted.

Mr. JOHNSTON and Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, once again, the U.S. Senate is vividly demonstrating that it is the most deliberative body in the whole wide, wide, wide world. Would the President be good enough to advise the Senator from Nebraska what the amendment before the Senate is at the present time?

The PRESIDING OFFICER. The Chair will advise the Senator from Nebraska that there is no amendment before the Senator at this time. Does the Senator from Nebraska have an amendment?

Mr. EXON. No. The Senator from Nebraska is here to defend a part of the bill that was passed that is going to be attacked by the Senator from Alaska; 35 minutes ago we were going to have a 5-minute discussion on the measure that we have now debated for 35 minutes. It is not even before the U.S. Senate. I am only rising to say I am here to defend a very important piece of legislation that the Armed Services Committee passed in the bill that I understand is going to attempt to be struck by the Senator from Alaska.

I am only appealing to my colleagues that if we are going to continue to debate this amendment, may I courteously and respectfully suggest that the amendment be sent to the desk, that we get on with the debate, and then have a rollcall vote? Could we have a time agreement on this? The Senator from Alaska and I are prepared to enter into a time agreement on the motion that he is going to make. Rather than talk let us act and let us vote.

Mr. NUNN. Will the Senator yield?

Mr. EXON. I am glad to yield.

Mr. NUNN. The Senator from Nebraska is exactly correct. I think if we can get to a vote right now, it would save us time to send the amendment to the desk, have it read, and then vote. If we cannot get to a vote right now, I would not send the amendment to the desk. Does anyone object to going to the vote now?

### AMENDMENT NO. 691

Purpose: To limit the awarding of contracts for research and development in connection with the Strategic Defense Initiative program to foreign countries and foreign firms

Mr. NUNN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia (Mr. Nunn), for himself, Mr. Quayle, and Mr. Warner, proposes an amendment numbered 691.

Immediately following the section entitled "Prohibition Against Certain Contracts" (the amendment number 680 to S. 1174 offered by Mr. Glenn and others), insert the following new section:

SEC. —. COOPERATIVE SDI RESEARCH PROJECTS.

(a) The prohibition in subsection (a) of Section — shall not apply to any contract awarded to a foreign government or a foreign firm by the Strategic Defense Initiative Organization if that foreign government or foreign firm agrees to fund a substantial portion of the total contract cost.

(b) In this section, "foreign firm" has the same definition as in subsection (d) of Sec. —.

The PRESIDING OFFICER. Is there any further discussion on the amendment?

Mr. NUNN. Mr. President, is there a desire for the yeas and nays? I ask the Senator from Louisiana and the Senator from Ohio.

Mr. JOHNSTON. Yes.

Mr. GLENN. Yes.

Mr. NUNN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. NUNN. Mr. President, before the clerk calls the roll, could we have a brief dialog with the Senator from Alaska, and the Senator from Nebraska and get that time agreement so we can go to that amendment immediately after this amendment?

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I appreciate being recognized. If I might yield to the Senator from Alaska, I am not encouraging him to offer this amendment, but I think he will anyway. We have discussed it informally. We, I think, have agreed that there will be no more than 15 or 20 minutes per side and then if he wants a rollcall vote, he can ask for it.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I do have now requests from six Senators to speak briefly. I would request that we have a time agreement that there will be not more than an hour with the time on the amendment to be equally divided.

The PRESIDING OFFICER. The unanimous consent request is there be

1 hour evenly divided between both sides.

Mr. QUAYLE. Reserving the right to object, what does the amendment do?

Mr. STEVENS. It strikes section 505 of the Exon amendment that deals with the National Guard and in effect revises the Montgomery amendment which was in the bill in the last Congress.

Mr. QUAYLE. Does it repeal the Exon amendment?

Mr. STEVENS. It would delete the Exon amendment and leave the Montgomery amendment in law.

Mr. EXON. Reserving the right to object, I assume that we would move things along, and we had earlier agreed to 20 minutes equally divided. Is it possible to live with that so we can move things along?

Mr. STEVENS. I would love to move things along, but two of the people involved are in the Bork hearings and I would not like to leave the time in the situation where they would not be accommodated. I would ask that we have an hour equally divided and I will be prepared to yield back my time that others wish to have.

The PRESIDING OFFICER. The Senator from Alaska has a unanimous consent request that——

Mr. EXON. I do not object. I hope we can agree with that time frame, and have a vote immediately after the time has expired or all time being yielded back.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Reserving the right to object, and I do not wish to object; I am very delighted we have the possibility of this agreement. I ask the Senator from Alaska and the Senator from Nebraska if they would amend the unanimous-consent request to bar any second-degree amendment to the Stevens amendment and to bar or prohibit any amendment to the language which is proposed to be stricken.

Mr. STEVENS. I have no objection.

Mr. EXON. I have no objection.

The PRESIDING OFFICER. There is a unanimous-consent request that there be 1 hour accorded the amendment of the Senator from Alaska, equally divided, with no second-degree amendment considered during the course of the offering of that amendment.

Mr. STEVENS. And no amendment to the text of the bill as it is presented to the Senate.

The PRESIDING OFFICER. No amendment to the text of the bill as offered by the Senator from Alaska.

Mr. QUAYLE. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. QUAYLE. In other words, once we dispose of this amendment, no other amendment will be in order to substitute——

Mr. NUNN. Under this time agreement.

Mr. QUAYLE. Just during this hour.

Mr. NUNN. Under the time agreement.

Mr. QUAYLE. I want to make sure that it would not preclude other amendments. I support the Exon position, but I do not want to foreclose other amendments.

The PRESIDING OFFICER. This agreement will not foreclose other Senators at a subsequent occasion.

Is there objection to the unanimous consent request? The Chair hears none and it so ordered.

Is the manager ready to proceed with the amendment? May I have the attention of the manager? Is he prepared to go ahead at this point?

The PRESIDING OFFICER. The unanimous-consent agreement is granted on the amendment of the Senator from Alaska, immediately subsequent to this rollcall vote.

The question is on agreeing to the Nunn amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. Boren], the Senator from Tennessee [Mr. Gore], and the Senator from Hawaii [Mr. Inouye], are necessarily absent.

I further announce that the Senator from Michigan [Mr. Levin], is absent due to illness.

I also announce that the Senator from New Jersey [Mr. Lautenberg], is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. Packwood], is necessarily absent.

I also announce that the the Senator from Vermont [Mr. Stafford], is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 61, nays 32, as follows:

[Rollcall Vote No. 251 Leg.]

YEAS—61

Armstrong
Baucus
Bentsen
Biden
Bond
Boschwitz
Bradley
Breaux
Chafee
Cochran
Cohen
D'Amato
Danforth
Daschle
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Ford
Fowler
Garn
Graham
Gramm
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Mitchell
Murkowski
Nickles
Nunn
Pressler
Quayle
Reid
Roth
Rudman
Sanford
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—32

Adams
Bingaman
Bumpers
Burdick
Byrd
Chiles
Conrad
Cranston
DeConcini
Exon
Glenn
Grassley
Harkin
Hatfield
Johnston
Kennedy
Kerry
Leahy
Matsunaga
Melcher
Metzenbaum
Mikulski
Moynihan
Pell
Proxmire
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Shelby
Simon

NOT VOTING—7

Boren
Gore
Inouye
Lautenberg
Levin
Packwood
Stafford

So the amendment (No. 691) was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska is recognized to offer an amendment to strike the Exon language from the bill.

Mr. STEVENS. Mr. President, I yield to the majority leader.

Mr. BYRD. Mr. President, the Shultz meeting, which was to have occurred at 4 o'clock and which was then slipped to 5 o'clock will not occur at all today. I thank the Senator for yielding.

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska is recognized to offer an amendment to strike the Exon language from the bill. On this amendment there is to be 1 hour, equally divided in the usual form. No amendments to underlying text are in order. The Senator from Alaska is recognized.

### AMENDMENT NO. 692

(Purpose: To strike Section 505 of S. 1174, a provision amending Subsection (f) of section 672 of title 10, United States Code)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. Stevens], for himself, Mr. Heflin, Mr Cochran, Mr. Chiles, Mr. Kasten, Mr. Garn, Mr. Gramm, Mr. Dole, Mr. McCain, Mr. Pressler, Mr. Daschle, and Mr. Rudman, proposes an amendment numbered 692.

On page 56, strike lines 3 through 13.

The amendment is as follows:

On page 56, strike lines 3 through 13.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I yield myself 5 minutes.

Mr. President, if we may have order.

The effect of this amendment would be to strike section 505 from the bill. That amendment is known as the Exon amendment. It deals with the active duty of the National Guard. The effect of the Exon amendment is to repeal the Montgomery-Wilson amendment that appeared in the 1987 defense authorization bill.

That current law puts the burden of proof on a State Governor to demonstrate that Guard units should not be deployed overseas. That must be done on the basis that there is a necessity to retain Guard units for State-related activities of a higher priority.

This section would require the President to certify that the Guard will be engaged in national security activities that require that action by the President in calling the Guard to active duty, in particular, with relation to the Montgomery amendment, to assigning the Guard outside of the United States.

The incongruous portion of the bill that is before us really is that—take the situation of the Guard activities in Honduras, in which the Guard from my State very much wants to perform.

If there is one aircraft from the Air National Guard sent from Alaska, another one from Washington, another one from Oregon, another one from Connecticut, another one from Mississippi, to form a group to work with the Army Guard in Honduras in exercises, and this is what we have been doing, the President will have to certify in each State the national security requirement for this active duty on behalf of the Guard.

I believe that the Montgomery amendment, the Montgomery-Wilson amendment of last year is a valid way to deal with the question of the assignment of our Guard units outside of the United States.

Mr. President, I ask unanimous consent that following my remarks there be printed section 522 of the 1987 authorization bill and section 505 of this bill, so that anyone that reads this dialog that we are going to have will understand the difference between the two amendments.

The PRESIDING OFFICER. Without objection that will be the order.

(See exhibit 1.)

Mr. STEVENS. Mr. President, on August 3 of this year, in the case before the U.S. District Court for Minnesota, Perpich versus the Department of Defense, the District Court in Minnesota reaffirmed the Department of Defense's position that title 10, section 672(f), which is the Montgomery-Wilson amendment, is constitutional, legal, and enforceable and it pointed out that the decision of the court was highlighted by the conclusion that Congress may exercise plenary authority over the National Guard training while the Guard is in the service of the United States—that is on active Federal duty—and that the States retain shared control over the National Guard training when the Guard is not on active duty.

The Montgomery amendment preserved that relationship and the court now has upheld the Montgomery-Wilson amendment, that is the court has upheld that amendment as being a valid exercise of our constitutional authority with regard to the National Guards of the several States when on active duty.

My amendment will simply delete section 505 and leave the Montgomery-Wilson amendment as it has been upheld by this court action as appropriate and constitutional exercise of our authority over these National Guards.

These are Guards that are supported by funds of U.S. taxpayers. No individual Governor ought to be in a position of challenging the decisions made by our national authority with regard to National Guard when it is on active duty as a National Guard called up, in effect, by the President or pursuant to his power, for exercise as supplements to our standing military that is already subject to, of course, the Commander in Chief's directives.

### EXHIBIT 1

**SEC. 505. ACTIVE DUTY OF NATIONAL GUARD**

Subsection (f) of section 672 of title 10, United States Code, is amended to read as follows:

"(f) The President may order a unit or member of the Army National Guard of the United States or the Air National Guard of the United States to active duty under subsection (b) or (d) even though the governor or other appropriate authority, as the case may be, withholds consent, if the President certifies to the governor or other appropriate authority that the national security of the United States requires such action by the President.".

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**SEC. 522. CONSENT OF GOVERNOR FOR CERTAIN ACTIVE DUTY OF NATIONAL GUARD**

Section 672 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) The consent of a Governor described in subsections (b) and (d) may not be withheld (in whole or in part) with regard to active duty outside the United States, its territories, and its possessions, because of any objection to the location, purpose, type, or schedule of such active duty.".

Mr. CHILES. Mr. President, I rise at this time to join Senators STEVENS, COCHRAN, and HEFLIN in introducing legislation to delete language in the fiscal year 1988–89 Defense authorization bill establishing new conditions under which a State Governor can withhold consent for overseas training of members and units of the National Guard from his State.

I cosponsor this amendment because I feel that the language enacted in last year's authorization bill—the so-called Montgomery amendment—is sufficient to preserve the balance of control between the State and Federal control of the Guard. Under the present law, a Governor may not withhold consent of overseas Guard training for purposes of location, type, and schedule of such training but he can keep his Guard units in State if a real need exists such as a State or local disaster or civil unrest.

The committee language would put the National Guard in question as a reliable partner in our national defense. Under the committee provisions sponsored by Senator EXON, any time a State Governor happened to disagree with a President on foreign policy matters he could withhold consent for that State's overseas Guard training. The President would then have to certify in writing on a case-by-case basis that national security requires such action. This would give State Governors a role which they do not currently have in foreign policy decisions and serves to make National Guard deployments a forum for debating foreign policy issues.

Mr. President, I believe the bottom line should be training. Decisions affecting where and when Guard units should be sent must be based on how best to prepare Guard units for combat. The Governor will continue to play a valuable role where the National Guard is concerned. However, ultimate decisions which commit our troops to combat will rest with the Commander in Chief.

Mr. STEVENS. Mr. President, I have a series of people who wish to be heard. I would point out——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STEVENS. Very well. Let me yield at this time to the Senator from Arizona. He wishes time.

Mr. EXON. The Chair reserved the right for recognition, I presume?

The PRESIDING OFFICER. That is true.

Mr. STEVENS. That is true. If my friend wishes to speak at this time? I did not see he was seeking recognition. Does my friend seek time?

Mr. EXON. The only reason I rise at this time, I have no objection to the Senator yielding time on his time. I understand the Senator from South Carolina will be a few more minutes, so I have no objection. Go ahead. I thought he wanted to move ahead.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. STEVENS. For not to exceed 5 minutes, Mr. President.

Mr. McCAIN. Thank you, Mr. President.

I rise in support of the amendment of my distinguished colleague from Alaska.

I would like to recognize the involvement and the commitment of Representative MONTGOMERY, my distinguished former colleague from Mississippi.

Mr. President, there is no one in both bodies that I believe has a better expertise, more knowledge or more esteem than Congressman MONTGOMERY the author of the original Montgomery-Wilson amendment. I think it was an important resolution to what was a very divisive issue across this

country, and that it defined the roles of the Governors as to how National Guard units could be deployed and under what authority and to what extent beyond the borders of the State.

I believe that not only was the Montgomery-Wilson amendment an important one that was thoroughly ventilated and approved by substantial margins in both Houses, but I would also remind my colleagues that it has already been tested in court and upheld in court.

I think it would be a serious error on the part of this body to revisit this issue again and cause further consternation and uncertainty, not only for the Governors but, of course also for those members of the National Guard.

Mr. President, the Montgomery-Wilson amendment is working. It is working well. It does, indeed, give the Governors a voice in the disposition of those troops but that opinion is decided within the Guard bureau which, I believe, has the expertise to judge the overall deployment of any Guard unit in this country.

I would hope that we would adopt the Stevens amendment, leave the status quo where it is adhere to a system which is working certainly to the great satisfaction of the members of the Guard and the Governor of my State, and again allow a carefully crafted and very hard-fought decision to remain in being, at least for the next few years to see if it worked adequately and efficiently.

I yield back the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I will yield when someone seeks recognition. My cochairman of the subcommittee, the distinguished Senator from South Carolina, necessarily had to return to the committee on which he plays such an important role with regard to the confirmation of Judge Bork. I will accommodate him when he is ready.

Mr. President, the amendment which I offered and which stood up in the bill withstood quite a lot of debate and reaction. It was discussed at length in the Armed Services Committee. Neither the Governors nor the National Guard like this amendment because neither one of them wins. I submit that for that very reason, the provision as contained in the bill is sound and should be retained, notwithstanding the full court press by the politically powerful National Guard Bureau and their politically powerful bureaucracy.

I listened with interest to the talk about leaving the Montgomery amendment as it is. This is an improvement upon the Montgomery amendment. It is true that the Montgomery amendment has been tested in court, but that is just the first test. The Governors are continuing to fight and will continue to fight the Montgomery amendment.

I think once and for all we should clarify what the will of the U.S. Senate and the U.S. House of Representatives is.

The Montgomery amendment, Mr. President, says in very careful, very guarded language that no Governor may interfere with the foreign policy of the United States, and it goes on to say that if a Governor objects to the deployment of his or her National Guard, if it is for the reason for foreign policy, that objection does not prevail.

What we have worked out here, Mr. President, very briefly, very simply, and very directly, is to settle this matter once and for all, clearly. As a former Governor I have great respect for the National Guard, and I have been a strong supporter of it. I also think that the rights of Governors are very important. What my amendment simply says is that a Governor can complain or object to the deployment of the National Guard anywhere, any place, and any time for any reason. The Governors, therefore, maintain the authority that they have always had as directors of their Guard and as I had when I had the privilege of serving as Governor of Nebraska.

But this amendment goes on to say, and here is where we take the courage to take a stand, that if the Governor objects, and if the President of the United States, the Commander in Chief, says that the Nebraska National Guard or any part of it, or any other National Guard, should be deployed in Central America or anywhere else, the Commander in Chief will prevail.

What I am doing here is strengthening the role of the President of the United States in national security. Since we all know, should know, that the National Guard plays a key role in our force development and force projection like it never played before, we have to clear up this matter once and for all.

So I emphasize once again, Mr. President, that all the Exon amendment does is strengthen the idea, the concept, in the Montgomery amendment which I supported last year. But it eliminates all doubt. There is no fancy legal wording. It merely says that the Governors can object whenever and wherever they want to, but if they do—and I suspect that there will not be a lot of objection because there have not been a lot of objections in the past—if a Governor does object under the total force projection concept, the President of the United States, the Commander in Chief prevails, and he says, "Governor, notwithstanding your objections, I am going to send the Nebraska National Guard or part of it, or the Mississippi National Guard, or part of it, I, as Commander in Chief, am going to send those forces because I think that the national security of the United States is involved."

Some of the comments that have been made by those who are trying to strike this would lead one to believe that the amendment as it came out of the Armed Services Committee weakens the national security interests of the United States. The fact is it strengthens them. For all practical purposes it will end once and for all, I think, any objections that anyone could legitimately have to what we are trying to get done.

What I am saying here, and let us get right down to the issue, is the issue which brought this up was whether or not National Guard troops should be sent to certain sections of Central America, and Governors, for whatever reason, some charged for political reasons, objected to those troops going down there. Then the matter came about who had the National Guard where. It was not defined nor was it previously defined in the law that the President could do it, as Commander in Chief.

I simply say, Mr. President, and I will talk more on this later, that those who are really concerned about the proper training of the National Guard and to keep the National Guard from becoming involved in political contests, should recognize and realize that Ronald Reagan, or any President who succeeds him, is and should be the Commander in Chief. I think that the National Guard plays such a key role that no Governor should be able to stop sending those troops anywhere if that Chief Executive has the sufficient dedication and feels strongly enough about it that he wants to overrule the objection of the Governor. That is what we are talking about.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Nebraska has reserved the remainder of his time. Does the Senator from Alaska yield time?

Mr. EXON. Mr. President, I will use a little bit more of my time.

The argument of the Senator from Alaska says that there is something with regard to the constitutionality.

I am not challenging the constitutionality of the Montgomery clause that we passed last year. That is not the issue here.

The issue here is exactly what I said a few moments ago. It is an improvement and it strengthens the Montgomery amendment.

Senator STEVENS agreed that the Governor should not have the authority to interfere when the Guard is on active duty. Exactly. That is exactly the point that I am making.

That is all the amendment does.

It only applies to the training when the Guard is on Federal status. It does not affect when the Guard is on State status. I think there has been a lot of bugaboo and misunderstanding about what this amendment does.

Let me state once again what this amendment does and how it strengthens the Montgomery amendment as it was called last year from the distinguished Member of the House of Representatives who has done an outstanding job in the full matter of national security. All it does is strengthen that to say that the President of the United States may overrule the objection of any Governor for any reason to send the National Guard troops from any State anywhere in the world if the President, as Commander in Chief, determines that that is, indeed, in the interest of national security of the United States of America.

I reserve the remainder of my time.

Mr. STEVENS. Mr. President, I yield myself 1 minute. I say to my good friend—and he is my good friend; we have traveled together. I have great fondness and respect for the Senator from Nebraska—on this issue the problem that we face is the problem of the Governors objecting to service out of the United States. Let us be sure we focus on that. The impact of the Exon amendment is to change the Montgomery amendment. The Montgomery amendment was precise. It says that the consent of the Governor may not be withheld in whole or in part with regard to active duty outside the United States because of any objection to location, purpose, type or schedule of activity.

That is a paraphrase, Mr. President, but as a practical matter the Exon amendment in dealing with the domestic assignment of the National Guard on active duty eliminates the Montgomery amendment that solved the problem with regard to active duty outside the United States, and that is our basic objection.

I yield to the Senator from California, who is the principal sponsor with Congressman MONTGOMERY of this amendment that would be deleted by the Exon amendment. How much time does he want?

Mr. WILSON. Five minutes.

Mr. STEVENS. I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mr. WILSON. Thank you, Mr. President.

I find myself in a somewhat awkward position because I am the WILSON of the Montgomery-Wilson amendment and I supported the existing law in order to insert into law a remedy that was very much needed. And to be clear, both the Senator from Nebraska and the existing law, which has been referred to as the Montgomery-Wilson amendment of last year's authorization bill, have the same objective, which is to allow the National Guard to be deployed—and I think this is truly the real focus of this—"outside the United States" for the kind of training that really cannot be gained within the United States and to avoid what had been occurring, which is that under the existing law there was a confused state in which it was not at all clear whether or not a Governor could assert without any valid reason or even asserting an explicit foreign policy objection to the deployment of the Guard. And that situation clearly was intolerable.

To his credit, my friend from Nebraska seeks to provide a remedy.

So what we are really talking about is a difference in remedy seeking essentially the same goal. His would be provided by allowing the President of the United States in the event that there were some objections raised by a Governor on any count to overrule that objection. The existing law states that a Governor may not object validly to the deployment of his guard outside the United States for reasons that relate to the location, purpose of training, in short, all of those things that really relate to a Governor's asserting his own inconsistent foreign policy with that of the administration.

Now, what has happened since the time that we voted on this in committee—and I was persuaded to go along with the Senator from Nebraska—is that there has been a court test and a very, very strong opinion has been handed down that sustains the existing law, that is, the Montgomery-Wilson amendment. It has upheld the arguments that were raised under the so-called Army clause.

We have a situation in which there is a present effective remedy. There really is not a need to go this step to have an arbiter; it is working now. We do not need to fix it.

So I would say with the greatest respect to my friend from Nebraska, I commend him for a very good-faith effort to try to provide a remedy to what was a situation that really was not a tolerable one, one that would, if left unremedied, result in 50 Governors potentially exercising 50 foreign policies, each asserting themselves to be a President with respect to their own Guard.

That is an intolerable situation. We are after all a union; a majority of our citizens elect a President. It is his responsibility to conduct foreign policy. He is the Commander in Chief. There is one. Under either of these, a Governor could, of course, under any legitimate reason detain his Guard for a legitimate emergency. It may be that he needs to call out the guard to sandbag the levees, to put down some local insurrection, to prevent rioting and looting. That is permitted and it is permitted under the existing law as well. But what we have said, and we ought to focus on the distinction, is that under the existing law, the so-called Montgomery-Wilson amendment of last year, a Governor cannot, as have several, assert their own foreign policy as a bar to the deployment of their Guard outside the United States for needed training, training that they can get in no other fashion and instead the Senator from Nebraska would set up, I think, a needless confrontation in which the President of the United States would have to be the arbiter. Mr. President, the existing law is working. There is no need to fix it.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. EXON. I yield whatever time is necessary to my colleague from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I wish to pay tribute to Congressman MONTGOMERY for the great service he has rendered to the National Guard. He has been a very strong supporter and a very valuable Member of Congress in relation to the work of the Guard. I also commend Senator EXON for his great work on this matter and his work in general on the Armed Services Committee of the Senate.

Now, this is the way that the Exon amendment reads:

> The President may order a unit or member of the Army National Guard of the United States or the Air National Guard of the United States to active duty under subsection (b) or (d) even though the Governor or other appropriate authority as the case may be withholds consent . . .

Now, here is where it comes in:

> . . . if the President certifies to the Governor or the appropriate authority that the national security of the United States requires such action by the President.

In other words, it does not interfere with the Governors, and we should not interfere with the Governors unless it comes to the point where the President certifies to the Governor that the national security of the United States requires such action by the President. And in such event, why should the President not have that authority?

Now, Mr. President, I rise in support of the Exon amendment and in opposition to the pending amendment by my distinguished colleague from Alaska. I commend the Senator from Alaska. He has done a tremendous service to our country in armed services matters, but on this matter it seems to me that the preferable amendment is one adopted by the Senate Armed Services Committee. We have already considered it. We have gone into it in detail in the

committee and we approved it in committee.

Senator STEVENS is a very strong supporter of the National Guard and he has my admiration and respect for that.

There is some concern that the Exon amendment to the Department of Defense authorization bill, which the Stevens amendment seeks to strike, is an interference with the authority of a Governor in his relationship with the National Guard. Senator EXON and I have both been Governors and this is not the case. This will not interfere with the Guard.

The Guard has all the authority, probably more so. But when the President of the United States says it interferes with national security, who is going to make the decision? The Commander in Chief is the man who ought to make it. That is the President. That is what the Exon amendment does.

Our military forces have always been an instrumental part of our foreign policy and as a part of the total force the National Guard is an extension of the active duty military in this role. The National Guard deserves to train in realistic environments and they should not be prevented from doing so because a particular Governor disagrees with U.S. policy in the region, and as we all know the region in question is Central America.

Mr. President, the issue is realistic training for all of our military forces. We cannot always choose where we must fight to protect our national interests. Therefore, it is very important that we train in is as many environments as possible. And you have to leave it so somebody can make this decision. If 50 Governors cannot make it, the one man that can make it is the President of the United States. That is what the Exon amendment provided.

The purpose of the Exon amendment is to ensure that the Guard gets realistic training when it is in the national security interests of the Nation to train them in locations that some Governors may find objectionable.

Mr. President, the Exon amendment recognizes the right of Governors to assert objections to Federal training of their National Guard members in units for any reason, as has been the case for some 30 years, but permits the President, the Commander in Chief of all the National Guard of the United States, to be the final authority to decide if the National Guard needs the training in question in the interest of national security.

The Exon amendment provides a remedy to determine the validity of Governors' objections to training. Under the Montgomery amendment there is no one with clear authority to detemine if a particular objection of a Governor is violated by the Montgomery amendment.

The Exon amendment presents the very unsatisfactory situation in which National Guard members are ordered to active duty by a service secretary and ordered not to perform active duty by a Governor by providing in law a clear final decision.

That is what you have to have, Mr. President. You cannot quibble when these people need training. The National Guard is part of the total force. If it is part of the total force, who is the Commander in Chief?

I have been a Governor. There are many other Governors here. But the Governors for one reason or another may take a different position, but the President may say we need to train them in different environments. They may go to those environments. So the one man that can make that decision is the President of the United States. That is what the Exon amendment does.

Mr. EXON. Mr. President, I thank my good strong friend, another former Governor from South Carolina for his excellent statement and understanding of the problem.

I reserve the balance of my time.

Mr. STEVENS. Mr. President, does the Senator wish time? I yield 5 minutes to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the distinguished author of the amendment for yielding this time to me. It seems to me, Mr. President, what we are observing is sort of like the television program that I think we see or used to see called "Family Feud." I think we are in agreement with what ought to be done and how the authority ought to be placed with respect to sending the National Guard troops outside the United States for training. I think from what I hear everybody who has spoken so far agrees that that decision ought to rest with the President of the United States with Federal authorities, the Department of Defense rather than with individual State Governors. If I am not mistaken, that is what everybody has agreed upon.

The language in current law makes the decision of the Chief Executive absolute. It makes it not susceptible to being questioned by State Governors. What has happened now is in an effort to strengthen that authority the Exon amendment is giving the Governors the option of disagreeing with the President of the United States, and requiring the President to make a certification in each instance of deployment outside the United States that that deployment involves the national security of the United States.

Under the Montgomery version that is current law and which has existed now for 9 months and is working well, there is no such certification necessary. It is presumed as a matter of law that the decision of the President is correct, and that the national security of the United States will be served by the training or the active duty outside the United States.

So I think we have an innocent disagreement over terms on which we all agree on the objective, and that the thing to do is to let the law alone and not try to improve it.

I think we are going to make a mistake if we try to improve it by creating more confusion with respect to the rights and powers of Governors as against the right and power of the President of the United States.

So I hope Senators will vote for the Stevens amendment which I am cosponsoring because I am convinced that we ought not to try to modify or change or improve the law. The Montgomery-Wilson amendment was a compromise, and is now the law and has been upheld by a court of law as to its constitutional and legal authority.

So I hope Senators will vote for the Stevens amendment.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I yield myself what time I may need. I thank my friend and colleague from Mississippi for his statement. I wanted to clarify.

I do not think it is a family feud. It is a family misunderstanding of what is the right thing to do to provide the best possible national defense. All of the people on that side opposite my position and that of Senator THURMOND are just as committed to national defense as we are. So it is how we get the job done.

The Montgomery amendment has been tested in court. But that is not the end of it. There are going to be more tests. There is nothing wrong with the Montgomery amendment in my view. I supported it. I just do not think it goes far enough.

I simply say that my friend from Mississippi was not entirely correct when he said that under the present law it is very clear the President can send troops. The President does not send the troops now. The decision is made by bureaucrats in the Pentagon and the bureaucrats in the National Guard Bureau here in Washington, DC.

Mr. COCHRAN. Will the Senator yield on that point for a question?

Mr. EXON. I am glad to yield for a response, although I am running out of time. Will the Senator from Alaska yield?

The PRESIDING OFFICER. The Senator yields under the time of the Senator from Alaska.

Mr. COCHRAN. Is it true that those who are exercising this power are exercising a derivative power from the

Chief Executive, who is Commander in Chief of the Armed Forces of the United States?

Mr. EXON. I agree with my friend. But the key difference is I do not believe as a former Governor, maybe that is just a little ego, and maybe that is just a little pride. I do not agree that a bureaucrat even with power derived from the Chief Executive should be overruling a Governor who has always been in total control of his National Guard. We have a new deal. We have a new proposition because of the total force concept.

Mr. COCHRAN. Mr. President, will the Senator yield on that point, too, just for a question?

Mr. EXON. I yield.

Mr. COCHRAN. Mr. President, I wonder if the Senator remembers when Mississippi tried to use the power of its National Guard and President John Kennedy nationalized the Guard to help protect the safety and security of citizens at the University of Mississippi in 1962.

Mr. EXON. I remember that very well.

Mr. COCHRAN. That was an example of the test of power and who really has the power to control the National Guard, and ultimately it is the Chief Executive of the United States.

Mr. EXON. If that were true, then we would not have had the recent confrontation and the lawsuit by Governors that was just decided, fortunately, in suppport of the Montgomery amendment.

There is no question that the law says now that if the President wants to federalize the Guard, as he did in Mississippi—as another President did, I believe, in Arkansas at one time—he can do that.

I am trying to go through shortened actions that will not require the President to do that. The President does not decide. That is one of the problems with the Montgomery amendment. The President does not decide. It is bureaucracy under him, deriving from his powers, that make the decision.

I am convinced that the Governors, because of the way the Montgomery amendment is drawn, will continue to oppose. They are trying to worm their way around it legally in language, and we are going to have more and more court cases, and it will be tied up in the courts forever.

In the case of the Federal Government, here is where the blackmail comes in. The National Guard Bureau here now is threatening to cut off funds to the Ohio National Guard because the Governor of Ohio is objecting to sending troops from Ohio into Central America. Now we have a situation where the Government bureaucracy is ganging up and saying: "If you don't bow to our will under the Montgomery amendment, we're going to take your funds away from you." We all know that the Federal Government supplies about 90 percent of the funds.

What I am saying is that if there is a discussion between the Governors, if they do not agree with the policy that is being sent down, they have a right to appeal to the President of the United States; and if the President of the United States overrules them, that is it.

I simply say, Mr. President, that I think there has been an effort to make much more of a problem out this then there actually is. I believe that the Exon amendment was thoroughly discussed, thoroughly studied, thoroughly debated extensively, with strong legal assistance in the Armed Services Committee, and is being debated on the floor; and I think it is very important that we make clear exactly what we are doing. I do agree that this may be a family argument on how best to get the job done.

I reserve the remainder of my time.

Mr. STEVENS. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Alaska has 12 minutes; the Senator from Nebraska has 9½ minutes.

Mr. STEVENS. I yield myself a couple of minutes.

Mr. President, on this 200th anniversary of the Constitution, it might be wise to look to the Constitution.

Article II, section 2, states very clearly:

> The President shall be the Commander in Chief of the Army and Navy of the United States, and of the Militia of the several States, when called into the actual service of the United States.

We are talking about people who by definition have been called into service of the United States. They have been placed on active duty as members of the National Guard, subject to National Guard authority. Their commander operates through his subordinates. The Commander in Chief does the same.

Someone in the Guard Bureau said: "We need those people. Let's get some from Alaska and Washington, California, Connecticut, Mississippi, and send them down there to help in this operation, which is good training for all of them." One Governor objects. The Wilson-Montgomery amendment says that objection is immaterial.

The District Court in Mississippi has said that Montgomery-Wilson was right, because the Constitution says that the President is the Commander in Chief of the militia of the several States when it is called into active duty. That is the end of it.

I agree with the Senator from Mississippi that this is a family feud, because we did agree. There is no one here articulating the case of the Governor who objects, but we agree in saying that the Governors ought not be involved.

Unfortunately, my good friend from Nebraska changes existing law, because he says that within the United States, if the National Guard is called to active duty by a President—let us say sent to Little Rock from Alaska—then the President of the United States has to certify that it is in the interests of national security that the Alaskan National Guard be sent to Little Rock. That is section B, by the way. We are also dealing with D, which is overseas. It is not a simple argument we are having.

I am here because my National Guard commander, the Adjutant General, came to see me in my office and said: "We don't like this amendment. We think it confuses the issue once again. We thought the Montgomery-Wilson amendment was clear, was constitutional. It has been held to be constitutional. We ask you to go out there"—even though he is a good friend of yours—"to delete section 505." That is what I have done.

Mr. President, I have great respect for my good friend from South Carolina, but, in my judgment, where I disagree with Senator THURMOND is that there is no argument to be moderated by some third force. The presumption here is that the National Guard Bureau makes a decision on its own, without any authority, and says that the National Guard of Alaska has to go somewhere, whether it is what we call the south 48 or overseas, and the Governor objects. There needs to be someone to arbitrate between the Guard Bureau and the Governor of Alaska.

Our position is that that situation never occurs, because the Guard Bureau is carrying out the authority of the Commander in Chief in the first instance; and to put on the President of the United States the duty to certify that the action has been taken in his name as Commander in Chief is in the interests of national security begs the question. The Constitution gives him the power as Commander in Chief. He does not have to certify to anybody that it is in the national security to order the Guard anywhere, once it is in active duty.

That is what the Constitution says: The militia of the several States, when called into actual service of the United States, is under the President as Commander in Chief.

Mr. EXON. I yield myself such time as I may need.

Mr. President, I have listened with great interest to my good friend from Alaska. Just a couple of corrections. I do not think they are particularly important, but just so that the record is straight.

It was not a Federal court in Mississippi. It was a Federal court in Minnesota that properly declared the Montgomery amendment valid, and I supported that proposition. I do not think that obviates the need to make the law clearer than it now is.

Also, with regard to the statute that was just quoted by the Senator from Alaska, that is under the insurrection laws, and I believe the same insurrection laws were applied when the Federal action was taken in the State of Mississippi.

The Exon amendment does not change that. We are changing the training laws, which is under a different section. So it does not necessarily apply, as was stated in argument a few moments ago.

Mr. STEVENS. Mr. President, will the Senator yield on my time?

Mr. EXON. I yield.

Mr. STEVENS. Does it make a difference whether they are in training or under the insurrection laws so far as the Constitution is concerned, insofar as the power of the Commander in Chief over the militia of the several States is concerned?

Mr. EXON. I am not a lawyer and my distinguished colleague from Alaska is. He might be in a position to answer that better than I. In any event, I think it is a moot question, because what we are trying to do here is to streamline the procedure of giving the Governors the right they have always had—and I listened with great interest to the argument that here we are going through this procedure and allowing the Governors the right to object for whatever reason they think is appropriate.

I guess what I would keep reminding all is that traditionally the Governors have always had control over their National Guard. That is one of the reasons we had some difficulty, as my friend from Mississippi will remember, putting together his amendment last year. It is a new day. It is a new dawn. We have new needs around the world.

I am simply trying to streamline this procedure, while maintaining full control for the Governors as they had before, but recognizing they are going to have to give up something with the new and key role that our National Guard forces play around the world.

Mr. President, the amendment which I offered and is contained in this bill has stirred up quite a reaction. It was discussed at length by the Armed Services Committee. Neither the Governors nor the National Guard like this amendment because neither "wins." I submit that, for this very reason, my provision as contained in this bill is sound and should be retained, not withstanding the full court, press on this by the politically powerful National Guard Bureau.

The immediate issue is a key one: who controls the training of the National Guard in Honduras. While this needs to be resolved, it is not a major national security issue today. However, it could well develop into a major security issue if the controversy associated with Honduras were to expand, for whatever reason, to our defense commitments in Europe and the Pacific or elsewhere. That is the larger issue that neither the Honduras or the Guard bureau are considering.

Last year, in the fiscal year 1987 Defense Authorization Act, the Congress approved the "Montgomery amendment." It states that a Governor may not object to the overseas training of the National Guard for the specific reasons of the location, purpose, type, or schedule of that training. It was enacted to ensure that the President remained the Commander in Chief of our Armed Forces and to protect the President's constitutional responsibility for foreign policy. In my opinion, the Governors who objected for foreign policy reasons were wrong to do so for Governors have no legitimate role in foreign policy decisions.

However, the Montgomery amendment did not fully consider the responsibility a Governor feels for the men and women in the National Guard. As a former Governor, I understand this.

Under the current law if a Governor objected to the overseas training, the administration could have retaliated by cutting off funds to the States Guard. A cut-off of Federal funding is not particularly attractive to Governors or Adjutant Generals since the Federal Government provides 90 percent of the Guard's funding. There was also the possibility that the executive branch could tighten up its control of the Guard's management and operation even further. Again, a highly unattractive option from the perspective of many Governors, Adjutant Generals, and the National Guard Association. So, the Montgomery amendment was grabbed before something worse could develop. Unfortunately, problems remain. For example, Governors opposed to any legislation which would deny them full control of the Guard at all times, may try to work around the language of the Montgomery amendment. The Federal Government can still withhold Guard funding. So the issue remains unresolved even with the Montgomery amendment.

Several Governors challenged the constitutionality of the Montgomery amendment. This challenge was rejected by the U.S. District Court in Minnesota on August 4, 1987. Having lost their case, it is increasingly likely that Governors may try to work around the vague language of the Montgomery amendment, and will continue to tie up this issue indefinitely in the courts.

Nonetheless, the Defense Department wishes to retain the Montgomery amendment for several reasons. First, the right of Governors to object was largely eliminated. The Defense Department believed that Governors never had a right to object under the Constitution. The U.S. District Court in Minnesota agreed and the Montgomery amendment remains the law. But whether or not Governors have a legal right to object, I suspect that those Governors who want to will speak out against the overseas training of the Guard if he or she wants to do so. So Governors' objections did not conveniently go away with the adoption of the Montgomery amendment. The issue could be reopened at any time and the indications are that that is increasingly likely, largely due to the ambiguity of the Montgomery amendment language. My amendment would end that ambiguity.

The second reason the Defense Department likes the Montgomery amendment is that it is easy to manage from the Department's perspective. Unelected bureacrats can essentially conduct overseas Guard training whenever and wherever they wish. I submit that this is too much power for a bureaucracy.

Mr. President, note that so far I have addressed concerns of domestic politics and bureaucratic ease of management. What is missing is what is in the best interest of national security. And that is exactly what my provision addresses.

My amendment as contained in this bill seeks to redress some shortcomings and ambiguity in the Montgomery amendment. It provides a middle-ground that accommodates two key concepts. First, that Governors should have the right to state their view on the location, schedule, type, and purpose of their Guard units and members. This is because the Guard still has its traditional State responsibilities. Second, that the President, as Commander in Chief, commands all our Armed Forces, both Active and Reserve components, including the National Guard. This is even more important given the growing reliance our Nation has placed upon the Guard within the total force concept.

My approach would allow a Governor to voice his or her objection to the overseas training of the Guard but give the President the right, as Commander in Chief, to override any such objection on a case-by-case basis and for national security reasons. In effect, Governors would not be denied the right to object but national security reasons would be the final determinant for overseas training of the Guard. I submit that this is as it should be.

The administration opposes this even though the President would have the final word. The reason for the opposition is that the blanket authority available to Pentagon bureaucrats is removed. Under my provision, the

President could not simply state that all overseas Guard training in a specific area is essential for national security. If a Governor objects, then the President rather than the Defense Department or the National Guard Bureau must get involved. Certainly, from the President's perspective, this can be a political irritant. But again, that perspective is focused on political and bureaucratic concerns and not national security. It also ignores the fact that if a Governor wants to object and offer a political challenge, even one bound to lose in court, he or she will do so.

My approach strives to depoliticize this issue as much as realistically possible. Governors would acknowledge the growing importance of the total force concept and the role of the President as the Commander in Chief of all our Armed Forces. They would also acknowledge that while they may have an opinion on foreign policy matters, they, as Governors, have no authority or responsibility in that area which the Constitution leaves to the Federal Government. On the other hand, the President would not be able to enact a blanket policy of sending the Guard anywhere, anytime he desires short of a national emergency. This is in keeping with our Nation's tradition of division of power and the concept of checks and balances. Where there is a clear national security need, my approach provides the President the authority to overrule a Governor's objection.

This offers a clear resolution to differences between Governors and the President and the basis of that resolution is national security. The provision in the bill deters both Governors and the President from making the Nation Guard a political pawn. It redirects our defense decisionmaking process toward objective security needs. It restores the proper balance between State and Federal power and provides a clear, objective means of resolving differences.

I would simply say a more serious problem that I think that we tend to overlook is that the Montgomery amendment is possibly a legal time bomb ticking away. Any Governor who does not want his forces to participate in the training need only state that he anticipates a need for them at home. That has not been talked about. But that is very clear in the Montgomery amendment. That would be eliminated under the Exon clause so it gives the Commander in Chief more authority.

In that situation there will be only two ways to resolve the matter, that is, if the Governor says he needs them at home. First, cut off Federal funds to the State's Guard, a very difficult approach both politically and militarily, and, second, sue the Governor alleging bad faith. Such a suit probably would be rejected by the courts on the grounds it has presented a political controversy among governmental entities that should be resolved through the political process and not the judiciary.

The Exon amendment seeks to deal directly with this by preserving the Governor's veto but in effect allowing the President as the Commander in Chief to override that decision by the Governor for national security reasons, and that is the key to the amendment.

This will have the Governor with a clean procedure if he has a legitimate need for the Guard to stay at home, but it would ensure that the President, the Commander in Chief, would be able to direct the training of the Guard as he feels is necessary anywhere in the national security interest.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, I am prepared to wind up the argument and to merely state that I was answering the question of my good friend, the senior Senator from Mississippi, the distinguished President pro tempore.

I simply state that, in my judgment, the issue before us is one that pertains to the right of a Governor to object. The Montgomery amendment says clearly the Governor's objections are immaterial as far as deployment of these National Guard troops outside the United States.

Further, I would state that since by definition they are on active duty, having been called up pursuant to the authority of the Commander in Chief, I think the Montgomery amendment really was not needed, but at that time, it appeared to be needed. It was the product of the deliberation on the authorization bill, this very bill, just 9 months ago.

I think that the Montgomery amendment having withstood the test of the court trial, and I appreciate my friend's correction of the record—I misstated; it was not Mississippi; it was Minnesota, in the district court in Minnesota—that there is no reason as the Senator from California says, there is no reason to change the law. It is working. Even if it did not work the Constitution will work, and the Constitution is clear that the President is Commander in Chief of these National Guard troops when they are on active duty, and by definition they are on active duty once they are assigned by the Guard Bureau. The Federal Government pays their cost, pays about 95 percent of the total cost, but when they are on this active duty, it is 100 percent national costs.

We are talking about troops that are subject to the control of the Commander in Chief and as such I do not think this Exon amendment is necessary.

I yield back the remainder of our time.

Mr. PRESSLER. Mr. President, I support the amendment of the senior Senator from Alaska, Senator Stevens. That amendment would restore to the Defense authorization bill the Montgomery language—that is, the provisions of current law, adopted last year regarding control over overseas training activities of the National Guard.

The Governor of South Dakota, Hon. George S. Mickelson, and South Dakota's Adjutant General, Gen. Phil Killey both endorse retaining current law and deleting the Exon language from the bill reported by the committee.

I agree with their assessment that overseas training by National Guard personnel should be managed in the same manner currently in force. Interference by Governors on foreign policy grounds in the overseas training assignments of the National Guard units in their States would be encouraged by the provision contained in the committee bill. Therefore, I shall oppose that provision and vote for the Stevens amendment to delete it. The National Guard Association, the Adjutant Generals Association, and many others have contacted me on this matter, and I believe they are correct in their assessment of the potential difficulties that could result from the Exon language in the bill.

Mr. EXON. Mr. President, let us get into this matter just a little bit of the Guard being called up on active duty and, therefore, the Exon amendment is not necessary.

I submit to my colleagues that is not the case. The way this matter actually works and those of us who have been Governors who have been through this understand that the National Guard Bureau calls up the troops. That is when the Governor can object. In other words, you would be led to believe I think in listening to the debate that if the Guard were called to active duty, bingo, the Governor has nothing to say about it. Obviously, that is not the case. That is when he steps in and stops it by saying, "I object."

So, it is not nearly as clear as has been stated here as to how the Montgomery amendment is so totally perfect and so tightly drawn that there is no need for the Exon amendment.

To the contrary, Mr. President, it says specifically in the Montgomery amendment that the Governor may object if he needs his troops at home.

Now who is to decide that situation? He might need them for floods. He might need them for harvests. He might need them for a whole series of things that the Guard has provided for the citizens of their States, very admirably over a long period of time.

I am simply saying that this is a clear-cut amendment. It simply says, Mr. President, that the Governors have the right as they always have had to their troops going anywhere, but it simply says that under the new role that the National Guard plays, very importantly, I might add, in our national force projection picture, it simply says that for training purposes the Chief Executive of the United States, the President, simply by sending a letter to the Governor, if a Governor objects, the Chief Executive, the Commander in Chief says, "Notwithstanding your objections, Governor, the national security interest of the United States is served and I so order."

With that and since the remainder of the time has been yielded back on the other side, I yield back the remainder of my time and ask for the yeas and nays.

The PRESIDING OFFICER. All time has expired.

Mr. STEVENS. Would the Senator mind if I ask for 30 seconds back so this Senator can put his statement in the Record?

Mr. EXON. I am happy to and then move to table the amendment.

The PRESIDING OFFICER (Mr. Fowler). If there is no objection the Senator can reclaim his time and the Senator from Alaska is recognized for 30 seconds.

Mr. STEVENS. I yield to my good friend who seeks recognition.

Mr. DASCHLE. I thank the Senator for yielding.

Mr. President, I stand in admiration for the Senator from Nebraska and have watched the debate with immense interest. I find that the current language has worked so well and for the last 9 months has continued to demonstrate to me that we ought to keep it. I voted against it the first time. I have watched it with great interest and intend to support it this time.

Mr. President, I want to commend the Senator from Alaska for this amendment. I considered very strongly offering it myself. I wish to add my name as a cosponsor.

Fundamentally, the Exon language in the bill before us, while certainly well intended, is attempting to improve something that simply needs no improvement. As has already been said, the Montgomery-Wilson amendment, approved and now tested, is working and working well. The experts agree, the National Guard agrees, and now, even the courts agree. To change the language now, just as we find almost complete agreement about its effectiveness would be a significant policy blunder.

I strongly support the Montgomery-Wilson provision for two important reasons. First, when it comes to deployment decisions, one and only one authority ought to have sole power. That authority is the President of the United States. No Governor, no general, and no one else for that matter ought to interfere. He alone is the Commander in Chief. We ought not change that.

Second, it is my view that the National Guard ought to continue to play an increasingly important role when it comes to the utilization of our forces. They have demonstrated their ability. They have demonstrated their willingness. They are proving their worth with increasing frequency as they are called upon to fulfill their responsibilities. I would add that they are doing it for less cost, on a man-for-man basis, than can be found in any other way.

The system is now working and working well. It has for the past 9 months. Let us not change now. Let us support the Stevens amendment.

Mr. EXON. Mr. President, I move to table the Stevens amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nebraska to lay on the table the amendment of the Senator from Alaska.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. Boren], the Senator from Tennessee [Mr. Gore], and the Senator from Hawaii [Mr. Inouye] are necessarily absent.

I also announce that the Senator from New Jersey [Mr. Lautenberg] is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Vermont [Mr. Stafford] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 29, nays 66, as follows:

[Rollcall Vote No. 252 Leg.]

YEAS—29

Adams
Bentsen
Biden
Bingaman
Bumpers
Cranston
DeConcini
Exon
Fowler
Glenn
Graham
Grassley
Harkin
Kennedy
Kerry
Leahy
Matsunaga
Metzenbaum
Mikulski
Mitchell
Nunn
Pell
Pryor
Quayle
Rockefeller
Sarbanes
Shelby
Thurmond
Wirth

NAYS—66

Armstrong
Baucus
Bond
Boschwitz
Bradley
Breaux
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Ford
Garn
Gramm
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Levin
Lugar
McCain
McClure
McConnell
Melcher
Moynihan
Murkowski
Nickles
Packwood
Pressler
Proxmire
Reid
Riegle
Roth
Rudman
Sanford
Sasser
Simon
Simpson
Specter
Stennis
Stevens
Symms
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—5

Boren
Gore
Inouye
Lautenberg
Stafford

So the motion to lay on the table amendment No. 692 was rejected.

The PRESIDING OFFICER. The question now occurs on the amendment of the Senator from Alaska [Mr. Stevens].

The amendment (No. 692) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EXON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BINGAMAN addressed the Chair.

The Senator from New Mexico.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. BINGAMAN. I yield.

Mr. NUNN. Mr. President, for the information of Senators, and I know this time of night everyone wants to know what is going to happen, what is going to happen is that we are going to get out as many amendments as we possibly can. We cannot have any window. Any window that happens will be strictly a coincidence. There is no agreement with anyone for a window.

We are going to try to have as many amendments that are controversial because we have to move controversial amendments. From time to time, if amendments are noncontroversial, if they are acceptable on both sides, we will work on them.

Depending upon the majority leader, and I will certainly defer to him, I anticipate we will go until at least 11 o'clock this evening. I anticipate we will be going from something like 8 or 8:30 tomorrow morning until 11 or 12 o'clock tomorrow night, and I anticipate we will be going on Saturday.

The only thing that will possibly change that schedule is if we begin to get time agreements, particularly on the major amendments, and there are about 15 major amendments.

I am not talking about time agreements tonight, but I am telling you the facts. The majority leader said we have to move this bill. We are down to 50 amendments. At least 15 or 20 of those will require considerable debate and should require considerable debate. I am making no effort to cut anyone short because everyone has important views on these amendments.

I would ask everyone who has an amendment that they believe will require a rollcall vote to begin to consider whether you will have a time agreement and, if you do feel that way, please indicate it. We are not seeking time agreements tonight, though I would not be adverse to any if we could get them. If we do have time agreements starting tomorrow, perhaps we can avoid a Saturday session. That is the only way we can avoid a Saturday session. If we do not line up a number of amendments to begin tomorrow and finish these amendments tomorrow, and have a number of amendments, virtually everything in sight next week, we would have to have a Saturday session.

Otherwise, there is no way we can finish this bill in the time the majority leader requires. That is the best I can give my colleagues.

Mr. WARNER. Mr. President, in listening very carefully as we all have to the distinguished chairman, I presume his remarks were in a very evenhanded way and not necessarily in admonition to one side or the other side, speaking to all Senators. We are moving along with good forward motion on the bill.

Mr. NUNN. The Senator is absolutely right. We have had good forward motion today. I do not think anyone on either side of the aisle has tried to delay the Senate today. Every debate I think has been a meaningful debate. We have had splendid cooperation from our friends on that side of the aisle and I hope we can continue to move this agenda very rapidly. So my remarks and my urging of Senators applies to Senators on both sides of the aisle who have amendments.

Mr. WARNER. Mr. President, I thank the distinguished chairman.

### AMENDMENT NO. 693

(Purpose: To set aside funds for the A-7 Plus program of the Air Force)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment of the Senator from New Mexico [Mr. BINGAMAN].

The bill clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] for himself, Mr. GRAMM, and Mr. McCAIN proposes an amendment numbered 693.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, strike out line 10 and insert in lieu thereof the following:

SEC. 123. AIR FORCE PROGRAMS.

On page 8, line 11, strike out "Funds" and insert in lieu thereof "(a) T-46 AIRCRAFT.—Funds".

On page 8, between lines 18 and 17, insert the following:

(b) A-7 CLOSE AIR SUPPORT AIRCRAFT.—Of the amount appropriated or otherwise made available to the Air Force for fiscal year 1988 for procurement of aircraft, $10,000,000 shall be available only for the procurement of equipment, facilities, and services for the modification of A-7 aircraft under the A-7 Plus program. None of such funds may be obligated until the Secretary of Defense has certified to Congress, in writing, that the A-7 Plus program is a cost-effective approach to modernizing close air support and battlefield air interdiction squadrons in the Air Force and the Air National Guard.

The PRESIDING OFFICER. The Senator from New Mexico is recognized in support of his amendment.

Mr. BINGAMAN. Mr. President, this amendment which I am offering on behalf of myself and Senator GRAMM from Texas and my senior colleague, Senator DOMENICI from New Mexico, deals with funding to initiate procurement of a product-improved A-7 close air support battlefield air interdiction aircraft. In short, that is referred to as the A-7 plus.

Before I describe the amendment and why it is important to the Army, Air National Guard and the Air Force. Let me say just a few words about the need we face, as budget constraints grow more severe, to make even greater use of product improvement programs rather than initiating entirely new weapons programs. This need to focus on product improvement is going to be particularly true for weapons platforms, like the A-7, as opposed to the munitions they deliver, where technology is rapidly evolving toward "smart" and even "brilliant" munitions.

Every report on the acquisition system I have seen in the past few years has emphasized the need to utilize product improvement of weapons platform more frequently. A defense Science Board study three summers ago, which Don Rice, the president of Rand headed up, highlighted the need for product improvement. The Packard Commission similarly emphasized that this approach would have to be more vigorously pursued in the future in light of our overall budget constraints.

Mr. President, the Air Force, and in particular the Tactical Air Command, have seen the wisdom of pursuing the product improvement approach in the case of the A-7. I commend them for their adoption of this cost-effective approach. My amendment will enable the Air Force to continue to pursue this program without any gaps as it transitions from the prototype phase to procurement.

Mr. President, two of the key missions of the Air Force are to provide close air support and battlefield air interdiction to the Army. The Air Force relies on several types of aircraft to do those jobs and the A-7 provides a major part of that force. The Air National Guard and the Air Force operate over 350 A-7 aircraft. These aircraft have been in service for some time and need to be modernized.

Now as the budget becomes tighter, the Air Force will have to look for less expensive ways to provide combat capability. The Air Force has looked at remanufacturing the existing A-7 aircraft to extend their service lives and increase their capabilities.

The A-7 plus program is designed to do that very thing. New engines will be installed, and the fuselages will be modified to accommodate the new engines. These changes will maintain the excellent payload and range capability of the existing A-7's The modified aircraft would have new integrated anti-jam communications, precision navigation systems and night attack avionics so that is can operate at night and in adverse weather. These changes will improve its survivability and expand its performance in taxing tactical situations. Further, they will improve the supportability resulting in lower operating costs.

Last year Congress added funds to initiate this program. In May, the Air Force awarded a contract to prototype two aircraft into the new configuration. This prototype program was initiated ahead of schedule.

The speed with which this program has been initiated must in part be credited to strong support by the Air Force for this program. The Air Force leadership set a tough challenge. The remanufactured A-7 could cost no more than half the cost of a new production F-16. This goal appears very achievable. However, in order to attain those objectives, it is important to proceed with this program in an efficient manner.

While the Department did request continued development funding for the prototype program, it did not request funds to initiate the acquisition of those long lead activities including tooling necessary to maintain the remanufacturing program schedule. Let me point out to my colleagues that from program initiation to fielding the first squadron will require only about 60 months for this program. By contrast, the new generation advanced technology fighter program for the Air Force will take between 60 and 70 months just in the prototype phase, and 5 to 6 years more in full scale development and low rate production.

It is possible to field the A-7 plus so quickly only if we avoid needless gaps in the program. One needless gap is purely budgetary. The A-7 plus program will need to transition to initial production starting in fiscal year 1988, but no funds were requested for that transition.

My amendment provides the first installment to insure that the transition

can proceed. It is only $10 million, but it is critical to initiate procurement of the tools and other long lead activities required to start this cost-effective program.

Some of my colleagues may wonder whether it makes sense to initiate procurement so soon with the prototype effort starting just this last May. I should point out that there is no major development effort required. These are existing engines and existing electronic components. The A-7 is a sturdy aircraft and a remanufacturing capability already exists. There is little risk in committing funds at this point. However, I did include a provision in my amendment which specifies that those funds may be obligated only after the Secretary of Defense certifies to the Congress that the A-7 program is a cost-effective solution to the close air support/battlefield air interdiction modernization requirement.

I hope my colleagues can join me in supporting this modest but important amendment.

Mr. WARNER. Mr. President, will the distinguished Senator from New Mexico add two Members as cosponsors, the Senator from Texas [Mr. GRAMM] and the Senator from Arizona [Mr. McCAIN].

Mr. BINGAMAN. I am glad to inform the Senator from Virginia, the Senator from Texas [Mr. GRAMM] is already a cosponsor and I am glad to add the Senator from Arizona. My colleague, Senator DOMENICI, is on the floor and would like to speak on this amendment. I therefore yield the floor, Mr. President.

Mr. DOMENICI. Mr. President, I can assure my colleagues I will not speak long. I thank my distinguished colleague, Senator BINGAMAN, for permitting me to be a cosponsor and I compliment him for the amendment. I hope the Senate adopts it. I hope the floor managers are willing to accept it.

It goes without saying that the United States of America maintains its edge vis-a-vis the Soviet Union with high technology and high performance aircraft. Everyone wishes that we could afford to have F-16's across the board in the Air National Guard.

Many of those units, indeed, will get the F-16, but clearly there is a need to proceed with enhancing the capability of the A-7. This program is predicated upon extensive evaluation and technical studies which say it can be done, that with the program we will, indeed, enhance the A-7 at a substantial savings to the United States and at the same time produce a piece of equipment that is extremely gifted and talented and in many respects a competitor to the F-16 and clearly at far, far less per unit cost.

That is what we are looking for when we talk about fiscal responsibility and maintaining the very best of equipment both for the Armed Forces and those who serve in the Air National Guard. I am pleased to be a cosponsor and hope the amendment will be adopted.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, let me thank my colleague for his support for this amendment and also indicate that the Senator from California, Mr. WILSON, has asked to be added as a cosponsor. I ask unanimous consent that he be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment?

Mr. NUNN. Mr. President, this amendment would add $10 million to initiate the procurement of kits to modify existing A-7 aircraft for the Air National Guard. We provided R&D funds for this program last year. It has promise. It looks promising. This concept of modifying existing aircraft, and for that matter other weapons systems, rather than having to buy all new when it is practical, feasible and cost effective is a very good concept. The Rand Corp. has recommended that this is the way to go, not on this particular system, but in general in terms of the way we can save taxpayers' money on defense and also improve our defense capability.

So I agree with the general thrust here in what is being attempted. I am delighted that the Senator added that the Secretary of Defense has to certify that this is cost effective because the jury is still out on this program as to whether it is cost effective. The fact that it fits into the concept makes sense. The fact that the concept itself is necessary to save money does not mean that this program necessarily is going to be cost effective. I hope it is. There is promise that it very well may be but I am delighted that the Senator added that because the Secretary of Defense would have to certify it is cost effective. With that provision here I think we will be making the right decision to accept the amendment.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I join with the distinguished chairman in his observations, and associate myself with that issue on cost effectiveness.

I also ask to be added as a cosponsor with the distinguished Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Mexico [Mr. BINGAMAN].

The amendment (No. 693) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 694

(Purpose: To authorize funds for Military assistance to the Democratic Resistance in Nicaragua unless the President certifies to Congress that the communist government in Nicaragua has met certain conditions)

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the Chair.

I gather that the bill now is open to further amendment.

The PRESIDING OFFICER. The Senator from North Carolina is correct.

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] for himself, Mr. ARMSTRONG, Mr. BOND, Mr. HATCH, Mr. HECHT, Mr. HEFLIN, Mr. SHELBY, Mr. SYMMS, Mr. THURMOND, and Mr. WILSON, proposes an amendment numbered 694.

Add at the end of the bill the following new section:

"SEC. . The sum of $310 million dollars is authorized to be appropriated for military assistance to the Nicaraguan Democratic Resistance for the period ending March 31, 1989; provided, however, that the funds authorized to be appropriated by this section shall not be obligated or expended if the President, on or before September 30th, 1987, shall have certified to Congress the following:

1. That there be no Soviet, Cuban or Communist bloc bases established in Nicaragua that pose a threat to the United States and the other democratic governments in the hemisphere.

2. That Nicaragua pose no military threat to its neighbor countries nor provide a staging ground for subversion or destabilization of duly elected governments in the hemisphere.

3. That the Nicaraguan government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan constitution and pledges made to the OAS—free speech, free press, religious liberty and a regularly established system of free, orderly elections.".

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Carolina has asked for the yeas and nays. The appropriate question now is to determine whether there is a sufficient second, which the Chair puts.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

Mr. HELMS. I believe I have the floor, Mr. President.

The PRESIDING OFFICER. I am sorry. The Senator cannot hear the Senator from North Carolina. What is the request?

### AMENDMENT NO. 695

(Purpose: To affirm that the Monroe Doctrine is and should remain the basis for the policy of the United States in Central America)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. NUNN. Mr. President, I thought I had the floor and was suggesting the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. Helms), for Mr. Symms, proposes an amendment numbered 695 to amendment No. 694.

Add at the end of the Helms Amendment (695) the following new section:

"Sec. . It is the sense of the Senate that the policy of the United States toward Central America should be based on the principles of the Monroe Doctrine, to wit: "the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Power . . . we could not view any interposition for the purpose of oppressing them, or controlling, in any other matter, their destiny, by any European Power in any other light than as the manifestation of an unfriendly disposition towards the United States.".

Mr. HELMS. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Rockefeller). Without objection, it is so ordered.

Mr. NUNN. Mr. President, we now have pending two amendments, and I have sent word to the Foreign Relations Committee to send someone over to take a look, because both are very much in the area of foreign policy, and that is not unusual on this bill. It catches a lot of foreign policy amendments. I do feel that they should take a look at it.

I hope it can go ahead. Although no manager of a bill can line up amendments, I have alerted the Senator from Arkansas and the Senator from Washington and the Senator from Alaska on the Republican side that we would certainly be pleased for them to come over and bring up a big amendment called the Persian Gulf amendment. They are waiting on the sidelines.

So, what I would like to do is to have some understanding with the Senator from North Carolina, if possible, about how long he needs on this amendment, so that our colleagues will know when we can get to their amendment; because, at the proper time, I will move to table the underlying amendment, but I do not want to do so in a manner to cut off the Senator from North Carolina in whatever debate he may have.

Mr. President, I think I posed the question to the Senator from North Carolina about what his desire is with respect to debate.

Mr. HELMS. Mr. President, if the Senator will yield, I was waiting to answer until the conference was concluded.

Mr. NUNN. I apologize.

Mr. HELMS. Mr. President, I would be willing to enter into a time agreement on the underlying amendment—say, 30 or 40 minutes, equally divided—provided we can have an up or down vote. I wonder how the Senator would react to that.

Mr. NUNN. If we do not have a time agreement, the motion to table can come any time. I am sure what the quid is, but I am not sure what the quo is.

Mr. HELMS. Just to have the Senate take a position one way or another. Certainly, it is a preliminary thing on whether we are going to sell out the freedom fighters in Nicaragua and leave them dangling without hope. That is the quid or quo.

Mr. NUNN. I think there will be a number of Senators who may want to be heard on this. I am not sure. But it would be awfully hard for me to enter into a time agreement without having those Senators here, unless we reserve the right to move to table the amendment.

I am not looking for a time agreement so much as an indication from the Senator from North Carolina about how much time he desires. I do not want to cut him off. At some point I may very well move to table the amendment.

Mr. HELMS. It is a fair question from a Senator who is always eminently fair. I have managed a few bills in the Senate, and I know how tedious it gets sometimes when amendments are brought up which may or may not evoke a lot of conversation.

I do not intend to spend long on the underlying amendment. Everybody in the Senate knows the issue. Most Senators have a position; some do not. I think we ought to feel the course of the Senate and see where we stand now with respect to our dedication to help the freedom fighters and to dismiss the feeling they have that they are being left on the vine to dry. I will take no more than 15 or 20 minutes, at the outside.

Mr. NUNN. I thank the Senator from North Carolina.

I yield the floor.

Mr. HELMS. Mr. President, I ask for the yeas and nays on the amendment in the second degree.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair, and I thank the distinguished managers of the bill, Senator Nunn and Senator Warner.

Mr. President, during the last month, I spent a great deal of time looking into the possible, and even probable, implications of the so-called peace plan. During this time, literally dozens of prominent citizens of Central America have contacted me to register their concern that the United States may be planning to sell the freedom fighters down the river.

I do not believe that the majority of the American people favor selling anybody down the river. I just wish that more Americans could get the true story of what is going on and has been going on in Nicaragua and other places in Central America during the past several years.

But in any case, Mr. President, not one person from Central America has told me that he believes that the Communist Sandinistas will comply with that so-called peace plan, and neither do I.

How well I remember how this Senate was taken in, duped, fooled, deceived by the Sandinistas when they came up here in the seventies and just said "Give us $75 million; we are going to have elections; we are going to have a hunky-dory atmosphere in Nicaragua; there is going to be peace and freedom for everybody."

So, I remember the day that the Senate voted the first $75 million to the Communist Sandinistas. And I heard all sorts of declarations on this floor that it was worth the risk, it was worth it to take a chance because we are going to bring peace and abundance and prosperity to Nicaragua and the whole Central America is going to love the United States. Fat chance.

Now, as for the so-called peace plan, there are so many aspects that give me a great deal of heartburn about it.

First and foremost, the Nicaraguan freedom fighters are not even taken into consideration in a plan that purports to decide their future. The peace plan is beneficial only to the Communist Sandinistas, nobody else.

For 8 years we have been demanding that the freedom fighters prove themselves but not once, not once have we dared to test the Communists in Managua and no wonder, Mr. President, there is such apprehension among those in Nicaragua and elsewhere in Central America who yearn for freedom. They have been looking to this colossus north of the border, the United States, to live up to all the rhetoric we spout, even on this September 17 day of the anniversary of the Constitution, about freedom, and yet what have we done, really, except to dole out a little bit here and a little bit there, always exacting all sorts of restrictions, and so forth.

The Nicaraguans, the freedom fighters in Nicaragua, that is, are justified in having apprehensions about where we really stand.

So this amendment is simply to say to the freedom fighters the Senators in this case voting against tabling this amendment support you; we support the quest for freedom in Nicaragua and in Central America and other places in the world.

This so-called peace plan that is being kicked around calls for a general amnesty. Now I ask the Senate why should the freedom fighters be forced to accept an amnesty? Should it not be the Communists in Managua who should be the ones to ask for amnesty? Of course, they should.

The peace plan says that Nicaragua will hold elections in 1990. The last time I checked this was 1987. Bear in mind, Mr. President, that the Sandinistas when they came up here and conned the majority of the U.S. Senate into sending them $75 million they said "Oh, we are going to have elections, guarantee that," but there had not been a ballot dropped yet.

Why should the freedom fighters be abandoned now while the Communist Sandinistas are given 3 more years before they even approach the first threshold of something resembling freedom, that is to say, elections?

Perhaps the fundamental flaw of the Central American peace plan lies in the area of compliance and verification. I wonder how many Senators have read this so-called peace plan. Let me tell you, it calls for the creation of a national reconciliation committee in each country. The committees will consist of 4 members to be selected ultimately by each government and, as should have been expected, Nicaragua has already chosen its commission, you bet your boots, a commission that is stacked 3 to 1, 3 to 1 in favor of the Communists. Big deal.

The peace plan also calls for the Contadora member nations to play a key role in the verification process. Now, how much honesty can we really expect from countries like Panama, which is just riddled with corruption and violence, and Mexico, which would not know a democracy if it saw one coming down the street?

Can we really afford to put the future of Central America in the hands of those countries?

This Senator says "no" and so do those who have been willing to lay down their lives for the prospect of freedom in Nicaragua.

Mr. President, it is obvious that the Central American peace plan is fundamentally flawed. It is a joke, a cruel hoax and it ought to be identified for what it is, and that is the way the freedom fighters and others who yearn for freedom in Central America view it. Even some of the governments which signed this so-called peace plan have contacted me to express their grave reservation, but they are afraid to stick their heads up publicly because they do not know what the U.S. State Department is going to do, they do not know what the Congress of the United States is going to do. We have been up the hill and down the hill and sideways. No wonder they are confused. No wonder they are disillusioned. No wonder that they speculate that they may be left high and dry by the U.S. Congress.

Some of the signers of the Central American peace plan emphasized to me that they just had no choice but to sign it, after the so-called Reagan rights plan was announced. Now, our Central American allies have no illusion about the honesty about their Communist neighbors. They know that there is none. There is no honesty in communism. Our allies know that not once in history has a Communist regime become democratic in 90 days or 90 years. Therefore, history will show us and I would hope teach us that the Communist will sign any agreement, they will make any commitment, they will tell any falsehood, they will retreat on any obligation. They have no intention of complying with any agreement they have made.

If we do not know that much about communism, then we need to start all over again and look at the whole history of communism in this world.

Managua has already announced that comrade Ortega will be a distinguished guest in November, just as the 90 days run out, by the way, a distinguished guest at the celebration of the revolution in where? In Moscow.

And Mr. Ortega could not have sent a more clear signal of his future plans than that.

So, the purpose of this amendment is to put Senators on record. I hope the amendment will not be tabled. It may be. But at least Senators will have an opportunity to say to the freedom fighters and to the Sandinistas, "Here is where we stand, each of us."

We must not be tricked again by the Communist Sandinistas into believing that they are going to comply with anything. If we did not learn about their duplicity back in the seventies when they conned us for $75 million and then more than that, then we have a lot to learn. Oh, they will give the appearance, or try to, that they are attempting to comply by saying that they have expelled all Cuban advisers. I anticipate this charade.

But do you know what they are doing, Mr. President? Those Cuban advisors are being given citizenship in Nicaragua. So they will be technically Nicaraguan citizens, perhaps with dual citizenship. But that is the way they will worm around, squirm around and deceive the people of the United States and particularly this Congress.

I hope we will get around to passing aid to the freedom fighters as quickly as possible so that we can begin to put the pressure on the Communists and stop putting pressure on the freedom fighters, our friends.

Mr. President, since well before the August recess of this body, I have been attempting to have this Senate address the issue of support for the Nicaraguan freedom fighters. Eventually I was successful in having the matter made the unfinished business of the Senate, along with a proposal by Senator Symms to reaffirm the Monroe Doctrine. But, what do you know? The legislation to which I proposed the amendment was all of a sudden laid aside. It is no longer the pending business or unfinished business. It is back on the calendar, dead as a doornail. Yes, I am talking about S. 2, the campaign financing act. Now, S. 2 had a flicker of life in it until I added this amendment, and then she dropped dead and we put it back on the calendar.

So I have been trying to get this amendment voted on up or down or even a tabling motion for a long time. And I did not intend to move ahead of any other Senator when I offered this amendment a little while ago. I asked the Chair if the bill was open to amendment and the response was in the affirmative.

There is more than one way to skin a cat, and I am trying to skin a cat another way just to get an expression from each Senator as to whether he or she favors helping the freedom fighters in Nicaragua. They are entitled to know.

Now, I do not suggest that the vote here this evening will be an end-all be-all. I imagine that some Senators will change their minds after this vote. I hope so. Maybe one day we can have unanimity in the Senate on the question of helping those who yearn for freedom, those who are willing to lay down their lives for freedom. I do not know whether that will happen or not, but at least we have got to start somewhere.

I hope I will not hear the pious pretense "Well, this is too early," or "This is too much," or any other excuse. The question of this amendment is for each Senator: "Do we favor extending a helping hand to the freedom fighters in Nicaragua?" Because they are not merely fighting for themselves, they are fighting for liberty and they are fighting for our freedoms. And at our own peril will we forget the fact that if the Soviet Union achieves its goal of taking over Central America it will play havoc to this country and all of our institutions.

Mr. President, the Senate, in my judgment, is obliged to deal with this question. I believe we should start today and find out who stands where and who stands for what. The American people are entitled to know which of us stands for aid to the freedom fighters and which of us do not.

As for Senator SYMMS' amendment, it simply calls for enforcement of a principle that has been around since long before I was born. It is called the "Monroe Doctrine." As far as I know, it has never been repealed. It has been mutilated, it has been abused, it has been ignored, but it has not been removed from what we say is an American principle.

Congress has always overwhelmingly supported the Monroe Doctrine, which I believe to be the single most fundamental principle in American foreign policy. And the only hope for peace in Central America lies in overthrowing both the Soviet-backed Cuban and Sandinista Marxist-Leninist regimes, which are striving to export Communist revolution without borders throughout the Western Hemisphere region.

Unfortunately, the Monroe Doctrine was disavowed and canceled after the Cuban Missile Crisis of 1962. It was canceled by the Kennedy-Khrushchev agreement. But the Soviets have violated this agreement and have exploited the American retreat—and I use that word advisedly—retreat from the Monroe Doctrine.

On the other hand, the Monroe Doctrine has been reaffirmed overwhelmingly twice by Congress in fairly recent years, once in 1982, as I recall, and again in 1984. Since 1982, the Monroe Doctrine has been reborn, certainly in the minds and hearts of many Americans who had not thought about it for a while. And due the credit for this is the distinguished Senator from Idaho [Mr. SYMMS]. Only the implementation and enforcement of a Monroe Doctrine in order to destroy the Soviet-Cuban-Sandinista subversion and aggression can restore peace in the Western Hemisphere. This may ultimately require direct American military intervention.

Mr. President, Central America and the Caribbean are of vital importance to the United States and to the NATO alliance. Fifty percent of all U.S. exports and imports go through the Caribbean. Two-thirds of all U.S. crude oil comes through the Caribbean. Over 60 percent of the U.S. rapid deployment forces to reinforce NATO in a crisis will come out of the U.S. gulf ports and pass through the Caribbean Straits and Florida Straits in order to get to Europe.

It is clear that Central America and the Caribbean are not the back door of the United States. They are the front door. And its security is vital to our security; our national interest.

Mr. President, the United States surrendered to Panama in 1978, sovereign control over the strategic Panama Canal and its indispensable protected territory of the Canal Zone in spite of the overwhelming opposition of the American people, at that time and now. It was one of the gravest errors in American foreign policy.

Right after the Panama Canal Treaty passed the Senate, Fidel Castro held a War Council meeting in Havana at which Mr. Castro decided to accelerate the Communist revolutionary strategy for Central America. That is when it began. Because Mr. Castro saw through all of this and he knew a weakness when he saw one. And he was right.

America's renunciation of the Panama Canal was a sign that the United States had lost the political will to defend its interests in the region and the way was thus opened for further revolution in America's back yard.

Mr. President, the Panama Canal giveaway was quickly followed in 1979 by the overthrow by subversive forces with United States, Cuban, and Panamanian support of the constitutionally elected Government of Nicaragua. Violence has developed into an alarming series of planned revolutionary events, which include the deep humiliation of the United States in Iran, the Soviet invasion of Afghanistan, Sandinista support for subversive activities and violence in El Salvador, and ominous revolutionary threats to other countries of the Americas.

The revolutionary events have served to attract attention to the fundamental principles of American foreign policy, especially the Monroe Doctrine for the protection of the entire Western Hemisphere, particularly in the Caribbean danger zone.

Meanwhile, most of the American Senators who voted for the Panama Canal giveaway have been removed from office by the voters.

Mr. President, the sad fact is that the Monroe Doctrine was disavowed and it was canceled, I hope temporarily only, in late October of 1962. This fact explains why the Western Hemisphere has been in such turmoil ever since.

Mr. President, I shall have additional remarks which I prefer to submit for the RECORD in the interests of time. I do not want to consume more of the Senate's time myself, now, and therefore, I ask unanimous consent that the balance of my remarks be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, as a longtime opponent of military assistance to the Contras, whom I characterize as our terrorists, I oppose this amendment. In light of the encouraging developments surrounding the Central American peace plan, I believe it would be unwise to permit the Contra aid issue to interfere with the peace efforts now underway in the region.

As I stated to Secretary of State Shultz during the Foreign Relations Committee hearing, I believe that the request should be withheld until the peace process has had an opportunity to evolve toward a November 7 implementation. A request for Contra assistance before then would be very damaging to the prospects for peace.

My impression is that the administration itself, while still believing that Contra assistance should be provided, is not very comfortable with the timing of the Helms amendment because the peace process is just getting underway. At the hearing before the Foreign Relations Committee, Secretary Shultz said that the request for Contra assistance would be made "at the appropriate time." We should at least wait until the administration is ready to request the assistance before we consider it in the Senate.

I point out that the certification required in the Helms amendment—that there be no Soviet or Communist base in Nicaragua; that Nicaragua not pose a threat to its neighbors; and that the Nicaraguan Government respect basic human rights—would be well on their way to being satisfied under the Central American peace plan signed by the Central American Presidents in Guatemala.

In the interest of giving our full support to the peace process, I urge my colleagues to vote against the Helms amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I would like to state what is on my mind. I respect and agree with my distinguished colleague from North Carolina in much of what he says—and I am going to make my own comments.

Could I ask the distinguished Senator, is this the administration's approach or is this the approach of the Senator from North Carolina? What I am confused about is I understood the administration wanted $270 million for an 18-month period and they were going to ask for it at a later time here. I am wondering, are we having difficulty here with this request? I want to help the Contras but I am having difficulty with the administration.

Mr. HELMS. So am I.

Mr. HOLLINGS. I told the President at the White House when he announced his peace initiative—by these plans to negotiate, negotiate, negotiate—that all we were going to do was abandon the Contras and get no freedom whatever in Nicaragua. And no fight. It is particularly difficult to fight a Marxist regime, they kill off the opposition or open hundreds of prison camps.

When you cannot publish a paper, you cannot fight the Government.

You try to pray in a church. But if you don't have one and don't have a homily then you do not have any fight by the church. It is the Marxist system of eliminating all the freedoms and then you can't have any fight.

So I am on the other end of the ledger, where "peace, peace, everywhere the man cried peace but there is no peace."

I think I can get more peace and I can get more freedom by supporting some kind of program in opposition to that Marxist foothold.

I might say to the distinguished Presiding Officer, that I met with Daniel Ortega. I mean he is no mystery to me.

I was invited to a conference with him in the office of the distinguished Senator from Nebraska—our former colleague—Senator Zorinsky. We met with the Marxist junta in 1979; Mr. Ortega and his crowd. We heard the promises.

They were going to have freedom of religion and freedom of the press and freedom of assembly and free elections. We all know exactly what we have got. He was telling me: Senator, what you have got in America, we will have in Nicaragua.

Look at what has occurred. I came to the floor with my misgivings. So Senator Zorinsky and the other Senators changed my mind. I said to Ortega, I want you to prove I am wrong. It is not about trusting you. I just do not believe you. I believe you have a different philosophy and a Marxist doctrine and you have no idea of doing what you are telling me but you prove me wrong. I am going down and help you.

I came down to this desk and helped him get the $75 million. Then we got him another $100 million or so.

So do not say America has not given peace a chance. We helped in the overthrow of Somoza and we were ready to help with what was advertised as an open government and took our chances and were misled.

There is no education in the second kick of a mule. I have heard this fellow and so when they come along with the peace plan that all of a sudden we are going to democratize Nicaragua we should know it's not true. They are dying to get rid of their opposition—the Contras—I say to my colleagues. Come on. We live in the real world. Nobody got elected to public office on that kind of promise.

We are doing away with the one thing that is bringing the Communists to the table and is about to get some results there. I want the Senator to understand that I am not necessarily at an overwhelming majority when I oppose the President's flawed peace plan. I want to help the Contras and I am wondering what is the best way to do that.

I was just over in Korea. We have been negotiating there since 1953—about 34 years. They are still negotiating.

They have a cease-fire in Korea. I think we ought to wake up around this place. We do not have peace in Korea. We have our 40,000 troops dug in right at the front. There was a cease-fire but South Korea never signed any treaty for peace.

The way they have gotten what they have and held what they have for the last 30 years is by arming themselves to the teeth. And by putting themselves up at the front, willing, and able to defend their freedom. That is why North Korea has not come over the line. If someone wants to join in negotiations, tell them to go to Panmunjom. They can have a big time and keep on talking, listening about negotiate, negotiate, negotiate. That is over 30 years in Korea. They have not given up anything. How will you get something in 30 days?

Realizing that and trying to keep what help and support I have, I do not want to be precipitous and bring this to a vote that is going down. We could weaken further votes when we have caught the attention of the press and maybe the attention of colleagues. I intend to support what both the Senator from North Carolina and I have in mind to save the Contras and the hope for peace in Central America.

That is what worries me about this particular amendment. We need support, and if we could have the administration come to us with real support, it will mean something. The Sandinistas will not bargain in good faith nor will they become democratic at all. I think a picture will begin to develop where our colleagues in opposition on this floor will open their eyes and understand the real facts of life there.

They are not going to negotiate this thing away. It is not an easy choice. But I do not know of any other alternative that my crowd, the Democrats, have recommended.

I do not want others to say that it is only a Republican initiative to support the Contras. There are a lot of us who have had some experience, some awareness and understanding, who realize we have a real problem down in Central America.

We have now developed another Cuba on our hands.

Is this amendment coordinated by the White House? What can the Senator tell me about that? We are working on the same side but I hope we do not hurt ourselves if we do not get with the administration and get them to make up their minds. I just lost a debate on SDI. Do you know why? Because my client, the President of the United States, says he will adhere to the narrow interpretation of the treaty for the moment when there is not a narrow interpretation. There is only one legal interpretation of the treaty—and it is the treaty itself. But as long as the client, the President, is talking double-talk, I am a goner. If these people are not helping us, we will lose again and make a poor record for assisting the Contras. What can you tell me on this score? Is the administration behind this amendment?

Mr. HELMS. Will the Senator yield?

Mr. HOLLINGS. Yes, I yield. I only heard a little bit of what you said before, but I though, "My colleague is speaking my language. I do not want us to make a bad record for the cause we are both trying to help."

Mr. HELMS. Mr. President, I have scarcely ever heard the eloquence of the voice of my friend from South Carolina.

First of all, it is not a partisan amendment. We have other cosponsors, Senator HEFLIN, Senator SHELBY, and others. I will read the cosponsors into the RECORD in a moment.

What I am trying to do, Senator, is precisely what you want, and that is to start us toward some coordination. I never saw such a team of wild horses with everybody running in a different direction as is the case with this.

The Senator is exactly right about negotiating with the Contras. I remember Will Rogers, and a lot of these young fellows around here do not remember Will Rogers, who once said the United States had never lost a war or won a negotiation.

Mr. HOLLINGS. Exactly.

Mr. HELMS. That is the way we have been with the Soviet Union. That is the way we are with the Sandinistas. They have duped us every step of the way.

As for the amount, sure, there are many forces in the administration who say, "Jesse, please go ahead with this figure."

Then comes the $270 million figure from another segment and the Secretary of State announced that.

I do not really care what the figure is just so we start along the track of assuring the freedom fighters that we are not going to let them die on the vine while all of this negotiation with the Communists occurs.

I hope the amendment will not be tabled. I am perfectly willing to negotiate a figure.

In any case, and the Senator has been here a lot longer than I have been and he knows the procedure here better than I, this is an authorization bill and that figure can be worked out in the conference with the House or in the appropriations bill. I just wanted to get it started in terms of saying to the freedom fighters in Nicaragua, "We have not forgotten you. We are not going to cut you loose. We are not going to let you dry up."

That is the only purpose of this amendment. I say to you with all the sincerity I possess I have had call after call from leaders in Central America saying, "Please do something."

These leaders want freedom. They do not what communism. They see the drift that the Senator himself so eloquently described. I thank him very much for his kind words and I hope that he and others will not vote to table the amendment but let it go to conference and let us begin the process of saying to the freedom fighters, "We are not going to abandon you."

We can settle the money question, the dollar amount, at another time, but I had to have some figure and that is the one I have been using all along. I decided to be consistent with the amendment.

Mr. HOLLINGS. I appreciate the Senator's remarks. Perhaps his strategy is right. I was referring, on the other hand, to a little more orchestration. Now the administration and everybody else are all going in other directions. But on the other side they have the peace movement around there that says this is grand thing. Can you imagine a fellow without an army negotiating something with the Sandinistas, such as Arias? He comes around with the weakest position in the world and negotiates with the opposition, with Marxism. There are some on the House side, the leadership, who think that is grand. I do not know how they got to that, but in any event they did.

I was doubtful and wondering whether we were going off in other directions and maybe we ought to coordinate. I support the Senator. Perhaps his strategy is right.

Mr. HELMS. I thank the Senator.

Mr. President, I believe the clerk did not identify the cosponsors. I would like to do so. They are: Mr. Armstrong, Mr. Bond, Mr. Hatch, Mr. Hecht, Mr. Heflin, Mr. Shelby, Mr. Symms, Mr. Thurmond, and Mr. Wilson.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I hope every Senator understands the situation with respect to the amendments offered by my friend from North Carolina. My friend from North Carolina has offered two amendments, amendment No. 694—and I ask the Chair if that is correct—being the original amendment, amendment No. 694.

The PRESIDING OFFICER. The Senator is correct.

Mr. DIXON. That amendment, to oversimplify, is the amendment that appropriates $310 million in Contra assistance. It does other things, but that is the central thrust of that amendment.

My friend from North Carolina——

Mr. HELMS. Will the Senator not use the word "appropriate?"

Mr. DIXON. It authorizes. I thank the Senator from North Carolina. It authorizes $310 million.

The second amendment that my friend from North Carolina has offered is amendment No. 695. That has been offered as an amendment in the second degree to his first amendment, No. 694.

Now, as to the amendment in each case, amendment No. 694, the first amendment, and amendment numbered 695 as an amendment in the second degree, the Senator has requested a vote on those amendments, he has had a sufficient second, and there will be rollcall votes on both amendments.

The amendment before us now, Mr. President, may I say to my colleagues, is amendment No. 695. Amendment 695, the amendment before us, the amendment in the second degree, has nothing to do with authorizing $310 million in Contra assistance. Amendment No. 695 before us is an expression of the support of the Congress for the Monroe Doctrine. I read the title "Purpose: To affirm that the Monroe Doctrine is and should remain the basis for the policy of the United States in Central America."

And so the thing I wanted to say as one of the managers on this side is that I speak only for this Senator, but I intend to support the Senator on the first rollcall which the Senator will conduct, which will be on amendment No. 695 expressing the support of the Senate for the Monroe Doctrine. I intend to vote affirmatively and support the Senator from North Carolina on that particular amendment. That will be the first amendment for which we will vote.

I had wanted to state on the floor my position on the limited question of the first amendment, on which we will vote, amendment 695 expressing, as it does, the purpose of the Senate to affirm that the Monroe Doctrine is and should remain the basis for the policy of the United States in Central America.

Mr. President, I may have other remarks later on the next amendment after we have dealt with and disposed of the first amendment we are discussing at this point. I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Will the Senator from Illinois yield to a question or perhaps the Senator from North Carolina? I am not sure. The Senator is a cosponsor of this amendment?

Mr. DIXON. I am not.

Mr. PACKWOOD. On the Monroe Doctrine? I thought he said he was going to vote for it, though.

Mr. DIXON. I personally will vote for the amendment we are discussing now, which is the Monroe Doctrine amendment. The second amendment, an altogether different question, is an authorization of $310 million.

Mr. PACKWOOD. I beg the Senator's pardon. I thought he was a cosponsor. Could I ask the Senator from North Carolina in that case? I just want to ask so I understand—we all know what the Monroe Doctrine is—will the Senator give me his interpretation of what he thinks it means?

Mr. HELMS. I think I know what it means.

Mr. PACKWOOD. Tell me what it means.

Mr. HELMS. It means that we shall preserve this hemisphere from foreign interference.

Mr. PACKWOOD. Russian or otherwise?

Mr. HELMS. Sure.

Mr. PACKWOOD. OK. Basically, because it is our sphere of influence as we said under James Monroe—it is our sphere of influence and free from European colonization. That is what we were afraid of.

Mr. HELMS. Whatever.

Mr. PACKWOOD. I wonder what the theory is. Is the theory of the Monroe Doctine that it is our sphere of influence, that we have a paramount interest in the Western Hemisphere and we can protect it from—then it was European colonization, today it may be the Russians, specifically Communists? But we are exercising it because we are claiming it as a sphere of influence.

Mr. HELMS. The Senator can use his own vernacular for it, but I think most Americans who share the Monroe Doctrine do not want tyranny imported into this country or exported into this country via Cuba, via Nicaragua. That is the present need for reinforcement of the Monroe Doctrine.

Mr. PACKWOOD. Mr. President, if I might continue further then. I believe so stated I am actually going to

support the amendment but I think you want to be very careful when you talk about the Monroe Doctrine, what it intended. As an ancient doctrine, it was intended to prohibit European colonization in Latin America, period—in the Western Hemisphere. We said this is ours. We did not mean we owned it. We did not mean we were going to move in on it although we have from time to time, but the message was: "Hands off, it is our sphere of influence." The only trouble with the sphere of influence theory is that other major powers think they are entitled to spheres of influence. Russia has claimed Eastern Europe for years, and claimed Poland for years. One of the problems with Poland is that Germany used to claim it for years. Nobody ever thought that Poland got Poland; Germany thought Germany got it; Russia thought Russia got it. We had wars for a number of centuries over it. The sphere of influence theory will work to keep peace, but only if each of the major powers understands whose sphere is whose and they do not trespass on each other's. Russia says, "We are claiming Eastern Europe." Now, we do not acknowledge that, although at the Helsinki accords we in essence recognized de facto the realignment of the boundaries resulting at the end of World War I, but Russia says, "We claim Eastern Europe." We say, "We claim the Western Hemisphere." And Russia and the United States can get along fine so long as they do not tread on our sphere and we do not tread on their sphere. I do not know what China might claim. There was a time when Japan claimed the better part of Asia in their coprosperity sphere as their sphere of influence. I will emphasize again, it will work to make peace if all of the nations will recognize each other's sphere.

Probably the greatest example you had, the history of the world where it worked to keep peace, so long as you overlook the occasional revolt by people who did not like the dominance of a major power, was the so-called Pax Romana which was the Roman peace. It lasted several hundred years. Rome was the power spread into Italy, throughout Africa, a fair portion of Europe, and into the Middle East. Throughout Rome kept the peace. Jews did not like it. They put up a whale of a fight at Masada; in fact, they tied up several Roman legions for 3 or 4 years.

You had revolts around the territory, but as far as the average farmer was concerned, so long as he or she paid their taxes, they probably had peace. And I suppose that would work in Latin America as long as Russia keeps its hands off and so long as all of the nations of Latin America are willing to basically cede the authority to keep peace to the United States in their area and from time to time we may have to tread on some toes in the Western Hemisphere to do it but I suppose it would work.

Now, there is no question but that Russia—and I use the term "Russia" rather than Soviet, is an imperialistic country. It has been such a country for as long as it has existed. Its Muscovite dynasty expanded outward, absorbing different people. Russia is hardly a homogeneous country. It moved out and absorbed the Crimeans and the Georgians, Latvia, Estonia, and now most of Eastern Europe. It moved eastward into Siberia. Lenin once referred to Russia as a prison house of nations and that is basically true. The only thing that changed about Russia when they became Communist is that their imperialist desires leap-frogged their contiguous boundaries. That is all that happened. And they began to look not just at eastern Europe. They began to look at Africa. They began to look at Latin America. There are still areas that are contiguous that they have never gotten.

Russia has long wanted, and the Communists have wanted for almost as long, the Bosporus and Dardanelles. The interesting thing is they would have gotten it in World War I; the Allies were ready to give it to them and give them their outlet to the Mediterranean that they wanted, but they pulled out of the war when the Communist revolution took over. And whatever agreements we had made to give them the Bosporus and the Dardanelles, we reneged on, justifiably, and they got out of the way.

I will vote for this resolution, but I think there is a better argument to be made as to how we might justify keeping the peace. I find a great problem with the sphere of influence theory because sooner or later in the history of major powers they begin to covet something from each other's sphere. And then you are either going to have a tremendous cataclysmic showdown without war or you may have a cataclysmic showdown with war.

Mr. DODD. Will the Senator yield?

Mr. PACKWOOD. I am happy to.

Mr. DODD. I want to commend the Senator for his comments and questions. Too often I think we use words here without much of an appreciation of the historical context. The Senator accurately points out the Monroe Doctrine established at a time when principally Spain, but others too, were involved in the colonization of this hemisphere. The Monroe Doctrine was an expression of our allegiance, if you will. with revolutionary governments in this hemisphere who were seeking to overthrow the colonial yoke of European powers.

So when we advanced the Monroe Doctrine we did so in concert, if you will, with the peoples of the Americas. That was the reason for it, and for a good many years throughout the 19th century we were in strong alliance with that effort. Unfortunately, like many doctrines, it became somewhat abused and misconstrued over the years. The Monroe Doctrine was used as the justification for U.S. intervention in Central America in the early part of this century, not necessarily because the people of those countries were being threatened by colonial powers in Europe but because in those days we saw our interests being jeopardized, and not by the European powers. So we invoked the Monroe Doctrine as a justification for our action.

But the Senator is absolutely correct when he talks about the Monroe Doctrine. It should be appreciated in the context in which it was advanced at the time in which it was advanced and to assume somehow that the conditions in the 1980's are a mirror reflection of the world as it existed in the early 19th century in the Americas is to completely misconstrue what occurred then, and what is occurring today.

I would tip my hat to my colleague from North Carolina because he was the only Senator in this body who took note where, only a few short years ago, our ally, Great Britain, took forces to the Falklands in the Americas—a European power invading the Americas. Ninety-nine Senators, ninety-eight, whatever the number was, including this Senator supported the actions of Great Britain in the Americas on a resolution that was offered by the Senator from Delaware, if I recall correctly. Only one Senator said no. The Senator from North Carolina said no.

One could have argued obviously, if you read the Monroe Doctrine in literal terms, that that was a direct violation of the Monroe Doctrine.

So we ought to be somewhat careful before we decide we are going to support what appears to be a relatively harmless resolution which has no meaning, because we are contradictory from time to time, as we were most recently only a few short years ago.

I, for one, will not support this amendment because I do not think it speaks to the issue that we are confronted with. I think it states once again a proposition that will not be supported by our allies in this hemisphere. This very hour they are asking for something else in Central America. They are asking us to support a proposal which they have come forward with. They have asked us not to become more deeply involved, but to be supportive of an effort that may bring some peace to that part of the world.

So at this particular juncture to endorse a doctrine that has been used so often, and perceived by our allies in this region as a justification, a ruse, if you will, for the United States to interpose itself in internal matters in this hemisphere is to totally misconstrue what the distinguished Secretary of State, James Monroe, had in mind in the first decade of the 19th century.

So I will oppose this proposition, as a misuse of the real Monroe Doctrine.

Mr. PACKWOOD. I thank the Senator.

Mr. BYRD. Does the Senator have the floor?

Mr. PACKWOOD. I have the floor.

Mr. BYRD. Would the Senator yield to me for 30 seconds?

Mr. President, would there be a disposition on the part of Senators to reach a time agreement on this amendment in the second degree so we can vote on it? I am ready to vote for it myself.

Mr. HELMS. I think we are almost there, Mr. Leader.

Mr. NUNN. If I could, if the Senator will yield briefly, my understanding is the Senator from Florida would like to have a few brief comments, and the Senator from Illinois.

Mr. DIXON. I have already commented.

Mr. NUNN. I will speak for 1 minute, perhaps, and the Senator from North Carolina may want to speak again. I do not know why we cannot vote on this in perhaps maybe 10 minutes.

Mr. PACKWOOD. I would like to object to that.

Mr. BYRD. Is there a disposition here to keep this debate going on this amendment?

Mr. PACKWOOD. If I might say to the majority leader, I was watching on our inhouse television. I wanted to address myself to it at some length on some serious points. I am reluctant to agree to a time agreement.

Mr. BYRD. I want to say at this point I am a supporter of this amendment. But I hope we are not going to talk on this amendment until 7:30, 8, 8:30, 9, or 9:30 tonight, and see most of the shank of the afternoon and evening fade away. We are ready to vote on this amendment. I want to vote for it. I want to get on with others.

Mr. PACKWOOD. I may vote for it if it means what the traditional Monroe Doctrine meant, that we say that Latin America is out of bounds for European colonization. That is the way it read, if you mean the traditional Monroe Doctrine. But I am reluctant to enter into a time agreement right now.

Mr. BYRD. Very well. I thought maybe the Senator was a supporter of the amendment. I wanted to assure him I had no ulterior motive in here. I just wanted to get on with the other amendments. I thank all Senators.

Mr. HELMS. Will the Senator yield?

Mr. PACKWOOD. Yes.

Mr. HELMS. The distinguished Senator from Oregon and the distinguished Senator from Connecticut have been very eloquent but I wonder if they have read the amendment with respect to the Monore Doctrine. That is the Senator SYMMS' amendment which I have offered for him by the way since he is under the weather. Otherwise he would be here defending it. I strongly support it. I am defending it.

Mr. PACKWOOD. I wonder if the Senator might read it. I heard the clerk read part of it. I did not hear all of it.

Mr. HELMS. I thank the Senator for suggesting that.

> It is the sense of the Senate that the policy of the United States toward Central America should be based on the principles of the Monroe Doctrine, to wit: "the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Power . . . we could not view any interposition for the purpose of oppressing them, or controlling, in any other manner, their destiny, by any European Power in any other light than as the manifestation of an unfriendly disposition towards the United States."

I will say that the distinguished Senator from Oregon ought to have a particular interest, and does, in the Monroe Doctrine because his State of Oregon and Washington and Alaska figured very prominently in the Monroe Doctrine way back there. But I will say to him that for two centuries we have had this hands-off policy relating to foreign powers in the hemisphere.

If I may intrude on the Senator's time, I apologize for doing it, I thank the Senator from Connecticut for alluding to the Falklands vote. I was the only Senator who voted against that resolution. And I did so and said so at the time because I did not see the point in several hundred young men dying for nothing. I think the total casualties on both sides in the Falklands matter was about 1,250, in that neighborhood, of British boys and Argentine boys. And I would hate to go to the mothers of any of those boys and say it was worthwhile because that dispute could have been resolved. It would—I emphasize—would have been resolved had the British Ambassador not walked out in arrogance and refused to negotiate that matter.

That is the reason I voted against that resolution and I said so at the time. And it turned out that I was correct about the number of boys, except I underestimated the number of young men that were killed.

I think the Senate made a mistake on that, and I think the Senate will make a mistake if we do not restate and reinforce our position as to the Monroe Doctrine now.

I thank the Senator for yielding me.

Mr. PACKWOOD. Mr. President, I will not speak at length, but I will speak perhaps 10 to 12 minutes, maybe 15 minutes, on this subject. It is a topic to which I may address myself from time to time this fall—on a Contra vote.

I think we have made a fundamental mistake in our attempt to justify Contra aid for the last 3 or 4 years. It will be recalled that when we attempted to initially justify Contra aid, it was for interdiction. That was the argument. They were supplying the rebels of El Salvador. If we occupied the Sandinistas in some fashion and kept them busy, they could not supply the rebels in El Salvador and you could stabilize the government there. I think that is a legitimate reason. That is not a sphere-of-influence reason.

El Salvador has a right to exist. Costa Rica has a right to exist. Guatemala has a right to exist. If we get to the sphere of influence theory, I am willing to grant that in the world of practical politics, whether in the era of Metternich or in the era of Kissinger, no one else is going to do anything about it. The British fought twice in the last century over it, so it is not a new claim. It is not a new claim, but it is not a legitimate claim the Russians are making as to Afghanistan.

There are only three ways we have found to justify interdiction and one way is to sell it to your country. You may not have to do that in a dictatorship, although even in a dictatorship there is a limit beyond which you can commit your young men to war. But at least in a democracy you had better not interdict any foreign policy, covert or overt, that you cannot justify to the people; because if they will not support it, you cannot force them.

What are the three theories we have used to justify sending troops overseas? One is the sphere of influence. I am willing to make a little give on that. I think we do have a paramount interest in the Western Hemisphere and do not have to apologize for it. We do have to understand that other major powers will make similar claims on their areas, and we might have to understand why we should understand their claim.

The second theory—and I find it shaky—is the so-called human rights issue. We are going to go about the world setting up little Americas and make them have governments like we have, with a bill of rights. We are celebrating the Constitution. They should have freedom of the press, freedom of assembly, freedom of religion. That is what the agreement in Central America is trying to impose on the Sandinistas. I doubt that they will ever fully implement it. Why is the rightwing and the leftwing in their country acting very sparingly on that doctrine? The leftwing wants to apply it to Chile

and the rightwing wants to apply it to Nicaragua.

I do not find anybody wanting to apply it to Albania or to China or Russia or all of Africa, let alone South Africa. We single out South Africa and say: "You have to sort of be like us because you sort of have a British background and you have to appreciate the niceties of democracy.

We do not apply it in the rest of Africa or in any of the Middle Eastern countries. We do not require Saudi Arabia to have a free press and treat women decently.

I find it is used by people to justify the attempt to intervene in a country because they do not like the government, not that they really want to impose democracy.

Democracy is going to work in this world. Time is on our side. We have more democracies now in Latin America than 10 years ago or 20 years ago. Whether that is the responsibility of Nixon, Ford, Carter, or Reagan, I am not sure. Twenty years ago, you could count on one hand the number of democracies in Latin America. Today you can do that for probably the number of dictatorships.

There will be dips. You will have one of the governments in Latin America that is now a democracy go back to be a dictatorship for a while. But if you ask which way is the trend in the world, it is up. To the best of my knowledge, we did not have any democracies, unless you counted Great Britain, in 1700, we had a few more in 1800, we had a few more 1900, and 1950 we had a lot more.

Time is not on the side of the Russians. Again I emphasize the term Russians rather than Soviets, because their imperialistic desires did not change when they became Communists.

We would be better off in terms of getting the American public to support the Contras, if that is what we want to do, to go back to the interdiction theory, if it still exists, if we can, and the Sandinistas are covertly or overtly supplying the rebels of Salvador or Honduras or Guatemala with machine guns, mortars, logistic support, and communications. I think the American public would understand that, if we can prove it, and I can prove it by more than pictures taken from some satellite that shows little dots on a map and no one can understand, short of experienced aerial mapping photographers.

The real test should not be can we make the Sandinistas hold elections every 2 years for a House like ours, with 6-year terms for a Senate, and that the Sandinistas should have freedom of the press like we have. There is not a country in Latin America that has freedom of the press.

The concepts we try to impose all around this world like that are not even unique to what we call the Napoleonic Code or Roman Code countries. There, they give preference to the state over the individual. The common law Anglo-Saxon tradition gives much more preference to the individual over the power of the state. We are wrong to try to impose our Anglo-Saxon concept of individual liberty on everybody. It is a wonderful system of government and the world is gradually moving toward it.

I am not saying that we have to treat dictatorships and democracies the same. We do not have to invite dictators to this country and have banquets for them and drink toasts to them and say what wonderful democrats they are.

If we seriously want to move the world toward democracy, our standard ought to be the standard of the nation's status. Actually, what the United Nations was founded on is that every state is entitled to exist; and if some powerful neighbor attempts to invade them or subvert them, they should go to the United Nations for help. They have a right to go to the Organization of American States. That does not often work. In this hemisphere they have a right to come to the United States, under the Monroe Doctrine or even under Franklin Roosevelt's "good neighbor policy", which was "live and let live; don't invade your neighbor." They have a right to say. "Our neighbor is trying to invade us. Will you help?" At that stage the United States will have to decide whether we want to help or not.

If Bolivia were to invade Uruguay, I do not know if we would help or not. It would be a difficult invasion for Bolivia. I doubt if we would.

We have chosen not to go to the direct aid of Afghanistan, although we are wisely supplying them. We have not sent troops there because we believe that we cannot successfully send troops there.

If Nicaragua were to invade Costa Rica, I do not think there would be any question but what this country would say that is not in our interest and Costa Rica has no army and if necessary we would be prepared to help them.

But if you are going to justify to the people of this country the intervention of American money, American men, and with that the casualties and the deaths that will come, and you have to justify it on a basis they can understand, they can understand resisting Russian imperialism. I think they have a more difficult time understanding why we want to spend money and men so that Nicaragua sort of looks like our form of government. I would be happy if they move in that direction, but I am not sure that they are going to, and I do not think that ought to be the standard for whether or not we give aid to the Contras.

Mr. President, let me conclude as follows: I will emphasize once more I have not seen much change in Russian imperialism because they became Communists. When they were Russian they wanted Afghanistan, they wanted their warm water port in the Pacific, they wanted their windows on the Baltic, the Bosphorus and the Dardanelles; and when they became Communists nothing changed.

The real test for the West, I emphasize the West, is not can we stand up to the Russians. The West has a gross national product three times that of the Russians. I mean if they mean an arms race, they could not afford to keep up with us. They might try but they cannot afford it.

There will be a real test for Western democracy, in the so-called era of glasnost, where we are seeing the era of good feelings with the Russians—I am happy they are attempting to go to a quasi-mercantile system. I am happy they are going to let more Jews out of the country than they used to. I am happy they are giving this outward appearance. It does not substitute for 500 years of Russian history.

I think the President is going to get an arms agreement with them. I do not think this President is going to enter into any arms agreement that he thinks is a danger to the United States, but I will tell you where the danger is going to come. It is not with that agreement or an agreement on strategic arms that might be signed next year. The difficulty is going to come when, if those agreements are signed and if we are going to resist traditional Russian imperialism that has not changed, will we be willing to spend the increased amounts of money necessary on conventional weapons for Western defense? Unfortunately conventional weapons to achieve the same deterrence cost more than the nuclear weapons. That is not a reason to avoid the treaties. I think we should try to go forward with them, but historically the West has had a very difficult time spending adequately for its own defense until a crisis was upon them and then they had time to spend. Although with each succeeding major war, it was a deeper and deeper hole to dig yourself out of.

I do not know how much time we might have in another war if the West had not taken the time, ahead of time, to prepare.

So far as Russia is concerned and Cuba, which indeed is a bastion of Russian imperialism, and Nicaragua, our standard ought to be to them, you stick to your borders, and when the moment comes that you send one gun to El Salvador, when the moment comes that you start sending your diplomats to Costa Rica and they turn out to be sub rosa spies that are clandestinely trying to overthrow the government, that is the day we draw the line.

But we are making a mistake in attempting to draw it if they will not have a government just like ours.

That is a standard we hold only a few countries to on occasion, not even perpetually in a few spots around the world, when it serves a transitory and temporary interest. That is not a long-term policy. That is a short-term tactical decision that has no philosophical foundation that, in the long run, will not wash with the American public.

So I am going to support this amendment, and I am going to justify it on the basis that it is the traditional Monroe Doctrine and the Senator from North Carolina read it and I see no difficulty in supporting it on that basis, but my vote should not be mistaken for support for what I regard as a misbegotten Contra policy now. This instead may be a start to my efforts to get this country to place its foreign policy on the basis we can sell to the American public and that this public would be willing to support if convinced of the merits.

I will use one last example, Mr. President. In World War II in 1944-45 we were spending 39 percent of our gross national product on defense. Translated into today's terms that would be about $1.6 trillion. And we borrowed half of all the money we were spending. We talk about deficit financing now. We borrowed half the money we were spending on the national budget in World War II. We did it because we thought it was necessary and the public supported it because they thought it was necessary.

We get into this argument today should we have two more aircraft carriers? Mr. President, that is the wrong argument. The argument should be is the Persian Gulf doctrine valid? President Carter announced it and President Reagan picked it up. If we belong in the Persian Gulf, the argument ought to be what is needed to carry out the doctrine? Are two more aircraft carriers needed to carry it out? I think the public, if they believed the doctrine, would spend the money for the aircraft carriers.

Here we are arguing in the budget between the President's request of $298 billion in outlays, and that is the outer limit on the right, if you want to call it that, and the House budget of $282 billion, a difference of $16 billion in a budget in excess of $1 trillion, and I am not one to say that $16 billion is not a lot of money but, Mr. President, in a budget of over $1 trillion the difference between the House which is the low side and the President which is the high side is a relatively modest amount.

I would wager that the public would spend $300 or $310 or $325 billion if they thought the policy that the money was going to be used to carry out was one that they could support.

The administration—I do not mean this critically, because they have tried, I think they have tried to sell the public the wrong policy—the administration has failed to be able to sell the country in support of the policy that they want to carry out in Latin America. There is a policy that the public will support and that policy is, "Don't tread on me." But they will not support the policy of continued aid to the Contras so that we can attempt to force the Sandinistas to let La Prensa publish what it wants to publish 3 or 4 days a week.

I thank the Chair.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from North Carolina.

Mr. HELMS. Mr. President, if no Senator wishes to speak, I need to consult a moment or two off the floor. I will suggest the absence of a quorum unless some other Senator wants to speak. I will not be gone but a couple minutes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I hope that we can get to a resolution of this matter soon. It seems we are just killing time during the quorum. Senators are just milling around, wanting to vote. I wonder if there is anything that can be done to expedite the action on this pending amendment.

Mr. DIXON. Mr. President, may I respond to the inquiry of the majority leader?

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Let me say to the majority leader, I have been managing, in the minutes that transpired just before the conclusion of the debate. All parties on either side had been fully heard. My best recollection is that the distinguished Senator from North Carolina said he was prepared to have the rollcall. The yeas and nays have been ordered. There was a sufficient second.

Then he said he had to absent himself from the Hall for a couple of minutes, and I understand that he is in the near regions to the Senate Chamber and I would think that we are all prepared to vote as soon as the distinguished Senator from North Carolina will return to the Chamber so we can have a rollcall, which has already been ordered.

Mr. BYRD. Perhaps, someone can contact the Senator and we can proceed.

Mr. DIXON. I understand the Senator is near at hand.

Mr. WALLOP. Mr. Leader, if you will yield? I do not know what the status of that negotiation is. It is, I do not think, a long one. I will inquire. But, if you would indulge, I would ask, please, a few more minutes for a quorum call.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. I understand the distinguished Senator from North Carolina is prepared to go to the rollcall on the issue of amendment No. 695.

The PRESIDING OFFICER. Is there further debate on the amendment offered by the Senator from North Carolina?

If not, the question is on agreeing to the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Oklahoma [Mr. BOREN], the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], and the Senator from Alabama [Mr. SHELBY] are necessarily absent.

I also announce that the Senator from New Jersey [Mr. LAUTENBERG] is absent because of death in the family.

Mr. SIMPSON. I announce that the Senator from Texas [Mr. GRAMM] is necessarily absent.

I also announce that the Senator from Vermont [Mr. STAFFORD] is absent on official business.

The PRESIDING OFFICER (Mr. WIRTH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 90, nays 2, as follows:

[Rollcall Vote No. 253 Leg.]

YEAS—90

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell

Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Simon
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—2

Dodd
Proxmire

NOT VOTING—8

Biden
Boren
Gore
Gramm
Inouye
Lautenberg
Shelby
Stafford

So the amendment (No. 695) was agreed to.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I had hoped to have up an amendment on the Persian Gulf tonight because that is one of the big ones that is going to have to be debated, but that one is obviously not going to come up at this hour. What we have is about five amendments. We have an amendment by Mr. DIXON which relates to a land transfer. We have an amendment by Mr. BUMPERS which relates to SDI, and to the technical part of it. It is known as the man in the loop amendment. We have an amendment by Mr. PRYOR that is a military construction amendment. We have an amendment by Mr. BUMPERS that is a military construction amendment. And we have an amendment by Mr. BINGAMAN on superconductivity.

Mr. President, I anticipate that we could have one or two more rollcall votes tonight. I am not saying that that is inevitable because I do not know what amendments we can get up. We had hoped tomorrow to have a very busy day. I hope to get some of the big amendments up tomorrow, and I hope that we can get four or five or six of them done by the early afternoon. I also hope, again, that Senators would begin thinking about whether they are willing to enter into time agreements because unless we can get a number of time agreements tomorrow and a number of time agreements for next Tuesday, so that we can really get in mind when we are going to finish this bill, we will have to have a Saturday session. I regret that. I know it inconveniences people but I see no way to avoid that. I know that my colleague from Virginia and I will do everything we can tomorrow to see if we can reach time agreements on the big amendments, but it is beyond our control. We can only do so much. We will work together very closely in order to do that.

Mr. President, I think the Senator from North Carolina has had good debate on his amendment. At this point I would like to retain the floor and I will, in a few minutes at the appropriate time, move to table that amendment.

Mr. WARNER. Mr. President, I simply say to the manager——

Mr. NUNN. Mr. President, I retain the floor. I yield to the Senator from Virginia.

Mr. WARNER. Then I put it in the form of a question I will answer myself. Mr. President, as we proceed with the amendments enumerated by the Chairman, it would be my hope—and there are amendments on this side—we might just as a matter of common courtesy rotate from one side to the other.

Mr. NUNN. There would be nothing that would delight me more because what we are seeking is amendments from both sides. We are not trying to dominate amendments. We are seeking the amendments. I do not want any new amendments. I am not asking for any new amendments, but I am saying amendments that are on the list.

Mr. HELMS. Will the Senator from Georgia yield?

Mr. NUNN. Without losing the right to the floor, I yield for a comment.

Mr. HELMS. Mr. President, I thank the distinguished manager of the bill, Mr. NUNN.

First of all, let me say that the White House informed me by telephone in the past few minutes that the President supports the purpose and intent of my amendment which we will vote on shortly, whether by a tabling motion or up or down. That is a direct quote of what I was told: "The President supports the purpose and intent of the amendment."

Let me say this to you freedom fighters in Nicaragua. All sorts of suggestions have been made to this Senator that there ought not to be a vote. But there must be a vote because we must begin this process, we must identify where Senators stand, and we must provide a basis for the American people to let Senators know how they stand.

Mr. NUNN. Mr. President, may we have order? This is very important. The Senator from North Carolina desires to be heard.

The ACTING PRESIDENT pro tempore. The Senator is correct. The Senator from Georgia has the floor and has yielded to the distinguished Senator from North Carolina. The Senate will please be in order.

Mr. HELMS. I have been warned that Senators will vote against this amendment for various reasons. But let me say that the Senator from North Carolina and many other Senators, and the President of the United States, intend to continue to press the issue of support to the freedom fighters in Nicaragua.

As I said at the outset of the discussion of this amendment, this is not the end to all or be all of the process which eventually must and will lead to the United States standing by the freedom fighters. So if Senators want to turn tail and run on this particular vote, that is up to them. They will be sending the signal as to their willingness to stand up for the freedom fighters.

This is an authorization bill. The amount of money is simply authorized. It can be worked on in conference if any Senator has any problem about that. But the ultimate responsibility will be on the Appropriations Committee and the Senate and the House of Representatives.

The freedom fighters are not going to be allowed to go down the tube whether it is tonight or any other occasion, because this issue will be before the U.S. Senate. I, for one, will help keep it there. This is the beginning of a process; not the end. But I think it is important for Senators individually to say to the freedom fighters, right now, I stand with you and I am willing to send you the signal that I will stand with you in your fight for freedom.

So with that, Mr. President, and with reaffirmation and emphasis, the White House supports the purpose and intent of the amendment. And if it does not pass tonight, then we will revisit this matter again and again and again as a former President of the United States once said.

Mr. DIXON. Mr. President, will the Senator yield?

Mr. NUNN. Mr. President, who has the floor?

The ACTING PRESIDENT pro tempore. The Senate will please be in order.

The Senator from Georgia has the floor.

Mr. NUNN. I do not want to cut the Senator off. It is my plan to move to table in just a moment. I do not know whether the Senator was interrupted or not. Did he complete?

Mr. HELMS. I finished.

Mr. CHILES. Will the manager allow the Senator to yield to me for a question?

Mr. NUNN. I have the floor. They are going to have to be very brief questions because people are ready to vote here.

Mr. CHILES. I will be very brief.

Mr. NUNN. I will retain the floor. I yield for a question.

Mr. CHILES. I want to say to my good friend I personally supported the Contra effort from the time it first started and I take some umbrage at the Senator's statement that if a Senator does not vote for this amendment we are sending a signal or we are turning tail and running, I think he said, out of the conference. The President did not send a recommendation up. No hearings have been held on the new money. I personally supported the Contras and believe very strongly that they should be supported. I want the Senator from North Carolina to know I take umbrage at that statement.

Mr. HELMS. Does the Senator want me to respond?

Mr. DIXON. Will the Senator yield?

Mr. NUNN. I may yield to the Senator from Illinois briefly for a question. I hope we can hear question marks at the end of the Senator's statement.

Mr. DIXON. Mr. President, I certainly question the offering of this amendment at this time. This amendment would authorize $310 million for Contra assistance. As one of the Senators on this side who shared with the manager support for Contra assistance in the past to keep the pressure on Mr. Ortega down in Nicaragua, I cannot think of a worse time when the peace initiative is under serious consideration, to offer an amendment of this kind calling for Contra assistance, than the offering of this amendment this evening.

My question is how either the administration or my friend from North Carolina who has offered this amendment can imagine that the interests of the United States are served by the offering of the amendment by the Senator from North Carolina at this time. It is going to lose substantial support on this side that, in the past, has been offered for Contra assistance in order to assert pressure for the democratization of Nicaragua, and the possibility of free elections in the future. I think the Senator knows very well that this amendment cannot prosper tonight, and that they are going to lose a good many votes on this side that in the past have supported that effort.

Mr. NUNN. Mr. President, if I detected a question mark at the end of that from the Senator from Illinois, I might answer his question by saying that I would agree that this is the wrong time for this amendment. And I have great respect for my friend from North Carolina, and I know he is dedicated and absolutely sincere in this. I have voted for every Contra amendment we have had on the floor. And there is every indication that I may have to vote for other Contra amendments in the future if the peace process does not work out. I hope it works. But on this bill that has been filibustered for 4 months, on which we have 50 more amendments remaining, I will have to in a moment move to table with great reluctance. And I would have to take a different view.

Mr. SYMMS. Will the Senator yield? Will the chairman yield?

Mr. NUNN. Mr. President, who has the floor?

The ACTING PRESIDENT pro tempore. The Senator from Georgia has the floor.

Mr. NUNN. I would have to take a different view from my friend from North Carolina. I hope this vote will not be taken as a signal. I hope it will not be taken as a signal by the freedom fighters and I hope it will not be taken as a comforting signal by the Sandinistas because I think this is going to be the least number of votes that this Chamber would produce for the Contras under any circumstances. And I hope that people understand in Central America that this vote is not indicating for a lot of us in our view.

Mr. SYMMS. Would the chairman yield?

Mr. NUNN. I yield for a very brief question.

Mr. SYMMS. A very brief statement or question: Mr. Chairman, when Senator McCain and I as recently as 2 weeks ago visited the Contra camps, I asked the commander of the Contras a direct question: "How is the morale of the troops in the field since this whole talk and conversation about the peace plan has come up?" His direct response to me was, "Senator, you must remember that our soldiers in the field have radios and are very conscious of what is going on in the United States." So this vote tonight, whether we like it or not, the ox is in the ditch and we are going to be voting on it. The message to the Contras that are fighting and laying down their lives for freedom will be negative tomorrow morning if we do not vote the Helms amendment.

Mr. NUNN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senate will please be in order.

Mr. HARKIN. Regular order.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. NUNN. May I say to my friend from Idaho that I hope that prediction is not accurate because I hope that there will be enough understanding in Central America to understand that this is not an indication of the true feeling of the United States Senate.

Mr. President, I yield for a brief minute to the Senator from Ohio, and then I will yield for a brief moment to Senator Helms.

Mr. GLENN. This will be brief and a question.

On the Governmental Affairs Committee we tried to follow up to find out what happened to the 27 million dollars' worth of humanitarian aid we voted a couple of years back. The Comptroller General put his people on it. They tracked the money to the Miami banks that were administering this. We were only able to track $9 million out of the $27 million that was for humanitarian aid, and they found in that contract $80,000 for handgrenades.

My question is, has there been any comptrollership or better method of following up on this before we vote any more money to send it down a rat hole? Would the Senator respond? I ask the question. Has there been any more comptrollership set up? Twenty-seven million dollars was sent down. We could only track $9 million of it. Eighty thousand dollars of that was supposed to be for humanitarian aid, but went for handgrenades according to the Comptroller General. Has there been any better comptrollership or tracking of this money set up before we vote on this?

Mr. NUNN. Mr. President, I yield to the Senator from North Carolina for a brief answer.

Mr. HELMS. I want to respond to the distinguished Senator from Florida. If he will read what I said, there was no way that I could be referring to him, because he has not been to me on this question. Some Senators have.

On the second point the Senator made, he said that the administration had made no recommendation. George Shultz came up and appeared before the Foreign Relations Committee and recommended $270 million. So the administration does have a position. There has been a hearing.

I meant to offend no Senator, but I still say that it is incomprehensible that any Senator favoring aid to the freedom fighters would have any objection to voting tonight to send a message to the freedom fighters that we are hanging with them, that this process is beginning, and that it will not be abandoned.

Mr. NUNN. Mr. President, I yield to the Senator from Arizona for a brief question.

Mr. WARNER. Mr. President, may we have order?

The ACTING PRESIDENT pro tempore. The Senate will be in order. We will not be able to complete the business until the Senators cease audible discussion.

Mr. McCAIN. The White House has also stated that they would prefer that this amendment be brought up at the appropriate time, which would be when the President submits his request to Congress. I just heard that from the White House. I think that should be taken into consideration.

Mr. WARNER. Mr. President, if the distinguished manager will yield, I understand that the minority leader wishes to come to the floor and verify this situation, if we can just tarry a half-minute.

The ACTING PRESIDENT pro tempore. The Senator from Georgia has the floor.

Mr. NUNN. While Senators are here—and I hope that is the line for amendments that are coming; and if it is, I want my staff to get the numbers and the names. We are looking for amendments. I want to let everybody know that we will have more rollcall votes tonight, in all likelihood, so we do not want people to get too far off. We will give you as much notice as possible.

Mr. GLENN. Mr. President, will the Senator yield for a question?

Mr. NUNN. I yield.

Mr. GLENN. I wonder if we might have an answer while we are waiting. Has any method been set up to control the money?

Mr. NUNN. I yield to the Senator from North Carolina for a brief answer.

Mr. HELMS. Here is the GAO criticism:

> GAO finds no fraud or wrongdoing; it states that controls were insufficient to monitor all transactions. Because of constraints Congress imposed, NHAO was subject to legal and diplomatic sanctions that prevented U.S. Government personnel from watching every step of every transaction. However, NHAO devised a monitoring network that would satisfy a prudent administrator.

I think that adequately answers the Senator's question.

Several Senators: Vote! Vote!

Mr. NUNN. Mr. President, the minority leader has requested to come in.

Mr. WARNER. Mr. President, the minority leader is now on the phone with the White House. He has asked for the opportunity, for a minute or two, to come forward and presumably clarify the situation. I ask the indulgence of the distinguished manager of the bill and all Members present for a reasonable wait.

Mr. BYRD. Mr. President, will the Senator from Georgia yield for a couple of minutes, without losing his right to the floor, while we are waiting on the able minority leader?

Mr. NUNN. I yield to the majority leader.

## THE EAGLE CRASHED

Mr. BYRD. Mr. President, I should like to call the attention of the Senate to a matter which should be worthy of attention of all Senators while we accord the minority leader the courtesy he deserves in delaying the vote for a few minutes.

Mr. President, throughout our history, the speedy delivery of our Nation's mail has been an honored tradition. Many of our children still dream today about what it was like to be a Pony Express rider, an early American hero, braving the wilderness and its hostile elements to connect the citizens of our expanding country.

As railroads crisscrossed the country, mail service got even better. Postal employees sorted the mail onboard, while the trains rushed to their destinations. Overnight mail between major cities on the east coast was the rule rather than the exception. It was what you got for the basic mail price, rather than something for which you had to pay extra.

Mr. MOYNIHAN. Mr. President, may we have order? The majority leader is speaking.

The ACTING PRESIDENT pro tempore. The Senator from New York is correct. The Senate is not in order. The Senate will please be in order.

Mr. BYRD. Mr. President, from here on out, I am really imposing on the Senate, because the purpose was to fill this little gap while the minority leader was coming to the floor. Would Senators mind if I proceed for 1 minute?

It is realistic, I guess, to expect that this low-cost, speedy, and efficient service would encounter difficulties in our vastly more complicated and crowded modern scene, and I have always tried to be understanding and supportive of the U.S. Postal Service as it has grappled with its many challenges.

However, even my patience has limits. On yesterday, September 16, 1987, I received a piece of mail via the U.S. Postal Service. Here it is: "Express mail. Next day service. Extremely urgent. Rush to addressee." The envelope has on it a picture of an eagle.

Mr. DOLE. Is that my fundraising letter? [Laughter.]

Mr. BYRD. I have several of the Senator's fundraising letters. I am saving them. Some of them have reached my daughter's mother-in-law, and she, too, is saving them. But back to the Express Mail. It took a bit longer to reach my desk here in Washington than even my understanding nature could accept. In this case, I paid $10.75 for the privilege of receiving this letter 10 months and almost 2 weeks after it had been mailed EXPRESS MAIL—NEXT-DAY service from my office in Charleston, WV, on November 6, 1986. [Laughter.]

I have not even opened it. [Laughter.]

Mr. DOLE. That is a refund.

Mr. BYRD. Oh, I see what this is. This is my long-lost West Virginia driver's license. It was about to expire at the time. [Laughter.]

Remember, this was mailed on November 6, 1986. At the time, an immediate trace was put on the envelope.

The Postal Service simply could not find it.

Suddenly, yesterday, 314 days later and without explanation, it was delivered to my office with other NEXT DAY SERVICE mail. Certainly, in this instance, the U.S. Postal Service's advertised "Express Mail Eagle Delivery" crash-landed!

I want my $10.75 back! [Laughter.]

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The Senate resumed consideration of S. 1174.

Mr. NUNN. Mr. President, I yield to the minority leader for observations and questions.

Mr. DOLE. Mr. President, I just wanted the record to reflect that I am going to vote for the amendment, but I say, as I have just had a call from the White House, they have no quarrel with the intent of the amendment, but they do not agree with the timing. I think that record has been made by Senator McCain, the distinguished Senator from Arizona.

But the thing that concerns this Senator, having been in that part of the world, is what signal we send to those who we have supported in the past. I think it is a very important amendment. I certainly think the Senator from North Carolina has focused on what we should do. I would hope at the appropriate time there will be enough votes to do it, maybe enough votes tonight. If that is the case, that is fine.

But it seems to me that the President is in a position where he did agree we are going to give this plan a chance. That deadline is November 7. It is September 30 as far as the authorization. He can make his request then, but I would guess we are going to be hard-pressed around here to get a vote on the merits until sometime after November 7, maybe November 8. Maybe we can work it out earlier.

But on this basis I want the record to reflect that I will vote for the amendment, but I certainly share the President's view that it is ill-timed.

Mr. THURMOND. Mr. President, I rise in support of the Helms amendment to provide $310 million in military assistance to the democratic resistance in Nicaragua. The underlying issue is quite simply whether the United States Congress will assist in freeing an enslaved people, who are quite willing to fight for their freedom, or whether we will stand by as communism is consolidated first in Nicaragua and then spread throughout the region.

Mr. President, in 1979 the United States, along with members of the Organization of American States, withdrew official recognition of the Somoza government in return for a pledge from the Sandinistas to institute democratic reform in Nicaragua. The Somoza regime fell and the Sandinistas took control as we waited for democratic reform to take place. It is 8 years later and we are still awaiting democratic reform.

The sad truth of the matter is that there is no hope for democratic reform whatsoever in Nicaragua so long as the Sandinistas remain in power. There is also the danger that they pose to their neighbors because the Sandinista dictatorship has stated unequivocally that their Marxist revolution is a "revolution without borders."

Mr. President, there has been a great deal of false information concerning the popularity of the counter revolutionary forces in Nicaragua. Opponents of aid to the Contras repeatedly make the claim that this is not a popular revolution. Nothing could be further from the truth. Let me compare the growth of the Sandinista movement over time to the growth of the Contra movement.

It took the Sandinistas more than 15 years to assemble a movement of between 5,000 and 7,000 soldiers. In less than 5 years the Contras have assembled nearly 20,000 soldiers. In fact, the Contra forces today exceed the total number of men in Somoza's National Guard, which in 1979 totaled only 14,000 men, both active and reserve. This is clearly a popular revolt.

Mr. President, there are critics of support for Contras who would have us believe that there is no hope for success even if we support the Contras consistently. This is also untrue. We must remind ourselves that the Sandinista revolt took more than 15 years to succeed against a small National Guard force. The Contras face the largest and most powerful army in Central America. The Contras who have swelled in ranks to their current size are fighting against an active army of 75,000 Sandinista soldiers backed by another 60,000 reservists and militiamen.

There are those who keep saying give peace a chance. My distinguished fellow Senator from South Carolina was right on the mark earlier when he said that we did give peace a chance 8 years ago and it failed.

"Give peace a chance" will go down in history with other great quotes such as "peace in our time" and "peace with honor." We can have peace in Nicaragua by cutting off aid to the Contras. The problem is we will have peace without democracy. Let's give democracy a chance and then give peace a chance.

Mr. President, the Sandinistas offer nothing but totalitarian despair to the people of Nicaragua. Their only hope is through the success of the Contra movement. I urge all of my colleagues to support the Helms amendment.

Mr. GRASSLEY. Mr. President, in the past, I have supported aid to the Contras and I beleive support for them has pressured the Sandinistas to the negotiating table to work out a peace agreement.

Mr. President, I don't believe we should pull the rug out from underneath the Contras, but I also believe we need to give the Central American peace plan its day in court.

I understand there has been agreement between the two House leaders on humanitarian aid that would keep the resistance afloat while the Sandinistas are given one more chance to prove they mean business in regard to democratizing Nicaragua. I believe there will be support in the Senate for this aid and I will fully support any agreement that will keep the resistance afloat during the peace process.

Therefore, although I am not supporting further military aid to the Contras at this time, I want to put the Sandinistas on notice that I certainly reserve the intent to support aid if true democratization does not take place.

Mr. HEINZ. Mr. President, I oppose the amendment by the Senator from North Carolina authorizing additional military aid for the Nicaraguan democratic resistance because it is untimely and because it represents an authorization that even the President has refrained from requesting.

This amendment is ill-timed because we are in the midst of a peace process, initiated August 7 in Guatemala, which should be given a chance to work. If and when that process falters, the Sandinistas know that continued military efforts by the Nicaraguan resistance is a good prospect, as is continued United States assistance to that resistance.

The administration has indicated its readiness to seek additional aid later and if the peace process does not produce results that will protect vital U.S. interests in Central America. But that request has not yet been made. And after carefully reviewing the administration's testimony only last week, it is clear that the administration does not support this amendment, no matter what is the claim of the sponsor, Senator Helms. I hope that a request for more assistance will be made only when and if needed, after the peace process in Central America will have been given the opportunity to work.

Mr. President, my vote to table this amendment does not represent a change in my position, and the Sandinistas should not read either my or the Senate's vote tonight as a signal on their ability to avoid their obligations. The Senate will not stand in the way of genuine and lasting diplomatic solutions to Central America's problems. But neither will the Senate stand idle if the Sandinista Government fails to fulfill its obligations to its own people and its neighbors.

Mr. BYRD. Mr. President, this amendment is particularly ill-timed and premature. Passage of this amendment would cast a cloud of doubt and confusion over the peace accords which the five Central American Presidents signed in Guatemala on August 7 of this year. At that historic meeting the five Presidents agreed that within 90 days from that date provisions in the agreement calling for amnesty, cease-fire, democratization, cessation of aid to irregular forces or insurgent movements, and the nonuse of the territory of any of the signatory states for attacks on another nation, shall publicly and simultaneously enter into effect.

Mr. President, the author of the Central American peace plan, President Arias of Costa Rica, recently publicly asked that Congress hold in abeyance any action on further military aid to the Nicaraguan democratic resistance, or Contras, until the 90-day implementation period has elapsed. The Contra leadership has announced that it is willing to forgo new military assistance during this period.

President Arias has asked that we first give peace a chance before voting on further Contra military aid. He has been joined in this sentiment by Presidents Cerezo of Guatemala and Duarte of El Salvador.

I believe we should heed this request by these distinguished democratic Central American leaders. They have agreed on a bold and far-reaching plan seeking to find a just peace for their people. They deserve an unencumbered chance to fully pursue this courageous effort to bring peace to Central America.

Mr. President, we have been told by the aministration that obligated funds from the $100 million which the Congress appropriated last year will keep the Contras adequately militarily supplied through mid-November. It seems to me, Mr. President, that we should give the Guatemala peace plan a chance before we consider interrupting the scheduled process that has been agreed on, by authorizing more money at this time to continue the war in Central America.

Mr. NUNN. Mr. President, with a great deal of reluctance and with hope that this will not be misunderstood because it is the worst possible time for this amendment, I move to table the amendment.

Mr. DODD. Yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion by the Senator from Georgia to lay on the table the amendment of the Senator from North Carolina.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden], the Senator from Oklahoma [Mr. Boren], the Senator from Tennessee [Mr. Gore], the Senator from Hawaii [Mr. Inouye], and the Senator from Alabama [Mr. Shelby] are necessarily absent.

I also announce that the Senator from New Jersey [Mr. Lautenberg] is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Texas [Mr. Gramm] is necessarily absent.

I also announce that the Senator from Vermont [Mr. Stafford] is absent on official business.

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 61, nays 31, as follows:

[Rollcall Vote No. 254 Leg.]

YEAS—61

Adams
Baucus
Bentsen
Bingaman
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Graham
Grassley
Harkin
Hatfield
Heinz
Johnston
Kassebaum
Kennedy
Kerry
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Simon
Specter
Stennis
Weicker
Wirth

NAYS—31

Armstrong
Bond
Cochran
D'Amato
Danforth
Dole
Garn
Hatch
Hecht
Heflin
Helms
Hollings
Humphrey
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Nickles
Pressler
Quayle
Rudman
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—8

Biden
Boren
Gore
Gramm
Inouye
Lautenberg
Shelby
Stafford

So the motion to lay on the table amendment No. 694 was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NUNN. Mr. President, we have an amendment by Senator Pryor. We have an amendment by Senator Dixon, and I believe we can handle those two amendments in a relatively short order. It is planned that the majority leader announce since we started early in the morning and we will have an amendment laid down tonight, we will get started again early in the morning. Again I want to say to Senators if we can get time agreements and get some of the major amendments done tomorrow we can be able to avoid a Saturday session, provided we can also get some amendments lined up for Tuesday. But that is the only way we can do it. It just cannot be done otherwise.

We will have 4 days next week. We must make progress. We have got to make a lot of progress. Does the minority leader want to make any observations on that? They are cooperating, trying to get people to get their amendments up.

Mr. WARNER. I thank the chairman for observing that we are doing our best. We are prepared tonight to deal with these items which, in the judgment of this Senator, appear not to require votes, but of course that is the prerogative of the leadership.

Mr. BYRD. Mr. President, the distinguished manager or ranking Senator, will he yield?

Mr. NUNN. I will be glad to yield.

Mr. BYRD. Mr. President, then it is to be understood there be no more rollcall votes tonight?

Mr. NUNN. I believe we can say that because we are not going to be able to bring an amendment up that is what I will call a controversial amendment. So there will be no more controversial amendments tonight, no more rollcall amendments. But I am hopeful to get the Dixon and Pryor amendments in this evening.

Mr. BYRD. Mr. President, the managers hope for a good working day tomorrow and they are hoping to get time agreements and they are also hoping to make progress on amendments tomorrow that will allow the Senate to go out tomorrow, then, to Tuesday next.

That being the case, the quorum call, the live quorum call which I had indicated would occur every morning at 9 o'clock so the Senators will come and we get started early and get moving this week—what time do the managers recommend that I do the live quorum?

Mr. NUNN. I would recommend that you have a live quorum at 8:30 tomorrow morning. That way we could begin the debate shortly before 9 o'clock or around 9 o'clock.

Mr. WARNER. Mr. President, I defer to the distinguished minority leader to respond to that.

Mr. DOLE. Any time.

Mr. BYRD. Any time. If it is agreeable with the distinguished Republican leader, then, I know Senator Proxmire is going to speak for 5 minutes. The two leaders have 5 minutes each, and I will yield my 5 minutes to Senator Proxmire. Then we will be into the live quorum call and that will make it occur beginning around 8:30, 8:35, or 8:40.

Mr. DOLE. So the vote would start at 8:40?

Mr. BYRD. I would suggest the absence of the quorum; have a fast rollcall, and then when the clerk announces through the Presiding Officer the quorum is not present, I would move at that time, and I would hope the Senators would not take too long in getting here. I try to consider the fact that being that early in the morning and that being the first thing, Senators should have more than 15 minutes on a rollcall. But I would hope they would not take longer than 30. I want to be as reasonable as possible, but at some point it loses its value. I will call for the regular order, if I may say, on that first rollcall, certainly after the first 30 minutes. So if someone wishes to vote, they should be here within 30 minutes.

Mr. NUNN. Will the majority leader make it end at 9 o'clock? We have people lined up to begin a vigorous debate on an important amendment at 9 o'clock, so to the extent that the quorum compelling Senators goes beyond 9 o'clock, it becomes counterproductive.

### RECESS TO 8:20 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate recess over to tomorrow when it completes business today, to the hour of 8:20.

Then the suggestion regarding the absence of a quorum will begin at circa 8:30, and I will call for the regular order at 9 o'clock.

If Senators are not in by then, they will miss the rollcall vote. The managers will recognize we want to get started at 9 because promises have been made to Senators, as I take it, that the amendment which is anticipated being brought up will be brought up at 9 o'clock.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. BYRD. I will yield the floor. I hope our respective cloakrooms will let Senators know that that rollcall vote will begin at 8:30 and the call for the regular order will occur at no later than 9.

I yield the floor.

Mr. NUNN. Mr. President, I think the Senator from Arkansas has an amendment, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arkansas, Senator Pryor, is recognized.

### AMENDMENT NO. 696

(Purpose: To authorize construction of a gymnasium at Blytheville Air Force Base, Arkansas, for which funds have been previously appropriated)

Mr. PRYOR. Mr. President, I have an amendment which I send to the desk at this time and I ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. Pryor], for himself and Mr. Bumpers, proposes an amendment numbered 696.

Mr. PRYOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 163, between lines 11-12, "Blytheville AFB, AR, gymnasium, $2,750,000."

Mr. PRYOR. Mr. President, I offer this amendment on behalf of myself and Senator BUMPERS. It relates to a project on the Blytheville Air Force Base in Blytheville, AR. It is also a project, I understand, which has been previously authorized. I do not believe there is any new money actually appropriated in this procedure at this time.

This matter is also embodied in the House bill, Mr. President. I understand, too, that this will be accepted by the managers on both sides of the aisle. I appreciate their consideration.

Mr. President, I will have two amendments for the Senate's consideration regarding facilities at the Blytheville Air Force Base in Blytheville, AR. Both are cosponsored by the senior Senator from Arkansas.

Right now I have called up the first amendment, regarding the construction of a gymnasium at the Air Force Base.

Mr. President, funds for the gymnasium at Blytheville were appropriated last year without an authorization. In order to get the gymnasium started we need to pass the authorization.

Needless to say, facilities such as these are important to the quality of life at military bases. Having this complex available helps retention in the services and, I would venture, also with the productivity of the servicemen. I would note that the gymnasium at Blytheville is in incredibly bad shape and does not meet the Air Force's own standards for recreational facilities.

I understand that there is no objection on either side of the aisle to this simple amendment and I hope that it can be accepted expeditiously.

Mr. NUNN. Mr. President, first, let me thank the Senator from Arkansas for being brief with his amendment. We are now able to scratch his amendment off the list. We thank the Senator for his cooperation.

This is a project, Mr. President, which has already been appropriated but not authorized. Our staffs on both sides, and the minority manager, who will speak in a moment, have looked at this and believe it is a good project that should be authorized in this bill. I recommend that it be approved.

Mr. WARNER. Mr. President, the distinguished manager and the Senator from Arkansas have made a very valid case. It is our understanding that this item was the subject of appropriations in the previous fiscal year, and consistent with the agreement between the Appropriations Committee and the authorizing committee, that matter is now being taken care of.

Mr. President, as far as I know, there is no objection on this side.

Mr. PRYOR. Mr. President, I take this opportunity to thank the distinguished managers, Senator NUNN and Senator WARNER.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment (No. 696) was agreed to.

The ACTING PRESIDENT pro tempore. Are there further amendments?

Mr. WARNER. Mr. President, we are now in the process of examining another matter which I have been given by the manager and anticipate that that will likewise be shortly disposed of.

Mr. NUNN. Mr. President, we have done about all the productive business we are going to be able to do this evening on this bill. I want to thank all Senators for their cooperation. We have had a good day.

Mr. President, I can report to the leader we have made substantial progress on very important amendments. We have also shortened the list of amendments. We still have a long, long way to go up the mountain. If we can get started early in the morning and have a full day tomorrow, tomorrow night, and Saturday, we will be able to see daylight.

Mr. President, I thank the Senator from Virginia for his great cooperation, his work for both sides of the aisle, and his partnership in moving the bill along. I thank the Senator.

Mr. WARNER. Mr. President, I am greatly appreciative likewise of the distinguished manager. It is always nice to end a long, productive day with a friendly handshake. I hope we can do it again tomorrow.

Mr. BYRD. Mr. President, I thank both managers and I commend them. They have done a good day's work. We started out today with a rollcall vote at 9:30 a.m. this morning. We have had good debate all day. The managers and the Senate have disposed of several amendments during the day. I think we can all go home with the knowledge that we have done our best.

Mr. President, we will return tomorrow and hope for an equally good or even better day tomorrow.

Mr. SIMON. Mr. President, this morning I missed the vote on the Nunn-Levin provision of the defense authorization bill due to a delayed flight. Had I made the vote, I would have supported my good friends Senators SAM NUNN and CARL LEVIN.

Their provision made great sense, and will contribute much to our national security. As hearing after hearing on the ABM Treaty made clear this year, there is no basis at all for the Reagan administrations reinterpretation of the ABM Treaty. It would be better characterized as a misinterpretation, and as an unconstitutional effort to back out of our solemn treaty obligations.

The traditional, or narrow, interpretation is the only one that makes sense. I do not want to see a rush toward early deployment, which is why I introduced a resolution earlier this year saying no to any early SDI deployment. I do not want to see the traditional interpretation of the ABM Treaty undermined for any reason, which is why I have supported the strenuous effort expended by Senators NUNN and LEVIN, and many others in this body who want to see a reversal of the SDI Program and an America that upholds the supreme law of the land.

### RED RIVER ARMY DEPOT

Mr. BENTSEN. Mr. President, I want to express my appreciation to the Armed Services Committee for its action approving $6.5 million to begin phase I site work at the Red River Army Depot in Texarkana. Senators BUMPERS, PRYOR, and I recommended that action to the committee, because we knew that each year's delay in building the much-needed new central distribution center cost our taxpayers $22 million. Instead of prolonging inefficient operations, we argued for a new and fully modernized facility. By getting the job started now, we can start pocketing those savings.

The committee accepted our logic and our recommendation. I am also pleased that the House of Representatives approved similar funding in its versions of both the defense authorization and military construction appropriations bills. Since the Senate Armed Services Committee did not specifically comment on this project in its report, I wanted to ask about the committee's assumptions and intentions regarding this project.

As the Chairman knows, the new Central Distribution Center was originally proposed by the Army several years ago, but the Congress deferred authorization in order to permit a study of possible third-party financed construction of such a facility. When reviewing this program this year, however, the House Armed Services Committee declared in its report:

> * * * because the requirement for modernization of the AOD (Area Oriented Depot) at Red River Army Depot is so critical to readiness and national security, the committee is withdrawing its requirement to study private sector financing of this facility. Furthermore, the committee has accelerated the fiscal year 1989 site preparation by adding $6.5 million to the fiscal year 1988 budget request for this purpose. By taking this action, the committee expects the Secretary of the Army to expedite design on the AOD and reach contract award at the earliest possible time.

My question for the Chairman of the Senate Armed Services Committee is whether that body, in approving accelerated funding for site preparation work, also assumed that further study of third party contracting was not required and intended that the Army proceed forthwith with the project at the Red River Army Depot?

Mr. NUNN. Let me say to the senior Senator from Texas that our committee accepted the logic of the suggestion by the Senator and his Arkansas colleagues. We recognized the need to proceed promptly with this project and thus accelerated it to begin site preparation in fiscal year 1988. We want to get those cost savings just as fast as possible. During the committee's consideration of this issue, no one raised the question of further study of third party financing or, for that matter, contracted operation of the facility. It was not the committee's intent to insist that a study of third party financing be pursued.

Mr. BENTSEN. I want to thank the distinguished chairman for that statement. It clarifies the intention of the Armed Services Committee and frees the Army from any requirement to delay this project further to study the issue of third-party financed construction.

Mr. President, let me raise another question with the distinguished Senator. As I understand it, this bill is a 2-year authorization for many programs, generally limited to multiyear projects in the military construction area. Does this new facility for the Red River Army Depot qualify as such a program? Would the chairman entertain authorizing follow-on funds for fiscal year 1989 in this bill?

Mr. NUNN. Mr. President, this is a multiyear project which could qualify for multiple year authorization. But I would point out that the Army previously did not envision the need for follow-on funding for the actual facility construction until the fiscal year 1991-92 period. I would not like to act further on this matter until the Army reconsiders its funding priorities. Since the House and the Senate Armed Services Committee now favor accelerating the site preparation, it would certainly be prudent for the Army to reassess its fiscal year 1989 budget to take account of this congressional action. But the committee would prefer to wait until we can review the amended fiscal year 1989 budget next year.

Mr. BENTSEN. I thank the chairman for his explanation. I shall be getting in touch with the Army to urge prompt action so that this project can continue without further delays.

## ORDERS FOR FRIDAY

### LEADERSHIP TIME

Mr. BYRD. Mr. President, just so that tomorrow we can have everything ready to go, I ask unanimous consent that on tomorrow the time of the two leaders be reduced to 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### RESUME CONSIDERATION OF S. 1174

Mr. BYRD. Mr. President, I ask unanimous consent that tomorrow, following the recognition of the two leaders under the standing order, the Chair lay before the Senate the unfinished business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### QUORUM CALL AT 8:30 A.M.

Mr. BYRD. Mr. President, when the Chair lays before the Senate tomorrow the unfinished business at 8:30 a.m., it is my intention to suggest the absence of a quorum.

The alphabet will be run quickly; whereupon, at the end of the running of the alphabet, I will move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I will ask for the yeas and nays at the time. Only one-fifth of the Senators present is necessary to order the yeas and nays, so if I am here by myself, I will constitute one-fifth of the Senators who are present.

Mr. President, in order that the rollcall vote be long enough to accommadate Senators who may at that hour be a little slower in getting here than they might otherwise, at 9 o'clock, if the rollcall is not ended, a call for the regular order will occur and the Chair then will announce the vote. At that time Senators will begin debate on amendments to the unfinished business, the DOD authorization bill.

Does the distinguished ranking manager, who is now the acting Republican leader, have any statement he wishes to make at this point?

Mr. WARNER. Mr. President, not at this time.

Mr. BYRD. I thank the Senator.

## THE CALENDAR

Mr. BYRD. Mr. President, I ask the able Republican assistant leader at this time if Calendar Order No. 307 and Calendar Order No. 314 have been cleared on his side of the aisle.

Mr. WARNER. Mr. President, it is my understanding that Calender Orders 307 and 314 are cleared on this side.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 307 and Calendar Order No. 314 seriatim.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## DISPLAY OF NATIONAL LEAGUE OF FAMILIES POW/MIA FLAG IN THE CAPITOL ROTUNDA

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 9) to provide for the display of the National League of Families POW/MIA flag in the Capitol rotunda.

Mr. DOLE. Mr. President, earlier this year, I introduced this legislation with the intention of raising the American consciousness on the issue of our servicemen who are unaccounted for and still missing from Southeast Asia. As we approach tomorrow's observance of National POW/MIA Recognition Day, I recall my words from last year's ceremony on the West Capitol steps. I pledged that we would never forget the sacrifices of those brave soldiers and I further assured their assembled families that a grateful Nation would never rest until a satisfactory accounting of all our POW's and MIA's had been made.

Recognizing the courage and dedication of those special families, the Senate reaffirms that pledge by passing this legislation calling for the very symbol of that commitment, the POW/MIA flag, to be displayed in the Capitol as a daily reminder to all Americans that this issue will continue as a national priority.

The administration's efforts to resolve the fates of our missing heroes should remain high on my colleagues' agendas—I'm convinced that indeed it does. This is clearly indicated by the fact that 46 Senators joined in cosponsoring this resolution. I wish to thank them and thank the Rules Committee for its help in making this a reality.

I look forward to the day when every visitor to the Capitol will be reminded of these brave American's sacrifice and the undying steadiness of their families to the see the POW/MIA issue to its final resolution.

The concurrent resolution (S. Con. Res. 9) was considered, and agreed to.

The preamble was agreed to.

The concurrent resolution, and the preamble, are as follows:

### S. CON. RES. 9

Whereas America can never forget the sacrifices of our brave servicemen who are still missing in action, nor the heroic suffering of our prisoners of war;

Whereas the families of these Americans, having suffered greatly themselves, have joined together as the National League of Families to further the awareness of POW/MIA issues;

Whereas the official National League of Families POW/MIA flag symbolizes the nationwide recognition that is justly deserved by the missing and unaccounted for servicemen of all armed conflicts; and

Whereas the POW/MIA flag is an effective means of further raising public consciousness on this key American issue: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That the National League of Families POW/MIA flag may be displayed in the Capitol Rotunda until a satisfactory accounting of all Vietnam POW/MIA's has taken place. The POW/MIA flag so displayed shall be in such size and at such place as the Architect of the Capitol, the Speaker and the Minority Leader of the United States House of Representatives, and the Majority and Minority Leaders of the United States Senate shall designate.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## ADMINISTRATION OF VETERANS' HOME LOANS

The bill (S. 1691) to provide interim extensions of collection of the Veterans' Administration housing loan fee and of the formula for determining whether, upon foreclosure, the Veterans' Administration shall acquire the property securing a guaranteed loan, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1691

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) notwithstanding section 2512(c) of the Deficit Reduction Act of 1984 (Public Law 98-369), the provisions of section 1816(c) of title 38, United States Code, shall continue in effect through December 31, 1987.

(b) Notwithstanding subsection (c) of section 1829 of such title, fees shall be collected under such section with respect to loans closed during the period beginning October 1, 1987, and ending December 31, 1987.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. WARNER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## 200TH ANNIVERSARY OF THE SIGNING OF THE U.S. CONSTITUTION

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 173 to commemorate the 200th anniversary of the signing of the Constitution and ask that the Senate proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 173) to commemorate the 200th anniversary of the signing of the U.S. Constitution.

The Senate proceeded to consider the joint resolution.

Mr. RIEGLE. Mr. President, today I join with all Americans in honoring our Nation's Constitution. The Constitution has endured and guided us for the last 200 years.

Born out of the America's Declaration of Independence and our forefathers' determination to establish and sustain a free country, the Constitution provides us with a solid foundation to carry out the promise of our ancestors' vision. Under this Constitution, democracy has grown and prospered, and continues to serve the people of our Nation.

Men and women all over the world look to the Constitution as a source of inspiration, hope, and a way to create and sustain a better society. It has provided the opportunity for a country of different races, religions, and regions to become one nation and one people. This is the essense of our country.

Mr. President, the bicentennial of the Constitution is also a celebration of a contract between the people and their elected representatives. It outlines our duties as legislators and servants of our country. For ours is a citizen government, a government of the people. The safeguards provided by the Constitution protect the citizens from an oppressive government and provides a means for every voice to be heard. We, as Members of Congress, have a responsibility to prevent the erosion of these safeguards so that future generations may also benefit from the protections.

We are grateful to our forefathers for possessing the foresight to craft a document with the capacity to grow and change as our Nation has matured. It is this dynamic aspect of the Constitution which makes it as relevant and useful today as it was 200 years ago.

By celebrating the bicentennial of the Constitution, we honor our brief but illustrious past as a nation, and look forward to fulfilling our great potential, through our Constitution, in seeking to make this a great country, with freedom and justice for all who live here.

Mr. DECONCINI. Mr. President, today we are celebrating the 200th birthday of the signing of our Constitution. This unique document is the oldest functioning Constitution in all the world.

I read a survey recently on what Americans know about the Constitution. The results of this survey should concern us all.

Almost half of those polled did not have any idea what purpose the Constitution serves. When asked if the Constitution made English the official language of our Nation, many thought that it did. When asked if the Constitution guarantees the right to own a firearm, about half thought that it did. When asked if the President could suspend the Constitution in times of national emergency, amazingly, about half said "yes."

We have a unique and great system of Government, the best anywhere. However, it is only as strong as the understanding of it by its citizens. We must increase this understanding through education.

When you stop to consider it, that is really the point of this entire celebration: education. As Bicentennial Commission Chairman and former Chief Justice Warren Burger describes it, the celebration is "a history lesson for all of us."

I'm pleased to be a member of the National Bicentennial Commission. I've had quite a few people ask me, why we are celebrating a 200-year old document? I'll tell you why.

The Constitution is a brilliant document. It uses a delicate system of checks and balances to keep the Government running smoothly, and more importantly, to ensure that the individual rights of our citizens are preserved.

Let's take a look at how the Constitution took a chaotic mess of bickering, individual States and formed an organized union. During the years between the end of the American Revolution and the Constitutional Convention in 1787, the outlook for America was grim. Our Treasury was empty. There was even talk of selling some of the States. The States themselves fought bitterly. We had a one house Congress as established under the Articles of Confederation, but it was ineffective. The British were blockading our ports. Barbary pirates were attacking our merchant ships off the African coast. Congress couldn't afford the ransoms which they demanded, and couldn't amass the naval forces necessary to stop their plundering. The Nation was in trouble. If nothing were done, America would remain a collection of diffused, weak, individual States, vulnerable to foreign aggression.

And then they came to Philadelphia. Fifty-five men determined to create a nation. The task ahead was far from easy. At the convention, tempers flared, debate raged, and uncertainty reigned. There were threats to break up the union before it formed. At times, success appeared impossible. The New York delegation walked out, leaving Alexander Hamilton behind. Patrick Henry, the great Virginia war hero, would not even attend the convention saying that he "smelt a rat."

Fortunately, cooler heads prevailed. Compromises were reached. The 1787 Constitutional Convention was a landmark in the history of governments. It marked the beginning of a government of the people, by the people and for the people.

When the Constitution was originally drafted, the preamble read: "We the People of the States of New Hampshire, Massachusetts, Rhode Island—" and so on through a roll call of the remaining 10 States. In a change that

seemed insignificant at the time, the delegates rewrote the preamble to read: "We the people of the United States * * *." This change from "We the People" of the individual States to "We the People of the United States" became one of the single most important acts of the Constitutional Convention. It signified that the Union was now composed of 3 million citizens rather than 13 individual States. The huge barriers between the States had fallen. A bold new government had been created.

Our Constitution, written and ratified 200 years ago, has not remained static. Chief Justice John Marshall noted that a constitution is "framed for ages to come." Such is the case with our Constitution. Our original document has evolved over the years through amendment and judicial interpretation.

Citizens may confidently rely on our Constitution as a guardian of their basic rights. It's possible for anyone in America to bring his or her case before the Supreme Court. Take, for example, Clarence Earl Gideon. He was sentenced to 5 years in the Florida State prison, having been tried without a lawyer. He had so little money that he was permitted to petition the Supreme Court without paying the usual fees.

Gideon had hope, hope that someone would believe that his conviction simply was not fair. He also had faith in our Constitution. He hoped that the Supreme Court would consider his petition, handwritten on prison stationery, arguing that he had a constitutional right to the assistance of a lawyer.

Gideon's hopes and faith were rewarded. The Supreme Court took his case, and held that the 6th and 14th amendments guarantee to State criminal defendants the right to counsel. Only months after that decision, State legislatures which had previously denied indigent defendants the services of a lawyer, fully supported the Court's decision. Gideon was tried again, this time with a court-appointed lawyer. He was acquitted.

The Constitution is a living document which embraces the highest ideals of democracy and liberty. Harry Truman expressed these principles well: "That all men have certain inalienable rights, * * * and that the rule of law stands above Government and citizen alike."

Some may think that they are above the law. But the Constitution tells us differently. It provides us with guarantees against tyranny—not even the Government or the President are above the law.

Americans are celebrating from Maine to Maui, from Atlanta to Anchorage; celebrating the greatest blueprint for democracy ever created.

More than 100 years ago, Daniel Webster spoke of difficult times to come, times so tough that making it through might seem impossible. But we, as Americans, he said, have a special chart to see us through. Webster went on to describe what that chart is:

> We may not see our way clear out of the difficulties which now surround us. We may be tossed upon an ocean where we can see no land—nor, perhaps, the sun or stars. But there is a chart and a compass for us to study, to consult and to obey. That chart is the Constitution of the country. That compass is an honest, single-eyed purpose to preserve the institutions and the liberty with which God has blessed us.

All Americans celebrating the Bicentennial represent hope that the Constitution will continue to be the model for democracies on Earth. Hope and faith that this Government "of the people, by the people, and for the people" will endure throughout the ages.

Mr. SANFORD. Mr. President, I rise today to join my fellow Senators and Americans everywhere in celebrating the 200th anniversary of our Nation's Constitution.

Because this document has worked so well for two centuries, we tend to take the Constitution for granted. We go about our daily business without giving much thought to the document that has made our Nation a land of opportunity and a beacon of hope to those who have never known the blessings of liberty.

Almost two-thirds of the world's written constitutions have been drafted since 1970, and almost all of them borrow some of the basic principles found in our Constitution. In all too many cases, however, those principles—such as freedom of religion, speech, and the press, an independent judiciary—are given little more than lip service.

By contrast in this country, our Constitution enjoys a place of prominence in our National Archives, and the principles it represents have each day since it was adopted been put to the challenge of keeping us a free Nation—a Nation of laws, not of men.

Two hundred years old and it is still more important to us as a Nation and to the entire free world than any new product or discovery to come out of the Research Triangle Park, MIT, or NASA.

Two hundred years old and the study of its each and every word is second only to that of the Bible.

Two hundred years old and millions of men and women have stood and today still stand ready to sacrifice their lives so that we may continue to enjoy the freedoms it guarantees.

Yes, our Constitution is 200 years old today. And while for the past year there have been events of different kinds celebrating this bicentennial, we have actually been celebrating the Constitution in this country daily since it was first adopted.

We celebrate the Constitution each time we vote; each time we express our opinion about our Government, its policies, and its leaders; indeed, each time we bow our heads to pray. We celebrate each time we read the Wall Street Journal, the New York Times, the Raleigh News and Observer, Time, or Newsweek. Each time we gather as thousands of Americans are today in Philadelphia, we celebrate the Constitution.

Each and every one of the rights permitting us to do the things I've just mentioned are all enumerated in the Bill of Rights of the Constitution. It is this document—the Constitution of the United States—that challenges us to do better. And it is because of the satisfaction that comes with knowing that we can do better that we are able to celebrate in this country.

This is the true glory of our Constitution. This constantly renewing faith we have in our ability to do better is what stirs me as a patriot—not a military victory over some small island republic only twice the size of the District of Columbia, not the ability to deceive the Ayatollah in order to underwrite support for the Contras, and certainly not chauvinistic political slogans that tell us it's morning again in America, when for many of us Liberty's torch has always provided us all of the illumination we've ever needed.

My fellow North Carolinians and I take an extra note of pride in our Constitution. Not because we enjoy any more freedoms than those enjoyed by our fellow citizens in other States, but because it was North Carolina that refused to ratify the Constitution until a Bill of Rights was added—until our Constitution expressly recognized and affirmed our noblest impulses as a people. To speak. To pray. To assemble. And to protest.

As many of us in this Chamber know, our first effort at government—the Articles of Confederation—failed. The power of the Chief Executive was insufficient. The Government had no direct means of raising money to sustain itself. The States of Virginia and Maryland were about to declare war on each other over shipping rights in the Chesapeake Bay. More importantly, the Government had no means of dealing with its own shortcomings.

But not unlike today, we were a determined people. We tried again. And today, like then, our Government continues to improve because of our faith in the principles embodied in the Constitution. History shows, too, that as our faith in these principles has grown, so have there been changes made in the Constitution that reflect that deeper faith.

The changes I'm speaking of did not come easily; nor did they come without considerable sacrifice. It took a Civil War to bring changes to the Constitution to end the legal enslavement of one man by another. It was during this time that Zebulon Vance, then a North Carolina legislator and soon after Governor, and the man for whom Vance County, NC, is named, stated:

> We fight for the Constitution, for the Union, and the laws. But when we fight for the Union and the laws, we do so within the Constitution.

It took the unified voice of millions of women to move our Government to recognize their right to vote. It took an even greater movement of our citizens and more bloodshed to guarantee the basic rights of our black, native American, Hispanic, Asian, handicapped, and other minority citizens.

North Carolina avoided the extreme polarization and violence of that era because we recognized early that the Constitution is, as I've said earlier, more than just a document. It is a manifestation of the very best of what we as Americans are all about and, therefore, does not countenance prejudice, hatred, or racial discrimination.

Many men and women will become great because of their work with and words on the Constitution. The intent of its provisions and the words that were chosen to express our Founding Fathers' original meanings will continue to be greatly debated and discussed. Whatever changes are yet made in the Constitution over time will only come very deliberately, as they should.

As President Andrew Johnson once said:

> Amendments to the Constitution ought not too frequently to be made. If continually tinkered with it will lose all its prestige and dignity, and the old instrument will be lost sight of altogether in a short time.

As a U.S. Senator, I am ever mindful of my role in upholding and defending the Constitution. Whether it is voting on the laws of the land, or voting on the merits of those who interpret the laws of the land, my ultimate concern has to be, and always is with how the citizens of this great Nation will be affected by my actions. Each of us today must commit herself and himself never to take the Constitution for granted. As that great North Carolinian and defender of the Constitution, Senator Sam Ervin, once said:

> The greatest danger to the people is that they themselves may erode the roots of their past by forgetfulness and indifference.

We have good cause to be celebrating the Constitution today. People all over the world were seeking the freedoms it offers long before it was ever adopted. And men and women of all races and creeds in countries that have yet to recognize that all people are created equal will, I'm afraid, be forced to pursue those same freedoms for many years to come. We, on the other hand, have them now. We can make them better.

That's the challenge the Constitution places before us in this bicentennial year. To make it a better document. To form a more perfect Union. To aspire to more noble purposes. To become, in short, better people.

Ours must become a Nation less absorbed in itself and more aware of what it represents. We must become more open, more willing to consider other points of view. We must remain intrigued enough by the principles our Constitution represents to welcome its constant renewal—not to try to apply it strictly, or narrowly, or circumspectly, but openly, fairly, and honestly. And if we do, then we will all be able to take comfort in knowing that the Constitution which has given so much meaning to our lives will continue to do so for many generations in this country yet to come.

Mr. REID. Mr. President, 200 years ago on this date a group of men signed a legal document. One must wonder, if in performing that simple act they possessed any conception of the magnitude of their conduct.

In the two centuries which have followed, the Constitution they created for our Nation has fulfilled its central purpose. It has functioned as our supreme body of law giving the people the ability to predict the results of their conduct, and their relationship with society and the government. It has proved flexible enough to meet each grave crisis, and yet, as the framers intended, acted as a bulwark for our liberties, and a rampart for our rights.

Those results, most certainly, were intended and sought by the Founding Fathers. Did they though, did they imagine that throughout a world where tyranny had flourished for millennia, and despots reigned supreme, did they imagine that a lamp had been lit which would never be extinguished? Could they conceive that a dream had been released into the world, a dream to which people in chains in every land would raise their manacled hands and look to freedom?

That dream, that light, that guiding law, is 200 years old. We vote this day on a joint resolution encouraging our citizens to review the document which embodies those concepts central to our freedoms. As a free people we may read it. To stay a free people we must do so. For, Mr. President, it is the nature of freedom, that its virtues are lost to those who do not exercise it, just as knowledge of its components is essential to its vitality.

To the extent that by this action today, we as a Congress can further our citizens' involvement in their self-governance, we are engaged in more than symbolism. To the extent that we can extend our people's knowledge of their rights and duties, we are engaged in more then self-congratulation. To the extent that we rekindle the spirit of individual responsibility for self-rule which guided our forefathers, we also rekindle the lamp, renew the dream, and remind the world of the words, the law, the concept, and the spirit which are the Constitution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (S.J. Res. 173) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 173), with its preamble, is as follows:

S.J. Res. 173

Whereas the signers of the Constitution believed that the document which they had drafted would be the supreme law of the land;

Whereas the signers of the Constitution believed that a democratic form of government should be instituted for the benefit of all;

Whereas the signers of the Constitution believed that no government could exist in peace unless laws were framed and held inviolate that secured to each individual the free exercise of conscience, the right and control of property, and the protection of life; and

Whereas the signers of the Constitution believed that all were bound to sustain and uphold the laws of the respective governments in which they resided, while maintaining certain inherent and inalienable rights as protected by those laws: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That Congress encourages all Americans to read the Constitution of the United States within one year of the 200th anniversary of the signing of such, and strongly encourages individual members of Congress, Federal judges, and officials of the executive branch of the Federal government, because of the unique leadership roles in guiding the affairs of this Nation assumed by each, to set the example in studying this cornerstone of democratic government.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. WARNER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## EXPORT OF AMERICAN MEATS TO THE EEC

Mr. WARNER. Mr. President, I send a resolution to the desk on behalf of the Senator from Indiana [Mr. LUGAR] and others, and I ask unanimous consent that it be placed on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### EXPORT OF AMERICAN MEATS TO THE EEC

Mr. LUGAR. Mr. President, "free trade" and "fair trade" are phrases we

have all heard quite a bit of in the last few months as we debated the trade bill and as we now prepare for the conference with the House.

I sincerely believe that American farmers, workers, and consumers benefit most when trade is truly free and fair. Protectionism and trade barriers deny consumers a choice in buying, they deny competitive companies the opportunity to employ their advantages in productivity and they stifle the creativity which spurs economic growth.

For those reasons, I believe we must be resolute and consistent in opposing unfair trading practices wherever we find them—overseas or here at home. As a nation, we are not any better off if we protect one segment of industry while another one suffers because of that protection.

At the same time, our trading partners must understand the very strong concerns we have in this country toward trade policies which close the door to American goods or make it practically impossible for our companies and exporters to do business. This is particularly true when as Americans we see foreign goods and investment enter this country with relative ease.

Mr. President, a situation has arisen in our trade relations with the European Community which now threatens the export of American meat products to the 12 EC countries. This market, according to Department of Agriculture statistics, was worth about $165 million to American business last year.

I am speaking of the so-called Third Country Directive which establishes the rules which a nation outside the European Community, such as the United States, must operate if it wishes to export to the EC. This directive was originally published more than 15 years ago. It has been the subject of much debate and negotiation over the years but now, unless there is some change of intent, is scheduled to go into effect on January 1, 1988.

To briefly explain the situation, the EC authorities have drawn up a list of very detailed procedures for operation of slaughter houses and meat packing plants and, unless American companies follow those procedures in close detail, they will not be approved for export to the EC.

Every country, Mr. President, has its regulations for imported foods to protect the health and safety of its consumers. This is perfectly reasonable, of course, and the United States maintains its own set of regulations for imported meats and meat products.

The difference in this situation is that the United States employs a principle of equivalency. That is, we recognize that economic and cultural factors may affect the way another country processes meats. So our principle of equivalency simply says that the process another nation may use can be different from our own as long as the end result is the same—as long as the imported product meets our health and sanitary requirements.

The EC, on the other hand, is saying that meatpackers and processors in other countries must copy all of the methods of operation used in Europe or they can be denied the right to export even if the end product meets health and sanitary tests.

This new requirement gets into many areas of little or no relevance to the quality of the product being sold. For example, the EC regulations give their inspectors the right to reject American plants because of things like use of wooden pallets, the placement of sinks and sterilizers, the assembly and use of packing materials and the physical construction and location of the plants themselves.

The Department of Agriculture has maintained throughout the history of this debate that there is no scientific or health reason for these restrictions. On the contrary, they would simply force many American companies to make substantial and unnecessary capital investments to keep their business with the EC and even then, subject them to the bureaucratic whims of the EC inspectors.

It is important to note, Mr. President, that while this regulation could endanger $165 million in American exports, our principle of equivalency allows EC exporters to sell more than $400 million annually in this country. That is, we say to the EC exporters: "You may use different procedures in your plants as long as the end product meets acceptable health and sanitary standards."

This Third Country Directive, if it goes into effect, will be unfair, Mr. President. American industry has lodged a formal complaint against the directive with the U.S. Trade Representative. The petitioners in this case are the American Meat Institute, the U.S. Meat Export Federation, the National Pork Producers Council, the American Farm Bureau Federation and the National Cattleman's Association. In response to the complaint, the U.S. Trade Representative, Ambassador Yeutter, has announced an investigation of the allegation of unfair trading practices filed under section 301 of the Trade Act of 1974.

Unfortunately, the EC authorities have chosen to press this directive and another parallel regulation at the same time. The EC also intends to implement on January 1, 1988, a ban on all meats from animals which have been treated with natural or synthetic hormones.

These hormones are widely used in the United States and the EC regulation would have the effect of banning their use. Once again, Mr. President, there is no scientific or medical reason for this directive. Hormones have been used safely in the United States and other countries for years and rigorous scientific studies have found no harmful effects on consumers. In fact, the EC established its own scientific committee to study this question and ordered the committee disbanded when it was about to issue a report stating that no safety problem existed.

Again, Mr. President, our exporters are faced with a trade barrier posing as a health regulation.

The administration is vigorously opposing the Third Country Directive and other unfair trading practices in the EC. We have seen several examples this year of successful conclusions to other disputes—the matter of the EC enlargement, the oils and fats tax and the citrus-pasta question. I sincerely hope that this Third Country Directive matter and the hormone issue can be negotiated as well, Mr. President, because both sides will suffer from this kind of trade barrier. I urge officials and business representatives in Europe to take a look at their exports to the United States before going through with these arbitrary and unfair regulations.

In the meantime, Mr. President, Congress has a role to play here as we have in the past on other trade disputes with our friends in Europe and Asia. For that reason, I am today introducing a resolution expressing our opposition to the Third Country Directive and calling on the administration to adopt strong and immediate countermeasures if this unfair regulation is enforced. This resolution also has been introduced in the House of Representatives.

Mr. President, I would like to ask unanimous consent to insert in the RECORD announcements from the Meat Industry Trade Policy Council and the U.S. Trade Representative on the Third Country Directive and the filing of the section 301 case.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### USTR INITIATES INVESTIGATION INTO EC MEAT RULES

July 22, 1987—U.S. Trade Representative Clayton Yeutter today announced that he has initiated an investigation of an alleged unfair trade practice involving new European Community inspection requirements for imported meats. This action is in response to a petition filed under Section 301 of the Trade Act of 1974 by the American Meat Institute, the U.S. Meat Export Federation, the American Farm Bureau Federation, the National Pork Producers Council and the National Cattleman's Association.

"The Section 301 petition raises questions about whether the Community's Third Country Meat Directive violates the GATT and discriminates against U.S. exporters, creating a trade barrier that harms the American meat industry," Yeutter said. "We are concerned about allegations that these new restrictions subject meats imported from the United States to inspection requirements that are not applicable within EC member nations and are not fully enforced in meatpacking plants shipping across national boundaries within the EC. Questions have also been raised about whether the restrictions can really be justified on health grounds.

"We have raised this issue repeatedly with the Community, including as recently as last week when Agriculture Secretary Richard Lyng and I met with EC Vice President Frans Andriessen and Commissioner Will de Clercq. We will be invoking dispute settlement procedures available under the GATT and we'll request formal consultations with the EC on this manner at the earliest possible date."

If consultations or other dispute settlement measures do not resolve the problem, a finding can be made under Section 301 that there are unfair trade practices. At that time, the U.S. Trade Representative can recommend a number of actions to the President, including retaliation.

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### Meat Industry Files Complaint Against EEC Import Restrictions

Washington, DC, July 14, 1987.—Left with no apparent hope of negotiating a reasonable settlement, the meat producing and processing industry today initiated a formal complaint against the European Economic Community's (EEC) Third Country Meat Directive. The complaint, filed with United States Trade Representative Clayton Yeutter, charges the directive has erected illegal trade barriers that regulate U.S. meat more strictly than meat produced in Europe and are not supported by science. Therefore, they impose an "unjustifiable or unreasonable restriction" to U.S. exports of meat and meat products.

The petitioners are the American Meat Institute, the U.S. Meat Export Federation, the National Pork Producers Council, the American Farm Bureau Federation and the National Cattlemen's Association. These organizations consult and cooperate on trade issues through the Meat Industry Trade Policy Council.

In 1985, U.S. meat exports to the EEC amounted to 113,698 metric tons at a value of $131,634,000. This is an important market for the U.S. meat industry.

The complaint charges that the EEC regulations, which purport to control meat hygiene and sanitation, actually regulate imported U.S. meat much more strictly than meat produced within EEC member countries. This two-tier inspection system violates Article III of the General Agreement on Tariffs and Trade (GATT).

The directive outlines detailed requirements plants exporting to the EEC must meet. The lengthy list covers such areas as facilities, equipment, veterinary staffing and procedures, carcass washing, annual employee physical examinations and officially monitored vehicle washing and disinfecting stations. The directive officially went into effect May 1.

Specific requirements being challenged include separate rooms for various meat slaughter and processing operations; separate rooms for dry storage and box assembly; and prohibition of wooden pallets, knife handles, structural beams or fencing.

The petitioners point out that "no scientific evidence [exists] that the detailed facility requirements of the EEC directive have any significant health or safety advantages when compared with USDA's facility requirements established through prior approval of facility blueprints. Nonetheless, unless U.S. packers meet these requirements, they cannot export to the EEC."

The crux of this long-running trade dispute, which began in 1972 when the EEC Council first approved the directive, is the EEC's unwillingness to recognize the concept of equivalency between the two inspection programs.

The EEC, following reviews of more than 400 U.S. plants since 1984, has certified only seven slaughter plants and three cutting plants. This list does not include many of the newest and most efficient U.S. slaughter plants. Another 59 slaughter plants are approved only until December 31 and must be reinspected by EEC reviewers. On the other hand, USDA currently accepts meat imports from some 250 European plants.

"Since the U.S. evaluates the equivalency of European establishments in authorizing meat imports from the EEC, the U.S. is entitled to similar treatment from the EEC as a matter of reciprocity," the complaint says.

Filing the complaint under Section 301 of the Trade Act, was the only alternative left to the meat industry. After years of discussions at the technical level between the USDA and EEC veterinarians, the administration last year finally challenged the directive as a trade issue. It was hoped Yeutter and Secretary of Agriculture Richard Lyng could settle this dispute through high-level negotiations. Administration efforts included a fact-finding investigation under Section 305 of the Trade Act, but the EEC refused to cooperate and did not answer questions developed by Yeutter and his staff.

A final effort to reach a settlement failed last week when Yeutter and Lyng met with EEC commissioners Willy de Clerq and Frans Andriessen on a variety of trade issues in Washington. Although the directive was a prime topic of discussion, the EEC representatives again refused to show any flexibility. The petitioners had agreed to withhold filing the complaint pending the outcome of the meeting.

The U.S. Trade Representative has 45 days to accept or reject the petition. If accepted, there will be another opportunity for consultation and mediation between the U.S. and the EEC. If these talks are unsuccessful, the dispute will be referred to the GATT in Geneva. A panel, selected from nations which are not parties to the dispute, will hear presentations from both sides and make appropriate recommendations.

The recommendations go to the Council composed of all GATT members, which must rule on the panel report. If a report favorable to the U.S. is adopted, the EEC must modify its program in a manner favorable to the U.S. or the President is authorized under the Trade Act to take retaliatory action against the offending trade practices.

Mr. LUGAR. In closing, Mr. President, I would like to say that I am pleased that a number of Senators already have lent their names as cosponsors to this resolution and I would invite all my colleagues to support this important and truly bipartisan effort. Senator Leahy, the distinguished chairman of the Committee on Agriculture, Nutrition, and Forestry, joins with me in support of this resolution. Also cosponsoring this resolution are Senators Leahy, Boschwitz, Burdick, Chiles, Dixon, Dole, Domenici, Durenberger, Grassley, Heinz, Helms, McClure, Nickles, Pressler, Symms, Karnes, Cochran, Wallop, Wilson, Kassebaum, McConnell, Pryor, and Kennedy. We have only about 3 months left before this directive is to be put into effect and I hope that we can get expeditious approval of this resolution in the Senate to support our negotiators.

Equally important, Mr. President, is the overall context of our trade relations with our European friends. We need to find a better way to conduct the settlement of these differences and to avoid this pattern of dispute which has been repeated several times already this year. The 12 EC nations are good trading partners and both sides need to do all that is necessary to see that our trade relations grow and prosper on each side of the Atlantic.

Thank you, Mr. President.

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## JOSEPH L. MANKIEWICZ—AN ENDURING GENIUS IN MOTION PICTURE ART

Mr. PELL. Mr. President, in early 1988, the great film director, Joseph L. Mankiewicz, will celebrate his 79th birthday. This will be one more milestone in the incredibly productive life of one of America's true masters of the motion picture craft.

Joseph L. Mankiewicz was born in 1909 in Wilkes Barre, PA, the third and youngest of the children born to Frank and Johanna Mankiewicz. At the time, his father was a teacher of French and German at the Harry Hillman Academy. After moving to New York City in 1913, young Joseph completed eight grades at P.S. 64 by the time he was 11 and graduated from Stuyvesant High School in 1924 at age 15. Later that year he enrolled at Columbia College as the youngest member of the class of 1928.

Soon after graduation he traveled to Germany, ostensibly to continue his studies. Very soon, in Berlin, he found work as an assistant correspondent for the Chicago Tribune and did additional work translating film subtitles from German into English. In 1929, his brother Herman Mankiewicz, by then already a well-established screenwriter, invited his younger brother to join him in California. Mankiewicz arrived in Hollywood and was placed under contract to Paramount—a contract which had to be approved by a judge since he was not yet of legal age.

At Paramount, after 2 years of journeyman writing and absorbing the mysteries of talking pictures, his first screenplay, "Fast Company," starring Jack Oakie, was produced by David Selznick. In 1931 he received his first nomination for an Academy Award for writing the screenplay of "Skippy". In 1932 he wrote "Million Dollar Legs", a satire on the Olympic Games, which has since become a minor cult classic.

Mankiewicz moved to MGM in 1934 where, after being refused permission by Louis B. Mayer to direct what he wrote, he functioned as writer/producer on numerous films including "Manhattan Melodrama", "Fury", "Three Comrades", "Philadelphia Story", and "Woman of the Year".

By 1943 he was under contract to Twentieth Century Fox—now as writer/director/producer—with his talents approaching their most fruitful period. Among his Fox films were "The Ghost and Mrs. Muir", "A Letter to Three Wives", "No Way Out", "People Will Talk", "Five Fingers" and the unparalleled "All About Eve". This masterpiece was nominated for 14 Academy Awards with 5 in the "best acting" category alone. This was a record number of nominations which has yet to be equalled by any single film.

Leaving Fox to freelance, he continued his career with "Julius Caesar", "The Barefoot Contessa", "Guys and Dolls" and "Suddenly Last Summer". In 1952, having returned to New York City, he changed pace somewhat by directing a production of "La Boheme" at the Metropolitan Opera.

Mankiewicz is the only filmmaker to have won four Academy Awards in consecutive years for Best Screenplay and Best Director. These were for the films "A Letter to Three Wives" in 1949 and the triumphant "All About Eve" the following year. His most recent nomination was for directing the fine thriller "Sleuth" in which both members of the cast were nominated for acting awards.

Numerous international honors have been bestowed upon Mankiewicz from around the world, including awards from the British Film Academy for "All About Eve" and "Julius Caesar"; the "Edgar" (Allen Poe) from the Mystery Writers of America; the Writers Guild of America's Laurel Award; the D.W. Griffith Award for Outstanding Lifetime Achievement in Film Directing. President Saragat of Italy awarded him "Commander in the Order of Merit" and important retrospectives have been tendered him by British and French film institutes. Finally, Columbia College honored him with the Alexander Hamilton Medal in 1986 "for distinguished service and accomplishment in any field of human endeavor * * *"

Joseph Mankiewicz is a brilliant master of the very special craft of motion picture-making. Generations of film-goers will delight in the work he has created throughout his long and distinguished career. He has done so much to raise this unique art form to be one of mankind's great arts.

I take this opportunity to personally salute Frank L. Mankiewicz for all he has done to enrich our lives and wish him well for the years ahead.

## THE CONFIRMATION OF JUDGE BORK: QUALIFICATIONS OR POLITICS?

Mr. PRESSLER. Mr. President, I shall vote for Judge Robert Bork to be a Justice of the U.S. Supreme Court. I have been closely following the hearings for the last few days and feel he is doing an excellent job. He is one of the most qualified individuals ever nominated. Barring some unforeseen and unanticipated ethical problem, Judge Bork should be confirmed by the U.S. Senate. I recently met with him to discuss his current views on the judicial system. When I attended Harvard Law School and Oxford University, I had the opportunity to hear his lectures and read some of his articles.

Politics should not dictate judicial nominations. In the past, I have supported the qualified judicial nominees of Democratic and Republican Presidents alike. For example, I supported President Carter's qualified and competent nominees even when I disagreed with some of their views.

It is the role of the President to nominate Supreme Court Justices. The Senate has the power to "advise and consent" on these nominations. The confirmation process is designed to ensure that nominees are highly qualified and have neither ethical nor character problems. It was not intended to be a battleground for partisan politics. Senators should be evaluating Judge Bork's qualifications and his extensive judicial record. Unfortunately, some individuals are making Judge Bork out to be an extremist. After reading many of his opinions and articles, I find this view to be unfounded. Not one of Judge Bork's majority opinions has been overturned by the Supreme Court. His is not the record of a radical.

Judge Bork believes in judicial restraint—the idea that the Court's role is to ensure that the laws are consistent with the Constitution rather than a judge's personal beliefs. He believes that it is the role of judges to interpret the Constitution, not to make laws.

The Supreme Court reconvenes on the first Monday in October, but Judge Bork's confirmation hearings were not scheduled to start until September 15—2½ months after the nomination was submitted! Why the delay? Some individuals seem to be using this time to make a partisan issue of an important matter where politics has no place. It may even be that some would oppose any Reagan nominee in the hope that Court appointments could be made by the next President. This is inexcusable. Because of this delay, it is possible that there will be only eight Justices when the Supreme Court reconvenes this fall. The American people need and deserve the Supreme Court working at full strength. When Justice Powell retired from the Court, he noted that vacancies "created problems for the Court and for litigants." Such problems could be prevented if we rise above politics and focus on the issues.

Recently, the American Bar Association endorsed Judge Robert Bork's Supreme Court nomination by giving him its highest rating. In 1982, Judge Bork also received the American Bar Association's highest rating when he was nominated to serve on the U.S. Court of Appeals for the District of Columbia Circuit. Judge Bork was confirmed unanimously by the Senate. He has served in that position for the last 5 years. Judge Bork has served as a professor at Yale Law School, as Solicitor General of the U.S. Department of Justice, and in the U.S. Marine Corps. As a practitioner, he has argued and won numerous cases before the Supreme Court. Justice John Paul Stevens, who is considered to be a moderate-liberal Justice, publicly stated "I personally regard him as a very well-qualified candidate and one who will be a very welcome addition to the Court."

In addition to being highly qualified on the basis of experience, Robert Bork believes that excessively liberal interpretations of procedural rights do not serve the goal of protecting justice for all. Many of Judge Bork's opinions illustrate his strong belief that we must protect constitutional rights, but the guilty should not go free. There has been much debate regarding the exclusionary rule. To what extent do we disallow evidence, knowing that a guilty party will go free. Yes, criminals should have constitutional rights. But as Judge Bork has asked, "at what cost?" Many law enforcement agencies have announced their support for Judge Robert Bork, including: The Fraternal Order of Police, International Association of Chiefs of Police, National District Attorneys Association, and the National Sheriff's Association, just to name a few. Stronger law enforcement procedures are needed and supported by the American people.

Some have clearly distorted Judge Bork's role in the Watergate Saturday night massacre in an attempt to make an issue where none exists. Former President Nixon ordered then-Attorney General Elliot Richardson to fire Special Prosecutor Archibald Cox. Richardson refused to carry out the President's order and resigned. Solicitor General Bork carried out Nixon's order. A point often overlooked by Bork's detractors is that Elliot Richardson urged Mr. Bork to stay at the Justice Department to maintain order in the wake of his own resignation. Soon after Cox was dismissed, Bork sought another special prosecutor and pressed former President Nixon into agreeing not to interfere with the investigation. Because of his actions, the

Watergate investigation continued free from Presidential control.

It is time for everyone to focus on Judge Bork's qualifications and dispense with the politics. There is one goal—filling the vacancy on the Supreme Court with a worthy candidate. It is my hope that Senators will not vote for or against Judge Bork based solely on political philosophy or partisanship. The vacancy should be filled before the Supreme Court reconvenes in October. Further delays surely will make the American people wonder if Judge Bork is receiving a fair hearing.

## MESSAGES FROM THE HOUSE

At 10:05 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that on August 7, 1987, the Speaker appointed conferees to the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3) entitled "An Act to enhance the competitiveness of American industry, and for other purposes," and pursuant to the order of the House of that day, the Speaker now supplements that initial appointment.

Accordingly, the Speaker appoints the following Members from the committees designated, including both the Members initially appointed and Members newly appointed, as conferees:

From the Committee on Ways and Means, for consideration of titles I, II, VIII, and XV, and sections 704 and 906 of the House bill, and titles I, II, III (except sections 308 and 310), IV (except sections 412 through 415), V through VIII, IX (except sections 963, 967 through 972, 974, 975, and 977) of the Senate amendment, and modifications committed to conference: Mr. Rostenkowski, Mr. Gibbons, Mr. Jenkins, Mr. Downey of New York, Mr. Pease, Mr. Russo, Mr. Gephardt, Mr. Guarini, Mr. Matsui, Mr. Duncan, Mr. Archer, Mr. Vander Jagt, Mr. Crane, and Mr. Frenzel.

From the Committee on Ways and Means, for consideration of sections 321, 323, 363, 907 through 909 of the House bill, and title XXXVII and sections 308, 310, 412, 977, 2002, and 3871 of the Senate amendment, and modifications committed to conference: Mr. Rostenkowski, Mr. Gibbons, Mr. Jenkins, Mr. Downey of New York, Mr. Pease, Mr. Russo, Mr. Crane, Mr. Frenzel, and Mr. Schulze.

From the Committee on Ways and Means, for consideration of sections 613, 626, 627, 671 through 675, 681, 682, 691, and 692 of the House bill, and sections 974, 975, 2112, 2128, 2171, 2173 through 2175, 2191, 2193, and 2194 of the Senate amendment, and modifications committed to conference: Mr. Rostenkowski, Mr. Gibbons, Mr. Jenkins, Mr. Pease, Mr. Russo, Mr. Matsui, Mr. Archer, Mr. Thomas of California, and Mr. Daub.

From the Committee on Ways and Means, for consideration of sections 605 through 607, 611, and 663 of the House bill, and sections 2113, 2114, and 2136 of the Senate amendment, and modifications committed to conference: Mr. Rostenkowski, Mr. Gibbons, Mr. Jenkins, Mr. Matsui, Mr. Thomas of California, and Mr. Daub.

From the Committee on Ways and Means, for consideration of title X of the House bill, and section 3911 of the Senate amendment, and modifications committed to conference: Mr. Rostenkowski, Mr. Gibbons, Mr. Gephardt, Mr. Guarini, Mr. Crane, and Mr. Frenzel.

From the Committee on Ways and Means, for consideration of sections 351, 901, and 902 of the House bill, and sections 968 through 972, 1030 through 1033, and 3811 through 3824 of the Senate amendment, and modifications committed to conference: Mr. Rostenkowski, Mr. Gibbons, Mr. Downey of New York, Mr. Archer, and Mr. Schulze.

From the Committee on Agriculture, for consideration of title VI and sections 318 through 321 of the House bill, and title XXI (except sections 2178 through 2180A and 2185 through 2187) and sections 601, 602, 604, 605, 974, 975, and 4706 of the Senate amendment, and modifications committed to conference: Mr. de la Garza, Mr. Brown of California, Mr. Panetta, Mr. Glickman, Mr. Stenholm, Mr. Volkmer, Mr. Roberts, Mr. Morrison of Washington, Mr. Gunderson, and Mr. Grandy.

From the Committee on Agriculture, for consideration of section 308 of the Senate amendment and modifications committed to conference: Mr. de la Garza, Mr. Brown of California, Mr. Glickman, Mr. Roberts, and Mr. Morrison of Washington.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 126 (insofar as it would add new sections 311(g) (1) and (2) to the Trade Act of 1974), sections 401 through 427, and 431 through 452 of the House bill, and titles XIII and XVII and sections 108, 2008, 2012, and 2178 through 2180A of the Senate amendment, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Mr. Garcia, Mr. LaFalce, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 322 of the House bill, and section 1106 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Ms. Oakar, Mr. Garcia, Mr. Vento, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 341 and 344 of the House bill, and modifications committed to conference: Mr. Fauntroy, Ms. Oakar, Mr. Garcia, Mr. LaFalce, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 428 of the House bill, and section 1506 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Mrs. Oakar, Mr. Vento, Mr. Barnard, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 461 through 471 of the House bill, and sections 3801 through 3809 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Mr. Garcia, Ms. Oakar, Mr. LaFalce, Mr. Vento, Mr. Wylie, Mr. Leach of Iowa, Mr. McMillan of North Carolina, and Mr. Roth.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 476 and 477 of the House bill, and sections 1101 through 1103 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Ms. Oakar, Mr. Garcia, Mr. LaFalce, Mr. Vento, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. Roth.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 907 of the House bill, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Ms. Oakar, Mr. Garcia, Mr. Vento, Mr. Schumer, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 911 of the House bill, and modifications committed to conference: Mr. St Germain, Ms. Oakar, Mr. LaFalce, Mr. Vento, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 959 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Ms. Oakar, Mr. Garcia, Mr. LaFalce, Mr. Schumer, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 1026 and 1027 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Ms. Oakar, Mr. LaFalce, Mr. Vento, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 1501 through 1504 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Ms. Oakar, Mr. Vento, Mr. Barnard, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1805 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Mr. Garcia, Mr. Vento, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of title XIX and section 2001 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Mr. Garcia, Mr. LaFalce, Mr. Vento, Mr. Schumer, Mr. Wylie, Mr. Leach of Iowa, Mr. Bereuter, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 313 of the House bill, and sections 1201 and 1203 of the Senate amendment, and modifications committed to conference: Mr. Fauntroy, Mr. Garcia, Mr. Morrison of Connecticut, Mr. Leach of Iowa, and Mr. Bereuter.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 326 of the House bill, and modifications committed to conference: Mr. St Germain, Ms. Oakar, Mr. Garcia, Mr. Wylie, and Mr. Leach of Iowa.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 345 of the House bill, and modifications committed to conference: Ms. Oakar, Mr. LaFalce, Mr. Vento, Mr. Leach of Iowa, and Mr. Bereuter.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 664 of the House bill, and sections 1801, 3903, and 3906 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Mr. Garcia, Mr. Wylie, and Mr. Bereuter.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 702 of the House bill, and modifications committed to conference: Mr. St Germain, Mr. Fauntroy, Ms. Oakar, Mr. Wylie, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 902, 905, and 912 of the House bill, and title XIV and sections 3811 through 3824, 3861 through 3867, and 4501 of the Senate amendment, and modifications committed to conference: Ms. Oakar, Mr. LaFalce, Mr. Vento, Mr. McMillan of North Carolina, and Mr. Roth.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1303 of the House bill, and modifications committed to conference: Ms. Oakar, Mr. Fauntroy, Mr. Garcia, Mr. Leach of Iowa, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1005 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Ms. Oakar, Mr. Garcia, Mr. Wylie, and Mr. Bereuter.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1505 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Ms. Oakar, Mr. Vento, Mr. Wylie, and Mr. Leach of Iowa.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 3854 of the Senate amendment, and modifications committed to conference: Mr. St Germain, Ms. Oakar, Mr. Vento, Mr. Wylie, and Mr. McMillan of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of title III (except sections 322, 326, and 351) and sections 451, 601 through 612, 621 through 623, 625, 631 through 637, 641 through 651, 653, 663, 701, 903, 907, and 912 of the House bill, and titles X (except sections 1030 through 1033), XII, XVI, XVIII (except section 1801), XX (except sections 2001 and 2008), and XLVII and sections 311, 413 through 415, 958, 963 through 972, 977, 1104, 1304, 1504, 2111, 2113 through 2127, 2129, 2132 through 2136, 2138, 2139A through 2166, 2180B through 2182, 2184, 2192, 3851, 3881, 4501, and 4901 of the Senate amendment, and modifications committed to conference: Mr. Fascell, Mr. Bonker, Mr. Mica, Mr. Berman, Mr. Levine of California, Mr. Bilbray, Mr. Broomfield, Mr. Roth, Mr. Bereuter, and Mr. Miller of Washington; except that—

For consideration of section 331 of the House bill, Mr. Wolpe, Mr. Feighan, and Mr. Lagomarsino are appointed, vice Mr. Levine of California, Mr. Bilbray, and Mr. Miller of Washington;

For consideration of sections 318 through 321, 345 451, and 912 of the House bill, Mr. Gejdenson is appointed, vice Mr. Levine of California;

For consideration of sections 301 through 317 and 323 through 326 of the House bill, Mr. Feighan is appointed, vice Mr. Levine of California;

For consideration of section 325 of the House bill, Mr. Solarz is appointed, vice Mr. Levine of California;

For consideration of title XLVII and sections 311, 958 968 through 972, 2002 through 2007, 2009 through 2012, and 4901 of the Senate amendment, Mr. Solarz is appointed, vice Mr. Levine of California;

For consideration of sections 2111, 2113 through 2127, 2129, 2132 through 2136, 2138, 2139A through 2166, 2180B through 2182, 2192, and 4501 of the Senate amendment, Mr. Gejdenson is appointed, vice Mr. Levine of California;

For consideration of title XII and sections 1802 through 1805, and 1807 through 1809 of the Senate amendment, Mr. Feighan is appointed, vice Mr. Levine of California;

For consideration of title XLVII of the Senate amendment, Mr. Gilman is appointed, vice Mr. Miller of Washington; and

For consideration of section 1020 of the Senate amendment, Mr. Wolpe, Mr. Feighan, and Mr. Lagomarsino are appointed, vice Mr. Levine of California, Mr. Bilbray, and Mr. Miller of Washington.

From the Committee on Foreign Affairs, for consideration of sections 322, 326, 351 461 through 471, 664, 702, 703, 901, 902, 905, 1303 through 1306, and 1310 of the House bill, and title XIV and sections 308, 412, 1105, 1505, 1801 3801 through 3824, 3854, 3902 through 3907, 3910, and 3912 of the Senate amendment, and modifications committed to conference: Mr. Bonker, Mr. Mica, Mr. Berman, Mr. Roth, and Mr. Bereuter, except that—

For consideration of section 664 of the House bill, and sections 308 and 2178 through 2180A of the Senate amendment, Mr. Gejdenson is appointed, vice Mr. Berman; and

For consideration of sections 1303 through 1306, and 1310 of the House bill, and sections 3902 through 3907, 3910, and 3912 of the Senate amendment, Mr. Broomfield is appointed, vice Mr. Bereuter.

From the Committee on Foreign Affairs, for consideration of sections 1030 through 1033 of the Senate amendment, and modifications committed to conference: Mr. Fascell, Mr. Bonker, Mr. Mica, Mr. Broomfield, and Mr. Roth.

From the Committee on Energy and Commerce, for consideration of title II and section 703 of the House bill, and sections 901 through 913 of the Senate amendment, and modifications committed to conference: Mr. Dingell, Mr. Florio, Mr. Markey, Mr. Sharp, Mr. Swift, Mr. Bryant, Mr. Synar, Mr. Eckart, Mr. Slattery, Mr. Lent, Mr. Moorhead, Mr. Rinaldo, Mr. Dannemeyer, and Mr. Ritter.

From the Committee on Energy and Commerce, for consideration of sections 104, 181, 183, 324, 701, 703, 903, 904, 906, and 909 of the House bill, and title XVI and sections 1503, 1802, and 3851 through 3853 of the Senate amendment, and modifications committed to conference; for consideration of sections 121 and 124 of the House bill, and sections 306 and 307 of the Senate amendment, and modifications committed to conference, except for those matters relating to suspension, withdrawal, or prevention of trade agreement concessions or to imposition of duties or other import restrictions on goods; and for consideration of section 201 of the Senate amendment (insofar as it would add new sections 204(d)(1)(B)(ii) and 204(d)(2)(B) through (E) to the Trade Act of 1974), and modifications committed to conference: Mr. Dingell, Mr. Florio, Mr. Markey, Mr. Sharp, Mr. Swift, Mr. Bryant, Mr. Lent, Mr. Moorhead, Mr. Rinaldo, and Mr. Dannemeyer.

From the Committee on Energy and Commerce, for the consideration of section 198 of the House bill and sections 2185 through 2188 of the Senate amendment, and modifications committed to conference: Mr. Dingell, Mr. Florio, Mr. Markey, Mr. Sharp, Mr. Swift, Mr. Bryant, Mr. Lent, Mr. Moorhead, Mr. Dannemeyer, and Mr. Coats.

From the Committee on Energy and Commerce, for the consideration of sections 908, 910, and 911 of the House bill and section 310 of the Senate amendment, and modifications committed to conference: Mr. Dingell, Mr. Florio, Mr. Markey, Mr. Sharp, Mr. Swift, Mr. Bryant, Mr. Lent, Mr. Rinaldo, Mr. Dannemeyer, and Mr. Ritter.

From the Committee on Energy and Commerce, for consideration of sections 311 through 316, 345, 461 through 471, 901, 902, 905, 907, and 912 of the House bill, and titles XII (except section 1207) and XIV and sections 968 through 972, 1801, 1802, 3801 through 3824, and 4501 of the Senate amendment, and modifications committed to conference: Mr. Dingell, Mr. Florio, Mr. Markey, Mr. Lent, and Mr. Dannemeyer.

From the Committee on Energy and Commerce, for consideration of section 331 of the House bill, and modifications committed to conference: Mr. Dingell, Mr. Florio, Mr. Markey, Mr. Lent, and Mr. Moorhead.

From the Committee on Energy and Commerce, for consideration of section 702 of the House bill, and sections 1505 and 3854 of the Senate amendment, and modifications committed to conference: Mr. Dingell, Mr. Florio, Mr. Markey, Mr. Lent, and Mr. Rinaldo.

From the Committee on Energy and Commerce, for consideration of sections 3861 through 3867 of the Senate amendment, and modifications committed to conference: Mr. Dingell, Mr. Florio, Mr. Markey, Mr. Lent, and Mr. Ritter.

From the Committee on Education and Labor, for consideration of title V (except subtitle B) of the House bill, and titles XXIII through XXXII of the Senate amendment, and modifications committed to conference: Mr. Hawkins, Mr. Ford of Michigan, Mr. Biaggi, Mr. Kildee, Mr. Williams, Mr. Jeffords, Mr. Goodling, and Mr. Coleman of Missouri.

From the Committee on Education and Labor, for consideration of subtitle B of title V of the House bill, and title XXII of the Senate amendment (except the portion of section 2202 that would add new part B to title III of the Job Training Partnership Act), and modifications committed to conference: Mr. Hawkins, Mr. Ford of Michigan, Mr. Gaydos, Mr. Clay, Mr. Martinez, Mr. Jeffords, Mrs. Roukema, and Mr. Gunderson.

From the Committee on Education and Labor, for consideration of section 2202 of the Senate amendment (insofar as it would add new part B to title III of the Job Training Partnership Act), and modifications committed to conference: Mr. Hawkins, Mr. Ford of Michigan, Mr. Gaydos, Mr. Clay, Mr. Martinez, Mr. Murphy, Mr. Owens of New York, Mr. Jeffords, Mrs. Roukema, Mr. Gunderson, and Mr. Bartlett.

From the Committee on Education and Labor for consideration of section 904 of the House bill, and modifications committed to conference: Mr. Hawkins, Mr. Ford of Michigan, Mr. Gaydos, Mr. Jeffords, and Mr. Goodling.

From the Committee on the Judiciary, for consideration of title XIV and sections 166, 171 through 173 of the House bill, and titles XXXIII through XXXVI and sections 201 (insofar as it would add new section 203(f) to the Trade Act of 1974), 401, 415, 416, 1107, 1806, 1908, and 1910 of the Senate amendment, and modifications committed to conference: Mr. Rodino, Mr. Kastenmeier, Mr. Edwards of California, Mr. Hughes, Mrs. Schroeder, Mr. Crockett, Mr. Fish, Mr. Moorhead, Mr. Hyde, and Mr. Lungren.

From the Committee on the Judiciary, for consideration of sections 872 and 873 of the House bill, and modifications committed to conference: Mr. Rodino, Mr. Kastenmeier, Mr. Edwards of California, Mr. Hughes, Mrs. Schroeder, Mr. Crockett, Mr. McCollum, Mr. Lungren, Mr. Fish, and Mr. Moorhead.

From the Committee on the Judiciary, for consideration of sections 326, 905, and 912 of the House bill, and titles XIV and XLVIII and sections 1105 and 3861 through 3867 of the Senate amendment, and modifications committed to conference: Mr. Rodino, Mr. Edwards of California, Mr. Hughes, Mr. Fish, and Mr. Moorhead.

From the Committee on the Judiciary, for consideration of section 351 of the House bill, and modifications committed to conference: Mr. Rodino, Mr. Kastenmeier, Mrs. Schroeder, Mr. Fish, and Mr. Moorhead.

From the Committee on the Judiciary, for consideration of section 701 of the House bill, and sections 1603 through 1605 of the Senate amendment, and modifications committed to conference: Mr. Rodino, Mr. Hughes, Mr. Crockett, Mr. McCollum, and Mr. Lungren.

From the Committee on the Judiciary, for consideration of section 703(h) of the House bill, and sections 1603 through 1605 of the Senate amendment, and modifications committed to conference: Mr. Rodino, Mr. Hughes, Mr. Crockett, Mr. Fish, and Mr. Moorhead.

From the Committee on Government Operations, for consideration of titles X and XVI of the House bill, and title XLVIII of the Senate amendment, and modifications committed to conference: Mr. Brooks, Mr. Conyers, Mr. Neal, Mr. Frank, Mr. Weiss, Mr. Horton, Mr. Walker, and Mr. Clinger.

From the Committee on Government Operations, for consideration of sections 461 through 471 of the House bill, and sections 1030 through 1033 and 3801 through 3809 of the Senate amendment, and modifications committed to conference: Mr. Brooks, Mr. Conyers, Mr. Neal, Mr. Horton, and Mr. Walker.

From the Committee on Merchant Marine and Fisheries, for consideration of title XI of the House bill, and title XLVI and section 2011 of the Senate amendment, and modifications committed to conference: Mr. Jones of North Carolina, Mr. Biaggi, Mr. Anderson, Mr. Studds, Mr. Bonker, Mr. Hughes, Mr. Davis of Michigan, Mr. Lent, Mr. Young of Alaska, and Mr. Shumway.

From the Committee on Public Works and Transportation, for consideration of title XII of the House bill, and section 4502 of the Senate amendment, and modifications committed to conference: Mr. Mineta, Mr. Oberstar, Mr. Nowak, Mr. Rahall, Mr. Applegate, Mr. de Lugo, Mr. Hammerschmidt, Mr. Stangeland, Mr. Gingrich, and Mr. Clinger.

From the Committee on Small Business, for consideration of title XIII and section 188 of the House bill, and titles XXXVII and XXXIX and section 1804 (insofar as it would add new section 661(d)(2)(B) to the Foreign Assistance Act of 1961) of the Senate amendment, and modifications committed to conference: Mr. LaFalce, Mr. Smith of Iowa, Mr. Skelton, Mr. Mavroules, Mr. Bilbray, Mr. McDade, Mr. Ireland, and Mr. Conte.

From the Committee on Small Business, for consideration of section 314 of the House bill (insofar as it would add new section 203(c) to the Export Administration Amendments Act of 1985), and modifications committed to conference: Mr. LaFalce, Mr. Smith of Iowa, Mr. Skelton, Mr. McDade, and Mr. Ireland.

From the Committee on Science, Space, and Technology for consideration of section 911 of the House bill, and modifications committed to conference: Mr. Roe, Mr. Walgren, Mr. MacKay, Mr. Valentine, Mr. Brown of California, Mr. Scheuer, Mr. Lujan, Mr. Boehlert, Mr. Ritter, and Mr. Packard.

From the Committee on Science, Space, and Technology for consideration of sections 3852 and 3853 of the Senate amendment, and modifications committed to conference: Mr. Roe, Mr. Walgren, Mr. MacKay, Mr. Brown of California, Mr. Scheuer, Mrs. Lloyd, Mr. Lujan, Mr. Morrison of Washington, Mr. Ritter, and Mrs. Morella.

From the Committee on Science, Space, and Technology for consideration of section 3871 of the Senate amendment, and modifications committed to conference: Mr. Roe, Mr. Walgren, Mr. MacKay, Mr. Brown of California, Mr. Scheuer, Mrs. Lloyd, Mr. Lujan, Mr. Boehlert, Mr. Walker, and Mr. Sensenbrenner.

From the Committee on Science, Space, and Technology for consideration of sections 3881 through 3884 of the Senate amendment, and modifications committed to conference: Mr. Roe, Mr. McCurdy, Mr. Glickman, Mr. Nelson of Florida, Mr. McMillen of Maryland, Mr Hayes of Louisiana, Mr. Lujan, Mr. Lewis of Florida, Mr. Walker, and Mr. Ritter.

From the Committee on Science, Space, and Technology, for consideration of titles XL through XLIV and sections 4503 through 4505 of the Senate amendment, and modifications committed to conference: Mr. Roe, Mr. Walgren, Mr. Brown of California, Mr. Scheuer, Mrs. Lloyd, Mr. Glickman, Mr. Lujan, Mr. Boehlert, Miss Schneider, and Mr. Ritter.

From the Committee on Science, Space, and Technology, for consideration of section 4902 of the Senate amendment, and modifications committed to conference: Mr. Roe, Mr. Walgren, Mr. Brown of California, Mr. Scheuer, Mrs. Lloyd, Mr. Glickman, Mr. Lujan, Mr. Lewis of Florida, Mr. Packard, and Mr. Buechner.

From the Committee on Science, Space, and Technology, for consideration of sections 461 through 471 and 904 of the House bill, and sections 2305, 3801 through 3809, and 3909 of the Senate amendment, and modifications committed to conference: Mr. Roe, Mr. Walgren, Mr. Brown of California, Mr. Lujan, and Mr. Boehlert.

From the Committee on Science, Space, and Technology, for consideration of section 411 of the Senate amendment, and modifications committed to conference: Mr. Roe, Mr. Hall of Texas, Mr. Torricelli, Mr. Lujan, and Mr. Sensenbrenner.

From the Committee on Science, Space, and Technology, for consideration of sections 3861 through 3867 of the Senate amendment, modifications committed to conference: Mr. Roe, Mr. Walgren, Mr. Valentine, Mr. Lujan, and Mr. Ritter.

From the Committee on Rules, for consideration of title XVI and sections 114(d) and (e) of the House bill, and sections 104, 107, 110, and 2131 of the Senate amendment, and modifications committed to conference: Mr. Pepper, Mr. Moakley, Mr. Derrick, Mr. Hall of Ohio, Mr. Wheat, Mr. Lott, and Mr. Taylor.

From the Committee on Armed Services, for consideration of sections 1030 through 1034, and 4901 of the Senate amendment, and modifications committed to conference: Mr. Aspin, Mr. Stratton, Mr. Mavroules, Mr. Badham, and Mr. Hunter.

From the Committee on Armed Services, for consideration of section 1021 of the Senate amendment, and modifications committed to conference: Mr. Aspin, Mr. Mavroules, and Mr. Hunter.

At 1:57 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1154. An act to remedy injury to the United States textile and apparel industries caused by increased imports.

## MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1154. An act to remedy injury to the United States textile and apparel industries caused by increased imports.

## ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, September 17, 1987, he presented to the President of the United States the following enrolled bill and joint resolutions:

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuses and neglect assistance.

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week."

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month."

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1853. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, certification of the necessity for apportionment of additional funds for Radio Free Europe/Radio Liberty, Inc., resulting from the low value of the dollar in foreign currency exchange rates; to the Committee on Appropriations.

EC-1854. A communication from the Director of the Office of Management and Budget, Executive Office of the President,

transmitting a cumulative report on budget rescissions and deferrals dated September 1, 1987; pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations and the Committee on the Budget.

EC-1855. A communication from the Deputy Assistant Secretary (Logistics), Department of the Air Force, transmitting, pursuant to law, a report on the study on conversion of the military family housing maintenance function at Laughlin Air Force Base, TX, to performance by contract; to the Committee on Armed Services.

EC-1856. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, notification of plans to study the conversion of certain functions to performance by contract; to the Committee on Armed Services.

EC-1857. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of certain functions to performance by contract at the Naval Air Station, Fallon, NV; to the Committee on Armed Services.

EC-1858. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a report covering certain properties to be transferred to the Republic of Panama in accordance with the Panama Canal Treaty of 1977 and related agreements; to the Committee on Armed Services.

EC-1859. A communication from the Acting Director, Defense Security Assistance Agency, transmitting, pursuant to law, notification of a proposed foreign military assistance sale to Japan; to the Committee on Armed Services.

EC-1860. A communication from the Director, Department of Defense Office of Dependents Schools, transmitting, pursuant to law, the "Annual Test Report Department of Defense Dependents Schools 1986-87"; to the Committee on Armed Services.

EC-1861. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, Selected Acquisition Report (SAR), which was excluded from the August 14, 1987 submission of June 30, 1987 SARS; to the Committee on Armed Services.

EC-1862. A communication from the Acting Secretary of Commerce, transmitting, pursuant to law, a report entitled "The U.S. Automobile Industry, 1985"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1863. A communication from the Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, the "Export-Import Bank of the United States, Annual Report 1986"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1864. A communication from the President of the United States, transmitting, pursuant to law, a report entitled "Semiannual and Final Report—National Emergency with Respect to South Africa"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1865. A communication from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend section 6 of the "Eastern Pacific Tuna Licensing Act of 1984"; to the Committee on Commerce, Science, and Transportation.

EC-1866. A communication from the Chairman of the Advisory Council on Historic Preservation, transmitting, pursuant to law, the Annual Report of the Advisory Council on Historic Preservation for Fiscal Year 1986; to the Committee on Energy and Natural Resources.

EC-1867. A communication from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting, pursuant to law, a report on proposed refunds of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1868. A communication from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting, pursuant to law, a report on proposed refunds of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1869. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the final report on the Aid to Families with Dependent Children (AFDC) Homemaker/Home Health Aid Demonstration; to the Committee on Finance.

EC-1870. A communication from the Assistant Secretary of the Treasury (Domestic Finance), transmitting, pursuant to law, notice of the inability to invest or roll over maturing investments of trust funds and other Government accounts, upon the expiration of the temporary debt limit at midnight on September 23, 1987, unless there is a debt limit increase or extension; to the Committee on Finance.

EC-1871. A communication from the Commissioner for the Federal Election Commission, transmitting, pursuant to law, the fiscal year 1989 budget request of the Federal Election Commission; to the Committee on Rules and Administration.

EC-1872. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Paying Physicians—Choices for Medicare"; to the Committee on Finance.

EC-1873. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements other than treaties, entered into by the United States in the 60-day period prior to September 10, 1987; to the Committee on Foreign Relations.

EC-1874. A communication from the Assistant Attorney General, Department of Justice, transmitting, pursuant to law, the report of the Attorney General to Congress on the status of investigations of actual and alleged violations of the Foreign Agents Registration Act of 1938, as amended, by representatives of governments or opposition movements in sub-Saharan Africa; to the Committee on Foreign Relations.

EC-1875. A communication from the Acting Attorney General, transmitting, pursuant to law, a report on the pendency of three sealed and consolidated appeals in the United States Court of Appeals for the District of Columbia Circuit, in which appellants challenge the constitutionality of the independent counsel provisions of the Ethics in Government Act; to the Committee on Governmental Affairs.

EC-1876. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the Office of Personnel Management's first report evaluating the Performance and Recognition System; to the Committee on Governmental Affairs.

EC-1877. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on the establishment of a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1878. A communication from the Administrator of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, a report of a proposed Privacy Act system of records—Aftercare Evaluation System (AES), System No. 09-70-0035; to the Committee on Governmental Affairs.

EC-1879. A communication from the Assistant Secretary for Health, Department of Health and Human Services, transmitting, pursuant to law, a report on the establishment of a new Privacy Act system of records—Health Care Practitioner Adverse Credentiating Data Bank, HHS/HRSA/BHPr, System No. 09-15-0054; to the Committee on Governmental Affairs.

EC-1880. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of the Procedures, Utilized by the Baseball Commission, for the Receipt, Disbursement and Accounting of Funds"; to the Committee on Governmental Affairs.

EC-1881. A communication from the Comptroller of the United States, transmitting, pursuant to law, "Reports Issued in August 1987"; to the Committee on Governmental Affairs.

EC-1882. A communication from the Administrator of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, a report on a proposed Privacy Act system of records—Medicare Hearings and Appeals System (MHAS), System No. 09-70-5001; to the Committee on Governmental Affairs.

EC-1883. A communication from the Administrator of the Veterans Administration, transmitting, for the information of the Senate, a report entitled "The VA Today"; to the Committee on Veterans Affairs.

EC-1884. A communication from the Attorney General of the United States, transmitting, pursuant to law, the Second Annual Report on the Activities of the United States Department of Justice Concerning Enforcement of the Controlled Substance Registrant Protection Act of 1984 (P.L. 98-305); to the Committee on the Judiciary.

EC-1885. A communication from the Comptroller of the United States, transmitting, pursuant to law, a report concerning the claim of Mr. Samuel R. Newman, to be relieved of liability for payment of travel expenses that were erroneously paid to him by the Federal Aviation Administration; to the Committee on the Judiciary.

EC-1886. A communication from the National Commander of America Ex-Prisoners of War, transmitting, pursuant to law, the 1987 audit report as of June 30, 1987, for the American Ex-Prisoners of War; to the Committee on the Judiciary.

EC-1887. A communication from the Acting Inspector General of the Railroad Retirement Board, transmitting, pursuant to law, the fiscal year 1989 budget request for the Railroad Retirement Board; to the Committee on the Judiciary.

EC-1888. A communication from the Secretary of Education, transmitting, pursuant to law, the document entitled "Final Regulations for Secondary and Transitional Services for Handicapped Youth Programs"; to the Committee on Labor and Human Resources.

EC-1889. A communication from the Assistant Attorney General, Civil Rights Division, Department of Justice, transmitting, pursuant to law, the "1987 Report of the Interagency Coordinating Council"; to the Committee on Labor and Human Resources.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DeCONCINI, from the Committee on Appropriations, with amendments:

H.R. 2907: A bill making appropriations for the Treasury Department, U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1988, and for other purposes (Rept. No. 100-160).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

H.R. 1744: A bill to amend the National Historic Preservation Act to extend the authorization for the Historic Preservation Fund (Rept. No. 100-161).

By Mr. HARKIN, from the Committee on Appropriations, with amendments:

H.R. 2713: A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1988, and for other purposes (Rept. No. 100-162).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI:

S. 1692. A bill to amend title 38, United States Code, to provide for the payment of a veterans' disability benefit in the case of certain veterans who have non-Hodgkin's lymphoma; to the Committee on Veterans' Affairs.

By Mr. BINGAMAN (for himself, Mr. Boren, Mr. Bentsen, Mr. Nickles, Mr. McCain, Mrs. Kassebaum, Mr. DeConcini, and Mr. Melcher):

S. 1693. A bill to amend the National Trails System Act to provide for a study of the Coronado Trail, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NICKLES:

S. 1694. A bill to extend the authorization of the Victim Compensation and Assistance Act; to the Committee on the Judiciary.

By Mr. BREAUX (for himself and Mr. Stevens):

S. 1695. A bill to reauthorize the Fishermen's Protective Act; to the Committee on Commerce, Science, and Transportation.

By Mr. KARNES (for himself and Mr. Conrad):

S. 1696. A bill to minimize the impact of agricultural nitrogen on ground water and surface water quality by establishing a nationwide educational program aimed at American farmers, to urge the adoption of agricultural best management practices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HARKIN (for himself and Mr. Levin):

S. 1697. A bill to provide for the registration of foreign interests in U.S. property; to the Committee on Commerce, Science, and Transportation.

By Mr. GORE (for himself and Mr. Sasser, Mr. Boren, and Mr. Nickles):

S. 1698. A bill to amend section 547 of title 11, United States Code, to provide that certain withdrawal transactions made by depositors from certain financial institutions not be avoided as preferential transfers; to the Committee on the Judiciary.

By Mr. SIMON (for himself and Mr. Sanford):

S. 1699. A bill to reauthorize and revise chapter 2 of the Education Consolidation and Improvement Act of 1981 in order to establish priorities of educational assistance, to authorize a teacher training and improvement program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY:

S. 1700. A bill to strengthen the provisions relating to the National Assessment of Educational Progress, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. STEVENS:

S.J. Res. 189. A joint resolution to amend the Pledge of Allegiance to the Flag of the United States of America; to the Committee on the Judiciary.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WARNER (for Mr. Lugar (for himself, Mr. Leahy, Mr. Boschwitz, Mr. Burdick, Mr. Chiles, Mr. Dixon, Mr. Dole, Mr. Domenici, Mr. Durenberger, Mr. Grassley, Mr. Heinz, Mr. Helms, Mr. McClure, Mr. Nickles, Mr. Pressler, Mr. Symms, Mr. Karnes, Mr. Cochran, Mr. Wallop, Mr. Wilson, Mrs. Kassebaum, Mr. McConnell, Mr. Pryor, and Mr. Kennedy)):

S. Con. Res. 77. A concurrent resolution expressing the sense of the Congress in opposition to the third country meat directive by the European Community requiring individual inspection and certification by the European Community of United States meat plants and urging the President to take strong countermeasures should the European Community deny United States meat imports because of the unfair application of the directive; placed on the calendar by unanimous consent.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI:

S. 1692. A bill to amend title 38, United States Code, to provide for the payment of a veterans' disability benefit in the case of certain veterans who have non-Hodgkin's lymphoma; to the Committee on Veterans' Affairs.

### AGENT ORANGE DISABILITY BENEFITS ACT

Mr. MURKOWSKI. Mr. President, I am today offering legislation responsive to the concerns of those veterans who, two decades ago, answered their country's call to arms. I am introducing legislation which would provide Veterans' Administration disability compensation to veterans who were exposed to herbicides in Vietnam and who subsequently develop non-Hodgkins lymphoma. This legislation would also provide service-connected death benefits to the survivors of veterans who die due to this disease after being exposed to herbicides in Vietnam.

I am taking this action to focus the attention of Congress on this important issue which has been the subject of numerous studies. I am pleased that the distinguished chairman of the Veterans' Affairs Committee, Senator Cranston, who shares my concern and has been a leader in the search for answers on the agent orange question, has committed to holding a hearing on this issue in the near future. The Disabled American Veterans—which has been in the forefront of advocacy for disabled veterans—has requested legislation addressing this issue.

Mr. President, for over a decade the Congress has balanced its desire to provide compensation to veterans who believe their illnesses are the result of exposure to herbicides against a scientific record which did not show these chemicals to be harmful to humans. Neither did the record show that Vietnam veterans suffered disproportionately from diseases attributed to exposure to herbicides. However, the Congress did mandate and fund a wide range of studies on the health effects of herbicides and the health experience of the veterans who served in Vietnam. And, of course, we have carefully evaluated other relevant studies and developments.

Mr. President, in September 1986 the Journal of the American Medical Association published a study conducted by the National Cancer Institute which showed increased incidence of non-Hodkins lymphoma, in Kansas farmworkers who regularly used the herbicide 2,4-D, a component of agent orange. Let me read to you just one of the many supportive comments regarding this study. On February 11, 1987, Mr. Oliver Meadows, chairman of the Veterans' Administration Advisory Committee on Environmental Hazards stated that, "The Council believes that the study was well-designed and well-conducted. The Council expressed the general opinion that the study's findings, while not directly applicable due to the differences in method and exposure, did have implications for Vietnam veterans." Just recently, the VA released the results of a study of the causes of the deaths of over 50,000 of the over 150,000 Vietnam veterans who have died since the war. This study shows that Marines who served in Vietnam suffer from non-Hodgkins lymphoma at more than twice the expected rate.

This study is particularly powerful because it compares the death rate of Vietnam veterans against that of veterans who did not serve in Vietnam. Because it compares veterans against other veterans, it avoids many of the criticisms of other studies which used non-veteran control groups.

This study analyzes a large number of deaths and it avoids many of the statistical fluctuations that unavoidably arise in statistical studies with a small sample size.

Both of these studies appear to reinforce previous unconfirmed studies which pointed a finger at an association between the components of agent orange and non-Hodgkins lymphoma.

Neither study, by itself, is conclusive. And I'm sure that some scientists will question the study's methodology and findings. That is to be expected. However, in combination, and in the light of prior studies pointing to an association between non-Hodgkins lymphoma and components of agent orange, I believe the studies have an important message.

And that message is a simple one: It is now time for the Congress to act.

The evidence is not perfect; but it will never be perfect. Our understanding of cause and effect is still incomplete, but we will never have a complete understanding of disease and its causes.

The essence of leadership is to know when the data is adequate to act.

Leadership is a willingness to take action in the face of incomplete and imperfect data, rather than accepting the paralysis inherent in a never ending wait for perfect understanding.

The search for answers must continue; however, the constant desire for just one more study should not be an excuse for our inaction.

Mr. President, as I deliberated on whether to proceed with this far-reaching legislation, in the absence of conclusive proof linking non-Hodgkins lymphoma to agent orange, I considered for a moment the fact that the Veterans' Administration in all its compassion and generosity provide as a matter of routine—no questions, no hassle—tax-free service-connected disability compensation to veterans who contract AIDS while in the military even when it is the result of military misconduct—drug abuse. And yet, equally as a matter of routine, they say "no" to every veteran who is suffering from an equally deadly disease that many scientists believe is linked to a component of agent orange.

Obviously, this does not trouble some people, but it troubles me greatly. Why is this? Time. The AIDS virus can be detected almost immediately while in service. Non-Hodgkins lymphoma is insidious and does not manifest itself for many years after military service. In my view, however, it is more directly related to the performance of duty and the benefit of the doubt should be given to the veteran.

I want to thank Admiral Zumwalt who led our naval forces in Vietnam and served as the Chief of Naval Operations for his insight and council on this issue. I am pleased he is with us today.

I urge my colleagues to join me in supporting this legislation. Again, I look forward to working with the chairman and members of the committee on this issue. I ask unanimous consent that the text of the bill appear in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1692

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Agent Orange Disability Benefits Act of 1987".

SEC. 2. PRESUMPTION RELATING TO DISEASE OR DEATH RESULTING FROM NON-HODGKIN'S LYMPHOMA.

(a) Presumption of Service Connection.— Section 312 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) For the purposes of section 310 of this title and subject to the provisions of section 313 of this title, in the case of any veteran who performed active military, naval, or air service in the Republic of Vietnam during the Vietnam era, the disease of non-Hodgkin's lymphoma shall be considered to have been incurred in or aggravated by such service, notwithstanding that there is no record of evidence of such disease during the period of such service.

"(2) Paragraph (1) of this subsection shall not apply in the case of any claim received by the Veterans' Administration after September 30, 1991.".

(b) Presumption Rebuttable.—Section 313 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(c) The presumption of service connection provided in section 312(c) of this title shall not apply in the case of the disability or death of a veteran as a result of non-Hodgkin's lymphoma if—

"(1) there is affirmative evidence that such disease was not incurred by the veteran during the performance of service in the Republic of Vietnam during the Vietnam era;

"(2) there is affirmative evidence to establish that an intercurrent injury or disease which is a recognized cause of the disease was suffered by the veteran between (A) the date of the veteran's latest departure from the Republic of Vietnam while in the active military, naval, or air service during the Vietnam era, and (B) the onset of the disease; or

"(3) the Administrator determines, based on evidence in the veteran's service records and other records of the Department of Defense, that the veteran was not exposed to herbicides while in the active military, naval, or air service in the Republic of Vietnam during the Vietnam era.".

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall take effect on October 1, 1987. No benefit may be paid for a period before that date by reason of the enactment of such amendments.

By Mr. BINGAMAN (for himself, Mr. Boren, Mr. Bentsen, Mr. Nickles, Mr. McCain, Mrs. Kassebaum, Mr. DeConcini, and Mr. Melcher):

S. 1693. A bill to amend the National Trails System act to provide for a study of the Coronado Trail, and for other purposes; referred to the Committee on Energy and Natural Resources.

### CORONADO NATIONAL TRAIL STUDY ACT

Mr. BINGAMAN. Mr. President, I rise today to introduce the Coronado National Trail Study Act of 1987, a bill that I hope will add an important element to the cultural legacy of the Southwestern United States.

I am pleased that Senators Boren, Bentsen, Nickles, McCain, Kassebaum, and DeConcini are joining me as cosponsors. The role of the Coronado Trail in the history of the American Southwest can not be overestimated. In his expedition through New Mexico and neighboring States, Coronado was among the first Europeans to see and experience the wide variety of environmental and natural features that make this region of the Nation so unique. My legislation would amend the National Trails System Act to mandate a major study of the Coronado Trail, the approximate route taken by the expedition, so that explorer's observations may be accurately documented. The year long study by the Park Service would aim toward eventual designation of the route as a part of the National Historic Trail system. All original Spanish documentation is to be reviewed as well as the continuing search for new primary documentation. An examination of all information on the archeological sites along the trail is also requested.

Between 1540 and 1542, Francisco Vasquez de Coronado led an expedition from Compostela on the southwest coast of Mexico into the American Southwest in search of the legendary Seven Cities of Cibola. His party of approximately 300 Spanish soldiers and 1,000 Indian allies and servants marched through the present States of Arizona, New Mexico, Texas, Oklahoma, and Kansas. Along this route Coronado and his troops found Pueblo Indian settlements, including the Zuni villages of western New Mexico and Acoma along the Rio Grande River. He traveled as far north as the Taos Pueblo, and east to Pecos. He encountered the Hopi in Arizona and Plains Indians in Texas, Oklahoma, and Kansas. Members of the Coronado expedition became the first Europeans to see the Grand Canyon in Arizona, the Palo Duro Canyon in Texas, and many other dramatic southwestern landmarks.

The study of Coronado Trail will draw on information from several historical perspectives. Coronado's expedition was the first major European excursion into the interior of the present-day Southwest. The historical record of the expedition gives us an understanding of the motives behind the enterprise and also a view of how an undertaking such as this was organized, equipped, and financed. The record also illustrates how the Pueblo Indians reacted to the intrusions into their territory. Reports and legal proceedings after the expedition also furnish glimpses of how the Indian populations lived at the time of the first European contact. This is valuable information to ethnohistorians.

The exploits of the Spanish, the Mexican Indians, and the native tribes of the region are a very important but sadly neglected part of the history of our Nation. Yet their story is an integral part of the complex events that forged our country. This area and its history has, for the most part, been passed over in the recounting of events shaping mainstream U.S. history.

The study of Coronado's route and, hopefully, its inclusion in the national trail system would complement the celebration of the coming 450th anniversary of Coronado's expedition and the 500th anniversary of Columbus' discovery of the New World. Coronado's expedition was the first significant exploration in the Southwest after the discovery of America.

Most of the sites visited by Coronado or his expedition party are readily identifiable and thus can be marked appropriately for tourists to investigate and appreciate. I would expect such identification and marking to stimulate tourism in the trail States.

The route of Francisco Vasquez Coronado's American expedition is a living reminder of the Spanish occupancy of the southwestern United States. The wealth of history along the trail warrants its study from all perspectives: How did the Indians view the Spaniards? What insights can the study of Spanish documents give us? What archeological evidence is available to highlight or refute our present knowledge of the trail?

Over 400 years after Coronado led his troops through Arizona, New Mexico, Texas, Oklahoma, Kansas, we have an opportunity to preserve an important episode in American history. I urge my colleagues to make this possible by supporting this legislation.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1693

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Coronado National Trail Study Act of 1987".

**SEC. 2. FINDINGS.**

The Congress finds that—

(1) Francisco Vasquez de Coronado led an expedition from Compostela on the Southwest Coast of Mexico, into the American Southwest in search of the legendary Seven Cities of Cibola between 1540 and 1542;

(2) Coronado's expedition of approximately 300 Spanish soldiers and 1,000 Indian allies and servants marched through the State of Arizona, then through the States of New Mexico, Texas, Oklahoma, and Kansas;

(3) Coronado and his troops found Pueblo Indian settlements, including the Zuni villages of western New Mexico, Acoma along the Rio Grande River, as far north as Taos, and east to Pecos, as well as those of the Hopi in Arizona and Plains groups in Texas, Oklahoma, and Kansas; and

(4) members of the Coronado expedition became the first Europeans to see the Grand Canyon in Arizona, the Palo Duro Canyon in Texas, and many other Southwestern landmarks.

**SEC. 3. DESIGNATION OF TRAIL.**

Section 5(c) of the National Trails System Act (82 Stat. 919; 16 U.S.C. 1244(c)) is amended by adding at the end thereof the following new paragraph:

"(31) Coronado Trail, the approximate route taken by the expedition of the Spanish explorer Francisco Vasquez de Coronado between 1540 and 1542, extending through portions of the States of Arizona, New Mexico, Texas, Oklahoma, and Kansas. The study under this paragraph shall be prepared in accordance with subsection (b) of this section, except that it shall be completed and submitted to the Congress with recommendations as to its suitability for designation not later than one calendar year from the date of enactment of this paragraph. In conducting the study under this paragraph, the Secretary shall provide for (A) the review of all original Spanish documentation on the Coronado Trail, (B) the continuing search for new primary documentation on the trail, and (C) the examination of all information on the archeological sites along the trail.".

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By Mr. NICKLES:

S. 1694. A bill to extend the authorization of the Victim Compensation and Assistance Act; referred to the Committee on the Judiciary.

### VICTIM COMPENSATION AND ASSISTANCE ACT AMENDMENTS

Mr. NICKLES. Mr. President, today I am introducing legislation authorizing the extension of the crime victims fund to September, 1992. This legislation is needed to ensure that victims of crime have continued access to programs designed to reduce the emotional and financial effects of victimization.

The crime victims fund was established by the Victims of Crime Act of 1984. A ceiling on the crime victims fund has been set at $110 million. While this is the authorization level, at no time has it reached this amount. Funds are targeted in four program areas: 49.5 percent of the fund is set aside for compensation for crime victims and 45 percent of the fund is allotted to crime victim assistance. This assistance consists of services and limited emergency financial assistance to victims of crime. The rest, 4.5 percent, is made available for child abuse prevention and treatment grants.

A key component of the crime victims fund is that it is entirely funded by the collection of fines, penalty assessments, and bond forfeitures from people convicted of Federal crimes. This fund is not the taxpayer's burden. It is the burden of those who make the fund necessary. It is financed by penalties of criminals themselves.

The victims of crime fund is working and is needed. In 1987 alone, the Office for Victims of Crime anticipates awarding $28,296,000 to 40 States for victim compensation and $30,772,000 to 57 States and territories for victim assistance. In addition, the office has provided $171,000 to the Federal Law Enforcement Training Center to improve the training of Federal officers concerning victims of crimes and continued grants with other national associations such as the National District Attorneys' Association and the National Association of Attorneys General.

I propose we extend the authority for the crime victims fund until September 1992. This program is working and it will encourage development of additional crime victim programs at the State and local levels. I encourage my colleagues to support this legislation.

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By Mr. BREAUX (for himself and Mr. Stevens):

S. 1695. A bill to reauthorize the Fishermen's Protective Act; to the Committee on Commerce, Science, and Transportation.

### REAUTHORIZATION OF FISHERMEN'S PROTECTIVE ACT

● Mr. BREAUX. Mr. President, today I am introducing legislation that would reauthorize for 3 years section 7 of the Fishermen's Protective Act of 1967 known as the "Fishermen's Guaranty Fund." Through the Fishermen's Guaranty Fund, the State Department is authorized to compensate U.S. fishing vessel owners for certain losses sustained as a result of the seizure or detention of their vessels on the high seas by foreign governments on the basis of jurisdictional claims not recognized by the U.S. Government.

Losses payable under the section 7 program are limited to: (1) the market value of the fish caught before seizure if they are spoiled or confiscated; (2) up to 50 percent of gross income lost as a direct result of such seizures; and (3) actual costs, other than those covered in (1), incurred by an owner during seizure and detention. Capital for the fund is derived partially from fees paid by vessel owners and partially by congressional appropriations. As

such, the program represents an industry supported insurance program.

The program is central to the viability of the U.S. tuna fleet which is compelled to operate in distant waters worldwide yet is plagued with seizures by nations that do not adhere to the concept of cooperative international tuna management. The United States has for some time now maintained that effective management of highly migratory species of tuna cannot be achieved on a unilateral basis, but such resources must be managed as a unit throughout their migratory range. Several international fora have been established for the sole purpose of cooperative range-wide tuna management and these have been shown to be highly effective. Therefore, the U.S. Government does not officially recognize the unilateral jurisdiction of any nation over tuna beyond 12 miles off its coast. The purpose of the Fishermen's Guaranty Fund Program is to prevent legitimate U.S. fishermen from being severely penalized for the failure of other nations to adopt a responsible tuna management regime.

Mr. President, I ask unanimous consent that the text of the bill appear in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1695

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 7(e) of the Fishermen's Protective Act (22 U.S.C. 1977(e)) is amended by striking "October 1, 1987" and substituting "October 1, 1990".●

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By Mr. KARNES (for Mr. Conrad):

S. 1696. A bill to minimize the impact of agricultural nitrogen on ground water and surface water quality by establishing a nationwide educational program aimed at American farmers, to urge the adoption of agricultural best management practices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

### AGRICULTURAL NITROGEN EDUCATION ACT

● Mr. KARNES. Mr. President, I rise today with my colleague from North Dakota, Senator Conrad, to introduce a bill entitled "The Agricultural Nitrogen Education Act of 1987." This bill is designed to minimize the impact of agricultural nitrogen in ground and surface water by establishing a nationwide educational program aimed at identifying, educating, and encouraging American farmers to implement the use of best management production and conservation practices.

This legislation may be best characterized as a low-cost method for dealing with nitrate pollution, helping to avoid increases in farmers' costs of production. It would achieve this with a minimum of what farmers hate most: Federal regulation and intervention. This should be good news for our family farmers.

Mr. President, it is essential that our Nation's water supplies be safe for consumption. It is also essential that this safety be assured prior to contamination and that it be done in a reasoned manner. Our Nation's farmers have long been true conservationists and stewards of our soil and water resources. In addition, the agricultural economy is challenging producers to produce their crops with the greatest production economies. I believe that this stewardship of our natural resources combined with the need to increase production cost efficiencies, will result in this voluntary approach successfully contributing to the continued supply of safe water.

Adequate supplies of safe water are essential to our Nation's survival. The entire agricultural industry, from the manufacturer of inputs, to the producer, processor, and distributor of commodities, want to take aggressive preventive measures to assure continued supplies of safe water.

Toward this end, the legislation I am introducing today is designed to come up with new technology and make it available to our farmers, and educate them as to its benefits, resulting in a powerful combination that can be effective in lowering nitrate pollution in our water supplies. The USDA will be required to first, coordinate the development of this technology; second, develop educational materials; and third, transfer this technology to farmers through county offices of the USDA Soil Conservation Service and the Extension Service Offices. Specific examples of this technology include identification of factors which will assure nitrogen application at stages of plant growth, and rates of application which will result in the fullest possible utilization of agricultural nitrogen by plants. Additionally, this technology will include identification of soil and water conservation practices designed to minimize leaching and runoff of agricultural nitrogen not utilized by the plants being produced.

I recognize that there is extensive debate currently underway regarding FIFRA. I would not intend that this bill become embroiled in this debate. This bill different from FIFRA in that it is intended to represent a voluntary, preventive aproach as opposed to a regulatory approach to the issue of nitrates in ground water through the use of production techniques and soil and water conservation practices.

Mr. President, my home State of Nebraska has already passed State legislation to regulate agricultural practices which are viewed as contributors to ground water quality degradation. If ground water contamination is found, Nebraska's State law requires the designation of special ground water protection areas. Within these areas, local authorities must then design and implement an action plan to first, educate water users and second, require use of best management practices to prevent or reduce future contamination of ground water. While the bill I am introducing today is different from the Nebraska State law in that the Nebraska State law is regulatory and our bill today is voluntary, they are similar in that the remedy called for is oriented to education and the use of best management practices.

Mr. President, I firmly believe that our Nation's farmers must pursue increased production cost efficiencies through methods which do not require extensive capitalization. This legislation is designed to enhance this concept in that it would call for the development of best management practices which focus on production techniques which assure the most efficient and effective applications of nitrogen fertilizers; specifically, application methods, timing and rates of application which assure the most complete utilization of nitrogen fertilizers, and various conservation tillage methods. These best management practices will not only minimize the opportunity of nitrates to reach surface and ground water supplies, they can also in a very real way reduce production costs. Consequently, this can be a method of increasing production efficiencies without requiring extensive capital investment.

Mr. President, I am proud to introduce this bill today. I believe that it represents a practical, reasonable, preventative type approach to addressing continued supplies of safe water. I encourage the support of my colleagues in the passage of this bill.●

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By Mr. HARKIN (for himself and Mr. Levin):

S. 1697. A bill to provide for the registration of foreign interests in United States property; to the Committee on Commerce, Science, and Transportation.

### FOREIGN INVESTMENT DISCLOSURE ACT

● Mr. HARKIN. Mr. President, in the last 5 years, foreign investment in the U.S. economy has doubled, reaching $1.3 trillion in value. A quarter of this capital, about $350 billion, has been used to purchase interests in U.S. factories, farmlands, refineries, and other assets. While foreign investment has been and will continue to be very beneficial to our country, I believe that the dramatic rise in foreign investment raises as many troubling questions as it does benefits—and under current conditions, we do not even have the facts to begin answering those questions.

Thus, I rise today to introduce, along with Senator Levin, the Foreign

Investment Disclosure Act of 1987. The purpose of this bill is to require all foreign investors who acquire more than 5 percent of a U.S. business enterprise or of U.S. real estate to provide basic information about themselves and about the investment to the Department of Commerce. The bill further requires that if the foreign investor has an interest of 25 percent or more in a U.S. company—what is termed a "controlling interest"—that investor must disclose the same kind of information already required of U.S. companies whose stock is traded on the U.S. exchanges.

This bill is a very modest proposal. It certainly is not designed to discourage foreign investment in the United States. The bill places no new restrictions, limitations, preconditions, or preclearance requirements of any kind on any foreign investment in the United States. It simply requires disclosure of significant foreign interests in U.S. businesses and real estate through registration with the Department of Commerce.

Currently, at least half a dozen Federal agencies are required by a number of statutes to collect information on foreign investment. But none of them are required to provide comprehensive information. Other Government agencies and Congress are basically kept in the dark, receiving only the most general data or statistics about foreign investment.

I find this very disturbing. I think that we need to be well informed about the impact that foreign direct investment has on our economy. But under current law, our knowledge is very limited. Our competitive capabilities, our job-creation policies, our plant construction efforts, and, of course, our national security, are all affected by foreign investment. Thus, we need to enhance our system for collecting and disseminating data regarding foreign investment. The bill I am introducing today would achieve that.

In July, I offered this proposal as an amendment to the omnibus trade bill. Unfortunately, it was caught up in the last-minute hurry to complete the bill, and as a result, it was tabled—but more for procedural than substantive reasons. Nevertheless, the chairman of the Commerce Committee, Senator Hollings, and the chairman of the Banking Committee, Senator Proxmire, expressed strong interest in the measure. They did, however, comment on their concern that no hearings had been held on the proposal. While it is true that no hearings have been held in the Senate, I would point out that the Government Operations Committee in the House held hearings and issued a 200-page report on the disclosure of foreign investment in the United States. Nevertheless, I welcome hearings in the Senate as soon as possible and appreciate the interest that both Senate chairmen indicated in holding such hearings in the fall. I am sure that when they look at the substance of the measure, they will find that it is a sound and reasonable approach for obtaining sufficient information about direct foreign investment.

Mr. President, this bill offers a clear policy regarding foreign investment disclosure requirements. We do not wish to discourage foreign investment in this country. We wish to encourage legitimate business investments, because they do provide jobs and they do help our economy. But in so doing, I think it is not only wise but equitable to have such investors provide the basic information that we need to determine what course our own investments must take.

I repeat, this is only a modest proposal. It does not cover Treasury bonds or any other debt. It requires only that those who invest in real estate and business in this country tell us who they are and how much they own. The bill does not require anything more than what is required of publicly held businesses in the United States. It is a policy which foreign investors should not fear, but which Americans should welcome.

For most foreign investor interests, the bill requires that only the most basic questions would be asked: "Who are you, where are you from, and what have you got?" The information required by this bill is not different in kind from the information required of foreign investors by most industrialized nations of the world.

I repeat that this bill is not designed to discourage foreign investment in the United States. Clearly, foreign direct investment can bring benefits to our economy by creating employment opportunities for American citizens or providing needed capital infusions for faltering U.S. firms. Some might say that the boom indicated by current economic statistics has occurred primarily because of increased foreign money.

But, the short-term advantages of foreign investment should not prevent us from considering the potentially long-term effects on our economy and national security.

Over time, as ownership of our economic assets is transferred overseas, so is the authority to make important business and economic decisions affecting the prosperity and independence of Americans. Foreign access to sensitive high technology and research capabilities narrows our strategic and competitive edge. Foreign influence in vital energy- and defense-related industries may endanger our national security.

Meanwhile our economy is becoming so dependent on foreign capital that many respected economists, including former Federal Reserve Chairman Paul Volcker, have warned that a major withdrawal of that capital—whether in response to a change in economic outlook or to a political controversy—could send us into an economic tailspin.

Other problems arise because of our current lack of information. We often cannot even determine with confidence whether a foreign investor is a legitimate business, a hostile nation like Libya, Iran, or the Soviet Union, or a drug trafficker, tax evader, or white collar criminal laundering ill-gotten gains.

Our ignorance of the interests behind foreign investments here has allowed our economy to become a haven for capital flight from the Third World, an unwitting accomplice in grand theft from the poorest people in the poorest countries in the world. Over the past year and a half, clear evidence has surfaced that Ferdinand and Imelda Marcos and their cronies secretly invested billions of dollars here through an elaborate financial network of dummy corporations and agents. Evidence came to light on these investments not from any Government data source, but from Marcos' own financial documents confiscated by his successors and by U.S. Customs.

We are also endangering our national security by not knowing more about the foreign investors operating here. In the mid-1970s, the Soviet Union secretly attempted to acquire three banks in northern California. The Soviet Government was after sensitive advanced American technological information concerning the many high-tech companies that owed money to the banks. The acquisitions were already well underway, but the Soviet abandoned the attempt as soon as a Hong Kong financial newsletter reported it. We were able to prevent this sophisticated attempt at espionage, but under current laws we may never know how many similar efforts have succeeded.

Even when foreign investments in the United States are by legitimate businesses for legitimate business reasons, the lack of reliable ownership and financial information can be detrimental to our national welfare.

First, economists, scholars, and other researchers inside and outside of Government are unable to conduct empirical studies on the effects of foreign investments in our economy.

Second, American workers and communities are unable to deal effectively with foreign-owned companies who demand wage and benefit cuts from the workers and tax breaks and subsidies from the communities. The companies often claim that such concessions are necessary because of poor financial conditions in the company. But, because of foreign parent companies are not required to disclose the same financial information U.S. companies are, the workers and communities are unable to verify those claims.

### INADEQUACIES OF CURRENT DATA

A hodgepodge of Federal agencies collects information on foreign investment here, in a hodgepodge of bureaucratic formats, under the authority of a hodgepodge of uncoordinated laws.

Among the collecting agencies are the Departments of Commerce, Treasury, and Agriculture; the Securities and Exchange Commission; the Internal Revenue Service; and the Federal Trade Commission.

Among the laws providing for collection of this information, there is the "International Investment Survey Act," the "Domestic and Foreign Investment Improved Disclosure Act," and the "Foreign Agricultural Investment Disclosure Act."

But none of these sources provides comprehensive information. In one case, the information is organized only under the name of the foreign-owned U.S. company, so that every U.S. company on record at the agency would have to be checked independently in order to determine the U.S. holdings of a particular foreign investor.

In another case, all details are kept confidential—even from other government agencies and from Congress—and only the most general aggregate statistics are published.

In still another case, the investor listed is often a foreign dummy corporation created solely for the purpose of hiding the investor's true identity.

For example, the Foreign Agricultural Investment Disclosure Act requires disclosure to the Department of Agriculture by foreign purchasers of U.S. farm and ranch land. The information collected is publicly available. While this law may appear to require comprehensive public disclosure, any investor who wants to remain anonymous can hide behind a foreign dummy corporation. These corporations generally do not disclose who owns them, and the Foreign Agricultural Investment Disclosure Act does not require them to do so.

### FOREIGN GOVERNMENTS' DISCLOSURE REQUIREMENTS

In 1980, the House Government Operations Committee found that, with regard to data collection on foreign investments, "of the most major host countries of the world, we would be at the bottom, even among the industrialized countries. . . There are very few major countries in the world today that are as naive and ignorant concerning the size and nature of foreign investment in their countries as the United States is."

Little has changed since then. Most nations of the world, including the Western industrialized nations, not only require disclosure of this information and more, but also impose preclearance requirements and other restrictions and limitation on foreign investments. Even Switzerland keeps a public registry of Swiss companies with foreign ownership.

Japan's preclearance process seems one of the most stringent in part because it is the most explicit. The Ministry of Finance, the Foreign Exchange Ministry, and other ministries screen each proposed investment, taking comments from potential Japanese competitors. Any ministry can deny the proposed investment outright or can demand alterations in it as a condition for approval. Japan also flatly prohibits foreign ownership of more than 25 percent in any of its high-tech companies.

### CONCLUSION

Mr. President, we are living through a special time in our country. For the first time since World War I, we have become a net debtor nation. We are experiencing unprecedented inflows of foreign investment in the United States, literally seeing it double in the last 5 years.

This investment, while beneficial in the short term, may raise long term problems. For example, 25 percent of our Nation's machine tool industry, which is essential to our defense industrial base, is owned by foreign investors, none of whom have to register under current law.

My bill merely requires basic disclosure to help America know the precise levels and source of foreign investment in the United States. It provides for disclosure of business assets and land ownership, it does not cover securities or portfolio investments.

It does not place any limits on investments, it just allows us to track it. Americans should know who is buying and who has the potential to control our business, our industry, and our defense industrial base.

The bill will not discourage foreign investments. Business people bring their money here because it is a good place to invest, but because the U.S. offers anonymity.

What are we asking from foreign investors? We are not nationalizing their companies, as many foreign nations have done to our companies in recent years. We are not telling them they must have a local partner who has majority control, as many foreign nations do to our investors now. We are not telling them how much they must export, or who they must hire, as other nations routinely tell our companies abroad.

We are asking only that as they enter the American marketplace, they sign in. That they tell us who they are and that their major investments in U.S. businesses are.

This bill will not restrict foreign investment. It requires no greater disclosure than that now required by other nations. It will, however, provide policymakers and the American people with the information needed to assess and analyze the impact of foreign capital on the U.S. economy.

Mr. President, the American people deserve to know who owns America.

I ask unanimous consent that a copy of the "Foreign Investment Disclosure Act of 1987" and of a Wall Street Journal article on this subject be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### S. 1697

*Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,* That this Act may be referred to as the "Foreign Investment Disclosure Act of 1987".

Sec. 2. (a) Any foreign person who, after the effective date of the regulations prescribed pursuant to subsection (j), acquires directly or indirectly—

(1) a significant interest in a United States property, or

(2) a controlling interest in a United States business enterprise;

shall register that interest with the Secretary within 30 days after the acquisition.

(b) Any foreign person who, on the effective date of the regulations prescribed pursuant to subsection (j), holds directly or indirectly—

(1) a significant interest in a United States property, or

(2) a controlling interest in a United States business enterprise,

shall register that interest with the Secretary within 180 days after the effective date of such regulations.

(c) Each registration required under subsection (a) or (b) shall be in such form and in accordance with such procedures as the Secretary may require by regulation and shall contain the following:

(1) The identity, address, legal nature, industry, and nationality of the foreign person.

(2) The date on which the foreign person acquired the interest.

(3) The relation of the foreign person to the United States property.

(4) The name, location, and industry of the United States property.

(5) The market value of (A) the assets of a United States business enterprise or (B) a United States real property.

(6) The percentage size of the interest acquired.

(d) If the interest registered under subsection (a) or (b) is a controlling interest in a United States business enterprise, the foreign person shall, by an amendment to the registration made within 180 days after registering such interest, provide the Secretary with the following additional current information:

(1) With respect to the foreign person, an English translation of so much of the information listed in subparagraphs (A), (B), (C), and (D) of paragraph (2) that is publicly disclosed in the home country of the foreign person.

(2) With respect to the United States business enterprise—

(A) a—

(i) balance sheet and income statement;

(ii) statement of changes in financial condition; and

(iii) statement of sales, assets, operating income, and depreciation by industrial segment,

prepared in accordance with Generally Accepted Accounting Procedures or in accordance with Statutory or Regulatory Accounting Principles and accompanied by explanatory notes and any current auditor's statements and reports;

(B) the location of all facilities within the United States;

(C) the identity and nationality of each director and executive officer, the compensation of each executive officer, and any related business transactions of any director; and

(D) a description of any significant civil litigation in which the business enterprise has been involved within the past year.

(e)(1) Within 90 days after the end of each calendar year, a foreign person who has registered an interest in United States property under this section, and who, at any time during such calendar year, held directly or indirectly—

(A) a significant interest in such property, shall report to the Secretary any changes in the information required under subsection (c) that have occurred since the filing of the registration under subsection (a) or (b) or the most recent report under this subparagraph; or

(B) a controlling interest in such United States business enterprise, shall report to the Secretary any changes in the information required under subsections (c) and (d) that have occurred since the filing of the registration under subsection (a) or (b) or the most recent report under this subparagraph.

(2) Any report filed under this section shall be in such form and in accordance with such procedures as the Secretary may require by regulation.

(f)(1) To the extent a foreign person has prepared other documents which contain information required under this section with respect to an interest required to be registered or reported under this section, the foreign person may provide a copy of such other documents (or the relevant portions thereof) for the purposes of complying with the requirements of this section.

(2) With respect to any interest required to be registered or reported under this section which a foreign person acquires or holds solely through, or by virtue of acquiring or holding a significant or controlling interest in, a United States business enterprise which is an issuer whose securities are registered under the Securities Exchange Act of 1934 and which has filed the material required to be filed by such United States business enterprise pursuant to sections 12, 13, 14, and 15(d) of such Act, the foreign person may, in lieu of providing the information otherwise required under this section, provide the Secretary with a copy of the most recent annual and periodic reports, statements, and notices filed pursuant to such Act.

(g) Any foreign person who is late in registering an interest or reporting changes with respect to an interest in accordance with subsections (a) through (f) shall be subject to a civil penalty of not more than $10,000 for each week the registration or report is late, provided that the total amount of such penalty shall not exceed the market value of the interest with respect to which the penalty is assessed.

(h) Any foreign person who willfully fails to register an interest or submit a report in accordance with subsections (a) and (b), or who willfully submits false or misleading information in the registration or report, shall be fined not more than $10,000, or shall be imprisoned not more than 1 year, or both.

(i) The Secretary may undertake such investigative actions as the Secretary considers necessary to monitor compliance with this section. For the purposes of conducting such investigations the Secretary shall have the same powers and authorities as the Federal Trade Commission under sections 9 and 10 of the Federal Trade Commission Act.

(j) Not later than 90 days after the date of enactment of this Act, the Secretary shall publish for notice and public comment regulations to carry out this section. The final regulations prescribed to carry out this section shall take effect not later than 180 days after such date of enactment. Such regulations shall—

(1) establish forms and procedures for making such disclosures required by this section; and

(2) establish procedures for indexing, and providing public access to, the information disclosed under this section.

(k) The Secretary shall transmit in June of each year, beginning in 1989, a report to the President, the Congress, and the Federal Elections Commission describing—

(1) the extent to which foreign persons hold significant or controlling interests in United States properties, the nationality of those foreign persons, the industries in which those interests are concentrated, and the social, economic, and other effects in the United States of such foreign interests;

(2) the effectiveness and efficiency of the registration and reporting requirements contained in this section in providing the information required under this section and the extent to which the information provides a comprehensive description of the presence of foreign capital in the United States economy;

(3) other Federal data collection activities that overlap with, duplicate, or complement the registration and reporting requirements established under this section and that could be consolidated or eliminated without compromising the quality of data collected; and

(4) in the case of the first annual report, the feasibility of establishing a system to track individual transactions representing other capital flows into the United States.

(l) Not later than 365 days after the effective date of the regulations prescribed pursuant to subsection (j), the Secretary shall compile (and thereafter keep current) an inventory of interests registered or reported under this section and the information contained in such registrations or reports. The inventory shall be made available for public access and shall index the information for retrieval by—

(1) the name and nationality of any foreign person who registers or reports an interest under subsections (a) through (f) and the standard industrial classification number or numbers (as issued by the Director of the Office of Management and Budget) of any such foreign person; and

(2) the name of the United States property in which any interest registered or reported under this section is held, the standard industrial classification number or numbers of any such United States property, and the State in which any such United States property is located.

(m) As used in this section:

(1) The term "Secretary" means the Secretary of Commerce.

(2) The term "United States", when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(3) The term "United States business enterprise" means—

(A) any sole proprietorship, branch, partnership, associated group, association, estate, trust, corporation, or other organization organized under the laws of the United States or of a State or that has its principal place of business in the United States; and

(B) any two or more enterprises described in subparagraph (A) which are acting in concert.

(4) The term "United States property" means—

(A) any United States business enterprise; and

(B) any real property located in the United States, including any minerals therein.

(5) The term "foreign person" means—

(A) any individual who is not a citizen of the United States;

(B) any business enterprise that is organized under the laws of a foreign government or which has its principal place of business outside of the United States;

(C) any foreign government or any agency or instrumentality of a foreign government; and

(D) any two or more persons acting as a group for the purpose of acquiring or holding any interest referred to in subsection (a) or (b) (and each foreign person in such group), if any foreign person or persons described in subparagraph (A), (B), or (C) of this paragraph hold an equity or ownership interest in such group of 25 percent or more, or the equivalent of such an interest.

(6) The term "significant interest" means any equity or ownership interest that exceeds 5 percent of the total equity or ownership interests in—

(A) a United States property that (i) has assets or, in the case of real property, is an asset, in the United States with a market value in excess of $5,000,000; or (ii) had gross sales from the United States in the most recent fiscal year in excess of $10,000,000; or

(B) each of any two or more United States properties if the properties in the aggregate (i) have assets or, in the case of real property, are assets, in the United States with a market value in excess of $20,000,000; or (ii) had gross sales from the United States in the most recent fiscal year in excess of $40,000,000.

(7) The term "controlling interest" means an equity or ownership interest that exceeds 25 percent of the total equity or ownership interests in a business enterprise that—

(A) has assets in the United States with a market value in excess of $20,000,000; or

(B) had gross sales from the United States in the most recent fiscal year in excess of $20,000,000.

(8) The term "acquire" and "hold", when used with respect to an interest, refer to the acquisition or holding of that interest by the ultimate beneficial owner regardless of whether such interest is held directly or through a nominee or other financial intermediary. Such terms do not refer to the acquisition or holding of that interest by a nominee or other financial intermediary on behalf of the ultimate beneficial owner.

(9) The term "equity or ownership interest" shall not include—

(A) any note, bond, debenture, loan, obligation, or other evidence of indebtedness, any put, call, straddle, option, or privilege on any debt, or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase any debt; and

(B) any mineral interest other than an interest in fee simple absolute or a reversionary interest.

(10) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(11) The term "branch" means the operation or activities carried out by a person in a different location in its own name, rather than through a separately incorporated entity.

(n)(1) Subject to paragraphs (2) and (3), this section shall take effect 90 days after the date on which regluations are prescribed under subsection (j).

(2) Subsection (j) of this section shall take effect on the date of the enactment of this Act.

(3) Subsection (g) shall take effect 365 days after the date on which regulations are prescribed under subsection (j).

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## Foreign Firms Build More U.S. Factories, Vex American Rivals: Their Strong Currencies Make Investments Here Cheap; Unions Also Are Worried—Political Issue of the 1990's?

(By Peter Gumbel and Douglas R. Sease)

Just as the weak dollar is making American companies more competitive overseas, it is helping cause new headaches at home: The correspondingly strong yen, pound and mark make it easier than ever for foreign rivals to set up shop in the U.S.

In the past, businessmen, labor leaders and politicians have generally welcomed such investment, and most still do. Foreign companies operating here can create jobs, pump new capital and technology into aging industries, and even cut the huge U.S. trade deficit by reducing imports.

But now, a few chilly drafts are wafting through the usual warm reception. More American companies are discovering that the foreign-investment boom also brings more tough foreign competitors to play on the home turf. Others worry about becoming the target of a hostile tender offer from abroad. And as nonunion foreign companies proliferate, some labor unions are fretting over the erosion of their membership and political influence and complaining about the difficulty of bargaining with unionized U.S. units of foreign concerns.

The worries are being sparked by booming investment from Western Europe as well as Japan.

### RAPID DEVELOPMENTS

The pace of direct foreign investment has certainly become dizzying. In recent weeks alone, a British holding company agreed to acquire Smith & Wesson, the famed 135-year-old U.S. arms maker; a West German tire maker successfully bid for GenCorp Inc's General Tire units and at least five Japanese companies announced plans to build U.S. factories making products ranging from laboratory equipment to auto batteries. And this week, France's Thomson S.A. agreed to acquire General Electric Co's consumer-electronics business and thus become the largest manufacturer of television sets in the U.S.

In all last year, foreign concerns, mostly from Europe and Japan, plowed a net $21.7 billion into U.S. companies, factories and real estate. That lifted their direct investment here to a record $209.3 billion, more than double the total at the start of the decade.

"The tendency is to think all this investment is unmitigated good," says Clyde Prestowitz, a former counselor to U.S. Commerce Secretary Malcolm Baldrige. "But I think there are legitimate questions. . . . We need to be sure that the United States gets the maximum possible benefits from foreign investments."

### "FIRE-SALE PRICES"

Others are more blunt: "The dollar has now reached the point where further declines place everything for sale in this country at fire-sale prices," says Henry Wendt, the chief executive of SmithKline Beckman Corp.

Past surges of investment from abroad have prompted similar flurries of concern, which later proved overdrawn. During the early 1970s, many Americans feared that Arab oil-producing nations would snap up American assets on a huge scale; yet the effect was barely noticeable.

Moreover, foreign-investment worries go both ways. Juergen F. Strube, the chief executive of BASF Corp., the American unit of the West German chemical giant, likens present U.S. uneasiness to similar fears in Europe in the 1950s and 1960s about the then-aggressive American multinationals. Though conceding that when investment surges "in such a short time, it creates tension," he affirms the majority view: "International integration is helpful. . . . It's good for America, it has been good for Europe, and if we can gain access to the Japanese and Far Eastern markets, it'll be good there, too."

Nonetheless, the competitive landscape in some U.S. industries is clearly changing. Four of the nation's top 10 chemical companies and more than half of the cement industry are foreign-owned, and soon there will be more Japanese than American concerns making cars in the U.S. Foreign companies are beginning to dominate even such obscure industries as burglar alarms.

Some people in the hot seat find it difficult to be philosophical. When Japan's Dainippon Ink & Chemicals Inc. made a takeover bid for Reichhold Chemicals Inc. earlier this month, for example, the American company initially not only spurned the offer but also went shopping for Washington-connected attorneys to "look into Japanese takeovers of American firms." A recent poll by Chemical Week, a trade publication, found that 31% of executives at U.S. chemical companies feared the wave of foreign takeovers sweeping their industry: just 18% were enthusiastic.

Foreign investment "is the greatest issue of our time," says Lee Kadrich, the director of government affairs and trade for the Automotive Parts and Accessories Association. "If you continue to allow an increase in capacity, clearly it's got to come out of someone else's hide, and clearly it's going to be the hides of the domestic industry." By one estimate, some 300 Japanese auto-parts makers are expected to set up U.S. operations between now and 1990.

There are already some mechanisms for control, including the antitrust and securities laws, and a government committee that can review foreign investments that may have major implications for U.S. national interests. Late last year, that committee and several government departments debated Fujitsu Ltd.'s proposed acquisition of control of California-based Fairchild Semiconductor Corp. after competitors and various Reagan administration officials raised objections. In the end, Fujitsu withdrew before any government resolution. (Ironically, Fairchild is already owned by Schlumberger Ltd., a conglomerate founded by two Frenchmen and now based in the Netherlands Antilles.)

### OFFICIAL POSITION

The official administration position still favors free and open access, and so far no one is proposing a halt to direct foreign investment. But the rising anxiety across the nation is starting to make some impression in Washington.

The sweeping trade bill passed by the House contains a provision that would require foreign investors to report to the government any significant interest they hold in a U.S. business or real estate, as well as holdings of large blocks of corporate securities. Sponsor John Bryant, a Texas Democrat, insists that he doesn't oppose foreign investment; he says he just wants everyone to know where it is coming from: "America has been selling off its family jewels to pay for a night on the town, and we don't know enough about the proud new owners."

The Senate-passed trade bill would give the administration authority to review foreign acquisitions of U.S. businesses to determine the effects on national security or essential commerce affecting national security.

The House also recently passed a bill that would prohibit the use of federal community development funds for any project that would increase a foreign company's market share at the expense of a domestic concern.

Rep. Marcy Kaptur, an Ohio Democrat, contends that the Japanese "come in and establish what amounts to colonies in the U.S. with their suppliers, and our people don't get a fair chance to bid into their production." She notes that even though Mazda Motor Corp., which is building an auto-assembly plant near Detroit, says it will buy seats from Lear Siegler Inc., an American manufacturer, a Mazda Japanese supplier will supply some components and technology to Lear Siegler. "It's a completely closed system," she charges.

### EUROPEAN APPROACH

European companies, on the other hand, have avoided much controversy. A spate of takeovers in the U.S. cement industry, for example, has given foreigners 51% of U.S. cement production capacity, says William Toal, an economist at the Portland Cement Association. Yet the trend has gone virtually unnoticed by the American public.

But it hasn't escaped the cement workers. Henry Bechtholdt, who heads the U.S. cement workers' union, complains that bargaining with foreign-owned companies is difficult because it is hard to gauge their financial position. Their U.S. managers can sometimes duck awkward questions by pinning responsibility on the parent company back home, he says.

One reason Europeans seem to escape attention is they tend to blend into the U.S. economy, often using American banks, accountants and managers. "Europeans have a long history and tradition of becoming insiders in the markets in which they operate," says Amir Mahini, the director of international business research at McKinsey & Co. in New York.

For example, Bayer AG, a West German chemical company, does $4.25 billion in annual sales in the U.S. Its U.S. arm exports about 22% of its production and is the sole world-wide supplier of certain Bayer products. "We're trying to be an attractive American company playing by American rules," says Konrad M. Weis, Bayer USA Inc.'s chief executive. "We say when in Rome, behave as the Romans do." The German-born 58-year-old himself became a U.S. citizen in December 1985.

Not all acquisitions by European companies go smoothly, however. Hoechst AG's acquisition of Celanese Corp. last year was held up for weeks because of antitrust considerations—a sign of how powerful the German chemical company has grown in the U.S.

### AGGRESSIVE TAKEOVERS

And unlike the Japanese, Europeans—and the British in particular—are much more willing to attempt eyecatching hostile takeovers. Indeed, some aggressive foreign entrepreneurs such as Sir James Goldsmith and Robert Maxwell have become almost as familiar to Wall Street as Saul Steinberg and Carl Icahn.

Americans who have battled European takeover artists can become strong advocates of limiting foreign ownership of U.S. assets. Robert E. Mercer, the chief executive of Goodyear Tire & Rubber Co., which last year withstood a hostile bid by Sir James, told a Senate hearing recently that foreign takeovers "are a threat to America's industrial base, its technology, its economy and its ability to produce materials that would well be needed in some future emergency, military or otherwise." Goodyear is so bitter that it pulled its business from J. Walter Thompson last month after the advertising agency was taken over by a British rival.

The takeover issue could heat up if, as some people predict, the Japanese change tactics and attempt more acquisitions. "The people who run Japanese companies are smart, well-informed, and can figure out that they're simply better off making an acquisition if the right fit can be found," says James Martens, the managing director of Peers & Co., a merchant-banking firm that advises Japanese companies on acquisitions and investments in the U.S.

But even he doesn't expect many hostile takeover attempts by the Japanese: "I believe 90% of the Japanese would be very uncomfortable when they got into it, particularly in the political atmosphere here in the U.S. right now."

### WEAK DOLLAR'S EFFECTS

Meanwhile, the weak dollar continues to lure foreign direct investment. Jean-Louis Beffa, the president of Cie. de Saint-Gobain of France, estimates that it now is 10% cheaper to make certain glass and other products in the U.S. than to send them here from Europe.

In addition, establishing an American operation has become downright cheap. In the spring of 1985, Dainippon Ink tried to buy Sun Chemical Corp.'s printing-ink business, but Sun's $550 million price looked steep: the equivalent of 132 billion yen. A deal was finally struck in August 1986, and Sun got its $550 million, but the cost to the Japanese company had declined 36% to only 84 billion yen.

Fear that rising protectionist sentiment in the U.S. will translate into legislation or other barriers is also a powerful motivator. Japan's Komatsu Forklift Co. recently decided to build a factory in La Mirada, Calif., because it feared tariffs on its imports after an American competitor, Hyster Inc., accused Komatsu of dumping in the U.S., says Douglas Nuttall, the controller for Komatsu Forklift (U.S.A.) Inc.

Much of the controversy revolves around Japanese companies, relative newcomers to U.S. direct investment. Though the Japanese have only about one-tenth of the amount invested in U.S. operations that Europeans have, American concern over the burgeoning trade deficit has spotlighted the Japanese.

Ironically, the Japanese try to minimize potential conflicts. Rather than acquire U.S. companies, most Japanese concerns prefer to build brand-new factories—to bring in their own technology an control quality. "It is easier to start from scratch than to transfer technology to an existing U.S. company because of differences in management philosophies," says Keiji Endoh, the chairman of Ricoh Corp., the U.S. subsidiary of Ricoh Co.

### CONTROVERSIAL STRATEGY

However, that strategy irks some Americans because often the Japanese also bring with them their own suppliers, bankers and even construction companies to provide parts and services that many Americans had expected to provide.

"There's always this great promise that the U.S. economy is going to be improved dramatically as these Japanese companies like Honda and Toyota create jobs and demands for services and supplies," says Matthew Coffey, the president of the National Tooling and Machining Association. "They create a few jobs at tremendous expense to the state taxpayer, but they never wind up creating the demand because they have their loyalty to suppliers back home."

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## MANY FOREIGNERS FIND BUILDING PLANTS IS EASIER THAN MAKING MONEY IN U.S.

(By Peter Gumbel and Douglas R. Sease)

Setting up a U.S. plant is one thing. Making money here is quite another.

There are few reliable statistics on how well U.S. subsidiaries of foreign concerns fare, and most companies are reluctant to disclose figures. But examples of problems and failure abound. And even when a U.S. acquisition doesn't go completely awry, it can severely drain foreign companies' patience and capital.

Thyssen AG's acquisition of Michigan-based Budd Co. pushed the West German steelmaker deep into the red and almost cost its chairman, Dieter Spethmann, his job in 1984. Britain's Midland Bank PLC sold Crocker National Bank to Wells Fargo & Co. last year, after Crocker's losses totaled $330 million in 1983 and 1984 alone.

"The probability of any acquisition succeeding is less than 50–50," says Amir Mahini, the director of international business research at McKinsey & Co. in New York. "It's difficult to carry off any successful acquisition. It's even more difficult when the acquirer is a foreign company and you have to meld two cultures."

Building a U.S. manufacturing plant can be just as hazardous. Volkswagen AG has been plagued by problems at its auto assembly plant in Pennsylvania. Operating far below its potential, the money-losing plant is kept running only because the German auto maker says it needs an "insurance policy" against possible U.S. legislation curbing auto imports.

Even Japanese companies, despite their fearsome reputation for efficiency, haven't necessarily been more successful. Kazuo Nukazawa, a leading Japanese economist, says some unconfirmed estimates show that more than 80% of Japanese factories in the U.S. aren't profitable.

Kazuo Nomura, the former president of Sumitomo Electric's American Subsidiary, says setting up a factory in North Carolina caused a lot of problems. The plant made fiber-optic cable according to Japanese standards, while American customers demanded cable made to U.S. standards. Moreover, the plant's capacity was in excess of what the fledgling distribution network could handle. "Sumitomo was proud of its technology, but the problem was marketing and management," he says.

Foreign companies on a spending spree in the U.S. often end up paying a premium. Stephen H. Goodman, the managing director of investment banking at Bankers Trust, says that when a Japanese company plans an acquisition, it makes painstaking preparations that prevent it from bidding quickly when a company is suddenly put up for sale. "That strategy doesn't get you companies cheap." he comments.

Europeans often overpay, too. Bertelsmann AG's acquisition of Doubleday for almost $500 million last year was widely viewed in the publishing industry as excessive. BASF AG spent $1 billion on the Immont unit of United Technologies Corp. in 1985, an amount analysis term as much as $200 million over the nearest competing bid. Juergen F. Strube, the chief executive of BASF Corp., acknowledges that the price was high, but "we were prepared to pay a premium for the synergies," he says, "We were paying for the business as it fit into our operations."

Once a U.S. base is operating, foreign companies can still have a tough time. One vexing question is how to juggle local manufacturing with imports. When the dollar was high, it paid to export to the U.S. Now that the U.S. currency is low, it doesn't. Albrecht O. Staerker, executive vice president at the New York branch of West Germany's Commerzbank AG, says many German companies have learned from the dollar's swings during the 1970s that they can be profitable here only if they run virtually self-contained operations and don't rely on imported parts. "You have to go 100%," Mr. Staerker says.

Nonetheless, many foreign concerns, too proud to admit defeat, shrug off their difficulties. Most say they take a long-term view and can afford a few bad years. Few face the same pressure from shareholders that U.S. companies do, and they have leeway in their accounting rules to conceal any losses from foreign subsidiaries.●

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By Mr. GORE (for himself, Mr. SASSER, Mr. BOREN, and Mr. NICKLES):

S. 1698. A bill to amend section 547 of title 11, United States Code, to provide that certain withdrawal transactions made by depositors from certain financial institutions not be avoided as preferential transfers; to the Committee on the Judiciary.

### BANKRUPTCY CODE AMENDMENTS

● Mr. GORE. Mr. President, today I am introducing legislation which is necessary to ensure the fairness and the spirit of our Bankruptcy Code. I am pleased that my distinguished colleagues, Senators JIM SASSER, DAVID BOREN, and DON NICKLES, are joining me as original cosponsors.

A tragic application of a little-known provision of the Federal Bankruptcy Code has victimized some 800 former depositors of Southern Industrial Banking Corp. [SIBC] in Tennessee. These good faith depositors accepted the risks of losing their money which they had deposited in an uninsured bank. However, they never imagined that they could be sued as preferred creditors because they happened to withdraw their money during the 90 days before SIBC declared bankruptcy. The SIBC's catastrophe has brought to light a terribly unfair loophole in the preference language of the Bankruptcy Code—a loophole that opens the possibility of depositors being sued as the technical equivalent of preferred trade or business creditors in the event an institution like SIBC declares bankruptcy.

At first, bankruptcy experts and laymen alike thought that SIBC, an industrial loan and thrift company, was a unique hybrid institution that fell between the cracks of Federal and State bankruptcy and banking laws. Time is proving that assessment wrong.

Last year, two trust companies in Oklahoma declared bankruptcy. Now many depositors of Oklahoma Trust and Oklahoma Finance are on the brink of SIBC's "preference" depositors' 4-year-old nightmare, and it has become apparent that the problem is much broader than originally envisioned. Approximately 800 institutions and possibly hundreds of thousands of their depositors may be at risk of a similar preference tragedy. While only bankruptcy courts decide whether or not a particular depository institution can file for bankruptcy, the threat of a bank filing bankruptcy and its depositors facing a subsequent preference suit has been demonstrated to be very real.

Under U.S. bankruptcy law, a preferred payment is one made to a creditor by a debtor 90 days before the debtor's filing bankruptcy. Preferred payments would be subject to repayment to the general pool of recovered funds through which creditors share in and spread out their losses in a bankruptcy case. Congress drafted section 547 of the Bankruptcy Code with a view toward preventing a debtor from preferring certain of its trade and other business creditors prior to bankruptcy.

But Congress also had the foresight to carve out certain exceptions to these preference laws. Among these, Congress exempted one class of businesses able to file for bankruptcy. This special group is comprised of banks, savings and loans, and virtually all depository institutions under section 109. Congress exempted these institutions for good reason: A person's relationship with a depository institution is not a debtor/creditor relationship but rather a trust relationship.

The goal of our bill is to close an unintended and unfair loophole in the bankruptcy law by clarifying the concept of preferred creditors. The legislation would exempt from this preference language withdrawals from an entity that is in the business of accepting deposits but is a debtor eligible to file bankruptcy. Such withdrawals must have been made without insider knowledge of the financial condition of the business or of its impending bankruptcy.

These former SIBC depositors were not insiders. They withdrew their money during the ordinary course of business and during the ordinary course of day-to-day life. They withdrew their money to pay hospital bills, to meet living expenses, and to send their children to college. After 3 years of court battles, many of these working class people and retirees face losing their life savings and their homes.

Congress never intended the bankruptcy laws to apply to any type of depository institution such as SIBC of Tennessee or the Republic Financial Corp. of Oklahoma. This is evident by the fact that like institutions are exempted by section 109 from the application of the bankruptcy laws. Furthermore, it follows that Congress never intended that depositors at such institutions would technically be construed as preferred creditors.

The purpose of our bill is simply this: To close an unintended and unfair loophole in the bankruptcy law by clarifying the concept of preferred creditors. I ask my colleagues to help to restore the spirit of the law to our bankruptcy laws by joining in support of this legislation.●

● Mr. SASSER. Mr. President, I am pleased to join today with my colleague from Tennessee in introducing legislation to correct a serious inequity in our bankruptcy laws.

Many of my constituents have been severely affected by a little-known section of the bankruptcy law. The end result has been to bring several hundred of them to the brink of financial ruin.

In 1983, the Southern Industrial Banking Corp. filed bankruptcy under chapter 11. SIBC was an industrial loan and thrift company which also accepted individual deposits such as passbook savings accounts and certificates of deposit. Many of these depositors continued to use their accounts for their everyday financial transactions right up until the time of SIBC's bankruptcy filing, unaware of the condition of the institution.

Once SIBC filed for bankruptcy, these transactions were covered by a relatively obscure section of the bankruptcy law prohibiting withdrawals for 90 days before a bankruptcy filing. These depositors have been sued by the liquidating trustee in the case who is demanding that the withdrawals be paid back immediately.

But, Mr. President, most of these depositors are ordinary working class people who considered—and used—SIBC as their bank. They are not insiders seeking to shield their investment from the law. The withdrawals were used to pay depositors' normal living expenses—rent, grocery bills, mortgages, automobile loans, and the like. They do not have that money anymore.

Now these hard-working individuals are facing financial ruin. They have been sued, had judgments entered against them, and many of those judgments are about to be executed. Many stand to lose their homes and their life savings.

We do not believe that Congress intended that the preferential transfer provision should apply to these depositors. They are in a depository relationship with SIBC, not a creditor relationship. In fact, banks cannot file for bankruptcy. It is only because Southern Industrial Banking Corp. was not actually a bank—even though many of its depositors believed it to be so—that this issue arises at all.

Under current bankruptcy law, there are seven categories of exceptions where a trustee may not avoid a transfer. Our legislation would add an eighth category to cover those who are in a depository relationship to the institution. Thus, trustees could not avoid transfers which are withdrawals by depositors of money held in either checking-type accounts, savings accounts, or time certificates.

We believe that this would more closely reflect the intent of Congress in passing the law. Congress intended, and properly so, to prevent large investors, often with inside knowledge, from withdrawing their assets and shielding them from the losses faced by other investors in an institution which goes bankrupt. However, that is not the case here.

Let's look for a moment at what's happening in this case. Here we have individual depositors who think they are dealing with a bank. As part of their everyday family financial dealings, they make withdrawals from their accounts, or their time certificates mature. Several weeks later, what the depositors thought was a fiscally sound institution files for bankruptcy. Then along comes the bankruptcy trustee who tells them that not only are their deposits frozen, but they have to return money that they had withdrawn in good faith. Money that they had deposited in the first place.

Not surprisingly, they are asking how they could have been expected to see into the future, and why someone can take their money from them. Again, I say, I do not believe that Congress intended to ruin these small depositors. I urge the committee to consider this legislation expeditiously and I look forward to working with my colleagues for early passage of this bill.●

● Mr. BOREN. Mr. President, I am pleased to join with Senator GORE of Tennessee in offering legislation to make a much needed clarification of our bankruptcy statues and protect depositors who lost funds in the bankruptcy of the Republic Financial Corp. of Tulsa, OK.

The Republic Financial Corp. of Tulsa, OK, filed for bankruptcy in September 1984. Many individuals and other depositors, who had invested in this company, lost millions of dollars in a case which is still being discussed and litigated in our courts.

Our bankruptcy code has been written to provide a fair and equitable system of procedures for those individuals and business concerns who have had or been associated with irreversible financial difficulty—whether through normal economic conditions or illegal activity. It seeks to remedy the loss suffered by those innocent of wrongdoing to rebuild their financial loss. It likewise was written to discipline those who have wrongfully helped cause such a financial crisis.

Over 2 months prior to the bankruptcy of the Republic companies, legislation to amend the Federal bankruptcy laws, which passed Congress, was signed by the President. These changes were not technically effective until October 10, 1984, 16 days after Republic's bankruptcy. One critical provision is one which stated that deposits withdrawn from a firm within 90 days of its filing bankruptcy were subject to recovery by the trustee, unless it was withdrawn in a normal, business transaction. Even before the Federal legislation became effective on October 10, 1984, it was, in my opinion, not within the spirit of the law to penalize those who simply act in a normal prudent course of business.●

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By Mr. SIMON (for himself and Mr. SANFORD):

S. 1699. A bill to reauthorize and revise chapter 2 of the Education Consolidation and Improvement Act of 1981 in order to establish priorities of educational assistance, to authorize a teacher training and improvement program, and for other purposes; to the Committee on Labor and Human Resources.

### ELEMENTARY AND SECONDARY EDUCATION REFORM AMENDMENTS

● Mr. SIMON. Mr. President, today I am introducing a bill to reform and reauthorize the chapter 2 block grant of the Education Consolidation and Improvement Act. My bill proposes to make fundamental and necessary changes in current law by refocusing these funds on the students in greatest need and on programs that meet those needs.

This idea is not new. Senator CLAIBORNE PELL, the distinguished chairman of the Labor and Human Resources Subcommittee on Education, Arts and Humanities, has championed the idea of more closely targeting chapter 2 funds on a specific set of Federal education priorities. He introduced S. 627, the Targeted Educational Assistance Act, on March 3 of this year, to reflect these ideas. Senator PELL has remained a staunch advocate of more closely focusing these Federal funds on a limited set of Federal priorities and improving oversight and accountability. He introduced similar legislation in the 98th and 99th Congresses.

I strongly share Senator PELL's concern that those of us in the Congress who support education programs, and those in the schools who implement educational policy, must get our own educational house in order. Before we can be effective in reordering Federal spending priorities, we should establish some of our own programs. Establishing priorities for chapter 2 will not only improve the likelihood of securing additional appropriations, but it will also make a clear statement about which critical educational objectives should be pursued with Federal funds. We should begin during this reauthorization and we should begin with the chapter 2 block grant.

Virtually all of our Nation's school districts receive chapter 2 formula based grants, for an average of $7-$9 per child. Chapter 2 is a formula based program, which allocates funds to local school districts based on the number of school-aged children. Funds are spread so thinly—42 percent of all school districts receive less than $5,000—that a serious question is raised regarding the impact of these funds at the local district level. For example, in Illinois the smallest grant under chapter 2 went to School District No. 124 in the amount of $126.50.

One simply has to ask: What Federal interest is served in awarding such a small grant and what can we realistically expect the school district to accomplish?

School districts have complete discretion, within broad guidelines, on the use of these funds. More importantly, the current law does not hold either the local education agencies [LEA's] or the State education agencies [SEA's] accountable for how these funds are expended, and whether any educational objectives are met. Given the high percentage of small grants and the amount of local discretion on their use, it is difficult to determine what Federal purpose, if any, is being fulfilled through the expenditure of one half billion Federal tax dollars. In fact, it is almost impossible to tell whether any local educational goals are being advanced.

As Secretary Bennett stated in a major speech to the National Press Club on September 8, 1987:

> I would like to concentrate my remarks today on one change that I consider essential to carrying forward the movement for education reform. That is accountability: the giving and taking of responsibility for results. Right now, we don't have enough of it. Accountability is the linchpin, the keystone, the *sine qua non* of the reform movement. In our discussions of education in the coming year, at the local, state, and national levels, accountability should be at the top of the agenda.

While I do not often agree with the Secretary, I believe that he has his finger on an extremely important point. I support increased accountability in the chapter 2 program.

The elementary and secondary education reform amendments I am introducing would: First, change the substate mechanism for the distribution of chapter 2 funds; second, establish five Federal priorities for the expenditure of these funds; third, create a new Federal-State partnership in education responsive to State leadership in education reform; and fourth, require that States and local school districts account for funds they received. It would significantly alter the present chapter 2 program by instituting a competitive grant application process and creating a minimum grant of $25,000. Clearly, this would mean that each school district would not receive an annual grant. They would, however, be eligible for a grant of sufficient size to have a real impact on the quality of education in the district.

Presently, chapter 2 funds are primarily used to purchase computer services, library equipment, and to support various student services. While these funds enable LEA's to purchase equipment they may not otherwise be able to buy, I believe that this should be carried out primarily with local or State funds. Emerging educational priorities such as dropout prevention, parental literacy, early childhood education, programs for the gifted and talented, and improvements in the quality of instruction and curricula in elementary and secondary education cannot be ignored.

The education priorities and populations targeted in this bill would be funded on a discretionary basis. It would target these funds where the need is greatest and the potential for improvement is highest. The education priorities listed in the bill are:

> Increasing the availability and the quality of instruction of pre-kindergarten programs especially for children who are from educationally disadvantaged backgrounds, including children with handicaps;
>
> Expanding and improving student dropout prevention programs, particularly early intervention projects designed to prevent student dropouts and to facilitate the reentry of students who have dropped out of school;
>
> Increasing parental involvement in the education of children who receive assistance under chapter 1 and to enhance the literacy of such parents by integrating early childhood education and adult education for parents into unified programs to be referred to as "even start;"
>
> Carrying out projects for the enrichment of secondary school curricula, including junior high and middle schools, particularly new methods in approaches to teaching, the use of stated achievement goals for the students, the continuous monitoring of student progress, and the strengthening of course work and requirements in mathematics, and the physical sciences, and foreign languages;
>
> Expanding and improving programs to identify and educate gifted and talent children students particularly students who may not be identified through traditional assessment methods; and
>
> Implementing state educational reform adopted by the States.

These priorities target limited Federal education resources on economically and educationally disadvantaged children, while also providing funds to support State reform efforts. A peer review panel would be established to evaluate applications and advise the State superintendent on the discretionary grant awards.

The targets listed in this bill happen to reiterate some of the recommendations listed in the recent Committee for Economic Development report on "Children in Need." This report emphasized the correlation between early childhood intervention and education and the scholastical achievement of students in later years. Poor academic performance is the best predictor of who will eventually dropout. With an estimated 30 percent of students considered educationally disadvantaged, early intervention and dropout prevention is critical to identifying and addressing their education problems and to keeping these "at risk" children in school. My bill intends to use the existing Federal funds in chapter 2 to focus on these issues.

Although I strongly support more Federal funding for chapter 1 and other categorical education programs, I believe we must take action now and not wait to address these needs if and when additional Federal funds become available when the Federal Government resolves its budget crisis.

In addition to the elementary and secondary education goals of this bill, it also includes a separately authorized Teacher Training and Improvement Act. It adopts, in large part, the recommendations of the Reagan administration in this area. The bill would provide an $80 million authorization for educator recruitment, retention, and renewal programs.

I am pleased that the distinguished junior Senator from North Carolina has joined me in cosponsoring this bill. Among the many Members of this bcdy who talk about the need to improve the quality of education, Senator SANFORD has been a leader as Governor of his State and as president of Duke University. North Carolina's Superintendent of Public Instruction, Dr. Craig Phillips and its former Governor Jim Hunt have been outstanding leaders in the field of education as well. If all the States could boast of a strong public school system and public higher education system like North Carolina's, we would have fewer problems to solve in the education arena. I am pleased that we have such an outstanding spokesman for education in the Senate like my friend TERRY SANFORD.

Mr. President, the bill I am proposing attempts to change the status quo and refocus chapter 2 funds where the need is greatest. But, I want a results-oriented program. In these days of increasingly scarce Federal resources, we need a stronger justification for programs or we risk losing them through Gramm-Rudman budget cuts. Presently, chapter 2 has all the defense of Federal revenue sharing. There is no need for the Government to collect and distribute these funds if they do not serve a Federal purpose. The Federal Reserve Bank is a money processing center, not the Federal Government's education program. The Federal Government's primary role in education is an attempt to make an inequitable education system equitable. The status quo maintained in the present chapter 2 program does nothing to assist in this attempt.●

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By Mr. STEVENS:

S.J. Res. 189. Joint resolution to amend the Pledge of Allegiance to the Flag of the United States of America; referred to the Committee on the Judiciary.

### AMENDMENT TO THE PLEDGE OF ALLEGIANCE

Mr. STEVENS. Mr. President, members of our Government appeared before the American people yesterday and called on them to celebrate their citizenship in this Nation. It was an effort to reach out—particularly to the children in our schools—and involve them in the bicentennial of our Constitution.

Each of the speakers who took part in the ceremony commented on the importance of the Constitution as the cornerstone of the Nation. One in particular, Stephanie Petit, a young lady who this year won the National Spelling Bee, caught my ear. In remarks aimed at her fellow students, she commented on the importance of the principles embodied in the document in our everyday lives, and on the need to keep those principles in mind in building for the future.

Weighing all of their comments while the President led us in reciting the Pledge of Allegiance, it struck me that something was missing from that familiar oath. There is no mention of the Constitution in this sentence which affirms our loyalty to the United States.

By the terms of the document itself, the President must swear an oath to preserve, protect and defend the Constitution before taking office. Each Senator in this body, each Member of the House, and each judge in this land take similar oaths to support and defend the Constitution. When citizens pledge allegiance to the flag of the United States, and to the republic for which it stands, they, too, promise to uphold our Constitution.

The Constitution is the foundation of our Government, our economic system and our society, yet we fail to recognize it in our Pledge of Allegiance. The 200th anniversary of the signing of the Constitution is the ideal time to correct this oversight and honor our Nation's most basic document. Therefore, I am introducing today a joint resolution to amend the Pledge of Allegiance so that it will read:

> I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation under God and the Constitution, indivisible, with liberty and justice for all.

In preparing this amendment I looked over the history of the Pledge of Allegiance. It was first recited in 1892 in the public schools to commemorate the 400th anniversary of the discovery of America. This first pledge was written by Francis Bellamy, who was an associate editor of the Youth's Companion.

The original wording was subsequently expanded in the 1920's. When Congress codified the rules and customs pertaining to the use and display of the flag in 1942, the Pledge of Allegiance was included. The only amendment to the codified text has been the addition of the words "under God," which occurred in 1954.

It is time for us to consider another addition to the Pledge. Recent bicentennial activities have focused attention on the content and the importance of our Constitution. By introducing this legislation today, I am hoping we can extend the spirit of the bicentennial celebration and add to our everyday lives an increased awareness of our Constitution and its importance to our Nation.

I want unanimous consent that the text of the joint resolution and of the comments made by Miss Stephanie Petit be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 189

*Resolved by the Senate and House of Representatives of the United States of America* *in Congress assembled,* That the text of the Pledge of Allegiance to the Flag, codified by the Act of June 22, 1942 (ch. 435, § 7, 56 Stat. 380), as amended, is amended by inserting, after "under God" and before the comma, the following: "and the Constitution".

### REMARKS BY STEPHANIE PETIT, OUTSTANDING YOUNG PERSON

For two hundred years now, the Constitution has safeguarded our rights. It stands behind every American tradition and culture. This is especially important to young people because we are the future, and America is counting on us to preserve it. Because both of my parents were born and raised outside this country, they have taught me to appreciate and cherish the greatest of America.

Many facts taught in school are soon forgotten after the final exam is over. But the Constitution, unlike many other concepts gained through school, needs no final exam, for the American youth continue to live it. We live it every day as American citizens in all walks of life.

The Bicentennial of the Constitution is calling much well deserved attention to the document. However, this attention should not end with celebrations, because our work to build the future has just begun.

I am very honored to be here and to share my thoughts with you, and to remind all of us how great the country is we live in.

Thank you.

## ADDITIONAL COSPONSORS

### S. 450

At the request of Mr. ARMSTRONG, the names of the Senator from Montana [Mr. MELCHER], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 450, a bill to recognize the organization known as the National Mining Hall of Fame and Museum.

### S. 542

At the request of Mr. ARMSTRONG, the names of the Senator from Minnesota [Mr. DURENBERGER], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 542, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

### S. 567

At the request of Mr. DECONCINI, the name of the Senator from Arkansas [Mr. BUMPERS], was added as a cosponsor of S. 567, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

### S. 588

At the request of Mr. HATCH, the name of the Senator from Minnesota [Mr. DURENBERGER], was added as a cosponsor of S. 588, a bill to designate September 17 of every year as "Constitution Day" and to establish such day as a legal holiday with certain limitations.

### S. 818

At the request of Mr. KARNES, his name was added as a cosponsor of S. 818, a bill to provide permanent authorization for White House Conferences on Small Business.

### S. 851

At the request of Mr. GRAHAM, the names of the Senator from Delaware [Mr. BIDEN], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 851, a bill to provide Federal financial assistance to States offering scholarships to financially needy students from certain Latin American and Caribbean countries, and for other purposes.

### S. 889

At the request of Mr. GORE, the name of the Senator from Alabama [Mr. SHELBY], was added as a cosponsor of S. 889, a bill to amend the Communications Act of 1934 to provide for fair marketing practices for certain encrypted satellite communications.

### S. 1099

At the request of Mr. COCHRAN, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1099, a bill to authorize the several States and the District of Columbia to collect certain taxes with respect to sales of tangible personal property by nonresident persons who solicit such sales.

### S. 1181

At the request of Mr. PRYOR, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1181, a bill to amend the Federal Salary Act of 1967 and title 5 of the United States Code to provide that the authority of determined levels of pay for administrative law judges be transferred to the Commission on Executive, Legislative, and Judicial Salaries.

### S. 1201

At the request of Mr. PROXMIRE, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1201, a bill to prevent consumer abuses by credit repair organizations.

### S. 1203

At the request of Mr. GRASSLEY, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

### S. 1217

At the request of Mr. MURKOWSKI, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from North Carolina [Mr. HELMS], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 1217, a bill to amend the Mineral Leasing Act of 1920 to authorize the Secretary of the Interior to lease, in an expeditious and environmentally sound manner, the public lands within the Coastal Plain of the North Slope of Alaska for oil and gas exploration, development, and production.

### S. 1281

At the request of Mr. BREAUX, the names of the Senator from Washington [Mr. ADAMS] and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 1281, a bill to amend Public Law 97-360, and for other purposes.

### S. 1520

At the request of Mr. BAUCUS, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from Arkansas [Mr. PRYOR], the Senator from South Dakota [Mr. PRESSLER], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Mississippi [Mr. COCHRAN], the Senator from Florida [Mr. GRAHAM], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of S. 1520, a bill to amend the Internal Revenue Code of 1986 to allow certain entities to elect not to make changes in their taxable years required by the Tax Reform Act of 1986, and for other purposes.

### S. 1587

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1587, a bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic Games.

### S. 1620

At the request of Mr. PELL, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1620, a bill to reauthorize and revise the Act of September 30, 1950 (Public Law 874, 81st Congress) relating to Federal impact aid, and for other purposes.

### S. 1673

At the request of Mr. CHAFEE, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1673, a bill to amend title XIX of the Social Security Act to assist individuals with a severe disability in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes.

### S. 1686

At the request of Mr. GRASSLEY, the names of the Senator from Minnesota [Mr. DURENBERGER] and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 1686, a bill to amend the Internal Revenue Code of 1986 to defer the tax consequences of the repayment of a Commodity Credit Corporation loan with a generic commodity certificate.

### SENATE JOINT RESOLUTION 100

At the request of Mr. PELL, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 100, a joint resolution to affirm the national policy of metric conversion benefiting the United States.

### SENATE JOINT RESOLUTION 111

At the request of Mr. HEINZ, the names of the Senator from Montana [Mr. BAUCUS], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987 and November 1988 as "National Hospice Month."

### SENATE JOINT RESOLUTION 116

At the request of Mr. DURENBERGER, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of Senate Joint Resolution 116, a joint resolution expressing the sense of the Congress that Federal aid for refugee assistance programs should not be reduced, and for other purposes.

### SENATE JOINT RESOLUTION 168

At the request of Mr. MELCHER, the names of the Senator from Kansas [Mr. DOLE], the Senator from New York [Mr. MOYNIHAN], the Senator from Iowa [Mr. GRASSLEY], the Senator from New Mexico [Mr. DOMENICI], the Senator from Idaho [Mr. SYMMS], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of Senate Joint Resolution 168, a joint resolution designating the week beginning October 25, 1987, as "National Adult Immunization Awareness Week."

### SENATE JOINT RESOLUTION 171

At the request of Mr. CRANSTON, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from New Jersey [Mr. BRADLEY], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Maryland [Mr. SARBANES], were added as cosponsors of Senate Joint Resolution 171, a joint resolution designating the week beginning November 8, 1987, as "National Women Veterans Recognition Week."

### SENATE JOINT RESOLUTION 173

At the request of Mr. REID, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 173, a joint resolution to commemorate the 200th anniversary of the signing of the U.S. Constitution.

### SENATE CONCURRENT RESOLUTION 32

At the request of Mr. GRASSLEY, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

### SENATE CONCURRENT RESOLUTION 69

At the request of Mr. BREAUX, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of Senate Concurrent Resolution 69, a concurrent resolution to reaffirm support for the maritime policy of the United States and the laws implementing it, as set forth in the Merchant Marine Act, 1936, and related laws; and to urge that any consideration of changes in that policy or laws be removed from the agenda of the United States-Canadian free trade negotiations.

### SENATE RESOLUTION 254

At the request of Mr. SIMON, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of Senate Resolution 254, a resolution to state the guiding principles of United States policy toward South Africa's illegal occupation of Namibia.

### AMENDMENT NO. 680

At the request of Mr. GLENN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of amendment No. 680 proposed to S. 1174, an original bill to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

### AMENDMENT NO. 684

At the request of Mr. BENTSEN, the name of the Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of amendment No. 684 proposed to S. 1174, an original bill to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

## SENATE CONCURRENT RESOLUTION 77—OPPOSING THE THIRD COUNTRY MEAT DIRECTIVE BY THE EUROPEAN ECONOMIC COMMUNITY

Mr. LUGAR (for himself, Mr. LEAHY, Mr. BOSCHWITZ, Mr. BURDICK, Mr. CHILES, Mr. DIXON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. GRASSLEY, Mr. HEINZ, Mr. HELMS, Mr. MCCLURE, Mr. NICKLES, Mr. PRESSLER, Mr. SYMMS, Mr. KARNES, Mr. COCHRAN, Mr. WALLOP, Mr. WILSON, Mrs. KASSEBAUM, Mr. MCCONNELL, Mr. PRYOR, and Mr. KENNEDY) submitted the following concurrent resolution; which was placed on the calendar by unanimous consent:

### S. CON. RES. 77

Whereas the third country meat directive by the European Community requiring individual inspection and certification by the European Community of United States meat plants would damage a $130,000,000 United States export market:

Whereas this directive would reduce prices and income to the United States livestock producers;

Whereas this directive would reduce employment in the United States meat packing industry;

Whereas this directive would create a trade barrier in violation of the general agreement on tariffs and trade;

Whereas the terms of the directive would not apply to intracountry meat trade within all European Community member states;

Whereas there are no established enforcement mechanisms for the directive within the European Community;

Whereas the requirements of the directive are not based solely upon specific scientific research and evidence;

Whereas this directive will not result in more wholesome meat being made available to European consumers;

Whereas the United States has strongly opposed the establishment of trade barriers under the guise of hygiene and sanitation requirements;

Whereas the United States has maintained the position that any attempt by the European Community to impose unfair health requirements on United States meat imports would invite strong and immediate countermeasures: Now therefore, be it

*Resolved by the Senate (the House of Representatives concurring),* That it is the sense of the Congress that—

(1) the administration should vigorously oppose the implementation of the directive by the European Community which will limit United States access to European Commodity agricultural markets;

(2) if the European Community denies United States meat imports based on scientifically unsubstantiated standards or standards which are not applied to intracountry trade within all European Community member states, the Administration should adopt strong and immediate countermeasures; and

(3) the administration should communicate to the European Community the message that the United States views the directive as inconsistent with the European Community's obligations under the general agreement on tariffs and trade.

SEC. 2. The Secretary of the Senate shall transmit copies of this resolution to the President, the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of the Treasury, the United States Trade Representative, the head of the Delegation of the European Community to the United States, and the Ambassadors to the United States for each of the member states of the European Community.

## AMENDMENTS SUBMITTED

## DEPARTMENT OF DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

### MCCAIN (AND WARNER) AMENDMENT NO. 686

Mr. MCCAIN (for himself and Mr. WARNER) submitted an amendment intended to be proposed by them to the bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes; as follows:

On page 114, between lines 13 and 14, insert the following new section:

SEC. . SENSE OF THE CONGRESS REGARDING JAPAN'S CONTRIBUTIONS TO GLOBAL STABILITY.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Alliance of the United States and Japan is the foundation for the security of Japan and peace in the Far East and is a major contributor to democratic freedoms and economic prosperity enjoyed by both the United States and Japan.

(2) Threats to both the United States and Japan have significantly increased since 1976, principally as the result of the Soviet Union's occupation of Afghanistan, the continued expansion and buildup of Soviet military forces (particularly Soviet expansionist efforts in the South Pacific and the buildup of the Soviet Pacific fleet), the Vietnamese occupation of Cambodia, and instability in the Persian Gulf region (from which Japan receives 60 percent of its petroleum and one-third of its total energy requirements).

(3) In keeping with the declaration made at the 1963 Williamsburg summit meeting that "the security of our countries is indivisible and must be approached on a global basis", the Japanese government has raised its defense spending by an average of 5 percent per annum since 1981, rescinded a limit on annual expenditures for defense of 1 percent of the gross national product, and is fulfilling Prime Minister Suzuki's pledge to defend Japan's territory, airspace, and sea lanes to a distance of 1,000 miles by 1990.

(4) Congress applauds the actions referred to in paragraph (3) that have been taken by Japan and the Japanese commitment to implement a 1,000 mile defense capability. However, Japan has the world's second largest gross national product, is a major creditor nation, has a large private savings rate, but lags far behind other industrialized democracies in terms of the percent of gross national product devoted to national defense expenditures and expenditures for global security and stability.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States would welcome an initiative by Japan to assume a politically acceptable and significant global security role consistent with its economic status by taking the following actions:

(1) Increase its Official Development Assistance program funding so that by 1992 it will be spending approximately 3 percent of its gross national product on such program.

(2) Devote increased Official Development Assistance expenditures primarily to regions of importance to global stability outside of East Asia, particularly Oceania, Latin America, and the Caribbean and Mediterranean nations.

(3) Devote any increase in its Office Development Assistance program primarily to concessional, untied grants and increase the portion of total expenditures made for such program for those multilateral financial institutions of which Japan is a member.

(4) Designate those nations that are to be recipients of its increased development assistance through consultation with its security partners.

(5) Expand its Official Development Assistance program without regard to its expenditures on defense, particularly expenditures for completion of the 5-year defense program for fiscal years 1986 through 1990.

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### DIXON (AND OTHERS) AMENDMENT NO. 687

Mr. DIXON (for himself and Mr. SIMON) proposed an amendment to the bill S. 1174, supra; as follows:

On page 114, between lines 13 and 14, insert the following new section:

SEC. . PROCUREMENT OF MANUAL TYPEWRITERS.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 2410. Procurement of manual typewriters**

"Funds appropriated to or for the use of the Department of Defense may not be used for the procurement of manual typewriters which contain one or more components manufactured in a country which is a member of the Warsaw Pact unless such country has a most favored nation trading status with the United States."

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2410 Procurement of manual typewriters.".

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### HOLLINGS (AND OTHERS) AMENDMENT NO. 688

Mr. HOLLINGS (for himself, Mr. GLENN, and Mr. WILSON) proposed an amendment to the bill S. 1174, supra; as follows:

At the appropriate place, insert the following:

"Subsection 1079(a) of title 10 is revised by striking the word "and" at the end of clause (13) and inserting therein a "semicolon", and by striking the "period" at the end of clause (14) and inserting therein the word "and", and by adding a new clause (15) as follows:

"(15) Coverage may be provided for electronic cardio-respiratory home monitoring equipment (apnea monitors) for home use when a physician prescribes and supervises the use of the monitors for infants who have had an apparent life threatening event, who are subsequent siblings of a Sudden Infant Death Syndrome victim, or whose birth weight was 1500 grams or less, in which case the coverage may include the cost of the equipment, hard copy analysis of physiological alarms, professional visits, diagnostic testing, family training on how to respond to apparent life threatening events, and assistance necessary for proper use of the equipment.

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### NUNN (AND OTHERS) AMENDMENT NO. 689

Mr. NUNN (for himself, Mr. WARNER, and Mr. WILSON) proposed an amendment to the bill S. 1174, supra, as follows:

On page 77, between lines 6 and 7, insert the following new section:

SEC. 644. AGE FOR NONTERMINATION OF SBP SURVIVING SPOUSE ANNUITY AFTER REMARRIAGE.

(a) RESUMPTION OF ANNUITY UPON TERMINATION OF DIC FOR REMARRIAGE.—Section 1450(k)(1) of title 10, United States Code, is amended by striking out "60" and inserting in lieu thereof "55".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply as if included in the amendments made by section 643(a) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3886).

On page 77, line 7, strike out "SEC. 644" and insert in lieu thereof "SEC. 645".

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### WARNER AMENDMENT NO. 690

Mr. WARNER proposed an amendment, that was subsequently modified, to the amendment No. 680 to the bill S. 1174, supra; as follows:

In the amendment numbered 660 strike out subsections (b) and (c) and insert in lieu thereof the following:

"(b) EXCLUSION OF PROHIBITION UPON ANNUAL CERTIFICATION OF THE SECRETARY OF DEFENSE.—The prohibition in subsection (a) shall not apply to those contracts in any fiscal year for which the Secretary of Defense certifies to Congress in writing before the end of such fiscal year that the research, development, testing, or evaluation performed under such contracts cannot be performed with equal competence by a United States firm at a price equal to or less than the price at which the research, development, testing, or evaluation would be performed by a foreign firm.

(c) EXCEPTIONS FOR CERTAIN CONTRACTS.—The prohibition in subsection (a) shall not apply to a contract awarded to a foreign government or foreign firm if—

(1) the contract was entered into before the date of the enactment of this Act;

(2) a significant part of the contract is to be performed within the United States; or

(3) the contract is for research, development, test or evaluation in connection with anti-tactical ballistic missile systems.".

(d) NATIONAL SECURITY EXEMPTION.—The prohibition in subsection (a) shall not apply in circumstances where the Secretary of Defense determines that application of such a prohibition would be contrary to the national security interests of the United States. *Provided*, That the Secretary of Defense communicates to the Armed Services Committees of the Senate and the House of Representatives his reasons for so determining within 30 days of awarding a contract to a foreign firm not exempted under subsection (c).

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### NUNN (AND OTHERS) AMENDMENT NO. 691

Mr. NUNN (for himself, Mr. QUAYLE, and Mr. WARNER) proposed an amendment to the bill S. 1174, supra, as follows:

Immediately following the section entitled "Prohibition Against Certain Contracts" (the amendment number 660 to S. 1174 offered by Mr. Glenn and others), insert the following new section:

SEC. . COOPERATIVE SDI RESEARCH PROJECTS.

(a) The prohibition in subsection (a) of section —— shall not apply to any contract awarded to a foreign government or a foreign firm by the Strategic Defense Initiative

Organization if that foreign government or foreign firm agrees to fund a substantial portion of the total contract cost.

(b) In this section, "foreign firm" has the same definition as in subsection (d) of section——

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### STEVENS (AND OTHERS) AMENDMENT No. 692

Mr. STEVENS (for himself, Mr. HEFLIN, Mr. COCHRAN, Mr. CHILES, Mr. KASTEN, Mr. GARN, Mr. GRAMM, Mr. DOLE, Mr. MCCAIN, Mr. RUDMAN, and Mr. PRESSLER) proposed an amendment to the bill S. 1174, supra; as follows:

On page 56, strike lines 3 through 13.

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### BINGAMAN (AND OTHERS) AMENDMENT NO. 693

Mr. BINGAMAN (for himself, Mr. GRAMM, Mr. DOMENICI, Mr. MCCAIN, Mr. WILSON, and Mr. WARNER.

On Page 8, strike out line 10 and insert in lieu thereof the following:

SEC. 123. AIR FORCE PROGRAMS.

On page 8, line 11, strike out "Funds" and insert in lieu thereof "(a) T-46 AIRCRAFT.—Funds".

On page 8, between lines 16 and 17, insert the following:

(b) A-7 CLOSE AIR SUPPORT AIRCRAFT.—Of the amount appropriated or otherwise made available to the Air Force for fiscal year 1988 for procurement of aircraft, $10,000,000 shall be available only for the procurement of equipment, facilities, and services for the modification of A-7 aircraft under the A-7 Plus program. None of such funds may be obligated until the Secretary of Defense has certified to Congress, in writing, that the A-7 Plus program is a cost-effective approach to modernizing close air support and battlefield air interdiction squadrons in the Air Force and the Air National Guard.

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### HELMS (AND OTHERS) AMENDMENT NO. 694

Mr. HELMS (for himself, Mr. ARMSTRONG, Mr. BOND, Mr. HATCH, Mr. HECHT, Mr. HEFLIN, Mr. SHELBY, Mr. SYMMS, Mr. THURMOND, and Mr. WILSON) proposed an amendment to the bill S. 1174, supra; as follows:

Add at the end of the following new section:

"SEC. . The sum of $310 million dollars is authorized to be appropriated for military assistance to the Nicaraguan Democratic Resistance for the period ending March 31, 1989; provided, however, that the funds authorized to be appropriated by this section shall not be obligated or expended if the President, on or before September 30, 1987, shall have certified to Congress the following:

1. That there be no Soviet, Cuban or Communist bloc bases established in Nicaragua that pose a threat to the United States and the other democratic governments in the hemisphere.

2. That Nicaragua pose no military threat to its neighbor countries nor provide a staging ground for subversion or destablization of duly elected governments in the hemisphere.

3. That the Nicaraguan government respect the basic human rights of its people including political rights guaranteed in the Nicaraguan constitution and pledges made to the OAS—free speech, free press, religious liberty and a regularly established system of free, orderly elections.".

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### SYMMS AMENDMENT NO. 695

Mr. HELMS (for Mr. SYMMS) proposed an amendment to amendment No. 694 proposed by Mr. HELMS (and others) to the bill S. 1174, supra; as follows:

Add at the end of the Helms Amendment 694 the following new section:

"SEC. . It is the sense of the Senate that the policy of the United States toward Central America should be based on the principles of the Monroe Doctrine, to wit: "the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Power * * * we could not view any interposition for the purpose of oppressing them, or controlling, in any other manner, their destiny, by any European Power in any other light than as the manifestation of an unfriendly disposition towards the United States.".

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### PRYOR (AND BUMPERS) AMENDMENT NO. 696

Mr. PRYOR (for himself and Mr. BUMPERS) proposed an amendment to the bill S. 1174, supra; as follows:

On page 163 between lines 11-12, "Blytheville AFB, AR, gymnasium, $2,750,000."

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## NOTICES OF HEARINGS

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of an oversight hearing before the Senate Committee on Energy and Natural Resources to receive testimony from Government and public witnesses regarding the implementation of the Reclamation Reform Act of 1982. The hearing is scheduled to take place on October 2, 1987, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

For further information regarding the hearing you may wish to contact Russell R. Brown, senior professional staff, telephone (202) 224-2366. Written inquiries regarding the hearing may be addressed to the Committee on Energy and Natural Resources, room SD-364, Dirksen Senate Office Building, Washington, DC 20510.

Mr. President, as my colleagues are aware, there have been serious allegations of abuse and circumvention of the acreage limitations established by the Reclamation Reform Act of 1982. In turn, the rules and regulations promulgated by the Department of the Interior for the implementation of the Reclamation Reform Act have been criticized as being inadequate to prevent possible abuse. In response to that criticism, the House included amendments to the Reclamation Reform Act in H.R. 2700, the 1988 energy and water appropriations bill.

Last week, during the Energy and Water Appropriations Subcommittee markup of H.R. 2700, the amendments to the Reclamation Reform Act were struck from the bill with the understanding that an oversight hearing on the implementation of the Reclamation Reform Act would be held by the Committee on Energy and Natural Resources. As I stated to my colleagues during the markup on H.R. 2700, I strongly support the intent of the House amendments in ending the possibility of abuse of the limitation of the Federal reclamation law; however, it is also my strong belief that this is an issue which cannot be clearly and definitively resolved without public hearings.

It is my intent that the October 2 hearing before the Committee on Energy and Natural Resources will assist the Senate in achieving an agreeable response to the House proposal contained in H.R. 2700 by the time of the conference. Toward this end, I will invite the severest critics of the acreage limitation program to present their arguments to the committee. In turn, I will have the Department of the Interior respond to those criticisms.

I would advise my western colleagues that resolution of the controversy surrounding the implementation of the Reclamation Reform Act is crucial if there is to be continued support by the public and the Congress of any further expansion of federally supported irrigated agriculture in the Western States.

### COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Wednesday, September 23, 1987, at 9 a.m., to conduct a business meeting. On its legislative agenda, the committee will be marking up S. 322, to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia; H.R. 60, to permit the Architect of the Cpaitol, under the direction of the Joint Committee on the Library, to accept gifts of money for the purchase of works of fine art for the Capitol, and for other purposes; H.R. 2249, to change the title of employees designated by the Librarian of Congress for police duty and to make the rank structure and pay for such employees the same as the rank structure and pay for the Capitol Police; House Joint Resolution 309, providing support for the Civic Achievement Award Program in Honor of the Office of Speaker of the House of Representatives; Senate Resolution 92, relative to expenditures by the Select Committee on Intelligence; an original resolution to permit amendments to bills implementing trade agreements under section 151(d) of the Trade Act of 1974 if such amendments relate to the domestic or foreign waterbourne commerce of the United States; and three original resolutions to pay gratuities to the survivors of deceased Senate employees.

On its administrative agenda, the committee will be considering an amendment to the Senate service pin regulations to permit awards to be made on the actual 12th anniversary of employment; an amendment to the Senate travel regulations which would establish a maximum rate for per diem expenses for Senate travelers; and the issue of the display of national, State, and Senate flags in the halls of Senate Office Buildings.

For further information regarding this business meeting, please contact Carole Blessington of the Rules Committee staff on 224-0278.

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a hearing during the session of the Senate on September 17, 1987, on the nomination of Robert H. Bork to be Associate Supreme Court Justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 17, 1987, to hold a hearing on the current status of U.S.-PRC relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, September 17, 1987, to hold hearings on proposed legislation relating to Presidential transition.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON AVIATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Aviation, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on September 17, 1987, to hold hearings examining the need for legislation restricting the types of fees imposed by airports on off-airport businesses.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SMALL BUSINESS COMMITTEE

Mr. BYRD. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Thursday, September 17, 1987, to hold a hearing on S. 818, a bill to provide permanent authorization for White House Conferences on Small Business.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON RESEARCH AND DEVELOPMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources, Subcommittee on Research and Development, be authorized to meet during the session of the Senate on Thursday, September 17, 1987, to receive testimony concerning S. 1480, the Department of Energy National Laboratory Cooperative Research Initiatives Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Environmental Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on September 17, 1987, to conduct a hearing on S. 559, S. 560, and S. 633, bills to study and control the disposal of plastic waste and to implement annex V of the International Convention for the Prevention of Pollution from Ships, as modified by the protocol of 1978.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADDITIONAL STATEMENTS

## RON REICHERT

● Mr. LEAHY. Mr. President, today is the birthday of the Constitution—and coincidentally, the birthday of a young man who spent much of his early youth on my staff—working to preserve and protect the virtues that Vermonters hold dear.

Ron Reichert of Middlebury, VT, joined my staff back in 1976 and when he left to pursue other interests last month, he was the Vermonter with one of the longest records of service in my office.

When Ron came to Washington, we were just beginning to put together a strategy to assist economic development in Vermont communities and promote ideas like downtown rehabilitation and the preservation of historic buildings and places that were too often sacrificed in the name of progress.

Ron worked hard with local community leaders, and together we found that by preserving and restoring the works of our ancestors, we were preserving the beauty of our communities. Vermonters were pleased—and our visitors were charmed. A new generation of tourism and population growth ensued without disrupting the normalcy of rural life in most of our small communities.

We worked to control what was happening by retaining the familiar landmarks that all of us had grown to know and appreciate.

Vermont absorbed much change—and it took a sensitive Vermonter like Ron to help make the transition a little easier—or at least, less traumatic than it might have been.

So I have lost an old and good friend to the natural inclination of Vermonters to strike out on their own—and move on.

I will miss Ron Reichert. Vermonters will miss him.

He worked hard to preserve Vermont's historical integrity and promoted its cultural institutions. He assisted in the economic resurgence in many deprived areas of our State while preserving our State's unique environment.

He worked with local officials to create housing programs for low-income families and through our office, channeled job opportunities and economic growth to rural areas, where the economic policies of the last 7 years have hit hardest.

On the national level, he worked for a strong and vital historic preservation program, and all States benefited from his work with the National Trust for Historic Preservation, and the National Conference of State Historic Preservation Officers and Preservation Action.

In short, Ron Reichert is one of those rare people who brings into Government both sensitivity and a talent for getting things done.

I miss him, and want to take this opportunity to tell my fellow Senators and the people of Vermont just how much this young Vermonter meant to me and to them in the 11 years he served as an aide and friend to all of us.●

## BICENTENNIAL OF THE U.S. CONSTITUTION

● Mr. BOSCHWITZ. Mr. President, I rise today to join my colleagues and all Americans in celebrating the 200th anniversary of our Nation's Constitution.

Last year, we marked the 100th birthday of the Statue of Liberty with great pomp and circumstance. The outpouring of patriotism was comparable to that of the Bicentennial in 1976. Today, September 17, 1987, we celebrate the Bicentennial of the U.S. Constitution, and this occasion should be approached with at least as much fervor as the milestones before it. Yesterday, on the steps of the Capitol

thousands of Americans listened to the words of our President, the leaders of both Houses of Congress, the Chief Justice of the Supreme Court, and the former Chief Justice of the Supreme Court, and Chairman of the Bicentennial Commission.

They not only heard their Constitution exalted, but enjoyed a spirited demonstration of patriotism. Yes, Mr. President; we are truly celebrating this milestone with great national pride. Today, I stand before my colleagues to remind them of the reason for all of the hullabaloo.

Some people have complained that we should not engage in such festivities over a document, that in their words was imperfect from the start. I would argue that, at least in theory, the U.S. Constitution is perfect. "How can you say that?" you ask. I contend that the perfection of the Constitution lies within the mechanisms for change incorporated by the framers.

The ability to improve the system established by the Constitution was demonstrated right from the start with the ratification of the first 10 amendments to the Constitution, the bill of rights. For 200 years the Constitution of the United States has remained the state-of-the-art social contract because of its flexibility and potential improvement. Over the years, amendments to the Constitution have overcome the shortcomings of the original documents. The 19th, 24th, and 26th amendments extended the rights of the franchise to, in order, blacks, women, and 18 year olds. All of the civil rights legislation was made possible by the 14th amendment.

Any builder will tell you that a well-built house needs a strong foundation. for our Nation, the Constitution is that foundation. As one whose family came to this country on the promise of freedom and justice, I cannot agree with those who would rather we ignore this watershed event in history. We have much to be thankful for and much to celebrate.●

## CONGRESSIONAL BUDGET ACT 302(b) ALLOCATION

● Mr. JOHNSTON. Mr. President, section 302(a)(2) of the Congressional Budget Act requires the Senate Budget Committee to allocate total budget authority, total budget outlays, and total credit authority among committees of the Senate. Each of the committees receiving a 302(a)(2) allocation is, in turn, required by section 302(b) to file its own report showing its respective allocation of those accounts to its own subcommittees. I ask that the subcommittee allocations for the Committee on Energy and Natural Resources be printed at this point in the RECORD.

The material follows:

COMMITTEE ON ENERGY AND NATURAL RESOURCES CONGRESSIONAL BUDGET ACT 302(b) ALLOCATION OF ACCOUNTS

*Subcommittee on Energy Regulation and Conservation:* None.

*Subcommittee on Energy Research and Development:*

Account Name: Department of Housing and Urban Development.
Housing Programs.
Community disposal operations fund.
Account Number: 86 4040 0 3 451.

*Subcommittee on Mineral Resources Development and Production:*

1. Account Name: Department of the Interior.
Bureau of Mines.
Helium fund.
Account Number: 14 4053 0 3 306.
2. Account Name: Department of the Interior.
Bureau of Mines.
Contributed funds.
Account Number: 14 8287 0 7 306.
3. Account Name: Department of the Interior.
Geological Survey.
Account Number: 14 8562 0 7 306.
4. Account Name: Department of the Interior.
Minerals Management Service.
Payments to States from receipts under Mineral Leasing Act.
Account Number: 14 5003 0 2 852.

*Subcommittee on Public Lands, National Parks and Forests:*

1. Account Name: Department of Agriculture.
Forest Service.
Forest Service permanent appropriations.
Account Number: 12 9922 0 2 302.
2. Account Name: Department of the Interior.
Bureau of Land Management.
Special acquisition of lands and minerals.
Account Number: 14 1117 0 1 302.
3. Account Name: Department of the Interior.
Bureau of Land Management.
Operation and maintenance of quarters.
Account Number: 14 5048 0 2 302.
4. Account Name: Department of the Interior.
Bureau of Land Management.
Miscellaneous permanent appropriations.
Account Number: 14 9921 0 2 302.
5. Account Name: Department of the Interior.
Bureau of Land Management.
Miscellaneous trust funds.
Account Number: 14 9971 0 7 302.
6. Account Name: Department of the Interior.
National Park Service.
Land Acquisition.
Account Number: 14 5035 0 2 303.
7. Account Name: Department of the Interior.
National Park Service.
Operation and maintenance of quarters.
Account Number: 14 5049 0 2 303.
8. Account Name: Department of the Interior.
National Park Service.
Miscellaneous permanent appropriations.
Account Number: 14 9924 0 2 303.
9. Account Name: Department of the Interior.
National Park Service.
Miscellaneous trust funds.
Account Number: 14 9972 0 7 303.
10. Account Name: Other Independent Agencies.
Advisory Council on Historic Preservation.
Donations.
Account Number: 95 8298 0 7 303.
11. Account Name: Department of the Interior.
Bureau of Land Management.
Miscellaneous permanent appropriations.
Account Number: 14 9921 0 2 852.

*Subcommittee of Water and Power:*

1. Account Name: Department of Energy.
Power Marketing Administration.
Bonneville Power Administration fund.
Account Number: 89 4045 0 3 271.
2. Account Name: Department Energy.
Power Marketing Administration.
Emergency fund, Western Area Power Administration.
Account Number: 89 5069 0 2 271.
3. Account Name: Department of Energy.
Power Marketing Administration.
Continuing fund, Southeastern Power Administration.
Account Number: 89 5653 0 2 271.
4. Account Name: Department of Energy.
Energy Programs.
Advances for cooperative work.
Account Number: 89 8575 0 7 271.
5. Account Name: Department of the Interior.
Bureau of Reclamation.
Colorado River dam fund, Boulder Canyon project.
Account Number: 14 5656 0 2 301.
6. Account Name: Department of the Interior.
Bureau of reclamation.
Reclamation trust funds.
Account Number: 14 8070 0 7 301.
7. Account Name: Department of the Treasury.
United States Customs Service.
Miscellaneous permanent appropriations.
Account Number: 20 9922 0 2 852.

*Full Committee:*

1. Account Name: Department of the Interior.
Office of the Secretary.
Operation and maintenance of quarters.
Account Number: 14 50552 0 2 306.
2. Account Name: Department of the Interior.
Territorial and International Affairs.
Compact of free association.
Account Number: 14 0415 0 1 806.
3. Account Name: Department of the Interior.
Territorial and International Affairs.
Payments to the United States territories, fiscal assistance.
Account Number: 14 0418 0 1 852.●

## UNIVERSITY OF ALABAMA COLLEGE OF ENGINEERING

● Mr. SHELBY. Mr. President, I am proud to rise today to give recognition for a job well done to the college of engineering at the University of Alabama as they enter their 150th year of service.

The University of Alabama has always been a step ahead in engineering education. The university initiated its engineering education program in 1837. It was the first engineering instruction in Alabama and one of the earliest programs in America. In early 1837, only 2 years after New York's Rensselaer Polytechnic Institute graduated the Nation's first engineers, the University of Alabama's board of trustees hired a "professor of mathematics, natural philosophy, and civil engineering." The first step had been taken. The university had distinguished itself as one of the first institutions in the United States to offer formal engineering education.

Even in the early years, when other institutions held rigidly to the classical education, university leaders believed that every educated person should be versed in the "scientific knowledge of the day." The foresight of these early leaders established an environment that nurtured the growth of the young engineering program.

In 1909, the college of engineering became a separate division of the university. Over the next 30 years, enrollment, faculty, and facilities grew significantly. The college's professional reputation rose steadily.

In 1936, when the Engineer's Council for Professional Development began its national accreditation program, Alabama once again stepped ahead as one of the Nation's first engineering colleges to be accredited. The University of Alabama College of Engineering has maintained continuous accreditation since the beginning of the education program.

Mr. President, continuing its proud tradition, the university looks to the future, leading the way in quality engineering education, in state-of-the art computer technology, in research that improves our lives, and in economic development through industry partnerships. I commend them for their past and eagerly anticipate their future.●

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## RECOGNIZING ELAINE LEWIS

● Mr. D'AMATO. Mr. President, from time to time I call attention of this body to the work of outstanding New Yorkers who have made important contributions to their chosen field.

One such person is Elaine Lewis. Ms. Lewis is an interior designer based in New York City. In view of her having designed more than 1,000 model apartments in the past 8 years, many view her as the "queen" of the model apartment.

Ms. Lewis's career began in the late 1960's, with an antiques shop on the upper east side. In 1972, Paul Milstein, a major New York developer asked her to design the model apartments in his building, the Dorchester Towers at 68th Street and Broadway.

Her work set the stage for what was to become a highly successful career. She has designed apartments for celebrities such as John McEnroe, Eartha Kitt, Tom Jones, Sidney Poitier, and members of the Rolling Stones.

With the techniques of creating visual rather than physical barriers, resulting in added privacy and openness; varying elevations and heights of furniture; creative sources of indirect lighting; distinctive modular components; and floating or hanging furniture and accessories, Ms. Lewis has designed apartments to an appreciative clientele.

Even the Friars Club, one of New York's exclusive men's clubs, opted for Elaine Lewis's touch as they set about the task of redecoration.

Her work on the Friars Club earned the attention of the New York Times. This project now stands as a monument to Ms. Lewis' talent and achievement.

Mr. President, the New York Times recently gave to Elaine Lewis the attention she has so well earned. I respectfully request that the article entitled, "A Woman's Touch at the Friars Club," which appeared in the August 9 issue be included in the Record.

The article follows:

[From the New York Times, Aug. 9, 1987]

### A Woman's Touch at the Friars Club

(By Leslie Bennetts)

Decades of cigar smoking had darkened the ceilings. The furniture was cracked and frayed, and the lighting was so dim that some rooms looked more like caves.

And so the Friars Club, a venerable meeting place for men that has endured as the haunt of many well-known show-business figures, decided to redecorate.

Although it is still very much a men's club, with strict rules barring women from the premises until 4 every afternoon, the Friars chose a woman for the job.

Nevertheless, old habits die hard. When Elaine Lewis showed up early one day for her first meeting, her male assistants in tow, she was politely told to stay out of the building.

"They asked me to go across the street to the coffee shop," recalled Ms. Lewis. "We had to sit and wait until I could be allowed in the club. The men here are wonderful, and lovely to work with, but I feel like I'm back in the 18th century."

Such inconveniences notwithstanding, the Friars Club has just completed the first phase of a three-year redecorating project, the first in many years to disturb entrenched habits, not to mention encrusted grime, in its five-story English Renaissance home at 57 East 55th Street.

"They had a major renovation in 1968, but since then we've had no real face lift," explained Jean-Pierre Trebot, the club's executive director.

"It's dark; it staid," he said of the club. "There's all this dark wood paneling. I guess that was pleasant at one point, but now people like airy things, light colors. We wanted to lighten up the whole environment."

The reason Ms. Lewis was chosen for the job was simple, according to Mr. Trebot. "Her proposal was the best," he said.

Ms. Lewis, an architectural space planner and interior designer, specializes in model rooms for real-estate developers. The Friars' building, she said, was "very old and tired."

"It's a beautiful town house, and they wanted to keep the beauty of the building but give it more of a new flavor," she said. "I offered what I consider to be a really new look for the club, with a limited budget."

The cost of the first phase of restoration was restricted to $90,000, and most of the changes Ms. Lewis has made to date are cosmetic, with an emphasis on cleaning, repainting and installing better lighting.

In the first-floor bar, the William B. Williams Room, where the red ceiling has been darkened by years of smoke and dirt, Ms. Lewis has the ceiling cleaned and marblized in a handpainted trompe l'oeil pattern in cream, ochre and light gray to match the real marble in the entrance. Ms. Lewis also installed new lighting.

#### NEW SHADES FOR BERLE ROOM

In the dining room, she lifted the center of the ceiling to make a recess that she papered in gold leaf. On the second floor, in the Joe E. Lewis Bar, Ms. Lewis illuminated the stained-glass emblems, installed limestone lighting sconces, added ivory shades and window draperies in a vivid print in teal, rust and beige, and put turn-of-the-century theatrical posters above the mantel.

In the Milton Berle Room she focused her attention on new window treatments: Translucent shades and ivory cotton brocade replaced the old draperies of heavy red velvet.

The only room to be thoroughly redecorated so far is the Frank Sinatra Room on the third floor. The original hand-carved linen-look oak paneling on the walls was refinished, and recessed neon lighting was put in around the moldings. The new furniture is black leather and there is a new crystal chandelier.

The Ed Sullivan Room next door also got a crystal chandelier and new window treatments, along with a thorough cleaning. The mahogany walls were painted white and glazed, and green trompe-l'oeil marble was painted around the fireplace.

The Friars Club has been in its present home since 1957, but like the building itself, which was constructed in 1909, the group's history goes back to the beginning of the century. It was originally an outgrowth of the Press Agents Association, organized in 1904 to identify and eliminate the "free pass" frauds who, posing as press agents, contrived to obtain complimentary admission to theaters. Two years later the membership was broadened to admit press representatives from around the country, and soon after the group began to stage the dinners honoring well-known men that have made it famous.

The Friars Club has 1,350 members, including the entertainers Alan King, Henny Youngman, Milton Berle, Buddy Hackett, Roger Moore, Red Buttons, Dean Martin, Burt Reynolds and Johnny Carson. Frank Sinatra is chairman of the board.

The club assures its show-business flavor by exercising a quota for "non-professional" members, those outside entertainment and related fields. No more than a third of the membership is made up of nonprofessionals, who pay an initiation fee of $6,000. Members in the profession pay $600.

Even if they are in the entertainment business, women may not join the Friars Club. They are barred from the third floor, but are permitted on the first and second floors after 4 P.M. The reasons for such rules have become murky.

#### "JUST ONE OF THOSE TRADITIONS"

"I don't really know why, to tell you the truth," Mr. Trebot said. "It's just one of those traditions people keep."

So far the membership appears to have reacted favorably to the club's redecoration, despite a few raised eyebrows at Ms. Lewis's occasional presence on the forbidden third floor.

But larger changes may be in the offing. Mr. Trebot said the club is in violation of a city law that prohibits the exclusion of women from clubs.

"The Club Association of New York State has appealed that law at the state level, the New York State Supreme Court has upheld the city law, and the Club Association is appealing at the Federal level," he said. "Our board feels that in all probability the Supreme Court will uphold the New York City law and that it's time to poll our membership on that subject, probably toward the end of September. Personally, I am confident that the membership will vote in favor of accepting women." ●

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## INFORMED CONSENT: MARYLAND

● Mr. HUMPHREY. Mr. President, I ask my colleagues to support my informed consent bill, S. 272. It would require that medical personnel inform women considering abortion about the possible effects of the procedure. My office has received hundreds of letters from women in every State in support of informed consent, and I ask that two letters from Maryland be entered into the Record.

The letters follow:

February 9, 1987.

Dear Sir: I wish someone would have told me. These are the words that echoed over and over again in my mind after I had an abortion in August of 1981. It doesn't really matter what my reasons were for having an abortion for I now know that I killed my child. Even as I was being wheeled into the operating room I wondered why no one was questioning what I was doing since this was a little more than getting my appendix removed. What do I wish someone would have told me?

I did not know that 1) my baby already had arms, legs, the beginnings of fingers and toes, eyes and the beginnings of a nose and two ears; 2) my baby had a functioning brain and the heart had been beating for a month; 3) the spinal cord was developing and there were the beginnings of a skeleton and 4) the liver was now functioning and beginning to produce blood cells. In short, what was growing inside of me was not a piece of tissue the size of a pinhead as my doctor told me but a tiny person who had everything that would be found in the fully developed human being.

I vaguely remember signing a piece of paper in the hospital which had something on it concerning alternatives and adoption but it was never explained to me. I know that if women were totally informed of what was going to take place, what her baby looked like and what emotional trauma she might have to deal with many lives would be saved. I am thankful I know a God who forgives and gave me another chance. I now have a healthy two year old son but often wonder about his older brother or sister.

I encourage you and others in Congress to do all you possibly can so that other women will be informed and not have to suffer through the tragedy that I did.

Sincerely,

Karen J. Collins.

Maryland.

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February 10, 1987.

Dear Senator Humphrey: In December of 1975, I was 10 weeks pregnant; an unemployed single parent with a 5-year-old son. How could I raise two children alone? These questions raced through my mind as I considered what to do. My parents could not help me. The fathers of my two children were not willing to share full-time family responsibilities. There was no one I could turn to for advice or help. I was lonely, confused, and afraid.

I could not see how I could handle the responsibility or expense of another child alone. There seemed to be no alternative but abortion, yet I felt deep inside that something was wrong with that solution. Nevertheless, one morning I went to the Laurel Clinic in Washington, D.C., to have an abortion. I didn't receive any formal counselling. They simply described the suction abortion procedure and said that it would take only a few minutes. Those few minutes scarred me for the rest of my life. I recall the cold and insensitive comments of the doctor . . ." Oh this one wants an abortion for Christmas—Uh huh . . . abortion now—pay later." I was already uneasy, but the doctor's uncaring attitude made me afraid, and I wanted to get out of that clinic as fast as I could. I wanted to scream "STOP!", but it was too late. The sedation I had been given had taken effect.

When I regained consciousness, I was already crying; I realized I had made a terrible mistake. My reasons for having the abortion now seemed weak and insignificant. The knowledge that something very precious in me had died weighed heavily upon me. My baby—a living soul—was gone forever. The sense of loss and grief was vivid, just as if someone close to me had died—which, of course, was true.

Through my tears, I could see two nurses walking another sedated woman to the couch area to recover. Then a few minutes later, another. I thought to myself, this is like a factory assembly line. There we all were, weeping for the children we would never see. Do you get the picture: weeping mothers and dead babies. This is the reality of the abortion scene.

Watching a T.V. program months later, I learned some medical facts. I found out that at 10 weeks my preborn baby was a fully formed human being that could even feel pain. I'd had the abortion thinking that the little embryo inside me was mere tissue, with only the potential for becoming actual human life. If only someone had been there to give me the facts about the child inside me. If only someone had been there to point out alternatives that would help me to accept and handle the responsibility instead of escaping it at the expense of my baby's life. I could have been spared the haunting grief and guilt.

One may ask, "How can she share this dark secret of her past?" The answer is simply, "God has done a miracle!" I realized that I had sinned greatly against God by taking the life of my little unborn baby. But Jesus Christ removed the self-destroying guilt and restored me physically, emotionally, and spiritually to a new life. I am so grateful for God's mercy that I want to help other women avoid trauma of abortion and consider their baby's right to life. Now I'm one of those people who stand outside abortion clinics with facts. I intend to be the kind of person that I needed when I was faced with a crisis pregnancy. With love in my heart, I can offer a message of hope, a message of responsibility, and a message of Life!

Sincerely for Life,

Sandra D. Walton.

Maryland.●

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## COMPETITION IN MOBILE COMMUNICATIONS

● Mr. GARN. Mr. President, this week in Washington, DC the International Space Communications and Technology Summit is bringing together the major figures in the rapidly changing world of space and satellite technology. Among them is Mr. Olof Lundberg, Director General of INMARSAT, the International Maritime Satellite Organization.

INMARSAT's satellites provide essential communications to the world's commercial shipping fleet, including those traveling the dangerous waters of the Persian Gulf. In addition, pending U.S. Government approval, INMARSAT is poised to provide similar communications services to international aviation community.

Mr. Lundberg is widely known outside of the United States for his determination to enhance civil air safety through new technology and telecommunications techniques. These objectives were the subject of Mr. Lundberg's remarks before his colleagues at the international summit. The text of Mr. Lundberg's remarks, "On Competition," is offered here in its entirety.

### Remarks of Mr. Olof Lundberg

#### I. INTRODUCTION

Today, the focus of my remarks is on competition in mobile communications, and with the pace of technical and service development, there is every likelihood that the competition will become even more intense in the future. The growing abundance of technology makes it possible to conceive of any number of systems concepts.

#### II. BENEFITS OF COMPETITION

There is today a considerable amount of competition in mobile communications, and with the pace of technical and service development, there is every likelihood that the competition will become even more intense in the future. The growing abundance of technology makes it possible to conceive of any number of systems concepts.

Today the maritime user, a yacht, a coastal trading vessel, an offshore drilling rig, a fishing boat or a cruise liner, can choose to communicate by a variety of means, such as conventional maritime radio in the VH, MF and HF bands, INMARSAT, perhaps domestic or regional fixed satellite systems or even CB and cellular radio.

Although INMARSAT is the world's only civil mobile satellite communications system, it is no stranger to competition. And there are no signs that competition is going to go away, even if we wanted it to. For my part, I welcome its benefits.

The Federal Communications Commission (FCC) recently and succinctly extolled the benefits of competition in mobile communications in this way: "Competition benefits the public when it maintains or improves service and enhances the economical and efficient provision of communication services." This is an important definition, especially if it is used as a yardstick in measuring the benefits of competition. Other considerations will include those relating to industrial stimulation and trade, but the user's need for safety, coverage and universality should be priority considerations.

Usually the benefits of competition are seen through the eyes of the user, but I would argue that the facilities provider can also reap benefits from competition. The explosive growth of cellular radio in many countries has shown that competition can benefit the facilities provider as well as the user. In the UK, where there are two competing cellular systems, both have more subscribers than they would have had, if one or the other had a monopoly. The cellular operators have revised their forecasts upwards ever since the service began two and a half years ago.

In an ideal competitive environment, the pricing of services and equipment is keenly sensitive to market forces. The market for competing facilities providers is stimulated and grows faster. New services are introduced faster than might have been the case if competition were lacking. Competition even has a salutary effect on the staff of facilities providers as they tend to keep a closer eye on the bottom line and on market share. Staff are lean and hungry. It inspires creativity and encourages productivity.

As a facilities provider, INMARSAT helps stimulate development of technology and services as well as competition by offering free use of its systems for tests and demonstrations to those who will probably become competitors to INMARSAT in the next few years. Most recently, NASA has applied to comsat for free use of the INMARSAT system for testing land mobile satellite terminals which would be used by the mobile satellite (MSS) consortium in competition with INMARSAT.

Furthermore, recognizing the prospect of competition, INMARSAT did not seek a monopoly for the provision of aeronautical satellite services.

Competition can make the pie bigger for all. Our competitors will help us, as we have helped and will help them, to stimulate interest in mobile satellite communications.

### III. THREE TYPES OF COMPETITION

INMARSAT faces competition in at least three ways.

#### *1. Inter-modal competition.*

The first is inter-modal competition. INMARSAT was established to improve maritime communications. Before the advent of mobile satellite services, maritime communications were provided on the high seas by HF radio, which suffers from interference, congestion, irregular coverage and lack of privacy. Even though the reliability and immediacy of satcoms have been proven for many years, INMARSAT still faces competition from HF radio for three main reasons.

First, HF radio, unlike INMARSAT, is often subsidized around the world. Cost-based pricing has yet to arrive in most countries.

Second, a ship over 1600 tons, operating on the oceans, must carry an HF radio station and a radio officer according to the international Convention. This Convention came into force long before INMARSAT began operations, so no provision was made for satcoms. Thus, even today, several years after INMARSAT came into being, the ship must still carry HF equipment and a radio officer, who has passed a proficiency test in Morse code, even if the ship is equipped with satcoms. It will not be until 1991, when the Global Maritime Distress and Safety System (GMDSS) is introduced, that ships over 300 tons will be able to choose INMARSAT as an alternative to HF and dispense with the services of the radio officer, since satcoms are as easy to use as the plain old telephone.

Third, with the advent of INMARSAT, HF operators who may have been complacent about having a maritime market to themselves are now fighting back aggressively with new technology and improved services.

I have already mentioned other forms of inter-modal competition, including even cellular radio, such as those cellular systems operating in the Gulf of Mexico, Scandinavia and UK. Cellular systems and other evolving terrestrial technologies are already and will be increasingly competitive with satellites due to their high capacity, high quality service in areas where there is a reasonable mobile user population.

#### *2. Intra-system competition*

The second type is intra-system competition, which was built into the INMARSAT system in a number of ways when the Organization was created. INMARSAT itself only operates the satellite system. Services to end users are provided by INMARSAT Signatories. The operators of coast earth stations, that is, the interface between the satellite and the public switched networks, compete with each other. A vessel can route its traffic through any coast earth station of its choice in each ocean region. INMARSAT is in a unique position in which many of its owners are in competition with each other. There is thus a strong and healthy competition between, for instance, Comsat and British Telecom in the provision of INMARSAT services.

#### *3. Inter-system competition*

The third type is inter-system competition. Until now, INMARSAT, as the world's only civil mobile satellite system, has not faced inter-system competition from other mobile systems. When the Organization was created, countries did not believe that the markets were sufficiently big to justify individual national systems. So they banded together to create an international system, open to all countries.

Even in the short space of five years, however, it has become apparent that there is a body of opinion which believes there is a market potential that could justify establishment of separate domestic or regional mobile satellite systems. While INMARSAT inevitably face inter-system competition, it is not yet clear whether INMARSAT will be entitled to compete with domestic or regional systems which will certainly compete with INMARSAT for international traffic.

The FCC, in its MSS NPRM, envisaged and still envisages a domestic monopoly. Does the FCC's vision suggest that a protective fence should be put up around North America? There are hundreds of aircraft flying in and out of the United States every day and thousands of vessels sailing in and out of your coastal waters. Will users be forced to switch from INMARSAT to a U.S./Canadian MSS Monopoly or from MSS to INMARSAT at those borders?

### IV. A PERSPECTIVE ON COMPETITION

Despite the many apparent benefits of competition, I would be less than forthright if I did not also signal a few concerns about the implications of competition, which must, I believe, be seriously contemplated if one is not to be cast as an ideologue.

There has to be a concern that markets are not as big or do not materialize as quickly as expected. The financial risks are very considerable indeed. Arinc has estimated its AvSat system would cost $1.1 billion. The MSSLP estimate $330 million to support a single satellite.

While the financial risks are significant, or even staggering, commercial enterprises are the ones to bear this risk. INMARSAT has the additional obligation under international law to provide distress and safety services, a requirement which competitors will not bear.

The problem of funding non-commercial, but important-to-life safety communications in a competitive environment needs to be resolved. For maritime and aeronautical safety services, coverage, reliability and availability are essential. Users will also need to be assured of the durability and long term commitment of facilities providers. Who is going to fund coverage and service in areas, such as the South Atlantic or Indian Ocean, which don't generate enough traffic to be economically viable? So far, only INMARSAT.

While inter-system competition is inevitable and unquestionably will yield benefits, most of those benefits will accrue to the industrialized countries on which MSS spot beams will be focused. Spot beams and higher IRP in the satellite could help to reduce the costs of the mobile terminals and user charges where the market is big enough. I am less sanguine about the benefits to developing countries. Covering the high costs and considerable financial risks involved in developing mobile spot beam satellites will depend on a sufficiently viable market. Spot beams may be justified in North America and Europe, but it is doubtful that they can be economically sustained in the case of Africa, the South Pacific and other areas.

#### *Technical concerns*

The biggest barrier to effective competition in mobile satellite communications may well be technical. Comparing competition between fixed satellite systems and mobile satellite systems is like comparing apples and oranges. There seems to be a growing appreciation amongst policy-makers of the significant differences between the two types of services. Simply stated, the small mobile antennas illuminate the whole geostationary orbit and thus can cause interference to other satellite networks operating in the same frequency bands. With fixed satellite services, two-degree spacing between satellites is possible. In the mobile satellite services, even 30 degree spacing is problematic.

The International Frequency Registration Board (IFRB) has now been notified of several networks proposed for operation in the aeronautical mobile satellite service (AMSS) band: by the U.S. USSR, Canada, Japan, INMARSAT, Australia, Papua-New Guinea and, just a month ago, France. There is no reason to believe that the IFRB will not be notified of still more L-band networks. NASA said recently that "intersatellite interference has become a serious concern."

With respect to the US and Canadian MSS satellites alone, the Mobile Satellite Service Limited Partnership (MSSLP), in its 4 September filing to the FCC, says that "it would be extremely difficult to obtain adequate isolation between the two nations' satellites, even at orbital separations of 30 degrees or more."

The MSSLP says "An interference analysis was done to determine the potential for harmful interference between the proposed mobile satellite system and other systems using the L-band frequencies. . . . The results indicate that coordination will be required between the proposed MSS and the Volna system and between the MSS and PacStar system . . . coordination will (also) be required in the next generation of INMARSAT satellites."

At this point, it would seem that means chopping up the L-band for each of the players. This solution is already apparent in the MSSP arrangement, in which the consortium says in its 27 July filing, "During nominal operation the Canadian spacecraft will utilize 6.75 MHz." That's the solution for the U.S and Canadian MSS satellites, but even the amount of spectrum will diminish following coordination with INMARSAT, Volna and PacStar, to say nothing of the networks which may yet be notified.

Subsequent to the filing, however, John Kiehler, President of Hughes Mobile Communications Company, said that dividing frequency among consortia isn't acceptable, because the band already may have too little capacity. "Dividing the frequency," he said, "would substantially impair the economics of the system."

Nevertheless, technical coordination will be necessary. The problem I have with this process is the following: INMARSAT's first three second-generation satellites will operate in 3 MHz of the existing aeronautical (R) band. More will be needed for further satellites. None of the countries planning their own domestic or regional mobile satellite systems has supported our notification to the IFRB for even 3 MHz internationally, even though most of them have filed for the full 14 MHz in the AMSS band. How can those countries planning their own domestic or regional satellite systems reasonably and credibly argue that they need the full 14 MHz for domestic systems while INMARSAT and the rest of the world deserve nothing?

I find considerable irony in the MSSLP filing's comment that "It is less efficient to provide exclusive frequency allocations for each country desiring to use the mobile satellite system. However, the proposed system architecture makes it possible to provide a share of the system's capacity to any nation that wants it." Some spectrum managers do not seem to have recognized that the available mobile satellite spectrum, of which there is such a shortage, will have to be shared by a large number of national, regional and international systems. But when the time comes, how will it be shared? Will there be an international auction of spectrum? Will there be an international lottery? Will the last come be last served? Will it be regulated, and if so, by whom, the ITU? Will it be shared equally among all contenders? Will it depend on who has the greatest lobbying clout? Will aeronautical and maritime safety needs be a factor? Some degree of relief can be found through frequency reuse which will be technically feasible in the 1990s. Commercially realistic solutions which would provide significant frequency reuse within the visible geostationary orbit, however, are not likely to be feasible for many years to come.

### V. PROMOTING COMPETITION

I would now like to note a few ways in which competition could be promoted. Some of the following items raise a number of difficult technical and policy questions, but I believe if the user and facilities providers are going to fully benefit from competition, the resolution of these issues would serve us all well.

#### *1. Subsidies*

As I have mentioned, HF radio is often subsidized by other services or by governments around the world—despite the well-known limitations of HF radio. Tax-payers' subsidies of HF radio users slows down the growth of more efficient technologies, such as satcom. It doesn't and won't stop that growth, but it does slow it down.

The domestic mobile satellite communications systems also enjoy subsidies (as well as having been accorded monopoly protection)—from guaranteed government markets, government-sponsored research and development and market studies. Some time ago, a free launch was even on offer. INMARSAT enjoys no such subsidies.

#### *2. Vertical integration*

I noted with interest that the MSSLP filing says that the MSSLP would procure spacecraft from Hughes and various marketing and other goods and services from the principals of the MSSLP.

By comparison, INMARSAT is required by its Convention to encourage world-wide competition in the supply of goods and services. We develop and provide equipment specifications to any manufacturer, and thereby support the strong competition which now exists in the supply of hardware to INMARSAT as well as end users. As it happens, US manufacturers have received three of the four contracts we awarded for aeronautical antennas and avionics, or about 60 percent of the overall value. The payloads for our second generation satellites are also coming from the US, and three of the five launch contracts we have are with the US.

I can anticipate a growing concern among our owners, however, about procuring satellites in the future from suppliers who are direct competitors to INMARSAT in the provision of service.

#### *3. Institutional, legal and regulatory barriers*

Policy issues in mobile satellite communications are becoming complex. There is a grave risk that the need to resolve these issues will delay the introduction of new services, and an even greater risk that some competitors will deliberately use the courts, regulatory and legislative bodies to delay the introduction of new services by those with whom they are or want to be in competition.

When licensed, the MSS consortium will be able to provide a wide range of services to a wide range of users. Such services include maritime, aeronautical and land mobile communications, position determination and a rural telephone service. By contrast, INMARSAT will have spent more than four years since the amendment process was initiated before its aeronautical amendments come into force. The Department of State has said it is "examining the merits of either initiating or supporting . . . amendments so that INMARSAT may, in the future, have the authority to extend its space segment offerings to include land mobile satellite services, as a further natural and efficient extension of its technology and maritime role.

This proposal is, of course, of interest to us, especially if additional L-band spectrum could be found for land mobile telephony, but we recognize that it is unlikely that new amendments giving INMARSAT the institutional competence to provide land mobile would come into force in a period any shorter than the aeronautical amendments. Thus, while our competitors will be able to offer a full range of services, including rural telephony (i.e., using the mobile frequencies for a fixed service), from the outset, INMARSAT will be obliged to go through a painfully slow process to have our Convention amended, which will hamper our ability to compete effectively against those who do not need to go through such an amendment process.

In my view, the benefits of competition could be enhanced if INMARSAT were entitled to offer similar services to those of its competitors, and if it has greater flexibility to respond to changing service requirements and market demands as our competitors have or will have.

With a multiplicity of mobile satellite systems, standards will also become an issue. Standards should not be seen as a barrier to competition. Rather, they will promote competition, will give manufacturers some assurance of viable markets, will allow users to choose the best service provider (assuming inter-system operability) and, perhaps most importantly, will allow the user to use his equipment wherever he goes. Conversely, the standards-setting process should not be used as a way to block progress and the early availability of new services.

#### *4. Pricing and economies of scale*

In a competitive environment, where facilities providers offer a range of services, there is a risk that one service may be used to subsidize another. INMARSAT does not expect one community to subsidize the other. Neither our maritime users nor aeronautical users would accept cross subsidizing each other in any event.

There are nevertheless important economies of scale to be achieved by the maritime and aeronautical communities. These economies come from shared use of the space segment and infrastructure. The larger user base should lead to lower space segment charges for all.

Achieving economics of scale is particularly important in mobile satellite communications because of doubts about the potential market size and, especially, about how fast the markets can be penetrated. While the MSSLP believes there is a vast market for MSS, they note that "The principal uncertainty is how rapidly the target market will be penetrated." This uncertainty makes the need to achieve economies of scale all the more important. It also sheds doubt on the viability of a mobile satellite system dedicated to a single service.

Indeed, it was the belief in the need to achieve economies of scale that prompted the international community a decade ago to cooperate in the establishment of INMARSAT, a system that would be shared by and open to all nations. It was thought that a single system operated by a single country would not be economically viable. Over the last decade, however, that view has changed, as evidenced by the growing interest in the development of separate mobile satellite systems. However, this change makes it even more necessary to permit each of the system operators to have similar flexibility, and thus be able to serve an appropriate aggregation of the potential markets.

### VI. REGAINING THE MOMENTUM

There seems to be an increasing awareness of the complex technical difficulties in sharing and reusing the mobile spectrum. Moreover, there seems to be a willingness to search for solutions. Technical coordination is going to be extremely difficult, as all of the players in the mobile satellite business recognize. A high degree of cooperation, understanding and fair play will be needed to resolve this difficulty. As the US, which together with Canada, has led the world in the development of mobile satellite communications, US leadership on this issue will be crucial.

In this context, I noted with interest the comment by the Department of State before the Senate subcommittee on telecommunications on 9 July 1987 in its "continuing reassessment of INMARSAT's future role in light of technological and economic changes . . . (that) INMARSAT could consider launching and managing space segment which would not be part of INMARSAT's global network . . . In this way, INMARSAT would be able to meet user demands for space segment ownership and greater control, and could combine its experience and its economies of scale with many of the advantages of separate mobile satellite systems."

I also noted the US proposal that INMARSAT's Convention should be amended to enable the Organization to provide land mobile satellite services. Low speed data land mobile communications, being very spectrum efficient, could be accommodated in the maritime mobile satellite band, but land mobile telephony would require much more spectrum. Let us hope that the World Administrative Radio Conference, which starts in Geneva today, will find a way forward without prejudicing the needs of the aviation community.

We have had informal discussions with many of the players in mobile satellite communications in the US, Canada, Europe and elsewhere. I detect a willingness to search for solutions as to how the competitors can cooperate at the space segment level to make the most efficient use of the spectrum while competing at the service level to ensure that the users obtain the best quality and best service possible.

There will inevitably be competition between INMARSAT and some of the domestic and regional mobile satellite systems. There will also, however, have to be cooperation in resolving some of the technical difficulties in coordinating a multiplicity of systems, all wanting to use the same scarce spectrum.

It remains to be seen how the various competitiors for the AMSS band will share the spectrum, but share it we must. I truly believe that through satellite technology we now have the capability of providing communications for anyone anywhere, even while he or she is on the move—in the air, over the seas or on land. Making that happen is up to us. The competitive spirit will provide the impetus. If some barriers to competition can be removed, and delays in the provision of new services reduced, all users will benefit from the multiplicity of choice they deserve.●

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

Mr. BYRD. Mr. President, does the distinguished acting Republican leader, my good friend, Senator WARNER, from the great State of Virginia have any further statement or actions that he wishes to transact?

Mr. WARNER. Mr. President, I wonder if the distinguished majority leader would indulge me for a moment?

Mr. BYRD. Certainly.

Mr. WARNER. Mr. President, I just have been handed a letter from the President of the United States addressed to the Republican leader. I feel as if as a matter of courtesy the manager of the bill should be present at which time I will read the letter.

I was not aware that it had arrived. It has arrived. I think this matter should be addressed this evening.

So I am wondering. I know the distinguished chairman of the Senate Armed Services Committee is in the immediate area. Therefore, with the concurrence of the majority leader, I would suggest that we either pause for a minute or put in a quorum. He was proceeding to the Sergeant at Arms Office when I last spoke with him just 2 minutes ago.

Mr. BYRD. Certainly, whatever the distinguished Senator from Virginia wishes, either a quorum or we will certainly see if we can locate the manager.

Mr. WARNER. Mr. President, I see the presence of the distinguished chairman of the Senate Armed Services Committee, and I would like to indicate that I have just been handed a letter that has been forwarded to the Republican leader by the President of the United States.

I was unaware that the letter would arrive at this moment, but I believe it is important that I read this letter—it is short—before we conclude the events of the evening. It may be that the distinguished chairman would like to make a few comments.

Mr. NUNN. Mr. President, I have just read the letter and I appreciate the Senator from Virginia sharing it.

I do not see anything new or surprising about the letter. The President says he is opposed to the Levin-Nunn amendment, and he has been opposed to it all along. He also says that he will veto the legislation if it contains the Levin-Nunn amendment—the same thing he said all along. Senators understood that and knew that when they voted.

Mr. WARNER. Mr. President, I am about to read a letter dated today to the distinguished Republican leader, Mr. DOLE:

"DEAR BOB:

"I was pleased to receive your letter, cosigned by thirty-three of your colleagues, concerning the Levin-Nunn Amendment to the Defense Authorization bill. In this regard, I want to register my profound disappointment that, despite your efforts, the Senate has voted to restrict unilaterally our ability to conduct SDI tests.

"My Administration has given repeated assurances that we would consult fully with the Congress before making any decision to restructure the SDI program according to the broad interpretation of the ABM Treaty. Nonetheless, the Senate has chosen to preempt these consultations by the action it has taken today.

"The Levin-Nunn amendment imposes unilateral restrictions on the United States that are not enforceable on the Soviet Union. It undercuts our position in sensitive negotiations with the Soviets, and it could undermine prospects for achieving effective strategic defense. I must reiterate that I will be left with no alternative but to veto this legislation if it reaches my desk with the restrictions contained in the Levin-Nunn Amendment.

"Sincerely,

RONALD REAGAN"

Mr. President, that concludes the matters on this side for the day.

Mr. BYRD. I thank the Senator, and I thank the distinguished Senator from Georgia.

## COMMENTS BY MAJORITY LEADER ROBERT C. BYRD ON SENATOR BIDEN

Mr. BYRD. Mr. President, it seems to me that it would be appropriate today to say a few words about our colleague, the distinguished Chairman of the Judiciary Committee, Senator BIDEN.

Senator BIDEN is a man of good intentions, who means well for America. His credibility is good with me. He has never misrepresented himself to me in any of our dealings.

In all the years that I have known this accomplished Senator and Chairman of the Judiciary Committee, I have witnessed nothing other than the highest moral and family values, and a most sincere dedication to Congress, the country, and his constituency.

## RECESS UNTIL 8:20 A.M. TOMORROW

Mr. BYRD. Mr. President, If there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 8:20 a.m. tomorrow.

The motion was agreed to, and at 9:17 p.m. the Senate recessed until tomorrow, Friday, September 18, 1987, at 8:20 a.m.

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# EXTENSIONS OF REMARKS

## BOY SCOUTS TO HONOR HAROLD "TONY" ZENZ

### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. BROWN of California. Mr. Speaker, today I wish to pay tribute to a most dedicated and generous community servant, Mr. Harold "Tony" Zenz. Since graduating from the University of Southern California with a degree in business administration, Tony has contributed much of his life to public service. Tony has spent many distinguished years with the county of San Bernardino, serving first as planning director for 4 years, and then as chief administrative officer for 10.

After retiring from county service in 1958, Tony entered private business with the Safeco Title Insurance Co. As he had at the county of San Bernardino, Tony again demonstrated his considerable administrative skills. When he retired from Safeco in 1975, Tony held the position of vice president and manager of Safeco's San Bernardino office.

Tony's dedication to worthwhile causes in the Inland Empire is reflected by his extensive association with community groups. For 13 years he was a member of the Ontario-Montclair School District Board of Trustees, chairing the group of 10 years. In addition, Tony has served as a trustee of the San Antonio Community Hospital for 16 years; chairman of the San Bernardino County Probation Committee for 5 years, and a member for 9; a member of the board of the National Orange Show for 6 years; director of the Friends of Ontario Airport; a member of the West End YMCA Board of Directors for 5 years; and a participating member of the United Methodist Church.

Tony's business and administrative expertise, along with his active commitment to a wide range of community interests, make him one of the Inland Empire's most valuable assets. Tony is currently serving as chairman of a major fundraising drive to restore the Gardiner W. Spring Auditorium. He has also been approached to serve on the board of the Ontario Community Foundation, and other groups that distribute financial grants in the area.

Because he has demonstrated such a deep commitment to community service in my district, I am joining the Old Baldy Council of the Boy Scouts of America in honoring Harold "Tony" Zenz as "Good Scout of the Year."

## TRIBUTE TO DR. C. LEIGHTON ERB

### HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. WELDON. Mr. Speaker, on September 30, the residents of Tinicum Township will be holding a retirement banquet for Dr. C. Leighton Erb, the pastor of St. John's Evangelist Episcopal Church.

Dr. Erb has served the community and people of Tinicum Township for over 15 years. Dr. Erb has selflessly dedicated himself to serving the Lord by ministering to the sick, the poor, and the hungry of our community.

Mr. Speaker, Tinicum Township Board of Commissioners president, Thomas Giancristoforo, summed up Dr. Erb's success by stating, "Dr. Erb has always been there to assist the people of our town in their times of need. He has ministered to all those in need both members and nonmembers of his congregation." Today, all of Delaware County pays tribute to this dedicated servant.

## A TRIBUTE TO BILL WEST

### HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. KOLTER. Mr. Speaker, I rise today to honor an outstanding resident of my Fourth Congressional District in western Pennsylvania, Mr. William F. West, as he retires from the Social Security Administration after 27 years of dedicated service.

Known as "Mr. Social Security" in New Castle, Lawrence County, where he has lived and worked since 1979, Bill West was born in Boyers, PA, and later attended Grove City College.

Mr. West has worked for the Social Security Administration since Feb. 1, 1960, starting as a clerk in the accounting operation branch in Boyers, PA. Since then he has advanced to his current position as assistant manager.

A good father to his three children, Robert, Dan, and Cynthia, and a good husband to his wife Delores, Bill West has been an active member of the local Council on disability, the Blind Association, and the Lions club. He serves on the board of the Blind Association.

Mr. West is to be honored by his coworkers with a dinner on September 26, 1987, at 7 p.m. at Parkstown Lounge in Union Township, Lawrence County.

With great pleasure, I take this opportunity to inform my colleagues in the U.S. House of Representatives of Bill West's untiring efforts on behalf of Lawrence County. I join Bill's many friends and tip my hat to this man's community efforts. He appears at numerous functions and is always willing to stop and listen to the concerns of the public.

Best of luck to you Bill on your retirement. thanks for all you have done. You are a living tribute to Pennsylvania.

## IS GLASNOST REALLY ALL IT'S CRACKED UP TO BE?

### HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. EVANS. Mr. Speaker, for months now Members of Congress have been working to bring about the early release of Soviet prisoner of conscience Alexei Magarik from the confines of a Siberian prison, in hopes that he and Natalia Ratner could immigrate to Israel and be reunited with their father and sister. But despite our efforts, even in this period of declared "openness" in the Soviet Union, the Soviets seem to have paid little attention to our pleadings. Despite the fact that Alexei Magarik was jailed on trumped-up charges, is experiencing failing health and torturous jail conditions, has never had access to any secret information, and in no way poses a risk to the security of the Soviet Union, the Soviets did not free Magarik until Monday, just 1 day prior to his previously announced release date.

This is not to say, however, that we in Congress are not extremely gratified by the release of Alexei Magarik and the recent granting of exit visas to other well-known refuseniks. This is to say that we in the United States should keep our guards up even as we applaud these encouraging announcements. A recent event with which I was directly involved causes me to remain skeptical about the sincerity of Soviet intentions regarding their "openness" policy. On July 24 of this year, I attempted to submit to the Soviet Embassy a legal petition on behalf of Magarik. After speaking to two Embassy officials in the morning, one of my aides, Adam Sachs, went to the Soviet Embassy in the afternoon to deliver the petition. Not only was he not allowed to speak to any Embassy officials, but the gentleman at the front office refused to even take the document. In the words of the gentleman at the reception area, "I don't think you will have success. I don't think they will be interested." If this remark is any indication of Soviet attitude, I find it extremely troubling in this period of glasnost that no one in the Soviet Embassy cares about the legitimate concerns of Members of Congress and other interested citizens.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## MARION STACKHOUSE

### HON. JIM JONTZ

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. JONTZ. Mr. Speaker, I would like to take a moment to pay tribute to one of the most important figures in Indiana agriculture, Marion Stackhouse, who passed away Saturday, September 15. It would be very difficult to overestimate the many contributions Mr. Stackhouse has made to Indiana's agricultural community. Since 1950 he worked up through the ranks of the Indiana Farm Bureau to help lead it through a turbulent period in American agriculture. Mr. Stackhouse worked actively on a wide range of agricultural issues, and was involved with several boards and agencies. He was a graduate of Purdue University and a World War II veteran. I am very thankful for having had the opportunity to work with Marion Stackhouse. He will be sorely missed.

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## BICENTENNIAL OF THE CONSTITUTION

### HON. JAMES M. INHOFE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. INHOFE. Mr. Speaker, in this 200th year of our Constitution, it is important that we all take time out to consider how far we have come and how far we still have to go to form the perfect union. In 1787, 55 men of common means came together to compose a document that has guided our great country for 200 years. Ours is the only country whose foundation has been strong enough to withstand the revolutions that have brought every other government down. This can only be attributed to this exceptional document.

I am proud of this document and all that it stands for. I only hope that we can maintain the original concepts that molded it and brought this country to where it is today. There are many pressures today to increase the powers and influence of the Federal Government over those of States and cities. This same struggle was on the minds of the delegates over 200 years ago. Only today the scope of the Government has mushroomed beyond the dreams of even the most ardent Federalists of the 1780's. Today there are some who would turn the Federal Government into the babysitter of the American people, creating the "cradle-to-grave" doctrine popular in the Socialist countries of the world. I cannot stand for this and neither would the founders of this great country. This document has lasted because of the idea that those who govern least, govern best.

Our Government is of the people, by the people, and for the people, not of the Government, by the Government, and for the Government. The Government should exist only for the people and not for its own preservation. When the Government begins to feed off the people in order to sustain its own excesses, it has grown too large. That appears to be what we confront today. The Government is taking an ever-larger chunk of people's paychecks. This is a sure way to destroy our free enterprise system and in doing so dash the hopes and dreams of the American people.

The Constitution of the United States of America will stand as one of the greatest documents ever published. On September 17, 1787, 39 delegates who signed the Constitution expected the new charter to provide a permanent guarantee of the political liberties achieved in the Revolution.

I urge all Americans to study the Constitution during this 200th anniversary in order to learn more about the most important document in all of our lives.

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## TWENTY-FIVE YEARS OF POLISH SONG FROM MILWAUKEE'S NEW LIFE CHORUS

### HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 16, 1987*

Mr. KLECZKA. Mr. Speaker, as the Representative of Wisconsin's Fourth Congressional District which contains much of Greater Milwaukee's Polish community, I would like to take this opportunity to extend my warmest congratulations to the New Life Chorus and its gifted director and founder, Mr. Janusz Oksza-Czechowski, on the 25th anniversary of the chorus' birth.

As a proud Polish-American, I am fully aware of the New Life Chorus' dedication to the perpetuation of Polonia. I am grateful that the chorus has preserved cherished elements of our shared heritage in its annual Christmas concerts and their other fine performances throughout the year.

It is particularly appropriate that the New Life Chorus, which was organized to commemorate Poland's Millenium of Christianity in 1966, celebrates its silver anniversary as his Holiness, Pope John Paul II, the champion of the Polish church and the first of its sons to assume the papacy, once again visits our beautiful Nation.

May I close in wishing my friends and constituents in the New Life Chorus, Polish Singers Alliance of America No. 305, a very happy 25th anniversary and many more to come in the fine tradition that they have created for Polonia in Milwaukee.

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## LEGISLATION TO IMPROVE THE SHIPPING LAWS AND PROGRAMS OF THE UNITED STATES

### HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. DAVIS of Michigan. Mr. Speaker, I rise today to discuss four bills I have introduced this week that, I hope, will in different ways help correct the precipitous decline in the U.S.-flag merchant marine fleet and address programatic problems in Government programs. In recent weeks, the United States has acted forcefully in the Persian Gulf to guarantee the principle of freedom of navigation. Protecting this principle is proper for a nation dependent on the flow of trade across the oceans. No one disputes that trade is the life blood of this Nation and freedom of the seas is absolutely essential for trade to be carried on. It seems hollow, however, to protect the freedom of the seas only for foreign-flag merchant fleets. In the years immediately following World War II, the United States had the largest merchant fleet in the world. It was a fleet that carried desperately needed material to rebuild the war torn nations of the world. It was a fleet that provided jobs for mariners and shipyards and contributed positively to our balance of trade. It was a fleet that contributed to our national security by assuring the availability of a sealift capacity for our military and industrial base in time of war or national emergency. Today that fleet and the shipyards that once supported it are almost extinct and I believe that action must be taken now to correct this dangerous condition. The bills I introduced this week, each in their own way, address problems in our maritime industry and seek to correct some of them.

#### OPERATING-DIFFERENTIAL SUBSIDY PROGRAM

The "Vessel Operating-Differential Subsidy Act of 1987" seeks to restore the vitality of the U.S.-flag merchant fleet which trades in our foreign commerce. The Merchant Marine Act of 1936 put into place a system by which U.S.-flag operators in the foreign commerce of the United States are subsidized to the degree necessary to put them on a parity with lower cost foreign competition. There are good policy reasons for this assistance.

First, it is in the national interest to have a strong and viable merchant fleet capable of serving as a military and naval auxiliary in time of war or national emergency. Maintenance of a Ready Reserve Fleet and National Defense Reserve Fleet by the Maritime Administration is expensive and does not adequately address the full military needs of the Nation. Nor does it adequately address the availability of trained seamen to man those vessels. Nor do these reserve fleets consider the vessels needed to supply the economic and industrial base, the home front, during times of crisis. We simply cannot gamble the country's security on the basis of marginal adequacy or the possibility that everything will go according to plan or script. We must be prepared for the worst contingency. The best way to do that is to have an actively manned and operating U.S.-flag merchant fleet engaged in a substantial portion of our foreign commerce.

Second, we must face economic reality. The United States has a higher cost of living, higher safety standards, and more demanding labor and tax laws which impose higher costs on U.S.-flag operations. These higher costs must be recognized and compensated for if it is in our national interest to keep vessels with trained mariners operating under the U.S.-flag. The 1936 act achieved its goal of putting in place a merchant fleet for when the United States entered World War II. Since the end of World War II, however, the U.S.-flag fleet has steadily declined. It has to be recognized that the operating differential subsidy portion of the 1936 act no longer performs the function for which it was designed and must be reformed.

This might be less of a problem in any other fiscal climate than the one we face now. The massive Federal deficit makes for hard choices and intense competition over a shrinking pot of money. But the hard truth is that, if we are going to have any U.S.-flag fleet available when the country needs it, it is going to cost money one way or another.

It is the goal of the Committee on Merchant Marine and Fisheries to achieve some positive and lasting ODS reform during this Congress. The issue has been before the committee for some time and I expect that there will be hearings on the issue before this session is over. Chairman JONES of North Carolina and Representative BIAGGI of New York have both introduced bills designed to revamp the ODS system. The administration has not sent up an ODS bill to Congress, but the Secretary of Transportation sent up a position paper outlining various elements of a system they would like considered. My bill presents another option to be considered.

My bill would require the Secretary of Transportation to enter into operating differential subsidy contracts and amend current ODS contracts with qualified operators. The bill would cap the number of subsidized vessels and reduce the amount of subsidy available under the current system, but it will allow an expanded number of liner operators into the ODS system. The bill would also reduce the amount of subsidy an operator receives to the extent an operator carries cargo under one of the cargo preference laws. In exhange, the operators would be allowed operating flexibility not available under the current system. I hope these operating flexibilities will allow operators to become more efficient and cut operating cost to offset to some degree the reduction in subsidy payments.

Perhaps the most controversial aspect of my bill is that it would not allow U.S.-flag operators to acquire their vessels on the world market. My bill would continue the requirement that subsidized operators build their vessels in domestic shipyards. I recognize that this is a sticky wicket. The Construction Differential Subsidy Program in the 1936 act failed in its goal of achieving parity between the costs of foreign and domestic shipbuilding. In any event, the administration has not requested and the Congress has not funded the CDS Program since 1981. I know that for any ODS reform to work, it must somehow recognize and compensate for the difference in acquisition costs that U.S. operators face. I cannot bring myself, however, to abandon our domestic shipbuilding base completely. We must view the maritime industry as a whole and the shipbuilding base is as vital to our Nation's economic and military security as other segments of the industry. We must also recognize that the international shipbuilding market is by no means a free and open market based on cost competition alone. It is a world of massive Government support, subsidy, and loan assistance. Other nations with much less at stake than the United States consider it important to preserve their shipbuilding base and take necessary steps to do just that. Therefore, I believe that any consideration of operating differential subsidy reform must consider measures to maintain the shipbuilding and repair base so vital to our national security.

My bill also amends section 805 of the Merchant Marine Act, 1936, to tighten up the circumstances under which a subsidized operator is allowed to compete in the domestic trade against domestic operators as part of their subsidized service. If we are to continue the requirements of domestic construction for unsubsidized Jones Act operators, we must make certain that they are adequately protected from competition from subsidized operators.

#### BOAT MORTGAGE RECOROATION

Fewer than half the States presently have systems to title recreational vessels. Recreational vessel owners in States without boat titling programs would benefit from a system providing for centralized recordation of security interests in boats and aiding in detection and recovery of stolen boats. The bill I have introduced, the "Recreational Vessel Mortgage Recordation Act," would provide for Coast Guard recordation of mortgages against recreational vessels operating in States without boat titling programs.

Under this bill, recreational vessel mortgages against vessels operated principally in States without boat titling systems could be recorded with the Coast Guard. Presently, only vessel mortgages against recreational vessels which have been documented by the Coast Guard may be recorded by the Coast Guard. The new system of recordation would allow mortgages against all recreational vessels in States without titling systems to be recorded, and not just those against documented recreational vessels. To simplify the recordation process, all recreational vessels in States with titling programs, including documented vessels, would be required to record mortgages in accordance with State law.

This system would not place new documentation requirements or restrictions on recreational vessels as a condition of mortgage recordation. In fact, the present vessel documentation system would not be affected in any way. This new mortgage recordation scheme would also not affect the existing State boat numbering and registration schemes.

As an additional protection to lenders, the bill provides that the mortgages against recreational vessels recorded with the Coast Guard may be given preferred mortgage status. So as not to disadvantage lenders in States with boat titling systems, the bill provides that valid mortgages recorded against boats in those States will also have a preferred status.

In addition, the bill would allow recordation of bills of sale, conveyances, and manufacturers' statements of origin to respond to the need of vessel owners in nontitling States to have greater evidence of vessel ownership. The bill would also make other needed changes in the Ship Mortgage Act, 1920. These changes include clarifying that the duties under the act of the collector of customs now reside with the Secretary of Transportation, repealing the document endorsement requirement, and providing for central recordation of vessel mortgages by deleting the requirement that mortgages be recorded in the port of documentation.

This system will allow lenders and boat owners in nontitling States to obtain certain benefits available to boat owners in titling States, without setting up a new Federal bureaucracy to handle the workload. This system should be successful because of its simplicity, and because it makes no change to existing vessel documentation, numbering and registration schemes.

#### SHIP PLASTIC POLLUTION PROBLEMS

Recently, I also introduced the administration's proposed legislation to implement annex V, regulations for the prevention of pollution by garbage from ships, an optional annex to the International Convention for the Prevention of Pollution from Ships, 1973. Annex V establishes international regulations to prohibit or otherwise restrict discharges into the sea of all types of garbage generated during the normal operation of a ship. A major purpose of annex V is to prohibit the disposal into the sea of all plastics, including plastic rope, fishing nets and trash bags. Also under annex V, adequate reception facilities for garbage will be required at ports and terminals in the United States. This bill would be effective on the date that annex V enters into force for the United States.

The restrictions on disposal of plastics and other types of garbage into the oceans would apply to all U.S. ships wherever they are located and to all other ships located on the navigable waters of the United States. I believe that the disposal of garbage into our waters is such a serious problem that it deserves immediate attention from the Congress.

#### MARITIME TRANSPORTATION PROGRAM REORGANIZATION

Finally, I am also introducing a bill today to provide for a new Federal Maritime Administration within the Department of Transportation. I have become increasingly concerned that the defense readiness mission of the Department of Transportation is not getting the necessary attention it deserves within the Department of Transportation. I am also concerned that the Department of Defense is not sensitive to the important defense role that is played by the Department of Transportation. Finally, I believe that certain governmental functions related to water transportation should be reorganized.

Under this bill, the Federal Maritime Administration would be headed by an Under Secretary for Maritime Affairs and Readiness, who would be appointed by the President, with the advice and comment of the Senate. The Under Secretary would serve as the Secretary of Transportation's chief advisor on maritime matters, and as the primary liaison to the Department of Defense for maritime readiness matters related to the Department of Transportation without reorganization of the current relationship of the transportation modes in the same manner as was done for the Under Secretary for Oceans and Atmosphere in the Department of Commerce.

The Federal Maritime Service would consist of the U.S. Coast Guard and the National Maritime Service. The U.S. Coast Guard would consist of the present Coast Guard organization, and certain other functions transferred to that organization from the National Ocean Service and the National Weather Service of the National Oceanic and Atmospheric Administration in the Department of Commerce. The

Commissioned Officer Corps and all vessels of the National Oceanic and Atmospheric Administration would be transferred to the Coast Guard, subject, of course, to the continuing need for ship time of the Department of Commerce.

The bill also provides for recommendations from the Secretary of Transportation and the new Under Secretary concerning further governmental reorganization that should be accomplished to consolidate maritime functions in the Federal Government.

## PRAISE FOR THE CONSTITUTION

### HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. PACKARD. Mr. Speaker, I rise to add my voice to the chorus of praise for our Constitution on this, the bicentennial of the signing of that magnificent document. This is truly a historic occasion.

Since last May, while Congress has been in session, I have entered weekly statements in the RECORD detailing the important events that occurred during the constitutional debate 200 years ago. In those statements, I attempted to liken the events of that summer to current events. It has been amazing to me to read and learn that we grapple with many of the same problems today which faced the Founding Fathers 2 centuries ago. I urge each of the citizens within the sound of my voice as well as my congressional colleagues to study the events of the summer of 1787 which truly provide invaluable insights into the problems of our day.

I am grateful for the Constitution we have been given. It is ours to cherish, protect and defend. It is my belief that the Almighty inspired those who wrote the Constitution and I believe that His guiding hand has been upon that document and this Nation for the past 200 years. This is a glorious day. A day in which those who love freedom can be justly proud. I urge each of us to read the Constitution regularly and contemplate the great impact it has had on the course of human events. It is truly a magnificent document.

## NATIONAL POW-MIA RECOGNITION DAY

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. LAGOMARSINO. Mr. Speaker, as the chairman of the House Task Force on the Missing in Action, I ask my colleagues to join me in commemorating Friday, September 18, 1987, as "National POW-MIA Recognition Day." This national day of remembrance is a very important signal to the Vietnamese and the rest of the world that we care about the fate of our missing servicemen in Indochina and will not let this issue die.

Sadly, the fates of our brave, missing servicemen have remained unresolved for so long. Part of this situation can be blamed on ourselves. Some, in their efforts to forget the Vietnam war also forgot about those who did not come home. Others, like the Woodcock commission, claimed there were no live Americans being held in Southeast Asia. I clearly remember the congressional mission of which I was a part that visited Hanoi in August 1979. In response to our questions regarding the POW-MIA's, now Foreign Minister Nguyen Cao Thach said, "we didn't think you cared." We do care. I care, my constituents care, the POW-MIA families care, millions of concerned Americans care, and our Government cares. Today, under the Reagan administration, the POW-MIA situation has been made a top national priority. New energies and initiatives have been devoted to our POW-MIA's clearly signaling that America has not forgotten its missing men in Indochina and that we are ready and willing, at the highest national levels, to take the actions necessary to bring our POW-MIA's home.

The real reason we still have so many unresolved POW-MIA cases, though, rests with the Vietnamese. The obstacles to progress and uncooperative measures have come from Hanoi, not Washington. On more than one occassion the Vietnamese have agreed with us that the POW-MIA issue is a special humanitarian concern divorced from all others and have pledged timely cooperation. Unfortunately, on more than one occassion the Vietnamese have used external political events to delay and even derail negotiations. I know there are many loyal citizens like me who are frustrated with the amount of progress that has been made. On this day of remembrance, I urge concerned citizens to recall who holds our servicemen and where. To recall who really knows about the fate of these brave Americans and who has prevented a full accounting of them. It is not our Government or its agencies as some have alleged, but the Vietnamese.

I am absolutely 100 percent convinced that the Vietnamese maintain a "stockpile" of American servicemen's remains. I am strongly convinced that there are live, unaccounted for Americans in Vietnam. I also believe there are live POW's in Indochina.

I am encouraged by the positive results of General Vessey's mission to Hanoi. As I just mentioned, the recent reaffirmation by the Vietnamese of their pledge to cooperate on this important humanitarian issue of our POW-MIA's does give me some reason to be hopeful. The Vietnamese have long sought a meeting with a high-level emissary like General Vessey. I believe that General Vessey's ability to concentrate on solely humanitarian issues, with the POW-MIA situation being the main focus, despite Vietnamese pressures to include broader, political matters is a positive step forward. Of course, positive actions by the Vietnamese on behalf of our POW-MIA's would speak much louder than words. I eagerly look forward to being briefed by General Vessey and his delegation about their timely mission. While going forward with these diplomatic initiatives, we must continue with our intelligence and other activities and stand ready to take the appropriate actions resulting from our findings.

I believe progress toward bringing our brave missing servicemen home can be made, despite the numerous obstacles we have yet to surmount, so long as we provide the same solid determination we have already demonstrated. Patience is a difficult but necessary factor when dealing with the Vietnamese. However, I believe our patience and determination is beginning to pay off. The path ahead of us is clear and there is reason to hope for progress. As Senator Jeremiah Denton told the participants of the POW-MIA Recognition Day program at the Capitol last year, the worst feeling a family endures is that of "not knowing"—not knowing if their brother, son, or father is dead or alive, in captivity or in hiding. President Reagan has taken the lead on this issue, making the resolution of these questions a top national priority. I know the House task force and I have joined the President in our commitment to these missing servicemen's proud but longing families.

This National POW-MIA Recognition Day provides concerned citizens with a foundation from which to hold programs and awareness projects on behalf of America's unaccounted for servicemen in Southeast Asia. Today, America is officially broadcasting that it will remain steadfast with or courageous POW-MIA's and their families and will keep the faith. We will use the symbol of this day of recognition to underscore our commitment and reaffirm that "we will not forget." I urge my colleagues to join me in continuing to keep the POW-MIA issue at the forefront of public concern on this special day and the days that follow until all of or missing servicemen are accounted for.

## DR. SUSHMA PALMER—A WOMAN USING HER ABILITIES

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. LANTOS. Mr. Speaker, at the present nearly 17,000 Americans are employed abroad by the State Department of the United States. These men and women are among the brightest, most talented, and best educated people in our Government service. While abroad, many of them are accompanied by their spouses who are equally as bright, talented, and educated. Once stationed abroad, it is difficult for the spouses of State Department personnel to utilize their abilities or pursue their chosen careers.

Spouses often find themselves in a new country, with an unfamiliar culture and a different language. They can feel intimidated and overwhelmed. When this happens their talents are wasted. In this situation everyone loses. The individual loses an opportunity for growth and service in her or his chosen profession; the United States does not get the full use of it's human resources; and a foreign nation does not benefit from the talents that are available. Most important there is a lost opportunity for mutual cooperation between two different nations and cultures which could lead to better understanding and harmony. When the spouses of State Department employees abroad are able to apply their abilities and training the results can be most impressive.

An example of this Dr. Sushma Palmer, the wife of Robie Marcus Hooker Palmer, the U.S. Ambassador to Hungary. In Hungary male lifespan is the shortest in Europe, and this shortness of life is greatly related to the eating habits of Hungarian men. Dr. Palmer is a nutrition expert. Although Dr. Palmer is living in Hungary because of her husband's position as the U.S. Ambassador to Hungary, she recognized the need for her expertise and has arranged a way to help lengthen the lives of Hungarian men.

Dr. Palmer has taken a sabbatical leave from her position as Director of the Food and Nutrition Board at the U.S. National Academy of Sciences. In cooperation with the Hungarian Academy of Sciences and three other scientific institutes in Budapest, Dr. Palmer has organized a program which could lead to a 30-percent reduction in the rate of heart disease in Hungary with in the next few decades.

This program involves nutrition education through television, seminars given at the Hungarian Post-Graduate Medical University, and the implementation of nutrition knowledge through the training of Hungarian physicians and other health personnel. Not only will the Hungarian people benefit from this program, but so will United States and Hungarian relations, Ivan T. Berend, president of the Hungarian Academy of Sciences, said:

> I welcome this additional area of cooperation between our two Academies and believe that it will be of mutual benefit to our our scientific communities and, more broadly, to our two countries.

Through her efforts, Dr. Palmer is not only making a significant professional contribution, she is also helping to better relations between the United States and Eastern Europe. Nonpolitical efforts such as those of Dr. Palmer often bring nations closer together than a political treaty or action.

Mr. Speaker, and I urge the State Department to make a more vigorous effort to provide career opportunities for the families of it's employees. We can not afford to allow such a national resource to be wasted.

## MISSING BUT NOT FORGOTTEN: NATIONAL POW/MIA RECOGNITION DAY

### HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. SOLARZ. Mr. Speaker, I would like to call attention to National POW/MIA Recognition Day, which will be commemorated tomorrow, September 18, with a variety of appropriate ceremonies at the local, State, and national level.

Over the last several years, National POW/MIA Recognition Day has helped to increase public awareness that the fate of more than 2,400 Americans who bravely served our country in Indochina has yet to be determined.

Resolving the fate of the 2,413 Americans missing and unaccounted for is an issue of fundamental importance. It is also a humanitarian issue which has garnered broad bipartisan support in the Congress. Indeed, it is incumbent upon us in the Congress as well as the administration to do everything within our power to attempt to heal this festering wound of the Vietnam war by achieving a satisfactory answer to the fate of those Americans who did not return from that war.

In commemorating this day, we do not merely engage in ceremony. Rather, we send a strong and clear signal to Hanoi and Vientiene that our patience will not be diminished and our resolve not broken in pursuing a satisfactory resolution to this issue. Moreover, we affirm our debt to the servicemen and civilian personnel who dedicated their lives to freedom, and pay tribute as well to those who were captured by the enemy and were returned from imprisonment. Finally, National POW/MIA Recognition Day aims to recognize the tremendous sacrifice made by the families of our missing men.

Progress in resolving these issues has been painfully slow. Until the recent appointment of Gen. John Vessey as a Presidential envoy to Hanoi, and his subsequent discussions with the Vietnamese in August, movement toward a resolution had been at a virtual standstill for many months.

I welcomed, therefore, the appointment of General Vessey as a signal that the current administration was committed to pursuing every responsible avenue in resolving this issue. General Vessey is a dedicated professional whose long commitment of service to his country is unparalleled.

Indeed the House of Representatives overwhelmingly endorsed the Vessey mission by adopting a sense-of-the-Congress resolution, House Concurrent Resolution 231, on July 28. In a 418 to 0 vote, the Congress placed its support squarely behind General Vessey and his delegation on the eve of their mission to Hanoi.

While broader political issues continue to divide the United States and the SRV, the Vessey delegation received an important reaffirmation from the Vietnamese that the POW/MIA issue is a separate humanitarian issue not linked to the larger issues of dispute. In so doing, General Vessey articulated the longstanding policy of the United States with regard to this issue—a policy which is fully supported by our friends in ASEAN.

In line with this spirit of humanitarianism, the recent talks in Hanoi opened additional lines of communication regarding the humanitarian concerns of the Vietnamese as a result of the war. Hopefully, the acknowledgement of Vietnamese concerns by the United States will lead to an enhanced atmosphere of cooperation on the part of those in Hanoi who have the capacity to resolve this issue.

It is the Vietnamese, afterall, who possess the answers to all our unresolved questions. And it is the Vietnamese Government which has the ability to end the prolonged pain of the families and friends of those Americans still unaccounted for.

We in the Congress, however, must not waiver in keeping the faith with these brave Americans and their families until the Vietnamese do in fact cooperate fully and swiftly to end this lingering legacy of the war in Indochina.

## HEROIN IS NOT THE ANSWER

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. RANGEL. Mr. Speaker, in 1984, by a vote of 355 to 55, the House of Representatives firmly rejected legislation to make heroin available to treat intractable pain in terminally ill cancer patients. A number of recent editorials and news columns, however, have once again called upon Congress to enact such a measure.

I was a strong opponent of that legislation then and remain strongly opposed to it today. I opposed this legislation for a number of sound reasons. First, there is simply no scientific evidence that heroin offers any advantages over currently approved medications in relieving cancer pain. Absent such evidence, the risks of making this popular street drug available are not worth taking.

In addition, the overwhelming majority of health and medical professionals oppose the therapeutic use of heroin. They understand that the real problem is not the lack of heroin but the need for more training and education of health care professionals in the proper use of existing pain relievers and new techniques for managing pain. Heroin is not the answer to chronic cancer pain, and to suggest otherwise only holds out false hope to cancer victims and their families.

Just recently, I received a letter from the American Society of Hospital Pharmacists [ASHP] on this issue. The ASHP represents the pharmacists who would be expected to stock heroin if this legislation were to become law. They have carefully reexamined this proposal and have reaffirmed their strong opposition to it. Their reasons for opposing this legislation are most instructive, and I ask that a copy of the ASHP's letter be included in the RECORD at this point for the information of other Members and the public.

The text of the letter follows:

AMERICAN SOCIETY OF
HOSPITAL PHARMACISTS,
*Bethesda, MD, September 8, 1987.*

Re the Compassionate Pain Relief Act (H.R. 1470, S. 143)

DEAR REPRESENTATIVE: During the past several Congresses, the American Society of Hospital Pharmacists (ASHP) has been a leading opponent of legislation intended to authorize the use of diacetylmorphine (heroin) in the treatment of terminal cancer patients. Recent newspaper columns advocating support for current legislation (H.R. 1470 and S. 143) has sparked renewed interest in this subject, however, and many of your colleagues have requested information on ASHP's position.

In fairness to patients who suffer from interminable pain, ASHP has reexamined the issues associated with this important subject but determined again that the enactment of legislation authorizing the use of heroin would offer no appreciable benefits to pain management therapy and ASHP has reaffirmed its strong opposition to H.R. 1470 and S. 143. The principal reasons for our continued opposition include:

1. the continued absence of any evidence indicating any advantages associated with the use of heroin;

2. the rapidly growing acceptance by health care professionals of what is truly needed in effective pain management—the necessary training and education in the appropriate use of those alternatives already available.

3. the decreasing use in Britain and apparent rejection in Canada of heroin as an alternative for pain management.

4. the unwillingness of most patients to even participate in a federally sponsored study of heroin at Sloan-Kettering Hospital, indicating the unlikely acceptance of the drug even if approved for use; and,

5. recent technological advances that offer liquid oral dosage forms of such effective alternatives as morphine and Dilaudid and that enable patients with intravenous catheters to titrate their own doses of analgesic in response to pain (a technique known as patient controlled analegsia).

Heroin offers no unique advantage over other alternatives now available.

ASHP has completed an exhaustive search of the medical literature and concluded that no scientific or medical evidence exists which supports the position that heroin offers any advantage over such other alternatives as morphine and Dilaudid. Currently, a controlled double blind study is being conducted under federal auspices at Sloan-Kettering Hospital, but the results are still unavailable and any action by Congress at this time would be premature.

ASHP members and other health care professionals involved in pain management have stepped-up their involvement in educational and training programs directed at improving pain management techniques.

ASHP continues to believe that the emphasis should be on more appropriate uses of available narcotic analgesics than on an illegal drug that would only raise the expectations of some patients but, if used improperly, only prove to be ineffective. Efforts such as the Wisconsin Initiative for Improving the Management of Cancer Pain, serve as examples of the kind of progress that can be made when the existing barriers to cancer pain management are broken down. The trend now is toward educating and training health care professionals to recognize the importance of achieving a continuous pain-free state by providing proper doses at intervals necessary to reduce erratic levels that results in more pronounced and lengthier periods of pain.

Recent legalization of heroin in Canada has offered no hope for patients.

After a great deal of fanfare accompanied its legalization in Canada, there has been little or no use of heroin in the treatment of terminally ill patients. Physicians are not ordering it and hospitals are not stocking it. Pain managers are reporting that this is due to the fact the pain can be managed properly with other narcotic alternatives. When patients do not receive adequate relief, it is attributed more to the inappropriate use of the narcotic and not to the product itself.

The current study at Sloan-Kattering should be completed before Congress takes any action on H.R. 1470 or S. 143.

While ASHP doubts that the results of the study now being conducted at Sloan-Kettering will offer any evidence that heroin holds any of the advantages claimed by proponents of its legalization, we believe strongly that any Congressional action on the proposed bills before the results of the study are available would be premature. Furthermore, the reported reluctance of patients even to participate in the study suggests that the potential use of heroin as an alternative would be questionable even if the study does reveal some marginal benefit.

Technological advances are providing patients with more effective and convenient methods of pain management.

Proven alternatives to pain management are not only available in liquid form but, for patients who need prompt relief, patient controlled analgesia systems are being used increasingly as a means of infusing intravenous analgesics on patient demand, but within physician prescribed dosages and time intervals. In this way patients are able to obtain immediate relief through self administration by merely pushing a button. The frequency of administration is controlled by an adjustable lockout mechanism that prevents the patient from receiving any more of the drug for a period of time pre-determined by the physician. This technology allows patients to overcome one of the more important problems associated with pain management—i.e., ensuring that a patient receives the right dose at the right time.

For these reasons, ASHP reaffirms its strong opposition to any legislative effort to make heroin available in the treatment of patients suffering from intractable pain due to cancer. The evidence in support of its use is non-existent and warrants no federal support. Instead, ASHP urges Congress to support the more productive and promising efforts of those health professionals who understand that the key to effective pain management is found in the appropriate use of pain management therapy. If further information on this subject is needed, please contact ASHP's Legislative and Regulatory Director, Gerald F. Hogan, at 657-3000.

Sincerely,

JOSEPH A. ODDIS, Sc.D,
*Executive Vice President.*

## REFORM THE REMOVAL PROCESS FOR FEDERAL JUDGES

### HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. KLECZKA. Mr. Speaker, today we are celebrating the bicentennial of the Constitution. As great as this document is we sometimes need to amend it. For instance, the Bill of Rights greatly improved the Constitution, and since then we have added 26 other valuable amendments.

Today we need to amend the Constitution to create a new way to remove Federal judges. The drawbacks of the current removal process were demonstrated by last year's impeachment of Judge Harry Claiborne. In the future, the Congress is going to consider impeachments more frequently, and the problems with the removal process are going to become more evident.

A House judiciary unit has already begun its investigation of one impeachment case. Next year, the Congress may have to consider yet another impeachment of a judge. Because these cases delay consideration of vital national issues, I am introducing a constitutional amendment to allow the Congress to establish a new system for removing judges.

A clear precedent exists for reforming the impeachment process. Thomas Jefferson called impeachment "a bungling way of removing judges." In recent years many States have passed constitutional amendments to establish judicial procedures for removing State judges. Now over 45 States have such systems.

We in the Congress should follow the lead taken by these States. I urge my colleagues to support this constitutional amendment to free the Congress from having to spend so much time on removing judges.

Proposing an amendment to the Constitution of the United States to permit Congress to grant power to bodies in the judicial branch to remove judges for cause

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein),* That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

"ARTICLE

"SECTION 1. The Congress shall have the power to authorize the removal, for impeachable offenses, of judges of courts ordained and established under article III of this Constitution by bodies consisting of other judges of those courts.

"SECTION 2. The Supreme Court may at such Court's discretion, review and reverse any decision to remove a judge made under this article.".

## VA'S DHCP PROVIDES MANAGEMENT EFFICIENCY

### HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. MONTGOMERY. Mr. Speaker, the debate in the Congress regarding the Veterans' Administration's decentralized hospital computer system [DHCP] continues. Yet, VA hospital directors throughout the country have enthusiastically commended the DHCP as a management tool which enables them to deliver more efficiently the quality medical care which a grateful nation has provided for its veterans.

The following letter from the director of the VA Medical Center in Miles City, MT, illustrates how the DHCP helps him to more efficiently manage his resources.

MILES CITY, MT,
*May 18, 1987.*

Hon. G.V. MONTGOMERY,
*Chairman, Committee on Veterans' Affairs, Washington, DC.*

DEAR MR. CHAIRMAN: The DHCP system is critical to the management and delivery of health care at the Miles City VA Medical Center.

The use of the DHCP has reduced the clerical hours spent in entering and retrieving information, thereby giving the support staff more time for processing veterans into our system, resulting in reduced waiting times for the veterans. The DHCP also allows instantaneous entry of pharmacy and laboratory data into the patient file, giving the physicians and nurses access to vital lab results more quickly.

The DHCP system is a connecting link between the Miles City VA Medical Center and our satellite outpatient clinic in Billings, Montana. The satellite outpatient clinic, located 150 miles from the parent facility, is receiving and retrieving information as though it was within our facility walls.

As the Medical Center Director, I have more accurate and timely data on cost analysis which offers more efficient management of the medical center.

Losing the DHCP system would be a real detriment to our facility. Efficiency of staff would be appreciably reduced with the veteran patient suffering the most.

Sincerely,

JAMES A. HUFF.

## H.R. 27, THE FSLIC ACT OF 1987

### HON. DOUG BARNARD, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. BARNARD. Mr. Speaker, I rise to emphasize again my understanding of the intent of the conference committee and this body in adopting section 201(b)(2) of H.R. 27. As I stated on the floor when we considered H.R. 27, the trend toward securitization of assets—for example of consumer receivables and of residential mortgages held by banks—began several years ago. The authority for a bank to participate in the sale of such securitized assets—which is often a part of the bank's funding activities—is longstanding and preexists March 5, 1987. The moratorium is not intended to make banks dismantle these programs or their plans to undertake them.

Since the enactment of H.R. 27, it has been suggested by some that the public sale of securitized bank assets, including mortgage-backed securities, is an activity covered by the moratorium. I do not share that view, and as my remarks on the floor made clear, neither in conference nor on the floor was it agreed that the moratorium would cover such activities. As one who was directly involved in lengthy discussions among many Members in the drafting of this provision, I must emphasize that the language of the bill and its description in the conference report reflect a carefully negotiated compromise and that we should not after the fact succumb to the temptation of trying to read into the moratorium what is not there. Section 201(b)(2) and the conference report stand on their own terms and make clear that the moratorium does not apply to activities that were permissible prior to March 5, 1987.

## UNDERSTANDING THE CONSTITUTION

### HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. HAWKINS. Mr. Speaker, I join my colleagues and citizens across this Nation today in honoring the Constitution on its bicentennial. This celebration provides us with the perfect opportunity to understand the source of our freedom, the necessity of viewing the document as a whole, and the importance of its uniquely flexible character. These three distinctive elements are what have enabled us to keep the unparalleled freedom we are privileged to enjoy and the Constitution we are celebrating today.

On September 17, 1787, the Constitutional Convention completed debate on the adoption of a governing document that laid a solid foundation from which citizens could build. The document was not perfect, even by the admissions of the Framers themselves. Benjamin Franklin's impassioned plea for approval of the document by the Convention delegates noted that when—

> * * * you assemble a number of men to have the advantage of their joint wisdom, you inevitably assemble with those men, all their prejudices, their passions, their interests, and their selfish views. From such an assembly can a perfect production be expected? It therefore astonishes me * * * to find this system approaching so near to perfection as it does * * *.

Within this system of "government-near-perfection" our citizens were able to add the Bill of Rights, the 14th amendment, and other amendments integral to the preservation of every persons' civil liberties and fully recognizing the rights of all minorities and women. The established mechanisms for orderly change in the original document have proved critical to the preservation of our system. For example, it is hard to speculate what the fate of the United States would otherwise have been during the period of the civil rights movement in the 1950's and 1960's, absent our system's ability to absorb the civil strife we experienced and accommodate our demands for equality. Today, we continue to struggle within this system for full equality in many areas, particularly in access to quality education, the right to employment, and ability to pursue a livelihood in a work environment free of discrimination.

We must understand the significance of reflecting on the Constitution in its entirety—with all its amendments—and remember that without this view, millions of people are left out—disenfranchised from their government. This estrangement is likely the worst charge that could be made against a democratic form of government that, by its nature, was created by and for the people. We should remember well that the freedom we enjoy derive from the people—the citizenry—who 200 years ago created a document to govern us, protect us, and change with us. The changes made to it must be included in any discussion or celebration of its worth.

Therefore, we are not celebrating a single event of September 17, 1787. Rather, we commemorate the framework itself that was laid on that day, its accommodating character, and its subsequent amendments. Of all the combined qualities that distinguish our Constitution in history, its creation and governing by its citizens, and its inestimable capacity for growth best define its essence. These two distinctive elements work together to permit the document to accommodate growth and change of its society's views and situations. And, this ability to change, and the changes themselves, are what has preserved our liberty these 200 years and has made our Constitution the living document that it is today—the oldest written instrument of national government in the world.

## REFORM PROCEDURES FOR THE HOUSE

### HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. PACKARD. Mr. Speaker, yesterday and today we celebrate the 200th anniversary of the signing of the Constitution. This is a historic event and an important milestone for our Nation.

Unfortunately, our celebration must be tempered by the realization here in Congress that we fail to live up to many of the high standards set forth in the Constitution.

As we approach the end of the fiscal year we again find ourselves in a position where we have missed all of our own budgetary deadlines and that we must again pass a huge continuing resolution.

This has become a regular process here in Congress. But, it is a travesty and it robs the American people of their right to be heard. Such megabills severely limit debate which is the crucial component of deliberative democracy.

The continuing resolution is just one example. Today, House Republicans are calling for a reform of the procedures of the House and a restoration of truly democratic rule. I lend my support to this effort and call on the powers that be to pay heed to these demands.

## RESTORATION AND REJUVENATION OF DEMOCRACY IN THE HOUSE

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. LAGOMARSINO. Mr. Speaker, on this 200th anniversary of the Constitution, we are seeking the restoration and rejuvenation of democracy in the House. The House Republican Task Force on Congressional Reform has drawn up a list of reforms, which will be ceremoniously signed later today, and which puts us on record as seeking an end to the impasse which has gripped the House as we approach the start of the new fiscal year.

To date, this House has failed to meet every deadline proscribed in law for the budget. We are in violation of our own rules and the very laws we impose on others. Why should Government come to a stop while we draw salaries for doing nothing?

We have to put an end to back-door spending bills, and put teeth in our procedures. I call upon my colleagues to honor the principles of fair play, compromise, and respect for the rights of all held so dear by our founding fathers, and adopt the changes we have proposed. If not, then I propose that this House adopt the proposal of my friend from California [Mr. LUNGREN] which I have cosponsored, the "Pay for Performance" bill, H.R. 1308, which calls for withholding our own salaries until a budget is passed. We've come a long way in 200 years, but we need to go back to basics in the area of House reforms.

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## THE SHMUILOVICH FAMILY SHOULD BE PERMITTED TO EMIGRATE FROM THE SOVIET UNION

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. LANTOS. Mr. Speaker, I would like to bring to the attention of this House today the continued harrassment of a Soviet family which wishes to emigrate to the United States.

Igor Shmuilovich, his wife Kira, and their family first applied for exit visas in 1974. Initially, the family was denied permission to emigrate on the basis of false claims that Igor had access to secret information.

The Shmuilovich family continued to request permission to emigrate, and finally they were granted permission to emigrate in March 1981. They made all the necessary arrangements, paid emigration fees, and purchased airline tickets. At the very last minute, however, the government declared that a mistake had been made, and only Kira's parents were allowed to depart.

Kira's mother has recently had serious surgery and now suffers from heart disease. These health problems, of course, have been compounded by separation from her daughter. Kira and her husband desparately wish to be reunited with their family in the United States.

Mr. Speaker, the Soviet Government has calously given the Shmuilovich family false hopes that they will be reunited with their relatives in the United States. Because of their desire to emigrate from the Soviet Union, the Shmuilovich family has been harassed and mistreated by the Soviet Government; furthermore, official policy has incited their neighbors and coworkers to harass and abuse them.

The Smuilovich family has now been denied permission to emigrate four times. When they were refused permission after their most recent attempt in June 1987, they were told not to reapply until 1995.

Mr. Speaker, the treatment of the Smuilovich family is inconsistent with the Soviet policy of glasnost. More seriously, it is inconsistent with solemn international obligations that the Soviet Government has accepted, including the Helsinki Final Act.

Jewish emigration is a key to Soviet intentions and attitudes. While it is true that Soviet emigration has increased—and I welcome the positive signs that we have seen thus far—many Jews still remain in the Soviet Union against their wishes.

Mr. Speaker, permission for the Shmuilovich family to emigrate would surely be an important indication to the American people and to the world that the Soviet Union is serious about improving its human rights record; that the Soviet Union is serious about glasnost. I invite my colleagues to join me in urging favorable Soviet action in this important case.

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## BEN EISENSTADT: A REAL MENSCH

### HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. SOLARZ. Mr. Speaker, I wish to pay tribute to Benjamin Eisenstadt for his vigorous, innovative, and generous commitment as the president of Maimonides Medical Center, situated in Brooklyn's Borough Park community and serving nearly 1 million people.

While it may have been extraordinary for a first class medical center to elect as its board president in 1982 a man who, just 5 years earlier and at the age of 70, checked in as a patient in the center, Benjamin Eisenstadt is just that extraordinary person who merited such a gesture. Today, Mr. Eisenstadt continues to masterfully balance his tenure at Maimonides with his assignment at a multimillion dollar, family owned corporation.

Mr. Eisenstadt's multifaceted strategy to improve the Maimonides center, already a leader in cardiac care and research, includes personal philanthropy and incentive programs for community support. While his generous contributions have initiated Maimonides' Research and Development and Nursing School Foundations, Mr. Eisenstadt feels reluctant to ask others for financial contributions.

But he knows his neighbors will help through other means, and he delights in devising such imaginative programs. For instance, his latest target, and naturally his latest success, has been cutting Maimonides' expenditures for blood due to a chronic shortage of donors. When he offered tickets to Mets baseball games, donations surged by 1,000 pints this year. And his new lottery, which offers a trip for two, will surely attract additional donors, further reducing the center's costs.

Mr. Eisenstadt recently explained that he derives the most pleasure from helping other people. He must be a very happy man for he helps not just Maimonides, but Jewish charities and synagogues, Catholic organizations, and Queens' Peninsula Hospital as well. His efforts and selflessness are inspiring and heartwarming.

The Talmud teaches that, "* * * he who saves a single life, it is as if he saved the entire world." By that standard, Ben Eisenstadt has done well indeed.

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## COLOMBIA: IS THERE A FUTURE FOR DEMOCRACY?

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. RANGEL. Mr. Speaker, in the first half of this year, 1,102 Colombians have been killed in incidents of political violence. This includes more than 650 peasants and more than 40 members of the Patriotic Union, a political party created by the Colombian Revolutionary Armed Forces [FARC] in 1984 after it signed a truce with the former Betancur government. The Patriotic Union has participated peacefully in politics since 1985 and represents a nonviolent if only partial, solution to the problem of conflict in the country that has lasted for decades.

President Virgilio Barco Vargas now faces the devastating challenge of battling a drug mafia, leftist insurgent groups, rightwing death squads and endemic poverty in his country. In addition to our efforts to help Colombia eradicate drug trafficking, we must also support President Barco's attempts to create a more representative democracy. The following article, written by Gayle Edmunds, a research associate for the Council on Hemisphere Affairs, was distributed by COHA on July 1.

#### COLOMBIA: IS THERE A FUTURE FOR DEMOCRACY?

The attack by the Colombian Revolutionary Armed Forces (FARC) on an army battalion June 16 and the government's swift retaliation sheds new doubts on the future of the Patriotic Union (UP) in Colombian politics. Created by the FARC after signing a truce with the Betancur government in 1984, the UP has renounced violence and has participated peacefully in politics from 1985. Since then, hundreds of its members have lost their lives in trying to bring an end to 40 years of internicine strife and a more representative democracy to Colombia. At this point, the government must balance its anti-guerrilla drive while it still ensures the participation of the UP in politics. It must keep in mind that the FARC was the only guerrilla movement acting in Colombia that seriously considered former Pres. Betancur's offer to reintegrate its members into the political system.

The fate of the UP could serve as a model for other guerrilla movements in Latin America and what awaits them if they decide to lay down their arms and enter electoral politics. Although the cease-fire now has been called off in many areas of the country, the UP continues to exemplify a leftist group created from a guerrilla movement that has attempted to integrate itself peacefully into the system and expand the nation's political alternatives. The example will be a negative one, however, unless greater efforts are made to assure the UP's continued participation in politics, protect the lives of its members, and implement real reforms so that recourse to violence will no longer be the only means to promote change.

At the very least, and admittedly in an unfavorable environment, Bogota must preserve the rule of law so that the country's fragile democratic system may function in reality, and not just in name.

#### INEVITABLE BREAKDOWN

The fragile three-year armistice between the FARC and the military was shattered June 16 in Caqueta when the guerrilla group mined the path of two army trucks transporting 83 soldiers from the Cazadores Battalion, leaving 27 dead and 42 wounded. The Barco government, which has made well-intentioned attempts to restore peace to the country, condemned the attack and warned that the cease-fire could not be maintained if the FARC continues its "atrocious crimes." The next day, the government responded more forcefully by sending 2,500 soldiers into the area to search for the

rebel column. The military units encountered the insurgents near the town of Puerto Rico where they suffered 32 casualties. By early July, the Minister of Defense, Rafael Samudio, announced that military had ambushed and killed 40 guerrillas in the eastern part of the country.

The latest incidents mark the culmination of months of rising tensions between the military and the FARC, with each accusing the other of violating the truce, and increasingly between the military and the UP. The recent outbreak of hostilities raises new questions not only about the prospects for peace in Colombia, but also about the UP's political future as the military renews its conflicts with the FARC.

The UP expressed regret over the mining incident, but blamed the government for failing to verify and enforce the truce. However, it reaffirmed its position as an independent political force with its own leadership and program unconnected to the FARC. With or without the truce, the UP is an important player in Colombian politics in spite of its FARC origins. Last fall, the Union won 11 seats in the National Assembly, and is expected to gain several more in elections next year.

#### AN EMBATTLED BARCO'S LATEST ATTEMPTS AND FAILURES

Barco has taken some encouraging steps recently in an attempt to stop the violence against leftist politicians. Attorney General Carlos Mauro Hoyos announced May 22 the nomination of a civilian, Omar Henry Velasco, to be assistant prosecutor in the military's jurisprudence section, a post traditionally held by a high-ranking military officer. If confirmed, Velasco will replace Gen. Jose Antonio Gonzalez Prado, the official currently responsible for supervising investigations of military officers accused of human rights violations and other crimes. Although legally subordinate to the Attorney General, the assistant prosecutor has rarely been under his control. This certainly was the case with Gonzalez Prado.

Velasco's nomination, awaiting Supreme Court confirmation, is one of the first hopeful signs after months of heated political debate between the UP and the military over the rising levels of violence gripping the country. Last month, charges filed with the attorney general's office by Jaime Pardo Leal, president of the UP National Coordinating Board and the party's presidential candidate in the last year's elections, accused the security forces of involvement in the murders of more than 50 UP members this year, including the May 7 killing of Jose Miguel Rojas Parrado, mayor of San Jose del Guaviare. Pardo said he had a "parade of witnesses" who would substantiate his charges. A week later, the attorney general asked for Gen. Gonzalez's resignation, questioning his impartiality in investigating attacks against the UP.

Barco's moves to create a "Special Tribunal" last April to investigate political crimes marks another of his steps to quell the violence. Unfortunately, the body will never get a chance to operate since the country's highly conservative Supreme Court declared it unconstitutional June 16. Some Colombians accused the Court of attempting to torpedo the government's initiatives. The justices denied the charges, claiming that the constitution did not grant the president powers to create such a body.

The government also announced the reorganization of the Administrative Department of Security, the main government intelligence agency, forming a large escort division in charge of protecting UP leaders and other vulnerable political figures.

#### COLOMBIA'S "CENTRAL AMERICANIZATION"

Unfortunately, Barco's modest efforts at reform have little chance of making an impact given the collapse of the truce, the unremitting violence throughout the country, and Colombia's notoriously weak and skewed judicial system. The violence has resulted in an increasing polarization and the beginnings of a breakdown of the political system. Many Colombian analysts have begun to speak of the "Central Americanization" of a country which prides itself on making substantial gains in institutionalizing democratic practices since the 1960's after decades of authoritarian rule.

Despite an official history in recent years of civilian, two-party rule, and nominal military subordination to the present, Colombia is plagued by guerrilla war, right-wing death squads with such names as "Death to Kidnappers" (MAS) and "Total Clean-up," drug traffickers and generalized social unrest. A study conducted by the University of Antioquia reported that ten percent of the country's annual 12,000 homicides can be attributed to death squads and estimated that these illegal groups assassinate an average of 100 people each month.

Growing death squad activities reflect right-wing opposition to the left's participation in politics, as well as the increasing tendency of people to take the law into their own hands. Last April, the UP denounced the formation of a new paramilitary movement in southern Tolima department which calls itself "Rojo Ata," claiming it works with local civil, military and police authorities to eliminate opposition leaders and others it considers "undesirable." The party also accused Hernan Velandia, a high-ranking Army officer, of membership in the MAS—allegedly formed by the "Medellin Cartel" (the well-known drug mafia)—to retaliate for guerrilla abductions. Both groups have attacked UP activists, as well as officials of other organizations suspected of left-wing sympathies.

#### MILITARY IS CHARGED WITH ABUSES

While the Patriotic Union is being accused of issuing exaggerated accusations for political reasons, the Colombian newspaper El Tiempo, a supporter of the armed forces, has acknowledged military excesses. Recent newspaper accounts contend that many military officers, absorbed in counterinsurgency doctrine and years of battling the FARC, will not accept the peaceful role of the UP in Colombian politics. Also, many reports suggest that death squads work closely with local military officers to obtain arms and guidance. The FARC attack at Caqueta raises even more doubts about the military's future reaction to the UP in view of its past ties with the rebel group.

#### DIALOGUE OR REPRESSION?

Barco has come under heavy criticism from members of his own Liberal party as well as from more conservative groups for failing to stem the rising tide of violence. Clearly, he has a difficult mission before him. As one Colombian scholar noted, Barco has tried to fight a war by "waging peace"—no easy task in a country plagued by incessant turmoil. His vague rhetoric about eradicating the "absolute poverty" that causes subversion has done little to quell the rampant violence. Strikes and demonstrations have erupted throughout the country, most recently in the departments of Narino and Choco, suggesting that the government has not even scratched the surface of widespread poverty. The president does not consider such actions as a personal threat to his leadership, however, and commented that the "stoppages are a protest against the past. The government is committed to the future and to changes."

If the "apertura politica," or opening of the political system to the left, is to continue, there must be economic and political reforms as well as renewed dialogue with guerrilla groups—something that seems almost impossible at the moment. The UP seems to be intent on remaining inside the system, however—at least for now. If its members continue to be systematically hunted down and it calls for reform ignored, it is likely that it will again join the guerrillas and an historic opportunity will have been missed.

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## THE 21ST ANNIVERSARY OF DECLARATION OF FREEDOM

### HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. PEPPER. Mr. Speaker, January 23, 1987, marked the 21st anniversary of the signing of the Declaration of Freedom by 5,000 Cuban exiles who loved their homeland and who today are as committed as they were at Key West, FL, in 1966 to seeing the beautiful isle of Cuba released from the tyranny of Castro. In their Declaration of Freedom, these brave individuals dedicated themselves unequivocally to continuing their fight for democracy in Cuba and their dedication to this cause is still strong. Their ideals of freedom of worship, freedom of teaching, freedom of the press, and free enterprise for all the people of Cuba are ideals which we, as Americans, strongly share. I ask, therefore, Mr. Speaker, that the Declaration of Freedom, signed in Key West, FL, on January 23, 1966, by 1,500 dedicated men and women who longed to return to their fatherland and to see their fatherland a free, democratic Cuba once again be inserted in the CONGRESSIONAL RECORD following these remarks:

The declaration follows:

#### DECLARATION OF FREEDOM

In the City of Key West, Monroe County, State of Florida, United States of America, we, the Cuban exiles in the United States, in the name of God Almighty, and speaking both for ourselves and the oppressed people in Cuba, the Martyr Island, do say:

That on January 1st, 1959, the slavery yoke that came from Europe and was extinguished in Cuba at the end of the 19th century, was resumed.

That those responsible for this high treason to our Fatherland and to our People are just a score of traitors who, usurpating the Government of the Country have been acting as mercenary agents for the Sino-Soviet imperialism, and have surrendered to that imperialism our Freedom and our Dignity, also betraying the American Hemisphere.

That as a consequence of this high treason, those who are usurpating the Power in Cuba (as they were never elected by the People), are imposing a regime of bloodshed, terror and hate without any respect or consideration to the dignity of the human being or the most elementary human rights.

That in their hunger for Power, these traitors, following the pattern of totalitarian regimes, are trying, within Cuba, to separate the Family, which is the cornerstone of actual society, and at the same time, are poisoning the minds of the Cuban children and youth, in their hope of extending the length of time for this abominable system.

That the rule of the Law has been wiped out in Cuba, and it has been replaced by the evil will of this score of traitors, who are acting under orders from their masters, the Sino-Soviet imperialists.

In view of the aforegoing.

WE DECLARE

First: That the actual Cuban regime is guilty of high treason to our Fatherland and to the ideals of the Freedom revolution which was started on October 10th, 1868.

Second: That this score of traitors who have committed treason against our Fatherland, in case they survive the downfall of their regime, will have to respond, even with their lives before the Ordinary Courts of Justice of Cuba.

Third: That as the Noble Cuban People will not ever surrender, because that Nation was not born to be slaves, we, the Cuban People, hereby make the present.

DECLARATION OF FREEDOM

We hereby swear before God Almighty to fight constantly, until death comes to us, to free Cuba from communism.

The fundamentals of this Revolution for Freedom are:

First: God almighty, above all things, in Whom we believe as the essence of Life.

Second: The Fatherland, with all of its Laws, traditions, customs and history as a spiritual value, only surpassed by the concept of God.

Third: The Family, as the cornerstone of the Human Society.

Fourth: Human Rights, for each and every citizen, regardless of race or creed.

Fifth: The Law, as the foundation for the proper development of the Human Society.

Sixth: Democratic Government, with its three independent branches: Legislative, Executive and Judicial.

Seventh: Representative Democracy, through the exercise of Universal Suffrage, Periodically, Free and Secretive, as the expression of Popular Sovereignty.

Eighth: Freedom of Worship, Freedom of Teaching, Freedom of the Press and Free Enterprise.

Ninth: Private Property and Ownership, as the basic expression of Liberty.

Tenth: The improvement of living conditions for both rural and city working masses, with the just and necessary measures, keeping in mind the Legitimate interests of both Labor and Capital.

Eleventh: The derogation and eradication of anything which is opposed to the political and religious fundamentals aforementioned, and specifically, the abolition of Communism and any other form of totalitarian manifestation.

Signed and sealed in Key West, Florida, on the 23rd day of January 1966.

## EMMERS SPEAKS OUT FOR MIA'S

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### HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. DORNAN of California. Mr. Speaker, I rise today to submit for the RECORD an eloquent and urgent plea for action on behalf of America's MIA's and POW's which recently came to my attention. It was written by Mr. Bob Emmers, columnist for my hometown paper, the Orange County Register, and entitled "Mr. President: Free the MIA Hostages."

Bob Emmers is unashamedly a liberal, the "El Lobo" of Orange County. Operating behind the Orange curtain as part of a lonesome and nearly extinct band of leftist partisans, he must survive on the run resorting to frequent tactical, computer terminal, guerrilla warfare against the Republican gunships of Ronald Reagan's favorite county. Though many would sometimes like to pull his plug, if not plug "his pull," Mr. Emmers does provide moments of admirable, constructive, and commonsense discourse on problems confronting our fellow Orange Countians. Bashing rotten, arrogant, murdering drunk drivers comes to mind.

As Bob Emmers correctly notes in his column, the fate of our MIA's/POW's is not a partisan or ideological struggle. These brave Americans were prepared to die for their country, perhaps return home crippled or maimed, but never did they think fellow Americans would abandon them. Yet, despite high-sounding promises to act, successive administrations have done just that—abandonment.

Over the last 22 years, I have at one time or another traveled to world capitals, Communist and non-Communist, with MIA wives seeking information about their husbands; kept these men high profile by originating the MIA-POW bracelet; devoted 14 1-hour television shows to their plight: chaired hearings where we chastized U.S. administration officials at the White House, Pentagon, and State Department for not doing enough; and in two trips to Hanoi in 1979 and 1986 pleaded, cajoled, and simply asked North Vietnamese leaders to return our men. For the families, and other concerned citizens, nothing so far, except false expectations and broken promises. Though during my 1986 trip the North Vietnamese made an historic admission, but later retracted it, that some Americans were probably alive "in the mountains and caves not under our control."

So like Bob Emmers, I feel it's time to simply offer money for their return. Along with others, over 10 of my fellow congressmen and I have promised to privately raise $100,000 each and give a total of two million plus to the person(s) who brings out just one American POW. Whether the administration's current efforts to persuade the North Vietnamese to return our men succeeds or not, we can't wait any longer. It's been 14½ years already.

I would finally add that Mr. Emmers is joined at the Register by others actively working on behalf of our MIA's/POW's. Mike Shelton, the editorial page cartoonist, and his dedicated wife Cookie Shelton, track the fate of these men literally everyday. MIA/POW family members and friends are a gutsy breed who have never given up in the fight against indifference, embarrassment, deceit and the clock.

Mr. Speaker, I commend to my colleagues' attention this excellent column by Bob Emmers.

MR. PRESIDENT: FREE THE MIA HOSTAGES

(By Bob Emmers)

(Bob Emmers is a Register columnist. His column appears on Sunday, Monday, Wednesday and Friday.)

DEAR MR. PRESIDENT. This open letter to you concerns one of the most vital issues of the day—the fate of the MIAs.

Actually, sir, this letter was the idea of a friend of mine, Rich Yarbrough, a Vietnam vet and ex-cop. It's his belief that ordinary citizens can make a difference. Recently, for instance, he wrote to the government of Vietnam asking that a delegation of ordinary citizens be allowed into the country to talk about the MIAs.

Rich stopped by the other day, in the mood to do more. And it was his thought that you, Mr. President, are our best hope now. He believes in you. As a member of the Los Angeles Police Department, he was among those guarding you during a visit you made here during your first campaign. He remembers overhearing you say, "When I'm president, I'm going to make a difference."

"So let's send him an open letter in your column," Rich suggested. "He's out here at the ranch; maybe he'll see it. Let's ask him to make that difference."

Why not? I thought.

So here goes. And please understand, sir, there's no politics involved here. You'd probably call Rich a conservative, me a liberal. But we're not approaching you as liberal or conservative, Republican or Democrat. We're simply writing to you as two ordinary people who love their country and believe in all its hope and promise.

Our thinking is pretty simple. Something must be done. And we believe that you can stir things up enough so that a way is found to resolve this issue.

There are American captives in Southeast Asia. Perhaps hundreds of the nearly 2,500 Americans unaccounted for from the Vietnam War still are alive and held prisoner in Vietnam and Laos. Over the years there have been too many sightings of Americans in Southeast Asia for it to be otherwise.

I'm sure, Mr. President, that you share our anguish over this situation.

But this is the perfect time for you to do something about this horrible national disgrace. You are in the last 1½ years of your presidency and can move forward without regard for the repercussions. You can push aside the political considerations that so often have clouded the MIA issue in the past.

The MIAs, Mr. President, should be brought home—by any means necessary.

We want to be real clear about what we mean by that. In the past, the government has spurned as "blackmail" Vietnamese efforts to trade information about the MIAs for economic assistance. But the Iran affair has shown that we are willing to trade for hostages.

Please, sir, if the Vietnamese demand ransom for our MIAs, pay it. Buy back our MIAs, if that's what it takes. No matter how much it costs. If it is felt that the government itself shouldn't pay the bill, we're sure the money could be raised privately. Is

there any citizen who would not contribute toward the freedom of these Americans?

Mr. President, we're speaking to you from our hearts.

Make the return of the MIAs your paramount goal. Speak out on the issue. Send emissary after emissary to Vietnam. Do everything. Please. As Rich says, "This isn't a question of pride or ego, of one country stronger or better than the other. This is just about people being healed from the wounds of war." I couldn't have said it better myself.

Decency and honor and love of country. It's for these reasons that we must deal with the MIA question once and for all.

Mr. President, they are there and they are waiting for us to bring them home.

## NAPAP ACID RAIN REPORT

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### HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. BOEHLERT. Mr. Speaker, in general, the NAPAP acid rain report released today is scientifically and politically naive, but you have to give them credit—they make an extremely unconvincing case sound pretty convincing. They emphasize evidence that is confusing, deemphasize the really alarming findings, and rehash a lot of assumptions that are unmitigated nonsense.

I don't deny that NAPAP is doing a lot of valuable research that will help Congress decide what action to take. But there's little doubt their findings are being presented as a cause for complacency.

To begin with, they're more than 2 years late, and say they won't be able to give us useful answers by 1990, when the program ends. For our $300 million-plus investment, that's a tremendous failure of leadership.

They can't offer any explanation of higher elevation forest damage without noting air pollution's role, so they just call it multiple stresses.

In the Adirondacks, they use assumptions that totally underestimate the number of damaged lakes. They tell us only 2 percent of lake area is damaged, but that equals 10 percent of the total number of lakes. They only looked at lakes larger than 4 hectares, when in fact there are dozens of smaller lakes, and they are much more susceptible to damage than larger lakes.

Kulp himself told a congressional staff briefing yesterday that if you look also at smaller lakes, the number of dead lakes in the Adirondacks jumps to about 30 percent. And they only looked for dead lakes—those at pH's at or below 5. But that's 10 times beyond the level where fish and other organisms begin dying off—around 5.8. I ask myself, why should they try to obscure the extent of the problem?

They assume dirty, pre-Clean Air Act powerplants will be retired by the beginning of the next century, when any nonpartisan energy expert knows many of these plants are having their lives extended without pollution controls.

They assume nuclear power use will triple over the next 40 years, wishful thinking that flies in the face of realistic expectations. No new nuclear plants have been ordered in over a decade.

I hope that my colleagues will consider the very convincing evidence of air pollution damage—much of it provided by NAPAP as we consider urgently needed amendments to the Clean Air Act.

## THE 100TH ANNIVERSARY OF UNITED WAY OBSERVED IN HUDSON COUNTY

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### HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. GUARINI. Mr. Speaker, as Americans observe the Bicentennial of the United States Constitution, recognizing its guiding principles of freedom, another important celebration is taking shape: The 100th anniversary of United Way of America. In 1887, four Denver religious leaders, reflecting upon the changing social needs of their community, formed the Charity Organization Society and the concept of United Way evolved. Next week a special commemorative event is being held in my district, Hudson County, to honor a century of good will by people joined together for a common cause. Over 800 community and business leaders will convene for a luncheon celebration at the Statler-Hilton Hotel in Secaucus on September 22, 1987. Two outstanding citizens, Arthur Imperatore, chairman of the board of APA Transport and president of ARCORP and Thomas J. Stanton, chairman of the board of First Jersey National Bank, and I will be the recipients of the prestigious centennial award. Several distinguished individuals, including former Mayors Frank Hague Eggers, John V. Kenny, Charles Witkowski, Bernard Berry, Thomas Gangemi, Charles Krieger, Dr. Paul Jordan, Thomas F.X. Smith, Gerland McCann, Jersey City Mayor Anthony R. Cucci, Bayonne Mayor Dennis F. Collins, and Hudson County Executive Edward F. Clark plan to attend.

Our community is also fortunate to have the dedicated leadership of Mr. William Martin, executive director of United Way of Hudson County. Bill is a shining example, having given to our area a lifetime of caring, sharing, and service. Because of his efforts and the efforts of people like Calvin Green, president of Tri-State United Way; Vincent Beninati; Dennis Murphy, Bill Thompson, Myra Mahon, vice presidents of the Tri-State organization; Vivian Qupree, associate director and comptroller of United Way of Hudson County; Joseph Brown, John Slattery, Mark Zatorski, Linda Kowalski, Lorraine Jordan, all staff members, millions of Americans have become involved in the dynamic community process called United Way. Moreover, Campaign Chairman James Feely, president of Provident Savings Bank, and Vice Chairs William Thornton, president of Thornwall Realty; Peter Murphy, vice president of Midatlantic North; and Daniel Petruzella, vice president of First Jersey National Bank, have given their time, energy and resources to make the environment a better place in which to live and work. The observance next week is a grand occasion and a unique opportunity to salute those who contributed to making United Way what it is today—a vital part of society. It is a salute to the spirit of voluntarism.

Founded in 1935 by Gov. A. Harry Moore as the Allied Aid Association, the organization grew tremendously and the subsequent Community Chest, Community War Fund, Community Fund, United Fund and United Way came to represent action for the betterment of America. United Way of Bayonne merged with United Way of Hudson County in 1972. In later years, the association joined in partnership with United Way of Tri-State, uniting 37 United Ways of New Jersey, New York and Connecticut, 640 communities and 1,740 human service agencies. Playing a prominent role in every aspect of developments was Attorney Thomas Lynch, 1935 to 1984.

As we join to commemorate this historic occasion, we salute Tom Lynch as well as the past president of our United Way:

William Y. Dear, 1935–1943;
A. Harry Moore, 1944–1948;
Gustave H. Koven, 1949–1950;
C. Gilbert Davis, 1950;
Charles E. Adams, 1950–1951;
William O. Lippman, 1951–1952;
Rt. Rev. Msg. Leroy McWilliams, 1952–1953;
Lawrence Whipple, 1953;
Louis P. Brenner, 1954–1955;
Walter Noll, 1955;
William S. Lawo, 1956;
David Klausner, 1957–1958;
Robert J. Smith, 1959–1961;
Fred Stickel, 1962–1963;
John Weis, 1964–1965;
Joseph Caldarera, 1966–1967;
LeRoy J. Lenahan, 1968–1969;
David Leff, 1970–1971;
Lawrence Lewis, 1972–1975;
Harry O'Mealia, 1976–1977;
Fred Peterson, 1978–1979;
Thomas Zito, 1980–1981;
Edward G. Davin III, 1982–1983;
Norman LaGueux, 1983–1984;
Frank Nilan, 1985–1986; and
Dominick D'Agosta, 1987–1988.

Campaign leaders Charles Griffin, Harold Wagner, Florence Hayes, Thomas Lynch, Joseph Barbera, and Lester Thurston played pivotal roles in assisting the presidents.

Bayonne United Way, founded by Samuel Kaye and the Bayonne Chamber of Commerce:

Chester Zebrowski, 1965;
Alex O'Connor, 1966;
Wesley Kapec, 1967;
Alton Adler, 1968;
Keenan O'Brien, 1969;
William Campbell, 1970;
John Ciparro, 1971; and
Frank Nilan, 1972.

Chief volunteer officers of the United Way of Tri-State:

C. Peter McColough, 1977–78;
Walter Wriston, 1979;
Theodore F. Brophy, 1980–1981;
Edmund Pratt, Jr., 1982–1983;
John F. McGillicuddy, 1984–1985; and
John B. Carter, 1986–1987.

As the centennial celebration honors these dynamic leaders, we also pay tribute to the new generation of volunteers and professions preparing to take charge. They will inherit a legacy of commitment to a strong, responsive, and inclusive community system. The centennial, then, represents a call for a new era of hope and service over the next 100 years. With this in mind, we garner support for our primary goals: a dramatic leap forward in service by building a United Way system that is even more open and caring 5 years from now than it is today; double United Way capacity in volunteers and financial resources from 1987 through 1991.

Leaders of United Way of Hudson County have taken their mission of increasing the organized capacity of people to care for one another to heart. They urge people to serve as catalysts that make things happen in their community. Volunteers are forming coalitions that are effectively addressing health care needs, hunger and homelessness, teenage suicide, issues of the elderly, and unmet needs of families. As it enters a second century of service, United Way of Hudson County stands as a model for voluntarism throughout the Nation, meeting the changing needs of society. United Way of America is the movement of the future.

## BLACK-PUERTO RICAN ALLIANCES

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. RANGEL. Mr. Speaker, I would like to take this opportunity to present to you the remarks of one of the most distinguished members of this body, Representative ROBERT GARCIA, concerning alliances between blacks and Puerto Ricans citizens. Both blacks and Puerto Ricans share the common experience of being victims of racism and poverty in America. In a time when we face the reversal of important civil rights gains and great cuts in social programs that aid the poor, a call for us to work together on issues that are common to our communities is highly welcomed.

Representative GARCIA'S remarks in response to the need to maximize the benefits of such alliances are worthy of the attention of all the Members of this body. It is, therefore, with great privilege that I present them to you in the following article, "Black-Puerto Rican Alliance Must Stand Firm":

[From the New York Times, Sept. 17, 1987]

BLACK-PUERTO RICAN ALLIANCE MUST STAND FIRM

To the Editor:

The fine article by Marta Tienda and William Diaz on the plight of Puerto Ricans, "Puerto Ricans' Special Problems" (Op-Ed, Aug. 28), confirms through detailed analysis what many of us intimately involved with the Puerto Rican community have known for years: Puerto Ricans are too often treated as the afterthought of the afterthought by government and industry.

While I do not wish to dispute the findings of Professor Tienda and Mr. Diaz, I would like to suggest a word of caution regarding a conclusion they may have drawn—that Puerto Ricans are somehow more deserving of help from government and business than blacks because of their special problems.

Granted that, because of our heritage, the Puerto Rican community has come to poverty via a different route than the black community. Yet, the degradation of the common experience of poverty and discrimination actually offers our two communities an excellent opportunity to unite in fighting against these two social diseases. Indeed, I would argue that it is only through a common front that we can succeed in our struggle.

In 1965, I, along with Percy Sutton, Shirley Chisholm, Basil Patterson and others, formed the black-Puerto Rican caucus in the New York State Legislature. the purpose of this caucus, which is still in existence today, was to get black and Puerto Rican legislators to work together on the many common issues confronting our communities. I worked with a similar though less formal coalition in the Democratic Party in the early 1980's, trying to make certain that the problems of blacks and of all Hispanic Americans were addressed by the party and its leaders.

I believed then, as I do now, that blacks and Puerto Ricans are natural allies as defined by our common possession of the bottom rung of America's socioeconomic ladder. If we permit ourselves to be divided, then we will remain substantively ignored. Working together, we can make our voices heard. This is the unmentioned conclusion that should be drawn from the fine work of Professor Tienda and Mr. Diaz.

ROBERT GARCIA,
Member of Congress, 18th Dist., N.Y.,
Washington, Aug. 31, 1987.

## THE ONES WHO MAKE IT WORK

### HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. DORGAN of North Dakota. Mr. Speaker, as we celebrate the 200th birthday of the U.S. Constitution this week, it's fitting that I pay tribute to a friend of mine in North Dakota who is retiring as State district judge.

When people speak of the miracle of the Constitution, they often forget that the miracle is preserved and maintained by an independent judiciary whose wisdom and courage over these many years has applied the principles of that Constitution to a changing America.

One member of that judiciary is Judge A.C. Bakken of Grand Forks, ND. I've been privileged to be a friend of Judge Bakken's for many years. He has served with great distinction. His fairness and integrity are unquestioned and his dedication to preserving the timeless truths of our constitutional system in the application of justice is exemplary. It is a special dedication that I salute today.

Judge Bakken is retiring after 20 years as district judge and I wanted to call attention to the Members of Congress his remarkable service. It is people like Judge Bakken who, year after year, make our U.S. Constitution a living document for the American people.

I salute you, Judge Bakken, and I wish you well in your retirement years.

## SENTENCING GUIDELINES TRANSITION ACT

### HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. SYNAR. Mr. Speaker, today I am introducing the Sentencing Guidelines Transition Act of 1987. This bill would delay the implementation of the sentencing guidelines submitted to Congress by the U.S. Sentencing Commission on April 13, 1987, for 12 months, from November 1, 1987, to November 1, 1988. The Senate counterpart to this bill, S. 1676, was introduced by Sen. DECONCINI on September 10, 1987.

The Sentencing Reform Act of 1984 established the Sentencing Commission and charged it with developing sentencing guidelines for Federal judges. This was a landmark piece of legislation designed to change dramatically the Federal criminal justice system. Previously, Federal judges sentencing defendants convicted of Federal crimes have had broad discretion, and have been limited only by the maximum penalty contained in the violated statute and the authority of the U.S. Parole Commission to establish release dates for incarcerated individuals. This discretion has created widespread disparity in the sentencing of different criminals for similar crimes. Congress established the Sentencing Commission to develop guidelines that would reduce such disparity and create greater predictability and proportionality in sentencing.

The Sentencing Commission submitted its initial set of guidelines to Congress on April 13. Under the Sentencing Reform Act, these guidelines will automatically take effect on November 1 unless delayed, modified or rejected by an act of Congress. Since April, the Subcommittee on Criminal Justice, on which I serve, has held a series of hearings on the guidelines. We heard testimony from many witnesses, including a number of distinguished Federal judges. It is clear from this testimony that these guidelines are quite controversial. They have been criticized, among other things, for being unduly complex, for unnecessarily reducing the availability of probation, for contributing to a dramatic increase in an already overcrowded prison population, and for significantly increasing the workload of an overburdened Federal judiciary. In addition, many legal scholars have questioned the constitutionality of the Sentencing Reform Act.

There has been widespread agreement on the need to avoid a chaotic period of implementation of the guidelines. The complexity of the guidelines and the limited time Congress has had to review them have led both supporters and critics of the Commission's work to call for a delay in the implementation of the guidelines. The Sentencing Commission itself requested a delay of 9 months in the implementation of the guidelines when it submitted the guidelines to Congress. The Judicial Conference of the United States has requested that Congress enact a 12-month delay. Most of the Federal judicial circuits have adopted resolutions calling for delays of between 9 and 18 months. The American Bar Associa

tion, in a thoughtful and detailed plan for testing the guidelines in field conditions, requested a delay of 2 years in the effective date of the guidelines.

The bill that I am introducing today would help ensure that potential disruptions are kept to a minimum when the guidelines go into effect. This bill would not enact the guidelines. It would simply delay for 12 months the effective date of that portion of the Sentencing Reform Act dealing with the guidelines.

During this delay several important things should occur. First, there will be additional time for training judges, probation officers, and attorneys in the use of the guidelines. This training is essential to minimize the errors that are likely to occur in application of the guidelines. Second, during the delay there should be a rigorous program of testing of the guidelines. This testing will indicate problem areas which require additional training or reexamination by the Commission. Finally, during the delay the Commission should consider feedback on the guidelines that it has received and the criticisms that were raised in the subcommittee's hearings. A 12-month delay would allow all amendments prepared by May 1, 1988—the time the Commission has to make its next set of changes—to take effect simultaneously with the initial set of guidelines on November 1, 1988.

The bill also creates a procedure for expedited judicial consideration of any constitutional challenge to the guidelines. This provision is necessary to ensure that constitutional questions surrounding the guidelines are resolved before the guidelines take effect. Our judicial system could be thrown into turmoil if the Sentencing Reform Act was held to be unconstitutional after they had taken effect and been applied to the sentencing of convicted persons.

H.R. —

A bill to provide for an orderly transition to the taking effect of the initial set of sentencing guidelines prescribed for criminal cases under section 994 of title 28, United States Code, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sentencing Guidelines Transition Act of 1087".

SEC. 2. STAY OF APPLICATION OF SENTENCING GUIDELINES TO CRIMINAL CASES.

Section 235(a)(1) of the Comprehensive Crime Control Act of 1984 is amended by striking out "36" and inserting "48" in lieu thereof.

SEC. 3. EXPEDITED REVIEW.

(a) CIVIL ACTION.—Any person or entity aggrieved may commence a civil action in the United States District Court for the District of Columbia for declaratory judgment and injunctive relief on the ground that chapter 58 of title 28, United States Code, or any guideline submitted to Congress by the United States Sentencing Commission, violates the Constitution.

(b) THREE-JUDGE COURT.—Any action brought under subsection (a) shall be heard and determined by a three-judge court in accordance with section 2284 of title 28, United States Code.

(c) APPEAL TO SUPREME COURT.—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under subsection (a) shall be reviewable by appeal directly to the Supreme Court.

(d) EXPEDITED CONSIDERATION.—It shall be the duty of each court before which is pending a civil action brought under subsection (a) to advance on the docket and to expedite to the greatest possible extent the disposition of such action.

## IT ALL BEGAN IN YORK, PA

### HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. GOODLING. Mr. Speaker, our Nation joyfully celebrates the 200th anniversary of the signing of our great Constitution today. September 17, 1787, is a landmark in our country's history.

On this important day, let us not forget that our current Constitution was preceded by an earlier Constitution, the Articles of Confederation. This earlier document, approved by Congress in York, PA, in November 1777, was the early concept of Benjamin Franklin in 1775. The Articles were finally ratified on March 1, 1781.

Drafted primarily by John Dickinson of Pennsylvania, the Articles of Confederation established a central, national government with only one branch, the Congress. The Articles first established the loose association of Thirteen Colonies as one country, the United States of America.

Although it established a weak Federal Government, the Articles of Confederation were an integral step in the evolution of our country from 13 separate State governments to one Nation, as established by our Constitution today.

## THE NOAHIDE LAWS AND THE CONSTITUTION PREAMBLE

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. KEMP. Mr. Speaker, Rabbi Noson Gurary of the Chabad Lubavitch House of Western New York reminds me that there is a system of ancient laws, the Noahide laws, which correspond to the tenets set forth in the preamble of our Constitution. On this day, 23 Elul 5747 on the Hebrew calendar, the bicentennial of our Constitution, it is appropriate to look at both and recognize the similarity of spirit which binds them. I would like to share this with my colleagues.

The preamble reads:

We the People of the United States, in order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common Defense, promote the general welfare and secure the Blessings of Liberty to ourselves and our Posterity do ordain and establish this Constitution for the United States of America.

The Noahide laws are as follows:

1. The prohibition of Idolatory
2. The prohibition of Blasphemy
3. The prohibition of Murder
4. The prohibition of Immorality and Promiscuity
5. The prohibition of Theft
6. The establishment of a Judicial System
7. The prohibition of Cruelty to Animals

These are seven laws for humanity as taught by Moses in the Bible. These laws are timeless, not bound by geographical boundaries and can never be altered or modified.

The purpose of every human being is to create a moral and ethical atmosphere in a civilized world. The Constitution and the Noahide laws provide guidelines for the maintenance of moral civilization. These laws have great relevance in today's society.

It is significant to note that our Founding Fathers included these same basic precepts in building the structure upon which our system of democracy is based.

Rabbi Gurary points out that conforming to the standards set forth in the Noahide laws can help our citizens achieve the goals set forth in our preamble. One can be instrumental in creating a more peaceful and decent world by learning about these laws and abiding by them to the best of one's ability.

## WHO REALLY BENEFITS FROM UNITED STATES/SOVIET SCIENTIFIC EXCHANGE AGREEMENTS

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. SOLOMON. Mr. Speaker, attempts to obtain foreign technology are as ancient as the realization that technology is of military value. The eminent Russian historian Klyuchevsky wrote that Peter the Great's visits to Europe in the early 18th century were to acquire Western technology, not Western culture. Peter took hundreds of foreign artisans and technicians back to Russia and sent Russians abroad to learn technical skills needed to improve Russian armaments.

The Soviets have systematized and perfected Peter's quest for Western technology. The Soviet intelligence organizations—KGB and GRU—Ministry of Foreign Trade, the Soviet Academy of Sciences, and other Soviet and East European organizations are aggressive collectors of Western Technology. Their efforts are directed and closely coordinated by the Military Industrial Commission [VPK] which reports to the Soviet Council of Ministers.

The Soviets employ various mechanisms to acquire Western technology: Recruitment of individuals who have access to classified or otherwise sensitive information, diversion of controlled exports using false shipping documents, transshipment, and other means of concealing the final destination and use of the technology, and information exchange programs, including student exchanges.

The United States has been unsuccessful in providing adequate safeguards of our military important technology. Recently we have focused attention on Soviet espionage and technology diversion, as exemplified by the

Toshiba case, but have not sufficiently addressed Soviet acquisition of critical technology via scientific exchange programs.

The Soviets have identified numerous American universities as targets for the collection of technology. Known Soviet collectors at the United States universities include members of Soviet intelligence agencies, scientists within the Soviet Academy of Sciences, and scientists from the State Committee for Science and Technology who come to study in the United States. Many of these individuals are also involved in spotting and assessing U.S. scientists for potential recruitment as agents.

Soviet scientists have performed onsite research in the fields of communications at MIT's operations research center, computers at the research center at Berkeley and the digital systems laboratory at Stanford, ceramic materials at the department of material science at MIT and gas turbine aircraft engines at the aeronautical science department at Northwestern University.

Clearly the Soviets have obtained the lion's share of scientific information and technological know-how from scientific exchanges that are intended to be mutually beneficial. In order to better protect American technology from Soviet acquisition via exchange programs, I will offer legislation to establish an Interagency Group for Scientific Information Transfer. The group would consist of officials from the Departments of State, Commerce, and Defense. These officials would review and evaluate exchange agreements with Soviet bloc and other designated countries. The group would recommend to Congress methods for enhancing the current exchange review process which is fragmented and ineffective.

Some individuals have expressed opposition to my evaluation proposal on the grounds that it threatens the freedoms of academic and scientific exchange. The interagency group would not possess authority to disapprove an agreement. Rather, its purpose is to provide impetus and a mechanism to evaluate the problem—how to reduce Soviet acquisition of militarily critical scientific and technological information through these exchanges without undue restrictions of academic freedom. Certainly, those who champion academic freedom and freedom of expression should not fear debate and analysis.

## HOTEL FIRE SAFETY: FULLY SPRINKLERED HOTELS NEEDED

### HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. WALGREN. Mr. Speaker, hotels and other high risk residential and public buildings present a great potential for loss of life in the case of fire. A tragic example of the threat posed by hotels, especially those that are not fully sprinklered, occurred late Sunday, July 20, 1987, in New Orleans. Fire forced the evacuation of about 100 guests, from the newly renovated Doubletree Hotel. Tragically, a security guard who helped guests out of the building died of smoke inhalation. The 17-story, 368-room hotel was constructed in the early 1970's before the 1975 city and State laws were enacted requiring buildings 75 feet tall to have complete sprinkler systems. The hotel still did not have a full sprinkler system installed, even after it reopened on June 30, 1987, following 5 million dollars' worth of renovations.

On March 5, 1987, I chaired a hearing of the Subcommittee on Science Research and Technology, on "Hotel Fire Safety: What's Needed To Protect Our Citizens." The hearing reviewed the status of hotel fire safety in the Nation, in light of the DuPont Plaza Hotel fire in San Juan, PR, on December 31, 1986, in which 96 people were killed. Witnesses agreed unanimously that sprinklers are the best way to prevent tragic blazes in hotels, and other high risk residential and public buildings.

Unfortunately, the Dupont Plaza and the Doubletree Hotels did not have a sprinkler system. Most hotels do not. Yet, the track record for fully sprinklered buildings is very convincing—no U.S. fire in buildings fully equipped with properly working sprinklers has resulted in more than two fatalities, excepting explosions and firefighter deaths.

Historically, fire laws have been the province of State and local governments. Witnesses expressed concerns about serious gaps in fire legislation, particularly legislation regarding hotel safety. Many of the witnesses recommended a Federal requirement for sprinklers in hotels because legislation at local and State levels do not address this need.

The safety of people when they stay in hotels, must be addressed by the Congress before another and even larger tragedy, caused by fire, occurs. As citizens travel across the country, they deserve the security that fire safety measures are in place.

An article describing the Doubletree Hotel fire and expressing the view of the New Orleans fire superintendent that "with a sprinkler system, the fire would not have gotten going * * *" appeared in the New Orleans newspaper, the Times Picayune, on July 21, 1987. The article follows:

ARSON FEARED IN DOUBLETREE HOTEL FIRE

(By Walt Philbin)

A hotel fire that claimed the life of a security guard and caused the evacuation of hundreds of guests may have been the work of an arsonist, New Orleans Fire Superintendent William McCrossen said Monday.

Five guests of the Doubletree Hotel New Orleans, 300 Canal St., were treated for minor injuries at Tulane Medical Center. The Doubletree was formerly the International Hotel.

Henry Gonzales, 35, a hotel security guard, died from smoke inhalation, an autopsy by the Orleans Parish coroner's office showed Monday. Gonzales, a former New Orleans policeman, was the first to respond to the fire and was found passed out in the 10th floor hotel corridor. He was pronounced dead on arrival at Tulane Medical Center.

The fire was restricted to the 10th floor, which suffered heavy damage. The 11th floor had smoke damage, and the ninth floor had water damage, department spokesmen said.

McCrossen said, "Some things are suspicious about the fire and I am continuing to look at it. There's nothing definite at this point." He said fire and police arson investigators are looking into the cause of the fire.

McCrossen said his investigators had been able to rule out an electrical malfunction as the cause. He said investigators are looking into two false alarms called in Saturday night and internal alarms triggered on hotel elevators Sunday. Hotel spokeswoman Marian Eckstrom said the false alarms were set off manually and then reported by the hotel. She said she did not know on which floor the false alarms were pulled.

McCrossen said the fire began on the Uptown side of an L-Shaped corridor on the 17-story hotel's 10th floor. He said the floor was unoccupied because of renovations being done there. Eckstrom said new furniture was being placed in guest rooms on that floor. McCrossen said refurbishing was going on as early as Sunday afternoon, hours before the fire was reported at 10:22 p.m., but hotel officials were unable to confirm that report.

The fire chief said the hotel had smoke and heat detectors on the 10th floor, but investigators were examining them to find out if they operated properly. McCrossen said he suspected they did not, because the fire was well-advanced by the time it was reported.

McCrossen said the hotel did not have a sprinkler system except in a few general assembly areas like the dining room. He said the hotel was not required to have sprinklers because it was built before 1975, when city and state laws were enacted requiring buildings over 75 feet tall to have complete sprinkler systems. McCrossen said he knows of only one high-rise building built before that time, the Marriott hotel, that voluntarily re-fitted piping for sprinkler systems.

McCrossen said he believes with a sprinkler system the fire would never have gotten going and that the hotel's business would have been interrupted for an hour at most.

The 367-room hotel evacuated all guests in its 93 occupied rooms. They were put up at the Holiday Inn Crowne Plaza and reimbursed for the night's lodging and an evening meal. Doubletree is contacting each guest personally and offering them complimentary accommodations at a Doubletree hotel of their choice nationwide, Eckstrom said.

The Doubletree Hotel held a grand opening June 30 to celebrate its new name and a $5 million facelift. Operated by Doubletree, it is owned by two local groups—the Burrus Investment Group based in Metairie and a partnership led by Ray A. Liuzza, who spearheaded the construction.

## THE IMPORTANCE OF SOUTH KOREA'S PRESIDENTIAL ELECTION

### HON. BEN BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. BLAZ. Mr. Speaker, in the past several days, we have all become increasingly aware of the critical importance of the proposed constitutional reform and Presidential election in the Republic of South Korea.

Not only is it the first Presidential election since 1971—an important step in reestablishing democratic institutions in the strategically

vital Korean Peninsula—it is also a historic step for the people of Korea, who will be able to directly elect their President for the first time.

As a member of the House Foreign Affairs and Armed Services Committees, I share my colleagues' deep concern over the need for democratic solutions to the political challenges facing our Korean allies and continued stability on the peninsula.

It was especially enlightening to have met this week with Hon. Roh Tae Woo, chairman of the ruling Democratic Justice Party and the hand-picked successor to incumbent President Chun Doo Hwan. My colleagues also have become familiar, through international media coverage, with Kim Dae Jung, an outspoken opposition leader in the South Korean drama. Indeed, many of the progressive developments we are witnessing in the Korean political realm are the result of the persistent dedication of opposition leaders and parties.

There is another Presidential candidate whose low-key approach belies his outstanding record of achievement. I believe it is extremely important that we also take note of him.

I would like to share with my colleagues some impressions of that leader—Kim Young Sam, a statesman, key opposition leader for the past 30 years and President of the major opposition party—the Reunification Democratic Party.

I first met him last year and, though he has not had as much U.S. national exposure as the others, his credentials are exceptionally impressive and his commitment to democratic processes has been an inspiration to his countrymen.

Kim Young Sam was first elected to the National Assembly in 1954 at the age of 25, making him the youngest lawmaker in the history of South Korea. He was reelected seven times, served as floor leader five times, and twice was president of the major opposition party.

Because of his outspoken democratic commitment, he has been suppressed twice by military regimes: He was expelled from the National Assembly by the Park Chung Hee regime in 1979, when he was president of the New Democratic Party, and also was banned from politics from May 1980 until March 1985 by the current Chun Doo Hwan regime, which took power by coup d'etat in 1980.

Kim Young Sam has been placed on political trial twice for his opposition to dictatorship during the coup d'etats of 1961 and 1980. His life has been threatened repeatedly and he has been placed under house arrest or imprisoned several times.

Protests against the 1980 coup led to severe repression and his house arrest. In 1983, he began a hunger strike as a tribute to those Koreans who were killed in opposition protests of 1980. The 23-day ordeal brought national and international attention to the struggle of the Korean people for their quest for an end to military rule and a restoration of democracy.

In the February 12, 1985, general election, the major opposition party—which Kim Young Sam played a major role in creating—garnered 30 percent of the national vote. The opposition reorganized into the Reunification Democratic Party, and Mr. Kim accepted the presidency of the party in early 1987.

Kim Young Sam has consistently demanded that constitutional changes be made to replace the current electoral college with direct popular election of the President. As a result, the current regime has agreed to constitutional reform to do away with the electoral college and, in December, if all goes according to schedule, South Korea will conduct its first direct Presidential election.

A devoted Christian, Mr. Kim has published several books which present his political ideology and practical philosophy. He is a firm believer in achieving democracy in a peaceful, nonviolent manner. He has tried to prevent what he calls "the vicious cycle of vice."

In foreign affairs, he is a staunch defender of the United States-South Korean alliance and seeks what he calls a consolidation of the relationships with Korea's major allies: the United States, Japan, and European nations for the sake of Korea's national interests.

The Korean people are fortunate to have such a talented and dedicated champion of democratic rights and institutions.

## PRESIDENTIAL CITATION AWARDS FOR PRIVATE SECTOR INITIATIVES

### HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. FIELDS. Mr. Speaker, on July 23, 1987, President Reagan presented the 1987 awards for private sector initiatives. On this occasion, 100 businesses from around the country were honored for outstanding achievement in volunteer service and community outreach programs.

The President's Citation Program for Private Sector Initiatives was established in 1984 to recognize exemplary community involvement projects sponsored by businesses, trade associations, and professional societies. All private sector initiative projects qualifying for the citation program are eligible to fly the program's symbol—a red, white, and blue C-flag bearing the slogan, "We can—We care." The C-flag identifies the organization as a contributor to the American spirit of volunteerism and community action.

Each year, President Reagan presents 100 citations for private sector initiatives to the outstanding entries in the citation program. An awards committee, consisting of leaders from the business and association communities, reviews the entries and selects the top 100 programs for Presidential recognition. I am pleased to announce that the San Jacinto Chapter of the Telephone Pioneers of America was selected for recognition.

The San Jacinto Chapter of the Telephone Pioneers of America established their eyeglass bank in September 1985. Since that time over 30,000 eyeglasses have been collected from area individuals, churches, hospitals, eye clinics, schools, businesses, and other charitable organizations.

These glasses are cleaned, refurbished, and typed according to lens prescription. They are then prepared for distribution to needy persons in remote areas of Northern Mexico.

A special van equipped with eye-examination equipment is driven to the selected area and the local population may be examined and fitted with glasses for no charge. Trips are made as often as twice a year, sometimes more, depending on the availability of personnel and refurbished eyeglasses.

At this time over 10,000 pairs of eyeglasses have been distributed to the needy and over 20,000 people have been examined. The project is growing at approximately 50 percent per year.

I would like to extend a personal thank you to the San Jacinto Chapter of the Telephone Pioneers of America for their dedication to such a necessary and worthwhile endeavor.

## FREE THE AIRPORT AND AIRWAY TRUST FUND

### HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. HAMMERSCHMIDT. Mr. Speaker, the major challenge of today's air transportation system is the need to increase the capacity of our airways and airports to meet the dynamic growth in air travel. From 1976 to 1986, the number of passengers increased from 223 million to 418 million—an 87-percent increase in demand. This 87-percent growth in passenger demand was accommodated by a 30-percent increase in the number of flights.

Unfortunately, however, the Government has done little to keep pace with this dynamic growth, and the result today, as we painfully know, is an increase in the number of air traffic control delays. The critically needed modernization of the air traffic control system—embodied in the $16 billion National Airspace System Plan announced in 1982—is already $1.5 billion short and behind schedule. We need new runways, airport terminal facilities, and airport access roads. They are not being built to the extent necessary to meet today's demand, let alone tomorrow's.

These deficiencies in the infrastructure are becoming greater, despite the fact the users of the system have been paying fees into the Aviation Trust Fund, which now has an unobligated surplus approaching $6 billion. At the present rate of user charges and at the present rate of under-utilization of trust fund resources, according to the General Accounting Office, the surplus will reach $10 billion in 1989, and $12 billion in 1991.

The American spirit has always been characterized by rising to meet the future and to meet challenge. And the issue here is a very fundamental one. Are we going to reduce our expectations to meet current capacity? Or, are we going to expand our horizons and take the kind of bold political steps necessary to expand the capacity of our aviation infrastructure?

I believe that we have no choice but to take the latter course and would urge my colleagues to vote to remove the Aviation Trust Fund from the Administration and Congressional Unified Budgets. This issue will be before the House in the near future in connection with the reauthorization of the Airport Improvement Program.

## NEED FOR BETTER UNDERSTANDING BETWEEN U.S.-U.S.S.R. IS A TWO-WAY STREET

### HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Miss SCHNEIDER. Mr. Speaker, today I am joining my colleague, Representative MO UDALL, in introducing a resolution to encourage greater exchanges between Members of Congress and members of the Supreme Soviet, the Soviet Union's parliamentary body. This resolution is similar to one introduced in the last Congress, but even more timely. The Soviet Union under General Secretary Gorbachev is undergoing dramatic changes—changes that not only affect the Soviet people, but that affect the Soviet role in international politics. If Members of Congress are to make informed decisions about the relationship between the United States and the Soviet Union, it is imperative that we become aware of these changes. Clearly, there is no substitute for personal experience as a way of bringing about that awareness.

The need for better understanding between the United States and the Soviet Union is a two-way street. It is just as important that a wider range of Soviet officials be encouraged to visit the United States so that they can make up their own minds about the strengths and flaws of our system.

Every day, decisions are made by Congress and the Supreme Soviet that attempt to assess intentions and goals as well as the political and military capabilities of the other side. These debates will not be simplified by increased awareness of the culture, government, and people on the other side, but certainly the quality of the debates will be improved. Increased awareness resulting from exchanges with Soviet delegates will add to the debate the richness of personal experience.

To my colleagues who are contemplating a visit to the Soviet Union, I would commend a pamphlet prepared by the Federation of American Scientists entitled "Raising the Rate of Exchange." It contains historical perspectives on traveling to the Soviet Union, information on congressional trips, and it presents a very strong case for the value of firsthand experience.

Mr. Speaker, there simply is no good reason that so few of the Members of Congress have felt compelled to visit the Soviet Union. Ours is a nation that prides itself on the freedom to travel and to learn about other people. Establishing greater contact between the two most powerful nations in the world should be viewed as not merely an opportunity, but an obligation.

## NATIONAL HISPANIC HERITAGE WEEK

### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. RODINO. Mr. Speaker, it is a great privilege for me to join with my friends in New Jersey's Hispanic community in recognizing and celebrating the great contributions Hispanic Americans have made to our Nation.

This year the third week of September is designated as "National Hispanic Heritage Week." This is a time to call attention to the many ways in which our country has been enriched by the various Hispanic cultures. Many prominent Hispanic organizations, including La Casa de Don Pedro, Aspina Inc. and F.O.C.U.S. in Newark, NJ, have honored this heritage by effectively serving and helping the Hispanic community. In recognition of all these contributions, I have joined in sponsoring legislation to extend this commemoration from 1 week to 1 month.

The Hispanic community in the United States comprises more than 18 million people and represents almost 8 percent of the U.S. population. Hispanics are one of the fastest growing population groups in the country.

From the very discovery of America until today, the Spanish settlers and their descendants have added invaluably to the rich diversity of our society in which all of us take pride. The Hispanic legacy includes artists, writers, Olympic champions, and leaders in business, government, cinema, and science. Hispanics have fought in the Revolutionary War and every subsequent armed conflict involving the United States. They make up the largest number of Congressional Medal of Honor winners of any ethnic group.

The Hispanic community has enriched American society beyond measure. That is why we must continue our efforts to address the many problems which threaten to prevent Hispanic Americans from participating fully in that society. We must work to ensure that there are no barriers for Hispanic Americans in the areas of employment, housing, and education. As we celebrate National Hispanic Heritage Week, let us all reaffirm our commitment to ensuring that equality of justice and opportunity are enjoyed by all Americans.

## AIDS EDUCATION

### HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. STANGELAND. Mr. Speaker, I am submitting for the RECORD today an article regarding AIDS education program in the St. Cloud, MI, community.

This excellent article, written by Dr. Yomtovian, points out that the St. Cloud area has become the leading community with grassroots support for public awareness of AIDS. I am proud of the community's accomplishment, and hope other communities throughout the Nation will be able to benefit from St. Cloud's success.

St. Cloud Minnesota has been a recognized leader in providing its citizens—men, women and children—with AIDS awareness education. These efforts began as far back as 1983 when St. Cloud Hospital implemented a predeposit self-blood (autologous) donation program for patients undergoing elective surgery. This was started two full years before a screening test to detect the AIDS virus was utilized to screen blood donors. It remains the most active program of its kind in Minnesota and has received national recognition. Its growing use further assures the safety of the national blood supply.

In 1985, when only a handful of AIDS cases had been diagnosed in Minnesota, the St. Cloud Granite Rotary Club initiated a Community AIDS Awareness Education Program. It remains the only known Rotary Club with such a program. It has been the catalyst for many AIDS educational activities in Central Minnesota. These activities include: preparation of a resource book and sponsorship of a workshop for elementary and high school teachers; sponsorship of a seminar at a local university; distribution of AIDS educational materials; sponsorship of and participation in numerous community presentations to other service clubs and professional groups; interfacing with the local media; participation in the Community AIDS Task Force; development of a video, primarily targeted to service club organizations, illustrating and emphasizing the importance of community networking in AIDS awareness education and providing a model approach to accomplish this goal.

In 1986, School District 742 had in place and began to utilize a comprehensive AIDS curriculum developed through local networking and resource sharing. In this same year an alternate test site for AIDS virus blood screening was started in St. Cloud. Finally, again in 1986 a multi-disciplinary community wide AIDS Task Force was convened to unify the community's response to AIDS related issues.

All of our community AIDS activities are ongoing. The singular goal is to reduce and prevent transmission of the AIDS virus. We hope that Central Minnesota will provide a useful model to other communities, of similar size, in achieving this goal.

## TRIBUTE TO THE CALIFORNIA HIGH SCHOOL SPEECH ASSOCIATION HALL OF FAME

### HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. LEHMAN of California. Mr. Speaker, today, on the 200th anniversary of the Constitution, I rise in honor and to pay tribute to a group of individuals who help to embody the spirit and principles of that historic document—the California High School Speech Association Hall of Fame.

The California High School Speech Association [CHSSA] was formed in 1957. Its goal has been to provide young men and women with an appreciation for freedom of speech and to give them the oral communication skills which are critical to maintaining our free society. Through curricular and competitive speech, high school teachers and coaches have, through CHSSA, instilled vital skills necessary to conveying views and opinions and have been instrumental in the success of many of our finest leaders.

In October of 1986, the California High School Speech Hall of Fame was established and in January of 1987, the first 10 members were elected to the hall. These original 10 members were chosen on the basis of their years of service, their leadership, their excellence in coaching, their contributions to the development of CHSSA, and their contributions to the development of oral communication curriculum in California.

Three of the ten speech leaders appointed to the CHSSA Hall of Fame are currently teaching and coaching and include: Donovan Cummings of Stockton and Carmendale Fernandes and Natalie Weber, both of Sunnyvale.

Four members of the CHSSA Hall of Fame are retired and include: Gertrude Baccus of Redlands, Joseph Lagnese of National City, Ernest Poletti of Tracy, and Mary Ritter, of Modesto. The three deceased leaders in the speech community who were appointed to the CHSSA Hall of Fame include: Day Hanks of Los Angeles, Betty Perkins of Merced, and Edna Spelts of Modesto.

Freedom of speech, the ability to utilize this freedom to convey one's views, and democracy are inseparable. 200 years ago the framers of our Constitution realized this vital link and members of the CHSSA Hall of Fame have sought to perpetuate this freedom today.

Again, I honor and pay tribute to the ten Californians, living and deceased, who have been named to the California High School Speech Association Hall of Fame.

## LAURENT R. McDONALD—AIR FORCE "AIRMAN OF THE YEAR"

### HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. BOLAND. Mr. Speaker, earlier today I had the pleasure of meeting with a very special constituent, Sgt. Laurent R. McDonald of Southbridge, MA, who has been selected as one of the Air Force's 12 outstanding Airmen of the Year.

Sergeant McDonald and the other recipients of this award are in Washington this week with their families to be honored for the superlative service they have given their country. Anyone who has served in the Armed Forces knows that the non-commissioned officers are the backbone of the organization. It is fitting, therefore, that the Air Force recognize the outstanding among its ranks of Airmen.

I can think of no one who could be more deserving of this honor than Sergeant McDonald. In less than 5 years of active duty, Sergeant McDonald has distinguished himself as a leader among his peers while dutifully carrying out all tasks laid before him—and then some. He was an honor graduate in basic training; he graduated with a 96.7 grade average from technical training school, where he was a fire protection apprentice; and he was selected "firefighter of the month" twice during his on-the-job training to become a firefighter.

In his first assignment as a fire protection specialist with the 51st Civil Engineering Squadron at Osan Air Force Base in South Korea, Sergeant McDonald wasted little time in demonstrating that his sense of duty sets him apart. On April 5, 1986, responding to an underground fuel tank explosion and subsequent fire, Sergeant McDonald saved a victim of the fire, carrying him 300 yards to medical assistance. For most people, I imagine that is more than a day's work. Sergeant McDonald's day was just beginning, however. He went back into the fireball to search for more survivors, and when rescue operations became impossible, he manned a firefighting vehicle for 16 hours until the fire was finally declared under control.

In Sergeant McDonald's mind, his work is not completed until the task is completed. It is that sort of thinking that no doubt saved lives in that blaze. It is that sort of thinking that makes him a hero. For his gallantry, he was awarded the Airman's Medal, another in a long line of testaments to his worth both as a serviceman and a public servant.

Mr. Speaker, Sergeant McDonald is an exceptional young man, and my pride in him is surpassed only by that of his parents, Larry and Nancy McDonald, who joined him for this week's recognition activities in Washington. I would like to extend my heartfelt congratulations to him and his family for the honor he has received and wish him continued success in his Air Force career.

## TRIBUTE TO JOSEPH AND LUCILLE ALANZO ON THEIR 50TH WEDDING ANNIVERSARY

### HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. TORRICELLI. Mr. Speaker, it is with great pleasure that I rise to mark the 50th wedding anniversary of Joseph and Lucille Alanzo. Tomorrow evening, at a gathering of family and friends, Joseph and Lucille will celebrate the sanctity of marriage and the devotion which has bonded them together for the past 50 years.

Joseph and Lucille are a special couple. Both Joseph and Lucille were born and raised in Lyndhurst, NJ, and together, as husband and wife, they remained in Lyndhurst to raise a family of their own. The proud parents of two children, Joseph and Lucille now look forward to the many hours spent with their four active and adoring grandchildren. All three generations of the Alanzo family are respected members of the Lyndhurst community. The family is known and loved throughout the town.

In a world which is often turbulent, and at a time when basic values are too often questioned, Joseph and Lucille Alanzo's 50 years of marriage is an example for us all to follow. With faith in themselves and each other they have built a relationship which has stood the test of time and created a home where all are welcome. I join with their family and the entire town of Lyndhurst in wishing them many more years of health, happiness and harmony.

## TRIBUTE TO JOSEPH M. BROWN

### HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. CLAY. Mr. Speaker, I would like to acknowledge before Congress the outstanding performance of Joseph M. Brown, a lay member of the Washington Metropolitan A.M.E. Zion Church in St. Louis, MO.

Mr. Brown, a life member of Washington Metropolitan, has served for a number of years on the board of trustees and has provided leadership in other aspects of the life of the church. In addition, he has been an active participant in multiple organizations and in the larger community.

He was honored on September 12, 1987, for having served as chairman of the Lucas Heights Redevelopment Board. Through his exceptional leadership, which spanned a 15-year period, the redevelopment board has successfully brought to completion three phases of housing development which has substantially increased the number of new housing units in the city. This development has also served as an anchor in the northside community as well. Such leadership is indeed rare.

In closing, Mr. Speaker, I would like to congratulate Mr. Brown for his outstanding performance not only to his church, but, to the St. Louis community as well.

I ask that my colleagues join me in honoring this distinguished gentleman from my district.

## HONORING THE 25TH ANNIVERSARY OF THE LOS ANGELES, ORANGE COUNTIES, AFL-CIO ORGANIZING COMMITTEE

### HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. TORRES. Mr. Speaker, I ask my colleagues to join with me in honoring the 25th anniversary of the Los Angeles, Orange Counties, AFL-CIO Organizing Committee.

The Los Angeles, Orange Counties Organizing Committee was created in 1962 by the national AFL-CIO under the leadership of the late President George Meany. The union wanted to combine the resources of the many unions in the area in a cooperative effort to organize the many thousands of workers in the two counties. This pilot program was the first of its kind and has achieved a high degree of cooperation between the various unions. The program has also been a major source of support in organizing over a million workers.

The California Labor Federation, the Los Angeles County Federation of Labor and the Orange County Central Labor Council have from the very start been an integral part of the support structure for the organizing committee. The success of the organizing committee has helped encourage and guide the formation and development of similar committees in other areas of California and in other States.

Mr. Speaker, I am proud to recognize the 25th anniversary of the organizing committee. I wish it well and hope it continues to help workers retain their rights to organize and engage in collective bargaining.

## THE 461ST BOMBER GROUP REUNION

### HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. COURTER. Mr. Speaker, on September 24, 1987, a group of brave and heroic men will gather for their first reunion in 42 years. These men served as a bomber crew, based in Cherignola, Italy, during World War II. Assigned to the 461st Bomber Group, the crew flew more than 60 missions and was shot down on 3 occasions. Every member received the Air Medal, four Oak Leaf Clusters, three Presidential Unit Citations, and European and Mediterranean Theatre Combat Ribbons with seven and eight clusters, respectively. Many were also awarded the Purple Heart.

The members of the crew, Robert J. Louches, George R. Carrier, Bruce T. Newstead, Charles Meisenheimer, James C. Martin, Willard P. Gray, Joseph T. Mullin, Joseph Massoni, and Donald J. Fitz Maurice, have served their country with honor and dignity. I ask you to join me in thanking these men for the service to the United States and in wishing them well in future endeavors.

## SHAYS' REBELLION AND THE CONSTITUTION

### HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, September 17, 1987*

Mr. CONTE. Mr. Speaker, earlier this year the Nation recognized the importance of Shays' Rebellion to our national history when this Congress declared the week beginning January 19, 1987 as Shays' Rebellion Week. Now, as we commemorate the 200th anniversary of the signing of the Constitution, it is time for us to again reflect on the events leading up to the call for the Constitutional Convention.

As you know, Mr. Speaker, Shays' Rebellion was the uprising of several hundred farmers in the face of increased State taxes and court seizures of their land. Shays' followers were not simply rallying behind a charismatic leader. Each of those men had earnest concerns unanswered by the State.

Within Massachusetts this rebellion expressed the sentiments of hundreds of farmers around the State. It was not the first time the courts were protested. However, it was the first and loudest battle.

The news of the uprising in Massachusetts spread quickly. As one historian has put it, "If Massachusetts, the second oldest political community in the United States and the one with perhaps the best and most moderate constitution, could be convulsed by rebellion, what did this insurrection portend for the Nation as a whole?"

The answer to that question was the Constitutional Convention convened 3 months later. By then the ripples from Shays' message had reached every corner of our new nation and the need for strong central government was clear. The Articles of Confederation did not guarantee Americans a responsive forum for their concerns. When State taxes increased, the only recourse was rebellion. That repressive early government did not guarantee fundamental freedoms to the citizens of Massachusetts—freedoms such as the right to representative government. Two hundred years later we in Congress continue to pursue those freedoms for our constituencies.

Mr. Speaker, I am genuinely proud of the active role that the people of western Massachusetts have maintained in support of the Constitution. On the day of the 200th anniversary of the signing of the Constitution, the celebrations in the First District will be truly heartfelt.

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